

MAP No.

105-M-13

ASSESSMENT REPORT
PROSPECTUSCONFIDENTIAL
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Mayo MD

WORK:

Summary

REPORT FILED UNDER	Barandium Resources Ltd.	DOCUMENT NO. 062297
DATE PERFORMED	Oct. 26, 1987 & July 11/88	DATE FILED: Nov. 2, 1988.
LOCATION - LAT.	63° 52' N	AREA: Mount Haldane, Yukon.
LONG.	135° 52' W	
CLAIM NO.	MIDDLECOFF, LOWELL, JOHN, JO, GOPHER, WHISTLER, RICKY, DAWN, MIKE, ANDY, AXE 2, AXE 4, JAM 1-7	
VALUE \$		
WORK DONE BY	J.A. McClintock	
WORK DONE FOR	Barandium Resources Limited	
REMARKS	The property is underlain by Upper Schist and Central Quartzite which host the Mount Haldane Vein System. Several adits have been driven on the vein system which hosts lead and silver mineralization. Some showings have also assayed up to 1.6% zinc.	

PROSPECTUS
Nov. 2, 1988.
062297

SUMMARY REPORT

on the

MT. HALDANE PROPERTY

KENO HILL DISTRICT

MAYO MINING DISTRICT, YUKON TERRITORY

Latitude 63°52' North

Longitude 135°52' West

NTS 105M/13

for

BARANDIUM RESOURCES LTD.

by

John A. McClintock, P.Eng.

Revised July 11, 1988

October 26, 1987

Vancouver, B.C.

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SUMMARY AND CONCLUSIONS

The Mt. Haldane property is situated at the western end of the Keno Hill District of central Yukon approximately 20 km north of Mayo and 355 km north of Whitehorse. Since 1913, the Keno Hill District has produced over 201 million ounces of silver from vein-faults in thickly-bedded quartzite.

Past exploration on the Mt. Haldane property has discovered vein-fault silver mineralization at numerous locations along a 3000 m length of a northerly-trending fault zone transecting thickly bedded quartzite. Silver mineralization on the property is identical to that found elsewhere in the Keno Hill District and consists of galena, sphalerite, tetrahedrite and pyrargyrite in a siderite and lesser quartz gangue. Sampling of the mineralization has assayed up to 97.8 opt silver and 15.8% lead across a width of 0.6 m. A 24.7 tonne bulk sample from one of the veins had an average grade of 90.47 opt silver and 59% lead.

To date, exploration has clearly shown the Mt. Haldane property to have geological and structural features conducive for silver-lead-zinc ores in the Keno Hill District. The mineralization occurs in complex vein-faults in the favourable Central Quartzite Unit and silver to lead ratios are comparable to other silver deposits in the district.

Previous exploration has focused on the Middlecoff and Johnson Veins, hence much of the 3000 m strike length of the fault system has received only preliminary evaluation. Nearly all of the partially or untested strike length is overburden covered and could be best evaluated with closely spaced grid soil sampling in conjunction with detailed prospecting and follow-up trenching. This exploration technique has successfully located silver deposits elsewhere in the Keno Hill District.

To this end, a two-phase exploration program is recommended. An initial phase of closely spaced soil sampling on a 50 by 20 m grid, prospecting and geological mapping is recommended. A limited amount of bulldozer trenching of any geochemical anomalies discovered is also recommended. The overall objective of Phase 1 is to locate additional vein-fault mineralization. Cost of the Phase 1 work is estimated to be \$82,000.

Phase II, contingent on the success of Phase I, involves testing with further trenching and diamond drilling the silver-lead-zinc grades of vein-faults defined by the Phase I program. The estimated cost of Phase II is \$173,000.

INTRODUCTION

At the request of Barandium Resources Ltd., Mr. C.A. Main of Archer, Cathro & Associates (1981) Limited commissioned the writer to compile this summary report on the Mt. Haldane property situated in the Keno Hill District of central Yukon Territory.

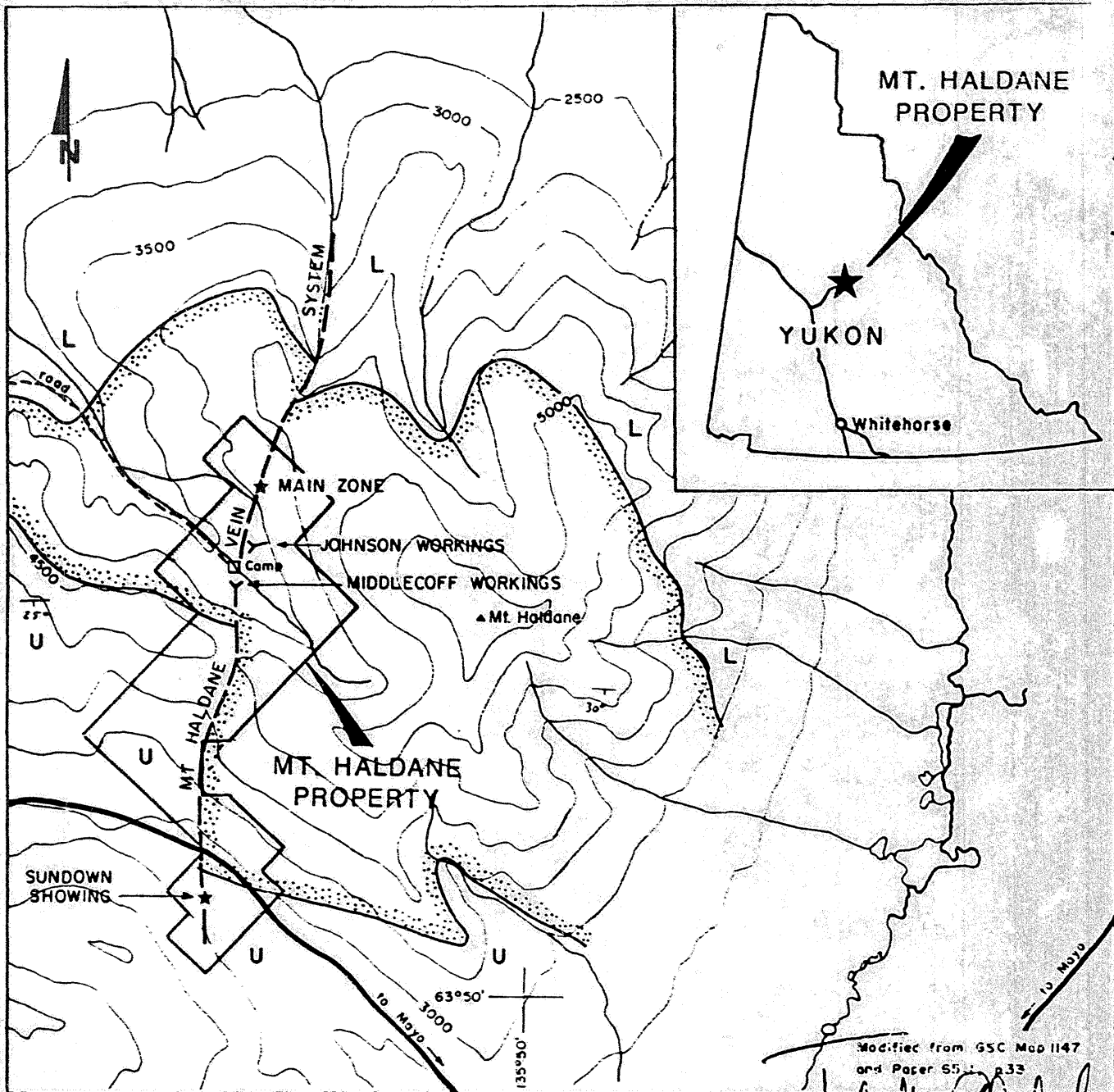
This report is based on an examination of the property on October 8, 1987, and a review of all available data including government publications and private reports describing the Mt. Haldane property.

