MAP NO.	ASSESSMENT REPORT	X	DOCUMENT NO.:	092479
	PROSPECTUS		MINING DISTRICT:	WATSON LAKE
	CONFIDENTIAL	X	TYPE OF WORK:	GEOLOGICAL
105 F 10	OPEN FILE			

REPORT FILED UNDER: Kevin McCrory and Harris Davis

DATE PERFORMED: July 17-21, August, 1987 **DATE FILED:** June 9, 1988

LOCATION: **LAT.:** 61°31'N **AREA:** Seagull Creek

LONG.: 130°41'W **VALUE $:** 4,000.00

CLAIM NAME & NO.: MEGAN 1-12 YA99610-621; ASH 1-28 YB00151-178

WORK DONE BY: R.C.R. Robertson

WORK DONE FOR: K. McCrory and H. Davis

DATE TO GOOD STANDING		REMARKS:
		# 136 ASH Preliminary geological mapping, prospecting, and rock sampling were done. Quartz-carbonate veining associated gossans are common in the Lower Cambrian calcareous phyllites. Six samples analysed for gold and silver gave low results.

ASSESSMENT REPORT

PROSPECTING AND GEOLOGICAL MAPPING

MEGAN 1 - 12 and ASH 1 - 28 MINERAL CLAIMS

(YA99610 - YA99621 and YB00151 - YB00178)

WATSON LAKE MINING DISTRICT

NTS 105-F-10

Latitude: 61°31' North
Longitude: 132°41' West

For

