

Cyprus Mines Corporation

555 South Flower Street  
Los Angeles, California 90071  
Telephone 213) 489-3700

Richard T. Apel  
Assistant General Counsel

January 21, 1976

REGISTERED MAIL - RETURN RECEIPT REQUESTED

Mr. B. E. Sias, Mining Recorder  
Whitehorse Mining District  
Room 220, Federal Building  
Whitehorse, Yukon  
Canada

Re: Your File 340-17-4

Dear Mr. Sias:

Pursuant to our telephone conversation of this morning, I am delivering herewith the original and one copy of the transfer document dated May 19, 1975.

The corporate seal of Area Exploration Company has been affixed to the document, and I would appreciate having the copy returned to me with the registration information shown thereon.

Thank you for your assistance in this matter.

Very truly yours,

Richard T. Apel  
Assistant General Counsel

RTA:f

Enc.

/BCC: J. G. Simpson w/enc.

*7:10 AM  
Area Exp*

TRANSFER OF MINING CLAIM(S) OR OF INTEREST THEREIN  
Yukon Territory

(submit in duplicate to the District Mining Recorder)

I, the TRANSFEROR, ..... Area Exploration Company .....  
of postal address ..... 555 South Flower Street, Los Angeles, California .....

hereby transfer to the

TRANSFeree, ..... Mount Nansen Mines Limited .....  
of postal address ..... 420 - 475 Howe Street, Vancouver, B. C. ....

.100% (... One hundred .. per cent) interest

in each and every mining claim named below, and I hereby acknowledge receipt of the sum  
of \$1.00. (... One ..... dollars) therefor. In am entitled to transfer the above  
unencumbered interest.

Name(s) of Claim(s):

Record (Claim Tag) Number(s):

BON 1-12	Y77312-Y77323
CHAR 1 (Fr.)	Y62068
CHAR 2-14 (Frs.)	Y61648-Y61660
CHICK 1-4	Y61405-Y61408
CROW 1-8	Y61101-Y61108
G. S. 3-4	Y66677-Y66678
G. S. 1-2 (Frs.)	Y66675-Y66676
G. S. 5-8 (Frs.)	Y66679-Y66682
G. S. 9-16 (Frs.)	Y66771-Y66778
KATHY 1-2 (Frs.)	Y62069-Y62070
RUSK 1	Y66939
RUSK 2-8	Y66947-Y66953
RUSK 9-16	Y66955-Y66962
RUSK 17	Y66954
RUSK 18-25	Y66963-Y66970
RUSK 26-32	Y66940-Y66946
RUSK 33-39	Y66971-Y66977

Located in: ..... Whitehorse ..... Mining District  
Located under: Yukon ..... Quartz ..... Mining Act  
Particulars of Location: ..... 35 miles northwest of Carmacks, Sheet 115-1-3 .....

DATED at Los Angeles, Ca ..... on the 19<sup>th</sup> day of May ..... 19.75.

Alma J. Ryan ..... WITNESS (SIGNATURE)  
(COMPLETE AFFIDAVIT ON REVERSE SIDE)  
J.G. Hansen ..... TRANSFEROR OR HIS RECORDED AGENT  
(SIGNED IN PRESENCE OF WITNESS)



AFFIDAVIT OF WITNESS

CANADA-  
YUKON-TERRITORY  
TO-WIT:

I, Alma J. Ryan, of Cypress Mines Corporation,  
witness to the within Instrument, make oath and say:

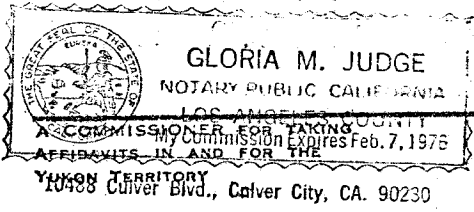
THAT I was personally present and did see the within Instrument and duplicate duly signed  
sealed, and executed by J. G. Hansen, the party thereto.

THAT the within Instrument and duplicate were executed at the place and on the date  
shown in the said Instrument.

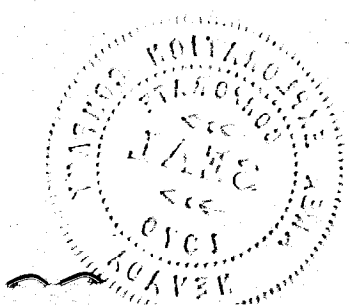
THAT I know the said party and that he is, to the best of my knowledge and belief,  
of the legal age for the execution of the within instrument.

