

**SUMMARY REPORT
J.A.E. CLAIMS #2,3,5,19**

N.T.S. 115I/14

**J.A.E. RESOURCES INC.
September 28, 1996**

A RESOURCES INC.

"Mining King Solomon Properties"

Box 48, Dawson City,
Yukon Y0B 1G0

SEPT. 20/93

SUMMARY REPORT

ON JUNE 5/93 THE COMPANY STARTED WORK ON ITS PROPOSED TRENCHING + BULK ASSEYS.

TRENCH #1 ON J.A.E. CLAIM 2 ENCOUNTERED IN A TRENCH 16ft x 150ft x 6ft DEEP A CAP OF SEDIMENTARY CHLORIDE SCHIST WHICH ON THE EAST END OF IT HAS A SECTION OF UNDERLYING 6ft x 16ft EXPOSED BEDROCK CONSISTING OF A 6" QUARTZ PYRITIZED STRINGER AND ADJOINING MUSC. SCHIST ON BOTH SIDES. ASSEYING RESPECTIVELY 3.2 GR/TON (MQ) 3.457 GR/TON (MS ASSEY SHEET) PYRITE WITHIN BEDROCK EXPOSURE UP TO 30MM ϕ . FURTHER EXPOSING OF TRENCH IS PLANNED FOR 1994 SEASON.

TRENCH #2 J.A.E. CLAIM 3 ENCOUNTERED AN ALTERATION ZONE WITHOUT UNSIGNIFICANT VALUES. TRENCH SIZE 20ft x 150ft x 6ft AN EXTENSION ON TO J.A.E. CLAIM 4 IS PLANNED FOR 1994.

TRENCH #3 J.A.E. CLAIM 19 ENCOUNTERED ON ITS WEST END 2 QUARTZ VEINS 8" WIDE WITH ASSEY RESULTS OF UP TO 1.2 GR/TON (L7). A SECTION 100ft LONG (EAST OF QUARTZ) CONSISTING OF BROWNISH MICA SCHIST ASSEYS 1.6 (L6) GR/TON UP TO 2.0 GR/TON (L6). PYRITE IS NOTICED IN SCHIST. ADJOINING TO SCHIST GOING EAST IN TRENCH A FELSIC PYRITIC GREENSTONE WITH CHROMITE IS COMING THRU (AT END OF TRENCH. WITH ASSEY VALUE OF 0.66 GR/TON (L101) TO 2.927 GR/TON (L8) FOR A LENGTH OF 50ft. TRENCH SIZE 16ft x 200ft x 8ft DEEP.

A RESOURCES INC.

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Box 48, Dawson City,
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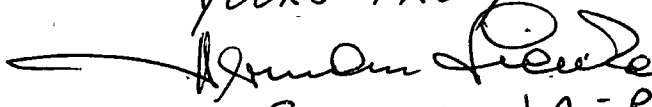
TRENCH ON J.A.E CLAIM 5 SOME SAMPLING WAS DONE WHICH SHOWED VALUES FROM A 1992 PROGRAM OF UP TO 25.5 GR/TON VALUES ENCOUNTERED IN 1993 OF A BULK ASSEY CONSISTING OF QUARTZ + PYRITIC SCHIST WITH VALUES OF 0.98 - 4.921 GR/TON.

PLEASE NOTICE THAT ALL ASSEYS WERE ARRIVED FROM 2 LBS BULK SAMPLES AND ONLY ASSEYD FOR GOLD.

A COSTLY I.P. ANOMOLIE TRENCHING ON I.P. LINES L 500N + L 200S IS PLANED FOR 1994 AND IF FINANCIAL ARRANGEMENT CAN BE DONE A SHOLE DRILLING PROGRAM.

I'M VERY GRATEFULL FOR THE ASSISTANCE OF THE GOVERNMENT WITH IT'S INCENTIVE PROGRAM + HELP.

YOURS TRULY


SECRETARY J.A.E Res. Inc.

23-Jun-93date

Assay Certificate

JAE Resources

WO 13947

Sample Au weight mg

TR # 3

Sample		Au weight mg	
L2	STRINGER	0.853	QUARTZ WHITE
L3	"	0.174	QUARTZ "
L5	Lots of CHROMITE	0.622	CHROMITE + PyR
L6	100ft	1.628	BROWN Rock very soft
L7		1.195	QUARTZ WHITE spec END
L101	50ft	0.665	PyR. Rock lower end

12-Jul-93date

Assay Certificate

J A E Resources

WO 13951

Sample	Au mg	Au(30gm) ppm
TR # 3 L8	100ft	2.040
LC		0.022
L8	50ft	2.927
03		1.135
04		0.088
05	TRENCH #2	0.203
06		0.102
LB		10
LF		<5
LQ		6

BROWN MICA SCHIST
 STRINGERS
 PYR. GREENSTONE
 QUARTZ
 Soil
 Soil

29-Jul-93date

Assay Certificate

J A E Resources

WO 13991

Sample		Au mg
MSS	SHAFT	0.006
L6	TR 3 soil	0.687
MN	100ft South of SHAFT	2.547
L8		0.142
MQ	QUARTZ 100ft NORTH of SHAFT	3.200
MS	SCHIST " " "	3.457
LQ	TR 3 soil	0.208



22-Jun-93date

Assay Certificate

J A E Resources

WO 13939

Sample

Au weight mg

Sample	Au weight mg		
B	3.721	QUARTZ	BROWN
W	4.921	"	WHITE
L	0.984	QUARTZ	RARE

1992 TR
CLAIM # 5

(1993
2165 Bulk Assay)

