ASSESSMENT REPORT ON EVALUATION and GEOCHEMICAL SURVEY OF THE HI CLAIMS

Located near the Junction of Hamilton and Lake creeks.
Dawson Mining Division

093691

Claim Map Number 116A-5
(Claim Numbers - HI #17 to #39, HI #49 to #111.

Work carried out between June 19 and July 17, 1996

Longitude - 137 degrees, 35 minutes East
Latitude - 64 degrees, 22 minutes North

prepared for:

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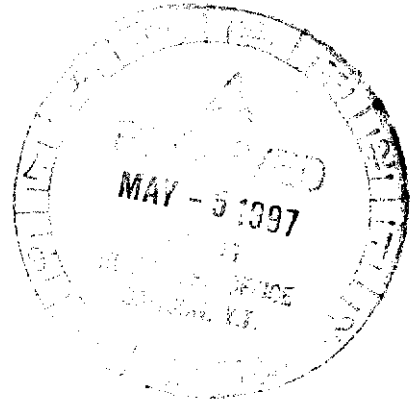

Report by:

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Written by:

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April 27, 1997

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This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $ 10,100.

M. B...

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

ASSESSMENT REPORT ON THE "HI" CLAIMS - YUKON TERRITORIES

1.0 SUMMARY

Further work is justified on the "HI" claims based on field observations, and silt and soil anomalies. A significant deposit on the adjacent Homestake or Mar West properties would increase the potential of the property. However, sufficient anomalies are present to warrant further work on the east side of the property.

The "HI" property forms the second skin of claims surrounding the Homestake property located at Lake Creek, in the Dawson Mining District. Very little is known about the Homestake ground. Rumors at the "street level" discuss a large quartz vein containing visible gold. This location of this "discovery" is north-west of a small lake at the head of Lake creek. Mar West has title to the first layer of enclosing claims. The "HI" claims are mostly underlain by rugged mountains that exhibit near vertical slopes and razor back ridges. Rock exposure is excellent, however examination of the geology is very hazardous. The other parts of the claims are generally underlain by broad valleys. Thick deposits of valley drift often obscure outcrop. Detailed silt geochemistry and examination of outcrop and float boulders were used to prepare this initial evaluation of the "HI" claims. These claims were divided into six groups for the purposes of applying assessment work. (HI # One to Six).

A large area of interest was discovered in this examination situated on the east side of the property. This area exhibits weakly anomalous gold in silt values, and localized weakly anomalous gold in soil values. Three distinct areas of anomalous gold values were discovered by this survey. The first is drainage HI-96-002 situated on HI 88. The second is HI-96-008 and HI-96-010 situated on HI 101 and HI 102. The third is HI-96-032 situated south-west of the property, but draining the area of HI 49.

A corresponding silt value to HI-96-008 and HI-96-010 of 7 ppb was obtained in the government survey. This anomaly was obtained from an adjacent creek draining the general area underlain by the HI 84 to HI 100 claims. This general area of interest also contains several color anomalies observed from the air. A line of soil samples taken across a string of quartz float cutting one color anomaly returned weakly anomalous gold values.(ranging up to 17 ppb.)

2.0 CONCLUSIONS

The area underlying the Homestake "discovery" exhibits a weak geochemical signature. Therefore, while the preliminary examination of the "HI" claims did not discover any strong anomalous values, the weakly anomalous values present may indicate mineralization similar to that on the Homestake ground.

The color anomalies visible by helicopter appear to be due to downslope migration of fragments of reddish shale. However, anomalous gold in stream silt values indicate the presence of at least a weakly mineralized hard-rock source in the vicinity of the color anomalies.

Many of the rocks noted in the several days of prospecting the "HI" claims were shattered and mineralized with stringers of quartz. In some cases these stringers were concentrated sufficiently two form localized bodies of quartz breccia or one to two foot wide quartz veins. These siliceous zones form on obvious host for gold mineralization.

3.0 RECOMMENDATIONS

The next stage of evaluation on the Hi claims should consist of further silt sampling, and soil sampling of the drift covered valley floors and up the adjacent soil covered slopes. Limited trenching should be used to expose areas of abundant quartz float. Rock geochemical surveys should also be used to check for the presence of gold and it's related pathfinder elements.

4.0 STATEMENT OF COSTS

COSTS INCURRED IN THE YUKON DURING THIS WORK PROGRAM

Professional Fees

Stephen Gower - Geologist	June 19 one day - field examination. June 20 one day-field examination. June 21 one day -field examination. June 22 one half day - sample preparation and recording data.	
	subtotal 3.5 days @ $ 315.00 per day =	$ 1102.50
Elaine Thompson - Prospector	June 19 one day - field examination. June 20 one day - field examination. June 21 one day - field examination. June 22 one half day - sample preparation and recording data.	
	subtotal 3.5 days @ $ 185.00 per day =	$ 647.50
	subtotal	*$ 1750.00*

Room and Board

Triple J Motel	four nights	$ 470.80
Per Diems	four days @ $ 30/person/day	$ 240.00
	subtotal	*$ 710.00*

Helicopter

Trans North Helicopters	June 19, Invoice-$ 2471.90, 80% applied	$ 1977.52
	June 20, Invoice-$ 2621.85, 80% applied,	$ 2097.48
	June 21, Invoice-$ 2771.80, 80% applied,	$ 2217.44
	subtotal	*$ 6292.44*

Analysis

Bondar Clegg - 40 silt and soil samples,	*$ 1012.22*

Report Costs

Hand specimen descriptions and report preparation	*$ 2000.00*
Total all expenses	*$ 11,764.66*

5.0 INTRODUCTION

5.1 Terms of Reference

Gower Thompson & Associates Ltd., were retained to carry out a preliminary evaluation and geochemical survey of the "HI" claims situated near the junction of Hamilton and Lake creeks in the Dawson Mining District. The property is accessible by helicopter from Dawson City and required at least three hours of helicopter support per day for the examination. The field examination by Gower Thompson & Associates Ltd., took place over a three day period and included prospecting, geological examinations and geochemistry. Seven additional days were spent in examining rock specimens, evaluating the geochemical results and in the preparation of this report. Government maps were used to provide a data base which included the geological, structural, mineralogical, geochemical and airborne magnetic data.

5.2 Regional Exploration History

Exploration in the Dawson area in the Yukon Territories since 1985 has resulted in the discovery of the Loki Gold Brewery Creek Mine (1987) and the Dublin Gulch gold porphyry (1990). The general area has the potential to host disseminated gold deposits, porphyry copper gold deposits, massive sulphide deposits, gold bearing quartz vein deposits, skarn deposits, polymetallic vein and sedex type silver lead zinc deposits.

In areas of abundant outcrop it can be assumed that most surface showings of sulphides have been discovered. Exploration techniques other than conventional prospecting will be required in area's with a lack of bedrock exposure, or if gold mineralization occurs without accompanying sulphides.

The best exploration technique available to quickly assess the mineral potential of an area is detailed stream silt geochemistry, followed up by prospecting and geochemistry. More sophisticated exploration methods would include heavy media sampling, airborne EM surveys, gamma ray surveys to identify zones of Potassic alteration related to porphyry intrusions and satellite remote sensing using Thematic Mapper and SAR imagery.

5.3 Exploration Parameters

The data base of regional geological, geochemical and aerial magnetic surveys available from the Geological Survey of Canada provides a good starting point for exploration.. Assessment reports are available and should be carefully researched prior to beginning exploration. These reports are available for examination in the Dawson City and Mayo Mining Recorders Offices. Exploration and development of properties in the Dawson area can be expensive if helicopter support is required, and the field season is short, lasting only from June to mid October.

6.0 CLAIM INFORMATION

The property consists of the HI One to One hundred and Eleven mineral claims, located in the Dawson Mining District along the boundary of the adjacent Mayo Mining District. Work is being filed on the claims located in the Dawson Mining Division. Cash in Lieu of Work is being filed on the claims located in the Mayo Mining Division.

At the time of the 1996 work program the claim lines and posts were clearly evident on the mountain slopes. Some of the posts are expected to be destroyed by during avalanching in the spring. A legal survey is required to locate the true position of the claims, and to establish the validity of the staking. The burden of providing proof of proper staking, and mineral title, falls on the claim owner.

