

MAP NO.: ASSESSMENT REPORT X
115 I 7 PROSPECTUS
CONFIDENTIAL X
OPEN FILE

DOCUMENT NO: 093080
MINING DISTRICT: WHITEHORSE
TYPE OF WORK: GEOCHEMISTRY

REPORT FILED UNDER: HARRIS & ASSOCIATES

DATE PERFORMED: JULY 24-28, 1991

DATE FILED: FEBRUARY 15, 1993

LOCATION: LAT.: 62°19'N

AREA: GRANITE MOUNTAIN

LONG.: 137°08'W

VALUE \$: 3,800

CLAIM NAME & NO.: LEACH 1-24 YB36315-33, LEACH 32-36, YB36339-42
LEACH 61-70 YB36343-52

WORK DONE BY: G.S. DAVIDSON

WORK DONE FOR: HARRIS & ASSOCIATES

DATE TO GOOD STANDING:

REMARKS: 22 SOIL SAMPLES COLLECTED, 12 ROCK SAMPLES
ONE COMPILATION MAP 1:10,000

map 10,000
comp.

for 8
100



ASSESSMENT REPORT

on the

GRANITE MOUNTAIN PROPERTY
Freegold Mountain Area

NTS 115 I-7
Lat.62 19' N, Long.137 08'W
Whitehorse Mining District

For: Harris & Assoc.
21-4078 Fourth Ave.
Whitehorse, Yukon

093080

By

G.S. DAVIDSON, P.Geol.

January, 1993

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 \$ 3,800.

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

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APPENDIX-Certificates of Analysis

INTRODUCTION

The Granite Mountain property covers porphyry copper style mineralization which was explored in the 1960's by Canex Aerial Exploration Ltd and in 1971 by the Dawson Range Joint Venture. Canex outlined a large copper geochemical anomaly, 1200 m long by 700 m wide by grid soil sampling. Canex completed six diamond drill holes and intersected low grade copper mineralization. In 1971 Archer Cathro & Assoc. assessed the property establishing an extensive cat-line grid and completing four diamond drill holes.

In 1987 Harris & Assoc. acquired the area by staking the Leach 1-24, 32-36 and 61-70 claims.

The property adjoins the Tinta Hill prospect where diamond drilling and underground mining have outlined reserves of 843,000 tons averaging .075 opt Au, 5.35 opt Ag, 4.71% Pb, 6.3% Zn, .37% Cu and .049% Cd.

This report describes the results of exploration work completed between July 24-28, 1991. G. Harris, B. Harris, J. Suits and the writer were on the property.

