From: Mining Recorder at Whitehorse File No.

To: Supervising Mining Recorder at Whitehorse, Y.T.

FOR ACTION:

____ New Application for Lease to Prospect: Name

____ Renewal Appl'n Lease to Prospect: Name No.

____ Affidavit of Expenditure on Placer Lease: Name No.

____ Assignment of Prospecting Lease No.

From To

____ Grouping Appl'n under Sec. 52(2) Placer Mining Act: Owner

____ Diamond Drill Logs:

Owner: Claim Sheet No.

1/ Quartz Assessment Report:

Claims: IL 1-24 Claim Sheet No. 105-D-2

Type of Report: Geology Evaluation

Submitted By: Island Mining - Explorations Co. Ltd.

Claims work performed on: IL 1-24

$ Req. for Renewal application: $8700.00

Signature M. Martin

Date: 5 Nov. 1981

Preliminary Report Only. Full Report To Follow Later.

Reply Action Date Ref

090894

Signature

Date

GEOLOGY AND EVALUATION

OF THE

JL 1-24 MINERAL CLAIMS

MT. STEVENS AREA

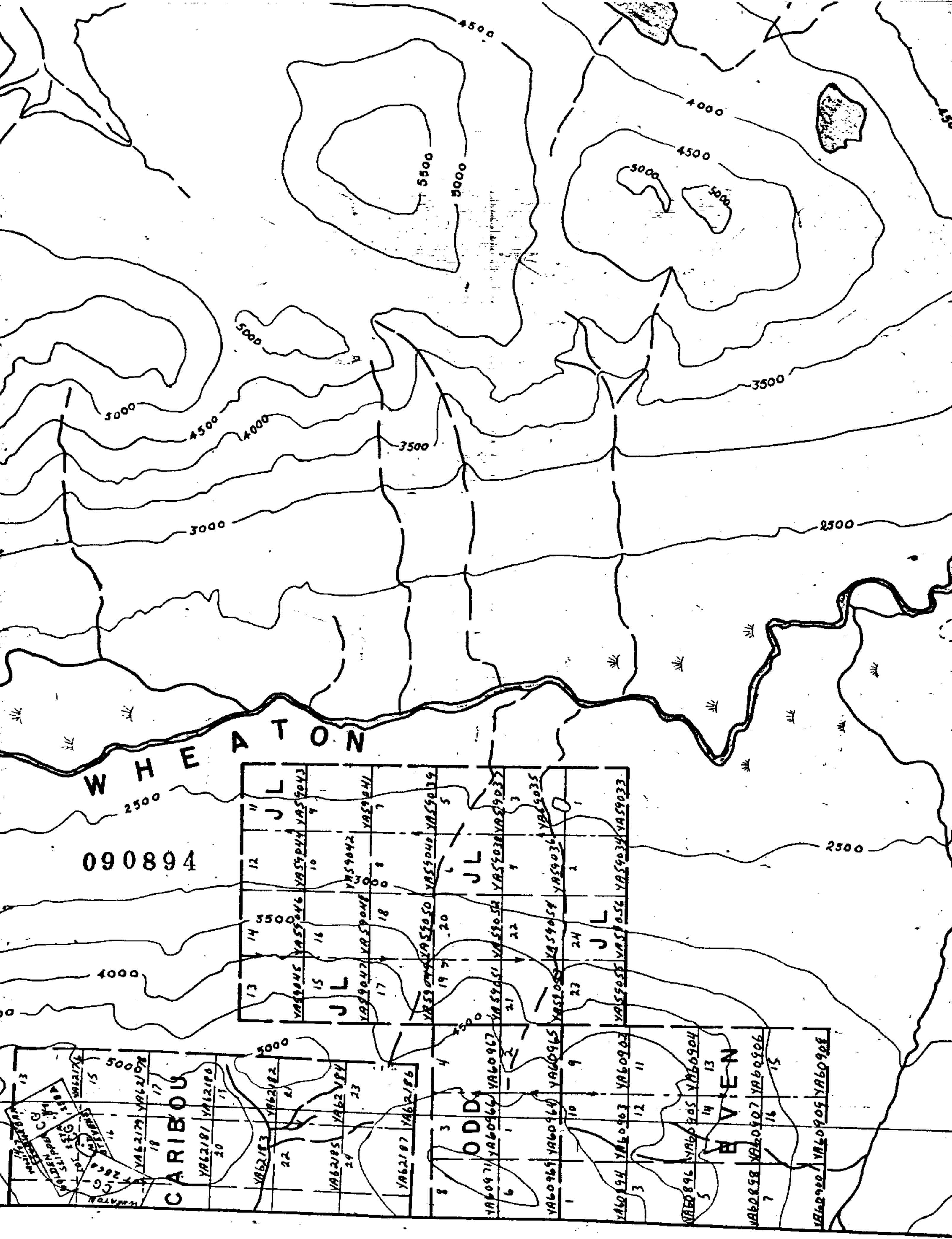
WHITEHORSE MINING DISTRICT, Y.T.

60°12' N. Lat., 134°57' W. Long.

by

F. HOLCAPEK, P. ENG.

August 14-August 31, 1981



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PROPERTY OWNERSHIP

Claim	Record No.	Registered Owner	Former Expiry Date
JL 1-8	YA59033-40	Island Mining	Oct. 21, 1981
JL 9-24	YA59041-56	Island Mining	Oct. 22, 1981

SURVEY PROCEDURE

For location control, survey stations were put in the main area of old showings, adits and buildings. Rock outcrops were tied in to the stations (see Geology and Sample Plan map). Chip samples, grab samples, and other selected samples were collected for assay. These results are tabulated on page 4.

