

**REPORT ON A GEOLOGICAL SURVEY ON THE
CANOL GROUP OF CLAIMS, GRASS LAKES AREA
WATSON LAKE MINING DISTRICT
YUKON TERRITORY, CANADA**

for

Minfocus International Inc.



NTS 105/G7

Joseph T. Arengi, P. Geo. FGAC
Consulting Geologist
P.O. Box 39014
James Bay Postal Outlet
Victoria, B.C. V8V 4X8

093530

G. Harper, Ph. D., P. Eng.
GAMAH INTERNATIONAL LIMITED
Suite 707, 1243 Islington Avenue
Toronto, Canada, M8X 1Y9
October 1996

This report has been examined by
the State Geological Unit
under the direction of the State Geologist
and the State Geologist has
represented that the amount
of \$ 81,203.03.

m. b. h.

for Richard M. ... and
Commissioner
of ...

GAMAH INTERNATIONAL LIMITED

TABLE OF CONTENTS

Section		Page
1	Summary	1
2	Introduction	1
3	Property and Location	1
4	Previous Work	2
5	Summary of Work Completed in 1996 Program	3
6	Geology	
	6.1 Regional	3
	6.2 Property	4
7	Conclusions	6
8	Statement of Qualifications of Joseph Arengi	7
	Statement of Qualifications of Gerald Harper	8
9	Personnel and Contractors Employed	9
10	Statement of Costs	10
11	References	11

Figures

- Figure 1: General Location of Canol Claims in the Finlayson Lake Area, Yukon
- Figure 2: Canol Claims Plan, extracted from Claim Map 105/G7
- Figure 3: Regional Geology of the Wolverine Lake area, Yukon
- Figure 4: Geology of the Canol Claims
- Figure 5: Geology of the Detailed Grid at Canol Claims

Tables

- Table 1: Summary of Canol Claims Information
- Table 2: Summary of Rock Grab Samples from Canol Claims

GAMAH INTERNATIONAL LIMITED

1 SUMMARY

Recent exploration in the Yukon has resulted in the discovery of several significant massive sulphide deposits in the Yukon-Tanana Terrane (YTT) of southeast Yukon. The Canol claims are underlain by allochthonous Klondike Schist regionally correlative with those which host Cominco's Kudz Ze Kayah deposit 20 km to the east. Mapping at the claims has shown that granitic intrusives occur on the south portion of the claims and interbedded gneisses and schists occur to the north. Interbedded massive amphibolite gneiss and quartzite dominate the lower lithostratigraphic section and interbedded gneiss and schist are more abundant up section. Both base and precious metal mineralization occur on the claims. The former consists of massive pyrrhotite and pyrite with some chalcopyrite and sphalerite which occur in a small skarn zone along the granite contact. Pyrite, pyrrhotite and minor chalcopyrite also occur as lenses and disseminations within the gneisses and schists. In particular, anomalous copper values occur in large boulders near the toe of a landslide. The host rocks for this mineralization are tentatively correlated with sulphide-bearing amphibolite gneiss units identified upslope. Anomalous gold values occur in an area of quartz veining adjacent to the granite as well as at the skarn zone. Economically significant values were obtained from epidosite in a subcrop of a brecciated quartz-carbonate vein. Detailed mapping has not located a source or continuation of this unit. Detailed sampling of the veins returned subeconomic gold values. Mapping, prospecting, rock chip sampling and geophysical surveys are warranted on the newly acquired claims as well as in areas which were not covered during the 1996 program.

2 INTRODUCTION

A summer exploration program was carried out at the CANOL claim group following a brief reconnaissance visit by Dr. Adrian Mann in October 1995 (Mann, 1995). The decision to proceed with this program was based on the presence of favorable geology, indications of base metal and precious metal mineralization and similarities with recently discovered massive sulphide mineralization by Cominco at Kudz Ze Kayah and Atna-Westmin at Wolverine Lake. The former is located 20 km east of the Canol claims and reportedly occurs in a volcanic sequence comprising felsic pyroclastics, aphanitic massive rhyolite, metasiliclastics and biotite-chlorite-calcite schist. The Wolverine Lake discovery is 40 km east and but occurs in a different stratigraphic setting. This report describes the results of the geological survey carried out during the 1996 exploration program and provides recommendations for further work.

All of the field work was helicopter supported and originated at the field camp located along the north side of Finlayson Creek, 2 km south of Finlayson Lake at km 230 (as measured from the town of Watson Lake) on the Robert Campbell Highway. Expediting services were based in Watson Lake which is serviced by airport and connected by paved road to Fort Nelson, B.C. (520 km southeast) and Whitehorse, Y.T. (450 km west). The mining recorder for the Watson Lake Mining Division is based in Watson Lake.

3 PROPERTY AND LOCATION

The field exploration program was carried out by Gamah International Ltd. on the claim group on behalf of Minfocus International Inc. The CANOL claim group consists of 72 contiguous claims numbered 1 to 8, 13 to 22, 35, 36, 38 to 40, 42 to 71, 73, 75 to 81, and 100 to 110 (Figures 1 and 2). Claims numbered 69 or higher were staked during the 1996 field exploration program and recorded on August 5, 1996 with the exception of claims 80 and 81 which were recorded on August 20, 1996.

The claim group is located in the Grass Lakes area of the Pelly Mountains, 35 km southwest of the Robert Campbell Highway at Finlayson Lake and within the Watson Lake Mining Division. Access to the claims is most readily gained via helicopter available at either Ross River or Watson Lake. Alternatively, fixed wing aircraft can land on the westernmost of the Grass Lakes which lies along the west boundary of the claim group. See Figures 1 and 2. The

GAMAH INTERNATIONAL LIMITED

topography in the area of the claims is steep and rugged and evidence of mass wasting is common. A landslide has occurred within the claims in the recent past.

Summary details of the CANOL claims are provided in Table 1. Claims 1 to 8, 13 to 22, 35, 36, 38 to 40, and 42 to 46 are registered in the name of KRL Resources Corporation and the remainder are registered in the name of Minfocus International Inc.

4 PREVIOUS WORK

Between the 1970's and 1994 no significant new base metal mineral deposits had been located in Yukon, and only a very small number of gold deposits, none of which has yet reached production, have been discovered. This poor showing of exploration success is attributed, in part, to the thick covering of unconsolidated sediments which have accumulated resulting in subdued topography. Much of the terrain escaped Pleistocene glaciation, and much of the accumulated sediments have not been removed, with the result that there is <1% outcrop by area across much of the terrain, and surface weathering commonly extends to depths >75 m (Johnston and Mortensen, 1994). Weathering has, in many cases, removed all obvious signs of mineralization, and has resulted in the dispersion of soluble metals near the surface. For these reasons, grass-roots prospecting and soil geochemical surveys have met with limited success.

The only mining activity occurring in the areas of interest during the last decade is the Sa Dena Hes property (previously owned by Curragh Resources and Hillsborough Resources and now a joint venture between Teck Corporation and Korea Zinc Company), 70 km from Watson Lake, which was previously an underground zinc mine that closed in December 1992 after only 17 months of operation due to low zinc prices. North of the Wolverine Lakes area is the Faro lead-zinc mine which has operated intermittently for more than 20 years. Lead and zinc production at Faro dominates Yukon's overall mineral production.

Recent discoveries by Cominco Limited and Westmin Resources Limited have substantially increased interest in the area (Figure 1). Approximately 200 km northwest of Watson Lake (and 20 km southwest of Finlayson Lake) in the Wolverine Lake area, Cominco Limited discovered a massive base metal sulphide (in 1994), known as the Kudz Ze Kayah (Caribou Country) deposit, which contains important precious metal values. Reserves are estimated to be 14.3 million tonnes, with average grades of 1% Cu, 5.5% Zn, 1.3% Pb, 1.2 g/t Au and 125 g/t Ag (Danielson, 1995). The orebody is 700 m east-west, 350 m north-south, and up to 39 m thick, truncated at the east end by a recent fault.

Located 20 km east of Kudz Ze Kayah deposit, Westmin Resources Limited and Atna Resources Limited are drill defining a massive sulphide deposit, known as the Wolverine Zone, which they discovered in the summer of 1995. It has estimated reserves of 8.4 million tonnes grading 0.56% Cu, 14.22% Zn, 3.45% Pb, 7.62 g/t Au, and 1,349 g/t Ag (Mar-West Resources Ltd news release, 16 Oct 95) and is open to expansion. In addition to the Wolverine Zone, Atna has been exploring other claims in the area (Anonymous, 30 Oct 95):

- Argus (located 50 km west of Kudz Ze Kayah) yielding grab samples assaying up to 6.9% Zn, 10.4% Pb, and 277.7 ppm Ag;
- Money (6 km east of the Wolverine zone) with grab samples assaying up to 1.1% Cu, 34.3 ppm Ag, and 220 ppb Au in one zone, and up to 3.3% Cu and 460 ppb Au in another; and
- Wolf-Lynx (50 km southwest of Kudz Ze Kayah) with Zn, Cu and Pb values recovered from chip samples along a 4 km-long belt of rocks.

Other companies with property interests in the Wolverine Lake area, which as been the scene of a staking rush since the fall of 1995, include Expatriate Resources Limited, Mar-West Resources Limited, Oro Brava Resources Limited, Columbia Gold Mines Ltd. and Minfocus International Inc.

GAMAH INTERNATIONAL LIMITED

Expatriate Resources Limited has 2,288 claims in 20 properties (Robertson, 1995) and they are all subject to a financing agreement with Westmin whereby Westmin may take control of Expatriate. During the 1996 field season a copper discovery was announced by Expatriate on the Ice claim group and diamond drilling is ongoing.

Mar-West Resources Limited has interests in the 58-claim Eldorado Property, located within the interlayered mafic and felsic metavolcanic rocks of the Yukon-Tanana formation (the same geological unit that hosts Cominco's Kudze Kayah deposit).

Oro Brava Resources Limited acquired two claim blocks (BID and MAT), located in the Pelly Mountain Massive Sulphide District which covers prospective volcanogenic massive sulphide targets. BID consists of twelve mineral claims. The anomaly measures 730 by 300 m and remains open to the north or upslope direction, occupying a sequence of Upper Devonian-Mississippian felsic lapilli tuffs. MAT consists of 28 mineral claims underlain by a package of felsic volcanic rocks which are Devonian-Mississippian in age (Mar-West Resources Ltd. news release, 16 Oct 95).

Columbia Gold Mines Ltd. was drilling the previously explored Kona polymetallic volcanogenic massive sulphide deposit at Fyre Lake near the Tintina Trench, south of Cominco's discovery. The drilling has led to the discovery of additional massive sulphide mineralization in other lenses.

Minfocus has staked and optioned several blocks of claims in Finlayson Lake area. The Watson Lake area was identified by Minfocus in 1994 as having similar geology to that of the Wolverine Lake area. Minfocus research identified indication of massive sulphide mineralization recorded in old exploration documents and initiated a program of claim staking and optioning.

The CANOL claims and nearby area were first staked in 1954 and a ground magnetometer survey was carried out in 1955. The area was restaked in 1966 by North Lake Mines Ltd. and an airborne electromagnetic and magnetic survey was completed. In addition, North Lake Mines also carried out a small soil sampling survey presumably located in the vicinity of skarn mineralization on the eastern slope of the claims where there is evidence of trenching. The area was restaked in 1994 by Alex McMillan and optioned to KRL Resources Corporation (Livgard, 1996).

5 SUMMARY OF WORK COMPLETED IN 1996 PROGRAM

The field work was carried out intermittently during the period from July 11 to August 15, 1996 and consisted of linecutting, reconnaissance and detailed VLF-EM and magnetometer surveys, geological mapping and rock geochemical sampling. All surveys were carried out over flag and compass lines established at 200 to 300m spacing on the reconnaissance grid and 50m spacing on detailed grids. The lines were oriented approximately perpendicular to regional strike and individual stations were established at 25m intervals. The total length of lines blazed, flagged and chained was 8,525m which includes 3,300m of detailed grids.

6 GEOLOGY

6.1 Regional Geology

The Finlayson Lake area, including the subject claims, are underlain by rocks of the transposed Yukon-Tanana Terrane (YTT) within the Omenica Belt of the northern Canadian Cordillera. The north and east boundaries of the YTT is marked by the leading edge of a shallow dipping thrust fault which separates it from the Selwyn Basin in the North American craton. The Tintina Fault forms the west and south boundaries of the YTT with the Cassiar Platform.

GAMAH INTERNATIONAL LIMITED

Templeman-Kluit (1979) describes the rocks of the YTT as cataclasites, ophiolites and granodiorites which collectively occur along an arc-continent collision suture. Such an interpretation is supported by the presence of high pressure-temperature rocks such as eclogite and blueschist along the leading edge of the allochthonous terrane (Erdmer, 1987). The cataclasites more closely resemble rocks of the Intermontane Belt to the west and are interpreted to have been sheared in Late Triassic to Early Jurassic and thrust northeastward into the Omenica Belt in Early Cretaceous. Subsequent displacement of the YTT, as well as autochthonous terrane, occurred along the Tintina Fault over a distance of 450 km in the Late Cretaceous.

Three allochthonous assemblages are recognized within the transposed YTT. The *Nisutlin Allochthon* consists of slightly metamorphosed to highly mylonitized sedimentary and volcanic rocks and schist (Klondike Schist); the *Anvil Allochthon* consists of sheared ophiolite comprising chert and mafic to ultramafic intrusives and rocks of the *Simpson Allochthon* consist primarily of cataclastic granitic rocks which occur mainly in the south portion of the YTT Allochthon. Plint and Gordon (1996) among others recognize a distinct package of rocks comprising greenstone, ultramafic and mafic plutonic rocks, ribbon chert and marble along the leading edge of the YTT which they assign to the Slide Mountain Terrane. These rocks are interpreted to be deep submarine oceanic crust. The subject claims occur within the Nisutlin Allochthon (Klondike Schist) of Templeman-Kluit (1979) (Figure 3). Cominco's Kudzu Ze Kayah deposit and the Atna-Westmin Wolverine deposit both occur in various lithofacies of the Klondike Schist. The former occurs in a felsic volcanic sequence and derived metamorphic equivalents and the latter in muscovite-quartz blastomylonite adjacent to Anvil allochthonous units of mafic volcanics and metamorphosed equivalents.

6.2 Property Geology

Three mappable units have been identified at the CANOL claims; schists, gneisses and felsic intrusives. The intrusives are found primarily in the south part of the claims and the schists and gneisses, which are commonly interbedded, occur north of the intrusives. Mapping by the GSC (Templeman-Kluit et al, 1977) shows that the contact between the intrusive and the metamorphic units is in fault contact, however, this relationship is not observed in the field. The property geology is illustrated in Figure 4.

Schists - There are five main rock types which have been included in this category; biotite ± chlorite ± feldspar schist, biotite schist, silicic biotite schist, marble and quartzite. All but the quartzite weather as slabs which rarely exceed a few centimeters in thickness. The quartzite is generally more competent and weathers as blocks. The various schists are interbedded, commonly occur with more than one type and nearly always occur as bands within the gneisses. In areas where outcrop is scarce the schist can predominate, particularly as float in frost boil areas, as such they were treated as separate map units. The schists are fine to medium grained and well banded as defined by the relative abundance of mafic and felsic minerals. They range from green to dark green to various shades of grey, generally soft and range from a few centimeters in thickness to locally quite friable and thinly banded. In the vicinity of the intrusive, green to dark green actinolite ± chlorite schist occurs with the mica schists occasionally with black, euhedral tourmaline crystals. Elsewhere, the actinolite occurs as an accessory mineral with decreasing abundance away from the intrusive. The marble occurs along the ridge on line 50W at about 1500N, as scree in the vicinity of line 900N near 600 to 700E near the intrusive, and as a few scattered slabs along the steep slope north of 900N near 100W. The marble weathers to a dull grey, white on fresh surface and consists of equigranular, euhedral to subhedral calcite with minor garnet, epidote and fine grained mica. The former two accessory minerals commonly occur as well developed crystals in vugs and are a skarn assemblage. The most abundant unit in the schists is the quartzite. This unit occurs as angular blocks, weathers tan-buff and is light grey on fresh surface. It consists of white, equigranular, fine grained, subhedral quartz grains with biotite, chlorite and feldspar in minor amounts. This unit is well banded, competent and frequently forms cliff faces. The quartzite occurs interbedded with the schists and gneisses but is most abundant as bands several meters thick interbedded with massive amphibole gneiss in the vicinity of line 00W near 1600 to 1900N below an elevation of about 1700 meters.

GAMAH INTERNATIONAL LIMITED

Gneisses - Four types of gneiss were differentiated during the mapping; augen gneiss, amphibole gneiss, banded gneiss and migmatitic gneiss. All of the gneisses are hard, blocky weathering and well banded. The augen gneiss occurs mainly north of line 900N and west of 150W as well as north of 1400 N on line 300E. Locally this unit is interbedded with amphibole gneiss. It consists of white to buff feldspar augen of 0.5 to 2.0 cm diameter in a feldspar-quartz-mica groundmass. Occasionally the augen are rotated and display pressure shadows and less commonly are rimmed with fine grained biotite. The amphibole gneiss is the most common of the gneisses and typically is banded to massive, weathers green to dark green with iron staining and commonly displays a mottled appearance. It is ubiquitous throughout the mapped area and consists of dark green, subhedral amphibole (hornblend?) crystals with biotite, chlorite and feldspar. Fine banding within this unit is defined by the relative percentage of mafic and felsic minerals. The banded gneiss is grey to dark grey on both fresh and weathered surface and, as the name implies, is finely banded with alternating quartz-feldspar and biotite-chlorite-amphibole rich horizons. It is most abundant north of line 900N between 100E and 300E. The banding varies from less than 1 cm to several centimeters in thickness. This unit occurs primarily as interbedded horizons within the augen or amphibole gneisses. Migmatitic gneiss is similar to the banded gneiss with the exception that the bands are thicker and display typical migmatitic folding and contorted banding. It was only found along line 300E at 1400N.

Intrusives - Three main types of granite (monzonite) were mapped on the property; biotite granite, two mica granite (muscovite+biotite) and muscovite granite. The former is by far the dominant type and underlies much of the south part of the property. The biotite granite is medium to coarse grained, equigranular to porphyritic, massive and consists of quartz, feldspar and biotite with black, euhedral to subhedral tourmaline as an occasional accessory mineral. In places the granite becomes pegmatitic and contains euhedral feldspar crystals up to 15 cm long. The two mica granite occurs as a discontinuous zone 50 to 150 m thick along the contact between the biotite granite and the schists and gneisses. It is compositionally similar to the biotite granite with the exception that muscovite occurs along with the biotite. The relative proportion of the two micas varies considerably and likely represents a transition from muscovite granite to biotite granite. The muscovite granite is a minor but distinct unit which occurs in two places along line 900N, between 100E and 300E and in a small area near 550E. In both cases it is adjacent to the two mica granite. Several dikes and sills of fine grained aplite and felsite were found in the schists and gneisses. A very distinct aplite with 20 to 30% fine, black, euhedral tourmaline crystals was found in several areas including the various intrusives. In general these units were too small to include on the maps.

Structure - The main structural feature in the area is a northeast trending synform in the Grass Lakes valley. The claims lie along the south limb of this fold. Within the claims the predominant structural feature is the well developed foliation in the schists and gneisses. Foliation in the vicinity of the intrusive generally is subparallel to the contact with a shallow north dip. To the north the foliation is more northeast with shallow northeast to northwest dips, although local variations are significant. Folding and evidence of folding is common in outcrop and scree. A northwest trending isoclinal fold with a 60 degree dip to the northeast was mapped along line 300E at 1300N. Other folds were observed in outcrop but attitudes could not be measured. Folding types included isoclinal, recumbent, kink and pygmatic. In an outcrop north of line 00W near 1800N drag folding was observed along a steep dipping reverse fault. Despite the preponderance of folding much of the evidence suggests small scale folds with amplitudes of a few meters rather than hundreds of meters. It is suggested that the folding observed on the claims is related to regional folding as well as the emplacement of the intrusive. In general the units conform to the regional strike with local variations. Faulting occurs mainly as steeply dipping to vertical reverse faults in the interbedded amphibole gneiss and quartzite at the north end of line 00W and as a few bedding plane shear zones which are manifest as thinly laminated and friable horizons concordant with the schists and gneisses. Displacement along the former was about 0.5 m.

Stratigraphy - On the basis of mapping and measured sections the following generalized lithostratigraphic sequence has been constructed from oldest to youngest: massive amphibole gneiss; massive quartzite; interbedded amphibole gneiss and quartzite; interbedded amphibole gneiss and biotite schists; interbedded banded gneiss, augen gneiss, silicic biotite schist and marble; augen gneiss; biotite granite; two mica granite; muscovite granite and aplite. This section assumes the rocks have not been overturned.

GAMAH INTERNATIONAL LIMITED

Mineralization - Early work on the claims describes both base and precious metal mineralization. The former occurs as massive pyrrhotite with some chalcopyrite and sphalerite in a skarn zone near the intrusive contact along line 900N at 650E. Sampling has returned anomalously high copper and zinc (Mann, 1995), however, the sulphide mineralization is restricted to a very small area with only a small associated magnetic anomaly and is not considered to be of economic significance. Copper mineralization associated with pyrite and pyrrhotite occurs in large scree blocks near the toe of the land slip at the north end of line 350W. Here anomalous copper values were obtained from chip samples. Prospecting in this area failed to locate any significant mineralization. These blocks are interpreted to have originated from the ridge along lines 00W to 100W north of 1400N where stratabound sulphides with chalcopyrite were found in two parallel bands 1m apart in amphibole gneiss. Sampling of this material returned only slightly anomalous copper values (Table 2). Grab samples collected in the area of a detailed grid north of line 900N between 100E and 150W returned several samples with anomalously high copper and zinc values, however, all are subeconomic. A large subcrop of a limonite stained, brecciated quartz-carbonate vein with abundant oxidized sulphides occurs at 175W and 1025N (identified as 70W, 1100N in Mann, 1995 and on geochemical analysis certificate 1058). During sampling in 1995 from this unit Mann describes two samples of pale green-grey, friable, quartzitic epidosite which returned 15.1 and 15.95 gr/t gold. These economically significant results were not reproduced during this program. Sampling by Mann in 1996 returned moderately anomalous copper and zinc and very highly anomalous arsenic. This unit was not observed elsewhere on the claims. Elsewhere, precious metal mineralization is associated with quartz veins which occur as a swarm in the vicinity of the detailed grid (Figure 5). The quartz veins were mapped and individually sampled in an effort to differentiate mineralized from non-mineralized veins. Most of the veins occur as scree trains along the north facing slope and strike north to northwest. A highly anomalous gold value of 847 ppb along with a highly anomalous arsenic value were obtained from vein 10, however, all other values were less than 50 ppb and all are subeconomic. In addition to the mineralization discussed above, disseminated pyrite and occasionally chalcopyrite were observed in minor amounts in nearly all rock types which produced iron staining upon weathering.

7 CONCLUSIONS

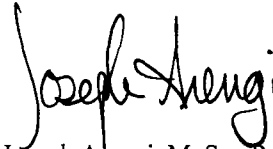
Mapping at the CANOL claim group in the Finlayson Lake area has shown that the claims are underlain by schists and gneisses to the north and biotite granite to the south. The presence of marble suggests a sedimentary origin for the units which are therefore, more properly referred to as paragneisses and schists. The presence of compositional zoning along the margin of the granite together with granitic and aplite dikes and sills in the paragneisses, schists and granite as well as the presence of quartz veining within and adjacent to the granite all suggest an intrusive rather than a fault contact. Although sulphide mineralization is present, only subeconomic values have been reported and mapping has not shown any stratigraphic continuity. Anomalous gold values are restricted to the quartz vein area, however, the higher grade samples collected in 1995 may warrant further investigation. To date economic mineralization has not been delineated.

Mapping, prospecting and geochemistry has been restricted to the upland areas of steep topography which is presumed to be a relatively thin overburden which has not been transported far. While large anomalous areas have not been revealed here, there has been no coverage of the areas east and west. A similar geology is projected for the downslope into the areas of thicker talus and valley fill. These areas, which were staked most recently, warrant additional work and grid mapping. Geochemistry should also be extended over them.

9 STATEMENTS OF QUALIFICATIONS

I, Joseph Arengi do hereby certify that:

1. I am a graduate of the State University of New York with a B. Sc. Degree in geology in 1972 and a graduate of the University of Toronto with a M. Sc. degree in geology in 1977.
2. I have practised my profession in geoscience continuously since 1973.
3. I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia registered as a Professional Geoscientist and a Fellow of the Geological Association of Canada.
5. I have no vested interest in these properties or in Minfocus International Inc., nor do I expect to receive any such interest.
6. I supervised the surveys described in this report and endorse the opinions and conclusions contained herein based on field examination and review of analytical results.



Joseph Arengi, M. Sc., P. Geo.
Toronto, Ontario
October 1996

GAMAH INTERNATIONAL LIMITED

STATEMENT OF QUALIFICATIONS

I, Gerald Harper, President of Gamah International Limited, do hereby certify that:

1. I am a graduate of the University of London, with a B. Sc. degree in Geology and Chemistry in 1965, a B. Sc. Honours degree in Geology in 1966 and a Ph. D. in Geology in 1970.
2. I have practiced my profession continuously since 1966.
3. I am a member in good standing of the Association of Professional Engineers of Ontario, the Society of Economic Geologists, the Canadian Institute of Mining, the Society for Exploration, Mining and Metallurgy, the Geological Society of South Africa, a Fellow of the Geological Society and a member of the Mineral Economics and Management Society.
4. I am the President of Minfocus International Inc., may be deemed to be its promoter and have instigated the staking by Minfocus International Inc. I am also the President of Gamah International Limited, an independent mining and geological consulting and contracting firm.
5. I directed and supervised the program of work described in this report and endorse the opinions and conclusions presented in this report on the basis of my field examinations in July and September 1996 and review of data compiled by me during those field examinations.

GAMAH INTERNATIONAL LIMITED

Gerald Harper
President

Toronto Canada
October 1996

GAMAH INTERNATIONAL LIMITED

9 PERSONNEL AND CONTRACTORS EMPLOYED

<u>Name</u>	<u>Affiliation</u>	<u>Address</u>	<u>Function</u>	<u>Period</u>
Gerald Harper	Minfocus International Inc.	Toronto	Overall Supervision	July 96-Oct 96
Lorraine Godwin	Gamah International Inc.	Toronto	Project Manager	July 96-Oct 96
Deidre Collins	Gamah International Inc.	Toronto	Office support	Sept 96-Oct 96
Kurt Breede	Gamah International Inc.	Toronto	Field assistant	July 96-Sept 96
Greg Hounsell	Gamah International Inc.	Kingston	Field assistant	July 96-Aug 96
Jocelain Valade	Gamah International Inc.	Sudbury	Field assistant	July 96- Aug 96
Michel Mann	Gamah International Inc.	Calgary	Field assistant	July 96
Helen Harper	Gamah International Inc.	Toronto	Field/office assistant	July 96- Aug 96
George Millen		Watson Lake	Camp support/expediting	July96-Sept96
Joseph Arengi	Gamah International Inc.	Victoria	Geologist	July 96- Oct 96
J. Stockman	Gamah International Inc.	Watson Lake	Line cutting	July 96- Aug 96
Josh Harden	Gamah International Inc.	Watson Lake	Line cutting	July 96- Aug 96
	<i>Bondar-Clegg and Company</i>	N. Vancouver	Drill core analysis	July 96- Sept 96
	TransNorth Helicopters	Ross River	Field transportation	Aug 96
	Kluane Helicopters	Finlayson Lake	Field transportation	July 96

GAMAH INTERNATIONAL LIMITED

10 STATEMENT OF COSTS

<u>Item</u>	<u>Details</u>	<u>Amount</u>
Accommodation	Gateway Motel; Field camp	\$ 3,340.58
Analyses		8,470.32
Communication	Telephone, fax and shipping	74.04
Diamond Drilling	Drilling, mob and demob, consumables, core boxes, site preparation and camp cook	-----
Food	Camp supplies	1,794.09
Personnel - Field	Linecutting, geophysical, geochemical and geological surveys, camp construction and misc. supplies	28,085.20
Personnel - Office	Time for office support	9,432.00
Rentals	Vehicles, equipment and hotel	7,465.66
Travel	Air and ground transportation to and from Watson Lake	22,027.27
Office	Copies, maps, photos	512.87
		<u>\$81,202.03</u>

The above costs are as accurate as possible and represent the true value of the work carried out as shown above and described in this, and other related reports. Detailed records for back-up to these amounts are available at the office of Minfocus International Inc., Suite 707, 1243 Islington Avenue, Toronto, Ontario, M8X 1Y9.

Gerald Harper, Ph.D., P. Eng.

GAMAH INTERNATIONAL LIMITED

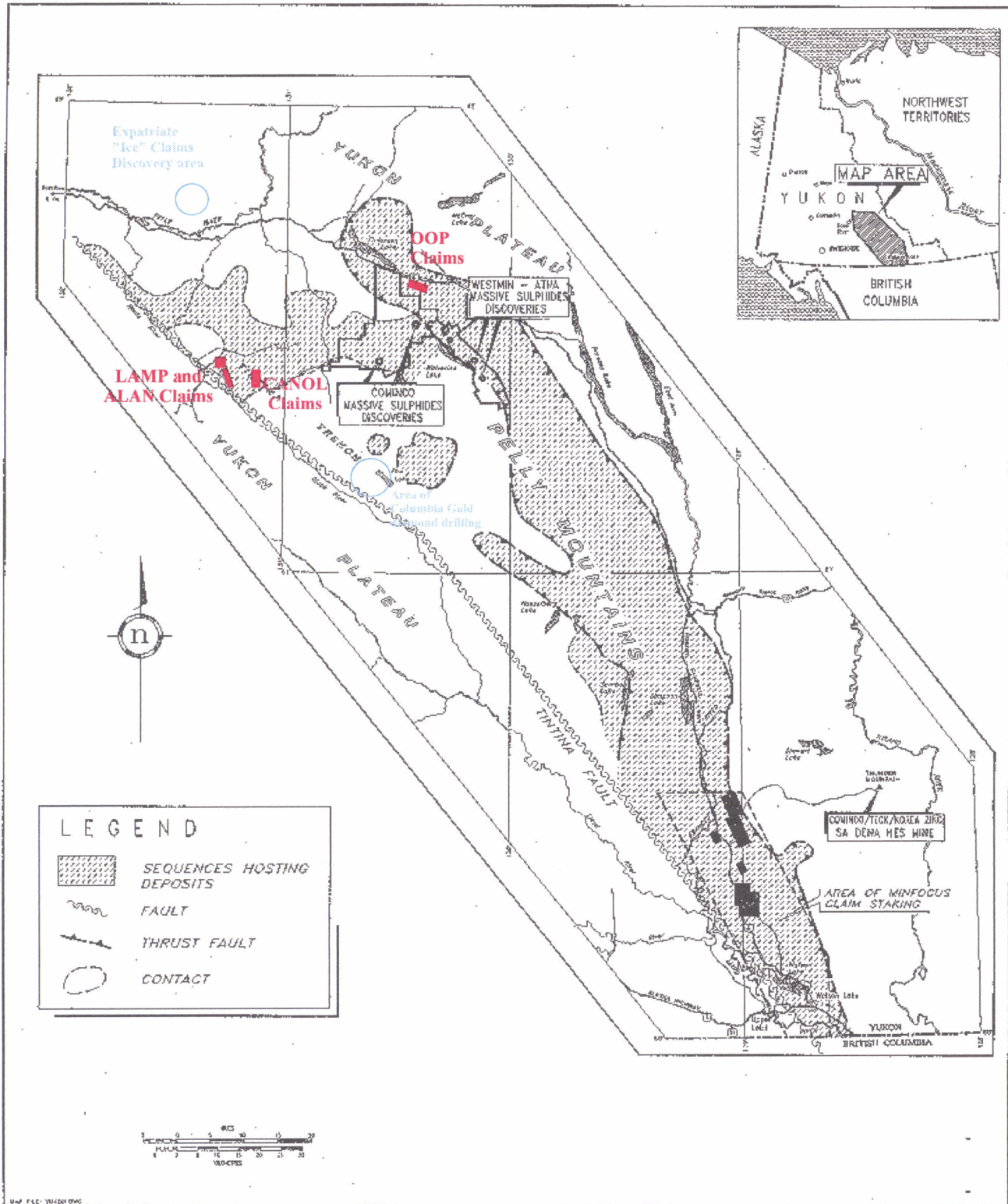
11 REFERENCES

- Anonymous, 1995, Atna Samples YGC's Yukon Properties; Northern Miner 81, No. 35, 11 (30 Oct 95)
- Danielson, V., 1995, Cominco Advances Yukon Deposit; Northern Miner 80, No. 48, 1-2 (30 Jan 95).
- Erdmer, P., 1987, Blueschist and Eclogite in Mylonitic Allochthons, Ross River and Watson Lake areas, Southeast Yukon; Can. J. Earth Sci., Vol. 24, p. 1439-1449.
- Godwin, L., 1996, Summary Report on Claims of Minfocus International Incorporated in the Watson and Wolverine Lake Areas of Yukon Territory, unpub. report prepared for Minfocus International Inc., 50 p.
- Harper, G., 1996, Report on Geophysical Surveys and Diamond Drilling on GMS Group of Claims, Watson Lake Mining Division, NTS 105/A2, 105/A6 and 105/A7, Yukon Territory; unpub. report prepared for Minfocus International Inc., 23 p.
- Hornbrook, E.H.W. and Friske, P.W.B., 1988a, Regional Stream Sediment and Water Geochemical Data, Southeastern Yukon (105G); Geol. Survey of Canada, Open File 1648, 6 p.
- , 1988b, Regional Stream Sediment and Water Geochemical Data, Southeastern Yukon (105H); Geol. Survey of Canada, Open File 1649, 6p.
- Johnston, S.T. and Mortensen, J.K., 1994, Regional Setting of Porphyry Cu-Mo Deposits, Volcanogenic Massive-Sulfide Deposits, and Mesothermal Gold Deposits in the Yukon-Tanana Terrane, Yukon; Yukon Metallogeny: Recent Developments, Yukon Government Publication 30-34.
- Livgard, E., 1996, Report on the Canol Claims, Watson Lake Mining Division, Yukon Territory; unpub. report prepared for KRL Resources Corp., 8 p.
- Mann, A. G., 1995, Preliminary Geological Report on Watson and Finlayson Lake Exploration Project in Yukon Territory; unpub. report prepared for Minfocus International Inc., 24 p.
- , 1996, Geological Report on Watson Lake Exploration Project in Yukon Territory; unpub. report prepared for Minfocus International Inc., 15 p.
- , 1996, Preliminary Exploration Report on Canol Claims; Finlayson Lake, NTS 105G, Yukon Territory; Unpub. report prepared for Minfocus International Inc., 6 p.
- Plint, H.E. and Gordon, T.M., 1996a, Structural Evolution and Rock Types of the Slide Mountain and Yukon-Tanana Terranes in the Campbell Range, Southeastern Yukon Territory; in Current Research 1996A, Geol. Survey of Canada, p. 19-28.
- , 1996b, Geology of Campbell Range Near Wolverine Lake, Southeastern Yukon (parts of 105H/5/9/12, 105G/9); Geol. Survey of Canada, Open File 3303, 1 Sheet, Scale 1:50,000.
- Robertson, R., 1995, Kudz Ze Kayah Discovery Augurs Well for Exporation in Yukon; Northern Miner 81, No. 39, (27 Nov 95).
- Tempelman-Kluit, D.J., et al, 1977, Geology Map 105G, Finlayson Lake Area, Yukon Territory; Geol. Survey of Canada Open File 486.

