



ASSESSMENT REPORT

EYE 1-16 CLAIMS
YA92600 - 92615
Lakeview Mountain
N.T.S. 105-D-6
Whitehorse Mining District
Latitude 60°27' North
Longitude 135°03' West
091836

of business and...
and...
...
...
...
...

...
...
...
...

By
Graham S. Davidson, P.Geol.
August 1986

091836

TABLE OF CONTENTS

INTRODUCTION	Page 1
LOCATION AND ACCESS	Page 1
PHYSIOGRAPHY, CLIMATE, VEGETATION, CLAIMS	Page 1
REGIONAL GEOLOGY	Page 2
HISTORY OF EXPLORATION	Page 4
RECENT EXPLORATION	Page 5
PROPERTY GEOLOGY	Page 6
EXPLORATION - 1986	Page 6
DISCUSSION AND RECOMMENDATIONS	Page 7

List of Figures

Figure 1:	Location Map	Following page 1
Figure 2:	Claim Plan	Following page 1
Figure 3:	Rock and Soil Sample Locations and Ag-Pb-Zn Anomaly	Following page 9

List of Tables

Table 1:	Table of Formations	Page 3
Table 2:	Rock and Soil Values and Descriptions	Page 7

Appendices

Appendix I:	Statement of Qualifications
Appendix II:	Statement of Costs
Appendix III:	List of References
Appendix IV:	Du Pont Geochemistry

INTRODUCTION

The EYE claims cover an anomalous Ag-Pb-Zn zone initially discovered by Du Pont of Canada during a regional sampling program conducted in 1981. The property was staked by G. Harris in July 1985 after Du Pont withdrew from the Yukon and allowed these claims to lapse.

This report, prepared at the request of Glen Harris, summarizes the geology, physiography and exploration history of the property. The writer is familiar with the district and visited the EYE claims in July 1985.

LOCATION AND ACCESS

The claims are located 30 km south of Whitehorse on a broad, flat topped hill beside Lakeview Mountain in southwestern Yukon. The property is accessible via the Alaska and Carcross highways and the Wheaton River-Mount Skukum all-season gravel road. A four-wheel-drive road extends off the Wheaton River-Mount Skukum road along the north side of the Watson River to within 3 km of the property; the property can then be reached on foot or by utilizing ATC vehicles.

PHYSIOGRAPHY, CLIMATE, VEGETATION, CLAIMS

The claims lie between 1500 m and 1100 m covering a broad hilltop and south-facing slope. Several small creeks drain the hillside and ponds on the upland surface would provide an adequate water source for drilling. Outcrop is limited to the steepest slopes and overall covers <1% of the property.

Southwestern Yukon has a dry sub-arctic climate with temperatures varying between extremes of -50°C in winter and $+25^{\circ}\text{C}$ in summer. Precipitation averages 35 cm per year. Mineral exploration is practical from early June to October.

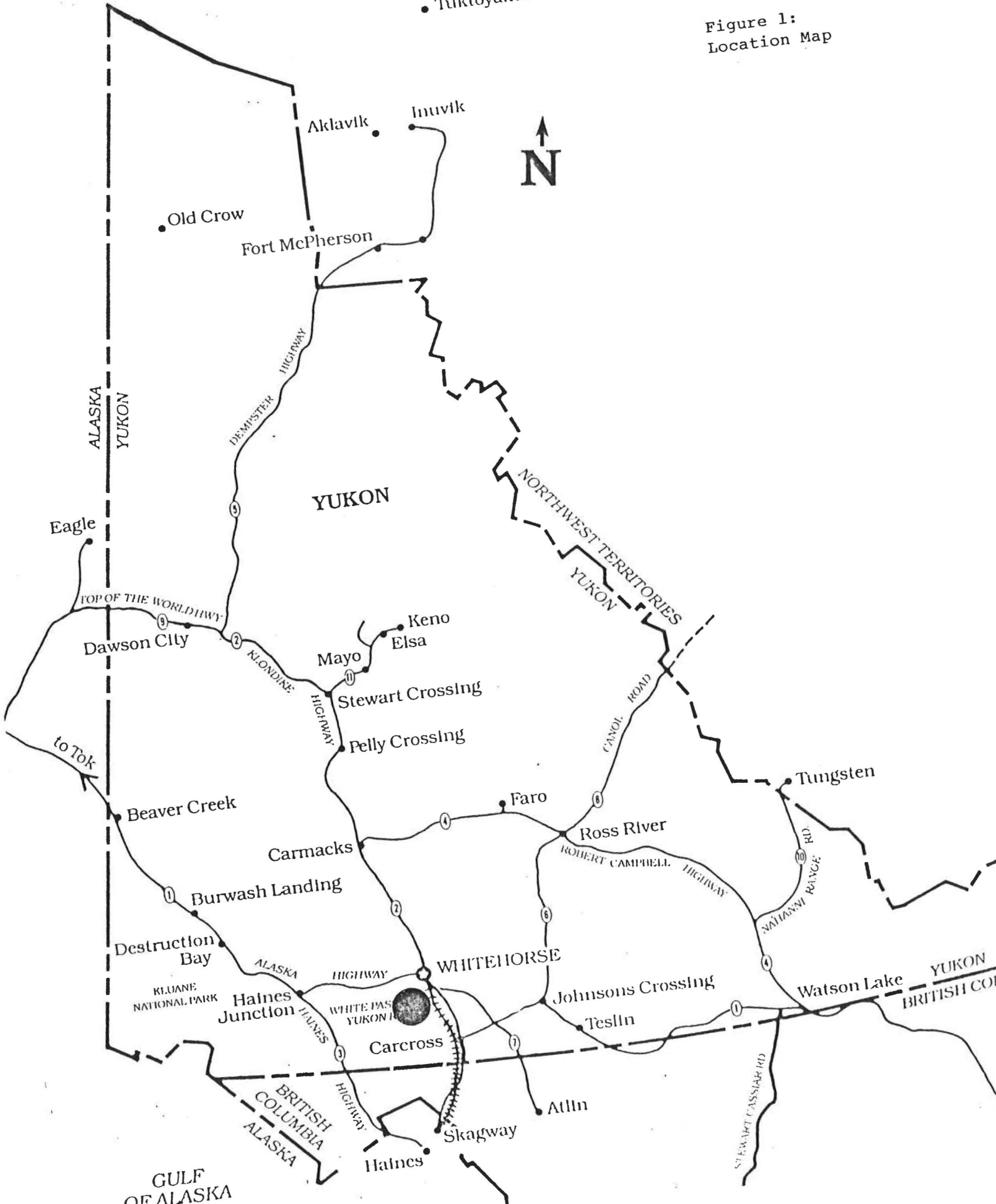
Vegetation on the claims consists of sub-alpine grasses and "buck-brush" on upper areas while spruce and alder are prevalent on lower slopes.

