

YMIP #05-036

**Target Evaluation / Russian Creek
Darrell 3, P45411**

**Latitude 63 degrees, 25 minutes
Longitude 139 degrees, 07 minutes**

Lee Olynyk, September 2005

**YEIP
05-036
2005**

Technical Report

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Lee Olynyk, Box 10143, RR#1, Whitehorse, Yukon, Y1A 7A1
Phone: [867] 668 5025 Email: lastchance@northwestel.net

Technical Report
YMIP file #05 - 036, Russian Creek , NTS 115 0 6, 15 January 2006

Project location.

The placer property investigated lies within a group of 45 placer claims. This includes the Goat 1-10 placer claims that were staked from the previously existing prospecting lease on the upper end of the creek.

The claims are situated on the mid reaches of Russian Creek, a tributary of Henderson Creek.

This tributary enters Henderson Creek approximately 1500 feet upstream of it's confluence with Henderson Creek.

The tributary was given the name Russian Creek subsequent to recent successful prospecting activities of Russian immigrants Chipolov and Nedechev.

The claims are situated in the Dawson Mining District and fall on the Placer claim map 115 O 6, NTS map sheets 115 O/N Stewart River and 115 O 6 Henderson Creek.

Creek latitude is 63 degrees, 25 minutes.
Creek Longitude is 139 degrees, 07 minutes.

The work proposed was to be done on the mid reach of the creek, on claims Kate 1-11 (P44811-P44821)
Due to equipment failure the drill program never advanced downstream of Kate 11.

Access.

Access to the property can be gained by four wheel drive truck from Dawson City by way of the Hunker, Indian River, Black Hills and Henderson Creek roads. Travel distance is approximately 100 miles and takes 3 to 4 hours, depending on conditions. To access the lower portion of the claims, a person, once intersecting the Henderson valley, must drive upstream Henderson approximately 100 meters to the mouth of Russian Creek. This point would be approximately 300 meters upstream from Cowan's camp.

To proceed upstream on Russian Creek one must travel, on foot, or by ATV.

Air access to the Henderson valley is no longer available as the airstrip adjacent Cowan's camp has been mined.

To gain access to the upper claims, from the head of Russian Creek, one must drive the Maisy May road for approx 7 kilometers, then branch off on the Tenderfoot road for approximately 1.4 kilometers to a point where one can drop into the Russian Creek Valley. This route is plotted on the 115 0 6 Placer claim sheet.

In the fall of 2004 Last Chance Placers undertook to put 1.5 kilometers of four wheel drive road in to the valley floor of Russian Creek. Difficulties with a patch of extremely boggy ground prevented LCP from completing the last 0.4 kilometers.

In order for the drill mounted RN 110 Nodwell to travel the 1.4 Kilometers of trail; a D8 dozer had to be employed to level the trail and bury the larger chunks of boney slide rock. This had to be done in order to keep the Nodwell from losing or tearing it's tracks.

Currently one can drive an ATV to within 0.4 kilometers of the valley floor. This road may be completed in subsequent years after consultation with Federal Land Use officers. Construction would necessitate first stripping the vegetation from the corridor route, while working on frozen ground. After approx. one or two seasons, the dozer could return to construct the remaining road portion in thawed ground.

Geology.

The rock exposed along the valley sides consist primarily of granite-gneisses and other igneous rocks. These are the likely host sources of the placer gold present.

Valley Characteristics.

The valley in the Mid reaches of Russian creek, within the project area, is generally free from the presence of slide rock. This is in contrast to sections of the most downstream portion of the valley.

Gradient is constant, with an estimated average grade of 3 percent. [Ideal for mining]
Valley width here averages a uniform 80 to 100 feet.

It is only on the Upper Goat (1-10) claims that the valley width is erratic, with the valley forming a wide bowl for several claim lengths, then narrowing up sharply.

The creek, for a distance spanning a kilometer up each fork, has ample water for sluice purposes.

Portions of the valley were found to be thawed although the majority of the ground proved to be frozen.

Stratigraphy.

Auger drilling proved the overburden layer of black muck to be increasing in depth as one traveled upstream. This was particularly the case as one drilled up the major right limit tributary entering Russian Creek 2 miles from its mouth. Holes drilled in 2004 on the Travris 1,2 Co Discovery claims supported as much as 14 feet of muck overlying gravels, although averaged closer to 8 feet. In contrast, most of the valley below this tributary carried 4 to 5 feet of muck.

