GEOLOGICAL and GEOCHEMICAL ASSESSMENT REPORT on the

AR PROJECT

AR 61	YC18892
AR 1-9	YD12517-25
AR 1-68	YE69001-68
AR 70-77	YE69070-77

NTS: 115G/5 & 12

Latitude 61°30'N Longitude 139°41'W

Whitehorse Mining District

Work performed on September 16, 2011

For :

Mr. Tom Morgan
Dawson City, YT
Y0B 1G0

By:
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December 19, 2012

SUMMARY:

The 1800 hectare AR Project, NTS map sheets 115G/5 & 12, lies within the Kluane Ultramafic Belt and is located approximately 15 km southerly from the Donjek River bridge on the Alaska Highway, 125 km northwest of Haines Junction, and 285 km northwest of Whitehorse, Yukon Territory. The property is situated in the Whitehorse Mining District at a latitude and longitude of 60°30'N, 139°41'W. Access is by the Quill Creek road, which continues along Arch Creek. Mr. Tom Morgan of Dawson City, Yukon is the registered owner and funded the current program.

The AR Project covers nickel-copper-platinum group element (PGE) showings and magnetic and electromagnetic anomalies on trend and within the same sequence of Pennsylvanian to Triassic rocks which host the nickel-copper-platinum group element (Ni-Cu-PGE) Wellgreen deposit, 8 km to the southeast. The Wellgreen deposit represents the most advanced property within the Kluane Ultramafic Belt, with historic production (1972-1973) of 171,652 tonnes grading 2.23% Ni, 1.39% Cu, 0.073% Co, and 2.15 g/t Pt and Pd and a resource outlined in the late 1980's of 49.9 million tonnes grading 0.36% Ni, 0.35% Cu, 0.51 g/t Pt and 0.34 g/t Pd. The Wellgreen deposit emphasizes the excellent potential for large tonnage nickel-copper-PGE deposits in the Kluane Ultramafic Belt.

The AR property covers the Musketeer Minfile showing as documented by the Yukon Geological Survey as Minfile Number 115G 026, comprising the Conwest and Teck gabbroid copper-nickel-platinum group element showings and magnetic and electromagnetic anomalies along trend of the Wellgreen deposit. The Conwest showing consists of 90m of oxidized, medium grained gabbro with reported values of 2,015 ppm Ni, 5,448 ppm Cu and 154 ppb Au. The Teck showing consists of a southeast trending pyritic fault zone in the hanging wall of a peridotite sill carrying 0.11 g/t Pt, 0.11 g/t Pd, 1,581 ppm Ni, 709 ppm Cu and 0.14 g/t Au over 2m. DDH A88-1, almost 2 km along trend of the Teck showing, intersected anomalous copper-nickel-PGE values in a serpentinized peridotite sill typical for that in peridotites adjacent to the orebodies at Wellgreen. In addition, a 150° trending magnetic high anomaly, proximal to 150 ppb Pt in soil, occurs approximately 700m south-southwest of a gabbro sill exposed in a canyon south of Arch Creek and values of 300 ppb Pt and 75 ppb Pd (with elevated gold) in soil occur 500m southwest of the sill.

The 2011 work program consisted of mapping and prospecting with concurrent rock geochemical sampling, in an attempt to determine the potential of the Teck showing and geophysical anomalies. Exploration on the Teck showing has been hampered by lack of exposure and thick overburden cover.

The AR Project was found to be underlain by a sequence of Pennsylvanian(?) and Permian sedimentary rocks of the Hasen Creek Formation, overlain by volcanic rocks assigned to the Upper Triassic Nikolai formation. The sequence is intruded by ultramafic and gabbroic rocks of the Triassic age Kluane mafic-ultramafic complex, apparently at the contact between the Hasen Creek and Station Creek Formations. This stratigraphy is the same as the stratigraphy hosting the Wellgreen deposit.

In 2011 significant results were obtained from the Teck showing, exposed in the hanging wall of a peridotite sill, with maximum values of 1921 ppm Cu, 1801 ppm Ni, 93 ppb Au, 2.5 ppm Ag, 299 ppb Pt and 752 ppb Pd. Previous trenching above (east of) the Teck showing did not expose bedrock due to thick glacio-fluvial gravels (several tens of metres). The target footwall (northern) contact appears to correlate with magnetic and VLF electromagnetic conductors from previous geophysical surveys, but has not been exposed due to thick overburden and scree of unmineralized peridotite.

An airborne Z-TEM electromagnetic survey, expected to cost approximately $50,000, is recommended over the property to detect any conductors. In addition, a detailed prospecting and mapping program along the Teck to DDH A88-1 trend is recommended to correlate geophysical anomalies with the geology and to detect any trenchable locations coincident with conductors along the sill(s) and an induced polarization (resistively-chargeability) survey is recommended on trend to the east of the Teck showing to aid in the delineation of drill targets.

Additional potential exists in the overburden covered area southeast of the Conwest showing, coincident with a magnetic high anomaly, and south of Arch Creek where rusty exposures were observed in 2011 proximal to a magnetic high anomaly, with proximal Pt and Pd in soil anomalies.

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1.0 LOCATION AND ACCESS (Figures 1 & 2)

The AR Project, NTS map sheets 115G/5 & 12, lies 15 km southerly from the Donjek River bridge on the Alaska Highway, 40 km by road northwest of Burwash Landing, approximately 125 km northwest of Haines Junction and 285 km northwest of Whitehorse, Yukon Territory *(Figure 1)*. The property is centered at a latitude of 60°30'N and a longitude of 139°41'W.

The property is accessible from the paved Alaska Highway (Highway 1) from Whitehorse via the Quill Creek gravel road (at km post 1799), then 18 km past the Wellgreen mine site. Helicopter access is available from Haines Junction, with a suitable staging site at the Donjek River bridge along the Alaska Highway. A bulldozer trail, in poor condition, also extends along the east side of the Donjek River to Arch Creek *(Figure 2)*.

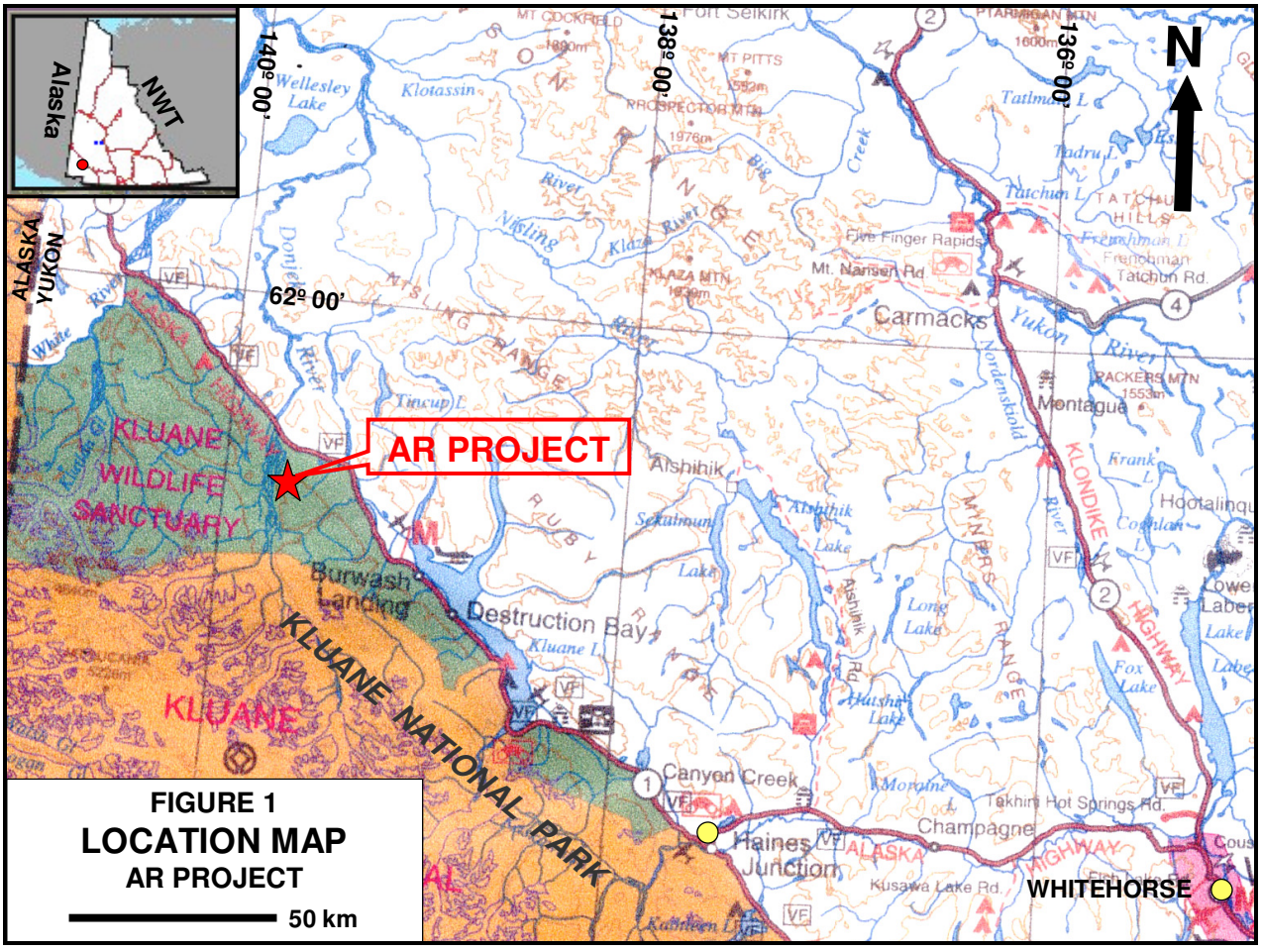


FIGURE 1
LOCATION MAP
AR PROJECT
50 km

2.0 LEGAL DESCRIPTION (Figure 2)

The AR Project consists of 86 AR claims in two separate groups, covering an area of approximately 1800 hectares in the Whitehorse Mining District *(Figure 2)*. The area is approximate since claim boundaries have not been surveyed. The project is situated within the Kluane Wildlife Sanctuary within which mining is allowed *(Figure 1)*. Asi Keyi Natural Environment Park, in which claims are not allowed, lies approximately 5 km to the west, on the west side of the Donjek River *(Figure 2)*. The AR 61 claim was tied onto the Mus 5 claim and both claims are located further west than plotted in Figures 2 to 5. Consequently, the Conwest showing is located on the AR 55 claim and the Teck showing is located on the AR 61 claim.