THAT I am of legal age for the witnessing of the within Instrument.

SWORN and subscribed to at Los Angeles, California  
this 20<sup>th</sup> day of May, 1975,  
before me— Gloria M. Judge, Notary Public



Alma J. Ryan  
WITNESS (SIGNED IN PRESENCE OF  
COMMISSIONER OF OATHS)



August 5, 1975

Mr. D. M. Mercier  
President  
Mount Nansen Mines Limited  
420 - 475 Howe Street  
Vancouver, B.C. V6C 2B3

Dear Dave,

Re: Mount Nansen 1973 Drilling Results

Our apologies for the shortfall in data mentioned in your letter of 31 July, 1975. I think we may have given this to Gordon Gutrath at some time or other; however, I enclose copies of 1973 drill logs, assay summaries and an appendix to the 71-72 report which summarizes the 1973 results. I will also assemble any copies of work certificates we still retain and forward them to you in due course.

Please do not hesitate to call if we can be of further assistance.

Yours very truly,

CYPRUS ANVIL MINING CORPORATION

J. G. SIMPSON  
Exploration Manager

JGS/cb  
Encl.

MOUNT NANSEN MINES LIMITED

420 - 475 Howe Street  
Vancouver, B. C.  
V6C 2B3

July 31, 1975

Cyprus Anvil Mining Corporation  
1550 Alberni Street  
Vancouver, B. C.

File: Contracts  
Subject: Area Exploration Co.

Attention: Mr. J. G. Simpson, Exploration Manager

Dear Sirs:

In connection with the subject agreement we have reviewed our report files and find that no summary report was received for the drilling completed in 1973 comprising, I believe, drill holes CD 15, 16 and 17.

Your February 4, 1975, letter provided information on claim status and a list of expenditures for 1973 and 1974 however no data on your results for those years was received.

Please supply us with your results and conclusions for the 1973 drilling.

Thank you for your assistance in this matter.

Yours very truly,  
MOUNT NANSEN MINES LIMITED



David M. Mercier  
President

DMM/iw

## MEMORANDUM

TO: R. E. Thurmond FROM: J. G. Simpson  
SUBJECT: MOUNT NANSEN JOINT VENTURE AGREEMENT DATE: July 24, 1974

I have gone through the Nansen agreement and cannot recommend that we sign it as it stands. The following points require clarification and/or correction.

- 1) I am informed that Cyprus Anvil Mining Corporation is now the official and legal operative, and should be used throughout the agreement.
- 2) Page 1, Para. 2 - I am not aware that Anvil and Area are or were beneficial owners of an undivided 50% interest in the Mt. Nansen property. I think this must have been copied ad hoc from the Ridgemont/Anvil agreement and should be deleted and replaced with a true statement of the present ownership, i.e. Area can by virtue of current agreements acquire 75% ownership in the Mt. Nansen property, etc.
- 3) Page 7, Para. (c) - The last sentence should probably be modified to spell out the fact that the 80/20 ownership can only refer to the 75% in which Area may acquire an interest. This may be acceptable as written, if the description of the mining properties is considered clearly identified in Para. 1, Page 2.
- 4) Page 8, Para. 8 - Commencement of Production and Information - A monthly report and statement of expenditures would appear excessive and I would consider that quarterly reports and statements would be more than adequate.
- 5) Page 10, Para. 11 - Release of Information - While we feel there is enough merit to hang in at Nansen, Cyprus Anvil and/or Cyprus are unlikely to come up with the \$200,000 required to really put this property to the final test. I think we should definitely look for help on it from a third party and unless Cyprus are willing to let us farm the property out, there is little point in Cyprus Anvil taking it over. While we may not want to write this into the agreement, we should reach a clear understanding with Jim Hansen on this before signing.
- 6) No exhibit A, i.e. list of claims, was attached to the agreement. While Cyprus have all the necessary information, it is probably easier if I provide this from data available at Faro and Vancouver.

I have transmitted the above information to Major Seery verbally and by copy of this memo. It is suggested that Cyprus prepare a revised version of the agreement.



J. G. Simpson  
Exploration Manager

JGS/mm

cc. M. Seery, Cyprus Mining Corp., L.A.  
D. Evans, Musick, Peeler & Garrett, L.A.

To G. G. Kelly

Date June 24, 1974

From M. W. Seery

Subject Mount Nansen

Further to Glen Simpson's memo to you of June 20 requesting draft agreements with Cyprus Anvil on the Mount Nansen and Anvil Range properties, I believe in the case of Mount Nansen we will first have to offer the same terms to Mount Nansen Mines and Schweizerische Gesellschaft.

