A&M exploration ltd. GEOLOGY • GEOPHYSICS MINING ENGINEERING

Suite 214-850 WEST HASTINGS STREET, VANCOUVER, B.C.
TELEPHONE (604) 681-0191 V6C 1E1

GEOLOGICAL, GEOCHEMICAL & GEOPHYSICAL REPORT

on the

WIND 1-30 CLAIMS

Watson Lake Mining Division - Yukon

Lat. 60° ~~30~~ 01' N Long. 130° 13' W

N.T.S. 105 B/1

for

BEAVER RESOURCES INC.

by

D. G. Allen, P. Eng. (B.C.)

January 13, 1983 Vancouver, B.C.

091524

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 $ 4,768.23

K. Grapes

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

TABLE OF CONTENTS

FIGURES

APPENDICES

SUMMARY

Beaver Resources Inc. holds the WIND 1-30 claims, 85 kilometres west of Watson Lake, near the British Columbia-Yukon boundary. Access is by helicopter, but roads reach to within four kilometres of the claims.

The WIND claims lie immediately to the north of the "Midway" property of Regional Resources, Canamax and Procan. The Midway deposit is a major stratabound silver-lead-zinc deposit (4.3 million tons grading 10.5 oz/ton silver and 17% combined lead-zinc) discovered in 1981. Since discovery of the deposit, exploration activity in the general area has been intense with at least one company announcing significant exploration results.

The property is on the east side of the Cassiar batholith and is underlain by metamorphosed sedimentary rocks of the Devonian age Lower Sylvester Group. (The same rock unit that hosts the Midway deposit.)

In September 1983 a preliminary program of reconnaissance geochemcial soil sampling, VLF-EM surveys, and geological mapping was conducted. The most significant results of this work were the delineation of a broad northwest trending area and scattered smaller areas containing weakly to locally highly anomalous lead (30 to 620 ppm), zinc (150 to 560 ppm) and silver (1 to 6.4 ppm) values in soil.

A follow-up program is proposed.

CONCLUSION

Preliminary investigation of the WIND claims revealed significant lead-zinc ± silver geochemical anomalies over a wide part of the claim area. Although outcrops are not abundant, the claims appear to be underlain by the same host rocks as the Midway deposit. The exploration program as outlined by Christopher (1983) should be completed.

RECOMMENDATION

A Stage I program of detailed geochemical soil sampling, geological mapping, prospecting and electromagnetic (e.g., Genie SE-88 horizontal loop electromagnetic system) surveys is recommended. Should results of this work be favorable then a second stage program of trenching and/or diamond drilling is recommended. Estimated costs of Stages I and II are $48,000 and $120,000 respectively, for a grand total of $168,000.

Donald G. Allen.

INTRODUCTION

Beaver Resources Inc. holds 30 claims (WIND 1-30) in the Tootsie River area of the southeastern Yukon. The claims were staked in 1983 to cover an area of favorable geology, fifteen kilometres north of the Midway silver-lead-zinc deposit (4.3 million tons grading 10.5 oz/ton silver and 17% combined lead-zinc - see Regional Resources December 7, 1983 news release). The "Midway" area has been the centre of much exploration activity following discovery of the deposit in 1981.

This report summarizes results of preliminary fieldwork carried out by D.G. Allen and A. Geoghegan on September 7 and 8, 1983, for Beaver Resources Inc. Work consisted of reconnaissance geochemical sampling, geological mapping and VLF-EM surveys.

LOCATION, ACCESS, PHYSIOGRAPHY

The WIND claims are situated 85 kilometres west of Watson Lake, and twelve kilometres east of Rancheria (Figures 1 and 2), near the British Columbia-Yukon boundary. Gravel roads provide access to within four kilometres of the claim boundary. Access is by helicopter, based in summer months, at Rancheria.

