



GEOLOGICAL AND GEOCHEMICAL

ASSESSMENT REPORT

CABIN CREEK PROPERTY

(MN 1 - 48, AG 1 - 2 CLAIMS)



NTS 105 B-11

LATITUDE 60° 32' N; LONGITUDE 130° 40' W

WATSON LAKE MINING DISTRICT

FOR

TALLY-HO EXPLORATION LTD.

BY

GRAHAM S. DAVIDSON, P. GEOL.

NOVEMBER, 1986

09 19 11

This report has been examined by
the Geological Evaluation Unit
under Section 53 (4) Yukon Quartz
Mining Act is allowed as
representative work in the amount
of \$ 4800.00.

D. A. Edmund

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

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INTRODUCTION

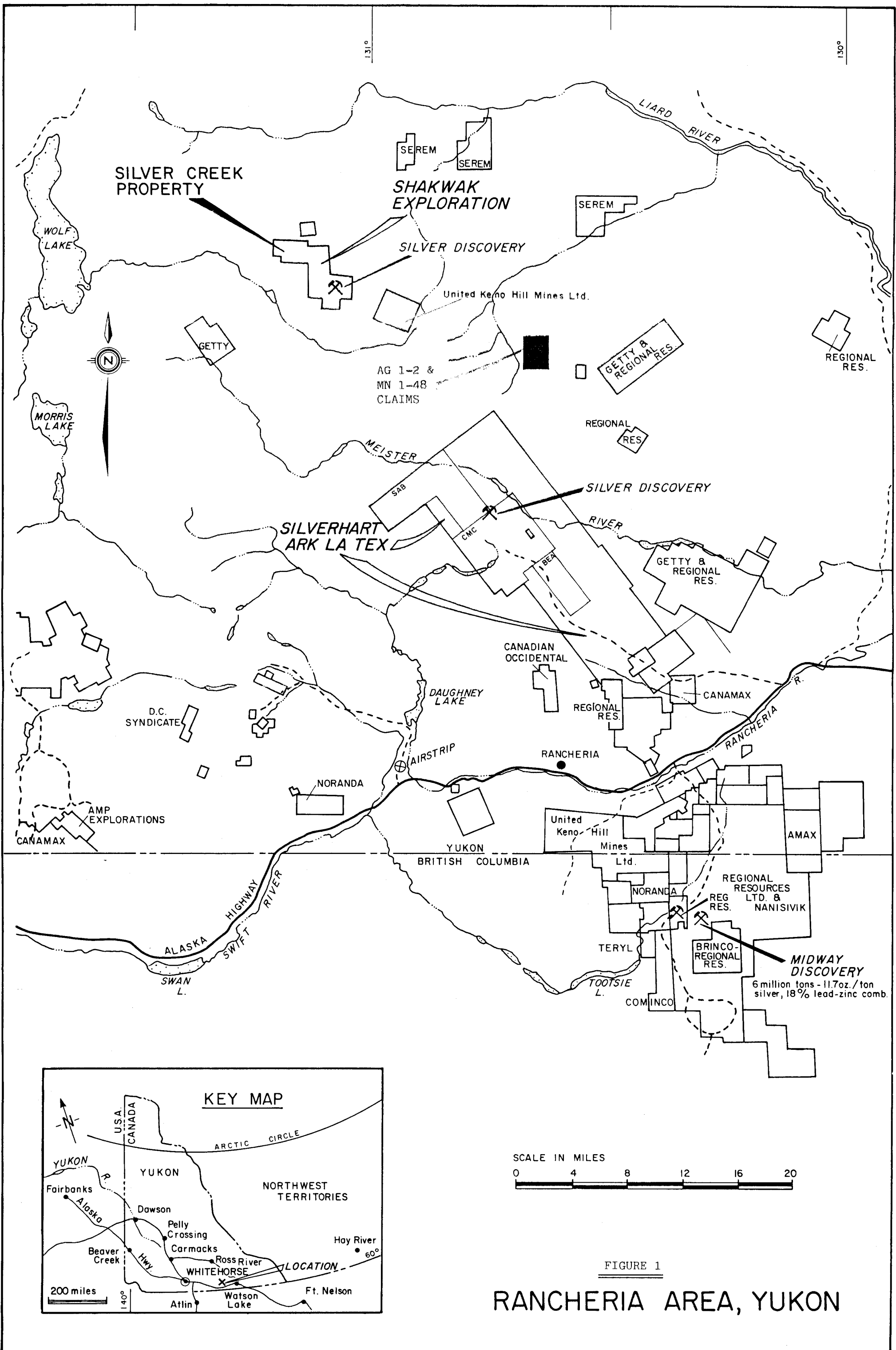
Tally-Ho Exploration Ltd. holds 50 mineral claims (Cabin Creek Property) in the Rancheria district of Southern Yukon under the terms of an option agreement with Harry Verslucce. The claims cover three galena bearing manganese oxide gossan zones discovered by prospectors from Hudson Bay Exploration and Development Company in the early 1970's.

This report describes a geochemical sampling and geological mapping program conducted by a three man crew from September 18 - 20, 1986. The writer supervised the exploration program on behalf of Tally-Ho Exploration Company of Whitehorse, Yukon.

LOCATION AND ACCESS

The property is located at the headwaters of Cabin Creek approximately 115 kilometers west northwest of Watson Lake in the southern Yukon Territory on NTS. Map Sheet 105 B-11. The property location is shown in Figure 1.

Access to the property is by helicopter from Rancheria (50 km) or from Watson Lake (115 km). The CMC property of Silver Hart Mines Ltd., 20 km south of the Cabin Creek property, has gravel road access. A winter tote trail could be constructed from the Silver Hart Mines road.



PROPERTY

The Cabin Creek property consists of 50 mineral claims staked and recorded in accordance with the Yukon Quartz Mining Act in the office of the Watson Lake District Mining Recorder.

