J.C. **STEPHEN EXPLORATIONS LTD.**
746 Regal Cres., North Vancouver, British Columbia V7K 2X8 Telephone (604) 988-1545

May 3, 1992

Mr. Douglas Baird,
P.O. Box 4538,
Whitehorse, Yukon Y1A 2R8

Dear Doug;

Scottie Thom called last Friday to see whether we had got together and I told him of our meeting and our visit with Lindsay Bottomer. Since then I received the enclosed letter from Bottomer with which I return your report on the Idaho Hill property.

I have made a copy of the technical report for my files and can, therefore, use that to approach others if that seems feasible.

As indicated, Bottomer had not looked over the HOP-ACME report but I will keep in touch with him in that regard.

Best regards,

Cam

Prime Explorations
A division of Prime Equities Inc.

11th Floor-Box 10,
808 West Hastings Street,
Vancouver, B.C.
Canada V6C 2X4

Telephone: (604) 687-7463
Telecopier: (604) 687-2309

April 27, 1992
Ref.218S

Mr. J.C. Stephen
746 Regal Crescent
North Vancouver, B.C.
V7K 2X8

Dear Cam:

RE: Dumb Donkey - Sail Claims, Wheaton River Area

Further to my recent meeting with yourself and Doug Baird, I have reviewed the report on this property. Unfortunately, with the current outlook for junior mine financings, I feel it would be very difficult to raise money for more work, and therefore decline participation.

I return the report herewith; I have not yet reviewed the report on the Hop-Acme claims, and will contact you further regarding them.

Yours truly,

PRIME EQUITIES INTERNATIONAL CORPORATION

Lindsay R. Bottomer, P.Geo.
Vice President, New Projects

Encl.

STEPHEN EXPLORATIONS LTD.

1458 Rupert Street, North Vancouver, British Columbia V7J 1G1 (604) 988-1545

August 13, 1985

Mr. Douglas Baird — Phone 1-403-667-7324
Avid Gold Resources Inc
Box 4538
Whitehorse, Yukon
Y1A 2R8

Dear Mr. Baird:

Thank you for sending the data on Avid Gold. I have taken the opportunity to copy the Pemex; W.G. Timmins and G.C. MacDonald reports for our file. Your file is returned herewith.

Macdonalds report seems to suggest that some mineralization occurs in rhyolite rather than arkosic sediments. The distinction may be extremely important - particularly if the better gold values are associated with the rhyolite. I must admit I am disappointed with the overall grade and width.

In order for Avid to get listed on the VSE substantial further money would have to be raised privately to total $100,000. Whether the $34,000 provided by way of government grant would qualify I rather doubt. Hence it may be necessary to raise about $52,000 to qualify. The procedure would have to start now if there were to be any hope to raise financing for next summer.

Since the company has spent over $60,000 on the property it might well be better to shop around for a financing group who want a vehicle to go public with - something in the order of the Anooraq - Univex arrangement if possible. Over the next few months I suspect there may be a shortage

of properties available in active areas with $60,000 already spent and available to go public with.

The Comox prospectus is being continually blocked, first by the Superintendent of Brokers and then by the VSE. They seem to pick on the flow through share financing particularly and there is no co ordination in the changes they want. Comox will not be in a position to consider an option of the Avid ground this fall.

Yours very truly,
J.C. Stephen Explorations Ltd.

J.C. Stephen

JCS/ms

AVID GOLD RESOURCES INC.

DUMB DONKEY AND SAIL CLAIMS

NTS 105D/6

AVID GOLD RESOURCES INC.

INTRODUCTION

As a prelude to diamond drilling to be conducted at the Idaho Hill property of Annie Lake Mines Ltd., PEMEX Consultants, upon the request of Mr. Robert Miller, President and Director, has carried out an integrated work programme on the property which include VLF-EM and magnetometer surveys, rocks and soil sampling, and detailed geologic mapping during the month of June 1980. The surveys covered approximately 12 mining claims and yielded several promising anomalies in the area.

SUMMARY

Annie Lake Mines Limited owns, by virtue of staking, a total of 66 mineral claims situated near Annie Lake about 28 miles south of Whitehorse. The property is underlain by greywacke of the Laberge Group of Lower to Upper Jurassic age, and by the granodioritic intrussive of Cutaceous age. A few small dykes of basalt, andesite and porphyritic diorite also occur in the area.

Mineral showings or occurrences are quite abundant and are closely associated in space in the trenched - adit area. Showings of moderate density also occur in the lower reaches of Schnabel Creek on the north side. Elsewhere, the showings are few and far between. Invariably, the greywackes are the host rocks to the mineral deposits in the area.

The mineralized structures vary in widths from a few inches to 50 feet or more, and from a few feet to several hundred feet in lengths. The minerals are galena, arsenopyrite, sphalerite, pyrite, and chalcopyrite in a gangue

of quartz with or without calcite. The ores generally contained some gold, but are of value for their silver and lead contents.

Rocks geochemical survey delineated a silver - lead - zinc anomalous zone of about 200 feet wide and at least 600 feet long.

VLF-EM survey outlined several conductors, reflecting possible sub-surface massive sulphide mineralization.

PROPERTY

Annie Lake Mines Ltd. owned a total of 66 claims listed as follows:

CLAIM NAME	GRANT NO.	EXPIRY DATE
Dumb Donkey #1	Y75338	March 12, 1981
Dumb Donkey #2-4 incl.	Y75437-39	May 10, 1981
Dumb Donkey #5-35 incl.	Y75555-85	June 26, 1980
Dumb Donkey #36-37	Y75630-31	June 26, 1980
Dumb Donkey #38-39	Y75632-33	June 26, 1982
Dumb Donkey #40	Y75634	June 26, 1980
Dumb Donkey #41-43 incl.	Y75807-09	July 3, 1981
Dumb Donkey #44-45	Y91018-19	September 20, 1980
Dumb Donkey #46	YA3970	October 29, 1980
Dumb Donkey #47-48	YA3971-72	October 29, 1980
Dumb Donkey #49-50	YA3973-74	October 29, 1980
Sail #1-2	Y93108-09	March 17, 1981
Sail #3	YA25395	August 15, 1981
Sail #4-7 incl.	YA25396-99	August 15, 1981
Sail #8-10 incl.	YA48196-98	September 7, 1980
Tow #1-6	YA19395-400	August 4, 1980

LOCATION & ACCESSIBILITY

The property embraces portions of Idaho Hill and Folle Mountain area on the west side of Corwin Valley, Wheaton River Division, Whitehorse Mining District, about 1.5 miles west of Annie Lake and 28 miles south of Whitehorse, Yukon Territory. Approximate coordinates: 60° 16' N. Latitude and 135° 03' W. Longitude; elevations, between 2,500 and 4,500 feet.

The property is accessible by means of 15 miles of gravel road from Robinson on the White Pass Railroad and the Whitehorse Carcross road. Seaport facilities at Skagway, Alaska is connected to Robinson by 90 miles of rail. Skagway is also accessible by road from Whitehorse.

PHYSIOGRAPHY, CLIMATE & VEGETATION

The area in question is mountainous, relief is rugged with steep slope, rising quite abruptly from 2,500 to 6,100 feet above sea level. Trees abound at lower elevation below 3,000 feet, where outcrops are rare because of thick overburden consisting of talus, glacial till, and alluvium. Above 3,000 feet of elevation, grass prevail and rock outcrops are widespread.

Long cold winters with moderate to light snowfall and short summers with temperatures ranging from 7°C to 21°C and meager precipitation characterize the climate of the area. Abundant water supply from creeks and rivers is available.

HISTORY

The property was first staked by T. Kerwin in 1893. W.F. Schnabel restaked the property in 1906 for the Union Mines, undertook limited exploration and reported a shipment of ten tons returning over $20 per ton mostly in silver. Since 1906, various groups and individuals have held the property. However, exploration was very limited until T.C. Richards of Whitehorse financed the driving of a 140 foot long adit in about 1946. At adit's end, 15 feet of sulphides mineralization containing silver, lead and zinc was exposed and extracted or high-graded.

During 1964 Cominco Ltd. conducted a programme of geological mapping and sampling over a four claim area. During 1969, A.R. Parker and Associates Ltd. conducted geophysical and geochemical surveys over a two claim area including several known showings. Some trenching and road building by a bulldozer were done to check anomalous zones, yielding hitherto unknown mineralization. Whitehorse Silver Mines Ltd. was subsequently organized and optioned the claims.

During 1968 through 1978, Douglas Baird did prospecting works, staked and built roads on the property. In 1974, Whitehorse Copper Mines Ltd. carried out a minimal reconnaissance geochemical survey on claim #2 and magnetometer survey on claims #17 and #18. In 1975, D. Baird opened up a showing on claim #38 by drilling, blasting and bulldozer work. An attempt to diamond drill the showing in 1976 was abandoned at a depth of 20 feet after difficulties were encountered in the hole.

Whitehorse Copper Mines optioned claims no. 38, 39, 44 and 45 in 1977, staked additional six claims and relinquished its option in 1978, after conducting V.L.F. - E.M. and I.P. surveys.

GEOLOGY

The area under discussion is underlain by greywacke of the Laberge group of Lower to Upper Jurassic age, and by the granodioritic intrusives of Cretaceous age. Fragments in the greywacke are made up of predominant andesites or basalts with lesser amounts of granitic or dioritic rocks. Minor associated layers or lenses of arkose, siltstone and conglomerate were seen intercalated with the greywacke in places. Argillites, hornfelses and hybrid rocks were observed locally in some of the contact zones between

the greywacke country rocks and the granodioritic intrusives. Beddings in the greywacke strike northerly and dip easterly.

The granodioritic igneous rocks are intrusive into the greywacke. They are composed of different phases intruded at different times. Granodiorite, minor granite, quartz diorite and rare quartz monzonite were recognized in the few outcrops of the area where they occur. Much coverings of glacial till, talus, and alluvium at lower elevations make outcrops, in both sedimentary and igneous portions of the contact zones scarse.

Small dykes of basalt, andesite and prophyritic diorite are seen to occur in the area.

MINERAL OCCURRENCES

In this report mineral occurrences and mineral showings are treated as synonymous terms or interchangeable expression.

Mineral occurrences are most numerous and relatively more confined or are more closely associated in space on the southeastern slope of Idaho Hill defined by old workings consisting of an adit and trenchings between elevations of 3,400 and 3,900 feet. See Fig. 4 of the accompanying report. Next in importance, if not potentially more important, are the showings which nestle the lower reaches of the Schnabel Creek on the northside. Other mineral occurrences are those indicated by MS-5 and MS-31 slightly north of east of Idaho Hill at elevations of 3,700 and 3,800 feet; one, at MS-4 on the upper reaches of Schnabel Creek to the southwest of the same hill; another, at MS-30 located on the lower section of a tributary of Schnabel Creek which drains the western side of Folle Mountain; and the remaining showings indicated by MS-20, MS-21 and MS-35 on the northeast of Folle

Mountain. Invariably, the greywackes are the host rocks to the mineral deposits in the area. See attached geological map, Fig. 3.

The mode with which the minerals occur in the different showings vary. In some, subparallel veins occupy fissures. In others, narrow discontinuous veins, pods and stringers are formed along shears or shear structures. Occasionally, the minerals were seen in cracks and fractures with lesser disseminations in the host rocks. Most significant, were two occurrences found as strata-bound type deposit, 1 foot thick along beddings between the greywacke and the intercalated argillite at the localities indicated by MS-35 and MS-33. Chances are that similar occurrences of some magnitude may hold good at depths. Furthermore, if it could be conjectured that the confined mineral showings in space referred to earlier may point out as subsurface leakages, the existence of a contact zone deposit between the granodiorite intrusives on the one hand and the intruded greywackes on the other somewhere at depths, is likewise possible.

The mineralized structures vary in widths from a few inches to 50 feet or more, and from a few feet to several hundred feet in lengths. The minerals are galena, arsenopyrite, sphalerite, pyrite, and chalcopyrite in a gangue of quartz with or without calcite. The ores generally contained some gold, but are of value for their silver and lead contents. Moderate to weak alteration of the wallrocks to silica, chlorite and sericite with minor carbonate were noted in the main adit and some, but not all, surface occurrences. Of consequence is the widespread silicification associated with the sulphides in sheeted zones, cracks and fractures seen at MS-25, MS-27 and MS-28 in one locality, and that of MS-32 and vicinity. See accompanying geological map, and Fig. 4.

GEOCHEMISTRY

Both rock and soil geochem samples have been taken. However, fewer rock geochem returns have been received, as some other rock geochem and all soil geochem samples taken along grid lines intersection in the adjoining valley west of Annie Lake were still being kept untouched somewhere in the Barringer Magenta Geochemical Laboratory and Assay Office at Whitehorse.

A total of 37 assay samples from the mineral showings were taken but the over-all grade does not make any of these showings orebodies. They can only be considered, among others, as "significant anomalies" that are spatially related to some subsurface deposits. Refer to attached List of Samples Assays, Fig. 1 and Fig. 4.

Of the rock geochem samples analyzed, only 105 of them were returned, the majority of which are in the "significant anomaly" category. The samples were taken at intervals of 5 feet and 25 feet along rock outcrops exposed by trenching and tunneling around the trenched + adit area. See Fig. 1 & 4 of attached maps.

