Assessment Report

describing

2009 GEOCHEMICAL STREAM SEDIMENT SAMPLING ON THE TAK PROPERTY

TAK 1 - TAK 16, YC 95227 - YC 95242
TAK 17 - TAK 82, YC 98377 - YC 98333

Located in the Dawson Range
Dawson Mining District
Yukon

NTS 115J15
62° 56’ 18” N Latitude; -138° 53’ 58” W Longitude
UTM 6,980,460 N; 6306,620 E (NAD 83 Zone 7)
Work conducted on September 23, 2009

-prepared for-

Farrell Andersen, Jackie Ziehe, Carl Schulze, Hinterland Metals Inc.

and

Silver Quest Resources Ltd.
1410-650 West Georgia Street
Vancouver, British Columbia, Canada, V6B 4N8

-prepared by-

Kendra Johnston, BSc Geology, GIT
Silver Quest Resources Ltd.

April 2010

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1.0 Introduction

The TAK property covers a near surface bulk tonnage gold target on the northeast side of Ballarat Creek, in the west-central Yukon. The claims making up property are either under option to Silver Quest Resources Ltd. ("Silver Quest" or the "Company") or owned directly by Silver Quest.

This report describes a stream sediment sampling program that was conducted by a four person crew on September 23, 2009. The work was completed by Silver Quest. The author participated in the program and her Statement of Qualifications is in Appendix I.

2.0 Property Location, Claim Data and Access

The TAK property consists of 82 contiguous mineral claims located at latitude 62° 56' 18" and longitude 138° 53' 58" on NTS map sheet 115J15 within the Dawson Range of the west-central Yukon approximately 130 km south of Dawson City (Figure 1). The claims are registered with the Dawson Mining Recorder. Sixteen of the claims are owned equally by Farrell Andersen, Jackie Ziehe, Carl Schulze and Hinterland Metals Inc., and were optioned to Silver Quest in July 2009. The remaining 66 claims are owned by Silver Quest. Claim data are listed below while the locations of individual claims are illustrated on Figure 2.

Claim Name	Grant Number	Expiry Date*
TAK 1 – 16	YC95227 – YC95242	June 5, 2010
TAK 17 – 82	YC98377 – YC98333	July 2, 2010

*Expiry data does not include 2009 work, which has not yet been filed for assessment credit.

Access to the property in 2009 was via an A-Star helicopter owned by Trans North Helicopters and operated from its permanent base in Dawson City.

There is no road access to the TAK Property.

A small, maintained airstrip is located at the southwest end of the property just off the claims. This airstrip is used to service the nearby placer operations and could accommodate a small to medium sized aircraft such as a Cessna 206.