Bedrock throughout the project area drilled both competent on surface and in some cases decomposed. Color was predominantly green and occasionally, grey, brown or orange. Gravel depth throughout averaged 2 feet.

Work Completed.

With the D8 dozer, approximately 1.4 km. of the trail (constructed in 2004) had to be leveled side to side and the large pieces of boney sliderock removed or buried with fines. The necessity for this work became apparent immediately after throwing a track on the Nodwell prior to the leveling work being done.

The Tenderfoot road was further upgraded to accommodate travel of the drill rig and pickup trucks. This road had rutted some from the previous Spring freshet.

A total of 121 feet of eight inch auger hole was drilled by Lee Olynyk with a support crew of three persons between the dates of 6 September and 13 September, at which time the job was shut down due to losing the crankshaft in the drill engine.

A total of 8 holes were drilled with an average depth of 16 feet. An average of 4.5 feet of bedrock was drilled.

All samples were longtommed, dried, bagged and tagged in the field. Evaluating the samples was done in Whitehorse.

Prior to Olynyk undertaking the drill job, an attempt was made to contract the work to two separate professional drillers. Both Henry Renink and Sylvan were brought out on the property to examine the valley conditions at the target site. Both individuals declined the job as the valley presented too large of a risk of sinking the drill carrier. Very little timber large enough to winch a machine out is present in the valley.

Subsequently, Olynyk decided to rent Last Chance Placer's drill and bring in enough help to construct, with brush and available timber, crossings for the Nodwell. This work was successful and was ongoing when aggressive drilling turned a bearing in the drill engine's crankshaft.

Insufficient time remained to repair the engine and resume the program.

Camp was folded and the Nodwell was walked out of the valley and over to the junction of Maisey Mae and Tenderfoot roads, where it was loaded on a lowboy.

Results.

Notwithstanding the failure to complete the drill program, as proposed, valuable information was gleaned. An area was drilled that had been previously been ignored in past drill program. A few holes adjacent a pertinent Russian test pit were used to calibrate the Russian's reporting of gold recovered.

Results varied. Generally the results were encouraging. Values in two drill holes were very good. All holes were in frozen ground making for ideal sample recovery conditions. All holes had some gold in them with the poorest being traces only These holes however were the outside edge of the largest drill line fence.

Unfortunately, the failure of the drill engine disallowed further results on the left limit.

From a total of 8 holes, 3 were identified as being of mining grade. One hole did not reach bedrock but was assumed to be outside the paystreak limit based on the recovery from adjacent holes. Of the seven holes that reached bedrock 121 mg. of gold was recovered.

Of the 3 holes that were considered to be pay, 65mg,32 mg and 14 mg respectively were recovered.

Using , for calculation purposes a 7.5" dia drill bit and a Spot gold price (today's) of \$648 Cdn. And a fineness of .780 then the value per bedrock yard, respectively would be as follows:

65 mg, \$31.00

32mg. \$15.26

14 mg. \$ 6.67

With predicting an average sluice section of 2 feet of gravels and 2.5 feet of bedrock these values would represent a value of \$11.76 per "inplace" sluice yard.

The spacing between these holes was very tight (10') The proven paystreak width at this location is therefore only 20' Failure to get holes further on the left limit allows for the potential for a wider paystreak.

The gold recovered was generally consistent in size and was generally quite rough. One largish piece was recovered in the 65 mg. Hole. Alone, it weighed 31 mg.

Coarse gold has been identified on this creek in past exploration work

It is anticipated that the coarse gold factor will enhance the drill proven values at the time of mining.

Recommendations.

It is recommended that the midsection of the creek [Kate 1-11] be drilled to prove that the creek has mining potential along it's length [as opposed to separate anomalies on the Upper portion and the area adjacent it's Mouth.]

If the drilling of the creek's midsection proves an economic mining reserve, this creek could be put into production.

It is recommended that the drill program be completed in April while the ground is still frozen and the sharply incised creek valley is filled with seasonal glaciation allowing the drill carrier to more easily reach it's targets.



YUKON MINING INCENTIVES PROGRAM

FINAL SUBMISSION FORM

INSTRUCTIONS: Please read the guidebook before completing form.
Please type or print.

