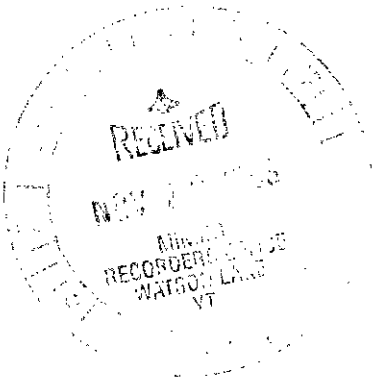
093911



ST. CYR MINERAL EXPLORATION LTD.

Assessment Report

MAX Project
Ketza-Seagull Lake Area

Watson Lake Mining District
N.T.S. Sheet 105 F/10
61°38' N. Lat., 132°46' W. Long.

Mark Fekete, B.Sc., F.G.A.C.
September 30, 1998

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 $2200.00

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

Summary

In August, 1998, a brief exploration program was completed on the MAX property, a group of fourteen contiguous Quartz claims located in the Ketza-Seagull Lake area of Yukon some 160 km northeast of Whitehorse. The claims are recorded in the Watson Lake Mining District 100% to St.. Cyr Mineral Exploration Ltd. Access to the property is by truck 25 km along the Groundhog Creek Road from the Canol Highway.

The property lies within a region underlain by gently folded miogeosynclinal clastic, carbonate and volcanic rocks which range from late Proterozoic to Triassic age and Cretaceous to early(?) Tertiary intrusions. The area is dominated by several northwest-trending thrust faults and numerous normal faults of various orientations and is referred to as the Ketza-Seagull Arch.

The goal of the program was to examine the general geology of the area and take some rock samples for analysis in order to establish the mineral potential of the property in context of a sediment-hosed, manto-type,. replacement-style gold deposit exploration model.

Two days were spent on the MAX property examining outcrops along the roads, creeks and hillsides. A GPS receiver was used to record sample locations and track roads and trails.

The property was found to be underlain by a conformable sequence of phyllite, dolomite and quartz arenite which strike northwest and dip gently to the northeast. Sharp contacts mark near vertical, normal faults oriented generally north-northeast. An east-striking, vertical, normal fault is also inferred. Two small outcrops of travertine of indeterminate orientation were also noted. Six rock samples from mainly quartz-carbonate veins were collected and assayed for gold. None of the samples returned any significant gold values.

Although the sample results were not very encouraging, good exploration potential exists for manto-type gold mineralization on the MAX property. This conclusion is based on the presence of dolomite which may have provided a favorable host rock especially along bedding and fault contacts. several well-defined faults which may have provided avenues for hydrothermal fluid movement and travertine which indicates that hydrothermal fluids have been generated by intrusive activity or movement along the faults.

Thorough compilation of previous work, detailed mapping, prospecting, multi-element rock geochemistry and geophysics (Horizontal Loop Electromagnetic or Induced Polarization) are recommended for further exploration of the MAX property.

Certificate of Qualifications

I, Mark Fekete, having my place of residence at 178 Dennison Boulevard in Val d'Or, Quebec do hereby certify that:

1. I am a qualified Geologist having obtained a Bachelor of Science Degree in Geology from the University of British Columbia in 1986;

2. I am a Fellow of the Geological Association of Canada (No. F5454), a Member of the Canadian Institute of Mining and Metallurgy (No. F40253), a Member of the Prospectors and Developers Association of Canada (No. 801);

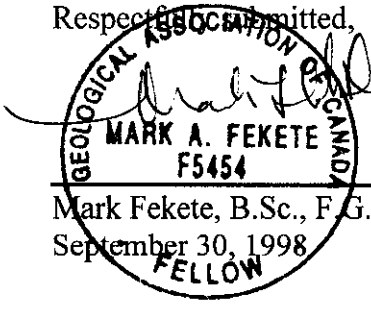
3. I have been engaged in my profession continuously since 1986;

4. I have no direct or indirect interest in the property described in this report nor do I beneficially hold any number of shares nor stock options for shares of St.. Cyr mineral Exploration Ltd.;

5. I was engaged by St.. Cyr Mineral Resources Inc. for the work described in this report on a contract basis;

6. I contributed to this report based on my professional experience, a review of relevant reports and maps available from government and corporate sources, several visits to the property and the data presented in this report.

