

**RESISTIVITY & INDUCED POLARIZATION SURVEY - ASSESSMENT REPORT
DEE CLAIMS**

NTS: 105D/14 Whitehorse Mining District, Yukon, Canada

135°12' W 60°47' N

CLAIMS:

Dee 1 – 9, YD106345 – 53

CLAIM OWNER: Dave Hildes

WORK DONE:

May 18 – 24, 2012

Prepared by:

Dave Hildes, P.Ge., Ph. D.



**RESISTIVITY AND INDUCED POLARIZATION SURVEY - ASSESSMENT REPORT
DEE CLAIMS**

Effective Date: March 12, 2013

Prepared for:
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1. SUMMARY

This report describes resistivity and induced polarization (IP) surveys conducted on the Dee claims, which is located within the municipal boundaries of Whitehorse, Yukon. One day of line cutting and one day of IP was surveyed on the property in May 2012. A full survey log describing daily operations is attached as Appendix 4 of this report.

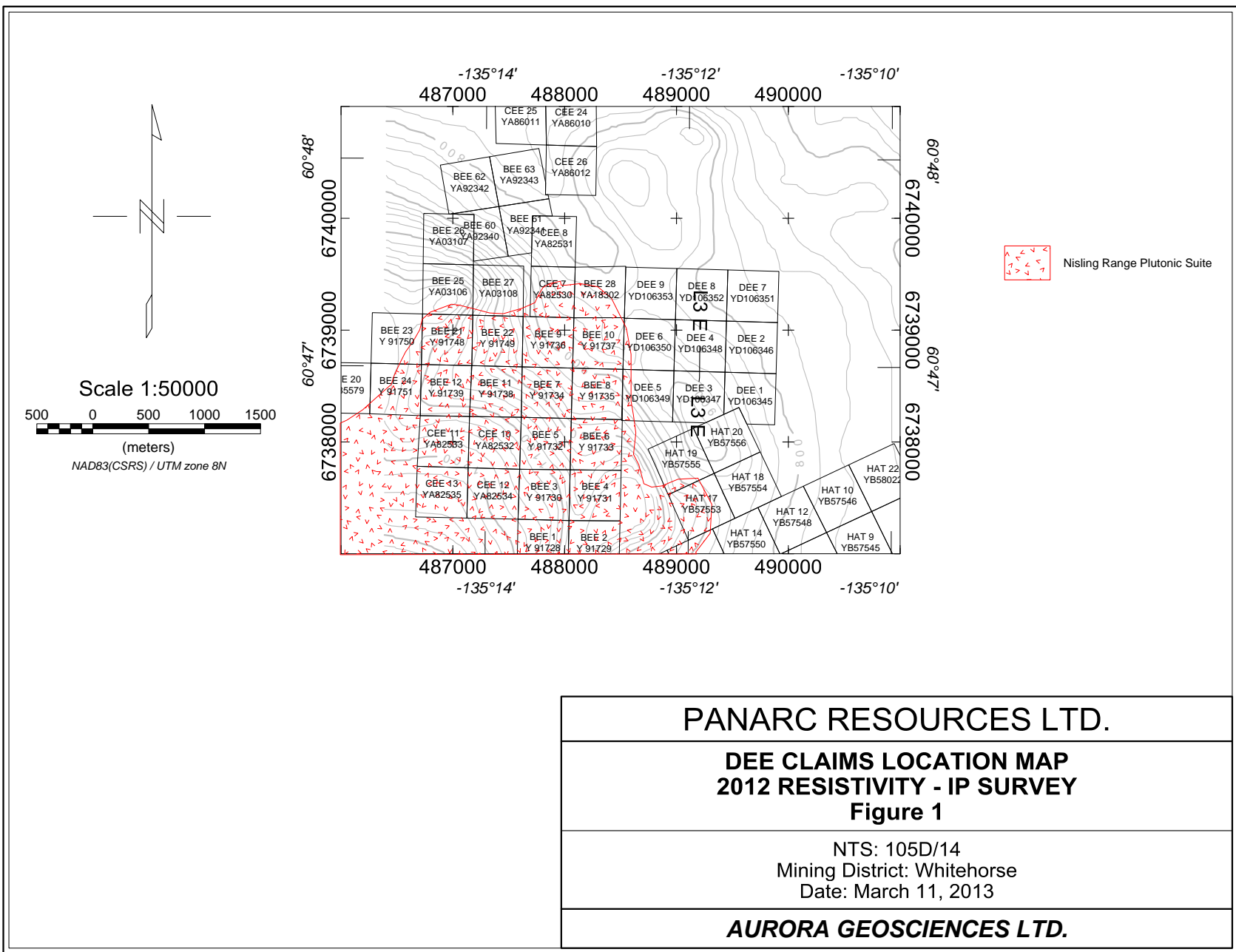
The Dee claims are adjacent to a mineralized contact between a rhyolite and a limestone unit. The purpose of the survey was to identify similar mineralization on the property. A geophysical contrast was identified which could represent a geological contact and a chargeability anomaly adjacent to this contact was also identified, suggestive of mineralization. The geophysical survey was very limited and expanding the survey is recommended. Prospecting in the area of the presumed contact is also recommended.

