A REVIEW

OF

AIRBORNE GEOPHYSICAL DATA

GOLDEN EAGLE PROPERTY

ATLIN MINING DIVISION
59° 48'N, 134° 43'W
N.T.S. 104M15E

CLAIMS COVERED: GOLDEN EAGLE 1 - 4

FOR

PRISM RESOURCES INC
VANCOUVER, BRITISH COLUMBIA

BY

PETER E. WALCOTT & ASSOCIATES LIMITED
VANCOUVER, BRITISH COLUMBIA

JANUARY 2000

TABLE OF CONTENTS

ACCOMPANYING MAPS

	MAP POCKET
PROPERTY MAP	W-572-1
CONTOURS OF TOTAL FIELD INTENSITY	W-572-2
PROFILES OF INPHASE AND QUADRATURE	
4600 HZ COAXIAL	W-572-3
" " " 4175 HZ COAXIAL	W-572-4
" " " 935 HX COAXIAL	W-572-5
" " " 32 KHZ COPLANAR	W-572-6
AIRBORNE SURVEY COMPILATION MAP	W-572-7
REGIONAL GEOLOGY – PROPERTY SCALE	W-572-8
DETAILED GEOLOGY	W-572-9
RADAR ALTIMETER PROFILES	W-572-10

INTRODUCTION

Between November 1st, 1999 and January 20th, 2000, Peter E. Walcott & Associates Limited carried out a compilation and interpretational review of a previously flown airborne survey over the ground now known as the Golden Eagle property for Prism Resources Inc.

The property is located in the Tagish Lake area of British Columbia and covers a portion of the old Moon Lake property previously held by Noranda Exploration for whom the airborne survey was flown by Aerodat in 1987.

The airborne survey results were reprocessed from data forwarded by Battle Mountain Gold – the archive holder of Noranda data for that area – to Prism Resources, and replotted on a base constructed from the digital trim data purchased from Land Data BC.

The geology and other salient features were scanned and/or digitized from copies of the assessment maps filed by Noranda and replotted on the same base.

These maps are presented at a scale of 1:10,000 in the map pocket of this report.

PROPERTY, LOCATION AND ACCESS

The property is located in the Atlin Mining Division of British Columbia and consists of the following claims.

CLAIM NAME	RECORD #	UNITS	ANNIVERSARY
Golden Eagle 1	367759	16	January 30th
Golden Eagle 2	367760	9	January 30th
Golden Eagle 3	367761	15	January 30th
Golden Eagle 4	367762	2	January 30th

The claims are situated on the east side of Tutshi Lake between Moon Lake and Skelly Lake at latitude 59^0 48' N and longitude 134^0 43' W, some 40 kilometres south of the village of Carcross, Yukon Territory.

Access to the property is obtained by means of helicopter from Whitehorse, YT, some 105 kilometres to the north, or by same from a staging point on the Whitehorse-Skagway Hwy. which runs along the west side of Tutshi Lake some 4 kilometres west of the property.

PREVIOUS WORK IN THE PROPERTY AREA

In 1906, the Great Northern Group was staked by Joe Bussinger to cover a showing near the southeast corner of Tutshi Lake. Exploration of the showing was limited to hand and blast trenching which was reported in 1929 with average assays across the zone of 5.14 gm/t gold, 809.1 gm/t silver and 4.9% copper.

No further exploration was reported until 1981 when Kennco and Dupont staked the area between Moon Lake and Skelly Lake on the basis of encouraging reconnaissance geochemistry. Limited work of soil, silt and rock sampling along with geological mapping was carried out by both parties but due to lack of encouragement the claims were allowed to lapse in 1982.

In 1985 Noranda initiated a regional programme in the area to evaluate the potential of the Triassic volcanics to host massive sulphide (VMS) occurrences.

Follow up work in early 1986 found carbonate altered rocks in float that returned weakly anomalous gold values. Further work, including regional mapping and rock, soil and silt sampling resulted in the finding of a 75-metre wide carbonate zone of several hundred metres in length which was associated with anomalous gold and copper.

Prior to the end of the 1986 field season a 5 kilometre baseline was established and soils were taken on an 11 kilometre cross grid coverage.

In March 1987 Aerodat flew a helicopter airborne survey using a four-frequency E.M. system, a cesium vapour magnetometer, and a two frequency VLF-E.M. system.

In the summer of 1988 additional soil and rock sampling was carried out on the property, followed by four lines of induced polarization over two geochemical features.

PREVIOUS WORK IN THE PROPERTY AREA (CONT'D)

Drilling was carried out in September and October 1988 to test an airborne E.M. anomaly on strike with the carbonate zone north of the present Golden Eagle 3 claim, and the geochemical and I.P. anomaly in the Camp zone.

The reader is referred to the assessment reports on the area by the staff of Noranda Exploration for further details.

GEOLOGY

The reader is referred to the government publications and assessment reports listed in the appendix.

Basically the property is underlain by two groups of layered rocks: (a) Paleozoic Boundary Range Metamorphics – green schist facies – in the southwest portion and (b) Triassic Stuhini Group – volcaniclastic and limestone – in the northeast part.

Younger rocks from Cretaceous to Tertiary age have intruded these groups.

The Llewellyn Fault, a fundamental crustal feature, separates the above two groups. It is defined by a wide zone of shearing and mylonitization trending northwest – southeast across the central portion of the property. Its extension to the southeast into Tagish Lake is believed to be the fundamental control for the gold mineralization at the Polaris Taku Mine.

A large zone of carbonate alteration occurs on the property – Minfile 104M057. It is several hundred metres wide and has been traced for some 5 kilometres. Disseminated arsenopyrite, pyrite, galena, and sphalerite occur in the quartz-carbonate altered Stuhini Volcanics.

The Jessie showing – Minfile 104M071- located in the northwest corner of the property, is a shear bounded massive sulphide lens in the Boundary Range Metamorphics. Channel sampling yielded 4.13 g/t gold associated with heavy sulphide mineralization – pyrite, arsenopyrite, galena, sphalerite, and chalcopyrite.

Two kilometres southeast of the Jessie showing a northwest trending zone of strongly anomalous gold geochemistry in soils and outcrop is associated with the same package of rocks. Two drill holes in 1988 encountered anomalous gold values in sheared mafic volcanics and granodiorite.

AIRCRAFT AND EQUIPMENT

Specifications excerpted from Aerodat report – with corrections.

Aircraft

An Aerospatiale A-Star 350D helicopter, (C-GNSM), owned and operated by Lakeland Helicopters Limited, was used for the survey. Aerodat carried out the installation of geophysical and ancillary equipment. The survey aircraft was flown at a mean terrain clearance of 60 metres. However statistics on the radar altimeter data gave a mean of 87 metres with a minimum of 50 metres and a standard deviation of 34 metres.

Equipment

- Electromagnetic System

The electromagnetic system was an Aerodat four frequency system. Two vertical coaxial coil pairs were operated at 946 Hz and 4600 Hz and two horizontal coplanar coil pairs at 4175 Hz and 32.0 kHz. The transmitter-receiver separation was 7 metres. Inphase and quadrature signals were measured simultaneously for the four frequencies with a time constant of 0.1 seconds. The electromagnetic bird was towed 30 metres below the transmitter.

- VLF – EM System

The VLF – EM system was a Herz Totem 2A. This instrument measures the total field and quadrature components of two selected transmitters, preferably oriented at right angles to one another. The sensor was towed in a bird 12 metres below the helicopter. The transmitting stations monitored were NLK, Jim Creek, Washington for the "Line" station and NSS, Annapolis Maryland for the "Ortho" station broadcasting at 24.8 and 21.4 kHz respectively.

AIRCRAFT AND EQUIPMENT (CONT'D)

- Magnetometer

The magnetometer employed a Scintrex Model VIW-2321 H8 cesium, optically pumped magnetometer sensor. The sensitivity of this instrument was 0.1 nanoTeslas at a 0.2 second sampling rate. The sensor was towed in a bird 12 metres below the helicopter.

- Magnetic Base Station

A Geometrics G803 proton precession magnetometer was used at the base of operations to record diurnal variations of the earth's magnetic field. The clock of the base station was synchronized with that of the airborne system to facilitate later correlation.

- Radar Altimeter

A King KRA-10 radar altimeter was used to record terrain clearance. The output from the instrument is a linear function of altitude for maximum accuracy.

- Tracking Camera

A Panasonic video-tracking camera was used to record flight path on VHS videotape. The camera was operated in continuous mode. Fiducial numbers and time reference marks, for cross-reference to the analog and digital data, were encoded on the tape.

- Analog Recorder

A RMS dot-matrix recorder was used to display the data during the survey. In addition to manual and time fiducials, the following data were recorded.

AIRCRAFT AND EQUIPMENT (CONT'D)

Channel	Input	Scale
ALT	Altimeter (150 m at top of chart)	3 m/mm
CXI1	Low Frequency InPhase	2.5 ppm/mm
CXQ1	Low Frequency Quadrature	2.5 ppm/mm
CXI2	High Frequency InPhase	2.5 ppm/mm
CXQ2	High Frequency Quadrature	2.5 ppm/mm
CPI1	Mid Frequency InPhase	10 ppm/mm
CPQ1	Mid Frequency Quadrature	10 ppm/mm
CPI2	32 kiloHerz InPhase	20 ppm/mm
CPQ2	32 kiloHerz Quadrature	20 ppm/mm
VLT	VLF-EM Total Field, Line	2.5%/mm
VLQ	VLF-EM Quadrature, Line	2.5%/mm
VOT	VLF-EM Total Field, Ortho	2.5%/mm
VOQ	VLF-EM Quadrature, Ortho	2.5%/mm
MAGF	Magnetometer, fine	1 nT/mm
MAGC	Magnetometer, coarse	10 nT/mm
PWRL	Power Line Indicator	

- Digital Recorder

A DRG33 data system recorded the survey on magnetic tape. Information was as follows:

EQUIPMENT	RECORDING INTERVAL
EM System	0.1 seconds
VLF-EM	0.5 seconds
Magnetometer	0.25 seconds
Altimeter	0.5 seconds
Power Line Monitor	0.5 seconds

DATA PRESENTATION

- Data Recovery

A photomosaic base at a scale of 1:10,000 was prepared by enlargement of aerial photographs of the survey area.