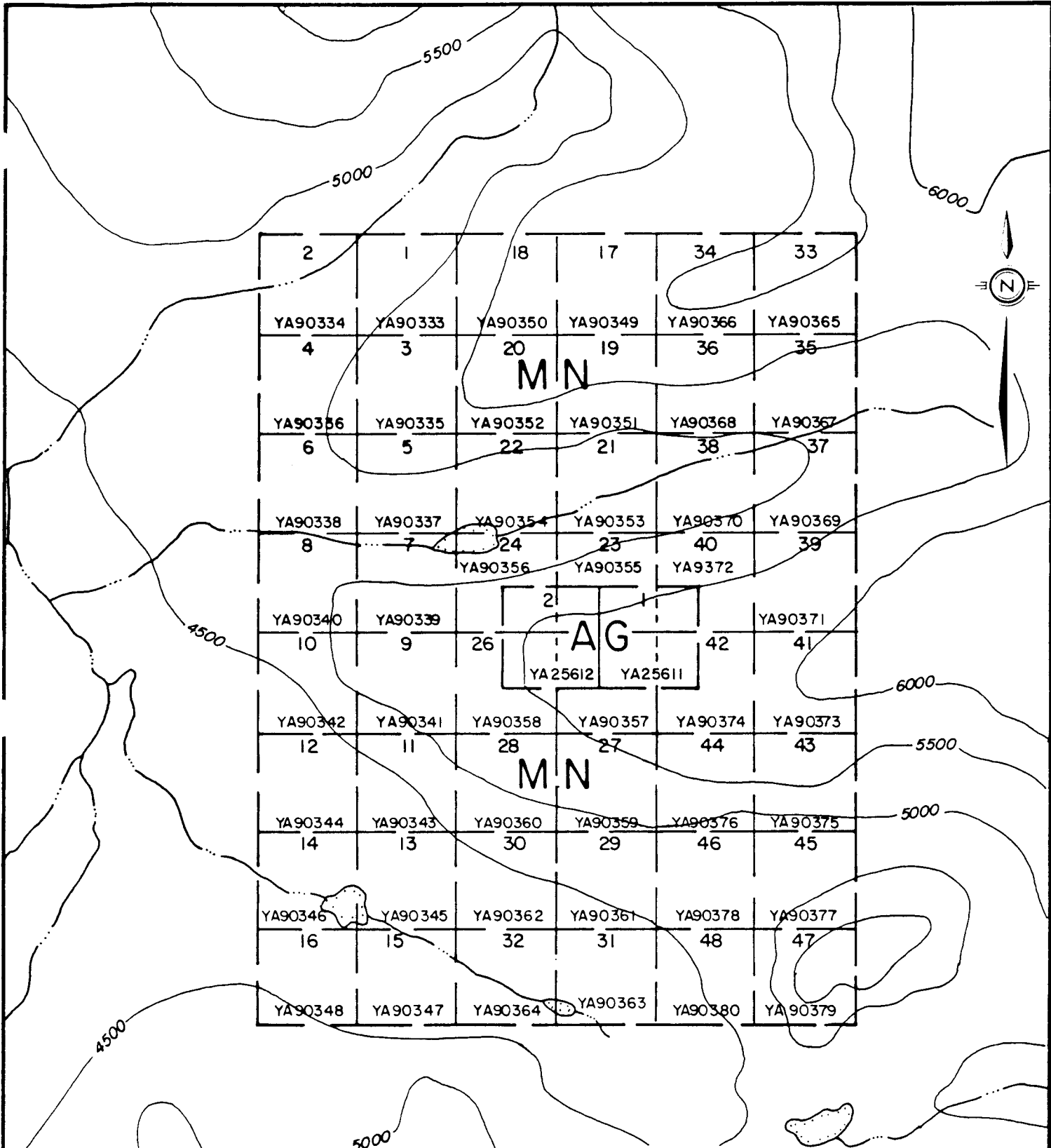
<u>Claim</u>	<u>Grant Number</u>	<u>Recording Date</u>
AG 1 - 2	YA25611 - YA25612	6 September 1977
MN 1 - 48	YA90333 - YA90380	30 September 1985

The AG 1 - 2 claims are owned by Harry Verslucce and the MN 1 - 48 are registered in the name of Tally-Ho Exploration Ltd. Tally-Ho is acquiring the property by fulfilling the terms of an option agreement with Harry Verslucce.

The claim plan is shown in Figure 2.

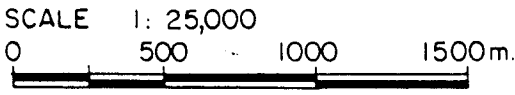
Physiography, Climate, Vegetation

The property covers an updated area at the headwaters of Cabin Creek. Elevations range from 1,300 m (4,000') to 1,950 m (6,100'), a total relief of 650 m. Upper slopes are rocky and devoid of vegetation while lower areas feature extensive buck brush and sparsley distributed spruce trees. A small lake in the center of the property, lying in a steep walled valley, could provide water for diamond drilling. Climatic conditions in the Cassiar Mountains are fairly severe with long cold winters. Summer temperatures reach 15-20°C, however at higher elevations temperatures rarely exceed 10°C. Annual precipitation averages 50 cm.



2	1	18	17	34	33
YA90334	YA90333	YA90350	YA90349	YA90366	YA90365
4	3	20	19	36	35
YA90356	YA90335	YA90352	YA90351	YA90368	YA90367
6	5	22	21	38	37
YA90338	YA90337	YA90354	YA90353	YA90370	YA90369
8	7	24	23	40	39
YA90340	YA90339	2	1	YA90371	
10	9	26	25	42	41
YA90342	YA90341	YA90358	YA90357	YA90374	YA90373
12	11	28	27	44	43
YA90344	YA90343	YA90360	YA90359	YA90376	YA90375
14	13	30	29	46	45
YA90346	YA90345	YA90362	YA90361	YA90378	YA90377
16	15	32	31	48	47
YA90348	YA90347	YA90364	YA90363	YA90380	YA90379

TALLY HO EXPLORATION LTD.		
CABIN CREEK PROPERTY		
CLAIM PLAN		
PROJECT		
NTS:	TECHNICAL	DATE:
105 B 10	G.D.	NOV. 1986
SCALE:	DRAFTING:	FIGURE:
	G.T.	2



REGIONAL GEOLOGY

The Cabin Creek property is located in the Wolf Lake Map Sheet (105-B) area, mapped by W. H. Poole, J.A. Roddick and L.K. Green of the Geological Survey of Canada in 1951 - 1959. The district is underlain by folded Late Proterozoic to Devonian clastic and carbonate rocks of the Cassiar Platform; by assemblages of sheared ultramafic, volcanic, sedimentary and intrusive rocks accreted onto the North American continent during Mesozoic arc-continent collision; and by Cretaceous intrusions of granite-granodiorite composition (Abbott, 1983).

The Cabin Creek property is primarily underlain by biotite-muscovite granodiorite of mid-Cretaceous age. Lenses of biotite schist and gneiss of Cambrian or earlier age occur in the granitic rocks. Pegmatitic and granitic dykes associated with the mid-Cretaceous intrusives cut the schist and gneiss. Tertiary porphyry dykes occurring in the district were not observed on the property.

EXPLORATION HISTORY

Hudson Bay Exploration and Development Company carried out reconnaissance level prospecting and soil sampling in the Cabin Creek area in 1974. Follow-up prospecting of anomalous lead values at the creek headwaters, led to the discovery of several occurrences of silver rich galena. These showings were initially staked as the Bingy 1 - 18 claims for Hudson Bay Exploration in 1974.

Subsequently Hudson Bay collected 724 soil samples on a picket grid. Three zones of mineralization in float returned silver values of up to 146.28 oz/ton. No further work was completed and the claims were allowed to lapse.

Harry Verslucce staked the AG 1 - 2 claims in 1977.

1986 EXPLORATION PROGRAM

Prospecting and Geology

Silver rich galena occurs in manganese oxide in three zones discovered by Hudson Bay. These zones were relocated and sampled by the writer. The following table describes rock samples collected in 1986. Sample locations are shown in Figure 3.

