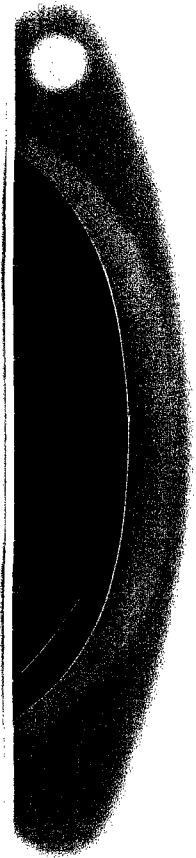


YEIP
04-045
2004



**GEOPHYSICAL / GEOCHEMICAL
REPORT**

YMIP 04 - 045

MAHTIN 1-34 and 37-120 CLAIMS

GRANT# YC23544-YC23558

GRANT# YC28827-YC28845

GRANT# YC30423-YC30506

NTS # 115P / 15

**LAT: 63° 55 N
LONG: 136° 50 W**

DAWSON MINING DIVISION

AUTHOR OF REPORT SHAWN RYAN

WORK PERFORMED AUGUST 6-15, 2004

DATE OF REPORT JANUARY 25, 2005

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MAHTIN PROJECT

1.0 SUMMARY

The Mahtin claims has seen a second year of exploration work with a crew of seven mobilizing to the Mahtin claim block in early August. The crew put in 61.2 kilometers of grid at line spacing of 100 meters and station spacing of 25 meter. A magnetic survey was conducted across the entire grid. A soil survey collected 346 soils which detailed a gold anomaly with associated copper, arsenic, bismuth and stibnite running 900 meter by 150 meters. Hand trenching un-earth large tabular sub-crop float but no outcrop was found. A grab sample of the tabular float ran up to 2.4 g/t Au.

2.0 INTRODUCTION

The Mahtin 1-36 claims where staked in 2003 and 39-120 where added on in 2004. An exploration program was conducted in early September of 2003 and August of 2004. The 2004 work detailed a gold, arsenic, bismuth, antimony and copper soil anomaly has being outlined in two areas one is 700 meters by 200 meters and the second is 300 meters by 100 meters.

3.0 ACCESS

The Mahtin target is accessible by helicopter from Dawson City or Mayo. There also a road located within 5 miles of the Property. The road has being upgrade for the Red Mountain project. The road begins off the Klondike highway at the Clear creek turnoff and head northeast for over 50 miles to the Red Mountain Project. We may use this route to for a closer staging area to shuttle camp and personnel equipment in.

4.0 GEOLOGY (excerpt from Aurum Assessment Report 092793)

4.1 Regional Geology

The East Ridge area is situated within the McQuesten mineral belt (Aho, 1963) and is located on the northern limb of the east trending McQuesten anticline. The Mahtin property straddles the contact between the Yukon Group (unit Hqp) to the south and the Road River Group (unit OSDr) to the north (Figure 3). The metamorphosed and deformed Hadrynian Yukon Group is comprised predominantly of gritty quartzite, argillite, shale, and phyllite while the Ordovician, Silurian and Lower Devonian Road River Group is comprised of black graptolitic shale, chert, limestone, slate phyllite and quartzite (Bostock, 1964; Gabrielse et al. 1977). The sedimentary units are intruded by Cretaceous granitoid plugs, stocks, sills and dykes (unit Kqm) during a period of plutonism and deformation.

The McQuesten mineral belt is 30-50 kilometers wide and extends from Clear Creek in the west to Mayo area in the East (Emond 1986). It consists of a major transverse zone of ENE trending folds, Cretaceous felsic intrusions and related mineralization. The continuity of the McQuesten anticline throughout most of the McQuesten mineral belt, similarities in rock type, structure, and mineralization have led to the conclusion that the area is one metallogenic district. Intrusion of felsic stocks parallel to the fold axes indicates spatially and probably temporally related fault controlled mineralization (Emond, 1986). Mineralization consists of; tin-tungsten and gold, silver-lead-zinc veins, and silver-lead-antimony veins. Mineralization associated with felsic stocks has been found at Clear Creek (Robinson and Doherty, 1988), Arizona Creek, Boulder Creek, Haggart Creek, Highet Creek, Sunshine Creek, Scheelite Dome and Mayo Lake Creek (Aho, 1963; Emond, 1986).