The EYE 1-16 mineral claims (YA 92600-92615) are owned by G. Harris of Whitehorse as recorded at the Whitehorse District mining recorder's office in compliance with the Yukon Quartz Mining Act.

BEAUFORT SEA

• Tuktoyaktuk

Figure 1:
Location Map



ALASKA
YUKON

YUKON

NORTHWEST TERRITORIES
YUKON

TOP OF THE WORLD HWY

DEMESTER
HIGHWAY

Fort McPherson

KLONDIKE
HIGHWAY

CANOL ROAD

ROBERT CAMPBELL
HIGHWAY

ALASKA
HAINES
JUNCTION
HIGHWAY

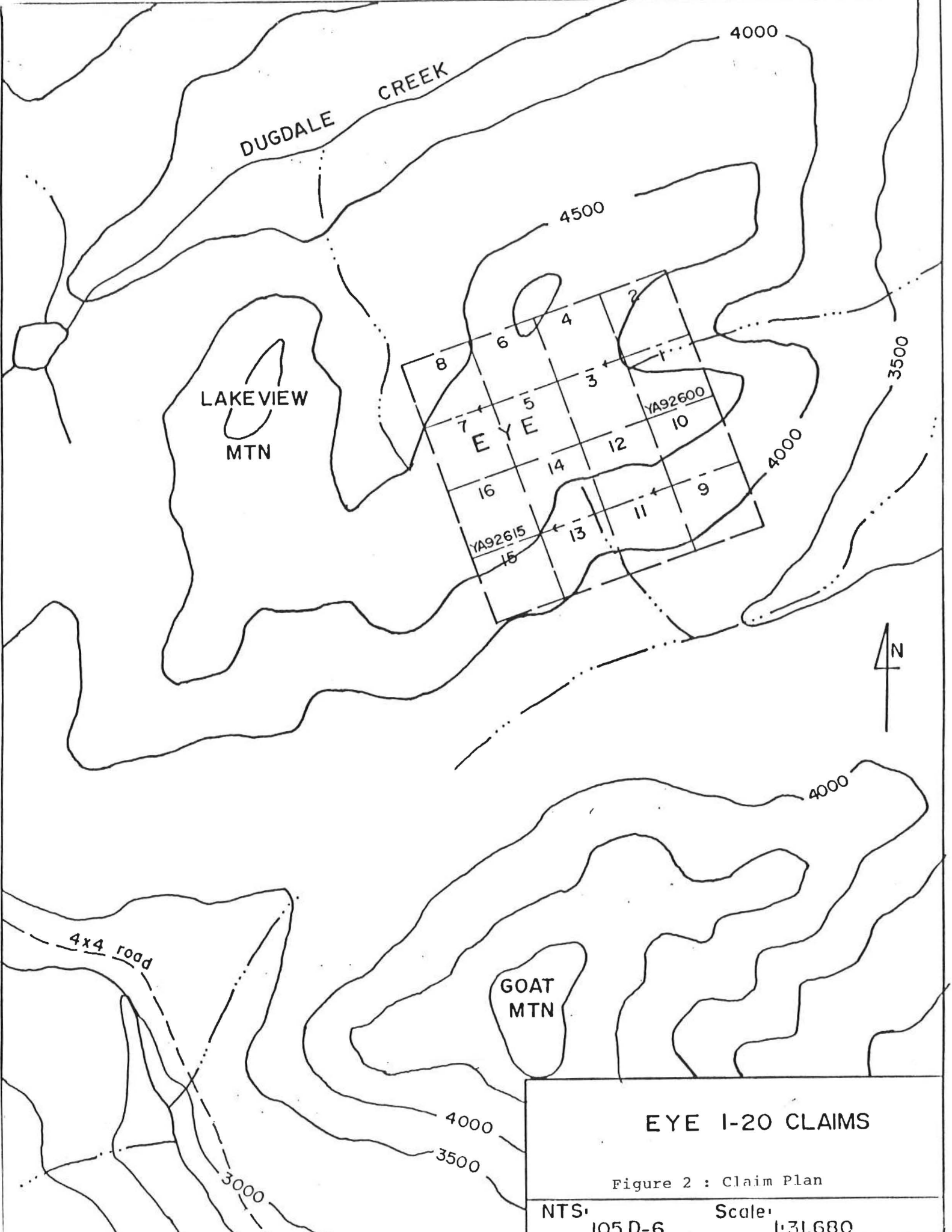
WHITE PAS
YUKON I

BRITISH
COLUMBIA
ALASKA
HIGHWAY

STEWART CASSIAR RD

GULF
OF ALASKA

YUKON
BRITISH CO



EYE I-20 CLAIMS

Figure 2 : Claim Plan

NTS:
105 D-6

Scale:
1:31,680

REGIONAL GEOLOGY

The Wheaton River/Bennett Lake district overlies the boundary between two terranes: (1) the Whitehorse Trough, consisting of Mesozoic and Paleozoic, folded metavolcanic and metasedimentary rocks, and (2) a younger volcanic and intrusive suite consisting of intrusive rocks of the Cretaceous Coast Plutonic Complex and Early Tertiary volcanic rocks of the Skukum Group.

The Whitehorse Trough features a complex assemblage of deformed volcanic and sedimentary rocks consisting of the Triassic Lewes River Group, the Lower Jurassic Laberge Group, the Jurassic Tantalus Group and the Jurassic or Cretaceous Hutshi Group. The Lewes River Group consists of andesite, basalt and pyroclastic flows, and foliated marine sedimentary rocks. A narrow but continuous unit of limestone, limestone breccia and quartzite has been traced in a northwesterly direction from the west side of Mount Stevens across Tally Ho Mountain and Gold Hill to the Hodnett Lakes. Interbedded schists occur with the limestone and volcanic rocks of the Lewes River Group. A narrow band of Tantalus Group conglomerates and Laberge Group siltstones outcrops on Folle Mountain and Idaho Hill; however, rocks of these groups primarily outcrop north and east of the Wheaton River/Bennett Lake district. Hutshi Group volcanic rocks occur on Montana Mountain and Gray Ridge. They are thought to be contemporaneous with Mount Nansen volcanics in central Yukon.

Cretaceous granitic rocks of the Coast Plutonic Complex are the most common in the district; typically, they consist of fresh quartz monzonite or quartz diorite. Pendants and masses of Yukon Group quartz-mica schist, gneisses and crystalline limestone occur in the granitic intrusives. The Yukon Group is of early Paleozoic and Precambrian age.

A younger series of andesite and rhyolite flows, tuffs and agglomerates mapped as the Tertiary Mount Skukum Group intrude and overlie granitic rocks, forming volcanic complexes at Mount Skukum and Mt. Macauley. Also, Skukum Group rhyolite and granite porphyry dykes and plugs intrude Lewes River Group rocks and Cretaceous granodiorites throughout the Wheaton River area.

