

811527

Property Submitted

PROPERTY EXAMINATION OF
"SHEEP" CLAIMS OWNED BY
RIBA, PAPP AND JONES
SQUAW CREEK, B.C.
N.T.S. 114-P-14

By: K. M. Dawson/69

DATE July 23, 1969

FILE NO. 5486-19

ASSAY CERTIFICATE

WHITEHORSE ASSAY OFFICE

P.O. BOX 346. WHITEHORSE. YUKON

RECEIVED FROM

Atlas

SAMPLE NO.	GOLD		SILVER		Copper	Nickel	ZINC		
	OZ. PER TON	OZ. PER TON	OZ. PER TON	OZ. PER TON					
5486-19									
489	TR	.04	.04	TR					
490	TR	.46	2.7	TR					
491	TR	.14	.25	TR					
492	TR	.16	.80	TR					
493	TR	.26	1.32	TR					
494	TR	.06	.25	TR					
495	TR	.08	.03	TR					
496	TR	.24	.85	.02					
497	TR	1.52	6.5	.02					
498	TR	.20	.64	.01					
499	.005	.40	1.7	TR					
500	TR	.16	.38	TR					
4010	TR								
4011		30.5	5.6						
4012	TR	-	.01						
801 } 802 } 803 } 804 }	Spectro								

Panned as instructed and heavy fractions were lamped. No indications of Scheelite were found.

Ken Dawson

ASSAYER Geo. Spalding

Inter-Office Letter

COMPANY		DATE	July 17, 1969
FROM:	Ken Dawson	TO:	John Brock
SUBJECT:	Sheep Group of Tony Riba and Steve Papp	ATTN. OF:	

Papp and Riba visited me at the Whitehorse office today and filled in some gaps in the information we have on their claims. Sevensma examined the property in 1964, spent about an hour on some hand trenches and was favourably impressed. Riba will try to locate his report. The claim group constitutes 23 claims. Assays have run \$2.00 to \$10.00 in gold and 2 to 4 oz. Ag. Copper assays have run as high as 25% on high grade specimens. Traces of cobalt are reported. No tungsten assays or U.V. lamping has been done. All this info verbal.

Ace Parker also visited ground, but I have not yet contacted him as to whether a report is available. Riba is vague on this point, and also on a geophysical survey by a Greek called Salzmer (?) from Van. who flew airborne mag and E.M. but apparently did not prepare a report or finish the contract.

Despite the rather uncertain history of this ground, I believe it is a good bet. I would like to drill four or five holes at a low angle into the base of the hill from the creek to test what I think is an essentially vertical skarn zone. The holes could be spaced out for about 1500 feet along the creek, and should be at least 800 feet deep. Mineralization may be intersected over a thickness of several hundred feet. I will make some rough calculations when I get the assays back next week, and perhaps we can consider making a deal. Riba says he wont take less than \$10,000, but he may come down if we make an attractive long term option offer. Perhaps another, more thorough examination is warranted. I'll see you in Ross on Tuesday.

Ken

P.S. Sevensma in Van this weekend and I will contact if possible.

PROPERTY INFORMATION FORM

Date..... July 12, 1969

Name of Property	Sheep Group	
Presented by (with address)	Lloyd Jones Room 21 Stephen Hotel, Whitehorse	Date July 11, 1969
Location	Paddy Creek, tributary of Squaw Creek, south slope Mt. Beaton	
Access	helicopter from Dezadeash or Gordon Yardley jeep trail from Jackpot.	
Claims	Sheep Group (16 claims ?) 23 claims.	
Ownership	Steve Papp and Tony Riba of Whitehorse, <u>Lloyd Jones</u> has 5% interest	
Summary of Outstanding Features	Copper mineralization, chalcopyrite and some bornite in skarn replacement. Property lies on same strike as Jackpot, Ronex and Johnny Johns Mary and John Claims,	
Opinions, Suggestions or Recommendations of Present Holder	\$ 10,000 down and total of \$300,000 over 5 years	
Option Terms	as above, can be modified by Atlas on examination	
Information is Based on	verbal communication with Llyod Jones	
Nature of Deposit	skarn replacement, assumed from inspection of hand specimen	
Mineralization	chalcopyrite, bornite, manganese stain	
Widths and Values	not known, two occurrences reported over 500 feet, mostly float	
Strike and Dip	not known	
Country Rock	contact metamorphic to Mt. Beaton intrusive?	
Present Known Extent and Possible Extensions	possible extensions along strike to Jackpot?	
Limiting Features	skarn type mineralization	