The registered owner of the AR claims is Mr. Tom Morgan of Dawson City, Yukon. The current program, completed on September 16, 2011, was completed on the AR 61 (YC18892) and AR 7-8 (YD12523-24) claims and funded by Mr. Tom Morgan. A table summarizing pertinent claim data follows and complete details are shown in Appendix II:

TABLE 1: Claim data

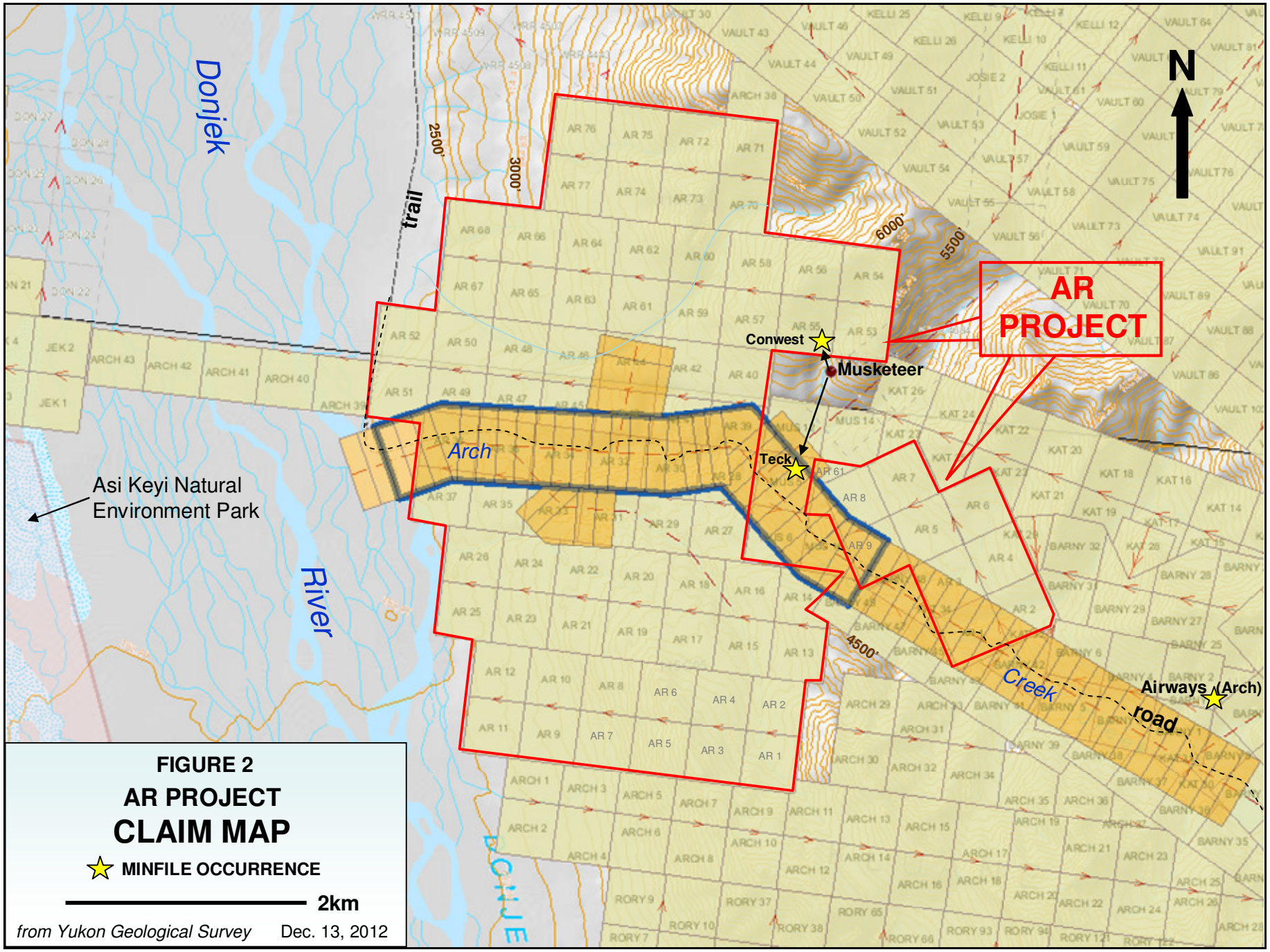
Claim Name	Grant No.	No. of Claims	Registered Owner	Expiry Date	New Expiry Date
AR 61	YC18892	1	Tom Morgan	20/09/2012	20/09/2017*
AR 1-9	YD12517-25	9	Tom Morgan	22/06/2012	22/06/2017*
AR 1-38	YE69001-38	38	Tom Morgan	18/08/2013	18/08/2013
AR 39-68	YE69039-68	30	Tom Morgan	22/08/2013	22/08/2013
AR 70-77	YE69070-77	8	Tom Morgan	22/08/2013	22/08/2013
TOTAL		**86**			

*new expiry date based on acceptance of this report

3.0 PHYSIOGRAPHY AND CLIMATE (Figures 1 and 2)

The property is transected by Arch Creek, just east of the Donjek River within the Kluane Ranges of the St. Elias Mountains in southwestern Yukon *(Figure 1)*. Elevations range from a low of 2500 feet along the Donjek River to 6100 feet on the ridge crest along the northern property boundary *(Figure 2)*. Topography is moderate to steep with outcrop exposure best developed on north facing slopes, along ridges and in creeks. Vegetation consists of black spruce and poplar at lower elevations, with alder, buckbrush and moss on the higher slopes. Soil development is poor. The Arch Creek area is covered by a thick succession of glacio-fluvial gravels up to 40m thick, which inhibits mapping and trenching of the lower (Teck) showing and related peridotite sills.

The area has a northern interior climate strongly influenced by the St. Elias Mountains. The area is known for high winds which constantly blow from the mountains into the Shakwak Valley, just north of the property. Winter temperatures average less than –20º Celsius while summer temperatures average 20º Celsius. The exploration season extends from June to October.


N
AR PROJECT
Conwest
Musketeer
Teck
Arch
Donjek River
trail
2500'
3000'
6000'
5500'
4500'
Creek road
Airways (Arch)
Asi Keyi Natural Environment Park
FIGURE 2
AR PROJECT
CLAIM MAP
MINFILE OCCURRENCE
2km
from Yukon Geological Survey Dec. 13, 2012

4.0 HISTORY (Figure 3)

The AR Project covers the Musketeer showing (Minfile Number 115G 026), a Minfile occurrence as documented by the Yukon Geological Survey *(Deklerk, 2009)*. The Musketeer showing comprises the Conwest and Teck gabbroid copper-nickel-PGE showings. The Musketeer showing location is for the Conwest showing, which is slightly further north than plotted in Minfile and is located on the AR 55 claim. The Teck showing is plotted as occurring on the Mus 5 claim (YC18892), but is actually located on the AR 61 claim. The AR 61 claim was tied onto the Mus 5 claim and both claims are located further west than plotted on Figures 2-5. A summary of the work completed by various operators is tabulated below:

1952-56 Staked by Conwest Exploration Company Ltd. and to the east and west by Teck Exploration Company Ltd. to cover favourable stratigraphy on trend of the Wellgreen deposit, followed by geological mapping and prospecting in 1953. Two significant copper-nickel showings were identified. Magnetic, electromagnetic and resistivity geophysical surveying of the combined claim group was completed by Teck Exploration Company Ltd. in 1955 *(Walker, 1955) and 1956 (Clarke, 1956)*.

1967 Re-staking followed by magnetometer and EM-16 geophysical surveying and geological mapping by J.B. O'Neil and C. Gibbons *(Hilker, 1967)*.

1972 Geological mapping, geochemical sampling, magnetometer and electromagnetic surveying by the Nickel Syndicate (Canadian Superior Exploration Ltd., Aquitaine, Home Oil Company Ltd. and Getty Mines Ltd.) under option. The geophysical survey delineated a strong magnetic high and several moderately weak or broad conductors, and the mapping outlined pyritic mafic and ultramafic rocks, including peridotite, gabbro, diorite and andesite flows *(Deklerk, 2009)*.

1986-88 Geochemical sampling in 1986 and drilling of 85.6m in one hole in 1988, which returned anomalous values from a peridotite sill *(Eaton, 1988)*, by Kluane Joint Venture (All-North Resources Ltd. and Chevron Minerals Ltd.).

1987 Geological mapping, geochemical sampling and magnetometer and VLF-EM surveying by Rockridge Mining Corporation and Pak-Man Resources Inc. under option from Kluane Joint Venture *(Eaton, 1987)*.

1988-89 Soil geochemical sampling and magnetometer surveying conducted by Lodestar Exploration Inc. under option from Harjay Exploration Ltd. on the SF and Missy claims in southwest property area, outlining a magnetic high anomaly proximal to Pt, Pd and Au in soil anomalies *(Davidson, 1989)*.

1999-2001 Geochemical sampling, road rehabilitation and blast trenching in 2000 and geochemical rock sampling and magnetometer and VLF-EM geophysical surveying in 2001 were completed by Auterra Ventures Inc. under option from Cabin Creek Resources Management Inc. (T. Morgan). A 150m by 100m wide magnetic anomaly was identified in overburden 60m northwest of the Teck showing and a 475m long, 30 to 150m wide magnetic anomaly, coincident with the axis of a relatively continuous VLF-EM conductor along its southeast edge, was identified in the vicinity of DDH A88-01 *(Vanwermeskerken, 2001 and Brickner, 2002)*.

5.0 2011 WORK PROGRAM

A total of 3 man-days were spent on the AR Project on September 16, 2011. The 2011 work program consisted of mapping and prospecting with concurrent rock geochemical sampling, in an attempt to determine the potential of the showings and geophysical anomalies. Exploration on the Teck showing has been hampered by lack of exposure and thick overburden cover. Control was provided by GPS and topographic maps. The mapping program is discussed under sections 6.2 “Property Geology” and 6.3 “Mineralization and Alteration” and the geochemistry under section 7.0 “Geochemistry”. Mapping is shown in Figure 6 with sample locations and traverses, and sample descriptions are shown in Appendix III.

