GEOLOGICAL AND GEOCHEMICAL ASSESSMENT REPORT

for the

Ben 1-64 Claims

YB65613 to YB65676

N.T.S.
105 O-11

131°29' WEST (LONGITUDE), 63°42' NORTH (LATITUDE)

Mayo Mining Division

Yukon Territory

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CO-AUTHOR: Zoran Pudar

WORK PERFORMED: JULY 25 to JULY 30 , 1996

This report has been examined by
a Geological Evaluation Unit
under Section 53 (4) Yukon Quartz
Act and is allowed as
representation work in the amount
of $ 20,400.

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

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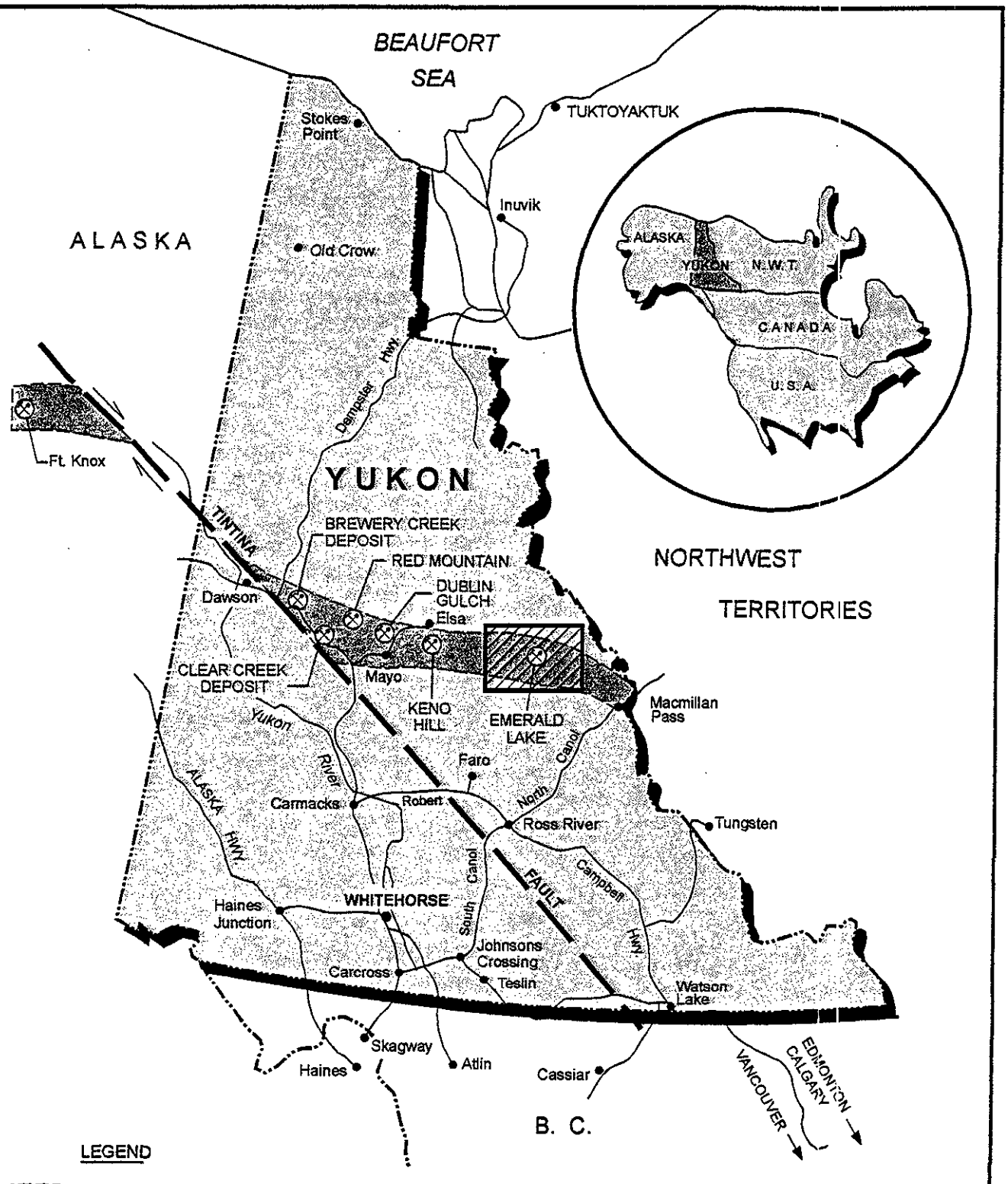
INTRODUCTION