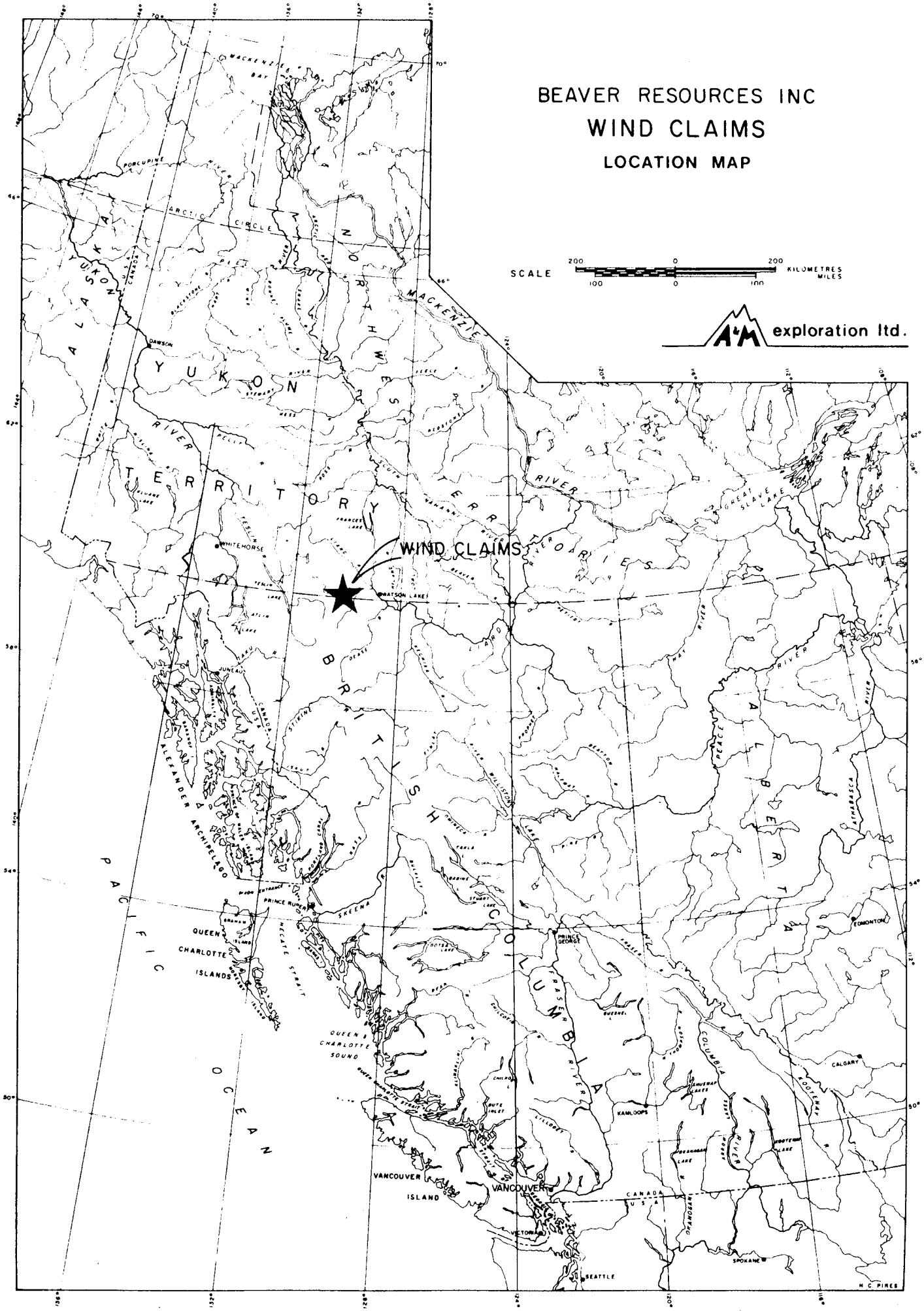
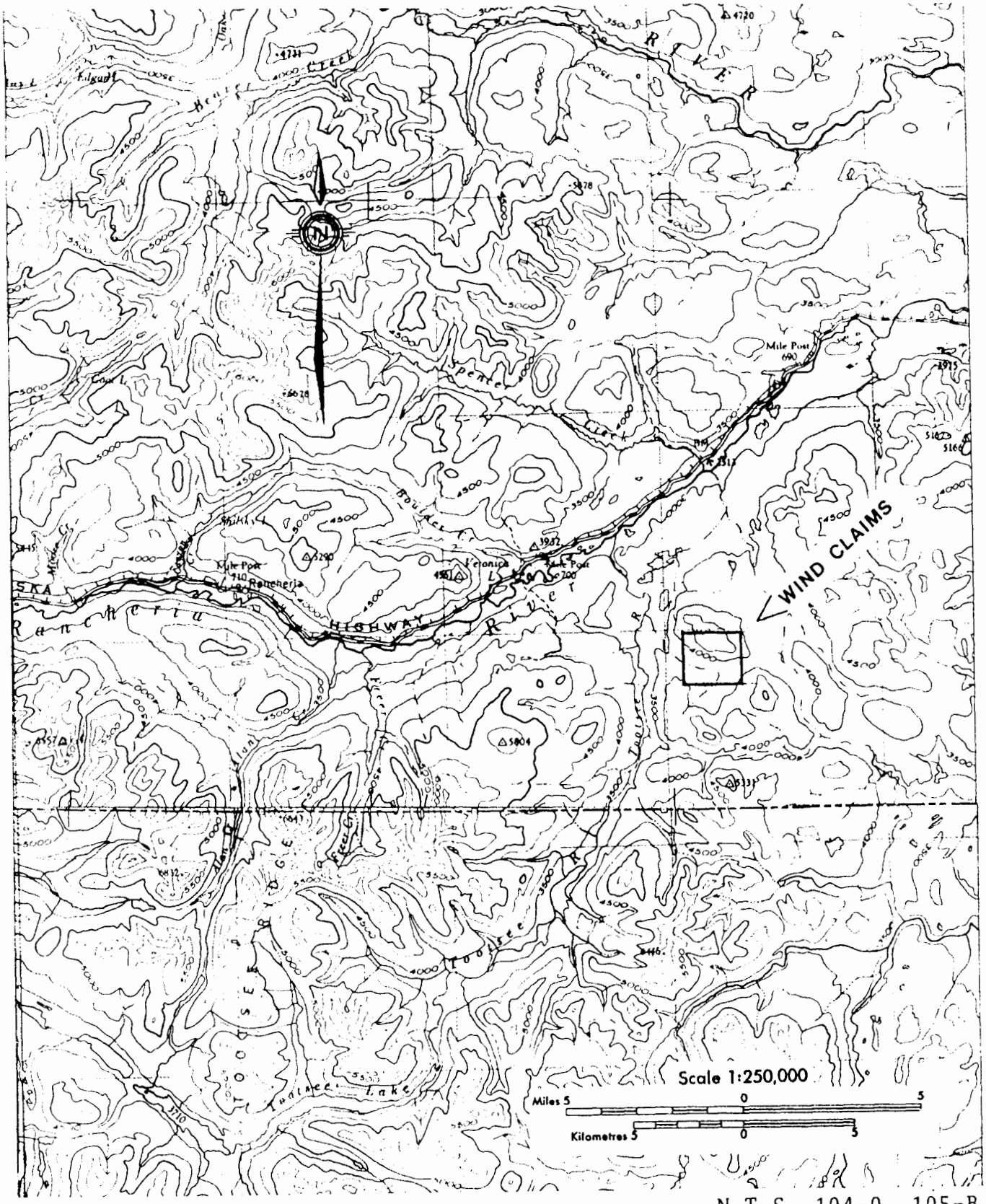

BEAVER RESOURCES INC
WIND CLAIMS
LOCATION MAP
SCALE
200 0 200 KILOMETRES
100 0 100 MILES
A&M exploration ltd.
WIND CLAIMS
WHITEHORSE
WATSON LAKE
DAWSON
YUKON TERRITORY
NORTHWEST TERRITORIES
BRITISH COLUMBIA
ALBERTA
PACIFIC OCEAN
ALEXANDER ARCHIPELAGO
QUEEN CHARLOTTE ISLANDS
QUEEN CHARLOTTE SOUND
VANCOUVER ISLAND
PRINCE RUPERT
PRINCE GEORGE
VANCOUVER
VICTORIA
KAMLOOPS
CALGARY
EDMONTON
SPOKANE
SEATTLE
CANADA
U.S.A.
ARCTIC CIRCLE
MACKENZIE BAY
GREAT SLAVE LAKE
M.C. PIRES

FIGURE – I



N.T.S. 104-0, 105-B

BEAVER RESOURCES INC.

