2001 Assessment Report

on the

Caribou Creek Property

Hope 1 (Y21249), Hope 2 (Y76048)
Best 1 – 6 (Y25895-900)
Greenstone 7-9 (YA92778)
Greenstone 10 (YA92780)
Cara 1-7 (YB0836-042)
Boo 1-66 (YB07740-805)
Boo 67-76 (YB08026-035)
Boo 77-86 (YB07806-815)
Boo 101-104 (YB07816-819)

Freegold Mountain Area
NTS 115 I-3 & I-6
Lat. 62°20'N, Long. 137°30'W
Whitehorse Mining District

For: Midnight Mines Ltd.
Box 31293
Whitehorse, YT
Y1A 5P7

By: Tintina Consultants
February 28, 2002

Period of Work: May 1 – August 31, 2001

This report has been examined by
the Geological Evaluation Unit
under Section 53 (4) Yukon Quartz
Regulations and is allowed as
to [illegible] work to the amount
of $ 20,000

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

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Summary

The Caribou Creek Project is located in the Freegold Mountain area of the Dawson Range. The Freegold Mountain area lies along the Big Creek Fault Zone, a regional structure closely associated with porphyry copper-gold deposits and hosting gold bearing stockwork bodies and gold-quartz veins. Prospectors discovered the Laforma and Caribou Creek quartz veins in the early 1930's.

The 2001 season at the Caribou Creek property saw a work program consisting of partial reconstruction of an existing portion of the baseline and some flagline grid reconstruction. Once the anomalies were relocated, a program of access road construction and trenching was undertaken along with upgrading of existing roads. The trenches and road cuts were prospected and sampled as well as other areas of the properties.

A new area of quartz veining in float was found several hundred metres northwest of the developed vein at Rabbit Gulch. This new area bore a striking resemblance to the vein at Rabbit Gulch. Visible gold within brecciated quartz was found in an area which contained considerable quantities of black siltstone, the main host rock for mineralization on the property. This material was only found in float, and although several trenches were cut in attempts to reach bedrock, the ground was too frozen.

Follow-up work in 2002 should include MAG and VLF-EM over the grid which was added in 2000, and detailed MAG and VLF-EM to better delineate the anomalies which were found in previous geophysics programs. The area in which the new float was found gave no response in previous geophysical programs – either locally or just upslope. Detailed MAG and VLF-EM should be performed across this area to see if any anomalies appear. Trenches opened in 2001 should be prospected in more detail and anomalous areas trenched with an excavator. Detailed geological mapping in the pit, underground, in the new trenches and road cuts and on the grid will help locate and define the Caribou Creek structure and possibly a new vein in the area of the new float discovery. Follow-up diamond drilling should be located to test these structures and to further define reserves of gold in the open cut and adit area.

Chapter 1 – Introduction

A. Introduction

Work on the property was completed between May 1 and August 31, 2001 by various personnel under the direction of Mr. B. Harris of Midnight Mines Ltd.

Mr. Harris employed the following personnel to carry out bulldozer trenching and road building on the property:

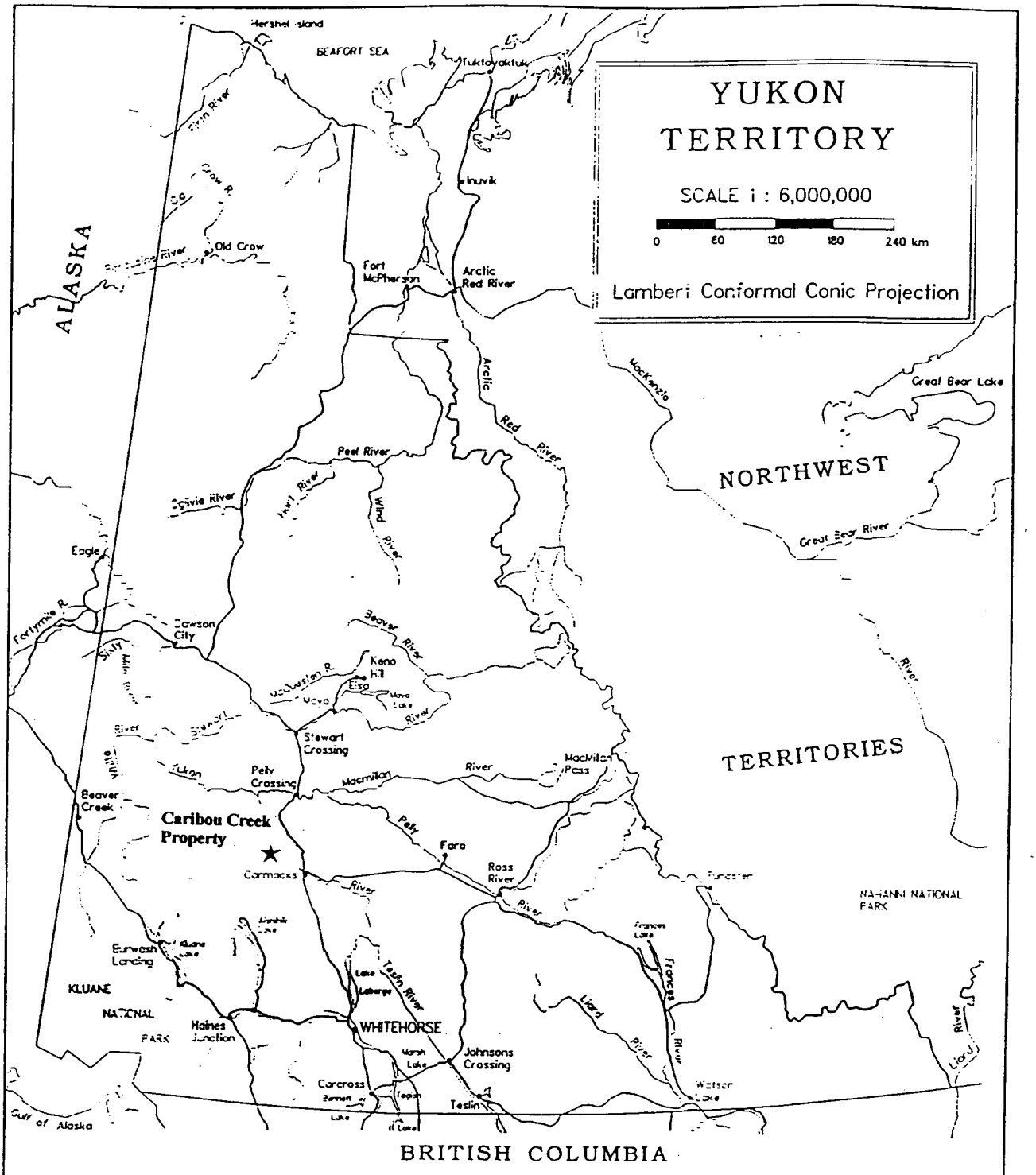
Hank Fehr
Ken Miller

In addition, Mr. Harris and Mr. Fehr carried out prospecting, trenching and re-established an existing grid.

