

094717

**2004 GEOLOGICAL
REPORT ON THE BONANZA PROPERTY**

Bonanza 1-38 YC25731-768
Bonanza 39-88 YC25839-888

NTS: 1150/14

Latitude: 64° 23'N

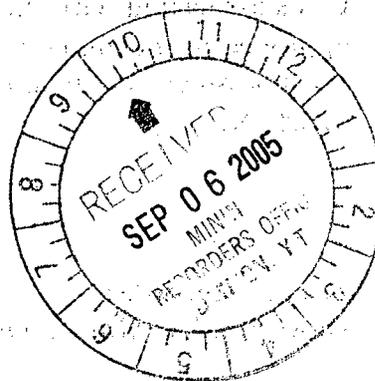
Longitude: 137° 38'W

Dawson Mining District

Work performed August 1, 2004 and September 15, 2004

Owner: *Shawn Ryan*
Ryanwood Exploration Inc.
Box 213, Dawson City
Y0B 1G0

Operator: International Gold Resources
15321 Main St NE Ste 103 # 152
Duvall, WA 98019 USA



*Co-ordinates should
read:*

Latitude: 64° 20' N

Longitude: 139° 20' W

Chris H. Ash, PGeo
August 2005

Costs associated with this report have been
approved in the amount of \$ 26,400
for assessment credit under Certificate of
Work No. 2000598

K. Perry

Mining Recorder
Dawson City Mining District

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INTRODUCTION

The Bonanza Property is located 14 kms south-southeast of Dawson City in west-central Yukon and is a north trending belt of 88 Quartz Mining claims along the eastern slopes of Bonanza Creek, the most prolific gold producing creek in the Klondike placer camp.

The property was staked by Shaw Ryan, of Dawson City, in 2003 based on the presence of a prominent NNW trending aeromagnetic linear underlying the center of the Bonanza property he considered could be the northern continuation of the Buckland Shear zone which is associated with the Lone Star Mine. The property was subsequently optioned to International Gold Resources Corp. who is the current operator.

Systematic geological bedrock mapping of the property was conducted by the author over 12 days in July and August 2004. Between August 1 and September 15, 2004 a total of 86.2 kilometres of grid was established to run ground magnetic and soil geochemical surveys.

Geological mapping has indicated that the bulk of the Klondike Schist rocks underlying the Bonanza property area most likely part of the Sulphur Creek orthogneiss or its metamorphosed and deformed equivalents. Three distinct types of younger igneous rocks intrude the Klondike schist in this area. The youngest of these are very prevalent, northerly trending mafic dikes and are suspected to account for the similarly oriented aeromagnetic linear that crosses the property.

LOCATION AND ACCESS

The Bonanza property is located 12 kms south southeast of Dawson City in west-central Yukon Territory. It is a north trending belt of claims, 12.5 km long by up to 4.5 km wide overlying the eastern slopes of Bonanza Creek (Figure 1). It occupies the north-central portion of the 1:50 000-scale, 1150/14 map sheet and is roughly centered on Latitude 64° 20' by Longitude 139° 20' (582 500 Easting by 7 093 500 Northing, UTM NAD83, Zone 7).

Dawson can be reached from Whitehorse via the Klondike Highway, a distance of 535 kms, or by scheduled airline flights. From Dawson City, the property is easily accessed by the Bonanza Creek and Lower Bonanza Creek Roads which run along the western and southern margins of the property respectively. The eastern and southern portions of the property can be accessed by ATV via the Ridge Road trails that occupy the high ground to the east of the property.

LEGAL DESCRIPTION

The Bonanza Claim group consists of 88 unsurveyed continuous claims (Figure 2) covering an area of approximately 17 square kms within the Dawson Mining District. The property is owned by Shaw Ryan of Dawson City, Yukon and is currently operated by International Gold Resources, Duvall, Washington, USA.

The following table illustrates the pertinent status of the Bonanza claims.

