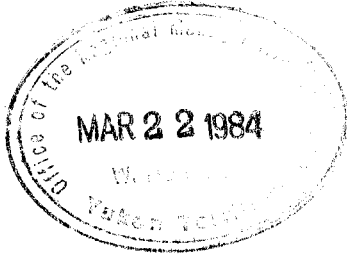


Geotechnical Assessment Report on the
Bud and Dago Claims
Kathleen Lakes Area
Mayo Mining District
Yukon Territory
N.T.S. 106 D-8



G. Lohman

February 1984

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091525

ASSESSMENT REPORTS

Map No.: 106 D-8 Type of Work: Hand Trenching

Report filed under: Daiwan Engineering Ltd. - by - G. Lohman, B.Sc.

Date performed: September 2 to 7th, 1983

Location: Lat.: 64° 19'

Long: 134° 11'

Area: Kathleen Lakes Area

CLAIM Name & No.: Dago No. 3 & 5 80351 & 80353
Bud 2, 4, 6, 8-16, 41-48 Y14383, Y14385, Y14387, Y14389-Y14397
Y14414-Y14421

Work done by: G. Lohman & Co.

Work done for: Gordon Dickson under option to Acheron Resources Ltd.

Date	Good standing to	Date	Good standing to
7 Mar 84	8th March, 1987		

091525

1. Introduction

This report describes the work that was done on the claims from September 2 to September 7, 1983. Agilis Engineering conducted the field work under the supervision of the author and Dago.

The program consisted of trenching and blasting of chemical and geologic targets.

The report is intended for use as an assessment report.

