PROSPECTING ASSESSMENT REPORT
on the
COSH 1-4 CLAIMS
Tenure YF20838 to YF20841

COSH CREEK AREA
WATSON LAKE MINING DIVISION, YUKON

NTS MAPSHEET 95D/04
Latitude 60°59'N, Longitude 129°50'W

for

Homegold Resources Ltd.
Unit 5 – 2330 Tyner Street,
Port Coquitlam, BC
V3C 2Z1

by

J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)
Phone: 604-970-6402
E-mail: jo@HomegoldResourcesLtd.com

January 5, 2013

Fieldwork completed between August 12 and August 16, 2011

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FIGURES

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SUMMARY

The Cosh property consists of the Cosh 1-4 mineral claims containing a total of about 100ha. The claims are a short distance north of the BC-Yukon border. The Alaska Highway crosses to the south of the claim group. The Liard River is south of the Alaska Highway.

The Cosh claims were staked in 2011 as a follow-up to the previous location of a massive sulphide boulder on a logging road-cut just north of the Yukon border, near Cosh Creek. Previously, significant follow up work was conducted to locate the source of the boulder. Although the boulder's source was not located, follow-up soil sampling reported weak to moderate lead and copper values on the claims.

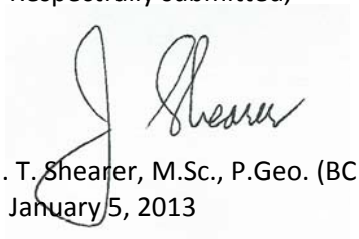
Previously, an airborne geophysical survey was flown in 1995 over the entire claim block (Yukon and BC) to define potential areas that might host such mineralization. A significant airborne magnetometer anomaly resulted straddling the BC-Yukon border area of the claims (Drown, 1996).

Also, previous ground follow-up geophysical surveys were conducted and confirmed the magnetometer anomaly. A soil geochemical survey was conducted over the area of the magnetic anomaly. The current program consisted of prospecting road cuts, creek and river banks in the north half of the property where rock exposure is favourable.

In the current 2011 program the available rock exposures were prospected (see sample descriptions, Appendix III). Rocks encountered consisted of grey to black sandstone, shale, phyllite and limey phyllite and minor limestone.

Irons River and Cosh Creek were carefully panned and each produced encouraging numbers of gold flakes. Gold grains decreased dramatically upstream, suggesting the gold is related to ancient channels of the Liard River. Soil sampling and rock sampling showed low values of gold and arsenic.

