

093690

**ASSESSMENT REPORT
ON THE**

**BAS 1-64 CLAIMS (YB83822-YB83885)
and
KET 1-48 CLAIMS (YB83886-YB83933)**

Grass Lakes area

NTS 105 G-7
Lat. 61° 20' N, Long. 130° 45' W
Watson Lake Mining District

For: Arcturus Resources Ltd.
609-475 Howe Street
Vancouver, B.C.
V6C 2B3



By: G.S. Davidson, P. Geol.
June 10, 1997

This report has been examined by
the Geological Evaluation Unit
under Section 53 (4) Yukon Quartz
Act and is allowed as
exploration work in the amount
of 23,400.00.

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

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SUMMARY

The BAS and KET properties consists of 112 claims (2,268 hectares) located 200 kilometers northwest of Watson Lake and 7 kilometers southwest of the Kudz Ze Kayah deposit of Cominco. Access is by helicopter from the Campbell Highway located 35 kilometers to the northwest. Grass Lakes and the Grass River lie 2 kilometers west of the claim blocks.

The property is within the Yukon Tanana Terrane in a series of quartz-mica schists underlain by orthogneiss and intruded by ultramafic sills and granitic bodies. The Tintina Fault is located southwest of the property marking the contact between the Cassiar Platform and the Yukon Tanana Terrane. The area is being explored for massive sulphide deposits formed in Paleozoic and Mesozoic metavolcanic rocks. Since 1993, over 15,000 claims have been staked in the region, centered around Wolverine Lake and North Lakes. Located 12 kilometers northeast of the BAS and KET properties, Cominco's Kudz Ze Kayah deposit has mineable reserves of 11 million tonnes at 0.9 % Cu, 1.5 % Pb, 5.9 % Zn, 130 g/t Ag and 1.3 g/t Au.

The BAS and KET claims were staked by Arcturus on a belt of metamorphic rocks which host the Kudz Ze Kayah deposit. The target models are the Cominco volcanogenic massive sulphide body hosted in Devonian-Mississippian metamorphic rocks and the Wolverine Lake deposit, a strataform Pb-Zn-Cu massive sulphide occurring at the base of a metamorphosed felsic volcanic sequence. The model consists of massive to broken sulphides occurring in a carbonaceous metasedimentary to felsic metavolcanic and volcanoclastic horizon overlain by massive subvolcanic domes or sills of mafic to felsic volcanic rock. The sulphide mineralization is in fairly narrow elongated lenses.

In August and September, 1996 a reconnaissance soil sample survey was performed by a crew based at the Ketz Group camp on Grass Lakes. A total of 260 soil samples were collected. Five areas of weakly to moderately elevated copper-lead-zinc geochemical values were found, generally following an east-west trend. On the BAS claims the stronger of two anomalies correlates with a quartz sericite schist unit. On the KET claims three anomalies were outlined with the strongest copper (430 ppm), lead (166 ppm) and zinc (930 ppm) values of the survey. The anomalies were outlined at 100 meter sample intervals along the claim lines, approximately 900 meters apart. All five anomalies are significant responses and warrant follow-up geochemistry and geology.

The writer mapped the claim geology between August 31 and Sept. 4, 1996. The mapping identified a thick metavolcanic sequence of quartz muscovite and quartz biotite schist intruded by orthogneiss. Interbedded quartz-carbonate and argillaceous horizons were present in the schists and rusty weathering horizons of quartz sericite schist form gossans on cliff faces and talus slopes. Quartz carbonate veins and silicified layers of sericite schist host minor pyrrhotite, galena and sphalerite veining. Several weakly to moderately elevated copper, lead and zinc soil anomalies correlate with the sericite schist layers. Prospector JP Loiselle traversed the claims with a Beeb Mat electromagnetic device and collected 25 rock samples. He found minor galena, sphalerite and pyrrhotite mineralization in quartz veins and carbonate lenses.

The initial work program on the BAS and KET claims has outlined some moderate strength geochemical anomalies in a promising geological environment. There is good potential for finding base metal mineralization on these properties. Five areas identified as Anomalies A-E warrant further evaluation. An airborne geophysical survey scheduled for June, 1997 may further define these targets. An exploration program of grid soil sampling, geophysical surveys and geological mapping at a budget of \$134,000 is recommended for the BAS and KET claims.

INTRODUCTION

The BAS and KET properties consists of 112 claims located in the central Yukon near Grass Lakes in the Pelly Mountains and the Watson Lake Mining District, Yukon Territory (NTS 105 G-7). The claims cover several high mountain ridges and peaks separated by deep stream gullies. An exploration program of soil geochemistry and geological mapping performed in the summer of 1996 was supervised by B. Macdonald of the Ketz Group. This report reviews data and documents provided by B. Macdonald and information collected by the writer. The report is prepared for filing assessment on the claims.

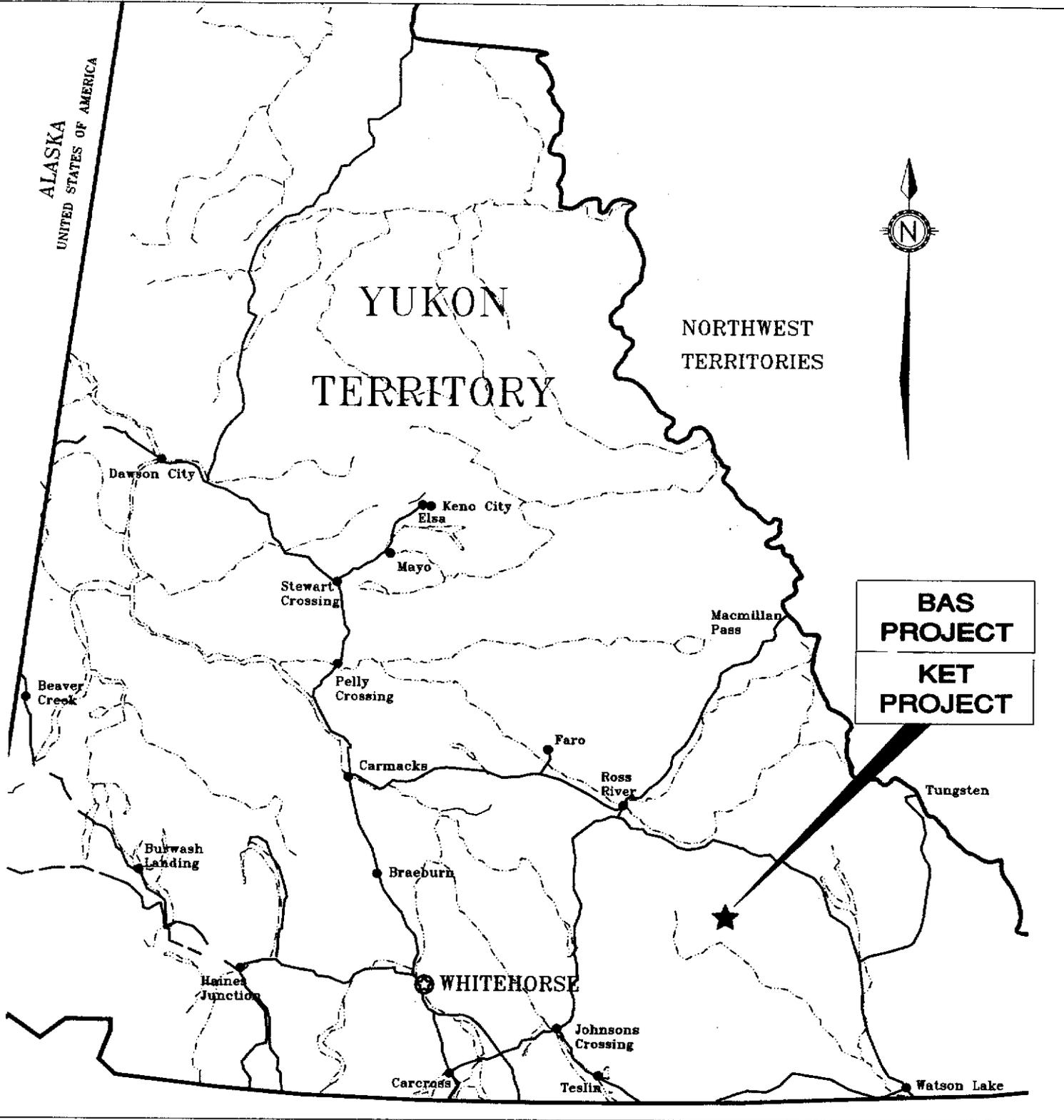
LOCATION AND ACCESS

The BAS and KET properties are located 2 kilometers east of Grass Lakes and the Grass River, and 200 kilometers northwest of Watson Lake on NTS Map Sheet 105 G-7 at geographical co-ordinates 61° 20' N and 130° 45' W. The properties were accessed by Trans North Air helicopter from the Ketz Group base camp on Grass Lakes. Access to the camp was by charter float planes provided by Black Sheep Aviation of Whitehorse. Figures 1 and 2 show the property locations. Logistically, Whitehorse, Ross River and Watson Lake provide supplies, accommodations and government services for the district and there is a government maintained airstrip near Finlayson Lake.

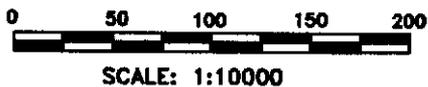
PHYSIOGRAPHY

The BAS and KET claims cover a high series of ridges and mountain peaks along the east side of the Grass River valley. The terrain is alpine featuring rocky cirques, tarns and steep ridges divided by steep sided creek gullies. Talus slopes flank the highest peaks and rocky moraines clog the base of the cirques. Elevations range from 1,300 meters in the Grass River valley to 2,100 meters. Outcrop is widespread at higher elevations while overburden on south and westerly facing slopes averages 5 meters. On north facing slopes there is more permafrost and overburden averages 10 meters.