GAMAH INTERNATIONAL LIMITED

,1979, Transported Cataclasite, Ophiolite and Granodiorite in Yukon: Evidence of Arc-Continent Collision; Geol. Survey of Canada, Paper 79-14, 27 p.

Wilson, G.C., 1995, Bibliography of the Wolverine Complex of the Southern Yukon and Northern B.C.; the Campell Range; Finlayson Lake and Watson Lake and the Kudz Ze Kayah and Sa Dena Hes (Mount Hundere) Deposits; Unpub. report prepared for Minfocus International Inc., 18 p.

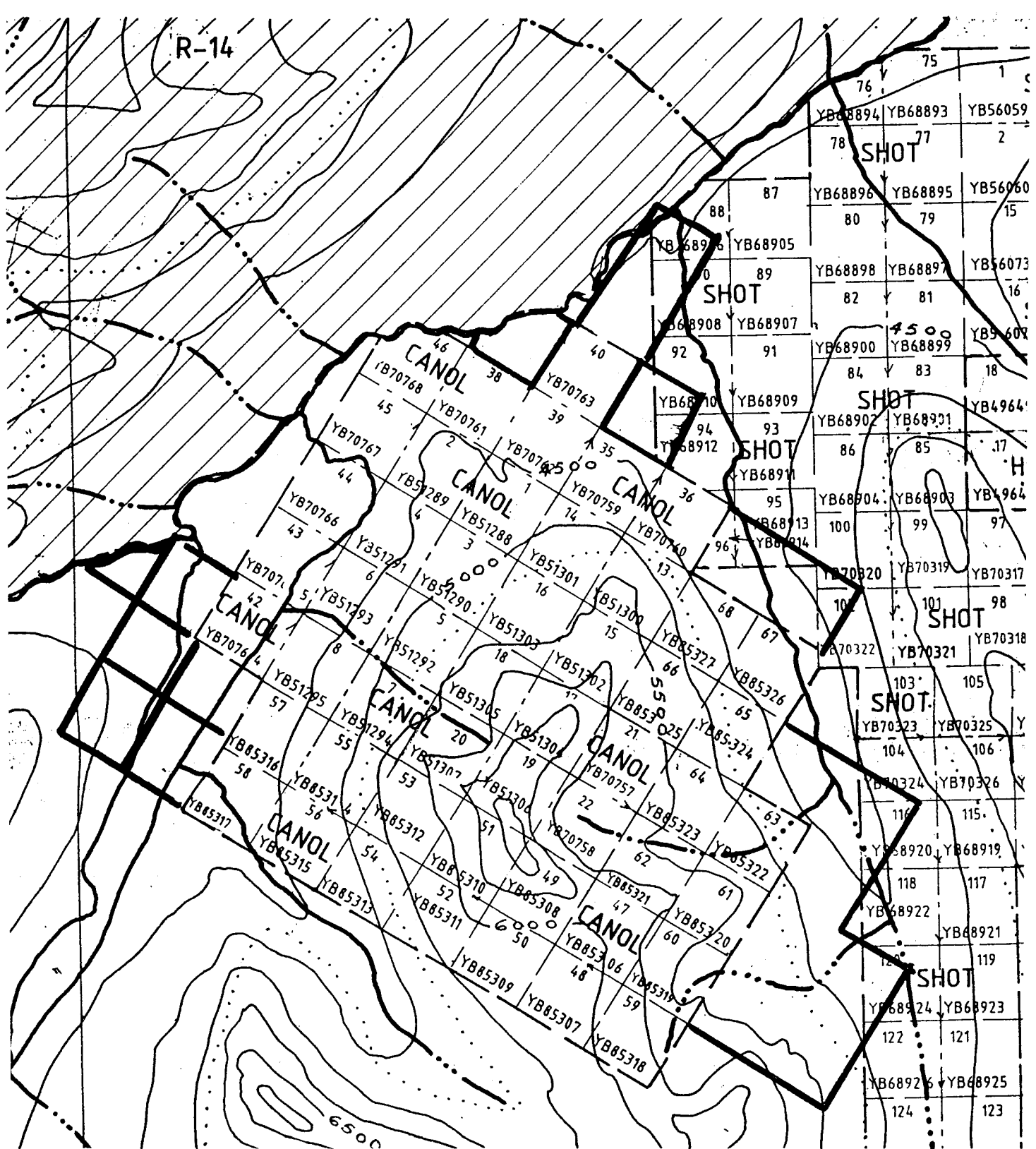


GENERAL LOCATION OF THE
 CANOL CLAIMS IN THE
 GRASS LAKE AREA, YUKON

Figure 1

Gamah International Limited. October 1996

R-14



CANOL CLAIMS PLAN
MODIFIED FROM
CLAIM MAP 105/G7

Scale: 1:63,360

Figure 2

Gamah International Limited. October 1996

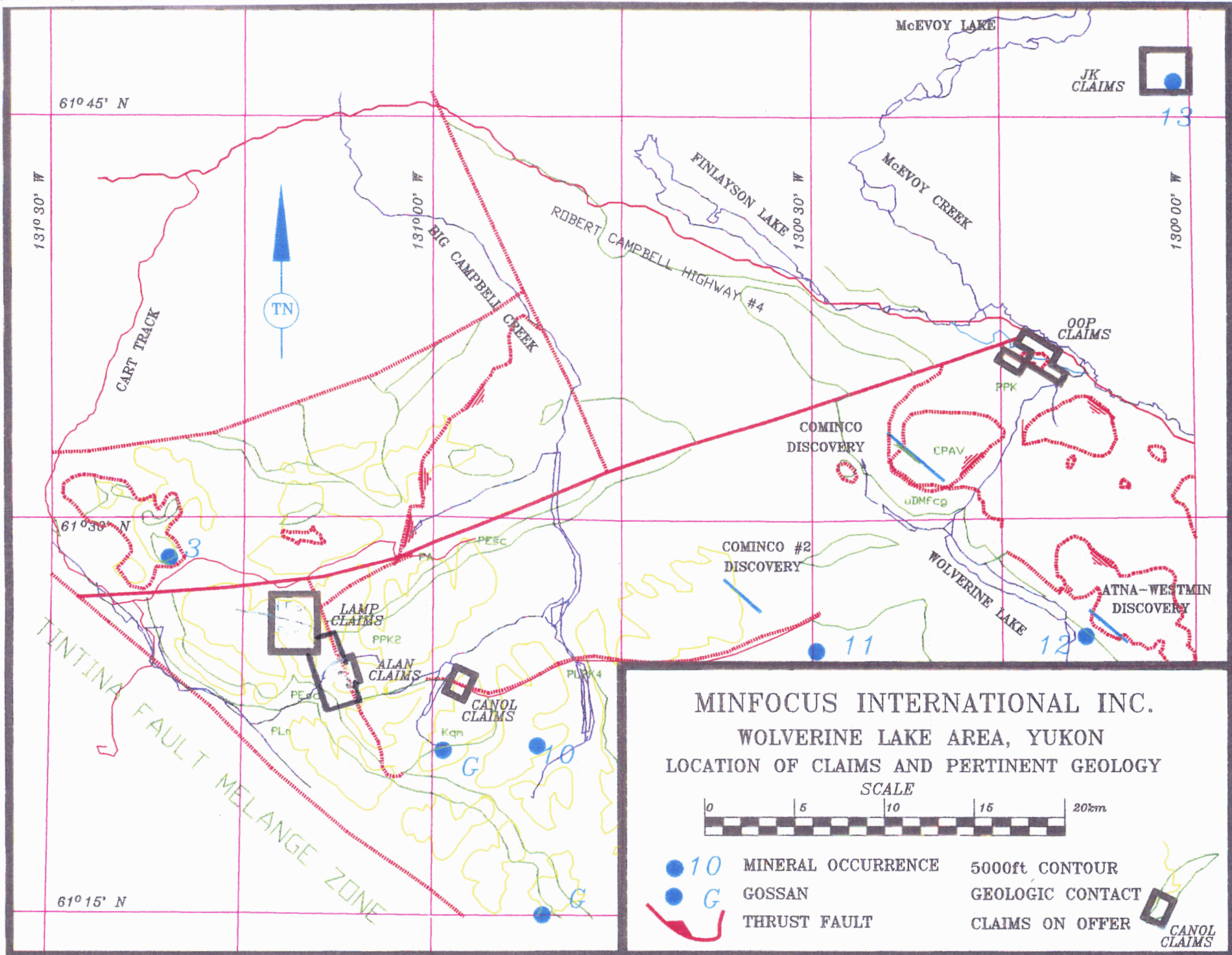
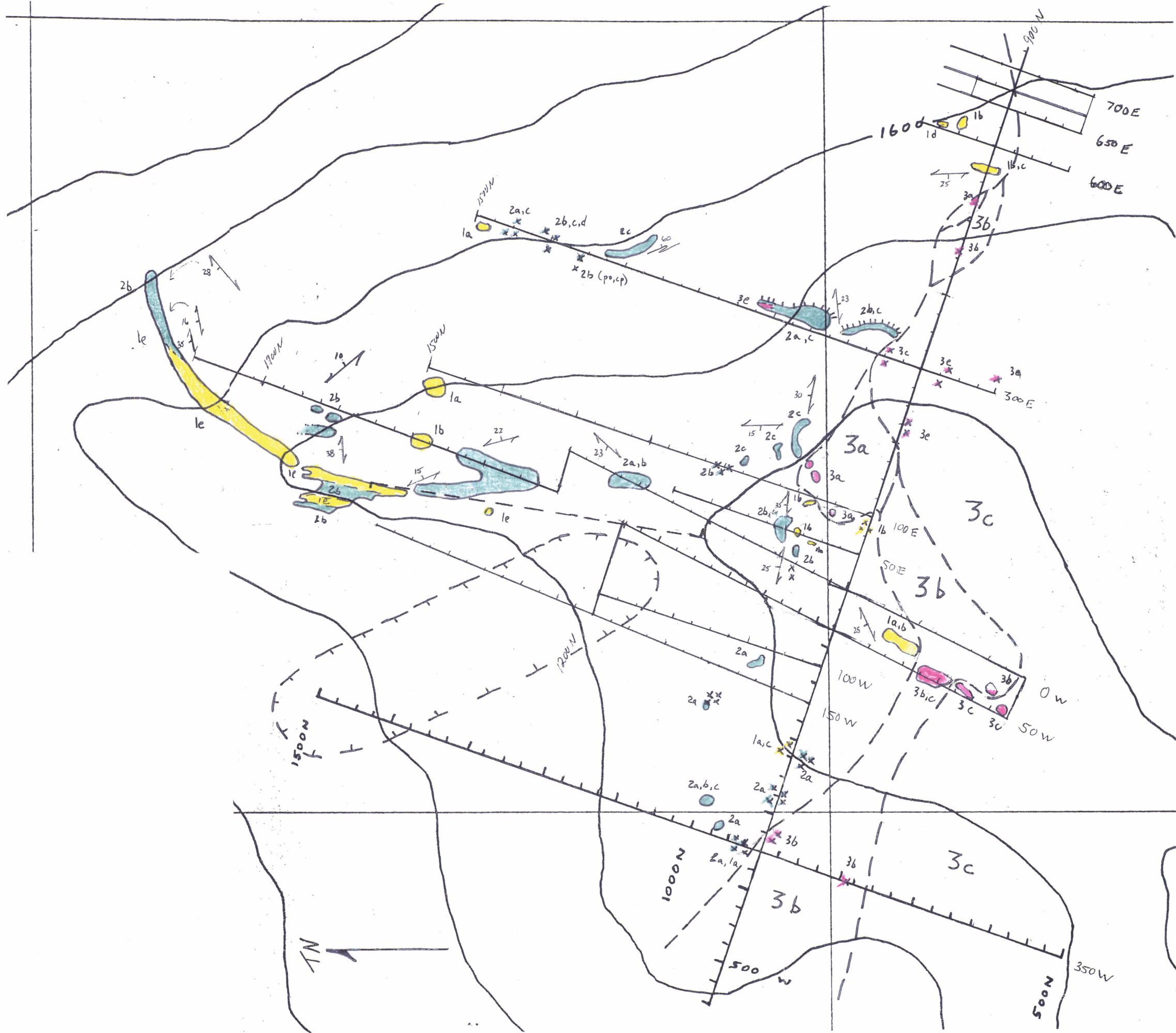


Figure 3



Legend

Rock Types

- 1. Schists
 - 1a biotite ± chlorite ± feldspar schist
 - 1b biotite schist ± amphibole, actinolite
 - 1c silicic biotite schist (quartzite, quartz mica)
 - 1d marble
 - 1e quartzite
- 2. Gneisses
 - 2a augen gneiss
 - 2b amphibole gneiss
 - 2c banded gneiss
 - 2d migmatitic gneiss
- 3. Intrusives
 - 3a muscovite granite (monzonite)
 - 3b muscovite-biotite granite (2 mica)
 - 3c biotite granite
 - 3d granite (undifferentiated)
 - 3e aplite, felsite ± tourmaline

Symbols

-qv quartz vein
- ↗ strike and dip foliation
- ↘ strike and dip, folding
- x x x scree
- outcrop
- ▨ landslide area
- geologic contact

- py pyrite
- po pyrrhotite
- cp chalcopyrite
- sph sphalerite

**GEOLOGY OF THE
CANOL CLAIMS**

October 1996 Figure 4

Gamah International Limited

GAMAH INTERNATIONAL LIMITED

Table 1. Summary of Canol Claims Information (Continued)

Canol 58	YB85317	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 59	YB85318	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 60	YB85319	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 61	YB85320	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 62	YB85321	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 63	YB85322	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 64	YB85323	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 65	YB85324	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 66	YB85325	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 67	YB85326	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 68	YB85327	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 69	YB86678	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 70	YB86679	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 71	YB86680	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 73	YB86681	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 75	YB86682	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 76	YB86683	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 77	YB86684	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 78	YB86685	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 79	YB86686	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 80	YB87181	Minfocus Inter. Inc.	97/08/20	105-G-7
Canol 81	YB87182	Minfocus Inter. Inc.	97/08/20	105-G-7
Canol 100	YB86687	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 101	YB86688	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 102	YB86689	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 103	YB86690	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 104	YB86691	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 105	YB86692	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 106	YB86693	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 107	YB86694	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 108	YB86695	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 109	YB86696	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 110	YB86697	Minfocus Inter. Inc.	97/08/05	105-G-7

Table 2. Summary of Rock Grab Samples for Canol Claims

Sample No.	Coordinate	Type	Description	Au ppb	Ag ppm	Cu ppm	Zn ppm	As ppm
R-Canol-JA-1	300E,1465N	scree	silicic biotite schist with amph. & epid.; sulph. spks.	<5	-	140	34	19.6
R-Canol-JA-2	295E,1360N	scree	amph. schist (gneiss?); very hard; po & cp spks.	11	-	818	21	15.2
R-Canol-JA-3	325E,1075N	o/c	banded gneiss with sulph. spks.	<5	-	78	137	7.5
R-Canol-JA-4	050W,847N	scree	two-mica granitewith diss. sulph. spks.	<5	-	6	4	7
R-Canol-JA-5	040W,825N	scree	equigranular, med.gr. two-mica granite with sulph. spks.	<5	-	9	8	14.9
R-Canol-JA-6	010W,725N	scree	composite sample of white qtz. vein with tourmaline	<5	-	5	<1	5.6
R-Canol-JA-7	050E,1000N	o/c	f. gr., tour.-bearing aplite dike	<5	-	8	14	2.6
R-Canol-JA-8	050E,1000N	o/c	silicic biotite schist (qtzite?) with sulph. spks.	<5	-	300	13	26.2
R-Canol-JA-9	050E,1000N	o/c	composite of narrow qtz. veins	<5	-	20	31	39.9
R-Canol-JA-10	050E,1000N	o/c	composite of lim. stained amph. sch. (gneiss?), bio. sch.	<5	-	815	31	6.3
R-Canol-JA-11	160W,900N	scree	composite of grn-gry, f.gr. siliceous unit with epid. & po	<5	-	18	49	218.2
R-Canol-JA-12	210W,910N	scree	composite of bio-chlor-feld.& silic.bio. sch with po & cp spks.	106	-	58	147	3.5
R-Canol-JA-13	215W,885N	scree	qtz. vein with sulph. spks. & hard steel blue min.	47	-	44	26	4.7
R-Canol-JA-14	125E,1015N	o/c	composite of sulph.-bearing banded gneiss	<5	0.4	473	164	2.6
R-Canol-JA-15	175E,1000N	o/c	siliceous, sulph.-bearing banded gneiss	8	0.3	181	106	3.8
R-Canol-JA-16	135E,1075N	o/c	qtz. vein	<5	<0.1	18	3	1.9
R-Canol-JA-17	135E,1075N	o/c	amph. gneiss with 10-15% py & po	<5	0.2	239	63	29
R-Canol-JA-18	135E,1075N	o/c	gry siliceous unit in mass amph with dis sulph.	<5	0.3	310	168	3
R-Canol-JA-19	100E,1100N	scree	amph. gn. with semi-mass po & py	<5	0.6	598	51	1.7
R-Canol-JA-20	100W,1650N	o/c	composite of siliceous unit in amph gn with po & minor cp	<5	<0.1	73	16	8.8
R-Canol-JA-21	110W,1650N	o/c	qtzite with sil bio sch with 5% po	<5	0.4	136	40	3.9
R-Canol-JA-22	110W,1650N	o/c	qtz. vein	<5	<0.1	7	2	8.3
R-Canol-JA-23	100E,1000N	scree	composite of qtz. vein	<5	<0.1	55	2	3.5
R-Canol-JA-24	100E,1105N	o/c	amph gn with po % tr cp	<5	0.4	319	33	1.3
R-Canol-JA-25	100E,1105N	o/c	f.gr. bio sch with po & tr cp	<5	0.4	519	43	1.4
R-Canol-JA-26	080E,1085N	o/c	gry sil unit in qtzite with po	<5	0.2	324	38	1.2
R-Canol-JA-27	080E,1085N	o/c	hornfels (?), silicfd with abund fine sulph.	<5	0.5	340	128	36.4
R-Canol-JA-28	115E,1120N	subcrop	f.gr. amph gn & sch with po & tr cp	<5	0.8	655	25	1.1
R-Canol-JA-29	100W,1075N	scree	qtz. vein composite, well gossaned	<5	0.2	71	3	1.8
R-Canol-JA-30	100W,1125N	scree	qtz. vein, Fe-stained	<5	<0.1	88	13	25.6
R-Canol-JA-31	050W,1125N	scree	qtz. vein, Fe-stained	<5	<0.1	55	9	2.3
R-Canol-JA-32	650E,850N	o/c	composite of qtz. vein in porhy bio granite	<5	-	30	4	1.7

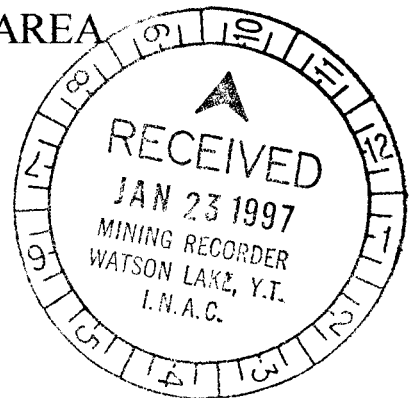
Table 2. Summary of Rock Grab Samples for Canol Claims (con't)

Sample No.	Coordinate	Type	Description	Au ppb	Ag ppm	Cu ppm	Zn ppm	As ppm
R-Canol-JA-33	590E,995N	subcrop	marble, equigran with garnet streaks and patches	<5	-	15	12	2.6
R-Canol-JA-34	595E,1015N	o/c	chip sample across 1m thick sulph hor. in amph gn	<5	-	88	93	14.9
R-Canol-JA-35	685E,950N	scree	garnet-bearing (10-15%) chlor sch (skarn?) tr sph (?)	<5	-	11	120	1.3
R-Canol-JA-36	655E,895N	scree	dk gry siliceous material in bio sch with po	13	-	349	61	6.2
R-Canol-JA-37	015W,930N	scree	composite of qtz. vein no. 1	43	-	99	46	21.8
R-Canol-JA-38	015W,925N	scree	composite of qtz. vein no. 2	39	-	30	54	26.4
R-Canol-JA-39	050W,875N	scree	composite of qtz. vein no. 5	<5	-	21	14	1.6
R-Canol-JA-40	100W,850N	scree	composite of qtz. vein no. 8	23	-	24	28	10
R-Canol-JA-41	125W,920N	scree	composite of qtz. vein no. 10	847	-	22	48	232.4
R-Canol-JA-42	160W,985N	scree	composite of qtz. vein no. 13	<5	-	22	120	21.2
R-Canol-JV-1	020W,900N	scree	composite of qtz. vein no. 3	13	-	10	2	12.3
R-Canol-JV-2	050W,900N	scree	composite of qtz. vein no. 4	44	-	17	11	11.3
R-Canol-JV-3	050W,875N	scree	composite of qtz. vein no. 6	<5	-	21	14	1.6
R-Canol-JV-4	050W,925N	scree	composite of qtz. vein no. 9	<5	-	5	10	5.2
R-Canol-JV-5	100W,970N	scree	composite of qtz. vein no. 11	9	-	13	25	12.8
R-Canol-JV-6	175W,990N	scree	composite of qtz. vein no. 12	<5	-	6	12	7.3
R-Canol-JV-7	200W,975N	scree	composite of qtz. vein no. 14	<5	-	11	58	8.5

REPORT ON A GEOCHEMICAL SURVEY OF THE
CANOL GROUP OF CLAIMS, GRASS LAKES AREA
WATSON LAKE MINING DISTRICT
YUKON TERRITORY, CANADA

for

Minfocus International Inc.



NTS 105/G7

Joseph T. Arengi, P. Geo. FGAC
Consulting Geologist
P.O. Box 39014
James Bay Postal Outlet
Victoria, B.C. V8V 4X8

G. Harper, Ph. D., P. Eng.
GAMAH INTERNATIONAL LIMITED
Suite 707, 1243 Islington Avenue
Toronto, Canada, M8X 1Y9

003580

October 1996

This report has been examined by
the Geological Division Unit
under Section 8. (1) of the Quartz
Liquor Act, 1926, and has
been found to be correct to the amount
of \$ 81,203.03.

M. B. B.
for Director, Exploration and
Development Branch, Commissioner
of Mineral Industry.

GAMAH INTERNATIONAL LIMITED

TABLE OF CONTENTS

Section		Page
1	Summary	1
2	Introduction	1
3	Property and Location	1
4	Previous Work	2
5	Summary of Work Completed in 1996 Program	4
6	Geochemical Survey	
6.1	General	4
6.2	Rock Chip Sampling	4
6.3	Rock Grab Sampling	5
7	Conclusions	6
8	Statement of Qualifications of Joseph Arengi	7
	Statement of Qualifications of Gerald Harper	8
9	Personnel and Contractors Employed	9
10	Statement of Costs	
10		
11	References	11

Figures

- Figure 1: General Location of CANOL Claims in the Grass Lakes Area, Yukon
- Figure 2: CANOL Claims Plan, extracted from Claim Map 105/G7
- Figure 3: Regional Geology of the Wolverine Lake area, Yukon
- Figure 4: Geology of the CANOL Claims
- Figure 5: Contour Plot of Gold Values on CANOL Claims
- Figure 6: Contour Plot of Arsenic Values on CANOL Claims
- Figure 7: Contour Plot of Copper Values on CANOL Claims
- Figure 8: Contour Plot of Zinc Values on CANOL Claims

GAMAH INTERNATIONAL LIMITED

Tables

Table 1: Summary of CANOL Claims Information

Table 2: Summary of Rock Samples for CANOL Claims

Appendix A Geochemical Analysis Certificates - Bondar-Clegg and Company

GAMAH INTERNATIONAL LIMITED

1 SUMMARY

Recent exploration in the Yukon has resulted in the discovery of several significant massive sulphide deposits in the Yukon-Tanana Terrane (YTT) of southeast Yukon. On the basis of these discoveries as well as the presence of sulphide mineralization in a stratigraphic sequence similar to that which hosts the recently discovered Kudz Ze Kayah massive sulphide deposit; an option was obtained on the subject claims and a field exploration program was carried out. This work was completed in August 1996 and included line cutting as well as geophysical (VLF-EM and magnetometer), geochemical and geological surveys. This report summarizes the results of the geochemical survey. Rock sampling has shown that areas with anomalous gold and copper values have been delineated on the CANOL claims. The former occurs near the granite (quartz monzonite) contact in quartz veins and in a small skarn area. The copper values occur within amphibole gneisses and biotite schists away from the granite. On the basis of results obtained to date additional rock geochemical sampling is warranted, particularly in areas not sampled during the 1996 exploration program.

2 INTRODUCTION

A summer exploration program was carried out at the CANOL claim group following a brief reconnaissance visit by Dr. Adrian Mann in October 1995 (Mann, 1995). The decision to proceed with this program was based on the presence of favorable geology, indications of base metal and precious metal mineralization and similarities with recently discovered massive sulphide mineralization by Cominco at Kudz Ze Kayah and Atna-Westmin at Wolverine Lake. The former is located 20 km east of the CANOL claims and reportedly occurs in a volcanic sequence comprising felsic pyroclastics, aphanitic massive rhyolite, metasiliclastics and biotite-chlorite-calcite schist. The Wolverine Lake discovery is 40 km east and but occurs in a different stratigraphic setting. This report describes the results of the geochemical survey carried out during the 1996 exploration program and provides recommendations for further work.

All of the field work was helicopter supported and originated at the field camp located along the north side of Finlayson Creek, 2 km south of Finlayson Lake at km 230 (as measured from the town of Watson Lake) on the Robert Campbell Highway. Expediting services were based in Watson Lake which is serviced by airport and connected by paved road to Fort Nelson, B.C. (520 km southeast) and Whitehorse, Y.T. (450 km west). The Mining Recorder for the Watson Lake Mining Division is based in Watson Lake.

3 PROPERTY AND LOCATION

The field exploration program was carried out by Gamah International Ltd. on the claim group on behalf of Minfocus International Inc. The CANOL claim group consists of 72 contiguous claims numbered 1 to 8, 13 to 22, 35, 36, 38 to 40, 42 to 71, 73, 75 to 81, and 100 to 110 (Figures 1 and 2). Claims numbered 69 or higher were staked during the field exploration program and recorded on August 5, 1996 with the exception of claims 80 and 81 which were recorded on August 20, 1996.

GAMAH INTERNATIONAL LIMITED

The claim group is located in the Grass Lakes area of the Pelly Mountains, 35 km southwest of the Robert Campbell Highway at Finlayson Lake and within the Watson Lake Mining Division. Access to the claims is most readily gained via helicopter available at either Ross River or Watson Lake. Alternatively, fixed wing aircraft can land on the westernmost of the Grass Lakes which lies along the west boundary of the claim group (Figures 1 and 2). The topography in the area of the claims is steep and rugged and evidence of mass wasting is common. A landslide has occurred within the claims in the recent past.

Summary details of the CANOL claims are provided in Table 1. Claims 1 to 8, 13 to 22, 35, 36, 38 to 40, and 42 to 46 are registered in the name of KRL Resources Corporation and the remainder are registered in the name of Minfocus International Inc.

4 PREVIOUS WORK

Between the early 1970's and 1994 no significant new base metal mineral deposits had been located in Yukon, and only a very small number of gold deposits have been discovered, none of which has yet reached production. This poor showing of exploration success is attributed, in part, to the thick covering of unconsolidated sediments which have accumulated resulting in subdued topography. Much of the terrain escaped Pleistocene glaciation and much of the accumulated sediments have not been removed, with the result that there is <1% outcrop by area across much of the terrain, and surface weathering commonly extends to depths >75 m (Johnston and Mortensen, 1994). Weathering has, in many cases, removed all obvious signs of mineralization, and has resulted in the dispersion of soluble metals near the surface. For these reasons, grass-roots prospecting and soil geochemical surveys have met with limited success.

The only mining activity occurring in the areas of interest during the last decade is the Sa Dena Hes property (previously owned by Curragh Resources and Hillsborough Resources and now a joint venture between Teck Corporation and Korea Zinc Company), 70 km from Watson Lake, which was previously an underground zinc mine that closed in December 1992 after only 17 months of operation due to low zinc prices. North of the Wolverine Lake areas is the Faro lead-zinc mine which has operated intermittently for more than 20 years. Lead and zinc production at Faro dominates Yukon's overall mineral production.

Recent discoveries by Cominco Limited and Westmin Resources Limited have substantially increased interest in the area (Figure 1). Approximately 200 km northwest of Watson Lake (and 20 km southwest of Finlayson Lake) in the Wolverine Lake area, Cominco Limited discovered a massive base metal sulphide (in 1994), known as the Kudz Ze Kayah (Caribou Country) deposit, which contains important precious metal values. Reserves are estimated to be 14.3 million tonnes, with average grades of 1% Cu, 5.5% Zn, 1.3% Pb, 1.2 g/t Au and 125 g/t Ag (Danielson, 1995). The orebody is 700 m east-west, 350 m north-south, and up to 39 m thick, truncated at the east end by a recent fault.

Located 20 km east of Kudz Ze Kayah deposit, Westmin Resources Limited and Atna Resources Limited are drill defining a massive sulphide deposit, known as the Wolverine Zone, which they discovered in the summer of 1995. It has estimated reserves of 8.4 million tonnes grading 0.56% Cu, 14.22% Zn, 3.45% Pb, 7.62 g/t Au, and 1,349 g/t Ag (Mar-West Resources Ltd news release, 16 Oct 95) and is open to expansion. In addition to the Wolverine Zone, Atna has been exploring other claims in the area (Anonymous, 30 Oct 95):

GAMAH INTERNATIONAL LIMITED

- Argus (located 50 km west of Kudz Ze Kayah) yielding grab samples assaying up to 6.9% Zn, 10.4% Pb, and 277.7 ppm Ag;
- Money (6 km east of the Wolverine zone) with grab samples assaying up to 1.1% Cu, 34.3 ppm Ag, and 220 ppb Au in one zone, and up to 3.3% Cu and 460 ppb Au in another; and
- Wolf-Lynx (50 km southwest of Kudz Ze Kayah) with Zn, Cu and Pb values recovered from chip samples along a 4 km-long belt of rocks.

Other companies with property interests in the Wolverine Lake area, which has been the scene of a staking rush since the fall of 1995, include Expatriate Resources Limited, Mar-West Resources Limited, Oro Brava Resources Limited, Columbia Gold Mines Ltd. and Minfocus International Inc.

Expatriate Resources Limited has 2,288 claims in 20 properties (Robertson, 1995) and they are all subject to a financing agreement with Westmin whereby Westmin may take control of Expatriate. During the 1996 field season a copper discovery was announced by Expatriate on the Ice claim group and diamond drilling is ongoing.

Mar-West Resources Limited has interests in the 58-claim Eldorado Property, located within the interlayered mafic and felsic metavolcanic rocks of the Yukon-Tanana formation (the same geological unit that hosts Cominco's Kudz Ze Kayah deposit).

Oro Brava Resources Limited acquired two claim blocks (BID and MAT), located in the Pelly Mountain Massive Sulphide District which covers prospective volcanogenic massive sulphide targets. BID consists of twelve mineral claims. The anomaly measures 730 by 300 m and remains open to the north or upslope direction, occupying a sequence of Upper Devonian-Mississippian felsic lapilli tuffs. MAT consists of 28 mineral claims underlain by a package of felsic volcanic rocks which are Devonian-Mississippian in age (Mar-West Resources Ltd news release, 16 Oct 95).

During the summer of 1996 Columbia Gold Mines Ltd. was drilling the previously explored Kona polymetallic volcanogenic massive sulphide deposit at Fyre Lake near the Tintina Trench, south of Cominco's discovery. The drilling has led to the discovery of additional massive sulphide mineralization in other lenses.

Minfocus has staked and optioned several blocks of claims in Finlayson Lake and Watson Lake areas. The Watson Lake area was identified by Minfocus in 1995 as having similar geology to that of the Wolverine Lake area. Minfocus research identified indications of massive sulphide mineralization recorded in old exploration documents and initiated a program of claim staking and optioning.

The CANOL claims and nearby area were first staked in 1954 and a ground magnetometer survey was carried out in 1955. The area was restaked in 1966 by North Lake Mines Ltd. and an airborne electromagnetic and magnetic survey was completed. In addition, North Lake Mines also carried out a small soil sampling survey presumably located in the vicinity of skarn mineralization on the eastern slope of the claims where there is evidence of trenching. The area was restaked in 1995 by Alex McMillan and optioned to KRL Resources Corporation (Livgard, 1996).

