

2011 ASSESSMENT REPORT
ON THE
BREWERY CREEK PROPERTY

(Grouping 1 and 2)

Registered Owner: Alexco Resource Corp.

Located in the Laura Creek Area
Dawson Mining District
Yukon Territory, Canada

NTS 116A-04, 116B-01, 115O-16

64 ° 02' Latitude

138 °15' Longitude

Prepared by: Golden Predator Canada Corp.

Tyler Bourne, B.Sc.

Date of Work: February 15th – December 20th, 2011

February 13th, 2012

Contents

1	Introduction	5
1.1	General Introduction.....	5
2	Property Location, Accessibility and Claim data.....	6
2.1	Location and Accessibility	6
2.2	Claim Data.....	6
3	History.....	7
3.1	Initial Staking/Geochemistry/Drilling.....	7
3.2	Mining	7
3.3	Drilling (SpectrumGold 2004)	8
3.4	Drilling (Alexco 2006)	8
3.5	Reclamation	11
4	Geology	12
4.1	Regional Geology	12
4.2	Property Geology	12
4.2.1	Stratigraphy.....	12
5	2011 Exploration Work Program	17
5.1	Exploration Work – Procedures and Methods.....	17
5.1.1	Magnetic Survey.....	17
5.1.2	IP Survey.....	18
5.2	Significant Results and Interpretation	18
5.2.1	Magnetic Survey.....	18
5.2.2	IP Survey.....	19
6	2011 Drill Campaign.....	20
6.1	Procedures	20
6.1.1	Core Drilling procedures	20
6.1.2	RC Drilling procedures.....	20
6.2	2011 Drilling Summary and Interpretation.....	20
6.2.1	Bohemian Zone	21
6.2.2	Schooner Zone	22
6.2.3	Sleeman Zone.....	24
6.2.4	North Slope	25

6.2.5	Classic.....	27
6.2.6	East and West Big Rock.....	27
6.2.7	Leach Pad	27
7	Sample Preparation and Analysis.....	28
7.1	Methods.....	28
7.1.1	Core Preparation.....	28
7.1.2	RC Preparation	28
7.2	2011 Sample Analysis.....	29
8	References	31



Figures

Figure 1.....Location Map
Figure 2.....Claim Map
Figure 3.....Regional Geology
Figure 4.....Property Geology
Figure 5.....Bohemian/Schooner Drill Collars
Figure 6.....Sleeman Drill Collars
Figure 7.....North Slope Drill Collars
Figure 8.....Classic Drill Collars
Figure 9.....Big Rock Collars
Figure 10.....Leach Pad Collars

Appendices

Appendix 1.....Certificate of Authors
Appendix 2.....Claim Data
Appendix 3.....Statement of Expenditures
Appendix 4..... Analytical Summary
Appendix 5.....Drill Log Summaries
Appendix 6.....Assay Certificates
Appendix 7.....Laboratory Methods
Appendix 8.....Mag Survey Report
Appendix 9.....IP Survey Report



1 Introduction

1.1 General Introduction

In 2009 Golden Predator earned the right to acquire up to 75% of the Brewery Creek Project from Alexco Resources Corp. The acquisition presented two immediate targets for potential resource development. The un-mined, near surface oxide gold mineralization, which, in an NI 43-101 report (Diment, Simpson 2009); contains 3.98 million tonnes grading 1.135 g/t Au (145,000 contained ozs) and an inferred resource of 2.2 million tonnes grading 2.01 g/t Au (142, 000 contained ozs). The property consists of 912 contiguous full and fraction claims and mining leases.

Drilling in 2011 focused on definition drilling on the resource areas at Brewery Creek. Work started in February 2011 at the Bohemian zone (previous resource of 42,800 ounces). After successful holes east of Bohemian in the Schooner zone (BC11-198, 199, 200), Golden Predator focused on defining a resource there. The North Slope had an inferred resource of 143,000 ounces, which Golden Predator drilled in an attempt to take the resource to indicated status. Following up on a gold in soil anomaly at the Sleeman zone resulted in a drill holes (BC11-226) drilling down the mineralized intrusive. From this, Golden Predator designed a drill program to intersect mineralization perpendicular to the mineralized intrusive body, and worked to drill the Sleeman zone off to an indicated resource status. A total of 18 sonic drill holes were placed on the heap leach pad in an effort to determine the amount of gold left in the pad, and also to complete metallurgy in an effort to determine the best way to recover the gold. Follow up drilling on historic success at the Classic zone resulted in 12 RC holes which revealed gold mineralization. From this a plan was drawn up in order to get a number of diamond drill holes into the Classic zone before the end of the season. Finally, at East and West Big Rock, 29,700 ounces each, Golden Predator drilled in an attempt to extend mineralization along strike and down dip.

2 Property Location, Accessibility and Claim data

2.1 Location and Accessibility

The Brewery Creek property is located in the central Yukon at 64 ° 02' north latitude and 138 ° 15' west longitude (figure 1). The location is approximately 57 km northeast of Dawson City Yukon. The property is completely road accessible, and access is achieved by driving 40 km east on the North Klondike highway; 8 km north up the Dempster highway; then eastbound for 20 km along the North Fork road. The final 6 km to the mine site is maintained by the company, and is a dirt road. The North Fork road was built in 1928, and in 1996 the Yukon Territorial government upgraded the road to then current standards. This included two river crossings, in which wooden bridges were built to accommodate all loads >50,000 kilograms. The company road was built by Noranda Exploration Co. limited in 1989, and has been steadily maintained and upgraded since that time.

2.2 Claim Data

793 claims of the Brewery Creek claim block are under the option agreement between Alexco Resources Corp. and Golden Predator Canada Corp. Golden Predator staked another 119 contiguous claims to the east, the BCX claims. Appendix 1 contains all the claim data for the entire block (912 claims). Figure 2 shows the claim map with topography, name and grant numbers.

3 History

3.1 Initial Staking/Geochemistry/Drilling

Prior to the staking of the Brewery Creek claims in 1987 by Norex, there were no historical quartz claims recorded in the vicinity. RGS silt anomalies in the area were followed up with a reconnaissance geochemical survey, which the claims were originally staked for. Extensive geochemical and geophysical sampling in 1988 and 1989 were successful in identifying many of the mineralized zones. Between 1989 and 1999 over 175,000 metres of drilling and trenching was carried out (Galambos, 2010). The focus was to define the near surface oxide resources. Subsequent claims were later added to cover possible extension of gold mineralization. In June of 1990, Loki entered an agreement that would give them 49% interest by August of 1991 by spending \$4 million dollars in exploration. By June of 1993, the remaining 51% was purchased giving Loki full ownership in the property. In May of 1996, Loki amalgamated with Baja Gold, Inc forming VLB Resource Corporation, a wholly owned subsidiary of Viceroy Resource Corporation. In 1996 VLB Resource Corporation changed its name to Viceroy Minerals Corporation.

3.2 Mining

Mineable oxide reserves were defined in 8 near surface pits along a strike length of 7 km. The deposits were named, Pacific, Blue, Moosehead, Canadian, Fosters, Kokanee, Golden and Lucky, west to east consecutively. The "Reserve Trend" which is a 7 km ENE trend is part of a large 15 km soil anomaly which extends more or less WNW. The 7 oxide reserves line up along this ENE Reserve trend. In total, 9.7 million tonnes of oxide reserve were mined, grading 1.44g/t Au (Galambos, 2010). The mine was in operation from 1996 until 2002, with infrastructure and mine construction commencing in 1995. In total, 279,541 ounces of gold have been produced at Brewery creek. Table 3-1 depicts the production each year as well as the cash cost per ounce.

Table 3-1: Production/year, cash costs and avg. gold price/year

Year	Ounces Produced	Cash Cost /oz (USD)	Price of Gold (12 mo. Avg)*
1996	10,175		
1997	72,387	\$184.00	333.01
1998	79,369	\$177.00	294.24
1999	48,164	\$288.00	278.98
2000	48,048	\$243.00	279.11
2001	18,542	\$222.00	271.04

* Prices from Kitco.com, based on the London PM fix.

