

1989  
DIAMOND DRILLING  
REPORT ON THE  
MILL 1 & MILL 2 CLAIMS  
B.C.

LOG NO: 0606	RD.
ACTION:	
FILE NO:	

by  
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Project Geologist  
for  
UNITED KENO HILL MINES LIMITED

**GEOLOGICAL BRANCH  
ASSESSMENT REPORT**

**20,032**

NTS: 104 M/15  
Atlin Mining Division  
Latitude 59°57' Longitude 134°42'  
Date: March, 1990

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION . . . . .	1
LOCATION AND ACCESS . . . . .	1
PROPERTY AND HISTORY . . . . .	1
PHYSIOGRAPHY. . . . .	2
REGIONAL GEOLOGY . . . . .	2
SUMMARY AND CONCLUSIONS. . . . .	13
REFERENCES . . . . .	15

APPENDIX I: DRILL SECTIONS

APPENDIX II: DRILL LOGS

APPENDIX III: ASSAY SHEETS

APPENDIX IV: STATEMENT OF COSTS

APPENDIX V: LETTER OF QUALIFICATION

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## INTRODUCTION

A detailed mapping, prospecting, and sampling program was carried out on the MILL 1 claim in B.C. by a two to four man crew during the period June 7th to July 9th and August 21st to August 31st, 1989. Mapping was carried out at a scale of 1:5,000. Several large multi-element soil anomalies were outlined on the property toward Tutshi Lake. The anomalies were situated between the carbonate units and also across the units along structurally controlled pathways. Strong copper mineralization had been discovered related to the felsic intrusions cropping out on the southeastern portion of the property. Previous drilling indicated that mineralization and alteration increased with depth and that the felsic dykes in the area carried anomalous values in arsenic and gold.

It was decided that a fence of diamond drill holes across stratigraphy would be the best way to determine: i) lithology of units at depth; ii) the extent of mineralization within the felsic intrusives and iii) any mineralization within the conglomerates situated between the carbonate units. The drilling program commenced on October 29 and was completed by November 13. Two holes were drilled before the program was stopped due to the lack of funds. The drilling was done by E. Caron Diamond Drilling Limited.

## LOCATION AND ACCESS

The MILL 1 and MILL 2 claims are located in northern B.C., at the Venus Mill site, at latitude 59°57' and longitude 134°42' on N.T.S. map sheet 104 M/15 (figure 1). The South Klondike Highway cuts through the north end of the property, which is located about 32 km south of Carcross, Yukon Territory. The claims extend from Tutshi Lake at its south end to 2.5 km to the north, across the highway.

The MILL 1 claim consists of 5 units south by 3 units to the west and MILL 2 consists of three units on the eastern boundary of the MILL 1. Access to the property is from the highway.

## PROPERTY AND HISTORY

The Mill property consists of two claims comprised of fifteen units and three units each (Figure 2).

Claim	Record Number	Location Date	Recording Date	Expiry Date	NTS
MILL 1	3110 (2)	Feb. 7, 1988	Feb. 10, 1988	Feb. 10, 1994	104 M/15
MILL 2	3793	Sept. 28, 1989	Sept. 28, 1989	Sept. 28, 1990	104 M/15

Previous work in the area, before United Keno Hill Mines staked it, consists of an adit into altered conglomerate and limestone, which dates from the seventies, and was blasted for copper. At least seven other pits were located (figure 4), one occurring north of the highway in limestone and containing copper mineralization. All the others were either in conglomerate



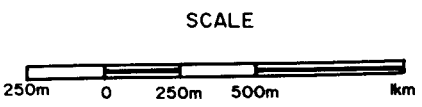
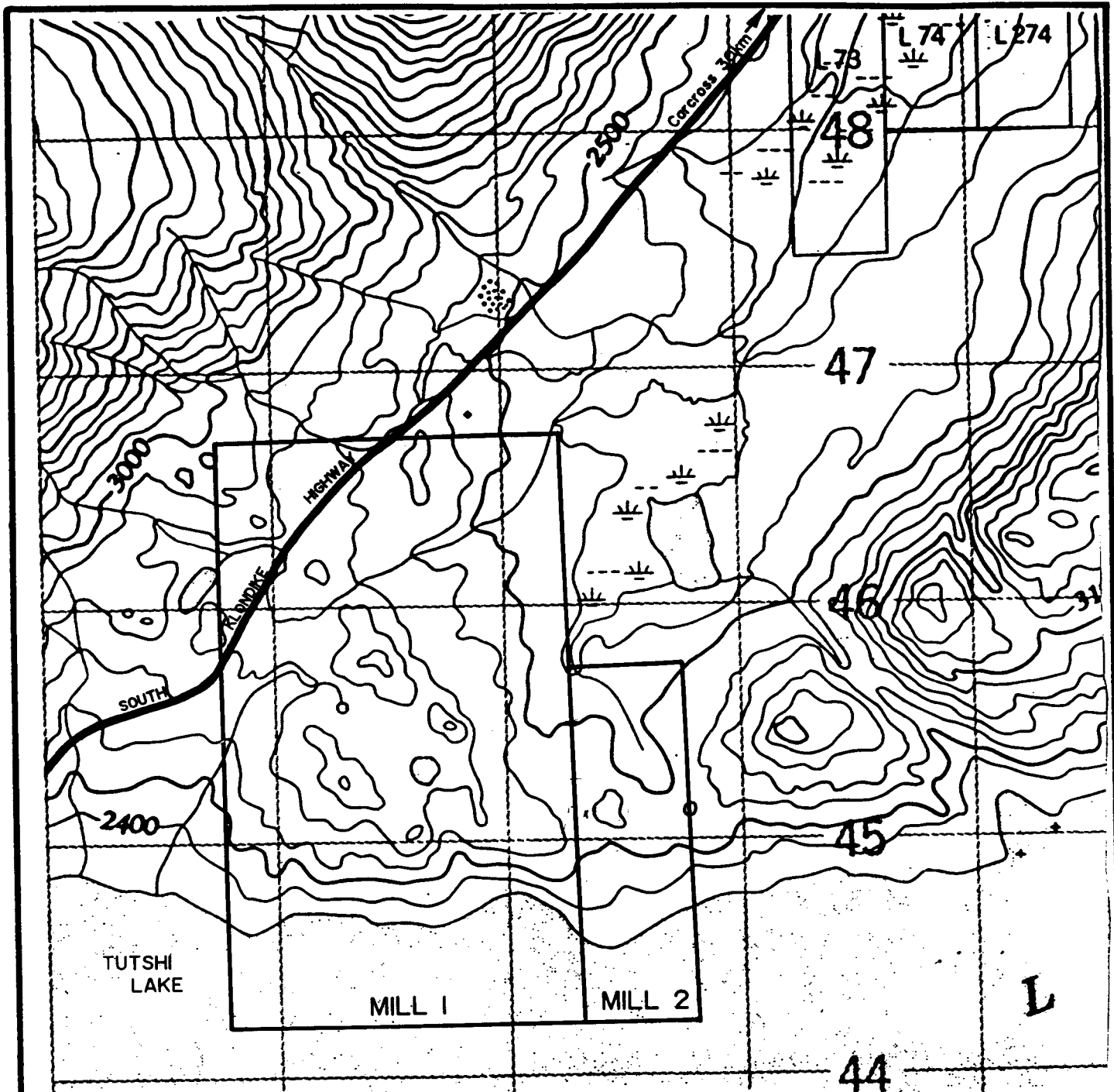
UNITED KENO HILL MINES LTD.  
 EXPLORATION DEPARTMENT  
 WHITEHORSE — YUKON FIGURE I

MILL CLAIM  
 PROPERTY LOCATION MAP

*Mining District* WHITEHORSE  
*N.T.S. Sheet No.* 105-D/2  
*Scale*

*Drawn by* H.D.P.

