DURHAM RESOURCES INC.

GOLDY AND BRAD CLAIMS

1986 SUMMER GEOLOGICAL AND GEOCHEMICAL PROGRAM REPORT

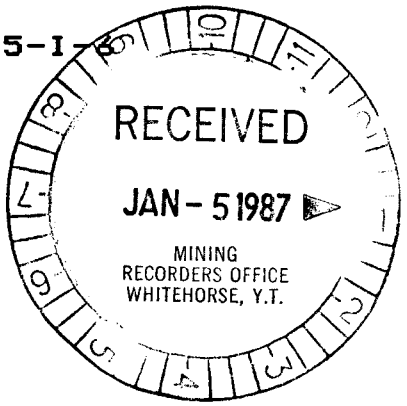
WHITEHORSE MINING DIVISION
YUKON TERRITORY

PROPERTY LOCATION:

62° 15′ N

137° 05′ W

CLAIM SHEETS: 115-I-3, 115-I-6



ROBERT EDISON
PROJECT GEOLOGIST
DURHAM RESOURCES INC
916 111 Richmond St. W.
Toronto, Ontario
M5H-2G4
(416-364-3182)

eport has been examined by
Geological Evaluation Unit
nder Section 53 (4) Yukon Quartz
Mining Act and is allowed as
presentation work in the amount
of $ 19,350.

D D Emond

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

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MAPS in back pocket

1. INTRODUCTION

During the summer of 1986 a two and a half month program of geological mapping and geochemical soil sampling involving one Geologist and one assistant was undertaken on the Goldy claims in the Yukon Territory. The objects of this work were: 1) To investigate and improve the gold potential of the previously sampled trenches, 2) To explore for new areas of gold mineralization, and 3) To investigate and understand the geological setting within the property boundries.

2. PROPERTY DESCRIPTION LOCATION AND ACCESS

The Goldy property consists of fifty contiguous unpatented mining claims situated primarily on the south side of a northwest trending ridge, two kilometers from the summit of Freegold Mountain. The property is located fifty five kilometers north west of Carmacks, Yukon Territory, and two hundred and ten kilometers north of Whitehorse, Yukon Territory. It forms an outlying part of the north east section of the Dawson Range Mountains which lie in the Yukon Plateau Province.

Access to the claim group is provided by a government maintained gravel road from Carmacks which cuts through the southwest portion of the claim group. The travelling distance is about sixty five kilometers and takes about two hours to drive safely. Carmacks is located one hundred and eighty kilometers north of Whitehorse on the Klondike Highway, most of which is paved, requiring a travelling time of about two hours between the two communities. A four wheel drive trail up Grizzly Gulch provides access to the top of the ridge and the north half of the claim group. A foot trail exists part way up the mountain at Forbes Gulch.

The claim numbers which comprise the property are as follows:

Claim Number	Claim Name
YA81524	GOLDY 1
YA81145-YA81151	GOLDY 2-8
YA81525-YA81530	GOLDY 9-14
YA81614-YA81619	GOLDY 15-20
YA93001-YA93010	GOLDY 22-31
YA92616	GOLDY A
YA92617	GOLDY B
YA92618	GOLDY C
YA92619	GOLDY D
YA92620	GOLDY E
YA92621	GOLDY F
YA92622	GOLDY G
YA92623	GOLDY H
YA93011	GOLDY I
YA93123	BRAD A Fr.
YA93124-YA93127	BRAD 1-4
YA93798-YA93799	BRAD 5-6
YA93466-YA93468	BRAD 7-10

3. PHYSIOGRAPHY

The property, being located in the Dawson Mountain Range, is in rugged terrain. The summit of the mountain ridge is approximately 4,400 feet above sealevel which places it 1,400 feet above Seymour creek. The grade of the hillside between Seymour Creek and the summit varies between 5 and 35 degrees with the average being about 20 degrees.

The topography on the slopes is the result of erosion without any glacial modification (Bostock 1936). Stream gulches are V shaped in cross section and steepen rapidly in profile towards the crest of the mountain. Conversely the mountain side rises steeply out of Seymour Valley and flattens out towards the top. This flattening out section is believed to be the mature erosional surface of the Yukon Plateau (Bostock 1936). These slopes are long and smooth with the exception of a wide area in the middle of the property where outcrops of castellated syenite occur.

The Seymour Valley is on average 1000 feet across and flat, and tends to widen towards the southeast. The creek is narrow with an average width of three feet across and well entrenched into the permafrost. The head waters for the creek are the Wolf Lakes, which are found about five miles upstream to the east.

Rock outcrops are scarce, less than 1% of the bedrock is exposed. Another 3% of the area is covered by a layer composed of angular rock fragments and soil. These are residuals of erosion and are of local origin. Well defined areas of coarse detritus occur on the south facing slopes where the thawing action of the sun is most pronounced, causing the finer material to be removed by running water. In mapping the area these coarse fragments of rock are assumed to be close to their source and therefore representative of the underlying bedrock.

The most common tree species on the property are black spruce, white spruce, aspen, white birch and balsam fir. They tend to grow on the south facing slopes and parts of the valleys due to the favorable angle the sun, and reach mature heights of 40 to 60 feet and are commonly ten inches in diameter. On the north facing slopes and in poorly drained valley bottoms and hollows, the ground is frozen to within a foot of the surface all year. These areas are carpeted in a thick moss in which only a few hearty and stunted black spruce and shrubs grow (Bostock 1936). The timberline on the property is approximately at an elevation of 4,200 feet or just on the top of the ridge.

4. PREVIOUS EXPLORATION

In 1930 Mr. P.F. Guder discovered lode gold in the Mt. Freegold area and in 1931 that discovery caused a rush resulting in over 100 claims staked in the area (Bostock 1936). This initial activity subsided and four years later (1934/1935) the N. A. Timmins Corporation took control of most of the claims. The company began underground development on the LaForma group of claims, and built a winter road into the site. Later during that summer the company relinquished it's holdings in the area and abandoned the district (Bostock 1936).

In 1963 Discovery Mines Ltd. acquired many of the key claims in the area and constructed a mill on the LaForma Property and commenced mining. During the period 1963 to 1966 they processed 9,500 tons of ore, and in 1966 they were forced to shut down, apparently due to equipment problems. The property remained dormant until Discovery Mines Ltd. conducted a soil geochemical survey over the property and discovered a wide arsenic-gold anomaly, which is now known as the Antoniuk Project. In 1980 Discovery Mines Ltd. optioned the whole claim group to Artic Red Resources, who then began an extensive exploration program, including nine drill holes drilled on the now Antoniuk ground. Artic Red Resources, dropped it's option on part of the claim group which now forms the Antoniuk Project (Howard 1985). This block of claims is adjacent to the Goldy Property to the west.

Recently Archer and Cathro (Geological Consultants) have carried out more than three miles of trenching (1985) and a two month drilling program (1986) on the Antoniuk Property. The Antoniuk Project is now a joint venture between Permian Resources Inc. of Vancouver B.C. and Nordac Mining Corporation of Calgary Alberta under option from Discovery Mines Ltd, the target being low grade gold mineralization amenable to heap leaching. The project is now in an advanced stage with an inferred mineral reserve of 4.17 million tons grading .042 oz/ton gold (late 1985 figures- Nordac release). Nordac Mining Corp. implies a production threshold of 5 million tons grading .045 oz/ton.

The history of the Goldy property is not as extensive. The G. Dickson Yukon Syndicate explored for base metals and gold by trenching on the propertry in the 1950's and 1960's. In the 1980's R. A. Granger and Yukon Revenue Mines explored for gold and stibnite on the property by trenching on the top of the mountain.

5. REGIONAL GEOLOGY

The Geology of the area was first investigated fifty years ago by H.S. Bostock (1936). Since then there has been a proliferation of new information, and theories on the evolution of the Northern Cordillera. The geology of the area was reinturpreted in 1974 by the Geological Survey of Canada. A remapping program was started in 1979, and is still in progress.

The property, according to Tempelman-Kluit (G.S.C 1980,1984) is located in the Intermontane Belt at the contact of the Yukon Cataclastic Complex and the Yukon Crystaline Terrane. The Yukon Cataclastic Complex is thought to consist mostly of Upper Paleozoic (Permian) extrusives and Mesozoic sediments. The Yukon Crystaline Terrane is thought to be Early Paleozoic, and since then metamorphosed and intruded by younger (Jurassic to Cretaceous) plutonic rocks. The contact between the terranes is the Big Creek Fault, which lies to the north of the property.

Locally the rocks of the Mt. Freegold area are divided into three groups; 1) the older metamorphic schists and gneisses, (Yukon Group, Lower Paleozoic?), 2) Stocks of Granitic, Granodioritic and Syenitic composition (Jurassic to Cretaceous), and 3) Dykes of intermediate and felsic composition (Cretaceous), (Bostock 1936, Johnston 1937, Tempelman-Kluit 1980, 1984).

6. RECONNAISSANCE GEOLOGICAL SURVEY

6.1 METHOD

The property was mapped on a metric reconnaissance scale of 1:5000 using pace and compass traverses and a cut grid with a baseline at 142 degrees and lines at 50/232 degrees spaced 200 meters apart (See the Goldy Geological Survey Map). An air photo mossaic mylar was used to record the field data. The traverse mapping was performed on the southeast quarter of the property. Representative samples of all the rocks were taken at periodic intervals over the property and are designated as the GR series. Most of the mapping was based on rubble either in the trenches or on a weathered surface. This represents about 4% of the area, and the actual outcrops represent less than 1% of the area. In addition, the various trenches on the property were mapped at a detailed scale of 1:500 using a metric chain.

6.2 GOLDY GEOLOGICAL MAP

The results of the geological mapping program have been plotted on the Goldy Geological Map. Major outcrops are shown in local extent and smaller outcrops are shown as X's. The actual contact between the syenite and the Yukon Schist is only noted in the trenches and is therefore inferred between opposing rock type outcrops elsewhere. Similarly the actual contact of the Yukon Schists and the granodiorite was never seen in outcrop but several migmatitic granodiorites aided in the positioning of that contact on the north end of lines 18 and 20. Several examples of the various dykes are noted on the map but as the mapping was based on rubble, no strike and dip can be determined.

6.3 LITHOLOGIES

The geological survey was successful in finding and mapping the Yukon Schists, syenite, granodiorite and felsic/intermediate dykes reported by Bostock 1936, Johnston 1937 and Tempelman-Kluit 1980, 1984. The most abundant rock type on the property is a stock of syenite.

Schists and Gneisses of the Yukon Group

The schists are found on the north east side of the property lying in between the syenite and the foliated granodiorite. The average width of this unit is 700 meters. These schists are predominantly medium grained, composed of quartz, biotite, muscovite and minor sulphides, and have a well developed schistose structure, striking north and dipping 50 degrees east in places.

In the Goldy Main, C, and Forbes trenches these rocks are locally altered, forming rusty quartz veined schists in contact with the gossanous breccia .

The gneisses are mostly granitic and are found in the same area as the schists although they are not nearly as predominant. They have the same general composition as the schists.

Both these rock types form what is loosely called the "Yukon Group" which was initially placed as Precambrian in age by Bostock (1936). Recent work by Tempelman-Kluit 1980, 1984) however places these rocks as the Pelly Gneiss Series (Lower Paleozoic).

Syenite

This rock type covers most of the south west side of the claim group and is the most recognizable rock on the property. It is composed of two phases. The most common phase is porphyritic and highly resistant, forming castelated outcrops along much of the mountain side. The phenocrysts are pink, euhedral, alkali feldspar crystals 2 to 4 centimeters wide, and black, subhedral, hornblende crystals 1 to 2 centimeters in length in a fine alkali feldspar groundmass. Both the alkali feldspar and hornblende crystals are randomly oriented and equally distributed.

The second phase is a gradational mafic phase which has been termed a hornblende syenite as it contains between 50 to 80 percent hornblende in an finer grained alkali feldspar groundmass. The hornblende crystals are slightly smaller, about 1 centimeters long and randomly distributed. This phase was noted to occur near the contact with the older Yukon Schists on the northwestern side of the grid and may represent the chilled margin of the syenite stock.

An altered form of the syenite occurs in the Forbes and Goldy Main and Wide trenches as a result of contact with the gossanous breccia. Here it is heavlily oxidized and friable although the distinctive plagioclase and hornblende crystals are still intact.

The syenite mapped on the Goldy Property represents only a small fraction of the Big Creek Syenite Stock which has been placed as Jurassic in age (Tempelman-Kluit 1980, 1984).

Granodiorite

The granodiorite was mapped on the eastern flank of the Yukon Schists. It represents the southeastern edge of the Granite Mountain Batholith (Upper Triassic-Yukon Cataclatistic Terrane) according to Tempelman-Kluit 1980, 1984). It is foliated, heterogeneous, coarse grained, and contains 30% quartz, 50% plagioclase, 20% biotite. In some of the outcrops, particularly at the end of lines 18 and 20 it forms a migmatitic association with the Yukon Group, containing screens of schist.

This rock has a particularly noticable feature at the end of line 12 where it forms a castellated dome, a part of the Freegold Mountain Ridge.

Intermediate/Felsic Dykes

These were divided into four distinct types and were noted to occur at random throughout the whole property. No strikes or dips were obtained since these dykes were always mapped from float. However the apparent width of some of these dykes exposed in the trenches were noted to be between 5 and 15 meters.