This report is prepared to describe and present the results of work completed during 2001. Mr. B. Harris has provided locations of prospecting traverses, trenching and access trail construction, re-establishment of grid, as well as an overview of other work performed. The writer last visited the property in the year 2000 and is familiar with the property and the region.

B. Location and Access

The property is located in the Dawson Range south of Freegold Mountain and Seymour Creek, approximately 65 kilometers northwest of Carmacks on NTS Map Sheet 115 I-6 and I-3 at latitude 62° 8'N and longitude 137°06'W. Figure 1 shows the property location. The claims are accessible via the Freegold Road, a government maintained gravel road. A four-wheel drive road along the Caribou Creek valley connects the Freegold Road to the Caribou Creek workings. Several cat trails on the claims provide access to trenches and drill sites. The total road distance from Carmacks to the area is 85 kilometres.



Midnight Mines Ltd.	
LOCATION MAP Caribou Creek Property	
Tintina Consultants	
Scale: 1:6,000,000	Date: March 2002
NTS 115 I/6	**Figure 1**

C. Physiography

The Freegold Mountain area features large, well rounded hills and ridges of the Dawson Range of the Coast Mountains. Valley floors are flat and swampy, and valley walls rise sharply to the upland areas. Elevations range from 750 metres in the Seymour Creek valley to the summit of Freegold Mountain at 1,450 metres. Glaciation has had a limited effect; most of the area remained ice-free during the last Ice Age. The Seymour Creek valley formed a spillway for meltwater originating in the southeast.

The claims lie over the Caribou Creek valley and upland ridges to the east and west. The upper slopes and ridges are broad and gently sloping with buck brush and alpine vegetation. Lower slopes are steeper and feature spruce forest and thickets of dwarf willow, alder, birch and poplar forest. Caribou Creek is a small creek in a fairly narrow steep sided valley. Swampy conditions prevail at higher elevations and outcrop is sparse, restricted to ridge crests and the steepest slopes. Northerly facing slopes and valley floors are often underlain by permafrost, which hinders geochemistry, trenching and road building.

The Freegold area has a northern interior climate with long cold winters and moderate precipitation. The exploration season lasts from May until October.

D. Property/Claim Summary

The "Caribou Creek Property" includes the following claims: Hope 1 & 2, Best 1-6, Boo 1-86, Boo 101-104, Cara 1-7 and Greenstone 7-10.

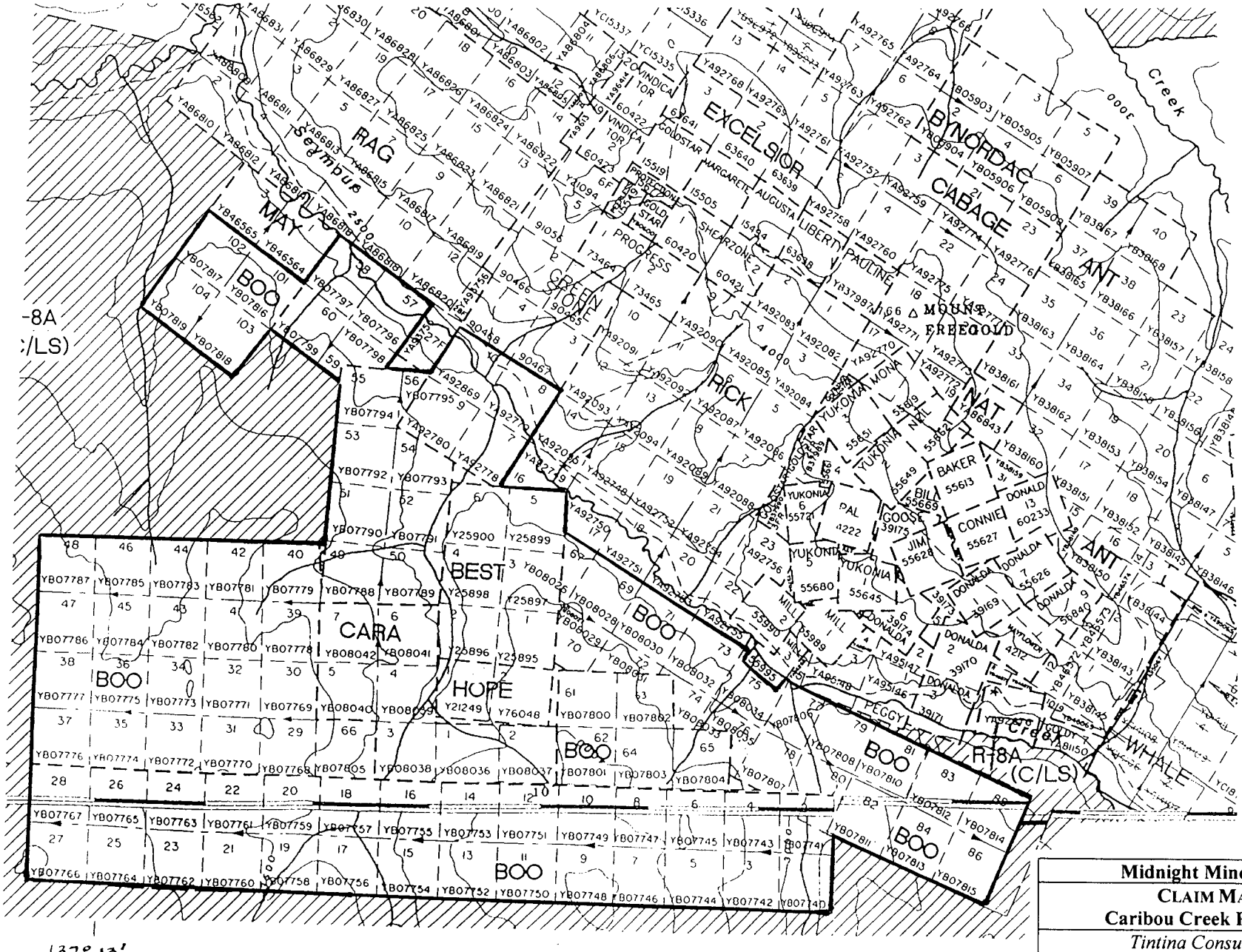
During the 2001 field season, work was carried out on the claims in the table below.

Table 1: Claims Worked On

Claim Name	Grant Number
Hope 1	Y21249
Best 2	Y25896
Greenstone 7-8	YA92778-79
Greenstone 10	YA92779
Cara 4-7	YB08039-042
Boo 30	YB07769
Boo 39	YB07778
Boo 50	YB07789
Boo 52	YB07791

Figure 2 shows the locations of these claims.