2. CREW AND EQUIPMENT

The following personnel conducted the survey:

Ted McDonald	May 18, 2012
Stefan Gronsdale	May 18, 2012
Paul McLean	May 18, 2012
Dimitri Spassov	May 18, 2012
Warren Kapaniuk	May 18, 2012
Mike Murdoch	May 18 & 24, 2012
Mac Clohan	May 18 & 24, 2012
Shawn Scott	May 24, 2012
Mike Cunningham	May 24, 2012
Dave Hildes	May 24, 2012

The following equipment was used in conducting the survey:



IP receiver	1	Iris Elrec Pro
IP transmitter	1	GDD TxII 3.6 kW
Generator	1	Honda 5kW generator
IP equipment	6 km	18 / 16 gauge wire
	6	VHF handheld radios
		Georeels & spools, 25m 10pin IP cables, stainless steel electrodes
Other	1	Laptop with Geosoft IP package
	1	Iridium satellite phone
	4	Artic Cat ATV's
	3	Chainsaws and line cutting equipment

Table 1: List of personnel and gear

3. PROPERTY

The Dee claims are located on the northwest boundary of the city of Whitehorse, Yukon, on map sheet 105D/14 at 135°12' W 60°47' N, southwest of the junction between the Alaska and North Klondike Highways (Figure 1). Access to the property was via an established ATV trail from behind the snow dump at the west end of Laberge Road that leads to the old Gun Club. The trail is in acceptable condition to the claims although it has been reported anecdotally that it becomes in poor condition beyond the claims and that some work would be needed to access the claims from the old Gun Club.

The Dee claims, detailed below in Table 2, are wholly within the municipal boundaries of the City of Whitehorse and are wholly owned by Dave Hildes. The work described in the report was done for Panarc Resources Ltd. and was performed on the Dee 3 and Dee 4 claims (Figure 1).

<u>Claims Name</u>	<u>Grant Number</u>
Dee 1-9	YD106345 – 53

Table 2: List of claims

4. SURVEY SPECIFICATIONS

The IP and resistivity surveys were conducted according to the following specifications:

Array Modified pole-dipole

Dipole spacing	25 m
Dipoles Read	N=1 through 6
TX	Time domain, 50% duty cycle, reversing polarity, 0.125 Hz.
Stacks	Minimum 15
Chargeability Error	Standard deviation of 5 mV/V or less, otherwise repeated several times until repeatability assured.
Grid registration	Handheld GPS points at line ends and every 200m minimum averaged 60 s or until estimated accuracy < 10 m, whichever was longer. All coordinates are in NAD83 UTM Zone 10N.
Line cutting	Lines were cut to a maximum of 1.5 metres using chainsaws and sight pickets.

