

ATLAS EXPLORATIONS LIMITED

330 MARINE BUILDING
355 BURRARD STREET
VANCOUVER 1, B.C.

X CA
These Maps
included in
other files.

015635

PROPOSED EXPLORATION

OWL MINERAL CLAIMS

INTRODUCTION

In a progress report by Adamson for the month of August, 1970, a summary of 3 anomalous areas was presented and further work recommended. About 4 miles of gravity survey were completed over these areas.

GRAVITY SURVEY

At this date, only locations of obvious anomalies taken from Bouguer Profiles have been noted. Locations were described by the contractor, Overland Explorations, via long distance telephone conversations. A residual map has been prepared by the contractor and is now en route to Whitehorse.

Without any gravity maps to study, it is difficult to provide interpretations at this time. Some displacement of gravity anomalies from the magnetic features could be corrected after regional corrections are made. It is interesting to note correspondence of the .7 milligal anomaly on line 28E with a high lead anomaly. There is possibly another coincident gravity anomaly with a high copper anomaly in the same line at 16 + 00S, however an 'elevation bust' is suspected here and must be re-surveyed before the anomaly is recognized. Further magnetic surveys to the east are proposed to close-off anomalies on line 32E.

DIAMOND DRILLING

The Owl Group should be drilled this autumn. If sulphides are intersected and further drilling is warranted, sufficient time will then be available to establish a camp and haul in fuel and

DIAMOND DRILLING (contd)

supplies this winter by cat train over the frozen ground. If drilling is not attempted until next summer, the operation would have to be basically helicopter supported and very costly. Preliminary drilling now, 1500 feet, will provide enough information to allow preparation over the winter for a major drill program in 1971.

BUDGET - OWL GROUP

| | \$ |
|--|---------------------|
| 1. Expenditure to July 31,1970 | 12,416 |
| includes (a) preliminary work, prospecting recce geochem done in June plus (b) 10 days of Phase I program July 20 - August 12, linecutting, soil sampling, EM, Mag surveys | |
| 2. Expenditures to August 31,1970 estimated only | |
| (a) Balance of Phase I survey work to August 12,1970 | 8,000 |
| (b) Gravity Survey - 4 miles at \$360/line mile Camp costs Transportation | 1,440 400 800 |
| | <hr/> |
| <u>Estimated</u> Total Expenditures to August 31,1970 - | \$23,056 |
| | <hr/> <hr/> |
| 3. Proposed Expenditures through September-October 1970 | |
| Staking - | |
| To ensure adequate protection 19 more OWL Claims will be staked, assume overall cost at \$50/claim | 950 |
| Prospecting | |
| 2 prospectors will spend 1 week prospecting areas of reported mineralization east of Two Pete Mt. | |
| Salaries | \$400 |
| Camp costs | 140 |
| Transportation | 400 |
| Supervision | 60 |
| | <hr/> |
| | 1,000 |
| | <hr/> |
| | c/fwd 1,950 |

| 3. Proposed Expenditures through September-October, 1970 (contd) | | \$ |
|--|-------|-----------------|
| | b/fwd | 1,950 |
| <u>Gravity - 5 line miles 'fill-in' survey</u> | | |
| Contract plus @ \$360/mile | 1,800 | |
| Camp costs | 200 | |
| Transportation | 400 | |
| Miscellaneous | 600 | |
| | <hr/> | 3,000 |
| <u>Diamond Drilling - 3 x 500 foot vertical holes planned, size BQ to be used</u> | | |
| Contract - overall contract cost @ \$15/ft. | | 22,500 |
| Transportation - | | |
| Mobilization - truck from Whse to Faro | 500 | |
| - Beaver from Damsite Lake to Anvil Lake \$54.00 return, 15 trips to move in camp, fuel and drill equipment | 810 | |
| - Jet Ranger to move equipment from Anvil Lake to Property 10 miles return, 15 trips estimated 5 hours total plus 2 hours position- ing charges = 7 hours at \$240/ hour | 1,680 | |
| | <hr/> | |
| | 2,990 | |
| Demobilization | 2,990 | |
| Camp costs - | | 5,980 |
| Camp support 4 hrs Jet Ranger time/week for 1 month = 16 hrs x \$1240/hr | 3,840 | |
| Camp costs 6 men 1 month at \$10/man/day | 900 | |
| | <hr/> | |
| | 4,740 | 4,740 |
| Geology wages | 2,500 | |
| assays | 1,500 | |
| Miscellaneous | 500 | |
| | <hr/> | |
| | 4,500 | 4,500 |
| | | <hr/> |
| | | 37,720 |
| | | <hr/> |
| TOTAL COSTS September - October | | 42,670 |
| Contingency @ 20% | | 8,334 |
| | | <hr/> |
| | | \$51,004 |
| | | <hr/> <hr/> |
| TOTAL Estimated Cost Owl Project 1970 | - | <u>\$74,060</u> |

J.S. Brock
Atlas Explorations Ltd.
September 6, 1970

AREA I (contd)

- 4) Soil samples in Area I are of generally good inorganic material, the results of which can be relied upon.
- 5) EM - Resultant dip angles of greater than 20° , and with generally low ratios, over such a large area, possibly reflect graphitic material on conductive oberburden, rather than sulfides.
- 6) Summary - The area has been adequately prospected and geochemically sampled. The geochem anomalies have been explained by numerous small sulfide veins. The mag-EM anomalies have not been conclusively explained, but the fact that some black pyrrhotite-rich chert is on strike with them as well as the source of the geophysical anomalies not appearing to cause any significant geochemical responses, and no significant sulfide float having been found in the area, would, therefore, make the geophysical anomalies of limited significance.

AREA II

- 1) There is no outcrop at all in this area.
- 2) Soil sampling in Area II was not satisfactory. Most samples contained primarily ash and organic material.
- 3) Mag-EM anomalies are unexplained.

AREA III

- 1) No outcrop.
- 2) Some coincident mag-EM is in this area. Some of the EM shows good ratios.
- 3) A few "spot" geochemical highs are coincident with the geophysical anomalies. The soil samples are generally poor with most containing a high percentage of organics. The very high lead results at L28E, 2S, and the high Cu at L28E, 16S were from good inorganic samples. Surrounding samples were of poor quality.

RECOMMENDATIONS

Area I has been adequately evaluated and has only very limited potential. Areas II and III have not been satisfactorily explained and require more work. One approach would be a further attempt soil sampling over the geophysical targets in Areas II and III, taking as much time as is required to get good "C" horizon samples, using an auger, bull prick, and power, if necessary. A total of about 40 samples should suffice.

Gravity surveys would be contingent upon positive results from good "C" horizon soils.

General opinion is that soil sampling will not provide results conclusive enough in making a decision to terminate work on the property and that testing of existing anomalies with gravity profiles would be the next logical step to defining drill targets.

Suggested gravity profiles are as follows:

| | | |
|------|-----------|----------------|
| L28W | 10N - 30S | 4,000' |
| L20W | 16N - 24S | 4,000' |
| L12W | BL - 26S | 2,600' |
| L 8W | BL - 26S | 2,600' |
| L12E | 10N - 10S | 2,000' |
| L20E | 8N - 16S | 2,400' |
| L28E | 4N - 26S | 3,000' |
| | | <u>20,600'</u> |

OR 3.9 Miles

Respectfully submitted,

T.J. Adamson,
Geologist.