The geology of the Wheaton River region was initially mapped by D. D. Cairnes of the G.S.C., published in Memoir #31 (1912) and later by J. Wheeler published in Memoir #312 (1961). A reinterpretation of the regional geology formed part of the metallogenic map published as Open File E.G.S. 1979-6 (G. W. Morrison) by the Department of Indian Affairs and Northern Development.

Table 1
TABLE OF FORMATIONS

QUATERNARY	Q	Alluvium; glacial and fluvial deposits.
QUATERNARY(?)		
Miles Canyon Volcanics		Basalt; minor pyroclastics.
LATE CRETACEOUS/ EARLY TERTIARY		
Skukum Group	Trp	Stocks, plugs and dykes of quartz and feldspar porphyry with aphanitic rhyolitic matrix. Some granite porphyry; some intermediate plugs and dykes.
	Tva	Rhyolite and trachyte breccias, tuffs and flows; some felsic plugs and dykes (Trp).
	Tvb	Andesite and basalt tuffs, flows and breccias; minor greywacke at base.
MID-CRETACEOUS		
Coast Plutonic Complex	Kgd	Medium to coarse grained homogeneous biotite-hornblende granodiorite and quartz monzonite. Includes undifferentiated Trp and Tva.
JURASSIC/CRETACEOUS		
Hutshi Group(?)		Andesite, rhyolite flows and pyroclastic equivalents.
JURASSIC		
Tantalus Group		Mainly conglomerate
LOWER JURASSIC		
Laberge Group		Greywacke, arkose, quartzite, siltstone, argillite and conglomerate.
TRIASSIC		
Lewes River Group	uRc	Fine to medium grained limestone, quartzite and some marble.
	uRwp	Greywacke, siltstone, argillite and minor conglomerate.
	uRvb	Basalt and andesite flows and flow breccias; augite and/or feldspar porphyry locally.
PROTEROZOIC AND PALEOZOIC		
"Yukon Group"	PIPc	Marble, crystalline limestone, minor graphitic limestone, skarn.
	PIPsq	Quartz-mica and quartz-chlorite schist, quartzite, minor amphibolite, feldspathic gneiss.

(Note: Symbols from Morrison (1979))

Mesozoic and Paleozoic sedimentary and volcanic rocks of the Whitehorse Trough Terrane are deformed and generally metamorphosed to at least lower green schist facies. These units trend north to northwest and are internally complex.

Structurally, the area features major faults, primarily along river valleys, associated with movement in the Coast Plutonic Complex and with early Tertiary volcanism at Mount Skukum, Mount Macauley and Montana Mountain(?). The Skukum Group volcanic rocks are equivalent to the Sloko Group of northern British Columbia and the Mount Nansen Group of central Yukon. Late stage features of Skukum Group volcanism include dacite, rhyolite and granite porphyry dykes, emplaced in fracture and fault zones around the volcanic complexes, and quartz or quartz carbonate veining with significant precious and base metal mineralization.

HISTORY OF EXPLORATION

The Wheaton River/Lake Bennett district was first explored by prospectors travelling along the major lakes and rivers of southwestern Yukon in the early 1890's. The original claims recorded in the district were those of prospectors Corwin and Rickman who, in 1893, located antimony showings on Carbon Hill and gold-silver bearing quartz veins at an undisclosed site. The untimely deaths of the two men occurred before revealing the location of the high grade quartz showings.

The Klondike Gold Rush brought a great influx of people to the Yukon, many of whom crossed Lake Bennett en route to Dawson City. Some of these individuals strayed into the Wheaton Valley, locating claims in the Schnabel Creek drainage in 1903.

More intensive exploration began in 1906 after the discovery of free gold and gold-silver tellurides on Gold Hill by D. Hodnett and J. Stagar, and the rediscovery of the Corwin-Rickman antimony-silver showings on Carbon and Chieftain Hills. Wagon roads were built along the Wheaton River, Thompson Creek and Stevens Creek to provide access to numerous adits and pits on Gold Hill, Mineral Hill, Mount Stevens, Wheaton Mountain and Mount Anderson. Limited mining of high grade gold and silver bearing ore occurred on the Gold Reef vein at the northeast end of Gold Hill and on the Becker-Cochran (WHIRLWIND) property on the west face of Mount Anderson. Adits and shafts on Mount Stevens and Wheaton Mountain were probably exploratory; no record of ore production exists.

The Tally Ho Mine on Tally Ho Mountain was the most significant operation during the early years of activity in the area. In 1918, a shipment of 14 tons of hand-sorted ore grading 2.35 oz/ton gold, 5.1 oz/ton silver and 7% lead was smelted at Tacoma. Underground development was continued at various times between 1909 and 1938; additional ore shipments were sent to Juneau but details no longer exist. On Montana Mountain, Colonel Conrad and associates developed several gold and silver bearing quartz veins on the slope above Windy Arm (Tagish Lake). A small mill on the shore of Windy Arm processed ore extracted from the Venus, Montana and

Big Thing quartz veins between 1906 and 1920.

From the mid-1920's to the late 1960's, little exploration of significance took place. By 1970, many of the old showings were restaked as an increase in the value of base and precious metals rekindled the interest of mining companies and prospectors. The Venus and Arctic mines operated on Montana Mountain between 1969 and 1971. The Venus Mine was briefly rehabilitated during 1980-1981 and a new mill was installed at the southern end of Windy Arm.

In 1981, Agip Canada Ltd. discovered a gold bearing vein structure on Mount Skukum and proceeded to define a commercially viable ore-body consisting of 165,000 tons grading 0.73 oz gold and 0.63 oz silver per ton by 1984. Mount Skukum Gold Mines Ltd., through a joint venture agreement with Agip, has developed the ore-body and constructed a 300 ton-per-day mill. Production is expected to commence in March 1986.

The discovery of gold on Mount Skukum has intensified exploration activities in the Wheaton district and initiated a methodical staking rush in which all of the known showings and most of the surrounding area has been staked. Presently, large claim blocks are held by Erickson Gold Mines Ltd., United Keno Hill Mines, Omni Resources Inc., Tally-Ho Exploration Ltd., Shakwak Exploration Co. Ltd., Island Mining and Exploration Ltd., Kerr Addison Mines Ltd., Berglynn Resources Inc., Carmac Resources Ltd. and Noranda Exploration Co. Ltd.

RECENT EXPLORATION

Du Pont of Canada collected the initial anomalous stream sediment sample (206 ppm Pb, 1200 ppm Zn) during a regional sampling program in May 1981. Follow-up work later in the season consisted of a further 95 soil, 9 rock and 10 stream sediment samples. A broad silver-lead-zinc anomaly was outlined at the head of a small creek with peak values of 20,000 ppm Pb, 3570 ppm Zn and 12 ppm Ag. The EVIEW 1-16 claims were located over this anomaly by Du Pont in June 1981.

