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GEOLOGICAL ASSESSMENT REPORT

ON THE

F&E PROPERTY

F&E 1-3, TAG 1-4, SAM 2&4 CLAIMS

ATLIN MINING DIVISION

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TATSAMENIE LAKE AREA, BRITISH COLUMBIA

NTS 104K/8 & 103J/5

58° 17'N 132° 02'W

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VANCOUVER, B.C.

TAHLTAN HOLDINGS LTD.

SUITE 13 - 1155 MELVILLE STREET

VANCOUVER, BRITISH COLUMBIA

V6E 4C4

GEOLOGICAL BRANCH
ASSESSMENT REPORT

PREPARED BY

17,891

STETSON RESOURCE MANAGEMENT CORP.

SUITE 13 - 1155 MELVILLE STREET

VANCOUVER, BRITISH COLUMBIA

V6E 4C4

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MARCH, 1988

SUMMARY

The Fae property comprises nine claims, totalling 148 units, situated in the Atlin mining division in northwestern British Columbia. The nearest communities are Telegraph Creek, 80 air kilometres to the southeast and Dease Lake, 140 air kilometers to the east. The property is situated 80 kilometres east of the Pacific Coast on the lee side of the Coast Range Mountains. The region has a relatively dry climate. Most of the claims lie above the tree line, between 760 and 1950 metres above sea level.

The area presently covered by the Fae claims was initially staked as the Fae claims by Kennco Explorations Limited in 1963 and by Skyline Explorations Ltd. as the Norm claims in 1970. Both companies were interested in porphyry style copper and molybdenum mineralization. The Tag claim area was covered by the Giver-Taker property, one of several gold prospects staked by Chevron in the Tatsamenie Lake area in 1982.

One of Chevron's other properties, the Golden Bear, contains proven and probable reserves of 1.5 million tons grading 0.31 oz. gold per ton in a structurally controlled mesothermal deposit. Chevron and joint venture partner, North American Metals (now held by Homestake Development Co.), plan to put the deposit into production once construction of an all season road is completed to the property.

As a result of a research project, the ground was restaked in 1987 as the Fae property by Tahltan Holdings Ltd. Stetson Resource Management Corp., carried out an exploration program under the direction of the writer in 1987. Approximately \$87,500.00 was spent on geological mapping, prospecting, rock chip and soil sampling. A total of 121 talus samples, 198 rock chip samples, and 5 stream sediment samples were collected.

Several zones host gold with or without silver, copper, lead zinc, antimony, arsenic and mercury mineralization in structurally controlled quartz ± carbonate veins and associated alteration zones fitting mesothermal and epithermal descriptions.

A two phase exploration program is recommended to test the economic potential of the Fae Property.

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JCF/ms
GR-0427

1. INTRODUCTION

The geology and economic potential of a precious metal prospect covered by the Fae property held by Tahltan Holdings Ltd. is discussed in this report. The data presented is from an exploration program carried out by Stetson Resource Management Corp. under the direction of the writer and public assessment reports discussing exploration work carried out by previous operators. A two phase exploration program is recommended to test the economic potential of these claims

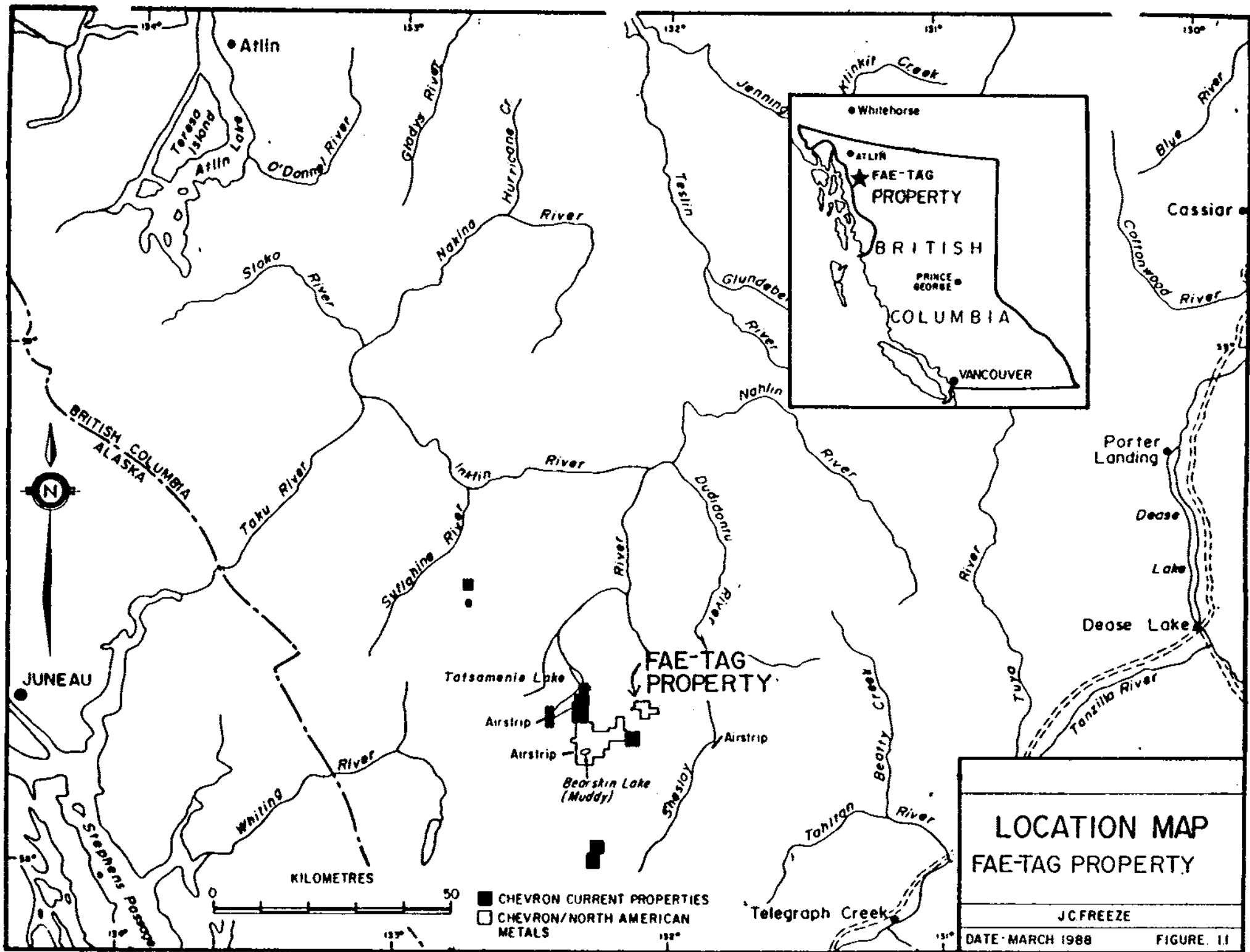
1.1 Location and Access

The Fae property is situated in the Atlin mining division in northwestern British Columbia, approximately 80 kilometres northwest of Telegraph Creek, 140 kilometres west of Dease Lake and 140 kilometres southeast of Atlin. The claim blocks cover a total area of 27.5 square kilometres centred at 58° 17'N and 132° 02' W (Figure 1.1).

The nearest highway to the property area is Highway 114, which extends from Dease Lake to Telegraph Creek. A winter tote road (bulldozer trail) extends 130 kilometres from the highway to Chevron's Golden Bear property, which is 18 kilometres southwest of the Fae property. Construction of an all-weather road is under way to access the Golden Bear property. The new road will come within 2 kilometres of the northwestern corner of the Fae property.

Air access by fixed wing aircraft is available to three gravel landing strips in the area. One on the Sheslay River allows up to DC-3 sized planes; a second at Muddy (Bearskin) Lake handles airplanes up to Caribou size; and a third strip at the western end of Tatsamenie Lake allows airplanes the size of a Cessna 206 to land. Access to Tatsamenie or Little Tats Lake is available by float plane from June until late October and by plane on skis during winter months, except during freezing and break up periods. Helicopters must be used to travel from the lakes or strips to the property. Exploration can be carried out from a camp on the north shore of Little Tats Lake.

Groceries, fuel, lumber and general supplies are available to a limited extent, in Atlin and Dease Lake. The remainder may be trucked from Whitehorse to Atlin or from Terrace to Dease Lake.



LOCATION MAP
FAE-TAG PROPERTY
 J.C. FREEZE
 DATE: MARCH 1988 FIGURE 11

1.2 Property

The Fae property covers nine contiguous claims comprised of 148 units as listed below. Tahltan Holdings Ltd. holds title to the property by staking or Bill of Sale. Claim locations have been verified by legal (and other) corner posts, and blazed - flagged lines.

Table 1.2
Claim Status

<u>Claim Name</u>	<u>Record No.</u>	<u>Record Date</u>	<u>Expiry Date</u>	<u>No. Units</u>
Fae 1	3054	July 10, 1987	1991	20
Fae 2	3055	July 10, 1987	1991	20
Fae 3	3098	Sept 9, 1987	1991	10
Tag 1	3094	Sept 9, 1987	1991	15
Tag 2	3095	Sept 9, 1987	1991	15
Tag 3	3096	Sept 9, 1987	1991	20
Tag 4	3097	Sept 9, 1987	1991	10
Sam 2	3052	July 10, 1987	1989	18
Sam 4	3053	July 10, 1987	1989	20