The four types were:

a) Felsite White to light grey, commonly rusty-gossanous, sometimes porphyritic with .5 cm wide medium grained feldspar crystals in medium grained, felsic groundmass, occurs in the Zorro trenches

b) Rhyolite Light pink, commonly rusty-gossanous, porphyritic with .5 cm wide feldspar crystals, fine grained groundmass, occurs in the Forbes trench

c) Dacite Light grey, sometimes porphyritic with .5 cm wide feldspar crystals, sometimes rusty/gossanous, medium grained ground mass, occurs on the road to the Goldy main trenches.

d) Andesite Porphyritic with .5 cm wide white feldspar crystals and .8 cm long hornblende crystals. Fine grained grey groundmass, occurs mostly along the top of Freegold Ridge.

Gossanous Breccia

This rock type is highly oxidized and predominantly found in the various trenches. It is typically characterized by .5 to 2 centimeters quartz fragments in a fine grained silicic, rusty to gossanous matrix.

Basalt

The basalt which consists of two outcrops is found on the extreme southeastern end of the claim group on the traverse lines. It is medium grained, black, and porphyritic with olivene phenochrysts. It belongs to the Carmacks Group and is young in age (upper Creteceous, Tempelman-Kluit 1984).

7. RECONNAISSANCE GEOCHEMICAL ROCK SURVEY

The geochemical rock survey consisted of sampling any gossanous, rusty or quartz rich areas on the property other than the large trenches. It was run simultaneously with the geological mapping and soil sampling. Fourteen samples were collected and analyzed for gold and arsenic. The gold was analyzed by the Fire Assay/Atomic Absorbtion (preconcentration by Fire Assay) method with a detection limit of 5 parts per billion (ppb) using a 10 gram sample. The arsenic was analyzed by the Nitric Perchlor. Digestion/Colourmetric method with a detection limit of 2 parts per million (ppm). These methods were applied to all samples of rock and soil collected.

A single sample of gossanous breccia on the Grizzly Gulch road 200 meters from the top assayed 5000 ppb gold (later fire assayed .125 oz/ton) and greater than (>) 1000 ppm arsenic.

Other favourable results from this survey came from four samples on two outcrops of gossanous breccia 20 meters northwest of line 14, 0+25N. Here on one outcrop, two grab samples ran 220 and 30 ppb gold, 1000, 150 ppm arsenic respectivly. On an outcrop 10 meters away two 2 meter chip samples ran 2400 and 540 ppb gold, 1000, 450 ppm arsenic respectively. These outcrops were down hill and about 40 meters away from the Goldy Main trenches. A grab sample from a small trench between the Goldy Main and C trenches ran 460 ppb gold and 500 ppm arsenic.

A grab sample of blue quartz from a small trench on line 10, 0+90S assayed 80 ppb gold and 70 ppm arsenic. A gossanous felsic dyke sample on line 12, 1+60N assayed 40 ppb gold, and 255 ppm arsenic. A sample of rusty, vuggy quartz vein material on line 4, 4+53S assayed 30 ppb gold and 34 ppm arsenic.

Three samples of Yukon Schist were collected but returned only background values of gold and slightly higher than background values of arsenic.

Two samples of gossanous breccia on line 30, 3+20N assayed background values of gold and arsenic values of 130 and 146 ppm.

8. TRENCH GEOLOGY AND GEOCHEMISTRY

The geology of the trenches is based mostly on rubble. The contacts are gradational between the rock types and the strike of the contacts is impossible to determine except by extrapolating between closely spaced trenches. Otherwise the strike of the contacts on the various maps of the trenches is inferred from the regional lithological strikes. A composite map at 1:200 was made for the Goldy Main, A, B, C trenches along with 1:500 and 1:1000 maps for all the trenches except the Whale, L12, and Long trenches.

Goldy Wide Trenches

These consist of two wide trenches, located at line 4 on the baseline. They were bulldozed by R.A. Granger in 1985 to locate a quartz vein, the fragments of which were noted along the Emmons Hill road. The upper trench is 15 meters wide and 115 meters long, the lower trench is 15 meters wide and 80 meters long with a smaller trench at the end. They both trend 110 degrees and are separated by the Emmons Hill road. Syenite is found in both trenches in contact with altered Yukon Schist and rusty breccia. The contact parallels the baseline at 142 degrees .

The Yukon Schists and rusty-gossanous breccia in both trenches were sampled by 5 meter chip samples. The results were not very encouraging, all the samples returned less than (<) 10 ppb gold with the exception of one sample in the upper wide trench which assayed 25 ppb gold. Correspondingly all samples returned low (<50 ppm) arsenic values in the north trench, while the south trench arsenic values ranged from 77 to 240 ppm.

Roger's Trench

This trench is 5 meters wide, 45 meters long and trends 50 degrees. It is located on the Emmons Hill road between lines 6 and 8 at about 200 meters north of the baseline. It was named after a Yukon linecutter, Roger Voisine, who once pitched a tent in the middle of it.

The trench cuts proceeding northeast from the road, 10 meters of felsite porphyry with iron-magnesium stains, 6 meters of altered and veined Yukon Schists with a 2 meter wide bull white quartz vein, and 17 meters of altered Yukon Schists with gossanous breccia zones. The last 12 meters of the trench were too muddy to map. Stibnite is noted in the middle of the trench.

Six 5 meter chip samples of rock were taken along the first 30 meters of the trench. These assayed between 5 and 180 ppb gold, the average being 105 ppb gold. A grab sample of gossanous breccia at the end of the last chip sample assayed 10 ppb gold.

The arsenic values ranged between 220 and >1000 ppm the average being 390 ppm. The grab sample of gossanous breccia assayed 110 ppm arsenic.

Goldy Main, A, B and C Trenches

These trenches are closely spaced, located between 12+00E and 13+50E on the baseline. They were bulldozed from a trail leading down the hill a half kilometer from the Emmons Hill road. They are all about 5 meters wide and vary from 30 to 100 meters long, their trend is from 10 to 60 degrees.

Syenite was noted in the Main and C trenches in contact with the breccia. The contact appears to strike 125 degrees which is close to the regional contact. The syenite occurs as the regional porphyritic type, and is gradationaly altered in the vicinity of the breccia contact, where it becomes increasingly silicified and fractured. The hornblende is altered to an unidentifiable green mineral.

The Yukon Schists were observed in the northeast portion of the Main, C and A trenches occuring as the upper contact with the breccia. Here they are locally altered, oxidized and intruded by quartz veinlets along the schistosity plane.

Between the syenite and the Yukon Schists lies the rusty-gossanous breccia. It is composed of medium sized quartz fragments in a fine grained silicous matrix. It is slightly friable, having a rusty to gossanous appearance, and is highly oxidized, a fact that makes further description almost impossible. The largest actual outcrop occurs in the Goldy Main trench in the breccia . Here over a distance of 16 meters three different zones within the breccia are identified. The first, 8 meters wide, is a highly altered, and silicified breccia zone with quartz fragments 1 centimeters wide. The matrix is fine to medium grained, greenish grey and sericitized. The second, 6 meters wide, is commonly described as a "leached zone" breccia. Again it is highly altered and silicified but the color is greenish white to yellowish light grey. The fragments are 7 to 8 centimeters wide quartz pods, indicating that this may be a vein breccia. Chloritic shear planes are noted. The third, over 2 meters wide, is a blue quartz breccia, containing 60%

fine grained blue quartz in a fine grained white quartz matrix. The blue quartz is noted to contain fine disseminated sulphides.

These trenches yielded the highest gold values on the property. The main trench was sampled in the fall of 1985 as part of the initial property examination. Eight 15 foot chip samples returned .052 oz/ton gold over 120 feet. Two of these returned .13 oz/ton over 30 feet in the vicinity of the blue quartz breccia. Twenty two 2 meter (6.5 feet) chip samples numbered ABE-R-1 to 22 were taken from the trench during the 1986 program to evaluate and detail the initial results. The results from these are encouraging, the average of these 22 samples is .047 oz/ton over 44 meters (144 feet) which duplicates the initial sampling. In addition eight 2 meter chip samples (ABE-R-23-30) were taken over the small hand dug trench yielded an average of 3357 ppb gold. (.098 oz/ton) over the 16 meters (52.4 feet) which includes a >10000 ppb over 2 meters. This sample later fire assayed .368 oz/ton gold over 2 meters (6.5 feet). The arsenic values for all these samples are very high, ranging from 120 to >1000 ppm. Barite is noted at the end of the trench. The ABE-R-1 to 30 samples were also analyzed for silver. They returned values from <0.2 ppm to 36 ppm.

A further eleven 2 meter chip samples (Brent 1-11) were taken on the lower half of the trench, in the hope of providing some assay strike length. These average 1101 ppb (.03 oz/ton) gold over the 22 meters (72 feet), which includes 5200 ppb (.15 oz/ton) over 2 meters. The range of gold values of all forty one 2 meter chip samples in the main trench is from 30 to >10000 ppb with an average of 1470 ppb (.043 oz/ton) and a standard deviation of 2106 ppb. The arsenic values are very high ranging from 120 to >1000 ppm.

The C trench yielded the lowest values of all the trenches. Six 5 meter chip samples were taken in the gossanous breccia between the syenite and the Yukon Schist. The range of these gold values is from 25 to 200 ppb, with an average of 136 ppb. A further four grab samples of gossanous material in the Yukon Schists assayed 45 ppb and less. The arsenic values ranged from 330 to >1000 ppm.

The six 5 meter chip samples taken in the gossanous breccia in the B trench covered the entire length of the trench. The values from these samples range from 260 to 3100 ppb gold. and the average is 1435 ppb (.042 oz/ton) over the 30 meters (98 feet). The arsenic values are consistently over 1000 ppm.

Another six 5 meter chip samples taken in the A trench assayed gold values in the range of 75 to 1750 ppb with an average of 600 ppb and arsenic values in the range of 205 to >1000 ppm. A grab sample of blue quartz breccia in the middle of the trench assayed 500 ppb gold. and >1000 ppm arsenic. Two 5 meter chip samples were taken on a small rusty breccia exposure between the A and B trenches (GR 92 and 93). These returned background values of gold and only slightly higher than background values of arsenic.

In addition to the chip sampling, two detailed soil lines were established again in the hope of determining the strike of the gold bearing breccia. Thirteen soil samples, 5 meters apart, were taken from the upper line between the B and C trenches. The gold values from these soils range from >5 to 1400 ppb while the arsenic values range from 34 to >1000 ppm. The northeastern half of the line assayed 15 ppb gold or less and may represent the underlying Yukon Schist, while the southwestern half is anomolous all the way to the end with one sample running 1400 ppb (.041 oz/ton).

The second line between the C and Main trenches again was sampled at 5 meter spacings. The gold values range from <5 to 260 ppb and the arsenic values range from 6 to 900 ppm. The middle section of the line is slightly anomalous compared to the ends.

Zorro Trenches

These are two trenches that occur on the opposite side of the gulch 200 meters west of the Forbes trench. The Zorro name arises from the fact that they were originally thought to have carved a Z in the hillside. The Upper Zorro trench is about 5 meters wide and 100 meters long. It curves around in a broad V shape striking from 60 to 115 degrees. The trench cuts 21 meters of gossanous felsite porphyry, heavily weathered and oxidized with some visible pyrite contacting with 38 meters of gossanous breccia. The western half of the V cuts through Yukon Schists and is mostly overgrown with grasses and mosses.

The Lower trench is about 5 meters wide and 85 meters long, trending from 95 to 115 degrees. It cuts from east to west, 48 meters of gossanous breccia, followed by 37 meters of Yukon Schist. The Yukon Schist is rusty and slightly altered. Bull white quartz float was observed next to the contact of the breccia with the Schists.

Both the trenches were sampled using the standard 5 meter chip sample. The lower trench yielded low values between <5 and 70 ppb gold although a grab sample of blue quartz breccia assayed 170 ppb gold. With the exception of the most eastern sample all the samples returned high arsenic values between 600 and >1000 ppm .

The upper trench returned values between <5 and 65 ppb gold. The north eastern end of the trench yielded the higher values with the exception of a 50 ppb at the western end. A grab sample of blue quartz breccia on the north eastern end of the trench assayed 95 ppb and may be the source of the higher assays at that end. Again the arsenic values are high, between 300 and >1000 ppm.

Forbes Trench

The Forbes trench is the last trench southeast along the baseline. It is bulldozed on the top of the south side of Forbes Gulch. It is about 5 meters wide, 130 meters long, and trends 90 degrees. It is named after Bill Forbes, as is the gulch.

The regional syenite was noted at the western edge of the trench near the baseline. Progressing eastwardly the trench then cuts 18 meters of rhyolite porphyry, 17 meters of altered syenite, 48 meters of rusty breccia material, and 47 meters of gossanous breccia material. The eastern end of the trench is very close to the contact of the Yukon Schists.

Within the rusty and gossanous breccia eighteen 5 meter chip samples were taken along with five grab samples. These returned gold values from <5 to 1350 ppb. The average is 240 ppb. The two easternmost samples assayed 1100 and 1350 ppb gold. Three grab samples, two of blue quartz and the other of gossanous breccia assayed 240, 240 and 800 ppb gold apiece. Two other grab samples of gossanous breccia within the altered syenite assayed 50 and 70 ppb gold. A line of detailed soil samples 5 meters apart returned only background values of <5 to 15 ppb gold.