*Date* 88/02/29



<b>UNITED KENO HILL MINES LTD.</b> EXPLORATION DEPARTMENT WHITEHORSE - YUKON	
FIGURE 2	
<b>MILL CLAIM</b> <b>CLAIM LOCATION MAP</b>	
<b>Mining District</b>	ATLIN
<b>N.T.S. Sheet No.</b>	104-M/15
<b>Scale</b>	1 : 25,000      1cm=250m
<b>Drawn by</b>	H.D.S.
<b>Date</b>	90/03/07

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or a fine-grained felsic intrusive and contained copper-zinc-lead mineralization. The pits seem to follow the contact between the intrusive and the altered conglomerate unit. The oldest work on the property was at the turn of the century, when the ridges were prospected for Venus vein type occurrences. Many of the pits seem to date from this period.

The showings on the MILL 1 claim were discovered in May of 1987, by UKHM, during a prospecting traverse to examine the carbonate bluffs. A copper showing was encountered in the strongly altered conglomerate unit adjacent to a carbonate ridge. Assays indicated low values of gold and copper. Subsequent work included a geochemical and geological survey done over an area 450 metres by 250 metres. This survey outlined several anomalous areas, consisting of arsenic, gold, and copper, and lead and zinc, and the MILL 1 claim was subsequently staked in 1987, consisting of 15 contiguous units. MILL 2 was staked in the summer of 1989 to cover ground to the east of the large anomalies.

A geophysical survey, consisting of proton magnetometer and two VLF stations, was performed in the area from the highway to 300 meters southeast of the tailings structure in the fall of 1987. Geology and structure were further delineated, and in May of 1988 drilling commenced in the tailings pond area. Fifteen hundred feet of diamond drilling was completed. The drilling indicated that alteration (skarn) of the conglomerate units increases substantially with depth. Clast replacement with pyrite, pyrrhotite and chalcopyrite along with epidote, chlorite, and carbonate minerals increased with depth. Also, Porphyry dykes were encountered which were not previously mapped on surface. The dykes were strongly altered to clays and contained varying amounts of arsenopyrite filled fractures and stockworks.

### PHYSIOGRAPHY

The property is defined by two major northwest-trending ridges and one lesser one to the north, in between which there exists low swampy alder covered ground, as well as poplar and aspen, with small ponds. The southern most ridge is bounded by a large stream which lies to the southwest of it, and drains into Tutshi Lake. Other creeks in the northern and eastern part of the property drain areas from the east, south, and west. Elevations on the property vary from 2300 feet at lake level to 3000 feet on the north end. Ridge tops are grass covered with stunted spruce. North slopes are covered in heavy timber, thick bush and dead-fall, while south slopes are slightly less vegetated with poplar and aspen, grasses, and alders.

### GEOLOGY

#### Introduction

In the summer of 1989 mapping on the MILL 1 claim was carried out at a scale of 1:5,000. The goal of the mapping and sampling program was to determine if the alteration of the conglomerate unit extended southeast along strike to Tutshi Lake as well as to the northwest.

Results of the program were positive. The existence of the altered

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conglomerate was proven.

### Tectonic Setting

The study area occurs in Stikinia terrane which is dominated by rocks of the Whitehorse Trough (Wheeler, 1961). The trough consists of Mesozoic forearc basin rocks which, along with the Paleozoic Cache Creek terrane, are part of an island arc assemblage called Terrane I (Monger et al., 1982). This assemblage collided with and was obducted over the North America craton during the mid-Jurassic. The boundary is marked by the Teslin suture zone, approximately 90 km to the east of the project area. The Cache Creek terrane is juxtaposed against the Stikinia terrane by a northwest trending extension of the Nahlin fault, just to the east of the project area. The western boundary of Stikinia is marked by a major dextral transcurrent fault, the Llewellyn fault, which is considered to be an extension of the King Salmon fault (Mihalynuk and Rouse, 1988). This fault marks the contact with Upper Paleozoic and older amphibolite to greenschist facies metamorphic rocks, and plutons of the Coast Plutonic Complex.

### Rock Units

A general geology map compiled from Mihalynuk and Rouse (1988) and Hart and Pelletier (1989) is shown in Figure 3. The geology has been updated from Wheeler (1961) and Christie (1957).

Rock units encountered on the MILL 1 claim consist of Stuhini Group Upper Triassic volcanics, volcanic sediments, limestone, interbedded siltstones and argillites, and conglomerate. This Group is referred to as "Lewes River Group" rocks on the Whitehorse map sheet. The eastern most carbonate unit, which extends from south of Tutshi Lake and continues through the Mill area and to the Rigel claims, marks the boundary with overlying lower Jurassic Laberge Group, Inklin Formation rocks, the contact of which varies from conformable to unconformable (Hart and Pelletier, 1989).

The Laberge Group consists of conglomerate, greywackes, sandstones, siltstones, and argillites, interbedded in various combinations. Generally the conglomerate and sandstone occur together as massive beds, while the siltstones and argillites form thin bedded units.

Coast Plutonic Complex plutons and stocks intrude older Whitehorse Trough rocks near the study area, across Tutshi Lake. Two small satellite stocks occur on the southwestern end of the Mill property. The predominant rock type is a fine-grained rhyolitic to feldspar-porphyry intrusive which is usually silicified. Compositionally the rock is very felsic, with less than 5% mafics present.

Felsic intrusions encountered in the 1988 diamond drilling program were located as surface outcroppings. Two small intrusive bodies were encountered, as well as several intrusive dykes, all in the southeast corner of the property. The dykes consist of feldspar-quartz porphyry, which strike north to northwest, west striking quartz-feldspar porphyry dykes, and west to northwest striking quartz diorite dykes. The two intrusive bodies occur towards the southeast end of the property, and can be described as aphanitic siliceous felsic intrusives, which displayed slightly coarser-grained phases

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at their centers consisting of feldspar porphyritic felsic intrusives. Essentially the intrusives are rhyodacitic in composition.

The following table summarizes the units on the MILL claims.

### LATE AND MIDDLE CRETACEOUS(?) (Possibly younger)

- Feldspar porphyry dyke
- Quartz-feldspar porphyry dyke
- Quartz diorite dyke

- 3 Siliceous rhyodacitic intrusive
- 3a aphanitic
- 3b feldspar porphyritic

### LOWER JURASSIC

#### 2 LABERGE GROUP INKLIN FORMATION

- 2a Siltstone and argillite
- 2b Conglomerates and arenaceous wackes

### UPPER TRIASSIC

#### 1 STUHINI GROUP

- 1a Norian Carbonates
- 1b Conglomerate; volcanic and intrusive clasts
- 1c Siltstone, argillites and mudstone
- 1d Undifferentiated volcanics and sediments
- 1e Hornblende phyrlic lapilli ash tuffs and tuffites
- 1f Green pyroxene feldspar porphyritic tuffs and breccias
- 1g Conglomerate; intrusive clasts
- 1h Variegated feldspar-phyric tuffs and lesser flows

### Structure

The Llewellyn Fault is a major dextral transcurrent extension of the King Salmon fault. On the north end, displacement is east side up, while on the south end the displacement is west side up indicating a rotating scissor type motion. The fault is a major zone of structural weakness along which felsic intrusive bodies have been emplaced.

On a regional scale contacts between the units strike northwesterly, as does the foliation. Bedding on a local scale is also northwest striking, and dips steeply to the northeast. Minor folding was outlined in the Stuhini Group volcanics, but in general the units on the property have not been affected by extensive folding.



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The contact between the altered conglomerate unit and the lower limestone unit appears to be fault controlled. In all cases the conglomerate unit is severely strained at this contact, such that the clasts are flattened and the matrix is altered to limonite and associated iron oxides. Minor microscale carbonate-quartz veinlets in the carbonate unit trend northwest as well. The faulting appears to be brittle-ductile and transcurrent. The contact of the conglomerate unit with the upper limestone also appears to be faulted in several places, as the limestone is brecciated within a metre from this contact, contains abundant iron carbonate weathering, and the conglomerate unit displays some minor flattening of clasts. The faults would appear to be a locus for mineralizing fluids. Microscale structures, such as quartz and calcite veinlets in the limestone are always offset dextrally along northwest trending slip surfaces. This agrees with the regional movement on the Llewellyn Fault.