The assay values, and geochem analyses using above background values of more than 2.0 ppm Ag and more than 250 ppm zn as significant anomalies, with Pb in close correspondence with that of zinc, are both considered in delineating anomalies for subsequent work programme. See Fig. 5.

The seemingly confined anomaly presented by Fig 5 looks like "leakage anomaly" wherein the mineralized shears and other closely associated structures in space, as a whole, present the appearance of a hollow pattern over some blind orebodies. This "hollow" may contained precipitates from nearly spent mineralizing fluids that came moving upward after the major part of their

metallic load has been left behind in the underlying blind orebodies.

GEOPHYSICAL SURVEYS

Electromagnetometer Survey - This survey was carried out using a Ponka EM-16 V.L.F. Electromagnetometer. This instrument utilizes the primary electromagnetic fields generated by very low frequency marine communication stations which are operating at frequencies between 15 and 25 KHZ. The instrument measures the dip angle of the secondary field induced in a conductor.

Reading were taken at 50 foot intervals and the data filtered using D.C. Fraser's method (Geophysics, Vol. 34, No. 6, Dec. 1969). This method transforms or phase shifts the dip angle data by 90 degrees so that cross overs and inflections are transformed into peaks to yield contourable quantities.

Due to the malfunctioning of the instrument during the near completion of the projects, lines 4+00S, 8+00S and 12+00S were not run.

This survey outlined five significantly strong conductors and several weak ones all with an apparent northwesterly trend. It is parallel to the strike of the mineralized veins and structures in the area. These conductors are depicted in Fig. 6.

The two parallel conductors on the western extrimities of lines 4+00N, 8+00N and 12+00N reflects a simulated subsurface massive sulphide mineralization. They are roughly coincident with the mineralized zone uncovered in the trench adit area. The same zone is outlined by a rock geochemical anomaly. These conductors which are still open along their strikes are at least 1000 feet long.

Of second importance are two parallel strong conductors spaced about 300 feet apart between lines 12+00S and 28+00W at elevations of 3000 to 3500 feet. One is at least 800 feet and the other about 1400 feet long. These conductors may similarly be caused by a possible subsurface massive sulfide mineralization.

A conductor, centered on line 16+00N between elevations 3,100 ft and 3,200 feet although relatively small has a strong dip angle respond.

The area to the east side of the baseline is fairly flat and generally free of outcrop. Overburden consist of glacial till and alluvium and may run up to 30 feet or more in depth. Two sub-parallel and possibly continuous but relatively weak conductive zones were outlined. These zones may reflect either water laden beds such as sand and or clay horizon within the glacial overburden or possibly mineralized zones.

Magnetometer Survey - A magnetometer survey of the entire grid was conducted using a proton precision magnetometer with the hope of delineating gossan and alteration halos around mineralized areas. Our survey indicated however, the almost uniform magnetic susceptibility of the rock in the area as well as the gossan zones relative to the unaltered country rocks. No significant magnetic trend was outlined by this survey. It is therefor found unnecessary to include the magnetometer result in this report.

CONCLUSIONS & RECOMMENDATIONS

The abundance, distribution and density of the mineral occurrences brought to light by recent geologic mapping and rock sampling, as well as the general correspondence of the VLF-EM, geochemical surveys and mineral

occurrences give added impetus to the need of further exploratory works to be carried out in the area under consideration to which diamond drilling has a priorty. It is also adviseable to test the several other anomalies yielded by VLF-EM over certain areas underlain by thick overburden.

ESTIMATED COST OF RECOMMENDED PROGRAMME

1.)	Road Access to drill sites & site preparation	$ 5,000.00
2.)	Diamond Drilling - HQ Core 1500 Feet @ $50.00/ft.	75,000.00
3.)	Food and Accommodations	3,000.00
4.)	Transportation (includes truck rental)	2,500.00
5.)	Supplies	1,000.00
6.)	Assaying	2,000.00
7.)	Technical Supervision (includes 1 geologist & helper)	10,000.00
8.)	Report Preparation	2,500.00
9.)	Contingencies - 10%	10,000.00
	TOTAL	$111,000.00

LIST OF ASSAYS OF MINERAL SHOWINGS

Ag Oz/T	Pb %	Zn %	Au Oz/T	Cu%	REMARKS
6.424	1.07	9.89	0.018	0.006	5' of chip sample west of a vein at 3,900 elevation above main adit.
3.067	1.37	0.95	0.006	0.012	5' of chip sample east of a vein as the above.
0.554	0.04	0.03	0.004	0.020	5' chip sample across shear at portal of 2nd tunnel on Schnabel Creek.
1.460	0.84	0.60	0.002	0.040	Pick sample below andesite porphyry dyke in silicified greywacke Schnabel Creek.
1.08	0.10	0.09	0.005	0.080	Pick sample of massive pyrhotite, NE of Idaho Hill.
0.365	0.25	0.16	0.002	0.004	5' chip sample across sheeted zone with sulphides in trenched road.
4.526	0.75	0.09	0.032	0.014	5' chip sample of mineralized gougy shear at trenched area. See Fig. 4.
2.190	0.75	0.52	0.008	0.010	5' chip sample at border of shear, trenched area. Fig. 4.
9.490	0.90	0.17	0.019	0.004	1' chip sample along tight shear, trenched area, as above.
5.694	0.80	0.05	2.920	0.008	Pick sample in gougy shear, trenched area, as above.
0.350	0.23	0.24	0.002	0.010	6' chip sample in sheared greywacke, trenched area, as above.
4.672	0.75	0.05	0.031	0.008	1' pick sample in sheared greywacke, trenched area above.
2.336	0.41	0.12	0.037	0.012	1' chip sample in sheared, silicified greywacke, trenched area.
2.336	0.87	0.96	0.004	0.034	1' chip sample in gougy shears in greywacke, trenched area.
1.898	0.17	0.14	0.003	0.005	5" chip sample in sheared greywacke, trenched area.
9.636	0.75	0.23	0.013	0.026	1' chip sample in rusty shears, trenched area.
10.658	0.77	0.10	0.027	0.018	1' chip sample in vein with sulphides, trenched area.
1.022	0.70	0.64	0.004	0.120	3' chip sample in sheared, rusty greywacke.
0.233	0.19	0.19	0.004	0.011	Pick sample at same location of R 14, Fig. 4.
2.336	1.08	2.16	0.004	0.070	1' across vein on trench 35S100W grid, E of Folle Mtn. Fig. 3.
0.919	0.85	1.34	0.004	0.020	6' chip sample across mineralized structure of same place as MS-20.
23.360	1.20	2.71	0.037	0.030	3" quartz vein with sulphides in sheared, rusty greywacke at lower section Schnabel Creek. See attached geologic map.
0.816	0.06	0.02	0.008	0.110	8" quartz vein with sulphides at first tunnel, lower down Schnabel Creek.
0.408	0.03	0.05	0.002	0.030	2" pick sample at 2nd tunnel of above Creek to west of first tunnel above. Same as at MS-3.

(CONT'D)

Ag Oz/T	Pb %	Zn %	Au Oz/T	Cu %	REMARKS
0.919	0.50	0.68	0.001	0.010	Pick sample from silicified greywacke, on Schnabel Creek. See map.
0.832	1.11	1.51	0.004	0.020	Pick sample at 100' above MS-25 on Schnabel Creek.
0.919	1.52	0.29	0.002	0.010	Pick sample on silicified greywacke 50' downstream from MS-25.
0.816	1.19	1.64	0.004	0.010	Pick sample on silicified greywacke 100' downstream from MS-25 above.
5.840	0.84	1.21	0.013	0.020	8" chip sample on Canyon Trench to north of MS-22, lower Schnabel Creek.
0.978	0.23	0.13	0.026	0.010	5' chip sample from face of adit, trenched area. Fig. 5.
3.504	0.61	0.62	0.055	0.007	5' chip sample from T-1 above.
0.876	0.35	0.58	0.016	0.017	5' chip sample from T-2 above.
1.752	0.28	0.26	0.016	0.010	5' chip sample from T-3 above.
3.358	0.70	2.05	0.008	0.021	2' chip sample from face of adit (12.5' - 14.5'). Fig. 4.
4.088	0.80	0.66	0.013	0.018	Pick sample at 31' from face of adit above.
1.460	0.27	0.11	0.021	0.002	Pick sample at 44' from face of adit above.
1.606	0.46	0.15	0.016	0.002	Pick sample at 75' from face of adit above.

G.S.C. MEMOIR 312

J.O. WHEELER

Virtually all the old workings have caved or sloughed in. Cairnes (1912, p.) described two parallel veins not more than 30 feet apart, but Bostock ght there were three or perhaps four nearly parallel veins in the shear zone ss a width of more than 50 feet.

Chieftain Hill Area

Morning and Evening Claims (29)

erences: Cairnes, 1912, p. 129; 1916, p. 47. Cockfield and Bell, 1926, p. 45; 1944; p. 17. Bostock, 1941, pp. 36-37.

The former Morning and Evening claims lay along a vein on the southeast e of Chieftain Hill at an elevation of about 4,700 feet, directly across the eaton River valley from Goddell's claims. The vein lies parallel with a set fractures cutting both granitic rocks and the volcanic rocks of uncertain age. strikes nearly due east and dips vertically. It occurs in a fracture zone about feet wide that forms a gully now filled with debris. Limited exposures indicate the vein consists of lumps of quartz containing stibnite and locally some alerite in a mass of fractured rock and gouge. A hand-picked sample of nite 2 by 3 by 8 inches, taken by Bostock, yielded 49.90 per cent antimony.

Silver-Lead

Although the silver-lead veins have many characteristics in common with gold-silver quartz veins, they contain a much higher lead content and are only major ore deposits in the Laberge group.

Annie Lake Area

ences: Cairnes, 1908, pp. 19-20; 1912, pp. 130-139; 1916, p. 49. Cockfield, 1930, pp. 10-11. Cockfield and Bell, 1926, pp. 46-47; 1944, p. 18.

Idaho Hill (30)

The property known as Union Mines and later partly restaked as the Export up lies on the east face of Idaho Hill just north of Schnabel Creek. Early loration of the showing revealed twelve veins, but at the time of the writer's it in 1948 only three of these were exposed. The veins on the Union Mines perty strike north and northwest and dip mainly west. They lie within grey- cke of the Laberge group. The veins are fairly regular and tabular, and are erally 4 to 12 inches thick, though locally they contain pods 2 to 4 feet ck and 5 to 20 feet long of mixed rock and ore. The veins can be traced ermittently across the mountainside for several hundred feet.

The veins consist of a gangue of quartz, locally vuggy, and subordinate calcite. ey carry galena, either disseminated throughout the gangue or as solid masses, imately associated with arsenopyrite. Both these sulphides in many places dis- tly penetrate and apparently replace the walls of the veins. Additional sulphides lude sphalerite, pyrite, and chalcopyrite.

Samples taken during the early exploration gave silver up to 150 ounces a ton, averaging about 50 ounces a ton, and lead up to 7[illegible] per cent, averaging 4[illegible] per cent. These samples consisted almost wholly of galena. Gold ranged from trace to 0.1 ounce a ton.

The workings consist of a 135-foot crosscut entering the hillside at elevation 3,500 feet and connected by an abandoned aerial tramway to the camp buildings at elevation 2,900 feet on Schnabel Creek. A road leads to the camp from Robinson.

Export Group (31)

Reference: Cockfield, 1930, pp. 10-11.

This group, which partly embodies the former Union Mines ground, is on the southern, eastern, and northern slopes of Idaho Hill. The two upper showings are the most important. The uppermost showing, at elevation 3,600 feet, is 27 feet wide and consists of pyrite, arsenopyrite, galena, and sphalerite in a gangue of quartz and calcite. The best part of the zone is a band about 2 feet wide, 7 feet above the foot-wall. The lower showing, at elevation 3,500 feet, is 22 feet wide and strikes about N80°E with a dip of 5[illegible] S. This zone contains three bands, 1½ to 2 feet wide, rich in sulphides.

Several cuts farther down the hillside and some older workings of the Union Mines in Schnabel Creek canyon reveal narrow veins containing bodies of galena. Assays of material picked from these lower veins show values ranging as high as 127 ounces silver, 49 per cent lead, and 6 per cent zinc.

Some exploration of the veins in Schnabel Creek canyon was carried out in 1952 by Yukon Mines Limited.

Cariboo Group (32)

The Cariboo group of three claims is 1[illegible] miles up Schnabel Creek above the Export group. The workings consist of four open-cuts; the lower two indicate a vein striking N35°E and dipping 60°NW. The vein is 7 feet wide in the lower cut and 3 feet wide in the upper. The latter shows a 2-foot zone of copper-stained rock on the hanging-wall. A second vein approximately parallel with the first and about 10 feet higher up the hill is revealed in one of the remaining cuts. Some work was done in 1952 by Yukon Mines Limited.

Other Localities

Mineralized Shear Zone on Mount Ingram

Reference: Fyles, 1950, p. 158.

A rusty shear zone containing pyrite, sphalerite, and galena was noted during the field work in 1946, in a stream bed 0.8 mile northwest of the summit of Mount Ingram. The shear zone cuts granitic rock, which probably is a granitized conglomerate or arkose but which may belong to the Coast intrusions.

