

GEOLOGICAL AND DIAMOND DRILLING REPORT

ON THE

RBI PROPERTY
RBI 1 to 46 CLAIMS



WATSON LAKE MINING DISTRICT
YUKON TERRITORY, CANADA
NTS MAP SHEET 105G/7

Centred at Latitude: 61° 25' 30"N ,Longitude: 130° 37' 00"W
Work Performed: June 24 to July 3, 1997

FOR:

DEMAND GOLD LTD.
#908-700 West Pender Street
Vancouver, B.C. V6C 1G8

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 \$ 18,400.00.

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

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SUMMARY:

The RBI property comprises 46 claims located 185 km northwest of Watson Lake in the Watson Lake Mining District. The claims were staked in 1994 to protect an area of potentially favourable stratigraphy similar to that hosting Cominco's Kudz Ze Kayah polymetallic massive sulphide deposit located 3.0 km to the north. Access to the RBI property is provided via helicopter from the Robert Campbell Highway, 25 km to the north, or by float plane to the westernmost North Lake on the southern boundary of the property.

This report presents the results of a geological and diamond drilling program conducted during late June to early July, 1997 by personnel from Demand Gold Ltd. and D.J. Drilling of Watson Lake.

The property is located near the northern limit of the Simpson Range in the Yukon Plateau physiographic region of the northern Cordillera. Tree line is not well defined and occurs at approximately 1450 metres elevation. Approximately 50% of the property lies above tree line and is characterized by sparse to locally abundant outcrop. Terrain below tree line is masked by glaciofluvial overburden and talus debris supporting low brush and stunted forest growth.

The property encloses a suite of undifferentiated Pre-Mississippian to Mississippian layered metasedimentary and mafic metavolcanic schistose rocks, belonging to the Paleozoic Layered Metamorphic Sequence, underlain by coarse, porphyroblastic feldspar - quartz augen orthogneiss to monzonitic orthogneiss of the younger Mississippian Grass Lakes Orthogneiss Complex.

Data obtained from the 1997 geological mapping survey and from previous geochemical and geophysical surveys performed during 1995-96 indicated that potentially favourable mineralized targets existed in the north-central to east-central portion of the property. Three significant fault structures cut across the stratigraphy in a NE-SW direction in this area. Anomalous base metal-in-soil geochemistry and anomalous, linear HLEM signatures occur coincident with, and aligned along, these fault structures.

A two hole drill program, totalling 479.87 metres (1574'), was planned to test the metasedimentary and mafic metavolcanic stratigraphy and associated fault structures to determine their potential to host a Kudz Ze Kayah-style, volcanogenic massive sulphide deposit.

Results of the 1997 program are disappointing; however, and diamond drilling failed to intersect sulphide mineralization. The economic potential of the layered metamorphic sequence and associated fault structures exposed on the property is low, consequently, no further work is immediately planned.

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INTRODUCTION:

This report discusses the exploration procedures and results of a geological and diamond drilling program conducted by Demand Gold Ltd. on the RBI property located 25 km south of Finlayson Lake and 3.0 km south of Cominco's Kudz Ze Kayah polymetallic massive sulphide discovery (ABM deposit) in southeastern Yukon. Field work was performed by a six member crew during the period of June 24 - July 3, 1997. Drill crews were lodged in the Cominco base camp while personnel for Demand Gold were based in a single tent frame erected at the 1570 metre (5,150') elevation on the RBI 36 claim.

The objective of the 1997 program was to evaluate the property's economic potential through follow-up geological mapping and diamond drilling on targets delineated by the 1995 and 1996 programs. These former programs comprised geological, geochemical and geophysical surveys completed over claims in the north-central and western portions of the property.

Geological, geochemical and geophysical field data were initially compiled on 1:10,000 and 1:5,000 scale contour maps enlarged from 1:50,000 scale NTS topographic maps. All final maps were produced on computer generated and hand drafted maps at 1:5,000 scale. Drill hole cross sections are plotted at 1:500 scale.

Location and Access:

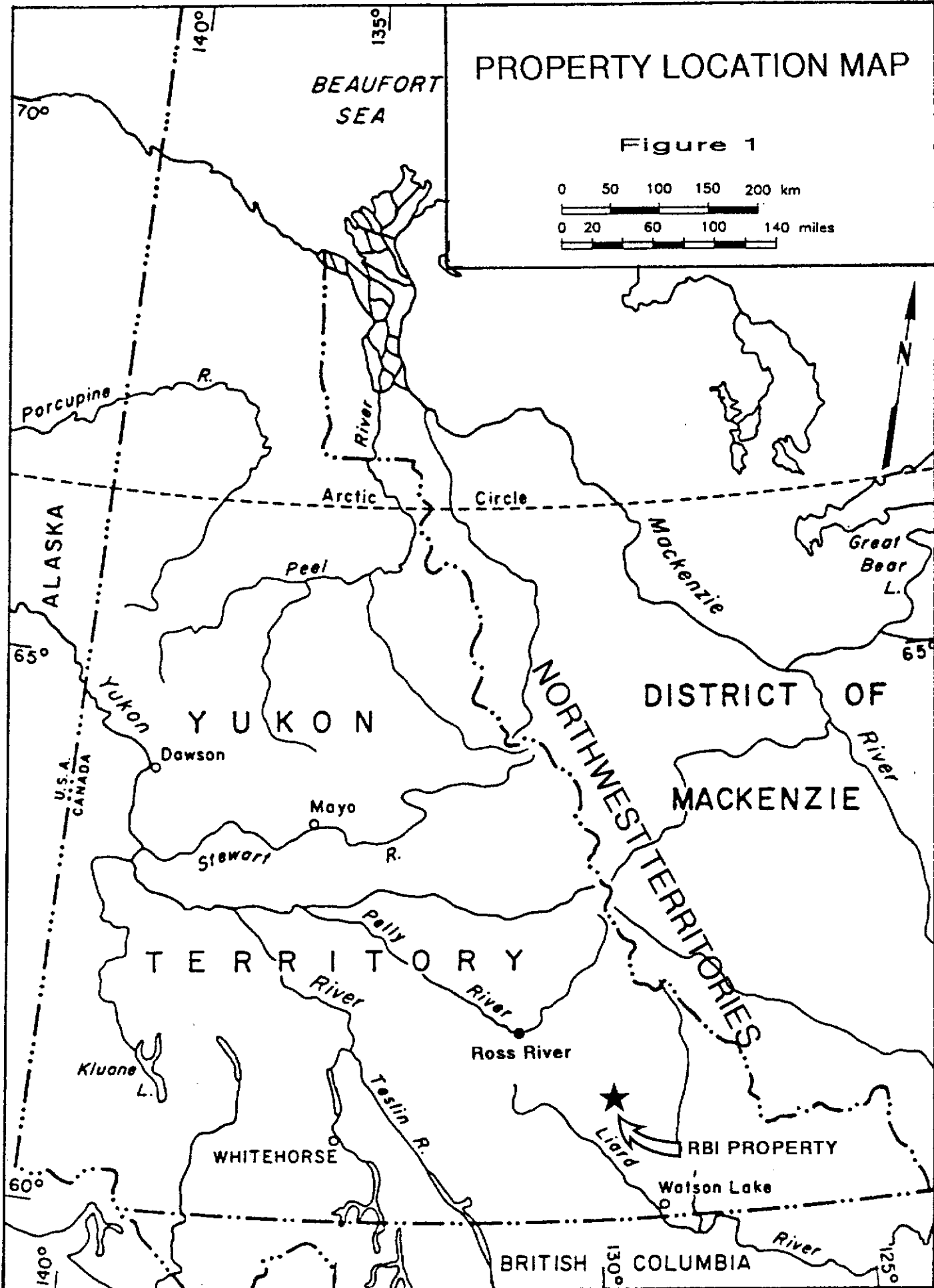
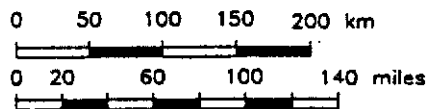
The RBI property is located in southeastern Yukon Territory approximately 185 km northwest of Watson Lake (Figure 1). The southern boundary of the property is partially bounded by the westernmost of the three elongated bodies of water known as North Lakes. The claims are situated in NTS map sheet 105G/7 and are centred at 61° 25' 30" North latitude and 130° 37' 00" West longitude. Access to the property is provided via helicopter from the Robert Campbell Highway (Hwy #4) and Finlayson Lake 25 km to the north. This highway connects with Watson Lake to the southeast and the village of Ross River 115 km to the northwest. Alternatively, access may be provided by float plane to the westernmost North Lake.

Physiography and Climate:

The property is located near the northern limit of the rugged Simpson Range, a subdivision of Yukon Plateau physiographic region of the northern Cordillera. Elevations in this region range between 1000 (3,280') to 2350 metres (7,708'). Elevations on the property range from 1300 (4,265') to 1900 metres (6,232'). The southwestern boundary of the Simpson Range is marked by Tintina Trench, a major northwest-trending valley and surface expression of the Tintina Fault Zone. The Simpson Range is bordered by the Ross Lowland to the northwest and Liard Plain to the southeast.

PROPERTY LOCATION MAP

Figure 1



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During the Pleistocene Epoch, ice covered the entire area except for tops of the highest peaks. McConnell glaciation covered the area during the period from 26,500 to 10,000 years ago. The area near the property was covered by the Selwyn Lobe of the Cordilleran ice sheet which flowed in a westerly to northwesterly direction. Glaciation has produced broad anastomosing valleys surrounding isolated mountains and small mountain ranges. Many of these valleys are now occupied by underfit streams and rivers, and tributaries to these streams often end in cirque valleys.

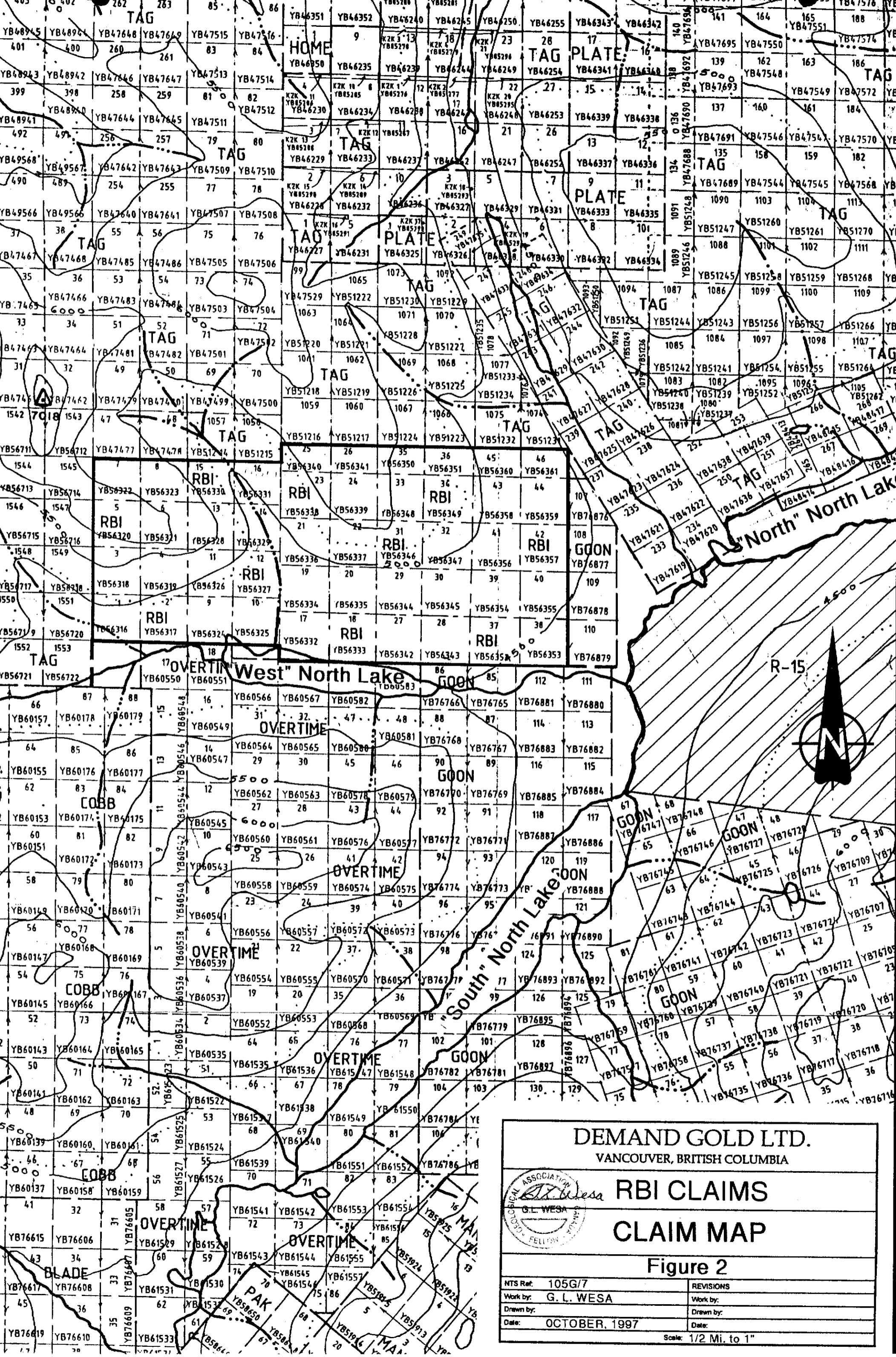
Valley bottoms are typically underlain by glaciofluvial sediments having a thickness of greater than five metres. Lower slopes above the valley floor are draped by colluvial apron sediments. Broad valleys in the vicinity of the property are covered by grassy wetlands and "buckbrush" with patches of black spruce. Slopes above the valley floor to tree line are covered by open stunted black spruce and balsam fir forest. Tree line is at 1400 (4,592') to 1500 metres (4,875'). Above this elevation, alpine grasses and a variety of mosses dominate. Outcrops are fairly common in the alpine areas and good outcrop to subcrop exists within the RBI property. Little or no overburden occurs at higher elevations and outcrop may be exposed simply by removing a thin cover of moss and lichen.

The Simpson Range is the height of land between the Ross Lowland and the Liard Plain. Winds from the southeast bring warm, moist air from Liard Plain to higher elevations in the Simpson Range resulting in unstable weather conditions during the summer months and heavy snow accumulations during winter. A typical field season in the area extends from mid-May to early October.

Weather records are unavailable for the area; however, general climatic data indicates that precipitation is light, averaging 50cm per annum, and falls mostly as rain during summer months. Snow cover averages approximately 60cm by late winter. The climate is continental type with warm summers and long, cold winters. Annual mean daily temperature is -5°C with ranges from lows of -30° to -50°C in January to 13° to 20°C in July. Permafrost at this latitude is discontinuous but widespread. It is rarely possible to commence surface geological work before the end of June and difficult to continue past September.

