

**REPORT ON THE 2010
RECLAMATION WORK AND
ROAD MAINTENANCE ON THE
SILVER VALLEY PROJECT**



**GF CLAIMS 1-118
GREY CLAIMS 1-2
TINY CLAIMS 1-4**

NTS 105 F 9

LATTITUDE 61° 32' N LONGITUDE 132° 10' W

WATSON LAKE MINING DISTRICT

YUKON TERRITORY

For Owner:

**Ketza River Holdings Ltd.
490 - 688 WEST HASTINGS STREET
VANCOUVER, BC V6B 1P1
TEL: 604.688.9427
FAX: 604.688.9426**

Prepared by:

**Edward E Gates, M.Sc., P.Geo.
6611 W. Bernhill Rd.
Spokane, WA 99208**

April 14, 2011

Ketza River Holdings Ltd.

Silver Valley Property

Report on 2010 Reclamation and Road Maintenance Activities

As a part of ongoing exploration activities at the Ketza River Project – Silver Valley Property, six trenches, totalling 557 meters, were backfilled and re-contoured. The work was conducted by C. McLeod Contracting from Ross River, Yukon. The equipment used consisted of a Caterpillar #270 excavator and Caterpillar D-6 bulldozer. The work was carried out from August 18 through August 21 of 2010. The trenches that were backfilled and re-contoured were on claims GF 3, GF 51, GF 60, GF 63, GF 115 and GF 116.

Maintenance was performed on the access road for the Silver Valley Property during June of 2010. A Caterpillar #270 excavator was used to gather riprap material and then to place it along the road next to the river. Two dump trucks were used to haul the riprap material from the quarry to the riprap site. In addition, a section of the road on claim GF 77 was raised by two feet to alleviate flooding problems. The two trucks were also used to haul road fill material to this site. A Caterpillar 140G grader was used to spread and smooth the road fill material. This work was carried out between June 17 and June 23 of 2010.

The total cost being claimed for representation work for this reclamation and road-maintenance work is \$33,770. The work is detailed on the attached spreadsheet and maps.

Edward E. Gates

April 14, 2011

Edward E Gates, Chief Geologist
Ketza River Project
Ketza River Holdings Ltd.
105C Platinum Road
Whitehorse, YT Y1A 5M3



2010 SILVER VALLEY TRENCH RECLAMATION & ROAD MAINTENANCE

Contractor: C. McLeod Contracting

Equipment: Caterpillar D-6 Dozer

Date	Dozer Hours	Description
18-Aug-10	6	Backfill and re-contour trenches
19-Aug-10	10	Backfill and re-contour trenches
20-Aug-10	10	Backfill and re-contour trenches
21-Aug-10	10	Backfill and re-contour trenches
Total	36	

Bulldozer rate = \$145 per hour

Bulldozer cost of 2010 Silver Valley trench reclamation = 36 hours x \$145 / hour = **\$5,220**

Equipment: Caterpillar 270 Excavator

Date Completed	Excav. Hours	Description
17-Jun-10	10	Access road riprap & raising
18-Jun-10	10	Access road riprap & raising
19-Jun-10	10	Access road riprap & raising
20-Jun-10	10	Access road riprap & raising
21-Jun-10	10	Access road riprap & raising
22-Jun-10	10	Access road riprap & raising
23-Jun-10	10	Access road riprap & raising
18-Aug-10	10	Backfill and re-contour trenches
19-Aug-10	10	Backfill and re-contour trenches
20-Aug-10	10	Backfill and re-contour trenches
21-Aug-10	10	Backfill and re-contour trenches
Total	110	

Excavator cost of 2010 Silver Valley reclamation & road maint. = 110 hours x \$145 / hour = **\$15,950**

Equipment: Two Dump Trucks

Date Completed	Truck Hours	Description
20-Jun-10	20	Access road riprap & raising
21-Jun-10	20	Access road riprap & raising
22-Jun-10	20	Access road riprap & raising
23-Jun-10	20	Access road riprap & raising
Total	80	

Dump truck cost of 2010 Silver Valley road maintenance = 80 hours x \$120 / hour = **\$9,600**

Equipment: Caterpillar 140G Grader

Date Completed	Grader Hours	Description
22-Jun-10	10	Access road riprap & raising
23-Jun-10	10	Access road riprap & raising
Total	20	