TABLE 1. BONANZA PROPERTY CLAIM STATUS

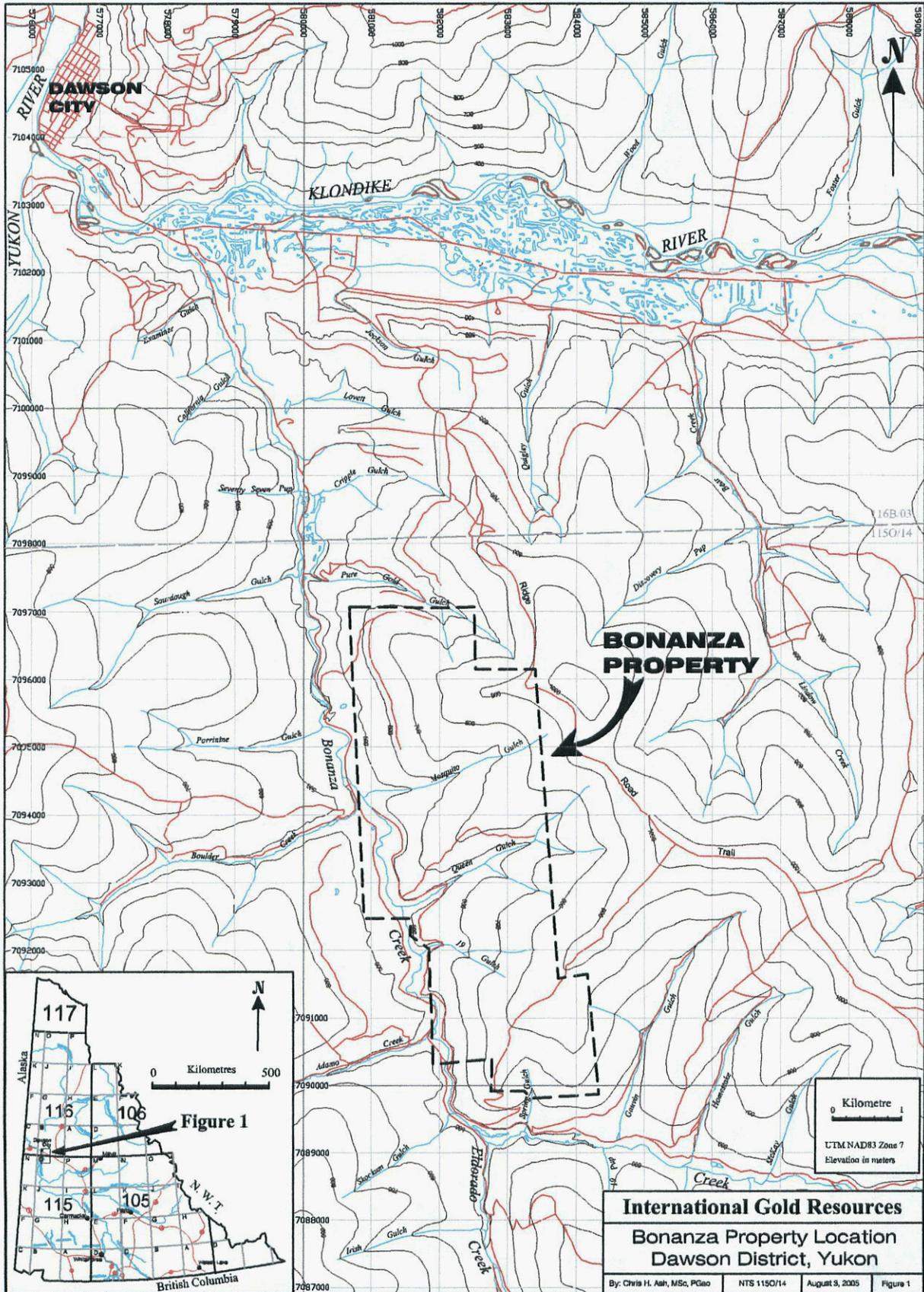
Claim Name	Claim Numbers	Grant/Record Number.	Operation Recording Date	Claim Expiry Date
Bonanza	1-38	YC25731 – YC25768	2004-03-03	2008-03-03
Bonanza	39-88	YC25839 – YC25888	2004-03-04	2008-03-04

Above information obtained from the Yukon Government, Department of Energy Mines and Resources web site on August 24, 2005.

PHYSIOGRAPHY

The Bonanza property is situated within Klondike Plateau physiographic subdivision. It encompasses the eastern, west facing slope of Bonanza Creek where relief is on the order of 540 meters with elevations ranging from 420 to 950 meters.