11-Feb-93date

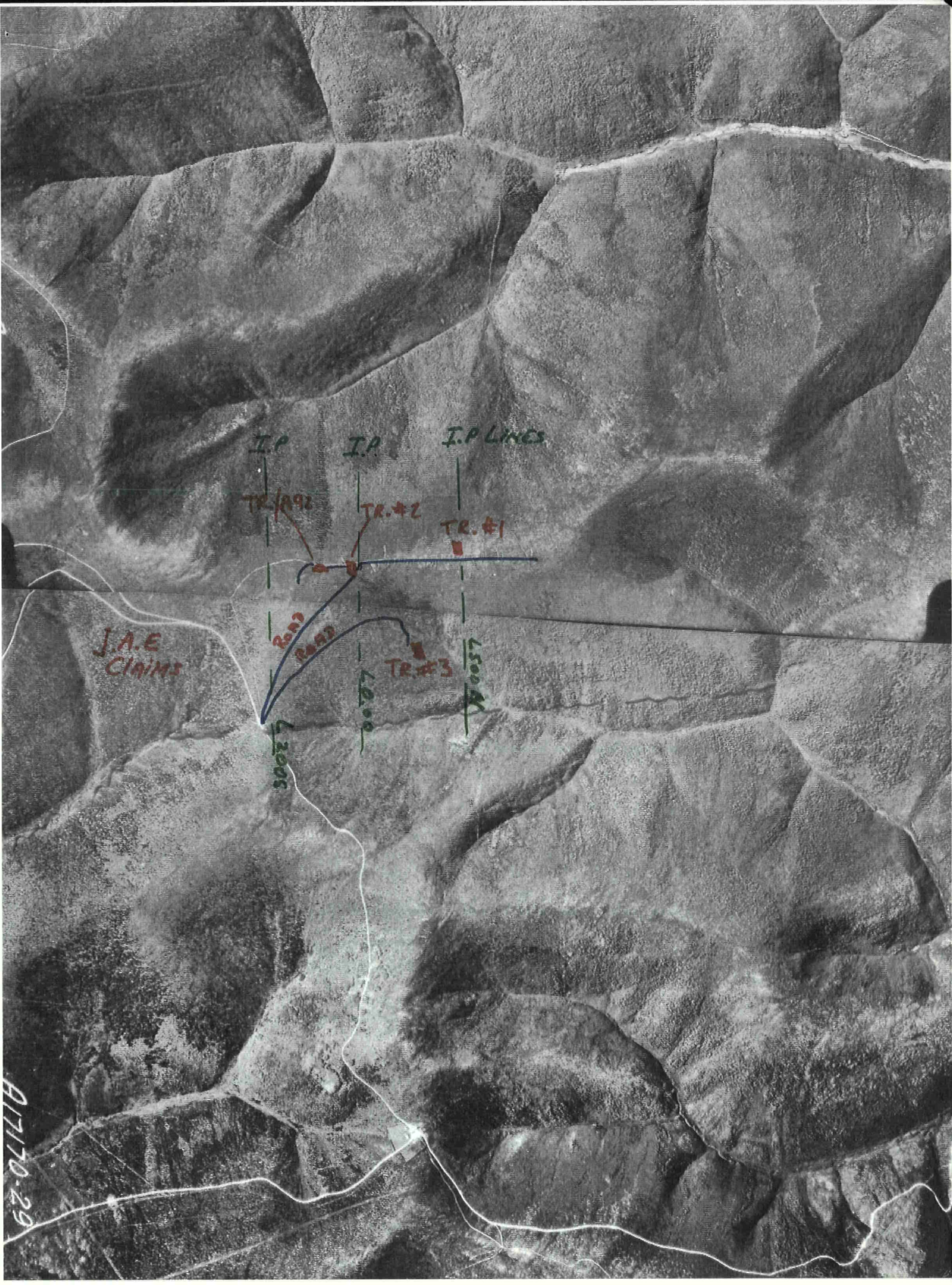
Assay Certificate

wd 13898

Sample #	Sample Wt.	Au Wt
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O#1	.058	10.844 mg
SP#2	.122	25.515 mg