The arsenic values are high thoughout the trench. They range from 185 to >1000 ppm , the average being 840 and the standard deviation 260. Ten of the 18 chip samples assayed >1000 ppm arsenic. The arsenic values in the soil line samples range from 21 to 600 ppm, the average being 194 ppm.

Whale Trench

This is a small trench on line 6 at 3+40S, that was blasted into a large quartz vein breccia on a 15 degree slope. The trench measures 2 x 5 meters. The quartz vein breccia consists of chalcedonic and blue quartz in a rusty-vuggy quartz matrix. Very fine sulphides are noted in the blue quartz breccia.

Initially one sample was taken from the small muck pile and assayed 140 ppb gold and 150 ppm arsenic. Later five more rock samples were taken here, 3 chip samples along the face and walls of the trench (two 2 meter chip and one 3 meter chip) and two grab samples from the small muck pile. The chip samples assayed 220, 190, 75 ppb gold and 72, 110, 115 ppm arsenic respectively. The two muck samples assayed 110 and 40 ppb gold, 145 and 220 ppm arsenic. Two 5 meters chip samples the whale vein outcrop 40 meters west of the whale trench assayed 70 and 55 ppb gold and 63 and 95 ppm arsenic.

L12 Trench

This is a small bulldozed trench on line 12 at 2+55N. The trench is about 4 meters wide, 40 meters long and completely composed of a rusty dacite porphyry dyke. Three 5 meter chip samples were collected across the trench and returned gold values between 15 and 40 ppb, and arsenic values between 65 and 80 ppm.

Long Trench

This trench is located between the Wide trenches and Roger's trench, just north of the road to Emmons Hill. Six grab samples of gossanous material were collected across the trench. All the samples returned low gold values, <15 ppb, and relativly low arsenic values.

9. RECONNAISSANCE GEOCHEMICAL SOIL SURVEY

During the summer 815 soil samples were collected on the property by using the standard soil augering method. The soil horizon sampled was the B horizon. The spacing of the samples was 50 meters except between 2+00N and 2+00S of the baseline where the spacings was 25 meters. This increased density of samples along the baseline was done in hopes of capturing any discrete anomalies along the contact between the syenite and the Yukon Schists. The area has not been glaciated so the soils reflect the underlying rock. There is however a layer of ash 4 inches deep in places that must be penetrated to collect the sample.

The sample results were plotted on a 1:5000 map (the same one as the Geological survey) and contoured to show any anomaly lineations. The gold contours were stepped exponentially at 15, 50, 100, and 500 ppb intervals, and the arsenic contours were stepped at 49, 99, 399, 799 ppm intervals.

A number of gold soil anomalies were found. The most promising area is in the vincinity of the Goldy A, B, C, and Main trenches. Here on line 12, above the trenches, five samples returned values above 100 ppb. One sample at 2+00N assayed 660 ppb gold or .019 oz/ton. This anomaly in a weaker sense follows over to line 14 where the sample at 2+25N assayed 110 ppb gold. The contouring suggests that there are two anomolus areas of soils, one encompassing the trench complex and a second stronger and larger area above it.

Six other samples with values above 100 ppb occur on lines 6, 22, 24, 26, 30, 34, all within 200 meters of the baseline. The sample on line 6 at 0+50S assayed 980 ppb gold or .0285 oz/ton. This appears to be a localized high where as the other four appear to be located in a wider, weaker anomalous area. Another anomaly is located on line 32, 9+50N, this also appears to be an isolated high. In addition there are many other smaller anomalous zones less than 50 ppb gold.

The arsenic values correlate well with the gold values in the the following places; a) area above the main trench complex; b) the area around the main trench complex; and c) the area around the Forbes trench. Above the main trench complex there appears to be two large areas of anomalous arsenic values covering an area slightly larger than the gold zone. In the area around the main trench complex the arsenic values delineate a weaker anomalous zone as do the gold values. The arsenic values in the Forbe's trench area outline a large anomalous area encompassing the gold values. In addition the arsenic values correlate well with the gold results on the north ends of lines 8, 10, 12; the top of line 32; the bottom of line 34; lines 2, 4, 6, 8, 1+50-2+00N; and some of the other weaker gold zones (<30 ppb)

At the top of lines 0 and 2 there is a large arsenic high without any corresponding gold values above 50 ppb. This arsenic high occurs in the Yukon Schist and may be related to an earlier mineralization, one that did not produce any gold.

10 SUMMARY

The geological survey was successful in delinating the three major rock types (the syenite, the granodiorite and the Yukon Group schists) in the area. The contact between the syenite and the Yukon Schists appears to align along the Big Creek Fault (conversly the fault may follow a zone of weakness - the contact). The contact of the foliated granodiorite and the Yukon Schist is to the north of the syenite contact and is not as linear. In addition this contact appears to show a migmatitc association between the Yukon Schists and the granodiorite.

The soil recconaisance survey has defined a long (3.2kilometers) discontinuous narrow anomalous gold trend along the Yukon Schist-syenite contact (which lies within 200 meters of the baseline). This trend includes seven of a total of twelve soil anomalies over 100 ppb gold and numerous smaller anomalous values. In addition the soil survey has identified an area anomalous in gold adjacent to the Goldy Main trenches. Here there are four soil gold values over 100 ppb including a 660 ppb (.0192 oz/ton). For most of the map area the arsenic values correlate well with the gold values. Arsenic values lying outside of gold values may be related to some earlier or other mineralogical event not carrying gold.

The trench sampling has proved to be the most revealing survey. The Goldy Main trench complex carries gold values up to .368 oz/ton over 2 metres. The continuity of the anomalous zone in this area is presently not well defined. It is unclear why trench C has low gold values in it. Although the Forbes and Zorro trenches returned lower values than the Main trenches, they do show some potential for extending the anomalous zone in the Main trenches downstrike along the baseline.

11 RECOMMENDATIONS

Futher exploration on the property should consist of two fronts: first the high values in the main trench area need to be tested and extended. Since most of the area is already trenched, a program of ten drill holes totaling 3000 feet of diamond drilling is recommended. The drill holes should be inclined 45 degrees and drilled from southwest to northeast (uphill! azimuth 040) across the strike of the contact and be on average 300 feet. These holes will provide information on the strike and the depth potential of the gossanous zone. It is recommended that the first hole be drilled underneath the blue quartz zone in the small hand dug trench.

The second front of exploration should be aimed at explaining the other various soil gold anomalies. This may be accomplished by; a) some fill in soil sampling around the initial anomaly to verify it and determine the local extent and b) if warranted some trenching by bulldozer over the anomalous area. The first area to concentrate is the area just north of the main trenches where there are a number of high gold values in the soil. Second priority should be given to the 980 ppb gold value on line 6. The various anomalies situated along the baseline trend should be evaluated next since they lie along the Big Creek fault which is thought to be related to the gold mineralization.

Two intermediate lines between lines 10, 12, and 14 should be cut with stations 25 meters apart for 200 meters south and 500 meters north of the baseline. Soil samples 25 meters apart on these two lines may provide more information on the Main trench complex as well as the anomalies north of it.

12 STATEMENT OF QUALIFICATIONS

I, J. R. C. Edison of the city of Toronto, borough of York, Province of Ontario, hereby certify:

1) That I am a staff project geologist with Durham Resources Inc. of Toronto, and reside at 133 Dunvegan Rd, Toronto, Ontario.

2) That I am a graduate of McMaster University and hold a Bachelor of Science Degree in General Science

3) That I am a graduate of The University of Guelph and hold a a Honour's Bachelor of Science Degree in Earth Science.

4) That I have been practising my profession as an exploration Geologist since May of 1984.

5) That the accompanying report is based on a study of all the availiable data on the property and vincinity, together with the writers field work on the property.

6) I hereby consent to the inclusion and use of this report in any documents required by the regulatory authorities.

J. R. C. Edison BSc. Hon.BSc.

13 REFERENCES

Bostock, H. S., 1936, Carmacks District Yukon; Geological Survey of Canada, Memoir 189, 67p

Howard, D. A., 1985, Report on the 1985 exploration program conducted on the Antioniuk Property, Mount Freegold area, Yukon Territory for Permian Resources Ltd. D. D. H. Geomanagement Ltd. 23p

Johnston, J. R., 1937, Geology and Mineral Deposits of Freegold Mountain, Carmacks District, Yukon; Geological Survey of Canada, Memoir 214, 21p

Tempelman-Kluit, D.J., 1980, Highlights of the field work in Laberge and Carmacks areas, Yukon Territory. Geological Survey of Canada; Paper 80-1A

Tempelman-Kluit, D.J., 1984, Geology, Laberge (105E) and Carmacks(115I), Yukon Territory; Geological Survey of Canada, Open File 1101.

14 Appendixes

a) Goldy rock listing. In back pocket

Note that this computer file treats gold values less than 5 ppb as -5, gold values greater than 10000 ppb as 10001 ppb and arsenic values greater 1000 ppm as 1001 ppm. This was done for numerical sorting purposes.

b) Expense Accounting. In back pocket

Reference notes:

Bondar-Clegg & Co. Ltd.	Assaying
Mel Murdoch	Truck rental
Kelly, Douglas & Company	Food
U. Abolins	Supervision
R. A Granger	Consulting
Edison Expense	Supplies
Tel Transfer	Telephone
Derek Dodge	Trenching
Eastern Associates	Line cutting.

c) Personel:

Mr. U. Abolins
Vice President of Exploration
Durham Resources Inc
916-111 Richmond St. W.
Toronto, Ontario
Supervisor

Mr. A. Heath
37 Rayne Ave.
Oakville, Ontario
Student
Field Assistant

Mr. R. Edison
Geologist
Durham Resources Inc.
916-111 Richmond St. W.
Toronto, Ontario
Project Geologist

Mr. R. A. Granger
Geological Field Consultant
48 Tamarack Dr.
Whitehorse, Yukon Territory

d) Field work was performed in the Yukon between June 09 1986 and August 19 1986

This report was written on and the rock list was compiled on an Apple IIc personal computer with Z Ram II (768K) installed using Appleworks Integrated Software. The report and list were printed on a Apple Imagewriter.

File: Goldy Rock List
Report: Number-name-assay

December 10 1986

Number	Name	Other	Au OPT	Au ppb	As ppm
GR 14	YUKON SCHIST	L0 300N, qtz veining on shistose plane			
GR 15	QUARTZ VEIN	L0 300N, vein Striking 80/90			
GR 16	ANDESITE PORPHYRY	L2 75S			
GR 17	YUKON SCHISTS	L6 705N, on Road, no visible sulphides		15	10
GR 18	DACITE PORPHYRY	L6 490N			
GR 19	ANDESITE PORPHYRY	L6 335N			
GR 20	YUKON SCHIST	L6 255N		15	88
GR 21	DACITE PORPHYRY	5 meter chip sample, L12 255N trench			
GR 22	DACITE PORPHYRY	5 meter chip sample, L12 255N trench		25	80
GR 23	DACITE PORPHYRY	5 meter chip sample, L12 255N trench		20	72
GR 24	DACITE PORPHYRY	5 meter chip sample, L12 255N trench		15	65
GR 25	GOSSANOUS FELSITE DYKE	L12 160N, no visible Sulphides		40	225
GR 26	FELSIC VEIN ZONE	L12 100N			
GR 27	ALTERED SYENITE	L2 950S, quartz veining 2-3mm wide			
GR 28	DACITE PORPHYRY	L4 925S,			
GR 29	FELSIC PORPHYRY	L10 598S, groundmass appears of K-spar			
GR 30	BLUE-GREY QUARTZ	L10 90S, rusty with chalcedonic Quartz		80	70
GR 31	FELDSPAR PORPHYRY	L12 792S			
GR 32	QUARTZ VEIN	L4 453S, vugs, some chalcedonic Quartz		30	34
GR 33	FELSIC PORPHYRY	L6 850S appears altered			
GR 34	BLUE QUARTZ BRECCIA	From the Whale Vein tailings		140	150
GR 35	FELDSPAR PORPHYRY	L6 1020S, appears altered			
GR 36	GOSSANOUS BRECCIA	Grab sample on O/C 30m to NW of L14 25		220	1001
GR 37	GOSSANOUS BRECCIA	Grab sample on O/C 30m to NW of L14 25		30	150
GR 38	GOSSANOUS BRECCIA	2 meter chip sample 15m NW of GR36		2400	1001
GR 39	GOSSANOUS BRECCIA	2 meter chip sample 15m NW of GR36		540	450
GR 40	FOLIATED GRANODIORITE	L16 825N, biotite non magnetic			
GR 41	YUKON SCHIST	L16 60N, some quartz eyes		10	70
GR 42	5 meter chip sample	Goldy Upper Wide Trench		-5	30
GR 43	5 meter chip sample	Goldy Upper Wide Trench		25	38
GR 44	5 meter chip sample	Goldy Upper Wide Trench		-5	7
GR 45	5 meter chip sample	Goldy Upper Wide Trench		-5	15
GR 46	5 meter chip sample	Goldy Upper Wide Trench		-5	5
GR 47	5 meter chip sample	Goldy Upper Wide Trench		-5	6
GR 48	5 meter chip sample	Goldy Upper Wide Trench		-5	4
GR 49	5 meter chip sample	Goldy Upper Wide Trench		-5	3
GR 50	5 meter chip sample	Goldy Upper Wide Trench		-5	8
GR 51	5 meter chip sample	Goldy Upper Wide Trench		-5	11
GR 52	5 meter chip sample	Goldy Upper Wide Trench		5	7
GR 53	5 meter chip sample	Goldy Lower Wide Trench		5	240
GR 54	5 meter chip sample	Goldy Lower Wide Trench		-5	130
GR 55	5 meter chip sample	Goldy Lower Wide Trench		-5	115
GR 56	5 meter chip sample	Goldy Lower Wide Trench		-5	125
GR 57	5 meter chip sample	Goldy Lower Wide Trench		-5	80
GR 58	5 meter chip sample	Goldy Lower Wide Trench		-5	77
GR 59	5 meter chip sample	On the Whale vein outcrop		70	63
GR 60	5 meter chip sample	On the Whale vein outcrop		55	95
GR 61	FELSITE DYKE	Long trench		-5	40
GR 62	GOSSANOUS BRECCIA	Long trench, some clasts .5-1cm wide		10	400
GR 63	GOSSANOUS FESLSIC DYKE	Long trench, equigranular		-5	50
GR 64	GOSSANOUS BRECCIA	Long trench, two hematite red stains		-5	32
GR 65	GOSSANOUS BRECCIA	Long trench, two hematite red stains		-5	31
GR 66	GOSSANOUS BRECCIA	Long trench, two hematite red stains		-5	50