4.2 Geology of the Mahtin 1-120 Claims

The most common sedimentary lithologies on the property are Ordovician-Silurian-Devonian Road River Group rocks. These rocks dip north to northwesterly and young to the north grading from shallow water siltstones, chert and limestone to a deeper water sequence composed primarily of argillite and calcarenite. Hadrynian psammitic rocks of the Yukon Group are found in the southeastern corner of the property, having been thrust northwards over the younger rocks (Paul, 1981).

This combined sedimentary package has been intruded by a large body of Cretaceous biotite quartz monzonite and a dyke swarm that trends east-west and ranges in composition from monzonite to syenite (usually porphyritic). Local crackle breccias are found adjacent to the porphyry dykes and in the periphery of the quartz monzonite intrusive body.

Paul and Rota (1981) inferred northwest trending faults in Horseshoe and Bolivia Creeks. These faults are at right angles to the thrust fault and presumably related to it. A large number of porphyry dykes parallel the thrust fault contact and the quartz monzonite intrusive body may have intruded along it suggesting a structural weakness (Paul, 1981).

A topographic linear visible on LANDSAT imagery crosses the upper reaches of Bolivia Creek and is thought to represent an ENE trending fault or fault zone. This fault would parallel the Road River Group - Yukon Group contact and continue to the ENE in pronounced depressions where mineralized float has been found.

5.0 WORK PERFORMED / METHODS

5.1 GRID WORK

A total of 61.2 kilometer of grid was established. The grid was established using Garmin 76 GPS. The grid base line ran east west and line ran north south. Line were put in every 100 meters and station on line where established every 25 meters.

The 2004 grid location extended the 2003 grid to the North by 700 meters and to the west by 1600 meters. The 2004 grid covered part of a dike swarm running threwh the Rabbit Kettle Formation calcareous unit.

5.2 MAGNETIC SURVEY

A magnetic survey was conducted over the entire grid. Reading were taken every 12.5-meter. Two Scintrex, Envi-Mag were used to conduct the survey. One as a portable field mag the second as a base station magnetometer. The daily magnetic drift was corrected nightly.

5.3 SOIL WORK

Soil work was conducted over the Sprague creek stock contact with the Rabbit Kettle Formation. A total of 346 soil were taken. Soil were collected with shovel. Due to the heavy down slope scree of granite the soil auger had a hard time penetrating the cover. So shovel were used and manage to attain deeper soil profile. The average soil depth was 70-80 cm. Some sample were pass by because of excessive black muck. About 350-450 grams of soil was collected at each site. All soil sample were place in Kraft paper soil bags. A GPS reading was taken at each soil site and recorded in UTM Nad 83.

5.4 TRENCHING WORK

A total of four days were spent blast hand trenching on massive pyrrhotite copper float that was coming from a magnetic high anomaly. The source of the float was not found but very large angular sub float was found. The trench turn into a large hole measuring 20 feet long by 10 feet wide and about 8 feet down. I was sure we were going to find the source of outcrop but no luck.

6.0 INTERPRETATION

6.1 MAGNETIC SURVEY

The 2004 magnetic survey combined with the 2003 survey revealed five magnetic high areas. The magnetic anomalies are marked out figure 1.

Anomaly A is seen covering the 2003 survey area. The magnetic high is probably related to the dike swarm mapped out on CCH geology map.

Anomaly B, a magnetic high is covering part of a granite body mapped out on CCH geology map. The magnetic high may represent the hornfels area at depth that surrounds most of the granitic intrusive in the area.

Anomaly C, a magnetic high associated with lamprophyre dikes that CCH mapped out.

Anomaly D, a magnetic high 1100 meters by 500 meters associated with the mapped out dike swarm.

Anomaly E, a magnetic high is associated with a mapped intrusive dike.

6.2 SOIL SURVEY

The 2004 soil survey detail the 2003 soil survey. The 2004 survey indicated two soil anomalies that are anomalous in gold, As, Bi, Sb, Cu.

Anomaly A the larger of the two is lying between L 500 East and L 1200 East, and sitting between station 400 N and station 600 N.