In this unglaciated area, bedrock exposures are in large part restricted to areas affected by mechanical disturbance through placer mining and related road building. As a result, bedrock exposures are much more abundant along Bonanza Creek which has been actively placer mined for over a century. Bedrock exposure is also enhanced through placer mining activity along Pure Gold, Mosquito and Queen Gulches which transect the property. White spruce and aspen blanket southern slopes, while black spruce, willows and alders dominate north facing slopes.



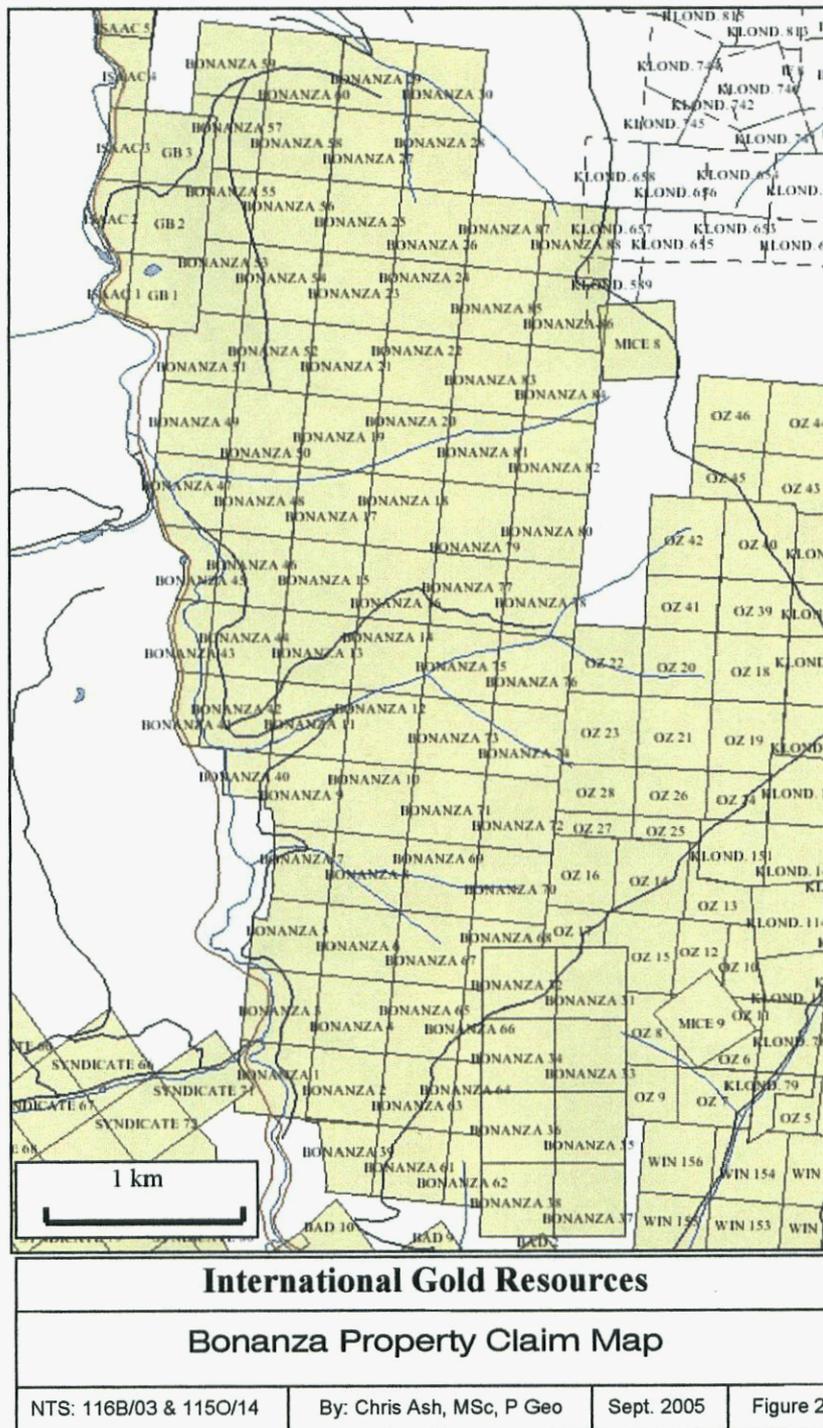


Figure 2. Bonanza Property Claim Map

2004-2005 WORK

GEOLOGICAL MAPPING

For 14 days in July and August 2004 the Bonanza Property was systematically mapped at a 1:20,000 scale. Individual outcrops and stations were located by GPS and plotted digitally in NAD83 UTM (Zone 7) topographic space. For 8 days of this field mapping the author was assisted by Lisa Peters of Victoria BC.

