

COAST EXPLORATIONS LTD.

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VANCOUVER, B.C.**

GEOLOGICAL SURVEY BRANCH ASSESSMENT REPORTS
DATE RECEIVED JAN 05 1996
JUN 18 1996

LADY 1-4

CONSOLATION CREEK

ASSESSMENT REPORT 1995

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**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

24,219

LADY 1-4

CONSOLATION CREEK - ASSESSMENT REPORT 1995

The Consolation Creek property (Lady 1-4) is situated approximately 35 miles north west of Atlin, British Columbia. The claim block totals 200 hectares: 1 km wide and 2 km long running north and south along the creek.

Regional Geology

The property lies on the southern extremity of an alaskite batholith in a north westerly trending belt of deformed Late Palaeozoic eugeosynclinal sedimentary and volcanic rocks known as the Atlin Horst. Numerous intrusive bodies have been emplaced into the Atlin Horst in the Atlin area. They range in age from Late Palaeozoic to Late Mesozoic and consist of ultrabasic bodies of the Atlin Intrusions, bodies of diorite to quartz monzonite of the Coast Intrusions and the alaskite batholith (Surprise Lake Batholith) and satellitic intrusions. Youngest rocks in the area include Tertiary and Quaternary basalt flows and scoria.

Mineral occurrences of Mo, W, Ag, Pb, Zn and Cu predominate in the Atlin area. Gold placer deposits along Pine, Spruce and numerous other creeks in the area have had a long history of exploration and production which continues to this day.

Climate

Climate in the Atlin area is typical lower Yukon Plateau weather; warm and dry in the summer and cold and comparatively dry in the winter. Creeks and rivers in the area are usually ice free by early May and freeze again in mid-November. Because of its northern latitude, daylight extends for almost 24 hours in high summer.

Flora

Although the growing season is a short one, the number of hours of sunlight during the summer produce very luxurious vegetation. Valleys are generally well forested, but trees of any size are not usually found more than 500 ft. above valley bottom. Varieties of trees include white spruce, black spruce, balsam, black pine, aspen, poplar, willow, dwarf birch and a species of alder, wild fruit include crowberry, low and high bush cranberries, red currants, black currants, gooseberries, strawberries, raspberries, blueberries and Saskatoon berries.

Fauna

Moose, caribou, sheep and goat are frequently seen as are black, brown and grizzly bears. Three types of ptarmigan and four types of grouse are plentiful throughout the area. Gladys Lake holds record lake trout, two kinds of whitefish, grayling and reportedly the largest pike in the Province.

Manual Sampling Program

A total of 254 samples were taken manually on a 100 metre grid system. Most samples were processed on site. Sampling consisted of digging a hole to a depth of approximately 18" and taking a gold pan sample. "Half-size" gold pans with top diameter of 12", bottom diameter of 7-1/2" and a depth of 2" were used. These smaller pans were found to be much faster to use and reduced operator fatigue. Pan factor was estimated at 400 with this equipment allowing for a 25% expansion factor. At each 10th hole in the grid, a 4 to 5 foot hole was dug and a 20 kilo sample taken to be processed at base camp. The larger samples were processed through a Goldfield Engineering "Prospector" which is a 4 yph shaker screen feeding a 4' x 10" oscillating sluice. Sluice concentrates were run through a rotary panner set at a 76° angle for very specific recovery of heavy fraction material. Both sluice concentrates and final rotary pan concentrates were weighed. Free gold in final samples was extracted and weighed.

Method of Evaluation

The object of the 1995 test program was to ascertain the value of gold which could be obtained with conventional recovery equipment under normal operating conditions. For this reason, very few samples were fire assayed. It has been found that a typical fire assay using a 29.166 gram sample (one assay ton) is particularly vulnerable to the "nugget" effect. A single small particle of gold can be responsible for a significant sample over evaluation when included in a standard fire assay charge.

Consequently the program concentrated on manually extracting the maximum of free gold from each sample. Residual heavy fraction material was retained and under operational conditions would be run through a small ball mill at the end of the season with the -200 mesh concentrates processed over a mineral table to recover any gold mechanically locked into the black sands.

A pattern emerged early in the program and it became obvious that the east and central tributaries of the creek had their source in alaskite and contained little or no gold. From the approximate north-west centre line of the claim block on the western side, the character of the gravels changes significantly ranging from large boulders to fine gravel with greenstone, argillite and amphibolites representing much of the alluvial material. Outcrops appeared to consist mainly of chert.

VLF/Magnetometer Survey

Approximately 2-1/2 kilometres of VLF/Mag survey was undertaken using an EDA Omni-plus VLF magnetometer. Existing creek channels are all in magnetic lows with the exception of the west tributary. A possible anomalous zone running north-south along the centre line of the claim block was indicated by the VLF survey.

