DODGEX LTD.

MIDAS PROPERTY

Claims: Midas 1-6 and
Midas 13, 15, 17, 25, and 27

1996 SUMMARY REPORT

GEOCHEMICAL AND MAGNETOMETER SURVEY

093540

Prepared by:
James S. Dodge, MSc. P.Eng.

Watson Lake Mining District
Claim Map 105 G/12 Starr Creek
61°42' N Latitude / 131°44' W Longitude

June - October, 1996

SUMMARY

Dodgex Ltd. holds the Midas property 105 G/12 comprising eleven contiguous claims near the Hoole River 52 km southeast of the town of Ross River, southern Yukon.

The property encompasses a largely drift-covered bedrock area where in 1994 and 1995 gold/copper and high grade stratiform zinc float has been found, and where anomalously high gold/copper/arsenic values have been obtained from nine, deep, top-of-till, -200 mish samples in 1995.

This report presents results from follow-up till sampling in 11 newly dug test pits, a test magnetometer survey, and line cutting conducted in 1996.

Recommendations are made for an electromagnetic survey to define a possible lineament conductor parallel to the ENE-trending Hoolio Creek tributary of the Hoole River.

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ILLUSTRATIONS

1.0 Introduction

1.1 Location and Access

The Midas property comprises 11 contiguous quartz claims in southern Yukon held by Dodgex Ltd. of Whitehorse.

The claims are situated approximately 52 km southeast of the town of Ross River (Figure 1) with the centre of the property at 61°43' north latitude and 131°44' west longitude on the 105 G/12 claim sheet.

Access to the property is by 1/2 km of foot trail beyond the end of a 1.5 km bulldozed track from the end of a 4x4 pioneer road extending 5 km south from the Campbell Highway at a point 63 km southeast of the town of Ross River and 200 meters west of the Hoole River bridge.

Trans North Air helicopter based at Ross River can also provide access to the property.

1.2 Terrain

Midas claims cover both glaciofluvial terrace deposits near the Hoole River, and morainal till blanket deposits on the higher slopes southwest of the river. Bedrock exposures comprise less than 5 percent of the claim area, with most outcrops found within the terrace deposit domain near the Hoole River.

Elevations on the property range 900-990 meters above mean sea level.

Vegetation cover comprises mixed stands of mature spruce and aspen along the Hoole River; patchy open mixes of spruce, alder, muskeg dominate at higher elevations.

Permafrost is present discontinuously and commonly below the post-glacial solum which ranges 0.5-1.0 meter in thickness.