GRID WORK

Between August 1 and September 15, 2004 a total of 86.2 kilometres of grid was established on the Bonanza Property (Figure 3). This was done to conduct ground magnetic and soil geochemical surveys. The grid work was conducted by Claude Audet, Regean Audet and Larry Smith of Dawson City, Yukon.

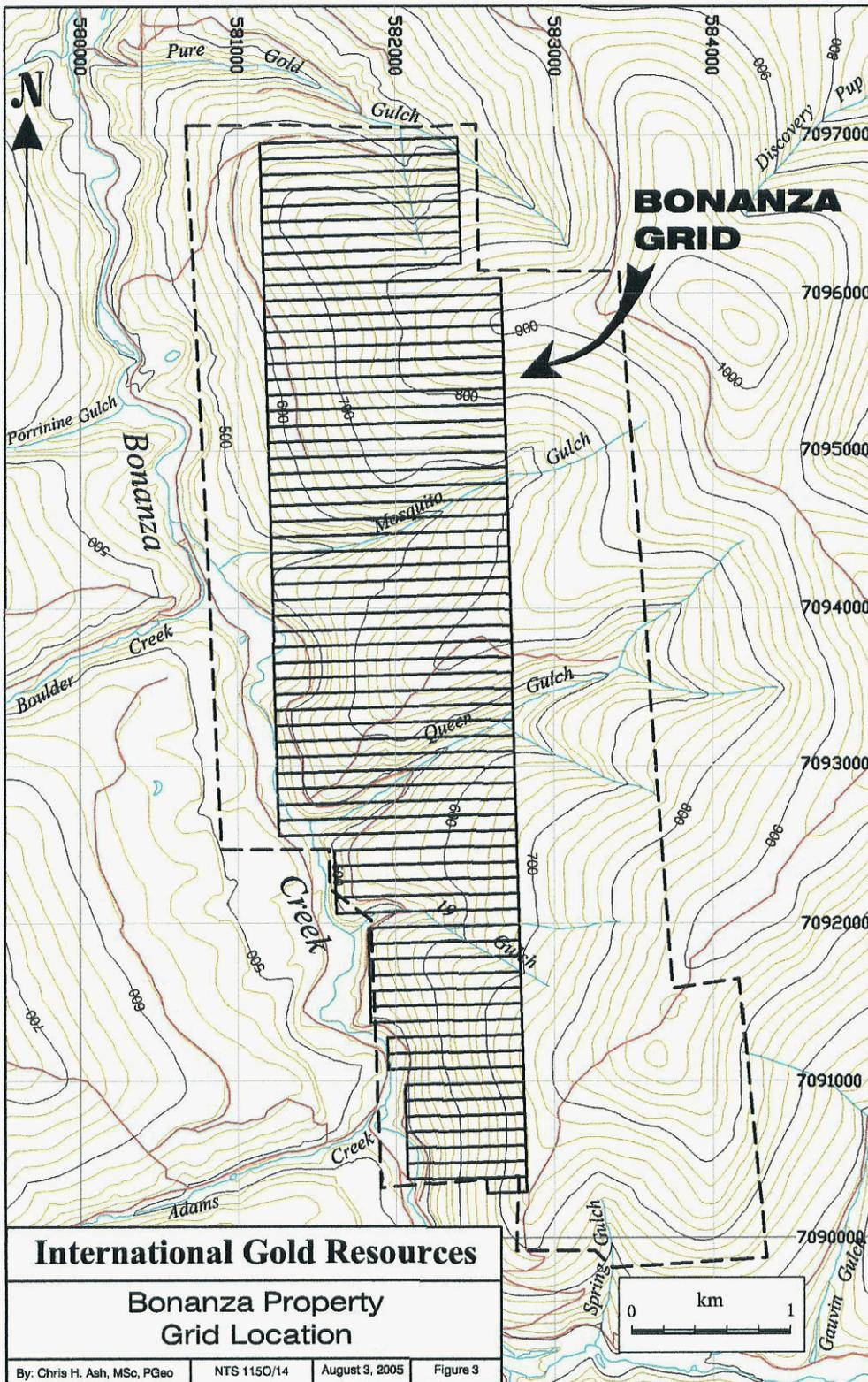
BONANZA PROPERTY GEOLOGY

Systematic mapping throughout the historic Klondike region by the author in 2004 and 2005 has defined a flat-lying, intensely altered and tectonized terrane bounding fault zone that separates footwall polydeformed and metamorphosed Late Paleozoic Klondike schists assemblage rocks and their unconformably overlying Triassic (?) sedimentary rocks from hanging wall Late Paleozoic Slide Mountain terrane ophiolitic rocks.

The Bonanza Property area (Figure 4) is underlain primarily by variably deformed, metamorphosed and hydrothermally altered rocks of the mid-Permian Klondike Schist Assemblage (Debicki, 1984; Mortensen, 1996). Locally, they are overlain by variably deformed carbonaceous clastic sedimentary