Respectfully submitted,



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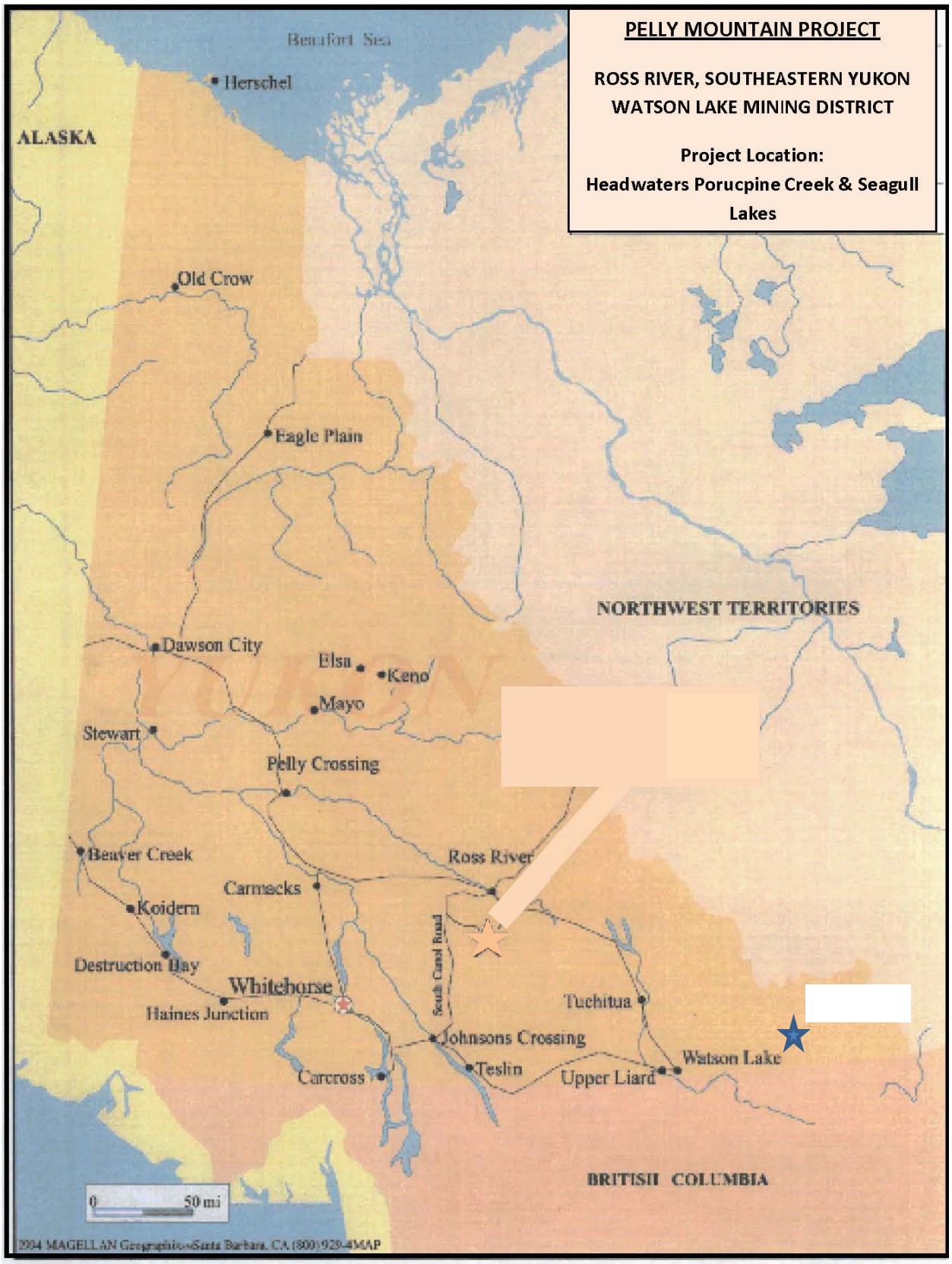
PELLY MOUNTAIN PROJECT
ROSS RIVER, SOUTHEASTERN YUKON
WATSON LAKE MINING DISTRICT
Project Location:
Headwaters Porucpine Creek & Seagull Lakes
Beaufort Sea
Herschel
ALASKA
Old Crow
Eagle Plain
NORTHWEST TERRITORIES
Dawson City
Elsa
Keno
Mayo
Stewart
Pelly Crossing
Beaver Creek
Ross River
Carmacks
Koidern
Destruction Bay
Whitehorse
Haines Junction
South Canol Road
Tuchitua
Johnsons Crossing
Watson Lake
Carcross
Teslin
Upper Liard
BRITISH COLUMBIA
0
50 mi
2004 MAGELLAN Geographix Santa Barbara, CA (800) 929-4MAP

INTRODUCTION

This report summarized work carried out in 2011 on its wholly owned Cosh 1-4 mineral claims southeast of Watson Lake along the North side of the BC-Yukon border accessed by the Cosh Creek logging road.

The work was carried out from August 12-16, 2011.

A very old gold showing a short distance to the northwest was discovered prior to 1898 in sandstone-quartzite.

LOCATION and ACCESS

The Cosh 1-4 claims located in the Watson Lake Mining Division are centred at latitude 60°59'N and longitude 129°50'W approximately 49 kilometres east of Watson Lake Yukon. The northwestern corner of the claims lies 2.5 kilometres east of Irons Creek Lodge on the Alaska Highway as shown in Figure 1 and 2.

