# Report of 2012 Surface Exploration and Diamond Drill Program on the Plateau South Project

Mayo Mining Division, Yukon Territory

(June 21, 2012 – August 27, 2012)

UTM: 574000 E, 7020000 N [NAD83] ZONE 08V

NTS: 105N/06

**PREPARED ON BEHALF OF GOLDSTRIKE RESOURCES LTD.**

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*March 18, 2013*

Claims for Plateau South and Southeast & Southwest Groupings

| Claim Names & Numbers | Grant Numbers | NTS Map Number | Claim Holder |
|---|---|---|---|
| PA 1 to PA 97 | YE77001- YE77097 | 105N/06 | Goldstrike Resources Ltd |
| PB 1 to PB 174 | YE77101-YE77274 | 105N/06 | Goldstrike Resources Ltd |
| PB 189 to PB 218 | YE77289-YE77318 | 105N/06 | Goldstrike Resources Ltd |
| PLS 163 to PLS 178 | YF20583-YF250598 | 105N/06 | Goldstrike Resources Ltd |
| PTT 1 to PTT 100 | YE84501-YE84600 | 105N/06 | Goldstrike Resources Ltd |
| PTT 101 & PTT 102 | YE69561 & YE69390 | 105N/06 | Goldstrike Resources Ltd |
| PTT 103 to PTT 199 | YE79603-YE79699 | 105N/06 | Goldstrike Resources Ltd |
| PTT 200 to PT 238 | YE 84700-YE84738 | 105N/06 | Goldstrike Resources Ltd |
| PSA 1 to PSA 2 | YD155801-YD155802 | 105N/06 | Goldstrike Resources Ltd |
| PSA 3 to PSA 6 | YD155703-YD155706 | 105N/06 | Goldstrike Resources Ltd |
| PSA 7 to PSA 33 | YD155767-YD155793 | 105N/06 | Goldstrike Resources Ltd |
| PSB 31 to PSB 56 | YD155741-YD155766 | 105N/06 | Goldstrike Resources Ltd |
| PB 219 to PB 266 | YE77319-YE77366 | 105N/06 | Goldstrike Resources Ltd |
| PLS 1 to PLS 160 | YE84301-YE84460 | 105N/06 | Goldstrike Resources Ltd |
| PLS 161 & PLS 162 | YF20581-YF20582 | 105N/06 | Goldstrike Resources Ltd |
| PLS 179 to PLS 190 | YE84629-YE84640 | 105N/06 | Goldstrike Resources Ltd |
| PT 294 to PT 299 | YF20694-YF20699 | 105N/06 | Goldstrike Resources Ltd |
| PT 300 to PT 310 | YE69630-YE6940 | 105N/06 | Goldstrike Resources Ltd |
| PT 311 | YE69625 | 105N/06 | Goldstrike Resources Ltd |
| PT 312 to PT 370 | YE69642-YE69700 | 105N/06 | Goldstrike Resources Ltd |
| PT 371 to PT 373 | YE69981-YE69983 | 105N/06 | Goldstrike Resources Ltd |
| PT 402 to PT 418 | YE69984-YE70000 | 105N/06 | Goldstrike Resources Ltd |
| PT 419 to PT 425 | YE55351-YE55357 | 105N/06 | Goldstrike Resources Ltd |
| PSB 1 to PSB 16 | YD155711-YD155726 | 105N/06 | Goldstrike Resources Ltd |
| PSB 17 to PSB 20 | YD155707-YD155710 | 105N/06 | Goldstrike Resources Ltd |
| PSB 21 to PSB 30 | YD155731-YD155740 | 105N/06 | Goldstrike Resources Ltd |

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## SUMMARY

The Plateau South Project is located approximately 131 kilometers east of Mayo, Yukon Territory. Access to the project can only be attained by helicopter from Mayo, Yukon Territory. The claims of the project are wholly owned by Goldstrike Resources Ltd. and consist of 970 mining claims covering approximately 195.5 square km (105N/06). There has been no documented historical exploration work on the Plateau South Project, with the earliest exploration work limited to the south of the project area in 1967.

The Plateau South Project is underlain predominantly by the Cambrian Yusezyu Formation of the Hyland Group located in the Lansing/Russell Range, as part the Selwyn Basin of the Ominica Belt. The Yusezyu Formation consists of metamorphosed metasedimentary rocks with minor metavolcanics, intruded by a variety of complex intrusives. The supracrustal rocks underlying the claims are between major thrust faults with the Hess, MacMillan, and Robert Service Faults to the north and a series of thrusts characterizing the Moose Lake Fault to the south. However, reconnaissance mapping with the support of petrography and petrogeochemical findings indicate a significant shift to a felsic metavolcanics stratigraphy with sub-volcanic quartz porphyry intrusives. These rocks account for 60% of the project area and are characterized by crystal rich fine to coarse fragmentals and a high-silica sub-volcanic quartz porphyry body. Clastic metasediments account for 30% of the rocks underlying the property and reflect a turbidite sequence. They consist mainly of well bedded argillaceous (argillite/shale/slate) metasediments with arenaceous (siltstone/sandstone) metasediments and are up to 4 kilometers. Inter-formational limestone (1%) occurs within the clastic metasediments with the most extensive and thickest unit located in the western part of Plateau South. There are two major Tombstone Intrusions (ca. 92±3 Ma) located in the project area that are of granite to granodiorite in composition. They account for the remaining 9% of the rocks underlying the project area. The smaller westerly intrusion may be spatially linked to the easterly larger Mount Armstrong Intrusion (85 sq km). This stock belongs to the Tombstone suite of quartz-bearing granitic-type intrusions and both these intrusions display a contact aureole, which is characterized by cordierite with chloritoid, garnet, andalusite, and sillimanite in varying proportions. The presence of parasitic folds and convergence of litho-stratigraphic units to the northwest correspond to super-imposed recumbent folding, perhaps related to thrust tectonics. Corresponding lineations plunge shallowly to the northwest (318º→08º) and intersecting lineations (192º→23º) correspond to the intersection between bedding/foliation and space cleavage. Airborne magnetics indicate nine (9) north to northeast trending magnetic lows and breaks and are consistent to high-grade gold bearing intersection areas, such as the Ron Stack Showing and Goldbank East Zone. The geological environment characterized by rocks underlying the Plateau South Project area has similarities to known Yukon gold-hosted and related mineralization in Cretaceous intrusions and their metamorphic aureoles (e.g. Red Mountain, Dublin Gulch).

The purpose of the 2012 prospecting program was to undertake a comprehensive regional exploration program that would evaluate the potential for gold-bearing mineralization, as well as, follow-up the sources of regional gold-arsenic silt anomalies. Prospecting was successful in discovering new, regional gold-bearing trends and showings, with three prominent areas being…1) Goldbank Trend, 2) VG Showing Area, and 3) Goldstack Zone. Exploration work consisted of prospecting, mapping, soil and silt sampling, trenching, and drilling. The northwest trending Goldbank Trend consists of four stacked zones/showings, which collectively strike for 10 kilometers being intermittently exposed over a width of 1 kilometer. The zones are summarized in the following table. The Goldbank Trend is entirely within the felsic metavolcanic stratigraphy and is characterized by strong silicification and sericitic alteration with albite alteration. Arsenopyrite with pyrite and galena mineralization form as conjugate quartz-sulphide and semi-massive arsenopyrite fractures. The VG Showing area consists of three showings, which are all located in the central part of the property. It may be considered the faulted and folded extension of the Goldbank Trend, along axial planar traces of complex folds.

Summary Goldbank Trend Zones/Showings

| Zone/Showing | Length (km) | Au (g/t) – up to | Mineralization & Other Pathfinders | Alteration | Host Rock |
|---|---|---|---|---|---|
| Goldbank East | 2.75 | 34.25 | arsenopyrite-(galena) joints/fractures – Pb-Zn-(Bi-Sb) | silicified-albite | Felsic Tuff & Volcaniclastics |
| Goldbank West | 2.3 | 24.70 | arsenopyrite-(galena) – Te-Bi-Pb-(Sb-Zn-Ag) | silicified-(albite) | Felsic Fragmentals, Crystal Tuffs, & Volcaniclastics |
| Ron Stack | 60 meters | 26.99 | arsenopyrite-pyrite – Sb-Bi | silicified-(sericitic) | Felsic Tuff/Crystal Tuff & Quartz Breccia |
| Vault | 1.6 | 1.59 | arsenopyrite-(galena) - | silicified-(albite) | Felsic Tuff & Volcaniclastics |

The main VG Showing is located in an area where a number of boulders and/or felsenmeer returned values of 529.86 g/t Au. This boulder/felsenmeer area coincides with a regional 2.5 km long north-south inferred structural lineament number of strong east-west trending and intersecting magnetic lineaments. A strong soil gold anomaly, ranging from 108.6 ppb to 287 ppb Au coincides with the magnetic break for approximately 250 meters.

The Goldstack Zone consists of a single zone, which was intermittently exposed along two separate outcrops and a drill intercept, which trends east to northeast for approximately 60 meters in an east to northeast direction. The zone is hosted in a sub-volcanic quartz porphyry, occupying a structure characterized by a silicified breccia/quartz stockwork. The zone is highlighted by 14.25 g/t Au over 2.4 meters, and is characterized by pyrite, arsenopyrite, and native gold set in a strongly silicified and brecciated matrix cross-cut by quartz veinlets. The only drilling was performed on the Goldstack Zone, which returned 0.70 g/t Au over 9.0 meters. A small 165.2 meter two hole drill program intersected 0.70 g/t Au over 9.0 meters, true thickness. Regional prospecting discovered other areas, which returned significant and anomalous gold similar to the Goldbank Trend and more importantly within the contact metamorphic aureole of the Tombstone Intrusion. A fourth gold target area emerged from within the metamorphic aureole, which returned mostly anomalous gold values over 20 kilometers, highlighted from a grab sample which returned 3.61 g/t Au. The gold is associated with anomalous Bi-Cu-Te-W-(Sn) pathfinders. They underlie areas of strong magnetics, reflecting both pyrrhotite and magnetite.

Any future exploration work on the Plateau South Project should focus in the four (4) gold-bearing target areas outlined from the 2012 exploration program. Recommended exploration work on the Plateau South Project should consist of detailed to reconnaissance mapping, prospecting and sampling, hand trenching/power washing, soil sampling, and shallow drilling. A total of 1900 meters of diamond drilling is recommended on the VG (1500 meters) and Goldstack Zone (400 meters).

## 1.0) Introduction

### 1.1 General

The Plateau South Project of the Plateau Property is located 131 kilometers east of Mayo, Yukon Territory (Figure 1). Prospecting, soil and silt sampling, mapping, trenching, and drilling were conducted from June 21 to August 27, 2012 covering portions of the 970 mining claims, located in the Mayo Mining Division.

The purpose of the 2012 surface program was to conduct a comprehensive regional exploration program that would evaluate the potential for gold-bearing mineralization. The exploration program consisted of regional and detailed mapping, prospecting, rock, soil, and silt sampling, trenching, and diamond drilling. The program also followed up of regional silt gold anomalies. This report describes and interprets the geochemical results from the 2012 surface exploration program covering most of the 970 claims

## 2.0) Property Description and Location

### 2.1) Location and Access

The Plateau South Project is located 131 kilometers east of Mayo, Yukon Territory (Figure 1). It is located in the Mayo Mining Divisions (NTS 105N/06).

A base camp was set up at Swan Lake to access Plateau South, approximately 48 kilometers to the southwest. Oceanview Helicopters Ltd (7490 Duncan Street, Powell River, British Columbia V8A 1W7) provided crew transportation from the Swan Lake camp to various parts of the Plateau South Project. Access can also be achieved by way of helicopter and float plane from Mayo.

### 2.2) Description of Mining Claims

The Plateau South Project consists of 970 mining claims, covering approximately 195.5 square kilometers (Figure 2). The claim distribution of worked claims in this report is summarized in Table 1 and illustrated in Appendix 1. The mining claims are wholly owned by Goldstrike Resources Ltd (*1300 – 1111 West Georgia Street, Vancouver, British Columbia V6E 4M3*).

