

**REPORT ON THE  
TIN CLAIMS  
Dawson Mining District**

094483

**Claims:** TIN 1-10 YC23812-YC23821  
TIN 11-70 YC26946-YC27005

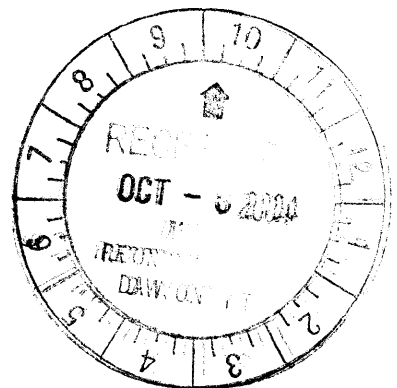
**Location:** 1. 17 km southeast of Dawson City, Yukon  
2. NTS Map Areas 116B-3 115O-14  
3. Latitude: 64° 01'N  
Longitude: 139° 07'W

**For:** Madelena Ventures Inc  
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June 16, 2004

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WORK NO. 2000494

*Katherine Perry*

Mining Recorder  
Dawson City Mining District

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## SUMMARY

The TIN claims are located just southeast of Dawson City, Yukon along the Hunker Creek Road. The property comprises 70 contiguous quartz claims staked by local prospector Shawn Ryan in April of 2003. The property is a target for mesothermal gold-quartz vein (Motherlode) mineralization and possibly for epithermal or intrusive hosted gold associated with a late Tertiary quartz-feldspar porphyry intrusion.

Placer mining on Hunker Creek has been ongoing since the Klondike gold rush, and the area beside the TIN claims has produced substantial placer gold with no identified local bedrock source. From 1984 to 1988 United Keno Hill Mines Ltd. (UKHM) explored Hunker creek and other areas of the Klondike gold fields for epithermal gold.

Shawn Ryan recognized the prospectivity of the area for mesothermal quartz-vein gold (motherlode) mineralization and staked the TIN 1-70 claims in April of 2003 and subsequently optioned the property to Madelena Ventures Inc.

Three mineral occurrences on the property have shown that gold is associated with mesothermal quartz veins but the data and reporting on these occurrences is poor.

Madelena Ventures Inc conducted gridding (30.8 line-kilometers) and completed a magnetometer and induced polarization (IP) surveys over the grid from mid-February through March of 2004. The results of this survey identified a number of linear, low chargeability, high resistivity anomalies which are coincident with gold in soil anomalies located by UKHM.

The geophysics has shown that possible fault linears and lithologies can be discriminated and that the area warrants additional exploration.

A \$200,000 exploration program consisting of additional geophysical surveys, soil sampling and mapping and prospecting and back-hoe trenching is recommended and warranted on the Tin property.

## 2. INTRODUCTION AND TERMS OF REFERENCE

This report was prepared at the request of Donald Gee, President of Madelena Ventures Inc. Its purpose is to assess the property's economic potential, summarize the previous exploration efforts and to report on IP and Magnetometer surveys completed on a portion of the property by Madelena Ventures Inc from mid-February to late March of 2004. It also provides a recommended work program and budget. This report also serves to satisfy the standards of disclosure for mineral projects under National Instrument 43-101 through a description of previous exploration work carried out on the claims. The author visited a number of outcrops on the Hunker road on April 12, 2004 accompanied by Shawn Ryan.

Most data has been obtained from reports filed for assessment work by United Keno Hill Mines Ltd (UKHM). The geophysical data was derived from surveys completed in late February and March and contracted to Doug Londry, a geophysicist from Kingston Ontario.