HOLCAPEK ENGINEERING LTD.
CONSULTING GEOLOGISTS & ENGINEERS
9972 - 124 STREET, SURREY, B.C. V3V 4T1
TELEPHONE: 585-4489

Mr. Ernie Bergvinson
OBI Management Ltd.
900 - 475 Howe St.
Vancouver, B.C.

September 12, 1981

Re: Program on Midnight Gulch Claim Group, Mt. Stephen, and Examination of WH 1-8 Mineral Claim, Skukum Creek, Y.T.

Dear Sir,

As requested the above 2 properties have been examined during the period of August 14, to August 31, 1981. The reports will be submitted as soon as all data from the Lab is on hand.

Midnight Gulch:

All the old showings from the creek to above timberline have been located, caved adits and old trenches.

Essentially the rock type of main interest carrying the mineralization, is a quartz porphyry dike, in places extensively fractured, seriticized and mineralized with pyrite, galena and minor sphalerite.

The mineralization, where observed is associated with quartz stockwork or intensive silicification along fracture planes.

The dikes have been sampled, but additional work will be required taking the form of trenching and detailed sampling before specific locations for diamond drilling can be decided on.

The property has definitely the potential for large reserves, if the ore grade can be established within the economic range.

WH 1-8:

The program executed consisted of re-sampling and re-opening the old trenches located along a draw. Prospecting, to obtain the general distribution of mineralization or possible mineralization,

although locating a strongly limonitic rhyolite dike of large dimensions, the amount of mineralization present, does not appear to be sufficient to produce ore grade. Samples of the dike have been collected and submitted for assaying.

The main showing, as exposed in the trenches is essentially a fault zone up to 15 m wide, but the actual mineralization observed was in the order of 1 m only and sulfides are extremely erratically distributed over the width.

Although high grade material exists, the length along strike and the erratic width does not allow for potentially intermediate to large reserves.

Unless other veins are found or the rhyolite dike sampled, shows ore grade or near ore grade, I cannot see justification for a diamond drill program.

The reports are being prepared and will be submitted as soon as all assays have been received in this office.

Yours truly

F. Holcapek, P. Eng.

PROFESSIONAL ENGINEER
BRITISH COLUMBIA

SUMMARY OF SAMPLES, MIDNITE GULCH

Sample #	Sample width, m	Au oz/ton	Ag oz/ton	Remarks
49151	15.00	<0.003	0.03	Composite grab, porphyry, sericite some quartz veinlets, diss. pyrite.
49152	0.50	<0.003	0.01	Andesite dyke - porphyry contact shear with 5 cm gouge, pyrite-silicified.
49153	5.00	<0.003	0.01	Fractured porphyry, outcrop in talus sericitic alteration, minor pyrite.
49154	grab from dump composite	1.256	0.62	White quartz with occassional speck of galena and pyrite. Derived from adit.
49155	5.00	<0.003	<0.01	Porphyry above Adit 3, altered and fractured, minor sericite and pyrite.
49156	5.00	<0.003	0.07	As above. Continuation.
49157	Grab	0.074	0.08	Quartz selected from dump beside adit.
49158	Grab	<0.003	0.01	Trench above creek, dump sample - porph.
49159	Selected	<0.003	0.06	Porphyry above adit, quartz veinlets.
49160	Composite	0.003	0.24	High grade dump beside creek, galena pyrite, sericite along quartz veinlets or fractures.
49161	5.00	0.003	0.08	Bluff beside creek, porph with quartz-veinlets, minor, pyrite as dissemination, minor sericite, silicification.
49162	5.00	<0.003	<0.01	Continuation of above, more silicified.
49163	7.00	<0.003	0.02	As above, pyrite.
49164	Selected sample	<0.003	0.04	Silica flooding, quartz stockwork, pyrite.
49165	4.00	<0.003	0.14	As above.
49166	4.00	0.003	0.10	Porph., quartz stockwork, veinlets up to 1 cm. pyrite, galena in quartz veinlets and cross fractures.
49167	10.00	<0.003	0.01	Composite grab along edge of creek, altered minor quartz veinlets, silicification, pyrite along fractures, minor.
49168	5.00	<0.003	0.01	Composite grab, outcrop near Trenches above adit #2, foliated porphyry.
49169	Grab	0.005	0.02	Trench above Adit 2 as above.
49170	3.00	<0.003	0.03	Composite as above.
49171	3.00	<0.003	0.02	Composite as above, more extensively sheared.

HOLCAPEK ENGINEERING LTD.
CONSULTING GEOLOGISTS & ENGINEERS
9972 - 124 STREET, SURREY, B.C. V3V 4T1
TELEPHONE: 585-4489

Island Mining & Explorations Co. Ltd.
900 - 475 Howe Street
Vancouver, B.C.
V6C 2B3

Invoice: 013 - 81 September 9, 1981

Project: Midnight Gulch Mineral Claims
Prospecting, Mapping and
Preliminary Soilsampling
Period August 11, - 26, 1981

FIELD CHARGES: Personnel:

F. Holcapek, P.Eng.- 1 day travel @ $ 200.00/day		$ 200.00
11 days field @ $ 225.00/day		$ 2,475.00
		$ 2,675.00
O. Graf - 4 days travel - @ 125.00/day	$ 500.00	
12 days field - @ 125.00/day	$1,500.00	
T. Hannon 4 days travel - @ 90.00/day	$ 360.00	
12 days field - @ 90.00/day	$1,080.00	
K. Moenke 1 day travel - @ 65.00/day	$ 65.00	
12 days field - @ 65.00/day	$ 780.00	
	$ 4,285.00	
30 % on social service charges	$ 1,285.50	$ 5,570.50
		$ 8,245.50