FINANCIAL STATEMENTS

AVID GOLD RESOURCES INC.

FINANCIAL STATEMENTS

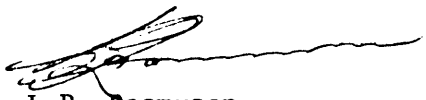
DECEMBER 31, 1983

L. R. Rasmuson Registered Industrial Accountant

AUDITOR'S REPORT

I have examined the Balance Sheet of Avid Gold Resources Inc. as at December 31, 1983 and related Statement of Operations for the period ended on that date. My examination included a general review of the accounting records as was deemed necessary in the circumstances.

In my opinion, the accompanying Balance Sheet and Statement of Operations present fairly the financial portion of Avid Gold Resources Inc. as at December 31, 1983 and the results of its operations for the period then ended in accordance with generally accepted accounting principles.



L.R. Rasmuson,
Registered Industrial Accountant.

Whitehorse, Yukon,
November 30, 1983.

AVID GOLD RESOURCES INC.

(Incorporated February 22, 1983)

STATEMENT OF OPERATIONS

For the Period February 22, 1983 to December 31, 1983

ADMINISTRATION EXPENSES			
Accounting		$ 1,400.00	
Bank Charges		30.21	
Claims & Transfers		499.00	
Legal		740.40	
Office Supplies		209.36	
Travel		1,962.68	4,841.65
ANNIE LAKE PROJECT			
Income - Government Programs		34,000.00	
Expenses			
Depreciation	115.00		
Equipment Maintenance	1,745.65		
Equipment Rentals	5,880.00		
Wages & Benefits	56,409.03		
Assays	90.25		
Supplies	2,123.96	66,363.89	32,363.89
HUNKER CREEK			
Expenses			
Travel		519.44	
Equipment Rental		400.00	
Sub-Contract		1,000.00	
Claims - Assessments		2,997.00	4,916.44
			42,121.98
SUNDRY INCOME			44.32
Net Loss for the Year			42,077.66

AVID GOLD RESOURCES INC.

BALANCE SHEET

AS AT DECEMBER 31, 1983

ASSETS

CURRENT ASSETS		
Cash in Bank		$ 2,497.21
Total Current Assets		2,497.21
FIXED ASSETS		
Equipment	$ 1,150.00	
Less accumulated depreciation	115.00	1,035.00
INCORPORATION		4,592.66
		$ 8,124.87

LIABILITIES

CURRENT LIABILITIES	
Accounts Payable - Trade	9,997.53
- Other	810.00
Total Current Liabilities	$ 10,807.83

SHAREHOLDERS EQUITY

CAPITAL		
Authorized - 10,000,000 Ten Million Common shares without par value.		
Shares Subscribed - 210,300 Common Shares	39,395.00	
DEFICIT		
Net Loss for the Year	42,077.66	(2,682.66)
		8,124.87

AVID GOLD RESOURCES INC.

FINANCIAL STATEMENTS

December 31, 1984

L. R. Rasmuson Registered Industrial Accountant

AUDITOR'S REPORT

I have examined the Balance Sheet of AVID GOLD RESOURCES INC. as at December 31, 1984 and the related Statement of Operations for the period ended on that date. My examination included a general review of the accounting records as was deemed necessary in the circumstances.

In my opinion, the accompanying Balance Sheet and Statement of Operations present fairly the financial position of AVID GOLD RESOURCES INC. as at December 31, 1984 and the results of its operations for the period then ended, in accordance with generally accepted accounting principles.

L. R. Rasmuson,
Registered Industrial Accountant.

Whitehorse, Yukon.
March 22, 1985.

AVID GOLD RESOURCES INC.

Statement of Operations
for the year ended December 31, 1984

ADMINISTRATION EXPENSES			
Accounting		$ 575.00	
Bank charges		17.50	
Legal		107.50	
Office supplies		77.60	
Professional services		500.00	
Travel		258.50	$ 1,536.10
ANNIE LAKE PROJECT			
Assessment and recording fees			1,520.00
CONTRACT SERVICES			
Income:			
- Contract		$13,625.00	
Expenses:			
- Equipment repairs	$ 150.00		
- Equipment rental	100.00		
- Wages and benefits	12,096.49	12,346.49	(1,278.51)
NET LOSS FOR THE YEAR			$ 1,777.59

AVID GOLD RESOURCES INC.

Balance Sheet
as at December 31, 1984

ASSETS

CURRENT ASSETS		
Cash in bank		$2,437.09
TOTAL CURRENT ASSETS		$2,437.09
FIXED ASSETS		
Equipment	$1,150.00	
Less: Accumulated depreciation	115.00	1,035.00
INCORPORATION		4,592.66
		$8,064.75

LIABILITIES

CURRENT LIABILITIES	
Accounts payable - trade	$ 575.00
- other	2,110.00
TOTAL CURRENT LIABILITIES	$2,685.00

SHAREHOLDERS EQUITY

CAPITAL			
Authorized: 10,000,000 (ten million) common shares without par value			
Shares subscribed: 259,500 common shares		$49,235.00	
DEFICIT			
Balance - January 1, 1984	$42,077.66		
Add: Net loss	1,777.59	43,855.25	5,379.75
			$8,064.75

AVID GOLD RESOURCES LTD.

To The Shareholders 3 April 1984

An extensive work programme was carried out, consisting of drilling and blasting adits into five different veins plus cat work, making trails and clearing rock faces, since May of 1983 - costing a total of $66,363.80.

This determined a sizable volume of massive sulphides which now require diamond drilling to determine the depth of the ore body.

Financing is now being arranged for the purpose of diamond drilling.

Douglas Baird, President.

GEOLOGICAL REPORT

W.G. TIMMINS EXPLORATION & DEVELOPMENT LTD.

TABLE OF CONTENTS

SUMMARY

Annie Lake Mines Ltd. has acquired the Idaho Hill property consisting of a total of 58 mineral claims.

The property is located about 28 miles by air, south of Whitehorse, Yukon Territory.

Limited exploration has been carried out over the property since its discovery in 1893.

The claims are underlain by silicified arkose, greywacke and tuffs of the Laberge Group of Jurassic age intruded by Coast Range granodiorite.

Mineralization occurs as veins and replacements in crystalline masses and fine grained disseminations. Mineralization consists of arsenopyrite, galena, sphalerite and pyrite.

Geophysical and geochemical surveys indicate anomalous zones and extensions of known mineralization.

A programme of exploration consisting of geological mapping, geochemical soil sampling, trenching and sampling is recommended at an estimated cost of $46,200.00.

INTRODUCTION

This report is prepared for Annie Lake Mines Ltd., at the request of Mr. Robert Miller.

Information for this report is derived from a study of government and private reports as well as a personal examination of the property conducted on June 9, 1979, accompanied by Mr. R. Miller and Mr. Douglas Baird, prospector.

The purpose of the report is to evaluate past work, to assess the geological potential of the property and to make recommendations for a programme of work in order to further evaluate the economic potential.

PROPERTY

The property consists of two groups totalling 52 located mineral claims as listed below:

Claim Name	Record No.	Expiry Date
Bush Dumb Donkey 3 & 4	Y75438-39	May 10, 1980
Bush Dumb Donkey 5 - 12 inc.	Y75555-62	June 26, 1980
Dumb Donkey 1	Y75338	March 12, 1980
Dumb Donkey 2	Y75431	May 10, 1980
Dumb Donkey 13 - 35 incl.	Y75563-85	June 26, 1980
Dumb Donkey 36 - 40 incl.	Y75630-34	***
Dumb Donkey 41 - 43 incl.	Y75807 9	July 3, 1981
Dumb Donkey 44 - 45 incl.	Y9108-19	Sept. 20, 1980
Dumb Donkey 46	YA3970	October 29, 1979
Dumb Donkey 47 - 50 incl.	YA3971-74	October 29, 1979
Sail 1 - 2	Y93108-9	March 17, 1980

***#36, 37 and 40 - June 26, 1980; #38 and 39 - June 26, 1982

An additional six claims were staked by Whitehorse Copper Mines Ltd. and turned over to the company. These are the TEW 1 - 6, Record No.'s YA19395-400.

Arrangements have been made by the company to stake additional ground in order to fill in holes and to make the claims contiguous.

LOCATION

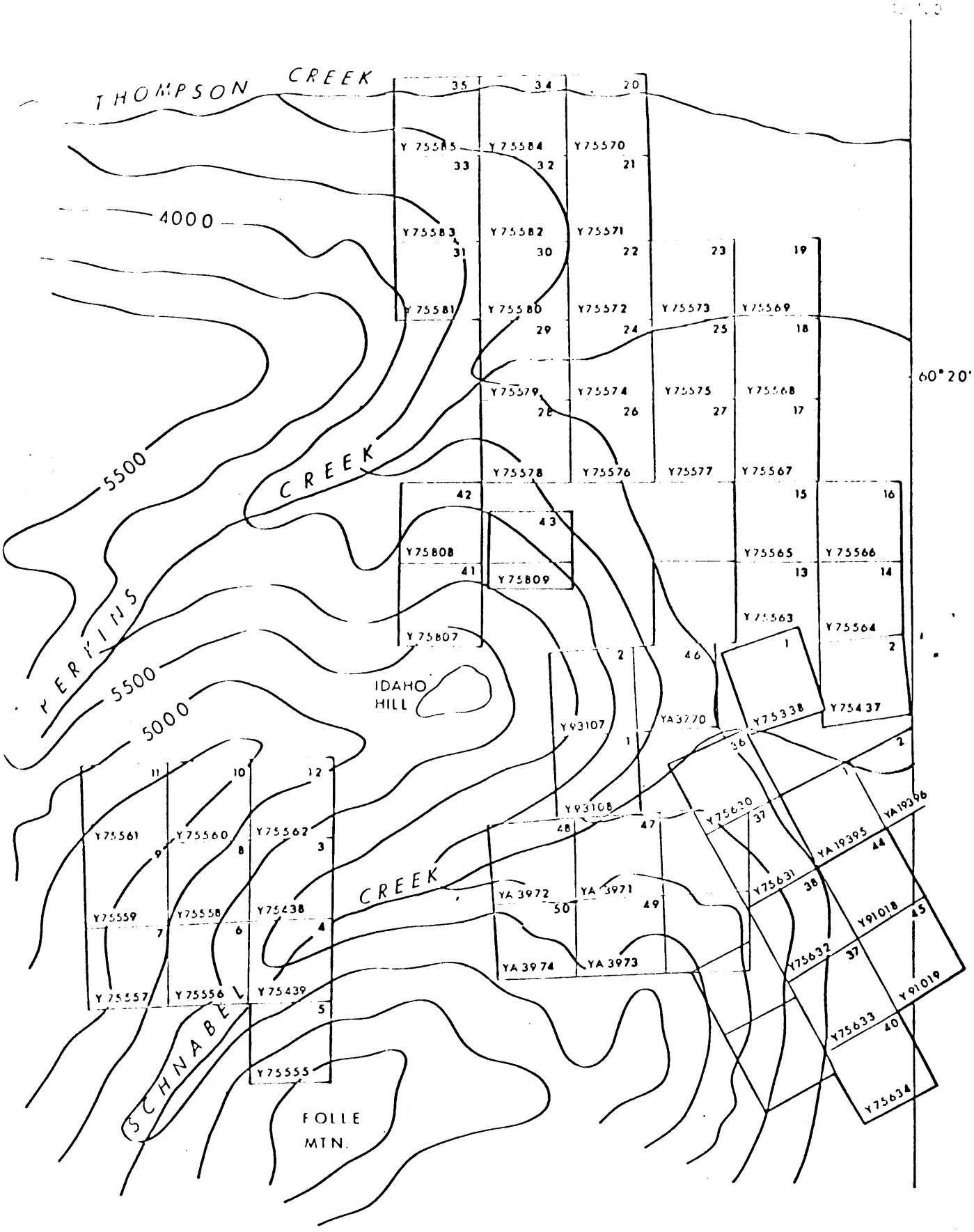
Approximate co-ordinates: 60° 16' N, 135° 03' W. The property is located in the Wheaton River Division of the Whitehorse Mining District and covers portions of Idaho Hill and Folle Mountain along the west side of the Corwin Valley, about 1 1/2 miles west of Annie Lake and 28 air miles south of Whitehorse, Yukon Territory.

ACCESS

The property is accessible by means of 15 miles of gravel road from Robinson on the White Pass Railroad and the Whitehorse - Carcross road. Robinson is 90 miles by rail from seaport facilities at Skagway, Alaska. Skagway recently is also accessible by road from Whitehorse.

ANNIE LAKE MINES LTD.

WHEATON RIVER
YUKON TERRITORY
LOCATION MAP



ANNIE LAKE MINES LTD.

WHEATON RIVER
YUKON TERRITORY
CLAIM MAP

TOPOGRAPHY & VEGETATION

The area is mountainous with steep slopes and some precipitous stream canyons. Mountain peaks rise to 6,700' A.S.L. and relief is about 3,500'. Timber is available below treeline about 3,000' elevation.

Sufficient water is available for all phases of exploration and development.

CLIMATE

The area is subject to long cold winters with moderate to light snowfall. Short summers with temperatures ranging from 7°C to 21°C are characterized by light rainfall.

