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LAND AGENT
MAYO, Y.T.
I.A. & N.D.

GEOLOGICAL - GEOCHEMICAL REPORT

BUD AND DAGO CLAIMS

KATHLEEN LAKES AREA

MAYO MINING DISTRICT, Y.T.

Location: 64°17' North; 134°10' West; NTS 106D8
Period of Field Work: September 23 - October 7, 1977

By: G. A. Noel, P.Eng.
March 8, 1978

On Behalf of: Pan Acheron Resources Ltd.

090316

This report has been examined by the Geological Evaluation Unit and is recommended to the Commissioner to be considered as representation work in the amount of $10,600.00

D. R. Craig

Considered as representation work under Section 53 (4) Yukon Quartz Mining Act

B. R. BAXTER
Supervising Mining Recorder

Commissioner

TABLE OF CONTENTS

APPENDIX

MAPS AND ILLUSTRATIONS

SUMMARY

A geological-geochemical survey was conducted over part of the Bud and Dago claims, five kilometers north of Kathleen Lakes in the Mayo Mining District, Y.T. between September 23 and October 7, 1977. This survey was done by G. A. Noel & Associates for Pan Acheron Resources Ltd., which has an option agreement on the property with the owner, Gordon Dickson of Whitehorse, Y.T. The fieldwork included establishing a survey grid, soil sampling, hand trenching and sampling of trenches.

The property is underlain by a distinctive orange weathering Proterozic dolomite which is overlain by Ordovician limestone. The main structural element on the property is an asymmetric southeast plunging syncline. Lead-zinc-silver mineralization occurs in several well defined ENE-trending fracture zones. The main mineralized zone has been traced by trenching and drilling for at least 700 meters. It is a steeply dipping structure, 10-15 meters wide, which shows persistent low zinc values throughout its length. A higher grade section has been exposed in the bulldozer trenching with assays from the 1977 samples showing 32.7% Pb, 11.8% Zn and 14.31 oz/ton Ag across 9 meters. The soil survey gave a good response for lead, zinc and silver over the mineralized zones.

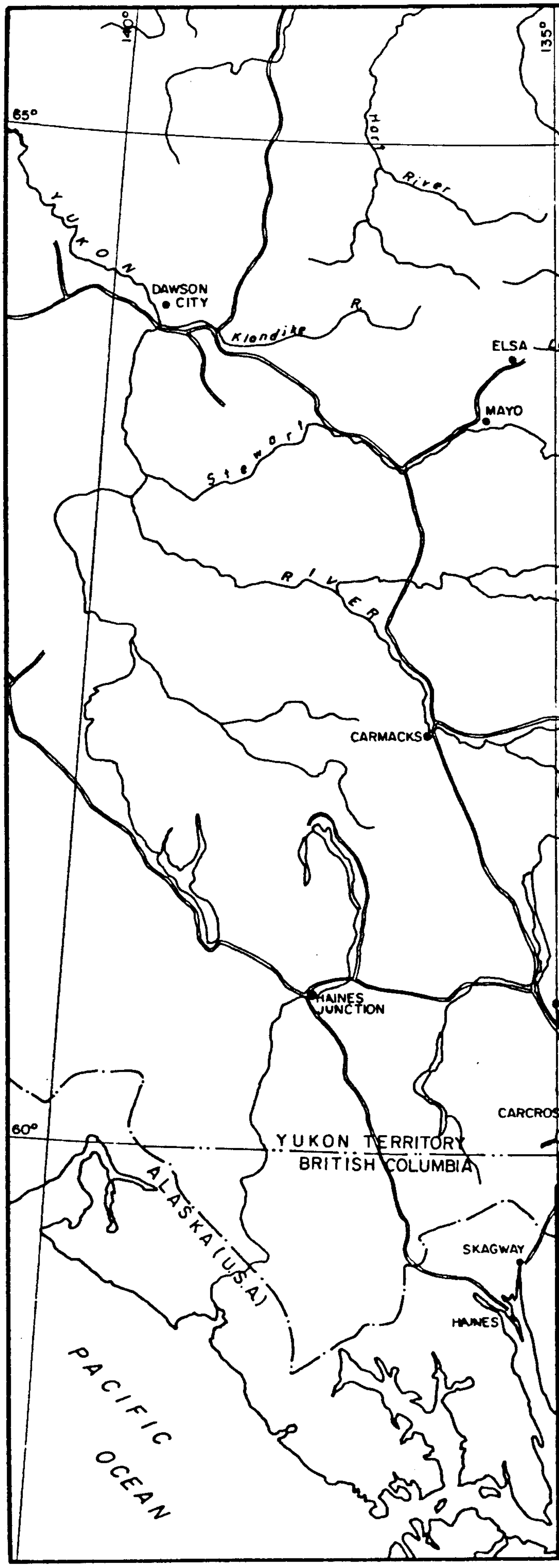
Detailed geological mapping, extension of the geochemical survey particularly to the west, and close diamond drilling of the higher grade sections of the main zone are recommended as a follow-up program.

INTRODUCTION

This report on the Bud and Dago claims in the Kathleen Lakes area of Yukon Territory covers a geological and geochemical survey conducted over part of these claims between September 23 and October 7, 1977. This survey was performed by G. A. Noel & Associates of Vancouver, B.C. for Pan Acheron Resources Ltd. on the recommendation of L. S. Trenholme, P.Eng. In his Summary Report of July 28, 1977, and revised Cost Estimate of September 13, 1977, Mr. Trenholme recommended the following program (Stage I):

i) cleaning out and sampling of old trenches.
ii) cutting and sampling of new trenches.
iii) re-establishing survey grid.
iv) detailed geological mapping.
v) location of proposed drill sites for Stage II.

The completion of the above objectives was considered prerequisite to a thorough drilling appraisal of the better grade silver-lead-zinc mineralization on the property. All of the above objectives except detailed geological mapping were completed in the 1977 survey; however, detailed geological mapping was done in the trenches wherever possible. In addition a geochemical soil survey was completed over part of the western end of the property which had not been previously covered. At the same time, 24 claims (Pan 1-24) were staked to fill-in the northwest corner of the claim block and to cover geochemical soil anomalies outlined in 1974.



PAN ACHERON RESOURCES LTD.		
G.A. NOEL & ASSOCIATES - CONSULTANTS		
BUD & DAGO CLAIMS LOCATION MAP KATHLEEN LAKE AREA MAYO M.D. - YUKON TERRITORY		
SCALE: 1:3,168,000	0 — 80 KM.	
DRAWN: G.A.N.	DATE: MAR. 5/78	DRAW. Nº.
REVISED:	DATE:	FIGURE 1.

LOCATION

The property is located 115 kilometers northeast of Mayo and 77 kilometers northeast of Elsa. It is about five kilometers north of Kathleen Lakes on the Rackla River drainage at 1,000-1,500 meters elevation near the southeast end of the Wernecke Mountains. The claims are reached via helicopter from Mayo or float aircraft to the larger Kathleen Lake followed by five kilometers of trail northeast to the showings. An all-weather road extends 64 kilometers northeast of Mayo to McQuesten Lake. A winter cat-road of roughly 70 kilometers has been constructed east and northeast from McQuesten Lake to Beaver River; then easterly to the property.

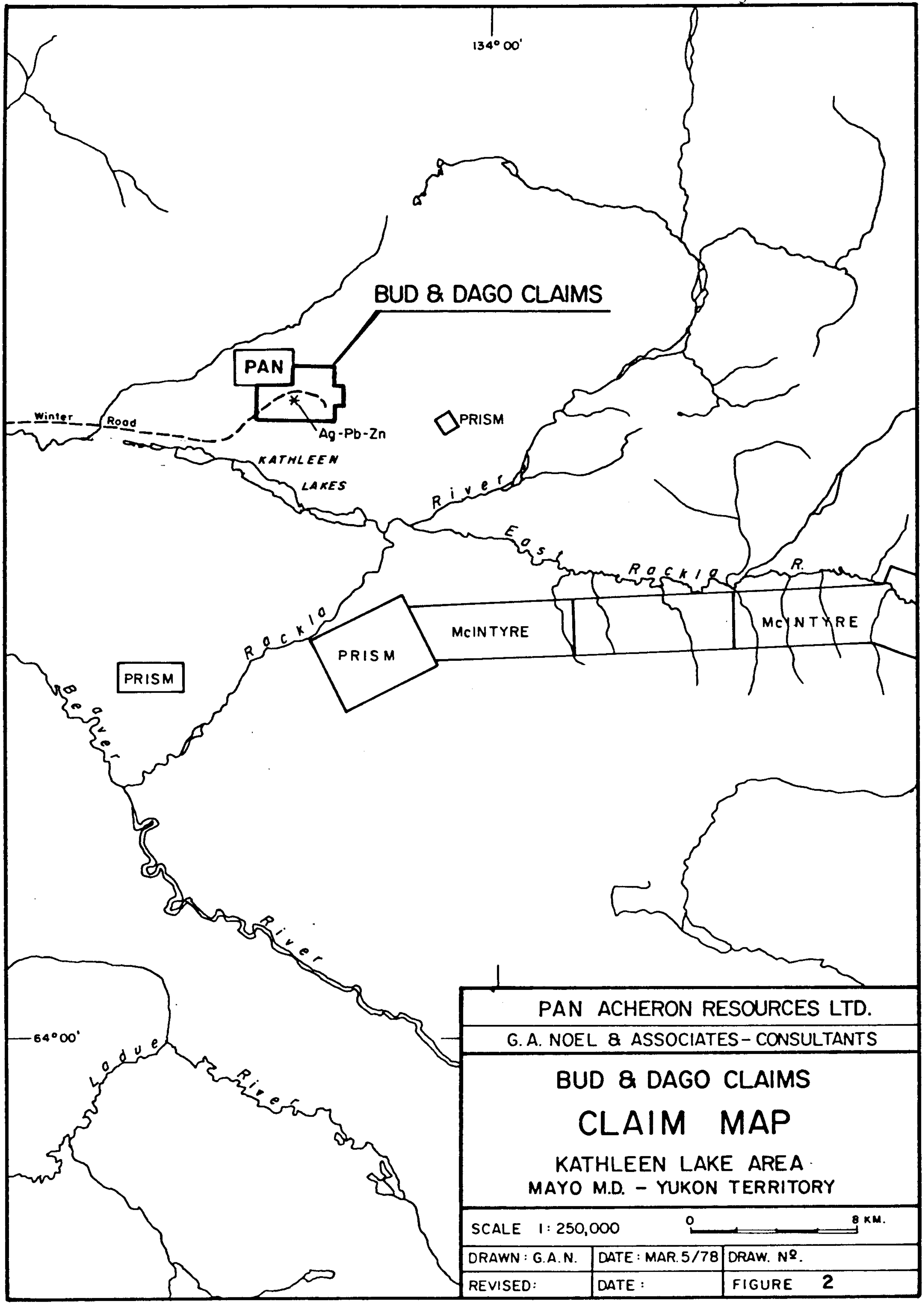
PROPERTY

The property consists of the 42 original Bud and Dago claims and 24 Pan claims located in October 1977. These claims, which are in the Mayo Mining District, Y.T., are listed below.