The work done on the above claims was applied to the adjacent claims listed in the table on the next page. Please see Figure 2 for the location of these claims.



Midnight Mines Ltd.	
CLAIM MAP Caribou Creek Property	
Tintina Consultants	
Scale: 1:31,680	Date: March 2002
NTS 115I/6	**Figure 2**

Table 2: Claims Work Applied To

Claim Name	Grant Number	Expiry Date	New Expiry Date*	Registered Owner
Augusta	15494	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Margarete	15505	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Gold star	15519	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Peerless	15549	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Protection	15677	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Vindicator 1-2	60422-23	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Shearzone 1,2	60420-21	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Liberty	63638	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Excelsior 1-3	63639-41	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Progress 1-2	73464-65	2002/01/29	2004/01/29	Bill Harris/E.Wienecke
Greenstone 1-4	90465-68	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Greenstone 5	91056	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Greenstone 6	Y21094	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Goldstar	Y80600	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Rick 1-4	YA92082-85	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Rick 5-8	YA92086-89	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Rick 9	YA920890	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Rick 10-14	YA920891-95	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Rick 15-21	YA92748-54	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Cabage 1	YA92757	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Cabage 2	YA92758	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Cabage 3	YA92759	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Cabage 4	YA92760	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Cabage 5-14	YA92761-69	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Cabage 17-20	YA92770-73	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Cabage 21	YA92774	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Cabage 22-24	YA92775-76	2002/01/29	2004/01/29	Bill Harris/E. Wienecke
Greenstone 7-9	YA92778-80	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Greenstone 10	YA92869	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Bynordac 1-6	YB05903-08	2002/01/29	2003/01/29	Bill Harris/E. Wienecke
Boo 1-66	YB07740-806	2001/08/31	2002/08/31	B. Harris
Boo 77-86	YB07806-15	2001/08/31	2002/08/31	B. Harris
Boo 101-104	YB07816-19	2001/08/31	2002/08/31	B. Harris
Boo 67-76	YB08026-35	2001/09/09	2002/09/09	B. Harris
Pauline 1	YB37987	2002/01/29	2004/01/29	B. Harris
Goldstar 1	YB37988	2002/01/29	2004/01/29	B. Harris

*following approval of filing

Chapter 2 – Geology and Mineralization

The geology and mineralization of the region and the property was summarized in the 2000 assessment report (Craig, 2001). This information is repeated below.

The following information in this chapter is taken from the Geological Evaluation Report on Caribou Creek Report by Graham Davidson dated December 1997.

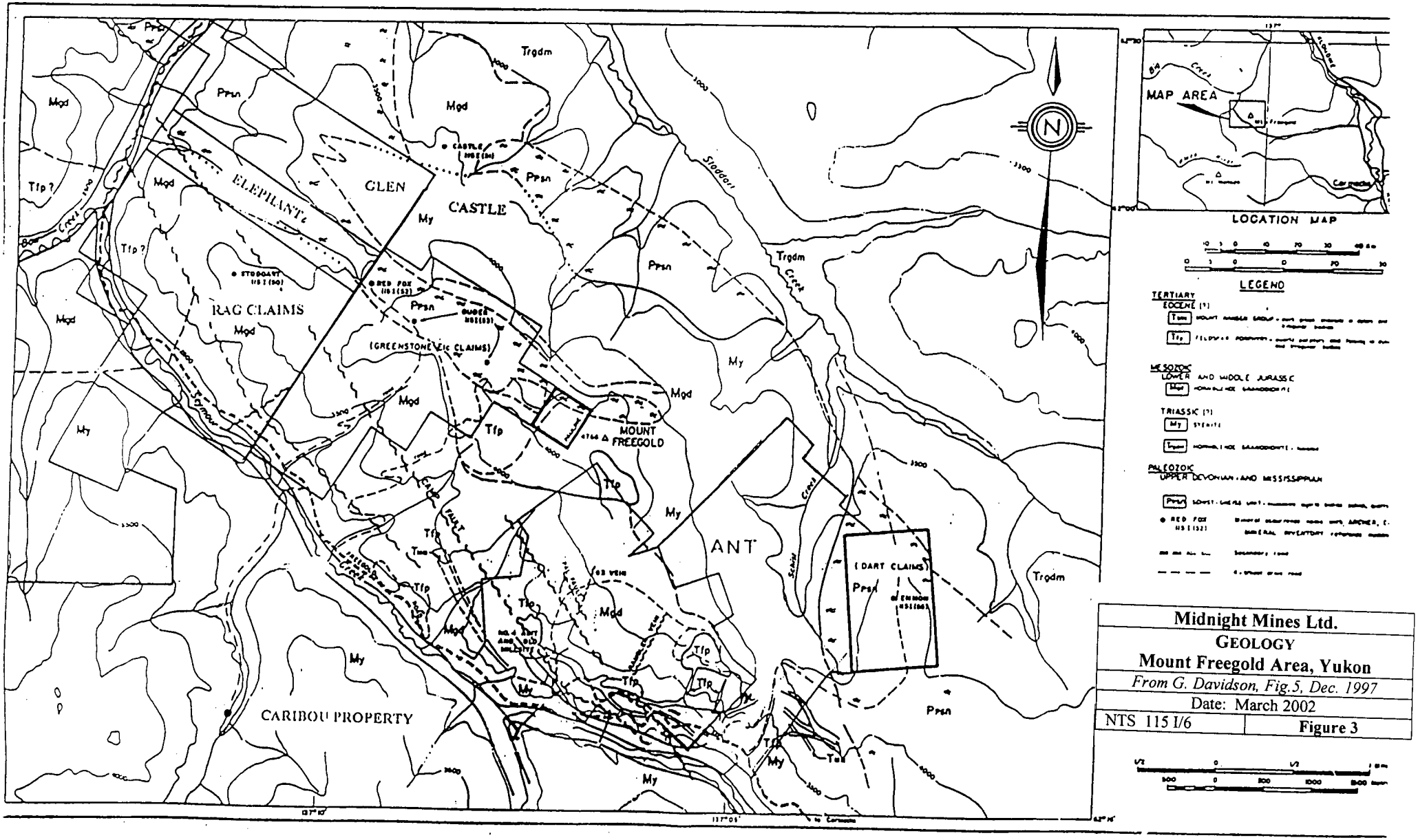
A. Regional Geology

The Freegold Mountain area lies in the Dawson Range plutonic belt, a complex assemblage of siliciclastic, metavolcanic and metaplutonic rocks intruded by Mesozoic and Tertiary volcanic and plutonic suites. The northwest bearing Big Creek fault, a regional structure, crosses Freegold Mountain and is the locus of Cu-Au mineralization associated with skarns, breccias and mafic to felsic intrusions of the Dawson Range Batholith, Mount Nansen and Carmacks Groups. Volcanic flows, stockworks and dykes of Cretaceous to Tertiary Mount Nansen and Carmacks Group intrude and overlie the older plutonic rocks.