The first gold pour was completed on November 15, 1996, which accounts for the missing cash cost/oz for that year. In 1999 production from the mine fell and cash costs soared. As well, the price of gold fell to its lowest averaged yearly value since prior to 1979. Viceroy thus suspended all seasonal mining activity earlier than planned and brought in an independent consulting firm to study the recovery process and conduct extensive exploration to identify additional reserves. In the year 2000 Viceroy concentrated on mining the ore bodies which were most oxidized and of highest grade. Mining ceased in 2001, however heap leaching continued for that year, producing 18,542 ounces.

3.3 Drilling (SpectrumGold 2004)

Prior to the Alexco Resources Corp. and Golden Predator agreement, Alexco optioned the property to SpectrumGold. In 2004, SpectrumGold undertook a drilling campaign designed to provide adequate information for structural interpretation in order to provide guidance for further exploration. A forest fire prevented completion of this program; however targets at the Blue, Blue East and South Pacific zones were tested.

At Blue, holes BC04-118 and BC04-119 were collared on the pit high wall and targeted steep north dipping, high grade gold bearing structures at depth. Significant historic drill hole values in the Blue Pit area include 16.0 metres of 9.0 g/t Au (RC94-873) and 12.0 metres of 14.0 g/t Au (RC94-856). Both holes intersected long intercepts of altered quartz monzonite. No significant gold mineralization (all values <0.5 g/t Au) was intersected in either of these two test holes.

At Blue East, two holes (one abandoned) tested the north flank of an IP chargeability anomaly with coincident highly anomalous gold soil geochemistry (up to 564 ppb Au) located south and east of the Blue Pit. Both holes BC04-120 and 121 intersected intervals of arsenopyrite-bearing quartz monzonite, however all gold assays returned values <0.7 g/t Au.

At South Pacific, DDH BC04-122 targeted a favourable structural setting; highly anomalous multi-element soil geochemistry (up to 360 ppb gold) and a major break in geophysical regimes including IP (chargeability and resistivity) and magnetics. The hole intersected extensive fault gouge and a mix of sediments and intrusive rocks. The best assay results (0.66 g/t Au and 80.6 g/t Ag) came from a 40 centimetre wide semi-massive stibnite vein.

3.4 Drilling (Alexco 2006)

In 2006 Alexco conducted a drilling campaign managed by NovaGold personnel. Nine HQ core holes were drilled totaling 1,171.53m (collar table below). Drilling focused on Bohemian, Blue, Classic and an IP anomaly over the Classic fault.

Hole ID	Zone	Az. (mine)	Dip	Depth (m)	Mine Grid E	Mine Grid N
BC06-123	Blue	360	-55	166.8	18463	20171
BC06-124	Heap Leach IP	45	-65	117.3	17190	19559
BC06-125	Blue South IP	225	-60	125.3	17870	19593
BC06-126	Bohemian	180	-60	99.19	23346	19271
BC06-127	Bohemian	360	-60	154.23	23376	19293
BC06-128	Bohemian	270	-60	156.67	23469	19251
BC06-129	Classic	65	-60	108.81	19028	16721
BC06-130	Classic	45	-60	44.2	19610	16820
BC06-131	Classic	135	-60	199.03	18912	16917

Bohemian Zone

Three diamond drill holes (BC06-126, 127 and 128) for 410.09 m were completed in the Bohemian Zone and twinned historic high grade gold intercepts in RC drilling to confirm grades, characterize the mineralization style and gain structural information. Mineralized zones are characterized by structurally controlled breccia and crushed zones, silicification and moderate quantities of stibnite, arsenopyrite and pyrite.

BC06-126 was twinned with RC98- 2245 (14 metres of 13.3 g/t Au) and tested for mineralization at depth below historic drilling. The hole returned a 13.74 metre intercept of 9.01 g/t Au within an oxidized and silicified, moderately clay altered monzonite with quartz-stibnite veining/breccia and

disseminated arsenopyrite. This interval also included a higher grade intercept of 23.46 g/t Au over 3.7 metres. Although altered intrusive sills intercalated with graphitic argillite were intercepted at depth, they did not return any significant gold mineralization.

BC06-127 was twinned with RC98-2185 (46 metres of 4.42 g/t Au) and tested for continuity of mineralized sills at depth as seen in RC98-2223 and RC98-2209. The first half of the hole encountered oxidized, moderately clay altered and locally silicified quartz monzonite sills with broad zones of 1-4% pyrite, 1-2% arsenopyrite and 1-4% stibnite occurring as disseminations and veins, returning an intercept of 34.88 metres of 5.14 g/t Au. The footwall to this intercept consisted of intercalated graphitic argillite and Steel Fm siltstone. Intrusive sills were absent.

The third Bohemian hole, BC06-128, twinned RC98-2215 (30 metres of 1.62 g/t Au) and tested for mineralized intrusive sills at depth. The hole intersected a fine grained monzonite breccia returning 19.65 metres of 5.49 g/t Au containing coarse vuggy quartz, disseminated pyrite, arsenopyrite and scorodite and bounded by a strongly faulted graphitic argillite at depth. Similar to BC06-126, several altered intrusive units were encountered at depth intercalated with graphitic argillite and siltstone but did not contain any significant gold mineralization.

Classic Zone

Drilling in the Classic zone in 2006 consisted of three holes (BC06-129 through 131) targeting low grade mineralized intercepts seen in historic RC drilling (BC06-129, 131) and a strong IP anomaly recognized in historic IP surveys, 400 m east of the Classic Zone (BC06-130).

BC06-129 was designed to twin hole RC97-1999 (0.51 grams per tonne over 108 metres including 6.74 grams per tonne over 2 metres), test the Classic fault and determine the cause for anomalous gold mineralization. Significant intercepts include 34.75 metres of 0.52 g/t Au from 12.19 to 46.94 metres and 9.74 metres of 1.02 g/t Au from 82 to 91.74 metres. The top of the hole consisted of a limonitic, sericite and carbonate altered syenite whereas the lower portion consisted mainly of a carbonate altered biotite monzonite. The low grade gold mineralization correlates closely with elevated arsenic concentrations and increased densities of sheeted iron oxide fractures and oxidized quartz veins as well as broad zones of clay, carbonate and chlorite alteration with sulphides. Current interpretations indicate the Classic fault is located at the contact between the biotite monzonite and the sediments located near the base of the hole.

BC06-131 was designed to follow up on anomalous gold values in seen in RC91-737, to intersect the Classic fault and test for un-oxidized sulphides at depth. The majority of the hole intersected highly oxidized and carbonate altered syenite before passing into un-oxidized chlorite-altered biotite monzonite containing blebs and stringers of un-oxidized arsenopyrite, pyrite and trace chalcopyrite. One significant intercept of 19.88 metres of 0.99 g/t Au (80.12 – 100.00 m) occurred in a relatively un-oxidized interval of sericite-biotite-chlorite altered syenite containing a low to medium density calcite stockwork with ironoxide selvages. Arsenic values are elevated and sporadically high throughout the length of the hole, but are generally much higher in gold bearing zones. The hole ended in unmineralized sediments after crossing the Classic fault structure.

BC06-130 was targeting a surface chargeability and magnetic high area located within a region of hornfelsed Steel formation sediments with no previous drilling, approximately 400 metres east of the Classic zone. The hole was collared in hornfelsed siltstone and mudstone containing blebs, stringers and disseminated pyrrhotite (2-10%) and trace arsenopyrite and chalcopyrite. The

presence of pyrrhotite had been interpreted to be the primary cause of the magnetic and chargeability anomalies within the area. The hole returned no significant gold mineralization.