Name	Grant Number	Renewal Date
Bud 1-24	Y14382-14405	March 8, 1978*
Bud 33-48	Y14406-14421	March 8, 1978*
Dago 3 and 5	80341 and 80353	July 13, 1978*
Pan 1-24	YA17110-17133	Oct. 6, 1978

* 1977 assessment work filed for 2 to 3 years credit.

The claims are owned by Gordon Dickson of Whitehorse, Y.T. and are currently under an option agreement with Pan Acheron Resources Ltd. of Vancouver, B.C.


134° 00'
BUD & DAGO CLAIMS
PAN
Ag-Pb-Zn
PRISM
Winter Road
KATHLEEN LAKES
River
East Rackla R.
Rackla
McINTYRE
PRISM
McINTYRE
PRISM
Beaver
River
64°00'
Ladue River
PAN ACHERON RESOURCES LTD.
G. A. NOEL & ASSOCIATES - CONSULTANTS
BUD & DAGO CLAIMS
CLAIM MAP
KATHLEEN LAKE AREA
MAYO M.D. - YUKON TERRITORY
SCALE 1 : 250,000
0
8 KM.
DRAWN : G.A.N.
DATE : MAR. 5/78
DRAW. Nº.
REVISED:
DATE :
FIGURE 2

HISTORY

The mineral showings were first staked by Gordon Dickson in September 1951 as the Donald claim. The property was explored in 1953 by Leitch Gold Mines Ltd. and then optioned to Prospectors Airways Ltd. in 1954. The latter company did extensive hand trenching and sampling, geological mapping and some soil sampling.

The property was restaked in 1959 by G. Dickson as the Dago claim. In 1966, it was optioned to Atlas Explorations Ltd. and a regional geochemical survey was completed. In 1968, Rackla River Mines Ltd. was formed to develop the property, which now consisted of the Bud and Dago claims. Geological mapping and surface sampling were done in 1968 following by bulldozer trenching in 1969. The claims were then optioned to Casino Silver Mines Ltd. in August 1969. Casino conducted an induced polarization survey in 1969, and in 1970, completed four diamond drill holes aggregating 1904 feet before relinquishing the property.

Rackla River Mines Ltd. conducted extensive soil surveys and some packsack diamond drilling in 1972. In 1974, the property was optioned to Anvil Mining Corporation, which conducted further geochemical soil surveys, ground magnetometer surveys and geological mapping over selected areas followed by the diamond drilling of two holes aggregating 750 feet.

In 1977 the property was optioned by Pan Acheron Resources Ltd. as a result of increased interest in the area following the discovery in 1976 by McIntyre Mines Ltd. of extensive showings of lead-zinc-silver mineralization along Nadaleen River about 40 kilometers to the ESE of the Bud and Dago claims.

FIELDWORK

The field work was done between September 23 and October 7, 1977 by four men including a geologist, a survey assistant and two laborers. The old camp site, about 500 meters northeast of the main showings on the Dago 5 claim, was rehabilitated for this work. This camp is at 1,200 meters elevation on a west-flowing tributary of the northeast fork of Beaver River and is connected by good trails to the workings and to Kathleen Lakes. It is well located with respect to water and dry wood and is adequately sheltered though easily serviced by helicopter.

The old grid established in 1969 for the I.P. survey had been at least partially obliterated so a new metric grid was constructed making use of the original baseline. For this purpose, the baseline was designated 1,000 North and drill hole CS-4 on the baseline was used as a control point with coordinates 1,000 North, 1,000 East. The baseline was run N75°E 100 meters and S75°W 350 meters with traverse lines set at 50 meter intervals; i.e., 750 East; 800 East; 850 East to 1,100 East. The traverse lines were then run N15°W for up to 250 meters from the baseline and S15°E for up to 450 meters from the baseline with stations marked at 25 meter intervals. This grid covers about 700 meters north-south by 350 meters east-west. The survey control was by Brunton compass and topofil measuring instrument.

Soil samples and altimeter readings were taken at the 50 meter stations. The altimeter survey was corrected by repeating readings on base stations and assuming a straight-line variation with time. The baseline and traverse lines were marked with flagging and stations were identified by coordinates marked on the flagging. The baseline was extended about 800 meters N75°E from 1,100 E and crosslines were projected to pick up the old trenching and diamond drilling.

The soil samples were taken from the B-horizon wherever possible using a light mattock. Each soil sample was placed in a Kraft envelope which was marked with the sample number and described as to type, character, texture, origin, soil horizon, color and depth. A total of 206 soil samples was collected and submitted to Min-En Laboratories Ltd., 705 West 15th Street, North Vancouver, B. C. for analyses.

Two men were employed continuously cleaning out selected sections of the 1969 bulldozer trenches, and, in some places, digging new hand trenches. A total of nine hand trenches were dug and 38 rock samples were cut from these locations. The hand trenches are shown on Figure 3 and described below.

Bulldozer Trench	Hand Trench	Dimensions (m)	Volume m^3	Volume yd^3
2	2A	12 x 1 x 0.5	6	7.8
3	3A	7 x 0.7 x 0.4	2	2.6
4	4A	13 x 1 x 0.5	6.5	8.5
6	6A	10 x 1 x 0.6	6	7.8
6	6B	6 x 1 x 0.6	3.6	4.7
8	8A	9 x 1 x 0.6	5.4	7.1
8	8B	10 x 0.5 x 0.5	2.5	3.3
9	9A	10 x 0.8 x 0.6	4.8	6.3
10	10A	10 x 1.0 x 0.5	5	6.5
		Total	41.8	54.6

GEOLOGY

General

North of Kathleen Lakes the oldest exposed rocks are dark weathering shale, argillite, siltstone and fine grained quartzite of Proterozoic age. These rocks are overlain by a distinctive orange weathering platy grey dolomite and dolomitic shale also of Proterozoic age. The Proterozoic rocks are overlain by grey weathering, thick bedded limestone and dolomite of probably Ordovician age.

The major structural feature of the area is a profound transcurrent fault extending westerly from Nadaleen River along East Rackla River into Beaver River valley. Green (1972) correlates this major structure with the Tintina Trench of southeastern Yukon. Altered sediments southwest of the fault are of generally higher metamorphic rank than altered sediments northeast of the fault.

Detailed

In the claims area the orange weathering Proterozoic dolomite and overlying Ordovician grey limestone are well exposed in an asymmetric southeast plunging syncline, the core of which is occupied by the limestone. The dolomite is cut by conjugate east-northeast and north-northwest fractures. The east-northeast system has been mineralized with lead and zinc sulphides in at least two fairly well-defined zones.

The main mineralized zone has been traced intermittently along the north boundaries of Dago 3 and 5 claims by trenching and drilling for at least 700 meters with a N65° - 70°E strike and a steep dip to the south. This mineralized zone shows minor offsets along north-northwest fractures which have been infilled in places with calcite but apparently no sulphides. A second, roughly parallel, mineralized zone, about 400 meters south of the main zone, has been indicated by trenching for at least 500 meters.

The mineralized zones on the Bud and Dago claims are described in some detail in the following section of this report, Results of Field work.

RESULTS OF FIELD WORK

Geological

The main mineralized zone on the property has been exposed in varying degrees by 10 bulldozer trenches (Rackla River Mines - 1969) and four diamond drill holes (Casino # 1 and # 3 in 1970 and Cyprus Anvil 74 X 1 in 1974). It is marked at the surface by fairly widespread manganese and limonite stain. The zone generally consists of fine grained sphalerite and calcite in carbonate breccia with very minor galena as indicated in trenches 9 and 10 and Cyprus Anvil drill hole 74 X 1 (See Figure 3). Sections of the zone show considerably more lead and silver as indicated in Trenches 1, 2, 6 and 8; and Casino drill holes 1 and 3.

The assay results of samples from the 1977 hand trenching fairly well corroborate earlier results. The main zone shows about 1-6% zinc, 0.5% lead and 0.3 oz/ton silver across 10-15 meters throughout. Higher grade sections of the main zone sampled in 1977 are shown in the following table.

Trench	Width (m)	% Pb	% Zn	oz/ton Ag	Remarks
1	3	1.8	2.4	2.76	
2	7.5	1.9	2.9	4.60	
2	3	3.1	1.7	6.38	Included in 7.5-meter sample
6	2	2.3	6.5	1.21	
8	9	32.7	11.8	14.31	
8	2	58.3	4.6	23.46	Included in 9-meter sample

Casino drill hole 1 cut the main zone about 30 meters below its exposure in trench 8 and showed 15.2 meters grading 0.7% lead, 2.9% zinc and 0.76 oz/ton silver. These results suggest a probable lensy form for the lead-silver mineralization both along strike and down dip.