ACCESS MAP

WIND CLAIMS

Watson Lake Mining Division - Yukon Territory

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Figure 2

The claims lie on the east side of the Tootsie River (Figure 2) a tributary of the Rancheria River which in turn flows into the Liard River. Topography in the claim area is gentle to moderately steep and ranges from 3600 to 4900 feet. Slopes are covered with a virgin growth of balsam fir and spruce with a moderately thick underbrush. Valley bottoms are broad and boggy.

CLAIMS

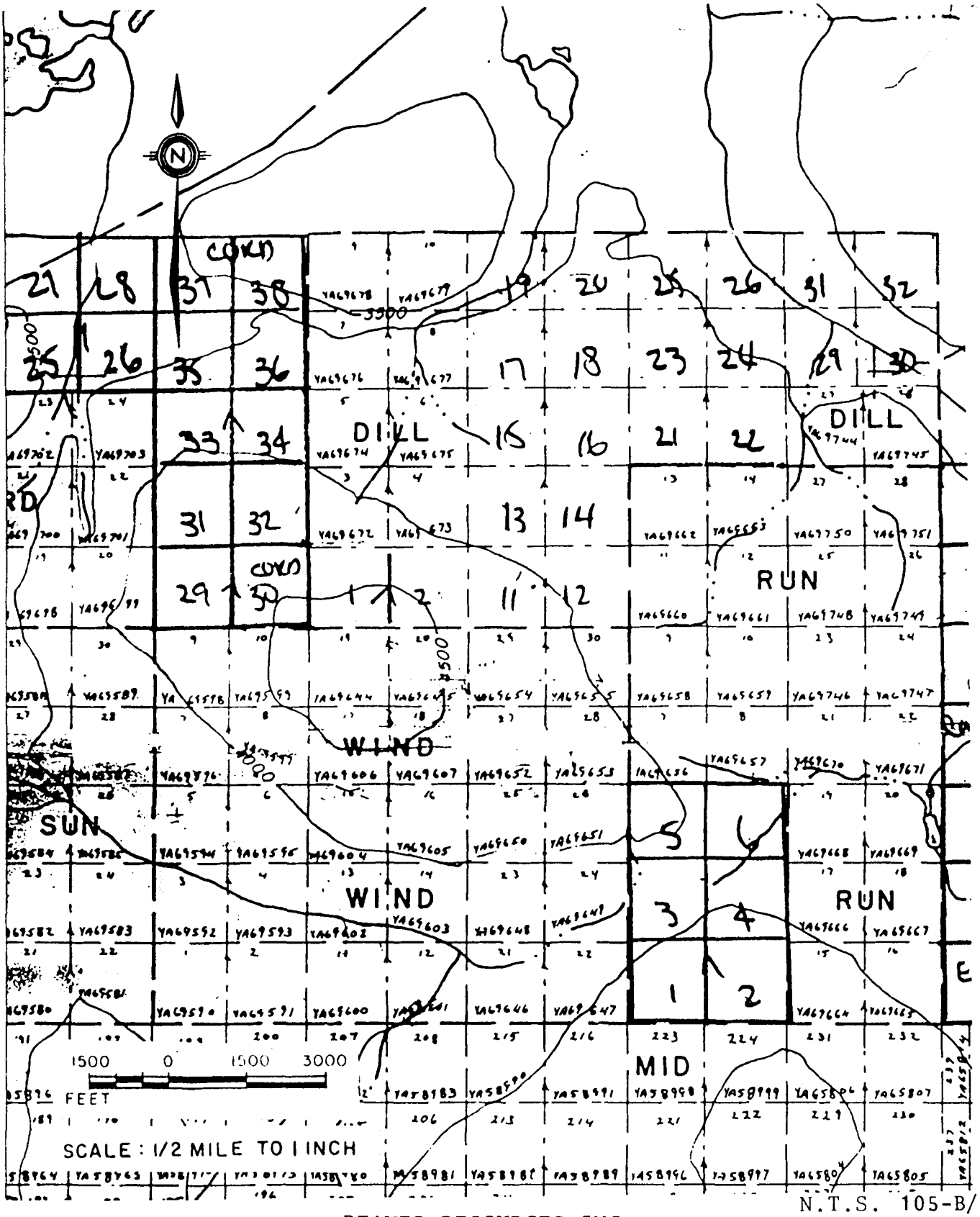
The WIND claims are registered in the name of J. Blair and Beaver Resources Inc. Claim data are as follows: (Figure 3)

Claim Name	Record Number	Expiry Date
WIND 1-18	YA 69590-69607	Feb. 9, 1984
WIND 19-30	YA 69644-69655	Feb. 10, 1984

REGIONAL GEOLOGY

The WIND claims are in the Wolf Lake map sheet of Poole (1960). The regional geology and structure of the Midway area has been summarized by McIntyre (1982,1983). According to McIntyre the area is:

> "... within a north-trending belt of Middle to Late Devonian basinal facies sedimentary rocks. These rocks are preserved within the core of a major synclinorium that is bounded and intruded by the Cretaceous Cassiar Batholith to the west



N.T.S. 105-B/1

BEAVER RESOURCES INC.

