

Assessment Report on the

2011 SOIL GEOCHEMICAL SURVEY

on the

BIRDMAN PROPERTY, YUKON

Grant Number	Claim Name
YD05707 – YD05710	BDR 1 - BDR 4
YD05865 – YD05872	BDR 5 – BDR 12

DAWSON MINING DISTRICT

Date(s) Worked: August 10-11, 2011

NTS Map 115O02
UTM 622,800E; 6,991,500N (NAD 83, Zone 7)

Prepared by:
Ryan Congdon, BSc, Geologist

Prepared for:
Silver Quest Resources Ltd.
P.O. Box 11584
Suite 1410 – 650 West Georgia Street
Vancouver, British Columbia, V6B4N8

December 14, 2011

Table of Contents

SUMMARY	4
INTRODUCTION	4
CLAIM DATA AND OWNERSHIP	4
PROPERTY DESCRIPTION	7
LOCATION.....	7
CLIMATE AND GEOMORPHOLOGY.....	7
INFRASTRUCTURE	7
HISTORY.....	8
PREVIOUS WORK.....	8
RECENT HISTORY.....	8
GEOLOGICAL SETTING	8
REGIONAL GEOLOGY	8
PROPERTY GEOLOGY	10
GEOCHEMISTRY.....	11
SOIL GEOCHEMISTRY	11
QUALITY ASSURANCE/QUALITY CONTROL	13
DISCUSSIONS AND CONCLUSIONS.....	14
RECOMMENDATIONS.....	17
REFERENCES	18
STATEMENT OF QUALIFICATIONS.....	19
STATEMENT OF EXPENDITURES.....	20

List of Tables

Table 1 – Claim Data 4
Table 2 – Soil Geochemical Survey Percentile Values13

List of Figures

Figure 1 – Location Map 5
Figure 2 – Claim Map..... 6
Figure 3 – Regional Geology..... 9
Figure 4 – Soil Geochemical Sample Locations12
Figure 5a – Soil Geochemistry – Gold.....15
Figure 5b – Soil Geochemistry – Tungstan16

List of Appendices

APPENDIX 1 Laboratory Certificates21

SUMMARY

The Birdman property comprising 12 quartz claims and owned by Silver Quest Resources Ltd. (Silver Quest) is an early stage exploration project targeting orogenic gold mineralization. Birdman is located in west-central Yukon approximately 160 kilometres (km) northwest of Carmacks, YT and 125 km southeast of Dawson City, YT (Figure 1). A total of 68 soil geochemical samples were collected over 4 man days on the Birdman property. The 2011 soil geochemical survey returned weak results for gold and its pathfinder elements.

INTRODUCTION

This report describes a reconnaissance soil geochemical survey conducted on the Birdman property by a 2 person crew on August 10 and August 11, 2011. Work on the Birdman property was completed for Silver Quest by Silver Quest employees. The author participated in the program and the Statement of Qualifications is contained within this report.

The objective of the geochemical survey was to further evaluate the mineral potential of the Birdman property. Birdman is geographically adjacent to favourable results discovered approximately 3 km to the southeast by Pacific Ridge Exploration Ltd. ("Pacific Ridge") earlier this season.

CLAIM DATA AND OWNERSHIP

Silver Quest Resources Ltd. acquired the BDR claims from Archer, Cathro & Associated (1981) Limited in December 2009. The Birdman property comprises 12 contiguous quartz claims and covers a total area of 250 hectares (ha). The claim block centers on UTM 622,800E and 6,991,500N (NAD 83, Zone 7) on NTS map sheet 115O02 as shown on Figure 2. Quartz claims are registered with the Dawson Mining Recorder. Claim data is listed below.

Table 1 – Claim Data

Grant Number	Claim Name	Registered Owner/Operator
YD05707 – YD05710	BDR 1 – BDR 4	Silver Quest Resources Ltd.
YD05865 – YD05872	BDR 5 – BDR 12	Silver Quest Resources Ltd.



