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TOODOGGONE PLACER LEASES

Toodoggone River Area
Omineca Mining Division
British Columbia

Location and Access

The placer leases are situated in the Toodoggone gold camp 250 km north of Smithers at latitude $57^{\circ}20$ 'North, longitude $127^{\circ}05$ 'West in NTS map-area 94E/6E (Figure 1). The leases cover the lower part of McClair Creek upstream from its junction with Toodoggone River (Figure 2).

Access to the Toodoggone area is by air from Smithers to an all-weather airstrip 20 km south of the property or by a system of logging roads and the Omineca Mining Access Road from Mackenzie (Figure 2). The last 50 km of this road is private and arrangements for its use must be made through Cheni Gold Mines Inc. who are currently operating a 700 tpd underground gold-silver mine in the area.

The placer leases are within 10 km of the Cheni Gold mine site and heavy equipment can easily be walked from this point along the open Toodoggone River valley.

Property

10 Placer Leases (P.L. 18236 - 18245 inclusive; Figure 3) are collectively owned by three individuals including the writer.

Annual lease payments of \$250/lease or a total of \$2,500 are required by October 16 to maintain the leases in good standing.

Previous Work

Placer gold was originally discovered in the area of the present leases in the early 1920's. The remoteness of the area precluded any serious work until the early to mid-1930's when Two Brothers Valley Gold Mines Ltd. undertook a major testing operation which included Keystone drilling and a number of cribbed shafts over a large area of McClair Creek

and the Toodoggone River valley. All testing was completed on-site and a 30 man camp was serviced entirely by air from Takla Landing.

Very little information is available concerning this early work. Values of several dollars per yard (\$34.50 gold) were reported and the company prepared a prospectus for a public offering in 1934 which apparently was not successful.

A private company, Northern Alluvials Ltd., completed 15 "Fairbanks" churn drill holes totalling 315.8 metres in 1961. Results of this work are summarized in the accompanying table and hole locations are shown on Figure 5. This company's concept was to try and determine if the vast quantities of gravel (+100 million cubic yards) in the Toodoggone River valley had potential for a dredging operation. Results were not encouraging and the project was terminated prematurely. It is worth noting that 4 inch casing was used and hole diameters may not have been large enough for proper sampling.

Tarmik Placer and Resources Ltd. held a large number of placer claims covering the present lease area and the Toodoggone River valley in the early 1980's. This company completed surficial geology mapping, a topographic survey, some Winkie Vibracore holes and a number of hand pits for sampling. Work between 1981 and 1983 identified two principal areas - the McClair Creek Fan and the Mid-McClair Creek gravels (Figure 4).

Location of test pits are shown on Figure 5 and results are listed in the accompanying table. Some 15,000 lb. of material was bulk sampled, screened, sluiced and bagged on site to provide 6,500 lb. for shipment to Vancouver where samples were processed by hydrostatic separator. 86 sample concentrates were assayed. Detailed results of the 1981-83 work are contained in two assessment reports (10534, 11576).

Property Potential

Limited work to date indicates some good gold values, particularly in the McClair Creek Fan near the mouth of the canyon on lower McClair Creek. Only two pits were attempted on the Mid-McClair Creek gravels - results were inconclusive.

The McClair Creek Fan section requires detailed sampling initially by excavator trenching and at least partial processing of samples on site. The previous remoteness of the area has precluded this type of program.

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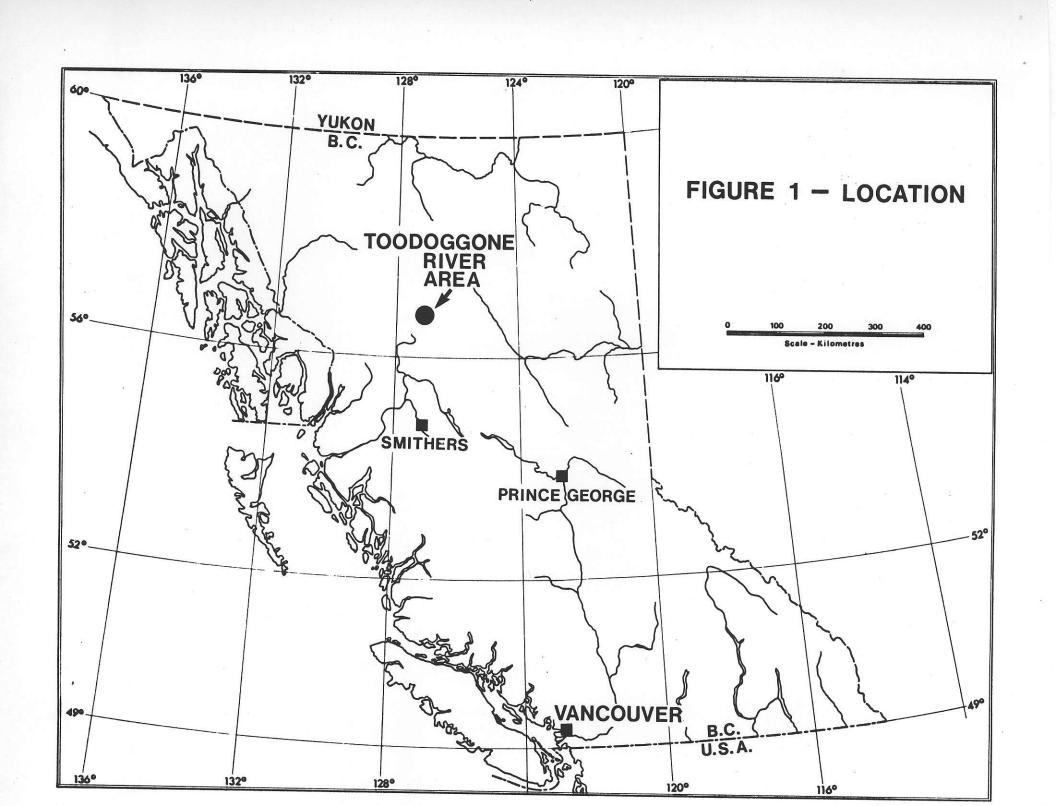
TOODOGGONE PLACER LEASES - RESULTS OF PREVIOUS WORK