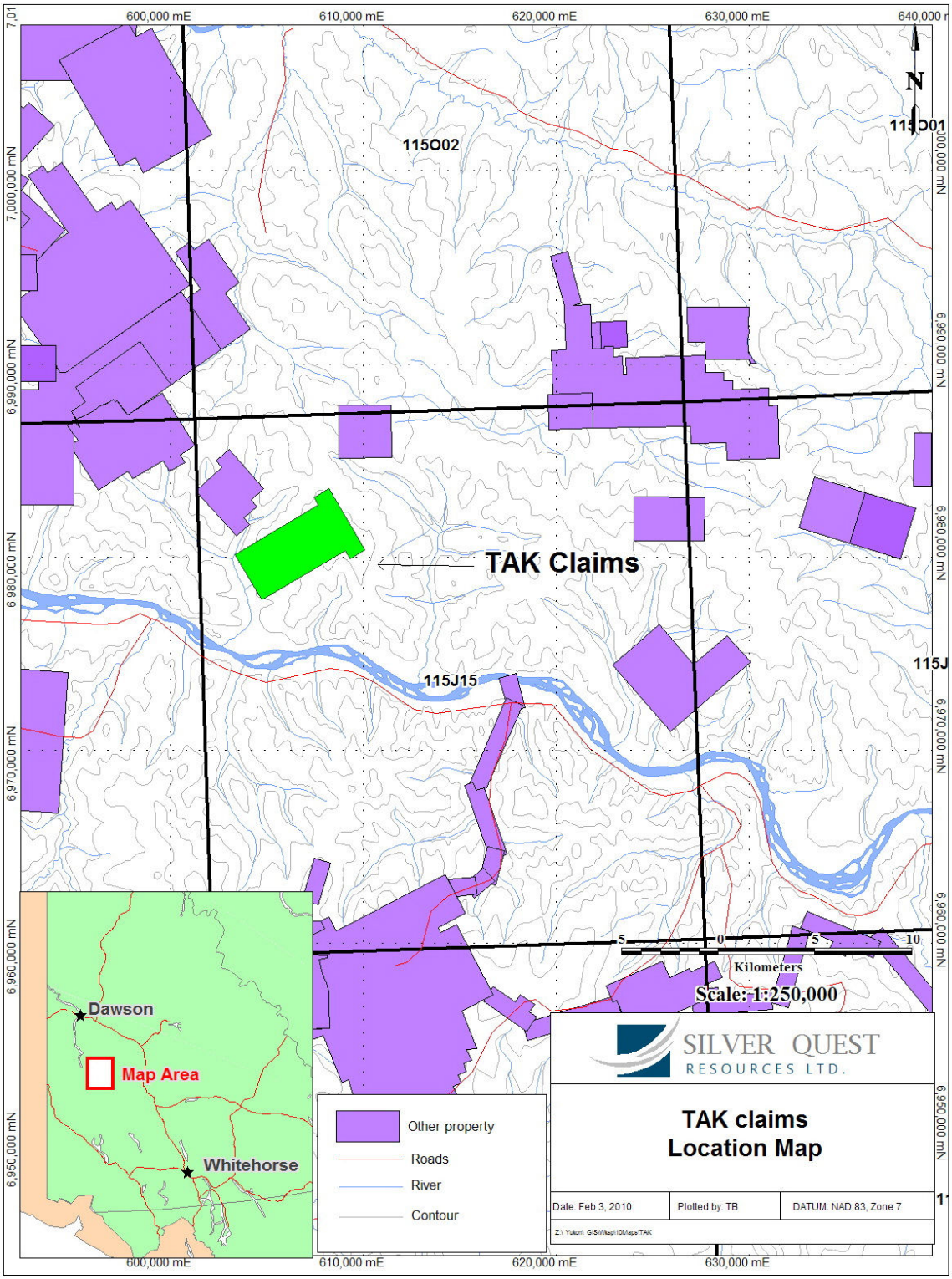

Figure 1 Property Location

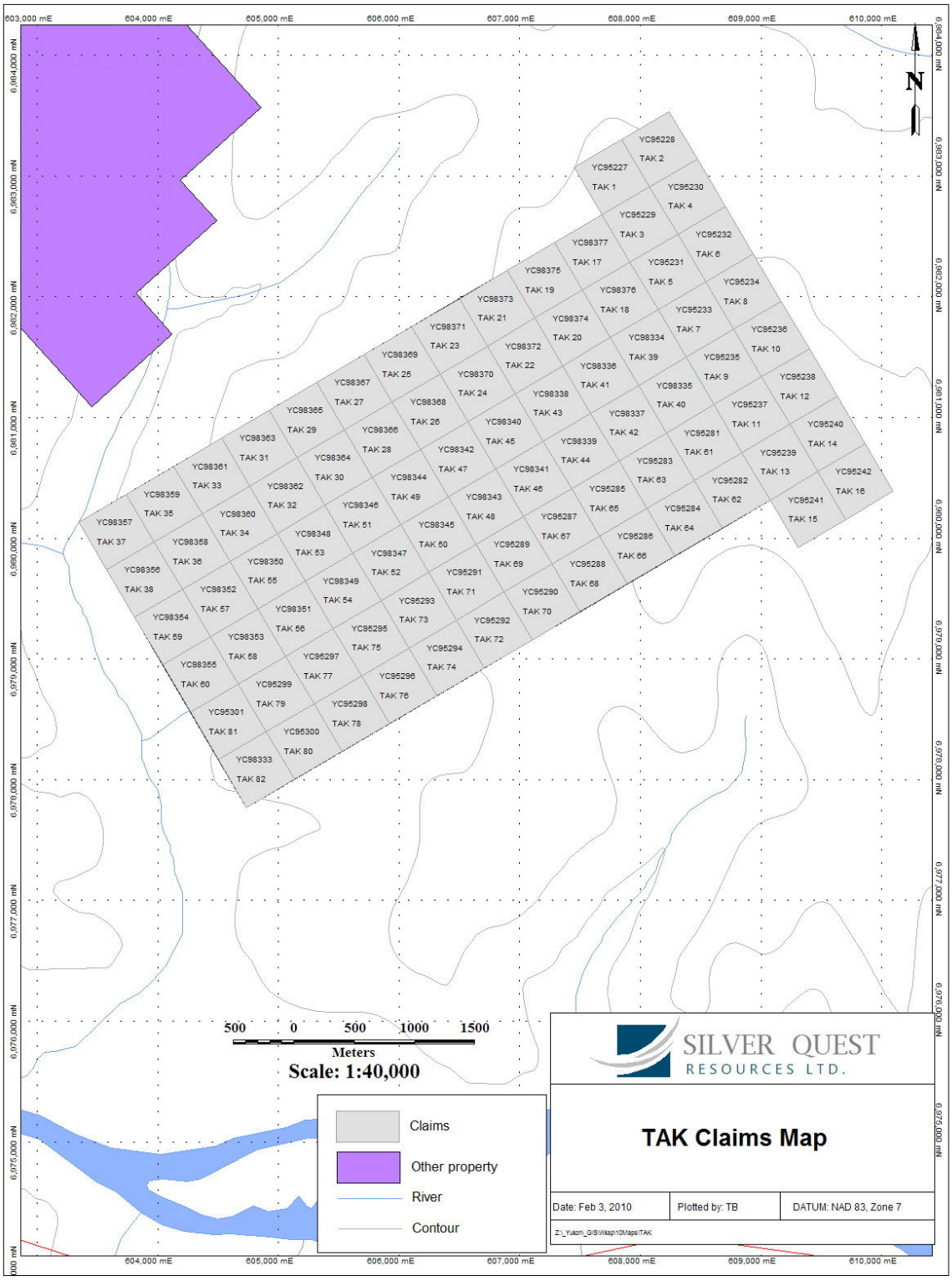

Figure 2 Claim Location

3.0 History

There are no Minfile occurrences or any record or previous exploration in the public domain on the TAK property.

There is no record of previous placer exploration on the creeks downstream from the TAK property

The property was staked in June and July 2009 and optioned to Silver Quest in July 2009.

4.0 Geomorphology

The property lies within the Dawson Range in an area of moderate relief. Local elevations range from 500 to 1,200 m above sea level. The higher parts of the property are thinly vegetated with stunted, deciduous and evergreen trees, scrub brush and thin moss cover. Lower elevations support a mixture of deciduous and evergreen forest with thick buckbrush, willows and moss covered slopes. No part of the property is above treeline.

The Dawson Range escaped Pleistocene glaciation and therefore outcrops are rare and are mostly found along sparsely vegetated ridges and in the large creek valleys.

The property is drained by a tributary of Ballarat Creek, which flows directly into the Yukon River.

5.0 Geology

The TAK property lies within the Yukon-Tanana Terrane approximately 100 km southwest of the Tinitina Fault (Figure 3). Figure 4 illustrates geology in the vicinity of the property.

The oldest rocks in the area are assigned to the Devonian, Mississippian and older (?) Nasina Assemblage (DMN3). This unit has been described by (Gordey, 2001) as quartzite, micaceous quartzite, quartz-muscovite schist, minor metaconglomerate and metagrit.

A large pluton trending west-northwest of Late Devonian to Mississippian Pelly Gneiss Suite-Southwest (DMgPW) rocks has intruded and overlie DMN3. This unit extends south to the Yukon River. (Gordey, 2001) describes DMgPW as foliated medium grained, homogeneous biotite granite gneiss to biotite or hornblende granodiorite gneiss; massive to strongly foliated dioritic to granodioritic gneiss with interfoliated amphibolite, quartz-mica schist and phyllite.

No property-scale mapping was completed in 2009.