The Alaska Highway traverses the south of the Cosh 1 claims. Access to the property is by Cosh Creek road for the northern portion along the Liard River.

Topographic relief within the claim area is gentle to moderate except along major stream channels where steep sided canyons are developed. Elevation varies from less than 100 metres in the north to 700 metres in the south east portion, on Cosh 4.

The claims are generally forest covered with open stands of spruce, pine and aspen. Thick groves of alder are common along poorly drained creek bottoms and in areas of boggy ground.

Annual precipitation for the area averages about 75 centimetres with the bulk coming in the winter in the form of 1 to 2 metres of snow. Snow may lie on the ground generally from October to May. Temperatures vary from minus 45°C in winter to plus 30°C in summer. Daylight hours are quite variable with less than 5 hours in winter to over 20 hours in midsummer.


Cosh
Creek
2700
3500
2800
2500
2300
2100

CLAIM STATUS

The Cosh claims consist of 4 claims as shown in Figure 3. Claim information including tenure number, new expiration dates and number of units are listed below.

Table 1

Claim Name	Tenure Number	Area	Issue Date	Anniversary Date	Owner
Cosh 1	YF20838	25 ha	August , 2011	June 28, 2016	J. T. Shearer
Cosh 2	YF20839	25 ha	August , 2011	June 28, 2016	J. T. Shearer
Cosh 3	YF20840	25 ha	August , 2011	June 28, 2016	J. T. Shearer
Cosh 4	YF20841	25 ha	August , 2011	June 28, 2016	J. T. Shearer
	Total	100 ha			

Claims require $100 of assessment work per ha (or cash-in-lieu) each and $5.00 fee per claim. Up to 5 years assessment can be applied in advance.

Figure 3 Garmin Map

HISTORY

Prior to 1995-1996 there is no record of previous mineral exploration work in the area of the Cosh-Irons claims. The area was staked after the discovery in 1995 of a massive sulphide boulder (silver-lead rich) in the area east of Cosh Creek in the Yukon just north of the BC-Yukon border.

The area was geologically mapped by the Geological Survey of Canada in 1962 and has seen little work since that time. Very little geology is shown in the claim area due to a lack of rock outcrop.

Work on the claims was conducted during two different periods during 1996. An airborne high sensitivity Magnetometer and concomitant VLF-Electromagnetic survey was flown over the claims in the spring of 19996. The second portion of the program took place during the summer. From June 22, 1996 to July 6, 1996 follow-up ground geophysics, geochemical soil sampling and geological mapping (prospecting) was conducted over the northern portions of the area.

An airborne geophysical survey was flown over the Border claims and consisted of 150 line kilometres of high sensitivity magnetometer and VLF-Electromagnetometer surveys.

Previous Geological mapping of the claims was focussed along the shoreline of the Liard River in the northern portions of Cosh claims. Geological mapping found lithologies consistent with the geology found by the Geological Survey of Canada in 1962.