Submit completed form and summary or Technical Report by January 31 for the Grassroots Prospecting, Grassroots Grubstake, Focused Regional and for the Target Evaluation programs to:

Yukon Mining Incentives program
Energy, Mines and Resources
Yukon Government
2099 – 2nd Avenue
Box 2703, Whitehorse, Yukon, Y1A 2C6

TO BE COMPLETED AFTER PROJECT COMPLETION AND ACCOMPANIED BY THE SUMMARY OR TECHNICAL REPORT

Applicant Lee Olynyk File Number 05 - 036

Proposed project area(s) (NTS map number and project name) completed? Attach list if space is insufficient.

- 1. Russian Creek, 115 06 Yes No
- 2. _____ Yes No
- 3. _____ Yes No
- 4. _____ Yes No

Changes to proposed project(s) (if any).

None; other than project fell short of that proposed.

List other partners or personnel that worked on the project.

No partners

I WORK PERFORMED BY APPLICANT

Project #1 area/name		No. of days worked by Applicant
1. Project #1 area/name	<u>Russian Creek, 115 06</u>	
Traditional prospecting	No. of Samples _____	_____
Geological surveys	Scale _____	_____
Geophysical surveys	Type _____	_____
Geochemical surveys	Type No. of Samples _____	_____
Drilling	Type <u>8" Auger</u> Ft.(m.) <u>121</u>	<u>8</u>
Trenching	Method _____	_____
Other	Type _____	_____
TOTAL		_____

II. SIGNIFICANT RESULTS (please complete)

Project Area	New Showings and/or Anomalies	Commodity	Best Analyses
<u>Russian Creek</u>		<u>gold</u>	<u>(see enclosed report.)</u>

III. CLAIMS STAKED DURING / AFTER ACTIVITY (please complete)

Project Area	Claim Numbers	Number of Claim Units
<u>Russian Creek</u>	<u>Goat 1-10</u> <u>(P45983 - P45992)</u>	<u>10</u>

IV. OPTION AGREEMENTS RESULTING FROM YMIP PROJECT (please complete)

Optionee	Property/Claim	Dollar Value of Work Component
<u>(None yet.)</u>		

V. TYPE OF MINERAL EXPLORATION UNDERTAKEN (please check one)

- Preliminary work on claims
- Initial exploration
- Advanced exploration
- Development

VI. VALUE OF GOODS AND SERVICES PURCHASED (estimate, please complete)

Within the Yukon \$ 14,716¹⁶
 Outside the Yukon \$ 00
 # of person days of paid employment 32

VII. RESULTS OF MINERAL EXPLORATION (please complete)

- The discovery of a new prospect.
- The identification of a prospect warranting further exploration.
- The identification of an economic mineral deposit.
- The identification of a deposit that cannot support production.

The Department of Energy, Mines and Resources may verify all statements related to and made herein this application.

1. I am the person, or the representative of the company or partnership, named in the Application for Contribution under the Yukon Mining Incentives Program.
2. I am a person who is nineteen years of age or older, or represent a person, who is ordinarily a resident of Canada.
3. I have complied with all the requirements of the said program.
4. I hereby apply for the final payment of a contribution under the Yukon Mining Incentives Program (YMIP) and declare the information given above to be true and accurate.

Signature of Applicant Lee Olynik Date 20 JAN 2006

Name (print) LEE OLYNIK

Position or Title (if applicable) _____

Access to Information and Protection of Privacy Act

The personal information requested on this form is collected under the authority of and used for the purpose of administering the Yukon Mining Incentives Program. Questions about the collection and use of this information can be directed to the Mineral Development Geologist, Department of Energy, Mines and Resources, Yukon Government, Box 2703, Whitehorse, Yukon Territory, Y1A 2C6 (867) 667-5996.