GAMAH INTERNATIONAL LIMITED

5. SUMMARY OF WORK COMPLETED IN 1996 PROGRAM

The field work was carried out intermittently during the period from July 11 to August 15, 1996 and consisted of linecutting, reconnaissance and detailed VLF-EM and magnetometer surveys, geological mapping and rock geochemical sampling. All surveys were carried out over flag and compass lines established at 200 to 300m spacing on the reconnaissance grid and 50m spacing on detailed grids. The lines were oriented approximately perpendicular to regional strike and individual stations were established at 25m intervals. The total length of lines blazed, flagged and chained was 8,525m which includes 3,300m of detailed grids.

6. GEOCHEMICAL SURVEY

6.1 General

Owing to the variation in topography, the CANOL claims are covered with a variety of material. In the flat areas bedrock is overlain by poorly developed soils and thick moss with some frost float. In areas of steep topography the slopes are covered with scree talus and landslide debris of varying age. Older scree is lichen covered and younger material is fresh. Bedrock exposure does not exceed 15% within the claims. In order to help locate buried mineralization a program of reconnaissance and some detailed rock chip sampling were carried out along the flagged lines. The detailed sampling was carried out over the detailed grid along line 900N between 100E and 150W and reconnaissance sampling was carried out over much of the reconnaissance grid as well as where anomalous readings were obtained during the geophysical survey. Rock grab sampling was carried out primarily during the geological mapping. Results of the geological survey are provided in Arengi and Harper (1996) and the regional and property geology are illustrated in Figures 3 and 4, respectively.

6.2 Rock Chip Sampling

A total of 324 rock chip samples were collected from the claims. All of the samples were analyzed for gold (Au), copper (Cu), zinc (Zn) and arsenic (As) and in addition, fifty-one samples were analyzed for silver (Ag). The samples consisted of composite chips taken from float, scree or rock fragments in the poorly developed soils within a one meter radius of the station. All of the samples were shipped to Bondar-Clegg & Company Ltd. in North Vancouver for analysis. Samples were crushed, split and pulverized and analyzed using fire assay/atomic absorption for gold, atomic absorption for Ag, Cu and Zn, and general hydrometric for As. Detection limits are as follows: Au - 5 ppb; Ag - 0.1 ppm; As, Cu and Zn - 1 ppm. Duplicate analyses at the laboratory showed excellent reproducibility. Discussion and interpretation of each of the elements are provided below and contour plots of the kriged data for Au, As, Cu and Zn are provided in Figures 5 to 8, respectively.

Au - Gold values ranged from <5 ppb to 267 ppb. The highest value of 267 ppb was obtained from a sample at the skarn mineralization which also returned the highest copper value. A total of 29 of the 324 samples exceeded detection limits, therefore, any sample which exceeded detection limits was considered

GAMAH INTERNATIONAL LIMITED

anomalous. The contour plot, which includes the rock grab sample results, clearly shows two areas of anomalous gold values; the area in and around the quartz veins and the skarn mineralization. The former represents several samples from several rock types which include a white quartz vein, a sulphidic quartz-carbonate vein and gneissic country rock. The latter represents a single rock grab sample, however, other sampling in this area did not return comparable anomalous values.

Ag - Only 56 of the 324 rock chip samples were analyzed for silver. The highest value of 0.7 ppm came from the skarn mineralization and was associated with high copper and arsenic values. Only 13 samples returned values above detection limits of 1.0 ppm. A contour plot for silver was not prepared.

As - Arsenic values ranged from <1.0 ppm to >10,000 ppm. The contour plot in Figure 6 is heavily biased toward the highly anomalous values obtained from a sulphidic quartz-carbonate vein, nonetheless, the plot shows two relationships; anomalous arsenic is not common and there is little correlation between arsenic and gold.

Cu - Copper values ranged from <1 ppm to 3192 ppm. The mean value is 60.6 ppm and the standard deviation is 242.4 ppm. Using an anomalous threshold of the mean plus two times the standard deviation yields a value of 545 ppm and several samples exceeded this value. The contour plot shows that elevated copper values occur in three areas; at the skarn mineralization, along a grid north trend near line 150E, and near the end of line 350W. At the skarn area the copper occurs as chalcopyrite associated with massive pyrrhotite and pyrite. The high copper values north of line 900N and between 050E and 150E represent outcrop and scree samples of amphibole gneiss and biotite schist which contained stratabound specks and thin discontinuous bands of chalcopyrite along with other sulphides. This style of mineralization was also evident along the northernmost part of line 00. The high copper values along line 350W the are attributed to chalcopyrite associated with pyrite and pyrrhotite in large scree blocks of massive amphibole gneiss and quartzite which are interpreted to have originated from the same units which returned anomalous copper values upslope.

Zn - These values range from <1 ppm to 2700 ppm with a mean value of 58.1 and a standard deviation of 153.4 ppm. The highest value was obtained from a sample collected in the biotite granite. Nearby sampling failed to yield similar values, therefore, this sample is considered spurious. Excluding this value results in a mean of 49.9 ppm. Ignoring the spot high value in the granite, the contour plot shows two slightly anomalous areas; one near line 200E at 1050N and the other at the end of line 350W in the vicinity of anomalous copper values.

6.3 Rock Grab Sampling

A total of 49 rock grab samples were collected on the claims. All of the samples were analyzed for gold (Au), silver (Ag), copper (Cu) and zinc (Zn) and silver (Ag) was analyzed for 18 of these. As with the rock chip samples all of the samples were shipped to Bondar-Clegg & Company Ltd. in North Vancouver for analysis using the same analytical techniques. Discussion and interpretation of each of the elements are provided below and a summary of each of the rock samples is provided in Table 2.

Au - Gold values ranged from below detection to 847 ppb, however, only 12 of the samples exceeded detection. The highest gold value came from quartz vein 10 in the detailed grid area which is the area where most of the anomalous values came from.

GAMAH INTERNATIONAL LIMITED

Ag - Silver values ranged from below detection limits to 0.8 ppm. There is no correlation with gold and all of the values are subeconomic.

Cu - These values range from 5 to 818 ppm with a mean of 155 ppm and a standard deviation of 217 ppm. Most of the high copper values were obtained from samples of schist or amphibole gneiss with visible sulphides including chalcopyrite.

Zn - Zinc values range from <1 to 168 ppm with a mean of 44 ppm and a standard deviation of 46.4 ppm. These values are not considered high.

6.4 Interpretation of Results

Results of the geochemical survey show a close association between metal distribution and rock type. For example, copper values from samples collected in the metamorphic assemblage are higher than those from the granite. Similarly, with respect to anomalous gold and copper values, the former occur in close proximity to the granite contact and strongly suggest remobilization and concentration during and after granite emplacement as for example at the skarn area and in the quartz veins. Anomalous copper is most abundant away from the granite and appears to be stratabound within the gneisses and schists. Further sampling and detailed mapping would help elucidate the nature of the copper mineralization.

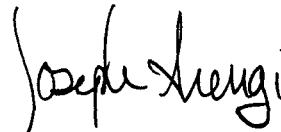
7. CONCLUSIONS

Rock geochemical sampling at the CANOL claim group in the Finlayson Lake area have shown that there are several areas which contain anomalously high gold and copper values. The gold values are associated with quartz veining and a skarn zone, both near the granite contact. Gold values to date are subeconomic and the results reported in Mann (1996) have not yet been reproduced. Copper values are also associated with the skarn area, however, of greater interest are values obtained from outcrops and scree blocks of amphibole gneisses and biotite schists north of line 900N. Rock chip sampling will be a useful exploration tool in locating other untested areas in the metamorphic assemblage. The results to date indicate that further geochemical prospecting is warranted and should include completing a geochemical survey in areas not covered by the 1996 exploration program.

9 STATEMENTS OF QUALIFICATIONS

I, Joseph Arengi do hereby certify that:

1. I am a graduate of the State University of New York with a B. Sc. Degree in geology in 1972 and a graduate of the University of Toronto with a M. Sc. degree in geology in 1977.
2. I have practised my profession in geoscience continuously since 1973.
3. I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia registered as a Professional Geoscientist and a Fellow of the Geological Association of Canada.
5. I have no vested interest in these properties or in Minfocus International Inc., nor do I expect to receive any such interest.
6. I supervised the surveys described in this report and endorse the opinions and conclusions contained herein based on field examination and review of analytical results.



Joseph Arengi, M. Sc., P. Geo.
Toronto, Ontario
October 1996

GAMAH INTERNATIONAL LIMITED

STATEMENT OF QUALIFICATIONS

I, Gerald Harper, President of Gamah International Limited, do hereby certify that:

1. I am a graduate of the University of London, with a B. Sc. degree in Geology and Chemistry in 1965, a B. Sc. Honours degree in Geology in 1966 and a Ph. D. in Geology in 1970.
2. I have practiced my profession continuously since 1966.
3. I am a member in good standing of the Association of Professional Engineers of Ontario, the Society of Economic Geologists, the Canadian Institute of Mining, the Society for Exploration, Mining and Metallurgy, the Geological Society of South Africa, a Fellow of the Geological Society and a member of the Mineral Economics and Management Society.
4. I am the President of Minfoucs International Inc., may be deemed to be its promoter and have instigated the staking by Minfocus International Inc. I am also the President of Gamah International Limited, an independent mining and geological consulting and contracting firm.
5. I directed and supervised the program of work described in this report and endorse the opinions and conclusions presented in this report on the basis of my field examinations in July and September 1996 and review of data compiled by me during those field examinations.

GAMAH INTERNATIONAL LIMITED

Gerald Harper
President

Toronto Canada
October 1996

GAMAH INTERNATIONAL LIMITED

9. PERSONNEL AND CONTRACTORS EMPLOYED

<u>Name</u>	<u>Affiliation</u>	<u>Address</u>	<u>Function</u>	<u>Period</u>
Gerald Harper	Minfocus International Inc.	Toronto	Overall Supervision	July 96-Oct 96
Lorraine Godwin	Gamah International Inc.	Toronto	Project Manager	July 96-Oct 96
Deidre Collins	Gamah International Inc.	Toronto	Office support	Sept 96-Oct 96
Kurt Breede	Gamah International Inc.	Toronto	Field assistant	July 96-Sept 96
Greg Hounsell	Gamah International Inc.	Kingston	Field assistant	July 96-Aug 96
Jocelain Valade	Gamah International Inc.	Sudbury	Field assistant	July 96- Aug 96
Michel Mann	Gamah International Inc.	Calgary	Field assistant	July 96
Helen Harper	Gamah International Inc.	Toronto	Field/office assistant	July 96- Aug 96
George Millen		Watson Lake	Camp support/expediting	July96-Sept96
Joseph Arengi	Gamah International Inc.	Victoria	Geologist	July 96- Oct 96
J. Stockman	Gamah International Inc.	Watson Lake	Line cutting	July 96- Aug 96
Josh Harden	Gamah International Inc	Watson Lake	Line cutting	July 96- Aug 96
	Bondar-Clegg and Company	N. Vancouver	Drill core analysis	July 96- Sept 96
	TransNorth Helicopters	Ross River	Field transportation	Aug 96
	Kluane Helicopters	Finlayson Lake	Field transportation	July 96

GAMAH INTERNATIONAL LIMITED

10. STATEMENT OF COSTS

<u>Item</u>	<u>Details</u>	<u>Amount</u>
Accommodation	Gateway Motel; Field camp	\$ 3,340.58
Analyses		8,470.32
Communication	Telephone, fax and shipping	74.04
Diamond Drilling	Drilling, mob and demob, consumables, core boxes, site preparation and camp cook	-----
Food	Camp supplies	1,794.09
Personnel - Field	Linecutting, geophysical, geochemical and geological surveys, camp construction and misc. supplies	28,085.20
Personnel - Office	Time for office support	9,432.00
Rentals	Vehicles, equipment and hotel	7,465.66
Travel	Air and ground transportation to and from Watson Lake	22,027.27
Office	Copies, maps, photos	512.87
		<u>\$81,202.03</u>

The above costs are as accurate as possible and represent the true value of the work carried out as shown above and described in this, and other related reports. Detailed records for back-up to these amounts are available at the office of Minfocus International Inc., Suite 707, 1243 Islington Avenue, Toronto, Ontario, M8X 1Y9.

Gerald Harper, Ph.D., P. Eng.

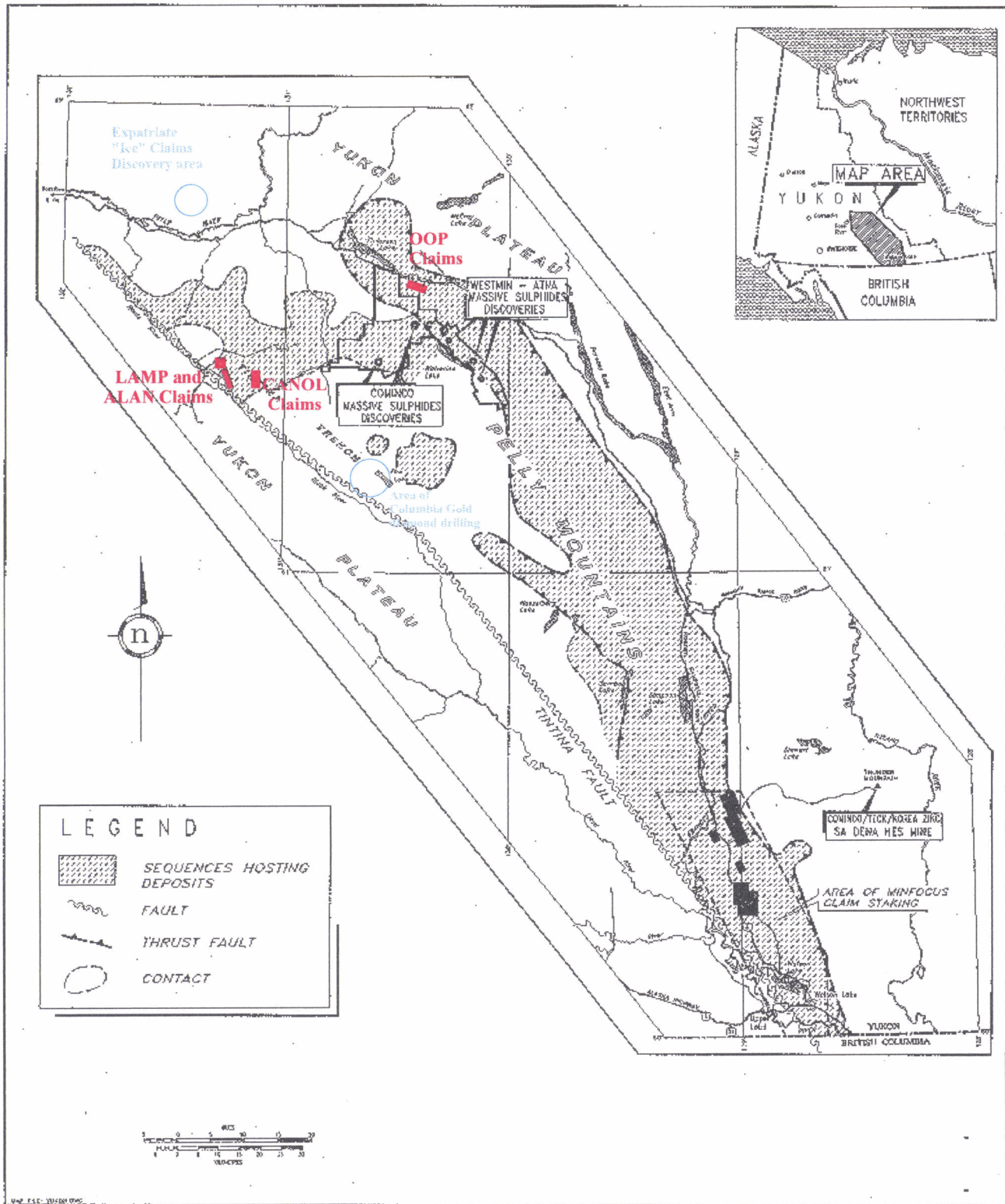
GAMAH INTERNATIONAL LIMITED

11 REFERENCES

- Arengi, J.T. and Harper, G., 1996, Report on a Geological Survey on the CANOL Group of Claims, Finlayson Lake Area, Watson Lake Mining Division, NTS 105/G9, Yukon Territory; unpub. report prepared for Minfocus International Inc., 14 p.
- Anonymous, 1995, Atna Samples YGC's Yukon Properties; Northern Miner 81, No. 35, 11 (30 Oct 95)
- Danielson, V., 1995, Cominco Advances Yukon Deposit; Northern Miner 80, No. 48, 1-2 (30 Jan 95).
- Erdmer, P., 1987, Blueschist and Eclogite in Mylonitic Allochthons, Ross River and Watson Lake areas, Southeast Yukon; Can. J. Earth Sci., Vol. 24, p. 1439-1449.
- Godwin, L., 1996, Summary Report on Claims of Minfocus International Incorporated in the Watson and Wolverine Lake Areas of Yukon Territory, unpub. report prepared for Minfocus International Inc., 50 p.
- Harper, G., 1996, Report on Geophysical Surveys and Diamond Drilling on GMS Group of Claims, Watson Lake Mining Division, NTS 105/A2, 105/A6 and 105/A7, Yukon Territory; unpub. report prepared for Minfocus International Inc., 23 p.
- Hornbrook, E.H.W. and Friske, P.W.B., 1988a, Regional Stream Sediment and Water Geochemical Data, Southeastern Yukon (105G); Geol. Survey of Canada, Open File 1648, 6 p.
- , 1988b, Regional Stream Sediment and Water Geochemical Data, Southeastern Yukon (105H); Geol. Survey of Canada, Open File 1649, 6p.
- Johnston, S.T. and Mortensen, J.K., 1994, Regional Setting of Porphyry Cu-Mo Deposits, Volcanogenic Massive-Sulfide Deposits, and Mesothermal Gold Deposits in the Yukon-Tanana Terrane, Yukon; Yukon Metallogeny: Recent Developments, Yukon Government Publication 30-34.
- Livgard, E., 1996, Report on the CANOL Claims, Watson Lake Mining Division, Yukon Territory; unpub. report prepared for KRL Resources Corp., 8 p.
- Mann, A. G., 1995, Preliminary Geological Report on Watson and Finlayson Lake Exploration Project in Yukon Territory; unpub. report prepared for Minfocus International Inc., 24 p.
- , 1996, Geological Report on Watson Lake Exploration Project in Yukon Territory; unpub. report prepared for Minfocus International Inc., 15 p
- , 1996, Preliminary Exploration Report on CANOL Claims; Finlayson Lake, NTS 105G, Yukon Territory; Unpub. report prepared for Minfocus International Inc., 6 p..
- Plint, H.E. and Gordon, T.M., 1996a, Structural Evolution and Rock Types of the Slide Mountain and Yukon-Tanana Terranes in the Campbell Range, Southeastern Yukon Territory; in Current Research 1996A, Geol. Survey of Canada, p. 19-28.

GAMAH INTERNATIONAL LIMITED

- ,1996b, Geology of Campbell Range Near Wolverine Lake, Southeastern Yukon (parts of 105H/5/9/12, 105G/9); Geol. Survey of Canada, Open File 3303, 1 Sheet, Scale 1:50,000.
- Robertson, R., 1995, Kudz Ze Kayah Discovery Augurs Well for Exporation in Yukon; Northern Miner 81, No. 39 (27 Nov 95).
- Tempelman-Kluit, D.J., et al, 1977, Geology Map 105G, Finlayson Lake Area, Yukon Territory; Geol. Survey of Canada Open File 486.
- ,1979, Transported Cataclasite, Ophiolite and Granodiorite in Yukon: Evidence of Arc-Continent Collision; Geol. Survey of Canada, Paper 79-14, 27 p.
- Wilson, G.C., 1995, Bibliography of the Wolverine Complex of the Southern Yukon and Northern B.C.; the Campell Range; Finlayson Lake and Watson Lake and the Kudz Ze Kayah and Sa Dena Hes (Mount Hundere) Deposits; Unpub. report prepared for Minfocus International Inc., 18 p.



GENERAL LOCATION OF THE
CANOL CLAIMS IN THE
GRASS LAKES AREA, YUKON

Figure 1

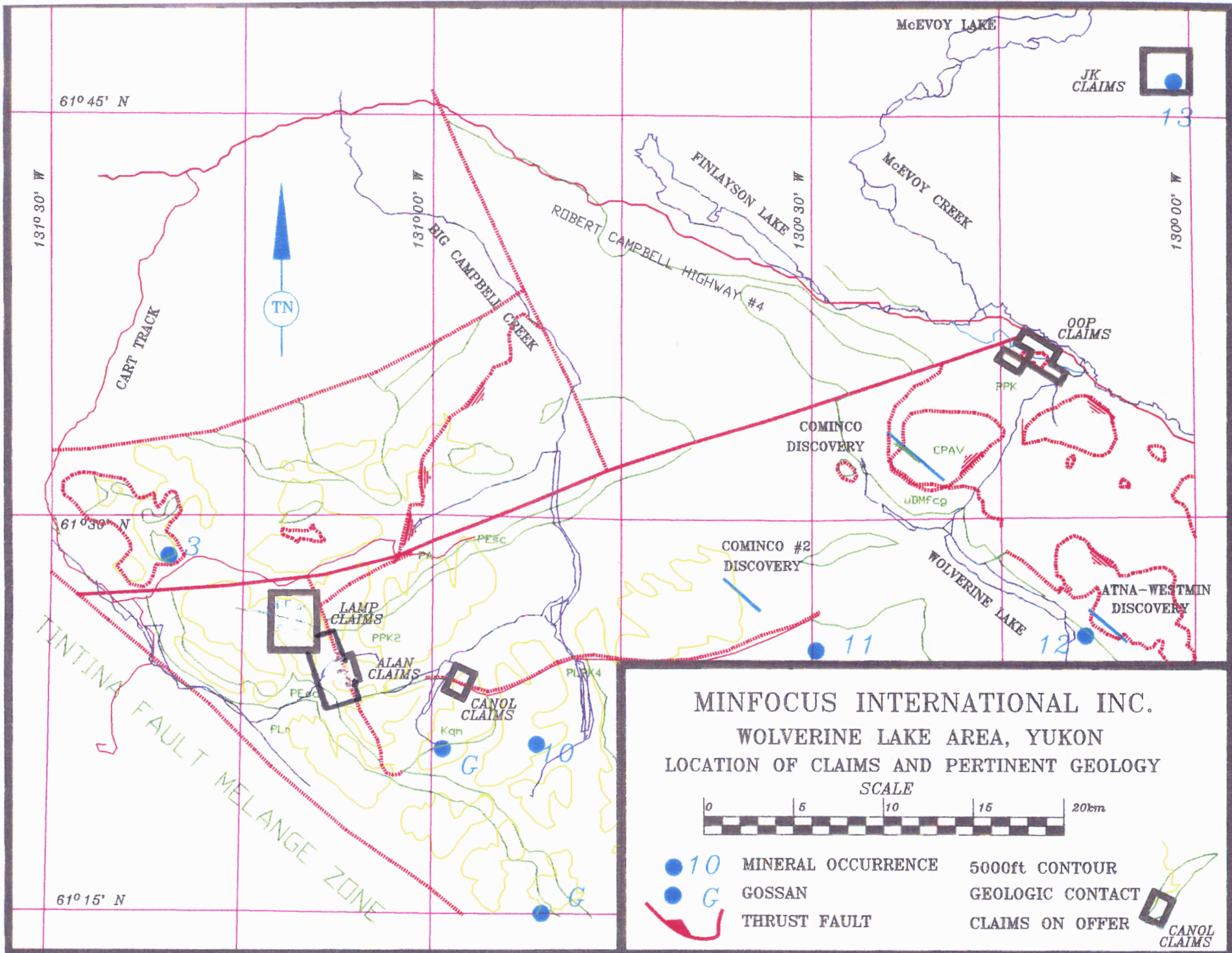
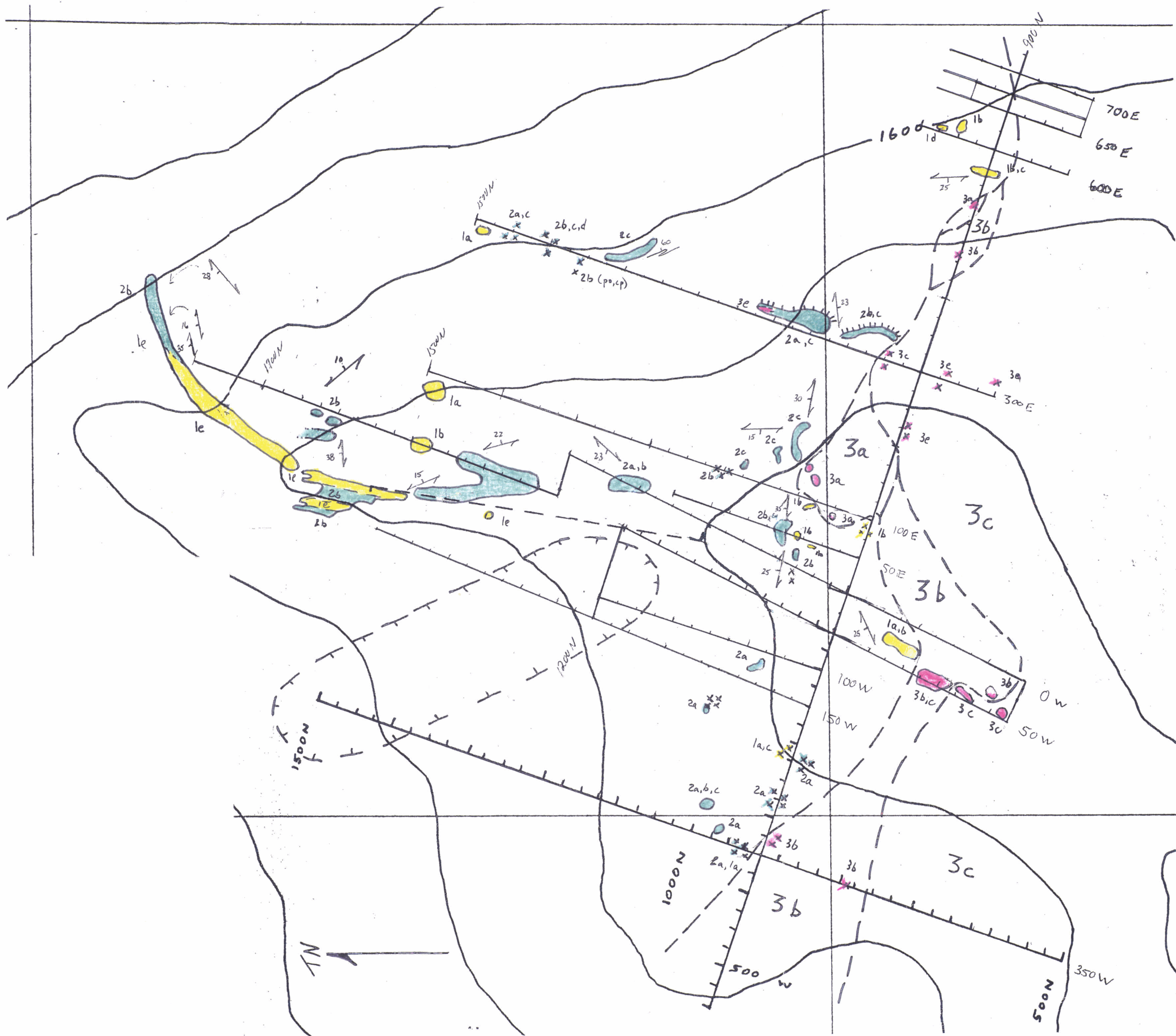


Figure 3



Legend

Rock Types

- 1. Schists
 - 1a biotite ± chlorite ± feldspar schist
 - 1b biotite schist ± amphibole, actinoite
 - 1c silicic biotite schist (quartzite, quartz mica)
 - 1d marble
 - 1e quartzite
- 2. Gneisses
 - 2a augen gneiss
 - 2b amphibole gneiss
 - 2c banded gneiss
 - 2d migmatitic gneiss
- 3. Intrusives
 - 3a muscovite granite (monzonite)
 - 3b muscovite-biotite granite (2 mica)
 - 3c biotite granite
 - 3d granite (undifferentiated)
 - 3e aplite, felsite ± tourmaline

Symbols

-qv quartz vein
- ↗ strike and dip foliation
- ↘ strike and dip, folding
- x x x scree
- outcrop
- ▨ landslide area
- geologic contact

- py pyrite
- po pyrrhotite
- cp chalcopyrite
- sph sphalerite

**GEOLOGY OF THE
CANOL CLAIMS**

October 1996 Figure 4

Gamah International Limited

CANOL CLAIMS GRID

Rock Geochemistry

Kriged values - GOLD (ppb)

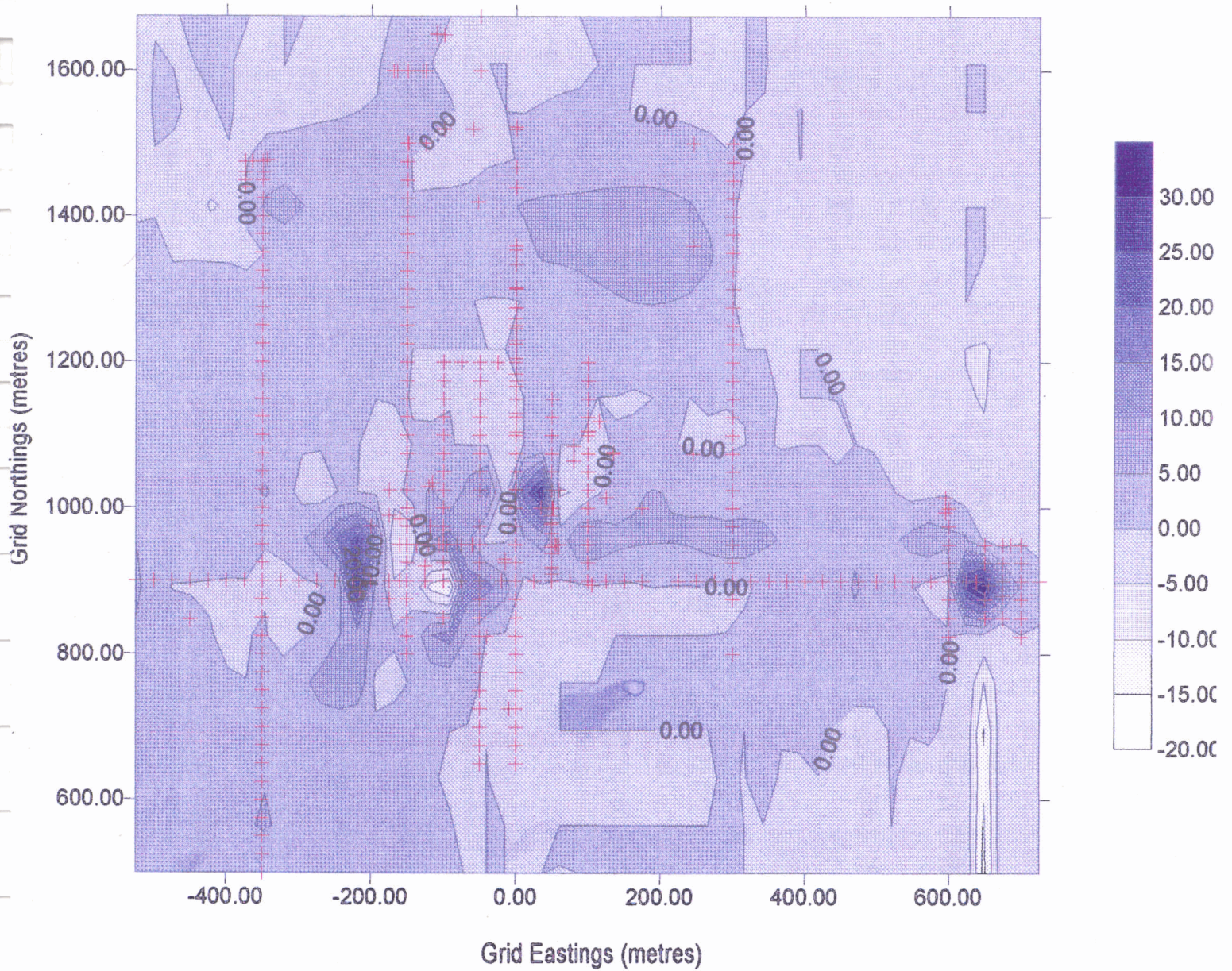


Figure 5

CANOL CLAIMS GRID

Rock Geochemistry

Kriged values - ARSENIC (ppm)

