NI-43-101

PRELIMINARY ECONOMIC ASSESSMENT FOR THE DEER HORN GOLD-SILVER-TELLURIUM PROPERTY

Omineca Mining Division
British Columbia
NTS Map 093E/06W
Latitude 53°22'26"N and Longitude 127°17'16"W

Prepared for:
Deer Horn Metals Inc.
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Delta, BC Canada V4K 2T6

Prepared by:

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MARCH 12, 2013
REVISED JULY 26, 2013

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1 EXECUTIVE SUMMARY

1.1 INTRODUCTION

The Deer Horn project (the "Project") involves the development of a gold-silver-tellurium deposit in west-central British Columbia, 135km southwest of the community of Burns Lake and 36km south of the Huckleberry mine.

This National Instrument 43-101 ("NI 43-101") Preliminary Economic Assessment ("PEA") report has been prepared at the request of Deer Horn Metals Inc. by:

- Moose Mountain Technical Services ("MMTS")
- Plateau Minerals Corp.
- Giroux Consultants Ltd.

Bob Lane (P.Geo.), of Plateau Minerals Corp visited the Project during drill programs that took place in 2009 and 2011 and during a surface sampling program that took place in 2012. He is the Qualified Person ("QP") for all matters relating to Geology.

Gary Giroux (P.Eng.), of Giroux Consultants Ltd. is the QP for all matters relating to the Mineral Resource Estimate.

Tracey Meintjes (P.Eng.) of MMTS is the QP for matters relating to mineral processing, mineral processing capital, mineral processing operating costs, and metallurgical testing, mining, mining capital, mine operating costs, environmental, infrastructure, financial evaluation, and overall report preparation.

This report also makes recommendations for additional exploration to further define and expand the known zones of mineralization. This report builds upon an earlier report entitled 'Updated Resource Estimate for the Deer Horn Gold-Silver-Tellurium Project' dated April 17, 2012. Supporting historic data was sourced principally from two technical reports prepared in 1990 by P. Folk of Golden Knight Resources Inc.

Deer Horn Metals Inc. ("DHM", "Company" or "Proponent") known previously until January 2011 as Golden Odyssey Mining Inc.) entered into a mineral property option agreement dated August 13, 2009 with Guardsmen Resources Inc. ("Guardsmen"). Under the terms of the agreement, DHM can acquire up to a 75% interest in and to certain mineral claims known as the Deer Horn property, located in the Omineca Mining Division, British Columbia. A 50% interest in the Deer Horn property will be acquired upon DHM having spent $5,000,000 in work expenditures on the property within 4 years. After DHM acquires its 50% interest in the Deer Horn property, it may acquire an additional 25% interest in the property by paying the costs required to bring the property to commercial production.

1.2 PROPERTY LOCATION AND ACCESSIBILITY

The Deer Horn property is located in the Omineca Mining Division, approximately one hour by air south of the town of Smithers, British Columbia. It is situated immediately north of Lindquist Lake, about 135km southwest of the community of Burns Lake and 36km south of the Huckleberry mine, in west-central British Columbia. The property is centered at Latitude 53°22'26" W and Longitude 127°17'16" N and consists of 18 MTO cell claims covering 5133.26 hectares of land. Access to the site is via helicopter, float plane or barge. An overgrown 7.8km road extends from a barge landing on Whitesail Lake, past Kenney Lake and Lindquist

Lake to the main area of interest in the alpine on the south facing flank of Lindquist Peak. This area of concentrated historic exploration is centered 5km southwest of the west end of Whitesail Lake at an elevation of about 1290m.

1.3 GEOLOGY

The Deer Horn property is located in the Intermontane tectonic belt of the Canadian Cordillera, adjacent to the eastern margin of the Coast tectonic belt. The oldest rocks exposed in the area consist of mafic volcanic strata of the pre-Jurassic Gamsby Group and a quartz diorite stock of pre-Jurassic age. The quartz diorite and mafic volcanics are thrust over sedimentary and volcanic strata of the Lower Cretaceous Skeena Group and over maroon volcanic strata of the Lower to Middle Jurassic Telkwa Formation (Hazelton Group). The thrust is west–trending, and west of the Deer Horn adit, is offset by a later northeast trending fault. Development of the thrust fault postdates deposition of the Lower Cretaceous Skeena Group and predates an Eocene granodiorite intrusion which invades the structure east of the Deer Horn adit and underlies much of the area around Lindquist Lake. The granodiorite is in intrusive contact with the foliated quartz diorite and with strata of the Gamsby and Skeena groups. Northwest of the Deer Horn adit, Lower Cretaceous and older strata are intruded by Late Cretaceous to Eocene granodiorite and quartz diorite of the Coast tectonic belt.

The Deer Horn property hosts a gold-silver-tellurium vein system that developed within and in the immediate hangingwall of a local thrust fault. The property was the subject of three main phases of exploration in the mid-1940s, the early to mid-1950s, and from 1989-1990. Surface diamond drilling and underground exploration defined the veins over a strike length of approximately 700m, while the system has been traced for approximately 1.5km. The gold-silver-tellurium vein system is comprised of two principal mineralized structures, the Main vein and the nearby Contact zone, that are thought to coalesce with depth, and a series of associated narrow veins and stringers. The veins occur mainly in foliated quartz diorite up to 250m south of the thrust fault, and at its contact with the underlying clastic sedimentary rocks. The Main vein occurs 100m to 250m south of the thrust fault, generally strikes west and, where exposed at surface, dips from 20° – 45° to the north. However, underground mapping indicated that the dip of the Main vein reverses to a shallow southerly dip as it encroaches on the Contact zone, perhaps as a result of drag folding that occurred in response to normal movement along the reactivated thrust fault. The Contact zone occupies an area immediately above and sub-parallel to the thrust fault, striking to the west and dipping 55°-60° to the south. The veins have an apparent genetic and spatial association with an Eocene granodiorite stock. The vein system is offset by a number of northwest and northeast-trending post-mineral faults that create a number of individual vein segments. Gold-silver grades are erratic in both the Main vein and Contact zone. The highest grades of gold-silver vein mineralization are associated with consistently elevated levels of tellurium and commonly elevated levels of copper, zinc and lead.

In July, August and September, 2011, a total of 55 NQ2 diameter diamond drillholes, with an aggregate length of 3772.5m, were completed on the Deer Horn property. A total of 49 drillholes targeted the two known west-trending mineralized structures, the Main Vein and Contact Zone, over a strike length of 875m in the vicinity of the Deer Horn adit. Most of the drillholes were drilled on an azimuth of either 000 or 180 degrees, and were shallow, with lengths ranging from 26.5m to 150.6m. Limited surface channel sampling was also carried out primarily on exposures of the Main Vein. The other six drillholes targeted the historic 'Harrison Scheelite' tungsten occurrence following a limited prospecting and excavator trenching program.

1.4 RESOURCE

An updated resource estimate was produced in April 2012 from a database consisting of 196 diamond drillholes completed from 1944 to 2011 and 42 surface samples. Geologic solids were built to constrain the Main and Footwall Veins as well as the Contact Zone. The individual gold, silver and tellurium assays were evaluated for each domain. The Contact Zone, and Main and Footwall veins were evaluated using lognormal cumulative frequency plots and capping levels for gold, silver, and tellurium were established for each domain. Composites 1m in length were formed and semivariograms produced to determine the grade continuity within the various domains.

For the Contact Zone, the composites include a high grade vein system that cross cuts the lower grade stockwork and background mineralized zone. Therefore, to avoid overestimating the average grade of the Contact Zone, an indicator approach was used for the resource estimation.

Grades for gold, silver, and tellurium were interpolated into the Main and Footwall veins by ordinary kriging using composites from the appropriate vein. Grades for gold, silver and tellurium for the Contact Zone were estimated by a combination of ordinary and indicator kriging. Bulk densities were established for the mineralization using measured pieces of drill core.

Estimated blocks were classified as Indicated or Inferred based on grade continuity. The results within the mineralized zones at a 1g/t Au cut-off show 414,000 tonnes averaging 5.12g/t Au and 157.5g/t Ag and 160ppm Te classed as Indicated. The Indicated Tellurium resource was estimated with about ½ the data used to estimate the Indicated Au and Ag. Te represents a minor component to the projects economics. The reader should be aware that the confidence in the Indicated Te estimate is lower than the confidence in Indicated Au and Ag. An additional 197,000 tonnes averaging 5.04g/t Au, 146.5g/t Ag and 137ppm Te classed as Inferred.

1.5 MINE PLANNING

A PEA production schedule, based on a 74,000 tonne per year mill feed rate, has been developed for the Deer Horn Project using open pit mining. Mining is assumed to be carried out by a contract miner as a summer only seasonal operation to avoid high snowfall winter conditions.

MMTS has produced a series of Lerchs-Grossman ("LG") pit shell optimizations using the Deer Horn resource model. The pit optimizations use mining, processing, tailing, general and administrative ("G&A") costs, and process metal recoveries. The pit optimization resource uses mineralization classed as Measured, Indicated, and Inferred.

Cut off grade ("COG") is determined using the Net Smelter Return ("NSR") in $/t, which is calculated using Net Smelter Prices ("NSP"). The NSR (net of offsite concentrate and smelter charges and onsite mill recovery) is used as a cut-off item for break-even ore/waste selection. The NSP includes metal prices, US currency exchange rate, and offsite transportation, smelting, and refining charges. The metal prices from three year trailing averages and resultant NSPs used are shown in Table 1-1.

Table 1-1 Metal Prices and NSP

	Metal Price (US$)	NSP (Cdn$)
Au	1466 /oz	44.5/g
Ag	27.91/oz	0.784/g
Te	240/kg	0.114/g

MMTS notes that the economic pit limits are based on mining unit costs derived to meet the local conditions for the project and the specific project arrangements for waste rock management, water management, environmental, and reclamation within this study, as well as certain input parameters, such as pit slope angles, process recoveries, environmental considerations, and reclamation requirements. All of these components affect the mining quantities and activities to release the specified mill feed and, as such, affect the economic pit limits.

As can be expected during normal progressive mine optimization stages for all open pit mines, some further refinements may result from additional detailed data acquisition. Future operational cost projections or metal price changes could impact the projected pit limits, pit delineated resource, and waste quantities.

The ultimate LG pit limits in this study are selected where an incremental increase in pit size does not significantly increase the pit resource, or an incremental increase in the pit resource results in only marginal economic return. This establishes the limits to the mineable resource base for the mine design work. Price and cash flow sensitivities can then be performed within a more robust mine plan.

Detailed pit phases have been developed from the results of the LG sensitivity analysis integrating pit slope criteria and highwall roads where required. The ultimate pit has been divided into smaller mining phases, or pushbacks, to allow for more even waste stripping in the optimized scheduling stage of the project design.

Deer Horn mine planning used whole block grades which contain significant internal dilution where interpolated mineralized zone grades are significantly diluted to whole block grades. The Pit Delineated Resource shown in Table 1-2 includes allowance for 5% mining loss and 2% mining dilution and assumes a waste/ore COG of $45/t NSR. The dilution grades provided in Table 1-3 represent the average grade of the waste item in the resource model.

Table 1-2 Pit Delineated Resource

Pit	Mill Feed kt	AU g/t	AG g/t	TE ppm	Waste kt	Strip Ratio
D651	27	7.44	182	29	132	4.85
D652	87	4.09	152	142	216	2.49
D653i	34	3.38	101	100	94	2.75
D654i	515	2.13	60	63	3 022	5.87
D655i	288	1.95	72	75	3 263	11.33
Total	**951**	**2.45**	**77**	**74**	**6 727**	**7.07**

Note: *The pit delineated resource includes Inferred that is considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that they will be converted to Measured or Indicated.*

Table 1-3 Dilution Grades

Au (g/t)	0.133
Ag (g/t)	5.096
Te (ppm)	7.196
NSR (Cdn$/t)	8.656

Pit Delineated Resource by assurance of existence class is show in Table 1-4.

Table 1-4 Pit Delineated Resource by assurance of existence class

Class	Mill Feed kt	AUWB g/t	AGWB g/t	TEWB ppm
Indicated	750	2.28	72	75
Inferred	201	3.08	94	70

Note: *Inferred material is considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that they will be converted to Measured or Indicated.*

A summary of the production schedule is provided in Table 1-5.

Table 1-5 Summarized Production Schedule

Year	Mill Feed kt	AU g/t	AG g/t	TE ppm	Waste kt	Strip Ratio
1	56	7.01	208	128	371	6.6
2	74	3.61	127	119	500	6.8
3	74	2.47	85	87	583	7.9
4	74	2.06	69	66	561	7.6
5	74	2.12	66	63	580	7.8
6	74	1.73	45	53	580	7.8
7	74	1.91	42	52	580	7.8
8	74	2.30	54	62	580	7.8
9	74	2.08	61	63	610	8.2
10	74	2.00	69	62	580	7.8
11	74	1.96	67	68	720	9.7
12	74	2.12	78	93	229	3.1
13	74	1.70	61	65	241	3.3
14	5	1.48	58	59	12	2.4
Total	**949**	**2.45**	**77**	**74**	**6727**	**7.1**

Deer Horn mining operations will be typical of small open pit operations in mountainous terrain in western Canada, and will employ accepted bulk mining methods and equipment. There is considerable operating experience and technical expertise for the proposed operation in western Canada. Services and support in BC and in the local area are well-established.

A small capacity mining operation is being designed suitable for experienced contract miners. Mining equipment is similar in size to typical fleets used in civil construction projects. A number of suitable contractors are available in the region.

Mine operations will be carried out in the summer to avoid the high snowfall winter conditions. This will require annual mobilization of the small mine fleet at the start of the season, and complete demobilization and removal of the mine fleet at the end of the summer season.

1.6 PROCESSING

Deer Horn deposit ore will be processed using conventional flotation to produce a gold-silver-tellurium polymetalic concentrate. The processing plant is a 500tpd mill feed plant that will only operate during summer months and avoid operating during the high snowfall winter periods.

Process recoveries for the PEA are assumed to be 90% for Au, Ag and Te.

1.7 TAILINGS MANAGEMENT AND WASTE PILES

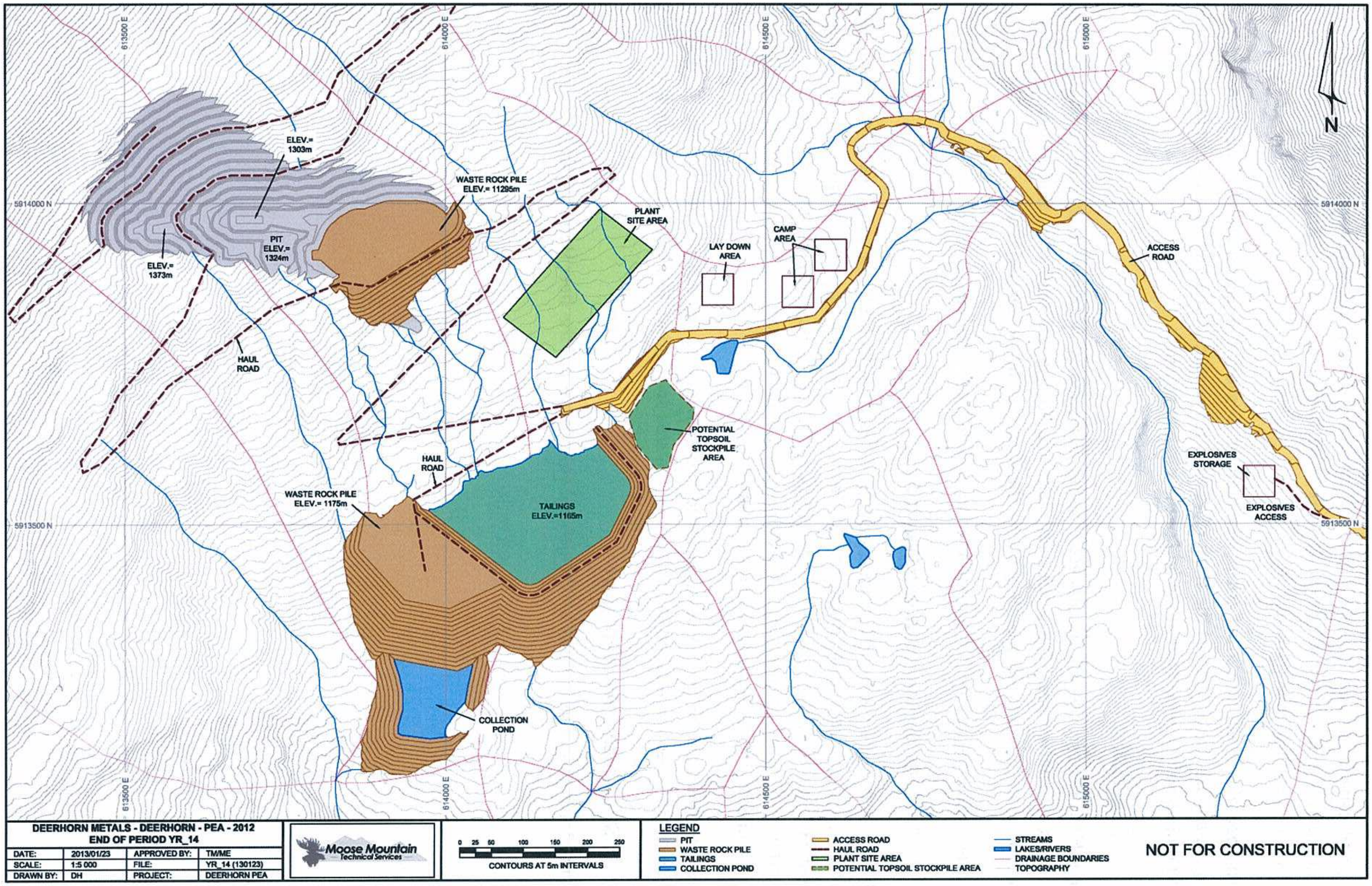
Placement of mine waste and process tailings is designed to minimize the project footprint. Waste and tailings are placed in a gulley below the pit area. Waste rock will be placed downhill of the tailings and will form a containment berm for the tailings. Some waste rock is backfilled into the mined out pit. A collection pond will be placed downstream of the waste rock and tailings to intercept any seepage from the tailings or water runoff from the waste for sediment control.

Ground conditions below the selected waste and tailings area are not yet well known. Geotechnical and hydrology studies are required to confirm that the area selected for tailings and waste storage are suitable.

1.8 SITE GENERAL ARRANGEMENT

Figure 1-1 is shows an overview of the general arrangement of the Deer Horn project.

Figure 1-1 Deer Horn Mine General Arrangement



1.9 ENVIRONMENTAL CONSIDERATIONS

The proposed Deer Horn mine has a relatively small footprint and low expected environmental impact. Environmental and related studies are estimated to take less than one year to complete if the permit application proceeds through the regulatory process as a "small mine" application under the British Columbia Mines Act.

Despite the proximity of nearby protected areas, the Deer Horn Project is located near areas that have significant industrial activity. Proposed impacts to fish, wildlife and water do not appear to be significant, and First Nations engagement appears to be positive. Community support is anticipated as the area has similar mining activities in the vicinity of the proposed mine, and economic and employment opportunities are expected.

1.10 CAPITAL AND OPERATING COST

Capital and operating costs are factored estimates derived from a combination of MMTS experience in similar projects and consultation with contractors and equipment suppliers. The estimated capital costs breakdown is shown in Table 1-6. All currencies are expressed in Canadian dollars unless otherwise stated.

The expected accuracy range of the capital cost estimate is +/- 40%.

Table 1-6 Deer Horn Capital Cost Estimate

	Capital ($ Millions)
Direct Capital Cost	
Process Capital	15.0
Site Access	2.0
Mine Capital	2.0
Total Direct Capital Costs	**19.0**
Indirect Capital Cost	
Indirects	5.0
Contingency (20% of directs)	3.8
Total Indirect Capital Cost	**8.8**
Total Capital	**27.8**

The capital costs include delivery to the site and assembly but do not include the following:

- Force majeure
- Schedule delays such as those caused by:
    - major scope changes
    - unidentified ground conditions
    - labour disputes
    - environmental permitting activities
    - abnormally adverse weather conditions
- Cost of financing (including interests incurred during construction)
- HST
- Royalties
- Cost of this study
- Sunk costs

The estimated operating costs are summarized in Table 1-7. The expected accuracy range of the operating cost estimate is +/-35%.

Table 1-7 Deer Horn Operating Cost Estimate

	Operating Cost	Units
Mining	4.00	$/t mined
Cost per tonne Mill Feed		
Mining	32.40	$/t mill feed
Process	23.00	$/t mill feed
G&A	5.70	$/t mill feed
Total Operating Cost	61.10	$/t mill feed

1.11 ECONOMIC EVALUATION

A preliminary economic evaluation of the Deer Horn Project has been prepared based on a pre-tax financial model for the 15-year mine Life using the 0.95kt Pit Delineated Resources. NPV estimates assume a mill feed start-up in 2016.

The inferred material included in the preliminary economic analysis is considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

Base case prices, using the three-year trailing average as of 22 January 2013 are as follows:

- gold – US$1,494/oz
- silver – US$29.13/oz
- tellurium – US$237/kg
- exchange rate – Cdn$1.00 to US$0.9956

The following pre-tax financial results were calculated using the base case metal prices:

- 32% IRR
- 2.4-year payback on $27.8 million capital
- $39.5 million NPV at a 5% discount rate
- $28.7 million NPV at a 8% discount rate

In addition to the base case price an additional price scenarios have been evaluated using the spot metal prices on January 22, 2013 and a downside price case that assumes prices 10% lower than the base case prices. The results for the price cases are compared in Table 1-8.

Table 1-8 Economic Results for Price Case Scenarios

	Downside Price Case	Base Price Case	Spot Price Case
Prices			
Gold	US$1345/OZ	**US$1494/OZ**	US$1692/OZ
Silver	US$26.2/Oz	**US$29.1/Oz**	US$32.2/Oz
Tellurium	US$213/kg	**US$237/kg**	US$115/kg
Before Tax Return on Investment			
IRR	26%	**32%**	38%
NPV5%	$29.0	**$39.5**	$49.3
NPV8%	$20.3	**$28.7**	$36.6
NPV10%	$16.0	**$23.2**	$30.1
Initial Capital Payback	2.7	**2.4**	2.2
After Tax Return on Investment (100% Equity Basis)			
IRR	20%	**25%**	29%
NPV5%	$17.4	**$24.3**	$30.6
NPV8%	$11.5	**$17.1**	$22.2
NPV10%	$8.5	**$13.4**	$17.8
Initial Capital Payback	2.9	**2.6**	2.3

1.12 ECONOMIC SENSITIVITY ANALYSIS

Sensitivity of the pre-tax NPV at 5% discount rate to the major cash flow inputs are shown graphically in Figure 1-2 and Figure 1-3. The results show a robust economic return with the largest sensitivity to metal prices and process recoveries. Of the parameters tested the project NPV is least sensitive to capital cost.

Figure 1-2 Pre-Tax Economic Sensitivity Spider Graph

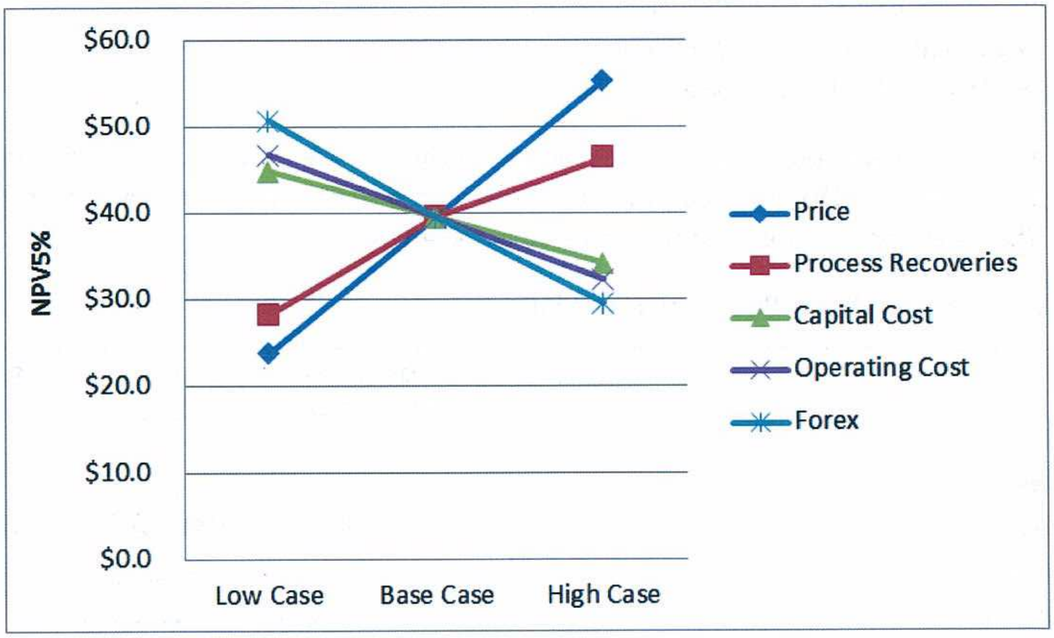
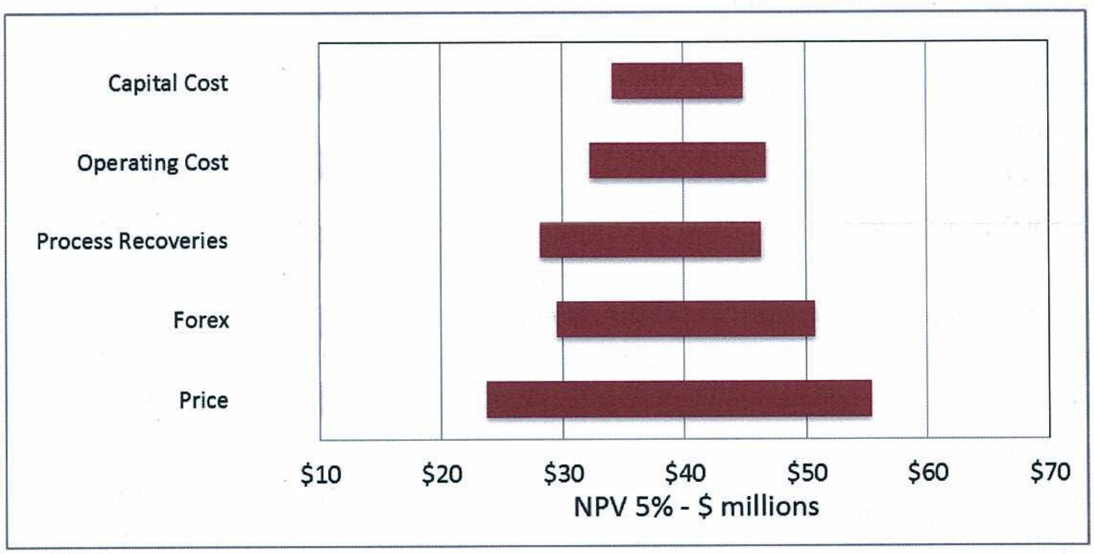


Figure 1-3 Pre-Tax Economic Sensitivity Tornado Graph



1.13 CONCLUSIONS

The 2011 exploration program expanded upon the results of earlier and historic exploration campaigns on the Deer Horn property. In 2011, diamond drilling (55 NQ2 diameter diamond drillholes with an aggregate length of 3772.5m) took place over an 875m strike length of the vein system. This work partly defined the extent of the Main Vein and associated Contact Zone that together comprise the Deer Horn deposit. The deposit remains open to the west, to the east and down-dip and there are several internal gaps that require drilling.

An updated resource estimate was produced from a database containing 196 diamond drillholes and 42 surface samples. The mineralized zones (at a 1 g/t Au cut-off) consist of 414,000 tonnes at an average grade of 5.12 g/t Au, 157.5 g/t Ag, and 160 ppm Te classed as indicated and an additional 197,000 tonnes averaging 5.04 g/t Au, 146.5 g/t Ag and 137 ppm Te classed as inferred.

Prospecting, trenching and limited diamond drilling also confirmed the presence of important concentrations of scheelite (tungsten) mineralization on the property. The elevated levels of tungsten occur in the vicinity of the historic Harrison Scheelite mineral occurrence and locally in drill core over an east-west distance of at least 550m. The mineralization appears to be particularly concentrated in altered sedimentary rocks in the footwall of the regional thrust (and Contact Zone). Additional exploration of the tungsten is recommended.

It is the authors' opinion that the Deer Horn property merits additional close-spaced diamond drilling. This work is required to appraise several untested areas adjacent to several of the existing resource blocks and to evaluate the gold-silver-tellurium system along strike to the west and to the east beyond the limits of the 2011 drilling campaign. The additional drilling would likely expand the current resource.

A positive preliminary economic assessment of a 951kt pit resource mine plan has been developed for the Deer Horn property showing robust economics. That Deer Horn Project uses a conventional floatation process with all operations occurring between the months of May and October to summer to avoid the high local winter snowfall conditions.

The Project meets the minimum requirements for a small mine permit application under the Mines Act of BC. Despite not directly triggering British Columbia (Provincial) or Federal environmental assessment ("EA") requirements, it is still possible that an EA could be requested if the responsible Ministers determined that a significant risk to the environment or local communities justified a more detailed analysis of the proposed project. Sufficient details have not been developed to conclude with certainty if formal EA processes would be required.

1.14 RECOMMENDATIONS

The Deer Horn Project should be advanced to a preliminary feasibility study ("PFS") level. The following items are recommendations as a part of advancing the Project to PFS level. The overall cost estimate to carry the recommendations listed below is $3.9 to 4.3 million.

1.14.1 GEOLOGY

The following is geological studies are recommended:

- Detailed structural mapping of surface showings and underground workings, and a review of 2009-2011 drill core;
- systematic diamond drilling program targeting both the near surface, high-grade gold-silver-tellurium potential of the Main Vein and the bulk tonnage gold-silver-tellurium potential offered by the Contact Zone;
- improvements to the Project site access road that begins at a barge landing on the south end of Whitesail Lake, and;

Following completion of the fieldwork, compilation of all existing data should ensue and be followed by updating the NI 43-101 mineral resource estimate.

1.14.2 MINING

Mining area studies required to advance to PFS level include pit slope geotechnical evaluation and facility location optimization.

Proposed starter pits are located in areas where shallow mineralized material at substantially higher grades than the rest of the deposit. These high grade areas have had a significant positive impact on the Project economics. These areas are priority targets for upgrading resources from inferred to measured and/or indicated.

Waste rock characterization studies should also be conducted at PFS level.

1.14.3 PROCESSING

A wider range of representative samples of the potentially mineable zones should be used in the future PFS metallurgical test program. These samples need to be tested by a combination of gravity concentration and flotation. Evaluating gravity concentration under a wide range of primary grinding sizes could potentially help reduce grinding operating cost. Attempts should be made to separate the production into a precious metals concentrate, and a base metals concentrate. Process testwork should include evaluation of Tellurium recoveries.

1.14.4 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

Environmental studies and a permitting plan should be carried out at PFS level, beginning with a gap analysis of presently available information and required works. Any identified long lead issues or critical path studies should be initiated at an early stage. A closure plan should be developed. The Proponent should continue to engage First Nations, stakeholders and appropriate regulators.

1.14.5 INFRASTRUCTURE

Studies required to advance the Project to the PFS level include: hydrology, weather, avalanche, waste and tailings geotechnical, and waste characterization studies. An audit of the site access route is also recommended.

1.14.6 MARKET STUDIES

Future process testwork should involve collection of concentrate product for evaluation by potential buyers. A market study is required to confirm smelter terms.

2 INTRODUCTION

This technical report was prepared for Deer Horn Metals Inc., a public company actively trading on the TSX Venture Exchange, to assess the preliminary economics of the Deer Horn property.

Deer Horn Metals Inc. entered into a mineral property option agreement dated August 13, 2009 with Guardsmen Resources Inc.. Under the terms of the agreement, DHM can acquire up to a 75% interest in and to certain mineral claims known as the Deer Horn property, located in the Omineca Mining Division, British Columbia. The terms of the agreement stipulate that a 50% interest in the Deer Horn property will be acquired upon DHM having spent $5,000,000 in work expenditures on the property within 4 years. After DHM acquires its 50% interest in the Deer Horn property, an additional 25% interest may be acquired upon DHM paying the costs required to bring the property to commercial production.

The cost of the exploration programs completed in 2009 and 2011 contribute significantly to the four year obligation. This report presents and summarizes the data acquired during the 2011 field season and provides an updated NI 43-101 resource estimate for the property. This report was written at the request of DHM by Bob Lane, P.Geo., and Gary Giroux, P.Eng., who are both independent qualified persons as defined under NI 43-101. Bob Lane is responsible for the geological components of this report, and Gary Giroux is responsible for the NI 43-101 resource estimate contained herein. Bob Lane visited and took part in the 2011 exploration program during the following periods: July 13-15, July 28-31, August 5-9, August 14-17, and September 13-14.

This report discloses all scientific and technical information concerning the Deer Horn property and has been prepared in accordance with NI 43-101. Parts 4 through 6 are reproduced from an earlier compilation report entitled 'Updated Resource Estimate for the Deer Horn Gold-Silver-Tellurium Project' dated April 17, 2012. It is understood that this report may be required for material disclosure. Property visits by Bob Lane, P.Geo., as required under the terms and conditions of NI 43-101 – Standards of Disclosure for Mineral Projects, took place in July, August and September, 2011 during active phases of exploration.

Prior to the field visits, and in preparation for writing the revised Deer Horn NI 43-101 report, Bob Lane, P.Geo., reviewed the contents of historical information provided by Guardsmen, including numerous published and unpublished reports summarizing previous exploration work on the property. Those materials supplemented by published and available studies that document bedrock mapping and geological fieldwork conducted by the Geological Survey Branch of the British Columbia Ministry of Energy, Mines and Natural Gas ("MEM"). A list of sources used to construct this report is provided in References, Item 27.

The authors have given their approval for this document to be used in support and maintenance of DHM's public financings.

3 RELIANCE ON OTHER EXPERTS

Bob Lane P.Geo. supervised and participated in the Company's 2009 and 2011 exploration and diamond drilling programs on the Deer Horn property.

Descriptions of the property geology and mineralization are a blend of personal observation, observations made by a team of geologists consisting of Barney Bowen, Cam Scott, Don Strachan, Lee Groat and Luke Marshall who logged drill core and conducted field work in 2011.

Bob Lane, P.Geo., has relied upon information sourced from published scientific papers, published assessment reports, unpublished property reports, and personal communications found in historical files. The previous fieldwork was either carried out or supervised by experienced, professional geologists and is considered to be of a very high standard.

Mr. Roger J. Berdusco, B.S.F, R.P.F., of MMTS has been relied on for all matters relating to sustainability issues including regulatory and environmental issues, First Nations, and social or community impacts.

The authors have also relied upon:

- Publicly available information from government websites and other publications
- mineral tenure ownership information posted on the government web sites, and;
- initial metallurgical testwork conducted by Coastech Research Inc.

4 PROPERTY DESCRIPTION AND LOCATION

4.1 LOCATION

The Deer Horn property is situated immediately north of Lindquist Lake, about 135km southwest of the community of Burns Lake and 36km south of the Huckleberry mine, in west-central British Columbia (Figure 4-1). The property is located on BCGS map 093E.034 and centered at approximately 614000E, 5914000N (Zone 9, NAD 83) or on NTS Map 93E/6W and centered at Latitude 53°21'43"N and Longitude 127°17'19"W.

4.2 MINERAL DISPOSITIONS

The present claim configuration of the property consists of 18 MTO cell mineral claims. The 18 claims are contiguous and cover approximately 5133.26 hectares of land available for exploration (excluding major lakes and protected areas) in the Omineca Mining Division of British Columbia. The mineral claims that comprise the Deer Horn property are listed in Table 4-1 and are shown in Figure 4-2.

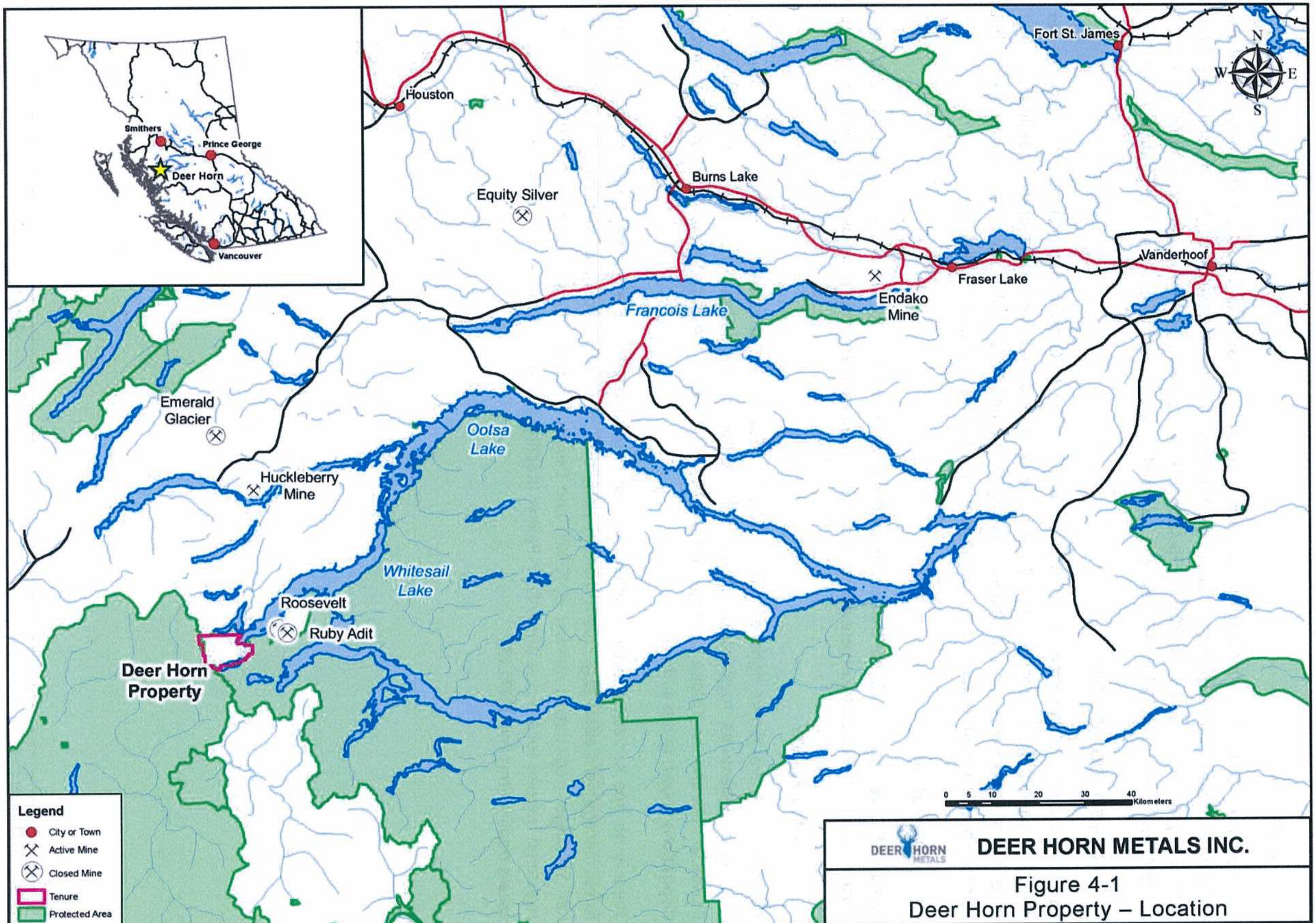
4.3 OWNERSHIP

The 18 MTO cell mineral claims that comprise the Deer Horn property are owned 100% by Guardsmen. Guardsmen has indicated that there are no underlying royalties or encumbrances associated with the claims.

4.4 TENURE RIGHTS

The present mineral tenure rights are 100%-owned by Guardsmen. There are no other agreements, liens, judgments, debentures, royalties, or back-in rights known to the author. The claims abut Tweedsmuir Provincial Park and the Kitlope Heritage Conservancy. There are no surface tenure rights over the mineral dispositions known to the authors.

There is no tree harvesting activity within the area encompassed by the mineral tenures and no special forest management exists (e.g. crown-granted woodlots). The registered guide-outfitters for the area are Karl Seitzinger (registration number 604G009) and Dennis Schlauch (registration number 601G045). The registered trappers for the area are William Palmer (trapline 604T044), Violet Amos (trapline 603T036), and a vacant trapline (trapline 603T113).



DEER HORN METALS INC.

Figure 4-1
Deer Horn Property – Location

4.5 RESOURCES, RESERVES, DEVELOPMENT & INFRASTRUCTURE

The Deer Horn property is considered to be at an intermediate to advanced stage of exploration. Historically, at least three calculations of gold and silver content have been made and these figures have appeared in print and have been referenced and/or reported in a number of mineral deposit compilations. An initial NI43-101 resource estimate was calculated in 2010 by Gary Giroux (Lane and Giroux, 2010), followed by an updated resource estimate that included gold, silver and tellurium in 2012 by Gary Giroux (Lane and Giroux, 2012),

The Deer Horn property lacks any significant infrastructure. However, a barge landing and road that was cleared of slide alder and modestly upgraded in 2009, provides access to the property and a seasonal exploration camp. There is no mining infrastructure on the property apart from the historic, but intact Deer Horn adit which is described below.

4.6 ENVIRONMENTAL LIABILITIES

There are no known environmental liabilities attached to the Deer Horn project. Unreclaimed disturbance related to past mineral exploration consists of a 7.8km road to the site from the south shore of Whitesail Lake, a limited number of drill access roads and drill sites and the Deer Horn adit and underground workings, which remain open. Most of this disturbance relates to exploration conducted during the 1940s and 1950s and was not reclaimed. However, the site access road and a number of drill roads were reopened in 2009 to support the fall exploration drilling program. Rehabilitation of the access consisted of removing vegetation, consisting mainly of slide alder, and slide debris from the road bed and back-blading the road surface.

4.6.1 1989 ASSESSMENT

Water quality and acid rock drainage ("ARD") studies were conducted by a previous property owner, Golden Knight Resources Inc. ("Golden Knight"), in 1989. Water sampled from five creeks on the property was reported to be 'pure', while a low volume of water (estimated rate of 1-2 litres per second) being issued from the Deer Horn adit contained dissolved zinc (0.31mg/l) that measured above the provincial mining objective of 0.2mg/l (Folk, 1990a). Fifteen rock samples were analyzed for their potential to generate ARD. Eleven of fifteen samples returned negative net neutralizing potential ("NNP") numbers, indicating that there is potential for ARD to develop (Folk, 1990a). However, these samples were collected from high-grade drill core intersections of the Main Vein, of the Contact Zone or from underground zones of quartz stringers, of immediate hanging wall or of immediate footwall. The results at the time of the study were believed to be indicative of the sulphide content of the ore zones which would be accounted for in mine design and tailings disposal.

4.6.2 2009 ASSESSMENT

Ecofor Consultants of Fort St. James, BC were contracted to conduct a state of the environmental baseline for the Deer Horn project and initiated field sampling and assessment for several environmental disciplines in the fall of 2009. Ecofor initiated a water quality study at six stations within the local study area, including one station at the Deer Horn adit. Prior to commencement of the program Ecofor met with the BC Ministry of Environment ("MoE") staff to review the proposed water quality baseline assessment and ensure sites and measured parameters met the MoE guidelines. Two sampling events were conducted prior to winter freeze, in September and October of 2009. Low water flows and frozen conditions precluded a November event.

Results obtained from the October set of samples were considerably higher than the September set for certain parameters. The high level of total metals recorded at the Deer Horn adit and two other sites are reflective of the high turbidity and total suspended solids recorded at each station. However, the shallow nature of the streams and an abundance of snow made collecting "clean" water samples extremely difficult.

The results obtained from the two sampling sessions were then compared to the BC guideline for protection of aquatic health to determine if the water quality is meeting standard guidelines. Guidelines were not being met for certain elements at the Deer Horn adit site (dissolved zinc in September and October; total aluminum, arsenic, lead and copper in October) or for a restricted number of elements at four of the other sites (Dup-A1 (total aluminum in October), A2 (total aluminum, lead and silver in October), A4 (fluoride in October) and C1 (total aluminum in October). These findings were consistent with Golden Knight's 1989 water quality analytical results. Water quality sampling and surface hydrology will continue through 2010 to supplement the environmental studies commenced in September 2009.

A preliminary ARD/Metal Leaching ("ARD/ML") assessment was conducted along the access road after re-opening. The entire length of the access road is routed through coarse-grained, foliated granodiorite. No exposures of pyrite or sulphide bearing material were found and no ABA samples were collected.

Preliminary ABA sampling and analysis was conducted for hangingwall and footwall rocks and there are no anticipated acid rock drainage or metal leaching concerns.

4.7 PERMITS

Prior to the commencement of any exploration work that constitutes mechanical disturbance of the ground, an application must be made, and approval and a permit received from the MEM. Any proposed work involving significant exploration-related mechanical ground disturbance would also require the proponent to post with the Crown a reclamation security (bond) of an appropriate amount to cover the third-party costs of reclamation in the event of failure of the company to complete the reclamation work. The current exploration permit for the Deer Horn property is MX-1-737 and is held by Guardsmen.

On March 12, 2011, a permit for a multi-year area-based ("MYAB") exploration program on Deer Horn property was granted by the MEM. As a condition of the permit, and prior to its issuance, the company posted additional reclamation security with the B.C. Ministry of Finance. The total amount of reclamation security now held under permit MX-1-737 is $82,000. This sum is an estimate of the third-party cost for reclaiming Deer Horn site disturbance related to the 2009 exploration program and to the work approved in 2011. The MYAB permit remains in effect until March 31, 2014.

The first phase of the approved exploration program includes diamond drilling from up 57 sites, trenching, surface mapping and sampling, 43 line-kilometres of additional magnetic and 3D induced polarization geophysical surveys, inspection of the underground workings by a qualified mining engineer, less than 2000 metres of drill access construction and refurbishment of the main site access road. The second phase of the approved exploration program consists of excavation, mining and on-site processing of up to 10,000 tonnes of mineralized rock from the resource area. The proposed location for the excavation is west of the Deer Horn adit where 2009 drilling confirmed a suitable area of near surface mineralization. Required infrastructure includes a modular processing facility, settling pond, waste dump, soil stockpile, trailer camp, maintenance shop, explosives magazine, equipment laydown area, and further upgrades to the access road and installation of a bridge crossing.

Table 4-1 Deer Horn Property - Mineral Tenure

Tenure Number	Claim Name	Owner*	Tenure Type	Issue Date	Good To Date	Area (ha)
520025		131812 (100%)	Mineral	2005/sep/15	2017/dec/15	1350.55
529884	DEERHORN 1	131812 (100%)	Mineral	2006/mar/10	2017/dec/15	463.13
529885	DEERHORN 2	131812 (100%)	Mineral	2006/mar/10	2017/dec/15	482.26
529886	DEERHORN 3	131812 (100%)	Mineral	2006/mar/10	2017/dec/15	482.08
529887	DEERHORN 4	131812 (100%)	Mineral	2006/mar/10	2017/dec/15	462.78
529947	DEERHORN 5	131812 (100%)	Mineral	2006/mar/12	2017/dec/15	482.10
543636	DEER HORN 2006	131812 (100%)	Mineral	2006/oct/19	2017/dec/15	212.19
545108	DEER HORN WEST	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	482.43
545110	DEER HORN SOUTHWEST	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	482.52
545112	DEER HORN NORTHWEST	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	270.06
545113	DEER HORN SOUTH FRACTION	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	57.91
545114	DEER HORN GLACIER FRACTIO	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	38.58
545115	DEER HORN NORTH	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	482.00
545116	DEER HORN NORTHEAST	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	231.35
545118	DEER HORN MOLY	131812 (100%)	Mineral	2006/nov/10	2017/dec/15	77.16
594795	DH CONNECTOR	131812 (100%)	Mineral	2008/nov/24	2015/dec/15	443.35
988582	DH B1	131812 (100%)	Mineral	2012/may/21	2013/may/21	57.85
988583	DH B2	131812 (100%)	Mineral	2012/may/21	2013/may/21	38.57

** The 100% owner-of-record of all of the Deer Horn mineral tenure is Guardsmen Resources Inc.*

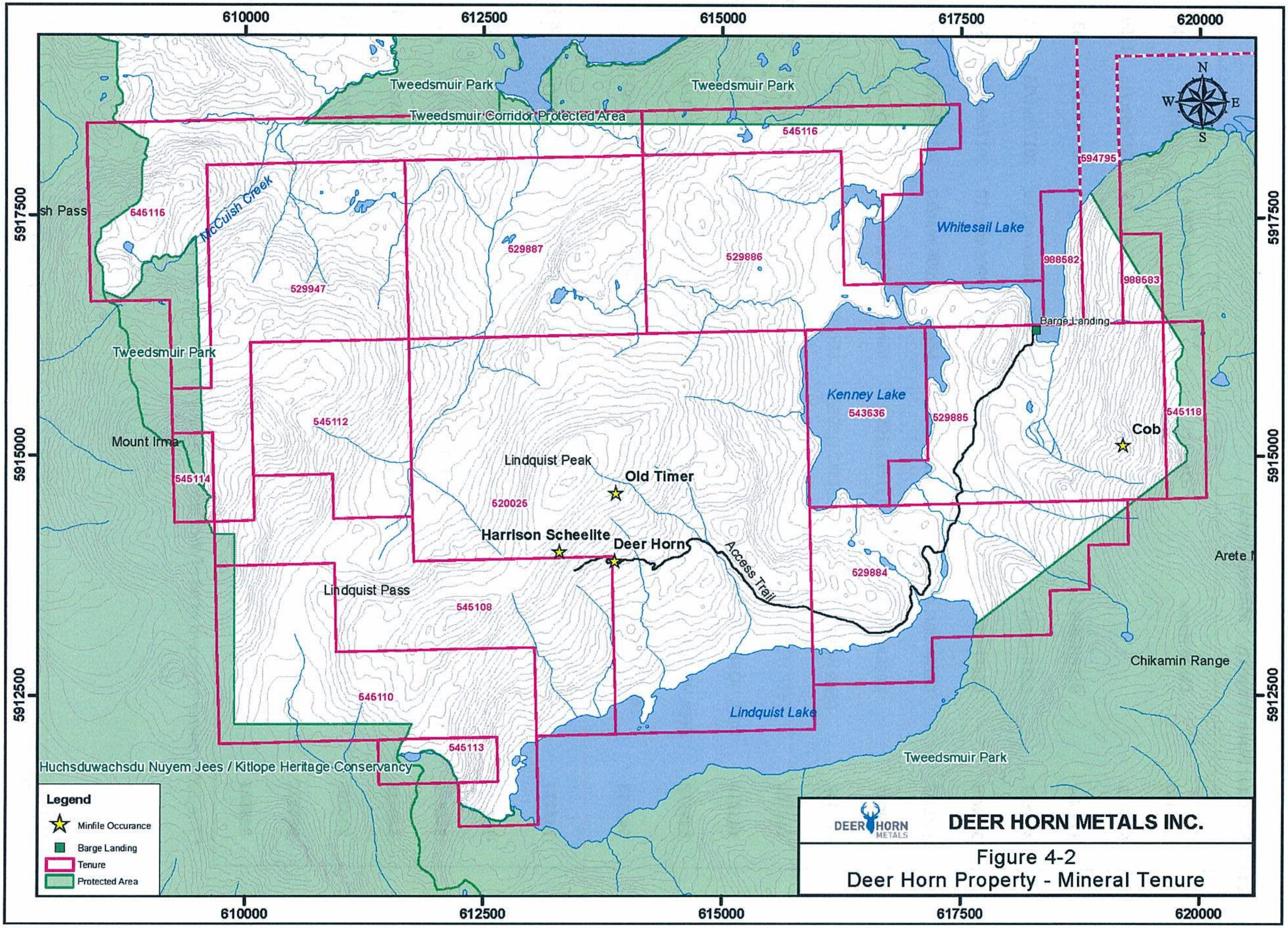


Figure 4-2
Deer Horn Property - Mineral Tenure

5 ACCESSIBILITY, LOCAL RESOURCES, CLIMATE, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 ACCESS

Access to the property is via helicopter, float plane or barge. Helicopter and float plane bases are located in numerous nearby communities that lie to the north, such as Houston, Burns Lake and Smithers. Flight times to the property are typically one hour or less. The communities of Bella Coola and Kitimat, which lie to the west, are also about a one hour flight from the property.

Transportation to the property by barge would facilitate the most cost-effective means of delivering heavy equipment to the property. The barge would depart from Andrews Bay or the East Ootsa logging camp on Ootsa Lake to the south end of Whitesail Lake. An overgrown 7.8km road extends from the barge landing to the area of interest in the alpine. The principal showings of interest, including the Deer Horn adit, are at an elevation of about 1290m.

5.2 LOCAL RESOURCES

The Deer Horn property falls within the administrative boundary of the Nadina Forest District of the Northern Interior Forest Region. The project also falls within the administrative boundary of the Lakes Land and Resource Plan Area (Lakes LRMP) for which a provincial government approved land use plan was adopted in January, 2000. The Lakes LRMP is a consensus built land use plan that directs the management of resources by land managers, resource proponents and resource agency staff. All land use and resource management within the Lakes LRMP are subject to existing legislature, policies and regulations for Crown land and resource management.

During development of the Lakes LRMP, all recognized resource values were evaluated with a view to integrating resource development with recognized conservation values and the biodiversity of the land base. Other significant resources were evaluated during the formation of the plan including timber, fisheries, water quality, wildlife, agriculture, range, outdoor recreation and tourism, along with subsurface resources (mining and exploration). Tweedsmuir North Provincial Park and Tweedsmuir South Provincial Park form one of British Columbia's largest parks and was created in 1938. Land use within park boundaries is regulated by the Tweedsmuir Master Plan, which was released to the public in 1988. The park is roughly triangular in shape and protects a number of ecosystems. Backcountry hiking, fishing and camping opportunities exist for visitors to the park.

5.2.1 WILDLIFE & FISHERIES

The Deer Horn project falls within the Lakes North Sustainable Resource Management Plan (Lakes North SRMP) area of the Nadina Forest District. The plan is consistent with, and builds upon the provisions of the Lakes LRMP. The plan includes seven landscape units encompassing 451,105ha of which 404,556ha is Crown forest land.

The Lakes North SRMP area has a diversity of fish populations inhabiting the rivers and lakes. Several fish species require specific management objectives, with other species being managed indirectly. Although riparian and biodiversity retention provide habitat for a large number of species, wildlife management for individual species is also necessary. This represents a fine filter component of the provincial approach to biodiversity. Selected species are also of particular importance to First Nations, guide-outfitters, trappers, hunters and non-consumptive wildlife users. A number of legislated Wildlife Habitat Areas (WHAs) exist in the Lakes North SRMP area. These areas contain various species including mule deer, mountain caribou, mountain goat, moose, grizzly bear, and fur bearers.

5.3 CLIMATE AND PHYSIOGRAPHY

The climate of the Deer Horn property is typical of north-central of British Columbia. Summer temperatures average daytime highs in the 20°C range with occasional temperatures reaching the low 30°C range. October through April see average subzero temperatures with extreme lows reaching -30°C from November through March.

The Deer Horn property is located on the edge of the Coast Range and topography is fair to relatively rugged. Elevation on the property ranges from approximately 865 meters at Kenney Lake to 1788 meters on Lindquist Peak. The Deer Horn workings are primarily located above treeline on the southeastern slope of Lindquist Peak, north of Lindquist Lake.

The predominant soil development is humo-ferric podzols. The bioclimatic zone varies from Spruce-Subalpine Fir with leading growth of pine, popular and spruce; this gives way to Alpine Tundra marked by stunted juniper, sedges and grasses at higher elevations. Seepages are widespread, notable by thick peat accumulations and an undergrowth of mountain alder.

There is an ample water supply for all exploration and camp requirements from numerous drainages that are fed by a snow pack that remains at higher elevations year-round, particularly on the north facing slopes. Snow begins to accumulate by late-September and the lakes are frozen throughout the winter months. The summer months are highly influenced by coastal weather. The most dependable weather forecasts for the property are those issued for the town of Kitimat.

5.4 INFRASTRUCTURE

The small towns of Smithers, Burns Lake, and Houston, located north of the Deer Horn property, are population centres that offer services, supplies, and sources for skilled labour. Field operations are generally conducted with crews located in a camp setting on the Deer Horn property. Seasonal access to the property from the barge landing on the south shore of Whitesail Lake was developed in the 1950s and rehabilitated in 1989. It is now overgrown and in need of additional rehabilitation in order to support an exploration program. There is no nearby electrical power grid. Year round working conditions are hampered by extended periods of cold weather, snow accumulation and local avalanche conditions, and access roads requiring snow clearing.

6 HISTORY

The Deer Horn property, or Harrison property as it was originally known, was first staked in 1943 by the Harrison brothers following their discovery of scheelite in talus about one km southwest of Lindquist Peak. Discovery of nearby gold and silver bearing veins was made in 1944 by Franc Joubin (Joubin, 1950). Prior to DHM's involvement, four phases of mechanical exploration had taken place on the Deer Horn property since it was first staked. Pioneer Gold Mines of BC Limited ("Pioneer") optioned the property in 1944 and completed extensive trenching and diamond drilling until allowing its option to lapse in 1946. The property was inactive from 1947 until 1951 when newly formed Deer Horn Mines Limited purchased the Harrison property outright. It explored the property from 1951 to 1955. During that period the company constructed a road from the shores of Whitesail Lake to the property and developed an exploration adit and conducted underground and surface diamond drilling. Field work in support of a Master's Thesis on the geology of the deposit was also completed during this time (Papezik, 1957). In 1967, Granby Consolidated Mining, Smelting and Power optioned the property and completed further road work and extensive machine trenching. The property reverted to the Crown in 1975 and was the subject of possible addition to Tweedsmuir Provincial Park. A temporary 'No Staking Reserve' covered the area. The 'No Staking Reserve' was lifted in 1989 and the creation of specific enclaves in the north Tweedsmuir Provincial Park area were created to allow claim staking and exploration to recommence in areas regarded to be highly prospective. In 1989, the British Columbia Government put part of the area, which covered what was then 'parceled' claims XK1214, XK1414 and XK1412, as well as an additional three claims located immediately to the west, up for bid. The six claims covered a total of 24 square km including the prospective Deer Horn vein system and were awarded to Golden Knight. The surrounding ground was made available for one-post staking and twelve claims were acquired by Michael Renning and Scott Gifford, the principals of Guardsmen. Ownership of the twelve claims was later transferred to Guardsmen. Modest geophysical and geochemical programs were conducted on some of these peripheral claims in 1990 by Amber Minerals Ltd. on behalf of Guardsmen.

Through 1989 and 1990, Golden Knight carried out extensive exploration programs that included: prospecting; geological mapping and sampling; grid-based soil geochemical sampling; VLF and magnetometer surveying; rehabilitation, mapping and chip sampling of the underground workings; 4511m of surface diamond drilling; environmental water sampling and preliminary metallurgical testing. The Golden Knight work was the last mechanical exploration to occur on the property. A summary of the diamond drilling programs is presented in Table 6-1.

Repadre Capital acquired the assets of Golden Knight in 1990, but sold the claims to Guardsmen in 2000. In that year, Guardsmen completed a modest field review of the property, and in 2005 converted all of its legacy claims to modern MTO cell mineral claims. Christopher James Gold Corp ("Christopher James") optioned the property from Guardsmen in 2006 and in 2006-2007, conducted a reconnaissance geochemical sampling program over several areas of the property. Christopher James later dropped its option and the property reverted back to Guardsmen. In 2009, Guardsmen optioned the property to Golden Odyssey Mining Inc. (which became Deer Horn Metals Inc). In the fall of 2009 it drilled a total of 35 NQ and HQ diameter diamond drillholes, with an aggregate length of 1706m. All available surface and drilling data was used to support the calculation of a NI43-101 resource estimate for the Deer Horn property in 2010.

Table 6-1 Summary of Diamond Drilling, Deer Horn Property

Company	Hole Designation	Year	# of Holes	Metres Drilled
Pioneer Gold Mines of BC Limited	XR- (data for 14 holes is missing)	1944-1946	30	3,822
Deer Horn Mines Limited	DDH- (data for holes 8, 11, 12, 22, 24, 26 and 28 is missing)	1951-1955	37	2,497.2
	89-	1989	31	2,253.4
Golden Knight Resources Inc	90-	1990	29	2,256.2
Golden Odyssey Mining Inc	DH09-	2009	35	1,706
Deer Horn Metals Inc	DH11-	2011	55	3772.5
Total			**217**	**16,307**

6.1 PIONEER GOLD MINES OF B.C. LIMITED

In 1944, Pioneer Gold Mines of B.C. Limited ("Pioneer") optioned the Deer Horn property and built a pack trail from the south shore of Whitesail Lake to the property (Holland, 1945). From 1944 to 1946 Pioneer completed limited surface sampling and a total of 3822m of surface diamond drilling on the Main vein. This work determined that the vein was faulted into a series of disjointed vein segments that dip gently to the north. The Main vein was traced down-dip for approximately 45m where it met the Contact zone or vein, a series of narrow stringers and quartz veins up to 1.2m across that dip 55° to the south (Duffell, 1959).

Pioneer outlined eight segments or panels of the Main vein that ranged in dimension from 7.6m long by 1.3m wide with an estimated average grade of 7.44g/t Au and 54.9g/t Ag to 82m long by 3.3m wide with an estimated average grade of 10.08g/t Au and 281.1g/t Ag (Holland, 1946; Duffell, 1959). Despite promising results, Pioneer Gold Mines was unable to meet the financial obligations of its option and following the 1946 field season, its option on the property was allowed to lapse (Joubin, 1950).

Little exploration took place between 1947 and 1950, but the central part of the property was geologically mapped in 1950 by Joubin (1950).

6.2 DEER HORN MINES LIMITED

The Deer Horn property was purchased by Deer Horn Mines Limited (Deer Horn Mines) in 1951. In 1952 the company embarked on a program of trench rehabilitation, re-examining drill core and other surface works. During the period 1953 to 1955, the company constructed a road from the shores of Whitesail Lake to the property and completed 913.5m of surface diamond drilling (Bacon, 1956). Drill results from a segment of the Main vein (location unknown) measuring 180m long, averaging 3.4m wide and traced for 60m down dip averaged 9.70g/t Au and 284.6g/t Ag (results reported in the August 1953 edition of the *Western Miner*). Assay results for individual drillholes were compiled by Golden Knight, but the exact location of the drill collars could only be estimated (Folk, 1990a).

Underground development took place in 1954 and 1955 consisting of 589.8m of drifting and raising and 1129m of underground diamond drilling (Duffell, 1959). Results and plans from this early work are missing (although later assessment of the underground workings by Golden Knight provides the most current information). The first 120m of the horizontal adit was developed along an azimuth of approximately 308° and intersected a segment of the Main vein twice, a shallow north dipping vein at the portal and a shallow south dipping vein. The adit intersected the Contact zone at a distance of 102m from the portal and was extended a further 18m into the footwall sedimentary rocks. At the 102m mark, drifting followed the trend of the Contact zone along an azimuth of approximately 270°. Results of underground sampling are discussed below.

In 1952, Deer Horn Mines investigated the area of scheelite mineralization first discovered by the Harrison brothers in 1943. The tungsten showing consists of anomalous talus and bedrock near the contact between stratified rocks of the Hazelton Group and the Coast intrusions (Diakow and Koyanagi, 1987b). Deer Horn Mines identified an area measuring 485m by 50m wide that averaged 0.34%WO_3 (Duffell, 1959) through systematic sampling of the talus. A single trench excavated through the talus did encounter scheelite mineralization in bedrock. No further work was conducted on the occurrence.

6.3 THE GRANBY MINING COMPANY LIMITED

In 1967, Granby Mining Company Limited ("Granby") optioned the Deer Horn property from Deer Horn Mines and built 2.4km of access road, completed fifteen dozer trenches totaling 1.5km, and conducted limited geological mapping (MEMPR AR, 1967). The company completed no further work and the property reverted to the province in 1975. The results of Granby's work was not located by the authors, therefore its work has not contributed to the understanding of the geology or mineralization of the property.

6.4 GOLDEN KNIGHT RESOURCES INC.

Golden Knight embarked on an extensive exploration program following acquisition of the property on July 10, 1989, that included: establishment of a 3km by 1km grid over the principal area of interest; collection of 2090 soil geochemical samples; a VLF and magnetometer survey over half of the grid area; prospecting, bedrock mapping and sampling; rehabilitation, surveying, mapping and chip sampling of underground workings; and completion of 31 surface diamond drillholes totaling 2253.4m (Folk, 1990a). Golden Knight's work focused entirely on the Contact zone and Main vein.

The 1989 drilling intersected a number of narrow, high-grade veins (i.e. 93.5g/t Au and 1480g/t Ag over 0.3m in hole 89-07), generally regarded to be stringer zones in the hangingwall of the Contact zone (Folk, 1990a). However, and perhaps more importantly, the 1989 drilling also identified the previously unrecognized potential for bulk tonnage gold mineralization of the Contact zone as evidenced by a 42.53m intersection averaging 2.88g/t Au and 84.68g/t Ag in hole 89-02 collared near the Deer Horn adit (Folk, 1990a).

Chip sampling of Main vein mineralization, exposed in two areas in the first 70m of the adit, returned erratic, but potentially economic results, ranging from 0.006oz/t Au and 0.35oz/t Ag over 1.2m to 1.037oz/t Au and 22.75oz/t Ag over 1.1m (Folk, 1990a). Sampling of the vein material in the remainder of the underground workings, mainly developed along and/or parallel to the Contact zone, returned poor results. One exception was a 2.55m wide chip sample of Contact zone vein mineralization collected from a raise 210m from the portal (Folk, 1990b). Golden Knight concluded that at the time of underground development the geometry of the Contact zone was not well understood and, as a consequence, most of the Deer Horn adit was driven along veins essentially barren of gold-silver values.

In 1990, Golden Knight continued with its surface diamond drilling program completing 29 more holes for an aggregate length of 2256.2m. One of the last 1990 holes, collared approximately 210m west of the portal, encountered significant grades of gold and silver with elevated base metal values. The 11.2m intersection averaged 14.36g/t Au, 781.5g/t Ag, 0.40% Cu, 0.24% Pb and 1.02% Zn, including a 3.0m interval that graded 37.73g/t Au and 2065g/t Ag.

Over the two years Golden Knight drilled sixty holes totaling 4510.6m. This work, together with drilling data from the earlier programs, outlined a 400m long south-dipping and shallow eastward plunging component of the Contact zone that is open to the east and to the west as well as down-plunge (Folk, 1990b).

Golden Knight also completed a preliminary acid rock generation study of material from the underground workings, an environmental water sampling program and preliminary metallurgical testing.

6.5 AMBER MINERALS LTD.

In 1990, a limited VLF-EM, magnetometer and reconnaissance biogeochemical sampling program and a later follow-up prospecting program, was conducted on ground adjoining and immediately east of the Deer Horn property. The work was completed by Amber Minerals Ltd. (Coffin and Renning, 1990; Renning, 1990) on behalf of Guardsmen. The program outlined weak northeast trending linear features and anomalous levels of molybdenum and zinc in a twenty sample biogeochemical survey.

6.6 GUARDSMEN RESOURCES INC.

In the year 2000, IMAP Interactive Mapping Solutions conducted a brief field program on behalf of Guardsmen. The primary focus of this work was to examine gold and silver bearing quartz-sulphide veins near the Deer Horn adit and in the Lindquist Peak area. Work conducted included geological mapping and sampling. A total of 24 rock samples were collected for geochemical analysis (Kaip and Childe, 2000). This work confirmed the results of earlier surface sampling.

6.7 CHRISTOPHER JAMES GOLD CORP.

In 2006, Guardsmen optioned the Deer Horn property to Christopher James Gold Corp. ("Christopher James"). Modest prospecting and geochemical exploration programs were conducted by Guardsmen on behalf of Christopher James in 2006 and 2007. The programs included clearing of a section of the access road from a temporary camp at Lindquist Lake, reconnaissance soil, silt and rock sampling in four areas, and an attempt to relocate core from the 1989 and 1990 drilling campaigns (Renning et al., 2007; Renning, 2008). The geochemical sampling program targeted areas west, northwest and south of the Deer Horn adit, and east, west and southwest of Kenney Lake. Results included (1) a strong gold, silver, arsenic, lead, cesium coincident soil geochemical anomaly west of the adit, (2) impressive molybdenum silt anomalies

(148ppm Mo and 60.7ppm Mo) west of Kenney Lake where several creeks drain gossanous, sedimentary rock bluffs east of Lindquist Peak, and (3) a number of rock and silt samples anomalous in molybdenum collected southwest of Kenney Lake, where fine-grained molybdenum occurs in quartz veinlets, along fractures, and as disseminations in andesite grading up to 1350ppm Mo (Renning, 2008).

6.8 GOLDEN ODYSSEY MINING INC.

In October and early November 2009, Golden Odyssey drilled a total of 35 HQ and NQ diameter diamond bore holes, with an aggregate length of 1706m, on the Deer Horn property. Drilling targeted the two known west-trending mineralized structures, the Main Vein and Contact Zone, over a strike length of 320m in the vicinity of the Deer Horn adit. Most of the bore holes were drilled on an azimuth of either 000 or 180 degrees, and were shallow, with lengths ranging from 23.77m to 79.20m. Surface channel sampling was also carried out primarily on exposures of the Main Vein. In addition, a fifteen line-kilometre grid was established over the central part of the Deer Horn property and ground magnetic, 3D-IP and Maxmin surveys were conducted over all or part the grid. An airborne LiDAR (Light Detection and Ranging) survey was completed over the property to provide detailed digital topographic information.

Early in 2010, an initial NI43-101 compliant resource estimate was reported for the Deer Horn property (Lane and Giroux, 2010). Golden Odyssey later changed its name to Deer Horn Metals Inc.

6.9 DEER HORN METALS INC.

In July, August and September, 2011, a total of 55 NQ2 diameter diamond bore holes, with an aggregate length of 3772.5m, were completed on the Deer Horn property (Lane, 2012). A total of 49 drillholes targeted the two known west-trending mineralized structures, the Main Vein and Contact Zone, over a strike length of 875 m in the vicinity of the Deer Horn adit. Most of the bore holes were drilled on an azimuth of either 000 or 180 degrees. Bore hole lengths ranged from from 26.5 m to 150.6 m. Limited surface channel sampling was also carried out primarily on exposures of the Main Vein. The other 6 bore holes targeted the historic 'Harrison Scheelite' tungsten occurrence following a limited prospecting and excavator trenching program. An updated NI43-101 compliant resource estimate was produced from an improved data base consisting of 196 diamond drill holes completed from 1944 to 2011 and 42 surface samples (Lane and Giroux, 2012). A more detailed account of the 2011 exploration program is presented in Sections 9 through 12.

7 GEOLOGICAL SETTING AND MINERALIZATION

7.1 REGIONAL GEOLOGY

Regional mapping of the Whitesail Lake region was conducted by the Geological Survey of Canada ("GSC") between 1947 and 1952 (Duffell, 1959) and later by G. Woodsworth (1979, 1980). The most recent regional mapping on and around the Deer Horn property was conducted as part of the Canada/British Columbia Mineral Development Agreement by Diakow and Koyanagi (1988a and 1988b) of the BC Geological Survey Branch. This work was later compiled with previous regional bedrock mapping data to form a digital geology map for the province. The latter forms the base for the regional geology of the Deer Horn area presented in Figure 7-1. However, 1:50,000 scale mapping of the Deer Horn property by Diakow and Koyanagi (1988b) is also presented (Figure 7-2) because it portrays subtle, but potentially important differences in the location of a thrust fault that plays a major role in controlling the distribution of vein mineralization on the property. The following description of the regional geology of the area is based on these works.

The Deer Horn property is located in the Intermontane tectonic belt of the Canadian Cordillera, adjacent to the eastern margin of the Coast tectonic belt. The oldest rocks exposed in the area consist of mafic volcanic and volcaniclastic strata of the Pre-Jurassic Gamsby Group, exposed on the west end of Lindquist Lake, and a quartz diorite of Pre-Jurassic age exposed on the southwest flank of Lindquist Peak, from the Deer Horn adit in the north, to the shores of Lindquist Lake in the south. Both units are regionally metamorphosed to greenschist facies and exhibit a strong penetrative foliation.

The Pre-Jurassic quartz diorite and mafic volcanics of the Gamsby Group are thrust over sedimentary and volcanic strata of the Lower Cretaceous Skeena Group and over maroon volcanic strata of the Lower to Middle Jurassic Telkwa Formation (Hazelton Group). The thrust is west–trending, and west of the Deer Horn adit, is offset by a later northeast trending fault. Development of the thrust fault postdates deposition of the Lower Cretaceous Skeena Group and predates an Eocene granodiorite intrusion which invades the structure east of the Deer Horn adit and underlies much of the area around Lindquist Lake. The granodiorite is in intrusive contact with the foliated quartz diorite and with strata of the Gamsby and Skeena groups. Northwest of the Deer Horn adit, Lower Cretaceous and older strata are intruded by Late Cretaceous to Eocene granodiorite and quartz diorite of the Coast tectonic belt. The foliated quartz diorite, Gamsby Group and Skeena Group strata are also cut by felsic dykes related to the main granodiorite body.

7.2 LOCAL GEOLOGY

The Deer Horn property was first geologically mapped by Franc Joubin on behalf of Deer Horn Mines (Joubin, 1950); this information was provided to S. Duffell of the GS) who included a version of the map in GSC Memoir 299 (Duffell, 1959). The central part of the property was mapped in detail by Golden Knight in 1989. Results of this work are available in Folk (1990a) and the central part is presented in Figure 7-3 with modifications after Childe and Kaip (2000).

The property is underlain predominantly by foliated quartz diorite and meta-volcanic rocks of the pre-Jurassic Gamsby Group, that have been thrust over a package of sedimentary rocks of the Late Cretaceous Skeena Group (Duffell, 1959). Eocene granodiorite and related dykes intrude the older rocks (Diakow and Koyanagi, 1988a). The northern and central portion of the property are composed of lower Jurassic Telkwa Formation (Hazelton Group) intermediate volcanic flows and lithic tuffs, which are overlain by lower

Cretaceous intermediate to felsic lapilli tuff and by lower Cretaceous Skeena Group grey-black sedimentary units grading from argillite through silts and sandstone.

Metamorphic Rocks

PRE-JURASSIC GAMSBY GROUP

Metavolcanic Rocks

Medium greenish-grey intermediate to mafic tuffs, flows and schists associated with a dioritic intrusion comprise the Gamsby Group (Woodsworth, 1978) and cover a limited area of the property west and south of Lindquist Lake. The rocks have been regionally metamorphosed to greenschist facies and commonly contain ubiquitous albite, epidote and chlorite (Diakow and Koyanagi, 1988a). Deformation of the strata is defined by a pronounced foliation and local shearing. The diorite, whose contact with the metavolcanic rocks may be a fault, occurs in the lower levels of the succession (Diakow and Koyanagi, 1988a).

LOWER JURASSIC TELKWA FORMATION (HAZELTON GROUP)

Maroon Volcanics

Well-layered maroon pyroclastic rocks (primarily crystal-lapilli tuff and ash tuff) and lava flows of the Telkwa Formation occupy a large area of the Deer Horn property north and northwest of Lindquist Peak. The unit is characterized by its maroon to red and locally green colour and its distinctly bedded nature (Diakow and Koyanagi, 1988a). Rocks of the Telkwa Formation are primarily in fault contact with younger rocks of the Skeena Formation and, in the northwest part of the property, are cut by granodiorite.

Sedimentary Rocks

CRETACEOUS SKEENA GROUP

Sedimentary strata of the Skeena Group were divided into four main units by Folk (1990a). Each unit is based on its predominant lithology, but the units appear to grade into one another. Tops were not determined and therefore the units are listed in structural sequence from highest to lowest.

