

PROPERTY REPORT

ON

SLEEPER 10 - 29 CLAIMS

(YB29730-YB29749)

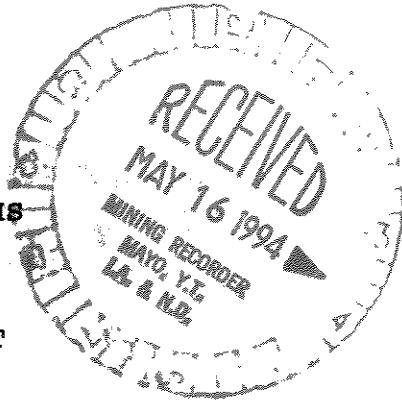
MAYO MINING DISTRICT

N.T.S.: 115/P8

LATITUDE: 63 deg. 29'N

LONGITUDE: 136 deg. 23'W

Work done May, 1993.



093206

093206

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Report by:
Kenneth D. Galambos P.Eng
March 18, 1994

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SUMMARY

The discovery of very fine gold in creeks draining into the Stewart River suggests a possible hardrock source for the vast amounts of flower gold which has been mined for decades from its point bars and back channels. This area has been staked as the Sleeper 10 - 29 claims.

The Sleeper Property consists of 20 contiguous quartz mineral claims situated in the Mayo Mining district approximately 20 km NE of Stewart Crossing and the Tintina Trench. The claims straddle the Silver Trail Highway.

The claims were staked to cover an area drained by creeks highly anomalous in fine gold. Bulk silt (-200 mesh) and pan concentrate samples collected during the 1992 season returned values of up to 273 ppb and 2665 ppb gold respectively. These anomalies are not evident from the - 80 mesh silt samples collected for the 1987, GSC Open File 1650 which showed the same creeks to carry no gold. Previous bulk sampling in 1990 returned similar and higher gold values from the same area.

Air photo analysis suggests a number of strong NW - SE structures trending through the area, some of which can be traced for up to 25 km. A large amount of calc tufa fragments indicate recent and possible past epithermal activity in the area.

Considering the above evidence, it is believed that there exists good potential for finding an economic gold deposit within the area covered by or in the immediate vicinity of the Sleeper Claims.

CHAPTER ONE

INTRODUCTION

1-1: Introductory Statement

The Sleeper claims are located approximately 20 km NE of Stewart Crossing, Yukon. The claims were staked in May, 1993 to cover an area drained by creeks highly anomalous in gold. To date there appears to have been no activity in the area.

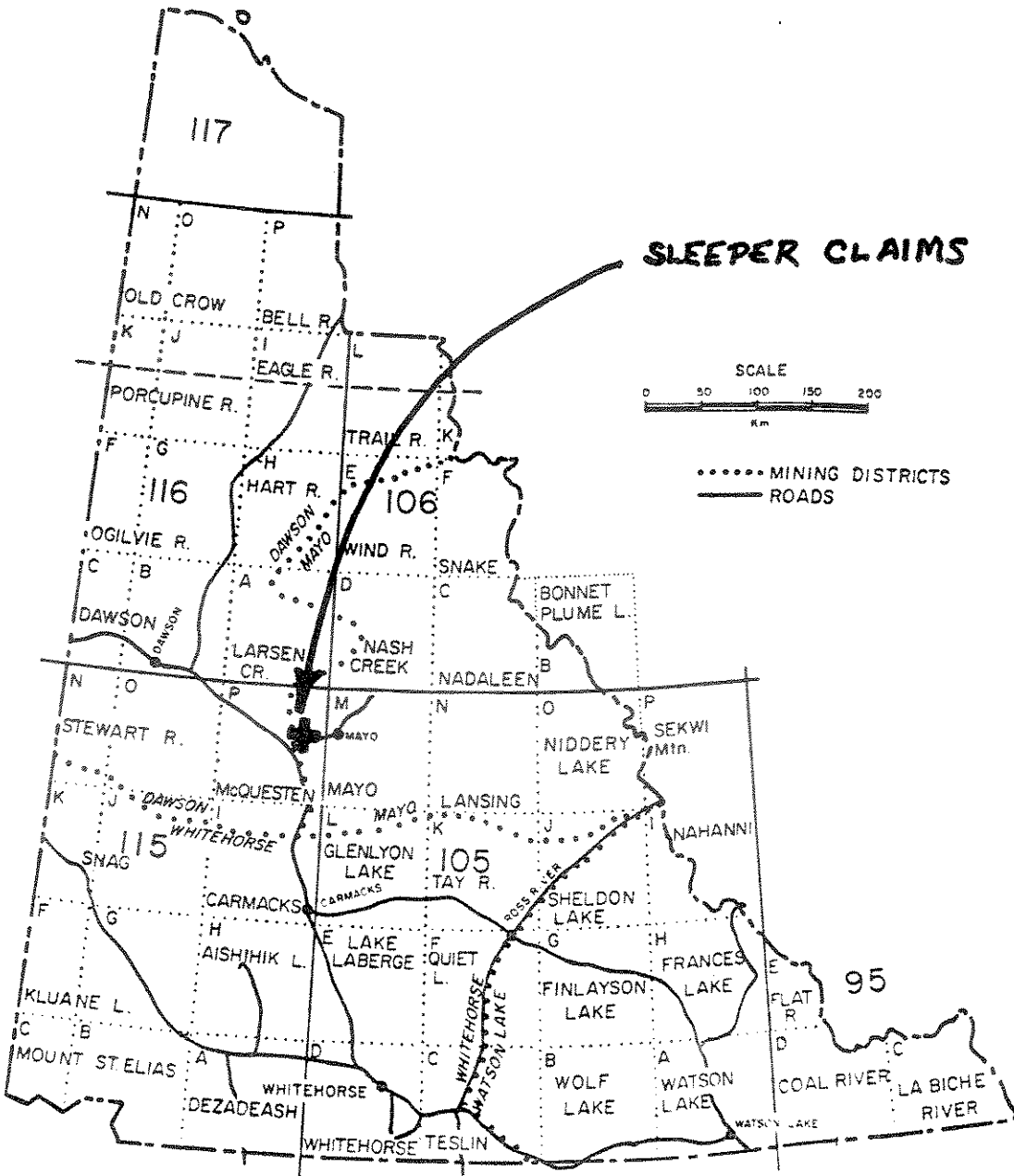
1-2: Location and Access

The property is situated in the Mayo Mining District, 20 km NE of the Tintina Trench, at 63 deg. 29' N and 136 deg. 23' W on the 115 P/8 mapsheet. Access is by the all weather asphalt Silver Trail Highway from Stewart Crossing.

1-3: Physiography and Vegetation

The claims lie within the southern reaches of the Ogilvie Mountains in an area partially glaciated by the Reid (Nistling) advance. The claim group is located on a gentle to moderate sloping, south eastern facing hill side overlooking the Stewart River. Elevations range from 1600' to 2700'.