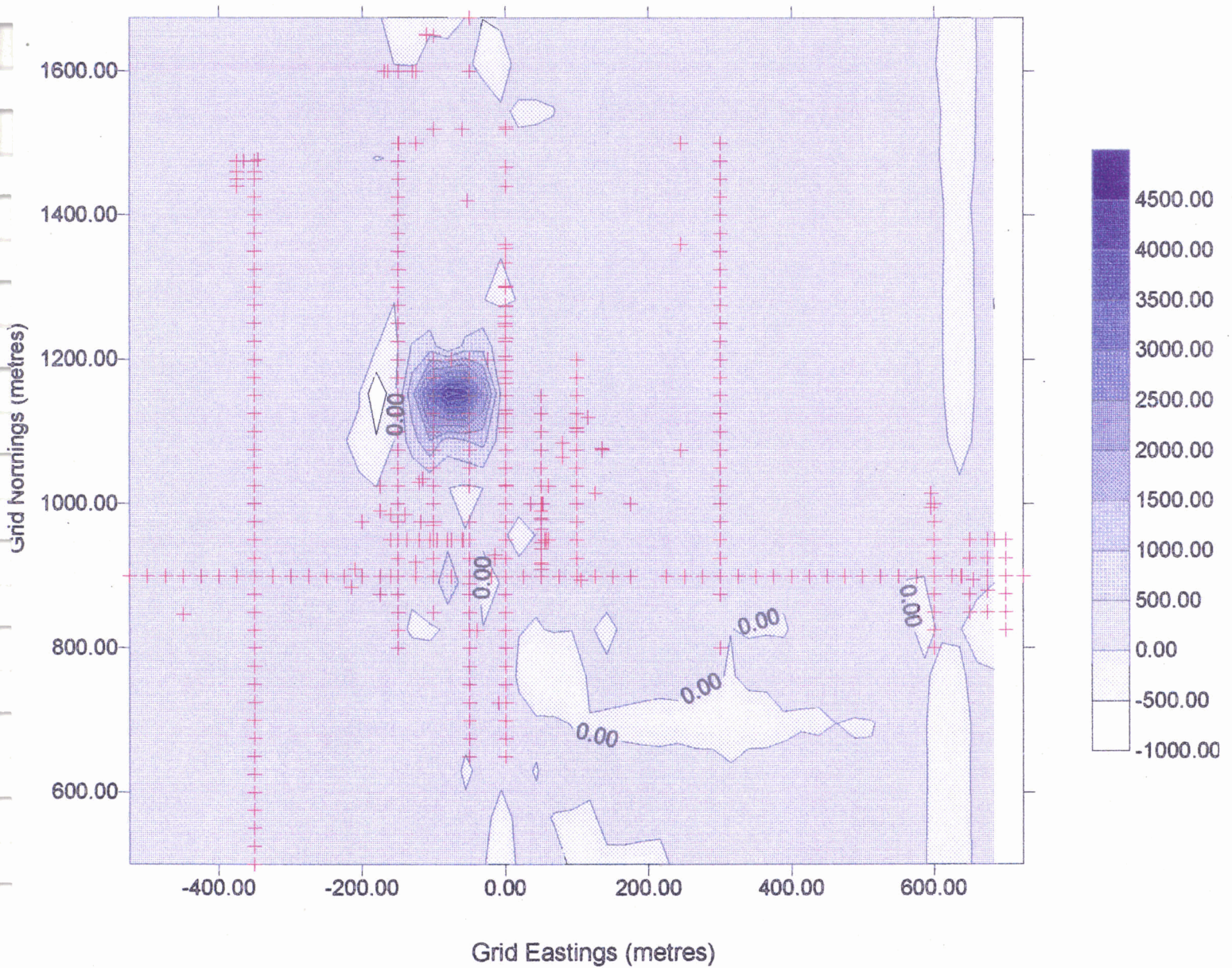


Figure 6

CANOL CLAIMS GRID

Rock Geochemistry

Kriged values - COPPER (ppm)

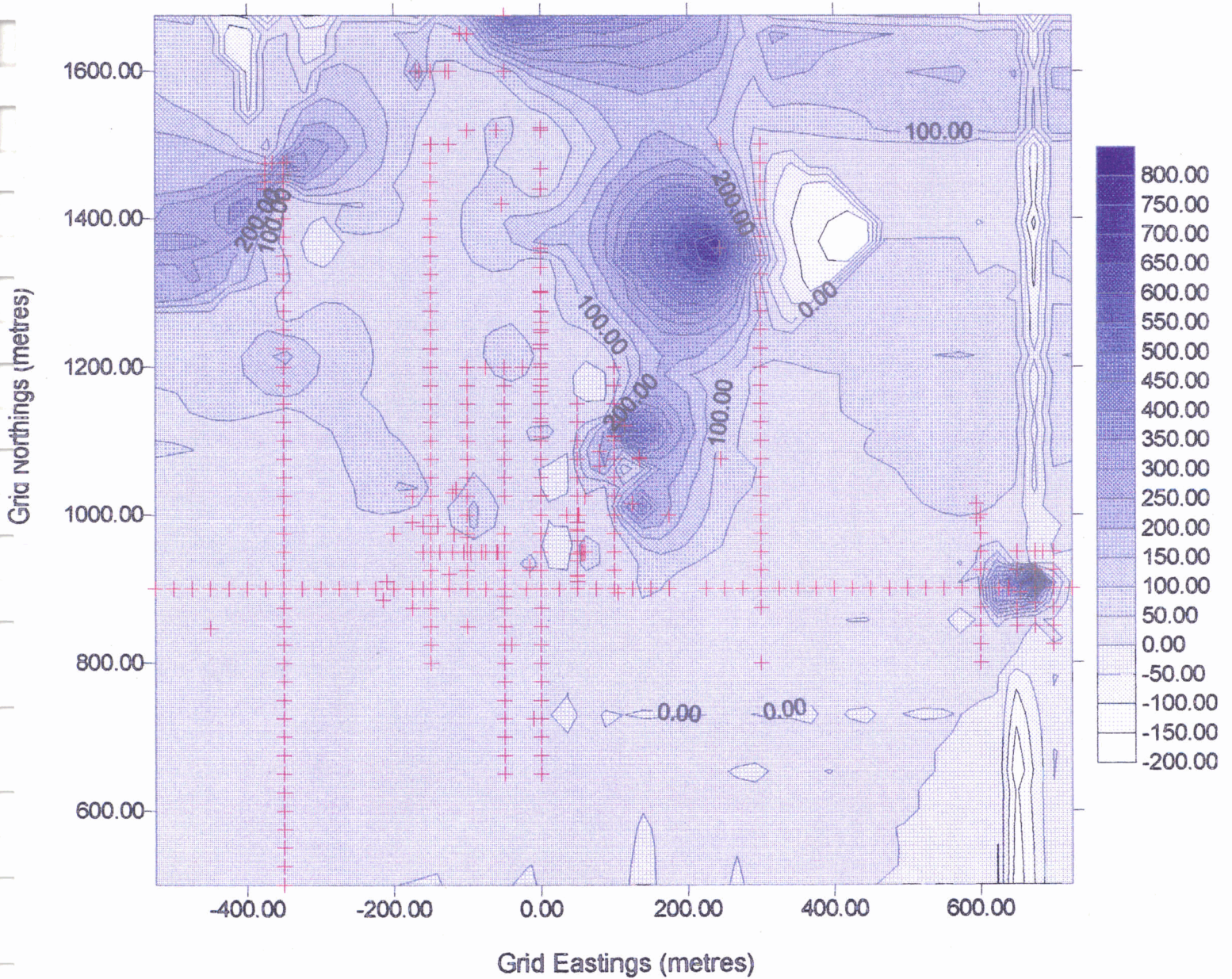


Figure 7

CANOL CLAIMS GRID

Rock Geochemistry

Kriged values - ZINC (ppm)

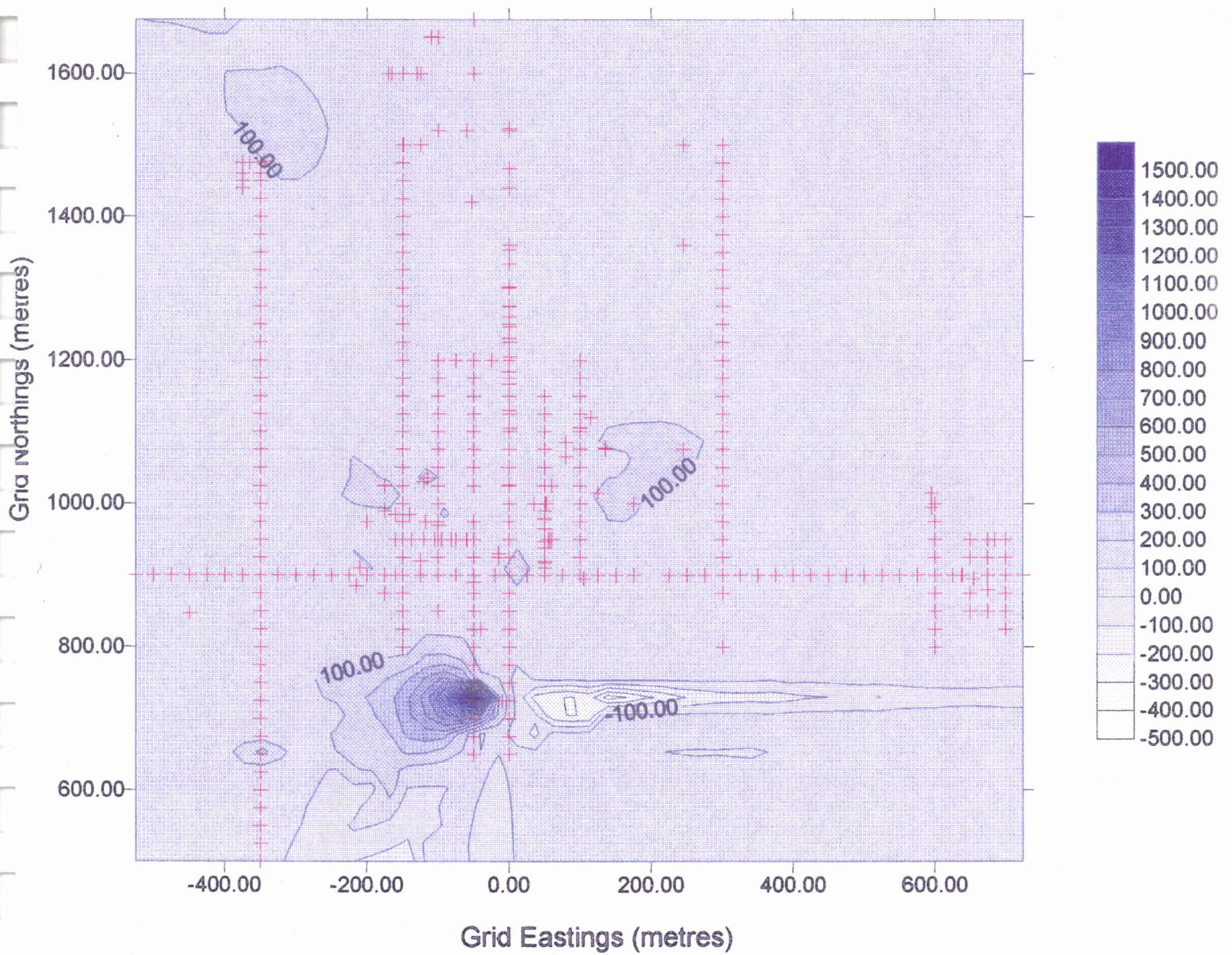


Figure 8

GAMAH INTERNATIONAL LIMITED

Table 1. Summary of Canol Claims Information

<u>Claim Name</u>	<u>Grant Number</u>	<u>Registered Owner</u>	<u>Anniversary Date</u>	<u>NTS (Claim Sheet #)</u>
Canol 1	YB51288	KRL Res. Corp.	97/07/29	105-G-7
Canol 2	YB51289	KRL Res. Corp.	97/07/29	105-G-7
Canol 3	YB51290	KRL Res. Corp.	97/07/29	105-G-7
Canol 4	YB51291	KRL Res. Corp.	97/07/29	105-G-7
Canol 5	YB51292	KRL Res. Corp.	97/07/29	105-G-7
Canol 6	YB51293	KRL Res. Corp.	97/07/29	105-G-7
Canol 7	YB51294	KRL Res. Corp.	97/07/29	105-G-7
Canol 8	YB51295	KRL Res. Corp.	97/07/29	105-G-7
Canol 13	YB51300	KRL Res. Corp.	97/07/29	105-G-7
Canol 14	YB51301	KRL Res. Corp.	97/07/29	105-G-7
Canol 15	YB51302	KRL Res. Corp.	97/07/29	105-G-7
Canol 16	YB51303	KRL Res. Corp.	97/07/29	105-G-7
Canol 17	YB51304	KRL Res. Corp.	97/07/29	105-G-7
Canol 18	YB51305	KRL Res. Corp.	97/07/29	105-G-7
Canol 19	YB51306	KRL Res. Corp.	98/07/29	105-G-7
Canol 20	YB51307	KRL Res. Corp.	98/07/29	105-G-7
Canol 21	YB70757	KRL Res. Corp.	96/10/20	105-G-7
Canol 22	YB70758	KRL Res. Corp.	96/10/20	105-G-7
Canol 35	YB70759	KRL Res. Corp.	96/10/20	105-G-7
Canol 36	YB70760	KRL Res. Corp.	96/10/20	105-G-7
Canol 38	YB70761	KRL Res. Corp.	96/10/20	105-G-7
Canol 39	YB70762	KRL Res. Corp.	96/10/20	105-G-7
Canol 40	YB70763	KRL Res. Corp.	96/10/20	105-G-7
Canol 42	YB70764	KRL Res. Corp.	96/10/20	105-G-7
Canol 43	YB70765	KRL Res. Corp.	96/10/20	105-G-7
Canol 44	YB70766	KRL Res. Corp.	96/10/20	105-G-7
Canol 45	YB70767	KRL Res. Corp.	96/10/20	105-G-7
Canol 46	YB70768	KRL Res. Corp.	96/10/20	105-G-7
Canol 47	YB85306	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 48	YB85307	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 49	YB85308	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 50	YB85309	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 51	YB85310	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 52	YB85311	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 53	YB85312	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 54	YB85313	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 55	YB85314	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 56	YB85315	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 57	YB85316	Minfocus Inter. Inc.	97/07/15	105-G-7

GAMAH INTERNATIONAL LIMITED

Table 1. Summary of Canol Claims Information (Continued)

Canol 58	YB85317	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 59	YB85318	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 60	YB85319	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 61	YB85320	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 62	YB85321	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 63	YB85322	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 64	YB85323	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 65	YB85324	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 66	YB85325	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 67	YB85326	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 68	YB85327	Minfocus Inter. Inc.	97/07/15	105-G-7
Canol 69	YB86678	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 70	YB86679	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 71	YB86680	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 73	YB86681	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 75	YB86682	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 76	YB86683	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 77	YB86684	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 78	YB86685	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 79	YB86686	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 80	YB87181	Minfocus Inter. Inc.	97/08/20	105-G-7
Canol 81	YB87182	Minfocus Inter. Inc.	97/08/20	105-G-7
Canol 100	YB86687	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 101	YB86688	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 102	YB86689	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 103	YB86690	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 104	YB86691	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 105	YB86692	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 106	YB86693	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 107	YB86694	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 108	YB86695	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 109	YB86696	Minfocus Inter. Inc.	97/08/05	105-G-7
Canol 110	YB86697	Minfocus Inter. Inc.	97/08/05	105-G-7

Table 2. Summary of Rock Grab Samples for Canol Claims

Sample No.	Coordinate	Type	Description	Au ppb	Ag ppm	Cu ppm	Zn ppm	As ppm
R-Canol-JA-1	300E,1465N	scree	silicic biotite schist with amph. & epid.; sulph. spks.	<5	-	140	34	19.6
R-Canol-JA-2	295E,1360N	scree	amph. schist (gneiss?); very hard; po & cp spks.	11	-	818	21	15.2
R-Canol-JA-3	325E,1075N	o/c	banded gneiss with sulph. spks.	<5	-	78	137	7.5
R-Canol-JA-4	050W,847N	scree	two-mica granitewith diss. sulph. spks.	<5	-	6	4	7
R-Canol-JA-5	040W,825N	scree	equigranular, med.gr. two-mica granite with sulph. spks.	<5	-	9	8	14.9
R-Canol-JA-6	010W,725N	scree	composite sample of white qtz. vein with tourmaline	<5	-	5	<1	5.6
R-Canol-JA-7	050E,1000N	o/c	f. gr., tour.-bearing aplite dike	<5	-	8	14	2.6
R-Canol-JA-8	050E,1000N	o/c	silicic biotite schist (qtzite?) with sulph. spks.	<5	-	300	13	26.2
R-Canol-JA-9	050E,1000N	o/c	composite of narrow qtz. veins	<5	-	20	31	39.9
R-Canol-JA-10	050E,1000N	o/c	composite of lim. stained amph. sch. (gneiss?), bio. sch.	<5	-	815	31	6.3
R-Canol-JA-11	160W,900N	scree	composite of grn-gry, f.gr. siliceous unit with epid. & po	<5	-	18	49	218.2
R-Canol-JA-12	210W,910N	scree	composite of bio-chlor-feld.& silic.bio. sch with po & cp spks.	106	-	58	147	3.5
R-Canol-JA-13	215W,885N	scree	qtz. vein with sulph. spks. & hard steel blue min.	47	-	44	26	4.7
R-Canol-JA-14	125E,1015N	o/c	composite of sulph.-bearing banded gneiss	<5	0.4	473	164	2.6
R-Canol-JA-15	175E,1000N	o/c	siliceous, sulph.-bearing banded gneiss	8	0.3	181	106	3.8
R-Canol-JA-16	135E,1075N	o/c	qtz. vein	<5	<0.1	18	3	1.9
R-Canol-JA-17	135E,1075N	o/c	amph. gneiss with 10-15% py & po	<5	0.2	239	63	29
R-Canol-JA-18	135E,1075N	o/c	gry siliceous unit in mass amph with dis sulph.	<5	0.3	310	168	3
R-Canol-JA-19	100E,1100N	scree	amph. gn. with semi-mass po & py	<5	0.6	598	51	1.7
R-Canol-JA-20	100W,1650N	o/c	composite of siliceous unit in amph gn with po & minor cp	<5	<0.1	73	16	8.8
R-Canol-JA-21	110W,1650N	o/c	qtzite with sil bio sch with 5% po	<5	0.4	136	40	3.9
R-Canol-JA-22	110W,1650N	o/c	qtz. vein	<5	<0.1	7	2	8.3
R-Canol-JA-23	100E,1000N	scree	composite of qtz. vein	<5	<0.1	55	2	3.5
R-Canol-JA-24	100E,1105N	o/c	amph gn with po % tr cp	<5	0.4	319	33	1.3
R-Canol-JA-25	100E,1105N	o/c	f.gr. bio sch with po & tr cp	<5	0.4	519	43	1.4
R-Canol-JA-26	080E,1085N	o/c	gry sil unit in qtzite with po	<5	0.2	324	38	1.2
R-Canol-JA-27	080E,1085N	o/c	hornfels (?), silicfd with abund fine sulph.	<5	0.5	340	128	36.4
R-Canol-JA-28	115E,1120N	subcrop	f.gr. amph gn & sch with po & tr cp	<5	0.8	655	25	1.1
R-Canol-JA-29	100W,1075N	scree	qtz. vein composite, well gossaned	<5	0.2	71	3	1.8
R-Canol-JA-30	100W,1125N	scree	qtz. vein, Fe-stained	<5	<0.1	88	13	25.6
R-Canol-JA-31	050W,1125N	scree	qtz. vein, Fe-stained	<5	<0.1	55	9	2.3
R-Canol-JA-32	650E,850N	o/c	composite of qtz. vein in porhy bio granite	<5	-	30	4	1.7

Table 2. Summary of Rock Grab Samples for Canol Claims (con't)

Sample No.	Coordinate	Type	Description	Au ppb	Ag ppm	Cu ppm	Zn ppm	As ppm
R-Canol-JA-33	590E,995N	subcrop	marble, equigran with garnet streaks and patches	<5	-	15	12	2.6
R-Canol-JA-34	595E,1015N	o/c	chip sample across 1m thick sulph hor. in amph gn	<5	-	88	93	14.9
R-Canol-JA-35	685E,950N	scree	garnet-bearing (10-15%) chlor sch (skarn?) tr sph (?)	<5	-	11	120	1.3
R-Canol-JA-36	655E,895N	scree	dk gry siliceous material in bio sch with po	13	-	349	61	6.2
R-Canol-JA-37	015W,930N	scree	composite of qtz. vein no. 1	43	-	99	46	21.8
R-Canol-JA-38	015W,925N	scree	composite of qtz. vein no. 2	39	-	30	54	26.4
R-Canol-JA-39	050W,875N	scree	composite of qtz. vein no. 5	<5	-	21	14	1.6
R-Canol-JA-40	100W,850N	scree	composite of qtz. vein no. 8	23	-	24	28	10
R-Canol-JA-41	125W,920N	scree	composite of qtz. vein no. 10	847	-	22	48	232.4
R-Canol-JA-42	160W,985N	scree	composite of qtz. vein no. 13	<5	-	22	120	21.2
R-Canol-JV-1	020W,900N	scree	composite of qtz. vein no. 3	13	-	10	2	12.3
R-Canol-JV-2	050W,900N	scree	composite of qtz. vein no. 4	44	-	17	11	11.3
R-Canol-JV-3	050W,875N	scree	composite of qtz. vein no. 6	<5	-	21	14	1.6
R-Canol-JV-4	050W,925N	scree	composite of qtz. vein no. 9	<5	-	5	10	5.2
R-Canol-JV-5	100W,970N	scree	composite of qtz. vein no. 11	9	-	13	25	12.8
R-Canol-JV-6	175W,990N	scree	composite of qtz. vein no. 12	<5	-	6	12	7.3
R-Canol-JV-7	200W,975N	scree	composite of qtz. vein no. 14	<5	-	11	58	8.5

APPENDIX A

Geochemical Analysis Certificates

Canol Claims



Bondar Clegg Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINIFOCUS INTERNATIONAL INC.
REPORT: V96-01058.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 1-AUG-96 PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM	SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM
R2 -50E 900N		<5	4	21	9.2	R2 OW 1523N		<5	4	8	1.7
R2 -50E 910N		12	14	35	37.4	R2 OW 1025N		<5	13	43	2.7
R2 -50E 917N		<5	8	8	4.5	R2 OW 1025N SAYS		<5	7	30	1.1
R2 -50E 919N		<5	11	125	10.5	R2 OW 1050N		7	2	26	7.8
R2 -50E 938N		<5	29	14	4.7	R2 OW 1075N		<5	18	27	3.4
R2 -50E 947N		<5	9	73	2.4	R2 OW 1100N		<5	91	59	1.9
R2 -50E 965N		<5	3	32	1.5	R2 OW 1125N		<5	15	30	<1.0
R2 -50E 978N		<5	7	8	2.2	R2 OW 1150N		<5	30	37	2.2
R2 -50E 990N		111	6	8	4.3	R2 OW 1175N		<5	23	62	10.1
R2 -50E 1000N		<5	2	16	2.7	R2 OW 1200N		<5	22	38	5.4
R2 -35E 1000N		128	15	42	5.9	R2 OW 1225N		<5	24	114	<1.0
R2 OW 650N		<5	3	16	5.4	R2 OW 1250N		<5	31	67	<1.0
R2 OW 675N		<5	3	19	1.8	R2 OW 1275N		<5	11	46	10.1
R2 OW 700N		<5	4	19	11.6	R2 OW 1300N		<5	39	72	1.6
R2 OW 725N		<5	2	19	2.3	R2 OW 1302N		<5	10	24	<1.0
R2 OW 750N		<5	3	10	5.8	R2 OW 1354N		<5	9	33	2.6
R2 OW 775N		<5	3	19	1.4	R2 OW 1360N		17	207	21	14.4
R2 OW 800N		<5	4	21	1.3	R2 25W 950N		<5	208	43	3.1
R2 OW 825N		<5	3	15	3.3	R2 25W 1025N		<5	62	62	2.7
R2 OW 850N		<5	81	29	1.4	R2 25W 1N		<5	65	13	28.9
R2 OW 875N		<5	14	39	6.0	R2 25W 2N		<5	79	49	29.3
R2 OW 900N		<5	18	208	3.5	R2 25W W+160CR		<5	2255	28	158.5
R2 OW 925N		<5	3	149	6.1	R2 28W 950N		<5	29	39	229.1
R2 OW 950N		<5	<1	27	1.6	R2 30W 950N		<5	136	14	21.1
R2 OW 975N		<5	<1	46	1.3	R2 35W 980N		<5	6	23	3.8
R2 OW 1000N		<5	<1	16	1.9	R2 50W 650N		<5	4	25	10.2
R2 OW 1105N		<5	128	130	14.6	R2 50W 675N		<5	3	15	33.7
R2 OW 1130N		<5	25	38	<1.0	R2 50W 700N		<5	3	18	4.7
R2 OW 1167N		<5	1	47	13.0	R2 50W 725N		<5	59	2700	10.9
R2 OW 1184N		<5	7	121	<1.0	R2 50W 750N		<5	2	24	159.8
R2 OW 1205N		<5	38	67	1.6	R2 50W 775N		<5	30	99	6.2
R2 OW 1230N		<5	14	24	1.9	R2 50W 800N		<5	11	123	7.2
R2 OW 1246N		<5	38	63	<1.0	R2 50W 825N		<5	58	58	<1.0
R2 OW 1260N		<5	15	69	2.3	R2 50W 850N		<5	42	81	14.4
R2 OW 1274N		<5	26	94	<1.0	R2 50W 875N		6	17	105	18.7
R2 OW 1301N		<5	18	55	6.8	R2 50W 900N		5	82	143	2.7
R2 OW 1334N		<5	7	36	4.0	R2 50W 925N		<5	19	31	2.5
R2 OW 1440N		<5	<1	39	<1.0	R2 50W 950N		<5	4	28	2.5
R2 OW 1467N		<5	3	11	1.4	R2 50W 975N		<5	37	77	2.2
R2 OW 1520N		<5	4	9	2.0	R2 59W 950N		20	24	21	9.4

Bondar-Clegg & Company Ltd.

130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada

Tel: (604) 985-0681, Fax: (604) 985-1071



Bondar Clegg Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINIFOCUS INTERNATIONAL INC.
REPORT: V96-01058.0 (COMPLETE)

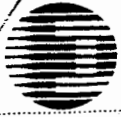
PROJECT: 96089 CANOL
DATE PRINTED: 1-AUG-96 PAGE 2

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM	SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM
R2 60W 950N		<5	5	27	1.0	R2 350W 900N		<5	5	74	4.3
R2 60W 1520N		<5	81	33	2.1	R2 350W 500N		<5	3	35	4.4
R2 70W 950N		9	7	15	19.4	R2 350W 525N		<5	3	37	5.7
R2 70W 975N		19	20	38	11.2	R2 350W 550N		<5	3	27	4.9
R2 70W 1100N		<5	86	365	200.9	R2 350W 575N		10	2	24	2.2
R2 70W 1100N		<5	179	248	>10000	R2 350W 600N		<5	3	23	2.1
R2 70W 1100N		14	59	263	224.0	R2 350W 625N		6	3	19	6.7
R2 70W 1100N		<5	165	81	>10000	R2 350W 650N		<5	16	283	2.8
R2 75W 900N		14	50	127	1464.0	R2 350W 675N		<5	4	20	7.0
R2 75W 950N		9	6	76	834.0	R2 350W 925N		7	5	38	5.2
R2 81W 950N		28	5	40	221.0	R2 350W 950N		<5	16	57	38.3
R2 95W 950N		10	3	66	40.8	R2 350W 975N		<5	17	20	2.8
R2 100W 900N		<5	46	52	34.9	R2 350W 1000N		<5	11	35	2.6
R2 100W 1520N		<5	8	33	104.8	R2 350W 1025N		7	29	40	12.7
R2 105W 950N		<5	6	24	20.2	R2 350W 1050N		<5	8	44	2.0
R2 115W 1035N		<5	34	165	11.6	R2 350W 1075N		<5	16	101	2.6
R2 118W 975N		115	18	46	94.3	R2 350W 1100N		<5	30	54	4.7
R2 120W 950N		5	<1	83	17.6	R2 350W 1125N		<5	13	40	1.8
R2 120W 1030N		6	6	9	20.1	R2 350W 1150N		<5	46	86	23.8
R2 125W 900N		<5	15	135	31.4	R2 350W 1175N		6	162	97	28.1
R2 137W 950N		<5	<1	25	8.0	R2 350W 1200N		<5	111	54	8.7
R2 140W 985N		<5	20	31	47.7	R2 350W 1225N		<5	202	29	3.4
R2 150W 900N		<5	11	102	6.4	R2 350W 1250N		<5	48	62	15.0
R2 160W 950N		<5	<1	18	4.2	R2 350W 1275N		6	32	42	19.4
R2 175W 900N		<5	32	111	4.0	R2 350W 1300N		<5	17	64	23.0
R2 200W 900N		<5	10	65	13.5	R2 350W 1325N		<5	85	44	1.7
R2 225W 900N		<5	14	16	8.6	R2 350W 1350N		<5	53	37	1.7
R2 250W 900N		<5	11	98	11.8	R2 350W 1375N		<5	28	66	7.3
R2 275W 900N		<5	36	54	6.8	R2 350W 1400N		<5	32	35	3.4
R2 300W 900N		<5	8	59	7.2	R2 350W 1425N		10	29	41	6.9
R2 325W 900N		<5	19	49	11.6	R2 350W 1450N		22	44	66	12.0
R2 345W 1477N		<5	371	172	30.6	R2 350W 1460N		<5	822	22	24.3
R2 350W 700N		<5	4	16	6.8	R2 350W 1475N		9	107	57	4.6
R2 350W 725N		<5	5	20	13.8	R2 365W 1475N		<5	108	20	2.4
R2 350W 750N		<5	5	21	10.3	R2 375W 900N		<5	6	15	5.8
R2 350W 775N		<5	4	27	5.1	R2 375W 1440N		<5	508	44	16.0
R2 350W 800N		<5	6	16	8.5	R2 375W 1450N		<5	223	36	1.8
R2 350W 825N		<5	4	7	4.8	R2 375W 1460N		<5	418	55	2.2
R2 350W 850N		<5	4	33	15.3	R2 375W 1475N		<5	27	63	13.4
R2 350W 875N		<5	4	7	5.6	R2 400W 900N		<5	19	43	2.0

Bondar-Clegg & Company Ltd.

130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada

Tel: (604) 985-0681, Fax: (604) 985-1071



Bondar Clegg Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINFOCUS INTERNATIONAL INC.
REPORT: V96-01058.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 1-AUG-96 PAGE 3

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM	SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM
R2 425W 900N		<5	8	32	29.1						
R2 450W 900N		<5	10	77	12.3						
R2 475W 900N		<5	8	22	26.2						
R2 500W 900N		<5	7	16	2.4						
R2 525W 900N		8	8	74	2.3						



Bondar Clegg

Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINFOCUS INTERNATIONAL INC.

REPORT: V96-01235.0 (COMPLETE)

PROJECT: 96089 CANOL

DATE PRINTED: 15-AUG-96

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM
R2 600E 800N		<5	4	45	3.8
R2 600E 825N		<5	20	49	3.5
R2 600E 850N		6	5	31	2.1
R2 600E 875N		<5	18	47	11.7
R2 25E 900N		<5	15	109	5.5
R2 50E 900N		<5	8	55	1.4
R2 75E 900N		<5	3	66	6.1
R2 100E 900N		<5	4	38	1.7
R2 125E 900N		<5	28	67	10.3
R2 150E 900N		<5	100	69	5.2
R2 175E 900N		<5	16	61	<1.0
R2 225E 900N		<5	4	23	1.9
R2 250E 900N		<5	14	39	2.5
R2 275E 900N		<5	20	76	1.6
R2 300E 900N		<5	16	43	4.1
R2 325E 900N		<5	5	32	2.8
R2 350E 900N		<5	3	25	<1.0
R2 375E 900N		6	4	38	1.3
R2 400E 900N		<5	3	22	1.8
R2 425E 900N		<5	4	30	1.3
R2 450E 900N		<5	3	17	1.1
R2 475E 900N		9	6	21	4.6
R2 500E 900N		<5	5	12	3.5
R2 525E 900N		7	28	118	16.8
R2 550E 900N		<5	44	59	4.5
R2 575E 900N		<5	58	81	<1.0
R2 600E 900N		<5	50	60	1.6
R2 638E 900N		267	3192	26	769.2
R2 638E 900N		74	636	51	6.1
R2 600E 925N		38	72	86	57.9
R2 600E 950N		9	55	63	2.8
R2 600E 975N		<5	34	66	17.3
R2 600E 1000N		<5	17	91	16.7

Bondar-Clegg & Company Ltd.

130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada

Tel: (604) 985-0681, Fax: (604) 985-1071



Bondar Clegg Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINFOCUS INTERNATIONAL INC.
REPORT: V96-01234.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 19-AUG-96 PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM
R2 170W 1600N		<5	32	44	4.6
R2 165W 1600N		8	446	39	6.6
R2 125-175W 1600N		<5	14	86	<1.0
R2 150W 1500N		<5	15	32	1.1
R2 150W 1500N		<5	14	45	1.5
R2 150W 1475N		<5	42	38	1.2
R2 150W 1450N		<5	7	22	1.5
R2 150W 1425N		<5	8	32	17.3
R2 150W 1400N		<5	17	23	<1.0
R2 150W 1375N		<5	20	31	2.7
R2 150W 1350N		<5	25	23	3.0
R2 150W 1325N		<5	49	37	11.1
R2 150W 1300N		<5	27	29	4.5
R2 150W 1275N		<5	5	44	12.3
R2 150W 1250N		<5	29	25	5.0
R2 150W 1225N		<5	19	71	5.3
R2 150W 1200N		<5	20	40	6.2
R2 150W 1175N		<5	27	22	3.2
R2 150W 1150N		<5	19	41	<1.0
R2 150W 1125N		<5	20	24	2.8
R2 150W 1100N		<5	46	74	3.9
R2 150W 1075N		<5	5	34	23.3
R2 150W 1050N		<5	21	70	7.5
R2 150W 1025N		<5	16	57	9.8
R2 150W 1000N		<5	31	26	27.3
R2 150W 975N		<5	5	55	12.9
R2 150W 950N		<5	20	121	88.5
R2 150W 925N		<5	14	66	2.8
R2 150W 875N		<5	17	46	5.3
R2 150W 850N		<5	6	52	3.0
R2 150W 825N		<5	20	132	15.2
R2 150W 800N		<5	7	18	7.3
R2 125W 1600N		<5	21	7	1.5
R2 125+5W 1600N		<5	2	66	<1.0
R2 125W 1600N		<5	53	14	4.4
R2 125W 1500N		<5	31	27	1.3
R2 50W 1650-1700N		<5	652	52	<1.0
R2 50W 1600N		<5	48	45	1.3
R2 53W 1420N		<5	96	27	6.3

Bondar-Clegg & Company Ltd.