Respectfully submitted,



Mark Fekete, B.Sc., F.G.A.C
September 30, 1998

Table of Contents

List of Figures

List of Appendices

1. Introduction

This report describes a work program carried out on the MAX property on mid-August, 1998. It includes the appropriate maps, claim list, summary of costs, sample descriptions and assay certificates.

2. Location and Access

The MAX property lies within the Ketza-Seagull Lake area of the St.. Cyr Range of the Pelly Mountains in south-central Yukon (Figure 1). This area is approximately 160 km northwest of Whitehorse. The property appears on N.T.S. Sheet 105 F/10 and its center is described by 61°38' North Latitude and 32°46' West Longitude. The most obvious topographical feature in the area is Seagull Lake which touches the eastern side of the claim block.

The Groundhog Creek Road, which leaves the South Canol Highway at Milepost 100, provides access directly to the property. It is roughly 25 km along the road to the property. The entire trip from Whitehorse to the claims is 290 km by truck.

3. Claim Information

The MAX property consists of fourteen contiguous Quartz claims recorded in the Watson Lake Mining District of Yukon 100% to St.. Cyr Mineral Exploration Ltd. (Appendix A). The property was staked as five blocks called the MAX, MAX2, SPAM, G.R. and GREG that all appear on the 105 F/10 claim sheet (Figure 2).

4. Previous Work

The author did not research the previous work done in the area of the claims. It is obvious from the number of old bulldozer trenches and the drill core found at the camp that some mineral exploration has been carried out in the past. A thourough investigation of the asessment files is required in order to establish the nature and scope of the previous work completed in the area of the MAX property.