Vegetation consists of primarily open mixed forest comprised of spruce, pine and aspen with some dense spruce and alder stands in swampier areas.



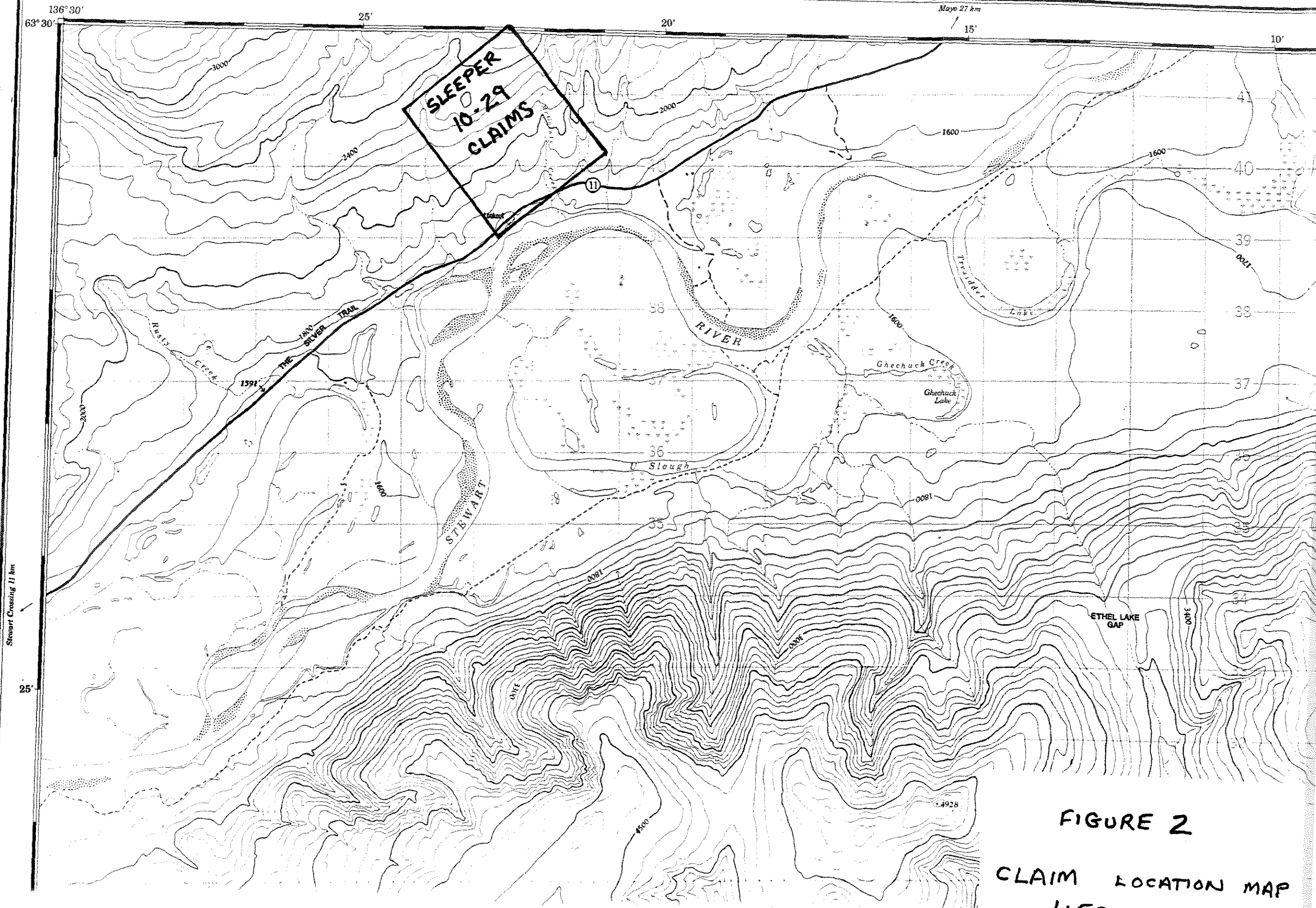


FIGURE 2
CLAIM LOCATION MAP
1:50,000

1-4: History of Claims

The Sleeper 10 - 29 claims (YB29730-749) were staked on May 8, 1993 and registered of May 17, 1993. Upon acceptance of this report, the claim group will remain in good standing until May 17, 1995.

1-5: Previous Exploration

The area does not appear to have undergone any recent exploration other than the bulk silt sampling program conducted by Noranda Exploration during 1990. It is sure to have been explored in the early part of the century by miners on their way to Mayo and Keno City, but probably passed by as there is little visual evidence of gold enrichment present.

1-6: Work Program

Three days were spent evaluating the property by MacKay Falkiner and Associates. Traverses were run through the property and one rock sample was collected and analyzed. In addition, a number of bulk silt samples and one rock sample collected in 1992 were sent for analysis by the owner of the property.

CHAPTER TWO

GEOLOGY

2-1: Regional Geology

The area has been mapped as graphitic phyllite and quartzite of Hadrynian age, previously known as part of the Yukon Group metamorphic rocks. These rocks are bounded to the south west by the Tintina Trench, a large Tertiary strike-slip fault system. Lower Cretaceous aged quartz monzonite, granodiorite and alaskite intrude the area as small stocks and plugs.

These intrusions, such as those present at Scheelite Dome and Minto Lake, do not have any significant magnetic signature. The magnetic signature of the region in question is relatively flat with the exception of a few small magnetic highs in the Moose Creek and Liberal Ridge areas.