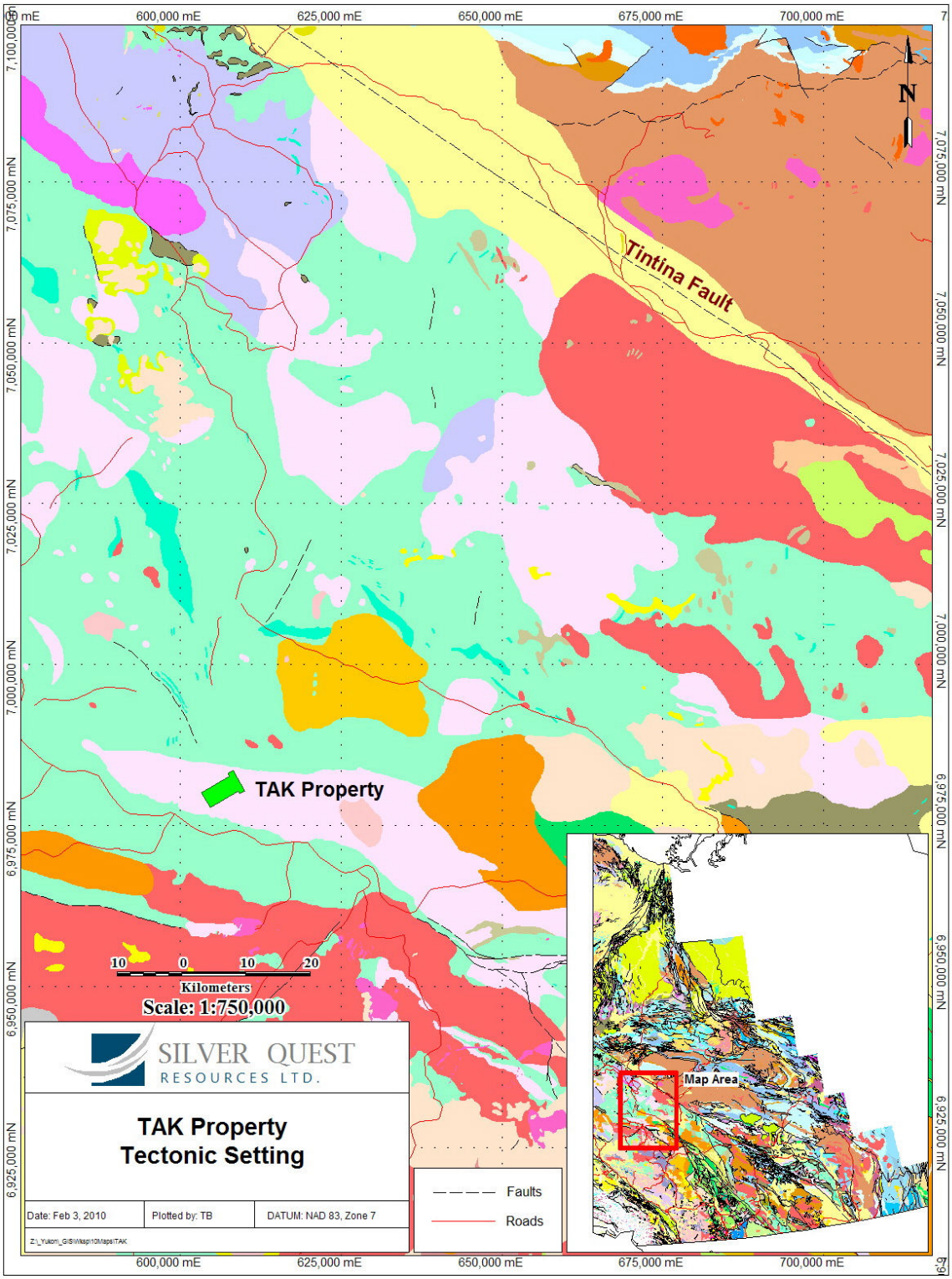

Figure 3 Tectonic Setting

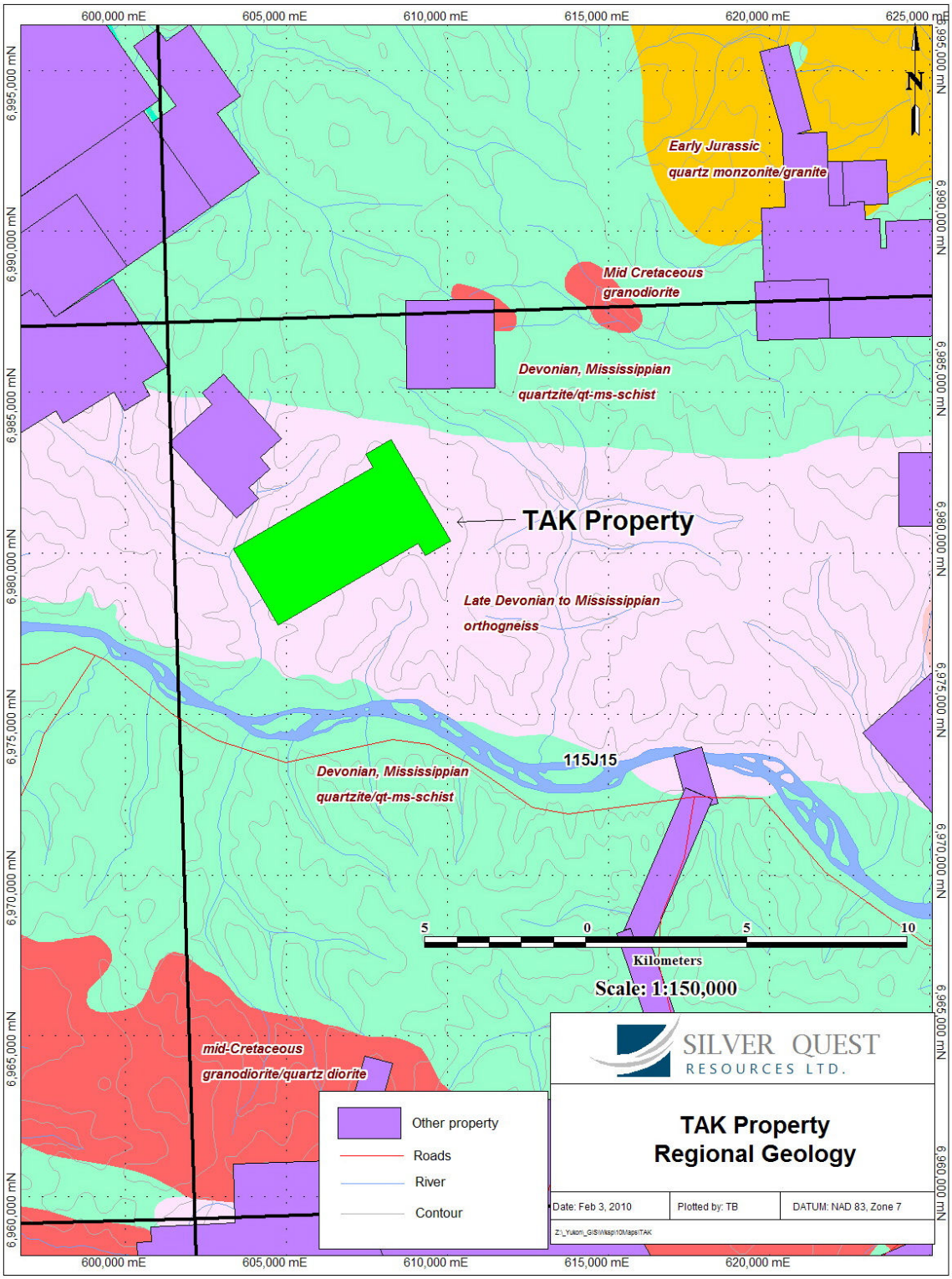

Figure 4 Regional Geology

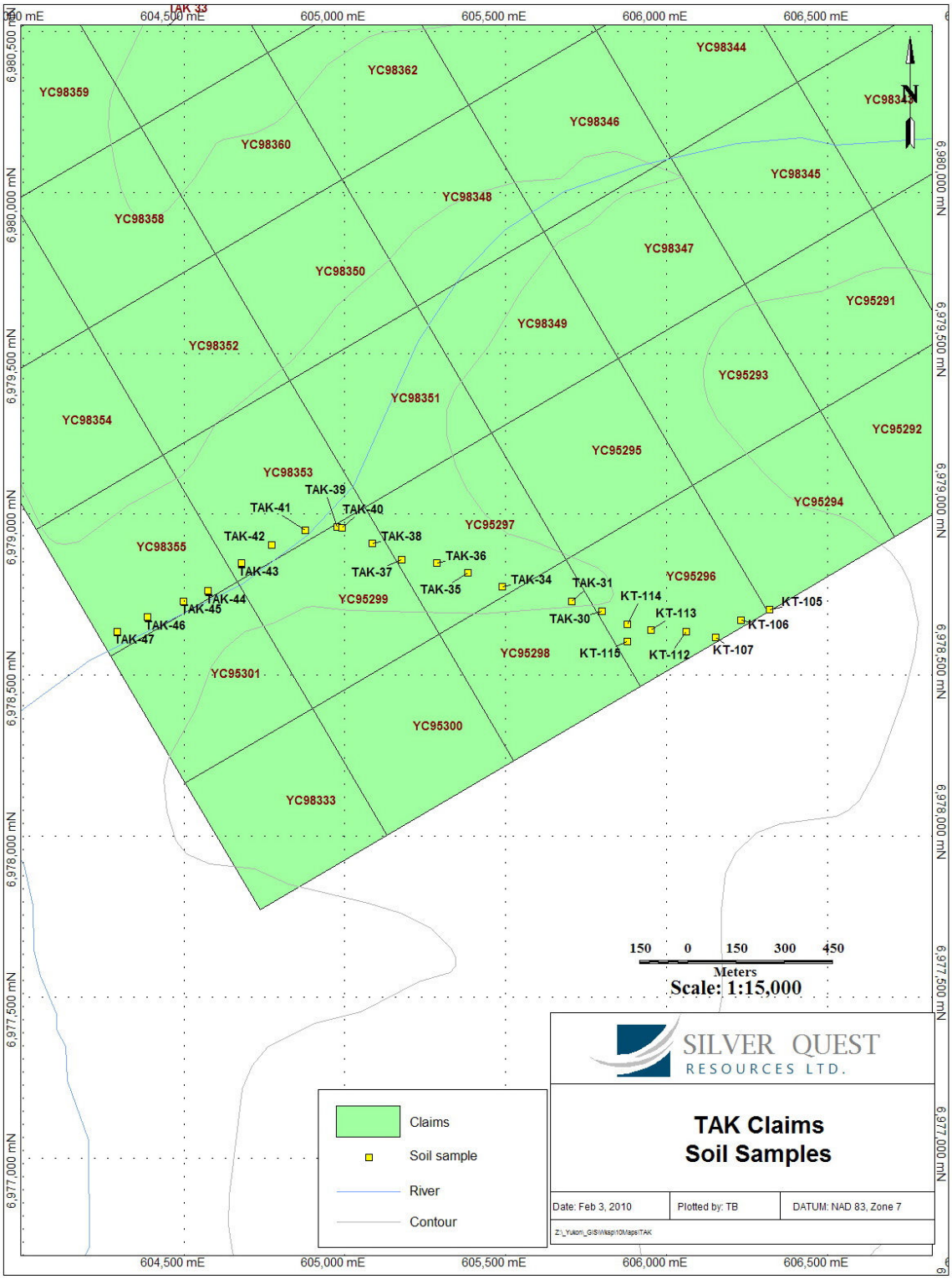

Figure 5 Soil Sample Locations

6.0 Soil Geochemisty

A total of 23 stream sediment samples were taken during the 2009 program. Samples were collected at 50 m intervals moving down stream, at stream junctures, and at 50 m intervals up to 200 m up stream on each smaller tributary encountered. All sample sites were located by using handheld GPS units. Sample sites were chosen in areas of deposition, above the water line, but below the high water line. Sample particles ranged in size from mud to gravel and were placed into individually numbered kraft paper bags. Soil sample locations are illustrated on Figure 5.

Sample analyses were performed by Eco Tech Laboratory in Kamloops, BC, which is an International Standard ISO 9001:2000-certified laboratory. The samples were analyzed using a 28-element ICPMS package with a 30-gram fire assay with AA finish for over limit (plus one gram per tonne) gold and (plus 30 grams per tonne) silver concentrations. Certificates of Analysis are in Appendix II.

Geochemical results were generally low; however, considering the deep weathering regime in the region, the minimal stream flow due to the season and the limited sampling, these results were not surprising.

7.0 Discussion and Conclusions