6.0 GEOLOGY

6.1 Regional (Figures 3 to 5)

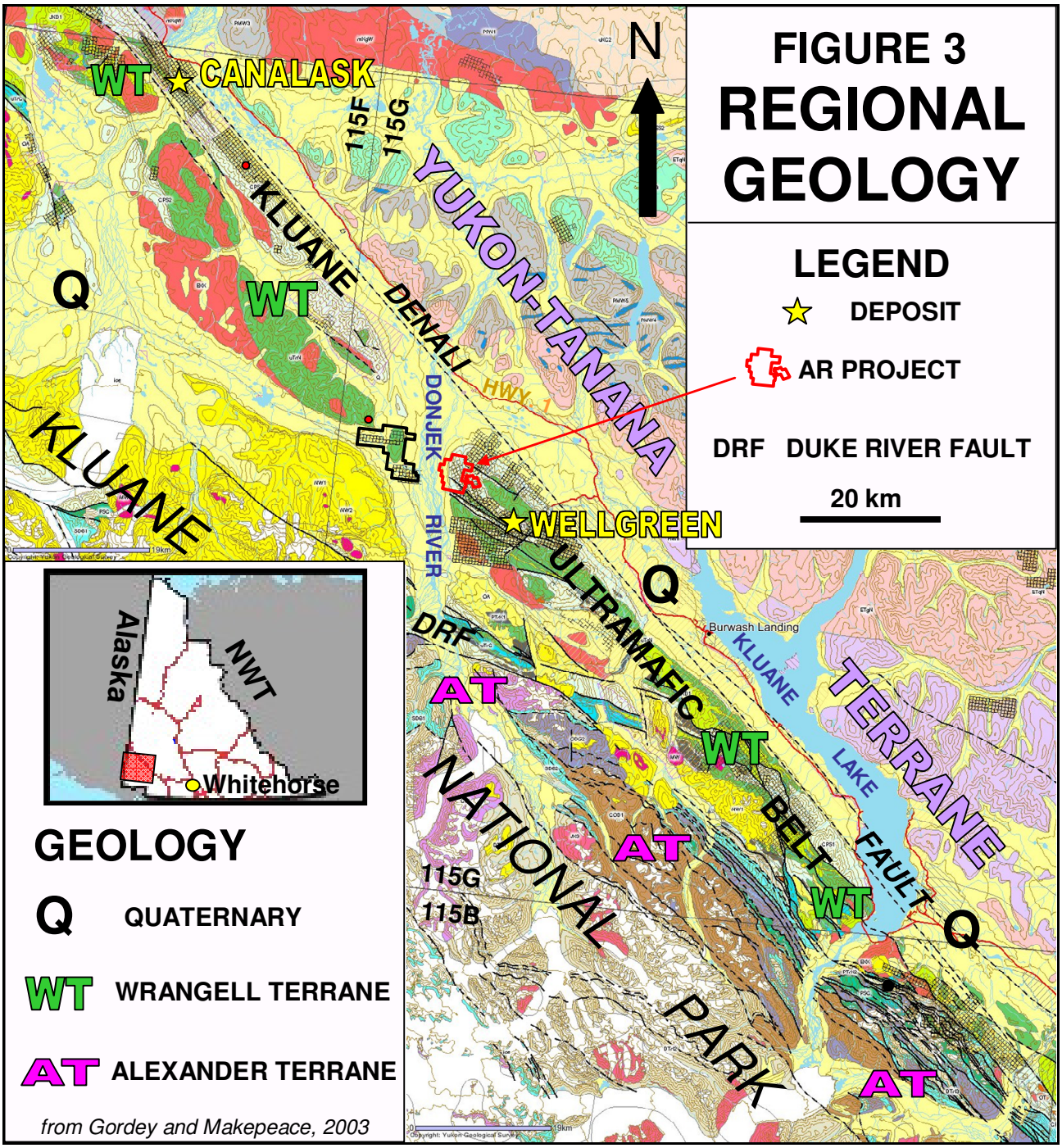
The AR Project lies within a displaced portion of the Wrangell Terrane bounded by the 290° trending Duke River Fault to the south and the 310° Denali Fault System to the north *(Figure 3)*. The regional area has been mapped by Campbell and Dodds (1979) and compiled by Gordey and Makepeace (2003), with additional mapping and compilation by Israel (2004).

Regionally, the AR Project is situated within the 600 km long Kluane Ultramafic Belt *(Figure 3)*, which is characterized by Triassic aged mafic (gabbro to diorite) to ultramafic (commonly peridotite) sills that are referred to as the Kluane mafic-ultramafic suite. The Kluane mafic-ultramafic suite hosts a number of magmatic nickel (Ni) - copper (Cu) - platinum group element (PGE) ±gold (Au) occurrences within the Wrangell Terrane from Northern British Columbia, through Yukon and into Alaska.

The mafic-ultramafic intrusions in the belt are sill-like bodies that preferentially intrude the country rock sequences at or near the contact between the Hasen Creek Formation (clastics, tuffs, argillite, limestone and minor mafic volcanics) and Station Creek Formation (tuffs, pyritic black tuff and mafic volcanics), part of the Pennsylvanian(?) to Permian Skolai Group *(Figures 4 and 5)*. Many of the ultramafic sills have marginal gabbro phases at their bases and upper contacts that appear to be preferentially mineralized. The Kluane Belt nickel-copper-PGE occurrences are particularly enriched in the rarer platinum group elements osmium, iridium, ruthenium and rhodium. Previous exploration within the belt primarily focused on the nickel-copper potential.

The Kluane Belt is considered one of the largest nickel-copper-PGE mineralized mafic-ultramafic trends in North America, second only to the nickeliferous intrusions from the Circum-Superior Belt, which includes the Thompson Nickel Belt, Manitoba. Similarities in the geologic setting have also been drawn to that of the Noril'sk Talnakh region of Siberia, the world’s largest nickel-copper-PGE producing area.

The Wellgreen deposit represents the most advanced property within the Kluane Belt, with historic production (1972-1973) of 171,652 tonnes grading 2.23% Ni, 1.39% Cu, 0.073% Co, and 2.15 g/t Pt and Pd and a resource outlined in the late 1980's of 49.9 million tonnes grading 0.36% Ni, 0.35% Cu, 0.51 g/t Pt and 0.34 g/t Pd. The Wellgreen deposit emphasizes the excellent potential for large tonnage nickel-copper-PGE deposits in the Kluane Ultramafic Belt.



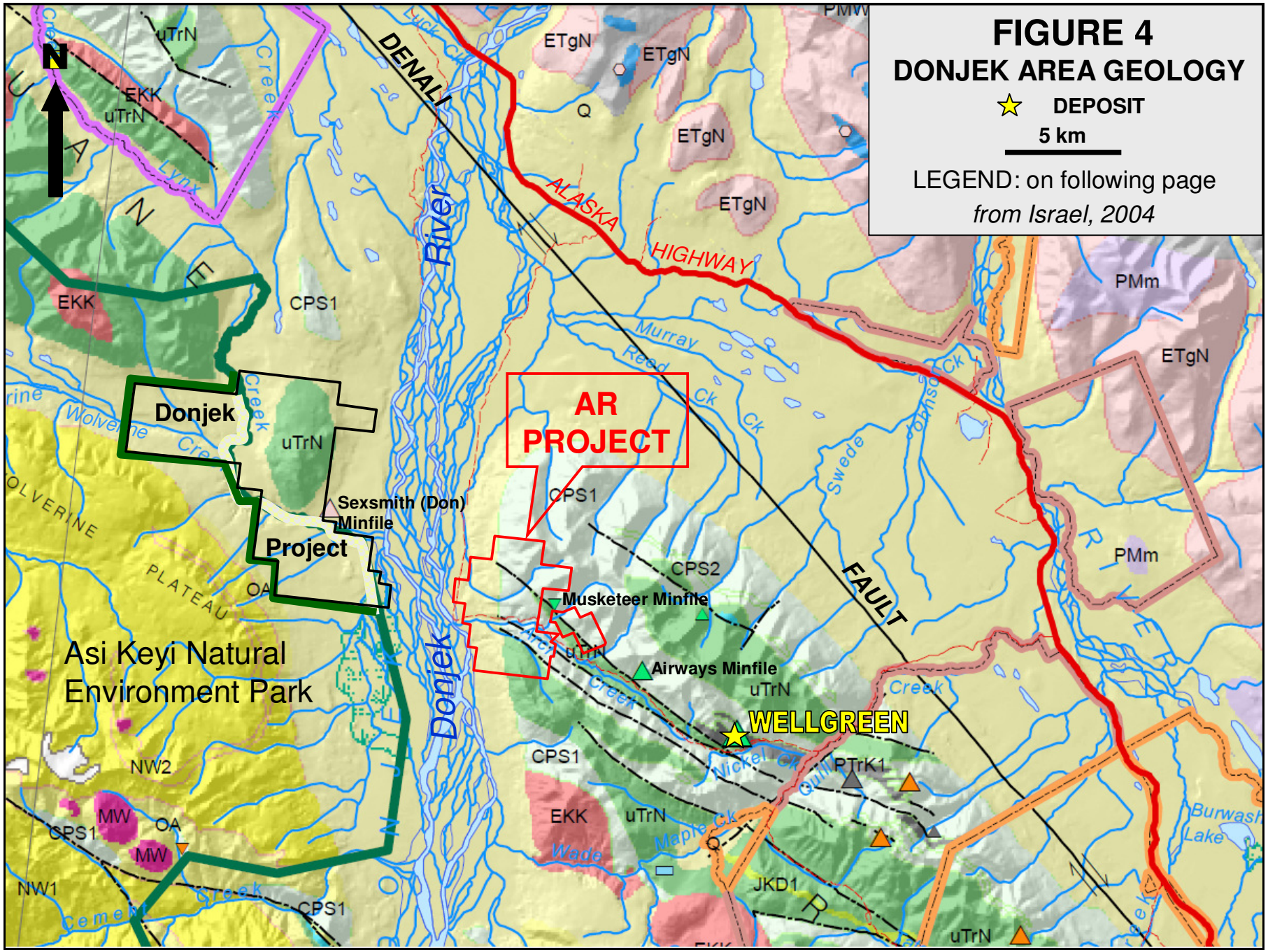


FIGURE 4
DONJEK AREA GEOLOGY
DEPOSIT
5 km
LEGEND: on following page
from Israel, 2004
N
DENALI
ALASKA
HIGHWAY
Donjek River
Donjek
AR
PROJECT
Donjek
Project
Sexsmith (Don)
Minfile
Musketeer Minfile
Airways Minfile
WELLGREEN
FAULT
Asi Keyi Natural
Environment Park
CPS1
CPS2
EKK
uTrN
ETgN
PMm
PTrK1
JKD1
NW1
NW2
MW
OA
Lynx Creek
Wolverine Creek
Murray Creek
Reed Creek
Swede Ck
Johnson Ck
Nickel Ck
Maple Ck
Wade Creek
Burwash Lake