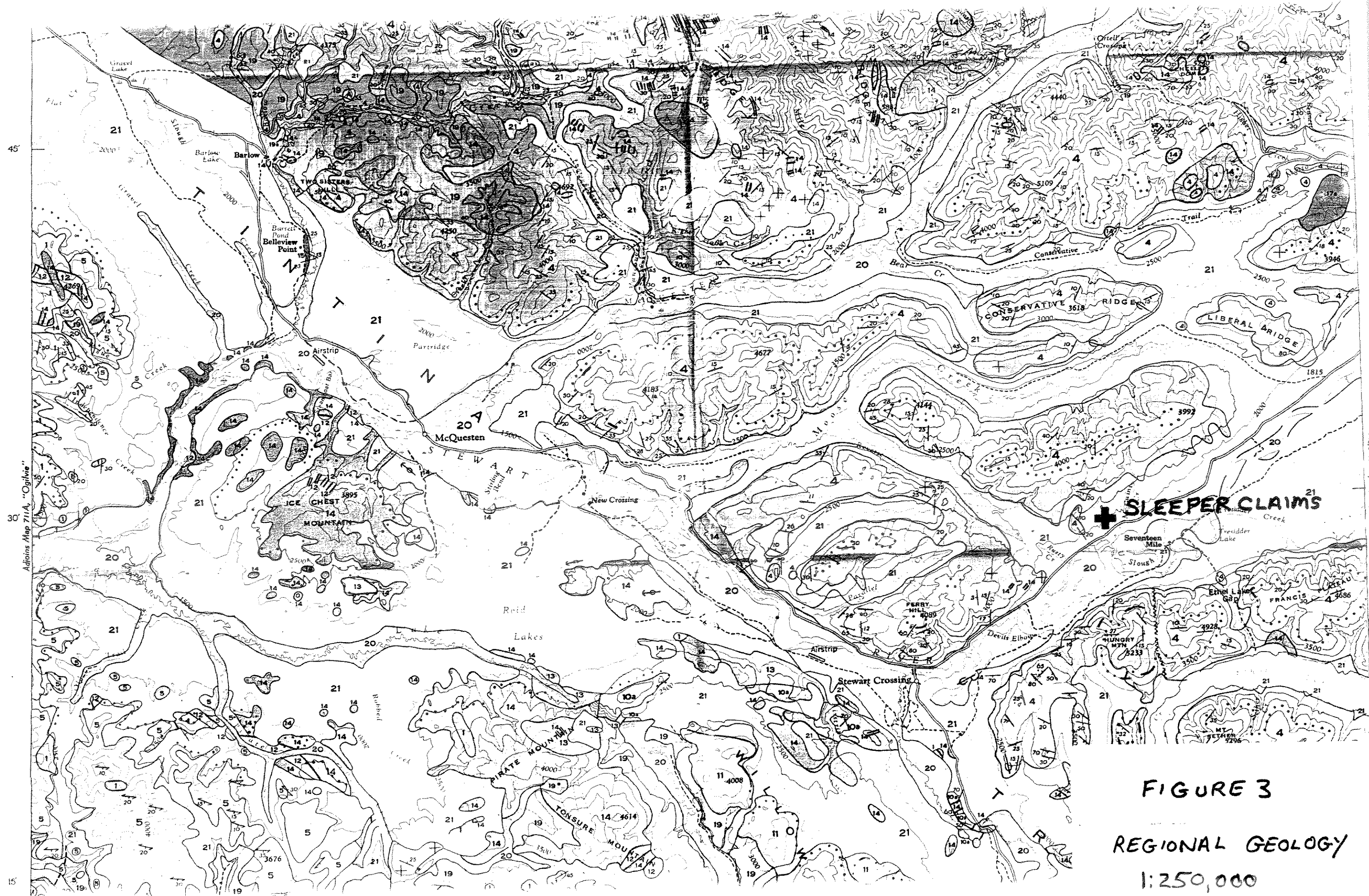
The author believes that there are a number of large NE - SW trending extensional faults situated beneath the Stewart and McQuesten Rivers and Moose Creek with a younger NW - SE offsetting fault system which extends from the Sleeper Property and the Stewart River at least 25 km to the north east. This is suggested by breaks in topography as well as offset magnetic trends such as the magnetic high on Moose Creek.

2-2: Property Geology

Air photo analysis suggests a number of strong NW - SE trending structures through the area, some of which can be traced

for up to 25 km to the north east. Further evidence of these structures is indicated by the presence of calc tufa fragments containing organic leaf material. This indicates possible recent and past epithermal activity in the area.

Only a few outcrops were noted during the staking of the property. These have invariably been phyllitic in nature with minor to heavy quartz veining present.



SLEEPER CLAIMS

FIGURE 3
REGIONAL GEOLOGY
1:250,000

Adrian's Map 711A, "Ogilvie"

Adrian's Map Book, 1950

TABLE OF FORMATIONS

UNIT	
QUATERNARY	
21	Surficial deposits undivided
20	Stream deposits, alluvium
TERTIARY	
19	Stream deposits, alluvium; 19a "White Channel Gravel"
17	17a, rhyolite, trachyte; 17b, granite and syenite porphyries, trachyte
JURASSIC AND/OR CRETACEOUS	
14	Granite, granodiorite, quartz monzonite
13	Syenite, monzonite
ORDOVICIAN OR EARLIER (YUKON GROUP)	
4	Schist, quartzite, phyllite, limestone