Property Status and Ownership:

The RBI property (Figure 2) consists of 46 contiguous claims located within the Watson Lake Mining District. The claims were initially staked by Andrew Harmon of Vancouver, B.C. in 1994 and subsequently were option to Demand Gold Ltd. who presently owns 100% of the property. Relevant claims data are tabulated in Table 1:



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RBI CLAIMS

CLAIM MAP

Figure 2

NTS Ref: 105G/7	REVISIONS
Work by: G. L. WESA	Work by:
Drawn by:	Drawn by:
Date: OCTOBER, 1997	Date:

Scale: 1/2 Mi. to 1"

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TABLE 1: RBI PROPERTY CLAIM STATUS

<u>CLAIM NAME</u>	<u># OF CLAIMS</u>	<u>GRANT #</u>	<u>RECORDING DATE</u>	<u>EXPIRY DATE</u>
RBI	46	YB56316- YB56361	1994/10/3	2002/10/3

HISTORY OF EXPLORATION:

Regional History:

The area was first mapped by Wheeler et al. (1960). Detailed mapping and re-interpretation was subsequently carried out by personnel of the Geological Survey of Canada (Tempelman-Kluit et al, 1975, 1976; Gordey and Tempelman-Kluit, 1976; Tempelman-Kluit, 1977; Gordey, 1977).

Finlayson Lake area has experienced reconnaissance exploration by numerous companies at various times since the mid-1960's following discovery and development of the Faro zinc-lead-silver deposits.

Beginning in the early 1970's up to the early 1980's, several companies conducted exploration programs in the area for SEDEX mineralization (HOO) VMS mineralization (PY, FYRE, FETISH, PAK, BEV) and tungsten-bearing skarns (BOOT). In 1973, the FETISH claims were staked by Finlayson Joint Venture over a target 25 km east of the Kudz Ze Kayah deposit. This target exhibited similar geology to Kudz Ze Kayah and was tested by two shallow drill holes. The PY claims were staked in 1975 by Cyprus Anvil Mining Corporation 40 km southeast of Kudz Ze Kayah.

In 1988, the G.S.C. released Open File 1648 causing many claims to be staked over gold and arsenic stream sediment anomalies. Many claims were located over allochthonous ophiolitic rocks that appear associated with thrust sheets that border the ultramafic succession.

Current exploration activity in the Finlayson Lake area commenced in late 1993 when Cominco conducted soil geochemical and geophysical surveys in the headwaters of a drainage in which government regional stream sediment survey results delineated strongly anomalous lead, zinc and copper values. Initial Cominco surveys outlined approximately coincident soil geochemical anomalies, electromagnetic conductors and positive magnetic anomalies. The first hole drilled in April, 1994 immediately intersected the deposit. Cominco followed with regional-scale, helicopter-borne magnetic and electromagnetic surveys, diamond drilling and regional staking programs. Exploration and development continued in 1995 with construction of a 23 km access road connecting the Robert Campbell Highway to the discovery site. Published reserves to the end of 1997 are quoted at 13 million tons grading 5.5% Zn, 1.0% Cu, 1.3% Pb, 12 g/t Ag and 1.2 g/t Au.

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The RBI claims were staked in September, 1994. Staking was performed by Dan Brett and Andrew Harmon for Demand Gold Ltd. to protect ground believed to be underlain by favourable lithologies similar to those hosting the Kudz Ze Kayah deposit. The claims cover prospective ground belonging to Yukon-Tanana Terrane.

Property History:

A review of government Assessment Report Archives and Archer, Cathro Mineral Inventory files indicates that no work is recorded on the property previous to 1995. A field examination of the property was performed by Uwe Schmidt on June 23, 1995 at which time no evidence of any previous work was observed. At this time, further evaluation of the property was recommended due to its proximity to the Kudz Ze Kayah deposit.

A reconnaissance soil geochemical survey, completed in September, 1995, over claims in the north-central portion of the property, documented a series of elevated to anomalous base metal values. These results were followed up with a ground HLEM (horizontal loop EM) and MAGNETIC geophysical survey performed by Geotronics Surveys Ltd. during October, 1995. The purpose of these surveys was to more accurately locate the source of the anomalous base metal-in-soil values. The HLEM survey delineated 3 definite and 3 possible conductors.

1996 Exploration Program:

During the period of June 10 to July 1, 1996, a geological, geochemical and geophysical survey was completed on the RBI 1-46 claims by an eight member crew. This program was conducted out of a base camp established above tree line in the northeastern portion of the claim block. The camp, comprising 3 tents and all exploration supplies, was mobilized from Finlayson Lake utilizing a Frontier Helicopters Bell 205A helicopter.

Prospecting and litho-geochemical sampling was performed concurrent with mapping and 10 rock grab samples were collected for geochemical analysis by 30-element ICP plus Au.

A four member crew established 25 km of picketed grid lines, using compass and 50 metre nylon chain, with 50 metre stations located on 100 metre spaced lines (22.5 km on the RBI EAST GRID and 2.5 km on the RBI WEST GRID). A total of 191 soil samples were collected at 50 metre intervals from both grids and these samples were analysed by 30-element ICP plus Au at ACME ANALYTICAL LABS of Vancouver.

A two member geophysics crew, employed by AMEROK GEOSCIENCES LTD. of Whitehorse, performed a MAXMIN II HLEM (electromagnetic) survey and MAGNETIC survey over both grids.

The HLEM survey over the RBI EAST GRID detected three distinct NE-SW trending conductors which have been interpreted as fault zones. These faults can be easily

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identified on the present topographic surface was well as in air photographs of the property.

The anomalous responses appear to correspond to those of narrow tabular conductive bodies which cut across stratigraphy. No significant geophysical anomalies were documented over the WEST GRID.

Analysis of soil samples, obtained during the 1996 geochemical survey, indicated that there is a correlation between elevated to strongly anomalous Cu, Zn and Pb values and HLEM conductors documented from the 1995 and 1996 geophysical surveys. Scattered, elevated gold-in-soil values were also recorded; however, these do not appear to correspond to any structural controls or anomalous base metal values.

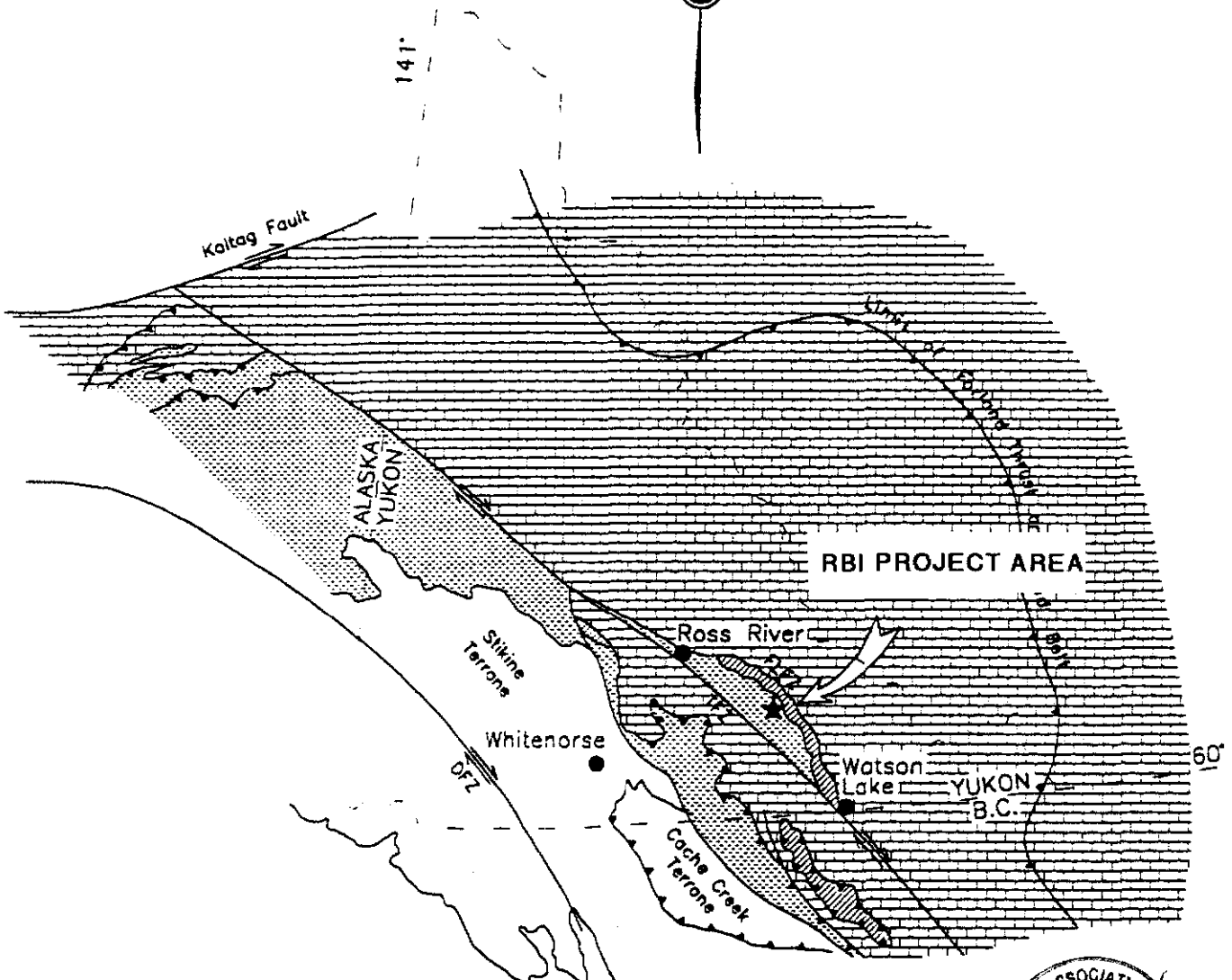
GEOLOGY:

Regional Geology:

A large portion of the western to southeastern Yukon, from the Alaska border to British Columbia, is underlain by a geologically complex terrane composed of polydeformed, dynamothermally metamorphosed sedimentary, volcanic and plutonic rocks. These rocks have been grouped within the Yukon-Tanana and Slide Mountain Terranes and are believed to represent a mid-Paleozoic volcanic-plutonic arc assemblage (Yukon-Tanana Terrane) imbricated with middle and upper Paleozoic ophiolitic sheets (Slide Mountain Terrane); these accreted terranes are believed to be thrust northeastward over the North American Continental Margin (Figure 3). This allochthonous assemblage is preserved in klippen above autochthonous, structurally imbricated Paleozoic and lower Mesozoic North American Shelf strata in the central to southeastern Yukon.

The southwestern side of the allochthon is bounded by the Tintina Fault Zone comprising a series of subparallel transcurrent faults which have produced 450 km of dextral displacement during late Cretaceous and/or early Tertiary times. The northeastern boundary traces a broad arc marking the surface expression of the Finlayson Lake Fault Zone which comprises a complex assemblage of thrust and high angle faults that may, in part, represent a transpressive paleosuture. Both faults juxtapose the allochthonous rocks with autochthonous rocks of the North American miogeocline (Figure 4).

Rocks of the Yukon-Tanana and Slide Mountain Terranes are believed to have evolved offshore of North America in Paleozoic and early Mesozoic time and were subsequently deformed and metamorphosed in pre-early Jurassic time in a southwest dipping, right-oblique subduction system. These rocks were derived from a basin which formed outboard of present day western North America. This basin was constructed, in part, on oceanic crust locally preserved as ophiolitic assemblages within the Slide Mountain Terrane.



Scale: 1:10,000,000

LEGEND



North American Miogeoclinal Strata



Yukon - Tanana Terrane



Slide Mountain Terrane



Thrust Fault



Strike-Slip Fault, with sense of movement

FLFZ - Finlayson Lake Fault Zone

TFZ - Tintina Fault Zone

DFZ - Denali Fault Zone



After Mortensen & Jilson, 1985.

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VANCOUVER, BRITISH COLUMBIA

RBI PROPERTY

REGIONAL TECTONIC MAP

Figure 3

NTS Ref: 1056/7	REVISIONS
Work by:	Work by:
Drawn by: G.L. WESA	Drawn by:
Date: October, 1997	Date:
Scale:	

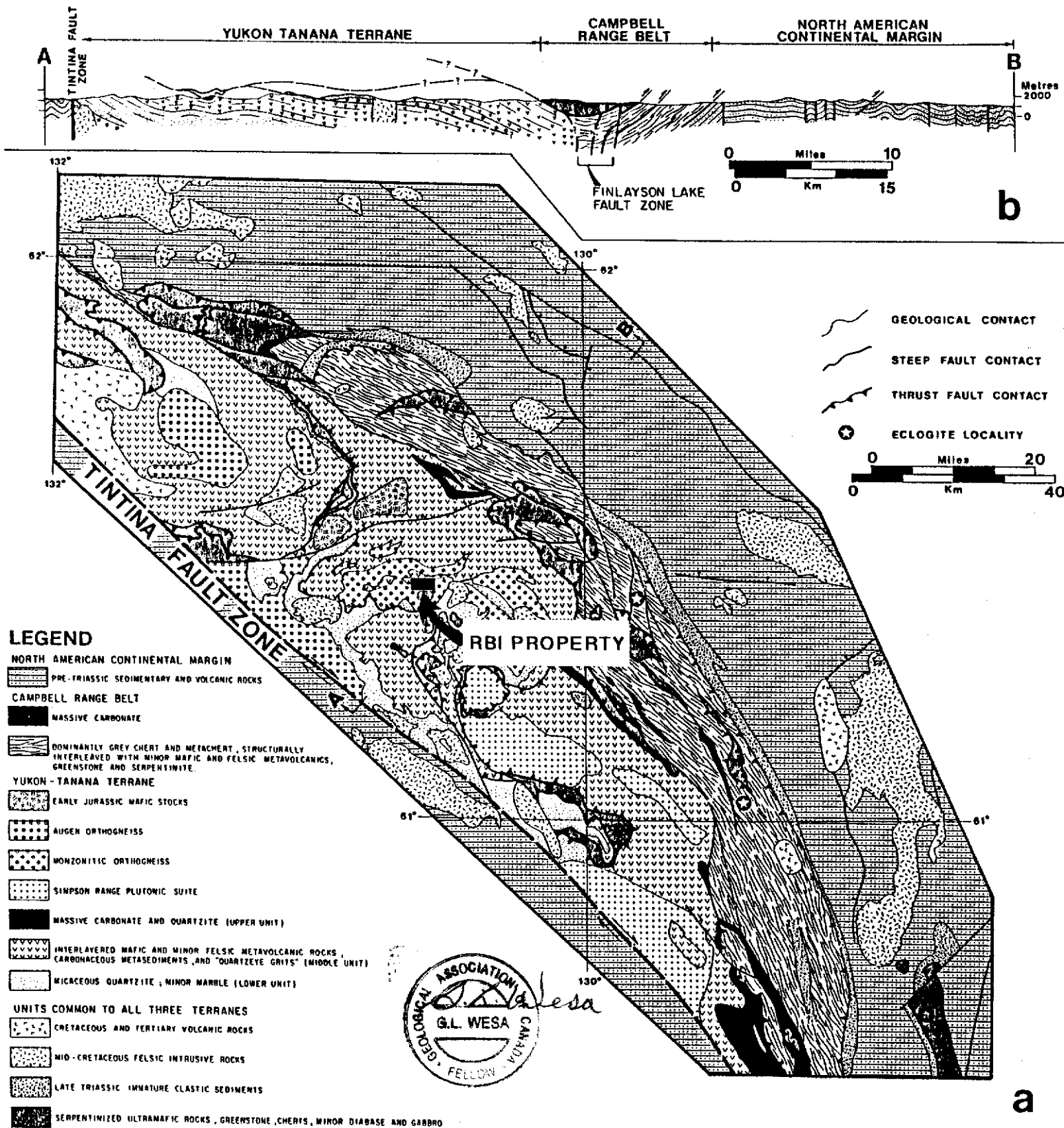


Figure 4: Regional Geology(After Mortensen & Jilson, 1985).

