REPORT

on completed geological and geophysical work on the site

№ ID01070, UNIT of Indian River, mapsheet number 1150-14C

performed by 47129 Yukon Inc.

2013

Author of report **Geologist Boris Logutov**

Performers:

Dr. **Valeriy Goldyrev**

Dr. **Pavel Krasilnikov**

Geologist **Boris Logutov**

Field Assistant **Victor Gumovsky**

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INTRODUCTION

Preliminary geological and geophysical work to assess the placer prospecting lease № ID01070, UNLLT of Indian River., mapsheet number 14 C 1150 , executed by 47129 Yukon Inc. in August 2013.

Registered owner is 47129 Yukon Inc.

Dawson District.

Goals and objectives of the preliminary geological and geophysical work :

The goal - the development of geological , technical, economic documentation for further commercial development of the placers .

The main tasks of geological work is to determine the depth and conditions of occurrence of deposits, the determination of its shape, size , power, peat and gold-bearing sands.

The composition of the preliminary geological and geophysical works:

1. Preliminary geological analysis;

2. Preliminary geomorphological and tectonic analysis of the job site according to the SRTM;

3. Preliminary geophysical analysis of the job site according to the airborne geophysical surveys of previous years;

4. Preliminary geochemical analysis;

5. Geomorphological survey work in the area of geological routes;

6. Geophysical survey by radar (electromagnetic) sensing;

7. Shafting.

It is also envisaged at a later stage in 2014 and 2015, the enrichment of the productive sands, laboratory research and development of data obtained as a result of the work of geological and geophysical information.

Performers

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Dr. Valeriy Goldyrev,

Dr. Pavel Krasilnikov,

Geologist Boris Logutov,

Field Assistant Victor Gumovsky.

Brief geological and geophysical characteristics of the job site

Geologically, the area is composed of works by the following species:

ERA = Paleozoic;

PERIOD = Devonian / Mississippian;

AGE = Devonian, Mississippian and (?) Older;

RXCLASS = metamorphic;

RXSUBCLASS = mclastic;

RXTYPE = quartzite / gr-quartzite / qt-ms-cl-schist;

RXTYPE_MI = conglo / grit, (Fig. 1).

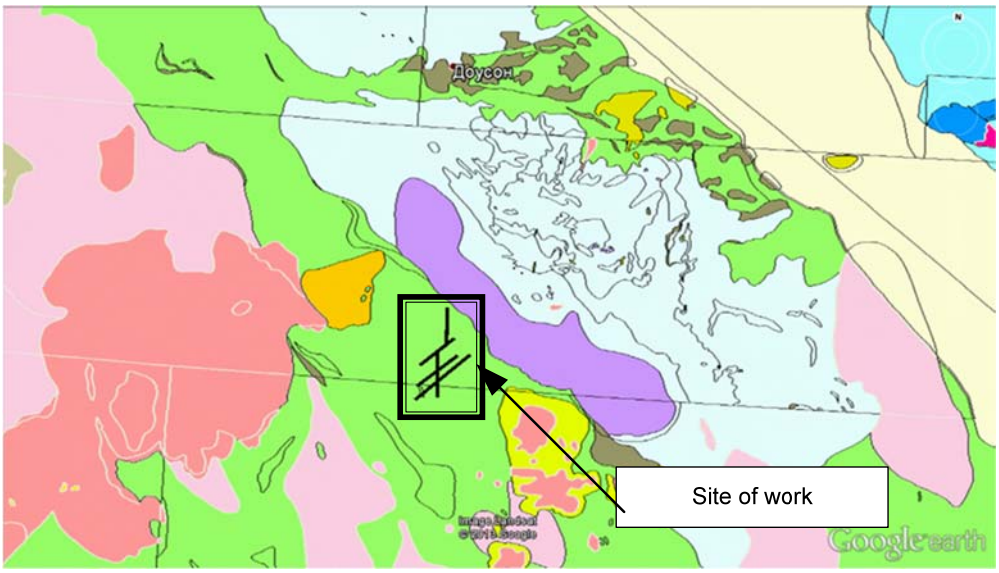

Fig. 1 Geological map of the study area

Plot of land has a weak gradient of the magnetic and gravitational fields (Fig. 2 and 3), indicating the presence of non-magnetic or weakly magnetic rocks with low or average specific gravity (density).