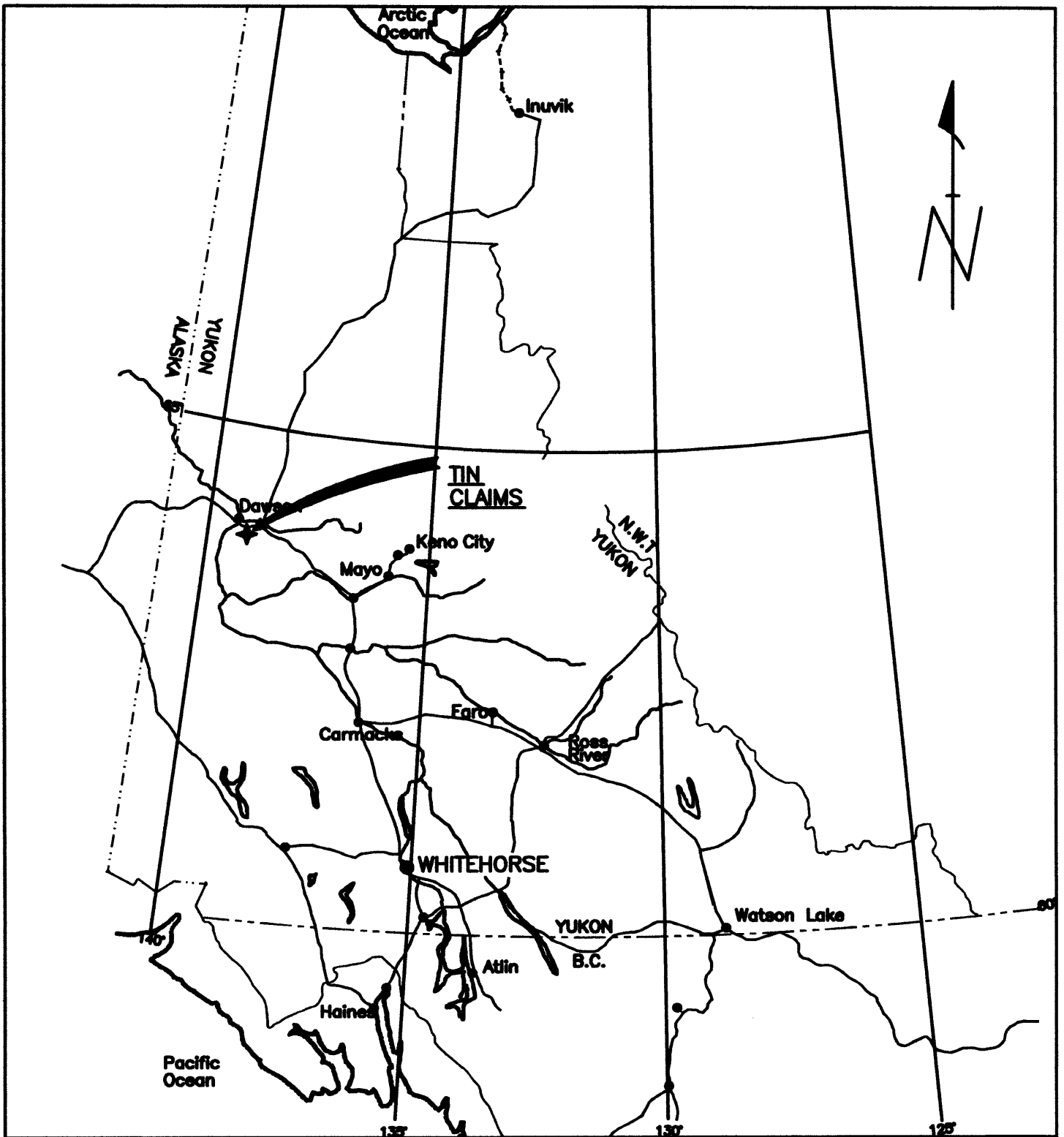
## 3. DISCLAIMER

**Although soil and rock analytical data, derived from previous reports has been reviewed, the author assumes no responsibility for the validity of analytical results other than those collected by Aurum. In reviewing, referencing and reporting on property data, the author has not, to his knowledge, relied on the opinion or statement of other experts who are not qualified persons.**

**The author has made no attempt to verify the legal status and ownership of the TIN property, nor is he qualified to do so. The information regarding property title and ownership was obtained from the Whitehorse Mining Recorders office. The author saw no evidence to suggest that it is not correct.**

## 4. PROPERTY DESCRIPTION AND LOCATION

The TIN claims are located on the southeast side of the Tintina Trench, approximately 13 km east of Dawson City Yukon (Figure 1). The claims cover an area of 1440 hectares bounded on the southwest side by Hunker Creek, which is an active placer creek. The property consists of 70 contiguous un-surveyed two-post Yukon Quartz claims (Figure 2). The claims were staked by Shawn Ryan in April 2003. Claim data and expiry dates are listed in Table I. The TIN 1-70 claims were staked in accordance with the Yukon Quartz Mining Act and recorded at the Dawson Mining Recorders office.



MADALENA VENTURES - TIN CLAIMS  
DAWSON MINING DISTRICTS, YUKON TERRITORY

PROPERTY  
LOCATION  
MAP

AURUM GEOLOGICAL CONSULTANTS INC. DATE: JUNE, 2004  
118 014 118 003 DRAWN BY: JC SCALE: 1:8,000,000 FIGURE 1

The Claim data as of May 25, 2004 are as follows:

**TABLE 1**

**MADELENA VENTURES INC. TIN PROPERTY CLAIM DATA**

<b>Claim Name</b>	<b>Grant Numbers</b>	<b># Claims</b>	<b>Mining District</b>	<b>Expiry Date</b>
TIN 1-10	YC23812-YC23821	10	DAWSON	2009/04/28
TIN 11-70	YC26946-YC27005	60	DAWSON	2009/04/14

In accordance with the Yukon Quartz Mining Act, yearly extensions to the expiry dates of quartz claims are dependent upon conducting \$100 of work per claim or paying the equivalent cash in lieu of work. Work must be filed in the year the work was completed. Excess work can be used to extend expiry dates up to maximum of four years. Filing a statement of work and costs and submission of an assessment report to the Whitehorse Mining Recorder verifying completion of the work, are also required no later than six months after the anniversary date of the claim.

Under the Mining Land Use Regulations, activities over certain defined thresholds require either a Class II notification or a Class III Mining Land Use Permit. If further work outside of the property is planned, such as road construction to the property, a second land use permit is required under the Territorial Lands Act. The locations of the claims with respect to highways and topography is shown on Figure 2.

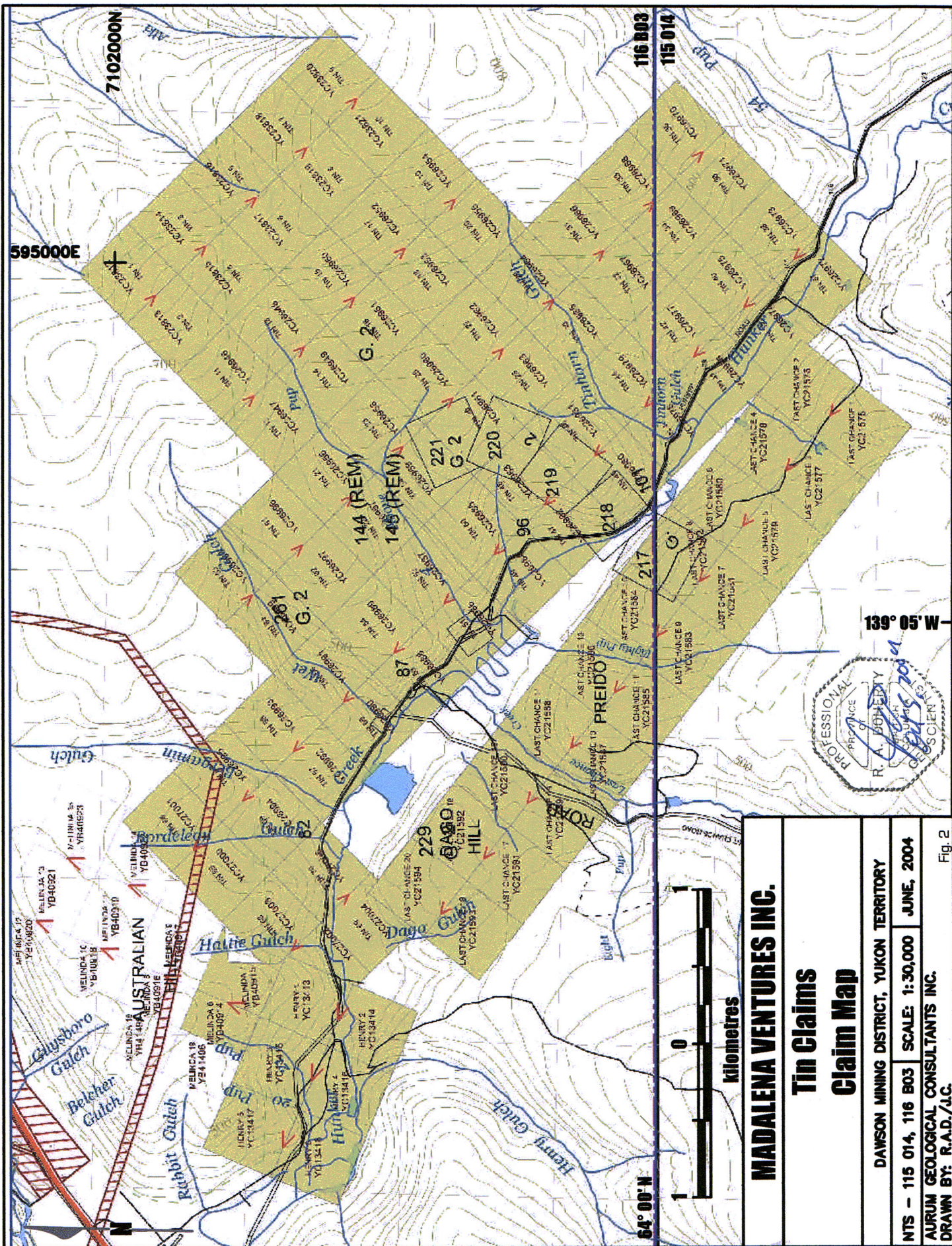
The claims are within the traditional territory of the Tr'ondek Hwech'in First Nation who have settled their land claim. There are no First Nation land selections in the immediate area of the Tin claims.