LOCATION AND ACCESS

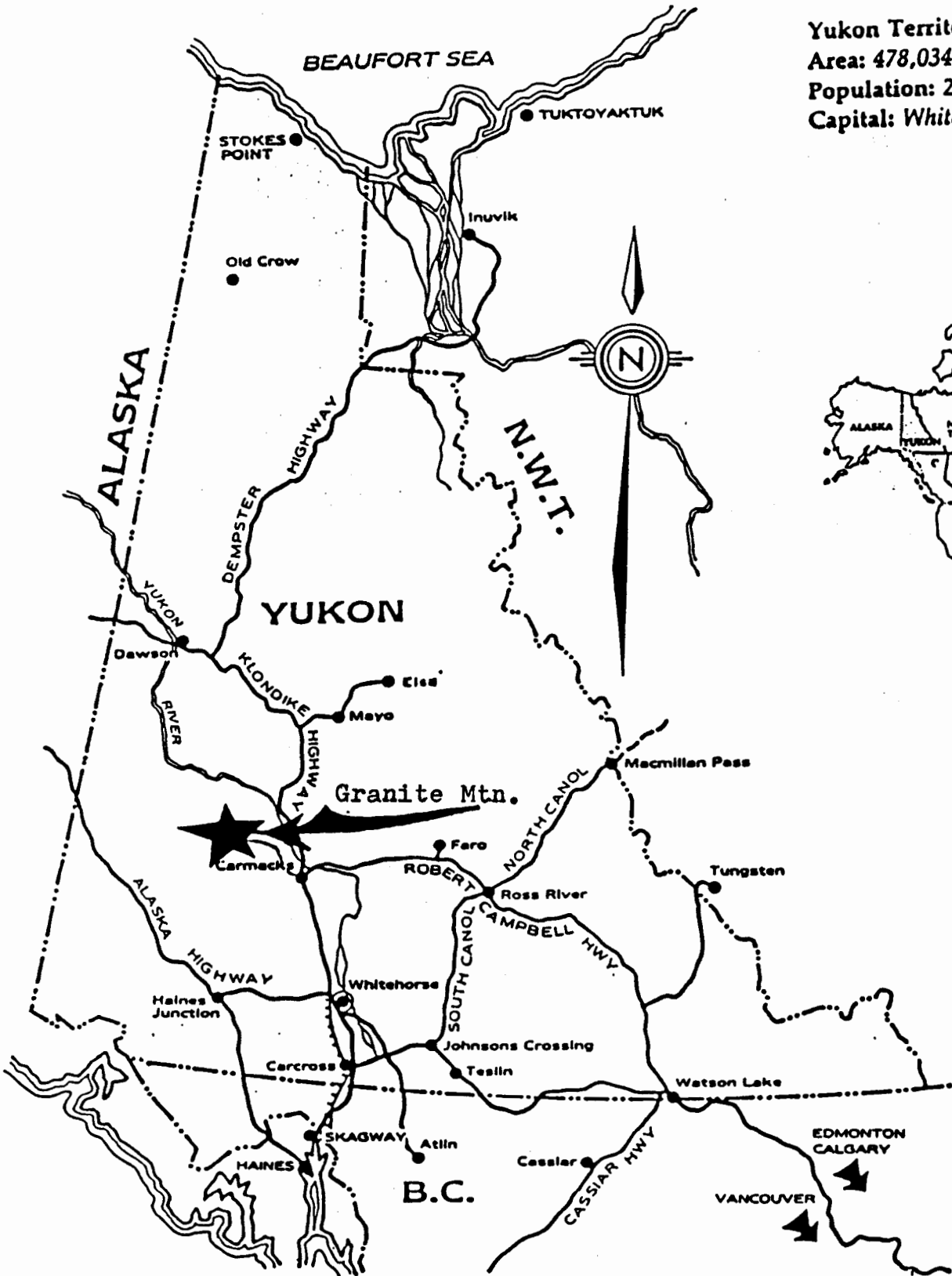
The property is located in the Dawson Range near Freegold Mountain, approximately 45 km west of Carmacks on NTS Map Sheets 115-I-7 at latitude 62 19'N and longitude 137 08'W. Figure 1 shows the property location.

The claims are accessible via the Freegold Road, a government maintained road. A gravel road branches to the northeast from mile 32 passing through the Tinta Hill property and continues to Granite Mountain. An old trailer camp on the Tinta Hill property was used as a camp. The total road distance from Carmacks to the property is 65 km.

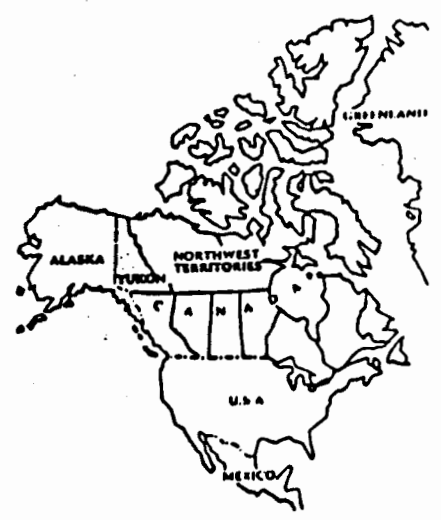
PHYSIOGRAPHY, CLIMATE, VEGETATION

The Granite Mountain area features large, well-rounded hills and ridges of the Dawson Range of the Coast Mountains. Valley floors are flat and swampy, and valley walls rise sharply to the upland areas. Elevations range from 750 m in the Seymour Creek valley to the summit of Granite Mountain at 4663ft.

Glaciation has had a limited effect; most of the area remained ice-free during the last Ice Age. The Seymour Creek valley formed a spillway for meltwater originating in the southeast.



