

REPORT ON 2005

EXPLORATION

IN THE

Whitehorse Mining District, Yukon Territory
NTS 105 D/01 (Lat: 60°09' N Lon: 134°01' W)

on

July-Oct, 2005
Yukon Placer Claims
SAM 1 to 9
P47401, P47417-P47424
NUGGETS P46997

For: Sid McKeown
11 Denver Road
Whitehorse, Yukon

By: Joseph A. J. Clarke
Marsh Lake, Yukon

November 30, 2005



SUMMARY	3
LOCATION AND ACCESS	3
PROPERTY.....	3
HISTORY	4
PHYSIOGRAPHY AND CLIMATE.....	4
GEOLOGY	5
EXPLORATION	6
CONCLUSIONS AND RECOMMENDATIONS.....	7
STATEMENT OF QUALIFICATIONS	8
STATEMENT OF COSTS	9
BACKGROUND INFORMATION.....	10

SUMMARY

The purpose of the YMIP grant was to evaluate the placer gold potential of the Sam 1 to 9 (P47401, P47417-47424) placer claims located in the Whitehorse Mining District, Yukon Territory. They are situated on Wolverine Creek on the east side of a mountain range south of Jubilee Mountain and on the west side of Little Atlin Lake. Access is by an all weather road from the Atlin Road. The writer visited the property on October 08, 2005 walking the length of the claims and taking digital photos and recording GPS locations.

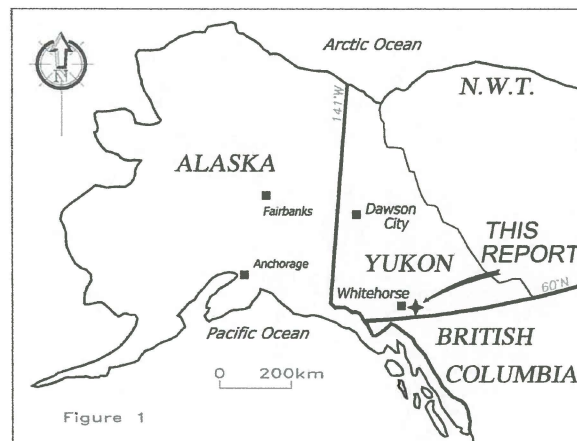
Placer mining and hard rock exploration has occurred in this area since the time of the Gold Rush. Exploration work conducted by Mr. McKeon in 2005, under the 2005 YMIP grant consisted of test pitting (3 trenches-160 yrd³), auger drilling (4 holes-1739 ft) and bulk sluice box sampling (160 yrd³) has shown that the creek has the potential for profitable small to medium scale placer production. Gold values averaging 3.1 grams/yard³ occur in the upper 2m of course boulders and gravel. This upper mineable area is above a 10ft to 60ft layer of glacial silt and clay. Several auger drill holes penetrating beneath this layer encountered earlier orange weathering gravels.

Investigations of the Wolverine Creek in the 2005 YMIP program have also provide valuable insights into the placer geology of the Jubilee Mountain area.

LOCATION AND ACCESS

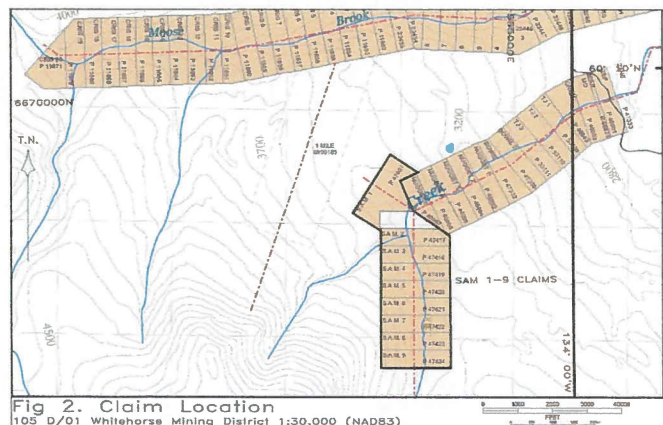
The property is located 90km SE of Whitehorse, Yukon (see Fig. 1). It is accessible from an all weather gravel road west of the Atlin Road. The all weather access road is not maintained during the winter except for occasional clearing by placer miners for winter access to claims.

The property is also located 25 km north of the British Columbian border.



PROPERTY

The Sam 1-9 (P47401, P47417-47424) Yukon placer claims are in the Whitehorse Mining District. (see Fig. 2). They are located on NTS sheet 105D01 (Lat: 60°09'N Lon: 134°01'W)



The property lies within the traditional territory of the Carcross-Tagish First Nation.