HISTORY

Thomas Kerwin originally staked the property in 1893. Mr. W.F. Schnabel restaked the property in 1906 as the Union Mines and carried out limited exploration. Mr. Schnabel reported a shipment of ten tons returning over $20/ton chiefly in silver.

Various groups and individuals have held the property since 1906, however exploration was very limited until Mr. T. C. Richards of Whitehorse, apparently about 1946, financed the driving of

a 140 foot long adit, which encountered silver-lead-zinc-arsenic mineralization.

During 1964 Cominco Ltd. conducted a programme of geological mapping and sampling over a four claim area.

During 1969, A. R. Parker and Associates carried out geophysical and geochemical surveys over a two claim area covering several known showings. Some bulldozer trenching and road building was carried out to check anomalous zones revealing hitherto unknown mineralization. This work resulted in the formation of White-horse Silver Mines Ltd. which optioned the claims.

Mr. Douglas Baird has prospected, staked and built roads on the property during the years 1968 to 1978.

During 1974 Whitehorse Copper Mines Ltd. carried out a minimal reconnaissance geochemical survey on claim #2 and magnetometer survey on claims #17 and #18.

During 1975 Mr. Baird opened up a showing on claim #38 by drill-ing, blasting and bulldozer work.

An attempt to diamond drill this showing in 1976 was abandoned at a depth of 20' after difficulties were encountered in the hole.

Whitehorse Copper Mines optioned claims #38, 39, 44 and 45 in 1977, staked an additional six claims (TEW claims) and relinquished their option in 1978, after carrying out V.L.F. - E.M. and I.P. surveys.

GENERAL GEOLOGY

The area has been mapped by J. O. Wheeler of the Geological Survey of Canada, Memoir No. 312, Whitehorse Map Area, Yukon Territory, 1961, and in general is underlain by Jurassic and Triassic sediments and Cretaceous volcanics and sediments intruded by Coast Intrusive granodiorite.

Mr. D. D. Cairnes also reports considerable data in Memoir 31, 1912. The geological map herein is taken from J. O. Wheeler.

GEOLOGY OF THE PROPERTY

The property is underlain by massive silicified arkose, greywacke and interbedded tuffs of the Laberge Group probably of Lower Jurassic age. Leucocratic arkose appears to be the most common rock type.

The rock sequence trends to the northwest and is folded into an anticline plunging gently to the northwest.

The area is faulted in two directions, striking to the northwest and the northeast. Schnabel Creek appears to be an ex-

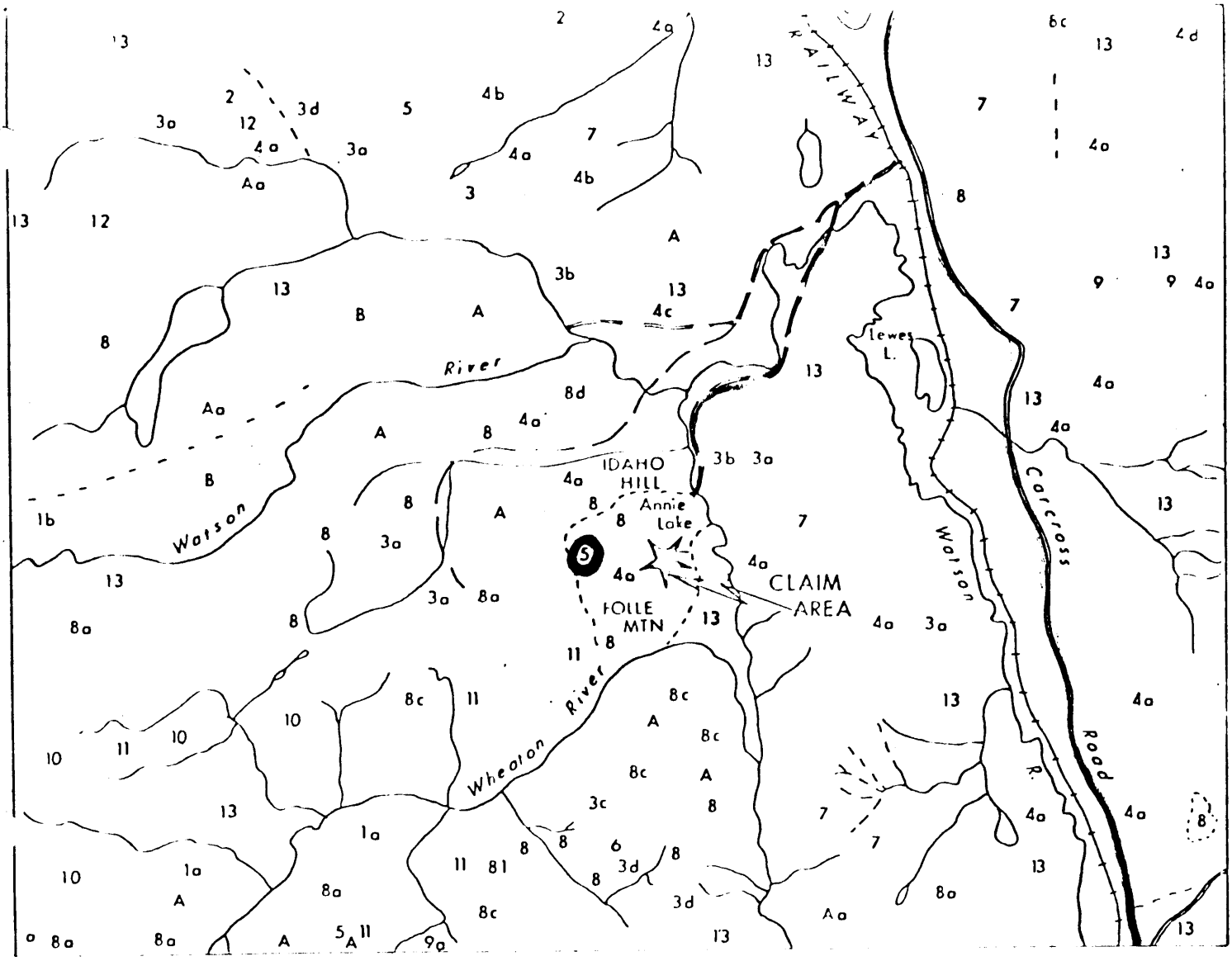
pression of a northeasterly trending fault. Porphyritic granodiorite of the Coast Range Intrusives underlies the northern portion of Idaho Hill. Feldspar prophyry dikes occur in the area of Schnabel Creek.

MINERALIZATION

Mineralization consisting of arsenopyrite, galena, sphalerite and pyrite occurs in veins and stringers as well as replacement and appears to be related to folding and faulting. The mineralized zones occur en echelon trending to the northwest.

Veins appear generally to be narrow, occurring up to 18" thick, and replacement zones may be from 6 feet in width up to 40 feet in width, with lengths varying between 20 and 100 feet.

Many samples have been taken by various individuals from several showings on the property. Mr. A. B. Mawer of Cominco Ltd. sampled a replacement zone in 1964. This assayed 0.06 oz./ton Au, 3.50 oz./ton Ag, 2.50% Pb and 1.00% Zn over a width of 25 feet. A similar zone averaged 0.01 oz./ton Au, 2.59 oz./ton Ag, 1.67% Pb, and 2.04% Zn over 39 feet. A five foot sample 40 feet from the face of a cross-cut, which is believed to be the adit located on the Sail #2 claim, taken by Mawer, assayed 0.04 oz./ton Au, 1.64 oz./ton Ag, 1.00% Pb and 0.10% Zn.



ANNIE LAKE MINES LTD.

WHEATON RIVER
YUKON TERRITORY
REGIONAL GEOLOGY

LEGEND

QUATERNARY

[13] Alluvium, glacial deposits, volcanic ash, loess

[12] MILES CANYON BASALT. Basalt, minor pyroclastic rocks

TERTIARY or EARLIER

[11] Granite porphyry, rhyolite

SKUKUM GROUP

[10] Andesite, basalt, rhyolite, and trachyte breccias, tuffs, and flows, granitic agglomerate, minor greywacke

[9] Pink quartz monzonite

CRETACEOUS

[8] COAST INTRUSIONS
Granodiorite, granite, quartz monzonite, quartz diorite and allied rocks. 8a, hornblende biotite oligoclase granodiorite, 8b, leucocratic granite, biotite, 8c, biotite hornblende, quartz diorite

HUTSHI GROUP

[7] Basalt, andesite, quartz latite, rhyolite flows, breccias, tuffs, conglomerate, minor greywacke and argillite

[6] Peridotite, dunite, serpentinite, pyroxenite

JURASSIC AND CRETACEOUS

[5] UPPER JURASSIC AND LOWER CRETACEOUS

JURASSIC

[4a] LOWER JURASSIC AND LATER—LABERGE GROUP
Arkose, greywacke, tuffs

TRIASSIC

UPPER TRIASSIC—LEWES RIVER GROUP

[3] 3a, greywacke, siltstone, argillite, conglomerate, tuffaceous equivalen, 3b, andesite, basalt flows and associated pyroclastic rocks, 3c, limestone, limestone breccia, 3d, metamorphosed rocks

PENSYLVANIAN AND PERMIAN

YUKON GROUP

[1] 1a, Quartz-mica, quartz chlorite, mica schists, quartizite, micaceous quartizite, geniss, and amphibolite

[A] Volcanic rocks of uncertain age,
Aa, metamorphosed volcanic rocks

2 0 2 6

MILES

Sampling reported by Mr. T. R. Tough, in 1971, from one of the ozidized trenches resulted in an assay of 0.02 oz./ton Au, 1.70 oz./ton Ag, 0.55% Pb and 0.40% Zn across 50 feet. A five foot chip sample taken by Mr. Tough some 50 feet above the adit assayed 0.01 oz./ton Au, 1.20 oz./ton Ag, 0.56% Pb, 0.40% Zn.

A heavily oxidized gossan area located on upper Schnabel Creek, on the boundary of claims #3 and #4, was sampled by this writer. The arkosic sediments are limonitic and strike about N 45° W with steep dips. The zone contains narrow stringers mineralized with pods and disseminations of galena and pyrite. Assay results are as follows:

Sample No.	Type & Width	oz./ton Au	oz./ton Ag	% Pb	% Zn
3416	Chip across 30'	Tr	0.04	0.26	0.08
3417	Select grab	0.01	1.09	1.32	1.50
3418	Select grab	0.01	1.59	2.06	2.75

Assays reported by Mr. D. Baird from this area in 1972, ranged from 0.2 to 7.60 oz./ton Ag over 4 to 6 feet. A selected sample of massive sulphides ran 0.01 oz./ton Au, 32.92 oz./ton Ag and 11.76% Zn.

The adit located on Sail #2 claim was driven about 250° intersecting several mineralized narrow stringers from 1" to 12", paralleling the grey-green arkosic sediments. Assay results are listed on the following page.

Sample No.	Location	Type & Width	oz./ton Au	oz./ton Ag	% Pb	% Zn
3419	Adit, 70' from face	Chip - 6" massive arseno	0.04	2.00	0.46	0.68
3420	Adit, 5' from face	Chip - 12" massive arseno	0.08	6.42	1.30	0.65
3421	Adit, 100' from face	Chip - 3"	0.01	2.33	0.88	1.03
3422	Adit, rock pile at face	Grab-massive sulph.	0.04	1.02	0.24	0.42

The parallel veins and stringers contain massive sections of arseno-pyrite, with minor amounts of galena and pyrite.

A showing area is exposed on the steep slopes of the northeast side of Idaho Hill, and is marked by the presence of a large gossan easily seen from the valley floor, however examination was not made by this writer, because of relative inaccessibility. Mr. Baird did build a switchback trail in 1973 to within about 200 yards. Mr. Baird reports assays as high as 42.8 oz./ton Ag, 30.4% Pb and 17.7% Zn.

Mr. A. R. Parker, reports that two mineralized zones occur in the vicinity of Ram's Gulch, located on the northeast side of Folle Mountain. He further reports a select sample of mineralization assaying 40 oz./ton Ag, and 10% Pb.

On Dumb Donkey claim #38, along the lower eastern flank of Mt. Folle, a showing has been exposed by blasting a rock face. Mineralization occurs as galena and sphalerite, minor pyrite, in a narrow stringer striking northwest, however narrow bands and pods of massive fine grained sphalerite and galena, also occur as replacements in the arkosic wall rock. A grab sample of the better mineralized material assayed 0.01 oz./ton Au, 3.61 oz./ton Ag, 2.46% Pb, and 7.79% Zn.

GEOPHYSICS AND GEOCHEMISTRY

Minor portions of the property have been subjected to limited geophysical and geochemical surveys.

Whitehorse Copper Mines Ltd. gathered 12 soil samples taken from Dumb Donkey #2 claim and confirmed a high silver-lead-zinc-copper background in 1974.

A. R. Parker carried out a geochemical soil survey and Ronka E.M. 16 electromagnetic survey in 1969, over 107 acres in the adit area on the Sail claims.

Results of these surveys have been reported on by both Mr. Parker in 1969, and Mr. T. R. Tough in 1971. In brief, coincident lead and zinc anomalies were located in areas of known mineralization and extensions of zones were indicated. Other anomalous zones

were indicated, and subsequent examination by Mr. Tough revealed lead-zinc mineralization in several small outcrops within the anomalous areas. The electromagnetic survey suggests the presence of several conductive zones, the main zone traced for 2,000 feet in length and indicating a width of some 200 feet. Several of the conductive zones are coincident with geochemical anomalies.