The southern zone was sampled in three old trench locations (11, 12 and 14), but the samples mainly consisted of manganese and limonite stained material. The best 1977 assay was for a grab sample taken across 10 meters in trench 14. This sample assayed 0.3% lead, 6.6% zinc and 2.97 oz/ton silver.

Previous reconnaissance work by Rackla River Mines indicated the possibility of additional mineralized zones associated with iron and manganese oxides in the following general locations:

1) about 600 meters WSW of drill hole CS-4.
2) about 1,400 meters east of drill hole CS-4
3) about 3,000 meters northeast of CS-4.

Geochemical

The soil samples were analysed for total content of lead zinc and silver by Min-En Laboratories according to the following procedure:

1) The sample was dried and screened.
2) A one-gram portion of the -80 mesh fraction was treated with two milliliters of concentrated nitric acid for one half hour.
3) Five milliliters of perchloric acid were added and the sample was digested for five hours at 250°F.
4) The sample was then diluted to 25 milliliters with distilled water and analysed by the atomic absorption method.
5) The analyses were reported in parts per million lead, zinc and silver.

The lead, zinc and silver analyses have been plotted as frequency histograms and cumulative percent frequency curves to establish threshold values. These diagrams are filed with the soil analyses under Appendix B at the end of this report.

From a study of the statistical curves, the following threshold values and anomalous limits were selected:

		Anomalous Values (ppm)		
Metal	Threshold (ppm)	Possibly	Probably	Definitely
Lead	120	120-250	250-500	> 500
Zinc	300	300-600	600-1200	>1200
Silver	1.25	1.25-2.5	2.5-5	> 5

All of the analyses were plotted on geochemical base maps, Figures 4, 5 and 6, with the anomalous limits contoured and color coded.

A fairly large anomalous area roughly coincident for lead and zinc extends N70°E for about 400 meters across the grid with a width of 100 to 200 meters. This anomaly reflects the main mineralized zone and is open to both east and west.

A second anomaly of lesser intensity is outlined about 300 meters south of the main anomaly. It also extends across the entire grid roughly parallel to the first anomaly and is 50 to 100 meters wide. It probably reflects the southern mineralized zone in the area covered by the geochemical grid.

The silver plots show a somewhat similar distribution of anomalies, particularly with respect to the main mineralized zone, but in a much more subdued and restricted pattern.

CONCLUSIONS AND RECOMMENDATIONS

At least two zones of zinc-lead-silver mineralization have been defined on the Bud and Dago claims. These zones though fairly narrow are remarkably consistent in strike and show persistent minerlization over considerable distances. Although the overall lead and zinc content is quite low, higher grade sections have been indicated along the main zone in some of the bulldozer trenching and in the 1977 sampling.

A limited geochemical soil survey has indicated anomalous response over the mineralized zones for lead, zinc and silver.

It is recommended that the 1977 field work be supplemented as follows:

1) geological surface mapping.
2) extension of geochemical soil survey to the west and, to a limited extent, to the east.
3) fairly close diamond drilling along the main zone to the east and west of trench 8 to define the extent of the higher grade section.

Respectfully submitted,

March 8, 1978
Vancouver, B. C.

G. A. NOEL, P.Eng.

REFERENCES

Archer Cathro & Associates Ltd (1972): Northern Cordillera Mineral Inventory, Yukon and Northwest Territories, 106 D - Occurrence 6.

Essery, J. (1970): Diamond drill logs for Holes 1-4, Rackla River Project, Casino Silver Mines Ltd.

Green, L. H. (1972): Geology of Nash Creek, Larsen Creek and Dawson Map - Area, Yukon Territory, G.S.C. Memoir 364, p. 132.

Jansons, Uldis (1975): Evaluation Report on the Rackla River Mines claims, Kathleen Lake Area, Mayo Mining District, Y. T., private report for Cyprus Anvil Mining Corporation.

Trenholme, L. S. (1977): Summary Report on Bud and Dago Claim Group, Mayo Mining Division, Y. T., private report for Pan Acheron Resources Ltd.

APPENDIX A

ASSAYS

DATE. OCTOBER 14, 1977

FILE NO. 10124- 38

ASSAY CERTIFICATE

WHITEHORSE ASSAY OFFICE LTD.
BOX 4518 WHITEHORSE Y. T.
PHONE 667 2694 Y1A 2R8

SAMPLE RECEIVED FROM G. A. NOEL & ASSOCIATES Page A-1

SAMPLE NO.	GOLD Oz. Per Ton	SILVER Oz. Per Ton	LEAD %	ZINC %	CADMIUM %		
25763		.02	.04	1.30	-		
25764		*	3.10	1.73	-		
25765		3.21	.81	3.18	-		
25766		3.84	1.44	4.88	.07		
25767		.61	.10	6.04	-		
25768		.21	.06	2.40	-		
25769		.03	.02	.33	-		
25770		.97	1.48	1.38	-		
25771		.29	.43	3.15	-		
25772		.32	.63	3.28	-		
25773		.03	.03	1.58	-		
25774		.15	.23	2.35	-		
25775		.03	.05	1.50	-		
97751		.26	.14	2.20	-		
97752		.35	.53	1.90	.01		
97753		.09	.29	.73	.01		
97754		.38	.53	1.65	.01		
97755		.24	.35	.60	.01		
97756		.21	.19	1.55	.01		
97757		.15	.11	.68	.01		
97758		.53	.10	2.45	.02		
97759		.35	.07	2.53	.02		
97760		.29	.14	1.10	-		
97761		.85	.60	1.90	-		
97762		.62	.08	4.03	-		
97763		4.38	5.44	8.63	-		
97764		*	28.0	18.36	-		
97765		*	47.44	9.25	-		
97766		*	58.33	4.55	-		
97767		*	26.83	19.42	-		
97768		1.21	2.33	6.51	-		
97769		.03	.10	1.00	-		
97770		.01	.02	.10	-		
97771		.01	.02	.01	-		
97772		2.76	1.78	2.45	-		
97773		.03	.03	.39	-		
97774		2.97	.33	6.62	-		
97775		.03	.04	1.40	-		

* To Follow

ASSAYER. GEO. SPALDING

DATE. OCTOBER 20, 1977

FILE NO. 10124- 38

ADDENDUM

ASSAY CERTIFICATE

WHITEHORSE ASSAY OFFICE LTD.
BOX 4518 WHITEHORSE Y. T.
PHONE 667 2694 Y1A 2R8

SAMPLE RECEIVED FROM G. A. NOEL & ASSOCIATES

SAMPLE NO.	GOLD Oz. Per Ton	SILVER Oz. Per Ton						
25764		6.38						
97764		13.58						
97765		17.98						
97766		23.46						
97767		12.90						

ASSAYER. K. Hoyland for GEO. SPALDING

APPENDIX B

Soil Analyses

Frequency Distribution Plots

Cumulative Percent Frequency Plots

COMPA G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G.Noel

GEOCHEMICAL NALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

No. 4589

DATE: Oct.13, 1977.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb			
1000		25	122	485			2.0								
01		21	100	440			1.2								
02		19	138	685			1.7								
03		20	225	1630			2.2								
04		24	290	870			2.0								
05		34	190	600			1.5								
06		32	122	820			1.2								
07		23	154	1540			2.5								
08		35	162	830			1.6								
09		24	51	400			1.0								
10		19	82	570			0.9								
11		18	139	780			1.4								
12		12	305	1100			2.0								
13		26	184	1870			1.8								
14		22	95	925			1.1								
15		28	245	960			2.2								
16		26	80	500			1.3								
17		33	166	690			1.6								
18		17	58	300			0.8								
19		22	192	780			1.0								
20		23	108	580			1.0								
21		26	188	810			1.1								
22		22	156	910			1.3								
23		26	148	905			1.2								
24		28	164	670			1.1								
25		23	97	600			0.7								
26		25	88	575			0.7								
27		26	100	520			0.9								
28		23	66	350			0.7								
1029		33	94	520			1.4								
			4309	23,215			41.1								

CERTIFIED BY

Page B-1

COMPANY: G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G. Noel

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.

705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2

PHONE (604) 980-5814

No. 4589

DATE: Oct.14 1977.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb			
1030		28	73	400			0.8								
31		23	79	600			0.9								
32		40	94	420			1.0								
33		30	84	500			1.0								
34		25	78	415			0.9								
35		27	141	960			1.9								
36		26	78	300			0.9								
37		20	70	360			0.7								
38		26	92	585			1.3								
39		25	117	630			1.4								
40		21	168	770			1.0								
41		23	122	880			1.1								
42		24	100	520			1.2								
43		26	96	430			1.3								
44		16	41	220			0.8								
45		22	55	340			1.4								
46		21	63	355			1.2								
47		28	72	390			1.3								
48		26	100	415			1.2								
49		27	76	270			1.3								
50		24	205	1040			1.2								
51		26	205	1640			1.4								
52		24	194	1150			1.2								
53		29	450	4500			5.2								
54		19	160	740			1.4								
55		17	54	1120			1.1								
56		23	186	1030			1.6								
57		18	130	530			1.3								
58		28	220	810			2.8								
1059		25	46	220			1.3								
			3644	22,540			41.1								

CERTIFIED BY [signature]

Page B-2

COMPA G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G. Noel

GEOCHEMICAL NALYSIS DATA SHEET

MIN - EN Laboratories Ltd.