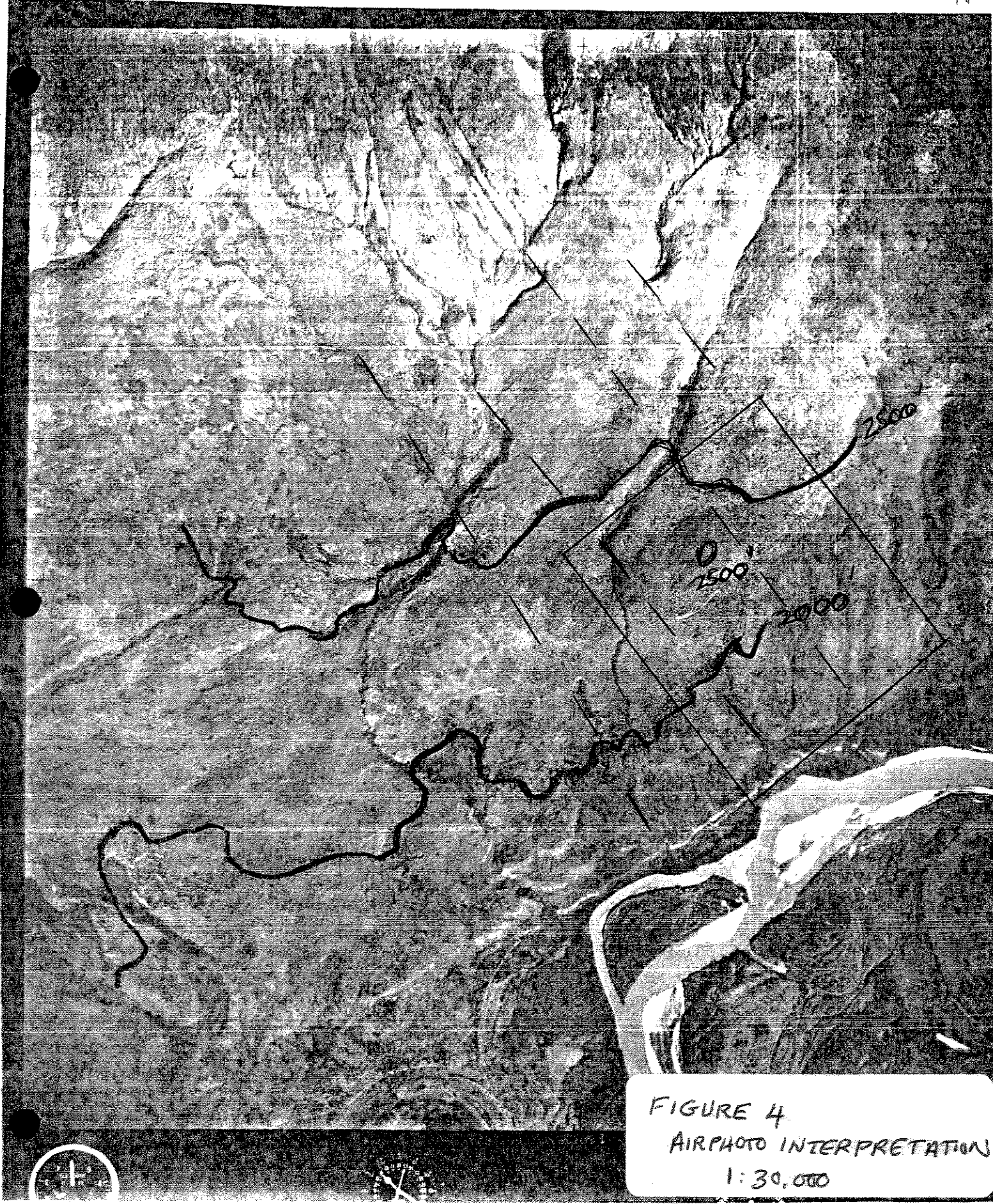
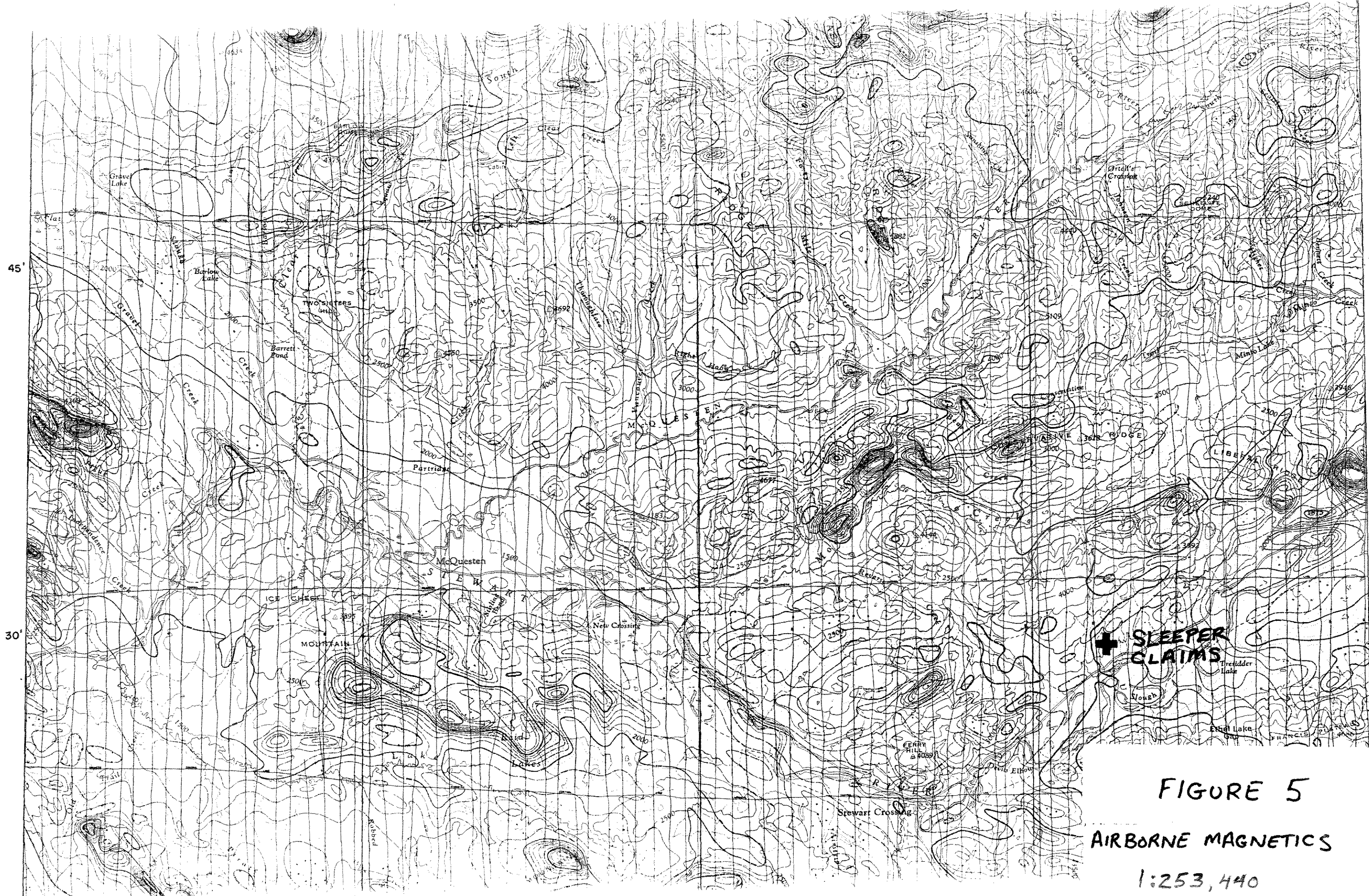