Quartzite

Quartzite was observed in outcrop, in drill core and in the underground workings (Folk, 1990a). It is fine-grained, pale grey to pale yellow-grey and very siliceous. Outcrops are blocky in appearance and the rock weathers to a light, off-white color with rusty tones. Very fine-grained pyrite occurs as disseminations and in fractures. This unit was mapped by Papezik as aplite and feldspathic quartzite (Papezik, 1957).

Green-Brown Greywacke

'Greywacke' includes several lithologies that lie between the quartzite and underlying argillite. The dominant lithology is a medium greenish grey to greyish brown, slightly schistose wacke, which weathers to a light greenish brown color. Minor amounts of mudstone and very fine grained arkose are included in this unit. In drill core it is fine grained, medium grey to brownish grey and locally has a light green tone Folk, 1990a).

Generally it contains small, white, anhedral quartz specks, which are less than 5mm in diameter. The rock is weakly to strongly silicified and the abundance of quartz specks tends to increase with silicification. It is often weakly foliated and locally contains small (<5mm diameter), dark, well-rounded clasts. Where silicification is intense, the greywacke and quartzite are indistinguishable (Folk, 1990a).

Argillite

Argillite is black, thinly laminated and displays a phyllitic sheen. It weathers a dark rusty brown. The unit is locally metamorphosed to andalusite schist. The schist contains approximately 10% randomly orientated metacrysts of andalusite, less than 3mm in length and largely altered to translucent white sericite. In drill core it is well-indurated, black to dark brown with local beige and green laminae (Folk, 1990a).

Feldspathic Greywacke

Feldspathic greywacke is a fine-grained, medium to dark grey rock with a very dense appearance. Fine translucent white feldspar grains are visible with a hand lens. Outcrops weather to a grainy, often pitted buff colored surface. The rock breaks with a fairly sharp and slightly concoidal fracture. Feldspathic greywacke outcrops on Lindquist Peak, but was not encountered in drillholes or underground in the adit (Folk, 1990a).

Intrusive Rocks

Pre-Jurassic Quartz Diorite

Quartz diorite, spatially associated with pre-Jurassic metavolcanic rocks, underlies much of the central area of interest and is seen in drill core, surface outcrops and underground workings where it has been highly altered. It occurs in outcrops that extend from the Deer Horn adit in the north to within 100 meters of the shore of Lindquist Lake in the south. It is dominantly pale to dark green, fine to medium grained and weakly to strongly foliated. It consists of plagioclase, quartz, and 10-35% hornblende that is altered almost completely to chlorite. The foliation is best developed proximal to the thrust that places quartz diorite over younger sedimentary and volcanic strata. Foliated quartz diorite is the principal host to the Deer Horn vein system.

Cretaceous and/or Tertiary Granodiorite

Granodiorite is buff-coloured, medium- to coarse-grained and equigranular to porphyritic. It forms large, pale grey outcrops which underlie the southeast corner of the property. It is composed of quartz, plagioclase, orthoclase and accessory biotite, which is altered in part to chlorite. The contact between granodiorite and quartz diorite was observed to be gradational over a distance of about 40m (Folk, 1990a).

Dykes

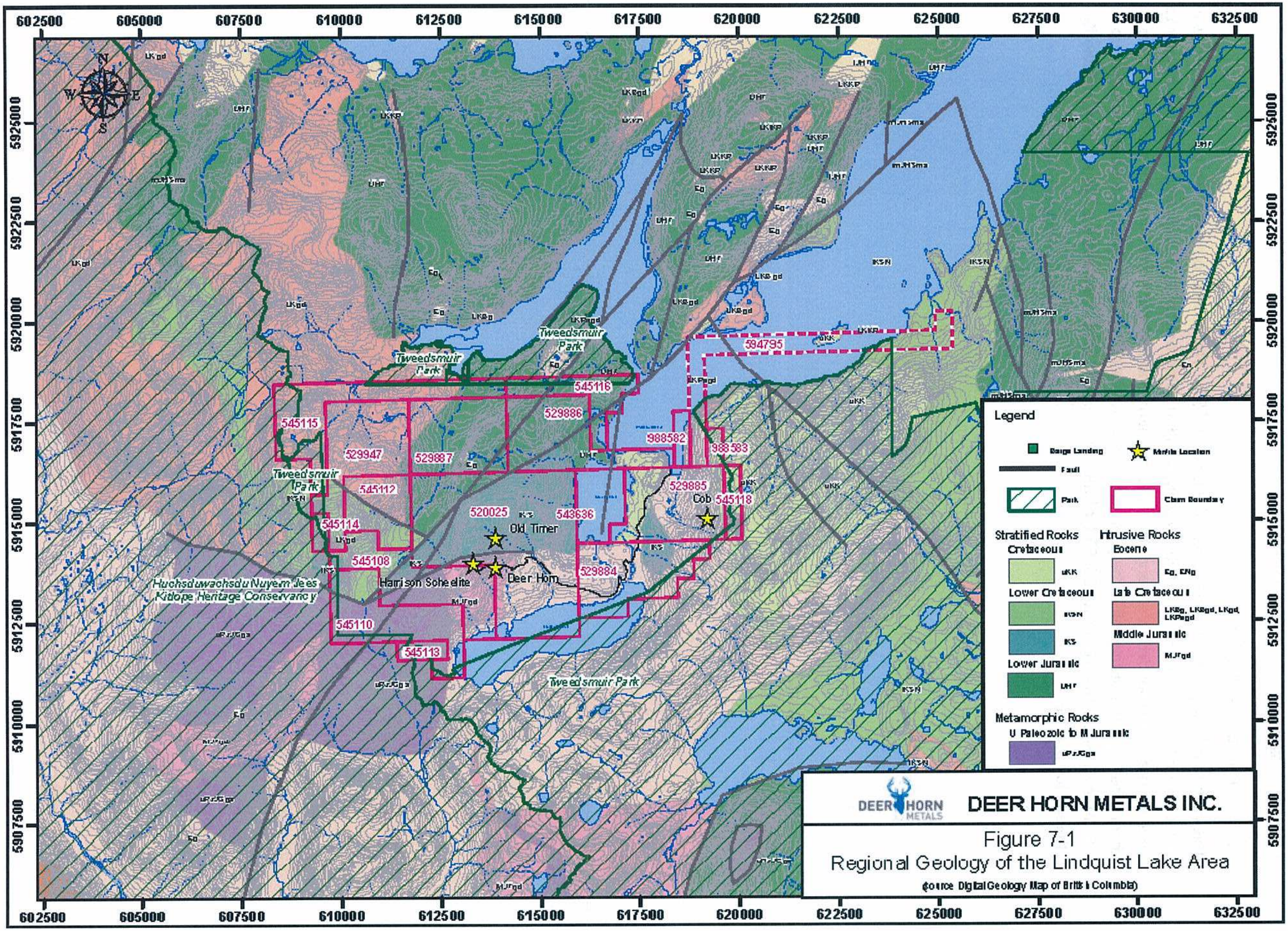
Felsic dykes are light greenish grey, fine grained and moderately siliceous. They are composed of plagioclase with minor quartz and orthoclase (Papezik, 1957). Outcrops weather light beige to locally medium brown and are locally display small spots of iron oxide. The dykes are commonly amygdaloidal with calcite filling cavities (Folk, 1990a). The unit was also mapped as felsite and as albitite by previous workers.

Mafic dykes, typically less than 1m in width, are dark greenish grey and contain very fine (<1mm diameter) feldspar phenocrysts and finely disseminated magnetite. Mafic dykes were encountered both on surface and in drill core. The unit was also mapped as 'trap' and hornblende latite (Papezik, 1957).

Cataclastic Rocks

Perthite-Quartz Cataclastite

This rock unit is adopted from the work of Papezik (1957). No surface outcrops were noted, but it was encountered locally in the underground workings and in some drillholes. It is described as spotty grey to greenish grey with rounded to subangular clasts of quartz and feldspar embedded in a matrix of sericite. A characteristic feature of the unit is the presence of rounded or rectangular orthoclase 'porphyroblasts' up to 1.8 cm in diameter that comprise 25–50% of the rock. In drill core it is described as silicified and biotite-altered fault breccia


DEER HORN METALS INC.
Figure 7-1
Regional Geology of the Lindquist Lake Area
(source Digital Geology Map of British Columbia)
Legend
Barge Landing
Fault
Park
Mineral Location
Claim Boundary
Stratified Rocks
Cretaceous
uKK
Lower Cretaceous
lKSN
lKS
Lower Jurassic
lJHT
Metamorphic Rocks
U Paleozoic to M Jurassic
uPzJGgs
Intrusive Rocks
Eocene
Eg, ENg
Late Cretaceous
LKBg, LKBgd, LKgd, LKPgd
Middle Jurassic
MJTgd
Tweedsmuir Park
Huchsduwachsdu Nuyem Jees Kitlope Heritage Conservancy
Old Timer
Deer Horn
Harrison Scheelite
Cob
545115
529947
529887
545112
545114
545108
545110
545113
545116
529886
520025
543636
529884
529885
545118
988582
988583
594795
602500
605000
607500
610000
612500
615000
617500
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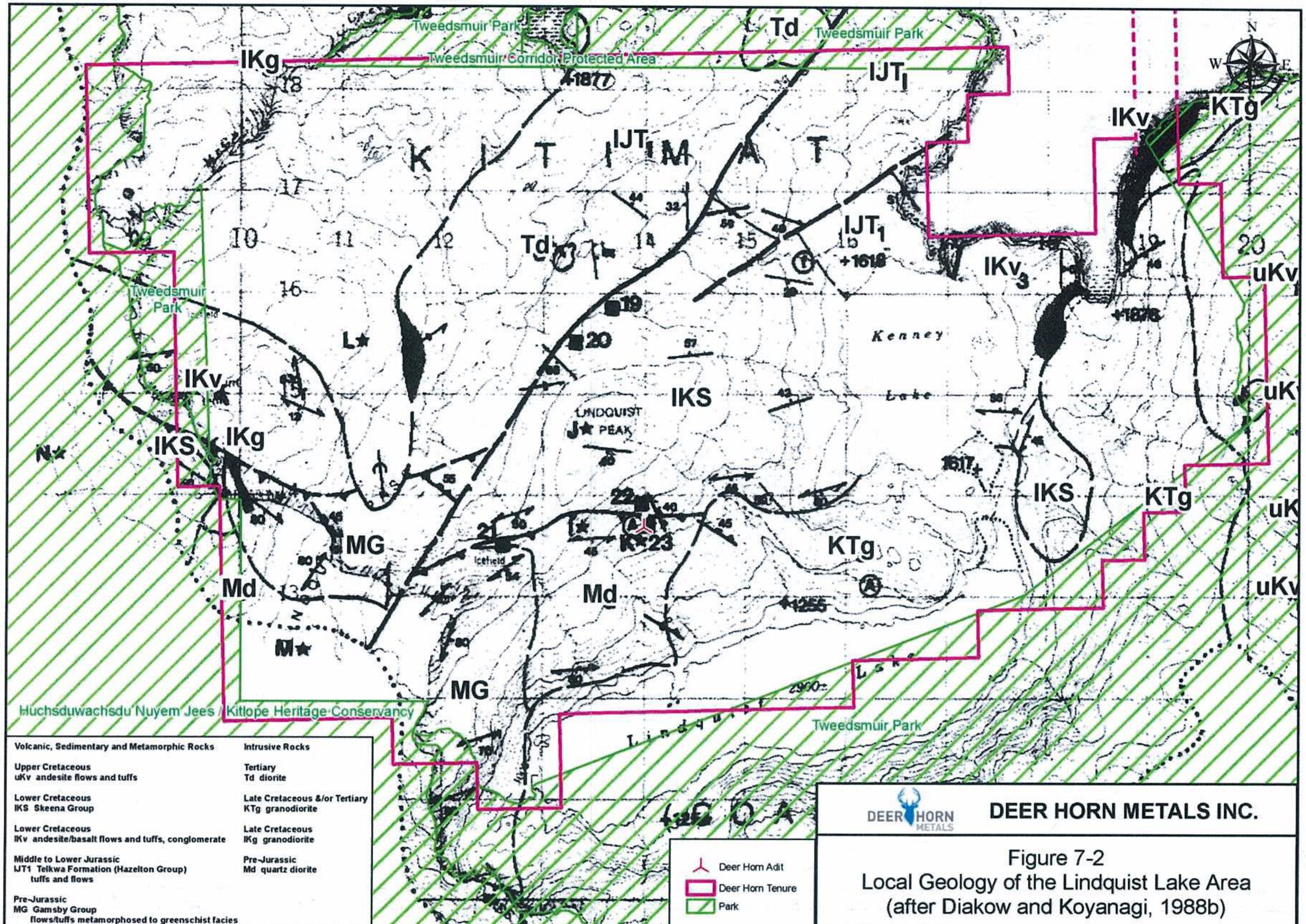


Figure 7-2
Local Geology of the Lindquist Lake Area
(after Diakow and Koyanagi, 1988b)

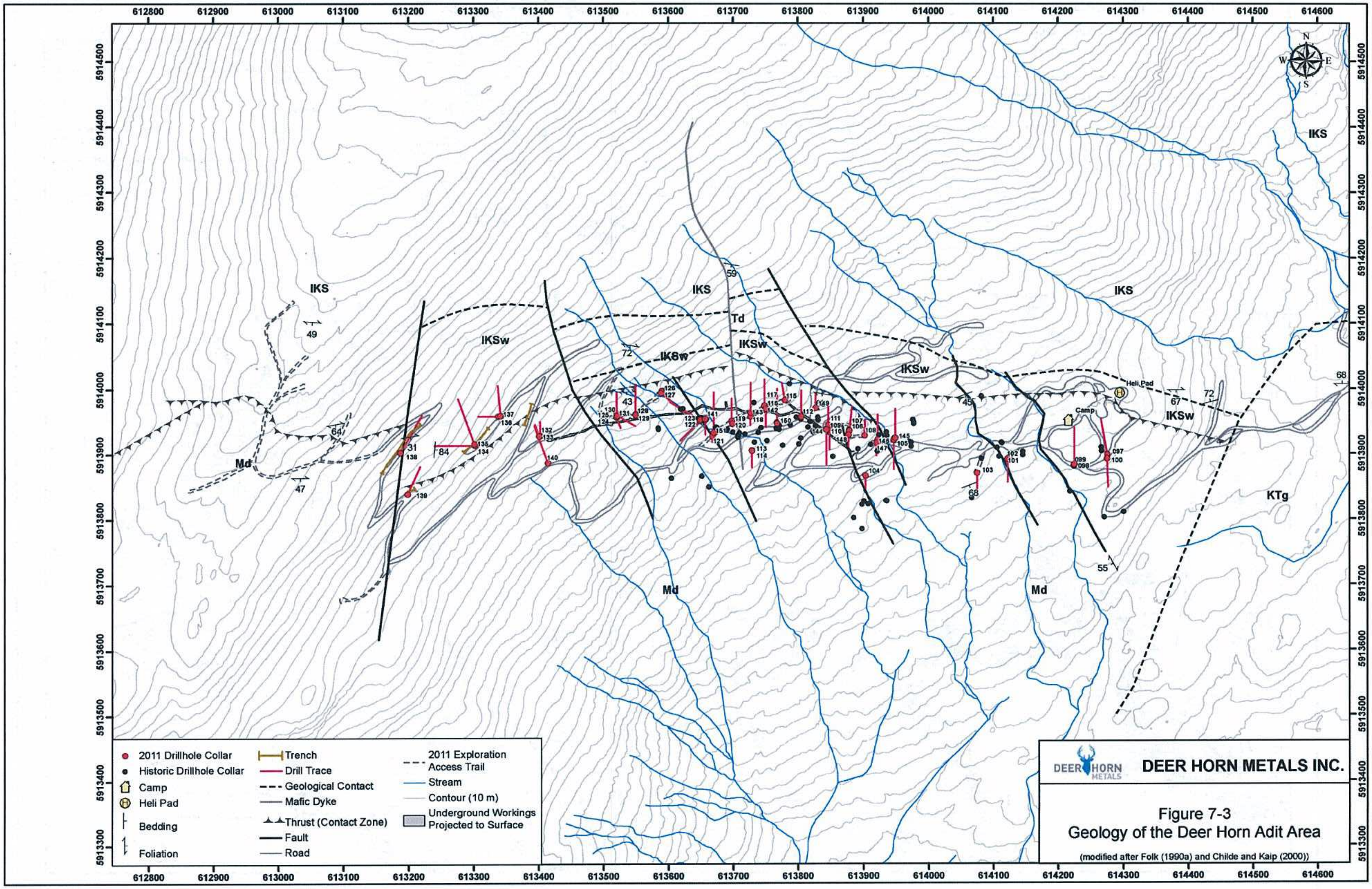


Figure 7-3
Geology of the Deer Horn Adit Area
(modified after Folk (1990a) and Childe and Kaip (2000))

7.3 STRUCTURE

A pronounced penetrative foliation is present in the quartz diorite. In sedimentary strata, the black argillite exhibits a strong foliation while weaker foliation occurs in the green-brown greywacke. Both the penetrative foliation in the quartz diorite and the foliation of the underlying sedimentary strata exhibit an east-west trend and moderate dip to the south. In the adit a well-defined southwesterly plunging stretch lineation is evident within the foliation planes in the quartz diorite and the sediments (Folk, 1990a). Slickensides developed locally on the walls of veins in the Contact zone (Folk, 1990a).

The contact between the quartz diorite and underlying sedimentary strata is interpreted to be a major east-west trending thrust fault (Joubin, 1950; Duffell, 1959; Diakow and Koyanagi, 1989b). Evidence of the reverse motion is strongest west of the Deer Horn adit where strong crenulation cleavage, and minor folds and fault splays were noted (Folk, 1990a). A strong foliation in the quartz diorite, dipping south and sub-parallel to the sediment-quartz diorite contact was likely caused by thrust faulting. In the adit, the thrust fault has been rendered unrecognizable by subsequent alteration and mineralization (Folk, 1990a).

A northeast-trending regional lateral fault mapped by Diakow and Koyanagi (1989a) cuts the thrust west of Lindquist Peak and results in right lateral displacement of the thrust fault. The thrust fault is also cut by a series of minor northwest and northeast-trending normal faults that result in minor offsets of the thrust (Joubin, 1950; Folk, 1990a; Childe and Kaip, 2000). In outcrop the faults appear to be mylonitic shear zones containing small quartz veins and, locally, mineralization (Folk, 1990a; Childe and Kaip, 2000). Some of these faults correlate with linear magnetic lows.

Mafic dykes trend slightly north of east and dip moderately to steeply southward. They are less than one metre wide and cut the quartz diorite in several areas. Occasionally mafic dykes are seen in the argillite proximal to the quartz diorite-sedimentary rock contact.

Felsic dykes are larger than the mafic dykes and can be traced for up to 800 metres. They cut both the sedimentary rocks and the quartz diorite. Large outcrops of felsic dyke material occur in the northwest part of Golden Knight's 1989 grid. In this area the outcrops form an irregular shaped body that is amygdaloidal on one side. Minor folds, crenulation cleavage and minor fault offsets suggest that the thrust fault was reactivated sometime after emplacement of the dyke.

7.4 MINERALIZATION

There are four known Minfile occurrences on the Deer Horn property, each of which represents a different mineral deposit type. They are: a gold-silver-tellurium-base metal vein system (Deer Horn or Lindquist, Minfile 093E 019) that has received the vast majority of exploration activity to date and which is the primary subject of this report; a polymetallic vein occurrence (Old Timer, Minfile 093E 021) comprised of two narrow pyrite, galena, sphalerite and pyrrhotite that carry traces of gold and up to 44.6g/t Ag; a tungsten occurrence consisting of narrow, scheelite-bearing quartz veins hosted in quartz diorite and thermally altered volcanic and sedimentary rocks (Harrison Scheelite, Minfile 093E 020); and an area of anomalous molybdenum comprised of molybdenite-bearing quartz veins cutting andesitic volcanic rocks near the margin of an Eocene granodiorite intrusion (Cob, Minfile 093E 045). The latter two ooccurrences may be regarded as a porphyry Tungsten system (Sinclair, 1995a) and a porphyry Molybdenum (Low F-Type) system (Sinclair, 1995b), respectively.

The principal deposit type at the Deer Horn property is a gold-silver-tellurium-base metal vein system. It is comprised of two main mineralized structures, the Main vein and nearby Contact zone, and a series of associated narrow veins and stringer zones. Veins are hosted primarily in foliated quartz diorite of Pre-Jurassic age in the hangingwall of a thrust fault. The foliation exhibited by the quartz diorite is thought to have formed in response to movement along the thrust and related shearing. A 2-dimensional model that may apply to the Deer Horn vein system is presented in Figure 7-4. It illustrates the development of fault-filled veins (i.e. the Contact zone), accompanying quartz-sericite alteration, and associated extensional veins (i.e. the Main vein) in a shear zone setting (from Robert and Poulsen, 2001). The vein system's spatial, and apparent genetic association with a nearby granodiorite intrusion suggests that the age of the mineralization is Eocene.

Figure 7-4 Common geometric arrangements of fault-filled and extensional veins in shear zones

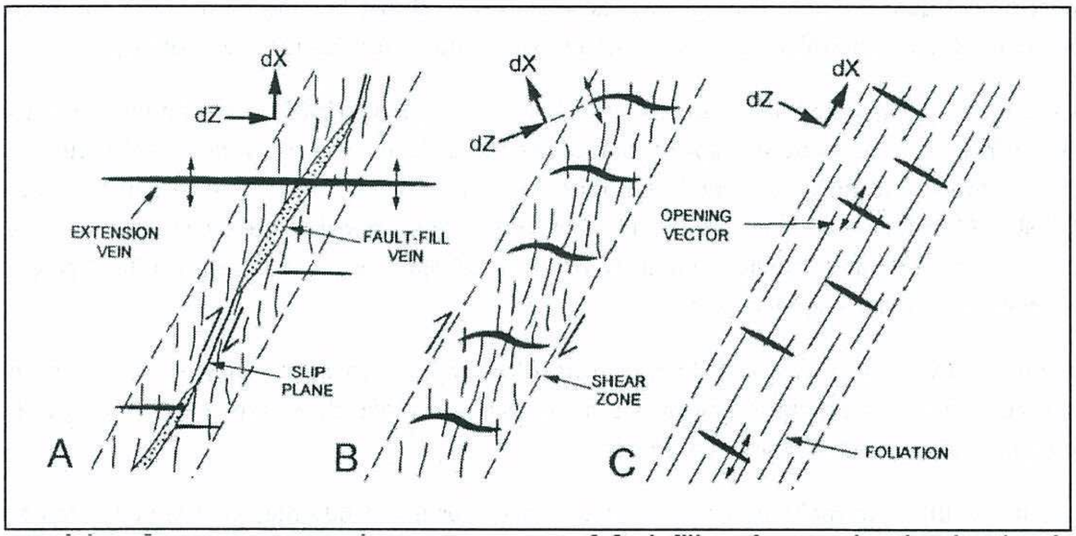


Figure 7-4 shows common geometric arrangements of fault-filled and extensional veins in shear zones and their relationship to incremental axes of shortening (dZ) and elongation (dX). A) Fault-filled veins in the central part of a reverse shear zone showing conflicting crosscutting relationships with planar extensional veins extending outside the shear zone; B) Arrays of en echelon sigmoidal extensional veins within shear zones; C) Arrays of stacked planar extensional veins within shear zones (Robert and Poulsen, 2001).

7.4.1 GOLD-SILVER-TELLURIUM VEIN MINERALIZATION

Gold-silver-tellurium (or "Au-Ag-Te") veins are spatially associated with a thrust fault that places quartz diorite and meta-volcanics of Pre-Jurassic age above sandstone, siltstone and argillite of the Lower Cretaceous Skeena Group. The veins occur mainly in foliated quartz diorite up to 250m south of the thrust fault, and at its contact with the underlying clastic sedimentary rocks. The veins carrying gold, silver, tellurium and base metals in a quartz gangue have two orientations. The Main vein occurs 100m to 250m south of the thrust fault, generally strikes west and, where exposed at surface, dips from 20°–45° to the north. However, underground mapping indicated that the dip of the Main vein reverses to a shallow southerly dip as it encroaches on the Contact zone (Papezik, 1957) perhaps as a result of drag folding that occurred in response to normal movement along the reactivated thrust fault. The Contact zone occupies an area immediately above and sub-parallel to the thrust fault, striking to the west and dipping 55°-60° to the south (Joubin, 1950).

The Main vein and subordinate hangingwall and/or footwall veins are hosted primarily by foliated quartz diorite, but also by granodiorite and to a lesser extent quartzite and greywacke. These 'Main-type' veins do not tend to penetrate very far into the sedimentary rocks in areas observed at surface (Folk, 1990a). The Main vein has been traced intermittently for over 1400m along strike and is from < 1.0 to 4.5m wide (Papezik, 1957). It is segmented by a series of brittle north to north-westerly trending faults that offset the vein up to 30m (Joubin, 1950). Later workers suggest that the vein 'segments' are separate *en echelon* tensional vein structures (Folk, 1990b). Locally some of these vein 'segments' appear to have been rotated, such as at the Deer Horn portal where a thick vein strikes due north and dips moderately to the east. This particular vein contains appreciable amounts of magnetite, however, a feature that suggests that it may be not be part of the 'Main-type' vein system.

'Main-type' vein mineralization consists of pyrite, sphalerite, galena, scheelite, pyrrhotite, chalcopyrite, and the telluride minerals tetradymite, hessite, tellurobismuth and altaite, that typically occurs as small patches, blebs and disseminations in a gangue of white quartz (Folk, 1990b).

Silver, bismuth and lead-bearing telluride minerals have been reported historically and were identified in a recent petrographic and scanning electron microscope ("SEM") assessment of six polished thin sections by Le Couteur (2010). This study identified that a considerable range of telluride mineral compositions exist at the Deer Horn property. The telluride grains are typically less than 50 microns long. Some of the minerals have similar compositions, and together with their small size, were often difficult to distinguish from one another. The following telluride species present are thought to include: hessite (Ag_2Te), empressite ($AgTe$), stutzite ($Ag_{4.6-4.8}Te_3$), volynskite ($AgBiTe_2$), hedleyite (Bi_7Te_2), tellurobismuthite (Bi_2Te_3), tsumoite ($BiTe$) and altaite ($PbTe$) (Le Couteur, 2010). No gold-bearing tellurides or gold-bearing minerals were identified in the study and further petrographic and SEM work is required to ascertain the gold-bearing mineral species.

Vein quartz is typically white to translucent grey and commonly includes traces of chlorite and up to several percent magnetite. Drusy cavities lined with quartz and crustiform banding occur locally. At surface, veins containing at least trace amounts of sulphide minerals are typically Fe-oxide stained. Early trenching and shallow drilling indicated that large, flat Main vein material with good grades occurs at or near the surface (Folk, 1990a) and could be amenable to limited scale open pit development.

The Contact zone is comprised of individual quartz veins up to 1.8m wide and bands of quartz stringers up to 4.6m across within a band of quartz-sericite altered quartz diorite located just above the thrust fault. It has similar mineralogy to the Main vein and has been traced by surface work, including prospecting, trenching and diamond drilling for 1650m and up to 150 down dip. Quartz-sericite alteration developed in the footwall of the thrust grades into zones of quartz-epidote that are locally well-developed particularly in sandstone where they form bands consisting of 10-50% epidote and fine-grained quartz cut by veinlets of quartz-carbonate-epidote that reach 2m to 4m in width (Childe and Kaip, 2000).

Narrow, high grade gold-silver veins and broad, bulk tonnage gold-silver mineralization has been encountered at Deer Horn. The high-grade veins are typically also elevated in tellurium, copper, zinc and lead, and locally bismuth, mercury and tungsten. Of note is drillhole 90-57 that was collared approximately 210m west of the portal. It encountered significant grades of gold and silver with elevated base metal values. The 11.2m intersection averaged 14.36g/t Au, 781.5g/t Ag, 0.40% Cu, 0.24% Pb and 1.02% Zn, including a 3.0m interval that graded 37.73g/t Au and 2065g/t Ag. The intersection in part defines the western part of the 400m east plunging shoot mentioned above.

Many narrow, high-grade veins intersected in the immediate hangingwall of the thrust are generally regarded to be stringer zones that are part of the Contact zone (Folk, 1990a). These narrow high-grade veins are important components of the vein system, and while some may stand alone as potentially economic veins, they may alternatively contribute significantly to the bulk tonnage potential of the Contact zone. Hole 89-02, collared near the Deer Horn adit, intersected 42.53m averaging 2.88g/t Au and 84.68g/t Ag and in part defines the east-central part of the 400m east plunging shoot mentioned above. West of the Deer Horn adit, a northeast-trending fault displaces the thrust northwards, but regional mapping suggests that the offset portion of the thrust continues its westerly trend for approximately 2km (Diakow and Koyanagi, 1988a).

7.4.1.1 Age of Vein Mineralization

Diakow and Koyanagi (1988a) reported an age of 56+/-2 Ma for sericite collected from alteration that envelopes part of the Contact zone suggesting that the mineralization developed in the Eocene. Two age dates for biotite extracted from a nearby granodiorite body suggest that is has a similar age of formation and that emplacement of the granodiorite and the mineralizing event are genetically related. The thrust fault is cut by both the granodiorite and vein system and provided a structural focus for localizing hydrothermal solutions that may have been associated with the emplacement of the granodiorite in the Early Eocene.

7.4.2 TUNGSTEN MINERALIZATION

A tungsten showing, later called Harrison Scheelite, was discovered in 1943 approximately 1km southwest of Lindquist Peak. The showing consists of two aprons of scheelite-bearing talus near the contact between metamorphosed volcanic and sedimentary rocks of the Hazelton Group and granite, quartz diorite and diorite of the Coast intrusions (Diakow and Koyanagi, 1987b). The talus aprons are centered approximately 250m to 300m west of the western end of the Main vein. The scheelite occurs with quartz in narrow veins and stringers in diorite and the altered volcanic and sedimentary rocks. The main apron of anomalous talus has a sinuous northwest trend and covers an area measuring 485m long by an average of approximately 50m wide (Duffell, 1959). Systematic sampling of talus from the area yielded an average of 0.34% WO_3 (Duffell, 1959). A 40m long trench was excavated through the talus to bedrock. Bedrock samples collected from the western part of the trench averaged 0.84% WO_3 over 18m and bedrock samples collected from the eastern part of the trench averaged 1.55% WO_3 over 22m (Duffell, 1959). Sampling of the second, smaller apron of talus produced modest results.

7.4.3 MOLYBDENUM MINERALIZATION

Occurrences of molybdenite are located in the eastern part of the property, immediately east of Kenney Lake, in the vicinity of the Cob Minfile showing. Molybdenite occurs in fractures and narrow quartz veins in andesitic volcanic rocks and related (?) sedimentary rocks of the Lower Cretaceous Skeena Group in proximity to an Eocene granodiorite stock (Renning, 1990). Little more than reconnaissance work, consisting primarily of prospecting and geochemical sampling, has been completed in the area. However, rock geochemical samples from the area have yielded results as high as 1350ppm Mo (Renning, 2008). Also, stream sediment sampling conducted immediately west of Kenney Lake returned highly anomalous levels of molybdenum in two samples. Follow-up of the anomaly has not been conducted.

8 DEPOSIT TYPES

Economic mineral deposits in the region include the Huckleberry copper-molybdenum mine, the Endako molybdenum mine, and the former Equity Silver mine. All are located north of the Deer Horn property and south of Highway 16 (see Figure 4-1).

The Huckleberry porphyry copper-molybdenum deposit (Minfile 093E 037), located 36km north of the Deer Horn property, includes two ore bodies that are associated with porphyritic granodiorite intrusions of Late Cretaceous age which have intruded volcanic rocks of the Jurassic Hazelton Group. Mineralization occurs primarily within hornfelsed volcanic rocks that encompass the porphyritic intrusions. Mineralization occurs as a stockwork of fractures and veinlets of chalcopyrite and lesser molybdenite in a ganuge that includes pyrite, quartz and anhydrite (Jackson and Illerbrun, 1995). The Huckleberry mine was put into production in 1997 and remains an active operation at the time of writing.

The Endako molybdenum deposit (Minfile 093K 006), located 162km northeast of the Deer Horn property, occurs entirely within the Endako quartz monzonite phase of the Upper Jurassic Francois Lake Intrusions. The northwest trending orebody is 3360m in length, 370m wide and 370m deep (Bysouth and Wong, 1995). The molybdenite and associated minerals occur mainly in milky white quartz veins that commonly display ribbon structures or breccias healed by late-stage silica and molybdenite. The Endako mine was put into production in 1964 and remains an active operation at the time of writing.

The former Equity Silver mine (Minfile 093L 001), located 162km northeast of the Deer Horn property, was in operation for thirteen years before closing permanently in 1994. Copper-silver-gold mineralization was mined from three tabular orebodies that developed within structurally prepared pyroclastic and volcanic rocks of Upper Jurassic to Cretaceous age. A 57Ma quartz monzonite intrusion and 48Ma gabbro-monzonite complex cut the stratified rocks. Pyrite, chalcopyrite, pyrrhotite and tetrahedrite with minor amounts of galena, sphalerite, argentite, pyrargyrite and other silver sulphosalts occur as disseminations and in veins, fracture fillings and locally as massive pods.

The Emerald Glacier mine (Minfile 093E 001) is a small historic underground producer located 4km north of the Deer Horn property. Polymetallic vein mineralization occurs in shears that cut clastic sedimentary rocks of the Lower-Middle Jurassic Hazelton Group. Quartz-sulphide veins are up to three metres wide and sulphide mineralization includes galena, sphalerite, chalcopyrite, and pyrite that carry high grades of silver.

Other mineral occurrences of note include two polymetallic vein occurrences, the Roosevelt (Minfile 093E 029) and Ruby Adit (Minfile 093E 028), that occur 13 to 14km northeast of the Deer Horn property. The two occurrences consist of narrow veins carrying pyrite, galena, sphalerite, arsenopyrite and locally, high-grade gold and silver values (Hanson, 1991). Limited tonnage is reported to have been extracted from the two sites in the mid-1930s from small underground developments (Duffel, 1959).

9 EXPLORATION

Exploration and camp construction crews first arrived at the barge landing on the south end of Whitesail Lake on July 10, 2011. Equipment was off-loaded from two 100-tonne barges and a temporary camp was constructed nearby. An existing 8km access road, that had been rehabilitated in 2009 provided access to the existing camp located in the alpine. A physical review of the proposed drill sites was completed and drill collar locations were confirmed. The diamond drill, provided by Radius Drilling Corporation, was skidded up to the exploration site and began drilling the first hole of the campaign on July 20, 2011. The last hole of the campaign was completed on September 13, 2011. In total 55 NQ2 diamond drillholes were completed for an aggregate length of 3772.5 metres.

Re-opening and modification of 1.71km of existing exploration trails was completed to provide access for trenching and drilling, and a total of 1.13km of new exploration trails were built to provide additional access for drilling.

Trenching took place in four closely spaced areas and was focussed on the area of the historic Harrison Scheelite tungsten mineral occurrence located west of the Deer Horn gold-silver vein system. Continuous chip sampling of the rock exposed in the trenches was completed. In addition, channel sampling of selected vein outcrops was conducted using either a portable diamond saw or standard chip sampling methods in order to provide additional data for deposit modelling and to provide. Prospecting and rock geochemical sampling took place outside of the principal areas of interest and identified several showings worthy of follow-up.

The 2011 program also included a property-wide, helicopter-borne magnetic and radiometric geophysical survey flown by Precision GeoSurveys Inc. of Vancouver, BC. However, the results of the survey are not part of this report.

Following compilation of all of the data from diamond drilling and surface sampling, construction of a 3D wire frame model of the deposit was completed and a resource estimate was calculated (see Item 14).

9.1 SURFACE ROCK GEOCHEMICAL SAMPLING

A total of 84 cut channel, chip or grab surface samples were collected from the property in 2011 (Figure 9-1). The sampling took place over an east-west distance of approximately 2.8km centered roughly on the Deer Horn resource area.

Results range from less than detection to 30.6g/t Au, 1083g/t Ag and 1006ppm Te over 2.15m of cut channel (sample 1361404). Several new, narrow sulphide-bearing quartz veins were encountered well outside of the area drilled in 2011. Some of these discoveries may represent the westward continuation of Main Vein or Contact Zone mineralization (*e.g.* samples 1361475 and 1361476) or may be discrete zones with a genetic relationship to the Deer Horn gold-silver-tellurium deposit (*e.g.* samples 1361385, 1361386 and 1361394). In addition, veins sampled more than 550m east of the area being drilled returned interesting concentrations of molybdenum (*e.g.* samples 1361406 and 1361409) and gold (*e.g.* sample 1361407).

Table 9-1 provides a location, a description and multi-element results for a selection of surface samples collected during the 2011 exploration program.

9.2 TRENCHING

Excavator trenching was undertaken primarily to evaluate a tungsten soil geochemical anomaly, outlined by Teck in 1989-1990, that is coincident with the historic Harrison Scheelite tungsten occurrence. Prior to trenching, crews were dispatched to lamp the areas using short-wave ultraviolet lights. These efforts confirmed the presence of scheelite.

Trenching was centered approximately 625m west of the Deer Horn Adit on a southeast facing slope where old sloughed trenches and trails were readily apparent (Figure 9-2). Three areas were trenched specifically to investigate the earlier work, and a fourth trench was cut across an alteration zone encountered during rehabilitation of the access trails. A total of 94 chip samples were collected. Results are summarized below and selected intervals are presented in Table 9-2.

Trench 1 (51m in length) exposed a panel of weakly silicified fine-grained clastic sedimentary rocks. An 18m length of the trench returned consistently anomalous tungsten values.

Trench 2 (12m in length), centered approximately 150m southwest of Trench 1, exposed a foliated to sheared diorite in contact with a zone of intense chlorite-epidote replacement mineralization locally containing coarsely disseminated galena, pyrite and scheelite. Three consecutive 2-metre channel samples averaged 1.08% WO_3, 114g/t Ag with strongly elevated levels of lead and bismuth and weakly elevated tellurium. Selected grab samples collected from Trench 2 assayed up to 2.145% WO_3, 192g/t Ag, > 1% Pb and 461 Bi.

Trench 3 (102m in length), centered 110m due west of Trench 1, was excavated across a strike-slip fault that places quartz-chlorite-sericite altered diorite up against sericitized and silicified clastic sedimentary rocks. Anomalous levels of tungsten where encountered in both units (four widely-spaced tungsten-bearing intervals) with the last five intervals sampled at the northeast end of Trench 3 averaging 0.10% WO_3. A composite chip sample collected from an outcrop located just 4m north of the centre of Trench 3 returned 0.66% WO_3, 111g/t Ag, >1000ppm Te, and 244ppm Bi.

Trench 4 (35m in length), centered 90m east of Trench 1, was excavated across an area of intensely oxidized bedrock that may represent the surface trace of a property-wide thrust fault. The trench was divided up into a north segment (4A) and a south segment (4B) for sampling purposes because the center of the trench badly sloughed. The southern part of the trench produced anomalous results including 0.19% WO_3 over 2m.

Table 9-1 Selected 2011 Surface Geochemical Sample Results

Sample ID	Type	Length (m)	Easting	Northing	Comments	Mo (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	Au (ppb)	Te (ppm)	Ag (g/t)	Au (g/t)	W (%)
						1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	1DX15	G6Gr	G6Gr	7KP
1361313	channel	1	614245	5914016	core shack vein #1; 3m (A)	19.7	179	11	60	22.7	1905.8	62.3	<50		
1361315	channel	1.3	614243	5914016	core shack vein #1; 4m (A)	16	110	6.8	76	11.7	469.5	20.9			
1361321	composite grab		613020	5914134	cam's trench #1; grab of material excavated from pit	2.4	19.4	>10000	>10000	34.5	23.3	71.5			
1361322	channel	1	613020	5914134	cam's trench #1; 0-1m	6.3	41	22.5	83	0.2	<0.5	0.2			
1361323	channel	1	613020	5914134	cam's trench #1; 1-2m	2.4	54.8	123.4	72	0.4	<0.5	0.4			
1361324	channel	1	613020	5914134	cam's trench #1; 2-3m	1.9	39.8	198.1	130	0.4	<0.5	0.3			
1361333	channel	1.1	613950	5913910	qtz w/ diss cpy, py, tr gl, sp	8.5	1581.5	41.3	822	>100	17003.7	468.8	316	15.9	
1361334	channel	0.8	614230	5913859	white qtz, central zone of diss py, possible tr cpy	26.8	249.8	19.7	58	72.5	4703.2	99	84	5	
1361335	channel	0.9	614227	5913851	qtz, w/ central zone of diss py (5-8%)	15.9	65.8	16.3	15	20.9	1365.5	79.8	<50	1.5	
1361336	channel	0.5	614272	5913875	qtz vein, 3-4% py, cpy	28.6	166.4	29.1	124	39.7	3545.4	108.1	<50	3.6	
1361351	panel sample		613192	5913925	4m north (above) of trench 3 sample #1361500	12.2	404.1	7786.4	7565	>100	144	1184	111		0.525

Sample ID	Type	Length (m)	Easting	Northing	Comments	Mo (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	Au (ppb)	Te (ppm)	Ag (g/t)	Au (g/t)	W (%)
1361385	grab		612183	5913753	1.5x20m vein, foot of western alpine glacier; py, sp and other sulphides	9.5	413.5	>10000	>10000	39.8	57.3	105.1			
1361386	composite grab		612122	5913736	new vein sampled along structure	16.9	1049.7	>10000	>10000	>100	144.1	214.8	103	<0.9	
1361394	chip	0.35	612238	5913719	continuous chip sample across narrow vein; sample 'BL-50'	19.1	1111	>10000	8087	>100	3017	231	200	2.4	
1361401	channel	1.6	613536	5913909	Main Vein; white to pale rusty quartz w local boxwork after py & ga (?)	72.6	371.7	4763.9	175	>100	1414.4	160	200	1.2	
1361402	channel	1.4	613534	5913913	Main Vein; continuation from above; same description	78	391	1043.5	206	87.4	400.7	50.5	82	<0.9	
1361403	channel	0.55	613524	5913913	continuousfrom previous sample; qz-sulphide vein w 4-5% interconnected network of py-ga-cp	35.5	>10000	>10000	>10000	>100	8495.4	771.5	926	7.4	
1361404	channel	2.15	613610	5913988	massive qtz vein w tr - 1% of py, ga & soft grey-silver mineral; may be sub-o/c	49.9	378.4	2221	61	>100	37964.5	1006	1083	30.6	
1361405	channel	1.3	613870	5913916	qtz-chl vein w 1-2% py, tr cp & mal; true width 0.7m; oriented 050/35 SW;	11.2	541.5	136.4	131	16.3	371.9	13			

Sample ID	Type	Length (m)	Easting	Northing	Comments	Mo (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	Au (ppb)	Te (ppm)	Ag (g/t)	Au (g/t)	W (%)
1361406	chip	2	614913	5913602	large quartz vein	1118.6	624.3	8.1	11	1.6	40.3	4.5			
1361407	composite chip		614916	5913779	quartz vein	44.6	104.7	393.6	19	53.5	4078.5	121.6	50	4.1	0.015
1361409	composite chip		614836	5913725	quartz vein	1269.3	149.6	9.6	4	3.1	50.8	4.3			
1361428	composite grab		613167	5913737	talus/scree material	62.3	27.2	202.4	89	8.3	48.3	3			0.191
1361429	composite grab		613288	5913904	talus/scree material	32.7	57.8	654.3	117	49.4	6	20.1			1.895
1361463	composite chip		613271	5913917	qtz vein, tr py, 1.8m thick, but discontinuous 'DH11-BL02'	33.6	52.1	1176.7	59	>100	7.3	58.7	146		0.079
1361464	composite chip		613274	5913920	qtz veinlet, siliceous, pyritic 'DH11-BL03'	8.7	273.9	437.7	187	18.3	0.9	11.7			0.118
1361466	select grab		613203	5913844	from centre of sample #1361459	30.7	71.8	>10000	207	>100	17.1	63.2	192		2.145
1361470	grab		613321	5913939	WO3 grab from trench 1E 'DH11-BL13'	9	56.5	23.2	43	0.8	<0.5	4.6			0.088
1361471	grab		613241	5913848	WO3 grab from trench 1E 'DH11-BL14'	41	12.6	182	39	11.8	13.6	8.7			0.9

Sample ID	Type	Length (m)	Easting	Northing	Comments	Mo (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	Au (ppb)	Te (ppm)	Ag (g/t)	Au (g/t)	W (%)
1361472	grab		613211	5913851	WO3 grab from trench 1E 'DH11-BL15'	60.1	8.1	760.3	101	14.6	8.5	3.9			0.134
1361473	composite grab		612933	5913894	south-dipping brecciated qtz vein, tr py 'DH11-BL20'	2.7	164.8	1412.5	248	9.3	62	15.8			
1361474	chip	0.8	613129	5913778	tr of mal, cpy, py 'DH11-BL21'	7.5	989.8	144.5	4	20.6	27.9	5.3			
1361475	chip	0.7	613091	5913741	tr py, ga; 'DH11-BL22'	5.6	195.9	>10000	32	>100	808.3	47.3	147		
1361476	chip		613083	5913742	ga bearing vein; 'DH11-BL23'	4.9	50.9	>10000	13	>100	29.7	85.9	295		0.069
1361478	grab		613205	5913845	select grab from Trench 2 channel sample #1361458	31.6	26	6110.8	273	>100	2.5	32.8	141		1.722
1361479	composite grab		613198	5913930	TR3 GR1	38.3	55.4	430.3	160	16	1.3	5.2			0.365
1361480	composite grab		613198	5913930	TR3 GR2	33.9	45.2	611.5	204	14.5	3.9	6			0.556
1361481	composite grab		613108	5913959	TR5 GR1	13.7	88.9	593.6	736	13.3	2.4	14			0.758

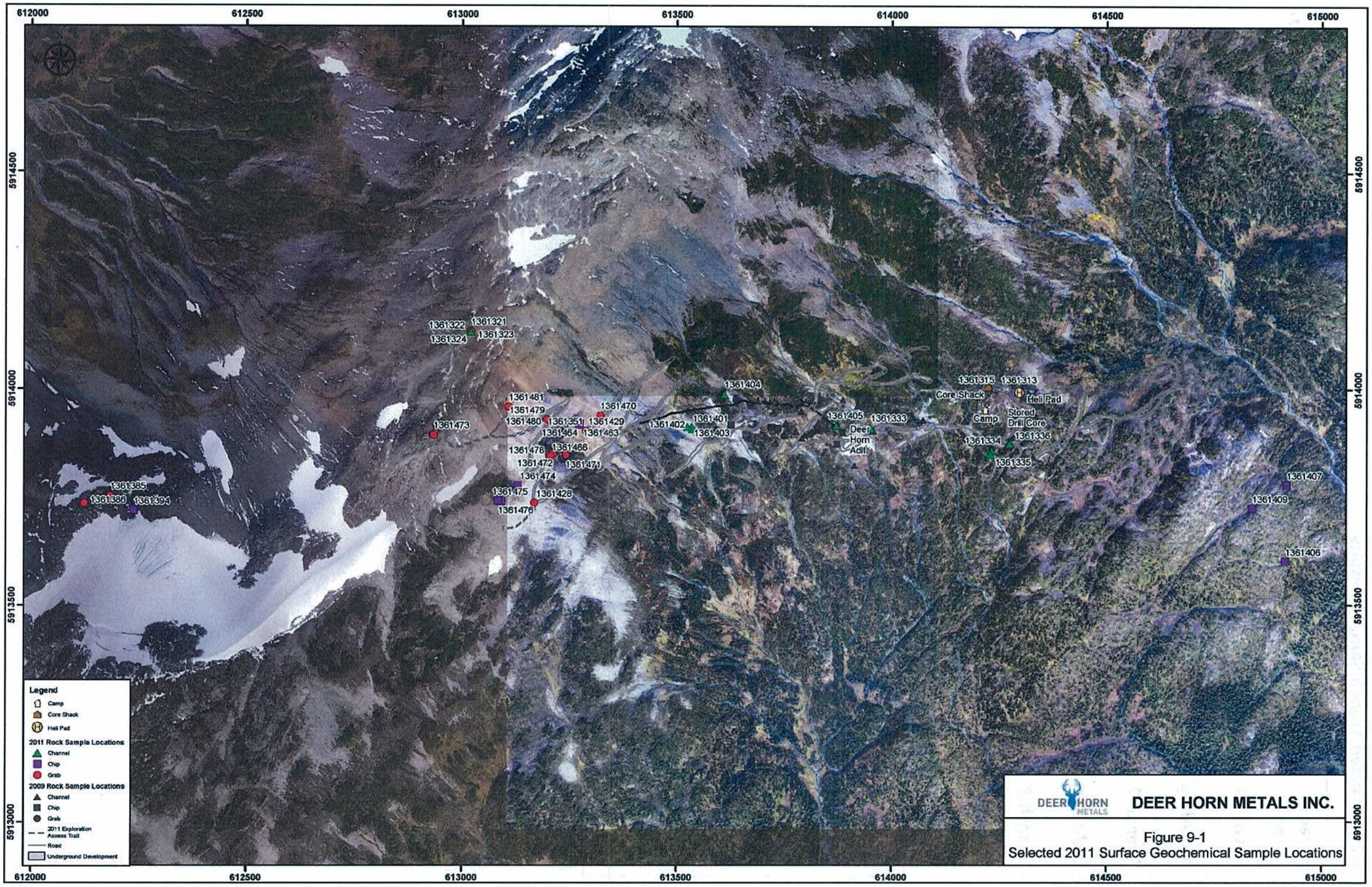
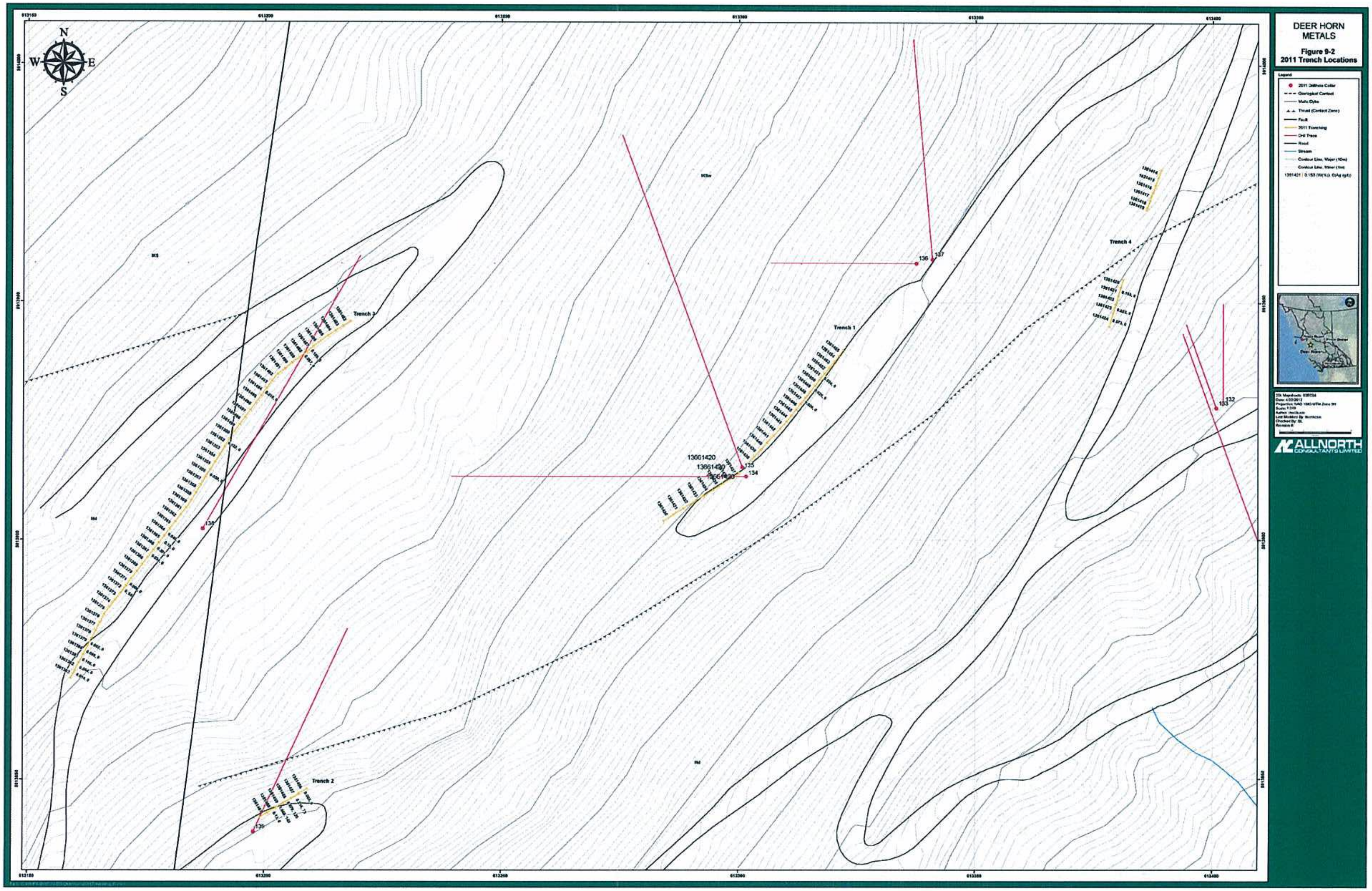


Figure 9-1
Selected 2011 Surface Geochemical Sample Locations

Table 9-2 Selected Trench Sample Results

Trench ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
Trench 1	34.25	52.25	18.0	-	-	-	0.03
Including	44.25	48.25	4.0	-	-	-	0.05
Trench 2	0	10.0	10.0	-	79.1	-	0.70
Including	2.0	8.0	6.0	-	114.0	-	1.08
Trench 3	10.0	14.0	4.0	-	-	-	0.17
And	38.0	40.0	2.0	-	-	-	0.15
And	62.0	70.0	8.0	-	-	-	0.14
Including	66.0	68.0	2.0	-	-	-	0.25
And	92.0	102.0	10.0	-	-	-	0.10
Including	94.0	96.0	4.0	-	-	-	0.15
Trench 4B	0.0	11.0	11.0	-	-	-	0.07
Including	2.0	4.0	2.0	-	-	-	0.19

*Note: *Intervals listed above are channel sample lengths and do not imply true widths.*


DEER HORN
METALS
Figure 9-2
2011 Trench Locations
Legend
2011 Drillhole Collar
Geological Contact
Mafic Dyke
Thrust (Contact Zone)
Fault
2011 Trenching
Drill Trace
Road
Stream
Contour Line, Major (10m)
Contour Line, Minor (1m)
Trench 1
Trench 2
Trench 3
Trench 4
ALLNORTH
CONSULTANTS LIMITED
N
S
E
W

10 DRILLING

A total of 55 NQ2 diameter diamond drillholes, with an aggregate length of 3772.50m, were completed on the Deer Horn property from mid-July to mid-September, 2011. Drillhole locations are shown in Figure 10-1 and location information is listed in Table 10-1. Down-hole survey data is presented in Table 10-2.

The majority of the drillholes (49) targeted the two known and closely-spaced west-trending mineralized structures, the Main Vein and Contact Zone, over a strike length of 875m in the vicinity of the Deer Horn adit. Most of these holes were drilled on an azimuth of at or close to either 000 or 180 degrees, and were shallow, with lengths ranging from 26.5m to 150.6m. Three of the holes were abandoned because of drilling difficulties and did not contribute useful data. The intersections include modest to high gold-silver-tellurium grades over narrow widths, encountered principally in the Main Vein, and bulk mineable gold-silver grades, encountered principally in the Contact Zone. Better precious metal grades are accompanied by significant concentrations of copper, lead and zinc, and by highly anomalous amounts of tellurium. A summary of Main Vein and Contact Zone drill results are listed in Table 10-3. The remaining six holes were drilled in an area immediately west of the principal target to test the historic Harrison Scheelite tungsten occurrence that was trenched earlier in the program. A summary of selected tungsten target drill results is provided in Table 10-4. All 2011 drill results are provided in Appendix A.

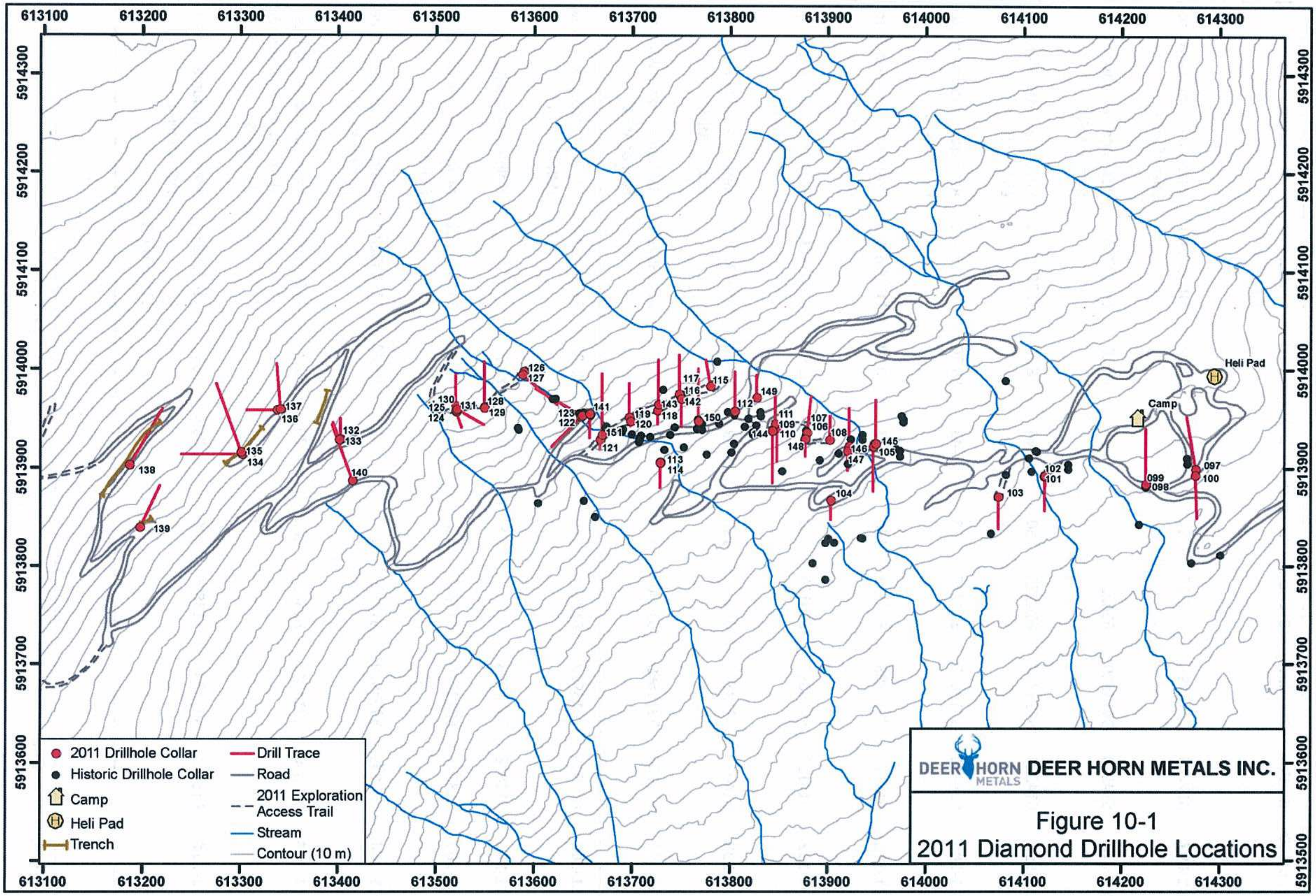

DEER HORN METALS INC.
Figure 10-1
2011 Diamond Drillhole Locations
2011 Drillhole Collar
Historic Drillhole Collar
Camp
Heli Pad
Trench
Drill Trace
Road
2011 Exploration Access Trail
Stream
Contour (10 m)
Heli Pad
Camp
613100
613200
613300
613400
613500
613600
613700
613800
613900
614000
614100
614200
614300
5913500
5913600
5913700
5913800
5913900
5914000
5914100
5914200
5914300

Table 10-1 Collar Locations for 2011 Diamond Drillholes

Drillhole ID	Easting	Northing	Section	Azimuth	Dip	EOH	Assay Certificate ID	Comments
DH11-097	614269	5913896	614275	350	-43.5	74.98	11003764.1	Resource extension to east of MRA
DH11-098	614224	5913880	614225		-90	63.10	11003764.1	Resource extension to east of MRA
DH11-099	614224	5913882	614225	360	-44	78.30	11003811.1	Resource extension to east of MRA
DH11-100	614269	5913895	614275	178	-43	59.70	11003876.1	Resource extension to east of MRA
DH11-101	614122	5913895	614125	180	-47	50.90	11003876.1	Resource extension to east of MRA
DH11-102	614122	5913896	614125	180	-79.5	53.95	11003876.1	Resource extension to east of MRA
DH11-103	614073	5913875	614075	180	-49.5	50.30	11003876.1	Resource extension to east of MRA
DH11-104	613900	5913869	613900	180	-70	57.00	11003928.1	Resource extension to east of MRA
DH11-105	613946	5913922	613950	180	-54.5	78.00	11003811.1	Main resource area (MRA*) fill-in
DH11-106	613876	5913936	-	1.5	-61	8.42		Hole abandoned
DH11-107	613876	5913936	613875	6.5	-62.5	81.38	11003629.1	Main resource area (MRA*) fill-in
DH11-108	613899	5913929	613900	1	-75	93.60	11003928.1	Main resource area (MRA*) fill-in
DH11-109	613850	5913941	613850	180	-70	32.3	11004109.1	Hole abandoned in Deer Horn adit workings @ 29.3 to 32.3 m
DH11-110	613850	5913941	613850	180	-78.5	166.7	11003928.1 & 11003986.1	Main resource area (MRA*) fill-in

Drillhole ID	Easting	Northing	Section	Azimuth	Dip	EOH	Assay Certificate ID	Comments
DH11-111	613848	5913945	613850	360	-75	111.86	11004364.1 & 11004109.1	Main resource area (MRA*) fill-in
DH11-112	613805	5913958	613800	360	-45	57.00	11003986.1	Main resource area (MRA*) fill-in
DH11-113	613725	5913907	613725		-90	26.52	11004109.1	Main resource area (MRA*) fill-in
DH11-114	613725	5913908	613725	180	-50	39.62	11004109.1	Main resource area (MRA*) fill-in
DH11-115	613777	5913984	613775	350	-60	53.94	11004109.1	Main resource area (MRA*) fill-in
DH11-116	613746	5913971	613750	360	-79	69.19	11003986.1 & 11004109.1	Main resource area (MRA*) fill-in
DH11-117	613746	5913971	613750	360	-53	66.14	11004316.1	Main resource area (MRA*) fill-in
DH11-118	613724	5913962	613725	180	-80	78.33	11004364.1	Main resource area (MRA*) fill-in
DH11-119	613694	5913954	613700	360	-55	60.04	11004316.1	Main resource area (MRA*) fill-in
DH11-120	613696	5913950	613700	180	-85	47.85	11004316.1	Main resource area (MRA*) fill-in
DH11-121	613668	5913926	613675	180	-77	38.71	11004109.1	Main resource area (MRA*) fill-in
DH11-122	613651	5913954	613650	225	-42.5	58.22	11004316.1	Main resource area (MRA*) fill-in
DH11-123	613647	5913951	613650	300	-50	84.30	11004316.1	Main resource area (MRA*) fill-in
DH11-124	613518	5913956	-	160	-50	26.50		Casing only - hole abandoned
DH11-125	613518	5913959	613525		-90	72.23	11004316.1	Resource extension to

Drillhole ID	Easting	Northing	Section	Azimuth	Dip	EOH	Assay Certificate ID	Comments
								west of MRA
DH11-126	613591	5913993	613600		-90	69.19	11004377.1	Resource extension to west of MRA
DH11-127	613588	5913994	613600	130	-72	150.6	11005292.1	Resource extension to west of MRA
DH11-128	613548	5913960	613550	360	-50	71.32	11005326.1	Resource extension to west of MRA
DH11-129	613547	5913961	613550		-90	59.4	11005348.1	Resource extension to west of MRA
DH11-130	613515	5913963	613525	360	-50	50.3	11004415.1	Resource extension to west of MRA
DH11-131	613518	5913959	613525	120	-70	92.4	11004377.1	Resource extension to west of MRA
DH11-132	613400	5913929	-	360	-50	32.6		Stuck rods at 32.6m
DH11-133	613400	5913929	613400	340	-75	72.2	11005352.1	Resource extension to west of MRA
DH11-134	613292	5913905	613300	270	-50	96.6	11005351.1	Tungsten hole
DH11-135	613292	5913905	613300	340	-45	104.9	11005370.1	Tungsten hole
DH11-136	613340	5913954	613325	270	-50	47.9	11005386.1	Tungsten hole
DH11-137	613340	5913954	613325	355	-50	72.24	11005373.1	Tungsten hole
DH11-138	613185	5913903	613200	30	-45	93.57	11005374.1	Tungsten hole
DH11-139	613196	5913840	613200	25	-45	66.14	11005385.1	Tungsten hole
DH11-140	613416	5913883	613400	340	-60	121.01	11005369.1	Resource extension to west of MRA
DH11-141	613650	5913951	613650	180	-60	47.85	11005325.1	Main Vein Te
DH11-142	613750	5913976	613750	180	-70	81.38	11005024.1	Main Vein Te
DH11-143	613725	5913968	613725	360	-44	63.09	11005349.1	Contact Zone Te

Drillhole ID	Easting	Northing	Section	Azimuth	Dip	EOH	Assay Certificate ID	Comments
DH11-144	613847	5913936	613850	180	-45	75.29	11005350.1	Main Vein Te
DH11-145	610000	5910000	613950	360	-45	63.09	11005021.1	Contact Zone Te
DH11-146	613920	5913924	613925	360	-50	59.44	11005021.1 & 11005371.1	Contact Zone Te
DH11-147	613919	5913919	613925	180	-75	75.29	11005384.1	Main Vein Te
DH11-148	613875	5913931	613875	180	-70	50.9	11005020.1	Main Vein Te
DH11-149	613825	5913972	613825	360	-65	53.95	11005022.1	Contact Zone Te
DH11-150	613767	5913941	613775	360	-45	75.29	11005023.1	Contact Zone Te
DH11-151	610000	5910000	613675	360	-45	87.48	11005347.1	Contact Zone Te
55 Drillholes					Grand Total:	3772.5 metres		

Table 10-2 2011 Down-Hole Surveys

Drillhole ID	Depth (m)	Azimuth	Dip	Casing	Drillhole ID	Depth (m)	Azimuth	Dip	Casing
DH11-97	70.1	354	-43	1.52					
DH11-98	61.6	51	-89.3	2.13	DH11-126	67.7	32.2	-88.3	4.57
DH11-99	63.6	364.4	-43	2.13	DH11-127	145.4	119.2	-69.6	3.04
DH11-100	55.2	173.6	-43.6	3.7	DH11-128	69.8	1.3	-50.6	1.52
DH11-101	46.3	178.2	-47	3.1	DH11-129	54.7	65.7	-87.4	8.4
DH11-102	49.4	183.8	-80.5	2.13	DH11-130	46.3	2.3	-49.9	9.14
DH11-103	46.8	179.5	-51.1	2.13	DH11-131	87.8	101.1	-67.7	18.29
DH11-104	52.4	179.7	-70	3.1	DH11-133	67.7	343.8	-74.5	1.52
DH11-105	73.5	176.5	-53	3.1	DH11-134	22.6	272.6	-49.6	9.14
DH11-107	79.9	4.1	-62.6	0	DH11-134	92.0	274.2	-48.2	9.14
DH11-108	89.0	6.6	-74.7	0	DH11-135	103.3	341.9	-44.6	1.52
DH11-110	73.8	185.6	-78.9	1.52	DH11-136	45.4	272.9	-50.7	9.14
DH11-110	162.2	187.2	-79.4	1.52	DH11-137	67.7	357.7	-49.5	24.38
DH11-111	107.3	351.5	-74	1.52	DH11-138	75.3	22.1	-46.5	9.14
DH11-112	55.6	359.9	-45.1	1.52	DH11-139	61.6	26.5	-43.3	12.19
DH11-113	25.0	266.3	-87.6	1.52	DH11-140	104.2	345.9	-57.2	1.52
DH11-114	34.1	182.8	-47.2	1.52	DH11-141	49.4	179.5	-61.2	3.04

Drillhole ID	Depth (m)	Azimuth	Dip	Casing	Drillhole ID	Depth (m)	Azimuth	Dip	Casing
DH11-115	52.4	359.5	-59.5	3.05	DH11-142	-	-	-	6.09
DH11-116	64.6	354.7	-78.6	1.52	DH11-143	61.6	359.7	-42	1.52
DH11-117	64.6	357.2	-52.5	1.52	DH11-144	73.8	177.3	-42.4	3.04
DH11-118	76.8	162.1	-81	3.05	DH11-145	49.7	14.2	-42.4	6.09
DH11-119	58.5	358.2	-54.7	1.52	DH11-146	43.3	358.3	-48.4	3.04
DH11-120	43.3	194.1	-84.5	1.52	DH11-147	70.7	187.5	-76.1	3.04
DH11-121	37.2	189.9	-77.1	1.52	DH11-148	49.4	182.6	-70.2	3.04
DH11-122	56.7	232.3	-48.7	1.52	DH11-149	49.4	356.1	-63.3	0
DH11-123	80.0	301.8	-41.7	1.52	DH11-150	73.8	358.2	-44.5	1.52
DH11-125	70.7	37.9	-84.3	10.67	DH11-151	86.0	359.1	-45.2	1.52

10.1 MAIN VEIN AND CONTACT ZONE DRILLING

Drillholes DH11-097 to 133 and 140-151 were drilled to explore and provide infill evaluation of the Main Vein and the Contact Zone as defined in 2009. While these two mineralized units are readily distinguishable in surface exposure, this is not the case in drill core and it is necessary to rely upon vein geometry to differentiate them.

Drillholes DH11-100 to 103 were collared east of the Deer Horn adit where there had been little historic drilling, and were oriented to the south with the intent of intersecting north-dipping Main Vein mineralization. These drillholes, and drillholes DH11-097 to 099, evaluated the easternmost part of the gold-silver-tellurium system. Boreholes DH11-126, 130 to 133, and 140 were completed to evaluate the western part of the gold-silver-tellurium system in areas not previously drilled.

Drillhole DH11-097 was designed to intersect Contact Zone mineralization, and encountered anomalous gold-silver grades over narrow zones throughout its length.

Drillhole DH11-098 was drilled vertically to intersect discrete Main Vein mineralization. It encountered a well-mineralized quartz vein over an approximate 4m interval.

Drillhole DH11-099 was drilled northward from the same site as DH11-098 and encountered two zones, each roughly 10m in thickness, averaging more than 300ppb gold.

Drillhole DH11-100 was collared at the same location as DH11-097 and was oriented to the south, to test the down-dip extension of high-grade mineralized quartz veins that were channel-sampled in 2009. One discrete vein was intersected over an interval of just under 1m.

Drillhole DH11-101 was completed to repeat historic borehole DDH-14 and also to provide tellurium grade data. Slightly over 4m of Main Vein mineralization was intersected. Drillhole DH11-102, collared at the same location as DH11-101, was drilled as a repeat of historic drillhole DDH-16 and also provided tellurium grade data. Three mineralized quartz veins, each less than 1m in apparent thickness, were intersected.

Table 10-3 Selected 2011 Main Vein and Contact Zone Diamond Drilling Results

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
DH11-097	14.00	14.30	0.30	6.30	70.0	295	
DH11-098	16.92	20.88	3.96	5.37	55.7	252	
including	16.92	19.00	2.08	8.40	84.0	342	
DH11-100	11.00	14.46	3.46	1.13	15.4	46	
DH11-101	38.10	40.40	2.30	1.80	18.4	43	
DH11-102	25.00	43.70	18.70	1.42	14.9	35	
including	28.70	34.90	6.20	2.57	24.2	67	
and	31.00	33.30	2.30	3.80	34.5	101	
DH11-103	33.05	36.45	3.40	2.99	34.4	96	
including	33.05	34.20	1.15	7.32	79.2	248	
DH11-104	7.60	10.60	3.00	3.95	107	133	
and	25.00	40.50	15.50	1.09	30.4	39	
including	32.90	35.70	2.80	3.30	71.2	115	
and	40.00	40.50	0.50	4.40	108	165	
DH11-105	8.00	9.50	1.50	4.30	109	109	
and	18.00	18.80	0.80	49.9	1042	1281	
and	26.60	28.00	1.40	4.30	94.0	95	
and	60.70	63.50	2.80	4.61	75.6	135	
DH11-107	10.60	46.00	35.40	4.12	94.4	115	
including	13.60	16.60	3.00	17.30	285.0	367	
and including	13.60	15.00	1.40	33.40	507.0	667	
and	44.90	46.00	1.10	25.50	749.0	781	
and	51.90	52.40	0.50	16.40	588.0	467	

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
DH11-108	28.90	56.60	27.20	3.68	53.3	59	
including	34.90	40.20	5.30	7.78	143	185	
and	44.90	47.60	2.70	17.19	156	96	
including	46.00	46.10	0.10	369.9	3353	>6000	
and	64.20	65.50	1.30	14.6	387	460	
DH11-109	27.50	29.60	2.10	25.67	621	692	
DH11-110	25.50	36.00	10.50	10.89	297	329	
including	28.70	33.10	4.40	24.70	672	745	
and	62.70	63.30	0.60	25.60	385	691	
and	71.80	73.60	1.80	12.60	510	472	
and	82.70	84.50	1.80	4.60	165	191	
and	93.50	95.30	1.80	2.90	103	97	
and	107.50	116.70	9.20	1.79	31.9	46	
including	111.40	115.20	3.80	3.29	55.8	84	
and	120.20	121.20	1.00	11.80	270	380	
DH11-111	6.10	8.80	2.70	10.34	312	362	
and	35.70	40.00	4.30	0.78	43.6	46	
and	43.80	48.60	4.80	1.04	31.4	36	
DH11-112	28.80	36.40	7.60	2.04	71.3	75	
including	29.80	33.00	3.20	2.82	105.3	98	
DH11-113	7.03	17.55	10.52	1.17	57.5	55	
including	9.60	14.15	4.55	1.89	94.0	95	
DH11-114	7.40	11.90	4.50	2.32	106	87	
and	18.90	21.30	2.40	1.91	119	127	

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
DH11-115	36.00	37.50	1.50	1.50	118	100	
DH11-116	29.10	36.20	7.10	5.65	182	169	
including	29.10	31.70	2.60	12.03	346	330	
and	46.90	47.90	1.00	8.43	260	208	
DH11-117	26.20	39.00	12.80	8.69	316.8	257	
including	29.20	32.00	2.80	30.16	1098	849	
and including	30.20	31.20	1.00	48.70	2002	1421	
and	49.70	52.80	3.10	-	18.8	-	0.23
DH11-118	28.00	30.00	2.00	3.05	92.0	119	
and	58.65	59.30	0.65	6.20	283.0	308	
DH11-119	27.50	29.60	2.10	1.20	44.4	68	
and	31.50	53.35	21.85	0.43	17.8	26	
including	51.50	53.35	1.85	1.46	52.9	53	
DH11-120	17.40	22.75	5.35	2.93	148	134	
including	18.20	19.77	1.57	8.20	424	350	
DH11-121	16.90	19.00	2.10	9.75	430	416	
DH11-122	30.50	33.20	2.70	5.84	171	190	
including	32.50	33.20	0.70	14.90	342	430	
DH11-123	19.50	24.50	5.00	1.03	38.6	53	
and	36.40	40.85	4.45	5.30	164	207	
and	50.80	51.15	0.35	7.10	304	267	
DH11-125	20.50	26.15	5.65	9.57	368	319	
including	21.90	24.60	2.70	18.63	712	604	
and including	23.00	24.00	1.00	39.60	1211	1070	

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
and	45.85	46.15	0.30	13.3	550	402	
DH11-126	5.55	8.70	3.15	1.90	122.9	119	
including	7.00	8.70	1.70	3.12	203.7	200	
DH11-127	42.65	66.50	23.85	2.34	130	102	
including	55.85	56.40	0.55	17.20	1282	836	
and including	59.50	63.00	3.50	4.94	316	236	
and including	64.85	65.25	0.40	24.80	937	885	
DH11-128	19.00	34.00	15.00	2.45	127.7	132	
including	20.42	24.50	4.08	5.95	300.0	290	
and including	20.42	22.50	2.08	10.90	508.4	465	
and	42.84	43.14	0.30	-	106.0	86	0.97
and	56.80	57.50	0.70	-	18.4	12	
DH11-129	12.60	20.55	7.95	5.93	272	253	
including	17.15	20.55	3.40	9.42	467	433	
and	36.90	49.05	12.15	1.36	102	106	
including	41.00	44.90	3.90	3.00	155	159	
DH11-130	9.60	11.28	1.68	2.40	114.0	94	0.77
and	15.00	21.00	6.00	0.46	31.0	32	
including	18.00	19.00	1.00	1.50	114.0	127	
and	23.80	25.34	1.54	3.00	136.0	113	
and	26.95	27.85	0.90	1.50	72.0	105	
DH11-131	17.37	18.56	1.19	0.84	189.0	119	
and	21.05	26.75	5.70	2.96	156.8	139	
including	23.27	25.27	2.00	7.46	330.2	307	

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
and	50.45	50.54	0.09	14.60	748.0	732	
and	72.00	75.00	3.00	0.82	35.0	39	
DH11-133	45.60	47.60	2.00	0.62	51.0	59	
and	49.55	50.60	1.05	2.00	142	151	0.02
DH11-140	50.00	71.00	21.00	1.57	113	89	
including	51.70	59.50	7.80	3.89	277	217	
including	53.70	55.25	1.55	11.79	769	503	
and	57.25	59.50	2.25	3.80	321	319	
and	77.55	77.75	0.20	-	-	-	0.11
DH11-141	36.10	37.33	1.23	13.80	422	381	
DH11-142	35.12	37.60	2.48	2.21	84.8	204	
and	42.20	45.40	3.20	2.45	88.6	109	
DH11-143	28.00	32.00	4.00	3.43	56.0	91	
including	30.50	32.00	1.50	7.70	101	158	
and	39.50	42.05	2.55	3.15	128	109	
including	40.50	41.00	0.50	14.80	588	494	
and	53.80	54.30	0.50	-	192	107	1.80
DH11-144	27.85	29.40	1.55	26.34	827	722	
and	61.20	64.75	3.55	2.14	78.2	78	
DH11-145	30.60	37.30	6.70	1.24	28.5	48	
including	32.50	33.30	0.80	6.50	117	169	
DH11-146	21.00	24.25	3.25	6.17	108	124	
and	41.60	43.00	1.40	4.32	106	98	
DH11-147	41.65	45.00	3.35	11.51	156	228	

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
including	42.80	43.45	0.65	51.8	655	1156	
and	62.85	67.85	5.00	2.13	26.0	57	
DH11-148	0.00	17.80	17.80	1.16	34.2	41	
and	34.56	35.20	0.64	88.7	1092	1707	
DH11-149	21.00	26.50	5.50	2.57	106	99	
including	21.00	22.00	1.00	7.80	330	303	
DH11-150	37.50	40.50	3.00	3.30	75.5	110	
and	50.50	52.00	1.50	1.50	65.0	56	
DH11-151	59.80	67.00	7.20	0.99	46.0	43	

*Note:*Intervals indicated refer to core lengths and do not imply true widths*

Drillhole DH11-103 was completed to extend the Main Vein that was intersected by drillhole DDH89-11 towards surface and to obtain tellurium data. An approximate 1.4 interval of the Main vein was intersected.