1992 (Bolk Assay)
2 lbs

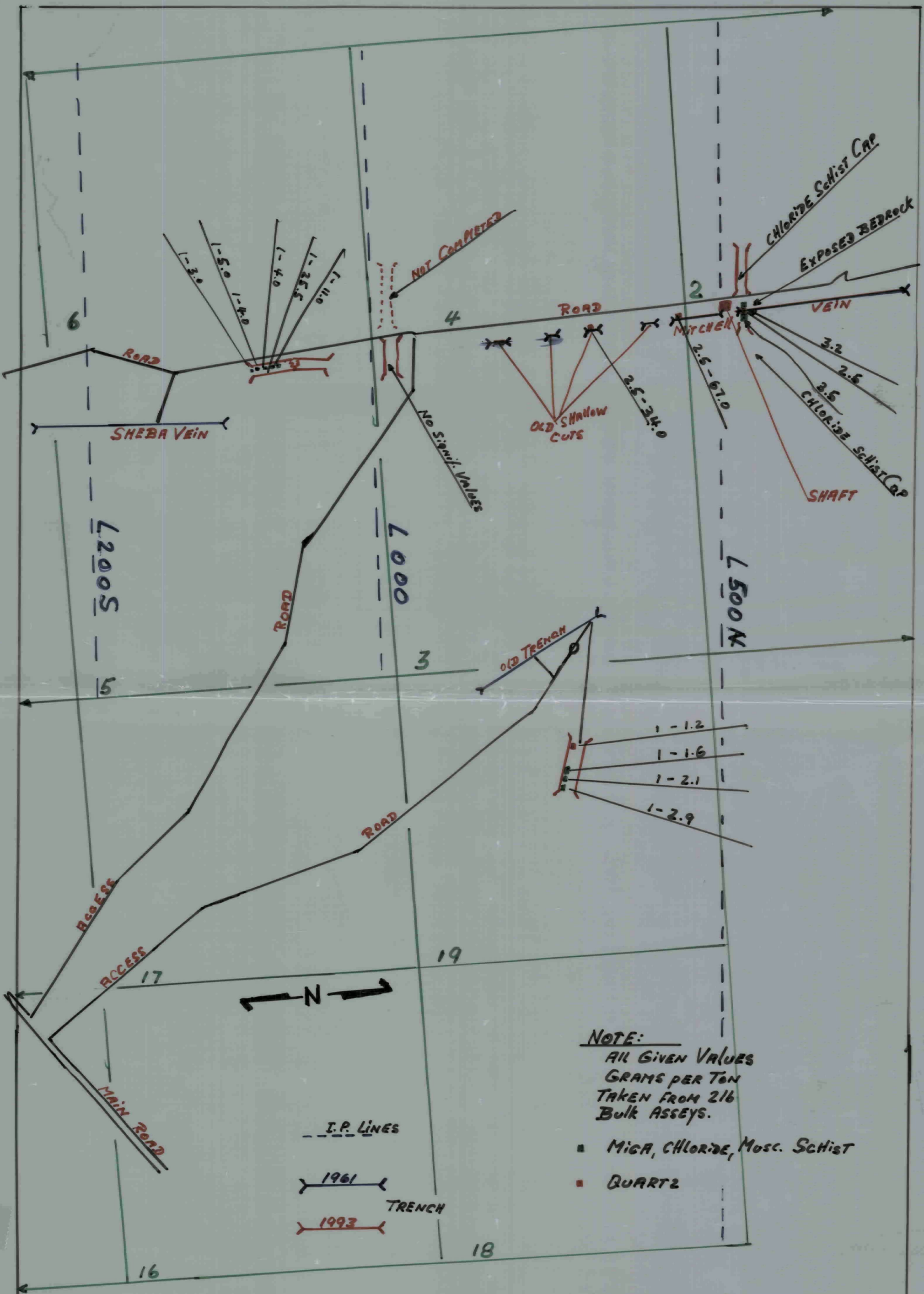


I.P. I.P. I.P. LINES
TR. #992 TR. #2 TR. #1

J.A.E. CLAIMS

Rd. #1
Rd. #2
L2000
L2000
L2000
L2000
L2000
TR. #3
W0057

A17170-29



NOTE:
 ALL GIVEN VALUES
 GRAMS PER TON
 TAKEN FROM 216
 BULK ASSEYS.

- MICA, CHLORIDE, MUSC. SCHIST
- QUARTZ

--- I.P. LINES
 1961 TRENCH
 1993 TRENCH

J.A.E. RESOURCES INC.
 1993 TRENCH AREAS
 H. Lewis

Dec 30 93

Tom Morgan

Box 767 Dawson City

				W
			✓	
		PASSE-PARTOUT at \$800/MHX 3 mn	✓	2400 00
2		STEAMER at \$400/MHX 2 mn	✓	800 00
3		POWER SAW at \$300/MHX 3 mn	✓	900 00
4		GEN SET at \$400/MHX 3 mn	✓	1200 00
		PUMP + TEST SET at \$150/WKX 2 mn	✓	300 00
8				
12				5600 00

29501

Tom Morgan

Oct 31 93

M Tom Morgan

Box 767 Dawson City, YT

	o	o	o	o	w
4x4 - Truck Rental					
² 1984 D-50 Dodge Ram					
³ for May - Aug 93					
@ 500 per week 2x500					1,000 00
⁵					
⁶					
⁸					
⁹					
¹⁰					

29503

Garl Zwanich

Contract Labour Oct 1-24/93

Shutting - 20 days @ \$15000 per day

Received \$3,000 Oct 25/93

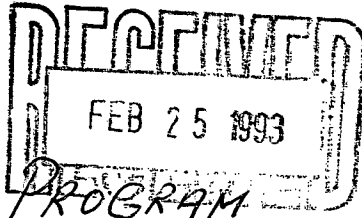
Sam M. Arthur

A RESOURCES INC.

"Mining King Solomon Properties"

~~Box 48, Dawson City,~~ 11-178 RANGE RD. Y1A 4V1
~~Yukon Y0B 1G0~~ WHITE HORSE Y.T.