The Ben 1-64 Claims, record numbers YB65613 TO YB65676 are located in the Mayo Mining Division of the Yukon Territory, on map sheet 105 O-11. The claim groups are situated in mountainous terrain approximately 12.5 kilometres east of the confluence of Old Cabin Creek and Rogue River. The claims are owned 100% by Yukon Gold Corp.

Previous geological mapping in the area indicates a Cretaceous granodiorite which is intrusive into a sequence comprising predominantly Hadrynian and Cambrian green and red shales with dark green and brown basic volcanic and volcanic-clastic rocks (see Open File 205, June 1974, G.S.C. Ottawa). The intrusion is cut by pyrite-pyrrhotite quartz veins with a thin (1-2 mm) K-feldspar alteration envelope. These veins are mostly 1 cm wide.

SUMMARY

Geologic mapping on the Cabin Creek claim blocks has established the presence of medium-grained granodiorite-synite intrusive stocks which are cut by pyrite-pyrrhotite quartz veins. This geochemically anomalous region hosts significant potential for a major gold deposit of the 'Fort Knox Type' associated with Tombstone Suite Intrusives. A relationship exists between the Cabin Creek granodiorites and nearby gold-localities in the Yukon (i.e. Dublin Gulch) in that the genesis of gold-bearing veins is attributed to nearby Cretaceous plutons, (D. Templeman - Kluit, Yukon - Geology and Exploration