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The Yukon-Tanana Terrane has been divided into three structural assemblages by Mortensen (1992):

1) the Nisling Assemblage comprising a structurally lower package of Proterozoic to lower Paleozoic (Cambrian) quartzofeldspathic siliclastic (quartzitic) rocks and marble interpreted as a continental margin sequence; 2) Nasina Assemblage comprising a middle structural package of late Devonian to middle Mississippian carbonaceous quartzite, marble, metasedimentary and mafic to felsic metavolcanic rocks with lesser metaplutonic rocks interpreted as a continental arc system; and 3) an upper package of mid-Permian felsic metavolcanic and metaplutonic rocks (including Klondike Schist) interpreted as either a continental arc or an anorogenic magmatic suite.

Yukon-Tanana rocks are generally more metamorphosed and contain more felsic metaplutonic suites whereas Slide Mountain Terrane is characterized by the presence of obducted ophiolitic rocks. These lithologies comprise massive to pillowed greenstones, basalt, chert and variably serpentized mafic to ultramafic plutonic rocks. This suite of rocks has been interpreted by Tempelman-Kluit (1979) and Mortensen and Jilson (1985) as fragments of a dismembered ophiolite complex. The rocks range in age from late Devonian to early Permian based upon U-Pb zircon dating methods and fossil ages. Fossil collections made in the Anvil district from ophiolitic rocks of the Anvil Range Group (Tempelman-Kluit, 1972) gave latest Pennsylvanian or earliest Permian ages. These ages were recorded from fusulinids and conodonts interfingering depositionally with red and green chert and basalt of the Anvil Range assemblage.

The RBI property lies within the 380 km long, up to 60 km wide, Finlayson Allochthon which consists of rocks belonging to Yukon-Tanana and Slide Mountain Terranes.

Six principal lithological packages have been identified within the allochthonous rocks in the Finlayson Lake area (Mortensen and Jilson, 1985). These include two metamorphic assemblages that comprise the bulk of Yukon-Tanana Terrane, a relatively unmetamorphosed package belonging to Slide Mountain Terrane and three younger units that are found in both terranes. Descriptions of these lithologies are presented below:

Paleozoic Layered Metamorphic Sequence is the oldest and most abundant lithological package within Yukon-Tanana Terrane. It consists of three distinct stratigraphic units with a total thickness of approximately 3.0 km. The lowest unit contains pre-late Devonian micaceous feldspathic quartzite with minor marble. The middle unit is late Devonian to mid-Mississippian in age and is the focus of volcanogenic massive sulphide exploration in the Finlayson Lake area. It consists of dark siliceous phyllite that becomes increasingly carbonaceous toward the base of the section where it interfingers with widespread mafic metavolcanic schist. Localized felsic metavolcanic centres are found throughout the section. The uppermost unit contains early Pennsylvanian to early Permian white carbonate and quartzite.

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Paleozoic Metaplutonic Rocks are also confined to Yukon-Tanana Terrane. They are subdivided into three suites, all of which are coarse grain and have yielded mid-Mississippian age dates (340 to 359 Ma). The quartz monzonitic to quartz dioritic Simpson Range plutonic suite is slightly older than augen orthogneiss (leucogranite) and monzonitic orthogneiss (quartz monzonite). Most contacts between metaplutonic rocks and the layered metamorphic sequence are foliaform.

Both the layered metamorphic sequence and the metaplutonic rocks underwent intense deformation (F1) during Permian or early Triassic time. This event resulted in pervasive foliation that usually parallels subhorizontal or shallow-dipping compositional layering. The F1 deformation was accompanied by middle greenschist to middle amphibolite facies regional metamorphism. A second phase of deformation (F2) is observed locally but appears to have been a relatively minor event.

Slide Mountain Terrane consists of obducted ophiolitic assemblages that are most abundant within the Campbell Range Belt but also appears as imbricate slices along thrust faults elsewhere in the allochthon. The Campbell Range Belt is up to 25 km wide and forms the northeastern edge of the allochthon. It contains relatively unmetamorphosed but strongly folded and imbricated cherts with mafic and felsic volcanics, massive greenstone and serpentinite. Thrust slices elsewhere in the allochthon are also unmetamorphosed but typically contain a higher proportion of mafic to ultramafic plutonic rocks. Fossils in the cherts have been dated as late Pennsylvanian to early Permian while the mafic and ultramafic rocks are late Devonian. Slide Mountain rocks do not exhibit the F1 foliation characteristic of the Yukon-Tanana layered metamorphic sequence and metaplutonic rocks.

The remaining three units are all younger and unmetamorphosed. They are found in both Yukon-Tanana and Slide Mountain Terranes. Mesozoic Clastic Rocks are late Triassic immature sediments containing cobbles derived from both Yukon-Tanana and Slide Mountain. Mesozoic Plutonic Rocks include a number of Early Jurassic mafic to intermediate plutons plus scattered late Cretaceous quartz monzonite stocks. Major thrust faults in the district post-date the early Jurassic plutons but pre-date the late Cretaceous quartz monzonite. This structural event is believed to have occurred during accretion of the allochthon to the North American craton because the thrusts cut the miogeoclinal rocks as well as the allochthonous rocks. Transcurrent movement on the Tintina Fault Zone occurred soon after the thrust faults. Young Volcanic Rocks unconformably overlie the other units and consist of late Cretaceous to Tertiary felsic volcanic flows and volcanoclastic deposits. They are usually found in close proximity to the Tintina Fault Zone.

Regional Economic Geology:

The geologically complex Yukon-Tanana and Slide Mountain Terranes are host to a variety of economically important classes of mineral deposits in the Finlayson Lake area.

Four classes of stratabound, syngenetic mineralization have been identified in YTT. These are: 1) Kuroko-type VMS deposits, hosted by metamorphosed felsic volcanic and subvolcanic rocks; 2) Besshi-type VMS deposits, hosted mainly by metamorphosed mafic volcanic and associated sedimentary rocks; 3) Sedex-type deposits, hosted mainly by metamorphosed carbonaceous siliciclastic rocks, and 4) Cyprus-type massive sulphide deposits associated with low-K basaltic volcanics that form the upper portions of ophiolite complexes.

- In the Finlayson Lake area, Kuroko-type VMS mineralization occurs within felsic metavolcanic and volcanoclastic assemblages of early Mississippian age. These occurrences are spatially associated with deformed subvolcanic domes or thick sills with their distal equivalents interfingering with carbonaceous siliciclastics. The ABM deposit, PAK and FETISH occurrences are in this class.
- Besshi-type VMS mineralization is associated with interlayered mafic metavolcanic rocks, carbonaceous schist and fine grain siliciclastics of the Nasina Assemblage. The Fyre Lake occurrence has been classified as a Besshi-type. Mineralization is crudely zoned with a sulphide-rich facies consisting predominantly of fine grain pyrite with minor chalcopyrite and sphalerite and an oxide-rich facies consisting of siliceous, chlorite-rich, magnetite iron formation with disseminated pyrite, pyrrhotite and chalcopyrite.
- Sedex-type mineralization (HOO deposit) also occurs in Finlayson Lake area but does not occur in the vicinity of the RBI property and is not an exploration target.
- Cyprus-type massive sulphide deposits occur in ophiolite complexes of various ages. The lithologic sequences hosting these deposits formed within the environment of active basaltic submarine volcanism that characterizes spreading sea floor or behind-arc systems where new oceanic crust is being formed. The ophiolite complexes that contain Cyprus-type deposits may become strongly dismembered in the process of incorporation into continental margins. The ICE deposit is considered to be a Cyprus-type VMS deposit. A brief description of some of the more important deposits in the region is presented below:

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Kudz Ze Kayah Project (ABM deposit):

The discovery of the ABM deposit by Cominco geologists followed a program of prospecting and contour soil sampling aimed at locating the source of anomalous Zn, Pb and Cu concentrations detected in stream sediments by a G.S.C. regional stream sediment and water geochemical survey (G.S.C.O.F. 1648). A small cobble of banded massive sulphide mineralization, found by Cominco geologist A.B. Mawer in 1993, provided the encouragement to continue exploration with a UTEM ground electromagnetic survey. This survey and soil geochemical surveys outlined a drill target about one kilometre up ice from the mineralized float. The discovery hole was drilled in April, 1994 resulting in an intercept of 22.5 metres grading 0.5% Cu, 2.8% Pb, 10% Zn, 278 g/t Ag and 1.2 g/t Au.

The ABM deposit lies in a belt of metamorphosed rocks referred to as the Yukon-Tanana Terrane. The deposit is a volcanic hosted massive sulphide body within a thick complex of felsic tuffs and sills or flows interlayered with minor mafic sills or flows and sedimentary rocks comprising the Middle Unit of the Paleozoic Layered Metamorphic Sequence. A subhorizontal to moderately north dipping, penetrative schistosity affects the deposit and the rocks which host it. Units exhibit isoclinal, recumbent folding with bedding generally paralleling schistosity. As a result of folding, the ABM deposit itself, at least in part, is overturned. Evidence for overturning includes base and precious metal and barium zonation within the deposit, the position of proximal chloritic alteration above portions of the deposit and lithochemical signatures which suggest a petrogenetic link between units hosting the deposit and those overlying them.

The deposit subcrops beneath 2 to 20 metres of glacial overburden. It measures roughly 700 metres east-west along strike and extends as much as 400 metres downdip. Over much of its areal extent, the deposit is sheet-like and forms a main, single layer; in the southwestern part, two main layers of sulphides merge locally into a single thick zone. The sulphide sheets range in thickness from less than 2 to 39 metres. The southeastern part of the deposit has been down-dropped about 150 metres by a fault which dips at 70° to 75° to the southeast.

At the end of 1997, a geological resource of 13 million tonnes of 5.5% Zn, 1% Cu, 1.3% Pb, 125 g/t Ag and 1.2 g/t Au was defined based on approximately 26,000 metres of drilling in 162 NQ diameter holes.

The metamorphic rocks which host the sulphide horizon have been derived from a variety of igneous and sedimentary protoliths. Sulphide mineralization is now hosted by quartz-muscovite-carbonate schist within a sequence of chlorite schist (mafic metavolcanic), quartz-sericite-schist (rhyolite), feldspar porphyry and black phyllites. Chlorite, albite and carbonate alteration are associated with the deposit. Three types of mineralization have been recognized: well-laminated magnetite-pyrite; buckshot-textured pyrite-sphalerite in laminated siliceous-carbonate gangue, and net-textured pyrrhotite-pyrite-chalcopyrite-chlorite. Up to 2% Ba is associated with mineralization. The association of magnetite with sulphides, which makes up about 1/3 of the mineralization, is unusual for VMS deposits.

Wolverine Zone:

The Wolverine Lake properties, owned by Atna Resources, were identified as prospective ground by Westmin Resources in late 1994. In January, 1995 Westmin finalized an option agreement with Atna on 143 claims in Foot, Toe and Pak properties and subsequently added more claims in spring and summer of 1995. Westmin has presently increased its land holdings to approximately 2,200 claims.

The Wolverine Zone is located 25 km east of Kudz Ze Kayah near a contact between Yukon-Tanana and overlying Slide Mountain rocks. It lies within the Middle Unit of the Paleozoic Layered Metamorphic Sequence. The zone is hosted within felsic (rhyolitic) metavolcanics interbedded with carbonaceous argillites and quartz grits thought to be Devonian-Mississippian in age. Mineralization consists primarily of semi-massive to massive sulphides. Pyrite and sphalerite occur with varying amounts of galena, chalcopyrite, tetrahedrite and native gold. The surface expression of the zone is marked by a vegetation kill zone containing weakly malachite-stained schist. At the end of 1995, Westmin had intersected the zone in fifteen consecutive diamond drill holes and traced it 400 metres along strike and up to 250 metres down-dip. It averages 6.2 metres thick with shallow dips to the north. Although the zone is blind to surface, it is open down-dip and along strike in both directions. The Wolverine deposit contains significantly more zinc and precious metals than the Kudz Ze Kayah orebody. The weighted average grade for intersections reported to the end of June, 1996 was 13.0% zinc, 1.3% copper, 1.4% lead, 350 g/t silver and 1.9 g/t gold with a resource estimate of 3.1 million tonnes. Soil geochemistry outlined weakly to moderately anomalous values along the projected surface trace of the zone while magnetic surveys easily traced a laterally extensive banded iron formation which occurs about 80 metres up-section from the massive sulphide horizon.

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To the end of the 1997 field season, a total of 94 drill holes have been completed on the Fisher, Sable and Lynx zones at Wolverine. Holes drilled in the new Lynx zone, immediately west of the Wolverine zone, have produced exceptional grades of up to 33% Zn, 19 oz/t Ag and 0.15 oz/t Au across a three metre intersection. A current geological resource is estimated at 5.3 million tonnes grading 12.95% Zn, 1.53% Pb, 1.41% Cu, 359.1 g/t Ag and 1.81 g/t Au.

Fyre Lake Project:

The Fyre Lake property lies within the Finlayson Lake District where prior work outlined flat-lying, massive sulphide mineralization on surface which remains open for reserve delineation in all directions. Fyre Lake was the original polymetallic, volcanogenic massive sulphide discovery in the Finlayson Lake area.

At the Fyre Lake property, the potential for several volcanogenic massive sulphide copper-cobalt-gold deposits is indicated along a 13 km belt. To date, Columbia Gold Mines Ltd. has drilled 115 holes that have defined the open ended Kona deposit over a length of 1.5 km and an average width of 250 metres within a 3.5-km long geophysical-geochemical target.

The Fyre Lake volcanogenic massive sulphide copper-cobalt-gold property is situated immediately east of Fyre Lake along the North River drainage approximately 160 km northwest of Watson Lake, Yukon Territory. The 70 square kilometre property, comprising 196 claims, is located approximately 30 km south of Cominco's Kudz Ze Kayah polymetallic deposit and 30 km southwest of the Atna-Westmin Wolverine discovery.

Massive sulphide mineralization was first discovered on the property in 1960 by Cassiar Asbestos Corporation, and since then various companies, including Atlas Explorations (1966-67), Amax Potash Limited (1976), Welcome North Mines Ltd. (1980-81) and Placer Dome Explorations (1990-91), explored their respective claim holdings with a variety of surface surveys plus 23 shallow packsack (224 m) and 20 AX (1423 m) drill holes.