Disbursements:

Prep. f. camp,supplies, fuel, etc.	$ 200.00	
Grocieries, - 4 men - 12 days	$ 500.00	
Travel - Mob. - & Demob. - 4 days meals, hotels, etc.	$ 350.00	
Camp equipment rental, field supplies, and Eng. equipment	$ 375.00	
Gas, oil, repair services, etc.	$ 350.00	
Truck rental 10 days @ 40.00/day	$ 400.00	
C.P Air - 3 fares - one way	$ 570.30	
	$ 2,745.30	
20 % on disbursements	$ 549,06	$ 3,294.36
Total Field Charges		$ 11,539 .86

From: Mining Recorder at Whitehorse File No.

To: Supervising Mining Recorder at Whitehorse, Y.T.

FOR ACTION:

___ New Application for Lease to Prospect: Name

___ Renewal Appl'n Lease to Prospect: Name No.

___ Affidavit of Expenditure on Placer Lease: Name No.

___ Assignment of Prospecting Lease No.

From To

___ Grouping Appl'n under Sec. 52(2) Placer Mining Act: Owner

___ Diamond Drill Logs:

Owner: Claim Sheet No.

1/ Quartz Assessment Report:

Claims: IL 1-24 Claim Sheet No. 105-D-2

Type of Report: Geology Evaluation

Submitted By: Island Mining + Explorations Co. Ltd.

Claims work performed on: IL 1-24

$ Req. for Renewal application: $8700.00

Signature M. Martin

Date: 5 Nov. 1981

Preliminary Report Only. Full Report To Follow Later.

Reply Action Attached is the Final Report 30-11-81 Date Ref

090894

Signature

Date

EVALUATION REPORT

on the

JL 1 - 24 MINERAL CLAIMS

MIDNITE GULCH

MAPSHEET 105 D2 - YUKON TERRITORY

for

ISLAND MINING & EXPLORATIONS CO. LTD.

SURREY, B.C.

NOVEMBER 2, 1981

F. HOLCAPEK, P. ENG.

090894

HOLCAPEK ENGINEERING LTD.
CONSULTING GEOLOGISTS & ENGINEERS

This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $ 8,700.00 .

R. Debicki

for Regional Manager, Exploration and Geological Services for Commissioner of Yukon Territory.

The old showings and workings were re-examined in 1981. Extensively fractured and sericitized quartz porphyry dykes are mineralized with pyrite, galena and minor sphalerite. The mineralization is associated with quartz stockwork or intensive silicification along crosscutting fracture planes or shear zones.

Limited soil and rock geochemical surveys were also carried out in 1981. No gold values greater than 0.10 g/t were reported for rock chip samples from the three showings. Silver values in rock such as 1.03 g/t over 15 m and 2.4 g/t over 5 m were reported. Thirty-five soil samples were collected and coincident lead and gold soil sample anomalies were determined.

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M A P S

CLAIM SKETCH - JL 1- 24	Scale 1 : 5,000
GEOLOGY AND SAMPLE PLAN	Scale 1 : 500

SUMMARY:

The Midnite Gulch Showings have been known for more than 60 years. Past exploration consisted of 3 short adits and a multitude of hand trenches. All old workings are caved or sloughed.

During August 1981 an evaluation program consisting of limited soil sampling, re-location of old workings, geological mapping and trenching was completed.

Results of the above program show that the gold mineralization on the claim group is localized within granite porphyry dykes, where cut by cross faults or shears. Soil sample data confirmed three anomalous areas which have not been delineated. Mineralogical data suggest close association of quartz veining with gold value. Galena and pyrite have been observed within the quartz veins, but the importance of galena in respect to gold mineralization has not been definitely established.

A work program has been recommended in the amount of $ 55,250.00 to establish the mine potential of the property.

EVALUATION REPORT

on the

JL 1 - 24 MINERAL CLAIMS

MIDNITE GULCH

MAPSHEET 105 K - YUKON TERRITORY

for

ISLAND MINING & EXPLORATIONS CO. LTD.

1-00 INTRODUCTION:

At the request of Mr. Ernie Bergvinson, president of Island Mining & Explorations Co. Ltd., the writer initiated an evaluation program on the Jl - 1-24 mineral claims covering the old showings located along Midnite Gulch.

The program consisted of relocation of old showings, trenches, tunnels, etc. and selected soil geochemistry for gold along the grid.

The purpose of this report is to summarize the findings and to design a follow up exploration program if warranted.