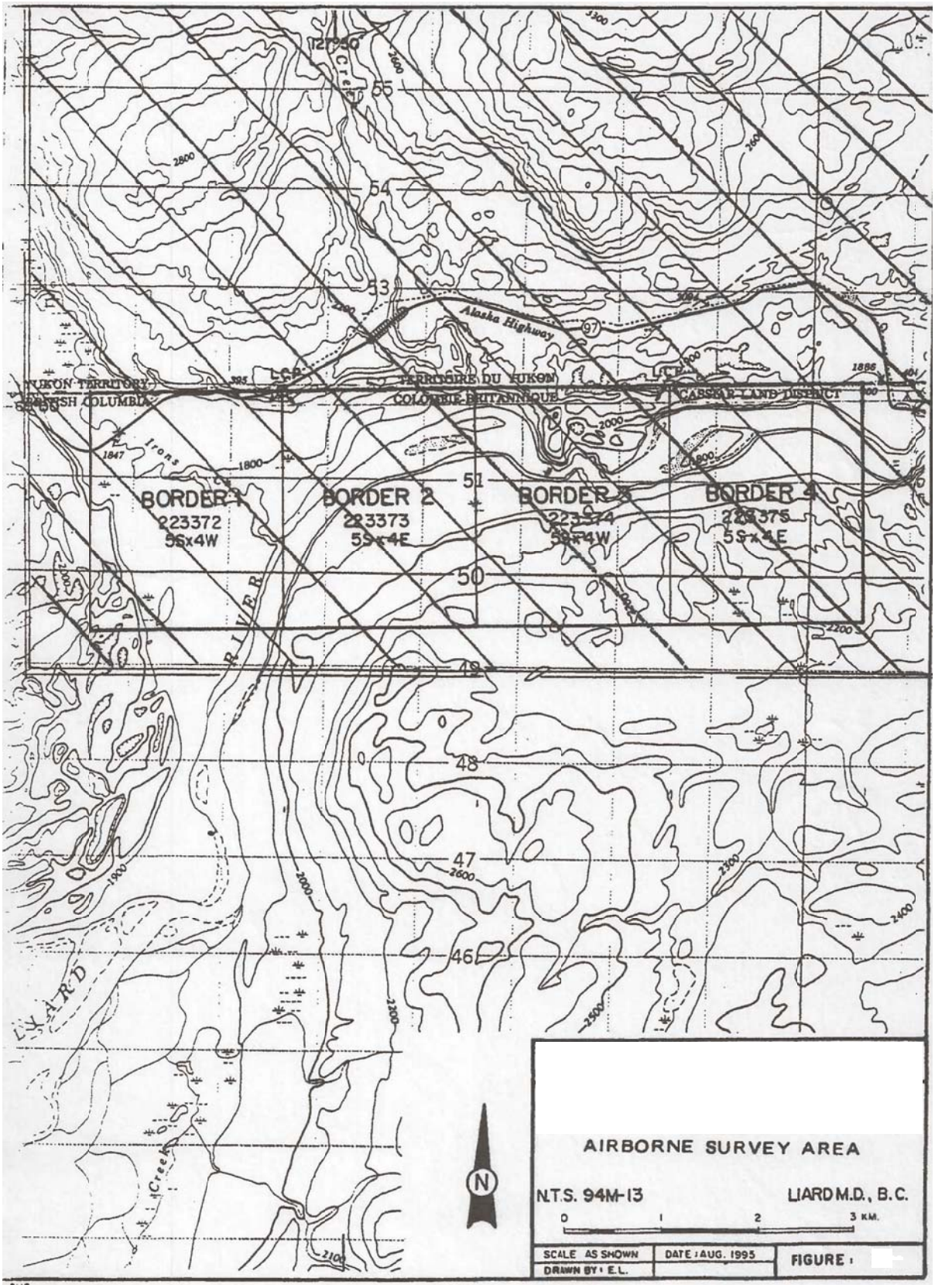

Figure 4 Airborne Survey Area 1998

REGIONAL GEOLOGY

Property, summarized by Livgard (1995), lies east of the Tintina Fault (Rocky Mountain Trench) within the Hyland Plateau. The area consists of a series of folds with North-south axes. Exposure of late Proterozoic (Hydrynian) through Cambrian to Ordovician rocks trend north-south following the folds and general trend of the mountains.

Faulting generally strikes northerly but cuts bedding in northeast striking faults. Northwest and east striking structures from air photo lineaments are also frequent.