CLAIM DATA - "HI" claims situated in the Dawson Mining Division.

CLAIM	TAG #	GROUP	WORK -YEARS	OWNER	OPERATOR
Table one - Claims in Group #One					
1) HI 17	YB81576	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
2) HI 18	YB81577	HI # One	$ 200-2Years	Denis Jacob	Pacific Galleon
3) HI 19	YB81578	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
4) HI 20	YB81579	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
5) HI 21	YB81580	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
6) HI 22	YB81581	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
7) HI 39	YB81598	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
8) HI 57	YB81607	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
9) HI 58	YB81608	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
10) HI 59	YB81609	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
11) HI 60	YB81610	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
12) HI 61	YB81611	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
13) HI 62	YB81612	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
14) HI 67	YB81617	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
15) HI 68	YB81618	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
16) HI 69	YB81619	HI # One	$ 200-2 Years	Denis Jacob	Pacific Galleon
		Subtotal $ 3200			
Table two -Claims in Group #Two					
1) HI 23	YB81582	HI # Two	$ 200-2 Years	Raymond Quesnel	Pacific Galleon-
2) HI 24	YB81583	HI # Two	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
3) HI 25	YB81584	HI # Two	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
4) HI 26	YB81585	HI # Two	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
5) HI 27	YB81586	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
6) HI 28	YB81587	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
7) HI 29	YB81588	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
8) HI 30	YB81589	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
9) HI 31	YB81590	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
10) HI 32	YB81591	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
11) HI 33	YB81592	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
12) HI 34	YB91593	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
13) HI 35	YB81594	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
14) HI 36	YB81595	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
15) HI 37	YB81596	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
16) HI 38	YB81597	HI # Two	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
		subtotal.$ 2000			

Table three -Claims in Group #Three

1)	HI 49	YB81599	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
2)	HI 50	YB81600	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
3)	HI 51	YB81601	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
4)	HI 52	YB81602	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
5)	HI 53	YB81603	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
6)	HI 54	YB81604	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
7)	HI 55	YB81605	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
8)	HI 56	YB81606	HI # Three	$ 200-2 Years	Denis Jacob	Pacific Galleon
9)	HI 63	YB81613	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
10)	HI 64	YB81614	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
11)	HI 65	YB81615	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
12)	HI 66	YB81616	HI # Three	$ 100-1 Year	Denis Jacob	Pacific Galleon
13)	HI 70	YB81620	HI # Three	$ 100-1 Year	Alain Richer	Pacific Galleon
14)	HI 71	YB81621	HI # Three	$ 100-1 Year	Alain Richer	Pacific Galleon
15)	HI 72	YB81622	HI # Three	$ 100-1 Year	Alain Richer	Pacific Galleon
16)	HI 73	YB81623	HI # Three	$ 100-1 Year	Alain Richer	Pacific Galleon

Subtotal $ 1700

Table four - Claims in Group #Four

1)	HI 74	YB81624	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
2)	HI 75	YB81625	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
3)	HI 76	YB81626	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
4)	HI 77	YB81627	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
5)	HI 78	YB81628	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
6)	HI 79	YB81629	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
7)	HI 80	YB81630	HI # Four	$ 100-1 Year	Alain Richer	Pacific Galleon
8)	HI 81	YB81631	HI # Four	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
9)	HI 82	YB81632	HI # Four	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
10)	HI 90	YB81738	HI # Four	$ 100-1 Year	Denis Jacob	acific Galleon
11)	HI 91	YB81739	HI # Four	$ 100-1 Year	Denis Jacob	Pacific Galleon
12)	HI 92	YB81740	HI # Four	$ 100-1 Year	Denis Jacob	Pacific Galleon
13)	HI 93	YB81741	HI # Four	$ 100-1 Year	Denis Jacob	Pacific Galleon
14)	HI 94	YB81742	HI # Four	$ 100-1 Year	Denis Jacob	Pacific Galleon
15)	HI 95	YB81743	HI # Four	$ 100-1 Year	Denis Jacob	Pacific Galleon
16)	HI 96	YB81744	HI # Four	$ 100-1 Year	Denis Jacob	Pacific Galleon

subtotal $ 1600

Table five - Claims in Group #Five

1) HI 83	YB81633	HI # Five	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
2) HI 84	YB81634	HI # Five	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
3) HI 85	YB81635	HI # Five	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
4) HI 86	YB81636	HI # Five	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
5) HI 87	YB81637	HI # Five	$ 200-2 Years	Raymond Quesnel	Pacific Galleon
6) HI 97	YB81745	HI # Five	$ 200-2 Years	Denis Jacob	Pacific Galleon
7) HI 98	YB81746	HI # Five	$ 200-2 Years	Denis Jacob	Pacific Galleon
8) HI 99	YB81747	HI # Five	$ 200-2 Years	Denis Jacob	Pacific Galleon
9) HI 100	YB81748	HI # Five	$ 200-2 Years	Denis Jacob	Pacific Galleon
10) HI 101	YB81749	HI # Five	$ 200-2 Years	Denis Jacob	Pacific Galleon
11) HI 102	YB81750	HI # Five	$ 100-1 Year	Denis Jacob	Pacific Galleon
12) HI 103	YB81751	HI # Five	$ 100-1 Year	Denis Jacob	Pacific Galleon
13) HI 104	YB81752	HI # Five	$ 100-1 Year	Denis Jacob	Pacific Galleon
14) HI 105	YB81753	HI # Five	$ 100-1 Year	Denis Jacob	Pacific Galleon
15) HI 106	YB81754	HI # Five	$ 100-1 Year	Denis Jacob	Pacific Galleon
16) HI 107	YB81755	HI # Five	$ 100-1 Year	Denis Jacob	Pacific Galleon

Subtotal $ 2600

Table six - Claims in Group #Six

1) HI 88	YB81638	HI # Six	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
2) HI 89	YB81639	HI # Six	$ 100-1 Year	Raymond Quesnel	Pacific Galleon
3) HI 108	YB81756	HI # Six	$ 100-1 Year	Denis Jacob	Pacific Galleon
4) HI 109	YB81757	HI # Six	$ 100-1 Year	Denis Jacob	Pacific Galleon
5) HI 110	YB81758	HI # Six	$ 100-1 Year	Denis Jacob	Pacific Galleon
6) HI 111	YB81759	HI # Six	$ 100-1 Year	Denis Jacob	Pacific Galleon

Subtotal $ 600

* A bill of sale transferring the claims out of the stakers names and into the name of Pacific Galleon Mining Corp. is pending at the time of the preparation of this report.

7.0 TECTONIC SETTING OF THE REGION.

The tectonic setting of the area underlying the claims is best described as a series of major crustal breaks that have undergone repeated periods of reactivation. This has resulted in the general area being cut into a series of very different rock units by the Dawson fault which divides the Mackenzie Platform from the Selwyn basin. To the south the Tintina fault separates the Selwyn basin rocks from rocks of the Yukon - Tanana Terrane.

Two major regional thrust faults, the Tombstone Thrust and the Robert Service Thrust divide the rocks of the area into three sections.

A series of granitic intrusions occur in a broad arc that sweeps northeast of the Tintina fault. This arc is roughly aligned along a northwest trend and appear to have been emplaced along a deep seated structure parallel to the Tintina Fault.

An important exploration guide is evident in the association of mineral zones with high angle shear zones that strike east, northeast, north and northwest cutting both the intrusive rocks and the surrounding host rocks.

Feldspar porphyry dykes and mineralization are emplaced along these shear zones and control the distribution of gold at Brewery Creek and many other deposits in the search area. These shear zones are visible on aerial photographs, during aerial reconnaissance surveys and on TM and SAR satellite imagery.

