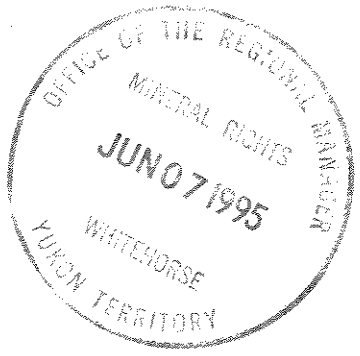
093285

GEOPHYSICAL SURVEY

by

GARY C. LEE, P.Eng.

March - May, 1995



MEX and ICO Quartz Claims

Whitehorse Mining Division

Grant Nos:
MEX 1-4: YB46669-YB46672
MEX 5-7: YB46677-YB46679
ICO 1-10: YB46750-YB46759
MEX 8-10: YB57515-YB57517

Owner: Wilson Creek Placers

Map 105 D/8
Latitude 60° 22′, Longitude 134° 04′

Date submitted: _____

TABLE OF CONTENTS

INTRODUCTION

General

Between March 21 and April 4, 1995 and on May 5, 1995 a two-man exploration crew (the author and Marvin Sherman, both of the City of Whitehorse) completed a VLF and magnetometer survey on the MEX and ICO claim group.

This claim group consists of 20 quartz claims (MEX 1-4, YB46669-YB46672; MEX 5-7, YB46677-YB46679; ICO 1-10, YB46750-YB46759 and MEX 8-10, YB57515-YB57517) owned by Wilson Creek Placers.

Approximately 11 km of lines, tie lines and baseline were compassed, chained and flagged in. Progress on snowshoes was slow due to an accumulation of over one metre of powder snow which had fallen just prior to and during the survey period.

Location and Access

The claims straddle the Alaska Highway 80 km southeast of Whitehorse and approximately 5 km northwest of Jakes Corner. The general location map (page 2) and the 1:50,000 grid and claim map (page 3) show the claim group location. The group is located at 60°22′ north latitude and 134°04′ west longitude. There is a cat trail running southwest through the MEX claims.