5. Regional Geology

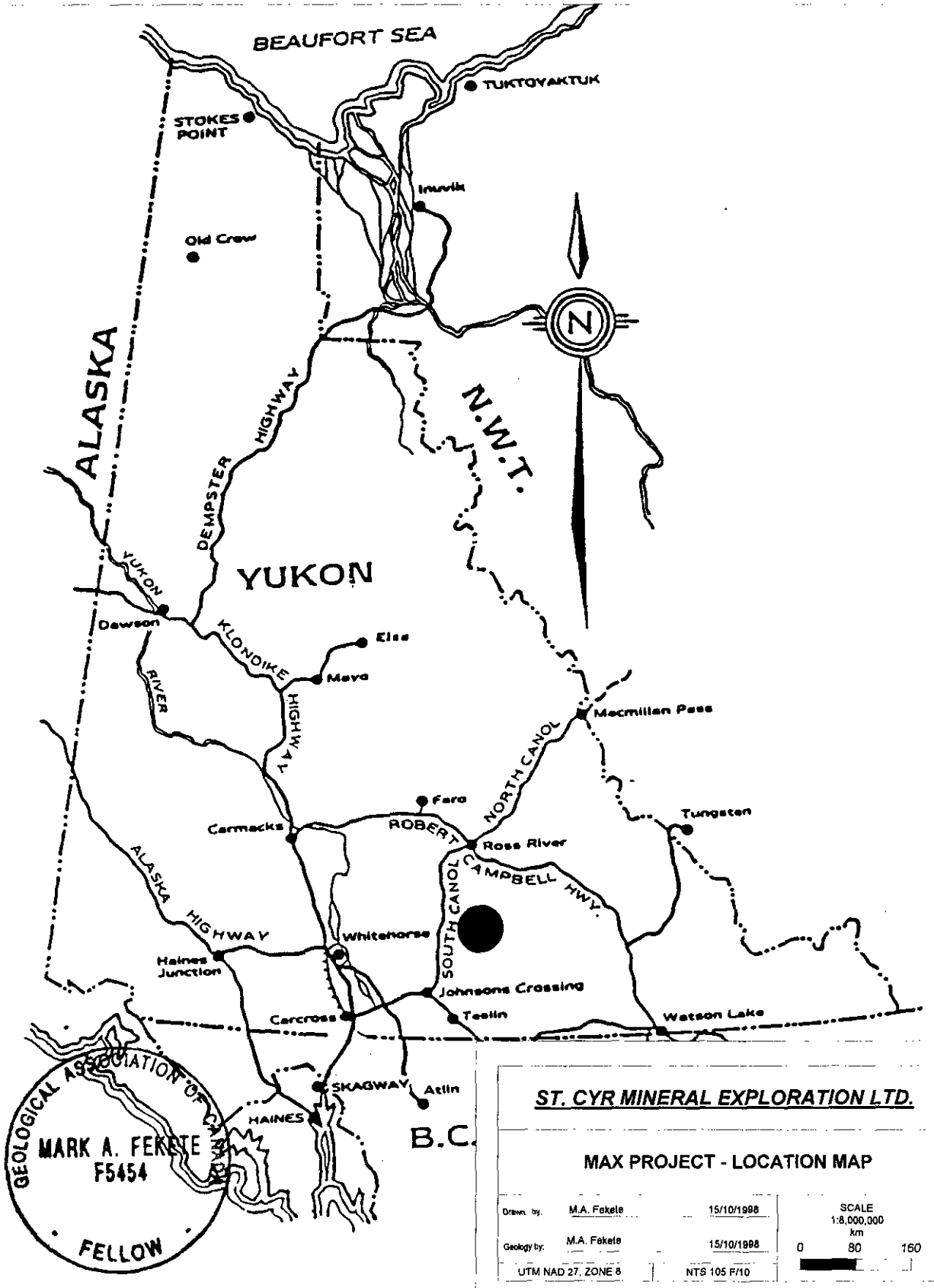
The MAX property was included in an area mapped by J.G. Abbott of D.I.A.N.D. in 1985 (Abbott, 1996). The region is dominated by several northwest-trending thrust faults and numerous normal faults of various orientation and is referred to as the Ketza-Seagull Arch. The Ketza-Seagull Arch is underlain by gently folded miogeosynclinal clastic, carbonate and volcanic rocks which range from Late Proterozoic to Triassic age and Cretaceous to Early(?) Tertiary

intrusions. The following table provides brief descriptions of rocks known to underlie the region (Abbott, 1986).

AGE	UNIT	DESCRIPTION
Cretaceous to early(?) Tertiary	KTqfp	Dark green fine-grained biotite bearing mafic dykes with minor amounts of quartz feldspar porphyry
	Kg	Homogeneous medium-grained biotite quartz monzonite
Late Devonian and Mississippian	Mv	Undifferentiated felsic and mafic volcanics, hornblende syenite and black shale
	uDMs	Black shale, chert grit and chert conglomerate
Silurian, Early and Middle Devonian	SDd	Buff grey and red weathering dolomite with lenses of massive quartz arenite
	Ss	Grey weathering, platy, thinly laminated dolomite siltstone
	Sq	Massive grey weathering quartz arenite
Ordovician and Silurian	OSsl	Black graptolitic shale, minor chert
Late Cambrian	uESOslv	Grey, buff weathering thinly laminated calcareous phyllite, tuffaceous phyllite, some mafic tuffs and flows
	uEOb	Resistant dark green mafic flow or sill
Early Cambrian	lEcsl	Grey weathering calcareous mica schist