705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2

PHONE (604) 980-5814

No. 4589

DATE: Oct. 14, 1977.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb			
1060		21	100	245			1.2								
61		19	51	290			1.1								
62		20	208	755			1.3								
63		30	925	3950			4.0								
64		42	280	5800			4.1								
65		15	123	640			1.5								
66		37	450	3600			4.7								
67		27	305	1860			3.1								
68		22	202	1110			2.1								
69		16	48	220			1.2								
70		17	164	560			1.5								
71		21	165	870			1.8								
72		21	205	1200			2.4								
73		22	174	960			1.7								
74		19	150	480			1.3								
75		32	210	530			1.6								
76		15	72	320			0.9								
77		22	114	650			1.5								
78		17	92	420			1.2								
79		24	92	415			1.1								
80		24	50	180			0.8								
81		20	40	230			0.7								
82		18	53	230			0.8								
83		31	148	580			1.2								
84		28	215	345			1.2								
85		34	174	242			1.1								
86		29	100	205			1.4								
87		29	88	385			1.2								
88		29	86	405			1.2								
1089		22	84	320			1.1								
			5168	27,997			50.0								

CERTIFIED BY

Page B-3

COMPA G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G. Noel

GEOCHEMICAL ALYSIS DATA SHEET

MIN - EN Laboratories Ltd.

705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

No. 4589

DATE: Oct. 13, 1977.

6 Sample. Number 81 86	10 Mo ppm 90	15 Cu ppm 95	20 Pb ppm 100	25 Zn ppm 105	30 Ni ppm 110	35 Co ppm 115	5/14 40 Ag ppm 120	45 Fe ppm 125	50 Hg ppb 130	55 As ppm 135	60 Mn ppm 140	65 Au ppb 145	70 150	75 155	80 160
1090		26	43	220			0.9								
91		22	66	330			1.1								
92		29	94	490			1.3								
93		24	116	640			1.2								
94		26	280	1160			1.5								
95		28	290	1140			2.0								
96		25	240	3100			2.5								
97		23	240	605			1.0								
98		28	122	545			1.4								
99		25	154	705			1.4								
1100		25	210	605			1.6								
01		24	250	580			1.8								
02		37	310	1760			2.7								
03		31	245	2600			2.4								
04		28	300	1170			2.8								
05		57	1640	6800			19.0								
06		24	104	1520			1.5								
07		49	1900	37000			15.4								
08		25	375	605			1.7								
09		21	200	520			1.8								
10		22	66	184			0.8								
11		27	160	290			0.7								
12		14	40	145			0.7								
13		30	62	197			0.8								
14		28	57	205			1.2								
15		21	215	1200			1.4								
16		23	57	215			0.9								
17		34	84	195			0.9								
18		26	116	198			1.0								
1119		34	118	405			1.5								
			815,4 ✓	65,329 ✓			74.9 ✓								

Page B-4

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COMPA[NY]: G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G. Noel

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

No. 4589

DATE: Oct. 14, 1977.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb			
1120		27	174	500			1.3								
21		28	103	490			2.1								
22		26	210	1220			1.8								
23		16	46	260			1.1								
24		25	136	770			1.6								
25		16	92	300			0.9								
26		26	200	900			1.9								
27		20	87	600			1.2								
28		21	300	1200			1.5								
29		20	91	210			1.7								
30		26	300	670			2.3								
31		27	180	990			2.3								
32		20	74	230			1.4								
33		21	220	250			1.9								
34		36	255	810			2.9								
35		32	315	1040			3.1								
36		19	78	200			1.0								
37		25	138	510			1.4								
38		31	132	530			1.7								
39		26	158	620			1.3								
40		27	170	600			1.6								
41		31	174	580			1.6								
42		30	67	270			1.1								
43		22	46	170			1.1								
44		25	66	440			1.2								
45		44	124	1600			1.8								
46		26	125	450			1.5								
47		19	78	400			1.1								
48		21	77	360			1.3								
1149		21	225	645			3.0								
			4441 ✓	17815 ✓			49.7 ✓								

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Page B-5

COMPANY: G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G. Noel

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

No. 4589

DATE: Oct. 14, 1977.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb			
1150		22	40	210			3.2								
51		21	42	270			1.4								
52		23	196	840			2.4								
53		25	330	325			2.4								
54		22	180	690			1.7								
55		24	172	1070			2.4								
56		28	107	820			1.9								
57		18	205	760			1.5								
58		29	146	500			2.2								
59		37	210	710			2.7								
60		18	56	110			1.2								
61		17	50	120			1.2								
62		28	56	300			1.7								
63		22	58	170			1.8								
64		17	60	220			0.8								
65		28	180	890			1.7								
66		23	68	220			1.5								
67		16	81	210			1.1								
68		22	90	620			1.5								
69		26	92	720			1.9								
70		21	101	270			1.8								
71		17	78	260			1.5								
72		29	74	200			1.6								
73		24	315	510			1.7								
74		26	140	410			1.5								
75		23	86	530			1.3								
76		30	285	650			1.6								
77		23	120	470			1.3								
78		26	61	210			1.5								
1179		22	58	305			1.4								
			4097	15,480			51.4								

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Page B-6

COMPA G.A. Noel & Assoc.

PROJECT No.:

ATTENTION: G. Noel

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.

705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2

PHONE (604) 980-5814

No. 4589

DATE: Oct. 14 1977.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb			
1180		25	178	1050			2.4								
81		73	162	560			2.7								
82		21	36	140			1.1								
83		23	194	800			1.2								
84		24	146	760			1.8								
85		16	96	460			1.6								
86		25	275	1600			1.7								
87		27	108	990			2.0								
88		28	265	1230			2.7								
89		24	130	740			2.1								
90		21	162	1480			2.1								
91		17	94	820			1.6								
92		20	250	1080			1.4								
93		17	156	620			1.0								
94		22	132	660			1.5								
95		23	118	360			1.2								
96		20	74	320			1.1								
97		34	82	315			1.5								
98		19	112	380			1.0								
99		30	98	900			1.4								
1200		26	245	840			1.5								
01		25	80	790			1.1								
02		23	176	600			2.1								
03		55	1650	8000			16.4								
04		34	194	1020			3.0								
1205		26	110	760			2.7								
			✓	✓			✓								
			5323 ✓	27275 ✓			59.9 ✓								

Total 35141 199,651 368.1

N[illegible] 171 91.9 1.8

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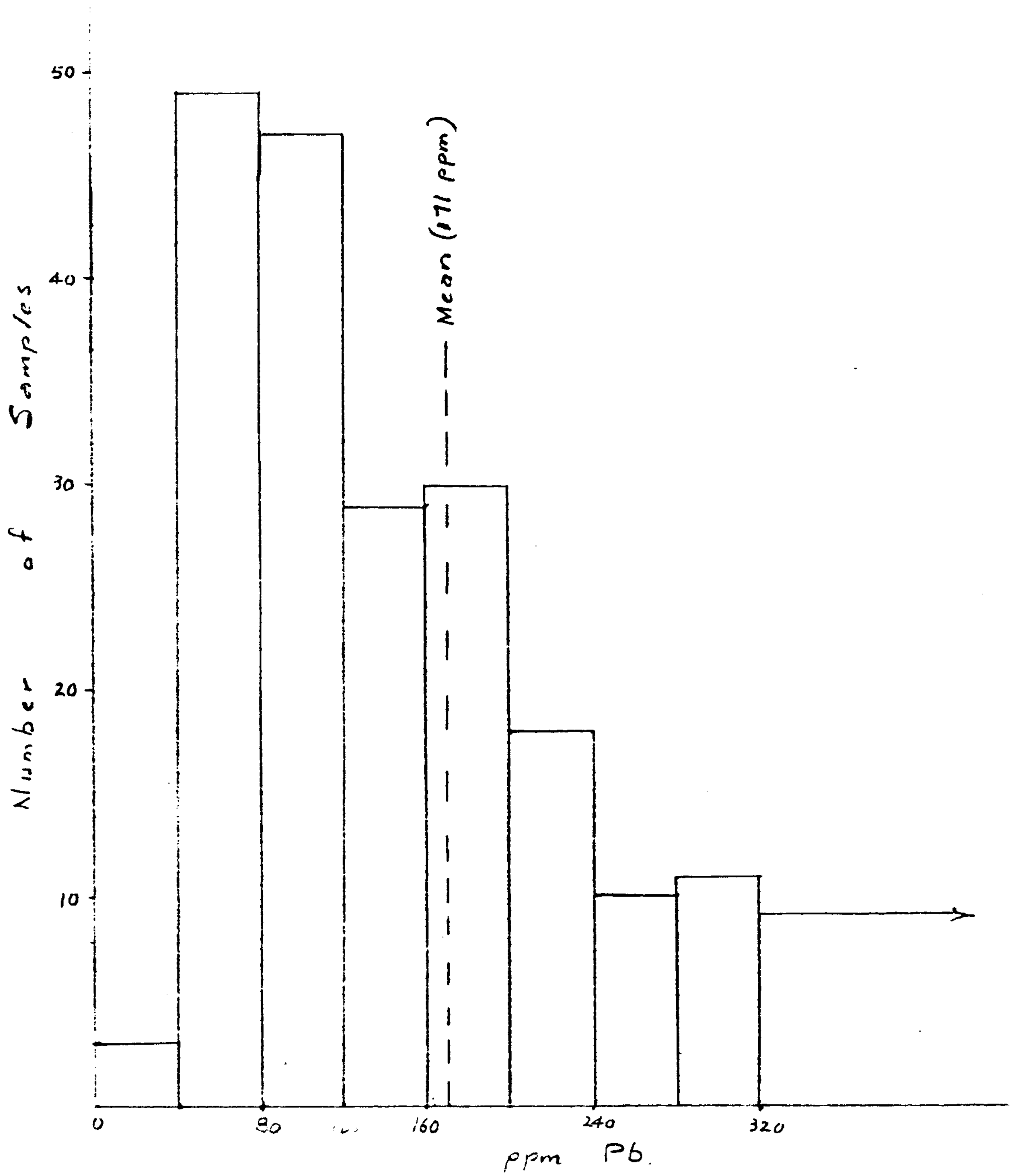
Page B-7



FREQUENCY DISTRIBUTION
Pb in Soils
BUD & DAGO CLAIMS
KATHLEEN LAKES AREA, Y.T.