Snow conditions on the property at the time of the examination prevented the writer from sampling the known showings. However, the amount and quality of previous exploration on the Mt. Haldane property, much of which was carried out under the supervision of the late Dr. A. Aho, P.Eng., is such that any sampling the writer could have feasibly done during the examination would not have altered the opinions or recommendations presented in this report.

LOCATION AND ACCESS

The Mt. Haldane property is situated on the western slope of Mt. Haldane at the west end of the Keno Hill District approximately 20 km north of the village of Mayo and 355 km north of the city of Whitehorse, Yukon Territory (Figure 1). More precisely, it lies at latitude $63^{\circ}52'$ north and longitude $135^{\circ}52'$ west (NTS 105M/13).

Access to the southern property boundary is by the all-weather Haggart Creek road which leaves Highway 2 approximately 26 km north of Mayo. The workings in the central claim block are accessed by a rough, 13 km long road that leaves the Haggart Creek road approximately 8 km from its junction with Highway 2.



LEGEND

- U Upper Schist – quartz-mica and graphitic schist and phyllitic quartzite, minor limestone
- L Lower Schist – graph. schist, thin bedded quartzite, quartz-mica schist
- Central Quartzite – thick to thin bedded, minor graphitic schist
- adit
- bedding attitude

Figure 1

J. MCCLINTOCK AND ASSOCIATES LTD.
LOCATION MAP
 MT. HALDANE PROPERTY
 KENO HILL DISTRICT, Y.T.
 BRANDIUM RESOURCES LTD.



PHYSIOGRAPHY

Mt. Haldane is a prominent 1838 m peak bounded to the north by the South McQuesten River and to the east by a broad glacial valley. Topography in the claims is moderately steep, but not rugged. Elevations range between 1000 to 1838 m. The lower slopes are covered by black spruce and poplar giving way to buckbrush and alpine grasses and mosses at higher elevations. Treeline is at 1370 m. Rock exposures comprise less than 5% of the surface area. Much of the upper slopes are covered by talus and felsenmeer.

CLAIM DATA

The property consists of 19 contiguous quartz claims. Title to the claims is held by Barandium Resources Ltd. through an option agreement dated October, 1987. Under the terms of the option agreement, Barandium Resources Ltd. has the right to earn a 100% interest in the property subject to a 15% net profits interest to the vendors. The claims are registered at the Mining Recorder's office in Mayo, Yukon Territory as follows:

<u>Claim Number</u>	<u>Grant Number</u>	<u>Expiry</u>
Middlecoff	YA1913	April 20, 1989
Lowell	YA1914	April 20, 1989
John	YA1915	April 20, 1989
Jo	YA1916	April 20, 1989
Gopher	YA17722	April 10, 1989
Whistler	YA17723	April 10, 1989
Ricky	YA17724	April 10, 1989
Dawn	YA17725	April 10, 1989
Mike	YA17726	April 10, 1989
Andy	YA17727	April 10, 1989
Axe 2	YA41529	January 18, 1989
Axe 4	YA41531	January 18, 1989
Jam 1-7	YA41865-71	July 9, 1989

ECONOMIC CONSIDERATIONS

The Mt. Haldane property is linked to the village of Mayo by 34 km of all-weather road. Mayo is 450 km by an excellent, all-weather paved and gravel highway from Whitehorse. The infrastructure at Mayo could support development in the Mt. Haldane area.

A reliable source of water could be obtained from either Bighorn Creek or the South McQuesten River. There is adequate area on the Mt. Haldane property for mine-mill development and waste or tailings disposal. Electrical power requirements would probably best be supplied by diesel generators.

HISTORY

KENO HILL DISTRICT

The Keno Hill District has a long history of silver mining dating back to the early 1900's when placer miners discovered lode silver-lead deposits. In 1913, the first silver was mined from the Silver King Vein situated 12 km east of Mt. Haldane. The No. 9 Vein was discovered in 1919 and its development by Keno Hill Ltd., a subsidiary of Yukon Gold Mining, sparked a staking rush that marked the beginning of major development in the district.

In 1921, Treadwell Yukon Company Ltd. began acquiring claims in the area and quickly gained control of the major deposits on Keno Hill. The Treadwell Yukon Company built a 135 tonne per day concentrator and was shipping over one million ounces of silver a year by 1925. In 1935, after a two year closure, the concentrator was moved to Elsa on Galena Hill where it operated until 1941 when a combination of falling metal prices, declining reserves and labour shortages forced operations to cease. Mining was resumed in 1945 when Frobisher and Conwest interests formed the Keno Hill Mining Company Ltd. (later reorganized as United Keno Hill Mines Ltd.) and purchased the Treadwell mill and property.

Cumulative silver production from over 28 separate vein-fault deposits in the district to the end of 1983 was approximately 201 million ounces, making the Keno Hill District Canada's second largest source of silver (Cathro, 1984).