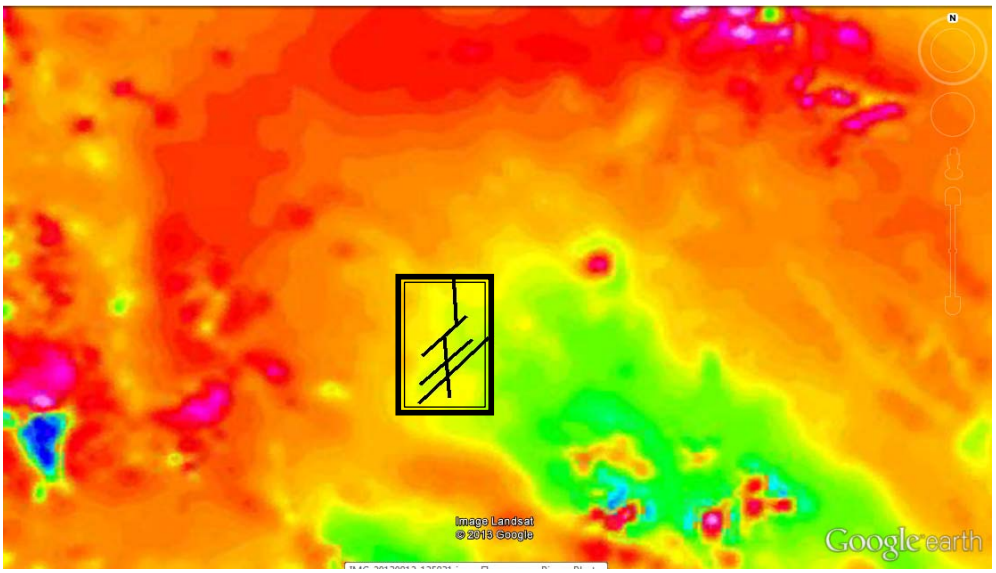

Fig. 2 The results of aeromagnetic

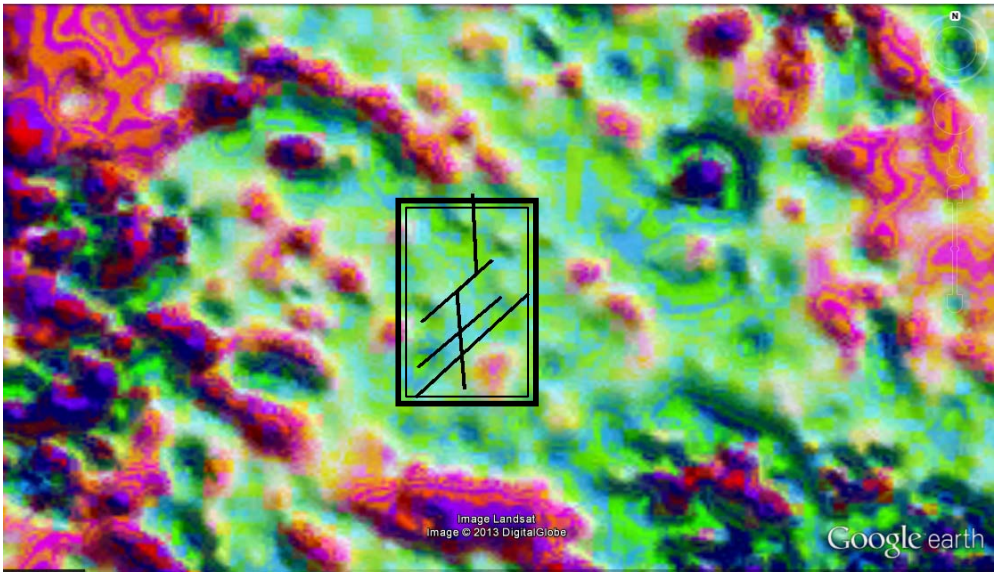

Fig. 3 The results of airborne geophysics (gravimetric)

Based on SRTM data in a specialized transformation (slope), a preliminary analysis of the tectonic area of work in which was revealed the network of tectonic disturbances submeridional (in modern bed of the stream), and diagonal directions (Fig. 4).