LEGEND

TOMBSTONE SUITE PLUTONIC BELT

HESS RIVER GOLD PROJECT

KILOMETRES

0 100 200

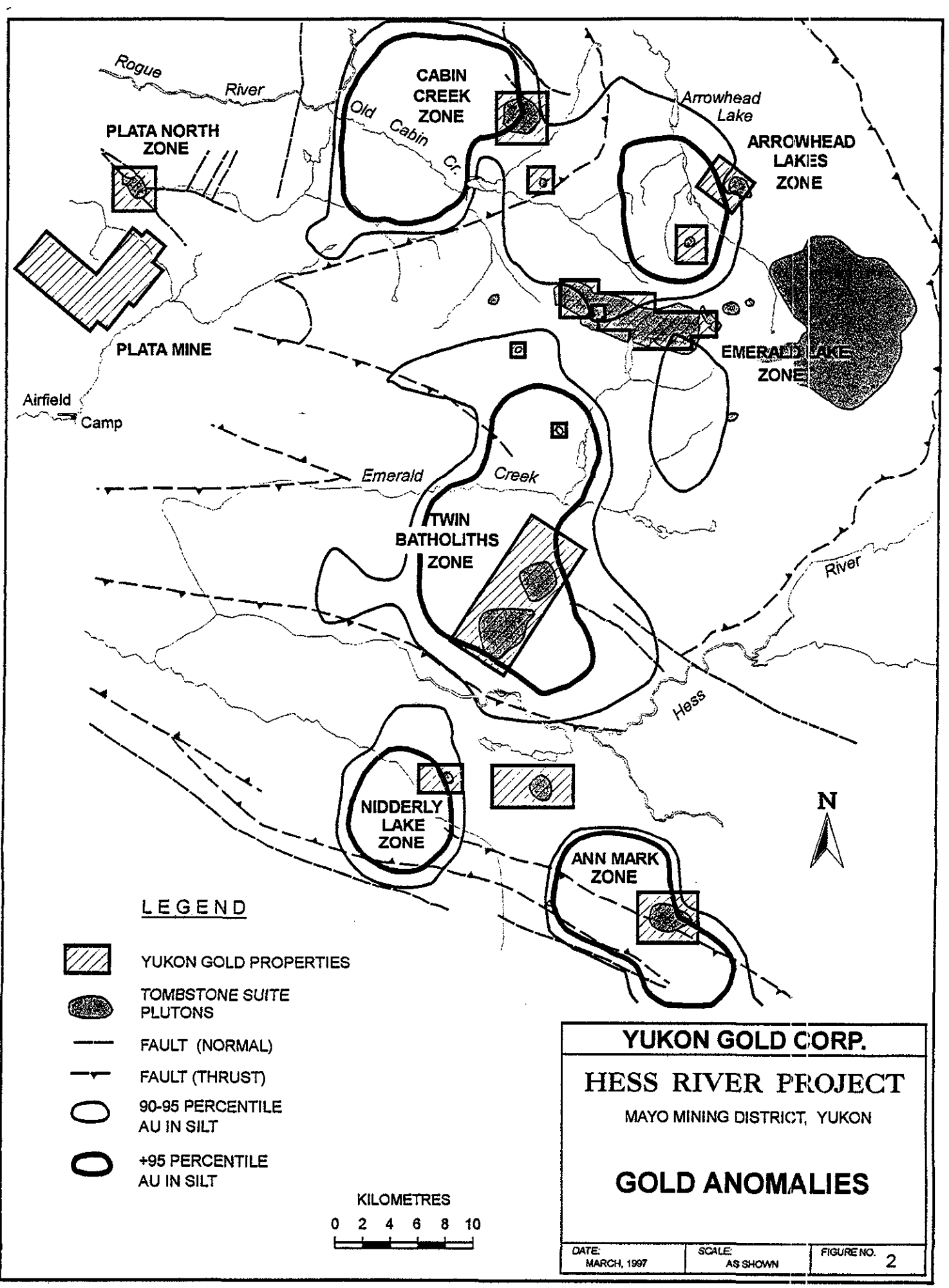
YUKON GOLD CORP.

HESS RIVER PROJECT

MAYO MINING DISTRICT, YUKON

LOCATION MAP

DATE:	SCALE:	FIGURE NO.
MARCH, 1997	AS SHOWN	1



YUKON GOLD CORP.

HESS RIVER PROJECT

MAYO MINING DISTRICT, YUKON

GOLD ANOMALIES

DATE:	SCALE:	FIGURE NO.
MARCH, 1997	AS SHOWN	2

1979-80, Dept. of Indian and Northern Affairs, Whitehorse - pg 23). All of the pluton is covered by the Ben 1-64 claims.

LOCATION , ACCESS and PHYSIOGRAPHY

The claims are located in the Mayo Mining Division of the Yukon Territory, NTS 105 O-3. The claim groups are situated in mountainous terrain approximately 12.5 kilometres east of the confluence of Old Cabin Creek and Rogue River. The nearest road is the Canol Road passing through MacMillan Pass about 87 km to the southeast.

Access to the property is hampered by extremely rugged terrain. Fixed-wing float planes can land either at Arrowhead Lake (16 km to the east) or Emerald Lake (20 km to the south east). From these lakes access is by helicopter. The property can also be reached by helicopter from Plata Air Strip which can handle aircraft up to size of a DC-3. The property is located 45 km from Plata camp (see Figure 2). Contract helicopters are also available from Ross River.

The property lies within the Hess Mountains, just north of the Rogue Range. Topographic relief is spectacular and varies between 1,000 m and 2,100 m AMSL. The northeastern half of the property is dominated by a series of steep sided ridges surrounding a number of cirques. Most slopes are largely talus covered while cirque floors consist of scattered rubble piles and boulder fields. Rock slides occur frequently during the summer months. Most of the property is situated above the tree line.