Workings, Kind, Amount, Location and/or Diamond Drilling

bulldozer trenching by Jones

Lengths and Frequency of Exposures

not known

Known Commercial Sections

unknown, no assays available

Known Non-Commercial Sections

Number, Dimensions and Grade of Ore Shoots Indicated

Possibilities of Developing Ore

possible porph. type mineralization could exist within area as per K.M. Dawson theory on other property exams.

Past Production, If Any

Dividends, If Any

Other Significant Features in History of Property

Previous Examinations

by Rodstrom Yellowknife, Rogue Point, in 1968, held ground for short while dropped due to lack of funds

Reports, Plans or Other Sources of Information

Reasons for Property Lying Idle

dependant on trenching results of Jones

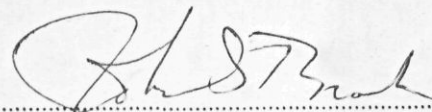
Relation to or Comparison with Other Properties in the District

significant because of proximity to Jackpot and Ronex Properties, also Dawson theory on Porph Copper possibilities in area.

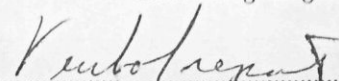
New Development (Since Last Examination)

Other Remarks

Recommend examination by Dawson



Examining Engineer



Date of Examination

EXAMINATION OF THE "SHEEP" CLAIMS
OWNED BY TONY RIBA, STEVE PAPP AND LLOYD JONES

SQUAW CREEK AREA, B.C.

N.T.S. 114-P-14

JULY 15, 1969

KENNETH M. DAWSON



PLATE 1

Diamond drill rig abandoned on highest skarn outcrop. Paddy Creek below and Mount Beaton in background. View looking northeast.

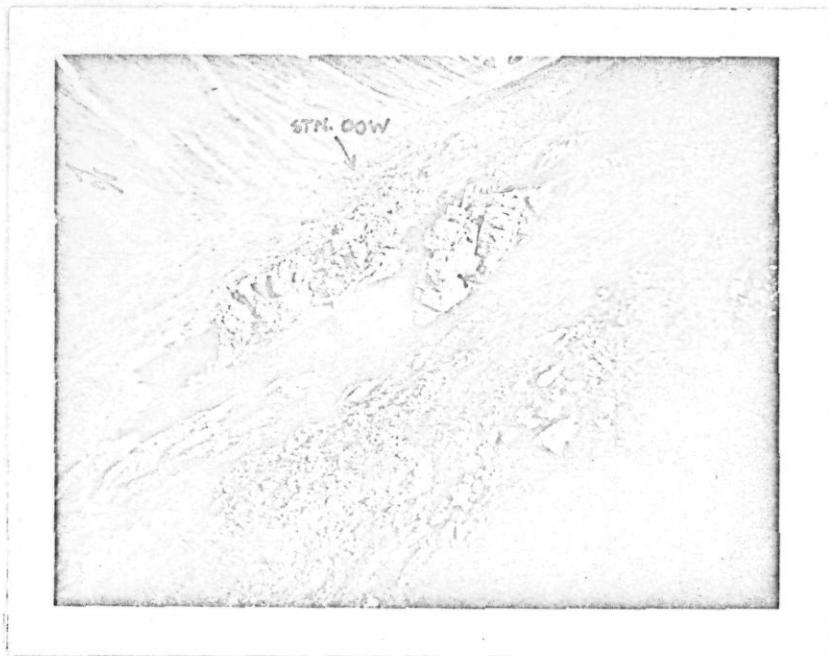


PLATE 2

Main outcrop of pyrite-chalcopyrite skarn, looking
southeast up Paddy Creek.