The flight path was derived from an examination of the videotape from the flight path tracking camera system. Points along the flight path that could be identified on the video presentation were marked on the photomosaic with reference to time. These points were then digitized to produce the "picked" flight path. It is estimated that positioning is generally accurate to about 30 metres with respect to the topographic detail of the base map. The flight path was drawn with reference fiducials, time marks, and navigator's manual fiducials for cross references to both the analog and digital data. (Aerodat)

The mosaic was fitted to a base map made from the 1:50,000 topo map and the data assigned UTM co-ordinates (NAD 27). These were transformed to NAD 83 values for plotting on the new base map constructed from the trim digital data.

- Maps

The aeromagnetic data was corrected for diurnal variations by comparison with digitally recorded base station data. It was presumably levelled using the one tie line flown. The levelled data provided was gridded with a 20 metre cell using the Akima spline technique. The grid provided the basis for threading the presented contours at 5 nanotesla intervals – **Map W-572-2.**

The electromagnetic data was subjected to sferic rejection using a computer algorithm, and further signal to noise enhancement by the application of a low pass filter. This filter has a zero phase shift, which prevents lag or peak displacement, and suppresses variations with a wavelength of less than some 0.25 seconds. This low effective time constant permits maximum profile shape resolution.

A base level correction was applied following the filtering process. The correction amplitude of the various components is zero when no conductive or permeable sources is present. The filtered and leveled data was provided on disk and was

DATA PRESENTATION (CONT'D)

used to plot the profiles of the 946 and 4600 Hz coaxial and the 4175 Hz and the 32.0 Khz coplanar coil pairs - **Maps W-572-3 to 6.**

Individual conductors and interpolated conductor axes are shown on the plot of the 4600 Hz coaxial data – **Map W-572-3.** Conductivity thickness products for a vertical half plane model were computed from the 4600 Hz coaxial responses and assigned ranges as shown on the map.

As flying in rugged terrain results in frequent and pronounced changes of the flying altitude with resulting variations of the electromagnetic and magnetic response – loss of E.M. signal if too high with resultant loss of line to line correlation – a profile plot of the radar altimeter readings has been included on **Map W-572-10.**

The geology map from the 1989 Noranda assessment report was scanned and fitted to the claim outline - **Map W-572- 9.** A scan and fit was also done on the regional geology map of the B.C. Geological Survey - **Map W-572-8.** The E.M. conductors are also included on both maps.

The salient features from the geochemical and induced polarization surveys have been combined with the 4600 Hz results on a compilation map - **Map W-572-7.**

DISCUSSION OF RESULTS

A comparison of **Maps W-572-8,** a blow up of the regional geology as per Mihalynuk et al. and **W-572-9**, the geology of Noranda, shows that although the locations of the creeks correlate very well, the geology of one needs to be rotated slightly to line up the two mapped intrusives running north northwest through the property.

Mihalynuk maps the more easterly as a recrystallized and brecciated felsic intrusive primarily confined to the Llewellyn Fault zone, to the west of which is a kilometre wide strip of Boundary Range metamorphics bounded by a later intrusive – *legend see 1:100,000 map in appendix.* Noranda on the other hand makes scant mention of the fault and maps the rocks on either side as members of the Stuhini volcanic package.

Volcaniclastics and pre-Permian schists are noted by them in the southwest corner of the map that coincides with Mihalynuk's metamorphics.

To the west of the property the argillites of the Laberge group are mapped by a series of formational E.M. conductors on the airborne survey – the conductivity due to graphite as noted in the Noranda geology.

The magnetic survey, **Map W-572-3,** shows a number of north northwesterly trends striking across the property in keeping with the general geological strike. The pattern is one of highs separated by lows. Some of these highs are located over ridges where the magnetic response is generally enhanced due to changes in the source-sensor distance. The highs are probably due to mafic volcanics and the broader lows due to clastic metasediments.

This interpretation does not seem to fit the mapped geology – **Map W-572-9** – although the sources of the magnetic responses are somewhat buried as can be seen from the inverse modeling across three profiles as plotted in **Appendix I.**

This modeling is in itself approximate as *(a)* if it is based on distance from a fixed flying height and such is not the case in two of the profiles and *(b)* no regional has been removed from the data.

DISCUSSION OF RESULTS (CONT'D)

The magnetic pattern appears to be the same on both sides of the Llewellyn Fault zone - **Map W-572-8.** The magnetic pattern appears to be the same on both sides of the Llewellyn Fault zone - **Map W-572-8.**

A linear magnetic contact can be seen trending northwesterly across the property in the vicinity of the Llewellyn Fault zone, offset northwards by an apparent north northeasterly fault - **Map W-572-7**. Other structural features may exist as indicated by the terminations and offsets of the contour patterns. However the changes in the total field due to the change in aircraft altitude needs to be taken into consideration.

The E.M. conductors mapped by the survey are associated with rocks of lower magnetic susceptibility *i.e.* clastic metasediments and/or altered rocks. They appear to represent three zones of formational conductors with the strongest outside the property boundary to the northeast - **Map W-572-7.**

The larger of the two zones on the property is coincident with mapped graphitic rocks within the Stuhini package. Two lines of induced polarization run across the central portion of the zone gave high chargeability and low resistivity responses as also shown on **Map W-572-7.**

A further two lines run to the north of the apparent southeast extension of this zone gave chargeability anomalies undefined to the south with no significant resistivity decrease – the lines did not extend over the trace of the conductors.

The more northerly two conductor zone lies in an area of intensely altered rocks.

No conductors occur in the one kilometre wide Boundary Range rocks of Mihalynuk. In fact this area appears as a resistivity high as noted by the lack of E.M. response of **Maps W-572- 3 & 4.** Indeed the Llewellyn Fault contact is roughly mapped by a quadrature shift on the 4175 coplanar response.

The area of high soil geochemistry – the Camp Zone – undefined to the south west and east, is shown on **Map W-572-7,** as are the locations of the Jessie showing and the high arsenic values on two lines, two kilometres to the

DISCUSSION OF RESULTS (CONT'D)

northwest of the Camp zone, and those of the Gossan #1 and Gossan #2 in between.

200 metres to the east of the undefined Camp zone Noranda detected a chargeability anomaly which was subsequently drilled. Encouraging gold values were obtained from the core which also exhibited pyrite and pyrrhotite mineralization, the causative source of the I.P. anomaly.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Between November 1st, 1999 and January 20th, 2000, Peter E. Walcott & Associates Limited carried out a recompilation and interpretational review of a previously flown helicopterborne survey for Prism Resources Inc.

The survey was contracted by Noranda Exploration Company Limited in 1987 for its Moon Lake property in northwest British Columbia. Noranda never filed the work for assessment.

In late fall of 1999 Prism Resources Inc. obtained the archived data disks as the survey was then partially covered by their optioned Golden Eagle claims.

The magnetic survey showed the property to exhibit north northeasterly trending magnetic highs, reflective of mafic volcanics rocks, trending through the property, separated by lows representing lower susceptibility lithology.

The E.M. survey mapped the presence of two formational zones of high conductivity trending in a similar direction to the magnetic zones, and located in or on the flank of magnetic lows.

The causative sources of these are believed to be graphitic zones in underlying metaclastics as observed in the drill investigation of a similar conductor north of the Jessie showing and the property boundary.

The geology, the line locations, and salient geochemical data of Noranda were also fitted to NAD 83 UTM co-ordinated for comparision.

The favourable host rocks, the open geochemistry anomaly of the Camp zone, the one line induced polarization anomaly to its immediate southeast, and the Jessie and Gossan showings to the norhwest comprise a two kilometre plus long prospective area for VMS Eskay Creek mineralization adjacent a major regional fault zone.

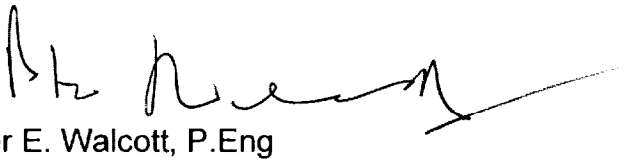
No E.M. conductors were observed over this area but no conductors were observed over the Eskay Creek deposit using the same airborne system.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS (CONT'D)

Further work should consist of grid establishment, mapping and geochemical soil/rock sampling to be followed by induced polarization surveys over areas of favourable geochemistry and accessible topography.

Respectfully submitted,

PETER E. WALCOTT & ASSOCIATES LIMITED



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Geophysicist

Vancouver, BC
January 2000

APPENDIX

E.M. ANOMALY LIST

Amplitudes of the inphase and quadrature of the 4600 Hz coaxial listed.

Category is a measure of the conductivity thickness product on a logarithmic scale of 1 to 6. Category 6 has a CTP of greater than 30, 5 a CTP of 15 – 30, 4 a CTP of 8 – 15, 3 a CTP of 4 – 8, 2 a CTP of 2 – 4, and 1 a CTP of 0 – 2.

Estimated depth may be unreliable as the stronger portion of the conductor may be deeper or lie off to the side of the flight line, or due to shallow dip and overburden effects.

Calculations courtesy of Aerodat.