1.3 Claim Ownership

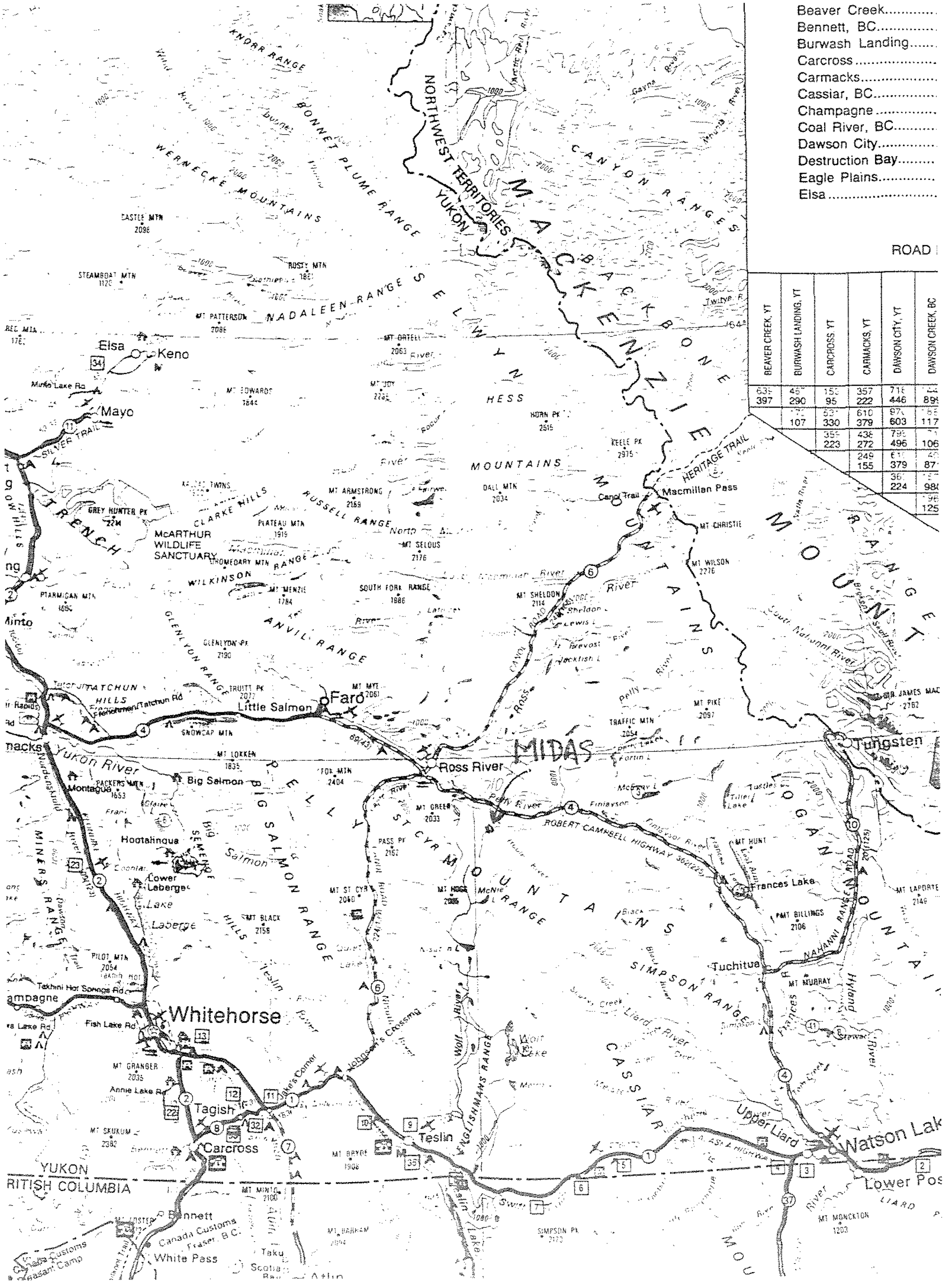
The Midas property, located in the Watson Lake Mining District, comprises eleven contiguous quartz claims as of 01 November, 1996, namely Midas 1-6, 13, 15, 17, 25, and 27. Midas claims 7-12, 14, 16, 18-24, 26, 28, and 29 of the original staking in October, 1994 are not (have not been) renewed.

Dodgex Ltd. of 14 MacDonald Road, Whitehorse, Yukon Y1A 4L2 is the registered owner of all the Midas claims. The expiry date for the claims is 30 October, 1996.

1.4 Personnel/Work Schedule

Field work in geochemical sampling, magnetometer test survey, and line cutting was conducted by James S. Dodge, P.Eng., Mining Geologist, during 03-06 October, 1996. Sieving of eleven geochemical till sediment samples to -200 mesh was carried out by James S. Dodge at the Northern Analytical Laboratory in Whitehorse on 15 October, 1996.

Office preparation of this report of findings took place from time to time during mid-October to early November, 1996.



Beaver Creek..........
Bennett, BC..........
Burwash Landing......
Carcross..........
Carmacks..........
Cassiar, BC..........
Champagne..........
Coal River, BC..........
Dawson City..........
Destruction Bay........
Eagle Plains..........
Elsa..........

ROAD

BEAVER CREEK, YT	BURWASH LANDING, YT	CARCROSS, YT	CARMACKS, YT	DAWSON CITY, YT	DAWSON CREEK, BC
639 397	467 290	153 95	357 222	718 446	[illegible] 89
	172 107	531 330	610 379	970 603	[illegible] 117
		359 223	438 272	798 496	[illegible] 106
			249 155	610 379	[illegible] 87
				361 224	[illegible] 98
					[illegible] 125

2.0 Geology

2.1 Introduction

Cobble-by-cobble detailed till prospecting was continued along the left bank of the Hoole River on Midas claims #1, 3 and 5 in the search for additional boulders of the exceptional stratiform sphalerite-rich metaquartzite boulder found on Midas #1 claim late in 1994 - one of the key discoveries leading to staking of the Midas claim group.

Deep-pit geochemical sampling of the top-of-till horiaon extended the 1995 sampling plan. A magnetometer survey was carried out across the Hoolio Creek lineament.

2.2 Regional Geology

The Midas claims are situated in the Nisutlin allochton 10 km northeast of the Tintina strike-slip geosuture fault zone displayed at the western border of the Finlayson Lake geological map NTS 105 G (Templeman-Kluit, 1977).