The Caribou Creek and Freegold areas are primarily underlain by syenite, granodiorite and quartz monzonite of the Early Jurassic Mount Freegold Meta-Plutonic Suite and by Casino granodiorite of the Early Cretaceous Dawson Range Plutonic Suite (see Figure 3.)

A more detailed description of the regional rock units starts with the oldest rocks in the map area, the Wolverine Creek Metamorphics composed of metamorphic units of Early Palaeozoic age, part of the Yukon-Tanana Terrane. The metamorphic lithologies consisted of rocks of sedimentary, volcanic and lesser plutonic origin. Regional tectonic metamorphism altered these lithologies during the Late Ordovician to Middle Jurassic time to quartz-mica schist, gneiss, and metasedimentary units. The thin units display a strong and generally consistent, parallel lineation that closely parallels their original bedding. During the Early Jurassic period, a major structural event of arc-continent collision created a strong northwest (NW) structural orientation as well as stress related high angle shear and extensional fractures in the northeast (NE) direction.

In Early Jurassic to Triassic time, the metamorphic rocks were intruded by granitic rocks of the Mount Freegold Meta-plutonic Suite then the Early Cretaceous Dawson Range Batholith consisting of biotite-hornblende rich granite, granodiorite and quartz diorite. In the Seymour Creek area the batholith is biotite rich, leucocratic quartz monzonite and granite. The NW trending Big Creek fault system caused a strong northwest structural orientation in some of the granites. Bodies of Late Cretaceous quartz monzonite and latite porphyry breccias of the Prospector Mountain Suite intrude the Dawson Range Batholith. Intense argillic and propylitic alteration zones in these intrusions host auriferous oxide breccia zones.



Midnight Mines Ltd.	
GEOLOGY	
Mount Freegold Area, Yukon	
From G. Davidson, Fig.5, Dec. 1997	
Date: March 2002	
NTS 115 I/6	Figure 3

The Mount Nansen and Carmacks Groups volcanics and dykes were emplaced after the granitic units possibly as the volcanic component of the Prospector Mountain Plutonic Suite. The source pluton caused local uplift and doming of the Dawson Range granodiorite allowing a greater rate of erosion. Mount Nansen felsic dykes intrude the other lithologies and are often closely associated with mineralized quartz veins and breccias. The Carmacks Group volcanics consist mainly of mafic flows and tuffs with local andesite to latite breccia, subvolcanic dykes and sills.

Four types of mineralization occur in the Mount Freegold area; low-grade gold bearing felsic breccia bodies associated with younger intrusive rocks; low-grade gold deposits on the periphery of the intrusive porphyries; higher grade gold bearing quartz veins and lenses along shear zones; and gold bearing magnetite skarns. At Antoniuk, gold mineralization occurs in a brecciated felsic stockwork body within Carmacks Group igneous rocks. The stockwork is altered containing 1-2% pyrite as disseminations in thin quartz veinlets. Gold values grade 1.1.6 gpt while silver values in the stockwork are up to 90 gpt. Vein-fault deposits occur at Laforma, free gold and electrum in the G-3 quartz vein with average grade of 15.1 gpt while at Caribou free gold occurs in a quartz stockwork. Magnetite skarn occurs on the Augusta claim containing free gold in vuggy and limonitic magnetite. Sporadic very high gold assays have not been duplicated by drilling of the skarn. At Casino, gold is present in an oxide horizon in the upper portion of a porphyry copper deposit. Reserves at Casino are reported at 675 mt at 0.5 gpt gold and 0.25% copper.

B. Structure

Structural events in Jurassic time consisted of arc-continent collision. The principal stress direction was southeast-northwest (130-150°) which created dextral (right-hand) transcurrent faulting. The Tintina Fault is a prominent NW structure of regional proportions located one-hundred and fifty kilometres northeast of the Seymour Creek area and the Denali Fault located 100 kilometres west of Seymour Creek marks the western margin of the Yukon Tanana Terrane. The Tintina Fault has been interpreted to have moved as much as 450 kilometres in a right-lateral, strike-slip displacement. The Big Creek Fault is also a NW trending structure which has been interpreted as displaying a similar right-lateral faulting with up to 14 kilometres of displacement. The Big Creek fault zone trends along the north side of Seymour Creek valley but is not exposed due to overburden. Oblique angled secondary faults to the main NW fault zones host the quartz veining at Caribou Creek and Freegold Mountain.

Intrusion of the Prospector Mountain Suite occurred along the NW faults causing local uplift and collapse features. Porphyry style mineralization (Cu-Mo) occurs in a quartz monzonite stock at Casino and on the Dart property. During the intrusion, both porphyry dykes and later stage mesothermal and epithermal quartz veins and breccias infilled many of these NW faults. Continued fault movements are evidenced by slickenslides and brecciation found within many veins and porphyry dykes. Three structural orientations with varying degrees of lateral displacement are interpreted.

1. 130°-150° The dominant SE-NW structural trend on the property consistent with the Big Creek Fault zone
2. 020° A secondary structural trend primarily as splays of the main NW features. Mineralized quartz veins occur in this trend although they are discontinuous and narrow.
3. 340° A third regional trend expressed as minor faults, fractures and joints. At Caribou the shear zone follows this trend.

C. Property Geology

The Caribou Creek valley is fairly steep sided but does not feature much outcrop. Coarse-grained syenite outcrops on several small castillated ridges above Rabbit Gulch and there is good rock exposure in the large open cut on the shear zone. Four rock types are present in the open cut and nearby trenches, a medium grained white to yellow monzonite, a tan to orange rhyolite, unusual black feldspar-quartz porphyry volcanic unit and a fine-grained graphitic siltstone.

Structurally the shear zone hosting the Caribou vein trends about 340° and dips 45-65° east. The shear has been traced for 1.5 km to the north and forms an oblique angled structure to the Big Creek fault.

The Caribou Creek property is primarily underlain by syenite of the Mount Freegold Meta-plutonic Suite intruded and overlain by Cretaceous to Tertiary igneous and sedimentary rocks of the Mount Nansen Group. The most common unit in the area is a fresh, coarse-grained syenite (My) which generally contains large phenocrysts of pink orthoclase in a coarse matrix of hornblende and plagioclase feldspar. Accessory minerals include quartz, magnetite, epidote and chlorite. Lenses of amphibolite and gneiss occur within the syenite. Quartz monzonite (Mqm) and granodiorite (Kgd) are less common than the syenite. They consist of equigranular medium-grained to porphyritic quartz-plagioclase-biotite-hornblende rocks, variably foliated. Sericite, kaolinite and chlorite alteration is locally present in the syenite, quartz monzonite, and in Casino granodiorite.