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



LOCATION MAP

On the property the headwaters of Stodart Creek incise a broad upland area. Outcrop is sparse and is restricted to ridge crests and the steepest slopes.

The Granite Mountain area has a northern interior climate with long cold winters and moderate precipitation. Summers in the last four years have been wet and cool with daytime temperatures averaging 12 C.

Vegetation consists of white and black spruce forest, and poplar groves below 1200 m of elevation. At higher levels stunted trees and buck brush form a thick ground cover. The vegetation thins out on the highest ridge tops to alpine grasses and moss. Northerly facing slopes and valley floors are often underlain by permafrost, which hinders trenching and road building.

PROPERTY

The property is located in the Whitehorse Mining District and is composed of 38 mineral claims (see Figure 2). The claims are held by Harris & Assoc. of Whitehorse. Table 1 lists the claim data.

Claim Name	Record Number	Expiry Date (requested)
Leach 1-24	YB36315-33	20 August, 1993
Leach 32-36	YB36339-42	20 August, 1993
Leach 61-70	YB36343-52	20 August, 1993

REGIONAL GEOLOGY

The Granite Mountain area lies within Yukon Cataclastic Terrane north of a major suture known as the Big Creek Fault which separates older schists and gneisses of the Crystalline Terrane to the south from foliated plutonic rocks of the Cataclastic Terrane to the north. Younger intrusions of granitic composition and volcanics are common along the suture zone. To the east are Hutsi Group greenstone volcanics and Whitehorse Trough sediments.

The area is primarily underlain by Tertiary to Cretaceous granitic rock containing bodies of pink felsite and brecciated, flow-banded rhyolite. Klipons of Yukon Group schist and gneiss are found in the granite.

The Dawson Range contains a belt of porphyry type mineralization that stretches from Casino to Minto. Mineralization occurs primarily in quartz-chalcedony veining associated with intrusive breccias and quartz stockworks.

HISTORY

Prospector P.F. Guder first discovered gold-bearing rock on the west side of Freegold Mountain in 1930. He located the Augusta claim over an auriferous magnetite showing and proceeded to dig hand pits and shafts along the structure. On hearing of the find, prospectors rushed into the region, staking over 100 claims in the autumn and winter of 1930-1931.

The Laforma quartz vein was discovered on the southeast side of Freegold Mountain and was developed by the N.A. Timmins Corporation from 1934-1935. In 1935 the Yukon Consolidated Gold Corporation acquired the Laforma property and continued the underground development.

Tinta Hill was discovered in 1930 and has been explored by a long list of mining companies. The most significant work was two drifts completed in 1980-81 by joint venture partners Silver Tusk Mines Ltd. and Panther Mines Ltd.

In the late 1960's exploration focussed on porphyry copper occurrences in the Dawson Range. Well developed leached caps were recognized, overlying highly fractured porphyry copper deposits. These leached caps became exploration targets in the 1980's when the Antoniuk low grade gold deposit was outlined on Freegold Mountain.

At Granite Mountain exploration was carried out by Canex Aerial Exploration Ltd. from 1965 to 1967. This work consisted of grid geochemistry, geophysics, bulldozer trenching and eight drill holes. Two target areas were identified by the geochemistry 1) A northwest trending copper anomaly averaging 900ppm over a length of 500m and 100 m wide; 2) A narrow northwest trending copper anomaly over a 500 m length.

Drill results indicate a mineralized breccia zone at the contact between a granitic stock intruding the Klotassin Batholith. Copper values of 0.31% across 40 ft in Canex Hole 3 and 0.23% across 60 ft in Canex Hole 1 were the best intersections from the drill work.

In 1971 the property was re-evaluated by Archer Cathro & Assoc. for the Dawson Range Joint Venture. Archer Cathro established a cat line grid for mapping and soil sampling, performed a magnetometer survey and four diamond drill holes. The work outlined areas of brecciation and fracturing but failed to find significant mineralization.