The address of Agilis Engineering is as follows:-

Agilis Engineering Ltd.
1010 - 409 Granville Street
Vancouver, B.C.
V6C 1W9

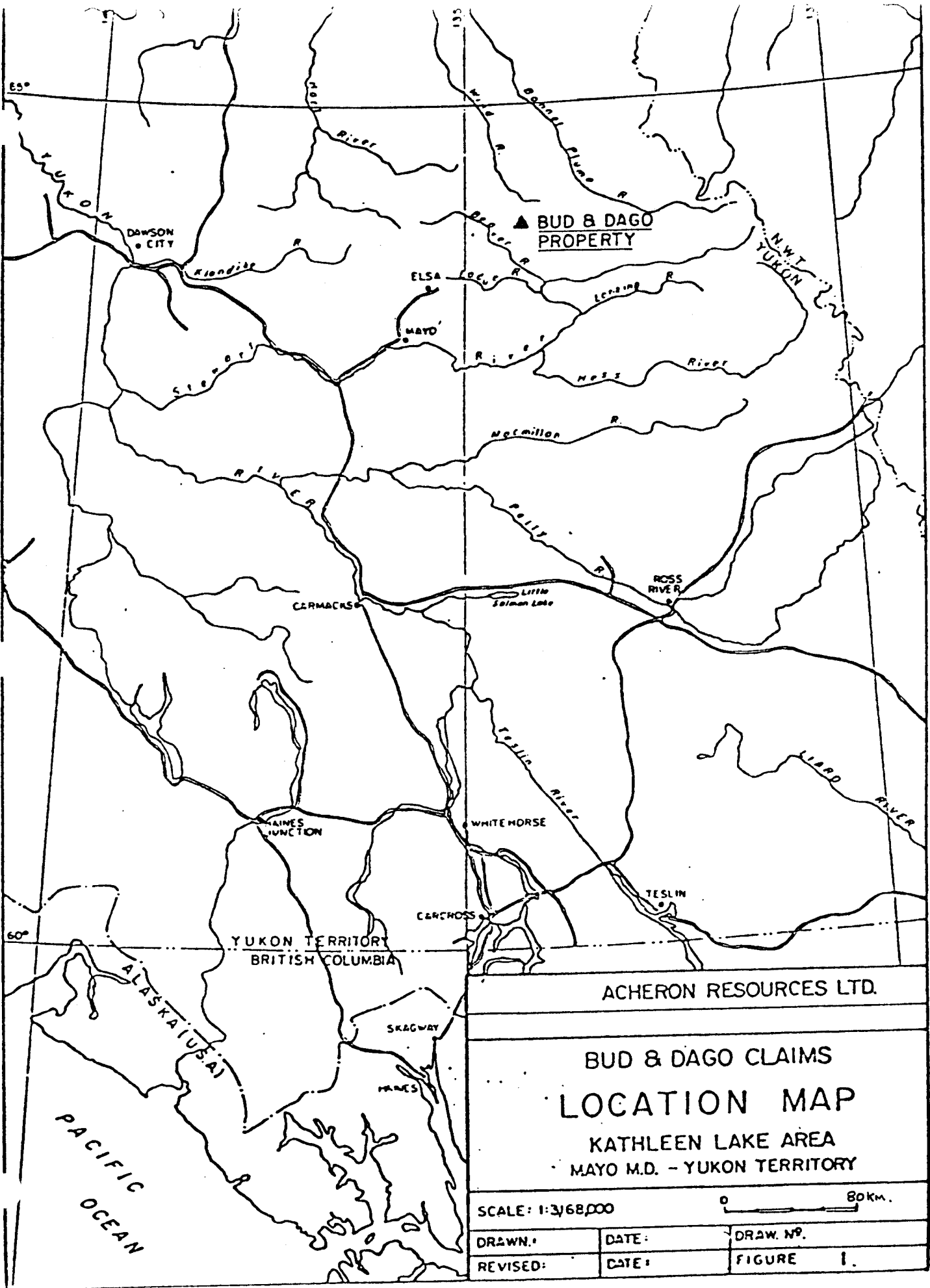
2. Location and Access

The property is located 115 kilometers northeast of Mayo, Y.T. and 5 kilometers north of Kathleen Lakes, figure 1 "Location Map". It is on the Rackla River drainage system at approximately 1,000 to 1,500 meters elevation near the southeast end of the Wernecke Mountains.

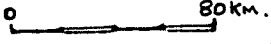
Access to the claims is provided by helicopter from Mayo or alternatively by float aircraft from Mayo to Kathleen Lakes followed by 5 kilometers of trail northeast to the showings.

3. Topography and Vegetation

The topography consists of gently rolling hills with occasional limestone and dolomite bluffs. The drainage is good with swamps present at the lower elevations.



▲ **BUD & DAGO PROPERTY**

ACHERON RESOURCES LTD.		
BUD & DAGO CLAIMS		
LOCATION MAP		
KATHLEEN LAKE AREA		
MAYO M.D. - YUKON TERRITORY		
SCALE: 1:3168,000		0  80km.
DRAWN:	DATE:	DRAW. NO.
REVISED:	DATE:	FIGURE 1.

3. Topography and Vegetation (Continued)

Sparse stunted spruce bush and alder are common in the valleys and along south facing slopes with buckbrush and occasional conifers being present along the north facing slopes and at higher elevations.

4. Regional Geology (from Noel, 1980)

In the Kathleen Lakes area of the Yukon the dominating geologic feature is the extensive west-northwesterly trending thrust fault known as the Dawson fault. North of Kathleen Lakes, this major fault has displaced Proterozoic (Hadrynian) clastic marine sediments over Ordovician and Silurian euxinic marine sediments. The Proterozoic assemblage includes dark weathering shale, argillite and quartzite overlain by limestone and an orange weathering platey grey dolomite. The Ordovician-Silurian section includes grey weathering limestone, black shale and chert of the Road River Formation.

Accompanying the Dawson fault, close folding as well as local overturning of both Proterozoic and Paleozoic assemblages occurs. The result of this north of Kathleen Lakes is a major south dipping structure with Paleozoic units apparently overlying the Proterozoic members.

The Dawson Fault is also a very important localizing agent for the Ag-Pb-Zn mineralization in the area, extending for at least 150 kilometers from the Nadaleen River showings in the east to the Silver Hill showings on the west. The mineralization is reported as occurring within both the Proterozoic dolomite hanging wall and the Paleozoic limestone shale footwall. McIntyre Mines Ltd., located 45 km east-southeast of the Bud and Dago claims has its main showings in the Hadrynian dolomite as with the Kathleen Lakes and Silver Hill occurrences. Mineralization in either case is considered to be near the Proterozoic-Paleozoic contact.

5. Local Geology

On the Bud and Dago claims McAtee (1980) reports the Proterozoic assemblage to contain the diagnostic orange weathering dolomite with minor local occurrences of black slate. The Paleozoic section is dominated by the dark grey to black limestone and possibly lesser amounts of the clastic members.

Mineralization on the claim group consists of sphalerite and minor galena occurring within a dolomite breccia. This zone as tested by drilling extends for some 1,000 meters marked on the surface by extensive manganese and limonitic gossans. As reported by Noel (1980) typical silver-lead zones assay 1 to 3% lead; 2 to 6% zinc and 3 to 6 oz./ton silver cross widths of 2 to 7 meters.