LINE	ANOMALY	CATEGORY	AMPLITUDE INPHASE	(PPM) QUAD.	CONDUCTOR CTP MHOS	CONDUCTOR DEPTH METERS	BIRD HEIGHT METERS
10100	A	2	7.5	2.6	3.9	30	40
10140	A	1	6.4	10.5	0.4	8	35
10140	B	1	7.4	12.8	0.4	8	32
10150	A	1	13	18.8	0.6	8	28
10150	B	1	7.5	12.4	0.4	12	29
10150	C	1	9.4	16	0.4	11	26
10160	A	1	20	16.6	1.6	10	31
10160	B	1	12.2	15.6	0.7	6	34
10160	C	1	6.8	14.9	0.2	4	32
10170	A	1	10.5	17.3	0.5	10	27
10170	B	1	12.7	19.3	0.6	10	25
10170	C	2	26.2	19.2	2.1	10	28
10180	A	1	10.6	20.6	0.4	10	23
10180	B	1	14.1	23.6	0.5	3	29
10180	C	1	6	13			
10190	A	1	4.6	8.2	0.3	9	38
10190	B	1	4.7	7.6	0.3	12	37
10190	B	1	3.9	7	0.2	13	36
10190	C	1	5.9	16	0.1	0	33
10190	D	1	18.6	34.5	0.5	3	25
10190	E	1	20.7	41.2	0.5	0	28
10190	F	1	11.7	29.8	0.3	2	25
10190	G	1	4.3	16.4	0.1	2	27
10200	A	1	7.4	15.9	0.3	5	30
0200	B	1	9.6	19.7	0.3	7	26
0200	C	1	8.9	18.3	0.3	4	30
0200	D	1	3.7	11.5	0.1	8	28
0210	A	1	5.6	3.1	1.8	8	63
0210	B	1	7.7	7.5	0.9	5	48
0210	B	1	7.5	8.5	0.7	6	44
10210	C	1	6.7	8.5	0.6	10	39
10210	D	1	7.5	11.7	0.4	7	35
10210	E	1	4.2	10	0.2	12	28
10210	F	1	6.5	18.9	0.1	0	42
10210	G	1	4.6	18.4	0	3	25
10210	H	1	12.4	15.5	0.8	17	23

LINE	ANOMALY	CATEGORY	AMPLITUDE INPHASE	(PPM) QUAD.	CONDUCTOR CTP MHOS	CONDUCTOR DEPTH METERS	BIRD HEIGHT METERS
10210	J	1	16.9	21.7	0.8	12	23
10210	K	1	15.4	23	0.6	14	20
10210	L	1	10	15.3	0.5	19	20
10220	A	1	10.1	6.2	1.9	26	30
10220	B	2	16.6	9.9	2.4	13	35
10220	C	1	11.3	10.2	1.2	17	31
10220	D	1	10.3	10.2	1	14	34
10220	F	1	7.7	11.6	0.4	13	26
10220	G	1	11.4	15.9	0.6	14	27
10220	H	1	13.4	14.2	1	14	28
10220	J	1	15.3	11.1	1.8	21	26
10230	A	1	13.8	15.1	1	13	28
10230	B	1	15.5	20.9	0.8	8	28
10230	C	1	11.9	21	0.5	6	28
10230	D	1	15.3	23.3	0.6	5	28
10230	E	1	7.2	18.1	0.2	0	34
10230	F	1	6.7	17.5	0.2	7	25
10230	G	1	4.6	16.8	0.1	0	29
10230	H	1	4.2	11	0.1	13	25
10230	J	1	11.6	10.7	1.1	17	30
10230	K	1	8.4	11.3	0.6	18	26
10230	L	1	15.6	10.8	1.9	14	33
10230	M	1	18.4	14.8	1.7	11	32
10240	A	1	8.9	9.3	0.9	15	34
10240	B	1	5.9	9.6	0.4	13	32
10240	C	1	3	5.5	0.2	13	41
10240	D	1	4.8	9.6	0.2	19	23
10240	E	1	5.2	9.7	0.3	16	28
10240	F	1	5.8	9	0.4	12	34
10240	G	1	8.2	6.6	1.2	15	41
10240	H	1	6.6	6.4	0.8	15	41
10250	A	1	8.1	8.8	0.8	16	34
10250	B	1	8	10.5	0.6	16	29
10250	C	1	5.4	8.1	0.4	17	31
10250	D	1	4	2.8	1.1	37	38
10250	E	1	4.2	3.6	0.8	27	42
10250	F	1	4.9	4.4	0.8	17	47
10250	G	1	5.1	5	0.7	17	44
10250	H	1	5.7	5.8	0.7	22	36
10250	J	1	8.6	11.1	0.6	12	32
10250	K	1	16.8	15.4	1.3	13	28
10250	L	1	11.5	15.5	0.7	13	27

LINE	ANOMALY	CATEGORY	AMPLITUDE INPHASE	(PPM) QUAD.	CONDUCTOR CTP MHOS	CONDUCTOR DEPTH METERS	BIRD HEIGHT METERS
10250	M	1	6.4	12.6	0.3	0	52
10250	N	1	4.4	12.7	0.1	8	27
10260	A	1	13.7	17.1	0.8	11	27
10260	B	1	6.8	13.4	0.3	9	29
10270	A	1	5.1	10.6	0.2	0	51
10270	B	1	4.6	12	0.1	1	35
10290	A	1	4.1	7.6	0.2	19	29
10290	B	1	4.1	9.2	0.2	10	32
10290	C	1	5.2	10	0.3	9	33
10290	D	1	6.6	12	0.3	4	37
10310	B	1	5.6	5	0.9	31	31
10310	C	1	4.2	2.9	1.2	47	28

REFERENCES

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2. **Geology and Geochemistry 1986 – Moon Lake Project**, Noranda Exploration Co. Ltd. by S.J. Mackay & W. Reid – Assessment Report 15500.

3. **Geophysics, Drilling Report 1989 – Moon Lake Project**, Noranda Exploration Co. Ltd. by J.L. Duke – Assessment Report 18651.

4. **Magnetic, Electromagnetic & VLF Survey Report 1987** – Moon Lake Property, Aerodat Limited by G. Podulsky P.Eng. – private report to Noranda Exploration Co. Ltd.

5. Correspondence to Prism Resources and personal communication with R.H. MacMillan, P.Eng.

COST OF SURVEY

Peter E. Walcott & Associates undertook the compilation and review at a fixed cost. Report preparation and copying charges were extra so that the total cost of sources provided was $5,432.39.

PERSONNEL EMPLOYED ON PROJECT

NAME	OCCUPATION	ADDRESS	DATES
Peter E. Walcott	Geophysicist	506-1529 West 6th Avenue, Vancouver BC.	Nov. 20 – 23rd, 1999 Jan. 4th – 10th, 2000
Alexander Walcott	Geophysical technician	"	Dec. 13th – 15th, 1999 Jan. 10th- 19th, 2000
K. Walcott	Typing	"	Jan. 15th,20th, 2000

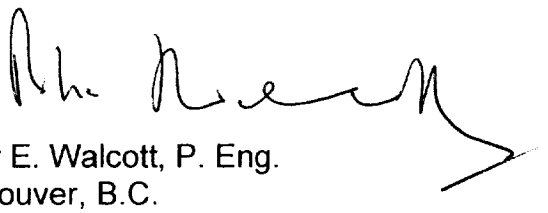
CERTIFICATION

I, Peter E. Walcott, of the city of Coquitlam, British Columbia, hereby certify that:

1. I am a graduate of the University of Toronto in 1962 with a B.A.Sc., in Engineering Physics, Geophysics Option.

2. I have been practicing my profession for the past thirty-seven years.

3. I am a member of the Association of Professional Engineers of British Columbia and Ontario.



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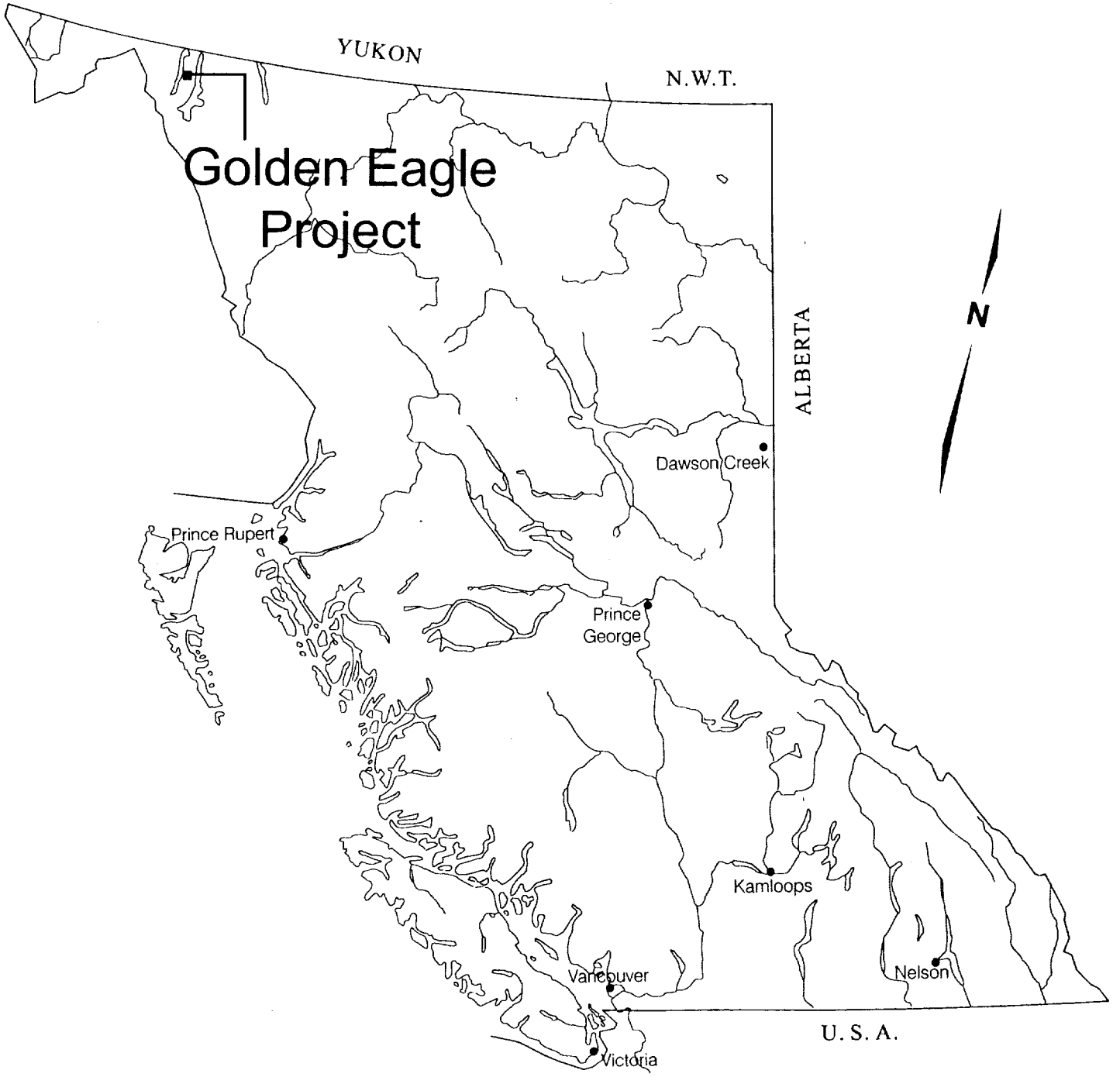
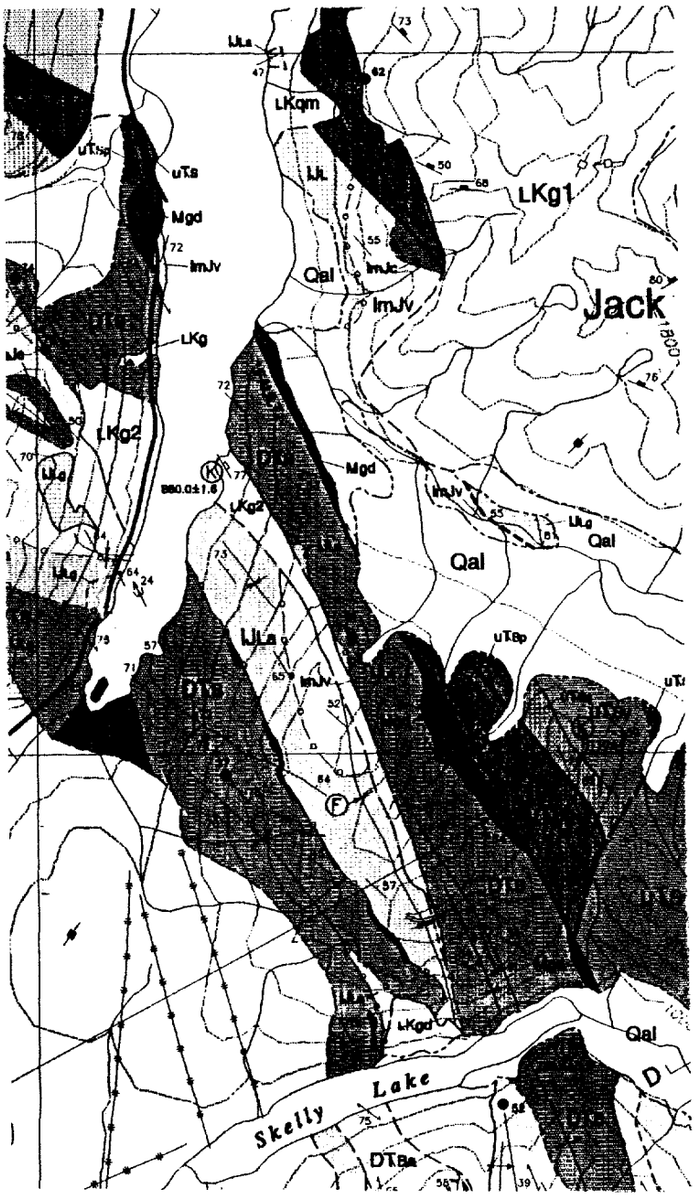
Vancouver, B.C.
January 2000