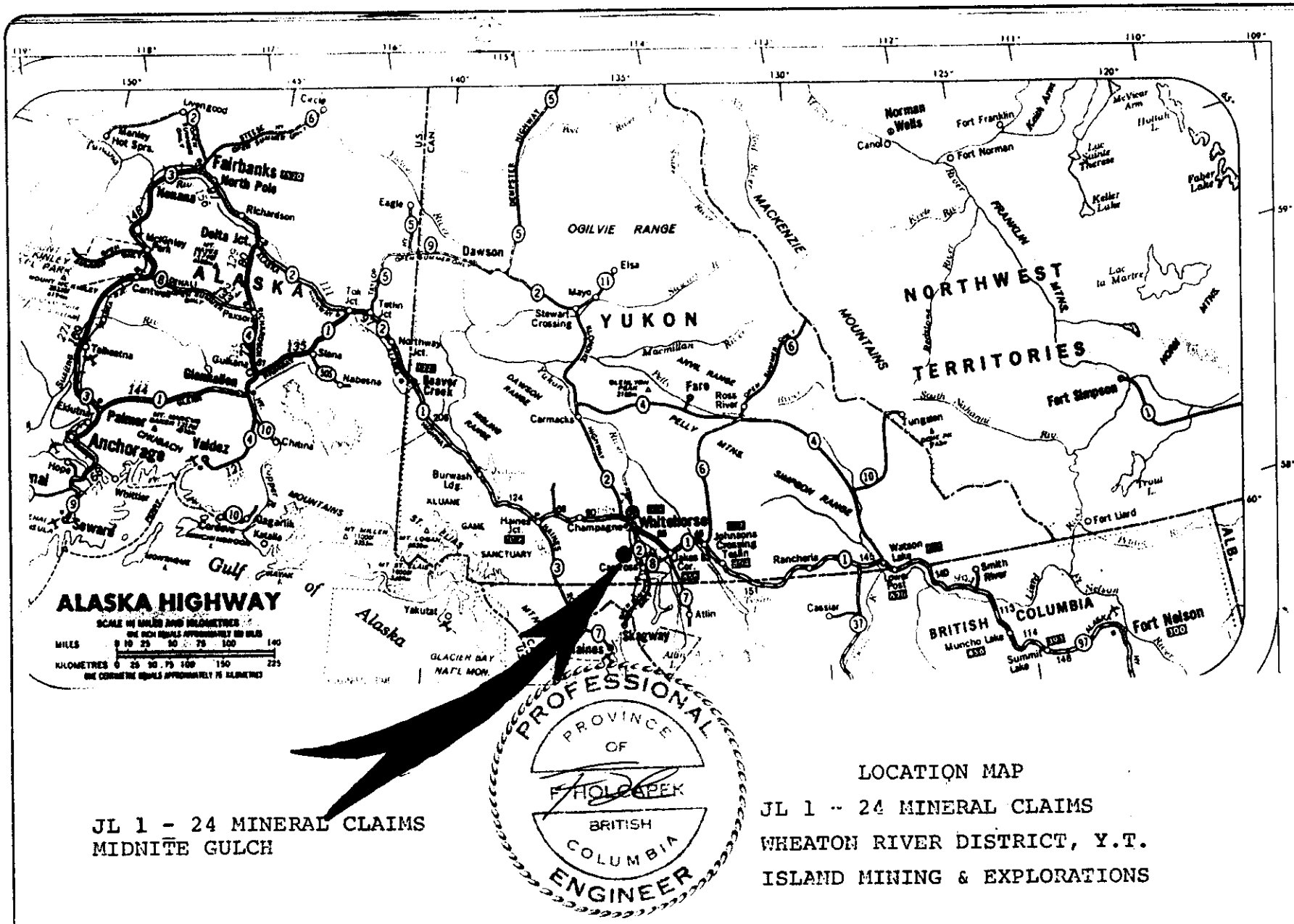
2-00 GEOGRAPHY:

2-10 Location and Access:

The JL 1-24 mineral claims are located along the south east slopes of Mt. Stephens straddling Midnite Gulch, mapsheet 105 K.

Access to the property is from Whitehorse via the Carcross road to the Annie Lake turnoff, hence following the Annie Lake road to the Wheaton River bridge. From there via helicopter to the property, a distance of approximately 10 km. A heliport has been constructed on the JL 18 mineral claims, about 150 m from Midnite Gulch, at an elevation of 1,000 m above sealevel.

The lower part of the old workings lies in the bottom of Midnite Gulch.



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CONSULTING GEOLOGISTS & ENGINEERS

2-20 Topography, Climate and Vegetation:

The topography on the claim group is steep, with average slopes of 20° in the western part. Rugged sections are confined to Midnite Gulch, which is surrounded by extremely steep talus slopes and escarpment consisting of rock cliffs and near vertical faces of packed gracial erratics.

The eastern part of the claim group lies along the Wheaton River valley which has moderate slopes and numerous swampy flats.

A river embankment of up to 20 m high outlines the present valley floor following the meandering course of the river.

Below the 1,000 m elevation contour, glacial till, boulders and rock flour form a thick cover obliterating all geological expression.

The climate in the district is typical for the southern Yukon Territory. Dry, short, hot summers, followed by long, cold winters. The snowfall in the area does not exceed 1.5 m on the ground, temperatures may drop to - 45° Celsius.

The vegetation in the lower reaches consists of large stands of mature spruce along the main river valley, except in swampy sections. Areas covered by heavy glacial till show mixed pine and spruce. Along the middle slopes thick underbrush and poplar stands occur as second growth, windfall of partially burned and blackened trees suggest a forest fire area.

3-00 TITLE AND OWNERSHIP:

The JL 1-24 mineral claims were recorded in Whitehorse on October 21, 1980 and are held by Island Mining & Explorations Co. Ltd.

4-00 HISTORY:

The first claims located in the area date back to the early part of the century. During this period extensive exploration work consisting of trenching & drifting in three adits had been carried out. Work was concentrated along Midnite Gulch and to the north of same. Mineralization explored, reportedly, was associated with granitic porphyry dykes showing quartz stockwork, alteration pyrite and galena. In association with the latter, free gold was found.

Exploration was renewed during the 1930's, concentrated within

the same general areas.

