

**Geophysical Results
Summit Creek, YT
Whitehorse Mining District
Assessment Report for
Placer**

**Date: September 11, 2016
NTS Map Sheet: 105E
GPS Points: 61° 20' 42" N, 134° 23' 18" W**

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For
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Introduction

Overview

Kryotek Arctic Innovation Inc. conducted a total of two (2) geophysics surveys, for Kryotek Arctic Innovation Inc. on the 2-mile Summit Creek prospecting lease (Livingstone placer area), in the Whitehorse Mining District, YT. The survey lines were conducted throughout the property using a Lippmann 4-point Resistivity System. The surveys were conducted by James Coates and Kieran O'Donovan of Kryotek Inc. on August 18th, 2016.

Map of Project Area

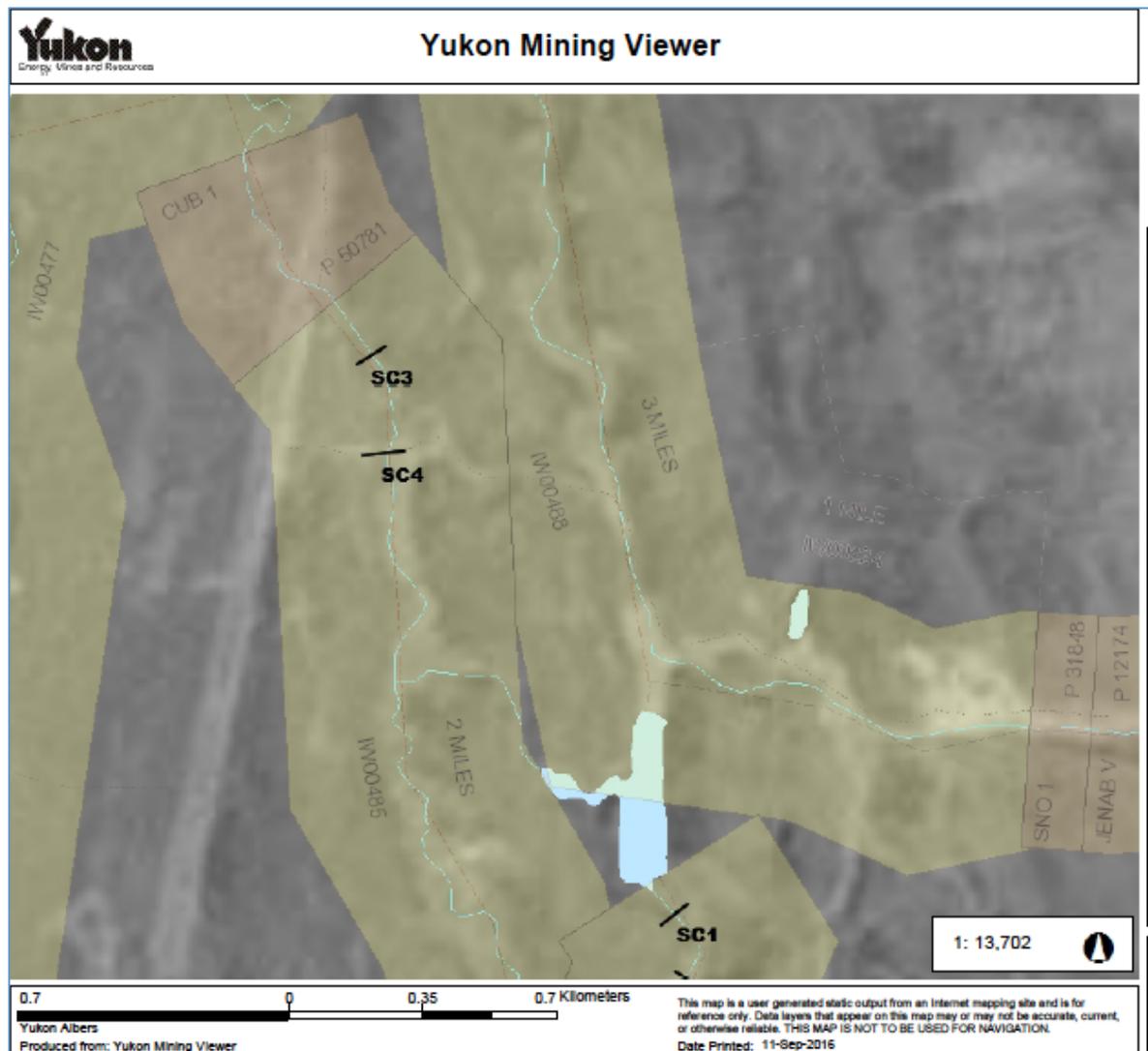


Figure 1- Location of Resistivity Surveys on Summit Creek Property, Yukon

Methodology

Resistivity was used for this area as the electrical properties of overburden, bedrock and mineralized fault systems are distinct and easily definable. A Lippmann 4- point Resistivity System was used. This system allows over 100 m of depth penetration.