130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada

Tel: (604) 985-0681, Fax: (604) 985-1071



Bondar Clegg

Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINFOCUS INTERNATIONAL INC.
REPORT: V96-01249.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 19-AUG-96 PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Cu PPM	Zn PPM	As PPM
245E					
R2 JA1 1465E 1500N		<5	140	34	19.6
R2 JA2 245E 1360N		11	816	21	15.2
R2 JA3 245E 1075N		<5	74	127	2.5
R2 JA4 450W 847N		<5	6	4	7.0
R2 JA5 40W 825N		<5	8	8	14.9
R2 JA6 10W 725N		<5	5	<1	5.6
R2 JA7 50E 1000N		<5	8	14	2.6
R2 JA8 50E 1000N		<5	300	13	26.2
R2 JA9 50E 1000N		<5	20	31	39.9
R2 JA10 50E 1000N		<5	815	31	6.3
R2 JA11 160W 900N		<5	18	49	218.2
R2 JA12 210W 910N		106	68	147	3.5
R2 JA13 215W 885N		47	49	26	4.2
R2 105E 895N		<5	<1	28	4.6
R2 300E 800N		<5	4	19	<1.0
R2 300E 875N		<5	11	19	1.5
R2 300E 925N		<5	7	17	10.5
R2 300E 950N		<5	8	22	10.9
R2 300E 975N		27	17	22	5.1
R2 300E 1000N		<5	6	41	<1.0
R2 300E 1025N		<5	12	62	3.3
R2 300E 1050N		<5	82	38	4.1
R2 300E 1075N		<5	13	87	3.4
R2 300E 1100N		<5	7	84	8.1
R2 300E 1125N		<5	5	35	1.3
R2 300E 1150N		<5	40	43	3.9
R2 300E 1175N		<5	20	21	2.3
R2 300E 1200N		<5	16	17	3.5
R2 300E 1225N		<5	104	47	3.1
R2 300E 1250N		<5	14	28	14.4
R2 300E 1275N		<5	147	18	27.5
R2 300E 1300N		<5	28	15	3.1
R2 300E 1325N		<5	9	23	2.3
R2 300E 1350N		<5	204	24	5.9
R2 300E 1375N		<5	26	23	16.8
R2 300E 1400N		<5	25	31	2.7
R2 300E 1425N		<5	4	30	3.5
R2 300E 1450N		<5	16	62	2.0
R2 300E 1475N		<5	14	38	37.9
R2 300E 1500N		<5	21	31	3.9

Bondar-Clegg & Company Ltd.

130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada

Tel: (604) 985-0681, Fax: (604) 985-1071



Bondar Clegg Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINIFOCUS INTERNATIONAL INC.
REPORT: V96-01334.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 28-AUG-96 PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Ag PPM	Cu PPM	Zn PPM	As PPM
S1 18		<5	0.3	28	115	88.7
S1 OOP 200N 775W		<5	0.5	28	71	22.8
S1 OOP 250N 800W		<5	0.5	15	24	30.8
S1 OOP 250N 825W		<5	<0.1	22	43	8.2
S1 OOP 250N 850W		<5	<0.1	4	8	1.1
S1 OOP 275N 825W		<5	0.2	17	33	67.6
S1 OOP 300N 800W		<5	0.2	7	29	41.9
S1 OOP 300N 825W		22	0.9	44	48	70.9
S1 OOP 300N 845W		<5	0.2	27	62	9.7
S1 OOP 325N 827W		<5	<0.1	23	46	7.6
S1 OOP 350N 825W		<5	0.2	32	74	21.0
S1 OOP 350N 850W		<5	<0.1	33	66	10.2
S1 OOP 375N 825W		<5	0.2	29	70	11.0
S1 OOP 400N 825W		<5	0.3	15	40	3.9
S1 OOP 400N 850W		<5	0.3	4	10	<1.0
S1 OOP 400N 863W		<5	0.3	128	168	5.9
S1 OOP 2000S 1900W		<5	0.4	7	34	1.7
S1 OOP 2000S 1800W		<5	0.2	6	22	1.2
S1 OOP 2000S 1200W		<5	0.3	24	32	2.8
S1 OOP 2000S 775W		<5	<0.1	<1	6	<1.0
S1 OOP 550S 1775W		<5	0.3	49	81	6.3
S1 OOP 550S 1300W		<5	<0.1	5	7	<1.0
S1 OOP 550S 825W		<5	<0.1	2	9	<1.0
S1 OOP 550S 700W		<5	<0.1	13	7	<1.0
R2 CANOL 1025N 50E		<5	<0.1	3	29	1.8
R2 CANOL 1050N 50E		<5	0.2	25	37	3.7
R2 CANOL 1075N 50E		<5	<0.1	10	46	1.5
R2 CANOL 1100N 50E		<5	<0.1	24	48	1.6
R2 CANOL 1125N 50E		<5	<0.1	31	32	7.8
R2 CANOL 1150N 50E		<5	<0.1	9	24	1.8
R2 CANOL 925N 100E		<5	0.4	7	34	1.5
R2 CANOL 950N 100E		18	0.3	7	103	12.9
R2 CANOL 975N 100E		<5	<0.1	5	32	1.5
R2 CANOL 1000N 100E		<5	<0.1	33	42	3.2
R2 CANOL 1025N 100E		<5	<0.1	8	44	2.9
R2 CANOL 1050N 100E		<5	0.2	16	26	65.3
R2 CANOL 1075N 100E		<5	<0.1	8	38	4.2
R2 CANOL 1100N 100E		<5	<0.1	25	21	1.9
R2 CANOL 1125N 100E		<5	<0.1	66	20	1.9
R2 CANOL 1150N 100E		<5	<0.1	16	44	8.2

Bondar-Clegg & Company Ltd.

130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada

Tel: (604) 985-0681, Fax: (604) 985-1071

CLIENT: MINFOCUS INTERNATIONAL INC.
REPORT: V96-01334.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 28-AUG-96 PAGE 2

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Ag PPM	Cu PPM	Zn PPM	As PPM
R2 CANOL 1175N 100E		<5	<0.1	27	21	1.4
R2 CANOL 1200N 100E		<5	<0.1	15	29	3.7
R2 CANOL 1200N 25W		<5	<0.1	85	29	3.5
R2 CANOL 1075N 50W		<5	<0.1	43	39	10.2
R2 CANOL 1100N 50W		<5	<0.1	6	13	2.4
R2 CANOL 1125N 50W		<5	<0.1	12	49	1.7
R2 CANOL 1150N 50W		<5	<0.1	4	54	1.6
R2 CANOL 1175N 50W		<5	<0.1	6	30	2.2
R2 CANOL 1200N 50W		<5	<0.1	119	34	1.8
R2 CANOL 1200N 75W		<5	<0.1	35	23	4.0
R2 CANOL 925N 100W		<5	<0.1	36	115	11.4
R2 CANOL 950N 100W		<5	0.2	189	189	9.8
R2 CANOL 975N 100W		<5	0.3	122	145	19.9
R2 CANOL 1000N 100W		<5	0.2	129	77	4.3
R2 CANOL 1025N 100W		<5	0.3	100	90	5.0
R2 CANOL 1050N 100W		<5	<0.1	59	73	1.6
R2 CANOL 1075N 100W		<5	<0.1	29	35	1.9
R2 CANOL 1100N 100W		<5	<0.1	18	35	3.0
R2 CANOL 1125N 100W		<5	<0.1	31	40	3.2
R2 CANOL 1150N 100W		<5	<0.1	40	37	2.7
R2 CANOL 1175N 100W		<5	<0.1	17	31	7.4
R2 CANOL 1200N 100W		<5	<0.1	14	22	2.4
R2 CANOL 875N 650E		<5	<0.1	4	40	1.2
R2 CANOL 925N 650E		<5	<0.1	50	69	5.6
R2 CANOL 950N 650E		<5	<0.1	43	38	4.6
R2 CANOL 900N 675E		16	0.7	1372	35	409.2
R2 CANOL 925N 675E		<5	<0.1	22	84	3.4
R2 CANOL 950N 675E		<5	<0.1	5	48	1.8
R2 CANOL 825N 700E		<5	<0.1	4	32	1.2
R2 CANOL 850N 700E		<5	<0.1	7	23	1.8
R2 CANOL 875N 700E		9	<0.1	4	30	2.2
R2 CANOL 900N 700E		<5	<0.1	30	54	8.8
R2 CANOL 925N 700E		<5	<0.1	7	27	6.4
R2 CANOL 950N 700E		<5	<0.1	20	48	4.2
R2 CANOL 900N 725E		<5	<0.1	6	22	1.7
R2 CANOL JA14 1015N125E		<5	0.4	473	164	2.6
R2 CANOL JA15 1000N175E		8	0.3	181	106	3.8
R2 CANOL JA16 1075N135E		<5	<0.1	18	3	1.9
R2 CANOL JA17 1075N135E		<5	0.2	239	63	29.0
R2 CANOL JA18 1075N135E		<5	0.3	310	168	3.0





Bondar Clegg

Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINFOCUS INTERNATIONAL INC.
REPORT: V96-01334.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 28-AUG-96 PAGE 3

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	Ag PPM	Cu PPM	Zn PPM	As PPM
R2 CANOL JA19	1100N100E	<5	0.6	598	51	1.7
R2 CANOL JA20	1650N100W	<5	<0.1	73	15	8.8
R2 CANOL JA21	1650N110W	<5	0.4	136	40	3.9
R2 CANOL JA22	1650N110W	<5	<0.1	7	2	8.3
R2 CANOL JA23	1000N100E	<5	<0.1	55	2	3.5
R2 CANOL JA24	1105N100E	<5	0.4	319	33	1.3
R2 CANOL JA25	1105N100E	<5	0.4	519	43	1.4
R2 CANOL JA26	1085N 80E	<5	0.2	324	38	1.2
R2 CANOL JA27	1085N 80E	<5	0.5	340	128	36.4
R2 CANOL JA28	1120N115E	<5	0.8	655	25	1.1
R2 CANOL JA29	1075N100W	<5	0.2	71	3	1.8
R2 CANOL JA30	1125N100W	<5	<0.1	88	13	25.6
R2 CANOL JA31	1125N050W	<5	<0.1	55	9	2.3
R2 OOP JA10	295N 800W	<5	<0.1	6	5	7.2
R2 OOP JA11	310N 830W	<5	<0.1	15	31	16.7
R2 OOP JA12	290N 995W	<5	<0.1	25	32	<1.0
R2 OOP JA13	150N 1100W	<5	<0.1	51	68	13.3
R2 OOP JA14	145N 1240W	<5	<0.1	29	29	2.3



Bondar Clegg

Inchcape Testing Services

Geochemical Lab Report

CLIENT: MINFOCUS INTERNATIONAL INC.
REPORT: V96-01374.0 (COMPLETE)

PROJECT: 96089 CANOL
DATE PRINTED: 3-SEP-96 PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au30 PPB	AuRew1 PPB	Cu PPM	Zn PPM	As PPM
R2 CANOL 880N 675E		14		75	52	14.9
R2 CANOL 850N 650E		<5		30	4	1.7
R2 CANOL 850N 675E		<5		29	73	9.8
R2 CANOL 895N 655E		13		349	61	6.2
R2 CANOL 900N 625E		<5		10	88	4.1
R2 CANOL 950N 685E		<5		11	120	1.3
R2 CANOL 995N 595E		<5		15	12	2.6
R2 CANOL 1015N 595E		<5		88	93	14.9
R2 CANOL 850N 100W		23		24	28	10.0
R2 CANOL 875N 50W		<5		21	14	1.6
R2 CANOL 890N 050W		19		39	16	5.7
R2 CANOL 900N 20W		13		10	2	12.3
R2 CANOL 900N 50W		44		17	11	11.3
R2 CANOL 920N 125W		847	956	22	48	232.4
R2 CANOL 925N 015W		39		30	54	26.4
R2 CANOL 925N 50W		<5		5	10	5.2
R2 CANOL 930N 015W		43		99	46	21.8
R2 CANOL 970N 100W		9		13	25	12.8
R2 CANOL 975N 200W		<5		11	58	8.5
R2 CANOL 985N 160W		<5		22	120	21.2
R2 CANOL 990N 175		<5		6	12	7.3
R2 CANOL 1025 0W		30		4	64	<1.0
R2 CANOL 1050N 0W		<5		3	74	1.1
R2 CANOL 1075N 0W		<5		3	43	1.9
R2 CANOL 1025N 50W		20		16	42	2.2
R2 CANOL 1050N 50W		<5		10	45	1.1

L

A SUMMARY OF GEOPHYSICAL SURVEYING DONE IN 1996 ON
THE CANOL CLAIMS GROUP

GRASS LAKES AREA, YUKON MINING DISTRICT
NTS 105G-7
61°23'00" N, 130°57'00" W

FOR

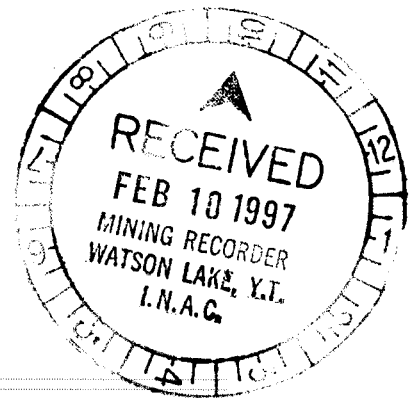
MINIFOCUS INTERNATIONAL INCORPORATED

093580



LORRAINE GODWIN
CONSULTING GEOPHYSICIST
GAMAH INTERNATIONAL LIMITED
SUITE 707, 1243 ISLINGTON AVENUE
TORONTO, ONTARIO
M8X 1Y9

DECEMBER 1996



...has been verified by
the Regional Exploration Unit
of the Canadian Geological Survey
and is estimated as
containing the amount
of \$ 8,203.03.

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

GAMAH INTERNATIONAL LIMITED

SUMMARY

In 1995 two separate reconnaissance surveys were made on the CANOL claim blocks in the Finlayson Lake area of Yukon Territory by geological engineer Egil Livgard and geologist Dr. Adrian Mann. Both observed and sampled gold and base metals mineralization. Based on their recommendations follow-up ground magnetic and electromagnetic surveys were conducted in July and August of 1996. Nine days were spent with crews flagging lines and conducting the aforementioned surveys, as well as mapping the geology and collecting geochemical chip samples at various locations along the grid lines. A total of 18 lines were surveyed, covering a total of 7,075 m. This work was done on claim blocks 15, 16, 17, 18, 19, 20, 21, 62, 64 and 66.

No economic mineralization was discovered. The magnetic survey results were inconclusive, however, the VLF-EM results were encouraging. Further work is recommended to explore the potential of the remainder of the claim group.

GAMAH INTERNATIONAL LIMITED

TABLE OF CONTENTS

1.0 INTRODUCTION	PAGE 1
2.0 LOCATION AND LOGISTICS	PAGE 1
3.0 PROPERTY OWNERSHIP	PAGE 4
4.0 PREVIOUS WORK	PAGE 4
5.0 SUMMARY OF WORK COMPLETED IN 1996 PROGRAM	PAGE 9
6.0 GEOLOGY	PAGE 10
7.0 GEOPHYSICAL WORK	PAGE 12
7.1 MAGNETOMETER SURVEY - METHODOLOGY	PAGE 12
7.2 MAGNETOMETER SURVEY - RESULTS	PAGE 12
7.3 ELECTROMAGNETIC SURVEY - METHODOLOGY	PAGE 12
7.4 ELECTROMAGNETIC SURVEY - RESULTS	PAGE 12
8.0 CONCLUSIONS AND RECOMMENDATIONS	PAGE 13
9.0 FOOTNOTES	PAGE 13
10.0 STATEMENT OF QUALIFICATIONS	PAGE 15
11.0 PERSONNEL AND CONTRACTORS EMPLOYED	PAGE 17
12.0 STATEMENT OF COSTS	PAGE 18
13.0 REFERENCES	PAGE 19

FIGURES

FIGURE 1 GENERAL LOCATION MAP, YUKON ROAD MAP, 1982	PAGE 2
FIGURE 2 WOLVERINE LAKE AREA, YUKON, LOCATION OF CLAIMS AND PERTINENT GEOLOGY	PAGE 3
FIGURE 3 CANOL PLAN EXTRACTED FROM CLAIM MAP 105G-7, 1:50,000	PAGE 6
FIGURE 4 GEOPHYSICAL CONTOUR MAP OF GRASS LAKES AREA	PAGE 7
FIGURE 5 GEOLOGICAL MAP OF CANOL	PAGE 11

TABLES

TABLE 1 SUMMARY OF CANOL CLAIMS INFORMATION	PAGE 5
---	--------

GAMAH INTERNATIONAL LIMITED

APPENDICES

APPENDIX A	MAGNETIC CONTOURS OF CANOL CLAIMS	PAGE 21
APPENDIX B	ELECTROMAGNETIC PROFILES OF CANOL CLAIMS	PAGE 24
APPENDIX C	GEOPHYSICAL NOTES	PAGE 36

GAMAH INTERNATIONAL LIMITED

1.0 INTRODUCTION

A summer exploration program was carried out on the CANOL claims group at the recommendations of Dr. Adrian Mann, who conducted a brief reconnaissance visit on October 4th, 1995 (Mann, 1995), and Egil Livgard, whose inspection of the claims was also conducted in 1995. There are potential stratigraphic and structural similarities between the CANOL claims and the recently discovered massive sulphide mineralization by Cominco (Kudz Ze Kayah deposit) and the Atna-Westmin joint venture (Wolverine Lake deposit) which make it an exciting prospect. This report describes the results of the geophysical survey carried out during the exploration program of July and August 1996 and provides recommendations for further work.

2.0 LOCATION AND LOGISTICS

The CANOL claims are located in the Grass Lakes area of the Watson Lake Mining District, Yukon Territory (Figures 1 and 2).

Daily jet service is available from Vancouver, BC to Whitehorse, YT with onward continuation by turbo prop commuter planes to Watson Lake (450 km east of Whitehorse), or three to four times weekly by jet from Vancouver to Terrace then turbo prop to Watson Lake. Regular Greyhound bus service is available along the Alaska Highway.

The town of Watson Lake is connected to British Columbia by the Alaska Highway (Route 1). Running northwest from Watson Lake to Carmacks is the all-weather Robert Campbell Highway (Route 4) which provides direct access to the field camp. Both helicopter and float plane bases are established in Watson Lake. The town also boasts four hotels, a trailer park, hospital, health care centre, and ambulance facilities. All food supplies may be obtained from either Watson Lake (230 km from camp) or Ross River (143 km north of camp). Watson Lake also hosts the Mining Records Office for the Watson Lake Mining Division which encompasses the CANOL claims group. Claim maps and other information is attainable at this office.

Driving conditions from December to March require snow tires, winter weight crankcase oil, gasoline anti-freeze, a circulating block heater, battery blanket, battery booster cables, shovel, and a good tow rope or chain. Road conditions in the summer months are quite good although it is recommended that sturdy tires and spares are used as flats are quite common along the Robert Campbell Highway. April and May are spring break-up months in which mud and slush may cause sloppy conditions on some highway sections.

The snow-free period for these areas is estimated to be from mid-April to mid-October, although this is highly variable.

The CANOL claims are located within the Pelly Mountain Range, in the Grass Lakes area, and remain relatively snow-free during the months of July and August. However the temperature in the mountains began to noticeably drop while we were there, with brief flurries of snow and hail invading from time to time. Aside from these minor unpleasanties, conditions were not extreme enough to prevent work being carried out during this period.

A field camp was established in the Finlayson Lake area, at kilometre 230 on the Robert Campbell Highway (as measured from the town of Watson Lake), along the north side of Finlayson Creek. Transportation to the CANOL claims was via TransNorth Helicopters. A helicopter landing pad was cleared on the side of the highway, opposite the field camp. From this location the flight to CANOL was approximately fifteen minutes to the southwest of Finlayson Lake.

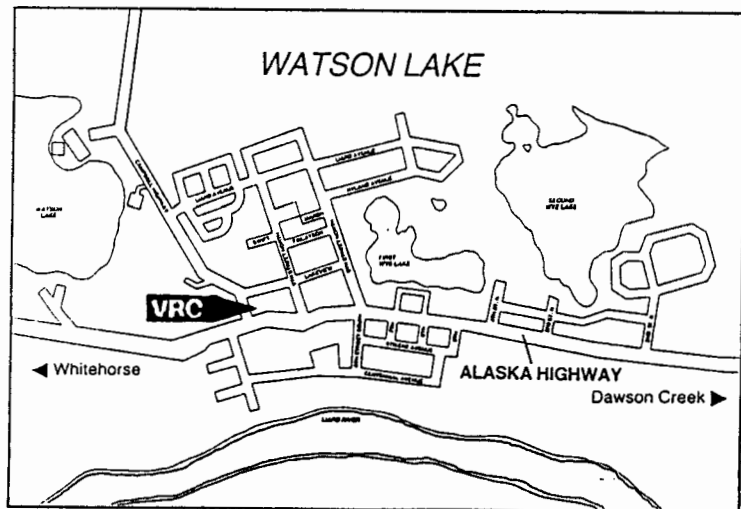
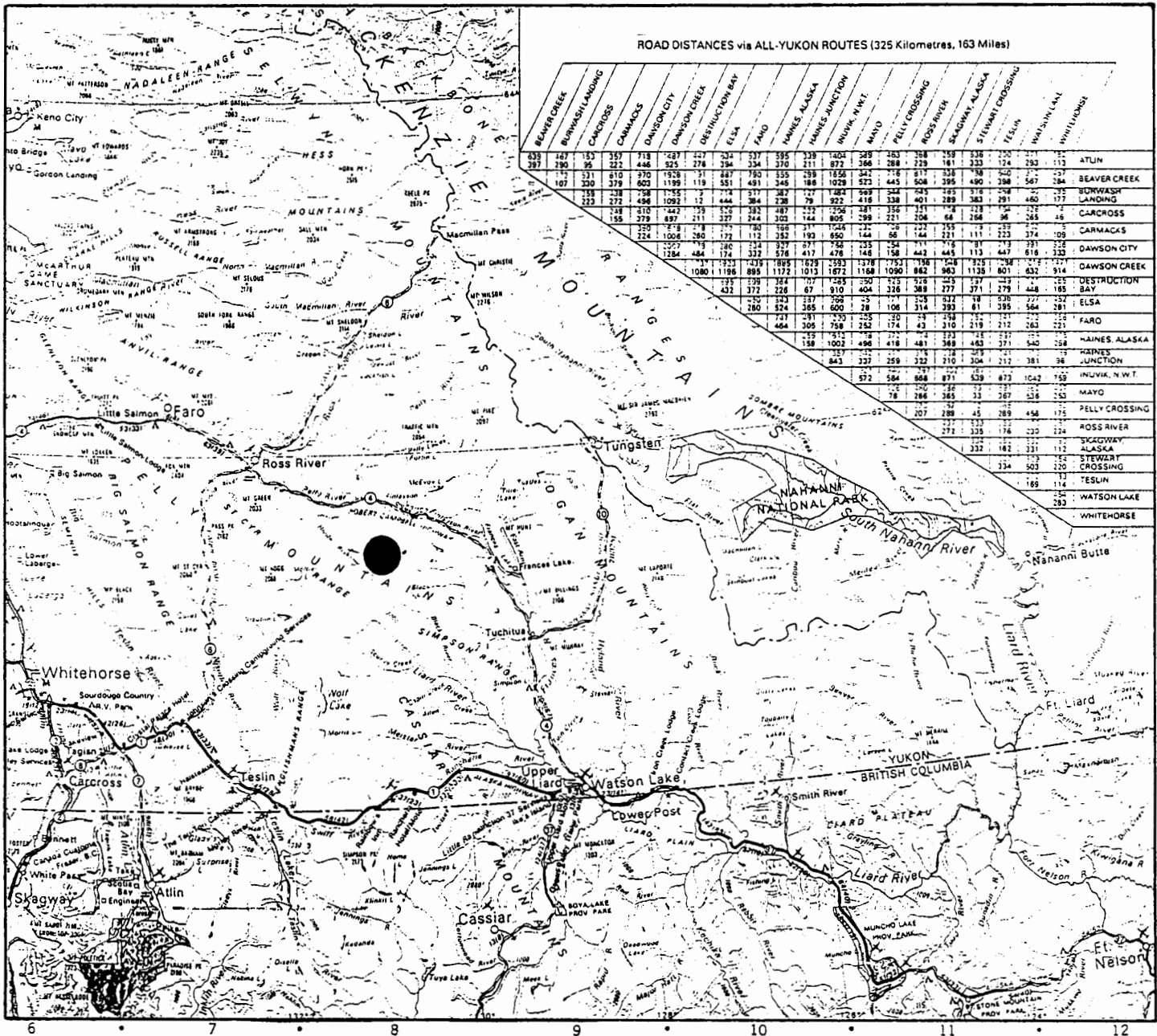
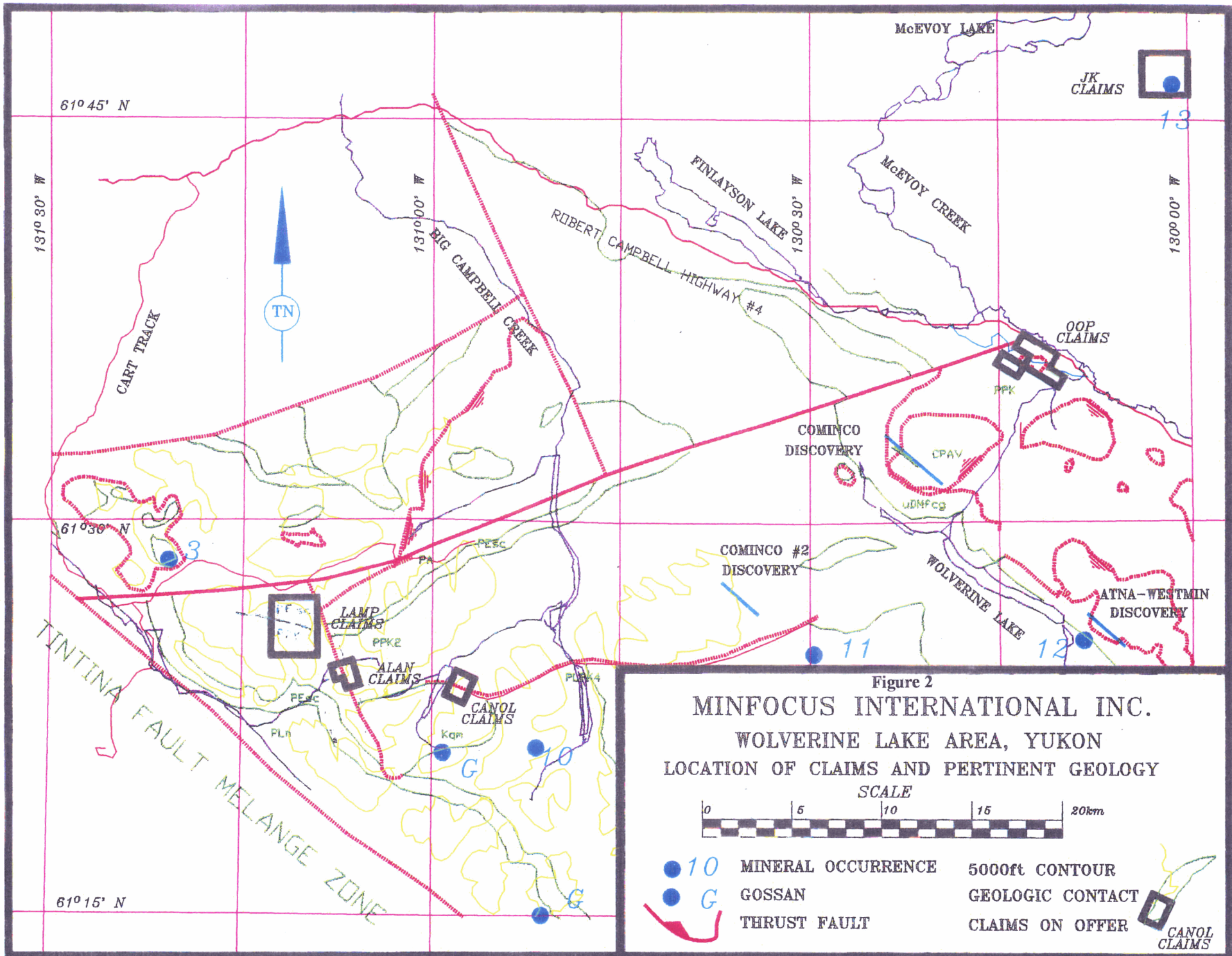


Figure 1
General Location Map
Yukon Highway Map, 1982

● CANOL Claims



GAMAH INTERNATIONAL LIMITED

Supplies and consumables were obtained from Watson Lake. Fresh water was available from the Kudz Ze Kayah gatehouse, located approximately 1.5 km north of our camp along the Robert Campbell Highway. Also in the immediate area was the Archer-Cathro/Expatriate Resources field camp (approximately 1 km north of our field camp), where helicopter service could be made available in emergencies. Other than a few houses located around Finlayson Lake, the area is largely uninhabited.

3.0 PROPERTY OWNERSHIP AND LOCATION

The registered owners of the CANOL claims are KRL Resources Corporation, who optioned them from Alex McMillan (as of 8 Jan 96), and Minfocus International Incorporated. Table 1 gives details of record numbers and anniversary dates for the claims. The KRL owned claims are now subject to joint venture agreements with Minfocus International Inc.. With the exception of the reconnaissance visits paid by Egil Livgard and Dr. Mann to these claims, all work described in this report was undertaken after July 10th, 1996.

The field exploration program was conducted on the CANOL claims on behalf of Minfocus International Incorporated by the consulting group of Gamah International Limited. The CANOL claim group consists of 70 claims numbered 1 - 8, 13 - 22, 35, 36, 38 - 40, 42 - 71, 73, 75 - 81, 100 - 102 and 105 - 110 (Figure 3). The claim group falls entirely on both the 1:50,000 topographic and claim map sheets of NTS 105G-7.

4.0 PREVIOUS WORK

The CANOL claims area was originally staked as the PIT claims in 1954, and a ground magnetic survey was conducted in 1955. In January 1966, North Lake Mines Limited restaked this area as the GEE claims and airborne electromagnetic and magnetic surveys were flown later that year. A small soil survey was also carried out by North Lake Mines on the east flank of the hill, giving generally low values in copper and zinc. The results of these surveys carried out in 1955 and 1966 have not been located at this time. Figure 4 demonstrates magnetic contours of the area taken in 1963.

In 1994 the ground was again restaked by Alex McMillan of Watson Lake and then optioned by KRL Resources Corporation in January 1996. KRL Resources Corp. conducted a preliminary examination of the CANOL claims on August 12th, 1995. A second visit was made on October 4th, 1995. Consulting geological engineer Egil Livgard headed both visits.

The best assay results from these visits are as follows:

Sample	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	As (ppm)	Au (ppb)
90625	0.4%	---	---	0.1 oz/t	---	---
90640	107	21	294	1.7	19	4
90641	116	390	267	7.2	18797	81
90642	239	<3	30	0.4	42	2
90643	0.216%	<0.01%	0.01%	0.06 oz/t	---	0.003 oz/t
90644	126	1492	302	44.5	54316	1647

These results are encouraging as they indicate poly-metallic mineralization on the claims.