CONCLUSIONS

Annie Lake Mines Ltd. has acquired a total of 58 mineral claims on Idaho Hill and Folle Mountain, about 28 miles south of Whitehorse, Yukon Territory.

Intermittent exploration has taken place on the property since the discovery of silver-lead-zinc mineralization in 1893.

The property is underlain by arkosic sediments, greywackes and tuffs intruded by porphyritic granodiorite.

Silver-lead-zinc mineralization occurs as veins and replacement with zones indicated in an en echelon pattern. Although values in general appear to be somewhat low, mineralization is frequent and widespread on the property.

In view of the number of known but poorly exposed mineralized zones, and the geophysical-geochemical anomalies, a programme of exploration is recommended.

RECOMMENDATONS

It is recommended that the property be geologically mapped in detail with particular attention to faulting, and shearing and related mineralization.

Additional geochemical soil sampling should be carried out over the property and anomalous and mineralized zones trenched by bull-dozer where practical.

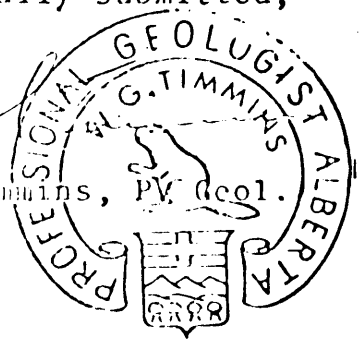
Further work consisting of diamond drilling will be dependent upon results of the above programme of work.

ESTIMATED COSTS OF PROGRAMME

1.	Geological mapping	$ 10,000.00
2.	Geochemical survey 2,000 samples @ $6/sample including collection and analysis	12,000.00
3.	Trenching and roads	10,000.00
4.	Mobilization, demobilization	3,000.00
5.	Travel, living expenses, communi-cation, assays, etc.	4,000.00
6.	Engineering, supervision, maps, reports, etc.	3,000.00
7.	Contingency @ 10%	4,200.00
	Total estimated cost	$ 46,200.00

It is estimated that the above programme should take two months to complete.

Respectfully submitted,



W. G. Timmins, P.V. Geol.

WGT/esl

BIBLIOGRAPHY

Memoir No. 312, Geological Survey of Canada, by J. O. Wheeler, 1961

Memoir No. 31, Geological Survey of Canada, by D. D. Cairnes, 1912

Engineer's Report for Whitehorse Silver Mines Ltd., by A. R. Parker, P. Eng., 1969

Geological Report for Whitehorse Silver Mines Ltd., by T. R. Tough, P. Eng., 1971

Geophysical-geochemical data on Dumb Donkey claims by D. Tenney, Chief Geologist, Whitehorse Copper Mines

Memoir No. 284, Geological Survey of Canada, by by H. S. Bostock, 1957

CERTIFICATE

I, WILLIAM G. TIMMINS, maintaining offices at 806, 703 - 6 Avenue S.W., Calgary, Alberta do hereby certify that:

1. I am a geologist having been practising my profession for sixteen years.

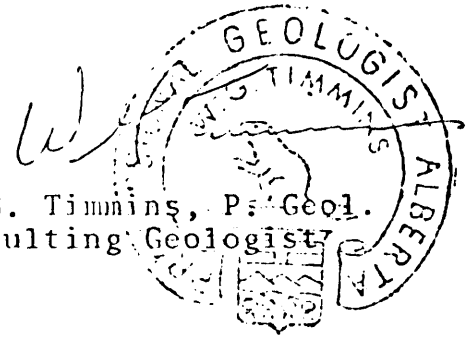
2. I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario, and have attended Michigan Technological University, Houghton, Michigan.

3. I am a member in good standing of the Association of Professional Engineers of British Columbia, and of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.

4. I have no interest direct or indirect in the property or securities of Annie Lake Mines Ltd., nor do I expect to receive any such interest.

5. This report is based on a study of government reports, private reports and an examination of the property conducted on June 9, 1979.

Dated at Calgary, Alberta the 27th day of June, 1979.



W. G. Timmins, P. Geol.
Consulting Geologist

[illegible] EXPLORATION & DEVELOPMENT LTD.
206 , 703 – 6th Avenue S.W.
CALGARY , Alberta T2P 0Y9

ATTN : W.G. Timmins

File No. 17090
Date June 11th , 1979
Samples Core

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	OZ./TON GOLD	OZ./TON SILVER	% Pb	% Zn
" CORE SAMPLES "				
3416	Trace	.04	.26	.08
3417	.010	1.09	1.32	1.50
3418	.010	1.59	2.06	2.75
3419	.040	2.00	.46	.68
3420	.080	6.42	1.30	.65
3421	.010	2.33	.88	1.03
3422	.040	1.02	.24	.42
3423	.010	3.61	2.46	7.79

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.
Pulps Retained one month unless specific arrangements [illegible]

AVID GOLD RESOURCES INC.

SHARE SUBSCRIPTIONS COMPLETED

TO JUNE 11, 1984

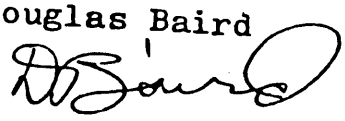
AVID GOLD RESOURCES INC.

SHARE SUBSCRIPTIONS COMPLETED

June 11, 1984

			SHARES
Feb. 4, 1983	Douglas Baird	$6000. @ 15¢	40000
May 25, 1983	Douglas Baird	4400. @ 20¢	22000
May 25, 1984	Douglas Baird	7840. @ 20¢	39200
Feb. 4, 1983	Stefan Hrycan	$1995. @ 15¢	13300
May 25, 1983	Stefan Hrycan	2080. @ 20¢	10400
May 25, 1983	Howard Frotten	$4400. @ 20¢	22000
May 25, 1983	Teresa McKeown	4400. @ 20¢	22000
May 25, 1983	Philippe Dumont	4400. @ 20¢	22000
May 25, 1983	Kenneth Wilson	2320. @ 20¢	11600
Feb. 25, 1983	Ron Kirschner	$4000. @ 20¢	20000
Mar. 3, 1983	Judy Suley	1000. @ 20¢	5000
May 12, 1983	Alan Fry	1000. @ 20¢	5000
May 20, 1983	Diane A. Peel	200. @ 20¢	1000
Oct. 7, 1983	Mike Laforet	200. @ 20¢	1000
Sep. 14, 1983	Erich Stoll	600. @ 20¢	3000
Sep. 15, 1983	Robert English	400. @ 20¢	2000
Mar. 1, 1983	Peter Garside	$1000. @ 20¢	5000
Oct. 7, 1983	Peter Garside	1000. @ 20¢	5000
June 11, 1984	Douglas Baird	$2000 @ 20¢	10000
		$49,235	259,500

President
Douglas Baird



EVALUATION REPORT

on the

DUMB DONKEY AND SAIL MINERAL CLAIMS
IDAHO HILL PROPERTY
WHEATON RIVER AREA

WHITEHORSE MINING DISTRICT

Claim Sheet 105-D-6
60° 16' N 135° 03' W

for

AVID GOLD RESOURCES INC.

by

G.C. Macdonald and Associates Limited

G.C. Macdonald, P. Geol.

April 2, 1985

TABLE OF CONTENTS

SUMMARY

Avid Gold Resources acquired the 55 contiguous Dumb Donkey and Sail mineral claims from D. Baird. The claims are located 28 miles south of Whitehorse on Idaho Hill and Folle Mountain and are accessible by road.

The property has had intermittent exploration over the years. From its discovery in 1893 up to 1983, prospecting, geology, geochemistry, geophysics, trenching and adit drives were carried out over parts of the property.

The property is underlain by greywacke, arkose, granodiorite and rhyolite of Jurassic, Cretaceous and Tertiary age. Mineralization occurs in veins and replacements as masses of galena, arsenopyrite, sphalerite and pyrite and as finely disseminated specs and grains with a quartz-calcite gangue.

Geophysical and geochemical surveys detected several anomalous zones. Mineralized zones vary in width from a few inches to 50 feet or more. Assays for gold were usually low and silver values ranged up to 168.5 oz. per ton. A program of additional geological mapping and diamond drilling is recommended at an estimated cost of $146,300.

INTRODUCTION

This report was prepared for Avid Gold Resources Inc. at the request of Mr. Douglas Baird, President, to evaluate past work, to summarize the geology, to ascertain the economic potential of the known mineral showings and to reassess previous reports and data in light of new geological thought based on information gained from recent gold and silver discoveries made in the Wheaton River District.

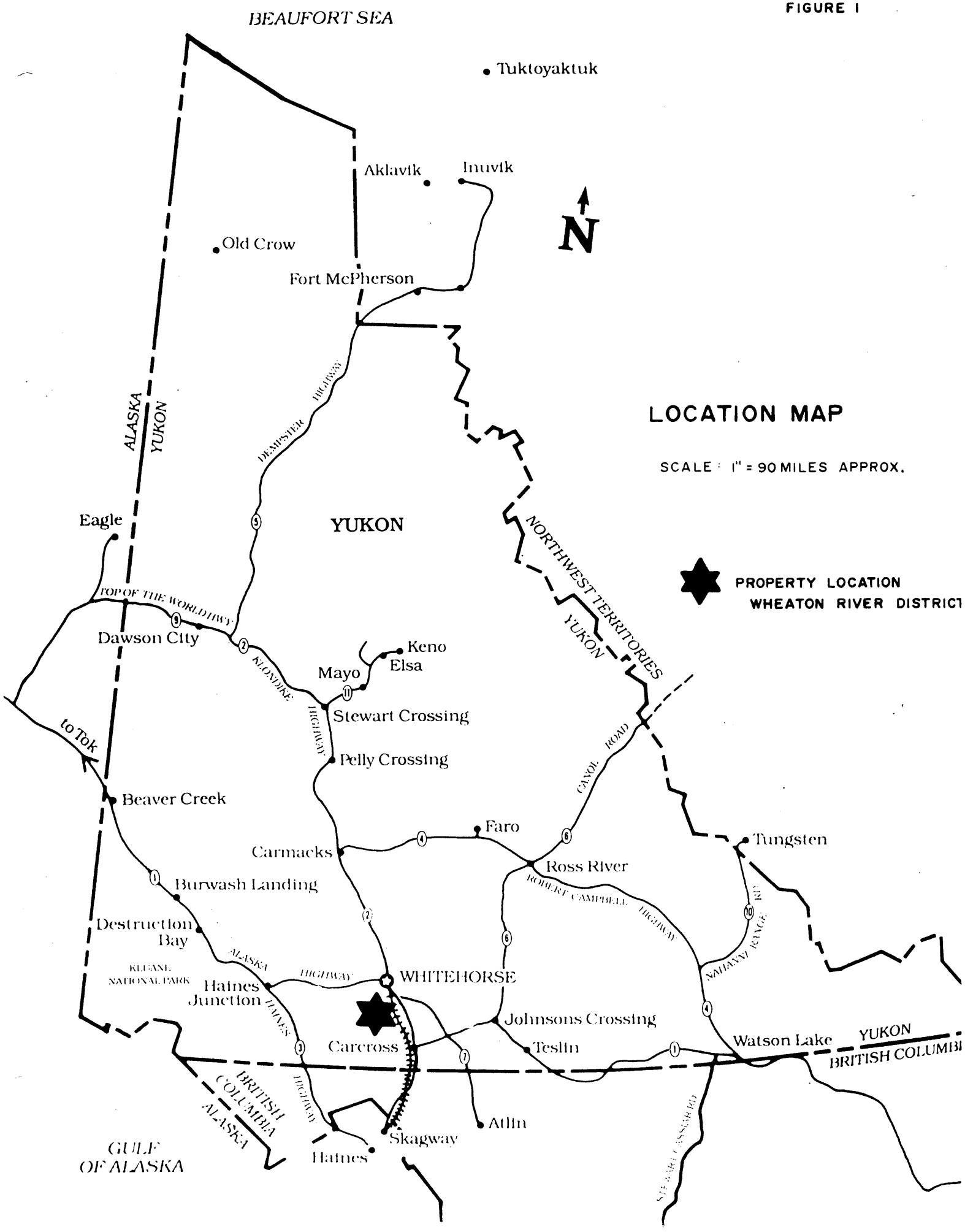
Information in this report was derived from unpublished private reports, government reports and personal examinations of the property dating back to 1973.

LOCATION AND ACCESS

The Dumb Donkey and Sail claims of Avid Gold Resources are located at approximate latitude 60° 16' North and Longitude 135° 03' West. The property is situated 28 miles south of Whitehorse on Claim Sheet 105-D-6 on the east flanks of Idaho Hill, Folle Mountain and Bush Mountain just west of Annie Lake.

Access is by 24 km of gravel road, presently being upgraded, from the all-weather hard surfaced Whitehorse - Skagway Highway at kilometre 141 (Robinson). The property is approximately 62 kilometres by road from Whitehorse and 170 kilometres from tidewater at Skagway, Alaska.