REGIONAL GEOLOGY and MINERALIZATION

The Cabin Creek claim block are located within the Selwyn Basin and covers Cretaceous granodiorite-synite stocks which intrude Lower Cambrian to Silurian sedimentary rocks. These sedimentary rocks consist of maroon and green argillite, grey and white quartzites, quartz pebble conglomerates, black shales and cherts.

The Selwyn basin hosts the Fort Knox deposit, an intrusive hosted gold deposit of large tonnage and low grade. This deposit occurs in Alaska within a region of the Selwyn Basin that has been offset to the northwest by the Tintina Trench. Intrusive bodies occur throughout the Selwyn Basin in the Yukon, and stocks are often associated with gold mineralization. The Brewery Creek deposit, 550 kilometres to the northwest, is largely intrusive hosted and hosts in excess of 17 million tons of .056 opt Au. Another significant intrusive hosted deposit occurs at Dublin Gulch, some 350 kilometres to the northeast, where a geological reserve of 100,000,000 tonnes of >.032 OPT Au has been delineated (>3 million ounces gold).

LOCAL GEOLOGY

Lithology

The oldest rocks underlying the claims are sedimentary rocks (argillite, siltite, fine grained quartzite) and volcanic rocks (lapili and lithic tuffs) of the Devonian Hyland group. The tuffs are bleached yellow with white, pale blue and tan angular fragments

forming a distinctive yellow band in areal view. These rocks are intruded by a biotite syenite-granodiorite pluton of the Cretaceous Tombstone suite. Up to 40% biotite and minor hornblende are the dominant mafic minerals. The amount of quartz ranges from 0 to 10%. Several rafts of sedimentary rocks occur within the intrusives near the contacts. Margins of the sedimentary rocks are locally hornfelsed into a fine grained black mass. The western contact area of the pluton includes a large skarn area, approximately 100 metres by 50 metres, exposed mainly as a large cliff face. Numerous aplitic dykes, up to 10 cm wide, as well as quartz veins, are located mostly within a strong cleavage zone within the pluton.

Mineralogy and alteration

Two types of mineralization have been recognized on the claims:

1) Mineralized quartz veins Although not exposed in outcrop, this vein material has been sampled in talus, proving to be auriferous. Quartz and minor calcite veins contain up to 10% arsenopyrite and 5% pyrite. These veins appear to be related to shear zones in which they occur. Abundance of these veins is limited to two occurrences, and have no significant width or strike length.

2)Skarn, hornfels *Mineralization within the skarn consists mainly of pyrrhotite* and magnetite in calcite rich matrix and massive pyrrhotite. Minor amounts of pyrite, chalcopyrite and smithsonite have been observed in float material. Textures of the skarn vary from banded, to brecciated to fine grained homogeneous. The hornfels is typically

fine grained dark gray to black with various amounts of fine disseminated pyrite, pyrrhotite and trace of chalcopyrite.

Local sheeted quartz vein stockworks are located in areas of strong cleavage within the pluton. These veins are generally not mineralized, except for minor amounts of pyrite and or pyrrhotite. Pyrrhotite is more common interstitially within the syenite/granodiorite, mostly in areas of quartz veining and skarning.

Structure

The granodiorite-syenite pluton occupies a roughly circular area 2.5 km in diameter, covering most of the claim block. It intrudes the Hyland group sedimentary rocks, which generally dip moderately towards the northwest.

At the southwestern contact, the skarn and hornfelsed sediments occupy an north trending area of more than 400 metres by 150 metres.

A prominent fracture set occurs within the intrusive in the form of strong cleavage, locally veined with quartz and aplitic dykes. These fractures trend on average at 040/87NW.