Figure 3: Regional Geology

LEGEND

	Ukcb	Carmacks Group	- brown basalt flows
	KMN		- andesitic plagioclase porphyry and andesite breccia
	KMN _r	Mount Nansen Group	- rhyolite to dacite quartz feldspar porphyry
	Kgd		- biotite-hornblende granodiorite
Jurassic	Jy	Big Creek Syenite	
Upper Triassic	TRgdm	Granite Mountain Batholith	- biotite-hornblende granodiorite
Permian	Ppn	Selwyn Gneiss	- hornblende-biotite-chlorite gneiss
Paleozoic	Pn ₁	Pelly Gneiss?	- granodiorite gneiss
	Pm	Pelly Gneiss?	- amphibolite

Fault

Geological Boundary

Scale 1:250,000

1991 EXPLORATION PROGRAM

INTRODUCTION

A four man crew mobilized onto the property on July 24, utilizing the Tinta Hill camp for accommodations. The work program (July 24-28) consisted of soil and rock sampling. The sampling was directed at testing for gold values in breccia zones.

A total of 22 soil and 11 rock samples were collected on reconnaissance traverses across the property. Preliminary geological mapping was also undertaken on these traverses.

Cat grid lines were mapped and drill hole locations marked.

PROPERTY GEOLOGY

The Granite Mountain property is underlain by a Tertiary stock (Granite Mountain Stock) that intrudes hornblende granite of the Klotassin Batholith. The stock consists primarily of chlorite-biotite granite and quartz monzonite, with fine grained felsic porphyry, breccia and aplite.

MINERALIZATION

Mineralization occurs in fractures and quartz veinlets around the margin of the stock. Chalcopyrite, pyrite, minor molybdenite, and magnetite are present in a breccia zone. A pyrite halo was identified by Canex's IP survey to the north and east side of the Granite Mountain stock.

Narrow bands of propylitic to weak argillic alteration are present. A poorly developed supergene zone containing coatings of chalcocite on chalcopyrite was intersected in two of the drill holes. The property geology is shown in Figure 4 and the individual rock samples are described as follows.

TABLE 2
ROCK SAMPLE DESCRIPTIONS AND VALUES

Sample Number	Description	Au ppb	Ag ppm	Cu ppm	Pb ppm	Mo ppm
18365	Azurite stained granodiorite, minor cpy, limonite	390	22.3	660	1290	19
18366	Felsite w py, limonite	354	34.4	964	2450	27
18367	Margin of granite porphyry, cpy	84	8.1	3310	347	60

18368	Tan felsic porphyry limonitic	17	5.0	414	752	52
18369	Qtz. eye porphyry, limonite	15	4.1	589	248	82
18370	Granite porphyry, cpy in fractures	36	5.5	1902	342	46
18371	Granite, cpy+py in lcm wide qtz veins	302	4.9	2940	290	35
18372	White to tan fine- grained felsite, limonite	44	4.2	828	254	34
18373	Qtz eye felsite breccia, limonite, goethite	5	1.0	55	121	19
18374	Felsite breccia	8	1.9	113	179	19
18375	Granite, pyrite	65	2.0	74	154	40

GEOCHEMISTRY

Two soil lines were run along the road bank with sample intervals of 50m. The first line (S91-1 to S91-12) was run over fractured, limonitic granite while the second line (S91-13 to S91-22) was run across a zone of brecciated felsite porphyry. Soil sample values are shown in Figure 4.

DISCUSSION

Fractured granite containing quartz veinlets, azurite staining and chalcopyrite produced weakly anomalous gold and silver values in rock and soil samples. Gold values averaged 350 ppb for samples of granite with fractures containing chalcopyrite. Felsite breccia samples produced background values.

The primary target on the property is the elongated copper geochem anomaly. This indicates a sizeable source area which has been drilled on a widely spaced basis. Low grade values of 0.05-0.3% copper over a 40-100 ft width were intersected in breccia zones in drill holes Canex 1-5. Further drilling and sampling by Archer Cathro failed to extend the mineralized zone.

RECOMMENDATIONS

The porphyry system on the Leach claims should be further evaluated by sampling the cat grid lines south and west of the Canex drill holes. Retrenching of this area is necessary due to sloughing. An IP survey along the cat lines over the copper geochem anomaly is also recommended.

