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September 9, 1971

IMPERIAL OIL ENTERPRISES LTD.

MAX GROUP, YUKON TERRITORY

EXPLORATION PROGRESS AUGUST 1 TO AUGUST 31, 1971

RECEIVED

SEP 15 1971

SUMMARY

Eight mineral occurrences were located during prospecting; none of the occurrences are of economic importance.

Areas containing geochemically anomalous values were prospected. All but one of the anomalous areas can be accounted for and are probably caused by known mineral occurrences.

Eight claims must be staked to cover unstaked portions of grid 1 and grid 3.

Three drill holes totalling 1141 feet were completed in August. Assays were received for holes 71M-1 and 71M-2. The assays (for recoverable MoS_2) in all but three cases are less than 0.10 percent MoS_2 .

PROSPECTING

Eight occurrences were located during August. The occurrences are plotted on drawing 11M-1 and summarized in Table I. None of the occurrences are of economic importance in themselves.

The best mineralization discovered thus far, within the area prospected, exists at:

1. Grid 1
2. Grid 3
3. West of Grid 1

TABLE I
MINERAL OCCURRENCES - MAX GROUP

August, 1971

<u>NUMBER</u>	<u>MINERALIZATION</u>	<u>ROCK TYPE</u>	<u>COMMENTS</u>
H17	Pyrrhotite, chalcopyrite	Disseminated in quartzite outcrop	Best grab sample estimated 0.2% Cu (Atlas #4)
H18	Pyrrhotite, chalcopyrite	Disseminated in quartzite outcrop	Best grab sample estimated 0.4% Cu (Atlas #5)
P12	Pyrrhotite, chalcopyrite, Molybdenite	Pyrrhotite, chalcoprite disseminated in quartzite talus; molybdenite in quartz veins	Best grab sample estimated 0.2% Cu, 0.5% Mo (Atlas #8)
P13	Pyrrhotite, pyrite, chalcopyrite	Disseminated in quartzite outcrop	Best grab sample estimated 0.4% Cu (Atlas #7)
P14	Chalcopyrite, bornite, sphalerite, malachite	Quartz vein (1.5" x 4')	Best grab sample estimated 0.6% Cu (Atlas #9)
P15	Pyrrhotite, chalcopyrite	Disseminated in quartzite talus	Best grab sample estimated at 0.2% Cu (Old)
B12	Pyrrhotite, chalcopyrite	Disseminated in quartzite talus	Best grab sample estimated at 0.2% Cu (New)
B13	Pyrrhotite, chalcopyrite	Disseminated in quartzite talus	Best grab sample estimated at 0.2% Cu (Atlas #10)

GEOCHEMICAL SURVEYING

Statistical analysis of soil geochemical values indicates that 25 ppm and 250 ppm are the lower limits of anomalous molybdenum and copper respectively. About ten percent of all values are anomalous.

Anomalous values are distributed as follows:

Grid 1

Anomalous molybdenum values exist south of HI3, near B11 and just west of HI4. Observed mineralization at the mineralized locales is believed sufficient to account for the anomalous soil values.

Anomalous copper values exist south of HI3 and HI6, west of HI4 and for about 600 feet southwest from B11. The anomalies exist in areas of rusty pyrrhotite and chalcopyrite bearing quartzite.

Observed mineralization at most locales is believed to be sufficient to account for the anomalous soil values. The anomaly extending southwest from B11 cannot be accounted for by the B11 mineralization.

Grid 3

Anomalous molybdenum values exist near and between H11 and HI5. The mineralization at the occurrences and in talus is sufficient to account for the anomalous values.

Anomalous copper values exist near H11, HI5 and in the southwest corner of grid 3. In general the anomalous values are associated with rusty pyrrhotite and chalcopyrite bearing quartzite.

The 1971 geochemical sampling substantiated the 1970 sampling; prospecting of all areas containing anomalous copper and molybdenum values has been completed.

CLAIM LOCATION

The known and assumed claim group perimeter is plotted on drawing 11M-1. A large unstaked area extends from the western perimeter easterly to the central portion of grid 1. Four claims will be staked to cover the area.

Another unstaked area exists on the southern portion of grid 3 (now shown on drawing 11M-1); this unstaked area will be covered by four claims.

DIAMOND DRILLING

Three holes (71M-1, 71M-2, 71M-3) totalling 1141 feet were drilled during August. The assay results for holes 71M-1 and 71M-2 are summarized in Table II.