QUATERNARY

Q — **Q: QUATERNARY**
unconsolidated glacial, glaciofluvial and glaciolacustrine deposits; fluviatile silt, sand, and gravel, and local volcanic ash, in part with cover of soil and organic deposits

MIOCENE TO PLIOCENE AND (?) YOUNGER

NW — **NW: WRANGELL LAVAS**
mafic to felsic volcanic rocks (1) with local conglomerate (2)

MID TO LATE MIOCENE

MW — **MW: WRANGELL SUITE**
fine- to medium- grained, hornblende +/- biotite granodiorite and porphyritic (K-feldspar) hornblende granodiorite; medium-grained, uniform biotite diorite and pyroxene gabbro; subvolcanic hornblende +/- biotite rhyolite, rhyodacite, dacite, and trachyte

OLIGOCENE

OT — **OT: TKOPE SUITE**
light pinkish-grey, medium- to coarse-grained, homogeneous, biotite and/or hornblende granite (locally miarolitic); lesser light creamy-grey biotite-hornblende granodiorite, dark grey biotite-hornblende quartz diorite and gabbro diorite

PALEOCENE TO OLIGOCENE

OA — **OA: AMPHITHEATRE**
yellow-buff to grey-buff sandstone, pebbly sandstone, polymictic conglomerate, siltstone and mudstone; minor brown-grey carbonaceous shale and thin lignitic coal; mostly fluvial and lacustrine deposits, local debris-flow deposits; some shallow marine **(Amphitheatre; Kulthieth)**

EOCENE

ES — **ES: SEWARD SUITE**
non- to weakly foliated, light to mid-brownish-grey, medium-grained, biotite- and hornblende-biotite tonalite and granodiorite; rarer granite and quartz diorite

LATE EARLY CRETACEOUS

EKK — **EKK: KLUANE RANGES SUITE**
mid-grey, medium- to coarse-grained, biotite-hornblende granodiorite, quartz diorite, quartz monzonite, and hornblende diorite

EKP — **EKP: PYROXENITE CREEK ULTRAMAFIC**
medium-grained hornblende pyroxene gabbro, and biotite-hornblende diorite; olivine and hornblende clinopyroxenite

UPPER JURASSIC TO LOWER CRETACEOUS

JKD — **JKD: DEZADEASH**
clastic succession (1) but locally including undifferentiated younger strata (2)

LATE JURASSIC TO EARLIEST CRETACEOUS

JKS — **JKS: SAINT ELIAS SUITE**
nonporphyritic and porphyritic (K-feldspar), biotite-hornblende granodiorite; lesser nonporphyritic biotite and/or hornblende tonalite; locally includes biotite-hornblende quartz monzodiorite, quartz diorite, granite, and quartz monzonite

CRETACEOUS AND (?) OLDER

KY — **KY: YAKUTAT**
greywacke and conglomerate in thick members or interbedded with siltstone, argillite, or slate; melange with blocks (to several km) of greenstone, limestone, marble, granitic rocks, chert, and greywacke in a matrix of cherty and tuffaceous pelite **(Yakutat Gp.)**

KV — **KV: VALDEZ**
dark grey argillite and greywacke: includes granitoid dykes, sills, and locally plugs, green pillow lava, breccia, and tuff; metamorphosed equivalents include brown schists, granitoid gneisses and dark green amphibolite **(Valdez Gp.)**

UPPER TRIASSIC

uTrC — **uTrC: CHITISTONE**
thin interbedded light to dark grey argillaceous limestone and dark grey argillite; massive light grey limestone, limestone breccia and darker grey, well-bedded limestone; white to creamy white gypsum and anhydrite **(McCarthy, Chitistone and Nizina limestones)**

uTrN — **uTrN: NIKOLAI**
amygdaloidal basaltic and andesitic flows, with local tuff, breccia, shale and thin-bedded bioclastic limestone; volcanic breccia, pillow lava and conglomerate at base; locally includes dark grey phyllite and minor thin grey limestone of Middle Triassic **(Nicolai Greenstone)**

PENNSYLVANIAN TO (?) LOWER PERMIAN

CPS — **CPS: SKOLAI**
volcanic rocks succeeded upward by clastic strata (1) and including minor limestone (2)

LATE TRIASSIC AND (?) OLDER

PTrK — **PTrK: KLUANE ULTRAMAFIC SUITE**
mafic to ultramafic intrusions in 1) Wrangell Terrane and 2) Alexander Terrane

LATE PENNSYLVANIAN TO EARLY PERMIAN

CPI — **CPI: ICEFIELD RANGES SUITE (270-290 MA)**
mid- to dark greenish-grey, medium-grained, nonfoliated and foliated, biotite-hornblende quartz monzodiorite-quartz diorite-diorite, veined and intruded by leucocratic granodiorite and quartz syenite (agmatite); pink hornblende syenite **(Icefield Ranges Suite)**

PALEOZOIC, (?) DEVONIAN AND/OR YOUNGER

PSC — **PSC: STEELE CREEK**
massive medium- to coarse-grained, rusty grey-green hornblende pyroxene gabbro, minor medium grained gabbro-diabase and gabbro-pegmatite intrusions; rare pods of black peridotite; screens of flows, volcaniclastic rocks, minor argillite, and rare chert **(Mt. Cairnes Gabbro-Greenstone Complex; Steele Ck-Mt. Constantine Gabbro Complex)**

DEVONIAN TO UPPER TRIASSIC AND (?) OLDER

DTrI — **DTrI: ICEFIELD**
a grouping of diverse, dominantly upper Paleozoic partly equivalent strata subdivided into three dominant facies including pelitic rocks (1), carbonate (2), and volcanic rocks (3)

SILURIAN AND DEVONIAN

SDB — **SDB: BULLION**
a grouping of carbonate (1) and clastic (2) strata that may be partly equivalent

LOWER ORDOVICIAN TO DEVONIAN AND (?) OLDER

ODG — **ODG: GOATHERD**
a grouping of carbonate (1) and clastic (2) strata that may be in part equivalent

CAMBRIAN TO ORDOVICIAN AND (?) YOUNGER

COD — **COD: DONJEK**
greywacke greenstone assemblage (1) with minor carbonate (2)

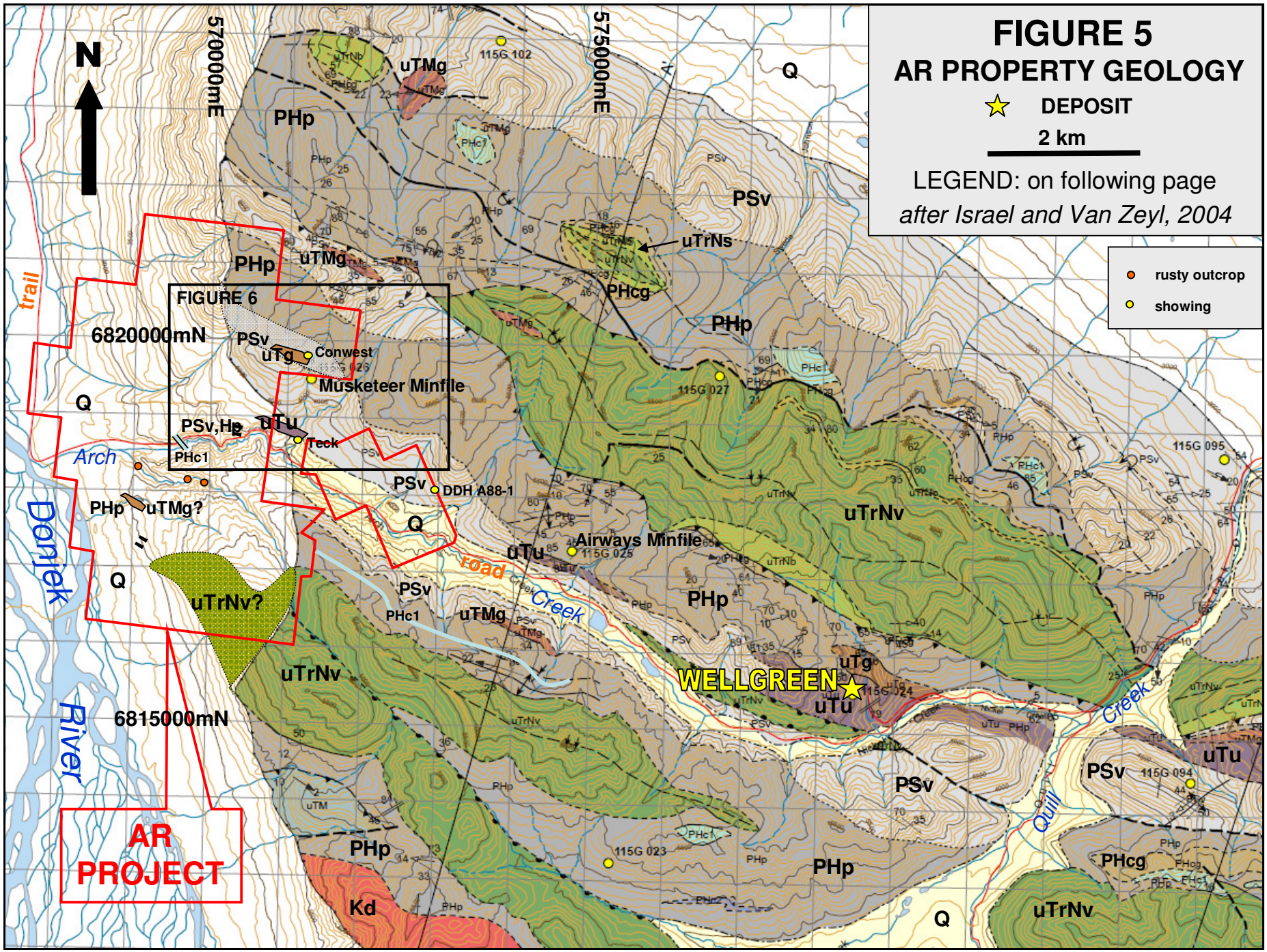


FIGURE 5
AR PROPERTY GEOLOGY
DEPOSIT
2 km
LEGEND: on following page
after Israel and Van Zeyl, 2004
rusty outcrop
showing
N
570000mE
575000mE
6820000mN
6815000mN
FIGURE 6
AR PROJECT
WELLGREEN
Conwest
Musketeer Minfile
Teck
DDH A88-1
Airways Minfile
115G 102
115G 027
115G 025
115G 024
115G 095
115G 094
115G 023
PHp
PSv
uTMg
uTMg?
uTrNv
uTrNv?
uTrNs
PHcg
PHc1
uTu
uTg
PSv,Hp
Q
Kd
trail
Arch
road
Creek
Donjek
River
Quill