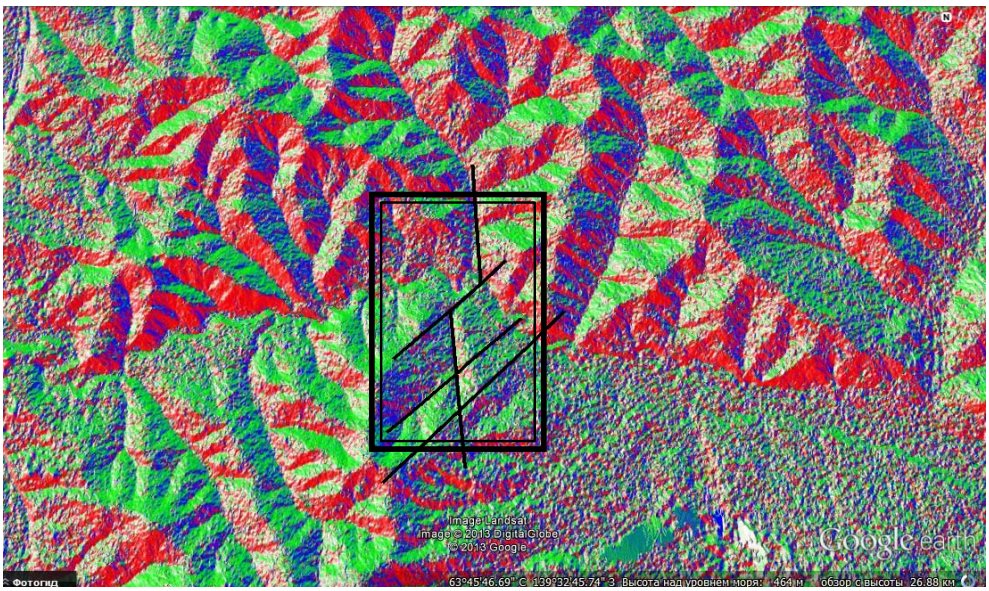

Fig. 4 The results of the preliminary analysis of the tectonic based on space-based remote sensing (SRTM)

Brief geomorphological characteristics of the job site

Based on SRTM data in a specialized transformation (degree) a preliminary geomorphological analysis of the job site, resulting in localized paleo terrace possibly overlapped layer of glacial sediments and talus deposits (Fig. 5).

The estimated parameters paleo terrace:

Length - 2300 m;

Width - 50 to 400 m;