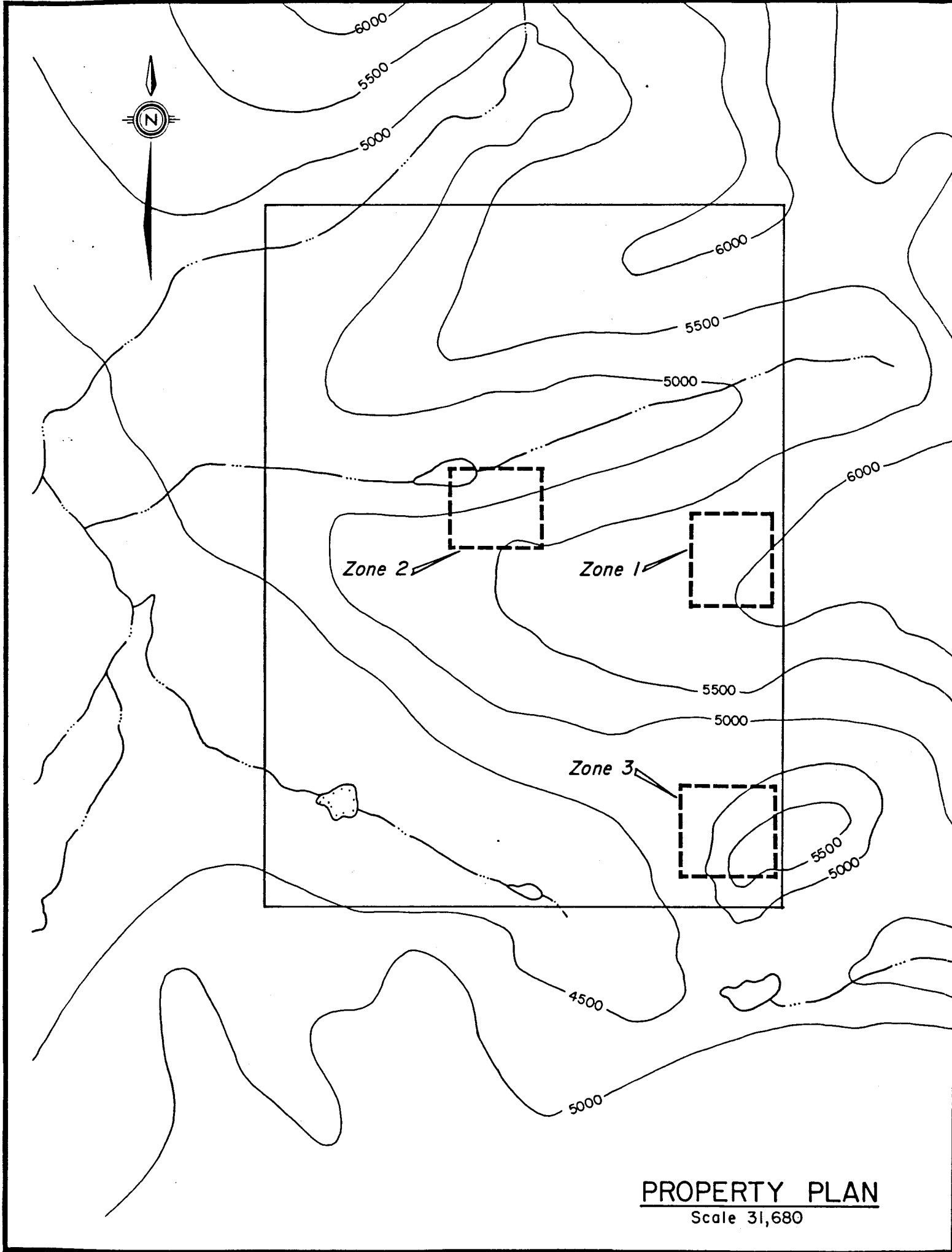
<u>Sample</u>	<u>Ag oz/ton</u>	<u>Pb %</u>	<u>Zn %</u>	<u>Descriptions</u>
2401	54.60	34.56	21.60	Zone 1 - Grab of massive galena and sphalerite in manganese and goethite oxide from old pit dump.
2402	0.30	0.20	0.10	Zone 1 - Grab of quartz-feldspar porphyry dyke containing rusty fractures.
2403	1.04	0.72	1.22	Zone 1 - Grab of manganese oxide gossan float from steep north-facing slope.
2404	172.80	24.80	0.96	Zone 2 - Grab of cubic galena in quartz vein from talus.
2405	104.80	62.80	2.06	Zone 2 - Grab of massive galena and goethite float.

<u>Sample</u>	<u>Ag oz/ton</u>	<u>Pb %</u>	<u>Zn %</u>	<u>Descriptions</u>
2406	1.72	0.74	0.42	Zone 2 - Grab of manganese oxide containing minor galena from granitic talus.
2407	73.20	77.60	2.46	Zone 1 - Grab of 3 cm wide galena vein in granite float.
2408	20.30	12.20	8.56	Zone 3 - Grab of oxidized galena and sphalerite from old pit dump.
2409	1.04	0.62	0.44	Zone 3 - Sample of orange clay from floor of old pit.
2410	0.24	0.14	0.52	Grab of oxidized sulphides from old pit dump.

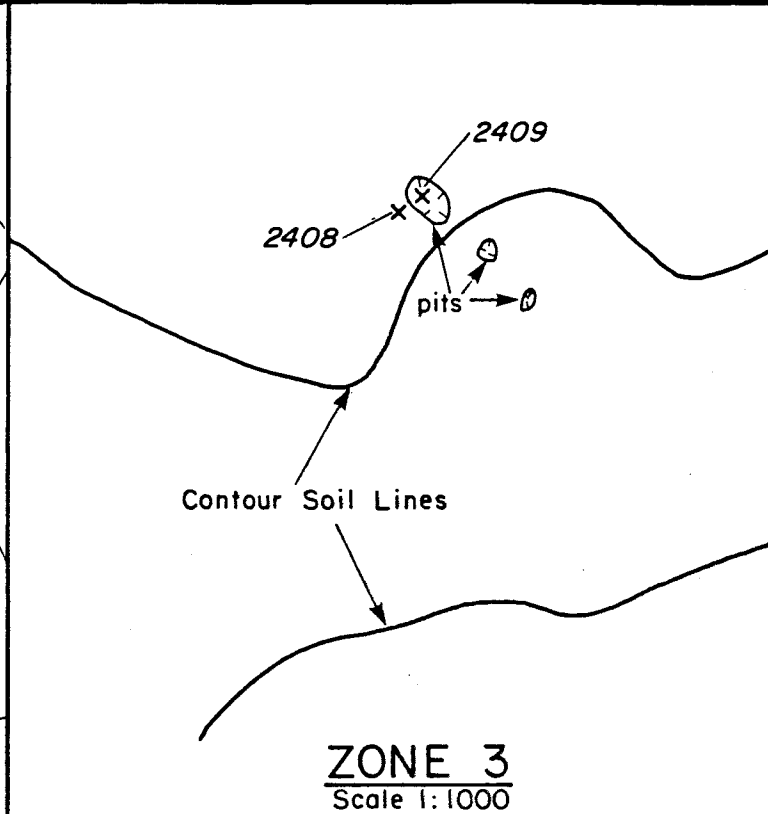
The manganese and goethite oxide gossan float trends in a northerly direction in Zones 1 and 2, and in a northwesterly direction in Zone 3. Galena veins occur in manganese and goethite oxide in zones 1 and 3 while in zone 2, galena and manganese oxide veinlets occur in larger quartz veins. These mineralized zones are well defined by soil geochemistry and should be blast or backhoe trenched in future exploration.