Since the 1930's the area was staked by several different parties, but no extensive work of importance was executed.

During October 1980 the JL 1-24 mineral claims were located on behalf of Island Mining & Explorations Co. Ltd.

During August 1981 a four men crew under supervision of the writer completed a preliminary evaluation program.

5-00 GEOLOGY:

5-10 General Geology:

The claim group lies along the south eastern slopes of Mt. Stephens overlooking the Wheaton River valley. The area is extensively overburden covered, glacial in origin, with outcrops confined to the upper segment of small creeks or bluffs along the break of the slope near timberline. In general, less than 25 % of the claim area has rock exposure.

From outcrops observed, the predominant rock types are volcanic greenstones and greenschist, possibly related to the Lewes River Group.

The rocks have been intruded by granitic porphyry and andesitic dykes. The dykes are best exposed along Midnite Gulch. Quartz stockwork or quartz seams, sericite development producing in places foliation cutting across the dykes, suggest cross faulting. None of the cross faults have been observed.

5-20 Detailed Geology:

During the course of the initial prospecting to locate the old showings it was decided to map the main area of interest at a scale of 1:5,000 (see enclosed detailed geology map and sample location).

Lower Showing:

The Lower Showing is located along the south side of Midnite Gulch at the point where the creek enters the main Wheaton River valley, approximately 150 m south west of the heliport.

Here the creek cuts across the granite porphyry dyke at a small angle. The dyke forms a steep bluff. Wall rocks are not exposed. The dyke shows alteration in the form of quartz seams, silicification and sericite seams. Pyrite can be observed as fine dissemination following fractures or quartz seamlets.

At one location, along the edge of the creek, quartz veinlets up to 1 cm wide, apparantly cross cutting, carrying pyrite and disseminated galena were observed. An attempt to trace the extent of the mineralization was futile due to overburden.

On the north side of the creek an ore dump shows granite porphyry material well mineralized with pyrite and galena. This material appears to have been derived from a shallow hollow - old sloughed trench?

Following the dyke westerly two andesite dykes were observed cutting the granite. The contact is gradational, expressed by mafic minerals and darker color of the granite. Approximately 80 m to the west, the first of the old adits, caved, was found behind an old cabin. Dump material suggest that the adit was driven along the same granite porphyry dyke. Heavy brush and overburden obliterate the bedrock.

Summary of Samples taken:

Sample #:	Sample Width, m:	Au Oz/ton:	Ag Oz/ton:	Remarks:
49158	Grab	0.003	0.01	Trench above creek, dump ssmple, porph.
49160	Composite	0.003	0.24	High grade dump beside creek, gale. pyrite, sericite along qtz veinlets or fractures.
49161	5.00	0.003	0.08	Bluff beside creek, porph. with qtz veinlets, minor pyr. as disseminat. minor sericite, silicification.
49162	5.00	0.003	0.01	Contin. of above, more silicified.
49163	7.00	0.003	0.02	As above, pyrite.
49164	Select. Sample	0.003	0.04	Silica flooding, qtz. stockwork, pyrite.
49165	4.00	0.003	0.14	As above.

Sample #:	Sample width,m:	Au Oz/ton:	Ag Oz/ton:	Remarks:
49166	4.00	0.003	0.10	Porph., qtz. stock-work, veinlets up to 1 cm, pyrite, galena in qutz. veinlets and cross fractures.
49167	10.00	0.003	0.01	Composite grab along edge of creek, altered min. qutz. veinlets, silicification, pyrite along fract.

Intermediate Showing:

The intermediate workings are located about 130 m north west of the Lower Showing on the north side of the creek, 100 m higher than the lower most outcrop of the granite porphyry. The adit, now caved, has been driven along a shear fracture along a granite porphyry - andesite dyke contact. The contact is not well exposed, but from talus fragments seen, it appears to be gradational.

A second dyke is partially exposed to the west of the adit, also intruding granite porphyry dykes.

Dump material is a sericite granite porphyry showing minor sericite, silicification and occassional quartz seams with disseminated pyrite. A color change is apparant from a reddish tan of the fresher porphyry to a greyish dark hue in the altered porphyry, especially where silicification is more intensive.

About 80 m north of the adit a line of trenches, now sloughed, trend north westerly, showing granite porphyry. Strong foliation is indicated.

Summary of Samples taken:

Sample #:	Sample Width, m:	Au Oz/ton:	Ag Oz/ton:	Remarks:
49151	15.00	0.003	0.03	Composite grab, porphyry, sericite, some quartz veinlets, dissem. pyrite.
49152	0.50	0.003	0.01	Andesite dyke - porphyry contact shear with 5cm gouge, pyrite pyrite - silicified.

Sample #:	Sample Width, m:	Au Oz/ton:	Ag Oz/ton:	Remarks:
49153	5.00	0.003	0.01	Fractured porphyry, outcrop in talus, sericitic alteration, minor pyrite.
49168	5.00	0.003	0.01	Composite grab, outcrop near trenches above adit # 2, foliated porp.
49169	Grab	0.005	0.02	Trench above adit # 2, as above.
49170	3.00	0.003	0.03	Composite, as above.
49171	3.00	0.003	0.02	Composite as above, more extensively shear.

Upper Showing:

The Upper Showing is located about 80 m south west of the initial post of the JL 17 mineral claim or 400 m N 30° W of the adit from the intermediate workings.

Granite porphyry has been explored by trenching and pitting. Old timber frames give evidence of a sloughed adit. Dump material consists of a mixture of quartz and strongly silicified porphyry. The latter is showing disseminated pyrite.