6. History

- 1951 - staked by Gordon Dickson
- 1953 - explored by Leitch Gold Mines Ltd.
- 1954 - optioned to Prospectors Airways Ltd. which conducted
 - hand trenching
 - sampling
 - geologic mapping
 - minor soil sampling
- claims allowed to lapse
- 1959 - restaked by G. Dickson as the Dago claims
- 1966 - optioned to Atlas Explorations Ltd.
- 1968-9 - Rackla River Mines formed - and completed
 - geological mapping
 - bulldozer trenching

6. History (Continued)

- 1969 - optioned to Casino Silver Mines Ltd. which conducted
an I.P. survey
- 1972 - Rackla River Mines - completed;
- extensive soil surveys
- minor pack sack drilling
- 1974 - optioned by Anvil Mining Corporation - further
- soil surveys
- magnetometer survey
- geological mapping
- 2 Diamond drill holes
- 1977-8 - optioned to Pan Acheron Resources Ltd.
- limited soil survey
- cleaned out and sampled a number of the old trenches
- 1,559 m. of diamond drilling
- 1980 - soil geochemical survey

7. Work Done in 1983

The following work was done in 1983:-

1. Blasting/trenching of geochemical and geologic targets

From September 2 to September 7, 1983, E. Stoll and M. Dagnola of Whitehorse blasted 14 trenches on the Bud 13 and 46 claims and 4 large outcrops of dolomite breccia on the Dago 3 claim all under the supervision of the author.

7. Work Done in 1983

1. Blasting/trenching of geochemical and geologic targets

All of the trenches on the Bud 13 and 46 claims were to test known soil geochemical anomalies and consisted of pits which moved a minimum of 2 - 4 cubic yards of material each.

On the Dago 3 claim, the dolomite breccia, known to be mineralized elsewhere on the property was further exposed in 4 areas where a minimum of 10 - 20 cu. yds of rock material was moved in each case.

All blast areas have been flagged with orange ribbon and should be easy to relocate by follow-up personnel.

Following the blasting procedure the target areas were examined by the author and the details recorded. The areas in mention are shown on figure 2.

8. Results of Work Done in 1983

As outlined in figure 2 blast areas 1 and 2 were outlined overlapping and adjacent to known Pb, Zn soil anomalies. Unfortunately in this case, bedrock exposures were not obtained and the cause of the anomalies has not been located. Minor coarse crystalline calcite was located in one of the pits suggesting the source of the values may be another breccia situation.

Blasting of the dolomite breccia exposures on the Dago 3 claim also failed to outline any further mineralization in the claim group.