LEGEND for FIGURE 5

Minfile showing

QUATERNARY

Q — unconsolidated alluvium, colluvium and glacial deposits

INTRUSIVE ROCKS

OLIGOCENE

Tkope suite

Ofp — fine- to medium-grained, equigranular hornblende +/- biotite quartz-feldspar porphyry

CRETACEOUS

Kluane Ranges suite

Kd — fine- to medium-grained, equigranular hornblende +/- pyroxene diorite and gabbro

TRIASSIC

Maple Creek gabbro

uTMg — fine- to coarse-grained diabase and gabbro sills and dykes, locally abundant epidote- and chlorite-altered. Locally columnar jointed

Kluane mafic-ultramafic complex

uTg — coarse-grained and pegmatitic gabbro

uTu — peridotite, dunite and clinopyroxenite, layered intrusions, locally with gabbroic chilled margins

STRATIGRAPHIC ROCKS

TRIASSIC TO CRETACEOUS

Tatamagouche succession

uTKp — dark to light grey phyllite, minor greywacke and brick red pebble conglomerate, may include upper parts of McCarthy Formation

UPPER TRIASSIC

McCarthy Formation

uTM — light to dark grey shale and argillite interbedded with buff-coloured limestone

Nikolai formation

uTrNc — thinly bedded grey limestone and minor maroon to olive green argillite

uTrNv — dark green to maroon amygdaloidal basalt and basaltic andesite flows, locally pyroxene-and plagioclase-phyric; and developed pillows. Rare olivine crystals

uTrNb — light to dark green volcanic breccia; angular clasts of amygdaloidal and pyroxene porphyry volcanic rocks and minor argillite in a fine-grained matrix

PENNSYLVANIAN (?) AND PERMIAN

Hasen Creek Formation

PHcg — pebble- to cobble-conglomerate, rounded to sub-angular clasts of siltstone, chert, greywacke and minor mafic volcanic rocks. massive to graded beds several metres thick

PHc2 — light to dark grey limestone, fossiliferous and frequently pebbly, commonly graded and cross-bedded

PHc1 — light grey to white bioclastic limestone, local cherty interbeds

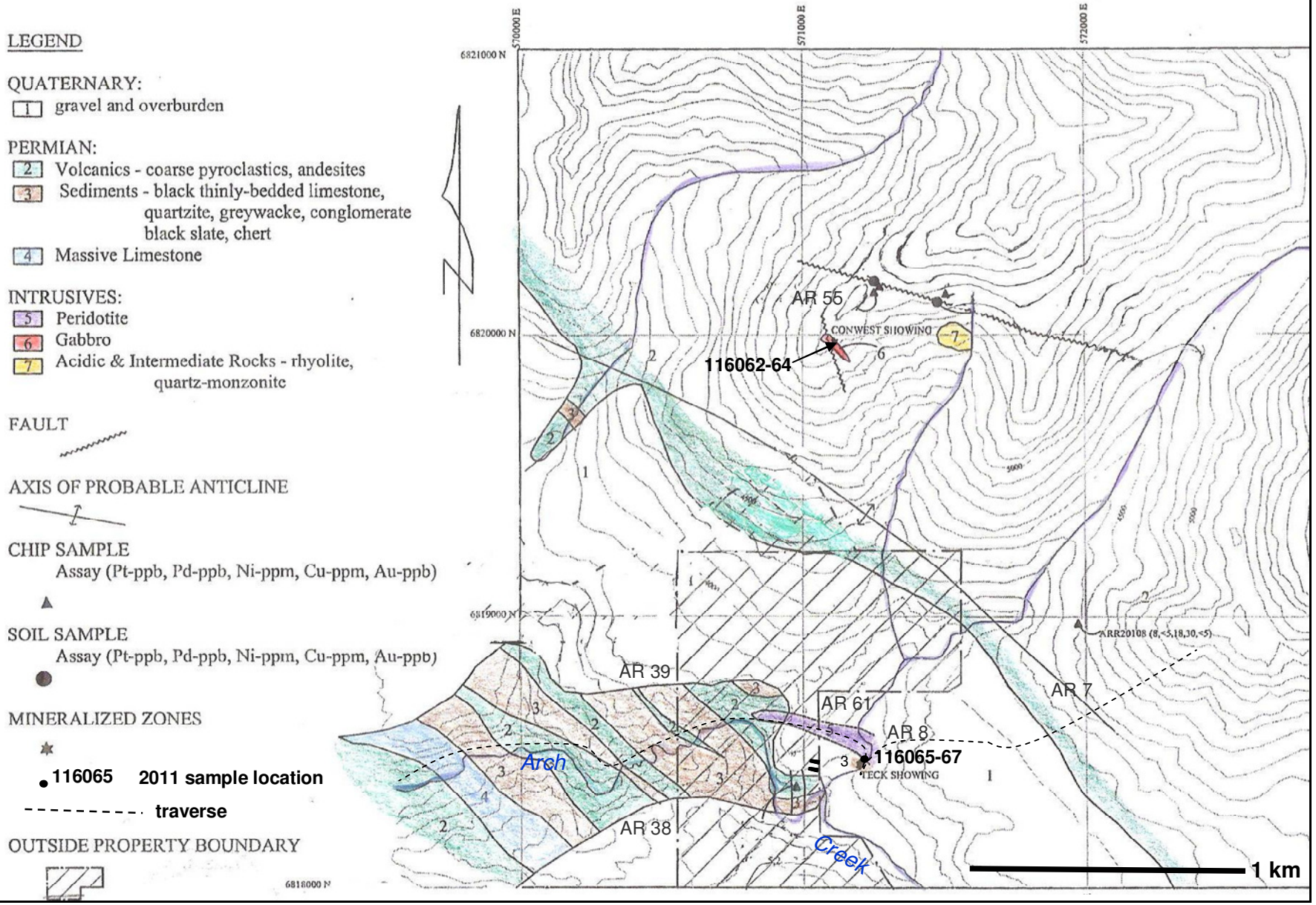
PHp — dark to light grey/brown siltstone turbidites, siliceous argillite, chert and minor volcaniclastic sandstone and tuffs

Station Creek Formation

PSv — dark to light green volcanic breccia, crystal tuff and tuffaceous sandstone; breccia clasts consist of augite phyric basalt within tuffaceous matrix; minor augite phyric, local amygdaloidal basalt flows