Two dumps, consisting of what appears to be selected quartz have been found. Minor disseminated galena and occassional pyrite specks are the only sulfides seen.

A draw trending southerly from the claim post suggests a possible fault. This is re-enforced by strong foliation within the greenschist partly exposed below the escarpment. The greenstone bluffs forming the escarpment at this location exhibit no foliation.

Summary of Samples taken:

Sample #:	Width, m:	Au Oz/ton:	Ag Oz/ton:	Remarks:
49159	Selected	0.003	0.06	Porphyry above adit # 3, quartz veinlets.
49154	grab fr. dump	1.256	0.62	White qutz. with occ. speck of galena a. pyr. Derived from adit.

Sample #:	Width, m:	Au Oz/ton:	Ag Oz/ton:	Remarks:
49155	5.00	0.003	0.01	Porphyry above adit # 3 altered and fractured,. minor sericite and pyrite.
49156	5.00	0.003	0.07	As above, continuation.
49157	Grab	0.074	0.08	Quartz selected from dump beside adit.
49159	Selected	0.003	0.06	Porphyry above adit, quartz veinlets.

5-30 Economic Geology:

Detailed sampling of all workings found was completed during the evaluation program. Although the majority of the trenches were sloughed and all adits caved, outcrops of the postulated gold bearing granite porphyry dykes are in vicinity of the workings to allow chip sampling or composite grab sampling. Further the ore dumps in vicinity of the adits provided material for the preliminary sampling.

Comparing sample results with the rock types and intensity of alteration present, the following becomes apparant:

1. The granite porphyry dykes appear to be the favored host rock.

2. Sericite development and minor pyrite as dissemination appears to have no effect on gold values present.

3. Silicification, quartz veinlets or quartz seams associated with intense fracturing, containing pyrite and minor galena in a granite porphyry host, show a slight increase of gold values to a maximum of 0.005 oz/ton.

4. The presence of galena and abundant pyrite does not necessarily indicate good gold values.

5. Best gold values obtained were found to be associated with white quartz carrying minor pyrite and galena. The quartz appears to be in cross cutting fractures.

In general, the past exploration work was localized in and along Midnite Gulch where outcrops are most abundant and overburden cover is disected by the creek.

Away from this area no evidence of past work was found, but from geological observations it is evident that the favorable granitic porphyry host rock continues.

The spatial arrangement of the quartz veinlets, quartz seams and fractures suggest a relationship to cross cutting faults or shears. None was found to be outcropping.

No relationship between andesite dykes and gold mineralization has been observed or is indicated.

6-00 GEOCHEMICAL SAMPLING:

6-10 General Conditions:

The JL 1-24 mineral claims lie along the south ..eastern slopes of Mt. Stephens, facing the Wheaton River valley. Geomorphological data suggest that this was the location of a large valley glacier moving south ward. From the river to about the 1,000 m elevation contour a thick layer of glacial deposits is evident.

Above the 1,000 m contour, the Midnite Gulch Creek formed a deep, steep gradient - V-shaped valley with the head waters emerging from a 30 m high escarpment, formed by semi consolidated glacial material.

Above the creek between 1,000 and 1,200 m elevation a layer of fine, white silt covers the slopes. Outcrops are confined to steep escarpments only. Wasting forms extensive coarse talus slopes without soil development.

The use of soil sampling for detecting possible gold bearing structures in such a setting is highly suspect.

6-20 Field Method:

Soil sampling was executed on a grid basis with lines 200 m apart and stations marked at 50 m intervals. The lines were established by chain and compass and flagged. The stations were marked on flagging and by pickets.

Samples were taken by grubhoe from the B horizon at an average depth of 20 cm. During the course of sampling it was found that soil profile was extremely poorly developed and in locations a fine white silt layer could not be penetrated.

At locations where the silt layer or glacial till or coarse talus was estimated to be too deep, no samples were taken.

A total of 8,000 m of grid lines were established and a total

of 35 soil samples were collected and analyzed for gold and lead by the atomic absorption method.

6-30 Soil Sample Results:

No statistical analysis was made of the sample data since the population was considered to be too small.

Gold: Gold values range from less than 10 parts per billion to a high of 760 parts per billion. Using a threshold value of 40 ppb, three areas of possible anomalous gold values are indicated.

Area 1: At station 13+00 N, 10+00 W a high of 760 ppb in gold was located. The station lies 200 m west of the adit on the Upper Showing. Considering the indicated strike of the postulated mineralized granite porphyry, the high gold soil value would lie along the surface trace. A 88 ppm lead high lies 50 m to the west, suggesting a close relationship of lead sulfides with gold mineralization. Rock samples collected from the dump beside the adit gave gold values of 1.256 oz/ton and 0.074 oz/ton respectively. Galena was observed in the samples.

Area 2: Area 2 is located on line 10+00 W, 10+00 N to 11+00 N. Maximum value is 60 ppb gold. No coinciding lead values exist. The area lies between Midnite Gulch and a southerly branch. These stations are located along the western limit of the semi-consolidated glacial till and could represent transported gold.

Area 3: Area 3 is located on line 10+00 W, 0+00 N to 2+50 N. Peak value is 620 ppb gold. An associated lead high, 190 ppm suggest the anomaly is near to - in situ-mineralization. The area is completely overburden covered, but lies above the extensive glacial till deposit.

Lead: The samples were analyzed for lead to see if a correlation between the two metals, gold and lead exists and if it can be used as a pathfinder.