Blue Zone

One hole BC06-123 was drilled along the southern edge of the Blue Pit to test for high angle feeder structures and stacked quartz monzonite sills beneath the pit. The hole intersected 4.55 metres of 0.78 g/t Au (37.95-42.50 metres) and 12.35 metres of 1.19 g/t Au (60.10 – 72.45 metres) within quartz-stibnite breccias in quartz monzonite sills and sandstone that are consistent with projected mineralization from surrounding historical holes. Although several altered pyritic intrusive sills and shales were encountered lower in the hole they contained no significant gold mineralization. No high grade feeder structures were intercepted below the Blue pit.

Heap Leach IP

One hole BC06-124 was drilled on the western edge of the Laura Creek valley, approximately 350 metres east of the heap leach pad area to test the western edge of an IP anomaly coincident with a weak gold-arsenic soil anomaly. No significant gold mineralization was encountered above 0.5 g/t Au. A narrow interval of 1.5 metres of 0.23 g/t Au in fractured, pyritic sandstone near the top of the hole is interpreted to be the probable cause of the soil anomaly and the high pyritic content in the sediments may explain the IP chargeability anomaly.

South Pacific/Blue South/Laura Creek IP

One hole BC06-125 was drilled south of Laura Creek across an IP chargeability high anomaly, defining the northwest striking Classic fault structure, and a coincident gold-arsenic soil anomaly. The hole intercepted very long intervals of fault gouge with sedimentary and intrusive clasts. Gold mineralization is weak consisting of a 10.69 metres of 0.22 g/t Au (24.40-35.09 metres) and 4.0 metres of 0.26 g/t Au (72.0 -76.0 metres) in brecciated, siltstone and sandstone. The hole is believed to have extended well into the IP anomaly but it may not have tested beyond the broad Classic Fault structure as the hole ended in gouge. Although the gouge is chargeable due to the high water and clay content, it does not fully explain the broader IP anomaly

Cursory soil and rock sampling and geological mapping were also conducted in the Lucky, Bohemian- Sleemans trend, Classic and North Slope zones to confirm historic soil anomalies and mineralized areas and to gain a better understanding of the geochemistry and structural and lithological controls to gold mineralization. A summary of the more important findings and conclusions are listed below:

- At least 3 distinct intrusive phases were recognized in the Lucky and Bohemian-Sleemans trend consisting of crowded monzonite, biotite monzonite and magacrytic monzonite. The vast majority of the alteration and gold mineralization is confined to the crowded monzonite phase that progressively pinches out to the east as minor sills in the Sleemans zone.
- Dominant structural controls observed in the Lucky and Bohemian Zones are high angle E-W quartz-arsenopyrite-stibnite veins and faults cutting crowded monzonite.

Low grade gold-arsenic-bismuth mineralization in the Classic zone is hosted within both syenite and biotite monzonite phases cut by high angle NW and WSW striking quartz sulphide veinlets.

Alteration and associated gold mineralization appear to decrease away from the major NW striking Classic fault.

3.5 Reclamation

In 2002, Viceroy undertook and completed approximately 50% of the mine area reclamation, including re-sloping and re-vegetating of open pits and rock dumps. Towards the end of 2002, Viceroy had detoxified its heap effluent water to water license dischargeable levels, with the exception of selenium. Following an amendment to the water license by government agencies in 2002, up to 200,000 cubic metres per year was allowed to be applied to the land. By 2005, a final closure and decommissioning plan was prepared and submitted, and later adopted in late 2005. This plan corresponded with more amendments to the water license agreement. Alexco completed the balance of reclamation on the property with the exception of decommissioning the administration building. Re-seeding continued until 2009, and in 2009 the liners from the processing ponds were removed

4 Geology

4.1 Regional Geology

Excerpt from Simpson (2009)

The Brewery Creek property is located within the foothills of the Ogilvie Mountains along the northeastern boundary of the Tintina Trench. The Tintina Trench forms a 15km wide erosional valley that delineates the Mesozoic to Tertiary Tintina Fault, which is now obscured by extensive unconsolidated deposits that fill the Klondike River Valley. At the latitude of the Brewery Creek project, the fault juxtaposes Selwyn Basin stratigraphy on the northeast and the accreted terranes of the Canadian Cordillera on the southwest. Selwyn Basin stratigraphy is composed of Late Proterozoic and Paleozoic marginal basinal deposits of Ancient North America. The Cordillera rocks are dominantly composed of Klondike Schist and other allied rocks of the Yukon-Tanana Terrane. Selwyn Basin rocks northeast of the Tintina Trench have been polydeformed and imbricated by the Jura-Cretaceous Dawson, Tombstone and Robert Service Thrusts (Murphy, Heon 1994). The Robert Service Thrust, extending from the Dempster Highway east-southeast through the Mayo map area, carries the bulk of Selwyn Basin rocks, including those of the Brewery Creek property, in its hanging wall. The hanging wall stratigraphy includes thick sequences of Lower Proterozoic Hyland Group, Cambrian- Ordovician Road River Group and Devonian-Mississippian Earn Group sediments. The Hyland, Road River and Earn Group rocks are cut by Cretaceous intrusives (Tombstone Suite) that form a northwest-trending belt of widely spaced intermediate to siliceous stocks and plutons that closely parallels the lateral extension of the Tintina Trench. This plutonic suite extends for over 350km to the southeast from Dawson City to the Yukon – Northwest Territories border. Precious metal occurrences are commonly associated with these intrusives, either proximal to or within them. Subsequently, considerable exploration efforts have been directed at these rocks during the last 20 years.

4.2 Property Geology

A map of property geology can be seen on figure 4.

4.2.1 Stratigraphy

Stratigraphy at Brewery Creek is comprised of sedimentary and volcanic rocks of the Selwyn Basin. Supracrustal rocks include the Rabbitkettle Formation (Cambrian-Ordovician), Menzie Creek volcanic (informal), overlain by the Road River group (Ordovician-Silurian) and deep basal sediments of the Earn Group (Lower Devonian). The units are listed from oldest to youngest below.

Rabbitkettle Formation

The Rabbitkettle Formation consists of tightly folded/crenulated calcareous phyllite and calcareous siltstone. The unit is thinly laminated, and is locally interbedded with chert and mudstone. This unit outcrops in the Moosehead and North Slope zones in the north-central portion of the property. Though no age indicators have been identified in this formation on the property, it has been interpreted as old as Cambro-Ordovician (Gordey, 1981; Thompson et al., 1992) and as young as mid-Ordovician (Gordey and Anderson, 1993). The Rabbitkettle

Formation was likely deposited in an area of stable tectonism which received dominantly shallow water sediments deposited at low energy. Lindsey (2006) observed local cross-lamination and graded bedding suggesting the formation is upright.

Menzie Creek Volcanics

The Menzie Creek Volcanics consists of medium grained, chlorite and carbonate altered dolerite and basalt, hyaloclastite breccias and mafic volcanoclastics. The Menzie Creek rocks lie unconformably over the Rabbitkettle Formation, and are overlain by the Steel Formation. Though no determination of age has been made for the Menzie Creek Volcanics, Diment and Craig (1999) suggest a late Cambrian to early Ordovician age.

Road River Group

The dominant stratigraphic unit exposed throughout the property is the Road River Group. This unit is made up of wispy laminated calcareous siltstones and massive chert. Gordey and Anderson (Nahanni map area 105-I) show these siltstones and massive black cherts correlate with Silurian Steel and Ordovician Duo Lake Formations.

Steel Formation

The Steel Formation is the main lithological unit on the property. This unit is important because it defines the top of the Road River group, and, as indicated by drilling in 2009, 2010 and 2011, acted as a point of intrusion emplacement (between Road River and Earn groups). The formation consists of wispy laminated siltstone with burrow marks, and interbeds of graphitic shales. Conodont assemblages in the Steel Formation have been identified as Silurian to early Devonian in age (Norford and Poulton, 1995). The formation also contains what appear to be Bouma sequences which have been interpreted as turbidite sequences, or storm shelf debris flows which may have been formed during a period of rifting.