The following program is proposed:

Grid development 15 km	\$	5000
Geophysical surveys IP and VLF-EM		12500
Geological mapping and supervision		3500
Geochemistry and trench sampling		4000
Bulldozer trenching and road construction		10000
Camp and supplies		6500
Report and assessment		4500
Contingency		4000
TOTAL	\$	50,000

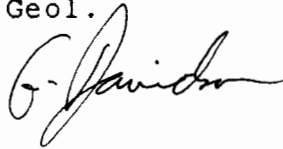
CERTIFICATE

I, GRAHAM DAVIDSON, of the City of Whitehorse, in the Yukon Territory, HEREBY CERTIFY:

1. That I am a consulting geologist and that I worked on the subject property in 1991.
2. That I am a graduate of the University of Western Ontario (H. BSc., Geology, 1981).
3. That I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists & Geophysicists of Alberta (No. 42038).
4. That I have been engaged in mineral exploration on a full time basis for ten years in the Yukon and Northwest Territories, and British Columbia.

SIGNED at Whitehorse, Yukon this 25th day of January, 1993.

G.S. DAVIDSON, P. Geol.

A handwritten signature in cursive script, appearing to read "G. Davidson", written in dark ink.

STATEMENT OF COSTS

PERIOD: July 24-28, 1991

PERSONNEL: B. Harris (prospector)	2 days	450
G. Harris (prospector)	2 days	450
G. Davidson (geologist)	2 days	600
J. Suits (prospector)	2 days	450

CAMP AND SUPPLIES: 10 mandays at \$50/day 1000

ANALYTICAL COSTS:

22 soil samples at \$16.50 per sample	363
12 rock samples at \$19.25 per sample	231

TRANSPORTATION: Truck, fuel, mileage at \$100/day 200

REPORT: Preparation, drafting and printing 1200

TOTAL COSTS \$ 4,944

REFERENCES

- Bostock, H.S., 1939; GSC Memoir 189, Carmacks district, Yukon.
- Canex Aerial Expl. Ltd. Drill logs, holes 1-6
- Carlson, G., 1987; Geology of the Mount Nansen and Stoddart Creek Map Areas, Open File 1987-2.
- DIAND, 1981-1988; Yukon Exploration and Geology Reports for 1979-1987, Dept. of Indian and Northern Affairs, Geological Services Division Publications.
- Eaton, W.D. and Main, C., 1986; Potential for Heap Leach Mining in Dawson Range, Yukon, Archer-Cathro & Assoc. Ltd.
- Lueck, B.A., 1989; Geological and Geochemical Assessment Report on the Windy and City claim block.
- Phillips, M.P., 1971; Summary Report on Granite Mountain for the Dawson Range Joint Venture
- Sinclair, W.D. et al, 1976; Mineral Industry Report 1975, Yukon Territory, DIAND, Report 1976-15.

APPENDIX-CERTIFICATES OF ANALYSIS

December 17, 1991

Work Order # 13546

Bill Harris

Assay Certificate

Sample #	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Mo ppm
GR1	798	21.3	66	3650	545	10
GR2	2521	634.0	140	>10000	145	13
GR3	2156	929.0	90	>10000	155	11
GR4	4361	429.0	113	>10000	80	9
STR2	3258	192.6	392	>10000	252	14
STR3	129	19.1	13	4910	89	6
STR5	79	149.9	>10000	2650	4810	<1
STRR8	30	10.8	1230	992	229	8
STR15	1342	1646.0	5690	>10000	>10000	2
STR16	1711	389.0	681	>10000	1680	11
STR17	6345	2850	3610	>10000	2050	1
<hr/>						
18365	390	223	660	1290	304	19
18366	354	34.4	964	2450	391	27
18367	84	8.1	3310	347	298	60
18368	17	5.0	414	752	522	52
18369	15	4.1	589	248	535	82
18370	36	5.5	1902	342	179	46
18371	302	4.9	2940	290	142	35
18372A	44	4.2	828	254	185	34
18372B	7	1.1	66	134	53	78
18373	5	1.0	55	121	53	19
18374	8	1.9	113	179	66	19
18375	65	2.0	74	154	45	40
<hr/>						
S91-1	68	1.5	334	86	76	16
S91-2	47	1.4	971	128	135	19
S91-3	71	3.6	1458	391	117	84
S91-4	75	1.2	1334	60	102	13
S91-5	110	1.3	577	125	140	20
S91-6	31	1.8	164	87	164	17
S91-7	28	1.4	301	65	138	15