The close correlation between gold anomalies and high lead values, i.e. 620 ppb gold - 184 ppm lead, and 760 ppm gold - 88 ppm lead to the north do suggest a close association.

Lead values range from a low of 2ppm to a high of 190 ppm with 40 ppm threshold values indicated. About

Lead: 20 % of the samples have values greater than threshold. All lead anomalies coincide with gold highs.

7-00 CONCLUSIONS:

Preliminary geological evaluation and soil sampling of the JL 1-24 mineral claims show that:

The old known gold showings appear to be localized within the granite porphyry dykes, where cut by cross faulting and shearing.

A definite relationship between the intensity of quartz veining and gold values exists.

Pyrite and galena are usually associated with quartz veining. Sericite development has been observed at a distance from intense quartz veining.

No relationship could be established between andesite dykes and mineralization, but silicification has been observed along the contacts, diminishing outward.

Soil sample results suggest a close relationship between gold and lead values. This relationship has not been confirmed by the rock samples and has to be investigated further.

Soil sampling has outlined two areas which are definitely anomalous and one area possibly anomalous in gold.

No independent lead anomaly has been found.

Additional work is recommended to delineate and check the indicated gold anomalies and to develop a geochemical method to obtain reliable results from the heavy overburden covered areas of the claim group.

8-00 RECOMMENDATIONS:

1. Consultation with a geochemist who has extensive experience in gold chemistry as related to glacial terrain.

2. Geological mapping of the claim group at a scale of 1:5,000 with special emphasis on structural setting and relationship of mineralization to indicated alteration and intensity of quartz veining.

3. Cleaning of old trenches, re-sampling and detailed

3. mapping to establish the relationship of mineralization to indicated alteration and intensity of quartz veining.

4. Re-evaluation of results in respect to overall ore potential of the claim group.

Additional exploration will depend on the results of above program.

9-00 COST ESTIMATE:

1.	Consultation with geochemist, allow	$ 500.00
2.	Mobilization - demobilization, camp supp.	
	By helicopter - say 30 days - allow	$ 10,000.00
3.	Geochemistry, gridding, 4 men - 30 days	$ 10,000.00
4.	Geological mapping - 30 days @ $ 200.00/dy	$ 6,000.00
5.	Camp supplies, groceries, etc.	$ 6,000.00
6.	Engineering and supervision	$ 5,000.00
7.	Assaying, soil and rock samples, allow	$ 5,000.00
		$ 42,500.00
	Allow 30 % for contingency and inflation	$ 12,750.00
	TOTAL COSTS	$ 55,250.00

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
F. HOLCAPEK

Respectfully submitted

Surrey, B.C.

November 2, 1981

F. Holcapek, P. Eng.

CERTIFICATION

I, Ferdinand Holcapek of 9972 - 124 Street, Surrey, B.C., certify that:

1. I am a graduate of the University of British Columbia with a B.Sc. degree in Geology in 1969.

2. I am a registered member in good standing of the Association of Professional Engineers of British Columbia.

3. I have been engaged in mining exploration and geology in Canada, Australia, United States of America, Mexico and Central America.

4. This report is based on field work conducted under my supervision on the JL 1-24 mineral claims during the period of August 11, to August 26, 1981.

5. I have no interest and do not expect to receive any interest directly or indirectly in the properties or securities of Island Mining & Explorations Co. Ltd.

Surrey, B.C.
November 2, 1981.

F. Holcapek, P. Eng.

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
F. HOLCAPEK

REFERENCES

1. G.S.C. open file 164, The Bennett Lake Cauldron Subsidence Complex, British Columbia and Yukon Territory, by M.B. Lambert.

2. G.S.C. Memoir 218, pp 12 - 13.

3. G.S.C. Summary Report 1922 pp 7-8.

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· ANALYTICAL CHEMISTS · GEOCHEMISTS · REGISTERED ASSAYERS

CERTIFICATE OF ASSAY

TO : ISLAND MINING & EXPLOR. CO. LTD:
900-475 HOWE ST:
VANCOUVER, B.C.
V6C 2B3

CERT. # : A8114083-001-A
INVOICE # : I8114083
DATE : 14-OCT-81
P.O. # : NONE

CC: HOLCAPEK ENG.

Sample description	Prep code	Pb %	Zn %	Ag FA oz/T	Au FA oz/t		
49151	207	--	--	0.03	<0.003	--	--
49152	207	--	--	0.01	<0.003	--	--
49153	207	--	--	0.01	<0.003	--	--
49154	207	--	--	0.62	1.256	--	--
49155	207	--	--	<0.01	<0.003	--	--
49156	207	--	--	0.07	<0.003	--	--
49157	207	--	--	0.08	0.074	--	--
49158	207	--	--	0.01	<0.003	--	--
49159	207	--	--	0.06	<0.003	--	--
49160	207	--	--	0.24	0.003	--	--
49161	207	--	--	0.08	0.003	--	--
49162	207	--	--	<0.01	<0.003	--	--
49163	207	--	--	0.02	<0.003	--	--
49164	207	--	--	0.04	<0.003	--	--
49165	207	--	--	0.14	<0.003	--	--
49166	207	--	--	0.10	0.003	--	--
49167	207	--	--	0.01	<0.003	--	--
49168	207	--	--	0.01	<0.003	--	--
49169	207	--	--	0.02	0.005	--	--
49170	207	--	--	0.03	<0.003	--	--
49171	207	--	--	0.02	<0.003	--	--
49172	207	<0.01	<0.01	0.02	<0.003	--	--