Table 3: *Survey specifications*

5. GEOLOGY

The Dee claims are situated within the Whitehorse Copper Belt which is part of the Whitehorse Trough. They are underlain by Lewes River Group metasedimentary rocks and / or the Nisling Range Plutonic Suite which is mapped to intrude the Lewes River Group rocks immediately west and south of the claims. In Figure 1, the red hatched area is the mapped rhyolite of the Nisling Range Plutonic Suite, the remainder is mapped to be underlain by Lewes River Group.

Mineralization on the Bee and Cee property immediately to the west occurs as both sheeted mineralized quartz veins within a limestone unit of the Lewes River Group and as low grade gold within and adjacent to the rhyolite stock of the Nisling Range Plutonic Suite (Power, 2011).

Outcrop is scarce and therefore geophysics was chosen as the technique to locate further rhyolite stock hosting mineralization. A resistivity contrast may exist between the rhyolite and metasediments and therefore the contact would be imaged with the resistivity data. The low grade gold may be associated with disseminated pyrite which would produce a chargeable target that could be identified with the induced polarization survey.

6. RESULTS

Pseudosections of the calculated apparent resistivity, the apparent chargeability and the error in the chargeability are shown in Figure 2. The errors are all low, indicating that there is no problem with the data quality. The data file is on the CD attached to this report and a description of the channels are found in Appendix 2.

There is a change in the geophysical signature at station 225 which could represent a contact between the rhyolite and the limestone. South of station 225, there is elevated chargeability

and slightly reduced resistivity. Additionally, there is a narrow zone of elevated chargeability immediately to the north of the interpreted contact which could represent mineralization.

7. RECOMMENDATIONS

It is recommended that the inferred geological contact be prospected to determine the true nature of the geophysical signal. Additionally, the coverage of the geophysical survey was very limited and should be expanded.

Respectfully submitted,

AURORA GEOSCIENCES LTD.

Dave Hildes, P.Ge., Ph.D.
Geophysicist

8. REFERENCES

Power, Mike. Total Magnetic Field and VLF-EM Surveys at the Haeckel Hill Property, Whitehorse, Yukon. Unpublished report for Silver Sabre Resources Ltd.

APPENDIX 1: CERTIFICATE

I, Dave Hildes, with residence and business address in Whitehorse, Yukon Territory do hereby certify that:

1. I hold a Ph.D. in Geophysics granted in 2001 from the University of British Columbia.
2. I have been actively involved in mineral exploration since 1999 and am a professional geoscientist registered with the Association of Professional Engineers and Geoscientists of British Columbia (registration number 29887).
3. I supervised the geophysical survey described in this report.

Dave Hildes

APPENDIX 2: CHANNEL DESCRIPTIONS

X (Station in grid coordinates)

Y (Line in grid coordinates)

Z (elevation of plot point in grid coordinates)

IP[0] - Normalized Voltage measurement in the 40-80 ms offtime window (mV/V)

IP[1] - Normalized Voltage measurement in the 80-120 ms offtime window (mV/V)

IP[2] - Normalized Voltage measurement in the 120-160 ms offtime window (mV/V)

IP[3] - Normalized Voltage measurement in the 160-200 ms offtime window (mV/V)

IP[4] - Normalized Voltage measurement in the 200-240 ms offtime window (mV/V)

IP[5] - Normalized Voltage measurement in the 240-280 ms offtime window (mV/V)

IP[6] - Normalized Voltage measurement in the 280-360 ms offtime window (mV/V)

IP[7] - Normalized Voltage measurement in the 360-440 ms offtime window (mV/V)

IP[8] - Normalized Voltage measurement in the 440-520 ms offtime window (mV/V)

IP[9] - Normalized Voltage measurement in the 520-600 ms offtime window (mV/V)

IP[10] - Normalized Voltage measurement in the 600-680 ms offtime window (mV/V)

IP[11] - Normalized Voltage measurement in the 680-760 ms offtime window (mV/V)

IP[12] - Normalized Voltage measurement in the 760-840 ms offtime window (mV/V)

IP[13] - Normalized Voltage measurement in the 840-1000 ms offtime window (mV/V)

IP[14] - Normalized Voltage measurement in the 1000-1160 ms offtime window (mV/V)