PREVIOUS WORK

In the winter of 1981 stream silt and concentrate samples collected in previous exploration programs by Union Carbide Exploration Corp. in the Niddery Lake Area (NTS 105 0) were analyzed for gold, silver, copper and molybdenum. A number of sites

anomalous in precious metals were detected with the highest anomalous stream geochemistry originating from the vicinity of the Cabin Creek granodiorite.

A follow-up prospecting and sampling program was initiated in the 1981 summer field season. Exploration at Cabin Creek located a number of arsenopyrite veins with gold values of up to 0.654 oz/ton. On the basis of these results and competitor activity (Agip, Cominco, Archer Cathro) in the area, 185 claims were staked in late July and mid-August of 1981.

In 1995, field program was conducted by Yukon Gold Corp. and consisted of geological mapping, prospecting, rock chip and soil sampling of the Cabin Creek claim blocks. Only part of the intrusion was prospected and many geochemically anomalous areas have not yet been well sampled. Soil sampling was done to confirm the presence of mineralization on the claim blocks. The samples were dried, screened and pulverized, and fire assayed for gold to a detection unit of 5 ppb. The samples yielded gold values up to 0.173 opt.

The 1996 EXPLORATION PROGRAM

In 1996, field program was consisted of geological mapping, prospecting and sampling of only the part of the Ben claims. The exploration program had to confirm the presence of significant gold mineralization and to delineate a source of the high gold anomaly. During the season, a total of 18 samples were collected. The samples were collected in the south region of property, in both the intrusion and sediments. Samples were dried, screened and pulverized to approximately -150 mesh and analyzed for gold to a detection

unit of 5 ppb. Only a portion of samples (5) have been analyzed for gold plus 36 elements. The samples have been analyzed in Northern Analytical Labs, Whitehorse. The samples yielded gold values ranging from 5 ppb to 1.35 g/T Au. Sample locations are shown on the geological map (Figure 4) and sample assays are listed in the Appendix.

No drill target has been outlined an the Cabin Creek zones although a large coincident gold and arsenic anomaly is present on them.

CONCLUSIONS and RECOMMENDATIONS

The Ben claim blocks host poorly explored gold mineralization, which has been partially delineated by rock sampling in 1995 and 1996 exploration programs. The targets are a large, low grade, disseminated or stockwork gold deposit hosted by the intrusive rocks and mineralized skarn and hornfels. The presence of a large scale gold and arsenic anomaly on the Ben claims indicates the potential for the discovery of bulk tonnage gold mineralization on these claims.

It is recommended that more detailed prospecting and sampling be caried out within and surrounding the pluton in order to delineate mineralized zones. Helicopter support is required for this program.

EXPENDITURES (STATEMENT OF COSTS)

Geologist	**- 6mandays days at $300.00/day**	**$1,800.00**
Crew Foreman	**- 6 days at $250.00/day**	**$1,500.00**
Prospector	**- 6 days at $200.00/day**	**$1,200.00**
Helicopter	**5 Hrs. @ $1000/Hr.**	**$5,000.00**
Camp costs	**- flagging-tents-food-etc.-6 mandays at $75.00/manday**	**$ 450.00**
Air-transportation		**$3,000.00**
Report and Drafting		**$7,000.00**
Assays	**- 18 samples @ $25/sample**	**$ 450.00**
Total		**$20,400.00**

Personnel:

Brian Lueck; 607 Berry St., Coquitlam, B. C., V3J 6C2

Marco Van Wermeskerken, 1210-675 W. Hastings, Van., B.C.