Figure 1 – Location Map

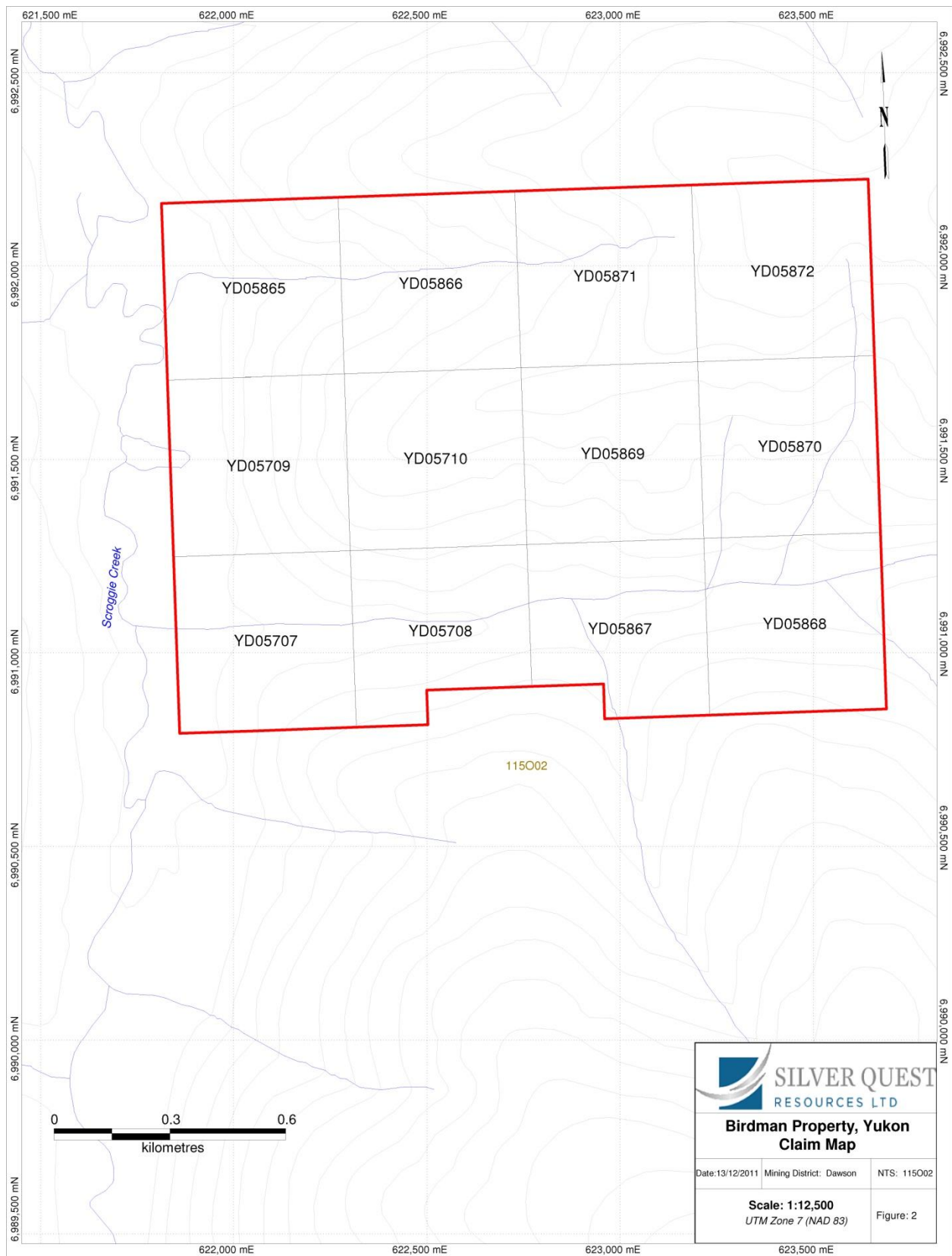


Figure 2 – Claim Map

PROPERTY DESCRIPTION

LOCATION

The Birdman property is located in the Scroggie Creek area of west-central Yukon about 160 km northwest of Carmaks, YT and 125 km southeast of Dawson City, YT (Figure 1).