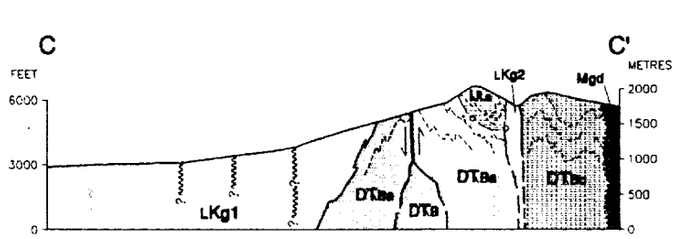


PRISM RESOURCES INC.

PROPERTY LOCATION MAP

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION





LEGEND

LAYERED ROCKS

QUATERNARY

Qal — Unconsolidated glacial till and poorly sorted alluvium; sparse gold flakes and nuggets are reported at Graham Creek and Moon Creek.

LOWER TO MIDDLE JURASSIC

ImJv — Variegated pyroclastic lapilli tuff, bladed feldspar porphyry flows and comagmatic? porphyritic intrusions.

Conglomerate: clast-supported, derived primarily from the underlying Laberge Group siltstone and argillite.

LOWER JURASSIC

LABERGE GROUP

LJL — Undivided wacke, argillite and siltstone.

LJLa — Siliciclastics: > 100 m thick; indurated siltstones to quartz-rich lithic wackes; centimetre-scale trough cross-stratification; well-layered; well-indurated; rusty weathering.

LJLa — Argillites: undivided or mixed.

UPPER TRIASSIC

STUHINI GROUP VOLCANICS

Undivided arc volcanics and associated sediments; apparent thickness varies from < 500 m to > 3 km.

Coarse pyroxene-phyric breccia, agglomerate and subaqueous flows: (400 - 700 m); with local interpillow laminated micrites and interlayered, disrupted interflow, fossiliferous siltstones.

Heterolithic lapilli tuff: dark green to grey maroon, angular, scoriaceous fragments to rounded volcaniclasts. Fragments are aphanitic or porphyritic and may show alignment of plagioclase phenocrysts and microlites; hornblende, pyroxene and quartz-phyric varieties are also common.

METASEDIMENTARY AND METAVOLCANIC SUITES

DEVONIAN TO TRIASSIC? BOUNDARY RANGES METAMORPHIC SUITE

Boundary Ranges metamorphosed arc strata with loose ties to Stikine Assemblage (undivided): mainly chlorite-actinolite schists and biotite (garnet), muscovite (± garnet) and pyroxene schists with a variable chlorite component. Carbonate, quartzite and felsic intrusive(?) rocks occur locally.

DTBa — Chlorite actinolite schists: green and white banded plagioclase and quartz 50+% combined; minor biotite, rare garnet (abundance of biotite layers increase towards unit DTBa); chlorite fine grained; actinolite dark green, acicular, 1 - 30 mm, commonly outline a distinct lineation, actinolite < chlorite in abundance.

INTRUSIVE ROCKS

LATE (+/- MIDDLE) CRETACEOUS TO TERTIARY

COAST INTRUSIONS (INCLUDES MIDDLE CRETACEOUS WHITEHORSE PLUTONIC SUITE)

LKg1 — Granite: pink to grey, non-foliated, medium to coarse-grained; zoned K-feldspar 40 - 45% with 1 - 5% K-feldspar megacrysts up to 5 cm long; plagioclase 10 - 40%; quartz 40%; biotite as euhedral booklets, 2-5%; sparse hornblende; chilled contacts; x = xenolite-rich zones.

LKg2 — Similar to LKg1 but lacking the textural and compositional variations.

LATE TRIASSIC

STIKINE PLUTONIC SUITE

LKgd — K-feldspar megacrystic hornblende granodiorite: white, pink or tan, weakly to moderately foliated, conspicuous K-feldspar megacrysts up to 4 cm contain concentric zones of plagioclase and hornblende inclusions.

MID TO LATE TRIASSIC

Variably foliated hornblende-rich gabbro: strongly foliated to unfoliated hornblende diorite to gabbro reduced to a chlorite schist in severely deformed zones . Polyphase, syntectonic intrusion is indicated with high variability of both the plagioclase content and degree of foliation in outcrop scale (may in part be equivalent to Pw).

MESOZOIC

Granodiorite: dynamically recrystallized and brecciated felsic intrusive rocks primarily confined to the Llewellyn Fault zone, probably equivalent to LTgd, possibly equivalent to MTgd.

GEOLOGY OF THE TAGISH LAKE AREA

NTS (104M/8, 9, 10E, 15 & 104N/12W)

Compiled by: M.G. Mihalynuk

Geology by: M.G. Mihalynuk, K.J. Mountjoy,
L.D. Currie, M.T. Smith and J.N. Rouse.

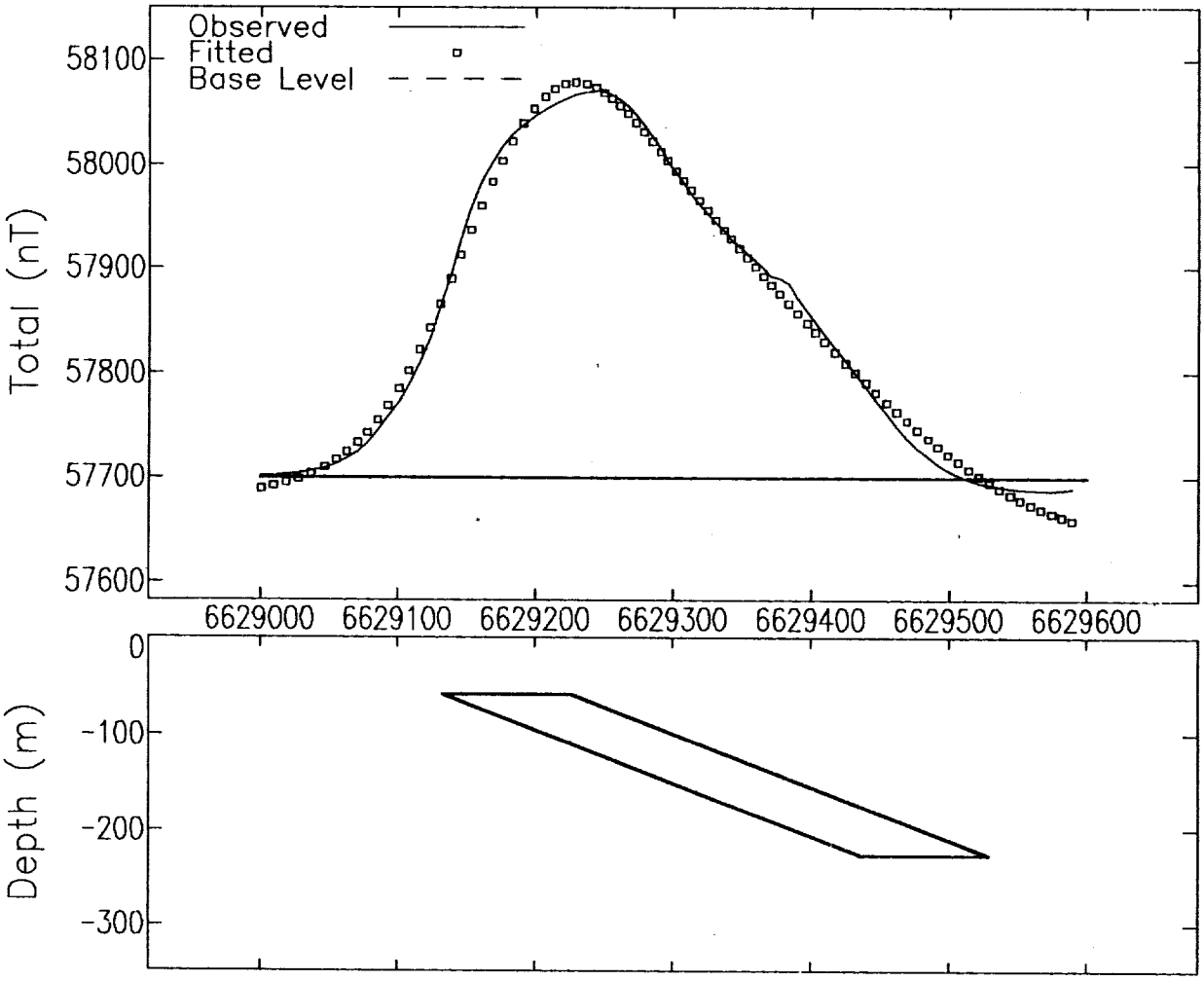
SCALE 1:100 000

0 2 4 6 8

KILOMETRES

PRISM RESOURCES INC.