1961 CHURN DRILLING

<u> Hole Number</u>	T.D.(metres)	Comments
1	13.1	Nil Au - bedrock at hole end
2	23.0	11 11
3	32.3	trace-some gold 0-5.2m-gravel
4	31.1	trace-some gold 0-8.2m-gravel
5	21.6	trace-some gold 0-5.8m-gravel
6	21.3	some gold-0-7.9m-gravel, sand
7	22.4	some gold-0-6.0m-fine gravel
8	21.3	trace-0-6.0m-gravel,sand
9	21.3	trace-0-9.8m-fine gravel, sand
10	21.3	some gold-2.7-7.9m-gravel, sand
11	21.3	Nil gold - glacial silt
12	12.2	Nil gold - sand, silt
13	12.2	н п
14	20.1	Nil gold - fine gravel, silt
15	21.3	Some gold-0-7.3m-coarse gravel
	315.8	•

1981-83 TEST PITTING (McClair Creek Fan)

Pit No. 1 2	Depth(metres) 2.6 2.6	Au(mg/cu.m) 1058.0 2.4	\$/cu.m \$12.58	Comments 1.7-2.6m	depth
3	2.6	5.3			
4	1.2	1.0			
5	2.75	142.0	\$1.68		
10	3.3	6.9			
11	0.9	Nil			
12	2.6	1.7			
13	2.4	1.7			
14	2.4	3.9			
16	2.4	18.2			
17	2.4	0.4			
18	2.4	13.0			
19	3.0	746.8	\$8.88	0.6-3.0m	interval
20	1.8	127.7		0.9-1.8m	interval