The Nisutlin Phanerozoic allochton in the broad area of the Midas property comprises dominantly Cambrian (?) muscovite chlorite quarta phyllite, limestone, and amphibolite with prominent shearing both parallel to the northwesterly trending Tintina fault and to its splays which host Cretaceous-Tertiary feldspar quartz porphyry plugs. Several small areas of Tertiary basalt, both olivine and non-olivine bearing, outcrop in the Hoole River and Starr Creek drainages.

2.3 Midas Claims Geology

Glacial till and post-glacial solum effectively conceal bedrock over 95% of the area underlying the Midas claims. Bedrock exposures on Midas claims 1, 3, 5, 7, 10 and 11 reveal a stratigraphic triad comprising a basal chlorite schist, overlain by thin bedded limestone, and an upper sericite quarta chlorite schist. Open folds and foliation/bedding inclinations of 10^{o}-25^{o} westerly characterize all three units. A Cambrian age is tentatively assigned to the triad.

Basal chlorite schist is exposed only along the shoreline of the Hoole River on Midas 5 and 7, and on Midas 11 claim where stratigraphically only 10 meters of its upper portion of overall thickness is exposed.

The thin-bedded, buff weathering, grey limestone is well exposed in cliffs along the glaciofluvial terraces near the Hoole River on Midas 1,3,7, and 11 claims. Including the upper and lower contacts, which incorporate calcareous facies in the bounding schists, the extimated minimum thickness of the limestone is 25 meters.

The upper chlorite quarta phyllite and interfoliated chlorite muscovite quartz schist are exposed on an isolated hillock on Midas 10 and on knolls near the southeastern corner of Midas 11 claim.

2.4 Midas Claims Mineralization

No bedrock mineralization has been found to date on the Midas property.

Detailed prospecting of glaciofluvial terrace cliff exposures and river banks on Midas 1,3,5,7,9, and 11 was carried out in 1996 in the further search for evidence of mineralization and alteration (carbonitization) in till derived from an up-ice bedrock direction, i.e., 120^{o}-130^{o} Azimuth.

Numerous cobbles and small boulders of milky white, fine grained quartz, with sheeted pyrite/chalcopyrite/chlorite were found along the Hoole River on Midas #1 claim. Assays of up to 1378 ppb gold and 1.68% copper were obtained in 1995 from select boulders. Orange weathering silicified ankerite boulders, with minor pyrite and occasionally mariposite, were prominent constituents of the till. One 0.5 meter boulder on Midas #1 claim comprised striking, dun-weathering, stratiform, syngenetic sphalerite in calcareous metaquartzite which assayed 12%-16% zinc.

3.0 Geochemical Till Sampling

3.1 Introduction

Investigative geochemical till sampling was undertaken as a follow-up to the initial sampling conducted during 1995 in which 5 out of 9 samples carried above-background gold values.

The 1995 sample Line #1 was extended westerly to the 170m site and another sample Line #2 was cut parallel to and 20 meters south of Line #1 extending from 30m East to 170m West. Sample sites were marked at 20meter intervals on the lines.

This sampling pattern was laid out (a) up-ice from boulders of auriferous chalcopyrite-quarta-chlorite bulldozed out of glaciofluvial till on the adjoining Eldorado claims 400 meters to the north, and (b) laterally onto a glaciofluvial terrace 75-200 meters west of the cluster of auriferous quartz-pyrite-chalcopyrite bearing till boulders found along the Hoole River.

3.2 Sampling Procedures

Sampling procedures followed till sampling concepts and procedures outlined by Plouffe and Jackson (1995) and Shilts (1984).

The 1996 survey extended the 1995 preliminary survey which comprised an east-west trending "fence" or line (Line #1) was laid out and on which nine sample sites were flagged at 20 meter intervals.

A grubhoe and shovel were used to dig through the A/B/C soil horizons and bottomed in the top of the glaciofluvial silt/sand/gravel horizon. Depths through post-glacial solum ranged 0.5 to 1.5 meters. Permafrost was encountered at only one sample station - on Line #2 @ 90 meters West.

A long handled shovel was used to bring up damp samples averaging 5 kg weight per site. Sieving was by hand at the site with the -2.0mm fraction bagged for laboratory sieving and analysis in Whitehorse. Each of the sieved samples weighed approximately 1 kg.

Field examination of coarse fractions identified chlorite schist, sericite feldspar quartz gneiss, sericite quartz schist, listwaenite, limestone and basalt - not in the above order of statistical dominance.

3.3 Laboratory Sample Preparation

Laboratory preparation of each of the eleven samples at the Northern Analytical laboratory in Whitehorse, Yukon comprised drying by NAL and then mechanical sieving by James S. Dodge, P.Eng. to obtain the -200 mesh fraction of largely silt and clay compositon for analysis. Average weight of the fine fraction for each sample was approximately 25-30 grams.