8.0 REGIONAL GEOLOGY

Table Seven- List of Rock Formations in the General Area. (From the Public Record)

AGE	UNIT NAME	LITHOLOGY	THICKNESS
92 million years	Tombstone Plutonic Suite	Coarse to medium grained syenite, monzonite, quartz monzonite and quartz diorite stocks.	
Jurassic	Keno Hill Lower Schist Equivalent.	Graphitic slate and phyllite, minor greywacke.	approx. 460 meters
Triassic		Tholeiitic diabase and gabbro sills.	90 to 240 meters
Triassic		Dark grey siltstone and shaley fossiliferous limestone	0 - 60 meters
Permian and Triassic		Green and red phyllite and slate, calcareous siltstone	760 meters
Permian	Tahkandit	Crinodial limestone, chert and chert pebble conglomerate	6 - 30
Mississippi	Keno Hill quartzite	massive grey, orthoquartzite, interbedded slate limestone	550 meters
		Unconformity	
Devonian& Mississippian	Earn group	Black shale, greywacke, chert pebble conglomerate and bedded barite.	Unknown
Ordovician - Late Devonian	Road River group	Black chert and argillite	approx. 150 meters
Ordovician - Silurian	Road River equivalent	Medium to thick bedded grey limestone	
Cambro - Ordovician	Vangorda Formation equivalent	Brown weathering calcareous siltstone, minor shale and chert	0 - 150 meters
Early Ordovician	Menzie Creek Formation	amygdaloidal basalt and volcanic breccia	0 - 600 meters
Proterozoic to L. Cambrian	Hyland Group,	Maroon & Green shale, chert and argillite	approx. 460 meters
Proterozoic to L. Cambrian	Hyland Group,	Calcareous quartzite, oncolitic sandstone near base.	approx. 460 meters
Proterozoic to L. Cambrian	Hyland Group,	Massive oncolitic limestone, silicified and dolomitized.	approx. 15 meters
Proterozoic to L. Cambrian	Hyland Group,	Feldspathic quartz pebble conglomerate and interbedded green shale.	greater than 3000 meters.
Middle Proterozoic	Gillespie Lake Group,	Orange weathering dolomite(Mackenzie platform)	
Middle Proterozoic	Quartet Group,	Thin - bedded dark grey argillite (Mackenzie platform)	

8.1 Property Geology

The area underlying the "HI" claims is made up of Precambrian and or Cambrian buff to brown rusty weathering sediments and metasediments. These consist of gritty quartzites, sandstones and quartz pebble conglomerates, shales and slates, schistose quartzites and assorted schists. The rocks are commonly well fractured and exhibit quartz veining along fractures and jointing planes. The only sulphides noted were a trace of chalcopyrite in quartz veining found in talus near silt sample site HI - 96 - 001.

Table Eight- Rock Specimen Notes

Specimen	Rock Type	Notes	Alteration	Mineralization	Location
R-96-101	Sandstone	Outcrop	Silicification	Quartz Veining	Clare 51F
R-96-102	Sandstone	Float	Silicification	Quartz Veining	HI 88, (Gp6)
R-96-103	Sandstone	Outcrop	Silicification	Quartz Veining	Clare 51F
R-96-104	Breccia	Float	Iron Staining	Quartz Veining	HI 87, (Gp5)
R-96-105	Quartz Vein	Float		Stringer of pyrite, cpy	HI 88, (Gp 6)
R-96-106	Shale	Talus Fan	Silicification	Pyrite	HI 84, (Gp 5)
R-96-107	Quartz Breccia	Hand Trench	Honey colored	Limonite	HI 84, (Gp 5)
R-96-108	Stockwork	Grab sample	Silicification	Quartz veining	R-96-107, (Gp 5)
R-96-109	Quartz Breccia	Float	Silicification	Fine grained sulphides	HI 103, (Gp 5
R-96-110	Conglomerate	Float	Limonitic		HI 103, (Gp 5)
R-96-111	Qtz stockwork	Float	Limonitic	Fine grained sulphides	HI 103, (Gp 5)
R-96-112	Strained Qtz	Float	Limonitic	Sparce fg sulphides	HI 105, (Gp 5)
R-96-113	Siltstone	Outcrop	Limonitic	Sparse fg sulphides	HI 30, (Gp 2)

A short traverse was carried out by Elaine Thompson for a distance of about 150 meters heading to the west of the hand trench on HI 84. Five hand specimens were collected at 30 meter intervals representative of interesting rocks observed in talus. These specimens are all to the west of HI 84, (Group #5). Data on these specimens is as follows;

Table nine Rock Specimen Notes, E.M.T. Traverse

Specimen	Rock Type	Notes	Alteration	Mineralization	Location
R-96-114	Quartz vein	included breccia	Honey colored	Large quartz crystals	west side HI 84
R-96-115	Sandstone	Quartz stockwork		Quartz veining	30 meters West
R-96-116	Shale	Miceceous	Rusty weathering		60 meters West
R-96-117	Sandstone	Arkose	Qtz stockwork	fg dark stringers	90 meters West
R-96-118	Sandstone	Well fractured	Rusty weathering	Quartz veining	120 meters West

All of these rock specimens are being retained for reference purposes. At some time in the future it is anticipate they will be broken up and assayed.

9.0 DISCUSSION OF TRAVERSE LINES ACROSS GROUPING AREAS

The traverse began at the height of land near the junction of Clare 27F, 28F, 29F and 51F. A well developed quartz breccia and associated stockwork was noted outcropping along the ridge top for several hundreds of meters. The traverse then followed the ridge line to the north east along the Dawson - Mayo Mining District boundary for a distance of two kilometers. The traverse then headed due east to explore the area underlain by HI group # 6.

Group #6

The area underlain by Group #6 consists of grassy slopes above the west side of a NNE trending valley. No outcrop was observed during the examination. Three silt samples were taken from a major tributary flowing across HI #88 and a minor seepage (HI-96-002) was sampled that drains HI #109. Sample HI-96-002 contained a weakly anomalous gold content (6 ppb) that warrants further follow-up. Two lines of reconnaissance soil samples on 100 meter spacing should be used in the general area to check for the presence of gold mineralization.

The traverse then headed southwest across Clare #56 up the same major tributary above where the silt samples were taken on HI #88. In the vicinity of a small tarne near the center of Clare #56, a minor amount of chalcopyrite was noted associated with quartz veining in float material near the valley floor. The traverse then headed northeast across HI #109 and HI # 110 before turning south and crossing HI #106. This completed the examination of this group.

Field time: 1.5 hours June 19, 0.15 hours June 22, 1996.

During the mid-morning of June 19, the traverse headed south west across HI # 104 and HI #105. These claims are underlain by grassy slopes with no outcrop visible. The traverse headed south across HI #103 and #101. Four silt samples were collected from dry gullies draining the east facing slopes underlying HI #105 and HI #103. These silts contained only background values in gold and related pathfinder minerals. The helicopter returned at this point for a reconnaissance flight and a move over to HI #20. After a traverse on HI # 1 group the helicopter returned the team to Group #4. The traverse then followed a small creek towards the valley floor that drained the area situated below a prominent ridge top color anomaly.

Two of these samples HI-96-008 and 010, contained weakly anomalous concentrations of gold (6 &12 ppb). The traverse then headed into the valley angling across HI #82, 81 and 95. This was the end of the first days traverse.

Group #5

On June 20, the traverse began by landing by helicopter above the prominent color anomaly noted the day before (HI #84). This color anomaly was discovered to be due to the presence of weathering reddish shales. Of interest was the amount of quartz veining in the general area. A line of soil samples was taken across an area of a well developed quartz vein and breccia train. These soil samples assayed very weakly anomalous values in gold, however pathfinder minerals were only background in value. Under microscopic examination the quartz train was observed to be a quartz breccia. The clasts appear to be mainly sandstone with a slight sericitic component. An amber stain was noted along fractures and cavities. This area warrants further prospecting and sampling.
The traverse then continued south across HI #83. The areas underlain by HI #96 - 101 was noted to be underlain by grassy soil covered gentle slopes.

Field time: group five - 2.75 hours June 19, 3.0 hours June 20, 1.5 hours June 22, 1996.

Group #4

During the afternoon of June 20, the traverse continued across the area underlain by HI #81 - 74, and 90 - 91. The drainages indicated on the map that were shown as cutting across HI # 91 and 78 were discovered to be dry gullies. No silt was found that could be taken for a sample. No outcrop was observed during this traverse.

Field time: group four - 1.1 hours June 19, 4.2 hours June 20, 1996.