FIGURE 4
AIRPHOTO INTERPRETATION
1:30,000

BEST ATTAINABLE IMAGE






A12183-90



✚ SLEEPER CLAIMS

FIGURE 5
AIRBORNE MAGNETICS
1:253,440

LEGEND

-  SLEEPER CLAIMS
-  AIRPHOTO LINEARS
-  AIRBORNE MAGNETIC ANOMALIES
-  GOLD SILT ANOMALIES
-  GOLD SOIL ANOMALIES

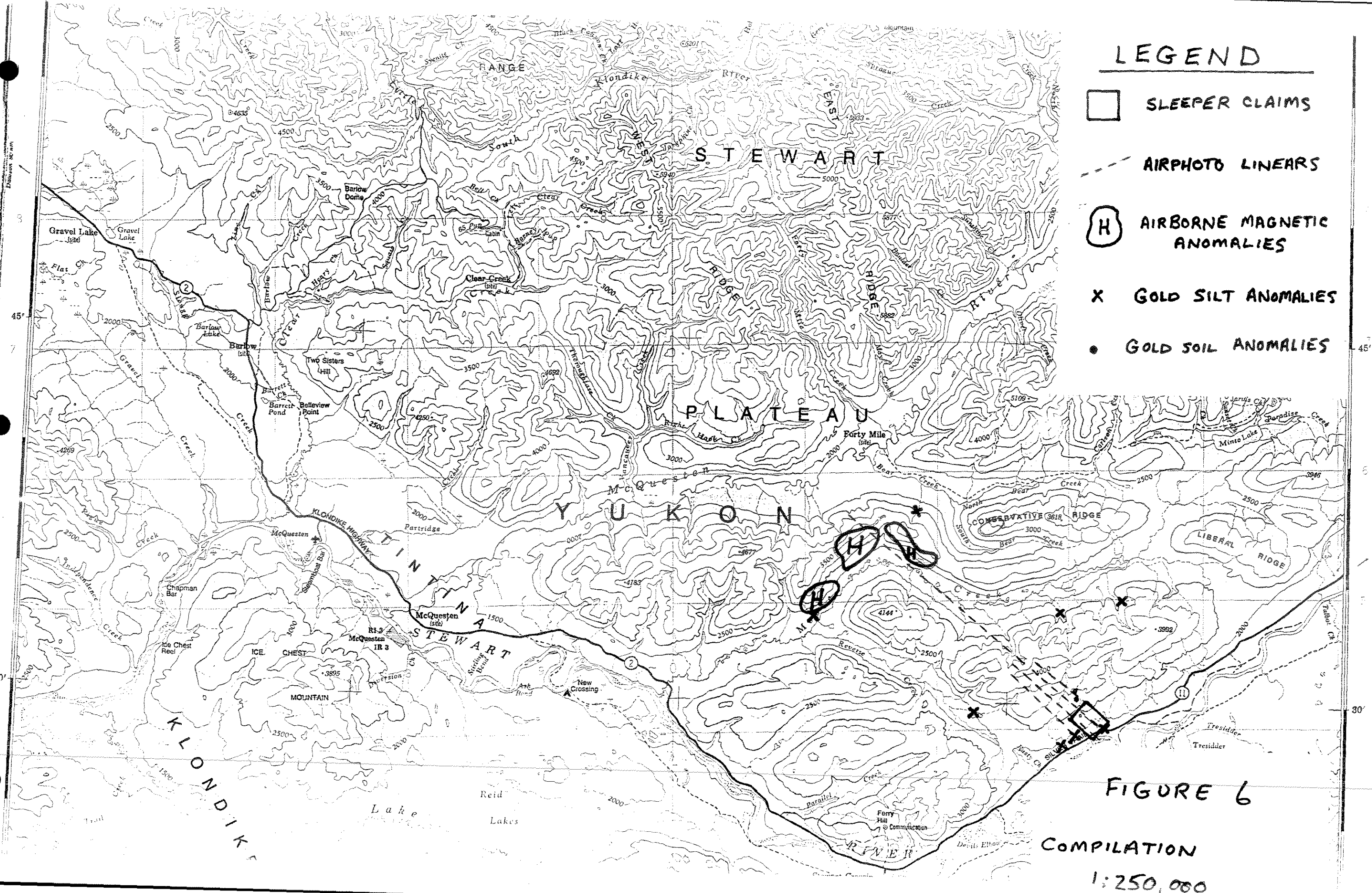


FIGURE 6

COMPILATION
1:250,000

CHAPTER THREE

GEOCHEMISTRY

3-1: Silt Geochemistry

Silt samples collected for the GSC OPEN FILE 1650 show a number of creeks in the region anomalous in gold. Of importance in the general area are two creeks draining the backside of the large hill on which the Sleeper Claims were staked. These returned values of 54 (14) and 40 (95) ppb gold. The numbers in parentheses represent repeat analysis. As well, another creek which drains the south western slope returned a value of 46 ppb gold. The creeks draining the claim block did not register any significant values from traditional -80 mesh sampling. Two other samples of note flank the offset magnetic high situated on Moose Creek which is also on strike with suspected structures which pass through the claim block. These returned values of 31 and 17 ppb gold.

As mentioned above, the creeks draining the Sleeper Property do not appear to carry any gold when sampled using traditional -80 mesh silt sampling techniques. This is however not the case when bulk samples are collected and the -200 mesh fraction is analyzed. Using this methodology, bulk samples and pan concentrate samples were collected in 1992 from creeks accessible from the Silver Trail Highway. Samples BS-92004, BS-92006 and BS-92010 returned values of 102, 124 and 273 ppb gold respectively from the -200 mesh fraction of silt collected from these creeks. Pan concentrate samples H-92003 and H-92009 returned highly anomalous values of