In 1982, 200 additional soil samples were collected and geological mapping determined that the Ag-Pb-Zn soil anomaly related to the contact between siltstones of the Laberge Group and rhyolite of the Hutshi Group. The anomalous zone was identified over a 1,100 m length with widths from 100 m to 300 m. Figure 3 shows the Du Pont geochemistry.

The contact is described as "a 1-3 m wide zone of gossanous and silicified rock that may represent a shear zone. Pyrite is pervasive throughout the volcanic rocks (1-10%) and is found in the siltstone in amounts from trace to 20% as the contact is approached. Sugary, vuggy boxwork quartz containing 5% disseminated pyrite, visible galena and 10-15% cubic boxwork is found in the gossan zone. Two rock samples from this zone contained

anomalous values up to 6600 ppm Pb, 990 ppm Zn and 176 ppm Ag." (D.I.A.N.D., 1982, Y.E.G., p. 117.)

Du Pont's geologist recommended trenching the anomaly; however, no further work was completed and the claims lapsed in 1985.

PROPERTY GEOLOGY

The EYE claims are underlain by siltstone of Lower Jurassic Labarge Group and felsic volcanic rocks of the Cretaceous Hutshi Group intruded by Late Cretaceous Coast Intrusion granodiorite. Sills of rhyolite and dacite porphyry occur in the finely bedded black to green limy siltstone.

Structurally, the property sits on the boundary between the Whitehorse Trough and the Coast Intrusive Complex. Northerly and northeasterly trending faults traverse the EYE claims. A northerly trending fault (apparent on the air photo) cuts the mineralized zone along the siltstone rhyolite contact and in part underlies the Ag-Pb-Zn soil anomaly. The fault contact exposed in one small pit 100 meters southeast of the pond is the brecciated shear described by Du Pont. It contains oxidized massive sulphide, quartz, rhyolite and siltstone fragments over at least a 2 meter width. The massive sulphide consists primarily of fine to coarse crystalline pyrite with arsenopyrite, galena, sphalerite and minor chalcopyrite. Most of the mineralized samples collected in 1986 were from this small pit.

EXPLORATION - 1986

In June and July 1986, G. Harris accompanied by B. Harris and the writer undertook grid reconstruction and prospecting on the EYE property. Also, the writer accompanied geologists from Noranda Exploration Co. Ltd. and Kerr Addison on property inspections in June 1986.

Grid reconstruction consisted of picketing 600 meters of baseline and 2200 meters of crosslines at 50 meter intervals. Little of the 1982 Du Pont grid remained, necessitating the use of compass and hip chain on the crosslines.

Five rock and soil samples were collected by the writer from the Ag-Pb-Zn zone and from a gossan on the western edge of the claims. Figure 3 shows the rock and soil sample sites and preliminary geology. Table 2 contains values and description of rock and soil samples collected by Noranda Exploration Co. Ltd. (June, 1986) and G. Davidson (June, 1986).

DISCUSSION AND RECOMMENDATIONS

Du Pont of Canada has outlined an Ag-Pb-Zn anomaly related to the contact (shear zone) between siltstone and rhyolite over a distance of at least 1100 meters. Exploration in June and early July 1986 consisted of re-sampling in and around the shear zone. The heavily weathered mineralized shear zone consistently returns Ag values between 39.0 and 150.0 ppm over widths up to 2 meters. Sporadic weakly anomalous gold values have also been obtained on the property.

TABLE 2
Rock and Soil Samples - 1986
Collected by G. Davidson

<u>Sample No.</u>	<u>Cu</u> <u>ppm</u>	<u>Pb</u> <u>ppm</u>	<u>Zn</u> <u>ppm</u>	<u>Ag</u> <u>ppm</u>	<u>Au</u> <u>ppb</u>	<u>Description</u>
R2-86-3	230	1420	1180	44.0	35	5' chip grab sample of oxidized sulphide breccia from shear zone
R2-86-4	460	1490	8800	39.0	20	Grab sample of oxidized sulphide breccia from shear zone
R2-86-4A	19	2000	2200	4.7	<5	Limestone breccia sample containing open vugs and minor galena and sphalerite
R2-86-5	16	66	260	1.1	<5	Rusty fractured rhyolite containing pyrite and sphalerite from grid 8+00N, 0+75E
S1-86-6 (soil)	62	2600	460	3.6	50	Sample taken from rusty zone located at the west end of the property on the claim line

TABLE 2 (continued)

NORANDA VANCOUVER LABORATORY

PROPERTY/LOCATION: EYE CLAIMS
105D/6

CODE : 8606-058

Project No. : 394

Sheet: 1 of 1

Date rec'd: JUNE. 23

Material : RX

Geol.: W. R.

Date compl: JUNE. 30

Remarks :

Values in PPM, except where noted.

T. T. No.	SAMPLE No.	Cu	Zn	Pb	Ag	As	Sb	PPB Au
145	81353	20	1600	2000	1.4	12	6	10
146	81354	12	1900	220	0.4	2	2	10
147	81355	460	4400	3400	3.8	20	1	30
148	81356	380	3200	3000	150.0	24	4	10
149	81357	12	3000	1400	40.0	40	6	10
150	CHECK NL-5	28	72	72	1.6	64	-	-
151	81358	8	300	36	0.6	2	1	10
152	81359	12	84	180	0.8	12	2	10
153	81360	8	170	4	0.2	40	2	10
154	81361	20	200	40	0.4	2	1	10
155	81362	52	60	32	0.4	2	2	10

Description of Rock Samples Collected by Noranda (1986)

Sample No:

- 81353 Laminated to thinly bedded light green limy siltstone, 1% fine to medium grained galena; pyrite on fractures and disseminated grains.
- 81354 Brecciated, limy altered rock, possible skarn.
- 81355 25% euhedral coarse grained pyrite in a light green carbonaceous tuff(?) volcanic.
- 81356 Completely weathered material from gossan, vuggy, original rock described above.
- 81357 Breccia from shear zone, 20% sulphides in rock.
- 81358 White bleached feldspar porphyry with pyrite.
- 81359 Fine grained siliceous tuff (sucrose) with pyrite; limonite, rusty along fractures.
- 81360 Weathered bleached vuggy feldspar porphyry with veins of pyrite.

Rock Descriptions (continued)

Sample No:

- 81361 Green laminated limy siltstone with some skarny looking lenses and disseminated pyrite.
- 81362 Laminated to finely bedded graphitic argillite, minor pyrite.

The Ag-Pb-Zn zone should be trenched, preferably using a backhoe, to uncover unoxidized material. Geophysical, geological and geochemical surveys should be completed to determine the along-strike extent of the mineralized shear zone.