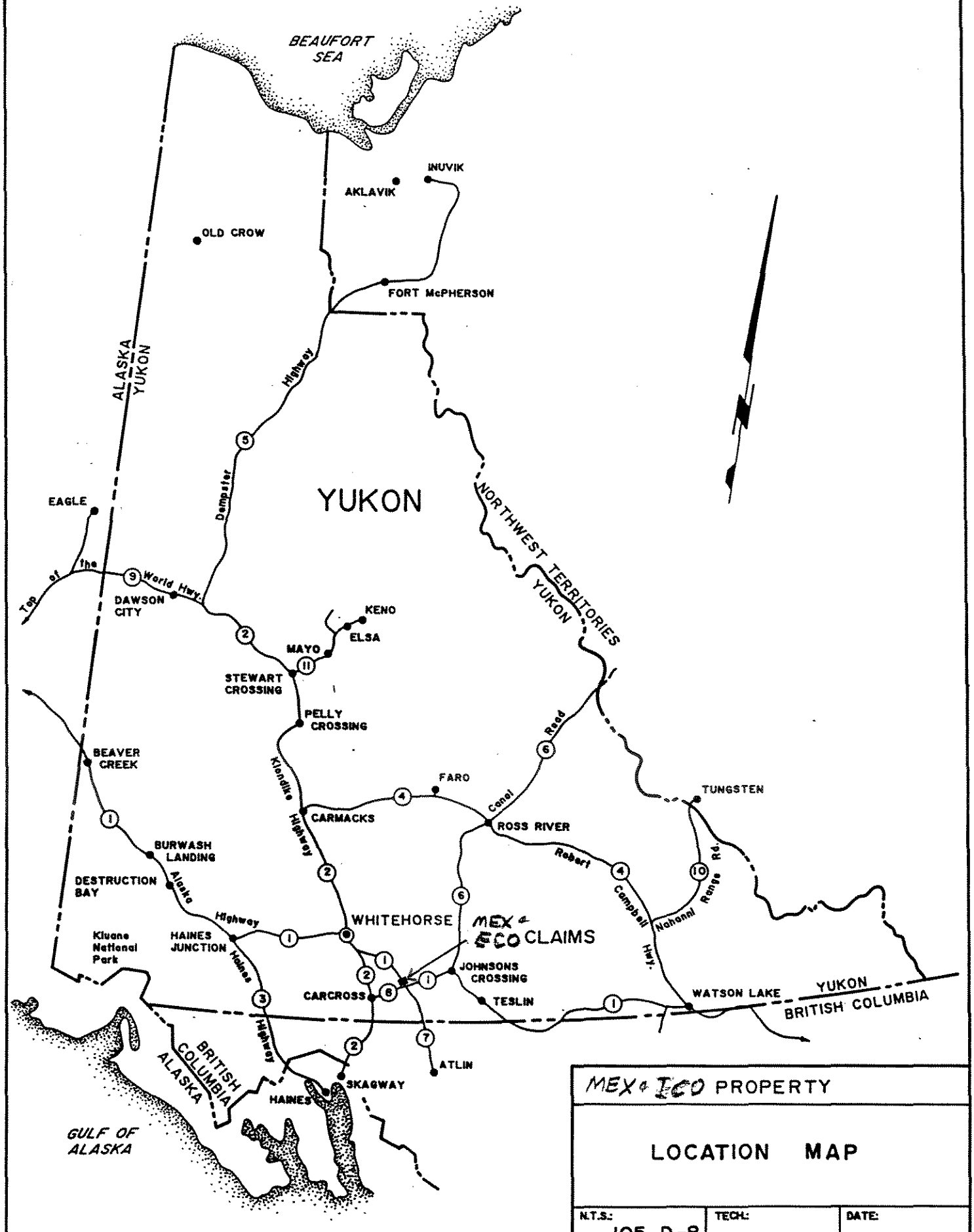
History

In the 1990 "Assessment Report on the NLC Claims" by Graham Davidson for L. Lebedoff, the following is outlined:

> "Ultramafic rocks and quartz-carbonate alteration zones around Marsh Lake were first examined in the late 1890s by prospectors en route to Dawson. Several gold prospects at the northeast and southeast ends of the zone were investigated by adits, shafts and trenches but no records of production exist. Ultramafic rocks were examined in the 1960s and 1970s for potential asbestos mineralization. International Mine Services contracted an airborne magnetometer survey in 1967, covering a large area east of Marsh Lake, including the NLC [MEX and ICO] claim area."

Along-strike of the ICO claims and near the Alaska Highway are quartz-carbonate-pyrite alteration zones which are anomalous in gold values.