MT. HALDANE

Silver-lead mineralization was discovered on Mt. Haldane prior to 1906. In 1915, the property was staked as the Lookout claims by A. Johnson and J.V. Smith. By 1918, W.E. Cockfield of the Geological Survey of Canada

reported that two short adits had been driven on what is known as the Middlecoff Vein and that several other veins had been discovered. Yukon Silver-Lead Mining Company Ltd. acquired the property in 1919 and subsequently explored the Middlecoff Vein with 207.3 m of drifting on four levels and 56.4 m of raising and shaft sinking and shipped 24.7 tonnes of ore grading 90.47 opt silver and 59% lead (Northern Cordillera Mineral Inventory).

On the Wolf claim, lying 460 m northeast of the Middlecoff Vein, A. Johnson drove a short adit on the Johnson Vein and made two shipments of ore in 1926 and 1927. These shipments are reported to have totalled 2.1 tonnes grading 140 opt silver and 60% lead.

No record of exploration exists from 1928 to 1944 when the ground was restaked by E. Bleiler and M. Ewing. The claims were optioned to Lookout Mountain Mines Ltd. in 1952, however, little work was done. In 1964, Silver Titan Mines Ltd. optioned the claims. From 1964 to 1965, Silver Titan carried out limited soil sampling, bulldozer trenching, rehabilitation, sampling and mapping of the underground workings. This work resulted in the discovery of the Main Zone approximately 450 m north of the Johnson Zone. The property was transferred to Haldane Silver Mines in 1966. Haldane Silver Mines carried out 701 m of overburden drilling, 487 m of drifting and 518 m of underground drilling. In 1968, Paramount Mining Ltd. acquired Haldane Silver Mines Ltd. Between 1968 and 1976, there is no record of exploration on the property.

When the claims lapsed in 1976, they were staked by M.H. Ewing who optioned the claims to B. Way, who carried out a limited grid soil sampling program. No systematic exploration on the claims has been carried since 1967.

GEOLOGY

REGIONAL GEOLOGY AND MINERALIZATION

The Keno Hill District occurs in the Yukon Cataclastic Terrane and is underlain by quartz-mica and graphite schist, phyllitic quartzite and quartzite. Mapping by L.H. Green (1966) of the Geological Survey of Canada has subdivided these low grade metamorphic rocks into three distinct divisions: the Upper Schist; Central or Keno Hill Quartzite; and, the Lower Schist.

The oldest division is the Precambrian Upper Schist consisting of thin-bedded quartzite, phyllite, graphitic phyllite, minor limestone and greenstone. The Upper Schist structurally overlies the Lower Cretaceous Central or Keno Hill Quartzite. The Central Quartzite, which hosts all of the best silver deposits, is a 1000 m thick sequence of massive quartzite intercalated with minor graphitic phyllite and greenstone. The Central Quartzite is in turn underlain by the Jurassic Lower Schist. The Lower Schist consists of an unknown thickness of graphitic phyllite, phyllitic quartzite, phyllite and greenstone.

The structural geology of the Keno Hill District is complex. All of the rock units have undergone low grade metamorphism and polyphase deformation. Deformation and accompanying metamorphism has been summarized by Green as an initial, or older deformation characterized by overfolding and thrusting of the Upper Schist over the Central Quartzite. During the older deformation both small scale and large scale complex folds were developed. Accompanying the folding, the rocks underwent low grade metamorphism which imparted a pervasive foliation.

Superimposed on the older deformation is a younger deformation characterized by open folds and wrinkle lineations. Two prominent folds, the Mayo Lake and McQuesten Anticlines, are related to this period of deformation.

The Mayo Lake Anticline is a broad north-striking anticline occurring in the east part of the district. The McQuesten Anticline is an easterly-trending anticline lying northwest of the fold axis of the Mayo Lake Anticline. The south limb of the McQuesten Anticline crosses Mt. Haldane, Galena Hill and the west end of Keno Hill. All ore from the district has been extracted from vein-faults in the south limb of the McQuesten Anticline.

Silver-lead-zinc ore in the Keno Hill District has been mined from vein-faults that are principally localized in the Central Quartzite. Generally the vein-faults strike northeasterly, dip steeply to the southeast and have left lateral displacements ranging from a few metres to over 100 m. The vein-faults are complex and usually show multiple episodes of movement and several stages of mineral deposition. The mineralized faults are often offset by later northwest-striking, right hand displacement faults. These cross faults, which are not mineralized, have movements from under a metre to over 1000 m.

Within the vein-faults, mineralization occurs as simple, open space fillings in the fault structure. To date, no recognizable chemical controls have been identified. The best mineralization is usually found where the faults traverse brittle rocks (massive quartzite), at vein junctions, and near cross faults. The main ore minerals are galena, sphalerite, tetrahedrite and pyrargyrite in a gangue of siderite, pyrite, arsenopyrite and quartz. Each mineralized vein in the district usually has a consistent ratio between ounces silver and percent lead ranging between 3:1 and 10:1; however, this ratio may vary widely between individual ore shoots within the vein system.

The individual vein-faults are traceable over distances of 1000 m or more. Within the mineralized structures, ore occurs in shoots ranging in size from a

few thousand tonnes to over 100,000 tonnes. No clear relationship between the depth in the structure and silver grade is evident and no overall zoning in the fault structure has been documented.

Exploration techniques which have been successful in delineating ore shoots have been tightly spaced grid soil sampling over projected extensions of vein-faults. Geochemical anomalies, particularly lead, are used to define targets for follow-up diamond drilling.

PROPERTY GEOLOGY AND MINERALIZATION

Mapping of the Mt. Haldane property has shown the north and east of the property to be underlain by a thick sequence of the Central Quartzite division that strikes easterly and dips 25 to 30° to the south (Figure 2). North of the property, the Central Quartzite is underlain by graphitic schists and thin-bedded quartzite of the Lower Schist. To the south, the Central Quartzite is overlain by quartz-mica and graphite schists of the Upper Schist Unit.

A zone of north-striking faults, known as the Mt. Haldane Fault, cuts through the centre of the property juxtaposing the Central Quartzite with the Upper Schist. South of Bighorn Gulch, the fault coalesces into one main fault while to the north it splays into at least five separate faults. The fault zone, which strikes 010° and dips 60° to the west, has an apparent right hand movement of 2000 m, as indicated by the horizontal displacement of the Central Quartzite. West of the fault, the Central Quartzite appears to be much thinner than on the east side, suggesting significant vertical movement as well.