IP[15] - Normalized Voltage measurement in the 1160-1320 ms offtime window (mV/V)

IP[16] - Normalized Voltage measurement in the 1320-1480 ms offtime window (mV/V)

IP[17] - Normalized Voltage measurement in the 1480-1640 ms offtime window (mV/V)

IP[18] - Normalized Voltage measurement in the 1640-1800 ms offtime window (mV/V)

IP[19] - Normalized Voltage measurement in the 1800-1960 ms offtime window (mV/V)

IP_Avg (The Averaged IP value in mV/V) I (Current in Amps)

N (dipole number)

T1X (grid coordinates of the current electrode in m)

R1X (grid coordinates of the front electrode of the potential electrode in m)

R2X (grid coordinates of the back electrode of the potential dipole in m)

Vp (Primary voltage in mV)

I (Current in Amps)

Sp (Spontaneous Polarization in mV)

QC (Quality Control)

ResMeas (measured resistivity in Ohm*m)

Chg (Raw Chargeability in mV/V)

Q (Standard deviation of the IP reading in mV/V)

Stack (number of stacks the IP reading was averaged)

RsCheck (Contact resistance in Ohm)

DayTime (The Time of Day), Date (The date when the reading was taken)

ResCalc (Calculated Resistivity in Ohm*m)

Stn (The Station coordinate in grid coordinates)

Topo (The topography in m)

T2X (grid coordinates if the infinity electrode in m)

UTME_nad83_z8N (Station UTM eastings coordinates, zone 8N in m)

UTMN_nad83_z8N (Station UTM northings coordinates, zone 8N in m)

APPENDIX 3: STATEMENT OF EXPENDITURES

Line cutters - 7 @ \$200/day	\$1,400
Line cutting equipment – 3 @ \$30/day	\$90
ATVs – 8 @ \$100/day	\$800
IP Crew – 1 @ \$1,510/day	\$1,510
Report – 1 @ \$700	\$700
TOTAL	\$4,500

APPENDIX 4: SURVEY LOG



PRL-12519-YT DEE Linecutting & IP

Weather Day	PERSONNEL : 12 Person-Days BAD WEATHER : 0 Person-Weather Days DAYS ON THE JOB : 2 days									
weather day *1/2 weather day*	Ted McDonald	Mac Clohan	Stefan Grondale	Dimitri Spassov	Paul McLean	Mike Murdoch	Warren Kapaniuk	Shawn Scott	Mike Cunningham	Dave Hildes
Current Job	1	2	1	1	1	2	1	1	1	1
May 2012 Totals	1	2	1	1	1	2	1	1	1	1
Jun 2012 Totals	0	0	0	0	0	0	0	0	0	0
Fri 18-May-2012	1	1	1	1	1	1	1			
Sat 19-May-2012										
Sun 20-May-2012										
Mon 21-May-2012										
Tue 22-May-2012										
Wed 23-May-2012										
Thu 24-May-2012		1				1		1	1	1
Fri 25-May-2012										
Sat 26-May-2012										



PRL-12519-YT DEE Linecutting & IP

DATE:	May-18-12
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PREPARED BY:
Dave Hildes

LOGISTICS		
<i>Type</i>	<i>Contractor</i>	<i>Hrs or units</i>
Quad	Aurora	4
Line cutting gear	Aurora	3
Tub trailers	Aurora	2

Comments
Weather

Notes (production comments, incidents, other)
Warren and crew recce route and cut 475 m on L3. Trail very wet, get stuck lots. Access is from warehouse with quads.



PRL-12519-YT DEE Linecutting & IP

DATE:	May-24-12
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PREPARED BY:
Dave Hildes

LOGISTICS		
<i>Type</i>	<i>Contractor</i>	<i>Hrs or units</i>
Quad	Aurora	4
Line cutting gear	Aurora	0
Tub trailers	Aurora	2
IP Gear	Aurora	1

Comments
Weather

Notes (production comments, incidents, other)
<p>Dave and crew mobilize IP gear to line, survey and line and return to warehouse via quads. Trail is still very wet in one spot, a challenge to get the IP gear in and out.</p>