The following program is recommended:

<u>Phase I</u>	Backhoe or bulldozer trenching	\$10,000
	Geological investigation	3,000
	Geochemistry and trench sampling	5,000
	Geophysical survey (VLF and Mag. 10 km)	3,000
	Camp, equipment and vehicle costs	2,000
	Report, typing and drafting	2,000
	 TOTAL PHASE I	 <u>\$25,000</u>
 <u>Phase II</u>	 (Contingent upon results of Phase I)	
	Diamond drilling	\$50,000
	 TOTAL PHASES I AND II	 <u>\$75,000</u> =====

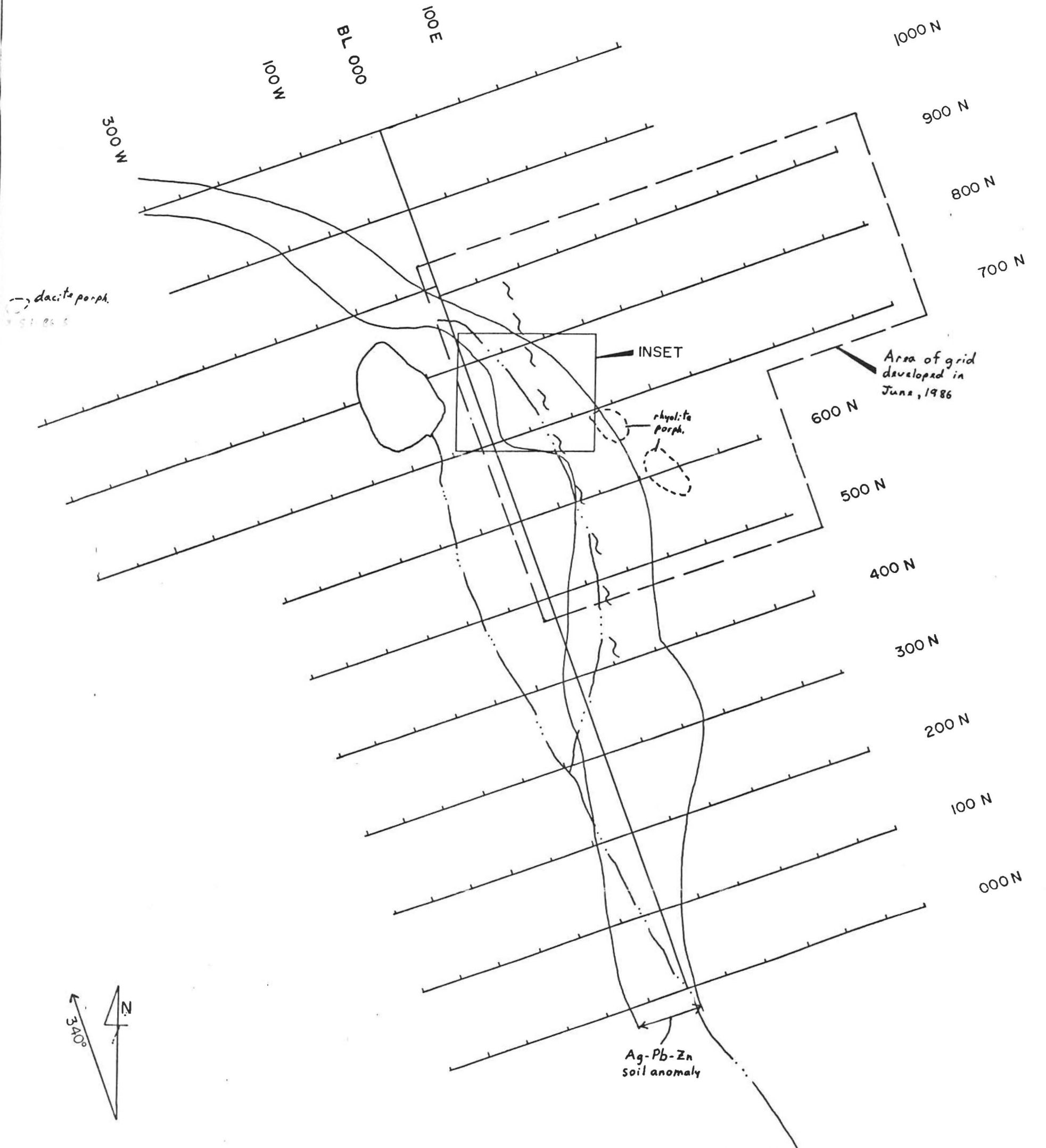
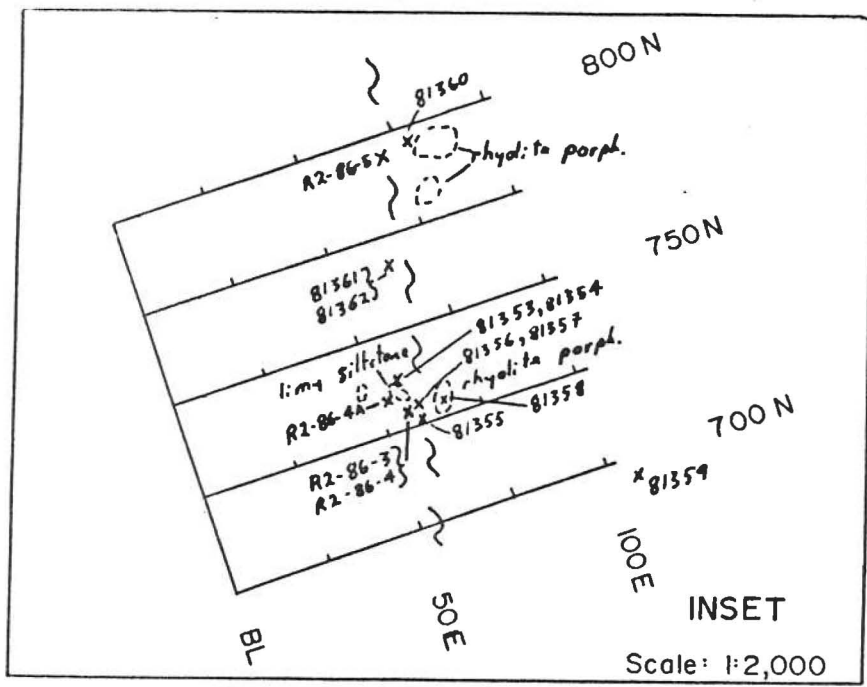


FIGURE 3:
EYE CLAIMS
 Rock and soil sample locations and
 Ag-Pb-Zn anomaly
 NTS: 105 D-6 Scale: 1:5,000

APPENDIX I

STATEMENT OF QUALIFICATIONS.

I, GRAHAM DAVIDSON, of the City of Whitehorse in the Yukon Territory, hereby certify:


THAT I am a consulting professional geologist.

THAT I am a graduate of the University of Western Ontario (H.B.Sc. Geology, 1981).

THAT I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists and Geophysicists of Alberta (No: 42308).