6. Exploration Model

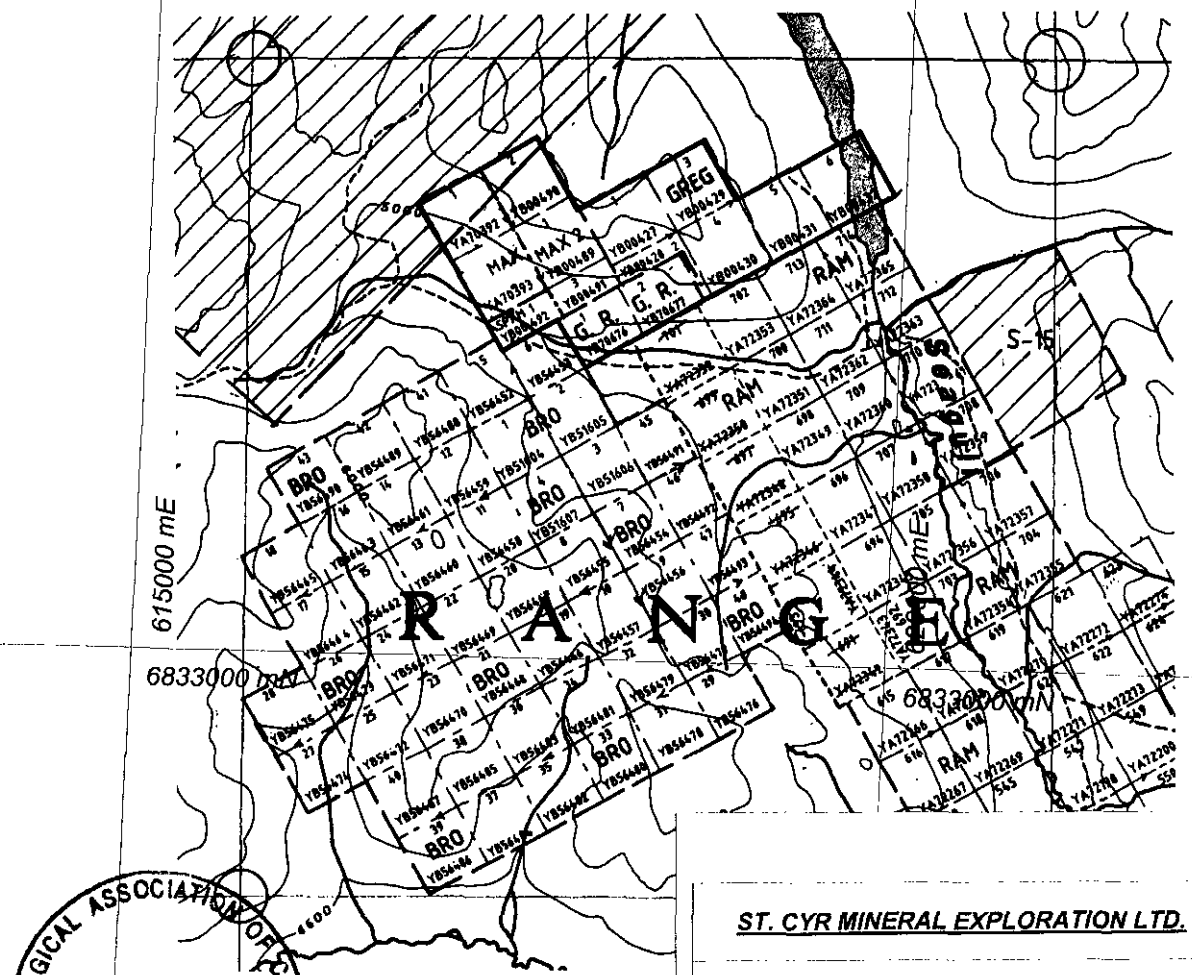
Epigenetic gold and silver deposits are well documented in the Ketza-Seagull Lake area (Abbott, 1986). Most mineral occurrences consist of galena, sphalerite and siderite ± pyrite pyrrhotite, arsenopyrite, chalcopyrite and tetrahedrite. The veins typically occur along faults in lenses and pods. Mantos are rare but much more significant than the vein-type deposits as demonstrated by the Ketza River deposit. This deposit produced 100,033 ounces of gold from 340,000 tonnes of oxide ore between April 1988 and November 1990 and contains minable reserves of 230,000 tonnes of oxide and sulphide material grading 10.9 g/t gold (B.Y.G., 1997). The mantos at Ketza River occur along the contact between Lower Cambrian dolomitic limestone overlain by argillite hornfels. They are adjacent to steep, intersecting faults and may be related to the emplacement of a buried Cretaceous intrusion (Abbott, 1986). The mineralization consists of disseminated pyrite, pyrrhotite, arsenopyrite and lesser galena and sphalerite in a gangue of siderite and calcite (Poulsen, 1996). Sediment-hosed, manto-type,. replacement-style, disseminated gold and sulphide mineralization provides the model for exploration of the MAX property.