Geochemistry

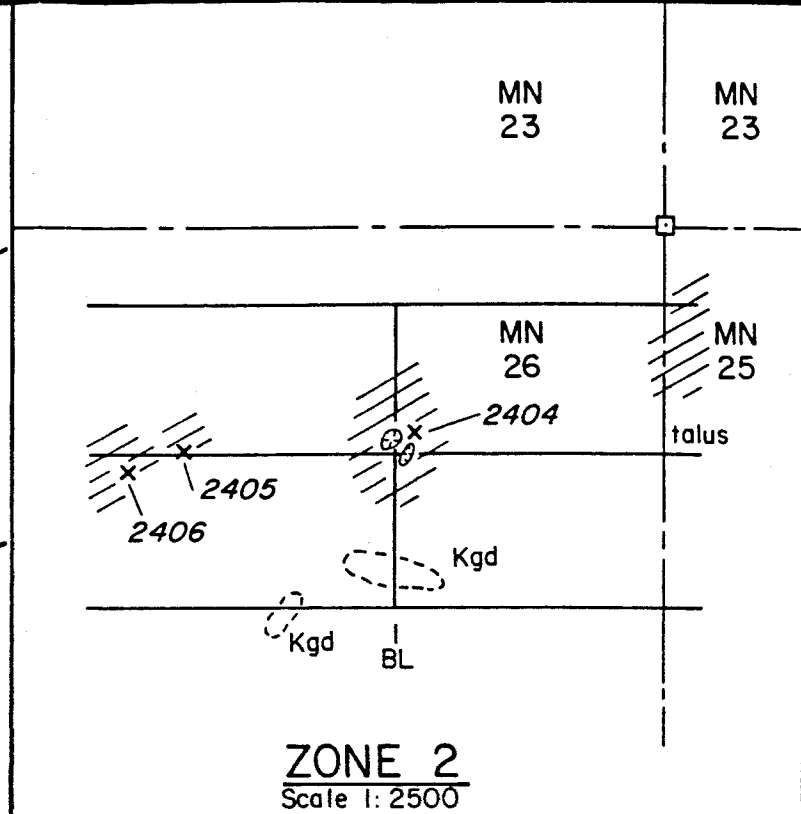
Three small grids were established over the manganese and goethite gossan float trains. 149 soil samples were collected at 20 m intervals in zones 1 and 2 and at 25 m intervals in zone 3. Figures 4, 5 and 6 show the results of the geochemical sampling. The following anomalies were identified:



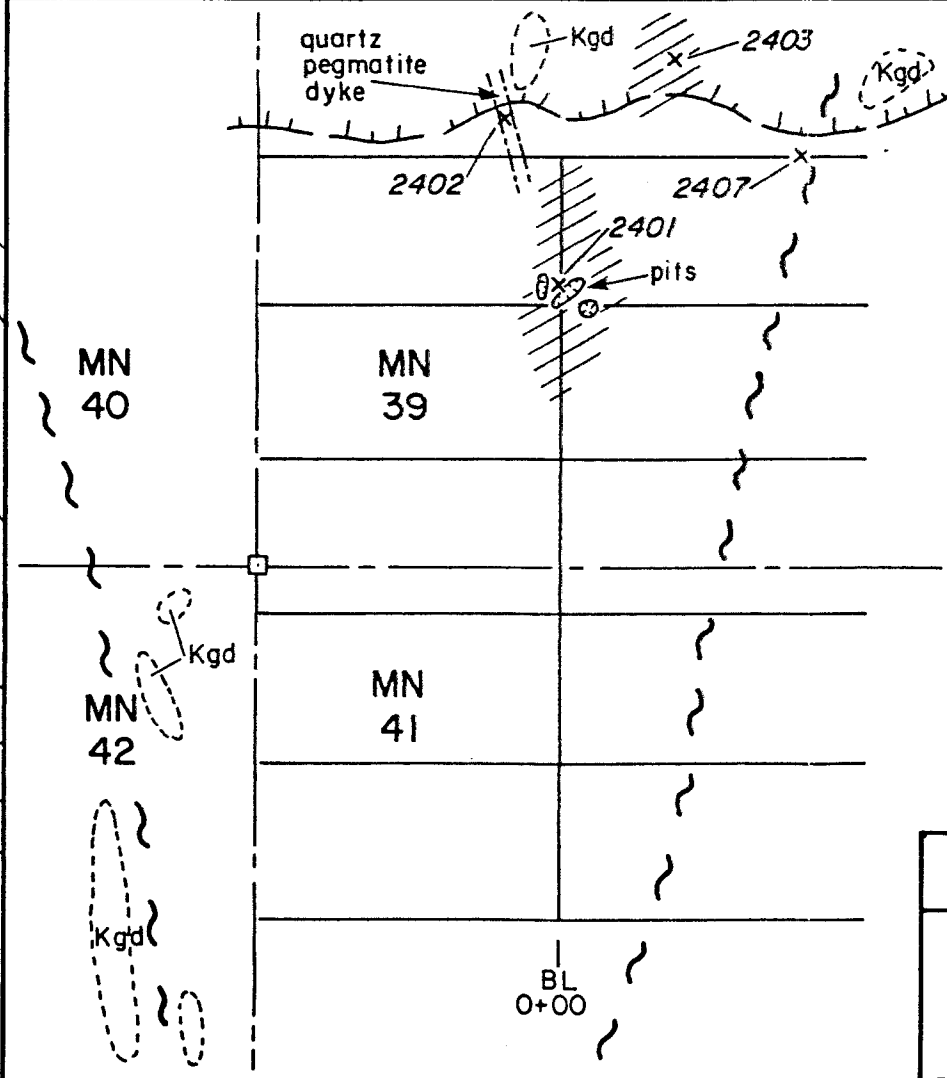
PROPERTY PLAN
Scale 1:31,680



ZONE 3
Scale 1:1000



ZONE 2
Scale 1:2500



ZONE 1
Scale 1:2500

- LEGEND**
- Kgd Outcrop of biotite-muscovite granodiorite.
 - Manganese gossan float
 - Old pit
 - Sample site, sample number
 - Fault

TALLY HO EXPLORATION LTD.		
CABIN CREEK PROPERTY		
PROPERTY PLAN		
PROJECT		
NTS: 105 B 10	TECHNICAL G.D.	DATE: NOV. 1986
SCALE: as noted	DRAFTING: G.T.	FIGURE: 3

Zone 1 - A moderate Ag-Pb-Zn anomaly occurs around the old pits over a length of 150 m. Peak geochem values, in silver are 3.8 ppm and, in lead 2,160 ppm. Rock sample #2401 of mineralized float from beside the old pits contained a silver value of 56.4 oz/ton.

Zone 2 - A fairly strong Ag-Pb-Zn anomaly trends north-northwest through the center of this grid. A talus sample within this anomaly obtained a silver value of 172.8 oz/ton; the highest value recorded during the 1986 program.