Recommendations

A bulk sampling program should be carried out in the areas of high gold value on the west side of the claim block.

Test pitting along the indicated anomalous zone in the centre of the claim block should be a priority for the 1996 season.

TEST PIT RESULTS - LADY 1-4

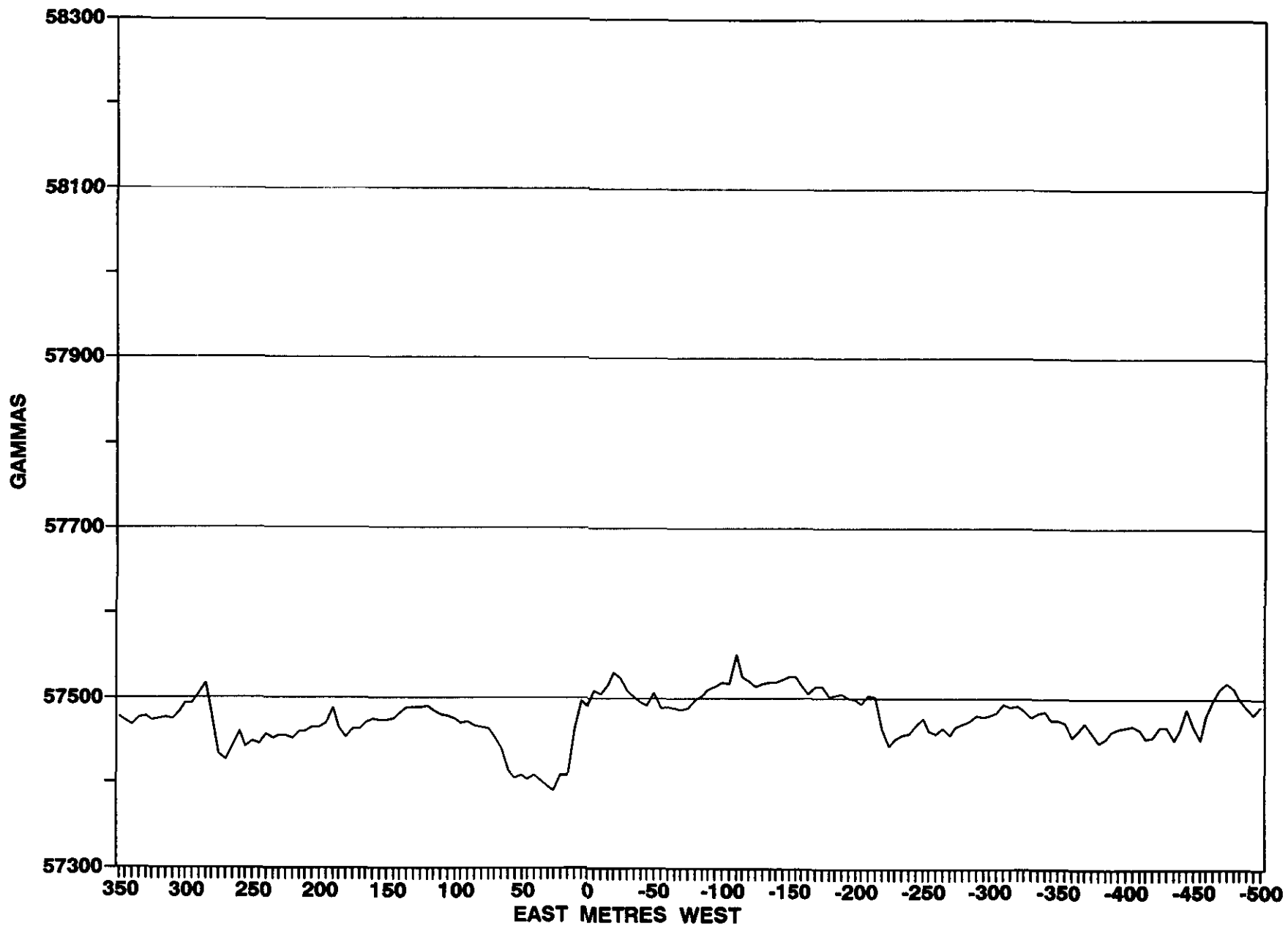
Hole #	Value (ppm)	Hole #	Value (ppm)
A7	3	E2	.6
A8	2.5	E3	1.1
A9	.5	E4	.6
A10	.7	E9	.6
B5	.7	E18	1.1
B6	1.2	E19	.6
B8	.5	F1	1.8
B9	.5	F4	.8
B10	1	F9	.6
B13	.6	G6	.5
C3	1.1	H10	.5
C4	1.5	M9	.8
C5	.5	M10	2.8
C6	1	N8	.5
C9	.8	N9	.6
C10	1.3	N10	.5
C12	1.3	N11	4
C15	1.3	O7	.8
C21	.6	O8	1.9
D1	.5	O9	4.2
D2	.5	O10	5
D3	1.8	O11	.5
D4	.7	SS1	4.5
D5	.5	SS2	2.2
D9	.5		
D10	1.5		
D14	.6		
D15	.5		
D20	1		
D21	.5		
E1	.6		