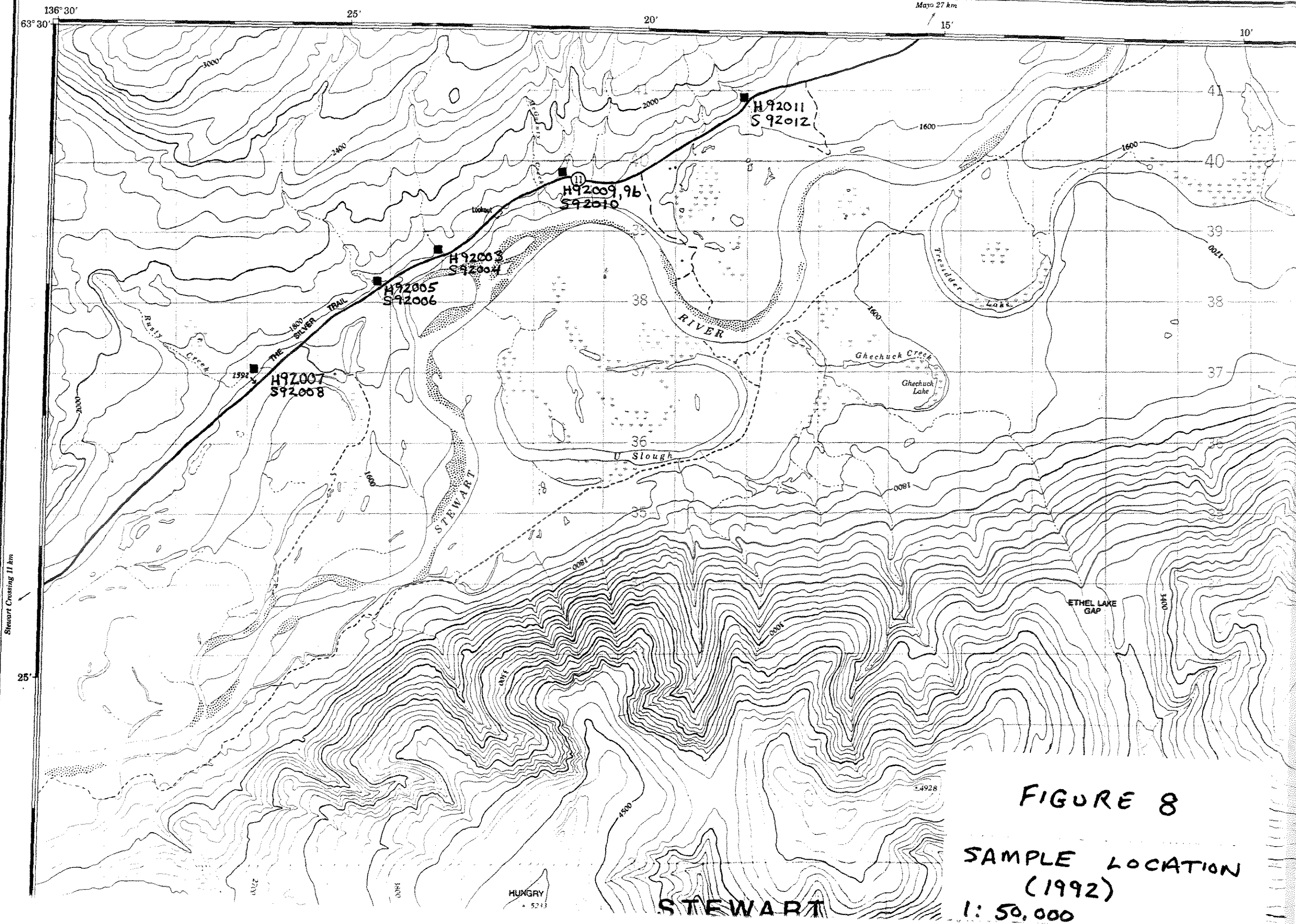


FIGURE 8

SAMPLE LOCATION
(1992)
1: 50,000

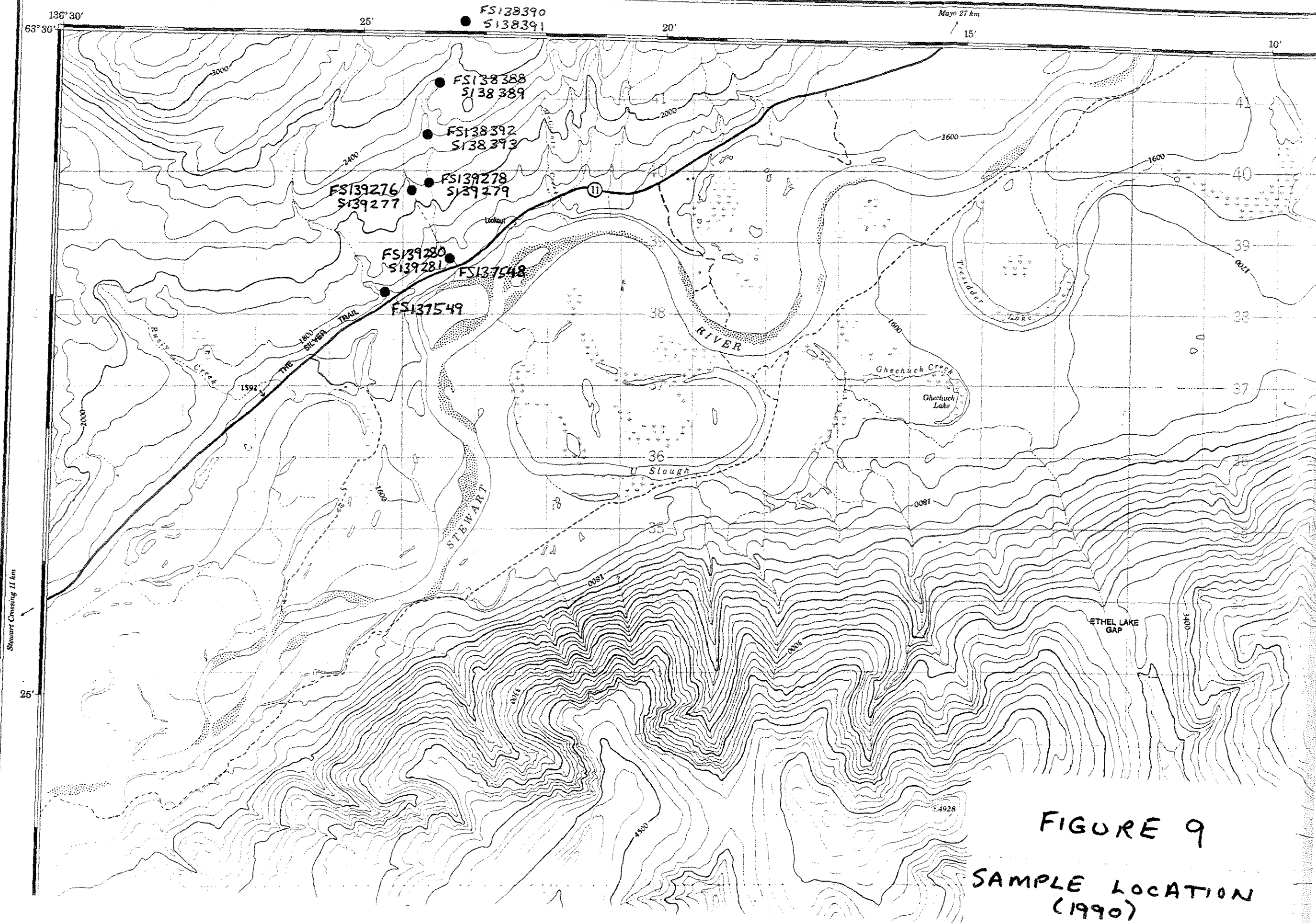


FIGURE 9
SAMPLE LOCATION
(1990)

2665 and 1438 ppb gold respectively from two of the creeks. Sample H-92009 contained a number of small colours while H-92003 showed no visual evidence of gold enrichment. The author believes that the sample containing visible gold is closer to the structural source. Similar bulk sampling by Noranda in 1990 returned similar or higher gold values from the same general area. Follow up sampling showed the anomalous values to be repeatable and the creeks to contain elevated fine gold values at least 4 km up stream.

One sample from Rusty Creek (BS-92008) also returned anomalous arsenic values of 56ppm, which is greater than the 95th percentile for the mapsheet. This is contrary to the values obtained in the GSC OPEN FILE.

3-2: Soil Geochemistry

Seventy-eight soil samples were collected in the vicinity of the property in 1990 by Noranda Exploration. Of the analysis received from the company to date one area appears to be slightly anomalous in gold values. This area although off of the claim block is situated immediately down slope from one the suspected structures which run through the property.