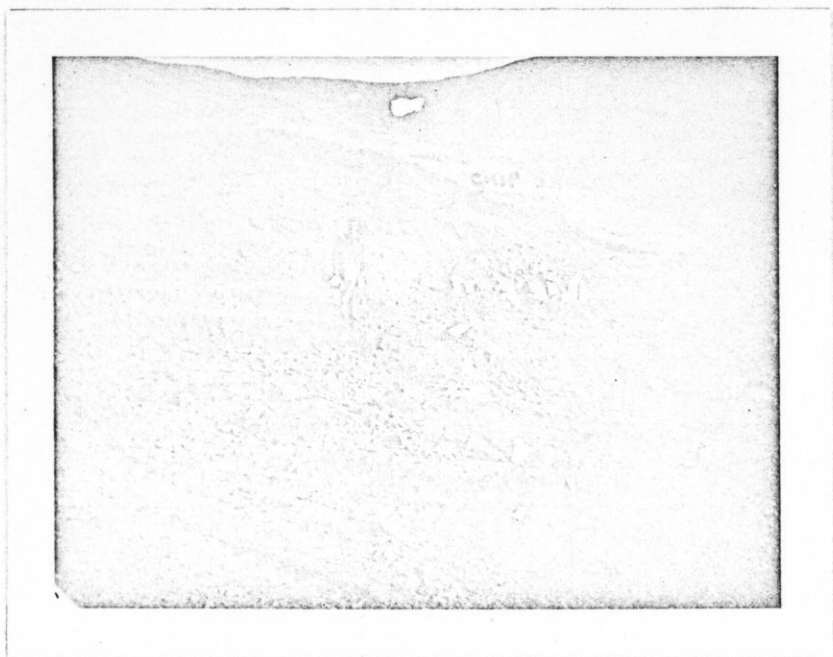


PLATE 3

Bulldozer cut at 700W exposing chalcopyrite and minor bornite mineralization. Partner Lloyd Jones accompanied writer. Looking south.