Grader cost of 2010 Silver Valley road maintenance = 20 hours x \$150 / hour = **\$3,000**

Total cost of 2010 Silver Valley trench reclamation & road maintenance = **\$33,770**

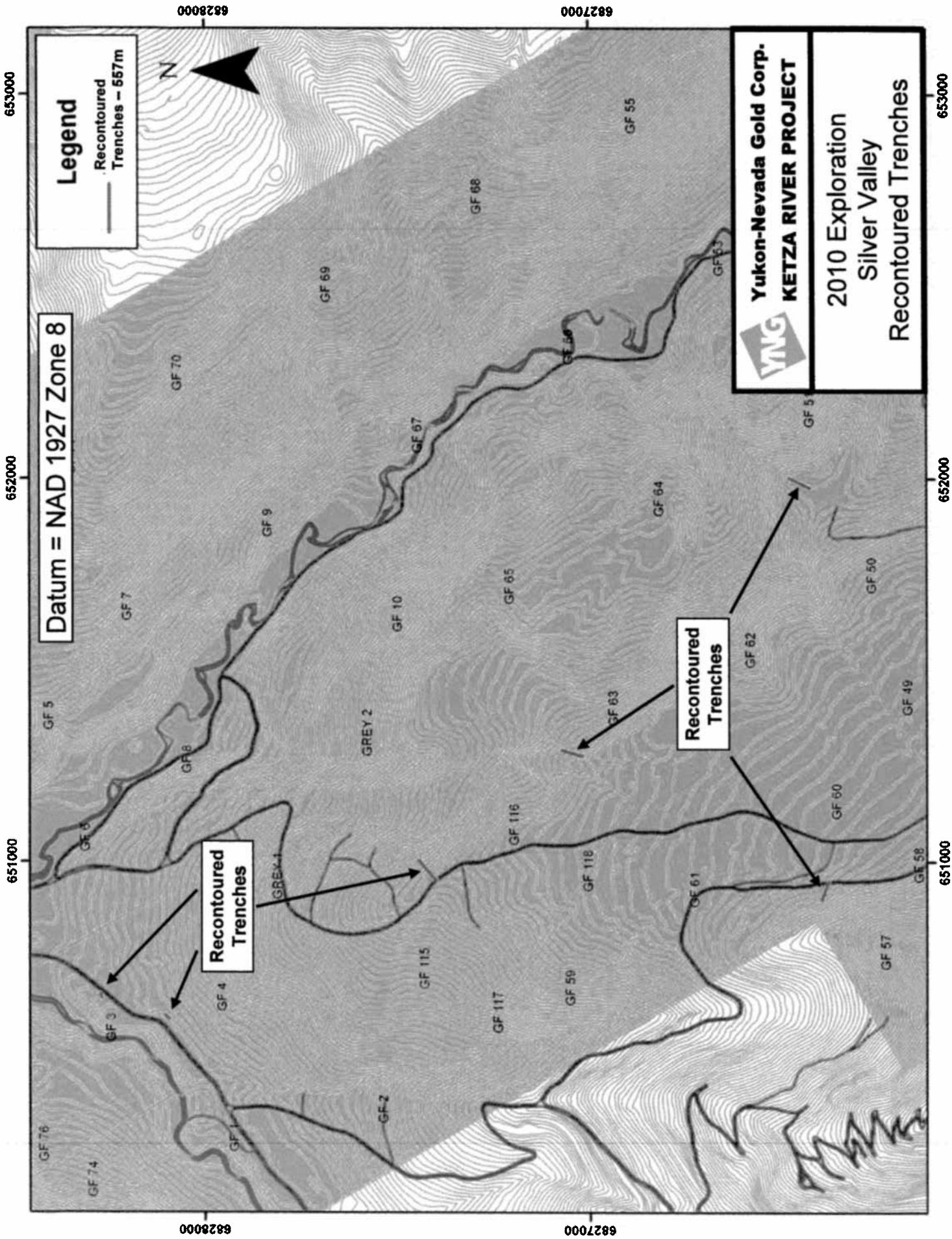
I certify these expenditures and work to be correct.

Edward E. Gates

Edward E. Gates, M.Sc., P. Geo
 Chief Geologist
 Ketza River Project
 Yukon-Nevada Gold Corp.