Table 1
Summary of CANOL Claims Information

Claim Number	Case Number	Project Name / Operator	Approval Date	HSC (Claim Number)
CANOL 1	YB51288	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 2	YB51289	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 3	YB51290	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 4	YB51291	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 5	YB51292	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 6	YB51293	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 7	YB51294	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 8	YB51295	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 13	YB51300	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 14	YB51301	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 15	YB51302	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 16	YB51303	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 17	YB51304	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 18	YB51305	KRL Resources Corp.	29-Jul-97	105G-7
CANOL 19	YB51306	KRL Resources Corp.	29-Jul-98	105G-7
CANOL 20	YB51307	KRL Resources Corp.	29-Jul-98	105G-7
CANOL 21	YB70757	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 22	YB70758	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 35	YB70759	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 36	YB70760	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 38	YB70761	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 39	YB70762	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 40	YB70763	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 42	YB70764	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 43	YB70765	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 44	YB70766	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 45	YB70767	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 46	YB70768	KRL Resources Corp.	20-Oct-96	105G-7
CANOL 47	YB85306	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 48	YB85307	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 49	YB85308	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 50	YB85309	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 51	YB85310	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 52	YB85311	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 53	YB85312	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 54	YB85313	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 55	YB85314	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 56	YB85315	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 57	YB85316	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 58	YB85317	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 59	YB85318	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 60	YB85319	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 61	YB85320	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 62	YB85321	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 63	YB85322	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 64	YB85323	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 65	YB85324	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 66	YB85325	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 67	YB85326	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 68	YB85327	Minfocus Int. Inc.	15-Jul-97	105G-7
CANOL 69	YB86678	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 70	YB86679	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 71	YB86680	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 73	YB86681	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 75	YB86682	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 76	YB86683	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 77	YB86684	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 78	YB86685	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 79	YB86686	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 80	YB87181	Minfocus Int. Inc.	20-Aug-97	105G-7
CANOL 81	YB87182	Minfocus Int. Inc.	20-Aug-97	105G-7
CANOL 100	YB86687	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 101	YB86688	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 102	YB86689	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 105	YB86692	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 106	YB86693	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 107	YB86694	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 108	YB86695	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 109	YB86696	Minfocus Int. Inc.	05-Aug-97	105G-7
CANOL 110	YB86697	Minfocus Int. Inc.	05-Aug-97	105G-7

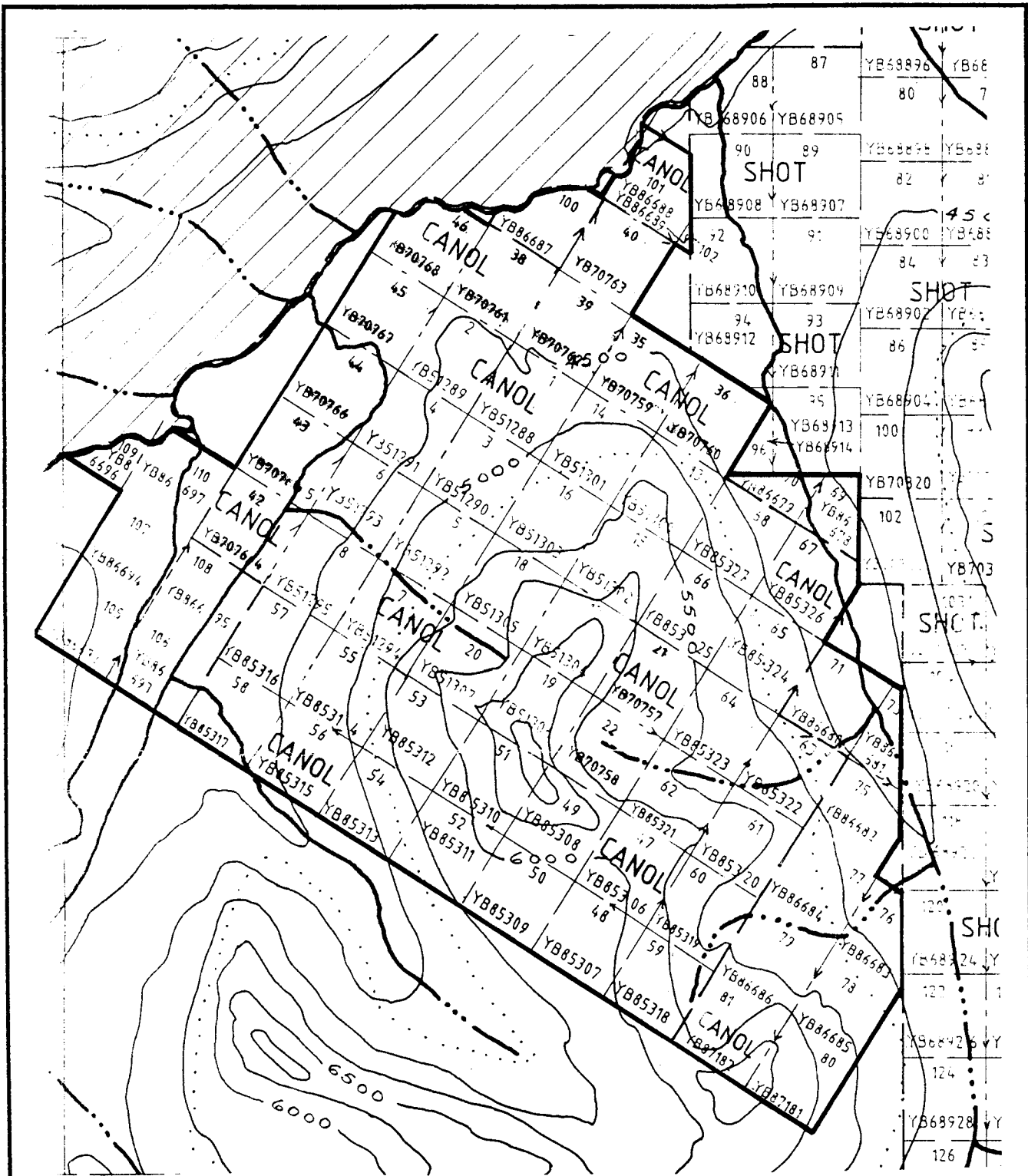
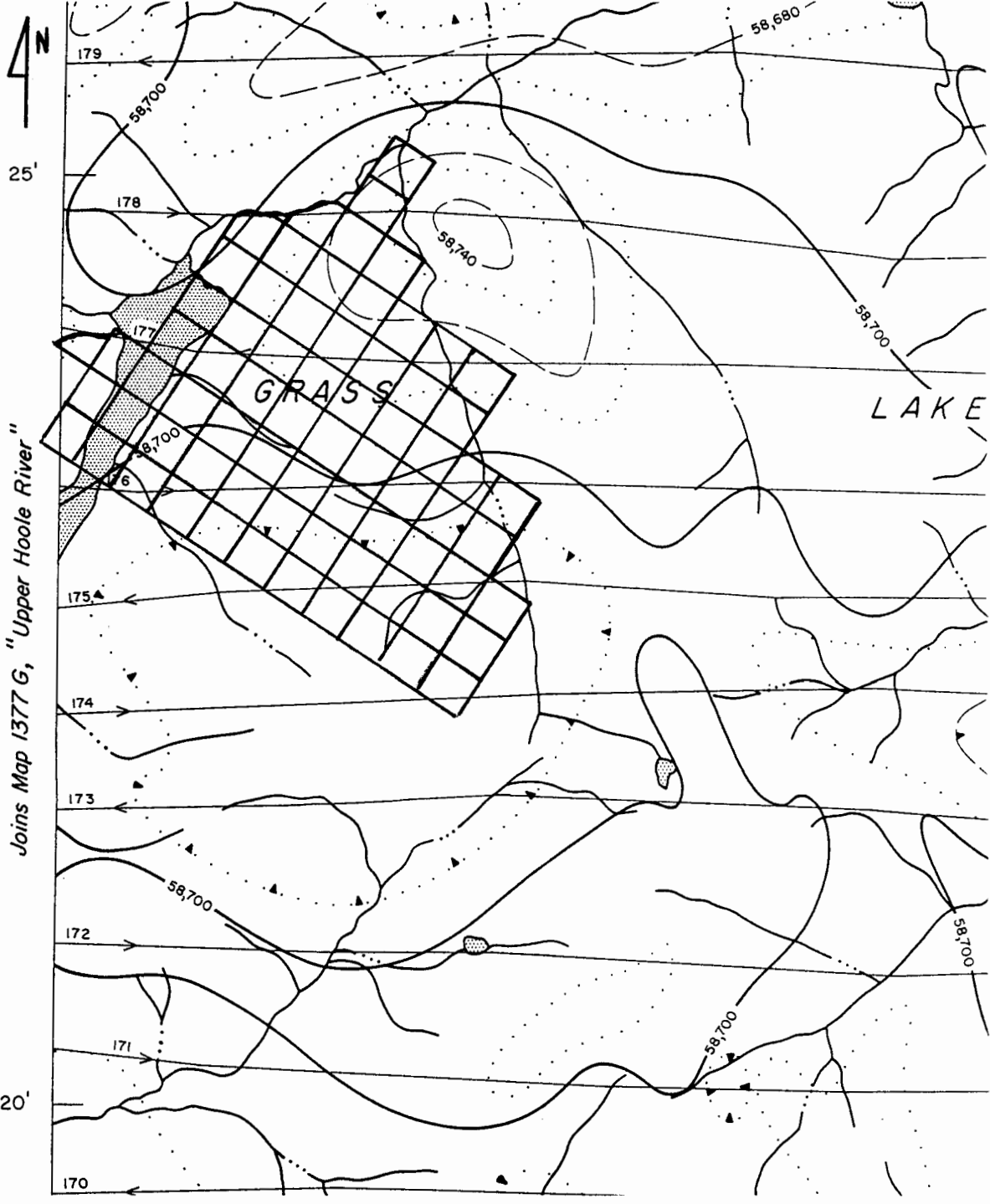


Figure 3

CANOL Claims Plan Extracted From
Claim Map 105G-7

1:50,000

GAMAH INTERNATIONAL LIMITED



Isomagnetic Lines (absolute total field)

- 500 gammas ~~~~~
- 100 gammas ~~~~~
- 20 gammas - - - - -
- 10 gammas ······

Magnetic Depression ▲▲▲▲▲

Figure 4
 Grass Lakes Area, YT
 From geophysics paper 1378 (1963)
 Map 1378G

1 inch = 1 mile

GAMAH INTERNATIONAL LIMITED

GAMAH INTERNATIONAL LIMITED

Dr. Adrian Mann also visited the CANOL claims on October 4th, 1995. Only one showing was examined which exhibited "intense, almost isoclinal folding shown in one presumed outcrop, in what appears to be a closely-bedded metasediment or banded tuff" (Mann, 1996). Twenty grab samples were collected and assayed, the results of which are as follows:

No.	Description	Au g/t	Ag g/t	Ba ppm	Cu ppm	Pb ppm	Zn ppm	Sb ppm	As ppm
1	massive sulphide - pyrr, py, ccp, gal, sph	2.74	26.9	10	950	795	5450	120	18000
2	brecciated epidosite - qtzc, bary (?) ip	3.55	11.4	20	53	255	45	31	7400
3	amphibolitic schist - blk, w fol, p clvg	0.55	0.4	675	10	11	72	1	67
4	breccia - mass slphd wi bary/qtz mtrz, hvy, dk	0.59	42.5	15	5100	1190	7150	41	2600
5	augen schist - blk, w fol, p clvg	TR	0.2	300	24	16	40	1	31
6	breccia - gossanous, qtzc, wi mass slphd	3.05	60.0	5	37	1860	19	44	4100
7	quartz - vein brecc, scat musc, tr slphd	0.03	3.3	80	117	97	55	1	36
8	quartz - vein, Fe stnd	0.03	0.3	10	6	6	20	TR	13
9	epidosite - pl grn-gy, fri, qtzc, slphdc	15.1	50.3	15	322	521	25	59	16000
10	quartz - vein, Fe stnd	0.35	64.8	10	164	3520	1490	150	1600
11	qtz-mica schist - m gy, bndd, p clvg	0.03	0.8	300	29	32	64	1	15
12	quartz - vein, Fe stnd	1.23	82.9	15	21	2480	33	90	2600
13	epidosite - pl grn-gy, fri, qtzc	15.95	74.1	10	1050	648	80	66	18500
14	breccia - epidositic, qtzc, scat slphs, fri	4.70	29.3	5	104	396	18	65	12500
15	epidosite - pl grn-gy, fri	15.3	60.3	10	405	614	69	54	16000
16	qtz-mica schist - w fol, p clvg	0.05	0.6	195	38	12	47	1	78
17	qtz-mica schist - wi qtz strngs, tr slphds	0.03	0.4	320	37	11	60	1	16
18	augen schist - blk, amphbtc, qtz augen	0.07	0.7	500	32	24	34	1	76
19	quartz - vein, Fe stnd, scat lim aftr slphd	0.03	4.0	600	153	115	455	1	23
20	schist - w fol, migmatitic, qtz- fldsp, wi aplite vein	0.04	0.2	155	24	44	264	3	16

These samples show exciting gold values (and corresponding high arsenic values), suggesting a potential for a medium sized, modest grade gold vein or lode type deposit.

Mr. Livgard recommended 1:5,000 reconnaissance geological mapping, combined with prospecting and rock chip sampling. He also endorsed that VLF-EM and magnetic reconnaissance surveys be performed once the general geology was established. Dr. Mann suggested that a more in-depth field study be done, concentrating on the breccia body, with a view to defining the geometry of this body. Based on these recommendations the summer exploration program of 1996 was initiated.

GAMAH INTERNATIONAL LIMITED

5.0 SUMMARY OF WORK COMPLETED IN 1996 PROGRAM

The field work was carried out on the days of July 11, 27, 28, 29, 31 and August 2, 10, 11 and 15, 1996. The work done consisted of linecutting (flagging), reconnaissance geological mapping, detailed rock geochemical surveying, as well as reconnaissance and detailed VLF-EM and magnetometer surveys. The selected flag and compass north-south lines were oriented to the regional strike of the rock. Individual stations were fixed at 25 metre intervals. A detailed grid was instituted in the vicinity of a gossaned area (900 N, 650 E) which was observed during reconnaissance geological mapping. Here, line spacing was reduced to 50 m intervals using the same station spacing. The total metreage of linecutting was 7, 075 m in 18 lines. Of this, 6, 400 m of reconnaissance geophysical surveying was conducted. The work was carried out on claim blocks 15, 16, 17, 18, 19, 20, 21, 22, 62, 64 and 66. The following table provides a summary of all lines which were surveyed.

Line	Interval	Metreage	Work Done
700 E	800 N - 950 N	150 m	line flagging, geological mapping and sampling, geophysical surveying
650 E	800 N - 950 N	150 m	"
600 E	800 N - 950 N	150 m	"
300 E	800 N - 1500 N	700 m	"
100 E	900 N - 1600 N	700 m	"
50 E	900 N - 1150 N	250 m	"
0 E	650 N - 1300 N	650 m	"
50 W	650 N - 1175 N, 1300 N - 1600 N	825 m	" (1300 N -1600 N did not have geophysical surveying done)
150 W	800 N - 1500 N	700 m	"
350 W	700 N - 1500 N	800 m	"
650 N	0 W - 50 W	50 m	"
800 N	650 E - 700 E	150 m	"
900 N	725 E - 550 W (Base Line)	1275 m	"
950 N	650 E - 700 E	150 m	"
1200 N	0 E - 100 W	100 m	line flagging, geological mapping and sampling
1300 N	0 E - 50 W	50 m	"
1500 N	50 W - 150 W	100 m	"
1600 N	50 W - 175 W	125 m	"
18 lines	TOTAL	7075 m	7075 m of line flagging, geological mapping and sampling; 6400 m of geophysical surveying

Lorraine Godwin, geophysicist for Gamah International Limited, was overall project manager and head of the geophysical survey, while consulting geologist Joseph Arengi headed the recommendations, layout and field work for the geological survey of the CANOL claims. Assisting in both the geophysical and geological surveys were Mr. Kurt Breede of Toronto, Ontario, Mr. Jocelain Valade of Sudbury, Ontario, Miss Helen Harper of Toronto, Ontario, and Mr. Greg Hounsell of Kingston, Ontario. Mr. Johnathan Stockman and Mr. Richard Harder, both of Watson Lake, Yukon, assisted in the linecutting, blazing and flagging of the CANOL claims. Mr. George Millen, also of Watson Lake, Yukon, provided support and expediting services.

Geochemical analyses of soil and rock samples were performed by Bondar-Clegg & Company Limited of North Vancouver, British Columbia.

Refer to Section 11.0 for a complete summary of all personnel and contractors employed during this period.

GAMAH INTERNATIONAL LIMITED

6.0 GEOLOGY

Excerpts from E. Livgard's *Report on the CANOL Claims* have been used in the following discussion on the geology of the area (Livgard, 1995).

The claims lie within the Yukon-Tanana terrane, approximately 13 km northeast of the Tintina Trench. The general structural trend is ENE with a synformal axis lying just north of the property. A fault also striking ENE lies near the south boundary of the claims.

The GSC geological map shows that the rock types in the area may compose an allochthonous block of unknown age. The rocks have been metamorphosed and are variably schistose. This group is named the Klondyke Schist and is of Devonian-Mississippian age. These rocks consist of black siliceous phyllite, amphibole-chlorite phyllite, and greywacke. There are also more strongly metamorphosed equivalents consisting of muscovite-biotite quartzofeldspathic gneiss, chlorite-biotite quartzite, quartz-chlorite schist, amphibole-chlorite schist, and minor marble. Some felsic volcanic rocks are also found within the group.

In 1972 the Northern Cordillera Mineral Inventory reported that this area was comprised of two showings:

"the main one being a 5 ft (1.5 m) block of massive sulphide some 15 ft (4.5 m) from an intrusive contact. The massive sulphide is pyrrhotite with subordinate chalcopyrite and sphalerite. There is some doubt as to whether the massive sulphide is truly in place, or if it is in fact float. The second being a quartz vein exposed over 20 ft (6 m) (strike or thickness is not clear) with a 3 ft (1 m) hangingwall section showing arsenopyrite and tetrahedrite, and a footwall section of like thickness with reticulated, but undefined, sulphides. A sample, apparently of this showing, returned 2 opt (62 g/t) Ag, tr Au." (Mann, 1996)

These showings were examined in 1965 by Dr. P.H. Sevensma and were noted as copper and zinc showings with minor silver and gold in a stratiform or vein deposit.

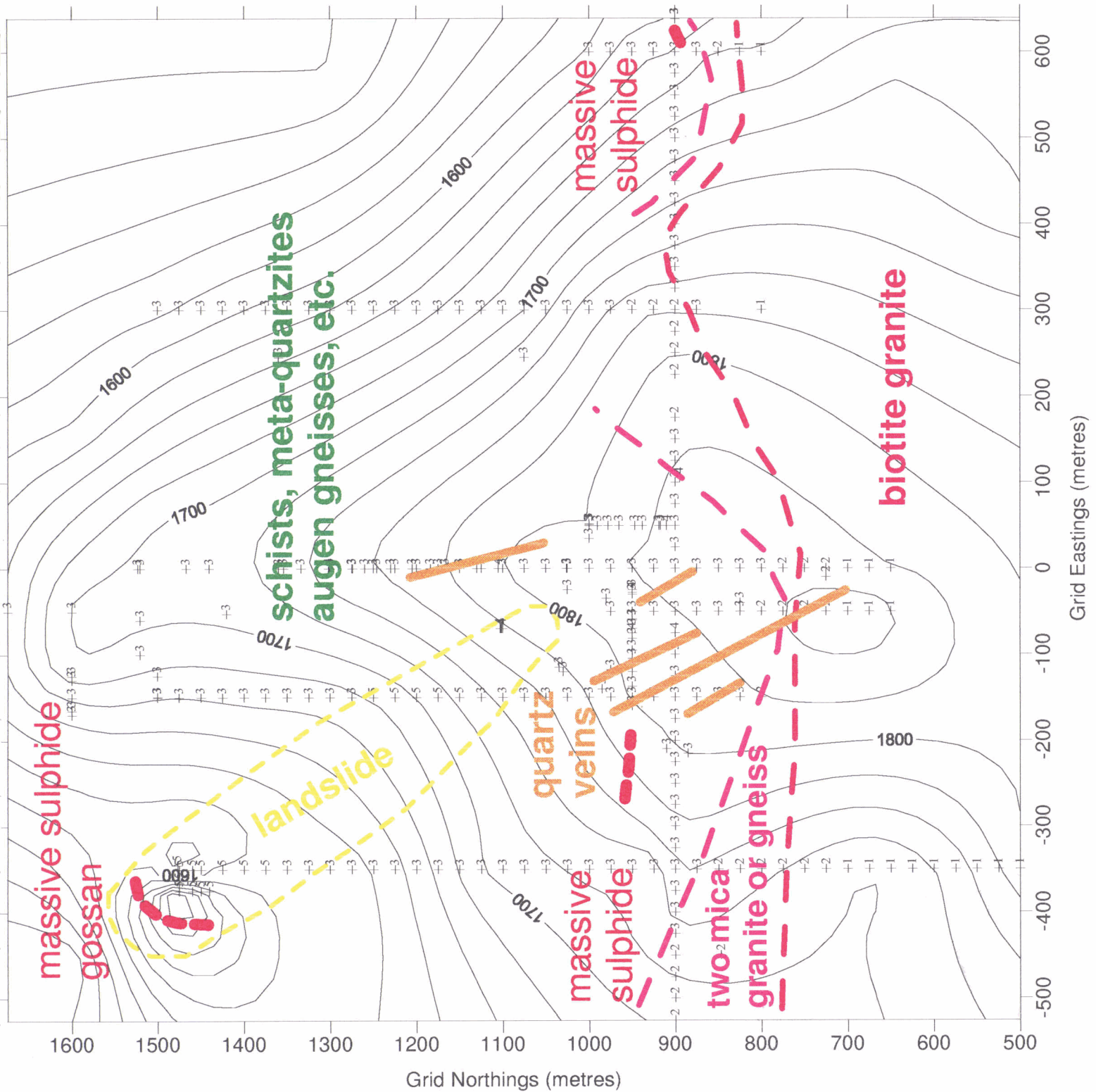
Mr. Livgard found that the property geology consisted of highly quartzose muscovite-biotite schist, quartzitic beds, amphibole-chlorite schist, and minor aphanitic light-coloured rock (felsite?).

The property lies on the south limb of a broad synform, the axis of which lies just north of the property and extends about 20-25 km ENE (the Kudz Ze Kayah deposit also lies on the south limb of the same synform). Outcrops on the east side of the hill show a gentle dip to the WNW. On the west side of the hill, strike directions appear to be roughly east-west, and dipping northerly.

Mineralization was located on both the east and west sides of the hill, at approximately the same elevation (1600-1800 m ASL), and is in part massive sulphide consisting largely of pyrrhotite, with less chalcopyrite and traces of sphalerite. Other mineralization is disseminated and gives anomalous values in copper, lead, zinc, silver, and gold. The showings are about 700 - 900 m apart.

Another showing is mentioned in an assessment work report as being pyrrhotite-chalcopyrite in amphibole-chlorite. This showing reportedly lies about 30 m west of the quartz vein showing at a slightly lower elevation.

Figure 5
GAMAH INTERNATIONAL LIMITED
GEOLOGICAL MAP OF CANOL
Outline interpretation superimposed on approximate contours



GAMAH INTERNATIONAL LIMITED

The mineralization at the Kudz Ze Kayah deposit consists of 13 million tonnes at 5.5% Zn, 1% Cu, 1.3% Pb, 125 g/t Ag, and 1.2 g/t Au (Canadian Mining Journal, 1995). The nearby Wolverine deposit currently stands at 5.31 million tonnes grading 1.81 g/t Au, 359.1 g/t Ag, 1.41% Cu, 1.53% Pb and 12.96% Zn (Press Release, Nov 96). As volcanogenic massive sulphide deposits frequently occur in clusters, and since the CANOL claims are located only about 20 km west of Cominco's Kudz Ze Kayah deposit and 42 km west of Westmin/Atna's Wolverine deposit, it is thought that the geological setting of the CANOL claims is favorable for the location of a volcanogenic massive sulphide deposit.

For a complete description of the geology as determined by the exploration program of 1996 refer to Joe Arengi's *Report on a Geological Survey on the CANOL Group of Claims* (Arengi, 1996). See Joe Arengi's *Report on a Geochemical Survey on the CANOL Group of Claims* (Arengi, 1996) for a description of the geochemical surveys done on the CANOL claims.

7.0 GEOPHYSICAL WORK

7.1 MAGNETOMETER SURVEY - METHODOLOGY

This survey employed a Scintrex MP-2 proton precession magnetometer¹. This instrument utilizes the phenomenon of nuclear magnetic resonance to measure the flux density of the total magnetic field.

Readings were taken (in triplicate) along most of the flagged lines, at 25 m intervals (see section 5.0 for a complete list of all lines which were surveyed). No base station was used, however, where possible, repeat readings were taken at previously surveyed stations at a later time to check for diurnal fluctuations. The intent of this survey was not to provide absolute data, but rather to give a general idea of the magnetic environment of the CANOL claims.

Magnetic values were contoured using a Kriging method with the Golden Software "Surfer 16" package.

7.2 MAGNETOMETER SURVEY - RESULTS

The contour plot (found in Appendix A) demonstrates a slightly anomalous low in the region of the detailed grid which is centred on a gossaned talus slope. Otherwise, the magnetic contour does not show anything of interest and is fairly inconclusive.

7.3 ELECTROMAGNETIC SURVEY - METHODOLOGY

A Geonics EM16 Very Low Frequency² (VLF) receiver was used for this survey.

As with the magnetic survey, readings for the electromagnetic survey were taken at every 25 m station along the same lines. For the purposes of this survey the signal from an antenna in Seattle, Washington (NLK - 24.8 kHz) was used. This emitted a fairly strong signal which was easy to hear.

The electromagnetic profiles were plotted using the Microsoft Excel software package.

7.4 ELECTROMAGNETIC SURVEY - RESULTS

The electromagnetic profiles can be found in Appendix B.

GAMAH INTERNATIONAL LIMITED

Lines 700 E, 650 E and 600 E are inconclusive as they were too short to provide any useful information.

Although line 300 E does not exhibit a crossover, it seems to be trending towards one between 700 and 800 N. This line should be extended in order to determine if there is indeed a crossover point in this region.

Line 100 E appears to be a reversed image to line 300 E and it is the author's opinion that on one of these two lines, the VLF operator was facing a different direction than the usual west-facing direction. Again, this line demonstrates a possible crossover between 800 and 900 N and should be extended to the south to determine the validity of this.

Line 50 E shows a crossover at 1000 N but as this was a short survey line, it isn't possible to determine if this is a true crossover.

Line 0 E demonstrates a crossover at about 825 N which further supports the idea that lines 300 E and 100 E would have a crossover around the same northing.

Line 50 W shows a potential crossover at 1000 N but again, the line was ended before the full extent of this was explored. It is recommended that this line is extended as well.

Line 150 W also shows a crossover at about 1000 N and another at 1350 N.

Line 350 W demonstrates a crossover at 1100 N and 1450 N.

Line 900 N shows a sharp crossover around 0 E however, it is cautioned that this might be an operator error as the west portion of this line was done on a different day than the east portion and it is possible that the operators faced opposite directions on each day when taking the VLF reading.

8.0 CONCLUSIONS AND RECOMMENDATIONS

The magnetic results do not give enough information to draw any concrete conclusions. The VLF profiles, however, are demonstrating a possible conductor lying between 700 N and 1400 N. This should be investigated further by extending the existing lines in the north and south directions as well as running a few fill-in lines at 50 m intervals (i.e. put lines in at 300 W, 250 W, 200 W, 100 W, 150 E, 200 E, etc.), if time permits. This will help to delineate the conductor, if indeed one exists.

The CANOL claim group is a large one and the work done during the exploration program of 1996 covered only a small portion of it. It is therefore recommended that further exploration is carried out over a larger area of the claims.

9.0 FOOTNOTES

1 Proton Precession Magnetometer:

The MP-2 Sensor consists of a chamber filled with a proton rich fluid such as kerosene enclosed within two wire wound coils. A magnetic field is set up when a current is passed through these coils for a short duration of time. This field aligns the spinning protons and when the polarizing current is abruptly switched off, the protons begin to precess around the earth's magnetic field

GAMAH INTERNATIONAL LIMITED

and eventually realign with it. The precession induces a small, exponentially decaying, AC signal in the sensor coils whose frequency is proportional to the flux of the ambient magnetic field (23.4874 gammas/Hz). The frequency is then measured by the signal processing electronics of the MP-2, converted to a gamma value and presented on the digital display.

2 EM16 VLF

This receiver measures the VLF radiation signals, in the range of 15 - 25 kHz, from grounded vertical antennae which are generally employed for marine navigation. A worldwide network of high-power VLF stations exist over the Earth's surface so that at least two stations can be detected from anywhere on the Earth.

The VLF receiver measures the in phase component (tilt angle) and quadrature component (component 90° ahead of the in phase component) of the polarization ellipsoid produced as an outcome of a primary electromagnetic field being emitted from the transmitting antenna which in turn generates a secondary electromagnetic field in whatever is buried in the ground. The resultant sum of these two fields is the polarization ellipse which represents the total field. Within the VLF are two mutually perpendicular coils wound on ferrite cores. The coil whose axis is normally vertical is first held in a horizontal position and rotated in azimuth to find a minimum. This finds the direction to the transmitting station. The receiver is then brought up 90° vertically and is now in the plane containing the polarization ellipse. The instrument is then tilted until a minimum is detected. The clinometer of the instrument is used to record the tilt angle. Fine tuning with the use of the quadrature knob produces an even more obvious minimum and gives the quadrature reading.

GAMAH INTERNATIONAL LIMITED

10.0 STATEMENTS OF QUALIFICATIONS

I, Lorraine Godwin, do hereby certify that:

1. I will graduate from York University with a B. Sc. Honours degree in Geophysics (graduation date: June 1997).
2. I have practiced in my profession since 1995.
3. I am a member in good standing of the Prospectors and Developers Association of Canada and the Canadian Institute of Mining, Metallurgy and Petroleum.
4. I have no vested interest in these properties or in Minfocus International Inc., nor do I expect to receive any such interest.
5. I supervised the surveys described in this report and endorse the opinions and conclusions contained herein based on field examination and review of analytical results.

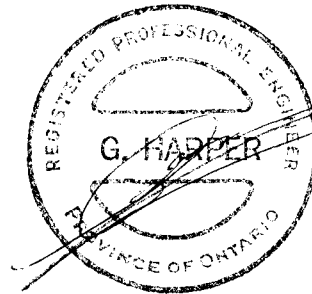


LORRAINE GODWIN, Geophysicist
Toronto, Ontario
January 1997

GAMAH INTERNATIONAL LIMITED

I, Gerald Harper, President of Gamah International Limited, do hereby certify that:

1. I am a graduate of the University of London with a B. Sc. degree in Geology and Chemistry in 1965, a B. Sc. Honours degree in Geology in 1966 and a Ph. D. in Geology in 1970.
2. I have practiced my profession continuously since 1966.
3. I am a member in good standing of the Association of Professional Engineers of Ontario, the Society of Economic Geologists, the Canadian Institute of Mining, the Society for Exploration, Mining and Metallurgy, the Geological Society of South Africa, a Fellow of the Geological Society and a member of the Mineral Economics and Management Society.
4. I am the President of Minfocus International Inc., may be deemed to be its promoter and have instigated the staking by Minfocus International Inc.. I am also the President of Gamah International Limited, an independent mining and geological consulting and contracting firm.
5. I directed and supervised the program of work described in this report and endorse the opinions and conclusions presented in this report on the basis of my field examinations in July and September 1996 and review of data compiled by me during those field examinations.



GERALD HARPER, Ph. D., P. Eng.
Toronto, Ontario
January 1997

GAMAH INTERNATIONAL LIMITED

11.0 PERSONNEL AND CONTRACTORS EMPLOYED

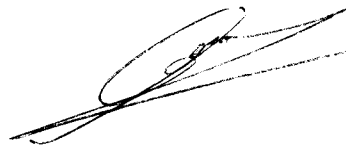
NAME	AFFILIATION	ADDRESS	FUNCTION	PERIOD
Gerald Harper	Minifocus International Inc.	Toronto	Overall Supervision	July 96 - Oct 96
Lorraine Godwin	Gamah International Ltd	Toronto	Project Manager	July 96 - Oct 96
Deidre Collins	Gamah International Ltd	Toronto	Office support	Sept 96 - Oct 96
Kurt Breede	Gamah International Ltd	Toronto	Field assistant	July 96 - Sept 96
Greg Hounsell	Gamah International Ltd	Kingston	Field assistant	July 96 - Aug 96
Jocelain Valade	Gamah International Ltd	Sudbury	Field assistant	July 96 - Aug 96
Michel Mann	Gamah International Ltd	Calgary	Field assistant	July 96
Helen Harper	Gamah International Ltd	Toronto	Field assistant	July 96 - Aug 96
George Millen	Minifocus International Inc.	Watson Lake	Camp support/expediting	July 96 - Oct 96
Joseph Arengi	Gamah International Ltd	Victoria	Geologist	July 96 - Oct 96
Johnathan Stockman	Gamah International Ltd	Watson Lake	Line cutting	July 96 - Aug 96
Richard Harder	Gamah International Ltd	Watson Lake	Line cutting	July 96 - Aug 96
	Bondar-Clegg and Company	North Vancouver	Geochemical assaying	July 96 - Sept 96
	TransNorth Helicopters	Ross River	Field transportation	Aug 96
	Kluane Helicopters	Finlayson Lake	Field transportation	July 96

GAMAH INTERNATIONAL LIMITED

12.0 STATEMENT OF COSTS

ITEM	DETAILS	AMOUNT
Accommodation	Gateway Motel, field camp	\$3,340.58
Analyses	Bondar-Clegg and Company	\$8,470.32
Communication	telephone, fax and shipping	\$74.04
Food	camp supplies	\$1,794.09
Personnel - Field	linecutting, geophysical, geochemical and geological surveys, camp construction and miscellaneous supplies	\$28,085.20
Personnel - Office	map and report preparation	\$9,432.00
Rentals	vehicles, equipment and hotel	\$7,465.66
Travel	air and ground transportation to and from Watson Lake and claims	\$22,027.27
Miscellaneous	copies, maps, air photos, etc.	\$512.87
	TOTAL	\$81,202.03

The above costs are as accurate as possible and represent the true value of the work carried out during the 1996 exploration program as shown above and described in this report. Detailed records for back-up to these amounts are available at the office of Minfocus International Incorporated, Suite 707, 1243 Islington Avenue, Toronto, Ontario, M8X 1Y9.



Gerald Harper, Ph.D., P. Eng

GAMAH INTERNATIONAL LIMITED

13.0 REFERENCES

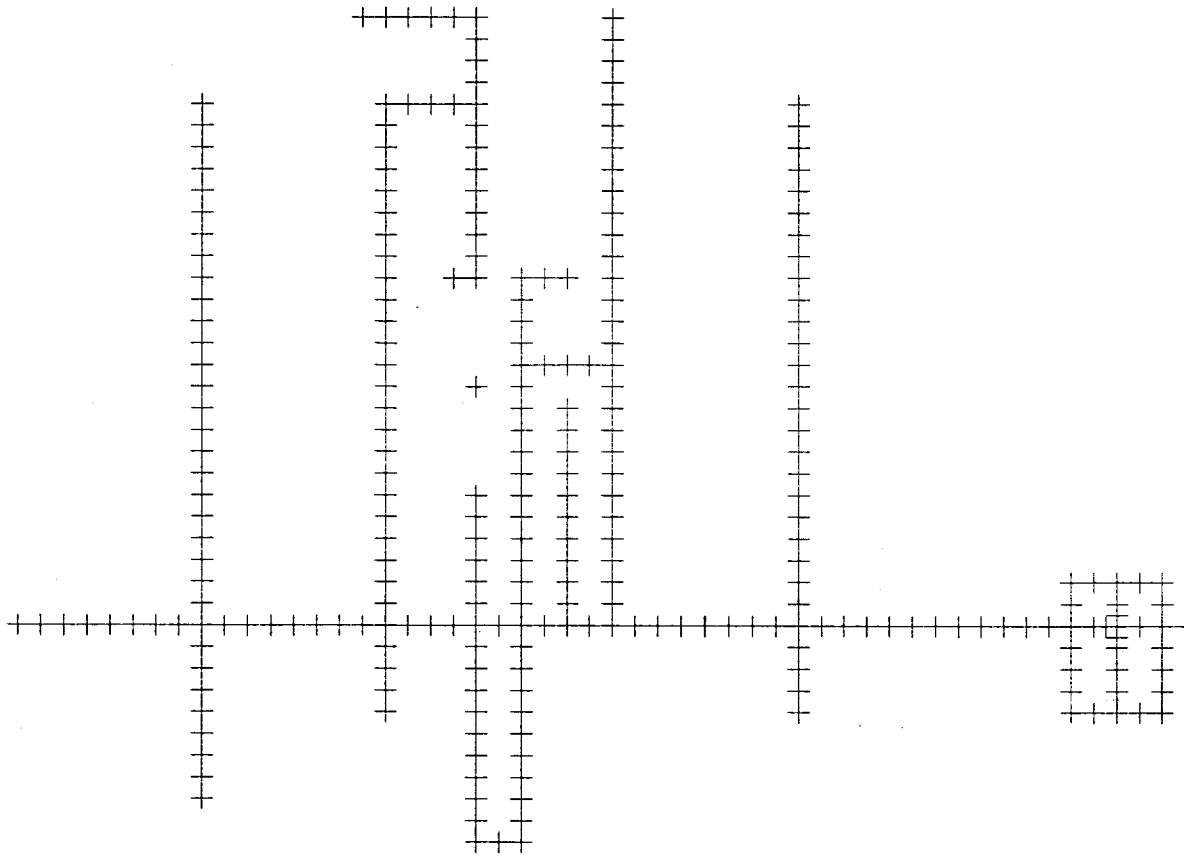
- Anonymous (1996), *High Grade Wolverine Deposit Expands to 5.3 Million Tonnes*.
Westmin/Atna Press Release (26 Nov 96).
- Anonymous (1995), *Wolverine Results Add Lustre To Westmin*.
Northern Miner 81 No. 41, 3 (11 Dec 95).
- Anonymous (1995), *Westmin and Atna Announce Strike Length of Wolverine*.
Northern Miner 81 No. 39, 15 (27 Nov 95).
- Anonymous (1995), *Westmin Drilling Expands Wolverine*.
Northern Miner 81 No. 37, 11 (13 Nov 95).
- Anonymous (1995), *Atna Samples YGC's Yukon Properties*.
Northern Miner 81 No. 35, 11 (30 Oct 95).
- Anonymous (1995), *Westmin Expands Wolverine*.
Northern Miner 81 No. 29, 1-2 (18 Sept 95).
- Anonymous (1992), *Re-greening the Anvil Range*.
Northern Miner Magazine 7 No. 3, 59-60 (May 92).
- Anonymous (1991), *Curragh Sets Mining Plan For Hundere Lead-zinc Bet*.
Northern Miner 76 No. 14, 19 (11 Jun 90).
- Anonymous (1990), *Mt. Hundere Property Test Pits and Access Road, GMN/Eagle Claims 105A6/7*.
Private Report (9 Aug 90).
- Arengi (1996), *Report on a Geochemical Survey on the CANOL Group of Claims*.
Private Report for Minfocus International Inc.
- Arengi (1996), *Report on a Geological Survey on the CANOL Group of Claims*.
Private Report for Minfocus International Inc.
- Cathro, R.J. (1974), *Diamond Drill Program, Fetish 1-34 Mineral Claims, Watson Lake Mining District, Yukon Territory*.
Private Report for Finlayson Joint Venture (20 Nov 74).
- Danielson, V. (1995), *Cominco Advances Yukon Deposit*.
Northern Miner 80 No. 48, 1-2 (30 Jan 95).
- Gabrielse, H., Tempelman-Kluit, D.J., Blusson, S.L. and Campbell, R.B. (1980), *MacMillan River*.
GSC Map 1398A, sheets 105, 115, 1:1,000,000 scale.
- Godwin, L. (1996), *Summary Report on Claims of Minfocus International Incorporated in the Watson and Wolverine Lake Areas of Yukon Territory*.
Private Report for Minfocus International Inc., 50pp.
- Livgard, E. (1996), *Report on the Canol Claims, Watson Lake Mining Division, Yukon Territory*.
Private Report for KRL Resources Corp. (8 Jan 96), 17 pp.