Earn Group

The youngest package of sedimentary rocks on the property is Earn Group. This unit is composed of graphitic argillites, graphitic siltstones, argillite with lesser sandstone, greywacke, and chert-pebble conglomerate. Interbedded within the Earn Group are black limestone and bedded barite. No age determinations have been made for the Earn group strata, but Campbell (1967) suggests that deposition of this unit extended from the Devonian through the early Carboniferous. With the inclusion of argillite and siltstone, to sandstone and conglomerates, it is likely that the Earn group was formed in an area that underwent very little tectonism, and was undergoing ocean transgression/regression sequences.

Intrusive Rocks

The majority of the gold mineralization at Brewery Creek is hosted in mid-Cretaceous, felsic intrusive rocks of the Tombstone Plutonic Suite. The intrusive rocks are exposed along a west-northwesterly trending structural zone over a distance of 15 km along strike and 0.5-2.0 km perpendicular to strike. Several compositional and textural phases have been mapped and observed in drill core and drill cuttings. The older intrusive phases are emplaced parallel to sub-parallel to sedimentary bedding and thrust faults with sill-like geometries, while the younger intrusive phases are present as dikes and small stocks distinctly discordant to the country rock. The sill complexes are the main host for gold mineralization (Reserve Trend), while the younger

discordant intrusives host minor gold mineralization (Classic zone) to date. The thickness of the individual sills and the entire sill complex decreases from 100's of meter in the southeast (Sleemans area) to 10's of meters in the northwest (Pacific area) and thicker sill complexes host volumetrically greater amounts of gold (Kokanee-Golden; Bohemian-Schooner areas).

The oldest intrusive rocks in the area are a series of monzonite and quartz monzonite sills which define the Reserve Trend. These rocks are fine to medium grained with textures ranging from equigranular to porphyritic. Phenocryst assemblages are comprised of variable amounts of biotite (5-30%), orthoclase (40-55%), plagioclase (30-40%) with minor quartz and hornblende. Biotite and orthoclase are commonly euhedral with phenocrysts ranging from 1-3 mm and 3-20 mm in diameter respectively. Large, zoned megacrysts of orthoclase with biotite inclusion are common in the southeastern portion of the property. Plagioclase is commonly subhedral with phenocrysts ranging from 3-10 mm in diameter. Xenoliths of black argillite are common in these rocks.

Sedimentary rocks on the margins of the sills are commonly strongly sheared suggesting that the sills followed older low-angle structures, however locally clasts of monzonite are incorporated into the shear zones defining a component of post-sill emplacement deformation. U/Pb isotopic dating of zircon from these monzonites yielded an age of 91.4 Ma \pm 0.2 which is similar to other Tombstone Suite intrusions in the general area.

In the Sleemans area younger monzonite dikes cut the older intrusions. The dikes are biotite bearing with no free quartz or hornblende and have a much finer grained texture. Where these dikes are altered the feldspars are converted to clay and biotite to white mica/clay.

South of the Reserve Trend sill complex are small stocks of biotite monzonite and syenite that intrude Road River Group and Earn Group sediments. These intrusions are relatively coarse-grained with equigranular to porphyritic/pegmatitic textures. The stocks crosscut sedimentary bedding and local tremolite-epidote-diopside-garnet-skarn is developed marginal to the intrusives in contrast to the Reserve Trend sill complex. These intrusions host gold mineralization in the Classic area.

Structural Geology

Paleozoic sedimentary strata at Brewery Creek form a homoclinal sequence that strikes approximately 070° AZ and dips moderately southeast. The sequence displays tectonic fabrics and geometries that indicate polyphase deformation including thrust faults that strike approximately 070° AZ, and folds. Earlier workers describe multiple generations and orientations of folding (Lindsay, 2006; Diment and Simpson, 2009); work completed by Golden Predator has not verified these features. At least three orientations of high-angle faults formed subsequent to thrust faulting, one that strikes northwest, one northeast, and the other parallels the 070° AZ thrust faults but dips more steeply. All of these fault sets, described below, influence or control the distribution of ore.

Thrust Faults

Stratigraphic repetitions best define the positions of thrust faults at Brewery Creek. Many were mapped by earlier workers along the reserve trend (Diment and Simpson, 2009). The faults generally strike east-northeast (\pm 070° AZ), dip moderately southeast, and commonly place

siltstone of the Steele formation above variably graphitic and locally baritic argillite of the Earn group. Graphitic argillite typically occurs within and along the fault zones and defines the zone of displacement. The argillites typically display well developed tectonic fabrics.

Regional work by Murphy (1997) shows that thrust faulting took place between late Jurassic and mid-Cretaceous time based on the age of the youngest stratigraphy cut by the thrust faults and a 142 ± 6 ma date on muscovite in the Tombstone Strain Zone, a cross cutting structural feature. The Jurassic date is consistent with thrust faults mapped regionally in the Brooks Range (Pflaker, 1994).

The Brewery Creek sill complex intrudes and lies in proximity to the thrust faults but shows no evidence of thrust faulting. Apparently the sills are younger than the latest movement on the faults and appear to have utilized them as an intrusive plumbing system.

High Angle Faults

At least three families of high-angle faults occur at Brewery Creek, one strikes northeast, one northwest, and the other east-northeast. The northeast and northwest sets show a strong component of strike displacement and post-ore displacement. The east-northeast striking structures show primarily dip-normal displacement.

Northwesterly structures generally have a strike azimuth of approximately 330° and are near vertically dipping. Relationships visible in outcrop in the Kokanee open pit show that they displace ore in a dextral sense. They commonly show a magnitude of displacement of a few to tens of meters, and based on field relationships, we interpret some of the larger ones to have displaced up to a few hundred meters. Lindsay (2006) suggests greater dextral displacement along the 300° striking Classic Fault. He interprets that mineralization along the Reserve Trend displaced dextrally a distance of 1.5 kilometers.

The northeast structures have azimuths of 020° to 030° and are generally near vertically dipping. Fault fabrics indicate that the primary direction of displacement is horizontal. Where confirmed by outcrop relationships, they show left-slip displacement. The magnitude is more difficult to interpret than the northwesterns; ore zones commonly form along this structural grain, but it is unknown whether the fault displaced ore or whether mineralization formed in response to plumbing provided by faulted rocks.

East-northeast-trending faults occur throughout the district. They generally have an azimuth of 070° and dip steeply to the northwest. Outcrop relationships in the Kokanee open pit show that they are normal faults that displace rocks down to the north-northwest. Displacement is generally small; where observed in outcrop, less than 10 meters. Closely spaced joint sets commonly parallel these faults.

Tectonic fabrics within fault zones exposed in outcrop demonstrate that the northeast and northwest structures were co-active, and their strikes are consistent with a conjugate set. The faults cut the Brewery Creek sill complex so experienced the most recent movement subsequent to sill intrusion at approximately 90 to 92 ma. Minor and small-scale quartz-sulfide veinlets and stockworks with 330° azimuths were observed in the hangingwall of a northeast-striking fault in the Golden deposit, suggesting that the 330° AZ orientation was active during mineralization. No major mineralized zones, except Classic, follow the northwest orientation, indicating that, though

active, it was not strongly dilatant during mineralization. Several large deposits and mineralized zones, including parts of the Kokanee and Golden deposits, follow mapped northeast-striking faults, indicating that the northeast orientation was active and strongly dilatant during mineralization. The northwest-striking faults show the greatest amount of post-ore displacement.



5 2011 Exploration Work Program

Exploration on site conducted by Golden Predator in 2011 included geophysical surveys, and an extensive drilling campaign. As the exploration model changed from prior ownership, these additional surveys were undertaken to extend known mineralized zones, reveal new mineralized zones, and provide information on parts of the property which have had no work done.

5.1 Exploration Work – Procedures and Methods

5.1.1 Magnetic Survey

Up until 2011, Golden Predator's focus had been on the deposits left behind by Loki, Viceroy and subsequently Alexco Resources Corporation. This meant the focus was on targets down dip or along strike of the historic mining, such as Golden, Pacific and Blue zones, as well as better defining the resources at North Slope and Lower Fosters.