Drillhole DH11-104 was completed to evaluate the potential for mineralization in the footwall of the Main Vein. It encountered three narrow veins, with the latter two occurring within a 15.5m zone averaging 10.8g/t Au, 30.4g/t Ag and 39ppm Te.

Drillhole DH11-105 was completed to test the Contact Zone and Main Vein, and intersected four narrow gold-silver-tellurium zones.

Drillhole DH11-107 intersected Contact Zone mineralization over a 35.40m interval which contained several high-grade intercepts.

Drillhole DH11-108 was intended to infill-test the contact 25m east of DH11-107. Contact Zone mineralization was intersected over almost 30m including narrow intervals of high-grade gold-silver mineralization.

Drillholes DH11-109 and 110 were drilled from the same site. Drillhole 109 was abandoned when it intersected the Deer Horn adit after intersecting a 2m high-grade gold-silver-tellurium vein. DH11-110 was drilled to test the Main Vein, and intersected this target while also intersecting contact Zone mineralization.

Drillhole DH11-111 was collared very close by Holes 109 and 110, but was oriented to the north to test the Contact Zone. It intersected two mineralized zones.

Drillholes DH11-113 and 114 were collared at the same location, and both encountered narrow Main Vein Mineralized zones.

Drillhole DH11-115 encountered a discontinuously-mineralized Contact Zone rocks with one narrow zone of economic interest.

Drillhole DH11-116 also intersected the Contact Zone, and included a well-mineralized 7m interval that, over 2.6m, graded 12.03g/t Au, 346g/t Ag and 330ppm Te.

Drillhole DH11-117 was intended to intersect shallow Contact Cone mineralization and did so, encountering several polymetallic-mineralized quartz veins. About 10m below the Contact Zone, the drillhole intersected siliceous chlorite-epidote replacement zones including several narrow sections of coarsely-disseminated scheelite (tungsten)--the first indications of the tungsten mineralization encountered further to the west.

Drillhole DH11-118 was intended to intersect Main Vein mineralization and cut one weakly mineralized vein over an approximate 10m interval, and a narrow footwall vein.

Drillholes DH11-119 and 120 were drilled from adjacent pads, with DH11-119 intersecting Contact Zone mineralization, and 120 intersecting Main Vein mineralization. Similarly drillholes DH11-122 and 123 were drilled from near coincident pads and intersected mineralization from the Main Vein and Contact Zone respectively.

Drillhole DH11-121 intersected a well-mineralized section of the Main Vein.

Drillhole DH11-125 was drilled vertically to test the western extension of the Contact Zone, and intersected it from surface to a depth of about 60m, where it encountered footwall sedimentary rocks.

Drillhole DH11-126 was drilled vertically to test the Contact Zone near a high-grade surface chip sample location from 2009, and encountered footwall sedimentary rocks at a depth of 7.0m.

Drillhole DH11-127 was drilled southward along Contact Zone mineralization to encounter Main Vein mineralization and therefore does not give a true representation of Contact Zone thickness at this location. Several discrete well-mineralized veins were intersected towards the bottom of the mineralized section.

Drillhole DH11-128 was drilled northward across the westward extension of the Contact Zone and intersected a 15m zone of well-mineralized quartz-sericite rock and, in the footwall, two narrow silver-tellurium-tungsten veins.

Drillhole DH11-130 was drilled northward from a multi-hole pad, so as to intersect Contact Zone alteration and associated mineralization exposed at the surface. From the same pad, drillhole DH-131 was drilled at an azimuth of 120° to intersect Main Vein mineralization.

Drillhole DH11-133 intersected several narrow zones of modest-grade gold-silver mineralization attributed to the upper part of the Contact Zone.

Drillhole DH11-140 intersected a section of the Contact Zone about 50m down-dip from the mineralized zones intersected by drillhole DH11-133, and with higher gold, silver and tellurium grades. These two holes, and especially drillhole DH11-140, demonstrate the westward extension of the precious metals-tellurium system outlined by the 2009 drilling program, and identify important tungsten mineralization in altered sedimentary rocks in the footwall of the Contact Zone.

In the same area, drillhole DH11-141 intersected one discrete well-mineralized vein over about 1m.

Drillhole DH11-142 intersected three quartz-polymetallic sulphide veins.

Drillhole DH11-143 intersected over 19m of contact Zone alteration and mineralization, and several bands of disseminated scheelite within epidote-altered footwall rocks.

Drillhole DH11-144 intersected a well-mineralized section of the Main Vein, a zone of footwall vein, and stringer mineralization within quartz-sericite alteration.

Drillhole DH11-145 encountered a modestly-mineralized section of Contact Zone in contact with silicified footwall clastic rocks that in turn host precious-metal-containing narrow quartz-polymetallic sulphide veins.

Drillholes DH11-146 and 147 were collared close by one another and were drilled to the north and south respectively. Drillhole 146 intersected a 3.25m interval of a quartz vein and silicified wall rock and the contact between altered granodiorite and footwall clastic rocks. Drillhole 147 intersected a narrow, very well-mineralized quartz-polymetallic vein near the granodiorite-footwall clastic rock contact.

Drillhole DH11-148 intersected a low grade zone to a depth of about 18m, and a deeper, high-grade quartz-polymetallic sulphide vein about 1.6m in thickness.

Drillholes DH 149, 150 and 151 were all advanced to test the Contact Zone, and all intersected the zone over varying widths, returning anomalous to modest gold-silver-tellurium grades.

10.2 HARRISON SCHEELITE OCCURRENCE DRILLING

The Harrison Scheelite tungsten occurrence was explored by drillholes DH11-134 to DH11-139 inclusive, and selected assay results are summarized in Table 10-4. Drill pad locations were constrained to two exploration trails built decades previously on the steep southeast-facing slope, so were less than ideal for evaluating mineralization exposed in trenches completed during this program. These holes represent the recorded drilling of the tungsten zone.

Drilling and surface exploration determined that tungsten mineralization (WO_3) occurs in three settings: (1) in chlorite, epidote and/or silica-altered sedimentary rocks structurally beneath the thrust fault that forms the footwall of the contact zone, (2) in crosscutting quartz veins and stockwork zones along with elevated levels of lead, sliver and bismuth, and (3) in discrete quartz veins with high concentrations of silver and tellurium. Typically WO_3 occurs in the absence of gold, silver and tellurium.

Table 10-4 Selected 2011 Harrison Scheelite Occurrence Drilling Results

Drillhole ID	From (m)	To (m)	Interval* (m)	Au (g/t)	Ag (g/t)	Te (ppm)	WO_3 (%)
DH11-134	40.75	41.00	0.25	3.10	276	157	-
and	52.40	52.60	0.20	-	-	-	0.20
DH11-135	47.00	54.00	7.00	-	-	-	0.03
including	50.00	53.00	3.00	-	-	-	0.05
and	102.84	103.10	0.26	-	-	-	0.84
DH11-136	44.00	46.00	2.00	-	-	-	0.05
and	48.30	49.80	1.50	-	57	14	-
DH11-137	44.40	45.00	0.60	-	-	-	0.20
and	47.55	47.90	0.35	-	-	-	0.90
DH11-138	10.00	14.00	4.00	-	-	-	0.06
and	16.00	17.37	1.37	-	-	-	0.12
DH11-139	56.45	58.75	2.30	-	-	-	0.06

*Note:*Intervals indicated refer to core lengths and do not imply true widths.*

Drillholes DH11-134 and 135 were intended to evaluate the Trench 1 area. Drillhole 134 encountered a narrow interval of scheelite mineralization and a narrow gold-silver-tellurium hanging wall vein. Drillhole 135 intersected anomalous tungsten concentrations over 11m, including a 3m interval averaging 0.05% WO_3.

Drillholes DH11-136 and 137 were also collared at the same location. Drillhole 136 intersected anomalous tungsten values over 8m, with a 3m interval averaging 0.05% WO_3, while drillhole 137 intersected two narrow intervals of scheelite mineralization.

Drillhole DH11-138 encountered two shallow-depth close-spaced intervals, including a 1.37 intersection of 0.12% WO_3.

Drillhole DH11-139 did not intersect the well-mineralized scheelite zone in Trench 2, indicating that the zone may dip gently to moderately to the north or northwest.

11 SAMPLE COLLECTION, PREPARATION, ANALYSES AND SECURITY

11.1 SURFACE CHANNEL AND CHIP SAMPLE COLLECTION

In 2011, channel, chip and grab samples were collected by field staff working under the direction of the principal author or by the principal author himself. In the Deer Horn adit area, sample locations were selected based on the presence of well-exposed vein material, and/or stockwork mineralization.

Channel samples 5cm wide were cut with a gas-powered circular diamond saw to a depth of 4-5cm and sample material was removed with a chisel and crack hammer. Where possible the channels were cut perpendicular to the interpreted strike of the vein or zone, starting at the footwall and proceeding in a continuous manner across the vein or zone to its contact with the hangingwall or until limited by a lack of rock exposure.

Chip samples were collected across the trend of the vein or zone sampled. Selected grab samples were collected from mineralized outcrop, sub-outcrop or float.

The four excavated trenches were systematically chip sampled from beginning to end. The chip samples were collected from a continuous channel using rock chisels and crack hammers. Individual samples were typically 2m in length.

Each sample collected for analysis was described and its location was recorded using hand-held GPS units with an accuracy of 4m to 8m. The sample was then placed in a polyethylene bag, given a unique sequential sample number and tag, and sealed with a zap strap. Photographs of each sample location site were also taken. Because of the low number of rock samples collected in 2011 blanks, duplicates and standards were not inserted into the sample stream, but standard laboratory repeat analysis served to provide quality control.

11.2 DIAMOND DRILL CORE LOGGING AND SAMPLE COLLECTION

Drill core was logged for geological and geotechnical properties at the project's core logging facility. Each section of core to be sampled was clearly identified, marked with a centre-line and halved using a water-cooled diamond saw. Half of the core from each sample interval was then placed in a polyethylene bag, given a unique sequential sample number and tag, and sealed with a zap strap. A corresponding tag was stapled to the core box for each sample interval. A total of 1855 core samples (excluding duplicates) were collected, labeled, cut and bagged.

Two-hundred-and-twenty-five (225) quality control samples (26 blanks, 115 standards and 84 duplicates) were inserted into the sample stream at regular intervals following a prescribed sequence. All of the samples were recorded on shipment forms as they were readied for shipment.

11.3 GEOCHEMICAL ANALYSIS AND ASSAYING

Each core or rock sample was individually crushed and pulverized (following Acme's R200-250 procedure), and the resulting sample pulp was analyzed. Samples were jaw crushed until 80% passed through a 10 mesh screen. From this material a 250g riffle split sample was collected and then pulverized in a mild-steel ring-and-puck mill until 85% passed through a 200 mesh screen. Each resulting sample was analyzed by one or more of the methods described below. The remaining coarse reject portion of each original sample was collected and remains in storage.

All rock and drill core samples were evaluated for 34 elements, including gold, silver and tellurium, by leaching a 15g sample split in hot (95 °C) aqua regia followed by ICP-MS analysis (method 1DX2). Samples returning more than 1000ppb Au and/or more than 50ppm Ag were re-analyzed utilizing standard Fire Assay methods with a gavimetric finish (method G6Gr) on a 30g sample. Samples returning more than 1000ppm Te were not re-analyzed, however the actual value was provided by the lab for reference only; therefore values beyond 1000ppm are regarded to be qualitative. Samples returning more than 100ppm W were re-analyzed by phosphoric acid leach followed by ICP-ES analysis (method 7KP).

Certified reference blanks, gold and silver standards, tungsten standards and field duplicates were systematically inserted into the sample stream as part of quality control/quality assurance program (see Item 12.3). No certified tellurium standards were used. Assay certificates from the 2011 exploration program can be made available upon request to DHM, and are provided in an assessment report filed with the MEM. For a listing of assay certificates for the 1989, 1990 and 2009 exploration campaigns, the reader is referred to exploration assessment reports that are available online at the MEM at: www.em.gov.bc.ca/cf/aris/search/search.cfm

11.4 SECURITY

All 2011 rock and core samples were packed into sealed and tamper-proof 5-gallon pails and shipped in batches via a commercial carrier, or were delivered directly by staff working under the direction of the principal author, to Acme Analytical Labs in Vancouver, BC.

Drill core from the 2009 and 2011 drill programs is stored on the property at the camp location in cross-stacked fashion. Because the property is remote and not accessible by road, there is little risk to the security of the core.

12 DATA VERIFICATION

12.1 HISTORICAL DATA

Data from the historical exploration programs completed on the Deer Horn property was supplied by Guardsmen Resources Inc and/or collected by the author on behalf of DHM, and was in the form of hard copy reports, Excel spreadsheets and corresponding laboratory certificates. A review of laboratory certificates from the 2000 to 2007 exploration program indicates that the results reported are consistent with the results presented in reports for those years of work. Laboratory certificates from earlier programs were not available and have not been verified. The historical fieldwork was managed and/or performed by industry professionals and is regarded by the author to be valid. No further verification of the historical data has been completed.

12.2 2009 DATA

Data from the 2009 surface sampling and diamond drilling program, including all laboratory certificates, was reviewed and verified (Lane and Giroux, 2010). The data was subsequently used, with the historical data, to construct a geologic model and calculate an initial NI43-101 resource estimate for the deposit (Lane and Giroux, 2010).

12.3 2011 DATA

Data from the 2011 surface sampling and diamond drilling program consisted of results for 1855 core samples, 94 channel chip samples from trenches, and 84 channel cuts, chip samples and grab samples from outcrops. All of the assay certificates for these samples were reviewed and verified by the senior author.

Control samples, consisting of one or more of either a blank, one of five different 'reference' standards, or a duplicate sample were inserted into each shipment of drill core that was sent to the lab. A total of 26 blanks, 115 standards and 84 duplicate samples were inserted into the sample stream at regular intervals following a prescribed sequence.

Control samples did not get submitted with the surface samples; however, the lab conducted and reported on its own internal repeats of surface samples as well as of the drill core.

12.3.1 GEOCHEMICAL STANDARDS, BLANKS AND DUPLICATE SAMPLES

The geochemical standards and blanks used in the 2011 quality control program were supplied by CDN Resources Laboratories Ltd. of Delta, BC. The accepted analytical values for the six different standards and blanks used are listed below with a +/- error which is equal to two interlab standard deviations.

Low-Grade Gold-Silver Standard (CDN-HC-2): 1.67 +/- 0.12g/t Au & 15.3 +/- 1.4g/t Ag

Low-Grade Gold, Medium-Grade Silver Standard (CDN-ME-4): 2.61 +/- 0.30g/t Au & 402 +/- 25g/t Ag

Medium-Grade Gold Standard (CDN-GS-5G): 4.77 +/- 0.40g/t Au & 101.8 +/- 7.0g/t Ag

High-Grade Gold Standard (CDN-GS-15B): 15.98 +/- 0.71g/t Au

Tungsten Standard (CDN-W-5): 0.391 +/- 0.040%

Blank (CDN-BL-9): <0.01g/t Au

Results of 26 analyses for the standard CDN-HC-2 produced an arithmetic mean grade of 1.82g/t Au and 16.1g/t Ag. Note that sample 1360582 assayed 16.1g/t Au, a result that is consistent with standard CDN-GS-15B, and therefore was not included in the determination of the arithmetic mean for the analysis of standard CDN-HC-2; the sample may have been mislabeled on the sample submittal forms. Only 65% of the results (17/26) for gold and for silver fall within two interlab standard deviations of the accepted value.

Results of 26 analyses for the standard CDN-ME-4 produced an arithmetic mean grade of 2.53g/t Au and 396g/t Ag. Note that sample 1360600 assayed 1.7g/t Au and <50g/t Ag, a result that is consistent with standard CDN HC-2, and was not included in the determination of the arithmetic mean for the analysis of standard CDN-ME-4; the sample may have been mislabeled on the sample submittal forms. Almost all of the results (22/26 or 85%) for gold fall within two interlab standard deviations of the accepted value and all but one of the results (25/26 or 96%) for silver fall within two interlab standard deviations of the accepted value.

Results of eight analyses of the standard CDN-GS-5G produced an arithmetic mean grade of 4.81g/t Au and 99.7g/t Ag. All (100%) of the results for gold fall within two interlab standard deviations of the accepted value and six out of eight results (or 75%) for silver fall within two interlab standard deviations of the accepted value.

Results of 46 assays of the standard CDN-GS-15B produced an arithmetic mean grade of 15.93g/t Au, close to the recommended value of 15.98g/t Au. Most of the assay results (42/46 or 91%) for gold fall within two interlab standard deviations of the recommended value.

Results of four analyses of the standard CDN-W-5 fell within the range of two interlab standard deviations.

A total of 26 blanks (CDN-BL-9) were analyzed. All but one of the blanks produced acceptable values of below <0.01g/t Au (or <10ppb). The single high value of 17.9ppb Au (sample 1360722) and followed a core sample from DH11-113 that assayed 34.5g/t Au (sample 1360721). It is possible that contamination from the earlier high-grade sample in the run affected the result for that particular blank.

The analytical data for gold, silver and tungsten standards and for blanks shows acceptable analytical quality and absence of bias.

Rigorous quality control and quality assurance procedures were not applied specifically for tellurium. The lack of a certified tellurium standard required that duplicate analyses (discussed below) and laboratory repeat analyses (from different labs in 2009 and 2011) be depended upon. A review of laboratory repeat analyses showed there to be generally good reproducibility. The duplicate samples for the 2011 drill program were not true duplicates because the initial sample collected was of half-core, while the 'duplicate' sample collected was of quarter-core (half of the remaining core after the initial half-core sample was taken). However, when the two populations of analytical results (gold, silver and tellurium by ICP-MS) were compared there is still a reasonable level of reproducibility. Only 7 of 87 results for the 'duplicate' samples are regarded to be significantly higher or lower than that of the initial samples. The poor reproducibility for these 'duplicate' samples versus their corresponding initial samples is at least in part due to the fact that the initial sample was of half-core and the 'duplicate' sample was of quarter-core. Perhaps the reason for the high level of acceptable reproducibility is that many of the duplicate samples were from parts of deposit that are weakly to non-mineralized (containing very low concentrations of gold and silver) and therefore are unaffected by poor sampling techniques.

A revised protocol for the selection and preparation of duplicate samples is required in order to provide quality control data that provides more adequate information with respect to field and laboratory operating procedures. In addition, it is recommended that two or more certified tellurium reference standards be developed in order to provide an increased level of quality control and quality assurance for data generated by future exploration programs.

The author is of the opinion that the quality control and quality assurance protocols and results are adequate for mineral resource estimation.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

Preliminary metallurgical test work was carried out in 1989 on two 50 kg samples collected from the Deer Horn adit. This work was conducted by Coastech Research Inc. of North Vancouver, BC. One sample was collected from a segment of the Main vein and assayed 5.87g/t Au and 155.67g/t Ag. The other sample was collected from the Contact zone and assayed 3.86g/t Au and 211.22g/t Ag. Both samples contained small quantities of copper, lead, zinc, and tellurium, and the grades are representative of the range of mill feed grades in the PEA mine plan.

The metallurgical significance of elevated tellurium content is not known, but it appears that tellurium will not adversely affect the recovery of gold or silver (Hawthorn, 2009). Typically, nothing is done specifically to recover tellurium; rather the metal is recovered secondarily to the recovery of base and precious metals. Gold telluride minerals are described as being inherently floatable and therefore behave similarly to many sulphide minerals in flotation circuits (Zhang et al., 2010).

Rougher flotation tests determined that gold and silver recovery of greater than 90% could be achieved into a copper-lead concentrate after fine grinding to approximately 85% passing 74µm. The testwork also attempted unsuccessfully to produce a separated Zn concentrate. The total recovery of base metals reached values above 90% to the final concentrate that weighed approximately 5% of the initial mass of ore fed to flotation.

Three gravity tests yielded a maximum of 6.4% gold recovery into a pan concentrate.

Based on preliminary metallurgical results and the core inspections it is MMTS's opinion that the Deer Horn deposit can be processed using conventional flotation to produce a gold-silver-tellurium polymetallic concentrate. Process recoveries for the PEA are assumed to be 90% for Au, Ag and Te.

14 MINERAL RESOURCE ESTIMATES

Giroux Consultants was contracted by DHM to complete a NI43-101 resource estimate update for the Au-Ag-Te system on the Deer Horn property. Issued in April 2012, this updates a previous resource estimate completed in 2010 (Lane and Giroux, 2010). The resources were estimated by Gary Giroux, P.Eng., MASc. who is a qualified person and independent of the both the issuer and the title holder, based on the tests outlined in NI43-101. Mr. Giroux has not visited the property.

14.1 DATA ANALYSIS

At the request of the principal author, Giroux Consultants Ltd. was contracted to produce a resource update for gold, silver and tellurium on the Deer Horn vein deposit. The supplied data base consisted of 196 diamond drillholes completed from 1944 to 2011 and 42 surface samples. A list of drillholes and surface samples is attached as Appendix B. This represents an additional 55 diamond drill holes and 9 channel samples completed during 2011.

With the drill results coming from three different drilling time periods it was first necessary to compare the results to validate the data base. The gold assays from vein material during each time period were plotted on a lognormal cumulative frequency plot to determine if any bias existed between the four drill campaigns. The results are shown below in Figure 14-1.

Table 14-1 Listing of Drillholes and Surface Samples

YEAR	HOLES	TYPE	NUMBER OF HOLES	TOTAL METREAGE
1944-46	XR Series by Pioneer Gold Mines	X-Ray	16	448m
1951-55	DDH-1 to 8, 9 to 10, 13 to 21, 23, 25, 27, 29 to 37 Deer Horn Mines Limited	DDH	30	2,497m
1989	89-1 to 31 Golden Knight Resources Inc	DDH	31	2,253m
1990	90-32 to 60 Golden Knight Resources Inc	DDH	29	2,256m
2009	TR09-001 to 10, 12 to 18, 30, 35 to 44, 46 to 50	Surface trenches	33	39m
2009	DH09-61 to 70, 72 to 96	DDH	35	1,706m
2011	DH11-097 to 151	DDH	55	3,775m
2011	Trenches 1361333-36 and 1361401-405	Surface trenches	9	10m

The grade distribution curve for the 1944-45 and 1951-55 drilling (shown in blue) is indistinguishable from the grade distribution curve for the 2009 drilling (shown in red) where good QA/QC practices were used. This indicates the absence of any bias in the historic drillholes. The results from the 1989-90 drilling are virtually identical to the results from 2011 in grades above 0.7g/t.

There is no indication of any sampling bias and no reason not to use all available data in the resource estimation.

The drill results were assayed for a number of variables in the various drill campaigns most of which are not estimated in the resource due to lack of economic value and the incompleteness of the data base. A tabulation of statistics for these other variables is included below.

These results can also be shown in a Pearson Correlation Matrix which shows the correlation between various variables in the total drilled off area.

Figure 14-1 Cumulative frequency plot for gold in Vein Material sorted by drill campaign

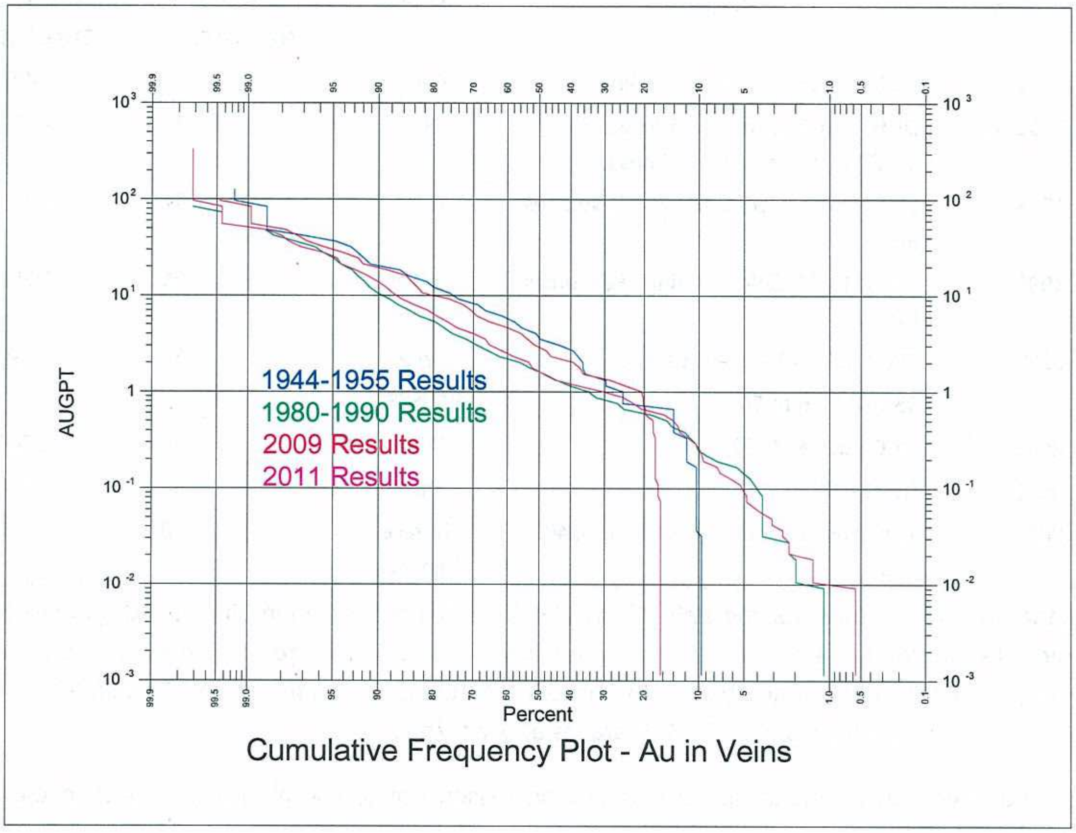


Table 14-2 Summary Statistics for all variables in all samples

	Au (g/t)	Ag (g/t)	Te (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Mo (ppm)	W (ppm)
Number	4,958	4,958	2,519	2,153	2,145	2,145	884	605
Mean	1.48	45.57	44.1	680.5	178.3	1645.7	26.2	34.3
S. D.	7.86	186.1	142.6	2220.1	802.8	4377.2	101.9	215.2
Minimum	0.001	0.01	0.1	0.5	0.5	8.0	1.0	1.0
Maximum	369.80	3353.0	2471.0	53212	14400	60000	2400	3500
Coef. of Variation	5.33	4.00	3.23	3.26	4.50	2.66	3.89	6.28

Note: Te assays are only available from 2009 and later drill results. Te analysis was not completed for holes drilled prior to 2009. For 2009 drill results 656 out of 768 samples were tested for Te. Of the 112 samples not assayed for Te only 2 were within the vein material. In the 2011 drill program all samples from vein material were analyzed for Te. All trench samples from 2011 were analyzed for Te. Of the total 2,519 Te assays collected the distribution was evenly spaced throughout the mineralized zones and allowed for Te to be estimated even though there were about half the number of samples as assayed for gold and silver. Samples from older drilling where Te was not analyzed were left blank and not used for Te estimation.

Table 14-3 Pearson Correlation Matrix for all variables in all assays

	Au	Ag	Te	Cu	Pb	Zn	Mo	W
Au	1.0000							
Ag	0.8787	1.0000						
Te	0.8165	0.6426	1.0000					
Cu	0.4035	0.3595	0.6808	1.0000				
Pb	0.2727	0.3041	0.5394	0.3630	1.0000			
Zn	0.4009	0.3584	0.6038	0.5978	0.5094	1.0000		
Mo	0.1787	0.2228		0.1811	0.1606	0.1119	1.0000	
W	0.0948	0.1203		0.0823	0.0257	0.1286		1.0000

Number of pairs used in Pearson Correlation

	Au	Ag	Te	Cu	Pb	Zn	Mo
Au							
Ag	4958						
Te	2519	2519					
Cu	2153	2153	656				
Pb	2145	2145	656	2145			
Zn	2145	2145	656	2140	2140		
Mo	884	884	0	884	884	879	
W	605	605	0	605	605	605	0

A similar Correlation Matrix is shown below for only assays within the mineralized veins.

Table 14-4 Pearson Correlation Matrix for all variables in Veins

	Au	Ag	Te	Cu	Pb	Zn	Mo	W
Au	1.0000							
Ag	0.8211	1.0000						
Te	0.8656	0.7243	1.0000					
Cu	0.4607	0.4193	0.6548	1.0000				
Pb	0.3376	0.3666	0.5111	0.3590	1.0000			
Zn	0.4595	0.4973	0.5309	0.5712	0.5132	1.0000		
Mo	0.3058	0.2756		0.1797	0.2753	0.1285	1.0000	
W	0.0695	-0.0074		-0.0928	-0.0454	-0.0130		1.0000

Number of pairs used in Pearson Correlation

	Au	Ag	Te	Cu	Pb	Zn	Mo
Au							
Ag	1031						
Te	514	514					
Cu	516	516	160				
Pb	510	510	160	510			
Zn	510	510	160	510	510		
Mo	216	216	0	216	216	216	
W	134	134	0	134	134	134	0

The results show good correlations between Au-Ag, Au-Te, Ag-Te and reasonable correlation between Au-Cu, Te-Cu, Zn-Cu and Pb-Te.

Three dimensional solids were produced from cross sections and geologic interpretation outlining a Footwall vein, Main vein and Contact Shear Zone. The Hanging Wall vein interpreted for the previous NI43-101 Report (Lane and Giroux, 2010) was included within the Contact Zone for this estimation. Drillholes were "passed through" these solids with the point each hole entered and left the solids recorded. The drillholes and trenches that intersected the mineralized solids are highlighted in Appendix B. Assays were then back tagged with a vein code. Assay intervals not sampled within the vein solids were assigned a value of 0.001g/t Au and 0.01g/t Ag. Assays, reported as 0.000g/t Au, were set to 0.001g/t Au. Silver assays reported as 0.00 were set to 0.01g/t. The assay statistics for each zone are tabulated below.

Figure 14-2 Isometric view looking N showing drillhole traces and Main Vein solids in red, FW solids in dark green and Contact Zone in blue.

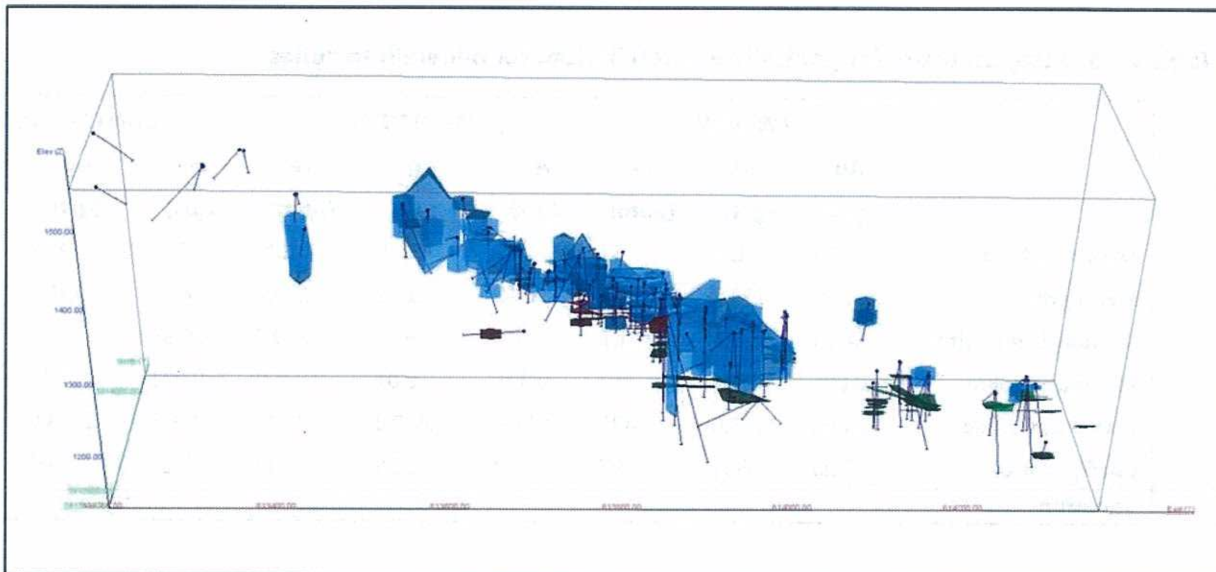


Figure 14-3 Isometric view looking S showing drillhole traces and Main Vein solids in red, FW solids in dark green and Contact Zone in blue.

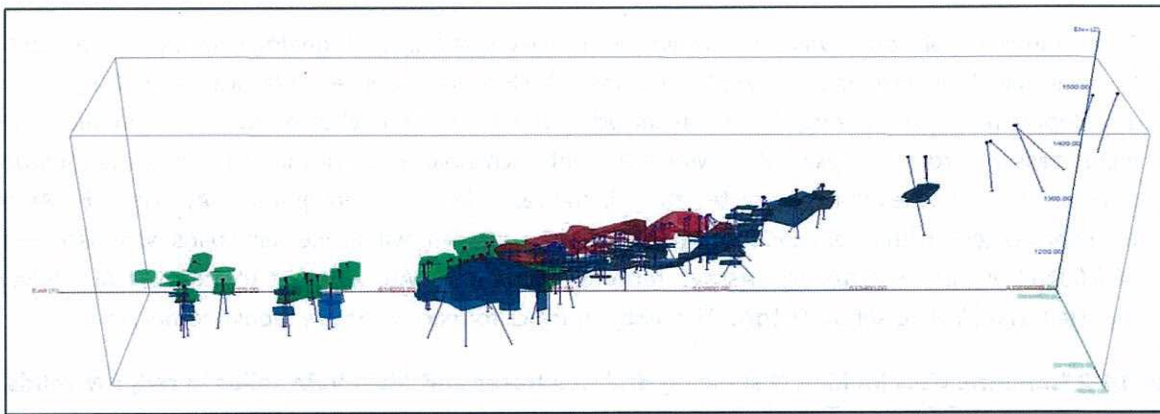


Table 14-5 Assay statistics for gold, silver and tellurium for mineralized zones.

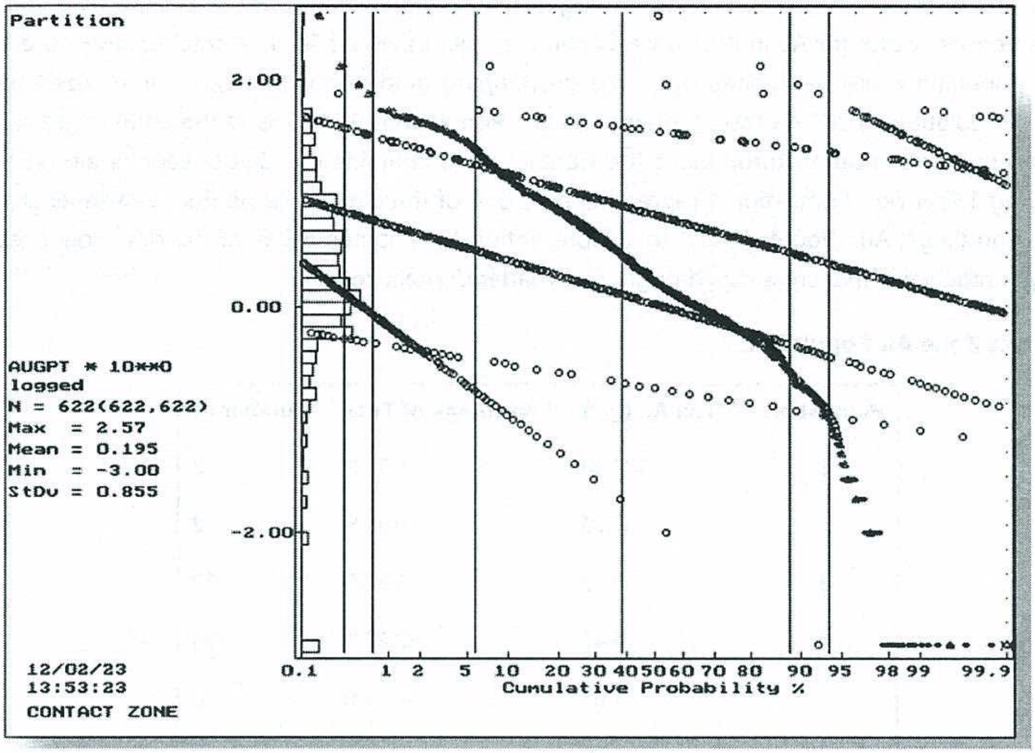
	FW VEIN			MAIN VEIN			CONTACT ZONE		
	Au (g/t)	Ag (g/t)	Te (ppm)	Au (g/t)	Ag (g/t)	Te (ppm)	Au (g/t)	Ag (g/t)	Te (ppm)
Number of Assays	194	194	87	215	215	129	622	622	298
Mean grade	6.69	129.8	179.0	6.46	217.2	188.7	6.09	197.2	170.6
Standard Deviation	14.93	299.1	351.7	9.01	292.2	249.6	18.35	392.5	239.6
Minimum Value	0.001	0.01	0.2	0.001	0.01	1.0	0.001	0.01	0.3
Maximum Value	101.00	1963.9	2471	51.00	1632.0	1188	369.8	3353.0	1421
Coefficient of Variation	2.23	2.31	1.97	1.39	1.35	1.32	3.01	1.99	1.40

The individual gold, silver and tellurium assays were evaluated for each domain. All elements showed skewed distributions and were converted to lognormal cumulative frequency plots. The lognormal cumulative frequency plot for Au in the Contact zone is shown as Figure 14-4. A total of seven overlapping lognormal populations are partitioned out. The overlapping gold populations are summarized below in Table 14.6. Populations 6 & 7 represent internal waste. Populations 5 (49.6 % of the data) might represent the background mineralization throughout the Contact zone contained in quartz-sericite alteration zone and averaging 1.0g/t Au. Population 4 representing 32.8 % of the data could be quartz-stringer stockwork zone averaging 6.4g/t Au. Populations 3 to 1 representing a combined 5.8 % of the data could represent narrow high grade veins that cross cut through the broader Contact zone.

Table 14-6 Contact Zone Au Populations

Population	Mean Au (g/t)	Percentage of Total	Number of
1	378.50	0.33 %	2
2	95.70	0.35 %	2
3	35.72	5.11 %	32
4	6.47	32.81 %	204
5	1.05	49.63 %	309
6	0.19	5.49 %	34
7	0.01	6.28 %	39

Figure 14-4 Lognormal cumulative frequency plot for Au in Contact Zone



The Contact, Main and FW veins were evaluated using lognormal cumulative frequency plots and capping levels for Au, Ag, and Te were established for each vein as shown below.

Table 14-7 Capping levels by Vein Zone

Zone	Variable	Cap Strategy	Cap Level	Number Capped
CONTACT	Au	2SDAMP3	62.0g/t	4
	Ag	2SDBMP2	1200g/t	18
	Te	2SDAMP2	1000ppm	3
MAIN	Au	2SDAMP2	41.0g/t	1
	Ag	2SDBMP2	1060g/t	3
	Te	2SDAMP2	1000ppm	1
HW	Au	2SDAMP2	64g/t	4
	Ag	2SDAMP2	1440g/t	3
	Te	2SDAMP2	1000ppm	3
Waste	Au	2SDAMP2	5.0g/t	36
	Ag	2SDAMP2	250.0g/t	26
	Te	2SDAMP2	200ppm	16

The results of capping are shown below with the mean reduced slightly and the coefficient of variation reduced to reasonable levels.

14.2 COMPOSITES

The drillholes were "passed through" the various mineralized 3 dimensional solids, with the point each hole entered and left each solid recorded. Uniform down hole composites 1m in length were produced that honoured the solid outlines. Small intervals at the solid boundaries were combined with adjoining samples if less than 0.5m. In this manner a uniform support of 1 ± 0.5m was produced for each mineralized zone. The statistics for each zone are tabulated below.

Table 14-8 Capped Assay statistics for gold, silver and tellurium

	FW VEIN			MAIN VEIN			CONTACT ZONE		
	Au (g/t)	Ag (g/t)	Te (ppm)	Au (g/t)	Ag (g/t)	Te (ppm)	Au (g/t)	Ag (g/t)	Te (ppm)
Number of Assays	194	194	87	215	215	129	622	622	298
Mean grade	6.10	124.3	157.0	6.41	210.0	187.3	5.40	173.5	169.0
Standard Deviation	11.73	270.0	245.8	8.80	263.6	244.2	9.82	273.1	232.5
Minimum Value	0.001	0.01	0.2	0.001	0.01	1.0	0.001	0.01	0.3
Maximum Value	64.00	1440.0	1000.0	41.0	1060.0	1000.0	62.0	1200.0	1000.0
Coefficient of Variation	1.92	2.17	1.57	1.37	1.26	1.30	1.82	1.57	1.38

Table 14-9 Statistics for 1m Composites

	FW VEIN			MAIN VEIN			CONTACT ZONE		
	Au (g/t)	Ag (g/t)	Te (ppm)	Au (g/t)	Ag (g/t)	Te (ppm)	Au (g/t)	Ag (g/t)	Te (ppm)
Number	222	222	100	252	252	139	686	686	323
Mean grade	4.92	100.67	118.4	5.95	187.3	176.2	4.35	138.52	132.0
Standard Deviation	10.49	248.60	200.9	7.85	232.7	224.0	7.49	214.72	176.1
Minimum Value	0.001	0.01	0.16	0.001	0.01	1.00	0.001	0.01	0.8
Maximum Value	64.00	1440.0	1000	41.00	1060.0	1000	62.0	1200.0	1000
Coef. of Variation	2.13	2.47	1.70	1.32	1.24	1.27	1.72	1.55	1.33

For the Contact Zone the composites include a high grade vein system that cross cuts the lower grade stockwork and background mineralized zone. If left alone, however, these higher grade veins would be smoothed into lower grade rock and would undoubtedly overestimate the average grade of the Contact Zone. As a result for the Contact Zone, an indicator approach is used for the resource estimation.

A lognormal cumulative frequency plot was produced for gold in Contact Zone composites. A total of six overlapping lognormal populations were identified. The top two with mean grades of 49.70g/t Au and 27.42g/t Au represented a combined 5.54% of the data and probably represent the high grade structures. The third and fourth populations with mean grades of 3.67g/t Au and 1.11g/t Au respectively probably represent the stockwork mineralization. The lower two populations have a mean grade of 0.5g/t Au representing background and 0.02g/t representing internal waste.

A threshold of 17g/t Au would separate the upper two populations from the main mineralizing events. An Indicator integer for composites, within the Contact Zone, that were greater than the threshold 17g/t Au was set to 1 while in all other composites the Indicator was set to 0.

IND = 1 for Au $\geq$ 17.0g/t

IND = 0 for Au $<$ 17.0g/t

Composites with grades less than 17.0g/t were modeled using semivariograms. The indicators (0's or 1's) were modeled separately to determine the continuity of the high grade veins. Due to the high correlation between Au-Ag and Au-Te the high grade indicator was used for all three variables.

14.3 VARIOGRAPHY

The grade continuity within each of the mineralized zones with sufficient data to model was quantified using pairwise relative semivariograms. The strike and dip of the various veins were measured and used to control the semivariogram orientations. Nested spherical models were fit to Au, Ag, and Te in the FW vein, Main Vein and low grade Contact Zone. For the Contact Zone a high grade indicator was also modeled. Finally all composites outside of the mineralized solids were modeled as waste. The parameters for each model in each zone are tabulated below. Semivariograms for gold are provided in Appendix C.

14.4 BLOCK MODEL

A block model with blocks 10m E-W, 5m N-S and 5m high was superimposed over the various mineralized solids. For each block the percentage below surface topography and the percentage within each of the mineralized solids were recorded. The block model origin is as follows:

Lower Left Corner of Model		
613375 E	Column size = 10m	98 Columns
5913765 N	Row size = 5m	53 Rows
Top of Model		
1510 Elevation	Level size = 5m	68 Levels
No rotation		

Table 14-10 Summary of Semivariogram Parameters

Zone	Variable	Az / Dip	C_0	C_1	C_2	Short Range (m)	Long Range (m)
FW	**Au**	90 / 0	0.35	0.40	0.60	20	30
		0 / -40	0.35	0.40	0.60	29	28
		180 / -50	0.35	0.40	0.60	5	40
	Ag	90 / 0	0.40	0.40	0.45	5	30
		0 / -40	0.40	0.40	0.45	15	50
		180 / -50	0.40	0.40	0.45	5	28
	Te	90 / 0	0.40	1.2			25
		0 / -40	0.40	1.2			25
		180 / -50	0.40	1.2			20
Main	**Au**	90 / -20	0.60	0.10	0.50	10	30
		0 / -55	0.60	0.10	0.50	8	20
		180 / -35	0.60	0.10	0.50	5	10
	Ag	90 / -20	0.50	0.25	0.45	10	30
		0 / -55	0.50	0.25	0.45	5	28
		180 / -35	0.50	0.25	0.45	5	15
	Te	90 / -20	0.30	0.50	0.20	10	20
		0 / -55	0.30	0.50	0.20	20	30
		180 / -35	0.30	0.50	0.20	8	15
Contact	**Au**	Omni Dir.	0.50	0.22	0.10	6	60
Low Grade	**Ag**	Omni Dir.	0.50	0.20	0.13	8	60
	Te	Omni Dir.	0.50	0.18	0.06	6	60
Contact	**IND**	105/ 0	1.80	0.10	0.10	20	80
		15 / 0	1.80	0.10	0.10	15	24
		0 / -90	1.80	0.10	0.10	10	25
Waste	**Au**	Omni dir.	0.20	0.40	0.30	12	40
	Ag	Omni dir.	0.15	0.40	0.48	10	40
	Te	Omni dir.	0.40	0.15	0.25	8	20

14.5 BULK DENSITY

Ten sections of drill core were submitted to Acme Labs for specific gravity determination. The results are tabulated below.

Eight samples are from the Main vein and if the high value of 3.42 with sulphides present is removed the average would be 2.73. The remaining two samples were from the Contact zone and averaged 2.77.

For the resource estimate a tonnage conversion value of 2.73 tonnes/cu. m. was used for the veins and a value of 2.77 tonnes/cu. m was used for the Contact zone. Rock outside the veins and contact zone was assumed to have a bulk density of 2.73 tonnes/cu. m.

In future drill programs it is recommended that more specific gravity samples be taken so it is possible to determine the relationship between bulk density and grades. The more sulphides present in samples will have a significant impact on the samples specific gravity.

Table 14-11 Specific Gravity Measurements of Ten Core Samples

Sample ID	Hole ID	Depth (m)	Assay ID	Au (g/t)	Ag (g/t)	SG (Acme)	Comments
167871	DH-09-090	41.25	167871	11.15	265	2.66	Main Vein HG
167827	DH-09-088	27.18	167827	7.2	378	2.65	Main Vein
167876	DH-09-090	45.85	167876	4.82	131	2.65	Main Vein
168475	DH-09-066	24.30	168475	1.93	90	2.65	Main Vein
168542	DH-09-067	25.45	168542	17.56	703	2.86	Main Vein HG
167872	DH-09-090	42.40	167872	2.92	82	2.89	Main Vein w 1.45% Zn, 0.33% Cu + 3-4% mgt
167868	DH-09-090	40.50	167868	1.30	78.00	2.75	Main Vein w 3.28% Zn, 0.31% Cu + 1-2% mgt
168478	DH-09-066	26.25	168478	36.48	1514	3.42	Main Vein HG
168594	DH-09-072	40.10	168594	3.46	148	2.66	Contact Zone LG
168592	DH-09-072	36.78	168592	9.38	368	2.87	Contact Zone HG

14.6 GRADE INTERPOLATION

Grades for Au, Ag, and Te were interpolated into blocks by a combination of ordinary and indicator kriging. For the FW and Main veins grades were estimated by ordinary kriging using only composites from the appropriate vein. For the Contact Zone a combination of ordinary and indicator kriging was used.

Any block with some percentage within the Contact Zone Solid had a low grade component estimated by ordinary kriging using the composite less than 17g/t Au. Next an indicator was estimated from the 0 or 1 values for each block (0 if composite < 17.0g/t Au or 1 if composite ≥ 17g/t Au) within the Contact Zone. This produced a number between 0.0 and 1.0 which would represent the probability of finding high grade within that block. Finally the high grade value for the block was taken as the average grade of samples ≥ 17g/t Au (29.83g/t for Au, 809.5g/t for Ag and 779ppm Te). The final grade for the Contact Zone block was a weighted average of the low and high grade components.

Grade CZ = ((IND * HG) + ((1 – IND) * LG)

All kriging runs were completed in a series of four passes with the search ellipse for each pass tied to the semivariogram range for the particular domain being estimated. The first pass would search for a minimum of four composites, within a search ellipse, oriented along strike and down dip of the zone, with dimensions equal to ¼ of the semivariogram range. For blocks not estimated in Pass 1 the search ellipse was expanded to ½ the semivariogram range in Pass 2. A third pass using the full range and a fourth pass using twice the range completed the kriging exercise. In all cases a maximum of 3 composites from any one hole was allowed. If more than twelve composites were located within any search ellipse the closest twelve were used. The search parameters for gold in each domain are tabulated below.

Table 14-12 Kriging Search Parameters for Gold

Domain	Variable	Pass	Number Estimated	AZ/DIP	Dist. (m)	AZ/DIP	Dist. (m)	AZ/DIP	Dist. (m)
MAIN	AU	1	16	90 / -20	7.5	0 / -55	5.0	180 / -35	2.5
		2	146	90 / -20	15.0	0 / -55	10.0	180 / -35	5.0
		3	446	90 / -20	30.0	0 / -55	20.0	180 / -35	10.0
		4	119	90 / -20	60.0	0 / -55	40.0	180 / -35	20.0
FW	AU	1	36	90 / 0	7.5	0 / -40	5.0	180 / -50	10.0
		2	317	90 / 0	15.0	0 / -40	10.0	180 / -50	20.0
		3	835	90 / 0	30.0	0 / -40	20.0	180 / -50	40.0
		4	307	90 / 0	60.0	0 / -40	40.0	180 / -50	80.0
CZ LG	AU	1	1,183	Omni Directional			15.0		
		2	1,662	Omni Directional			30.0		
		3	393	Omni Directional			60.0		
		4	100	Omni Directional			120.0		
CZ IND	AU IND	1	416	105 / 0	20.0	15 / 0	6.00	0 / -90	6.25
		2	1,468	105 / 0	40.0	15 / 0	12.00	0 / -90	12.5
		3	1,108	105 / 0	80.0	15 / 0	24.00	0 / -90	25.0
		4	346	105 / 0	160.0	15 / 0	48.00	0 / -90	50.0
Waste	AU	1	1,340	Omni Directional			10.0		
		2	2,886	Omni Directional			20.0		
		3	1,124	Omni Directional			40.0		
		4	74	Omni Directional			80.0		

14.7 CLASSIFICATION

Based on the study herein reported, delineated mineralization of the Deer Horn Property is classified as a resource according to the following definition from NI43-101

"In this Instrument, the terms "mineral resource", "inferred mineral resource", "indicated mineral resource" and "measured mineral resource" have the meanings ascribed to those terms by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Standards on Mineral Resources and Reserves Definitions and Guidelines adopted by CIM Council on August 20, 2000, as those definitions may be amended from time to time by the Canadian Institute of Mining, Metallurgy, and Petroleum."

*"A **Mineral Resource** is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge."*

The terms Measured, Indicated and Inferred are defined in NI43-101 as follows:

*"A '**Measured Mineral Resource**' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit.*

The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes that are spaced closely enough to confirm both geological and grade continuity."

*"An '**Indicated Mineral Resource**' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes that are spaced closely enough for geological and grade continuity to be reasonably assumed."*

*"An '**Inferred Mineral Resource**' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes."*

Geologic continuity is established by surface and underground mapping and through the logging of drill core. This geologic continuity led to the interpretation of the various veins and contact zone and the construction of geologic 3 dimensional solids to constrain the estimation. Grade continuity can be quantified by semivariograms. At this time the drill density is not sufficient to classify any material as Measured. Blocks within the better drilled western portion of the deposit and estimated for Au in Pass 1 or Pass 2 using search ellipses up to ½ the semivariogram range were classified as Indicated. The remaining blocks were classified as Inferred. The results are presented as two sets of Tables. The first set (Tables 14.13 and 14.14) identify the resource present within the mineralized solids at various gold cutoff grades. This estimates the tonnes and grade of material if one could mine to the limits of the mineralized solids, in other words, with no external dilution. The second set of tables (Tables 14.15 and 14.16) show the kind of dilution present if one had to mine 10 x 5 x 5m blocks. The ultimate resource probably lies between these two extremes as one could never mine exactly to the mineralized solids but with grade control during mining one would not take this much dilution either.

The 1.0g/t Au cut-off is highlighted as a possible open pit cut-off for this deposit.

Table 14-13 Indicated Resource within Mineralized Solids

Au Cut-off (g/t)	Tonnes> Cut-off (tonnes)	Grades > Cut-off			Contained Metal		
		Au (g/t)	Ag (g/t)	Te (ppm)	Ounces Au	Ounces Ag	kg Te
0.50	429,000	4.97	153.42	158	68,000	2,120,000	68,000
1.00	**414,000**	**5.12**	**157.50**	**160**	**68,000**	**2,100,000**	**66,000**
1.50	386,000	5.39	164.90	166	67,000	2,050,000	64,000
2.00	343,000	5.84	178.24	177	64,000	1,970,000	61,000
2.50	307,000	6.27	190.76	188	62,000	1,880,000	58,000
3.00	262,000	6.87	208.00	204	58,000	1,750,000	53,000
3.50	233,000	7.32	220.48	216	55,000	1,650,000	50,000
4.00	206,000	7.78	233.02	228	52,000	1,540,000	47,000
4.50	182,000	8.25	244.75	240	48,000	1,430,000	44,000
5.00	165,000	8.63	253.50	249	46,000	1,340,000	41,000

Note: The Tellurium resource was estimated with about ½ the data used to estimate Au and Ag. Since Te represents a minor component to the projects economics it is classified as Indicated in this table. The reader should be aware that the confidence in the Te estimate is lower than the confidence on Au and Ag.

Table 14-14 Inferred Resource within Mineralized Solids

Au Cut-off (g/t)	Tonnes> Cut-off (tonnes)	Grades > Cut-off			Contained Metal		
		Au (g/t)	Ag (g/t)	Te (ppm)	Ounces Au	Ounces Ag	kg Te
0.50	201,000	4.95	144.55	135	32,000	930,000	27,000
1.00	**197,000**	**5.04**	**146.50**	**137**	**32,000**	**930,000**	**27,000**
1.50	189,000	5.19	149.74	139	32,000	910,000	26,000
2.00	168,000	5.61	160.89	147	30,000	870,000	25,000
2.50	146,000	6.13	175.21	158	29,000	820,000	23,000
3.00	125,000	6.70	190.50	169	27,000	770,000	21,000
3.50	106,000	7.32	206.08	180	25,000	700,000	19,000
4.00	87,000	8.06	219.79	187	23,000	610,000	16,000
4.50	76,000	8.64	234.14	194	21,000	570,000	15,000
5.00	67,000	9.16	247.55	201	20,000	530,000	13,000

Table 14-15 Indicated Resource within Total Blocks

Au Cut-off	Tonnes> Cut-off	Grades > Cut-off			Contained Metal		
(g/t)	(tonnes)	Au (g/t)	Ag (g/t)	Te (ppm)	Ounces Au	Ounces Ag	kg Te
0.50	1,038,000	1.99	62.26	65	66,000	2,080,000	67,000
1.00	**673,000**	**2.68**	**82.65**	**84**	**57,900**	**1,790,000**	**57,000**
1.50	463,000	3.33	102.16	102	49,600	1,520,000	47,000
2.00	341,000	3.89	118.35	118	42,700	1,300,000	40,000
2.50	260,000	4.42	133.40	133	36,900	1,120,000	35,000
3.00	196,000	4.97	149.77	148	31,300	940,000	29,000
3.50	151,000	5.48	165.58	163	26,600	804,000	25,000
4.00	113,100	6.06	180.73	178	22,000	657,000	20,000
4.50	85,400	6.65	196.36	193	18,300	539,000	16,000
5.00	62,200	7.36	216.14	215	14,700	432,000	13,000

Note: The Tellurium resource was estimated with about ½ the data used to estimate Au and Ag. Since Te represents a minor component to the projects economics it is classified as Indicated in this table. The reader should be aware that the confidence in the Te estimate is lower than the confidence on Au and Ag.

Table 14-16 Inferred Resource within Total Blocks

Au Cut-off (g/t)	Tonnes> Cut-off (tonnes)	Grades > Cut-off			Contained Metal		
		Au (g/t)	Ag (g/t)	Te (ppm)	Ounces Au	Ounces Ag	kg Te
0.50	549,000	1.90	53.72	46	34,000	950,000	25,000
1.00	**314,000**	**2.78**	**79.48**	**63**	**28,000**	**800,000**	**20,000**
1.50	197,000	3.71	105.27	78	23,500	670,000	15,000
2.00	128,000	4.77	136.78	95	19,600	560,000	12,000
2.50	88,000	5.92	171.60	114	16,800	490,000	10,000
3.00	64,000	7.11	201.87	126	14,600	420,000	8,000
3.50	51,000	8.10	227.38	134	13,300	370,000	7,000
4.00	39,000	9.48	258.15	141	11,900	320,000	5,000
4.50	35,900	9.94	271.85	144	11,500	310,000	5,000
5.00	30,000	10.95	297.00	146	10,600	290,000	4,000

15 MINERAL RESERVE ESTIMATES –

CIM Definition Standards on Mineral Resources and Mineral Reserves require that only material categorized as Measured or Indicated for studies at the Pre-Feasibility and Feasibility levels be classified as a reserve.

This PEA Study includes Inferred material reported as a pit resource in Section 16 and does not include any reserves.

16 MINING METHODS

A PEA production schedule, based on a 74,000 tonne per year mill feed rate, has been developed for the Deer Horn Project based on an open pit mine plan. Mining will be carried out by a contract miner as a summer only seasonal operation to avoid potential winter operating hazards.

The pit phases are engineered based on the results of an economic pit limit analysis.

16.1 INTRODUCTION

The mine planning work for this study is based on the 3D Block Model (3DBM) created by Giroux Consultants Ltd. for the NI43-101 published resource model dated April 2012.

The mine planning for the Deer Horn mineral property is based on work done with Mintec Inc.'s MineSight® (MineSight), a suite of software proven in the industry. The work includes adding engineering items to the resource model, pit optimization (MineSight Economic Planner [MS-EP]), detailed pit design, and optimized production scheduling (MineSight Strategic Planner [MS-SP]).

In addition to the geological information used for the block model, other data used for the mine planning included the base economic parameters, mining cost data derived from supplier estimates and data from other projects in the local area, estimated pit slope angles ("PSAs"), projected project metallurgical recoveries, plant costs, and throughput rates.

16.2 MINING DATUM

The Project design work is based on NAD83 coordinates. Historical drillhole information is based on various surveys with different sets of control that have been converted to NAD83 and, in particular, a topography surface has been produced from a 2009 LiDAR survey.

16.3 PRODUCTION RATE CONSIDERATION

A number of factors are considered when establishing an appropriate mining and processing rate. Key factors include:

- Resource Size: Typically, a planned mine life is set at 12.5 to 20 years; beyond this, time-value discounting shows an insignificant contribution to the NPV of the project at discount rates of 10% or higher.
- Capital Payback: Capital investment typically is targeted at projects with a payback period of 3 to 5 years or shorter.
- Operational Constraints: Power, water, or supplies and services for support of operations can limit production.
- Site Delivery Constraints: Physical size and weight of equipment and shipping limits can determine the maximum size of units that can be delivered to site.
- Project Financial Performance:
  - Generally, economies of scale can be realized at higher production rates and lead to reduced unit operating costs. These are tempered to the above-mentioned physical and operational constraints and flexibility issues.

- Generally higher tonnage throughputs require more capital and the size of the project is reflected in the initial investment. Economies of scale can still apply where some access and construction issues have a high fixed component regardless of the size of size of the project.

Higher production rates generally pay back fixed capital earlier and provide a higher rate of return on capital, which improves project NPV.

The PEA throughput has been set at 74,000 tonne per year which is less than the maximum throughput allowed for a small mine permit and sets the mine life to 14 years.

16.4 MINE PLANNING 3D BLOCK MODEL AND MINESIGHT PROJECT

All mine planning uses whole block grades for Au (g/t), Ag (g/t), and Te (ppm). The 3DBM model also contains an SG (density) item, a class item (Indicated or Inferred), and a topography (TOPO) item representing the proportion of a block below the topographic surface.

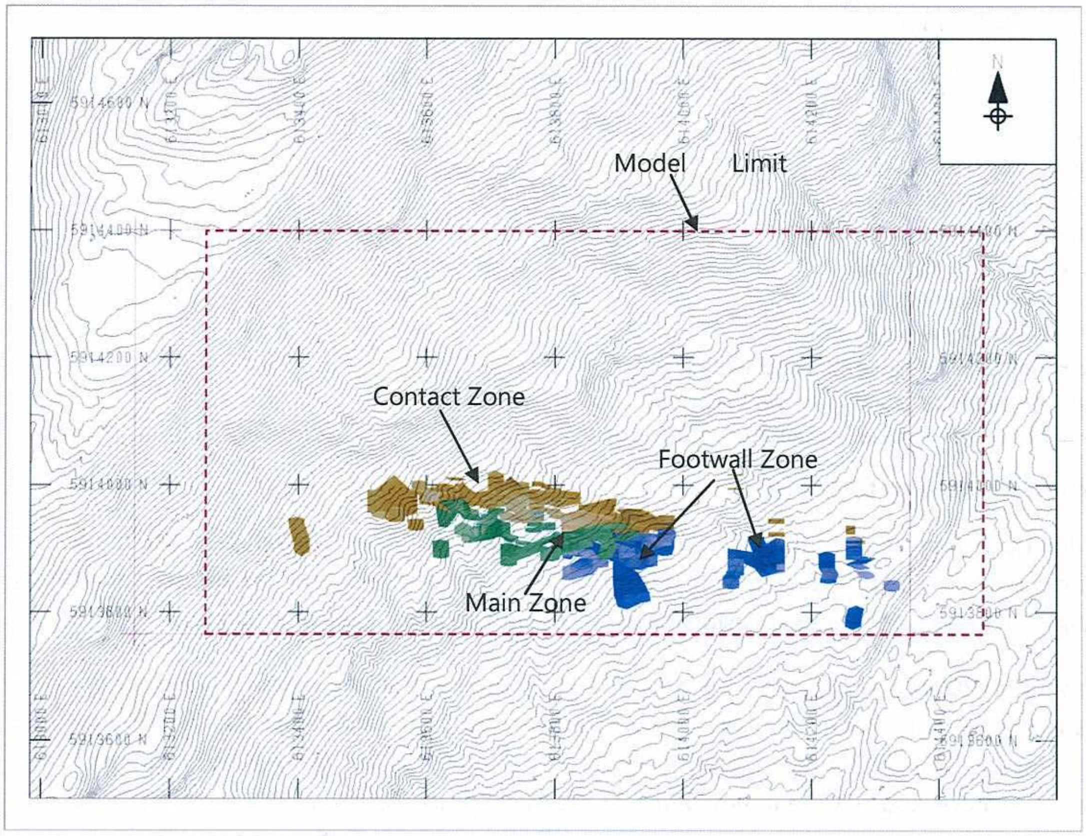
The PEA mine planning model dimensions are provided in Figure 16-1. The total model area is illustrated for orientation in plan view in the Figure 16-2.

Figure 16-1 Deer Horn Mine Planning 3DBM Limits

	Minimum	Maximum	Size	Number
X	613145	614355	10	121
Y	5913765	5914400	5	127
Z	1095	1715	5	124

Note: *X = Easting, Y = Northing, Z = Elevation.*

Figure 16-2 Plan View of Mineralized Zones, 3DBM limit and 5m Topography Contours



16.5 NET SMELTER RETURN

Ore and waste COGs are based on the Net Smelter Return ("NSR") in $/t, which is determined using Net Smelter Prices ("NSPs") provided in Appendix D. The NSR (net of offsite concentrate and smelter charges and including onsite mill recovery) is used as a cut-off item for break-even ore/waste selection and for the grade bins for cash flow optimization. The NSP is based on base case metal prices, US$ exchange rate, and offsite transportation, smelting, refining charges and other factors. (Appendix D). Metal prices used for pit optimization and NSP calculations are 3-year trailing average price to December 2012 and are shown in Table 16-1.

Table 16-1 Metal Prices and NSP

	Metal Price (US$)	NSP (Cdn$)
Au	1466 /oz	44.5/g
Ag	27.91/oz	0.784/g
Te	240/kg	0.114/g

Process recoveries used for the NSR calculation are based on test work conducted by Coastech Research Inc. of North Vancouver, BC and evaluated by MMTS, as discussed in Section 17.

The NSR calculation is shown in Equation 16.1.

Equation 16.1 NSR Formula

$$\textbf{NSR} = Au\ x\ \frac{Rec\mathit{Au}}{100}\ x\ NSP\mathit{Au} + Ag\ x\ \frac{Rec\mathit{Ag}}{100}\ x\ NSP\mathit{Ag} + Te\ x\ \frac{Rec\mathit{Te}}{100}\ x\ NSP\mathit{Te}$$

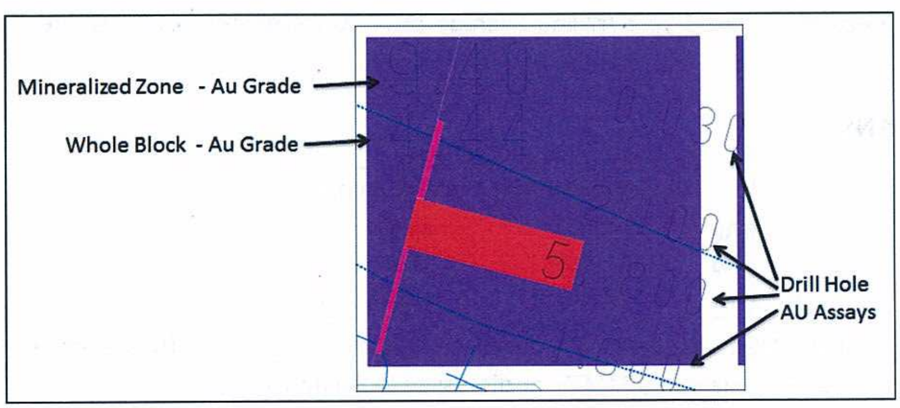
Where:
Au = gold grade (g/t)
Ag = silver grade (g/t)
Te = tellurium grade (ppm or g/t)
Rec*Au* = gold recovery (%)
Rec*Ag* = silver recovery (%)
Rec*Te* = tellurium recovery (%)
NSP*Au* = net smelter price for gold (Cdn$/g)
NSP*Ag* = net smelter price for silver (Cdn$/g)
NSP*Te* = net smelter price for tellurium (Cdn$/g).

16.6 MINING LOSS AND DILUTION

The Deer Horn Project is a gold-silver-tellurium vein deposit. The pits will be bulk mined with small excavators and trucks at an ore mining rate of 500t/d. Blast-hole assays will be used to determine the waste/ore boundaries for material designations on the pit bench for daily operations.

The Deer Horn 3DBM has 10m x 5m x 5m block sizes. Each block in the model has a volume of 250m^3 and weighs approximately 675t. The plant feed will require less than 1 block per day, which is an appropriate selective mining unit for the size of shovel utilized in the mine plan. (It may be beneficial to reduce the block size in future studies.) The interpolation of the metal grades to the 3DBM averages the composites to a single value for each metal. This smoothing is, in effect, a numeric dilution where higher composite values are averaged down; conversely, lower values are averaged up. The grade of the mineralized veins in the 3DBM are then diluted to whole block grade values in the block model. The significant internal whole block dilution effect is illustrated in Figure 16-3 where the average exploration hole mineralized assay grades are significantly higher than the interpolated mineralized zone grade, and the whole block grade is diluted by more than 50%.

Figure 16-3 Drill hole DH11-147 assays and corresponding 3DBM Au grades in g/t



Allowance has been made for 2% external mining dilution and 5% mining losses. Dilution grades shown in Table 16-2 represent the average grade of the 3DBM waste item.

Table 16-2 Dilution Grades

	Dilution Grade
Au (g/t)	0.133
Ag (g/t)	5.096
Te (ppm)	7.196
NSR (Cdn$/t)	8.656

16.7 ECONOMIC PIT LIMITS, PIT DESIGNS

The economic pit limit for the Deer Horn deposit has been developed using MineSight's® MS-EP program. A sensitivity to slope angles and an analysis is included in this analysis.

16.7.1 PIT OPTIMIZATION METHOD

The economic pit limit is selected after evaluating Lerchs-Grossman ("LG") pit cases conducted with MS-EP.

The LG assessment is carried out by generating sets of LG pit shells using the "MS-EP-design" program in MineSight by varying revenue assumptions to test the deposit's geometric/topographic constraints and pit slope sensitivity.

The economic pit limit is determined by estimating where an incremental increase in LG pit size does not significantly increase the pit resource. Detailed pit phases are designed based on the LG shells inside the economic pit limit.

16.7.2 ECONOMIC PIT LIMIT

The average unit costs to generate the LG pits are shown in Table 16-3 and Table 16-4 below.

Table 16-3 Deer Horn Mining Costs For Economic Pit Limits

Ore	Cdn $/t	3.00
Waste	Cdn $/t	3.00

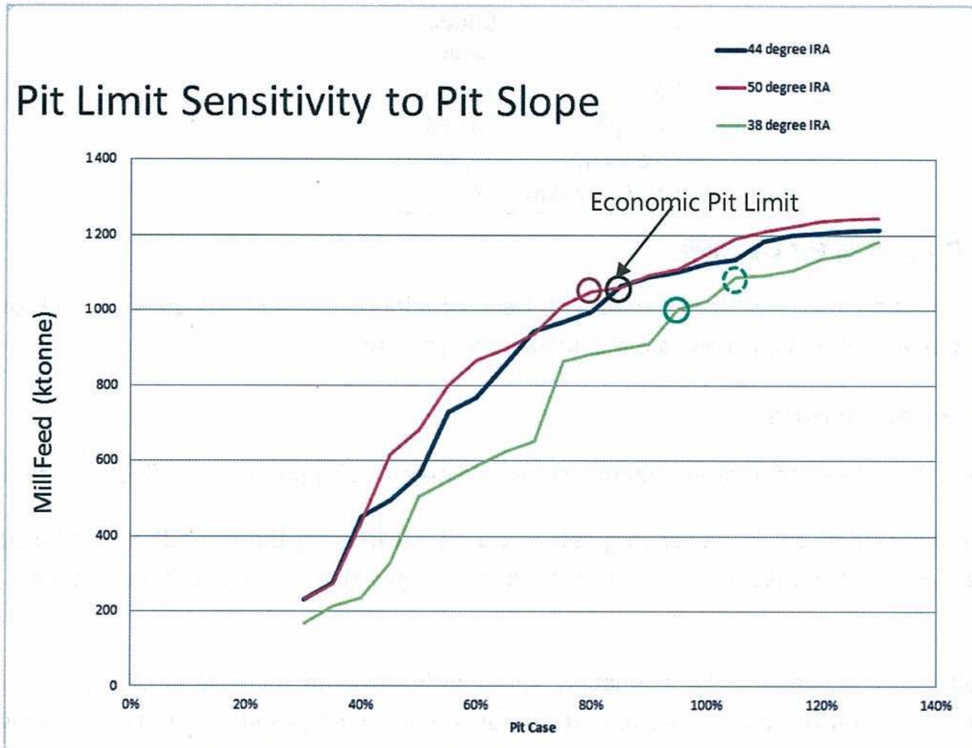
Table 16-4 Deer Horn Unit Process and G&A Costs For Economic Pit Limits

Process Cost	Cdn $/t	38.75
G&A Cost	Cdn $/t	5.81
Process + G&A	Cdn $/t	44.56

A pit slope geotechnical assessment has not yet been carried out. The PEA pit slope angle design basis is assumed to be 44 degrees with sensitivity analysis carried out at 38 degrees and 50 degrees.