Columbia Gold Mines Ltd. acquired the property from Welcome Opportunities Ltd. in 1995 and between late June and early October, 1996, conducted an integrated exploration program over three grid areas which include (from north to south): the "Kona" grid area that covers the Kona Creek drainage and the original massive sulphide discoveries; the "Lake" grid area, situated immediately east of the south end of Fire Lake, that covers geochemical and geophysical anomalies reported by Atlas Explorations and Placer Dome, and the "Dub" grid area on the east side of the North River three to seven kilometres

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southeast of Fyre Lake. A total of 142.8 line-km of combined geological, geochemical, and geophysical surveying was carried out and 71 NQ- and/or BQTK-core diamond drill holes, totalling 9531.51 metres, were completed within the Kona grid area. This drilling partially tested the Kona copper-cobalt-gold VMS deposit along a portion of the 3.5-km long anomaly within the Kona zone.

The Fyre Lake property is underlain by a sequence of metamorphosed sedimentary and volcanic rocks belonging to the Paleozoic Layered Metamorphic Sequence (Mortensen, 1985) or Klondike Schist (Tempelman-Kluit *et al.*, 1977) of the Yukon-Tanana Terrane. The layered sequence is composed of three units; lower and upper metasedimentary units separated by an interlayered, metamorphosed volcanic-sedimentary middle unit. The lower metasedimentary rocks crop out predominantly along the western side of the property and a belt of metamorphosed mafic volcanic and carbonaceous, clastic sedimentary rocks of the middle member underlie the centre of the property. The eastern portion of the property contains a thin wedge of upper unit metasedimentary rocks that is overthrust by the late Devonian to late Pennsylvanian-early Permian Slide Mountain Terrane (Anvil-Campbell Allochthonous Assemblage).

Copper-cobalt-gold VMS mineralization within the Kona grid area is hosted by a well deformed and moderately metamorphosed chlorite to quartz-chlorite schist sequence which is interpreted to be a succession of mafic to possibly intermediate flows with interbedded tuffs and volcanically-derived, fine grain sedimentary rocks belonging to the middle unit of the layered metamorphic sequence. The chloritic schist sequence is overlain by a micaceous quartz schist unit which is, in turn, overlain by a thick sequence of phyllite of the upper metasedimentary sequence.

The Kona deposit, situated within the Kona Creek drainage, has at least three distinct horizons of massive to semi-massive sulphide and magnetite mineralization with a combined mineralized thickness of 70 to 80 metres. A brief description of the three mineralized horizons is as follows:

- 1) The "Lower Horizon" is hosted by chlorite and quartz-chlorite schists and measures 4 to 12 metres thick. The horizon is comprised of less than 1- to more than 6-metre thick alternating layers of massive sulphide and massive magnetite mineralization.
- 2) The "Middle Horizon" is also hosted by chlorite and quartz-chlorite schists and averages five metres thick. It hosts similar mineralization with copper, gold and cobalt grades equivalent to the Lower Horizon.

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3) The "Upper Horizon" is situated immediately beneath the stratigraphic metavolcanic-metasedimentary contact of the quartz-chlorite schists with upper micaceous phyllites, and it is the most laterally continuous mineralization tested to date. This horizon varies from 6 to 40 metres thick and is comprised of individual 5- to 15-metre thick massive and semi-massive sulphide layers overlying 2- to 27-metre thick banded magnetite horizons.

The massive sulphide mineralization of the Kona deposit is comprised of fine to coarse grain pyrite, chalcopyrite, pyrrhotite and sphalerite while the associated semi-massive sulphide mineralization consists of thinly laminated pyrite, chalcopyrite ± pyrrhotite within alternating laminae of very fine grain siliceous chlorite schist (ie meta-tuff and chert). Banded and massive magnetite layers host trace to 10 percent sulphides, usually chalcopyrite, pyrite and rarely bornite. The Lower and Middle Horizons have the highest gold values associated with the copper mineralization (ie: Drill Hole 21 intersected 6.6 metres grading 1.77% Cu, 1.26 g/t Au, 0.73% Zn and 0.22% Co) while the copper metal grades are relatively higher in the Upper Horizon (ie: Drill Hole 65 graded 2.29% Cu, 0.52 g/t Au, and 0.07% Co over 31.3 metres).

By July, 1997, approximately 14,000 metres of drilling in 96 holes was completed. On this basis, approximately six million tonnes of mineralization had been inferred. Widely spaced drilling within the western part of the Kona deposit indicates massive sulphide mineralization over a length of 1100 metres and a width in excess of 250 metres. The eastern portion of the Kona deposit contains two open-ended mineralized horizons, both with potential for open pit and underground operations. The Upper Horizon has a weighted average grade of 1.9% Cu, 0.12% Co and 0.53 g/t Au over an average thickness of 13 metres. This horizon thickens to 43 metres at its southern end. The Lower Horizon has a weighted average grade of 1.2% Cu, 0.77 g/t Au and 0.12% Co over an average thickness of 7 metres. Preliminary metallurgical studies show cobalt is associated with pyrite.

The ultimate dimension and tonnage potential of Kona deposit remains open; it remains prospective for containing approximately 20 million tonnes. There remain two other massive sulphide targets to be examined within the Fyre Lake project area.

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Ice Property:

The Ice property covers a new deposit in basalt of the Slide Mountain Terrane that has seen almost no previous exploration. The property is located 60 km east of Ross River and 18 km north of the Robert Campbell Highway in the Finlayson Lake area of southeastern Yukon. Expatriate Resources Ltd. owns a 100% interest in 1081 claims that cover the deposit and extensions of the favourable geology. The main area of interest is in a range of low hills 17 km north of the Robert Campbell Highway. Mineralization is Cyprus-type and comprises copper-gold-silver-zinc-cobalt.

A prospector found the first mineralization in early June, 1996 and soil geochemical and geophysical surveys began almost immediately. Diamond drilling commenced in July, 1996 and by late October, 34 holes totalling 2704 metres were completed. The first 33 holes outlined a 450 by 200 metre zone of secondary copper mineralization while Hole 34 intersected a non-outcropping, unoxidized, Cyprus-type VMS body.

The VMS discovery intersection averaged 5.20% copper, 0.6 g/t gold, 25 g/t silver and 0.06% cobalt over an approximate true width of 20.56 metres. Primary copper mineralization occurs in massive sulphide lenses and stockwork zones and comprises chalcopyrite, pyrite, bornite and lesser digenite with minor quartz ± calcite gangue. Most of the pyrite occurs in pebble to cobble size fragments which are surrounded by the copper-bearing minerals. The sulphides exhibit sharp contacts with the surrounding unmineralized basalt and there is no underlying stockwork or breccia that would suggest proximity to a vent. Narrow, barren pyrite lenses intersected in other holes probably lie nearer the edge of the VMS system.

The secondary copper mineralization occurs peripheral to or above primary mineralization and is believed to have formed in situ or when near surface sulphide mineralization oxidized, and the copper was leached, transported in acidic groundwater and then reprecipitated. The source of the secondary copper zone has not yet been identified but it is thought to be VMS similar to that intersected in Hole 34. The secondary copper mineralization consists of fracture-filling cuprite, tenorite, malachite, azurite and native copper plus chalcocite overprinting barren pyrite lenses up to 2 metres thick. Secondary mineralization is restricted to the zone of weathering which extends downward to a maximum depth of 60 metres below surface. The underlying rocks consist of fresh, unmineralized basalt. The mineralogy and geometry of the secondary copper zone makes it well-suited for low cost open pit mining and solvent extraction/electrowinning metallurgy.

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To the end of September, 1997, a total of 10,584 metres of drilling in 121 holes has been completed. Drilling has delineated a high-grade core surrounded by a broad halo containing thick intersections of lower grade mineralization. Copper grades in the halo typically range from 1.5-30.% in massive sulphide, 0.5-1.2% in stockwork sulphide and 0.2-1.5% in secondary mineralization.

Property Geology:

Regional geological mapping of part of the Grass Lakes map area (105G/7) by Murphy and Timmerman (1997) indicates that the bedrock geology of this region, which includes ground covered by the RBI property, comprises a suite of Pre-Mississippian to Mississippian layered metamorphic rocks described as: (1) undifferentiated mafic (biotite-chlorite-actinolite-plagioclase) schist with carbonaceous phyllite, quartzite and quartzofeldspathic grit and psammite; (2) undifferentiated felsic (quartz-muscovite-feldspar) schist with lesser carbonaceous phyllite, quartzite and mafic schist. These lithologies represent stratigraphy belonging to the Paleozoic Layered Metamorphic Sequence. These rocks overlie a mainly coarse crystalline to, locally, medium to coarse crystalline, equigranular feldspar-quartz augen orthogneiss to monzonitic orthogneiss belonging to the Mississippian Grass Lakes Orthogneiss Complex (Figure 5).

Lithologies:

Geological mapping on the RBI property by the author examined a north-south stratigraphic section measuring approximately 750 metres thick in the central portion of the property, extending from the RBI-Cominco boundary southward toward the westernmost North Lake, plus a second section exposed along an east-west trending ridge in the western claims area (Figure 6, Map 1).

The basal lithology, exposed in cliffs and isolated outcrops on steep slopes on the "Centre Ridge", is a leucocratic, medium to very coarse crystalline feldspar-quartz augen orthogneiss of monzonitic composition. This lithology is characterized by large (up to 1-2 cm.) plagioclase ± orthoclase ± quartz augens separated by and commonly rimmed with thin micaceous foliations and partings comprised of muscovite-sericite ± biotite ± chlorite. Augens commonly appear flattened and ovoid-shaped. The orthogneiss exhibits a stromatic (layered) appearance illustrated by layers of coarse crystalline, porphyritic material hosting thin horizons of quartzite and felsic to mafic schists measuring <1 cm. to 0.5 metres thick. These thin beds and layers comprise quartzite, chlorite schist, biotite schist and biotite-quartz schist which exhibit sharp, distinct contacts with the host orthogneiss.

The orthogneiss is believed to be a metaplutonic lithology initially intruded as a discordant pluton which subsequently was subjected to metamorphism, strain and deformation coincident with the overlying layered metamorphic complex (D.C. Murphy, pers. comm).

LEGEND

QUATERNARY

- Q** Alluvium, colluvium and glacial deposits
- Qls** landslide debris

INTRUSIVE ROCKS

CRETACEOUS

- K(?)g** Weakly foliated medium- to coarse-grained biotite-muscovite granite, generally equigranular

MISSISSIPPIAN

- North Lakes Metadiorite**
- M(?)Nd** foliated hornblende-biotite diorite

Grass Lakes Orthogneiss¹

- MGg** foliated granitic to monzonitic orthogneiss, generally coarse-grained with potassium feldspar augen, locally medium- to coarse-grained, equigranular (M_{gr})

- quartz-feldspar metaporphry at Kudz ze Kayah, variably foliated, mineralized and oxidized

Age and relationship to neighbouring rock unknown

- Massive to layered ultramafic rocks including dunite and pyroxenite, locally serpentinized

LAYERED METAMORPHIC ROCKS

PRE-MISSISSIPPIAN AND MISSISSIPPIAN

- 4** undifferentiated mafic (biotite-chlorite-actinolite-plagioclase) schist, carbonaceous phyllite and quartzite, quartzofeldspathic grit and psammite, and rare quartz-muscovite schist
- 4m** massive, punky calcareous biotite-plagioclase schist, subtly layered chlorite-actinolite-plagioclase schist
- 4s** Carbonaceous phyllite and quartzite, quartzofeldspathic psammite and grit
- 3** undifferentiated felsic (quartz-muscovite-feldspar) schist (3f), lesser carbonaceous phyllite and quartzite and mafic schist
- 3s** carbonaceous phyllite and quartzite and mafic schist
- 3r** massive cream-coloured quartz-phyric meta-rhyolite

- 2** undifferentiated mafic (biotite-chlorite-actinolite-plagioclase) schist, carbonaceous phyllite and quartzite, and quartzofeldspathic grit and psammite

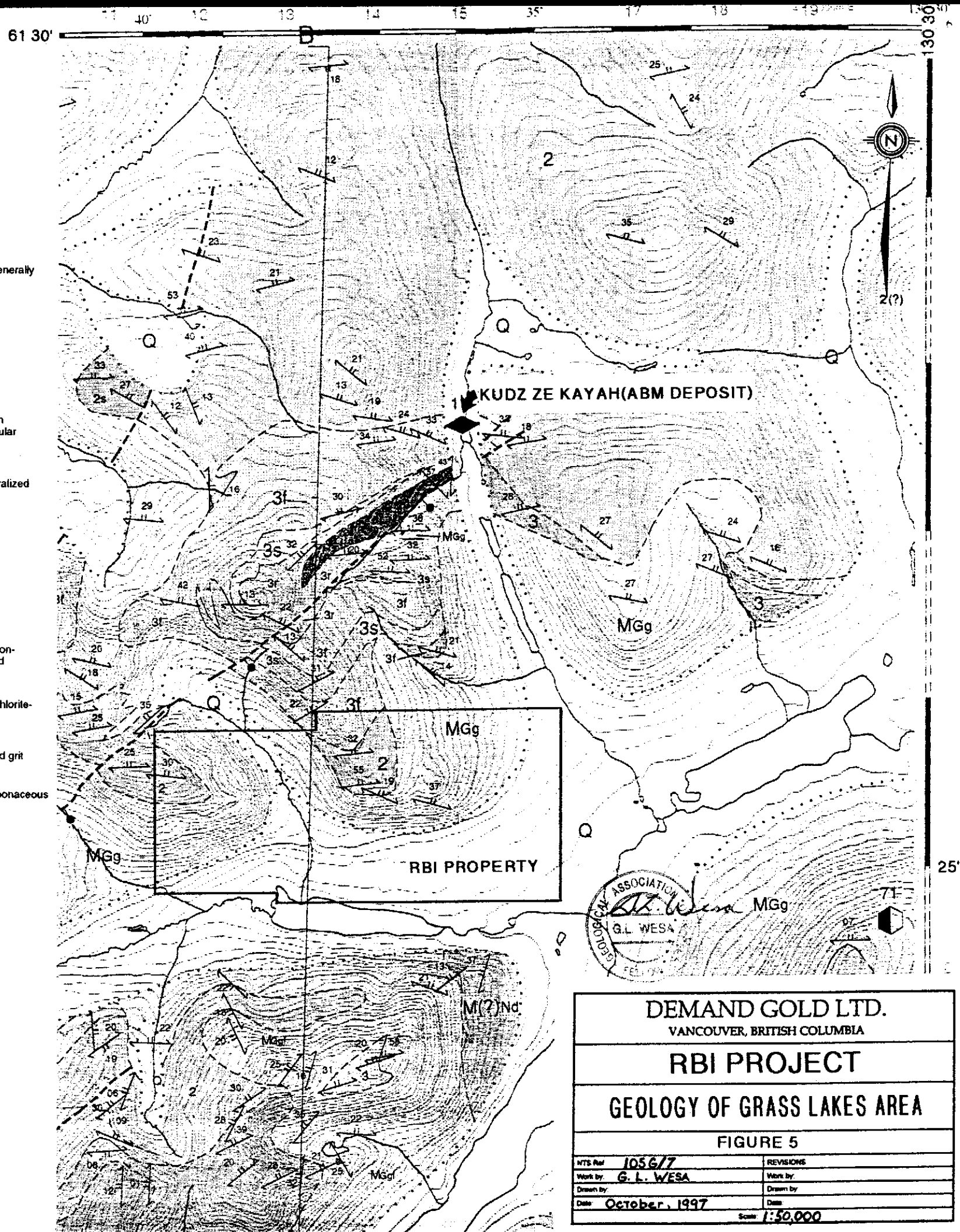
- 2m** massive, punky calcareous biotite-plagioclase schist, subtly layered chlorite-actinolite-plagioclase schist, rare marble (2l)