ST. CYR MINERAL EXPLORATION LTD.

MAX PROJECT - LOCATION MAP

Drawn by:	M.A. Fekete	15/10/1998	SCALE 1:8,000,000 km
Geology by:	M.A. Fekete	15/10/1998	0 80 160
UTM NAD 27, ZONE 8		NTS 105 F/10	



GEOLOGICAL ASSOCIATION OF CANADA
MARK A. FEKETE
F5454
FELLOW

ST. CYR MINERAL EXPLORATION LTD.

MAX PROJECT - CLAIM MAP

Drawn by	M.A. Fekete	15/10/1998	SCALE
Geology by	M.A. Fekete	15/10/1998	1 : 50000 (meters)
UTM NAD 27, ZONE 8		NTS 105 F/10	0 — 100

7. Description of 1998 Work Program

7.1 Introduction

The days of August 13 and 14, 1998 were spent on the MAX property by geologist Mark Fekete of Val d'Or, Quebec and prospector Anthony Fekete of Whitehorse, Yukon. One night was spent camping in a trailer that is permanently located near the southwest corner of the claim block. The goal of the program was to examine the general geology of the property and take some rock samples for analysis in order to establish the mineral potential of the property.

The work consisted of examining and sampling outcrops along the roads, creeks and hillsides. Sample locations, data points and track logs were collected with a Garmin 12XL GPS receiver set to the NAD 27 UTM Zone 8 map datum. The GPS data was not corrected for Selective Availability (SA) signal variation. Two days, September 29 and 30, 1998 were spent by Mark Fekete downloading the GPS data into Mapinfo GIS format, drafting maps and writing the report. The type and cost of the work is detailed in Appendix B.

7.2 Property Geology

Three main rock types including phyllite, dolomite and quartz arenite were observed in outcrop on the property. Bedding orientations, fault contacts and several small outcrops of travertine were also noted.

The ***phyllite*** is pale grey, thinly laminated, generally friable, calcareous and sometimes graphitic and is found everywhere in the valley floor of the creek flowing eastward through the property. It is also found along the road that travels to Seagull Lake along the south-facing slope of the valley. This unit corresponds to Late Cambrian to Early Ordovician phyllites listed by Abbott.

The ***dolomite*** is grey and weathers to buff white. It is massive and to poorly bedded and occurs as short steep cliffs with boulder tallus. It is found in the northern part of the property above the road to Seagull Lake. Some very small outcrops of dolomite are also visible on the south side of the creek in between several large tallus fans that have slide off the hill south of the creek. This unit corresponds to Silurian, Early and Middle Devonian dolomite unit listed by Abbott.

The ***quartz arenite*** is grey with a pale blue to green hue. It is massive a generally quite hard. It is found in thin lenses within the dolomite along the ridge north of the road to Seagull Lake. This unit corresponds to Silurian, Early and Middle Devonian arenites listed by Abbott.

All of these rocks appear to be striking northwest at azimuths ranging between 320° and 350° southeast and dipping to the northeast between 40° to 50°. Bedding contacts between the units appear to be conformable. The quartz arenites are often suddenly truncated and juxtaposed against the dolomites. These abrupt contacts mark a series of near vertical, normal faults

oriented generally north-northeast. The presence of the dolomite south of the creek indicates a second possible fault set. It is likely that the creek traces an east striking, vertical, normal fault.