VIII. SUMMARY OF EXPENDITURES

1. Daily Living Expense *4 men x 8 days*
 No. of days x YG rate/person, per day *@ 35.00* \$ 1120.00
2. Travel (state method: road, air, etc.) *two 4 x 4 trucks*
 Truck - total km x YG rate/km *960 km @ 0.42* \$ 403.20
 Air _____ \$ _____
 Other _____ \$ _____
3. Analyses/Assay Costs (specify sample type and price/assay)
 _____ \$ _____
4. Equipment Rentals/Supplies
Honda 400 cc ATV (1.5 wks @ \$500) \$ 750.00
ATV tub trailer (1.5 wks @ \$120.00) \$ 180.00
5. Contractors (state name and type of work)
(1. olynk) project manager 8 days @ \$250 \$ 2000
(D. Algotsson) 2 labourers (drill help, line clear long tom, camp persons \$ 3200 *(2 men x 8 days @ \$200)*
K Jackson)
6. Line Cutting *Trucking*
 No. of km x price/km *Van Every (haul drill.)* \$ 1543.05
7. Geochemical Survey (specify sample type)
 No. of km x price/km _____ \$ _____
8. Geophysical Survey (specify type of survey)
 No. of km x price/km _____ \$ _____
9. ~~Trenching~~ *Rental* (specify equipment used and price/hour)
2 chainsaws (1.5 wks @ 140 each.) \$ 420.00
10. Drilling (specify diamond or percussion and rod size)
 No. of meters x price/meter *121 feet, 8" auger @ \$14.00/foot* \$ 1694.00 *(includes drilled D. Rieger)*
11. Reclamation (specify type) *filled holes, cleaned camp* \$ 00
12. Report Preparation *1.6 days @ \$250* \$ 400
13. Other Expenses (specify) *D8 dozer 7.75 hrs @ \$160* \$ 1240
Nodwell FN 110 carrier travel 9.5 hrs @ \$85 \$ 807.50
Satellite telephone rental (Dillman) \$ 316.99
Rent 5000 Watt genset: 1.5 wks @ 160 \$ 240.00

TOTAL EXPENDITURES

\$ 701.42 gst: LCP
 \$ 14,716.16

Attach list if space is insufficient.

WA

Invoice

**Last Chance Placers Ltd.
Box 531 Dawson City, Yukon, Canada, YOB 1G0**

Sold to:

Lee Olynyk, Box 10143, RR#1 Whitehorse, Yukon, Y1A 7A1

Re: Russian Creek job, September 6th - 13th, inclusive

Rental of two 4x4 trucks (960 km @ \$0.42).....	\$403.20
Rental Honda, 400cc, ATV (1.5 weeks @ \$500.00).....	750.00
Rental ATV tub trailer (1.5 weeks @ \$120.0).....	180.00
Rental wide pad D8 dozer (road leveling) 7.75 hours @ \$160.00...	1240.00
Rental 4000 Watt Honda genset (1.5 weeks @ \$160.00).....	240.00
Rental 2 chainsaws (1.5 weeks @ 140.00 ea.).....	420.00
Auger drill 121 feet (Mobile B31 on Nodwell FN 110) @ \$14.00	1,694.00
Travel from Tenderfoot junction to site and return	
Nodwell carrier FN 110, 9.5 hours @ \$85.	807.50
<hr/>	
Subtotal	\$5734.70
GST @ 7%	401.42
<hr/>	
Total	\$6136.12

paid in full
Lee

VAN EVERY INC.
 Transport Division
 GST #R105488514
 P.O. Box 15
 DAWSON CITY, YUKON Y0B 1G0
 (867) 993-5624

CUSTOMER ORDER NUMBER	TELEPHONE	FAX	DATE <i>Oct. 1/05</i>
NAME <i>Last Chance Placers</i>			
ADDRESS			
CITY	PROVINCE	POSTAL CODE	

QUANTITY	DESCRIPTION	PRICE	AMOUNT
<i>11 1/2 hrs</i>	<i>load drill at Tenderport Jet. take to Last Chance Cr.</i>	<i>110⁰⁰</i>	<i>1265⁰⁰</i>
	<i>14% fuel surcharge</i>		<i>177 10</i>
SPECIAL INSTRUCTIONS		SUBTOTAL	<i>1442 10</i>
		GST	<i>100 95</i>
		PST	
RECEIVED BY		TOTAL	<i>1543 05</i>

All claims and returned goods MUST be accompanied by this bill.

3797

THANK YOU



510 Elliott Street
Whitehorse, Yukon T. Y1A 2A5

867-668-5803
Fx 867-668-5804

INVOICE

No. 9788
Date 13-SEP-05
Page 1

Sold
To: Last chance Placer Mines

Ship
To: Last chance Placer Mines

Business No.: 101392850RP0001

Item No.	Quantity	Unit	Description		Unit Price	Amount
1	1	Rent	403 927 0205 Aug 25 - sept 25	0	179	179.00
2	2	Min	airtime to Aug 20	0	1.79	3.58
	0			0	0	0.00
Subtotal:						182.58
G - GST 7.00%						
GST						12.78
Comments					Freight	0.00
					Total Amount	\$195.36