ATT: KAREN PELLETIER
FROM: HERMAN LIEDTKE



FEBR. 23/93

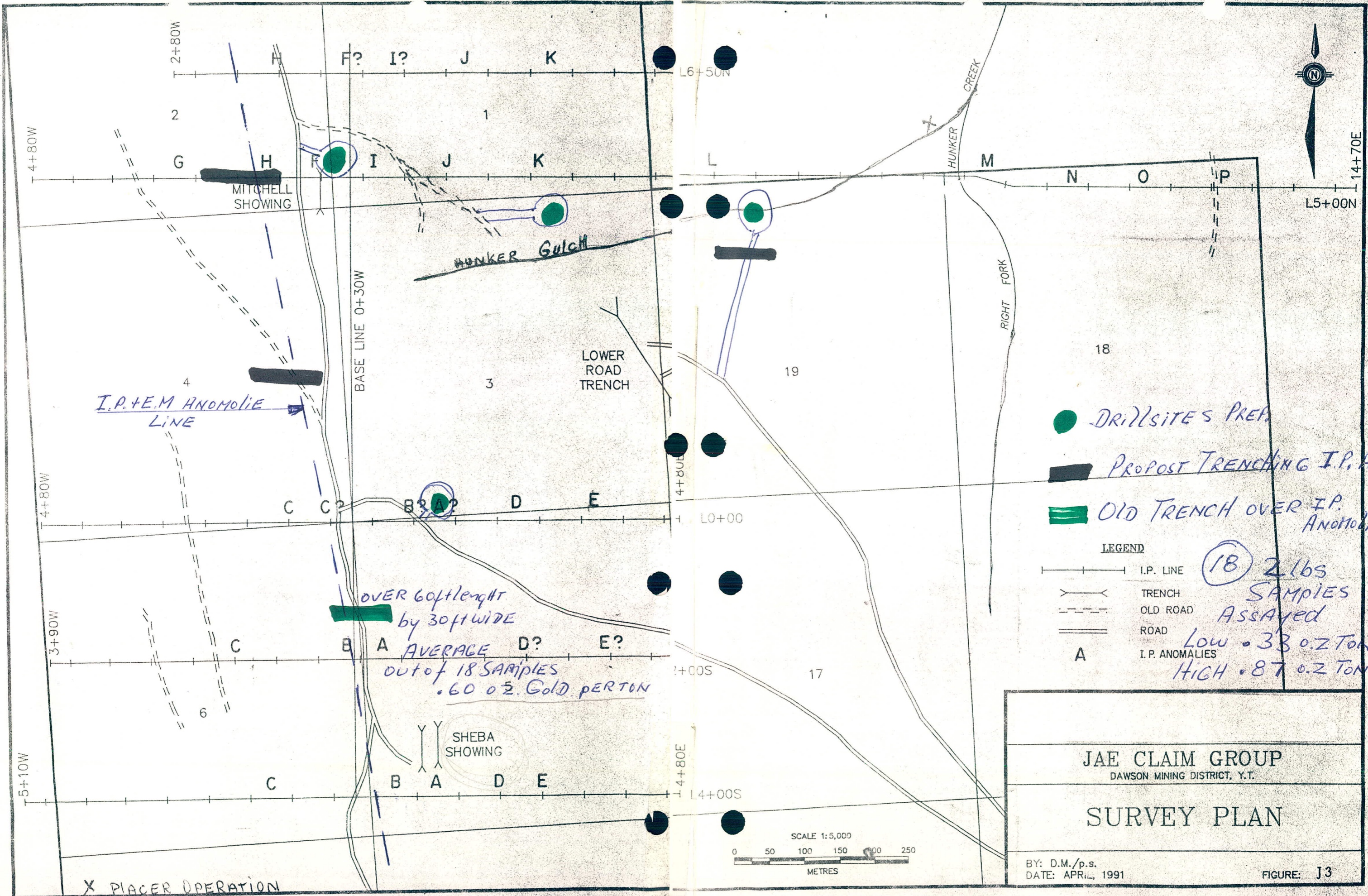
WORK PROGRAM

THE FOLLOWING IS A DETAILED LAYOUT OF THE WORK PROGRAM.

- ① A HIGHLY ALTERED ZONE, WHICH THE I.P. SHOWS TO BE AN EPITHERMAL GOLD-SILVER DEPOSIT AT I.P. LINE L 5+00N - 6+00E WILL BE TRENCHED TO VERIFY THE ABOVE. ALSO AT SAME LOCATION A DRILLSITE PAD AND ACCESS TO IT WILL BE BULLDOZED. BULK WILL BE EXTRACTED FOR TESTING IN FREE GOLD RECOVERY PLANT. SAMPLES (CHIP) FOR ASSEYS WILL ALSO BE TAKEN FROM TRENCH.
- ② TRENCHING AT LOCATION I.P. LINE L 0+00 BETWEEN 60W - 120W. AND LOCATION I.P. LINE L 5+00 BETWEEN 120W - 240W. WILL BE DONE TO FOLLOW EXTENSION OF I.P. AND ASSEY RESULTS AT TRENCH LOCATION L 2+00 - 20W BULK + SAMPLES FOR ASSEYS WILL ALSO BE EXTRACTED FROM TRENCHES.
- ③ DRILL HOLE SITES WILL BE PREPARED FOR FUTURE DRILLING.

NOTE: IF COST OF TRENCHING + DRILLSITE PREP. IS BEYOND ESTIMATED COST, BULK TESTING WILL NOT BE DONE IN ORDER TO GIVE FUNDS TO TRENCHING. SAMPLES FOR ASSEYS WILL BE EXTRACTED OUT OF TRENCHES.

Yours Truly
Herman Liedtke



I.P. + E.M. ANOMALIE LINE

*OVER 60ft length
by 30ft WIDE
AVERAGE
OUT OF 18 SAMPLES
.60 OZ. Gold per TON*

DRILLSITES PREP
PROPOST TRENCHING I.P. AN.
OLD TRENCH OVER I.P. ANOMALIE

LEGEND

- I.P. LINE
- TRENCH
- OLD ROAD
- ROAD
- I.P. ANOMALIES

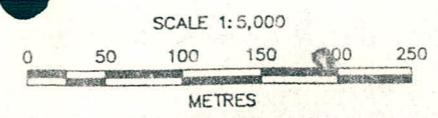
(18) 2 lbs SAMPLES Assayed
Low = 33 O.Z. TON
HIGH = 87 O.Z. TON

JAE CLAIM GROUP
DAWSON MINING DISTRICT, Y.T.

SURVEY PLAN

BY: D.M./p.s.
DATE: APRIL, 1991

FIGURE: J3



X PLACER OPERATION

GEOPHYSICAL REPORT
ON
INDUCED POLARIZATION, RESISTIVITY AND
MAGNETIC SURVEYS
OVER PORTIONS OF THE
JAE CLAIMS
HUNKER CREEK, DAWSON CITY AREA
DAWSON M.D., YUKON TERRITORY

INTRODUCTION AND GENERAL REMARKS

This report discusses the instrumentation, theory, field procedure and results of induced polarization (IP), resistivity, and magnetic surveys carried out over portions of the JAE claims and the Dawson claims. The center of the JAE property is located 31.5 km S 50°E of Dawson City and occurs on the upper reaches of Hunker Creek, within the west central part of the Yukon. The center of the Dawson Claims occurs 18.0 km S 25°E of Dawson City to the southwest of Hunker Creek.

The field work was completed from September 5 to November 4, 1990 under the supervision of David G. Mark, geophysicist, and under the field supervision of Alain Charest, geophysical technician, who also formed part of the field crew. A second geophysical technician as well as two helpers completed the crew of four.