Anomaly A is related to a magnetic low that follows the margins of the Sprague Creek granite contact for about 1000 meters. The anomaly begins on line 500 east at station 000 and follow the margin of the stock with line 500 east and 600 east being anomalous for gold, arsenic, bismuth, copper and antimony. The anomaly runs from station 000 to 550 north at this point it swings east following the granite contact averaging 200 meter wide all the way to line 1200 east. This anomaly is still open to the south with the south skarn showing being found

Anomaly B is lying between line 1400 East and 1500 East around 625-725 north. The anomaly is anomalous in gold, arsenic, bismuth, copper and antimony. Anomaly B may extend to L 1600 and 1700 east if I use the 1989 data from Aurum Geological.

Values from the 2004 survey have reach highs of 1344 ppb Au, 10,000+ ppm As, 745 ppm Cu, 2000 + ppm Sb, and 210 ppm Bi.

6.3 HAND TRENCHING

The Hand trenching was inconclusive because we failed to reach bedrock but the large angular subcrop piece of float 3 feet by 1.5 feet of pyrrhotite cal silicate rock containing visible copper and arsenopyrite ran 2.4 g/t Au.

The location of the subcrop cannot be far and is most likely is the source of the magnetic anomaly.

7.0 RECOMMENDATION

I feel the property is ready for either a large trenching program or a drill program. If drilling should happen then I would suggest drilling Soil Anomaly A to begin with.

8.0 REFERENCE

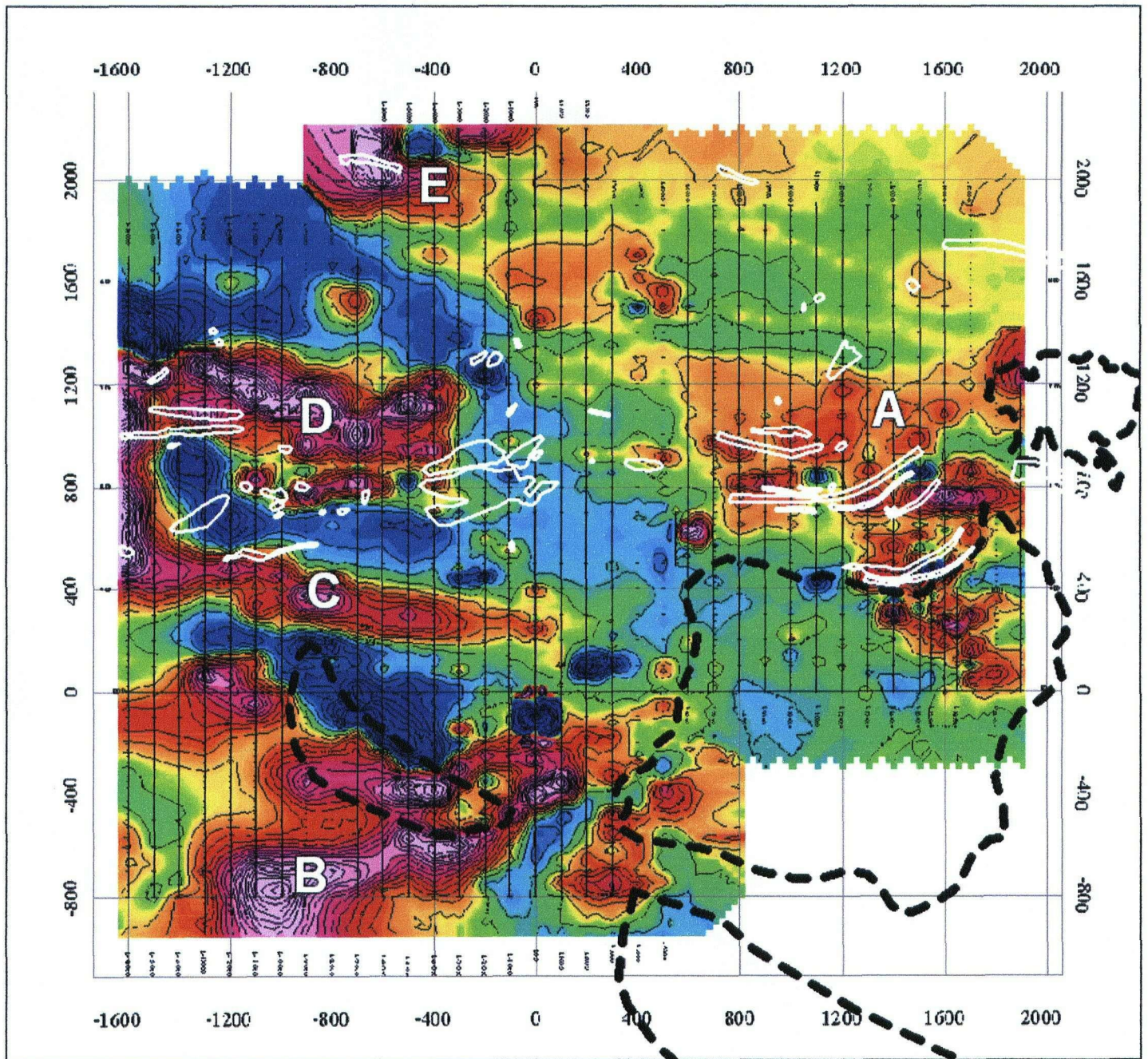
Murphy, D.C. Bulletin 6, Geology of the McQuesten River Region, Northern McQuesten and Mayo Map Area, Yukon Territory