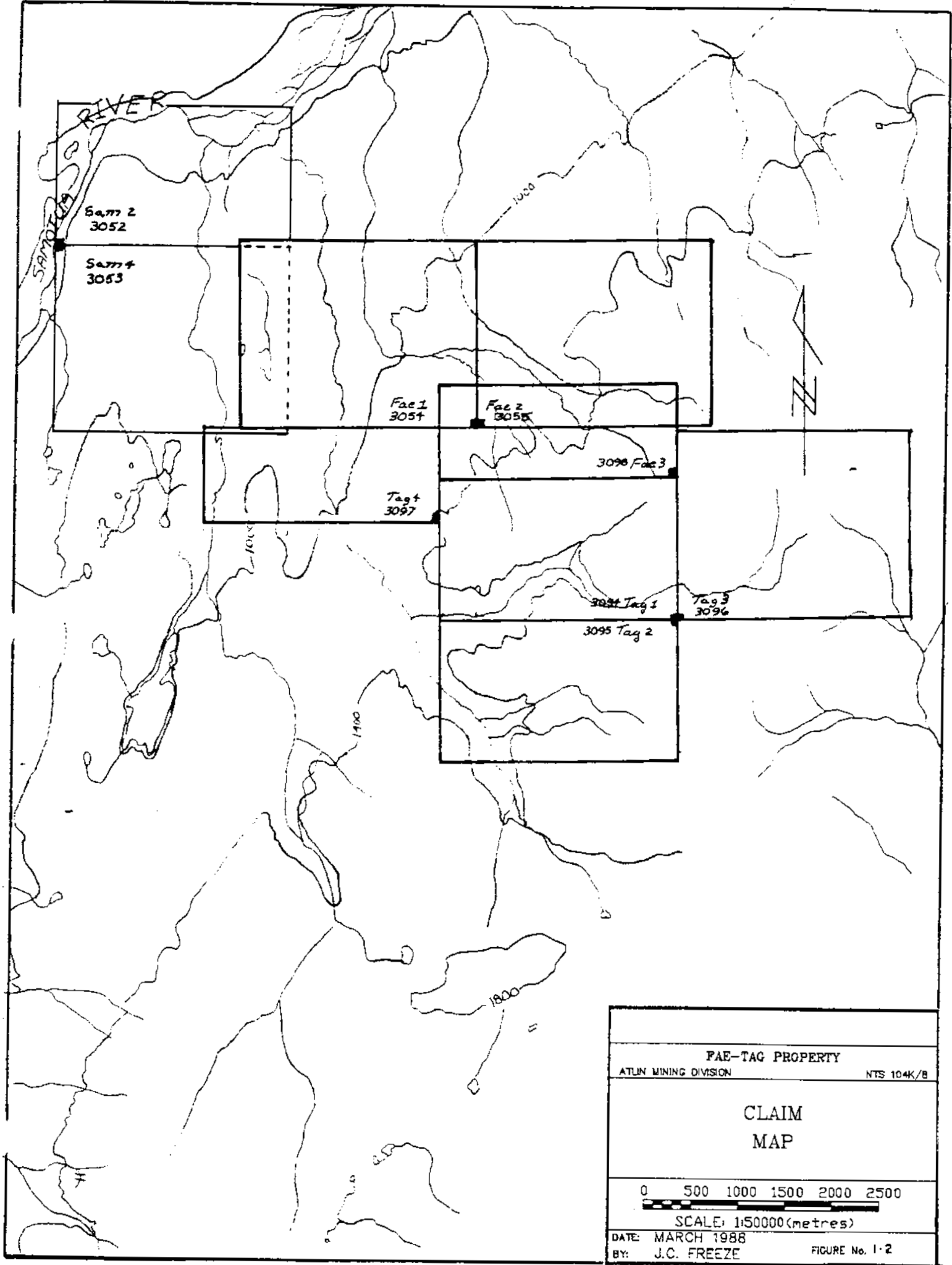
1.3 Physiography, Vegetation and Climate

The claims are situated on the lee side of the Coast Range Mountains, 80 kilometres east of the Pacific Coast. The region has a relatively dry climate; snow cover in winter is moderate; snow, rain and wind storms are common all year round.

The property covers a semi-rugged to sub-alpine terrain. Elevations range from 760 metres (2,500 feet) to 1,950 metres (6,400 feet). Some slopes are fairly steep, but most may be traversed with care.

Vegetation is sparse; treeline is at a elevation of approximately 1,000 metres above which alpine tundra covers the property; shrubs and trees are restricted to valley bottoms. Engelmann spruce, alpine fir, lodgepole pine, white spruce and white bark pine trees characterize the vegetation.

Water and timber resources for exploration and development purposes are available in valleys of creeks flowing northwesterly into the Samotua River. Several tributaries to these main creeks carry sufficient drilling water during most of the year.



FAE-TAG PROPERTY	
ATLUN MINING DIVISION	NTS 104K/8
CLAIM MAP	
SCALE: 1:50000 (metres)	
DATE: MARCH 1988	FIGURE No. 1-2
BY: J.C. FREEZE	

1.4 History

The Tatsamenie Lake area was initially explored in the fifties for its porphyry copper potential. Of several copper showings in the area; two have been classified as small porphyry copper type occurrences.

In 1963, Kennco Explorations Limited delineated low grade disseminations of chalcopyrite and molybdenite in silicified fracture zones. These zones occur on the southern margin of a quartz monzonite porphyry intruding Pre-Upper Triassic sediments and volcanics. A copper bearing magnetite rich skarn was also found on the north side of the same intrusive body. Four Fae claims covering these showings were held until 1986.

In 1970 Skyline Explorations Ltd. staked the Norm claims to surround the Fae group and cover any further porphyry style copper and molybdenum mineralization.

Chevron Canada Resources Limited explored the Tatsamenie Lake area for precious metals in 1982. The area now covered by the Tag claims was one of the Chevron properties, called the Giver-Taker, staked to cover an extensive iron carbonate alteration zone.

Several of Chevron's other properties have been developed through to the diamond drilling stage. The most advanced to date is the Golden Bear property on which North American Metals has, under a joint venture agreement with Chevron, developed proven and probable reserves of 1.5 million tons grading 0.31 oz gold per ton. An all season road to the property is currently under construction.

1.5 1987 Exploration Program

The 1987 exploration program was undertaken by geologists, prospectors and field technicians employed by Stetson Resource Management Corp. under the direction of J.C. Freeze of Stillwater Enterprises Ltd. Approximately \$87,500.00 was spent on the following surveys which were carried out between August 17 and September 17:

- 1) Geological mapping was carried out over the center portion of the property at a scale of 1:10,000 and covered 15,000 hectares (see Figures 2.3).
- 2) Rock chip sampling of quartz and calcite veins, quartz-carbonate stockwork zones, hydrothermal and iron carbonate alteration zones and all pyritic rocks was carried out over the areas mapped (see Figure 3.1). A total of 198 rock chip samples were analysed.
- 3) Talus sampling was carried out at 25 metre intervals on two contour line crossing the iron carbonate alteration zone on the Tag claims. A total of 121 talus fines and soil samples were collected.

2. GEOLOGY

2.1 Regional Geology

The Tatsamenie Lake area was mapped as part of the Tulsequah map sheet by J.G. Souther of the Geological Survey of Canada in 1971 (Figure 2.1). The oldest unit in the area is a diorite gneiss of unknown age. Permian serpentinite and limestone units are overlain by Pre-Upper Triassic clastic sediments and volcanic rocks. The Permian and Pre-Upper Triassic rocks belong to the Stikine Terrane which is an allochthonous package accreted to the North American craton in latest Triassic to Middle Jurassic time (Monger, 1984). Sedimentary, volcanic and volcanoclastic rocks were deposited on the Stikine Terrane in Triassic to Jurassic time. Four igneous events have intruded these rocks: a Triassic granodiorite; a Jurassic diorite (part of the Coast Complex); a Cretaceous-Tertiary group of rhyolite dykes, and porphyritic feldspar diorite and Late Tertiary-Pleistocene intermediate and felsic extrusive and intrusive rocks.

2.2 Regional Mineralization

The Stikine Terrane hosts several precious and base metal ore deposits.

In the Iskut area, at the southern end of the terrane, two structurally controlled precious metal deposits have been outlined. Both the Reg property held by Skyline Explorations Ltd. and the Snip property held in joint venture by Cominco Ltd. and Delaware Resource Corp. will be put into production in the near future.

In the Stikine River area two porphyry copper - gold ± molybdenum deposits on Galore Creek and Schaft Creek have been outlined.

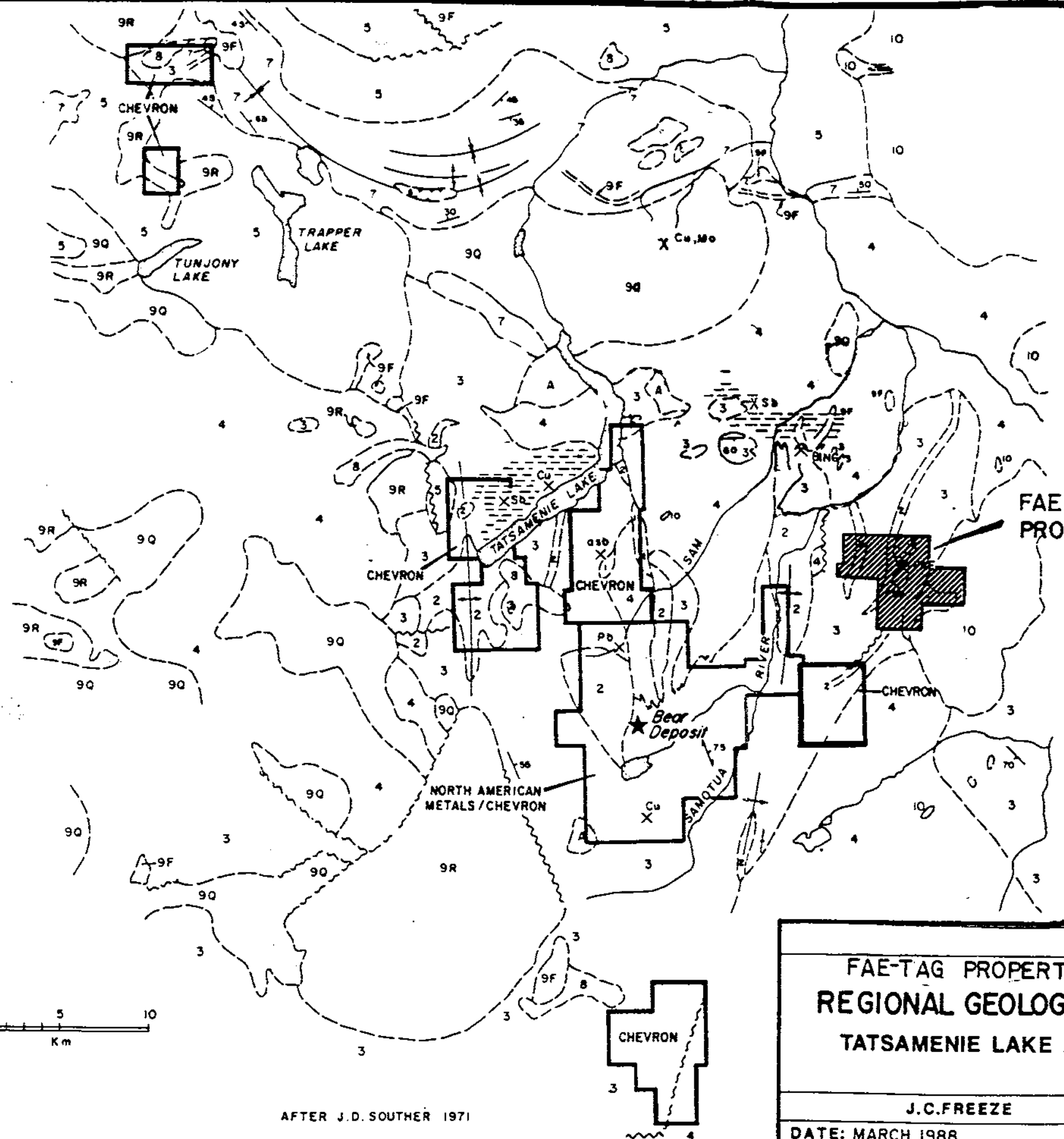
In the Stikine Arch area the Red Dog property hosts structurally controlled gold mineralization with associated base metals.