successions of relatively limited thickness in this area. No rocks characteristic of the hanging wall Slide Mountain ophiolitic assemblage were identified in the Bonanza property area but are present at structurally higher levels regionally.

Klondike Schist Assemblage

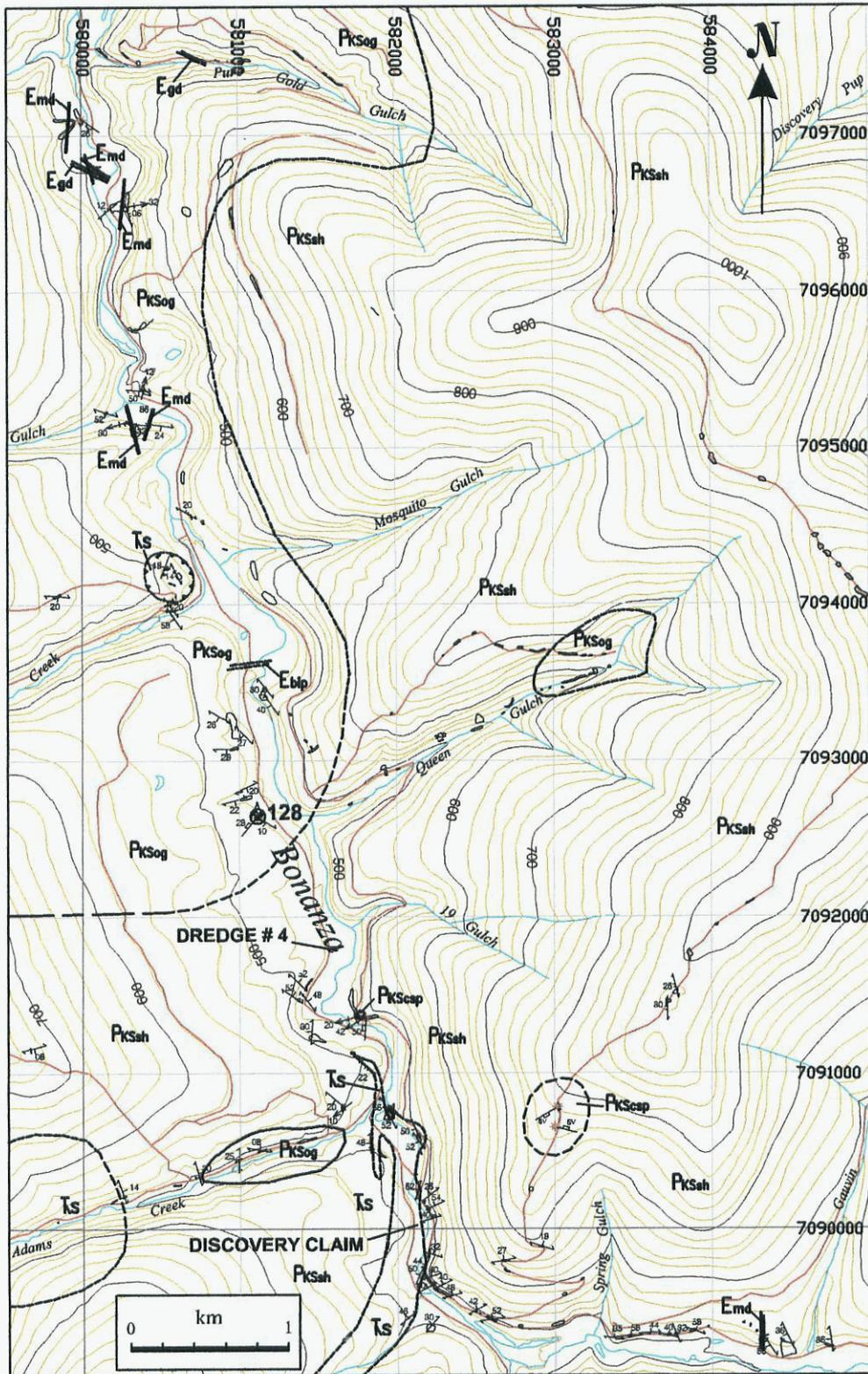
Detailed mapping suggests that Klondike Schist assemblage rocks underlying the Bonanza property area are mainly variably metamorphosed and hydrothermally altered variants of the Sulphur Creek orthogneiss. This is a mid-Permian, northwest-trending quartz monzonite body to the immediate west of the property area (Mortenson, 1996). At least three distinct mapable units are identified and these are interpreted to result from variation in intensity and style of deformation and hydrothermal alteration related to their structural position below the flat lying terrane bounding suture zone. Hence the least deformed and recrystallized rocks are structurally lowest with intensity increasing upward. Contact relationships between the three units is everywhere transitional.



