

ARCHER, CATHRO
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CONSULTING GEOLOGICAL ENGINEERS

FILE

NTS.
M.T. FREEGOLD
PROGRESS REPORTS.

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Progress Report
Freegold Project
July 8, 1981

Drilling

The Freegold Project drill program was completed on July 3 and the drill camp and equipment demobilized on July 5. Ten holes totalling 3914 feet (some 700 feet more than budgeted) were drilled at the locations illustrated on enclosed Figure F3 and summarized on the attached table. Cross-sections illustrating the geology of each hole are also enclosed. A summary of results since the last progress report follows:

Hole AR 81-05 - cut a 70 ft. breccia zone near the bottom. The zone exhibits strong clay alteration with 3-5% pyrite and 1/2 to 1% of a needle-like metallic mineral that is probably jamesonite or stibnite;

Hole AR 81-06 - cut a zone of brecciated felsite with strong clay alteration from 332-390 feet. The zone contains 3-5% pyrite with minor arsenopyrite and traces of a dark mineral (sulfo-salt?);

Hole AR 81-07 - a zone of felsite with brecciated felsite was cut from 100-320 feet. The zone exhibits pervasive kaolinite alteration, 2-5% disseminated and fracture filled pyrite and 1-2% disseminated arsenopyrite;

Hole AR 81-08 - cut brecciated felsite with weak kaolinite alteration from 120-320 feet. Finely disseminated pyrite is seen throughout and traces of a dark mineral (sulfo-salt?) is noted in the lower part of the section;

Hole AR 81-09 - cut weakly clay-altered brecciated felsite from 120-255 feet. The breccia is cut by veinlets of pyrite and arsenopyrite and contains traces of a disseminated dark mineral. Overall sulphide content reaches 5% in places. This is the best looking intersection from the 1981 program;

Hole AR 81-10 - this hole was drilled to examine the Hole AR 81-05 intersection further south. Wide zones of brecciated felsite in granodiorite were cut but mineralization only consists of 2 to 3% fracture and disseminated pyrite.

All drill core has been split and sent to Chemex Labs for gold geochemical assay in parts-per-billion (ppb) using a fire assay and neutron activation technique. Core is also being assayed for silver in parts-per-million (ppm) using a standard acid extraction-atomic absorption technique. The only exception to this is Hole AR 81-02 where the final gold assay was obtained using an atomic absorption finish in order to get the assays quicker. The first 3 holes were sampled in 5 foot intervals and the remaining holes in

10 foot intervals. Each core split was halved on the property (prior to shipment to Chemex) using a jaw crusher and Jones splitter. These split samples are stored at the No. 4 adit site and can be retrieved later as required for test metallurgical work, check assaying or petrological studies. No check assaying has been done as yet. The boxes of halved core are stored in nearby core racks. A list of sample intervals and numbers for each hole is attached. Assays will be forwarded when received.

Other Work

Trenches at the Seymour claims have been sampled and preliminary results confirm the anomalous copper-molybdenum-arsenic-silver results obtained by previous work. No gold assays have been received as yet.

Geochemical assays from rocks and soils on the unstaked Castle occurrence (see page 2 of June 15 progress report) returned only low values and no further work or staking is planned here.

The bulldozing has been stopped and the bulldozer will be moved from the property on July 15. The Freegold crew will be moved to another Archer, Cathro project in late July or early August and Mike Phillips will finish logging the core in periodic trips between July 15 and August 30.

We have had no contact with Trenaman, Spencer and Associates Ltd. and assume they will not require use of the bulldozer or our camp whenever they arrive.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED,



A.R. Archer

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