KEVIN McCRORY AND HARRIS DAVIS
c/o 207 - 922.5 Alaska Highway
Whitehorse, Yukon Y1A 3T8

By

RONALD C.R. ROBERTSON, F.G.A.C.
ROBERTSON, WALLIS & ASSOCIATES
708 - 1155 West Pender Street
Vancouver, B.C.
V6E 2P4

May 1988

This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $ 4 900.00 .

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

INTRODUCTION

The Ash-Megan property consists of 40 mineral claims located in the Seagull Creek area of Central Yukon; these claims are owned by Kevin McCrory and Harris Davis of Whitehorse.

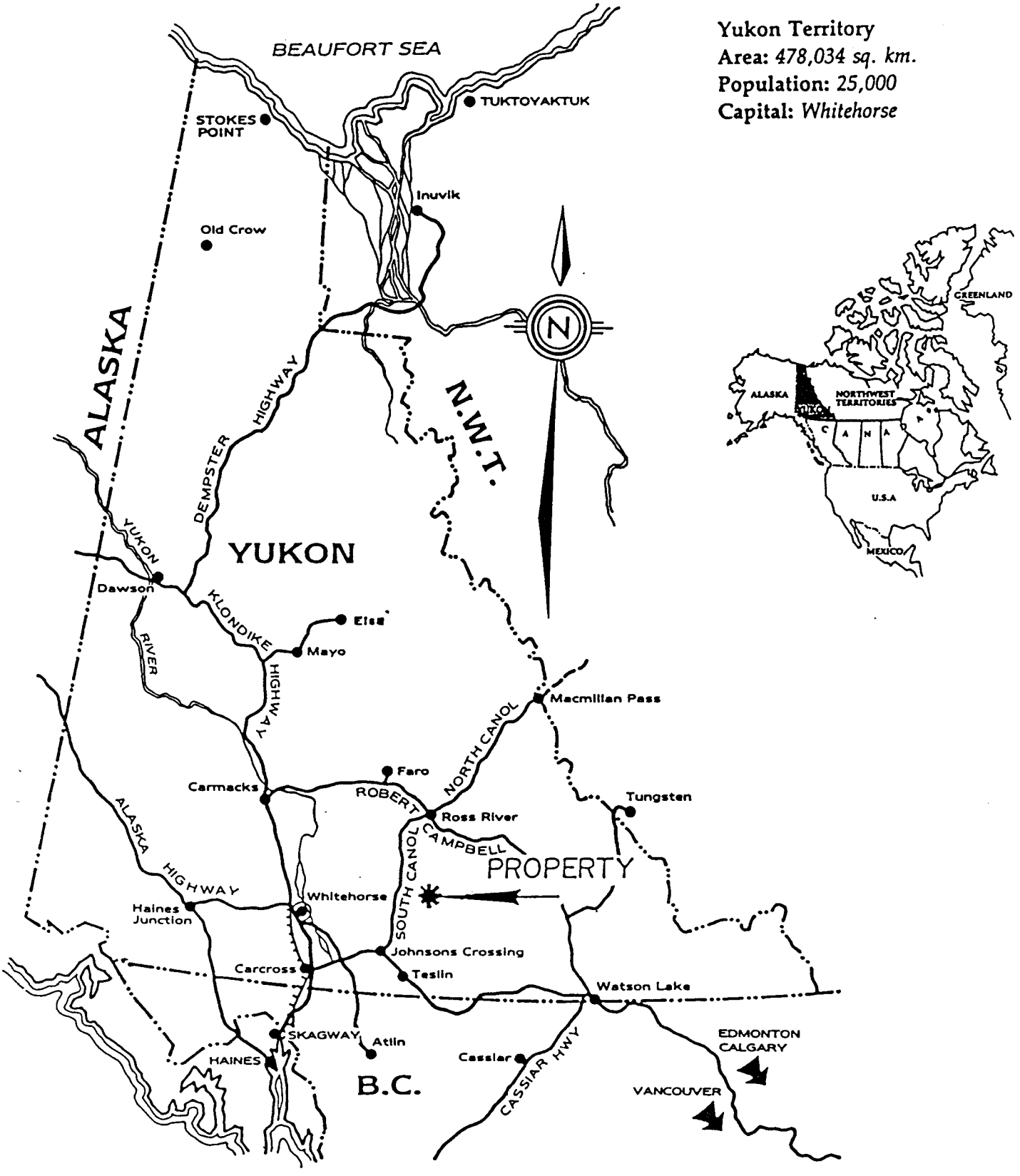
During 1987 a preliminary exploration program of prospecting and reconnaissance geological mapping was carried out by the property owners and the writer. A number of extensive gossan zones were identified on the property. Occurrences of vein quartz and quartz-calcite were located in outcrop and float. One small area of manganese staining and alteration was found. A total of six rock samples were analyzed for gold and silver; all results were low.