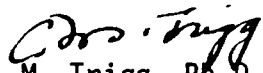
Hole 71M-1 was drilled to test beneath occurrence HI3 (molybdenite in quartz monzonite). The hole encountered quartzite with a few dyke or fault slices of quartzite monzonite to 75 feet. From 75 to 345 feet the hole was in quartz monzonite or altered quartz monzonite. The altered sections are usually composed of chlorite, calcite, kaolinite with lesser amounts of quartz, muscovite, serpentine and pyrite. Low concentrations of molybdenite exist in quartz veins, along fractures and sometimes as disseminations in unaltered quartz monzonite.

Hole 71M-2 was drilled to test beneath occurrence HI3 and HI6 (molybdenite in quartz monzonite). Micaceous quartzite was encountered to 72.5 feet and diabase was encountered from 72.5 to 177 feet. Quartz monzonite and altered quartz monzonite with short sections of diabase and micaceous quartzite were encountered from 177 feet to the hole bottom at 457 feet. Low grade molybdenite mineralization exists primarily in narrow (1/8" to 1/4") quartz veins.

Hole 71M-3 was drilled to test an induced polarization anomaly encountered on line 4+00W at 7+00S. Micaceous quartzite and altered quartz monzonite were encountered from 142 feet to the hole bottom at 339 feet. Only a few molybdenite bearing quartz veinlets were encountered. Sampled drill core has not yet been assayed.

A pyrite bearing, sericitized and saussuritized quartz monzonite from 197 to 250 feet containing several graphitic coated fracture surfaces may have caused the induced polarization anomaly.

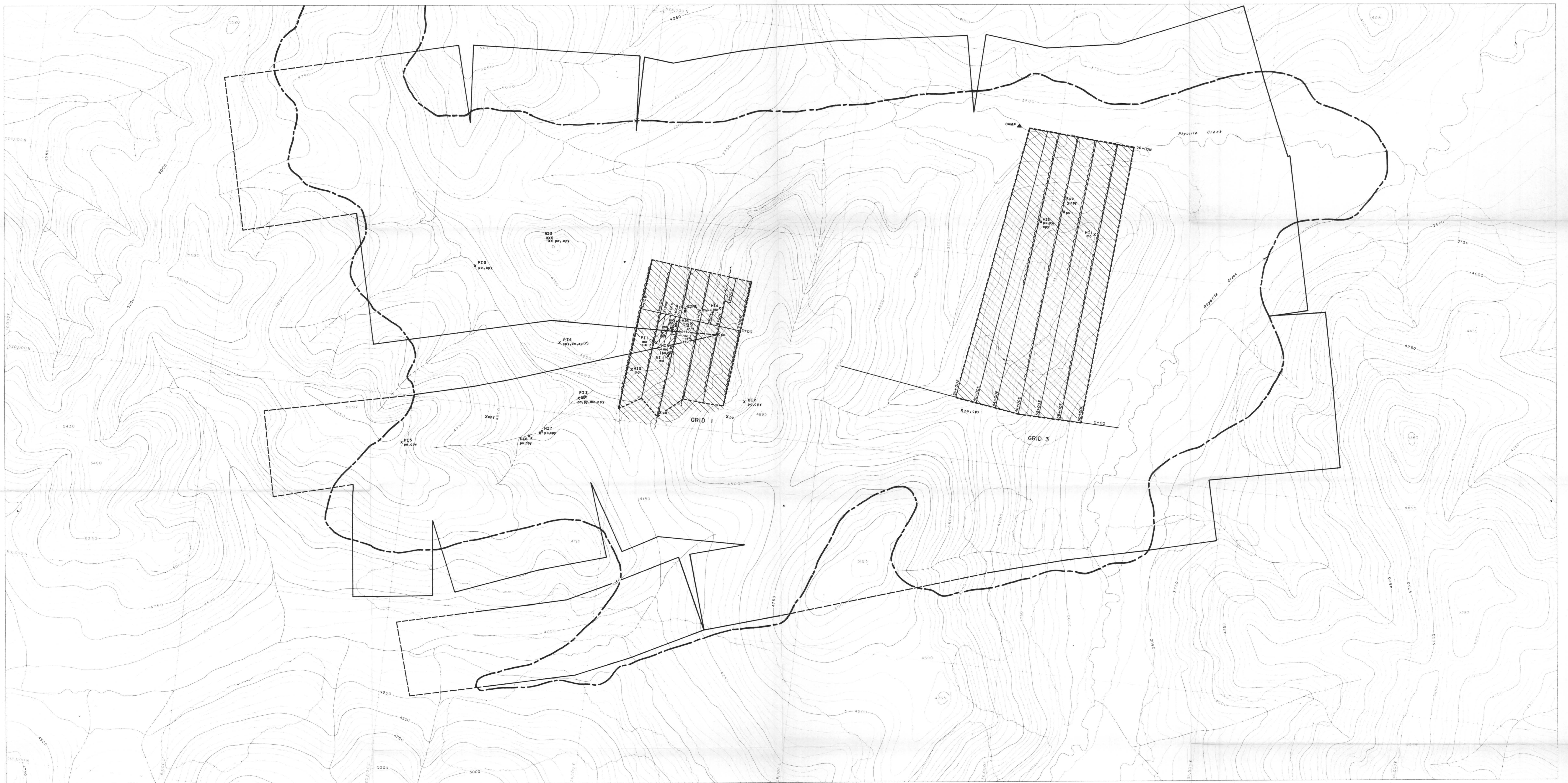
Trigg, Woollett & Associates Ltd.