Power paleo terrace preliminary data geomorphological analysis is from 2 to 8 pm

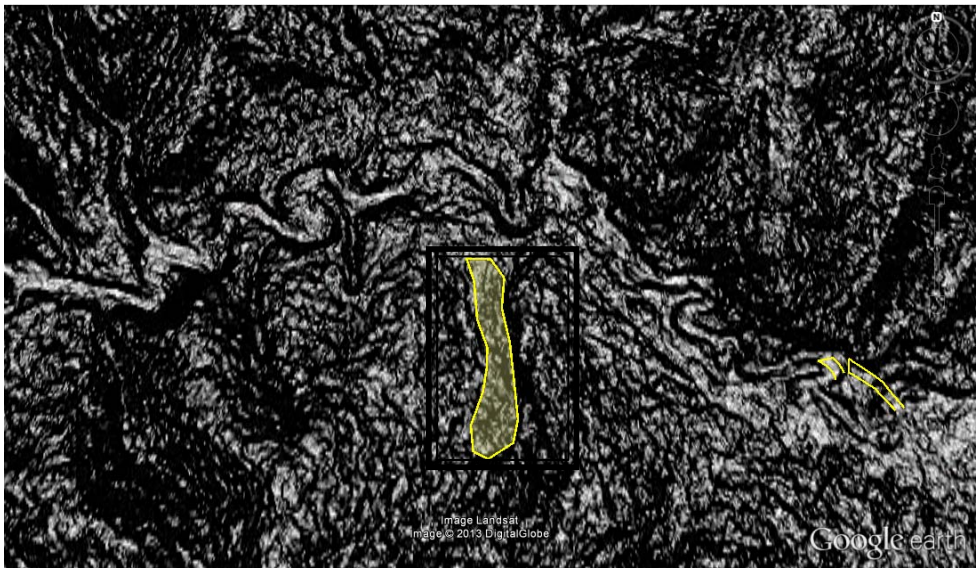

Fig. 5 A preliminary geomorphological analysis based on data from space-based remote sensing (SRTM)

Methodology and scope of work performed

In the process of implementation of these geological and geophysical studies were carried out the following activities:

1. Preliminary geological analysis ;

2 . Preliminary geomorphological and tectonic analysis of the job site according to the SRTM;

3 . Preliminary geophysical analysis of the job site according to the airborne geophysical surveys of previous years ;

4 . Preliminary geochemical analysis ;

5 . Geomorphological survey work in the area of geological routes;

6. Geophysical survey by radar (electromagnetic) sensing ;

7. Shafting .

Preliminary geological and geophysical, geomorphological , tectonic , geochemical analyzes were performed based on geological and geochemical surveys the Yukon Geological Survey , space-based remote sensing of SRTM in various transformations. Yukon Geological Survey data were reformatted by our experts in the format «KML» with the preparation of detailed geochemical maps of the Yukon in isolines on the content of Au and other elements (Fig. 6).

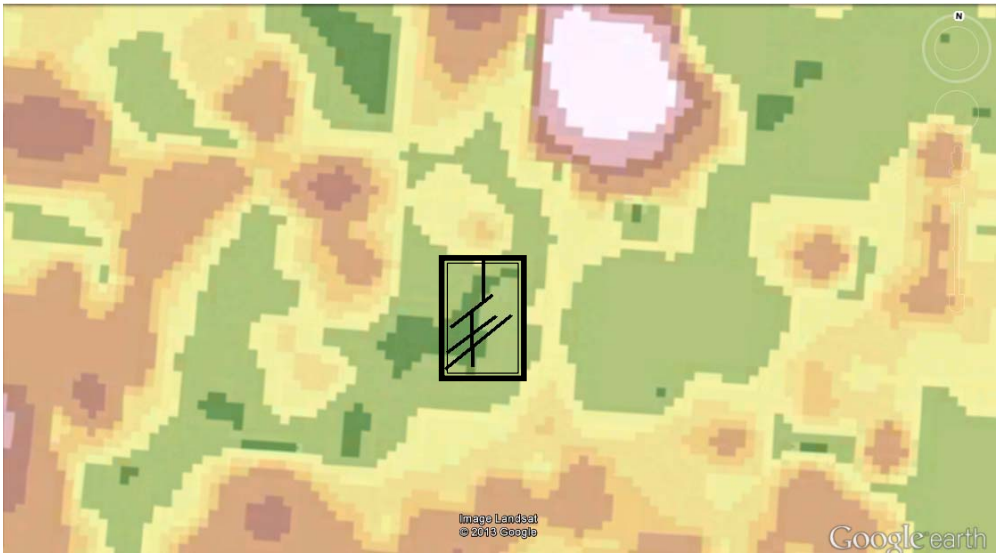

Fig. 6 Geochemical map of the study area

As part of the work were carried out geological routes to clarify the morphological structure , origin of geophysical profiles and mountain lines.

