<table>
<thead>
<tr>
<th>MAP No.</th>
<th>TYPE OF WORK: Geological, Trenching</th>
</tr>
</thead>
<tbody>
<tr>
<td>105 D 3</td>
<td></td>
</tr>
<tr>
<td>105 D 4</td>
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<table>
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<tr>
<th>REPORT FILED UNDER</th>
<th>Shakwak Exploration Company Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATE PERFORMED</td>
<td>November 1984</td>
</tr>
<tr>
<td>DATE FILED</td>
<td>June 14, 1985</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>LOCATION – LAT. LONG.</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>60°10'N 135°30'W</td>
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<table>
<thead>
<tr>
<th>CLAIM Nos.</th>
<th>WORK DONE FOR</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>HO 1-8; YA82047-YA82054</td>
<td>Shakwak Exploration Company Ltd.</td>
<td>The Charleston property is underlain by mainly Mid-Cretaceous granite and granodiorite which intrude metasedimentary rocks of the Yukon Metamorphic Complex. A northwest-trending rhyolite porphyry dyke cuts the granodiorite on the HO 1 claim.</td>
</tr>
<tr>
<td>HO 9-20; YA82985-YA82996</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

09 16 48
A program of prospecting, trenching and sampling was conducted in November, 1984. Five old trenches were relocated on the Charleston C.G. and were mapped, reblasted and sampled. Prospecting on the HO 1 claim revealed a new zone approximately 106.7m south of the known vein which was exposed by blasting of two trenches across the structure. Strike length of this zone exceeds 30.5m. The width is from 0.3m to 1.8m, and mineralogy is quartz and calcite with 2-5% sulphides (galena, pyrite, chalcopyrite, tetrahedrite). Large samples (6-12 kg) from this zone assayed as follows: 1) 14.40 g/t Au, 671.98 g/t Ag and 2.9% Pb over 1.89m, 2) 17.83 g/t Au, 122.05 g/t Ag and 1.8% Pb over 0.61m, and 3) 86.40 g/t Au, 1011.40 g/t Ag and 13% Pb over 0.18m.
ASSESSMENT REPORT

GEOLOGICAL MAPPING AND TRENCHING
HO 1-8 and HO 9-20 Mineral Claims
YA82047-82054 and YA82985-82996
NTS 105 D3, D4
WHITEHORSE MINING DISTRICT

November 1984

by
Glen C. MacDonald, P.Geol.

for
Shakwak Exploration Company Ltd.
Whitehorse, Yukon

May 1985
This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $9,200.00.

Regional Manager, Exploration and Geological Services for Commissioner of Yukon Territory.
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INTRODUCTION

This report describes a trenching and geological mapping and sampling program carried out during November 1984. Preliminary prospecting and geochemical sampling conducted on the HO 1-8 claims during August 1984 is not described here.

Parts of this report are abstracted from a report by Arctic Engineering Services Ltd., of Atlin, B.C., dated 10 May 1985.

PROPERTY AND OWNERSHIP

The Charleston property consists of the original Crown granted Charleston claim and 20 'HO' claims staked and recorded during 1985.

<table>
<thead>
<tr>
<th>Claim Name</th>
<th>Record Number</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHARLESTON C.G.</td>
<td>Lot 204</td>
<td>January 15, 2000</td>
</tr>
<tr>
<td>HO 1-8</td>
<td>YA82047-82054 inclusive</td>
<td>June 5, 1985</td>
</tr>
<tr>
<td>HO 9-20</td>
<td>YA82985-82996</td>
<td>September 4, 1985</td>
</tr>
</tbody>
</table>

The registered owner of the Charleston C.G. is Mr. Douglas I. Watson of Winnipeg, Manitoba; the claim is held under option by Shakwak Exploration Company Ltd. The HO 1-20 mineral claims are owned 100% by Shakwak Exploration Company Ltd.

LOCATION AND ACCESS

The property is located on the southwest side of Mount Skukum near the headwaters of Skukum Creek in the Wheaton River
district. The claims straddle NTS claim sheets 105 D3 and D4. Geographical coordinates of the property are 60°10' north latitude and 135°30' west longitude. Access to the property is by helicopter from Whitehorse, a distance of 65 kilometres.

PHYSIOGRAPHY

Topography over the property shows typical rugged alpine features common to the eastern flank of the Coast Range of mountains. Elevations rise to 2100 metres with an average of 500 metres of relief. South-facing slopes are characterized by closely-spaced cirques.

Soil development ranges from poor to non-existent; as a result much of the area is unvegetated. Rock exposures are limited to steep cliffs or cirque walls. Other slopes are covered in talus or felsenmeer.

REGIONAL GEOLOGY

The Charleston property is largely underlain by granitic and granodioritic rocks of the mid-Cretaceous Coast Crystalline Complex. This unit intrudes metasedimentary rocks of the late Precambian Yukon Group, which consist primarily of quartz-rich micaceous schists and gneisses, with locally thick horizons of crystalline limestone. Yukon Group rocks are also present as occasional roof pendants and screens within areas of Coast Crystalline Complex rocks.

Minor faulting and shearing with associated chlorite and epidote alteration are widespread within the Coast Crystalline Complex.
Skukum Group volcanic rocks of late Cretaceous - early Tertiary age unconformably overlie the earlier formations in the eastern part of the property, along the ridge extending towards Mount Reid. These are predominantly andesite and basaltic andesite flows and tuffs.