C. M. Trigg, Ph.D., P.Eng.

September 1971
Edmonton, Alberta

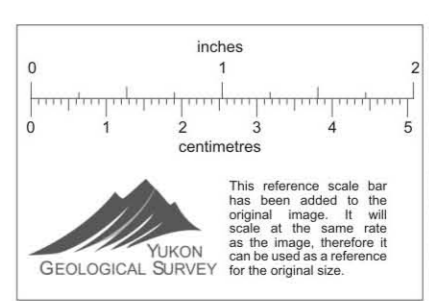
TABLE II
DIAMOND DRILLING SUMMARY - AUGUST 1971

HOLE	LOCATION	AZIMUTH	DIP	LENGTH	INTERSECTION				
					FROM	TO	LENGTH	% Cu	% MoS ₂
71M-1	Grid 1 1+00W, 3+50S	180°	-45°	345 Feet	116.5'	119.5'	3'	.02	.010
					119.5'	120.5'	1'	.02	.262 ✓
					120.5'	123.5'	3'	.005	.025
					174'	177'	3'	.02	.006
					177'	180'	3'	.03	.031
					180'	183'	3'	.02	.010
					205'	210'	5'	.02	.008
					210'	215'	+5'	.02	.078
					215'	216'	1'	.01	.580 ✓
					216'	221'	5'	.02	.018
					290'	293'	3'	.02	.026
					293'	294'	1'	.02	.008
					294'	297'	3'	.01	.009
					71M-2	Grid 1 1+00W, 2+00S	180°	-45°	457 Feet
41'	46'	5'	.03	.031					
46'	51'	5'	.03	.019					
51'	56'	5'	.04	.012					
177'	182'	5'	.02	.015					
182'	187'	5'	.02	.018					
187'	192'	5'	.02	.012					
192'	197'	5'	.03	.024					
252'	262'	5'	.02	.042					
262'	267'	5'	.02	.038					
267'	272'	5'	.03	.013					
277'	282'	5'	.02	.017					
282'	287'	5'	.02	.021					
287'	292'	5'	.02	.011					
337'	342'	5'	.02	.027					
342'	347'	5'	.02	.030					
347'	352'	5'	.01	.008					
352'	357'	5'	.02	.062					
409'	411'	2'	.01	.018					
411'	412'	1'	.01	.172 ✓					
412'	414'	2'	.01	.012					
71M-3	Grid 1 4+00W, 6+50S	180°	-55°	339 Feet	Sampled but not assayed.				



NOTE: GRID TIES TO THE 1971 DATUM
 Topography compiled by
Northwest Survey Corp. Ltd.
 Edmonton, Grande Prairie, Yellowknife, Whitehorse

LEGEND	
	TREE AREA
	INTERMITTENT STREAM
	CONTOURS (Interval 50 feet)
	SPOT ELEVATION
	1971 GRID LINE
	CLAIM BOUNDARY (Known, assumed)
	AREA PROSPECTED
	MINERAL OCCURRENCE AND NUMBER
	BORNITE
	SPHALERITE
	MOLYBDENITE
	PYRRHOTITE
	PYRITE
	CHALCOPYRITE
	AREA COVERED WITH GEOCHEMISTRY
	AREA MAPPED ON 1" = 100' SCALE
	AREA MAPPED ON 1" = 400' SCALE
	LINES COVERED WITH INDUCED POLARIZATION
	DIAMOND DRILL HOLE; NUMBER, DIP, DIRECTION AND LENGTH



EXPLORATION PROGRESS TO AUGUST 31, 1971
IMPERIAL OIL ENTERPRISES LTD.

MAX GROUP

RHYOLITE CREEK, Y.T.

SCALE 0 400 800 1600 2400 FEET
 TRIGG, WOOLLETT & ASSOCIATES LTD.
 EDMONTON, ALBERTA SEPTEMBER, 1971