Figure 1 – Location of Plateau South Project

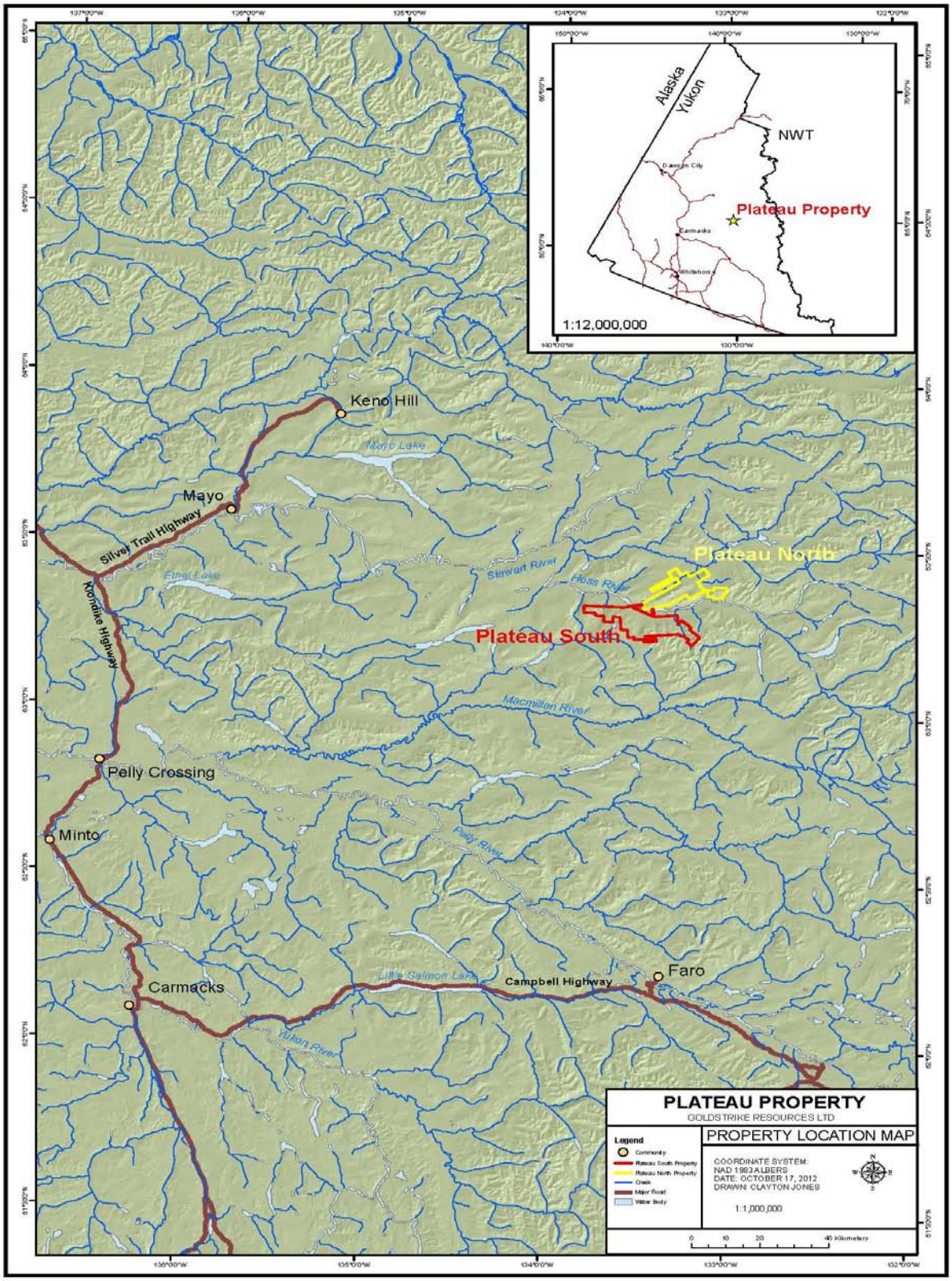

Figure 2 – Plateau South Claim Map

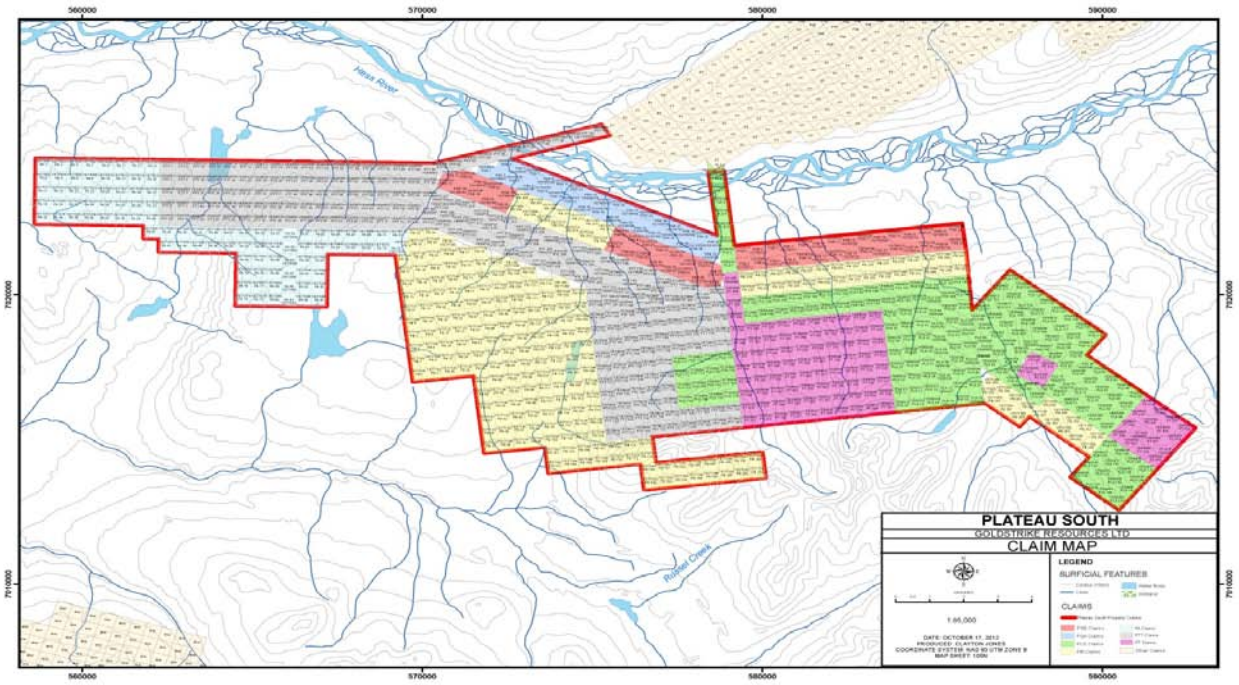


Table 1 – Plateau South Claim Distribution

| Claim Names & Numbers | Grant Numbers | Plateau South Groupings | NTS Map Number | Claim Holder |
|---|---|---|---|---|
| PA 1 to PA 97 | YE77001- YE77097 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PB 1 to PB 174 | YE77101-YE77274 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PB 189 to PB 218 | YE77289-YE77318 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PLS 163 to PLS 178 | YF20583-YF250598 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PTT 1 to PTT 100 | YE84501-YE84600 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PTT 101 & PTT 102 | YE69561 & YE69390 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PTT 103 to PTT 199 | YE79603-YE79699 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PTT 200 to PT 238 | YE 84700-YE84738 | Southwest | 105N/06 | Goldstrike Resources Ltd |
| PSA 1 to PSA 2 | YD155801-YD155802 | Southwest | 105N/06 | Goldstrike Resources Ltd |
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| PSA 7 to PSA 33 | YD155767-YD155793 | Southwest | 105N/06 | Goldstrike Resources Ltd |
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| PLS 179 to PLS 190 | YE84629-YE84640 | Southeast | 105N/06 | Goldstrike Resources Ltd |
| PT 294 to PT 299 | YF20694-YF20699 | Southeast | 105N/06 | Goldstrike Resources Ltd |
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| PT 402 to PT 418 | YE69984-YE70000 | Southeast | 105N/06 | Goldstrike Resources Ltd |
| PT 419 to PT 425 | YE55351-YE55357 | Southeast | 105N/06 | Goldstrike Resources Ltd |
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| PSB 17 to PSB 20 | YD155707-YD155710 | Southeast | 105N/06 | Goldstrike Resources Ltd |
| PSB 21 to PSB 30 | YD155731-YD155740 | Southeast | 105N/06 | Goldstrike Resources Ltd |

## 3.0) Physiography and Vegetation

The Plateau South Project lies within the Stewart Plateau physiographic subdivision area within the Lansing Range (Mathews – 1986). This area lies within the McConnell Cordilleran Ice Sheet (28 ka to 15 ka), where there is at least one generation of glacial deposits above the valley floor (Murphy – 1997). The height of land ranges from 584 meters to 1987 meters above sea level. Inferred thickness of overburden varies from bedrock exposure on steep slopes and topographical rolls with the thicker overburden cover not known. The overburden cover consists of unconsolidated boulder-rich, silty clay to clay, and gravel deposits in major creeks/rivers, such as the Hess River. Colluvium in the form of felsenmeer or frost-heave debris material, loose bouldery talus, and regolith characterize the terrain in higher relief areas with thick organic matter/moss covered areas on relatively gentler slopes. Local clay-rich soils are characteristic in relatively stagnant, poorly drained areas. There are several glacial lakes and ponds, particularly in the western part of the property. For the most part, the relief on the property is steep with a moderate and rolling topography towards the lower relief of the Hess River. The west-flowing Hess River is the main drainage in the region, as a tributary from the Stewart River. There are numerous drainage systems, such as Pleasant Creek, which flows into the Hess River.

For the most part, the property is characterized by variable outcrop exposure with <5% in the lower tree-covered areas to 60% in the higher mountainous terrain. Outcropping areas occur as intermittent exposures along steep slopes and topographical rolls/ledges in higher elevations. Frost heave, slope creep, and talus boulders and sub-outcrop are prevalent on higher ground slopes. Vegetation in higher relief areas are characterized by a thick moss cover, relatively thin soil cover, reflected by boulder-rich and felsenmeer-type colluvium. There is no tree cover in the higher elevations of the property. The lower elevations consist of spruce balsam, poplar willows, and low lying brush, with alders following drainage systems. There are a number of restricted burn areas in the lower relief areas towards the Hess River.

## 4.0) Historical Exploration

There has been no documented historical exploration work on the Plateau South Project, with the nearest historical exploration work located to the south of the property. The earliest known exploration was carried out by Atlas Explorations Limited in 1967, as part of a broader program covering the Lansing Range (105 N), Nidday Lake (105 O), Tay River (105 K), and Sheldon Lake (105 J) map sheet areas. The focus of exploration was on copper-zinc-lead base metal mineralization. The Lansing Range had undergone limited regional mapping and soil/silt sampling by Atlas Explorations, with their main focus of work in the remaining map sheet areas, particularly in the Hess and North MacMillan River drainages and highlands. Their exploration work did cover the northern boundary of the Mount Armstrong Intrusive within the Plateau South Project area. In 1975, Union Carbide Exploration Corporation conducted exploration in the Mount Armstrong area, approximately 10 kilometers south of the Plateau South Project. Union Carbide focused on tungsten-copper exploration in a skarn-type geological environment. Exploration work consisted of a number of geophysical surveys, which included VLF-EM, magnetic, and a limited horizontal loop EM-17 survey. This was followed up by a drill program,

which consisted of 1495.6 meters (4907 feet) in five (5) drill holes. Drilling intersected the Mount Armstrong Intrusive (quartz-monzonite/granodiorite) and skarn-type host rocks, which consisted of highly metamorphosed, hydrothermally altered arenaceous and argillaceous metasediments, schist, and marble. Numerous thin zones of varying disseminated and blebby-fracture-fill pyrrhotite-chalcopyrite-pyrite-(scheelite) were intersected. The most encouraging results were returned from drill hole 5, which assayed 0.13% W and 0.10% Cu over 3.25 feet (1.0 meter). It is unknown whether gold was analyzed.

Surveys by the Geological Survey of Canada (GSC) include….

1) Aeromagnetic Survey (1968)
2) Regional Stream Sediment and Water Geochemical Data (Friske et al – 1990)
3) Various Geological Progress/In Current Reports and Maps by GSC, Indian and Northern Affairs, and Yukon Geological Survey (Roots et al – 1994, 1995, 1997, 1998, and 2003)

**5.0) Regional Geological Setting**

The supracrustal rocks underlying the general area are located within mid Cambrian rocks located in the Lansing/Russell Range region, as part the Selwyn Basin of the Ominica Belt. The Selwyn Basin consists of metamorphosed Paleozoic metasedimentary rocks with minor metavolcanics, intruded by a variety of complex intrusives (Figure 3). The supracrustal rocks have undergone greenschist facies metamorphism, with amphibolite facies metamorphism near Cretaceous Tombstone suite of intrusions. These rocks in the Selwyn Basin are predominantly characterized by the older Cambrian rocks of the Hyland Group, which consists of the Yusezyu Formation and less of the Arrowhead Lake Member, both of the Narchilla Formation. There are some uplifted/disconformity areas with Ordovician and Lower Devonian Elmer Creek/Duo Formation of the Road River Group. The Yusezyu Formation is predominantly comprised of clastic metasediments consisting of arenite (sandstone, psammite, and siltstone) and carbonaceous phyllite and shale/slate, with minor inter-formational limestone/marble and account for 90% of the underlying rocks on the Plateau South Project. It has been traced over 90 kilometers and thickness cannot be determined, as a result of stratigraphic and structural tops being unknown. The younger Road River Group comprises of two conformable units; the basal Duo Lake Formation and the upper Elmer Creek Formation, which is a lateral equivalent to the Steel Formation. Both formations consist of black shale and chert, with minor argillaceous limestone, and have an aggregate thickness ranging from 450 to 550 meters. There are two (2) major late Cretaceous (ca 92±3 Ma) Tombstone intrusions of granitic to granodiorite in composition. Both intrusions are part of a 75 kilometer southern regional trend of multiple Tombstone Intrusions, surrounded by metamorphic aureoles. Both are located in the southern part of the Plateau South Property, in the Russell Range. The largest intrusion (Mt. Armstrong Intrusive) measures approximately 17 km by 5 km wide, with the smaller being 8 km by 5 km.

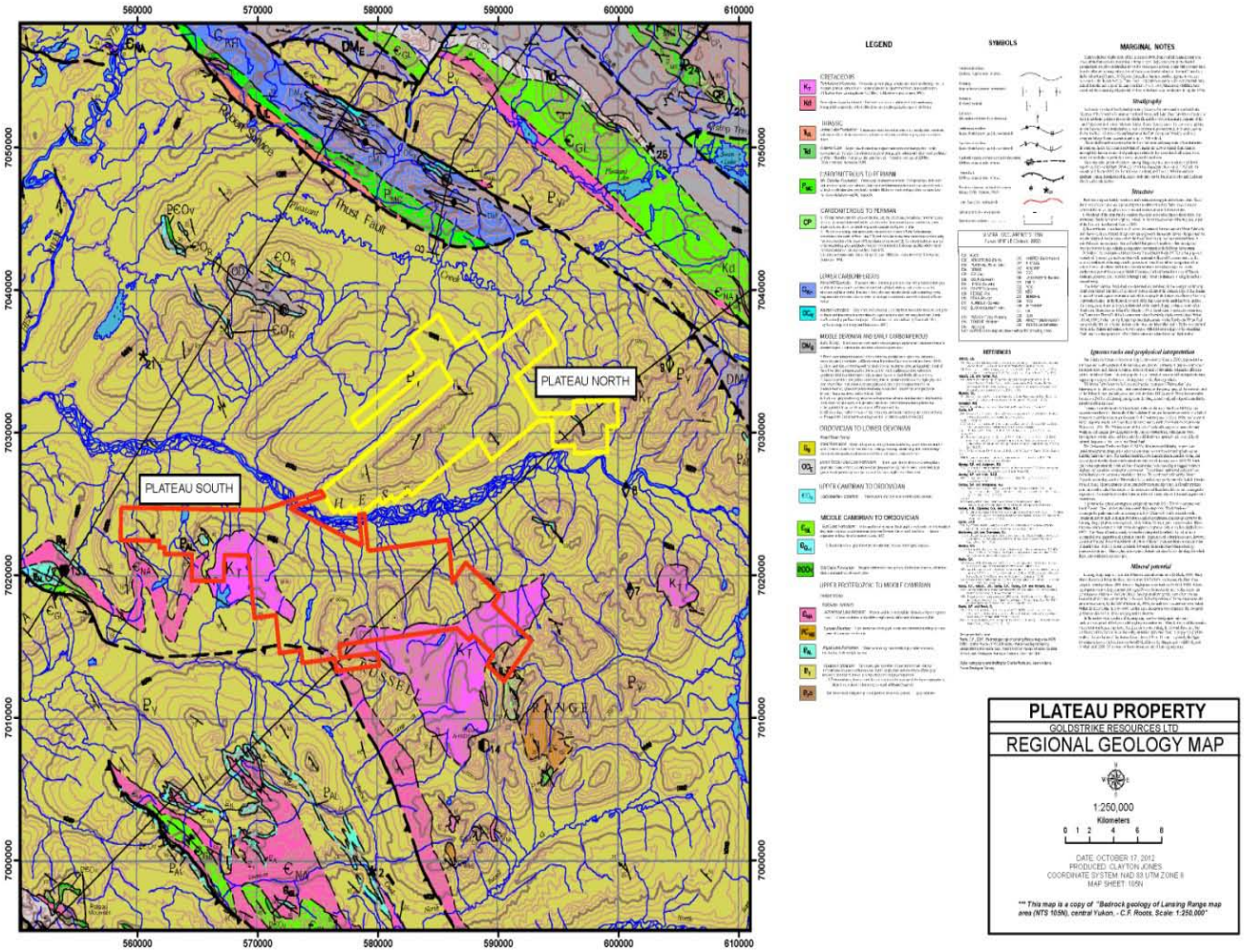
The prominent structures in the region are the Hess and MacMillan Faults and the Robert Service Fault, located north of the property. The Moose Lake Thrust Fault is prominent in the southwestern part of the property. These thrust faults occupy northwest trending valleys. The

Tombstone Strain Zone has overprinted the Yusezyu Formation east of the Russell Range (Plateau Property) and is characterized by highly deformed rocks and strain fabrics (Murphy – 1997). It extends for approximately 200 kilometers and is several kilometers thick.

The Plateau South Project lies within a region with multiple stacked thrust sheet faults and imbricate structures in the Lansing Range. According to Roots (2003), there are multiple Tombstone Intrusions, where….