April 14, 2011





Legend
— Recontoured Trenches - 557m

Datum = NAD 1927 Zone 8

YNG
Yukon-Nevada Gold Corp.
KETZA RIVER PROJECT
2010 Exploration
Silver Valley
Recontoured Trenches

Recontoured Trenches

Recontoured Trenches

653000

652000

651000

6828000

6827000

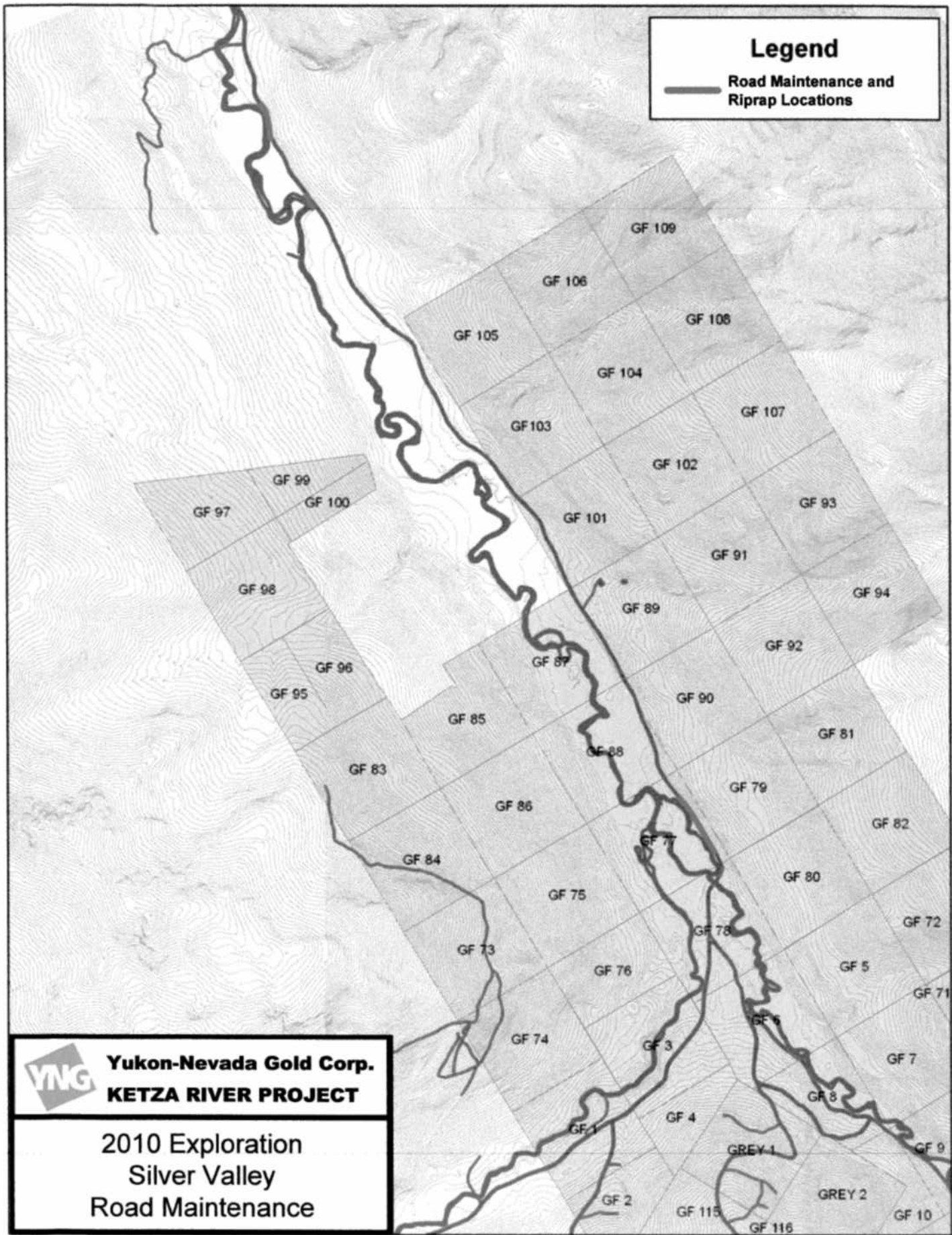
6828000

6827000

653000

652000

651000



SATEMENT OF QUALIFICATIONS

I, Edward E. Gates, do hereby certify that:

I am a geologist with more than twenty-five years of experience in mineral exploration and development.