CLIMATE AND GEOMORPHOLOGY

The Birdman property lies within the Dawson Range in an area of gentle undulating relief. Local elevations range from 600 to 925 metres (m) above sea level. The higher parts of the property are thinly vegetated with stunted, aspen and spruce trees, scrub brush and thin moss cover. Lower elevations support a mixed forest of aspen and spruce with thick brush, willows and moss-covered slopes. Approximately half the samples collected during 2011 were within a historic vegetation burn.

The Dawson Range remained unglaciated during the Pleistocene making outcrops rare, the few outcrops that are present are located along sparsely vegetated ridges and in the main creek drainages. The property is drained by Scroggie Creek, which flows north into Stewart River. Climate in the region is described as sub-arctic with short mild summers and long cold winters. Permafrost was discontinuous but present while conducting the soil survey on the property.

INFRASTRUCTURE

Access to the Birdman property in 2011 was via an AS350-B2 A-star helicopter operated by Transnorth Helicopters of Whitehorse and based out of Silver Quest's 2011 Prospector Mountain Camp, located on Hayes Creek. Alternatively, several fixed-wing operators in Dawson City and Whitehorse are available for hire to transport supplies to various airstrips in the vicinity including Casino, Minto, Rude Creek and Scroggie Creek where supplies can be subsequently mobilized by helicopter to the property.

There is no maintained road access to the Property.

HISTORY

PREVIOUS WORK

There are no Minfile occurrences or public records of previous exploration on the Birdman property.

Scroggie Creek has been the actively placer mined since 1978 and reportedly produced 55,603 ounces of gold between 1978 and 2003 (LaBarge, 2004)

RECENT HISTORY

Archer, Cathro & Associated (1981) Limited (Archer Cathro) staked the BDR claims in June 2009 and optioned them to Silver Quest in December 2009. ATAC Resources Ltd. completed a one day soil sample survey with a crew of 3 people in August 2009 on behalf of Archer Cathro. A total of 87 deep auger soil samples were taken at 50 m spaced intervals along 3 lines spaced 100 to 500 m apart. No significant results were returned (Smith, 2010).

Pacific Ridge owns the claims that entirely surround the Birdman property. This block of claims is more commonly known as the Mariposa property. Pacific Ridge completed diamond drilling on their highest grade gold-in-soil anomaly, known as the Skookum Main zone in 2011. Their best intercept was 38.9 m of 2.44 grams per tonne in hole 11MP-01. Pacific Ridge completed a total of 34 holes during their 2011 drilling program (Brock, 2011). These holes are located along regional scale trends approximately 2.5 km to the southeast of Birdman.

GEOLOGICAL SETTING

REGIONAL GEOLOGY

The Birdman property is situated within the Yukon-Tanana Terrane approximately 80 km southwest of the Tintina Fault in west-central Yukon. This area is characterised by various pericratonic terranes that were accreted to the ancestral continental margin of North America in the early Jurassic. During the mid-Cretaceous the pericratonic terranes were intruded by a northwest-southeast trending plutonic suite known as the Dawson Range plutonic belt (Hart et al. 2004), and a variety of early Jurassic batholiths which surround the Birdman property.