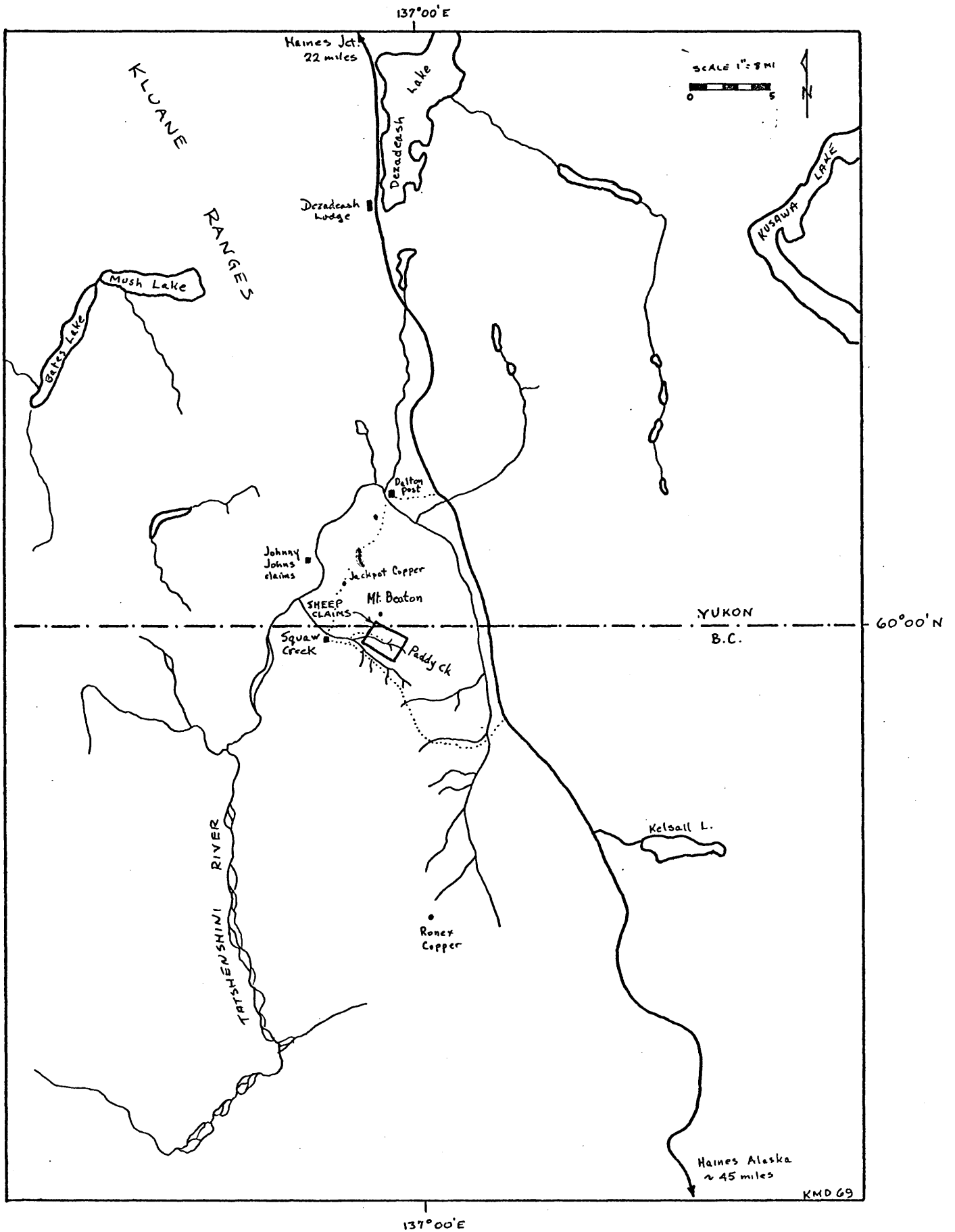
INTRODUCTION

The writer, accompanied by Lloyd Jones, visited the Sheep Group of mineral claims on July 15, 1969. A pyrite-chalcopyrite skarn is exposed in outcrop, hand cuts and a bulldozer trench for about 700 ft. along the hillside on the south side of Paddy Creek. The writer spent four hours in sampling the showings and examining the rocks in the immediate area.

RECOMMENDATIONS

1. Mineral potential of the Sheep Group warrants evaluation by a minimum of 2000 ft. of diamond drilling.
2. Preliminary investigations indicate the deposit is an essentially vertical chalcopyrite-bearing skarn zone of minimum dimensions 700 ft. long by 100 ft. thick and exposed for at least 300 ft. down dip. This structure could best be tested by four diamond drill holes, 500 ft. deep, inclined at a low angle into the hill on a southwest bearing. Drill sites should be located along Paddy Creek at 300 ft. intervals, bracketing the exposed zone of mineralization.
3. Drill targets should be extended beyond the limits of the showings prior to drilling. The immediate area should be geologically mapped on a scale of about 1" = 200 ft., and a 1" = $\frac{1}{4}$ mile geological map prepared of the claim group and adjacent ground. Three contour soil sampling lines should be run along the southwest bank of Paddy Creek, and one along the opposite bank.
4. The configuration and topography of the deposit preclude open-pit mining. Relatively low assays in copper and silver (0.76% Cu and 0.18 oz/T. Ag average over 700 ft. strike) obtained from chip sampling indicate an underground block-caving technique would be appropriate, should similar values be obtained in drilling.

FIGURE 1: LOCATION MAP OF SHEEP CLAIMS



5. Preliminary examination indicates the probable potential of the deposit does not warrant an option agreement with the owners in excess of \$5,000.00 down payment and \$200,000.00 over five years, with a guarantee of \$25,000.00 in development work by Atlas.

LOCATION AND ACCESS

The Sheep Group of 23 mineral claims is located about 1 mile south of the B.C. - Yukon border and 85 miles due southwest from Whitehorse. The property is on Paddy Creek, 4 miles upstream from the abandoned Squaw Creek placer camp. Access may be gained by jeep road via Dalton Post and Jackpot Copper, or from Milepost 87 on the Haines Highway, each route being 10 to 12 miles. Heavy drill equipment may be moved over these roads. Transportation used for the property examination was a Bell G3-B2 helicopter temporarily based at Dezadeash Lodge by Trans North Turbo Air. Property location is given in Fig. 1.