Data was collected and inverted using AGI Earth Imager 2D software. Noisy data points and electrodes with poor contact resistance were removed and data was filtered for spikes or depressions in resistivity. The software produced two- dimensional tomograms using a smoothed, least squares damped and robust inversion parameters. Preliminary interpretations were conducted on the processed data.

DC Electrical Resistivity Tomography

This technique injects a direct electrical current into the ground surface, and then measures the voltage that remains at a number of distances from the injection point. As different soils have different resistances to electrical current, a tomogram (subsurface diagram) of resistivity can be produced.

Earth Imager 2D Software

Earth Imager 2D software (Advanced Geosciences Inc.) was used to invert and process the geophysics data. This software produces two-dimensional tomograms of resistivity data. The images were processed using both smoothed and robust inversion parameters in order to clarify transitions between material types as well as resistivity properties of those materials.

Data Interpretation

The images were interpreted by James Coates and features such as thawed regions, ice-rich permafrost, competent bedrock, degraded bedrock and top of bedrock contours were identified. James Coates has ten years of experience performing geophysics surveys in permafrost areas commercially and academically at the doctoral level.

These are preliminary interpretations. The southern Yukon area is a unique landscape with complex and poorly understood surficial and bedrock geology. Best efforts were made to identify ground material types based on surface exposure, borehole and test pit data as well as experience in the area. Geophysical readings and interpretations are complicated by the presence of permafrost, which greatly alters geophysical properties of soil.

Interpretations are subjective and highly dependent on the experience of the interpreter. General principles and assumptions followed in the interpretation are as follows:

1. Fine-grained materials over 600 Ohm/m are generally frozen.
2. Frozen gravels and ice-rich materials have much higher resistivity (up to 100,000 Ohm/m).
3. Frozen granite bedrock (as well as granite boulders) has a relatively low resistivity, similar to the thawed overburden in the area. There is little difference between frozen and thawed granite.
4. Frozen schist can have a very high resistivity due to the presence of interstitial water.
5. High-induced polarization chargeability in bedrock can indicate mineralization and faulting.
6. Low induced polarization chargeability in bedrock appears to indicate massive buried ice.
7. Low resistivity can indicate thawed and saturated areas.
8. Contrasts between resistivity readings indicate transitions between materials and are more important than absolute values.
9. Resistivity is the primary tool. IP sections are only provided when it provides insights in addition to the findings from resistivity data. As a result only resistivity images will be labeled, with supplementary information on the IP sections where relevant.

Limitations

The electrical resistivity and induced polarizations method provide an estimate of subsurface conditions only at the specific locations where lines were conducted and only to the depths penetrated, and within the accuracy of the method. Data gathered represents a hemispherical cross-section extending downwards from the surface. Results are more accurate closer to the surface and become more general with increasing depths. The presence of permafrost is a major complicating factor and can cause changes in resistivity of up to several orders of magnitude.

These data are indirect and the interpreted features subjective in nature, with identified anomalies based on a visual assessment of the characteristic signatures in the data coupled with information from nearby boreholes and test pits.

Interpretation is largely based on the experience of the operator with the specific equipment and terrain types. Certain material types can be very similar in resistivity, resulting in ambiguous results.

Geophysical Disclaimer

Subsurface information shown on these drawings was obtained solely for use in establishing design controls for the project. The accuracy of this information is not guaranteed and it is not to be construed as part of the plans governing construction of the project. It is the client's responsibility to inquire of the owner if additional information is available, to make arrangements to review the same prior development to conduct whatever site investigation or testing may be required, and to make their own determinations as to all subsurface conditions.

James Coates and Kryotek Arctic Innovation Inc. accept no liability whatsoever for any use or application of this information by any and all authorized or unauthorized parties.

This is a preliminary report with limited analysis. Complete analysis and detailed interpretation of each geophysics image has not been conducted. This report should serve only as a guide to understanding ground conditions surrounding boreholes and/or test pits, and is not to be used for planning or construction purposes.

Geophysical Survey Locations

Line	Start	End	Length
SC3	61° 22' 16.4"	61° 22' 16.8"	60m
	134° 22' 1.2"	134° 21' 57.3"	
SC4	61° 22' 10.3"	61° 22' 10.1"	100m
	134° 21' 52.2"	134° 21' 57.7"	