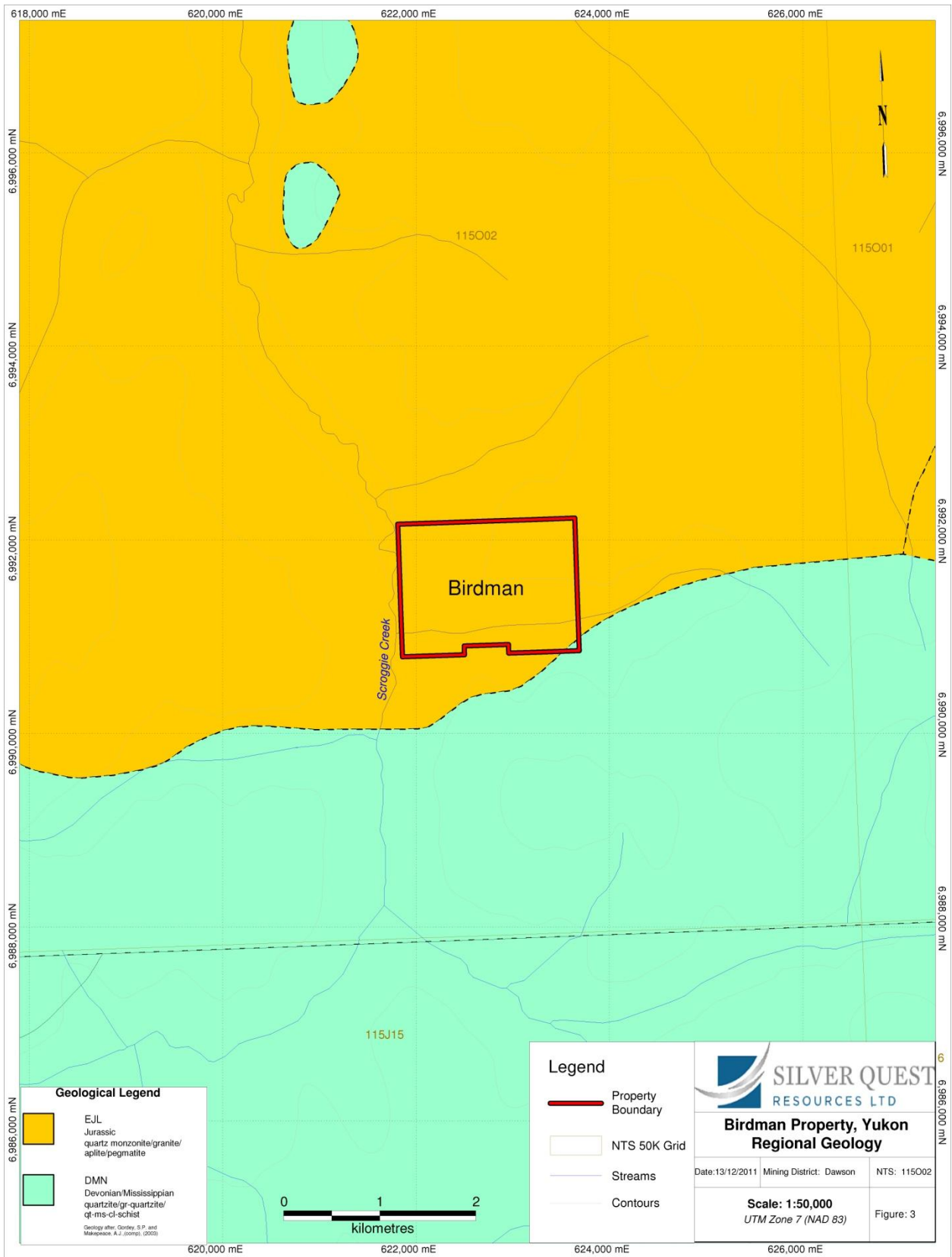


Figure 3 – Regional Geology

PROPERTY GEOLOGY

The oldest rocks in the area belong to the Devonian, Mississippian Nasina Assemblage (DMN). This unit is described as quartzite and quartz-muscovite schist (Gordey and Makepeace, 2003), interpreted to occur in the south east corner of the property (Figure 3.)

The Birdman property as mapped is almost entirely underlain by a 20 km by 15 km pluton of Early Jurassic Long Lake Suite (EJL) which intrudes DMN. EJL is described as massive to weakly foliated, fine to coarse grained biotite, biotite-muscovite and biotite-hornblende quartz monzonite to granite, including abundant pegmatite and alplite phases. It commonly contains potassium feldspar megacrysts (Gordey and Makepeace, 2003).

To the southwest of the Birdman property is a plug of Mid-Cretaceous Whitehorse Suite (mKg) intruding DMN. The pluton is described as biotite –hornblende granodiorite, to hornblende quartz diorite (Gordey and Makepeace, 2003).

No mapping or prospecting was completed during the 2011 project.

GEOCHEMISTRY

SOIL GEOCHEMISTRY

The 2011 exploration program at Birdman consisted of 2 days of work for 2 soil samplers. A total of 68 soil samples from 2 parallel spur survey lines were collected at a sample spacing of 50 m (Figure 4).