Number	Name	Other	Au OPT	Au ppb	As ppm
Whale 1	2 meter chip sample	On the whale vein Trench		220	72
Whale 2	2 meter chip sample	On the whale vein Trench		190	110
Whale 3	2 meter chip sample	On the whale vein Trench		75	115
Whale 4	BLUE QUARTZ BRECCIA	From Whale vein tailings dump		110	145
Whale 5	GOSSANOUS BRECCIA	From Whale vein tailings dump		40	220
GR 67	5 meter chip sample	From Roger's Trench		50	300
GR 68	5 meter chip sample	From Roger's Trench		180	300
GR 69	5 meter chip sample	From Roger's Trench		170	240
GR 70	5 meter chip sample	From Roger's Trench		180	1001
GR 71	5 meter chip sample	From Roger's Trench		45	300
GR 72	5 meter chip sample	From Roger's Trench		5	220
GR 73	GOSSANOUS BRECCIA	Grab from Rogers trench, Silicified		10	110
GR 73B	MIGMATITIC GRANODIORITE	End of L18, inclusions of Yukon Schist			
GR 74	MIGMATITIC GRANODIORITE	End of L18, inclusions of Yukon Schist			
GR 75	5 meter chip sample	From the Zorro Trench		65	1001
GR 76	5 meter chip sample	From the Zorro Trench		35	800
GR 77	5 meter chip sample	From the Zorro Trench		20	800
GR 78	5 meter chip sample	From the Zorro Trench		30	800
GR 79	5 meter chip sample	From the Zorro Trench		15	750
GR 80	5 meter chip sample	From the Zorro Trench		-5	800
GR 81	5 meter chip sample	From the Zorro Trench		-5	700
GR 82	5 meter chip sample	From the Zorro Trench		-5	550
GR 83	5 meter chip sample	From the Zorro Trench		50	380
GR 84	BLUE QUARTZ BRECCIA	Grab Sample in Zorro trench		95	550
GR 85	CHALCEDONIC QUARTZ BRECCIA	Grab sample from Forbes Trench		50	1001
GR 86	GOSSANOUS BRECCIA	Grab sample from Forbes Trench		70	1001
GR 87	BLUE QUARTZ BRECCIA	Grab sample from Forbes Trench		240	1001
GR 88	GOSSANOUS BRECCIA	Grab Sample from Forbes trench		240	800
GR 89	FOLIATED GRANODIORITE	L30 325N, Migmatitic with Yukon schist			
GR 90	GOSSANOUS BRECCIA	L30 320N, Quartz vugs		5	130
GR 91	GOSSANOUS BRECCIA	L30 320N		-5	146
GR 92	5 meter chip sample	From the Goldy A, B, C Trenches		-5	76
GR 93	5 meter chip sample	From the Goldy A, B, C Trenches		10	29
GR 94	Grab sample	From the Goldy A Trench		500	1001
GR 95	5 meter chip sample	From the Goldy B Trench		3100	1001
GR 96	5 meter chip sample	From the Goldy B Trench		880	1001
GR 97	5 meter chip sample	From the Goldy B Trench		1050	1001
GR 98	5 meter chip sample	From the Goldy B Trench		260	1001
GR 99	5 meter chip sample	From the Goldy C Trench		180	1001
GR 100	5 meter chip sample	From the Goldy C Trench		100	600
GR 101	5 meter chip sample	From the Goldy C Trench		140	900
GR 102	5 meter chip sample	From the Goldy C Trench		170	800
GR 103	5 meter chip sample	From the Goldy C Trench		25	330
GR 104	5 meter chip sample	From the Goldy C Trench		200	450
GR 105	GOSSANOUS BRECCIA	Grab sample in Goldy C trench		45	140
GR 106	GOSSANOUS BRECCIA	Grab sample in Goldy C trench		15	37
GR 107	GOSSANOUS BRECCIA	Grab sample in Goldy C trench		5	21
GR 108	GOSSANOUS BRECCIA	Grab sample in Goldy C trench		-5	40
GR 109	5 meter chip sample	From the Forbes Trench		240	1001
GR 110	5 meter chip sample	From the Forbes Trench		240	1001
GR 111	5 meter chip sample	From the Forbes Trench		75	1001
GR 112	5 meter chip sample	From the Forbes Trench		180	800
GR 113	5 meter chip sample	From the Forbes Trench		50	600

Number	Name	Other	Au OPT	Au ppb	As ppm
GR 114	5 meter chip sample	From the Forbes Trench		10	190
GR 115	5 meter chip sample	From the Forbes Trench		120	1001
GR 116	5 meter chip sample	From the Forbes Trench		45	900
GR 117	5 meter chip sample	From the Forbes Trench		-5	185
GR 118	5 meter chip sample	From the Forbes Trench		420	1000
GR 119	5 meter chip sample	From the Forbes Trench		5	800
GR 120	5 meter chip sample	From the Forbes Trench		25	1001
GR 121	5 meter chip sample	From the Forbes Trench		85	1001
GR 122	5 meter chip sample	From the Forbes Trench		110	1001
GR 123	5 meter chip sample	From the Forbes Trench		-5	700
GR 124	5 meter chip sample	From the Forbes Trench		280	1001
GR 125	5 meter chip sample	From the Forbes Trench	.024	1350	1001
GR 126	5 meter chip sample	From the Forbes Trench	.026	1100	1001
GR 127	BLUE QUARTZ BRECCIA	Grab sample from the Forbes Trench		800	1001
GR 128	BLUE QUARTZ BRECCIA	From Zorro trenches, some small vugs		170	1001
GR 129	5 meter chip sample	From the lower Zorro Trench		10	200
GR 130	5 meter chip sample	From the lower Zorro Trench		70	1001
GR 131	5 meter chip sample	From the lower Zorro Trench		15	600
GR 132	5 meter chip sample	From the lower Zorro Trench		5	600
GR 133	5 meter chip sample	From the lower Zorro Trench		10	600
GR 134	5 meter chip sample	From the lower Zorro Trench		-5	1001
GR 135	5 meter chip sample	From the lower Zorro Trench		-5	900
GR 136	5 meter chip sample	From the lower Zorro Trench		10	700
GR 137	5 meter chip sample	From the upper Zorro Trench		10	300
GR 138	5 meter chip sample	From the upper Zorro Trench		-5	1001
GR 139	5 meter chip sample	From the Goldy B trench		2300	1001
GR 140	5 meter chip sample	From the Goldy B trench		1050	1001
GR 141	5 meter chip sample	From the Goldy A trench		680	1001
GR 142	5 meter chip sample	From the Goldy A trench		640	240
GR 143	5 meter chip sample	From the Goldy A trench		280	1000
GR 144	5 meter chip sample	From the Goldy A trench		1750	1001
GR 145	5 meter chip sample	From the Goldy A trench		180	1001
GR 146	5 meter chip sample	From the Goldy A trench		75	205
GR 147	5 meter chip sample	Base line at 12+90 in a small trench.		460	500
BRENT 1	5 meter chip sample	From the Goldy Main Trench		180	700
BRENT 2	5 meter chip sample	From the Goldy Main Trench		95	1001
BRENT 3	5 meter chip sample	From the Goldy Main Trench	.036	1300	1001
BRENT 4	5 meter chip sample	From the Goldy Main Trench		440	1001
BRENT 5	5 meter chip sample	From the Goldy Main Trench	.054	1900	1001
BRENT 6	5 meter chip sample	From the Goldy Main Trench		180	650
BRENT 7	5 meter chip sample	From the Goldy Main Trench		95	400
BRENT 8	5 meter chip sample	From the Goldy Main Trench		65	400
BRENT 9	5 meter chip sample	From the Goldy Main Trench	.069	2600	1001
BRENT 10	5 meter chip sample	From the Goldy Main Trench	.141	5200	1001
BRENT 11	5 meter chip sample	From the Goldy Main Trench		65	130
ABE R 1	5 meter chip sample	From the Goldy Main Trench		140	800
ABE R 2	5 meter chip sample	From the Goldy Main Trench		220	600
ABE R 3	5 meter chip sample	From the Goldy Main Trench		85	600
ABE R 4	5 meter chip sample	From the Goldy Main Trench		95	275
ABE R 5	5 meter chip sample	From the Goldy Main Trench		80	300
ABE R 6	5 meter chip sample	From the Goldy Main Trench		320	750
ABE R 7	5 meter chip sample	From the Goldy Main Trench		1000	800
ABE R 8	5 meter chip sample	From the Goldy Main Trench		220	700

Number	Name	Other	Au OPT	Au ppb	As ppm
ABE R 9	5 meter chip sample	From the Goldy Main Trench		560	800
ABE R 10	5 meter chip sample	From the Goldy Main Trench		150	900
ABE R 11	5 meter chip sample	From the Goldy Main Trench		1300	1001
ABE R 12	5 meter chip sample	From the Goldy Main Trench		3400	1001
ABE R 13	5 meter chip sample	From the Goldy Main Trench		6600	1001
ABE R 14	5 meter chip sample	From the Goldy Main Trench		1055	1001
ABE R 15	5 meter chip sample	From the Goldy Main Trench		1950	1001
ABE R 16	5 meter chip sample	From the Goldy Main Trench		3000	1001
ABE R 17	5 meter chip sample	From the Goldy Main Trench		860	1001
ABE R 18	5 meter chip sample	From the Goldy Main Trench		75	325
ABE R 19	5 meter chip sample	From the Goldy Main Trench		180	225
ABE R 20	5 meter chip sample	From the Goldy Main Trench		35	500
ABE R 21	5 meter chip sample	From the Goldy Main Trench		30	145
ABE R 22	5 meter chip sample	From the Goldy Main Trench		55	120
ABE R 23	5 meter chip sample	From the Goldy Main Trench		160	375
ABE R 24	5 meter chip sample	From the Goldy Main Trench		3000	1001
ABE R 25	5 meter chip sample	From the Goldy Main Trench		4300	1001
ABE R 26	5 meter chip sample	From the Goldy Main Trench		2600	1001
ABE R 27	5 meter chip sample	From the Goldy Main Trench		900	1001
ABE R 28	5 meter chip sample	From the Goldy Main Trench	.368	10001	1001
ABE R 29	5 meter chip sample	From the Goldy Main Trench		3700	1001
ABE R 30	5 meter chip sample	From the Goldy Main Trench		2300	1001
Grizzly	GOSSANOUS BRECCIA	On Grizzly Gulch road	.125	5000	1001

091893

DURHAM RESOURCES INC.

October 31, 1986

Analysis of Seymour (Goldy)
Exploration Expenditures
Yukon

January 1 - October 31, 1986

1. Geology	$ 3,440.88
2. Travel	5,756.48
3. Consulting	7,171.47
4. Drafting	138.91
5. Labour	7,066.66
6. Geochemistry	12,065.13
7. Claim Maintenance	1,532.75
8. Labour Burdens	306.90
9. Linecutting	9,495.00
10. Rentals	583.15
11. Trenching	750.00
October 31, 1986	$48,307.33

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2445 Expln:(Goldy)-Geology&Sampling 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
07/14/86	CD202	541.50		Bondar-Clegg & Company
07/22/86	CD0722	139.87		Tel Transfer
07/29/86	CD229	291.58		Mel Murdoch Limited
08/07/86	CD245	179.85		R.J. Edison
08/10/86	JE810	189.33		Expense Report - Edison
08/25/86	CD270	51.00		Bondar-Clegg & Company
09/03/86	JE0903	369.00		Edison Expense Report
09/03/86	CD281	1,113.75		Bondar-Clegg & Co. Ltd.
09/09/86	CD299	453.75		Bondar-Clegg & Co. Ltd.
09/16/86	CD317	111.25		Bondar-Clegg & Co. Ltd.

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	3,440.88	.00	3,440.88	3,440.88

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2449 Expln:(Goldy)-Supp/Trav/Accom 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
01/15/86	CD010	962.48		R.A. Granger
03/19/86	CD068	95.00		Receiver General
03/31/86	CD078	149.75		Receiver General
04/16/86	CD90	165.77		R.A. Granger
04/25/86	CD97	82.29		Neville Crosby Inc.
04/25/86	CD98	60.98		Northern Miner
04/28/86	CD100	219.35		Robert Edison
04/28/86	CD101	4.28		Receiver General
05/05/86	CD108	56.84		Susan Smith
05/12/86	CD112	206.50		U. Abolins
05/16/86	CD124	131.64		Robert Edison
05/20/86	CD126	166.92		W. Jamal & Associates
05/26/86	CD128	26.61		Entire Reproductions
05/30/86	CD132	28.80		Durham Resources Inc.