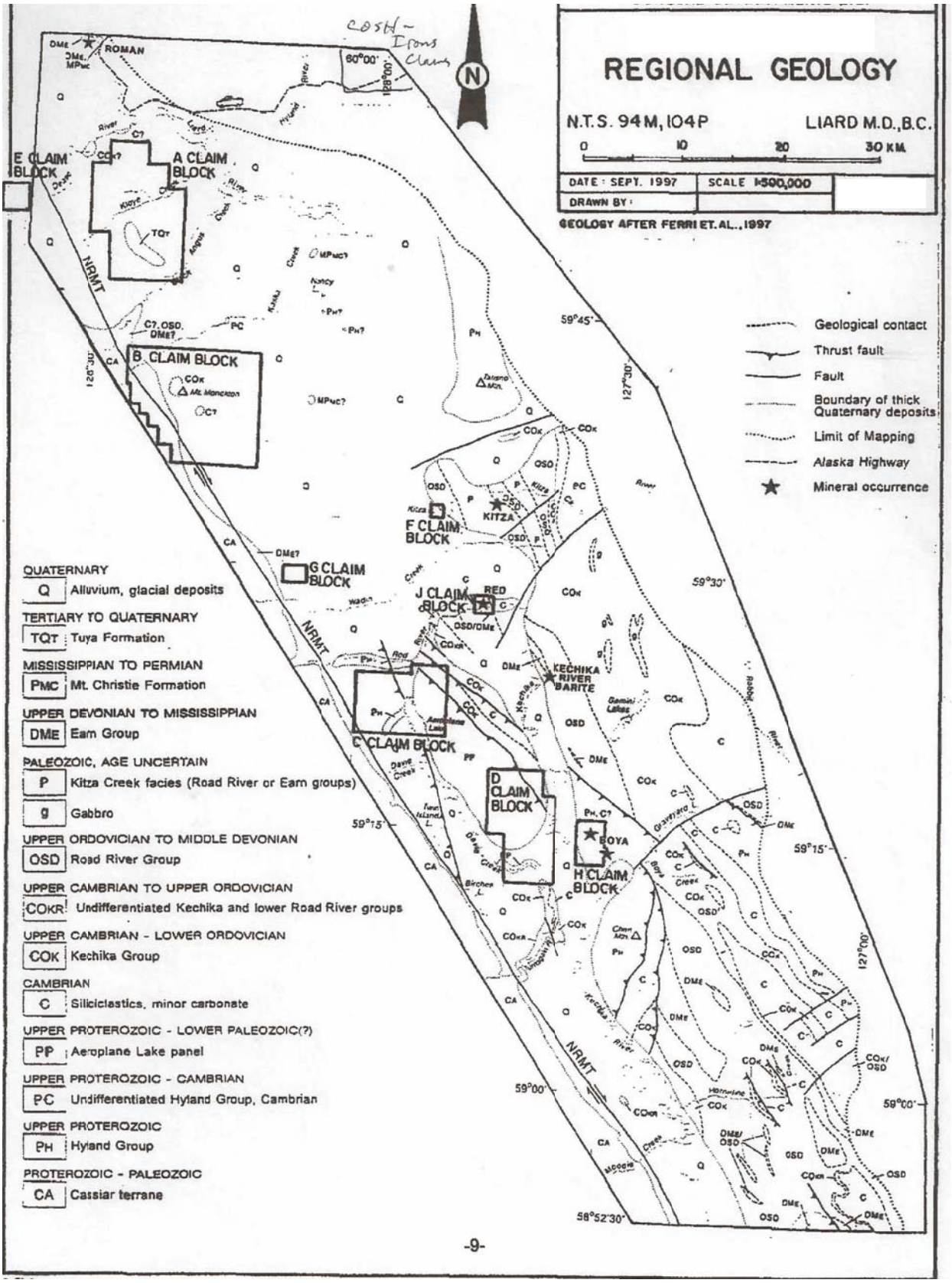

Figure 5 Regional Geology

PROPERTY GEOLOGY

The east portion of the property is underlain by limy phyllite and interbedded grey limestone and black fissile shale and/or slate. The rocks tightly folded about an axis that strikes 024° and plunges 10° to the north. Bedding strikes approximately 000° to 028° and dip to the east at 60° to 80°. These rocks are most likely part of the Cambrian-Ordovician rocks designated as 4a (Rabbit River Map 46-1962, GSC 1962) and 8a (Coal River Map 11-1968, GSC 1968).

Mapping along the north and south shore of the Liard River shows a mixture of bedded grey to blue shale, siltstone and minor quartzite. Bedding attitudes are variable due to folding but generally trend from 260°/20°S in the west to 350°/40°W. A prominent slatey cleavage cuts most of the shaley rocks at 014°90°. Farther east still the fold axis changes to 004°/10°S.