All samplers were trained to use the same sampling procedures when collecting the B-horizon soil samples. Sampler began by removing a 30 centimetre (cm) by 30 cm section of moss mat or vegetative cover. Second, a soil pit of similar dimensions was hand excavated exposing A and B soil horizon boundaries, reaching the top of the C-horizon where feasible. The depth of the pit varied from 20 cm to 60 cm, depending on horizon thicknesses and sampling conditions. Soil material (300 grams to 400 grams) was collected from the walls of the pit utilizing a clean plastic trowel. Samples were collected and stored in standard KRAFT soil sample bags and transported to the 2011 Independence Camp in polyurethane bags for drying and subsequent analysis by a hand held X-Ray Fluorescence (XRF) device.

All sample locations were rehabilitated; by back-filling the soil pit and replacing the moss mat or vegetative cover. This was done to minimize the environmental impact. Locations with permafrost or areas lacking mineral soils were not sampled. Equipment such as shovels and trowels were cleaned between samples and waterlogged samples were stored in separate polyurethane bags to minimize cross-contamination. All sample locations were recorded using a hand-held GPS. All maps and UTM coordinates are referenced to the 1983 North American Datum (NAD 83), Zone 7. A complete description of soil type, depth, thickness of the sample and surrounding environment and terrain was recorded at each location.



Figure 4 – Soil Geochemical Sample Locations

Samples were submitted to the ALS Laboratory Group preparation facility in Whitehorse, a ISO9001 certified preparation facility. Samples were analysed by aqua regia digestion and a combination of inductively coupled plasma with atomic emission spectroscopy or mass spectroscopy (ICP-AES and ICP-MS) analysis for 51-elements including gold. Gold was also analysed by fire assay and atomic absorption spectroscopy (Au-AA23) for more accuracy. Assay certificates of analysis are presented in Appendix I at the end of this report. Assay statistics for the 2011 geochemical soil survey are listed below (Table 2), values denoted with a 'less than' symbol indicate samples are below detection limit for the given element.

Table 2 – Soil Geochemical Survey Percentile Values

Values	Au (ppb)	Ag (ppm)	As (ppm)	Cu (ppm)	Mo (ppm)	Sb (ppm)	Zn (ppm)	Pb (ppm)	W (ppm)
Max	41	0.15	15.00	32.40	2.19	0.66	112.0	10.5	1.49
Min	<5	0.02	2.70	3.90	0.25	0.12	43.0	3.7	<0.05
98th	8	0.13	10.65	26.22	1.56	0.52	105.7	9.5	0.24
95th	5	0.09	10.16	18.65	1.13	0.45	99.6	9.1	0.20
90th	<5	0.08	8.97	17.48	1.05	0.44	93.4	8.7	0.19
75th	<5	0.06	8.03	14.05	0.86	0.40	84.3	8.3	0.17
50th	<5	0.05	4.00	8.30	0.52	0.25	72.0	5.8	0.11

QUALITY ASSURANCE/QUALITY CONTROL

For Quality Assurance-Quality Control (QAQC) purposes, field check samples were inserted into the sample stream every 10 samples. Blanks, comprised of silica sand, were inserted on odd sample identification numbers (i.e. numbers ending in 10, 30, 50, 70, 90); while duplicates were inserted on even sample identification number (i.e. numbers ending in 20, 40, 60, 80, 100). Duplicates were acquired from the same soil pit, or from a separate pit at the same location. The field sample checks were analysed with the rest of the soil samples and resulting values were used to check the consistency of our sampling procedures and the analytical procedures used by ALS Laboratory Group. ALS Laboratory Group blanks, duplicates and standards were also used to confirm results.

A classification system was applied for QAQC samples. Field blanks for main pathfinder elements were flagged when above the 20th percentile mark for the sample population for each project area. Field duplicates past when less than a 20% variance was noted. ALS Laboratory Group standards did not pass when recorded results exceeded two standard deviations or what

was deemed above thresholds by ALS Laboratory Group. Erroneous QAQC results were investigated and appropriate re-analysis undertaken when necessary.

Quality Assurance-Quality Control (QAQC) samples for Birdman passed without any significant concerns.

DISCUSSIONS AND CONCLUSIONS

Soil geochemical survey results from the Birdman property were compared to the Silver Quest soils database, which contains sample values collected between 2008 and 2011 within the Dawson Range. Anomalous value ranges were identified and applied to the thematic maps represented in this report (Figure 5).