HISTORY

The creeks draining into Tagish and Little Atlin Lakes from Jubilee Mountain have been explored and mined since shortly after the Klondike Gold Rush. Hard rock exploration for Au, Cu-Ni, and PGE has been conducted since that time as well.

The following description of the placer history of Wolverine Creek is from O.F 1995-10G YGS, Placer Mining and Exploration Compilation, L. Carlyle;

Watercourse Name:	Common: <u>Wolverine Creek</u>	Other
Location:	60° 10' N, 134° 00' W	NTS 105 D/1

History and Previous Work:

Work was being done on this creek by Don MacGregor in 1988 but no further work is known to have occurred. Claims, P 26870 and P 27264, are owned by Bellinger Resources Ltd. and Radian Resources; the first is in good standing until October 1, 1997 and the second until October 1, 1996. Claim, P 41533 is owned by Judith Olivia Dunlop and is in good standing until July 26, 1995. Claims, P 33109 - P 33111, are owned by JoAnne Mary Gilbert, Jeffrey Gilbert, and Donald MacGregor and are all in good standing until August 23, 1995. No record of production has been found from these claims.

Description:

Wolverine Creek is a tributary of Little Atlin Lake running into it from the west. It has a length of approximately 14 miles and enters the west side of the lake about 2 miles from its south end. Wolverine Creek appears to have a gentler slope and a larger watershed than that of Moose Brook.

Surficial Geology:

The operation probably encountered similar mining conditions to that found at the 1983 Kabanak operation on Moose Brook approximately 2 miles further north. The deposit thicknesses probably varied from 25 feet to 40 feet and consisted primarily of silt, with a band of sand, and pebble and boulder gravel approximately 15 feet thick in the middle. Some of the boulders being up to 3 feet across.

Bedrock Geology:

The creek overlies Permian limestone, argillite, slate, and greenstone. It has its headwaters on the southern end of Jubilee Mountain where these sedimentary rocks contain metamorphosed volcanic rocks and Cretaceous granites, peridotite and serpentinite. The gold may have originated in these rocks.

Currently both the placer and hard rock potential of the Jubilee Mountain area is being reevaluated by prospectors and miners.

PHYSIOGRAPHY and CLIMATE

The Jose property is located in the glaciated Southern Lakes between the Yukon Plateau and the Coastal Range.

The climate consists of warm to hot summers and cold winters with temperatures often reaching below -50 degrees C. The area has close to 20 hours of daylight in the summer months and little sunlight during the winter. Precipitation is moderate with normally drier summers. Snowfall accumulation in some areas reaches close to 2 meters in the winters.

Permafrost occurs in most undisturbed north facing areas above tree line.

The area is typical of the Yukon boreal forest. Forested slopes and valleys consist of black spruce, pine and aspen. Common are muskeg areas with variable amounts of willow and alders. Areas of higher elevations are typically treeless and are covered by sedges and various dwarf birch species.

Wildlife includes moose, grizzly and black bear, caribou, wolf and other species typical of the northern Yukon Boreal forest.

GEOLOGY

Regional geology (see figure 3.) is described in the Yukon Minefile 105D #001, #157, 2005:

105D01-#001 *"Pyrrhotite and minor bornite, chalcopyrite and occasionally sphalerite occur as narrow lenses in diopside-garnet-epidote skarn developed in Carboniferous to Triassic Cache Creek Group bioclastic limestone near the contact of a dunite body. Geophysical surveying did not identify any magnetic anomalies and EM conductors do not correlate well with surface showings. Selected grab samples returned peak values of 1.5% Cu, 4.8 % Zn, 71 g/t Ag and traces of Au, with the best chip sample returning 0.75% Cu, 0.05% Mo and 6.2 g/t Ag."*

105D01-#157 *"The property is underlain by Carboniferous to Triassic Cache Creek Group basaltic flows, pyroclastic rocks and intercalated cherts that form a roof pendant above, or an embayment into a large dunite intrusion. Gold-bearing arsenopyrite occurs with chalcopyrite, minor pyrrhotite and pyrite and quartz-calcite gangue in a 1 to 2 m wide vein and stockwork zone in a 10 to 25 m wide east-west, vertically-dipping shear zone (Jubilee Shear zone) that has an indicated strike length exceeding 1 600 m.*

The average grade of seven trenches was 9.3 g/t Au, 27.4 g/t Ag and 1.0% Cu across 1.5 m. A length of 300 m was suggested by the EM and geochemical anomalies. Drilling showed that the mineralization is erratically distributed but locally more widespread than indicated by surface work. Four of 11 drillholes intersected significant mineralization. The best results were from Hole J82-1, which averaged 0.69 g/t Au, 6.9 g/t Ag and 0.35% Cu over 21.8 m.

