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REPORT

on

TRANS YUKON
Exploration (N.P.L.) Ltd.

December, 1967

Trans Yukon Exploration (N.P.L.) Ltd. is presently offering 600,000 shares for sale to residents of the Yukon Territory at the price of 25¢ per share. Minimum subscription is 400 shares.

Shares may be purchased by applying in person at the office of the Company, which is situated at 101 Polaris Building, 4th Avenue and Wood Street, Whitehorse, Yukon (at McCowan Agency Ltd.), or by mail to P.O. Box 1979, Whitehorse, Yukon.

Trans Yukon Exploration (N.P.L.) Ltd. is registered as a Public Company in the Yukon Territory. This offering of shares is not to be considered in any way as an offering outside the Yukon Territory and the Company reserves the right to refuse any application.

Trans Yukon Exploration (N.P.L.) Ltd. is owner of all claims referred to in the geological report on the Company as the Lindsay Claim Group and all are in good standing until June 2, 1968, or later.

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GENERAL INFORMATION

South of Quiet Lake, and just off the Canol Road (near Mile 45.5), an area of some eight square miles of flat, accessible, terrain is dotted with large areas of rust-like deposits. In some places this rust (or gossan) is tens of feet thick.

The presence of so much mineralization in this area has been known for many years but has been thought as "bog iron", and considered to be of little importance.

However, geochemical work and spectrographic analyses have uncovered the presence of very high indicator values of nickel (principally), copper, zinc, lead, silver and manganese. Iron of course, is also present in large amounts, although not likely of commercial significance.

This surface mineralization, in itself, indicates the presence of sub-surface deposits that may well be of commercial value. Furthermore, some \$30,000.00 worth of geochemical and geophysical work has added substance to this possibility, because strong anomalous areas and conductor zones have been located (see map in geological reports).

The Company's consultant, Dr. P.H. Sevensma, has personally assessed the potential of this property and has recommended a major exploration program (costing \$120,000.00). This program is designed to gain further general knowledge on the property and to pinpoint with more accuracy the favourable drilling targets, after which concentrated drilling would be carried out as required.

Of specific importance is the nickel potential of this property. This potential was not discovered until this fall, after two major exploration companies had had an opportunity to assess the property. Subsequent geological work spurred on the formation of this Company so that the money recommended by Dr. Sevensma to be spent in exploration could be raised.

HISTORY

Beginning with a strong interest in the rust occurrences within the area of the present property, R.J. (Joe) Lindsay gradually acquired claims over the potentially attractive ground, first staking claims in 1964. By 1966, he had completed enough work to interest Newmont Exploration Ltd. in exploring the lead-zinc potential of the property (which had similar geology and occurrences to the famous Vangorda-Anvil ore bodies).

Newmont conducted geophysical and geochemical studies for lead and zinc only on a portion of the property because of the similarity of the Quiet Lake geology to that of the Anvil area (in which only lead, zinc and silver were discovered). For this reason, the other potential (nickel-copper) was first overlooked. When Newmont's option on the Quiet Lake property expired in 1967, all reports and data were turned over to Joe Lindsay.

At about the same time, Joe Lindsay sold an interest in the property to H.K. (Bert) Law and D.H. Robertson. The three partners then assembled all of the available information on the property and set about deciding on how to best explore its full potential. First, an electromagnetic survey was conducted over the area recommended in the Newmont report by the geophysical crew of Atlas Explorations Ltd. This survey located important conductive zones and further pinpointed likely drill targets. Then, as a result of having a spectrographic analysis conducted on a typical rust sample, it was discovered that high nickel and copper values were present. This nickel-copper potential had never been examined and it was decided to approach Dr. Sevensma (who had had extensive experience in nickel and copper in the Yukon) to do a complete report on the property. Meanwhile, a private company was formed for the purpose of financing the recommended program that Dr. Sevensma might submit.

In order to complete the program recommended by Dr. Sevensma and allow for possible unpredictable contingencies and administration of an office, the directors decided to plan to raise about \$150,000.00. This is being raised by selling 600,000 shares of treasury stock at 25¢ per share. This is the first offering of shares for sale from the treasury.

ASSESSMENT OF POTENTIAL

As stated earlier, geophysical and geochemical work already completed on the property suggests several encouraging drill targets where ore bodies of some importance may be found by drilling.

However, the larger nickel-copper potential of the group of claims demands greater attention, and further geophysical and geochemical work, together with stripping and drilling, is expected to produce sufficient information to accurately assess this more important potential.

The likelihood that airborne geophysical testing of the mineral potential of the property will pinpoint several new areas of economic potential is excellent. Combining this with the already exceptionally high nickel values contained in the soil samples tested and the very heavy mineral content of the rusts and gossans deposited over large areas of the property, it is anticipated that several important drill targets will be established. Adding to this the very favourable geological setting of the claim group over the intersection of at least two large faults, the presence of mineral in economic tonnages appears well worth a continued concentrated search.

As the property already has a worthwhile potential, the completion of Dr. Sevensma's recommended program should provide the information required for major exploration plans.