At the northern end of the terrane, in the Taku River area, base and precious metal ore in volcanogenic massive sulphides were produced at the Tulsequah Chief mine and gold ore was produced at the Polaris Taku mine.

LEGEND

- LATE TERTIARY
 10 LEVEL MOUNTAIN GROUP-
- CRETACEOUS and TERTIARY
 SLOKO GROUP - Felsic volcanic flows, intrusives and pyroclastics
 9Q Quartz monzonite
 9F Felsite
 9R Rhyolite
- UPPER JURASSIC
 8 Diorite granodiorite
- JURASSIC
 LABERGE GROUP
 7 TAKWAHON FORMATION - Conglomerate, sandstone
- UPPER TRIASSIC
 6 SINWA FORMATION - Limestone, clastics, chert
 5 STUHINI GROUP - Volcanic and sedimentary rocks
- TRIASSIC
 4 Granodiorite, quartz diorite, foliated diorite
- PRE-UPPER TRIASSIC
 3 Sedimentary and volcanic rocks
- PERMIAN
 2 Limestone, dolomitic limestone, chert
 1 Serpentinite, peridotite
 A Diorite gneiss, age unknown

- GEOLOGICAL BOUNDARY (defined, approximate)
 -+ BEDDING (inclined, vertical, horizontal)
 - - - FAULT (defined, approximate)
 - - - THRUST FAULT (defined, approximate)
 - - - MAJOR DYKE SWARM
 -> ANTICLINE (arrow indicates plunge)
 -< SYNCLINE
 - - - ZONE OF HYDROTHERMAL ALTERATION SILICIFICATION AND PYRITIZATION.
 X MINERAL OCCURRENCE
 ⚡ MINERAL PROPERTY



FAE-TAG PROPERTY
 REGIONAL GEOLOGY MAP
 TATSAMENIE LAKE AREA

J.C.FREEZE
 DATE: MARCH 1988
 FIGURE: 2.1

AFTER J.D. SOUTHER 1971

In the Tatsamenie Lake area, centrally located within the Stikine terrane, both porphyry style copper - molybdenum and structurally controlled precious metal mineralization has been found. The most significant precious metal deposit discovered to date is the Bear deposit on the Golden Bear property held by Chevron and North American Metals. The deposit is hosted by an extensive northerly trending structure called the West Wall fault. North trending vertical fault structures between Permian limestone and Pre-Upper Triassic tuff control gold mineralization and associated quartz-carbonate alteration. Both the limestone and the tuff act as hosts to the ore. The gold is commonly associated with disseminations and fracture fillings of fine grained pyrite, predominantly along fault contacts. Accessory minerals include pyrrhotite, arsenopyrite, tetrahedrite and minor galena, sphalerite, chalcopyrite and tellurides. Most of the gold is submicron in size and not visible to the naked eye (Kenway, 1986). The mineralization is considered to fit Lindgren's (1933) mesothermal classification of ore deposits.

The basic model for mineralization in the Bear Deposit comprises:

- 1) Major structures acting as conduits for mineralizing fluids;
- 2) A heat source such as intrusive bodies creating hydrothermal convection cells;
- 3) Structural traps such as folds;
- 4) Host rocks which are either chemically or physically receptive to deposition of metallic mineralization.

2.3 Property Geology

The Fae property is underlain predominantly by Permian and Pre-Upper Triassic limestone, clastic sediments and volcanic rocks which have been intruded by two igneous events. The first intrusion was a diorite stock in Upper Jurassic time. The second was the Cretaceous and Tertiary Sloko Group of felsic volcanic flows, intrusives and pyroclastics. Jurassic Takwahoni Formation sediments cap the Pre-Upper Triassic package in the southeastern portion of the property. Late Tertiary and Pleistocene Hearts Peak Formation felsic flows and pyroclastic rocks and Level Mountain Group basalt flows cap the older rocks on the east side of the property. (see Figure 2.3).

The Permian Limestone comprises a succession of massive limestone beds, hundreds of feet thick, intercalated with chert, shale and sandstone beds. The limestone is most commonly fine grained and medium grey in colour. Recrystallization occurs near intrusive contacts turning the limestone into a marble. The limestone outcrops in northerly trending elongate bodies on the western portion of the property.

The Pre-Upper Triassic package comprises fine grained, clastic sedimentary rocks and intercalated andesite volcanic flows and tuffs; chert, jasper, greywacke and limestone. Intense folding and shearing of this package has resulted in the development of slaty cleavage and foliation. Fine grained secondary mica in the sedimentary rocks creates a platy, phyllitic texture and lustrous sheen. The cherts in medium beds; the limestones in beds tens of feet thick. The volcanic rocks have been altered predominantly to a greenstone and chlorite-amphibolite schist.

The Takwahoni sedimentary package comprises predominantly thinly intercalated quartzose sandstone, siltstone and shale. Minor limestone lenses, chert pebble conglomerate and granite boulder conglomerates occur within the sequence. These sediments outcrop on the southeastern portion of the property.

The Post Middle Jurassic intrusive is a fine to medium grained hornblende diorite to quartz monzonite stock. These stocks intrude the Pre-Upper Triassic package in the northeastern portion of the property and both northeast and southwest of Vermillion Ridge.

The Cretaceous-Tertiary Sloko Group intrudes the Permian limestone and Pre-Upper Triassic package as a quartz feldspar porphyry stock on the Fae claims.

At the highest point on the property, the northeast corner, Level Mountain Group basalts cap and are intercalated with Hearts Peak Formation pyroclastics and epiclastics. Basalts also cap Takwahoni sediments in the southeastern portion of the property. The basalts are predominantly fine grained, columnar flows. Vesicles filled with chalcedony amygdules occur near the top of flows. The pyroclastics comprise felsic to intermediate ashflow tuffs and epiclastics comprising clasts of tuffs and Takwahoni sediments.

Pervasive epidote and a yellow-green alteration occurs in the tuffs below the basalts. At the highest basalt-tuff contact a bright orange gossan occurs in extremely weathered material.

2.4 Property Mineralization and Alteration

The most distinct alteration feature on the Fae property is a pervasive iron carbonate alteration zone that weathers to a bright orange colour and appears to be controlled by a northerly striking and westerly dipping structure. The alteration extends from the southwest end of Vermillion Ridge along the ridge to the north across Tag Creek and up Vermillion Tributary. A small iron carbonate alteration zone also occurs in Fae Creek. The Pre-Upper Triassic sediment-volcanic package is the most susceptible unit to this alteration. Quartz-carbonate stockwork often occurs within the pervasive alteration zone. Silicified limestones exposed within this zone may be fault controlled Permian limestone or the Pre-Upper Triassic limestone unit.

Above the headwaters to Vermillion Tributary a bright red gossan occurs at the contact between felsic tuffs and overlying basalt flows. The gossanous material is weathered beyond recognition and no mineralization is visible. However anomalous silver, lead and zinc values were obtained from it.

Silicification is most prominent as a hornfels zone proximal to the intrusive bodies. In addition to the hornfels zones, a distinct east-west zone of cryptocrystalline quartz crosses Fae Creek just north of Chert Peak. The silicified zone comprises brecciated cherts and/or rhyolites healed by chalcedony and quartz, disseminated and massively banded or bedded pyrite, shear zones and complex folding which includes an overturned antiform cored by limestone.

Porphyry style copper and molybdenum mineralization has been known to occur with the Sloko Group quartz-feldspar porphyry stock since the sixties. Quartz stockwork in clay alteration zones within the quartz-feldspar porphyry also host silver and weak gold mineralization.

The siliceous zone crossing Fae Creek hosts gold and silver bearing pyrite in a carbonate altered cherty breccia with fuchsite as well as with chalcopyrite in a silicified limestone in an overturned antiform.

Anomalous gold, silver, antimony and arsenic values occur with blebs of galena, sphalerite and chalcopyrite in iron carbonate altered tuffs in felsenmeer on Fae Ridge south of the east-west siliceous zone.

In the Tag Creek area gold ± silver bearing pyrite is found in: quartz veins with limonite staining; in iron carbonate altered tuffs with quartz lenses; and in graphitic shear zones.

Weak gold mineralization occurs in talus samples throughout much of the pervasive iron carbonate alteration zone.

On the northern end of Vermillion Ridge, within the iron carbonate alteration zone, gold bearing pyrite-arsenopyrite ± galena occurs with weak silver mineralization in: a fuchsitic quartz-carbonate stockwork zone in schists and phyllites; in silicified limestone with sphalerite; and in malachite stained rubble.

3. GEOCHEMISTRY

3.1 Rock Chip Sampling

3.1.1 Sampling, Sample Preparation and Analytical Procedures

Rock chip samples were collected from all outcrops with visible mineralization, boxwork, iron staining or silicification, and from all quartz ± carbonate stockwork veins.

Selected samples were taken where the width of the zone of interest could not be determined. Chip samples were taken at regular intervals (according to the size of the unit) across: the width of lenses and veins; wallrock to beds and veins; and gossanous, siliceous or pyritic zones. A total of 223 rock samples were collected and 198 samples were sent for analysis.