FIGURE I

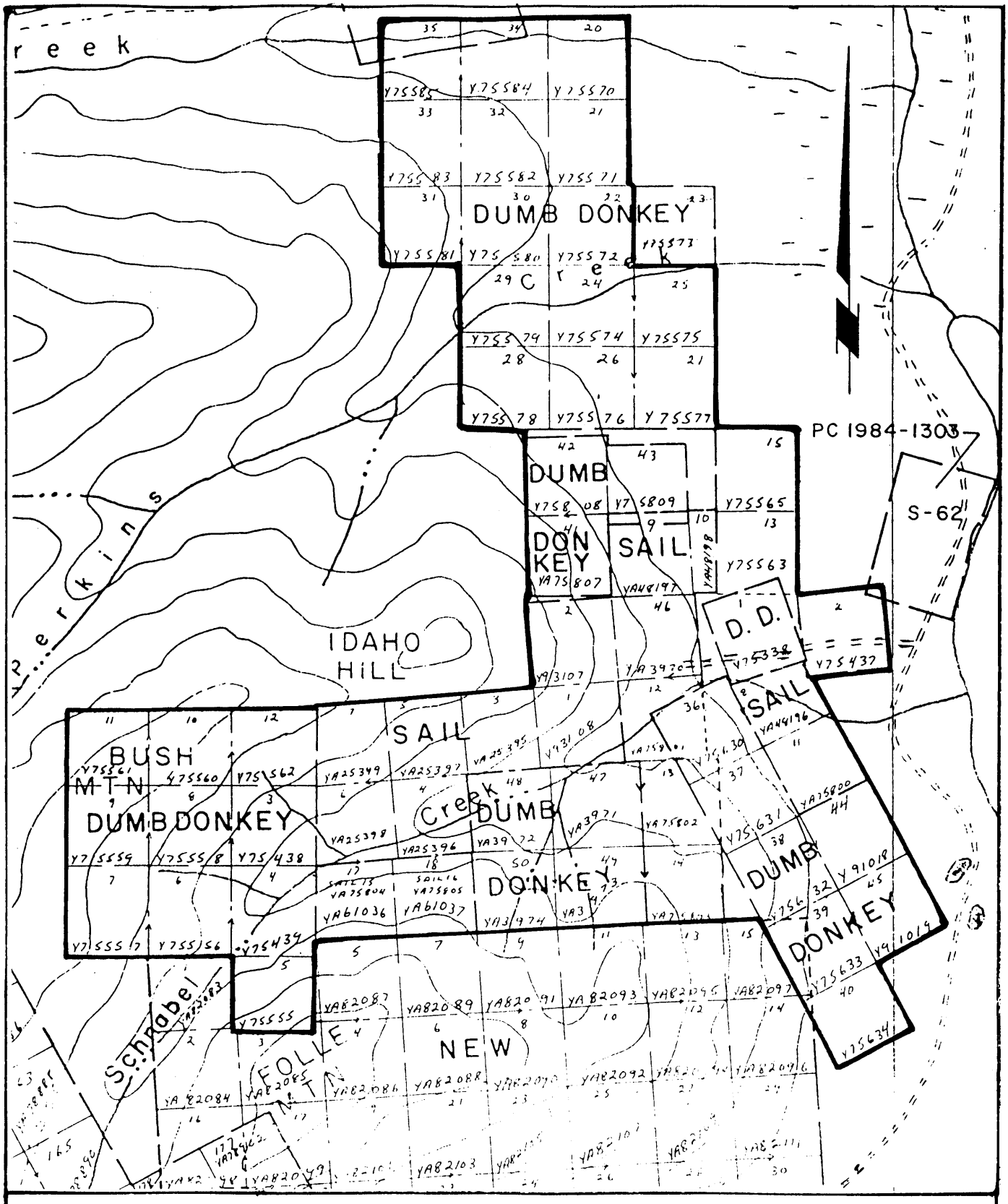

BEAUFORT SEA
Tuktoyaktuk
Aklavik
Inuvik
N
Old Crow
Fort McPherson
ALASKA
YUKON
DEMPSTER HIGHWAY
LOCATION MAP
SCALE : 1" = 90 MILES APPROX.
Eagle
YUKON
NORTHWEST TERRITORIES
YUKON
PROPERTY LOCATION
WHEATON RIVER DISTRICT
TOP OF THE WORLD HWY.
Dawson City
KLONDIKE HIGHWAY
Keno
Elsa
Mayo
Stewart Crossing
to Tok
Pelly Crossing
CANOL ROAD
Beaver Creek
Faro
Tungsten
Carmacks
Ross River
Burwash Landing
ROBERT CAMPBELL HIGHWAY
Destruction Bay
KLUANE NATIONAL PARK
ALASKA HIGHWAY
WHITEHORSE
Haines Junction
HAINES
Johnsons Crossing
Carcross
Teslin
Watson Lake
YUKON
BRITISH COLUMBIA
BRITISH COLUMBIA
ALASKA
HIGHWAY
Atlin
Skagway
GULF OF ALASKA
Haines

PROPERTY

The Dumb Donkey and Sail mineral claim were transferred 100% bu Douglas Baird to Avid Gold Resources Inc. on the 7th of March 1983. The property is comprised of 55 contiguous unsurveyed, mineral claims located under the Yukon Quartz Mining Act in the Whitehorse Mining District of the Yukon. The claims are more particularly described as follows:

Claim Name	Record Number	Expiry Date
Dumb Donkey 1	Y75338	26 June 1989
Dumb Donkey 2-4 incl.	Y75437-Y75439	" " "
" " 5-13 incl.	Y75555-Y75563	" " "
" " 15	Y75565	" " "
" " 20-22 incl.	Y75570-Y75572	" " "
" " 24-35 incl.	Y75574-Y75585	" " "
" " 36-40 incl.	Y75630-Y75634	" " "
" " 41-43	YA75807-YA75809	" " "
" " 44-45 incl.	Y91018-Y91019	26 June 1989
Sail 1	Y93108	26 June 1989
Sail 2	Y93107	" " "
Sail 3-7 incl.	YA25395-YA25399	" " "
Sail 8-10 incl.	YA48196-YA48198	" " "
Sail 11-16 incl.	YA75800-YA75805	26 June 1989

FIGURE 2



CLAIM LOCATION MAP
DUMB DONKEY AND SAIL GROUP

AVID GOLD RESOURCES INC.

CLAIM SHEET 105-D-3

SCALE 1" = 1/2 MILE

TOPOGRAPHY/VEGETATION/CLIMATE

The terrain is comprised of steep mountain slopes cut by narrow and precipitous creek valleys that contain steep walled canyons and rocky stream beds. The topography of the claims varies from moderate relief along the eastern limits to steep slopes in the western portions of the property. Elevations range from 2,600 feet in the Annie Lake Valley to 6,000 on Bush Mtn. The property is drained eastward by Perkins Creek in the north and Schnabel Creek in the south into Annie Lake. Trees cover the lower slopes of the property below 3,000 feet where bedrock outcrops are scarce due to heavy overburden. Moss and grass cover prevail above 3,000 feet and bedrock is more frequently exposed.

Climate conditions are typical for northern interior regions moderated by the nearby Pacific Ocean.

The relatively long Yukon winters with extreme temperatures to -40°C and light snowfall are tempered by more moderate temperatures commonly ranging between -20°C and 0°C with fairly abundant snow. Summers are pleasant with long days and moderate precipitation.

HISTORY AND PREVIOUS WORK

The property was first staked in 1983 by Thomas Kerwin. In 1906 Union Mines carried out limited exploration and reported a shipment of ten tons returning over $20 per ton primarily in silver. Limited exploration was carried out over the years exposing twelve veins. About 1946 T.C. Richards drove a 140 foot crosscut that intersected one of the veins mineralized with galena, arsenopyrite, sphalerite, pyrite and chalcopyrite. Earlier sampling gave silver values to 150 ounces per ton averaging about 50 ounces per ton. Gold values ranged from trace to 0.1 ounce per ton.

Cominco conducted geological mapping and sampling in 1964 on four claims and in 1969 A.R. Parker and Assoc. conducted geochemical and geophysical surveys over two claims with follow-up bulldozer trenching to test anomalous zones previously unknown. From 1968 through 1978, Douglas Baird prospected the area staked claims and built roads on the property. Whitehorse Copper Mines carried out a limited geochemical and magnetometer surveys in 1974 and optioned four claims in 1977 conducting VLF-EM and IP surveys.

In 1980 Pemex Consultants carried out a program for Annie Lake Mines Ltd. on the property. Work included VLF-EM and magnetometer surveys, rock and soil sampling and geological mapping over 12 claims. The survey results indicated several promising anomalies. Annie Lake Mines Ltd. transferred ownership of the claims to Douglas Baird in 1982 who subsequently transferred ownership to Avid Gold Resources Inc. on March 7, 1983. During the summer of 1983, Avid Gold Resources conducted work on the property consisting of bulldozer trenching, drilling, blasting and mucking several short adits and adit portal entrances on the #1 through #7 veins to better expose the mineralization and facilitate sampling. An expenditure of $66,363.89 was incurred for this work. Recent 1981-82 regional exploration programs conducted by AGIP Canada

Ltd. discovered gold-bearing quartz veins in the Mt. Skukum area 16 miles southwest of Avid Gold Resources property. The potential of this discovery was recognized in 1983 and resulted in a regional staking rush and accelerated exploration activity both in the Wheaton River District and Montana Mtn. area for gold and silver mineralization.

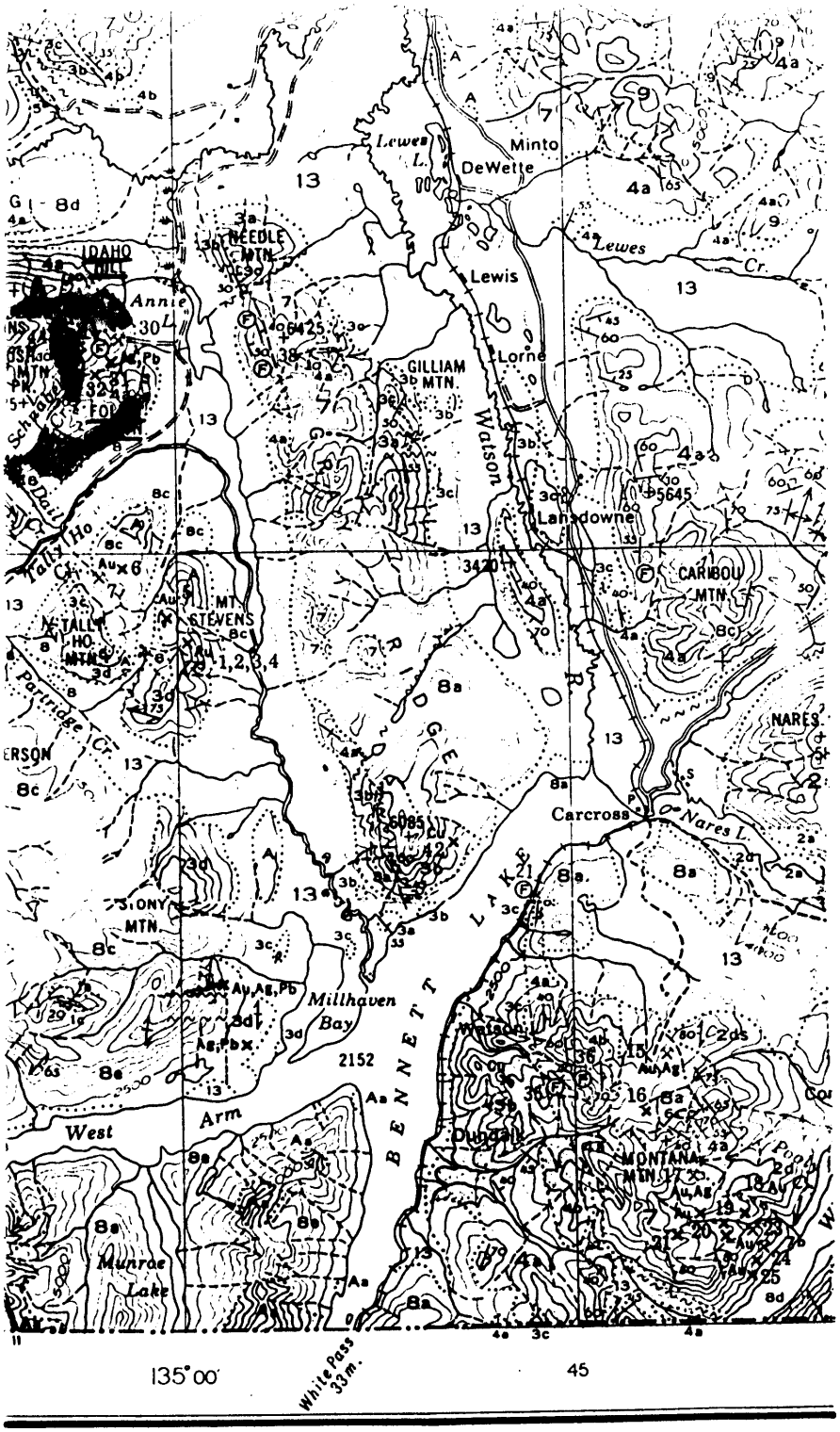
REGIONAL GEOLOGY

The Wheaton River District was first mapped by D.D. Cairnes of the G.S.C. in 1909 and 1915 and published as Map 60A (1917) accompanying Memoir No. 31 (1912). The area was remapped as part of Whitehorse Map Sheet, MAP 1093A, by J.G. Fyles, 1946, J.R. Johnston, 1947 and J.O. Wheeler, 1948-1951 accompanying G.S.C. Memoir 312 (1961).