1) Prominent oxidized and metamorphic halo in the surrounding clastic metasediments
2) Disseminated gold and base metal showings commonly occur

Figure 3 – Regional Geology (after Roots – 2003)

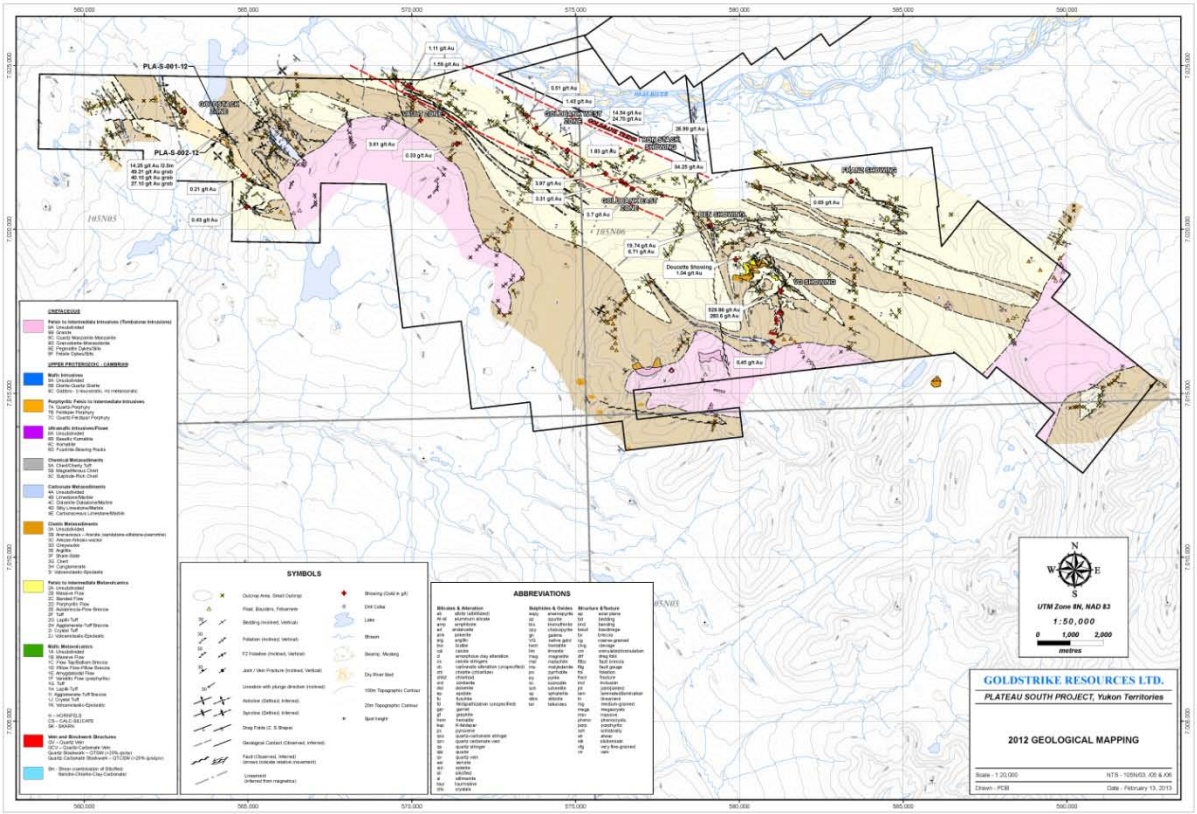


## 6.0) Property Geological Setting

The supracrustal rocks underlying the Plateau South Property are characteristic of the Yusezyu Formation of the Hyland Group in the Selwyn Basin (Figure 4). The property geology is very loosely consistent with the lithologically rock type characteristics mapped by Roots (2003). As a result, there has been a significant shift with the recognition of felsic metavolcanic stratigraphy and a sub-volcanic quartz porphyry intrusive, which both account for 60% of the underlying rock types on the property. The felsic metavolcanics along with the clastic metasediments are part of an extensive folded series and faulted sequences that extend the entirely length of the property for approximately 30 kilometers. The felsic metavolcanics consist of proximal to distal facies of fragmentals, which are up to 3.0 km in apparent thickness. A proximal volcanic center is inferred in the western part of the property, located in the Goldstack Zone area;

1) High-silica sub-volcanic quartz porphyry (QP) with stoped and/or assimilated slate metasedimentary rocks within the QP
2) Felsic crystal tuffs and coarse fragmentals
3) Significant content of quartz-eye content and quartz megacrysts and broken angular to sub-angular quartz and feldspar crystals

Figure 4 – Property Geology



A second area is located south and adjacent of the Goldbank West area, where felsic crystal tuffs and fragmentals are more prominent. The felsic metavolcanics are more distal (reworked) to the eastern part of the map sheet, as there are more voluminous and thicker clastic metasedimentary sequences. Clastic metasediments account for 30% of the rocks underlying the property and reflect a turbidite sequence. They consist mainly of well bedded argillaceous (argillite/shale/slate) metasediments with arenaceous (siltstone/sandstone) metasediments and are up to 4 kilometers thick. The main sequence wraps around, as well as being cut-off, by both Tombstone Intrusives, and arises as inter-formational units within the felsic metavolcanics to the north. In the western part of the property, a 1.5 kilometer long northwest trending limestone (1%) unit is up to 300 meters wide. Other thin limestone and skarn units have been observed near the Mount Armstrong Intrusive as inter-formational units with the clastic metasediments. The prominence of limestone and arenaceous metasediments to transitionally argillaceous metasediments in the eastern part indicates a transitionally deeper water environment to the east. Two Tombstone Intrusives are located in the southern part of the property and account for the remaining 9% of the rocks underlying the property. They are Cretaceous (ca 92±3 Ma) in age and primarily granitic in composition. The eastern-most intrusion belongs to the Mount Armstrong Intrusion complex.

Both metavolcanics and metasediments have undergone extensive brittle and ductile deformation, similar to what has been described in the Tombstone Strain Zone (Murphy – 1997). There are at least two major deformation/fold events, one trending northwest and the other younger northeast direction. Major structural lineaments have been interpreted in the western and central part of property, and appear to be axial planar to a series of anticline/synclinal features. These lineaments are associated with lode-gold quartz-arsenopyrite mineralization. Another lineament is interpreted in the central part of the map area, adjacent to the VG Showing, where complex, recumbent, flat-plunging folding is prominent.

Although there are no significant gold deposits or occurrences in the immediate area, newly discovered gold-bearing mineralization on the property demonstrates the potential for gold. There are three main discovery areas; 1) Goldbank Trend, 2) VG Showing, and 3) Goldstack Zone. The ***Goldbank Trend*** is the most prolific gold-bearing sulphide discovery on the Plateau South Property. The trend strikes approximately 10 kilometers in a northwest/southeast direction. It consists of four stacked zones/showings, intermittently exposed over a width of 1 kilometer. The zones are summarized in Table 2. The ***VG area*** consists of three showings, and may be considered the faulted and folded extension of the Goldbank Trend to the east, along axial planar traces to complex folds. The main VG Showing is located in an area of approximately 1600 square meters, where a number of boulders returned values of 529.86 g/t Au. The third significant gold area is the ***Goldstack Zone***, which is located in the western part of the property. It has been traced for approximately 60 meters in an east-west direction, with the exposed part of the zone hosted in a complex array of east-northeast trending faults. The zone returned assays 14.25 g/t Au over 2.40 meters in a channel with values up to 49.21 g/t Au in channel grabs.

There are numerous other areas, where significant sulphide mineralization has been observed, and these are the Doucette Showing (1.04 g/t Au), Ben Showing (19.74 g/t Au), and Franz Showing (0.65 g/t Au). As well, values have returned up to 3.61 g/t Au with anomalous Cu-Bi-Te-W in the area within the contact metamorphic aureole of the Tombstone Intrusive.

Table 2 - Summary Goldbank Trend Zones/Showings

| Zone/Showing | Length(km) | Au (g/t) – up to | Mineralization & Other Pathfinders | Alteration | Host Rock |
|---|---|---|---|---|---|
| Goldbank East | 2.75 | 34.25 | arsenopyrite-(galena) joints/fractures – Pb-Zn-(Bi-Sb) | silicified & carbonate | Felsic Tuff & Volcaniclastics |
| Goldbank West | 2.3 | 24.70 | arsenopyrite-(galena) – Te-Bi-Pb-(Sb-Zn-Ag) | silicified | Felsic Fragmentals, Crystal Tuffs, & Volcaniclastics |
| Ron Stack | 60 meters | 26.99 | arsenopyrite-pyrite – Sb-Bi | silicified-(sericitic) | Felsic Tuff/Crystal Tuff & Quartz Breccia |
| Vault | 1.6 | 1.59 | arsenopyrite-(galena) - | silicified-(carbonate) | Felsic Tuff & Volcaniclastics |

## 7.0) Deposit Types

The metallogenic province of the Tintina Gold Belt that extends from Alaska to central Yukon and hosts a number of intrusive related gold deposits that account for approximately 40 Moz of gold, with deposits such as Fort Knox, Donlin Creek, Pogo, Brewery Creek, Red Mountain, and Dublin Gulch. They are hosted by both Cretaceous granitic intrusions and the surrounding country rock. Gold mineralization in the Yukon shows evidence of a similar pattern of a diverse array of characteristics with the Plateau South Project;

1) Quartz-arsenopyrite-(galena) veinlets and fractures in a mesothermal gold environment – e.g. Goldbank Trend and Franz Showing
2) Orogenic lode-gold quartz vein and wallrock replacement environment – e.g. VG Showing and Goldstack Zone
3) Au-Mo with Bi-Te-W-(Cu-Sn) in granitoid Tombstone Intrusive hosted mineralization
4) Au in aureole of contact metamorphosed clastic metasediments and limestone

Gold mineralization on Plateau South is more typical of an orogenic-type mesothermal gold environment within shears of folded and faulted felsic metavolcanics and clastic metasediments. There is an also spatial and genetic relationship between the gold mineralization and the Tombstone intrusives with anomalous Bi-Te-(Li-Mo-W) hosted in both the contact metamorphosed clastic metasediments and limestone as well as in the chalcophile affinity to the Tombstone Intrusives.

## 8.0) Summary of 2012 Plateau South Surface Exploration Program

Between June 21 and August 27, 2012, Goldstrike Resources intermittently conducted property-wide mapping, prospecting and sampling, soil and stream sediment silt sampling, trenching, and diamond drilling. The work was conducted through Druid Exploration Inc. (P.O. Box 1485, Dawson City, Yukon Territory Y0B 1G0). The 2012 surface exploration program was initiated to evaluate the potential for gold mineralization on a property-wide scale, and locally, find a source of anomalous gold in silts.

A ten (10) week regional mapping and prospecting program was carried out from June 21 to August 27, 2012. The mapping and prospecting program included mostly rock sampling with limited and soil and silt sampling. A GPS and compass survey (Garmin GPS 60CSX and GPS 60Cx) was used to reference various geological and cultural features, as well as sample locations, to observed UTM co-ordinates. Accuracy is approximately 2 to 6 meters. Nad 83 in Zone 08V was utilized in the prospecting/sampling, mapping, and the soil/silt sampling programs. Geological and other cultural features, such as claim posts, were referenced to observed UTM co-ordinates.

Rock samples were taken from both the mapping and prospecting program, with localized soils and silts collected, where overburden cover is extensive. Samples were taken based on the presence and intensity of sulphide mineralization, altered mineralogy, veined and sheared structures. Samples were placed inside labeled plastic poly bags with the appropriate plastic sample tag for the analytical laboratory. Sample conditions, environment and attributes were recorded in a field notebook and the location recorded by hand held GPS unit. Sample locations were marked with orange or red flagging tape showing the sample number, and each sample location was also photographed in the field or camp for a digital visual record.

Soil and silt sampling were undertaken intermittently from July 3 through to August 24, 2012. All soil sample locations were derived using Arc GIS 10.0 and sample locations (waypoints) were programmed into a handheld Garmin 60CSX GPS unit. A sampler would navigate to points and take samples. The samplers took deep soil samples with steel Dutch augers and placed into a labeled brown kraft soil sample bag along with the analytical laboratory plastic sample tag, targeting the C horizon. The exact location of the sample was recorded on the GPS and later imported to Arc GIS to be mapped. Detailed sample notes were taken at each site (depth, soil type, vegetation etc.). Acme Lab water proof sample tags were used. The sample location was flagged with the corresponding Acme Lab sample number written on the flagging tape. Each sample location was also photographed for a digital visual record. Sample locations (coordinates) were downloaded into the computer and stored in a database with all corresponding notes. The samples were allowed to dry prior to shipping to the lab for analysis.

A total of 0.98 line kilometers of soil sampling were completed in a more systematic survey in the east-central part of the property. The Can Dig CD 21 mini-excavator was used to dig deeper pits in the collection of the soil sample closer to the bedrock interface. The excavator machine used (operating weight of 1200 lbs) has a pick capacity of approximately 2.4 vertical meters using a standard 12" bucket. A total of 4 pits were dug.

Silt samples were taken based on the conditions of the stream system. Once a suitable sampling site was found, sediment was sieved, if necessary, and the resulting silt placed into a labeled plastic poly bag. The analytical laboratory plastic sample tag was also placed inside the bag. The sample attributes and conditions were recorded into a field notebook and the location was recorded by hand held Garmin 60CSX GPS unit. Sample locations were marked in the field with orange flagging tape showing the sample number. The samples were allowed to dry prior to shipping to the lab for analysis.

A small trenching program proceeded on the Goldstack Zone, located in the western part of the Plateau South Property. A Can Dig CD 21 mini-excavator was used for mechanical trenching over a period of three days (including mobilization) from July 29 to August 3, 2012. The excavator machine used (operating weight of 1200 lbs) has a pick capacity of approximately 2.4 vertical meters using a standard 12" bucket. Due to heavy and thick overburden, only 10 meters of trenching was completed, and later filled-in. A Honda pump and hose/fire hose, and all necessary accessories were used to water-strip the rock exposure, and as a result, all the dirt and mud and excess water was removed from the trenches. As a result, the strike length, width, and nature of the mineralized zone was outlined and verified, and grab and channel grabs were subsequently collected. A Stihl TS 400 diamond saw was used along with the appropriate diamond saw blades, and a Honda water pump and garden hose. A diamond saw channel cut varied in width from 2 to 5 centimeters (i.e. average between 3 and 4 centimeters), at a depth between 5 and 10 centimeters (i.e. average between 5 and 6 centimeters). Sample intervals varied from 0.2 meters to 1.0 meters. The channel sampling technique gives a more representative sample of the interval, beneath the zone of weathering. A total of 9.1 linear meters of diamond saw channel cuts and chipping were performed on all the trenches over a strike length of 5 meters.

**9.0) Analytical Quality Control and Quality Assurance**

An aggregate total of 1690 rock, 134 soil, and 31 silt samples were collected and analyzed from this surface exploration program. A total of 125 drill core samples (includes standards, blanks, and duplicates) were collected from the drill program. Samples were sent to two laboratories; 1) AGAT Laboratories prep laboratory in Whitehorse (*17 Burns Road, Unit3, Whitehorse, Yukon Y1A 4Z3*), and were analyzed by AGAT in Toronto (*5263 McAdam Road, Mississauga, Ontario L4Z 1N9*) and 2) Acme Analytical Laboratories Ltd (Acme Labs) prep

laboratory in Whitehorse (*77 Collins Lane, Whitehorse, Yukon Y1A 0A8*), and were analyzed by Acme Labs in Vancouver (1020 Cordova Street, East *Vancouver, British Columbia V6A 4A3*). All analyses in the form of assay certificates are presented in Appendix 4.

All samples were bagged, and secured with security twist tags in rice bags. The samples were delivered by Druid Exploration personnel to AGAT Laboratories and Acme's prep laboratory in Whitehorse, Yukon. All samples were analysed for gold by fire assay/ICP-OES finish with certain rock samples designated for 51 element ICP/ICP-MS finish at AGAT and 36 element ICP/MS at Acme Labs. All soils and silts have undergone the 51 element or 36 element ICP analyses.