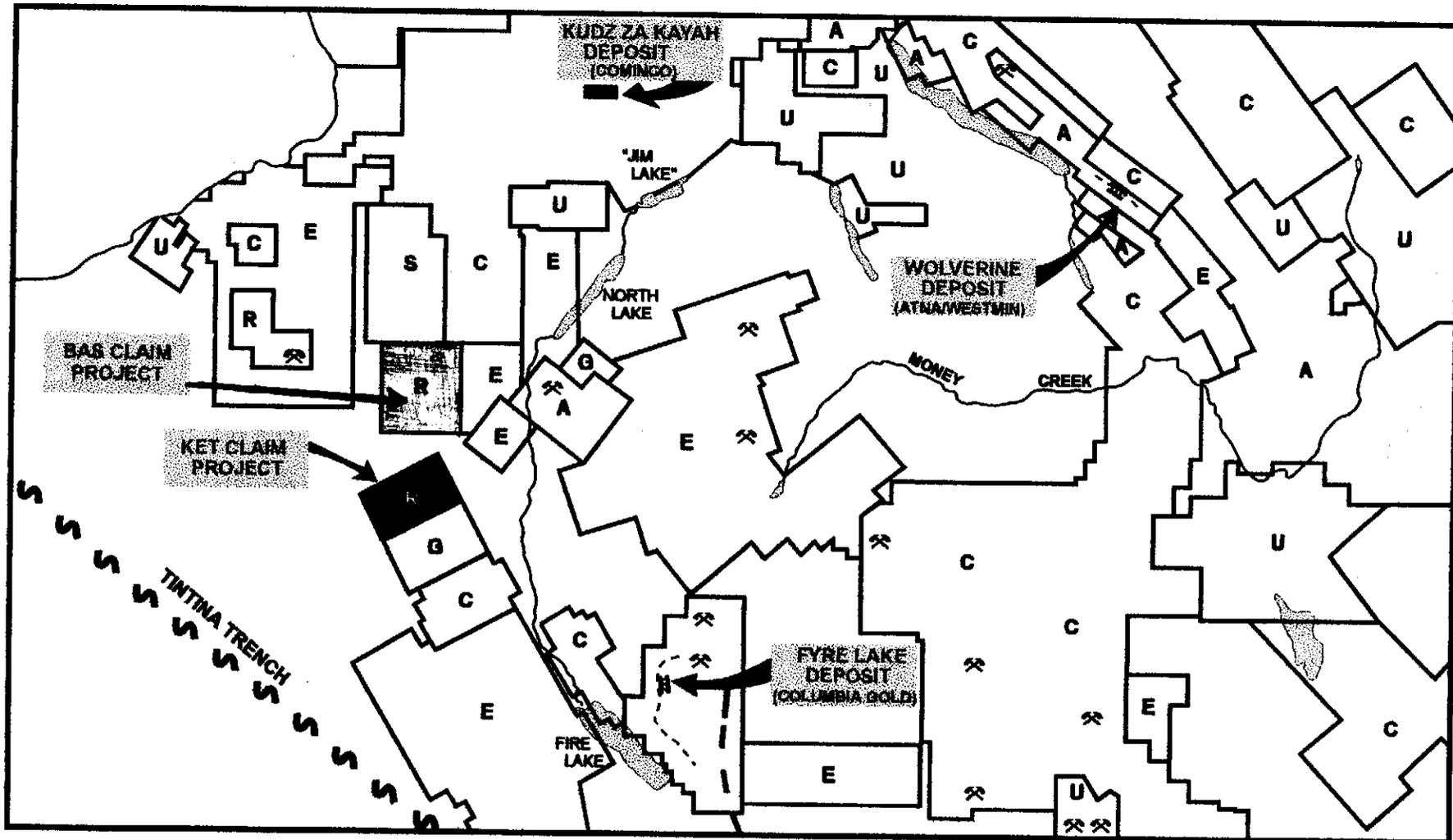
Vegetation is limited to sparse spruce forest in the creek gullies bellow 1,500 meters of elevation. The district has a northern interior climate marked by long cold winters and low annual precipitation. Exploration on the properties can be performed from June until September.



BRITISH COLUMBIA

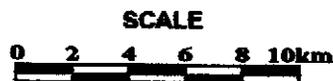


<i>COMPANY:</i>		ARCTURUS RESOURCES LTD.	
<i>DRAWING TITLE:</i>			
BAS-KET PROJECT		LOCATION MAP	
<i>LOCATION:</i>		Grass Lakes, Yukon Territory	
<i>DATE:</i>	February 1997	<i>SCALE:</i>	1 : 10,000
<i>DRAWN:</i>	TerraCAD 96208	<i>GEOLOGIST:</i>	Graham Davidson
<i>DATA:</i>	NTS 105/G7	<i>FIGURE:</i>	1



KEY TO CLAIM OWNERSHIP

- R - ARCTURUS RESOURCES
- G - CONSOLIDATED SHOSHONI GOLD
- C - COMINCO
- A - ATNA/WESTMIN J.V.
- E - EXPATRIATE RESOURCES
- U - UNKNOWN OWNERSHIP
- S - SUNSTATE RESOURCES LTD.



ARCTURUS RESOURCES LTD.			
BAS-KET CLAIM PROJECT			
Grass Lake, Yukon Territory			
SCALE	AS SHOWN		DATE April 1987
NTS	NTS 105/07	DRAWN TerraCAD 0405&4	FIGURE 2

PROPERTY

The BAS and KET properties consist of 112 mineral claims, as shown in Figure 3 and listed in Table 1.

TABLE 1
Claim Data

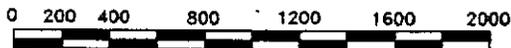
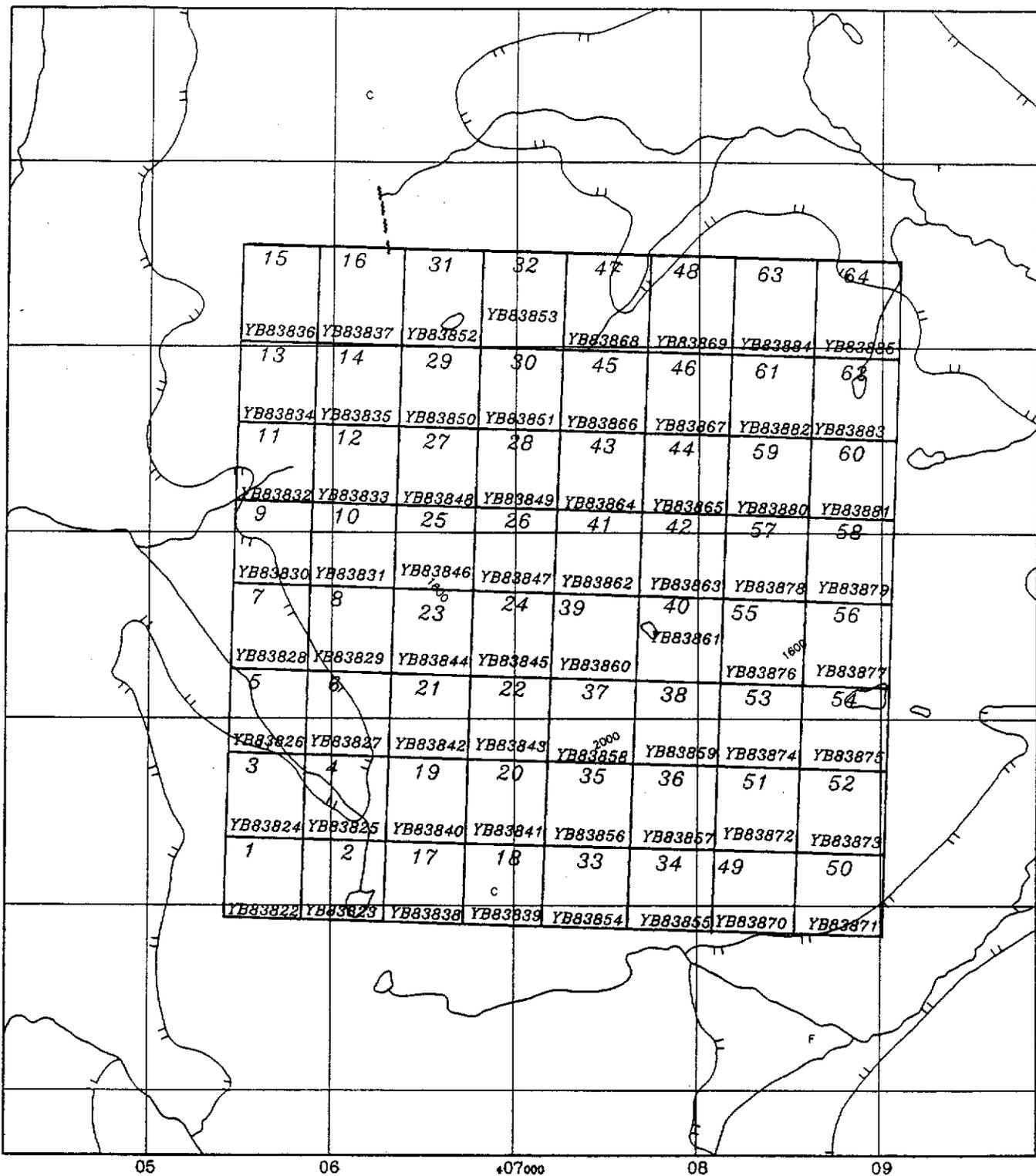
<u>Claim Name</u>	<u>Grant Number</u>	<u>Expiry Date</u> (* applied for)
BAS 1-64	YB83822-YB83885	*May 21, 1999
KET 1-48	YB83886-YB83933	*May 21, 1999

The BAS 1-64 and KET 1-48 claims were staked in May, 1995 and recorded in the office of the district mining recorder in Watson Lake on May 21, 1995. The claim groups are registered to Arcturus Resources Ltd.

REGIONAL GEOLOGY

The rocks underlying the Finlayson area are mainly metamorphic and include various types of metasediments of the upper Proterozoic to Mississippian Selwyn Basin and Paleozoic metasedimentary and metavolcanic rocks of the Slide Mountain and Yukon-Tanana Terranes. Conformable lenses and sills of greenstone, probably Triassic in age, occur in profusion in places in the metasediments and a few narrow lamprophyre and quartz-porphphyry sills, probably Jurassic or younger, are present locally. Granitic bodies cut the metasediments and greenstones at several places. Near the granitic intrusions, characteristic skarn zones are developed in calcareous rocks. In the late Mesozoic extensive thrust faulting accompanied the emplacement of Carboniferous and Permian dark green aphanitic basalt, dunite, peroxinite, peridotite, serpentized equivalents and quartz carbonate rock.

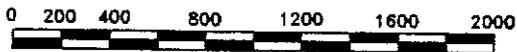
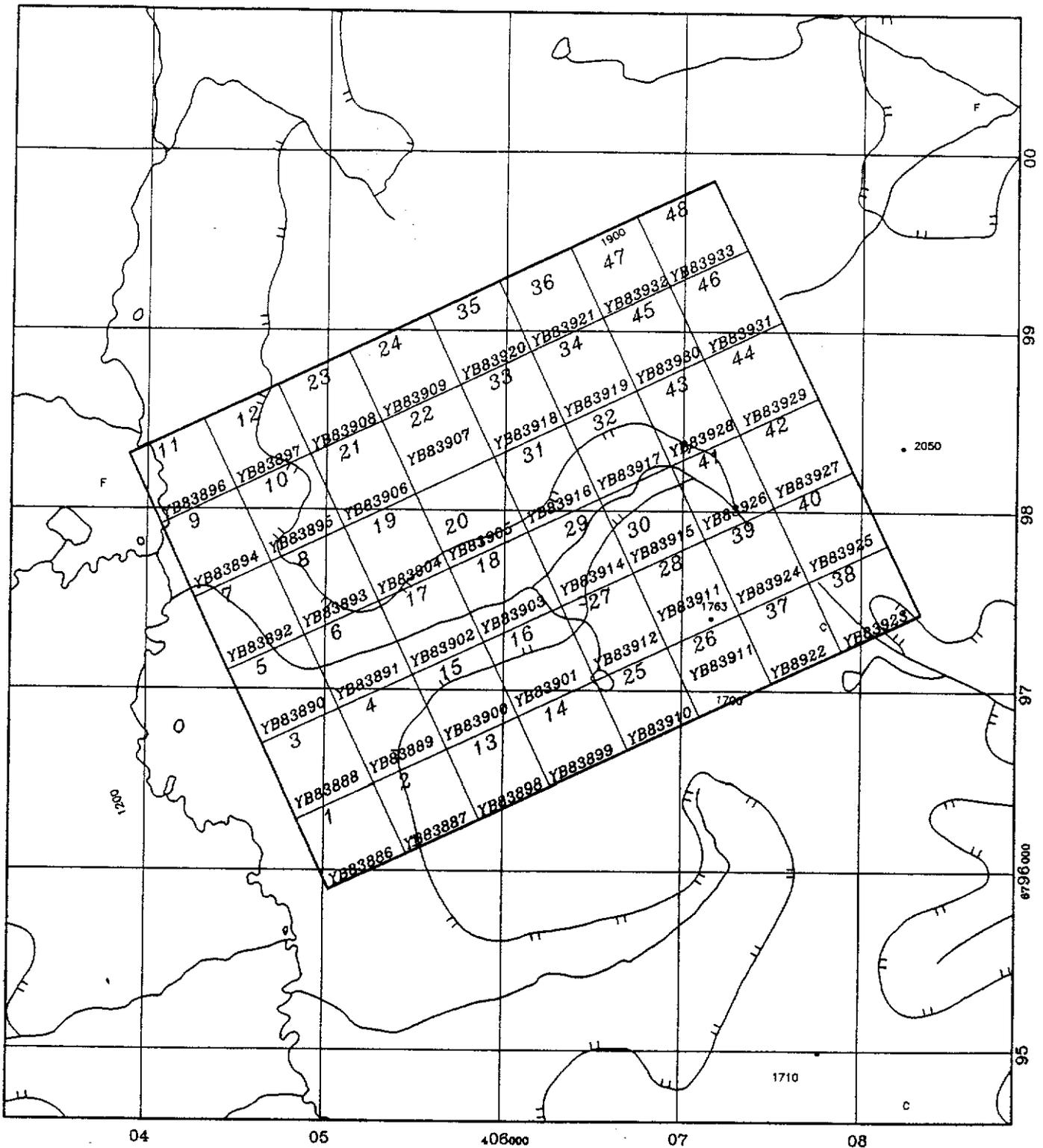
The claims lie north of the Tintina Fault, a large transcurrent Late Cretaceous to Tertiary fault system that caused at least 450 km of displacement. During the Eocene volcanism and sedimentation deposited sequences of basalt, rhyolite, felsic tuff and conglomerate in the Tintina depression. Late Tertiary uplift and faulting preserved Eocene volcanoclastic rocks in structurally complex grabens. Epithermal style gold and silver mineralization occurs at fault intersections in these grabens.