10310L 01



MODEL PARAMETERS:

Model Type		Tabular2
Depth	F	58.4 m
Half Width	F	66.2 m
Half Length	X	600 m
Offset	X	150 m
Dip	F	21 deg
Thickness	F	168 m
Susceptibility	F	0.00982 emu
Remnance Ratio	X	0
Remnance Incl	X	0 deg
Remnance Decl	X	0 deg
Main Position	F	6629180 m
Cross Position	X	517204.8 m
Base Level	X	57700 nT
Base Slope	X	0 nT/m
Base Curvature	X	0 nT/m2

(F-fitted, X-fixed, L-limit)

GEOMAGNETIC FIELD:

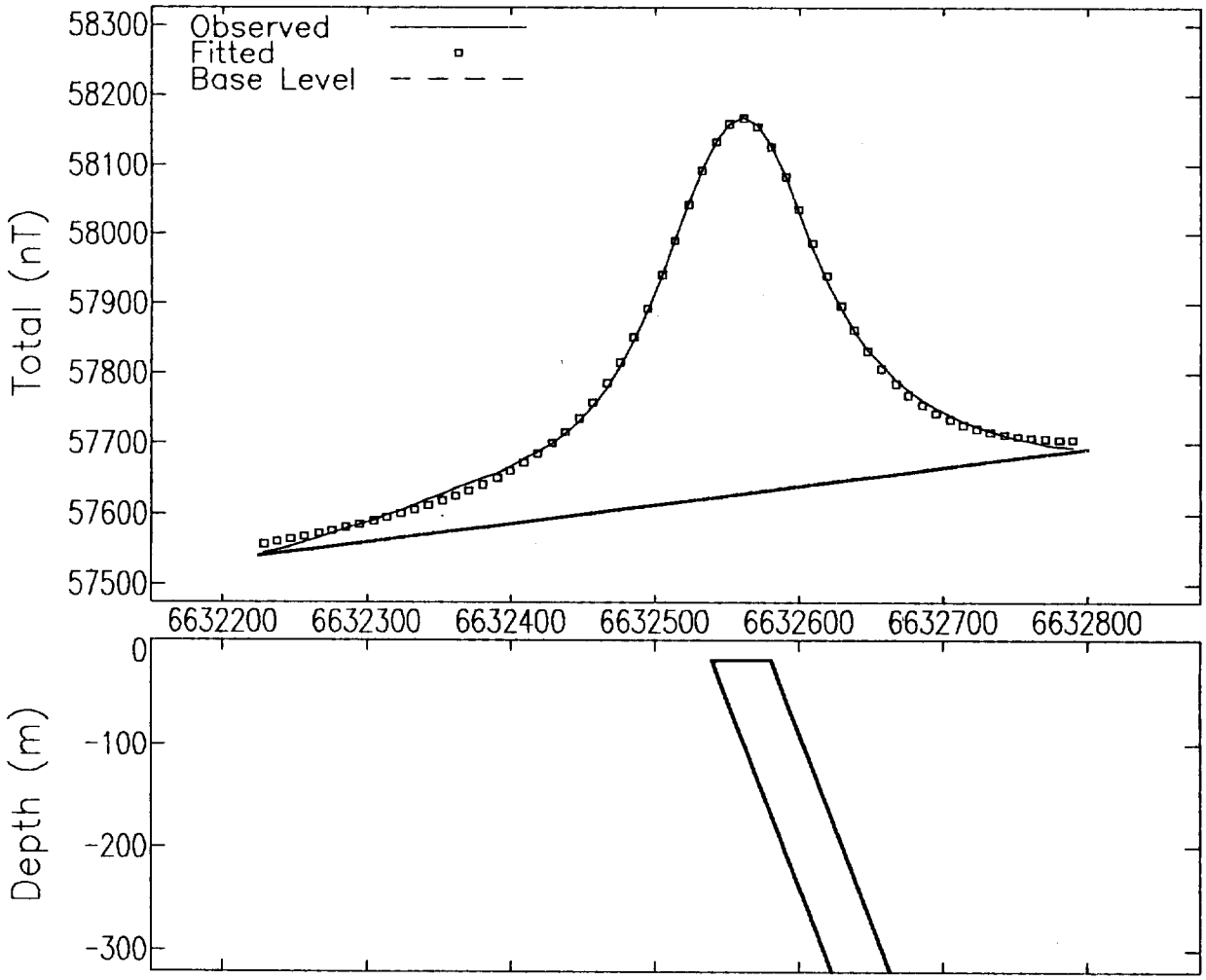
Field Strength	57550 nT
Inclination	76 deg
Declination	29 deg

COORDINATES:

Sensor Height	65 m
Strike Perp	70 deg
Line Direction	45 deg
Main Direction	0 deg
Main Offset	
Cross Direction	90 deg
Cross Offset	

PRISM RESOURCES INC.

10070L 01



MODEL PARAMETERS:

Model Type		Tabular2
Depth	F	18.5 m
Half Width	F	28.2 m
Half Length	X	300 m
Offset	X	0 m
Dip	F	70 deg
Thickness	F	7601 m
Susceptibility	F	0.00768 emu
Remnance Ratio	X	0
Remnance Incl	X	0 deg
Remnance Decl	X	0 deg
Main Position	F	6632560 m
Cross Position	X	513722.3 m
Base Level	F	57629.05 nT
Base Slope	F	.1935744 nT/m
Base Curvature	X	0 nT/m2

(F-fitted, X-fixed, L-limit)

GEOMAGNETIC FIELD:

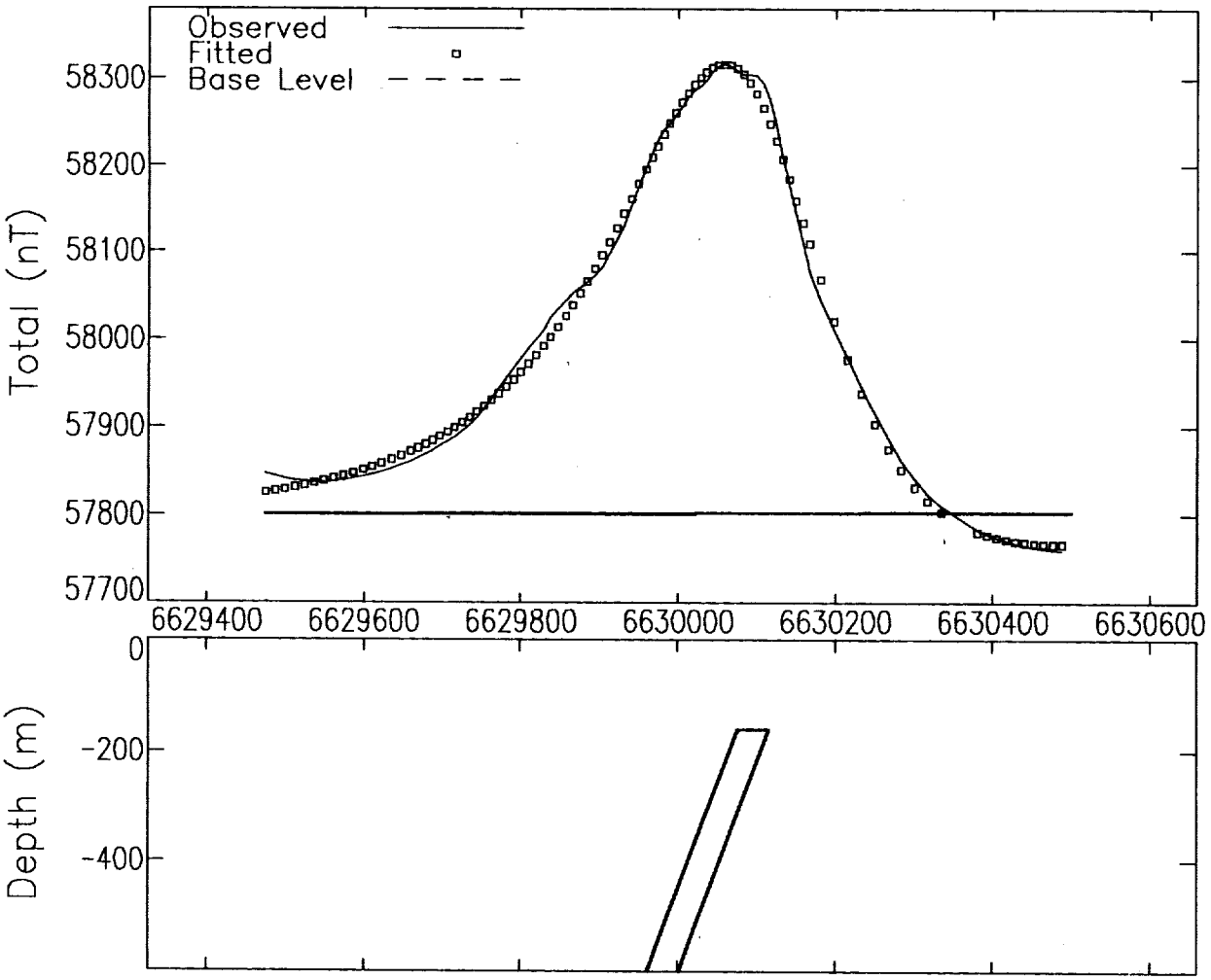
Field Strength	57550 nT
Inclination	76 deg
Declination	29 deg

COORDINATES:

Sensor Height	60 m
Strike Perp	70 deg
Line Direction	43 deg
Main Direction	0 deg
Main Offset	
Cross Direction	90 deg
Cross Offset	

PRISM RESOURCES INC.