Results from the 2011 soil geochemical survey did not indicate any anomalous gold zones on the Birdman property. However, a single isolated sample did return anomalous gold at 41 parts per billion (ppb) (Figure 5a) along with elevated zinc.

No significant anomalous zones were identified for gold pathfinder elements from 2011 work. In general, pathfinder elements returned weak and geographically scattered values concurring with previous work on the property (Figure 5). A single anomalous tungsten sample occurred on the western lower part of the property (Figure 5b), 150 m from the single anomalous gold sample.

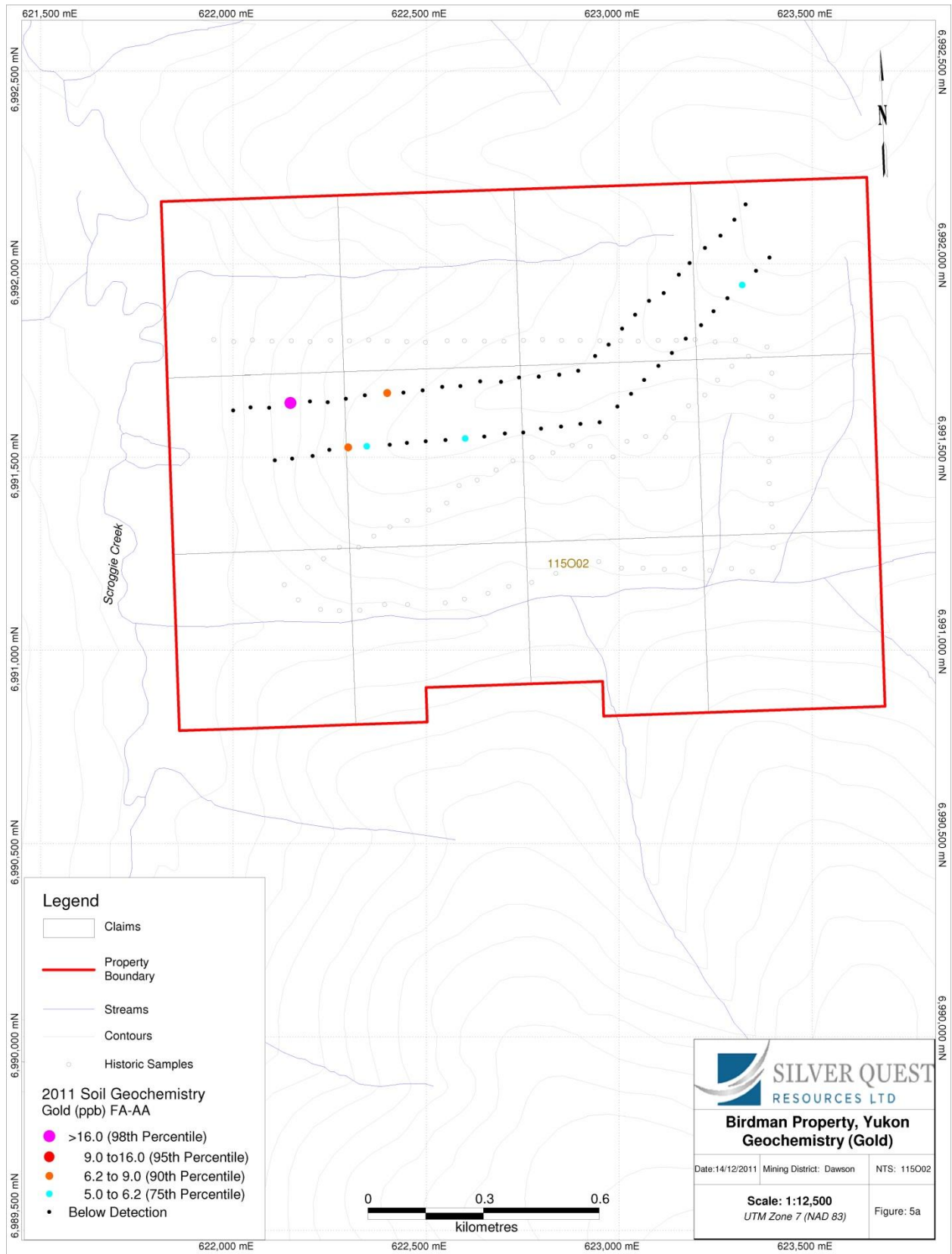


Figure 5a – Soil Geochemistry – Gold

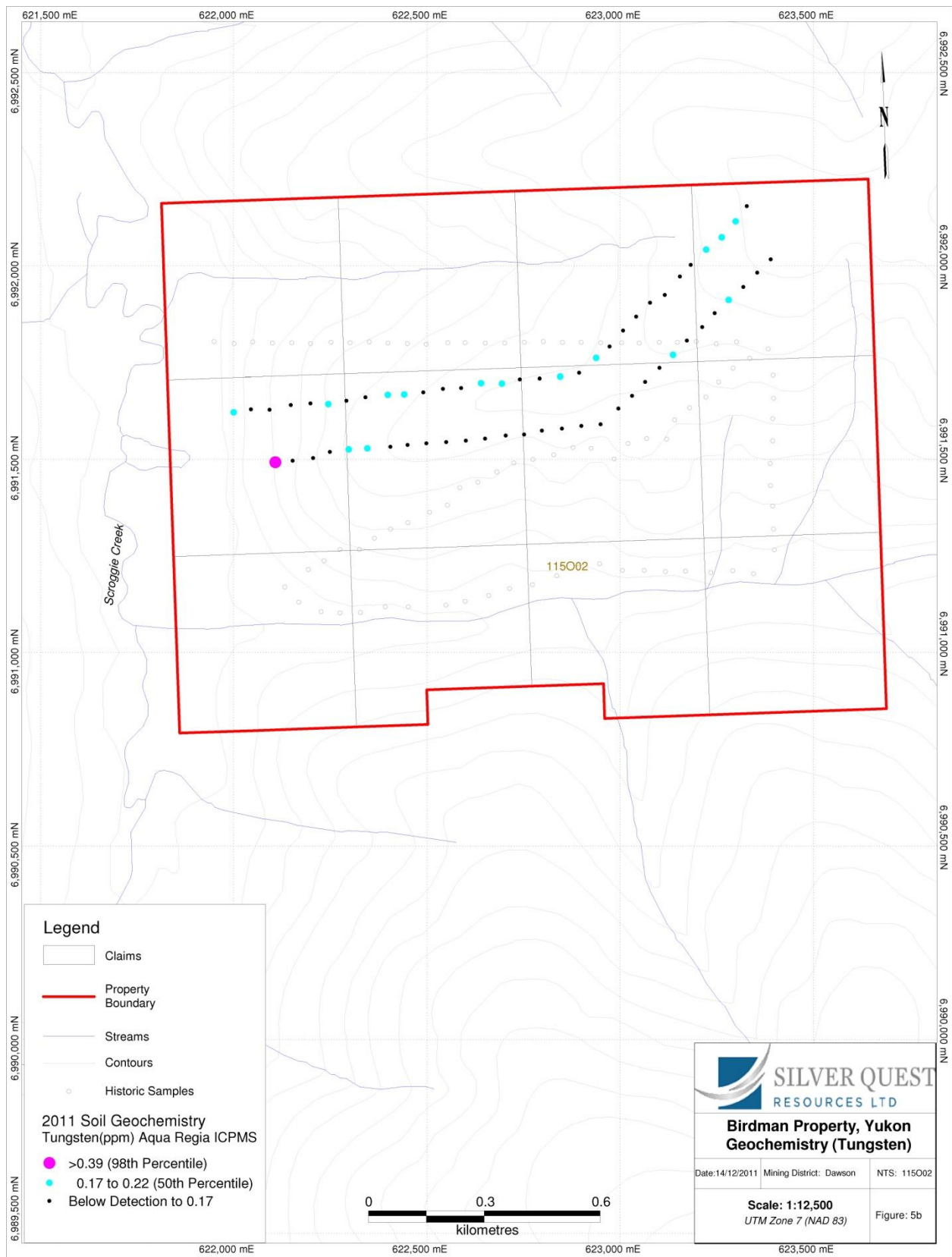


Figure 5b – Soil Geochemistry – Tungsten

RECOMMENDATIONS

Based on trace element geochemical data from the 2011 and previous soil geochemical surveys no further work is warranted at this time. However, considering the gold in soil endowment and geological structure adjacent to the property on surrounding Pacific Ridge ground, further soil surveys targeting deep 'C' horizon, and infill grids along with geological mapping and prospecting may be justified.