CLAIM MAP

WIND CLAIMS

Watson Lake Mining Division - Yukon Territory

Donald S. Allen

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Figure 3

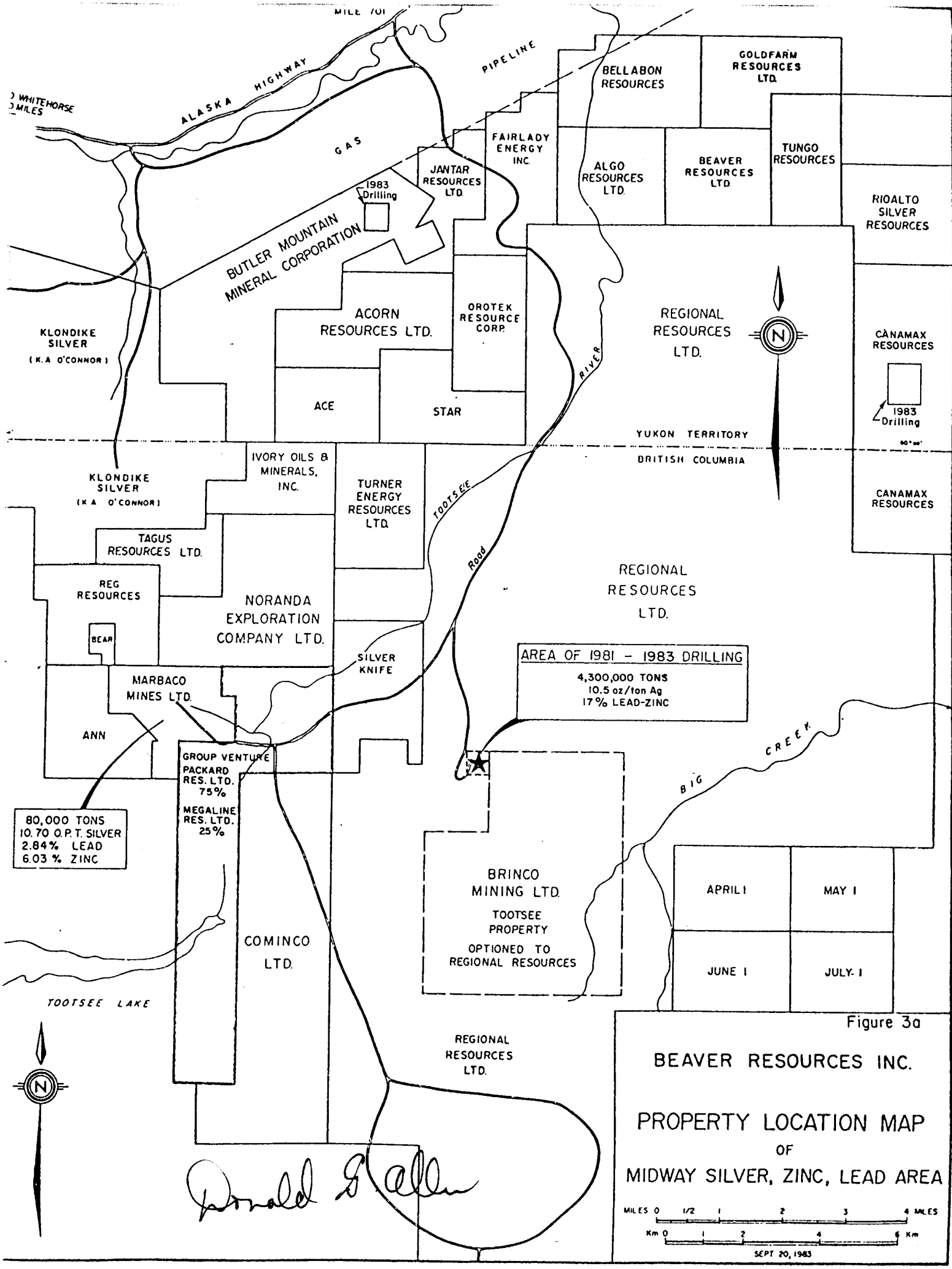


Figure 3a

BEAVER RESOURCES INC.

PROPERTY LOCATION MAP OF MIDWAY SILVER, ZINC, LEAD AREA

and the Lower Cambrian carbonates of the Atan Group to the east (Gabrielse, 1969)."

PROPERTY GEOLOGY

The geology of the WIND claims has not been mapped in detail. According to Stollery and Sellmer (1982), shale and sandstone of the Devonian Age Lower Sylvester Group lie immediately to the south of the WIND claims (Figures 3a and 4). Reconnaissance mapping, by the writer, revealed only a few outcrops of phyllite and slate (unit 2) and quartzite (unit 2b), presumably also belonging to the Lower Sylvester Group.

The phyllite in outcrops observed has a northwesterly-striking foliation. Massive grey quartzite occurs in one outcrop on the WIND 27 claim and locally in float.

Quartz monzonite (unit 3) occurs in float on the western part of the claim group and may indicate the presence of an unmapped intrusion. The rock is a coarse grained biotite quartz monzonite similar to that of the Cassiar Batholith.

MINERAL DEPOSITS IN THE AREA

Mineral deposits in the Tootsie River area have been described by Christopher (1983). The nearby Midway deposit