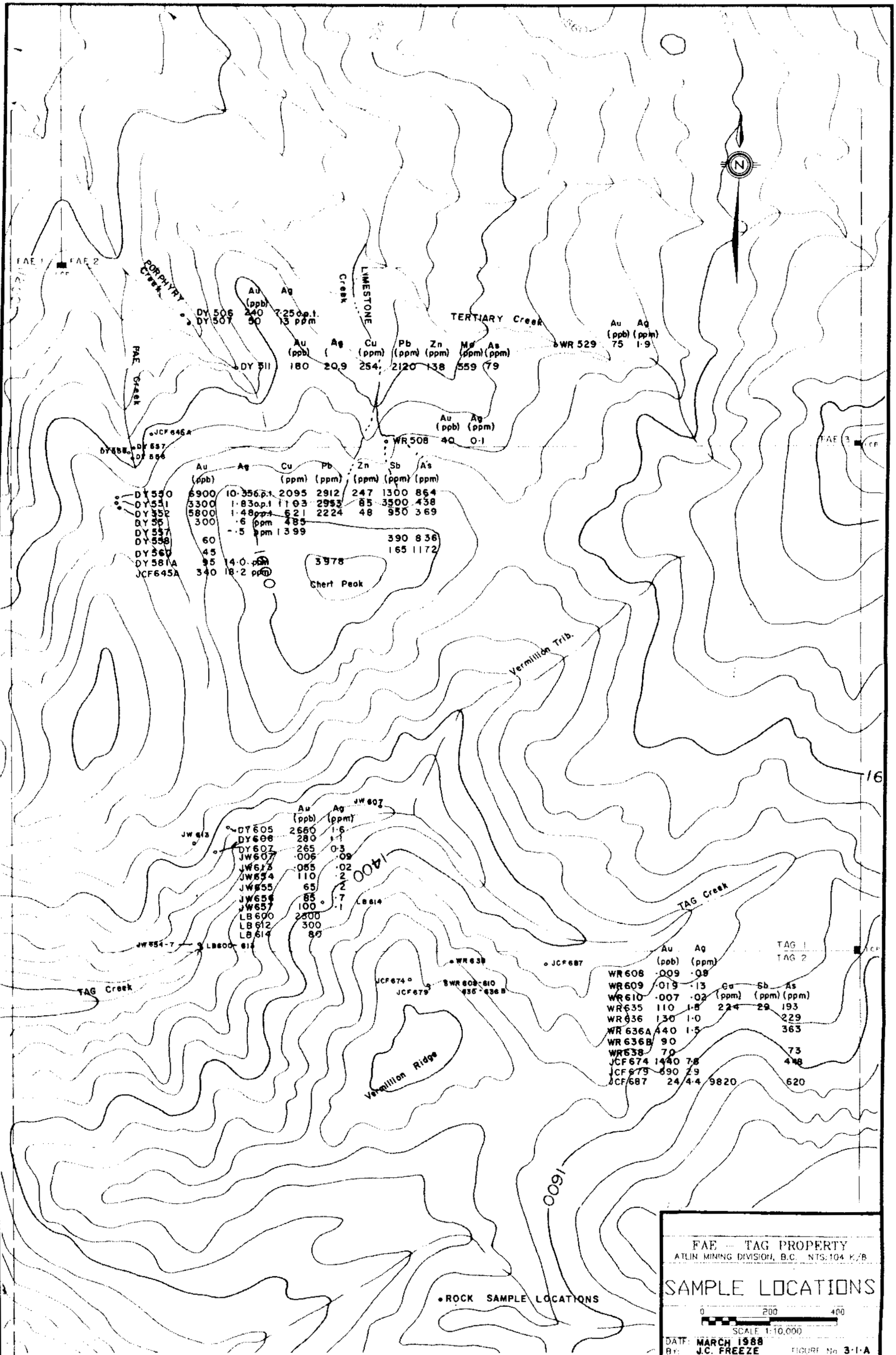
The samples were placed in numbered plastic bags and sent to Bondar-Clegg in Whitehorse, Acme Analytical Laboratories Ltd. in Vancouver and Chemex Labs Ltd. in North Vancouver for analysis. In the laboratory, samples were put through primary and secondary crushers. A sub-sample of approximately 250 gm was then pulverized to minus 100, 140 or 150 mesh. The pulp was then analyzed for gold, silver and other elements according to visible or suspected mineralization (see Appendix I for specifics).

3.1.2 Presentation and Discussion of Results

Significant assay results, locations and descriptions of samples are given in Table 3.1. All sample locations are shown on Figure 3.1 and results are in Appendix I.

In Porphyry Creek on the Fae claims quartz stockwork within a clay alteration zone in the quartz feldspar porphyry carries up to 140 ppb gold and 7.25 oz per ton silver over 2.9 metres.

In the siliceous zone on Fae Creek a silicified and dolomitized limestone with pyrite, chalcopyrite and haematite staining contains up to 300 ppb gold with 485 ppm copper across .2 metres. A carbonate altered chert breccia with fuchsite contains 340 ppb gold and 18.2 ppm silver.



FAE 1 FAE 2
POPHRY
Creek
FAE Creek
Au (ppb) Ag (ppm)
DY 506 240 7.25 p.p.t.
DY 507 90 1.3 ppm

Au (ppb) Ag (ppm) Cu (ppm) Pb (ppm) Zn (ppm) Mn (ppm) As (ppm)
DY 511 180 20.9 254. 2120 138 559 79

Au (ppb) Ag (ppm)
bWR 529 75 1.9

Au (ppb) Ag (ppm)
WR 508 40 0.1

JCF 645A
DY 550
DY 551
DY 552
DY 553
DY 554
DY 555
DY 556
DY 557
DY 558
DY 559
DY 560
DY 561A
JCF 645A

	Au (ppb)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Sb (ppm)	As (ppm)
DY 550	6900	10.356 p.p.t.	2095	2912	247	1300	864
DY 551	3300	1.83 p.p.t.	1103	2953	85	3500	438
DY 552	5800	1.48 p.p.t.	621	2224	48	950	369
DY 553	300	.6 ppm	485				
DY 554		.5 ppm	1399				
DY 555	60					390	836
DY 556	45					165	1172
DY 557	95	14.0 ppm					
DY 558	340	18.2 ppm					
DY 559				3978			
DY 560							
DY 561A							
JCF 645A							

JW 607
Au (ppb) Ag (ppm)
DY 605 2560 1.6
DY 606 280 1.1
DY 607 265 0.3
JW 607 .006 .09
JW 613 .055 .02
JW 614 110 .2
JW 615 65 .2
JW 616 85 .7
JW 617 100 .1
LB 600 2800
LB 612 300
LB 614 80

	Au (ppb)	Ag (ppm)	Cu (ppm)	Sb (ppm)	As (ppm)
WR 608	.009	.09			
WR 609	.019	.13			
WR 610	.007	.02	224	29	193
WR 635	110	1.8			
WR 636	130	1.0			229
WR 636A	440	1.5			363
WR 636B	90				
WR 638	70				73
JCF 674	1440	7.8			468
JCF 679	690	2.9			
JCF 687	24	4.4	9820		620