PRESS F1-KEY TO SEE NEXT PAGE

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2449 Expln:(Goldy)-Supp/Trav/Accom 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
05/30/86	CD133	542.90		Northern Miner
05/30/86	CD134	65.86		R.A. Granger
06/10/86	CR0610		74.93	Gou°t
06/16/86	JE0616	631.34		Expense Report - Edison
06/26/86	CD179	887.98		Dominion Explorers Inc.
07/04/86	CD186	305.59		Kelly, Douglas & Company
07/14/86	CD202	457.01		Tel Transfer - Edison
07/17/86	CD211	286.12		U. Abolins
08/25/86	CD272	170.42		U. Abolins
09/08/86	CD291	290.72		U. Abolins
09/23/86	JE0923	293.88		Expenditures - K. Douglas
09/26/86	CD331	609.60		American Express
09/30/86	JE0930	126.89		Edison Expense Report
09/30/86	JE0930		1,194.11	Reclassify Expenditures

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	7,025.52	1,269.04	5,756.48	5,756.48

PRESS F2 TO SEE PREVIOUS PAGE, PRESS F1 TO ENTER NEXT ACCOUNT NUMBER

GENERAL LEDGER ACCOUNT INQUIRY DUR

ACCOUNT: 2453 Expln:(Goldy)-Consulting 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
04/16/86	CD90	550.00		R.A. Granger
05/30/86	CD134	250.00		R.A. Granger
07/04/86	CD190	2,342.85		R.A. Granger
09/30/86	JE0930	4,028.62		Reclassify Expenditures

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	7,171.47	.00	7,171.47	7,171.47

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR

ACCOUNT: 2450 Expln:(Goldy)-Drafting 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
05/30/86	CD132	63.41		Durham Resources Inc.
10/20/86	CD359	75.50		Entire Reproductions

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	138.91	.00	138.91	138.91

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR

ACCOUNT: 2454 Expln:(Goldy)-Labour 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
05/30/86	CD132	733.34		Durham Resources Inc.
06/25/86	CD170	1,900.00		Durham Resources Inc.
07/31/86	JE0731	1,900.00		Month-end
08/31/86	JE0831	2,533.32		Month-End

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	7,066.66	.00	7,066.66	7,066.66

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR

ACCOUNT: 2444 Expln:(Goldy)-Geochemistry 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
07/14/86	CD202	798.00		Bondar-Clegg & Company
07/22/86	CD0722	139.87		Tel Transfer
07/29/86	CD229	291.58		Mel Murdoch Limited
08/07/86	CD244	678.00		Bondar-Clegg & Company
08/07/86	CD245	179.86		R.J. Edison
08/10/86	JE810	189.33		Expense Report - Edison
09/03/86	JE0903	369.00		Edison Expense Report
09/03/86	JE0903	198.54		Edison Expense Report
09/03/86	CD281	4,947.60		Bondar-Clegg & Co. Ltd.
09/09/86	CD299	3,021.00		Bondar-Clegg & Co. Ltd.
09/16/86	CD317	1,252.35		Bondar-Clegg & Co. Ltd.

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	12,065.13	.00	12,065.13	12,065.13

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2452 Expln:(Goldy)-Claim Mtce. 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
07/29/86	CD226	54.00		Receiver General
08/10/86	JE810	967.50		Expense Report - Edison
09/09/86	CD300	147.50		R.A. Granger
09/30/86	JE0930	363.75		Reclassify Expenditures

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	1,532.75	.00	1,532.75	1,532.75

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2455 Expln:(Goldy)-Labour burdens 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
08/05/86	CD239	306.90		Dominion Explorers Inc.

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	306.90	.00	306.90	306.90

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2442 Expln:(Goldy)-Linecutting 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
08/07/86	CD242	9,495.00		Eastern Associates

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	9,495.00	.00	9,495.00	9,495.00

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR

ACCOUNT: 2448 Expln:(Goldy)-Rentals 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
09/03/86	CD282	583.15		Mel Murdoch Limited

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	583.15	.00	583.15	583.15

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

GENERAL LEDGER ACCOUNT INQUIRY DUR
ACCOUNT: 2459 Expln:(Goldy)-Trenching 11/01/86 TO 11/30/86

TRX-DAT	SOURCE	DR-AMOUNT	CR-AMOUNT	REFERENCE
09/09/86	CD302	750.00		Derek Dodge

BEGIN-BAL	TOTAL-DR	TOTAL-CR	NET-CHANGE	ENDING-BAL
.00	750.00	.00	750.00	750.00

NO MORE TRX THIS ACCOUNT - PRESS F1 TO ENTER NEXT ACCOUNT NUMBER _

091893

GOLDY GEOLOGICAL SURVEY

- Inferred Geological Contact
- Gravel Road
- Creek
- Grid Line with Picket Stations
- Claim Post inferred
- Claim Post located
- Claim Boundry

Scale 1:5000

0 25 50m 100m 200m 300m 400m 500m

Summer 1986

6 Basalt - Carmacks Group
5 Gossanous Breccia
4 Intrusive Dykes
- 4a Felsite
- 4b Rhyolite
- 4c Dacite
- 4d Andesite

3 Syenite
- 3a Syenite
- 3b Hornblende
- 3c Altered

2 Granodiorite
- 2a Foliated
- 2b Migmatitic

1 Yukon Group
- 1a Schist
- 1b Gneiss

DURHAM RESOURCES INC.

BASELINE AT 142°

SEYMOUR CREEK

DART 1 YA23829 (NORANDA)

DART 2 YA23830 (NORANDA)

BRAD A FR. YA93123

BRAD B FR.

BRAD C FR.

GOLDY A YA92616

GOLDY B YA92617

GOLDY C YA92618

GOLDY D YA92619

GOLDY E YA92620

GOLDY F YA92621

GOLDY G YA92622

GOLDY H YA92623

GOLDY I YA92301

GOLDY J YA92302

GOLDY 1 YAB1524

GOLDY 2 YAB1145

GOLDY 3 YAB1146

GOLDY 4 YAB1147

GOLDY 5 YAB1148

GOLDY 6 YAB1149

GOLDY 7 YA81150

GOLDY 8 YA81151

GOLDY 9 YA81208

GOLDY 10 YA81210

GOLDY 11 YA81211

GOLDY 12 YA81212

GOLDY 13 YAB1539

GOLDY 14 YAB1530

GOLDY 15 YA81614

GOLDY 16 YA81615

GOLDY 17 YA81616

GOLDY 18 YA81617

GOLDY 19 YA81618

GOLDY 20 YA81619

GOLDY 21 YA81620

GOLDY 22 YA93001

GOLDY 23 YA93002

GOLDY 24 YA93003

GOLDY 25 YA93004

GOLDY 26 YA93005

GOLDY 27 YA93006

GOLDY 28 YA93007

GOLDY 29 YA93008

GOLDY 30 YA93009

GOLDY 31 YA93010

BRAD 1 YA93124

BRAD 2 YA93125

BRAD 3 YA93126

BRAD 4 YA93127

BRAD 5 YA93798

BRAD 6 YA93799

BRAD 7 YA93486

BRAD 8 YA93487

BRAD 9 YA93488

BRAD 10 YA93489

L0 L2 L4 L6 L8 L10 L12 L14 L16 L18 L20 L22 L24 L26 L28 L30 L32 L34 L36 L38

J.P. Anderson Dec 15/86

091893

GOLDY GEOCHEMICAL SURVEY
Gold

Gravel Road

Creek

Soil Sample
Gold in P.P.B.
Contours >15, >50, >100 >500 ppb

Claim Post (inferred)

Claim Post (located)

Claim Boundry

Scale 1:5000

0 25 50 100m 200m 300m 400m 500m

Summer 1986

DURHAM RESOURCES INC.

J.H. Colleson Dec 15/86

BASELINE AT 142°

BRAD B FR.

BRAD A FR. YA83123

DART 1 YA23829 (NORANDA)

DART 2 YA23830 (NORANDA)

GOLDY A YA 92616

GOLDY 7 YA 81150

GOLDY B YA 92617

GOLDY B YA 81131

GOLDY 15 YAB1614

GOLDY 16 YAB1615

GOLDY 11 YAB1527

GOLDY 9 YAB1525

GOLDY 12 YAB1528

GOLDY 10 YAB1526

GOLDY 17 YAB1616

GOLDY 18 YAB1617

GOLDY 19 YAB1618

GOLDY 20 YAB1619

GOLDY 16 YAB1617

GOLDY 6 YAB1149

GOLDY 2 YAB1143

GOLDY 5 YAB1148

GOLDY 4 YAB1147

GOLDY 1 YAB1524

GOLDY 3 YAB1146

GOLDY 14 YAB1530

GOLDY 13 YAB1529

GOLDY 22 YAB2001

GOLDY 27 YAB2006

GOLDY 28 YAB2007

GOLDY 29 YAB2008

GOLDY 26 YAB2005

GOLDY 24 YAB2003

GOLDY 23 YA92002

GOLDY 20 YA92009

GOLDY C YA92618

GOLDY D YA92619

GOLDY E YA92620

GOLDY F YA92621

GOLDY G YA92622

GOLDY H YA92623

GOLDY J YA92612

GOLDY 31 YA92610

GOLDY 26 YA92607

BRAD 9 YA92468

BRAD 10 YA92469

BRAD 7 YA92466

BRAD 8 YA92467

BRAD 4 YA93127

BRAD 6 YA93799

BRAD 5 YA93798

BRAD 3 YA93126

BRAD 2 YA93125

BRAD 1 YA93124

SEYMOUR CREEK

091893

GOLDY GEOCHEMICAL SURVEY
Arsenic

Gravel Road

Creek

Soil Sample

As in ppm

Contours >49, >99, >399, >699 ppm

Claim Post (inferred)

Claim Post (located)

Claim Boundary

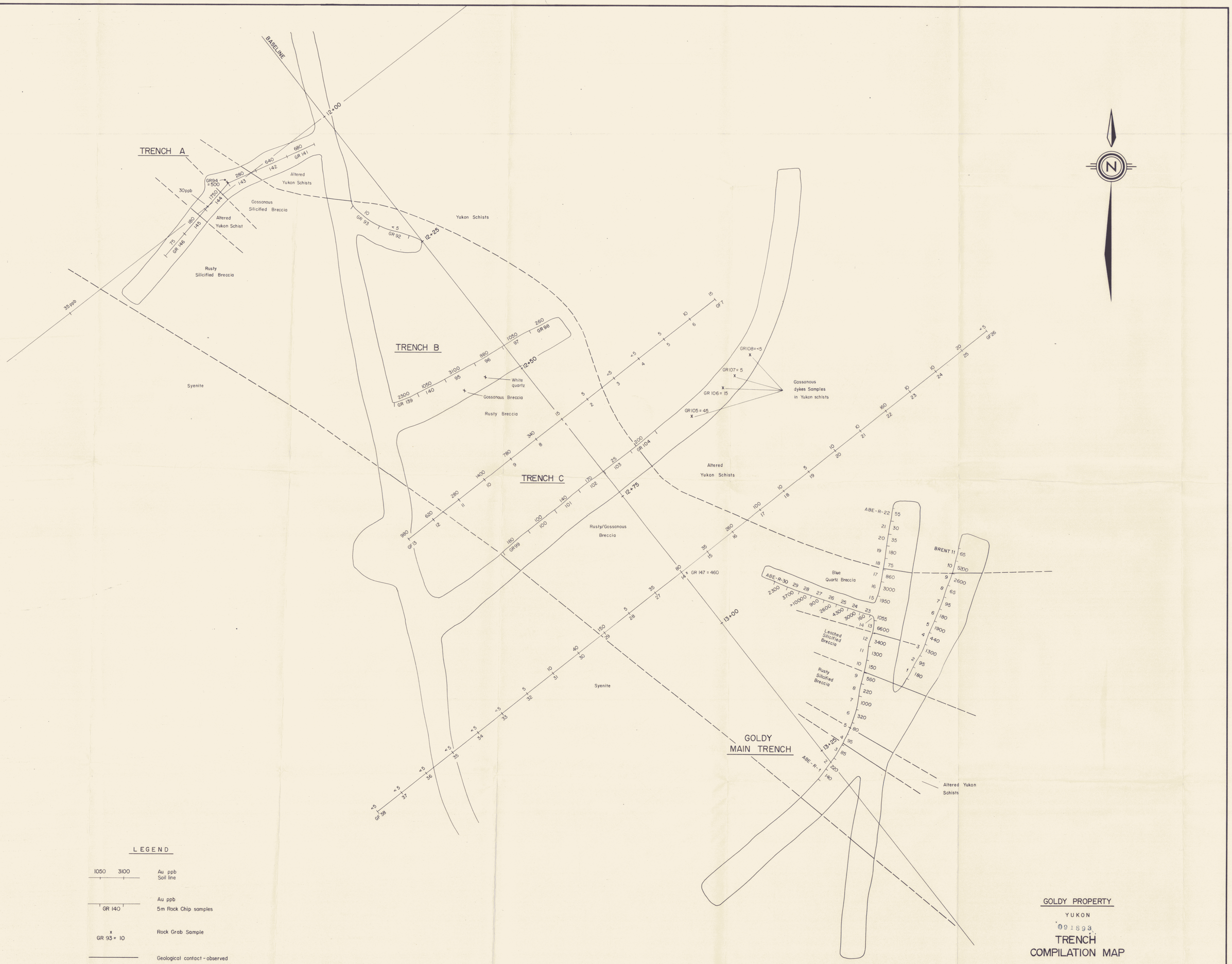
Scale 1:5000

0 25 50 100 200 300 400 500 METERS

Summer 1986

DURHAM RESOURCES INC.