REFERENCES

Brock, J.S. (2011) Pacific Ridge Drills New Yukon Gold Discovery: First Hole Intersects 2.44 Grams per Tonne Gold Over 38.9 Metres At Mariposa in White Gold District; Pacific Ridge Exploration Ltd News Release, July 28, 2011

Gordey, S.P. and Makepeace, A.J. (comp.) (2003) Yukon digital geology, version 2.0; Geological Survey of Canada Open File 1749 and Yukon Geological Survey Open File 2003-9(D)

Hart, J. R., Goldfarb, R., Lewis, L. L., and Mair, J. L. (2004) The northern Cordilleran mid-Cretaceous plutonic province: Ilmenite/magnetite-series granitoids and intrusion-related mineralization: *Resource Geology*, v. 54, p. 253-280.

LaBarge, W.P. (2004) Yukon Placer Data 2004-Percentage of Total Placer Gold Production (1978-2003) by Region

Smith, H. 2010, Assessment Report describing Soil Geochemical Sampling at the BDR Property, Archer, Cathro & Associates (1981) Limited.

STATEMENT OF QUALIFICATIONS

I, Ryan J. F. Congdon, BSc, of Suite 1605-1146 Harwood Street, Vancouver, British Columbia, hereby certify that:

I am a graduate of the Curtin University of Perth, Australia having obtained the degree of Bachelor of Science in Applied Geology, 2005.

I am a graduate of the Curtin University of Perth, Australia having obtained the degree of Bachelor of Science in Environmental Biology, 2005.

I am a member of the Australian Institute of Mining and Metallurgy.

I have been employed in the mineral exploration and mining industry in Western Australia every field season (November-February) between 2003 and 2005.

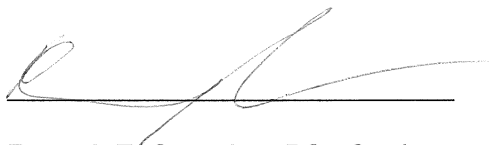
I have been continuously employed as a geologist in the mineral exploration and mining industry since 2006.

I am currently employed as a Geologist by Silver Quest Resources Ltd. Suite 1410-650 West Georgia Street, Vancouver, British Columbia, Canada, V6B 4N8.

I am the author of the report entitled "2011 Soil Geochemical Survey on the Birdman Property Yukon" dated December 14, 2011.

I participated in the geological work reported herein.

Dated this 14th day of December, 2011.

A handwritten signature in black ink, appearing to read 'Ryan J. F. Congdon', is written over a horizontal line.

Ryan J. F. Congdon, BSc Geology

STATEMENT OF EXPENDITURES

	<u>Quantity</u>	<u>Rate</u>	<u>Cost</u>	
Soil Samples Collected	68	\$ 40.00	\$ 2,720.00	
Sampler day(s)	4	\$ 350.00	\$ 1,400.00	
Planning and reporting day(s)	2	\$ 450.00	\$ 900.00	
Camp Costs (per man day)	4	\$ 450.00	\$ 1,800.00	
Helicopter Hour(s)	5	\$ 1,550.00	\$ 7,750.00	
Helicopter Fuel (drums)	6	\$ 700.00	\$ 4,200.00	
			<u>\$ 18,770.00</u>	
		Supervision: 12%	<u>\$ 2,252.40</u>	
		Total:	<u>\$ 21,022.40</u>	
		Claims Worked: 5	\$ 4,204.48	per claim worked
		Claims Grouped: 12	\$ 1,751.86	per claim grouped

Date(s) worked: August 10 - August 11, 2011

Work done by: Silver Quest Resources Ltd.