To date, silver mineralization has been discovered at numerous locations along a 3000 m length of the Mt. Haldane Fault system. In the past, exploration has focused on the immediate area of the Middlecoff and Johnson

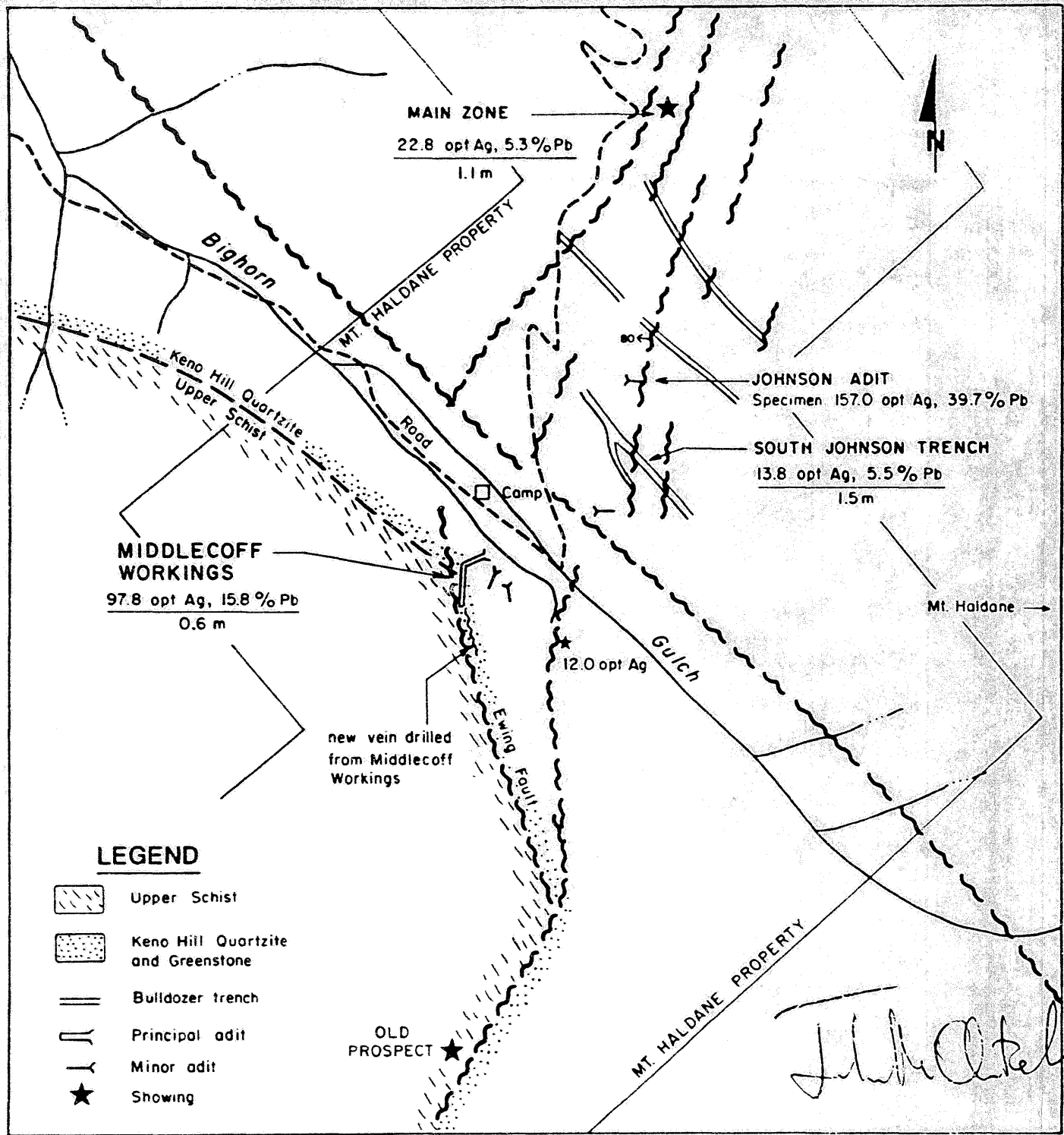
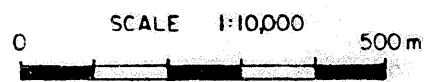


Figure 2
J. MCCLINTOCK AND ASSOCIATES LTD.

GEOLOGY
MT. HALDANE PROPERTY
KENO HILL DISTRICT, Y.T.
BRANDIUM RESOURCES LTD.