Figure 16-4 shows LG pit shells for three pit slope assumptions generated by varying input prices from 30% to 130% of the base case NSP's.

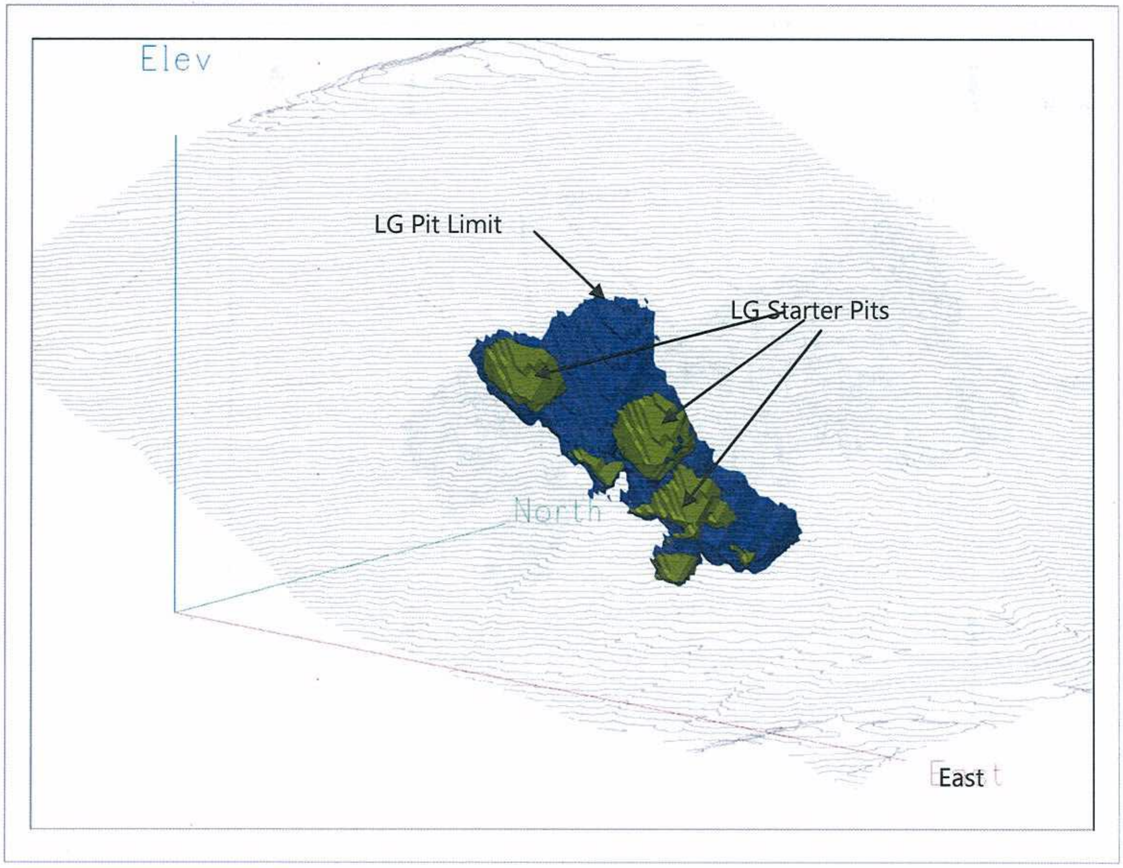
Figure 16-4 Pit Limit Sensitivity to Pit Slope



Inflection points occur where incremental increase in pit size does not significantly increase the pit resource, or where an incremental increase in the pit resource results in only marginal economic return. The inflection point pit limit in Figure 16-4 occurs at a pit size that provides approximately 1mt mill feed for all three slope cases indicating that the economic pit limit is not sensitive to the pit slope assumption. The inflection point economic pit limit occurs at the 85% pit case for the 44 degree (base case) pit slope assumption.

The following Figure shows LG pit shells used to guide detailed pit design.

Figure 16-5 LG Guides for Pit Phase Design



Plan view and north-south section views of the LGs are shown in the following Figure.

Figure 16-6 Plan View of the LG Pits

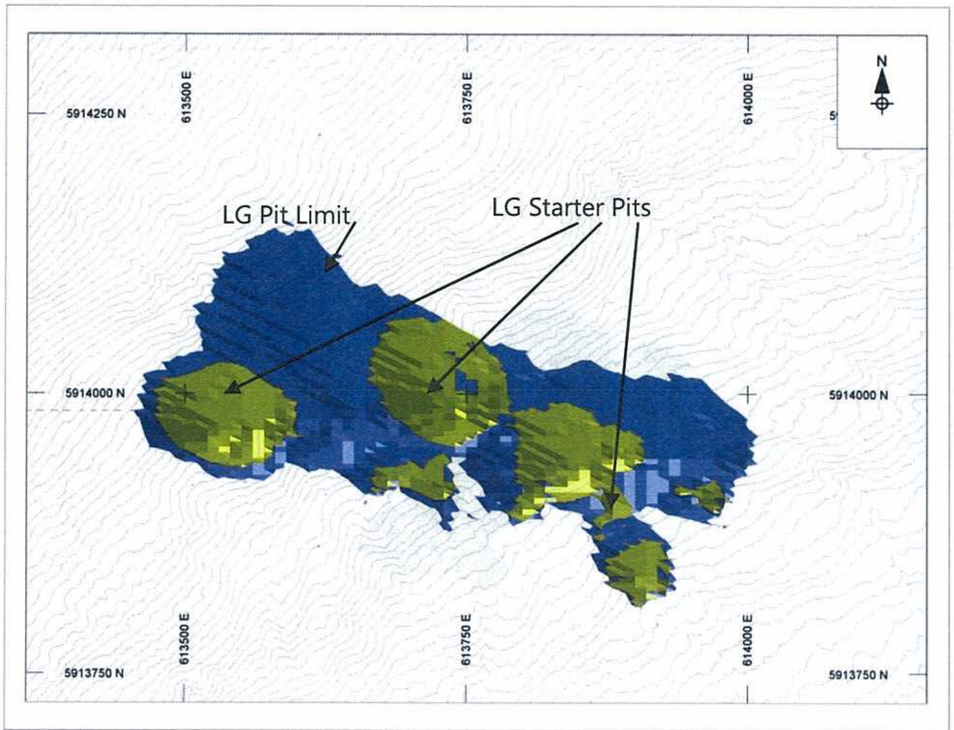
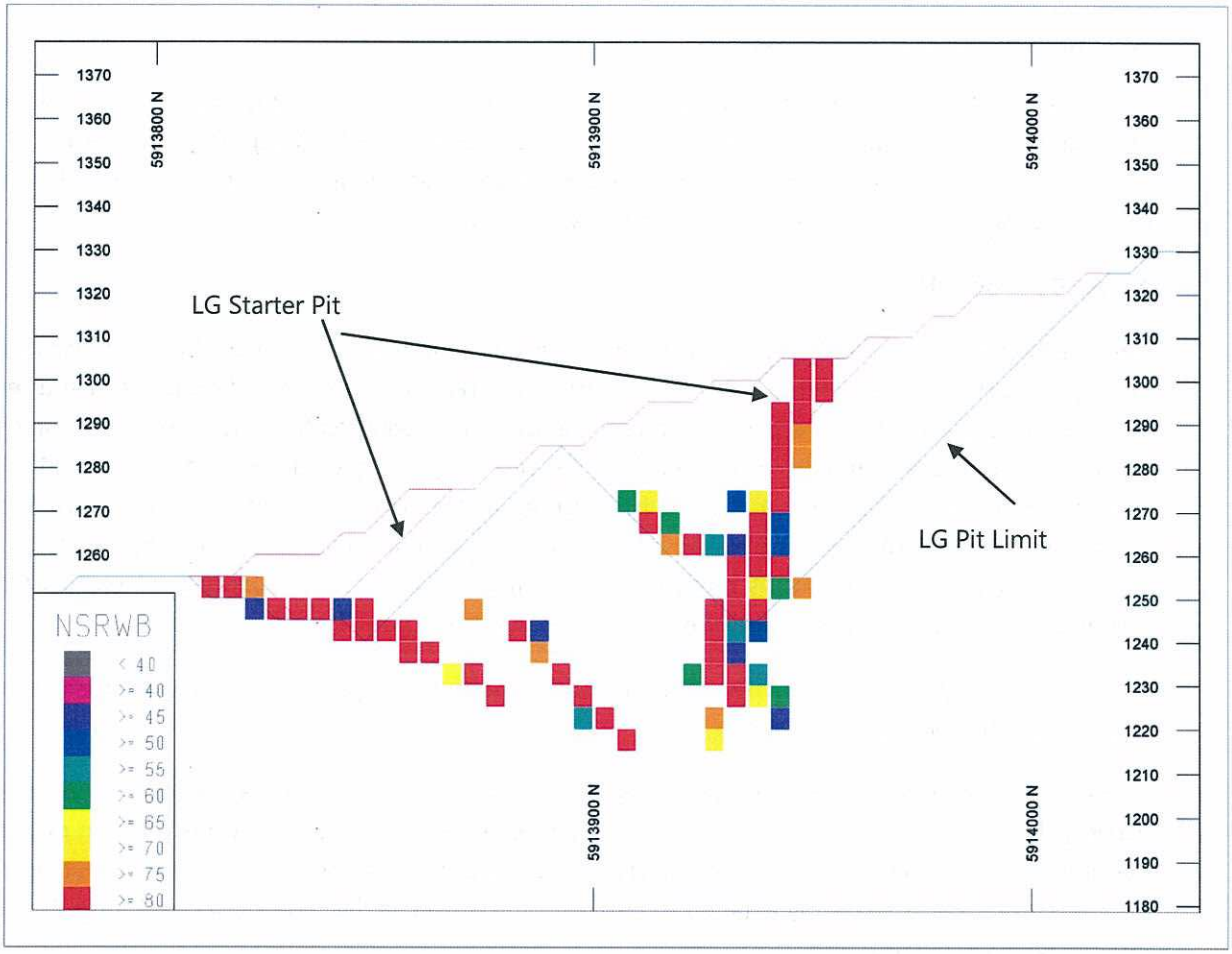


Figure 16-7 LG Pit Limit N-S Section at East 613895 Viewed from the East showing NSR block grades



16.7.3 DETAILED PIT DESIGNS

MMTS has completed PEA-level pit designs that demonstrate the viability of accessing and mining economic resources at the Deer Horn property. The designs are developed using MineSight software, estimated geotechnical parameters, suitable road widths for the equipment size, and minimum mining widths based on efficient operation for the size of mining equipment chosen for the project.

Haul Road Widths

Mining is anticipated to be carried out by contractor miners using small mine equipment (25t to 50t trucks). Haul road design widths have been assumed as follows:

- Double lane highwall haul road allowance: 12m
- Single lane highwall haul road allowance: 9m

Minimum Mining Width

The design standards applied in the current pit designs are summarized in the design basis provided in Appendix D. A minimum mining width between pit phases is reserved to maintain a suitable mining platform for efficient mining operations. This width is established based on equipment size and operating characteristics. For this study, the minimum mining width generally conforms to 20m, which provides sufficient room for 2-sided truck loading.

In areas where the minimum shovel mining width is not achieved, such as initial outcrop benches, drill and blast ramps will be cut on original side slopes. Crawler-dozers, shovel casting, or loader tramming will be utilized to move material over the crest to ravel down slope. Where bench width is sufficient, this material will be truck/shovel excavated as rehandle from lower benches.

Access Considerations

Haul road widths are dictated by equipment size. One-way haul roads must have a travel surface more than twice the width of the widest haul vehicle. Two-way roads require a running surface more than three times the width of the widest vehicle planned to use the road. One-way roads are not normally employed for main long term haul routes because they limit the safe by-passing of trucks and consequently lead to reduced productivity. One-way roads are, however, an appropriate option for low volume traffic flow or shorter-term operations. For this PEA, the use of one-way haul roads is limited to the bottom two or three benches of some pits. An access ramp is not designed for the last two benches of each pit bottom, assuming that the ramp is ore and will be removed upon retreat.

Road grades are designed at a maximum grade of 8%. Steeper roads (10%) can be considered after more weather data has been accumulated.

In the final pit wall, access up from the lowest pit benches requires a spiral ramp designed to exit at the lowest point on the pit rim or joining with infrastructure features (such as the crusher location or previously designed haul road junctions). Most of the Deer Horn pit benches are located above the lowest point of the pit rim and can be accessed by external roads built on the original hill side slopes, reducing the need for internal ramps in the final wall.

Berm Width

Pit designs for Deer Horn are designed using a minimum 8m wide safety berm. Where haul roads intersect designed safety benches, the haul road width is counted towards the safety berm.

Bench Height

Pit designs are based on the digging reach of the shovels (7m operating bench) with double benching between highwall berms; therefore, the berms are separated vertically by 14m.

LG Phase Selection

The LG pits discussed previously are used to evaluate alternatives for determining the economic pit limit and the optimal push-backs or phases before commencing detailed design work. LG pits provide a geometrical guide to detailed pit designs. Among the details are the addition of roads and bench access, the removal of impractical mining areas with a width less than the minimum, and to ensure the pit slopes meet the detailed geotechnical recommendations.

The LG pit case selected as the pit limit for the mine area discussed above is 85% price case LG pit.

There are smaller pit shells within the economic pit limits that have higher economic margins, due to their lower strip ratios or better grades than the full economic pit limit. Mining these pits as phases from higher to lower margins maximizes revenue and minimizes mining cost at the start of mining operations, which therefore shortens the project capital payback.

The selection of LG pit cases identified to guide the design of starter pits requires the consideration of some practical mining constraints. The starter pits:

- must be large enough to accommodate the multiple unit mining operations of drilling, blasting, loading, and hauling;
- must have bench sizes large enough so the number of benches mined per year is reasonable;
- must be wide enough so that shovels can load the trucks efficiently;
- must be able to provide a sufficient quantity of ore;

The Deer Horn property LG pits have been examined to find the lowest LG price case that can sustain mining operations. Waste from the starter pits is pre-stripped to expose ore grade material for plant start-up. This waste material may be used for some construction fills; however, it may be more cost effective to use borrow material from other areas if hauls are too long from the starter pit area or if waste rock is unsuitable to be used as construction material. A second cost effective alternative for construction material is to borrow the material from the upper benches of future pit phases.

The description of the detailed pit designs and phases in this section uses the following naming conventions:

- The letter D signifies Deer Horn.
- The middle digit signifies the design series. In this report, the fifth pit design series is used.
- The final digit signifies the pit phase number (this pit design has five phases).
- A suffix of 'i' indicates that the drawing reserve tonnage for the phase is incremental from the previous phase. If there is no 'i' specified, it is cumulative up to the phase indicated.

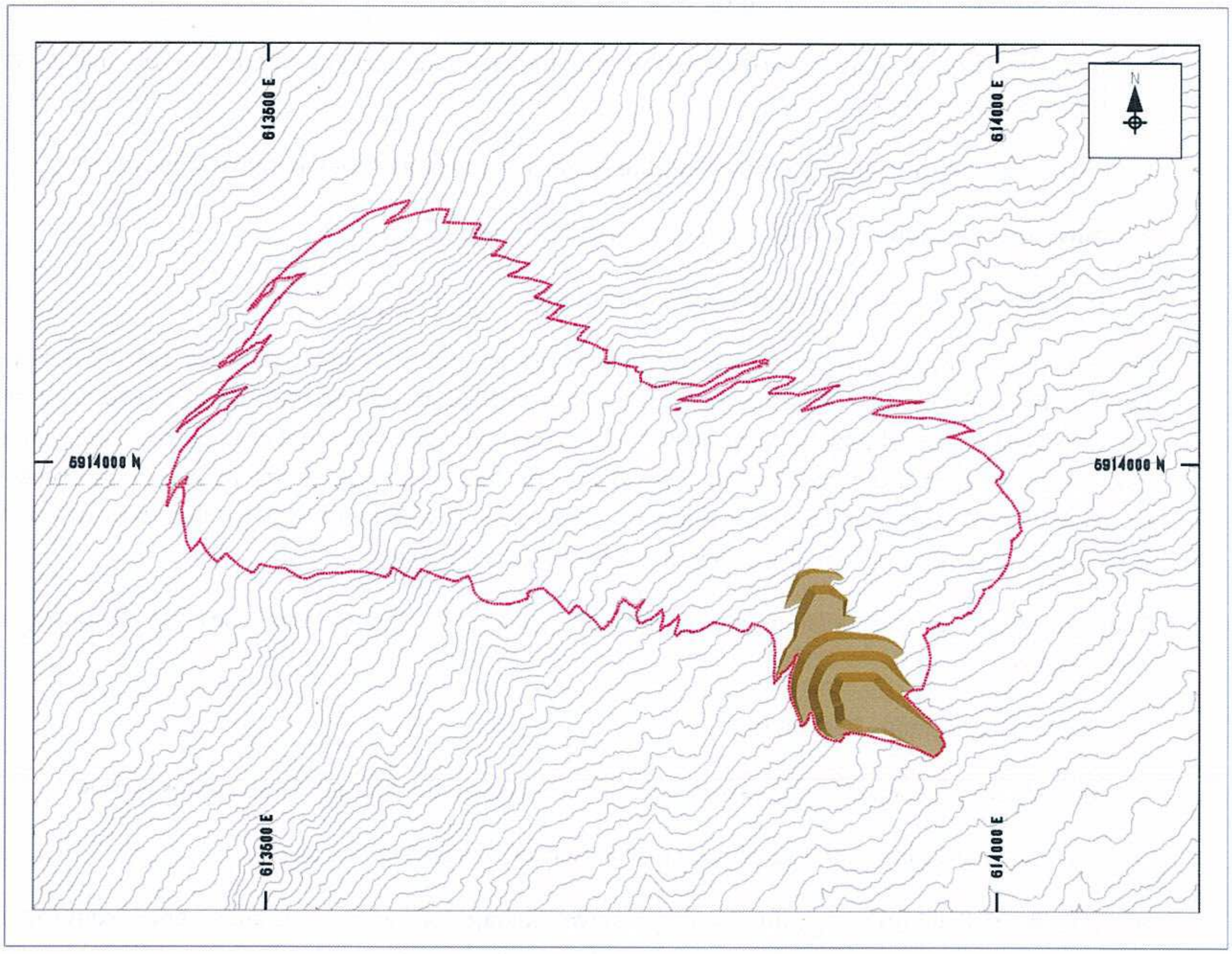
Pit Designs

Where possible, phase sequencing starts at one side of the ultimate pit and expands in one direction. This sequencing is more efficient for operations where blasts from the subsequent phase only bury access to lower benches on one side at a time. It also allows the final ramp to be established on one side of the ultimate pit. The initial three pit phases (D651, D652, and D653) are nearly independent starter-pits with a small amount of overlap between pit phases D651 and D653i. These phases will be mined first. The independence of the starter phases enables flexibility in day-to-day scheduling. The fourth pit phase (D454i) mines to the pit limit on the east side. The fifth and final pit phase (D454i) mines to final wall on the west side.

Phase D651

Phase D651 is a starter phase that mines at the southeast corner of the ultimate pit footprint. It begins mining at an elevation of 1305m. Access is established via an external haul road. The pit is mined to a bottom elevation of 1201m. Waste is hauled to the waste area to the south of the pit area. A plan view of the D651 pit with the pit limit outline is provided in Figure 16-8 .

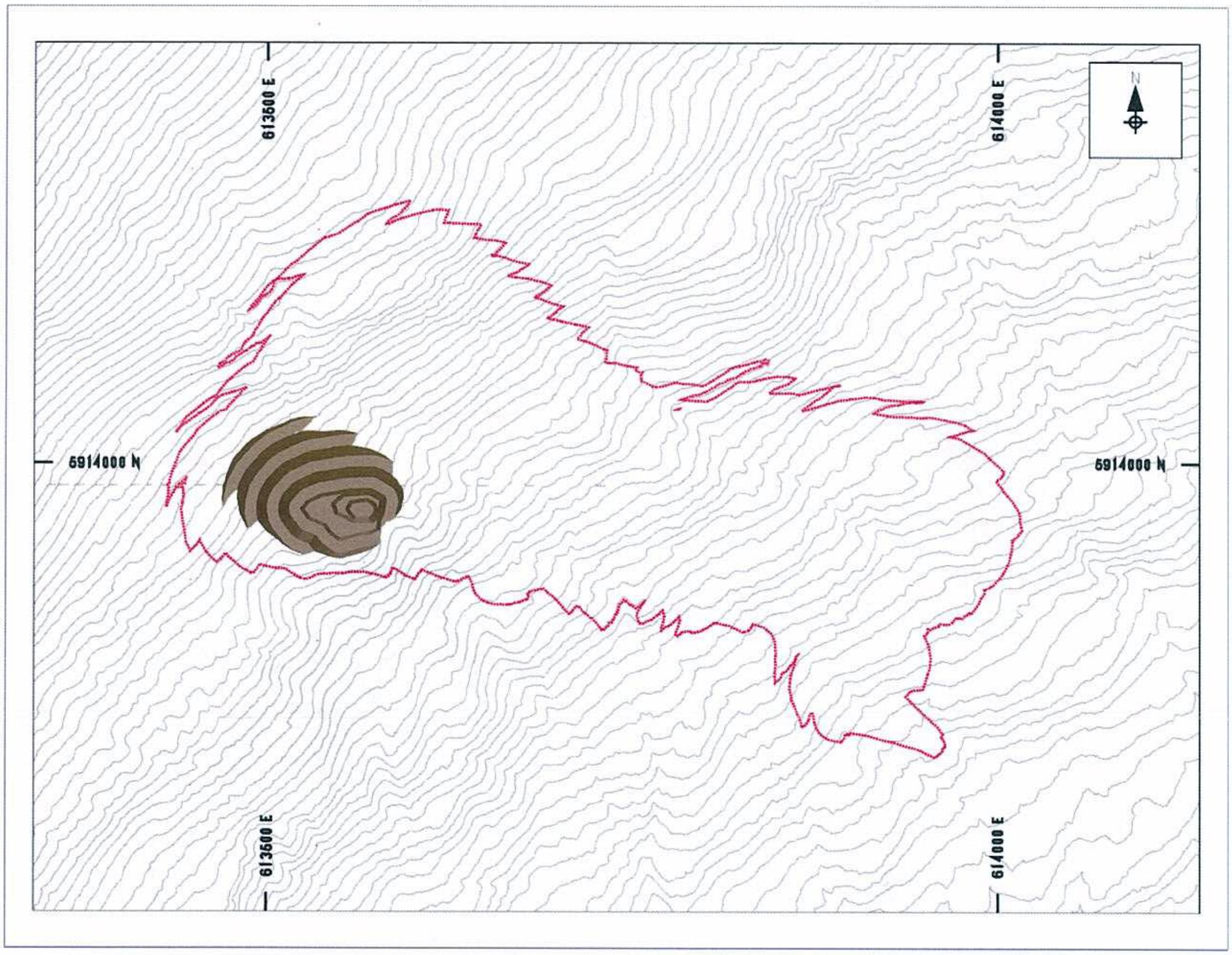
Figure 16-8 Plan View of Starter Pit D651 with the Pit Limit Outline



Phase D652

Phase D652 is a starter phase that mines at the western edge of the final pit footprint. Mining starts at an elevation of 1460m with access is established via an external haul road. The pit is mined to a bottom elevation of 1390m. Waste is hauled to the waste area to the south of the pit area. A plan view of the d652 pit with the pit limit outline is provided in Figure 16-9.

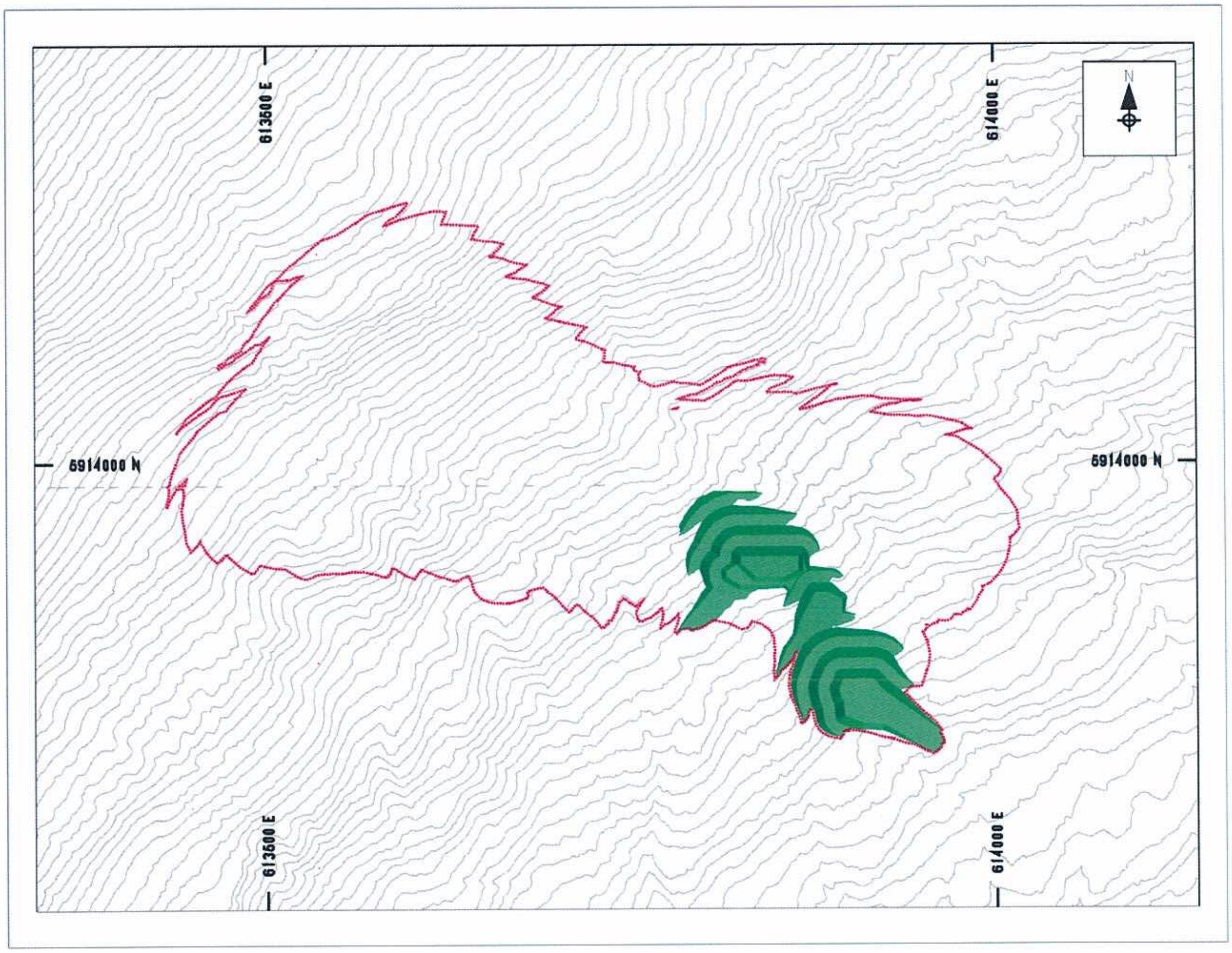
Figure 16-9 Plan View of Starter Pit d652 with the Pit Limit Outline



Phase D653i

Phase D653i is a starter phase that mines at the south eastern edge of the final pit footprint. It overlaps and is considered incremental to D651. D653i pit phase begins mining at an elevation of 1345m. Pit access is via an external haul road. The pit is mined to a bottom elevation of 1291m. Waste is hauled to the waste area to the south of the pit area. A plan view of the D653i pit with the pit limit outline is provided in Figure 16-10.

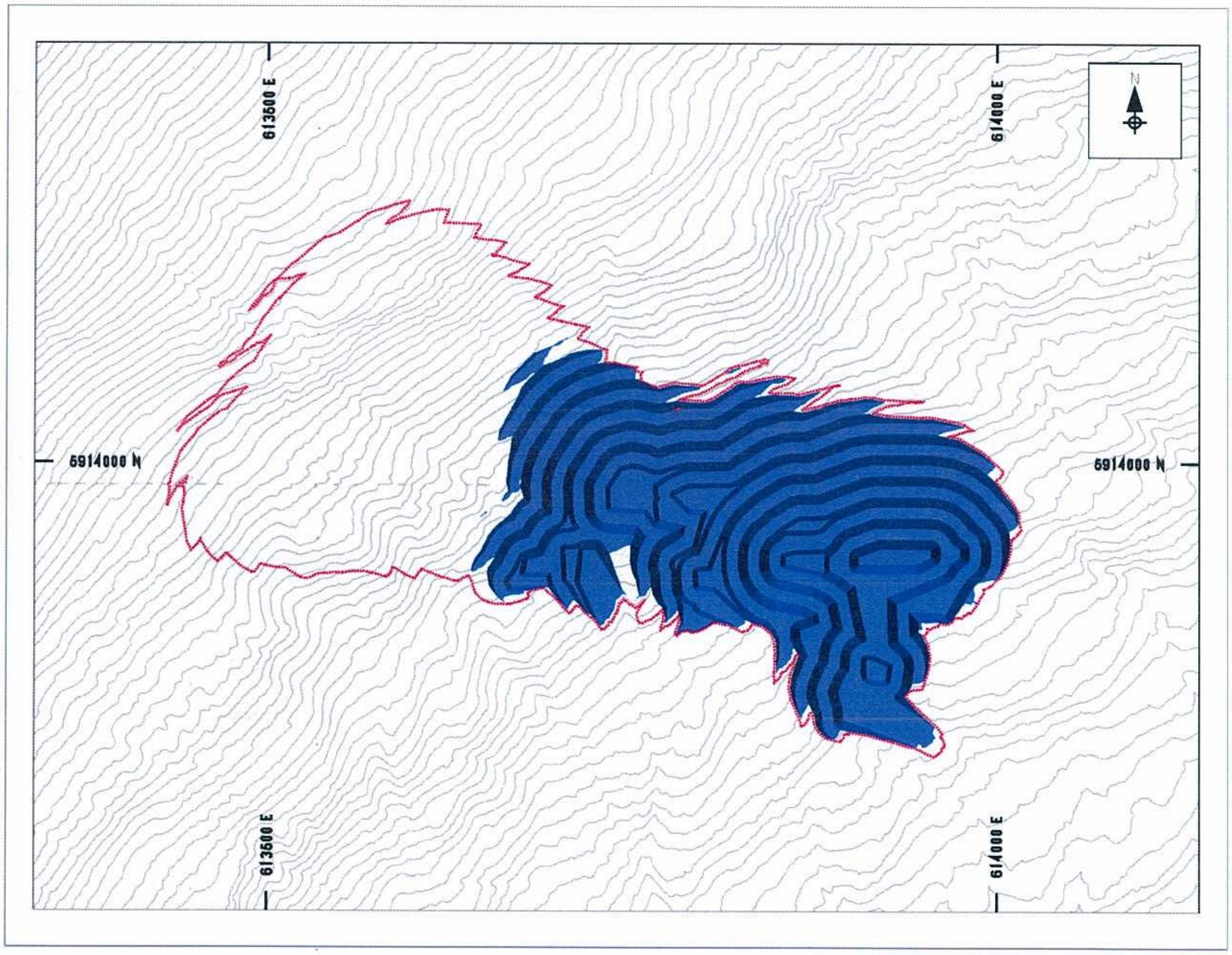
Figure 16-10 Plan View of Starter Pit d653 with the Pit Limit Outline



Phase D654i

Phase D654i is an incremental pit phase that mines to final wall on the eastern side of the ultimate pit footprint. The pit begins mining at an elevation of 1415m. The pit is mined to a bottom elevation of 1226m. Waste is hauled to the waste area to the south of the pit area. A plan view of the D654i pit with the pit limit outline is provided in Figure 16-11.

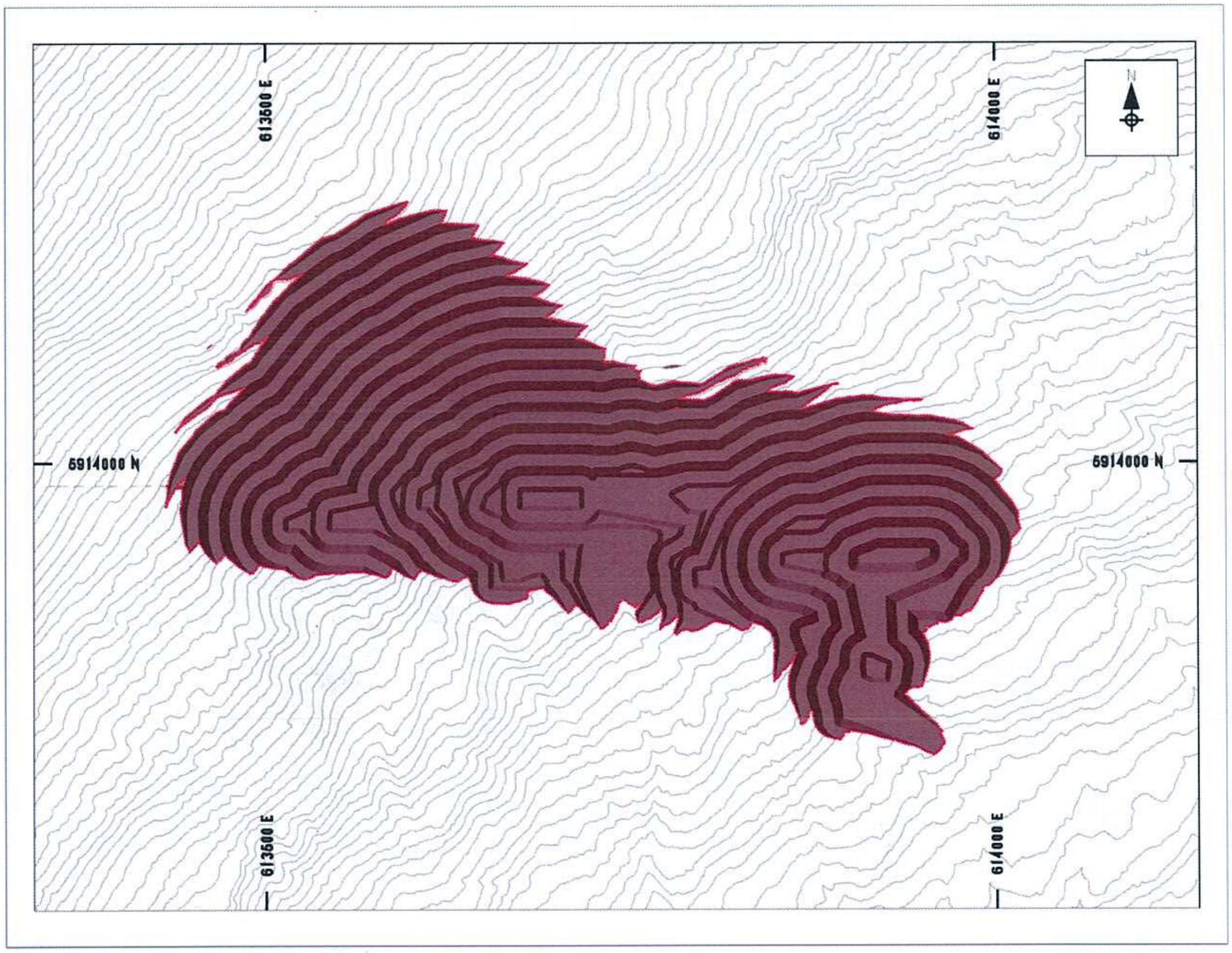
Figure 16-11 Plan View of Phase D654i with the Pit Limit Outline



Phase D655i

Phase D655i mines to final wall at the western side of the pit area. The pit begins mining at an elevation of 1515m. The D655i pit is mined to a bottom elevation of 1226m. Waste rock is hauled to the waste rock pile area to the south of the pit area, and a waste rock pile backfilled into the mined out pit phase D654i. A plan view of the D655 pit with the pit limit outline is provided in Figure 16-12.

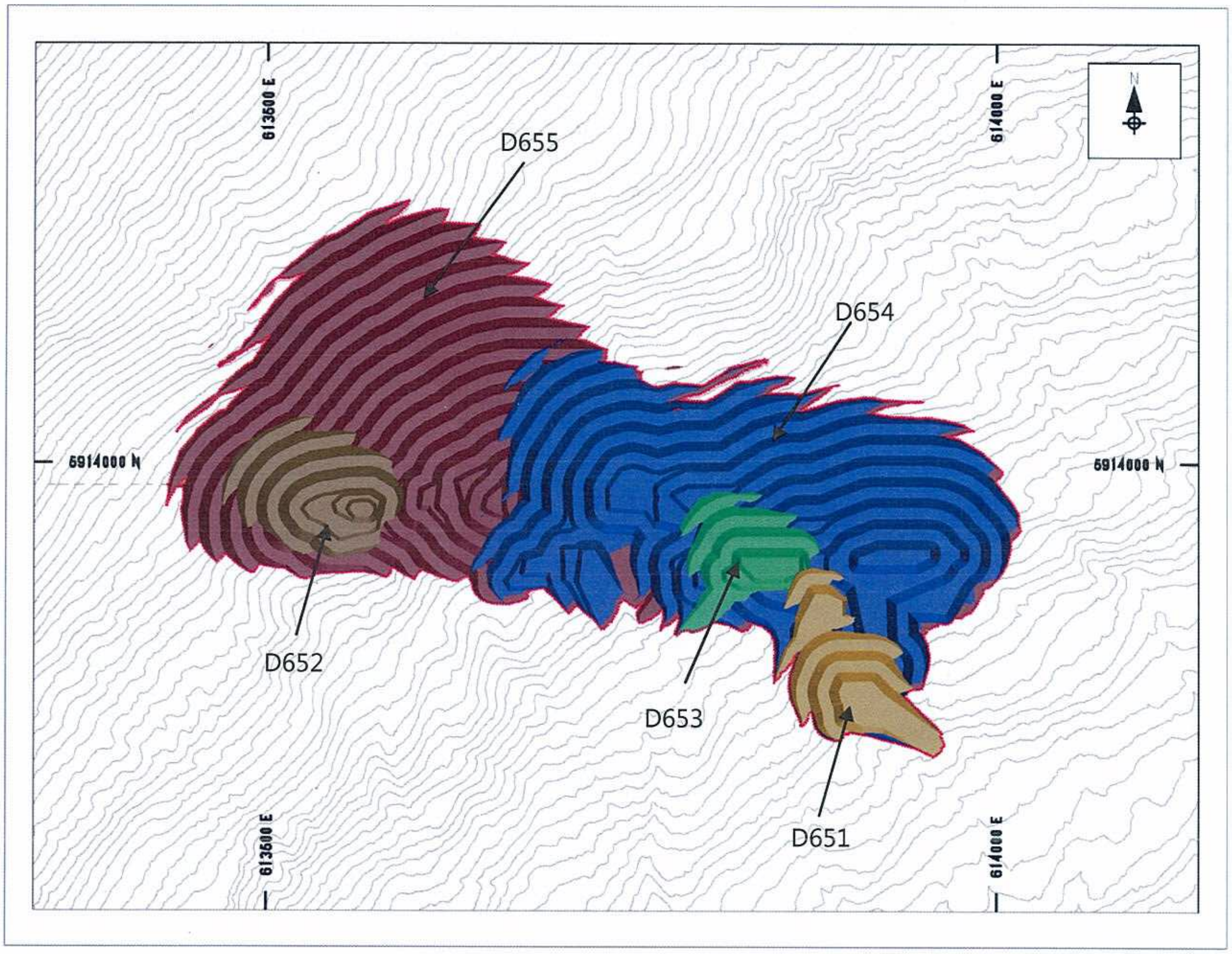
Figure 16-12 Plan View of Ultimate Pit d655



Combined Pit Areas

Figure 16-13 shows the combined pit phases.

Figure 16-13 Plan View of all Pit Phases



16.8 PIT RESOURCE

The pit delineated resource summarized in Table 16-5 uses whole block grades, a NSR cutoff grade of $45/t, mining loss of 5%, and a mining dilution of 2% with dilution grades shown in Table 16-6.

Table 16-5 Pit Delineated Resource

Pit	Mill Feed	NSR	AU	AG	TE	Waste	Strip
	kt	$/t	g/t	g/t	ppm	kt	Ratio
P651	27	430	7.44	182	29	132	4.85
P652	87	286	4.09	152	142	216	2.49
P653i	34	217	3.38	101	100	94	2.75
P654i	515	134	2.13	60	63	3 022	5.87
P655i	288	137	1.95	72	75	3 263	11.33
Total	**951**	**160**	**2.45**	**77**	**74**	**6 727**	**7.07**

Note:*The pit delineated resource includes Inferred material that is considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.*

Table 16-6 Dilution Grades

Au (g/t)	0.133
Ag (g/t)	5.096
Te (ppm)	7.196
NSR (Cdn$/t)	8.656

16.9 MINE PLAN

16.9.1 MINE PRODUCTION SCHEDULE

The mine production schedule is developed with MS-SP, a comprehensive long-range schedule optimization tool for open pit mines. It is typically used to produce a LOM schedule that will maximize the NPV of a property, subject to user specified conditions and constraints. Annual production requirements, mine operating considerations, product prices, recoveries, destination capacities, equipment performance and operating costs are used to determine the optimal production schedule.

In the mine schedule, "Time 0" refers to the mill start date; full mill feed production capacity is expected in Year 2. The production schedule specifies:

- Pre-production: Year -1
- Mill Feed: Year 1 onward

The mine load and haul fleet is sized to support a mill feed rate of 74 kt per year. Diesel hydraulic excavators are used with 25t to 50t trucks depending on the fleet size available from contract miners.

In order to optimize the Project NPV, grade bins have been specified (based on NSR block values); the MS-SP optimizer develops a COG strategy to increase the project NPV by stockpiling lower grade material in the first two years of mining for processing later in the LOM schedule. This increases mill head grades in the first two years and speeds up capital payback.

Mining precedence is required to specify the mining order of the pit phases in the production schedule based on the relative location of the phases. For example, if the phases represent progressive expansions in a single direction, then the first expansion must stay ahead (vertically below) of the next expansion and so on. The pit precedence's are simplified as shown in the Table below.

Table 16-7 Pit Precedence for Scheduling

Phase A ID	Constraint	Phase B ID
D653i	After	D651
D654i	After	D653i
D655i	After	D654i

MS-SP uses 21 operating hours per day. The mine operating days are based on a summer only operation with contract miners.

An annual mill feed of 74 kt per year is targeted based on an average throughput of 500 tonne per day over 5 months.

Typically, the ore grade can be increased by hauling low and mid-grade classes to stockpiles. The ore grade is maximized and this effectively increases the revenue per tonne milled early in the schedule. The lower grade stockpiled material is then milled at the end of the production schedule. However, stockpiling also results in increased total material mined and the mining cost per tonne milled in the relevant time period also increases. Additionally, oxidation can cause significant metallurgical recovery loss in the stockpile, and bond may be requested by regulators for the rehabilitation of an unused stockpile. At some point, the cost of mining more material as a result of increased stockpiling and with the metallurgical recovery loss will exceed the incremental revenue from the higher grade milled. A variable COG strategy has been applied for the production schedule to maximize NPV, minimize stockpiling, and assist in haul fleet smoothing.

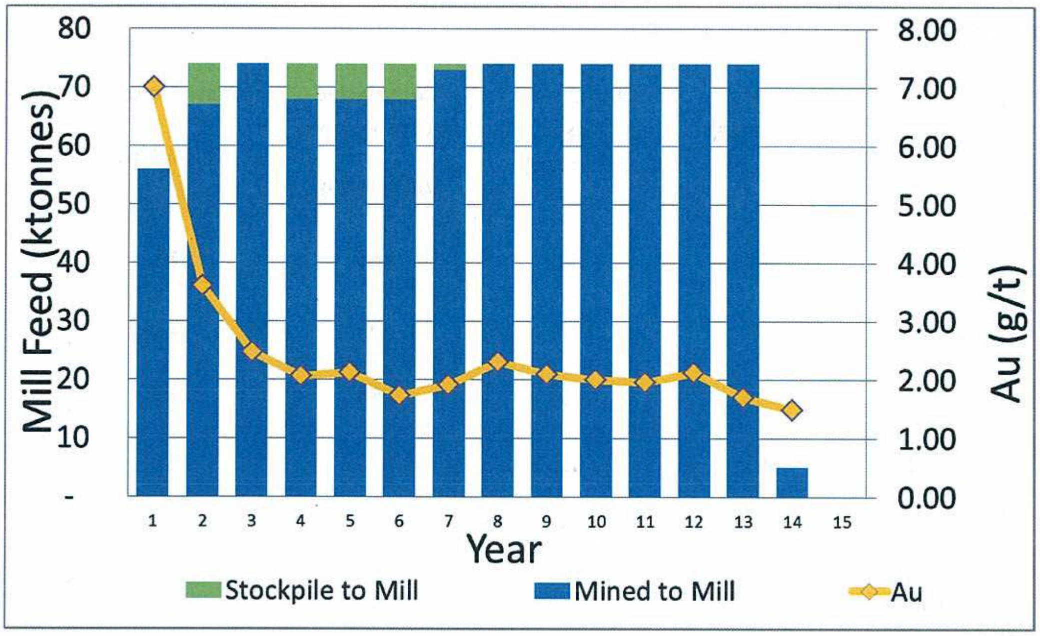
The summarized production schedule results are shown in the Table 16-8 below.

Table 16-8 Summarized Production Schedule

Year	Mill Feed	AU	AG	TE	Waste	Strip
	kt	g/t	g/t	ppm	kt	Ratio
1	56	7.01	208	128	371	6.6
2	74	3.61	127	119	500	6.8
3	74	2.47	85	87	583	7.9
4	74	2.06	69	66	561	7.6
5	74	2.12	66	63	580	7.8
6	74	1.73	45	53	580	7.8
7	74	1.91	42	52	580	7.8
8	74	2.30	54	62	580	7.8
9	74	2.08	61	63	610	8.2
10	74	2.00	69	62	580	7.8
11	74	1.96	67	68	720	9.7
12	74	2.12	78	93	229	3.1
13	74	1.70	61	65	241	3.3
14	5	1.48	58	59	12	2.4
Total	**949**	**2.45**	**77**	**74**	**6727**	**7.1**

Figure 16-14 shows the LOM open pit ore production schedule. The higher grades at the start of the Deer Horn production schedule are a result of the prevailing grades in the starter pits and not the result of COG optimization.

Figure 16-14 LOM ore production schedule



16.9.2 WASTE ROCK DUMPS AND TOP SOIL STORAGE

Mined waste rock in the mine plan is placed in dumps in as close proximity to the mining areas as possible in an area that enables the waste rock to contain mine tailings. All dump designs assume a natural angle of repose of 37°. A 20% swell factor is applied to in situ volumes to calculate the loose volume requiring placement.

Bottom up construction methods have been assumed for the construction of waste rock dumps to maximize dump stability. Top-down placement will have some economic benefit and should be evaluated as a part of future geotechnical studies.

Some waste from Pit Phase D655i is backfilled into the mined out pit Phase D654i.

Recovered topsoil from the dump foundation and pit areas may be required as reclamation material for capping the final dumps. Allowance has been made for the storage of Topsoil east of the tailings facility.

Annual waste volumes are shown by year in Table 16-9.

Table 16-9 Waste Volumes and Tonnages by Year

Period	Waste (kTonnes)	Cumulative Waste (kTonnes)	Cumulative Waste Volume (m^3x1000)	Waste Volume (m^3x1000)
Y01	371	371	168	168
Y02	500	871	394	226
Y03	583	1 454	658	264
Y04	561	2 015	912	254
Y05	580	2 595	1 175	263
Y06	580	3 175	1 438	263
Y07	580	3 755	1 700	263
Y08	580	4 335	1 963	263
Y09	610	4 945	2 239	276
Y10	580	5 525	2 502	263
Y11	720	6 245	2 828	326
Y12	229	6 474	2 932	104
Y13	241	6 715	3 041	109
Y14	12	6 727	3 046	5

16.9.3 MINE PRODUCTION DETAIL

Detailed end-of-period ("EoP") mine status maps are shown in the Appendices. The mine plan for each period is described in this section with illustrative EoP figures.

16.9.3.1. PRE-PRODUCTION (YEAR -1)

At the start of Year -1, access roads are built to top of pit phases D651 and D652 and prestripping is completed. By the end of the preproduction period, the mill pad is complete, foundation preparation for the waste dump is completed, and the starter tailings dam has been constructed. The water collection pond is completed.

The mine layout at the end of pre-production is shown in Figure 16-15

16.9.3.2. YEAR 1

By the end of Year 1, D651 is mined to completion at an elevation of 1240m and D652 is mined down to an elevation of 1410 m; D653 is mined down to an elevation of 1310m. All waste is used to build up double lane haul roads or is hauled to the waste rock dump. Ore is hauled to the crusher or stockpiled adjacent to the plant area.

The mine layout at the end of Year 1 is shown in Figure 16-16.

16.9.3.3. YEAR 2

By the end of Year 2, D652 is mined to completion at an elevation of 1390m, D653 is mined to completion at an elevation of 1291m, and D654 is mined to 1355m elevation. All waste is hauled to the waste rock dump. Ore is hauled to the crusher or stockpiled adjacent to plant area.

The mine layout at the end of Year 2 is shown in Figure 16-17.

16.9.3.4. YEAR 3

By the end of Year 3, D654 is mined to 1325m. All waste is hauled to the waste rock dump. Ore is hauled to the crusher or stockpiled adjacent to plant area.

The mine layout at the end of Year 3 is shown in Figure 16-18.

16.9.3.5. YEAR 4

By the end of Year 4, D654 is mined to 1300m. All waste is hauled to the waste rock dump. Ore is hauled to the crusher or stockpiled adjacent to plant area.

The mine layout at the end of Year 4 is shown in Figure 16-19.

16.9.3.6. YEAR 5

By the end of Year 5, D654 is mined to 1285m and D655 is mined to 1480m. All waste is hauled to the waste rock dump. Ore is hauled to the crusher or stockpiled adjacent to plant area.

The mine layout at the end of Year 5 is shown in Figure 16-20.

16.9.3.7. YEAR 10

By the end of Year 10, D654 is mined to completion at an elevation of 1230m and D655 is mined to 1380m. Waste is hauled to the waste rock dump. Once phase D654 is complete waste rock from DS655 is backfilled into the pit. Ore is hauled to the crusher or stockpiled adjacent to plant area.

The mine layout at the end of Year 10 is shown in Figure 16-21.

16.9.3.8. YEAR 14

By the end of Year 14, d655 is mined to completion at an elevation of 1230m. Waste is hauled to the waste rock dump. Waste rock from d655 is backfilled into the pit. Ore is hauled to the crusher or stockpiled adjacent to plant area.

The mine layout at the end of Year 20 is shown in Figure 16-22.

16.9.3.9. END OF OPEN PIT MINING

At end of the mining phase any stockpiled ore is milled and any necessary waste dump reclamation is performed.

Figure 16-15 EOP -1 Mine Layout

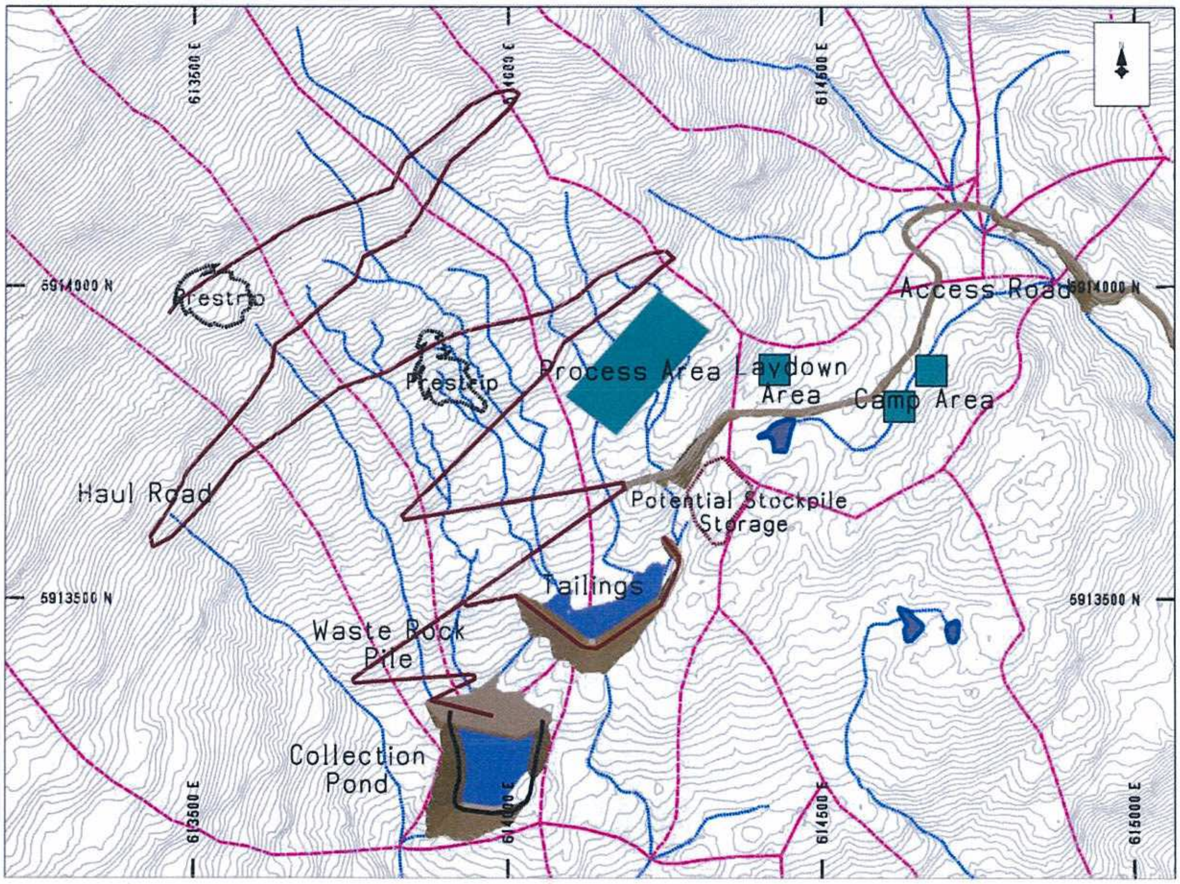


Figure 16-16 EOP 01 Mine Layout

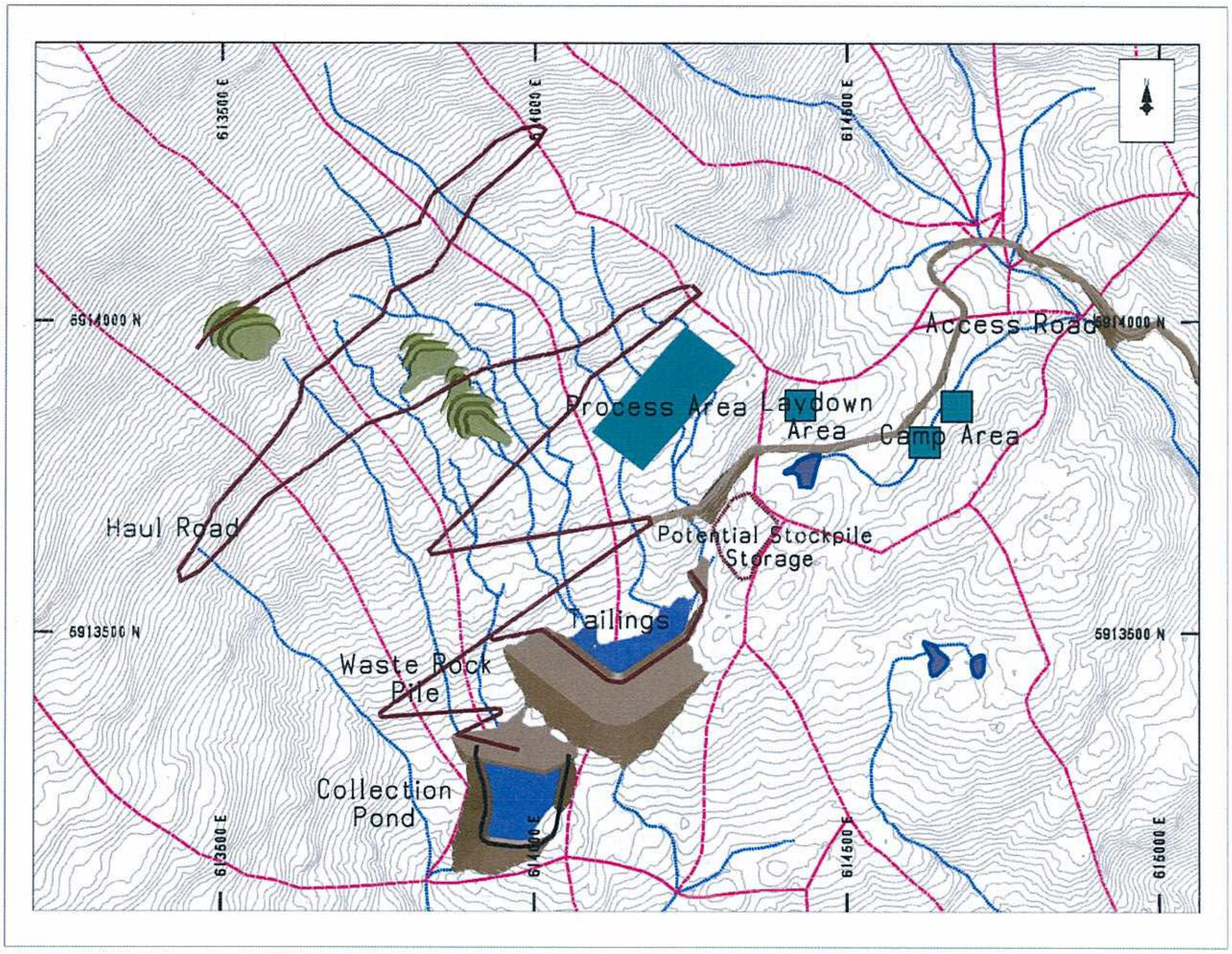


Figure 16-17 EOP 02 Mine Layout

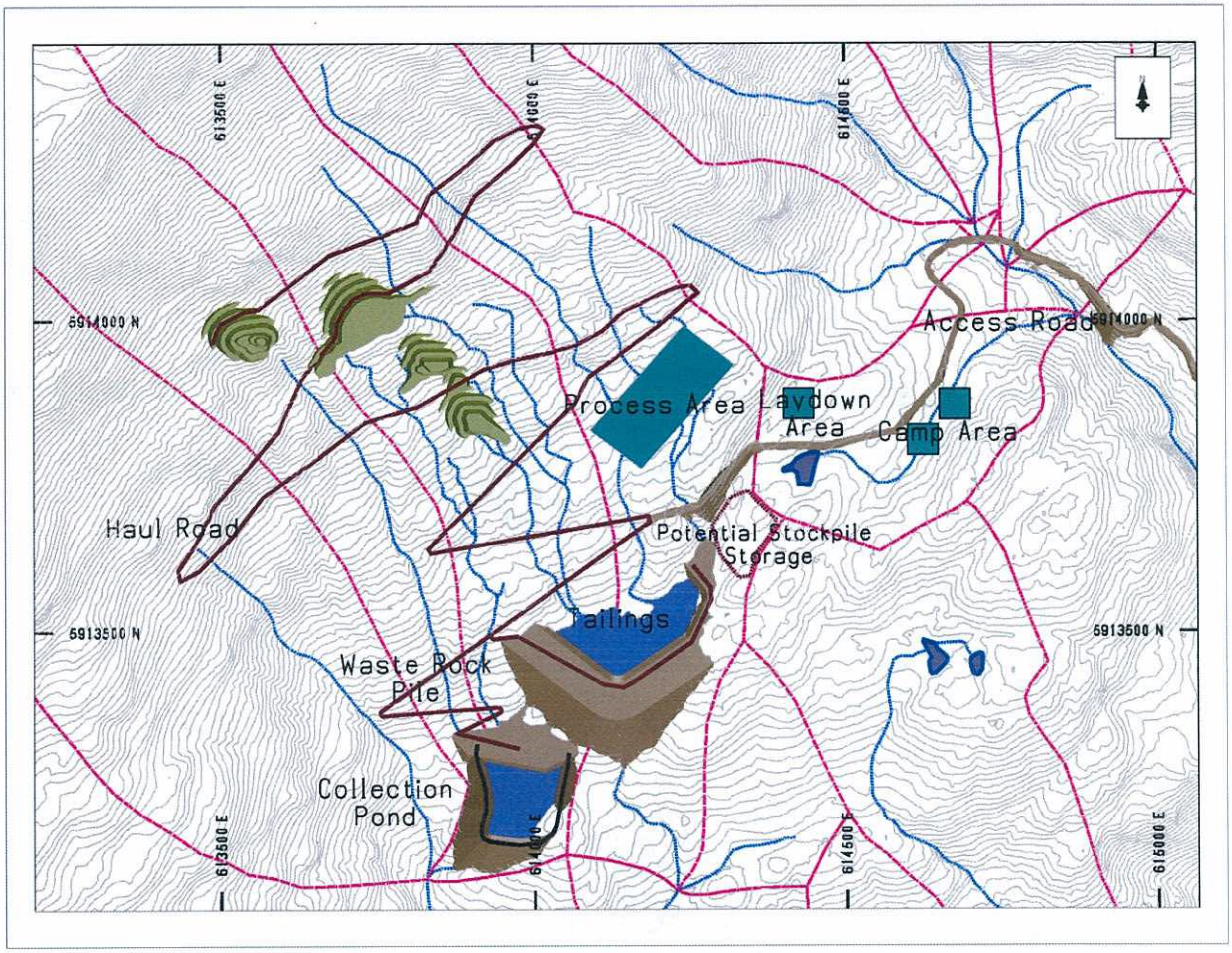


Figure 16-18 EOP 03 Mine Layout

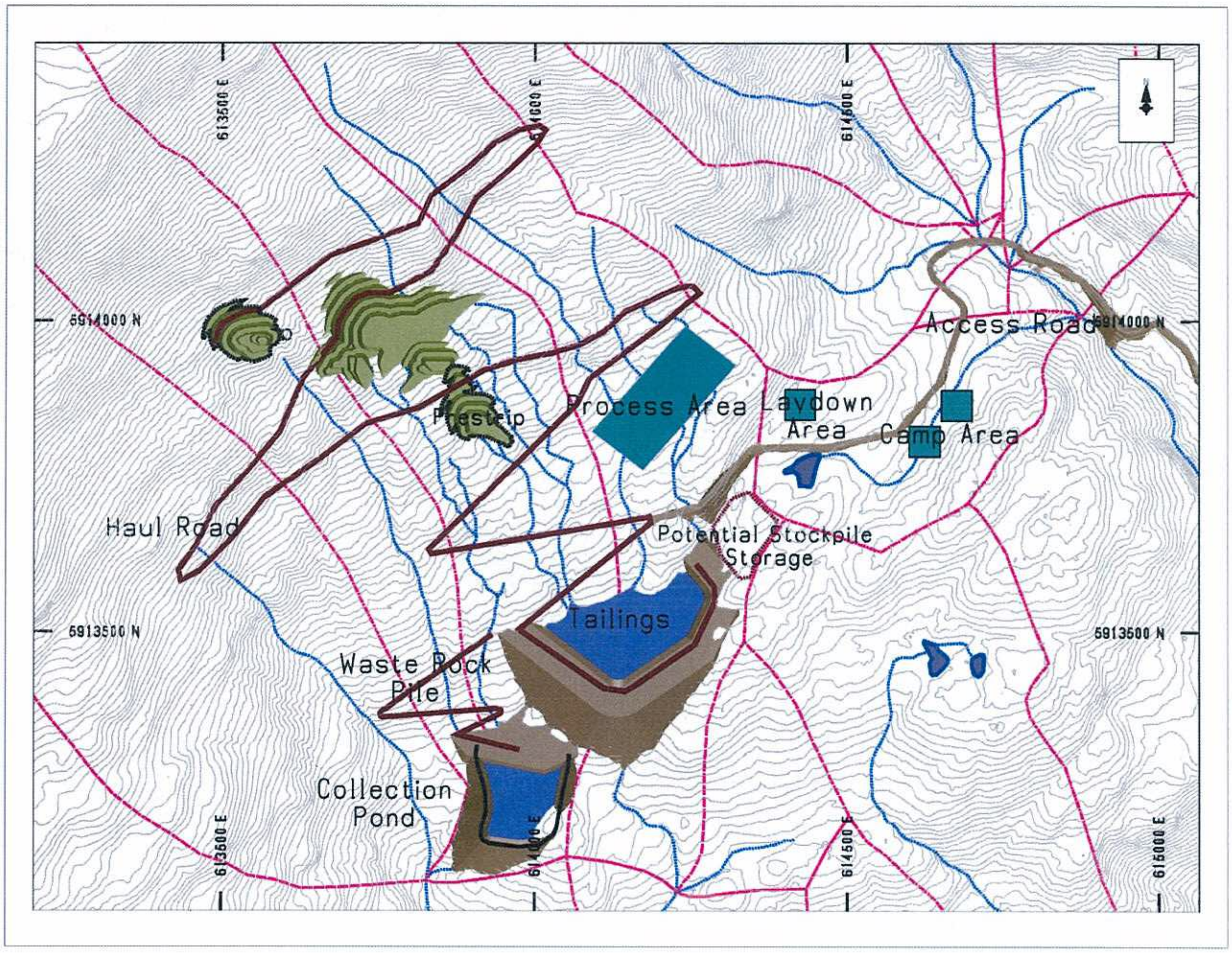


Figure 16-19 EOP 04 Mine Layout

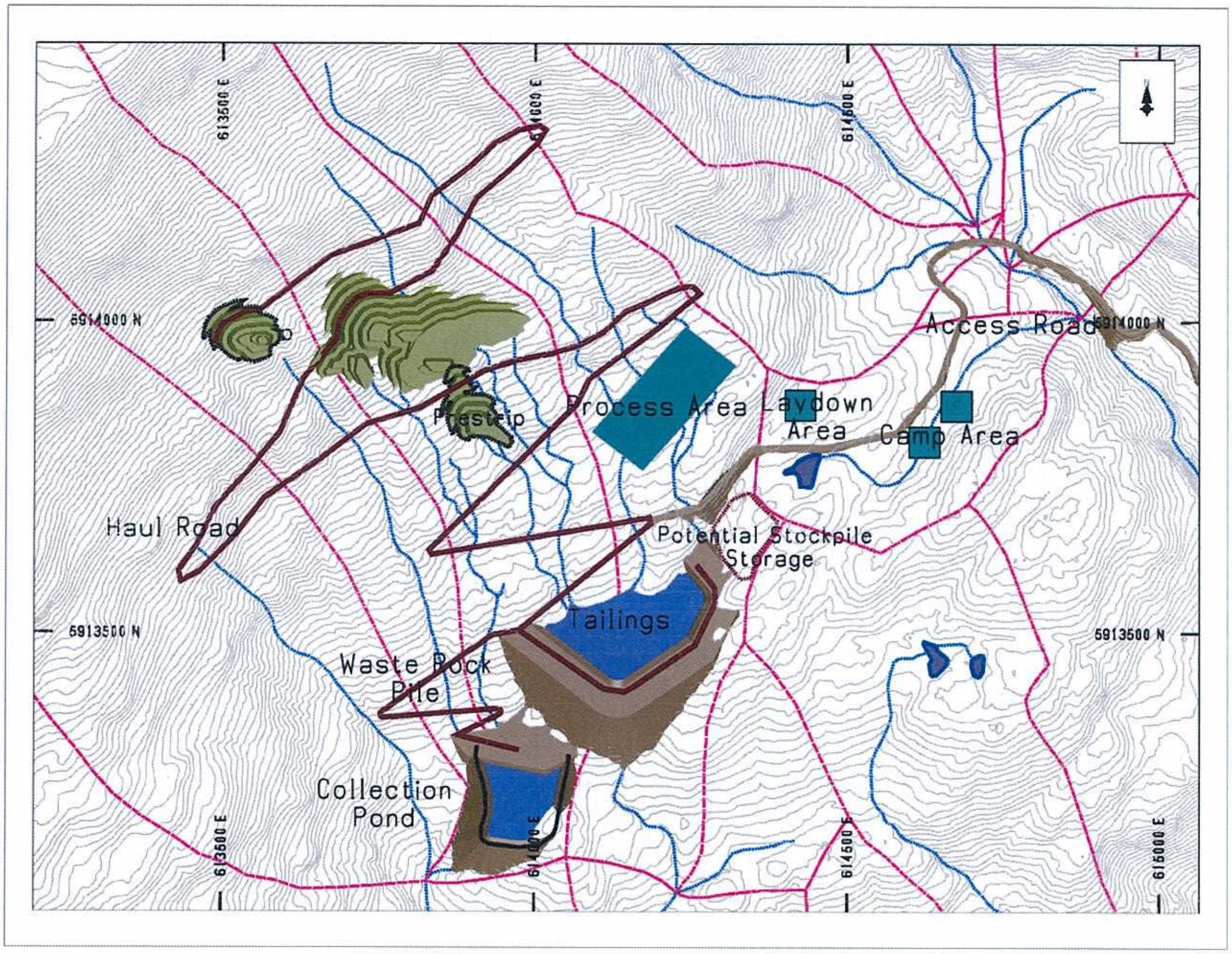


Figure 16-20 EOP 05 Mine Layout

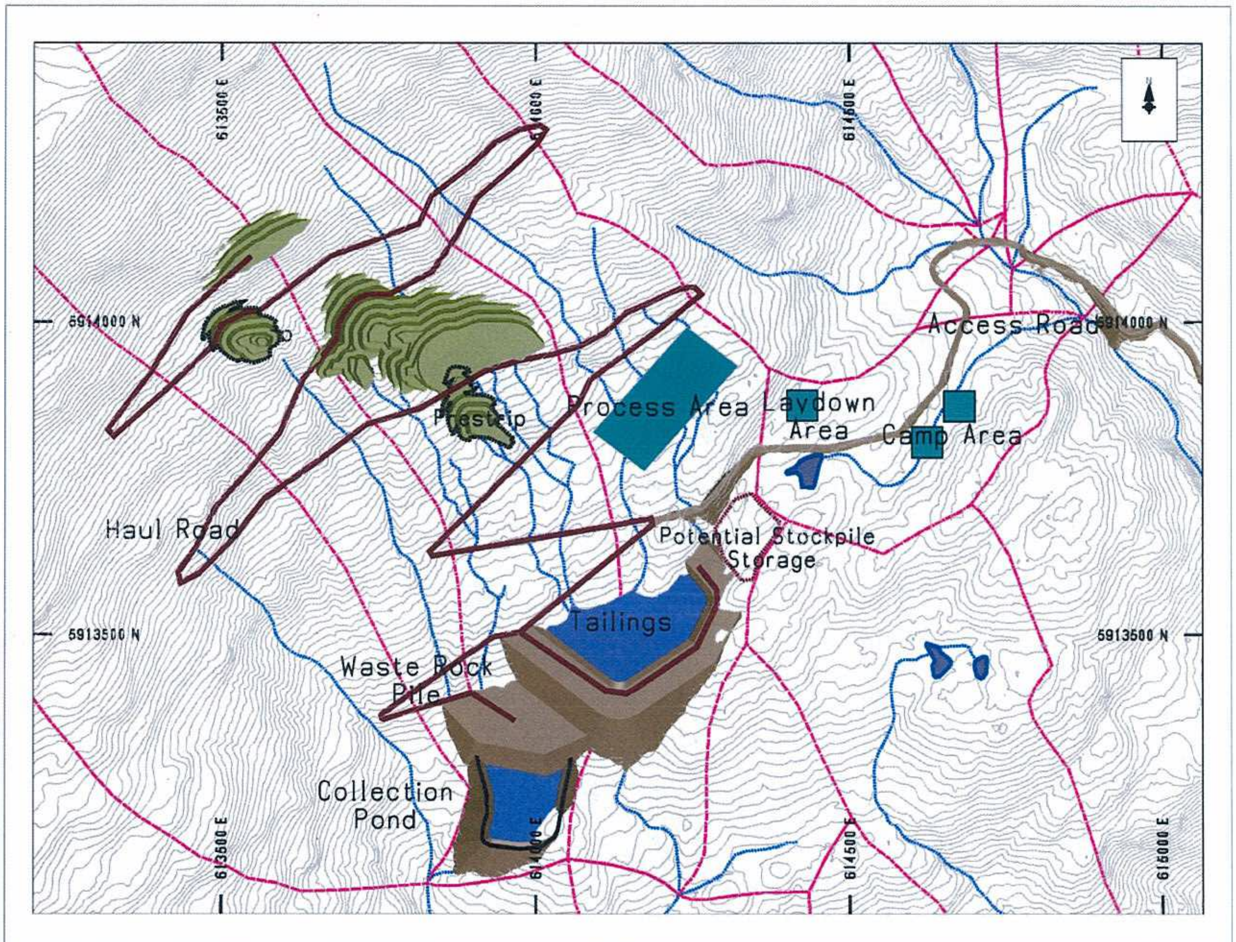


Figure 16-21 EOP 10 Mine Layout

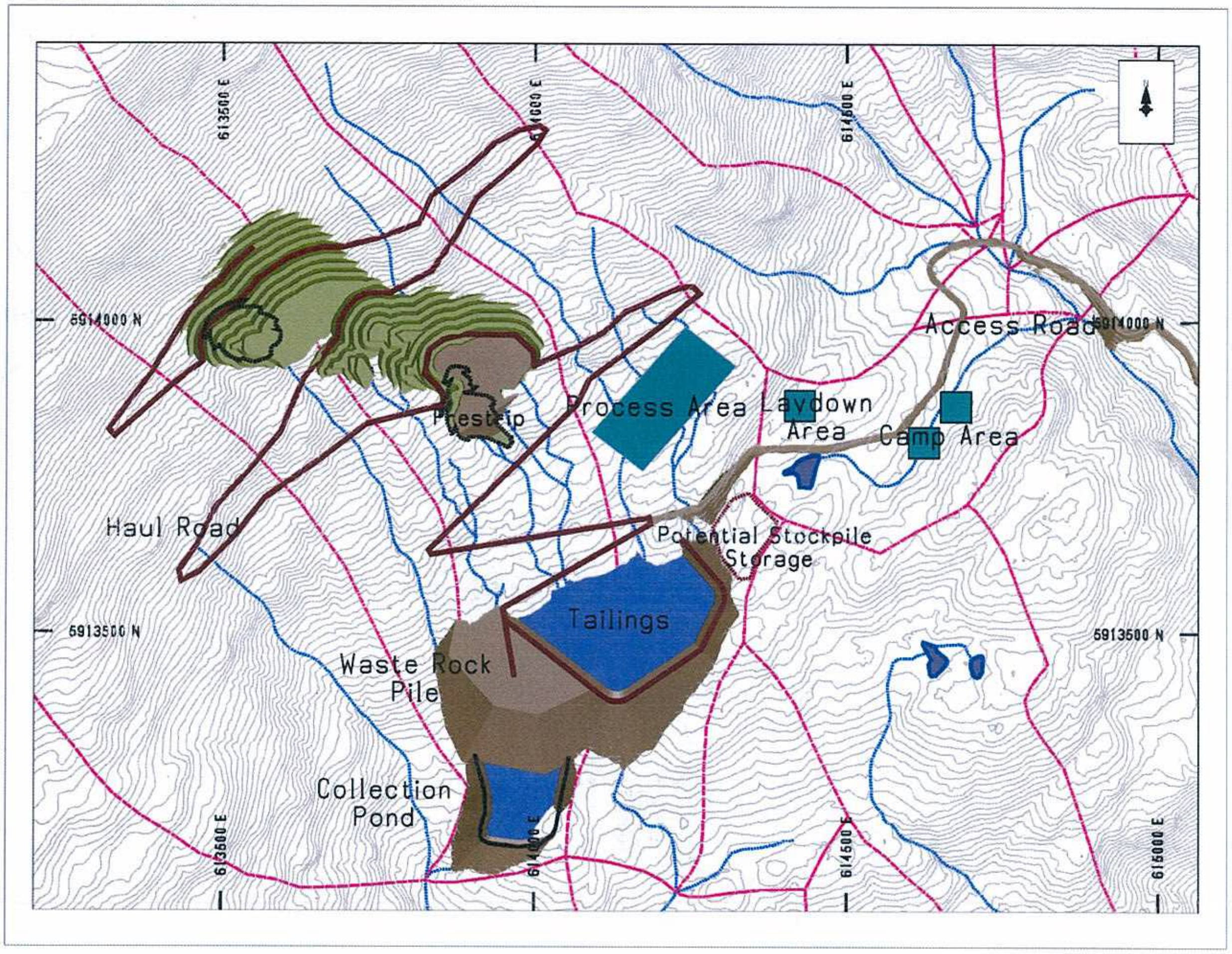
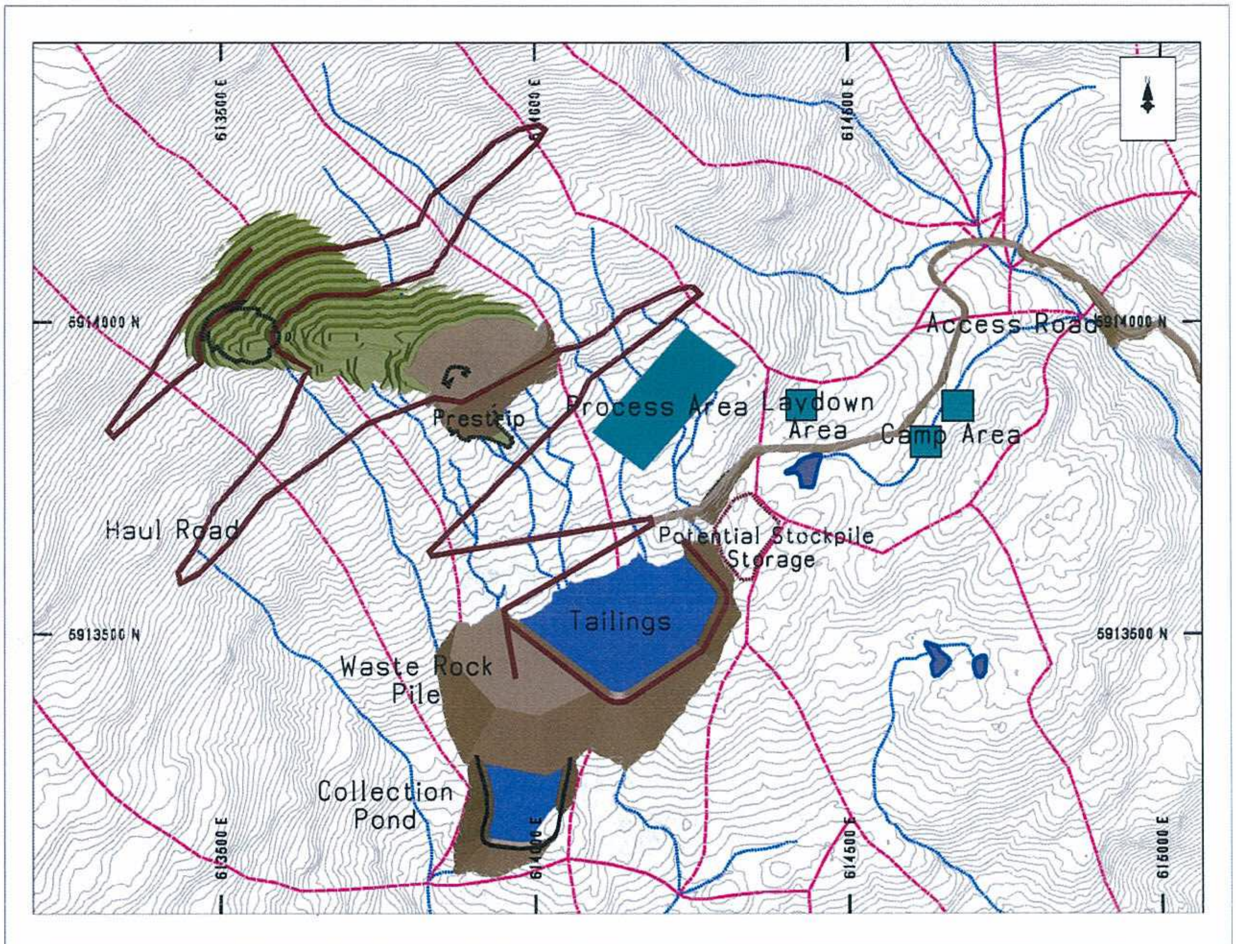


Figure 16-22 EOP 14 Mine Layout



16.9.4 MINE OPERATIONS

Deer Horn mining operations will be typical of small open pit operations in mountainous terrain in western Canada, and will employ accepted bulk mining methods and equipment. There is considerable operating experience and technical expertise for the proposed operation in western Canada. Services and support in BC and in the local area are well-established.