A number of significant gold and silver prospects in the immediate area are presently being actively explored; a detailed mapping and geochemical sampling program should be carried out to properly evaluate the Ash-Megan property.

TABLE OF CONTENTS

LIST OF APPENDICES

LIST OF FIGURES



Yukon Territory
Area: *478,034 sq. km.*
Population: *25,000*
Capital: *Whitehorse*

LOCATION MAP

FIGURE No. 1

LOCATION AND ACCESS

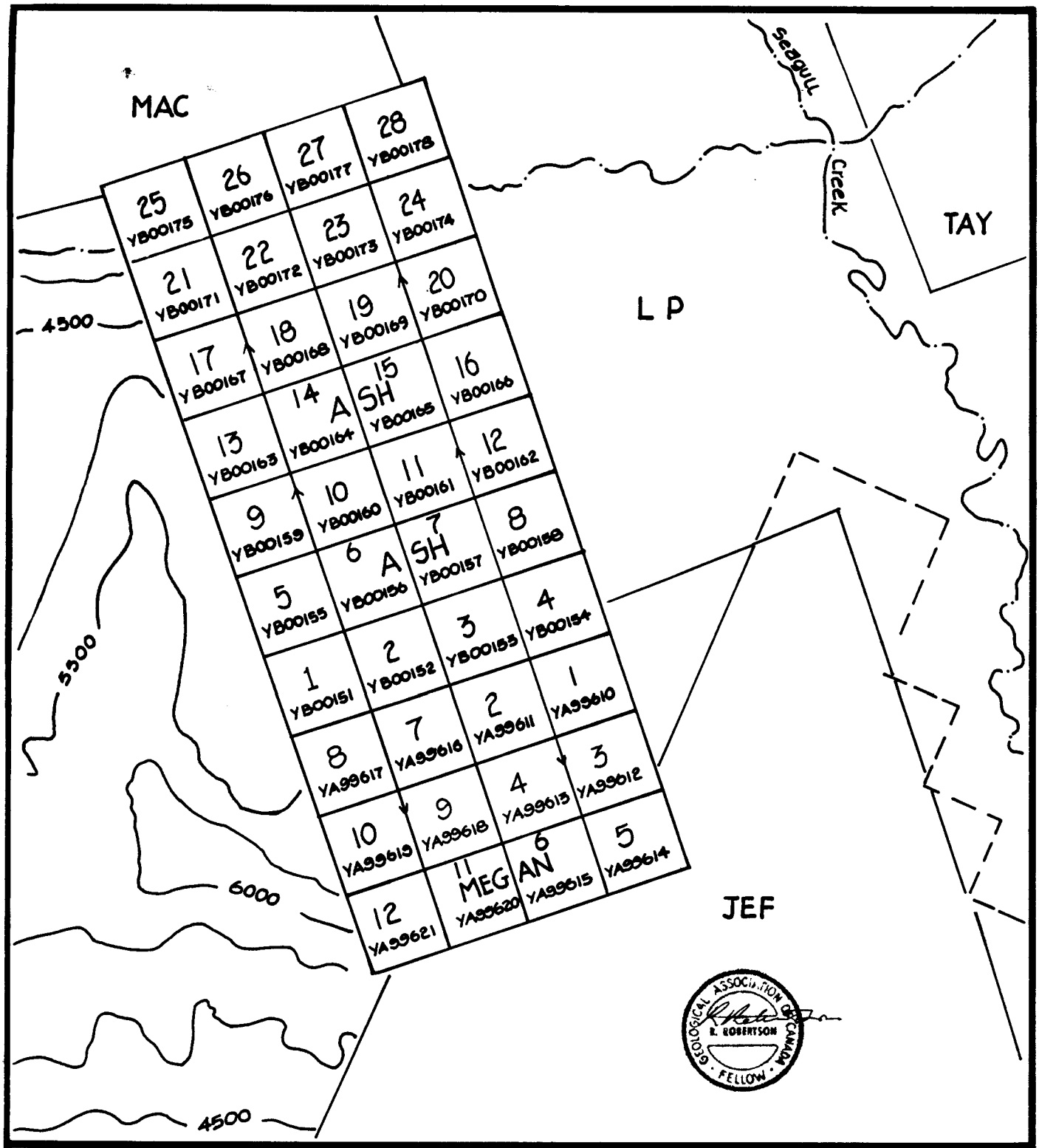
The Ash-Megan property is located approximately 50 kilometers south of Ross River, in the Seagull Creek area of Central Yukon (Figures 2,3). From Whitehorse the property is reached via the Alaska Highway to Johnson's Crossing and then by the seasonal South Canol gravel road to Groundhog Creek (a distance of 240 kilometers). A 4-wheel drive trail up Groundhog Creek has recently been upgraded to provide access to the trailer camp operated by Yukon Minerals Corporation at a site about 10 kilometers east of the South Canol Road. This camp was used as a base for work on the Ash-Megan claims in 1987. Final access to the property was by helicopter from the Yukon Minerals Camp; a distance of 20 kilometers.

PROPERTY

The property consists of 40 mineral claims staked and recorded under the Yukon Quartz Mining Act in the Watson Lake Mining District. Property owners are Kevin McCrory and Harris Davis, both of Whitehorse, Yukon. Claim information is listed below:

Claim Name	Grant Number	Initial Record Date
MEGAN 1 - 12	YA99610 - YA99621	24 November 1986
ASH 1 - 28	YB00151 - YB00178	8 April 1987

Claims recorded under the Yukon Quartz Mining Act require expenditure of $100 per claim per year (as assessment work or as cash payment in lieu of work) to maintain the property in good standing. During the first three years, surface geological, geophysical or geochemical surveys may be filed for assessment credit; in subsequent years, only physical work such as trenching or diamond drilling is accepted.