**CONSOLATION CREEK
LADY 1-4**

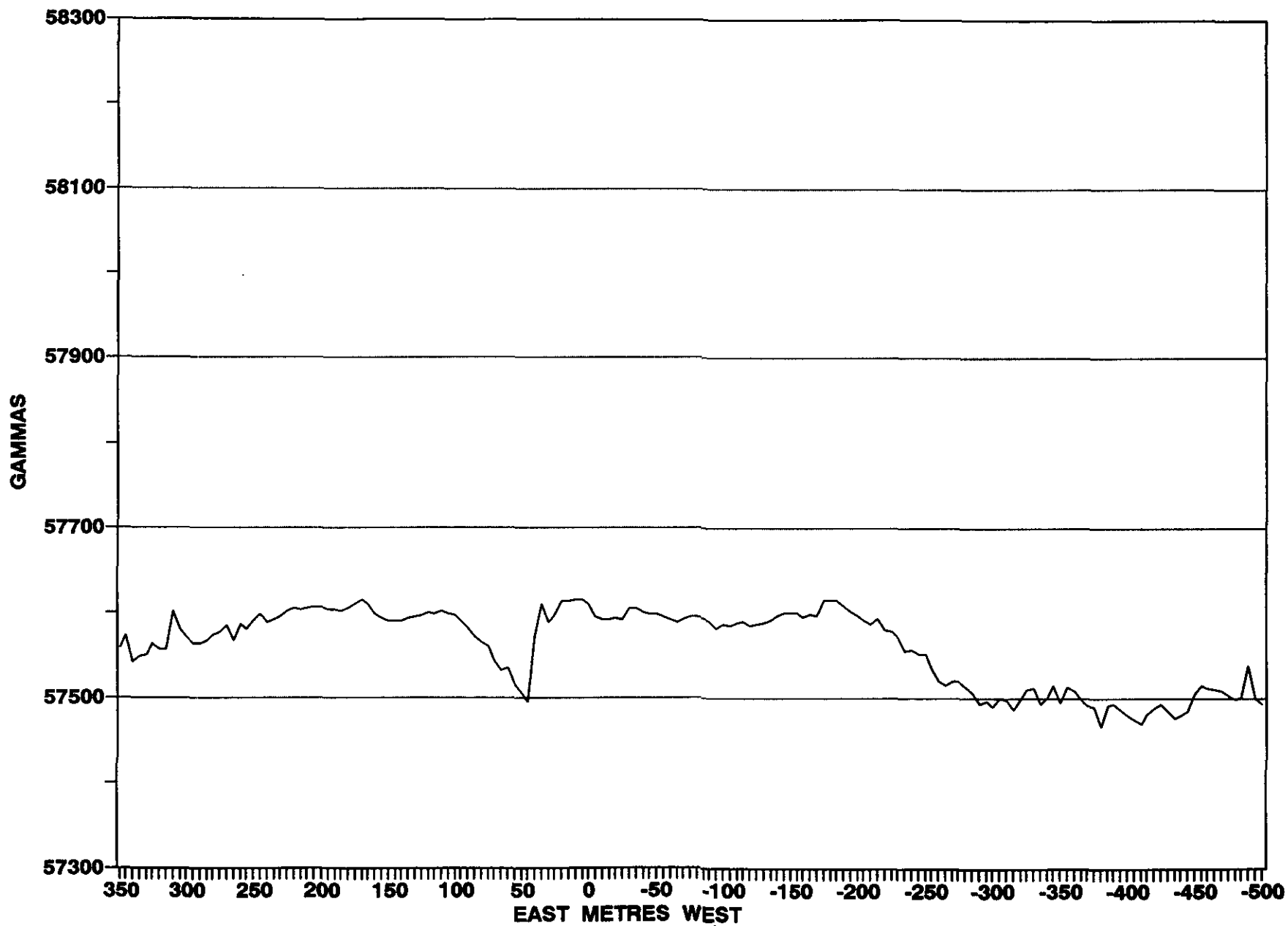
STATEMENT OF COSTS

4 Field Assistants - 11 days @ \$100 per day	\$4,400
Travel time @ \$50 per day (8 days x 4)	1,600
Camp Costs @ \$30 per day (6 persons)	1,980
Equipment rental	532
Professional fees	2,378
Fuel, propane, etc.	418
Miscellaneous Expenses	<u>332</u>
	<u>\$11,640</u>