Hulstein, R., Geological and Geochemical Assessment Report on the Mahtin 1-20 Claims (1989), Assessment Report number # 092793

Lueck, B.A. and Phillip, Dw., Prospecting and Geochemical Assessment Report for the Ho Claims Group Ho 1-38 (1993)

Paul, B., and Rota, D., CCH Minerals Ltd. Assessment Report Geochemical Survey, Mahtin Claims 25-32 (1981) Assessment report # 090956

Mahtin Magnetic Survey 2004



Black Dash Lines are out lines of Granites
White Lines are out lines of Granite Dikes

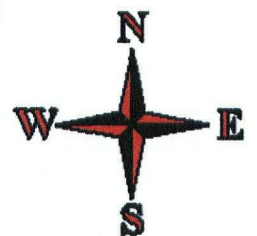


Figure 1

Gold Soil Anomaly

Blue Area is RabbitKettle-Formation-Calcareous phyllite

Yellow is a Dike Swarm

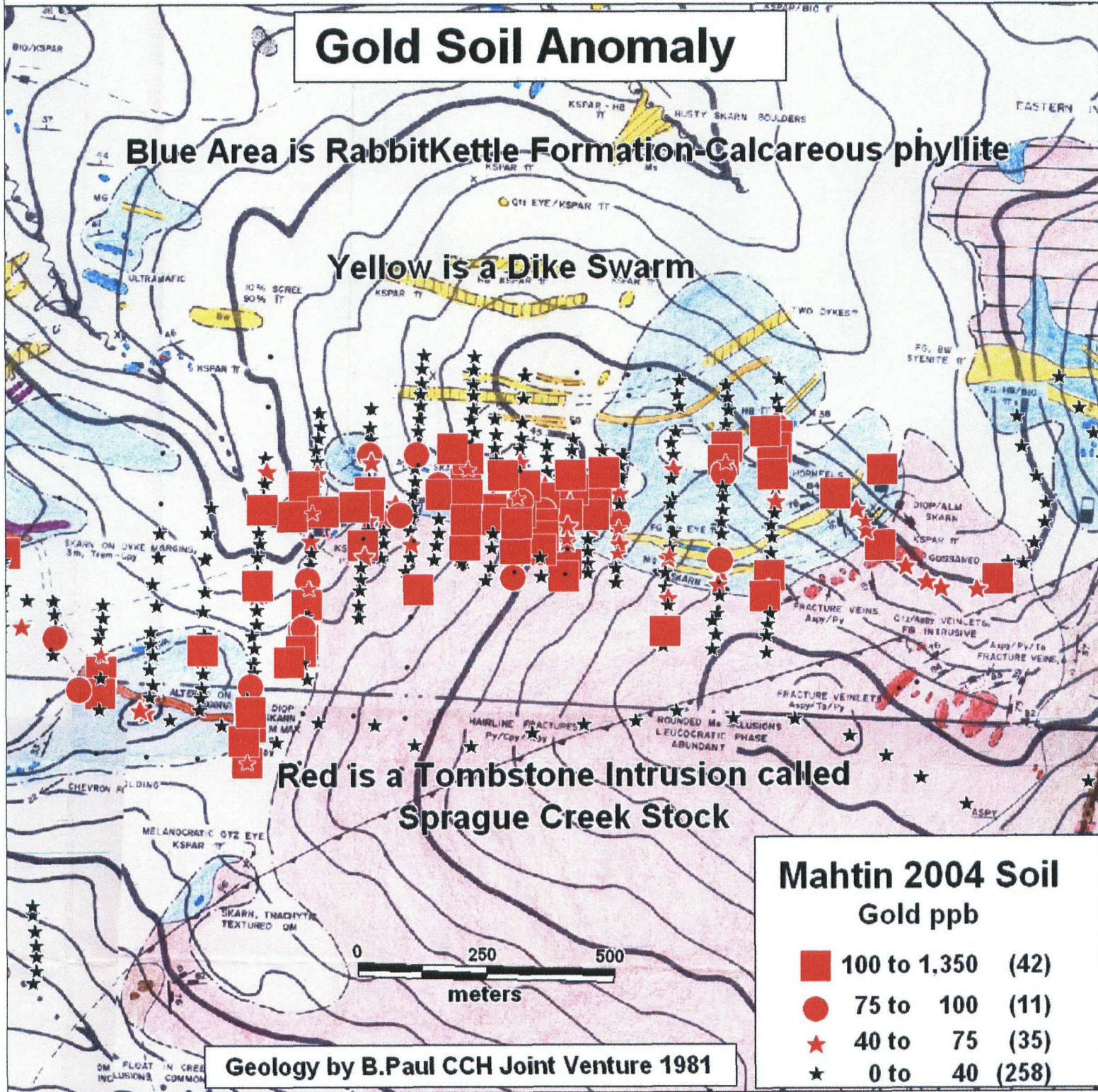
Red is a Tombstone Intrusion called Sprague Creek Stock