FIGURE 6: MUSKETEER GEOLOGY & 2011 SAMPLE LOCATIONS

after Woodcock, 1953 and Vanwermeskerken, 2001



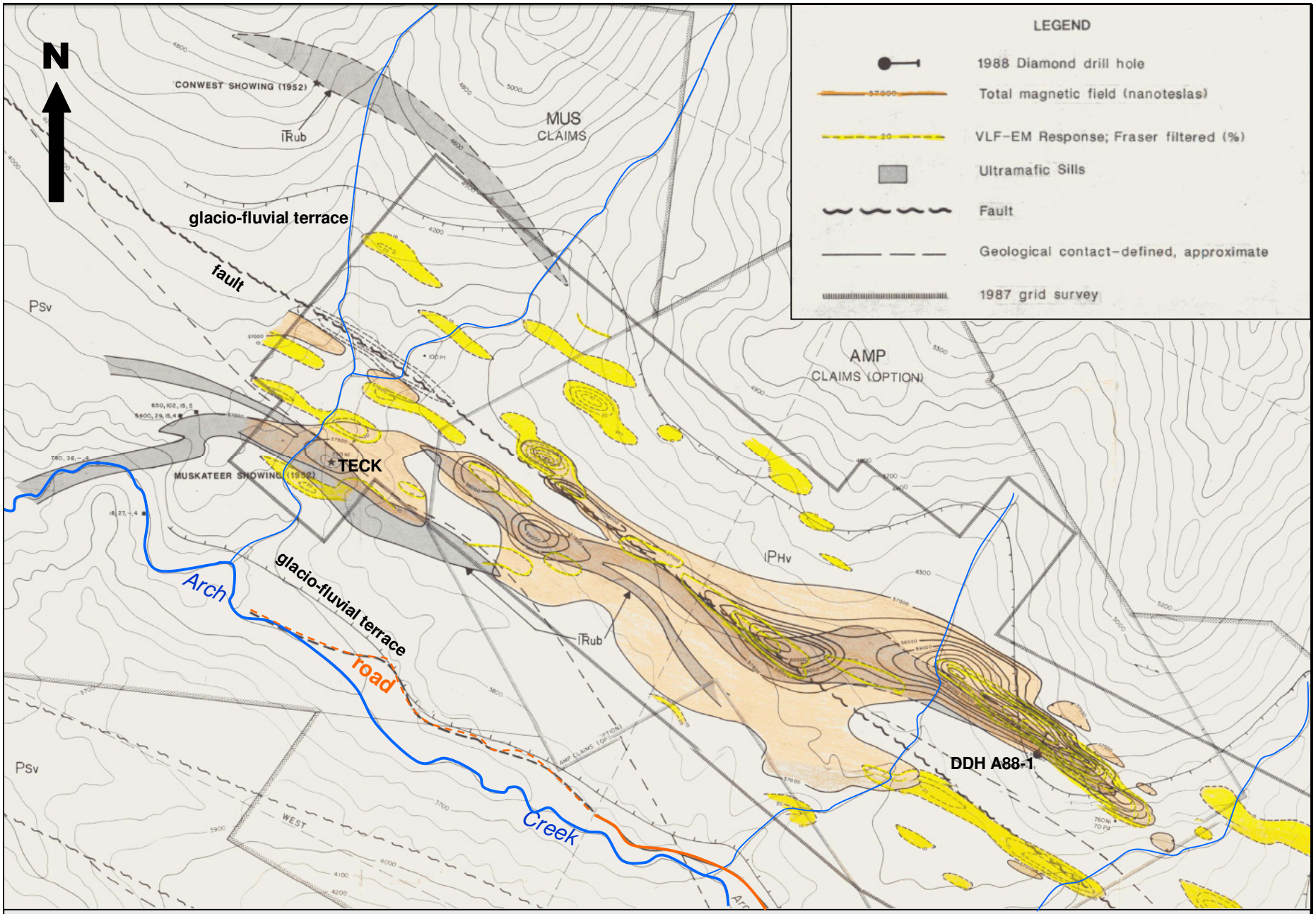


FIGURE 7 **TECK to DDH A88-1 GEOPHYSICS** *from Eaton, 1988*

6.2 Property (Figures 4 to 6)

The AR Project is underlain by a succession of Pennsylvanian(?) and Permian volcanic and sedimentary rocks of the Skolai Group, overlain by volcanic rocks of the Nikolai Formation *(Figure 4)*. The Skolai Group includes a basal volcanic sequence (Station Creek Formation), overlain by clastic rocks and limestone of the Hasen Creek Formation *(Figure 5)*. The Skolai Group is intruded by ultramafic and gabbroic rocks of the Upper Triassic age Kluane mafic-ultramafic complex and diabase and gabbro sills and dykes of the Triassic Maple Creek gabbro *(Figure 5)*. All of the above units are intruded by granodiorite, diorite and gabbro dykes and sills, possibly of the Cretaceous age Kluane Ranges suite. A larger diorite body of the Kluane Ranges suite lies just south of the property *(Figures 4 and 5)*. A number of northwest trending faults and fold axes transect the property.

The peridotite sill at the Teck showing trends northwest and dips moderately to steeply southwest, at the contact between the Station Creek and the Hasen Creek Formations *(Figures 5 and 6)*. The stratigraphy appears to be right side up with pyritic siltstone of the Hasen Creek Formation exposed in the hanging wall of the sill and andesite of the Station Creek Formation in the footwall. The immediate footwall of the sill, which is the favourable site for mineralization, is not exposed.

Mapping in 1989 *(Davidson, 1989)* uncovered a gabbro sill (possibly the Maple Creek gabbro) in a canyon south of Arch Creek, hosted by a sequence of bedded conglomerate, sandstone, shale, siltstone and minor limestone of the Hasen Creek Formation, trending 130°/steep *(Figure 5)*. A dark weathering ultramafic looking body was identified during an aerial reconnaissance in 2011 at approximately 569064mE, 6817856mN (Nad 83, zone 7), which may be the gabbro body. A rusty outcrop lies 100m to the west at 568970mE, 6817827mN and a fault zone was identified 100m to the east. In addition three iron stained exposures were observed along a northwest flowing tributary of Arch Creek at 569062mE, 6818335mN; 569762mE, 6818153mN; and 569969mE, 6818131mN (Nad 83, zone 7). Suitable landing sites could not be found to investigate further.

6.3 Mineralization and Alteration (Figures 4 to 7)

The AR Project covers the Musketeer Minfile showing *(Figure 4)* as documented by the Yukon Geological Survey as Minfile Number 115G 026 *(Deklerk, 2009)*. The Musketeer showing comprises the Conwest and Teck gabbroid copper-nickel-platinum group element (PGE) showings and magnetic and electromagnetic anomalies within the same sequence of Pennsylvanian to Triassic rocks which host the nickel-copper-PGE Wellgreen deposit, 8 km to the southeast.

The Conwest showing consists of 90m of oxidized, medium grained gabbro, east of and subparallel to, a south-southeast trending fault. The intrusion occurs as two separate bodies, 15m or more in width, that are flanked by quartz ±calcite stringer stockwork zones within the volcanic host rock. Both the intrusion and stockwork zones are mineralized with

interstitial and disseminated pyrite and chalcopyrite ±pentlandite. Chip sampling in 2000 returned maximum values of 2,015 ppm Ni, 5,448 ppm Cu and 154 ppb Au.

The Teck showing consists of a small exposure of a 1m wide, southeast trending pyritic fault zone within variably calcareous felsic to intermediate feldspar porphyry in proximity to a peridotite sill, locally serpentinized and variably mineralized with fine disseminated pyrite, magnetite and pyrrhotite. Reportedly a chip sample collected from a carbonate altered section of the sill returned 0.11 g/t Pt, 0.11 g/t Pd, 1,581 ppm Ni, 709 ppm Cu and 0.14 g/t Au over 2m.

DDH A88-1 *(Figure 5)* targeted a magnetic high coincident with a VLF-electromagnetic conductor *(Figure 7)* and intersected a 25m wide serpentinized ultramafic sill which averaged 0.03% Cu, 0.22% Ni, 0.004 oz/t Pt and 0.004 oz/t Pd. The values are typical for that in peridotites adjacent to the orebodies at Wellgreen *(Eaton, 1988)*.

A 150° trending magnetic high anomaly, proximal to 150 ppb Pt in soil, occurs approximately 700m south-southwest of a gabbro sill exposed in a canyon south of Arch Creek *(Figure 5)*. Values of 300 ppb Pt and 75 ppb Pd (with elevated gold) in soil occur 500m southwest of the sill. *(Refer to Davidson, 1989.)*

Arch Creek, which bisects the property, is a placer gold bearing creek.

7.0 GEOCHEMISTRY (Figure 6)

7.1 Procedure

A total of 3 rock samples were collected from the Teck showing during the 2011 program for geochemical analysis. All samples were located and recorded by GPS in the field using UTM coordinates, Nad 83 datum, Zone 7 projection. Sample descriptions, locations and select results (Au, Ag, Ni, Cu, Pt and Pd) are documented in Appendix III and locations are plotted on Figure 6. Complete results are outlined in Appendix IV.

The rock samples consisted of grab and chip samples of rusty, altered and sulphide bearing zones encountered during mapping and prospecting. The samples were placed in clear plastic sample bags, numbered and secured in the field.

Samples were delivered by the author to the Whitehorse sample preparation facility of Acme Analytical Laboratories Ltd., then internally sent to their facility in Vancouver, British Columbia for analysis. Samples were analyzed for Al, Sb, As, Ba, Bi, B, Cd, Ca, Cr, Co, Cu, Ga, Au, Fe, La, Pb, Mg, Mn, Hg, Mo, Na, Ni, P, Ag, K, Sc, Sr, S, Tl, Th, Ti, Sn, W, U, V and Zn by ICP-MS, a 36 element ICP package which involves a nitric-aqua regia digestion using 30g (1DX-30) and a mass spectrometry finish. Gold, platinum and palladium were analyzed by Acme's Group 3B-ES, 30g analysis, which involves a fire assay pre-concentration with an ICP-emission spectrometry (ICP-ES) finish. Acme is an IS0

9001:2008 accredited facility, certificate number FM 63007. Quality control procedures were implemented at the laboratory, involving the regular insertion of blanks and standards and repeat analyses.

7.2 Results

Significant results were obtained from the Teck showing. A strongly rusty zone, trending 140°/50°SW, hosted by pyritic sediments with quartz-carbonate veinlets at the contact with a rhyolite feldspar porphyry sill returned values of 752 ppb Pd, 299 ppb Pt 93 and ppb 93 ppb Au with 424.5 ppm Ni and 1588 ppm Cu over 2m (Sample 116066). The peridotite sill to the north, with trace chalcopyrite, returned 465 ppb Pd, and 232 ppb Pt with 1801 ppm Ni and 1921 ppm Cu over 1m (Sample 116065). A grab sample of quartz-carbonate altered peridotite from a trench at the Teck showing returned 1071 ppm Ni with 53 ppb Pd, and 44 ppb Pt (Sample 116067).

Although not filed for assessment, significant copper-nickel values with anomalous gold, silver and elevated platinum and palladium values were obtained from the Conwest showing. Pyritic gabbro returned 6746 ppm Cu, with 173 ppb Au, 6.1 ppm Ag 106 ppb Pt and 66 ppb Pd over 1.5m (Sample 116061). Maximum values of 6746 ppm Cu, 2636 ppm Ni, 183 ppb Au, 6.1 ppm Ag, 106 ppb Pt and 92 ppb Pd were obtained from the gabbro (Sample 116061-64).

8.0 CONCLUSIONS AND RECOMMENDATIONS

There is good potential for the discovery of magmatic nickel (Ni) - copper (Cu) - platinum group element (PGE) ±gold (Au) mineralization on the AR Project, similar to that of the Wellgreen deposit, which lies 8 km to the southeast along trend.

The AR Project covers the Musketeer Minfile showing as documented by the Yukon Geological Survey as Minfile Number 115G 026. The Musketeer showing comprises the Conwest and Teck gabbroid copper-nickel-PGE showings and magnetic and electromagnetic anomalies within the same sequence of Pennsylvanian to Triassic rocks which host the Wellgreen deposit. Two significant showings occur on the Airways Minfile drilled prospect (115G 025), located 4 km east of the AR Project half way along trend between the Teck showing and the Wellgreen deposit. The main mineralized ultramafic sill at the Airways showing has been traced over a 750m strike length and the main showing consists of a 60m by 15m wide zone returning 2.51% Ni, 0.57% Cu, 1.8 g/t Pt, 3.2 g/t Pd and 0.07 g/t Au over 1.5m in 1987 and 1.44% Ni, 0.75% Cu, 0.7 g/t Pt and 1.5 g/t Pd over 2.6m from 1988 drill holes. The S.P. showing returned 3.02% Cu, 3.01% Ni, 2.4 g/t Pt and 3.5 g/t Pd over 3.5m (estimated true width of 2m) in 2001 trenching.