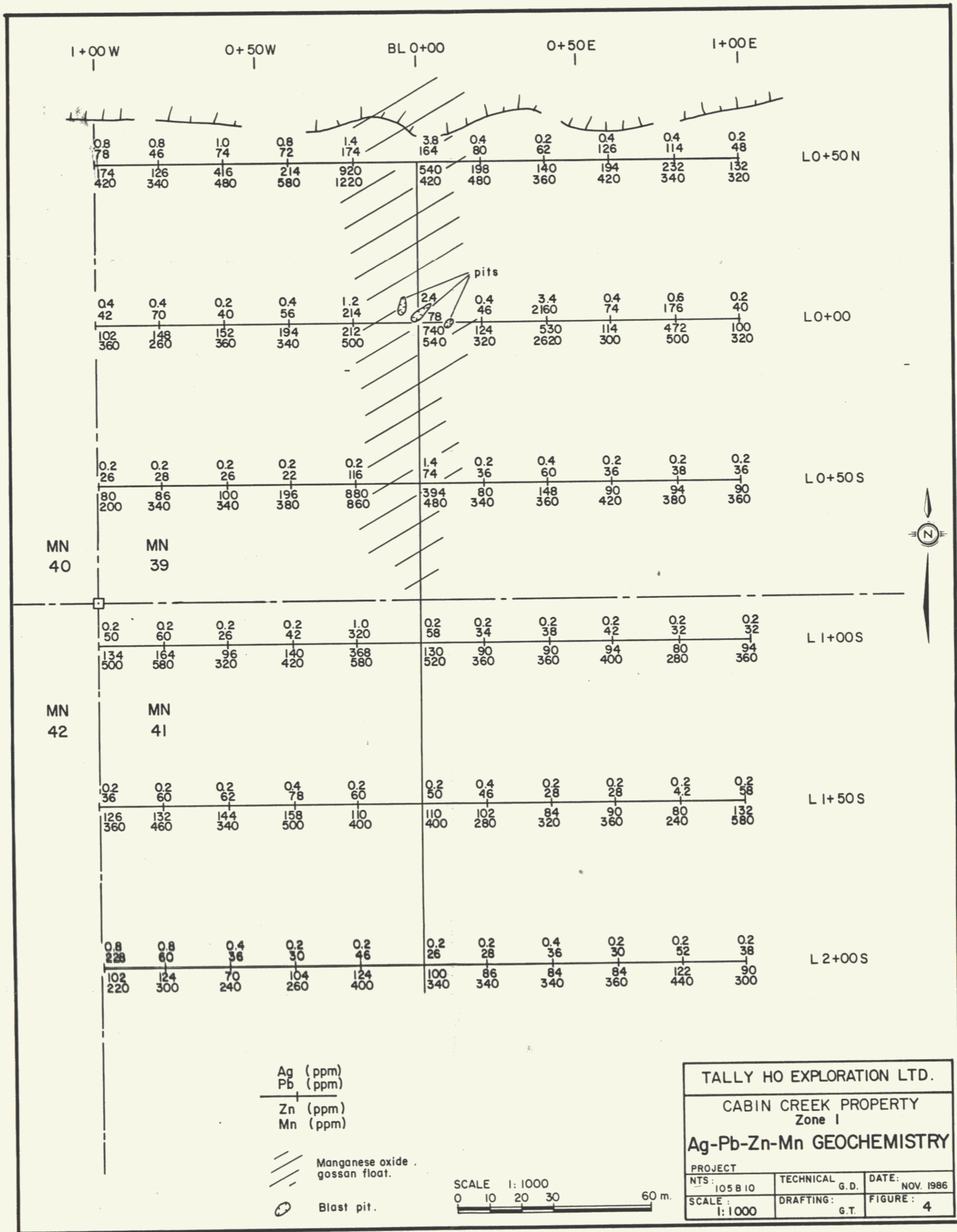
- A second moderate Ag-Pb-Zn soil anomaly is located on the western boundary of the grid.

Zone 3 - A Ag-Pb-Zn soil anomaly is located around the old pits. Overburden appears to be fairly deep in this area and a rock sample collected from the pit dump returned a silver value of 20.2 oz/ton

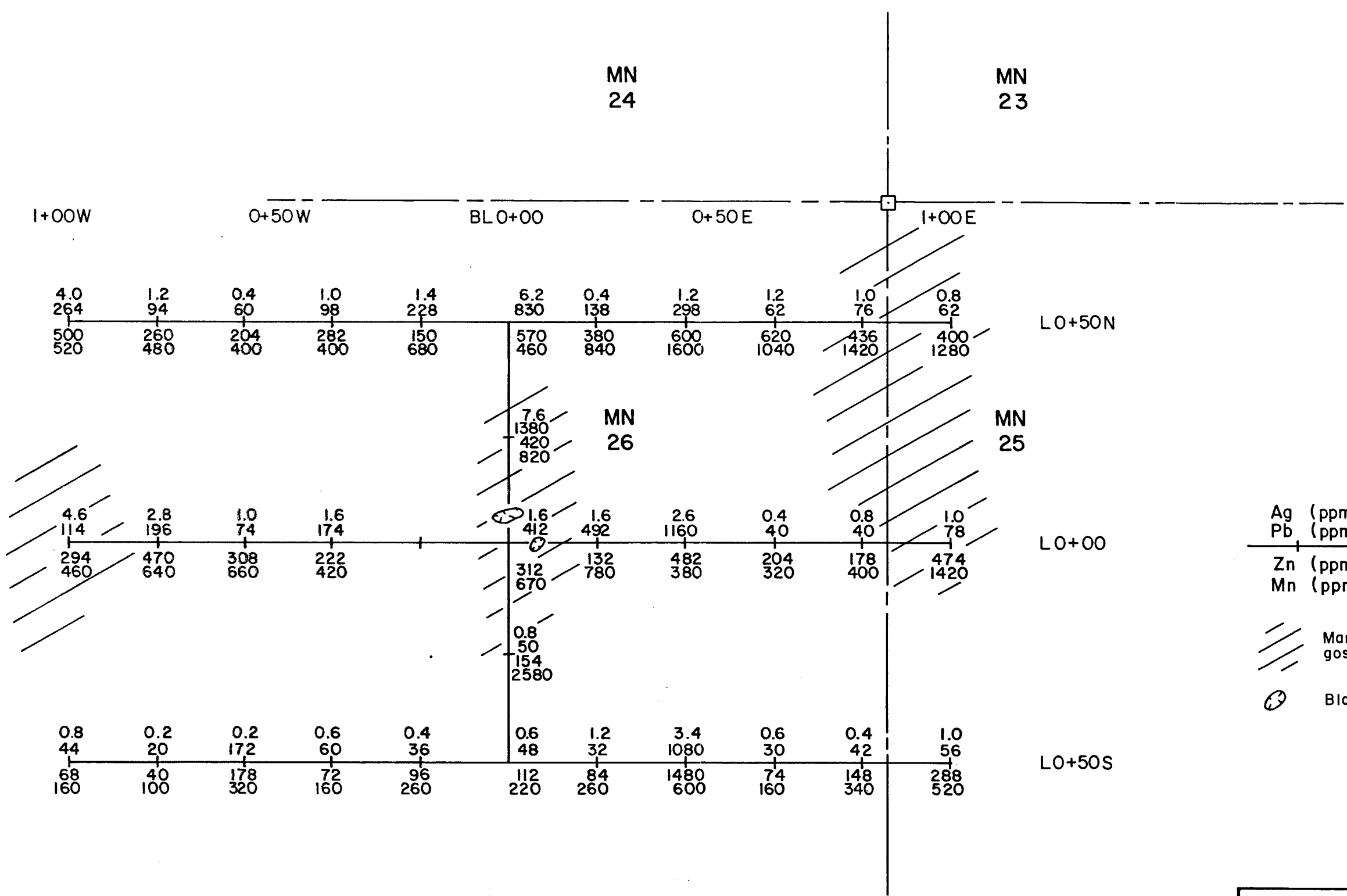
DISCUSSION

The 1986 exploration program re-examined manganese gossan zones discovered in the 1970's. Rock and soil samples collected in three areas produced significant silver values, especially in zones 1 and 2.