Pan Acheron Resources Ltd
March 3/78
G.A.N.

G-24 LOGARITHMIC PROBABILITY

GRAPHIC CONTROLS CANADA LTD.
MADE IN CANADA

For: Pan Acheron Resources Ltd.

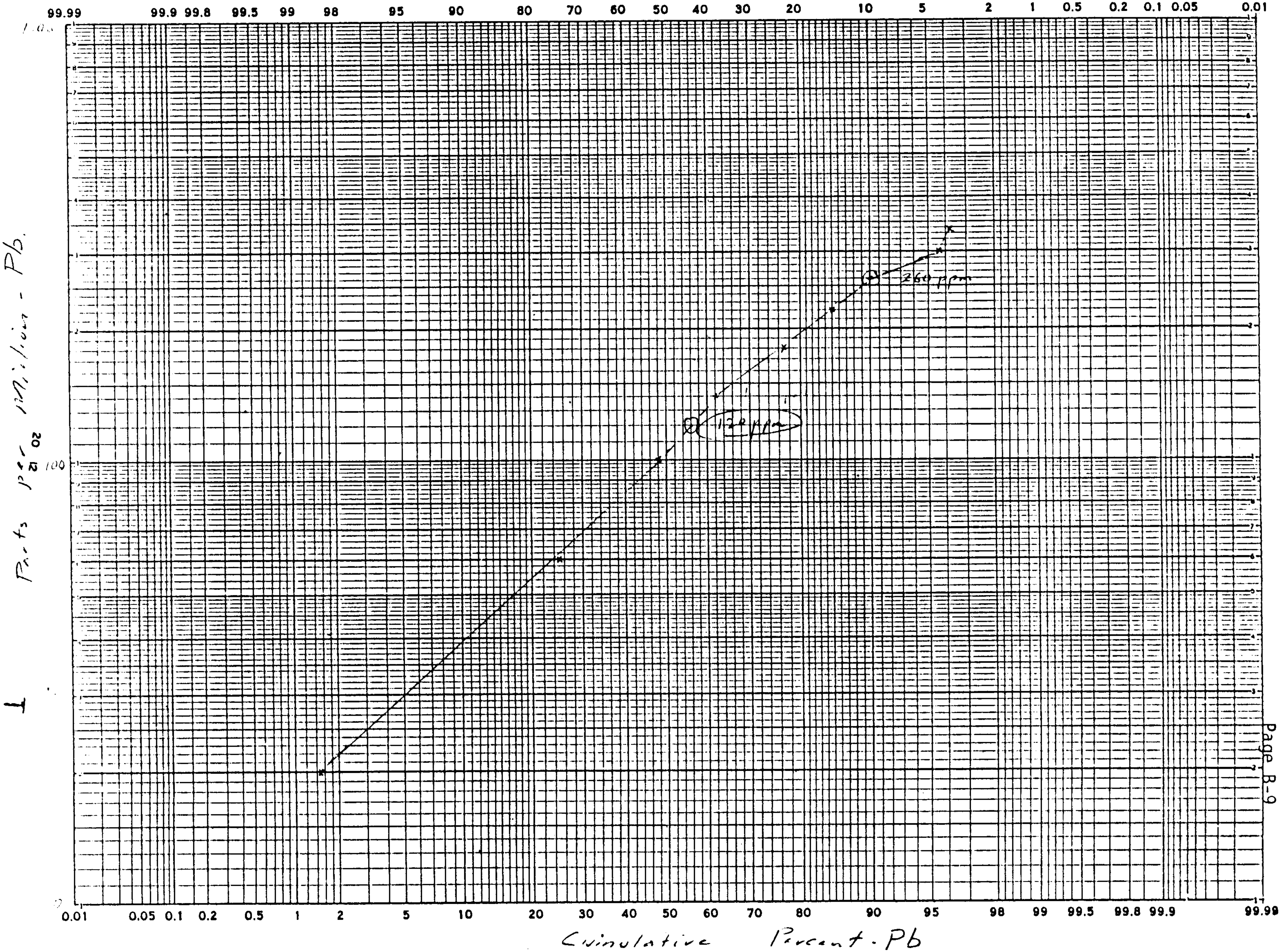
E.A. Noel March 3/78

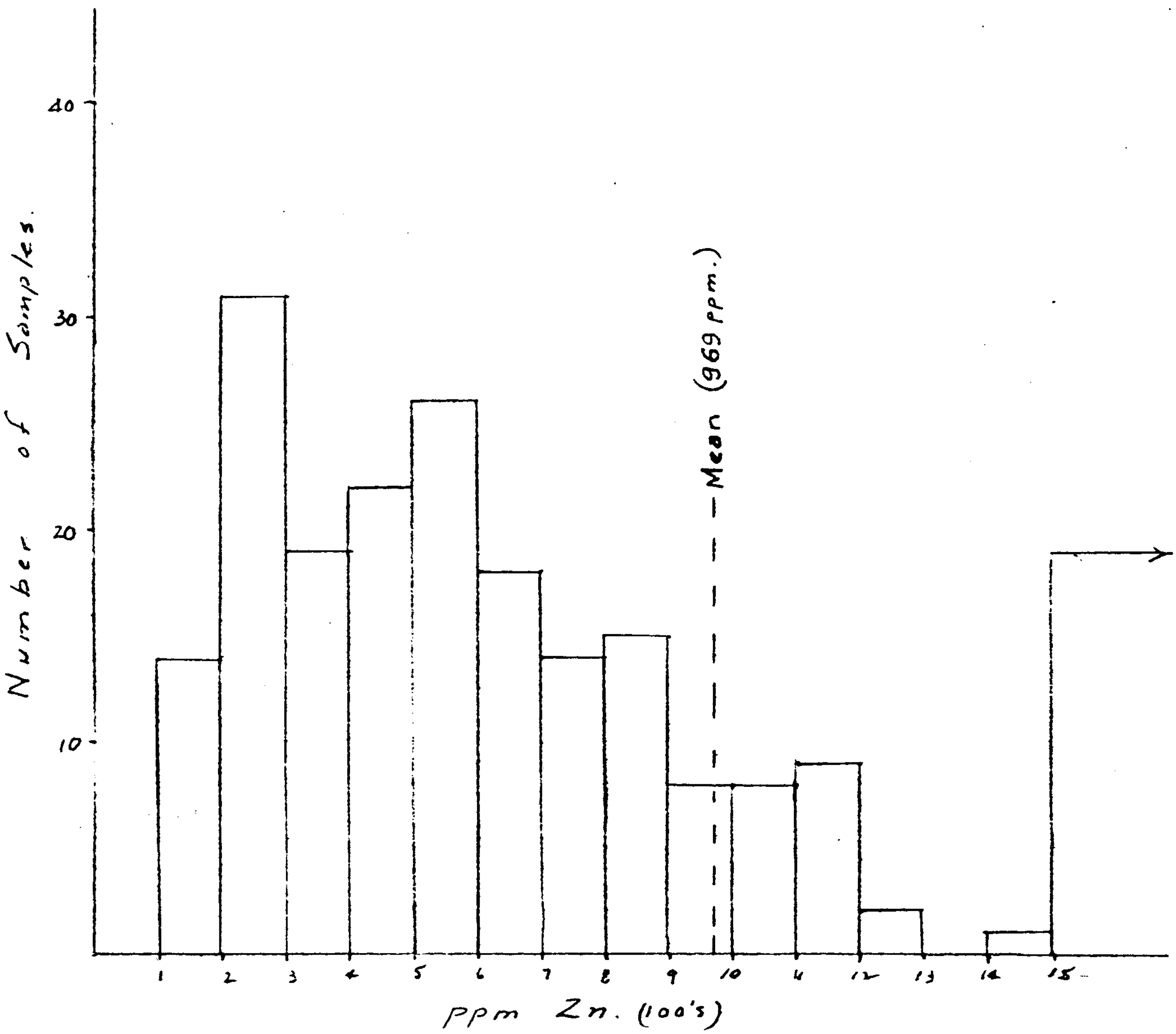
CUMULATIVE PERCENT FREQUENCY

Pb in Soils

BUD & DIEGO CLAIMS

Kathleen Lakes Area, Y.T.





FREQUENCY DISTRIBUTION

Zn in SOILS

BUD & DAGO CLAIMS

KATHLEEN LAKES AREA, Y.T

Pan Acheron Resources Ltd.