Group # 3

On the late afternoon of June 20 the helicopter reconnaissance was carried out and short traverse were attempted on the ridge top underlain by HI #51, 54 and 56. This ridge was found to be too dangerous to traverse with numerous razor backs and very broken rocks. The decision was made to move the traverse to the head of the south trending tributary of Hamilton creek and to use detailed stream geochemistry to assess the mineral potential of the remaining groups. Silt samples HI-96-28 to HI-96-31 were collected from drainages flowing from the area underlain by group #3. No anomalous values were discovered in gold or related pathfinders. A significant gold in silt anomaly was discovered in sample HI-96-032 that assayed 9 ppb gold in a well formed creek bed. The traverse day ended with a short traverse along the ridge top underlain by portions of HI #26 and #28.

Field time: 5.00 hours June 20, 0.15 hours June 22, 1996.

Group #2

The traverse along the drainage underlain and south of group #2 was commenced early on the morning of June 21. Silt samples were collected along the main drainage and from all tributaries encountered. By mid afternoon the traverse crossed below group #1 and collected drainages coming from the slopes above.

Field time: 5.1 hours June 21, 1.0 hours June 22, 1996.

Group #1

Exploration on group #1 took place on June 19 and on June 21. Mid morning on June 19, the helicopter moved the traverse to a point due south of the projected extension of the vicinity of the Homestake discovery. A traverse of several hours duration was carried out along the ridge tops into the north end of Group # one. No significant mineralization was noted during this traverse. The rocks were found to be very broken and dangerous to cross. On June 21 a detailed prospecting and silt traverse was carried out on and below group #1.

Field time: - 5.5 hours June 19, 3.1 hours on June 21, 1.0 hours June 22, 1996.

Table ten - Field Time on Groups One to Six, (Includes time packing samples and preparing data - June 22)

Group	Day	Time	Cumulative - June 19,	June 20 June 21	June 22
One	June 19	5.5 hours	5.5 hours		
One	June 21	3.1 hours		3.1 hours	
One	June 22	1.0 hours			1.0
		9.6 hours			
Two	June 21	5.1 hours		***8.2*** hours	
Two	June 22	1.0 hours			2.0
		6.1 hours			
Three	June 20	5.00 hours		5.00 hours	
Three	June 22	0.15 hours			2.15
		5.15 hours			
Four	June 19	1.1 hours	6.6 hours		
Four	June 20	4.2 hours		9.35 hours	
		5.3 hours			
Five	June 19	2.75 hours	9.35 hours		
Five	June 20	3.0 hours		***12.35*** hours	
Five	June 22	1.5 hours			3.5
		7.25 hours			
Six	June 19	1.50 hours	***10.85***		
Six	June 22	0.15 hours			***3.65***
		1.65 hours			

10.0 SPECIAL PROBLEMS ASSOCIATED WITH EVALUATING THE "HI" CLAIMS

Intrusive related gold deposits can be very difficult to recognize as the gold may be micron sized and may not be accompanied by sulphides. Host rocks may include sandstones, silicified limestones or intrusive dykes.

Sandstones of the Hyland Group do form a suitable host due to the presence of calcareous cement that would replace easily with silica and gold to form a Carlin type deposit. Grades of these deposits is expected to range from 1.5 to 2.0 grams per tonne of rock. As the grade of such a deposit is relatively low, heap or bioleaching would be required to exploit any such deposits discovered (i.e. Loki Gold).

11.0 CANADA - YUKON MINERAL DEVELOPMENT - STREAM SEDIMENT GEOCHEMISTRY

Widely space stream sediment sampling was carried out under contract as a result of the Canada - Yukon Mineral Development Agreement. These samples were collected under contract in 1976 and 1977 and analyzed for 13 elements. These samples were subsequently reanalyzed in 1990 for gold and 25 other elements and the results used to build a national geochemical database suitable for exploration purposes. The sampling was fairly widely spaced (one sample represents 13 square kilometers) and serves as a general indicator of area potential rather than outlining specific targets. Detailed sampling of the local drainage's around the Homestake property revealed a weakly anomalous gold in silt value for the stream draining the area below the discovery zone.

Geochemical values obtained during the Canada - Yukon Mineral Development Survey, for the creek draining the Homestake discovery, are as follows:

Table eleven- Mineral Development silt values for the creek, (5532) draining the Homestake discovery zone.

Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc	Copper
ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm
8	<0.2	*71.5*	*17.8*	0.006	49	94	18

The silt values for gold, and the pathfinder elements arsenic and antimony are noted to be weakly anomalous. In this survey gold values seldom exceeded 2 ppb and values over 7 ppb are considered anomalous. Due to the difficulties associated with gold geochemistry, other pathfinder elements such as those listed above should be used during exploration programs in conjunction with the gold in stream sediment values.

Tables eleven, twelve and thirteen illustrate the anomalous geochemical values for creeks draining the southeast portion of the "HI" claims. It should be noted that the while the gold in silt values are similar to the Homestake discovery anomaly, the pathfinder elements are not as elevated.

12.0 GOWER THOMPSON & ASSOCIATES LTD. SILT SAMPLE SURVEY

The silt sample survey described in this report was carried out by Stephen Gower and Elaine Thompson as part of the evaluation survey. The samples were collected in Kraft paper bags supplied by Bondar Clegg Laboratories of Vancouver, B.C. The sample site was marked on a one inch to one-half mile scale map and the station flagged in the field. Sample criteria were noted and are includes as "Appendix A", Silt Sample Notes. The samples were analyzed by Bondar Clegg using standard assay procedures. These procedures can be provided by Bondar Clegg if required. The assay sheets are included as "Appendix B".

A few drainages were sampled that were not draining the area underlain by the "HI" claims. These samples were taken to help to determine background values in gold and pathfinder elements in the Lake Creek area. The majority of the silt samples taken contained only background concentrations of gold. Tables, eleven, twelve and thirteen shows the anomalous silt values discovered during this survey. Table ten shows the results of a sample taken during the government survey from an adjacent creek also situated on the south side of the property.

Table twelve- Silt values for the creek, (5365) draining the Area of Claims HI 84 to 103.

Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc	Copper
ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
7	<0.2	8.8	2.0	0.004	19	66	20

Table thirteen - Silt values for creek (HI - 96 - 002)

Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc	Copper
ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm
6	0.5	7	<5	0.13	45	103	59

Table fourteen- Silt values for creek (Hi - 96 - 008)

Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc	Copper
ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm
6	<0.2	<5	<5	0.029	13	58	15

Two adjacent silt samples returned anomalous values in arsenic, Hi - 96 - 011 and Hi - 96 - 012. (18 and 12 ppm)

Table fifteen - Silt values for creek, (Hi - 96 - 010)

Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc	Copper
ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
12	<0.2	<5	<5	0.051	3	<1	<1

Table sixteen - Silt values for creek (HI - 96 - 032)

Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc	Copper
ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm
9	43	<5	<5	0.089	28	115	28

13.0 REGIONAL GEOPHYSICAL SURVEYS - GOVERNMENT AIRBORNE MAGNETIC SURVEYS

A Government airborne magnetic survey at a scale of 1:50,000 has been flown over the area of interest. This survey has outlined a large generalized weakly anomalous area approximately 4 kilometers north south by 3 kilometers east west. A localized anomaly coincident with the area of the Homestake showing is present. A second localized weakly anomalous high also occurs near the southern end of the large weakly anomalous zone.

A portion of the southern "HI" claims (HI 49 to HI 69) does overlie the southern magnetic anomaly and its related contact zone.

The survey is too generalized to identify individual showing and deposits but does distinguish intrusive bodies and identifies regional structure. The large anomalous zone may be due to one of the following:

- A type S anomaly indicating a magnetic high that represent magnetic phases (rich in ferric iron) in the syenitic intrusives, or iron rich portions (i.e. magnetite in the Potassic core)of other intrusive bodies.
- A type H anomaly indicating a magnetic high due to the presence of skarn development in Hyland group limestones.

Much of the area underlain by the Hi claims is outside the large generalized anomalous zone. Previous staking by other operators has obviously been influenced by the Regional Geophysical Survey data. This does not preclude a discovery being made on the Hi claims, as the Loki Gold Brewery Creek deposits occur to the north of a large weakly anomalous zone.