Mahtin 2004 Soil Gold ppb

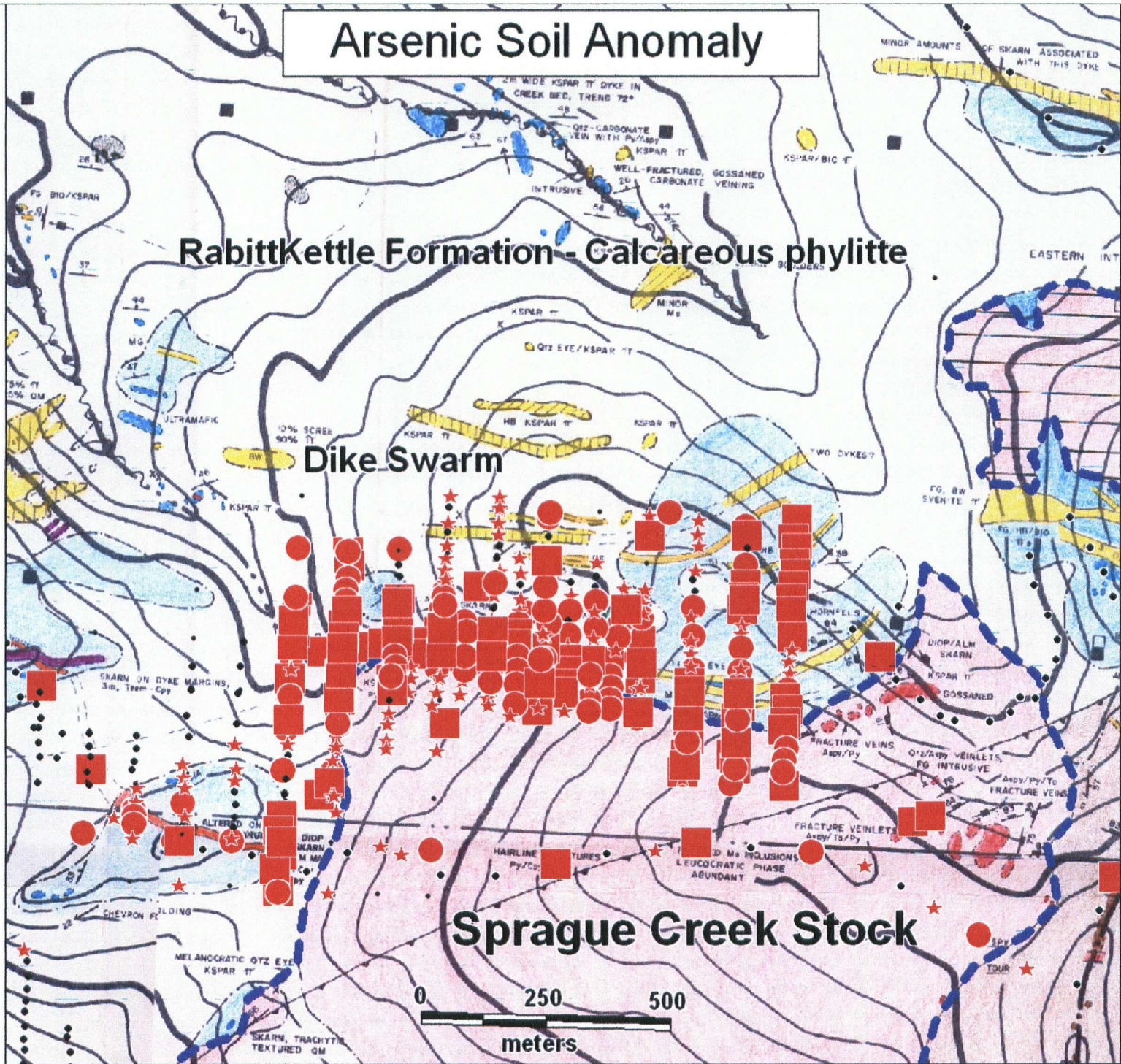
■	100 to 1,350	(42)
●	75 to 100	(11)
★	40 to 75	(35)
★	0 to 40	(258)