Later northeast trending faults are common throughout the area. They offset the carbonate and conglomerate units, and appear to be later than the alteration, the northwest faulting, and mineralization. However, the intersection of the northeast and northwest faults could be important for reconcentration of ore. Movement on the northeast faults is both dextral and sinistral, in general the more northeast trending ones demonstrate dextral movement while the east-northeasterly striking faults display sinistral movement. There is also a dip slip component of rotation on these faults as the units change thicknesses across the fault contacts (figure 4).

Dykes in the area generally strike north to northwesterly, and a few strike westerly. They seem to parallel rock unit contacts and fault structures. The north striking dykes are reflected in small brittle faults which are seen on the mesoscale in most of the units, and have a north to north-northwest trend. As well, small east trending faults and microslips are observed in the carbonates and Triassic sediments, although their timing is unknown. All these faults are minor, with no associated large scale movement, but suggest that the dykes intruded along earlier fault surfaces and contacts.

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### 1989 DIAMOND DRILLING RESULTS

The geology encountered in the drilling varied considerably from the surface. Argillites and tuffs, cherts and wackes were the predominant rock types intersected. The LaBerge Group clastic sediments held no surprises and consisted of interbedded conglomerates and sandstones with the occasional mudstone unit. The LaBerge rocks became finer grained as the Norian carbonates were approached. Mudstones and siltstones become prevalent near the contact. The rocks were generally unaltered and displayed only moderate deformation consistent with regional structure. Some sections were broken and contained minor quartz veinlets with pyrite and occasionally minor amounts of chalcopyrite. The rocks predictably became more calcareous toward the contact with the carbonates.

The black and gray Norian carbonates appear to have taken the brunt of deformational stresses and expressed the forces as shearing and brecciation with abundant graphite filled fractures paralleling the contacts. Internal sections of the carbonate contain stylolites. Primary features are rare and vague at best. Lower contacts are far more deformed than the upper with meters of totally recrystallized calcite and calcite veining.

The rocks intersected below the carbonate in hole M89-1 were strongly altered and mineralized at the contact and became less altered and mineralized away from the carbonate contact. The abundant epidote and chlorite alteration imparts a green colour to the rock which gradually gives way to a gray colour with depth. The rocks have undergone severe structural deformation as the existence of breccia zones and abundant quartz veining would imply. As the alteration decreases, the fracturing diminishes and fracture filling becomes calcite with pyrite as opposed to quartz with chalcopyrite. The majority of the mineralization present occurs as sulphide replacement of clasts and matrix. Chalcopyrite, pyrite and pyrrhotite occur in varying amounts to 30% or more of the total rock in a 4.5 foot section from 694.5 to 699. This intersection averages 1.58% Cu, 1.20 opt Ag and 0.06 opt Au. The entire 14.5 foot intersection averages 0.855% Cu, 0.7 opt Ag and 0.03 opt Au.

Hole M89-2 presented an almost entirely different geological picture. The conglomerate intersected below the carbonate in the previous hole was not present. In its place was a green mottled looking fine grained siliceous material with relic laminations visible. The laminations became more prominent as the hole progressed and eventually revealed itself as finely banded tuffs and cherts. Occasional conglomerate beds were encountered. The conglomerates are predominantly andesite pebble in composition and may actually be variegated feldspar phyric tuffs and flows. Although a carbonate intersection was predicted the unit was never intersected. In its place was a calcareous shale or argillite which, in places, is strongly fractured and silicified.

Felsic dykes were encountered in all of the units. Host units are invariably brecciated as are the dykes themselves. Mineralization within the dykes is restricted to occasional pyrite in stringers. The arsenopyrite within the dykes encountered so frequently in the 1988 drilling does not appear in the dykes intersected during this program.

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### CONCLUSIONS AND RECOMMENDATIONS

The appearance of the tuff and chert units between the two carbonate units indicates that the down dip stratigraphy of the units exposed on surface changes considerably. The presence of the volcanic material increases the likelihood of the presence of massive sulphides on the property. The copper mineralization occurs as replacement blebs within a strongly altered chloritic rock of questionable lithology. Immediately above the copper mineralization is a carbonate unit and stratigraphically below is a thick succession of calcareous argillites and siliceous tuffs containing abundant hematite and pyrite respectively. Also, some stibnite was located on fracture surfaces in hole M89-2. No satisfactory explanation has been found for the large zinc and arsenic anomalies located on the property.

The carbonates grade into argillites down dip indicating a change in depositional environment. Volcaniclastic units consisting of volcaniclastic pebble conglomerate, wacke and felsic tuffs become increasingly prevalent at depth suggesting a foreshore or shallow basin depositional environment.

Logging conditions during the drill program were very poor. It is recommended that the core be relogged to differentiate between volcaniclastic and sedimentary units, primarily between conglomerates, and feldspar phytic tuffs and flows. Thin sections of the mineralized core should be made to determine the host rock and the style of mineralization. Polished sections could be used to determine ore petrology.

The larger of the geochemical anomalies should be diamond drilled to determine their source. The holes should be drilled in the same manner as the present program. Fences should be spaced at 50 meter intervals. Also, some holes should be drilled in a northwest direction in an attempt to intersect cross faulting structures to determine if they have acted as dams for remobilized fluids. Hand trenching on some of the smaller anomalies located near surface may be advisable as a beginning.

Bore Hole Pulse EM could be used in conjunction with the diamond drilling to further facilitate target location.

CORE STORED AT THE VENUS MILLSITE

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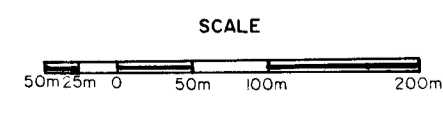
**GEOLOGICAL BRANCH  
ASSESSMENT REPORT**

- UPPER CRETACEOUS (?)  
INTRUSIVES**
- 1 Feldspar-quartz porphyry dyke
  - 2 Quartz-feldspar porphyry dyke
  - 3 Quartz diorite dyke
  - 3 Siliceous rhyodacitic intrusive  
a) aphanitic b) feldspar porphyritic
- LOWER JURASSIC  
LABERGE GROUP  
INKLIN FORMATION**
- 2a Siltstones and argillites
  - 2b Conglomerates and arenaceous wackes

- UPPER TRIASSIC  
STUHINI GROUP**
- 1a Norian carbonates
  - 1b Conglomerates, volcanic and intrusive clasts
  - 1c Siltstones, argillites and mudstone
  - 1d Undifferentiated volcanics and sediments
  - 1e Hornblende phytic lapilli ash tuffs and tuffites
  - 1f Green pyroxene feldspar porphyritic tuffs and breccias
  - 1g Conglomerate, intrusive clasts
  - 1h Variegated feldspar-phyric tuffs and lesser flows

- LEGEND**
- Outcrop
  - Quartz and/or calcite and siderite veining and alteration
  - x Mineral occurrence
  - Geological boundary defined, approx., assumed
  - - - Trench
  - ~ Vein inclined, vertical
  - ~ Drag fold, plunge indicated
  - ~ Fault defined, inferred
  - ~ Bedding inclined, vertical
  - ~ Cleavage inclined, vertical
  - ~ Joint inclined, vertical

— Diamond Drill Hole



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EXPLORATION DEPARTMENT  
WHITEHORSE - YUKON

**MILL CLAIM  
GEOLOGY MAP**

District ATLIN  
N.T.S. Sheet No. 100-1-10  
Scale 1:5,000 1cm = 50m

Drawn by HCF Date 89/03/22

FIGURE 4

**GEOLOGY OF THE TUTSHI LAKE AREA**

NTS 104M/15

MITCHELL MIHALYNUK AND JONATHAN ROUSE

SCALE: 1:50 000

**LEGEND**  
LAYERED ROCKS

**QUATERNARY**

Qal Unconsolidated glacial till and poorly sorted alluvium

**UPPER CRETACEOUS(?)**  
MONTANA MOUNTAIN VOLCANICS

uKuv Intermediate to felsic pyroclastics and flows; typically altered and orange weathering; crosscut by 64Ma<sup>1</sup> intrusive