OWNERSHIP AND HISTORY

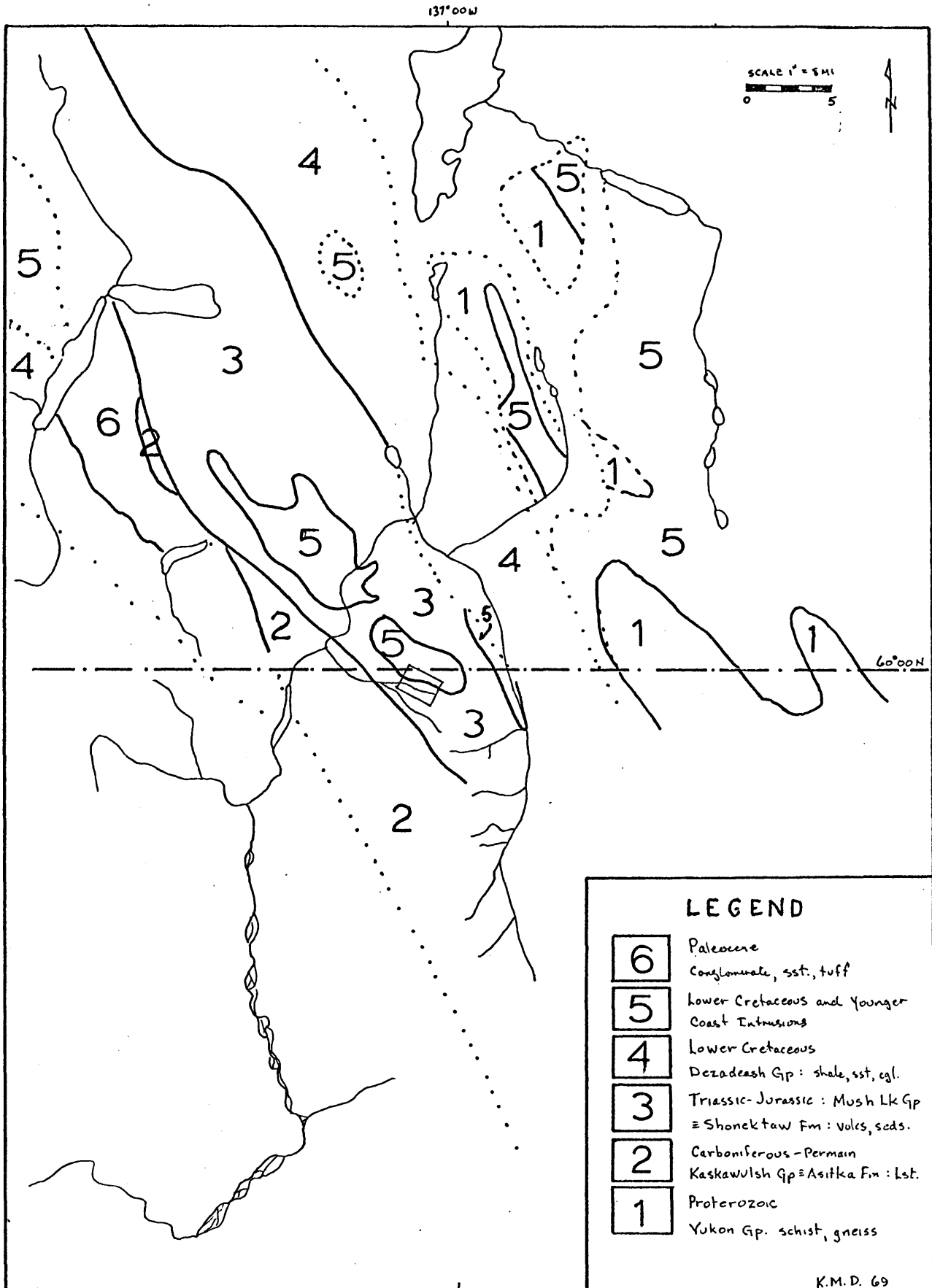
Tony Riba of Whitehorse and Steve Papp of Mission, B.C. together control 95% of the property. Lloyd Jones of Burnaby, B.C. was given a 5% share in return for doing the bulldozer work on the property. A claim map was not available at time of writing, and assessment work reports have not been checked. The claim group is reported to run parallel to Paddy Creek, and to extend north to the B.C. border. The claims have been held since 1964. Two consultants who visited the property, Peter Sevensma in 1966 and Ace Parker also in 1966 (?) prepared reports for the owners, but these documents have not been made available to Atlas. Neither of the consultants could be reached prior to writing.