THAT I have been engaged in mineral exploration on a full and part time basis for seven years, of which five have been in northwestern British Columbia, the Yukon Territory and the Northwest Territories.

SIGNED at Whitehorse, Yukon Territory, this 17 day of August 1986.


G. S. DAVIDSON, P.Geol.

APPENDIX II

STATEMENT OF COSTS

June 1 - July 4, 1986:

PERSONNEL:

G. Davidson (geologist): 3 days @ \$200/day	\$ 600.00
B. Harris (prospector): 1 day @ \$150/day	150.00

EXPENSES:

Truck: 1 day @ \$50/day	50.00
Mileage: 75 km @ .35¢/km	26.25
Gas	20.00
Geochemical analysis: 4 rock, 1 soil sample (G.D.)	72.75
10 rock samples (Noranda)	120.00
1 bundle pickets	20.00

REPORT:

Typing, drafting, preparation	300.00
-------------------------------	--------

TOTAL

\$1,359.00
=====

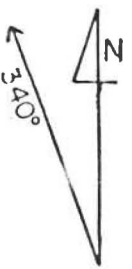
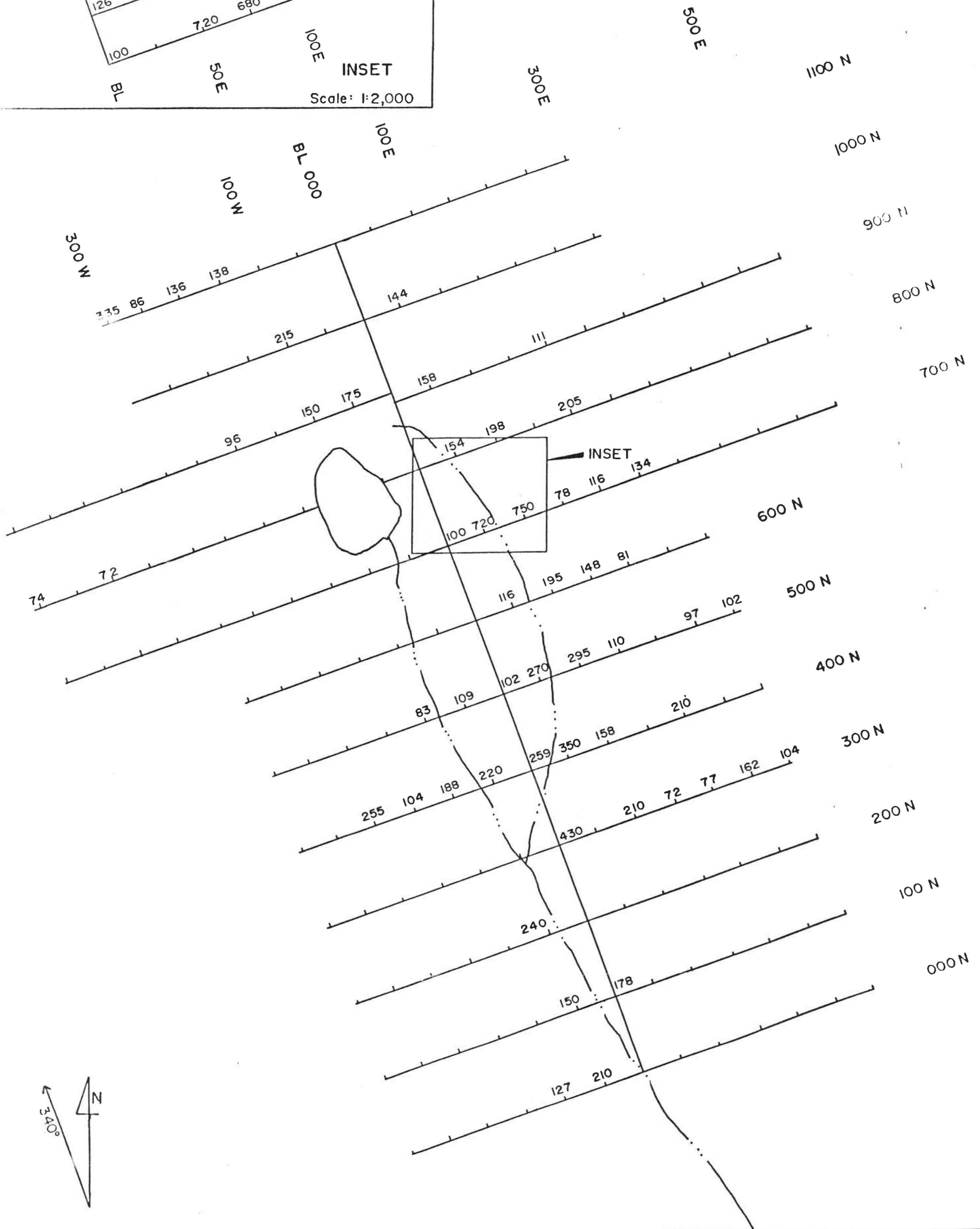
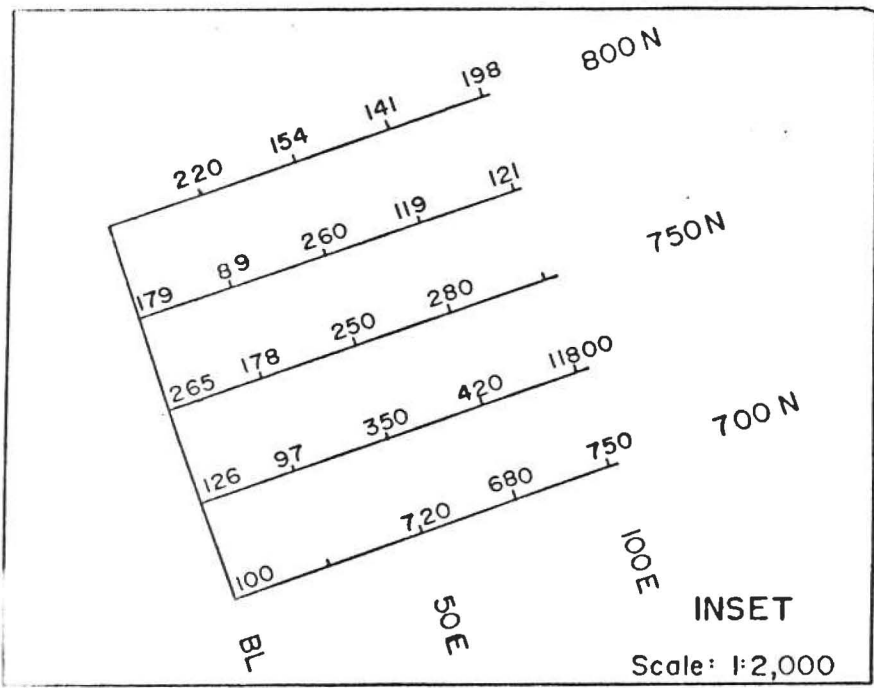
APPENDIX III