Scott and Carter discovered a second smaller shear zone (Jube Shear zone) that is parallel with and located 640 m south of the Jubilee Shear zone. Limited sampling of this zone returned values

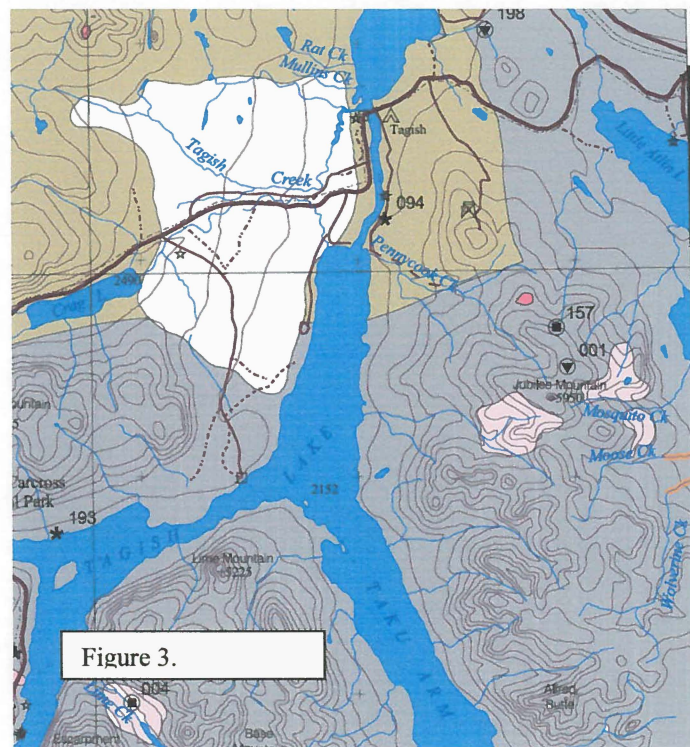


Figure 3.

of 4.5 and 3.6 g/t Au, 2.7 and 1.9 g/t Ag and 5 810 and 4 087 ppm Cu respectively from two grab samples collected about 9 m apart along the shear zone.

The work in 2002 was carried out to test for extensions of geochemical and geophysical anomalies reportedly defined during work in 1987. Results of the 2002 work were disappointing with only a couple of soil geochemical spot highs for Au and Ag of 41 ppb and 0.9 ppm, respectively. Two rock samples collected from just north of the soil grid and consisting of limonitically stained chert with quartz veinlets and minor sulfides on the fractures returned peak values of only 23 and 24 ppb Au."

EXPLORATION

Work conducted on the Sam 1-9 Claims in the summer of 2005 consisted of road access construction, auger drilling, test pitting, test sluicing and reclamation work. Work was also conducted on Nugget 4, 5 with a separate ownership agreement. A compilation of work done is shown in Table 1. Figure 4. shows areas of work performed on the creek.

A diesel-hydraulic 6 inch diameter auger drill was used to drill ⁴²⁶⁵~~4239~~' of drilling in 41 holes at 50 ft intervals along the access. The purpose of the holes were to test the depth to bedrock and the depth of the silt-clay layer. Detail logging of the holes was not required as all holes were in the silt-clay layer except two. As the creek consists of 1-10 feet of boulders and gravels on top a thick silt-clay layer it was necessary to dig through this layer with a backhoe and backfill before drilling. Two holes shown in Figure 4. reached rusty gravels and/or bedrock beneath the silt-clay layer.

Test pitting was performed with a Hitachi UH07 1yrd excavator. Three test pits were complete. Test pits #1 and #2 were located on Nugget 5 and Sam 1 respectively. Test pit #3 was excavated on Sam 2. All pits were 40ft long x 6ft wide x 6ft deep with an in-place volume of 53.3 yrd³ each.

Two separate sluicing tests were run. A 3ft wide by 14ft long metal longtom sluice with 1" riffles and expanded metal mesh over miners moss was used, fed by a 1yrd backhoe. Water was provided by a 4" pump and discharged back into the pit and a series of smaller pits below. The first run consisted of 100 1yrd buckets from Pits #1,2. The material was mostly coarse to fine grain gravels with ~10% silt-clay. The second run consisted of 100 1yrd buckets of similar material from Pit#3.