Atlas has been verbally informed of previous examinations and work by Lloyd Jones. An airborne magnetometer and E.M. survey was flown by Mr. Zalmer (?) of Vancouver but apparently he did not finish the contract or prepare a report. Rodstrom Yellowknife, Rogue Point held the ground for a period in 1968 but dropped it due to lack of funds. A Mr. A. C. McEchearn of Vancouver backed down on a purchase offer in 1968 due to a lack of agreement between the partners. Graham Diamond Drilling of Edmonton moved a portable rig into the property in September of 1968, and set up on the highest exposure in order to drill down dip with a vertical hole. The drillers encountered water problems due to cold weather and the high location above the creek. The machine vibrated badly and ground core during operation, hence only about 30 ft. of core were recovered before shutting down. The machine is still on the property. A Winkie drill was used to evaluate mineralization in the creek, with one short hole drilled along strike. No assays have been seen by the writer from drilling or other work.

GEOLOGY

The deposit occurs in interbedded argillites and limestones of the Triassic and/or Jurassic Shonoktaw Formation, the B.C. equivalent of the Mush Lake Group as mapped by Kindle (1953) in the Dezadeash area, Yukon. This northwest-trending belt of Early Mesozoic volcanic and sedimentary rocks is intruded by partially-concordant granitic plutons of the Coast Intrusions. Small discordant acidic stocks within the intrusive belt may be Tertiary in age. The Squaw Range, which straddles the border and includes Mount Beaton on the north, is underlain by a granitic core and volcano-sedimentary flanks, as shown in Fig. 2. Paddy Creek flanks the southern tip of this granitic core, and the skarn zone is developed in limey argillite and limestone to the southwest.

FIGURE 2 : GEOLOGY OF AREA NEAR SHEEP CLAIMS



The belt of Mush Lake - Shonektaw rocks is rich in copper; as native copper in andesites, and sulfide veins and replacements in limestone, argillite and volcanic rocks (Kindle, 1953, pp. 34, 56-57). Numerous small copper showings occur in Kluane Range to the north, Jackpot and Sheep deposits are in Mush Lake sediments adjacent to an intrusive contact, and the Ronex copper deposit to the south occurs in Permian sedimentary rocks of the Asitka Group. Permo-Carboniferous limestone of the Yukon equivalent Kaskawulsh Group forms the core of a geanticline in Dezadeash area, according to Kindle, and flanks the northeast limb of Mush Lake rocks.