The TAK property is situated in the Dawson Range, an area of the Yukon that has typically been difficult and expensive to explore. The increased level of activity in the area caused by recent new gold discoveries, has improved ground access. With increased access, favourable geology and limited geochemical sampling, this property requires further exploration to property evaluate its potential.

Although the 2009 soil sampling program did not produce significant geochemical anomalies, additional work is warranted on the property. This should include airphoto analysis to identify possible structures and property wide, stream sediment sampling throughout the property and a deep auger grid soil geochemical survey.

Respectfully submitted,

Silver Quest Resources Ltd.

Kendra Johnston, BSc Geology, GIT

8.0 References

Gordey, S. a. (2001). *Bedrock Geology, Yukon Territory.* Geological Survey of Canada, Open File 3754 and Exploration and Geological Services Division, Yukon Indian and Northern Affairs, Open File 2001-1, scale 1:1 000 000.

APPENDIX I

STATEMENT OF QUALIFICATIONS

Statement of Qualifications

I, Kendra Johnston, BSc, GIT do hereby certify that:

I am a geologist working on behalf of Silver Quest Resources, with a business address of 1410-650 West Georgia Street, Vancouver, British Columbia, Canada.

I graduated from the University of Victoria with a Bachelor of Science degree in Earth and Ocean Science and Geography in 2005.