510 Elliott Street
Whitehorse, Yukon T. Y1A 2A5

Ph 867-668-5803
Fx 867-668-5804

INVOICE

No. 9829
Date 13-OCT-05
Page 1

Sold To: Last chance Placer Mines
209 RAINBOW RD
WHITEHORSE YUKON
Y1A 3X3

Ship To: Last chance Placer Mines

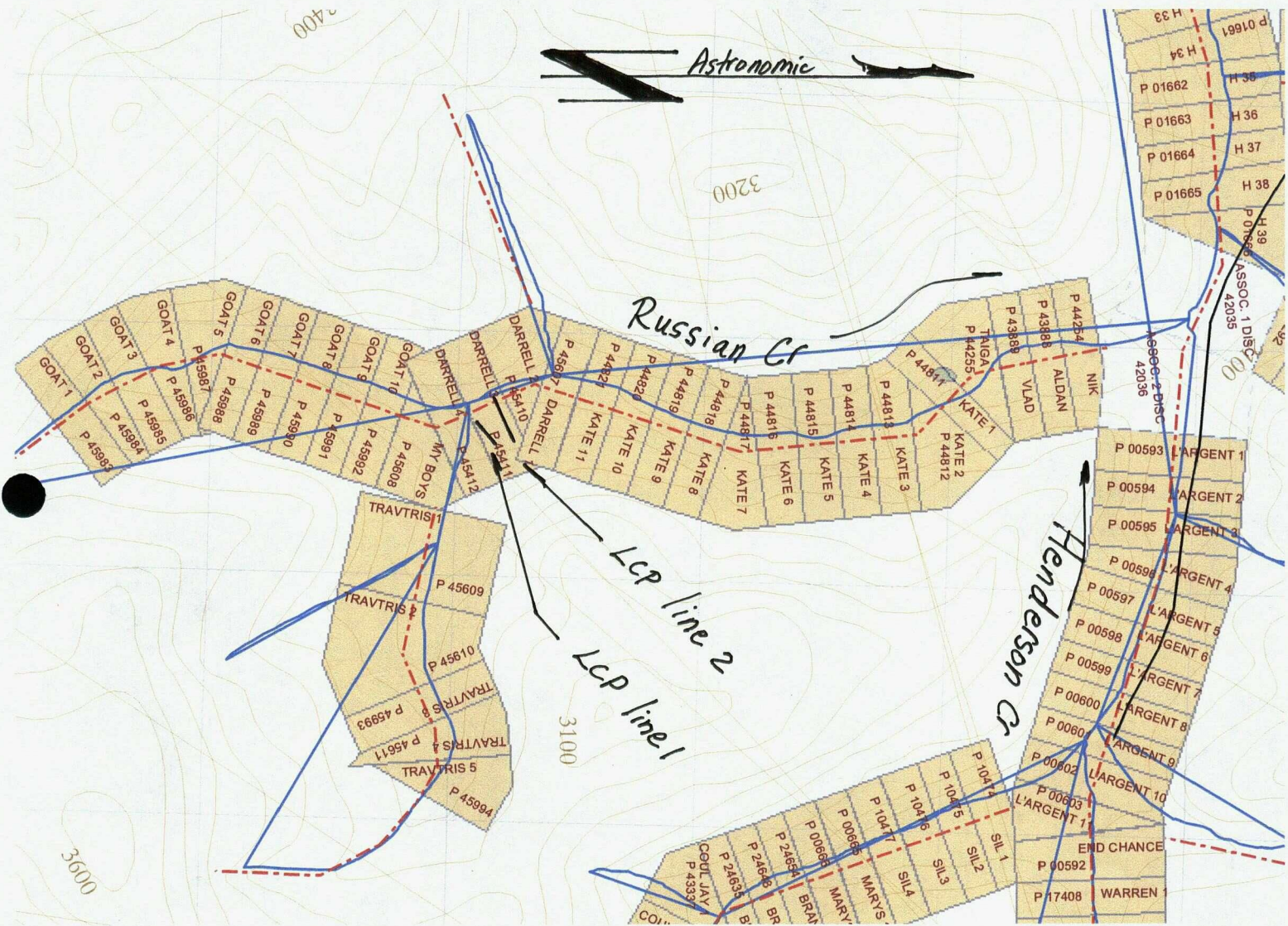
Business No.: 101392850RP0001

Item No.	Quantity	Unit	Description		Unit Price	Amount
1	1	Rent	403 927 0205 Sept 25 - sept 30	0	10	10.00
2	63.5	Min	airtime to Aug 20	0	1.79	113.67
	0			0	0	0.00
	0			0	0	0.00
Subtotal:						123.67
G - GST 7.00%						
GST						8.66
Comments					Freight	0.00
					Total Amount	\$132.33