FAE - TAG PROPERTY
ATLIN MINING DIVISION, B.C. NTS:104 K/B

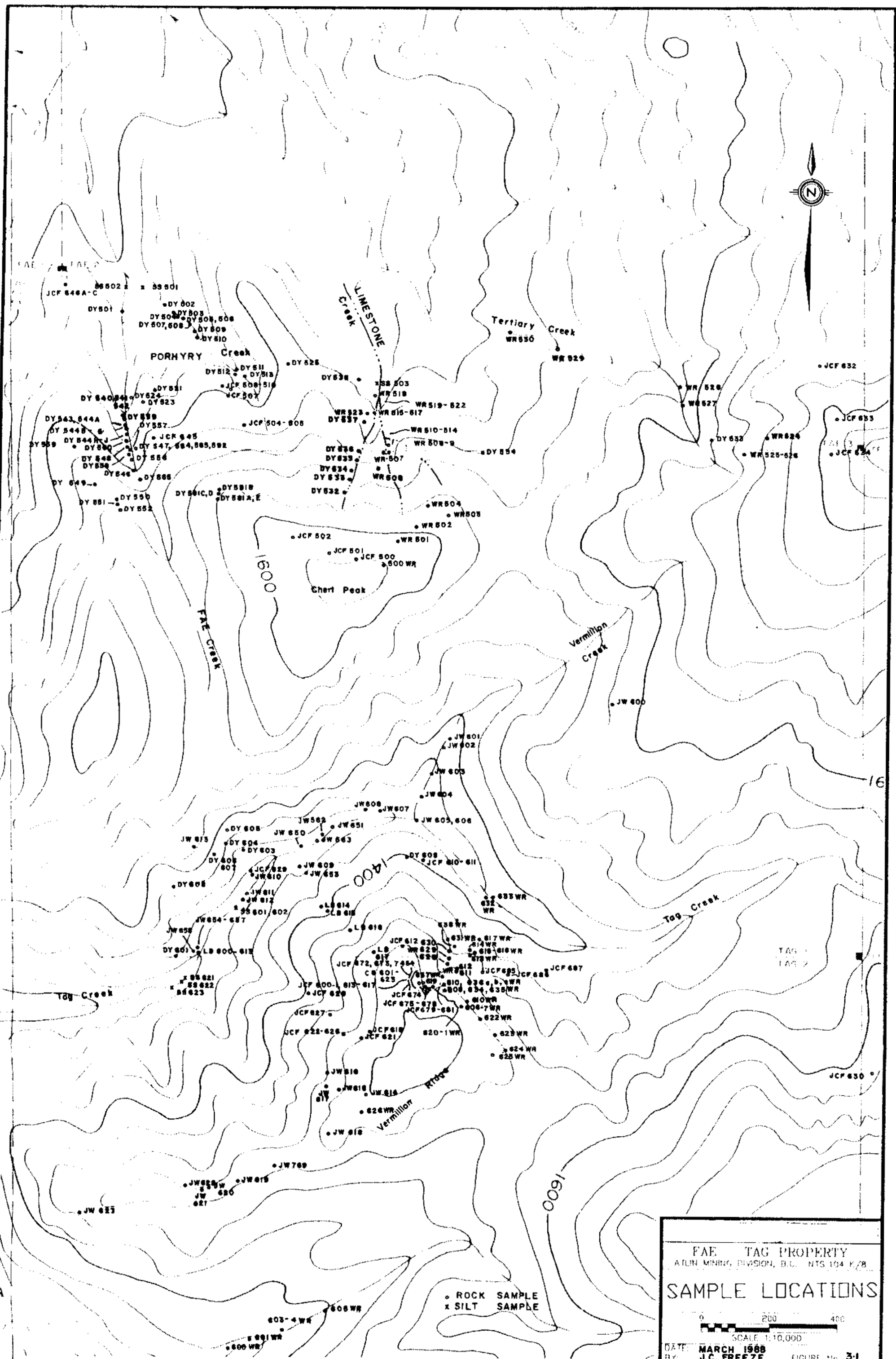
SAMPLE LOCATIONS

0 200 400
SCALE 1:10,000

DATE: MARCH 1988
BY: J.C. FREEZE

FIGURE No 3-1-A

• ROCK SAMPLE LOCATIONS



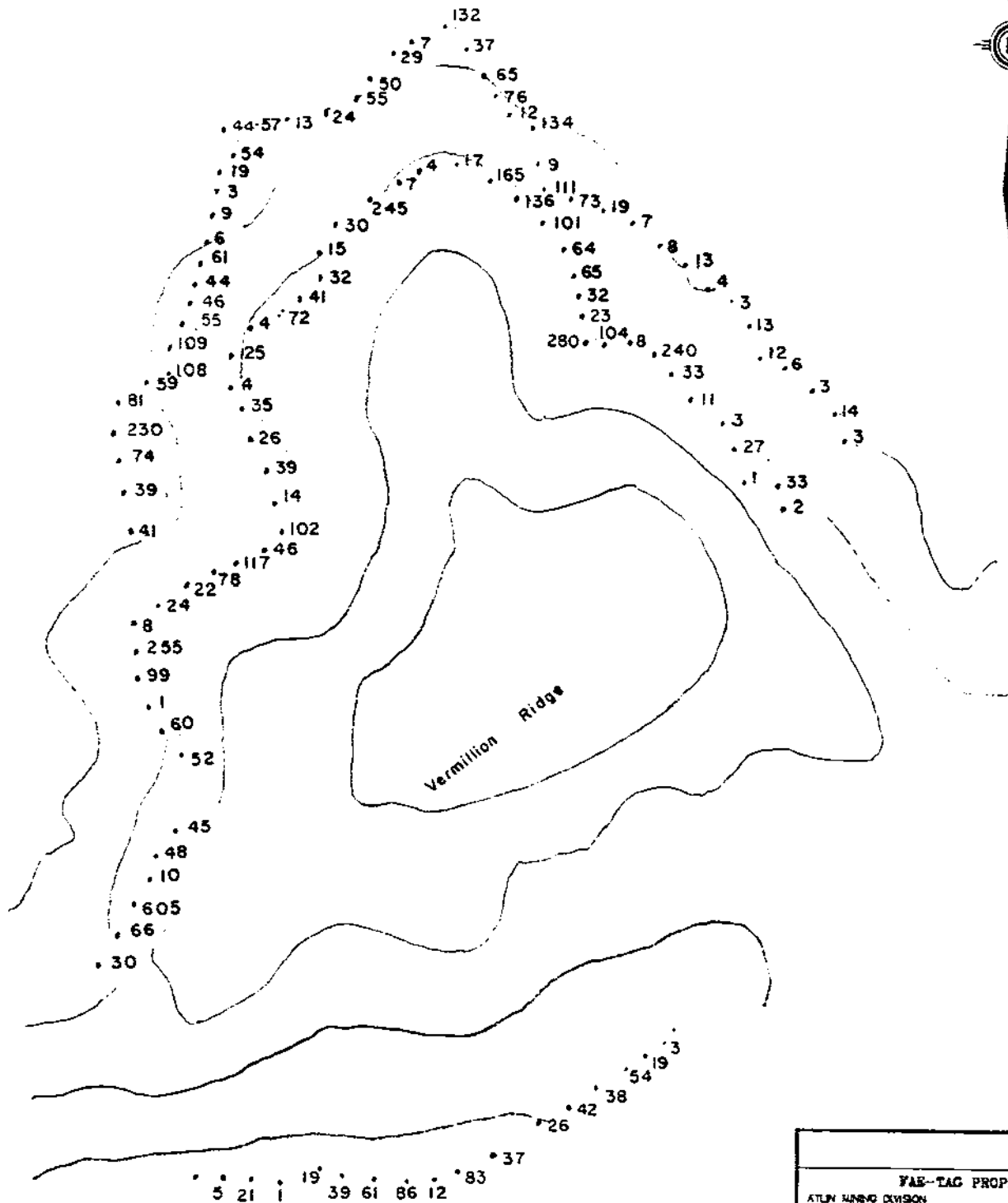
F&E TAG PROPERTY
 ATLON MINING DIVISION, B.L. NTS 104 K/8

SAMPLE LOCATIONS

0 200 400
 SCALE 1:10,000

DATE: MARCH 1988
 BY: J.C. FREEZE

FIGURE No 3-1



Au
 , sample location, values in ppb

FAE-TAG PROPERTY	
ATLON MINING DIVISION	NTS 104K/9
TALUS SAMPLE LOCATIONS	
0 50 100 150 200 250	
SCALE: 1:5000 (metres)	
DATE: APRIL 1998	FIGURE No. 3.2
BY: J.C. FREEZE	

Above this zone a .15m wide galena and tetrahedrite bearing quartz vein in an iron carbonate alteration zone contains 6900 ppb gold, 10.35 oz. per ton silver, 2095 ppm copper, 2912 ppm zinc, 257 ppm antimony, 1399 ppb mercury and 865 ppm arsenic.

On the north slope of Tag Creek, a quartz vein and a black carbonate vein within a quartz-carbonate stockwork zone contain 0.55 oz. gold per ton and 2650 ppb (0.77 oz. per ton) gold over .15 metres and .10 metres, respectively. In Tag Creek below the latter zone, a gouge zone within sheared tuffs, carries 2300 ppb (0.67 oz. per ton) gold over 1.5 m.

Talus samples across the iron carbonate alteration average 40 ppb gold and often exceed 100 ppb gold. At the north end of Vermillion Ridge a fuschsitic quartz-carbonate stockwork zone with disseminated pyrite and arsenopyrite contains 1440 ppb gold, 7.8 ppm silver, 305 ppm lead and 488 ppm arsenic. Below this to the east a pyritic silicified limestone pod contains up to .019 oz. gold per ton, 0.13 oz. silver per ton and 3634 ppm arsenic. A total of 121 talus samples were collected.

3.2 Stream Sediment Sampling

3.2.1 Sampling

Five stream sediment samples were collected from Tag Creek. Approximately 300 gm of fine sand to clay-sized material was sampled by hand and placed in numbered Kraft envelopes. The samples were sent to Bondar-Clegg in Whitehorse for analysis.

3.2.2 Sample Preparation and Analytical Procedure

The samples were oven-dried and sieved to minus 80 mesh. A 10 gram subsample was preconcentrated by fire assay and analyzed for gold by atomic absorption.

3.2.3 Results

Only one sample contains slightly anomalous gold concentrations (20 ppb). Sampling of fine materials in the stream bed has not been very successful in delineating the fine grained gold mineralization in the Tatsamenie area and is not recommended as an efficient exploration tool in this area (Chevron and North American Metals, Pers. Comm.).

CONCLUSIONS

Gold + silver with occasional chalcopyrite, galena, sphalerite, molybdenum, arsenopyrite and mercury mineralization occurs in several zones on the property. The sulphides occur in quartz + carbonate vein structures and in the surrounding stockwork and alteration halos, in silicified limestones, in shear zones and in siliceous breccias.

These mineralized structures occur predominantly in the Permian limestone and Pre-Upper Triassic sediment-volcanic package.

Comparing the mineralization discovered on the Fae property to the most economically significant property in the Tatsamenie Lake area, the following observations can be made:

Bear Deposit Model

- 1) Major structures acting as conduits for mineralizing fluids;
- 2) A heat source such as intrusive bodies creating hydrothermal convection cells fundamental to both mesothermal and epithermal ore bodies.
- 3) Structural traps;
- 4) Host rocks such as limestone and tuffs, that are either chemically or physically receptive to deposition of mineralization.

Fae Observations

- 1) The Vermillion Ridge iron carbonate alteration zone appears to be controlled by a major northerly striking and westerly dipping structure as evidenced by the outcrop pattern. Anomalous gold values occur in several veins and stockwork zones as well as in the talus covering much of this zone. The Fae Creek gold bearing siliceous zone appears to be controlled by an east-west structure.

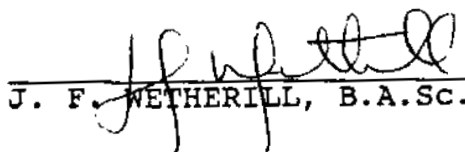
- 2) Both Tertiary Sloko Group and Post Middle Jurassic stocks intrude the Permian and the Pre-Upper Triassic package which host gold mineralization. These intrusive bodies and a deeper seated batholith may have provided the heat source necessary to create hydrothermal convection cells.
- 3) No structural traps have been identified yet but folding occurs in the sediments in Fae Creek.
- 4) On the Fae property limestone and tuff units similar to those in the Bear deposit host the mineralized structures.

As in the Bear deposit most of the mineralization on the Fae property fits Lindgren's (1933) mesothermal model for ore deposits. Quartz ± carbonate hosting pyrite, chalcopyrite, arsenopyrite, galena, sphalerite, and tetrehedrite mineralization in veins and associated alteration halos are described by Lindgren (1933) as mesothermal ore deposits. Where the mineralization comprises fewer base metals and an increase in mercury and antimony in cryptocrystalline quartz breccias it fits Lindgren's epithermal model. Both deposits form in similar systems; mesothermal ore forms at intermediate depths under high pressures and intermediate temperatures while epithermal ore forms near surface at low pressures and temperatures. In both cases intrusive bodies are important as heat sources for mineralizing fluids. Both produce a large proportion of the worlds gold and silver ore.

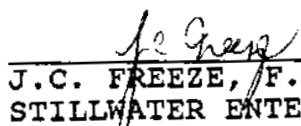
In conclusion, the Fae property is believed to have excellent potential for hosting an economic mineral deposit.

Respectfully Submitted,
STETSON RESOURCE MANAGEMENT CORP.


W.J. DYNES, Prospector


J. F. WETHERILL, B.A.Sc.


W. ROBB, B.Sc.


J.C. FREEZE, F.G.A.C.
STILLWATER ENTERPRISES LTD.



RECOMMENDATIONS

Based on the conclusions stated, the following two phased exploration program is recommended. The decision to proceed with Phase II is contingent upon favourable results from Phase I.

Phase I

- 1) Detailed mapping and rock chip sampling of mineralized zones discovered to date. Both the strike and width extent of these zones should be investigated. Investigations should be prioritized as follows:
 - a) Fae Ridge Iron-Carbonate Zone;
 - b) Tag Creek Iron-Carbonate Zone;
 - c) Northern end of Vermillion Ridge;
 - d) Fae Creek Siliceous Zone;
 - e) Basalt Peak Gossan.
- 2) Geophysical Surveys: Magnetic and Electromagnetic Surveys should be carried out over mineralized zones to delineate structural controls. Investigations should be prioritized as in Step 1.
- 3) Soil sampling should be carried out over the strike extension of all mineralized zones where they are covered by soil.
- 4) Prospecting should be carried out on portions of the property unexplored to date.

Phase II

Diamond drilling should be carried out on the best targets outlined by Phase I. Favorable structures should be tested for both strike and depth extents.