The -200 mesh size range was chosen because . . . "the greatest concentration of most metals occur in the clay fraction because: phyllosilicates, which preferentially occur in the clay size fraction, have a primary metal enrichment within their structure, and metals, released by weathering of labile minerals, are scavenged by colloidal particles such as clay minerals, oxides, and hydroxides" (Plouffe/Jackson/Shilts). Moreover, gold is preferentially enriched in fine fractions of oxidized till (DeLabio, 1985).

10-gram, -200 mesh samples were analyzed for gold by atomic absorption at Northern Analytical laboratory. No sample splits were sent for ICP analysis because the 1995 ICP results, although anomalously high in copper and arsenic, did not indicate a direct correlation with the several anomalously high gold assays. It was planned to send splits later for ICP, but only for those samples which gave high gold values.

3.4 Sampling Results

Results shown on NAL certificate WO#07125, dated 29/10/96, indicate a relatively close range of gold values averaging 12.7 ppb. As outlined by Plouffe and Jackson (1995) in their till sampling in the allochtonous terrane encompassing the Midas property area, background values of 5-7 ppb gold was indicated. In this context, the suite of 11 samples may be considered to represent a broad zone (200 meters wide) of nearly twice background values in gold with three samples from the 1995 Line #1 (30,65,108 ppb) being highly anomalous.

