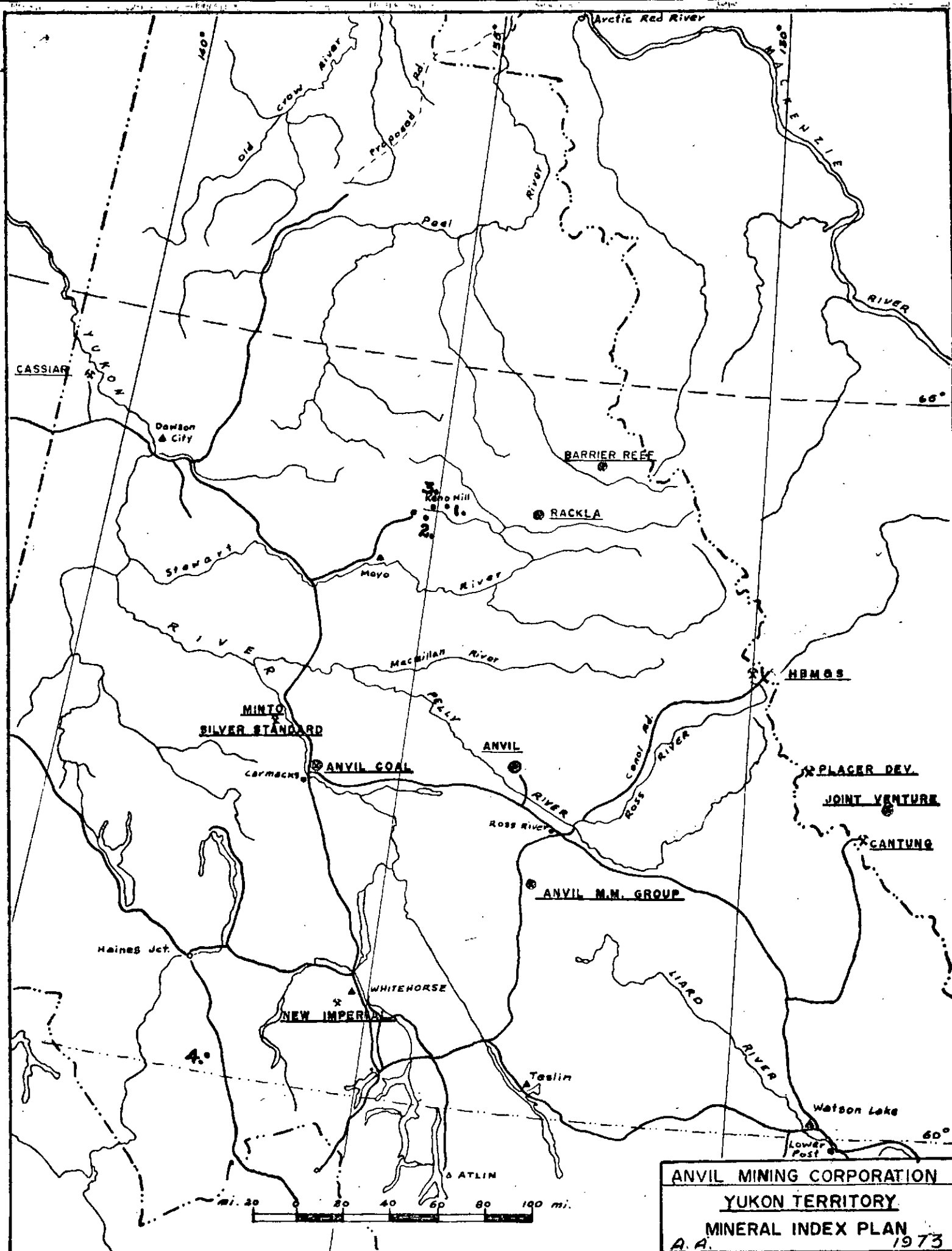


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A SUMMARY REPORT  
ON  
THE OUTSIDE EXPLORATION PROGRAMME  
JULY TO SEPTEMBER  
1973



ANVIL MINING CORPORATION  
 YUKON TERRITORY  
 MINERAL INDEX PLAN  
 A.A. 1973

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Introduction:

Outside exploration activity (beyond the Anvil Range programme) was as follows:

1. Establishing relations with the better known local prospectors.
2. Examination of properties.
3. Acquisition and organization of all maps, geological data and reports both published and private, pertaining to the Yukon Territory.
4. A brief period was spent on the Cyprus-Anvil joint venture proposal and subsequent programme in the N.W.T.