Table 1. GPS Co-ordinates for geophysical lines

Geophysical Results

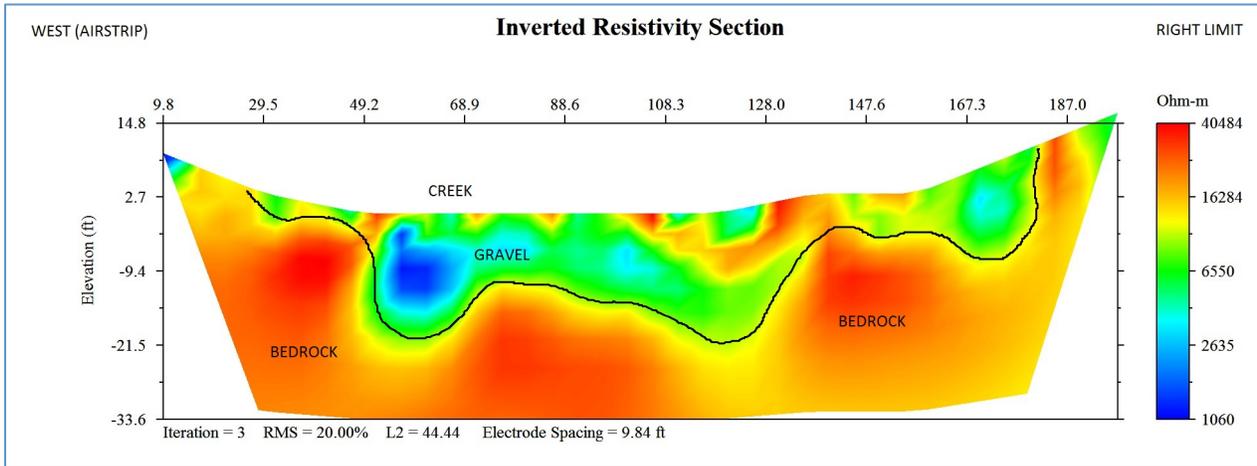


Figure 2– Line SC 3

This survey runs west-east across Summit Creek at the extreme north end of the claim block near the Livingstone Airstrip. The creek runs at the base of a steep bedrock hill (right limit) and has the gravel floodplain of the South Big Salmon River as the left limit. Large boulders are found in the creek bed.

Three well-defined channels are found, two at roughly 20 foot depths in the bottom of the creek valley at 50 feet and 120 feet on the horizontal scale, and a secondary, shallow channel 10 feet deep at 170 feet on the horizontal scale. These channels show deep scouring into the bedrock and are likely a deglaciation glacial floodwater drainage channel.

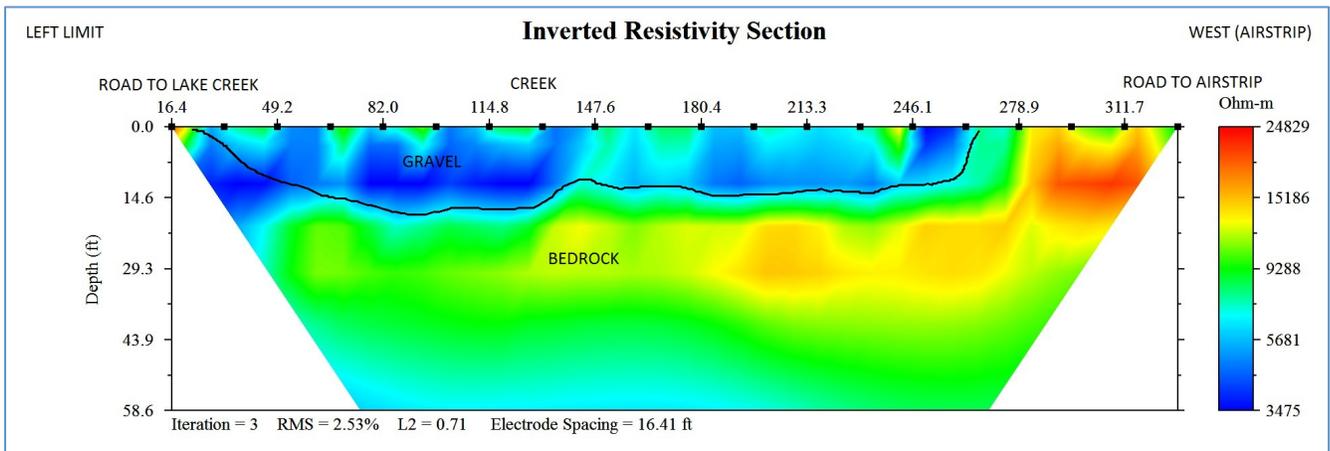


Figure 3- Line SC 4

This survey runs east-west across Summit Creek along the Summit Creek Road, which leaves the Livingstone airstrip roughly half-way along the runway. It is roughly 300 m upstream of SC3.

The survey starts at a schist bedrock exposure in a road cut and parallels the road, extending halfway to the airstrip. Bedrock is roughly level across the survey at 13-14 feet, with a slightly deeper, broad channel 14-16 feet deep near the right limit.

Statement of Qualifications

I, James Coates of 173-108 Elliott Street, Whitehorse, Yukon, Canada
DO HEREBY CERTIFY THAT:

1. I am a Consulting Geomorphologist with current address at 173-108 Elliott Street, Whitehorse, Yukon, Canada, Y1A 6C4.
2. I am a graduate of the University of Calgary (B.Sc., 2004, Geography) and the University of Ottawa (M.Sc., 2008, Geography)
3. I have practiced my Profession as a Geomorphologist continuously since 2008.
4. I am President and shareholder of Kryotek Arctic Innovation Inc., a Yukon Registered Company.