March 3/78
G.A.N

MADE IN CANADA

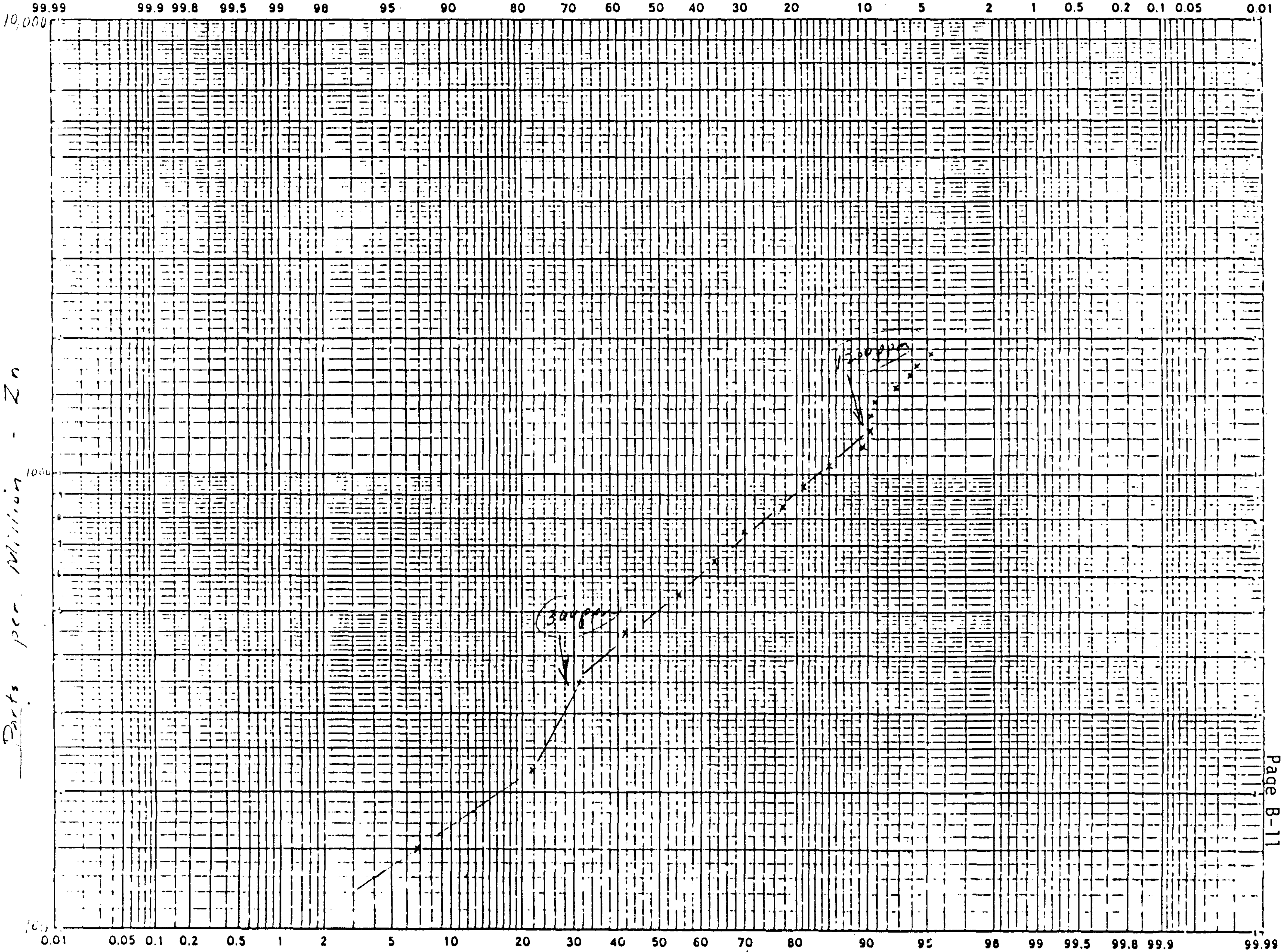
CUMULATIVE PERCENT FREQUENCY

Zn in Soils

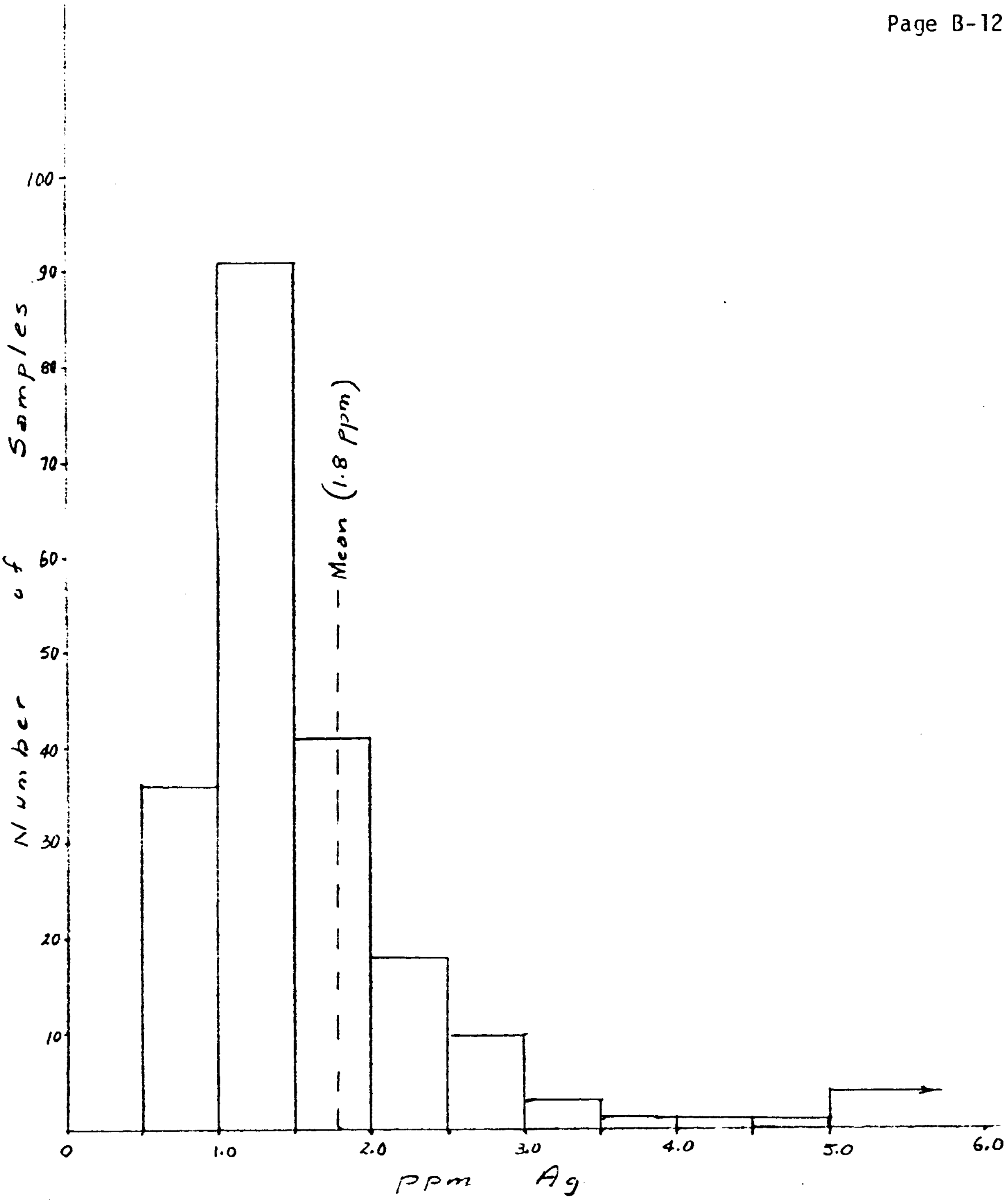
BUD & VAGO CLAIMS

Kathleen Lakes Area, Y.T.

For: Pan Acheron Resources Ltd



Cumulative Percent - Zn



FREQUENCY DISTRIBUTION

Ag in Soils

BUD & DAGO CLAIMS

KATHLEEN LAKES AREA, Y. T.

For: DAN ACHERON RESOURCES LTD. March 3/78
G.A.N.

GRAPHIC CONTROLS CANADA LTD.
MADE IN CANADA

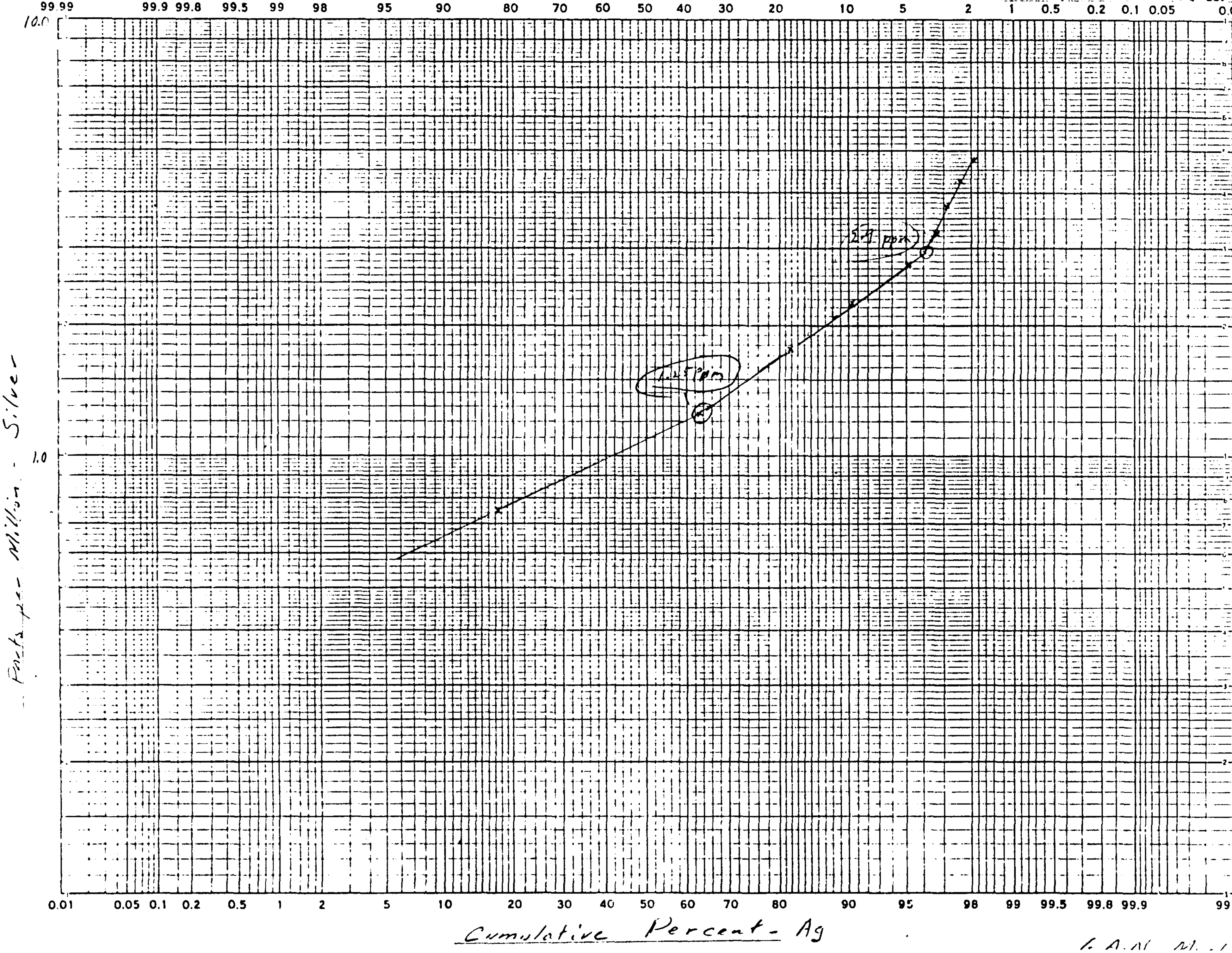
CUMULATIVE PERCENT FREQUENCY

Ag in Soils

BUD & DAGO CLAIMS

KATHLEEN LAK. AREA, Y.T.