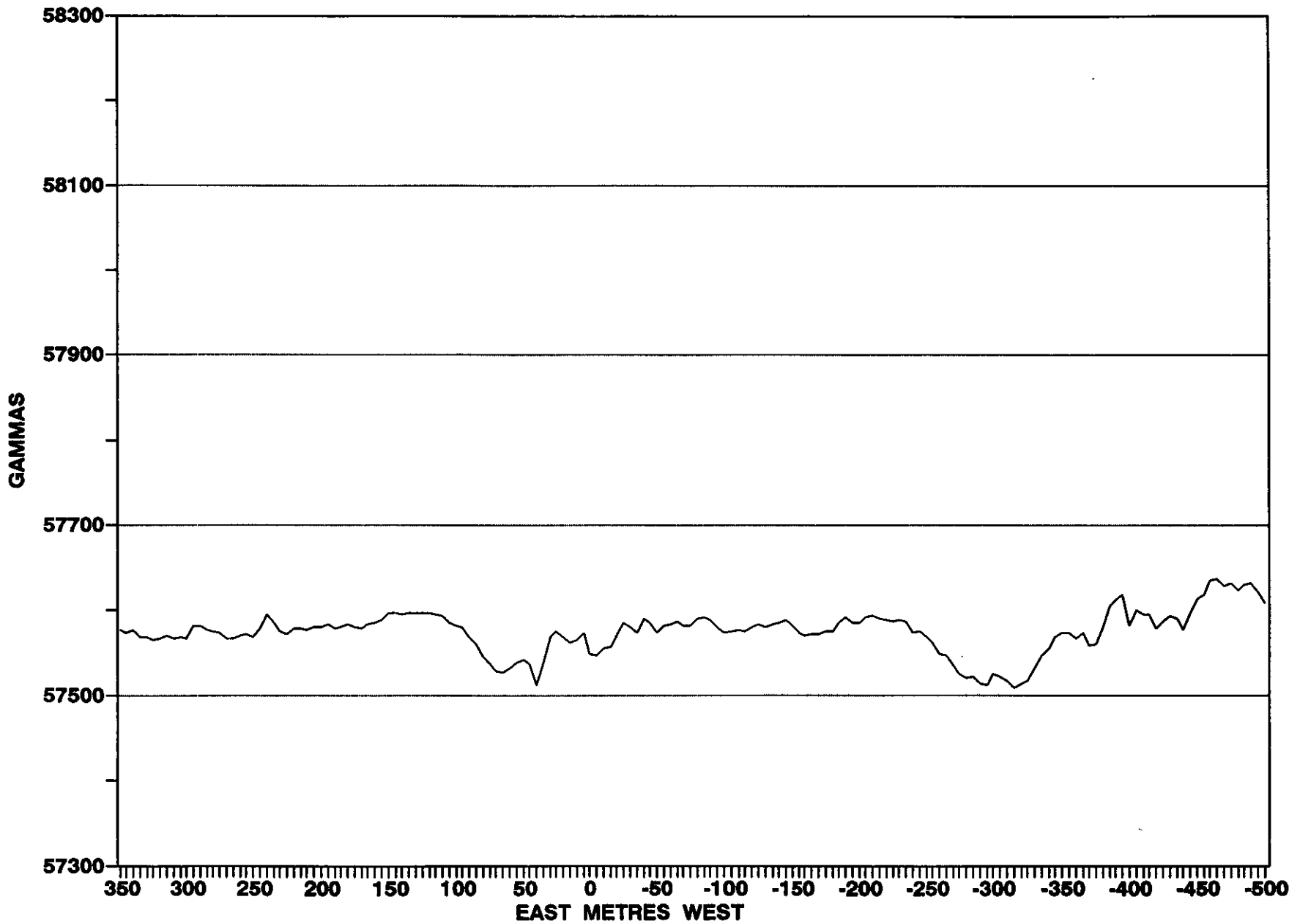
**CONSOLATION CREEK MAG SURVEY
LINE 1S**