The area in general is underlain by Jurassic and Triassic sediments and volcanics, Cretaceous volcanics and sediments, intruded by the Cretaceous Coast Range intrusive complex and Tertiary volcanics.

The Wheaton River District is located on the eastern margin of the Coast Range complex. These intrusive units include quartz monzonite, granodiorite, granite, quartz diorite and related rocks and underlie a large portion of the area. Younger tertiary granite porphyry and rhyolite dikes and flows intruded the Coast Range granites, older volcanics, sedimentary and metamorphic units.

FIGURE 3



LEGEND

CENOZOIC

QUATERNARY

13 — *Alluvium, glacial deposits, volcanic ash, loess*

12 — *MILES CANYON BASALT: basalt, minor pyroclastic rocks*

TERTIARY OR EARLIER

11 — *Granite porphyry, rhyolite*

SKUKUM GROUP

10 — *Andesite, basalt, rhyolite, and trachyte breccias, tuffs, and flows, 'granitic agglomerate'; minor greywacke*

9 — *Pink quartz monzonite*

CRETACEOUS

COAST INTRUSIONS

Granodiorite, granite, quartz monzonite, quartz diorite, and allied rocks; 8a, hornblende-biotite-oligoclase granodiorite; 8b, leucocratic granite, biotite granite; 8c, biotite-hornblende quartz diorite; 8d, hornblende diorite; 8e, gneissic 'porphyritic' granodiorite; 8f, shattered granodiorite and 'granitic breccia'; 8g, pegmatitic syenite

HUTSHI GROUP

7 — *Basalt, andesite, quartz latite, and rhyolite flows, breccias, and tuffs, conglomerate; minor greywacke and argillite; 7a, basalt dyke. 7b, altered volcanic rocks probably belonging to Hutshi group*

MESOZOIC

6 — *Hornblendite, dunite, serpentinite, pyroxenite*

JURASSIC (?) AND CRETACEOUS

UPPER JURASSIC (?) AND LOWER CRETACEOUS

TANTALUS FORMATION: arkose, siltstone, conglomerate, argillite, coal

JURASSIC

LOWER JURASSIC AND LATER

LABERGE GROUP

4 — *4a, greywacke, arkose, quartzite, conglomerate, siltstone, argillite, hornfels; 4b, mainly conglomerate*

TRIASSIC

UPPER TRIASSIC

LEWES RIVER GROUP

3 — *3a, greywacke, siltstone, argillite, conglomerate, and tuffaceous equivalents; 3aa, includes Jurassic rocks; 3b, andesite, basalt flows and associated pyroclastic rocks; 3c, limestone, limestone breccia; 3d, metamorphosed rocks probably belonging to Lewes River group*

PALAEOZOIC

PENNSYLVANIAN (?) AND PERMIAN

TAKU GROUP

2 — *2a, greenstone flows and pyroclastic rocks; 2b, limestone breccia; 2d, metamorphosed volcanic rocks belonging to Taku group; 2ds, metamorphosed volcanic rocks containing numerous serpentine bodies*

PRECAMBRIAN AND LATER

YUKON GROUP

1 — *1a, Quartz-mica, quartz-chlorite, and mica schists, quartzite, micaceous quartzite, gneiss, and amphibolite; 1b, feldspathic gneiss, gneissic granitic rocks, lit-par-lit gneiss; 1c, crystalline limestone*

A — *Volcanic rocks of uncertain age; As, metamorphosed volcanic rocks*

Bedding (horizontal, inclined, vertical, overturned)
Bedding (dip known, top of bed unknown)
Schistosity, gneissosity (inclined, vertical)
Slaty cleavage (inclined, vertical)
Fault (defined, approximate, assumed)
Anticlinal axis (arrow indicates direction of plunge)
Synclinal axis (arrow indicates direction of plunge)
Fossil locality 21
Mine 18
Mineral occurrence 16
Placer deposit A

SYMBOLS FOR METALS AND MINERALS

Antimony	Sb	Gold	Au
Coal	Coal	Lead	Pb
Copper	Cu	Silver	Ag
Fluorite	fl	Zinc	Zn

MAP 1093A

GEOLOGY

WHITEHORSE

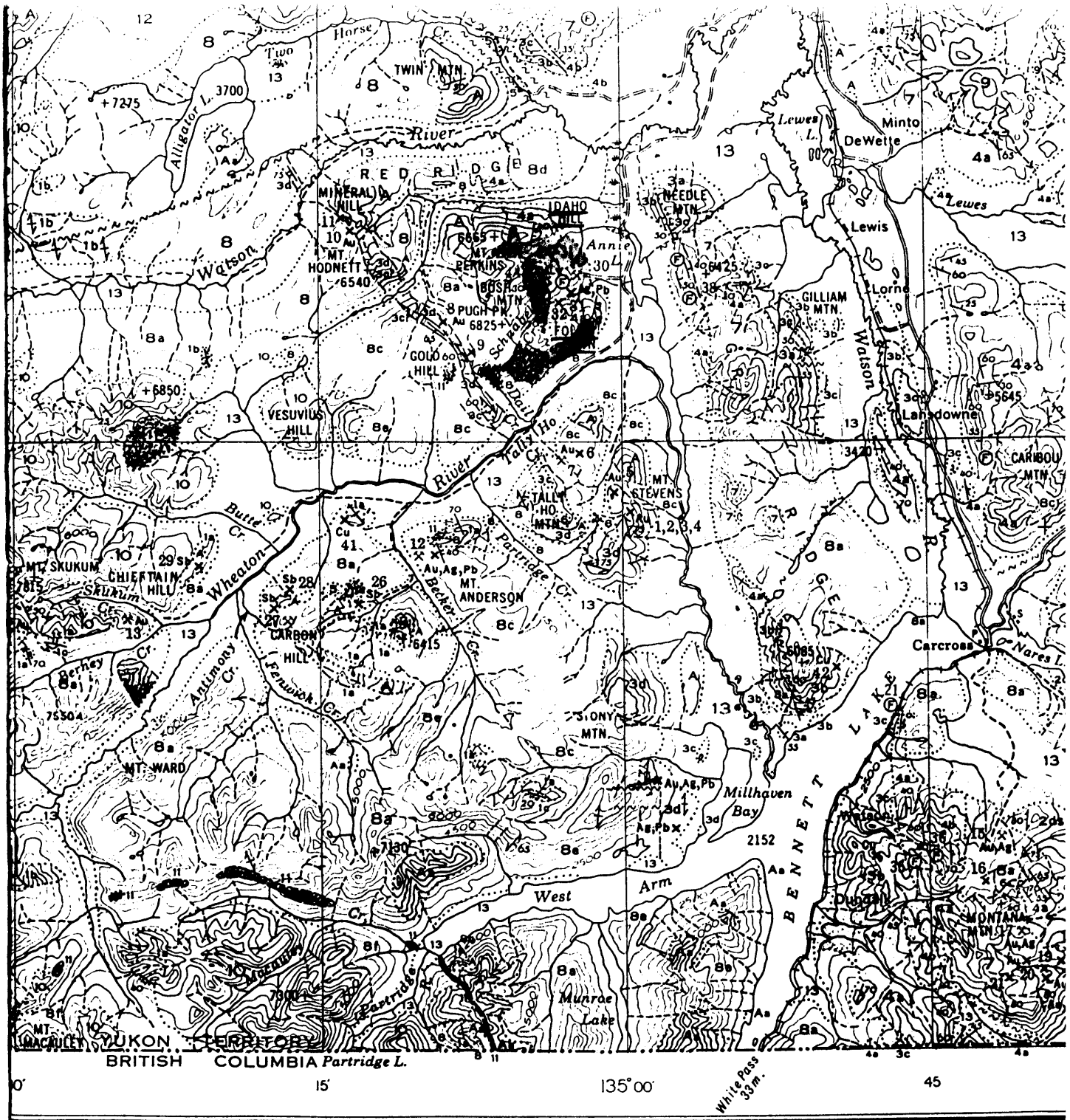
YUKON TERRITORY

ne Inch to Four Miles = $\frac{1}{253,440}$

Miles

0 4 8 12

OF THIS MAP MAY BE OBTAINED FROM THE
OR, GEOLOGICAL SURVEY OF CANADA, OTTAWA



MAP 1093A

GEOLOGY

WHITEHORSE

YUKON TERRITORY

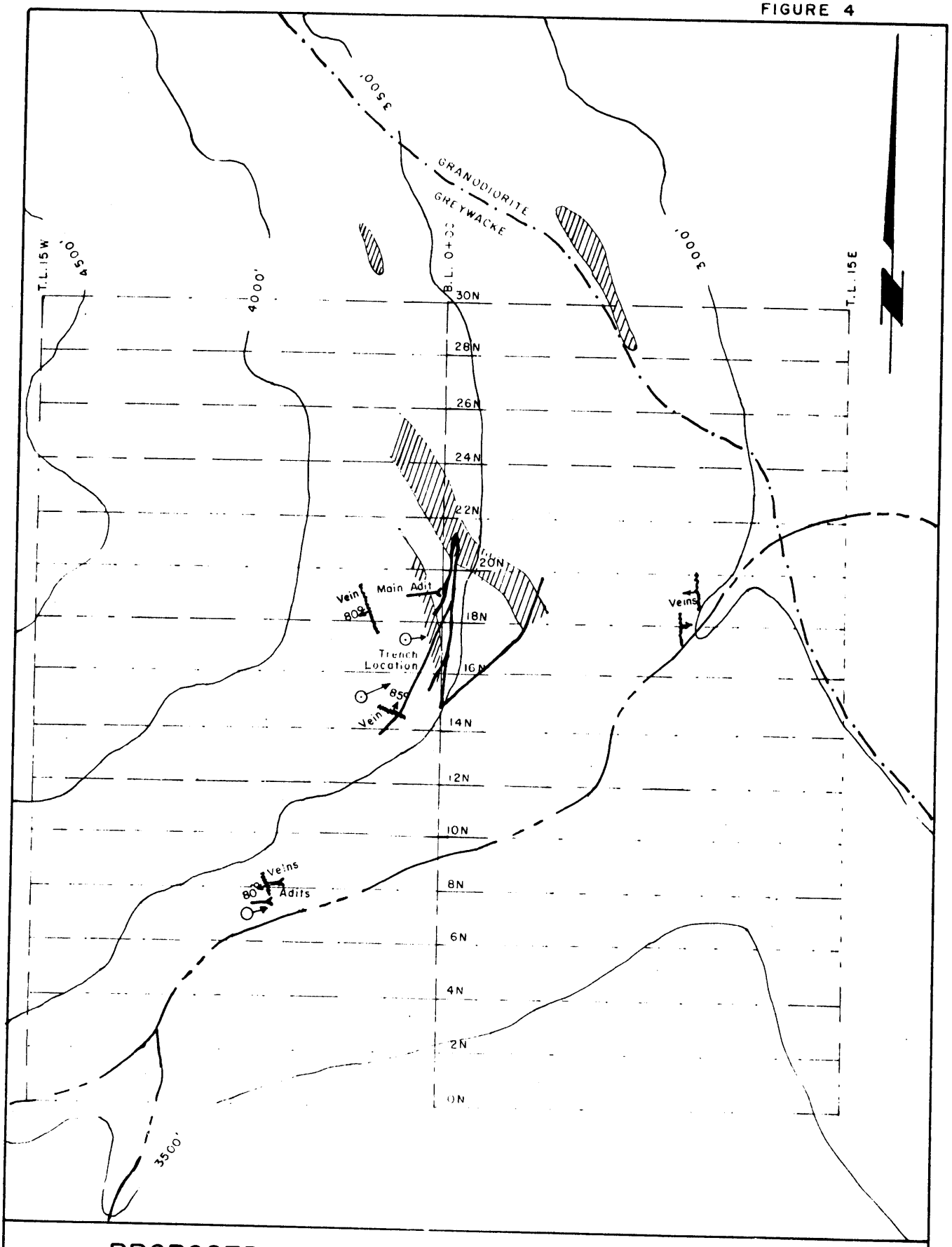
Scale: One Inch to Four Miles = $\frac{1}{253{,}440}$

Miles

4 2 0 4 8 12

COPIES OF THIS MAP MAY BE OBTAINED FROM THE DIRECTOR, GEOLOGICAL SURVEY OF CANADA, OTTAWA

FIGURE 4



PROPOSED GRID AND DRILL HOLE LOCATION MAP

AVID GOLD RESOURCES INC.

PROPOSED GRID LINE
MINERALIZED VEIN
VLF-EM ANOMALY
PROPOSED DRILL HOLE

SCALE 1" = 560' approx.