**5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY**

The property is accessible by the North Klondike Highway to the Hunker Creek road. The Hunker Creek road is a gravel road that is accessible primarily during the summer months. The TIN Claims are located on the northeast side of the Hunker Creek road between km 2.4 to km 15 southeast along the Hunker Road. The claims extend to the northeast from the Hunker Creek road toward the Dawson City airport and the Klondike highway.

The exploration season in this part of the Yukon normally extends from late May to late September but cool rainy conditions and snow-storms are not uncommon in late August and September. The months of June through September are normally snow free. Dawson City located 17 km northwest of the claims is the main centre for services, supplies and equipment in the area. The presence of active placer mines throughout the Klondike district ensures that supplies and provisions as well as services for the mining industry are readily available. Daily flights from Whitehorse to Dawson are provided by Air North.





<b>MADALENA VENTURES INC.</b>	
<b>Tin Claims</b>	
<b>Claim Map</b>	
DAWSON MINING DISTRICT, YUKON TERRITORY	
NTS - 115 014, 116 B03	SCALE: 1:30,000
AURUM GEOLOGICAL CONSULTANTS INC.	
DRAWN BY: R.A.D./J.C.	

Fig. 2



The terrain in the area of the TIN claims is characteristic of the un-glaciated Klondike Plateau. Elevations on the property range from 400 m (1,312 ft) at Hunker Creek to 780 m (2,559 ft) at the headwaters of Tinhorn Gulch. The property is tree covered and outcrop is generally poor. A new 69kV power line from Mayo, Yukon to Dawson City crosses the property along Wet Gulch.

## 6. HISTORY

This area of the Klondike has been placer mined continuously since the Klondike Gold Rush of 1897. Limited hard rock exploration was conducted in the early 1900's, in the 1970's, and more recently from 1984-1990 by United Keno Hill Mines Ltd.

### **Minfile Occurrence 116B- 081**

#### **Hattie**

The Hattie prospect consists of an 80 m thick overburden of Pliocene White Channel Gravel partially underlain by hydrothermally altered Permian quartz-sericite schist associated with minor mineralized quartz veins and lenses. The quartz veins are reported to contain malachite and free gold (34.2 g/t Au and up to 20% Cu), however, these observations and values have not been confirmed. A 1993 investigation undertaken by Kennecott targeted a relatively unaltered quartz-feldspar porphyry, which outcrops on the property. The study provided low Au assays from the rock and soil.

Work has been performed on this prospect since 1901. Between 1901 and 1909 a 7.3 m adit and several trenches were dug. In 1993, Kenecott Canada Inc. conducted trenching, geochemical sampling, and geological mapping.

### **Minfile Occurrence 116B- 157**

#### **Ben Levy (drilled prospect)**

The area around the Ben Levy occurrence consists of a highly sheared Devonian carbonaceous phyllite and phyllitic quartzite associated with imbricate thrust slices of altered ultramafic lithologies. In the northeast, an Early Eocene quartz-feldspar porphyry intrudes the metasedimentary rocks, and south of Hunker Creek mafic dikes are seen cross-cutting both the phyllite and the ultramafic fault slices.

The Ben-Levy occurrence is a ~5 m thick quartz vein which cuts carbonatized serpentinite on the northeast side of Hunker Creek. The vein is characterized by a moderate northeast dip, 1-5 mm scale bands of Fe-carbonate (comb texture) and rare fine-grained quartz bands. Quartz-lined vugs are localized and blocks of serpentinite and carbonaceous schist are common within the vein. Assays of vein material returned values between 29.8 and 270.2 g/t Au and up to 54.9 g/t Ag.

Work has been performed on this prospect since 1901. In 1901 a 76 m adit and inclined shaft were put in. In 1904, shallow trenches and shafts were put in. In 1987 the

earlier workings were explored by United Keno Hill Mines Ltd., with 5 percussion holes (~472 m), and the adit was rehabilitated, sampled and mapped. An additional 14 percussion drilling was completed in 1988 (788 m), by United Keno Hill Mines.