In the north central portion of Cosh-Irons 3 along the north shore of the Liard River pyrite lenses 5 to 10 centimetres wide occur within the shale. The pyrite appears to be conformable with the shale. The pyrite is very fine grained and steely grey in colour. Assays of the pyritic material are tabulated on Figure 5.

A number of small scale cross faults offset bedding by several metres. The more brittle rock quartzite and limestone are sheared off sharply where as the shales and phyllitic rocks bend and flow along the fault traces creating very disrupted zones near the faults.

In the Irons Creek area, in the northwest portion of Cosh-Irons 1, grey varved shales occur with an attitude of 000°/35°E.

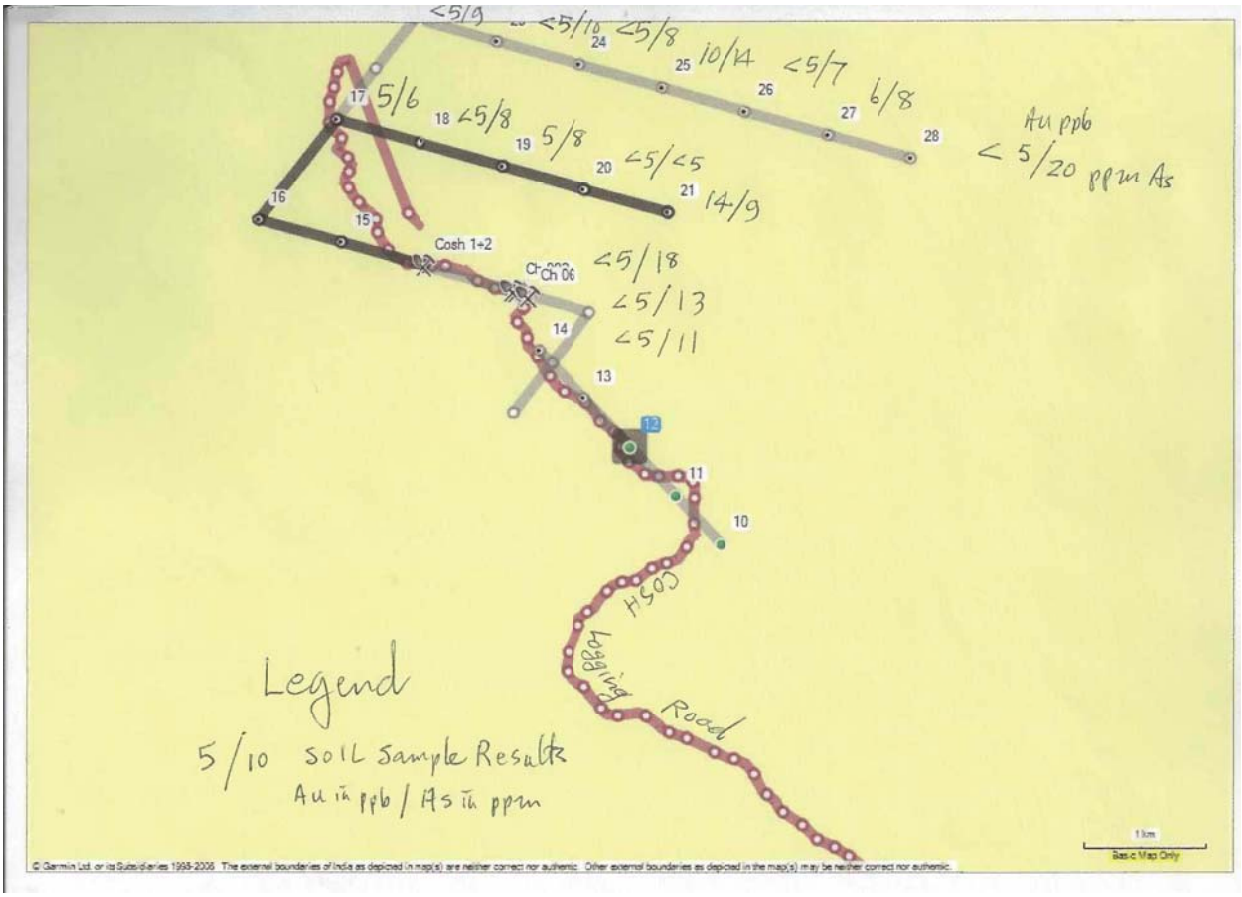

Figure 6 2011 Prospecting and Soil Traverses, East Area, Google Image

Figure 7 Overall Garmin Locations, on Google Image

WORK PROGRAM 2011

In 1996, 34 rock samples were collected from outcroppings along the Liard River. Several samples contained thin bands of massive pyrite. Samples JP 32 and JP33 both with massive pyrite bands returned base metal values considered to be within background levels. Samples JP 6 through JP11 returned elevated barium values and was anticipated as the rocks contained a number of narrow barite bands and lenses. Samples JP 24 and JP 26 returned zinc values above background. These samples are from black shales and although elevated in zinc are quite typical of zinc values in black shale.

Significant mineralization in the area occurs at the McMillan property, Hyland Gold deposit and the Mel and Jeri deposits. All of these deposits occur in the Yukon Territory north and northeast of the Cosh-Irons property.

In the current 2011 program the available rock exposures were prospected (see sample descriptions, Appendix III). Rocks encountered consisted of grey to black shale, phyllite and limey phyllite and minor limestone.

Irons River and Cosh Creek were carefully panned and each produced encouraging numbers of gold flakes. Gold grains decreased dramatically upstream, suggesting the gold is related to ancient channels of the Liard River.

Rock and soil sampling generally returned low values in gold and arsenic.