Zoran Pudar, 207-6730 Willingdon Ave., Burnaby, B.C., V5H 2V8

Tom Morgan, General Delivery, Dawson City, Yukon

PROPOSED EXPENDITURES (STATEMENT OF COSTS)

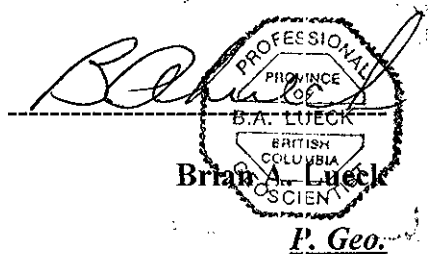
Cabin Creek Project, Yukon Territory

DESCRIPTION	EXPENSE	BALANCE
CAMP SETUP		
tent frames, tents	$6000	
lumber	$2000	
stoves, heaters	$2800	
plumbing	$2000	
propane, tanks, hose fittings	$4000	
generator, set wire, lights	$4000	
stove, fridge, freezer	$2500	
SUBTOTAL		**$23,300**
HELICOPTER FUEL		
Jet 'B' fuel, delivered	160 drums @ $450/drum	
SUBTOTAL		**$72,000**
MOBILIZATION		
Single Otter aircraft	220 miles @ $6.50/mile	
	~$1500/trip for 10 trips	
SUBTOTAL		**$15,000**
EXPLORATION		
personnel, 3 persons	45 days @ $600/day	$27,000
helicopter, 2 persons	90 hrs @ $700/hr	$63,000
camp costs, 5 persons	45 days @ $250/day	$11,250
expediting	45 days @ $100/day	$4,500
flights, supplies	5 flights @ $1500/flight	$7,500
SUBTOTAL		**$113,250**
PROJECT TOTAL		**$223,550.00**

Statement of Qualifications:

I, Brian A. Lueck, of the City of Coquitlam, British Columbia, do hereby certify that:

1. **I am a graduate of the University of British Columbia and posses a B. Sc. (honours) in Geology.**
2. **I have been employed as a consulting geologist or a government geologist since June of 1985.**
3. **I am currently enrolled in a M. Sc. program in geology at U. B. C.**
4. **I am a member in good standing of *The Association of Professional Engineers and Geoscientists of the Province of British Columbia,* and am currently registered as a *P. Geo.***
5. **I have been present on the property and have reviewed the data and inspected the field work and I believe this report to be an accurate reflection of the work performed on the property during 1996.**



Brian A. Lueck
P. Geo.
Geologist

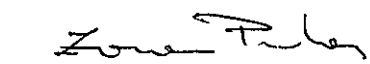
Statement of Qualifications:

I, Zoran Pudar, of the City of Burnaby, British Columbia, do hereby certify that:

1. **I am a graduate of the University of Tuzla, Yugoslavia and posses a B. Sc. in Geology.**

2. **I have been employed as a exploration geologist since August of 1987 and as a consulting geologist in Canada since October of 1995.**

3. **I am co-author of this report which is based on personal examination of the property. I have reviewed the data and I believe this report to be an accurate reflection of the work performed on the property during 1996.**