Rhyolitic and dacitic dykes, related to the later stages of volcanism at the Mount Skukum complex, intrude all earlier units. Similar dykes show a close spatial relationship to ore in the Cirque Zone at the AGIP-Erickson Mount Skukum deposit.

EARLY HISTORY

The Charleston vein was discovered and staked prior to July 1907 by C. Weik. The property was allowed to lapse and was relocated by Jas. Hume on September 11, 1911. A bill of sale for the property was recorded on September 25, 1912, transferring ownership to Mathew Watson of Carcross, Yukon. Prospecting continued through pits and trenches until 1918, when an option was granted to J.M. Elmer of the Slate Creek Mining Company. Plans were to develop the vein through adits and ship high-grade ore to a smelter via the White Pass Railway. During 1921 the company drove a 200-foot adit along the vein. Assays across an average width of 2-5 feet over a length of 817 feet reportedly averaged 0.33 ozs Au and 8.5 ozs Ag per ton. The principals of Slate Creek Mining became heavily involved in the development of the Elsa-Keno Hill silver deposits about this time and allowed their option on the Charleston to lapse. E. Johnson and Mathew Watson continued to prospect the property by trenches until the property was brought to lease in 1954. Little work has been done on the property since that time, although during 1967-68
Shakwak Exploration Company Ltd. optioned the Charleston C.G. claim from Douglas Watson in 1984.

1984 EXPLORATION PROGRAM

On November 1, 1984, a three-man exploration team moved onto the Charleston property to begin a prospecting, trenching and sampling program. Personnel involved were G. Davidson (project geologist - Shakwak Exploration Company Ltd.) and two blasters employed by McCrory Holdings Ltd. of Whitehorse.

On the Charleston C.G. five trenches from early day explorations were located, mapped, re-blasted and sampled. Prospecting in the HO 1 claim revealed the presence of a new zone some 350 feet south of the previously known vein. This zone was exposed by blasting two trenches (Trenches 6 and 7) across the structure and by uncovering the vein in two other locations. Visible strike length examined exceeds 100 feet. This new zone is on strike with the original zone but is situated approximately 200 vertical feet higher; the old zone has been designated the C-1a zone and the new discovery the C-1b zone.

The C-1b vein consists of quartz and calcite with 2-5% sulphides (galena, pyrite, chalcopyrite, tetrahedrite). Width of the vein varies from 1 foot to over 6 feet.

Trench 6 is approximately 6 feet wide, 7 feet long and 2 feet deep. Trench 7 is approximately 8 feet long, 5 feet wide and 2 feet deep.
Figure 2 - Geology
Charleston Property
Wheaton River, Yukon
Individual assay results are as follows:

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Au oz/t</th>
<th>Ag oz/t</th>
<th>Pb%</th>
<th>width, ft.</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>16758</td>
<td>0.42</td>
<td>19.60</td>
<td>2.9</td>
<td>6.2 chip</td>
<td>Trench 6</td>
</tr>
<tr>
<td>16759</td>
<td>0.52</td>
<td>3.56</td>
<td>1.8</td>
<td>2.0 chip</td>
<td>Trench 7</td>
</tr>
<tr>
<td>16760</td>
<td>2.52</td>
<td>29.50</td>
<td>13.0</td>
<td>0.6 grab</td>
<td>Trench 7</td>
</tr>
</tbody>
</table>

Analyses were carried out by Bondar-Clegg and Co. Ltd., Whitehorse. Gold was analyzed by wet chemical extraction and atomic absorption determination; silver, lead, and zinc were analyzed by standard atomic absorption methods. Large samples (15-25 pounds) were collected to improve the representivity of the analyses.

CONCLUSIONS AND RECOMMENDATIONS

The Charleston property contains at least two major quartz structures carrying significant values in gold and silver.

Arctic Engineering Services Ltd. have recommended upgrading the existing trail to the property, additional surface trenching and re-opening the old adit to carry out adequate underground sampling.
REFERENCES


STATEMENT OF COSTS

Total 1984 exploration expenses on Charleston property, excluding acquisition and administration costs $38,222.00

Allocation to HO 1 claim:

- Labour and geological costs $2,100.00
- Trenching (McCroty Holdings contract) 4,710.00
- Helicopter 3,571.00
- Assays 58.00
- Camp supplies, food, fuel 233.00
- Expediting, vehicle, etc. 780.00

$11,452.00
STATEMENT OF QUALIFICATIONS

I, GLEN C. MACDONALD, with business and residential address in Whitehorse, Yukon Territory, DO HEREBY CERTIFY that:

1. I am a consulting professional geologist.

2. I am a graduate of the University of British Columbia (B.Sc., Geology, 1973 and B.A. Economics 1971).

3. I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists and Geophysicists of Alberta (No. 36214).

4. I am registered as a Professional Geologist in the Northwest Territories (No. L166).

5. I am a member in good standing of the Canadian Institute of Mining and Metallurgy.


7. I have examined the showings and area of the Charleston property in the Wheaton River area of the Whitehorse Mining District, and have reviewed all available private and public information on the property to compile this report.

DATED at Whitehorse, Yukon Territory, this 12 day of June, 1985.

Glen C. MacDonald, P.Geol.