10210L 01



MODEL PARAMETERS:

Model Type		Tabular2
Depth	F	160 m
Half Width	F	28.1 m
Half Length	X	300 m
Offset	X	150 m
Dip	F	110 deg
Thickness	F	755 m
Susceptibility	F	0.0309 emu
Remnance Ratio	X	0
Remnance Incl	X	0 deg
Remnance Decl	X	0 deg
Main Position	F	6630096 m
Cross Position	X	515267.8 m
Base Level	F	57801.93 nT
Base Slope	F	.0016785 nT/m
Base Curvature	X	0 nT/m2

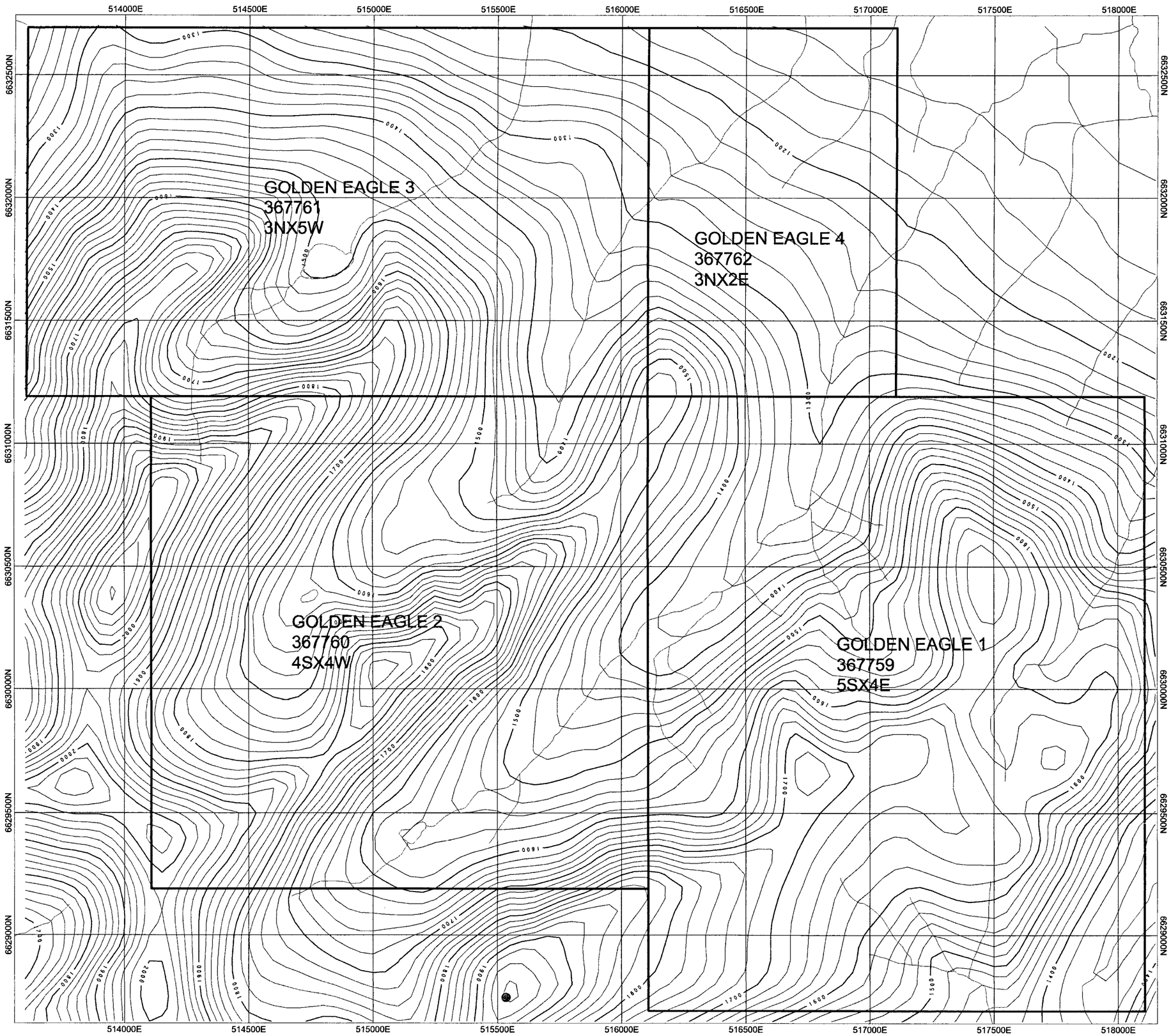
(F-fitted, X-fixed, L-limit)

GEOMAGNETIC FIELD:

Field Strength	57550 nT
Inclination	76 deg
Declination	29 deg

COORDINATES:

Sensor Height	75 m
Strike Perp	70 deg
Line Direction	44 deg
Main Direction	0 deg
Main Offset	
Cross Direction	90 deg
Cross Offset	



Scale 1:10000

200 0 200 400 600

metre

NAD83 / UTM zone 8N

BRANCH

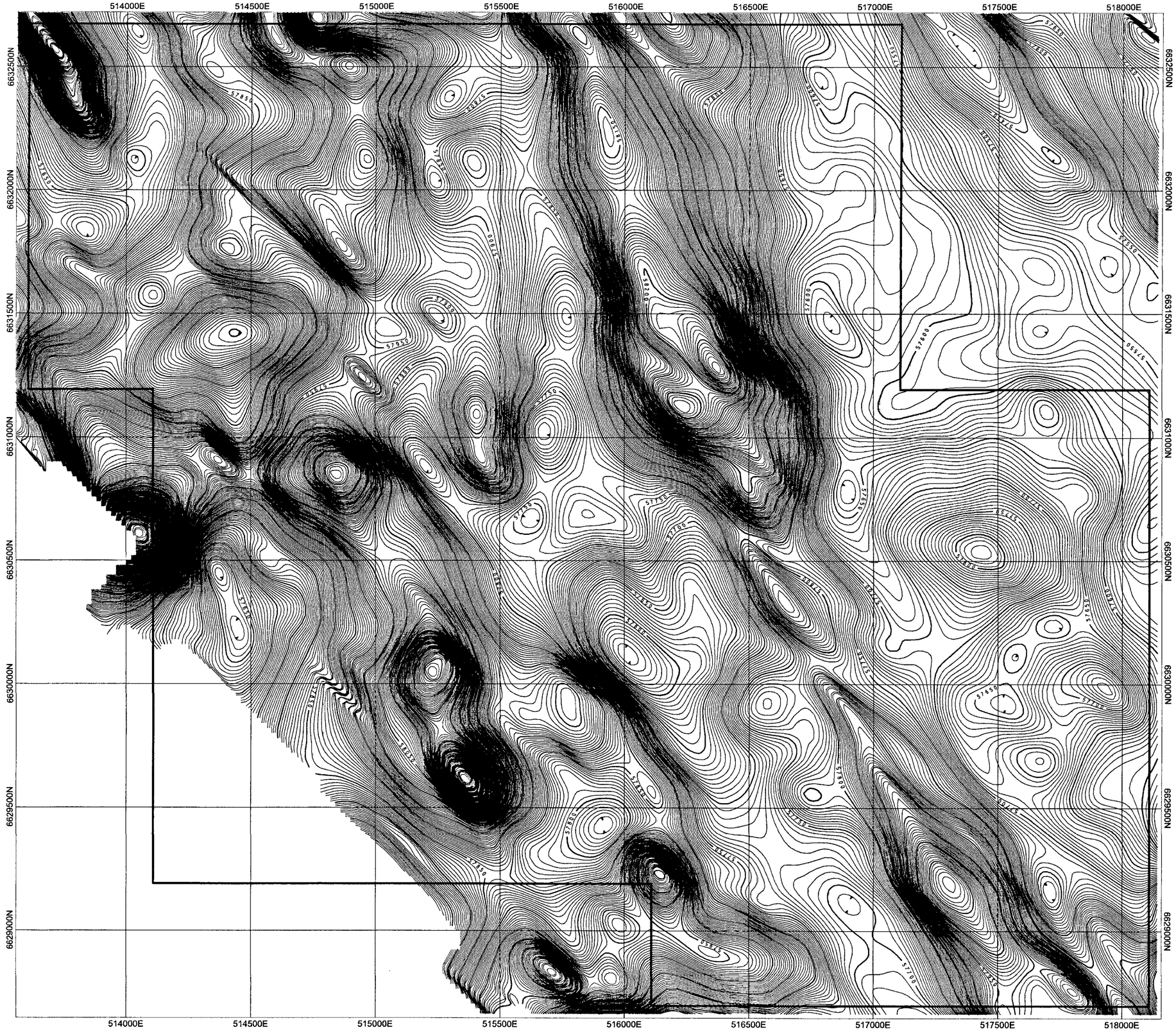
26,193

PRISM RESOURCES INC.

PROPERTY MAP

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION
NTS. 104M.14

PROCESSED BY: PETER E. WALCOTT & ASSOC.LTD. MAP NO. W572-1



Scale 1:10000

200 0 200 400 600

metre
NAD83 / UTM zone 8N

PRISM RESOURCES INC.

AIRBORNE MAGNETIC SURVEY
CONTOURS OF TOTAL FIELD INTENSITY
(IN NANOTESLAS)

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-2

514000E 514500E 515000E 515500E 516000E 516500E 517000E 517500E 518000E

6632500N 6632000N 6631500N 6631000N 6630500N 6630000N 6629500N 6629000N

L10130 L10140 L10150 L10160 L10170 L10180 L10190 L10200 L10210 L10220 L10230 L10240 L10250 L10260

EM Response
conductivity thickness in mhos
2 - 4
0 - 2
conductor axis

INPHASE
QUADRATURE

Scale 1:10000
200 0 200 400 600
metre
NAD83 / UTM zone 8N

PRISM RESOURCES INC.