GAMAH INTERNATIONAL LIMITED

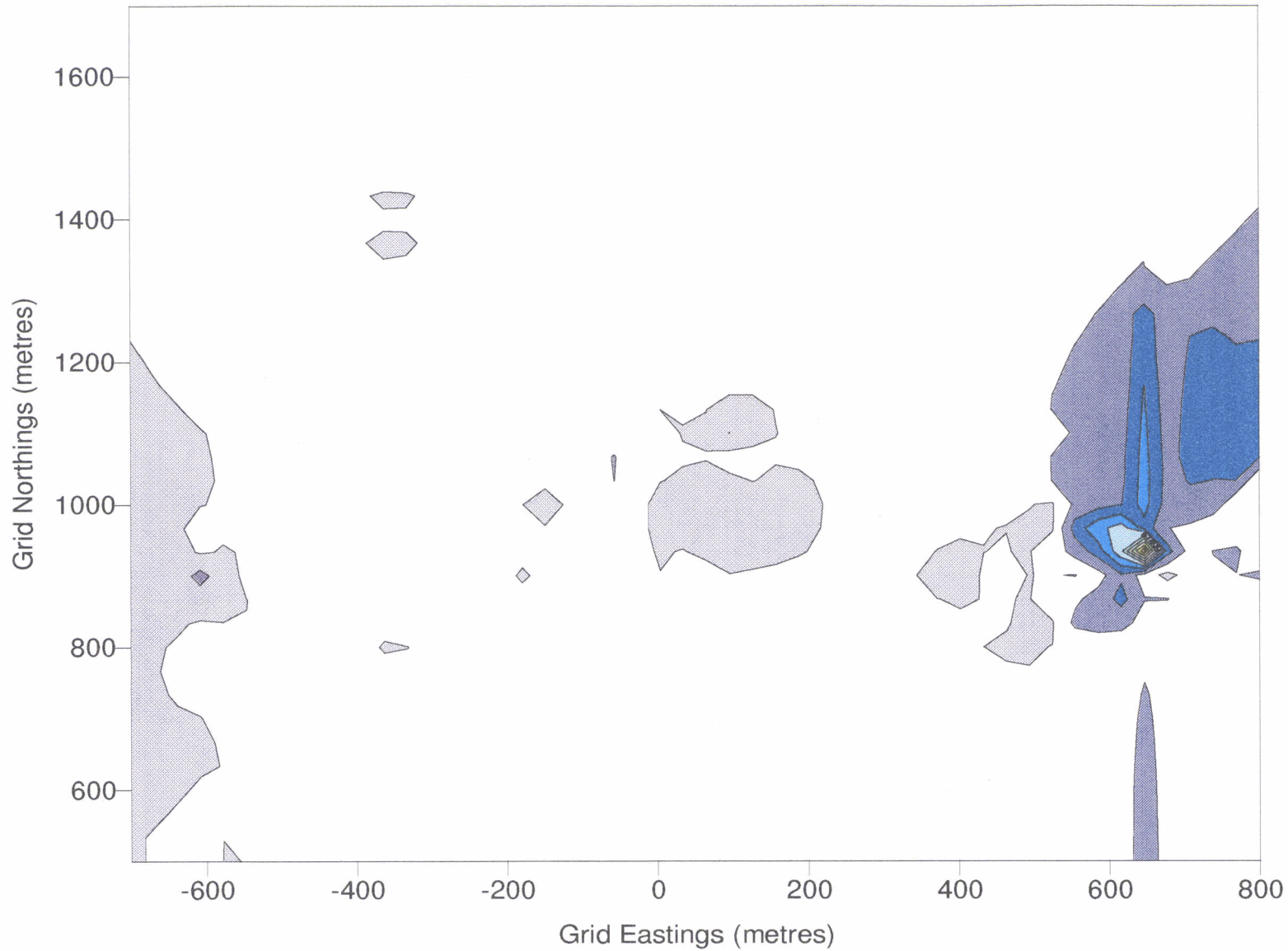
- Mann, A.G. (1996), *Geological Report on Finlayson Lake Exploration Project in Yukon Territory*.
Private Report for Minfocus International Inc. (16 Feb 96), 26 pp.
- Mann, A.G. (1995), *Preliminary Geological Report on Watson and Finlayson Lake Exploration Project in Yukon Territory for Minfocus International Inc.*
Private Report for Minfocus International Inc., 24pp.
- Robertson, R. (1995), *Kudz Ze Kayah Discovery Augurs Well For Exploration in Yukon*.
Northern Miner 81 No. 39, C1, 4, 8 (27 Nov 95).
- Robertson, R. (1995), *Westmin Res. Extends Wolverine Zone Eastward*.
Northern Miner 81 No. 35, 1-2 (30 Oct 95).
- Robertson, R. (1995), *Extension of Wolverine Confirmed*.
Northern Miner 81 No. 33, 1-2 (16 Oct 95).
- Robertson, R. (1995), *Westmin Firms Up Potential In Yukon*.
Northern Miner 81 No. 32, 1-2 (9 Oct 95).
- Roddick, J.A. (1967), *Tintina Trench*.
J. Geol. 75, 23-33.
- Schultze, H.C. (1995), *Kudz Ze Kayah VMS Deposit - Geology and Exploration History*.
Economic Geology Division, Geological Society of South Africa, Namaqualand Branch,
Springbok, lecture (22 Nov 95).
- Sevensma, P.H. (1966), *GEE Group of Claims: 105-G-6/7, 61 °27'N, 131 °00'W, Watson Lake M.D., Y.T.*
Private Report for Northlake Mines Limited, May 1966.
- Tempelman-Kluit, D.J., et al (1977), *Geology Map 105G, Finlayson Lake Area, Yukon Territory*.
GSC Open File 486.
- Tempelman-Kluit, D.J. (1979), *Five Occurrences of Transported Synorogenic Clastic Rocks in Yukon Territory*.
GSC Pap. 79-1A, 407pp, 1-12.
- Tempelman-Kluit, D.J. (1977), *1:250,000 Finlayson Lake Geological Map*.
Published by the GSC.
- Tempelman-Kluit, D.J., Gordey, S.P. and Read, B.C. (1976), *Stratigraphic and Structural Studies in the Pelly Mountains, Yukon Territory*.
GSC Pap. 76-1A, 97-106.
- Wilson, G.C. (1995), *Bibliography of the Wolverine Complex of the Southern Yukon and Northern B.C.; The Campbell Range: Finlayson Lake and Watson Lake; and the Kudz Ze Kayah and Sa Dene Hes (Mount Hundere) Deposits*.
Private Report for Minfocus International Inc.

APPENDIX A

MAGNETIC CONTOURS OF CANOL CLAIMS



+ Stations

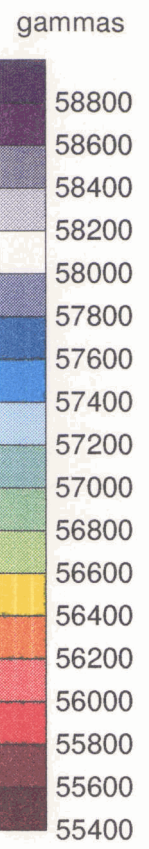
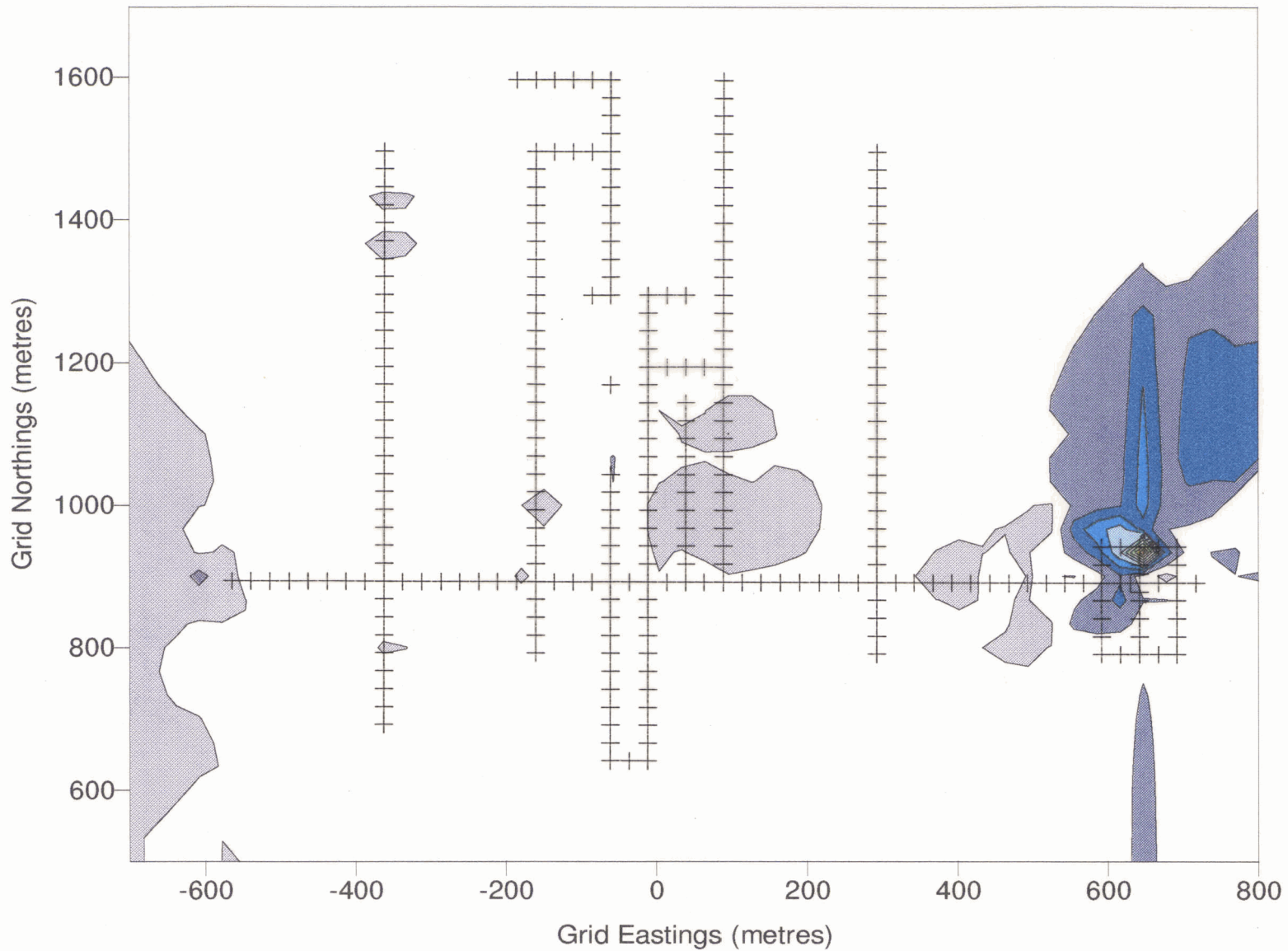


gammas

- 58800
- 58600
- 58400
- 58200
- 58000
- 57800
- 57600
- 57400
- 57200
- 57000
- 56800
- 56600
- 56400
- 56200
- 56000
- 55800
- 55600
- 55400

**GAMAH INTERNATIONAL LIMITED
 MAGNETIC CONTOURS OF CANOL CLAIMS
 Kriged Values
 Grass Lakes Area, Yukon Territory**

 Contours



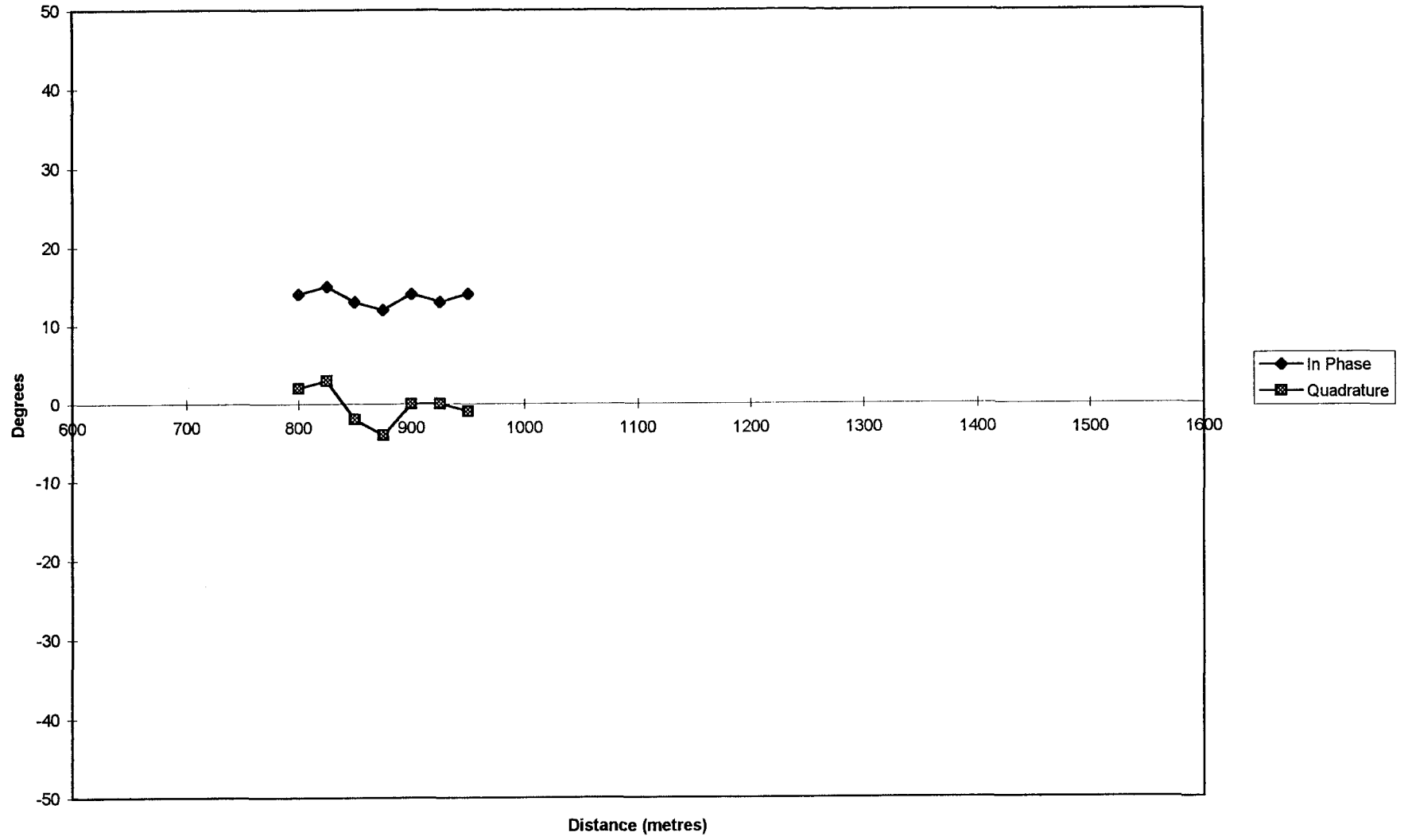
**GAMAH INTERNATIONAL LIMITED
MAGNETIC CONTOURS OF CANOL CLAIMS
Kriged Values
Grass Lakes Area, Yukon Territory**