In addition to the three main units, two unusual outcrops of ***travertine*** were observed along the west boundary of the property. This rock is pale grey to buff in colour, finely laminated, calcareous and includes many cemented bits of vegetation. No specific orientation could be determined from these small outcrops.

7.3 Sampling and Mineralization

Six samples were collected for analysis (Figure 3, Appendix C). Most of the samples consisted of quartz-carbonate with minor sulphides veins in hosted in dolomite. One sample of travertine was also collected. One sample was taken from a quartz-carbonate vein hosted in phyllite as well as one sample of phyllite with fine-grained, disseminated sulphides

The samples were sent to Bourlamaque Assay Laboratories Ltd. in Val D'Or, Quebec where they were assayed for gold by 30 g fire assay, atomic absorption finish method. None of the samples returned significant gold values (Appendix D).

8. Conclusions

Although the samples did not return any significant gold values, the MAX property has good exploration potential for sediment-hosed, manto-type,. replacement-style gold mineralization for the following reasons:

a/ the property is underlain by dolomite which may have provided a favorable host rock for manto development especially along bedding contacts with the phyllite and quartz arenite and fault contacts;

b/. several well-defined faults cut through the property and may have acted as avenues for hydrothermal fluid movement;

c/ the travertine outcrops indicate hydrothermal activity took place due to intrusive processes or movement along the faults.

9. Recommendations for Exploration

Further exploration work, including compilation of previous work, detailed mapping, prospecting, multi-element rock geochemistry and geophysics, is recommended for the MAX property. These are general recommendations and so, a cost estimate is not included in this report.

A compilation of the previous work is required. Detailed mapping and prospecting is required in order to locate any surface showings of or favorable contacts for manto-type mineralization. Multi-element rock geochemistry is also required in order to determine if any of the rock units underlying the property contain enough background precious and base metal values to provide an adequate source for hydrothermal remobilization and replacement.

It is very important to note that the rocks underlying the property are generally flat-lying. Some favorable contacts, such as the base of the dolomite, and any possible mantos developed along these contacts may not appear on surface. A geophysical method with reasonable depth penetration such as Horizontal Loop Electromagnetic (HLEM) or Induced Polarization (IP) must be employed in order to test for subsurface sulphide deposits.