To accompany report dated Oct/87

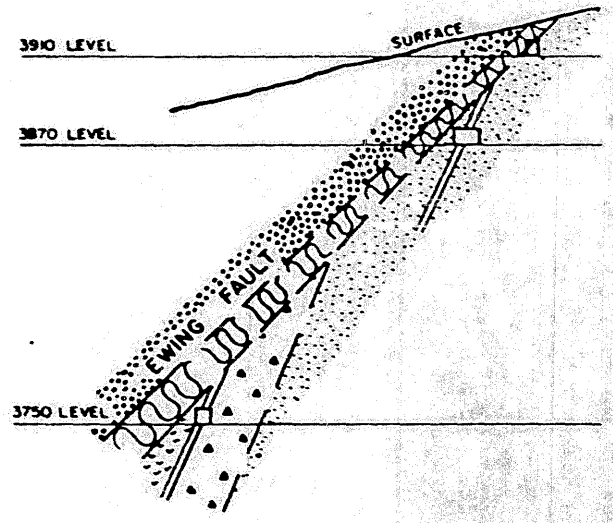
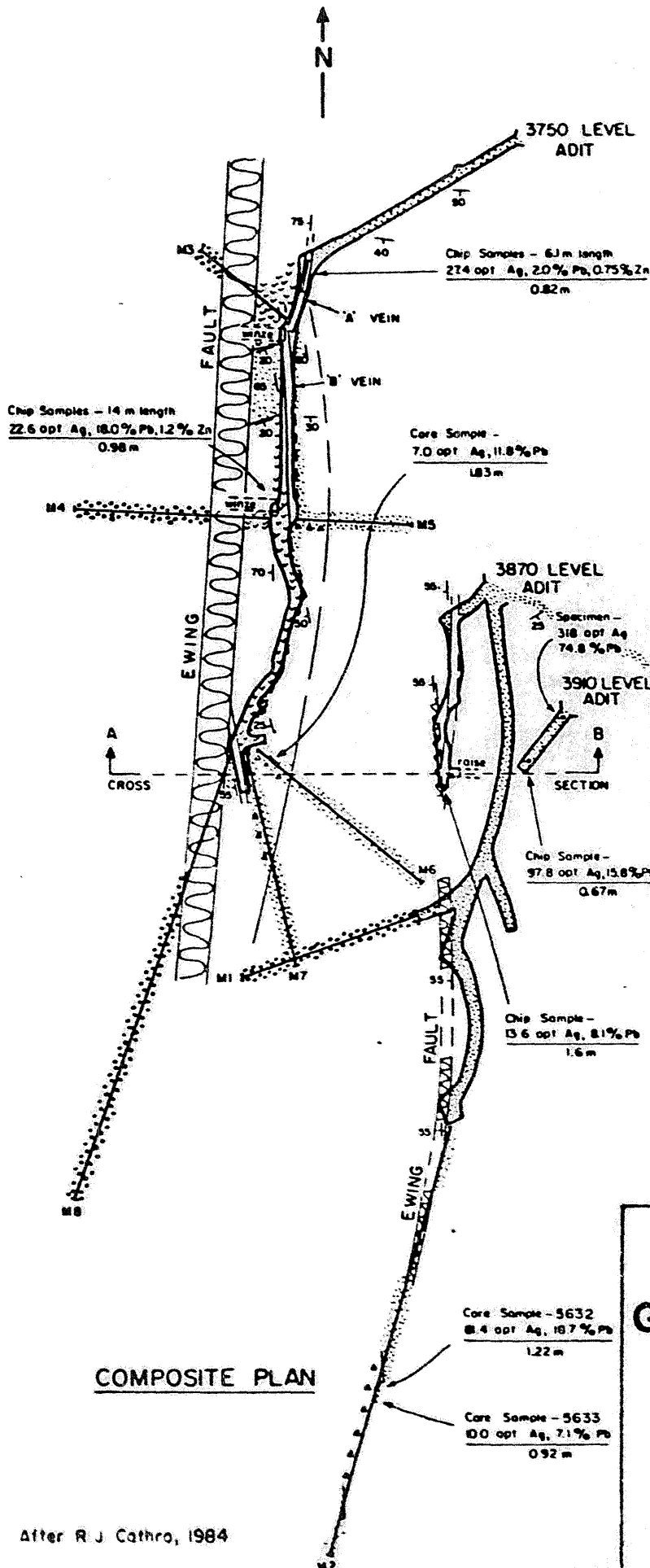
workings where several separate vein-faults were discovered. The mineralization discovered so far is typical of the Keno Hill District silver ores and consists of a galena, sphalerite, tetrahedrite and pyrrargyrite gangue of siderite, pyrite and quartz.

Middlecoff Workings

These workings consist of three adits, the upper two are 12 m apart in elevation and the third is 38 m below the central adit and 15 m above Bighorn Gulch (Figure 3). The entrance to these workings is currently blocked by material that has slumped from above the adits. These workings could be easily reopened by hand or with the aid of a backhoe or bulldozer.

The upper adit is driven on the vein for its entire length of 12 m. No ore shoot was defined but John W. Garrity, Exploration Manager for Haldane Silver Mines Limited, reports that a select sample of galena from the collar assayed 318 opt silver and a 0.6 m width of mineralization near the face of the adit assayed 97.8 opt silver and 15.8% lead (J.W. Garrity, Internal Memo, Haldane Silver Mines Limited, 1967).

The middle adit followed the vein for 27 m without intersecting any ore shoots. The highest assay obtained from the vein was a chip sample collected at the face of the heading that J.W. Garrity reports assayed 13.6 opt silver and 8.1% lead across a 1.6 m length. Drifting by Silver Titan on the middle level determined the Middlecoff vein to be terminated by a fault. Diamond drilling from the face of the adit (Hole M2) located a silver-bearing vein on the opposite side of the fault (Figure 3). Assay results from drill Hole M2 are summarized below and the assay certificate is provided in Appendix I.



LEGEND

- Upper Schist - sericite and graphite schist
- Central Quartzite
- Greenstone
- Vein fault
- Brecciation
- Fault gouge
- Drill Hole

Figure 3

J. MCCLINTOCK AND ASSOCIATES LTD.
GEOLOGY & ASSAY PLAN
 MIDDLECOFF WORKINGS
 MT HALDANE PROPERTY
 BRANDIUM RESOURCES LTD.

SCALE 1:1000



After R. J. Cathro, 1984

<u>Sample No.</u>	<u>Interval (m)</u>	<u>Silver (opt)</u>	<u>Lead (%)</u>
5632	44.5 to 45.7	81.40	18.7
5633	46.3 to 47.3	10.00	7.1
5634	58.2 to 59.4	0.64	0.2
5635	62.5 to 62.8	2.28	2.5
5636	65.2 to 67.7	1.48	0.2

The true widths represented by these intersections is unknown because of the strike of the vein. The vein intersected by drilling had a greenstone hanging wall rather than the graphite schist hanging wall of the Middlecoff Vein exposed in the adit. For this reason, the writer feels that the vein intersected by Hole M2 may not be the extension of the Middlecoff Vein but a separate vein-fault.

The lowermost level is reported to have intersected two veins, known as the "A" and "B". Assays of samples collected over a 6.1 m length of the "A" Vein by Silver Titan personnel under the direction of A.E. Aho, P.Eng. are reported to have averaged 27.4 opt silver, 20% lead and 0.75% zinc. Samples collected by Silver Titan employees from a 13.7 m section of an incline sunk on the "B" Vein assayed 22.6 opt silver, 18% lead and 1.2% zinc across a width of 1.06 m. No extension of these shoots was found by diamond drilling.

A fourth level was reported by W.E. Cockfield of the Geological Survey of Canada to have been driven on the Middlecoff Vein. The ore shipped in 1920 is thought to have come from this level. Five selected samples collected from this zone by Cockfield yielded the following assays:

<u>Sample No.</u>	<u>Silver (opt)</u>	<u>Lead (%)</u>
1	43.48	29.80
2	34.34	28.20
3	37.20	40.60
4	45.57	36.60
5	28.80	23.20

Johnson Vein

The Johnson Vein is 460 m north of the Middlecoff workings (Figure 2). The vein strike approximately 010° and dips steeply west. It is exposed in the original Johnson adit and in a trench 122 m south of the adit. Samples of the mineralization in the trench taken by Silver Titan personnel under the direction of Dr. A.E. Aho, P.Eng. are reported to have assayed 13.8 opt silver, 5.5% lead and 1.5% zinc (Figure 4). A grab sample of galena from the vein assayed 156.8 opt silver and 39.7% lead (Cathro, 1984). Drifting by Silver Titan some distance from the Johnson adit failed to intersect any significant mineralization. Silver Titan also drilled 183 m in two holes from their adit with negative results.