**MIDDLE TO UPPER JURASSIC (?)**

muJv Variegated pyroclastic lapilli tuffs; banded feldspar porphyry flows

muJc Clast-supported conglomerate derived primarily from Inklin Formation siltstones and argillites

**LOWER JURASSIC**  
LABERGE GROUP, INKLIN FORMATION (where undivided denoted as IJU)

IJuS Siltstones, arenaceous wacks (greywacks); may contain macrofossils

IJuA Argillites (may be silty)

IJuC Conglomerates; rarely contain macrofossils

**UPPER TRIASSIC**  
STUJANI GROUP (where undivided denoted as uTs)

uTsv Variegated feldspar-phryic tuffs and lesser flows

uTsp Green sylvanite-feldspar porphyry tuffs and breccia characteristic of this group

uTsc Conglomerates and associated sediments

uTsh Hornblende-phryic lapilli ash tuffs and tuffites (may include conglomerates)

uTsa Nonan carbonates commonly displaying strong internal deformation enclosed within conglomerates and argillites

**PALEOZOIC (?) TO UPPERMOST TRIASSIC**

Ptc Conglomerates; mainly clast-supported, composed primarily of PPU and PTD

**PALEOZOIC TO PROTEROZOIC (?)**  
BOUNDARY RANGES METAMORPHICS (where undivided denoted as PPU)

PPu A polydeformed metamorphic terrane of uncertain origin, variably metamorphosed to upper greenschist grade within the map area, and reworked up to amphibolite grade to the south. Protoliths in approximate order of abundance are:

PPuS Argillaceous siltstones, felspathic wacks and lesser felsic pyroclastics and carbonates (carbonate bands diagonally hatched)

PPuP Altered pyroxenes, foliated gabbros and mafic flow successions

**MISSISSIPPIAN**  
NAKINA FORMATION(?)

Mn Massive, greenschist altered basic flows and tuffaceous sediments

**INTRUSIVE ROCKS**  
COAST INTRUSIONS (where undivided denoted as uKq)

uKq1 Medium to coarse-grained hornblende and biotite granites are most characteristic of the Coast Intrusive rocks, with local gradations to potassium metasomatized alkali granite (denoted "A") and lesser granodiorite (uKq2). Rare zones with diffuse boundaries contain medium grained and lesser granodiorite (uKq3). Typically containing 2 to 5 centimetre, perthite-potassium feldspar megacrysts. Of local occurrence are quartz-eye feldspar porphyries. K-Ar dated at 89.5 ± 2.6 Ma and 77.9 ± 0.6 Ma.

uKq2 Equigranular Kq1 - lacking megacrysts; fine potassium feldspar with minor localized exceptions

uKq3 Granodiorite, quartz monzonite and diorite as compositional variants of uKq1,2

**CRETACEOUS**

Kq1 Granodiorite, quartz monzonite, granite and diorite. Medium to coarse grained and typically more altered than uKq; may rarely be crosscut by PTKq1, 2. Commonly grades rapidly from one phase to another

**MIDDLE TO UPPER JURASSIC**

muJa Hypabyssal andesites, medium grained andesitic feldspar porphyries commonly containing hornblende. Grey to green, weakly to strongly altered, probably coeval with muJv

**TRIASSIC (?)**

Tq1a Porphyritic granodiorite to quartz monzonite, foliated with potassium feldspar phenocrysts and hornblende up to 20 per cent. Minor secondary chlorite, epidote and quartz

**MESOZOIC**

Mgd Granodiorite, altered, sheared and brecciated felsic intrusive rocks primarily confined to the Llewellyn fault zone. May in part include rocks of PTKq1

**PALEOZOIC? TO TRIASSIC**

PTKq1 Altered and deformed intrusives. Typically altered and/or deformed weakly to strongly. Composition variable to leucocratic and quartz-diorite; may be silicified

**\*Morrison, G.W., Godwin, C.T. and Armstrong, R.L. (1979): Interpretation of Isotopic Ages and Strontium Initial Ratios for the Whitehorse Map Area, Yukon, Canadian Journal of Earth Sciences, Volume 16, pages 1968-1997**

**\*\*Werner, L.J. (1978): Metamorphic Terrane, Northern Coast Mountains West of Atlin Lake, British Columbia, in Current Research, Part A, Geological Survey of Canada, Paper 78-1A, pages 59-70**

**\*\*\*Butman, T.R. (1979): Geology and Tectonic History of the Whitehorse Trough West of Atlin, British Columbia, Unpublished Ph.D. Thesis, Yale University, 284 pages.**

**SYMBOLS**

Geological boundaries (known, approximate, assumed)

Unconformity (defined, assumed)

Bedding (inclined, vertical)

Schistosity, foliation (inclined, vertical)

Joint (inclined, vertical)

Dyke (inclined, vertical)

Anticline (defined, approximate, assumed)

Syncline (defined, approximate, assumed)

Minor fold hinges

High angle fault (defined, approximate, assumed)

Thrust fault (defined, approximate, assumed)

Shear zone

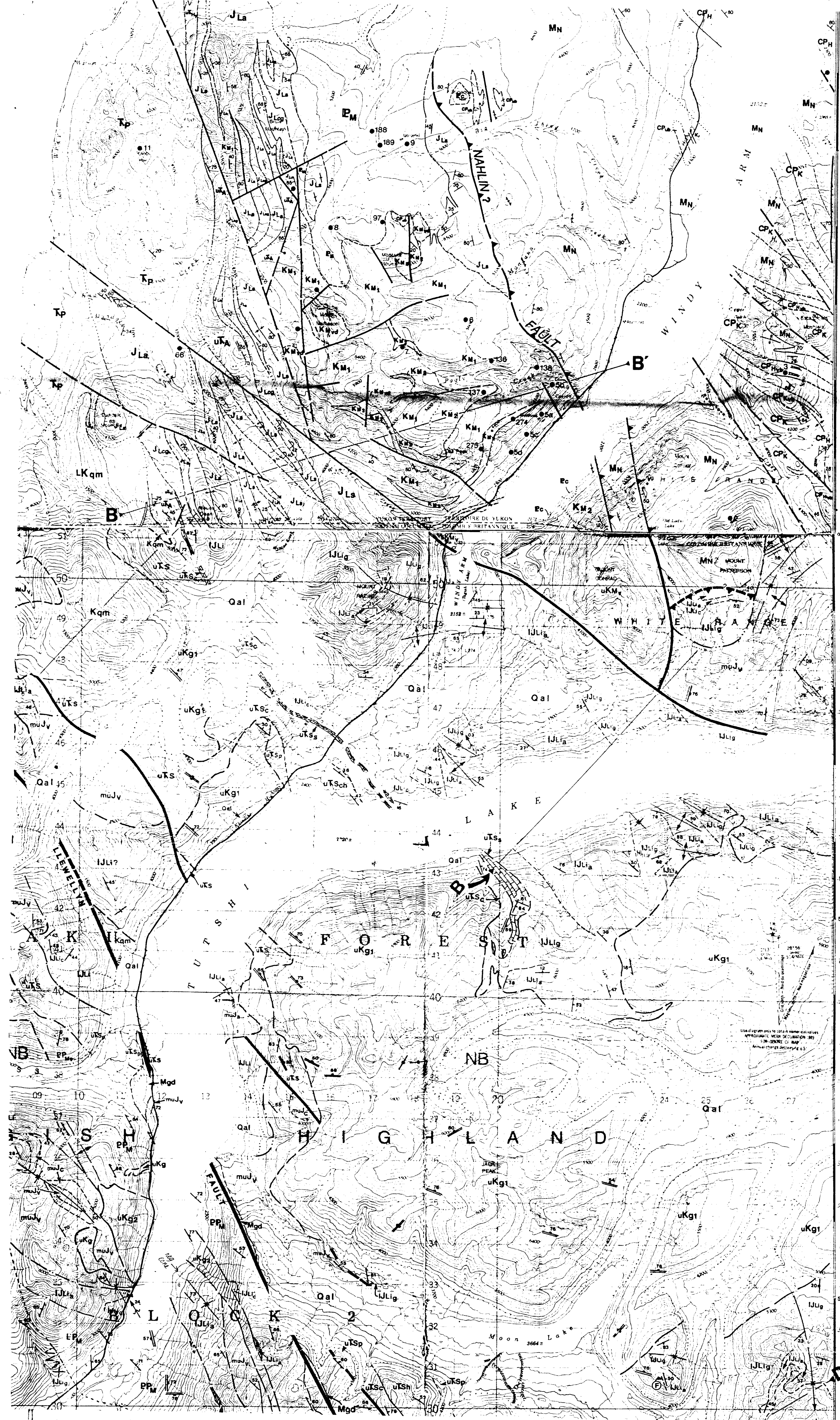
Drumlinoid features (probable ice movement direction shown)