The north to northwest trending Ag-Pb-Zn anomalies in zones 1 and 2 may trace mineralized vein fault structures similar to vein faults outlined on nearby properties. A short blast trenching program on the anomalies in Zones 1 and 2 should be undertaken early next season to try and locate mineralization in bedrock. A follow-up program of more extensive trenching could then take place to outline the occurrence.



091911

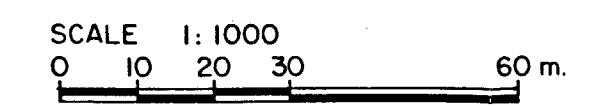


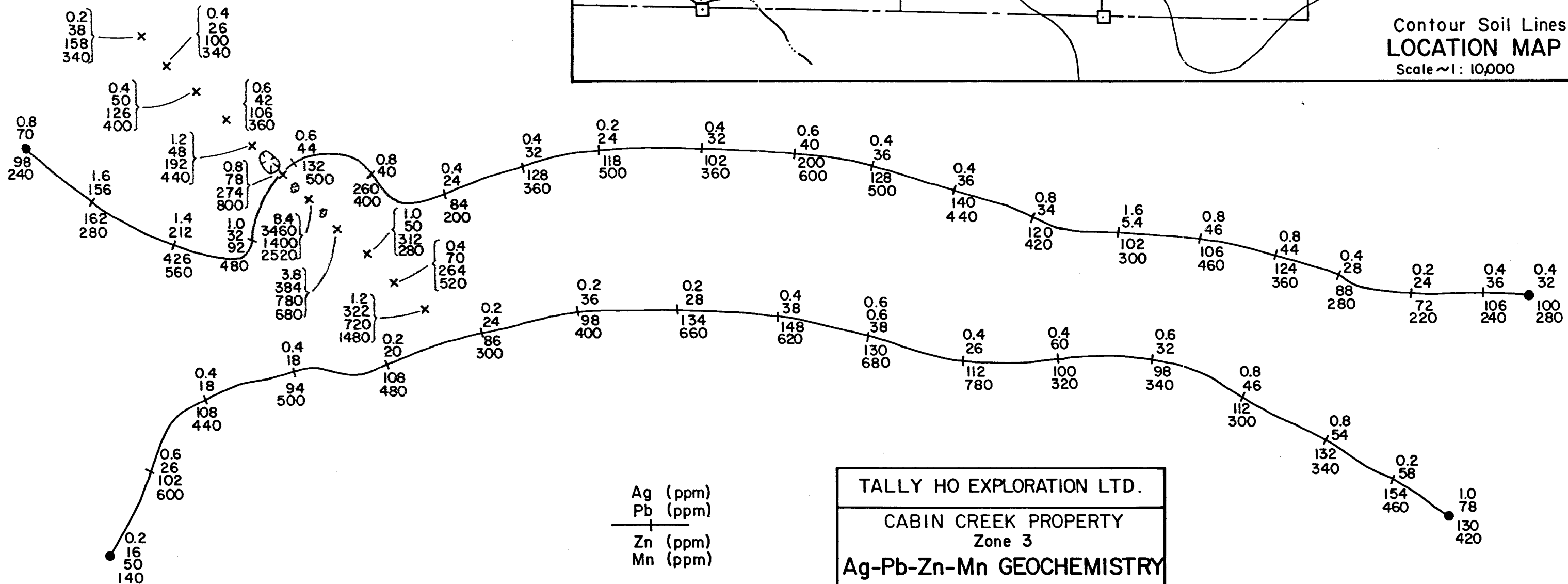
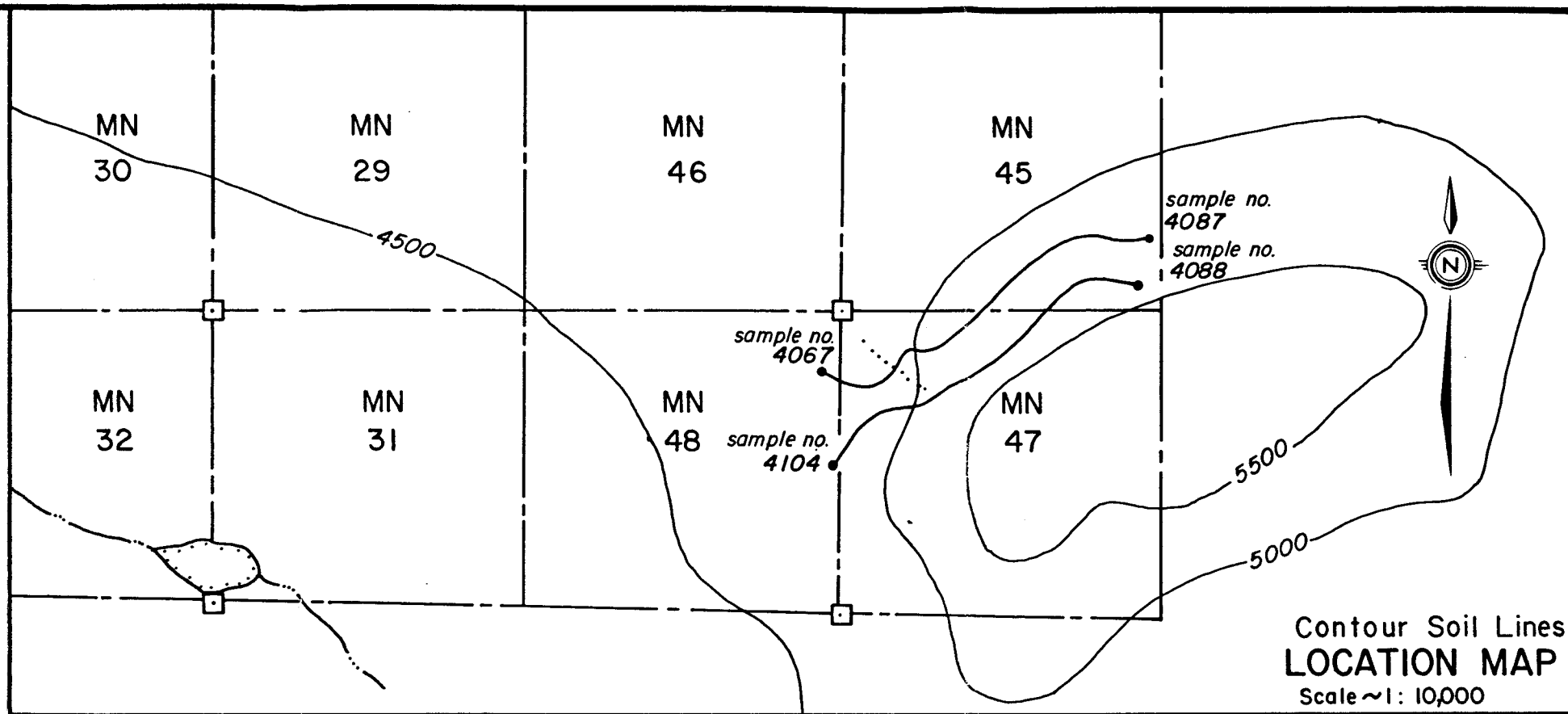
Ag (ppm)
Pb (ppm)
Zn (ppm)
Mn (ppm)

/// Manganese oxide gossan float.
⊙ Blast pit.