Mount Nansen Group intermediate to felsic volcanic rocks (Kmn) consist of flows and dykes. Two types of dykes or sills are seen at Caribou Creek. One is the tan to orange weathering fine-grained rhyolite porphyry which is visible in the hangingwall of the mineralization. The second is a black quartz feldspar porphyry unit containing abundant graphite and also present in the open cut. The following geological units occur in the area:

Devono-Mississippian
Wolverine Creek Metamorphic Complex, basement rocks, meta-igneous and metasedimentary schist and gneiss consisting of quartz biotite schist, hornblende schist, gneissic equivalents, quartzite and minor limestone. The primary foliation trends northwest-southeast.

Jurassic

Mount Freegold Meta-plutonic Suite, orthoclase-hornblende porphyritic syenite (My) outcrops along the Caribou Creek road. Quartz monzonite (Mqm) occurs along Caribou Creek and forms footwall rocks of the quartz stockwork.

Mid-Cretaceous

Dawson Range Batholith, quartz-hornblende-biotite granite and Casino granodiorite (Kgd). Granodiorite outcrops on many of the ridges in the area.

Late Cretaceous

Prospector Mountain Plutonic Suite, quartz monzonite (LKqm) stocks, felsic dykes and breccias. Quartz monzonite porphyry and biotite granite porphyry intrude the older intrusive and metamorphic rocks on the claims. Typically fresh specimens are pale gray in colour with abundant biotite. Some brecciation of the porphyry was noted in drill core.

Mount Nansen Group, rhyolite breccia and felsite dykes, andesite flows. Felsic dykes and breccias associated with epithermal gold mineralization at Mount Nansen. Black sediments and volcanics; mainly graphitic siltstone (LKsC) with very minor silty sandstone; intercalated with and intruded by a number of highly altered porphyritic volcanic bodies (LKIC) composed of quartz and feldspar phenocrysts in a muscovite-graphite matrix. In places, sericite mats replace the feldspar. The graphitic siltstone contains terrestrial fossils including grasses, stems, twigs and leaves. This unit hosts auriferous quartz veins at Caribou Creek.

Tertiary

Carmacks Group (LKCg), basalt, pyroclastics, tuffs, porphyry and breccia outcrop east of Freegold Mountain. The rocks weather brown to reddish brown and overlie granitic rocks. Variable in composition from olivine rich to feldspathic.

D. Mineralization

Around Freegold Mountain quartz veining is located along shear zones trending northwest-southeast parallel to the Big Creek fault and in oblique angled structures such as at Caribou Creek. The footwall contact is marked by slickensides, graphite and an orange to red clay layer of variable thickness. Quartz-chalcedony occurs as anastomosing veins and stockwork in the shear zone. The hanging wall is poorly defined but is marked by fractures and a decrease in the amount of quartz veining. At Caribou Creek auriferous quartz stockwork is present where the shear zone cuts graphitic sediments. Four primary mineralization types are recognized in the area:

1. Epithermal and Mesothermal Veins: The primary NW trend and the secondary NE structures have the potential to host quartz veins that are often parallel to porphyry dykes. Near surface these veins are moderately to completely oxidized. Precious metal and quartz content tend to increase with sulphide content and depth. The Mount Nansen deposits are primarily this style of mineralization described as zones of multiple quartz veins and lenses along a NW trend. At Silver Tusk a mesothermal quartz vein contains massive galena and sphalerite in silver rich ore shoots. The

Caribou Creek stockwork occurs along a shear zone trending 160°. The mineralizing fluids passed along the shear and were injected under pressure into the graphitic siltstone forming a stockwork. The system appears to be a multiphase injection process with the veins refractured and brecciated. The graphite in the siltstone acted as a chemical barrier precipitating the free gold into the narrow quartz veins and on vein margins.

2. Porphyry Cu-Mo: The focus of exploration in the early 1970's in the Dawson Range, porphyry mineralization at Freegold, Casino, Granite Mtn. etc. was explored by geochemistry, geophysical surveys and drilling. Fairly low grade orebodies were outlined consisting of oxide and sulphide mineralization. Average grades in the hypogene zone were determined at 0.6 – 0.12 % Cu and 0.01% MoS_2 with approximately double the grade in the supergene enrichment zone at about 65 metres of depth. The best copper grades were associated with potassic alteration in a broader phyllic altered zone in quartz monzonite porphyry and granodiorite stocks and breccia bodies.

3. Peripheral Porphyry: Located on the periphery of the main porphyry bodies, low grade gold-pyrite-arsenopyrite mineralization is hosted by sericite-phyllite alteration zones in porphyry stocks, breccia zones and NW fault zones. Gold bearing zones follow the NW structural trend and epithermal veins and gold-pyrite bearing argillic to phyllic alteration zones intermix. Host rocks include breccias, porphyry dykes and quartz monzonite to latite bodies.

4. Magnetite-goethite-limonite Skarn: The metamorphic rocks consist of quartz-feldspar-mica-chlorite gneiss and schist. The primary skarn assemblage consists of magnetite, epidote, diopside, red and brown garnet and calcite and carries gold and silver. Locally superimposed on the primary skarn is a retrograde assemblage of quartz, hematite, actinolite and chlorite which returns erratic high gold and silver values.

Chapter 3 – Historical and 2001 Work Programs

A. History

Prospector P.F. Guder first discovered gold bearing rock on the west side of Freegold Mountain in 1930. He located the Augusta claim over an auriferous magnetite showing and proceeded to dig hand pits and shafts along the structure. On hearing of the find, prospectors rushed into the region, staking over 100 claims in the autumn and winter of 1930-1931.

The Laforma quartz vein was discovered on the southeast side of the Freegold Mountain and was developed by the N.A. Timmins Corporation from 1934-1935. In 1935 the Yukon Consolidated Gold Corporation acquired the Laforma property and continued the underground development. Seymour, Cabin and Caribou creeks were first prospected for placer gold in the 1930's by Guder and associates. They sunk numerous shafts along the narrow steep sided valleys. On finding boulders of quartz containing visible gold at the bottom of a small gulch (Rabbit Gulch) they began trenching the side hill. The bedrock source was located above Caribou Creek and staked as the Dark Moth claim in 1937 by W. Teare. A gravity fed stamp mill was constructed by T.C. Richards and E. Keobke to process hand picked ore from an open cut and adit. In 1938 twelve tons of high grade quartz was milled, producing 88 ounces of gold.

In the winter of 1938-1939 the milling equipment was moved from Caribou Creek to the Laforma property.