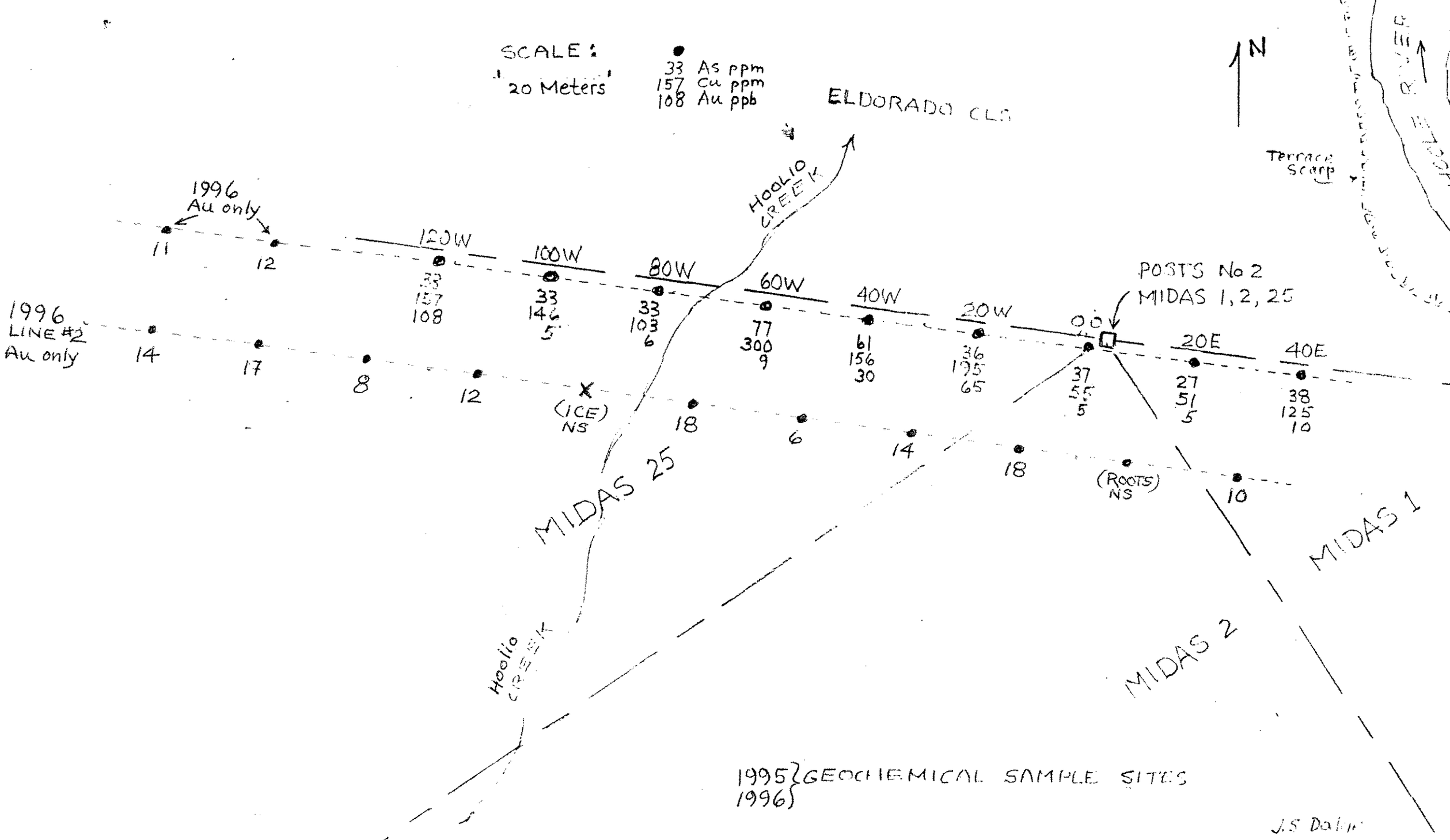

SCALE:
20 Meters
33 As ppm
157 Cu ppm
108 Au ppb
N
ELDORADO CLS
Terrace Scarp
HOOLIO CREEK
1996 Au only
11
12
120W
100W
80W
60W
40W
20W
00
20E
40E
POSTS No 2
MIDAS 1, 2, 25
1996 LINE #2 Au only
14
17
8
12
(ICE) NS
18
6
14
18
(ROOTS) NS
10
33 157 108
33 146 5
33 103 6
77 300 9
61 156 30
36 195 65
37 55 5
27 51 5
38 125 10
MIDAS 25
MIDAS 1
MIDAS 2
Hoolio CREEK
1995 } GEOCHEMICAL SAMPLE SITES
1996 }
J.S Dahn

PHOTO 1 Hand dug pit at Line #2-10mWest Axe handle in pit illustrates depth to base of solum and top of glacial till sample site. Looking west along cut line.

PHOTO 2 Hand dug sample pit at Line#2 on steep slope west of Hollio Creek on Midas #25 claim.