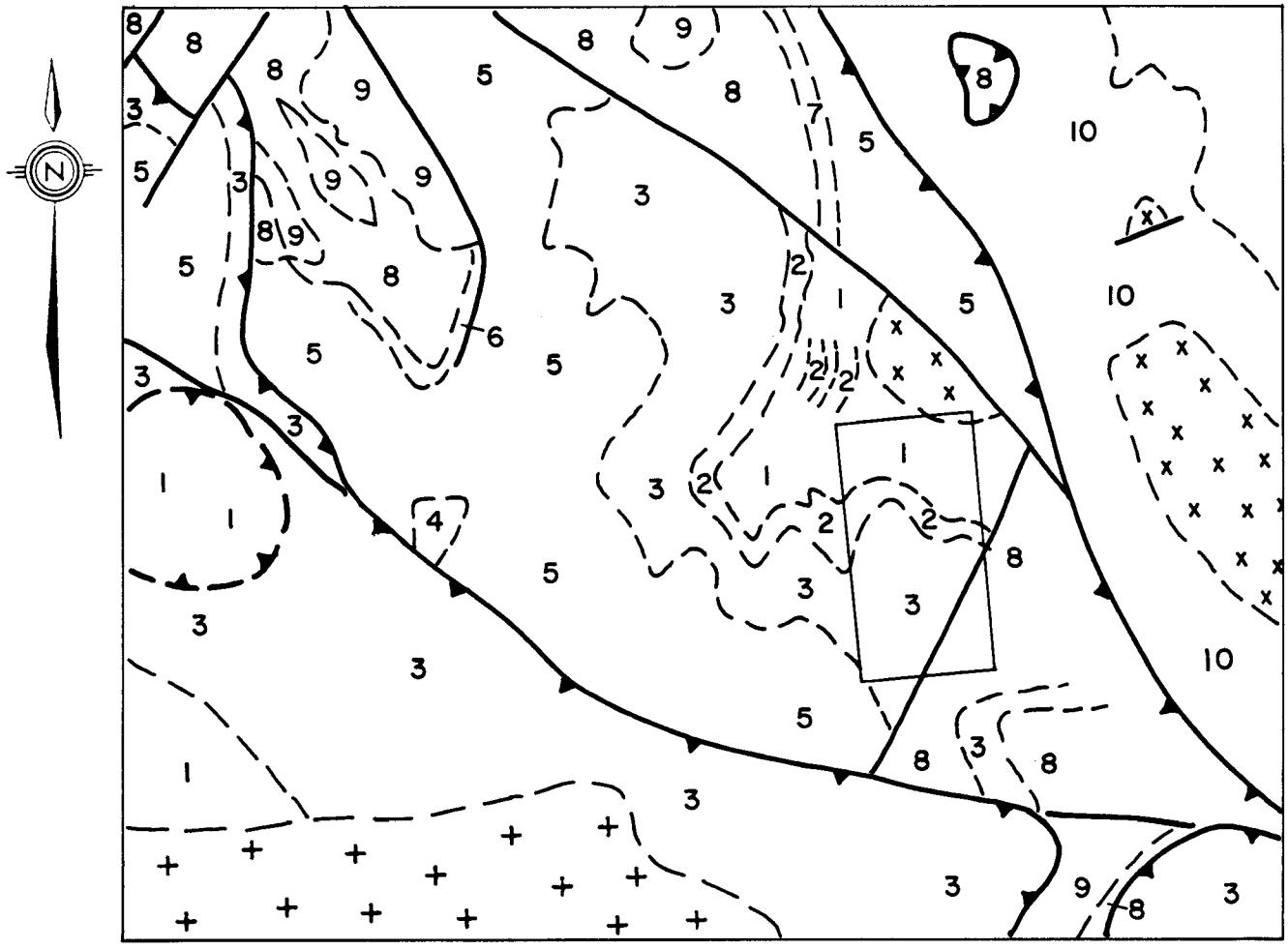
ROBERTSON, WALLIS AND ASSOCIATES		
ASH - MEGAN CLAIMS CLAIM MAP		
N.T.S: 105 F 10	TECHNICAL: R.R.	DATE:
SCALE: 1:31,680	DRAFTING: L.K.	FIGURE: 2.

CLIMATE, PHYSIOGRAPHY, VEGETATION

The claims cover a series of spur ridges on the west side of the major Seagull Creek valley, within the Pelly Mountains of central Yukon. Elevations range from 4000 feet in valley bottoms to just over 6000 feet on the ridge crest in the southwest corner of the Megan claims. Slopes are often steep and rugged but most parts of the property are easily prospected on foot. Vegetation is quite limited at higher elevations, in part because the widespread dolomitic country rock provides little support for plant growth. Spruce and alder growth is present in valley bottoms and elevations to approximately 4600 feet. Tributary streams have good water flow for much of the exploration season. Climatic conditions are typical of central Yukon with relatively low precipitation, warm summers and cold winters. Precipitation averages 12 - 15 inches annually. The area is normally snow-free from late May to late September.