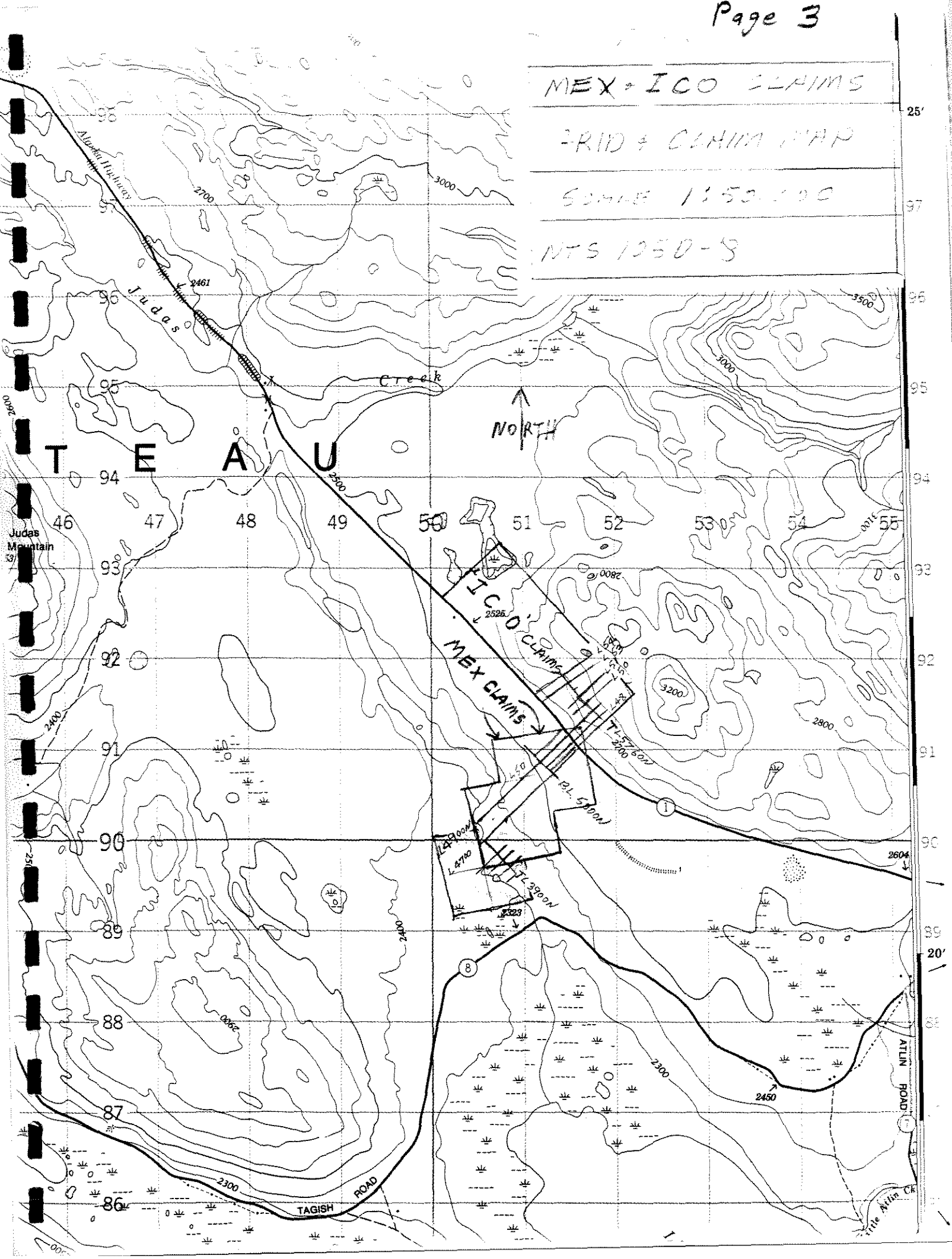
From the above-mentioned report sample #17929, a quartz-siderite vein 15 cm wide with pyrite, ran 572 pbb Au and sample #17930, a grey-green chert cut by carbonate and pyrite veins, ran 19 ppb Au.



MEX & ICO PROPERTY

LOCATION MAP

N.T.S.: 105 D-8	TECH:	DATE:
SCALE: 1" = 12.5 mi.	DRAFTING:	FIGURE: 1


MEX - ICO CLAIMS
GRID & CLAIM MAP
SCALE 1:50,000
NTS 105O-3
NORTH
Alaska Highway
Judas Creek
TEAU
Judas Mountain
ITCO CLAIMS
MEX CLAIMS
TL 5700N
BL 5300N
TL 4900N
TL 3900N
TAGISH ROAD
ATLIN ROAD
Jake's Corner 1 km
Atlin

Topography

The property ranges in elevation from 2350 to 2900 feet. Vegetation consists of spruce and jackpine with some patches of poplar and alder.

Grid and Field Procedure

All lines were flagged with orange and blue flagging at 20 metre stations. A baseline (5000E) bearing 315° was run along the pipeline corridor. Tie line TL5760E was run along the ICO claim line, where the bearing changed from 315° to 335°. Lines, for the most part, were run in at 100 metre intervals. The grid layout can be seen on the maps contained in the pocket.

A Geonics EM-16 was employed for the VLF survey, with readings being taken at 10 metre intervals. Both the in-phase and quadrature were read. All stations were read by facing the direction of the transmitting station and thence turning clockwise 90° before taking the readings. All lines were read on Seattle, Washington, except for TL 3900E which was read on Hawaii.