International Gold Resources

**Bonanza Property
Grid Location**

By: Chris H. Ash, MSc, PGeo NTS 1150/14 August 3, 2005 Figure 3



TRIASSIC (?)

Is **Siltstone:** dark grey to black siltstone/mudstone locally interbedded on the 0.5 to centimeter scale with light grey fine to medium grained sandstone. Locally highly carbonaceous and intensely tectonized.

MIDDLE TO LATE PERMIAN

KLONDIKE SCHIST ASSEMBLAGE

PkSog **Quartz Monzonite orthogneiss:** Light to dark grey green fine to medium grained equigranular to porphyritic, variably deformed and recrystallized, relict igneous textures often preserved.

PkSsh **Quartz-sericite-chlorite schist:** light to dark grey-green, often rusty brown weathering, fine to medium-grained with quartz thinly laminated (0.5 to 1.5 mm), variably sericite pyrite altered, tight folding and development of S2 crenulation cleavage common.

PkScap **Carbonate-sericite-pyrite altered quartz-sericite-chlorite schist:** rusty orange-brown weathering, typically crenulated and quartz-carbonate veined.

INTRUSIVE ROCKS

EOCENE

Eblp **Birds eye porphyry:** buff pink to buff white brown-weathering quartz porphyritic rhyolite.

EOCENE (?)

Emd **Mafic/Lamphyre:** dark green to black, rusty green-brown weathering, from 1.5 to 6 meters wide.

CRETACEOUS (?) JURASSIC (?)

Egd **Granodiorite:** light and dark grey, fine to medium-grained porphyritic brown-weathering; disseminated pyrite common; moderately magnetic.

SYMBOLS

Contact (defined, approximate, inferred).....	
Fault (defined, approximate, inferred).....	
Contact (defined, approximate, inferred).....	
Quartz vein (location).....	
Quartz vein (orientation).....	
Sedimentary bedding	
Fold hinge orientation	
S2 crenulation cleavage	
MINFILE Locality	

CARTOGRAPHIC INFORMATION

North American Datum 1983, UTM Zone 7; Transverse Mercator Projection.
Contour interval in meters.

International Gold Resources

**Bonanza Property
Geology Legend**

By: Chris H. Ash, MSc, PGeo NTS 1150/14 August 3, 2005 Figure 4b

Quartz Monzonite Orthogneiss (PKSog)

This is the least altered and deformed variant of the orthogneiss. It is light to dark grey green weathering and locally displays relatively well preserved relict igneous textures. A 2 to 4 cm wide planar fracture cleavage is a characteristic feature of this unit.

A range of relict primary textures indicated that both medium to coarse-grained equigranular phases and also fine to medium-grained quartz and/or feldspar porphyritic phases of the unit are both present. Additionally within this textural range there are also both leucocratic and melanocratic phases present within each textural type. Compositional igneous layering on the scale centimeters to meters is also evident.