14.0 STATEMENT OF QUALIFICATIONS

I, Stephen C. Gower, resident at 985 Gatensbury Street, Coquitlam, B.C., Canada, V3J 5J6 do hereby declare;.

1) I am registered as a Professional Geoscientist, (P. Geo), in the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

2) I have practiced my profession as exploration geologist for the past 27 years working for mining companies. The last 15 years I have functioned as a consultant.

3) I received my degree in Geology from the University of British Columbia in 1970. I completed Masters Courses in Property Evaluation and the Theory of Ore Search in 1972.

4) I am a Fellow in the Geological Association of Canada.

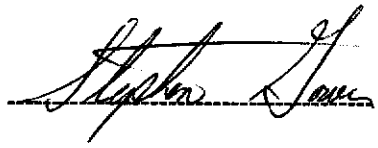
5) During the course of my exploration career I have carried out numerous exploration programs in northern B.C., and the Yukon for base and precious metal deposits.

6) I have been trained in the use of geochemistry as an exploration technique in the search for mineral deposits.

7) I carried out the field portion of the examination of the HI claims discussed in this report during the period June 19 to 22, 1996.

8) I was assisted in this examination by my partner, Elaine M Thompson, also of 985 Gatensbury Street, Coquitlam, B.C. She has worked full time on mineral prospects since 1982, and has acquired her skills from on the job experience and training by qualified professionals. She holds a Blasting Certificate and an Industrial First Aid Certificate. Elaine's prospecting and trenching in 1982 resulted in the discovery of the "Main" zone on the Golden Stranger property held by Western Horizons Resources Ltd., located in the Toodoggone area of B.C.

Stephen C. Gower, P. Geo.



April 27, 1997

APPENDIX "A"

SILT SAMPLE NOTES AND GEOCHEMICAL VALUES

	SILT SAMPLE NOTES.											
						Gold	Silver	Arsenic	Antimony	Mercury	Lead	Zinc
Number	Silt	Sand	Gravel	Organic	Notes	ppb	ppm	ppm	ppm	ppm	ppm	ppm
Hi-96-001	Yes	Yes	Yes	Yes	Tame lake	<5	0.3	<5	<5	0.169	44	121
Hi-96-002	Yes	Yes	Yes		side seep	6	0.5	7	<5	0.13	45	103
Hi-96-003	Yes	Yes	Yes	Yes	Main stream	<5	0.3	<5	<5	0.093	34	92
Hi-96-004	Yes	Yes	Yes	Yes	Main stm, post 89final	<5	0.2	<5	<5	0.083	29	97
Hi-96-005	Yes	Yes	Yes		seepage	<5	0.3	<5	<5	0.154	16	94
Hi-96-006	Yes	Yes	Yes		dry gulley	<5	<0.2	5	<5	0.046	17	68
Hi-96-007	Yes	Yes	Yes		dry gulley	<5	<0.2	<5	<5	0.041	16	80
Hi-96-008	Yes	Yes	Yes		dry gulley	6	<0.2	<5	<5	0.029	13	58
Hi-96-009	Yes	Yes	Yes		dry gulley	<5	<0.2	<5	<5	0.043	38	58
Hi-96-010	Yes			Yes	side seepage	12	<0.2	<5	<5	0.051	3	<1
Hi-96-011	Yes			Yes	main drainage	<5	<0.2	18	6	0.058	3	7
Hi-96-012	Yes			Yes	main stm, rapid flow	<5	<0.2	12	<5	0.093	<2	5
Hi-96-013	Yes			Yes	seep, NE side	<5	0.6	<5	<5	0.037	18	21
Hi-96-014	Yes			Yes	seep, NE side	<5	<0.2	<5	<5	0.057	17	37
Hi-96-015	Yes			Yes	seep, NE side	<5	<0.2	<5	<5	0.106	7	15
Hi-96-016	Yes			Yes	mainstream	<5	0.2	<5	<5	0.083	29	87
Hi-96-017	Yes			Yes	seep, NW side	<5	<0.2	<5	<5	0.036	22	91
Hi-96-018	Yes			Yes	seep, NW side	<5	<0.2	<5	<5	0.042	24	90
Hi-96-019	Yes			Yes	seep, NE side	<5	<0.2	<5	<5	0.092	27	76
Hi-96-020	Yes			Yes	main stm, rapid flow	<5	<0.2	<5	<5	0.084	23	79
Hi-96-021	Yes			Yes	seep, NW side	<5	<0.2	<5	<5	0.055	24	74
Hi-96-022	Yes			Yes	seep, NE side	<5	0.3	<5	<5	0.107	35	91
Hi-96-023	Yes			Yes	main stm. rapid flow	<5	<0.2	<5	<5	0.054	24	72
Hi-96-024	Yes			Yes	seep, NW side	<5	<0.2	<5	<5	0.047	35	53
Hi-96-025	Yes			Yes	seep, NE side	<5	<0.2	<5	>5	0.068	51	96
Hi-96-026	Yes			Yes	seep, NW side	<5	<0.2	<5	<5	0.047	41	86
Hi-96-027	Yes			Yes	seep, NW side	<5	0.2	<5	<5	0.051	27	88
Hi-96-028	Yes			Yes	seep, NE side	<5	<0.2	<5	<5	0.081	19	88
Hi-96-029	Yes			Yes	seep, NE side	<5	<0.2	<5	<5	0.049	26	86
Hi-96-030	Yes			Yes	seep, NE side	<5	<0.2	<5	<5	0.064	28	97
Hi-96-031	Yes			Yes	seep, NE side	<5	0.3	<5	<5	0.121	36	127
Hi-96-032	Yes			Yes	seep, NE side	9	0.3	<5	<5	0.089	28	115

	SOIL SAMPLE DATA											
Number	Color	Horizon	Depth meters	Spacing	Gold ppb	Silver ppb	Arsenic ppm	Antimony ppm	Copper ppm	Mercury ppm	Lead ppm	Zinc ppm
Hi-96-033	brown	B	0.3	60m north	6	0.3	<5	<5	45	0.028	14	58
Hi-96-034	brown	B	0.3	50m north	9	<0.2	<5	<5	28	0.08	8	68
Hi-96-035	brown	B	0.3	40m north	12	<0.2	<5	<5	30	0.078	14	80
Hi-96-036	brown	B	0.3	30m north	17	<0.2	<5	<5	43	0.09	20	63
Hi-96-037	brown	B	0.3	20m north	<5	<0.2	<5	<5	23	0.04	15	54
Hi-96-038	brown	B	0.3	10m north	15	<0.2	<5	<5	21	0.061	35	84
Hi-96-039	brown	B	0.3	10m south	9	<0.2	<5	<5	22	0.05	16	78
Hi-96-040	brown	B	0.3	On vein	<5	<0.2	<5	<5	15	0.091	26	60

APPENDIX "B"

ASSAY SHEETS & ANALYTICAL PROCEDURES - BONDAR CLEGG

Bondar Clegg
Inchcape Testing Services

"URGENT & CONFIDENTIAL"

To: GOWER THOMPSON & ASSOCIATES.
Attention :
Reference :
Submitter : S. GOWER

Our Fax No: (604) 985-1071
Your Fax No: 939-1652
Number of Pages : 4 including this page.