### **Minfile Occurrence 116B-006 Unexpected**

The Unexpected prospect is an intrusion related Au prospect with minor Ag, U, and F. The Surprise claims of the Unexpected prospect contain a (Eocene?) porphyry stock with round quartz eyes and an aphanitic matrix. The rock contains traces of fluorite, topaz and miarolitic zeolites. Fluorite occurs in disseminated patches and also as discontinuous stringers and may have been produced by late or post-magmatic streaming of volatiles (Mortensen et al., 1992). Uranium anomalies are found in close proximity to the stock and assays were performed for the rock and soil. The highest U value obtained for rock was from the Klondike Schist and provided 90 ppm U whereas an organic soil sample was assayed at 400 ppm U. An open cut on the Unexpected claim exposed a quartz-porphyry plug which was found to have 1.4 g/t Au and 2.1 g/t Ag across 0.9m. A grab sample from 1972 returned 0.102 g/t Au, 1.4 g/t Ag, and 4.12% F.

Work has been performed on this prospect intermittently since 1908. In 1912 an open cut and 3 m adit was put in. More recent work includes grid geochemical and radiometric surveys in 1976-1978, bulldozer trenching in 1977-1978, and a radon survey and 9 drill holes in 1978. In 1979, additional radon and scintillometer surveys were conducted.

## **7. GEOLOGICAL SETTING**

### **7.1 Regional Geology**

The Tin claims are situated in the southern Dawson map area and northern Stewart map area southwest of Mesozoic Tintina fault. Metamorphosed rocks of Paleozoic Yukon Tanana Terrain (YTT) mainly underlie tin claims. YTT consists of several units including massive and sheared ultramafic unit, quartz-muscovite (chlorite) schist of Klondike Schist, mainly metasedimentary rocks of the Nasina Series, and coarse grained metaintrusive quartzofeldspathic rocks of the Pelly Gneiss. Several generations of Mesozoic and Tertiary intrusive rocks intruded the YTT rocks. The immediate area of the property is underlain by mainly gray to black graphitic quartzite with abundant fine-grained pyrite and green quartz muscovite (-biotite) schist of Nasina Series. These units are intruded and overlain by Early Tertiary massive quartz-feldspar porphyry intrusions;



# LEGEND

**Minifile Symbols:**

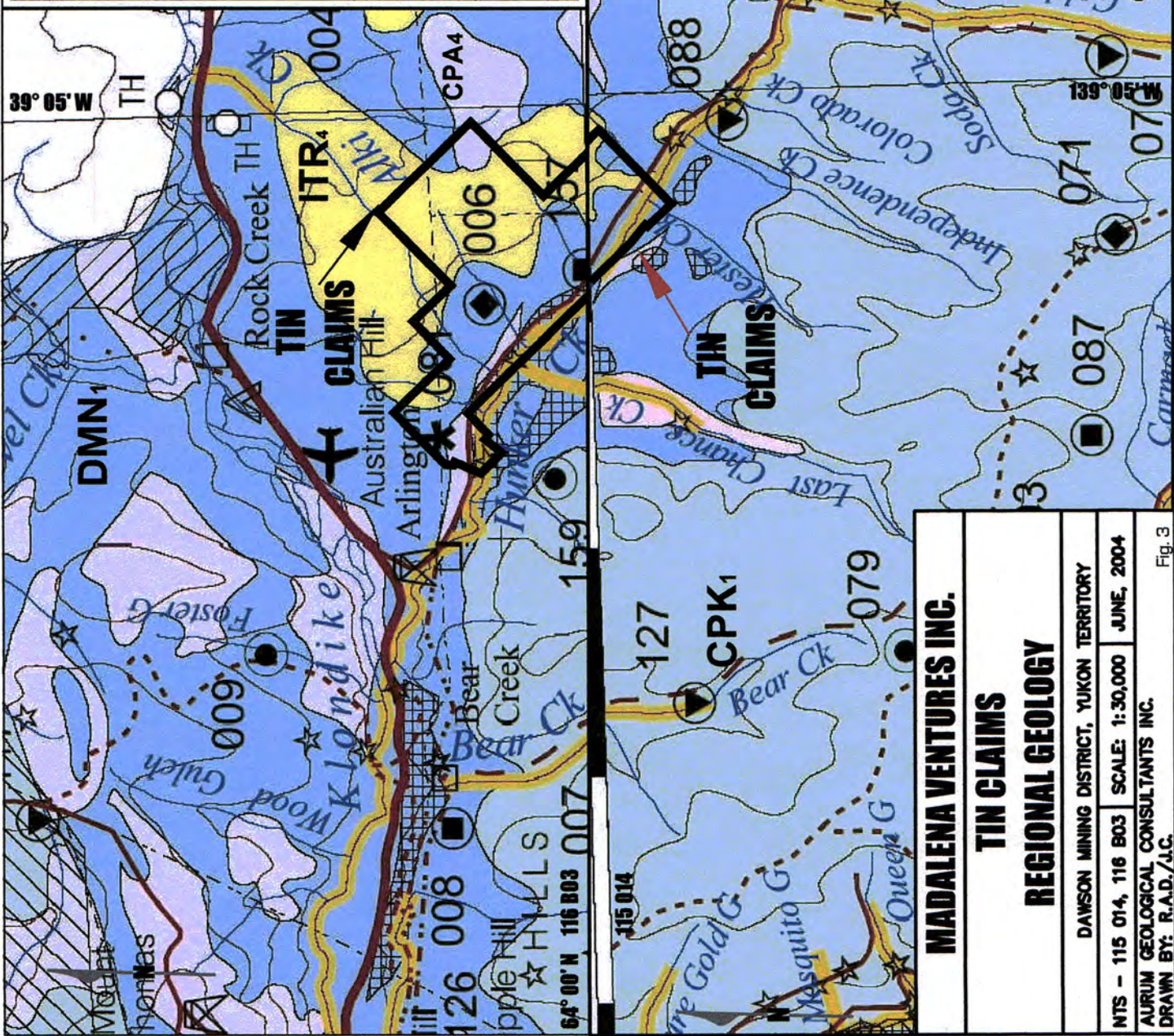
- Drilled,
- Prospect,
- Showing,
- Anomaly,
- Unknown,

**Minefile Occurrences:**

- 004 - GERMAINE (Sn)
- 006 - UNEXPECTED (F,U)
- 081 - HATTIE (Hg)
- 088 - TRILBY
- 120 - ENVOLDSON
- 157 - BEN LEVY (Au)
- 159 - STUTTUR

**TABLE OF FORMATIONS**

	QUATERNARY Q - Unconsolidated glacial sand, and gravel
	LOWER TERTIARY ITR4 - Quartz feldspar porphyry
	UPPER CRETACEOUS uK - Carmacks Volcanics - basalt, feldspar porphyry, andesite
	CARBONIFEROUS AND PERMIAN CPA4 - Carbonized ultramafic rocks
	CPK1 - Klondike Schist - quartz-muscovite-chlorite schist
	DEVONIAN, MISSISSIPPIAN, OLDER DMN1 - Nasina - graphitic and non-graphitic quartzite, (Nasina assem.)