Quartz-carbonate-sericite schist (PKSsh)

This unit is medium to coarse grained, light to medium silver grey-green and is dark to silver-grey, rusty brown on weathered surface. In comparison to the above unit it is distinctly schistose usually lacking any sign of relict primary textures. Thinly banded quartz separated by varying amounts of sericite and chlorite. Characteristic colour variations in this unit from darker more chloritic varieties to lighter grey green more sericitic end members are thought to reflect primary compositional variations as described for the unit. Coarse-grained secondary sericite in addition to pyrite is often associated with tight, flat-lying isoclinal folding and developed crenulation cleavage in higher structural levels within this unit.

Quartz-carbonate-sericite schist (PKScsp)

This unit is a minor component within the Bonanza property area. It is a distinctive orange-rusty brown weathering unit consisting of quartz-carbonate-sericite-pyrite schist cut by quartz-carbonate +/- pyrite veins. It represents the most intense style of alteration and deformation and occurs tectono-stratigraphically within the immediate footwall of the terrane-bounding suture.

Clastic sedimentary rocks (Trs)

This unit is dominated by dark-grey to black shale and overlies Klondike Assemblage rocks in the central and southern parts of the property area. Currently, the shale and underlying Klondike schist are infolded along their contacts and a flat lying crenulation cleavage is typically well developed. Both units display the effects of hydrothermal alteration at their deformed contact zone. This zone is typically gossanous, being most pronounced at the immediate contact. Changes in the colour of both rock types are evident within several meters of their contacts. Shale change from dark grey to black and becomes highly carbonaceous. Klondike schist rocks are converted to a tan to orange rust brown weathering, sericite-pyrite-carbonate altered rock.

Intrusive Rocks

Three distinct types of igneous rocks have been identified intruding the Permian Klondike Assemblage in the Bonanza property area. They include; 1) Cretaceous granodiorite, 2) Eocene (?) quartz +/- feldspar porphyritic granite, and 3) younger mafic

dikes. The two younger dikes occur exclusively as dikes. The older granodiorite appears to also form dikes but small plugs or stocks may also be present.

Granodiorite (Kgd)

Granodiorite dikes are medium to fine-grained and often feldspar and, or hornblende porphyritic. The unit comprises both leucocratic and melanocratic phases. Leucocratic varieties are buff white to light grey and often contain hornblende phenocrysts. Melanocratic phases are grey with white phenocrysts of feldspar and quartz. These dikes are not penetratively deformed but are fractured, and lack chilled margins. They are always magnetic and often contain trace to several percent pyrite. Weathered exposures are often rusty weathering.

Correlative rocks that have been isotopically dated elsewhere in the Klondike give Late Cretaceous ages (Mortenson, 1996) for this unit.

Mafic – Lamphyre Dikes (Edm)

A suite of roughly north-south trending, steeply to moderately dipping mafic dikes have been identified along Bonanza Creek. These dikes are dark green to black, rusty-brown weathering and vary from 2 to 6 meters in width. They are the most prolific dike type, being identified in virtually all large bedrock areas have been stripped of overburden through placer mining. Due to the recessive weathering nature of these dikes and the characteristic limited bedrock exposure, the volume of dikes is expected to be much more prevalent than indicated.

Mafic dikes usually display chilled margins and as a result, are texturally varied. Chilled margins are fine grained, aphanitic while dike cores are fine to medium-grained and pyroxene(?) feldspar porphyritic. Dikes are also magnetic, but this feature may not be apparent in weathered exposures.

Host rocks marginal to these dikes are often rusty brown weathering over distances of one to two meters away from the dike contacts.

Quartz Eye Porphyry Dikes (Ebip)

Only one dike of this type was identified on the Bonanza property. It is exposed on the west side of Bonanza Creek between Mosquito and Queen Gulches.

The unit is buff white to light tan, rusty-brown weathering, very fine grained and porphyritic. Rounded, grey quartz phenocrysts, 1-3 mm in size impart a distinctive quartz eye porphyritic texture.

It is texturally and mineralogically similar to a suite of dikes that are much more prevalent to the east of the Bonanza Property on Hunker Creek. These have been interpreted to be of Eocene age (Mortenson, 1996) based on correlation with similar rocks isotopically dated elsewhere.