Report : V96-00890.0 Status : COMPLETE Total number of samples: 40

Element	Method	Totl
Au30	30g Fire Assay - AA	40
Pb	INDUC. COUP. PLASMA	40
Ni	INDUC. COUP. PLASMA	40
Bi	INDUC. COUP. PLASMA	40
Hg	COLD VAPOR AA	40
Te	INDUC. COUP. PLASMA	40
V	INDUC. COUP. PLASMA	40
La	INDUC. COUP. PLASMA	40
Ca	INDUC. COUP. PLASMA	40
Sr	INDUC. COUP. PLASMA	40
Li	INDUC. COUP. PLASMA	40
Ta	INDUC. COUP. PLASMA	40

Element	Method	Totl
Ag	INDUC. COUP. PLASMA	40
Zn	INDUC. COUP. PLASMA	40
Co	INDUC. COUP. PLASMA	40
As	INDUC. COUP. PLASMA	40
Fe	INDUC. COUP. PLASMA	40
Ba	INDUC. COUP. PLASMA	40
Sn	INDUC. COUP. PLASMA	40
Al	INDUC. COUP. PLASMA	40
Na	INDUC. COUP. PLASMA	40
Y	INDUC. COUP. PLASMA	40
Nb	INDUC. COUP. PLASMA	40
Ti	INDUC. COUP. PLASMA	40

Element	Method	Totl
Cu	INDUC. COUP. PLASMA	40
Mo	INDUC. COUP. PLASMA	40
Cd	INDUC. COUP. PLASMA	40
Sb	INDUC. COUP. PLASMA	40
Mn	INDUC. COUP. PLASMA	40
Cr	INDUC. COUP. PLASMA	40
W	INDUC. COUP. PLASMA	40
Mg	INDUC. COUP. PLASMA	40
K	INDUC. COUP. PLASMA	40
Ga	INDUC. COUP. PLASMA	40
Sc	INDUC. COUP. PLASMA	40
Zr	INDUC. COUP. PLASMA	40

ample Preparations	Totl	Sample Type	Totl	Size Fraction	Totl	Remarks
RY, SIEVE -80	40	SOIL	40	-80	40	

tes:

If you do not receive the entire transmission in legible form, please call us at (604) 985-0681.

Bondar Clegg
Inchcape Testing Services

T: GOWER THOMPSON & ASSOCIATES.
RT: V96-00890.0 (COMPLETE)

PROJECT: YUKON GOLD
DATE PRINTED: 10-JUL-96 PAGE 1A

MPLE MBER	ELEMENT UNITS	Au30 PPB	Ag PPM	Cu PPM	Pb PPM	Zn PPM	Mo PPM	Ni PPM	Co PPM	Cd PPM	Bi PPM	As PPM	Sb PPM
HII-96 001		<5	0.3	46	44	121	1	26	19	0.2	<5	<5	<5
HII-96 002		6	0.5	59	45	103	1	26	17	<0.2	<5	7	<5
HII-96 003		<5	0.3	32	34	92	1	24	14	<0.2	<5	<5	<5
HII-96 004		<5	0.2	32	29	97	1	23	12	0.3	<5	<5	<5
HII-96 005		<5	0.3	82	16	94	<1	21	6	0.4	<5	<5	<5
HII-96 006		<5	<0.2	21	17	68	1	18	8	<0.2	5	<5	<5
HII-96 007		<5	<0.2	26	16	80	1	19	7	0.3	<5	<5	<5
HII-96 008		6	<0.2	15	13	58	<1	15	6	<0.2	<5	<5	<5
HII-96 009		<5	<0.2	13	38	58	14	21	8	<0.2	27	<5	<5
HII-96 010		12	<0.2	<1	3	<1	<1	<1	<1	<0.2	<5	<5	<5
HII-96 011		<5	<0.2	1	3	7	<1	2	2	0.4	<5	18	<5
HII-96 012		<5	<0.2	<1	<2	5	<1	<1	<1	0.2	<5	12	<5
HII-96 013		<5	0.6	7	18	21	4	9	5	<0.2	11	<5	<5
HII-96 014		<5	<0.2	7	17	37	2	10	5	<0.2	5	<5	<5
HII-96 015		<5	<0.2	4	7	15	<1	4	3	<0.2	<5	<5	<5
HII-96 016		<5	0.2	29	29	87	2	26	12	<0.2	8	<5	<5
HII-96 017		<5	<0.2	26	22	91	2	21	9	<0.2	<5	<5	<5
HII-96 018		<5	<0.2	32	24	90	1	22	9	0.2	<5	<5	<5
HII-96 019		<5	<0.2	55	27	76	1	24	13	<0.2	<5	<5	<5
HII-96 020		<5	<0.2	32	23	79	1	24	11	<0.2	<5	<5	<5
HII-96 021		<5	<0.2	42	24	74	2	22	10	<0.2	<5	<5	<5
HII-96 022		<5	0.3	63	35	91	2	26	14	<0.2	<5	<5	<5
HII-96 023		<5	<0.2	31	24	72	2	23	11	<0.2	5	<5	<5
HII-96 024		<5	<0.2	29	35	53	3	17	7	<0.2	6	<5	<5
HII-96 025		<5	<0.2	59	51	96	4	27	17	<0.2	7	<5	<5
HII-96 026		<5	<0.2	32	41	86	4	26	16	<0.2	10	<5	<5
HII-96 027		<5	0.2	34	27	88	<1	23	12	<0.2	<5	<5	<5
HII-96 028		<5	<0.2	34	19	88	<1	20	10	<0.2	<5	<5	<5
HII-96 029		<5	<0.2	43	26	86	<1	21	12	<0.2	<5	<5	<5
HII-96 030		<5	<0.2	59	28	97	1	23	14	<0.2	<5	<5	<5
HII-96 031		<5	0.3	45	36	127	<1	27	11	0.4	<5	<5	<5
HII-96 032		9	0.3	43	28	115	1	24	11	<0.2	<5	<5	<5
HII-96 033		6	<0.2	45	14	58	<1	21	11	<0.2	<5	<5	<5
HII-96 034		9	<0.2	28	8	68	<1	11	6	<0.2	<5	<5	<5
HII-96 035		12	<0.2	30	14	80	<1	14	8	<0.2	<5	<5	<5
HII-96 036		17	<0.2	43	20	63	1	23	17	<0.2	<5	<5	<5
HII-96 037		<5	<0.2	23	15	54	<1	23	15	<0.2	<5	<5	<5
HII-96 038		15	<0.2	21	35	84	<1	12	7	<0.2	<5	<5	<5
HII-96 039		9	<0.2	22	16	78	<1	10	4	0.3	<5	<5	<5
HII-96 040		<5	<0.2	15	26	60	<1	15	9	<0.2	<5	<5	<5

Bondar Clegg
Inchcape Testing Services

CLIENT: GOWER THOMPSON & ASSOCIATES.
REPORT: V96-00890.0 (COMPLETE)