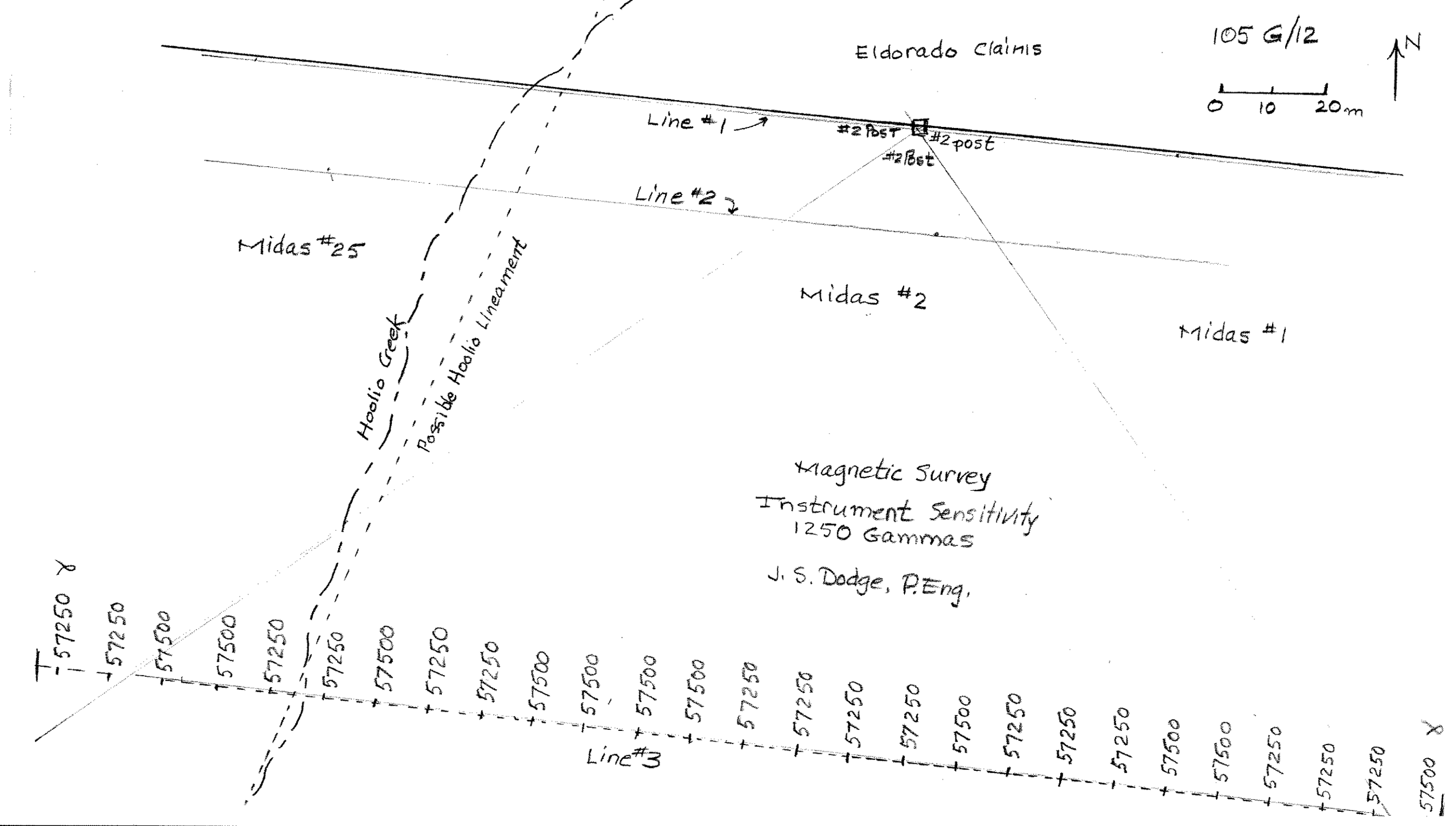
4.0 Magnetometer Test Survey

A test Line #3 was cut parallel to and 100 meters south of sample Line #2 to serve as a line for a preliminary or test magnetometer survey. Purpose of the survey was to determine if the Hoolio Creek lineament offered a geomagnetic signature significant enough to indicate that a detailed magnetometer survey of the claim block could be a definitive geophysical exploration method.

A hand-held AEM Magnetometer, L.A.Levanto Oy, was used in the survey. Duplicate readings facing north were taken along Line #3 at stations each at 10 meter intervals over a total distance of 200 meters (Figure 4).

Results indicate that no anomalously high magnetic response was found throughout the test line. Thus, it now appears that the Hoolio Creek lineament does not exhibit a detectable magnetic anomaly.

PHOTO 3 Axe cutting of Line #3 parallel to, and 100 meters south of, Line #2 sample line. Site is boundary between Midas #2 claim (foreground) and Midas #25 claim ahead of backpack.


Eldorado Claims
105 G/12
N
0 10 20 m
Line #1
#2 Post
#2 post
#2 Post
Line #2
Midas #25
Midas #2
Midas #1
Hoolio Creek
Possible Hoolio Lineament
Magnetic Survey
Instrument Sensitivity
1250 Gammas
J. S. Dodge, P.Eng,
57250 γ
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57500
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57500 γ
Line #3

5.0 Conclusions

5.1 Mineralization

Very detailed till prospecting up-ice from the sites along the left bank of the Hoole River, eastern edge of Midas #1, #3, and #5 claims, failed to locate any additional cobbles or boulders similar to the high-grade stratiform sphalerite in metaquartzite assaying 12%-16% zinc.

Numerous cobble-sized milky drusy quartz with pyrite were found, but only two pebbles carried chalcopyrite - and, thereby, possibly gold.

5.2 Geochemical Sampling

Follow-up deep pit till sampling along a sampling "fence" at right angles to the up-ice direction, and parallel to the 1995 sampling, returned only uniformly weakly anomalous gold values.

5.3 Magnetometer Test Survey

No anomalously high or low geomagnetic occurrences were noted at survey stations in the vicinity of the Hoolio Creek lineament.

29/10/96 Assay Certificate Page 1

James Dodge WO#07125

Certified by _____

Sample #	Au ppb
L1 150W	12
L1 170W	11
L2 30E	10
L2 10W	18
L2 30W	14
L2 50W	6
L2 70W	18
L2 110W	12
L2 130W	8
L2 150W	17
L2 170W	14

6.0 Recommendations

6.1 Till Prospecting

No further prospecting on the Midas claims for gold/copper or zinc bedrock mineralization appears warranted, and none is recommended for 1997.

6.2 Geochemical Sampling

Given the low geologic potential now known for bedrock mineralization of gold/copper and zinc up-ice from the vicinity of Hoolio Creek, and still within the bounds of the Midas claim block, no further geochemical till sampling is recommended.

6.3 Geophysical Survey

Inasmuch as gold/copper/arsenic bedrock mineralization is exposed near the mouth of the Hoolio Creek tributary to the Hoole River on the Eldorado claims north of Midas #1 claim, a ground electromagnetic survey along Hoolio Creek lineament on Midas #3 and $25 claims is recommended, in order to determine if a conductor is present within the lineament on the Midas claims.