Eskers (flow direction known, unknown)

Lineament (from air photograph)

Cross section line

Fossil locality



**LEGEND**

**QUATERNARY**

Qa Unconsolidated eolian sands and sand dunes

Qf Unconsolidated gravel, sand and silt of fluvial or glaciofluvial origin

Ql Unconsolidated gravel, sand, silt and varved clay of lacustrine or glaciolacustrine origin

Qg Unconsolidated glacial moraine, kame, esker and drift material

**TERTIARY PALEOCENE**

Ec Carcross Pluton: Fine- to medium-grained, biotite-hornblende granite to granodiorite with white porphyritic potassium feldspar (64 Ma<sup>1</sup>)

Em Montana Phase: Light weathering, medium-grained, pink-mauve, potash feldspar-rich quartz monzonite to granite; southern border phase of quartz-rich apite and quartz-eye rhyolite

Tgr Finger Mountain Granite: Pale orange weathering, medium- to coarse-grained, red-pink granite to quartz monzonite with slightly altered, pale green hornblende

**CRETACEOUS LATE CRETACEOUS**

LKgr Pennington Granite: Grey weathering, coarse-grained biotite-hornblende granite with pink megacrystic potash feldspar; leucocratic to pink quartz monzonite phases

**LATE AND MIDDLE CRETACEOUS(?)**

Kr Orange weathering, recessive, cream coloured, fine-grained rhyolite and feldspar porphyry plugs

Kv Dark green and maroon, resistant, aphanitic to porphyritic andesite to dacite flows, heterolithic breccia, agglomerate and associated epiclastic rocks; minor light coloured felsic flows and pyroclastic rocks

Kvi Massive to poorly bedded, dark grey, aphanitic to porphyritic, vitreous dacite (?) and associated pyroclastic rocks

**MIDDLE CRETACEOUS**  
MONTANA MOUNTAIN VOLCANICS (94 Ma<sup>1</sup>)

Km1d Massive to brecciated, dark green to grey andesite plug domes and dykes; locally porphyritic

Km2 Orange weathering, massive to locally flow banded, rhyolite tuff, pyroclastic and rhyolite flows

Km3 Massive to poorly bedded, dark weathering, dark to pale green andesite and dacite flows, autoclastic and epiclastic breccia; locally feldspar-phryic or with chlorite amygdules

Ky Coarse-grained, medium grey to orange-pink, anorthositic, hornblende quartz system

Kgd Dark grey weathering, medium- to coarse-grained biotite granodiorite; local porphyritic biotite

**CRETACEOUS AND JURASSIC**

JKgd Wheaton Valley Granodiorite: Dark grey weathering, medium- to coarse-grained, weakly foliated, typically fractured and altered hornblende granodiorite

JKcg Recessive, clast-supported, immature, polymictic, poorly sorted, angular pebble conglomerate; well indurated exposures are dark purple to dark red weathering with distinctive red metamorphic quartz; poorly indurated exposures are tan to light grey weathering and granular in nature; clasts are composed of quartz-mica schist > granite gneiss > intermediate volcanic rocks > quartz and quartzite

**TRIASSIC**

Tgr Resistant, medium grey weathering, medium-grained, pink megacrystic potash feldspar, hornblende granite and granodiorite (220 Ma<sup>2</sup>)

**MESOZOIC**

Mmx Medium- to coarse-grained, massive, grey weathering pyroxene monzonite and diorite, pervasive alteration of mafic minerals to chlorite

**PERMIAN (?)**

Pa Resistant, pale to dark green and black, massive to variably sheared and foliated intermediate to felsic pyroclastic rocks, basic lava flows, lithic greywacke, argillite, angular pebble conglomerate, hornfels and rare green pyroxenite, all metamorphosed to lower greenschist facies

**WHITEHORSE TROUGH**

**JURASSIC**  
MIDDLE AND UPPER JURASSIC(?)

Jtan Slightly rusty weathering, pale green to grey, medium-grained, hypabyssal andesite feldspar porphyry and hornblende-feldspar porphyry

**LOWER AND MIDDLE JURASSIC**  
LABERGE GROUP (HETTANGIAN TO AALENIAN)

JLg Brown-orange weathering, resistant, massive, thick bedded, clast- and matrix supported, well-rounded granitic and volcanic pebble conglomerate; clasts of granodiorite and Lewes River Group volcanics with lesser metamorphic, quartz, limestone and sedimentary clasts, granitic clast dominant higher in section; interbedded greywacke, sandstone and argillite

JLs Pale to dark orange weathering, dark grey, massive, thick to medium bedded, coarse-grained, felspathic and lithic greywacke with lesser arkose and quartz-rich grits; interbedded conglomerate and argillite

JLr Dark red-brown weathering, rhythmically and thin bedded, tan to dark green and grey, silty argillite, shale, siltstone and hornfels; contains ammonoid fossils; minor interbedded massive sandstone and conglomerate; JLr - resistant, grey to brown, finely laminated phyllite

Scale 1:50,000  
105-D/2 & 104-M/15

**UPPER TRIASSIC TO JURASSIC**

**LEWES RIVER GROUP (KARNIAN TO SINEMURIAN)**

uTn Hancock Member (Norian): Resistant, white to light grey weathering, massive and thick bedded limestone, bioclastic limestone and marl; minor sooty black limestone and pale yellow dolomite; uTn - resistant, thin, well bedded, interlamated white limestone and tan weathering, dark grey siltstone

uTa Annie Member (Karnian to Norian): Resistant, massive to moderately well bedded, red, purple and green matrix (and clast) supported pebble conglomerate, agglomerate and debris flows; clasts of augite porphyry and subvolcanic dacite porphyry with crystal-rich wacke matrix; interbedded andesite and minor waterlain tuff; uTa - dacite-andesite feldspar (and hornblende) porphyry flows, agglomerate and breccia; minor red siltstone; uTa1 - massive, grey, white to pink (often sheared or recrystallized) limestone and limestone breccia; located near the base of this member

uTp Povoas Formation (Karnian (and older?)): Resistant, massive, light to dark green weathering, dark green to black, basalt and basaltic andesite flows and breccia, commonly altered; minor well indurated dark grey greywacke, agglomerate, tuff and associated epiclastic rocks with thin carbonate beds; uTp - resistant, massive dark green to black, variably altered, justle porphyry basalt and breccia, commonly with coeval(?) hornblende; uTp - chlorite and chlorite-augite schists, augite-plagioclase gneiss and other variably metamorphosed equivalents of this Formation

**ATLIN TERRANE**

**CARBONIFEROUS AND PERMIAN**  
CACHE CREEK GROUP

CP2b Ultramafic rocks: Massive to foliated, dark green to black irregular bodies of serpentinitized dunite and peridotite with lesser microgabbro and diabase; may be Mississippian in age and coeval with Mn

CPH Horsefeed Formation: Massive, fine- to medium-grained, white to pale yellow limestone and crinoidal bioclastic limestone; rare dolomite

CPHv Massive, dark green, altered (spilitized), aphanitic and amygdaloidal basalt sills and local dark brown pillow basalts

CPK Kedahda Formation: Resistant, well bedded, grey, black, red and brown chert, with lesser cherty sandstone and siltstone; rare thin limestone beds

**MISSISSIPPIAN TO PERMIAN (?)**

Mn Nakina Formation: Resistant, massive, dark weathering, pervasively altered, fine-grained, dark green metabasite and metadiorite with variable thicknesses of grey chert and irregular occurrences of ultramafic rocks

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**COMPILATION SOURCES**

CAIRNES, D.D., 1912. Wheaton District, Yukon Territory, Geol. Surv. Can., Memoir 31.