AIRBORNE ELECTROMAGNETIC SURVEY
PROFILES OF INPHASE & QUADRATURE
4600 Hz COAXIAL, 10PPM/CM

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-3

514000E 514500E 515000E 515500E 516000E 516500E 517000E 517500E 518000E

6632500N 6632000N 6631500N 6631000N 6630500N 6630000N 6629500N 6629000N

L10130 L10140 L10150 L10160 L10170 L10180 L10190 L10200 L10210 L10220 L10230 L10240 L10250 L10260

INPHASE
QUADRATURE

Scale 1:10000

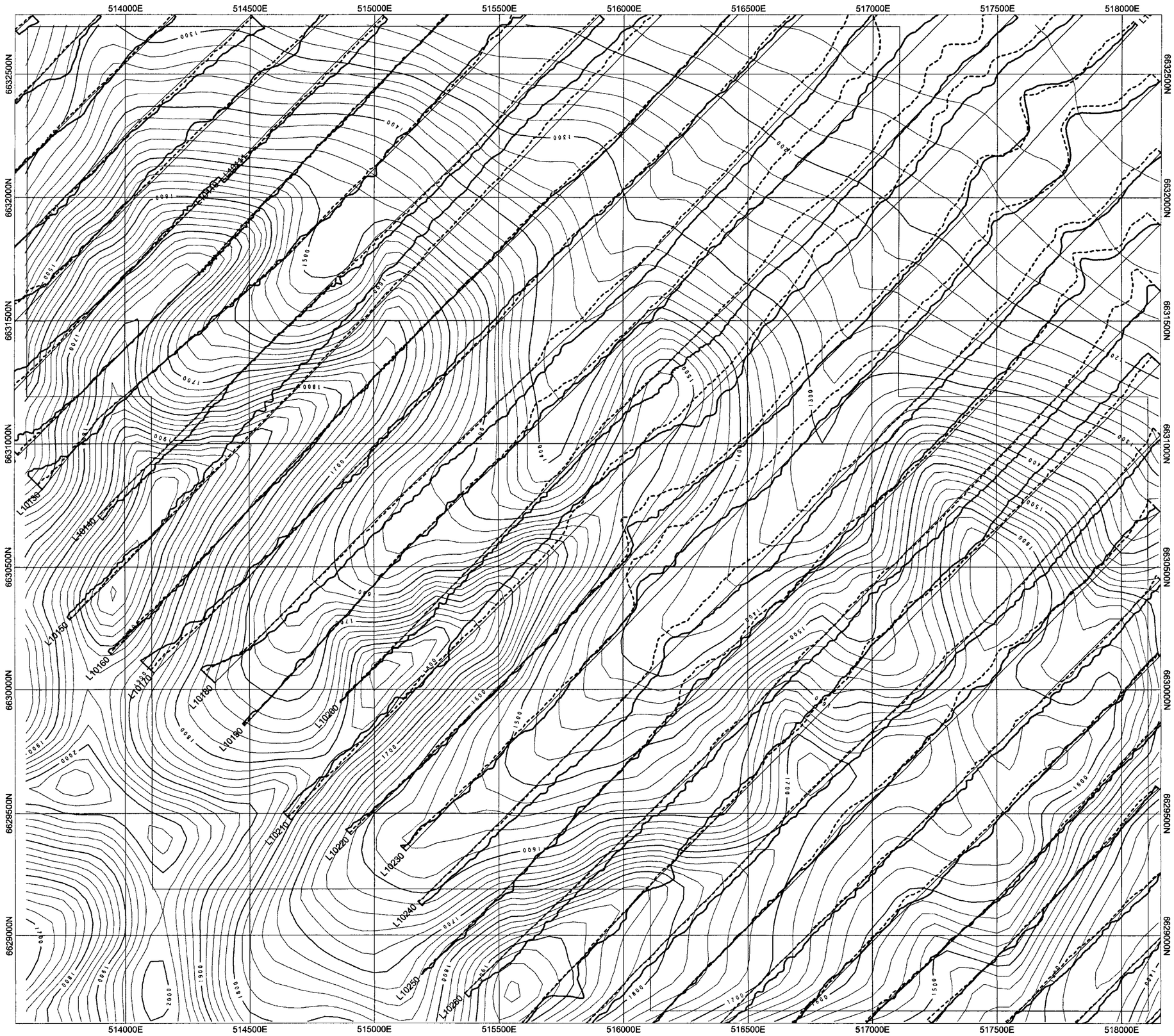
200 0 200 400 600
metre
NAD83 / UTM zone 8N

PRISM RESOURCES INC.

AIRBORNE ELECTROMAGNETIC SURVEY
PROFILES OF INPHASE & QUADRATURE
4175 Hz COPLANAR, 10PPM/CM

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-4



INPHASE
QUADRATURE

Scale 1:10000

200 0 200 400 600
metres
NAD83 / UTM zone 8N

PRISM RESOURCES INC.

AIRBORNE ELECTROMAGNETIC SURVEY
PROFILES OF INPHASE & QUADRATURE
935 Hz COAXIAL, 5 PPM/CM

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-5

514000E 514500E 515000E 515500E 516000E 516500E 517000E 517500E 518000E

6632500N 6632000N 6631500N 6631000N 6630500N 6630000N 6629500N 6629000N

L10130 L10140 L10150 L10160 L10170 L10180 L10190 L10200 L10210 L10220 L10230 L10240 L10250 L10260

— INPHASE
- - - QUADRATURE

Scale 1:10000

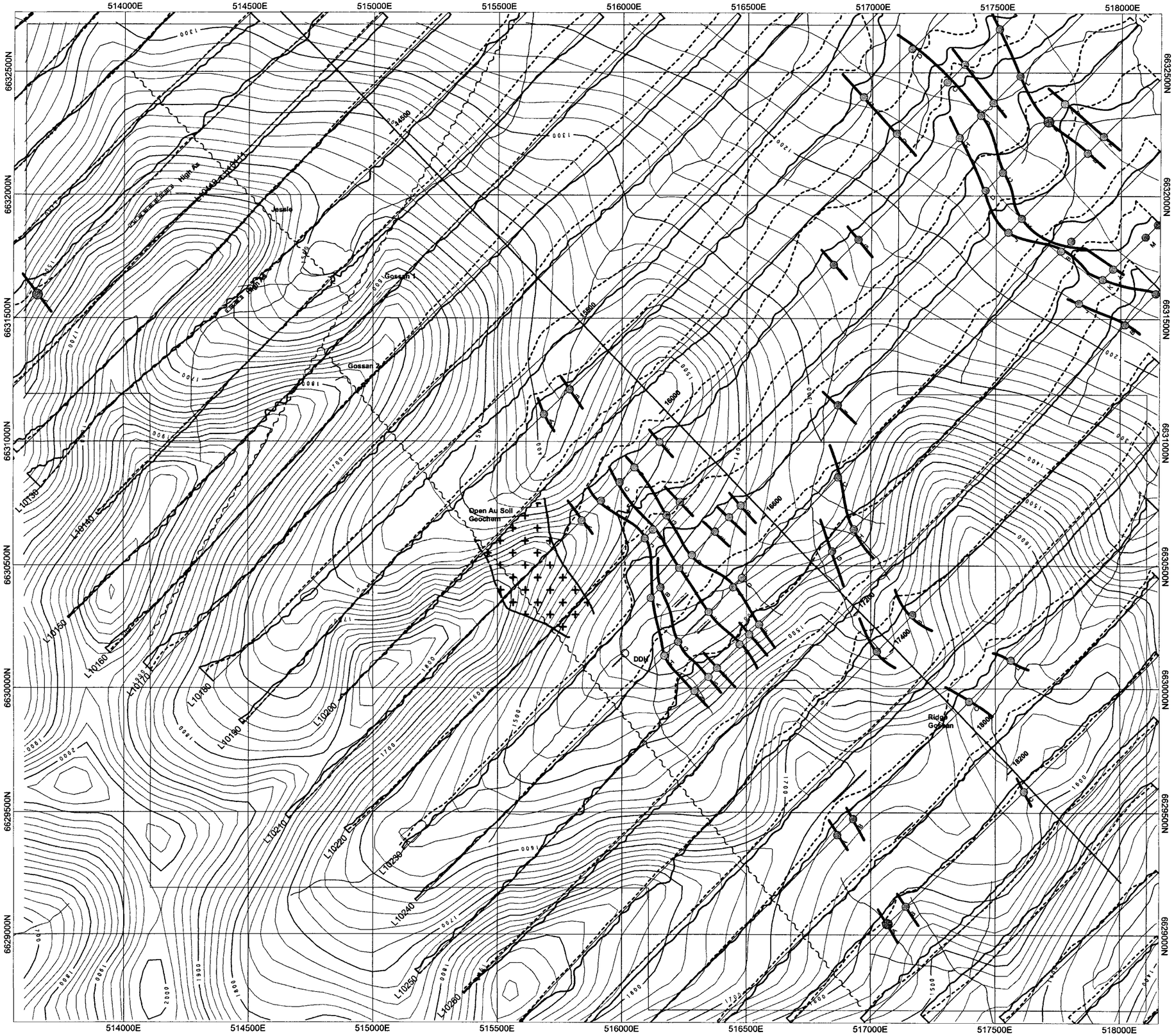
200 0 200 400 600
metre
NAD83 / UTM zone 8N

PRISM RESOURCES INC.

AIRBORNE ELECTROMAGNETIC SURVEY
PROFILES OF INPHASE & QUADRATURE
32000 Hz COPLANAR, 40PPM/CM

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-6



Resistivity Low

Chargeability High

Interpreted Fault

EM Response

conductivity thickness in mhos

2 - 4

0 - 2

conductor axis

INPHASE

QUADRATURE

Scale 1:10000

200 0 200 400 600

metre

NAD83 / UTM zone 8N

ASSESSMENT REPORT

26,193

PRISM RESOURCES INC.

AIRBORNE ELECTROMAGNETIC SURVEY COMPILATION MAP

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-7

514000E 514500E 515000E 515500E 516000E 516500E 517000E 517500E 518000E

6632500N 6632000N 6631500N 6631000N 6630500N 6630000N 6629500N 6629000N

Scale 1:10000

200 0 200 400 600
metre

NAD83 / UTM zone 8N

PRISM RESOURCES INC.