Acme Labs are accredited by the Standards Council of Canada to ISO 9001.2008 guidelines (Fm 63007) for ISO/IEC 17025 2005 accreditation. AGAT Laboratories are accredited by the Standards Council of Canada to ISO 9001 guidelines for ISO/IEC 17025:2005 (CAN-P-4E) accreditation. Sample preparation, analytical and quality control procedures employed are mutually similar in procedure and are as follows:

### 9.1) Sample Preparation

Once the rock, soil, and silt samples have been received, they are entered into the Acme Analytical Laboratories Quality Management System and each sample given an internal sample control number. AGAT Laboratories Quality Assurance Department uses a Laboratory Information Management System (LIMS) to monitor each samples progress throughout the laboratory process. Both the rock, soil, and silt samples are then checked for dryness prior to any sample preparation and dried if needed. For rock samples, a 1 kg sample is crushed to 80% passing through a 10 mesh, with a further 250 g split pulverized to 85% passing through a 200 mesh (75 microns) using a Jones Rifler. For soils and silts, the samples are dried to 60°C and sieved up to 100g to -80 mesh up to ½ kg. Silica cleaning between each sample is also performed to prevent any cross contamination. Random screen analysis is performed daily to check for attainable mesh size.

### 9.2) Gold Analysis (Rock and Soil/Silt)

All Au analysis is performed at a 30g charge by fire assay using lead collection with a silver inquart. The detection limit is 10 ppb for AGAT Laboratories and 2 ppb for Acme Labs. The beads are then digested and an atomic absorption finish is used.

### 9.3) Gold Pulp Metallic Analysis

Pulp Metallic analysis includes the crushing of the entire sample to a 150 mesh sieve and using a Jones Rifler to split the sample to a 1 kg sub sample. The entire sub sample is then pulverized to 90% -150 mesh and subsequently sieved through a 150 mesh screen. The entire +150 portion is assayed along with two duplicate cuts of the -150 portion. Results are reported as a calculated weighted average of gold in the entire sample.

### 9.4) Multi Scan Analysis (Rock and Soil/Silt)

Multi Scan Analysis was performed using an ICP-MS acid digest finish. Detection limits are outlined in the assay certificates in Appendix 4.

### 9.5) Laboratory Quality Control / Quality Assurance (QC/QA)

Certified standards, blanks, and duplicates are inserted with each batch of samples. QA/QC protocol incorporates granite or quartz sample-prep blank(s) carried through all stages of preparation and analysis as the first sample(s) in the job. Typically in an analytical batch, a pulp duplicate to monitor analytical precision, a -10 mesh reject duplicate to monitor sub-sampling variation (rock and drill core), a reagent blank to measure background and an aliquot of Certified Reference Material (CRM) or Inhouse Reference Material are allocated to monitor accuracy. This procedure is used for checking the reproducibility of the assays. A non-reproducible check assays are an indication of nugget problems within the sample and recommend that further analysis be performed to generate a better representation of the sample.

All standards run are graphed to monitor the performance of the laboratory. Acme Analytical Laboratories and AGAT Laboratories warning limit is 2 times the standard deviation and the control limit is 3 times the standard deviation. Any work order with a standard running outside the warning limit will have selected re-assays performed, and any work order with a standard running outside the control limit will have the entire batch of samples re-analysed.

All QC/QA data run with each work order is kept with the clients file. If desired, the client may have all the blanks and certified standards reported on a certificate to correspond to the client's samples. All quality control graphs are available upon request.

Both laboratories also keep daily log books for the sample throughput. These logs record all information pertaining to; 1) who performed the analysis, 2) when the analysis was done, 3) how the analysis was performed, and 4) what other sample were analyzed at the same time. This is done to help eliminate the possibility of misrepresentation and cross-contamination of the client's samples.

Acme Analytical Laboratories and AGAT Laboratory instruments are calibrated using ISO traceable calibration standards and our quality control standards are created from separate stock solutions. Their instruments are directly tied to their quality control program eliminating the need for manual data entry, hence, reducing human error.

Goldstrike Resources did not insert sample standards and blanks at regular intervals into sample batches from surface exploration sampling. However, Goldstrike did insert sample duplicates, standards and blanks at regular intervals into sample batches from the drill program. The author believes that the results of sampling and analysis from both the

surface and core samples collected during this program reliably reflect the nature of mineralization observed.

## 10.0) Discussion of Results from 2012 Surface Exploration Program

The following is a synopsis of from mapping, prospecting, trenching, soil and silt sampling, and diamond drilling.

The following is presented as appendices in separate folders…….

Appendix 1 – 2012 Plateau South Claim Activities

Appendix 2 – 2012 Regional Mapping (West and East Sheets) - Scale: 1:20,000

Appendix 3 – 2012 Master Plateau South Rock, Soil, and Silt Descriptions and Analyses

Appendix 4 - 2012 AGAT Laboratories and Acme Laboratories Assay Certificates

Appendix 5 - 2012 Regional Prospecting Maps/Gold Rock Geochemistry of Plateau South Project West and East Sheets) – Scale: 1:20,000

Appendix 6 – 2012 Regional Soil/Silt Sample Location & Gold Maps (West and East Sheets) – Scale: 1:20,000

Appendix 7 - 2012 Drill Logs, Plan, and Sections on Goldstack Zone

### 10.1) Mapping and Prospecting

The following is a synopsis of major rock types, structure, mineralization, and alteration encountered as a result of regional property mapping at 1:20,000 scale, as well as detailed geological mapping and sampling of the Goldstack Zone trench area (1:100). Regional mapping is presented in Appendix 2, with the master descriptions and analyses being presented in Appendix 3.

The following briefly summarizes the geological and assay results from the 2012 mapping, prospecting, trenching, and soil/silt surveys.

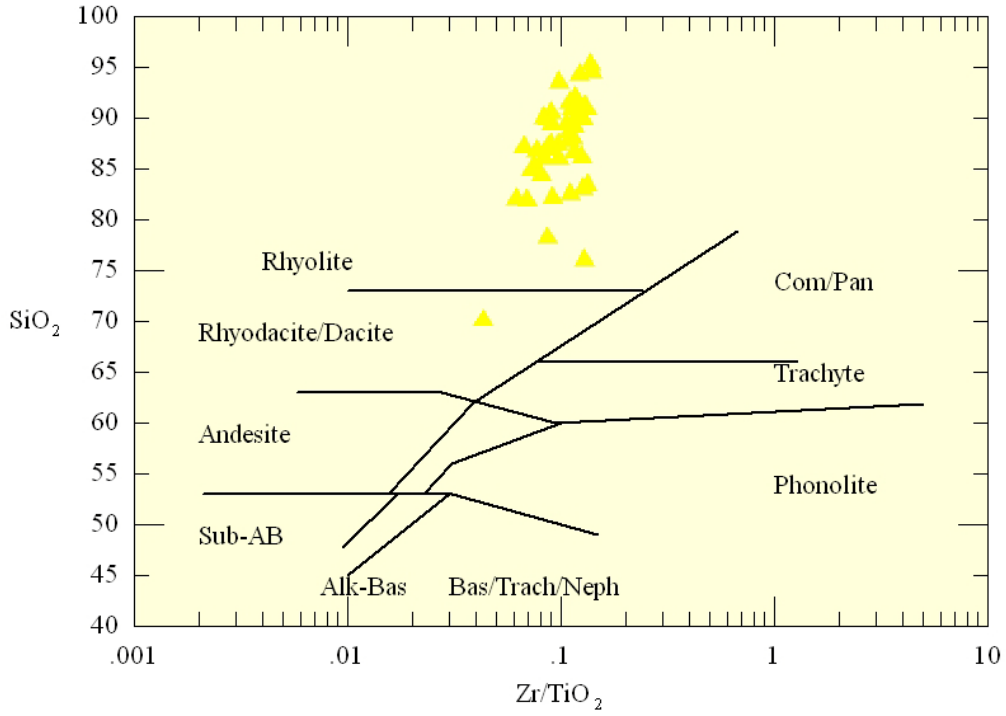
#### 10.1.1) Lithology and Alteration

**Felsic Metavolcanics**

The felsic metavolcanics comprise of approximately 60% of the rocks underlying the Plateau South Property. The felsics occupy multiple, folded sequences, which extend for at least 30 kilometers and are up to 3 kilometers thick. Increased thickness of the felsics may emerge along fold hinges. The felsic litho-stratigraphy on the Plateau South Property follows regional northwest-southeast folded trends. The felsic metavolcanics classify as F1 calc-alkaline rhyolite, with the more intermediate varieties being atypical (Figure 5). The felsic metavolcanics are typically fragmental with coarser, fragmental rocks in the western map area, transitioning to more of reworked, distal felsic volcaniclastics to the eastern map area. The felsic volcaniclastics are silica-rich /cherty-like, reflected by high $SiO_2$ and 70% to 85% quartz content. The felsic metavolcanics

have undergone varying degrees of deformation and hydrothermal alteration. Clastic metasediments and re-worked felsic volcaniclastics occur as intercalations within and

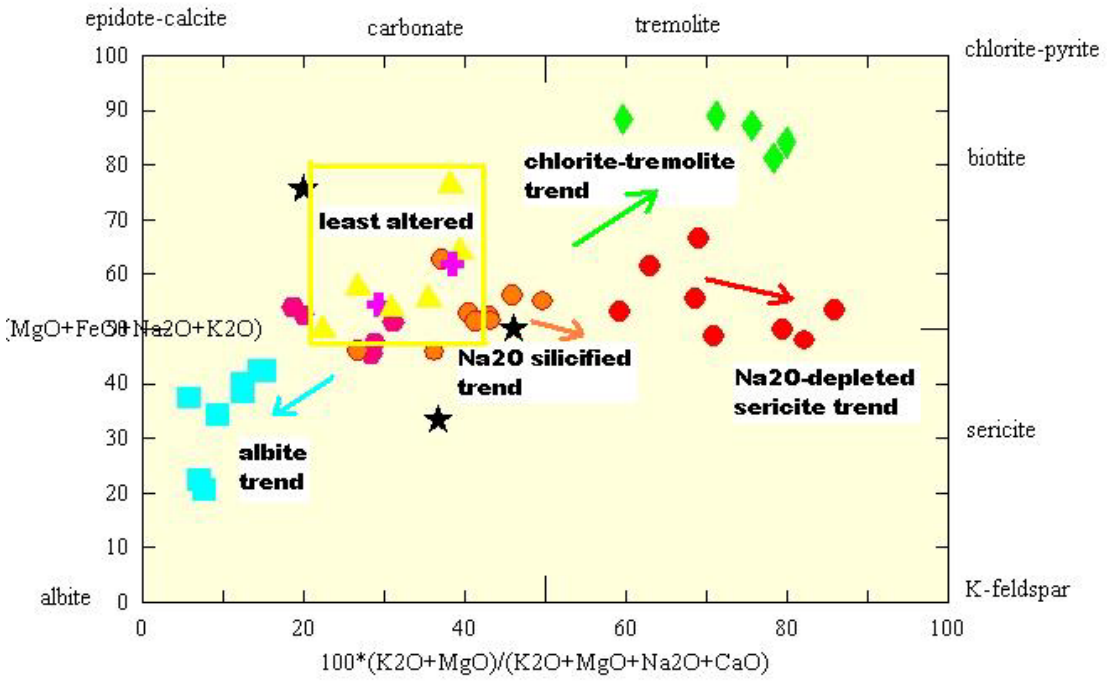
Figure 5 – Winchester-Floyd Plot of Normalized Felsic Metavolcanics




top of the felsic sequences.

The color of the felsic metavolcanics vary from gray, grayish-white, dark gray, to whitish-gray on weathered and fresh surface colors. Original protolith textures of the felsic metavolcanics have been extensively deformed and partially destroyed due to trans-compressive stresses and with increased metamorphic grade. The metamorphosed mineralogy assemblage is dominated by microcrystalline to very-fine and medium-grained (≤3.5 mm) quartz (70% to 90%) + plagioclase feldspar (oligioclase) + potassic feldspar (orthoclase) ± sericite/muscovite ± chlorite ± carbonate ± hematite & Fe-hydroxides ± tourmaline ± rutile (Schandl – 2012). Overall, feldspar content is extremely low. Silicification and sericite/muscovite, and albite alteration with carbonate appear to be the dominant alteration of the felsic metavolcanics and occur proximal to mineralized zones, such as described in the Goldstack Zone and along the Goldbank Trend (includes Ron Stack Showing) under the Mineralization and Prospecting Section 10.1.3. There are four (4) alteration trends (Figure 6). The silicified (silica flooding?) and sericite/muscovite alteration in the Goldstack Zone is associated with brecciation, and granulation within multiple, younger fault zones. Silicification occurs as a microcrystalline matrix (<0.05 mm), forming interlocking aggregates of sub-angular to sub-rounded quartz and feldspar clasts or fragmented crystals, with sericite forming as

Figure 6 - Alteration Box Plot (AI-CCPI) of Unaltered and Altered Felsic Metavolcanics and Quartz Porphyry




interstitial cement and as veinlets to the quartz (Schandl – 2012). Albite alteration is not fully understood at this time. Locally, chlorite occurs as fractures and stringers interstitial to the matrix and cross-cut/pre-date the quartz crystals or clasts (Goldbank West Zone - sample 127114).

In the western part of the Plateau South Property, the felsic rocks are characterized by coarser-grained tuff/crystal tuff, with localized coarser fragmentals. All these features indicate a proximal source to a volcanic center. The felsic crystal tuffs show a gradation with the interpreted quartz porphyry sub-volcanic intrusion. The protolith of the fragmentals do show a well developed fragmental texture on surface locally, even with strong deformation and metamorphic recrystallization. The very fine-grained unaltered matrix and fragments are monolithological, consisting primarily of quartz with varying amounts of feldspar and sericite/muscovite. The fragments are up to 15 cm in size, being sub-elliptical to sub-rounded and attenuated in shape as a result of deformation (PLA-1). In thin section, quartz as well as feldspar occurs as sub-angular to sub-rounded aggregates crystals and/or clasts (sample 127114) up to 3.0 mm in size.

The felsic metavolcanics laterally change to relatively more abundant felsic volcaniclastic sequences to the eastern part of Plateau South Property. Frequent and thicker clastic metasedimentary units are prominent with reworked felsic sequences

showing well developed bedding/banding and space/fracture cleavage. Felsic volcaniclastic is mineralogically similar to the coarse fragmentals, being strongly siliceous with 85% to 90% quartz (samples 1247114 - 86.16% $SiO_2$) with detritus plagioclase interstitial to the matrix (Schandl – 2012). Quartz and feldspar vary from very fine-grained to medium-grained (<0.1 to 3.0 mm), and occur as fragmented, re-crystallized grains in poorly developed quartz-feldspathic cement. Plagioclase is conspicuously low in content (10%-15%), as well as the micas in the form of sericite/muscovite and biotite.

PLA-1 – Felsic Agglomerate located south of Goldstack Zone – 7022376 N / 564481 E - looking 200º

## Porphyritic Felsic Intrusives

These rocks are prominent in the western part of the Plateau South Property in the Goldstack Zone area. A northwesterly trending body has been outlined for approximately 3.5 kilometers and is up to 300 meters wide. It is open to the northwest direction. They may represent the upper level crystal-rich extrusive equivalents of the sub-volcanic intrusive body. They occupy < 1% of the rocks underlying the property.