SCALE: 1: 31,680



COMPANY: ARCTURUS RESOURCES LTD.	
DRAWING TITLE: BAS CLAIM LOCATION	
LOCATION: Grass Lakes, Yukon Territory	
DATE: April 1997	SCALE: 1 : 31,680
DRAWN: TerraCAD 97022	GEOLOGIST: Graham Davidson
DATA: NTS 105/G7	FIGURE: 3a



SCALE: 1: 31,680



COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:			
KET CLAIM LOCATION			
LOCATION:			
Grass Lakes, Yukon Territory			
DATE:	April 1997	SCALE:	1 : 31,680
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G7	FIGURE:	36

The Grass Lakes area is underlain by Devonian to Mississippian metamorphic rocks of the Yukon-Tanana Terrane. Layered metavolcanic and metasedimentary rocks mainly quartz biotite and quartz muscovite schist overlie metaplutonic rocks primarily the Grass Lakes orthogneiss. A few ultramafic sills outcrop along thrust faults and several bodies of biotite-muscovite granite intrude the metamorphic units.

Geological mapping in the Grass Lakes area in 1996 by DIAND covered the BAS claim block but did not reach the KET claims (Open File 1997-1). Figure 4 shows the area geology and the Table of Formations is presented in Table II.

TABLE II - TABLE OF FORMATIONS
(adapted from Hunt, J.A., 1997)

Quaternary

Q-Undifferentiated, unconsolidated gravels, sands and clays

Cretaceous

Kg- Buff to grey dykes, sills and small plugs of aplite and granite; locally quartz, feldspar and/or biotite phyrlic; minor arsenopyrite

Kl- Fine-to coarse-grained, light grey, biotite lamprophyre dykes, locally feldspathic

Triassic

Trd- Fine- to medium-grained greenstone (meta-diorite, meta-gabbro)

Carboniferous & Permian

CPav- Anvil Allocthan, amphibolite, greenstone, basalt, gabbro

CPas- Serpentinite

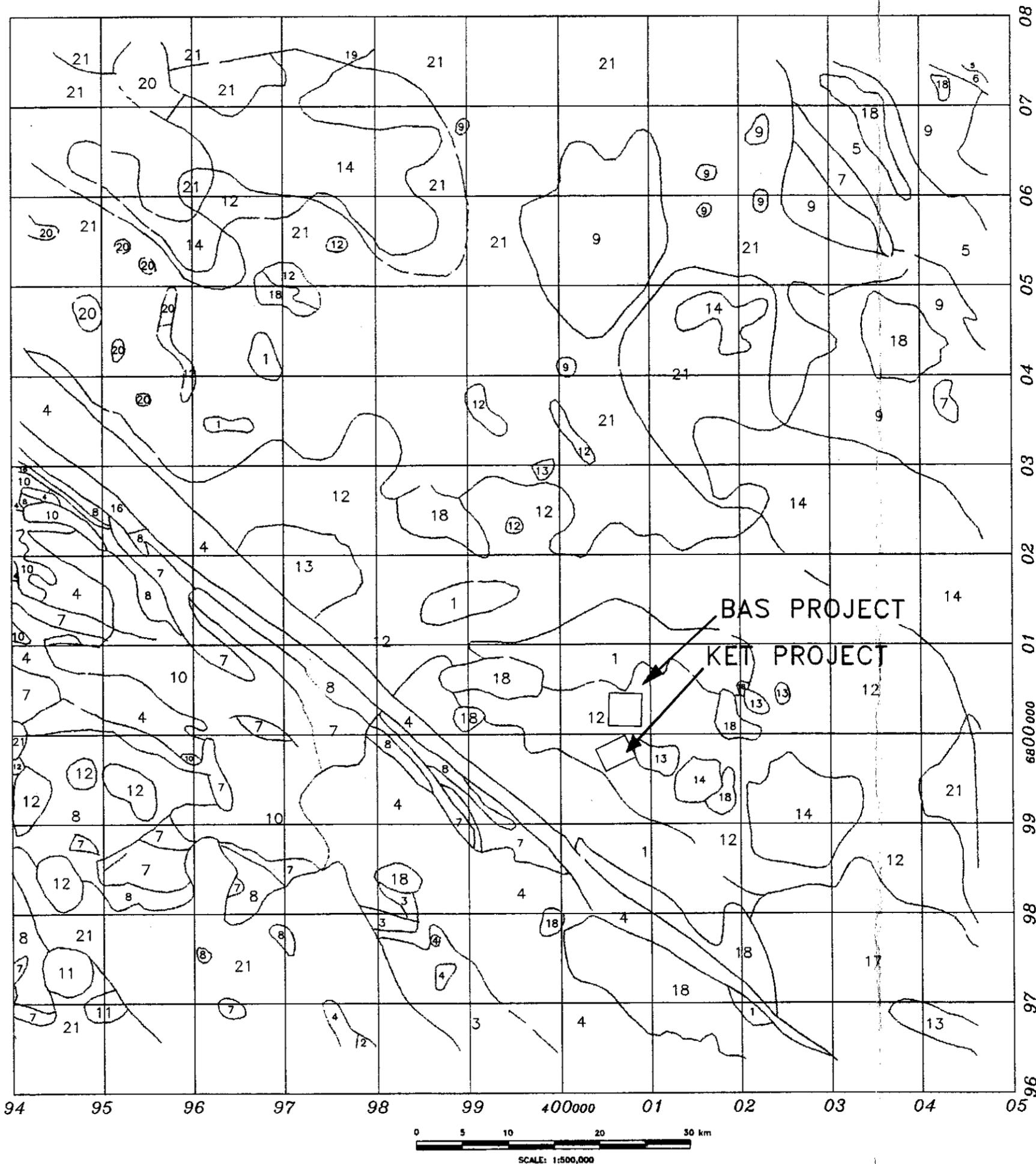
Mid Permian

PPK- Klondike schist, quartz muscovite and quartz biotite schist and gneissic equivalents.

Devonian-Mississippian

Mcg- Grass Lakes Orthogneiss, potassium feldspar porphyroclasts in quartz-plagioclase-mica matrix

Nasina Assemblage; Unit 4-biotite-plagioclase schist (4M), psammite-carbonaceous quartzite and phyllite-grit-quartzite (4S)
Unit 3-felsic metavolcanic rocks, quartz muscovite schist
Unit 2-mafic metavolcanic rocks, biotite-chlorite-plagioclase schist (2M), carbonaceous phyllite-psammite-grit (2S)
Unit 1-, quartz-mica schist, psammite and grit (1S), marble (1L), garnet schist



- QUATERNARY**
 PLEISTOCENE AND RECENT
 64* Glacial and surficial deposits
- TERTIARY**
 PLIOCENE
 62 Basalt
- CRETACEOUS**
 19 Kqp 52 Granodioritic and monzonitic porphyry
 18 Kqm 52 Quartz monzonite, granodiorite; Cassiar quartz monzonite, alaskite
- TRIASSIC**
 17 Tgdh 42 Foliated hornblende granodiorite, quartz
 16 Tcg 42 Polymictic conglomerate
- PENNSYLVANIAN AND PERMIAN**
 15 PPA 35 Chert
- CARBONIFEROUS AND PERMIAN**
 14 CPAV 35 ANVIL RANGE GROUP: andesite, basalt, slate, chert, limestone
 13 CPub 35 Serpentinite, diorite, pyroxenite, peridotite
 12 CPst 35 Schist, gneiss; includes BIG SALMON METAMORPHIC COMPLEX
 11 CPv 35 Andesite, basalt, chert, tuff
- MISSISSIPPIAN**
 10 Mvp 31 Black slate, chert, acidic volcanics
- DEVONIAN AND MISSISSIPPIAN**
 9 DME 29 EARN GROUP: undivided; shale, chert arenite, conglomerate
 8 DMS 29 SYLVESTER GROUP: shale, chert arenite, basic volcanic rocks
- SILURIAN AND DEVONIAN**
 7 SDe 24 Dolomite, quartzite, argillite
- ORDOVICIAN, SILURIAN AND LOWER DEVONIAN**
 6 OSDR 19 ROAD RIVER: black graptolitic shale, chert
- CAMBRIAN AND ORDOVICIAN**
 5 COP 14 Shale, limestone
 4 COK 14 KECHIKA GROUP: phyllite, limestone
- LOWER CAMBRIAN**
 3 ICAq 11 ATAN GROUP: quartzite, shale, phyllite
 2 ICq 11 Quartzite, shale
- HADRYNIAN**
 1 Hsn 07 Schist, gneiss, quartzite

*A mnemonic code assigned to rock types and recorded as part of field observations.

- Geological Boundary.....
- Fault.....
- No analytical results.....
- Field duplicate sample sites.....

Geology base and legend are derived from:

Gabrielis, H., Tempelman-Kluit, D.J., Blusson, S.L. and Campbell, R.B. (1980) Map 1398A, MacMillan River, Yukon - District of Mackenzie - Alaska, NTS Sheet 105, Geological Survey of Canada, Energy, Mines and Resources Canada. 1:1,000,000 Scale.

COMPANY:
ARCTURUS RESOURCES LTD.

DRAWING TITLE:
 093690 DWG ①
**BAS-KET CLAIMS
 REGIONAL GEOLOGY**

LOCATION:
East - Central Yukon

DATE:	February 1997	SCALE:	1 : 500,000
DRAWN:	TerraCAD 97017	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G	FIGURE:	4

HISTORY

The Finlayson area was first explored by Robert Campbell of the Hudsons Bay Company in 1840. A post was established by the HBC at Francis Lake in the 1850's. Prospectors entered the country via the Liard River system around 1880 looking for placer gold deposits. Minor amounts were found along bars in the Finlayson and Liard Rivers. Lode prospecting began in the 1950's and intensified in the 1960's with the discovery of the Anvil Pb-Zn deposit.

The potential for massive sulphide deposits led to several staking rushes in the Finlayson and Pelly River areas. A few narrow zones of sulphide mineralization were discovered on claims around Wolverine Lake and at the Pelly Banks. In the 1980's the potential for gold mineralization along the Tintina Fault sparked a staking rush spearheaded by companies of the Pezim group. The Grew Creek and Canamax gold deposits formed by Tertiary epithermal activity were found near Ross River.

In 1993 Cominco discovered massive sulphide float in a valley bottom near the North Lakes. Follow-up geochemistry and geophysics identified a promising anomaly that was drilled in 1994 and 1995 delineating the Kudz Ze Kayah massive sulphide deposit. Cominco has staked about 10,000 claims in the district since the discovery of mineralization. Westmin Resources Ltd. entered the picture by optioning Atna Resources Ltd. properties around Wolverine Lake in Jan. 1995. Westmin continued with an aggressive program of claim staking through the district and now holds about 3,000 claims. Westmin announced a massive sulphide discovery at the south end of Wolverine Lake in the summer of 1995. Other major parties in the area are Expatriate Resources exploring about 3,000 claims including the Ice showing and Columbia Gold investigating the Fire Lake deposit.