In 2011 significant results were obtained from the Teck showing, exposed in the hanging wall of a peridotite sill, with maximum values of 1921 ppm Cu, 1801 ppm Ni, 93 ppb Au, 2.5 ppm Ag, 299 ppb Pt and 752 ppb Pd. Previous trenching above (east of)

the Teck showing did not expose bedrock due to thick glacio-fluvial gravels (several tens of metres). The target footwall contact appears to correlate with magnetic and VLF electromagnetic conductors from previous geophysical surveys, but has not been exposed due to thick overburden and scree of unmineralized peridotite. An induced polarization (resistively-chargeability) survey is recommended on trend to the east of the Teck showing to aid in the delineation of drill targets.

DDH A88-1, almost 2 km along trend of the Teck showing, intersected anomalous copper-nickel-PGE values in a serpentinized peridotite sill typical for that in peridotites adjacent to the orebodies at Wellgreen. The DDH A88-1 sill may be the same or a faulted continuation of the same sill that occurs at the Teck showing. In 1987 data a magnetic high anomaly is evident, interpreted as the sill, with VLF-electromagnetic conductors evident particularly along the northern (footwall) contact *(Figure 7)*. In 2001 a 150m by 100m wide magnetic anomaly was identified in overburden 60m northwest of the Teck showing and a 475m long, 30 to 150m wide magnetic anomaly, coincident with the axis of a relatively continuous VLF-EM conductor along its southeast edge, was identified in the vicinity of DDH A88-01, further supporting the 1987 survey results *(Vanwermeskerken, 2001 and Brickner, 2002)*. A detailed prospecting and mapping program along the Teck to DDH A88-1 trend is recommended to correlate the geophysics with the geology and to detect any trenchable locations coincident with conductors along the sill(s).

In addition, potential exists in the overburden covered area southeast of the Conwest showing, coincident with a magnetic high anomaly, and south of Arch Creek. The Conwest showing consists of 90m of oxidized, medium grained gabbro with maximum values of 6746 ppm Cu, 2636 ppm Ni, 183 ppb Au, 6.1 ppm Ag, 106 ppb Pt and 92 ppb Pd obtained in 2011. Rusty exposures were observed in 2011 proximal to a magnetic high anomaly south of Arch Creek, with proximal Pt and Pd in soil anomalies.

An airborne Z-TEM electromagnetic survey, expected to cost approximately $50,000, should be considered over the property as an initial phase to detect any conductors.

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Appendix II: Statement of Claims

Grant Number	Claim Name	Claim No.	Claim Owner	Record Date	Expiry Date
YC18892	AR	61	Tom Morgan - 100%	20/09/2000	20/09/2017
YD12517	AR	1	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12518	AR	2	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12519	AR	3	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12520	AR	4	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12521	AR	5	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12522	AR	6	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12523	AR	7	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12524	AR	8	Tom Morgan - 100%	22/06/2010	22/06/2017
YD12525	AR	9	Tom Morgan - 100%	22/06/2010	22/06/2017
YE69001	AR	1	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69002	AR	2	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69003	AR	3	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69004	AR	4	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69005	AR	5	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69006	AR	6	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69007	AR	7	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69008	AR	8	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69009	AR	9	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69010	AR	10	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69011	AR	11	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69012	AR	12	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69013	AR	13	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69014	AR	14	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69015	AR	15	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69016	AR	16	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69017	AR	17	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69018	AR	18	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69019	AR	19	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69020	AR	20	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69021	AR	21	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69022	AR	22	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69023	AR	23	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69024	AR	24	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69025	AR	25	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69026	AR	26	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69027	AR	27	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69028	AR	28	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69029	AR	29	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69030	AR	30	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69031	AR	31	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69032	AR	32	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69033	AR	33	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69034	AR	34	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69035	AR	35	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69036	AR	36	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69037	AR	37	Tom Morgan - 100%	18/08/2011	18/08/2013
YE69038	AR	38	Tom Morgan - 100%	18/08/2011	18/08/2013

Grant Number	Claim Name	Claim No.	Claim Owner	Record Date	Expiry Date
YE69039	AR	39	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69040	AR	40	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69041	AR	41	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69042	AR	42	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69043	AR	43	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69044	AR	44	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69045	AR	45	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69046	AR	46	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69047	AR	47	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69048	AR	48	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69049	AR	49	Tom Morgan - 100%	22/08/2011	22/08/2013
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YE69051	AR	51	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69052	AR	52	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69053	AR	53	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69054	AR	54	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69055	AR	55	Tom Morgan - 100%	22/08/2011	22/08/2013
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YE69058	AR	58	Tom Morgan - 100%	22/08/2011	22/08/2013
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YE69061	AR	61	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69062	AR	62	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69063	AR	63	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69064	AR	64	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69065	AR	65	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69066	AR	66	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69067	AR	67	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69068	AR	68	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69070	AR	70	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69071	AR	71	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69072	AR	72	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69073	AR	73	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69074	AR	74	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69075	AR	75	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69076	AR	76	Tom Morgan - 100%	22/08/2011	22/08/2013
YE69077	AR	77	Tom Morgan - 100%	22/08/2011	22/08/2013

APPENDIX III: Sample Descriptions

AR PROJECT, YT
2011 SAMPLE DESCRIPTIONS AND RESULTS - JP

SAMPLE		Nad 83, Zone 7		ELEV.			Au	Ag	Pt	Pd	Ni	Cu
NUMBER	Showing	EASTING	NORTHING	(m)	TYPE	DESCRIPTION	ppb	ppm	ppb	ppb	ppm	ppm
116061	Conwest	571240	6819794	1389	1.5m chip	dark rusty weathering pyritic gabbro with 5-10% pyrite	173	6.1	106	66	715.5	6746
116062	Conwest	571245	6819793	1389	1.0m chip	malachite stained gabbro with chalcocite, some quartz veining (few cm wide), also with malachite, chalcopyrite	100	3.5	32	18	2636	6055
116063	Conwest	571245	6819774	1393	rock grab	gabbro with minor chalcopyrite and 3-5% light coloured pyrite or marcasite	183	4.5	106	92	2309	6177
116064	Conwest	571254	6819771	1385	rock grab	malachite stained gabbro	48	4.4	78	44	2157	4968
116065	Teck	571149	6818680	1077	1.0m chip	pyrite, trace chalcopyrite in peridotite sill; to north, but not contiguous with 116066	47	2	232	465	1801	1921
116066	Teck	571149	6818680	1077	2.0m chip	very rusty, pyritic sediments with quartz-carbonate veinlets in footwall portion of seds with rhyolite feldspar porphyry below; trend 140/50	93	2.5	299	752	424.5	1588
116067	Teck	571151	6818682	1081	rock grab	quartz-carbonate altered silicified peridotite with quartz-carbonate veinlets in trench	3	0.2	44	53	1071	174.5
116078	rusty zone	570246-54	6820930-39	1503	rock grab	rusty, strongly limonitic, oxidized fault grunge near AR70, 71 claim posts	7	0.2	3	4	14.5	53.6

APPENDIX IV

Geochemical Procedure and Results

Acme Analytical Laboratories Ltd.
GEOCHEMICAL PROCEDURES

SAMPLE PREPARATION

SOIL, SEDIMENT AND VEGETATION SAMPLES
SS80 Dry at 60°C, sieve (up to) 100 g to -80 mesh

ROCK AND DRILL CORE
R150 Crush **1 kg** to 70% passing 10 mesh, split 250 g and pulverize to 95% passing 150 mesh

GROUP 1DX: ICP & ICP-MS ANALYSIS – AQUA REGIA

Sample splits of 0.5g are leached in hot (95°C) Aqua Regia. A larger split size (30g) is used for more representative Au analysis. Refractory and graphitic samples can limit Au solubility. Solubility of some elements* will be limited by mineral species present. A total of 36 elements are assayed in the ICP-MS analysis.

*** Al, B, Ba, Ca, Cr, Fe, Ga, Hg‡ K, La, Mg, Mn, Na, Sr, Th, Ti, Tl‡ U, V, W,**

GROUP 3B-MS AU & PGMS BY FIRE GEOCHEM

A lead-collection fire-assay 30g fusion for total sample decomposition, digestion of the Ag dore bead and ICP-MS (Group 3B-MS) analysis. Group 6 precious metals assay recommended for Au or PGMs over 1000 ppb.

Group 3B-MS Detection Limits

Au 1 ppb, **Pt** 0.1 ppb, **Pd** 0.5 ppb, **(Rh)** (0.1 ppb)

Au* detection limit may vary due to natural contamination in commercial flux and sample size.
(Rh) available at client's request, results are qualitative to semi-quantitative depending on nature of samples.
Note: Sulphide-rich samples require a 15g or smaller sample for proper fusion.