The color of the porphyritic felsic intrusives are generally grayish white, light gray, and white on weathered and fresh surface. They are characteristically porphyritic in texture medium to coarse-grain quartz megacrysts/crystals (up to 10-20 mm in size) and quartz-eye phenocrysts/crystals (up in 2.5-3.5 mm in size) ranging from 70% to 90%. The quartz-eyes vary in color to translucent gray to bluish-white. There are very fine to medium-grained (up to 2.8 mm in size) feldspar phenocrysts ranging 5% to 15% set in a microcrystalline to very-fined grained matrix. The mineralogy is similar to the felsic metavolcanics, with the quartz content (70% to 90%) being dominant with lower concentrations of both plagioclase and potassic feldspar, and sericite. Gangue mineralogy consists of rutile, tourmaline, and zircon. Both the quartz and feldspar crystals and clasts are extensively re-crystallized, brecciated, and possibly granulated, with sub-angular to sub-rounded, ragged and sutured grain boundaries (Schandl – 2012).

This intrusive body shows its intrusive nature with stoped metasediments (generally slate) country wallrock rafts up to 2 meters in size (PLA-2A & B). There is a gradational contact between the quartz porphyry and the felsic crystal tuffs, suggesting the possibility of an extrusive volcanic apron about the body.

The following features and textures suggest the intrusive nature of the body….

1) Presence of stoped metasedimentary rafts up 2 meters in length
2) Presence of compositionally similar felsic intrusive dykes and sills in the outer margins
3) Porphyritic texture with the presence of quartz and feldspar phenocrysts which may indicate two cooling events.
4) Presence of broken crystals

### Clastic and Chemical Metasediments

Clastic metasediments comprise of 30% of the rocks underlying the Plateau South Property, extending to a length of 21 kilometers. Thickness is up to 3.5 kilometers meters, although the clastic metasediments may be thicker along fold hinges, especially in the central part of the map area, which includes the VG Showing area. Clastic metasediments show a general continuity, bounding both Tombstone intrusive bodies and becoming more extensive and thicker in the central and eastern parts of the property. The clastic metasediments in contact with the felsic metavolcanics occur within multiple folded structures, where there is a northwest and northeast convergence.

**PLA-2A**


**PLA-2B**

PLA - **2A)** Slate inclusions in quartz porphyry – located in Goldstack Zone area at 7022855 N / 564183 E – looking 100º; **2B)** Quartz porphyry intrusive breccia with slate country rock rafts – located west of Goldstack Zone at 7023750 N / 562977 E – looking 240º

The clastic metasediments are consistent with argillaceous rocks (argillite/phyllite /slate) and arenaceous metasediments (sandstone/siltstone/arkose) with local limestone interbeds within the Yusezyu Formation of the Hyland Group of metasediments. The rocks show a graduation from a dominant shallow-water arenaceous and carbonate formations in the western part of the property to a deeper water environment in the central and eastern part of the map area. The clastic metasediments bounding both Tombstone Intrusives are primarily argillaceous and have undergone strong contact metamorphism with the presence of aluminum-silicate alteration and chloritoid. The contact aureole is up to 1.5 kilometers wide about both Tombstone intrusives.

They argillaceous rocks typically show a grayish-white, gray, dark gray, and black, weathered and fresh surface colors. The more iron-rich varieties turn a rusty brown weathered color, due to the presence of magnetite or sulphides. The argillaceous rocks are typically mica-rich in composition with a very-fine to fine-grained (< 1.0 mm in size) interstitial muscovite/sericite + biotite ± chlorite, which all constitute up to 84% of the content. Other mineralogical silicates identified are quartz, feldspar, garnet, cordierite, chloritoid, magnetite, leucoxene, and sulphides (pyrite, pyrrhotite, and chalcopyrite). Magnetite also occurs as pre-deformational grains in the form of inclusions in both cordierite and biotite and as coarse unaltered crystals which overprint the deformed matrix (sample SR-06). Schandl (212) has identified cordierite being the most prominent high-grade metamorphic mineral with chloritoid, garnet, andalusite, and sillimanite in varying proportions. Cordierite occurs as flattened, poikiloblastic porphyroblasts ranging from 5% to 20% and is generally fine to coarse-grained (0.6 to 5.0 mm in size). They have been replaced by both chlorite and pinnite (Schandl – 2012). The cordierite crystals are interpreted as pre to syn-deformational due to;

1) flattening and elongate crystal features parallel to the main deformation orientation
2) poikiloblastic texture, containing inclusions of muscovite/sericite, magnetite, ilmenite, leucoxene, biotite, and amorphous clays with leucoxene replacing both magnetite and ilmenite
3) rotation of porphyroblasts in a domain that shows strong crenulation cleavage of muscovite/sericite

An unusual scapolite-rich argillite was identified within the contact aureole of the Tombstone Intrusive, located in the southwestern part of the property. This is in close proximity to interpreted chemical metasediments, reflected by strong magnetics. Scapolite porphyroblasts are set in a matrix of very fine grained sericite and chlorite with variable quartz and feldspar. Approximately 37% scapolite occurs as very fine to medium-grained (up to 2.5 mm in size) as ghost-like columnar aggregates and porphyroblasts. It is associated with the graphite (20%) and sulphides (9%). The presence and abundance of scapolite indicates the circulation of Cl-rich hydrothermal fluids in the sediment (often associated with mineralization), whereas the porphyroblastic texture suggests contact metamorphism (Schandl – 2012).

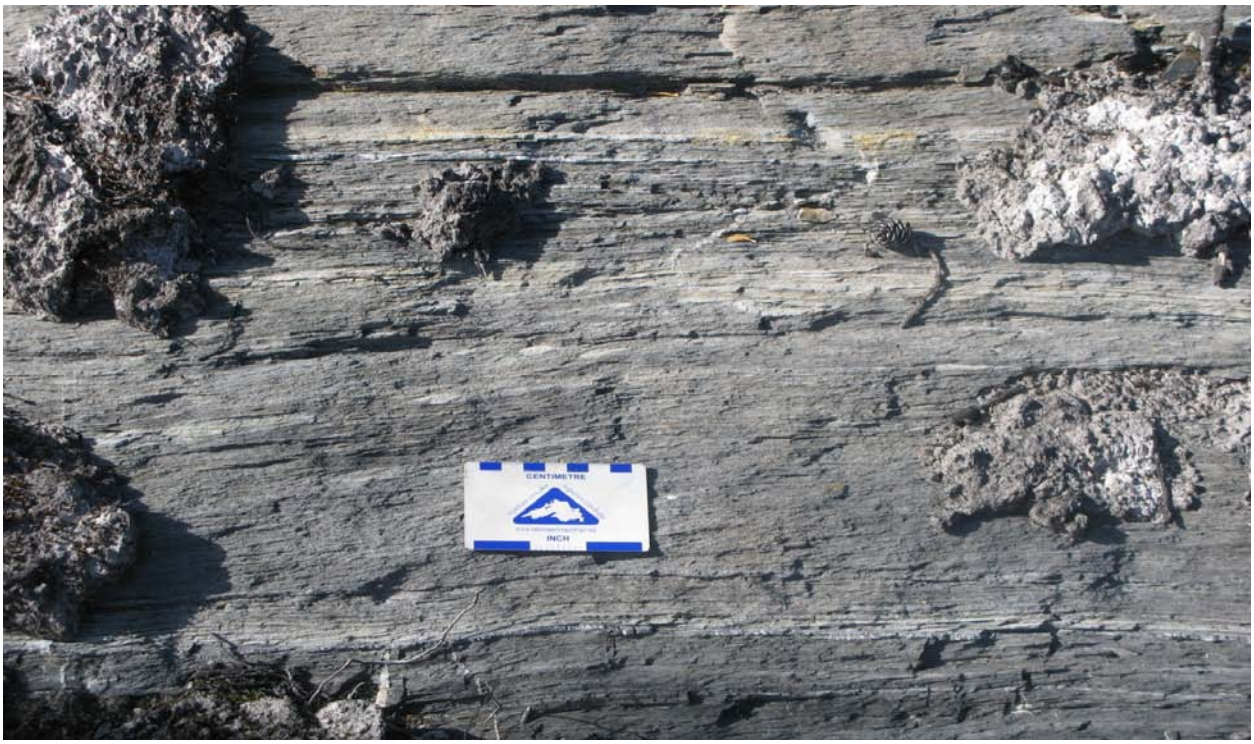
The arenaceous rocks typically show more of a lighter color being grayish-white, light gray, white, and pinkish-gray/white weathered and fresh surface colors. Sandstone, psammite, and siltstone primarily makes-up the arenaceous metasediments. These rocks have alternating bands or beds of quartz-rich and mica-rich (muscovite/sericite and biotite) layers ± magnetite ± sulphides. Quartz occur as sub-rounded to poikiloblastic detritus grains (50% to 95%) and are generally very fine to fine grained (<0.5 to 1.0 mm in size). Feldspar has a conspicuously low content. For the most part, the clastic metasediments have undergone greenschist metamorphism, except in the high metamorphic contact halo (amphibolite) of both Tombstone Intrusives.

Compositional layering or bedding/banding is characterized by alternating quartz-rich, quartz-mica, and occasional more chloritic bands. The argillaceous and arenaceous clastic metasediments range from being finely laminated, banded, to bedded, varying from <0.5 to 20 meters wide (PLA-3A & B). Carbonate rocks (limestone/skarn) and felsic volcaniclastics commonly inter-bed with the clastic metasediments, where in close contact with those thicker sequences. Generally, the extent of these horizons is unknown. Greywacke and arkose are not prominent in the clastic metasedimentary sequence. A northeast young facing direction of the beds (graded bedding) was observed, and is located northeast of the Goldstack Zone. .

Chemical metasedimentary units are not well exposed, except for a folded sequence northeast of the Goldstack Zone. These units tend to be rusty and gossanous in nature and are reflected as strong magnetic features proximal to both Tombstone Intrusives.

The magnetic features which are characteristic of these horizons have undergone complex folding and the extent of the chemical metasediments is not fully known. From limited exposure, these zones vary in apparent thickness from 0.5 to 15 meters. They form inter-formational units within the clastic metasediments and are exclusively found within the contact metamorphic aureole about both Tombstone Intrusives. They are typically brownish gray to rusty brown in color as a result of the relatively high content of magnetite and sulphides. These rocks are extensively silicified and are commonly cross-cut by quartz veining, although no aluminum-silicate alteration has been identified. They typically host very-fine grained disseminated and fracture-fill graphite with varying amounts of sulphide and magnetite. Pyrite and pyrrhotite are the principal sulphides with occasional chalcopyrite and trace sphalerite, with the sulphides occurring as a post-deformational metamorphic overprint (sample 126041) and pre-deformational deformed grains (sample 1245441).

**PLA-3A**




**PLA-3B**

PLA-**3A)** Sheared and Banded Argillite – 7020909 N / 574910 E – looking south; **3B)** Interbedded Calcareous Sandstone and Limestone – located east of Goldstack Zone at 7022524 N / 565928 E – looking 120

## Carbonate Metasediments (Limestone/Marble/Skarn)

The only prominent sequence of carbonate or calcareous-rich rocks encountered in the regional mapping program is located in the western part of Plateau South Property. They constitute up to 1% of the underlying rocks. The northwesterly trending sequence of weakly metamorphosed limestone has been outlined for approximately 1.3 kilometers and is up to 300 meters wide. The extension of this sequence to the northwest is unknown, but it appears to be structurally controlled by folding. The occurrence of carbonate metasediments, in the form of a folded skarn unit, in the central part of the Plateau South Project is the only other significant area observed. The extent and thickness of this unit is largely unknown. There are a number of other limestone and marble/skarn outcrops which formed as interbeds within the clastic metasediments. The extent of these units is largely unknown, with more detailed mapping required in these areas.

Weakly metamorphosed carbonate rocks in the form of limestone has a distinctive dull to rich weathered and fresh surface gray color. It is characterized by very fine to fine-grained (<0.1 cm) carbonate, primarily calcite. The limestone shows well developed primary internal bedding and banding among the different carbonate layers, and is typically interbedded with the arenaceous clastic metasediments. Strongly metamorphosed limestone (skarn/marble) has distinctive white and bleached white weathered and fresh colors. These distinctive units are within the contact aureole of both Tombstone Intrusives, and are spatially associated both the clastic and chemical metasediments. Skarn/marble consists of very fine grained calcite with coarse (up to 0.8 cm in size) pinkish-colored garnet porphyroblasts varying < 1% to 5% (PLA-4). The metamorphosed mineralogy consists of carbonate (calcite) + epidote + garnet ± clinopyroxene (Schandl – 2012). Carbonate constitutes 70% to 90% as very fine to medium-grained (0.5 to 3.0 mm in size) interlocking, re-crystallized aggregates. They show well developed metamorphic banding (PLA-4).


**PLA-4 –** Skarn / Calc-Silicate **–** located south of the VG Showing at 7015596 N / 580734 E – looking north

## Felsic Intrusives (Tombstone Intrusives)

Parts of two separate felsic intrusives underly southern part of the Plateau South Property. They comprise of 9% of the rocks underlying the property. The most easterly one is part of the Mount Armstrong Intrusive, which measures 17 km by 5 km. Both have been recognized as younger intrusions because of their age (ca 92±3 Ma), however, they do show features of the north trending space cleavage, but not the predominant northwest trending deformation of the surrounding country rock. .

The main felsic intrusive varies from quartz-granite to granite in composition. It is grayish white, white, to pinkish-white on weathered and fresh surface colors. The granite body is felsic in composition being quartz-saturated (20% to 30%), with 50% to 60% albite feldspar, 10% potassic feldspar, and 5% to 10% biotite. It generally shows an equigranular texture, although porphyritic varieties have been recognized, being medium to coarse-grained with phenocrysts up to 1 cm in size (PLA-5). Finer grained granite dykes and sills have been in the observed within the country rock and up to 1 meter wide. Coarse-grained pegmatite have been recognized locally and cross-cut the main intrusive body, generally at the margin of the intrusive. The dykes are pink in color being felsic in composition. It is composed of very fine to coarse-grained (<5

mm) orthoclase and perthite potassic feldspar + oligioclase plagioclase feldspar + quartz ± biotite ± sericite. The extent of these pegmatite bodies is unknown.

Although these rocks have not undergone the initial deformation, these rocks show a well developed space cleavage locally. Both intrusives exhibit features indicating a younger age are;

1) Cross-cut both felsic metavolcanics and metasediments

2) Contact of metamorphic halo about surrounding rocks, particularly the argillaceous clastic metasediments

3) Presence of relatively finer grained dyke and sill-like bodies in the outer margin of the main intrusive bodies


**PLA-5** – Porphyritic Granodiorite/Granite – 7020968 N / 567049 E – looking 055º

### 10.1.2 Structure

Rocks underlying the Plateau South Property underlie complexly folded and faulted terrain within a domain characterized by the Robert Service and Moose Lake Thrust Fault within the Yusezyu Formation. Folding features appear to be more prominent throughout the property (PLA-6).

**PLA-6 –** Folded Clastic Metasediments and Skarn (white weathering) South of VG Showing Area – looking north

**Bedding**

Bedding ($S_0$) is best preserved in the clastic and chemical metasediments, as well as felsic volcaniclastic or reworked felsic tuff units. Compositional banding, laminations, and bedding ($S_0$) define primary bedding. $S_0$ exhibits a dominant general northwest/southeast trend in the metasediments and reworked metavolcanics, with variable shallow to vertical dips. Dips of bedding become more consistently shallow to the east. Due to the complexity of the folding structures on the property, dips vary both to the north and to south, ranging from shallow 0º to vertical 90º. Strike variations of the bedding range from 290º to 360º. However, bedding averages a peak value of 124º/25ºSW (Barclay – 2012)

There appears to be convergence in the bedding of clastic metasediments and felsic metavolcanics in the western part of the property with a series of anticlines and synclinal axes. Convergence of both the metasediments and metavolcanics in the

central part of the property is reflected by the fold pattern of the rock types and arcuate nature of the bedding.