- 2s** carbonaceous phyllite and quartzite, and quartzofeldspathic psammite and grit

- 1s** quartzose psammite, quartz-pebble grit, metapelitic schist

- 1l** sandy marble and calcisilicate rock

¹ Early Mississippian U-Pb age determinations reported from similar bodies elsewhere in Yukon-Tanana Terrane (Mortensen, 1952 and personal communication, 1996)



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RBI PROJECT

GEOLOGY OF GRASS LAKES AREA

FIGURE 5

NTS Ref	1056/7	REVISIONS
Work by	G. L. WESA	Work by
Drawn by		Drawn by
Date	October, 1997	Date
		Scale 1:50,000

RBI PROPERTY STRATIGRAPHIC COLUMN

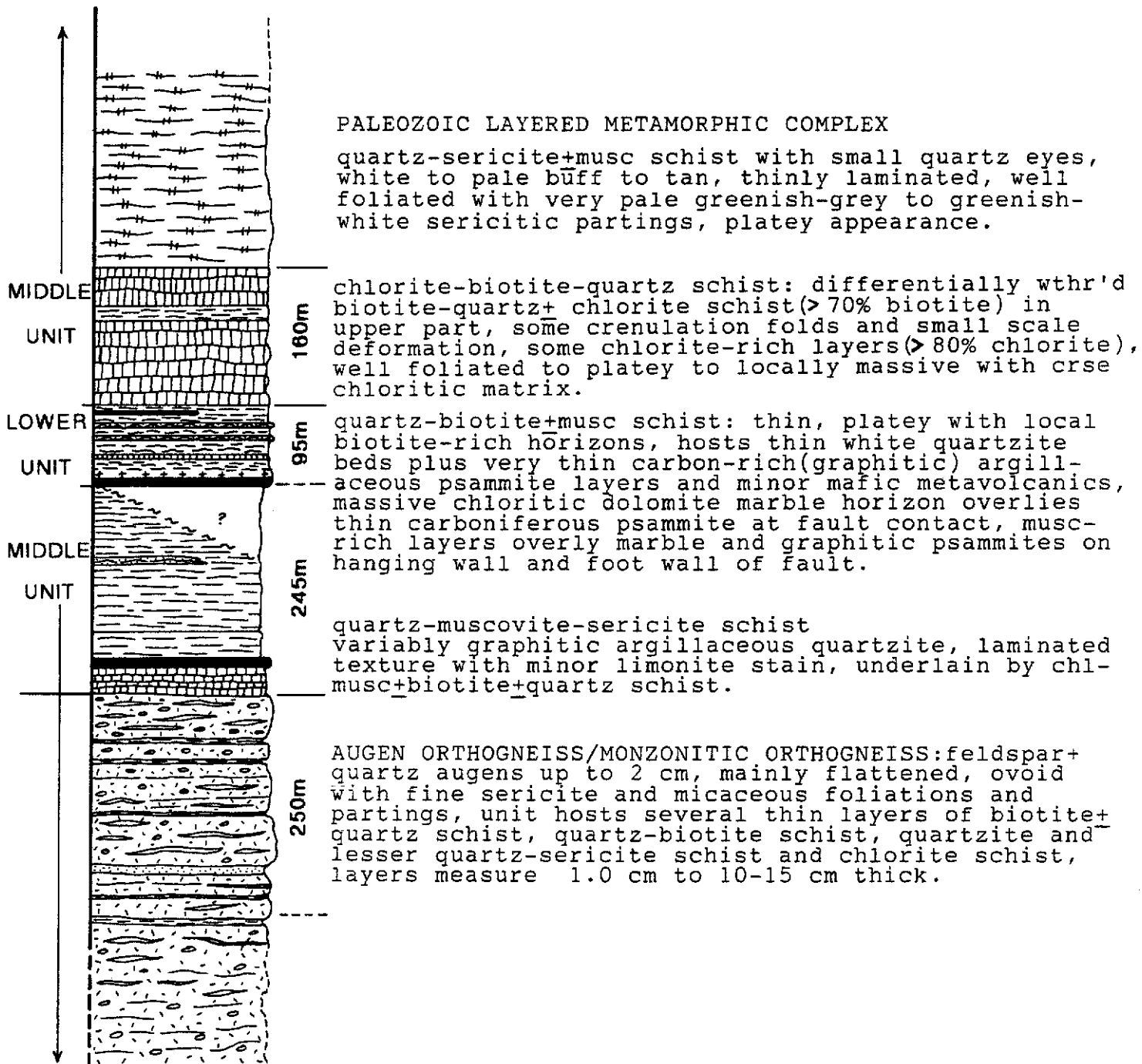


FIGURE 6 Approximately 750m of stratigraphy exposed on RBI property (Centre Ridge).

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Overlying the orthogneiss is a repetitive sequence of mafic metavolcanic and marine metasedimentary rocks, representing the major lithotypes on the property, overlain, in turn, by felsic metavolcanic rocks. These lithologies comprise the Middle Unit of the layered metamorphic complex. In addition, a thin section of Lower Unit marble and related metasedimentary rocks is exposed immediately above the orthogneiss contact. Approximately 250 metres of the layered metamorphic sequence is exposed on the RBI property.

Metasedimentary rocks represent the dominant lithology in the RBI stratigraphic section and comprise quartz-biotite \pm muscovite schist, biotite-quartz schist, rare feldspathic quartz-biotite gneiss, thin white quartzite beds, graphitic argillaceous quartzite (carboniferous psammites) and minor, massive dolomite-chlorite marble.

The biotite-quartz schist unit hosts three very thin beds of dark grey to black, finely laminated to massive, moderately to strongly graphitic argillaceous psammites which may represent quartzites or, conversely, siliceous argillites. These 1-2 metre thick beds are moderately to strongly carboniferous with carbon occurring as thin partings, laminations, foliations and rare coarse masses. This lithology locally grades into thin, platy shale or slate with fine graphitic partings.

The quartz-biotite gneiss unit is pale buff to pale tan, massive and blocky weathering with well developed lineations illustrated by the alignment of fine biotite grains. Muscovite content is greater near the upper margin. This lithology encloses two 1-2 metre thick milky-white quartzite beds separated by a chlorite-quartz-muscovite horizon.

At the 1765 metre elevation on the Centre Ridge, a thin horizon of massive, very well indurated dolomite-chlorite \pm muscovite marble is exposed on the north side of a major fault structure. This lithology represents the basal portion of a brownish-orange to grey-green weathering quartz-muscovite \pm biotite schist hosting local, thin muscovite-biotite layers. The marble unit measures 1-3 metres thick and appears cross-cut by several narrow, creamy-white calcite stringers and fractures.

Mafic metavolcanic lithologies occur in the uppermost part of the RBI stratigraphic section on the Centre Ridge and these comprise dark green to greenish-black, chlorite-muscovite \pm biotite \pm quartz schist, chlorite-biotite schist and chlorite schist. Chlorite schists are typically moderately to strongly carbonaceous, well-foliated and locally enclose thin horizons of differentially weathered biotite-quartz-chlorite schist exhibiting crenulations and small scale folding. These thin layers are generally well-laminated with alternating quartz and micaceous laminations, comprising >70% biotite, and may represent deposition of pelitic and psammitic material coincident with deposition of mafic volcanoclastics. In addition, rare, thin quartz-rich layers and several thin chlorite-rich horizons (>90% chlorite) were identified. The basal 15 metres of this volcanic package is more indurated and intensely welded with coarse crystalline chlorite and biotite-producing a coarse felted texture.

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The metasedimentary and mafic metavolcanic rocks are overlain, at the north claim boundary, by an unknown thickness of white to pale greenish-grey to pale buff-tan quartz-sericite \pm muscovite schist with locally abundant 1-2 mm clear quartz eyes and minute, strongly clay-altered feldspar crystals. These rocks appear laminated to thinly bedded and probably represent a felsic submarine pyroclastic or rhyolitic flow. Only a few metres thickness of this lithology is exposed on the RBI claims.

Structure:

Lithological contacts between the major facies packages appear sharp. The contact between the Paleozoic Layered Metamorphic Sequence and underlying Grass Lakes orthogneiss appears foliaform and is interpreted to indicate that this suite was initially in intrusive contact with the layered sequence. The layered sequence is interpreted to be transposed stratigraphy rather than a structural sequence interleaved by faults as indicated by interlayering of strata of volcanic and sedimentary origin and repetition of units within a succession. In addition, it has been demonstrated that units exhibit an orderly upward younging illustrated by limited available age data (Mortensen and Jilson, 1985). The metamorphic lithologies examined appear highly strained and exhibit pervasive, well-developed schistosity/foliation; however, compositional layering displays only limited, local folding and deformation.

Measurements taken on compositional layering indicate that stratigraphy strikes 080°-110° with dips ranging between 15° - 37°N and average dips of 25°N. Local deformation occurs in the upper part of the section, in mafic metavolcanic rocks, in the form of small scale, tight, recumbent and isoclinal folds and small crenulation folds with axial planes trending approximately 100°. Large scale, open symmetrical folds occur stratigraphically lower in the section in biotite-sericite \pm quartz schists of sedimentary origin.

The uppermost quartz-eye-sericite-muscovite schists exposed on the ridge at the north claim boundary strike 080° with 15° dips to the north. Similar attitudes are recorded on this lithology where it is exposed in a stream gully north of the RBI claims.

Two major faults (A and C on Map 2) and several parallel secondary faults cut across stratigraphy at 065° - 070°. These faults are identified in the present topography, in the north-central portion of the property and are represented by shallow linear gullies and grabens. Dip measurements were not determined; however, it is believed they dip vertical to steeply north or south. Strata on the south side of these faults is believed to be displaced down with respect to strata to the north; however, the amount of offset could not be calculated.

A third major NE-SW fault, trending diagonally across the property from the southwestern to northeastern corner at 065° to 070°, is interpreted from air photos and geophysical (HLEM) data. This fault appears to cut across the orthogneiss complex and, similarly with the previous described faults, the degree and direction of displacement along this structure could not be determined.

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All structures examined on the property appear to be post-stratigraphic (ie: post-depositional) and conform to the regional NE-SW fault trends.

Alteration:

Two distinct phases of deformation associated with regional metamorphism have been recognized in the project area. The earliest and most intense phase of deformation (F₁) was accompanied by middle greenschist to middle amphibolite facies dynamothermal metamorphism which affected the middle and lower units of the layered metamorphic sequence plus the three oldest plutonic units. This penetrative, subhorizontal F₁ foliation observed on the property typically parallels compositional layering in the metavolcanic and metasedimentary rocks. A second phase of deformation (F₂) was associated with middle greenschist facies or lower metamorphism and produced outcrop scale folds with strong crenulation cleavage parallel to moderately dipping axial planes. These structures were locally observed on the property.

Rocks on the RBI property are altered by formation of an assemblage of minerals comprising chlorite, carbonate (calcite), biotite, muscovite, sericite, quartz, ± actinolite ± clay ± hematite. The alteration mineral assemblages developed in the mafic metavolcanic rocks (chlorite, calcite) demonstrate that these lithologies have experienced propylitic alteration. The metasedimentary rocks and augen orthogneiss have undergone phyllic alteration of varying intensities. This style of alteration is characterized by presence of sericite, muscovite ± biotite and quartz. Original sedimentary textures are nearly totally destroyed; however, evidence of compositional layering is observed in all metasedimentary units.

Mineralization:

Geological mapping and prospecting has not identified any massive sulphide mineralization in the lithologies examined.

1997 EXPLORATION PROGRAM:

Geological Mapping:

Approximately 45% of the property was evaluated by geological mapping at a scale of 1:10,000. Attention mainly focused on the north-south trending Centre Ridge and adjacent slopes in the central to north-central portion of the property and to a lesser degree on an east-west trending ridge in the west-central portion of the property. The remainder of the property is covered by overburden with sub-alpine scrub brush and stunted spruce and juniper. Talus debris covers lower slopes and locally extends beyond into flat valley bottoms.

Diamond Drilling Program:

During the period of June 26 to July 3, 1997, two BQ-size diamond drill holes totalling 479.87 metres (1,574') were completed from two setups; one at the 1750 metre elevation on RBI 24 claim and a second at the 1463 metre elevation on RBI 43 claim (Map 2).

The program commenced June 24, 1997 with drill site preparation and geological mapping. Drilling was contracted to DJ Drilling from Watson Lake. Site preparation was performed by DJ Drilling personnel. Mobilization of drill equipment, fuel, and crews was helicopter supported utilizing a Trans-North Helicopters Bell 206B JetRanger based in Cominco's Kudz Ze Kayah camp.

Drill core was transported by helicopter to the Demand Gold camp located at the 1570 metre elevation on RBI 36 claim. Core was logged at the camp site and presently remains stored at this location.

The purpose of this drill program was to investigate the same favorable metavolcanic and metasedimentary lithologies which host the Kudz Ze Kayah Zn-Cu-Pb-Ag-Au deposit to the north. The package of rocks exposed on the RBI claims comprises mafic metavolcanic rocks, marine metasedimentary horizons, minor felsic metavolcanic rocks and a thick sequence of feldspar-quartz augen orthogneiss. Stratigraphy is cut by significant NE-SW trending fault structures which have been interpreted from geological mapping and EM survey data. These units presented a favourable drill target, particularly in proximity to identified fault zones, and it was therefore concluded to test these strata at depth and evaluate their economic potential. A statistical summary of drilling follows in Table 2.

Discussion of Results:

Two drill holes were collared from two separate sites which were positioned with the objective of intersecting a maximum thickness of potentially favourable stratigraphy plus major cross-cutting fault structures. Anomalous base metal-in-soil geochemical values plus HLEM anomalies were documented coincident with and aligned along the trend of these fault structures in the north-central portion of the claims.

Drill holes RBI 97-01 and 97-02 were angled at -50° at 178° and 180° , respectively, to intersect perpendicular to the dip/foliation of stratigraphy. These holes cored mainly metasedimentary lithologies (quartz-muscovite \pm biotite \pm sericite schist to biotite \pm muscovite \pm sericite \pm quartz \pm chlorite schist) with narrow interbeds of commonly carbonaceous mafic metavolcanic rocks, (chlorite \pm biotite \pm muscovite schist). Other minor lithologies within the metasedimentary sequence include thin white quartzite beds and graphitic, argillaceous "quartzites" with carbon occurring as fine foliations and partings within these dark, thin psammitic horizons. Several fault structures, measuring <10 cm. up to 1.5 metres, are identified within the metasedimentary package.