COST STATEMENT

Project Preparation:

Printing		\$	54.16
Maps			612.63
Drafting			373.95
Personnel:			
J.C. Freeze	2 man days @ \$300/day		600.00
J.F. Wetherill	10.5 man days @ \$225/day		2,362.50
			=====
		\$	4,003.25

Field Personnel:

Geologists:			
J.C. Freeze	12.5 man days @ \$300/day	\$	3,750.00
J.F. Wetherill	8 man days @ \$225/day		1,800.00
W. Robb	14 man days @ \$225/day		3,150.00
Prospectors:			
W.J. Dynes	11 man days @ \$225/day		2,475.00
R. Prois	8 man days @ \$200/day		1,600.00
Field Technicians:			
M. Pym	13 man days @ \$200/day		2,600.00
C. Gjendem	9 man days @ \$175/day		1,575.00
A. Wardwell	11 man days @ \$175/day		1,925.00
L. Beaudin	7 man days @ \$175/day		1,225.00
G. Heynen	8 man days @ \$175/day		1,400.00
Cook and First Aid Attendant:			
W. Elliot	12 man days @ \$200/day		2,400.00
			=====
		Total:	\$ 23,900.00

Support:

Mobilization/Demobilization			
Truck Rental		\$	269.51
Freight			396.62
Fixed Wing			2,214.53
Flights			3,114.32
			=====
		Total:	\$ 5,994.98

Camp:			
Room	112 man days @ \$25.00/manday	\$	2,800.00
Groceries	112 man days @ \$21.77/manday		2,438.24
Grocery Flights	112 man days @ \$ 5.02/manday		562.24
Motel Accommodation			185.36
Restaurant Meals			331.30
Equipment Rental:			
Generator	112 man days @ \$2.77/manday	\$	310.24
Chainsaw	112 man days @ \$3.34/manday		374.08
Communications:			
SBX-11-Rental	112 man days @ \$1.22/manday		136.64
Parts	112 man days @ \$1.84/manday		206.08
Walkie Talkies	112 man days @ \$3.23/manday		361.76
Long Distance			354.70
Expediting	112 man days @ \$10.95/manday		1,226.40
			=====
	Total:	\$	9,287.04
Supplies		\$	5,479.50
Assays		\$	6,003.03
<u>Transportation:</u>			
Helicopter & Fuel - 35.96 hours @ \$591.9/hour		\$21,284.72	
Fuel Flights		1,663.71	
Courier & Taxis		442.63	
			=====
	Total:	\$	23,391.06
	Sub Total	\$	78,058.86
12% Overhead Administration:		\$	9,367.06
	TOTAL COSTS	\$	87,425.92

REFERENCES

- FREEZE, J.C., May 1987 Report on the Northern Gold Project, Atlin Mining Division for Lightning Creek Mines Ltd. and Dia Met Minerals Ltd.
- FREEZE, J. C., Feb. 1988 Report on the Vine Property, Atlin Mining Division for Waterford Resources Ltd.
- FREEZE, J.C., Mar. 1988 Report on the Ant Property, Atlin Mining Division for Wicklow Resources Ltd.
- KENWAY, R.W., 1986 Golden Bear Project of North American Metals Corp. by Uma Engineering Ltd.
- LINDGREN, W., 1933 Mineral Deposits, p. 529-534.
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- NEY, C.S., 1963 Report on Geology and Geochemistry Prospect, Fae claims, Atlin Mining Division for Kennco Explorations Limited.
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- SOUTHER, J.G., 1971 Geology and Mineral Deposits of Tulsequah Map Area, British Columbia; Geol. Surv. Can. Mem. 362.
- STEVENSON, R.W., 1976 Report on Rock, Soil and Silt Geochemical Survey, Fae No. 1 Claim Group for Kennco Explorations Limited.
- THICK, M., and WALTON, G., 1983 Assessment Report Geological and Geochemical Survey, Iver Group, Atlin Mining Division.
- WALTON, G., 1984 Assessment Report Geological, Geochemical Surveys, Giver, Taker claims, Atlin Mining Division.

STATEMENT OF QUALIFICATIONS

NAME: Freeze, J.C., (nee Ridley), F.G.A.C.

PROFESSION: Consulting Geologist

EDUCATION: 1981 B. Sc. Geology -
University of British Columbia

1978 B.A. Geography -
University of Western Ontario

PROFESSIONAL ASSOCIATIONS: Fellow of the Geological Association of Canada

EXPERIENCE: 1987 - Present: Consulting Geologist with Stillwater Enterprises Ltd. Directing exploration programs and reviewing properties in Canada and U.S.A.

1985 - 1986: Project Coordinator - Geologist with White Geophysical Inc. Coordinating mineral exploration projects involving geology, geochemistry, geophysics and diamond drilling in B.C. and Yukon.

1981 - 1985: Project Geologist with Mark Management Ltd. Hughes-Lang Group. Responsible for precious metals exploration programs involving geology, geochemistry, geophysics and diamond drilling in Western Canada.

1979 - 1981: Summer and part-time Geologist involved with coal exploration in N.E. B.C. with Utah Mines Ltd.

STATEMENT OF QUALIFICATIONS

NAME: Wetherill, J. F.

PROFESSION: Geologist - Engineer in Training

EDUCATION: 1987 B.A.Sc. Geology -
University of British Columbia

EXPERIENCE: 1987 - Present: Geologist with
Stetson Resource Management Corp.
Field Supervisor for exploration
programs involving geology,
geochemistry, and geophysics in
B.C. and Yukon.

1986, June - August: Field Assistant
- Geologist involved with
geological, geochemical and
geophysical aspects of exploration
programs in B.C.

STATEMENT OF QUALIFICATIONS

NAME: Robb, W.D.

PROFESSION: Geologist

EDUCATION: 1987 B.Sc. Geology -
University of British Columbia

EXPERIENCE: 1987 - Present: Geologist with
Stetson Resource Management Corp.
Field Supervisor for exploration
programs involving geology,
geochemistry, and geophysics in
B.C. and Yukon.

1986, June - August: Field Assistant
- Geologist involved with
geological, geochemical and
geophysical aspects of exploration
programs in B.C.

1978 to 1982: Land Surveyor with
Canadian National Railways,
Edmonton, Alberta; British Columbia
Railways, Tumbler Ridge; and
Hargraves and Associates, Vancouver,
B.C.

APPENDIX I
Rock Geochemistry Results

TABLE 3.1
Rock Sample Descriptions and Results

F&E CLAIMS

<u>Sample No.</u>	<u>Location</u>	<u>Rock Type With Mineralization</u>	<u>Width</u>	<u>Attd</u>	<u>Au ppb</u>	<u>Ag ppm</u>	<u>Cu ppm</u>	<u>Pb ppm</u>	<u>Zn ppm</u>	<u>Sb ppm</u>	<u>As ppm</u>
DY506	Porphyry Creek	Qz fldspr prphry-cly alt w/Qz stkwrk	2.9m		240	7.25 opt					
DY507	"	"	8m		50	13 ppm					
DY511	"	Qz fldspr porphry-cly alt & shr'd-Qz vnlt	8m		180	20.9	254	2120	138	559	79
										Mo ppm	
DY550	Fae Ridge	Fe Cb-Qz Vn-Ga bnd-Te	.15m	Fls nmr	6900	10.35 opt	2095	1300	2912	247	864
								Hg ppb			
DY551	"	Fe-Cb-Qz (Cryptxln)-Ga Orng wthrng	.15m	"	3300	1.83	1103	3500	2953	85	438
DY552	"	Qz-Cryptxln-Sp	.10m		5800	1.98	621	950	2224	48	369
DY555	Fae Creek	Lmstn-Gry Su-He-Py	.2m	<u>130</u> 45N	300	.6	485				
DY556	"	"			80	-.5	1399				
DY558	"	Chrt-Blk-Py-He & Ja	.15m	<u>130</u>	60			390			836
DY560	"	Qz Vn-Brx w/Su	slct	<u>040</u> 90	45			165			1172
DY581	Chert A	Fe Cb Vn w/Ga, Sp, Cp, grnstn			95	14.0			3978		
WR508	Lmstn Ck	Slcfc Lmstn Py Qz fldng	±.2m	<u>155</u> 42W	40	0.1					
WR529	Tert Crk	Epiclastic tuff Py blebs-K alt			75	1.9					

TAG CLAIMS

Samp No.	Location	Rock Type With Mineralization	Width	Attd	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Sb ppm	As ppm
JCF645	"	Fuchsite in Cb alt Chrt brx			340	18.2					
JY605	Tag Crk	Cb Vn wht & blk Py	±.1m	<u>098</u> 80N	2650	1.6					
JY606	"	Cb stkwrk blk w/sulph Cb	slct	talus	280	<0.1					
JY607	"	Cb alt phlt w/ blk Cb vnlt	.06m Cb		265	0.3					
JCF679	Verm Ridge WR636	Si brx Py>1%			590	2.9					
JCF674	Verm Ridge	Qz-Cb stkwk w/ Fu	slct		1440	7.8		305			488
JCF687		Cu stn rbl			24	4.4	9920				620
JW607	Tag Crk	Brx Vis Su's Qz-Cb	slct	<u>065</u> 80S	.006	.09					
JW613	"	Msv Qz vn Su's	.15m	<u>020</u> 76E	.055	.02					
JW654	"	Cb-Qz stkwk in ultrmfc	.40m		110	.2					
JW655	"	Tuff-blk crumbly	slct		65	.2					
JW656	"	Cb alt tuff	.30m		85	.7					
JW657	"	Qz Cb stkwk	slct	<u>045</u> 70N	100	.1					
LB600	Tag Crk 1240 El	Tuff & gouge Mnr Su's Chl	<u>1.5m</u> 19.5m		2300						
LB612	Tag Crk	Tuff w/Qz lens	"		300						
LB614	"	Qz-Cb alt phyllite-Su			80						

Samp No.	Location	Rock Type With Mineralization	Width	Attd	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Sb ppm	As ppm
WR608	Verm Ridge	Slcfd lmstn Py As Py	slct		opt .009	opt .09					
WR609	"	Slcfd lmstn Py	"		.019	.13					
WR610	"	Slcfd lmstn diss Py	"		.007	.02					
WR635	NE Verm Ridge	Slcfd lmstn Py grey Qz	.3m		ppb 110	ppm 1.5	224			29	193
WR636	"	Qz stkwk in Si lmstn yellow Py	.08m		130	1.0					229
WR636 A	"	Qz stkwk in Si lmstn yellow Py grey Qz	.08m		440	1.5					363
WR636 B	"	Qz stkwk in Si lmstn	.08m		90						
WR633		Qz stkwk in Si lmstn	.08m		70						73