Several extra advantages are offered by the Quiet Lake property that are not offered by many properties in the Yukon. The property is accessible by a good, existing road, which is connected to the Canol Road at approximately Mile 45.5. The Canol Road is maintained year-round. The property has excellent year-round road accessibility. Water is available on the property at any time of the year. Snowfall is light. These advantages permit exploration to continue uninterrupted throughout the winter, and Dr. Sevensma's program will begin before the end of December, 1967, it is expected. Most of the initial program is expected to be completed before spring so that plans may be made for a major program early in the summer months.

POLICY OF THE DIRECTORS

The Directors of the Company have attempted to establish a workable policy for the development of the Quiet Lake property and plan to adhere as closely as possible to it in order to attain the goals of the Company as early as possible.

Consulting

The Directors have decided to retain the firm of P.H. Sevensma Consultant Ltd., Vancouver, B.C., to recommend and supervise all exploration activities on the project.

Northern Mineral Exploration Assistance

Recent amendments in the Northern Mineral Exploration Assistance Plan regulations qualify the Company to apply for up to 40% financial assistance in carrying out its exploration activities. The Directors plan to take full advantage of this plan, which is a Federal Government incentive plan to provide encouragement to Canadian-controlled companies to carry out exploration in Canada's north.

Finance

The Directors plan to raise the monies required for Dr. Sevensma's recommended program in the Yukon. Meanwhile, the Company will apply for registration in the Province of British Columbia and will begin negotiations with B.C. Stock Brokerage firms toward becoming sponsored on the Vancouver Stock Exchange. Plans would be then to try to arrange for further financing through this Exchange.

Exploration

The Directors plan to begin on Dr. Sevensma's recommended program immediately and to have it mostly completed by spring of 1968.

Incentives

The Directors have pooled 150,000 shares of vendor stock to be used as an incentive bonus to persons performing special services to the Company, i.e. serving as directors, professional assistance, etc.

RESUME OF DIRECTORS

H.K. (Bert) Law, Director and President

Mr. Law has been a resident of the Yukon for approximately 20 years and has had wide business experience. Besides being President of this Company, he is also President of Yukon Realty Ltd., Whitehorse, Y.T. Mr. Law has been involved in mining since 1949 and staked the first four mining claims in the Anvil Basin, in partnership with Alan Kulan. This led to the discovery of the Vangorda Mines Ltd. ore body, which in turn accelerated prospecting in the Anvil Basin.

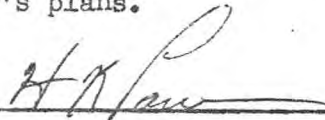
R.J. (Joe) Lindsay, Director and Vice-President-Operations

Mr. Lindsay has participated in mining and prospecting ventures for over 20 years in almost all parts of Canada. He began prospecting in the Yukon in 1954 and has prospected in most of the important areas in the Territory. For the past four years, he has been the Heating and Maintenance Engineer at the Yukon Vocational School, prospecting in his free time. Mr. Lindsay is very well qualified for field operations.

David H. Robertson, Director and General Manager

Mr. Robertson served eight years as an officer in the Canadian Army, following which he entered business in Whitehorse as a contractor and publisher. For the past year and one-half he has worked in mining administration in Whitehorse. A Director of the Yukon Chamber of Mines, he is also a graduate of the Royal Military College, St. Jean, Quebec.

Anyone wishing further information may visit the Company office (or write). The Directors will be pleased to discuss the Company's plans.



H.K. Law, Director and President



R.J. Lindsay, Director and Vice-President-Operations



David H. Robertson, Director and General Manager

GEOLOGICAL REPORT

Lindsay Group

Whitehorse Mining District, Y. T.

by

P. H. Sevensma, Ph. D., P. Eng.

1. Introduction

The Lindsay group of claims has been acquired by Trans Yukon Exploration Ltd. (N.P.L.), Box 758, Whitehorse, Y. T.

This group covers an area of transported gossans lying in the low valley south of Quiet Lake, map sheet 105-C-14, Y. T.

These gossans are associated with a significant magnetic high, in an area immediately adjacent to the Canol Road and of easy access.

High nickel values occur in rusty material assaying over 1% manganese, deposited by an active spring, and it is believed that this situation is an attractive exploration target.

References used are as follows:

- G.S.C. Memoir 326, R. Mulligan, Teslin Map area.
- G.S.C. Map 7-1960, Quiet Lake 1"=4 miles.
- Geophysics paper 7002 G, Teslin, Sheet 105-C.
- Geophysics paper 1345, Sidney Creek, Sheet 105-C-14.
- G.S.C. Map 30-1963, 1"=50 miles.
- G.S.C. Paper 67-40
- The Mineral Industry of Y.T. and S.W. District of MacKenzie, 1966 by D. C. Findlay.
- Report on Geochemical Survey, Lindsay Claim Group by J.A. Goope for Newmont Mining Corp., January 1967.
- Examination of Lindsay Claim Group, by R.W. Phendler October, 1967
- Personal observations and notes by the writer, November 5, 1967

A search of the claim records has been made personally by the writer, and in the field, the claims located in the NE quadrant were found to have been staked in accordance with the Yukon Quartz Mining Regulations. Available information indicates that the same applies to the remaining claims.