Registered Assayer, Province of British Columbia

CTA MEMBER CANADIAN TESTING

0+00 N

5+00 N

10+00 N

15+00 N

10+00 W

8+00 W

6+00 W

4+00 W

JL 23 | JL 21 | JL 19 | JL 17 | JL 15 | JL 13

JL 24 | JL 22 | JL 20 | JL 18 | JL 16 | JL 14

JL 2 | JL 4 | JL 6 | JL 8 | JL 10 | JL 12

JL 1 | JL 3 | JL 5 | JL 7 | JL 9 | JL 11

ADIT 3

ADIT 2

ADIT 1

GRAVEL

GULCH

HEA VY GLACIAL DRIFT

WHITE SILT

GREEN SCHIST OUTCROPS

OLD CAMP

HELIPORT

COARSE TALUS

MIDNITE

HEAVY GLACIAL DEPOSITS

DETAILED SKETCH

CAMP

TO WHEATON RIVER 400m

SWAMP

CREEK

LOGCABIN, RUINS

SOIL SAMPLE LINE

1 ■ 2 CLAIM POST

20 / 50 Au ppb / Pb ppm SOILSAMPLE RESULTS

HOLCAPEK ENGINEERING LTD.

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JL 1-24

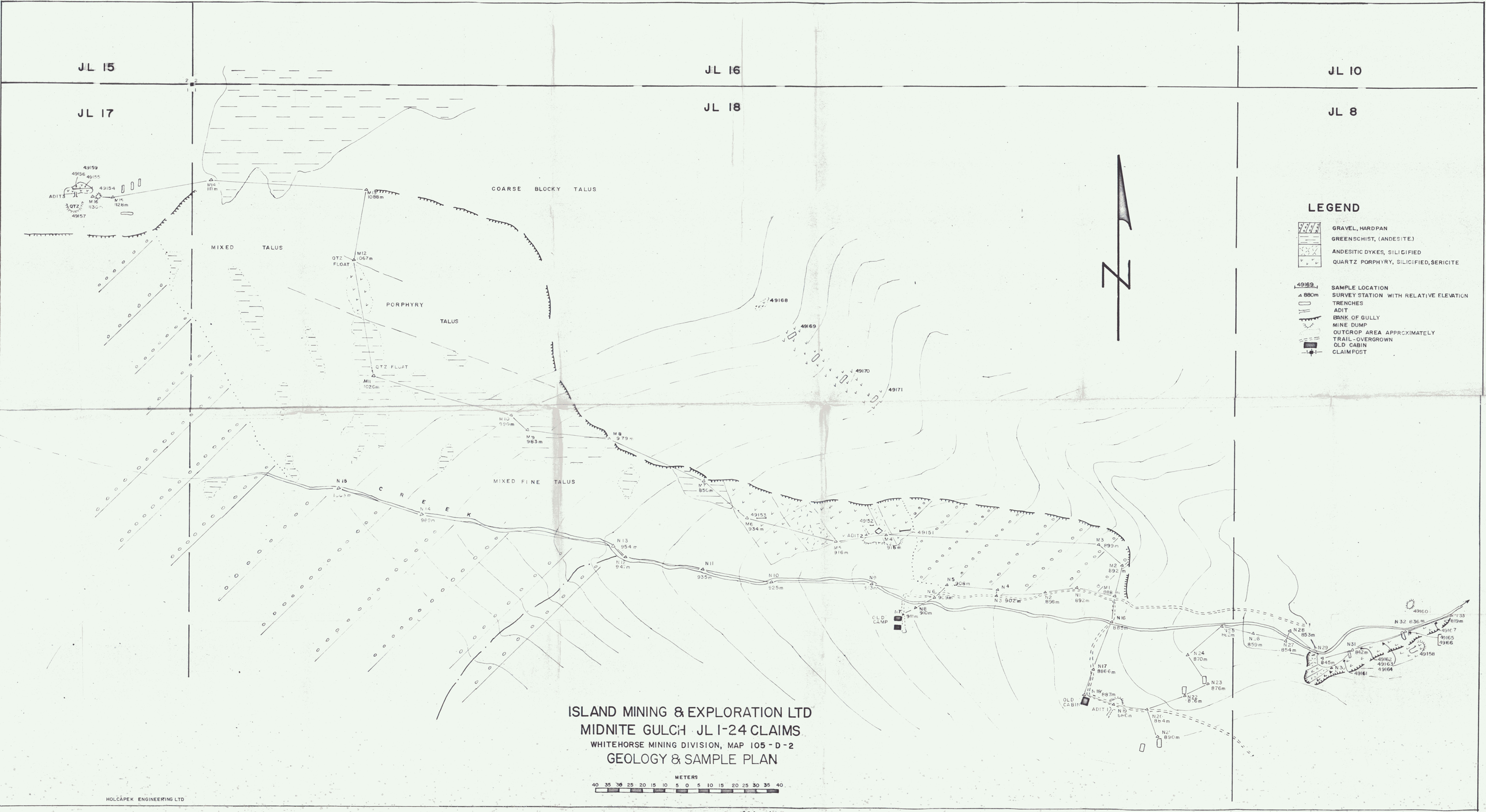
WHITEHORSE MINING DIVISION

MAPSHEET 105-D-2

CLAIM SKETCH

METERS

150 50 0 100 200



ISLAND MINING & EXPLORATION LTD
MIDNITE GULCH JL 1-24 CLAIMS
WHITEHORSE MINING DIVISION, MAP 105 - D - 2
GEOLOGY & SAMPLE PLAN

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