The geophysical work was carried out across the strike of the valley of the stream by GPR (electromagnetic) geophysical sensing equipment «PYTHON».

The geophysical work was carried out to determine the capacity of unconsolidated sediments modern bed and terraces (peat , sand), and the total depth of the bedrock .

A total of 15 completed geophysical profiles , including 3 reference . The total length of the geophysical profiles made 4200 m (Fig. 7).

Examples radiogram shown in the figure (Fig. 8).

The method of radar (electromagnetic) sensing based on the different dielectric constant of different lithological rock.

According to the results of geophysical works were composed averaged geological and geophysical sections (Fig. 9) , laid down the pits in the walls and clearing of natural outcrops . Pits and clearing have been passed excavator " Kubota ". Only at the stage of preliminary geological and geophysical work was completed 2 pits and 3 trims.

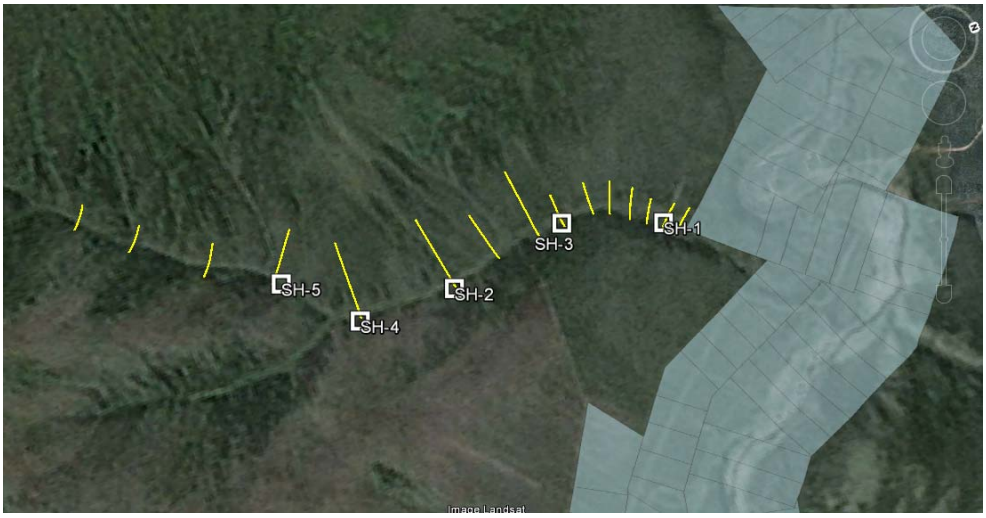

Fig. 7 Map of fieldwork

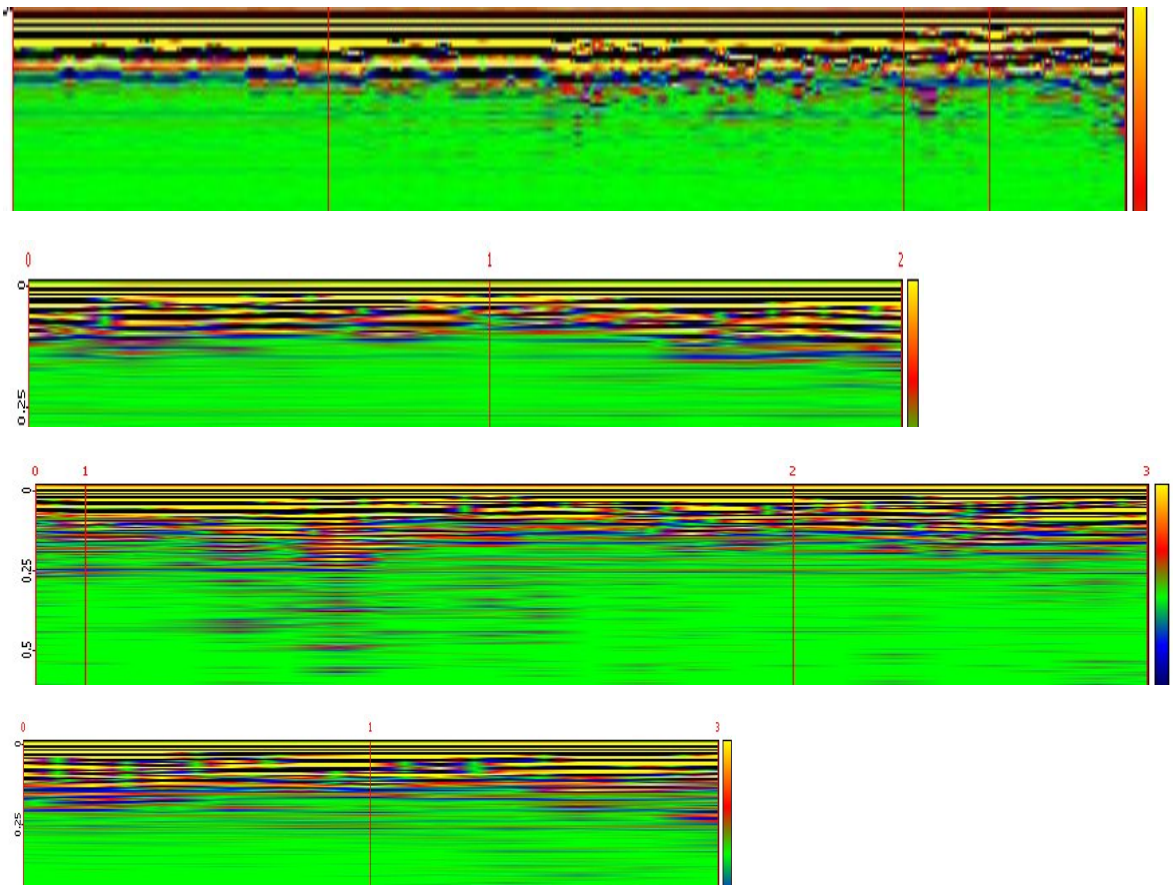

Fig. 8 Examples of radiograms