LIST OF REFERENCES

- Bostock, H. C., 1938: Mining Industry of the Yukon, Canada Department of Mines and Resources, Geological Survey, Memoir 220 (21 pp).
- Cairnes, D. D., 1912: Wheaton District, Yukon Territory. Canada, Department of Mines, Geological Survey Branch, Memoir 31 (153 pp).
- Morrison, G. W., 1979: Metallogenic Map, Whitehorse, Yukon. Open File EGS 1979-6, Northern Affairs, Whitehorse.
- Pride, M. J., 1981: Petrology and Geology of High Level Rhyolite Intrusives of the Skukum Area, 105-D-SW, Yukon Territory. Yukon Exploration and Geology, 1981.
- Pride, M. J., 1985: Preliminary Geological Map of Mount Skukum Volcanic Complex. Exploration and Geological Services Division, Northern Affairs, Whitehorse.
- Roots, C. F., 1982: Geology of the Montana Mountain Area, Yukon; unpublished M.Sc. thesis, Carleton University, Ottawa.
- Copland, H. J., 1982: Du Pont of Canada Ltd., Geological and Geochemical Report on the EVIEW property.
- Yukon Exploration and Geology, 1982: Department of Indian and Northern Affairs, Geology Department, p 117.

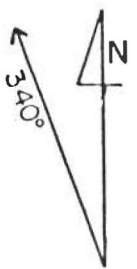
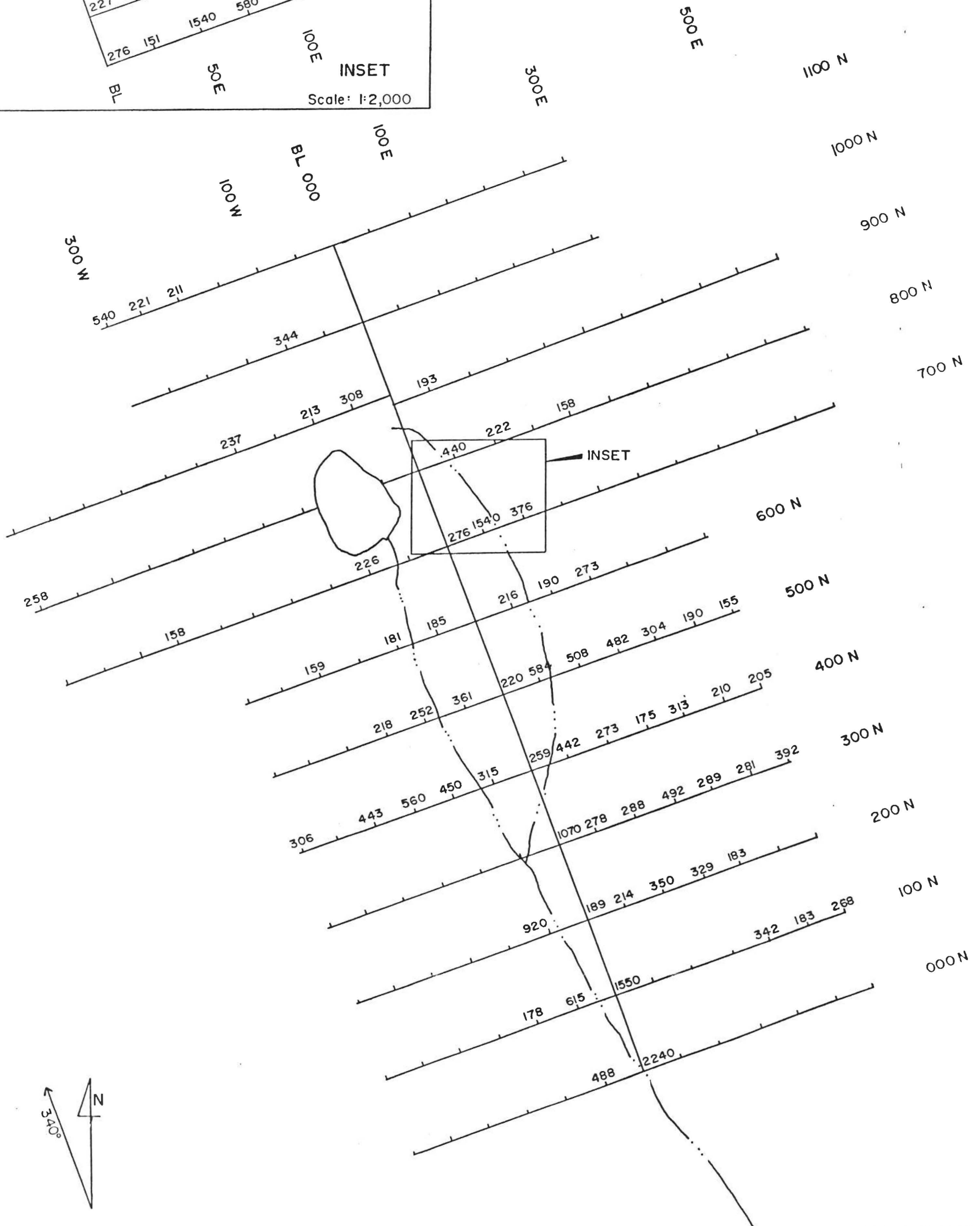
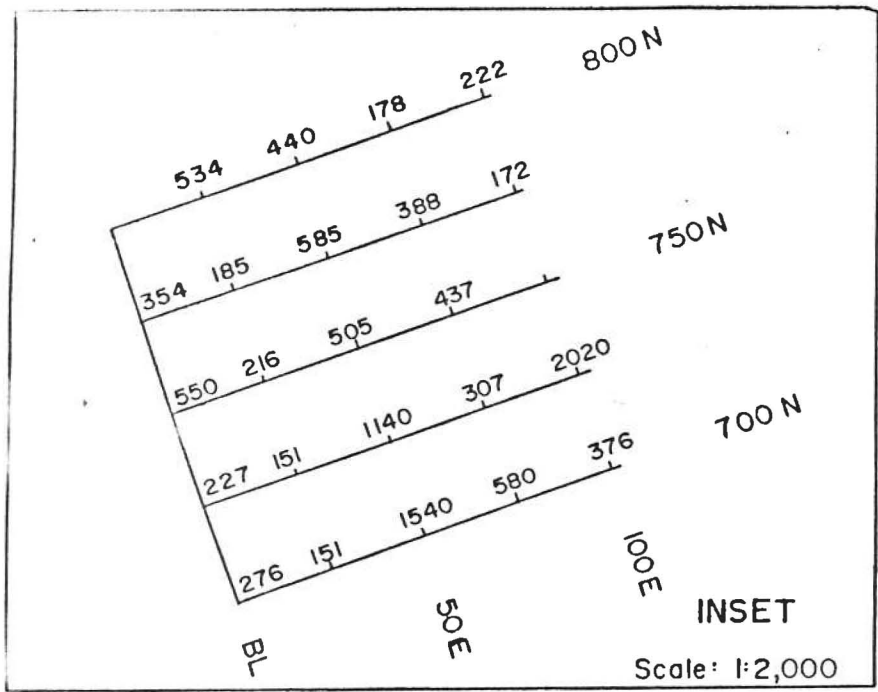
APPENDIX IV