At the Caribou property, 31 diamond drill holes (1,500 metres) were completed between 1988-1989 for Doron Exploration Co. The drilling outlined a high grade gold bearing quartz vein stockwork occurring along a shear zone at the contact between graphitic siltstone and underlying volcanic or igneous rocks. An attempt to mine the stockwork in a large open cut by Sayre Development Inc. in 1990 proved unsuccessful. Excavating and stripping on the open cut covered most of the original drill collars and trenches. A 50 tpd mill was constructed and operated for a short period in 1990. The mill remains on site but will require extensive rehabilitation and construction to make it operational.

In 1994, Dark Moth Mines Ltd. drove an adit on the quartz vein stockwork intersecting the shear at 11 meters and then drifted a short distance in both directions along the shear. Detailed chip sampling of the stockwork in the adit was performed in 1994 and 1996.

In 1998 G. Davidson sampled the open cut and underground workings. Anomalous values of 151.50 gpt gold over 2 feet, 6 inches was returned from the adit. An eight inch wide breccia zone in the open cut returned 11.58 gpt gold.

In 2000 the adit and drift were dewatered and sampled, as well as the open cut. The adit samples returned results up to 1.049 opt gold. One grab sample taken from the south end of the open cut contained visible gold and returned an assay of 134.886 opt gold. Prospecting located additional areas of interest that warranted follow-up. Grid

preparation (extension and flagging) completed will facilitate additional geophysical surveys and geological mapping on the property scale.

B. 2001 Work Program

Baseline and Grid Development

The baseline on the property was recut and pickets were rewritten from 100+00N to 110+00N by Bill Harris. He also relocated and reflagged the grid from 100+00N to 109+00N (see Figure 4).

Prospecting

Prospecting traverses were undertaken in several areas of the property, in search of rocks which would correlate to the "breccia unit" or "black unit" the main showing at Caribou Creek. Old road cuts and trenches from previous programs were prospected and sampled as well as the trenches and trails built in the 2001 season. Some follow-up prospecting was done in areas prospected in 2000.

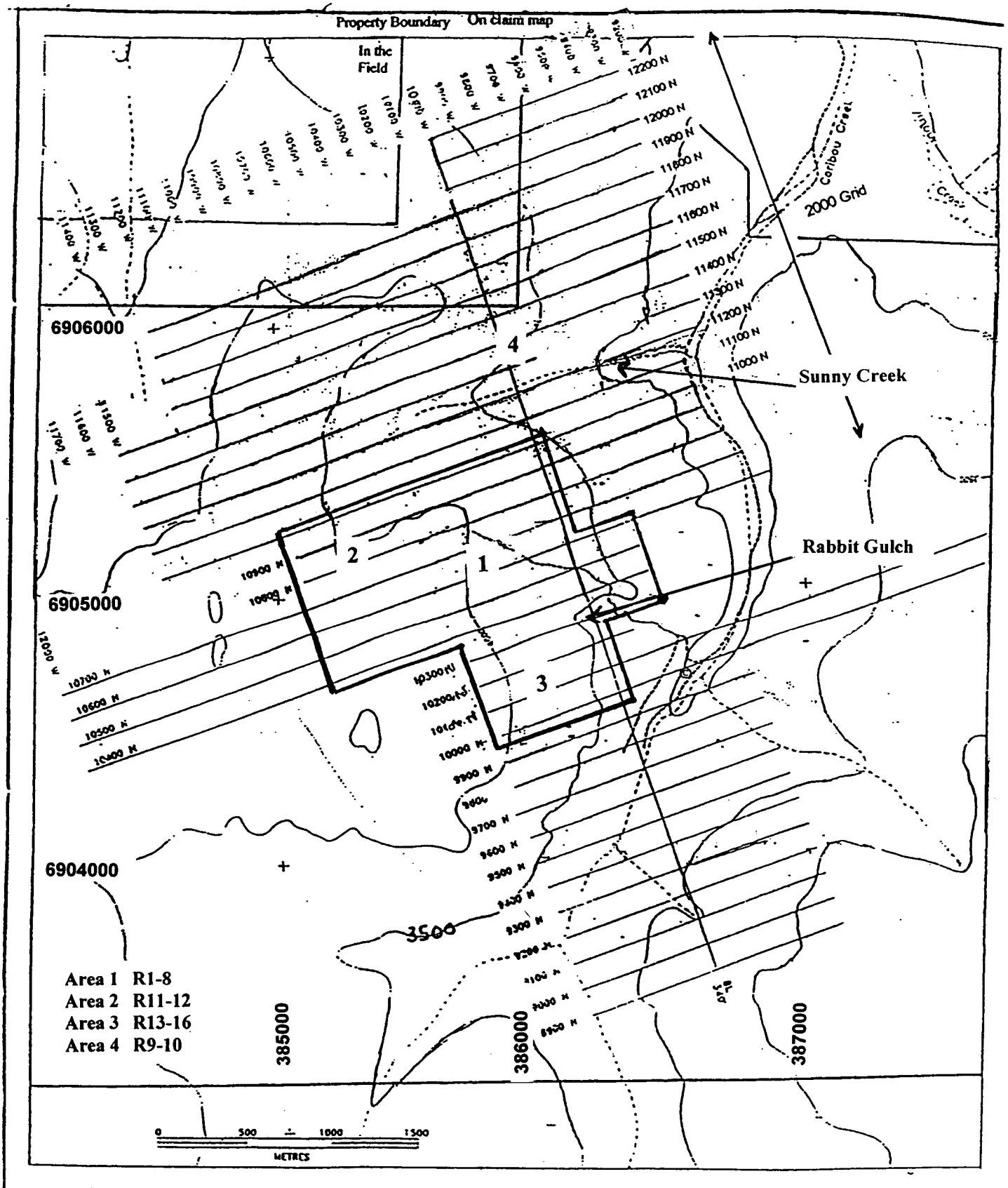
Areas 2 and 3 referred to in the 2000 assessment report by Craig (2001), which are located between Sunny Creek and the open cut to the west of the baseline were intensively prospected this year (referred to as Area 1 on Figures 4 and 5). This resulted in the discovery of several boulders of float material reminiscent of the high grade zone in the open cut at Rabbit Gulch. Visible gold was found in this float material which was made up of brecciated black graphitic siltstone in a quartz matrix.

Extensive prospecting was done along the perceived "strike" of this float (it was found across approximately 100 metres) but no in-place material could be located. The presence of permafrost under the moss prevented subsequent bulldozer trenching from reaching bedrock.

Intensive prospecting was carried out upslope of the new float, and although numerous occurrences of the "black unit" were found in float, no brecciated material was encountered. A total of 8 samples of brecciated float (01-R1 to 01-R8) were collected in Area 1 (refer to Figure 5 for sample locations).

Another area prospected was at the headwaters of Sunny Creek on the northwestern slope of Caribou Mountain (referred to as Area 2 on Figures 4 and 5). This area is underlain by coarser grained siltstone (possibly sandstone?) with some quartz veining. Veins encountered were small and intermittent and no sulphides or gold were noted. Two samples (01-R11 and 01-R12) were collected from this area.