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TABLE 2

DIAMOND DRILL HOLE SUMMARY

DDH	LOCATION:		ELEVATION: (METRES a.s.l.)	DIP		AZIMUTH	TOTAL LENGTH (M)	CASING (M)	CORE RECOVERY (%)	DATE DRILLED:	
	LINE	STATION		COLLAR	E.O.H.					FROM	TO
RBI 97-01	20+00 W	2+29S	1750 (5,740')	-50	--	178°	208.84	3.28	98.5	June 26	June 29
RBI 97-02	7+00W	4+24S	1463 (4,798')	-50	--	180°	271.03	3.28	85.5	June 29	July 3

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Very coarse crystalline feldspar-quartz augen orthogneiss to monzonitic orthogneiss was encountered at 167.62 metres to the end of hole in RBI 97-01.

This hole failed to intersect any base metal mineralization or mineralized structures and drilling was terminated after coring 41.22 metres of orthogneiss.

Correspondingly, augen to monzonitic orthogneiss was encountered in RBI 97-02; however, in this hole orthogneiss appears interbedded with thin to thick mica (biotite \pm muscovite \pm sericite \pm chlorite) schist horizons from surface to 116.40 metres measured in the hole. Individual orthogneiss layers measure up to 32 metres thick. Augen orthogneiss, enclosing thin lenses of biotite \pm quartz-rich to chlorite \pm biotite-rich schists was cored from 116.40 metres to end of hole. Several individual fault structures, measuring up to 2.5 metres wide are identified in core. In addition, a wide, major fault structure is intersected between 106.38 to 116.40 metres.

This second hole failed to intersect mineralization within stratigraphy and faults. Fault structures are characterized by abundant clay \pm talc \pm conglomerate gouge which would produce the anomalous conductivity response documented in the HLEM survey.

CONCLUSIONS:

Geological mapping confirms that the RBI property is underlain by approximately 250 metres of interbedded marine metasedimentary and mafic metavolcanic rocks which are underlain, in turn, by an undetermined thickness of feldspar-quartz augen to monzonitic orthogneiss. A very thin exposure of felsic metavolcanic rocks is exposed at the north-central claim boundary.

The stratigraphic section representing the Paleozoic Layered Metamorphic Complex is subdivided as follows:

Upper Unit - Early Pennsylvanian to early Permian white carbonate and quartzite (not exposed on RBI).

Middle Unit - Late Devonian to mid-Mississippian in age, comprising dark siliceous phyllites and felsic metavolcanics (quartz-muscovite-sericite schist) grading downward into mafic metavolcanic and metasedimentary lithologies (the latter two lithotypes represent the main layered sequence exposed on RBI).

Lower Unit - Pre-late Devonian, micaceous, feldspathic to pure quartzite with minor dolomite-chlorite marble. This unit also hosts very thin, carboniferous, argillaceous psammite, or possibly siliceous pelitic horizons (limited Lower Unit strata is exposed on RBI immediately overlying orthogneiss).

RBI PROPERTY
ASSESSMENT REPORT 1997
PAGE 29

The metasedimentary-metavolcanic units examined on surface and in core appear relatively thin and do not appear conducive to host economic base metal massive sulphide deposits. The metasedimentary-metavolcanic interval intersected in RBI 97-01 measures approximately 167 metres thick. This stratigraphy is underlain by an unknown thickness of augen orthogneiss which, correspondingly, offers no potential to host economic mineralization. The sequence of alternating metasedimentary/metavolcanic and augen orthogneiss horizons cored in RBI 97-02 is deemed non-prospective for hosting economic mineralization.

Trace quantities of disseminated to nodular pyrite associated with quartz nodules was documented in mixed metasedimentary and mafic metavolcanic schist in RBI 97-01. Trace disseminated pyrite was recorded on fractures in a thin chlorite-biotite schist lense hosted within augen orthogneiss in RBI 97-02.

Both drill holes intersected fault structures well below the calculated depths to the tops of the target conductances. The conductive material in the faults is determined to be clay ± sand fault gouge which probably varies in thickness with depth in the fault zone.

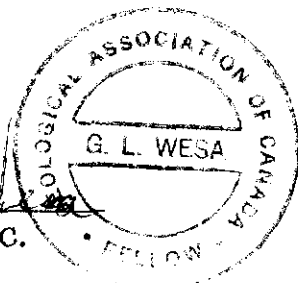
Although elevated to anomalous base metal-in-soil values were recorded proximal to surficial fault traces in the north-central portion of the property, no economic mineralization was detected in cored fault material. The surface soil geochemical anomalies may be due to leaching of trace quantities of base metals at depth from metavolcanic and metasedimentary strata followed by upward transport and subsequent concentration at surface.

RECOMMENDATIONS:

The diamond drilling program, in conjunction with surface geological examinations, was unsuccessful in delineating massive sulphide mineralization. Consequently, the writer believes that the stratigraphy and structures examined during this program do not warrant any further immediate work.

Respectfully Submitted,
DEMAND GOLD LTD.


GARY L. WESA, B.SC., FGAC.



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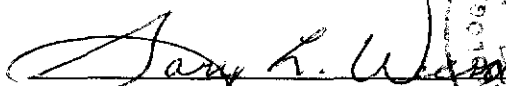
STATEMENT OF QUALIFICATIONS

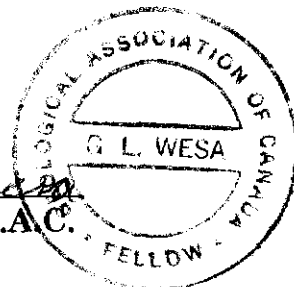
I, Gary L. Wesa, of #309 - 6669 Telford Avenue, in the City of Burnaby, B.C., do hereby certify that:

1. I am presently employed as Project Geologist to Demand Gold Ltd. with offices at #908-700 West Pender Street, Vancouver, British Columbia.
2. I am a graduate of the University of Saskatchewan with a B.Sc. Degree in Geology (1974) and I have practiced my profession continuously since graduation.
3. I have been employed in mineral exploration in Canada and the U.S.A. since 1970.
4. I am a registered Fellow of the Geological Association of Canada.
5. I have personally performed the work referenced in this report and I am familiar with the regional geology of the Yukon Tanana and Slide Mountain Terranes.
6. I am the author of this report entitled: "Geological and Diamond Drilling Report on the RBI Property", which is based upon researched documents, referenced in this report, and supervision of the 1996 and 1997 field programs.

Dated at Vancouver, British Columbia this 28 day of November, 1997.

Respectfully submitted:
Demand Gold Ltd.


Gary L. Wesa, B.Sc., F.G.A.C.



APPENDIX I

Itemized Cost Statement

ITEMIZED COST STATEMENT

FIELD COSTS

Diamond Drilling (June 24 - July 3, 1997)

DJ Driling Company Ltd.

474 metres (NQ) @ \$62.66/metre \$29,699.55

Mobilization/Drill Moves 6060.00

Core Boxes (90 @ \$10.15/box) 913.50

Diesel Fuel (8 @ \$102.50/barrel) 820.00

GST 2,624.52

\$40,117.57

PROJECT PERSONNEL /SALARIES

Gary Wesa (Bsc - Project Geologist)

27 days @ \$200.00/diem \$5,400.00

Dan Brett (Camp Manager)

12 days @ \$125.00/diem 1,500.00

27 days @ \$225.00/diem 6,075.00

Yvon Goupil (Labourer) 3 days 365.00

Francois Grenier (Labourer) 3 days 415.00

Kevin Griffith (Labourer) 2 days 150.00

\$8,505.00

CAMP ACCOMMODATIONS / MEALS

(DJ DRILL CREW)

36 man days @ 125.00 /diem \$4,500.00

HELICOPTER (BELL 206B JET RANGER)

TRANS NORTH HELICOPTERS \$19,074.89

TRAVEL / TRUCK RENTAL

BASELINE RESOURCES LTD. \$3,500.00

EQUIPMENT RENTAL

Ironwood Communications 193.00

Camp Supplies and Tools 4,000.00

\$4,193.00

ACCOMMODATIONS & MEALS

\$1,369.30

FUEL (DIESEL, GASOLINE, PROPANE)

\$1,188.90

GROCERIES/FOOD SUPPLIES

COSTCO - PRINCE GEORGE \$902.74

MISCELLANEOUS SUPPLIES

\$819.14

7% GST

\$1,569.79

OFFICE COSTS

Report Preparation / Post Field

4,500.00

Drafting

500.00

Miscellaneous

100.00

\$5,100.00

TOTAL EXPENDITURES

\$96,240.33



APPENDIX II

Summary of Personnel

Summary of Personnel

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
Gary L. Wesa	Project Geologist	Burnaby, B.C.
Dan Brett	Camp Manager	Point Roberts, WA
Yvon Goupil	Labourer	Watson Lake, Y.T.
Francois Grenier	Labourer	Watson Lake, Y.T.
Kevin Griffith	Labourer	Vancouver, B.C.

APENDIX III

Diamond Drill Logs

CORE ID :

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 8 OF 14

COORDINATES

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION				FRACTURING/M	MINERAL/S SEPTA	GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #
	% VEINS	% QTZ Vn	% Fe - Carb Vn	CHLORITE																		
105																						
106																						
107																						
108																						
109																						
110																						
111																						
112																						
113																						
114																						
115																						
116																						
117																						
118																						
119																						
120																						

DESCRIPTIVE GEOLOGY

Upper part to 105.31 intensely crenulated/deformed w/ foliation @ 90-95° TCA; locally musc-rich (brn horizons)

106.29: 10 cm rusty yellow clay-gz gouge (shear)

106.60-108.94: core locally intensely frac'd w/ abun. hem-calc ± gz filling frags - randomly orientated.

108.60-108.70: pebbly clay gouge (shear zone)

108.94-109.90: banded core; little or no deformation rhythmic banding to 109.40; foliation @ 112° TCA.

109.40-110.30: biotite-rich; dk schist w/ foliatn @ 110° TCA.

111.79-111.89: core broken; hem-clay on frags, foliation @ 90° TCA.

113.94-114.94: minor, small-scale folds/crenulations

116.25-117.35: finely, rhythmically banded core marked by thin biotite partings @ 105° TCA.

118.20-118.45: frac'd, hem-stained, clay-altr'd schist w/ minor gz lenses + veins; foliatn @ 120° TCA; some brown musc-rich pods to 118.65

19

20

21

DEPTH (M)	ALTERATION				GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	Az (ppb)	BOX #	
	% VEINS	% QZ VN	% Fe-Carb VN	CLARITE SERICITE COLOUR																	FRACTURING/H MINERALS/SEPTA
135																					
136																					
137																					
138																					24
139																					
140																					
141																					
142																					25
143																					
144																					
145																					
146																					
147																					
148																					26
149																					
150																					

136.28-139.33; well-devlp'd small-scale fold structures, crenulations @ 120° TO // TCA. in musc-biot-gz schist

139.33-145.43: well-banded (biotite layering) mica schist w foliation @ 130° TCA

143.53: broken core; hem-clay-carbonate on frags.
 143.73: carbonaceous hem-clay on frags.

145.83-149.20: biotite-banded mica schist w foliation @ 125° TCA; some weakly chl-rich layers; also minor biot-rich bands up to 1cm @ 148.47

TO 14920: (QZ)-MUSC-BIOT SCHIST (Metasedy)
 149.20: gradational contact to more homog. musc schist w dissem biotite in matrix; hem-clay on frags

pale grey

CORE NO. :

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 14 OF 14

COORDINATES :

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION			CHLORITE	SERICITE	COLOUR	FRACTURING/M	MINERALS/SEPTA	GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #
	% VEINS	% OTZ VN	% Fe-Carb Vn																					
195																								
196										196.20: 10 cm dk brown biotite layer				100%										34
197																								
198														100%										
199														100%										
200														100%										
201																								
202														100%										
203										203.05-203.35: lg, quartzite nodules/lenses														
204																								
205														100%										
206										206.00-206.20: limonitic, clay alt'd mica (musc) schist; local limonitic frags on orthogneiss.														
207										TO 208.84: orthogneiss fairly homogenous w/ plg, feldspar up to 2cm; porphyroblasts flattened & separated & enveloped in thin sericite foliations.														
208										END OF HOLE				100%										
209																								
210																								

37

E.O.H

CORE SIZE **NQ**

SCALE : 1:100

PROJECT : **RBI**HOLE No. **RBI 97-2**CASING COLLAR ELEV : **1463m**GROUND ELEV. : **1463m**DATE STARTED : **June 29 (night)**PAGE No. **1** OF **19**COORDINATES **L7+00W N.4+2NS E**DATE FINISHED : **July 3 (Day)**REF. TO CLAIM CORNER **135m @ 065° from SW corner RBI 43**INCLINATION : **-50°**AZMUTH **180°**TOTAL DEPTH : **271.03 m**LOGGED BY **G. Wesa**COMMENTS: **Alteration; Weak (W)
Moderate (M)
Strong (S)**AVG. CORE
RECY/HOLE

DESCRIPTIVE GEOLOGY

DEPTH (M)	ALTERATION				FRACTURING/M MINERALS/SEPTA	GEOLOGY	COMMENTS: Alteration; Weak (W) Moderate (M) Strong (S)	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL % CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #	
	% VEINS	% QTZ VN	% Fe-Carb Vn	CHLORITE SERICITE COLOUR																	
0							CASING TO 3.28m.														
1																					
2																					
3																					
4							3.28-15.08: MONZONITIC ORTHOGNEISS; mostly quartz-rich, weakly foliated w v thin limonite-sericite & musc partings enveloping plag-feld-quartz grains; rock coarse crystalline w weakly to moderately flattened crystals; ~7-10% limonite			63%											
5																					
6																					
7							3.68-3.78: core blocky, broken			87%											
8																					
9																					
10																					
11							11.28-11.58: core frac'd, broken														
12																					
13							13.62-13.72: core broken			68%											
14																					
15							TO 15.08: core contains up to 10% lim on fracs, assoc. w sericite partings/foliations														

pale orange to cream-orange

CORE SIZE

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 3 OF 19

COORDINATES

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION				FRACTURING/M MINERALS/SEPTA	GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL % CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.C.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #
	% VEINS	% QTZ VN	% Fe-Carb VN	CHLORITE SERICITE COLOUR																
30																				
31																				
32																				
33							32.09: 1.5cm qz veinlet w graphite partings + tr. dksem. py.			100%										5
34							33.32-33.60: micaceous (brn biot-musc-rich) layer in orthogneiss; weakly carbonaceous; minute cc growths + v. thin cc stringers.			88%										
35																				
36							36.34-36.79: carbonaceous biotite-rich horizon med. carb. matrix; str. carb. on clay frags			100%										
37							36.89: core broken / blocky													
38																				6
39																				
40																				
41																				
42																				
43																				7
44																				
45																				

W - M
grey to orange to salmon pink
dk greenish-black

CORE SIZE

SCALE : 1:100

PROJECT :

HOLE No. :

CASINO COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 6 OF 19

COORDINATES

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION				GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #	
	% VEINS	% OTZ VN	% Fe-Carb VN	CHLORITE																	
75																					
76																					12
77																					
78																					
79																					13
80																					
81																					
82																					
83																					
84																					
85																					14
86																					
87																					
88																					
89																					
90																					15

light-med grey black grey to salmon pink

76.70-77.08: frac'd, fragmented core w/ clay gouge

79.09: 4.5cm clay gouge

83.68-85.27: Biotite schist horizon; black, fairly homogeneous; well-developed micaceous foliation @ 112° TCA; hosts several narrow cc + qz velets and stringers // to foliation; cc velets up to 1cm