7.0 References

Bohike, J.K. and Kistler, R.W., 1986, Rb-Sr, K-Ar, and stable isotope evidene for the ages and sources of fluid compositions of gold-bearing quartz in the northern Sierra Nevada Foothills metamorphic belt, California: Economic Geology, v. 81, p.296-322.

Jackson, L.E.,Jr., 1993, Surficial geology, Hoole River, Yukon Territory: Geological Survey of Canada, Map 1794A.

Leitch, C.H.B., Godwin, C.I., Brown, T.H. and Taylor, B.E., 1991. Geochemistry of mineralizing fluids in the Bralorne-Pioneer mesothermal gold vein deposit, British Columbia, Canada: Economic Geology, v. 86, p. 318-353.

Plouffe, A. and Jackson, L.E.,Jr., 1995. Quaternary stratigraphy and till geochemistry in the Tintina Trench, near Faro and Ross River, Yukon Territory: Geological Survey of Canada, Contribution No. 34693.

Shilts, W.W., 1975. Principles of geochemical exploration for sulfide deposits using shallow samples of glacial drift Canadian Institute of Mining and Metallurgy, Bulletin, v. 68, p. 73-80.

Templeman-Kluit, D.J., 1977. Quiet Lake (105F) and Finlayson Lake (105G) Map Areas, Yukon: Geological Survey of Canada, Open File 486, (3 sheets) scale 1:250,000.

STATEMENT OF EXPENDITURES

Transportation		
Whitehorse to Hoole River return carried under YMIP expenditures		
Assays		
Northern Analytical Lab., Whitehorse. 11 till samples -200 mesh gold geochem Receipt #27542 21/10/96		$ 102.99
Field Subsistence		
03-06 October , 1996 4 days @ $12/day - evening meal in field		48.00
Labor		
Hand digging 11 pits for deep till sampling + field sieving to -2mm J.S.Dodge as laborer 03/04 October , 8 hrs @ $12/hr.	96.00	
Survey/sample line cutting 600m and flagging J.S.Dodge as laborer 05 October , 1996 4 hrs @ $12/hr	48.00	
Geophysical/magnetometer readings @ 10m intervals J.S.Dodge as Prof. Engr. 4 hrs. @$50/hr	200.00	
Mechanical sieving at NAL lab 11 field samples sieved to -200 mesh & weighing J.S.Dodge as Prof. Engr. 0.5day @$400/day	200.00	544.00
Office		
Data compilation, drafting, report preparation 24-31 Oct J.S.Dodge P.Eng. 2 days @$200/d		400.00
Office supplies, photography, flagging, sample bags		26.00
TOTAL 1996 Expenditures . .		$ 1,120.99

INVOICE

NORTHERN ANALYTICAL LABORATORIES LTD.
105 COPPER ROAD
WHITEHORSE, YUKON Y1A 2Z7
403-668-4968
GST REG #R121285672

TAX REG. NO.

SOLD TO JAMES DODGE

SHIP TO

ADDRESS VIA

OUR NUMBER	27542
DATE	OCT 21/96
CUSTOMER'S ORDER	
SALESMAN	
TERMS	
F.O.B.	

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	ASSAYS WO#07125		96 25
	7% GST		6 74
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			PAID CASH

BLUELINE · DC 32

STATEMENT OF QUALIFICATIONS

I, James S. Dodge, of 14 MacDonald Road, Whitehorse, Yukon Canada submit the following information which establishes some of my qualifications bearing on the necessary level of competence required to carry out the field work and preparation of this preliminary report on the MIDAS quartz claims in the Yukon.

Education

Missouri School of Mines, B.S. Mining Engineering, 1941
Princeton University, Field Geology, 1940
Stanford University, M.S. Economic Geology, 1951
Albert Ludwigs Universitaet (Germany), Economic Geology, 1952

Experience

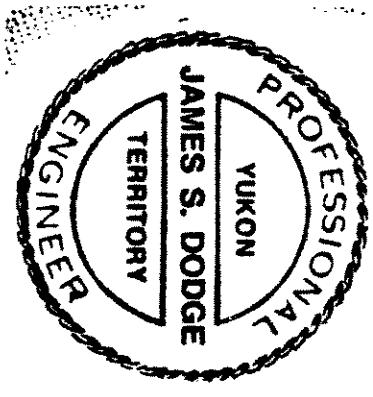
Active in mineral industry since 1941 (including U.S.Army engineers) in North and South America, Asia and Africa as prospector, company geologist, mining engineer, mine operator, and consultant in ferrous and non-ferrous metals and in industrial minerals. Among the many organizations which I have been associated as an employee and consultant:

Anaconda, Esso, Mitsui, USAEC, Ventures, DIAND, SCAP-Japan, Atlas, Glidden, Spartan/Nuspar, Hirst-Chichagof, Floyd Odlum, Yukon Barite and numerous small mining ventures.