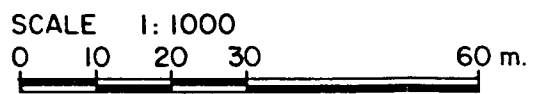
TALLY HO EXPLORATION LTD.
CABIN CREEK PROPERTY
Zone 2
Ag-Pb-Zn-Mn GEOCHEMISTRY

PROJECT		
NTS: 105 B 10	TECHNICAL G.D.	DATE: NOV. 1986
	DRAFTING: G.T.	FIGURE: 5





Ag (ppm)
Pb (ppm)
Zn (ppm)
Mn (ppm)



TALLY HO EXPLORATION LTD.		
CABIN CREEK PROPERTY Zone 3		
Ag-Pb-Zn-Mn GEOCHEMISTRY		
PROJECT		
NTS: 105 B 10	TECHNICAL G.D.	DATE: NOV. 1986
SCALE: 1:1000	DRAFTING: G.T.	FIGURE: 6

REFERENCES

- Abbott, J. G., 1983: Silver-bearing veins and replacement deposits of the Rancheria District. Yukon Exploration and Geology 1983, pp 34 - 44.
- Allen, G., 1979: Report of investigations on the COM 21 - 26 Claims, Irvine Lake area. Assessment Report No. 09064, Northern Affairs, Whitehorse.
- Mulligan, R., 1969: Metallogeny of the region adjacent to the northern part of the Cassiar Batholith, Yukon Territory and British Columbia. Geological Survey of Canada Paper 68 - 70.
- Robertson, R.S., 1986: 1985 Exploration report on the Silver Creek Property for Shakwak Exploration Co. Ltd.
- Silver Hart Mines Ltd., 1986: Report to shareholders for the period ended March 31, 1986.
- Smith, F.M., 1984: Unpublished report on CMC claims (105-B-7), Edgar Lake Area. For Silver Hart Mines Ltd.

APPENDIX I

STATEMENT OF QUALIFICATIONS

I, GRAHAM DAVIDSON, of the City of Whitehorse in the Yukon Territory, hereby certify:

THAT I am a consulting geologist AND THAT I participated in the work described in this report.

THAT I am a graduate of the University of Western Ontario (H.B.Sc., Geology, 1981);

THAT I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists and Geophysicists of Alberta (No. 42308);

THAT I have been engaged in mineral exploration on a full-time and part-time basis for seven years, of which five have been spent in the Yukon and Northwest Territories.

SIGNED at Whitehorse, Yukon, this 5th day of December, 1986.



G.S. DAVIDSON, P. Geol.

APPENDIX II

CERTIFICATE OF ANALYSIS

ROSSBACHER LABORATORY LTD.

2225 S. SPRINGER AVENUE
BURNABY, B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

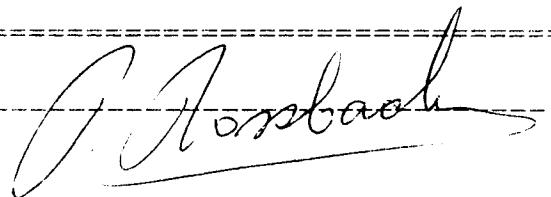
TO : TALLY-HO EXPLORATION CO. LTD.
123-470 GRANVILLE ST.
VANCOUVER, B.C.

CERTIFICATE#: 86524
INVOICE#: 6844
DATE ENTERED: 86-10-07
FILE NAME: TAL86524
PAGE # : 1

PROJECT: NOT GIVEN 713
TYPE OF ANALYSIS: ASSAY

PRE FIX	SAMPLE NAME	oz/t Ag	% Pb	% Zn
A	2401	54.60	34.58	21.60
A	2402	0.30	0.20	0.10
A	2403	1.04	0.22	1.22
A	2404	172.80	24.80	0.96
A	2405	104.80	62.80	2.06
A	2406	1.72	0.74	0.42
A	2407	73.20	77.60	2.46
A	2408	20.30	10.20	8.56
A	2409	1.04	0.22	0.44
A	2410	0.24	0.18	0.52

CERTIFIED BY :



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CERTIFICATE OF ANALYSIS

TO : TALLY-HO EXPLORATION CO LTD.
 123-470 GRANVILLE STREET
 VANCOUVER, B.C.

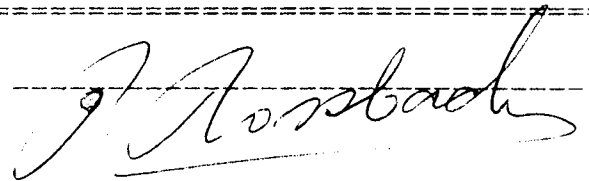
CERTIFICATE#: 86491
 INVOICE#: 6818
 DATE ENTERED: 86-09-30
 FILE NAME: TAL86491
 PAGE # : 1

PROJECT: 414

TYPE OF ANALYSIS: GEOCHEMICAL

PRE FIX	SAMPLE NAME	FPM Mn	PPM Ag	PPM Zn	PPM Pb
S	2100	670	1.6	312	412
S	2101	MISSING			
S	2102	420	1.5	222	174
S	2103	660	1.0	308	74
S	2104	640	2.8	470	196
S	2105	460	4.6	294	114
S	2106	780	1.6	132	492
S	2107	380	2.6	482	1160
S	2108	320	0.4	204	40
S	2109	400	0.8	178	40
S	2110	1420	1.0	474	78
S	2111	220	0.6	112	48
S	2112	260	0.4	96	36
S	2113	160	0.6	72	60
S	2114	320	0.2	178	172
S	2115	100	0.2	40	20
S	2116	160	0.8	68	44
S	2117	260	1.2	84	32
S	2118	600	3.4	1480	1080
S	2119	160	0.6	74	30
S	2120	340	0.4	148	42
S	2121	520	1.0	288	56
S	2122	460	6.2	570	830
S	2123	680	1.4	150	228
S	2124	400	1.0	282	98
S	2125	400	0.4	204	60
S	2126	480	1.2	260	94
S	2127	520	4.0	500	264
S	2128	840	0.4	380	138
S	2129	1600	1.2	600	298
S	2130	1040	1.2	620	62
S	2131	1420	1.0	436	76
S	2132	1280	0.8	400	62
S	2133	820	7.6	420	1380
S	2134	2580	0.8	154	50
S	4001	420	0.8	174	78
S	4002	340	0.8	126	46
S	4003	480	1.0	416	74
S	4004	580	0.8	214	72
S	4005	1220	1.4	920	174

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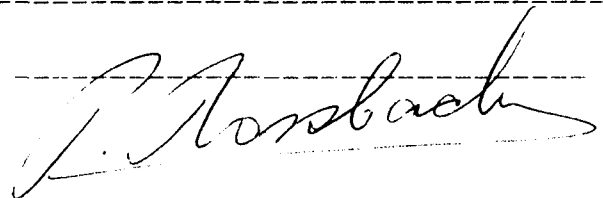
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 123-470 GRANVILLE STREET
 VANCOUVER, B.C.