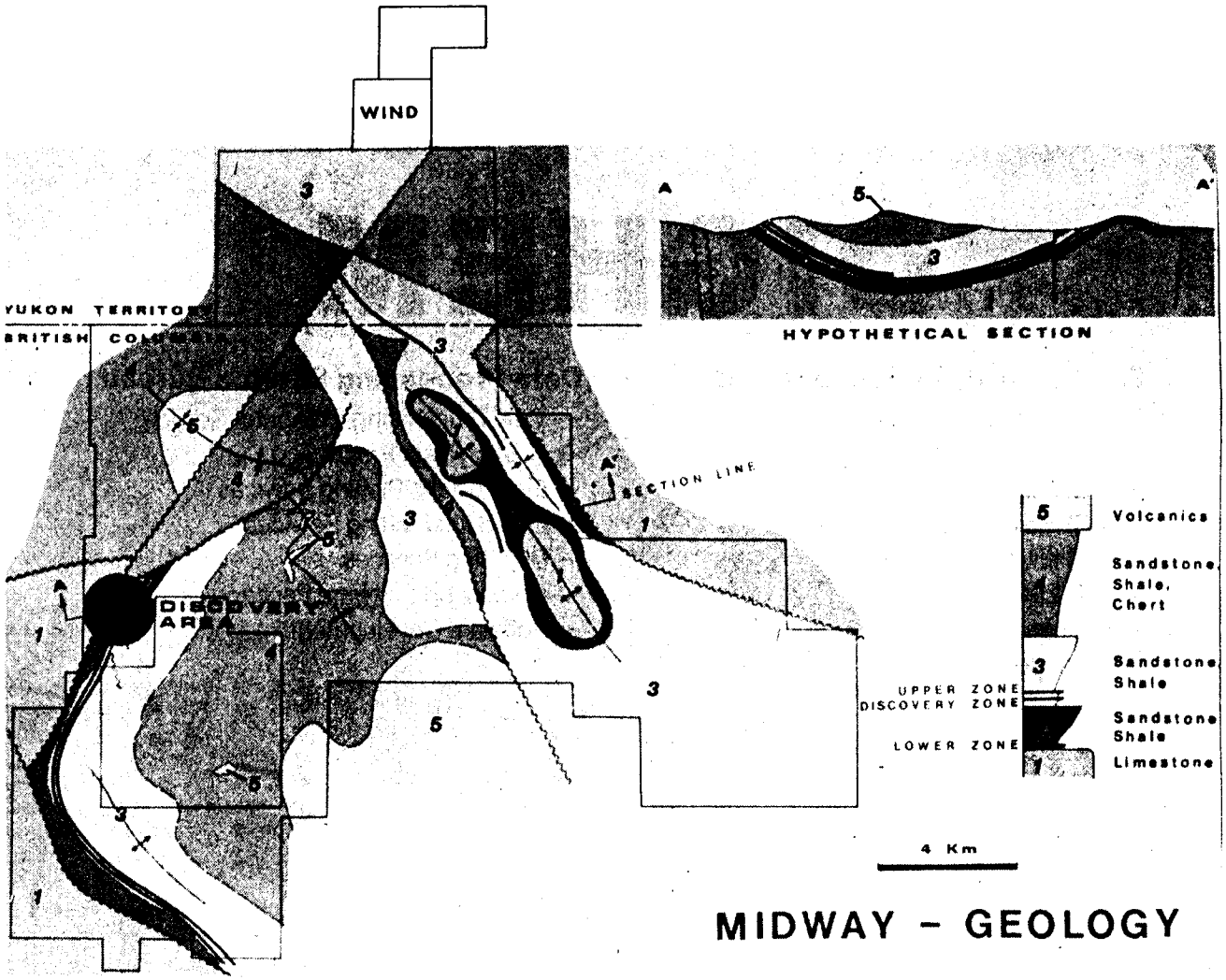
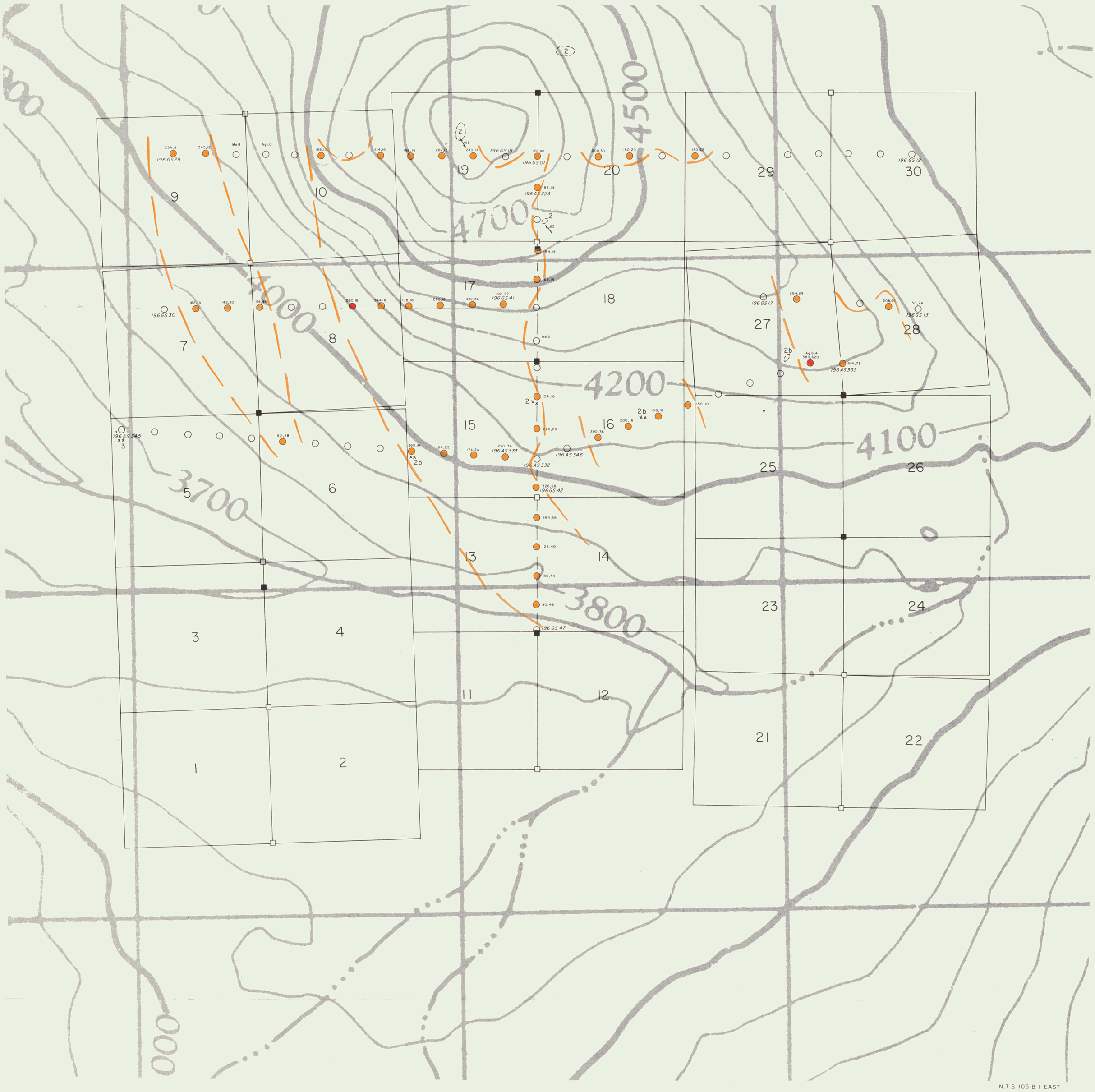


Figure 4 Geology of the Midway property shown in relation to the WIND claims (after Stollery and Sellmer, 1982).