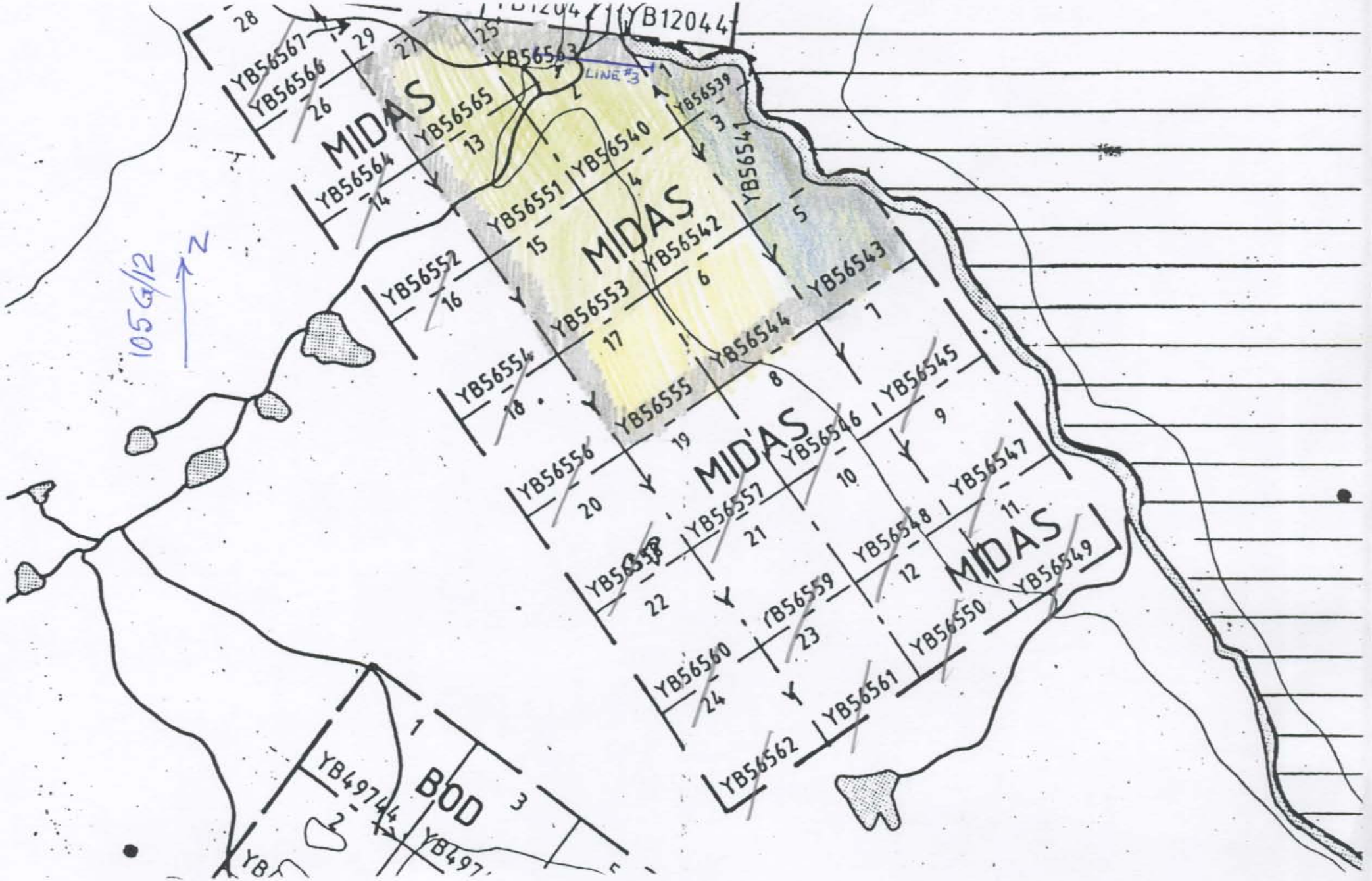
Experience in vein-type gold mines in Colorado (South London) and Alaska (Hirst-Chichagof) is specifically applicable to evaluation of the MIDAS property.

Professional Affiliations

Registered Professional Engineer (No. 311) by Association of Professional Engineers of the Yukon Territory
Senior Fellow of the Society of Economic Geologists
Senior Member of Society of Mining, Metallurgy and Exploration



James S. Dodge, P.Eng.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