2. Property, Location and Access

<u>Nos.</u>	<u>Claim</u>	<u>Grant No.</u>	<u>Expiry Date</u>
10	Quiet, 1-10	Y20916-25	Sept. 11, 1968
6	South 1-6	27-32	Sept. 11, 1968
14	Core 1-14	33-46	Sept. 11, 1968
1	Gossan 8	Y20926	Sept. 11, 1968
15	MS-32-46	Y10415-Y10429	Sept. 9, 1968
16	Mineral 1-16	Y 9773-Y 9788	Aug. 1, 1968
16	Spring 1-16	Y 9789-Y 9804	Aug. 1, 1968
6	Gossan 1,2,4-7	Y 9805-Y 9810	Aug. 1, 1968
1	Hidden Minerals	Y 8289	June 2, 1968
1	Mineral Spring	Y 8290	June 2, 1968

2. Property, Location and Access Cont'd.

All claims lie on claim sheet 105-C-14, between elevations of 2650' and 2850', in the Whitehorse Mining District.

The original showing lies at Latitude 61°56'N and Longitude 133°02'W.

The group is accessible by a 3 mile truck road from mile 45 on the Canol Road. Snowfall is moderate. There is abundant water and timber on the property and in the general area.

There is also a large cabin, originally built as a fishing lodge, about 1½ miles north of the property. This lodge would be an excellent base camp for the property, and only minor improvements to the old tote-trail are required to provide a good truck road between this building and the property.

3. Geology, Areal

The claims and surrounding area are underlain by schists originally mapped as the Yukon Group. R. Mulligan, in G.S.C. Memoir 326, defines these formations as the Big Salmon Complex, which in this area underlies Mississippian limestone with apparent conformity.

These formations are part of the Central Yukon schist complex, for which an approximate Mississippian age has been postulated as shown on the G.S.C. correlation map 30-1963 (See Fig. 1)

This complex is characterized by an assemblage of clastic sediments, minor volcanics, and ultrabasic intrusives.

These schists formations are the source beds of the Klondike Placer deposits and also contain the large bedded sulphide deposits of the Vangorda Creek area, N.W. of Ross River.

The actual age and the regional relationships of these formations are still a matter of discussion, with some evidence for either a Cambrian or a Mississippian age.

To the West of Quiet Lake these formations have been intruded by a large granodioritic intrusive the SE termination of which is close to the NW corner of the Lindsay claim group. (See Fig. 1)

The area bordering this intrusive on the SW shows a number of mineral showings of interest, i.e.-minor placer gold on Iron Creek, on Lower Boswell River, and in the Livingstone area, silver-lead occurrences of the Boswell River and as yet unexplored porphyry intrusions with abundant pyrite and minor gold in the Upper Slate Creek and Red Mountain Creek area.

The same belt of schists continues in a SE direction towards Wolf Creek, where so far little evidence of mineralization has been encountered.

Of significance is the fact that the claims lie in the favorable belt of productive schists and in an intrusive border area with well above average evidence of mineralization.

4. Geology, Local

The claim area covers an area underlain by an outstanding isolated magnetic anomaly detected by the airborne survey flown during the summer of 1961 by Aero Surveys Ltd. for the Department of Mines and Technical Surveys in Ottawa (Maps 7002 G, 1"=4 miles and Map 1345 G, 1"=1 mile) See Fig. 2.

4. Geology, Local Cont'd.

The attention was originally drawn to the area by the presence of several areas of transported gossans in which recent gravels have been cemented by iron and manganese bearing solutions derived from local springs.

Several patches at least 200' to 400' across of this material are present on the property as seen by the writer, and a large area about a mile long and a quarter of a mile wide in the central area of the claims is reported to show abundant rust and other patches of gossan.

These gossans have a subtle surface expression and are not readily apparent until shallow test pits are dug, and there does not appear to be any significant change in vegetation due to their presence.

The writer observed one outcrop of N-S striking schistose quartzite with a 25° East dip and a small outcrop of gabbroic rock with considerable biotitization and an associated magnetic high.

Some serpetinized ultrabasic formations have been reported in a creek on the West side of the property.

Transported gossans as described above are known in other areas in the Yukon, and in Vangorda Creek, are derived from a large commercial base-metal carrying sulphide body which has outcrops in several locations.

In most cases, it has not yet been possible to determine the origin of gossans of this type because of their remoteness or the presence of extensive overburden. In some cases, barren pyrite and or pyrrhotite in disseminated forms may be the source; in other cases they may reflect the presence of economic sulphide deposits nearby.

The airborne magnetic anomaly has, in previous work, been approximately pinpointed on the ground; it is similar to anomalies associated with serpentinized ultrabasic and some outcrop of this rock type has been reported near the West edge of the property.

Ultrabasic bodies in the Yukon occur generally in belts, but in this particular case the nearest outcrop of ultrabasic rock on strike lies about 25 miles to the West in the Boswell River area, and the isolated anomaly on the property is not part of a well defined belt of ultrabasics. A gabbroic or diabasic rock could therefore be the cause of the magnetic high instead.

The schists found on this property are similar to those known as a favourable host unit elsewhere in the Yukon. With definite and encouraging signs of mineralization along the SW border of the main granodioritic intrusive, and in association with an outstanding magnetic anomaly, the type of gossans covered by the Lindsay group constitute a worthwhile exploration target which warrants further investigation.

Topographical features indicate the property to lie at the intersection of a system of NW and NE lineaments probably representing bedrock fractures and/or faults.