MINERALIZATION

In excess of 4 Million ounces of recorded placer gold has been recovered from the Bonanza Creek valley. By volume, it is the most productive creek in the Klondike and was also the site of the initial placer discovery that started the Klondike gold rush in 1896.

In spite of these facts, no significant lode mineralization has been identified or is known to be reported for the Bonanza property or its immediate area.

SUMMARY

Mapping on the Bonanza property in 2004 and 2005 indicates it is underlain primarily by variably deformed, metamorphosed and hydrothermally altered equivalents of the mid-Permian Klondike Assemblage, Sulphur Creek orthogneiss. These metamorphic rocks are locally overlain by a graphitic siltstone unit that is both locally highly carbonaceous and tectonized. Three distinct dike types are recognized intruding the Klondike Assemblage.

The degree and intensity of alteration and deformation within the units is interpreted to be related to their proximity to the larger scale terrane-bounding fault zone that would have existed above the Bonanza property area prior to crustal uplift and erosion.

In light of the tectono-stratigraphic position of the Bonanza property area, i.e. being below the terrane bounding suture, it is felt that there is limited potential to find productive gold lodes is unlikely. No additional work is recommended at this time.

The north-south trending magnetic linear anomaly that was initially interpreted as a possible continuation of the Buckland shear zone is more likely related to the abundance of roughly north-south trending, magnetic mafic dikes.

APPENDIX I

Selected References

- Bostock, H.S. (1942): Oligvie map sheet; Geological Survey of Canada, Map 711A.
- Debicki, R.L. (1984): Bedrock geology and mineralization of the Klondike area (west), 115/14,15 and 116B/2,3; *Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada*, Open File 1:50,000 Map with marginal notes.
- Debicki, R.L. (1985): Bedrock geology and mineralization of the Klondike area (west), 115/9, 10, 11, 14, 15, 16 and 116B/2,3; *Yukon, Indian and Northern Affairs Canada*, Exploration and Geological Services Division, Open File 1:50,000 Map with marginal notes.
- Mortensen J.K. (1989): Geology and U-Pb geochronology of the Klondike District, west-central Yukon Territory; *Canadian Journal of Earth Sciences*, v. 27, pages 903-914.
- Mortensen J.K. (1996): Geological compilation maps of the Northern Stewart River map area Klondike and Sixtymile districts (115N/15,16; 115O/13,14 and parts of 115O/15,16); *Indian and Northern Affairs Canada, Yukon Region*, Open File 1996-1(G), Report (43 pages) with 1:50,000 scale maps (6).

APPENDIX II**Statement of Expenditures****GEOLOGICAL MAPPING****Wages**

Geologist - 12 days @ \$550.00/day \$ 6,600.00
Assistant - 8 days @ \$220.00/day \$ 1,760.00

Accommodation and Meals \$ 1,800.00

Truck Rental (Fuel, Mileage, Insurance) \$ 1,200.00

Geological compilation, drafting, report writing \$ 3,640.00

SUBTOTAL \$ 15,000.00

GRID WORK (86.2 kms at \$150.00 per km) \$ 12,930.00

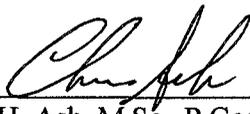
TOTAL \$ 27,930.00

APPENDIX III

Statement of Qualifications

I Chris H. Ash, do hereby certify that:

- (1) I am a geologist with more than twenty years of field experience.
- (2) I graduated from Memorial University of Newfoundland with an Honours BSc Degree in geology in 1985.
- (3) I graduated from Memorial University of Newfoundland with a MSc Degree in geology in 1990.
- (4) As a Project Geologist, I conducted geological mapping and mineral deposits research for the British Columbia Geological Survey throughout the province of British Columbia for 13 years from 1989 to 2002.
- (5) I am a Professional Geoscientist (PGeo) registered in the province of British Columbia (Registration No. 20015).
- (6) I am a member in good standing with the Society of Economic Geologists.
- (7) I conducted an 11 day field examination of the Bonanza Property which involved 8 days during July and August 2004 and 3 days in August 2005.



Chris H. Ash, M.Sc., P.Geol.
CASH Geological Consulting