MONGER, J.W.H., 1975. Upper Paleozoic Rocks of the Atlin Terrane, Northwestern British Columbia; Geol. Surv. Can., Paper 74-47.

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**GEOLOGICAL BRANCH ASSESSMENT REPORT**

**20,032**

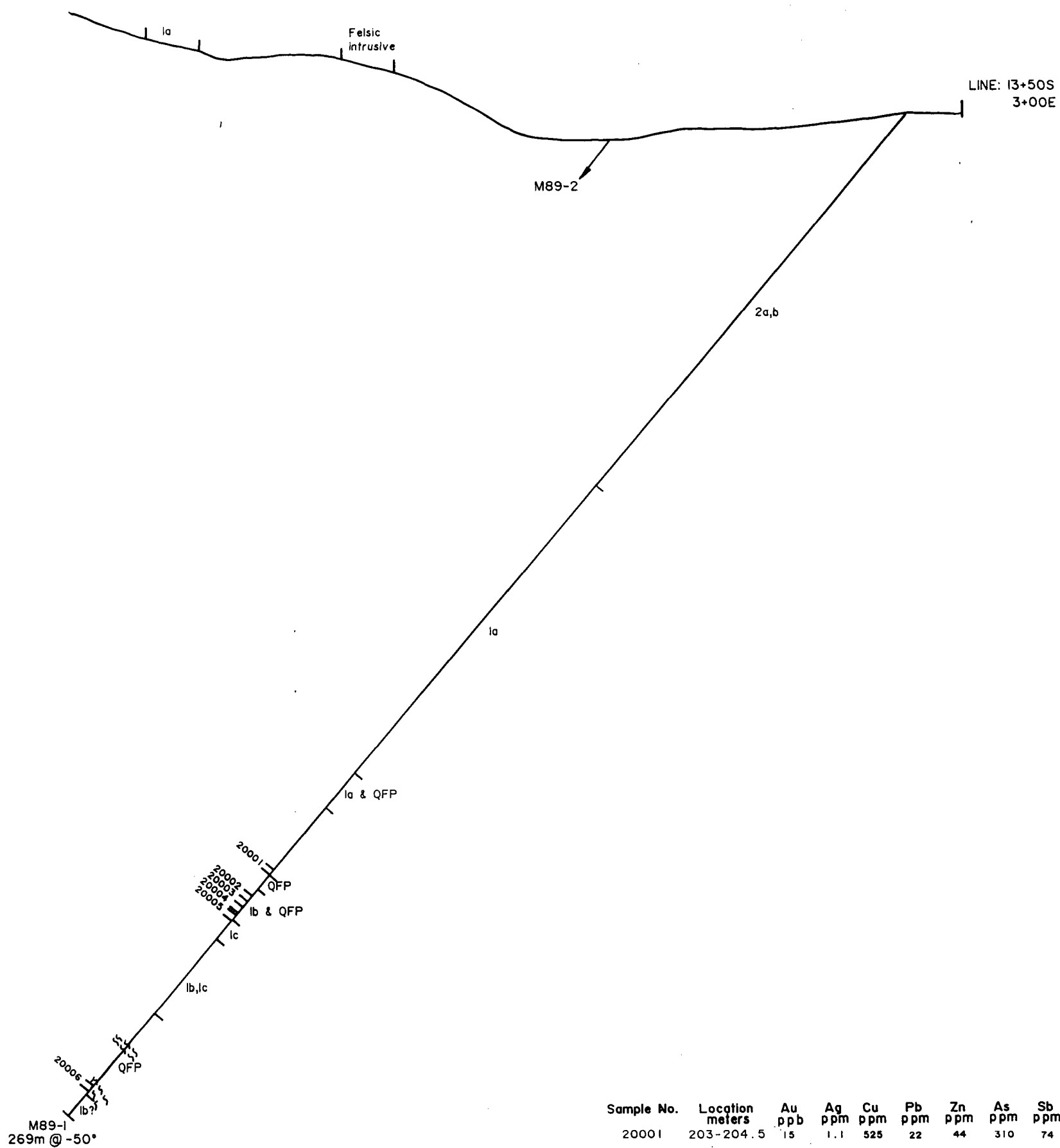
UNITED KENO HILL MINES LTD.

**Geology of the Windy Arm - Tutshi Lake Area**

COMPILATION  
GENERAL GEOLOGY

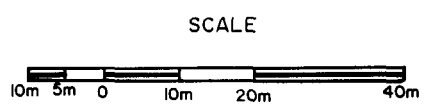
After Mihalynuk, M., Rouse, J., and Hart, C., Pelletier, K.

FIGURE 3



Sample No.	Location meters	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm
20001	203-204.5	15	1.1	525	22	44	310	74
20002	210-211.5	97	2.8	755	14	55	730	72
20003	211.5-213	1517	29.7	11860	7	247	550	55
20004	213-214.5	573	11.0	3726	6	119	300	76
20005	215-216.5	678	19.5	6861	9	197	430	83
20006	261-262.5	68	2.0	120	23	80	440	72

NOTES: Azimuth 231°  
View looking northwest.