The area of the upland on the "step" of the mountain above the open cut was also revisited and prospected. This area (referred to as Area 3 on Figures 4 and 5) is approximately 750 metres south of the new area of float and centred on an area 450 metres west of the open cut. A coarse grained black unit was encountered in float but no gold was visible. Four samples (01-R13 to 01-R16) were collected from this area.



LEGEND

Elevation contour interval, (500 feet)

Stream, creek

4-wheel drive road

Property Boundary

Camp location

Midnight Mines Ltd.	
2001 BASELINE & FLAGLINE GRID RECONSTRUCTION Caribou Creek Property	
From G. Davidson, Fig. 5, Dec. 1994	
Scale: 1:20,000	Date: March 2002
NTS 115 I/6	Figure 4

Another old road cut which begins on the north side of Rabbit Gulch and connects to the main Caribou Creek access road upstream of Sunny Creek was prospected and sampled (referred to as Area 4 on Figures 4 and 5). Some material made up of brecciated brown syenite and quartz was encountered. Two samples (01-R9 and 01-R10) were collected from this area. Sample descriptions are included in Appendix A. Assay results will be reported in the future.

Trenching, Access Trail and Road Maintenance

Road maintenance and upgrading was performed on the main Caribou Creek access road (see A on Figure 5) in an ongoing effort to widen the road and prepare it for grading and ditching. Several stretches were relocated up onto the hillside, farther away from areas prone to washouts.

Trenches directly above the open cut were cleaned out for mapping purposes (see B on Figure 5) and to reopen access above the main showing. This will also permit exploration of the vein system to the south of the open cut where it has been identified with geophysics but not exposed and followed up in previous trenching attempts.

The switchback trenches on the north side (see C on Figure 5), were also reopened and through them access was gained to the area north of Rabbit Gulch and the anomalies extending to the north. Several access trails (see D on Figure 5) were built to the north side of the existing trail up onto the upland to enable the movement of an excavator to trench anomalies in that area and for future access to drill sites. Two access trails (see E on Figure 5) were also begun on the south side of the existing trail for the same purpose.

Two trenches were begun (see F on Figure 5) in the area where brecciated float containing visible gold was found in 2001. These trenches all failed to reach bedrock due to the presence of permafrost The trenches were cut across the perceived trend of the float. The details of these trenches are located in the table below. Figure 5 also shows the details of the trenching.

Table 3: 2001 Trenches

Trench	Length	Width	Depth
1	65 m	7 m	1 m
2	44 m	7 m	1 m

Discussion and Recommendations

Midnight Mines Ltd. is hoping to advance the Caribou Creek project to a small scale mining and milling operation in the near future. To achieve this goal the following factors must be considered.

1. **Rehabilitating the existing mill on the property into a fully functional ore processing and gold recovery facility**
   Mike Bourdeau (1995) and Rod Samuels (2000), both metallurgists and mill construction specialists, have visited the property and assessed the site. Preliminary plans and estimates have been produced for the refurbishment of the mill and construction of a building to house the mill as well as reconstruction of the tailings dam.

2. **Mine planning and Permitting**
   A database must be prepared using geological software. The pit and underground workings as well as the tailings area, trenches and picket grid should be surveyed and put in the database. Other relevant features on the property such as trenching, roads, showings, property geology etc. should be located with a GPS survey and imported into the database. At that point tonnage and grade of the deposit could be calculated from present data and drill sites located for future infill drilling. The water license permit which expired in October of 2001, also needs to be rewritten and resubmitted.

3. **Exploration to delineate reserves and provide future resources for development**
   In the past VLF-EM conductors have been found to be the best exploration method to define the ore zone at Caribou Creek. Baseline and flagline grid preparation in 2000/2001 will facilitate additional geophysical surveys on a property scale. These geophysical surveys will also relocate conductors from previous surveys which were never followed up by trenching or drilling. When anomalies are found (either new or existing) closely spaced infill lines on 25 m spacings with 10 metres stations should be used to define the anomaly, at which time they should be marked on the ground with steel pins, for later trenching and drilling. MAG and VLF-EM surveys should also be performed across the area in which new float carrying visible gold was found in 2001 as this area gave no response in previous geophyscial programs. VLF conductors should be tested in detail using integrated exploration methods, particularly geochemical overburden sampling. This may highlight specific sections of the conductors that are more likely to be mineralized. Detailed geological mapping in the pit, underground, in the new trenches and road cuts and on the grid will help locate and define the Caribou Creek structure and possibly a new vein in the area of the 2001 float discovery. Anomalous areas and trenches begun in 2001 should be trenched with an excavator. Diamond drill holes should be located to test these anomalies and to further define reserves of gold in the pit and adit area.

Exploration to delineate reserves and provide future resources is recommended in the following programs:

Phase I Surface Exploration

Prospecting	30 days
Geological Supervision and Mapping	30 days
Gridwork	8 km of cut tie line grid
Geochemistry	500 samples
Geophysics	40 km MAG-VLF-EM
GPS Survey	10 days
Replotting diamond drill plans, cross sections, property geology, database construction and reinterpretation of new plots	
Report Preparation and Drafting	

Phase II Trenching and Diamond Drilling contingent upon Phase I results

Certificate

I, SUSAN PATRICIA CRAIG, of the City of Whitehorse, in the Yukon Territory, HEREBY CERTIFY:

1. That I am consulting geologist and that I visited the property on June 17 and 18, 2000.

2. That I am a graduate of Lakehead University (M.Sc. Geology, 1991) and the University of Calgary (B.Sc., Geology, 1986).

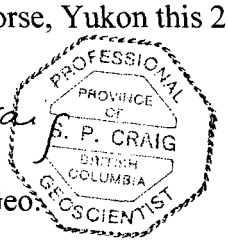
3. That I am a registered Professional Geoscientist with the Association of Professional Engineers and Geoscientists of British Columbia.

4. That I have been engaged in mineral exploration and development on a full time basis for 11 years in the Yukon and British Columbia.

5. That I have no interest, direct or indirect in the properties or securities of Midnight Mines Ltd. nor do I expect to receive such interest.

SIGNED at Whitehorse, Yukon this 28th day of February, 2002.

Susan P. Craig



Susan P. Craig, P. Geo.