I have been actively engaged in the mineral exploration industry in the Yukon Territory, British Columbia, and Nevada since 2005

I am a Geoscientist in Training with the Association of Professional Engineers and Geoscientists of British Columbia (Member Number 141786)

I am the author of the report entitled "2009 Geochemical Soil Sampling Report on the TAK Property" and dated February 2010.

I personally participated in the fieldwork reported herein and have interpreted all data resulting from this work.

Kendra Johnston, BSc. Geology, GIT

APPENDIX II

STATEMENT OF EXPENDITURE

STATEMENT OF EXPENDITURE

TAK PORPERTY 2009 GEOCHEMICAL SOIL SAMPLING

Analytical Work	
ICP – 28 elements plus gold; 22 soil samples @ $19.04	**$ 418.88**
Geochemical Soil Sampling Contractor – Ridge Resources	**$ 2,774.00**
Geologist and Contractor Supervision – Kendra Johnston	**$ 323.52**
Helicopter Transportation	**$ 5,055.07**
Accommodation	**$ 208.76**
Field Supplies	**$ 28.47**
Total	**$ 8,808.70**

APPENDIX III

CERTIFICATE OF ANALYSIS

6-Nov-09

Stewart Group
ECO TECH LABORATORY LTD.
10041 Dallas Drive
KAMLOOPS, B.C.
V2C 6T4
www.stewartgroupglobal.com

Phone: 250-573-5700
Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2009- 0644

Silver Quest Resources
1410-650 West Georgia St
Vancouver, BC
V6B 4N8

No. of samples received: 22
Sample Type: Stream Sediments
Project: TAK
Submitted by: Kendra Johnston