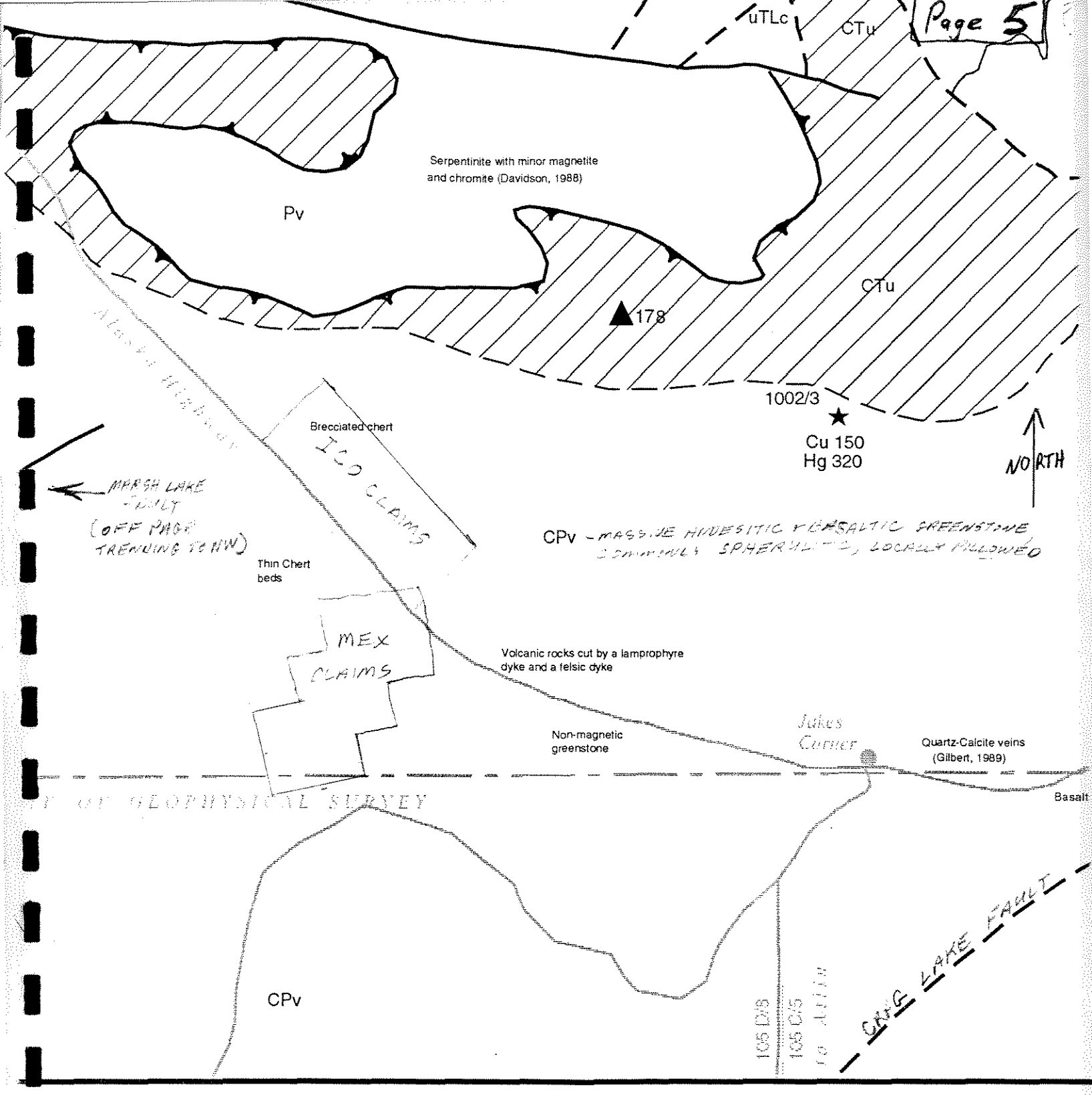
Magnetometer readings were taken at 5, 10 and 20 metre intervals with a Scintrex MF-2 fluxgate magnetometer. The instrument reads the vertical component of earth's magnetic field. Readings were taken to the nearest 10 gammas in short loops and corrected for diurnal. Each loop was subsequently corrected to adjacent loops throughout the survey.

The magnetometer survey was tied into and corrected to the previous survey done by Graham Davidson in 1990.

ECONOMIC GEOLOGY

Rock types within the survey area are in the Cache Creek Group. These are grouped as (CPv) massive andesitic and basaltic greenstone, commonly spherulitic, and locally pillowed, as seen on the "Geology of the Jakes Corner Geophysical Survey Area" map on page 5. Volcanic rocks cut by a lamprophyre and a felsic dyke, thin chert beds and brecciated chert are some of the rock types to be found in or near the claim group.