A small capacity mining operation is being designed suitable for experienced contract miners. Mining equipment is similar in size to typical fleets used in civil construction projects. A number of suitable contractors are available in the region.

Mine operations will be carried out in the summer to avoid the high snowfall winter conditions. This will require annual mobilization of the small mine fleet at the start of the season, and complete demobilization and removal of the mine fleet at the end of the summer season. The potential mine operation season will start in May after freshet and end in October before major snowfall begins.

16.9.4.1. ORGANIZATION

Mine operations are organized into three areas: direct mining, mine maintenance, and general mine expense ("GME").

The direct mining area accounts for the drilling, blasting, loading, hauling, and pit maintenance activities in the mine. Costs collected for this area include the mine operating labour, mine operating supplies, equipment operating hours and supplies, and distributed mine maintenance costs. The distributed mine maintenance costs include items such as maintenance labour, repair parts, and energy (fuel or electricity), which contribute to the hourly operating cost of the equipment and are distributed as an hourly operating cost. These are in turn applied to the scheduled equipment operating hours.

The mine maintenance area accounts for the overhead of supervision, planning, and implementation of all activities within the mine maintenance function. Costs collected for this area include salaried personnel (supervisors, technical planners, and clerical), operating supplies for the various services provided by this area, and general shop costs. The cost in these items are not included in the distributed mine maintenance costs.

The GME area accounts for the supervision, safety, and training of all personnel required for the direct mining activities as well as technical support from mine engineering, environmental and geology functions. Costs collected for this area include the salaries of personnel and operating supplies for the various services provided by this function.

In this study, direct mining and mine maintenance are planned as a contractor-operated fleet with the equipment ownership and labour being directly under a contractor. The mining contractor will employ the blasting crew but, due to the specialty expertise required, the supply of blasting materials is assumed to be contracted out. All infrastructures required for the blasting supply contractor will be provided by the mine.

16.9.4.2. DIRECT MINING ACTIVITIES

The direct mining area accounts for the drilling, blasting, loading, hauling, and pit maintenance activities in the mine.

In situ rock will require drilling and blasting to create suitable fragmentation for efficient loading and hauling of both mill feed and waste material. Ore and waste limits will be defined in the blasted muck pile through blasthole assays and grade control technicians. Support personnel and equipment under contractor supervision will be required to maintain the mining area, ensuring the operation runs safely and efficiently. General descriptions of the direct mining unit operations are included in this section.

Drilling and Blasting

Areas will be prepared on the bench floor blast patterns in the in situ rock. The spacing and burden between blast holes will be varied as required to meet the required powder. Dozers will be used to establish initial benches for the upper portions of each phase. Drill ramps will be cut between benches where the outside holes on established benches do not meet the burden and spacing requirement of the pattern for the next bench below.

Drills should be fitted with automatic samplers to provide ore grade control samples from drill cuttings in the ore zones. These samples will be used in the Ore Control System ("OCS") for blast hole kriging to define the ore/waste boundaries on the bench as well as stockpile grade bins for the grade control system to the mill.

Small blast hole drills will be used for production drilling, both in ore and waste.

Blasting

An appropriate powder factor will be used to provide adequate fragmentation and digging conditions for the excavators. Similar open pit projects in region use a powder factor of 0.35kg/t for competent rock, which should achieve adequate fragmentation.

Explosives

A contract explosives supplier will provide the blasting materials and technology for the mine. The nature of the business relationship between the explosives supplier and the mining operator will determine who is responsible for obtaining the various manufacture, storage and transportation permits, as well as any necessary licences for blasting operations. This will be established during commercial negotiations. For this study it is assumed that the explosives contractor delivers explosives to the blast holes and supplies all blasting accessories.

Blasting accessories will be stored in magazines.

Specifications for blasting plant and explosives storage magazines and the locations of these facilities must adhere to the Explosives Act of Canada regulations as published by the Explosives Regulatory Division of Natural Resources Canada, and regulations as published by the MEMPR in BC (in particular, the Health, Safety and Reclamation Codes for Mines in BC).

Explosives Loading

Loading of the explosives will be done with bulk explosives loading trucks provided by the explosives supplier. The explosives product that is being used is a mix of ANFO and emulsion.

The blast holes will be stemmed to avoid fly-rock and excessive air blasts. Crushed rock will be provided for stemming material and will be dumped adjacent to the blast pattern. A loader with a side dump bucket is included in the mine fleet to tram and dump the crush into the hole. The crushed rock is provided an onsite rock crusher specified for mine roads.

Blasting Operations

The blasting crew will be comprised of contractor employees and will be on day shift only. The blasting crew will coordinate the drilling and blasting activities to ensure a minimum of two weeks of broken material inventory is maintained for each shovel. A detonation system will be used that consists of electric cap initiation, detonating cord, surface delay connectors, non-electric single-delay caps, and boosters.

The explosives contractor will supply and store bulk explosives on site. The explosives contractor's employees will deliver explosives to the blast hole.

Based on the estimated powder factor a small diameter blast hole size of 4 inches with a burden and spacing of approximately 2.8m is expected. These parameters will be re-evaluated in the future with a detailed blasting study, using site-specific rock strength parameters.

Loading

Ore and waste will be defined in the blasted muck pile as defined by the OCS. It is expected that the contract miner will use 5m^3 excavators as the primary digging units.

Hauling

Ore and waste haulage will be handled by small off-highway haul trucks payloads ranging from 25t to 50t depending on the equipment available to the contractor for each operating season.

Pit Maintenance

The contract miner is responsible pit maintenance services including haul road maintenance, mine dewatering, transporting operating supplies, relocating equipment, and snow removal.

A rock crusher for road grading material may be required to improve truck travel speeds, reduce mechanical fatigue to the haul trucks, and to enhance tire life, which is a major mine operating cost.

16.9.4.3. MINE MAINTENANCE AREA

Mine maintenance includes the supervision and planning of the mine maintenance activities and will be carried out by the contract miner. The mine maintenance team will perform breakdown and field maintenance and repairs, regular preventive maintenance, component change-outs, in-field fuel and lube servicing, and tire change-outs.

16.9.4.4. GENERAL MINE EXPENSE AREA

GME area accounts for the supervision, safety, environment, and training for the direct mining activities as well as technical support from mine engineering and geology functions. Mine operation supervision will extend down to the shift foreman level.

Most of the GME functions at Deer Horn will be assumed by the selected contract miner. The owners GME cost will include:

- A geologist, ore grade technicians and a mining engineer who will coordinate the mine plan with the contract miner.
- A senior surveyor will assume responsibility for surveying for the entire property.
- An environmental engineer and technician will co-ordinate sustainability issues.

Mine geotechnical issues including pit slope stability and hydro-geological studies will be contracted out. The geotechnical engineers will have oversight for the whole property for any geohazard monitoring and assessment programs being carried out by safety personnel or third party consultants.

16.10 MINE CLOSURE AND RECLAMATION

At the end of the mine life, an approved closure and reclamation plan will be implemented that will meet the end land use objectives and satisfy the regulatory commitments. The mining costs provide an allowance for the following general reclamation activities.

Mine waste rock piles have been designed as bottom-up lift dumping. The waste rock piles will be placed during the mine life, as close to their final closure configuration as possible. Where possible waste rock piles will be reclaimed as a part of ongoing mine operations. Some re-contouring and reclamation will be required at closure. Salvaged reclamation and soil material will be placed on the waste rock piles surfaces after resloping, where required. Decommissioned mine roads will be scarified and capped with available surficial soils. Dykes and dams that are exposed above the water line will also be scarified and capped with suitable soils. The surfaces will then be planted/seeded as required.

16.11 MINE EQUIPMENT

The size of the mine fleet will depend on the availability of equipment to the contract miner for each operating season. A general list of mine equipment expected to be used by the contract miner is shown in the Table below.

Table 16-10 Typical Mining Contractor Equipment Fleet

Fleet	Function	Units
Excavators 4m^3 or 5m^3	Loading Haul Trucks, Ditches, pit sump	3
Haul Trucks 25 t to 50 t	Hauling waste and ore	4 to 8
Hole Stemmer – 3 t	Blast Hole Stemmer	1
Track Dozers – 430 kW	Shovel Support, Dump Maintenance, clearing and grubbing	4
Drills – 4"	Drilling blast holes	2
Fuel/Lube Truck	Shovel and Drill Fuelling & Lube	1
Wheel Loader Multipurpose – 14 t	Pit Clean Up, General Utility	3
Water Truck – 5,000 gal	Haul Roads Water Truck	2
Motor Grader – 400 kW	Road Grading	4
Tire Manipulator	Tire Changes	1
Crew Bus	Crew Bus	1
Maintenance Truck – 1 t	Maintenance Truck	1
Ambulance/Mine Rescue Vehicle	Ambulance/Mine Rescue Vehicle	1
Screening & Crushing Plant - 12" max.	Road Crush & Stemmings	1
Crane 40 t Hydraulic Extendable	Utility Crane	2
Forklift – 10 t	Forklift	2
Service Truck	Service Truck	2
Welding Truck	Welding Truck	1

17 RECOVERY METHODS

Based on preliminary metallurgical results and the core inspections discussed in Section 13 it is MMTS's opinion that the Deer Horn deposit can processed using conventional flotation to produce a gold-silver-tellurium polymetallic concentrate.

A gravity concentration stage ahead of the flotation plant could add significantly value to the overall process by further upgrading the final concentrate while saving energy in primary grinding, or potentially producing a precious metal concentrate.

18 PROJECT INFRASTRUCTURE

18.1 SITE ACCESS

A map showing planned site access is show in Figure 18-1. Site is accessed from Houston, the closest town, by travelling west on Highway 16, tuning left on the Morice Forest Service Road. A network of well used existing forest service roads ("FSR") enables access to the north side of the Tahtsa Reach Ferry crossing. The ferry provides transport to the southern shore of Tahtsa Reach. Travel is resumed along existing FSR's to Andrews Bay or the East Ootsa logging camp on Ootsa Lake where a barge provides transport to the south end Whitesail Lake.

An existing 7.8km access road will likely require some widening and preparation to enable delivery of the process and mining equipment. The ECOFOR 2009 base line study recommends relocating some of the stream crossings.

The barge crossing limits the loads along the route to a maximum single load of 100t.

No road major road construction will be required for the initial delivery of equipment to prepare the mine site. The widening of the existing access road can take place during the preproduction phase.

A gate will be erected at the main entrance of the site. The gate operated by a security guard will be used to control pedestrian and all vehicle access to the site.

18.2 CAMP

Due to the remoteness of the Property, a temporary camp is planned to house workers throughout the life of the Project.

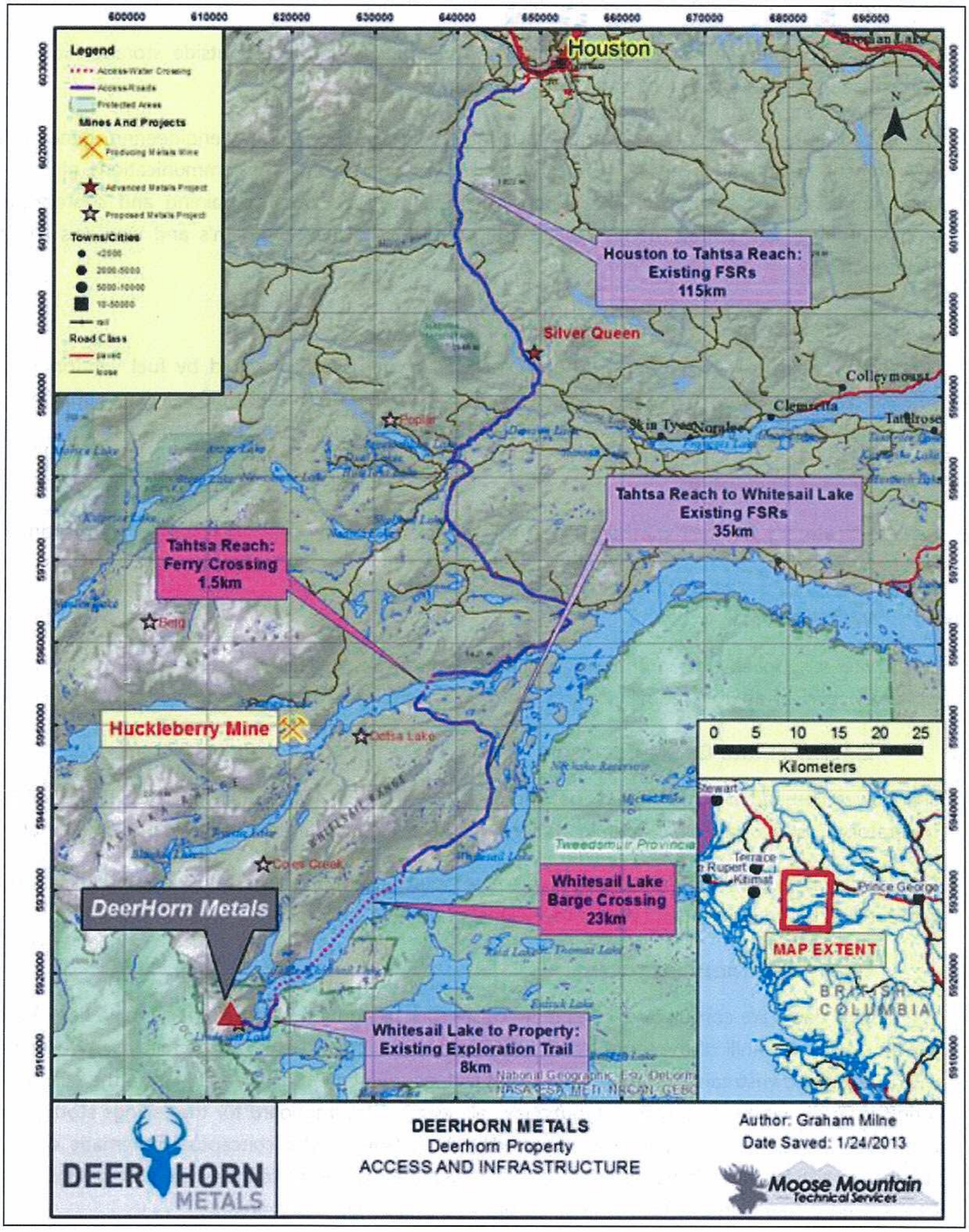
18.3 PROCESS AREA

The process area includes the process facilities, maintenance facilities, warehouse and administration facilities. Temporary warehouse, laboratory and administration facilities are located in the processing plant area preferably in an avalanche safe zone to allow them to remain in place during the winter months when operations are stopped.

Temporary mine maintenance facilities will be supplied by the contract miner and will likely be removed at the end of each operating season.

The mine maintenance facility ("MMF") will be used for servicing the Open Pit equipment in addition to other mobile equipment. The MMF requires lubricants, tools, air compressors, and will include maintenance bays, for the mine trucks, a tire changing bay, wash bay, welding bay, equipment service bay, and a light vehicle maintenance bay. The MMF will only be required during a short summer operation and most mine maintenance will take place in the field.

Figure 18-1 Deer Horn Site Access Map



The laboratory area will contain necessary equipment for chemical analysis, particle size analysis, wet assaying, and weighing, metallurgical process testing equipment.

Due to the summer only operations most of the warehouse area uses outside storage facilities. Some warehouse storage is established in temporary buildings.

The administration area contains office space for administration, geology, engineering, general services, environment, health and safety, human resources, information technology, communications, plant and mine superintendents and their staff. The administration areas also contains training and conference room, employee lunch and coffee room, dispatch offices, a medical center, men's and women's change and washrooms.

18.4 FUEL STORAGE FACILITIES

Fuel will be delivered and stored in mobile tanks at a fuel island provided by fuel vendors in an area adjacent to or a part of the process area where it is convenient for haul trucks access. Lubricant product storage facilities for all mining equipment will be obtained stationed at the fuel island.

18.5 SEWAGE TREATMENT

Sewage treatment facilities will be erected for the camp and process areas based on anticipated staff requirements.

18.6 WATER SUPPLY

Fresh water is supplied either from wells or the nearby Lindquist Lake. The preferred option for water supply will be established after water balance and hydrological studies have been completed.

18.7 ELECTRICAL AND COMMUNICATION

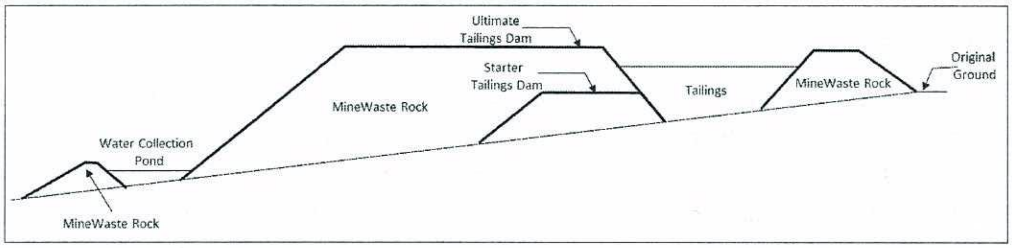
Site power demand is estimated to be approximately 1MW. All site power will be by diesel powered generators. Cost allowance has been made for the purchase and operation of diesel power generators.

Site communication will be primarily by radio. A computer network will be setup in the administration area with satellite based internet and phone connectivity typical of exploration projects in the area.

18.8 WASTE AND TAILINGS STORAGE

The tailings dams are constructed using mine waste rock using haul trucks from the mine fleet. Waste rock will be placed downhill of the tailings and will form a containment berm for the tailings. A collection pond will be placed downstream of the waste rock and tailings to intercept any seepage from the tailings or water runoff from the waste. Conceptual layouts have allowed a 10m freeboard for the tailings storage. A starter dam has been sized to contain one year of deposited tailings. The conceptual schematic of waste and tailings storage is shown in Figure 18-2. Detailed engineering design of the waste and tailings storage will be assessed in future studies following hydrology and ground condition studies.

Figure 18-2 Conceptual Schematic Section of Waste and Tailings Storage



Ground conditions below the selected waste and tailings area are not well known. Geotechnical and hydrology studies are required to confirm that the area selected for tailings and waste storage are suitable.

Process make-up water will be pumped back to the mill from the concentrate and flotation tailings areas to meet requirements for the mill make-up.

19 MARKET STUDIES AND CONTRACTS

Market studies have not yet been conducted for the Deer Horn property. The Deer Horn gold-silver-tellurium concentrate will likely either be marketed as feedstock for refineries that possess the technology to specifically economically extract the tellurium, or a gold-silver sweetener for existing concentrate producers.

There are refineries equipped to separate the gold-silver-tellurium from concentrate in North America.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

20.1 REGULATORY FRAMEWORK

The Deer Horn Project with a projected maximum production of 74,000 tonnes per year, should not fall within the category of a "reviewable project" of the British Columbia Environmental Assessment Act ("BCEAA"), administered by the BC Environmental Assessment Office ("BCEAO"), and therefore may not trigger the Canadian Environmental Assessment Act ("CEAA"). The Project may be permitted under the Mines Act of BC as a small mine, without the requirement for a full environmental assessment ("EA"). Despite not directly triggering a Provincial or Federal environmental assessment, it is possible that an EA could be required. If a responsible Minister determines that a significant risk to the environment or local communities justifies a more detailed analysis of the Project, then an EA may be triggered.

Other requirements of Provincial and Federal laws would also apply, depending upon final Project design components.

If the Project does not trigger Provincial or Federal EA, then the Project may be approved by means of an application for a small mines permit under Section 10(1) the Mines Act. The subsequent approval process and timeline are summarized below.

BC MINES ACT SMALL MINES APPROVAL PROCESS

1. Develop draft Project Description
2. Meetings with MEM and other regulators to develop Project Application Information Requirements ("AIR") likely in concert with the Regional Mine Development Review Committee ("MDRC")
3. Conduct gap analysis of AIR
4. Finalize AIR, including a list of all required permits and authorizations
5. Collect information, compile Project applications as required
6. Submit Mines Act Project application and other related permit applications for concurrent review
7. Review of Project applications by MDRC
8. Recommendation by MDRC to BC MEM Chief Inspector for approval of Project applications
9. Approval of Project applications by Chief Inspector
10. Approval of related permits by other government ministries

Depending upon the complexity of issues and the related mitigation planning, the availability of any required specialty consulting services, the ability for regulators to review and correspond with the proponent, and the workload of government authorities, it is estimated that the total time required from draft Project description to approval of the Project application by the Chief Inspector and others is between 10 to 12 months.

It may be possible to shorten the total time required with acute attention to AIR details, and the proactive collection of environmental, First Nations, and community information required for an expedited review process. With this approach, it may be possible to reduce the total approval timeline by several months.

The Project development timeline may be extended for reasons of issue complexity, regulator availability, and First Nations or community concerns.

The Project is expected to recover 951kt of ore at a production rate of approximately 74,000 tonnes mill feed/yr, during a May to October operating season. Mine facilities will be shut down during winter months. Ore processing will be done on site with a conventional floatation process. No permanent facilities will be constructed on site, no living accommodations are planned and the Project life is expected to be 14 years.

Reclamation of the site will be done concurrently with mining, as areas become dormant, and should be completed within two years of the cessation of mining.

20.2 PROVINCIAL PROCESSES

The Mines Act process works with First Nations, other government agencies, and possibly the public to ensure mine projects are developed in a sustainable manner. The process examines projects for potentially adverse environmental, economic, social, health, and heritage effects that may occur during the lifecycle of these projects.

Public participation in a mine application process helps to ensure that community values and public goals for community development are considered in project planning and decision-making and may be an important component of permitting. The MDRC may recommend some form of public awareness and opportunity for input, such as a public open house presentation, in one or more of the local communities.

The Deer Horn Project proponent may be able to shorten the approval timeline by several months or more, with early and clear Project descriptions, and early consultation and engagement with government agencies, community, non-government organizations (NGOs), First Nations and stakeholders.

Once issued, the Mines Act small mine approval remains in effect for the life of the Project, unless suspended or cancelled by the Minister of MEM for non-compliance with permit conditions. Approvals often also contain a deadline from date of issuance to substantial start.

If a BCEAA process is required, application costs and approval timelines will be increased by several million dollars and several years.

A significant aspect of permit application for the Deer Horn Project will include the need for an acceptable Mine and Reclamation Plan, an Environmental Management System, a Sediment Control and Water Management Plan, and a Mine Abandonment Plan. Other specific Environmental Plans may include Fish Habitat Mitigation, Wildlife Habitat Mitigation, Access Management, Selenium Management, Special Waste Management, ARD/ML Management Plans, and others.

Some of the Provincial permits and approvals that may apply to the Deer Horn Project include the

- Drinking Water Protection Act
- Energy Efficiency Act
- Environmental Management Act (including wastes and contaminated sites authorizations)
- Fish Protection Act
- Forest and Range Practices Act
- Forest Practices Code of BC Act
- Health, Safety and Reclamation Code for Mines in BC
- Heritage Conservation Act
- Archaeological permitting and registries

- Hydro and Power Authority Act
- Land Act
- Crown Land tenure applications
- Local Government Act
- Mineral Tenure Act
- Mines Act (including Mining and Reclamation Permits and Bonding)
- Transport of Dangerous Goods Act
- Transportation Act
- Utilities Commission Act
- Water Act
- Water Protection Act
- Water Utility Act
- Wildlife Act

A concurrent process for obtaining the necessary provincial and federal approvals and authorizations other than the Mines Act permit is also possible, and can save permitting time before start-up. The concurrent process is assumed in the projected timelines discussed for the Deer Horn Project.

20.3 FEDERAL PROCESSES

Federal environmental assessments must be conducted prior to a project proceeding if:

- a Federal authority is the proponent of the project
- Federal funds are involved
- the project involves land in which a Federal authority has an interest
- some aspect of the project requires Federal approval or authorization

One possible Federal approval trigger might be the potential impact on fish-bearing streams, requiring a Federal authorization.

It is unclear at this stage of the Deer Horn Project definition whether a Federal EA process will be triggered as project details have not been sufficiently developed.

Federal assessments will likely focus on areas of particular interest to the Federal authorities such as species at risk, effects of accidents and malfunctions, effects of the environment on the project, effects of the project on the capacity of renewable resources, cumulative effects, and First Nations engagement and consultation.

The additional cost of a Federal EA process could add $2 million or more to costs, as well as at least one to two years of approval time. Additional costs of monitoring, mitigation and decommissioning may also be required.

The Project proponents should be diligent in considering mine plan alternatives and details that do not require Federal approvals triggering the full CEAA process.

Federal permits and approvals that still may be required are included in the following:

- Canadian Environmental Protection Act
- Fisheries Act
- Migratory Birds Convention Act
- Navigable Waters Protection Act
- Species at Risk Act
- Transportation of Dangerous Goods Act
- Canadian Environmental Assessment Agency Registry
- Canadian Transportation Agency
- Environment Canada, including the Canadian Wildlife Service and Species at Risk requirements
- Indian and Northern Affairs Canada
- Fisheries and Oceans Canada Species at Risk, including Species at Risk requirements
- Health Canada requirements
- Natural Resources Canada
- Transport Canada requirements
- Explosives Act

20.4 LOCAL AND REGIONAL PROCESSES

20.4.1 REGIONAL LAND USE PLANNING

The Deer Horn Project falls within the administrative boundary of the Nadina Forest District of the Northern Interior Forest Region. The Project also falls within the administrative boundary of the Lakes District Land and Resource Plan Area (Lakes LRMP) for which a provincial government approved land use plan was adopted in January, 2000. The Lakes LRMP is a consensus built land use plan that directs the management of resources by land managers, resource proponents and resource agency staff. All land use and resource management within the Lakes LRMP are subject to existing legislature, policies and regulations for Crown land and resource management.

The proposed Deer Horn Project lies within the area zoned as Mineral/Wildlife Management Zone, a description of which is summarized in the Lakes LRMP as *"...to provide opportunity for mineral exploration and development while giving consideration to wildlife values present in the zone."*

The adjacent Tweedsmuir North Provincial Park and Tweedsmuir South Provincial Parks form one of BC's largest parks, created in 1938. Land use within park boundaries is regulated by the Tweedsmuir Master Plan, which was released to the public in 1988. The park protects a number of ecosystems. Backcountry hiking, fishing and camping opportunities exist for park visitors. Project development planning, including mining and access development and use, will need to consider the unique values of the park and its users, due to its proximity.

20.4.2 LOCAL LAND USE PLANNING

The Project may require some zoning modifications by local communities and the Regional District, consistent with the practice of the other local mines to allow for mining and related activities.

Due to the proximity to the Tweedsmuir Parks, wildlife and fisheries values, and the public and commercial use of the area, it is likely that impact management and communication with potentially effected First Nations and stakeholders will require significant time and resources.

Other licensed land use tenures in the Deer Horn Project area include mineral resources, forest resources, registered trap lines, guide outfitter areas, and commercial recreation areas. All current tenure holders would require consultation and possible accommodation as a result of impacts to their operations. The general area is presently very active with forest harvesting operations.

Non-tenured land use in and adjacent to the project area include hiking, camping, boating, hunting, fishing, skiing, and motorized recreation with ATVs and snowmobiles.

The time and cost for coordination with the Regional and Local Plans are included in the permitting timelines and the cost of permitting process.

It is anticipated that the following list of government agencies will be involved in project communications in some form:

- Canadian Environmental Assessment Agency (likely to confirm that no EA is required)
- Fisheries and Oceans Canada ("DFO")
- Environment Canada
- Natural Resources Canada
- Health Canada
- BCEAO(likely to confirm that no EA is required)
- BC MoE
- BC Ministry of Forests, Lands and Natural Resource Operations
- BC MEM
- BC Ministry of Community, Sport and Cultural Development
- BC Interior Health Authority
- Identified local First Nations
- Local Regional District
- Local communities including Smithers and Burns Lake

20.5 ENVIRONMENT

The required components of the Mines Act Project application include;

1. Baseline information
2. Mine plan
3. Plan for environmental protection

Background studies, including at least one year of environmental monitoring, are usually required, but this may vary, depending upon the existing data base and the significance of the component.

An estimate of study components and their associated costs are included in Appendix D.

It is assumed that individuals and professional organizations are available with the expertise and time to conduct the appropriate studies.

Significant environmental study components include, but are not limited to the following, and may also be the subject of cumulative effects studies as required.

Water

The Deer Horn Project is adjacent to Lindquist Lake which flows into Whitesail Lake, then into Kenney Lake and Ootsa Lake approximately 70 kilometres to the northeast. Lindquist Lake and its tributaries have characteristically clean waters with the exception of the small stream running through the mineralized zone on the property. Water quality is likely representative of other area streams with industrial resource extraction activities such as forest harvesting and mining.

Some background data and information on water quality and temperature is available from existing studies, but baseline studies for the Deer Horn property may need to be conducted for a minimum of one year to assess water quality, biota and habitat.

Mine and related disturbances are located to avoid direct disturbance of streams with construction offsets, bridges, clean water diversion ditches and exfiltration ponds. Studies of the potential issues of sediment, ARD/ML, selenium management and other issues that exist at similar mines will be required, and mitigation measures put in place as necessary.

Significantly, the Deer Horn Project does not include any rock drains and is relatively small and temporary in nature relative to other BC metal mines.

Previous studies (See section 4.6.2) indicated that preliminary ABA sampling and analysis has been conducted for hangingwall and footwall rocks and there are no anticipated ARD/ML concerns.

All mine disturbances will be reclaimed within two years of cessation of mining. The proposed Deer Horn mine disturbances are not expected to have a significant impact on water resources with the implementation of acceptable mitigation plans.

Air

The general Project area has been active periodically for mining exploration and forest harvesting, and several forest and resource exploration roads in the area can contribute to air borne dust emissions. No permanent residents are in the local area, and recreational use is limited.

Background air quality in the area is expected to be very good. A minimum of one year of baseline air quality analysis of dustfall, suspended particulate, SOx and NOx may be required.

Mitigation measures to protect air quality include mine site traffic dust control, early reclamation of disturbed areas, and containment of ore concentrate in haulage trucks and barges being moved from the mine site.

Fisheries

Lindquist Lake and its tributary streams contain several species of fish, including rainbow trout, Kokanee and mountain whitefish. These species are important components of both public and commercial recreation in the project area.

The ECOFOR study conducted in 2009 established baseline conditions for fisheries in the project area, however additional resources would be required to study the entire Project area in detail, as well as the expected impacts and mitigation measures needed to satisfy mine permitting conditions.

The Deer Horn Project does not directly impact Lindquist Lake but does possibly impact some tributary streams, which do not appear to be fish-bearing. Mine infrastructure, pits and waste dumps are designed to avoid impact by utilizing relatively low waste dump benches, clear span bridges over fish-bearing waters, and sediment collection ditches and ponds.

No significant impact to fisheries is anticipated from the proposed Deer Horn Project with diligent execution of mitigation and reclamation plans.

Wildlife

The Project area contains habitat for several species of wildlife. In summer and fall woodland caribou frequent the slopes of the Chikamin mountain ranges nearby. In other nearby areas mountain goats, mule deer, moose, black bear, grizzly bear, and wolves are in evidence. Small mammals such as hoary marmots, wolverines, and Siberian lemmings as well as various bird species, including willow ptarmigans, gray-crowned rosy finches, and golden-crowned sparrows, occur in nearby alpine meadows.

Elsewhere members of the grouse family occur in considerable numbers and waterfowl are usually plentiful in the swamps and ponds. Around the Nechako Reservoir, dead trees provide nesting sites for fish-hunting ospreys.

Significant resources will need to be applied to baseline and mitigation studies on all affected wildlife species to support the necessary environmental impact studies. Specific attention will be required on the subject of Caribou habitat and connectivity for wildlife values.

With early and well planned mitigation and reclamation of disturbances, it is anticipated that impacts to wildlife in the Project area will not be significant.

Hydrology

Lindquist Lake and its major tributaries near the Project area are not directly affected by the Deer Horn Project. Mine planning criteria will be required to ensure that waste dumps be designed to provide for high factors of safety against waste disposal and tailings pond failures.

Further hydrological studies in the Project area will be required for impact assessment applications.

As a result of planning and site management, it is anticipated that no significant impacts to the Project area hydrology will occur.

Noise and Visuals

The area of the Deer Horn Project hosts a wide variety of visual landscapes, and is likely at a low background level for noise. Visitors utilizing the nearby parks and local area would be considered as one of the potentially impacted groups, requiring both consultation and potential mitigation measures.

Further studies on both noise and visual impacts will be required for environmental impact assessments.

Due to the relatively small size of the proposed pit and spoil area, and the temporary nature of the disturbances, the overall impact of noise and visuals is expected to be minimal, with mitigation measures.

Land and Resource Use

The land uses as described above provide a strong framework for inclusion of identified features significant to the Deer Horn Project. The inclusion of planning components such as Old Growth Strategies, Biodiversity Emphasis and Connectivity will support planning, mitigation, operational, and closure activities.

Land use will be incorporated into the Reclamation and Abandonment Plan and will be required to address previously existing land use on a property average basis.

It is anticipated that the Deer Horn Project will be compatible with the objectives of regional and local land use plans.

Archaeological and Heritage Resources

The Deer Horn Project area may have been utilized by First Nations before contact with Europeans, and may contain archaeological and heritage resources.

Detailed studies on the existing and potential resources within the Project area need to be conducted, and will require assessment by archeologists.

Given the high forest harvesting activity in the area, it is likely that some studies have been done near the Project area, and more focused work will be required to support potential impact studies. An archaeological overview assessment and preliminary field reconnaissance will guide initial planning, and archaeological impact studies, or other work may be required to delineate any cultural materials found and plan for their appropriate management. To the extent possible, local First Nations will be provided opportunity for involvement.

20.6 SOCIAL AND ECONOMIC

The MDRC may recommend some form of public participation in the Mines Act permitting process. One likely outcome would be the requirement for an open house presentation by the Project proponent in local communities to provide details of mining proposals, environmental mitigation plans, economic impacts, employment opportunities, and impacts upon local communities.

The estimated cost and time for social and economic impact reviews is $50,000, also done concurrently with Project applications.

The Project proponent will be required to have safety and health policies consistent with government requirements and at a standard to maintain a skilled workforce. A commitment to sustainability governance will also be an asset to maintaining the necessary social license to operate in the area with local community support.

Benefits of the Project include direct and indirect employment, local spending by the mine operation, contractors and employees, and significant contributions to local, regional, provincial, and Federal taxes.

A policy of local spending and local employment practices for area residents is recommended, as is a policy to attract, train and retain First Nations employees and contractors.

20.7 STAKEHOLDER IDENTIFICATION

Stakeholders with an interest in the Project should be identified early in the permitting process, so that their input may be considered and applied where appropriate.

It is recommended that engagement with identified stakeholders by the Project proponent be initiated as soon as possible. Regional planning tables, government review committees, local government, businesses, community, and NGOs groups are examples of such stakeholders.

20.8 ENGAGEMENT AND CONSULTATION

Once stakeholders have been identified, early communication with them is recommended.

Communication should begin as early as reasonably practicable, and should increase accordingly, once a final Project description is generated. Meaningful dialogue with stakeholders will improve project timelines, reduce unnecessary costs, and enhance the probability of required Project approvals.

The Company has met with municipal representatives of Smithers and Burns Lake in February 2013 introducing itself and the Project.

20.9 FIRST NATIONS CONSULTATION AND ENGAGEMENT

An important component of Project approval will be the fulfillment of the government of its requirement to consult, and accommodate if necessary, the Project impact to potentially impacted First Nations communities. Although consultation is the duty of government, certain aspects of the consultation process can, and will likely be, delegated to the Project proponent.

20.9.1 CONSULTATION

The Proponent's consultation should be focused on developing a full understanding of First Nations' aboriginal rights and interests in the Project area. The consultation will provide the Province with information to evaluate the relationship between the Project and such rights and interests.

20.9.2 ENGAGEMENT

Depending upon the specifics of the consultation process, and if any accommodation of impacts to the effected First Nation is determined, a plan for engagement would be developed and implemented. It may be of mutual benefit to the parties that Memorandums of Agreement, Impact Benefit Agreement or other mechanisms be used to ensure efficient project development, minimize impacts, and maintain good working relationships.

The Company has been in communication with First Nations who assert aboriginal rights in and around the Deer Horn property. Communications with First Nations commenced in 2009 and are comprised of meetings in Smithers, Burns Lake, and surrounding locales to provide updates on the company's exploration plans and activities. The Company views its relationship with First Nations as amicable.

When feasible, the Company has retained First Nations' businesses to provide assistance in carrying out exploration activities. As the Deer Horn Project develops it is anticipated that there will be increased opportunities for First Nations businesses and their members to provide goods and services to the company. The Company also supported local First Nations with a monetary contribution to the trust fund to assist workers and their families who have suffered from the tragic Burns Lake mill fire in 2012.

As the Deer Horn Project advances the Company expects to enter into benefit agreements with First Nations communities in recognition of their aboriginal rights and title. The Company has also received a positive response from one First Nation that it will consider investing in the Project as it becomes progressively developed. Equity participation by First Nations in the Project is viewed as an important indicium of the First Nations' support.

It is estimated that $50,000 is required for consultation with First Nations, not including the negotiation costs of any resultant benefit agreements.

Time requirements for the process of First Nations engagement are difficult to estimate without more details of Project impacts and identified interests, but are estimated to be at least equal to, and done concurrently, with the Project application process.

21 CAPITAL AND OPERATING COSTS

21.1 CAPITAL COST ESTIMATE

Capital costs are factored estimates derived from a combination of MMTS experience in similar projects and consultation with contractors and equipment suppliers. The estimated capital costs breakdowns are shown in Table 21-1. All currencies in this section are expressed in Canadian dollars.

The expected accuracy range of the capital cost estimate is +/-40%.

Table 21-1 Deer Horn Capital Cost Estimate

	Capital ($ Millions)
Direct Capital Cost	
Process Capital	15.0
Site Access	2.0
Mine Capital	2.0
Total Direct Capital Costs	**19.0**
Indirect Capital Cost	
Indirects	5.0
Contingency (20% of directs)	3.8
Total Indirect Capital Cost	**8.8**
Total Capital	**27.8**

The capital costs include delivery to the site and assembly but do not include the following:

- Force majeure
- schedule delays such as those caused by
    - major scope changes
    - unidentified ground conditions
    - labour disputes
    - environmental permitting activities
    - abnormally adverse weather conditions
- cost of financing (including interests incurred during construction)
- HST
- royalties
- cost of this study
- sunk costs

21.2 OPERATING COST ESTIMATE

Operating costs are factored estimates derived from a combination of MMTS experience in similar projects and consultation with contractors and equipment suppliers. The estimated operating costs are shown in Table 21-2. All currencies in this section are expressed in Canadian dollars.

The expected accuracy range of the operating cost estimate is +/-35%.

Table 21-2 Deer Horn Operating Cost Estimate

	Operating Cost	Units
Mining	4.00	$/t mined
Cost per tonne Mill Feed		
Mining	32.40	$/t mill feed
Process	23.00	$/t mill feed
G&A	5.70	$/t mill feed
Total Operating Cost	61.10	$/t mill feed

Mining operating costs include an allowance for annual mobilization and demob of the mining equipment. Barge rental costs are included in the G&A costs.

22 ECONOMIC ANALYSIS

An economic evaluation of the Deer Horn Project has been prepared based on a pre-tax financial model for the 15-year Mine Life and 0.95 Mt Pit Delineated Resources. The NPV estimate assumes mill feed start-up in 2016.

The economic analysis is based on a production schedule that includes Inferred material The pit delineated resource includes Inferred that is considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

Base case prices, using the three-year trailing average as of 22 January 2013 are as follows:

- gold – US$1,494/oz
- silver – US$29.13/oz
- tellurium – US$237/kg
- Exchange rate – Cdn$1.00 to US$0.9956.

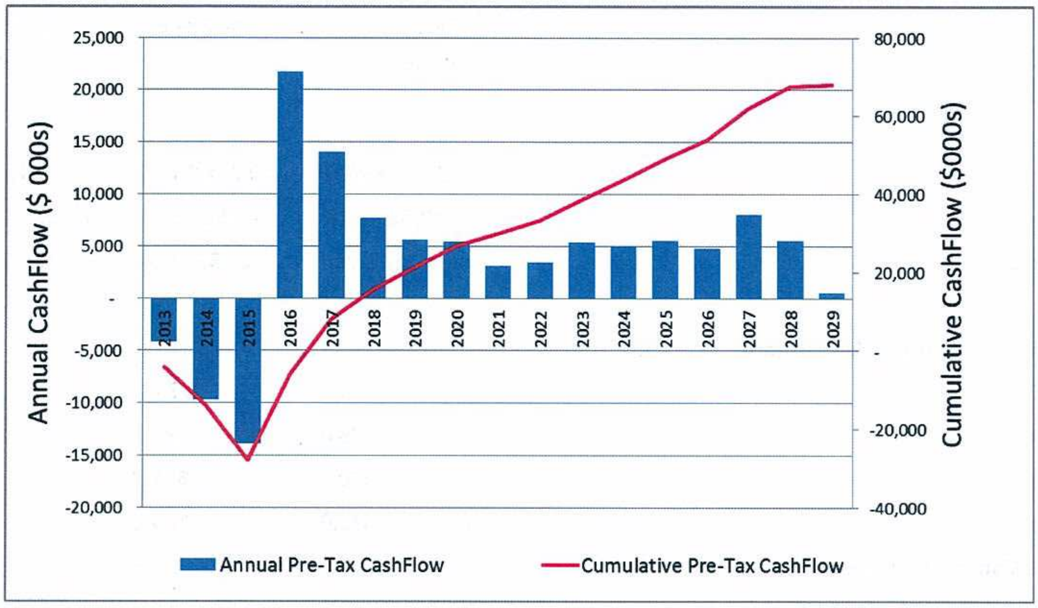
Offsite charges and Smelter Term assumptions are shown in Table 22-1:

Table 22-1 Offsite Costs and Smelter Terms

Gold Refining Cost	8.00 USD/Oz
Silver Refining Cost	0.60 USD/Oz
Tellurium Refining Cost	10.0 USD/kg
Payable Gold	97%
Payable Silver	90%
Payable Tellurium	50%
Concentrate Smelter Charge	85 US$/ Dry Tonne
Concentrate Truck Freight	$50/Wet Tonne
Concentrate Ocean Freight	$75/ Wet Tonne
Other Offsite Costs (Losses, Insurance, Selling ,Assay)	$75/ Wet Tonne

Annual cashflow results are shown in Figure 22-1.

Figure 22-1 Annual Cashflow (Undiscounted)



The following pre-tax financial results were calculated using the base case metal prices:

- 32% IRR
- 2.4-year payback on $27.8 million capital
- $39.5 million NPV at a 5% discount rate
- $28.7 million NPV at a 8% discount rate

Sensitivity analyses, along with an alternate metal price scenario have been included below.

The detailed financial model is provided in Appendix D.

22.1 PRICE CASE SCENARIOS

In addition to the base case price an additional price scenario has been evaluated using the spot metal prices on January 22, 2013. The spot price case is compared to the base case in Table 22-2.

Table 22-2 Economic Results for Price Case Scenarios

	Downside Price Case	Base Price Case	Spot Price Case
Prices			
Gold	US$1345/OZ	**US$1494/OZ**	US$1692/OZ
Silver	US$26.2/Oz	**US$29.1/Oz**	US$32.2/Oz
Tellurium	US$213/kg	**US$237/kg**	US$115/kg
Before Tax Return on Investment			
IRR	26%	**32%**	38%
NPV5%	$29.0	**$39.5**	$49.3
NPV8%	$20.3	**$28.7**	$36.6
NPV10%	$16.0	**$23.2**	$30.1
Initial Capital Payback	2.7	**2.4**	2.2
After Tax Return on Investment (100% Equity Basis)			
IRR	20%	**25%**	29%
NPV5%	$17.4	**$24.3**	$30.6
NPV8%	$11.5	**$17.1**	$22.2
NPV10%	$8.5	**$13.4**	$17.8
Initial Capital Payback	2.9	**2.6**	2.3

22.2 ECONOMIC SENSITIVITY ANALYSIS

Cash flows have been estimated for the Deer Horn project to test the project NPV sensitivity to:

- Metal Price
- Process Recovery
- Capital Cost
- Operating Cost
- Foreign Exchange

The sensitivity ranges tested are summarized in Table 22-2 .

Table 22-3 Cashflow Sensitivity Ranges

Parameter	Low Case	Base Case	Upper Case
AU Price	$1 270	$1 494	$1 719
AG Price	$24.8	$29.1	$33.5
TE Price	$201	$237	$273
AU Recovery	80%	90%	96%
AG Recovery	80%	90%	96%
TE Recovery	80%	90%	96%
Capital Cost Factor	80%	100%	120%
Operating Cost Factor	80%	100%	120%
Forex (US$ per C$)	0.9000	0.9956	1.1000

Sensitivity of the NPV at 5% discount rate to the inputs in Table 22-2 are shown in Figure 22-2 and Figure 22-3. The results show a robust economic return with the largest sensitivity to metal prices and process recoveries. Of the parameters tested the project NPV is least sensitive to capital cost.

Figure 22-2 Pre-Tax Economic Sensitivity Spider Graph

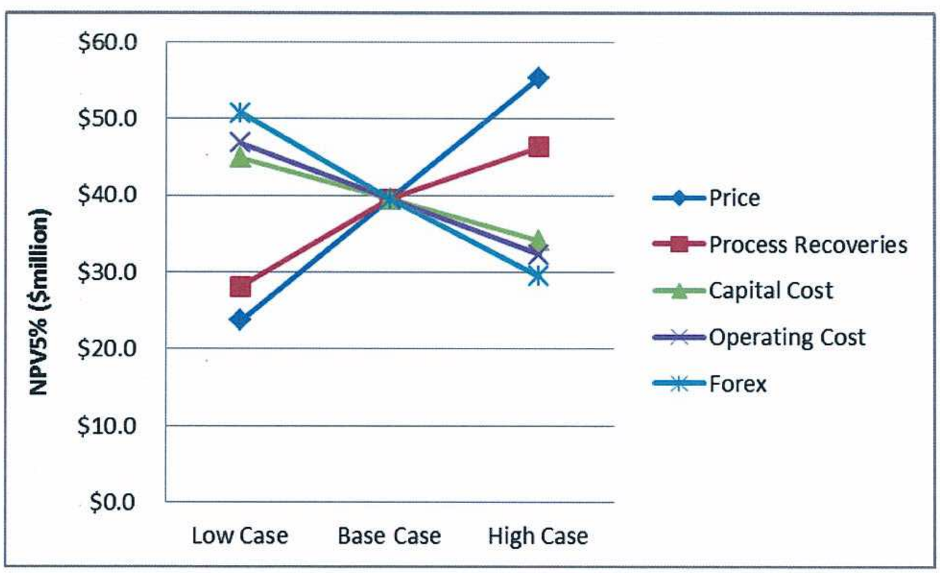
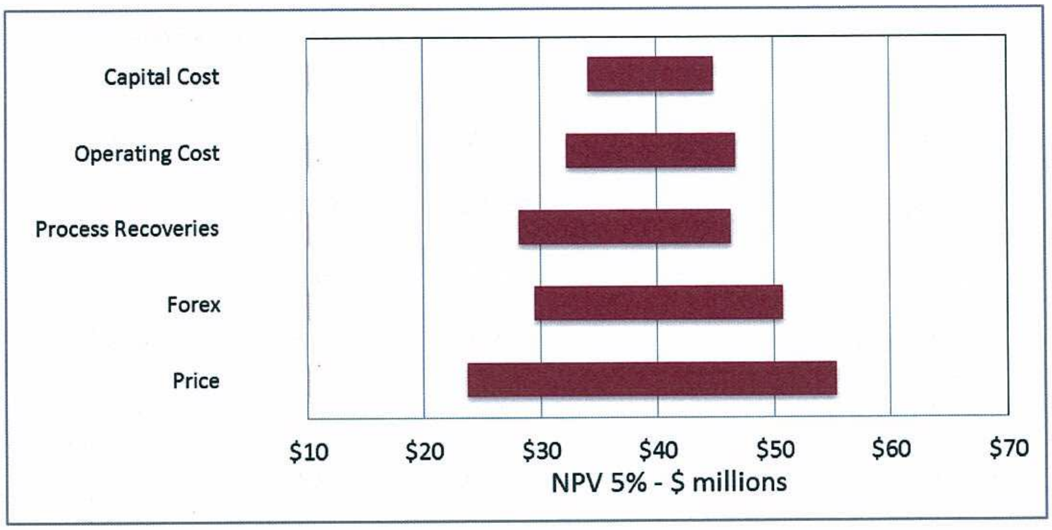


Figure 22-3 Pre-Tax Economic Sensitivity Tornado Graph



23 ADJACENT PROPERTIES

There is no information in this report pertaining to adjacent properties. The present mineral claim disposition is identified in the section above.

24 OTHER RELEVANT DATA AND INFORMATION

To the authors' knowledge, there are no other relevant data or information available for the Deer Horn property.

25 INTERPRETATION AND CONCLUSIONS

The 2011 exploration program expanded upon the results of earlier and historic exploration campaigns on the Deer Horn property. In 2011, diamond drilling (55 NQ2 diameter diamond drillholes with an aggregate length of 3772.5m) took place over an 875m strike length of the vein system. This work partly defined the extent of the Main Vein and associated Contact Zone that together comprise the Deer Horn deposit. The deposit remains open to the west, to the east and down-dip and there are several internal gaps that require drilling.

Prospecting, trenching and limited diamond drilling also confirmed the presence of important concentrations of scheelite (tungsten) mineralization on the property. The elevated levels of tungsten occur in the vicinity of the historic Harrison Scheelite mineral occurrence and locally in drill core over an east-west distance of at least 550m. The mineralization appears to be particularly concentrated in altered sedimentary rocks in the footwall of the regional thrust (and Contact Zone). Additional exploration of the tungsten is recommended.

An updated resource estimate was produced from a database containing 196 diamond drillholes and 42 surface samples. Geologic solids were built to constrain the Main and Footwall veins, and the Contact Zone. Assays were sorted into these three domains and capped for gold, silver and tellurium to reduce the effects of several outlier samples. Composites 1m in length were formed and semivariograms were produced to determine the grade continuity within the various domains. Grades for gold, silver and tellurium were interpolated into the Main and Footwall veins by ordinary kriging using composites from the appropriate vein. Grades for gold, silver and tellurium for the Contact Zone were estimated by a combination of ordinary and indicator kriging. Estimated blocks were classified as Indicated or Inferred based on grade continuity. The results within the mineralized zones at a 1g/t Au cut-off outlines 414,000 tonnes at an average grade of 5.12g/t Au and 157.5g/t Ag and 160ppm Te classed as indicated and an additional 197,000 tonnes averaging 5.04g/t Au, 146.5g/t Ag and 137ppm Te classed as Inferred.

It is the authors' opinion that the Deer Horn property merits additional close-spaced diamond drilling. This work is required to appraise several untested areas adjacent to several of the existing resource blocks and to evaluate the gold-silver-tellurium system along strike to the west and to the east beyond the limits of the 2011 drilling campaign. The additional drilling would likely expand the current resource.

A positive preliminary economic assessment of a 951kt pit resource mine plan has been developed for the Deer Horn property showing robust economics. The mine plan is a summer seasonal operation to avoid high snowfall winter conditions.

The Deer Horn Project as described meets the minimum requirements for a Small Mine permit application under the Mines Act of BC. There is no guarantee that the permit application will be allowed to proceed as Small Mine under the Mine Act of BC.

The proposed mine has a relatively small footprint and low expected environmental impact.

Preliminary ABA sampling and analysis of hangingwall and footwall rocks indicate that there are no anticipated ARD/ML concerns. This will be verified in future studies.

The environmental and related studies and Mines Act's small mine permit application are estimated to take less than one year to complete, once the Project has been fully defined.

Despite the proximity of nearby protected areas, the Deer Horn Project is located near areas that have significant industrial activity including the damming of the Nechako River and reversing its flow to create the Nechako Reservoir to generate electricity for the Kitimat, aluminum smelter. Proposed impacts to fish, wildlife and water do not appear to be significant, and First Nations engagement appears to be positive. Community support is anticipated as the area has similar mining activities in the vicinity of the proposed mine, and economic and employment opportunities are expected.

26 RECOMMENDATIONS

The Deer Horn property should be advanced to a Preliminary Feasibility Study (PFS) level. The following items are recommendations as a part of advancing the study to PFS level.

26.1 RESOURCE MODELING

It is recommended that exploration of the Deer Horn property continue and consist of:

- Detailed structural mapping of surface showings, underground workings and a review of the 2009 and 2011 drill core. The estimated cost for structural mapping is approximately $30,000.
- A systematic diamond drilling program (of approximately 3900m of drilling from up to 28 drill sites) targeting the near surface, high-grade gold-silver-tellurium potential of the Main vein, the bulk tonnage gold-silver-tellurium potential offered by the Contact zone, and several precious-metal targets that lie contiguously west of the current resource. The estimated cost for the drilling program is approximately $2,000,000.
- Further assessment of the significant tungsten showings located primarily west of the Deer Horn adit, with follow-up trenching and/or diamond drilling should results warrant. The estimated cost for this assessment of the tungsten showings is approximately $150,000.
- Completion of an environmental baseline assessment of the property, and examination of the suitability of several areas proposed for construction of infrastructure that would be in support of the submitted bulk sample permit application. The estimated cost is approximately $100,000.

It is recommended that DHM proceed with the program as early as possible in 2013 to allow for the 10 to 12 week program to be completed prior to the onset of winter conditions. Following completion of the fieldwork, all existing data should be compiled and a revision of the existing NI 43-101 mineral resource estimate should be completed.

The overall estimated cost for the above proposed program is $2.3 million.

26.2 MINING

MMTS recommends that the project proceed to further mine planning of the potential open pit with the following specific studies. These recommendations are not necessarily contingent on positive results from previous phases but reflect the ongoing level of detail required to advance the project, leading to eventual construction and operational level designs. Mine planning work will cost between $300,000 and $400,000 depending on the results of future exploration and geological modeling, pit geotechnical studies, bench marking studies, mine waste management studies, mine reclamation planning, and closure planning.

Specific mine plan recommendations for the ongoing studies are as follows:

- A pit slope geotechnical evaluation is required as a part of the future PFS.
- Alternative Explosive storage and magazines locations should be examined to
- Topsoil assessment is required to estimate the top soil storage requirement.

- Alternative waste storage closer to the pits should be considered to minimize mining cost.
- Areas where the starter pits are located have shallow and substantially higher grades than the rest of the deposit. These high grade areas have had a significant positive impact on the project economics. These areas are priority targets for upgrading the resource class from Inferred to Measured and Indicated. Expanding these shallow high grade zones could potentially significantly improve the project economics.
- Future resource models should use a smaller block size to better represent the anticipated selective mining unit size.

26.3 PROCESSING

- It is recommended that future process testwork collect concentrate product for evaluation by potential buyers.
- A gravity concentration stage ahead of the flotation plant could add significantly value to the overall process by further upgrading the final concentrate while saving energy in primary grinding, or potentially producing a precious metal concentrate.
- A wider range of representative samples of the potentially mineable zones should be used in future Preliminary Feasibility Study metallurgical test program. These samples need to be tested by a combination of gravity concentration and flotation. Evaluating gravity concentration under a wide range of primary grinding sizes could potentially help saving in grinding operating cost. Attempts should be made to separate the production into a precious metals concentrate, and a base metals concentrate.
- Future process testwork should include evaluation of Tellurium recoveries.

A Pre-feasibility level metallurgical testwork plan addressing above recommendations would cost approximately $ 200,000 to $ 250,000.

26.4 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

It is recommended that, in addition to further exploration of the Deer Horn property, the following activites also take place:

- Continue engagement with First Nations.
- Develop a list of potentially affected stakeholders.
- Initiate discussions with appropriate regulators.
- Develop a stakeholder engagement process.
- Complete the Project definition.
- Initiate a gap analysis of the environmental studies required for permitting.
- Refine Environmental study and Permitting Plan.

- Initiate background environmental studies.
- Map regulatory process.
- Engage stakeholders in detailed discussions.
- Develop a TOC for the Mines Act small mine permit application for regulator review and comment.
- Develop a closure plan that will meet the end land use objectives and satisfy the regulatory commitments.

Assuming no Provincial EA Process is required, the estimated permitting program cost is $750,000 to $1,000,000.

26.5 INFRASTRUCTURE

A weather study is required to update the expected seasonal operating window.

An avalanche study is required to determine what areas of the mine can be used for long term storage of equipment to minimize the seasonal mobilization and demobilization.

A site water balance is required to determine water needs.

- Waste and tailings geotechnical assessments are required.
- Waste rock characterization study is required to assess ARD/ML potential from waste rock.
- Ground conditions at the process plant area should be assessed.
- A site hydrology study is required.
- A site access audit is required to confirm the existing access road suitability and potential costs for using forestry roads in the vicinity. Maximum loads and widths of the site access route should be examined to determine if any access road upgrades are required. The cost of upgrading the site access road requires examination.

The overall estimated cost for the proposed infrastructure studies is $500,000.

26.6 MARKET STUDIES

A market study is required to confirm smelter terms $50,000.

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28 STATEMENTS OF QUALIFICATIONS

I, **R. A. (Bob) Lane**, residing in Prince George, British Columbia, do hereby certify that:

1) I am currently employed as a consulting geologist by Plateau Minerals Corp, located at #7 – 1750 S Quinn Street, Prince George, British Columbia, Canada, V2N 1X3.
2) I obtained a Master of Science degree in Geology in 1990 from the University of British Columbia.
3) I am a Professional Geoscientist (PGeo) registered with the Association of Professional Engineers and Geoscientists of British Columbia, license #18993, and have been a member in good standing since 1992.
4) I have worked as a geologist for more than 22 years since my graduation from university.
5) I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI-101") and certify that by reason of my education, affiliation with a professional organization (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" within the meaning of Regulation NI 43-101.
6) I am a co-author of a technical report on the Deer Horn project entitled "Updated Resource Estimate for the Deer Horn Gold-Silver-Tellurium Property" dated April 17, 2012, revised July 26, 2013.
7) This certificate applies to the technical report entitled "Preliminary Economic Assessment for the Deer Horn Gold-Silver-Tellurium Property" dated March, 12 2013, revised July 26, 2013, (the "Technical Report") of which I am responsible for Sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 23 and 24, and jointly responsible for Sections 1, 25 and 26.
8) I visited the Deer Horn project on July 13-15, July 28-31, August 5-9, August 14-17, and September 13-14, 2011.
9) I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
10) I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101. I have no interest in the property nor do I expect to receive any interest.
11) I have read National Instrument 43-101 and Form 43-101 F1 and the Technical Report has been prepared in compliance with that instrument and form.
12) I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the company public files on their websites accessible by the public, of the Technical Report.

Dated this 26th day of July, 2013 at Prince George, British Columbia

PROFESSIONAL PROVINCE OF R. A. LANE BRITISH COLUMBIA GEOSCIENTIST

R. A. (Bob) Lane, MSc, PGeo

I, **G.H. Giroux**, of 982 Broadview Drive, North Vancouver, British Columbia, do hereby certify that:

1) I am a consulting geological engineer with an office at #1215 - 675 West Hastings Street, Vancouver, British Columbia.

2) I am a graduate of the University of British Columbia in 1970 with a B.A. Sc. and in 1984 with a M.A. Sc. both in Geological Engineering.

3) I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

4) I have practiced my profession continuously since 1970. I have had over 30 years' experience calculating mineral resources. I have previously completed resource estimations on a wide variety of gold vein deposits both in B.C. and around the world, including Bens Vein Alaska, Monterde Vein Mexico and Elk Gold Vein B.C.

5) I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by reason of education, experience, independence and affiliation with a professional association, I meet the requirements of an Independent Qualified Person as defined in National Instrument 43-101.

6) I have previously completed resource estimations on this property in 2010 and in 2012.

7) I am a co-author of a technical report on the Deer Horn project entitled "Updated Resource Estimate for the Deer Horn Gold-Silver-Tellurium Property" dated April 17, 2012 revised July 26, 2013, of which I am responsible for Section 14, the resource estimation.

8) This certificate applies to the technical report entitled "Preliminary Economic Assessment for the Deer Horn Gold-Silver-Tellurium Property" dated March, 12 2013 and revised July 26, 2013 (the "Technical Report"), of which I am responsible for Section 14, the resource estimation and jointly responsible for Sections 1, 25 and 26. I have not visited the property.

9) As of the date of this certificate, to the best of my knowledge, information and belief, the technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

10) I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

11) I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

Dated this 26th day of July, 2013 at Vancouver, BC

PROFESSIONAL ENGINEER — PROVINCE OF BRITISH COLUMBIA — G. H. GIROUX

G. H. Giroux, P.Eng., MASc.

I, **Tracey D Meintjes**, of Vancouver, BC, do hereby certify:

1. I am a Metallurgical Engineer with Moose Mountain Technical Services with a business address at 1975 1st Avenue South, Cranbrook, BC, V1C 6Y3.
2. This certificate applies to the technical report entitled "Preliminary Economic Assessment for the Deer Horn Gold-Silver-Tellurium Property" dated February, 26 2013, and revised July 26, 2013 (the "Technical Report").
3. I am a graduate of the Technikon Witwatersrand, (NHD Extraction Metallurgy – 1996)
4. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (#37018).
5. My relevant experience includes process engineering, operation, and supervision, and mine engineering in South Africa and North America. I have been working in my profession continuously since 1996.
6. I am a "Qualified Person" for the purposes of National Instrument 43-101 (the "Instrument").
7. I have not visited the Deer Horn property.
8. I am responsible for process, mining, infrastructure, and economic components of Sections 1, 25 and 26; as well as Sections 13, 15,16,17,18,19,20,21,22, and Appendix D of the technical report entitled "Preliminary Economic Assessment for the Deer Horn Gold-Silver-Tellurium Property" dated March, 12 2013, and revised July 26 2013.
9. I am independent of Deer Horn Metals Inc. as defined by Section 1.5 of the Instrument.
10. I have had no previous involvement with the property that is the subject of the Technical Report.
11. I have read the Instrument and the Technical Report has been prepared in compliance with the Instrument.
12. As of the date of this certificate, to the best of my knowledge, information, and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 26th day of July, 2013 at Vancouver, BC

PROFESSIONAL PROVINCE OF T. D. MEINTJES # 37018 BRITISH COLUMBIA ENGINEER

Tracey D Meintjes, P.Eng.