After successful drill campaigns at Bohemian, of which mineralization appeared to be different from main zone mineralization (more concentrated vein density and markedly higher grade), Golden Predator requested Precision Geosurveys of Vancouver B.C fly an airborne magnetic survey. This was done in order to better define the zone, and to see if there were signatures similar to Bohemian over the surveyed area.

The airborne magnetic survey flown by Precision Geosurveys Inc. was flown over an area approximately 7.5km by 5km. A total of 406 line kilometres, including tie lines and survey lines were flown. Survey lines were flown at 100 metre spacing's at 090/270 degree azimuths, and tie lines were flown at 1 km spacing's at 000/180 degree azimuths. The nominal height was 37 m above the ground and was flown with a Bell 206 BIII Jet Ranger. Test flights prior to the survey were flown at an altitude where there is no ground effect in order to perform magnetic compensation. This is done to negate the effects of noise on the survey equipment. Noise comes in the form of aircraft movement (roll, pitch and yaw) as well as magnetization of aircraft parts. The computer program PEIComp was used to create a model for the survey to remove noise induced by aircraft movement.

The following is largely an excerpt from the Precision GeoSurveys Inc report.

A magnetic base station was set up before every flight to ensure diurnal activity is recorded during the survey flights. Base station readings were reviewed at regular intervals to ensure data was not collected during times of high diurnal activity (greater than 5 nT per minute). This base station was also placed in a magnetically noise-free area (no power lines, vehicles, steel objects).

A Non Linear filter was used for spike removal (1D Non-Linear Filter) which removes very short wavelength but high amplitude data. This is often used to remove signatures from surficial features. This 'non-linear' algorithm looks at each data point and decides if that datum is noise or a valid signal. If a point is determined to be noise, it is removed and replaced by an estimate based on surrounding data points. The non-linear filter is combined with a low pass trend enhancement filter, which results in level data.

Filtering is also applied to the laser altimeter data in order to remove vegetation clutter to show actual ground clearance. This uses a rolling statistic filter and a low pass filter in order to yield a more uniform terrain clearance.

5.1.2 IP Survey

From late September to mid November 2011 an IP survey was undertaken over the Sleeman zone at the eastern portion of the property. Mineralization at the Sleeman zone is highly metalliferous, with abundant pyrite, sphalerite, stibnite and minor galena. With the increase in mineralization relative to the rock surrounding it, an IP survey was thought to give the greatest insight to the extent of mineralization along strike and down dip.

The IP survey conducted by Aurora Geoscience covered a line distance of 19.8km and covered an area of approximately 4.3 square kilometres over the Sleeman Zone. Lines were cut and picketed using handheld GPS units, which were also used to mark electrode and current injection points. Modified pole dipole arrangement of the electrodes was used for this survey with dipole spacings of 50m on all lines. The survey started with 50m – 10 conductor cables until the temperature dropped below -10 degrees Celsius. From there, the survey was done with a 10 channel – 500 m wire bundle until the terrain became too steep and the snow too deep. The survey was then finished with 50m – 6 conductor cables with a 4 channel – 200m wire bundle.

The IP survey was done as a Dipole-Dipole array with the dipoles spaced at 50m on all lines. The survey involves measuring the magnitude of polarization that results from the injection of the current. The polarization voltage is then measured over a series of time intervals after each current dipole is cut off. A standard deviation of 5 mV/V or less was used as the Rx error, unless a reading could be repeated several times and repeatability was assured.

The following is an excerpt from the Aurora Geoscience field report.

Data was downloaded nightly from the receiver and imported into Geosoft Oasis Montaj IP package. Every reading was inspected and readings which did not repeat were rejected from the database. Apparent resistivity was recalculated using a four electrode equation assuming a homogeneous earth. Average and apparent chargeability was calculated using a weighted mean based on the number of stacks and the standard deviation of the chargeability.

Clear and consistent readings were produced throughout the survey, with the only exception being on L2000 from stations 0 to 100, which prevented data acquisition in that area.

5.2 Significant Results and Interpretation

5.2.1 Magnetic Survey

The magnetic survey in March 2011 delineates a magnetic high, likely an intrusive body from the tombstone plutonic suite, south west of the Sleeman and due south of the Schooner zones. Adjacent to this high are abrupt magnetic lows (hornfels aureoles) over the Bohemian, Schooner and Sleeman zones, and in-between Schooner and Sleeman. Hydrothermal fluid flow likely destroyed the ferro-magnesium minerals of the intrusion and deposited the anomalous gold in the intrusions which these zones are located over.

The resulting data obtained from this survey has highlighted several areas for future exploration, as well as delineating an apparent signature for the Bohemian/Schooner zones and the Sleeman zones.

The report is attached as appendix 7 to this report.

5.2.2 IP Survey

The results of the eighteen kilometer IP survey over the Sleeman zone delineated a chargeability high over the main zone of the Sleeman area, and north west of current drilling. There is also a resistivity low which near surface is quite narrow and linear, which may likely be the structure which the fluid flow exploited. The continuation of this trend from the Sleeman zone towards the reserve trend may indicate that the Sleeman area is the sulphide feeder for the mineralization along the reserve trend. Mineralogy within the Sleeman zone is different from the reserve trend, such that it may be the heat source for much of the fluid flow at Brewery Creek.

The final report is attached as an appendix 8 to this report.

6 2011 Drill Campaign

6.1 Procedures

6.1.1 Core Drilling procedures

Core drilling in 2011 was conducted by both Kluane Drilling and Peak drilling. Kluane Drilling used the KDHT-1000 as mentioned above, and a KD600, which also drilled NTW core but only with the capacity of 350m holes. Peak drilling used the Hydracore 2000 and an EF-50. Peak's EF-50 drilled HQ size core (63.5mm) which had the capacity to drill to 760m. After each shift all core was brought to the core shack where it was subsequently geotched (RQD measured, recovery measured, and oriented), logged and sampled. After the completion of each hole, a Reflex-EZshot tool was sent down to take multiple shots (every 50 feet) upon pulling out the rods. The hole was then marked with a 2x4, metal tag to be followed up with cementing and rebar plus survey cap in preparation for professional grade surveying.

6.1.2 RC Drilling procedures

RC drilling in 2011 was conducted with a dual tube drill string, of which compressed drill air flows down the annulus of the drill string, collects cuttings at the bit face and travels back up the centre of the string. This method uses a pneumatic tungsten-steel bit which rapidly strikes the rock pulverizing it. The drill string is simultaneously rotated during drilling to aid in keeping the boreholes straight. Holes were 4.5 inches in diameter with 6 inch casing used at the top of the hole in overburden.

Sampling in 2011 was collected over 2m intervals. Material was fed into a cyclone then into a riffle splitter. This splitter produced 12.5% splits of the sample, which was collected in Tyvek sample bags and then shipped for analysis. The remaining 87.5% was not collected. Duplicates were taken using a box splitter, of which the 12.5% sample was split into two and both were sent for analysis.

The drilling crews (samplers) were trained by Golden Predator staff members on sampling procedures and intervals. Sample bags were tagged and written out beforehand by Golden Predator geotechnicians, who also took the duplicate samples and inserted blanks and standards (QA/QC). Geotechnicians also collected samples and ensured that proper order was kept during the sampling procedure. The drill crew collected small representative sub samples from each sample bag, washed them, and inserted them into plastic chip trays for logging purposes. Detailed geological logs were completed for all holes using a binocular microscope.