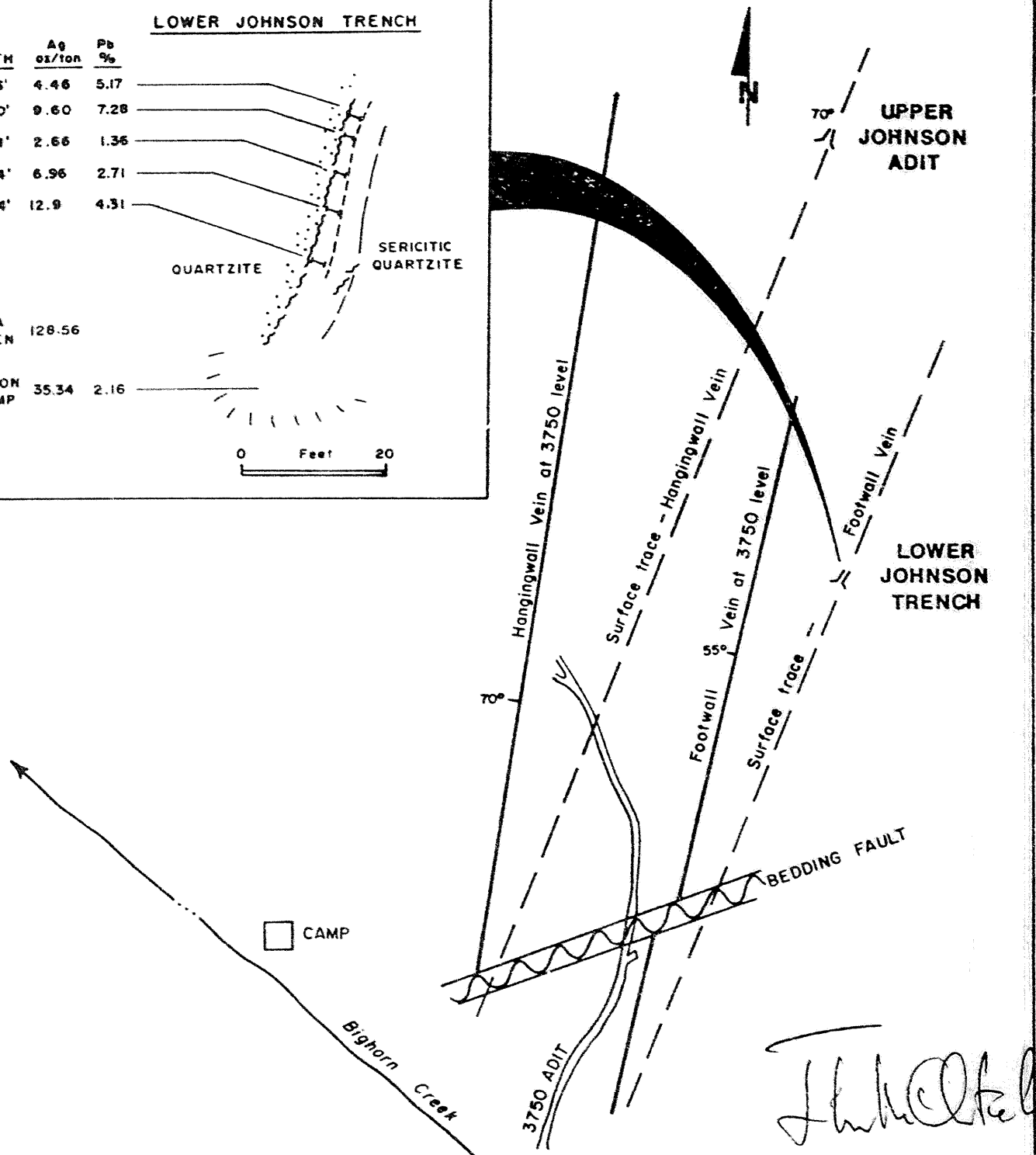
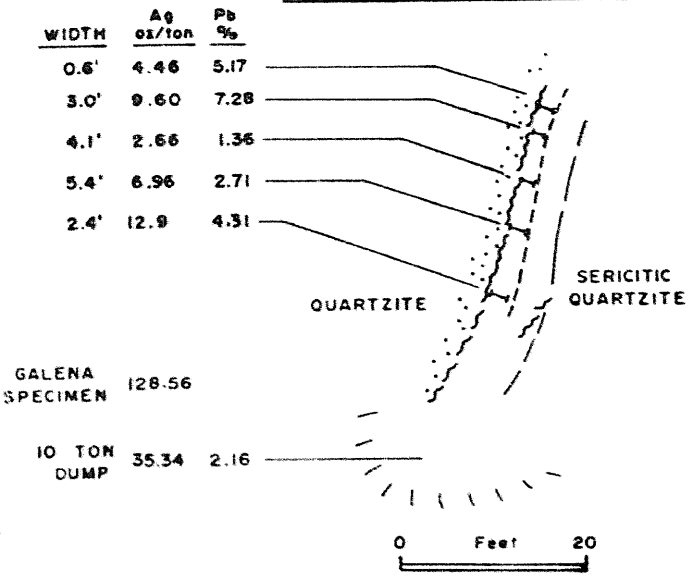
Main Zone

The Main Zone is situated on a steep hillside 460 m north of the Johnson workings. The vein trends northerly and dips 70 to 80° to the west. Silver Titan explored the vein with trenches (Figure 5). One trench exposed the vein for a length of 15 m where it averaged 4.4 opt silver, 0.6% lead and 1.6% zinc across a width of 7.6 m. One hundred metres south of this trench, a second trench exposed the main vein. Here, a single chip sample collected across the vein collected by Silver Titan personnel assayed 22.8 opt silver, 5.3% lead and 1.4% zinc across a width of 1.06 m.