**Foliation/Cleavage**

A well developed penetrative, metamorphic foliation ($S_1$) overprints all rock types, including a latter or younger space cleavage on both the Cretaceous Tombstone Intrusions and the supracrustal rocks. The metamorphic foliation is defined by the sub-parallel elongation of platy minerals such as amphibole, and micas, such as sericite, chlorite, and biotite. Although there is a general northwest-southeast strike trend, there is a significant variance in both strikes and dips due to complex folding of the supracrustal rocks. The dips are progressively more sub-vertical in the general of the Goldstack Zone. $S_1$ is remarkably statistically parallel to the bedding, averaging a peak value of 124º/25ºSW (Barclay -2012).

A space/solution cleavage has been recognized throughout the property, particularly in the areas where there are mineralized occurrences. This cleavage is transposed on the Tombstone Intrusions and outlying country rock, corresponding to an average value of 012º/89ºE. The strikes range from north-south to northeast-southwest direction. Barclay's (2012) preliminary review of the structural data suggest that this space cleavage has not been folded, and superimposed on both $S_0$ and $S_1$, further suggesting a younger event.

The rocks underlying Goldstack Zone trench area has undergone extensive re-crystallization, fracturing, and brecciation, where space cleavage is dominant (PLA-7). The most prominent fabric observed is the widely spaced cleavage trending approximately in a north-south direction (340º to 024º), possibly overprinting the regional east-west trending fabric. This space cleavage dips sub-vertically to the west (55º to 90º), rolling to the east locally. The deformational fabric is enhanced by the abundant presence of phyllosilicates, as a result of hydrothermal alteration and mineralization. The regional rock fabric is trending approximately 310º, with the average strike of 296º, dipping to the north/northeast at 86º. The presence of strongly crenulated rocks is evident in the slate at the contact with the quartz porphyry/felsic crystal tuff, with crenulated $S_1$ cleavages and shallow south trending plunging lineations. This correlates well with the intersection of $S_0/S_1$ and space cleavage, which will be discussed further below. There are also multiple, stacked east-northeast trending sericitic fault gouge zones on the hangingwall side of the Goldstack Zone. These faults have a shallow to moderate dip to the south.

**PLA-7** – Space/Fracture Cleavage and Fault Gouge – located on Goldstack Zone - looking south

**Lineation & Folding**

Lineations are developed in all rock types throughout the property, with local intersecting lineations being measured. Where locally, the fabric forms a locally prominent intersection lineation within compositional layering, and is interpreted as axial planar to the folding.

Although the data on the number of measured lineations is limited, two minor clusters are evident (Figure 5). They correspond to 318º→08º and 217º→45º (Barclay – 2012). The shallow plunging northwest lineation corresponds to super-imposed recumbent folding of $S_0$ and $S_1$, perhaps related to thrust tectonics. The latter is spatially related to the space cleavage. The stereonet plots of poles to great circle of regional bedding (313º→00º) and foliation (308º→01º) complement well with the measured lineations of $S_0/S_1$. The space cleavage lineation relates well to the intersecting $S_O/S_1$ and space cleavage (192º→23º) from stereonet plots by Barclay (Figure 6).

Figure 7 – Plateau South Contoured Lineations (after Barclay – 2012)

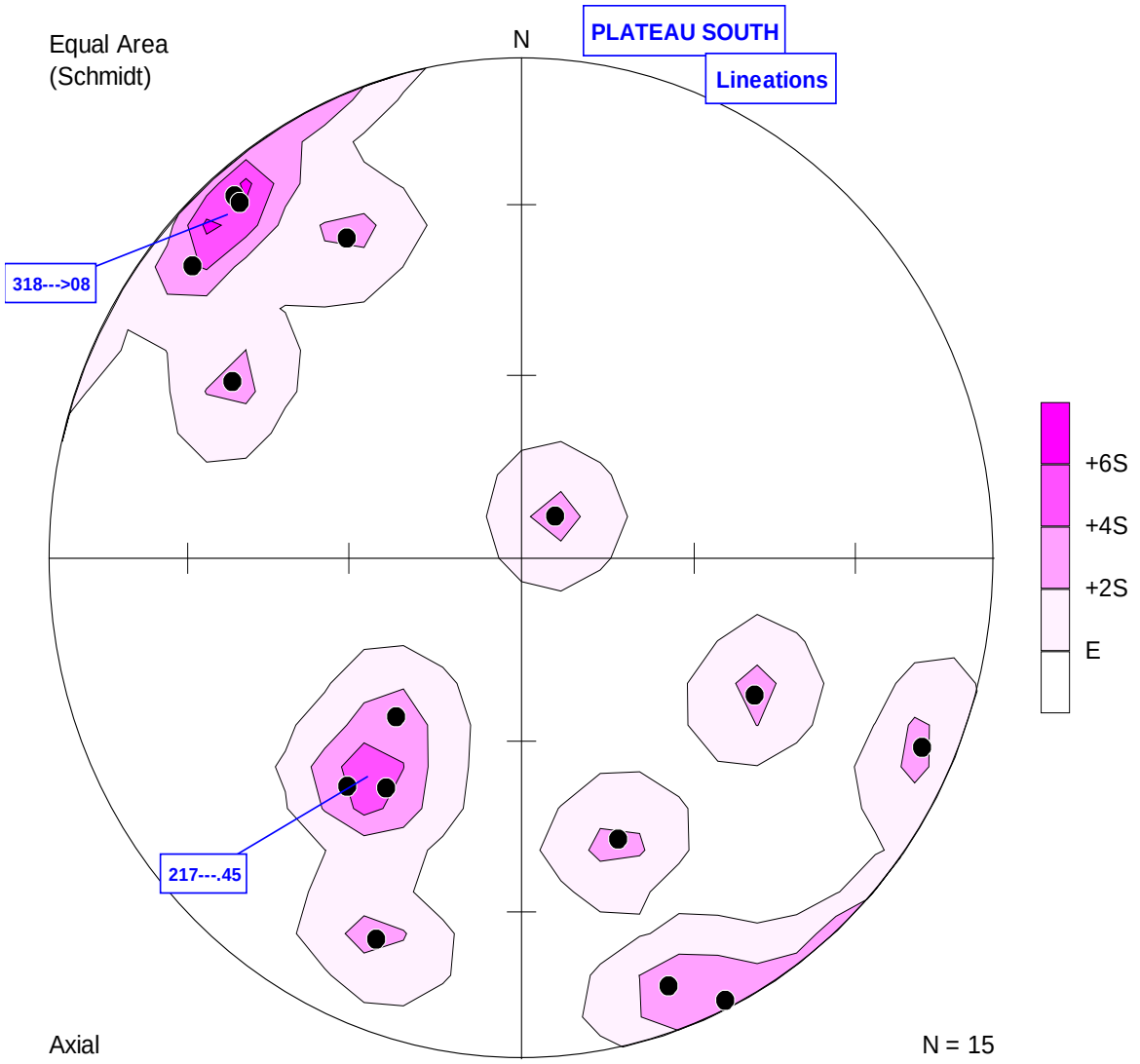
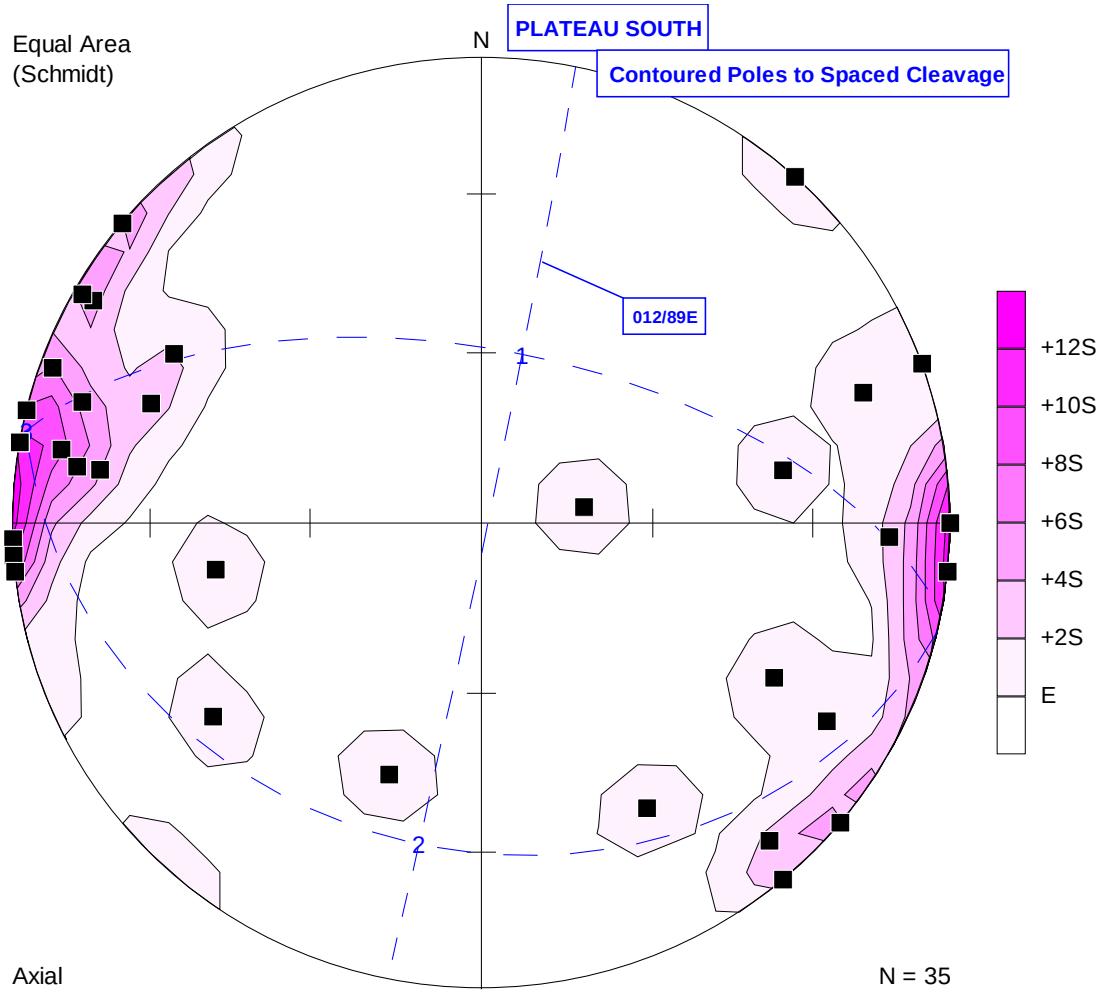
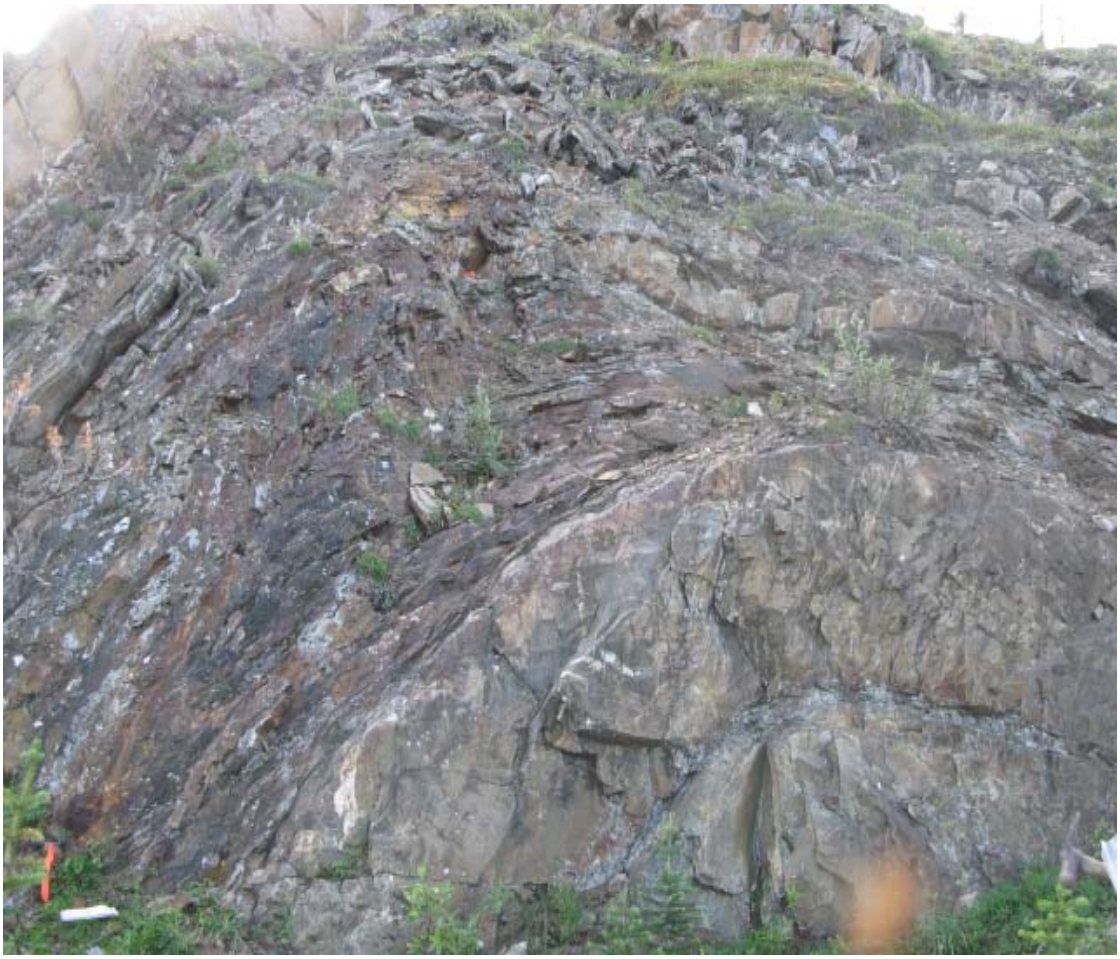


Figure 8 – Intersection of $S_0/S_1$ and Main Space Cleavage (after Barclay – 2012)



A number anticline and synclinal sequences have been interpreted northeast of the Goldstack Zone. These structures are within a complex area of folded clastic/chemical metasediments, limestone, and reworked felsic metavolcanics. Both bedding and sub-parallel foliations predominantly trend northwest-southeast, with shallow to sub-vertical dips to the northeast and southwest, respectively (PLA-8). A younging graded bedded northeast direction was recognized in this area, indicating the beds were not at least overturned locally.

The VG area has also been recognized as a major fold area, where a folded complex of felsic metavolcanics and clastic metasediments converge to the north. Most of the bedding and foliations are shallow-dipping.



**PLA-8** – Anticlinal Structure of Folded Siltstone/Sandstone and Fractured Chemical Metasediments (red sample flags) – 7022963N/5656555 E - looking 150º

**Structural Lineaments**

There are numerous inferred structural lineaments on the Plateau South Property. These lineaments are spatially associated with increased mineralization, alteration, and shearing, and appear coincidental with topographically lower, recessive areas. Also, a number of linears have also been interpreted from both airborne and ground magnetic survey. The most prominent linears are located…..

1) Goldstack Zone area
2) Goldbank Trend
3) VG Showing area

In the Goldstack Zone area, there are 2 to 3 interpreted structural lineaments. They all occupy recessive areas and drainages trending in a consistent northwest-southeast direction. The more pronounced lineament is the more easterly one, which has an inferred strike length of approximately 3.0 kilometers following a geological contact. This linear is interpreted to be cross-cut by a north-south fault, which is coincidental to a series of elongated lakes, marking another recessive area. More importantly, a series of stacked sericitic fault gouge zones have been recognized adjacent to the tight drainage area of the Goldstack Zone. These faults trend east-northeast, dipping to the south between 37º and 65º. This is reflected by silicified breccias associated with Au-As mineralization of the Goldstack Zone. The presence of the host quartz porphyry sub-volcanic intrusion body within this array of linears further demonstrates the dilatational history in this area.