CERTIFICATE#: 86491
 INVOICE#: 6818
 DATE ENTERED: 86-09-30
 FILE NAME: TAL86491
 PAGE # : 2

PROJECT: 414
 TYPE OF ANALYSIS: GEOCHEMICAL

PRE FIX	SAMPLE NAME	PPM Mn	PPM Ag	PPM Zn	PPM Pb
S	4006	420	3.8	540	164
S	4007	480	0.4	198	80
S	4008	360	0.2	140	62
S	4009	420	0.4	194	126
S	4010	340	0.4	232	114
S	4011	320	0.2	132	48
S	4012	320	0.2	100	40
S	4013	500	0.6	472	176
S	4014	300	0.4	114	74
S	4015	2620	3.4	530	2160
S	4016	320	0.4	124	46
S	4017	540	2.4	740	378
S	4018	500	1.2	212	214
S	4019	340	0.4	194	56
S	4020	360	0.2	152	40
S	4021	260	0.4	148	70
S	4022	360	0.4	102	42
S	4023	200	0.2	80	26
S	4024	340	0.2	86	28
S	4025	340	0.2	100	26
S	4026	380	0.2	196	22
S	4027	860	0.2	880	116
S	4028	480	1.4	394	74
S	4029	340	0.2	80	36
S	4030	360	0.4	148	60
S	4031	420	0.2	90	36
S	4032	380	0.2	94	38
S	4033	360	0.2	90	36
S	4034	360	0.2	94	32
S	4035	280	0.2	80	32
S	4036	400	0.2	94	42
S	4037	360	0.2	90	38
S	4038	360	0.2	90	34
S	4039	520	0.2	130	58
S	4040	580	1.0	348	320
S	4041	420	0.2	140	42
S	4042	320	0.2	96	26
S	4043	500	0.2	164	60
S	4044	500	0.2	134	50
S	4045	340	0.2	126	36

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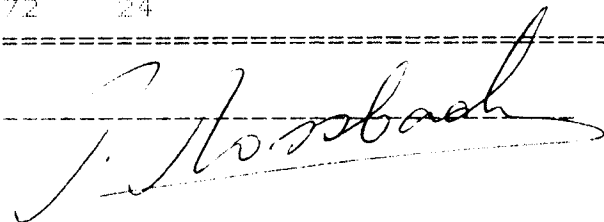
CERTIFICATE OF ANALYSIS

TO : TALLY-HO EXPLORATION CO LTD.
 123-470 GRANVILLE STREET
 VANCOUVER, B.C.

CERTIFICATE#: 86491
 INVOICE#: 6818
 DATE ENTERED: 86-09-30
 FILE NAME: TAL86491
 PAGE # : 3

PROJECT: 414
 TYPE OF ANALYSIS: GEOCHEMICAL

PRE FIX	SAMPLE NAME	PPM Mn	PPM Ag	PPM Zn	PPM Pb
S	4046	460	0.2	132	60
S	4047	340	0.2	144	62
S	4048	500	0.4	158	78
S	4049	400	0.2	110	60
S	4050	400	0.2	110	50
S	4051	280	0.4	102	46
S	4052	320	0.2	84	28
S	4053	360	0.2	90	28
S	4054	240	0.2	80	42
S	4055	580	0.2	132	58
S	4056	300	0.2	90	38
S	4057	440	0.2	122	52
S	4058	360	0.2	84	30
S	4059	340	0.4	84	36
S	4060	340	0.2	86	28
S	4061	340	0.2	100	26
S	4062	400	0.2	124	46
S	4063	260	0.2	104	30
S	4064	240	0.4	70	36
S	4065	300	0.8	124	60
S	4066	220	0.8	102	228
S	4067	240	0.8	98	70
S	4068	280	1.6	162	156
S	4069	560	1.4	426	212
S	4070	480	1.0	92	32
S	4071	500	0.6	132	44
S	4072	400	0.8	260	40
S	4073	200	0.4	84	24
S	4074	360	0.4	128	32
S	4075	500	0.2	118	24
S	4076	360	0.4	102	32
S	4077	600	0.6	200	40
S	4078	500	0.4	128	36
S	4079	440	0.4	140	36
S	4080	420	0.8	120	34
S	4081	300	1.6	102	54
S	4082	460	0.8	106	46
S	4083	360	0.8	124	44
S	4084	280	0.4	88	28
S	4085	220	0.2	72	24

CERTIFIED BY : 

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 BURNABY, B.C. V5B 3N1
 TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

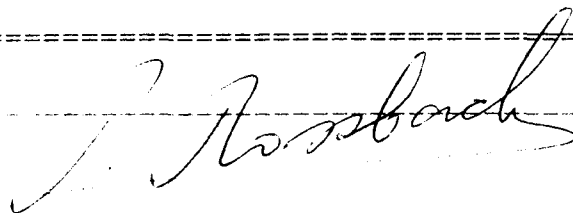
TO : TALLY-HO EXPLORATION CO LTD.
 123-470 GRANVILLE STREET
 VANCOUVER, B.C.

CERTIFICATE#: 86491
 INVOICE#: 6818
 DATE ENTERED: 86-09-30
 FILE NAME: TAL86491
 PAGE # : 4

PROJECT: 414
 TYPE OF ANALYSIS: GEOCHEMICAL

PRE FIX	SAMPLE NAME	PPM Mn	PPM Ag	PPM Zn	PPM Pb
S	4086	240	0.4	106	36
S	4087	280	0.4	100	32
S	4088	420	1.0	130	78
S	4089	460	0.2	154	58
S	4090	340	0.8	132	54
S	4091	300	0.8	112	46
S	4092	340	0.6	98	32
S	4093	320	0.4	100	60
S	4094	780	0.4	112	26
S	4095	680	0.6	130	38
S	4096	620	0.4	148	38
S	4097	660	0.2	134	28
S	4098	400	0.2	98	36
S	4099	300	0.2	86	24
S	4100	480	0.2	108	20
S	4101	500	0.4	94	18
S	4102	440	0.4	108	18
S	4103	600	0.6	102	26
S	4104	140	0.2	50	16
S	4105	800	0.8	274	78
S	4106	440	1.2	192	48
S	4107	360	0.6	106	42
S	4108	400	0.4	126	50
S	4109	340	0.4	100	26
S	4110	340	0.2	158	38
S	4111	2520	8.4	1400	3460
S	4112	680	3.8	780	384
S	4113	280	1.0	312	50
S	4114	520	0.4	264	70
S	4115	1480	1.2	720	322

CERTIFIED BY :



APPENDIX III

STATEMENT OF COSTS



Tally-Ho Exploration Ltd.

Rogers Building
Suite 123 - 470 Granville St.
Vancouver, B.C.
V6C 1V5 (604) 684-2305

Suite 10
4078 4th Avenue
Whitehorse, Yukon
Y1A 4K8 (403) 668-2044

STATEMENT OF COSTS

SEPTEMBER 18 - 20, 1986

HELICOPTER - FRONTIER	\$ 2,282.00
GEOCHEMISTRY AND ASSAY - SOILS	640.70
" " - ROCK	170.00
PERSONNEL - GEOLOGIST - G. DAVIDSON-3 DAYS	600.00
ASSISTANT - M. VAN VEEN-3 DAYS	345.00
PROPECTOR - S. CASE	
TRUCK - 2 DAYS	100.00
MILEAGE 500 KM	175.00
FUEL	50.00
HOTEL - 2 NIGHTS	120.00
MEALS	105.00
REPORT - DRAFTING, TYPING, PREPARATION	600.00
	<hr/>
TOTAL	\$ 5,187.70
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"EXPLORING AND DEVELOPING CANADA'S NORTH"