Inasmuch as they have 30 days to reply, I am requesting that you prepare an appropriate letter to them before drafting the agreement itself.

MWS/mjk

cc: R. E. Thurmond  
J. G. Simpson ✓  
J. G. Hansen

A.F.E. No.: \_\_\_\_\_

1974 Budget

Title: Mt. Nansen Porphyry Copper Prospect  
Carmacks Area  
Yukon Territory, Canada

Estimated Cost:	<u>Budget Title</u>	<u>Proposed 1974 Program</u>	<u>Est. Total Expenditure</u>
	Acquisition Costs	-	-
	Salaries & Wages	-	-
	Surveying & Mapping	-	-
	Geophysics	-	-
	Geochemistry	-	-
	Outside Contract Services	-	-
	Drilling	-	-
	Excavation	-	-
	Assaying & Sampling	-	-
	Travel	-	-
	Equipment	-	-
	Miscellaneous (Consulting)	<u>10,000</u>	<u>10,000</u>
	Totals	\$10,000	\$10,000

## Prospect

Description: The Mt. Nansen prospect lies in the Carmacks District, Y.T. (137° 10'W, 62°05'N) approximately 115 miles to the northwest of Whitehorse and 30 miles west of Carmacks. The property can be reached by 41 miles of all weather road from Carmacks.

The property lies at the southwestern end of the Dawson Range, which is a belt of gentle summits within the Yukon Plateau. Most of this area escaped glaciation during Pleistocene time and evidence of glaciation is not present on the Mt. Nansen prospect. Historically, the prime interest for exploration in the Mt. Nansen area was for gold - first placers in about 1910 by many prospectors and later vein type, which in 1968 led to the Mt. Nansen Mines Ltd. operation. Geologists from Mt. Nansen Mines Ltd. recognized a porphyry copper potential for the intrusive stocks and carried out regional soil geochemical surveys which defined significant copper and molybdenum anomalies. Area Exploration Corp. Ltd. (a Cyprus Mines subsidiary) acquired the mineral rights to the potential copper porphyry ground and conducted an extensive follow-up including diamond drilling.

A preliminary investigation of the exploration data for Anvil was made in 1973 and this was followed by a short, one day field trip to the property. All available evidence points to the fact that this is a classic zoned porphyry deposit, but to date all work indicates that the copper zone, if present, has not been intersected. Abundant pyrite mineralization suggests that to date only the outer pyritic zone of the stock has been explored. The primary zone contains approximately 0.1% Cu, most, if not all, is probably tied up in pyrite since no primary copper minerals were observed in the field. Secondary copper minerals also were not observed, although Area Exploration personnel indicated that oxide copper minerals were found in a few places on the property. Diamond drilling and assay results revealed that supergene enrichment increased some of the grades to 0.2 to 0.3% Cu over short intervals and the best grade to date was about 0.5% Cu over a short section. The chances for an open pit porphyry copper mine appear to be slim. Late stage siliceous pipes are molybdenite bearing and probably represent venting from depth of the cooling stock. Molybdenite accumulations near the center of stocks with siliceous zones is a common occurrence in mineralized stocks in the southwestern U.S. Pyritization continued following the venting since pyrite is distributed uniformly throughout the matrix and breccia fragments, as well as host rocks.

The exploration target would be the primary copper zone such as those at San Manuel and Kalamazoo ore bodies which run to 0.5 and 0.7% Cu. A mining situation similar to these Arizona deposits would be required.

**Exploration  
Program:**

The first stage of this exploration program is to present all the available exploration data to outside consultant who is highly knowledgeable in these type of deposits for confirmatory observations and suggestions for drill sites for future deep drilling.

**Justification:** Minalable grade copper mineralization may be present at depth for bulk mining. All indications on the surface suggest that the outer pyrite zone of a potential porphyry deposit is present. The primary high grade copper zone, if present, has not been discovered. Deep mining operations of porphyry coppers is being carried out profitably at the Kalamazoo and San Manuel deposits in Arizona. The property at Carmacks appears to be an analogous situation to these two deposits.