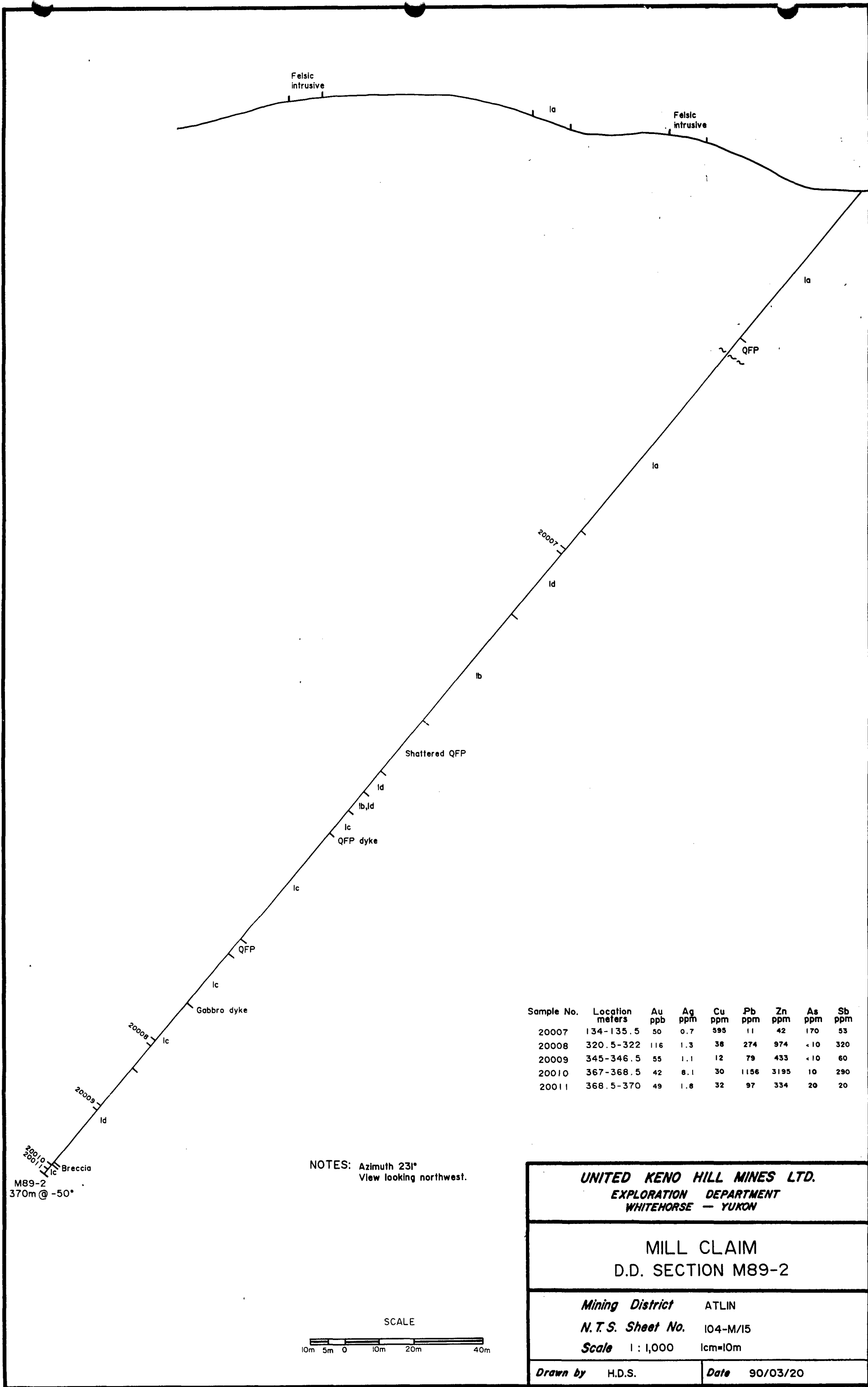
**UNITED KENO HILL MINES LTD.**  
EXPLORATION DEPARTMENT  
WHITEHORSE — YUKON

MILL CLAIM  
D.D. SECTION M89-1

Mining District ATLIN  
N.T.S. Sheet No. 104-M/15  
Scale 1 : 1,000 1cm=10m

Drawn by H.D.S.

Date 90/03/20



20011  
20010  
20009  
20008  
20007  
Breccia  
M89-2  
370m @ -50°

Felsic intrusive

Felsic intrusive

QFP

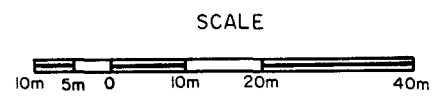
20007

Shattered QFP

QFP dyke

Gabbro dyke

NOTES: Azimuth 231°  
View looking northwest.



Sample No.	Location meters	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm
20007	134-135.5	50	0.7	595	11	42	170	53
20008	320.5-322	116	1.3	38	274	974	<10	320
20009	345-346.5	55	1.1	12	79	433	<10	60
20010	367-368.5	42	8.1	30	1156	3195	10	290
20011	368.5-370	49	1.8	32	97	334	20	20

<b>UNITED KENO HILL MINES LTD.</b> EXPLORATION DEPARTMENT WHITEHORSE — YUKON	
<b>MILL CLAIM</b> D.D. SECTION M89-2	
<i>Mining District</i>	ATLIN
<i>N.T.S. Sheet No.</i>	104-M/15
<i>Scale</i>	1 : 1,000    1cm=10m
<i>Drawn by</i>	H.D.S.
<i>Date</i>	90/03/20



UNITED KENO HILL MINES LIMITED  
EXPLORATION DEPARTMENT - 409 BLACK - WHITEHORSE

DIAMOND DRILL LOG

MILL Claims

HOLE # M89-1 LOGGED BY Ouellette PROPERTY MILL 2 LOCATION CASING SIZE HWL CORE SIZE HQ /  
 STARTED oct 29 COMPLETED november 5 SECTION NORTHING L13+50S EASTING ST2+88E ELEVATION /  
 BEARING 226az DEPTH 881 feet DIP(collar) -50° DIP SURVEYS 881--50° /

FOOTAGE		MINOR UNITS		DESCRIPTION	AU	AG	CU	AS	ZN	MINERALIZATION
from	to	from	to		ppb	ppm	ppm	ppm	ppm	
0	10.6			casing						
10.6	324			conglomerate. Fine grained siliceous matrix subangular to subrounded clasts with minor rip up clasts. Qtz 10-15%; vol 45-50%; other 5-10% Includes occasional mudstone to sandstone beds up to five feet in width.						
		320	324	Tan v.f.g. highly fractured felsic dyke? Graphite in fractures. No sulphides.						
324	583			Carbonate. Recrystallized limestone. Very little primary features. Strongly fractured and foliated along strike. Includes narrow bands of graphitic carbonaceous shale.						pyrite
		537	538	Carbonate breccia with pyrite in fractures						
583	590			Green latite porphyry. F-spar laths to 1/4inch Sericitized.						
590	617			Black carbonate with corphyry dykes to 50%.						
617	653			Light recrystallized fractured carbonate with pyrite and minor chalcopryrite in fractures (<2%)						pyrite, chalco cpy, schalerite
653	654			Conglomerate? Very altered with abu cpy sph?						py, minor cpy
664	667			Above mixed with calcite, py, minor cpy.						
667	671			Fine grained tuff? with andasite clasts 3-5% Sheared with py in fine cubes. 2-3% pyrr blebs	15	1.1	525	310	44	<1% cpy in bleb py, pyrr #20001
671	683.5			Tan QFP? abundant pyrite. Well fractured with stibnite crystals on fracture surface.						py, sb
			676							
683.5	686.5			Conglomerate? Very broken.						
686.5	689			QFP						
689	689.5			Sandstone? Abundant pyrite and pyrrhotite						py, pyrrhotite
689.5	791			Interbedded conglomerate, wacke, tuff? with abundant calcite veinlets. Some sections repl. with chlorite, epidote and sulphides. Alterat- ion decreases to lower contact. Colour changes from green to grey as chl. and epidote decrease						py, pyrr, cpy hematite
		689.5	694.5	Green strongly altered/replaced with chlorite and epidote. Non silicified	97	2.8	755	730	55	py, pyrr, cpy #20002(210-217m)



UNITED KENO HILL MINES LIMITED  
EXPLORATION DEPARTMENT - 409 BLACK - WHITEHORSE

DIAMOND DRILL LOG

MILL Claims

HOLE # M89-2 LOGGED BY Ouellette PROPERTY MILL 2 LOCATION CASING SIZE HWL CORE SIZE NQ /  
 STARTED nov. 5 COMPLETED november 12 SECTION NORTHING L13+50S EASTING ST1+90E ELEVATION ~15' lower /  
 BEARING az231 DEPTH 1216 feet DIP(collar) -50° DIP SURVEYS 861 -50° 1216 -46° /

FOOTAGE		MINOR UNITS		DESCRIPTION	AU ppb	AG ppm	CU ppm	AS ppm	ZN ppm	MINERALIZATION
from	to	from	to							
0	20			casing						
20	417			Carbonate. Black limestone with very little primary features. Very broken in places. Sheared along faults and in some large sections with abundant black graphite along shears. Very minor pyrite.						
	176.5	177.5		QFP dyke						
	177.5	178		Carbonate						
	178	228		QFP pale green with <2% pyrite. Steep contact at 50-60° to axis.						
	195	197		Black fault gouge.						
	390	395		Carbonate breccia						
	395	400.5		QFP leached/alterd to clay with abu py on fractures.						
	400	411		Black graphitic carbonate.						
	411	417		Mixed carbonate and very fine silt or tuff? Pyrite as fine cubes.						
417	1216			Mixed sediments and volcanics with occasional QFP dykes cutting core.						
	417	438		Green fine grained turbated sediment. Previous fine laminations visible as alternating light and dark green bands.						
	438	454		Very fine grained siliceous green laminated tuff? Pyrite in dendritic pattern up from bed contacts. By 454 is chert.						
	454	459		Breccia with calcite cement.						
	459	463		Gray-green conglomerate? Volcanic?						
	463	481		Gray-green banded tuff? Reacts mod to HCl.						