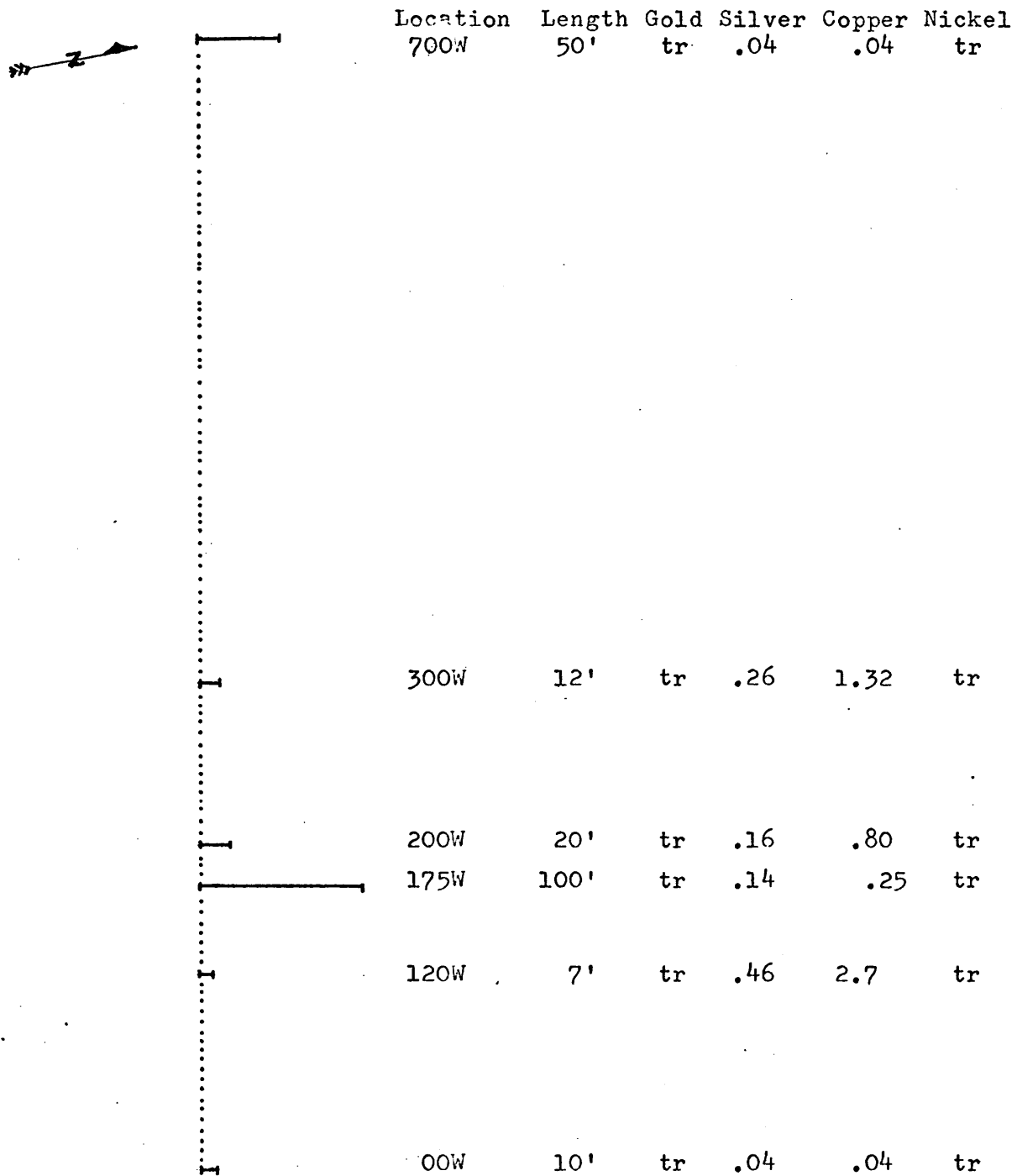
MINERALIZATION

Folded, limey beds have been replaced and mineralized adjacent to the contact of the Mount Beaton stock. Bands of siliceous skarn are intercalated with unreplaced beds. Actinolite and fine-grained diopside were recognized in skarn. Pyrite is abundant, stringers and masses of chalcopyrite are common, and bornite is rare. Sulfide mineralization is irregularly distributed over the width and length of the zone, but appears to be localized by intense drag folding and brecciation near a postulated fault along Paddy Creek. Quartz and carbonate veinlets are abundant.

Replaced beds strike subparallel to Paddy Creek at 120° and dip between 75° NE and vertical. The skarn zone gives way to limey argillite to the south. The vertical zone has been exposed in open cuts and a bulldozer trench over a strike length of about 700 ft. These cuts have been chip sampled, and the results are plotted in Fig. 3.

FIGURE 3: Plan of Chip Sample Locations

scale: 1" = 100'



Gold and nickel values in chip samples are negligible. Six chip sample sections across the width of the zone were combined and weighted to give an average of 0.76% Cu and 0.18 oz/T. Ag over 700 ft. The two longest chip sample intervals, 100 ft. (175 W) and 50 ft. (700 W), both yielded 0.25% Cu over the respective distances. The length and separation of these two channels indicates that 0.25% Cu may be a realistic minimum assay over the width of the skarn zone. The highest chip sample assay (120 W) is 2.7% Cu and 0.46 oz/T. Ag over 7 ft. The highest grab sample assay is 6.50% Cu and 1.52 oz/T. Ag (175 W). Both were taken in zones of massive sulfides. Samples submitted to Whitehorse Assay Office were panned and heavy fractions U.V. lamped. No indications of scheelite were found.