5. Previous Work

After intermittent prospecting over and around a few claims held for several years, more extensive staking was done in 1966 and the property optioned to Newmont Mining Corporation of Canada Ltd. who carried out a limited magnetometer survey and a geochemical soil survey for lead and zinc, and recommended an electromagnetic Turam survey after additional linecutting.

This company, however, did not exercise its option and in 1967, a limited Ronka EM-16 was conducted by an Atlas Exploration crew over a small part of the property.

5. Previous Work Cont'd.

These limited programs have provided some valuable information. Some well defined local magnetic anomalies were found, one of which is associated with a weakly anomalous zinc-(lead) area, and some interesting limited conductors suggesting the presence of steeply dipping conductors, in a probably flat dipping rock environment, have been located.

The geochemical soil survey was conducted for lead and zinc only, and the copper-nickel possibilities were not investigated. The writer believes that the latter have much higher odds in the presence of a probable basic or ultrabasic intrusive, especially so as a sample of gossan taken by owner J. Lindsay in September 1966 and submitted to Coast Eldridge showed the following values in a semi quantitative spectrographic analysis (in parts per million);

Cu	700	Ag	0.5
Pb	10	Zn	1000
Mn	2000	Si	Matrix
ni	800	Mg	10,000
		Ca	5,000

Manganese is a collector for other metals and is average in this sample. The copper and nickel values are high; this may be due to adsorption by manganese of widespread low grade copper-nickel, or of nickel-copper derived from an economic concentration.

The reported copper-nickel values are of sufficient magnitude to warrant further investigation.

(A) Newmont Magnetic Survey

Five lines from $1\frac{1}{2}$ to $2\frac{3}{4}$ miles long were run in an E-W direction across the property at approximately 2800' interval, with stations every 100', using an Askania Torsion Balance.

In the NE part of the claim area, detail work was done on approximately one square mile using E-W lines spaced at 400'.

Values in gammas varied from about 72000 in a small area near the assumed AM high to about 62000 in some of the magnetic lows at the West edge of the property, versus an aeromagnetic relief of about 1600 gamma (60,000-58,400).

The wide spacing of the lines allow only an approximate definition of the outline of the magnetically high area, i.e.- of readings generally higher than 65,000, interpreted as representing the outline of a possible ultrabasic plug.

In the NE part of the property, two small localized anomalies represent an observed gabbroic plug and a probable gabbroic plug.

A $3/4$ mile long elongated high (64,500-65,500 gamma) in this area has been interpreted by Newmont Mining Corporation as a zone of several percent magnetite lying along a NNW striking fault.

This is an interpretation only, and bulldozer trenching and one or two drill holes are required to investigate the source of this magnetic feature, which lies more or less along the centre of a weak geochemical zinc anomaly, and which is associated with several weak electromagnetic conductors.

(B) Newmont Geochemical Survey

This survey covered the same lines as the magnetic survey. Samples for lead-zinc were taken in the A₀ horizon (0-3") and in the B and C horizons (30").

5. Previous Work Cont'd.(B) Newmont Geochemical Survey cont'd.

The direction of sub-surface drainage is not clearly established; the thickness of overburden is unknown and the relative proportions and positions of glacial and of alluvial material are also unknown factors.

Lineaments suggest both NE and NW trending depressions in the bedrock and subsurface drainage is likely to flow both Northerly into Quiet Lake and Easterly toward the nearby Nisutlin River through the Cottonwood Creek depression.

Strings of ponds in both a NE and a NW direction are undoubtedly related to significant sub-surface drainage channels.

The bedrock topography is likely to exhibit sharp ridges in hard formations, with softer structures gouged out by ice during one of the periods of glaciation that have affected the area.

In summary, the surface and the sub-surface drainage may be very different, and any interpretation of a geochemical soil survey should take this into account.

In the absence of data on manganese, copper and nickel, the lead-zinc data should be studied with some reservations. They may be summarized as follows:

Zinc - Values for both the 0-3" and the 30" depths show a range from 15-550 p.p.m. The highest values occur near the main mineral spring. The higher values, i.e. - greater than 80 p.p.m., are scattered but show a definite concentration centered on a long narrow magnetic anomaly.

Newmont's conclusion is quoted as follows:

"The coincidence of geochemical and magnetic features strongly suggest that the data is reflecting bedrock conditions."

Lead - The lead values range from 1-175 p.p.m. Normal background is from 1 to about 25. The higher values are scattered, with a weak concentration in the vicinity of the zinc high near the Southern portion of the elongated magnetic high.

In summary, the geochemical zinc-lead data show some concentration of the high, and the lead shows a weak concentration near the south end of this high.

No true dispersion pattern related to a shallow source can be recognized, as the values are too low and too scattered. The lack of knowledge of overburden conditions precludes any definite conclusion.

(C) Atlas EM Survey

This survey was carried out over about the same area as Newmont's detailed square mile survey. The instrument used was a Ronka EM-16, with readings on lines 400' apart and at 200' intervals only. Good conducting zones require 50' intervals.

The survey showed some good relatively short conducting zones with probable steep dips. As formational dips have only been observed in one location where they were relatively flat, a more detailed survey at close spacing is required of the conducting zones, as well as a closer analysis of the magnetic data in the vicinity of the conductors.

The EM-16 proved a good instrument in this area and has eliminated certain areas without conductivity and has also suggested an ENE trending non-conductive structure, which offsets both the EM and the magnetic pattern and which may represent a fault.