DU PONT GEOCHEMISTRY



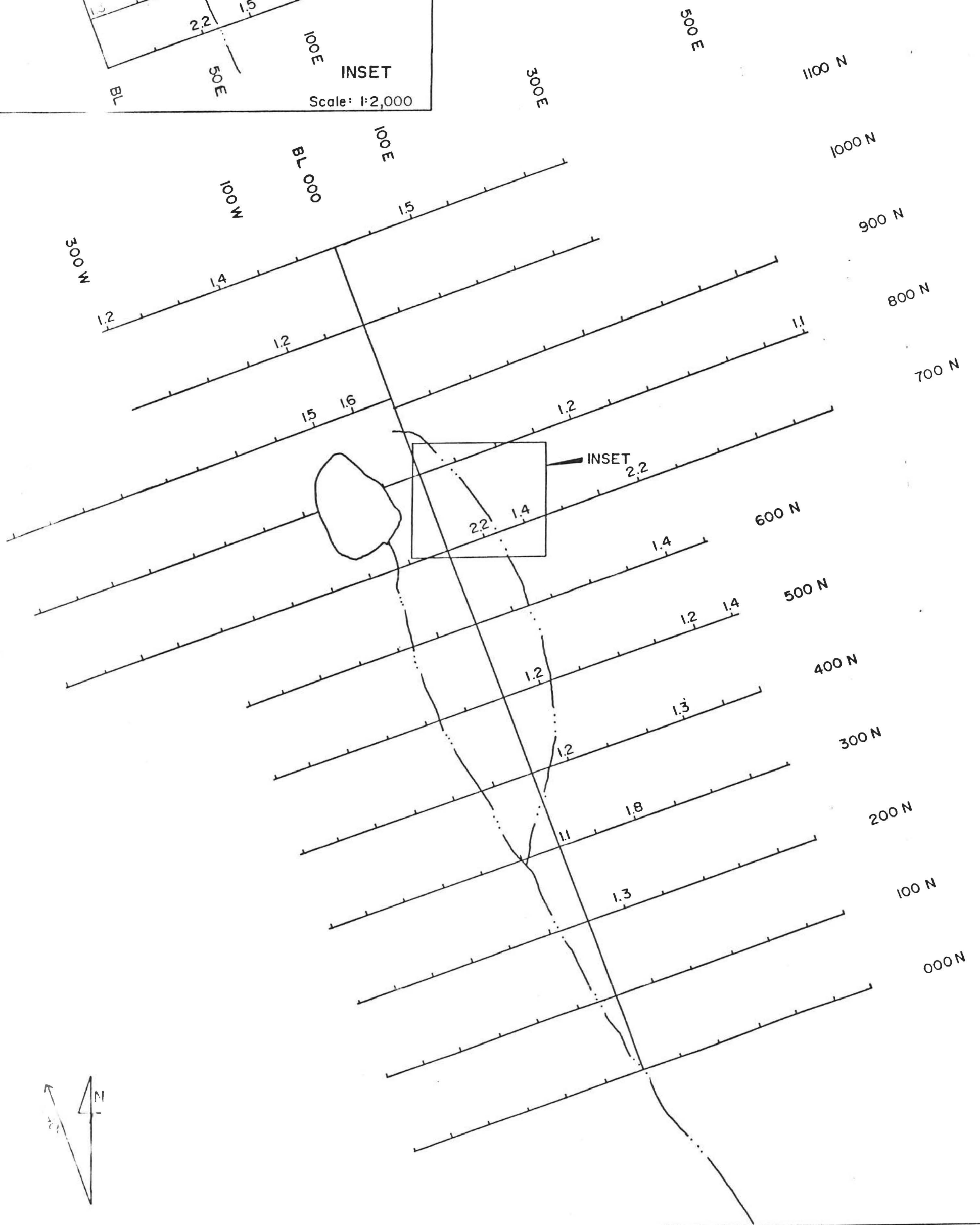
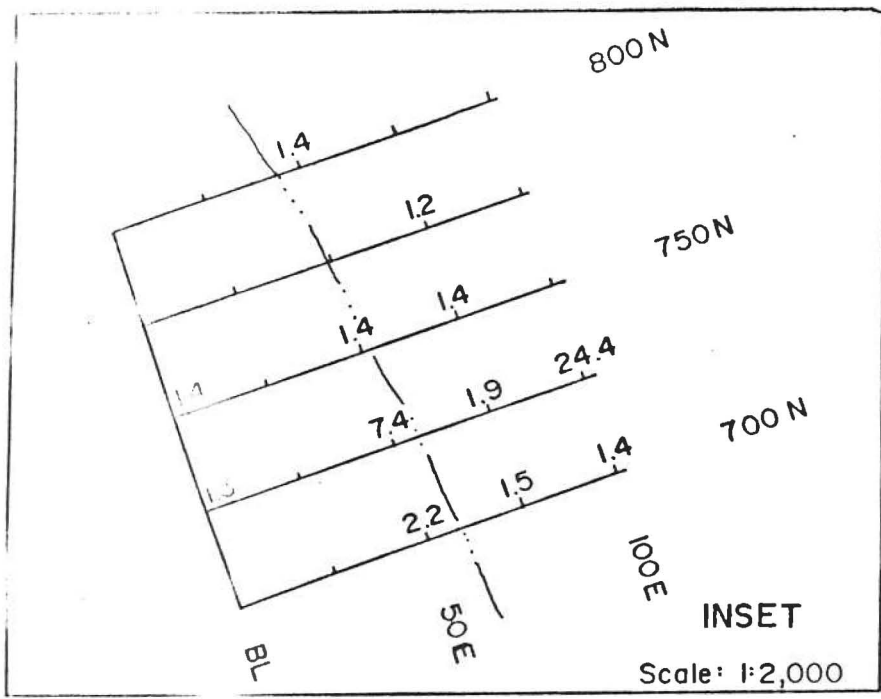
Pb > 70 ppm

EYE CLAIMS
 Pb GEOCHEMISTRY (ppm)
 NTS: 105 D-6 Scale: 1:5,000



Zn > 150ppm

EYE CLAIMS
Zn GEOCHEMISTRY (ppm)
NTS: 105 D-6 Scale: 1:5,000



EYE CLAIMS
Ag GEOCHEMISTRY (ppm)
NTS: 105 D-6 Scale: 1:5,000