The Goldbank Trend is an approximately 10 kilometer northwest-southeast trend that complements the linears in the Goldstack Zone area. The Goldbank Trend consists of a number of strong silicified/albite altered and mineralized zones and showings, reflected by a series of elongated, linear, resistive outcrop ridge patterns adjacent to recessive areas. These zones/showings are gold-bearing hosted in quartz-arsenopyrite stringer/veinlet fractures, with lesser amounts of galena. Interpretation of the airborne magnetic surveys suggests at least nine (9) north to northeast trending magnetic lows and breaks. There are consistently higher gold grades along these intersection areas of the Ron Stack Showing and Goldbank East.

A major fault has been inferred between the Goldbank Trend and the VG Showing area in the central part of the Plateau South Property. This north-south trending structure follows a recessive drainage area. Foliations and stratigraphy are gradually inflected into the structure from the west and east. A number of fault structures were observed visually, especially near the Doucette Showing (PLA-9).

**PLA-9** - Rotated & Truncated Clastic Metasediments Secondary Fault and Fold Structure – located at Doucette Showing – looking eastwards

### 10.1.3) Mineralization & Prospecting

The purpose of the 2012 prospecting program was to undertake a comprehensive regional exploration program that would evaluate the potential for gold-bearing mineralization, as well as, follow-up the sources of regional gold-arsenic silt anomalies. Prospecting was successful in discovering new, regional gold-bearing trends and showings, with three prominent areas being…1) Goldbank Trend, 2) VG Showing Area, and 3) Goldstack Zone. There are other areas, where significant sulphide mineralization has been observed, particularly within the contact metamorphic aureole of the Tombstone Intrusive.

The Plateau South Project shows a diverse array of gold-bearing deposit types with….

1) Quartz-arsenopyrite-(galena) veinlets and fractures in a mesothermal gold environment – e.g. Goldbank Trend
2) Orogenic lode-gold quartz vein and wallrock replacement environment – e.g. VG Showing and Goldstack Zone

3) Au-Mo with Bi-Te-W-(Cu-Sn) in granitoid Tombstone Intrusive hosted mineralization
4) Au in aureole of contact metamorphosed clastic metasediments and limestone

Sulphides occur in a variety of rock types, as in felsic fragmentals, quartz porphyry, clastic and chemical metasediments, limestone, and even in the granite of the Mt. Armstrong Tombstone Intrusive. The host rocks have undergone moderate to strong alteration, within increased fracturing and brecciation due to silicification and sericite alteration, especially in the Goldstack Zone trench area. Pyrite and/or pyrrhotite and arsenopyrite are the dominant sulphides with variable amounts of galena, chalcopyrite, and sphalerite in the various showing areas. The mineralization is primarily associated with alteration and extensive fracturing/brecciation in sub-volcanic quartz porphyry and felsic crystal tuff equivalents (Goldstack Zone) and within inter-formational chemical metasedimentary units. The mineralization commonly occurs as very-fine grained disseminations, but also as matrix cement and fractures in both the altered wallrock and as styolitic fractures in quartz stringers and veinlets. Sulphide concentrations vary from < 1% to locally 75%, as observed with strongly disseminated to semi-massive to massive arsenopyrite mineralization observed locally along the Goldbank Trend. Quartz (silicification) and sericite are the most prominent alteration facies spatially associated with the gold mineralization. The presence of albite alteration has been recognized with gold-enriched zones (Franklin – 2013). The presence of high-grade metamorphic aluminum-silicate alteration about the Tombstone intrusions, such as widespread cordierite and garnet with local chloritoid, andalusite and sillimanite, were observed on surface and in polished thin section.

The following is a brief summary of the more significant mineralized areas.

***Goldbank Trend***

The Goldbank Trend is the most prolific gold-bearing discovery on the Plateau South Property. The northwest/southeast trend is located in the north-central part of the property. It is approximately 10 kilometers in length and consists of four stacked zones/showings, intermittently exposed over a width of 1 kilometer. The zones are summarized in Table 3.

Table 3 - Summary Goldbank Trend Zones/Showings

| Zone/Showing | Length (km) | Au (g/t) – up to | Mineralization & Other Pathfinders | Alteration | Host Rock |
|---|---|---|---|---|---|
| Goldbank East | 2.75 | 34.25 | arsenopyrite-(galena) joints/fractures – Pb-Zn-(Bi-Sb) | silicified-albite | Felsic Tuff & Volcaniclastics |
| Goldbank West | 2.3 | 24.70 | arsenopyrite-(galena) – Te-Bi-Pb-(Sb-Zn-Ag) | silicified-(albite) | Felsic Fragmentals, Crystal Tuffs, & Volcaniclastics |
| Ron Stack | 60 meters | 26.99 | arsenopyrite-pyrite – Sb-Bi | silicified-(sericitic) | Felsic Tuff/Crystal Tuff & Quartz Breccia |
| Vault | 1.6 | 1.59 | arsenopyrite-(galena) - | silicified-(albite) | Felsic Tuff & Volcaniclastics |

The Goldbank Trend is entirely within the felsic metavolcanic stratigraphy, locally cross-cutting some inter-formational clastic metasediments to the east. It is characterized by a strongly silicified and sericitic with albite alteration of the felsic metavolcanics, with the sulphide mineralization forming as conjugate quartz-sulphide and semi-massive arsenopyrite fractures. A quartz breccia has been noted on the Ron Stack Showing. The weathered surface shows a variable rusty brown surface with a greenish to bluish hue or bloom, as a result in the oxidation of arsenopyrite to scorodite. The fresh surface color of the mineralization ranges from dark gray to dull blackish with semi-massive to disseminated arsenopyrite with pyrite and galena. Silicified alteration ($Na_2O$ depletion over 0.6 km) is widespread from the Ron Stack Showing to Goldbank East in a north-south direction. It is characterized by strong pervasive silicification and sericite alteration of the matrix and cross-cut by quartz-sericite-tourmaline veinlets. It coincides with a prominent north-south magnetic low linear intersecting northwest trending magnetic low breaks. Boudinaged quartz stringers and veinlets vary from < 1% to locally 60%, containing tourmaline fractures. Arsenopyrite is the dominant sulphide occurring as fine to coarse-grained (0.5 to 3.5 mm in size) disseminated to semi-massive, fractured, and fragmented grains with pyrite and galena. The disseminated to semi-massive sulphides occur within the quartz veining as open space disseminations and veinlets, as well as in-situ breccia cement about the silicified and brecciated of included altered quartz porphyry or metavolcanic country wallrock. Precious metals values from grab samples returned as high as 34.25 g/t Au with up to 23.1% As. Gold-bearing mineralization is generally associated with arsenopyrite mineralization in quartz stringers/veinlets with gold values ranging from approximately 0.20 g/t Au and 34.25 g/t Au.

**VG Showing Area**

The VG Showing area consists of three showings, which are all located in the central part of the property. It may be considered the faulted and folded extension of the Goldbank Trend, along axial planar traces of complex folds. The main VG Showing is located in an area of approximately 1600 square meters, where a number of boulders and/or felsenmeer returned values of 529.86 g/t Au. The boulders/felsenmeer consists of silicified altered felsic crystal tuffs and quartz veins hosting fine to coarse native gold. They are commonly dull gray on weathered and fresh surface, showing no rusty hematitic or limonitic staining. This boulder/felsenmeer area coincides with a regional 2.5 km long north-south inferred structural lineament number of strong east-west trending and intersecting magnetic lineaments. A strong soil gold anomaly, ranging from 108.6 ppb to 287 ppb Au coincides with the magnetic break for approximately 250 meters. Refer to Soil Sampling Section 10.2) for additional description of the analyses

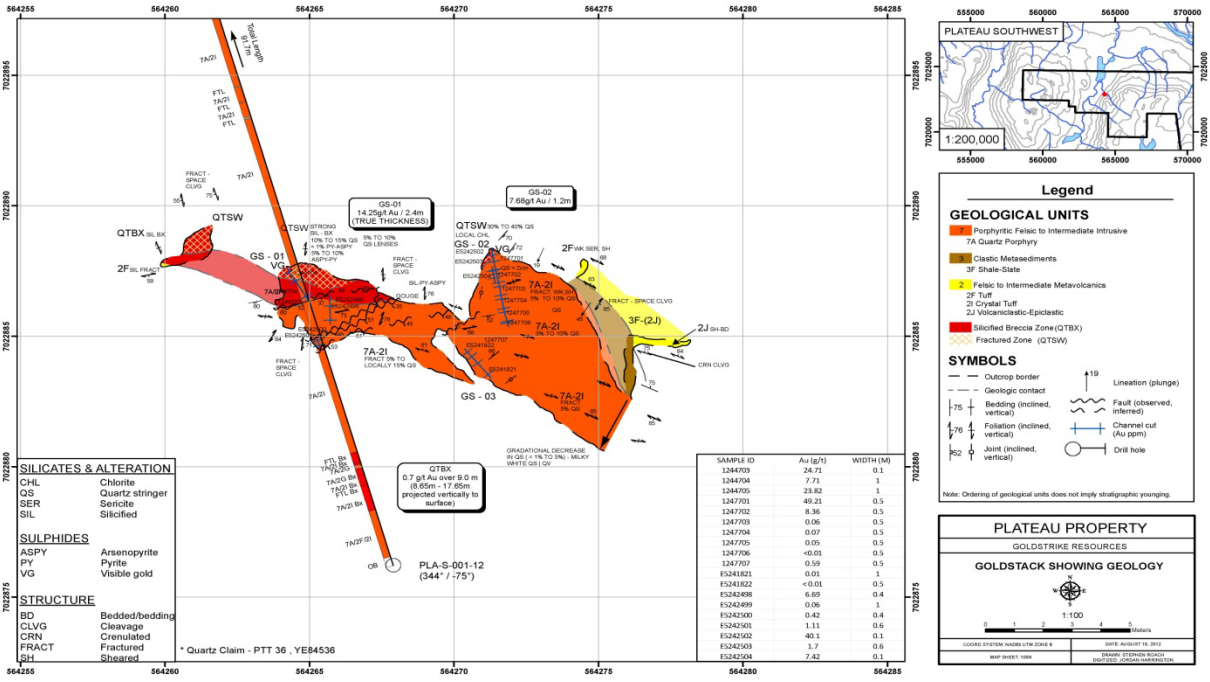
The other two showings are located northwest of the VG Showing, which appear to be the faulted and folded extension of the Goldbank Trend towards the VG Showing. These are the Doucette Showing (1.04 g/t Au) and the Ben Showing (19.74 g/t Au). These are located along argillaceous metasedimentary and felsic metavolcanic contacts. Both showings have significant arsenopyrite mineralization with the Ben Showing containing up to 0.52% Pb in the form of galena.

### *Goldstack Zone*

The Goldstack Zone is located in the western part of the Plateau South Property. Prospecting and hand-trenching on the Goldstack Zone was carried intermittent from July 22 to August 26, 2012. Hand and mechanical trenching was used to verify and extend known gold mineralization from surface prospecting. The Goldstack Zone consists of a single zone, which was intermittently exposed along two separate outcrops and a drill intercept, which trends east to northeast for approximately 60 meters in an east to northeast direction (Figure 9). Drilling has confirmed a 9.0 meter true thickness of the zone. The zone is fault-bound, and appears to be a splay emanating from a regional northwest structure occupying a major drainage adjacent to this zone.

The Goldstack Zone is characterized by a fault bound silicified breccia and quartz stockwork zone within a quartz-porphyry sub-volcanic intrusive and its extrusive felsic crystal tuff equivalents (Figure 9). It is typically grayish white to bleached white on weathered surface, being black and white on fresh surface. There are two continuous components to the zone; 1) silicified and brecciated felsic wallrock, and 2) quartz stockwork. The silicified breccia is best exposed and has a typical black fresh surface color. It is composed of aggregate of fine-grained (<0.30 to 1.5 mm), broken, sub-angular and angular quartz crystals or phenocrysts set in a matrix of very-fined grained microcrystalline (0.15 mm) quartz. Sericite varies from 5% to 10% sericite, and is generally closely associated to the gold-bearing arsenopyrite and pyrite mineralization. Very fine native gold (150 um) forms as included aggregates in the arsenopyrite aggregates and along its margins (Leitch -2012). The quartz stockwork consists of quartz veining with silicified and chloritic wallrock clasts. Sulphide is sparse in the quartz stockwork with coarse gold being observed. A summary of the channels is summarized in Figure 9.

Figure 9 – Goldstack Zone Geology & Geochem



Regional prospecting discovered other areas, which returned significant and anomalous gold similar to the Goldbank Trend and more importantly within the contact metamorphic aureole of the Tombstone Intrusion.

Samples within the metamorphic aureole returned mostly anomalous gold values, but consistent anomalous pathfinders of Bi-Cu-Te-W-(Sn). They underlie areas of strong magnetics, reflecting both pyrrhotite and magnetite. The extent of these zones is not known at this time. The most significant gold mineralization encountered is located south of the Vault Zone, with grab sample number E5242437 returning 3.61 g/t Au. This grab sample is described as a gossanous silicified host (clastic metasediments?) with disseminated to massive pyrrhotite with chalcopyrite. Highly anomalous pathfinders consist of Bi (304 ppm), Cu (875 ppm), Te (11 ppm), and W (89.2 ppm), suggesting an intrusive signature to the mineralization. In the general area south of the Vault Zone, anomalous gold values were returned in a pyrrhotite-rich grab sample (E5542870) returning 0.33 g/t Au and 308 ppm Cu and in a pyritic-(scheelite) grab sample E5542403 returning 0.31 g/t Au with anomalous Bi (25.5 ppm), 382 ppm Cu, Sn (1.7 ppm), and extremely anomalous W (745 ppm). Another area south and southwest of the VG Showing area returned gold values up 0.45 g/t Au in rock grabs and up to 0.86 g/t Au in float/boulders.

The one other area of significant sulphide mineralization which returned anomalous gold values is the Franz Showing, and is located in the northeastern part of the Plateau South Project. Values up of 0.65 g/t Au and 16.3% As were returned from grab samples. The showing has been described as an oxidized quartz-arsenopyrite-scorodite vein structure which has been exposed for <5 meters within the silicified felsic metavolcanics. The extent of the showing is unknown due to the overburden cover. The host rock, alteration and mineralization are similar to those characteristics recognized on the Goldbank Trend.