Two properties were recommended to Anvil as the direct result of property examinations. They were:

1. Rackla River Mines Ltd., a silver-lead-zinc prospect, situated near Kathleen Lakes, Mayo M.D., map reference 106 D-8.
2. Barrier Reef Mines Ltd., basically a zinc prospect, located on Goz Creek, Mayo M.D., map reference 106 C-7 and 8.

The balance of the properties which included three silver-lead-zinc prospects were as follows:

1. Bullion Mtn. property, Mayo M.D., map reference 106 D-2 - Under option to Scurry-Rainbow Oil Ltd. of Calgary, the Company completed a 1500' tunnel and 1000' of underground drilling. The results were discouraging.

Comment: Not recommended.

2. Homestake property on Lightning Creek, Mayo M.D., map reference 105 M-14. Fissure filling with high grade silver accompanied by galena, sphalerite and jamesonite. Explored by an adit and underground drilling.

Comment: The showings and potential were too small; not recommended.

3. Malachi prospect, northeast of the old Werneche mine, Mayo M.D., map reference 105 M-14 - High grade silver-lead as fracture filling in a Rhyolite porphyry. Six tons in barrels shipped in 1973 from small open pit with a net return of \$425.00 per long ton.

Comment: Title obscure, small potential. Not recommended.

4. Sno Group located south of Mush Lake, Whitehorse M.D., map reference 115 A-3 - A copper prospect in a 100' wide contact zone between coast range granodiorite and triassic volcanics.

Comment: Too few claims (12) all within the boundary of Kluane Park. Not recommended.

In addition to the above, numerous reports and maps were received from individual prospectors for future reference and/or examination. Copies of all data so obtained were made for our files.

#### Summary:

The Rackla River prospect was recommended on the basis of a geochemical lead-zinc soil anomaly located one half mile from previous workings and old silver-lead-zinc showings. The anomaly is located in an area covered by light overburden and underlain by folded Ordovician limestone and dolomite.

The boundaries of the anomaly are sharply defined with soil sample values in the range of 100-500+ ppm lead and 500-5000 ppm zinc over an area approximately 1200 x 3000 feet.

Agreement in principle has been reached on the terms of a proposed option agreement between Rackla and Anvil whereby Anvil can earn up to 70% interest in the property by expenditure on exploration and have an option to purchase a further 10% interest for a cash consideration.

A two stage programme has been proposed for the 1974 season and an A.F.E. submitted.

The Barrier Reef Mines Ltd. zinc prospect is, in this writer's opinion, a new major discovery, in many respects similar to the Pine Point area N.W.T.

The mineralization is principally zinc with minor amounts of lead present. The mineralization occurs in the form of massive pods or lenses within a sandy buff Paleozoic dolomite formation. The massive type mineralization consists of light colored sphalerite cementing a quartz-breccia zone, as a cavity filling in vuggy dolomite and as a fine grained replacement of the dolomite. The zinc values in the high grade areas range from 20-50%+. Surrounding and between the high grade zones are extensive areas of low grade material, with values based on very limited sampling between 2-12% Zn. (estimated range)

An A.F.E. covering a proposed programme has been submitted.

Conclusions:

The Rackla River prospect has an excellent chance that the lead-zinc anomaly is underlain by primary replacement type lead-zinc sulphide mineralization. The dimensions of the anomaly suggest a possible potential of 350,000 tons per vertical foot.

If the subsurface mineralization proves to be of economic size and grade, then open pit mining is applicable.

The Barrier Reef zinc prospect is comprised of at least ten pods or lenses of high grade zinc sulphide mineralization. Insufficient work has been done on the property to determine the full extent of the mineralized area, the strike length of the mineralized zone in total is certainly in excess of 10,000 feet.

A possible potential in the 100 million ton category definitely exists.

The topographic and surface features are such that there is little or no overburden and the strip ratio would be very low. This property is considered ideal in every way from a mining and milling viewpoint featuring low cost, high recovery and high concentration ratio.

Recommendations:

1. Finalize the Rackla agreement and implement the A.F.E.
2. Make every effort to obtain an interest in the Barrier Reef property
  - (a) By option
  - (b) By participation
  - (c) By share purchase

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