Other Showings

According to Silver Titan records, several other vein-faults were exposed by trenching in Bighorn Gulch (Figure 2). A trench about 180 m east of the Middlecoff workings exposed vein float from which a selected specimen assayed 12 opt silver. Trenching also found vein float immediately north of Bighorn

LOWER JOHNSON TRENCH



J. McClintock

Figure 4

J. MCCLINTOCK AND ASSOCIATES LTD.





3750 LEVEL-JOHNSON VEIN
MIDDLECOFF WORKINGS
MT HALDANE PROPERTY
BRANDIUM RESOURCES LTD.

Mapped and sampled by
 A. E. Aho Sept, 1964

SCALE 1:2000



Sample	Width	Ag	Pb	Sample	Width	Ag	Pb
1	3.5'	13.10	2.40	13	1.8'	0.38	0.58
2	4.0'	2.20	0.45	14	3.5'	6.61	1.05
3	4.5'	4.10	0.60	15	5.0'	0.80	1.60
4	4.0'	8.84	0.40	16	5.0'	0.60	0.40
5	3.0'	23.20	0.45	17	4.0'	0.10	0.45
6	4.0'	4.20	0.30	18	4.5'	1.40	0.40
7	5.0'	2.90	0.50	19	3.0'	1.36	1.40
8	5.0'	1.50	0.45	20	1.5'	1.62	0.50
9	4.0'	1.80	0.30	21	3.5'	9.42	0.75
10	5.0'	3.10	0.40	25	GRAB	6.74	1.40
11	5.0'	1.42	0.50	26	GRAB	1.68	0.60

-  Fe and Mn oxides
-  Gouge or alt. galena
-  Pyrolusite
-  Breccia with Fe and Mn oxides

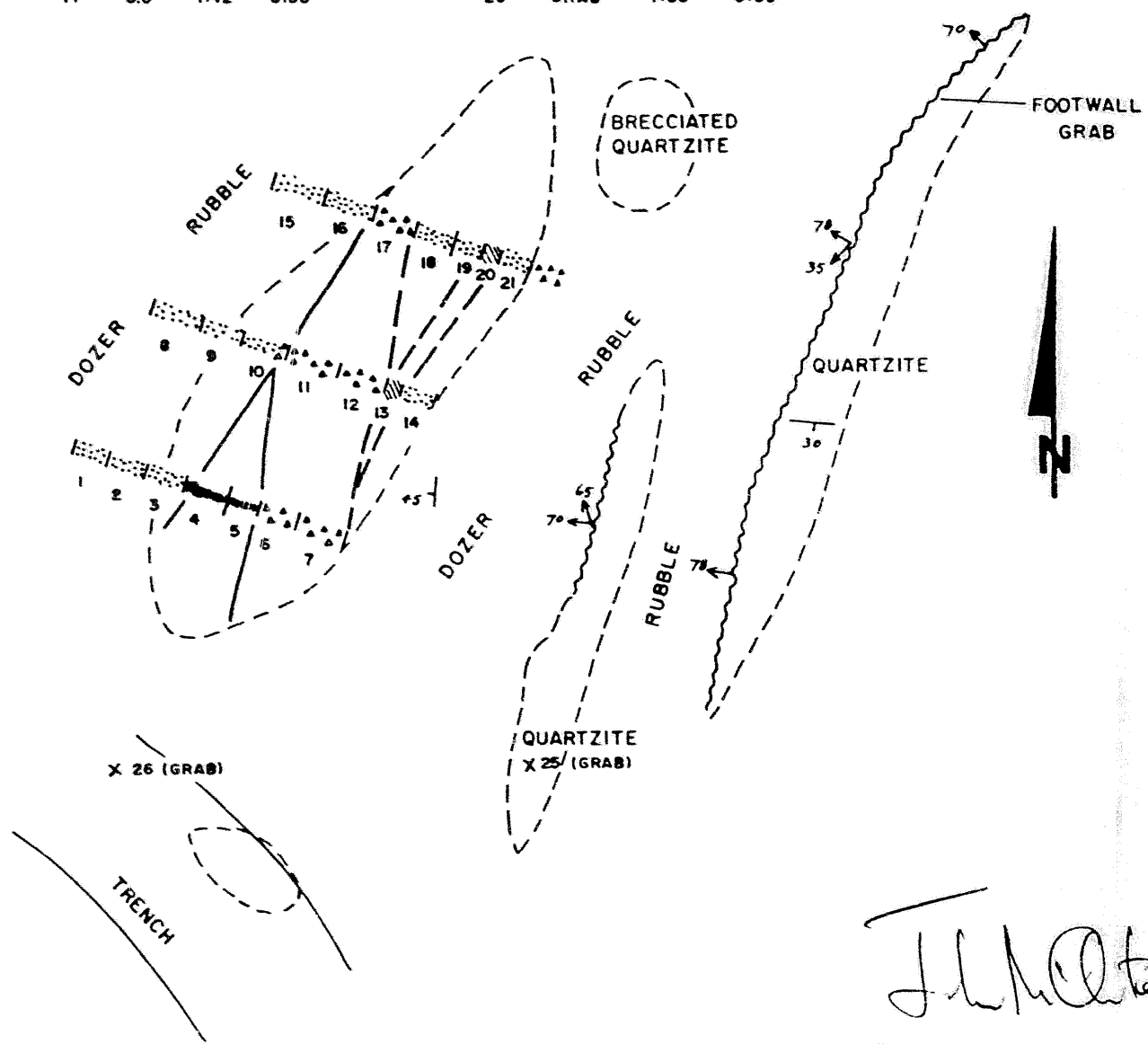


Figure 5

J. MCCLINTOCK AND ASSOCIATES LTD.

MAIN GOSSAN

MIDDLECOFF WORKINGS

MT HALDANE PROPERTY

BRANDIUM RESOURCES LTD.

Mapped and sampled by
A. E. Aho Sept, 1964



Gulch and at two locations uphill from the Johnson Vein which assayed 4 and 11 opt silver. Because of overburden cover, these veins are poorly exposed and will require additional trenching to be properly evaluated.

South of Bighorn Gulch, Silver Titan reports finding an old prospect pit about 1000 m from the Middlecoff workings. A further 1000 m south is the Sundown showing. Very little is known about this showing except it lies on the southern extension of the Mt. Haldane Fault system and probably within the Upper Schist. Systematic exploration of the southern region of the Mt. Haldane Fault using modern exploration techniques apparently has not been carried out.

DISCUSSION

In the writer's opinion, exploration carried out to date has demonstrated potential on the Mt. Haldane property for a high grade silver vein-fault deposit similar to those being mined on the adjacent United Keno Hill property.