UNITED KENO HILL MINES LIMITED  
EXPLORATION DEPARTMENT - 409 BLACK - WHITEHORSE

DIAMOND DRILL LOG

MILL Claims

HOLE #	LOGGED BY	PROPERTY	LOCATION	CASING SIZE	CORE SIZE					
STARTED	COMPLETED	SECTION	NORTHING	EASTING	ELEVATION					
BEARING	DEPTH	DIP(collar)	DIP SURVEYS							
FOOTAGE	MINOR UNITS		DESCRIPTION	AU	AG	CU	AS	ZN	MINERALIZATION	
from	to	from		to	ppb	ppm	ppm	ppm		ppm
	481	517	Fine bedded chert and varigated feldspar-phyric tuffs. Chlorite alteration of clasts and alteration along fractures. Chert contains pyrite in blebs and fractures. Cherts and tuffs are tan.						pyrite	
	517	570	Breccia equivalent of above. Pyrite as replacement in areas. Rocks are dark green. Fractures are calcite filled.							
	570	575	Marble.							
	575	585	Andesite pebble conglomerate with carbonate clasts and chert bands.							
	585	588	Fault zone. Breccia equiv. of above.							
	588	633	Conglomerate as before with more andesite clasts and less carb. clasts. Carb clasts replaced with pyrite. Rocks become leached and f-spars alt to green clay (saussuritization).						pyrite	
	633	639	Fault zone. Clay gouge with some altered relic felsic clasts. Carb. clasts replaced with py and hematite.							
	650	708	Shattered QFP?							
	708	713	Tan vfg chert and cong. as before.							
	713	720	Shattered QFP							
	720	743	Alternating tan and black very fine grained siliceous siltstone? chert?.							
	743	765	Conglomerate with vfg siltstone bands. Clasts are altered andesite + carb?. Rxs are tan.							

UNITED KENO HILL MINES LIMITED  
EXPLORATION DEPARTMENT - 409 BLACK - WHITEHORSE

DIAMOND DRILL LOG

MILL Claims

HOLE #	LOGGED BY	PROPERTY	LOCATION	CASING SIZE	CORE SIZE					
STARTED	COMPLETED	SECTION	NORTHING	EASTING	ELEVATION					
BEARING	DEPTH	DIP(collar)	DIP SURVEYS							
FOOTAGE		MINOR UNITS		DESCRIPTION	AU	AG	CU	AS	ZN	MINERALIZATION
from	to	from	to		ppb	ppm	ppm	ppm	ppm	
	765	796		As before. Black vfg siltstone well fractured with calcite in fractures. Becomes black carbonaceous shale.						
	796	797.5		QFP dyke						
	797.5	927		Black carbonaceous shale. Becomes very broken with abundant pyrite.						pyrite
	927	943		QFP						
	943	957		Black calcareous shale. Very broken.						
	957	963		Non calcareous fine grained black wacke?						
	963	1008		Black pyritic shale with some pyrrhotite. Non calcareous.						
	1008	1010		Brown slightly magnetic gabbro dyke.						
	1010	1068		Black broken shale with calcite and hematite.						
	1052	1057		character sample	116	1.3	38	320	974	#20008
	1068	1086		Dark gray to black siltstone with blue quartz filling fractures.						
	1086	1101		As above but brown.						
	1101	1103		Leached wacke non calcareous.						
	1103	1119		Wacke.						
	1119	1205		Dark green finer grained equiv. of above?						
	1133	1138		character sample	55	1.1	12	60	433	#20009
		1205		4" breccia						



November 6, 1989

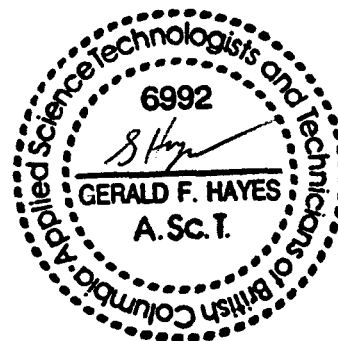
United Keno Hill Mines Ltd.  
409 Black St.  
Whitehorse, Yukon  
Y1A 2N2

ASSAY CERTIFICATE FOR SAMPLES PROVIDED

WORK ORDER # 34521

Sample	ppb Au	ppm Ag	ppm Cu	ppm Zn	ppm As	ppm Ni
14239	3566	70.1	29580	980	120	31

Au -- 15g Fire Assay/AAS  
Metals -- Aqua Regia Digestion/AAS



November 16, 1989

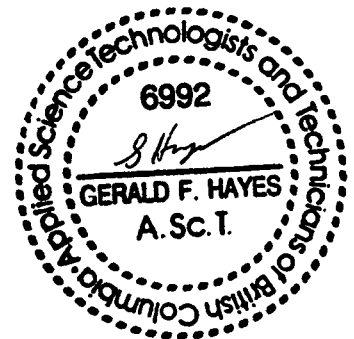
United Keno Hill Mines Limited

ASSAY CERTIFICATE FOR SAMPLES PROVIDED

WORK ORDER # 34524

Sample	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn	ppm As	ppm Sb
20001	15	1.1	525	22	44	310	74
20002	97	2.8	755	14	55	730	72
20003	1517	29.7	11860	7	247	550	55
20004	573	11.0	3726	6	119	300	76
20005	678	19.5	6861	9	197	430	83
20006	68	2.0	120	23	80	440	72
20007	50	0.7	595	11	42	170	53

Au -- 15g Fire Assay/AAS  
 Metals -- Aqua Regia Digestion/AAS





December 11, 1989

United Keno Hill Mines

ASSAY CERTIFICATE FOR SAMPLES PROVIDED

Work Order # 34535

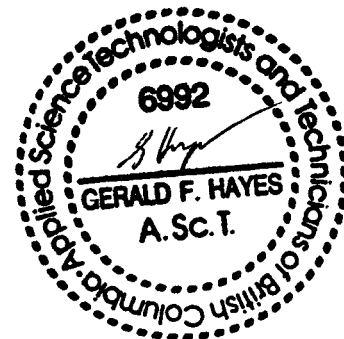
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Sample    ppb Au    ppm Ag    ppm Cu    ppm Pb    ppm Zn    ppm Sb    ppm As

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20008	116	1.3	38	274	974	<10	320
20009	55	1.1	12	79	433	<10	60
20010	42	8.1	30	1156	3195	10	290
20011	49	1.8	32	97	334	20	20
20012	22	0.3	146	15	51	90	<10

Au -- 15g Fire Assay/AAS  
 Metals -- Aqua Regia Digestion/AAS



APPENDIX IV

STATEMENT OF COSTS

Diamond drilling	\$83,366
Equipment	\$582
Assay	\$129
Wages: Geologist	
26 days @ 150/day	\$3,900
Assistant	
6 days @ 100/day	\$600
Lodging	\$4,322
Vehicle	\$1,785
TOTAL	\$94,684

CERTIFICATE OF QUALIFICATIONS

I, Dennis J. Ouellette, with business address

United Keno Hill Mines Limited  
409 Black Street  
Whitehorse, Yukon  
Y1A 2N2

do hereby certify that:

1. I am a practicing geologist.
2. I hold a Bachelor of Science (Specialization) Degree (1984) in Geology from Brandon University.
3. I have been working in the field of mineral exploration since May, 1977.
4. This report, entitled "1989 Diamond Drilling Report on the MILL 1 Claim, B.C.," is based on work done on the property in October/November, 1989.
5. I have not received, nor do I expect to receive, any interest, either directly or indirectly, in the property concerned in this report.

Respectfully submitted,



Dennis J. Ouellette, B.Sc.