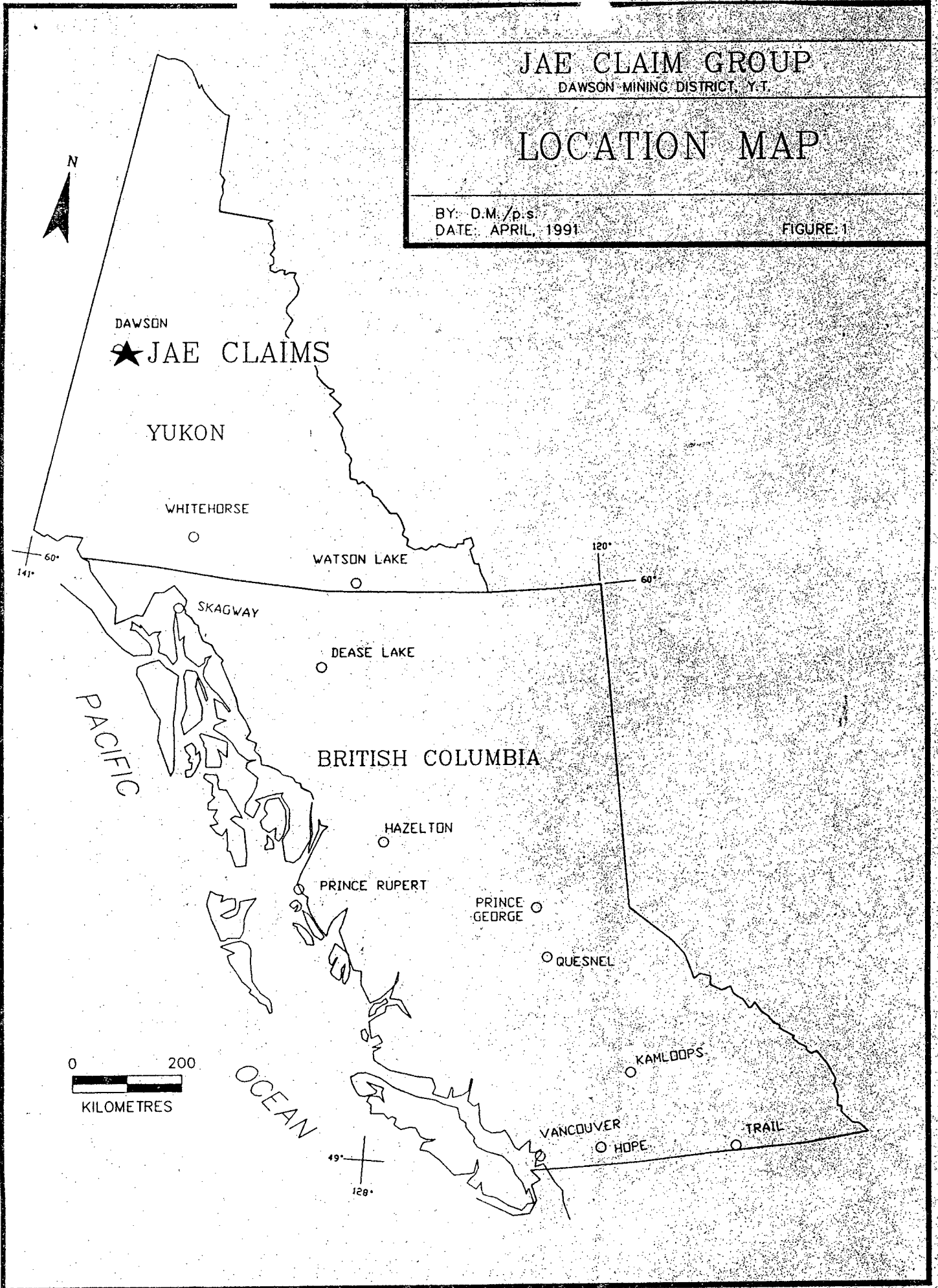
JAE CLAIM GROUP

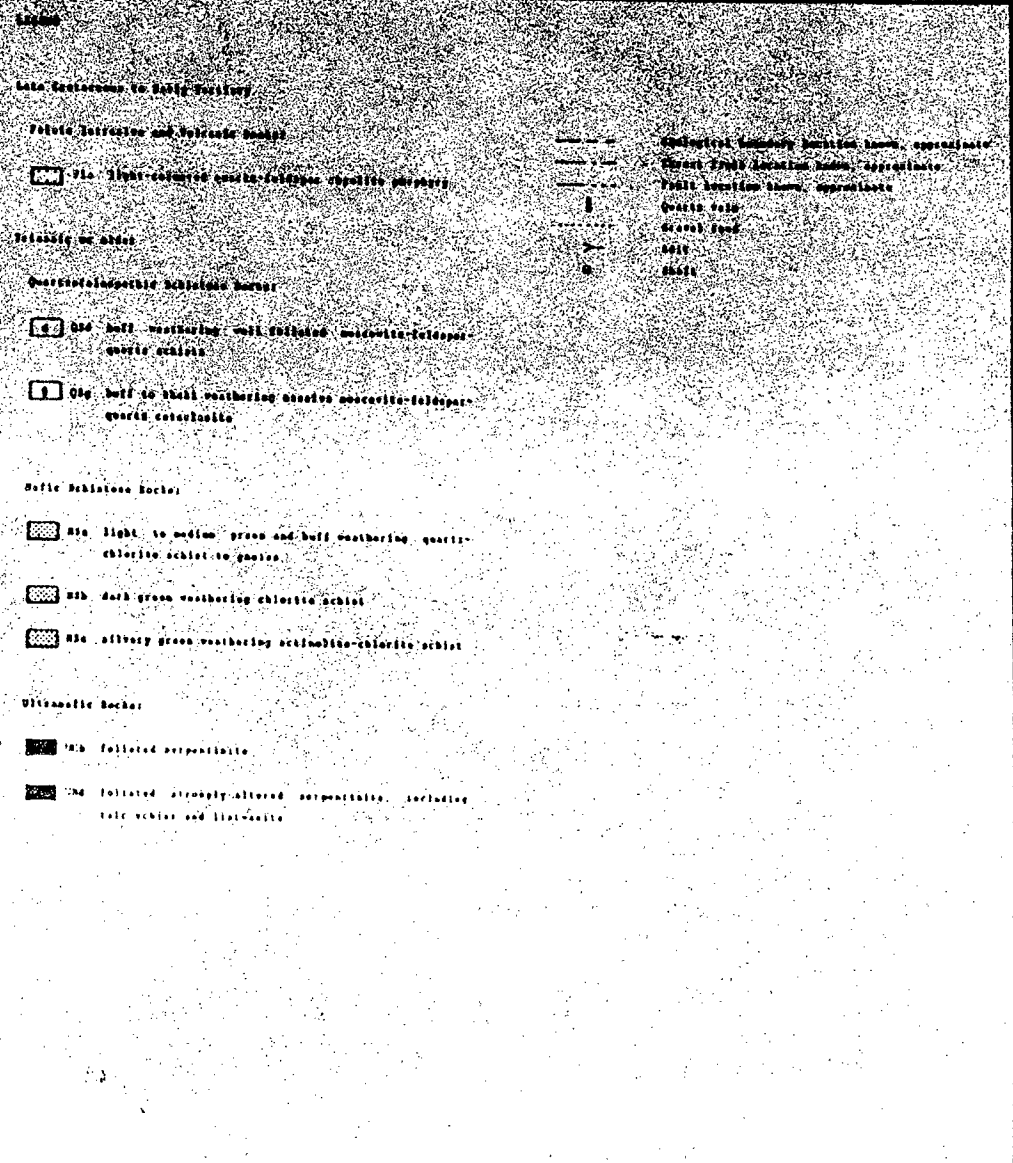
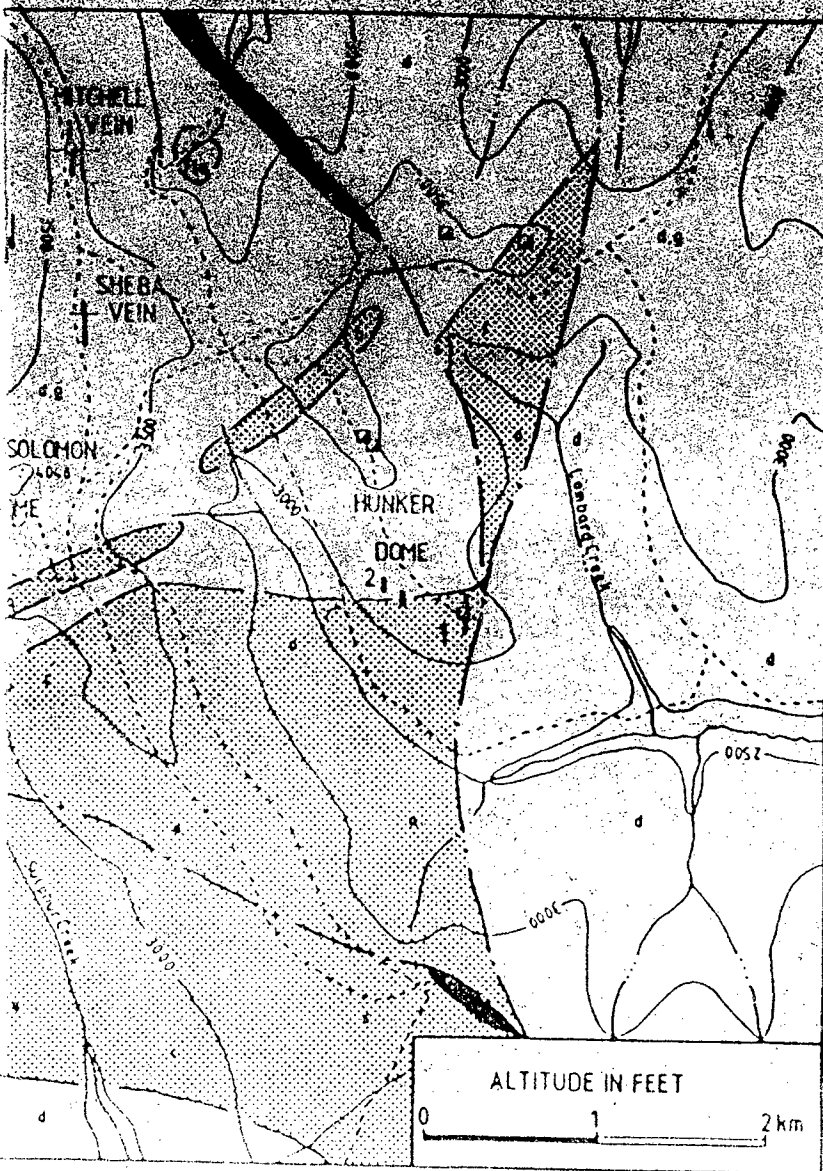
DAWSON MINING DISTRICT, Y.T.

LOCATION MAP

BY: D.M./p.s.
DATE: APRIL, 1991

FIGURE 1





Geological map of the King Solomon Dome Area (modified after GSRCKR, 1985, 1987 and 1987)

CONCLUSIONS

Jae Grid

- (1) The IP, resistivity, and magnetic surveys responded very well to the Sheba showing indicating it to have a minimum strike length of 400 m, being open both to the north and to the south.
- (2) The same surveys indicate a parallel vein occurring 60 to 90 m to the west of the Sheba showing.
- (3) The IP survey also indicates a third zone of sulphide mineralization occurring on the west side of the Sheba lines (4+00S, 2+00S and 0+00) that becomes stronger along strike to the north. A fourth but smaller system occurs on the east side of the Sheba lines.
- (4) The Mitchell showing is also reflected by the IP, resistivity and magnetic surveys. Since only two lines were done across and to the north of the showing, it's minimum strike length is 150 m being open to the north and to the south.
- (5) The IP survey, on the two km long line 5+00N, revealed at least ten lineal-shaped anomalies that could be caused by Mitchell and Sheba-type mineralization. Like the Mitchell and Sheba veins, all the anomalies, except for perhaps two, dip easterly.