No mineral occurrences are known in the area of the BAS and KET claims. Around the Grass Lakes a few narrow galena bearing quartz-carbonate veins were discovered during regional exploration programs for base metal deposits in the 1970's. No detailed work was performed on these occurrences.

1996 EXPLORATION PROGRAM

INTRODUCTION

A reconnaissance soil geochemical survey was performed on both claim groups between Aug. 13 and Sept. 12, 1996. The samples were collected along the claim lines at 100 meter intervals from a poorly developed B horizon or C horizon soil layer. A total of 151 samples were collected on the BAS claims and 109 samples were taken on the KET claims. Talus slopes, snow patches and cliff areas were not soil sampled leaving some gaps in the coverage.

Prospector JP Loiselle spent four days traversing the claim area with a Beep Mat instrument and collected 25 rock samples. The writer was accompanied by Mr. Loiselle while mapping the claims and has examined his samples. Mr. G. Macdonald also examined some of the samples.

Personnel and contractors who worked on the BAS and KET claims are:

Soil geochemistry:

Brandon Macdonald; Barclay Macdonald; G. Adamson; D. Godwin; Z. Witham;
M. Jackson, Monty, P. Atkinson

Supervision, geological mapping and prospecting:

Blake Macdonald, supervisor; G. Davidson, geologist; G. Macdonald, geologist;
JP Loiselle, prospector

PROPERTY GEOLOGY

The rocks exposed on the BAS and KET claims are Paleozoic to Mississippian metamorphic rocks intruded by orthogneiss and ultramafic sills. The most common rock types are quartz muscovite and quartz biotite schist which outcrop along the ridges as massive grey to brown weathering units. A few horizons of marble and quartz pebble grit are interbedded in the schists. The main plutonic rock in the area is the Early Mississippian Grass Lakes orthogneiss which is a coarse grained granitic to monzonitic unit containing feldspar porphyroclasts in a quartz-feldspar-biotite matrix.

Younger intrusive rocks are of very limited extent in the claim area however an ultramafic sill intrudes the metasedimentary sequence southeast of the KET claims. A few outcrops of granodiorite occur at the northwestern edge of the claims in the valley floor. Figures 5a and 5b show the property geology and the following units were identified (after Murphy et al, 1997);

Dacite dyke (Dv): fine grained green dyke, hematite staining, quartz carbonate veining

Cretaceous

Granodiorite (Kg): medium grained grey biotite- muscovite granodiorite

Ultramafic rocks (UMs), serpentized pyroxenite and dunite

Mississippian

Grass Lakes Orthogneiss (Mcg)-coarse grained, potassium feldspar augen in quartz biotite matrix

Undifferentiated mafic schist (Unit 4), muscovite-biotite-chlorite-actinolite-plagioclase schist (Unit 4m), carbonaceous phyllite and quartzite, grit (Unit 4s). Generally appears as dark grey to black mica schist containing minor disseminated pyrite and pyrrhotite, graphitic fracture faces, locally brecciated with minor white quartz and carbonate veining, weak to heavy limonite staining.

Undifferentiated felsic schist (Unit 3), quartz-muscovite-feldspar schist (Unit 3f), carbonaceous phyllite and quartzite (Unit 3s), massive cream-colored meta-rhyolite (Unit 3r). Generally occurs as bedded, rusty weathering, light grey schist containing minor pyrite and pyrrhotite on fractures and minor galena and sphalerite in quartz and calcite bands.

Undifferentiated mafic schist (Unit 2), biotite-chlorite-actinolite-plagioclase schist, quartz carbonate layers containing minor galena.

Psammite, quartz-pebble grit, metapilitic schist (Unit 1s), and sandy marble and calcsilicate rock (Unit 1L).

MINERALIZATION

Detailed prospecting of the claims found only small occurrences of galena and sphalerite. Of the samples collected by JP, 2 contained minor galena and sphalerite. Most of the samples were quartz bands in schist containing pyrrhotite and pyrite, or barren white bull quartz. The writer examined a zone of pyrrhotite-quartz veining at the north end of the BAS claims. The mineralization consisted of narrow pyrrhotite veins in several quartz mica schist layers near the contact with orthogneiss. The layer was rusty weathering containing veins and small nodules of massive pyrrhotite. Two gossan zones occur along a band of quartz sericite schist shown in Figure 5a.

GEOCHEMISTRY

Copper, lead and zinc geochemical results for the BAS claims are shown in figures 6, 7 & 8 and for the KET claims in Figures 9, 10 & 11 (see Appendix I). The geochemistry outlined some weak to moderately anomalous areas in Pb-Zn-Cu. On the BAS claims two areas of anomalous geochemistry were outlined, labeled A and B. The Anomaly A response for copper reaches 147ppm and for Anomaly B 172ppm. Lead ranges up to 62ppm. The zinc anomalies are more extensive with Anomaly A featuring a 500 meter wide weak to moderate strength zone crossing the claims in an east-west direction with a peak value for zinc of 880ppm. This area overlies the contact between orthogneiss and mafic schist to quartz sericite schist. Anomaly B is an east-west trending area of anomalous copper and zinc values. Copper has a peak value of 172ppm and zinc reaches 225 ppm.

On the KET claims three geochemically anomalous zones were delineated, labeled C, D & E. Anomaly C is a moderate strength feature that has an east-west trend across the south end of the claim block. Copper values reach a peak value of 430 ppm while lead and zinc values are up to 55ppm and 322ppm. Anomaly D is a bullseye shape with peak values in copper and lead of 141ppm and 306ppm. Anomaly E trends east-west across the northeast corner of the claims. Copper has a spotty response with a peak value of 129ppm. Lead and zinc form a more continuous pattern reaching values of up to 166ppm and 930ppm.

DISCUSSION AND RECOMMENDATIONS

The geochemical and mapping work on the BAS and KET claims have outlined several promising areas that may host massive sulphide mineralization. Anomalous geochemical features A to E were identified. Airborne geophysical surveys are being flown over the properties and the airborne results will be available in late June. The claims cover similar geology to the area hosting the Kutz Ze Kayah deposit. This favorable geology combined with the geochemical targets and the forthcoming airborne geophysical data will identify areas for surface evaluation.

Presently the five geochemical anomalies warrant follow-up evaluation by grid development, detailed geochemistry and initial geophysical surveys. Grid orientation of east-west baselines and north-south crosslines at 100 meter centers is suggested for these areas. Soil samples at 50 meter intervals and VLF-EM and magnetometer surveys are recommended for the grids. A budget of \$134,000 is proposed to perform the recommended program on the BAS and KET properties.

PROPOSED EXPLORATION PROGRAM

Geological mapping, soil geochemistry and geophysical surveys over targets defined by the reconnaissance geochemistry and airborne geophysical survey.

Geology and supervision	12,500
Grid development, 60 km.	15,000
Soil geochemistry, 1,200 samples	25,000
Geophysical surveys, 60 km.	18,000
Camp and support	10,000
Transportation, helicopter, 35 hours	25,000
floatplane	10,000
Assays	1,000
Report & assessment	5,500
Contingency, 10%	<u>12,000</u>
TOTAL	\$134,000

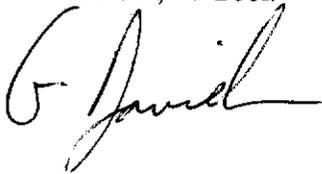
CERTIFICATE

I, GRAHAM DAVIDSON, of the City of Whitehorse in the Yukon Territory, HEREBY CERTIFY:

1. That I am a consulting geologist and that I participated in the work program reviewed in this report.
2. That I am a graduate of the University of Western Ontario (H. BSc., Geology, 1981).
3. That I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists and Geophysicists of Alberta (No.42038).
4. That I have been engaged in mineral exploration for fourteen years in the Yukon, the Northwest Territories and British Columbia.

SIGNED at Whitehorse, Yukon, this 10th day of June, 1997.

G.S. DAVIDSON, P. Geol.



REFERENCES

Johnston S. & Mortenson J. (1994), Regional setting of porphyry Cu-Mo deposits, volcanogenic massive sulphide deposits, and mesothermal gold deposits in the Yukon-Tanana terrane, Yukon

Murphy D.C. and Timmerman R.M. (1997), Preliminary geological map of part of the Grass Lakes area, Open File 1997-1

Murphy D.C. and Timmerman R.M. (1997), Preliminary Geology of the Northeast Third of Grass Lakes Map Area, (105 G-7), Yukon Exploration and Geology 1996, pg 62-73.

Temple Man Kluit D. (1975), Open File 486

Yukon Minfile, DIAND, 1995

BAS and KET-STATEMENT OF COSTS Period: August 13-September 12, 1996

BAS CLAIMS

Personnel:

Project Supervisor

Blake Macdonald, 2 days @ \$350/day 700.00

Geologists

Glen Macdonald, senior geologist, 1 day @ \$400/day 400.00

Graham Davidson, geological mapping, 1 day @ 300/day 300.00

Prospector

J.P. Loiselle, 2.5 days @ \$250/day 625.00

Linecutters & soil samplers

Brandon Macdonald, 2 days @ \$180/day 360.00

Greg Adamson, 2 days @ \$150/day 300.00

Dylan Godwin, 2 days @ \$150/day 300.00

Zackery Witham, 2 days @ \$150/day 300.00

Barclay Macdonald, 1 day @ \$150/day 150.00

Matt Jackson, 1 day @ \$150/day 150.00

Monty, 1 day @ \$150/day 150.00

Phil Atkinson, 1 day @ \$220/day 220.00

Cook

Carol Matsen, 3 days @ \$190/day 570.00

Total Wages \$4,525.00

Transportation: Float planes, Black Sheep Aviation Ltd. 1,268.35

Helicopter, Trans North Air Ltd. 2,898.24

Truck and Fuel 263.61

Total Transport \$4,430.20

Supplies and expediting: 522.49

Camp mob and demob: 777.83

Camp costs: 897.78

Communications: 274.46

Total Camp \$2,472.56

Analytical services: Camtech Labs Inc. 1,204.43

Report and drafting: 1,250.00

SUB TOTAL \$13,882.19

10% Management Fee + GST 1,485.39

TOTAL COSTS \$15,367.58

KET CLAIMS

Personnel:

Project Supervisor

Blake Macdonald, 1.5 days @ \$350/day 525.00

Geologists

Glen Macdonald, senior geologist, 0.5 day @ \$400/day 200.00

Graham Davidson, geological mapping, 0.5 day @ 300/day 150.00

Prospector

J.P. Loiselle, 1.5 days @ \$250/day 375.00

Linecutters & soil samplers

Brandon Macdonald, 1 day @ \$180/day 180.00

Greg Adamson, 1 day @ \$150/day 150.00

Dylan Godwin, 1 day @ \$150/day 315.00

Zackery Witham, 1 day @ \$150/day 150.00

Matt Jackson, 1 day @ \$150/day 150.00

Monty, 1 day @ \$150/day 150.00

Phil Atkinson, 1 day @ \$220/day 220.00

Cook

Carol Matsen, 1.5 days @ \$190/day 285.00

Total Wages \$2,850.00

Transportation: Float planes, Black Sheep Aviation Ltd. 956.82

Helicopter, Trans North Air Ltd. 2,186.40

Truck and Fuel 198.87

Total Transport \$3,342.09

Supplies and expediting: 394.16

Camp mob and demob: 586.79

Camp costs: 677.27

Communications: 207.04

Total Camp \$1,865.26

Analytical services: Camtech Labs Inc. 908.60

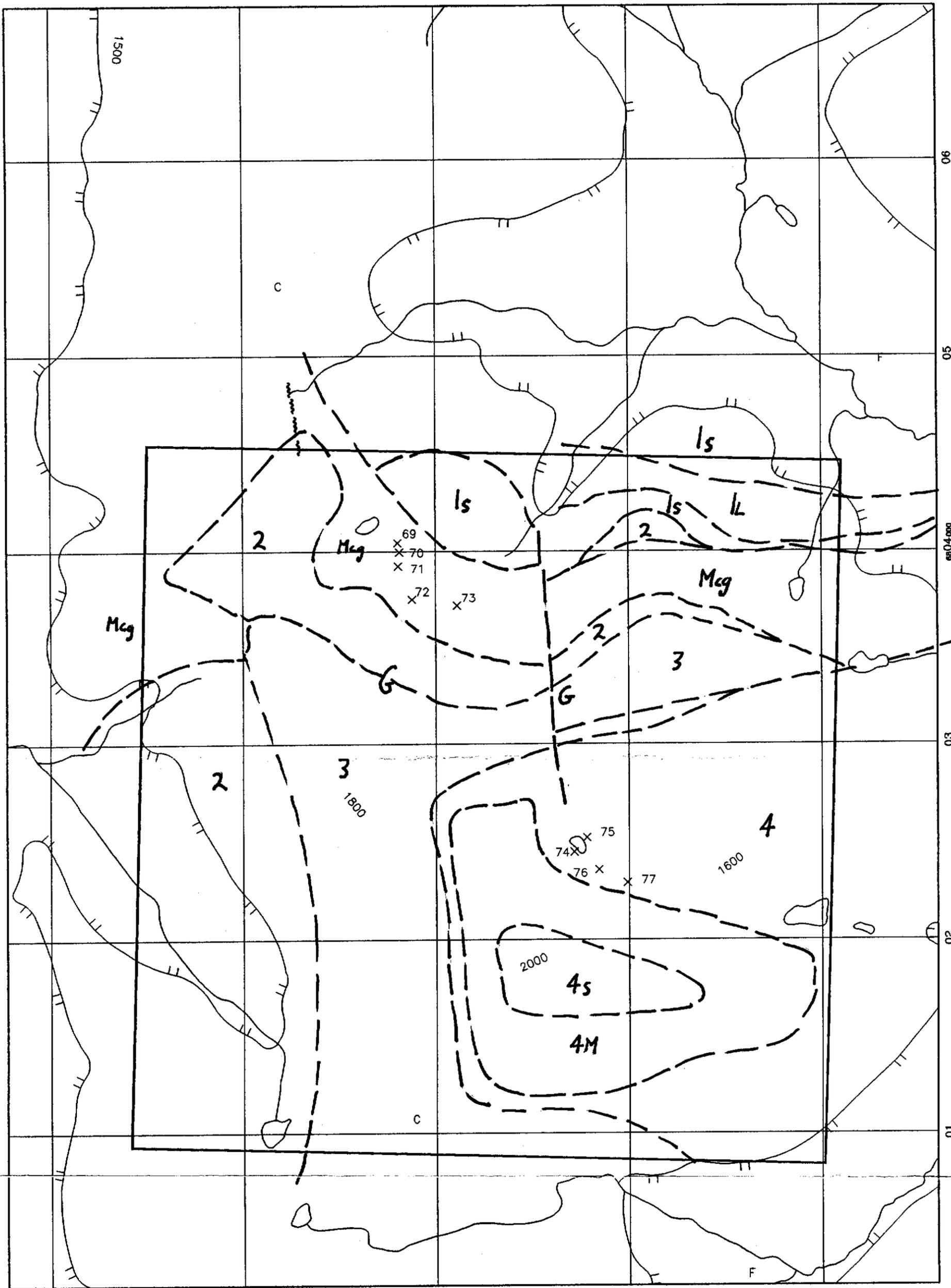
Report and drafting: 1,250.00

SUB TOTAL \$10,215.95

10% Management Fee + GST 1,093.10

TOTAL COSTS \$11,309.05

APPENDIX I-FIGURES 5-11



05

06

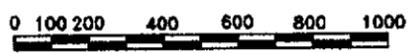
407000

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es04000



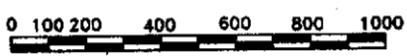
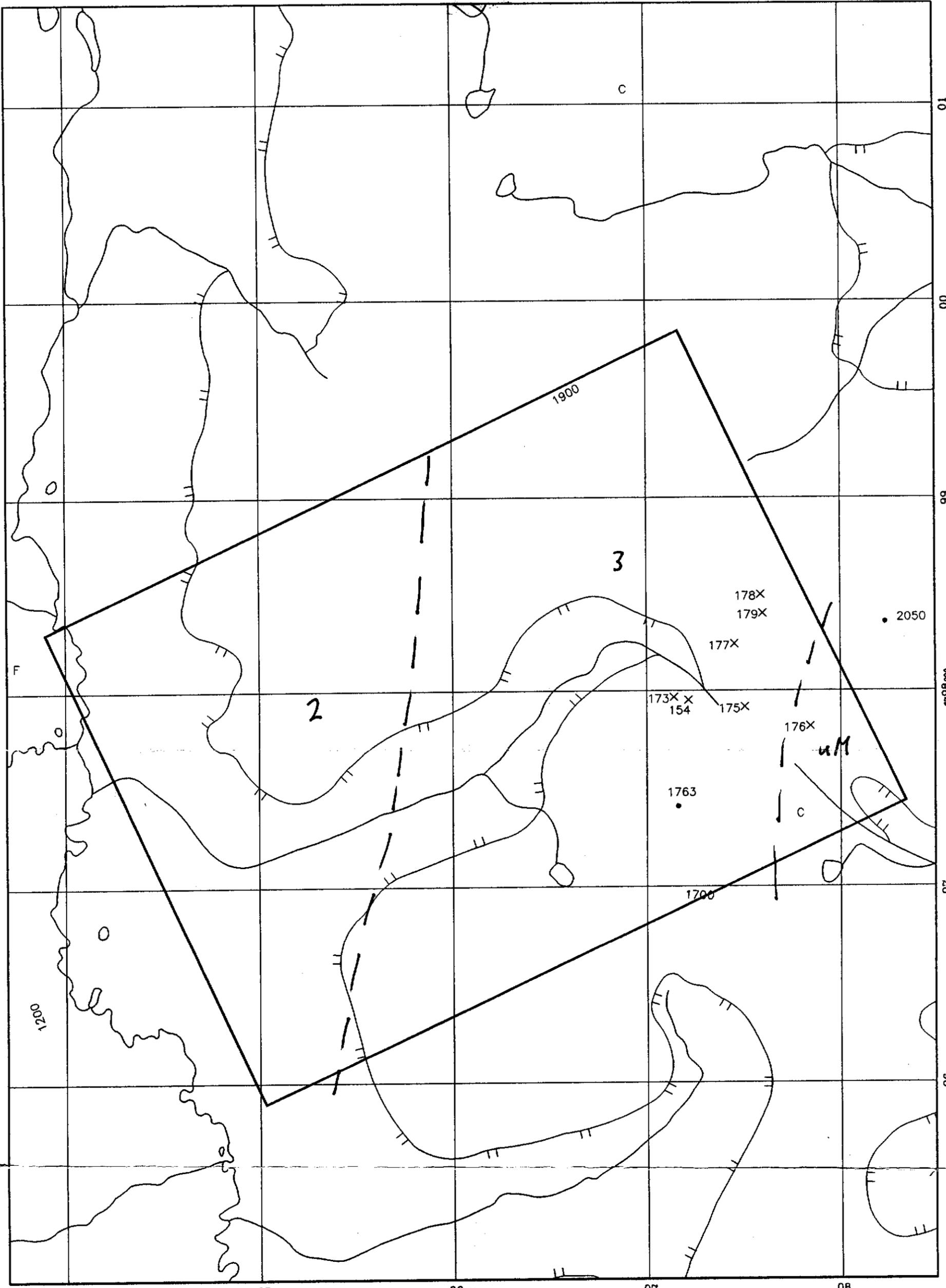
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FOR LEGEND see TABLE 2-TABLE OF FORMATIONS

COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:			
BAS GEOLOGY AND SAMPLE LOCATIONS			
LOCATION:		Grass Lakes, Yukon Territory	
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G7	FIGURE:	5a

093690 DWG 2



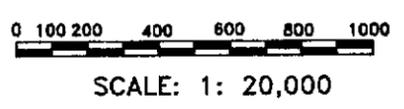
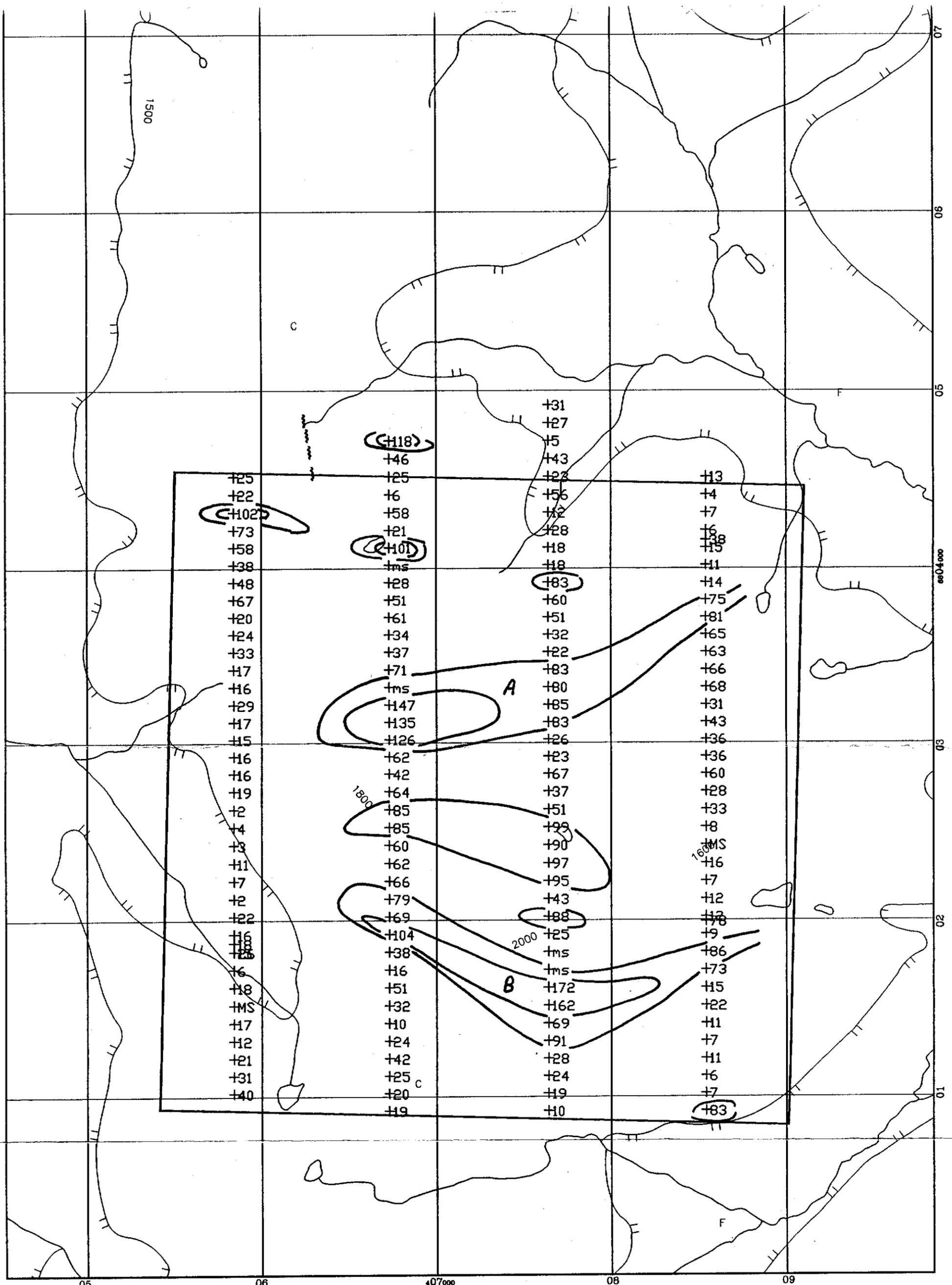
SCALE: 1: 20,000