<b>MADALENA VENTURES INC.</b>	
<b>TIN CLAIMS</b>	
<b>REGIONAL GEOLOGY</b>	
DAWSON MINING DISTRICT, YUKON TERRITORY	
NTS - 115 014, 116 B03	SCALE: 1:30,000
JUNE, 2004	
ALURUM GEOLOGICAL CONSULTANTS INC.	
DRAWN BY: R.A.D./J.C.	

Fig. 3







felsic brecciated lithic tuffs and felsic volcanic breccias. White to cream banded quartz carbonate veins also cut this unit. Nasina Series units are in thrust fault contact with ultramafic rocks of Permian to the east and west where the ultramafic units are thrust over the Nasina Series units. These ultramafic units are variably weathered, brecciated and silicified. In the southwest, the Permian quartz-muscovite schists of Klondike Schist are thrust over the Nasina Series unit. Steeply dipping reverse faults are abundant throughout the area.

## 7.2 Property Geology

The TIN property is mostly overburden covered with < 1% actual outcrop; mostly found in road cuts and trenches. There are five main map units on the property (Figure 3).

These are described briefly in the Table of Formations.

### **TABLE II                      TABLE OF FORMATIONS - TIN PROPERTY**

#### **QUATERNARY**

#### **QUATERNARY**

**OVERBURDEN: (Q)** Unconsolidated glacial, glaciofluvial and glaciolacustrine deposits; fluvial silt, sand, and gravel, and local volcanic ash, in part with cover of soil and organic deposits

#### **LOWER TERTIARY**

**QUARTZ FELDSPAR PORPHYRY: (ITR4)** Light coloured felsic quartz feldspar porphyry and rhyolite; minor acid tuff breccia, crystal lithic tuff and ignimbrite; quartz-feldspar porphyry stocks and dykes

#### **UPPER CRETACEOUS**

**CARMACKS GROUP: (Ukc)** Augite olivine basalt and breccia; hornblende feldspar porphyry andesite and dacite flows; vesicular, augite phyric andesite and trachyte; minor sandy tuff, granite boulder conglomerate, agglomerate and associated epiclastic rocks

#### **CARBONIFEROUS AND PERMIAN**

**CARBONATIZED ULTRAMAFIC ROCKS: (CPA4)** dunite, peridotite, gabbro, pyroxenite, harzburgite and minor diorite, hornblende and diabase; serpentinite, orange weathering quartz carbonate rock with minor green chromian muscovite, talc-carbonate schist and carbonatized ultramafic rocks

**KLONDIKE SCHIST: (CPK1)** tan to rusty and black weathering muscovitic and/or chloritic quartzite and quartz-muscovite-chlorite schist; quartz and/or feldspar augen-bearing quartz-muscovite (+/-chlorite) schist; includes augen gneiss and amphibolite

Devonian Mississippian and Older

**NASINA FORMATION: (DMN1)** Dark grey to black, fine grained graphitic and non-graphitic quartzite, grey micaceous quartzite and quartz muscovite (+/-chlorite; +/-feldspar augen) schist, locally garnetiferous; minor graphitic stretched metaconglomerate and metagrit (Nasina assem.)

The ultramafic rocks (**CPA4**) on the property are localized along shallow northeast dipping thrust faults. They generally have a very high magnetic signature.

## 8. DEPOSIT TYPES

The area is prospective for gold-quartz veins (Motherlode style) mineral deposits. Areas of listwanite altered ultramafic rocks are scattered about the property and drilling by United Keno Hill Mines indicates shallow northeast dipping thrust faults. The quartz feldspar porphyry intrusion in the centre of the property may be a target for epithermal or intrusive hosted gold mineralization.

## 9. MINERALIZATION

Mineralization located on the property consists of quartz gold veins reported in the Ben Levy adit which is reported to have returned assays between 0,87 and 7.88 oz/ton Au (McFaul, 1988). Work by UKHM from 1984-1988 which included adit rehabilitation did not duplicate these grades and it was assumed that all high grade vein material had been mined.

Trenches on the unexpected showing produced assay results of 1.4 g/t Au and 2.1 g/t Ag over 0.9 m (Yukon Minfile 116B006).

The Hattie occurrence (Yukon Minfile 116B081) is underlain by altered quartz sericite schist with poorly exposed east-west striking fault zones. Reports of quartz veins containing malachite and free gold and to assay about 1 ounce per ton gold and 20% silver (Yukon Minfile # 116B081) have not been confirmed by independent sampling.

## 10. EXPLORATION

### 2004 Geophysics

The IP survey and magnetic survey were conducted during mid-February and March of 2004 in an attempt to better localize structures, alteration or zones of sulfide mineralization on the property. A total of 30.8 line-kilometers of grid was cut and an IP and Magnetometer survey was completed.

The induced polarization (IP) survey was run with the IRIS IP-6 time domain spectral receiver and the Scintrex TSQ-3 3000 Watt transmitter. A pole-dipole array was used with an electrode spacing of 50 m.

The graphitic sediments underlying most of the property are characterized by high chargeability and low resistivity is very low.

Three linear, low chargeability, high resistivity anomalies are located in the central part of the survey area (Figures 6 & 7). These anomalies are more readily apparent on the resistivity plot (Figure 6). The two linear anomalies on the northwest side of the grid are coincident with streams and may represent windows into the underlying quartz-feldspar porphyry. The circular anomaly at the unexpected occurrence most likely represents a felsic intrusive plug. The large anomaly on the southeast portion of the grid over the Ben Levy occurrence also has a coincident magnetic anomaly and is localized over mapped ultramafic rocks.