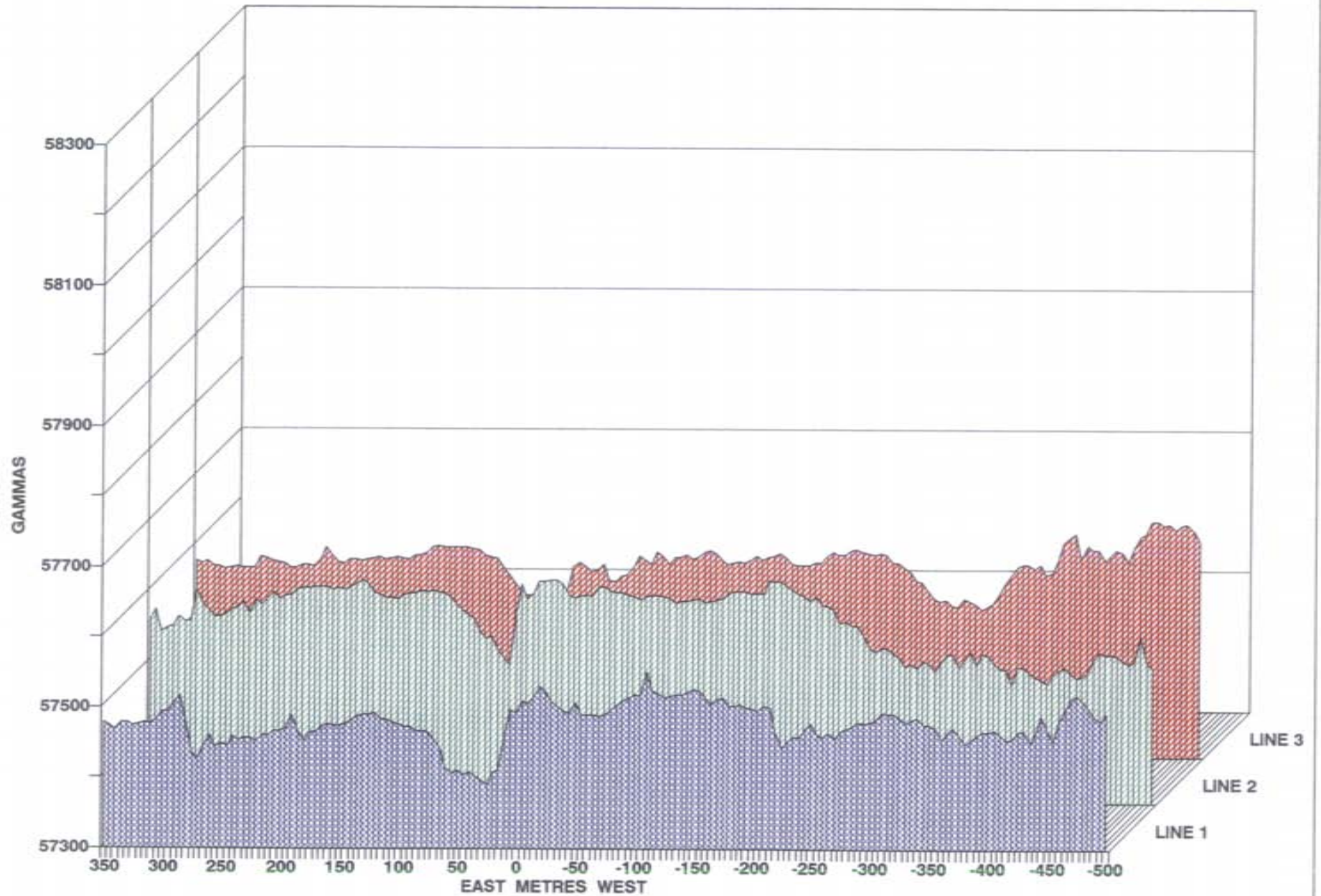
CONSOLATION CREEK MAG SURVEY LINE 2S



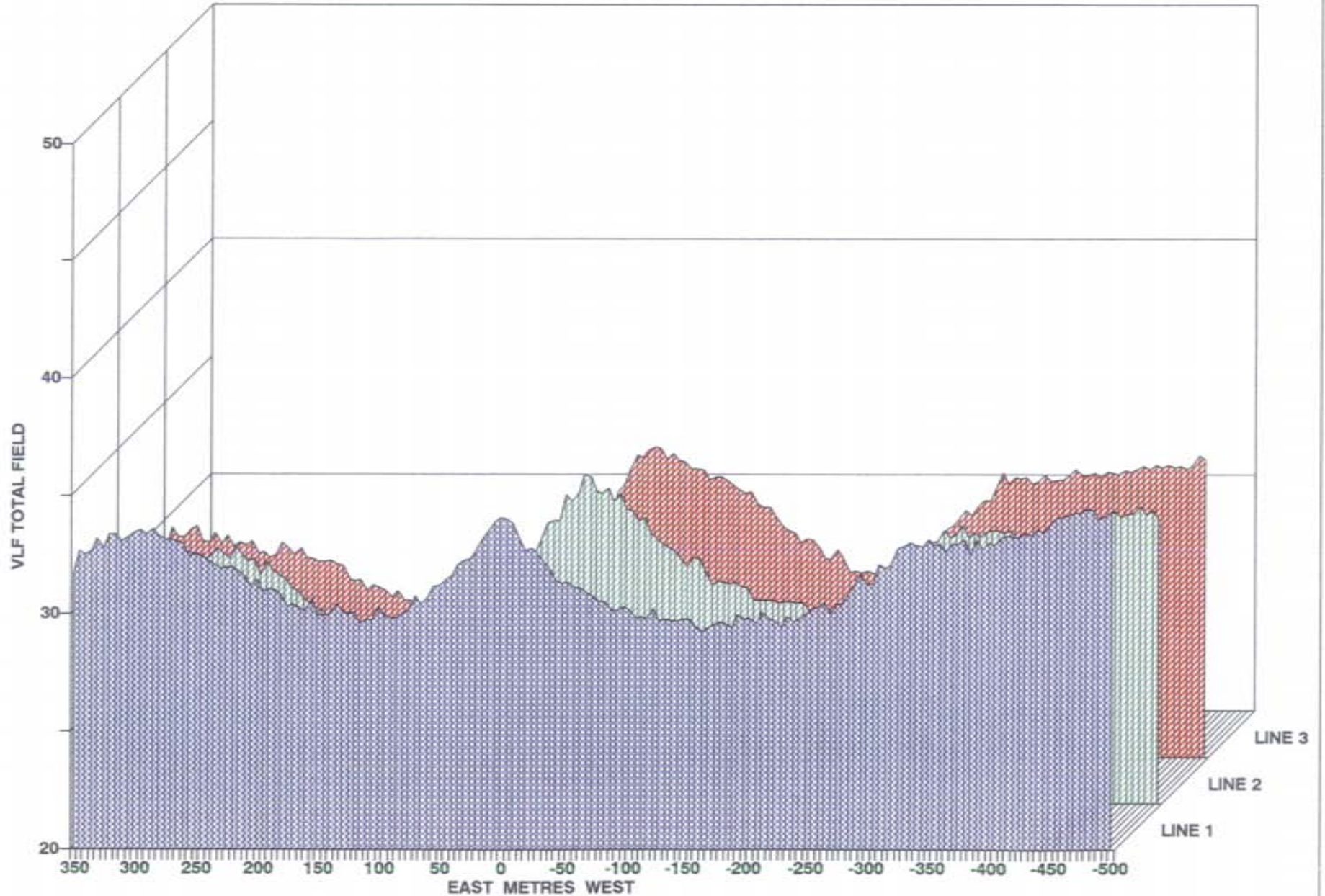
CONSOLATION CREEK MAG SURVEY LINE 3S