3-3: Rock Geochemistry

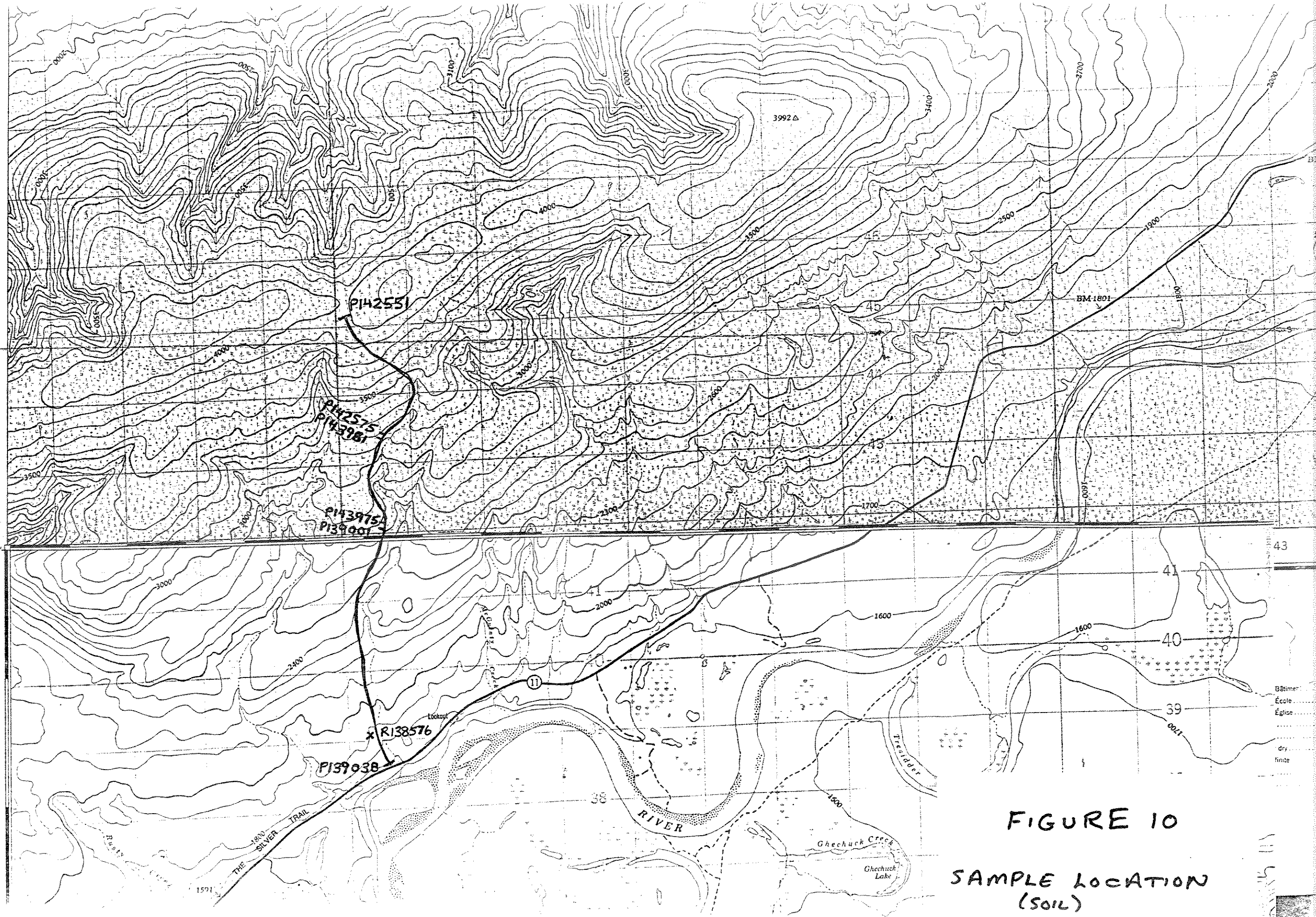
Two rocks have been collected from the property and analyzed by Chemex Labs Ltd. and Northern Analytical/International Plasma Ltd.. They consisted of a limy quartz-rich phyllite and white quartz vein material. Both returned background values.

11SP/09

11SP/08

7043 000m. N

63° 30'

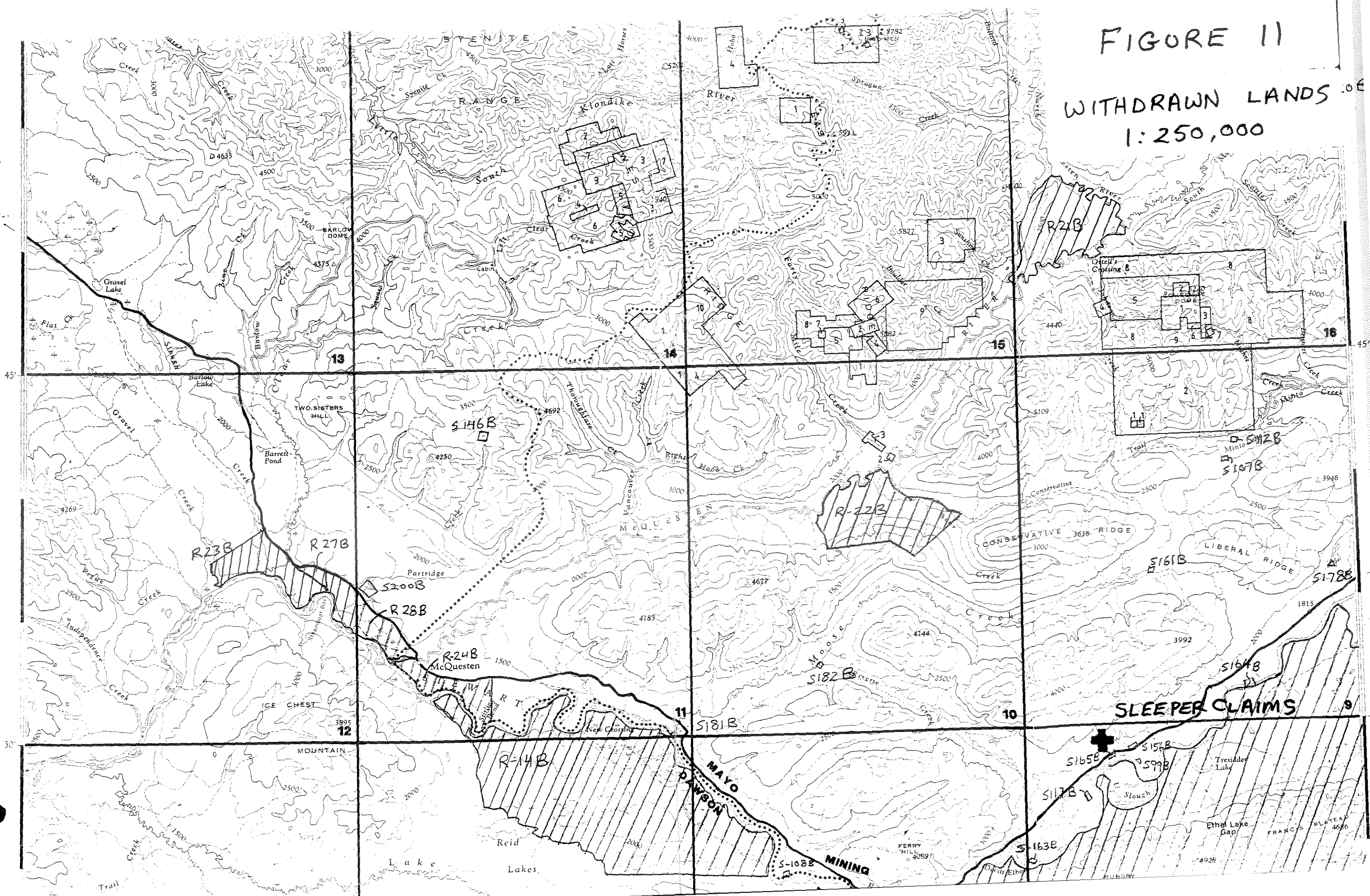


Bâtiment
École
Église
dry
finite

FIGURE 10
SAMPLE LOCATION
(SOIL)
1:50,000

FIGURE 11
WITHDRAWN LANDS OF
1:250,000

Dawson 50m



CHAPTER FOUR

CONCLUSIONS & RECOMMENDATIONS

The discovery of fine gold in creeks draining into the Stewart River indicates a possible hardrock source for the vast amounts of fine placer gold which has been mined for decades from its point bars and back channels. This area has been staked as the Sleeper 10 - 29 claims.