Donald F. Allen



N.T.S. 105 B I EAST

LEGEND

CRETACEOUS

3 — Quartz monzonite

DEVONIAN MISSISSIPPIAN

2 — Phyllite, slate; 2b; quartzite

Outcrop

Float

Foliation

234,8 / 196GS29 — Soil sample site, sample number; ppm Zn, ppm Pb.

Creek.

Claim post, observed, inferred position.

Claim boundary

Note: Geochemical values plotted where; ppm Zn ≥ 150 or ppm Pb ≥ 30; ppm Ag ≥ 1.0; ppm Mo ≥ 5.

BEAVER RESOURCES INC.

WIND CLAIMS

WATSON LAKE MINING DIVISION – YUKON

GEOCHEMICAL & GEOLOGICAL MAP

1 : 5,000

SCALE 250 0 250 METRES; 500 0 500 FEET

Donald G. Allen

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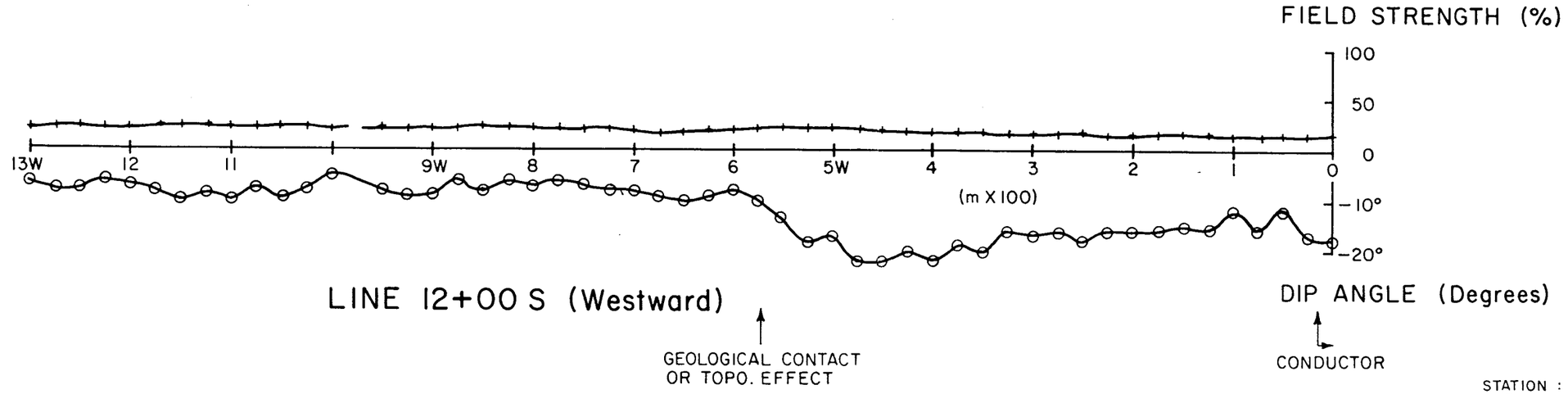
091524

Oct. 7, 1983.

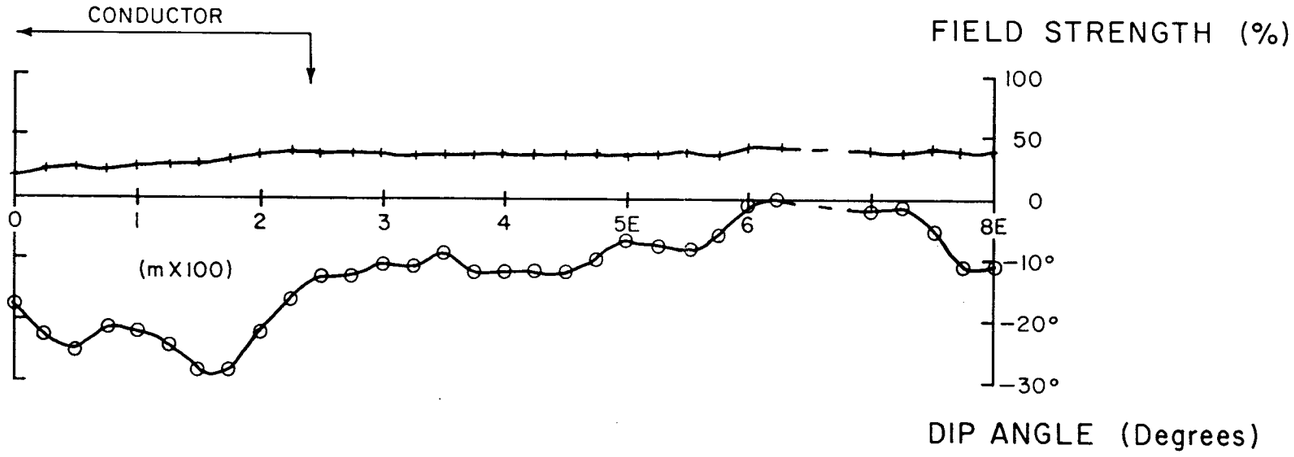
Figure 5



LINE 12+00 S (Westward)

GEOLOGICAL CONTACT
OR TOPO. EFFECT

STATION : CUTLER, MAINE
OPERATOR FACING WEST



LINE 12+00 S (Eastward)

BEAVER RESOURCES INC.
WIND CLAIMS
WATSON LAKE MINING DIVISION – YUKON

VLF-EM PROFILES

Oct. 19, 1983

Figure 6

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has been described by McIntyre (1982, 1983) and Stollery and Sellmer (1982) as a stratabound silver-rich massive pyrite-sphalerite-galena deposit within transgressive clastic rocks and platformal carbonates.