REGIONAL GEOLOGY

The Ketza-Seagull district is underlain by Late Proterozic to Triassic, miogeoclinal clastic, volcanic and carbonate rocks that were deformed during Mesozoic arc-continent collision and by mid-Cretaceous intrusions of intermediate composition (Abbott, 1986 and Tempelman-Kluit, 1979). The structural framework is dominated by a series of large thrust faults, namely the McConnell, Porcupine-Seagull-Pass Peak, Cloutier and St. Cyr thrusts, and by the Ketza-Seagull arch. The Ketza-Seagull arch is a broad window in which strata in the Cloutier Thrust are exposed beneath the Seagull-Pass Peak Thrust. The arch is composed of two local dome structures, one centered near the headwaters of the Ketza River (just west of the Ketza River gold deposit of Canamax Resources) and the other centered just west of Seagull Creek around a small undated intrusion located immediately north of the Ash-Megan claims (Figure 3).



SCALE 1 : 125,000

0 1 2 4 6 8 10 KM.

GEOLOGICAL ASSOCIATION OF CANADA · R. ROBERTSON · FELLOW ·

Legend

+	CRETACEOUS QUARTZ MONZONITE
x x	MISSISSIPPIAN SYENITE
10	MISSISSIPPIAN FLOWS, TUFFS
9	UPPER DEVONIAN - MISS. BLACK SHALE, CHERT.
8	SILURIAN — LOWER DEV. MASSIVE DOLOMITE.
7	SILURIAN DOLOMITE SILTSTONE
6	ORDOVICIAN - SIL. BLACK SHALE CHERT.
5	LATE CAMBRIAN - ORD. CALCAREOUS PHYLLITE
4	CAMBRIAN DIABASE / DIORITE.
3	LOWER CAMBRIAN CALC. ARGILLITE
2	LOWER CAMBRIAN WHITE MARBLE
1	PROTEROZOIC — L. CAMBRIAN SHALE, SANDSTONE

THRUST FAULT

STEEP FAULT

GEOLOGICAL CONTACT

MODIFIED FROM G.S.C. OPEN-FILE 486 & ABBOTT, 1986

Robertson Wallis and Associates

ASH - MEGAN CLAIMS

NTS: 105-F-10

REGIONAL GEOLOGY

ROBERTSON, WALLIS & ASSOCIATES		FIGURE
Technical / Drn. RR / GT	Date MAY, 1988	3

The miogeoclinal assemblage that underlies the Ketza-Seagull District was detached from basement and compressed and transported eastward or northeastward during deformation that probably lasted from late Jurassic to early Tertiary time (Abbott, 1986 and Tempelman-Kluit, 1979). Shortening on the Porcupine-Seagull-Pass Peak thrust is likely to be at least 30 kilometers. Steep normal faults with a variety of orientations are superimposed on these thrust sheets.

The Ketza-Seagull district is currently one of the most active exploration areas in the Yukon. The Ketza deposit of Canamax Resources is anticipated to begin production during 1988; 1986 reserves were 861, 840 tonnes grading 12.36 g/t gold (Abbott, 1986). At Groundhog Creek, 20 kilometers northwest of the property, Yukon Minerals Corporation is exploring a large area of high-grade silver-lead vein mineralization. In addition, the same company is exploring several gold-silver targets on the MPR claims located 10 kilometers northwest of the Ash-Megan claims (Yukon Minerals, 1988).

On the TAY-LP claims, which adjoin the Ash-Megan property on the east (Figure 2), Comox Resources Ltd. and Cominco Exploration are exploring a potentially large zone of gold mineralization (Comox Resources, 1988). To date, a total of 14 diamond drill holes have been completed, intersecting an average width of 5 meters of quartz-pyrrhotite mineralization in each hole. Drill holes were spaced 200 meters or more apart. Gold values were intersected in every hole; the best intersection was 4 meters of 0.11 oz/ton gold. A sample of massive quartz-pyrrhotite mineralization from bedrock graded 0.80 oz/ton gold. Cominco sampled 202 mineralized boulders; of these, 18 graded between 0.18 and 0.80 oz/ton gold. Property geology is reported to consist of flat-lying Cambro-Ordovician quartzites, quartz-biotite-muscovite schists and banded limestones (Indian and Northern Affairs Canada, 1987).