The coincidence of the four best defined conducting zones with part of the zinc anomalies is remarkable.

5. Previous Work Cont'd.(C) Atlas EM Survey cont'd.

One of these conductors is about coincident with the best magnetic anomaly and it is in this same area that the best lead anomaly is located, providing an interesting triple coincident anomaly (Figure 3) as a good exploration target.

(D) Geology

No geological mapping has been carried out by either Newmont or Atlas.

The writer's examination has proven that some outcrop is present and the property should be mapped on a reconnaissance basis in an early stage of any further program.

6. Recent Data

The writer examined the NE quarter of the property on November 5, 1967, at which time there was about 5" of light snow on the ground.

One new outcrop was found, the one trench cut by Newmont was examined and the area overlying the elongated magnetic high was examined, which showed no topographic expression of this feature.

Two samples were taken near the main mineral spring, and submitted to the Coranex Laboratory in Vancouver, who prepared a geochemical analytical report on November 17, 1967, using atomic absorption after $\text{HNO}_3 - \text{HCl} - \text{H}_2\text{SO}_4$ digestion.

Sample 242A consisted of fine mud and sludge being currently deposited by the main spring.

Sample 242B is representative of the solid transported gossan lying within a distance of 50' from this spring, the sample consisting of chips of solid gossan collected in various locations.

Results were as follows in p.p.m.:

	<u>Cu</u>	<u>Pb</u>	<u>Zn</u>	<u>Mn</u>	<u>Ni</u>	<u>Ag</u>
242-A fine	2	NT	580	11,000	1,800	4
242-B solid	2	NT	415	10,000	900	5

Nt= not detected, or less than 2 p.p.m.

7. Conclusions

The results of the two recent samples are of considerable interest, as the nickel values are exceptionally high.

As the property covers what is likely to be an isolated ultrabasic plug, the presence of high nickel is of interest.

There is as yet no satisfactory explanation for the presence of high manganese, as too little work has been done.

The high nickel may be due either to solution and dispersion of nickel occurring in low-grade disseminated form within an ultrabasic plug, or to dispersion of nickel out of one or more nickeliferous concentrations lying near or adjacent to an (ultra) basic plug.

In any subsequent fieldwork, these two alternatives should be constantly kept in mind, and attention should be focussed on the problem of the high manganese and its possible effect as a collector of nickel and zinc.

7. Conclusions Cont'd.

In the Yukon as well as in other mineral districts, like New Brunswick, soil background values compared to significant values are of the following order of magnitude (in p.p.m.)

	<u>Background</u>	<u>Significant Values</u>
Cu	0 - 40	100 - 500
Pb	0 - 30	100 - 500
Zn	10 - 75	150 - 2000
Ag	0 - 0.5	2 - 10
Ni	0 - 40	100 - 500
Mn	300 - 800?	6000 - 10,000?

Values in between are threshold values, the interpretation of which depends on the environment; significant values always warrant investigation and anything higher is of considerable interest.

Manganese may be derived from a carbonate deposit (rhodochrosite), from pyrite, from sphalerite, from a manganiferous siderite deposit, from silver-lead-zinc deposits, from manganiferous sediments, or from a vein-type deposit of the nickel-cobalt-bismuth silver-manganese-siderite suite.

The latter category is an intriguing possibility on this property for several reasons:

Bismuth and manganese occur in most of the silver-lead-zinc deposits associated with the Cassiar Intrusives to the South.

A number of deposits of this category are found in association with basic or ultrabasic rocks.

Coarse biotitization has been observed by the writer in a gabbroic rock associated with one of the small magnetic highs on the property, suggesting differentiation or alteration.

Silver is present in the Boswell River area near the West edge of the Quiet Lake Batholith.

In presence of a large overburdened area with little outcrop further fieldwork should therefore have a wide coverage and be based on geochemical prospecting. Geophysical investigation should be used as a geological mapping tool.

A coincident anomaly is one where EM and magnetic, EM and Geochem, or magnetic and Geochem, or all three, occur in approximately the same location.

Geological information may be critical where either a magnetic, an EM or a Geochem anomaly alone is located and where overburden precludes any other means but drilling for visual assessment.

In further geochemical work, nickel, cobalt, arsenic, manganese, barium and silver should receive consideration, as well as copper. Lead and zinc should only be investigated outside the area previously covered.

8. Proposed ProgramStage 1, firm

Airborne Survey, AM, EM, radiation	\$ 1,500	
Bulldozer stripping, 100 hours @ \$35.00	3,500	
Ground magnetics, 10 line miles	1,000	
Ground EM detail, 15 line miles	1,500	
Geochemical sampling, 300 samples @\$6.00	2,000	
Geological Mapping & Supervision, 4 weeks	3,000	
Prospecting, 6 weeks	2,500	
Camp Operation	1,500	
Engineering	1,500	
Transportation	1,000	
	<hr/>	
	\$ 19,000	
Drilling, 1600' @ \$12.00 overall	20,000	
	<hr/>	
	39,000	
Overhead and Contingencies, 15%	6,000	
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Total Stage 1, firm		\$ 45,000

In this Stage, the contingency may involve linecutting by hand methods.