The UKHM gold soil geochemistry is plotted for over the geophysical data and shows areas of anomalous gold (> 12 ppb Au). There is a rough coincidence of anomalous gold with areas of high resistivity.

## 11. DRILLING

UKHM conducted reverse circulation drilling in the area in 1984 and 1988. In 1984 they drilled 5 holes (1260 ft) above the Ben Levy Adit, and in 1988 an additional 14 holes (2596 ft) on Hunker Creek.

Drilling results demonstrate that the area under Hunker Creek is covered by deep overburden up to 78 feet. The contact between the bedrock and overburden was the location of water inflow in the area, which caused numerous problems for drilling progress. In some instances, some traces of placer gold were brought to the drilling locations by the inflow of water and contaminated the samples. The heavily faulted bedrock in the area may also cause the circulation of water in the area. The drill holes in the southeastern part of the property along the Hunker Creek (HUN 88-1 to 7, HUN 88-13, 14, 22, 31, 31B, 32, and 49) intercept some gold anomalies many of which were placer contaminations. Overall, the assay results for these drill holes were not promising. The highest gold values other than suspicious contaminations (0.018 oz/ton) was intercepted at 230-240 ft of hole HUN 88-3 hosted by the grey quartz muscovite schist



unit. However, the assay reports on drill holes drilled in 1984 exploration program close to the Ben Levy adit (HUN 30, 31, 33, and 34) yielded much higher gold grades. For instance, the drill hole HUN 33 at 320-330 ft gave an assay result of more than 650 ppb. While the gold grade in the bedrock in the holes along the Hunker Creek is less than 0.001 oz/ton for the majority of the holes length, it is higher than 0.001 oz/ton (commonly 0.1 to 0.01 oz/ton) for the entire length of the holes in the Ben Levy adit area.

## **12. SAMPLING METHOD AND APPROACH**

There were no geochemical samples collected during this program. The sampling completed by United Keno Hill Mines 1984-1988 was standard grid based soil sampling using a mattock to collect material from the "B" soil horizon. Areas of permafrost were not sampled. There was no reference as to which size fraction of sample material was analyzed.

## **13. SAMPLE PREPARATION, ANALYSES AND SECURITY**

All sampling on the Tin Claims was completed prior to NI 43-101. No discussion of sample preparation analysis or security was reported.

### **13.1 Preparation and Analytical Techniques**

Soil samples collected by UKHM were analyzed for gold (1 assay ton) by fire assay with an atomic absorption finish. A 32 element ICP analyses was also completed by Chemex.

### **13.2 Quality Control**

Quality control procedures on soil and rock analytical data consisted of standardized soil and rock sampling techniques. UKHM samples were analyzed by Chemex Laboratories Ltd but there were no repeat or standard run with the samples. No additional sampling has been completed on the TIN Property.

## **14. DATA VERIFICATION**

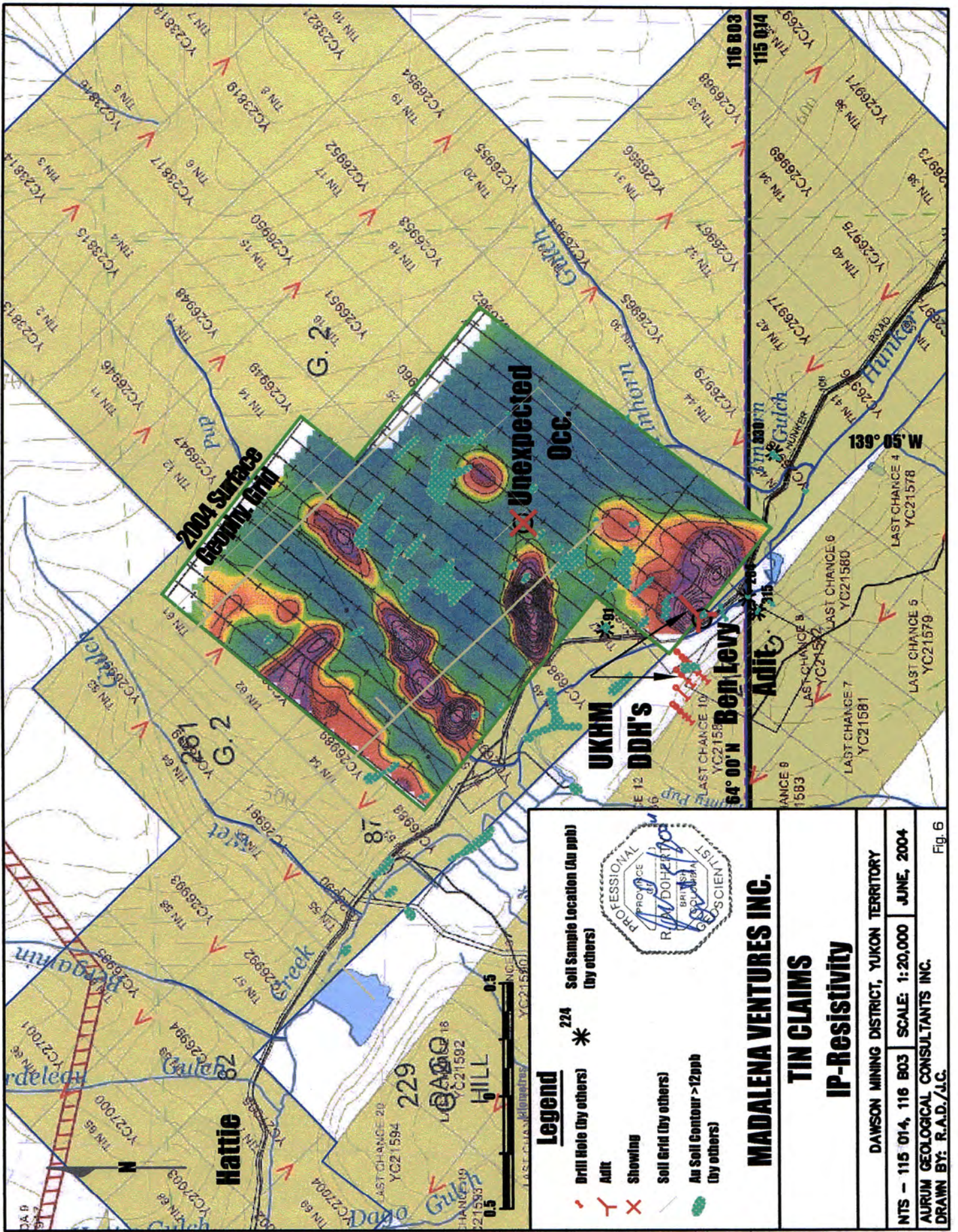
The author has reviewed all previous reports on the property. All prior work on the property was completed before 1990, and the effective date of NI 43-101. There was no QA/QC of sampling methodology discussed in any geological report that the author has reviewed.