FOR LEGEND see TABLE 2-TABLE OF FORMATIONS

COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:			
KET GEOLOGY AND SAMPLE LOCATIONS			
LOCATION:			
Grass Lakes, Yukon Territory			
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/07	FIGURE:	5b

092690 DWG (3)

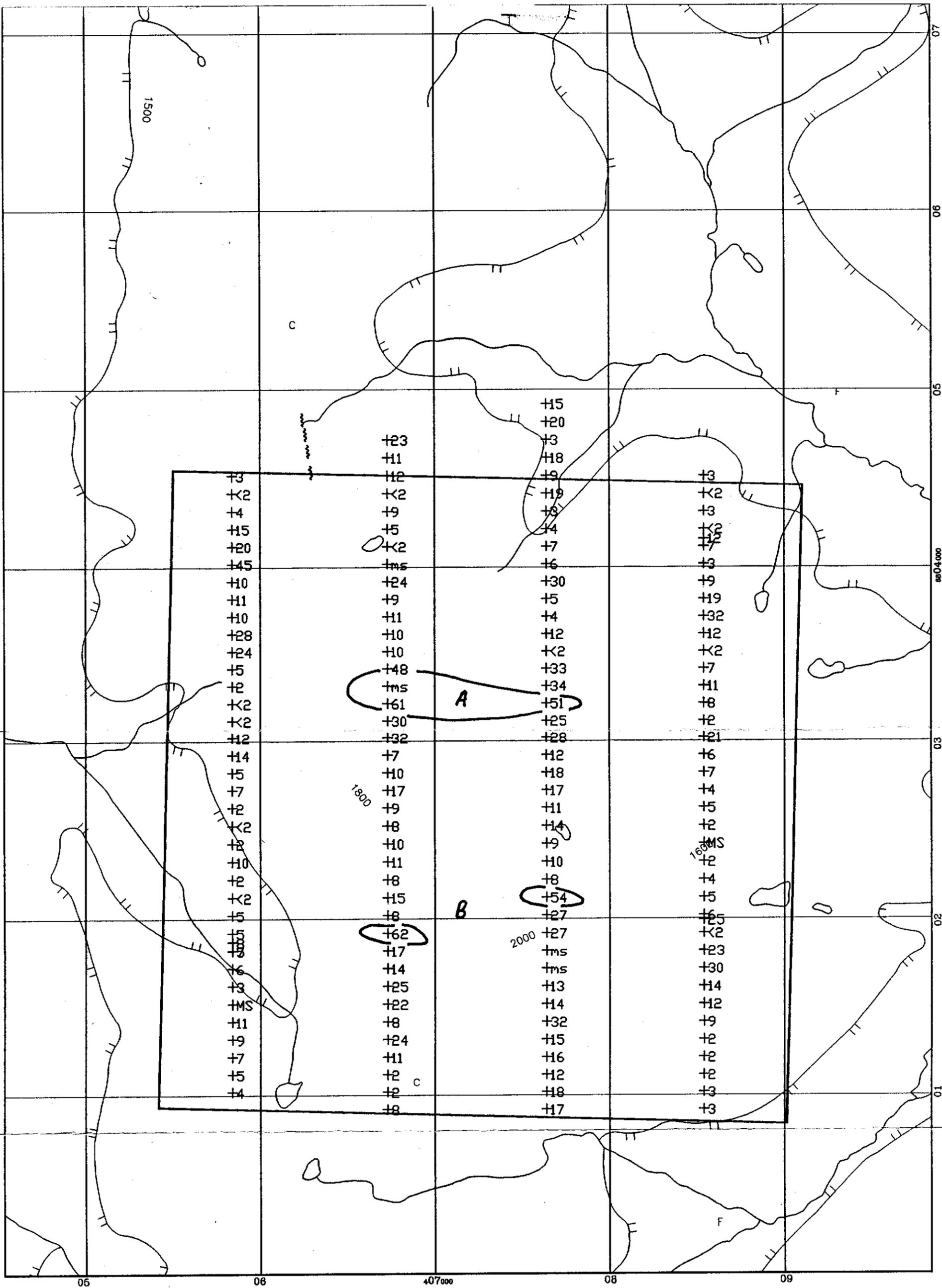


CU Contours at 75ppm and 100ppm



COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:		BAS CLAIMS GEOCHEMISTRY (CU) Units in ppm	
LOCATION:		Grass Lakes, Yukon Territory	
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G7	FIGURE:	6

09B690 DWG (4)

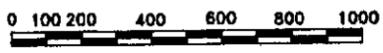
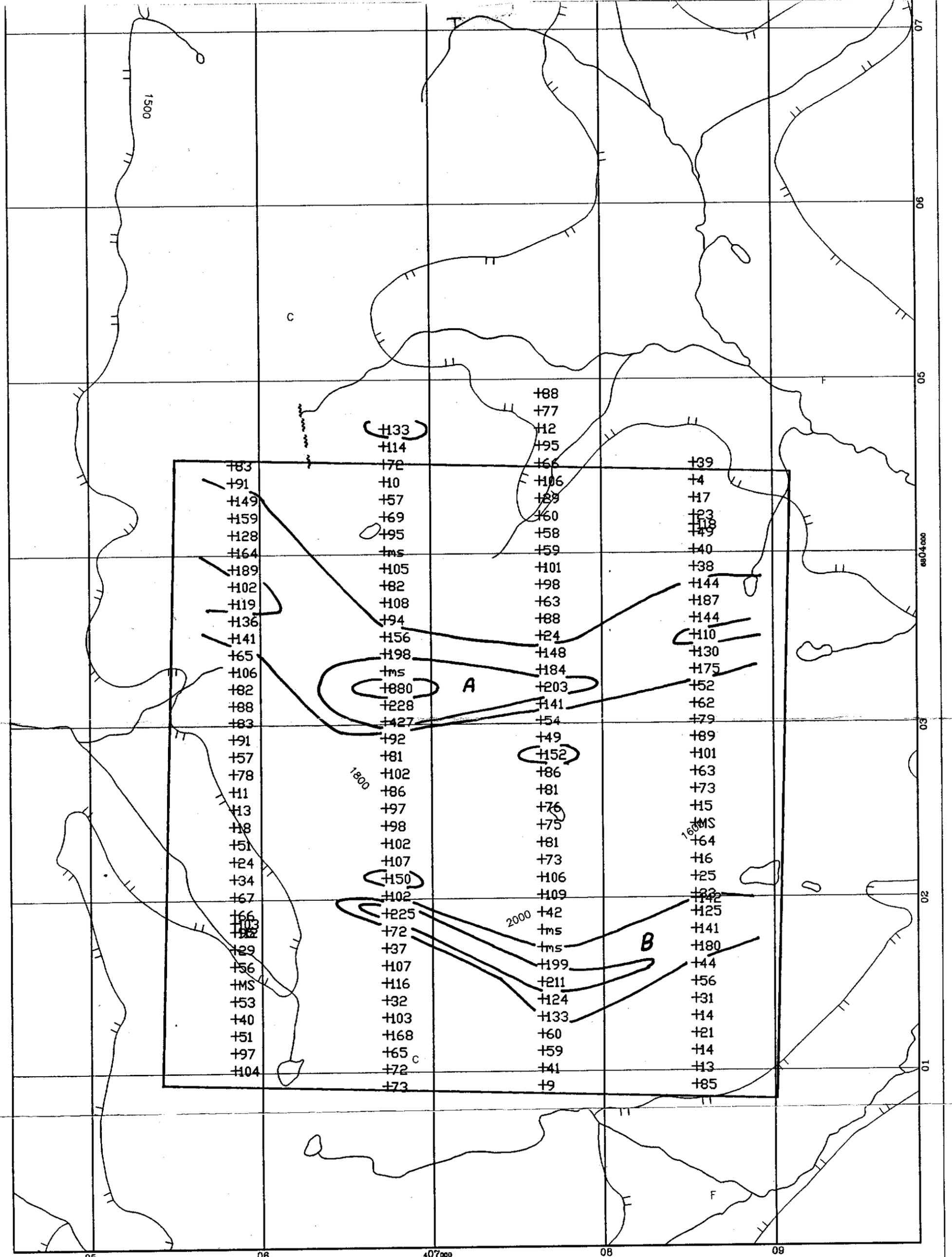


0 100 200 400 600 800 1000
 SCALE: 1: 20,000
 PB Contours at 50ppm and 100ppm



COMPANY: ARCTURUS RESOURCES LTD.	
DRAWING TITLE: BAS CLAIMS GEOCHEMISTRY (PB) Units in ppm	
LOCATION: Grass Lakes, Yukon Territory	
DATE: April 1997	SCALE: 1 : 20,000
DRAWN: TerraCAD 97022	GEOLOGIST: Graham Davidson
DATA: NTS 105/G7	FIGURE: 7

093690 DWG(5)



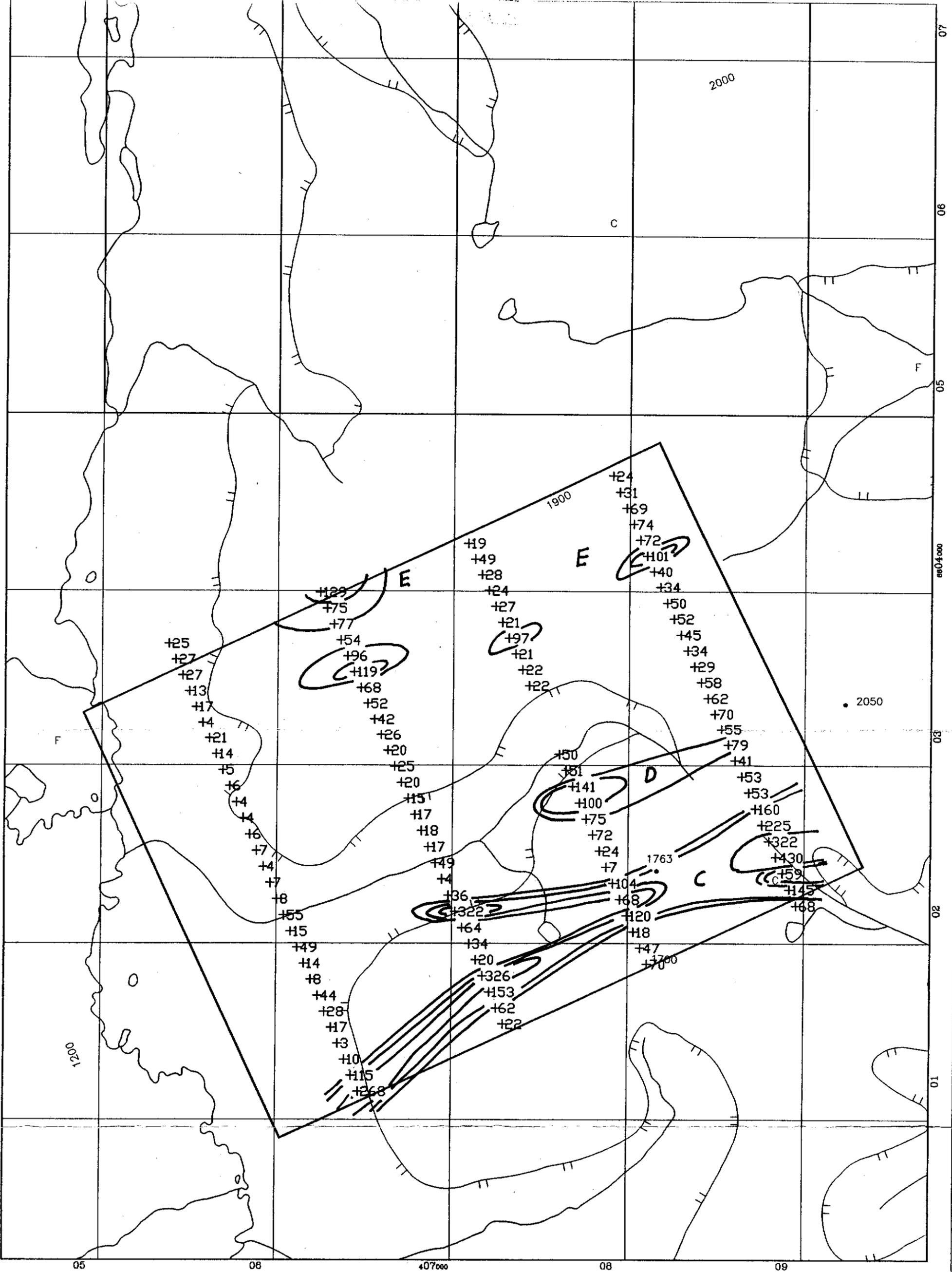
SCALE: 1: 20,000

ZN Contours at 125ppm, 200ppm and 500ppm



COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:			
BAS CLAIMS GEOCHEMISTRY (ZN)			
Units in ppm			
LOCATION: Grass Lakes, Yukon Territory			
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/07	FIGURE:	8