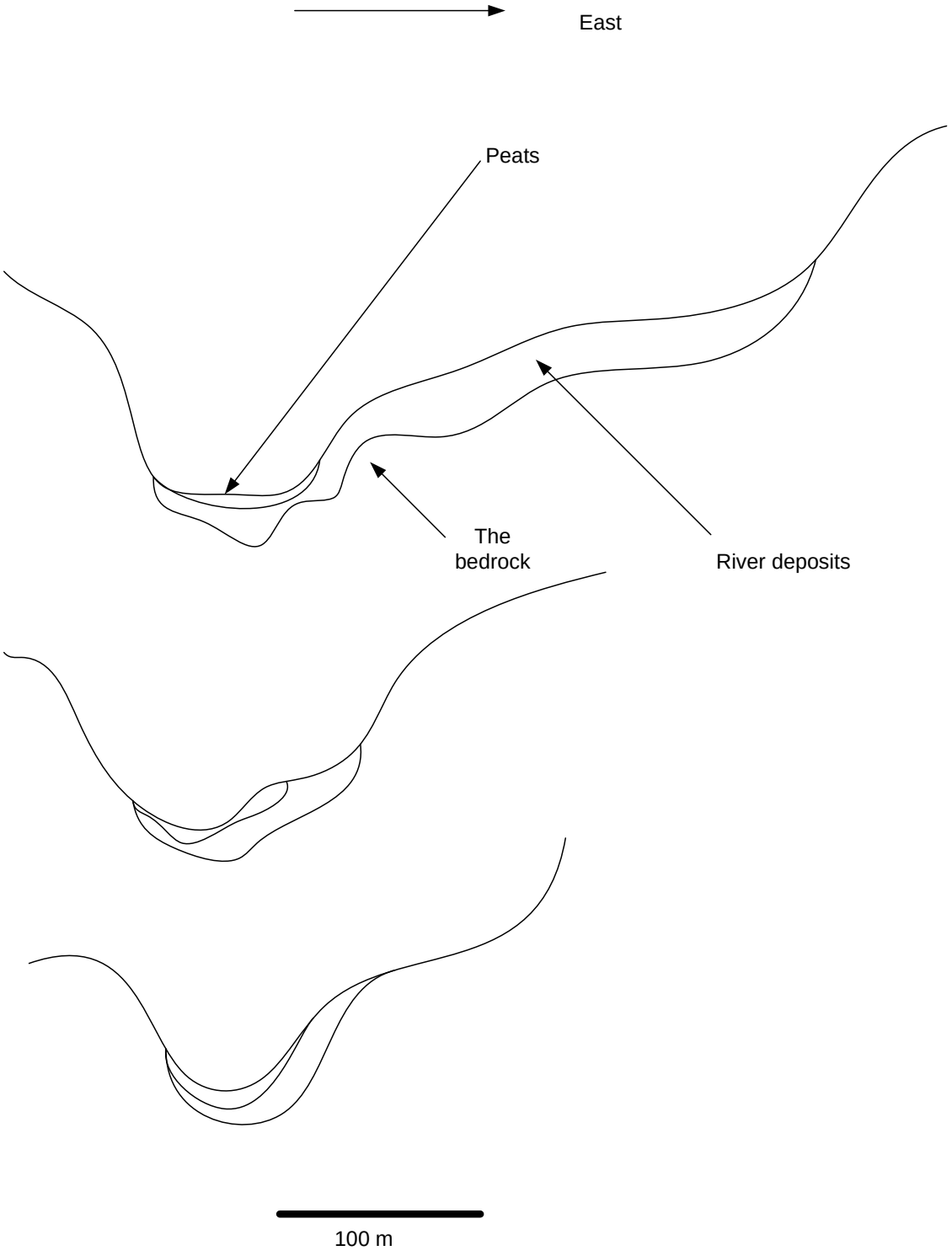

Fig. 9 Averaged geological geophysical cross-section

Findings

The geological and geophysical work have been pre-defined parameters placers with ancient terraces:

Length - 2600 m;

width:

contemporary bed - 70-120 m;

ancient terraces - 30-380 m;

Power peat - from 0.5 to 2.0 m;

Power sands - from 0.8 to 2.5 m

The current channel and partially covered by permafrost ancient terraces maximum capacity of which reaches 2.0 m.

In the lower reaches of the stream in the 30-50s of the last century were intensive development of placer in the zone of modern alluvium.

CONCLUSION

Preliminary geological and geophysical work to assess the placer prospecting lease № ID01070, UNLLT of Indian R., sheet number 14 C 1150, were carried out by specialists of 47129 Yukon Inc. in August 2013.

In the process of geological and geophysical work following tasks:

• Determine the depth and mode of occurrence placers;

• The parameters of the placers.

• The features change the placers along strike and width.

The cost of the works

1 Reformatting available geological, geophysical and geochemical information Yukon Geological Survey - $2500. Work carried out by specialists of the Perm State University

2 Preliminary geomorphological and tectonic analysis based on data from SRTM - $8600. Work carried out by specialists of the Perm State University

3 Holding the geomorphological survey in the geological routes - $2500. Work in the field

4 Geophysical surveys - $3400. Work in the field

5 Conduct of mining operations using the excavator

Kubota -$2300. Work in the field

6 Office work - $1500. Work in the field

7 Preparation of a report - $1500

Total $22 300

2013. 08. 29.

Geologist Boris Logutov

Statement of the Qualification

Boris Logutov graduated Perm State University as a Engineer in majority on Geologist-Geophysicist in 1990 and Perm Polytechnics Institute as a Engineer-Economist in 1993.

Work Experience

Perm State University since 2004 till present, leader specialist in Prospecting and Exploration Department. Perm, Russia

State Prospecting and Exploration company «Gornozavodskgeologia» since 1990 till 2004, senior geologist. Perm, Russia

Boris Logutov