I am a graduate of the University of Texas at El Paso, with a M.Sc. degree in geology (June, 1985). I am also a graduate of the Mackay School of Mines at the University of Nevada – Reno, with a B.Sc. degree in geology (June, 1980).

I hold a Professional License in the state of Washington - #2253.

I am certified as a Professional Geologist with the American Institute of Professional Geologists - #10902.

I am the author of this report.

I joined the Ketzka River Project in May 2009 as Chief Geologist. I supervised and implemented the reclamation program at Silver Valley described in this report.

I hold no financial interest in Yukon-Nevada Gold Corp., which owns the Silver Valley Project, the subject of this report.

Edward E. Gates

Edward E. Gates, M.Sc., P. Geo.
6611 W. Bernhill Rd.
Spokane, WA 99208



QUARTZ CLAIMS

District	GrantNumber	Name	#	Claim Owner	Status	NTS
Watson Lake	YB92692	GREY	1	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YB92693	GREY	2	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YB91297	TINY	1	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YB91298	TINY	2	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YB91299	TINY	3	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YB91300	TINY	4	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45898	GF	2	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45919	GF	3	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45920	GF	4	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45897	GF	1	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45901	GF	5	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45902	GF	6	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45903	GF	7	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45904	GF	8	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45905	GF	9	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45906	GF	10	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45921	GF	11	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45922	GF	12	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45923	GF	13	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45924	GF	14	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45925	GF	15	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45926	GF	16	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45927	GF	17	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45928	GF	18	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45929	GF	19	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45930	GF	20	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45931	GF	21	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45932	GF	22	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45933	GF	23	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45934	GF	24	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45935	GF	25	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45936	GF	26	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45937	GF	27	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45938	GF	28	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45939	GF	29	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45940	GF	30	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45941	GF	31	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45942	GF	32	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45943	GF	33	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45944	GF	34	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45945	GF	35	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45946	GF	36	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45947	GF	37	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45948	GF	38	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45949	GF	39	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09

QUARTZ CLAIMS

District	GrantNumber	Name	#	Claim Owner	Status	NTS
Watson Lake	YC45950	GF	40	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45951	GF	41	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45952	GF	42	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45953	GF	43	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45954	GF	44	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45955	GF	45	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45956	GF	46	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45957	GF	47	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45958	GF	48	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45959	GF	49	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45960	GF	50	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45961	GF	51	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45962	GF	52	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45963	GF	53	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45964	GF	54	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45965	GF	55	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45966	GF	56	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45967	GF	57	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45968	GF	58	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45969	GF	59	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45970	GF	60	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45971	GF	61	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45972	GF	62	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45973	GF	63	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45974	GF	64	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45975	GF	65	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45976	GF	66	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45977	GF	67	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45978	GF	68	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45979	GF	69	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45980	GF	70	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45981	GF	71	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45982	GF	72	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45983	GF	73	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45984	GF	74	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45985	GF	75	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45986	GF	76	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45987	GF	77	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45988	GF	78	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45989	GF	79	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45990	GF	80	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45991	GF	81	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45992	GF	82	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45993	GF	83	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45994	GF	84	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09

QUARTZ CLAIMS

District	GrantNumber	Name	#	Claim Owner	Status	NTS
Watson Lake	YC45995	GF	85	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45996	GF	86	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45997	GF	87	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45998	GF	88	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC45999	GF	89	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46000	GF	90	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46001	GF	91	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46002	GF	92	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46003	GF	93	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46004	GF	94	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46005	GF	95	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46006	GF	96	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46007	GF	97	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46008	GF	98	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46009	GF	99	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46010	GF	100	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46011	GF	101	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46012	GF	102	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46013	GF	103	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46014	GF	104	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46015	GF	105	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46016	GF	106	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46017	GF	107	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46018	GF	108	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46019	GF	109	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46020	GF	110	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46021	GF	111	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46022	GF	112	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46023	GF	113	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC46024	GF	114	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC72734	GF	115	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC72735	GF	116	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC72736	GF	117	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09
Watson Lake	YC72737	GF	118	KETZA RIVER HOLDINGS LTD. - 100%	Active	105F09