CONCLUSIONS and RECOMMENDATIONS

The east portion of the property is underlain by limy phyllite and interbedded grey limestone and black fissile shale and/or slate. The rocks tightly folded about an axis that strikes 024° and plunges 10° to the north. Bedding strikes approximately 000° to 028° and dip to the east at 60° to 80°. These rocks are most likely part of the Cambrian-Ordovician rocks designated as 4a (Rabbit River Map 46-1962, GSC 1962) and 8a (Coal River Map 11-1968, GSC 1968).

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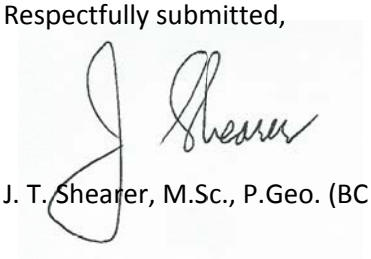

J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)

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APPENDIX I

STATEMENT of QUALIFICATIONS

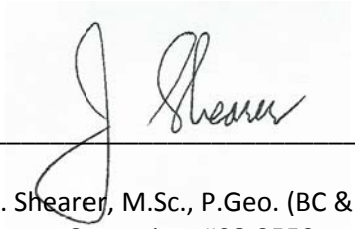
January 5, 2013

Appendix I
Statement of Qualifications

I, JOHAN T. SHEARER, of 3572 Hamilton Street, in the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I am a graduate of the University of British Columbia (B.Sc., 1973) in Honours Geology, and the University of London, Imperial College (M.Sc., 1977).
2. I have over 40 years' experience in exploration for base and precious metals and industrial mineral commodities in the Cordillera of Western North America and Superior Province in Manitoba and Northern Ontario with such companies as McIntyre Mines Ltd., J. C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd.
3. I am a fellow in good standing of the Geological Association of Canada (Fellow No. F439) and I am a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia (Member No. 19,279) and a member of the CIMM and an elected fellow of the Society of Economic Geologists (SEG Fellow #723766).
4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. at #5 – 2330 Tyner Street, Port Coquitlam, BC.
5. I am the author of the present report entitled "Prospecting Assessment Report on the Cosh 1-4 Claims" dated January 5, 2013.
6. I have visited the property between August 12 to 16, 2011. I am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Cosh-Irons Property by examining in detail the available reports and maps and have discussed previous work with persons knowledgeable of the area.