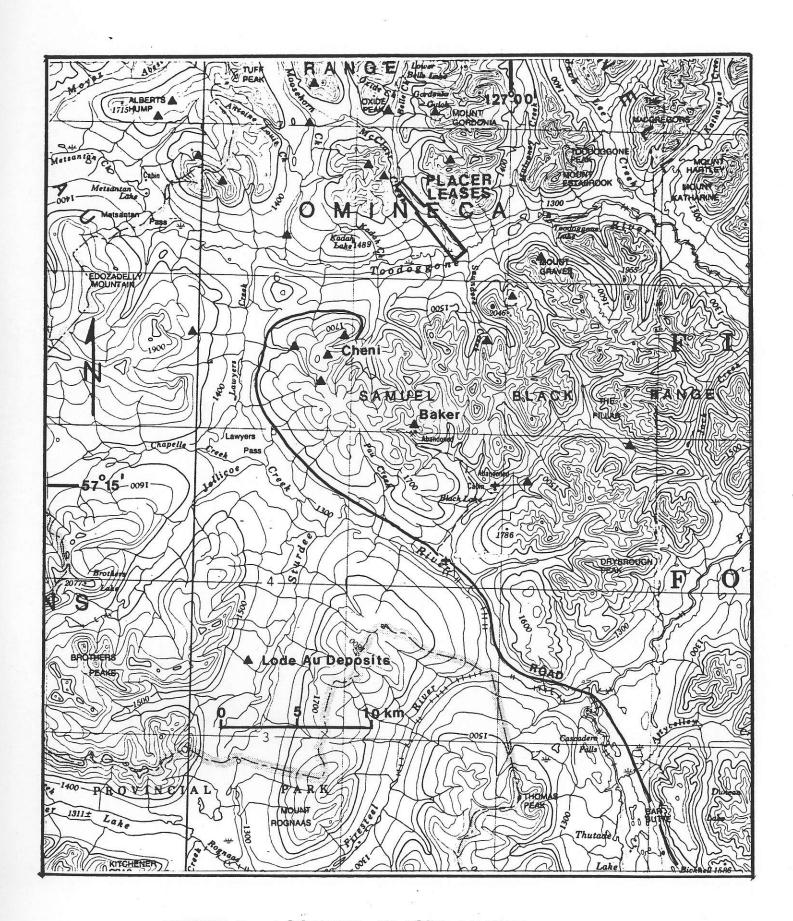


FIGURE 2 - LOCATION - PLACER LEASES

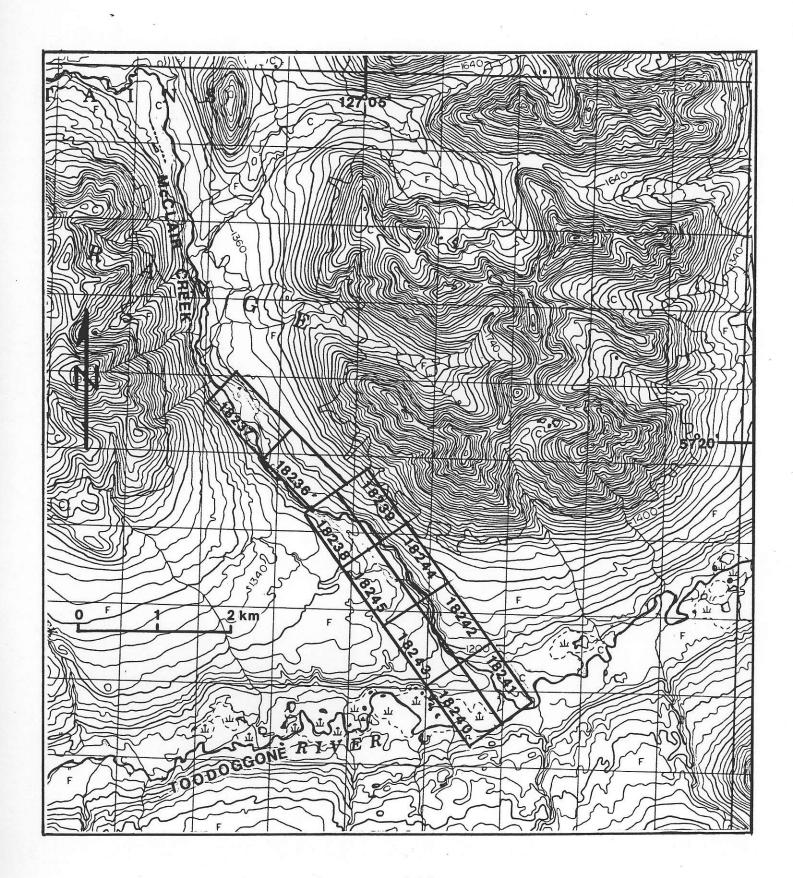


FIGURE 3 - PLACER LEASES

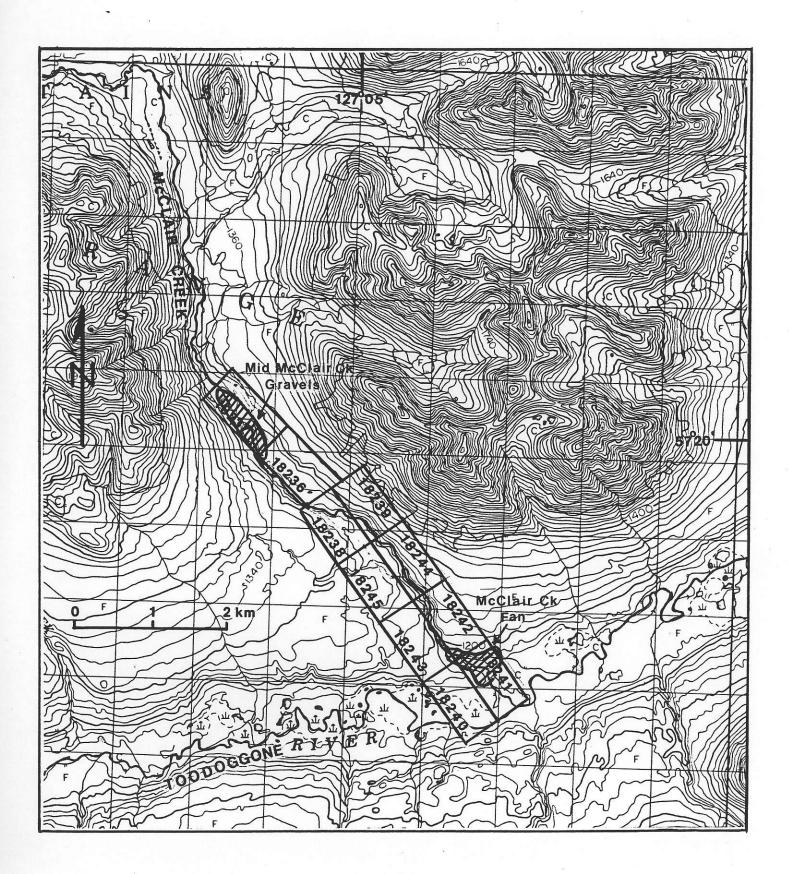


FIGURE 4 - PLACER LEASES