CORE SIZE

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 7 OF 19

COORDINATES

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION					GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	A ₂ (ppb)	BOX #	
	% VEINS	% QTZ VN	% Fe-Carb VN	DOLOMITE	SERICITE																	COLOUR
90																						
91																						
92											100%										15	
93											66%											
94																						
95											98%											
96																						
97																					16	
98											88%											
99											114%											
100							99.19-99.74: biotite-rich horizon in augen gneiss upper contact sharp; Lower contact gradational over ≈ 5-6 cm into orthogneiss; strongly carbonaceous; calcite occurs as minute white crust. growths + v. f. stringers; 1.0cm calcite veinlet @ upper contact.					84%										
101																						
102																						
103							99.95-102:00: broken, fragmented core w abund yellow clay altn; orthogneiss highly sheared w local lim. altn; weak local carbonaceous reaction on clay frags.					66%										17
104																						
105							102.00-106.00: AUGEN ORTHOGNEISS; blocky, highly fractured w few narrow biot-rich horizons and					91%										

light to med grey

blk

light grey

CORE SIZE
 CASINO COLLAR ELEV :
 COORDINATES
 INCLINATION :

SCALE : 1:100
 GROUND ELEV. :
 N. E
 AZIMUTH :

PROJECT :
 DATE STARTED :
 DATE FINISHED :
 TOTAL DEPTH :

HOLE No. :
 PAGE No. 10 OF 19
 REF. TO CLAIM CORNER :
 LOGGED BY :

DEPTH (M)	ALTERATION					GEOLOGY	COMMENTS:	AVG. CORE RECY/MOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No	SAMPLE INTERVAL (M)	V.C.	Vein Angle & Type	Frac Angle & Type	Au (ppb)	BOX #
	% VEINS	% QTZ VN	% Fe - Carb Vn	DOLOMITE	SERICITE																
135																					
136																					
137																					
138																					
139																					
140																					
141																					
142																					
143																					
144																					
145																					
146																					
147																					
148																					
149																					
150																					

pale greenish-grey to light buff-grey

bik

accessory musc-ser-chl(?) as thin foliations inter-laminated w biot @ $\approx 112^\circ$ TCA.
 135.62-136.28: Lt. brown sand horizon
 136.28-151.81: QUARTZ-PLAG FELD-AUGEN ORTHO-GNEISS; pale greenish-grey to buff-grey; v. coarse crystalline w augens up to 2-2.5 cm diam; well developed sericite-musc foliation enveloping qz-feld augens; foliation avg 105° TCA based on frac. pattern of core; few narrow (2-4cm) q.v.; core competent to 146.08
 146.08-147.64: Core broken, frac'd; mod to str ser-clay-chl(?) altn.; appears sheared w altn of wallrock matrix.
 147.64-151.81: core mainly blocky, fragmented

135
136 87%
137
138 92%
139
140
141 95%
142
143
144 101%
145
146
147 71%
148 89%
149
150 59%

22
23
24

CORE SIZE :

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 11 OF 19

COORDINATES

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION					GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.C.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #	
	% VEINS	% OTZ VN	% Fe-Carb VN	DOLOMITE	SERICITE																	COLOUR
150																						
151																						
152																						
153																						
154																						
155																						
156																						
157																						
158																						
159																						
160																						
161																						
162																						
163																						
164																						
165																						

DESCRIPTIVE GEOLOGY

151.81-155.68: BIOTITE SCHIST; dk colour; fairly well-developed micaceous foliation @ 115° TCA; abundant thin white cc veinlets conformable to foliation, minute (1-2 mm) pale green calcite crystal growths along fracs; upper contact fragmented - appears in sheared contact w orthogneiss. (augens strained/flattened); lower contact highly sheared + clay altered for ≈ 15 cm.

155.68: 21 cm milky qz. vein.

155.89-187.84: AUGEN ORTHOGNEISS; upper 20 cm of contact mod. sheared, more biot-sericite-rich;

157.80-158.60: core blocky, broken

25

26

27

CORE SIZE

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 13 OF 19

COORDINATES :

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION						GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	ZPY	OTHER SX	Mag Susc	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	A _v (ppb)	BOX #
	% VEINS	% OTZ VN	% Fe-Carb VN	DOLOMITE	SERICITE	COLOUR																
180																						
181																						30
182																						
183																						
184																						
185																						31
186																						
187																						
188																						
189																						
190																						32
191																						
192																						
193																						
194																						33
195																						

rich → biotite-chl rich; lower contact clay-altr'd for
3cm-str. carbonaceous w/ 1cm milky q.v. @ contact.
@ ≈ 112° TCA; orthogneiss broken @ contact (lower)
orthogneiss locally weakly carbonaceous on foliation
fracs. below mafic unit.

184.02-184.66: dk green-black, massive, chl-
biotite schist (mafic metavolcanic) w/ few v. thin
wte cc veinlets - one dilational to ≈ 0.5 cm; upper
and lower contacts sharp @ ≈ 110° TCA.

187.84-190.13: MAFIC SCHIST (chl-biotite schist
unit); same as above lithologies; upper contact
sharp @ 110° TCA; lower contact frac'd, clay-
altr'd; some cc veinlets; minor "speckled" small
cc growths.

190.13-191.72: AUGEN ORTHOGNEISS: frac'd,
broken core

191.72-192.94: MAFIC SCHIST (chl-biot schist);
broken, frac'd w/ chloritic-clay fracs.

192.94-214.86: AUGEN ORTHOGNEISS:

193.32-193.74: chl-biotite schist horizon - sharp
upper + lower contacts @ ≈ 109° TCA.

Orthogneiss v. coarse crystalline w/ distinct pale grey

CORE SIZE

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 15 of 19

COORDINATES

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION					FRACTURING/A MINERALS/SEPTA	GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Susc	Sample No	SAMPLE INTERVAL (M)	V.C.	Vein Angle & Type	Fract Angle & Type	A (pob)	BOX #
	% VEINS	% QTZ VN	% Fe-Carb Vn	DOLOMITE	SERICITE																	
210																						
211																						
212																						
213																						
214																						
215																						
216																						
217																						
218																						
219																						
220																						
221																						
222																						
223																						
224																						
225																						

greys to salmon pink, black, greys to salmon pink, pale orange.

* 215.06-231.14; ALGEN ORTHOGNEISS: mainly fractured, broken, fragmented core

214.86-215.06: qz-biotite lense w abund qz nodules + augens in micaceous groundmass upper margin clay altd orthogneiss; gradational lower contact.

215.72-217.57: biotite horizon w 8cm milky qz lense at upper contact w orthogneiss; upper contact sharp @ 100° TCA; lower contact gradational

217.79-219.36: core broken, fragmented

221.50-221.90: core broken, fragmented

224.40-224.90: core broken w pebbly clay-gauge

112%
95%
92%
65%
63%
65%
30%

36
37
38

CORE ELEV. :

SCALE : 1:100

PROJECT :

HOLE No. :

CASING COLLAR ELEV. :

GROUND ELEV. :

DATE STARTED :

PAGE No. 18 of 19

COORDINATES :

N.

E

DATE FINISHED :

REF. TO CLAIM CORNER :

INCLINATION :

AZIMUTH :

TOTAL DEPTH :

LOGGED BY :

DEPTH (M)	ALTERATION					FRACTURING/M MINERALS/SEPTA	GEOLOGY	COMMENTS:	AVG. CORE RECY/HOLE	SHEAR	DRILLING INTERVAL	% CORE RECOVERED	%PY	OTHER SX	Mag Suac	Sample No.	SAMPLE INTERVAL (M)	V.G.	Vein Angle & Type	Fract Angle & Type	Au (ppb)	BOX #
	% VEINS	% QTZ VN	% Fe-Carb VN	CHLORITE SERICITE	COLOUR																	
255																						
256																						
257																						44
258																						
259		S				blk ign-blk																
260																						
261																						
262																						45
263						medium grey																
264																						
265																						
266						medium-dark grey																
267																						46
268																						
269																						
270																						

DESCRIPTIVE GEOLOGY

257.25-258.13: biotite-chlorite horizon w/ abund thin cc lenses + laminations plus small (3-4mm) cc nodules/growths proximal to upper+lower contacts; upper contact sheared w/ development of biot-cc alter'n; micaceous; lower contact intensely sheared - marked by 3-4cm clay gouge.

258.30: 5cm biot-rich layer w/ broken core

258.66-259.16: biotite-chl rich horizon w/ f. dissem. speckled cc growths throughout section.

260.10: 3cm micaceous frac.

260.77: 5cm biotite-rich layer

260.77-263.87: biotite-rich horizons up to 20cm; augen texture weak to strong.

263.97-264.47: core sheared, fract'd. clay-alt'd.

264.47-271.03: AUGEN ORTHOGNEISS appears more mica-rich, darker color; variably augen-textured w/ zones of little or no augens replaced by mica-sericite foliations; regularly spaced dark brn-blk biotite-rich layers 2-8cm width @ 105° TCA.

micaceous horiz host v. thin cc laminations + minute growths (mod-str. carbonaceous); local calcite frags cross-cutting augens/foliation; some narrow, conformable milky qz. vns; irreg qz lenses @ 270.22-270.50.

269.62-269.74: qz-biot-calc layer - partly sheared.

255

256

257

258

259

260

261

262

263

264

265

266

267

268

269

270

96%

85%

97%

99%

95%

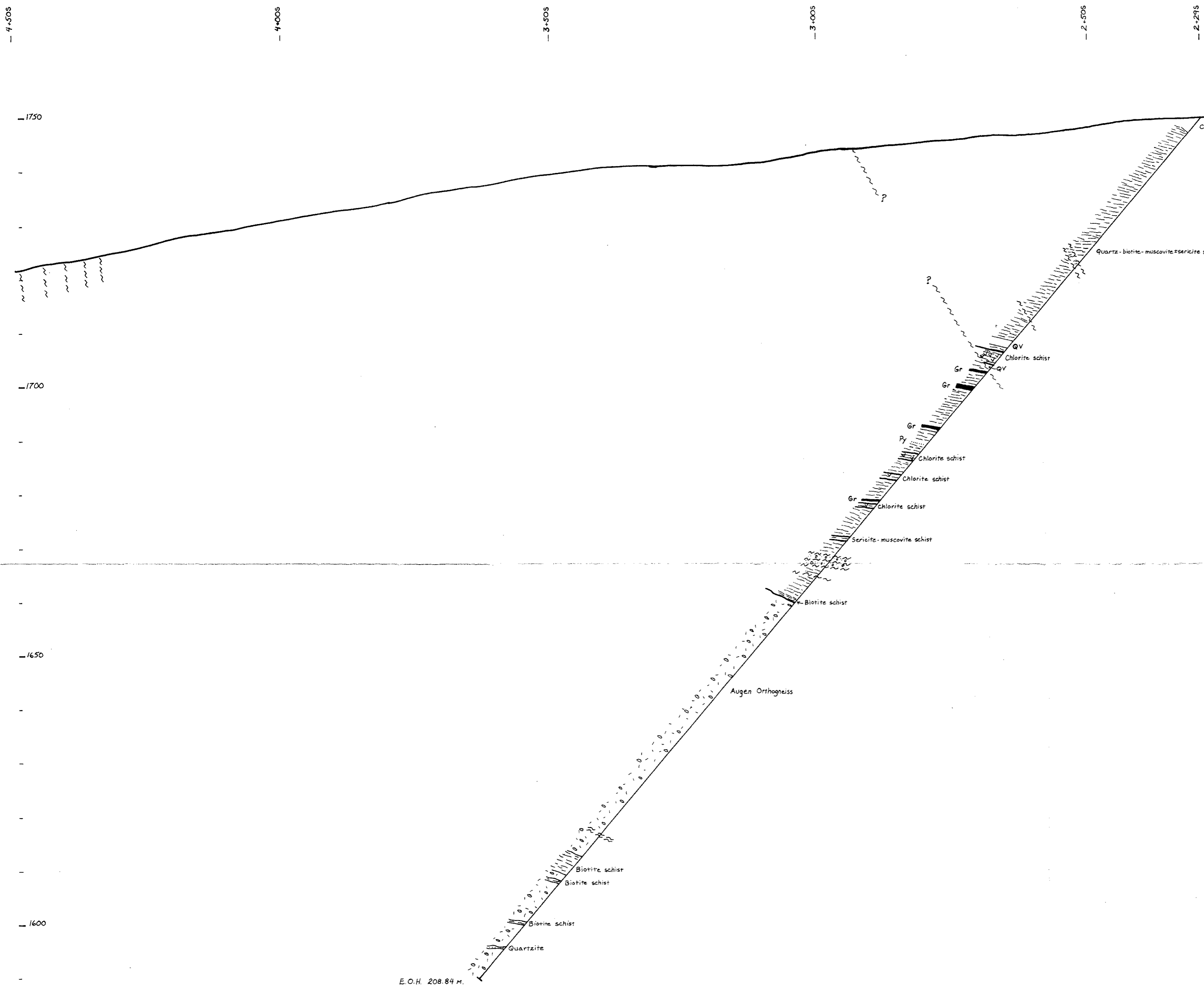
44

45

46

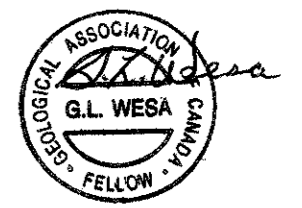
APPENDIX IV

Cross Sections (RBI 97-01, 02)