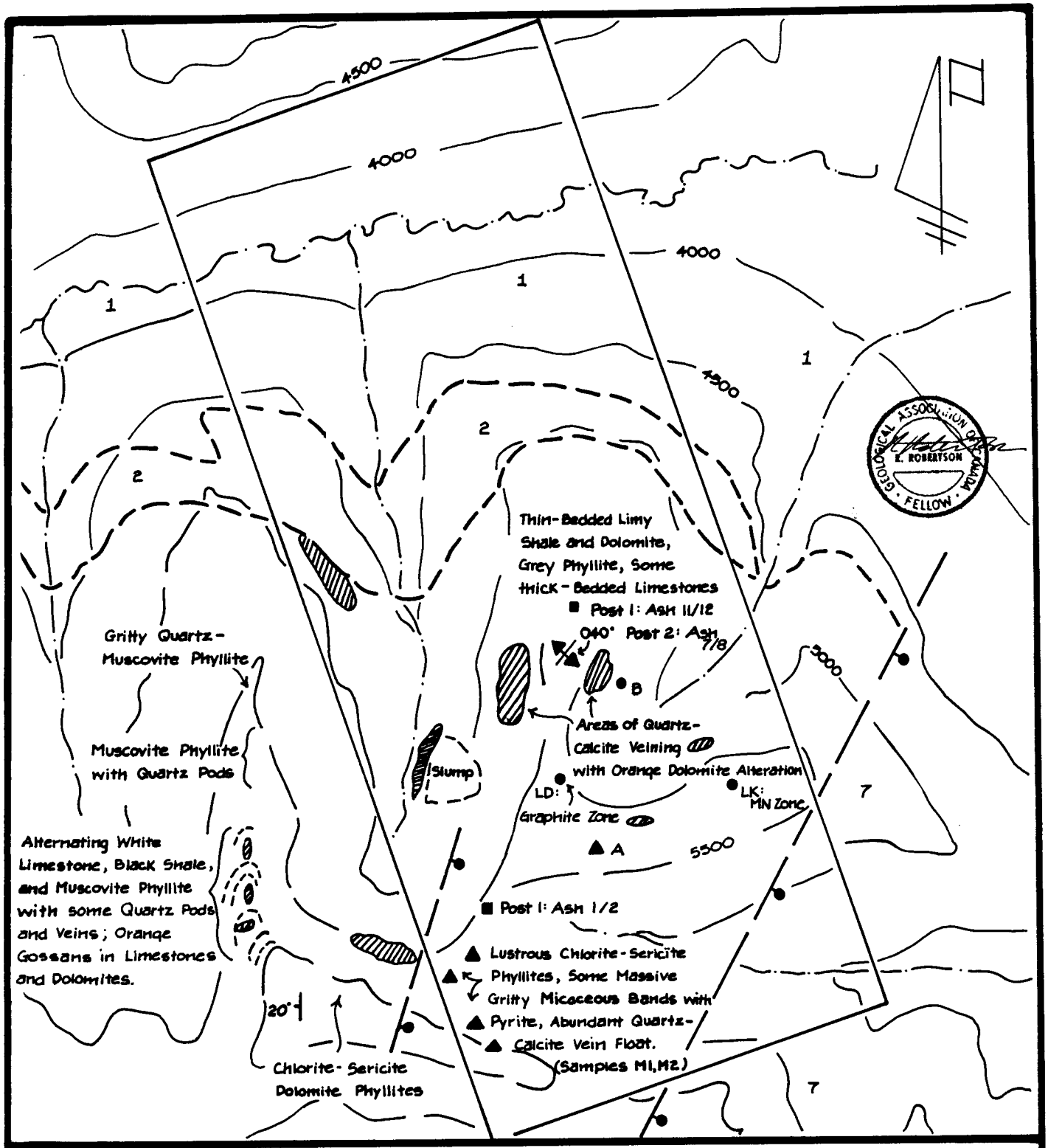
1987 WORK PROGRAM

A preliminary program of geological mapping, prospecting and rock sampling was carried out in 1987. Results and sample locations are shown on Figure 4. A total of six rock samples were analyzed by Barringer Laboratories, Calgary for gold and silver; analytical methods and results are included in Appendix I. All results are low.

Preliminary property geology is shown in Figure 4: units 1, 2 and 7 are essentially as shown on the regional geology map (Figure 3) after Tempelman-Kluit, 1979 and Abbott, 1986. The northeast trending normal fault in the southeast corner of the Megan claims has not yet been checked in the field. A sub-parallel normal fault is inferred to be present near the west boundary of the property near the Ash 1 claim; the amount of vertical movement in this fault seems quite small. Lithologies present in the southern half of the property seem to be part of a single thick formation, but this does not necessarily correspond to the Lower Cambrian calc-argillite unit shown in this part of the regional geology map.