- (6) Epithermal alteration associated with epithermal gold/silver veins may occur on the property as is suggested by a broad resistivity low on line 5+00N.

RECOMMENDATIONS

JAE Grid

A number of promising targets occur on the JAE grid that should be diamond drilled. These are:

<u>Target</u>	<u>Collar Location</u>	<u>Dip</u>	<u>Depth</u>
1. IP Anomaly A Hole will test depth of Sheba vein as well as adjacent IP anomaly B.	L0+00, 1+20E	-60°W	150 m
2. IP Anomaly A Hole will test what appears to be a northern extension of Sheba vein.	L2+00S, 1+80E	-60°W	150 m
3. IP Anomaly F Hole will test depth extension of Mitchell vein.	L5+00N, 0+30W	-60°W	75 m
4. IP Anomaly L Hole will test possible epithermal vein. This zone has potential for a very large mineralized zone.	L5+00N, 6+00E	-60°W	100 m

iv

<u>Target</u>	<u>Collar Location</u>	<u>Dip</u>	<u>Depth</u>
5. IP Anomaly K Hole will test strong consistent IP anomaly indicative of vein with good sulphide content.	L5+00N, 2+80E	-60°W	75 m
6. IP Anomaly K Hole will test an indicated mineralized vein that is wide relative to the other targets.	L5+00N, 11+20E	-60°W	80 M

Depending upon the above results, further geological mapping, soil geochemistry sampling as well as IP, resistivity, and magnetic surveying should then be carried out.