The author has no reason to believe that the data as presented is not an accurate representation of facts at this stage of exploration on the TIN property.









**Legend**

- ★ Drill Hole (by others)
- ★ 224 Soil Sample Location (Au ppb) (by others)
- Y Showing
- X Soil Erid (by others)
- Au Soil Contour >12ppb (by others)

PROFESSIONAL  
GEOLOGIST  
RIM DOHERTY  
BRIAN DOHERTY  
PROJECT

**MADALENA VENTURES INC.**  
**TIN CLAIMS**  
**IP-Resistivity**

DAWSON MINING DISTRICT, YUKON TERRITORY

NTS - 115 014, 116 B03 SCALE: 1:20,000 JUNE, 2004  
AURUM GEOLOGICAL CONSULTANTS INC.  
DRAWN BY: R.A.D./J.C.

Fig. 6



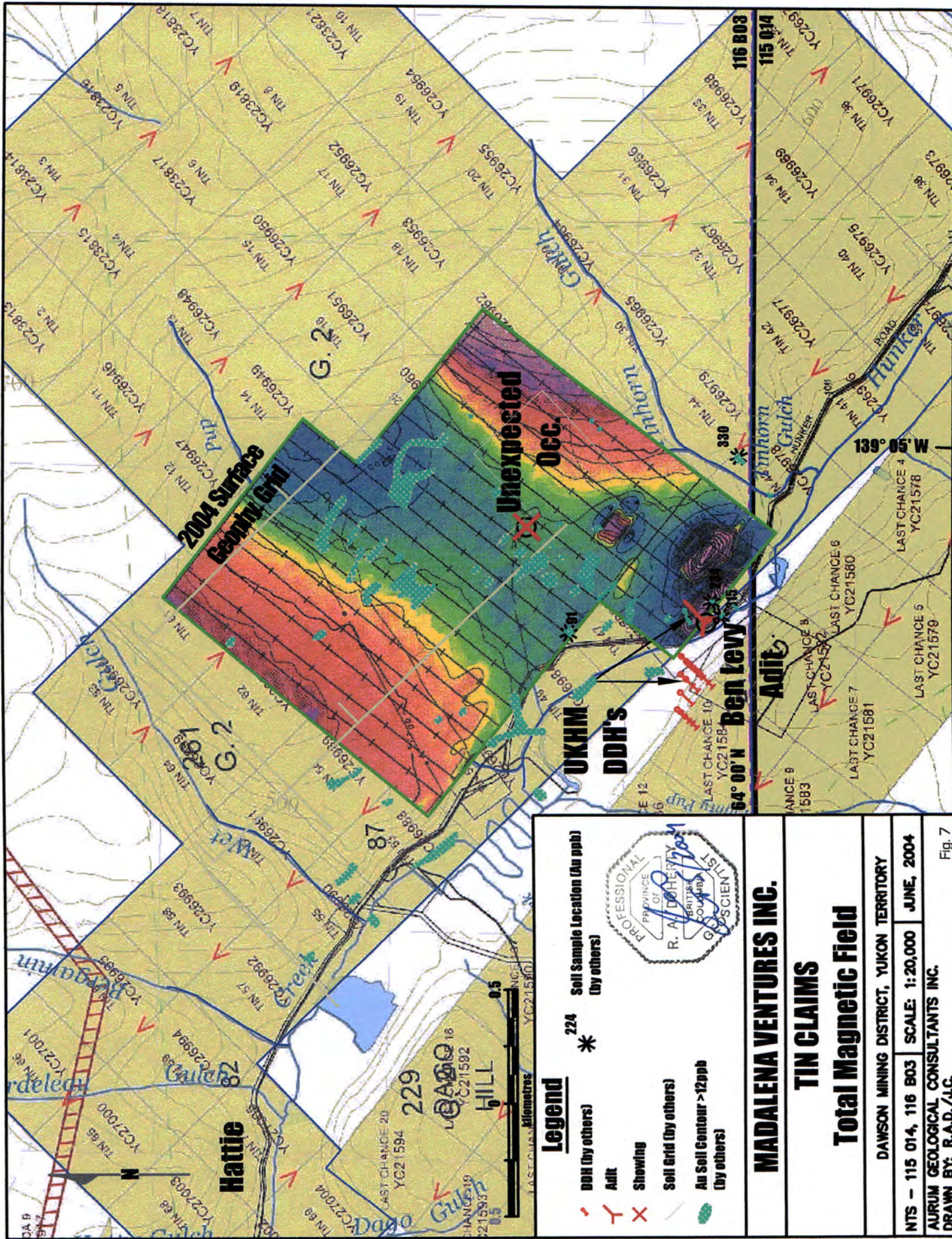


Fig. 7



## **15. ADJACENT PROPERTIES**

There are no active adjacent properties. The Last Chance claims are part of a larger group of claims located to the southwest of the TIN property and are controlled by KSL (Klondike Source Limited) or by Klondike Gold Resources Ltd. Both companies are actively exploring for lode gold sources in the Klondike.

## **16. MINERAL PROCESSING AND METALLURGICAL TESTING**

There has been no mineral processing or metallurgical testing completed to date on the mineralization on the Tin property.

## **17. MINERAL RESOURCE AND MINERAL RESERVE ESTIMATE**

There are no identified mineral reserves or resources on the Tin property. The property is at an early exploration stage with only rock and soil sample data available.

## **18. OTHER RELEVANT DATA AND INFORMATION**

There is to the author's knowledge no additional data or information, of either a positive or negative aspect, that would change the data presented or the contained recommended program.