On the north-trending ridge in the centre of the property a series of thin-bedded limy and dolomitic shales with lesser amounts of paperygrey phyllite outcrop in an open anticlinal structure (040° axis). This unit alternates with thick-bedded limestones. The anticline is probably later than smaller tight folds and crenulation cleavage on 140°. Veinlets of quartz and orange weathering calcite and dolomite are present parallel to bedding and are strongly boundaged by 040° folds. Minor amounts of quartz-calcite-limonite veining occurs striking 140° (vertical dip).

Large areas of orange gossan are present on either side of this ridge. Alteration consists of orange and brown weathering carbonates around quartz veins (up to 40 cm wide) and thin dark veinlets of iron carbonate. Quartz veins trend 070° (dip 70° NW) and 100° (dip 45° S). Alteration and veining occur predominantly in favourable sub-horizontal limy horizons, with some control from structures, including fold axes on 040° and 070°. These limey horizons are separated by a



LEGEND

- Geological Contact
- Steep Normal Fault: Bar on Down Side
- 20° Strike, Dip of Beds
- Anticline
- Gossan Zone
- Quartz Vein Float
- Rock Samples
- Claim Posts
- [7] Silurian: Thin-Bedded Dolomitic Siltstone.
- [2] Lower Cambrian: Massive White Limestone, Marble.
- [1] Proterozoic: Lower Cambrian: Dark Recessive Shales And Sandstones.

Elevations In Feet

0 250 500 750 1000 1250
Metres

ROBERTSON, WALLIS AND ASSOCIATES

ASH - MEGAN CLAIMS

PROPERTY GEOLOGY AND SAMPLE LOCATIONS

NTS: 105-F-10	TECHNICAL: R.R.	DATE: 04/88
SCALE: 1:25,000	DRAFTING: L.K.	FIGURE: 4

thick bedded massive gritty and micaceous unit with abundant pyrite cubes in some beds.

Farther south, towards the area of sample LD, this unit becomes less dolomitic and shalier upwards, with some thin black shale bands. Towards the ridge crest in the southwest corner of the Megan claims, lustrous schists and phyllites are much commoner with much less dolomite. Sericite, graphite and dark chlorite are abundant. Occasional bands of the massive gritty and micaceous unit with pyrite cubes are still present. Quartz-carbonate veining is common as small lenses and segregations. These chlorite-sericite-dolomite phyllites and schists continue west across the ridge top striking 000° and dipping 20° west.

DISCUSSION

Preliminary prospecting and mapping were carried out on the Ash-Megan property during 1987. Only a small number of rock samples were assayed. Several large gossan zones were identified on the property; most of these zones have not yet been sampled. The property is adjacent to a significant zone of gold mineralization currently being drilled by Comox Resources and Cominco Exploration; geological relationships between the two properties have not yet been worked out. In addition, the property is geologically similar to two properties currently being explored by Yukon Minerals Corporation for silver and gold in the same district.

A more detailed program of geological mapping, rock and soil sampling is recommended for the Ash-Megan property in 1988.

REFERENCES

Abbott, G; 1986. Epigenetic Mineral Deposits of the Ketza-Seagull District, Yukon. Yukon Geology, Volume 1, pages 56-66.

Comox Resources Ltd., News Release, 3 February 1988.

Geological Survey of Canada, 1977. Geology of Quiet Lake and Finlayson Lake map areas (105 F and G). Open File 486.

Indian and Northern Affairs Canada, 1987. Yukon Exploration 1985-86, pp. 225-226.

Tempelman-Kluit, D.J., 1979. Transported Cataclasite, Ophiolite and Granodiorite in Yukon: Evidence of Arc-Continent Collision. Geological Survey of Canada Paper 79-14, 27 pp.

Yukon Minerals Corporation. News Release, 31 March 1988.