Exploration in the area has been intense in the past two years with a number of major and junior mining companies conducting property evaluations and grass-roots exploration (Figure 3a). Butler Mountain Minerals Corp. recently announced significant intersections of gold, silver, lead and zinc mineralization (Sept. 15, Oct. 14, 1983, company news releases) on their YP property seven kilometres to the west. Canamax Resources carried out diamond drilling on their HOT claims, six kilometres to the southeast.

GEOCHEMISTRY

Preliminary geochemical soil sampling was carried out on the northern part of the WIND claims. Using claim lines as control, soil samples were taken at 100 metre intervals on flagged lines spaced about 500 metres apart. Samples were taken at depths of up to 30 centimetres in the B Horizon and consisted mainly of glacial till. Soil material was placed in Kraft paper sample bags and shipped to Rossbacher Laboratory for analyses of molybdenum, copper, silver, zinc and lead by standard atomic absorption techniques.

Sample sites are plotted on Figure 5 along with anomalous zinc ($\geq$ 150 ppm) and/or lead ($\geq$ 30 ppm) and sample results are presented in Appendix I.

A large proportion of soil samples are considered to contain above background zinc and lead values. A zone of weakly to locally strongly anomalous zinc and lead values lies on the west central part of the claim group. It appears to trend northwesterly, subparallel to foliation in the phyllite. Scattered weak to highly anomalous zinc, lead and silver occur elsewhere in the claim area but because of the wide spacing of samples, no particular trend can be defined. Of particular significance is the anomalous area on the WIND 27 and 28 claims where zinc values peak at 300 ppm, lead at 620 ppm and silver at 6.4 ppm.

VLF-EM SURVEY

One test line of VLF-electromagnetic observations were carried out on L12 + 00 S. A Sabre Model 21 VLF-EM receiver tuned to Cutler Maine, U.S.A. (17.8 KHz) was used for the survey. Observations of normalized field strength and dip angle were made at 25 metre intervals along the line. The profiled data is presented on Figure 6.

No definite geological conductors were detected by the survey. A wide negative dip angle zone (-10 to -30^{o}) was located, however it does not correlate with a positive

normalized field strength reading as is required for a conductor. The Cutler signal level during the survey was very weak, and hence the field strength portion of the data is considered unreliable. Anomalous zinc and lead soil geochemistry is co-incident with this broad negative feature, which perhaps indicates an underlying change in geology, which in turn suggests a broad conductive zone as shown on Figure 6.

EXPLORATION POTENTIAL

The geochemical anomalies obtained on the WIND property indicate good potential for discovery of stratiform silver-lead-zinc mineralization of the "Midway" type. According to Stollery and Sellmer (1982), the MID claims, immediately to the south of the WIND, are underlain by sandstone and shale, the units which host the upper and lower zones of the Midway deposit. A barite exhalite horizon in shown by Stollery and Sellmer (Figure 6) to trend northwesterly in the southern part of the MID claims except where cut off by a fault interpreted to have right lateral displacement. It is conceivable that the geochemical anomalies on the WIND claim are related to a mineralized exhalite that is the faulted extension of the known barite exhalite.

Donald G. Allen

REFERENCES

Christopher, P.A. (1983). Geological Report, WIND 1-30 Claims. Private Report for Beaver Resources Inc.

McIntyre, D.G. (1983). A Comparison of the Geologic Setting of the Stratiform Massive Sulfide Deposits of the Gataga District with the Midway and Windy-Craggy Deposits, Northern British Columbia in B.C. Ministry of Energy, Mines & Petroleum Resources. Paper 1983-1, pp 149-170.

McIntyre, D.G. (1982). Midway Occurrence in B.C. Ministry of Energy Mines & Petroleum Resources. Paper 1982-1, pp 162-166.

Stollery, J.W. and Sellmer, W.H. (1982). Midway, An Analysis of a New Massive Sulphide Discovery. Canadian Mining Journal, Vol. 103, No. 4, pp 68-71.

Poole, W.H. et al (1960). Wolfe Lake Map Area, Yukon Territory, Geol. Surv. Canada Map 10-1960.

Gabrielse, H. (1969). Geolgy of the Jennings River Map-Area, Geol. Surv. Canada. Paper 68-55.

CERTIFICATE

I, Donald G. Allen certify that:

1. I am a Consulting Geological Engineer, resident at 4570 Hoskins Road, North Vancouver, B.C.

2. I am a graduate of the University of British Columbia with degrees in Geological Engineering. (B.A.Sc., 1964; M.A.Sc., 1966)

3. I have been practising my profession since 1964.

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

5. This report is based on fieldwork carried out personally on September 7 and 8, 1983 and on information listed under References. I have read P. Christopher's recommendations regarding the exploration proposal on the property and concur with his conclusions and recommendations.

6. I hold no interest, nor do I expect to receive any, in the WIND claims, or in Beaver Resources Inc.

7. I consent to the use of this report in a Statement of Material Facts or in a Prospectus in connection with the raising of funds for the project covered by this report.

Donald G. Allen

January 13, 1984
North Vancouver, B.C.

Donald G. Allen,
P. Eng. (B.C.)