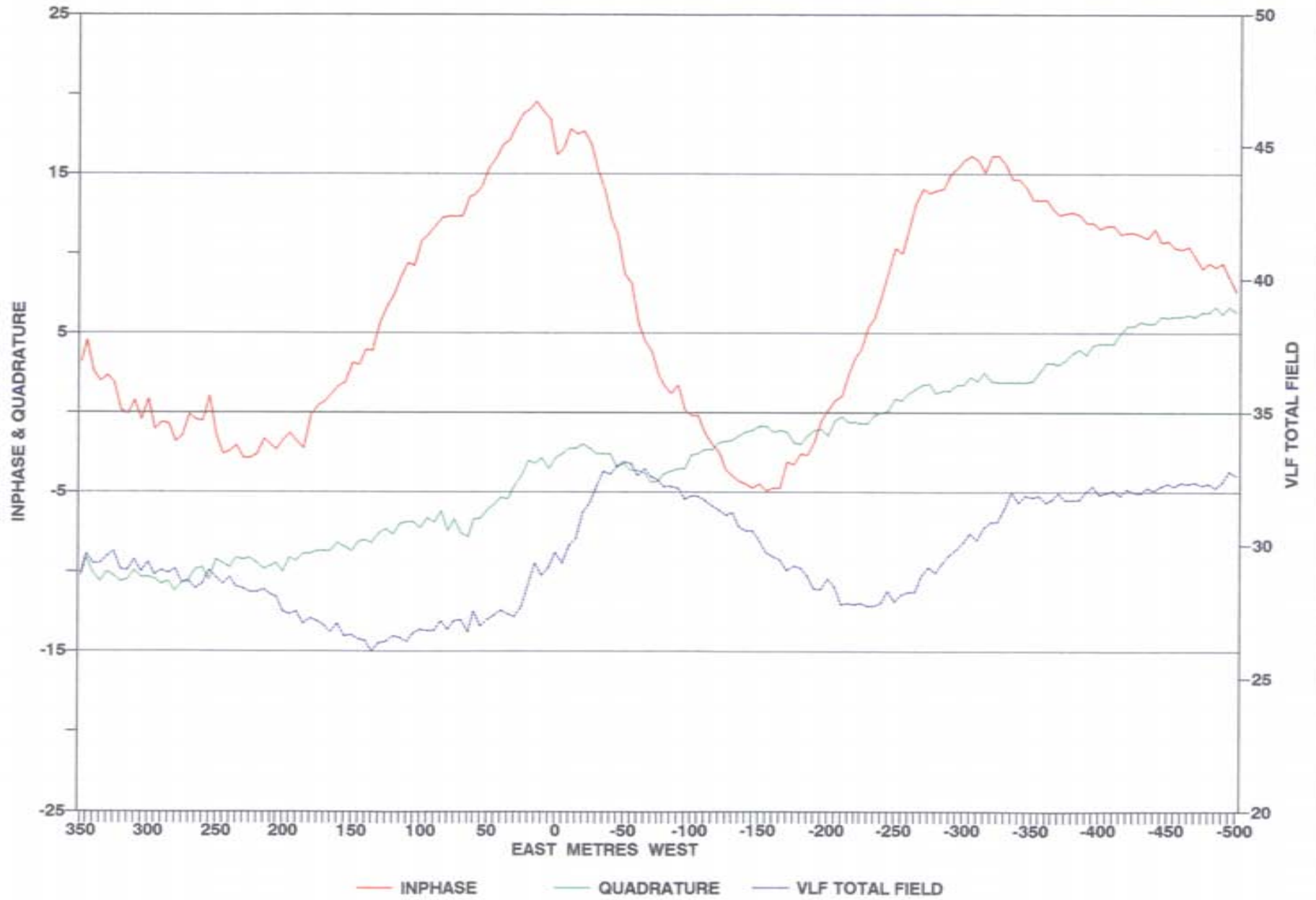
CONSOLATION CREEK MAG SURVEY LINES 1, 2, AND 3 SOUTH



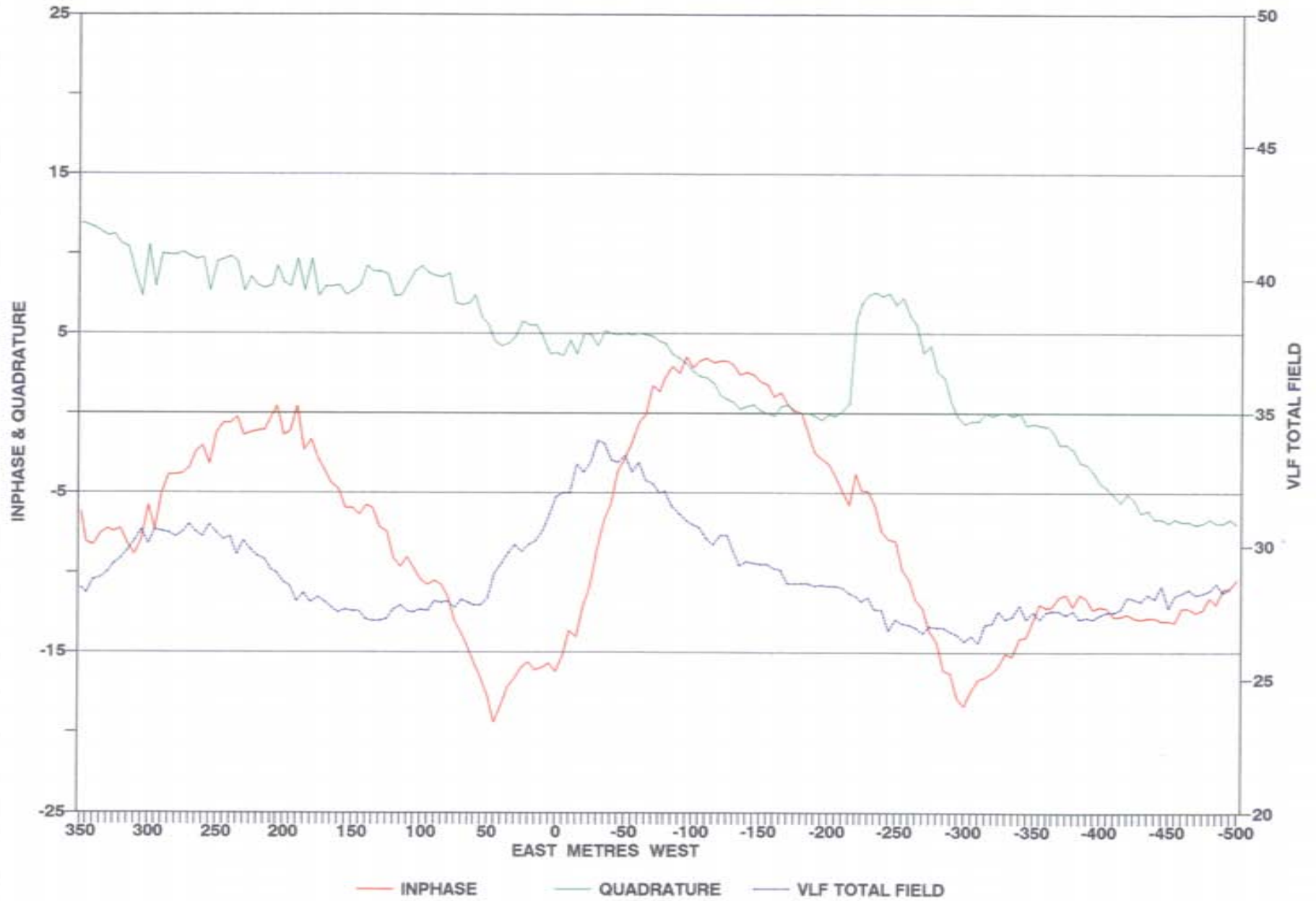
CONSOLATION CREEK VLF SURVEY LINES 1, 2, AND 3 SOUTH