The Sleeper Property consists of 20 contiguous quartz mineral claims situated in the Mayo Mining district approximately 20 km NE of Stewart Crossing and the Tintina Trench. The claims partially straddle the Silver Trail Highway.

The claims were staked to cover an area drained by creeks highly anomalous in fine gold. Bulk silt (-200 mesh) and pan concentrate samples collected during the 1992 season returned values of up to 273 ppb and 2665 ppb gold respectively. Previous bulk sampling in 1990 returned similar or higher gold values from the same area.

Air photo analysis suggests a number of strong NW - SE structures trending through the area, some of which can be traced for up to 25 km.

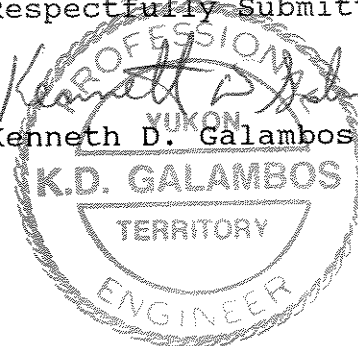
The area also contains evidence of possible recent and past epithermal activity as indicated by the presence of a large amount of calc tufa fragments in the creeks.

It is believed that there exists a good possibility for finding an economic gold deposit within the area covered by or in the immediate vicinity of the Sleeper Claims.

It is recommended that, upon option of the Sleeper Property, the claim group be expanded to cover possible mineralized extensions to the north east as far as the withdrawn block #R-22B situated immediately north of Moose Creek. Further investigations should include soil and geophysical surveys (magnetometer and EM) in the vicinity of suspected structures followed by trenching and drilling of the anomalies discovered.

Respectfully Submitted,

Kenneth D. Galambos
Kenneth D. Galambos P.Eng.



APPENDIX A
SILT SAMPLE RESULTS

SILT SAMPLE RESULTS

1992 SAMPLING

<u>Sample #</u>	<u>Gold(ppb)</u>	<u>Arsenic(ppm)</u>
BS 92004	102	na
BS 92006	124	nd
BS 92008	26	56
BS 92010	273	na
BS 92012	<5	nd

na - not analyzed

nd - not detected

1990 SAMPLING

<u>Sample #</u>	<u>Gold (ppb)</u>
FS 137548	results not available
FS 137549	results not available
FS 139276	269
FS 139278	92
FS 139280	110
FS 138388	9
FS 138390	53
FS 138392	107

APPENDIX B
PAN CONCENTRATE RESULTS

PAN CONCENTRATE RESULTS

1992 SAMPLING

<u>Sample #</u>	<u>Gold (ppb)</u>
H 92003	2665
H 92005	103
H 92007	240
H 92009	1438
H 92011	205

APPENDIX C
SOIL SAMPLE RESULTS

SOIL SAMPLE RESULTS

1990 SAMPLING

<u>Sample #</u>	<u>Gold (ppb)</u>
P 142551-575	results not available
P 143961	<5
P 143962	7
P 143963	31
P 143964	<5
P 143965	16
P 143966	<5
P 143967	<5
P 143968	<5
P 143969	5
P 143970	<5
P 143971	<5
P 143972	36
P 143973	18
P 143974	7
P 143975	<5
P 139001-038	results not available

APPENDIX D
ROCK SAMPLE RESULTS

ROCK SAMPLE RESULTS

1993 SAMPLING

<u>Sample #</u>	<u>Gold (ppb)</u>
R 93001	<5
R 82001	<5

LIST OF EXPENDITURES

MFA Professional Services	\$1850.00
Sample analyses	25.00
Prospector analyses	117.25
Report writing, drafting, etc.	<u>600.00</u>
	total: 2592.25

STATEMENT OF QUALIFICATIONS


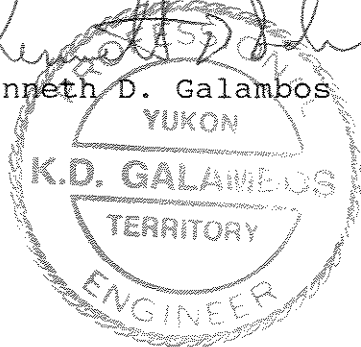
I have a Bachelor of Engineering degree in Geological Engineering from the University of Saskatchewan, 1982.

I am a member of the Association of Professional Engineers of Yukon Territory.

I have worked in the mineral exploration and mining industries in northern Canada since 1975.

I reside at Km 10.5 of the North Klondike Highway, and have been a resident of the Yukon Territory since 1985.

I hold 100% interest in the Sleeper Claims.


Kenneth D. Galambos P. Eng.


*needs
approval*

copy

MINFILE: 115P 042
PAGE NO: 1 of 1
UPDATED: 07/27/94

**YUKON MINFILE
STANDARD REPORT
EXPLORATION AND GEOLOGICAL SERVICES DIVISION, DIAND
WHITEHORSE**

NAME(S): McGuinty	NTS MAP SHEET: 115 P 8
MINFILE #: 115P 042	LATITUDE: 63°28'47"N
MAJOR COMMODITIES: -	LONGITUDE: 136°23'00"W
MINOR COMMODITIES: -	DEPOSIT TYPE: Unknown
TECTONIC ELEMENT: Selwyn Basin	STATUS: Uncertain

CLAIMS (PREVIOUS AND CURRENT)

DAVID, HALONA, PAN, SLEEPER

WORK HISTORY

Staked as David & Halona cl (YA41512) in Nov/79 by C. Charette and as Pan cl (YA43488) in Jan/81 by S. Schmidt. The Sleeper 10-29 cl (YB29730) were staked 2.5 km to the northwest in May/93.

GEOLOGY

The earlier claims are probably underlain by Late Proterozoic-Early Cambrian schist, quartzite, and phyllite and may have been staked to protect surface rights.

Bulk silt (-200 mesh) samples and pan concentrates collected in 1992 returned values of 273 ppb and 2665 ppb gold, respectively.

REFERENCES

K.D. Galambos, Mar/94. Assessment Report #093206 by K.D. Galambos.