EXPLORATION AND EVALUATION

The mineralized zone is above treeline in an area of plentiful outcrop amenable to detailed geological mapping. Mapping the skarn zone at scale 1" = 200 ft. should define structure and establish drill targets, and may extend the known zone of mineralization. Mapping the claim group and the area immediately to the north at scale 1" = $\frac{1}{4}$ mile would be particularly useful since several gossans were observed along the contact zone on southern slopes of Mount Beaton. Copper float is reported by the owners along the foot of these slopes.

Extensions of the chalcopyrite-bearing skarn would be best determined by contour soil sampling. The area is flaciated but overburden is thin. Three southeast-trending lines, each about $\frac{1}{2}$ mile in length with sample interval 100 ft., should be spaced at intervals along the slope; directly below highest observed mineralization, midway downslope, and along the southwest side of Paddy Creek.

A magnetometer survey would establish contacts between mineralized skarn and argillite/limestone, and should indicate extensions of mineralization. Magnetometer profiles could be run normal to soil sampling lines at 200 ft. spacing and 100 ft. station interval.

Geological mapping, geochemical sampling and magnetometer surveying should define a vertically-dipping structure, in the order of 1000 ft. long by 100 ft. thick. This target would best be tested by low angle drill holes collared along Paddy Creek. The holes should plunge southwestward and be drilled to at least 500 ft. depth. Four holes, spaced at about 300 ft. intervals, should bracket exposed and inferred mineralization.

CONCLUSIONS

Preliminary chip sampling has yielded copper-silver assays that are too low to permit economic underground mining. However, these assays are only a rough indication of mineral content, and the apparent size and grade of the deposit does warrant proper evaluation by drilling. The topography of the area, a steep hillside, precludes open-pit mining of a steeply-dipping structure therefore an appropriate underground block-caving method should be considered.

K. M. Dawson

July 15, 1969

Property Submitted - Tony Riba - Sheep Claims - Squaw Creek

Whitehorse Assay Office,
July 23, 1969
File # 5486-19

Description

Sample No.

- 489 - E end of showing Rusty skarn Cp & Py siliceous
10' chip 00'W
- Au trace, Ag .04 oz/ton, Cu .04%, Ni trace
- 490 - Dark green fine grained siliceous skarn
Carbonate Py, Cp, Bn 7' chip
- Au trace, Ag. .46 oz/ton, Cu 2.7%, Ni trace (120'W)
- 491 - Argellite & siliceous skarn. Vertical dip.
Strike 09, 175 w, 100 chip
- Au trace, Ag .14 oz/ton, Cu .25%, Ni trace
- 492 - Dark green fine grained skarn calcite veinlets,
200 w, 20' chip
- Au trace, Ag .16 oz/ton, Cu .80%, Ni trace
- 493 - Limey argillite, calcite veinlets, siliceous green
zones, Cp & Py 300'W, 12' chip
- Au trace, Ag .26 oz/ton, Cu 1.32%, Ni trace
- 494 - Cat trench at west end showing, siliceous skarn,
calcite veined, Py, Cp, & Bn, 700'W, 50' chip
- Au trace, Ag .06 oz/ton, Cu .25%, Ni trace.
- 495 - High grade #1A 00'W Grab.
- Au trace, Ag .08 oz/ton, Cu .03%, Ni trace
- 496 - At #2 Py in skarn 120'W, Grab.
- Au trace, Ag .24 oz/ton, Cu .85%, Ni .02%.
- 497 - Highgrade, massive Py & Cp, 175'W, grab.
- Au trace, Ag 1.52 oz/ton, Cu 6.5%, Ni .02%.
- 498 - High grade pyrite cpy replacement breccia at #4
200'W, Grab.
- Au trace, Ag .20 oz/ton, Cu .64%, Ni .01%.
- 499 - High grade massive laminated Cp & Py replacement
at #5 300'W Grab
- Au .005 oz/ton, Ag .40 oz/ton, Cu 1.7%, Ni trace
- 500 - Highgrade cat trench green siliceous skarn Cp 7
Py 700'W grab
- Au trace, Ag .16 oz/ton, Cu .38%, Ni trace.