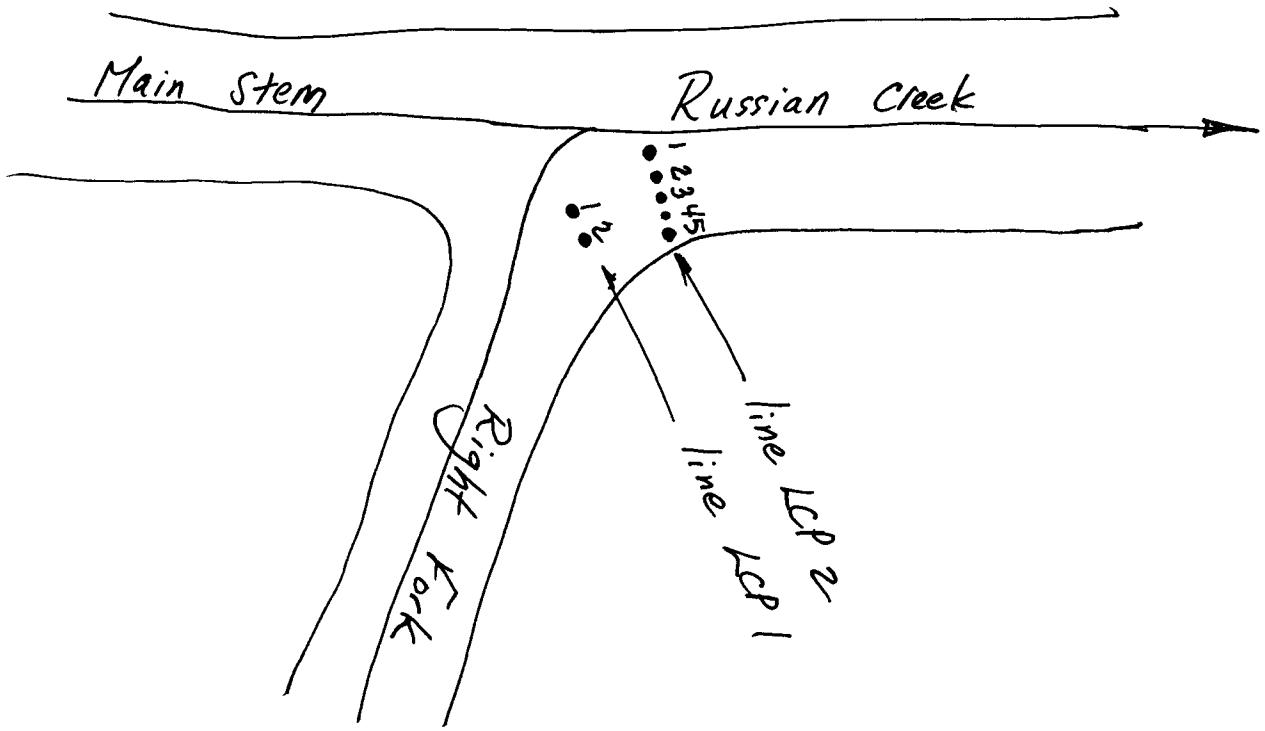
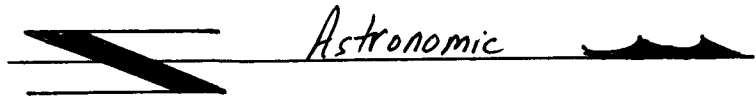
Drill Logs Russian Creek, 2005

<u>Hole#</u>	<u>Line#</u>	<u>Depth to pay</u>	<u>Gravel depth</u>	<u>Au recovered</u>	<u>\$/bedrock yard</u>
1	LCP 1	12'	2.5'	7 mg.	3.34
2	LCP 1	13'	3'	2 mg.	0.95
1	LCP 2	7'	2'	32 mg.	15.26
2	LCP 2	8'	2'	65 mg.	31.00
3	LCP 2	8'	2'	14 mg.	6.67
4	LCP 2	8'	2'	trace	0.00
5	LCP 5	9'	1.5	incomplete	0.00

An average of 4.5' of bedrock was drilled



Claimsheet
 115 0 6 P.
 Russian Creek



115° 0' 0"
Russian Creek
diagrammatic
Drill Hole
20 Jan 2009
showing
locations.



1000711068

DATE DUE