Stage 2, contingent

Drilling, 4000' @ \$12.00 overall	\$ 48,000	
Engineering & Contingencies, 15%	7,000	
	<hr/>	
Total Stage 2, contingent		\$55,000
Total Estimated Cost, based on available data		\$100,000
Stage 1, Airborne follow-up, geophysical contingency		10,000
Stage 2, Airborne follow-up, drilling contingency		10,000
Total Budget		<hr/> \$120,000

It is anticipated that Airborne work will locate additional targets on the claim group. The added contingency for each stage makes provision for the additional ground geophysics and drilling that may be required if this situation arises.

It is recommended to use the Waterton airborne system, which provides at low cost the relationship between magnetics, conductors and radioactivity. In the presence of the expected type of mineralization which may be associated with higher than usual radioactivity, a radiation survey may prove very significant. In the Waterton Method, a specially equipped low wing single engine aircraft flying at a minimum terrain clearance of threehundred feet, on a straight course paralalled to contours, monitors electromagnetic, magnetic and radiation response along the designated flight path.

The electromagnetic system employs a sixty-five foot horizontal loop transmitting coil with a vertical loop receiving coil suspended in a trailing bird. A 1000 C.P.S. signal is transmitted and the receiver measures the local distortion. The meter reading isa function of the quality of an underlying conductor. Extreme sensitivity and deep penetration are claimed for this system.

A PMF-3 fluxgate magnetometer is used to measure the vertical magnetic field. Readings are recorded at five hundred foot intervals in one hundred gamma increments.

The scintillometer provides data on the radioactive emission rate of underlying formations which are of assistance in determining formational contacts as well as testing for the presence of uranium or thorium.

Relative ground location is confirmed by a positioning camera.

9. Summary & Recommendations

The Lindsay Group covers an isolated and unique magnetic anomaly which is likely to reflect the presence of a basic or ultrabasic plug lying off the SE tip of a large granodioritic intrusive within the productive Yukon schists.

The SW border zone of this batholith exhibits as yet untested silver-showings and minor placer gold deposits.

A mineral spring and an associated gossan patch have revealed unusually high values in nickel and manganese, with medium values in zinc, minor lead and apparently little copper.

A geochemical soil survey, a localized ground magnetic survey and a partial EM survey, all of a reconnaissance type, have indicated an interesting magnetic anomaly surrounded by a weak halo of above-background zinc values and several conductors of limited extent, unlikely to be caused by graphite.

Preliminary interpretation of this data suggest that they are consistent with the presence of nickel mineralization, possibly of the nickel-cobalt-bismuth-silver-manganosiderite type in steeply dipping fracture zones.

As a number of other and untested gossan areas and rusty springs has been reported, further investigation of this group of claims is recommended, with additional soil sampling along lines stripped by a bulldozer and followed by reconnaissance and detail magnetic and electromagnetic work and by geological mapping supplemented by some core-hole drilling, as Stage 1, at a total cost of \$45,000.

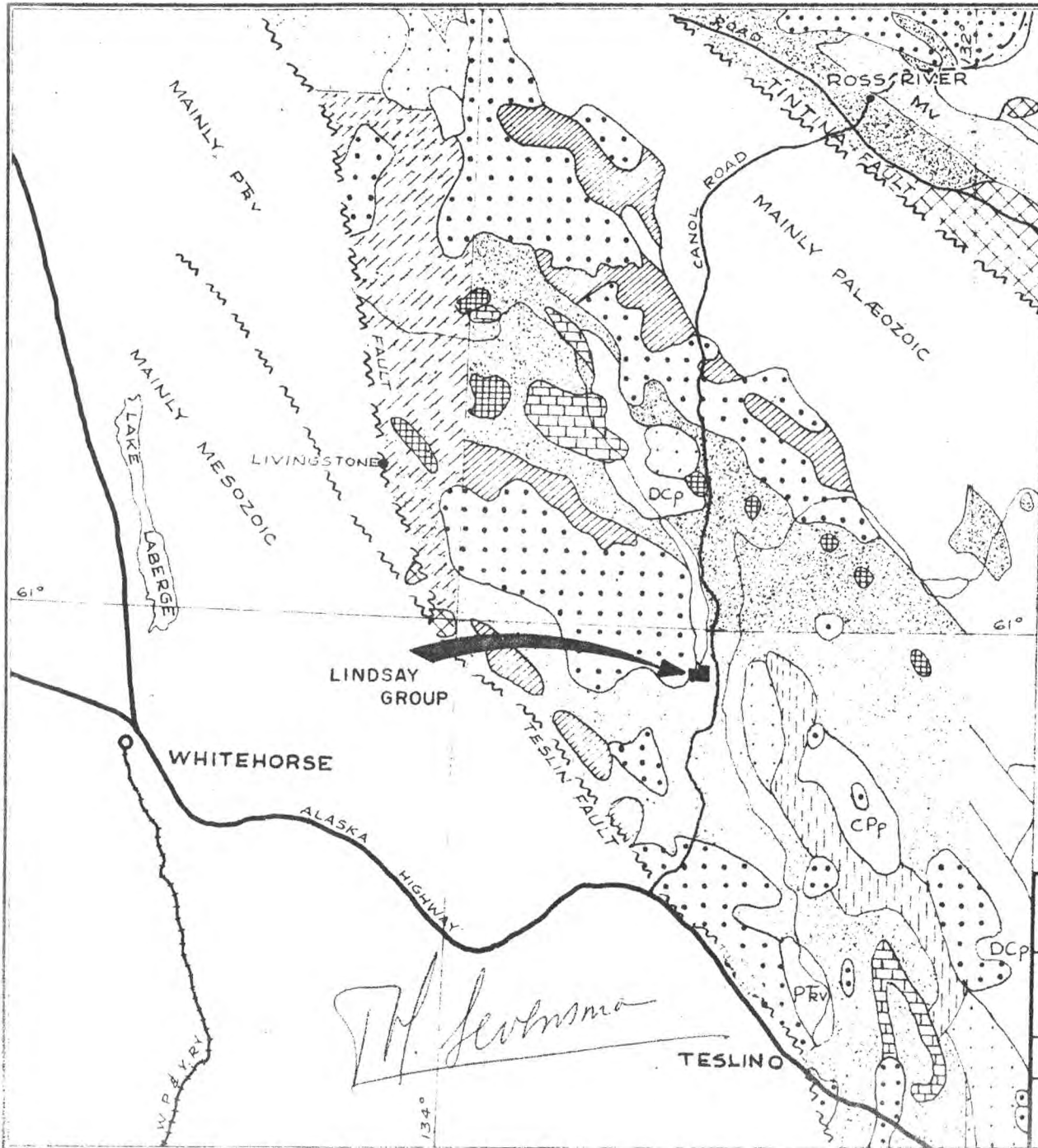
In case of encouragement, an additional amount of drilling will be required, estimated to cost about \$55,000.