The property has geological and structural features which are known to be conducive for the occurrence of silver-lead-zinc ores in the Keno Hill District. It is underlain by the brittle Central Quartzite which is transected by a northerly-trending complex fault system. Past exploration has discovered silver-lead-zinc mineralization at numerous locations along a 3000 m length of this complex fault zone. Like nearly all of the productive deposits of the district, the Mt. Haldane mineralization occurs in vein-faults and consists of galena, sphalerite, tetrahedrite and pyrargyrite in a siderite, pyrite and quartz gangue. The silver to lead ratios at Mt. Haldane range from 1.2:1 and 6.2:1 and compare favourably with the 3:1 to 10:1 ratios found in deposits elsewhere in the district.

Nearly all of the previous exploration has been focused on the Middlecoff and Johnson Vein systems. Much of this work involved road building, rehabilitation of underground working and cross cutting. This work failed to delineate any reserves, although some interesting targets still remain, in particular, the vein intersected in drilling from the middle level of the Middlecoff workings.

Much of the remaining strike length of the Mt. Haldane Fault system has received only preliminary evaluation or is untested. Silver Titan discovered silver mineralized vein float at several locations in Bighorn Gulch which

apparently was never followed up. There is also no record of the Main Zone being explored northward, hence it may have a significant northerly extension. Likewise, there is no record of the Johnson Vein being explored to the south. Other areas which appear to be untested are the fault system between the Middlecoff working and the Sundown Showing. It is the author's opinion these untested areas of the Mt. Haldane Fault system present the most promising exploration targets on the Mt. Haldane property.

Limited grid soil sampling is reported to have been carried out by Silver Titan and in 1978 by B. Way. The extent of the Silver Titan soil sampling is unknown and no record of the results exist. Sampling by B. Way consisted of the collected and analysis of 232 soil samples on a 60 by 15 m grid (YEG, 1980). The results of the Way sampling were not available to the writer but the samples were believed to have been collected from the vicinity of the Middlecoff and Johnson workings.

It would appear that much of the length of the Mt. Haldane Fault has not been explored by geochemical sampling. The writer believes detailed grid soil sampling would be the most effective exploration technique since outcrop is limited to less than 5% of the surface area and the overburden is residual, thus only affected by downslope movement. Elsewhere in the Keno Hill District, detailed grid soil sampling in conjunction with trenching and drilling has been successful in finding silver-bearing vein-faults.

Ongoing exploration on the Mt. Haldane property should be set towards the goal of defining a minimum reserve of 250,000 tonnes grading 30 opt silver equivalent in vein-fault deposits within the 3000 m strike length of the Mt. Haldane Fault.

RECOMMENDATIONS

A three-phase exploration program is recommended for the Mt. Haldane property. The initial program is designed to evaluate the Mt. Haldane Fault structure for additional vein-faults by close spaced grid soil sampling, detailed prospecting and limited trenching. Phase II, which is contingent upon favourable results of Phase I, is designed to test both the surface and subsurface extent and grade of mineralization found by the Phase I program. Phase III would consist of underground evaluation of targets defined by Phase I and II.

PHASE I

Soil samples are to be collected at 20 m intervals along east-west oriented lines spaced no more than 50 m apart. Samples should be analyzed for lead, silver, zinc and arsenic. In conjunction with soil sampling, the property should be prospected in detail and geologically mapped paying particular attention to geological structures. Mineralization exposed in old trenching and working should be resampled.

Areas defined as anomalous by soil sampling will be prospected in detail and, if warranted, be trenched with a bulldozer.

Proposed Budget

Geochemical sampling, prospecting, geological mapping and bulldozing	\$ 76,000
Management Fee @ 8%	<u>6,000</u>
Total Phase I	\$ 82,000

PHASE II

Contingent on favourable results from the Phase I program and a clear definition of targets, further exploration on the Mt. Haldane property by way of deep additional trenching and diamond drilling will be warranted.

Proposed Budget

Bulldozer trenching	\$ 50,000
NQ Wireline, 1000 m (all inclusive)	110,000
Management Fee @ 8%	<u>13,000</u>
Total Phase II	<u>\$173,000</u>

TOTAL RECOMMENDED PROGRAM PHASE I & II \$255,000

PHASE III

Phase III would consist of underground investigation of the new vein in the Middlecoff workings and any new vein systems found during Phase I and II work. The amount of underground work and the exact budget of Phase III is contingent on the findings of Phase I and II exploration.

Respectfully submitted,



John A. McClintock, P.Eng.

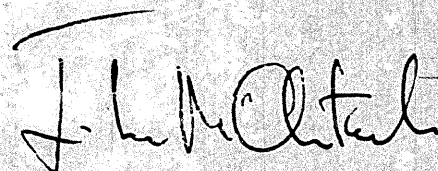
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- Cockfield, 1919 Geological Survey of Canada, Summary Report, Part "B", 1918, Page 4-6
- Green, L.H., 1966 Geological Survey of Canada Memoir 357
- Silver Titan, 1967 Various unpublished internal company memos and maps
- Y.E.G., 1980 Yukon Exploration and Geological Report, Department of Indian Affairs and Northern Development.

CERTIFICATE

I, JOHN A. MCCLINTOCK, of 32841 Ashley Way, in the Municipality of Matsqui, in the Province of British Columbia, hereby certify as follows:

1. That I am a registered member of the Association of Professional Engineers of British Columbia - No. 12078.
2. That I am a graduate from the University of British Columbia with a Bachelor of Science degrees (honours) in Geology in 1973.
3. That I have practised my profession continuously since graduation.
4. That I have no interest directly or indirectly in the Mt. Haldane property, nor do I own directly or indirectly, an interest in Archer, Cathro & Associates (1981) Limited or Barandium Resources Ltd.
5. That the information contained in this report is based on a one day examination of the claims on october 8, 1987, and a review of all available government maps and assessment reports.
6. That I consent to the use of this report by Archer, Cathro & Associates (1981) Limited in a Prospectus or Statement of Material Facts, or any such document as may be required by the Vancouver Stock Exchange or the Office of the Superintendent of Brokers.



APPENDIX I

DATE Mar. 22, 1967
FILE NO. 3586-5

ASSAY CERTIFICATE

WHITEHORSE ASSAY OFFICE

P.O. BOX 346, WHITEHORSE, YUKON

RECEIVED FROM Haldane Silver

SAMPLE NO.	GOLD OZ. PER TON	SILVER OZ PER TON	Lead					
5632		81.4	18.7					
5633		10.0	7.1					
5634		.64	.2					
5635		2.28	2.5					
5636		1.48	.2					

ASSAYER *E. J. ...*