DISCUSSION OF RESULTS

(1) JAE Grid

The Sheba vein occurs on line 4+00S at about 90E. Upon looking on the pseudosection for this line it can be seen the showing has a definite geophysical signature consisting of an IP chargeable high (11.9 msec), a resistivity low, and a magnetic low. This has been labelled A. The IP high is caused by the sulphides. However, the cause of the resistivity low is less clear. It may be due to a fault/shear zone (most likely), associated fracturing, and/or alteration. The cause of the magnetic low is likely the same as that of the resistivity low, that is, faulting, shearing, fracturing, and/or alteration. An alternate cause of the magnetic low may be a diabase dyke, the magnetic signature of which is known to have a reverse polarity in the area. However, no dyking of any kind has been noted on the property (though this is far from conclusive because of the extensive overburden).

Just east of 0+00 on line 4+00S occurs a second IP anomaly labelled B. This one, somewhat stronger, indicates a second or parallel vein system to the Sheba. A second magnetic low as well as a minor resistivity low also occurs, though to the immediate west of the IP anomaly.

Of strong exploration interest is the fact that all three geophysical methods indicate that the Sheba vein, as well as the IP anomaly west of the Sheba vein, extends to the north occurring on line 2+00S and 0+00. This indicates a minimum strike length of 400 m (1,312 feet) to the north. According to Troup, the vein also extends 300 m to the south from the showing on line 0+00. This would indicate a total minimum strike length of 700 m. The strike direction appears to be northerly, as indicated by the $n=2$ survey plans for both the IP chargeable and resistivity data. The magnetic data also indicates the same strike direction, though it is not as apparent on the survey plan.

On line 2+00S, the Sheba vein, as indicated by the IP anomaly at 120E appears not to surface, but occur a few tens of meters below the surface. Otherwise, the cause of the lack of anomalous IP results at the surface may be due to (1) sulphides having been oxidized, or (2) a low level of groundwater to act as an electrolyte.

At about 90E to 180E on all three lines occurs an IP anomaly at depth, labelled C, that is weakest on line 4+00S, becomes stronger on line 2+00S, and is strongest on line 0+00. On line 0+00, the anomaly appears to be caused by two different sources, one sub-outcropping at 60W and the second at 120W. The apparent dip is westerly.

The resistivity and magnetic data correlates as follows: (1) a resistivity low and magnetic low with the eastern IP anomaly at 120W, and (2) a resistivity high and a magnetic high with the western IP anomaly at 60W. The suggested interpretation is a Sheba-type mineralized vein occurring to the west of an intrusive dyke that is also mineralized. Obviously, this geophysical feature is an exploration target.

To the east of the Sheba vein on all three lines at 180E to 300E occurs two smaller anomalies at depth, labelled D and E, respectively. There is a resistivity low correlation but no magnetic correlation. There is also a silver-gold-lead soil geochemistry anomalous expression that is relatively small in amplitude. This would be expected if the causative source is at depth.

It should be pointed out that the 200-metre distance between the lines makes it difficult to follow an anomaly from one line to the next. Therefore, question marks have been placed after some of the labelling letters.

On the eastern part of the survey area occurs a northerly-striking narrow magnetic high of small amplitude (20 to 30 gammas). It correlates with a resistivity high. The causative source is very likely a dyke. This feature can also be seen on line 5+00N.

The Mitchell vein occurs at about 50W on line 5+00N. The geophysical expression for this showing is an IP high correlating with a resistivity high and with a magnetic high and labelled F. The IP high is caused by the sulphides and the resistivity high may be due to the quartz veining and associated carbonate alteration. However, the magnetic high is probably caused by an associated intrusive dyke which may also be the cause of the resistivity high. But, as noted above, no intrusive dykes were noted near the showings or on the property.

The Mitchell showing, as indicated by the IP and resistivity results appears to extend 150m north to line 6+50N at about 40W (no magnetic readings were taken on this line). This gives a minimum strike length of 150 m being open both to the north and to the south.

It is still inconclusive whether the Mitchell and Sheba veins are one and the same. They strike toward each other but have a slightly different mineralogical make-up as well as a different geophysical signature.

Line 5+00N, largely because of its 2 km length, has revealed at least 10 lineal-shaped anomalies. All apparently dip easterly except for the western two, which appear to dip westerly, but this is open to interpretation. Though line 6+50N is a much shorter line, some of the western anomalies appear to extend onto this line.

Any or all of the anomalies could easily be caused by Mitchell- or Sheba-vein type mineralization. The anomalies sub-outcrop as follows:

- Anomaly G, 240W, correlates with resistivity high
- Anomaly H, 120W, correlates with resistivity high
- Anomaly I, 0 to 60E, unclear resistivity correlation, correlates with strong magnetic low
- Anomaly J, 130E, correlates with resistivity high, minor magnetic low that is adjacent to a magnetic high (probably intrusive dyke)
- Anomaly K, 240E, correlates with minor resistivity low and minor magnetic low that is adjacent to a magnetic high (probably intrusive dyke)
- Anomaly L, 540E, occurs on edge of major resistivity low which is discussed below.
- Anomaly M, 930E, correlates with resistivity high
- Anomaly N, 1065E, unclear resistivity correlation
- Anomaly O, 1160E, appears to correlate with localized resistivity low
- Anomaly P, 1260E to 1290E, correlates with edge of resistivity high

Occurring between the first two IP anomalies at 240W and 120W, respectively, is a very strong (that is, for this area) magnetic high that is about 250 gammas above background. The causative source is probably a highly altered serpentinite. This rock-type is not known to occur on the property but Ruth Debicki has mapped an occurrence 1900 m north-northeasterly of the Mitchell showing.