APPENDIX A – LISTING OF ALL 2011 DRILL RESULTS

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-097	6.40	7.50	1.10	1360002	32.8	1	2.1			COZ
DH11-097	7.50	8.30	0.80	1360003	127.9	2.5	4.9			COZ
DH11-097	8.30	9.50	1.20	1360004	12.2	0.6	0.6			COZ
DH11-097	12.50	14.00	1.50	1360005	28	0.8	1.6			COZ
DH11-097	14.00	14.30	0.30	1360006	6527.6	95	295.5	6.3	70	COZ
DH11-097	14.30	16.30	2.00	1360007	17.4	0.5	1.3			COZ
DH11-097	16.30	17.20	0.90	1360008	17	0.4	1.1			COZ
DH11-097	17.20	17.60	0.40	1360009	28	1.1	2			COZ
DH11-097	17.60	18.30	0.70	1360011	1246.1	23.4	40.7	1.1	<50	COZ
DH11-097	18.30	19.70	1.40	1360012	146.8	1.9	2.6			COZ
DH11-097	32.00	33.40	1.40	1360013	139.6	1.6	3.2			COZ
DH11-097	33.40	35.40	2.00	1360014	439.9	5.2	11.2			COZ
DH11-097	35.40	36.30	0.90	1360015	810.9	17.6	70.8			COZ
DH11-097	36.30	38.50	2.20	1360016	2	<0.1	<0.2			DYK
DH11-097	38.50	39.20	0.70	1360017	135.8	6	10			COZ
DH11-097	39.20	41.00	1.80	1360018	57.6	1.6	3			
DH11-097	41.00	43.00	2.00	1360020	14.9	0.5	1.3			
DH11-097	43.00	45.00	2.00	1360021	119.3	1.3	2.2			
DH11-097	45.00	47.00	2.00	1360022	14.4	0.7	0.6			
DH11-097	47.00	49.00	2.00	1360023	133.6	4.1	6.3			
DH11-097	49.00	51.00	2.00	1360024	11.1	0.5	0.5			
DH11-097	51.00	53.00	2.00	1360025	19.6	0.3	0.5			
DH11-097	53.00	55.00	2.00	1360026	2.3	0.2	<0.2			
DH11-097	55.00	57.00	2.00	1360027	2.5	<0.1	<0.2			
DH11-097	57.00	59.00	2.00	1360029	1.2	0.2	<0.2			
DH11-097	59.00	61.00	2.00	1360030	3	0.4	<0.2			
DH11-097	61.00	63.00	2.00	1360031	3.1	0.5	<0.2			
DH11-98	10.00	12.04	2.04	1360033	5.9	0.4	<0.2			
DH11-98	12.04	12.80	0.76	1360034	17.5	1.8	1.4			HV1
DH11-98	12.80	15.00	2.20	1360035	50.5	1.1	1.5			
DH11-98	15.00	16.92	1.92	1360036	170.5	3.5	4.8			
DH11-98	16.92	19.00	2.08	1360037	10289.1	80	341.7	8.4	84	MVN
DH11-98	19.00	19.30	0.30	1360038	5010.5	51.8	281.6	4.1	55	MVN
DH11-98	19.30	20.42	1.12	1360039	1010.3	17.1	122.7	1.3		MVN
DH11-98	20.42	20.88	0.46	1360040	3076.1	23.6	143.3	2.4		MVN
DH11-98	20.88	23.00	2.12	1360042	38.4	0.9	1.4			
DH11-099	2.10	4.00	1.90	1360044	153.5	3.3	8.8			
DH11-099	4.00	5.80	1.80	1360045	5.9	0.3	<0.2			
DH11-099	5.80	8.00	2.20	1360046	3.5	0.3	0.3			
DH11-099	8.00	10.20	2.20	1360047	2.1	0.2	<0.2			
DH11-099	10.20	12.50	2.30	1360048	3.2	0.2	<0.2			
DH11-099	12.50	14.00	1.50	1360049	2.7	0.3	<0.2			
DH11-099	14.00	15.50	1.50	1360050	0.5	0.3	<0.2			
DH11-099	15.50	17.10	1.60	1360051	26.1	1.7	1.8			
DH11-099	17.10	18.70	1.60	1360053	9.3	0.8	0.7			
DH11-099	18.70	20.30	1.60	1360054	10.2	0.8	0.6			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-099	20.30	22.00	1.70	1360055	179.1	5.9	9.8			
DH11-099	22.00	23.50	1.50	1360056	407.6	6.3	21.8			
DH11-099	23.50	25.00	1.50	1360057	413.9	7.7	10.4			
DH11-099	25.00	27.00	2.00	1360058	148.9	3.1	4.9			
DH11-099	27.00	29.00	2.00	1360059	713.5	8.1	20.3			
DH11-099	29.00	31.00	2.00	1360060	84.5	1.7	3.5			
DH11-099	31.00	33.00	2.00	1360062	15.6	1	0.9			
DH11-099	33.00	35.00	2.00	1360063	71.8	1.4	3.4			
DH11-099	35.00	37.00	2.00	1360064	26.4	0.8	1			
DH11-099	37.00	38.80	1.80	1360065	67	0.5	1.4			
DH11-099	38.80	40.90	2.10	1360066	455.7	6.2	12.5			
DH11-099	40.90	43.00	2.10	1360067	279.7	4.5	10.7			COZ
DH11-099	43.00	45.00	2.00	1360068	207.7	3.5	9.6			COZ
DH11-099	45.00	47.00	2.00	1360069	275.3	3.2	11.4			COZ
DH11-099	47.00	49.00	2.00	1360071	276.6	5.7	16.9			COZ
DH11-099	49.00	51.00	2.00	1360072	43.3	1.3	1.9			COZ
DH11-099	51.00	53.00	2.00	1360073	46.8	1.1	2.4			COZ
DH11-099	53.00	55.00	2.00	1360074	20	0.5	0.9			COZ
DH11-099	55.00	57.00	2.00	1360075	20.6	0.5	0.7			COZ
DH11-099	57.00	59.00	2.00	1360076	129.1	3.1	5.7			COZ
DH11-099	59.00	61.00	2.00	1360077	8.2	0.9	0.7			
DH11-099	61.00	62.50	1.50	1360078	<0.5	0.2	<0.2			
DH11-099	62.50	63.30	0.80	1360080	0.5	0.2	<0.2			
DH11-099	63.30	65.10	1.80	1360081	4.8	1.1	1.1			
DH11-100	4.76	6.50	1.74	1360272	8.2	0.3	0.5			
DH11-100	6.50	8.00	1.50	1360273	0.7	0.1	0.2			
DH11-100	8.00	9.50	1.50	1360274	<0.5	0.2	0.5			
DH11-100	9.50	11.00	1.50	1360275	1.3	0.2	0.7			
DH11-100	11.00	12.50	1.50	1360276	1559.3	17.4	30.9	1.2	<50	SGR
DH11-100	12.50	13.60	1.10	1360277	55.3	0.9	1.7			SGR
DH11-100	13.60	14.15	0.55	1360278	929.5	19.1	43.5			MVN
DH11-100	14.15	14.46	0.31	1360279	5422.5	51.1	282.2	5.0	<50	MVN
DH11-100	14.46	15.50	1.04	1360281	37.2	1.3	2.9			
DH11-100	15.50	17.00	1.50	1360282	66.9	0.7	2.6			
DH11-100	17.00	18.00	1.00	1360283	10.4	0.2	0.7			
DH11-100	18.00	19.30	1.30	1360284	16.5	0.5	4.8			
DH11-100	21.15	22.50	1.35	1360285	2.5	0.1	<0.2			
DH11-100	22.50	23.00	0.50	1360286	4.3	0.1	0.2			
DH11-100	23.00	24.00	1.00	1360287	24.2	0.9	2.1			
DH11-100	24.00	25.00	1.00	1360288	16.3	0.5	0.6			
DH11-100	25.00	26.00	1.00	1360290	8.9	0.2	0.4			
DH11-100	26.00	27.00	1.00	1360291	9	0.3	0.4			
DH11-100	27.00	28.00	1.00	1360292	13.9	0.5	0.7			
DH11-100	28.00	29.00	1.00	1360293	6.5	0.3	0.6			
DH11-100	29.00	30.00	1.00	1360294	6.5	0.1	0.3			
DH11-100	30.00	31.00	1.00	1360295	16.1	0.4	1.2			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-100	31.00	32.00	1.00	1360296	3.9	0.2	0.5			
DH11-100	32.00	33.00	1.00	1360297	9.3	0.3	1.1			
DH11-100	33.00	34.00	1.00	1360299	6.5	0.6	1			
DH11-100	34.00	35.00	1.00	1360300	7.1	0.3	0.5			
DH11-100	35.00	35.90	0.90	1360301	22.8	0.6	1			
DH11-100	35.90	36.60	0.70	1360302	37.1	1.2	2.1			
DH11-100	36.60	37.55	0.95	1360303	422.6	6.6	12.8			FV1
DH11-100	37.55	39.00	1.45	1360304	215.4	3.6	11.1			FV1
DH11-100	39.00	40.00	1.00	1360305	5.8	0.8	0.9			
DH11-100	40.00	41.00	1.00	1360306	20.7	0.7	0.8			
DH11-100	41.00	42.00	1.00	1360308	5.8	0.3	0.3			
DH11-100	42.00	43.50	1.50	1360309	2.3	0.1	<0.2			
DH11-100	43.50	45.00	1.50	1360310	42.8	1	1.7			
DH11-100	45.00	46.50	1.50	1360311	47.7	1.5	3.2			
DH11-100	46.50	48.00	1.50	1360312	8.9	0.3	0.4			
DH11-100	48.00	49.50	1.50	1360313	33	0.6	1.3			
DH11-100	49.50	51.00	1.50	1360314	1.5	<0.1	<0.2			
DH11-101	13.90	16.00	2.10	1360185	2.1	0.3	0.2			
DH11-101	16.00	18.00	2.00	1360186	0.6	0.2	<0.2			
DH11-101	18.00	20.00	2.00	1360187	0.8	0.1	<0.2			
DH11-101	20.00	22.00	2.00	1360188	<0.5	0.2	<0.2			
DH11-101	22.00	24.00	2.00	1360189	<0.5	0.3	<0.2			
DH11-101	24.00	26.00	2.00	1360190	0.5	0.4	<0.2			
DH11-101	26.00	28.00	2.00	1360191	0.9	0.8	0.2			
DH11-101	28.00	30.00	2.00	1360192	0.9	0.5	0.2			
DH11-101	30.00	31.50	1.50	1360194	3.6	0.4	<0.2			
DH11-101	31.50	33.00	1.50	1360195	1.6	0.6	0.8			
DH11-101	33.00	34.50	1.50	1360196	103.2	3.5	13.8			
DH11-101	34.50	36.00	1.50	1360197	269.9	7.4	12.9			
DH11-101	36.00	37.30	1.30	1360198	3.5	0.2	0.7			MVN
DH11-101	37.30	38.10	0.80	1360199	67.8	4.9	14.3			MVN
DH11-101	38.10	40.40	2.30	1360200	1875.3	18.4	43.2	1.8	<50	MVN
DH11-101	40.40	42.90	2.50	1360201	26.9	0.8	1.1			
DH11-101	42.90	44.90	2.00	1360203	43.8	1.4	2.4			
DH11-101	44.90	46.90	2.00	1360204	67.5	2.4	4.6			
DH11-101	46.90	48.90	2.00	1360205	12.3	0.5	0.6			
DH11-101	48.90	50.90	2.00	1360206	3.9	0.3	0.4			
DH11-102	0.00	1.60	1.60	1360208	3.2	0.3	0.2			
DH11-102	1.60	3.60	2.00	1360209	1.2	0.3	<0.2			
DH11-102	3.60	5.60	2.00	1360210	5.5	0.4	0.4			
DH11-102	5.60	7.60	2.00	1360211	1.4	0.2	<0.2			
DH11-102	7.60	9.70	2.10	1360212	1.2	<0.1	<0.2			
DH11-102	9.70	12.20	2.50	1360213	2.1	0.2	<0.2			
DH11-102	12.20	14.20	2.00	1360214	<0.5	0.2	<0.2			
DH11-102	14.20	16.20	2.00	1360215	2.3	0.9	0.5			
DH11-102	17.10	18.20	1.10	1360217	4	<0.1	<0.2			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-102	18.20	20.20	2.00	1360218	3.1	0.6	0.7			
DH11-102	20.20	22.20	2.00	1360219	5.1	0.3	0.4			
DH11-102	22.20	23.10	0.90	1360220	756.2	24.1	33.9			HV2
DH11-102	23.10	24.60	1.50	1360221	169.9	4.2	5.5			
DH11-102	24.60	25.00	0.40	1360222	185.7	3.8	6.5			HV1
DH11-102	25.00	26.70	1.70	1360223	2346.1	25.2	43.9	2.1	<50	SGR
DH11-102	26.70	28.70	2.00	1360224	255.7	6	10			
DH11-102	28.70	31.00	2.30	1360226	2321.9	18.5	51.2	2.1	<50	MVN
DH11-102	31.00	33.30	2.30	1360227	4136.9	34.5	100.9	3.8	<50	MVN
DH11-102	33.30	34.90	1.60	1360228	1479.6	17.6	41.5	1.5	<50	SGR
DH11-102	34.90	37.70	2.80	1360229	333	4.5	11.4			
DH11-102	37.70	39.70	2.00	1360230	176.3	3.1	5.5			
DH11-102	39.70	41.70	2.00	1360231	844.9	11.6	20.7			
DH11-102	41.70	43.70	2.00	1360232	1973.4	15.8	27	1.8	<50	FV1
DH11-102	43.70	45.70	2.00	1360233	150.7	3.7	4.5			
DH11-102	47.00	48.20	1.20	1360235	10	0.4	<0.2			
DH11-102	48.20	49.40	1.20	1360236	527.1	8	24.1			
DH11-102	49.40	51.40	2.00	1360237	37.5	1.5	1.8			
DH11-102	51.40	53.40	2.00	1360238	8.7	0.4	0.3			
DH11-102	53.40	53.95	0.55	1360239	1.3	0.2	<0.2			
DH11-103	11.50	12.00	0.50	1360240	359.4	5	6.8			
DH11-103	12.00	13.00	1.00	1360241	7.8	0.6	<0.2			
DH11-103	13.00	14.00	1.00	1360242	3.8	0.5	<0.2			
DH11-103	14.00	15.00	1.00	1360243	7.9	0.5	0.4			
DH11-103	15.00	16.00	1.00	1360244	2.1	0.2	0.2			
DH11-103	16.00	17.00	1.00	1360245	10.5	0.5	0.7			
DH11-103	17.00	18.50	1.50	1360246	2.4	0.4	0.4			
DH11-103	18.50	19.20	0.70	1360247	<0.5	0.1	0.2			
DH11-103	20.95	22.50	1.55	1360249	<0.5	<0.1	<0.2			
DH11-103	22.50	24.00	1.50	1360250	7.7	0.5	0.6			
DH11-103	24.00	25.00	1.00	1360251	10.9	0.6	0.7			
DH11-103	25.00	26.00	1.00	1360252	28.1	1	1.1			
DH11-103	26.00	27.25	1.25	1360253	394.4	4.2	10.4			
DH11-103	27.25	28.75	1.50	1360254	230.8	3.6	4.5			
DH11-103	28.75	30.25	1.50	1360255	1076.6	8.8	15.2	1.1	<50	SGR
DH11-103	30.25	31.75	1.50	1360256	32	0.6	0.9			
DH11-103	31.75	33.05	1.30	1360258	290.6	4.4	6.6			
DH11-103	33.05	33.35	0.30	1360259	22013.9	>100.0	543.9	20.7	212	MVN
DH11-103	33.35	34.20	0.85	1360260	2579.4	32.3	143	2.6	<50	MVN
DH11-103	34.20	34.50	0.30	1360261	257.2	4.4	5.2			MVN
DH11-103	34.50	35.50	1.00	1360262	131.2	2.7	4.6			
DH11-103	35.50	35.75	0.25	1360263	1618.4	23.1	41.2	1.5	<50	QBX
DH11-103	35.75	36.45	0.70	1360264	1661.4	23.2	36.5	<0.9	<50	QBX
DH11-103	36.45	37.35	0.90	1360265	148	4.1	20.1			
DH11-103	37.35	38.41	1.06	1360267	51.2	1.1	1.9			
DH11-103	38.41	39.00	0.59	1360268	12.3	0.5	0.4			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-103	39.00	39.44	0.44	1360269	6.9	0.2	0.3			
DH11-103	39.44	40.90	1.46	1360270	2	0.1	<0.2			
DH11-104	3.10	4.00	0.90	1360315	7.5	0.7	0.4			
DH11-104	4.00	4.90	0.90	1360316	3.2	0.8	0.4			
DH11-104	4.90	5.00	0.10	1360317	2049.1	35.4	41.1	1.7	<50	HV4
DH11-104	5.00	6.20	1.20	1360318	36	1.5	1.1			
DH11-104	6.20	7.60	1.40	1360319	119	4.6	5.1			
DH11-104	7.60	9.10	1.50	1360320	7430.8	>100.0	220.8	6.5	166	HV3
DH11-104	9.10	10.60	1.50	1360321	1525.2	48.1	44.8	1.4	<50	SGR
DH11-104	10.60	12.00	1.40	1360322	104.8	2.2	2.6			
DH11-104	12.00	12.70	0.70	1360324	50	1.6	2.1			
DH11-104	12.70	12.80	0.10	1360325	85.8	4.7	3.4			
DH11-104	12.80	15.00	2.20	1360326	37.7	1.6	1.6			
DH11-104	15.00	16.50	1.50	1360327	1.6	0.6	0.3			
DH11-104	16.50	18.00	1.50	1360328	99.8	4.4	4.4			
DH11-104	18.00	19.50	1.50	1360329	171.9	5.4	5.7			
DH11-104	19.50	20.50	1.00	1360330	16.2	0.7	0.7			
DH11-104	20.50	22.00	1.50	1360331	11.9	4.7	0.3			
DH11-104	22.00	23.50	1.50	1360333	13.7	9	<0.2			
DH11-104	23.50	25.00	1.50	1360334	3.3	1.6	0.3			
DH11-104	25.00	26.90	1.90	1360335	308.5	16.3	11.2			SGR
DH11-104	26.90	28.00	1.10	1360336	1598.5	43.5	51	1.6	<50	HV2
DH11-104	28.00	29.40	1.40	1360337	494.2	41.2	18.8			SGR
DH11-104	29.40	29.60	0.20	1360338	900.6	38.4	30.6			SGR
DH11-104	29.60	31.60	2.00	1360339	46.5	2.6	2.3			
DH11-104	31.60	31.70	0.10	1360340	7270.5	>100.0	375	7.1	290	HV1
DH11-104	31.70	32.90	1.20	1360342	42.7	4.1	3.3			SGR
DH11-104	32.90	33.20	0.30	1360343	3807.9	>100.0	127.3	3.6	135	MVN
DH11-104	33.20	34.50	1.30	1360344	1109.4	31	31.4	1.1	<50	MVN
DH11-104	34.50	35.70	1.20	1360345	5911.7	>100.0	201.9	5.6	99	MVN
DH11-104	35.70	36.80	1.10	1360346	463.8	8.6	12.4			SGR
DH11-104	36.80	37.40	0.60	1360347	290.5	8.1	10.5			SGR
DH11-104	37.40	37.50	0.10	1360348	3914.5	78.8	117.1	3.7	73	FV1
DH11-104	37.50	38.40	0.90	1360349	81.6	2.7	4.5			SGR
DH11-104	38.40	38.50	0.10	1360351	911.6	29.4	37.6			SGR
DH11-104	38.50	39.20	0.70	1360352	119.1	3.1	4.3			SGR
DH11-104	39.20	39.30	0.10	1360353	120.4	3.4	10.9			SGR
DH11-104	39.30	40.00	0.70	1360354	200.8	6.5	7.8			SGR
DH11-104	40.00	40.50	0.50	1360355	4580.8	>100.0	165.1	4.4	108	FV2
DH11-104	40.50	42.00	1.50	1360356	27.4	1.7	2.1			
DH11-104	42.00	43.50	1.50	1360357	202.6	8.6	11.5			
DH11-104	43.50	45.10	1.60	1360358	24.5	1.2	1.7			
DH11-104	45.10	46.50	1.40	1360360	10.7	0.7	0.8			
DH11-104	46.50	48.30	1.80	1360361	5.9	0.4	0.4			
DH11-104	48.30	48.50	0.20	1360362	48.1	2.3	2			
DH11-104	48.50	50.00	1.50	1360363	6	0.7	0.3			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-104	50.00	51.50	1.50	1360364	109.9	4.8	7.4			
DH11-104	51.50	53.00	1.50	1360365	1.7	0.4	<0.2			
DH11-104	53.00	54.50	1.50	1360366	1.4	0.3	0.4			
DH11-104	54.50	56.00	1.50	1360367	1	0.2	<0.2			
DH11-104	56.00	57.00	1.00	1360368	<0.5	0.1	<0.2			
DH11-105	4.00	6.50	2.50	1360133	459.1	10.4	14.5			
DH11-105	6.50	8.00	1.50	1360134	90.2	3.7	3.1			
DH11-105	8.00	9.50	1.50	1360135	4103.3	95.6	109.2	4.3	109	HV5
DH11-105	9.50	10.90	1.40	1360136	70.9	2.1	1.7			
DH11-105	10.90	12.40	1.50	1360137	54.5	1.7	1.6			
DH11-105	12.40	15.00	2.60	1360138	22.3	1	0.7			
DH11-105	15.00	16.00	1.00	1360139	36.1	1.5	1.2			
DH11-105	16.00	17.00	1.00	1360140	104.9	2.6	2.7			
DH11-105	17.00	18.00	1.00	1360142	89.1	2.4	2.7			
DH11-105	18.00	18.80	0.80	1360143	46856.6	>100.0	1281	49.9	1042	HV4
DH11-105	18.80	20.00	1.20	1360144	297.6	6.8	8.1			
DH11-105	20.00	21.00	1.00	1360145	139.2	3	3.6			
DH11-105	21.00	22.50	1.50	1360146	99.9	1.8	2.3			
DH11-105	22.50	24.00	1.50	1360147	42.9	1.2	1.5			
DH11-105	24.00	25.50	1.50	1360148	45.1	1.2	1.4			
DH11-105	25.50	26.60	1.10	1360149	238.5	4.8	8.1			
DH11-105	26.60	28.00	1.40	1360151	4022.8	86.1	94.8	4.3	94	HV3
DH11-105	28.00	29.00	1.00	1360152	113.5	5.6	8.3			
DH11-105	29.00	30.00	1.00	1360153	97.9	2.5	3.5			
DH11-105	30.00	31.20	1.20	1360154	840.2	18.5	19.5			HV2
DH11-105	31.20	32.00	0.80	1360155	1656.2	31.2	43.5	1.8		HV2
DH11-105	32.00	33.40	1.40	1360156	69.6	2.2	2.1			
DH11-105	41.00	42.60	1.60	1360157	73.9	1.8	2.7			
DH11-105	45.00	46.50	1.50	1360158	141.6	2.6	3.9			
DH11-105	46.50	47.90	1.40	1360160	109.3	2.1	3			
DH11-105	47.90	48.50	0.60	1360161	147.7	3.8	4.8			
DH11-105	48.50	50.00	1.50	1360162	121.9	2	3.1			
DH11-105	50.00	51.50	1.50	1360163	2194.6	21.1	47.4	1.9	<50	HV1
DH11-105	51.50	53.00	1.50	1360164	88.9	1.6	2.5			
DH11-105	53.00	54.50	1.50	1360165	27.3	0.8	1.2			
DH11-105	54.50	56.00	1.50	1360166	57.6	1.4	2.2			
DH11-105	56.00	57.50	1.50	1360167	30.9	1.5	1.7			
DH11-105	57.50	59.00	1.50	1360169	431.6	7.6	9.1			
DH11-105	59.00	60.70	1.70	1360170	*	0.8	0.6			
DH11-105	60.70	62.00	1.30	1360171	4139.3	49.7	86.3	3.7		MVN
DH11-105	62.00	63.50	1.50	1360172	6498.4	>100.0	177	5.4	98	MVN
DH11-105	63.50	65.00	1.50	1360173	105.9	1.8	3			MVN
DH11-105	65.00	65.60	0.60	1360174	1610.3	27.1	31.5	1.3	<50	MVN
DH11-105	65.60	67.10	1.50	1360175	14.6	0.8	0.4			
DH11-105	67.10	68.50	1.40	1360176	37	1.3	1			
DH11-105	68.50	70.00	1.50	1360178	6.6	0.6	<0.2			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-105	70.00	71.50	1.50	1360179	2.8	0.3	<0.2			
DH11-105	71.50	73.00	1.50	1360180	46.6	1.1	1.1			
DH11-105	73.00	74.50	1.50	1360181	20.4	0.7	0.6			
DH11-105	74.50	76.00	1.50	1360182	50	2	2.3			
DH11-105	76.00	77.50	1.50	1360183	59.7	1.8	1.9			
DH11-105	77.50	78.00	0.50	1360184	43.2	3.1	7.3			
DH11-107	0.30	1.70	1.40	1360082	6168.3	84.2	122.8	5.7	102	VN
DH11-107	1.70	3.10	1.40	1360083	476.5	9.7	13.6			
DH11-107	3.10	4.60	1.50	1360084	37.5	3.6	2.4			
DH11-107	4.60	6.10	1.50	1360085	132.8	6.6	6.8			
DH11-107	6.10	7.60	1.50	1360086	28.6	1.6	2.1			
DH11-107	7.60	9.10	1.50	1360087	25.5	1.2	1.2			
DH11-107	9.10	10.60	1.50	1360088	45.2	3	3.2			
DH11-107	10.60	12.10	1.50	1360089	2904.4	63.2	88	2.6	77	COZ
DH11-107	12.10	13.60	1.50	1360091	611.6	16.9	21.8			COZ
DH11-107	13.60	15.00	1.40	1360092	42126.7	>100.0	667.2	33.4	507	COZ
DH11-107	15.00	16.60	1.60	1360093	1617.9	76.1	104.5	2.9	91	COZ
DH11-107	16.60	18.20	1.60	1360094	300	6.3	8.8			COZ
DH11-107	18.20	19.70	1.50	1360095	1975.4	47.4	78.3	1.7	55	COZ
DH11-107	19.70	21.20	1.50	1360096	1274	13.7	28.2	1.1		COZ
DH11-107	21.20	21.60	0.40	1360097	2276.2	52.3	66.9	2.2	76	COZ
DH11-107	21.60	23.00	1.40	1360098	485.9	10.7	14.9			COZ
DH11-107	23.00	24.60	1.60	1360100	1472.6	33.2	68.9	1.3		COZ
DH11-107	24.60	26.10	1.50	1360101	11176.2	>100.0	305	9.9	254	COZ
DH11-107	26.10	27.60	1.50	1360102	4141.7	56.7	101.6	3.8	68	COZ
DH11-107	27.60	29.20	1.60	1360103	503	9.1	14.4			COZ
DH11-107	29.20	30.80	1.60	1360104	4933.1	57.4	106.3	4.2	67	COZ
DH11-107	30.80	32.40	1.60	1360105	1892	45.3	58.9	1.7	53	COZ
DH11-107	32.40	34.00	1.60	1360106	3138.5	34.4	63.1	2.7		COZ
DH11-107	34.00	35.60	1.60	1360107	840.9	16.7	23.6			COZ
DH11-107	35.60	37.20	1.60	1360109	4965.7	>100.0	155.7	4.6	156	COZ
DH11-107	37.20	38.80	1.60	1360110	1476.5	42.7	52.3	1.4		COZ
DH11-107	38.80	40.30	1.50	1360111	4418.8	98.2	134.7	4.1	125	COZ
DH11-107	40.30	41.80	1.50	1360112	185	7.9	8.1			COZ
DH11-107	41.80	43.40	1.60	1360113	147.7	6.5	9.7			COZ
DH11-107	43.40	44.90	1.50	1360114	295.7	7	8.6			COZ
DH11-107	44.90	46.00	1.10	1360115	27788.3	>100.0	781	25.5	749	SVN
DH11-107	46.00	47.40	1.40	1360116	29.3	3.2	2.1			
DH11-107	47.40	49.00	1.60	1360118	5.7	1.5	0.9			
DH11-107	49.00	50.50	1.50	1360119	7.8	1.5	1.7			
DH11-107	50.50	51.90	1.40	1360120	22.4	2.7	2.2			
DH11-107	51.90	52.40	0.50	1360121	15710.2	>100.0	466.7	16.4	588	SVN
DH11-107	52.40	54.00	1.60	1360122	73.6	4.3	3.6			
DH11-107	54.00	55.50	1.50	1360123	20.7	1.3	1.2			
DH11-107	55.50	57.00	1.50	1360124	<0.5	0.5	0.4			
DH11-107	57.00	58.50	1.50	1360125	8.6	1.8	1.3			

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	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-107	58.50	60.00	1.50	1360127	2.8	0.7	0.3			
DH11-107	60.00	61.50	1.50	1360128	1.4	0.3	<0.2			
DH11-107	61.50	63.00	1.50	1360129	110.3	3.8	10			
DH11-107	63.00	64.50	1.50	1360130	5.8	0.4	0.5			
DH11-107	64.50	66.00	1.50	1360131	109.5	1.7	1.7			
DH11-108	2.10	3.60	1.50	1360371	58.7	1.9	1.4			
DH11-108	3.60	5.00	1.40	1360372	161	2.5	2.5			
DH11-108	5.00	6.60	1.60	1360373	204.1	3.6	3			
DH11-108	6.60	8.00	1.40	1360374	55.2	0.7	0.7			
DH11-108	8.00	9.00	1.00	1360375	20.5	0.5	0.3			
DH11-108	9.00	9.20	0.20	1360376	3140.1	53.2	89.3	3.2	52	VN
DH11-108	9.20	10.80	1.60	1360377	384.1	5.2	7.2			
DH11-108	10.80	12.50	1.70	1360379	96.9	1.7	2			
DH11-108	12.50	13.60	1.10	1360380	32.3	1.2	0.9			
DH11-108	13.60	14.00	0.40	1360381	16.6	1.6	1.3			
DH11-108	14.00	14.30	0.30	1360382	1064.5	19.8	21.7	<0.9	<50	VN
DH11-108	14.30	15.80	1.50	1360383	9.7	0.5	0.5			
DH11-108	15.80	17.40	1.60	1360384	21	0.8	1.1			
DH11-108	17.40	19.20	1.80	1360385	9.4	0.4	0.4			COZ
DH11-108	19.20	20.40	1.20	1360386	1273.5	36.7	35.8	1.2	<50	COZ
DH11-108	20.40	21.20	0.80	1360388	136.4	3	3.3			COZ
DH11-108	21.20	21.60	0.40	1360389	497.2	7.7	13.5			COZ
DH11-108	21.60	21.90	0.30	1360390	1332	24.5	34.7	1.3	<50	COZ
DH11-108	21.90	22.00	0.10	1360391	181	4.2	4.9			COZ
DH11-108	22.00	22.20	0.20	1360392	1372.1	32	31.8	1.3	<50	COZ
DH11-108	22.20	23.70	1.50	1360393	333.1	5.7	9			COZ
DH11-108	23.70	24.60	0.90	1360394	305.7	5.7	9.8			COZ
DH11-108	24.60	26.00	1.40	1360395	659.7	9.2	14			COZ
DH11-108	26.00	27.50	1.50	1360397	93.5	2.6	3.4			COZ
DH11-108	27.50	28.90	1.40	1360398	102.1	4.1	8.4			COZ
DH11-108	28.90	30.40	1.50	1360399	934.4	17.3	22.5			COZ
DH11-108	30.40	31.90	1.50	1360400	1531.6	36.3	37.9	1.4	<50	COZ
DH11-108	31.90	33.40	1.50	1360401	2265.9	37	46.2	1.7	<50	COZ
DH11-108	33.40	34.90	1.50	1360402	2285.2	32.4	51.3	2.1	<50	COZ
DH11-108	34.90	36.40	1.50	1360403	10258	>100.0	197.5	8.0	154	COZ
DH11-108	36.40	37.90	1.50	1360404	2486	33	47.8	2.2	<50	COZ
DH11-108	37.90	39.70	1.80	1360406	2703.5	67	61.8	2.2	68	COZ
DH11-108	39.70	40.20	0.50	1360407	53824.6	>100.0	1003	43.9	711	VN
DH11-108	40.20	41.80	1.60	1360408	130.5	2.4	3.2			SGR
DH11-108	41.80	43.40	1.60	1360409	418.7	6.3	9.2			SGR
DH11-108	43.40	44.90	1.50	1360410	313.4	4.1	6.7			SGR
DH11-108	44.90	46.00	1.10	1360411	1042.8	17.1	23.5	<0.9	<50	SGR
DH11-108	46.00	46.10	0.10	1360412	>100000.0	>100.0	>6000.0	369.8	3353	VN
DH11-108	46.10	47.60	1.50	1360413	6163.7	43.9	89.4	5.7	<50	SGR
DH11-108	47.60	49.10	1.50	1360415	933.9	7.7	15.6			STK
DH11-108	49.10	50.60	1.50	1360416	297.4	7.5	9.1			SGR

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-108	50.60	52.10	1.50	1360417	346.9	7	10.4			SGR
DH11-108	52.10	53.60	1.50	1360418	380.5	10.1	12			SGR
DH11-108	53.60	55.10	1.50	1360419	107.1	4.9	3.9			SGR
DH11-108	55.10	56.60	1.50	1360420	946.1	25.6	27			SGR
DH11-108	56.60	58.00	1.40	1360421	56.3	4.5	3.2			
DH11-108	58.00	59.50	1.50	1360423	60.4	2.5	3.1			
DH11-108	59.50	61.00	1.50	1360424	15.2	0.9	0.7			
DH11-108	61.00	62.50	1.50	1360425	6.8	0.4	0.2			
DH11-108	62.50	64.20	1.70	1360426	21	1.1	0.9			
DH11-108	64.20	65.50	1.30	1360427	17175.7	>100.0	460.3	14.6	387	VN
DH11-108	65.50	67.00	1.50	1360428	113.3	4.3	5.1			
DH11-108	67.00	68.50	1.50	1360429	68.3	2.2	1.9			
DH11-108	68.50	70.00	1.50	1360430	36.7	1.4	1			
DH11-108	70.00	71.50	1.50	1360432	4.2	1.2	0.9			
DH11-108	71.50	73.00	1.50	1360433	<0.5	0.7	0.5			
DH11-108	73.00	74.50	1.50	1360434	201.7	6	15.5			
DH11-108	74.50	76.00	1.50	1360435	28.3	1.4	1.3			
DH11-108	76.00	77.90	1.90	1360436	2.6	0.5	0.4			
DH11-108	77.90	78.10	0.20	1360437	180.9	6.9	12.9			
DH11-108	78.10	78.50	0.40	1360438	5.1	1.2	0.7			
DH11-108	78.50	78.70	0.20	1360439	5.7	3.2	1.9			
DH11-108	78.70	79.60	0.90	1360440	<0.5	0.6	0.5			
DH11-108	79.60	81.00	1.40	1360441	1.7	0.3	0.3			
DH11-108	81.00	82.50	1.50	1360443	<0.5	0.4	0.4			
DH11-108	82.50	84.00	1.50	1360444	1.8	0.3	0.9			
DH11-108	84.00	85.50	1.50	1360445	0.8	0.2	0.2			
DH11-108	85.50	87.00	1.50	1360446	3.1	0.5	0.8			
DH11-108	87.00	88.50	1.50	1360447	<0.5	0.3	0.8			
DH11-108	88.50	89.90	1.40	1360448	<0.5	0.1	<0.2			
DH11-108	89.90	91.50	1.60	1360450	6	0.7	0.8			
DH11-108	91.50	92.50	1.00	1360451	2.3	0.1	0.4			
DH11-108	92.50	93.60	1.10	1360452	3.6	0.2	0.3			
DH11-109	0.00	3.00	3.00	1360699	4	0.4	<0.2			
DH11-109	3.00	4.50	1.50	1360700	2.3	0.7	<0.2			
DH11-109	4.50	6.20	1.70	1360701	8.1	1.7	0.3			
DH11-109	6.20	7.30	1.10	1360702	153.5	9.5	18.9			HV2
DH11-109	7.30	7.60	0.30	1360703	1345.8	35.9	52.2	1.3	<50	HV2
DH11-109	7.60	8.20	0.60	1360704	645.4	21.6	36.5			HV2
DH11-109	8.20	9.70	1.50	1360705	19.8	1.1	1.5			
DH11-109	9.70	11.30	1.60	1360706	8.1	0.4	0.4			
DH11-109	11.30	13.00	1.70	1360708	51.8	2.3	3.7			
DH11-109	13.00	14.50	1.50	1360709	10.5	0.8	1.2			
DH11-109	14.50	16.00	1.50	1360710	7.6	0.4	0.8			
DH11-109	16.00	17.50	1.50	1360711	17.2	1	0.7			
DH11-109	17.50	19.00	1.50	1360712	16.1	0.9	0.7			
DH11-109	19.00	20.50	1.50	1360713	22.8	1	0.8			

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	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-109	20.50	22.00	1.50	1360714	34.3	1.3	1.4			
DH11-109	22.00	23.50	1.50	1360715	540.4	19.4	19			SGR
DH11-109	23.50	25.00	1.50	1360717	18.8	1.1	1.4			
DH11-109	25.00	25.40	0.40	1360718	275.2	11.6	13.8			HV1
DH11-109	25.40	27.50	2.10	1360719	52	2.4	2.6			
DH11-109	27.50	28.50	1.00	1360720	19138	>100.0	483.3	19.4	549	MVN
DH11-109	28.50	29.60	1.10	1360721	39219.7	>100.0	970.9	34.5	756	MVN
DH11-110	0.00	2.30	2.30	1360453	5.9	0.5	<0.2			
DH11-110	2.30	3.80	1.50	1360454	55.5	1.4	1.1			
DH11-110	3.80	5.20	1.40	1360455	36.3	2.2	1.9			
DH11-110	5.20	6.80	1.60	1360456	178.1	10.1	17.3			HV1
DH11-110	6.80	8.30	1.50	1360457	641.3	25.7	34			HV1
DH11-110	8.30	9.80	1.50	1360458	5.6	0.5	0.5			
DH11-110	9.80	11.30	1.50	1360459	3.8	0.4	0.7			
DH11-110	11.30	12.80	1.50	1360460	13.5	1	0.9			
DH11-110	12.80	15.00	2.20	1360462	10.1	0.6	0.9			
DH11-110	15.00	16.50	1.50	1360463	31.9	1.2	1.4			
DH11-110	16.50	18.00	1.50	1360464	3.6	0.3	0.2			
DH11-110	18.00	19.50	1.50	1360465	16.7	0.9	1.1			
DH11-110	19.50	20.90	1.40	1360466	15.1	0.7	1.1			
DH11-110	20.90	22.50	1.60	1360467	15.5	0.9	1			
DH11-110	22.50	24.00	1.50	1360468	33.7	2	2			
DH11-110	24.00	25.50	1.50	1360469	108.9	4.4	4.5			
DH11-110	25.50	27.00	1.50	1360471	1203.2	34.5	31.2	1.1	<50	SGR
DH11-110	27.00	28.70	1.70	1360472	1184.4	39.6	37.6	1.1	<50	SGR
DH11-110	28.70	30.00	1.30	1360473	15400.6	>100.0	465.6	15.2	352	MVN
DH11-110	30.00	31.60	1.60	1360474	31771.8	>100.0	963.8	29.5	896	MVN
DH11-110	31.60	33.10	1.50	1360475	29315.6	>100.0	755.1	27.8	711	MVN
DH11-110	33.10	34.50	1.40	1360476	377.4	12.1	12			STK
DH11-110	34.50	36.00	1.50	1360477	1166.6	19.8	32.9	1.1	<50	STK
DH11-110	36.00	37.50	1.50	1360478	34	1.4	2.1			
DH11-110	37.50	39.00	1.50	1360480	78.8	2.6	3.9			
DH11-110	39.00	40.50	1.50	1360481	25.4	0.9	1.6			
DH11-110	40.50	42.00	1.50	1360482	221.3	6.8	7.4			
DH11-110	42.00	43.50	1.50	1360483	13.4	1.7	2.8			
DH11-110	43.50	45.00	1.50	1360484	24.1	1.4	1.4			
DH11-110	45.00	46.60	1.60	1360485	39.3	1.7	2.2			
DH11-110	46.60	48.00	1.40	1360486	5.8	0.4	0.7			
DH11-110	48.00	49.50	1.50	1360487	14.4	0.8	2.4			
DH11-110	49.50	51.00	1.50	1360489	13.4	0.6	1			
DH11-110	51.00	52.50	1.50	1360490	<0.5	0.3	1.2			
DH11-110	52.50	54.00	1.50	1360491	38.3	1.1	1.7			
DH11-110	54.00	55.00	1.00	1360492	34.7	1.6	1.6			
DH11-110	55.00	57.00	2.00	1360493	299.5	10.1	10			
DH11-110	57.00	58.50	1.50	1360494	428.3	13.2	13			
DH11-110	58.50	60.00	1.50	1360495	230.7	7.6	6.7			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-110	60.00	61.50	1.50	1360496	54.9	1.9	1.6			
DH11-110	61.50	62.70	1.20	1360498	171.7	9.7	6.5			SGR
DH11-110	62.70	63.30	0.60	1360499	27695.7	>100.0	691.2	25.6	385	FV1
DH11-110	63.30	64.80	1.50	1360500	338.2	14.6	10.5			SGR
DH11-110	64.80	66.30	1.50	1360501	77	2.5	3.1			
DH11-110	66.30	67.80	1.50	1360502	552.4	13.6	10.9			SGR
DH11-110	67.80	69.30	1.50	1360503	7	0.7	0.8			
DH11-110	69.30	70.40	1.10	1360504	30.1	1.5	1.3			
DH11-110	70.40	71.80	1.40	1360505	339.3	11.5	14.9			SGR
DH11-110	71.80	73.60	1.80	1360507	13876.7	>100.0	471.8	12.6	510	FV2
DH11-110	73.60	75.00	1.40	1360508	222.3	8.6	8.2			SGR
DH11-110	75.00	76.50	1.50	1360509	275.3	13.1	11.4			SGR
DH11-110	76.50	78.00	1.50	1360510	192.1	10.8	8.5			SGR
DH11-110	78.00	79.50	1.50	1360511	62.7	4.2	3.9			
DH11-110	79.50	81.00	1.50	1360512	177	10.4	6.9			
DH11-110	81.00	82.70	1.70	1360513	432.6	16.8	16.5			SGR
DH11-110	82.70	84.50	1.80	1360514	5741.4	>100.0	190.5	4.6	165	FV3
DH11-110	84.50	86.10	1.60	1360516	122.7	4.9	4.1			SGR
DH11-110	86.10	87.50	1.40	1360517	738.2	21.9	23			SGR
DH11-110	87.50	89.00	1.50	1360518	539.3	23.2	22.1			SGR
DH11-110	89.00	90.50	1.50	1360519	316	12.5	12			
DH11-110	90.50	92.00	1.50	1360520	80.9	4.5	4.4			
DH11-110	92.00	93.50	1.50	1360521	386	15.4	15.6			SGR
DH11-110	93.50	95.30	1.80	1360522	3046.4	>100.0	97	2.9	103	STK
DH11-110	95.30	96.70	1.40	1360523	146.5	6.6	5.1			SGR
DH11-110	96.70	98.20	1.50	1360525	104.2	5.2	2			SGR
DH11-110	98.20	99.70	1.50	1360526	4.5	0.3	0.5			
DH11-110	99.70	101.00	1.30	1360527	6	0.6	0.9			
DH11-110	101.00	101.80	0.80	1360528	96.5	3.6	5			STK
DH11-110	101.80	103.90	2.10	1360529	66.7	1.8	1.8			
DH11-110	103.90	105.30	1.40	1360530	152.1	4.7	5			SGR
DH11-110	105.30	105.90	0.60	1360531	38.7	4.8	9.2			FV5
DH11-110	105.90	107.50	1.60	1360532	22.7	1.2	1.6			
DH11-110	107.50	109.00	1.50	1360534	1101.1	21.4	25.1	<0.9	<50	SGR
DH11-110	109.00	110.50	1.50	1360535	106.5	4.9	3.9			SGR
DH11-110	110.50	111.40	0.90	1360536	1328.1	17.2	30.9	1.2	<50	SGR
DH11-110	111.40	111.60	0.20	1360537	23870.9	>100.0	626	19.1	342	FV6
DH11-110	111.60	112.50	0.90	1360538	772	17.3	20.2			SGR
DH11-110	112.50	113.60	1.10	1360539	1510.2	29	34.2	1.3	<50	SGR
DH11-110	113.60	115.20	1.60	1360540	4861.4	60.4	86.6	4.1	60	SGR
DH11-110	115.20	116.70	1.50	1360541	1036.7	17.6	21.6	<0.9	<50	SGR
DH11-110	116.70	118.20	1.50	1360543	23	0.8	0.7			
DH11-110	118.20	120.20	2.00	1360544	182.3	4.7	5			SGR
DH11-110	120.20	121.20	1.00	1360545	14614.8	>100.0	379.7	11.8	270	FV7
DH11-110	121.20	122.70	1.50	1360546	47.5	2.2	2.1			
DH11-110	122.70	124.30	1.60	1360547	66.8	2.5	2.6			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-110	124.30	125.70	1.40	1360548	36.4	1.7	1.9			
DH11-110	125.70	127.30	1.60	1360549	25.7	0.8	1.3			
DH11-110	127.30	128.80	1.50	1360550	6.1	0.1	0.2			
DH11-110	128.80	130.30	1.50	1360552	3.7	0.3	0.3			
DH11-110	130.30	131.80	1.50	1360553	1.2	0.1	0.3			
DH11-110	131.80	133.80	2.00	1360554	1.9	0.1	<0.2			
DH11-110	133.80	134.80	1.00	1360555	<0.5	0.2	<0.2			
DH11-110	134.80	136.30	1.50	1360556	<0.5	<0.1	<0.2			
DH11-110	136.30	137.80	1.50	1360557	<0.5	<0.1	<0.2			
DH11-110	137.80	139.30	1.50	1360558	<0.5	0.1	<0.2			
DH11-110	139.30	140.80	1.50	1360559	1.1	0.3	<0.2			
DH11-110	140.80	142.30	1.50	1360561	1	0.2	<0.2			
DH11-110	142.30	143.80	1.50	1360562	<0.5	0.3	<0.2			
DH11-110	143.80	145.30	1.50	1360563	0.9	<0.1	<0.2			
DH11-110	145.30	146.80	1.50	1360564	2.2	0.1	<0.2			
DH11-110	146.80	148.30	1.50	1360565	2.8	0.1	0.4			
DH11-110	148.30	150.30	2.00	1360566	5.7	0.3	0.4			
DH11-110	150.30	151.80	1.50	1360567	2.8	0.1	<0.2			
DH11-110	151.80	153.30	1.50	1360568	2	<0.1	<0.2			
DH11-110	153.30	154.80	1.50	1360570	2.2	<0.1	<0.2			
DH11-110	154.80	156.30	1.50	1360571	1.8	0.2	0.3			
DH11-110	156.30	157.80	1.50	1360572	<0.5	0.2	<0.2			
DH11-110	157.80	159.30	1.50	1360573	2.2	<0.1	<0.2			
DH11-111	0.00	3.50	3.50	1360805	8.6	0.8	0.4			
DH11-111	3.50	5.00	1.50	1360806	33.4	2.3	3			
DH11-111	5.00	6.12	1.12	1360807	39.6	1.9	2.5			
DH11-111	6.12	7.08	0.96	1360808	5045.7	>100.0	147.6	4.9	133	MVN
DH11-111	7.08	7.92	0.84	1360809	21783.2	>100.0	721.7	20	578	MVN
DH11-111	7.92	8.80	0.88	1360810	7671.4	>100.0	279.1	7.8	274	MVN
DH11-111	8.80	10.50	1.70	1360811	48.2	2.5	3.3			
DH11-111	10.50	11.00	0.50	1360812	24.7	1	1.7			
DH11-111	11.00	12.50	1.50	1360814	23.2	1	1.5			
DH11-111	12.50	14.00	1.50	1360815	17.4	0.9	1.1			
DH11-111	14.00	15.50	1.50	1360816	22.9	2	3.9			
DH11-111	15.50	17.00	1.50	1360817	82.4	4.8	8.7			
DH11-111	17.00	18.50	1.50	1360818	4.8	0.3	0.3			
DH11-111	18.50	20.00	1.50	1360819	3.5	0.2	0.2			
DH11-111	20.00	21.50	1.50	1360820	4.8	0.4	0.2			
DH11-111	21.50	23.00	1.50	1360821	12.9	1.1	1.4			
DH11-111	23.00	24.50	1.50	1360823	31.9	2.4	2.4			
DH11-111	24.50	26.00	1.50	1360824	58	2.2	1.9			
DH11-111	26.00	27.50	1.50	1360825	32.4	1.6	0.8			
DH11-111	27.50	29.00	1.50	1360826	10.8	0.5	0.4			
DH11-111	29.00	30.50	1.50	1360827	44.5	1.9	2			
DH11-111	30.50	32.00	1.50	1360828	344.6	13.2	12.3			
DH11-111	32.00	33.50	1.50	1360829	766	35.9	27.3			SGR

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-111	33.50	35.00	1.50	1360830	656.1	12.9	21.6			SGR
DH11-111	35.00	35.70	0.70	1360832	45.1	2.4	2			
DH11-111	35.70	37.00	1.30	1360833	1429.6	67.1	60.7	1.3	68	SGR
DH11-111	37.00	38.45	1.50	1360834	312.3	9.5	12.5			SGR
DH11-111	38.45	38.71	0.20	1360835	4174.1	>100.0	405.2	3.5	309	FV1
DH11-111	38.71	40.00	1.30	1360836	373.8	17.6	16.3			SGR
DH11-111	40.00	41.50	1.50	1360837	58.5	4.8	4.8			
DH11-111	41.50	43.00	1.50	1360838	214	10	19.4			
DH11-111	43.00	43.75	0.75	1360840	33.3	2.8	3.1			
DH11-111	43.75	44.75	1.00	1360841	2344.1	63.5	82.7	2.1	73	FV2
DH11-111	44.75	46.15	1.40	1360842	410	12.6	16			SGR
DH11-111	46.15	47.40	1.25	1360843	816.4	27.9	29.3			SGR
DH11-111	47.40	48.60	1.20	1360844	1230.9	22	27.4	1.1	<50	SGR
DH11-111	59.00	60.50	1.50	1360845	220.5	7	8.1			
DH11-111	60.50	62.00	1.50	1360846	35	1.8	1.8			
DH11-111	62.00	63.50	1.50	1360847	231.3	5.8	8.9			
DH11-111	63.50	65.00	1.50	1360848	66.5	4.5	5.3			
DH11-111	65.00	66.50	1.50	1360850	3.3	0.4	0.2			
DH11-111	66.50	68.00	1.50	1360851	1.9	0.5	0.5			
DH11-111	68.00	69.50	1.50	1360852	3	0.5	0.2			
DH11-111	69.50	71.00	1.50	1360853	1.4	0.4	<0.2			
DH11-111	71.00	72.50	1.50	1360854	<0.5	0.2	<0.2			
DH11-111	72.50	74.00	1.50	1360855	5.4	0.3	0.3			
DH11-111	79.50	80.50	1.00	1360856	50.1	3	18.6			
DH11-112	3.50	5.00	1.50	1360574	82.5	2.3	3.6			
DH11-112	5.00	6.40	1.40	1360575	7.5	0.4	0.5			
DH11-112	6.40	7.90	1.50	1360576	0.6	0.3	0.4			
DH11-112	7.90	9.40	1.50	1360577	9.2	0.7	0.9			
DH11-112	9.40	11.00	1.60	1360578	<0.5	0.4	0.5			COZ
DH11-112	11.00	12.50	1.50	1360579	2.5	0.5	0.4			COZ
DH11-112	12.50	14.00	1.50	1360580	18.7	0.9	0.9			COZ
DH11-112	14.00	15.50	1.50	1360581	3.7	0.1	<0.2			COZ
DH11-112	15.50	17.00	1.50	1360583	<0.5	0.3	<0.2			COZ
DH11-112	17.00	18.40	1.40	1360584	<0.5	0.3	0.2			COZ
DH11-112	18.40	20.00	1.60	1360585	4.4	2.5	1.1			COZ
DH11-112	20.00	21.50	1.50	1360586	6.4	2.2	1			COZ
DH11-112	21.50	23.00	1.50	1360587	1.3	0.6	0.4			COZ
DH11-112	23.00	24.50	1.50	1360588	30	2.9	1.7			COZ
DH11-112	24.50	26.00	1.50	1360589	110.9	4.9	6			COZ
DH11-112	26.00	26.60	0.60	1360591	33	2.7	2.8			COZ
DH11-112	26.60	27.40	0.80	1360592	317.4	16.6	16.6			COZ
DH11-112	27.40	28.80	1.40	1360593	52.9	2.5	2.7			COZ
DH11-112	28.80	29.30	0.50	1360594	1899.9	51.1	73.1	1.7	51	COZ
DH11-112	29.30	29.80	0.50	1360595	55.6	5.1	4.9			COZ
DH11-112	29.80	30.40	0.60	1360596	10245	>100.0	275.6	9.1	299	COZ
DH11-112	30.40	31.90	1.50	1360597	1156.1	45.3	46.9	1.2		COZ

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	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-112	31.90	32.80	0.90	1360598	372.3	17.8	17.6			COZ
DH11-112	32.80	33.00	0.20	1360599	8485.6	>100.0	311.2	7.1	368	COZ
DH11-112	33.00	34.90	1.90	1360601	848	36.2	45.5			COZ
DH11-112	34.90	36.40	1.50	1360602	3083.6	77.2	87.9	2.7	72	COZ
DH11-112	36.40	37.90	1.50	1360603	2.1	0.8	0.5			
DH11-112	37.90	39.40	1.50	1360604	0.6	1.1	0.4			
DH11-112	39.40	40.90	1.50	1360605	1.7	0.9	0.8			
DH11-112	40.90	42.50	1.60	1360606	452.4	16.6	22.4			
DH11-112	49.00	50.50	1.50	1360607	9.1	1.4	1.7			
DH11-112	50.50	52.10	1.60	1360608	5.7	0.5	0.8			
DH11-113	1.76	2.17	0.41	1360723	132	7.2	4.6			
DH11-113	2.17	3.80	1.63	1360724	130.3	4.5	3.8			
DH11-113	3.80	5.00	1.20	1360725	382.3	19.8	21.8			SGR
DH11-113	5.00	6.00	1.00	1360726	101.1	4.1	3.1			
DH11-113	6.00	7.03	1.03	1360727	234.6	10	11.6			SGR
DH11-113	7.03	8.10	1.07	1360728	1513.1	68.1	53.8	1.4	69	HV1
DH11-113	8.10	9.00	0.90	1360729	658.7	26.5	22			SGR
DH11-113	9.00	9.60	0.60	1360730	724.7	40.6	25.9			SGR
DH11-113	9.60	10.15	0.55	1360732	1674.2	87.4	71.6	1.5	86	SGR
DH11-113	10.15	11.28	1.13	1360733	1012	46.9	38.7	<0.9	<50	SGR
DH11-113	11.28	11.65	0.37	1360734	2445.2	>100.0	109.4	2.3	126	SGR
DH11-113	11.65	12.45	0.80	1360735	538.8	34.6	27			SGR
DH11-113	12.45	14.15	1.70	1360736	3922.1	>100.0	167.5	3.3	149	MVN
DH11-113	14.15	15.15	1.00	1360737	110.7	5.8	6.5			SGR
DH11-113	15.15	16.30	1.15	1360738	685.3	29.6	30.1			SGR
DH11-113	16.30	17.55	1.25	1360739	190.8	11.8	15.4			SGR
DH11-113	22.00	22.91	0.91	1360741	2.8	0.2	<0.2			
DH11-113	22.91	23.47	0.56	1360742	2.6	0.4	1.8			
DH11-113	23.47	24.00	0.53	1360743	<0.5	0.4	<0.2			
DH11-114	0.00	7.40	7.40	1360672	65.9	6.8	3.1			
DH11-114	7.40	9.00	1.60	1360673	1026.5	48.8	36.8	<0.9	<50	MVN
DH11-114	9.00	10.50	1.50	1360674	5461	>100.0	166.5	4.9	208	MVN
DH11-114	10.50	11.90	1.40	1360675	1520.9	68.9	59.3	1.3	62	MVN
DH11-114	11.90	13.20	1.30	1360676	410.3	23.3	18.3			SGR
DH11-114	13.20	14.50	1.30	1360677	79.4	4.5	3.8			
DH11-114	14.50	16.20	1.70	1360678	102.2	9.8	10.3			SGR
DH11-114	16.20	17.50	1.30	1360679	5.7	1	0.8			
DH11-114	17.50	18.90	1.40	1360681	50.5	3.2	1.7			
DH11-114	18.90	19.40	0.50	1360682	2742.1	>100.0	104.9	2.7	121	FV1
DH11-114	19.40	19.90	0.50	1360683	310.7	17.7	13.6			SGR
DH11-114	19.90	21.30	1.40	1360684	2498.6	>100.0	176.1	2.2	155	FV2
DH11-114	21.30	23.00	1.70	1360685	117.7	6.4	5.1			SGR
DH11-114	23.00	24.50	1.50	1360686	898.2	51	49.4	<0.9	53	SGR
DH11-114	24.50	26.00	1.50	1360687	136.9	9.2	7.2			SGR
DH11-114	26.00	27.50	1.50	1360688	41.6	2.7	2.3			
DH11-114	27.50	29.00	1.50	1360690	12.5	1.5	0.8			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-114	29.00	30.50	1.50	1360691	398.2	23.3	26.8			SGR
DH11-114	30.50	31.60	1.10	1360692	48.4	2.8	2.5			
DH11-114	31.60	33.10	1.50	1360693	215.1	7.7	8			SGR
DH11-114	33.10	34.50	1.40	1360694	194.2	8.9	6			SGR
DH11-114	34.50	36.00	1.50	1360695	3.7	0.2	<0.2			
DH11-114	36.00	37.50	1.50	1360696	2.5	0.3	<0.2			
DH11-114	37.50	39.60	2.10	1360697	2.8	0.3	<0.2			
DH11-115	1.50	4.00	2.50	1360745	222.5	10.8	10.9			
DH11-115	4.00	4.90	0.90	1360746	18.5	1.1	1.1			
DH11-115	4.90	5.10	0.20	1360747	8.4	0.7	0.3			
DH11-115	5.10	5.70	0.60	1360748	10.2	1.5	1			
DH11-115	5.70	6.00	0.30	1360749	35.9	4.1	3.9			
DH11-115	6.00	7.50	1.50	1360750	10.2	1.7	1.7			
DH11-115	7.50	9.00	1.50	1360751	0.6	0.7	0.3			
DH11-115	9.00	10.50	1.50	1360752	58	3.5	2.3			
DH11-115	10.50	12.00	1.50	1360754	35.4	4.4	2.5			
DH11-115	12.00	12.90	0.90	1360755	64.6	3.9	4.1			
DH11-115	12.90	13.60	0.70	1360756	5.4	0.6	0.9			
DH11-115	13.60	15.00	1.40	1360757	194.5	6.1	6.1			
DH11-115	15.00	16.50	1.50	1360758	5.5	0.5	0.3			
DH11-115	16.50	17.90	1.40	1360759	4.2	0.8	0.3			
DH11-115	17.90	19.50	1.60	1360760	0.8	0.4	0.3			
DH11-115	19.50	21.00	1.50	1360761	102.7	4.8	9.5			
DH11-115	21.00	22.50	1.50	1360763	90.9	5.2	11.2			
DH11-115	22.50	24.00	1.50	1360764	75.3	3.2	3.2			
DH11-115	24.00	25.50	1.50	1360765	10.1	0.7	0.7			
DH11-115	25.50	27.00	1.50	1360766	6.2	0.8	0.7			
DH11-115	27.00	28.50	1.50	1360767	178.1	4.9	3.2			COZ
DH11-115	28.50	30.00	1.50	1360768	130	9	8.2			COZ
DH11-115	30.00	31.50	1.50	1360769	102.8	3.6	3.5			COZ
DH11-115	31.50	33.00	1.50	1360770	148.6	8.3	8.4			COZ
DH11-115	33.00	34.50	1.50	1360772	244.1	6.1	8.2			COZ
DH11-115	34.50	36.00	1.50	1360773	20.3	0.5	0.4			COZ
DH11-115	36.00	37.50	1.50	1360774	1979.9	>100.0	99.6	1.5	118	COZ
DH11-115	37.50	38.50	1.00	1360775	49	3.1	4			
DH11-115	38.50	40.00	1.50	1360776	28.8	1.1	0.5			
DH11-115	40.00	41.20	1.20	1360777	10.3	1.1	0.7			
DH11-115	41.20	42.00	0.80	1360778	13.2	8.9	13			
DH11-115	42.00	43.50	1.50	1360779	7.5	1.5	2.5			
DH11-115	43.50	45.00	1.50	1360781	29.9	2.5	2.6			
DH11-115	45.00	46.50	1.50	1360782	15.4	11.4	6.9			
DH11-115	46.50	48.00	1.50	1360783	13	1.8	1.3			
DH11-115	48.00	49.50	1.50	1360784	1.3	1.7	0.8			
DH11-115	49.50	51.40	1.90	1360785	<0.5	0.2	<0.2			
DH11-115	51.40	52.70	1.30	1360786	<0.5	0.7	0.4			
DH11-115	52.70	54.00	1.30	1360787	5	0.7	0.3			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-116	3.10	4.80	1.70	1360611	19.4	1.3	0.8			
DH11-116	4.80	5.80	1.00	1360612	3.3	4.4	0.3			
DH11-116	5.80	6.30	0.50	1360613	2.1	1.4	0.3			
DH11-116	6.30	7.90	1.60	1360614	1.6	1.7	0.5			
DH11-116	7.90	8.80	0.90	1360615	27.4	2.3	1.3			
DH11-116	8.80	9.10	0.30	1360616	864.8	18.6	30.9			SGR
DH11-116	9.10	9.90	0.80	1360617	4.8	0.4	0.5			
DH11-116	9.90	10.10	0.20	1360618	<0.5	0.6	0.4			
DH11-116	10.10	11.40	1.30	1360620	<0.5	0.7	0.3			
DH11-116	11.40	12.20	0.80	1360621	<0.5	0.5	<0.2			
DH11-116	12.20	13.70	1.50	1360622	<0.5	0.6	<0.2			
DH11-116	13.70	15.20	1.50	1360623	108.5	6.2	6			
DH11-116	15.20	16.70	1.50	1360624	<0.5	1.1	<0.2			
DH11-116	16.70	18.20	1.50	1360625	<0.5	1.3	0.4			
DH11-116	18.20	19.70	1.50	1360626	1144.5	59.2	43	1.2	61	COZ
DH11-116	19.70	21.20	1.50	1360627	176.2	10.8	8			COZ
DH11-116	21.20	22.60	1.40	1360629	38.1	2.4	2			
DH11-116	22.60	24.10	1.50	1360630	22.5	2	1.1			
DH11-116	24.10	25.60	1.50	1360631	18.1	1.3	1.4			
DH11-116	25.60	27.10	1.50	1360632	55.2	3.4	3.6			
DH11-116	27.10	28.70	1.60	1360633	269.3	13.5	11.3			COZ
DH11-116	28.70	29.10	0.40	1360634	258.9	12.8	10.9			COZ
DH11-116	29.10	29.70	0.60	1360635	6622.2	>100.0	212.2	6.9	263	VN
DH11-116	29.70	30.20	0.50	1360636	52227.7	>100.0	1562	43.8	1136	VN
DH11-116	30.20	31.70	1.50	1360638	3433.1	>100.0	153	3.5	116	VN
DH11-116	31.70	33.20	1.50	1360639	2479.2	93.9	89.7	2.3	89	VN
DH11-116	33.20	34.70	1.50	1360640	2004.1	68.8	63.8	2	73	COZ
DH11-116	34.70	36.20	1.50	1360641	1545.3	92.1	73.9	1.6	98	COZ
DH11-116	36.20	37.80	1.60	1360642	743.5	27.4	30			COZ
DH11-116	37.80	39.20	1.40	1360643	3573.6	34.9	549.8	4.2	<50	COZ
DH11-116	39.20	40.90	1.70	1360644	155.4	14.2	21.8			COZ
DH11-116	40.90	42.60	1.70	1360645	97.5	3.3	4.4			COZ
DH11-116	42.60	44.10	1.50	1360647	8.4	0.8	2.4			COZ
DH11-116	44.10	45.60	1.50	1360648	174.6	10.5	9.8			COZ
DH11-116	45.60	46.90	1.30	1360649	234	11.5	7.7			COZ
DH11-116	46.90	47.60	0.70	1360650	1912.7	69.8	42.5	2.1	75	COZ
DH11-116	47.60	47.90	0.30	1360651	23618.6	>100.0	594	23.2	693	COZ
DH11-116	47.90	49.40	1.50	1360652	243.3	9.8	6.6			COZ
DH11-116	49.40	50.90	1.50	1360653	229.8	9.8	11.8			COZ
DH11-116	50.90	52.50	1.60	1360654	24.6	1.9	1.8			COZ
DH11-116	52.50	54.00	1.50	1360656	20.5	1.2	0.6			COZ
DH11-116	54.00	55.00	1.00	1360657	465.2	14.5	12.2			COZ
DH11-116	55.00	55.30	0.30	1360658	6398.6	>100.0	168.9	5.4	181	COZ
DH11-116	55.30	55.80	0.50	1360659	13.6	1	0.5			COZ
DH11-116	55.80	56.00	0.20	1360660	712.8	20.3	22.1			COZ
DH11-116	56.00	57.50	1.50	1360661	180.3	8.3	12.9			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-116	57.50	59.00	1.50	1360662	75.2	4.7	3.5			
DH11-116	59.00	60.40	1.40	1360663	6.4	0.9	0.7			
DH11-116	60.40	62.00	1.60	1360665	3.6	0.7	1			
DH11-116	62.00	63.50	1.50	1360666	3.6	48.9	22.1			
DH11-116	63.50	65.00	1.50	1360667	<0.5	1	0.3			
DH11-116	65.00	65.30	0.30	1360668	1.1	2.9	1.2			
DH11-116	65.30	66.40	1.10	1360669	1.3	1.1	1.2			
DH11-116	66.40	67.20	0.80	1360670	<0.5	1	0.3			
DH11-116	67.20	67.40	0.20	1360671	<0.5	0.8	2.9			
DH11-117	0.00	5.18	5.18	1360906	95.7	3.3	3			
DH11-117	5.18	6.50	1.32	1360907	31.2	2.1	1.3			
DH11-117	6.50	7.10	0.60	1360908	19	1.6	0.8			
DH11-117	7.10	7.25	0.15	1360909	132.4	5.1	8.8			
DH11-117	7.25	8.50	1.25	1360910	11.8	0.7	0.4			
DH11-117	8.50	10.00	1.50	1360911	4	1	<0.2			
DH11-117	10.00	11.50	1.50	1360912	2.7	0.5	<0.2			
DH11-117	11.50	13.00	1.50	1360913	103.6	5.8	4.1			
DH11-117	13.00	14.50	1.50	1360915	25	1.5	1.5			
DH11-117	14.50	16.00	1.50	1360916	16.3	1.3	1.1			
DH11-117	16.00	17.50	1.50	1360917	21.9	1.4	1.3			
DH11-117	17.50	19.00	1.50	1360918	4.2	0.9	0.4			
DH11-117	19.00	20.50	1.50	1360919	9.3	1	0.6			
DH11-117	20.50	22.00	1.50	1360920	5.2	0.7	0.9			COZ
DH11-117	22.00	23.50	1.50	1360921	1.2	0.2	<0.2			COZ
DH11-117	23.50	25.20	1.70	1360922	7.3	0.6	0.3			COZ
DH11-117	25.20	26.20	1.00	1360924	6.7	0.4	0.4			VN
DH11-117	26.20	27.20	1.00	1360925	1245.4	45	63.1	3.5	94	VN
DH11-117	27.20	28.20	1.00	1360926	10416.2	>100.0	278.6	7.7	226	VN
DH11-117	28.20	29.20	1.00	1360927	1549.3	54.4	61.2	1.2	<50	VN
DH11-117	29.20	30.20	1.00	1360928	27624.6	>100.0	721.6	28.8	800	VN
DH11-117	30.20	31.20	1.00	1360929	43763.2	>100.0	1421	48.7	2002	VN
DH11-117	31.20	32.00	0.80	1360930	8829.8	>100.0	291.9	8.7	341	VN
DH11-117	32.00	33.50	1.50	1360931	1129.2	38.6	33.2	1.2		COZ
DH11-117	33.50	35.00	1.50	1360933	601.8	28.3	24.7			COZ
DH11-117	35.00	35.80	0.80	1360934	1215.4	54.6	46.9	1.1	63	COZ
DH11-117	35.80	36.15	0.35	1360935	9302.4	>100.0	310.2	8.7	350	COZ
DH11-117	36.15	37.50	1.35	1360936	1199.1	48	44.1	1.1	<50	COZ
DH11-117	37.50	39.00	1.50	1360937	4346.4	>100.0	148	4.2	183	COZ
DH11-117	39.00	40.50	1.50	1360938	127.8	8.5	8			COZ
DH11-117	40.50	42.00	1.50	1360939	761.9	27.6	42.2			COZ
DH11-117	42.00	43.50	1.50	1360940	49	3.6	3.1			
DH11-117	43.50	44.90	1.40	1360942	8.6	0.8	0.7			
DH11-117	44.90	46.10	1.20	1360943	3.4	0.7	0.9			
DH11-117	46.10	46.30	0.20	1360944	2254.3	54.4	136.8	2.3	54	VN
DH11-117	46.30	48.00	1.70	1360945	205.1	7.9	12			SGR
DH11-117	48.00	49.70	1.70	1360946	7.7	2.5	3.2			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-117	49.70	50.70	1.00	1360947	10.7	23.7	26.2			
DH11-117	50.70	51.70	1.00	1360948	3.8	2.5	1			
DH11-117	51.70	52.80	1.10	1360949	9.7	29.1	22.2			
DH11-117	52.80	54.00	1.20	1360951	2.6	1.8	1			
DH11-117	54.00	55.00	1.00	1360952	4.1	6.7	4.8			
DH11-117	55.00	56.00	1.00	1360953	2.4	3.8	3.3			
DH11-117	62.00	63.50	1.50	1360954	0.7	0.4	0.3			
DH11-118	0.00	5.18	5.18	1360857	256.1	12.7	8.4			
DH11-118	5.18	6.50	1.32	1360858	9.7	0.9	0.5			
DH11-118	6.50	8.00	1.50	1360859	16.2	1	0.9			
DH11-118	8.00	9.50	1.50	1360860	12.7	0.5	0.4			
DH11-118	9.50	11.00	1.50	1360861	39.5	2.3	1.5			
DH11-118	11.00	12.50	1.50	1360862	1.8	0.6	0.3			
DH11-118	12.50	13.45	0.95	1360863	3.8	0.3	0.3			
DH11-118	13.45	14.00	0.55	1360864	4	0.5	0.3			
DH11-118	14.00	15.50	1.50	1360866	1.5	0.4	0.3			
DH11-118	15.50	17.00	1.50	1360867	4.9	0.6	0.4			
DH11-118	17.00	18.50	1.50	1360868	2.1	1.2	0.4			
DH11-118	18.50	20.00	1.50	1360869	21.5	5.3	3.5			
DH11-118	20.00	21.50	1.50	1360870	2.6	2.7	0.9			
DH11-118	21.50	23.00	1.50	1360871	8	1.8	1.8			
DH11-118	23.00	24.50	1.50	1360872	25.1	1.9	1.2			
DH11-118	24.50	26.00	1.50	1360873	22.5	0.8	0.6			
DH11-118	26.00	27.00	1.00	1360875	130.8	19.5	64.3			MVN
DH11-118	27.00	28.00	1.00	1360876	103.8	13.4	23.9			MVN
DH11-118	28.00	29.00	1.00	1360877	4117.5	>100.0	169.1	4.5	125	MVN
DH11-118	29.00	30.00	1.00	1360878	1702.3	59.7	69.1	1.6	59	MVN
DH11-118	30.00	31.00	1.00	1360879	173.5	10.4	27.7			MVN
DH11-118	31.00	32.00	1.00	1360880	145.7	12.8	34.6			MVN
DH11-118	32.00	33.00	1.00	1360881	100.2	7.2	10.7			MVN
DH11-118	33.00	34.00	1.00	1360882	17.1	1	1.4			MVN
DH11-118	34.00	35.20	1.20	1360884	258.2	17.3	25.5			MVN
DH11-118	35.20	36.50	1.30	1360885	45.1	2.6	1.9			
DH11-118	36.50	38.00	1.50	1360886	<0.5	0.6	<0.2			
DH11-118	38.00	39.50	1.50	1360887	4.5	2.5	4.3			
DH11-118	39.50	41.00	1.50	1360888	<0.5	0.7	0.3			
DH11-118	41.00	42.50	1.50	1360889	<0.5	0.1	<0.2			
DH11-118	57.65	58.65	1.00	1360890	18	1.4	1.6			
DH11-118	58.65	59.30	0.65	1360892	7342.1	>100.0	308.1	6.2	283	FV1
DH11-118	59.30	60.30	1.00	1360893	170.7	10	6.9			
DH11-118	66.00	67.00	1.00	1360894	10.2	0.5	0.3			
DH11-118	67.00	68.20	1.20	1360895	48.6	2.6	1.8			
DH11-118	68.20	68.70	0.50	1360896	3061.8	>100.0	133.1	2.6	93	SGR
DH11-118	68.70	70.00	1.30	1360897	585.3	23.5	21.5			FV2
DH11-118	70.00	71.50	1.50	1360898	124.7	6.2	4.9			FV2
DH11-118	71.50	73.00	1.50	1360899	64	3.5	3.3			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-118	73.00	74.29	1.29	1360900	77.6	4.4	3.7			
DH11-118	74.29	75.80	1.51	1360902	11.1	0.5	0.4			
DH11-118	75.80	77.40	1.60	1360903	811.8	37.8	38			COZ
DH11-118	77.40	78.33	0.93	1360904	20.2	1.2	0.9			COZ
DH11-119	0.00	3.00	3.00	1361022	294.1	11.1	9.7			
DH11-119	3.00	4.50	1.50	1361023	3	2.7	0.2			
DH11-119	4.50	6.00	1.50	1361024	63.7	2.7	1.9			
DH11-119	6.00	7.50	1.50	1361025	48.6	2.3	1.8			
DH11-119	7.50	9.00	1.50	1361026	4.1	0.3	0.4			
DH11-119	9.00	10.50	1.50	1361027	9.7	0.6	0.4			
DH11-119	10.50	12.00	1.50	1361028	7.6	0.5	0.4			
DH11-119	12.00	13.50	1.50	1361029	37.1	1.8	1.5			
DH11-119	13.50	15.00	1.50	1361031	9.2	1.1	0.6			
DH11-119	15.00	16.60	1.60	1361032	4.2	0.7	<0.2			
DH11-119	19.50	20.27	0.77	1361033	2	0.4	0.3			
DH11-119	20.80	21.55	0.75	1361034	5.3	1.2	0.4			
DH11-119	26.00	27.50	1.50	1361035	144.6	7	8.1			COZ
DH11-119	27.50	28.20	0.70	1361036	2578.8	85	140.4	2.5	87	COZ
DH11-119	28.20	29.47	1.27	1361037	213.4	8.3	11.8			COZ
DH11-119	29.47	29.60	0.13	1361039	4262.6	>100.0	230.1	3.9	168	COZ
DH11-119	29.60	30.50	0.90	1361040	21	2.3	17.5			COZ
DH11-119	30.50	31.50	1.00	1361041	50.2	3.2	5.8			COZ
DH11-119	31.50	32.50	1.00	1361042	243.8	12.4	26.1			COZ
DH11-119	32.50	33.50	1.00	1361043	1487.1	74.8	150.6	1.6	68	COZ
DH11-119	33.50	34.50	1.00	1361044	191	10.9	12			VN
DH11-119	34.50	35.50	1.00	1361045	90.6	18.6	13.9			VN
DH11-119	35.50	36.50	1.00	1361046	268.7	24.9	30.1			VN
DH11-119	36.50	38.00	1.50	1361048	53.2	2.6	2.6			VN
DH11-119	38.00	38.70	0.70	1361049	429.6	17.7	22.9			VN
DH11-119	38.70	39.00	0.30	1361050	509.8	29.3	55.4			VN
DH11-119	39.00	39.50	0.50	1361051	23.7	1.6	2.5			COZ
DH11-119	39.50	41.00	1.50	1361052	49.5	2.9	3.1			COZ
DH11-119	41.00	42.49	1.49	1361053	75.4	5.2	12			COZ
DH11-119	42.49	44.00	1.51	1361054	924.7	30.1	44			COZ
DH11-119	44.00	45.50	1.50	1361055	101.7	4.8	7.5			COZ
DH11-119	45.50	47.00	1.50	1361057	284.4	10.9	11.4			COZ
DH11-119	47.00	48.50	1.50	1361058	878.7	26.1	51.2			COZ
DH11-119	48.50	50.00	1.50	1361059	124.4	4.2	5.4			COZ
DH11-119	50.00	51.50	1.50	1361060	36.8	2.2	2.5			COZ
DH11-119	51.50	53.00	1.50	1361061	425.1	21.1	21.5			COZ
DH11-119	53.00	53.35	0.35	1361062	6133.2	>100.0	185.7	5.9	189	VN
DH11-119	53.35	55.00	1.65	1361063	16.1	1.3	1			
DH11-119	55.00	56.50	1.50	1361064	148.1	6.9	9.2			
DH11-119	56.50	58.00	1.50	1361066	4.9	5.3	7.1			
DH11-119	58.00	60.05	2.05	1361067	2.7	2.1	0.6			
DH11-120	9.07	9.90	0.83	1361068	198	15	14.7			HV1