J.R. Gelinas
Dec 15/86



LEGEND

1050 3100	Au ppb Soil line
GR 140	Au ppb 5m Rock Chip samples
x GR 93 = 10	Rock Grab Sample
———	Geological contact - observed
— — — —	Geological contact - inferred

GOLDY PROPERTY

YUKON

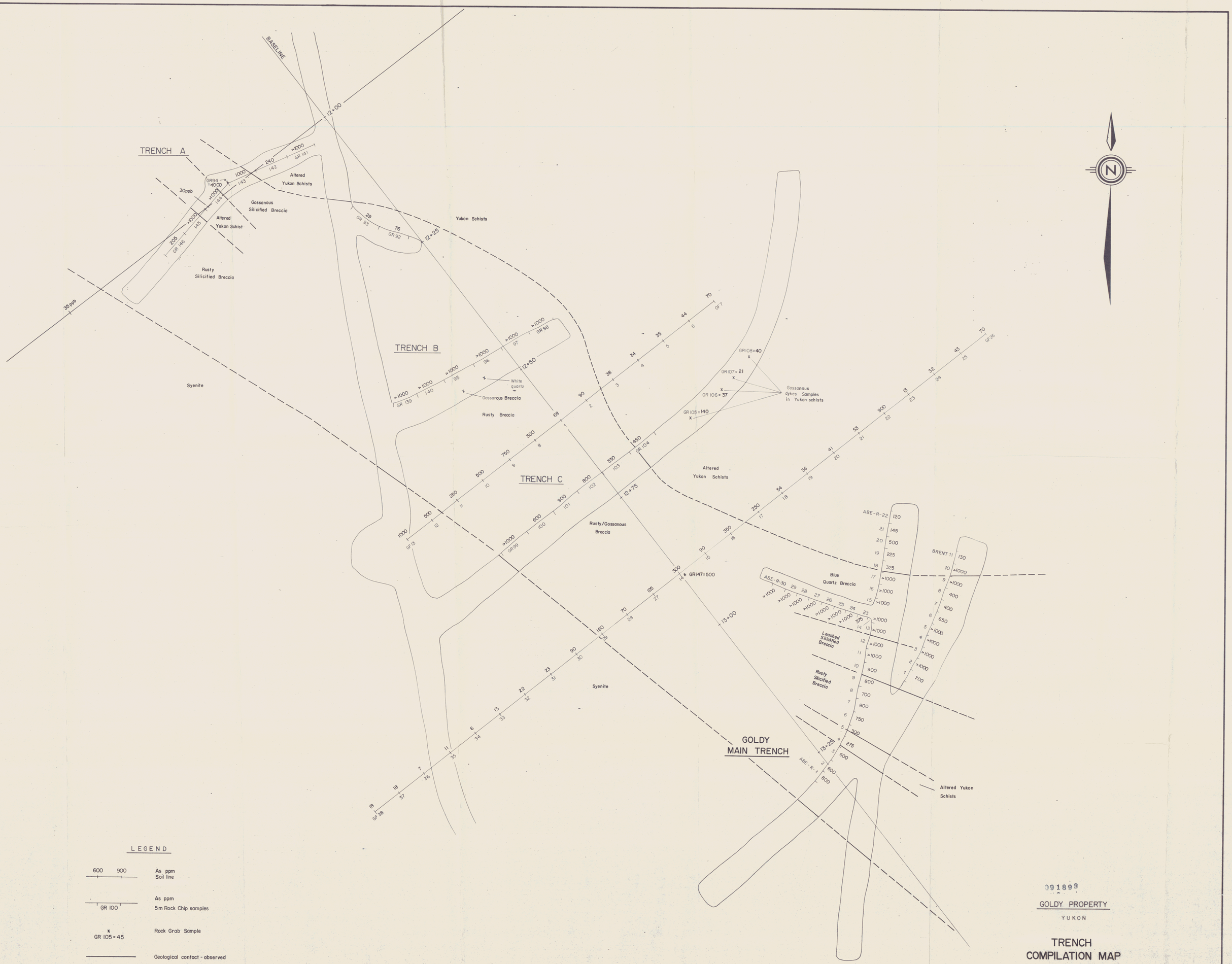
09 18 93

TRENCH COMPILATION MAP

0 5 10 15 25

1 : 200

AUGUST 1986



LEGEND

600 900 — As ppm Soil line

As ppm GR 100 — 5m Rock Chip samples

x GR 105 = 45 — Rock Grab Sample

Geological contact - observed

Geological contact - inferred

091893

GOLDY PROPERTY

YUKON

TRENCH COMPILATION MAP

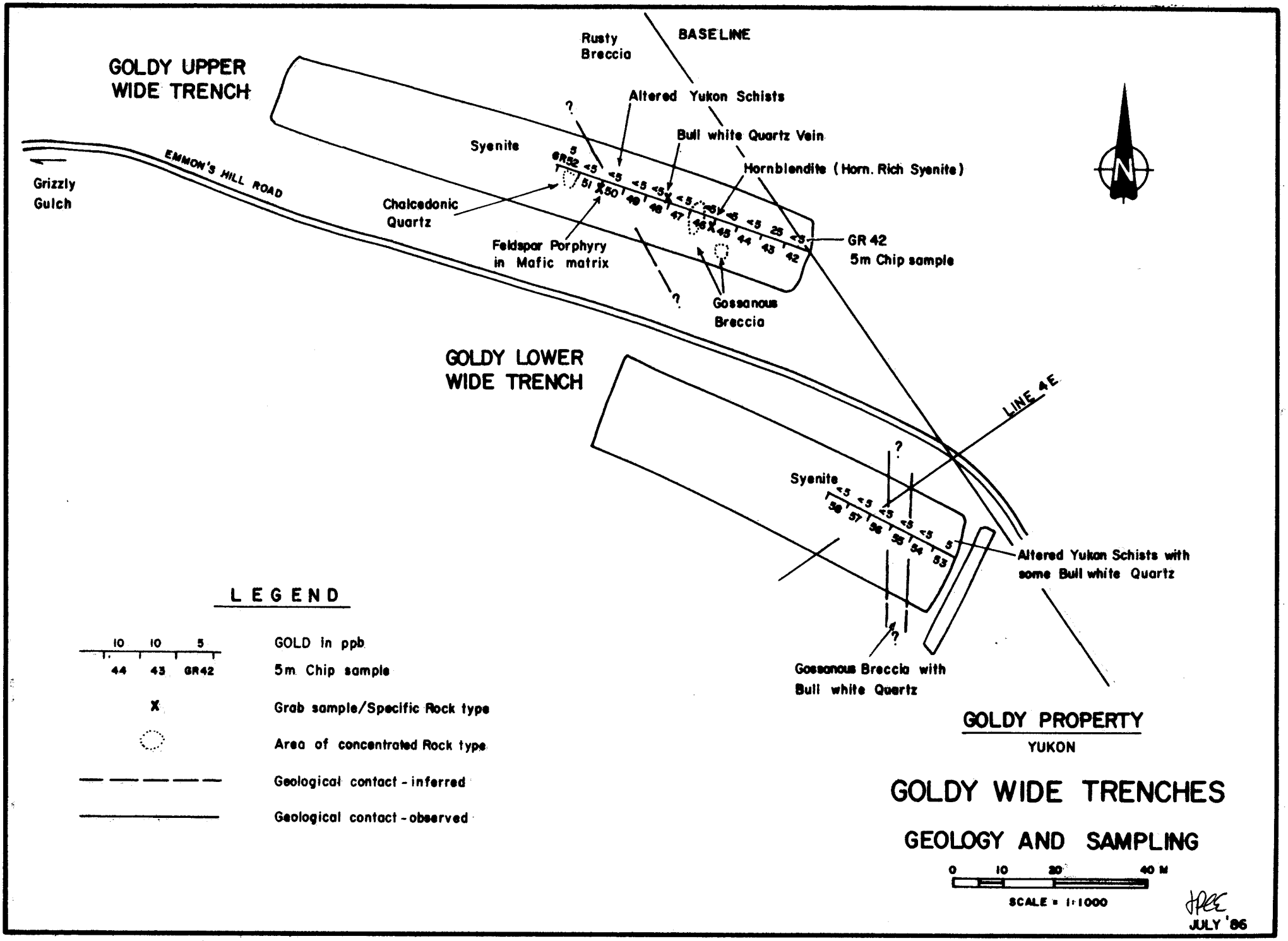
0 5 10 15 25

1 : 200

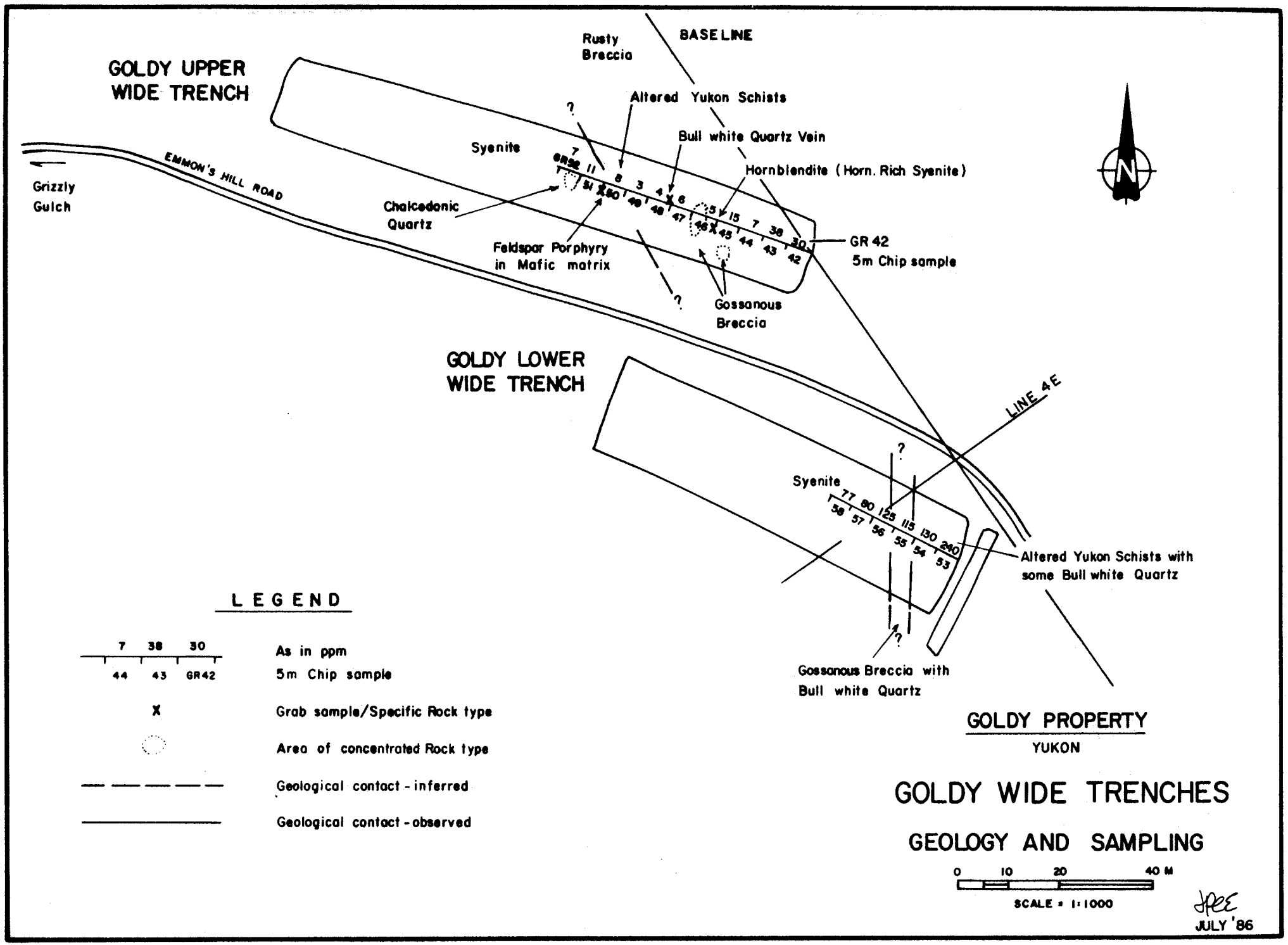
AUGUST 1986

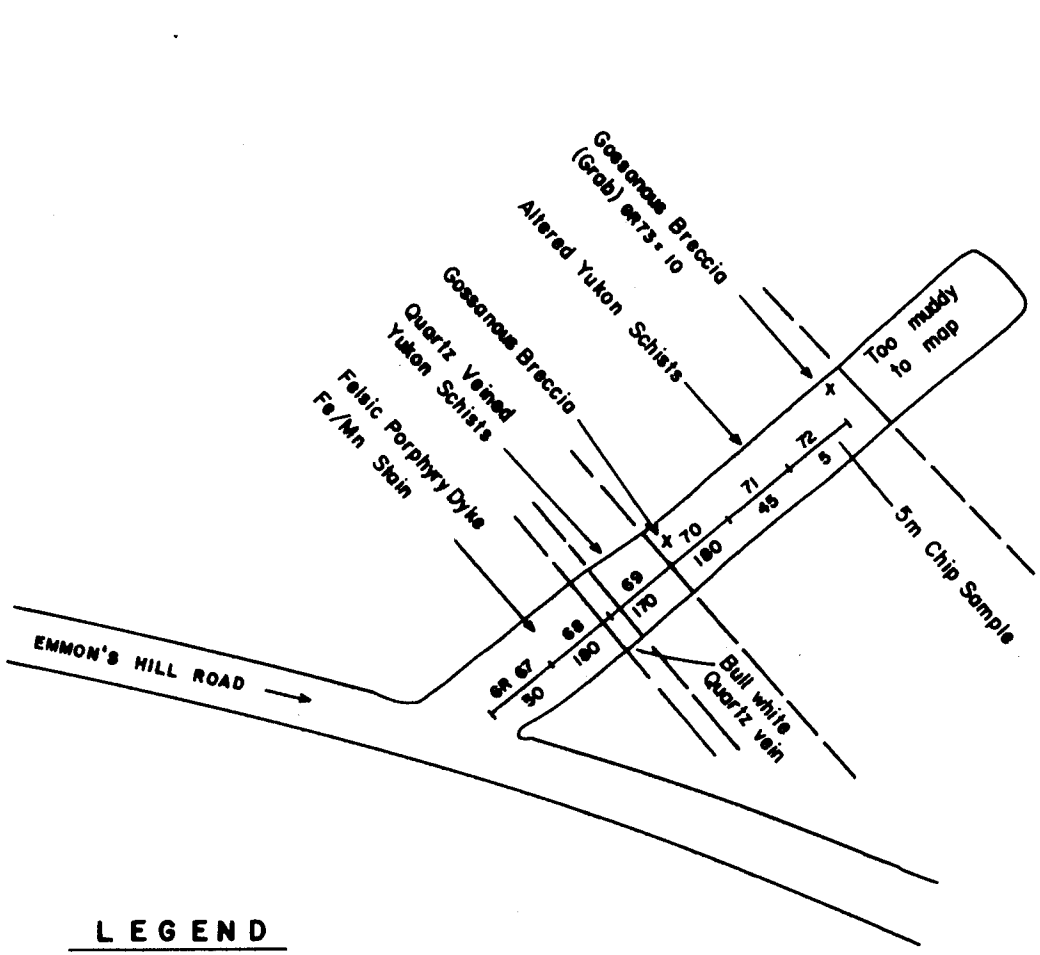
n/a ABC

091893


GOLDY UPPER WIDE TRENCH
Rusty Breccia
BASELINE
Altered Yukon Schists
Bull white Quartz Vein
Hornblendite (Horn. Rich Syenite)
Syenite
EMMON'S HILL ROAD
Grizzly Gulch
Chalcedonic Quartz
Feldspar Porphyry in Mafic matrix
GR 42
5m Chip sample
Gossanous Breccia
GOLDY LOWER WIDE TRENCH
LINE 4E
Syenite
Altered Yukon Schists with some Bull white Quartz
Gossanous Breccia with Bull white Quartz
N
LEGEND
10 10 5
44 43 GR42
GOLD in ppb
5m Chip sample
Grab sample/Specific Rock type
Area of concentrated Rock type
Geological contact - inferred
Geological contact - observed
GOLDY PROPERTY
YUKON