093690 DWG (6)



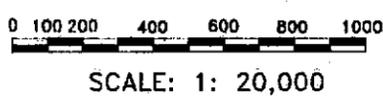
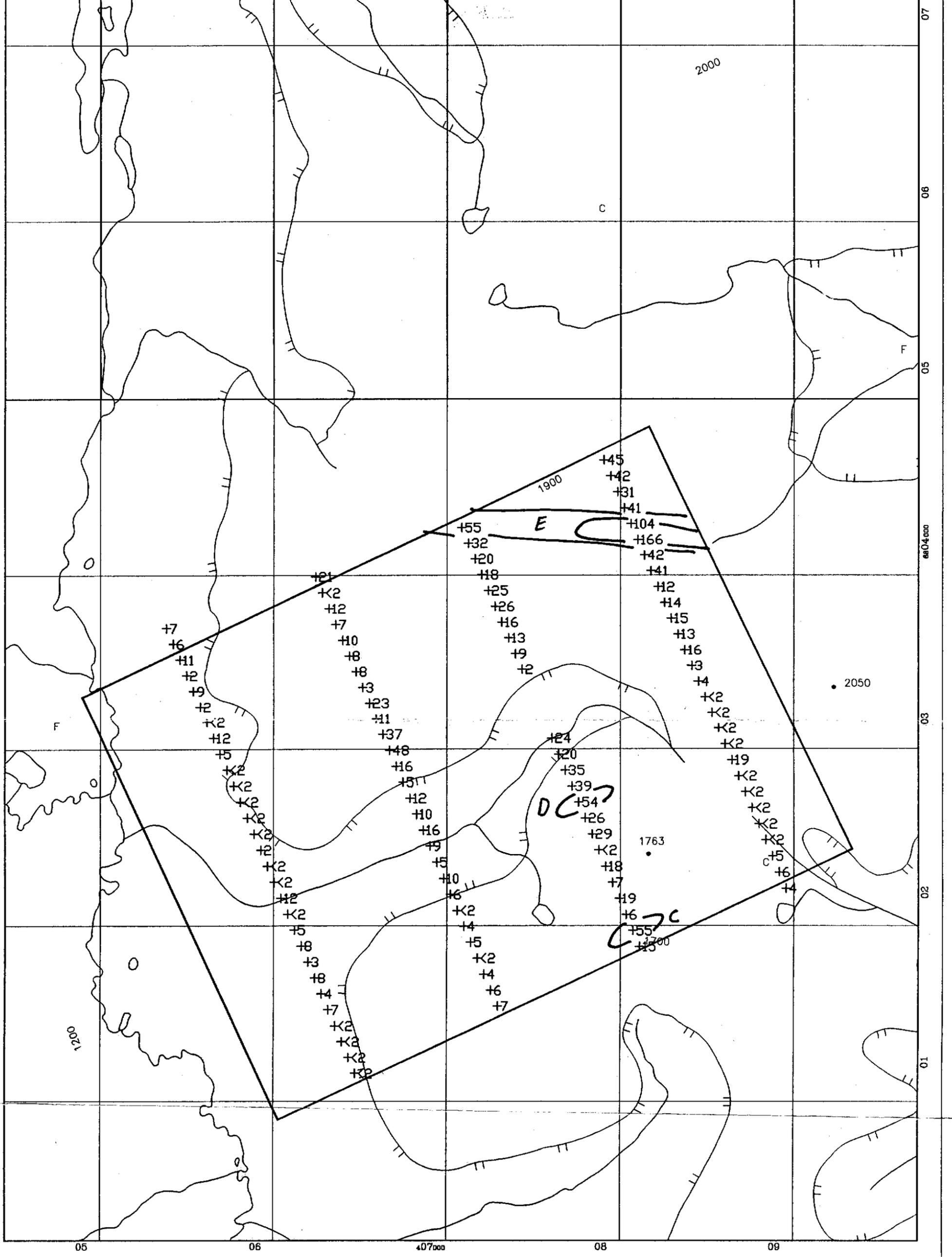
0 100 200 400 600 800 1000
 SCALE: 1: 20,000

CU Contours at 75ppm and 100ppm



COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:		KET CLAIMS GEOCHEMISTRY (CU) Units in ppm	
LOCATION:		Grass Lakes, Yukon Territory	
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G7	FIGURE:	9

093690 DWG 7

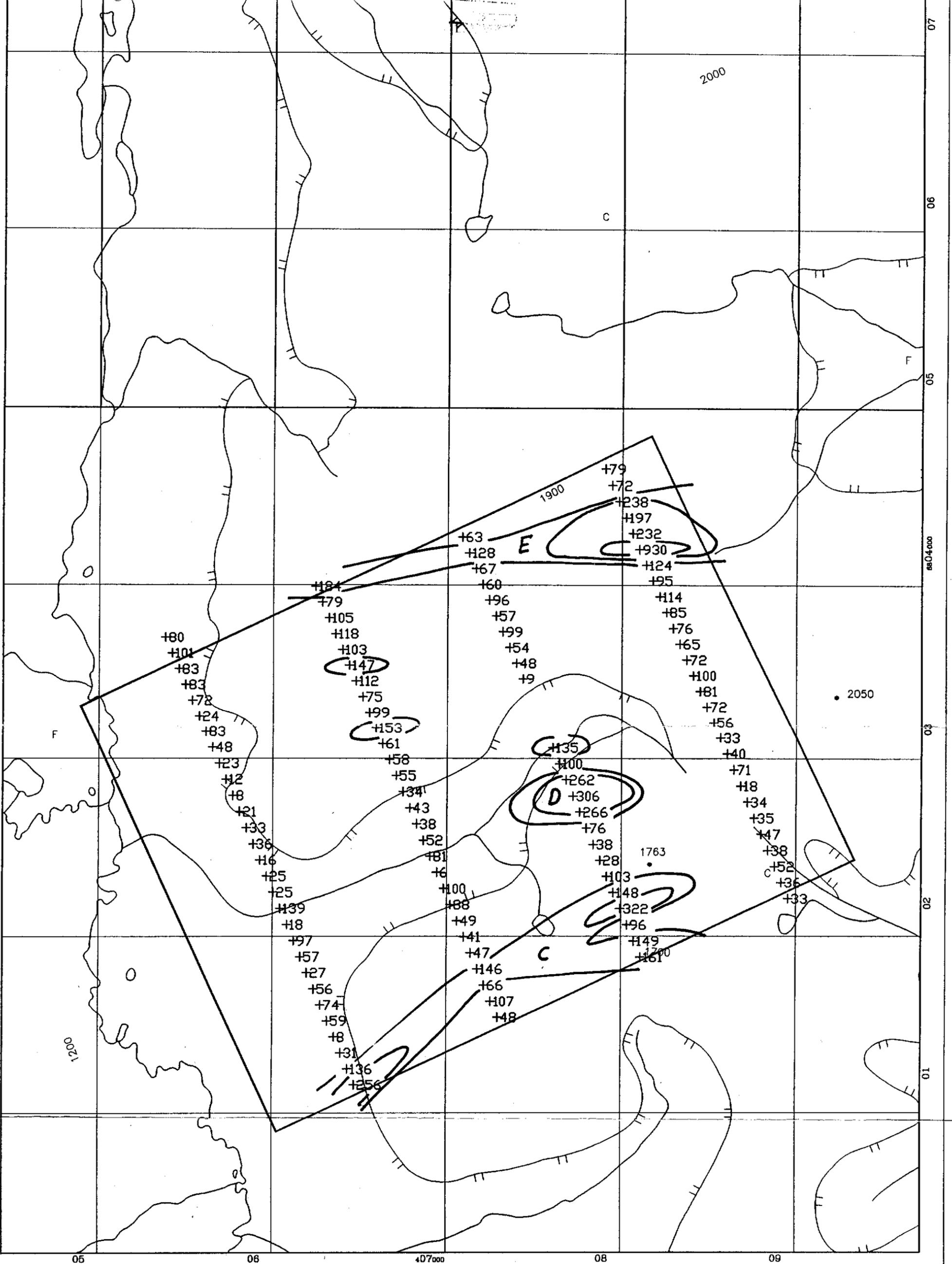


PB Contours at 50ppm and 100ppm



COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:		KET CLAIMS GEOCHEMISTRY (PB)	
		Units in ppm	
LOCATION:		Grass Lakes, Yukon Territory	
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G7	FIGURE:	10

093690 DWG (8)



ZN Contours at 125ppm, 200ppm and 500ppm

0 100 200 400 600 800 1000
 SCALE: 1: 20,000



COMPANY:		ARCTURUS RESOURCES LTD.	
DRAWING TITLE:		KET CLAIMS GEOCHEMISTRY (ZN)	
		Units in ppm	
LOCATION:		Grass Lakes, Yukon Territory	
DATE:	April 1997	SCALE:	1 : 20,000
DRAWN:	TerraCAD 97022	GEOLOGIST:	Graham Davidson
DATA:	NTS 105/G7	FIGURE:	11

093690 DWG 9

APPENDIX II
ASSAY CERTIFICATES



KETZA GROUP

Suite 609, 475 Howe Street
Vancouver, B.C.
V6C 2B3

BAS.