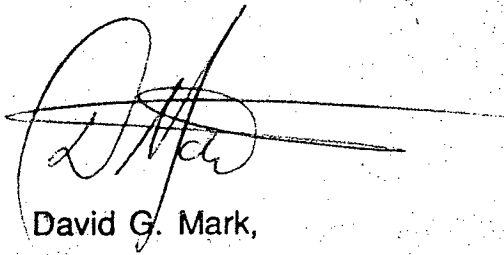
Of very strong exploration interest is a resistivity low occurring from about 510E to 790E (on the surface) on the west bank of the Hunker Creek tributary. There is a strong possibility that this low is caused by epithermal alteration associated with an epithermal gold/silver vein (or, more likely, veins) especially considering the strong evidence of epithermal gold/silver mineralization to the northwest, such as in Frank Short's Pit. The dip of the possible alteration (and therefore veins) is difficult to say at this point since additional resistivity mapping needs to be done, but it appears to be westerly.

The correlating IP highs may be due to pyritization as an alteration product of the epithermal system.

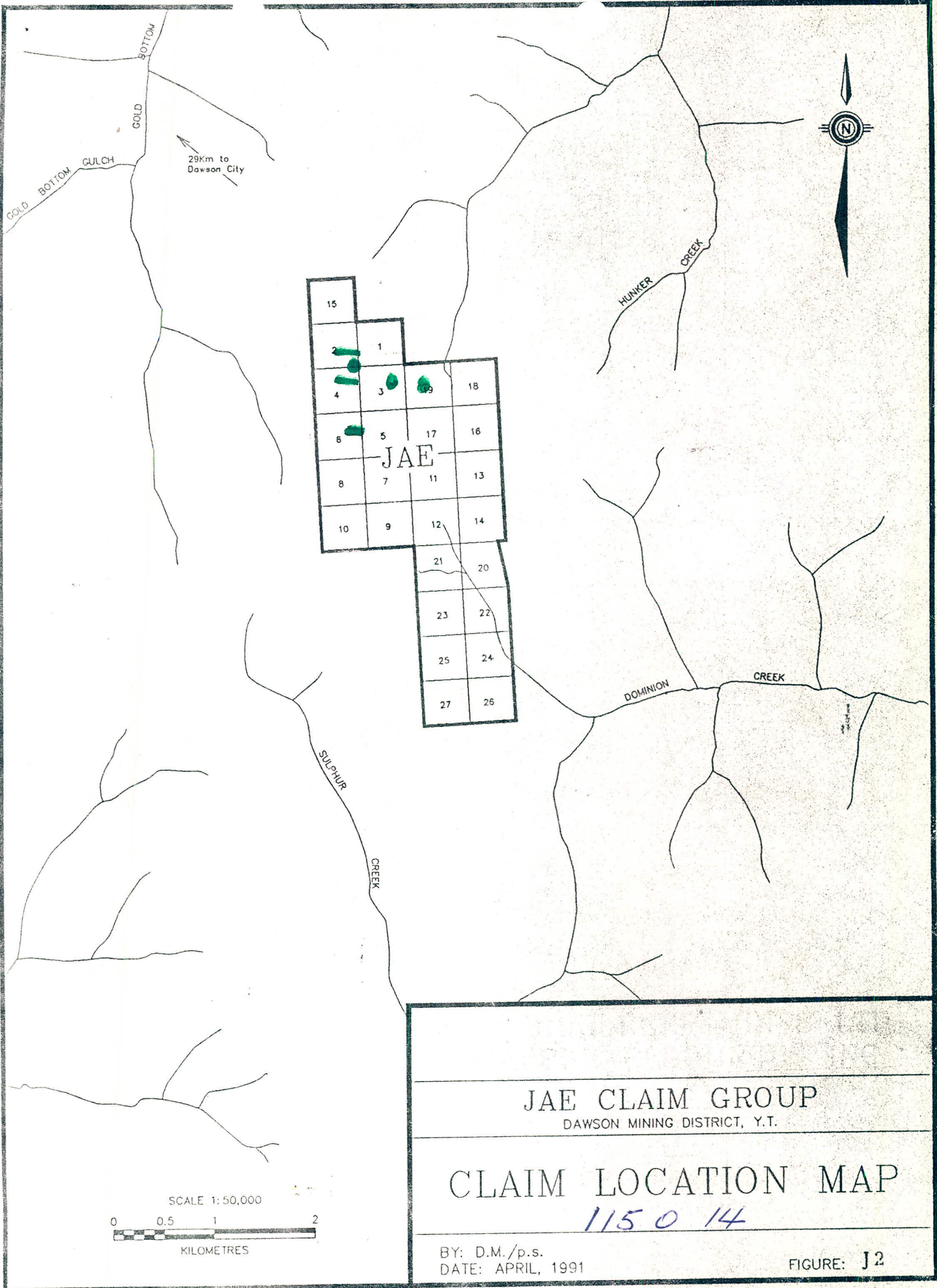
Also of interest are soil geochemistry anomalous results that occur to the south of the resistivity low on lines 0+00 and 4+00S.

Respectfully submitted,
GEOTRONICS SURVEYS LTD.

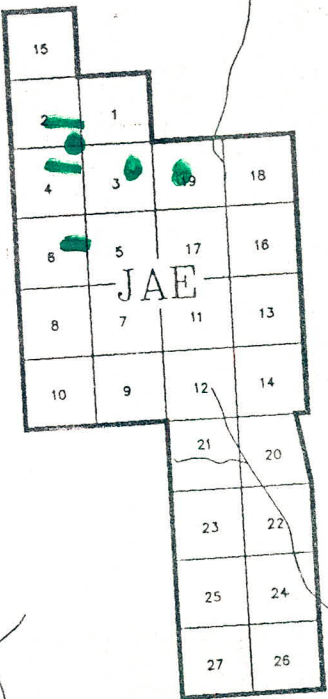
April 27, 1991

A handwritten signature in black ink, appearing to read 'D. Mark', with a horizontal line drawn through it.

David G. Mark,
Geophysicist



29km to Dawson City



JAE



JAE CLAIM GROUP
 DAWSON MINING DISTRICT, Y.T.

CLAIM LOCATION MAP
 115014

BY: D.M./p.s.
 DATE: APRIL, 1991

FIGURE: J2

■ TRENCHING
● IP ANOMOLIES
● DRILLSITES
PREP.
● 1992 TRENCH
OVER IP ANOMOLY

A17170-29