*Uldis Jansons*  
Uldis Jansons

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Title: Mt. Nansen Porphyry Copper Prospect  
Carmacks Area  
Yukon Territory, Canada

Estimated Cost:	<u>Budget Title</u>	<u>Proposed 1974 Program</u>	<u>Est. Total Expenditure</u>
	Acquisition Costs	-	-
	Salaries & Wages	-	-
	Surveying & Mapping	-	-
	Geophysics	-	-
	Geochemistry	-	-
	Outside Contract Services	-	-
	Drilling	-	-
	Excavation	-	-
	Assaying & Sampling	-	-
	Travel	-	-
	Equipment	-	-
	Miscellaneous (Consulting)	<u>10,000</u>	<u>10,000</u>
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*Uldis Jansons*  
Uldis Jansons

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TITLE:

Request for Drilling Funds and Joint Venture Approval on Mt. Nansen Porphyry Copper Deposit near Carmacks, Whitehorse Mining District, Y.T.

PROBLEM:

The Mt. Nansen porphyry copper prospect under option to Area Exploration (a Cyprus Exploration Corporation Limited, Vancouver, B.C. subsidiary) is an Arizona type zoned mineralized stock. All work to date has been in the outer pyrite zone which contains minor copper values. The primary copper zones drilled to date contain up to 0.1% Cu and minor molybdenite. Primary economic mineralization was not seen on any of the outcrops visited. Some supergene enrichment has produced several short zones between 0.2 and 0.3% Cu, with one short section (about 10 feet) of 0.5% Cu.

From field investigation it is apparent that the primary copper zone has not been reached in any of the drilling, but a depth to the primary zone of copper mineralization could be estimated on basis of alteration and mineralization patterns within the stock.

Anvil can earn interest in this property by dollar expenditures for exploration drilling and development expenditures.

SOLUTION:

1) A consultant, familiar with Arizona-type porphyry copper deposits, should be retained to confirm the evaluation of the mineralization and alteration zones as can be seen at Mt. Nansen.

2) Upon confirmation of the observations, deep drilling to 4000 feet should be initiated in search for the primary co-per zones.

COSTS:

1) Consultant	\$10,000
2) Drilling (3 holes 4000' each @ \$25/ft.)	\$300,000

JUSTIFICATION:

1) The Mt. Nansen stock is in the Dawson Range of the Yukon in which several deposits of copper - Casino, Williams Creek, Minto - have been discovered. The Casino deposit located approximately 120 miles north of Mt. Nansen, is a zoned stock of similar age and general geology as Mt. Nansen. The cretaceous igneous rocks of the Dawson Range are a porphyry copper type province. The Minto and Williams Creek deposits are located less than 50 and 30 miles from the Mt. Nansen area. All are believed to be in cretaceous intrusive rocks.

2) Underground, deep, large tonnage copper deposits are presently mined in Arizona at Sam Manuel, and at the Kalamazoo deposit near Oracle. The situation at Carmacks is envisioned to be the same as at Kalamazoo as far as depth of operation.

3) Former all weather roads and existing facilities are available to the Mt. Nansen gold mine. The facilities are in good repair and could be put to use during exploration and development work at minor expense. Concentrates could be hauled by truck to the proposed railhead (in 1975) at Carmacks.

4) Sufficient alteration and pyrite mineralization and previous geologic work has been done to confirm continuing mineralization with the crystallization of the stock. Pipes which represent vents from the center of the stock contain molybdenite bearing silicified fractures. This suggests the typical pattern of the last stages of prophyry stock crystallization being high in silica and that zones peripheral to the silica cores are enriched in molybdenite. The molybdenite zone is then bordered by a zone enriched in chalcopyrite.

5) The land situation at Mt. Nansen has already been assembled and cleared up by Area Exploration.

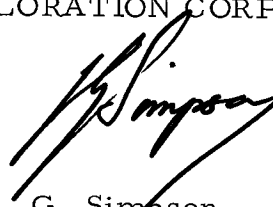
6) To date Area Exploration has spent about \$350,000 on the property. Therefore, by a minimal expenditure Anvil could get a significant interest in this property. A dollar for dollar expended could give the percent interest in this property (preliminary discussion with Cyprus Exploration Corp. Ltd. personnel).



This should give you all the available information on the property to date, and we would be pleased to discuss any aspects of the reports in detail should any queries arise.

Yours very truly,

CYPRUS EXPLORATION CORPORATION, LTD.

A handwritten signature in black ink, appearing to read 'J. G. Simpson', written in a cursive style.

J. G. Simpson  
Manager - Canadian Exploration

JGS/jel

Encls.

c.c. Messrs. C. A. Mark, C.M.C., Los Angeles  
G. Davis, Dynasty Expls., Vancouver