## **19. INTERPRETATION AND CONCLUSIONS**

The geophysical surveys complete in 2004 show a good correlation between geology and surface soil geochemistry data compiled from the UKHM reports. The quartz feldspar porphyry appears to produce a magnetic low, resistivity low and chargeability high. Ultramafic rocks show a magnetic and resistivity high and a chargeability low.

The three linear, low chargeability, high resistivity, anomalies have a northeast trend and may represent structures.

## **20. RECOMMENDATIONS**

The area should be further explored by mapping and power auger soil sampling and geophysics. The geophysical surveys should be extended to the northwest and to the northeast. The areas to focus on for soil sampling would be around the listwanitized ultramafics and over the broad magnetic low which has coincident gold in soil anomalies.

The three linear, low chargeability, high resistivity, anomalies should be carefully prospected and soil sampled using a power auger.

Soil samples should be collected using a power auger to obtain the maximum sample depth. The Klondike area is un-glaciated and overall soil geochemical anomalies tend to be significantly lower than in glaciated terrains. Experience in the area has indicated that geochemical contrast is greatly enhanced by deeper soil sampling. A test section of the old UKHM grid should be located and re-sampled to test the effectiveness of their soil sampling program. There is no mention of what mesh size UKHM sampled and an orientation survey should be completed where the -80, -150 and -200 mesh sizes are analyzed to obtain the most reliable results.

A success contingent two phase exploration program estimated to cost \$200,000 is warranted and recommended. Work should consist of soil sampling, detailed mapping of outcrop, and felsenmeer or rock fragments across the entire property. Detailed mapping and sampling around the Unexpected, Ben Levy and Hattie occurrences should be completed. An additional 15 line kilometers of gridding and IP Magnetometer surveys should be completed to the northwest and northeast. Subsequent to this, a program of back-hoe trenching and drilling should be completed on the best targets developed during Phase I.

#### **Phase I Budget**

Auger soil sampling 1200 samples @ \$25/sample	\$ 10,000.00
Geochemical Analyses 1200 @ \$17 each	\$ 20,000.00
15 line-Km gridding and IP Magnetic Surveys	\$ 40,000.00
Geological mapping 2 geologists, 12 days	\$ 12,000.00
Camp and provisions	\$ 5,000.00
Truck rental	\$ 2,000.00
Report	\$ 3,000.00
Contingency	<u>\$ 8,000.00</u>

**Total Estimated Phase I Budget** **\$ 100,000.00**

Phase II of the program would consist of back-hoe trenching of selected anomalies (geochemical & geophysical), mapping and sampling followed by a small diamond drill program.

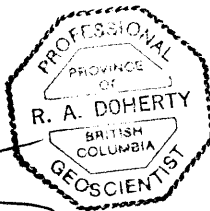
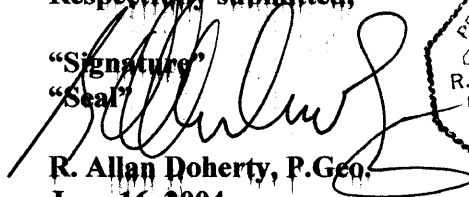
**Phase II Budget**

Back-hoe trenching 5 days @ \$1000/ day	\$ 5,000.00
Mapping and sampling 5days @ \$ 750/day	\$ 3,750.00
Geochemical analyses ~ 200 samples	\$ 3,500.00
Core Diamond drilling 1000 feet	<u>\$ 87,750.00</u>

**Total Estimated Phase II Budget** **\$100,000.00**

Respectfully submitted,

"Signature"  
"Seal"



R. Allan Doherty, P. Geol.  
June 16, 2004

## 21. REFERENCES

- McFaul, J. A., 1988.** 1987 Geological, Geochemical, Geophysical and Underground Exploration of the Ben Levy, Hun II, Hunker Extension & Hattie Grids – Lower Hunker Creek, Klondike Area, Dawson Mining District Assessment Report #092591 by United Keno Hill Mines Ltd.
- McFaul, J. A., 1989.** Rotary Percussion Drilling on 71 Below Discovery – Hunker Creek, November – December 1988. NTS 116 B-3. Assessment Report # 092786 by United Keno Hill Mines Ltd.
- Prince, D. A., 1985.** Report on the 1984 Exploration Program in the Klondike Gold Fields Dawson Mining District, Yukon. Assessment Report # 091634 by United Keno Hill Mines Ltd.
- Yukon Minfile, 1993.** WP 5,1 Version, 15, Feb/93; Exploration and Geological Services, Department of Indian and Northern Affairs, Whitehorse Yukon.



## 22. CERTIFICATE OF QUALIFICATIONS

I, R. Allan Doherty, hereby certify that:

I am a consulting mineral exploration geologist with AURUM GEOLOGICAL CONSULTANTS INC., 3151 3rd Avenue, Whitehorse, Yukon, Y1A 1G1.

I am a graduate of the University of New Brunswick, with a degree in geology (Hons. B.Sc., 1977). I attended graduate school at Memorial University of Newfoundland, 1978-80. I have been involved in geological mapping and mineral exploration primarily in the Yukon continuously since 1980.

I am a "Qualified Person" as defined in Sec 1.2 of National Instrument 43-101.

I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia, Registration No. 20564, and have been registered as a Professional Geologist since 1993.

I am author of this report on the TIN property. The report is based on a literature review and on private company reports and on a property visit on April 12, 2004.

I am the author of all sections of this report.

I am not aware of any material fact or material change with respect to the subject matter of this technical report, which is not reflected in the technical report, the omission to disclose makes the technical report misleading.

I am independent of the Issuer and have no direct or indirect interest in the properties or securities of Madelena Ventures Inc., or affiliated companies, nor do I expect to receive any.

I have had direct involvement with the geophysical exploration program conducted on the property in March and April of 2004. I conducted a property visit on April 12, 2004, and visited a number of road cuts on the property. I am familiar with the district wide geology and mineralization and deposit models.

I have read National Instrument 43-101 and Form 43-101F and have prepared this technical Report on the TIN property in compliance with this Instrument and Form 43-101F1.

**R. Allan Doherty, P. Geo.**

"Signature"

"Seal"

**June 16, 2004**