REPORT: 117-4982

PROJECT: FAE+IAG

PAGE 1C

SAMPLE NUMBER	ELEMENT UNITS	Yt PPM	Ba PPM	La PPM	Ce PPM	Ta PPM	W PPM	Hf PPM	Pb PPM	Bi PPM
JCF-632		21	369	22	24	<10	<10	<10	30	<3
JCF-634		11	336	51	87	<10	<10	<10	106	<3
JCF-640A		<10	272	9	15	<10	<10	<10	7	<3
JCF-640B		<10	482	29	43	<10	<10	<10	33	4
JCF-640C		<10	97	17	29	<10	<10	<10	10	<3
CG-601		11	59	12	<5	<10	<10	24	5	<3
CG-603		10	254	13	<5	<10	<10	10	12	<3
CG-605		<10	115	11	<5	<10	<10	17	35	<3
CG-606		<10	162	11	<5	<10	<10	19	<4	3
CG-607		11	33	14	<5	<10	<10	12	<4	5
CG-608		17	23	15	<5	<10	<10	12	9	4
CG-618		<10	53	13	<5	<10	<10	<10	12	5
CG-619		<10	57	13	<5	<10	<10	<10	17	6
CG-620		14	236	13	<5	<10	<10	16	6	<3
CG-621		19	131	14	<5	<10	<10	20	14	6
CG-622		15	188	14	<5	<10	<10	<10	28	9
CG-623		<10	80	7	<5	<10	<10	<10	45	5
DY-543		<10	32	14	<5	<10	<10	<10	<4	9
DY-544F		<10	5	19	<5	<10	<10	<10	5	<3
DY-544G		<10	27	20	<5	<10	<10	23	79	<3
DY-544H		<10	16	13	11	<10	<10	<10	5	<3
DY-544I		22	6	11	<5	<10	<10	<10	<4	22
DY-544L		22	6	13	<5	<10	<10	<10	4	34

REPORT: 117-4982 (COMPLETE)

REFERENCE INFO: 47-7344

CLIENT: STETSON RESOURCES MANAGEMENT
PROJECT: EAE-TAGSUBMITTED BY: J.C. FREEZE
DATE PRINTED: 17-NOV-87

ORDER	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Li Lithium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
2	Be Beryllium	23	0.5 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
3	B Boron	23	2 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
4	Sc Scandium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
5	V Vanadium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
6	Cr Chromium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
7	Co Cobalt	23	2 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
8	Ni Nickel	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
9	Cu Copper	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
10	Zn Zinc	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
11	Ga Gallium	23	2 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
12	As Arsenic	23	5 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
13	Rb Rubidium	23	20 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
14	Sr Strontium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
15	Y Yttrium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
16	Zr Zirconium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
17	Nb Niobium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
18	Mo Molybdenum	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
19	Ag Silver	23	0.5 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
20	Cd Cadmium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
21	Sn Tin	23	20 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
22	Sb Antimony	23	5 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
23	Te Tellurium	23	10 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
24	Ba Barium	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
25	La Lanthanum	23	1 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
26	Ce Cerium	23	5 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
27	Ta Tantalum	23	10 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
28	W Tungsten	23	10 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
29	Tl Thallium	23	10 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
30	Pb Lead	23	4 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma
31	Bi Bismuth	23	3 PPM	HCl-HNO ₃ , (1:3)	Ind. Coupled Plasma

Bondar-Clegg & Company Ltd.
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Canada V7P 2R5
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Telex: 04-332667



Geochemical
Lab Report

REPORT: 107-7336 (COMPLETE)

REFERENCE INFO:

CLIENT: STERSON RESOURCE MANAGEMENT
PROJECT: DAL

SUBMITTED BY: J. FREEZE
DATE PRINTED: 6-OCT-87

SAMPLE TYPES	NUMBER	SIZE FRACTIONS	NUMBER	SAMPLE PREPARATIONS	NUMBER
7 ROCK OR BED ROCK	46	2 -150	46	CRUSH, PULVERIZE -150	46

REPORT COPIES TO: STERSON RESOURCE MANG.

INVOICE TO: STERSON RESOURCE MANG.



OCT 08 1987

REF ID: 107-2336 (COMPLETE)

REFERENCE INFO:

CLIENT: STETSON RESOURCE MANAGEMENT
 PROJECT: DAL

SUBMITTED BY: J. FREEDS
 DATE PRINTED: 4-007-87

ORDER	SYMBOL	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Pu	Plutonium	46	5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
2	Pb	Lead	46	0.2 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
3	As	Arsenic	46	1 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
4	Ba	Barium	46	10 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
5	Br	Bromine	46	1 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
6	Cd	Cadmium	46	10 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
7	Ce	Cerium	46	10 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
8	Cs	Cesium	46	1 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
9	Cr	Chromium	46	50 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
10	Cu	Copper	46	10 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
11	Eu	Europlium	46	2 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
12	Hf	Hafnium	46	2 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
13	In	Indium	46	100 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
14	Fe	Iron	46	0.5 PCT	NOT APPLICABLE	INST. NEUTRON ACTIV.
15	La	Lanthanum	46	5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
16	Lu	Lutetium	46	0.5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
17	Mo	Molybdenum	46	2 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
18	Ni	Nickel	46	50 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
19	Pb	Rubidium	46	10 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
20	Sa	Samarium	46	0.1 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
21	Sc	Scandium	46	0.5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
22	Se	Selenium	46	10 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
23	Ag	Silver	46	5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
24	Na	Sodium	46	0.05 PCT	NOT APPLICABLE	INST. NEUTRON ACTIV.
25	Ta	Tantalum	46	1 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
26	Te	Tellurium	46	20 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
27	Tb	Terbium	46	1 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
28	Th	Thorium	46	0.5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
29	Sn	Tin	46	200 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
30	W	Tungsten	46	2 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
31	U	Uranium	46	0.5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
32	Yb	Ytterbium	46	5 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
33	Zn	Zinc	46	200 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.
34	Zr	Zirconium	46	500 PPM	NOT APPLICABLE	INST. NEUTRON ACTIV.



REPORT: 127-10228

PROJECT: SAL

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Ag PPM	Au PPB
R1 FAULT GOUGE		0.8	10
R2 DY503		0.4	<5
R2 DY514		0.6	10
R2 DY518		11.0	35
R2 DY522		0.8	<5
R2 JCF 108		0.1	10
R2 SAL100WR		>50.0	760
R2 SAL101WR		15.0	200
R2 SAL102WR		8.5	15
R2 SAL103WR		14.0	10
R2 SAL104WR		0.4	<5
R2 SAL105WR		0.5	<5
R2 SAL106WR		0.1	<5
R2 SAL107WR		0.8	5
R2 SAL109WR A		0.2	<5
R2 SAL109WR B		7.5	15
R2 SAL110WR		5.6	25
R2 SAL111WR		>50.0	400
R2 SAL112WR		46.0	50
R2 SAL113WR		17.0	80
R2 SAL114WR		>50.0	170
R2 SAL115WR		>50.0	130
R2 7001		0.6	10
R2 7004		0.1	<5
R2 7010		0.1	<5
R2 7011		0.2	10
R2 7012		3.1	75
R2 7016		1.8	70
R2 7017		>50.0	7900
R2 7021		1.4	10
R2 7022		0.5	<5
R2 7024		0.1	<5
R2 7029		<0.1	<5



BONDAR-CLEGG

Certificate
of Analysis
OCT 13 1987
1505151515

REPORT: 427-7904 (COMPLETE)

REFERENCE INFO:

CLIENT: STETSON RESOURCE MANAGEMENT
PROJECT: TAG

WOLF

SUBMITTED BY: UNKNOWN
DATE PRINTED: 8-OCT-87

ORDER	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Cu Copper	1	0.01 PCT		

SAMPLE TYPES	NUMBER	SIZE FRACTIONS	NUMBER	SAMPLE PREPARATIONS	NUMBER
R ROCK OR BED ROCK	1	2 -150	1	ASSAY PREP	1

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FAX 604-685-6440

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REPORT: 127-7904 (COMPLETE)

OCT 21 1987

REFERENCE INFO:

CLIENT: STETSON RESOURCE MANAGEMENT
 PROJECT: TAG

SUBMITTED BY: UNKNOWN
 DATE PRINTED: 10-OCT-87

ORDER	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Cu Copper	41	1 PPM	HN03-HCL HOT EXTR	PLASMA
2	Zn Zinc	41	1 PPM	HN03-HCL HOT EXTR	PLASMA
3	Ag Silver	41	0.5 PPM	HN03-HCL HOT EXTR	PLASMA
4	Mo Molybdenum	41	1 PPM	HN03-HCL HOT EXTR	PLASMA
5	As Arsenic	41	5 PPM	HN03-HCL HOT EXTR	PLASMA
6	Sb Antimony	41	5 PPM	HN03-HCL HOT EXTR	PLASMA
7	Hg Mercury	41	5 PPB	HN03-HCL HOT EXTR	Cold Vapour AA
8	Au 30g Gold 30 graas	41	5 PPB	FIRE-ASSAY	Fire Assay AA

SAMPLE TYPES	NUMBER	SIZE FRACTIONS	NUMBER	SAMPLE PREPARATIONS	NUMBER
T STREAM SEDIMENT, SILT	4	1 -80	4	DRY, SIEVE -80	4
R ROCK OR BED ROCK	37	2 -150	37	ASSAY PREP	1
				CRUSH, PULVERIZE -150	36

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REPORT: 127-7904

PROJECT: TAG

PAGE 2

SAMPLE NUMBER	ELEMENT UNITS	Cu PPM	Zn PPM	Ag PPM	Mo PPM	As PPM	Sb PPM	Hg PPB	Au 30g PPB
R2 MR638		363	86	<0.5	2	73	<5	10	70

ASSAY CERTIFICATE

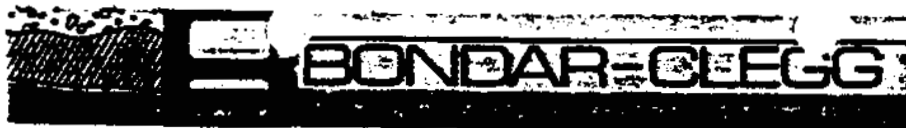
- SAMPLE TYPE: Rock Chips AU** AND AG** BY FIRE ASSAY.