6.2 2011 Drilling Summary and Interpretation

Drilling in 2011 focused on definition drilling on the resource areas at Brewery Creek. Work started in February 2011 at the Bohemian zone, which had a previous resource of 42,800 ounces (Simpson, Diment 2009). After successful holes east of Bohemian in the Schooner zone (BC11-198, 199, 200), Golden Predator focused on defining the resource there as well. The North Slope had an inferred resource of 143,000 ounces (Simpson, Diment 2009), which Golden Predator drilled in an attempt to take the resource to indicated status (group 2). Following up on a gold in

soil anomaly at the Sleeman zone resulted in a drill hole (BC11-226) drilling down the mineralized intrusive. From this, Golden Predator designed a drill program to intersect mineralization perpendicular to the mineralized intrusive body, and worked to drill the Sleeman zone off to an indicated status. A total of 18 sonic drill holes were placed on the heap leach pad in an effort to determine the amount of gold left in the pad, and also to do metallurgy to determine the best way to recover the gold. Follow up drilling on historic success at the Classic zone resulted in 12 RC holes which revealed gold mineralization. From this a plan was drawn up in order to get a number of diamond drill holes into the Classic zone before the end of the season. Finally, at East and West Big Rock, 29,700 ounces each, Golden Predator drilled in an attempt to extend mineralization along strike and down dip. Each individual zone is described below.

6.2.1 Bohemian Zone

BC11-175 to BC11-195 were drilled at Bohemian, for a total of 2142.97m. Geology at Bohemian is similar to that of the Reserve trend at Brewery Creek. Gold is hosted in arsenian rims on the edge of pyrite grains which are disseminated throughout the monzonite sill, but are concentrated along fractures/veins (predominantly 070 trending fractures). Vein swarms in structurally crushed/weak zones result in a sulphide/silica breccia which carry high grade as well. The pyrite is mostly oxidized which results in nearly free gold. The sill is pod like in nature, and likely exploited a structurally weak zone and dilated. Result highlights from 2011 are listed below. A figure with drill collars can be seen in figure 5.

Table 8.2.3.1 – Bohemian Highlights

Drill hole	From (m)	To (m)	Interval (m)	Gold (g/t)
BC11-175	49	80.2	31.2	2.61
BC11-176	42.6	75.5	32.9	3.01
BC11-177	54	85	31	2.84
BC11-178	58.5	77	18.5	1.16
BC11-179	53.5	85.5	32	1.24
BC11-180	52	88	36	0.69
BC11-181	46	56.7	10.7	1.5
BC11-182	39	49	10	3.56
BC11-183	46	74	28	5.06
BC11-184	37	83.1	46.1	1
BC11-185	18	58	40	1.06
BC11-186	0	25	25	1.01
BC11-187	15	26	11	3.1
BC11-188	31	45.7	14.7	1.15
BC11-189	29	41	12	1.32
BC11-190	29	39	10	1.26
BC11-191	54	73.4	19.4	2.37
BC11-192	56	78.8	22.8	2.61
BC11-193	42	56	14	2.59
BC11-195	24	61	37	0.07

6.2.2 Schooner Zone

Much like the Bohemian zone, the Schooner zone is similar to the Reserve trend in appearance. Gold was likely hosted within the pyrite grains which have since oxidized. Concentrations increase greatly around sulphide vein networks and breccias, which are more abundant at Schooner than anywhere else on the property. East west trending fractures, which dip steeply to the south (sub vertical) swarm around the centre of the intrusive, and are likely a result of a fault. These fracture swarms have been noted in previous reports at Brewery creek, predominantly in the historically mined pits, however they have never hosted gold to such an extent as they do at Schooner. Once again the host monzonite presents itself in a pod like fashion. The sill pinches out to the north and south, and appears to be eroded to the east and west (drainages created valleys through here). A second zone (Schooner East) is located approximately 750m away from the main schooner zone.

A total of 84 holes totaling 8963.91m were drilled at the Schooner resource in an effort to drill the deposit to indicated resource status. Some of these holes were drilled to the west and east of schooner. Drilling is currently ongoing at the Schooner East zone in an effort to extend mineralization to the east, as well as drill in between the main zone and the east zone. The main sill may be eroded to the east, however the possibility for stacked sills persists, or possibly listric faulting and resulting fracture swarms have mineralized a zone east of Schooner main. Highlights from the 2011 drill campaign at Schooner can be seen below. A figure with drill collars can be seen in figure 5.

Table 8.2.3.2 Schooner Highlights

Drill hole	From (m)	To (m)	Interval (m)	Gold (g/t)
BC11-196	8.00	43.00	35.00	0.87
BC11-197	3.00	36.00	33.00	1.02
BC11-198	6.00	80.00	74.00	7.08
BC11-199	20.00	71.60	51.60	1.71
BC11-200	7.00	80.00	73.00	3.09
BC11-201	7.05	35.80	28.75	2.17
BC11-202	8.00	35.00	27.00	2.80
BC11-203	8.85	37.70	28.85	4.60
BC11-204	9.00	16.50	7.50	0.86
BC11-205	16.00	49.00	33.00	1.86
BC11-206	21.00	47.00	26.00	1.19
BC11-207	71.50	77.00	5.50	1.67
BC11-210	3.80	33.00	29.20	1.71
BC11-211	71.24	95.40	24.16	1.39
BC11-212	22.50	69.00	46.50	1.54
BC11-213	56.00	78.80	22.80	2.61
BC11-215	66.00	74.00	80.00	1.42

BC11-216	9.00	11.00	2.00	1.30
BC11-221	14.00	35.00	21.00	0.66
BC11-222	27.50	39.00	11.50	0.82
BC11-225	21.00	33.50	12.50	2.35
BC11-227	33.53	44.40	10.87	7.57
BC11-232	36.30	40.30	4.00	2.53
BC11-240	45.70	70.00	24.30	1.95
BC11-243	47.50	59.50	12.00	2.10
BC11-244	50.20	60.90	10.70	2.78
BC11-269	51.50	71.00	19.50	2.66
BC11-270	50.80	68.80	18.00	0.85
BC11-271	31.00	54.30	23.30	5.67
BC11-272	42.70	51.70	9.00	0.98
BC11-273	63.30	70.40	7.10	0.49
BC11-274	50.60	71.00	20.40	0.83
BC11-275	64.80	77.80	13.00	2.63
BC11-276	85.30	92.50	7.20	0.52
BC11-277	19.70	25.00	5.30	1.04
BC11-278	15.20	23.10	7.90	0.80
BC11-279	56.40	65.50	9.10	2.84
BC11-280	50.90	59.60	8.70	7.41
BC11-281	53.20	67.40	14.20	0.71
BC11-286	62.50	77.50	15.00	1.45
BC11-287	42.10	53.00	10.90	4.61
BC11-288	14.20	38.50	24.30	3.88
BC11-289	3.10	40.00	36.90	0.91
BC11-290	68.10	70.10	2.00	4.63
BC11-291	30.90	37.80	6.90	0.53
BC11-292	63.50	77.60	14.10	3.40
BC11-293	44.00	66.80	22.80	3.78
BC11-294	54.10	65.50	11.40	4.40
BC11-295	59.47	75.90	16.20	4.16
BC11-296	58.80	80.30	21.60	1.14
BC11-297	68.70	77.40	8.70	1.60
BC11-299	6.00	19.50	13.50	0.50
BC11-301	19.00	28.00	9.00	0.57
BC11-305	2.80	15.00	12.20	0.50

6.2.3 Sleeman Zone

The Sleeman zone plays host to a large gold in soil anomaly, much like that which defined the resources previously mined at Brewery Creek. Its distance from the Reserve trend meant it underwent very little exploration in previous years. Golden Predator drilled the zone in early 2011, and encountered abundant sulphide mineralization at depth. BC11-226 appeared to drill directly down the mineralized trend, resulting in 1.373 grams per tonne Au from surface to TD, 219.46m. The drilling that followed was set up to intersect the mineralized intrusive at a minimum of 50m pierce points along strike. This generally meant multiple set ups from each drill pad, with 2 holes at 1 azimuth with a dip change, and a third with a different azimuth. Fifty eight holes to date have been drilled by Golden Predator at the Sleeman zone, totaling 10,871.86m.