Access to the creek was 1km from the existing placer road and cut with a TD15C dozer. A small clearing was cut for camp on Nugget 4. The access up the creek proved difficult because of large boulders overlying the thick layer of clay and silt. Much care was taken to cause as little disturbance as possible. Thick vegetation required much chainsaw work. Road access was constructed from Nugget 4 to Sam 4.

Table 1. (see attached budget)

Total Hoe Hours	218.3hrs x \$150/hr
Total Dozer Hours	126.8hrs x \$125/hr
Total Auger Drilling	1739 feet
Total Person Hours	521 hrs

CONCLUSIONS AND RECOMMENDATIONS

Sluicing test gave results of 31 grams gold recovered from 100 yrd³ of the upper 1-10 feet of creek gravels giving a grade of 3.1gms/yrds³. This gravel has many large (>1yrds³) boulders and overlays a 50-60 ft layer of slit-clay. Drilling results show that bedrock and older creek gravels may lie within 70 feet of surface. With good gold prices the mining of the 60ft wide upper 1-10 feet of creek gravels should prove profitable for a small scale operation. Having existing road access is an asset. Mining to depth however may prove challenging as the valley is narrow and with limited room to store the slit-clay material.

It is recommended that larger amounts of the top gravels should be sluiced to provide a better idea of the value. Further drilling and sampling is also recommended above Sam 4. As well, the area west of the bend in Wolverine Creek should be investigated for buried channels. A 50-100m spaced magnetic survey and ground penetrating radar survey should also be considered to provide a better understanding of the nature of the bedrock.

It should also be noted that the gravels of this creek can provide valuable information for the hard rock potential of the area and attention should be paid to the heavy mineral fraction of pan and sluice box concentrates.

STATEMENT OF QUALIFICATIONS

I, Joseph A. J. Clarke, of Marsh Lake, Yukon Territory hereby certify:

I am writing this report at the request of Mr. Sid McKeown of Whitehorse, Yukon and have no direct or indirect interest in the Sam 1-9 claims described in this report;

I have visited the Sam 1-9 claims on October 08, 2005;

That I have graduated from the Haileybury School of Mines in 1985 with a diploma in Mining Engineering Technology;

That I have been engaged in prospecting and mineral exploration in the Yukon on a full time basis since May of 1993 and have been engaged in prospecting and in the mining industry for 22 years in Canada;

That I have a commitment to explore the Yukon in a gentlemanly manner, with a respect for others who use the land.

Signed at Whitehorse, Yukon Territory on the 20 day of November, 2005.



Joseph A. J. Clarke

STATEMENT OF COSTS

BACKGROUND INFORMATION

MAP NO.: PLACER ASSESSMENT REPORT X
105D/01 PROSPECTUS X
CONFIDENTIAL
OPEN FILE

DOCUMENT NO: 120208
MINING DISTRICT: Whitehorse
TYPE OF WORK: Test pitting, auger drilling
bulk sampling

REPORT FILED UNDER: Sid McKeown

DATE PERFORMED: Summer 2005

DATE FILED: June 19, 2006

LOCATION: LAT.: 60°09'23" N

AREA: Wolverine Creek

LONG.: 134°01'22"W

VALUE \$: 9500.00

CLAIM NAME & NO.:

SAM 1-9 (P47401, P47417-P47424), NUGGET 5 (P46997)

WORK DONE BY: Joseph A.J. Clarke

WORK DONE FOR: Sid McKeown

DATE TO GOOD STANDING :

REMARKS:

The program outlined a surface gold-bearing zone of gravel 2 m in thickness, overlying a 3 to 10 metre thick clay "false bedrock".

TRANSMITTAL FORM

MR File No.

RMML File No.

Date ~~18 OCT '06~~ 2 OCT '06

From ► Mining Recorder at: Whitehorse

To ► Regional Manager Mining Lands Mining Inspections Geology (Bill Lebarge.)

For Action Are:

New Application for Placer Lease

Name:

Renewal Application for Placer Lease

Name:

Lease No:

Affidavit of Expenditure of Placer Lease

Name:

Lease No.

Security Deposit

Name:

Financial Ability

Name:

Assignment of Placer Lease

From:

To:

Grouping App. Under Sec. 52(2) YPMA

Owner(s)

Prev. Grp. Number _____

Claims Added

Claims Transferred

Diamond Drill Logs

Claims

Map No.

Qtz Assessment Report

Claims Sam 1-9, Nugget

Map No. 1050-01

Placer Assessment Report

Type of Report Drilling, Samp. TR.

Owner Sid McKeown

Cls. Work Performed on Sam 1, 2, Nugget 5

\$9,500.00


Signature

REPLY ACTION:

Date Returned

Filed 19 June '06

Signature