As it is expected that an aircraft carrying a magnetometer, an electromagnetic device, a scintillometer and a positioning camera will be in the Yukon in the near future, it is recommended to fly approximately 80 line miles with this equipment, which affords a low cost and rapid reconnaissance method. The use of the scintillometer is strongly recommended in this situation, as the above described type of mineralization may be characterized by unusual radio-activity.

Respectfully submitted,



P.H. Svensma, PhD., P.Eng.

November 20, 1967
Vancouver, B. C.



LEGEND

Map 30 - 1963

-  Tv Basalts etc, Tertiary
-  4 Granitic porphyry
-  3 Granodiorite, Cretaceous
-  PRV Perm. - Trias volcanics
-  CPp Carb. - Perm. clastics
-  Cm Mississ limestone chert
-  DCv Dev. - Carb. volcanics
-  DCp Dev. - Carb clastics
-  DCs Dev. - Carb. schists
-  Ml Limestone, marble
-  I Ultrabasics
-  Ms Quartz - mica - schists
-  Mg Granitic gneiss
-  My Yukon Grp. schist, gneiss not differentiated

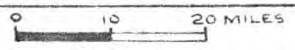
TRANS YUKON EXPLORATION LTD.

**BIG SALMON LAKE SCHIST BELT
WHITEHORSE M.D. Y.T., 105 - SW**

P H SEVENSMA

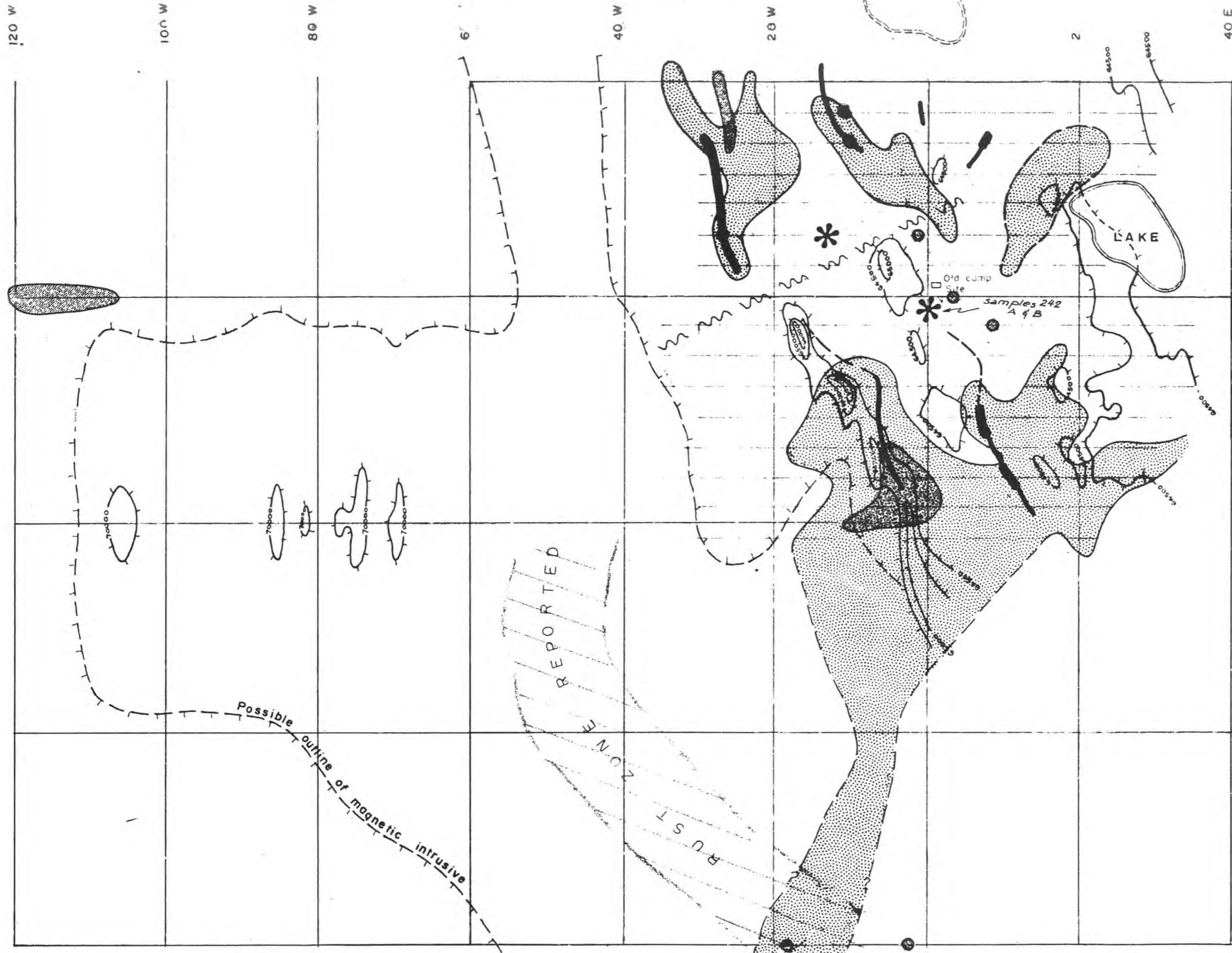
CONSULTANT

VANCOUVER B.C.



NOVEMBER 1967,

FIG 1



28 N
24 N
20 N
16 N
12 N
8 N
4 N
00
4 S
8 S
12 S
16 S
20 S
24 S
28 S
30 S
32 S



LEGEND

- * Gossan Patches
- [Stippled box] Zinc mostly > 100p.p.m.
- [Cross-hatched box] Lead mostly > 32 p.p.m.
- [Wavy line box] Area of Rust
- E.M. CONDUCTORS
- [Thick solid line] Strong
- [Medium solid line] Medium
- [Thin solid line] Weak
- [Dotted circle] Magnetic high
- [Wavy line] Possible Fault

58 S
86 S

J.W. Sevensma

LINDSAY GROUP
 Trans Yukon Exploration Ltd.
 Whitehorse M.D. Y.T. East-West Grid Lines
 P. H. Sevensma Consultants Ltd.—Vancouver B. C.
 November 1967, 105-C-14, 0 SCALE 1:520'

FIG. 3

CERTIFICATE

I, PETER H. SEVENSMA, of Vancouver, B.C., do hereby certify that:

1. I am a graduate of the University of Geneva, Switzerland (Physics and Chemistry, 1937; Geology and Mineralogy, 1937) where I obtained my Ph.D. in Geological and Mineralogical Sciences in 1941.
2. I am a Consulting Geological Engineer and a registered member in good standing of the Association of Professional Engineers of British Columbia and of the Association of Professional Engineers of Yukon Territory.