Attention: Blake Macdonald
Certificate of Analysis

Work Order: 9805-96
Date: September 5, 1996

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 1E 0 S	25	3	83
BAS 1E 1 S	22	<2	91
BAS 1E 2 S	102	4	149
BAS 1E 3 S	73	15	159
BAS 1E 4 S	58	20	128
BAS 1E 5 S	38	45	164
BAS 1E 6 S	48	10	189
BAS 1E 7 S	67	11	102
BAS 1E 8 S	20	10	119
BAS 1E 9 S	24	28	136
BAS 1E 10 S	33	24	141
BAS 1E 11 S	17	5	65
BAS 1E 12 S	16	2	106
BAS 1E 13 S	29	<2	82
BAS 1E 14 S	17	<2	88
BAS 1E 15 S	15	12	83
BAS 1E 16 S	16	14	91
BAS 1E 17 S	16	5	57
BAS 1E 18 S	19	7	78
BAS 1E 19 S	2	2	11
BAS 1E 20 S	4	<2	13
BAS 1E 21 S	3	2	18
BAS 1E 22 S	11	10	51
BAS 1E 23 S	7	2	24
BAS 1E 24 S	2	<2	34

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 1E 25 S	22	5	67
BAS 1E 26 S	16	5	66
BAS 1E 26 .+50S	18	8	103
BAS 1E 27 S(S)	15	7	112
BAS 1E 27 S	28	5	95
BAS 1E 28 S	6	6	29
BAS 1E 29 S	18	3	56
BAS 1E 30 S	MS	MS	MS
BAS 1E 31 S	17	11	53
BAS 1E 32 S	12	9	40
BAS 1E 33 S	21	7	51
BAS 1E 34 S	31	5	97
BAS 1E 35 S	40	4	104
KET 1E 0 S	25	7	80
KET 1E 1 S	27	6	101
KET 1E 2 S	27	11	83
KET 1E 3 S	13	2	83
KET 1E 4 S	17	9	72
KET 1E 5 S	4	2	24
KET 1E 6 S	21	<2	83
KET 1E 7 S	14	12	48
KET 1E 8 S	5	5	23
KET 1E 9 S	6	<2	12
KET 1E 10 S	4	<2	8
KET 1E 11 S	4	<2	21



Attention: Blake Macdonald
Certificate of Analysis

Work Order: 9805-96
 Date: September 5, 1996

KETZA GROUP
 Suite 609, 475 Howe Street
 Vancouver, B.C.
 V6C 2B3

Sample Number	Cu ppm	Pb ppm	Zn ppm
KET 1E 12 S	6	<2	33
KET 1E 13 S	7	<2	36
KET 1E 14 S	4	2	16
KET 1E 15 S	7	<2	25
KET 1E 16 S	8	<2	25
KET 1E 17 S	55	12	139
KET 1E 18 S	15	<2	18
KET 1E 19 S	49	5	97
KET 1E 20 S	14	8	57
KET 1E 21 S	8	3	27
KET 1E 22 S	44	8	56
KET 1E 23 S	28	4	74
KET 1E 24 S	17	7	59
KET 1E 25 S	3	<2	8
KET 1E 26 S	10	<2	31
KET 1E 27 S	115	<2	136
KET 1E 28 S	268	<2	256
BAS 4E 0 S	13	3	39
BAS 4E 1 S	4	<2	4
BAS 4E 2 S	7	3	17
BAS 4E 3 S	6	<2	23
BAS 4E 3 +66S	38	12	118
BAS 4E 4 S	15	7	49
BAS 4E 5 S	11	3	40
BAS 4E 6 S	14	9	38

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 4E 7 S	75	19	144
BAS 4E 8 S	81	32	187
BAS 4E 9 S	65	12	144
BAS 4E 10 S	63	<2	110
BAS 4E 11 S	66	7	130
BAS 4E 12 S	68	11	175
BAS 4E 13 S	31	8	52
BAS 4E 14 S	43	2	62
BAS 4E 15 S	36	21	79
BAS 4E 16 S	36	6	89
BAS 4E 17 S	60	7	101
BAS 4E 18 S	28	4	63
BAS 4E 19 S	33	5	73
BAS 4E 20 S	8	2	15
BAS 4E 21 S	MS	MS	MS
BAS 4E 22 S	16	2	64
BAS 4E 23 S	7	4	16
BAS 4E 24 S	12	5	25
BAS 4E 25 S	12	6	33
BAS 4E 25 +27S	78	25	142
BAS 4E 26 S	9	<2	125
BAS 4E 27 S	86	23	141
BAS 4E 28 S	73	30	180
BAS 4E 29 S	15	14	44
BAS 4E 30 S	22	12	56



KETZA GROUP

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Work Order: 9805-96
 Date: September 5, 1996

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 4E 31 S	11	9	31
BAS 4E 32 S	7	2	14
BAS 4E 33 S	11	2	21
BAS 4E 34 S	6	2	14
BAS 4E 35 S	7	3	13
BAS 4E 36 S	83	3	85
KET 3E 0 N	70	15	161
KET 3E 1 N	47	55	149
KET 3E 2 N	18	6	96
KET 3E 3 N	120	19	322
KET 3E 4 N	68	7	148
KET 3E 5 N	104	18	103
KET 3E 6 N	7	<2	28
KET 3E 7 N	24	29	38
KET 3E 8 N	72	26	76
KET 3E 9 N	75	54	266
KET 3E 10 N	100	39	306
KET 3E 11 N	141	35	262
KET 3E 12 N	51	20	100
KET 3E 13 N	50	24	135
KET 4E 0 S	24	45	79
KET 4E 1 S	31	42	72
KET 4E 2 S	69	31	238
KET 4E 3 S	74	41	197
KET 4E 4 S	72	104	232

Sample Number	Cu ppm	Pb ppm	Zn ppm
KET 4E 5 S	101	166	930
KET 4E 6 S	40	42	124
KET 4E 7 S	34	41	95
KET 4E 8 S	50	12	114
KET 4E 9 S	52	14	85
KET 4E 10 S	45	15	76
KET 4E 11 S	34	13	65
KET 4E 12 S	29	16	72
KET 4E 13 S	58	3	100
KET 4E 14 S	62	4	81
KET 4E 15 S	70	<2	72
KET 4E 16 S	55	<2	56
KET 4E 17 S	79	<2	33
KET 4E 18 S	41	<2	40
KET 4E 19 S	53	19	71
KET 4E 20 S	53	<2	18
KET 4E 21 S	160	<2	34
KET 4E 22 S	225	<2	35
KET 4E 23 S	322	<2	47
KET 4E 24 S	430	<2	38
KET 4E 25 S	59	5	52
KET 4E 26 S	145	6	36
KET 4E 27 S	68	4	33
22W 2800 S	50	18	138
22W 2850 S	36	54	274



KETZA GROUP

Suite 609, 475 Howe Street
Vancouver, B.C.
V6C 2B3

4200B - 10 Street N.E.

Calgary, Alberta

Canada T2E 6K3

Tel (403) 250-1901

Fax (403) 250-8265

Attention: Blake Macdonald

Certificate of Analysis

Work Order: 9863-96

Date: November 27, 1996

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 2E 000 N	19	8	73
BAS 2E 100 N	20	2	72
BAS 2E 200 N	25	2	65
BAS 2E 300 N	42	11	168
BAS 2E 400 N	24	24	103
BAS 2E 500 N	10	8	32
BAS 2E 600 N	32	22	116
BAS 2E 700 N	51	25	107
BAS 2E 800 N	16	14	37
BAS 2E 900 N	38	17	72
BAS 2E 1000 N	104	62	225
BAS 2E 1100 N	69	8	102
BAS 2E 1200 N	79	15	150
BAS 2E 1300 N	66	8	107
BAS 2E 1400 N	62	11	102
BAS 2E 1500 N	60	10	98
BAS 2E 1600 N	85	8	97
BAS 2E 1700 N	85	9	86
BAS 2E 1800 N	64	17	102
BAS 2E 1900 N	42	10	81
BAS 2E 2000 N	62	7	92
BAS 2E 2100 N	126	32	427
BAS 2E 2200 N	135	30	228
BAS 2E 2300 N	147	61	880
BAS 2E 2400 N	ms	ms	ms

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 2E 2500 N	71	48	198
BAS 2E 2600 N	37	10	156
BAS 2E 2700 N	34	10	94
BAS 2E 2800 N	61	11	108
BAS 2E 2900 N	51	9	82
BAS 2E 3000 N	28	24	105
BAS 2E 3100 N	ms	ms	ms
BAS 2E 3200 N	101	<2	95
BAS 2E 3300 N	21	5	69
BAS 2E 3400 N	58	9	57
BAS 2E 3500 N	6	<2	10
BAS 2E 3600 N	25	12	72
BAS 2E 3700 N	46	11	114
BAS 2E 3800 N	118	23	133
BAS 3E 100 S	31	15	88
BAS 3E 200 S	27	20	77
BAS 3E 300 S	5	3	12
BAS 3E 400 S	43	18	95
BAS 3E 500 S	23	9	66
BAS 3E 600 S	56	19	106
BAS 3E 700 S	12	3	29
BAS 3E 800 S	28	4	60
BAS 3E 900 S	18	7	58
BAS 3E 1000 S	18	6	59
BAS 3E 1100 S	83	30	101



KETZA GROUP

Suite 609, 475 Howe Street

Vancouver, B.C.

V6C 2B3

Attention: Blake Macdonald

Certificate of Analysis

Work Order: 9863-96

Date: November 27, 1996

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 3E 1200 S	60	5	98
BAS 3E 1300 S	51	4	63
BAS 3E 1400 S	32	12	88
BAS 3E 1500 S	22	<2	24
BAS 3E 1600 S	83	33	148
BAS 3E 1700 S	80	34	184
BAS 3E 1800 S	85	51	203
BAS 3E 1900 S	83	25	141
BAS 3E 2000 S	26	28	54
BAS 3E 2100 S	23	12	49
BAS 3E 2200 S	67	18	152
BAS 3E 2300 S	37	17	86
BAS 3E 2400 S	51	11	81
BAS 3E 2500 S	99	14	76
BAS 3E 2600 S	90	9	75
BAS 3E 2700 S	97	10	81
BAS 3E 2800 S	95	8	73
BAS 3E 2900 S	43	54	106
BAS 3E 3000 S	88	27	109
BAS 3E 3100 S	25	27	42
BAS 3E 3200 S	ms	ms	ms
BAS 3E 3300 S	ms	ms	ms
BAS 3E 3400 S	172	13	199
BAS 3E 3500 S	162	14	211
BAS 3E 3600 S	69	32	124

Sample Number	Cu ppm	Pb ppm	Zn ppm
BAS 3E 3700 S	91	15	133
BAS 3E 3800 S	28	16	60
BAS 3E 3900 S	24	12	59
BAS 3E 4000 S	19	18	41
BAS 3E 4100 S	10	17	9
KET 2E 000 N	20	5	47
KET 2E 100 N	34	4	41
KET 2E 200 N	64	<2	49
KET 2E 300 N	322	6	88
KET 2E 400 N	36	10	100
KET 2E 500 N	4	5	6
KET 2E 600 N	49	9	81
KET 2E 700 N	17	16	52
KET 2E 800 N	18	10	38
KET 2E 900 N	17	12	43
KET 2E 1000 N	15	5	34
KET 2E 1100 N	20	16	55
KET 2E 1200 N	25	48	58
KET 2E 1300 N	20	37	61
KET 2E 1400 N	26	11	153
KET 2E 1500 N	42	23	99
KET 2E 1600 N	52	3	75
KET 2E 1700 N	68	8	112
KET 2E 1800 N	119	8	147
KET 2E 1900 N	96	10	103



KETZA GROUP

Suite 609, 475 Howe Street
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V6C 2B3

Attention: Blake Macdonald

Certificate of Analysis

Work Order: 9863-96

Date: November 27, 1996

Sample Number	Cu ppm	Pb ppm	Zn ppm
KET 2E 2000 N	54	7	118
KET 2E 2100 N	77	12	105
KET 2E 2200 N	75	<2	79
KET 2E 2300 N	129	21	184
KET 2E 100 S	326	<2	146
KET 2E 200 S	153	4	86
KET 2E 300 S	62	6	107
KET 2E 400 S	22	7	48
KET 3E 000 S	19	55	63

Sample Number	Cu ppm	Pb ppm	Zn ppm
KET 3E 100 S	49	32	128
KET 3E 200 S	28	20	87
KET 3E 300 S	24	18	80
KET 3E 400 S	27	25	96
KET 3E 500 S	21	26	57
KET 3E 600 S	97	16	99
KET 3E 700 S	21	13	54
KET 3E 800 S	22	9	48
KET 3E 900 S	22	2	9

CanTech Laboratories, Inc.

Signed:

Richard Magner, B.Sc.
Laboratory Manager