For: PAN ACHERON RESOURCES LTD.



APPENDIX C

STATEMENT OF COSTS

STATEMENT OF COSTS

September 23 - October 7, 1977

Bud and Dago Claims
Kathleen Lake Area,
Mayo M.D., Y.T.

1.	Camp supplies and equipment			$ 1,785.83
2.	Wages:	L. Johnny	$ 780.00	
		L. Takematsu	810.00	
		K. Noel	1,080.00	
			$2,670.00	
		W.C.B. charges	144.00	
				2,814.00
3.	Mobilization from and demobilization to Mayo including one supply trip. (Fixed wing aircraft and helicopter)			2,028.06
4.	Expediting Service at Mayo in support of camp			85.00
5.	Assays (rock)			625.00
6.	Geochemical analyses			741.60
7.	Chain saw rental			120.00
8.	Field services - G. A. Noel			2,625.00
9.	Report preparation and data compilation			1,000.00
	Total expenditures on claims			$11,824.49

Respectfully submitted,

G A Noel

G. A. NOEL, P.Eng.

APPENDIX D

CERTIFICATE

CERTIFICATE

I, Gerald A. Noel, do hereby certify that:

1. The field work for this report was done under my supervision.

2. I am a practising geological engineer with G. A. Noel and Associates, 1127 - 510 West Hastings Street, Vancouver, B. C.

3. I am a graduate of the University of B. C. and University of Toronto and have been granted the degree of Master of Applied Science.

4. I have been practising my profession as a geological engineer for 25 years.

5. I am a member of the Association of Professional Engineers of British Columbia, Registration No. 4283.

6. I was manager of Canadian exploration for El Paso Mining and Milling Company located at Vancouver, B. C. from 1970 to 1975.

DATED at VANCOUVER, B. C. this 8th day of March, 1978.

G. A. Noel

G. A. NOEL, P.Eng.

LEGEND

Rock Units

Devonian — Limestone : grey to black

Proterozoic — Dolomite : orange to brown weathering, buff coloured, platy, shaly in places

Alteration

Fe & Mn oxides ; some Zn oxides

Mineralization

Pb & Zn sulphides

Symbols

Bulldozer trench

Hand trench

4 - 1 Surface sample

DDH CS-1 Diamond drill hole

Contour interval 10 metres

TRENCH ASSAYS

TRENCH	SAMPLE No.	LENGTH metres	SILVER oz / ton	LEAD,%	ZINC,%	CADMIUM,%
1	1 - 1	3	2.76	1.78	2.45	
2	2 - 1	2	0.02	0.04	1.30	
	2 - 2	3	6.36	3.10	1.73	
	2 - 3	3	3.21	0.81	3.18	
	2 - 4	1.5	3.84	1.44	4.88	0.07
	2 - 5	1.5	0.61	0.10	6.04	
3	3 - 1	1.5	0.21	0.06	2.40	
4	4 - 1	2	0.29	0.43	3.15	
	4 - 2	2	0.32	0.63	3.28	
	4 - 3	2	0.03	0.03	1.58	
	4 - 4	2	0.15	0.23	2.35	
	4 - 5	2	0.03	0.05	1.50	
6	6 - 1	2	1.21	2.33	6.51	
	6 - 2	2	0.03	0.10	1.00	
	6 - 3	2	0.01	0.02	0.10	
	6 - 4	4.5	0.26	0.14	2.20	
8	8 - 1	2	4.38	5.44	8.63	
	8 - 2	1.5	13.58	28.00	18.36	
	8 - 3	1.5	17.98	47.44	9.25	
	8 - 4	2	23.46	58.33	4.55	
	8 - 5	2	12.90	26.83	19.42	
	8 - 6	4	0.03	0.03	0.39	
9	9 - 1	3	0.29	0.14	1.10	
	9 - 2	3	0.85	0.60	1.90	
	9 - 3	3	0.62	0.08	4.03	
10	10 - 1	2	0.35	0.53	1.90	0.01
	10 - 2	2	0.09	0.29	0.73	0.01
	10 - 3	2	0.38	0.53	1.65	0.01
	10 - 4	2	0.24	0.35	0.60	0.01
	10 - 5	2	0.21	0.19	1.55	0.01
	10 - 6	2	0.15	0.11	0.68	0.01
	10 - 7	2	0.53	0.10	2.45	0.02
	10 - 8	2	0.35	0.07	2.53	0.02
11	11 - 1	4	0.03	0.02	0.33	
	11 - 2	8	0.97	1.48	1.38	
12	12 - 1	GRAB	0.03	0.04	1.40	
14	14 - 1	GRAB	2.97	0.33	6.62	

PAN ACHERON RESOURCES LTD.

G. A. NOEL & ASSOCIATES — CONSULTANTS

BUD & DAGO CLAIMS

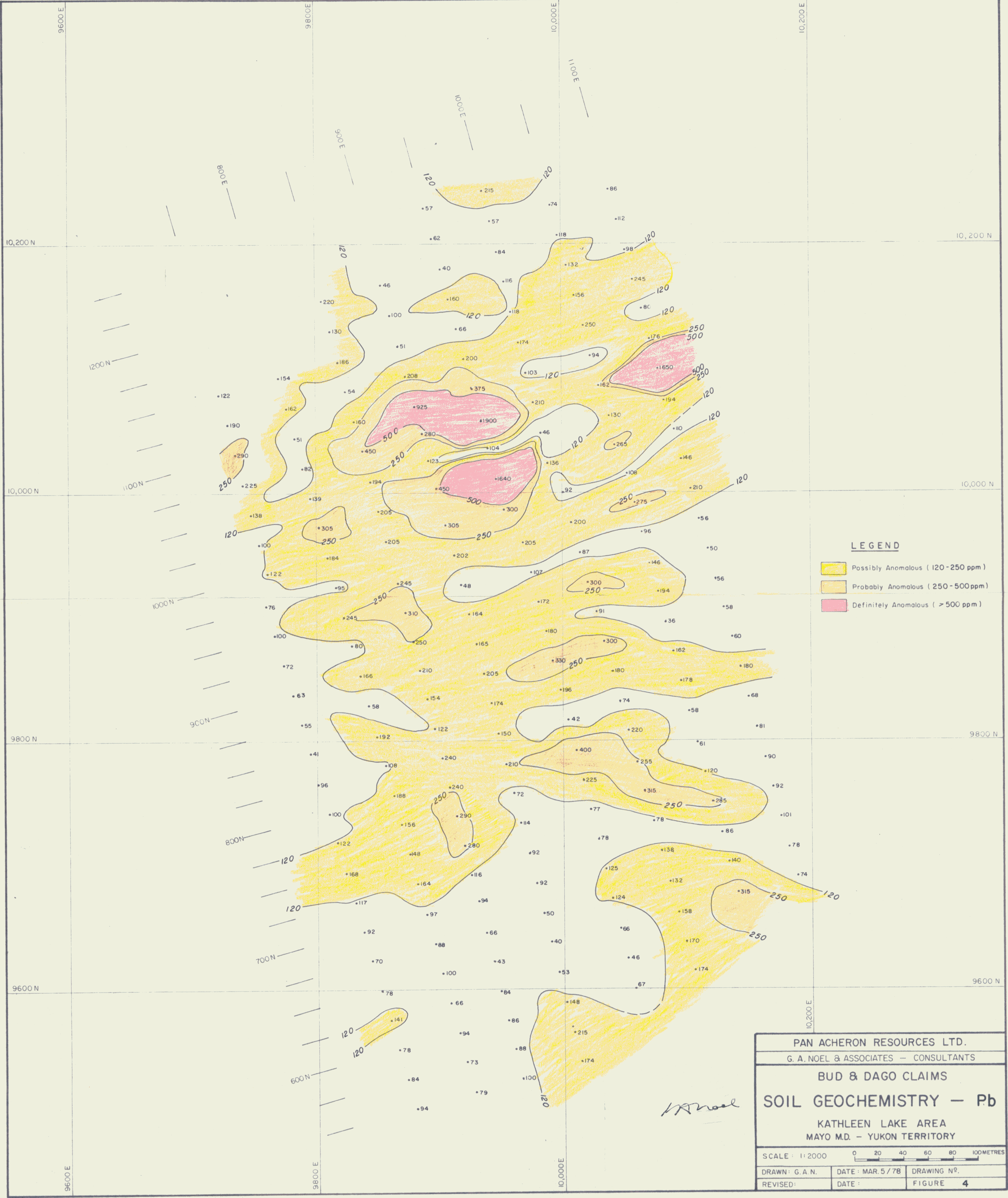
TRENCHING DETAIL

KATHLEEN LAKE AREA

MAYO M.D. — YUKON TERRITORY

SCALE : 1 : 2000 — 0 20 40 60 80 100 METRES

DRAWN : G. A. N.	DATE : MAR. 5 / 78	DRAWING Nº.
REVISED:	DATE :	FIGURE 3



PAN ACHERON RESOURCES LTD.