Rock
SAMPLES

SOIL
SAMPLES

Certified by Chycki



December 17, 1991

Work Order # 13546

Bill Harris

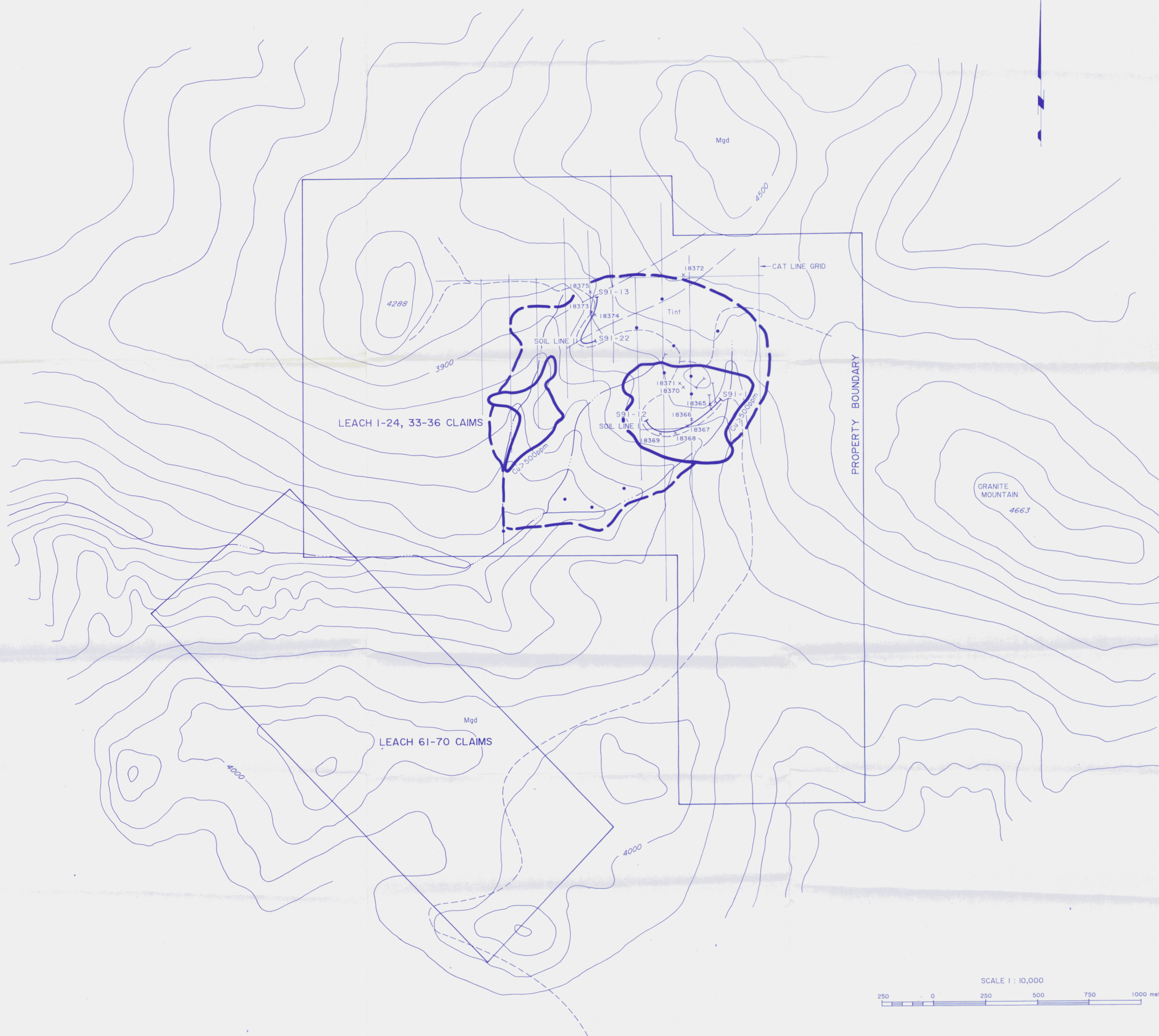
Assay Certificate

Sample #	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Mo ppm
S91-8	65	1.1	397	207	277	20
S91-9	72	1.4	292	40	88	10
S91-10	24	1.1	140	34	55	5
S91-11	8	1.0	51	30	42	13
S91-12	19	1.1	289	42	61	9
S91-13	13	1.2	93	56	65	10
S91-14	45	0.9	205	66	117	17
S91-15	71	0.7	195	25	65	18
S91-16	106	1.5	170	22	47	11
S91-17	26	1.5	230	59	52	23
S91-18	16	1.7	279	31	69	9
S91-19	17	0.8	36	<1	48	<1
S91-20	<5	1.1	69	26	63	<1
S91-21	<5	0.7	27	21	48	<1
S91-22	<5	0.8	13	38	38	<1

* >300.0 ppm Ag fire assay recommended.

Certified by Chy. K. K.





ROCK SAMPLE VALUES

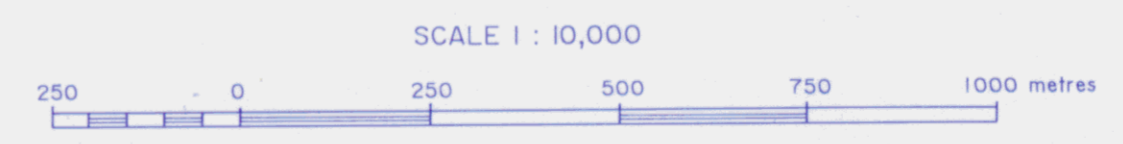
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18366	354	34.4	964	2450	391	27
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18368	17	5.0	414	752	522	52
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18370	36	5.5	1902	342	179	46
18371	302	4.9	2940	290	142	35
18372A	44	4.2	828	254	185	34
18372B	7	1.1	66	134	53	78
18373	5	1.0	55	121	53	19
18374	8	1.9	113	179	66	19
18375	65	2.0	74	154	45	40

SOIL SAMPLE VALUES

Sample No.	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Mo ppm