Geology by B.Paul CCH Joint Venture 1981

Figure 2



Arsenic Soil Anomaly



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Geology Map by B.Paul CCH Joint Venture 1981

- Red Unit - Sprague Creek Stock, Tombstone Intrusive
- Yellow Unit - Felsic Dikes
- Blue Unit - Rabbitkettle Formation - Calcareous phyllite

Mahtin Claims

Mahtin 04-03 Soil
Arsenic ppm

- 500 to 10,000
- 250 to 500
- ★ 100 to 250
- 20 to 100

FIGURE 3



SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppb	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppm	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	B %	Al %	Na %	K %	W ppm	Hg ppm	Sc ppm	Tl ppm	S %	Ga ppm	Se ppm
MT1500E-650N	2.4	354.8	20.3	90	5.1	46.0	19.2	681	5.44	3497.6	2.5	262.8	4.8	89	.8	402.8	29.0	51	.90	.101	22	31.6	.81	244	.044	7	2.04	.035	.14	4	.08	5.3	.5	.20	7	2.1
MT1500E-625N	2.7	310.8	22.2	92	3.1	55.6	21.9	801	4.61	2832.6	2.8	198.2	5.0	85	.6	264.1	15.9	51	1.16	.109	21	33.6	.89	192	.049	6	2.24	.042	.14	2	.10	5.8	.4	.14	7	2.2
MT1500E-600N	.5	55.1	13.1	53	.3	22.3	11.8	376	1.92	190.2	1.3	9.9	4.6	62	.5	6.2	5.7	32	1.30	.078	19	20.6	.53	180	.050	6	1.61	.055	.06	.7	.02	2.6	.1	<.05	5	.9
MT1500E-575N	.6	108.1	19.1	61	.5	28.1	18.0	457	3.13	1372.6	1.6	58.2	5.2	82	.5	8.3	30.2	38	1.63	.085	24	20.5	.50	290	.042	11	2.12	.097	.06	.7	.06	2.8	.1	<.05	6	1.5
MT1500E-550N	.5	37.5	19.2	54	.2	19.3	8.6	391	1.64	113.6	1.6	4.0	4.1	81	.5	9.5	1.9	26	1.67	.086	19	18.6	.37	165	.036	8	1.97	.094	.05	.7	.04	2.1	.1	<.05	5	.6
MT1500E-525N	.7	52.4	16.9	64	.3	26.1	11.1	386	2.18	227.1	2.4	4.1	5.5	63	.2	21.1	3.1	37	1.12	.080	27	23.5	.48	189	.043	6	1.82	.068	.06	1.0	.05	3.0	.1	<.05	5	.7
MT1500E-500N	.6	34.9	22.0	48	.3	16.7	6.8	383	1.72	111.8	1.7	7.5	4.1	59	.3	47.1	2.4	25	1.39	.075	23	15.8	.32	156	.014	8	1.65	.059	.04	.7	.05	2.4	.1	.08	4	.6
MT1500E-475N	.7	85.0	12.7	69	.5	21.1	8.1	340	2.29	256.6	1.2	14.5	3.2	30	.5	62.6	4.9	39	.51	.070	18	22.7	.43	181	.039	4	1.61	.023	.06	1.2	.04	2.4	.1	<.05	4	.8
MT1500E-450N	.8	249.6	20.7	81	1.0	26.6	13.7	570	3.28	1249.5	1.4	22.5	5.4	36	.8	164.8	11.8	33	.37	.056	20	21.6	.54	169	.039	2	1.47	.015	.06	.6	.05	3.1	.2	<.05	4	1.2