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-120	17.40	18.20	0.80	1361069	1105.4	35.6	56.5	1.0		MVN
DH11-120	18.20	18.85	0.65	1361070	1857.4	>100.0	175.4	1.4	215	MVN
DH11-120	18.85	19.77	0.92	1361071	14309.6	>100.0	472.7	13	572	MVN
DH11-120	19.77	20.42	0.65	1361072	225.1	12.4	14.6			MVN
DH11-120	20.42	21.38	0.96	1361073	375.3	16.7	26.9			MVN
DH11-120	21.38	22.75	1.37	1361074	1229.5	48.5	62.3	1.1	54	MVN
DH11-120	22.75	24.27	1.52	1361075	10.3	0.8	1.5			MVN
DH11-120	24.27	25.45	1.18	1361077	12.8	0.8	0.8			SGR
DH11-120	25.45	27.05	1.60	1361078	9.3	0.8	0.6			
DH11-120	35.00	35.66	0.66	1361079	1.1	<0.1	<0.2			
DH11-120	36.00	37.42	1.42	1361080	3.2	0.4	0.2			
DH11-120	37.42	38.43	1.01	1361081	4.7	1.9	0.3			
DH11-120	42.50	44.00	1.50	1361082	3.7	0.7	0.5			
DH11-120	44.00	45.50	1.50	1361083	6.6	1.8	0.9			
DH11-120	45.50	47.00	1.50	1361084	2.1	0.6	0.7			
DH11-120	47.00	47.85	0.85	1361086	3.6	1.1	1			
DH11-121	15.50	16.90	1.40	1360788	78.2	3.9	2.6			
DH11-121	16.90	17.75	0.85	1360789	27249.4	>100.0	848.8	20.7	887	MVN
DH11-121	17.75	19.00	1.25	1360790	2791.6	>100.0	122.5	2.3	120	MVN
DH11-121	19.00	19.30	0.30	1360791	190.7	10.2	8.7			STK
DH11-121	19.30	20.00	0.70	1360792	15.7	2.1	1.7			
DH11-121	20.00	21.50	1.50	1360793	11.1	1.7	1.2			
DH11-121	21.50	23.00	1.50	1360794	4.5	0.6	0.4			
DH11-121	23.00	24.50	1.50	1360795	21	1.6	1.2			
DH11-121	24.50	26.00	1.50	1360797	26	2.3	1.1			
DH11-121	26.00	27.50	1.50	1360798	126	8.3	4.5			
DH11-121	27.50	29.00	1.50	1360799	16.3	7	1.2			
DH11-121	29.00	30.50	1.50	1360800	9.1	3.8	1.1			
DH11-121	30.50	32.00	1.50	1360801	144.6	9	6			SGR
DH11-121	32.00	33.50	1.50	1360802	81.2	7	5.2			SGR
DH11-121	33.50	35.00	1.50	1360803	698.1	42.7	36.7			SGR
DH11-122	0.00	3.00	3.00	1361088	4.3	0.6	<0.2			
DH11-122	3.00	5.00	2.00	1361089	124.9	3.6	3.6			
DH11-122	5.00	6.50	1.50	1361090	64.8	3.1	2.3			
DH11-122	6.50	8.00	1.50	1361091	101	2.7	3			
DH11-122	8.00	9.50	1.50	1361092	77.4	3.3	2.5			
DH11-122	9.50	11.00	1.50	1361093	97.2	4	3.3			
DH11-122	11.00	12.50	1.50	1361094	41.7	1.8	1.5			
DH11-122	12.50	14.00	1.50	1361095	12.5	0.4	0.5			
DH11-122	14.00	15.50	1.50	1361097	47.9	2.3	2			
DH11-122	15.50	17.00	1.50	1361098	16.2	1.4	1			
DH11-122	17.00	18.50	1.50	1361099	13.1	1	0.7			
DH11-122	18.50	20.00	1.50	1361100	47.6	2.6	3.1			
DH11-122	20.00	21.00	1.00	1361101	23.5	2.1	1.4			
DH11-122	21.00	21.94	0.94	1361102	12.8	1.5	0.8			
DH11-122	21.94	22.45	0.51	1361103	2.1	0.8	0.4			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-122	22.45	24.00	1.55	1361104	8.7	1	0.7			
DH11-122	24.00	25.50	1.50	1361106	13.8	2	0.9			
DH11-122	25.50	27.00	1.50	1361107	9.6	1.5	0.9			
DH11-122	27.00	28.50	1.50	1361108	14.4	1.2	0.8			
DH11-122	28.50	29.57	1.07	1361109	20.3	2.6	1.6			
DH11-122	29.57	30.50	0.93	1361110	77.9	4.8	3.2			MVN
DH11-122	30.50	31.50	1.00	1361111	1387.8	89	69.3	1.2	78	MVN
DH11-122	31.50	32.50	1.00	1361112	100.9	9.1	6.3			MVN
DH11-122	32.50	33.20	0.70	1361113	13466.9	>100.0	430.3	14.9	342	MVN
DH11-122	33.20	34.00	0.80	1361115	239.6	8.5	8.7			MVN
DH11-122	34.00	35.00	1.00	1361116	92.3	2.7	3			
DH11-122	35.00	36.50	1.50	1361117	13.9	0.8	0.4			
DH11-122	36.50	38.00	1.50	1361118	9.4	1.4	0.5			
DH11-122	38.00	39.50	1.50	1361119	0.9	1	<0.2			
DH11-122	39.50	41.00	1.50	1361120	16.3	4.5	1			
DH11-122	41.00	42.50	1.50	1361121	1.4	2.8	0.8			
DH11-122	42.50	44.00	1.50	1361122	9	1.1	0.6			
DH11-122	44.00	45.50	1.50	1361124	2.6	1.5	1.4			
DH11-122	45.50	47.00	1.50	1361125	10	1.5	1.1			
DH11-122	47.00	48.50	1.50	1361126	15.1	2.8	3.1			
DH11-122	48.50	50.00	1.50	1361127	60.8	5.2	11.1			
DH11-122	50.00	51.50	1.50	1361128	64.4	5.4	4			
DH11-122	51.50	53.00	1.50	1361129	28.6	2.5	2.2			
DH11-122	53.00	54.50	1.50	1361130	81.7	10.6	9.5			
DH11-122	54.50	56.00	1.50	1361131	20.9	2.4	1.6			
DH11-122	56.00	57.00	1.00	1361133	17.8	1.3	0.8			
DH11-122	57.00	58.22	1.22	1361134	6.8	0.8	0.2			
DH11-123	7.00	8.50	1.50	1360955	8.3	0.4	0.3			
DH11-123	8.50	10.00	1.50	1360956	3.4	0.2	<0.2			
DH11-123	10.00	11.28	1.28	1360957	8.6	0.6	0.4			
DH11-123	11.28	13.00	1.72	1360958	1	0.7	0.2			
DH11-123	13.00	14.50	1.50	1360959	8.2	0.7	0.4			
DH11-123	14.50	16.00	1.50	1360960	6.5	0.8	0.9			
DH11-123	16.00	17.49	1.49	1360961	<0.5	2.5	1.2			
DH11-123	17.49	19.50	2.01	1360962	4.1	0.9	0.4			
DH11-123	19.50	19.85	0.35	1360964	2330.8	>100.0	120.8	2.2	128	VN
DH11-123	19.85	21.50	1.65	1360965	232.3	18.8	16.1			VN
DH11-123	21.50	22.00	0.50	1360966	6308.3	>100.0	271	6.0	151	VN
DH11-123	22.00	23.47	1.47	1360967	489	20.5	33.8			VN
DH11-123	23.47	24.50	1.03	1360968	259.1	11	12			VN
DH11-123	24.50	25.85	1.35	1360969	30.5	2.9	1.9			
DH11-123	25.85	27.00	1.15	1360970	42.7	5	2.4			
DH11-123	27.00	28.50	1.50	1360971	31.9	3.2	1.9			
DH11-123	28.50	30.00	1.50	1360973	58.8	5.7	4.8			
DH11-123	30.00	31.50	1.50	1360974	5.8	0.9	0.6			
DH11-123	31.50	33.00	1.50	1360975	5.1	0.6	0.5			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-123	33.00	34.00	1.00	1360976	8.9	1.1	0.9			
DH11-123	34.00	34.60	0.60	1360977	<0.5	0.2	<0.2			VN
DH11-123	34.60	35.60	1.00	1360978	3.1	2.5	4.4			VN
DH11-123	35.60	36.40	0.80	1360979	4.9	0.9	0.7			VN
DH11-123	36.40	37.40	1.00	1360980	1300	44.4	54.1	1.1		VN
DH11-123	37.40	38.80	1.40	1360982	10281.2	>100.0	346.4	9.7	244	VN
DH11-123	38.80	40.00	1.20	1360983	3261.5	>100.0	108.5	2.9	97	VN
DH11-123	40.00	40.85	0.85	1360984	7086	>100.0	297.2	6.4	267	VN
DH11-123	40.85	42.00	1.15	1360985	22.5	1	0.9			COZ
DH11-123	42.00	43.50	1.50	1360986	20.1	1.2	1.3			COZ
DH11-123	43.50	45.00	1.50	1360987	6.9	0.4	0.3			COZ
DH11-123	45.00	46.50	1.50	1360988	65.9	4.5	2.8			COZ
DH11-123	46.50	48.00	1.50	1360989	28.7	2.8	5			COZ
DH11-123	48.00	49.50	1.50	1360991	36.9	2.7	2			COZ
DH11-123	49.50	50.80	1.30	1360992	223.5	12.1	8.4			COZ
DH11-123	50.80	51.15	0.35	1360993	7974.9	>100.0	267.3	7.1	304	COZ
DH11-123	51.15	52.00	0.85	1360994	7.4	1	0.6			COZ
DH11-123	52.00	53.50	1.50	1360995	13.1	0.9	0.8			COZ
DH11-123	53.50	55.00	1.50	1360996	302.9	13.5	11			COZ
DH11-123	55.00	56.50	1.50	1360997	219.7	14.4	11.2			COZ
DH11-123	56.50	58.00	1.50	1360998	87	5.8	3.9			COZ
DH11-123	58.00	59.50	1.50	1361000	197.1	9.7	8.4			COZ
DH11-123	59.50	61.00	1.50	1361001	40.6	3.2	2.1			COZ
DH11-123	61.00	62.00	1.00	1361002	65.8	3.3	3.9			COZ
DH11-123	62.00	62.75	0.75	1361003	83.6	3.5	4.2			COZ
DH11-123	62.75	63.80	1.05	1361004	7.5	0.4	<0.2			
DH11-123	63.80	64.30	0.50	1361005	2091.4	>100.0	185	1.8	124	SGR
DH11-123	64.30	65.60	1.30	1361006	1.4	0.8	0.3			
DH11-123	65.60	67.00	1.40	1361007	10.7	1.2	0.7			
DH11-123	67.00	68.50	1.50	1361009	119.6	8.8	7.1			
DH11-123	68.50	70.00	1.50	1361010	7.9	0.4	<0.2			
DH11-123	70.00	70.80	0.80	1361011	852.8	1.6	1.1			SGR
DH11-123	70.80	71.35	0.55	1361012	239.5	12.8	8			SGR
DH11-123	71.35	72.70	1.35	1361013	36.5	2.8	3			
DH11-123	72.70	73.55	0.85	1361014	9.1	0.9	0.2			
DH11-123	73.55	74.20	0.65	1361015	1116.1	66.8	54.6	1.1	63	SGR
DH11-123	74.20	75.48	1.28	1361016	55	4.9	4.9			
DH11-123	75.48	77.00	1.52	1361018	53.4	2.8	1.6			
DH11-123	77.00	78.25	1.25	1361019	5	0.9	0.5			
DH11-123	78.25	79.75	1.50	1361020	2.2	1.2	0.3			
DH11-125	9.15	9.50	0.35	1361171	<0.5	0.2	<0.2			
DH11-125	9.50	11.50	2.00	1361172	1	0.2	<0.2			
DH11-125	11.50	14.00	2.50	1361173	9.2	0.8	0.8			
DH11-125	14.00	15.90	1.90	1361174	0.8	0.4	0.2			
DH11-125	15.90	16.50	0.60	1361175	3553.4	>100.0	162.3	3.6	263	VN
DH11-125	16.50	17.50	1.00	1361176	74.7	4.8	2.9			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-125	17.50	18.70	1.20	1361177	173.5	7.4	8.9			
DH11-125	18.70	18.95	0.25	1361178	10008.9	>100.0	303	8.1	281	VN
DH11-125	18.95	20.50	1.55	1361180	28	1.5	1.6			COZ
DH11-125	20.50	21.90	1.40	1361181	236.3	8.1	11.6			COZ
DH11-125	21.90	23.00	1.10	1361182	3564	>100.0	252.2	3.5	380	VN
DH11-125	23.00	24.00	1.00	1361183	45371.2	>100.0	1070	39.6	1211	VN
DH11-125	24.00	24.60	0.60	1361184	12355.9	>100.0	473.9	11.4	487	VN
DH11-125	24.60	25.10	0.50	1361185	192.8	8.4	5.3			COZ
DH11-125	25.10	25.35	0.25	1361186	13140.4	>100.0	507.3	12.4	476	FV1
DH11-125	25.35	26.15	0.80	1361187	336.2	28.7	34.5			COZ
DH11-125	26.15	26.52	0.37	1361189	18.3	1.5	0.8			COZ
DH11-125	26.52	28.00	1.48	1361190	22.5	0.9	0.9			COZ
DH11-125	28.00	29.50	1.50	1361191	10.6	0.6	1.1			COZ
DH11-125	29.50	31.00	1.50	1361192	8.9	0.4	0.2			COZ
DH11-125	31.00	32.50	1.50	1361193	9.9	0.3	0.3			COZ
DH11-125	32.50	34.00	1.50	1361194	8.7	0.2	<0.2			COZ
DH11-125	34.00	35.50	1.50	1361195	8	0.2	0.2			COZ
DH11-125	35.50	37.00	1.50	1361196	398.8	11.2	9.2			COZ
DH11-125	37.00	37.65	0.65	1361198	59.6	3.1	2.5			COZ
DH11-125	37.65	37.80	0.15	1361199	126	5.9	6.4			COZ
DH11-125	37.80	38.40	0.60	1361200	55.4	4.7	3.1			COZ
DH11-125	38.40	38.90	0.50	1361201	6192.7	>100.0	306.3	6.1	426	FV2
DH11-125	38.90	40.50	1.60	1361202	5592.6	>100.0	240	5.7	239	COZ
DH11-125	40.50	42.00	1.50	1361203	23.9	1.2	1.2			COZ
DH11-125	42.00	43.50	1.50	1361204	28.5	1.1	1.6			COZ
DH11-125	43.50	45.00	1.50	1361205	12.1	0.4	0.7			COZ
DH11-125	45.00	45.85	0.85	1361207	35	2.8	3			COZ
DH11-125	45.85	46.15	0.30	1361208	12573.1	>100.0	402.4	13.3	550	COZ
DH11-125	46.15	47.50	1.35	1361209	34.4	1.9	1.2			COZ
DH11-125	47.50	49.00	1.50	1361210	41.3	2.1	1.7			COZ
DH11-125	49.00	50.50	1.50	1361211	12.4	1.8	1.2			COZ
DH11-125	49.50	52.00	2.50	1361212	12.8	1.4	2.3			COZ
DH11-125	52.00	53.50	1.50	1361213	152.1	10.2	13.7			COZ
DH11-125	53.50	55.00	1.50	1361214	18.9	1.9	1.1			COZ
DH11-125	55.00	56.50	1.50	1361216	439	44.8	48.6			COZ
DH11-125	56.50	58.20	1.70	1361217	58.1	6.2	4.1			
DH11-125	58.20	59.50	1.30	1361218	2.9	1	0.6			
DH11-125	59.50	61.00	1.50	1361219	2.3	1.1	0.9			
DH11-125	67.00	68.50	1.50	1361220	1.3	0.2	<0.2			
DH11-126	0.10	5.55	5.45	1361221	146.5	13.8	11.9			COZ
DH11-126	5.55	7.00	1.45	1361222	428	28.2	24.2			VN
DH11-126	7.00	8.40	1.40	1361223	3402.4	>100.0	173.5	2.8	182	COZ
DH11-126	8.40	8.70	0.30	1361224	4564.1	>100.0	321.1	4.6	305	VN
DH11-126	8.70	10.50	1.80	1361225	71.6	6	4.3			COZ
DH11-126	10.50	12.00	1.50	1361226	76.6	5.7	5.2			COZ
DH11-126	12.00	13.50	1.50	1361227	2.8	0.1	<0.2			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-126	13.50	15.00	1.50	1361228	1.8	0.2	<0.2			COZ
DH11-126	15.00	16.50	1.50	1361230	1.9	0.1	<0.2			COZ
DH11-126	16.50	18.00	1.50	1361231	<0.5	0.1	0.2			COZ
DH11-126	18.00	19.50	1.50	1361232	<0.5	0.2	<0.2			COZ
DH11-126	19.50	21.00	1.50	1361233	52	2.7	4.5			COZ
DH11-126	21.00	22.50	1.50	1361234	166.3	6.3	5.3			COZ
DH11-126	22.50	24.00	1.50	1361235	7.4	0.7	0.5			COZ
DH11-126	24.00	25.50	1.50	1361236	460.4	26.5	34.1			COZ
DH11-126	25.50	27.00	1.50	1361237	160.8	9.4	8.6			COZ
DH11-126	27.00	28.50	1.50	1361239	23	5.7	3			COZ
DH11-126	28.50	30.00	1.50	1361240	3.3	0.7	0.3			
DH11-126	30.00	31.50	1.50	1361241	2.1	0.4	0.3			
DH11-126	31.50	33.00	1.50	1361242	0.6	0.5	0.4			
DH11-126	33.00	34.50	1.50	1361243	0.5	0.5	0.3			
DH11-126	34.50	36.00	1.50	1361244	1.6	0.6	0.4			
DH11-126	36.00	37.50	1.50	1361245	16.3	1.5	1.4			
DH11-126	37.50	39.00	1.50	1361246	8	1.2	25.4			
DH11-126	39.00	40.50	1.50	1361248	39	3.2	2.9			
DH11-126	40.50	42.00	1.50	1361249	250	19.9	19.9			SGR
DH11-126	42.00	43.50	1.50	1361250	18	1.9	1.1			
DH11-126	43.50	45.00	1.50	1361251	336.9	9.5	10.8			SGR
DH11-126	45.00	46.50	1.50	1361252	143.4	12.2	8.7			SGR
DH11-126	46.50	47.50	1.00	1361253	146.1	6.3	8.6			SGR
DH11-126	47.50	47.75	0.25	1361254	125.9	38.4	29.1			SGR
DH11-126	47.75	49.00	1.25	1361255	13.4	6.3	14.5			
DH11-126	49.00	49.50	0.50	1361257	5.3	4.9	1.9			
DH11-126	49.50	51.00	1.50	1361258	5.8	4.7	1.9			
DH11-126	51.00	52.50	1.50	1361259	7.7	1.3	5.9			
DH11-126	52.50	54.00	1.50	1361260	6.6	2.1	17.6			
DH11-126	54.00	54.50	0.50	1361261	1.5	1.3	0.4			
DH11-126	54.50	56.00	1.50	1361262	2.7	3.7	1.6			
DH11-126	56.00	57.50	1.50	1361263	2.5	4.1	1.4			
DH11-126	57.50	59.00	1.50	1361264	2.5	2.2	0.8			
DH11-126	59.00	60.50	1.50	1361266	1.2	1	1.9			
DH11-127	0.00	5.18	5.18	1410701	147.1	43.7	32.5			COZ
DH11-127	5.18	7.50	2.32	1410702	99.7	6.9	6.8			COZ
DH11-127	7.50	8.85	1.35	1410703	25.9	2.8	1.1			COZ
DH11-127	8.85	10.50	1.65	1410704	49	4.7	3.7			COZ
DH11-127	10.50	12.00	1.50	1410705	63.9	6	5			COZ
DH11-127	12.00	13.50	1.50	1410706	1839.8	70.4	59	1.7	70	COZ
DH11-127	13.50	15.00	1.50	1410707	3.1	0.7	0.4			COZ
DH11-127	15.00	16.50	1.50	1410708	204.4	13.9	19.6			COZ
DH11-127	16.50	18.00	1.50	1410710	4.6	0.7	0.3			COZ
DH11-127	18.00	19.50	1.50	1410711	19.7	1.3	0.7			COZ
DH11-127	19.50	21.00	1.50	1410712	35	2.4	1.6			COZ
DH11-127	21.00	22.50	1.50	1410713	0.6	0.2	<0.2			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-127	22.50	24.00	1.50	1410714	<0.5	0.1	<0.2			COZ
DH11-127	24.00	25.50	1.50	1410715	<0.5	<0.1	<0.2			COZ
DH11-127	25.50	27.00	1.50	1410716	<0.5	0.1	<0.2			COZ
DH11-127	27.00	28.50	1.50	1410717	1.3	0.2	<0.2			COZ
DH11-127	28.50	30.00	1.50	1410719	12.5	0.9	0.4			COZ
DH11-127	30.00	31.50	1.50	1410720	113.2	4.3	3.1			COZ
DH11-127	31.50	33.30	1.80	1410721	34.8	2.1	1.1			COZ
DH11-127	33.30	34.45	1.15	1410722	1961.8	64.8	40.7	2.1	59	COZ
DH11-127	34.45	35.60	1.15	1410723	614.7	19.2	13			COZ
DH11-127	35.60	37.00	1.40	1410724	2.7	0.5	0.2			COZ
DH11-127	37.00	38.50	1.50	1410725	5.1	0.4	0.3			COZ
DH11-127	38.50	40.00	1.50	1410726	18.7	0.6	0.6			COZ
DH11-127	40.00	41.00	1.00	1410728	117.4	4.1	4.5			COZ
DH11-127	41.00	42.65	1.65	1410729	7.5	0.7	0.5			COZ
DH11-127	42.65	43.00	0.35	1410730	12668.2	>100.0	463.6	9.9	482	COZ
DH11-127	43.00	44.50	1.50	1410731	2884.3	>100.0	109.7	2.8	126	COZ
DH11-127	44.50	46.00	1.50	1410732	37.6	2.7	1.8			COZ
DH11-127	46.00	47.50	1.50	1410733	1455.4	35.2	24.8	1.3	<50	COZ
DH11-127	47.50	49.00	1.50	1410734	1887	61	48.4	1.3	55	COZ
DH11-127	49.00	50.45	1.45	1410735	6	1.2	1.1			COZ
DH11-127	50.45	51.00	0.55	1410737	358.3	9.6	10			COZ
DH11-127	51.00	52.50	1.50	1410738	1154.8	32.4	40	1.1	<50	COZ
DH11-127	52.50	54.00	1.50	1410739	663.2	31.7	26.5			COZ
DH11-127	54.00	55.85	1.85	1410740	939.4	59.2	50.5	<0.9	61	COZ
DH11-127	55.85	56.40	0.55	1410741	17926	>100.0	836.4	17.2	1282	MVN
DH11-127	56.40	57.50	1.10	1410742	248.1	16.1	13.9			MVN
DH11-127	57.50	58.50	1.00	1410743	314.4	25.9	20.9			MVN
DH11-127	58.50	59.50	1.00	1410744	769.1	53.2	40.2	<0.9	55	MVN
DH11-127	59.50	60.00	0.50	1410746	16171	>100.0	747.6	15.2	949	MVN
DH11-127	60.00	61.00	1.00	1410747	1093.3	75.9	56.6	1.1	75	MVN
DH11-127	61.00	62.00	1.00	1410748	5242	>100.0	235.1	4.9	327	MVN
DH11-127	62.00	63.00	1.00	1410749	3977.1	>100.0	161.6	3.7	228	MVN
DH11-127	63.00	64.00	1.00	1410750	278.6	20.9	20.7			MVN
DH11-127	64.00	64.85	0.85	1410751	625.9	35.6	26.5			MVN
DH11-127	64.85	65.25	0.40	1410752	26577.5	>100.0	885	24.8	937	MVN
DH11-127	65.25	66.50	1.25	1410753	578.9	36.9	27.8			COZ
DH11-127	66.50	68.00	1.50	1410755	40.3	3.3	3.2			
DH11-127	68.00	69.50	1.50	1410756	50.7	4.8	3.1			
DH11-127	69.50	71.00	1.50	1410757	15.6	1.9	1.4			
DH11-127	71.00	72.50	1.50	1410758	42.2	4	4			
DH11-127	72.50	74.00	1.50	1410759	44.8	2.9	2.4			
DH11-127	74.00	75.50	1.50	1410760	0.6	0.5	0.4			
DH11-127	75.50	77.00	1.50	1410761	<0.5	0.3	<0.2			
DH11-127	77.00	78.50	1.50	1410762	0.8	0.4	<0.2			
DH11-127	78.50	80.00	1.50	1410764	3.8	0.6	0.3			
DH11-127	80.00	81.50	1.50	1410765	<0.5	0.3	<0.2			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

Drill Hole	SAMPLE INTERVALS From (m)	To (m)	Length (m)	Sample ID	RESULTS - ICP Au (ppb)	Ag (ppm)	Te (ppm)	RESULTS - ASSAY GRAV FINISH Au (g/t)	Ag (g/t)	ZONE
DH11-127	81.50	83.00	1.50	1410766	69.2	4.5	4.3			
DH11-127	83.00	84.50	1.50	1410767	<0.5	0.3	0.2			
DH11-127	84.50	86.00	1.50	1410768	3	0.5	0.5			
DH11-127	86.00	87.48	1.48	1410769	7.1	0.6	0.4			
DH11-127	87.48	89.00	1.52	1410770	145.7	5.8	5.9			
DH11-127	89.00	90.53	1.53	1410771	4	0.6	0.3			
DH11-127	90.53	92.00	1.47	1410773	7.8	1	0.5			
DH11-127	92.00	93.70	1.70	1410774	403.6	19.9	13.7			SGR
DH11-127	93.70	94.40	0.70	1410775	57.6	9.4	6.4			
DH11-127	94.40	95.20	0.80	1410776	82.2	7.3	5.4			
DH11-127	95.20	96.28	1.08	1410777	539.4	41.3	46.3			SGR
DH11-127	96.28	97.50	1.22	1410778	11.2	1.7	1.9			
DH11-127	97.50	98.99	1.49	1410779	8.1	1.4	0.8			
DH11-127	98.99	100.50	1.51	1410780	14.9	3.1	2.3			
DH11-127	100.50	102.00	1.50	1410782	20.1	2.2	2.8			
DH11-127	102.00	103.50	1.50	1410783	11.4	2	1.6			
DH11-127	103.50	105.20	1.70	1410784	7.3	1	0.6			
DH11-127	105.20	106.00	0.80	1410785	915.1	58.9	65.8	1.1	65	SGR
DH11-127	106.00	107.50	1.50	1410786	29.2	3.7	3.1			
DH11-127	107.50	109.00	1.50	1410787	107.8	6.8	8.4			SGR
DH11-127	109.00	110.00	1.00	1410788	49.6	3.6	4.7			
DH11-127	110.00	111.50	1.50	1410789	21	2	2.8			
DH11-127	111.50	113.00	1.50	1410791	165.9	8.8	10.3			SGR
DH11-127	113.00	114.50	1.50	1410792	44.6	4.3	4.9			
DH11-127	114.50	115.10	0.60	1410793	40.8	4.9	6.7			
DH11-127	115.10	115.25	0.15	1410794	18.9	2.1	1.6			
DH11-127	115.25	117.50	2.25	1410795	5.6	0.8	0.7			
DH11-127	117.50	119.00	1.50	1410796	14.3	1.3	1			
DH11-127	119.00	120.50	1.50	1410797	9.2	2.6	3			
DH11-127	120.50	122.00	1.50	1410798	1075.7	65.9	67.6	1.0	63	SGR
DH11-127	122.00	123.50	1.50	1410800	86.7	3.8	3.5			
DH11-127	123.50	125.00	1.50	1410801	12.9	1.1	0.4			
DH11-127	125.00	126.50	1.50	1410802	3	0.4	0.3			
DH11-127	126.50	128.28	1.78	1410803	128.6	6	7.4			SGR
DH11-127	128.28	130.50	2.22	1410804	281.7	12.4	14.1			SGR
DH11-127	130.50	132.20	1.70	1410805	59.7	5.7	9.9			
DH11-127	132.20	132.30	0.10	1410806	324.6	>100.0	762.2	<0.9	172	SGR
DH11-127	132.30	133.50	1.20	1410807	5.2	1.3	1.5			
DH11-127	133.50	135.00	1.50	1410809	<0.5	0.4	<0.2			
DH11-127	135.00	136.50	1.50	1410810	<0.5	0.3	<0.2			
DH11-127	136.50	138.00	1.50	1410811	<0.5	1.1	0.4			
DH11-127	138.00	139.58	1.58	1410812	1.9	4	2.3			
DH11-127	139.58	140.00	0.42	1410813	1.5	3.2	2.2			
DH11-127	140.00	141.50	1.50	1410814	6.2	0.6	0.5			
DH11-127	141.50	143.00	1.50	1410815	1.1	0.5	0.3			
DH11-127	143.00	144.50	1.50	1410816	1	0.5	0.4			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-127	144.50	146.00	1.50	1410818	2.1	0.2	<0.2			
DH11-127	146.00	147.50	1.50	1410819	<0.5	0.3	<0.2			
DH11-127	147.50	149.00	1.50	1410820	27.4	7.4	19.9			
DH11-127	149.00	149.74	0.74	1410821	4.3	0.5	0.2			
DH11-127	149.74	150.20	0.46	1410822	6.9	0.4	0.3			
DH11-127	150.20	150.57	0.37	1410823	56.4	1.1	1.1			
DH11-128	0.00	8.23	8.23	1410825	5.9	0.4	<0.2			
DH11-128	8.23	10.00	1.77	1410826	50.8	4.5	3.6			
DH11-128	10.00	11.50	1.50	1410827	111.6	10.3	13.6			
DH11-128	11.50	13.00	1.50	1410828	107.5	7	7.2			
DH11-128	13.00	14.50	1.50	1410829	4.1	0.5	<0.2			
DH11-128	14.50	16.00	1.50	1410830	1.6	0.5	<0.2			
DH11-128	16.00	17.50	1.50	1410831	4.6	0.7	0.3			
DH11-128	17.50	19.00	1.50	1410832	30.6	4.6	2.9			
DH11-128	19.00	20.42	1.42	1410834	227	5.1	3.4			COZ
DH11-128	20.42	21.50	1.08	1410835	11373.7	>100.0	299.3	9.6	305	COZ
DH11-128	21.50	22.50	1.00	1410836	14004.8	>100.0	643.1	12.3	728	COZ
DH11-128	22.50	23.50	1.00	1410837	1070.5	88.3	111.6		84	COZ
DH11-128	23.50	24.50	1.00	1410838	1012.5	82.8	103.9		<50	COZ
DH11-128	24.50	25.50	1.00	1410839	583.9	23.9	22.4			COZ
DH11-128	25.50	26.52	1.02	1410840	58.6	3.8	2.7			COZ
DH11-128	26.52	27.58	1.06	1410841	782.8	41.5	34.7			COZ
DH11-128	27.58	28.50	0.92	1410843	5295.8	>100.0	184.5	2.8	184	COZ
DH11-128	28.50	29.50	1.00	1410844	4194.2	>100.0	221.3	3.3	156	COZ
DH11-128	29.50	30.50	1.00	1410845	1950.4	95.6	97.9	1.6	103	COZ
DH11-128	30.50	31.50	1.00	1410846	1641.6	83.6	97.3	1.6	80	COZ
DH11-128	31.50	32.50	1.00	1410847	2046.9	76.1	115	1.3	79	COZ
DH11-128	32.50	34.00	1.50	1410848	258.5	16.3	16.9			COZ
DH11-128	34.00	35.50	1.50	1410849	85.6	7.1	5.8			
DH11-128	35.50	37.00	1.50	1410850	100.5	5.5	4.9			
DH11-128	37.00	38.50	1.50	1410852	80.7	27.9	26.9			
DH11-128	38.50	40.00	1.50	1410853	9.6	1.2	0.7			
DH11-128	40.00	41.50	1.50	1410854	9.7	3.6	2.4			
DH11-128	41.50	42.84	1.34	1410855	11.1	30.6	37.9			SGR
DH11-128	42.84	43.14	0.30	1410856	28.2	>100.0	85.6	<0.9	106	VN
DH11-128	43.14	44.50	1.36	1410857	7.5	3.1	3.8			
DH11-128	44.50	46.00	1.50	1410858	32.2	3.8	3.4			
DH11-128	46.00	47.50	1.50	1410859	<0.5	0.5	0.2			
DH11-128	47.50	49.00	1.50	1410861	<0.5	0.3	<0.2			
DH11-128	49.00	50.50	1.50	1410862	1.1	1.6	1.7			
DH11-128	50.50	52.00	1.50	1410863	<0.5	1.4	0.8			
DH11-128	52.00	53.50	1.50	1410864	<0.5	0.9	0.4			
DH11-128	53.50	55.00	1.50	1410865	14.4	10	16.8			
DH11-128	55.00	56.80	1.80	1410866	10.4	4.2	3.2			
DH11-128	56.80	57.50	0.70	1410867	4.5	18.4	11.7			
DH11-128	57.50	58.90	1.40	1410868	57.7	3.6	2.4			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-128	58.90	59.20	0.30	1410870	8.6	22.6	8.5			
DH11-128	59.20	60.50	1.30	1410871	<0.5	0.8	0.4			
DH11-128	60.50	62.00	1.50	1410872	8.8	2.7	10.2			
DH11-128	62.00	62.30	0.30	1410873	<0.5	0.5	0.4			
DH11-128	62.30	62.70	0.40	1410874	5.8	15.1	16.3			
DH11-128	62.70	64.00	1.30	1410875	<0.5	1.4	<0.2			
DH11-128	64.00	66.00	2.00	1410876	12.1	0.7	0.8			
DH11-128	66.00	68.00	2.00	1410877	1	0.6	0.4			
DH11-128	68.00	69.60	1.60	1410879	<0.5	0.7	0.3			
DH11-128	69.60	71.32	1.72	1410880	<0.5	0.6	0.3			
DH11-129	8.40	11.00	2.60	1410881	94.8	3.9	8.4			COZ
DH11-129	11.00	12.60	1.60	1410882	255.9	14.3	12.6			COZ
DH11-129	12.60	14.15	1.55	1410883	7456.7	>100.0	202.7	7.4	227	COZ
DH11-129	14.15	15.40	1.25	1410884	250.3	16.3	12.4			COZ
DH11-129	15.40	15.70	0.30	1410885	11076.1	>100.0	667.2	10.5	627	VN
DH11-129	15.70	17.15	1.45	1410886	134.7	9.6	8.5			COZ
DH11-129	17.15	17.80	0.65	1410887	1358.1	52.2	47.3	1.4	58	COZ
DH11-129	17.80	18.25	0.45	1410888	2188.4	>100.0	161.9	2	271	VN
DH11-129	18.25	18.85	0.60	1410890	5654.4	>100.0	292.5	4.3	222	VN
DH11-129	18.85	19.70	0.85	1410891	8495	>100.0	501.2	7.8	528	VN
DH11-129	19.70	20.55	0.85	1410892	26571	>100.0	902	24.7	997	VN
DH11-129	20.55	22.00	1.45	1410893	200.6	10	8.7			COZ
DH11-129	22.00	24.00	2.00	1410894	33.1	1.3	1.1			COZ
DH11-129	24.00	26.00	2.00	1410895	175.6	7	4.8			COZ
DH11-129	26.00	28.00	2.00	1410896	156.8	8	7.4			COZ
DH11-129	28.00	30.00	2.00	1410897	25.3	1.2	1.3			COZ
DH11-129	30.00	32.00	2.00	1410899	5.5	0.3	0.5			COZ
DH11-129	32.00	34.00	2.00	1410900	93.5	3.7	4.3			COZ
DH11-129	34.00	35.50	1.50	1410901	18.8	1.5	0.9			COZ
DH11-129	35.50	36.90	1.40	1410902	49.9	4.9	2.8			COZ
DH11-129	36.90	39.00	2.10	1410903	1448.2	65.2	73.9	1.1	76	COZ
DH11-129	39.00	41.00	2.00	1410904	256.1	13.6	14.6			COZ
DH11-129	41.00	43.00	2.00	1410905	2890.6	>100.0	149.2	3.1	125	COZ
DH11-129	43.00	44.90	1.90	1410906	3448.9	>100.0	169.5	2.9	187	COZ
DH11-129	44.90	47.00	2.10	1410908	85.2	5.2	6.6			COZ
DH11-129	47.00	49.05	2.05	1410909	877.8	>100.0	229.2	<0.9	215	COZ
DH11-129	49.05	50.80	1.75	1410910	14.8	2.8	2.6			
DH11-129	50.80	52.50	1.70	1410911	3.2	1.8	0.9			
DH11-129	52.50	54.10	1.60	1410912	18.5	4.8	5.2			
DH11-129	54.10	55.00	0.90	1410913	14.6	2.6	2.1			
DH11-129	55.00	55.70	0.70	1410914	14.2	26.6	43.6			
DH11-129	55.70	56.00	0.30	1410915	3.7	0.4	0.3			
DH11-129	56.00	58.00	2.00	1410916	2.5	0.3	<0.2			
DH11-130	5.18	8.23	3.05	1361268	0.7	1.3	0.5			
DH11-130	8.23	8.38	0.15	1361269	85.1	4.9	4			COZ
DH11-130	8.38	9.60	1.22	1361270	9.2	1.5	0.9			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-130	9.60	11.28	1.68	1361271	2450.5	>100.0	93.8	2.4	114	COZ
DH11-130	11.28	12.48	1.20	1361272	1.3	1.1	0.4			
DH11-130	12.48	14.00	1.52	1361273	<0.5	1.1	0.6			
DH11-130	14.00	15.00	1.00	1361274	4.7	3.7	1.8			
DH11-130	15.00	16.00	1.00	1361275	114.6	9.2	9.6			COZ
DH11-130	16.00	17.00	1.00	1361277	190.7	14.6	16.2			COZ
DH11-130	17.00	18.00	1.00	1361278	222.2	19.5	15.5			COZ
DH11-130	18.00	19.00	1.00	1361279	1617.4	>100.0	127	1.5	114	COZ
DH11-130	19.00	20.00	1.00	1361280	142.5	7.6	4.9			COZ
DH11-130	20.00	21.00	1.00	1361281	582	21.3	17.8			COZ
DH11-130	21.00	22.50	1.50	1361282	93.3	3.9	7.6			COZ
DH11-130	22.50	23.80	1.30	1361283	20.6	1.6	2.5			COZ
DH11-130	23.80	25.34	1.54	1361284	3630.8	>100.0	112.6	3.0	136	COZ
DH11-130	25.34	26.95	1.61	1361286	31.1	1.9	2.3			COZ
DH11-130	26.95	27.85	0.90	1361287	1383.2	74.5	105.4	1.5	72	COZ
DH11-130	27.85	28.75	0.90	1361288	67	5	10.7			
DH11-130	28.75	30.00	1.25	1361289	33.5	4.6	6.5			
DH11-130	30.00	31.00	1.00	1361290	6.6	0.8	0.9			
DH11-130	31.00	32.00	1.00	1361291	2.3	0.4	<0.2			
DH11-130	32.00	33.00	1.00	1361292	1.7	0.8	0.3			
DH11-130	33.00	34.00	1.00	1361293	1	2.2	0.8			
DH11-130	34.00	35.00	1.00	1361295	3.7	2.1	0.6			
DH11-130	35.00	35.85	0.85	1361296	3.2	11.1	2.9			
DH11-130	35.85	36.38	0.53	1361297	27.8	>100.0	38.8	<0.9	151	SGR
DH11-130	36.38	37.55	1.17	1361298	1.2	0.9	0.3			
DH11-130	37.55	38.82	1.27	1361299	<0.5	1.3	0.4			
DH11-130	38.82	39.26	0.44	1361300	1.5	4.7	1			
DH11-130	39.26	40.50	1.24	1361301	13.9	2.3	1.7			
DH11-130	40.50	42.02	1.52	1361302	2.5	4.2	1.2			
DH11-130	42.02	43.00	0.98	1361304	21.6	3.4	7.5			
DH11-130	43.00	44.80	1.80	1361305	<0.5	0.8	0.4			
DH11-130	44.80	46.60	1.80	1361306	<0.5	0.7	0.3			
DH11-130	46.60	48.15	1.55	1361307	2.2	1.8	7.7			
DH11-130	48.15	49.00	0.85	1361308	<0.5	0.4	<0.2			
DH11-131	17.37	18.56	1.19	1361135	836.1	>100.0	114.7	<0.9	189	COZ
DH11-131	18.56	20.00	1.44	1361136	85	4.8	3.7			COZ
DH11-131	20.00	21.05	1.05	1361137	59.2	20.1	12.5			COZ
DH11-131	21.05	22.20	1.15	1361138	598.3	27.6	28.4			STK
DH11-131	22.20	23.27	1.07	1361139	1304.6	72.4	57.9	1.1	64	VN
DH11-131	23.27	23.57	0.30	1361140	4328	>100.0	133.8	4.0	125	VN
DH11-131	23.57	23.88	0.31	1361141	8677.4	>100.0	263.9	7.5	238	VN
DH11-131	23.88	25.27	1.39	1361142	9020.3	>100.0	354.7	8.2	395	VN
DH11-131	25.27	26.75	1.48	1361144	64	96.2	40.1			COZ
DH11-131	26.75	28.00	1.25	1361145	84.5	6.5	4.6			
DH11-131	28.00	29.50	1.50	1361146	15.1	1.2	0.6			
DH11-131	29.50	31.00	1.50	1361147	7.3	0.4	<0.2			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-131	31.00	32.50	1.50	1361148	1.3	0.2	0.3			
DH11-131	32.50	34.00	1.50	1361149	2	0.2	<0.2			
DH11-131	34.00	35.57	1.57	1361150	1.2	0.1	<0.2			
DH11-131	35.57	37.00	1.43	1361151	1.1	0.2	<0.2			
DH11-131	37.00	38.50	1.50	1361153	<0.5	<0.1	<0.2			
DH11-131	38.50	40.00	1.50	1361154	<0.5	<0.1	<0.2			
DH11-131	40.00	41.87	1.87	1361155	<0.5	<0.1	<0.2			
DH11-131	41.87	43.58	1.71	1361156	<0.5	0.3	0.3			
DH11-131	43.58	45.00	1.42	1361157	<0.5	0.4	0.3			
DH11-131	49.50	50.45	0.95	1361158	5.9	1.6	0.5			
DH11-131	50.45	50.54	0.09	1361159	13937.7	>100.0	732.2	14.6	748	STK
DH11-131	50.54	51.50	0.96	1361160	8.7	0.4	0.3			
DH11-131	70.50	72.00	1.50	1361162	16.2	1	1			
DH11-131	72.00	72.89	0.89	1361163	1124.3	56.3	80.5	1.0	56	VN
DH11-131	72.89	74.35	1.46	1361164	17.1	0.9	0.8			
DH11-131	74.35	75.00	0.65	1361165	2262.7	82.4	69.1	2.4	83	VN
DH11-131	75.00	76.50	1.50	1361166	5.9	0.3	<0.2			
DH11-131	76.50	78.55	2.05	1361167	4	0.2	<0.2			
DH11-131	78.55	78.73	0.18	1361168	1316.3	61.6	60.6	1.7	58	VN
DH11-131	78.73	79.86	1.13	1361169	3.2	0.6	0.4			
DH11-133	44.00	45.60	1.60	1410935	3.1	0.4	<0.2			
DH11-133	45.60	47.60	2.00	1410936	623.1	51.5	58.5	<0.9	51	STK
DH11-133	47.60	49.20	1.60	1410937	1.3	1.1	0.9			
DH11-133	49.20	49.55	0.35	1410938	52.8	9.9	22.5			
DH11-133	49.55	50.60	1.05	1410939	1686.7	>100.0	151.1	2.0	142	VN
DH11-133	50.60	51.90	1.30	1410940	0.5	1.9	2			
DH11-133	51.90	53.50	1.60	1410941	34.4	8	18.6			
DH11-133	53.50	55.00	1.50	1410942	2.6	0.8	1			
DH11-133	55.00	57.05	2.05	1410944	0.7	0.2	<0.2			
DH11-133	57.05	57.85	0.80	1410945	<0.5	0.2	<0.2			
DH11-133	57.85	60.00	2.15	1410946	2.4	0.5	0.5			
DH11-133	60.00	62.00	2.00	1410947	3.1	0.9	1.1			
DH11-133	62.00	63.50	1.50	1410948	12.2	1.2	2.6			
DH11-133	63.50	64.60	1.10	1410949	25.7	6	8.3			
DH11-133	64.60	66.60	2.00	1410950	1.4	0.3	<0.2			
DH11-133	66.60	68.25	1.65	1410951	0.7	0.2	<0.2			
DH11-133	68.25	69.30	1.05	1410953	1.4	0.9	0.9			
DH11-133	69.30	71.34	2.04	1410954	1.2	0.5	<0.2			
DH11-133	71.34	72.24	0.90	1410955	32.9	2.8	3			
DH11-134	37.90	39.40	1.50	1410917	3.4	0.4	1.8			
DH11-134	39.40	39.60	0.20	1410918	8.4	1.3	6.6			
DH11-134	39.60	40.75	1.15	1410919	6	0.4	0.7			
DH11-134	40.75	41.00	0.25	1410920	3001.7	>100.0	156.9	3.1	276	STK
DH11-134	41.00	42.50	1.50	1410921	6.9	0.7	0.5			
DH11-134	44.40	45.90	1.50	1410922	16.5	1.6	1.1			
DH11-134	45.90	47.40	1.50	1410923	2.5	0.6	0.4			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-134	50.90	52.40	1.50	1410924	2	0.4	0.2			
DH11-134	52.40	52.60	0.20	1410926	5	2.3	0.6			
DH11-134	52.60	54.10	1.50	1410927	2.2	0.5	0.3			
DH11-134	59.20	60.65	1.45	1410928	0.9	1.1	0.3			
DH11-134	60.65	60.90	0.25	1410929	0.6	8.2	1.6			
DH11-134	60.90	62.40	1.50	1410930	14.2	2.2	1			
DH11-134	92.40	93.90	1.50	1410931	2.1	0.3	<0.2			
DH11-134	93.90	94.20	0.30	1410932	2.2	1.3	0.3			
DH11-134	94.20	95.70	1.50	1410933	0.9	0.2	<0.2			
DH11-135	5.18	7.90	2.72	1410956	1.8	1	2.1			
DH11-135	7.90	8.30	0.40	1410957	1.5	0.4	1			
DH11-135	8.30	11.28	2.98	1410958	1.1	0.2	<0.2			
DH11-135	18.50	20.00	1.50	1410959	2.1	0.3	0.2			
DH11-135	20.00	20.40	0.40	1410960	1	0.1	<0.2			
DH11-135	20.40	21.90	1.50	1410961	1.2	0.2	<0.2			
DH11-135	32.90	34.40	1.50	1410962	1	0.3	<0.2			
DH11-135	34.40	34.60	0.20	1410963	1.6	4.5	1			
DH11-135	34.60	36.30	1.70	1410965	<0.5	0.2	<0.2			
DH11-135	36.30	37.80	1.50	1410966	1.5	0.4	<0.2			
DH11-135	37.80	39.00	1.20	1410967	1	1.9	0.6			
DH11-135	39.00	40.00	1.00	1410968	1.1	1.8	0.5			
DH11-135	40.00	41.00	1.00	1410969	2.6	1.7	0.6			
DH11-135	41.00	42.00	1.00	1410970	1.1	1	0.3			
DH11-135	42.00	43.00	1.00	1410971	0.7	1.2	0.3			
DH11-135	43.00	44.00	1.00	1410972	2.1	1.1	0.3			
DH11-135	44.00	45.00	1.00	1410974	1.2	2.3	0.6			
DH11-135	45.00	46.00	1.00	1410975	0.9	15.5	0.3			
DH11-135	46.00	47.00	1.00	1410976	<0.5	0.5	<0.2			
DH11-135	47.00	48.00	1.00	1410977	1.1	1	0.3			
DH11-135	48.00	49.00	1.00	1410978	1.5	1.7	0.6			
DH11-135	49.50	50.00	0.50	1410979	<0.5	1	0.3			
DH11-135	50.00	51.00	1.00	1410980	1.8	1.9	0.6			
DH11-135	51.00	52.00	1.00	1410981	1.5	1.7	1			
DH11-135	52.00	53.00	1.00	1410983	4.4	1.5	0.7			
DH11-135	53.00	54.00	1.00	1410984	2.6	0.9	0.2			
DH11-135	54.00	55.50	1.50	1410985	2.8	0.6	0.3			
DH11-135	63.50	65.00	1.50	1410986	2	0.2	<0.2			
DH11-135	65.00	66.50	1.50	1410987	0.7	0.4	0.4			
DH11-135	66.50	68.00	1.50	1410988	1	0.6	0.2			
DH11-135	68.00	69.50	1.50	1410989	6	0.2	<0.2			
DH11-135	69.50	71.00	1.50	1410990	2.6	0.1	<0.2			
DH11-135	71.00	72.50	1.50	1410992	1.1	<0.1	<0.2			
DH11-135	101.34	102.84	1.50	1410993	<0.5	0.2	<0.2			
DH11-135	102.84	103.10	0.26	1410994	1.5	0.4	<0.2			
DH11-135	103.10	104.60	1.50	1410995	0.6	0.2	<0.2			
DH11-136	36.00	38.00	2.00	1410997	<0.5	0.8	<0.2			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-136	38.00	40.00	2.00	1410998	<0.5	2.1	0.4			COZ
DH11-136	40.00	42.00	2.00	1410999	<0.5	1.4	0.2			COZ
DH11-136	42.00	44.00	2.00	1411000	<0.5	0.9	0.4			COZ
DH11-136	44.00	46.00	2.00	1411001	4	8.1	2.2			COZ
DH11-136	46.00	48.30	2.30	1411002	12.2	15.1	6.7			COZ
DH11-136	48.30	49.80	1.50	1411003	38.2	50.9	14.3		57	COZ
DH11-136	49.80	49.99	0.19	1411004	6.4	1	0.5			COZ
DH11-137	18.29	20.00	1.71	1411005	2	6.6	1.3			
DH11-137	20.00	27.43	7.43	1411006	2.9	7	2.1			
DH11-137	27.43	29.57	2.14	1411007	<0.5	13.5	3.8			
DH11-137	18.50	31.00	12.50	1411008	0.7	3.5	1			
DH11-137	31.00	32.50	1.50	1411009	<0.5	0.2	<0.2			
DH11-137	41.40	42.90	1.50	1411010	<0.5	3.2	1.2			
DH11-137	32.90	44.40	11.50	1411011	<0.5	2.5	0.6			
DH11-137	44.40	45.00	0.60	1411012	<0.5	2	0.3			
DH11-137	45.00	46.25	1.25	1411014	<0.5	0.1	<0.2			
DH11-137	46.25	47.55	1.30	1411015	<0.5	3.7	1.7			
DH11-137	47.55	47.90	0.35	1411016	<0.5	39	6.7			
DH11-137	47.90	49.50	1.60	1411017	<0.5	0.5	0.5			
DH11-137	49.50	53.00	3.50	1411018	145.4	0.6	0.3			
DH11-137	65.00	66.50	1.50	1411019	2	0.4	<0.2			
DH11-137	66.50	68.00	1.50	1411020	2.6	0.2	<0.2			
DH11-137	68.00	69.50	1.50	1411021	<0.5	0.1	<0.2			
DH11-137	69.50	71.00	1.50	1411023	<0.5	<0.1	<0.2			
DH11-138	8.23	10.00	1.77	1411025	<0.5	1.2	0.5			
DH11-138	10.00	12.00	2.00	1411026	0.8	1.7	0.6			
DH11-138	12.00	14.00	2.00	1411027	4.2	1.7	1.1			
DH11-138	14.00	16.00	2.00	1411028	6.8	17	3.8			
DH11-138	16.00	17.37	1.37	1411029	3.7	1.4	1.3			
DH11-138	17.37	22.00	4.63	1411030	<0.5	1.7	0.6			
DH11-139	56.45	57.90	1.45	1411031	6.6	0.8	0.4			
DH11-139	57.90	58.75	0.85	1411032	222	20.1	13.5			
DH11-139	58.75	59.20	0.45	1411033	114.4	9.6	5.6			
DH11-139	59.20	61.25	2.05	1411034	12.2	0.9	0.5			
DH11-140	23.20	24.70	1.50	1411036	1.8	0.3	<0.2			
DH11-140	24.70	24.85	0.15	1411037	2.7	0.9	0.4			
DH11-140	24.85	26.35	1.50	1411038	2	0.5	0.3			
DH11-140	37.00	38.10	1.10	1411039	5.9	0.8	0.4			
DH11-140	38.10	38.50	0.40	1411040	3.5	0.4	0.3			
DH11-140	38.50	40.00	1.50	1411041	2.5	0.3	<0.2			
DH11-140	50.00	51.70	1.70	1411042	229	10.6	6.6			COZ
DH11-140	51.70	52.70	1.00	1411043	2442.6	>100.0	131	2.3	177	COZ
DH11-140	52.70	53.10	0.40	1411045	1111.4	67.4	58.9	0.9	71	COZ
DH11-140	53.10	53.70	0.60	1411046	626.7	41.9	30.5			COZ
DH11-140	53.70	54.05	0.35	1411047	16625.8	>100.0	714.4	16.2	1014	COZ
DH11-140	54.05	54.55	0.50	1411048	144.3	19.4	17.7			COZ

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	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-140	54.55	55.25	0.70	1411049	17483.5	>100.0	744.8	17.9	1181	COZ
DH11-140	55.25	56.25	1.00	1411050	359.7	21	16.8			COZ
DH11-140	56.25	57.25	1.00	1411051	125.8	8.4	6.4			COZ
DH11-140	57.25	58.15	0.90	1411052	3780.4	>100.0	278.5	2.7	240	COZ
DH11-140	58.15	58.25	0.10	1411054	6804	>100.0	711	6.3	664	COZ
DH11-140	58.25	59.50	1.25	1411055	4146.2	>100.0	316.3	4.4	352	COZ
DH11-140	59.50	61.20	1.70	1411056	5.3	4.7	12.1			
DH11-140	61.20	62.20	1.00	1411057	224.7	22.2	27.5			COZ
DH11-140	62.20	63.20	1.00	1411058	427.9	33.2	26.3			COZ
DH11-140	63.20	63.70	0.50	1411059	4.6	0.8	0.3			COZ
DH11-140	63.70	64.20	0.50	1411060	1234.6	94.9	74.1	1.3	88	COZ
DH11-140	64.20	65.10	0.90	1411061	20.8	3.1	1.1			
DH11-140	65.10	65.25	0.15	1411063	268.5	21.9	15.8			SGR
DH11-140	65.25	66.50	1.25	1411064	34	5.3	4			
DH11-140	66.50	68.00	1.50	1411065	3.1	1.2	0.3			
DH11-140	68.00	68.80	0.80	1411066	74.3	4.4	2.1			
DH11-140	68.80	69.50	0.70	1411067	258.9	24.3	18.4			SGR
DH11-140	69.50	71.00	1.50	1411068	438	20.3	15.2			SGR
DH11-140	71.00	72.50	1.50	1411069	79.5	4.2	3.7			
DH11-140	72.50	74.00	1.50	1411070	13.1	0.9	0.5			
DH11-140	74.00	75.50	1.50	1411072	15.2	0.4	0.5			
DH11-140	75.50	76.90	1.40	1411073	5.3	0.7	0.4			
DH11-140	76.90	77.15	0.25	1411074	5.6	5	10.7			
DH11-140	77.15	77.55	0.40	1411075	3.1	1.1	2.2			
DH11-140	77.55	77.75	0.20	1411076	8.7	4.8	11.1			
DH11-140	77.75	78.50	0.75	1411077	6.3	1.1	0.6			
DH11-140	78.50	80.00	1.50	1411078	2.9	0.8	0.5			
DH11-140	80.00	81.50	1.50	1411079	2.3	0.5	0.2			
DH11-140	81.50	83.00	1.50	1411081	5.7	0.6	<0.2			
DH11-140	83.00	84.50	1.50	1411082	1.8	0.2	<0.2			
DH11-140	84.50	86.00	1.50	1411083	0.8	0.1	<0.2			
DH11-140	86.00	88.00	2.00	1411084	1.9	0.2	<0.2			
DH11-140	88.00	90.00	2.00	1411085	2.3	0.2	<0.2			
DH11-140	90.00	92.00	2.00	1411086	<0.5	0.3	<0.2			
DH11-140	92.00	94.00	2.00	1411087	<0.5	<0.1	<0.2			
DH11-140	94.00	96.00	2.00	1411088	<0.5	0.2	<0.2			
DH11-140	96.00	98.00	2.00	1411090	0.7	0.3	<0.2			
DH11-140	98.00	100.00	2.00	1411091	<0.5	0.8	0.3			
DH11-140	100.00	102.00	2.00	1411092	<0.5	0.6	0.5			
DH11-140	102.00	104.00	2.00	1411093	<0.5	0.4	0.5			
DH11-140	104.00	105.45	1.45	1411094	<0.5	0.7	0.7			
DH11-140	105.45	105.63	0.18	1411095	1.7	20.8	32.2			
DH11-140	105.63	106.70	1.07	1411096	<0.5	0.8	0.3			
DH11-140	106.70	107.77	1.07	1411097	1.4	6.3	1.2			
DH11-140	107.77	109.00	1.23	1411099	3	1.1	0.5			
DH11-140	109.00	110.00	1.00	1411100	2.8	0.9	0.6			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-140	110.00	112.00	2.00	1411101	2	0.3	<0.2			
DH11-140	112.00	114.00	2.00	1411102	14.4	3	8.1			
DH11-140	114.00	116.00	2.00	1411103	1.2	1.1	0.9			
DH11-140	116.00	118.00	2.00	1411104	2.2	1.4	1.8			
DH11-140	118.00	120.00	2.00	1411105	1.5	1	1.6			
DH11-140	120.00	121.01	1.01	1411106	5	13.2	6			
DH11-141	34.00	35.60	1.60	1411107	15.5	0.9	0.5			
DH11-141	35.60	36.10	0.50	1411108	246.3	27.1	9.9			SGR
DH11-141	36.10	37.33	1.23	1411109	17632.8	>100.0	381.2	13.8	422	VN
DH11-141	37.33	38.15	0.82	1411110	105.4	3.6	3.4			
DH11-141	38.15	40.00	1.85	1411111	39.1	1	0.9			
DH11-142	16.25	17.90	1.65	1411113	3.8	0.8	0.5			
DH11-142	17.90	18.40	0.50	1411114	64.8	2.3	3.6			
DH11-142	18.40	20.00	1.60	1411115	28.1	3	2.3			HV1
DH11-142	20.00	21.37	1.37	1411116	21.6	2	1.4			HV1
DH11-142	21.37	23.00	1.63	1411117	9.5	0.6	0.5			
DH11-142	33.50	35.12	1.62	1411118	24.5	3.2	8.9			
DH11-142	35.12	35.40	0.28	1411119	4904.7	>100.0	230.9	5.4	164	MVN
DH11-142	35.40	36.10	0.70	1411120	1062.9	30.5	70.1	1.0	<50	MVN
DH11-142	36.10	36.50	0.40	1411122	4302.3	>100.0	643.3	4.7	196	MVN
DH11-142	36.50	37.20	0.70	1411123	1334.6	60	62.7	1.3	62	MVN
DH11-142	37.20	37.60	0.40	1411124	1001.3	60.4	225.1	1.2	53	MVN
DH11-142	37.60	38.40	0.80	1411125	608	38.4	130.7			MVN
DH11-142	38.40	39.20	0.80	1411126	177.7	14.3	14.5			MVN
DH11-142	39.20	40.70	1.50	1411127	182.5	12.4	12			STK
DH11-142	40.70	42.20	1.50	1411128	130	14.7	12.5			STK
DH11-142	42.20	43.00	0.80	1411130	5980.1	>100.0	259	6.0	206	FV1
DH11-142	43.00	44.40	1.40	1411131	111.3	7	6.9			
DH11-142	44.40	45.40	1.00	1411132	2851.3	>100.0	132.6	2.9	109	FV2
DH11-142	45.40	46.10	0.70	1411133	224.6	13.2	15.2			SGR
DH11-142	46.10	48.00	1.90	1411134	28.6	1.7	3			
DH11-142	48.00	50.00	2.00	1411135	85.9	5	6.8			
DH11-142	50.00	52.00	2.00	1411136	22.4	1.2	1.1			
DH11-142	52.00	53.80	1.80	1411137	329.9	14.9	14.1			
DH11-142	53.80	55.80	2.00	1411138	40	1.9	1.7			
DH11-142	65.30	67.30	2.00	1411140	78.7	3.7	3.3			
DH11-142	67.30	69.00	1.70	1411141	28.4	1.5	1			
DH11-142	69.00	70.80	1.80	1411142	213.5	10.9	10.7			
DH11-142	70.80	72.40	1.60	1411143	128.9	6.2	6.2			
DH11-142	72.40	74.40	2.00	1411144	79.9	4.3	4.4			
DH11-143	20.90	22.40	1.50	1411145	30.1	2.1	1.7			
DH11-143	22.40	23.90	1.50	1411146	38.1	1.9	1.7			
DH11-143	23.90	24.91	1.01	1411147	1539.5	50.9	59.7	1.4	<50	COZ
DH11-143	24.91	26.00	1.09	1411148	355.9	23.6	28.9			COZ
DH11-143	26.00	27.00	1.00	1411149	41.6	4.1	3.5			COZ
DH11-143	27.00	28.00	1.00	1411150	59.9	9.2	8.5			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-143	28.00	29.00	1.00	1411151	1209.3	42.4	80.9	1.0	<50	COZ
DH11-143	29.00	30.50	1.50	1411152	643.7	20	29.3			COZ
DH11-143	30.50	32.00	1.50	1411154	7910.5	>100.0	158.3	7.7	101	COZ
DH11-143	32.00	33.50	1.50	1411155	71.8	3.4	2.4			COZ
DH11-143	33.50	35.00	1.50	1411156	976	36.2	34.5			COZ
DH11-143	35.00	36.50	1.50	1411157	214.8	10.6	15.4			COZ
DH11-143	36.50	38.00	1.50	1411158	31	2.2	1.8			COZ
DH11-143	38.00	39.50	1.50	1411159	24.5	2	2			COZ
DH11-143	39.50	40.50	1.00	1411160	370	16	15.3			COZ
DH11-143	40.50	41.00	0.50	1411161	16019.1	>100.0	494.2	14.8	588	COZ
DH11-143	41.00	42.05	1.05	1411162	257	15.3	15.5			COZ
DH11-143	42.05	43.50	1.45	1411163	330.2	7.5	9			COZ
DH11-143	43.50	45.00	1.50	1411165	20.8	2.9	7.6			
DH11-143	45.00	46.50	1.50	1411166	40.1	3.9	2.7			
DH11-143	46.50	48.00	1.50	1411167	33.3	1.7	1.1			
DH11-143	48.00	49.50	1.50	1411168	93.1	7.1	4.8			
DH11-143	49.50	51.00	1.50	1411169	212.5	9.7	13.2			
DH11-143	51.00	51.50	0.50	1411170	7.5	1.4	1.1			
DH11-143	51.50	51.65	0.15	1411172	3210.7	>100.0	118.2	2.7	129	VN
DH11-143	51.65	52.80	1.15	1411173	4.3	0.9	0.9			
DH11-143	52.80	53.80	1.00	1411174	4.2	3.9	1.5			
DH11-143	53.80	54.30	0.50	1411175	23	>100.0	107.2	<0.9	192	VN
DH11-143	54.30	55.50	1.20	1411176	2.1	2.1	0.9			
DH11-143	55.50	56.50	1.00	1411177	1.9	9.7	3.9			
DH11-143	56.50	57.50	1.00	1411178	1.4	4.8	2			
DH11-143	57.50	59.00	1.50	1411179	63.6	6.2	9.1			
DH11-143	59.00	59.12	0.12	1411181	9.3	31.2	11.7			
DH11-143	59.12	60.24	1.12	1411182	1.1	0.5	<0.2			
DH11-143	60.24	61.40	1.16	1411183	1.6	1.3	1			
DH11-143	61.40	62.80	1.40	1411184	7.7	2.3	2.6			
DH11-143	62.80	63.09	0.29	1411185	2.2	0.8	0.7			
DH11-144	26.35	27.85	1.50	1411187	71	5	5.9			
DH11-144	27.85	28.65	0.80	1411188	30120.1	>100.0	740.2	27.6	896	MVN
DH11-144	28.65	29.40	0.75	1411189	27197.2	>100.0	702.4	25.0	753	MVN
DH11-144	29.40	30.90	1.50	1411190	126.1	5.3	6.8			SGR
DH11-144	33.18	34.68	1.50	1411191	126.8	4.2	5.1			SGR
DH11-144	34.68	34.88	0.20	1411192	4929.2	>100.0	230.6	4.3	134	FV1
DH11-144	34.88	36.38	1.50	1411193	49.8	2.4	2.8			
DH11-144	39.25	40.75	1.50	1411194	360.8	17.6	15			SGR
DH11-144	40.75	41.50	0.75	1411196	528.9	25.6	17.8			SGR
DH11-144	41.50	42.70	1.20	1411197	141.5	6.5	6.4			SGR
DH11-144	42.70	44.20	1.50	1411198	409.3	18.6	20.4			SGR
DH11-144	44.20	44.50	0.30	1411199	4546.4	>100.0	128.5	4.2	171	STK
DH11-144	44.50	46.00	1.50	1411200	464.8	14	11			SGR
DH11-144	52.60	54.10	1.50	1411201	223.7	6.7	6.9			
DH11-144	54.10	55.60	1.50	1411202	187.3	9.6	8.6			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-144	55.60	57.10	1.50	1411203	123.4	6.1	6.1			
DH11-144	57.10	58.10	1.00	1411204	698.4	30.8	27.8			SGR
DH11-144	61.20	62.70	1.50	1411205	981.7	48.8	36			SGR
DH11-144	62.70	63.25	0.55	1411207	2218.9	82	79.1	2.0	84	FV2
DH11-144	63.25	63.80	0.55	1411208	6761.5	>100.0	205.7	5.5	183	FV2
DH11-144	63.80	64.55	0.75	1411209	192.2	7.5	7			SGR
DH11-144	64.55	64.75	0.20	1411210	10677.7	>100.0	299.4	9.2	259	FV3
DH11-144	64.75	66.25	1.50	1411211	35	2	3.4			
DH11-145	2.85	4.35	1.50	1411212	60.9	2.9	1.2			
DH11-145	4.35	5.90	1.55	1411213	229.7	4.9	4.5			
DH11-145	5.90	8.00	2.10	1411214	388.5	8.4	11.4			
DH11-145	18.00	20.15	2.15	1411215	225.8	2.7	3.6			
DH11-145	20.15	21.40	1.25	1411216	168.1	4.5	6.1			
DH11-145	21.40	22.40	1.00	1411217	55.3	4.8	3.6			
DH11-145	22.40	23.40	1.00	1411218	366.3	6.1	12			
DH11-145	23.40	24.15	0.75	1411219	52.2	1	2.7			
DH11-145	24.15	26.35	2.20	1411221	58.5	1.2	3.5			
DH11-145	26.35	28.60	2.25	1411222	104.8	2.5	6.4			
DH11-145	28.60	30.60	2.00	1411223	59.4	2.8	3.6			
DH11-145	30.60	32.50	1.90	1411224	565.3	15.1	19.9			COZ
DH11-145	32.50	33.30	0.80	1411225	7157	>100.0	169	6.5	117	VN
DH11-145	33.30	35.30	2.00	1411226	689.7	20.6	41			COZ
DH11-145	35.30	37.30	2.00	1411227	343.3	13.7	33.6			COZ
DH11-145	37.30	38.65	1.35	1411229	143.5	5.4	6.5			COZ
DH11-145	38.65	41.05	2.40	1411230	7.1	0.7	0.9			
DH11-145	41.05	42.95	1.90	1411231	47.2	2.5	4.5			
DH11-145	42.95	44.75	1.80	1411232	32	1.5	1.8			
DH11-145	44.75	45.10	0.35	1411233	70.1	2.9	4			
DH11-145	45.10	46.50	1.40	1411234	446.4	13.5	14.9			SGR
DH11-145	46.50	48.00	1.50	1411235	168.6	4.6	7.4			
DH11-145	48.00	49.50	1.50	1411236	39.3	1.2	2.1			
DH11-145	49.50	51.00	1.50	1411237	67.5	3.6	3.1			
DH11-145	51.00	53.00	2.00	1411239	4.1	0.5	0.3			
DH11-145	53.00	55.00	2.00	1411240	1.7	0.2	0.4			
DH11-145	55.00	57.00	2.00	1411241	3.2	0.3	0.6			
DH11-145	57.00	58.40	1.40	1411242	15.8	0.6	1.2			
DH11-145	58.40	59.75	1.35	1411243	0.6	0.2	<0.2			
DH11-145	59.75	61.50	1.75	1411244	<0.5	0.1	0.2			
DH11-146	5.50	7.00	1.50	1411246	165.7	3.8	3			
DH11-146	7.00	8.50	1.50	1411247	1085.1	14.4	22.7	1.0	<50	COZ
DH11-146	8.50	10.00	1.50	1411248	71.6	1.3	1.2			
DH11-146	10.00	11.50	1.50	1411249	18.7	0.8	1.3			
DH11-146	11.50	12.00	0.50	1411250	48.2	0.9	1			
DH11-146	12.00	13.50	1.50	1411251	37.5	0.8	0.7			
DH11-146	13.50	15.00	1.50	1411252	17.5	0.6	1			
DH11-146	15.00	16.50	1.50	1411253	1264.7	11.5	25.8	1.0	<50	COZ

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	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-146	16.50	18.10	1.60	1411255	193.3	4.3	4			COZ
DH11-146	18.10	19.50	1.40	1411256	103.2	3.1	3.9			COZ
DH11-146	19.50	21.00	1.50	1411257	416.1	11.9	9			COZ
DH11-146	21.00	22.50	1.50	1411258	8402.8	>100.0	178.9	8.2	140	COZ
DH11-146	22.50	23.47	0.97	1411259	6622.2	98.3	103.6	6.4	104	COZ
DH11-146	23.47	24.25	0.78	1411260	2153.9	48.3	43.3	2.0	53	VN
DH11-146	24.25	25.00	0.75	1411261	17.2	0.4	0.4			VN
DH11-146	25.00	26.52	1.52	1411262	364.1	11.6	11.9			COZ
DH11-146	26.52	28.00	1.48	1411264	550.5	25.3	18.7			COZ
DH11-146	28.00	28.35	0.35	1411265	3565.7	>100.0	125.6	3.5	354	COZ
DH11-146	28.35	29.50	1.15	1411266	378	8.2	9.9			COZ
DH11-146	29.50	31.00	1.50	1411267	1171.3	29.3	35.8	1.1	<50	COZ
DH11-146	31.00	32.50	1.50	1411268	199	7.3	13.9			COZ
DH11-146	32.50	34.00	1.50	1411269	87.6	4	8.2			COZ
DH11-146	34.00	35.50	1.50	1411270	985.3	27	33.9			COZ
DH11-146	35.50	37.15	1.65	1411271	744.7	14.1	20.3			COZ
DH11-146	37.15	37.30	0.15	1411273	1732	45.2	78.1	1.7	51	COZ
DH11-146	37.30	38.50	1.20	1411274	815.4	35.8	70.3			COZ
DH11-146	38.50	39.50	1.00	1411275	541.8	12.9	23.6			COZ
DH11-146	39.50	40.50	1.00	1411276	322.2	8.2	9			COZ
DH11-146	40.50	41.60	1.10	1411277	380.5	12.4	16.3			COZ
DH11-146	41.60	41.76	0.16	1411278	19119.9	>100.0	468.7	20.0	533	COZ
DH11-146	41.76	43.00	1.24	1411279	2302.1	51	50	2.3	51	COZ
DH11-146	43.00	44.50	1.50	1411280	665.9	20.8	28.9			COZ
DH11-146	44.50	46.00	1.50	1411282	128.7	4.7	4.9			
DH11-146	46.00	47.50	1.50	1411283	61.9	3.8	3.5			
DH11-146	47.50	49.00	1.50	1411284	317.5	13.4	16.6			
DH11-146	49.00	50.50	1.50	1411285	6	0.9	0.5			
DH11-146	50.50	51.85	1.35	1411286	6.4	0.5	0.6			
DH11-146	51.85	52.15	0.30	1411287	45.1	3.3	3.5			
DH11-146	52.15	53.50	1.35	1411288	16.7	1.3	1.1			
DH11-146	53.50	55.00	1.50	1411289	1.9	0.5	0.3			
DH11-146	55.00	56.50	1.50	1411291	7.3	0.6	0.5			
DH11-146	56.50	58.00	1.50	1411292	16.6	1.2	1			
DH11-146	58.00	59.44	1.44	1411293	5.7	0.5	0.7			
DH11-147	17.40	19.40	2.00	1411294	61.8	2	2.4			
DH11-147	19.40	20.50	1.10	1411295	370.9	4.8	11.7			HV1
DH11-147	20.50	21.60	1.10	1411296	40.1	1.3	1.2			HV1
DH11-147	21.60	22.70	1.10	1411297	852.7	8.8	14.5			HV1
DH11-147	22.70	24.70	2.00	1411298	53.1	1.9	2.1			
DH11-147	30.50	32.00	1.50	1411299	55.4	2.3	2.2			
DH11-147	32.00	33.00	1.00	1411300	725.3	8.7	14.1			
DH11-147	33.00	34.50	1.50	1411301	31.2	1.9	1			
DH11-147	40.00	41.65	1.65	1411303	25.7	1.9	0.8			
DH11-147	41.65	42.80	1.15	1411304	2619.7	31.3	44.1	2.1	<50	SGR
DH11-147	42.80	43.45	0.65	1411305	63499.4	>100.0	1156	51.8	655	MVN

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-147	43.45	45.00	1.55	1411306	1831.5	38.8	40.4	1.6	<50	SGR
DH11-147	60.50	62.51	2.01	1411307	484.2	9.5	12.3			SGR
DH11-147	62.51	62.85	0.34	1411308	909	12.1	18			SGR
DH11-147	62.85	63.15	0.30	1411309	3199.9	51	56	2.4	53	FV1
DH11-147	63.15	64.25	1.10	1411310	2118.3	27	43.2	1.7	<50	SGR
DH11-147	64.25	65.35	1.10	1411312	1378.1	23.2	31	1.3	<50	SGR
DH11-147	65.35	66.45	1.10	1411313	1400.5	20.1	30.3	1.1	<50	SGR
DH11-147	66.45	67.45	1.00	1411314	765.8	8.3	12.9			SGR
DH11-147	67.45	67.85	0.40	1411315	14764.6	71.9	336.6	11.6	71	FV2
DH11-147	67.85	69.85	2.00	1411316	219.7	4.2	5.7			
DH11-148	0.00	3.90	3.90	1411318	625.6	13.7	20.6			SGR
DH11-148	3.90	5.00	1.10	1411319	4363.5	86.3	119.8	3.6	84	SGR
DH11-148	5.00	6.40	1.40	1411320	180.1	10.9	5.8			SGR
DH11-148	6.40	7.90	1.50	1411321	1699.4	39.1	42.9	1.3	<50	SGR
DH11-148	7.90	9.40	1.50	1411322	2486.5	76	69.8	2.2	80	SGR
DH11-148	9.40	10.90	1.50	1411323	209.4	10.3	7.2			SGR
DH11-148	10.90	12.40	1.50	1411324	902.8	28.8	25.5			SGR
DH11-148	12.40	13.90	1.50	1411325	172.7	7.7	23.3			SGR
DH11-148	13.90	14.80	0.90	1411327	2995.8	76.3	104.6	2.5	77	MVN
DH11-148	14.80	15.80	1.00	1411328	4249	>100.0	128.1	3.3	98	MVN
DH11-148	15.80	16.80	1.00	1411329	733.2	23.5	19			MVN
DH11-148	16.80	17.80	1.00	1411330	635.5	7.4	13.8			MVN
DH11-148	17.80	19.30	1.50	1411331	118.7	3.7	5.5			
DH11-148	19.30	20.80	1.50	1411332	93.8	3.2	3.7			
DH11-148	20.80	22.30	1.50	1411333	14.3	0.4	0.5			
DH11-148	22.30	23.80	1.50	1411334	20.8	0.9	1.1			
DH11-148	23.80	25.30	1.50	1411336	34.1	1.1	1			
DH11-148	25.30	26.80	1.50	1411337	52.9	1.8	2.5			
DH11-148	26.80	28.30	1.50	1411338	41.8	1	1.1			
DH11-148	28.30	29.83	1.53	1411339	12.6	0.6	0.7			
DH11-148	29.83	32.00	2.17	1411340	231.9	4.8	6.5			
DH11-148	32.00	32.32	0.32	1411341	1102.2	13.9	23	0.9	<50	FV1
DH11-148	32.32	33.44	1.12	1411342	48.1	2.2	1.7			
DH11-148	33.44	34.56	1.12	1411343	190.7	7.8	14.3			SGR
DH11-148	34.56	35.20	0.64	1411345	92970.3	>100.0	1707	88.7	1092	FV2
DH11-148	35.20	36.70	1.50	1411346	489.1	11.2	15.3			SGR
DH11-148	36.70	38.20	1.50	1411347	459.7	7.5	10.3			SGR
DH11-148	38.20	39.70	1.50	1411348	432.2	6.1	8.9			SGR
DH11-148	39.70	41.20	1.50	1411349	65.7	1.5	1.8			
DH11-148	41.20	42.70	1.50	1411350	479.9	7.4	10.2			
DH11-148	42.70	44.20	1.50	1411351	76.6	2.4	2.2			
DH11-148	44.20	45.70	1.50	1411352	31.8	1.5	1.4			
DH11-148	45.70	47.20	1.50	1411354	44.1	2.2	2.2			
DH11-148	47.20	48.70	1.50	1411355	75	2.7	3			
DH11-148	48.70	49.80	1.10	1411356	24.9	1	3.3			
DH11-148	49.80	50.90	1.10	1411357	26	1.1	1.4			

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-149	0.00	3.00	3.00	1411358	4.2	0.4	0.5			
DH11-149	3.00	5.00	2.00	1411359	3.6	0.2	<0.2			
DH11-149	5.00	6.85	1.85	1411360	21.2	22	8.3			
DH11-149	6.85	7.35	0.50	1411361	<0.5	0.2	<0.2			
DH11-149	7.35	8.10	0.75	1411362	<0.5	0.4	<0.2			
DH11-149	8.10	10.00	1.90	1411363	2	0.1	<0.2			
DH11-149	19.50	21.00	1.50	1411364	17.5	1	0.9			
DH11-149	21.00	22.00	1.00	1411365	9172.2	>100.0	303.2	7.8	330	VN
DH11-149	22.00	23.55	1.55	1411367	464.8	19	16.5			SGR
DH11-149	23.55	24.50	0.95	1411368	513.5	12.4	17.6			SGR
DH11-149	24.50	25.50	1.00	1411369	242.9	10.3	10.6			SGR
DH11-149	25.50	26.50	1.00	1411370	260.7	10.4	11.2			SGR
DH11-149	26.50	27.75	1.25	1411371	22.5	1.1	1			
DH11-149	27.75	29.10	1.35	1411372	13.1	2	0.9			
DH11-149	29.10	30.60	1.50	1411373	2.1	0.7	0.6			
DH11-149	35.50	37.10	1.60	1411374	1.9	0.8	0.7			
DH11-149	37.10	38.60	1.50	1411376	1.4	0.7	0.6			
DH11-149	38.60	40.10	1.50	1411377	0.9	0.9	0.5			
DH11-149	40.10	41.76	1.66	1411378	32.8	1.3	1.5			
DH11-149	41.76	43.75	1.99	1411379	1.6	0.3	0.3			
DH11-149	43.75	45.85	2.10	1411380	85.5	3.4	4.1			
DH11-149	45.85	47.95	2.10	1411381	262	7.9	9.4			
DH11-149	47.95	50.13	2.18	1411382	266.4	8	8.6			
DH11-149	50.13	52.00	1.87	1411383	1.3	0.3	0.3			
DH11-150	0.00	4.00	4.00	1411385	17.6	2.6	1.1			
DH11-150	4.00	6.00	2.00	1411386	18.3	0.7	0.6			
DH11-150	6.00	8.00	2.00	1411387	4.6	0.3	<0.2			
DH11-150	8.00	10.00	2.00	1411388	0.9	0.3	<0.2			
DH11-150	10.00	12.00	2.00	1411389	3.9	1	0.6			
DH11-150	12.00	14.00	2.00	1411390	29.9	0.8	0.4			
DH11-150	14.00	16.00	2.00	1411391	20.2	0.6	0.4			
DH11-150	16.00	18.00	2.00	1411392	21.3	1.5	2.6			
DH11-150	18.00	20.00	2.00	1411394	20.3	1.5	1.4			
DH11-150	20.00	21.55	1.55	1411395	79.9	5.2	5.1			
DH11-150	21.55	22.50	0.95	1411396	499.8	14.8	39.5			SGR
DH11-150	22.50	23.50	1.00	1411397	158.2	8	16.9			SGR
DH11-150	23.50	24.50	1.00	1411398	168.3	10.6	18.6			SGR
DH11-150	24.50	26.50	2.00	1411399	61.4	3.1	2.8			
DH11-150	26.50	28.00	1.50	1411400	65.7	2.8	3.2			
DH11-150	28.00	29.50	1.50	1411401	67.7	4.8	2.9			
DH11-150	29.50	31.00	1.50	1411403	97	4.4	3.7			
DH11-150	31.00	32.88	1.88	1411404	191.7	7.5	9			
DH11-150	32.88	33.18	0.30	1411405	61.6	4.6	4			
DH11-150	33.18	34.50	1.32	1411406	63.5	3.2	3.3			
DH11-150	34.50	36.00	1.50	1411407	82.6	4.9	4.7			
DH11-150	36.00	37.50	1.50	1411408	106.9	4.9	9.3			COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-150	37.50	39.00	1.50	1411409	4606.9	81.7	98.3	4.3	87	COZ
DH11-150	39.00	40.50	1.50	1411410	2574.7	61.7	120.7	2.3	64	COZ
DH11-150	40.50	42.00	1.50	1411412	526.8	16.5	25.9			COZ
DH11-150	42.00	44.00	2.00	1411413	127.3	5.6	5.3			COZ
DH11-150	44.00	46.00	2.00	1411414	54.9	2.6	2.2			
DH11-150	46.00	48.00	2.00	1411415	17.9	1.3	0.9			
DH11-150	48.00	50.00	2.00	1411416	65.1	2.9	2.1			
DH11-150	50.00	50.50	0.50	1411417	51.1	3.7	3.2			
DH11-150	50.50	52.00	1.50	1411418	1609.3	67.3	56	1.5	65	SGR
DH11-150	52.00	54.00	2.00	1411419	117.7	4.1	4.7			
DH11-150	54.00	56.00	2.00	1411421	12	1.1	0.5			
DH11-150	56.00	58.00	2.00	1411422	6	1.3	0.7			
DH11-150	58.00	60.00	2.00	1411423	3.6	1.3	1.3			
DH11-150	60.00	62.00	2.00	1411424	1.3	1	0.3			
DH11-150	62.00	64.00	2.00	1411425	1	0.7	0.3			
DH11-150	64.00	66.00	2.00	1411426	13.9	3.9	8.1			
DH11-150	66.00	68.00	2.00	1411427	<0.5	0.3	0.7			
DH11-150	68.00	70.00	2.00	1411428	<0.5	0.7	0.6			
DH11-150	70.00	72.00	2.00	1411430	3	1.8	1			
DH11-150	72.00	74.00	2.00	1411431	0.8	0.1	<0.2			
DH11-150	74.00	75.29	1.29	1411432	1.6	0.7	1.5			
DH11-151	9.00	10.80	1.80	1411433	32.4	1.9	1.6			
DH11-151	10.80	12.50	1.70	1411434	113.8	5.2	4.9			
DH11-151	12.50	14.00	1.50	1411435	172.8	13.1	12.3			
DH11-151	14.00	15.50	1.50	1411436	18.8	1.2	0.9			
DH11-151	23.00	24.40	1.40	1411437	6.5	1.4	0.8			
DH11-151	24.40	25.75	1.35	1411438	700.5	39	44.8			VN
DH11-151	25.75	27.80	2.05	1411439	7.2	1	0.7			
DH11-151	27.80	28.10	0.30	1411440	315.6	13.9	23.4			VN
DH11-151	28.10	30.00	1.90	1411442	27.8	2.7	2.5			
DH11-151	42.00	44.00	2.00	1411443	8.6	0.3	0.3			
DH11-151	44.00	46.00	2.00	1411444	19.4	1.5	2.1			
DH11-151	46.00	48.00	2.00	1411445	31.6	2.7	3.5			
DH11-151	48.00	49.15	1.15	1411446	13.3	1	2.2			
DH11-151	49.15	49.65	0.50	1411447	19.6	0.5	1.1			
DH11-151	49.65	51.00	1.35	1411448	38.3	1.7	1.5			
DH11-151	51.00	52.00	1.00	1411449	124.5	5.3	4.4			COZ
DH11-151	52.00	53.00	1.00	1411451	140.4	8.6	7.7			COZ
DH11-151	53.00	54.00	1.00	1411452	6.2	1	0.4			COZ
DH11-151	54.00	55.00	1.00	1411453	564.9	21.3	18.7			COZ
DH11-151	55.00	56.00	1.00	1411454	147.3	7.3	5.2			COZ
DH11-151	56.00	57.00	1.00	1411455	40.9	3.7	2.8			COZ
DH11-151	57.00	58.00	1.00	1411456	53.5	3.1	2.8			COZ
DH11-151	58.00	59.00	1.00	1411457	5.9	1.7	1.2			COZ
DH11-151	59.00	59.80	0.80	1411458	20.8	1.9	1.3			COZ
DH11-151	59.80	60.65	0.85	1411460	4537.9	>100.0	173.8	4.3	177	COZ

DEER HORN PROJECT - 2011 DRILL RESULTS - PLOTTING DATA

	SAMPLE INTERVALS				RESULTS - ICP			RESULTS - ASSAY GRAV FINISH		
Drill Hole	From (m)	To (m)	Length (m)	Sample ID	Au (ppb)	Ag (ppm)	Te (ppm)	Au (g/t)	Ag (g/t)	ZONE
DH11-151	60.65	62.20	1.55	1411461	96	5.8	4.1			COZ
DH11-151	62.20	63.80	1.60	1411462	349.2	23.1	16.7			COZ
DH11-151	63.80	65.35	1.55	1411463	256.3	13	11.6			COZ
DH11-151	65.35	65.60	0.25	1411464	8365.8	>100.0	390.3	8.1	411	VN
DH11-151	65.60	67.00	1.40	1411465	264.9	8.6	9.7			SGR
DH11-151	67.00	68.50	1.50	1411466	77	3.4	2.9			
DH11-151	68.50	70.00	1.50	1411467	15.4	1.8	1.1			
DH11-151	70.00	71.50	1.50	1411469	13.4	3.3	8			
DH11-151	71.50	73.00	1.50	1411470	5	2.6	2.4			
DH11-151	73.00	74.60	1.60	1411471	2	5	2			
DH11-151	74.60	76.00	1.40	1411472	5.4	2	2.2			
DH11-151	76.00	78.00	2.00	1411473	<0.5	<0.1	<0.2			
DH11-151	78.00	79.95	1.95	1411474	<0.5	0.5	<0.2			
DH11-151	79.95	81.50	1.55	1411475	<0.5	<0.1	<0.2			

COZ = Contact zone
MVN = Main Vein
SGR = stringer mineralization marginal to discrete veins
STK = stockwork mineralization marginal to discrete veins
HV1 = Hangingwall Vein to Main Vein (1 denotes closest HW vein to Main vein)
FV1 = Footwall Vein to Main Vein (1 denotes closest FW vein to Main vein)
DYK = post-mineral dyke
QBX = Quartz breccia; generally weakly mineralized
SVN = sediment-hosted vein

APPENDIX B – LISTING OF ALL KNOWN DIAMOND DRILLHOLE COLLAR LOCATIONS

Data used in Resource are highlighted in blue.