G. A. NOEL & ASSOCIATES — CONSULTANTS

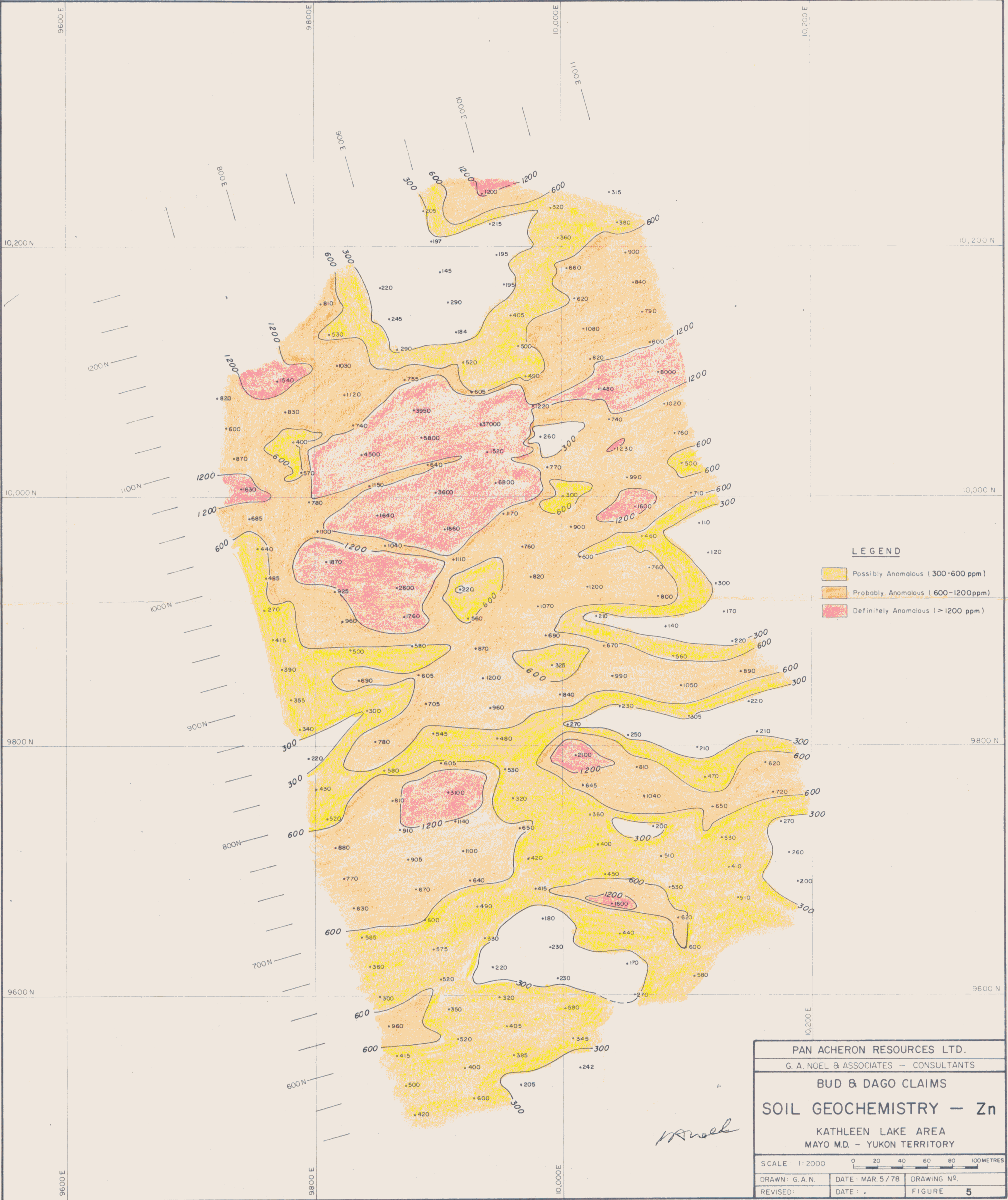
BUD & DAGO CLAIMS

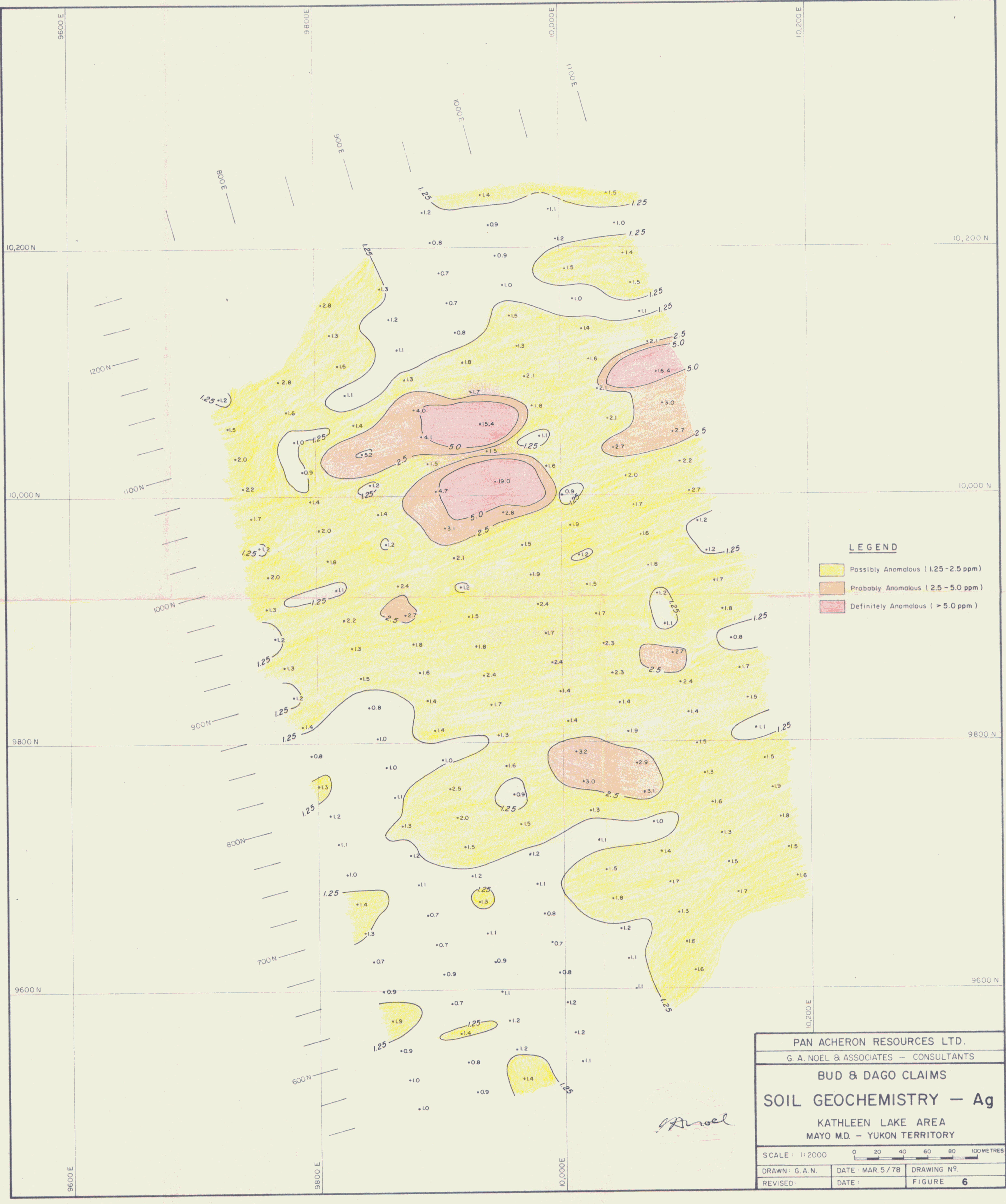
SOIL GEOCHEMISTRY — Pb

KATHLEEN LAKE AREA

MAYO M.D. — YUKON TERRITORY

SCALE : 1:2000		
DRAWN: G.A.N.	DATE: MAR. 5/78	DRAWING No.
REVISED:	DATE:	FIGURE 4


LEGEND
Possibly Anomalous (300-600 ppm)
Probably Anomalous (600-1200ppm)
Definitely Anomalous (> 1200 ppm)
PAN ACHERON RESOURCES LTD.
G. A. NOEL & ASSOCIATES — CONSULTANTS
BUD & DAGO CLAIMS
SOIL GEOCHEMISTRY — Zn
KATHLEEN LAKE AREA
MAYO M.D. — YUKON TERRITORY
SCALE: 1:2000
0 20 40 60 80 100 METRES
DRAWN: G.A.N.
DATE: MAR. 5/78
DRAWING Nº.
REVISED:
DATE:
FIGURE 5
9600 E
9800 E
10,000 E
10,200 E
10,200 N
10,000 N
9800 N
9600 N



PAN ACHERON RESOURCES LTD.
G. A. NOEL & ASSOCIATES — CONSULTANTS
BUD & DAGO CLAIMS
SOIL GEOCHEMISTRY — Ag
KATHLEEN LAKE AREA
MAYO M.D. — YUKON TERRITORY
SCALE: 1:2000
0 20 40 60 80 100 METRES
DRAWN: G.A.N.
DATE: MAR. 5/78
DRAWING Nº.
REVISED:
DATE:
FIGURE 6
LEGEND
Possibly Anomalous (1.25 - 2.5 ppm)
Probably Anomalous (2.5 - 5.0 ppm)
Definitely Anomalous (> 5.0 ppm)
9600 E
9800 E
10,000 E
10,200 E
10,200 N
10,000 N
9800 N
9600 N
800 E
900 E
1000 E
1100 E
1200 N
1100 N
1000 N
900 N
800 N
700 N
600 N