Calculation of cost per cubic metre for material moved at Caribou Creek
Letters refer to Figure 5 of the report

A Road Maintenance and Upgrading

	length	width	depth	cu. yds	cu. m
	50	7	3	1050	808
	75	7	3	1575	1212
	90	7	3	1890	1454
	50	7	3	1050	808
	215			4515	4281
blading	2.5 km	3 hours @ $150/hour = $450			

B Reopen Trenches

50	7	4	1400	1077
50	7	3	1050	808
30	7	2	420	323
50	7	2	700	538
			3570	2746

C Reopen Trenches

150	6	1.5	1350	1038

D New Access Trails North

360	7	1		2520
75	5	1		375
225	6	1	1350	1038
660				3933

E New Access Trails South

100	7	1	700	538
240	6	0.5	720	554
340				1092

F New Trenches

65	7	1		455
44	7	1		308
				763

Total cubic metres moved **13854**

Trenching and Road Construction (including operator, fuel)	$	12,000
Operators accomodation/food - 7 days @ $35/day	$	245
	$	12,245
Access road in was bladed - 3 hours @ $150/hour	$	450
Total cost of cubic metres moved	$	11,795
cost per cubic metre	$	0.85

Calculation of cost of road maintenance versus new access

	cu. m	$/cu. m	other	total
road maintenance/upgrading	4281	$ 0.85	$ 450.00	$ 4,094.52
new trenches	763	$ 0.85		$ 649.59
reopen trenches	3785	$ 0.85		$ 3,222.11
new access trails	5026	$ 0.85		$ 4,278.79
			total	**$12,245.00**

Revised Statement of Costs

Prospecting

Personnel:

B. Harris, 8 days @ $300/day — $2,400
Prospecting, Hand trenching, Re-establishing grid

Hank Fehr, 7 days @ $250/day — $1,750
Prospecting

Transportation

Truck Rental, Fuel — $1,525

Camp & Supplies — $525

Total Prospecting: $6,200

Trenching and Road Construction:

Trenching and Road Construction: — $12,000
Including operator, fuel

Camping & Supplies — $245

Total Trenching and Road Construction: $12, 245

Report Preparation — $1,600

Total: $20,045

References

Craig, S.P. (2001) 2000 Assessment Report on the Caribou Creek Property, for Midnight Mines Ltd., Feb. 27, 2001

Davidson, G. S. (1997) Geological Evaluation Report on the Caribou Creek Property, for Midnight Mines Ltd., Dec. 15, 1997.

Davidson, G.S. (1994). Exploration Report on the Caribou Property and Glen Claims, for Midnight Mines Ltd., December 1994.

Davidson, G.S. (1994). Exploration Report on the Freegold Mountain Project, for Harris & Assoc. Explorations, February 1994.

Gordey, S.P. and Makepeace, A.J. (1999), Yukon Digital Geology, Yukon Minfile, 115I053,Geological Survey of Canada, Open File D3826.

Tenney, D. (2001a). Notes on Visit to Caribou Creek Gold Property, June 2000, Jan. 21, 2001.

Tenney, D. (2001b). Notes on Caribou Creek, Feb. 19, 2001.

Appendix A
Rock Sample Descriptions

Appendix A – Rock Sample Descriptions

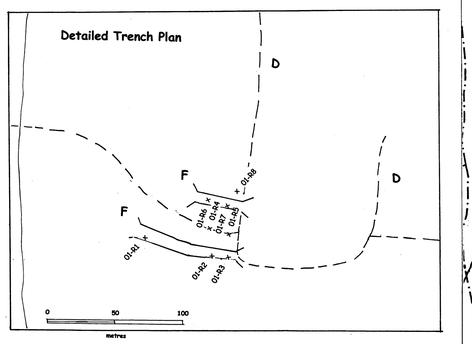
Sample	Type	Location	Description
01-R1	Float	Area 1	Vuggy crystallized quartz vein in semi-graphitic matrix, reddish brown stain (due to oxidation of sulphides?)
01-R2	Float	Area 1	Mainly quartz (vuggy) with bands of graphitic siltstone; contact between quartz vein and bands of siltstone heavy reddish brown stain
01-R3	Float	Area 1	Well brecciated quartz with squared pieces of graphitic siltstone, reminiscent of material from footwall side of Caribou vein (portions appear to be altered rhyolite); cavities filled with vuggy quartz; reddish brown stain
01-R4	Float	Area 1	Well brecciated quartz within graphitic siltstone, quartz more vuggy than sample R3
01-R5	Float	Area 1	Well brecciated quartz veins in a brownish-red matrix which appears to be altered rhyolite; minor amounts of graphitic siltstone (appears a small black specks in sample)
01-R6	Float	Area 1	Black graphitic siltstone with quartz veining throughout; veining is fine and slightly vuggy in places
01-R7	Float	Area 1	Black graphitic appearing rock with small blebs of quartz and minor quartz veining (appears to be similar to more "porphyritic" appearing rock at main showing)
01-R8	Float	Area 1	Very brecciated vuggy quartz veins in black graphitic matrix; well crystallized quartz
01-R9	Float	Area 4	Poorly developed greenish-grey syenite with quartz vein flooding throughout; probably wallrock material from vein in syenite beside or within Sunny Vein
01-R10	Float	Area 4	Well crystallized quartz vein material; slightly oxidized (brownish-red) rhyolite material also contained within breccia
01-R11	Float	Area 2	Coarse-grained siltstone or fine-grained sandstone; small specks of shiny quartz or mica in broken surface
01-R12	Float	Area 2	Black siltstone or shale; fine texture with some layering; no quartz
01-R13	Float	Area 3	Sample taken from area above main vein at Caribou main showing, above the trenches; black unit – coarse grained with quartz veins and some oxidized quartz patches in matrix; sample from float boulder; minor yellowish orange oxidation production
01-R14	Float	Area 3	Coarse grained black unit with smaller, finer quartz veining than in sample R13; oxidized quartz patches in matrix
01-R15	Float	Area 3	Similar to samples R13 and R14, yet sample has very fine quartz veining in a coarser matrix
01-R16	Float	Area 3	Black unit; slightly "porphyritic", no quartz – locate above highest trench above Main Zone

384,000m 385,000 386,000 387,000 388,000 389,000 390,000

6,906,000 6,905,000 6,904,000 6,903,000m N

384,000m E 385,000 386,000 387,000 388,000 389,000 390,000

Detailed Trench Plan



Area 4

Area 1

Area 2

Area 3

Refer to detailed trench plan

Rabbit Gulch

Sunny Creek

Caribou Creek

Seymour Creek

Porcupine Gulch

Major Gulch

Forrest Gulch

Baseline

3500

3000

4000

4500

LEGEND

- elevation contour interval, (500 feet) — 4000
- stream, creek
- access road
- access trails
- all weather road
- rock sample — × 01-R1
- adit
- mill — M
- trenches
- historical trenches
- historical drill holes
- camp location — C

T.N.

2° 00'

Grid North

0 200 400 600 800

METRES

Midnight Mines Ltd.	
2001 SAMPLING, TRENCHING AND ACCESS TRAIL PLAN	
Caribou Creek Property	
Scale: 1:5,000	Date: March 2002
NTS 115 I/6	Figure 5