The geology at the Sleeman zone appears different from anything seen previously at Brewery Creek. The very high fracture density may be due to high pressure fluids which indicate a close proximity to the heat source. Alteration at Sleeman is different in the fact that the mineral assemblage pertains to higher temperature stability, and lacks retrograde kaolinite/illinite. Stable muscovite and sericite indicate temperatures upwards of 400 degrees centigrade. Again, this is likely due to a close proximity to the heat source at Brewery Creek. Gold and arsenic values show a strong affinity which represents the bulk of mineralization, and is credited to arsenian rims along pyrite and arsenopyrite. A lead zinc signature is possibly linked to an earlier stage of fluid flow, pre gold mineralization, and shows no real spatial preference. Mineralization is predominantly pyrite+stibnite ± sphalerite ± arsenopyrite. Highlights from the 2011 drilling can be seen below. A figure with drill collars can be seen in figure 6.

Table 8.2.3.3 Sleeman Highlights

Drill hole	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
BC11-214	79.00	113.00	34.00	0.94	
BC11-217	62.50	86.50	24.00	1.65	
BC11-219	24.40	49.00	24.60	1.29	
BC11-223	26.50	51.50	25.00	0.65	
BC11-226	4.5	196.00	119.50	1.46	
BC11-229	13.20	53.45	40.25	1.21	
BC11-233	132.00	156.00	24.00	1.37	
BC11-237	98.80	112.80	14.00	1.80	33.10
BC11-239	49.80	77.80	28.00	1.15	26.40
BC11-241	62.40	99.10	36.70	0.73	8.90
BC11-241	106.30	117.80	11.50	1.28	11.60
BC11-248	108.90	134.50	25.60	1.27	14.60
BC11-249	67.10	94.90	27.80	1.86	116.00
BC11-252	63.10	68.20	5.10	1.25	38.80
BC11-253	13.80	18.40	4.70	2.23	73.70
BC11-254	17.90	76.80	58.90	0.54	8.90
BC11-255	70.30	92.50	22.20	0.41	3.50
BC11-255	111.00	139.40	28.40	1.21	14.30

BC11-259	53.72	75.30	21.58	0.83	
BC11-260	60.24	92.96	26.72	1.28	21.56
BC11-261	59.38	79.10	19.72	1.05	
BC11-265	68.25	90.80	22.55	0.93	
BC11-265	102.08	103.66	1.58		111.54
BC11-266	120.66	125.16	4.50	1.86	56.53
BC11-267	156.36	172.20	15.84	4.00	41.57
BC11-306	119.10	132.60	13.50	1.11	18.60
BC11-308	97.00	121.00	24.00	0.95	10.30
BC11-309	69.30	102.30	33.00	0.96	7.40
BC11-311	49.90	80.00	30.10	2.29	4.70
BC11-314	70.80	93.60	22.80	0.72	6.40
BC11-316	47.80	90.30	42.50	0.91	6.70
BC11-319	38.60	61.50	22.90	0.93	3.50
BC11-321	45.80	80.20	34.40	2.92	19.50

6.2.4 North Slope

Drilling at North Slope in 2011 consisted of 25 diamond drill holes, and 79 RC drill holes, totaling 4,224.88m and 14,772m respectively. The bulk of the inferred mineralization at the North Slope occurs as a south dipping plane (approximately 60 degrees). This zone daylights at the bottom of North Slope of which the zone is named after, and dips into the hillside. Drilling at the valley bottom intersected mineralization nearly at surface, thus resulted in relatively short holes. However, as the program advanced up the hillside, holes had to be made longer in an effort to drill the plane at depth. On top of the ridge, the Boart Longyear holes drilled to 350m regularly on vertical holes.

Assay revealed that not only was the proposed inferred plane host to gold mineralization, but many thin zones leading up to the inferred plane also hosted gold. These were logged as monzonite sills which, though thin, carried gold and preganated the host sedimentary units around the sills through fractures. The majority of the host rock at the North Slope is the Steel Formation Siltstone. Highlights from the 2011 drill campaign can be seen below. A figure with drill collars can be seen in figure 7.

Table 8.2.3.4

Drill hole	From (m)	To (m)	Interval (m)	Gold (g/t)
BC11-257	13.50	27.00	13.50	1.41
BC11-262	176.49	192.90	16.41	0.69
BC11-268	371.75	391.75	20.00	1.62
BC11-300	28.30	39.60	11.30	1.02
BC11-302	33.00	53.00	20.00	0.75
BC11-304	116.00	121.00	5.00	0.76
BC11-304	131.00	133.50	2.50	3.22

BC11-307	125.00	130.00	5.00	0.05
BC11-307	155.00	159.00	4.00	1.10
BC11-310	86.50	94.00	7.50	1.29
BC11-310	121.50	129.00	7.50	1.79
BC11-310	154.00	161.50	7.50	1.50
BC11-312	23.00	33.00	10.00	0.46
BC11-312	138.00	145.50	7.50	0.74
BC11-315	105.40	107.00	1.60	2.57
BC11-315	114.50	129.50	15.00	0.49
BC11-318	62.00	66.50	4.50	0.72
BC11-318	138.50	146.00	7.50	0.75
BC11-318	173.50	181.00	7.50	1.20
RC11-2340	96.00	100.00	4.00	0.77
RC11-2356	152.00	172.00	20.00	1.44
RC11-2357	70.00	88.00	18.00	0.46
RC11-2358	138.00	150.00	12.00	2.87
RC11-2359	222.00	234.00	12.00	1.70
RC11-2362	114.00	132.00	18.00	0.77
RC11-2364	106.00	140.00	34.00	1.31
RC11-2365	174.00	178.00	4.00	1.17
RC11-2366	184.00	198.00	14.00	1.06
RC11-2367	180.00	186.00	6.00	1.19
RC11-2369	182.00	190.00	8.00	2.09
RC11-2370	142.00	152.00	10.00	1.27
RC11-2371	200.00	210.00	10.00	1.86
RC11-2371	220.00	234.00	14.00	2.74
RC11-2371	248.00	252.00	4.00	3.23
RC11-2373	152.00	160.00	8.00	1.46
RC11-2374	146.00	164.00	18.00	1.04
RC11-2376	172.00	200.00	28.00	0.52
RC11-2382	234.00	242.00	8.00	1.59
RC11-2383	250.00	256.00	6.00	2.11
RC11-2384	96.00	100.00	4.00	1.03
RC11-2384	170.00	178.00	8.00	2.05
RC11-2385	112.00	120.00	8.00	0.85
RC11-2385	152.00	160.00	8.00	2.38
RC11-2386	48.00	54.00	6.00	1.01
RC11-2386	138.00	152.00	14.00	1.32
RC11-2387	114.00	118.00	4.00	0.98



6.2.5 Classic

Golden Predator completed an RC and diamond drilling campaign at the Classic zone in 2011, totaling 24 holes, for 6,226m. The drilling followed up on successful trenching and drilling by Alexco Resources Corp and Viceroy Resource Corporation. The zone is also delineated by a large soil anomaly which spans nearly 6 square kilometres and trends north west, shadowing the Classic fault.

Gold in the Classic zone is hosted within a vast syenite pluton which is dextrally offset by the classic fault (1.5km). Recent drilling by Golden Predator has shown that mineralization occurs with fine grained pyrite disseminations within the syenite body, in addition to cm scale south west dipping sheeted quartz-pyrite-auriferous veins. Classic was thought to host up to 12% of the total resource at Brewery Creek (Park 1999) but was never minded due to its geographical location, and low gold prices. Results for the Classic Drilling are not public at the writing of this report. A figure with drill collars can be seen in figure 8.

6.2.6 East and West Big Rock

Golden Predator completed 23 RC holes at West Big Rock, 11 RC holes and 3 diamond drill holes at East Big Rock for a total of 5019m drilled at the Big Rock's in total. Drilling at the Big Rock's was designed to extend mineralization along strike and down dip. Extensive drilling had been done previously by Viceroy Resources throughout the heart of the deposits, however Golden Predator's drilling did extend mineralization along strike, and also revealed a new mineralized zone to the south of West Big Rock. Results made public can be seen below. A figure with drill collars can be seen in figure 9.