Values in ppm unless otherwise reported

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	TAK-30	<5	<0.2	1.23	<5	150	<5	0.79	1	14	21	21	2.16	<10	0.84	283	<1	0.03	15	860	12	<5	<20	30	0.06	<10	50	<10	8	65
2	TAK-31	<5	<0.2	1.25	<5	180	<5	0.84	1	15	19	19	2.28	<10	0.87	437	<1	0.03	14	760	14	<5	<20	31	0.06	<10	55	<10	7	72
3	TAK-32	<5	<0.2	0.99	<5	125	<5	0.45	1	14	14	14	2.18	<10	0.76	419	<1	0.02	9	630	10	<5	<20	19	0.06	<10	47	<10	5	64
4	TAK-34	<5	<0.2	0.91	<5	105	<5	0.39	<1	14	13	14	2.19	<10	0.65	416	<1	0.03	8	600	10	<5	<20	16	0.05	<10	47	<10	5	57
5	TAK-35	10	<0.2	1.29	<5	185	<5	0.81	1	15	19	19	2.38	<10	0.93	447	1	0.03	13	1050	14	<5	<20	30	0.07	<10	58	<10	9	73
6	TAK-36	5	<0.2	1.21	<5	175	<5	0.77	1	14	19	17	2.30	<10	0.86	325	<1	0.03	13	1040	12	<5	<20	31	0.07	<10	58	<10	8	67
7	TAK-37	<5	<0.2	1.33	<5	220	<5	1.07	2	17	20	22	2.58	<10	1.00	529	1	0.03	15	1000	16	<5	<20	44	0.07	<10	61	<10	9	91
8	TAK-38	5	<0.2	1.29	<5	205	<5	0.92	1	15	19	21	2.34	<10	0.93	467	<1	0.03	14	860	14	<5	<20	39	0.06	<10	54	<10	8	91
9	TAK-39	<5	<0.2	0.85	<5	115	<5	0.41	1	15	11	17	2.61	<10	0.63	380	<1	0.03	8	580	12	<5	<20	20	0.05	<10	61	<10	5	62
10	TAK-40	5	<0.2	1.76	5	410	<5	0.81	2	19	26	36	3.61	10	1.20	509	2	0.04	19	900	14	<5	<20	31	0.11	<10	87	<10	10	73
11	TAK-41	5	<0.2	1.15	<5	165	<5	0.79	1	14	21	25	2.22	<10	0.76	321	<1	0.03	15	940	10	<5	<20	34	0.07	<10	60	<10	7	58
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13	TAK-43	5	<0.2	1.15	<5	170	<5	0.70	1	13	20	22	2.26	<10	0.80	353	<1	0.03	14	980	10	<5	<20	30	0.07	<10	59	<10	6	61
14	TAK-44	<5	<0.2	1.17	5	210	<5	0.91	1	14	21	26	2.31	<10	0.80	350	1	0.03	16	870	16	<5	<20	39	0.06	<10	57	<10	8	77
15	TAK-45	15	<0.2	1.10	<5	170	<5	0.70	1	14	19	24	2.19	<10	0.77	394	<1	0.03	14	980	10	<5	<20	31	0.07	<10	58	<10	6	57
16	TAK-46	35	<0.2	1.01	<5	140	<5	0.67	1	13	19	21	2.41	<10	0.69	362	<1	0.03	12	1190	10	<5	<20	27	0.07	<10	64	<10	6	54
17	TAK-47	5	<0.2	1.17	<5	165	<5	0.80	1	14	22	25	2.27	<10	0.76	360	<1	0.03	15	920	10	<5	<20	37	0.07	<10	58	<10	7	61
18	TAK-48	5	<0.2	1.04	<5	150	<5	0.63	1	13	20	19	2.41	<10	0.68	322	<1	0.03	12	1070	10	<5	<20	30	0.07	<10	66	<10	6	55
19	TAK-49	5	<0.2	0.95	<5	115	<5	0.56	<1	11	17	17	2.32	<10	0.57	309	<1	0.03	10	1020	8	<5	<20	24	0.06	<10	58	<10	5	51
20	TAK-50	<5	<0.2	1.22	<5	200	<5	0.85	1	14	21	26	2.27	<10	0.81	347	<1	0.03	16	910	12	<5	<20	37	0.06	<10	59	<10	7	65
21	TAK-51	<5	<0.2	0.66	<5	80	<5	0.30	<1	9	9	14	1.74	<10	0.45	303	<1	0.03	6	510	8	<5	<20	16	0.04	<10	40	<10	3	39
22	TAK-52	<5	<0.2	0.67	<5	75	<5	0.29	<1	9	9	16	1.72	<10	0.44	316	<1	0.02	6	470	6	<5	<20	13	0.04	<10	41	<10	3	38
QC DATA:																														
Repeat:																														
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10	TAK-40		<0.2	1.71	5	410	<5	0.81	2	18	24	35	3.40	10	1.22	478	2	0.03	20	920	14	<5	<20	31	0.11	<10	83	<10	10	71
11	TAK-41	5																												
20	TAK-50	5																												

Standard:																											
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SF30	835																										

ICP: Aqua Regia Digest / ICP- AES Finish.
Ag : Aqua Regia Digest / AA Finish.
Au: 30g Fire Assay/ AA Finish.