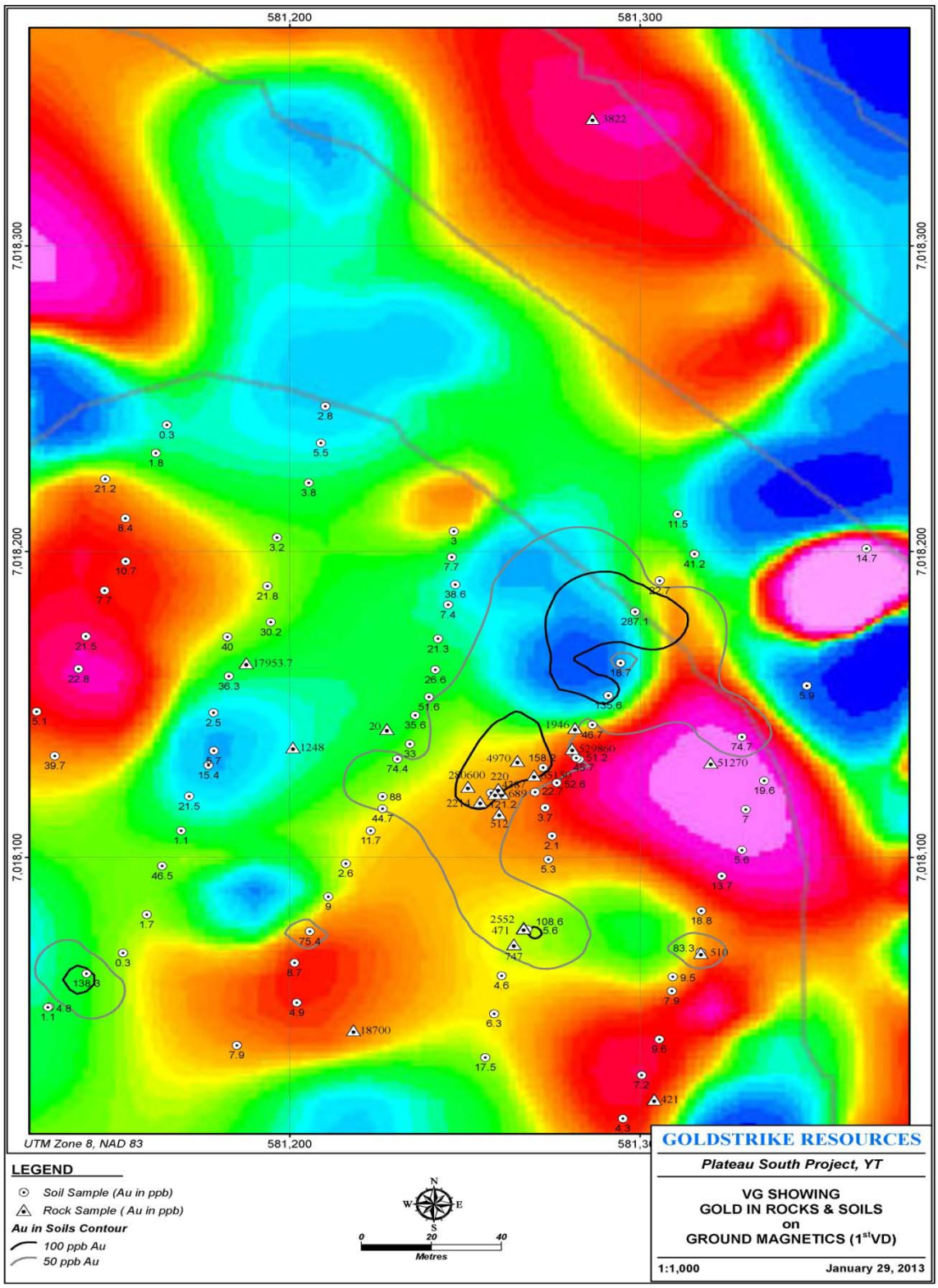
**10.2) Soil Sampling**

The purpose of the 2012 soil sampling was to follow-up the sources of regional gold-arsenic silt anomalies in association with ASTER data in a first phase program. A small soil program was carried out over the VG Showing area, measuring approximately 200 meter by 200 meter grid. The results from the soil survey outlined a strong, northeast trending Au-As anomaly for approximately 100 meters with values up to 287.1 ppb Au and 205.5 ppm As (Figure 10). It is open in all directions. This anomaly coincides with significant gold values (up to 529.86 g/t Au) returned in silicified felsic metavolcanic boulders and/or felsenmeer and also a strong northeastern magnetic low break. Another soil anomaly returned 138.8 ppm Au and 63.3 ppm As, and may represent a detached continuation of the main Au-As anomaly to the southwest. A sub-outcrop to outcrop of strongly quartz veined and silicified felsic metavolcanic lies approximately 120 meters to the north from the main soil anomaly and this grab sample returned a gold value of 3.82 g/t Au.

The remaining soil samples were randomly taken throughout the remaining part of the Plateau South Property. Representative soil samples in a specific mineralized area of the Goldbank West Zone (Goldbank Trend) returned anomalous soil values up 316.2 ppb Au and 3446.5 ppm As. This coincides with an area of quartz-arsenopyrite mineralization and silicified felsic metavolcanics which returned 24.7 g/t Au from grab samples. There were

no follow-up soil surveys to outline the trend of these gold soil anomalies on the Goldbank Trend.

Figure 10 – VG Boulders-Felsenmeer/Soils Ground Magnetics First Vertical Derivative



### 10.3) Silt Sampling

Several stream sediment silt samples were collected from drainages throughout the Plateau South Property.

There are two general areas where anomalous gold values were returned. The first area is located along the various drainages of the Goldbank Trend. Anomalous gold values in the silts returned values between 4.2 ppb Au and 19.5 ppb Au, with arsenic values up to 105.2 ppm. Gold values were consistent along the Goldbank Trend, ranging from 4.2 ppb Au to 6.0 ppb Au, with the 19.5 ppb Au located in drainage, downstream from the Ben Showing (19.74 g/t Au).

The other area is located west of the Goldstack Zone in an area of silicified felsic metavolcanics and a sub-volcanic quartz-porphyry body. The silt returned a value of 17.8 ppb Au. It is coincidental with an area of a strong magnetic break and an inferred linear.

## 11.0) Summary and Discussion of 2012 Plateau South Drill Program

The two diamond drill hole program on the Goldstack Zone was designed to follow up on Goldstrike's trenching results at depth and along strike. Prior to the drill program, surface exploration on the Goldstack Zone consisted of prospecting, trenching and water-stripping channel sampling, and detailed mapping (Figure 9). This work led to significant gold mineralization on the Goldstack Zone with grabs returning up to 49.21 g/t Au and channels up to 14.25 g/t Au over 2.4 meters.

A small portable Hydracore 2000 diamond drill through Druid Exploration Inc. was used to drill the Goldstack Zone as a follow-up to the trenching program. The diamond drill program commenced August 5, 2012 and was completed on August 12, 2012. The drilling was conducted on claim PTT 36. A total of 165.2 meters of diamond drilling in two (2) diamond drill holes were completed during this time, with the size of core being BQ. The core is currently stored at Druid Exploration's office in Dawson City, Yukon. Drill-hole survey data is presented in Table 3.

Assay certificates for the drilling are located in Appendix 4. The two drill logs, a drill plan, and two drill sections are located Appendix 7.

Table 4 – 2012 Drill Hole Survey Data

| Drill Hole | Northing (NAD 83) | Easting (NAD83) | Azimuth | Collar Dip | Depth (m) |
|---|---|---|---|---|---|
| PLA-S-001-12 | 7022876.2 | 564267.9 | 344 | -75 | 91.7 |
| PLA-S-002-12 | 7022864.6 | 564205.6 | 360 | -60 | 73.5 |

The following is a summary of each drill-hole highlighting the geology and significant gold intersections.

**PLA-S-001-12**

This diamond drill hole is located on the Goldstack Zone trench area, in the western part of the Plateau South Property. This hole was designed to test the down-dip extension of the Goldstack Zone, which returned significant gold intersections up to 14.25 g/t Au over 2.40 meters from channel GS-01. The zone has an interpreted strike length of approximately 60 meters.

Quartz porphyry and their felsic crystal tuff equivalents are the only and dominant rock type intersected in this drill hole. These rocks are typically light to bleached grayish white, with variable light greenish gray colors. The presence of medium to coarse (2 to 8 mm in size) quartz-eyes (≤ 5%) with coarser, fragmented crystals (phenocrysts?) and mono-lithological fragments impart a porphyritic to sub-porphyritic texture in the host rock. The fragments range from 1 mm to 15 mm in size and constitute 10% of the host. Clastic to volcaniclastic intervals (up to 1.85 meters) were recognized, probably reflecting stoped rafts within the quartz porphyry. The fragmented and granulated crystals and/or phenocrysts have been locally preserved, as a result of extensive re-crystallization. These rocks have undergone strong silicification with sericite alteration, with quartz ranging from 66% to 80% and $SiO_2$ up to 89.37%. The alteration is directly associated with the Au-As mineralized zone as well as with several strongly sericitic fault gouge intervals. Although the quartz porphyry and felsic crystal tuff are weakly to moderately foliated, relict primary textures are still recognizable.

PLA-S-001-12 intersected the Au-As Goldstack Zone down-dip from a drill intersected depth of 8.65 to 17.6 meters. The mineralized zone is dark gray to grayish black in color. The host is described as a silicified breccia of relict quartz porphyry/felsic crystal tuff. It has undergone pervasive silicification with 1 mm to 70 mm silicified, brecciated ‘fragments’ set in a very-fine grained to microcrystalline matrix of quartz. There are a number of apple-green strongly sericitic fault gouge zones (up to 0.90 meters wide), particularly at the bottom of the interval. The more brittle silicified sections of the zone are cross-cut by 5% to locally 10% quartz veining. Pyrite and arsenopyrite (1% to 20%) are the dominant sulphides with increased sulphides at the top and bottom intervals, spatially associated with late sericitic gouge zones. The sulphides occur as very fine-grained disseminations, and as minor fracture-filling. Native gold was not recognized in the core. A zone from 8.65 to 17.60 averaged 0.72 g/t Au over 8.95 meters from fire assay results and 0.65 g/t Au over 8.85 meters using pulp metallics. There is a strong correlation (R=0.82) between fire assay and pulp metallic gold results.

**PLA-S-002-12**

This drill hole is located approximately 60 meters west of drill hole PLAS-001-12, in the Goldstack Zone area. This drill hole was designed to test the strike extension of the Goldstack Zone to the west.

Quartz porphyry and their felsic crystal tuff equivalents are the only and dominant rock type intersected in this drill hole. These rocks are typically light to medium gray to grayish-green, with the more altered sections being bleached grayish-white in color. The presence of medium to coarse (2 to 12 mm in size) quartz-eyes (2% to 8%) with coarser, fragmented crystals (phenocrysts?) and mono-lithological fragments impart a porphyritic to sub-porphyritic texture in the host rock. The felsic fragments range from 2 mm to 15 mm in size and constitute 10% of the host. Angular argillite inclusions/xenoliths (2% to 10%) were recognized from 37.30 to 40.15 and are up to 12 cm in size. The fragmented and granulated crystals and/or phenocrysts and fragments have been locally preserved, although these rocks have undergone extensive re-crystallization. These rocks have undergone strong silicification with sericite alteration, with quartz ranging from 73% to 78% and $SiO_2$ up to 86.86%. The alteration is directly associated with the regional alteration as well as with a number of strongly sericitic fault gouge intervals. Although the quartz porphyry and felsic crystal tuff are weakly to moderately foliated, relict primary textures are still recognizable.

PLA-S-002-12 possibly has intersected a zone from a depth of 40.15 to 41.40 meters. The zone occupies a structure, which has a characteristic bleached grayish-white in color. A strongly silicified envelope (40.15 to 41.40) occurs about a 0.20 meter wide (40.8 to 41.0) 'mineralized' breccia. This breccia has been interpreted as a fault breccia with strong silicification and sericite alteration containing 1% very-fine grained pyrite. Silicified and sericitic altered breccia is up to 12 mm in size, and the host is 'fragmented' supported. The host is described as a silicified breccia of the relict quartz porphyry/felsic crystal tuff. No significant gold and arsenic assays were returned from this zone.

It should be noted that a possible extension of the Goldstack Zone occurs at the collar of the drill hole. Although no significant alteration, veining, nor mineralization was recognized in this area, an anomalous arsenic value returned 415.3 ppm As with 13 ppb Au. This may represent both the peripheral edge of a parallel zone or the Goldstack Zone.

## 11.0) Conclusions

The surface and drilling program was successful in identifying three potential gold-bearing mineralized regional structures (Goldbank Trend) as well as specific high-grade gold targets (Goldstack Zone) in the short period of time for exploration in 2012. These are;

1) Goldbank Trend
2) VG Showing Area
3) Contact Metamorphosed Aureole about Tombstone Intrusives

The northwest trending Goldbank Trend is the most prolific regional target and includes high-grade gold Goldbank West, Goldbank East, and the Ron Stack Showing target areas, as well as the Vault Zone. The Goldbank Trend has a strike length of over 10 kilometers, with altered high-grade gold areas intermittently exposed over a width of 1 kilometer. The gold is spatially associated to strongly silicified and albite altered felsic metavolcanics hosted in quartz-arsenopyrite veins and stringers. The more enriched gold areas underly areas occupied by intersection structures, reflected by strong magnetic low breaks.

The VG Showing area is the considered the faulted and folded extension of the Goldbank Trend, along axial planar traces of complex folds. Although the VG underlies a gold-enriched boulder/felsenmeer area, both the Ben and Doucette Showing areas show the extension of gold mineralization regionally. Linear magnetic low breaks and strong Au-As soil anomalies directly coincide with high-grade coarse gold in silicified felsic crystal tuff boulders, which indicates a close gold source.

Gold mineralization in metamorphic aureole returned mostly anomalous gold values, but consistent anomalous pathfinders of Bi-Cu-Te-W-(Sn). They underlie areas of strong magnetics, reflecting both pyrrhotite and magnetite. The magnetics indicate multiple magnetic zones, which complement complex, regional fold patterns for a strike length of 20 kilometers and a metamorphosed contact aureole up to 1.5 kilometers wide (apparent thickness).

The geological environment on the Plateau South Property is more conducive to a shear-hosted lode-gold mesothermal environment, proximal to a porphyry source. The presence of multiple north-south trending shears, flexuring, and potential intersecting structures/splays reflect dilatational-filled features, which would provide pathways and traps for auriferous hydrothermal fluid movement in shallow dipping / plunging structures. The presence of iron and sulfur-rich hosts would provide the chemical trap for gold to precipitate in the formation of pyrrhotite and pyrite in veined and silica-'flooded' gold-bearing arsenic structures.

## 12.0) Recommendations

Future exploration work on the Plateau South Project should focus on the following;

1) Goldbank Trend - continue with more detailed exploration in the more continuous high-grade areas of Goldbank West & East, and the Ron Stack Showing. More detailed prospecting is warranted in intersecting areas reflected by low magnetic breaks. This would also entail power washing & hand trenching, detailed mapping, and channel sampling.
2) VG Showing Area - recommend 1500 meters in 6 diamond drill holes over approximately a 200 meter strike length. This small drill program will confirm the nature of two sub-parallel linear magnetic low breaks and the presence or absence of the source high-grade gold in boulders/felsenmeer and coincidental Au-As anomalies.
3) Contact Metamorphosed Aureole about Tombstone Intrusives – recommend infill reconnaissance mapping and prospecting along magnetic high trends bounding both Tombstone intrusives.

4) Goldstack Zone – recommend an initial small drill program of 400 meters of drilling establishing the extent of the zone along strike, down-dip and plunge.

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## STATEMENT OF QUALIFICATIONS

I, Stephen Roach, of 47 Crantham Crescent, Stittsville, Ontario K2S 1R2, certify that;

1. I obtained a Bachelor degree in Geology from Concordia University in 1977. In addition, I attended Carleton University from 1981-83 in a Graduate Program.
2. I have worked as a geologist for more than 30 years since my graduation from university been in the practice of my profession as Exploration Geologist since 1977.
3. I am responsible for this report entitled, Report of 2012 Surface Exploration and Diamond Drill Program on the Plateau South Project, Mayo Mining Division, Yukon Territory (June 21, 2012 – August 27, 20121)
4. I have no beneficial interest, direct or indirect in the Plateau South Project that is the subject of this report.

Dated March 18, 2013

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Stephen Roach, B.Sc.

See Data Folder for

Appendices