Potential mineral deposit types, as outlined in "Geology of Jakes Corner Geophysical Survey Area, Southern Yukon" open file 1995-7(G) by J.A. Hunt, C.J.R. Hart and S.P. Gordey, are:



GEOLOGY OF THE
JAKES CORNER GEOPHYSICAL SURVEY AREA

SCALE 1:50 000

Miles 1 0 1 2 3 Miles

Metres 1000 0 1000 2000 3000 4000 Metres

"(1) ultramafic-associated nickel-copper sulphide deposits, (2) chromite deposits, (3) volcanogenic massive sulphide deposits, (4) gold in listwaenite-hosted quartz veins, (5) structurally controlled epithermal vein deposits, (6) asbestos deposits and (7) skarn/replacement deposits in limestone."

Many of the above may show up as a ground geophysical signature as a mag contrast on a contact; alternatively, they may be indirectly indicated by a conductor as a related fault or shear gouge, or directly as massive sulfides. With this in mind, the "Airborne EM and Mag Survey, Jakes Corner Prospect D.I.A.N.A. Open File 1994-10(G)" shows a couple of anomalies (conductors) located roughly on the MEX 6 claim. These were followed up on the ground with L4700N and TL3900E.

RESULTS

The VLF results are plotted as profiles on the plan view contained in a map in the pocket. The location of the VLF conductor axes have been transferred to the "Magnetometer Plan and VLF Composite", contained in the pocket, in order to ease interpretation with regard to mag and VLF correlation.

INTERPRETATION AND CONCLUSIONS

The main conductor axes have been labelled A, B, C, D, E, F and G (starting from the top, and working down - not in order of priority) and have been transferred to the Mag Plan and VLF Composite (in pocket). The station where the conductor axis crosses the grid line is marked on the map with a small arrow (e.g. 4520E ⇝). Consequently, the accurate location of the conductor axis can be picked off the map and will not be repeated here.

Conductors A, D and E are all relatively strong conductors with associated mag contrasts and should be prospected and/or geochemed. Conductor E is probably shallow; however A and D might be deep. Conductors B, C, F and G are either weaker and/or have less associated magnetic contrasts. Since conductors B and C are on a side slope where the overburden is considered to be fairly shallow, they should be prospected further and/or geochemed. Conductors F and G are probably in areas of deeper overburden where possibly deep trenches or, certainly, drilling would be the best way to investigate them.

Conductor G best approximates the location (U.T.M.550940E, 6689700N) of the one quarter channel (^{B}, ^{H}) bedrock anomaly located during the aforementioned airborne survey. This anomaly could be significant since airborne filtering indicates that it is a bedrock anomaly.

Mag lows such as those seen on lines 4700N and 4900N, located southwest of the baseline (5000E), should be investigated. Mag lows could represent listwaenite occurrences.

RECOMMENDATIONS

1. The entire property should be prospected, with emphasis on covering the geophysical anomalies discussed in the previous section.

2. Dependent on the above, any one or combination of geochem sampling, trenching, drilling or expanding the geophysics could commence.

STATEMENT OF QUALIFICATION

I, **GARY C. LEE**, of the City of Whitehorse, Yukon Territory, HEREBY CERTIFY that:

1. I am a self-employed Geological Engineer.

2. I am a graduate of the University of Toronto, Toronto, Ontario, with a degree in Applied Science - Geological Engineering (Mineral Exploration option).

3. I am a member of the Professional Engineering Associations of the Yukon, British Columbia, and Ontario.

4. I supervised and carried out the work described in this report.

Gary Lee

Gary C. Lee, P.Eng.

Date: May 1/95

MEX AND ICO QUARTZ CLAIMS

WHITEHORSE MINING DIVISION

VALUE OF ASSESSMENT WORK

FIELD

Engineer: 10 days @ $285/day	$2,850
Assistant: 10 days @ $225/day	$2,250
Mag and VLF rental: 7 days @ $50/day	$ 350
Supplies	$ 175
Truck rental: 10 days @ $125/day	$1,250
Snowmobiles: 10 days @ $100/day	$1,000

REPORT

Data reduction, plotting, contouring and report writing	$ 750
Typing	$ 60
Report reproduction	$ 85
	$8,770