APPENDIX I

ANALYTICAL RESULTS

BARRINGER MAGENTA
Laboratories (Alberta) Ltd.
4200B - 10 STREET N.E., CALGARY, ALBERTA, CANADA T2E 6K3
PHONE: (403) 250-1901

BARRINGER
Laboratories (NWT) Ltd.
P.O. BOX 864, YELLOWKNIFE, NWT, CANADA X1A 2N6
PHONE: (403) 920-4500

31-JUL-87
PAGE: 1 OF 1
COPY: 1 OF 2

AUTHORITY:K. MCCRORY

MR. KEVIN McCRORY
207 - 922.5 ALASKA HIGHWAY
WHITEHORSE, Y.T. Y1A 3T8

WORK ORDER: 4209D-87

*** FINAL REPORT ***

GEOCHEMICAL LABORATORY REPORT

SAMPLE TYPE: ROCK

SAMPLE NUMBER	FIRE ASSAY AU PPB	FIRE ASSAY AG PPM	
MEGAN 1	3.0	0.02	— M1
LILKEN	11.0	0.45	— LK
LILDAVE	2.0	0.15	— LD
MEGAN 2	3.0	0.04	— M2

SIGNED: _____
C. Douglas Read,
LABORATORY MANAGER

092479

FOOTNOTES:
P=QUESTIONABLE PRECISION; *=INTERFERENCE; TR=TRACE; ND=NOT DETECTED;
IS=INSUFFICIENT SAMPLE; NA=NOT ANALYZED; MS=MISSING SAMPLE

BARRINGER MAGENTA
Laboratories (Alberta) Ltd.
4200B - 10 STREET N.E., CALGARY, ALBERTA, CANADA T2E 6K3
PHONE: (403) 250-1901

BARRINGER
Laboratories (NWT) Ltd.
P.O. BOX 864, YELLOWKNIFE, NWT, CANADA X1A 2N6
PHONE: (403) 920-4500

05-SEP-87
PAGE: 1 OF 1
COPY: 1 OF 2

AUTHORITY:K. MCCRORY

MR. KEVIN McCRORY
207 - 922.5 ALASKA HIGHWAY
WHITEHORSE, Y.T. Y1A 3T8

WORK ORDER: 4273D-87

*** FINAL REPORT ***

GEOCHEMICAL LABORATORY REPORT

SAMPLE TYPE: ROCK

SAMPLE NUMBER	ASSAY FIRE ASSAY AU OZ/TON	ASSAY FIRE ASSAY AG OZ/TON
A	<0.002	1.77
B	<0.002	0.012

SIGNED: _____
C. Douglas Read,
LABORATORY MANAGER

FOOTNOTES:
P=QUESTIONABLE PRECISION; *=INTERFERENCE; TR=TRACE; ND=NOT DETECTED;
IS=INSUFFICIENT SAMPLE; NA=NOT ANALYZED; MS=MISSING SAMPLE

APPENDIX II

STATEMENT OF EXPENDITURES

STATEMENT OF EXPENDITURES

Personnel			
R. Robertson:	19-21 July 1987	(2 days)	$ 800.00
K. McCrory:	17-20 July 1987	(4 days)	200.00
H. Davis:	17-20 July 1987	(4 days)	200.00
S. Pownall:	August 1987	(2 days)	300.00
			1,500.00
Transportation			
Trans North Air, Ross River: Bell 206 helicopter, 2 hours			1,220.00
Vehicles and fuel			392.00
Freight			36.00
			1,648.00
Supplies, Accommodation			
Hotel (Ross River)			42.00
Camp accommodation			200.00
Field supplies			28.00
			270.00
Geochemistry			
6 rock samples (Au, Ag): Barringer Magenta, Calgary			79.00
Report and Map Preparation			600.00
TOTAL EXPENDITURES			$ 4,097.00

092415

APPENDIX III

STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, Ronald C.R. Robertson, of the City of Whitehorse in the Yukon Territory, hereby certify:

That I am a self-employed consulting geologist with business address at Box 5474, Whitehorse, Yukon;

That I obtained a Bachelor of Science degree with First Class Honours in Geology from the University of Aberdeen, Scotland, in 1970 and subsequently carried out graduate studies in economic geology at McMaster University, Hamilton, Ontario, and at Queen's University, Kingston, Ontario;

That I have been engaged in mineral exploration for seventeen (17) years of which nine (9) have been on programs in the Yukon Territory, British Columbia and Alaska;

That I am a fellow of the Geological Association of Canada (Number F4858) and a member of the Prospector's and Developer's Association, the Yukon Chamber of Mines, the Canadian Institute of Mining and Metallurgy and the Society of Economic Geologists.

Dated at Vancouver, B.C., this 31 day of May, 1988.

Ronald C.R. Robertson, F.G.A.C.