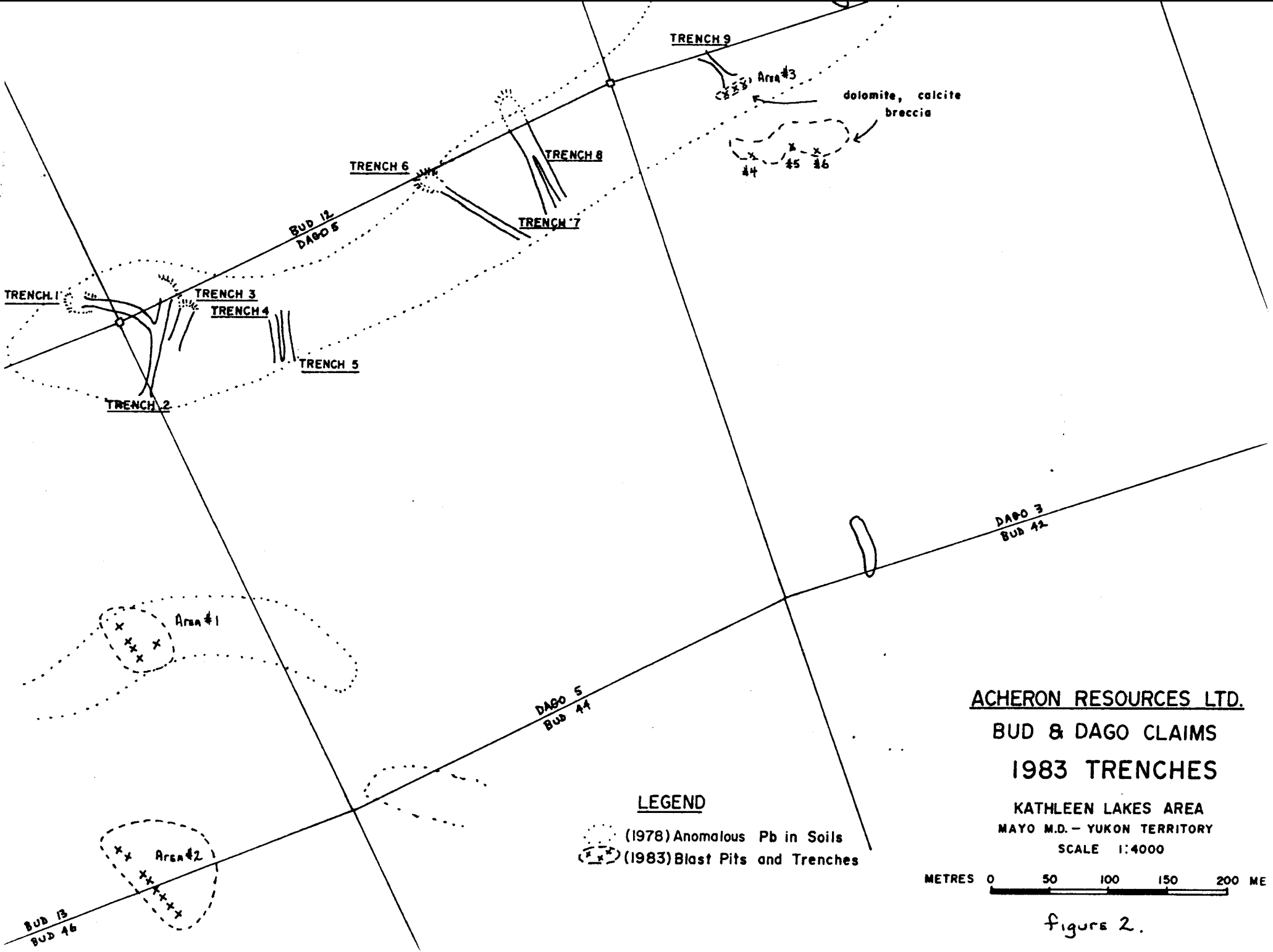


Figure 2.

9. Discussion and Conclusions

The geochemical anomalies defined in the previous soil surveys have not been explained and future work should involve a deeper trenching method to fully evaluate the cause of the elevated values.

Although the exposures of dolomite breccia were not mineralized, other exposures are known to host sulphides in adjacent trenches and therefore they still should be investigated. Important also is the presence of angular coarse crystalline calcite in the blast pits in Area #1.

10. Recommendations

Follow-up work on the Bud and Dago claims is most dependent on the economy since the claim block is in an isolated part of the Yukon.