Table 1 - Table of Formations

QUARTERNARY		Alluvium; glacial deposits
QUARTERNARY (?)	Miles Canyon Volcanics	Basalt; minor pyoclastic rocks
LATE TERTIARY	Upper Skukum Group	Rhyolite, andesite dykes, sills
TERTIARY	Skukum Group	Basalt, andesite, rhyolite flows; associated tuffs and breccias
CRETACEOUS	Coast Range Intrusions	Medium-grained quartz-monzonite; granodiorite
JURASSIC/ CRETACEOUS	Hutshi Group (?)	Andesite, rhyolite flows and pyroclastic equivalents
JURASSIC	Tantalus Group	Mainly conglomerate
TRIASSIC	Lewes River Group	Andesite, basalt flows and pyroclastic equivalents; limestone; minor rhyolite flows
LOWER PALEOZOIC	"Yukon Group"	Metamorphic terraine; quartz-biotite schist; micaceous quartzite; minor gneissic units.

PROPERTY GEOLOGY

The Dumb Donkey-Sail claim group is predominantly underlain by greywacke and arkose of the Laberge Group of Lower Jurassic age, intruded by Cretaceous aged granite and granodiorite of the Coast Range Intrusives and rhyolite of Tertiary age. In June 1980, a program of detailed mapping was conducted in the vicinity of the roads and adit located on Sail #2 claim by Pemex Consultants. The mineralization in this location reportedly occurs in greywacke fresh to altered and generally rusty weathering. Recent work indicates that rhyolite dikes and/or flows are more abundant on the property than was earlier reported. Rhyolite is found in the Schnabel Creek Valley on Sail #1 and Dumb Donkey #47 claims. This unit hosts several veins that were opened up by Avid Gold Resources in the summer of 1983. The rhyolite is an aphanitic, leucocratic, well fractured and in places brecciated rock having a pale green to dirty white colour. Fractures are sometimes coated with calcite. Previous work described this unit as leucocratic arkose or silicified greywacke. The extent of the various rock units that underlie the property is not well defined. Mapping by Pemex Consultants identified greywacke with minor layers of arkose, siltstone and conglomerate, intruded by granodiorite to be the principle rock units underlying the property. A massive silicified, leucocratic arkose was described by W.G. Timmins (1979) to be the most common rock type. However, the silver-lead veins that are located along Schnabel Creek in the vicinity of Claims Sail #1 and Dumb Donkey #47 are found in a rhyolite host rock believed to be spatially and genetically related to the Tertiary rhyolites found in the Wheaton River District and associated with gold-silver mineralization in the Mount Skukum and Tally-Ho Mtn. areas. The apparent conflict in petrographic unit identification would indicate the need for additional mapping and petrographic studies.

MINERALIZATION

The veins on the property are chiefly concentrated in the southeast portion of the claim group on claims Sail #1, 2 & 12 and Dumb Donkey #37, 38, 47 & 48. Trenches and adits expose the veins on the southeast slope of Idaho Hill and northeast slope of Folle Mtn. at elevations of 2,800 feet and 3,800 feet. Mineralization consists of a quartz-calcite gangue with disseminated to massive galena and arsenopyrite. Minor sphalerite, pyrite and chalcopyrite occurs in some veins. Most veins are generally narrow but vary from 4 to 12 inches up to 4 feet in width. Silicified structures and/or rhyolite dikes hosting the mineralized fissures also vary in width from a few inches to 50 feet or more. The zones of mineralization trend north to northwest in the vicinity of Schnabel Creek and dip steeply west to southwest. Assays reported by W.G. Timmins, Pemex Consultants, D.D. Cairnes (G.S.C.), T.O. Wheeler (G.S.C.) and D. Baird and others gave a wide range of values for gold and silver. Most samples assayed low in gold and usually ranged from 0.001 oz/ton to 0.06 oz/ton gold with a few samples running between 0.38 oz/ton and 2.92 oz/ton gold. Silver values range between trace and 168.5 oz/ton from veins sampled. Chip samples, taken from the main vein, explored by the 140 foot adit, and from mineralized trenched shears gave values between 2.0 oz/ton and 6.4 oz/ton silver.

Mineralization is widespread in the property and the presence of favourable host rocks coupled with strong structural features make the property a favourable location for finding silver and gold mineralization of economic interest. Of particular interest is the widespread silicification and the presence of tertiary rhyolite dikes.

Results of samples taken by Pemex Consultants in 1980 are listed for reference as Appendix II of this report.

GEOPHYSICS AND GEOCHEMISTRY

Geophysical and geochemical surveys have been conducted over select parts of the property. Only the results of Pemex Consultants June, 1980 VLF-EM geophysical survey and rock and soil sampling geochemical surveys, that covered approximataely 12 claims in the southeast portion of the property, were examined. The Ronka EM-16 VLF electromagnetometer survey outlined five conductors with apparent northwesterly trends. Two anomalies were found to be coincident with a rock geochemical anomaly and are roughly coincident with the trenched zone near the main adit. The anomalies outlined appear to be strong conductors and could reflect massive sulfide mineralization. Weak conductors were located in heavy overburden covered areas on the eastern part of the property and may reflect surficial deposits. Results from 105 rock geochem samples, taken from outcrops exposed by trenching, road work and from within the adit in the main adit area, reportedly outlined an anomalous zone defined as a possible "leakage anomaly" by Pemex.

CONCLUSIONS

A review of some of the data collected during earlier exploration programs on the Sail and Dumb Donkey mineral claims indicates the property has potential for hosting silver-lead mineralization of economic interest.

Work to date has been confined to a relatively small portion of the property and has been chiefly centered around the main 140' adit and showings on Schnabel Creek.

The property is underlain by greywacke, arkose, rhyolite and granodiorite. Most mineral showings occur near the sedimentary-volcanic complex and intrusive granodiorite contact or along the lower reaches of Schnabel Creek.

There are at least twelve poorly exposed mineralized zones, several geophysical and geochemical anomalies and favourable rock units on the property.

The number of mineral occurrences located in the area of the main adit and Schnabel Creek coupled with the strong geophysical responses suggests further exploratory work by diamond drilling is warranted.

RECOMMENDATIONS

It is recommended that a two-phased exploration program be initiated on the Avid Gold Resources Inc. claims on Idaho Hill and Folie Mtn. The program should consist of detailed geological mapping tied into a grid system followed by diamond drilling.

A breakdown of cost estimates including camp, food, transportation and supplies are as follows:

PHASE I

Grid system:	3,000 foot baseline with 3,000 foot grid lines at 200 foot intervals or 10 miles of grid @ $400/mile	$ 4,000.00
Geological mapping:	geologist for 2 weeks plus assays and petrographic studies	4,000.00

PHASE II

Diamond drilling:	2,000 feet N Q core @ $60/foot (includes geologist, supervision, etc.)	120,000.00
	assays, reports, miscellaneous	5,000.00
Contingencies (10%)		13,300.00
TOTAL		$ 146,300.00

BIBLIOGRAPHY

Memoir No. 312, Geological Survey of Canada
by J.O. Wheeler, 1961

Memoir No. 31, Geological Survey of Canada
by D.D. Cairnes, 1912

Geological Report for Annie Lake Mines Ltd.

by W.G. Timmins, June 27, 1979
W.G. Timmins Exploration
& Development Ltd.

Geological, Geochemical, Geophysical Report
for Annie Lake Mines Ltd.

by E.D. Cruz, D.M. Basco,
Pemex Consultants, June, 1980

APPENDICES

G. MACDONALD AND ASSOCIATES LIMITED
Consulting Professional Geologists

4 Hyland Crescent
Whitehorse, Y.T.
Y1A 4P6

(403) 668-2044 (403) 667-7229

Appendix 1

CERTIFICATE OF QUALIFICATIONS

I, GLEN C. MACDONALD, with business and residential address in Whitehorse, Yukon Territory, DO HEREBY CERTIFY that:

1 - I am a consulting professional geologist.

2 - I am a graduate of the University of British Columbia (B. Sc., Geology, 1973 and B.A. Economics 1971).

3 - I am registered as a Professional Geologist by the Association of Professional Engineers, Geologists and Geophysicists of Alberta (No. 36214).

4 - I am registered as A professional Geologist in the Northwest Territories (No. L166).

5 - I am a member in good standing of the Canadian Institute of Mining and Metallurgy.

6 - I have practised Mining and Exploration geology in the Yukon, northern British Columbia and Northwest Territories since 1973. I began private practice in 1982 after leaving the position of Regional Geologist for Noranda Exploration Company Limited, Whitehorse, Yukon.

7 - I have examined the showings and area of the property of Avid Gold Resources Inc. (Wheaton River Area - Whitehorse Mining District) and have reviewed private and public information on the property to compile this report.

8 - I have not received, nor do I expect to receive, any interest in properties or securities of Avid Gold Resources Inc.

9 - I hereby grant my permission for Avid Gold Resources Inc. to use this report for filing with the Vancouver Stock Exchange as partial requirement of a Statement of Material Facts or for any legal purposes normal to the business of Avid Gold Resources Inc.

DATED at Whitehorse, Yukon Territory, this 3rd day of April, 1985.

GLEN C. MACDONALD, P. GEOL.

Appendix II

PEMEX CONSULTANTS

June 1980

LIST OF ASSAYS OF MINERAL SHOWINGS

Ag Oz/T	PB %	Zn &	Au Oz/T	Cu%	REMARKS
6.424	1.07	9.89	0.018	0.006	5' of chip sample west of a vein at 3,900 elevation above main adit.
3.067	1.37	0.95	0.006	0.012	5' of chip sample east of a vein as the above.
0.554	0.04	0.03	0.004	0.020	5' chip sample across shear at portal of 2nd tunnel on Schnabel Creek.
1.460	0.84	0.60	0.002	0.040	Pick sample below andesite porphyry dyke in silicified greywacke Schnabel Creek.
1.08	0.10	0.09	0.005	0.080	Pick sample of massive pyrhotite, NE of Idaho Hill.
0.365	0.25	0.16	0.002	0.004	5' chip sample across sheeted zone with sulphides in trenched road.
4.526	0.75	0.09	0.032	0.014	5' chip sample of mineralized gougy shear at trenched area. See Fig. 4.
2.190	0.75	0.52	0.008	0.010	5' chip sample at border of shear, trenched area. Fig. 4.
9.490	0.90	0.17	0.049	0.004	1' chip sample along tight shear, trenched area, as above.
5.694	0.80	0.05	2.920	0.008	Pick sample in gougy shear, trenched area, as above.
0.350	0.23	0.24	0.002	0.010	6' chip sample in sheared greywacke, trenched area, as above.
4.672	0.75	0.05	0.031	0.008	1' pick sample in sheared greywacke, trenched area above.
2.336	0.41	0.12	0.037	0.012	1' chip sample in sheared, silicified greywacke, trenched area.
2.336	0.87	0.96	0.004	0.034	1' chip sample in gougy shears in greywacke, trenched area.

(2/continued)

Ag Oz/T	PB %	Zn &	Au Oz/T	Cu%	REMARKS
1.898	0.17	0.14	0.003	0.005	5' chip sample in sheared greywacke, trenched area.
9.636	0.75	0.23	0.013	0.026	1' chip sample in rusty shears, trenched area.
10.658	0.77	0.10	0.027	0.018	1' chip sample in vein with sulphides, trenched area.
1.022	0.70	0.64	0.004	0.120	3' chip sample in sheared, rusty greywacke.
0.233	0.19	0.19	0.004	0.011	Pick sample at same location of R 14, Fig. 4.
2.336	1.08	2.16	0.004	0.070	1' across vein on trench 35S100W grid, E of Folle Mtn. Fig 3.
0.919	0.85	1.34	0.004	0.020	6' chip sample across mineralized structure of samp place as MS-20.
23.360	1.20	2.71	0.037	0.030	3" quartz vein with sulphides in sheared, rusty greywacke at lower section Schnable Creek. See attached geologic map.
0.846	0.06	0.02	0.008	0.110	8" quartz vein with sulphides at first tunnel, lower down Schnabel Creek.
0.408	0.03	0.05	0.002	0.030	2" pick sample at 2nd tunnel of above Creek to west of first tunnel above. Same as at MS-3.
0.919	0.50	0.68	0.001	0.010	Pick sample from silicifed greywacke, on Schnabel Creek. See map.
0.832	1.11	1.51	0.004	0.020	Pick sample at 100' above MS-25 on Schnabel Creek.
0.919	1.52	0.29	0.002	0.010	Pick sample on silicified greywacke 50' downstream from MS-25.
0.846	1.19	1.64	0.004	0.010	Pick sample on silicified greywacke 100' downstream from MS-25 above.
5.840	0.84	1.21	0.013	0.020	8" chip sample on Canyon Trench to north of MS-22, lower Schnabel Creek.
0.978	0.23	0.13	0.026	0.010	5' chip sample from face of adit, trenched area. Fig. 5.

(3/continued)

Ag Oz/T	PB %	Zn & Au Oz/T	Cu%	REMARKS
3.504	0.61	0.62	0.055	0.007	5' chip sample from T-1 above.
0.876	0.35	0.58	0.016	0.017	5' chip sample from T-2 above.
1.752	0.28	0.26	0.016	0.010	5' chip sample from T-3 above.
3.358	0.70	2.05	0.008	0.021	2' chip sample from face of adit (12.5' - 14.5'). Fig. 4.
4.088	0.80	0.66	0.013	0.018	Pick sample at 34' from face of adit above.
1.460	0.27	0.11	0.021	0.002	Pick sample at 44' from face of adit above.
1.606	0.46	0.15	0.016	0.002	Pick sample at 75' from face of adit above.