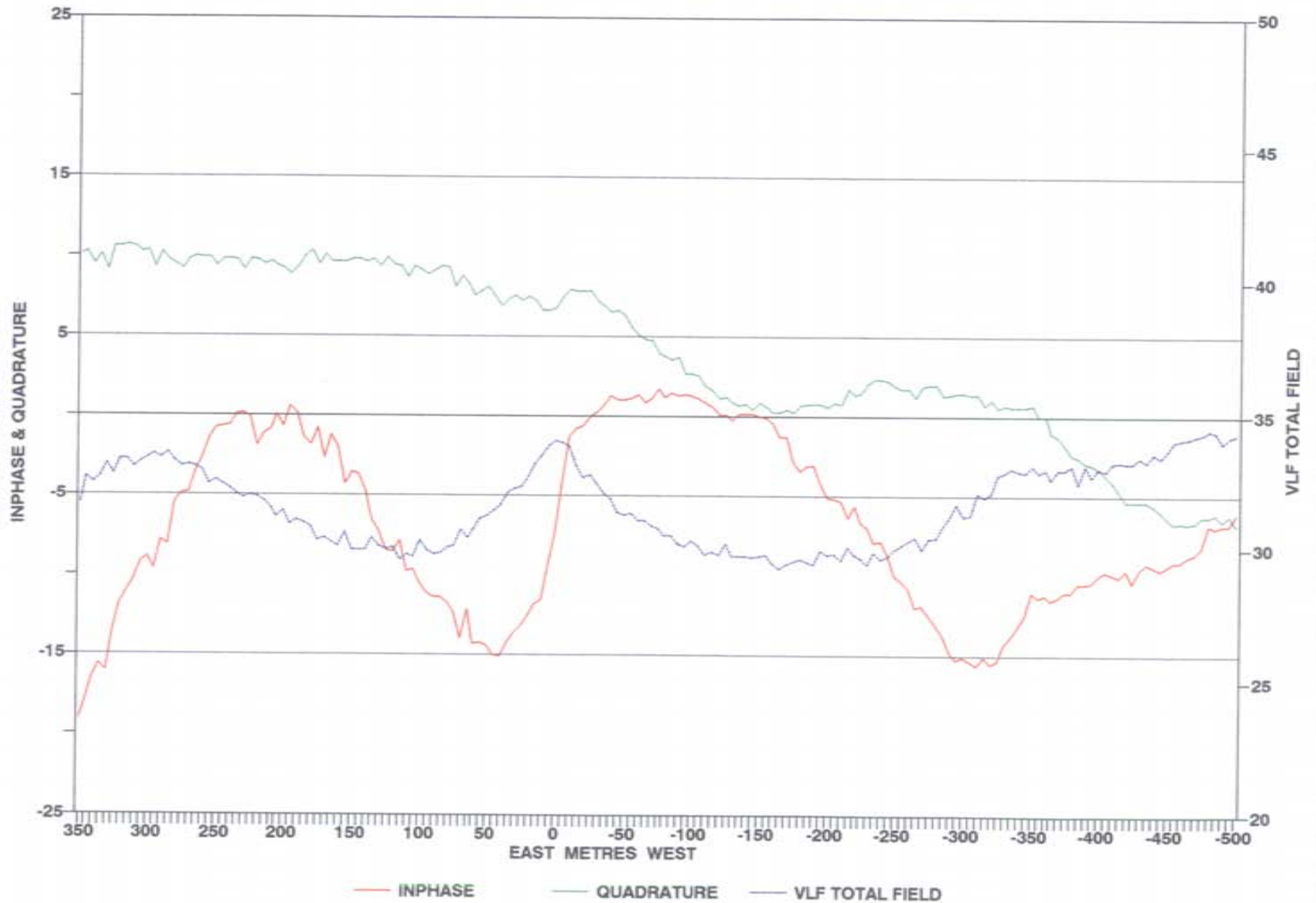
CONSOLATION CREEK VLF SURVEY LINE 1S



CONSOLATION CREEK VLF SURVEY LINE 2S



CONSOLATION CREEK VLF SURVEY LINE 3S



LADY 1-4
ATLIN MINING DISTRICT (104N14)
ALLUVIAL TEST PROGRAM

Stream Sediment Sample
Grid Sample

Sample Values - Au

< .5 ppm
.5 ppm - 1 ppm
> 1 ppm

LADY 1-4
ATLIN MINING DISTRICT (104N14)