GOLDY WIDE TRENCHES
GEOLOGY AND SAMPLING
0 10 20 40 M
SCALE = 1:1000
JULY '86

091893


GOLDY UPPER WIDE TRENCH
Rusty Breccia
BASE LINE
Altered Yukon Schists
Syenite
Bull white Quartz Vein
Hornblendite (Horn. Rich Syenite)
EMMON'S HILL ROAD
Grizzly Gulch
Chalcedonic Quartz
Feldspar Porphyry in Mafic matrix
GR 42
5m Chip sample
Gossanous Breccia
GOLDY LOWER WIDE TRENCH
LINE 4E
Syenite
Altered Yukon Schists with some Bull white Quartz
Gossanous Breccia with Bull white Quartz
N
LEGEND
7 38 30
44 43 GR42
As in ppm
5m Chip sample
X
Grab sample/Specific Rock type
Area of concentrated Rock type
Geological contact - inferred
Geological contact - observed
GOLDY PROPERTY
YUKON
GOLDY WIDE TRENCHES
GEOLOGY AND SAMPLING
0 10 20 40 M
SCALE = 1:1000
JULY '86



LEGEND

6R 67 68 69 / 50 180 170	5m Chip sample / GOLD in ppb
X	Grab sample / Specific Rock type
◌	Area of concentrated Rock type
— — — — —	Geological contact - inferred
———————	Geological contact - observed

GOLDY PROPERTY

YUKON

ROGER'S TRENCH

"STIBNITE" TRENCH

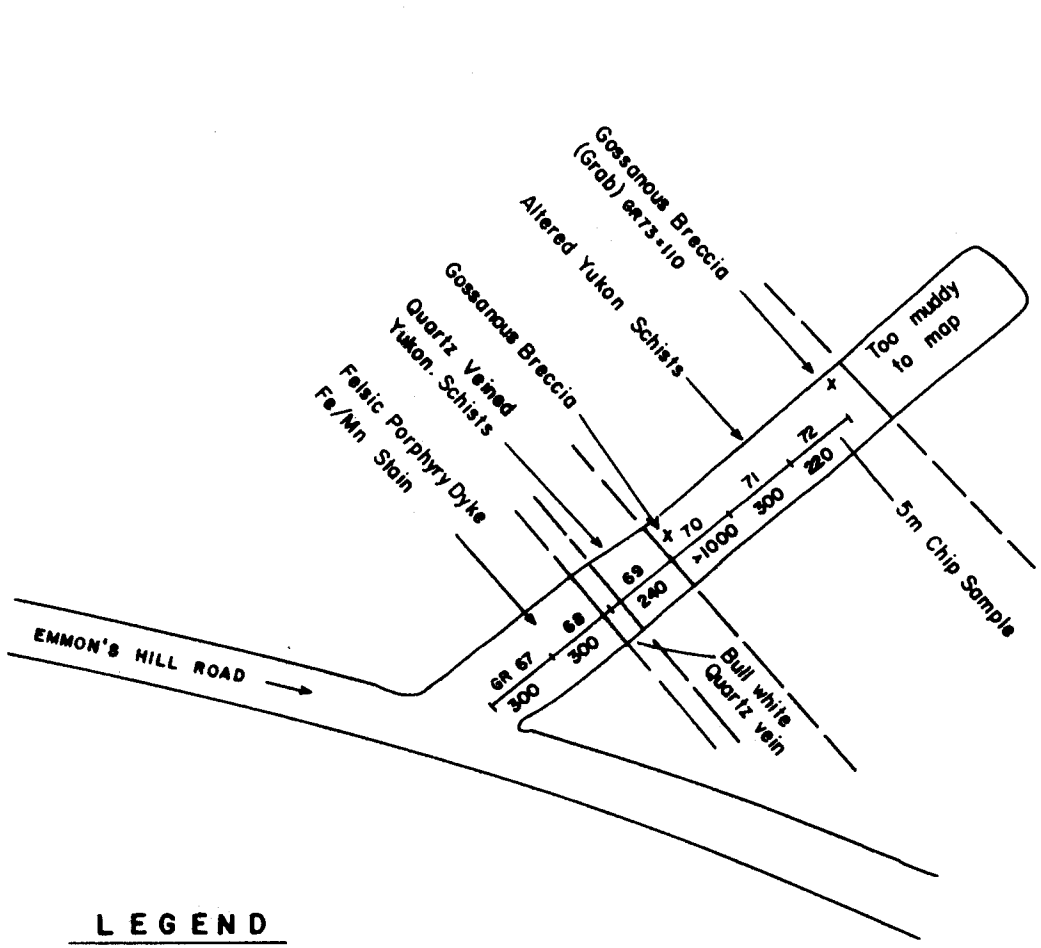
GEOLOGY AND SAMPLING

0 5 10 20 M

SCALE = 1: 500

JULY '86

091893



LEGEND

GR67 68 69 / 300 300 240	5m Chip sample / As in ppm
X	Grab sample / Specific Rock type
◌	Area of concentrated Rock type
— — — — —	Geological contact - inferred
———————	Geological contact - observed