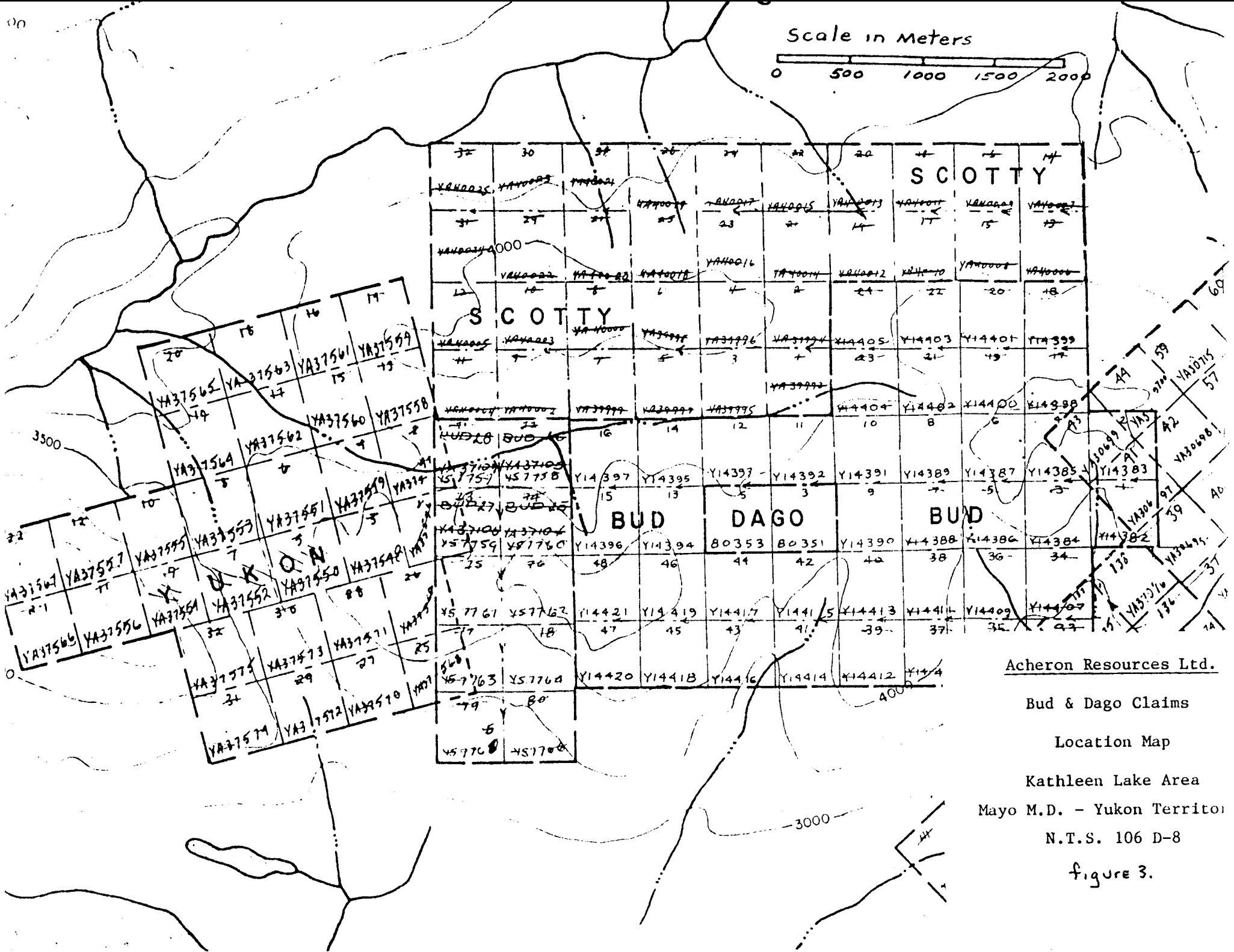
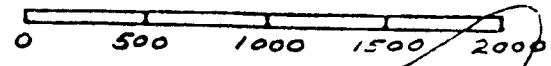
1. The geochemical anomalies should be further tested by a deeper means of trenching,
2. Geological mapping, and
3. Diamond drilling if warranted

11. Ownership (Figure 3)

<u>Name</u>	<u>Grant Number</u>	<u>Expiry Date</u>
Dago 3 & 5	80351 & 80353	July 13, 1984
Bud 2	Y14383	March 8, 1984
Bud 4	Y14385	March 8, 1984
Bud 6	Y14387	March 8, 1984
Bud 8-16	Y14389-14397	March 8, 1984
Bud 41-48	Y14414-14421	March 8, 1984

The claims are owned by Gordon Dickson of Whitehorse, Y.T., and are currently under option to Acheron Resources Ltd. of Vancouver, B.C.

Scale in Meters



Acheron Resources Ltd.

Bud & Dago Claims

Location Map

Kathleen Lake Area

Mayo M.D. - Yukon Territory

N.T.S. 106 D-8

figure 3.

12. References

- McAtee 1980, A geological report on the Bud, Dago, and Scotty claims of Pan Acheron Resources Ltd., Kathleen Lakes Area, Yukon Territory.
- Noel, G.A. 1978, Geological - Geochemical Report Bud and Dago claim, Kathleen Lakes area, May M.D., Yukon Territory.
- Noel, G.A. 1980, Report on the Bud and Dago claim, Kathleen Lakes area, Mayo Mining District, Yukon Territory for Pan Acheron Resources Ltd.

13. Man Days Assessment Work Details

The following is a breakdown of the assessment work performed on the property:-

Assessment Work Breakdown

Blasting/Trenching

<u>Name</u>	<u>Address</u>	<u>Dates Worked</u>	<u>Number of 8-hour Days</u>
E. Stoll	#2 Blanchard St. Whitehorse, Yukon	Sept. 2 - Sept. 7, 1983	6
M. Dagnola	Whitehorse, Yukon	Sept. 2 - Sept. 7, 1983	6

Supervision

<u>Name</u>	<u>Address</u>	<u>Dates Worked</u>	<u>Number of 8-hour Days</u>
G. Lohman	1010-409 Granville St. Vancouver, B.C.	Sept. 2 - Sept. 7, 1983	6

Drafting

<u>Name</u>	<u>Address</u>	<u>Dates Worked</u>	<u>Number of 8-hour Days</u>
Geo Drafting	420 - 470 Granville St. Vancouver, B.C.	Feb. 22, 1984	1/2 hour