Drill hole	From (m)	To (m)	Interval (m)	Gold (g/t)
RC11-2439	86.9	100.6	13.7	1.05
RC11-2443	106.7	115.8	9.1	1.58
RC11-2449	67.1	83.8	16.8	2.91
RC11-2453	79.3	94.5	15.2	0.65
RC11-2454	93.0	111.3	18.3	0.93
RC11-2456	64.0	68.6	4.6	1.49
RC11-2459	30.5	38.1	4.6	0.38
RC11-2460	27.4	30.5	3.1	0.85
RC11-2461	15.2	24.4	9.1	0.57
RC11-2461	102.1	147.8	45.7	0.52

6.2.7 Leach Pad

In 2011 Golden Predator commenced and completed a sonic drilling program of the existing leach pad. With recovery rates of approximately 65% during active mining, a significant amount of gold is left in the reclaimed leach pad. Drilling was conducted to test the viability of recovery of the contained gold in the heap, as well as metallurgical and economic studies. 18 holes were drilled for a total of 266m. Results of the metallurgical study and contained gold is not yet public at this time. A figure with drill collars can be seen in figure 10.

7 Sample Preparation and Analysis

7.1 Methods

7.1.1 Core Preparation

Sample preparation in 2011 is as follows: Core was cleaned and marked out in two and a half (2.5) meter interval maximums once logged. Smaller intervals are used in contacts zones, in mineralized zones, around alteration fronts and structural intercepts. It has been well documented that the argillite units are absent of mineralization, thus a 2-2.5 metre sample interval is used within argillite units. As well, with the beginning of each diamond drill hole having a lower recovery due to highly fractured/friable ground, a sample interval greater than two (2) metres is often used.

Sample intervals were marked with assay tags (stapled to the core box) that duplicate that which is placed in the sample bag. Core recovery, structural measurements (if oriented) and rock quality designation were recorded by either a geotechnician or the geologist. Core was logged, photographed then split longitudinally using a diamond rock saw. Core was split in an effort to marginalize bias. All structures, veins and patchy alterations were split in such a way that both halves of the core are representative from a visual standpoint. This was done (marked cut line) by the geologist only. One half of the split is placed in the sample bag, and the second half is placed back in the core box for future analysis. The one half that stayed on property was kept behind the core racks in sealed boxes.

During a portion of 2011 a 36 sample batch was used. Each batch consisted of 36 samples including blanks standards and duplicates. Once 36 samples were ready, the zip-tied bags would be loaded into rice bags with corresponding sample from-to, shipment ID and bag number. Each rice bag was then zip-tied; security tagged and flagged a colour corresponding to the batch. Mid-season in 2011 Golden Predator switched from 36 batch shipments, to shipping entire holes as a single batch; however, with the exception of number of samples, the procedure remained the same.

7.1.2 RC Preparation

Sampling in 2011 was collected over 2m intervals. Material was fed into a cyclone then into a riffle splitter. This splitter produced 12.5% splits of the sample, which was collected in Tyvek sample bags, sealed at the drill, collected, and then shipped for analysis. The remaining 87.5% was not collected. Duplicates were taken using a box splitter, of which the 12.5% sample was split into two and both were sent for analysis. Entire holes were shipped as batches, and were placed in apple crates for shipment.

The drilling crews (samplers) were trained by Golden Predator staff members on sampling procedures and intervals. Sample bags were tagged and written out beforehand by Golden Predator geotechnicians, who also took the duplicate samples and inserted blanks and standards (QA/QC). Geotechnicians also collected samples and ensured that proper order was kept during the sampling procedure. The drill crew collected small representative sub samples from each

sample bag, washed them, and inserted them into plastic chip trays for logging purposes. Detailed geological logs were completed for all holes using a binocular microscope.

7.2 2011 Sample Analysis

Core and RC percussion in 2011 were analyzed by both ACME Laboratories and ALS Chemex Laboratories. The following are descriptions of analytical methods are from the companies themselves. The core samples were sent to ALS Mineral's ISO 9001 certified preparation facility in Whitehorse. The pulps were analyzed at ALS's ISO 9001 certified laboratory in Vancouver. Approximately 5% of the pulps are sent for secondary check assays at Stewart Groups Eco Tech laboratory in Kamloops, B.C. Blanks, commercial standards and duplicate samples were included in each batch. To determine gold levels at the ppb level detection limit 5-10,000 ppb (5-1000 ppb at Stewart Group) 30 g samples are fire assayed, then digested in aqua regia solution and analyzed by atomic absorption. At Eco Tech, values over 1,000 ppb are re-assayed by fire assay and then digested with aqua regia and then re-analyzed by an atomic absorption instrument (detection limit 0.03 g/t). At ALS Minerals, values over 10 g/t gold are re-assayed by fire assay followed by a gravimetric finish (50 ppb lower detection limit). Additional check-analyses are carried out by the lab which did not receive the original sample.

ACME Prep Code R200-250

1 kg of the sample is crushed to 80% passing a 10 mesh screen. A 250g split is then pulverized to pass 85% through a 200 mesh screen.

ACME Analytical Method Code G601 (AA finish)

Gold (Au) assay, 0.005g/t detection limit, 10ppm upper limit, fire assay of 30g Atomic Absorption finish (Automatic Gravimetric Overlimit).

ACME Analytical Method Code 7TD1 – Ag only

Hot 4-Acid digestion of 1g minimum pulp for sulphide and silicate ores. ICP-ES analysis, silver (Ag) only. 2g/t detection limit.

ALS Standard Sample Preparation: Dry, Crush, Split and Pulverize (PREP-31)

Upon arrival to the laboratory, the sample is logged in tracking system and a bar code label is attached (LOG-22). The sample is then weighed (WEI-21) and dried (DRY-21) and then finely crushed (CRU-31) such that $\geq 70\%$ can pass through a 2 mm screen (Tyler 9 mesh, US Std. No.10). A split of up to 250 g is collected using a riffle splitter (SPL-21) and pulverized (PUL-31) such that $\geq 85\%$ passes through a 75 micron screen (Tyler 200 mesh, US Std. No. 200). The pulp and the coarse reject are retained at the lab.

ALS Fire Assay Procedure – Au-AA23 Fire Assay Fusion (FA-FUS01 & FA-FUS02), Atomic Absorption Spectroscopy (AAS) Finish

A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven, 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 4

mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards.

Geochemical Procedure - ME-ICP41, Nitric Aqua Regia Digestion (GEO-AR01) and Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP - AES)

A prepared sample is digested with aqua regia in a graphite heating block. After cooling, the resulting solution is diluted to 12.5 mL with deionized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry. The analytical results are corrected for inter-element spectral interferences.

8 References

- Diment, R., 1996, Brewery Creek Exploration Progress Report, Viceroy International Exploration, Inc. Whitehorse, Yukon.
- Diment, R. and Simpson, R., 2003: Brewery Creek Gold Project Technical Report for SpectrumGold Inc, and 650399 B.C. Ltd
- Diment, R.M., Simpson, R.G., Technical Report on the Brewery Creek Gold Project for Golden Predator Royalty & Development Corp.
- Galambos, K., 2010: 2009 Drilling Report on the Brewery Creek Property, Lee 8 Claim. Prepared for Golden Predator Canada Corp.
- Lindsay, M. 2006: The Structural and Hydrothermal Evolution of Intrusion-Related Gold Mineralisation at the brewery Creek Mine, Yukon Canada
- Park, V., 1999: Brewery Creek Project: 1998 Geological, Geochemical, Trenching and Drilling Assessment Report on the BDM, EEL, FLEE, ELE and LEE Claims for Viceroy Minerals Corporation. Report 093962
- *Kitco.com Gold prices based on the London PM fix.