REGIONAL GEOLOGY
PROPERTY SCALE
B.C. GEOLOGICAL SURVEY

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM MIHALYNUK ET AL, 1997

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-8

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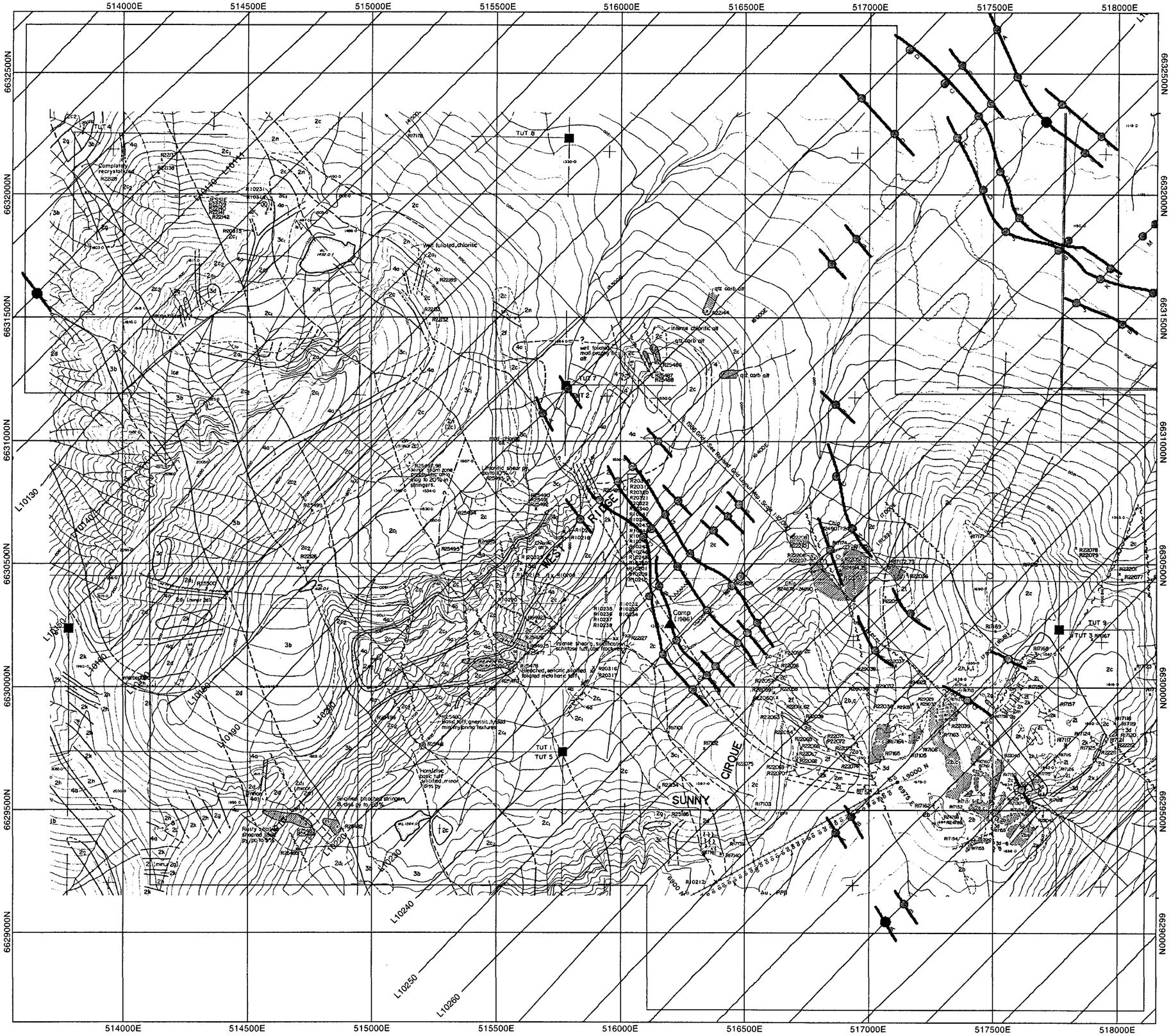
6632500N 6632000N 6631500N 6631000N 6630500N 6630000N 6629500N 6629000N



514000E 514500E 515000E 515500E 516000E 516500E 517000E 517500E 518000E

Legend (Not necessarily in chronological order)

TERTIARY

- 4 Felsic volcanic dykes (rhyolite)
- 4a Feldspar porphyritic

UPPER CRETACEOUS

- 3a Granodiorite
- 3b Quartz monzonite
- 3c Granite [3c$_1$] Older altered granitic intrusive
- 3d Porphyritic intermediate - mafic intrusive

UPPER TRIASSIC

- 2 STUHINI GROUP

Volcanic unit

- 2a Mafic volcanic flow [2a$_1$] Andesite dyke
- 2b Feldspar porphyritic flow
- 2c Feldspar porphyritic tuff [2c$_1$] Gneissic texture [2c$_2$] Hornfelsic
- 2d Lapilli tuff [2d$_1$] Volcanic breccia [2d$_2$] Lithic tuff
- 2e Basalt / Gabbro

Volcaniclastic unit

- 2f Volcanic conglomerate
- 2g Limestone
- 2h Arkosic sandstone
- 2j Siltstone
- 2k Shale / Argillite
- 2l Conglomerate
- 2m Greywacke
- 2n Undifferentiated foliated meta-sediments

PRE - PERMIAN (?)

- 1a Chlorite schist
- 1b Quartz feldspar gneiss
- 1c Amphibolite

Symbols

- Outcrop boundary
- Geological contact (defined, assumed, gradational)
- Intense altered zones
- Fault
- Bedding, Foliation
- Dykes
- R01234 Rock sample location & numbers
- Lake / Pond ; Drainage / Creek

Scale 1:10000

200 0 200 400 600

metres

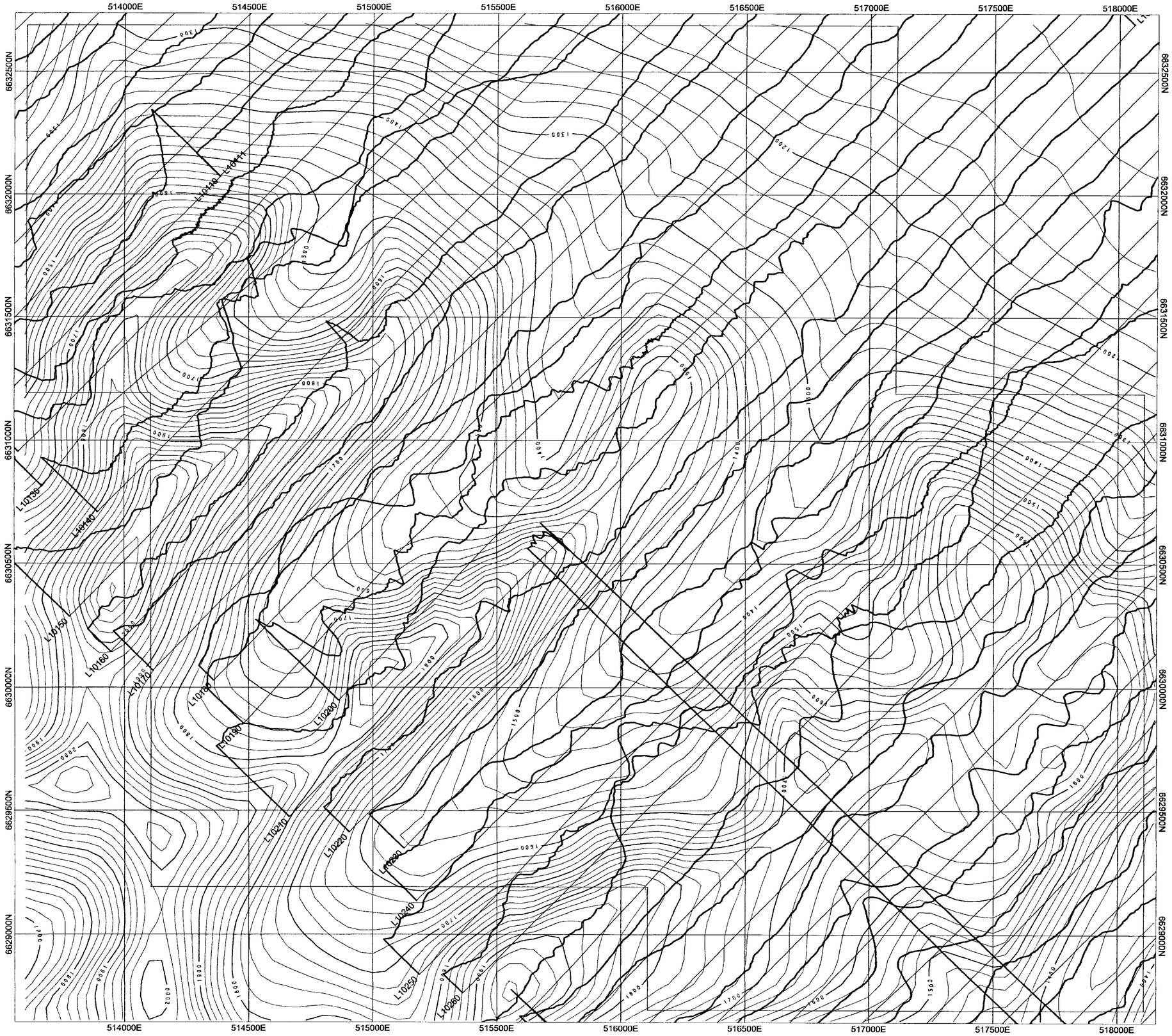
NAD83 / UTM zone 8N

PRISM RESOURCES INC.

DETAILED GEOLOGY
SCANNED ASSESSMENT MAP

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
GEOLOGY BY NORANDA EXPLORATION 1989

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-9



Scale 1:10000

200 0 200 400 600

metre

NAD83 / UTM zone 8N

26,193

PRISM RESOURCES INC.

AIRBORNE ELECTROMAGNETIC SURVEY
RADAR ALTIMETER PROFILES
BASE 50 MS., SCALE 25 MS./CM

GOLDEN EAGLE PROJECT
TUTSHI LAKE AREA, BRITISH COLUMBIA
ATLIN MINING DIVISION NTS. 104/M15
DATA FROM 1987 AERODAT SURVEY

REPROCESSED BY: PETER E. WALCOTT & ASSOC. LTD. MAP NO. W572-10