GOLDY PROPERTY

YUKON

ROGER'S TRENCH

"STIBNITE" TRENCH

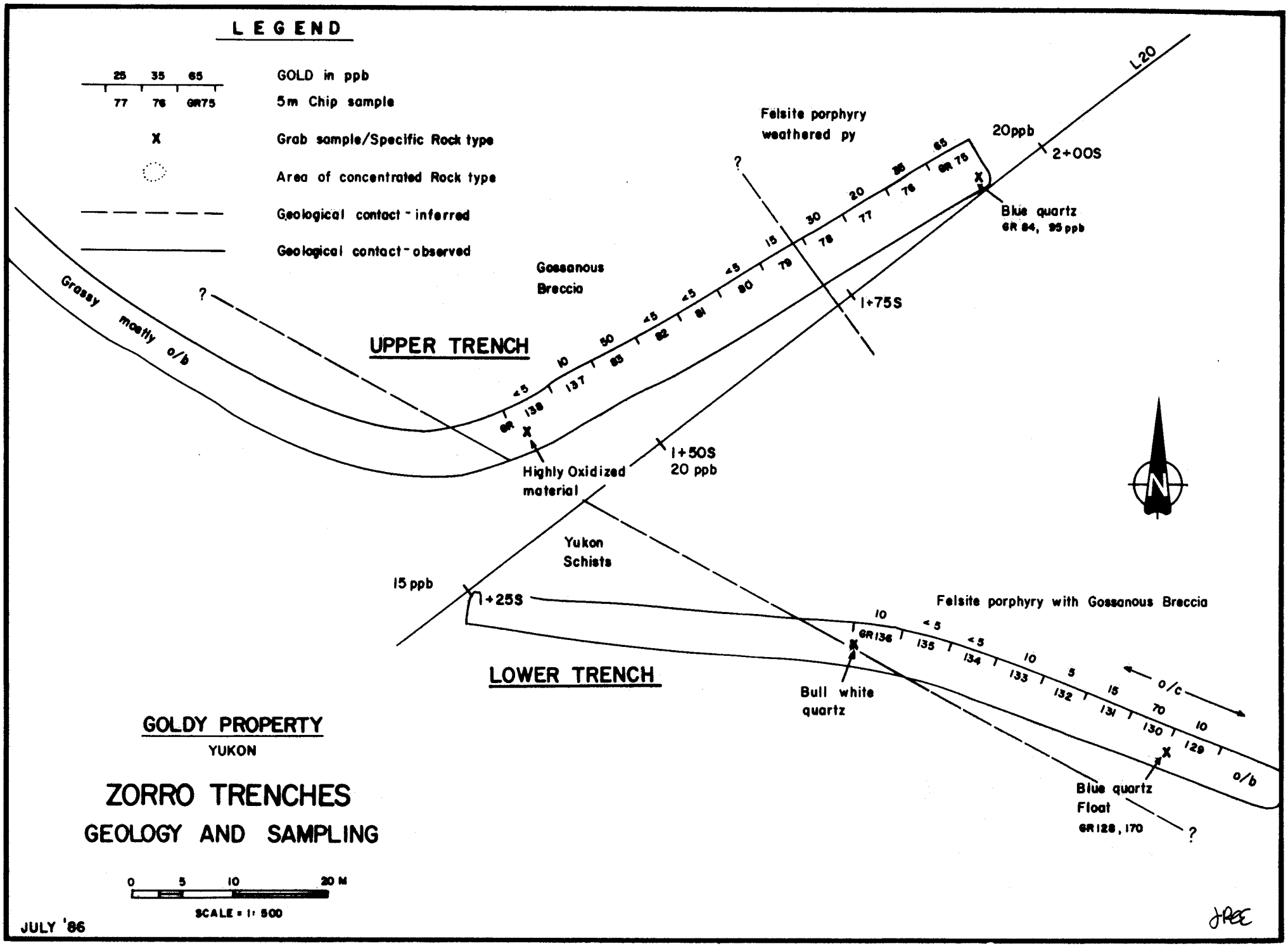
GEOLOGY AND SAMPLING

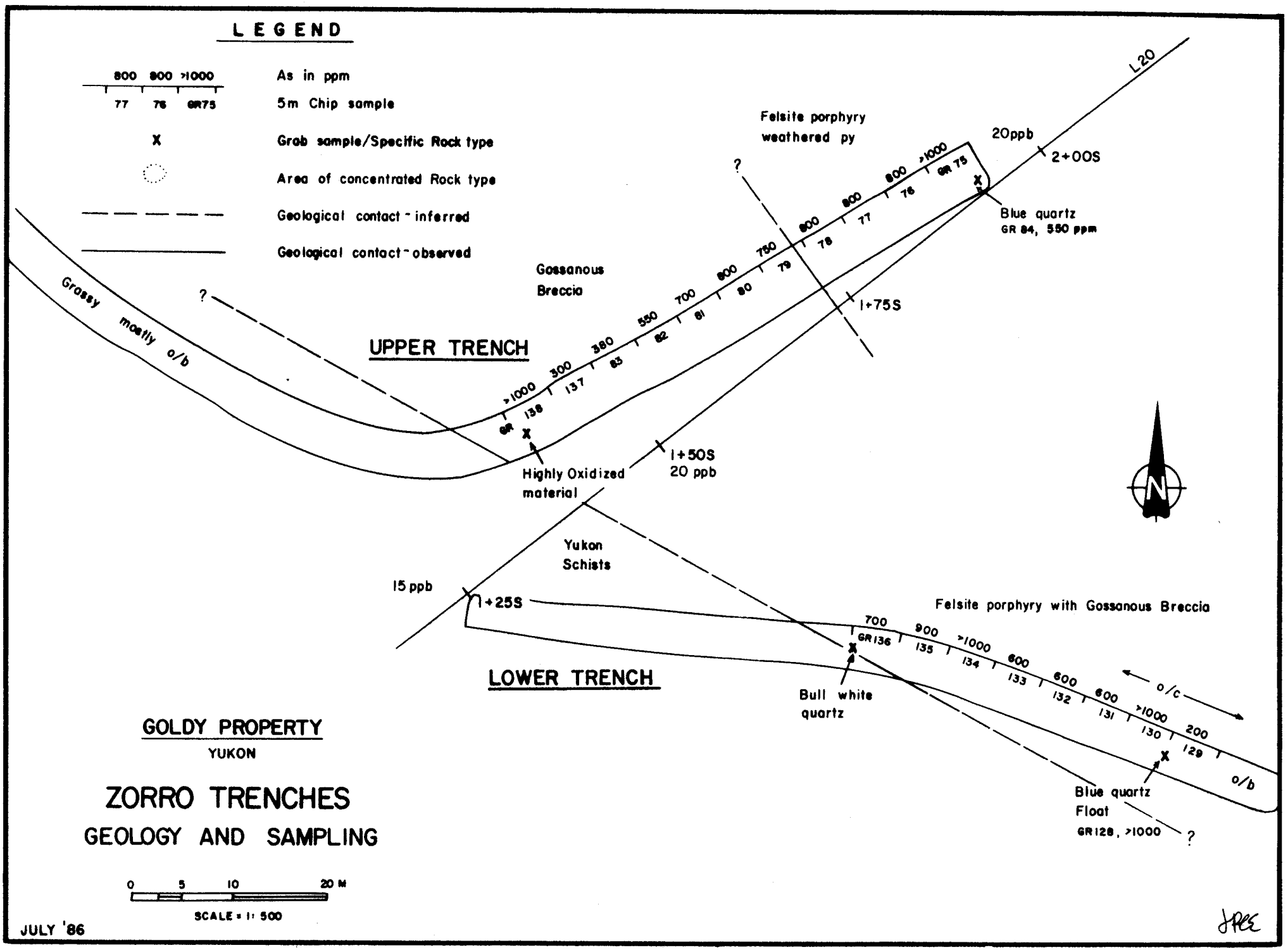
0 5 10 20 M

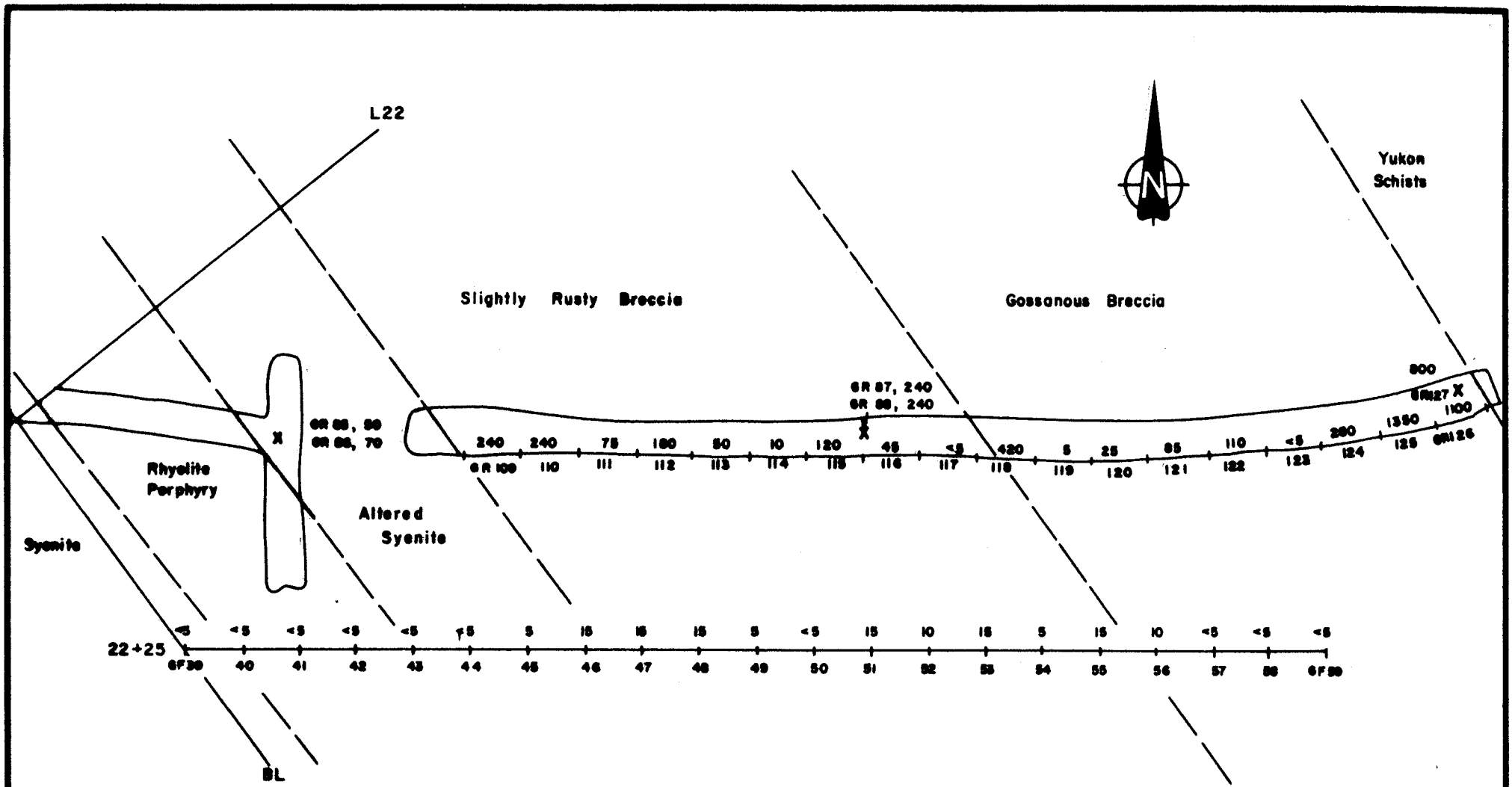
SCALE = 1: 500

JULY '86

091893


LEGEND
25 35 65
77 76 GR75
GOLD in ppb
5m Chip sample
X
Grab sample/Specific Rock type
Area of concentrated Rock type
Geological contact - inferred
Geological contact - observed
L20
Felsite porphyry
weathered py
20ppb
2+00S
Blue quartz
GR 84, 95 ppb
Gossanous
Breccia
1+75S
Grassy mostly o/b
UPPER TRENCH
1+50S
20 ppb
Highly Oxidized
material
Yukon
Schists
15 ppb
1+25S
Felsite porphyry with Gossanous Breccia
LOWER TRENCH
Bull white
quartz
o/c
o/b
Blue quartz
Float
GR128, 170
N
GOLDY PROPERTY
YUKON
ZORRO TRENCHES
GEOLOGY AND SAMPLING
0 5 10 20 M
SCALE = 1: 500
JULY '86


LEGEND
800 800 >1000
77 76 GR75
As in ppm
5m Chip sample
X
Grab sample/Specific Rock type
Area of concentrated Rock type
Geological contact - inferred
Geological contact - observed
L20
Felsite porphyry
weathered py
20ppb
2+00S
Blue quartz
GR 84, 550 ppm
Gossanous
Breccia
1+75S
UPPER TRENCH
Grassy mostly o/b
Highly Oxidized
material
1+50S
20 ppb
Yukon
Schists
15 ppb
1+25S
Felsite porphyry with Gossanous Breccia
LOWER TRENCH
Bull white
quartz
o/c
o/b
Blue quartz
Float
GR128, >1000
GOLDY PROPERTY
YUKON
ZORRO TRENCHES
GEOLOGY AND SAMPLING
0 5 10 20 M
SCALE = 1: 500
JULY '86



LEGEND

- Soil Assay - Au ppb (5 15 18) / Soil line / Soil Sample No. (6F 45 46 47)
- GOLD in ppb (5 25 65) / 5m Chip sample (GR 119 120 121)
- X — Grab sample/Specific Rock type
- Area of concentrated Rock type
- Geological contact - inferred
- Geological contact - observed

GOLDY PROPERTY

YUKON

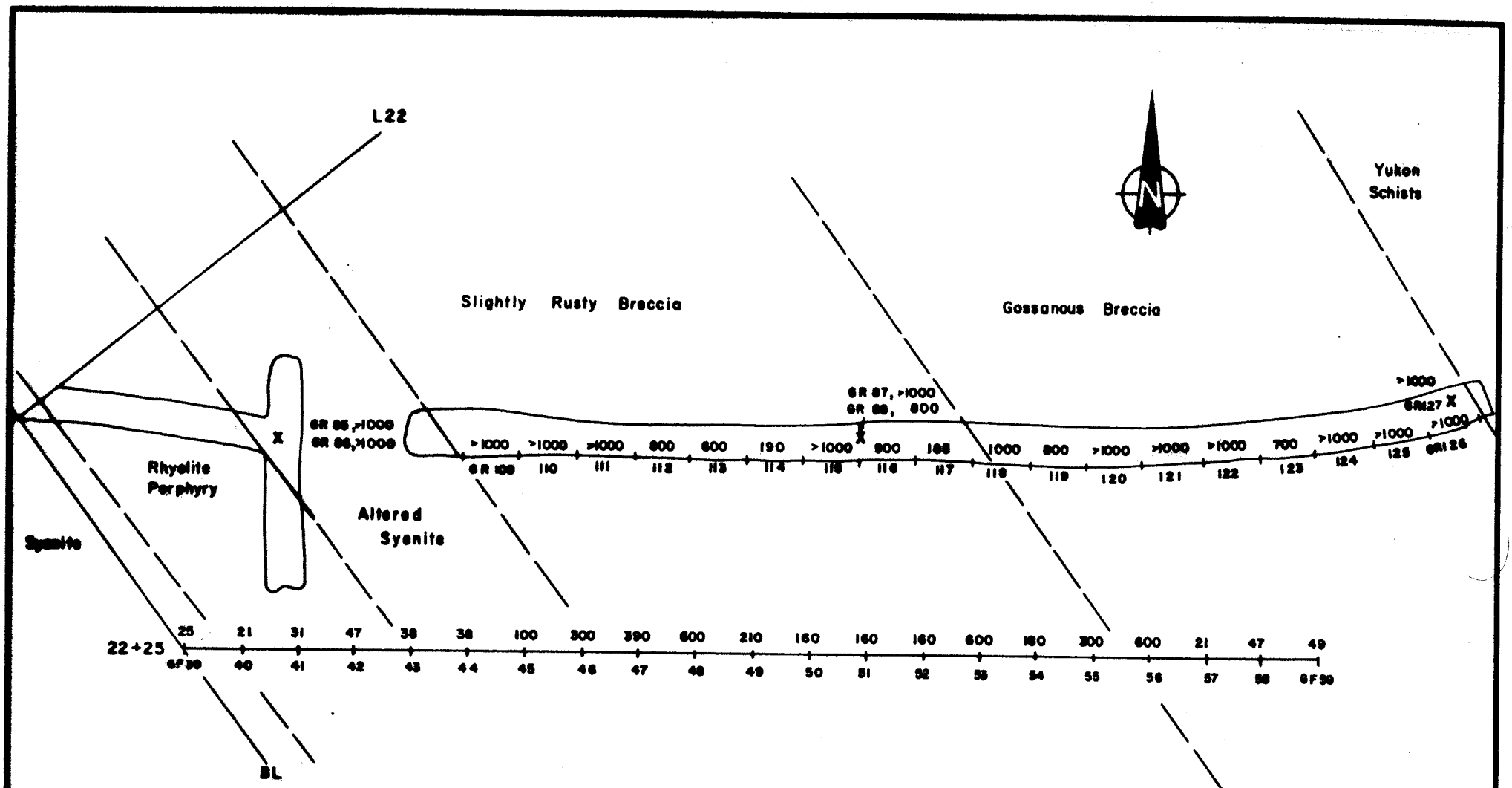
FORBES TRENCH

GEOLOGY AND SAMPLING

0 5 10 20 M

SCALE = 1:500

JULY '86



LEGEND

- Soil Assay - As ppm (100 300 500 / 800 1000 1000 As ppm)
- Soil line
- Soil Sample No. (GR118 120 121) 5m Chip sample
- Grab sample/Specific Rock type
- Area of concentrated Rock type
- Geological contact - inferred
- Geological contact - observed

GOLDY PROPERTY

YUKON

FORBES TRENCH

GEOLOGY AND SAMPLING

0 5 10 20 M

SCALE = 1:500

JPEG

JULY '86