PROJECT: YUKON GOLD
DATE PRINTED: 10-JUL-96

SAMPLE NUMBER	ELEMENT UNITS	Hg PPM	Fe PCT	Mn PPM	Te PPM	Ba PPM	Cr PPM	V PPM	Sn PPM	W PPM	La PPM	Al PCT	N PC
S1 HII-96 001		0.169	4.39	1666	<10	208	21	22	<20	<20	14	1.72	0.5
S1 HII-96 002		0.130	3.81	1239	<10	245	17	20	<20	<20	12	1.67	0.3
S1 HII-96 003		0.093	3.38	883	<10	174	20	24	<20	<20	16	1.63	0.5
S1 HII-96 004		0.083	2.96	725	<10	176	20	26	<20	<20	15	1.55	0.5
S1 HII-96 005		0.154	1.84	527	<10	283	12	17	<20	<20	10	1.13	0.2
S1 HII-96 006		0.046	2.56	409	<10	126	20	34	<20	<20	17	1.40	0.50
S1 HII-96 007		0.041	2.27	651	<10	161	20	33	<20	<20	19	1.36	0.51
S1 HII-96 008		0.029	2.43	296	<10	121	22	37	<20	<20	20	1.45	0.57
S1 HII-96 009		0.043	1.95	341	<10	86	21	30	41	37	12	1.35	0.45
S1 HII-96 010		0.051	0.03	8	<10	2	1	<1	<20	<20	1	0.02	<0.01
S1 HII-96 011		0.058	0.21	63	<10	17	3	4	<20	<20	2	0.12	0.02
S1 HII-96 012		0.093	0.15	61	<10	8	1	2	<20	<20	<1	0.07	0.01
S1 HII-96 013		0.037	0.70	215	<10	32	5	5	<20	<20	2	0.29	0.05
S1 HII-96 014		0.057	1.17	201	<10	54	11	13	<20	<20	5	0.70	0.22
S1 HII-96 015		0.106	0.63	141	<10	27	7	6	<20	<20	2	0.29	0.06
S1 HII-96 016		0.083	3.64	558	<10	179	20	24	<20	<20	17	1.51	0.47
S1 HII-96 017		0.036	3.08	583	<10	312	25	35	<20	<20	14	1.99	0.58
S1 HII-96 018		0.042	2.88	611	<10	230	24	31	<20	<20	15	1.76	0.65
S1 HII-96 019		0.092	3.08	823	<10	274	28	23	<20	<20	14	1.52	0.61
S1 HII-96 020		0.084	3.18	390	<10	216	20	21	<20	<20	15	1.42	0.48
S1 HII-96 021		0.055	3.33	492	<10	367	19	25	<20	<20	14	1.73	0.44
S1 HII-96 022		0.107	3.60	1098	<10	376	38	28	<20	<20	9	2.10	0.60
S1 HII-96 023		0.054	2.99	466	<10	142	17	20	<20	<20	15	1.17	0.43
S1 HII-96 024		0.047	2.46	290	<10	235	19	23	<20	<20	11	1.55	0.39
S1 HII-96 025		0.068	3.42	1420	<10	255	28	22	<20	<20	7	1.79	0.63
S1 HII-96 026		0.047	3.62	1108	<10	254	20	21	<20	<20	7	1.57	0.51
S1 HII-96 027		0.051	3.07	547	<10	214	20	25	<20	<20	11	1.54	0.56
S1 HII-96 028		0.081	1.95	612	<10	186	19	16	<20	<20	8	1.33	0.52
S1 HII-96 029		0.049	2.91	1456	<10	570	24	21	<20	<20	7	1.83	0.43
S1 HII-96 030		0.064	3.17	983	<10	253	27	29	<20	<20	13	1.49	0.48
S1 HII-96 031		0.121	2.78	857	<10	206	24	24	<20	<20	11	1.85	0.57
S1 HII-96 032		0.089	3.33	619	<10	233	26	24	<20	<20	13	1.59	0.51
S1 HII-96 033		0.028	3.20	850	<10	104	15	26	<20	<20	15	0.96	0.26
S1 HII-96 034		0.080	1.62	298	<10	84	8	14	<20	<20	6	0.53	0.06
S1 HII-96 035		0.078	2.05	924	<10	152	13	23	<20	<20	10	1.00	0.17
S1 HII-96 036		0.090	3.78	1510	<10	158	19	33	<20	<20	14	1.19	0.36
S1 HII-96 037		0.040	3.32	1402	<10	177	15	25	<20	<20	13	1.06	0.32
S1 HII-96 038		0.061	2.34	881	<10	106	8	15	<20	<20	9	0.66	0.13
S1 HII-96 039		0.050	1.14	513	<10	87	6	10	<20	<20	6	0.53	0.07
S1 HII-96 040		0.091	3.12	2226	<10	127	7	12	<20	<20	11	0.71	0.08

APPENDIX "C"

CLAIM DATA

CLAIM DATA - HI PROPERTY

CLAIM	STATUS	NUMBER	GROUP	POSITION	DISTRICT	WORK APPLIED	CASH APPLIED	ANNIVERSARY
HI 1	Active	YB65342	not grouped		Mayo		$ 105.00	13-May
HI 2	Active	YB65343	not grouped		Mayo		$ 105.00	13-May
HI 3	Refused							Restaked Mar9/97
HI 4	Refused							Restaked Mar9/97
HI 5	Refused							Restaked Mar9/97
HI 6	Refused							Restaked Mar9/97
HI 7	Refused							Restaked Mar9/97
HI 8	Refused							Restaked Mar9/97
HI 9	Active	YB65350	not grouped		Mayo		$ 105.00	13-May
HI 10	Active	YB65351	not grouped		Mayo		$ 105.00	13-May
HI 11	Refused							Restaked Mar9/97
HI 12	Refused							Restaked Mar9/97
HI 13	Refused							Restaked Mar9/97
HI 14	Refused							Restaked Mar9/97
HI 15	Active	YB65356	not grouped		Mayo		$ 105.00	13-May
HI 16	Active	YB65357	not grouped		Mayo		$ 105.00	13-May
HI 17	Active	YB81576	HI # One	1 of 16	Dawson	$ 200.00		26-Apr
HI 18	Active	YB81577	HI # One	2 of 16	Dawson	$ 200.00		26-Apr
HI 19	Active	YB81578	HI # One	3 of 16	Dawson	$ 200.00		26-Apr
HI 20	Active	YB81579	HI # One	4 of 16	Dawson	$ 200.00		26-Apr
HI 21	Active	YB81580	HI # One	5 of 16	Dawson	$ 200.00		26-Apr
HI 22	Active	YB81581	HI # One	6 of 16	Dawson	$ 200.00		26-Apr
HI 23	Active	YB81582	HI # Two	1 of 16	Dawson	$ 200.00		26-Apr
HI 24	Active	YB81583	HI # Two	2 of 16	Dawson	$ 200.00		26-Apr
HI 25	Active	YB81584	HI # Two	3 of 16	Dawson	$ 200.00		26-Apr
HI 26	Active	YB81585	HI # Two	4 of 16	Dawson	$ 200.00		26-Apr
HI 27	Active	YB81586	HI # Two	5 of 16	Dawson	$ 100.00		26-Apr
HI 28	Active	YB81587	HI # Two	6 of 16	Dawson	$ 100.00		26-Apr
HI 29	Active	YB81588	HI # Two	7 of 16	Dawson	$ 100.00		26-Apr
HI 30	Active	YB81589	HI # Two	8 of 16	Dawson	$ 100.00		26-Apr
HI 31	Active	YB81590	HI # Two	9 of 16	Dawson	$ 100.00		26-Apr
HI 32	Active	YB81591	HI # Two	10 of 16	Dawson	$ 100.00		26-Apr

	HI 33	Active	YB81592	HI # Two	11 of 16	Dawson	$	100.00		26-Apr
	HI 34	Active	YB81593	HI # Two	12 of 16	Dawson	$	100.00		26-Apr
	HI 35	Active	YB81594	HI # Two	13 of 16	Dawson	$	100.00		26-Apr
	HI 36	Active	YB81595	HI # Two	14 of 16	Dawson	$	100.00		26-Apr
	HI 37	Active	YB81596	HI # Two	15 of 16	Dawson	$	100.00		26-Apr
	HI 38	Active	YB81597	HI # Two	16 of 16	Dawson	$	100.00		26-Apr
	HI 39	Active	YB81598	HI # One	7 of 16	Dawson	$	200.00		26-Apr
	HI 40	Active	YB65358	not grouped		Mayo			$ 105.00	13-May
	HI 41	Active	YB65359	not grouped		Mayo			$ 105.00	13-May
	HI 42	Active	YB65360	not grouped		Mayo			$ 105.00	13-May
	HI 43	Active	YB65361	not grouped		Mayo			$ 105.00	13-May
	HI 44	Active	YB65362	not grouped		Mayo			$ 105.00	13-May
	HI 45	Active	YB65363	not grouped		Mayo			$ 105.00	13-May
	HI 46	Active	YB65364	not grouped		Mayo			$ 105.00	13-May
	HI 47	Active	YB65365	not grouped		Mayo			$ 105.00	13-May
	HI 48	Active	YB65366	not grouped		Mayo			$ 105.00	13-May
	HI 49	Active	YB81599	HI # Three	1 of 16	Dawson	$	100.00		26-Apr
	HI 50	Active	YB81600	HI # Three	2 of 16	Dawson	$	100.00		26-Apr
	HI 51	Active	YB81601	HI # Three	3 of 16	Dawson	$	100.00		26-Apr
	HI 52	Active	YB81602	HI # Three	4 of 16	Dawson	$	100.00		26-Apr
	HI 53	Active	YB81603	HI # Three	5 of 16	Dawson	$	100.00		26-Apr
	HI 54	Active	YB81604	HI # Three	6 of 16	Dawson	$	100.00		26-Apr
	HI 55	Active	YB81605	HI # Three	7 of 16	Dawson	$	100.00		26-Apr
	HI 56	Active	YB81606	HI # Three	8 of 16	Dawson	$	200.00		26-Apr
	HI 57	Active	YB81607	HI # One	8 of 16	Dawson	$	200.00		26-Apr
	HI 58	Active	YB81608	HI # One	9 of 16	Dawson	$	200.00		26-Apr
	HI 59	Active	YB81609	HI # One	10 of 16	Dawson	$	200.00		26-Apr
	HI 60	Active	YB81610	HI # One	11 of 16	Dawson	$	200.00		26-Apr
	HI 61	Active	YB81611	HI # One	12 of 16	Dawson	$	200.00		26-Apr
	HI 62	Active	YB81612	HI # One	13 of 16	Dawson	$	200.00		26-Apr
	HI 63	Active	YB81613	HI #Three	9 of 16	Dawson	$	100.00		26-Apr
	HI 64	Active	YB81614	HI # Three	10 of 16	Dawson	$	100.00		26-Apr
	HI 65	Active	YB81615	HI # Three	11 of 16	Dawson	$	100.00		26-Apr
	HI 66	Active	YB81616	HI # Three	12 of 16	Dawson	$	100.00		26-Apr
	HI 67	Active	YB81617	HI # One	14 of 16	Dawson	$	200.00		26-Apr
	HI 68	Active	YB81618	HI # One	15 of 16	Dawson	$	200.00		26-Apr
	HI 69	Active	YB81619	HI # One	16 of 16	Dawson	$	200.00		26-Apr