ASSAYER: *D. Toye* DEAN TOYE, CERTIFIED B.C. ASSAYER

STETSON RESOURCE PROJECT - TAG 500 File # 87-3757

SAMPLE#	AG** OZ/T	AU** OZ/T
JCF-600	.02	.001
JCF-601	.01	.001
JCF-610	.01	.001
JCF-611	.01	.001
JCF-612	.01	.001
JCF-613	.01	.001
JCF-614	.02	.001
JCF-615	.01	.001
JCF-617	.01	.001
JCF-618	.01	.001
JCF-621	.01	.001
JCF-622	.03	.002
JCF-623	.01	.001
JCF-624	.04	.001
JCF-625	.01	.001
JCF-626	.01	.001
JCF-627	.02	.001
JCF-628	.01	.001
JCF-629	.01	.001
JCF-630	.01	.001
JCF-631	.54	.477
JW-603	.01	.001
JW-605	.01	.004
JW-606	.02	.001
JW-607	.09	.006
JW-609	.01	.001
JW-610	.01	.001
JW-613	.02	.055
JW-614	.01	.001
JW-615	.01	.001
JW-616	.01	.001
JW-617	.01	.001
JW-618	.26	.001
JW-619	.01	.001
JW-620	.01	.001
JW-621	.01	.001
JW-622	.03	.001

SAMPLE#	AG**	AU**
	OZ/T	OZ/T
WR-600	.01	.001
WR-601	.04	.001
WR-602	.01	.001
WR-603	.01	.001
WR-604	.02	.001
WR-605	.01	.001
WR-606	.01	.001
WR-607	.04	.001
WR-608	.09	.009
WR-609	.13	.019
WR-610	.02	.007
WR-611	.03	.001
WR-612	.04	.001
WR-613	.02	.001
WR-615	.03	.001
WR-616	.01	.001
WR-617	.01	.001



REPORT: 127-7904

PROJECT: TAG

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Cu PPM	Zn PPM	Ag PPM	Pb PPM	As PPM	Sb PPM	Hg PPM	Au 30g PPM
T1 SS602		44	127	<0.5	4	19	5	140	<5
T1 SS603		41	121	<0.5	3	15	5	150	<5
T1 SS604		42	130	<0.5	3	15	6	150	5
T1 SS605		42	137	<0.5	3	12	<5	150	<5
R2 LB600		25	99	<0.5	<1	<5	<5	15	2300
R2 LB601		29	110	<0.5	<1	<5	<5	5	25
R2 LB602		19	116	<0.5	<1	<5	<5	25	20
R2 LB603		44	108	<0.5	<1	<5	<5	<5	5
R2 LB604		28	89	<0.5	<1	<5	<5	<5	25
R2 LB605		9	116	<0.5	<1	<5	<5	5	50
R2 LB606		93	136	<0.5	<1	<5	<5	15	10
R2 LB607		13	146	<0.5	1	<5	<5	10	20
R2 LB608		21	139	<0.5	<1	<5	<5	5	5
R2 LB609		21	108	<0.5	1	<5	5	10	5
R2 LB610		44	87	<0.5	<1	<5	<5	5	<5
R2 LB611		22	97	<0.5	<1	<5	<5	<5	5
R2 LB612		7	125	<0.5	<1	<5	<5	10	300
R2 LB613		27	119	<0.5	<1	<5	<5	5	25
R2 LB614		15	104	<0.5	1	12	<5	55	80
R2 LB615		26	101	<0.5	1	55	6	<5	<5
R2 WR619		69	92	<0.5	1	6	<5	20	<5
R2 WR620		121	374	7.6	3	369	12	140	55
R2 WR621		67	41	<0.5	13	13	<5	5	10
R2 WR622		19	86	<0.5	<1	15	<5	20	15
R2 WR624		2	29	<0.5	<1	<5	<5	15	<5
R2 WR625		27	61	<0.5	<1	<5	<5	10	<5
R2 WR626		<1	18	<0.5	<1	<5	<5	5	<5
R2 WR627		2	17	<0.5	<1	<5	<5	5	10
R2 WR628		3	64	<0.5	1	<5	<5	5	<5
R2 WR629		51	158	<0.5	10	64	<5	20	<5
R2 WR630		2	17	<0.5	2	27	<5	10	15
R2 WR631		2	12	<0.5	5	<5	<5	10	<5
R2 WR633		68	71	<0.5	1	<5	<5	30	5
R2 WR634		78	1097	<0.5	1	147	12	70	60
R2 WR635		224	153	1.5	2	193	29	65	110
R2 WR636		14	65	1.0	10	229	5	10	130
R2 WR636A		21	88	1.5	6	363	6	30	440
R2 WR636B		10	82	<0.5	2	49	<5	15	90
R2 WR636C		4	75	<0.5	1	16	<5	30	10
R2 WR637		649	120	<0.5	1	154	26	800	10

Bondar-Clegg & Company Ltd.
140 Pemberton Ave.
North Vancouver, B.C.
Canada V7P 0R2
Phone: (604) 985-4411
Telex: 44-152667



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**Certificate
of Analysis**

REPORT: 427-7904

PROJECT: TAG

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Cu PCT
R2 WR6368		<0.01


Registered Assayer, Province of British Columbia

ACME ANALYTICAL LABORATORIES LTD.
852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6
PHONE (604) 253-3158 FAX (604) 253-1716

DATE RECEIVED: JAN 06 1988

DATE REPORT MAILED: *Jan. 11/88*

GEOCHEMICAL ANALYSIS CERTIFICATE

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEC. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR MN FE CA P LA CR NB BA TI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: ROCK AU* ANALYSIS BY AA FROM 10 GRAM SAMPLE.

ASSAYER: *D. Toye* DEAN TOYE, CERTIFIED B.C. ASSAYER

STETSON RESOURCES PROJECT-TAG File # 88-0052

SAMPLE#	AG PPM	AU* PPB
JCF 500	.6	2
JCF 501	.1	1
JCF 502	.4	1
JCF 504	.2	1
JCF 505	.1	1
JCF 507	.3	1
JCF 508	.3	2
JCF 509	1.5	1
JCF 510	.4	1
JCF 550	.8	4
JCF 602	.1	38
JCF 675	5.1	22
JCF 676	.1	1
JCF 677	1.6	30
JCF 678A	1.9	12
JCF 678B	.3	1
JCF 679	2.9	590
JCF 680	.1	1
JCF 681	.3	1
7464	.1	5
STD C/AU-R	7.7	490

Bondar-Clegg & Company Ltd.
 1420 Canorex Rd.,
 Ottawa, Ontario,
 Canada K1J 4X5
 Phone: (613) 749-2220
 Telex: 053-1233



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**Geochemical
 Lab Report**

REPORT: 017-3023 COMPLETE

ASSAYING UNIT: 47-7045

CLIENT: STETSON RESOURCES MANAGEMENT
 PROJECT: IAG

SUBMITTED BY: J.C. FRESE
 DATE PRINTED: 14-OCT-87

ORDER	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Ag Silver	7	0.1 PPM	HCl-HNO ₃ (1:3)	Atomic Absorption
2	Au Gold	7	5 PPB	AQUA REGIA	FA-AA @ 10 gm weight

SAMPLE TYPES	NUMBER	SIZE FRACTIONS	NUMBER	SAMPLE PREPARATIONS	NUMBER
ROCK	7	-200	7	CRUSH, PULVERIZE -200	7

REMARKS: < WEARS LESS THAN.

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Geochemical
Lab Report

REPORT: 017-0200

PROJECT: 124

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SAMPLE NUMBER	ELEMENT UNITS	Ag PPM	As PPM
---------------	---------------	--------	--------

07-601		0.3	<5
07-603		<0.1	<5
07-604		0.3	<5
07-605		1.6	2650
07-606		<0.1	290
07-607		0.3	265
07-608		<0.1	15



REPORT: 017-0014 (COMPLETE)

REFERENCE INFO: 47-7345

CLIENT: STETSON RESOURCE MANAGEMENT
PROJECT: IAG

SUBMITTED BY: J.C. FREEZE
DATE PRINTED: 6-OCT-87

ORDER	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Au Gold	4	5 PPD	AGUA REGIA	FA-AA 2 10 gm weight

SAMPLE TYPES	NUMBER	SIZE FRACTIONS	NUMBER	SAMPLE PREPARATIONS	NUMBER
STREAM SED., SILT	4	-80	4	DRY, SIEVE -80	4

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Geochemical
Lab Report

REPORT: 017-5004

PROJECT: 140

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	ANALYSIS
00601		CS
00601		CS
00602		CS
00603		20

Talus and Soil Sample
Analyses

SAMPLE#	MO	CU	PB	ZN	AS	NI	CO	MN	FE	AS	U	AU	TH	SR	CD	SB	BI	V	CA	P	LA	CR	HG	BA	TI	B	AL	NA	K	W	AU#	
	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM
TAG 35 1520	2	44	10	155	.5	14	37	2286	10.40	30	5	ND	5	55	1	2	2	142	1.76	.247	37	3	.40	240	.01	8	.88	.03	.07	1	4	
TAG 36 1520	3	54	29	162	.7	20	27	1635	7.96	40	5	ND	3	156	1	5	2	75	3.28	.126	21	12	.44	149	.01	4	.61	.03	.12	1	72	
TAG 37 1520	3	54	17	142	.6	20	21	1327	7.97	32	5	ND	4	127	1	2	2	69	1.27	.132	30	10	.41	175	.01	5	.68	.03	.12	1	41	
TAG 38 1520	3	65	21	168	.6	20	25	2264	8.82	41	5	ND	3	108	1	2	2	91	3.26	.141	23	12	.83	258	.01	6	.77	.04	.09	1	32	
TAG 39 1520	2	41	8	151	.4	14	22	1265	9.21	15	7	ND	3	179	1	2	2	76	1.83	.277	27	8	.43	179	.01	7	.83	.04	.08	1	15	
TAG 40 1520	2	42	15	149	.5	12	18	1399	7.65	29	5	ND	2	103	1	2	2	66	1.70	.150	24	5	.35	230	.01	4	.71	.03	.10	1	30	
TAG 41 1520	4	32	13	134	.8	11	12	1814	6.92	46	5	ND	6	49	1	2	2	28	.39	.082	49	7	.17	161	.01	4	.55	.02	.13	1	245	
TAG 42 1520	1	38	4	83	.5	20	26	1616	5.15	14	5	ND	2	103	1	2	2	62	12.32	.137	17	8	.47	104	.01	2	.49	.01	.10	1	7	
TAG 43 1520	3	39	9	201	.4	26	56	5244	11.84	60	5	ND	6	305	1	2	2	160	1.60	.132	34	5	.48	739	.01	8	.81	.03	.18	1	4	
TAG 44 1520	3	43	12	192	.6	23	31	2665	10.23	29	7	ND	4	91	1	2	2	93	1.12	.113	28	7	.50	200	.04	2	.89	.03	.23	1	17	
TAG 45 1520	6	39	22	184	.8	17	27	4035	8.69	82	5	ND	5	157	1	2	2	77	2.62	.107	31	3	.45	431	.01	6	.64	.03	.16	1	165	
TAG 46 1520	4	40	11	146	.7	16	26	3060	7.05	41	5	ND	4	179	1	2	2	63	4.97	.160	22	4	.53	377	.01	5	.57	.02	.14	1	136	
STD C/AU-S	18	58	36	131	6.9	68	27	1030	3.93	38	20	7	39	49	17	17	22	56	.49	.084	37	57	.85	173	.08	37	1.83	.08	.13	12	52	