Zoran Pudar

Exploration Geologist

APPENDIX

YUKON GOLD CORPORATION

	Sample #	Description	Type	Au (ppb)	Ag(ppm)	Cu(ppm)	Pb(ppm)	Zn(ppm)	Sb(ppm)	Mo(ppm)	Bi(ppm)
1	139201	Sample from old trench spoil pile. Bleached, limonitic lapili tuff. Open space filling quartz and qtz stringers < 1 mm. White clay in fractures. Goethite.	Grab	8							
2	139202	Quartz-limestone breccia in talus. Angular fragments of grey crystalline carbonate in a quartz matrix.	Float	<5							
3	139203	Massive pyrrhotite with minor pyrite, possibly skarn, in talus.	Float	1354							
4	139204	Two intersecting fracture sets (014/83W and 140/45 NE) in limonitic argillite.	1m x 2m	748							
5	139205	Magnetite rich argillite (hornfels). Very fractured, limonitic.	Grab	12							
6	139206	Hornfelsed argillite with magnetite and pyrrhotite. Some massive mt-po pods. Overall zone (subcrop) 10 m, trending approx. 162/77W.	Grab	9							
7	139207	Massive, dark grey, massive, non magnetic, metallic mineral (manganese?).	Grab	<5							
8	139208	Same as -207. Subcrop.	Grab	51							
9	139209	Hornfelsed sediments and carbonate-po-mt breccia, (skarn).Limonitic.	Grab	<5							
10	139210	Chip across po-mt rich hornfels/breccia. Very abundant limonite. 10% very fine dissem. py.	1.5 m	10							
11	139211	Hornfelsed argillite breccia. 5% fine dissem. py.	Grab	6							
12	139212	Same as 139210 and -211 at contact with med. grnd. biot. syenite.	Grab	24							
13	139213	Syenite with quartz veins < 3mm. Subcrop. Select grab from quartz veins.	Select	20							
14	139118	Chip samples 10m (intrusion)	chip	7	0.2	15	116	16	6	2	<
15	139119	Chip samples 4m (intrusion)	chip	28	0.3	14	79	16	5	2	<
16	139220	Grab sample - dyke - andesite	Grab	5	<	62	27	29	<	2	<
17	139221	Float sample from talus	Float	23	0.1	7	18	22	<	2	<
18	139222	Float sample from talus - scarn	Float	12	<	52	12	29	<	2	4

131° 22'

63° 42'

KRC95001-003

KS95001-002

Trench
15m

139113
139119
139220
139222
139221
139212
139211
139213
139209
139210
139208
139207
139204-206
139205
139202
139201

several rafts of
sediment rocks

BEN CLAIM BOUNDARY

093697

LEGEND

CRETACEOUS

7b Alkaline syenite quartz monzonite and granite:

CAMBRIAN TO ORDOVICIAN

5 White, dark grey chert

4 Sandstone, volcaniclastic

3 Green argillite, thick succession of black shale, siliceous argillite and chert

2 Mappable units of mainly volcaniclastic sandstone and intraclast breccia or conglomerate

1 Maroon and pale green Argillite, minor grey–white quartzite and quartz pebble conglomerate

Bedding

Schistosity

Vein

Fault

Geological Contact (assumed)

Cleavage

▲ ROCK CHIP SAMPLE WITH NUMBER

△ GRAB AND FLOAT SAMPLE WITH NUMBER

DWG (1)

YUKON GOLD CORP

CABIN CREEK
BEN 1-64 CLAIMS
CABIN CREEK AREA, YUKON
N.T.S.: 105-O/11

GEOLOGY AND SAMPLE LOCATIONS MAP

M 0 100 200 300 400 500 M

SCALE: 1:10,000	DATE: JUNE, 1997
DRAWN BY: B. LUECK	FIGURE NO.: 4

131° 22'

63° 42'

BEN 15 | 16 | 31 | 32 | 47 | 48 | 63 | BEN 64

13 | 14 | 29 | 30 | 45 | 46 | 61 | 62

11 | 12 | 27 | 28 | 43 | 44 | 59 | 60

9 | 10 | 25 | 26 | 41 | 42 | 57 | 58

7 | 8 | 23 | 24 | 39 | 40 | 55 | 56

5 | 6 | 21 | 22 | 37 | 38 | 53 | 54

3 | 4 | 19 | 20 | 35 | 36 | 51 | 52

BEN 1 | 2 | 17 | 18 | 33 | 34 | 49 | BEN 50

BEN CLAIM BOUNDARY

1500 1400 1600 1700 1800 1900 2000 2100 1600 1900 1800 1700 2000 1900 1800 1700 1600 1500 1400 1300 1200

093697

DWG ②

YUKON GOLD CORP

CABIN CREEK

BEN 1-64 CLAIMS

CABIN CREEK AREA, YUKON

N.T.S.: 105-O/11

CLAIM MAP

M 0 100 200 300 400 500 M

SCALE: 1:10,000	DATE: JUNE, 1997
DRAWN BY: B. LUECK	FIGURE NO.: 3