+ Stations // // Contours

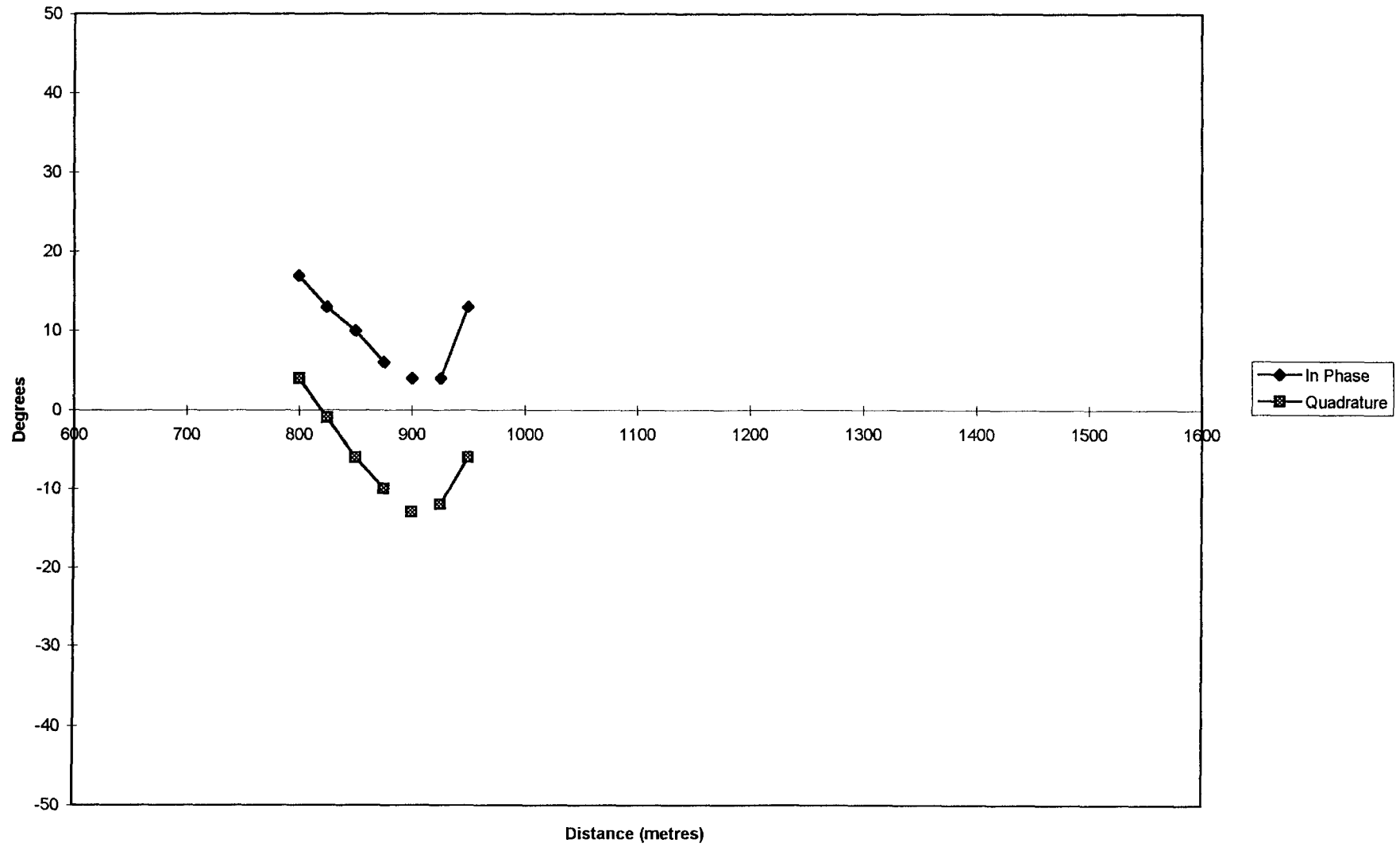
APPENDIX B

ELECTROMAGNETIC PROFILES OF CANOL CLAIMS

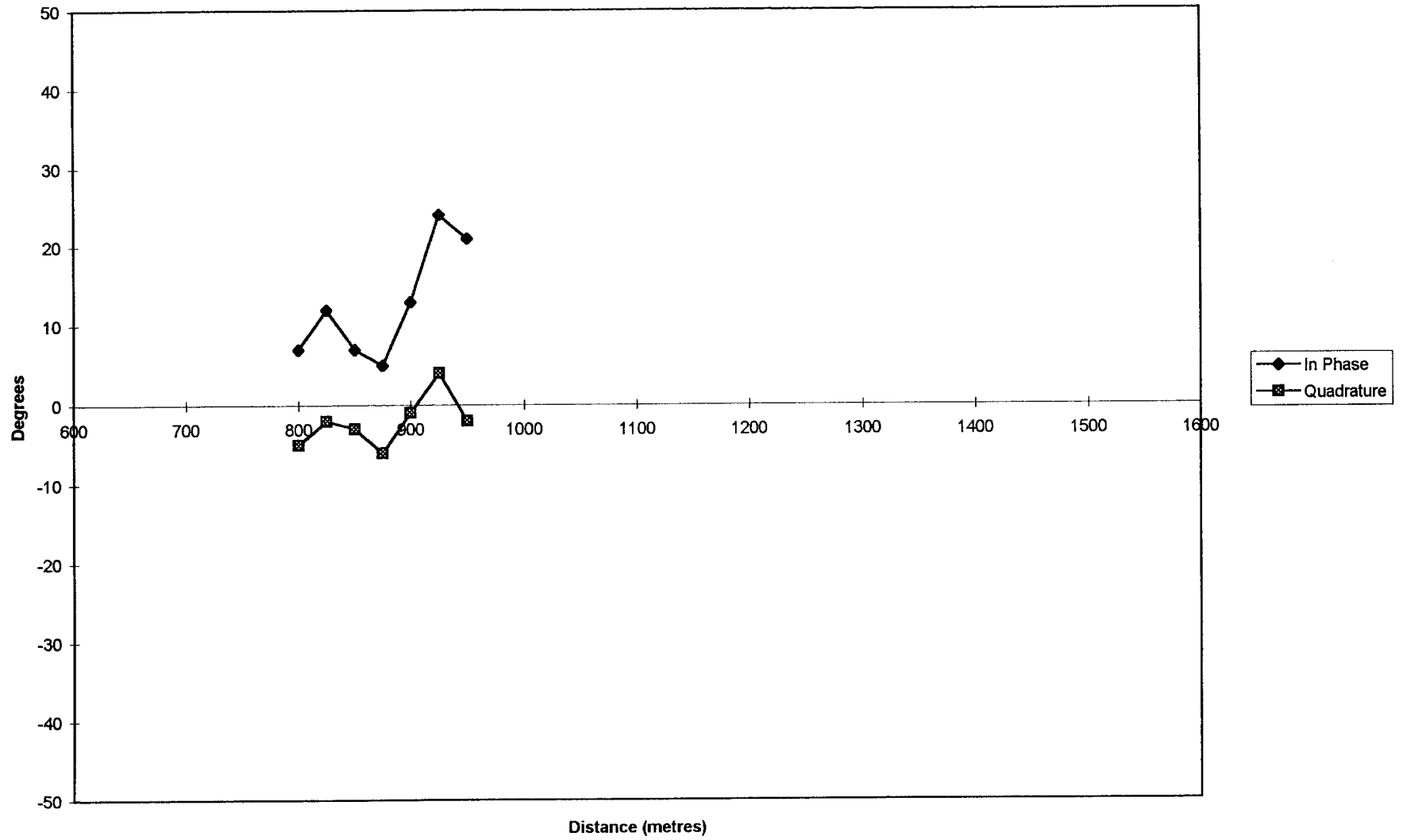
Electromagnetic Profile of Line 700 E



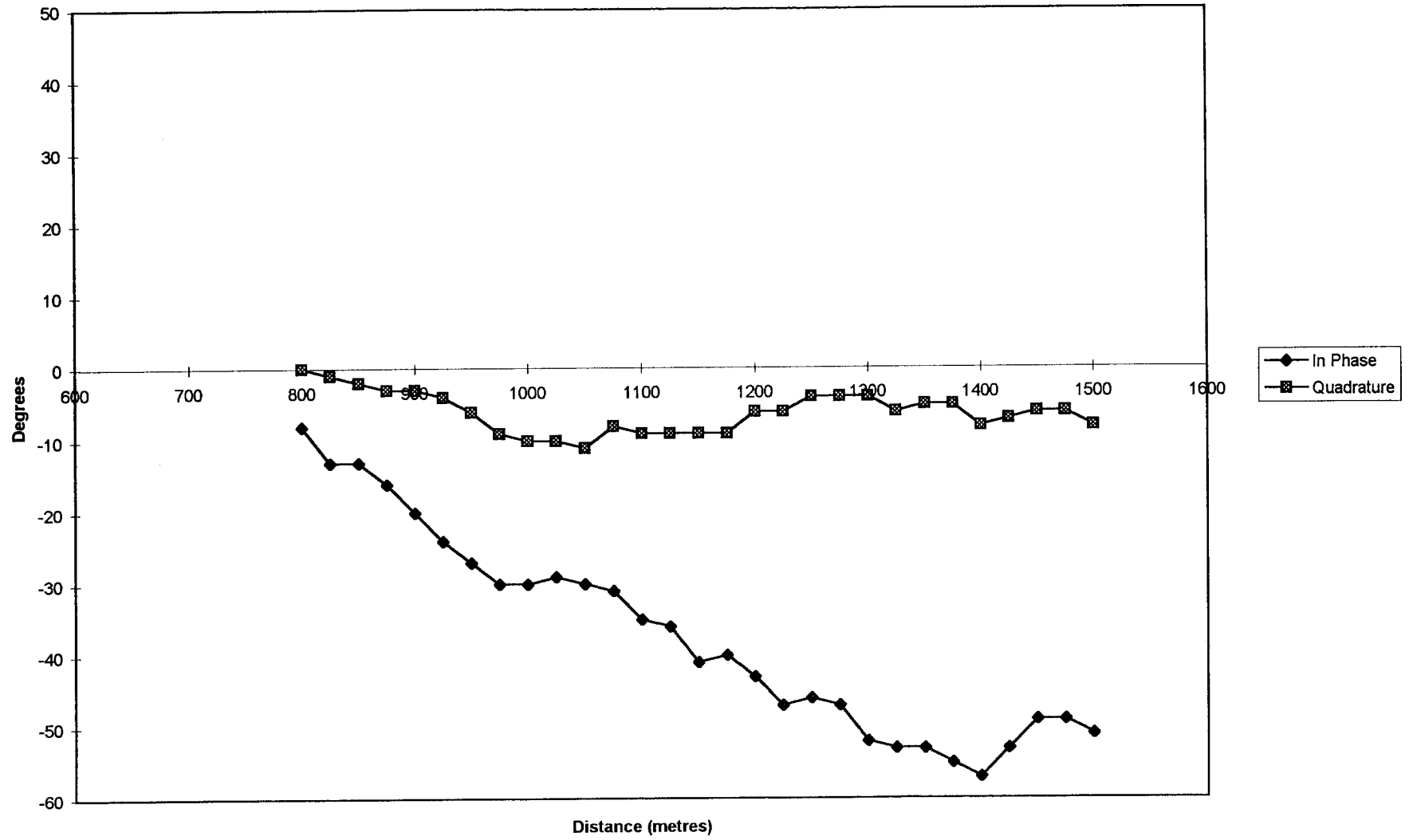
Electromagnetic Profile of Line 650 E



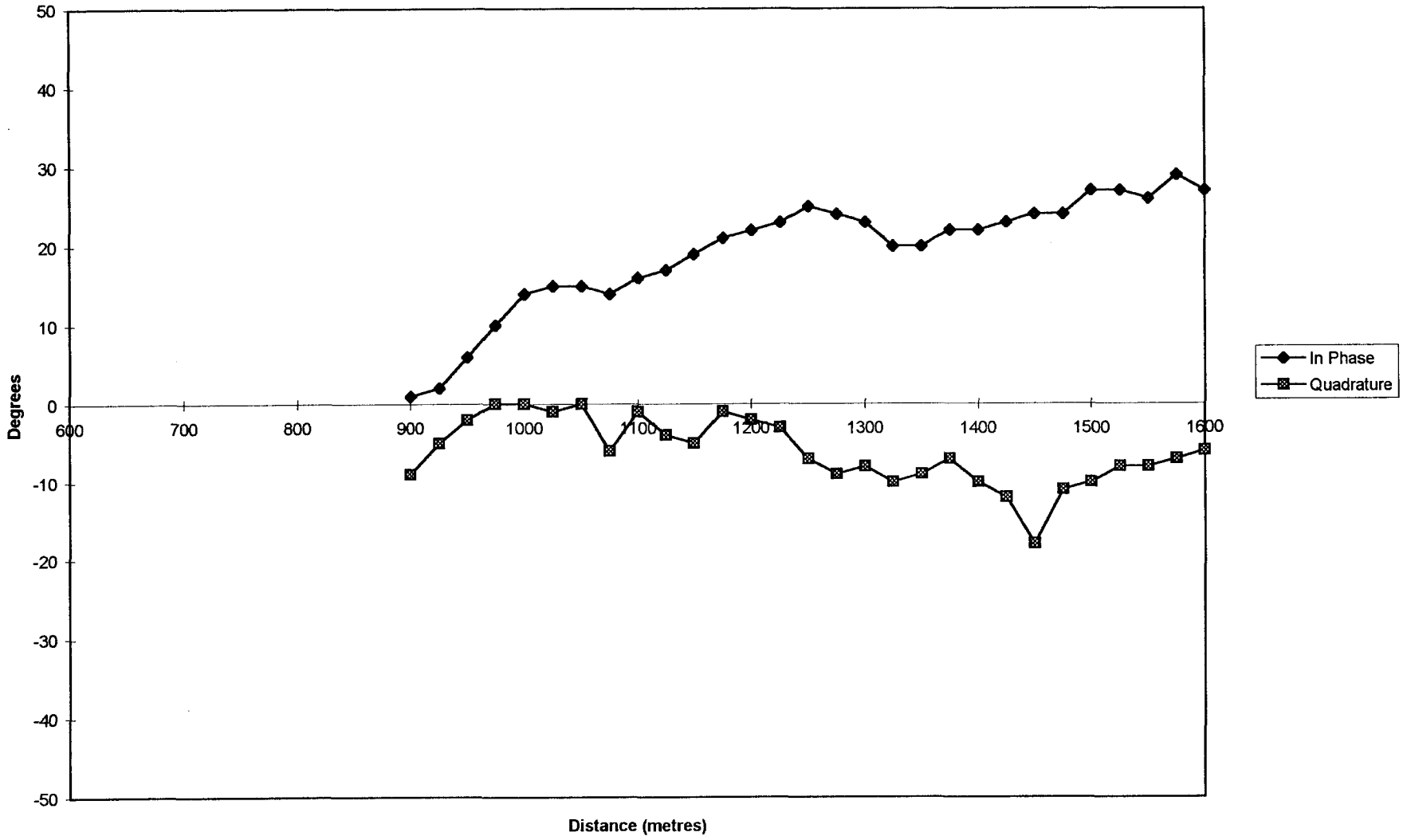
Electromagnetic Profile of Line 600 E



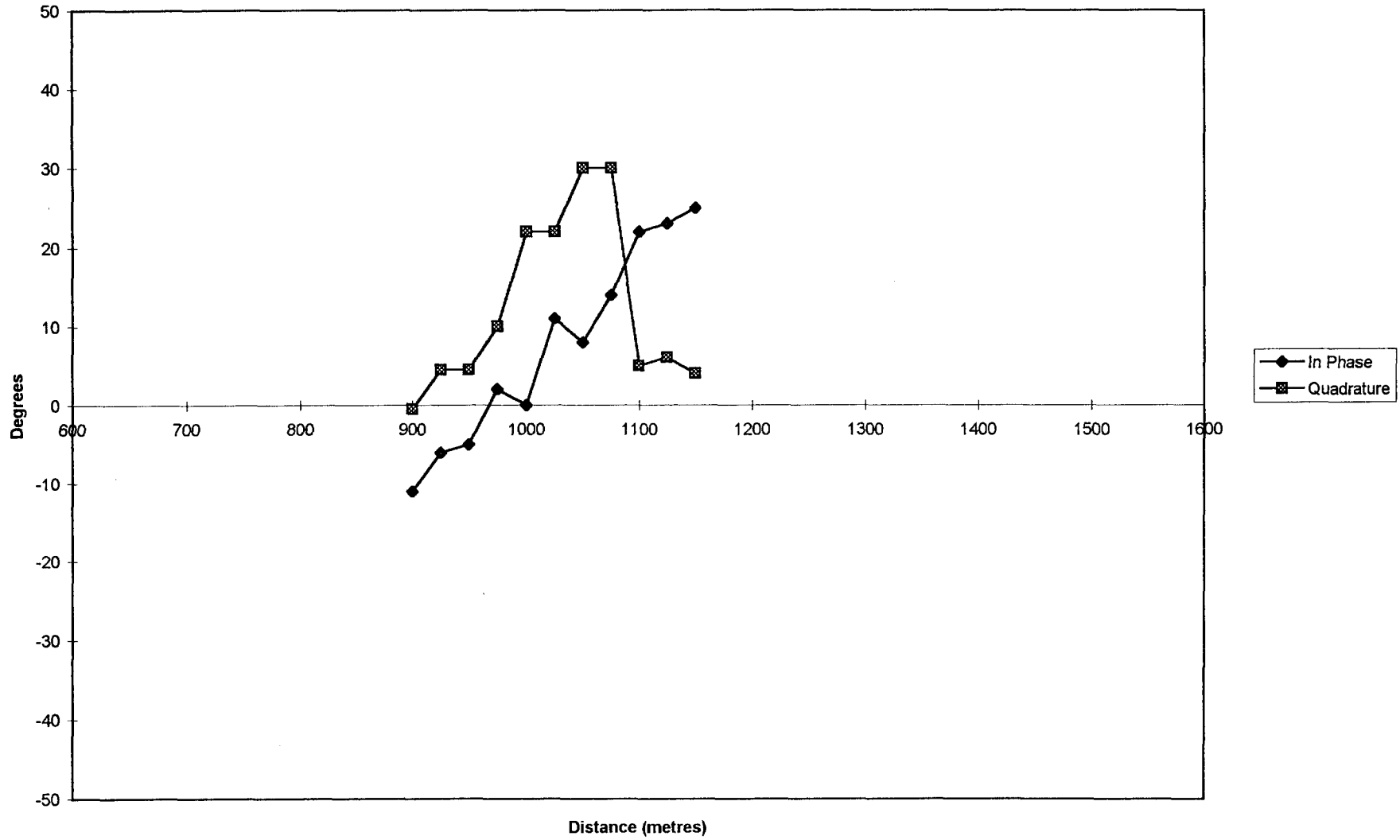
Electromagnetic Profile of Line 300 E



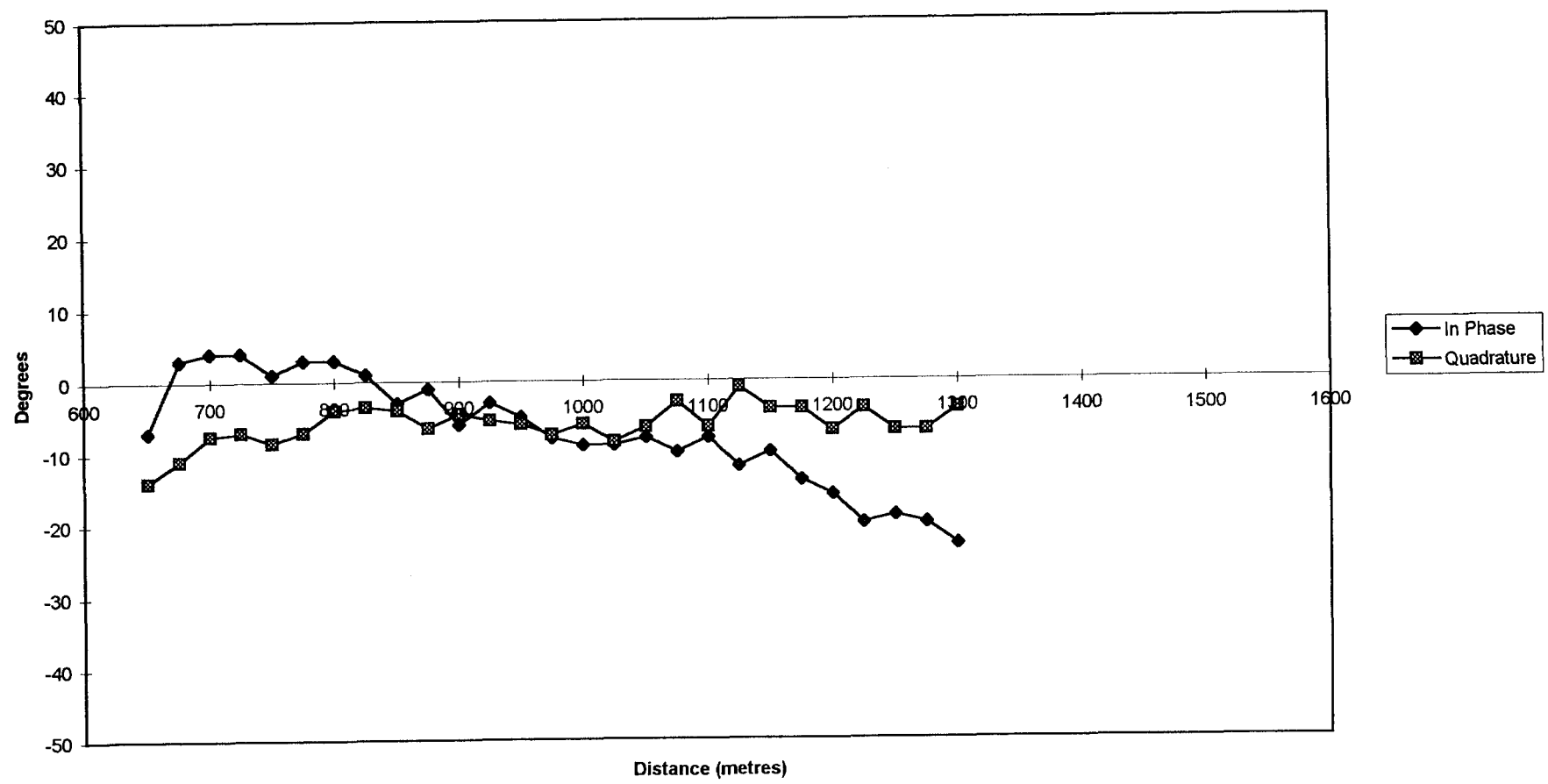
Electromagnetic Profile of Line 100 E



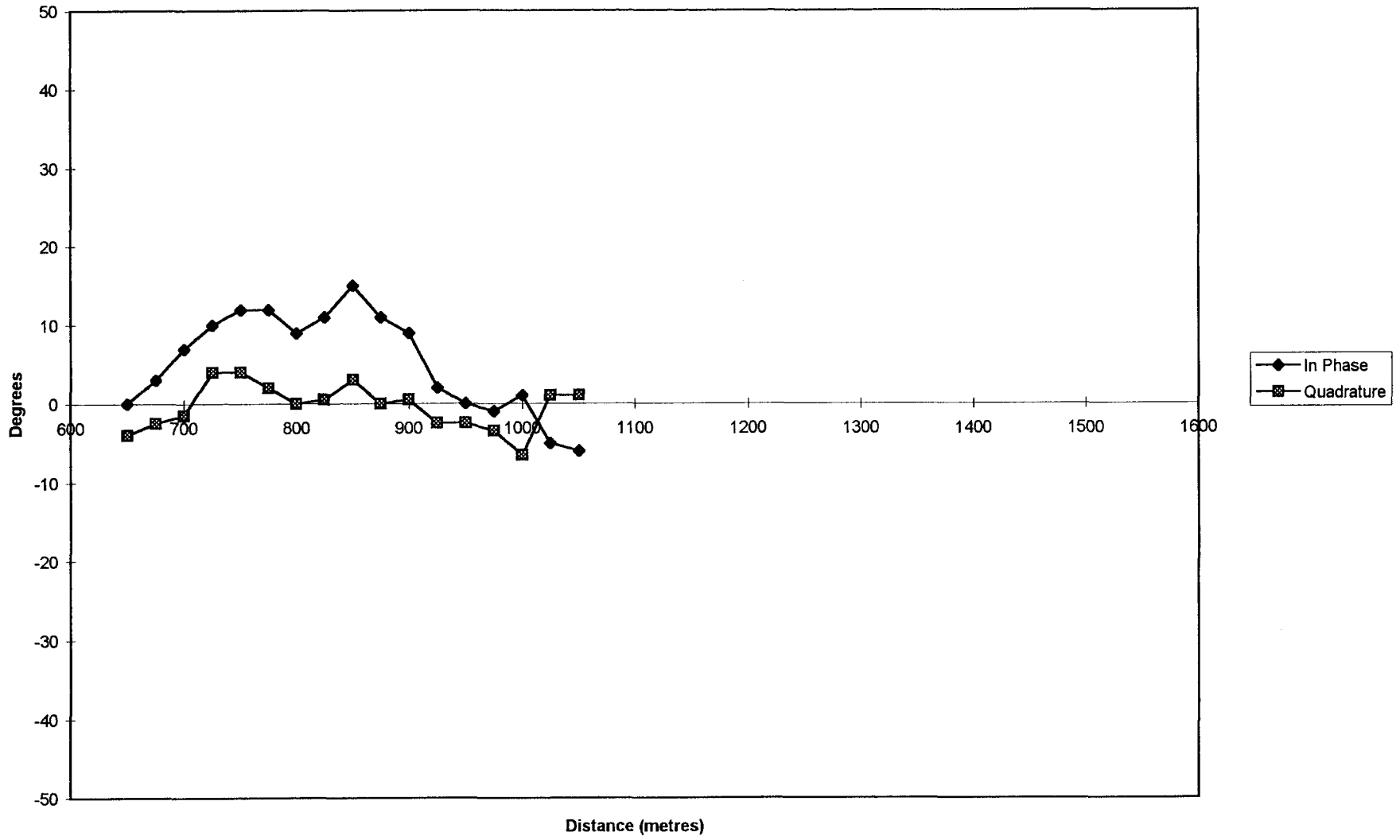
Electromagnetic Profile of Line 50 E



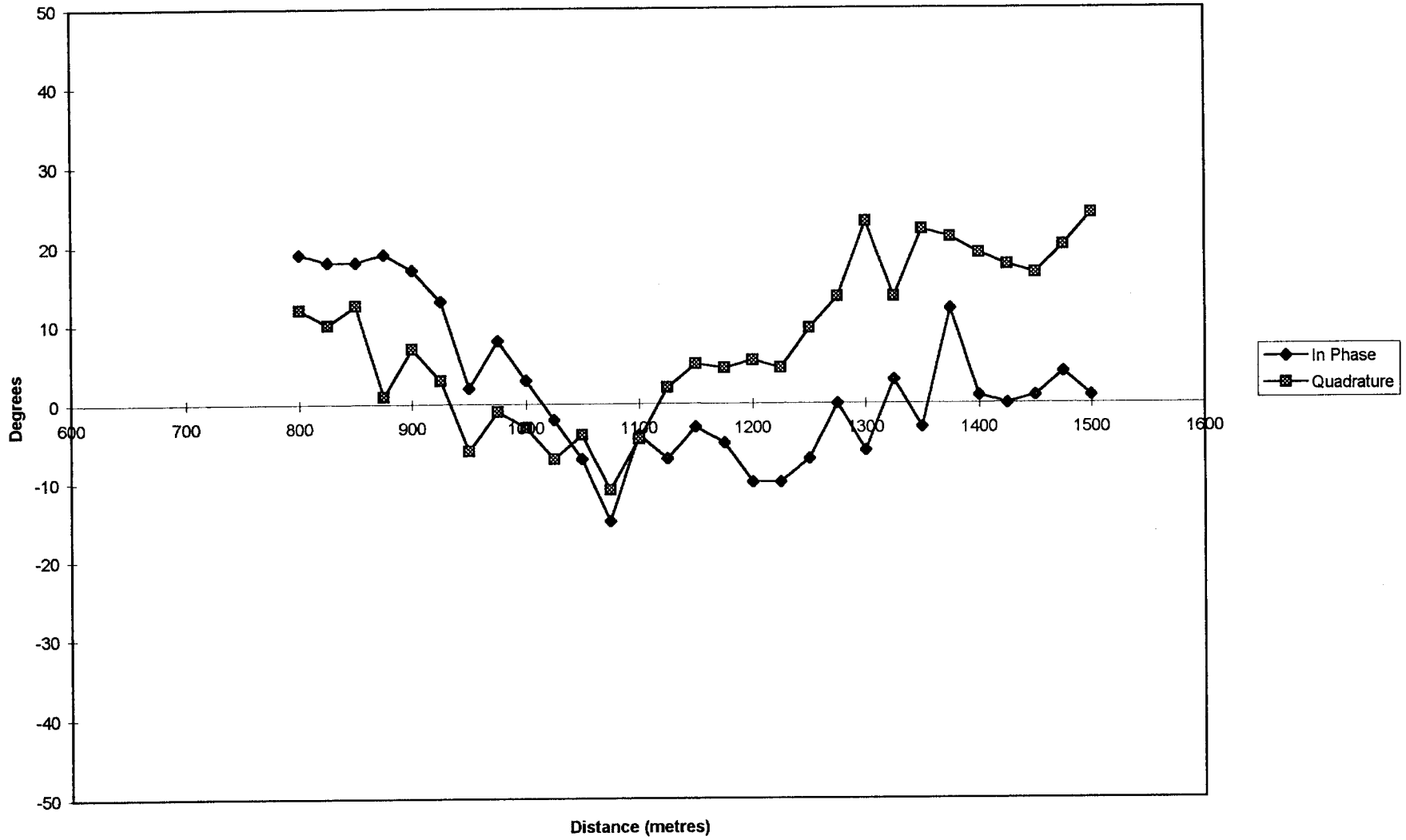
Electromagnetic Profile of Line 0 E



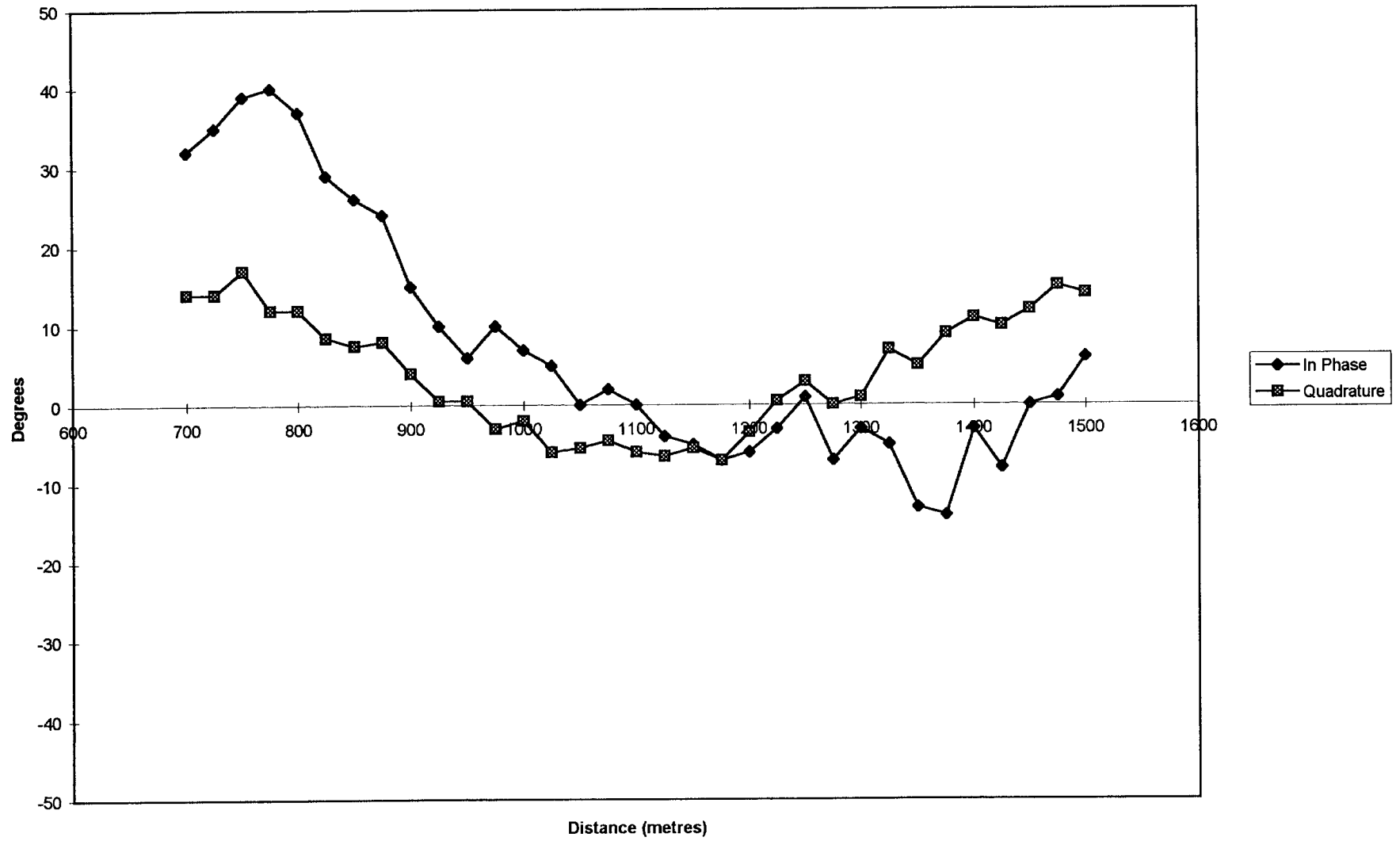
Electromagnetic Profile of Line 50 W



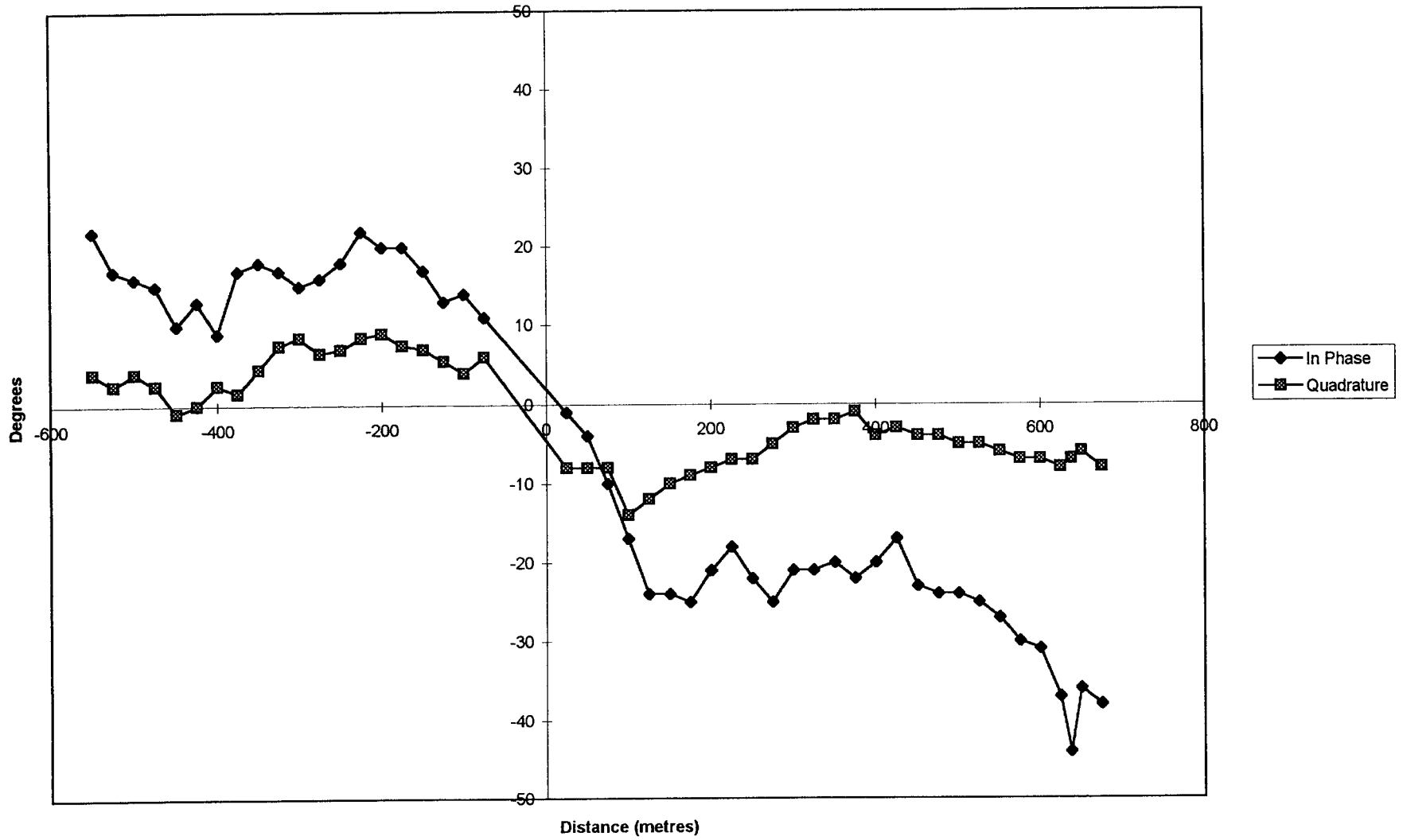
Electromagnetic Profile of Line 150 W



Electromagnetic Profile of Line 350 W



Electromagnetic Profile of Line 900 N



APPENDIX C

GEOPHYSICAL NOTES

Geophysical Notes for CANOL Claims

Grid Easting	Grid Northing	Mag Reading (gammas)	In Phase (tan theta)	Quadrature (%)	Field Notes
700	800	58162	14	2	GPS: +/-30m, 61 23.32N 130 56.40W
700	825	58117	15	3	downslope, granite talus
700	850	58123	13	-2	"
700	875	58129	12	-4	"
700	900	58137	14	0	~5m N of gossan talus upslope
700	925	58168	13	0	gossan talus
700	950	58161	14	-1	!10m N of other gossan talus, GPS: +/-32m, 61 23.45N 130 56.17W
675	950	58199	14	-6	uphill grassy slope, running parallel to gossan talus
650	950	58091	13	-6	GPS: +/-37m, 61 23.53N 130 55.87W
650	800	58143	17	4	granite
650	825	58132	13	-1	"
650	850	58111	10	-6	"
650	875	58152	6	-10	talus slope
650	887	58205			"
650	900	58356	4	-13	"
650	912	57927			"
650	925	54793	4	-12	"
675	800	58149	16	3	granite
600	800	58125	7	-5	GPS: +/-28m, 61 23.46N 130 56.06W
600	825	58169	12	-2	grassy slopes
600	850	58194	7	-3	", some talus
600	875	58327	5	-6	"
600	900	58539	13	-1	"
600	925	58165	24	4	"
600	950	58137	21	-2	GPS: +/-48m, 61 23.62N 130 55.88W
100	900	58187	1	-9	quad hard to hear, grassy downhill slope
100	925	58385	2	-5	grassy slope
100	950	58773	6	-2	"
100	975	58287	10	0	"
100	1000	58215	14	0	talus slope, easy walking
100	1025	58328	15	-1	"
100	1050	57886	15	0	"
100	1075	58142	14	-6	"
100	1100	58428	16	-1	"
100	1125	58315	17	-4	"
100	1150	58161	19	-5	"
100	1175	58144	21	-1	moss covered slope
100	1200	58177	22	-2	"
100	1225	58175	23	-3	large granite talus
100	1250	58181	25	-7	"
100	1275	58175	24	-9	",quad hard to hear
100	1300	58177	23	-8	"
100	1325	58168	20	-10	"
100	1350	58169	20	-9	"
100	1375	58154	22	-7	steep grassy slope
100	1400	58167	22	-10	moss covered o/c
100	1425	58173	23	-12	"
100	1450	58195	24	-18	"
100	1475	58189	24	-11	"
100	1500	58187	27	-10	"
100	1525	58198	27	-8	"
100	1550	58194	26	-8	"
100	1575	58173	29	-7	"
100	1600	58185	27	-6	GPS: +/-48m, 61 23.88N 130 56.31W
50	900	58147	-11	-0.5	grassy gentle slope
50	925	58137	-6	4.5	"
50	950	58232	-5	4.5	"
50	975	58225	2	10	"
50	1000	58245	0	22	"
50	1025	58284	11	22	",granite talus upslope
50	1050	58205	8	30	grassy
50	1075	58171	14	30	"
50	1100	58233	22	5	large granite talus
50	1125	58196	23	6	"
50	1150	58146	25	4	GPS: +/-41m, 61 23.65N 130 56.25W
0	650	58149	-7	-14	hard to hear, on side of ridge, GPS: +/-60m, 61 23.55N, 130 56.79W
0	675	58137	3	-11	"
0	700	58158	4	-7.5	"
0	725	58118	4	-7	"
0	750	58131	1	-8.5	"
0	775	58161	3	-7	"
0	800	58156	3	-4	"
0	825	58145	1	-3.5	climbing ridge
0	850	58189	-3	-4	"
0	875	58206	-1	-6.5	"
0	900	58201	-6	-4.5	"

Geophysical Notes for CANOL Claims

Grid Easting	Grid Northing	Mag Reading (gammas)	In Phase (tan theta)	Quadrature (%)	Field Notes
0	925	58207	-3	-5.5	on ridge
0	950	58225	-5	-6	"
0	975	58218	-8	-7.5	crested ridge
0	1000	58252	-9	-6	east ridge, alot of talus, slow walking
0	1025	58216	-9	-8.5	"
0	1050	58161	-8	-6.5	"
0	1075	58205	-10	-3	"
0	1100	58161	-8	-6.5	"
0	1125	58218	-12	-1	"
0	1150	58169	-10	-4	"
0	1175	58179	-14	-4	"
0	1200	58175	-16	-7	"
0	1225	58154	-20	-4	"
0	1250	58176	-19	-7	"
0	1275	58176	-20	-7	"
0	1300	58185	-23	-4	"
-50	675	58151	3	-2.5	climbing along ridge
-50	700	58154	7	-1.5	"
-50	725	58136	10	4	"
-50	750	58177	12	4	"
-50	775	58157	12	2	"
-50	800	58164	9	0	"
-50	825	58112	11	0.5	"
-50	850	58175	15	3	"
-50	875	58141	11	0	"
-50	900	58111	9	0.5	"
-50	925	58181	2	-2.5	"
-50	950	58192	0	-2.5	"
-50	975	58210	-1	-3.5	"
-50	1000	58091	1	-6.5	"
-50	1025	57991	-5	1	"
-50	1050	57823	-6	1	"
-25	650	58159	-3	-8	cutting westward up ridge
-50	650	58160	0	-4	" GPS: +/-50m, 61 23.44N, 130 56.44W
-75	900	58133	11	6	heading westward down ridge
-100	900	58177	14	4	"
-125	900	58159	13	5.5	"
-150	900	58180	17	7	"
-175	900	58224	20	7.5	"
-200	900	58148	20	9	"
-225	900	58172	22	8.5	"
-250	900	58172	18	7	" GPS: +/-36m, 61 23.66N, 130 56.76W
-275	900	58164	16	6.5	"
-300	900	58178	15	8.5	"
-325	900	58180	17	7.5	"
-350	900	58153	18	4.5	"
-375	900	58144	17	1.5	"
-400	900	58154	9	2.5	"
-425	900	58152	13	0	"
-450	900	58150	10	-1	"
-475	900	58150	15	2.5	"
-500	900	58157	16	4	"
-525	900	58162	17	2.5	"
-550	900	58157	22	4	" EPE: +/-86m, 61 23.71N, 130 57.07W
-350	700	58143	32	14	GPS: +/-47m, 61 23.58N, 130 56.98W
-350	725	58140	35	14	very loose granite
-350	750	58161	39	17	"
-350	775	58195	40	12	"
-350	800	58226	37	12	parallel to ridge
-350	825	58196	29	8.5	250m on west side
-350	850	58173	26	7.5	"
-350	875	58157	24	8	"
-350	900	58149	15	4	GPS: +/-32m, 61 23.65N, 130 56.97W
-350	925	58157	10	0.5	west side of ridge
-350	950	58160	6	0.5	"
-350	975	58170	10	-3	"
-350	1000	58157	7	-2	"
-350	1025	58158	5	-8	"
-350	1050	58156	0	-5.5	hard to hear, downslope
-350	1075	58162	2	-4.5	downslope
-350	1100	58157	0	-6	"
-350	1125	58145	-4	-6.5	"
-350	1150	58149	-5	-5.5	"
-350	1175	58141	-7	-7	"
-350	1200	58138	-6	-3.5	"
-350	1225	58144	-3	0.5	"

Geophysical Notes for CANOL Claims

Grid Easting	Grid Northing	Mag Reading (gammas)	In Phase (tan theta)	Quadrature (%)	Field Notes
-350	1250	58165	1	3	"
-350	1275	58160	-7	0	"
-350	1300	58184	-3	1	hard to hear, downslope
-350	1325	58193	-5	7	"
-350	1350	58195	-13	5	"
-350	1375	58246	-14	9	"
-350	1400	58162	-3	11	"
-350	1425	58243	-8	10	"
-350	1450	58259	0	12	" , mag varying
-350	1475	58008	1	15	"
-350	1500	58084	6	14	" , GPS: +/-21m, 61 23.82N, 130 56.79W
-150	800	58188	19	12	side of ridge
-150	825	58167	18	10	side of ridge, mag varying
-150	850	58145	18	12.5	"
-150	875	58129	19	1	" , hard to hear
-150	900	58163	17	7	side of ridge
-150	925	58145	13	3	"
-150	950	58164	2	-6	"
-150	975	58193	8	-1	very steep hill
-150	1000	58298	3	-3	"
-150	1025	58149	-2	-7	"
-150	1050	58124	-7	-4	"
-150	1075	58121	-15	-11	"
-150	1100	58183	-4	-4.5	"
-150	1125	58149	-7	2	"
-150	1150	58143	-3	5	"
-150	1175	58201	-5	4.5	"
-150	1200	58182	-10	5.5	"
-150	1225	58193	-10	4.5	"
-150	1250	58157	-7	9.5	very steep hill, hard to hear
-150	1275	58139	0	13.5	" , mag is jumping a bit
-150	1300	58173	-6	23	"
-150	1325	58188	3	13.5	"
-150	1350	58160	-3	22	"
-150	1375	58180	12	21	"
-150	1400	58173	1	19	"
-150	1425	58170	0	17.5	"
-150	1450	58178	1	16.5	"
-150	1475	58171	4	20	"
-150	1500	58165	1	24	" , GPS: +/-60m, 61 23.82N, 130 58.38W
25	900	58129	-1	-8	working east, going downslope
50	900	58155	-4	-8	downslope, some talus
75	900	58138	-10	-8	" "
100	900	58170	-17	-14	" , very little talus
125	900	58160	-24	-12	" , no talus
150	900	58164	-24	-10	" "
175	900	58175	-25	-9	" "
200	900	58168	-21	-8	" "
225	900	58184	-18	-7	" "
250	900	58181	-22	-7	" "
275	900	58186	-25	-5	" "
300	900	58189	-21	-3	" "
325	900	58193	-21	-2	" "
350	900	58205	-20	-2	" "
375	900	58227	-22	-1	" , some talus
400	900	58228	-20	-4	" "
425	900	58198	-17	-3	" "
450	900	58189	-23	-4	" "
475	900	58194	-24	-4	" "
500	900	58207	-24	-5	" , more talus
525	900	58194	-25	-5	" , steeper
550	900	58232	-27	-6	" "
575	900	58267	-30	-7	" "
600	900	58186	-31	-7	" "
625	900	58541	-37	-8	" "
638	900	52530	-44	-7	" "
650	900	58523	-36	-6	" "
675	900	58310	-38	-8	" "
300	800	58160	-8	0	going uphill, little talus
300	825	58149	-13	-1	" "
300	850	58157	-13	-2	" "
300	875	58173	-16	-3	flattening out, "
300	900	58171	-20	-3	" "
300	925	58174	-24	-4	" "
300	950	58184	-27	-6	" "
300	975	58179	-30	-9	going upslope, lots of talus

Geophysical Notes for CANOL Claims

Grid Easting	Grid Northing	Mag Reading (gammas)	In Phase (tan theta)	Quadrature (%)	Field Notes
300	1000	58192	-30	-10	" "
300	1025	58187	-29	-10	going downslope, lots of talus
300	1050	58080	-30	-11	" "
300	1075	58145	-31	-8	" "
300	1100	58169	-35	-9	" "
300	1125	58165	-36	-9	" "
300	1150	58140	-41	-9	" "
300	1175	58146	-40	-9	" "
300	1200	58141	-43	-6	" ", large boulders (granite?)
300	1225	58146	-47	-6	" "
300	1250	58143	-46	-4	" "
300	1275	58173	-47	-4	" "
300	1300	58151	-52	-4	" , less talus
300	1325	58177	-53	-6	" "
300	1350	58162	-53	-5	" ", large boulders
300	1375	58159	-55	-5	" "
300	1400	58171	-57	-8	downslope, less talus
300	1425	58168	-53	-7	" , small copse of pines
300	1450	58166	-49	-6	" , grassy, some talus
300	1475	58166	-49	-6	" "
300	1500	58161	-51	-8	" "
-50	650				flagged and geologically surveyed only
-50	1175				" "
0	900				" "
-25	900				" "
-50	900				" "
700	900				" "
725	900				" "
-50	1300				" "
-50	1325				" "
-50	1350				" "
-50	1375				" "
-50	1400				" "
-50	1425				" "
-50	1450				" "
-50	1475				" "
-50	1500				" "
-50	1525				" "
-50	1550				" "
-50	1575				" "
-50	1600				" "
0	650				" "
-25	650				" "
-50	650				" "
625	800				" "
650	800				" "
675	800				" "
700	800				" "
625	950				" "
650	950				" "
675	950				" "
700	950				" "
0	1200				" "
25	1200				" "
50	1200				" "
75	1200				" "
100	1200				" "
0	1300				" "
25	1300				" "
50	1300				" "
-75	1300				" "
-50	1500				" "
-75	1500				" "
-100	1500				" "
-125	1500				" "
-150	1500				" "
-50	1600				" "
-75	1600				" "
-100	1600				" "
-125	1600				" "
-150	1600				" "
-175	1600				" "