NM/nw
df/2_644S
XLS/09

ECO TECH LABORATORY LTD.
Norman Monteith
B.C. Certified Assayer

6-Nov-09

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Phone: 250-573-5700
Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2009- 0647

Silver Quest Resources
1410-650 West Georgia St
Vancouver, BC
V6B 4N8

No. of samples received: 16
Sample Type: Stream Sediments
Project: TAK-KT
Submitted by: Kendra Johnston

Values in ppm unless otherwise reported

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	KT-100	15	<0.2	1.46	5	375	<5	1.57	2	19	30	35	3.43	<10	1.19	1694	2	0.03	19	960	14	<5	<20	62	0.04	<10	64	<10	9	73
2	KT-101	5	<0.2	1.09	<5	120	<5	0.51	1	15	16	19	2.59	<10	0.69	423	<1	0.03	9	620	10	<5	<20	18	0.05	<10	66	<10	5	50
3	KT-102	15	<0.2	1.59	5	340	<5	1.03	2	33	23	32	3.06	<10	0.95	1155	2	0.03	16	760	16	<5	<20	39	0.05	<10	84	<10	14	97
4	KT-103	20	<0.2	1.58	5	270	<5	0.42	2	60	23	19	3.13	<10	0.97	2414	2	0.03	14	750	14	<5	<20	18	0.06	<10	85	<10	8	73
5	KT-104	<5	<0.2	1.13	<5	105	<5	0.67	1	17	15	23	2.47	<10	0.79	535	<1	0.03	11	640	10	<5	<20	23	0.06	<10	59	<10	8	59
6	KT-105	5	<0.2	1.14	<5	210	<5	0.67	1	17	17	21	2.46	<10	0.78	696	1	0.03	11	590	12	<5	<20	25	0.05	<10	61	<10	8	63
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8	KT-107	10	<0.2	1.58	<5	170	<5	0.81	1	18	21	21	2.70	10	1.06	536	1	0.03	13	660	14	<5	<20	26	0.07	<10	66	<10	10	79
9	KT-108	<5	<0.2	0.92	<5	100	<5	0.30	<1	11	10	11	2.01	<10	0.64	409	<1	0.02	6	520	8	<5	<20	10	0.05	<10	48	<10	4	48
10	KT-109	15	<0.2	1.45	<5	205	<5	0.54	1	16	22	16	2.62	<10	0.78	754	<1	0.03	10	800	12	<5	<20	17	0.08	<10	70	<10	8	72
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12	KT-111	15	<0.2	1.03	<5	125	<5	0.41	1	13	12	13	2.15	<10	0.75	377	<1	0.02	7	740	10	<5	<20	12	0.06	<10	52	<10	4	52
13	KT-112	<5	<0.2	1.49	<5	235	<5	0.73	2	19	19	21	2.75	10	1.09	633	1	0.03	12	740	14	<5	<20	23	0.08	<10	67	<10	9	84
14	KT-113	10	<0.2	1.35	<5	205	<5	0.85	1	14	19	23	2.33	10	0.85	420	1	0.03	14	770	14	<5	<20	28	0.06	<10	55	<10	11	89
15	KT-114	5	<0.2	1.20	<5	220	<5	0.59	1	13	17	14	2.34	<10	0.78	382	<1	0.02	11	520	10	<5	<20	20	0.06	<10	60	<10	5	60
16	KT-115	10	<0.2	1.05	<5	175	<5	0.52	1	14	14	12	2.21	<10	0.74	507	<1	0.02	9	500	10	<5	<20	17	0.05	<10	58	<10	4	55
QC DATA:																														
Repeat:																														
1	KT-100	15	<0.2	1.50	5	390	<5	1.68	2	20	32	37	3.59	<10	1.29	1787	2	0.03	21	980	16	<5	<20	68	0.06	<10	69	<10	9	79
11	KT-110	5	<0.2	1.33	<5	210	<5	0.51	1	16	17	15	2.54	<10	0.80	769	<1	0.03	10	830	12	<5	<20	17	0.07	<10	63	<10	7	67
Standard:																														
Till-3			1.4	1.05	90	45	<5	0.51	<1	14	63	20	2.01	10	0.63	321	<1	0.03	32	460	24	<5	<20	13	0.05	<10	39	<10	6	41
SF30		820																												

ICP: Aqua Regia Digest / ICP- AES Finish.
Ag : Aqua Regia Digest / AA Finish.
Au: 30g Fire Assay/ AA Finish.
NM/nw
df/ 2_644S
XLS/09

ECO TECH LABORATORY LTD.
Norman Monteith
B.C. Certified Assayer