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada

www.acmelab.com

Client: **Tom Morgan**
Box 7080
Dawson YT Y0B 1G0 Canada

Submitted By: Tom Morgan
Receiving Lab: Canada-Whitehorse
Received: September 23, 2011
Report Date: December 09, 2011
Page: 1 of 2

CERTIFICATE OF ANALYSIS WHI11001749.1

CLIENT JOB INFORMATION

Project: AR
Shipment ID:
P.O. Number
Number of Samples: 8

SAMPLE DISPOSAL

DISP-PLP Dispose of Pulp After 90 days
DISP-RJT Dispose of Reject After 90 days

Acme does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Method Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
R200-250	8	Crush, split and pulverize 250 g rock to 200 mesh			WHI
3B02	8	Fire assay fusion Au Pt Pd by ICP-ES	30	Completed	VAN
1DX3	8	1:1:1 Aqua Regia digestion ICP-MS analysis	30	Completed	VAN

ADDITIONAL COMMENTS

Invoice To: Tom Morgan
Box 7080
Dawson YT Y0B 1G0
Canada

CC: Jean Pautler

BRITISH COLUMBIA CERTIFIED ASSAYER
CLARENCE LEONG
GENERAL MANAGER

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of analysis only. Results apply to samples as submitted.
"*" asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **Tom Morgan**
Box 7080
Dawson YT Y0B 1G0 Canada

Project: AR
Report Date: December 09, 2011

CERTIFICATE OF ANALYSIS WHI11001749.1

Method		WGHT	3B	3B	3B	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30
Analyte		Wgt	Au	Pt	Pd	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	Au	Th	Sr	Cd	Sb	Bi
Unit		kg	ppb	ppb	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppb	ppm	ppm	ppm	ppm	ppm
MDL		0.01	2	3	2	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.5	0.1	1	0.1	0.1	0.1
116061	Rock	1.69	173	106	66	0.5	6746	34.3	56	6.1	715.5	302.2	391	13.32	101.5	214.0	0.3	4	0.7	0.6	2.3
116062	Rock	2.06	100	32	18	0.5	6055	58.0	72	3.5	2636	220.6	943	4.21	25.0	352.1	0.7	13	1.0	1.2	1.0
116063	Rock	1.76	183	106	92	0.6	6177	38.0	87	4.5	2309	187.7	545	10.07	26.8	189.6	0.5	12	1.6	0.5	1.8
116064	Rock	1.96	48	78	44	0.4	4968	58.6	72	4.4	2157	133.7	557	7.20	<0.5	65.4	0.6	12	1.1	1.4	1.2
116065	Rock	1.97	47	232	465	3.0	1921	13.6	94	2.0	1801	129.8	675	13.78	76.1	52.4	0.8	19	0.5	3.9	0.4
116066	Rock	3.43	93	299	752	1.9	1588	21.2	110	2.5	424.5	31.9	747	10.19	46.9	88.3	1.6	27	0.7	1.9	1.7
116067	Rock	2.08	3	44	53	0.3	174.5	1.0	20	0.2	1071	57.1	790	4.23	4.8	4.9	<0.1	184	0.2	0.1	<0.1
116078	Rock	4.25	7	3	4	2.7	53.6	16.5	120	0.2	14.5	6.1	792	7.33	6.3	7.8	0.4	103	<0.1	0.3	0.4

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CERTIFICATE OF ANALYSIS WHI11001749.1

Method		1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30
Analyte		V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
Unit		ppm	%	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
MDL		2	0.01	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2
116061	Rock	63	0.24	0.028	2	263	2.75	6	0.104	3	2.39	0.007	0.02	<0.1	0.06	2.1	<0.1	7.08	5	26.7	1.8
116062	Rock	53	1.66	0.040	4	199	2.37	11	0.106	99	2.45	0.018	0.02	0.1	<0.01	3.3	<0.1	0.44	5	2.6	<0.2
116063	Rock	80	0.39	0.039	4	462	4.64	34	0.104	4	3.48	0.018	0.03	<0.1	0.14	4.5	<0.1	3.83	7	14.2	1.9
116064	Rock	55	0.43	0.040	4	390	4.42	11	0.108	3	3.34	0.022	0.02	<0.1	0.04	2.7	<0.1	1.19	7	5.6	0.9
116065	Rock	195	0.45	0.076	8	587	5.34	206	0.030	7	3.87	0.007	0.06	<0.1	1.20	17.4	0.2	0.69	11	18.0	3.5
116066	Rock	164	1.26	0.196	12	76	2.81	41	0.009	8	2.91	0.059	0.07	<0.1	1.63	9.8	0.2	1.66	11	28.5	5.4
116067	Rock	28	7.52	0.006	<1	365	7.16	35	0.002	5	1.03	0.006	<0.01	<0.1	0.23	5.7	<0.1	<0.05	2	1.0	<0.2
116078	Rock	179	0.18	0.098	2	34	2.14	40	0.330	2	2.32	0.061	0.11	<0.1	0.02	8.7	<0.1	0.78	8	1.4	0.3

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Project: AR
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QUALITY CONTROL REPORT WHI11001749.1

	Method	WGHT	3B	3B	3B	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30
	Analyte	Wgt	Au	Pt	Pd	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	Au	Th	Sr	Cd	Sb	Bi
	Unit	kg	ppb	ppb	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppb	ppm	ppm	ppm	ppm	ppm
	MDL	0.01	2	3	2	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.5	0.1	1	0.1	0.1	0.1
Pulp Duplicates																					
116061	Rock	1.69	173	106	66	0.5	6746	34.3	56	6.1	715.5	302.2	391	13.32	101.5	214.0	0.3	4	0.7	0.6	2.3
REP 116061	QC					0.5	6872	34.6	60	6.2	713.2	303.7	402	13.33	103.1	271.7	0.4	5	0.7	0.5	2.2
116066	Rock	3.43	93	299	752	1.9	1588	21.2	110	2.5	424.5	31.9	747	10.19	46.9	88.3	1.6	27	0.7	1.9	1.7
REP 116066	QC		81	280	683	1.8	1576	20.9	110	2.5	422.5	32.2	749	10.19	46.9	83.3	1.6	26	0.7	2.0	1.6
Reference Materials																					
STD CDN-PGMS-19	Standard		229	107	472																
STD DS8	Standard					13.3	108.1	119.5	306	1.7	37.9	7.7	593	2.46	26.2	111.3	6.7	66	2.4	5.1	6.2
STD PD1	Standard		554	487	585																
STD PD1	Standard		563	517	587																
STD CDN-PGMS-19			230	108	476																
STD PD1 Expected			542	456	563																
STD DS8 Expected						13.44	110	123	312	1.69	38.1	7.5	615	2.46	26	107	6.89	67.7	2.38	5.7	6.67
BLK	Blank		<2	<3	<2																
BLK	Blank		<2	<3	<2																
BLK	Blank		<2	<3	<2																
BLK	Blank					<0.1	3.4	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	<0.5	<0.5	<0.1	<1	<0.1	<0.1	<0.1
BLK	Blank					<0.1	<0.1	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	<0.5	<0.5	<0.1	<1	<0.1	<0.1	<0.1
Prep Wash																					
G1	Prep Blank		<2	<3	4	0.1	6.5	51.8	47	0.4	8.4	4.4	547	1.90	0.5	0.9	4.9	64	<0.1	0.9	<0.1

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QUALITY CONTROL REPORT WHI11001749.1

	Method	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30
	Analyte	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te
	Unit	ppm	%	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm
	MDL	2	0.01	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2
Pulp Duplicates																					
116061	Rock	63	0.24	0.028	2	263	2.75	6	0.104	3	2.39	0.007	0.02	<0.1	0.06	2.1	<0.1	7.08	5	26.7	1.8
REP 116061	QC	64	0.25	0.028	1	269	2.86	7	0.109	2	2.48	0.008	0.02	<0.1	0.05	2.1	<0.1	7.09	6	26.7	2.3
116066	Rock	164	1.26	0.196	12	76	2.81	41	0.009	8	2.91	0.059	0.07	<0.1	1.63	9.8	0.2	1.66	11	28.5	5.4
REP 116066	QC	163	1.24	0.192	12	76	2.78	40	0.009	9	2.90	0.058	0.07	<0.1	1.60	10.1	0.2	1.64	11	27.1	5.2
Reference Materials																					
STD CDN-PGMS-19	Standard																				
STD DS8	Standard	41	0.71	0.075	14	117	0.61	261	0.118	2	0.93	0.095	0.42	2.7	0.19	2.2	5.1	0.16	4	5.0	4.7
STD PD1	Standard																				
STD PD1	Standard																				
STD CDN-PGMS-19																					
STD PD1 Expected																					
STD DS8 Expected		41.1	0.7	0.08	14.6	115	0.6045	279	0.113	2.6	0.93	0.0883	0.41	3	0.192	2.3	5.4	0.1679	4.7	5.23	5
BLK	Blank																				
BLK	Blank																				
BLK	Blank																				
BLK	Blank	<2	<0.01	<0.001	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2
BLK	Blank	<2	<0.01	<0.001	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2
Prep Wash																					
G1	Prep Blank	35	0.44	0.072	9	8	0.54	203	0.110	1	0.94	0.091	0.46	<0.1	<0.01	2.3	0.3	<0.05	5	<0.5	<0.2

APPENDIX V

Statement of Expenditures

Wages:	J. Pautler	1 day @ 850.00/day	$850.00
	Derrick Strickland	1 day @ 600.00/day	600.00
	Bill Harris	1 day @ 500.00/day	500.00

Sept 16, 2011 (including mobilization/demobilization) **Total: 3 man-days $1,950.00**

Geochemistry:	3 rocks	@ 75/ea.	Au, ICP, PGE	225.00	
	freight			50.00	
			Total: (includes shipping)		**275.00**

Equipment Rental:	Trucks	1 day @ 125/day	125.00	
	Sat Phone	1 day @ 20.00/day	20.00	
	Radios	3 md @ 10/each	30.00	
		Total:		**175.00**

Fuel:		**150.00**
Helicopter:	Kluane Helicopters, Haines Jct. Yukon Territory	**1,970.00**
Meals and Accommodation:	3 man days @ $150/md	**450.00**
Field Supplies:	(flagging tape, batteries, sample bags, markers)	**50.00**
Maps and Copies:		**50.00**
Report & Drafting:		**2,000.00**
GRAND TOTAL:		**$7,070.00**
Total applied for assessment:		**$5,000.00**

APPENDIX VI
STATEMENT OF QUALIFICATION

I, Jean Marie Pautler, do hereby certify that:

1) I, Jean Marie Pautler of 103-108 Elliott Street, Whitehorse, Yukon Territory am self-employed as a consultant geologist and authored this report.

2) I am a graduate of Laurentian University, Sudbury, Ontario with an Honours B.Sc. degree in geology (May, 1980).

3) I am a registered member of the Association of Professional Engineers and Geoscientists of British Columbia, Registration Number 19804.

4) I am a geologist with more than thirty years of experience in the Canadian Cordillera.

5) I was involved in the 2011 program on the AR Project on September 16, 2011.

6) I have no direct or indirect interest in the AR Project, which is the subject of this report.

_____

Jean Pautler, P.Geo.
JP Exploration Services Inc.
#103-108 Elliott St
Whitehorse, Yukon
Y1A 6C4