APPENDIX I

ANALYTICAL RESULTS

Kossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83438-1
INVOICE NO. 3261
DATE ANALYSED SEPT 26/83
PROJECT 196

TO: **A & M EXPLORATION LTD.**

No.	Sample	pH	Mo	Cu	Ag	Zn	Pb							No.
01	196 GS 1		2	20	0.4	122	40	-						01
02	2		2	18	0.4	104	22							02
03	3		2	48	0.6	200	30	-						03
04	4		3	42	0.8	150	20	-						04
05	5		2	22	0.2	120	14							05
06	6		2	28	0.2	150	22	-						06
07	7		1	22	0.4	124	20							07
08	8		2	32	0.4	128	18							08
09	9		2	24	0.2	112	16							09
10	196 GS 10		2	26	0.2	122	22							10
11	11		2	26	0.2	130	20							11
12	12		2	28	0.2	146	16							12
13	13		1	26	0.8	150	24	-						13
14	14		2	28	0.2	208	46	-						14
15	15		1	22	0.2	74	14							15
16	16		2	22	0.2	284	24	-						16
17	17		2	18	0.2	136	18							17
18	18		2	14	0.2	90	12							18
19	19		3	24	0.4	240	14	-						19
20	196 GS 20		3	28	0.6	282	12	-						20
21	21		4	26	0.6	166	16	-						21
22	22		2	30	0.4	214	16	-						22
23	23		2	28	0.6	128	14							23
24	24		2	16	0.4	168	10	-						24
25	25		2	22	0.4	94	18							25
26	26		2	40	1.0	82	18	-	Ag					26
27	27		8	20	0.2	144	10	-	Mo					27
28	28		3	16	0.2	345	12	-						28
29	29		2	14	02	234	8	-						29
30	196 GS 30		2	20	0.2	98	14							30
31	31		2	14	0.2	162	14	-						31
32	32		3	30	0.2	142	30	-						32
33	33		3	12	0.2	96	46	-						33
34	34		3	10	0.2	100	14							34
35	35		3	34	0.2	130	34							35
36	36		1	24	0.2	560	18	-						36
37	37		1	20	0.4	344	18	-						37
38	38		1	30	0.4	198	18	-						38
39	39		1	24	0.4	268	16	-						39
40	STD C		4	78	0.2	154	18							40

VALUES IN PPM, UNLESS NOTED OTHERWISE.

Certified by J. Kossbacher

Kossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83438-2
INVOICE NO. 3261
DATE ANALYSED SEPT 26/83
PROJECT 196

TO: **A & M EXPLORATION LTD.**

No.	Sample	pH	Mo	Cu	Ag	Zn	Pb							No.
01	196GS 40		1	30	0.4	432	36							01
02	41		1	18	0.2	192	22							02
03	42		1	14	0.2	326	68							03
04	43		1	14	0.2	264	58							04
05	44		1	14	0.2	128	40							05
06	45		1	10	0.2	86	34							06
07	46		1	12	0.2	90	46							07
08	196GS 47		1	20	0.4	90	26							08
09														09
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40														40

VALUES IN PPM, UNLESS NOTED OTHERWISE.

Certified by: I. Kossbacher

Kossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

BURNABY, B.C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83438-3
INVOICE NO. 3261
DATE ANALYSED SEPT 22/83
PROJECT 196

TO: **A & M EXPLORATION LTD.**

No.	Sample	pH	Mo	Cu	Ag	Zn	Pb							No.
01	196 AS 323		1	14	0.4	188	14	-						01
02	324		1	16	0.6	144	24							02
03	325		1	12	0.4	164	14	-						03
04	326		1	26	0.4	164	14	-						04
05	T 327		1	6	0.4	14	28							05
06	S 328		5	26	0.4	126	20	- Mn						06
07	329		1	14	0.4	96	10							07
08	330		1	18	0.6	154	16	-						08
09	331		2	10	0.2	220	28	-						09
10	196 AS 332		1	8	0.2	110	20							10
11	333		2	14	0.6	230	36	-						11
12	334		2	8	0.2	174	24	-						12
13	335		2	10	0.2	164	22	-						13
14	336		1	8	0.2	360	16	-						14
15	337		1	16	0.6	100	12							15
16	338		1	10	0.2	120	22							16
17	339		1	12	0.2	106	20							17
18	340		1	10	0.2	162	28	-						18
19	341		1	10	0.2	76	16							19
20	196 AS 342		1	6	0.2	78	10							20
21	343		2	8	0.2	104	20							21
22	344		1	6	0.2	100	14							22
23	345		1	8	0.2	70	14							23
24	346		2	8	0.2	92	26							24
25	347		2	26	0.4	292	36	-						25
26	348		1	12	0.6	200	16	-						26
27	349		2	28	0.4	158	18	-						27
28	350		1	12	0.2	150	10	-						28
29	351		2	8	0.2	106	10							29
30	196 AS 352		1	6	0.2	90	8							30
31	353		3	16	0.2	128	22							31
32	354		3	10	6.4	380	620	- Pyrite						32
33	196 AS 355		2	8	0.6	414	78	-						33
34	STD B		26	136	1.0	150	96							34
35														35
36														36
37														37
38														38
39														39
40														40

VALUES IN PPM, UNLESS NOTED OTHERWISE.

Certified by U. Kossbacher

APPENDIX II

AFFIDAVIT OF EXPENSES

AFFIDAVIT OF EXPENSES

This will certify that geological mapping, geochemical sampling and VLF-EM surveys were carried out during the period September 7 and 8, 1983, on the WIND 1-30 claims, Watson Lake Mining Division, Yukon Territory, to the value of the following:

Costs increased within the Yukon Territory.

Mobilization and Fieldwork

Salaries

D.G. Allen	3 days @ $350	$1,050.00
A. Geoghegan	3 days @ $100	300.00
Room and board		285.68
Helicopter support		955.74
Field supplies		190.08
VLF-EM rental		100.00
Vehicle rental and travel expenses		392.52
Telephone		9.54
	subtotal	$3,283.56

Costs incurred outside the Yukon Territory.

Geochemical analyses	$ 475.20

Report Preparation

D.G. Allen	1.5 days @ $350	$ 525.00
Typing, draughting, compilation	26 hours @ $15	390.00
Maps, photocopying		94.47
	subtotal	$1,484.67
	Total	$4,768.23

Donald G. Allen