Dated at Port Coquitlam, British Columbia, this 5th day of January, 2013.



J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)
Quarry Supervisor #98-3550
January 5, 2013

APPENDIX II

STATEMENT of COSTS

January 5, 2013

Appendix II
Statement of Costs
Cosh 1-4 Claims, 2011

		GST	Total without GST
J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)			
August 12-16, 2011, 4 days @ $700/day		$140.00	$ 2,800.00
Transportation			
Fully equipped 4x4, 4 days @ $120/day		24.00	480.00
Fuel		15.00	300.00
Hotel		25.00	500.00
Food		10.00	200.00
Ron Olynyk, Prospector, 5 days @ $375/day, Aug. 12-16, 2012		93.75	1,875.00
Dave Heino, Prospector, 5 days @ $425/day, Aug. 12-16, 2012		106.25	2,1225.00
Analytical, 13 soils, 3 rocks, Certificate 11-360-07308-01		10.00	200.00
Report Preparation		105.00	2,100.00
Word Processing and Reproduction		17.50	350.00
	Total	$ 546.50	$ 10,930.00

APPENDIX III

Sample Descriptions

January 5, 2013

Appendix III
Sample Descriptions

276	12-AUG-11 2:30:45PM	9 V 580226 6650370	655 m	Limeshale
277	12-AUG-11 2:34:53PM	9 V 578748 6650404	654 m	Phyllite
278	12-AUG-11 2:36:30PM	9 V 577525 6651728	686 m	
279	12-AUG-11 2:37:18PM	9 V 577344 6651943	679 m	Limestone
280	12-AUG-11 2:38:40PM	9 V 577622 6652208	676 m	
281	12-AUG-11 2:40:11PM	9 V 577771 6652410	673 m	Calcareous Phyllite
282	12-AUG-11 2:44:35PM	9 V 577680 6652555	673 m	
283	12-AUG-11 2:49:57PM	9 V 577181 6651935	680 m	
284	12-AUG-11 2:51:52PM	9 V 575161 6651847	683 m	
285	12-AUG-11 2:52:55PM	9 V 573943 6652235	644 m	
286	12-AUG-11 2:54:33PM	9 V 572815 6651902	608 m	Black Shale
287	12-AUG-11 2:56:18PM	9 V 570952 6651981	554 m	
288	12-AUG-11 2:57:47PM	9 V 571012 6652017	546 m	
289	12-AUG-11 4:07:23PM	9 V 567171 6652749	652 m	
290	13-AUG-11 4:08:16PM	9 V 566233 6653005	657 m	
291	13-AUG-11 4:08:36PM	9 V 566236 6653055	657 m	
292	13-AUG-11 4:09:10PM	9 V 566309 6653168	676 m	
293	13-AUG-11 4:10:28PM	9 V 566572 6653092	687 m	
294	13-AUG-11 4:11:42PM	9 V 566896 6653225	676 m	
295	13-AUG-11 4:13:29PM	9 V 567231 6653457	699 m	
296	13-AUG-11 4:15:23PM	9 V 566840 6653897	721 m	
297	13-AUG-11 4:20:09PM	9 V 565919 6654730	788 m	
298	13-AUG-11 4:40:36PM	9 V 565993 6652997	666 m	
299	13-AUG-11 4:41:12PM	9 V 565542 6652764	651 m	
300	13-AUG-11 4:44:37PM	9 V 563564 6652036	604 m	
301	13-AUG-11 4:45:35PM	9 V 562708 6651703	581 m	
325	13-Aug-11	Irons River		Grey Shale Black Shale Quartzite

Note: Sampling was done by R. Olynyk, prospector, who died suddenly later in 2011 and his notes have not been found as yet.

Sample	Description
CH-001	Grey sandstone, siliceous
CH-001C	Grey sandstone, siliceous
CH-002	Grey sandstone, siliceous