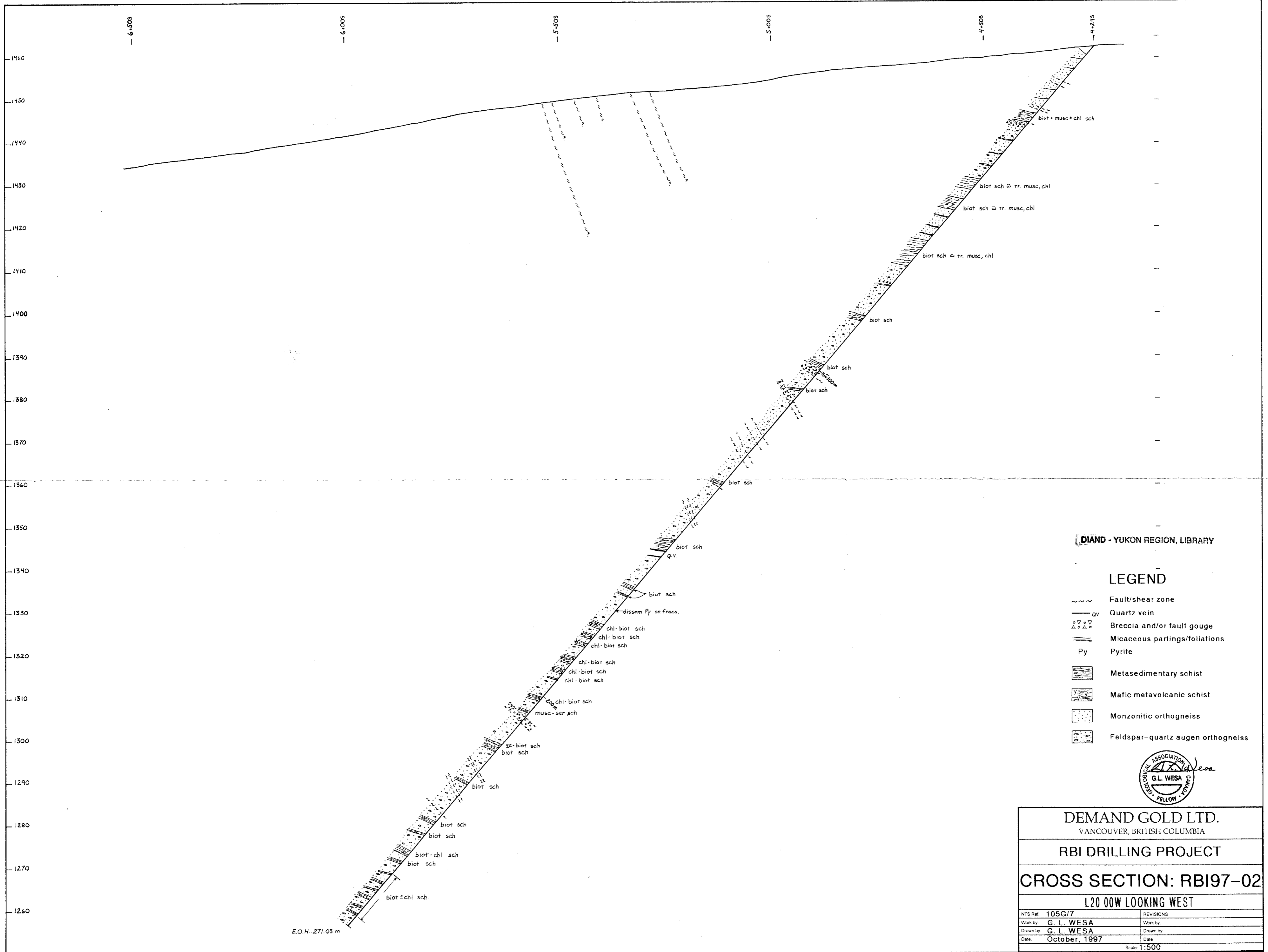


- LEGEND**
- Fäult
 - Quartz vein
 - Lithologic contact
 - Graphite-rich horizons
 - Pyrite
 - Metasedimentary schist
 - Mafic metavolcanic schist
 - Feldspar-quartz augen orthogneiss

093798



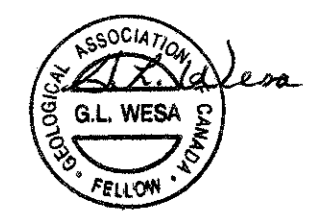
DEMAND GOLD LTD. VANCOUVER, BRITISH COLUMBIA	
RBI DRILLING PROJECT	
CROSS SECTION: RBI97-01	
L20 00W LOOKING WEST	
NTS Ref: 105G/7	REVISIONS
Work by: G. L. WESA	Work by:
Drawn by: G. L. WESA	Drawn by:
Date: October, 1997	Date:
Scale: 1:500	



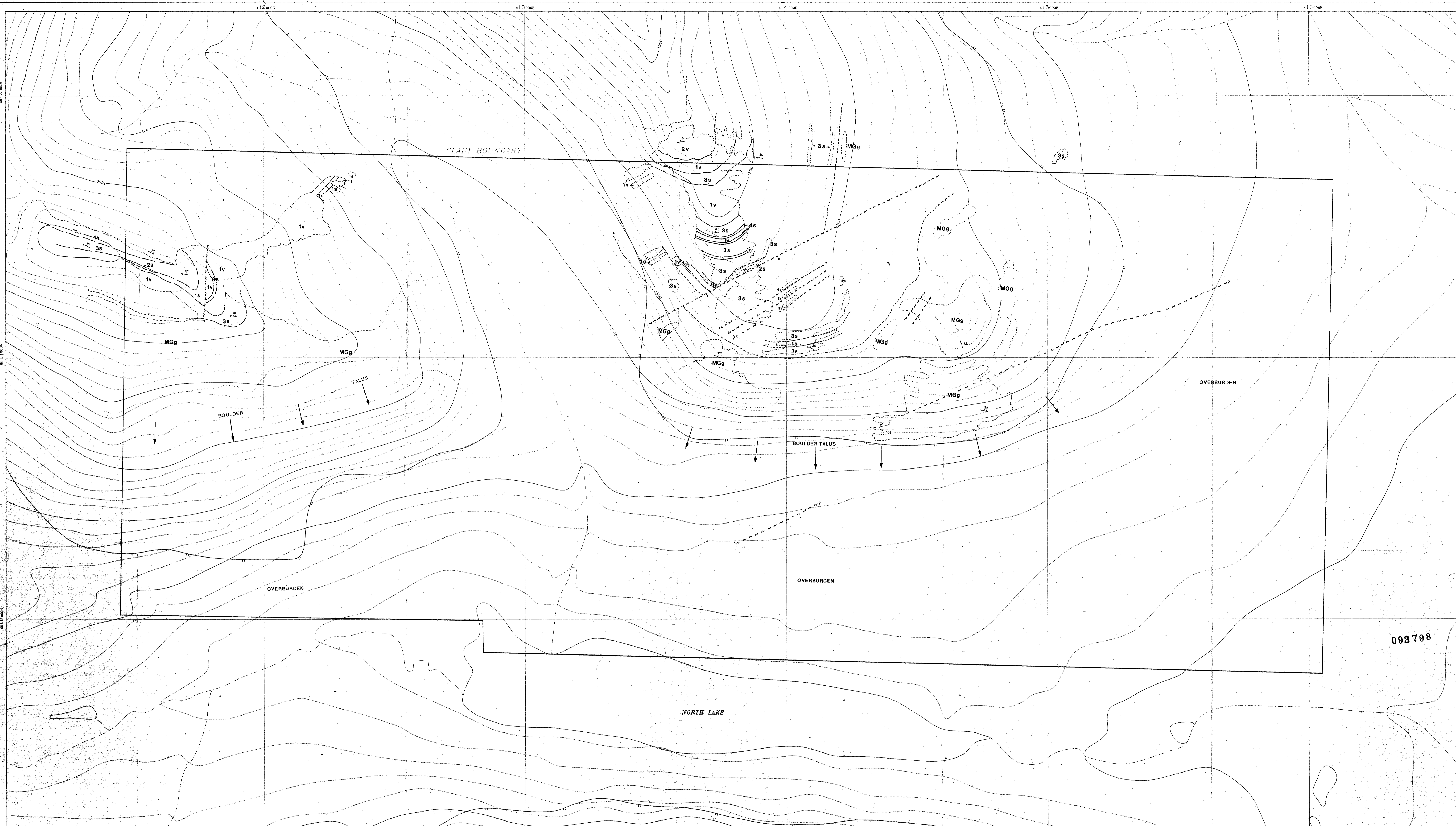
DIAND - YUKON REGION, LIBRARY

LEGEND

- Fault/shear zone
- Quartz vein
- Breccia and/or fault gouge
- Micaceous partings/foliations
- Pyrite
- Metasedimentary schist
- Mafic metavolcanic schist
- Monzonitic orthogneiss
- Feldspar-quartz augen orthogneiss



DEMAND GOLD LTD. VANCOUVER, BRITISH COLUMBIA	
RBI DRILLING PROJECT	
CROSS SECTION: RBI97-02	
L20 00W LOOKING WEST	
NTS Ref. 105G/7	REVISIONS
Work by: G. L. WESA	Work by:
Drawn by: G. L. WESA	Drawn by:
Date: October, 1997	Date:
Scale 1:500	

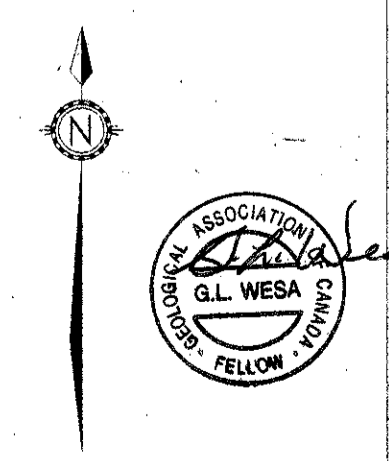


LEGEND
PLUTONIC ROCKS
MISSISSIPPIAN
 MGg Grass Lakes monzonitic augen orthogneiss
PALEOZOIC METAMORPHIC SEQUENCE
PRE-MISSISSIPPIAN AND MISSISSIPPIAN
FELSIC METAVOLCANIC ROCKS
 2v Quartz-eye-sericite-muscovite schist

MAFIC METAVOLCANIC ROCKS
 1v Chlorite-biotite-quartz schist
METASEDIMENTARY ROCKS
 4s Quartzite
 3s Quartz-biotite-muscovite schist, minor biotite gneiss
 2s Carbonate-chlorite marble (calcisilicate rock)
 1s Graphitic, variably siliceous pelite

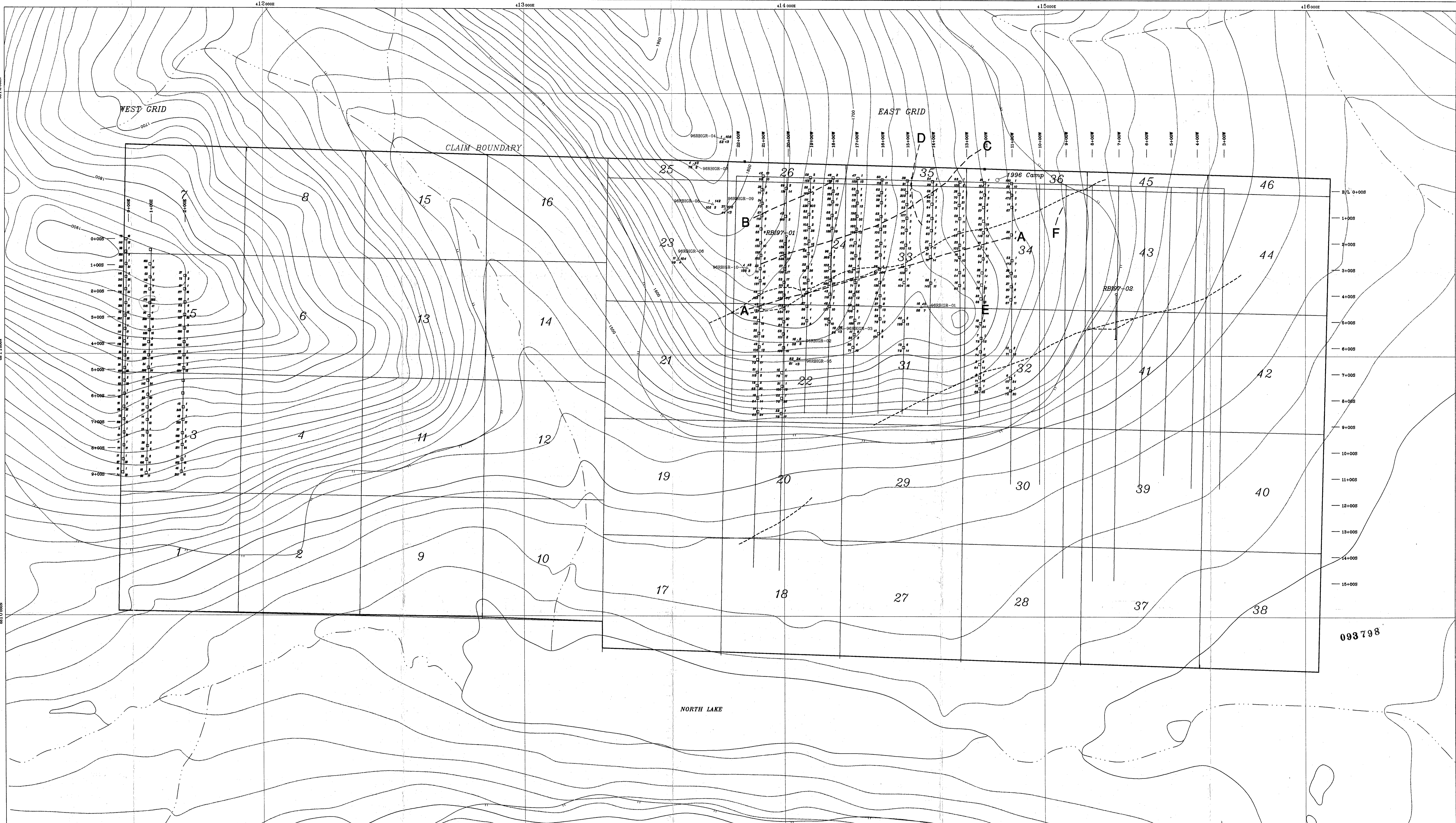
SYMBOLS
 Lithological contact (known, approx., assumed)
 Fault (known, approx.): circle on downthrown side
 Limit of outcrop, subcrop
 Foliation

* CONTOUR INTERVAL 20 METRES.
 * ELEVATION IN METRES.
 0 100 200 300 400 500m
 SCALE: 1:5000



DEMAND GOLD LTD.
 VANCOUVER, BRITISH COLUMBIA
RBI CLAIMS
GEOLOGY
MAP 1
 LOCATION: North Lakes Area, Yukon Territory
 DATE: April 1997 SCALE: 1:5000
 DRAWN: TerraCAD 97069 WORK BY: G. WESA
 DATA: NTS 105 G/77 FIGURE:
 DIAND - YUKON REGION, LIBRARY 3

093 798



Key to Sample Results Notation

CuAu
ZnPb
Soil Sample

CuNi
ZnPb
Rock Sample

CuNi
ZnPb
Float Sample

All units are in parts per million (ppm)
Gold in parts per billion (ppb)

LEGEND

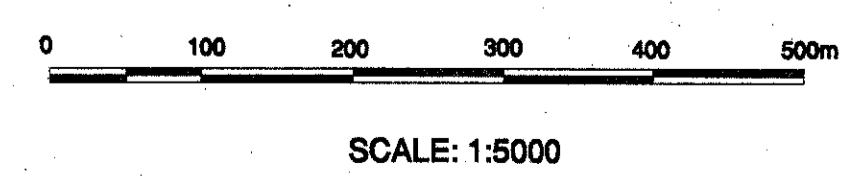
--- Creeks
--- Forest
--- Claim Boundary
--- Claim posts
--- Diamond drill hole

RB197-02

Contour Interval 20 metres
Elevations in metres
Claim numbers indicated in the centre of each claim

HLEM (Horizontal Loop EM) Conductors

A - - - A Geonics survey - 1995
- - - - - Amerak survey - 1998



DEMAND GOLD LTD.
VANCOUVER, BRITISH COLUMBIA

RBI CLAIMS
COMPILATION MAP
MAP 2

LOCATION: North Lakes Area, Yukon Territory

DATE: November 1997
DRAWN: TerraCAD 97069
DATA: NTS 105 0/7

SCALE: 1 : 5000
WORK BY: G. L. WESA
FIGURE:

093798

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