MT1500E-425N	.9	619.9	79.4	81	4.9	13.1	6.6	372	11.65	6160.5	2.2	102.8	8.2	28	1.4	1739.3	44.5	27	.25	.081	20	20.6	.37	147	.025	4	1.01	.007	.09	.8	.06	3.9	.3	.11	4	10.4
RE MT1500E-425N	.9	660.0	80.4	91	5.3	14.2	7.5	398	12.42	6544.4	2.6	103.3	9.1	30	1.5	1835.7	47.3	31	.27	.085	22	21.9	.37	161	.029	3	1.06	.008	.10	1.1	.06	4.4	.3	.10	4	11.3
MT1500E-400N	1.3	141.4	15.4	91	1.1	23.8	9.7	666	3.00	784.5	4.7	58.7	6.6	43	.5	93.1	13.0	47	.77	.080	28	32.7	.62	218	.057	3	1.71	.018	.08	2.9	.05	2.9	.3	.07	6	1.8
MT1500E-375N	1.1	336.3	37.2	98	13.6	14.9	8.3	735	12.76	>10000	2.6	509.1	8.4	87	.6	454.2	40.6	27	.71	.068	31	20.1	.23	184	.003	6	1.02	.008	.30	.3	.11	4.5	1.6	.96	6	6.3
MT1500E-350N	1.2	131.6	14.5	93	.5	21.9	10.6	470	2.63	439.7	7.1	21.7	8.0	38	.4	58.6	6.5	47	.40	.090	35	30.2	.66	191	.067	2	1.62	.009	.09	1.5	.06	3.3	.2	<.05	5	.5
MT1500E-325N	1.2	104.7	9.1	68	.4	19.7	11.6	402	2.49	397.6	4.6	28.5	8.6	25	.4	64.6	6.0	47	.25	.084	28	31.5	.50	180	.070	2	1.30	.008	.08	2.9	.04	2.7	.2	<.05	4	.5
MT1500E-300N	1.2	76.8	8.2	64	.3	20.2	8.9	422	2.30	274.6	4.1	12.2	9.1	19	.2	48.4	2.6	45	.25	.085	28	28.1	.47	150	.071	2	1.22	.008	.09	2.4	.04	2.6	.2	<.05	4	.6
MT1500E-275N	.5	578.3	18.3	66	.9	11.4	13.0	535	2.97	1775.4	14.6	32.9	29.4	85	.7	129.4	16.7	44	.99	.122	80	45.5	1.03	106	.017	1	2.86	.004	.30	.5	.03	7.2	.5	<.05	9	.5
STANDARD DS5	12.3	141.0	23.7	131	.3	24.6	11.8	762	2.96	17.1	5.9	42.0	2.7	45	5.1	3.5	6.0	59	.72	.088	12	182.6	.68	135	.098	19	2.02	.034	.14	5.0	.17	3.4	1.1	<.05	6	4.8

Sample type: SOIL SS80 60C. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.



ACME ANALYTICAL



ACME ANALYTICAL

Table with columns: SAMPLE#, Mo, Cu, Pb, Zn, Ag, Ni, Co, Mn, Fe, As, U, Au, Th, Sr, Cd, Sb, Bi, V, Ca, P, La, Cr, Mg, Ba, Ti, B, Al, Na, K, W, Hg, Sc, Tl, S, Ga, Se. Rows list various sample IDs and their corresponding elemental concentrations.

Sample type: SOIL SS80 60C. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.



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DATE DUE