10. References

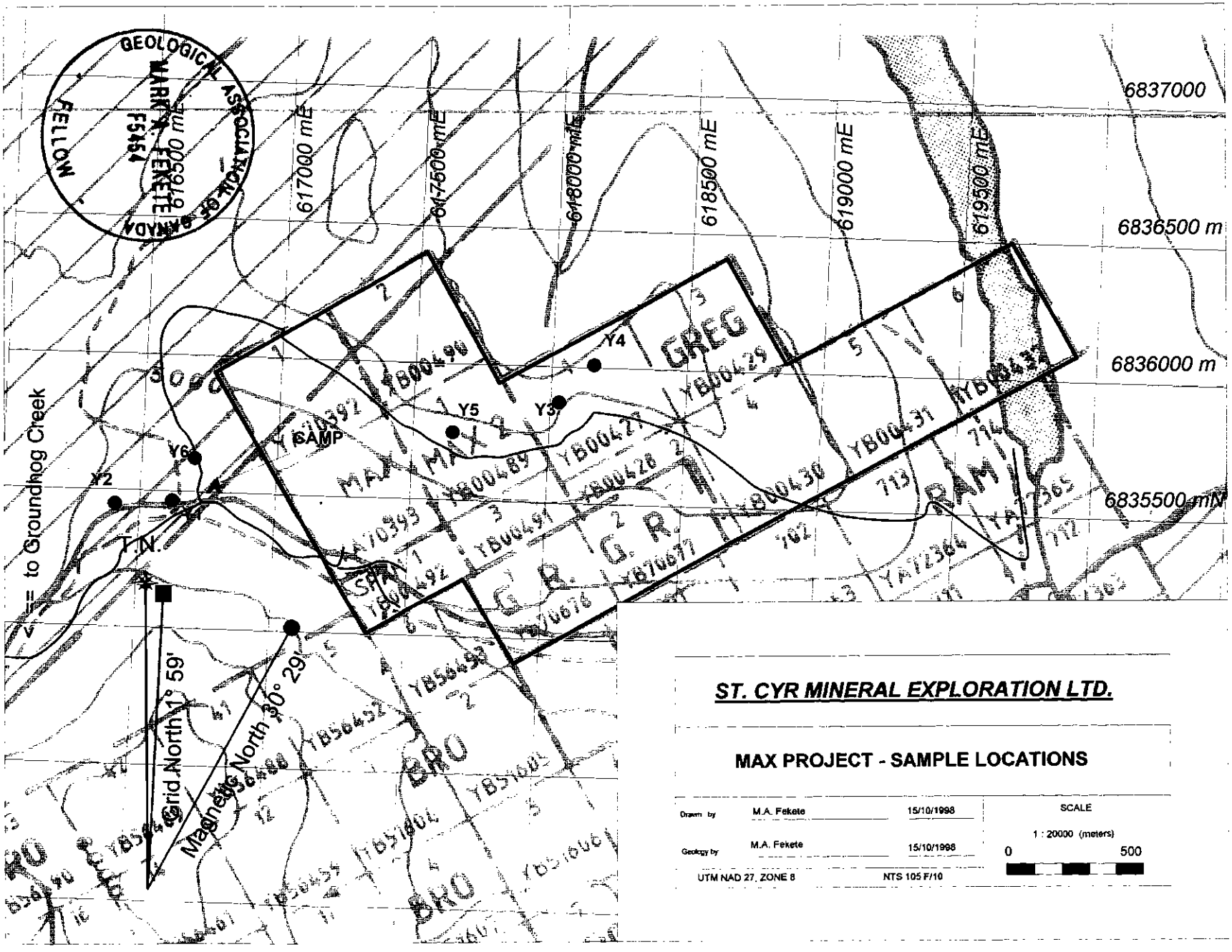
Publications:

Abbott, J.G.
1986: Epigenetic deposits of the Ketza-Seagull district, Yukon in Yukon Geology, Vol. 1. Exploration and Geological Services Division, Indian and Northern Affairs Canada, p. 56-66.

Poulsen, K.H.
1996: Disseminated and replacement gold in Geology of Canadian Mineral Deposit Types (ed.) O.R. Eckstrand, W.D. Sinclair, and R.J. Thorpe; Geological Survey of Canada, no. 8, p. 383-392.

Other:

B.Y.G. Natural Resources Inc. Press Release
March 20, 1997: B.Y.G. and major shareholder acquire control of YCG


GEOLOGICAL
ASSOCIATION OF CANADA
MARK FENETE
#5341
YELLOW
616500 mE
617000 mE
617500 mE
618000 mE
618500 mE
619000 mE
619500 mE
6837000
6836500 m
6836000 m
6835500 mN
Y1
Y2
Y3
Y4
Y5
Y6
CAMP
MAX
GREG
RAM
G. R.
BRO
T.V.
to Groundhog Creek
Grid North 1° 59'
Magnetic North 30° 29'
ST. CYR MINERAL EXPLORATION LTD.
MAX PROJECT - SAMPLE LOCATIONS
Drawn by M.A. Fekete 15/10/1998
Geology by M.A. Fekete 15/10/1998
UTM NAD 27, ZONE 8
NTS 105 F/10
SCALE
1 : 20000 (meters)
0
500

Appendix A - List of Claims

Fourteen Quartz claims situated in Sheet 105 F/10 of the Watson Lake Mining District of Yukon described as follows:

MAX Project

CLAIM NAME	RECORD NO.
MAX 1	YA 70392
MAX 2	YA 70393
MAX2 1	YB 00489
MAX2 2	YB 00490
SPAM 1	YB 00492
SPAM 3	YB 00491
G.R. 1	YB 70676
G.R. 2	YB 70677
GREG 1	YB 00427
GREG 2	YB 00428
GREG 3	YB 00429
GREG 4	YB 00430
GREG 5	YB 00431
GREG 6	YB 00432

MAX 2 # 3 → not SPAM 3

Appendix B - Summary of Exploration Costs

Type	Dates	Days	of	Rate		Cost	Total
Labour							
Mark Fekete	13-Aug-98	1	day field				
Geologist	14-Aug-98	1	day field				
	29-Sep-98	1	day report				
	30-Sep-98	1	day report				
		4	days total	350.00	per day	1400.00	
Anthony Fekete	13-Aug-98	1	Field				
Prospector	14-Aug-98	1	Field				
		2	Total	200.00	per day	400.00	
						Total labour	1800.00
Transportation							
Truck	13-Aug-98	290	km travel	0.50	per km	145.00	
	14-Aug-98	290	km travel	0.50	per km	145.00	
						Total transportation	290.00
Assays							
Bourlamaque	11-Sep-98	6		13.80	per	82.80	
						Total assays	82.80
Other							
Maps	04-Aug-98					9.90	
Maps	12-Aug-98					29.69	
						Total other	29.69
						Total Costs	**2202.49**

Appendix C - Sample Descriptions

St. Cyr Mineral Exploration Ltd. - SAMPLE DESCRIPTION SHEET

FILE: stcyr\TAB_SAM.WK4

PROPERTY:	MAX	**ASSAY TYPES:**	Au 30 g fire assay aa finish
PROJECT NO:	na		
DATE:	August 13 & 14, 1998	**ASSAY CERT. NO.:**	72958
NTS:	Yukon 105 F/10		
COORD. SYS:	UTM NAD 27 ZONE 8		

Sample	STN_E m	STN_N m	Claim	Type	Description	Au ppb	Au chk ppb
Y1	616618	6835466	na	float	quartz-carbonate with minor chalcopyrite nad green copper stain	13	
Y2	616410	6835450	na	grab	travertine - pale grey to buff colour, finely laminated, calcareous with bits of plant material cemented in	13	
Y3	618030	6835870	YB00427	grab	white quartz, rusty carbonate veinlets in dolomite	<5	
Y4	618153	6836010	YB00427	grab	white quartz, rusty carbonate veinlets in dolomite	<5	
Y5	617700	6835660	YB00489	grab	rusty phyllite with fine-grained disseminated pyrite	9	
Y6	616696	6835622	na	grab	white quartz vein, no sulphides	5	
CAMP	616773	6835527	na	topo	na		
CREEK	616738	6835479	na	topo	na		

Appendix D - Assay Certificates

C.P. / P.O. 550 148, AVENUE PERREAULT VAL D'OR (QUÉBEC) J9P 4P5 TEL.: (819) 824-4337
FAX: (819) 824-4745

LABORATOIRE D'ANALYSE BOURLAMAQUE LTÉE
BOURLAMAQUE ASSAY LABORATORIES LTD.

CERTIFICAT D'ANALYSES
CERTIFICATE OF ANALYSIS

St-Cyr Mineral Exploration

PN-Seagull Lake

N° 71958

ÉCHANTILLONS / SAMPLES: Rock

REÇU DE / RECEIVED FROM: Mark Fekete

VAL D'OR (QUÉBEC): September 11, 19 98

ANALYSES / ASSAYS: 6 Au

Sample No.	Au ppb
Y-1	13
Y-2	13
Y-3	<5
Y-4	<5
Y-5	9
Y-6	5

ANALYSTE / ASSAYER
L. - D. Melnbardis