3. From February 1948 until December 1965 I have been engaged continuously in mining and exploration geology in the employ of Cominco Limited. As a Senior Exploration Geologist, I have worked extensively both in Eastern and Western Canada.
4. I have personally examined the claims which are the subject of this report as well as a number of other showings in the general area.
5. I have not received, nor do I expect to received or acquire, directly or indirectly, any interest in any of the properties or securities of Trans Yukon Exploration Ltd.

Respectfully submitted,

P.N. Sevensma, Ph.D., P.Eng.

November 20, 1967
Vancouver, B. C.

COMPANY DATA

1. The full name and address of the Company is TRANS YUKON EXPLORATION (N.P.L.) LTD., 101 Polaris Building, corner of Second Avenue and Wood Street, Whitehorse, Yukon Territory (postal address: P.O. Box 1979, Whitehorse, Yukon Territory).
2. The Company was incorporated in the Yukon Territory by Memorandum of Association on November 7, 1967, and is authorized to operate as a public company in the Yukon Territory.
3. The auditors for the Company are Messrs. Collins and Collins, Chartered Accountants, Casca Building, Whitehorse, Yukon.
4. Solicitor for the Company is Ralph E. Hudson of Nielsen & Hudson, Barristers and Solicitors, 112 Wood Street, Whitehorse, Yukon.
5. Transfer Agent for the Company is Nielsen & Hudson, Barristers and Solicitors, 112 Wood Street, Whitehorse, Yukon, wherein is situated the official register of shares of the Company.
6. 900,000 shares paid for property are held in escrow by the Company's Solicitor and are subject to release by the Securities Commission of the Province in which the Company's shares will be listed on a public stock exchange for trading.
7. No shares of the Company have been issued as of this date other than for property. An initial distribution of 600,000 shares is being released at a price of \$0.25 each for the purpose of raising \$150,000.00 to carry out the exploration program recommended by Dr. Sevensma and to provide for administrative costs.
8. The aggregate remuneration to be paid to directors during the coming year is expected to be nil. The aggregate remuneration expected to be paid to officers and employees during the coming year is \$9,000.00.
9. By written agreement among the vendors of the Quiet Lake property, R.J. Lindsay is entitled to vote all of the vendors' shares (900,000 shares), which would enable him to elect, or cause to be elected, a majority of directors of the Company.