13. Man Days Assessment Work Details (Continued)

Typing

<u>Name</u>	<u>Address</u>	<u>Dates Worked</u>	<u>Number of 8-hour Days</u>
J. Knowles	1010-409 Granville St. Vancouver, B.C.	Feb. 22, 23/84	1½ hours

Report Writing

<u>Name</u>	<u>Address</u>	<u>Dates Worked</u>	<u>Number of 8-hour Days</u>
G. Lohman	1010-409 Granville St. Vancouver, B.C.	Feb. 6, 17, 19, 20, 1984	2

14. Expenditures

The following is a breakdown of the expenditures incurred on the property:-

Supervision

G. Lohman	6 days at \$175	\$ 1,050.00
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Report Writing

G. Lohman	2 days at \$175	350.00
J. Knowles	1.5 hrs @ \$15.	22.50
Geo Drafting	1/2 hrs @ \$25	12.50

Blasting/Trenching Wages

M. Dagnola	6 days x \$100	600.00
E. Stoll	6 days x \$100	600.00

Travel

Trans North Turbo Air	3 men and supplies Mayo - camp - Mayo	2,975.40
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14. Expenditures (Continued)

Supplies

Food	\$ 413.14
Camp gear rental	120.00
Explosives	233.58
Truck Rental	376.00
Gas	120.09
Miscellaneous	<u>80.24</u>
SUB TOTAL	\$ 6,953.45

DOMINION OF CANADA:
PROVINCE OF BRITISH COLUMBIA.

In the Matter of the blasting and trenching
on the Dago 3, Bud 2, 4, 6, 8-12, 14-16 claims in
the Mayo Mining District, Yukon Territory N.T.S. 106 D-8

To Wit:

I, G.H.T. Lohman

of c/o Daiwan Engineering Ltd., 1010 - 409 Granville Street, Vancouver, B.C.

in the Province of British Columbia, do solemnly declare that the following personnel were employed and the costs incurred relate to the field work conducted.

Supervision

G. Lohman 4 days x \$175 \$ 700

Blasting/Trenching Wages

E. Stoll 4 days x \$100 400

M. Dagnola 4 days x \$100 400

Report Writing

192.50

Airfare

3 men - Mayo to camp and return 1,487.70

Supplies

671.53

TOTAL:- \$ 3,851.73

And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the "Canada Evidence Act."

Declared before me at the City of Vancouver, in the Province of British Columbia, this 27th day of February 1984, A.D.

A Commissioner for taking Affidavits for British Columbia or
A Notary Public in and for the Province of British Columbia.

DOMINION OF CANADA:
PROVINCE OF BRITISH COLUMBIA.

In the Matter of the blasting and trenching
on the Dago 5, Bud 13, and the Bud 41-48 claims in
the Mayo Mining District, Yukon Territory N.T.S. 106 D-8

To Wit:

I, G.H.T. Lohman

of c/o Daiwan Engineering Ltd., 1010 - 409 Granville Street, Vancouver, B.C.

in the Province of British Columbia, do solemnly declare that the following personnel were
employed and the costs incurred relate to the field work conducted.

Supervision

G. Lohman 2 days x \$175 \$ 350

Blasting/Trenching Wages

E. Stoll 2 days x \$100 200

M. Dagnola 2 days x \$100 200

Report Writing

192.50

Airfare

3 men - Mayo to camp and return 1,487.70

Supplies

671.53

TOTAL:- \$ 3,101.73

And I make this solemn declaration conscientiously believing it to be true, and knowing that it is of
the same force and effect as if made under oath and by virtue of the "Canada Evidence Act."

Declared before me at the City of Vancouver, in the
Province of British Columbia, this 27th
day of February, 1984, A.D.

A Commissioner for taking Affidavits for British Columbia or
A Notary Public in and for the Province of British Columbia

15. Statement of Qualifications

I, Gary H.T. Lohman, with business address in Vancouver and residential address in Port Coquitlam, British Columbia, do hereby certify that:-

1. I am a graduate of the University of Toronto with a Bachelor of Science Degree in Geology in 1981.
2. Since graduation I have been employed as an exploration geologist in British Columbia for Lornex Mining Corp. Ltd. and Brinco Mining Ltd.
3. I have been employed on a contract basis since June 1983 as an exploration geologist with Agilis Engineering Ltd., Vancouver, B.C.

Respectfully submitted,



G. Lohman, B.Sc.

Vancouver, Canada