MEX & ICO
CLAIM GROUP
EM-16 V.L.F SURVEY
DATE MAR-MAY 1995
REVISED
DRAWN BY: G.L.
CLAIM NOS:
MEX 1-4 YB 46669-46672
MEX 5-7 YB 46677-46679
ICO 1-10 YB46750-46759
MEX 8-10 YB57515-57517
WHITEHORSE MINING DISTRICT
MAP: 105 D 8
INSTR - GEONICS EM-16
003285 DWG②
ROADS
CLAIM POSTS
CLAIM LINE
CLAIM BOUNDARY
LINES (FLAGGED AT 20m STATIONS) WITH VLF RDGS TAKEN AT 10m INTERVALS
(4950E)
4900E
VLF
IN PHASE
QUAD
-20% -10% +10% +20%
(+ve TO RIGHT OF LINE)
STRONG OR SHARP
CONDUCTOR AXIS (VLF)
WEAK OR BROAD
POWER LINE
SCALE 1:2000
0 50 100 METRES
NORTH
MAG. NORTH
28°
SEATLE WASH
HAWAII
RDG. DIRECTION
ALASKA HIGHWAY
WHITEHORSE
JAKE'S CORNER 5KM
PIPELINE CORRIDOR & BL 5000E
BRG. 315°
BL 5000E & PIPELINE CORRIDOR
TL5760E
TL5760N & CLAIM LINE
BRG. 335°
TL 4600E
TL 3900E
POND
FENCE
CHAINAGE ERROR 5960E = 6980E
L5400N
L5300N
5200N
L5100N
L5000N
L4900N
L4800N
L4760N
L4700N
4600N
L4500N
L4400N
L4300N
L4200N
L4450N
6100E
6000E
5900E
5800E
5760E
5700E
5600E
5500E
5400E
5300E
5200E
5100E
4900E
4800E
4700E
4600E
4500E
4400E
4300E
4200E
4100E
4000E
3800E
3700E
3600E
A
B
C
D
E
F
G
MEX 1
MEX 2
MEX 3
MEX 4
MEX 5
MEX 6
MEX 7
MEX 8 (YB57515)
MEX 9 (YB57516)
MEX 10 (YB57517)


MEX & ICO
CLAIM GROUP
MAGNETOMETER PLAN
AND V.L.F. COMPOSIT
DATE: MAR-MAY 1995
REVISED
DRAWN BY: G.L.
CLAIM NOS:
MEX 1-4 YB46669-46672
MEX 5-7 YB46677-46679
ICO 1-10 YB46750-46759
MEX 8-10 YB57515-57517
MINING DISTRICT
WHITEHORSE
MAP: 105 D 8
INSTR: SCINTREX MF-2
FLUXGATE MAG.
ROADS
CLAIM LINE
CLAIM BOUNDARY
LINES (FLAGGED AT 20m STATIONS) WITH MAG. RDGS. IN GAMMAS
MAG. HIGHS
MAG LOWS
STRONG &/OR SHARP
CONDUCTOR AXIS (VLF)
(LOCATION OF CONDUCTOR AXIS)
WEAK &/OR BROAD
POWER LINE
METRES
SCALE 1:2000
NORTH
MAG NORTH
28°
ALASKA HIGHWAY
WHITEHORSE
JAKE'S CORNER 5KM
PIPELINE CORRIDOR + B.L. 5000E
BRG 315°
B.L. 5000E + PIPELINE CORRIDOR
TL 5760N + CLAIM LINE
CLAIM POSTS
TL 5760E
BRG. 335°
TL 4600E
TL 3900E
POND
FENCE
A
B
C
D
E
F
G
L5400N
L5300N
L5200N
L5100N
L5000N
L4900N
L4800N
L4760N
L4700N
L4600N
L4500N
L4400N
L4300N
L4200N
6100E
6000E
5900E
5800E
5760E
5700E
5600E
5500E
5400E
5300E
5200E
5100E
4900E
4800E
4700E
4600E
4500E
4400E
4300E
4200E
4100E
4000E
3900E
3800E
3700E
3600E
MEX 1 YB46669
MEX 2 YB46670
MEX 3 YB46671
MEX 4 YB46672
MEX 5 YB46677
MEX 6 YB46678
MEX 7 YB46679
MEX 8 (YB57515)
MEX 9 (YB57516)
MEX 10 (YB57517)
ICO 1 YB46750
ICO 2 YB46751
ICO 3 YB46752
ICO 4 YB46753
CHAINAGE ERROR 5960E = 5980E
TAPOO @ 5255N

093285

DWG 1