S91-1	68	1.5	334	86	76	16
S91-2	47	1.4	971	128	135	19
S91-3	71	3.6	1458	391	117	84
S91-4	75	1.2	1334	60	102	13
S91-5	110	1.3	577	125	140	20
S91-6	31	1.8	164	87	164	17
S91-7	28	1.4	301	65	138	15
S91-8	65	1.1	397	207	277	20
S91-9	72	1.4	292	40	88	10
S91-10	24	1.1	140	34	55	5
S91-11	8	1.0	51	30	42	13
S91-12	19	1.1	289	42	61	9
S91-13	13	1.2	93	56	65	10
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S91-15	71	0.7	195	25	65	18
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S91-18	16	1.7	279	31	69	9
S91-19	17	0.8	36	<1	48	<1
S91-20	<5	1.1	69	26	63	<1
S91-21	<5	0.7	27	21	48	<1
S91-22	<5	0.8	13	36	36	<1

LEGEND

- Tertiary Intrusive rock, granite, feldspar porphyry Tint
- Mesozoic granite rocks Mgd
- Sample location and number x 18365
- Soil sample line and sample series S91-12 S91-1
- Soil Geochemistry anomaly 500 ppm Cu (from CANEX) [shaded area]
- Intrusive contact [dashed line]
- Drill Site [dot]
- Road [dashed line]
- Cat trench [line with arrows]



093080

DWG 113

GRANITE MOUNTAIN PROPERTY

LEACH 1 - 36, 61 - 68 CLAIMS

COMPILATION MAP

FOR : HARRIS & ASSOC.

N.T.S. : 115 1/6 & 7	TECH. : G. DAVIDSON	DATE : JANUARY 1993
SCALE : 1 : 10,000	DRAFTING : HANDESIGN	FIGURE No. : 4