	HI 70	Active	YB81620	HI # Three	13 of 16	Dawson	$	100.00		26-Apr
	HI 71	Active	YB81621	HI # Three	14 of 16	Dawson	$	100.00		26-Apr
	HI 72	Active	YB81622	HI # Three	15 of 16	Dawson	$	100.00		26-Apr
	HI 73	Active	YB81623	HI # Three	16 of 16	Dawson	$	100.00		26-Apr
	HI 74	Active	YB81624	HI # Four	1 of 16	Dawson	$	100.00		26-Apr
	HI 75	Active	YB81625	HI # Four	2 of 16	Dawson	$	100.00		26-Apr
	HI 76	Active	YB81626	HI # Four	3 of 16	Dawson	$	100.00		26-Apr
	HI 77	Active	YB81627	HI # Four	4 of 16	Dawson	$	100.00		26-Apr
	HI 78	Active	YB81628	HI # Four	5 of 16	Dawson	$	100.00		26-Apr
	HI 79	Active	YB81629	HI # Four	6 of 16	Dawson	$	100.00		26-Apr
	HI 80	Active	YB81630	HI # Four	7 of 16	Dawson	$	100.00		26-Apr
	HI 81	Active	YB81631	HI # Four	8 of 16	Dawson	$	100.00		26-Apr
	HI 82	Active	YB81632	HI # Four	9 of 16	Dawson	$	100.00		26-Apr
	HI 83	Active	YB81633	HI # Five	1 of 16	Dawson	$	200.00		26-Apr
	HI 84	Active	YB81634	HI # Five	2 of 16	Dawson	$	200.00		26-Apr
	HI 85	Active	YB81635	HI # Five	3 of 16	Dawson	$	200.00		26-Apr
	HI 86	Active	YB81636	HI # Five	4 of 16	Dawson	$	200.00		26-Apr
	HI 87	Active	YB81637	HI # Five	5 of 16	Dawson	$	200.00		26-Apr
	HI 88	Active	YB81638	HI # Six	1 of 6	Dawson	$	100.00		26-Apr
	HI 89	Active	YB81639	HI # Six	2 of 6	Dawson	$	100.00		26-Apr
	HI 90	Active	YB81738	HI # Four	10 of 16	Dawson	$	100.00		13-May
	HI 91	Active	YB81739	HI # Four	11 of 16	Dawson	$	100.00		13-May
	HI 92	Active	YB81740	HI # Four	12 of 16	Dawson	$	100.00		13-May
	HI 93	Active	YB81741	HI # Four	13 of 16	Dawson	$	100.00		13-May
	HI 94	Active	YB81742	HI # Four	14 of 16	Dawson	$	100.00		13-May
	HI 95	Active	YB81743	HI # Four	15 of 16	Dawson	$	100.00		13-May
	HI 96	Active	YB81744	HI # Four	16 of 16	Dawson	$	100.00		13-May
	HI 97	Active	YB81745	HI # Five	6 of 16	Dawson	$	200.00		13-May
	HI 98	Active	YB81746	HI # Five	7 of 16	Dawson	$	200.00		13-May
	HI 99	Active	YB81747	HI # Five	8 of 16	Dawson	$	200.00		13-May
	HI 100	Active	YB81748	HI # Five	9 of 16	Dawson	$	200.00		13-May
	HI 101	Active	YB81749	HI # Five	10 of 16	Dawson	$	200.00		13-May
	HI 102	Active	YB81750	HI # Five	11 of 16	Dawson	$	100.00		13-May
	HI 103	Active	YB81751	HI # Five	12 of 16	Dawson	$	100.00		13-May
	HI 104	Active	YB81752	HI # Five	13 of 16	Dawson	$	100.00		13-May
	HI 105	Active	YB81753	HI # Five	14 of 16	Dawson	$	100.00		13-May
	HI 106	Active	YB81754	HI # Five	15 of 16	Dawson	$	100.00		13-May

	HI 107	Active	YB81755	HI # Five	16 of 16	Dawson	$ 100.00		13-May
	HI 108	Active	YB81756	HI # Six	3 of 6	Dawson	$ 100.00		13-May
	HI 109	Active	YB81757	HI # Six	4 of 6	Dawson	$ 100.00		13-May
	HI 110	Active	YB81758	HI # Six	5 of 6	Dawson	$ 100.00		13-May
	HI 111	Active	YB81759	HI # Six	6 of 6	Dawson	$ 100.00		13-May
						Total	$ 11,700.00	$ 1,575.00	

APPENDIX "D"

BREAKDOWN OF EXPLORATION COSTS

BREAKDOWN OF EXPLORATION COSTS FOR EACH GROUP

HI CLAIMS - Lake creek, Dawson Mining Division

Group	Time-Hours	%	Helicopter	Support	Wages-ScG	Wages-EmT	Silts/soils	Analysis	Report	Total	Amount claimed
one	9.6	27%	$ 1,725.93	$ 194.74	$ 302.40	$ 177.60	ten	$ 253.10	$ 548.57	$ 3,202.34	$ 3,200.00
two	6.1	17%	$ 1,096.68	$ 123.74	$ 192.15	$ 112.85	six	$ 151.86	$ 348.57	$ 2,025.86	$ 2,000.00
three	5.15	15%	$ 925.89	$ 104.47	$ 162.23	$ 95.28	five	$ 126.55	$ 294.29	$ 1,708.69	$ 1,700.00
four	5.3	15%	$ 943.87	$ 106.50	$ 165.38	$ 97.13	zero	$ -	$ 300.00	$ 1,612.87	$ 1,600.00
five	7.25	21%	$ 1,303.43	$ 147.07	$ 228.38	$ 134.13	fifteen	$ 379.65	$ 414.29	$ 2,606.94	$ 2,600.00
six	1.65	5%	$ 296.64	$ 33.47	$ 51.98	$ 30.53	four	$ 101.24	$ 94.29	$ 608.14	$ 600.00
subtotal	*35.05*	*100%*	*$ 6,292.44*	*$ 710.00*	*$ 1,102.50*	*$ 647.50*	*forty*	*$ 1,012.40*	*$ 2,000.00*	*$ 11,764.84*	*$ 11,700.00*

LAKE CREEK

HI 2 GROUP

HI 1 GROUP

HI 3 GROUP

HI 6 GROUP

HI 5 GROUP

HI 4 GROUP

MAYO MINING DISTRICT

DAWSON MINING DISTRICT

TARN

5500

6000

5000

4500

4000

3500

137°40'

64°20'

HAMILTON CREEK

SOILS 33-40

RX 107, 108

093691

DWG(1)

67 - HI 1 67 CLAIM

▲ - ROCK SPECIMEN LOCATION (101 - 118)

x - SILT SAMPLE LOCATION (01 - 32)

\ - LINE OF SOIL SAMPLES (33 - 40)

MAP SHEET - 116A-5

0 ½ 1 1½ MILES

GOWER THOMPSON & ASSOCIATES

HI PROPERTY

DAWSON M. D.

CLAIM LOCATIONS, SILT & SOIL SAMPLE SITES, ROCK SPECIMEN SITES

DATE: APRIL 1997 FIG.: ONE

DATA BY: S. GOWER SCALE: .5 MILE to 1 INCH