HOLE	EASTING	NORTHING	ELEVATION	HLENGTH	TYPE
1361333	613950.00	5913910.00	1281.00	1.10	Trench
1361334	614230.00	5913859.00	1222.00	0.80	Trench
1361335	614227.00	5913851.00	1219.00	0.90	Trench
1361336	614272.00	5913875.00	1220.00	0.50	Trench
1361401	613536.00	5913909.00	1403.00	1.60	Trench
1361402	613534.00	5913913.00	1404.00	1.40	Trench
1361403	613524.00	5913913.00	1404.00	0.55	Trench
1361404	613610.00	5913988.00	1407.00	2.15	Trench
1361405	613870.00	5913916.00	1302.00	1.30	Trench
89-01	613877.56	5913938.20	1305.40	60.37	DDH
89-02	613877.56	5913938.20	1305.40	60.37	DDH
89-03	613877.56	5913938.20	1305.40	88.09	DDH
89-04	613877.56	5913938.20	1305.40	115.82	DDH
89-05	613877.32	5913934.56	1303.80	106.40	DDH
89-06	613934.97	5913934.27	1287.30	66.40	DDH
89-07	613934.97	5913934.27	1287.30	51.80	DDH
89-08	613934.97	5913934.27	1287.30	54.60	DDH
89-09	613934.97	5913934.27	1287.30	91.10	DDH
89-10	614081.17	5913989.05	1279.40	69.50	DDH
89-11	614081.46	5913893.24	1245.00	69.80	DDH
89-12	614081.46	5913893.24	1245.00	72.50	DDH

89-13	614081.17	5913989.05	1279.40	68.90	DDH
89-14	614266.66	5913904.44	1224.70	104.80	DDH
89-15	614266.66	5913904.44	1224.70	60.40	DDH
89-16	614266.66	5913904.44	1224.70	67.70	DDH
89-17	614266.30	5913910.37	1225.50	82.90	DDH
89-18	614266.30	5913910.37	1225.50	78.94	DDH
89-19	614266.30	5913910.37	1225.50	60.96	DDH
89-20	614145.32	5913904.12	1234.80	75.90	DDH
89-21	614145.32	5913904.12	1234.80	72.95	DDH
89-22	614145.32	5913904.12	1234.80	96.01	DDH
89-23	614145.32	5913898.78	1234.20	60.66	DDH
89-24	614145.32	5913898.78	1234.20	46.94	DDH
89-25	613770.83	5913944.47	1334.60	63.40	DDH
89-26	613770.83	5913944.47	1334.60	66.40	DDH
89-27	613770.83	5913944.47	1334.60	69.80	DDH
89-28	613770.77	5913938.55	1331.70	57.60	DDH
89-29	613742.85	5913941.13	1340.00	89.30	DDH
89-30	613742.85	5913941.13	1340.00	60.60	DDH
89-31	613742.85	5913941.13	1340.00	62.50	DDH
90-32	613830.41	5913956.91	1325.60	42.40	DDH
90-33	613830.41	5913956.91	1325.60	63.40	DDH
90-34	613830.41	5913956.91	1325.60	48.20	DDH
90-35	613830.82	5913952.51	1321.80	61.00	DDH
90-36	613830.82	5913952.51	1321.80	160.60	DDH

90-37	613797.04	5913956.91	1332.60	45.70	DDH
90-38	613797.04	5913956.91	1332.60	45.70	DDH
90-39	613797.04	5913956.91	1332.60	45.10	DDH
90-40	613797.04	5913956.91	1332.60	60.40	DDH
90-41	613797.04	5913956.91	1332.60	78.90	DDH
90-42	613935.26	5913928.87	1285.60	83.30	DDH
90-43	613935.26	5913928.87	1285.60	45.70	DDH
90-44	613935.26	5913928.87	1285.60	57.90	DDH
90-45	613935.26	5913928.87	1285.60	85.30	DDH
90-46	613974.91	5913953.06	1289.60	76.20	DDH
90-47	613974.91	5913953.06	1289.60	36.00	DDH
90-48	613974.91	5913953.06	1289.60	82.30	DDH
90-49	613934.93	5913828.41	1248.00	161.50	DDH
90-50	613934.93	5913828.41	1248.00	152.40	DDH
90-51	613933.88	5913828.67	1248.50	167.60	DDH
90-52	613708.67	5913956.85	1358.40	61.00	DDH
90-53	613708.67	5913956.85	1358.40	68.60	DDH
90-54	613708.67	5913956.85	1358.40	67.10	DDH
90-55	613708.67	5913956.85	1358.40	85.30	DDH
90-56	613708.67	5913956.85	1358.40	73.20	DDH
90-57	613650.08	5913956.26	1374.90	70.10	DDH
90-58	613650.08	5913956.26	1374.90	78.90	DDH
90-59	613650.08	5913956.26	1374.90	70.10	DDH
90-60	613650.08	5913956.26	1374.90	82.30	DDH

DDH-1	613771.00	5913933.00	1329.50	83.80	DDH
DDH-10	614107.97	5913896.67	1236.20	60.70	DDH
DDH-13	614224.12	5913880.79	1221.00	94.50	DDH
DDH-14	614120.94	5913892.97	1237.40	88.80	DDH
DDH-15	613818.18	5913950.15	1324.10	107.00	DDH
DDH-16	614120.94	5913892.97	1235.50	41.30	DDH
DDH-17	614112.20	5913918.10	1242.00	55.30	DDH
DDH-18	613818.18	5913950.15	1324.10	100.40	DDH
DDH-19	614113.26	5913917.04	1241.00	68.30	DDH
DDH-2	613765.86	5913939.53	1333.40	49.40	DDH
DDH-20	613818.18	5913950.15	1324.10	61.20	DDH
DDH-21	613969.33	5913919.69	1274.20	38.70	DDH
DDH-23	613969.33	5913919.69	1274.20	59.40	DDH
DDH-25	613976.47	5913946.94	1286.90	79.20	DDH
DDH-27	613976.47	5913946.94	1286.90	55.50	DDH
DDH-29	613976.47	5913949.59	1287.90	54.90	DDH
DDH-3	613826.45	5913943.50	1319.70	64.30	DDH
DDH-30	613731.20	5913979.48	1361.00	74.10	DDH
DDH-31	613618.76	5913969.43	1395.20	64.60	DDH
DDH-32	613731.20	5913979.48	1361.00	97.80	DDH
DDH-33	613618.76	5913969.43	1389.50	85.00	DDH
DDH-34	613731.20	5913979.48	1361.00	63.20	DDH
DDH-35	613621.67	5913969.96	1394.20	76.30	DDH
DDH-36	613707.39	5913930.54	1345.50	90.20	DDH

DDH-37	613661.88	5913849.84	1327.80	136.90	DDH
DDH-4	613826.45	5913936.89	1317.60	183.60	DDH
DDH-5	613826.45	5913936.89	1317.60	200.60	DDH
DDH-6	613825.13	5913936.62	1317.60	146.90	DDH
DDH-7	613814.55	5913941.91	1320.50	53.60	DDH
DDH-9	613618.76	5913969.43	1395.20	61.70	DDH
DH09-061	613973.00	5913912.00	1272.20	30.48	DDH
DH09-062	613973.00	5913912.00	1272.20	39.62	DDH
DH09-063	613973.00	5913912.00	1272.20	76.20	DDH
DH09-064	613973.00	5913918.00	1273.00	73.20	DDH
DH09-065	613823.00	5913936.00	1317.70	79.20	DDH
DH09-066	613823.00	5913936.00	1317.70	75.30	DDH
DH09-067	613823.00	5913936.00	1317.70	78.00	DDH
DH09-068	613823.00	5913936.00	1317.70	35.10	DDH
DH09-069	613823.00	5913936.00	1317.70	61.00	DDH
DH09-070	613823.00	5913934.00	1317.60	77.70	DDH
DH09-072	613657.30	5913953.30	1374.30	68.28	DDH
DH09-073	613657.30	5913953.30	1374.30	68.58	DDH
DH09-074	613657.30	5913953.30	1374.30	69.42	DDH
DH09-075	613657.30	5913953.30	1371.30	66.60	DDH
DH09-076	613699.10	5913934.10	1349.40	29.57	DDH
DH09-077	613699.10	5913934.10	1394.40	23.77	DDH
DH09-078	613717.80	5913931.40	1342.50	36.58	DDH
DH09-079	613717.80	5913931.40	1342.50	28.65	DDH

DH09-080	613738.40	5913933.70	1338.80	36.58	DDH
DH09-081	613738.40	5913933.70	1338.80	29.87	DDH
DH09-082	613766.30	5913940.50	1333.40	41.79	DDH
DH09-083	613766.30	5913940.50	1333.40	46.33	DDH
DH09-084	613752.00	5913921.00	1331.80	32.92	DDH
DH09-085	613752.00	5913921.00	1331.80	36.27	DDH
DH09-086	613752.00	5913921.00	1331.80	32.31	DDH
DH09-087	613788.00	5913945.00	1328.80	48.77	DDH
DH09-088	613788.00	5913945.00	1328.80	50.29	DDH
DH09-089	613788.00	5913945.00	1328.80	41.45	DDH
DH09-090	613804.00	5913954.00	1326.90	53.34	DDH
DH09-091	613804.00	5913954.00	1326.90	39.01	DDH
DH09-092	613801.00	5913916.00	1313.80	30.79	DDH
DH09-093	613801.00	5913916.00	1313.80	29.26	DDH
DH09-094	613910.00	5913914.00	1284.90	51.82	DDH
DH09-095	613910.00	5913914.00	1284.90	35.05	DDH
DH09-096	613912.00	5913913.00	1284.90	53.04	DDH
DH11-097	614275.00	5913899.00	1223.60	74.98	DDH
DH11-098	614224.00	5913883.00	1221.50	63.10	DDH
DH11-099	614224.00	5913884.00	1221.85	78.30	DDH
DH11-100	614275.00	5913893.00	1222.90	59.70	DDH
DH11-101	614122.00	5913892.00	1235.60	50.90	DDH
DH11-102	614122.00	5913892.00	1235.60	53.95	DDH
DH11-103	614074.00	5913871.00	1243.10	50.30	DDH

DH11-104	613903.00	5913867.00	1272.90	57.00	DDH
DH11-105	613946.00	5913922.00	1281.20	78.00	DDH
DH11-106	613878.00	5913936.00	1304.35	8.42	DDH
DH11-107	613878.00	5913936.00	1304.35	81.38	DDH
DH11-108	613902.00	5913928.00	1295.75	93.60	DDH
DH11-109	613847.00	5913940.00	1316.80	32.30	DDH
DH11-110	613847.00	5913940.00	1316.80	166.70	DDH
DH11-111	613846.00	5913945.00	1318.20	111.86	DDH
DH11-112	613804.00	5913957.00	1328.20	57.00	DDH
DH11-113	613728.00	5913906.00	1332.90	26.52	DDH
DH11-114	613728.00	5913905.00	1332.60	39.62	DDH
DH11-115	613779.00	5913983.00	1354.30	53.94	DDH
DH11-116	613748.00	5913974.00	1356.30	69.19	DDH
DH11-117	613748.00	5913975.00	1355.90	66.14	DDH
DH11-118	613726.00	5913958.00	1354.80	78.33	DDH
DH11-119	613697.00	5913951.00	1359.20	60.04	DDH
DH11-120	613698.00	5913947.00	1357.00	47.85	DDH
DH11-121	613667.00	5913928.00	1359.70	38.71	DDH
DH11-122	613648.00	5913951.00	1374.90	58.22	DDH
DH11-123	613649.00	5913953.00	1374.80	84.30	DDH
DH11-124	613520.00	5913957.00	1430.40	26.50	DDH
DH11-125	613520.00	5913958.00	1430.60	72.23	DDH
DH11-126	613589.00	5913997.00	1418.50	69.19	DDH
DH11-127	613588.00	5913994.00	1419.10	150.60	DDH

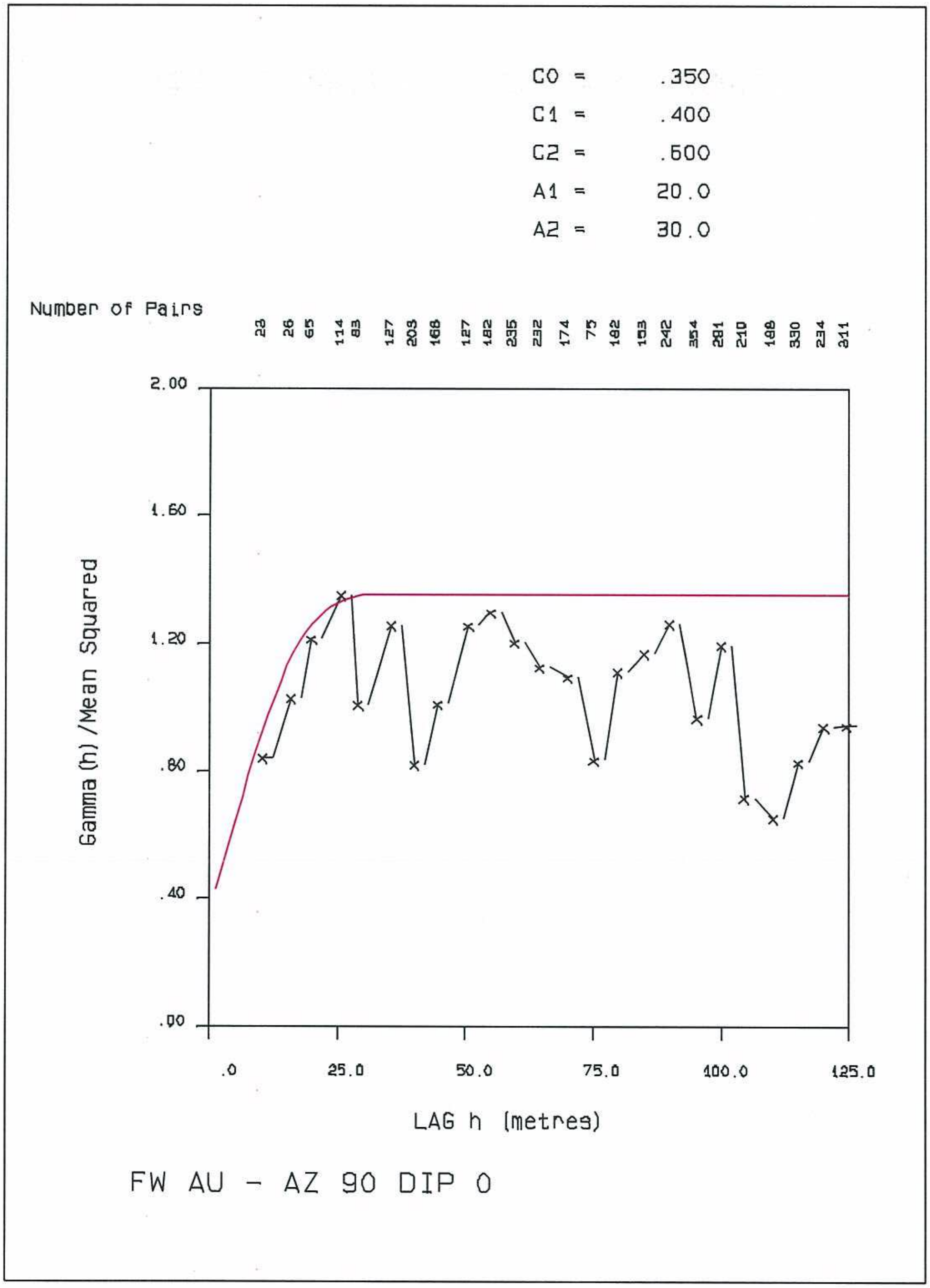
DH11-128	613549.00	5913961.00	1423.00	71.32	DDH
DH11-129	613549.00	5913960.00	1422.90	59.40	DDH
DH11-130	613520.00	5913962.00	1430.95	50.30	DDH
DH11-131	613521.00	5913959.00	1430.45	92.40	DDH
DH11-132	613402.00	5913929.00	1461.50	32.60	DDH
DH11-133	613401.00	5913928.00	1461.60	72.20	DDH
DH11-134	613302.00	5913913.00	1505.50	96.60	DDH
DH11-135	613301.00	5913915.00	1506.60	104.90	DDH
DH11-136	613337.00	5913958.00	1502.20	49.99	DDH
DH11-137	613341.00	5913959.00	1500.35	72.24	DDH
DH11-138	613187.00	5913902.00	1552.65	93.57	DDH
DH11-139	613198.00	5913839.00	1520.40	66.14	DDH
DH11-140	613414.00	5913887.00	1440.20	121.01	DDH
DH11-141	613656.00	5913954.00	1374.50	47.85	DDH
DH11-142	613750.00	5913970.00	1353.75	81.38	DDH
DH11-143	613726.00	5913964.00	1357.10	63.09	DDH
DH11-144	613843.00	5913938.00	1316.80	75.29	DDH
DH11-145	613949.00	5913925.00	1280.95	63.09	DDH
DH11-146	613921.00	5913922.00	1284.85	59.44	DDH
DH11-147	613920.00	5913917.00	1283.90	75.29	DDH
DH11-148	613877.00	5913930.00	1303.00	50.90	DDH
DH11-149	613827.00	5913971.00	1332.50	53.95	DDH
DH11-150	613767.00	5913947.00	1337.60	75.29	DDH
DH11-151	613669.00	5913933.00	1361.10	87.48	DDH

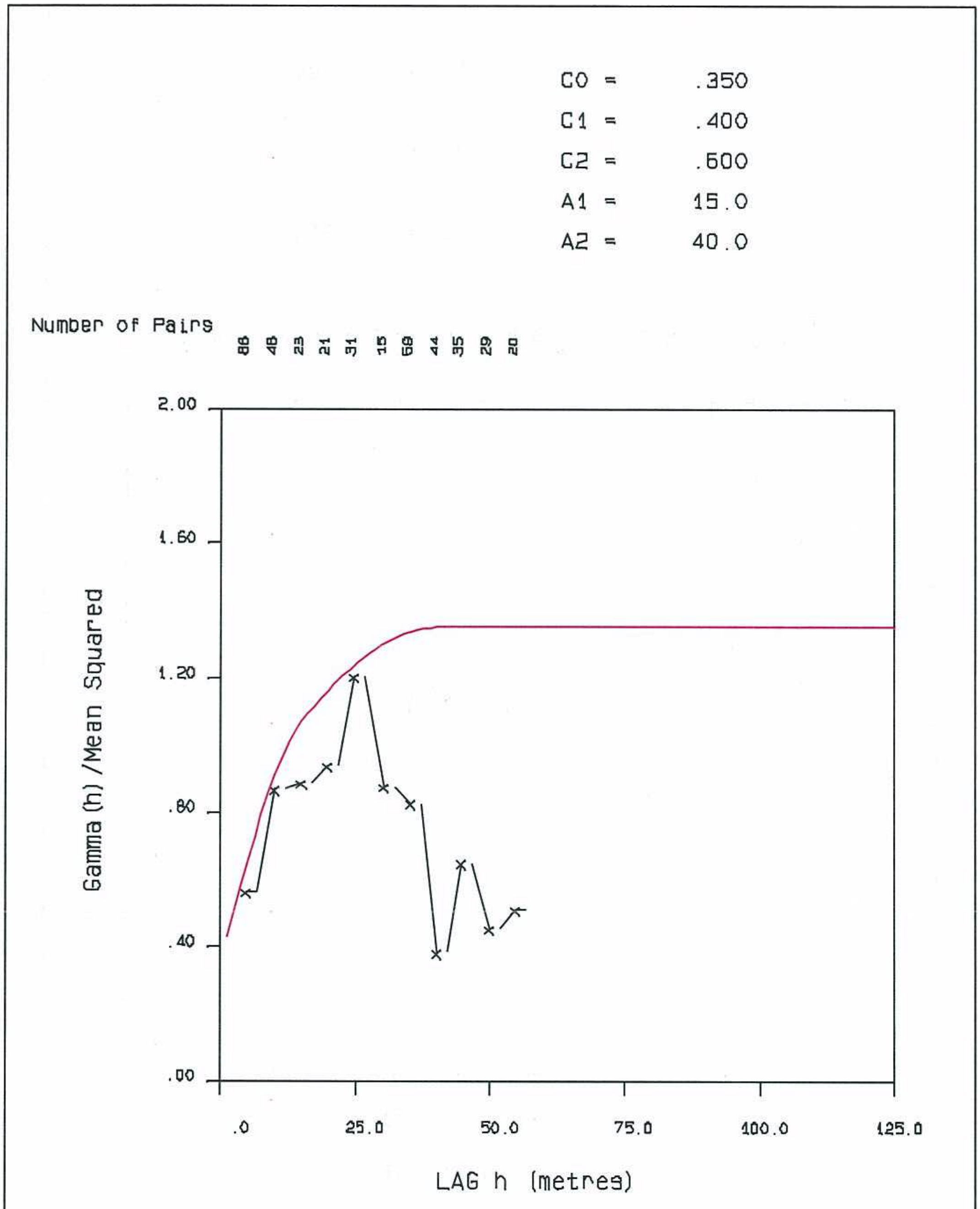
TR09-001	613912.40	5913822.70	1251.40	2.05	Trench
TR09-002	613847.50	5913910.30	1301.90	1.30	Trench
TR09-003	613871.00	5913873.60	1281.60	0.95	Trench
TR09-004	613822.50	5913907.00	1307.20	3.05	Trench
TR09-005	613813.10	5913902.20	1308.20	1.90	Trench
TR09-006	613885.00	5913976.00	1315.30	0.52	Trench
TR09-007	613919.00	5913961.00	1300.50	0.87	Trench
TR09-008	613776.60	5913902.30	1315.90	1.40	Trench
TR09-009	613625.00	5913917.00	1366.20	0.33	Trench
TR09-010	613604.00	5913978.00	1405.20	0.90	Trench
TR09-012	614267.00	5913874.00	1217.50	0.48	Trench
TR09-013	614271.00	5913875.00	1216.80	0.32	Trench
TR09-014	614286.00	5913859.00	1211.50	0.70	Trench
TR09-015	614326.00	5913844.00	1201.10	0.70	Trench
TR09-016	614168.00	5913927.00	1234.50	1.40	Trench
TR09-017	614071.00	5913930.00	1252.40	2.00	Trench
TR09-018	613955.60	5913903.80	1273.60	1.37	Trench
TR09-030	613734.00	5913910.00	1329.30	0.40	Trench
TR09-035	613832.00	5913908.30	1304.80	2.05	Trench
TR09-036	613795.90	5913893.00	1308.80	2.08	Trench
TR09-037	613750.40	5913892.10	1319.50	1.60	Trench
TR09-038	613748.50	5913897.40	1320.90	0.70	Trench
TR09-039	613728.00	5913876.00	1319.70	0.60	Trench
TR09-040	613719.70	5913912.70	1335.90	1.00	Trench

TR09-041	613805.40	5913896.60	1308.80	1.00	Trench
TR09-042	613809.60	5913898.20	1307.80	1.23	Trench
TR09-043	613826.70	5913905.00	1305.00	1.93	Trench
TR09-044	613837.50	5913908.00	1302.90	1.32	Trench
TR09-046	613752.40	5913920.00	1331.30	0.35	Trench
TR09-047	613752.40	5913923.00	1332.20	0.35	Trench
TR09-048	613885.00	5913900.70	1287.90	2.80	Trench
TR09-049	613790.00	5913888.00	1307.10	0.55	Trench
TR09-050	613788.50	5913948.70	1330.30	0.63	Trench
XR-1	614270.69	5913803.27	1207.50	19.80	X-Ray
XR-11	613852.91	5913896.67	1294.90	19.10	X-Ray
XR-16	613803.44	5913924.72	1316.60	31.40	X-Ray
XR-17	613775.65	5913913.87	1320.90	34.70	X-Ray
XR-18	613732.26	5913918.37	1333.60	17.10	X-Ray
XR-19	613732.26	5913918.37	1333.60	26.50	X-Ray
XR-23	613689.14	5913936.62	1353.40	21.90	X-Ray
XR-24	613690.19	5913939.00	1354.40	18.60	X-Ray
XR-25	613672.47	5913940.86	1362.30	36.60	X-Ray
XR-26	613673.52	5913941.91	1362.70	28.30	X-Ray
XR-27	613645.72	5913955.18	1378.20	44.80	X-Ray
XR-28	613583.30	5913940.33	1399.50	43.30	X-Ray
XR-29	613584.10	5913938.74	1398.70	43.30	X-Ray
XR-30	613766.39	5913949.32	1339.00	43.90	X-Ray
XR-7	613906.36	5913824.17	1254.50	6.40	X-Ray

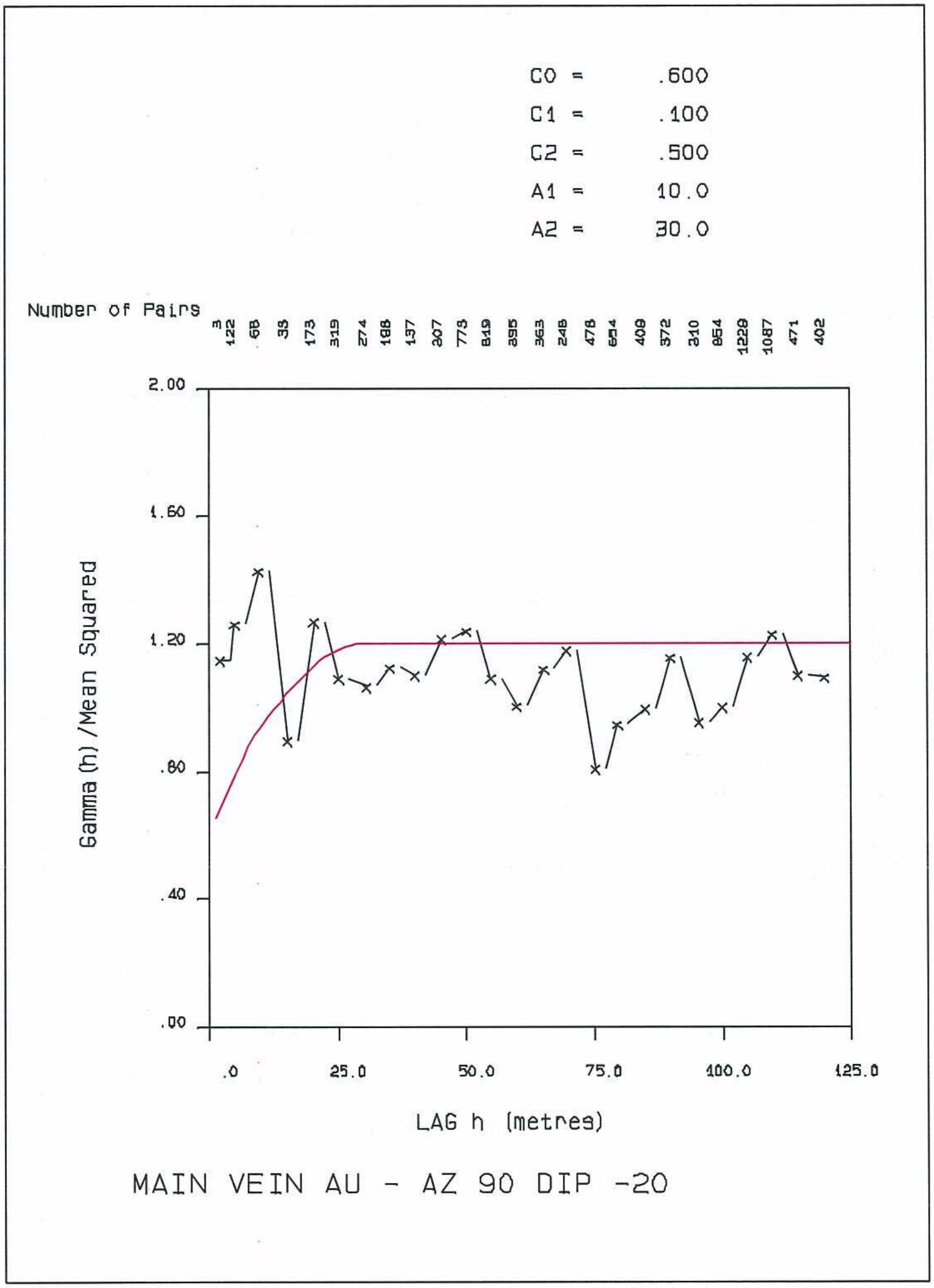
XR-8	613900.27	5913827.88	1257.80	12.20	X-Ray

APPENDIX C – SEMIVARIOGRAMS FOR GOLD

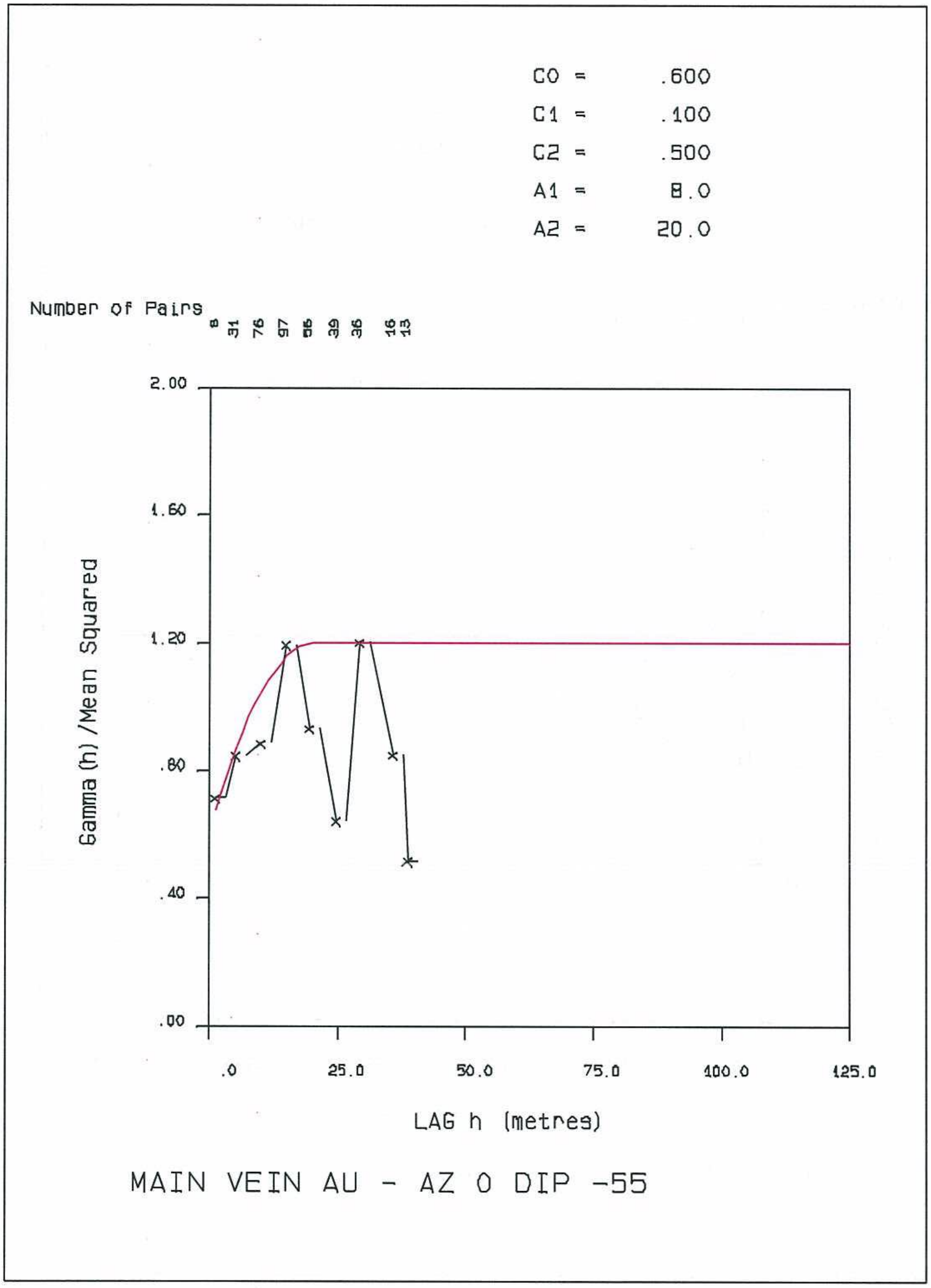

C0 = .350
C1 = .400
C2 = .600
A1 = 20.0
A2 = 30.0
Number of Pairs
23 26 65 114 83 127 203 168 127 182 235 232 174 75 182 153 242 354 281 210 188 330 234 311
2.00
1.60
1.20
.80
.40
.00
Gamma (h) /Mean Squared
.0
25.0
50.0
75.0
100.0
125.0
LAG h (metres)
FW AU - AZ 90 DIP 0



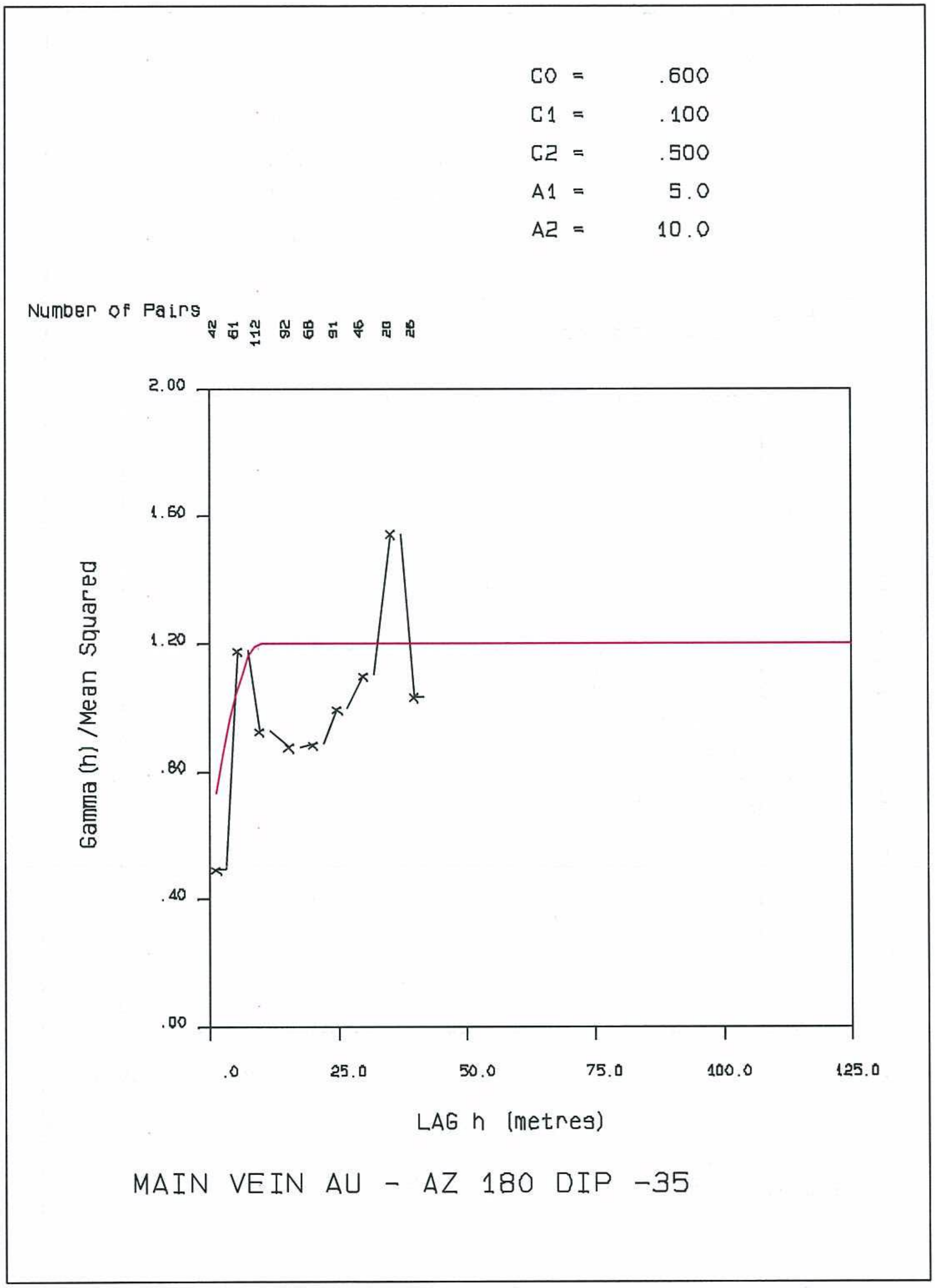
FW AU - AZ 180 DIP -50

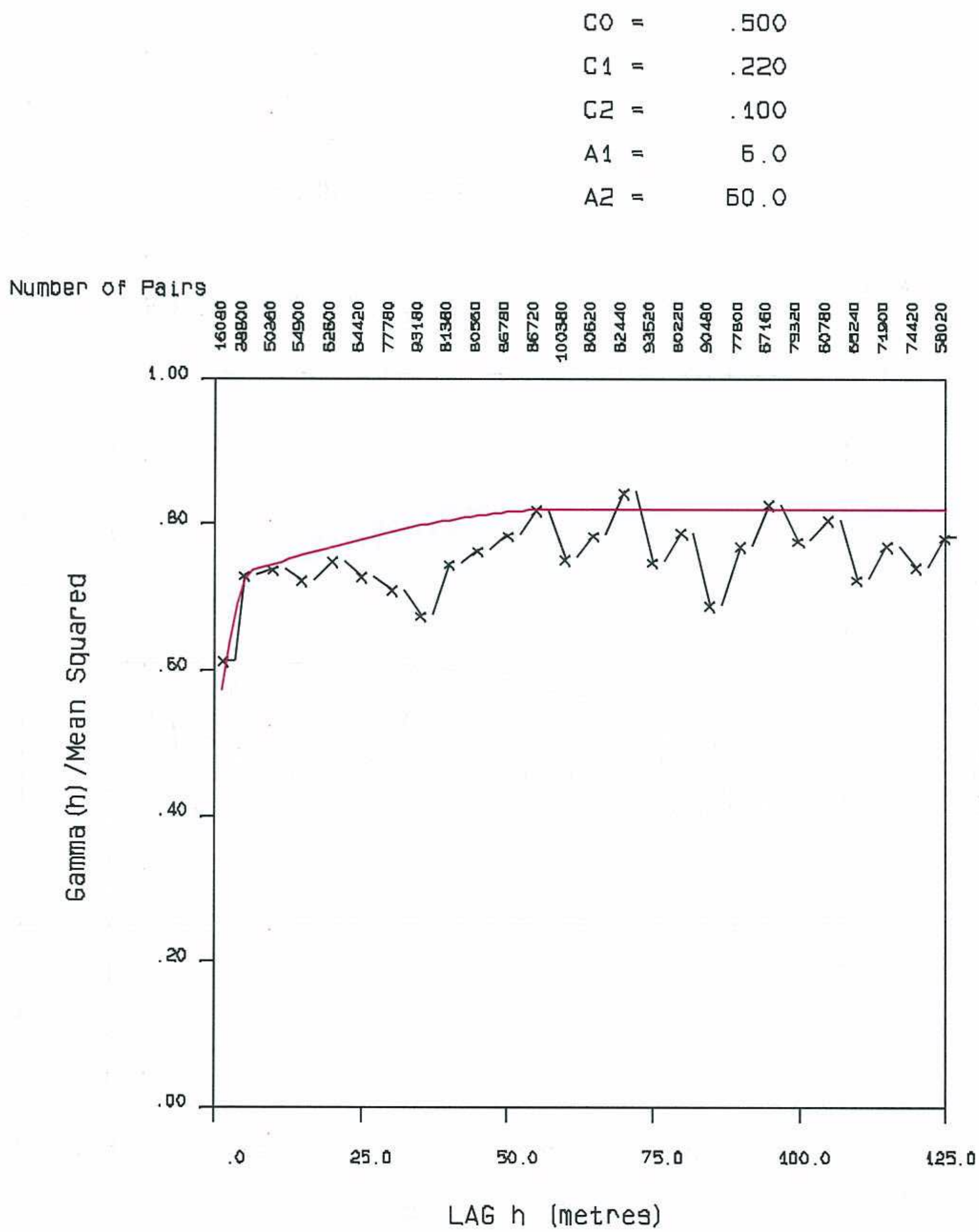


C0 = .600
C1 = .100
C2 = .500
A1 = 10.0
A2 = 30.0
Number of Pairs
3 122 68 33 173 319 274 188 137 307 773 849 395 363 248 478 654 408 372 310 854 1228 1087 471 402
2.00
1.60
1.20
.80
.40
.00
Gamma (h) /Mean Squared
.0
25.0
50.0
75.0
100.0
125.0
LAG h (metres)
MAIN VEIN AU - AZ 90 DIP -20

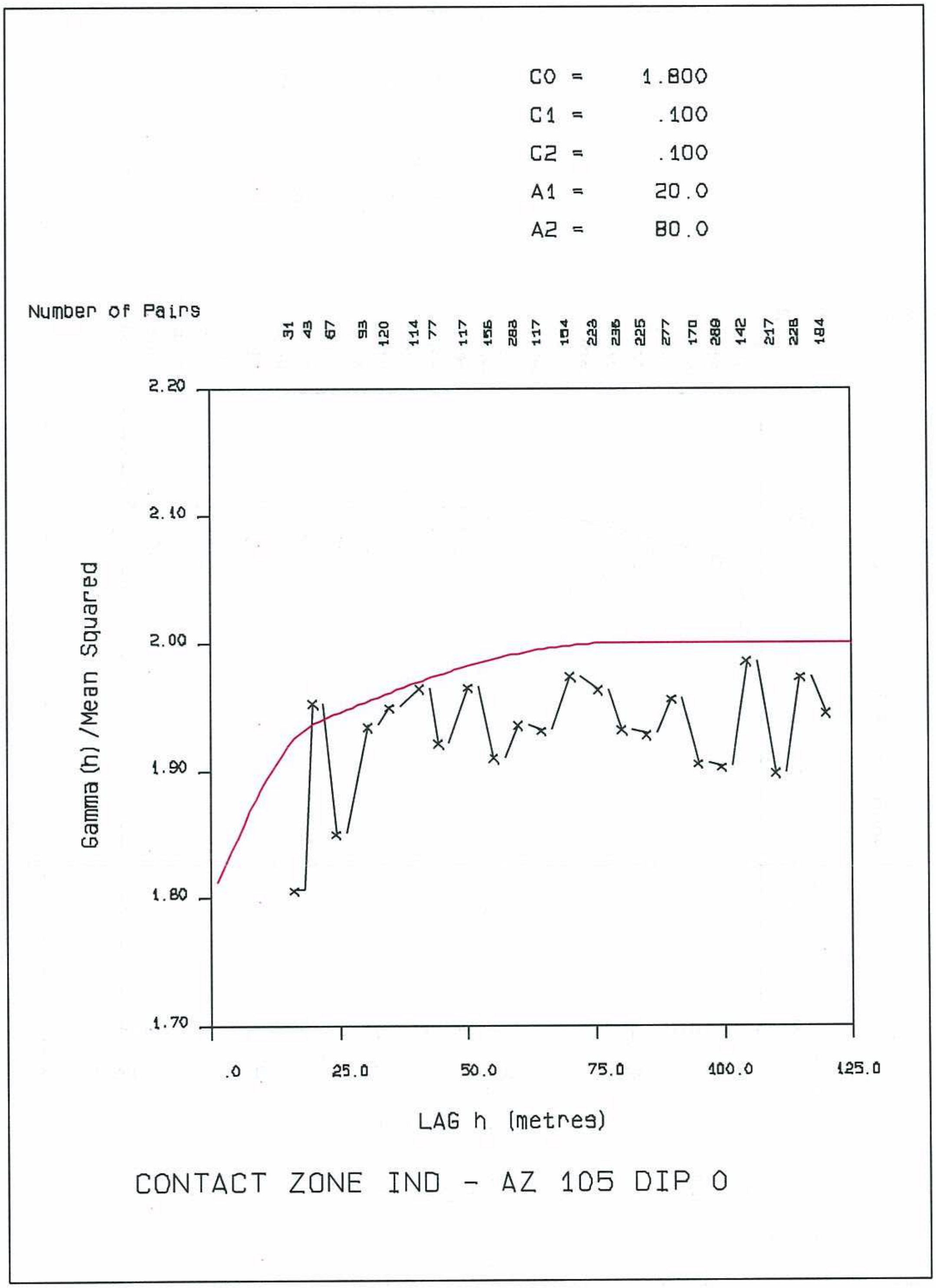


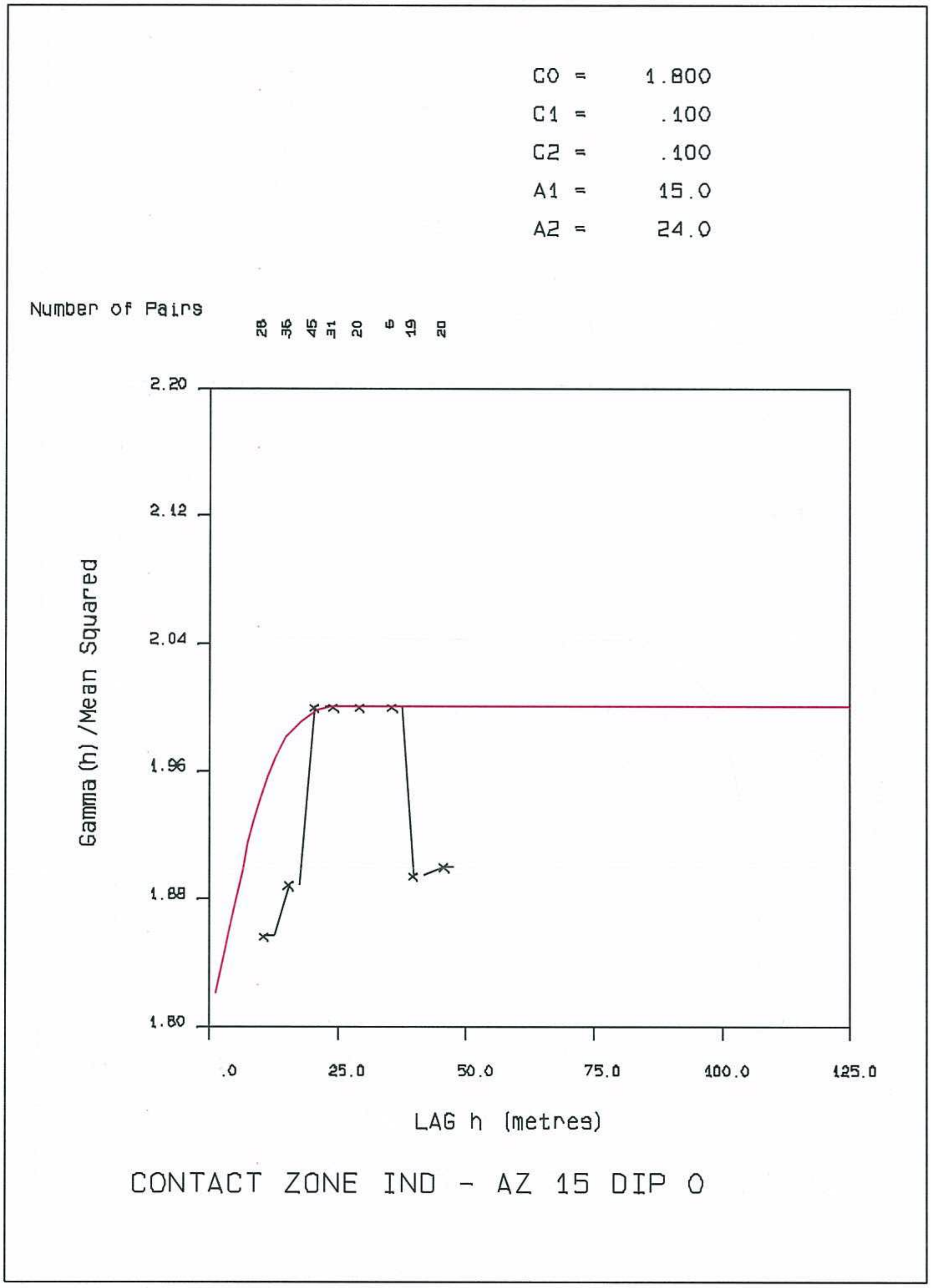
C0 = .600
C1 = .100
C2 = .500
A1 = 8.0
A2 = 20.0
Number of Pairs
8
31
76
97
55
39
36
16
13
2.00
1.60
1.20
.80
.40
.00
Gamma (h) /Mean Squared
.0
25.0
50.0
75.0
100.0
125.0
LAG h (metres)
MAIN VEIN AU - AZ 0 DIP -55

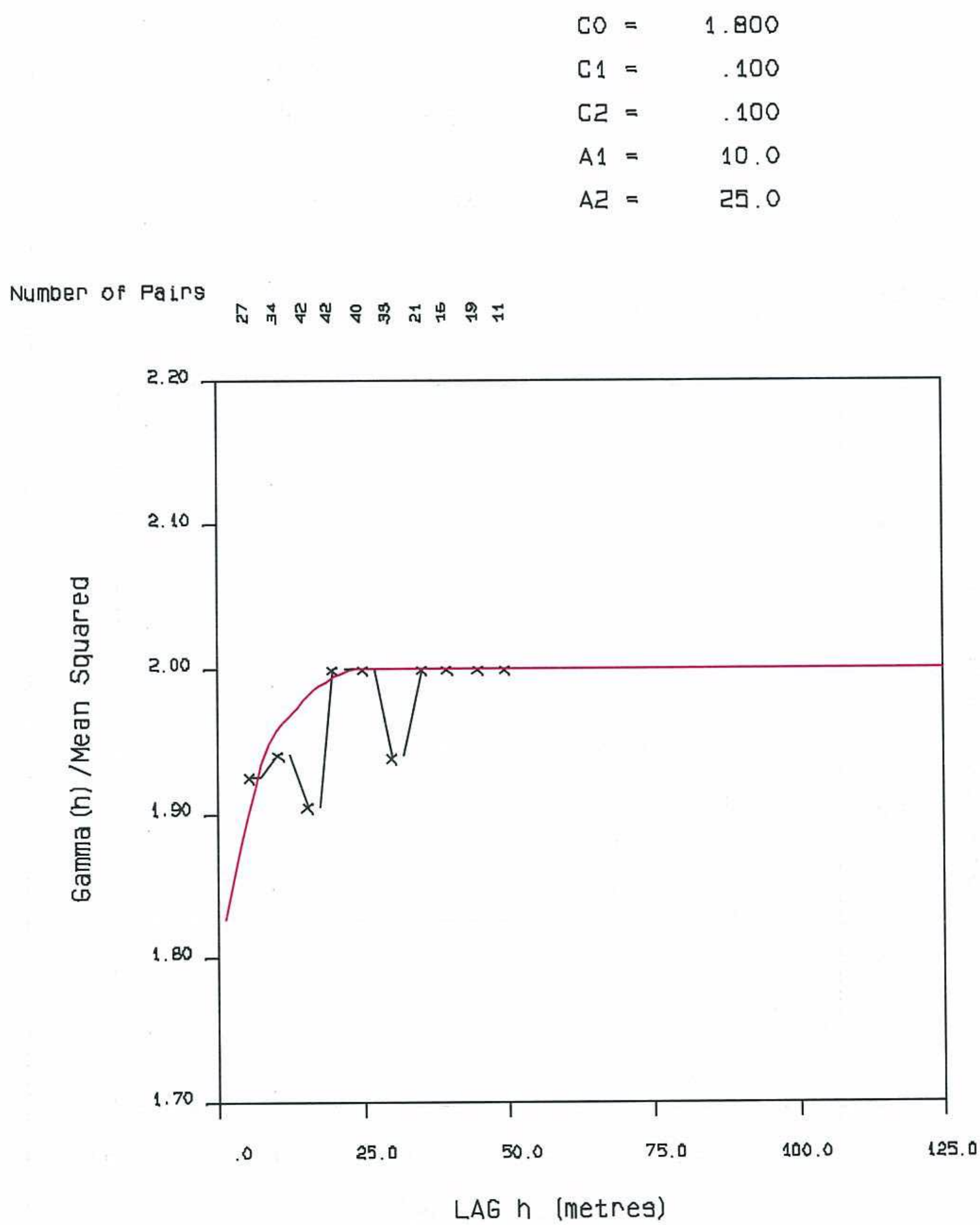

C0 = .600
C1 = .100
C2 = .500
A1 = 5.0
A2 = 10.0
Number of Pairs
42 61 112 92 68 91 46 28 25
2.00
1.60
1.20
.80
.40
.00
Gamma (h) /Mean Squared
.0
25.0
50.0
75.0
100.0
125.0
LAG h (metres)
MAIN VEIN AU - AZ 180 DIP -35



CZ LOW GRADE AU - OMNI DIRECTIONAL


CO = 1.800
C1 = .100
C2 = .100
A1 = 20.0
A2 = 80.0
Number of Pairs
31 43 67 93 120 114 77 117 156 283 117 104 223 236 225 277 170 289 142 217 228 184
2.20
2.10
2.00
1.90
1.80
1.70
Gamma (h) /Mean Squared
.0
25.0
50.0
75.0
100.0
125.0
LAG h (metres)
CONTACT ZONE IND - AZ 105 DIP 0


C0 = 1.800
C1 = .100
C2 = .100
A1 = 15.0
A2 = 24.0
Number of Pairs
28 36 45 31 20 6 19 20
2.20
2.12
2.04
1.96
1.88
1.80
Gamma (h) /Mean Squared
.0
25.0
50.0
75.0
100.0
125.0
LAG h (metres)
CONTACT ZONE IND - AZ 15 DIP 0

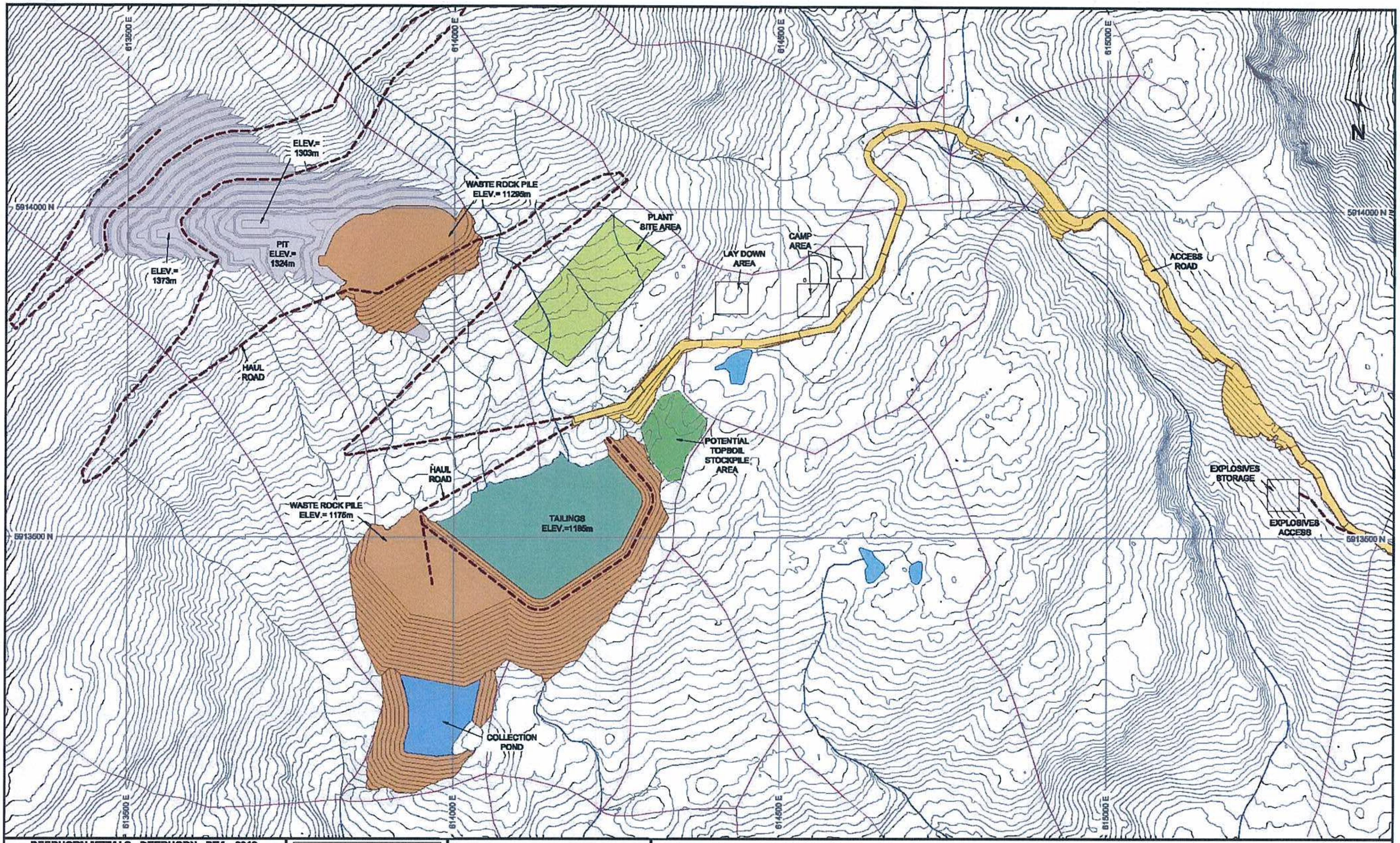


CONTACT ZONE IND - AZ 0 DIP -90

APPENDIX D – MINING, PROCESSING, ENVIRONMENT AND CASHFLOW

- Detailed End of Period Maps
- Mining And Processing Design Criteria
- Cash flow Model
- Environmental Studies Cost Estimate

Appendix D1 – Mine End Of Period Maps



DEERHORN METALS - DEERHORN - PEA - 2012
END OF PERIOD YR_14

DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_14 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

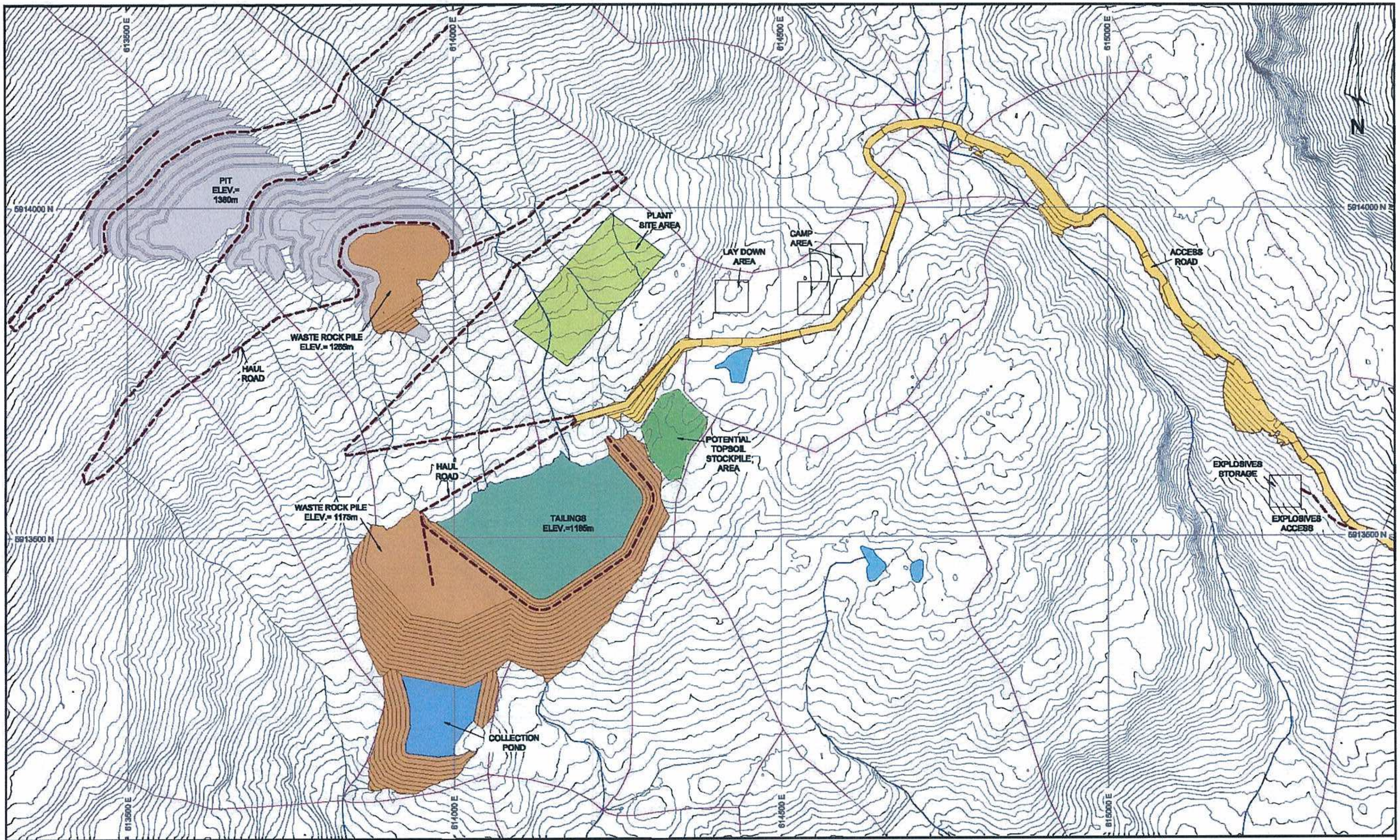
Moose Mountain Technical Services

0 25 50 100 150 200 250
CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



DEERHORN METALS - DEERHORN - PEA - 2012
END OF PERIOD YR_10

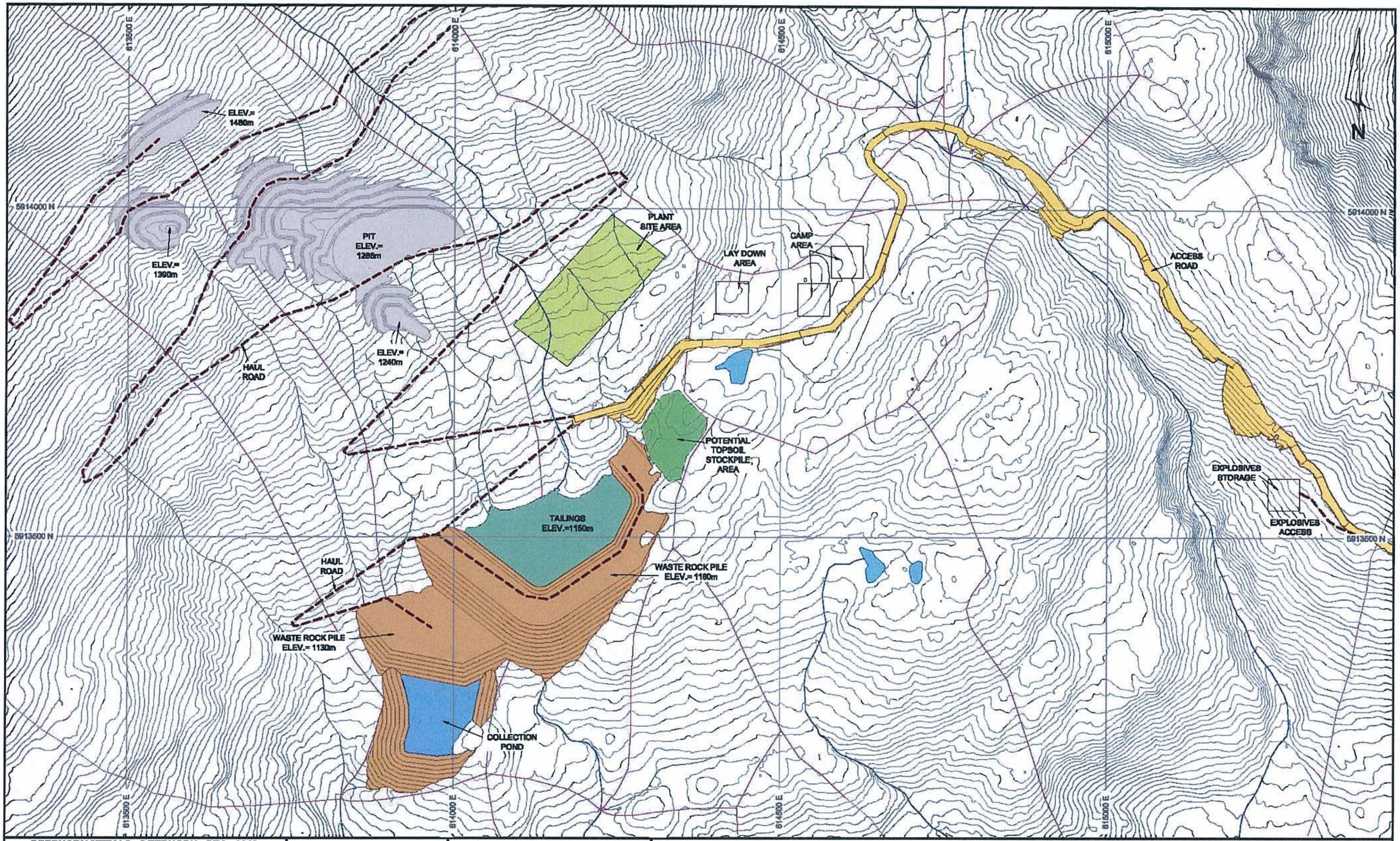
DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_10 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

Moose Mountain Technical Services

0 25 50 100 150 200 250
CONTOURS AT 5m INTERVALS

LEGEND
- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



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DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_05 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

Moose Mountain Technical Services

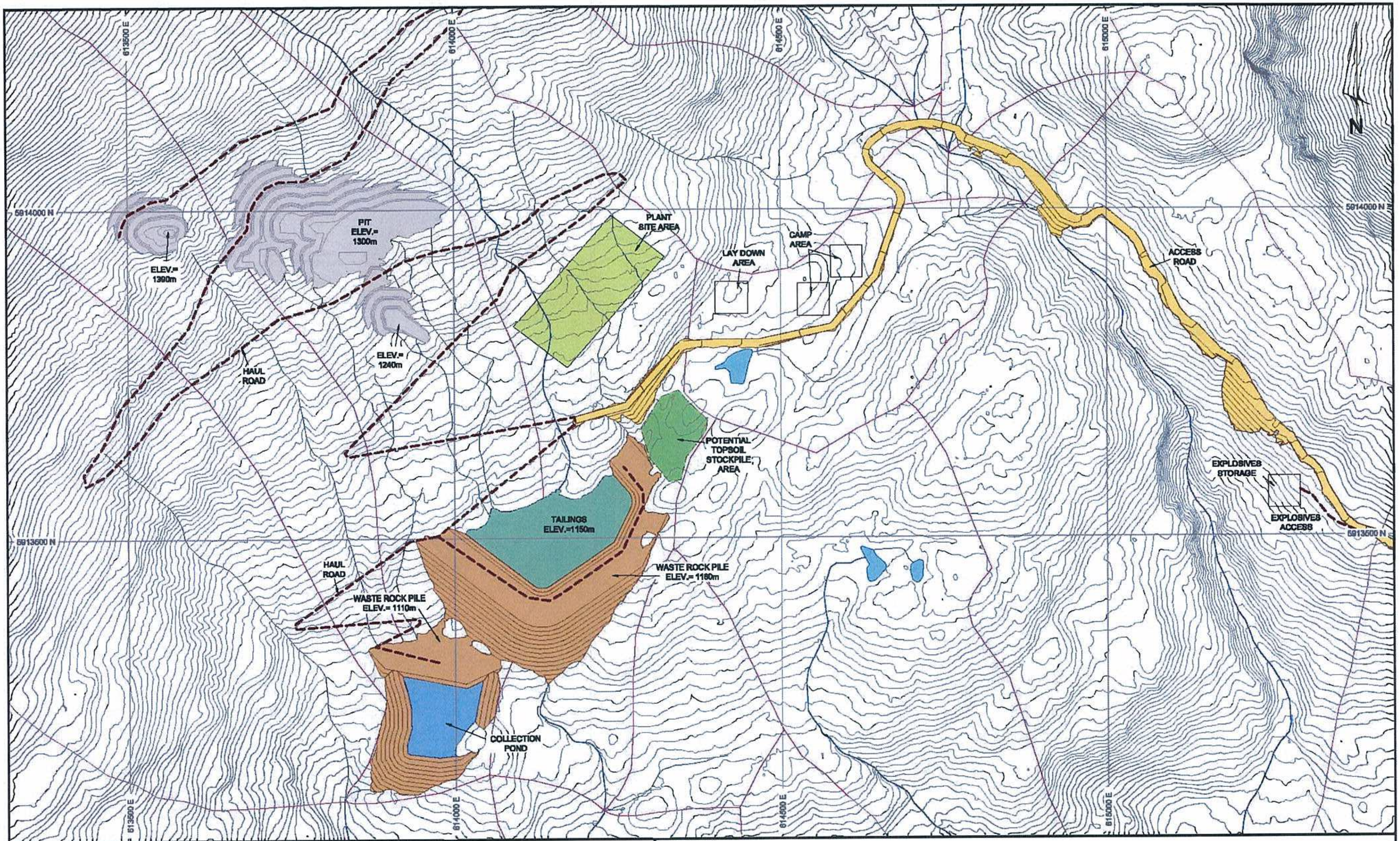
0 25 50 100 150 200 250

CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



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END OF PERIOD YR_04			
DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_04 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

Moose Mountain Technical Services

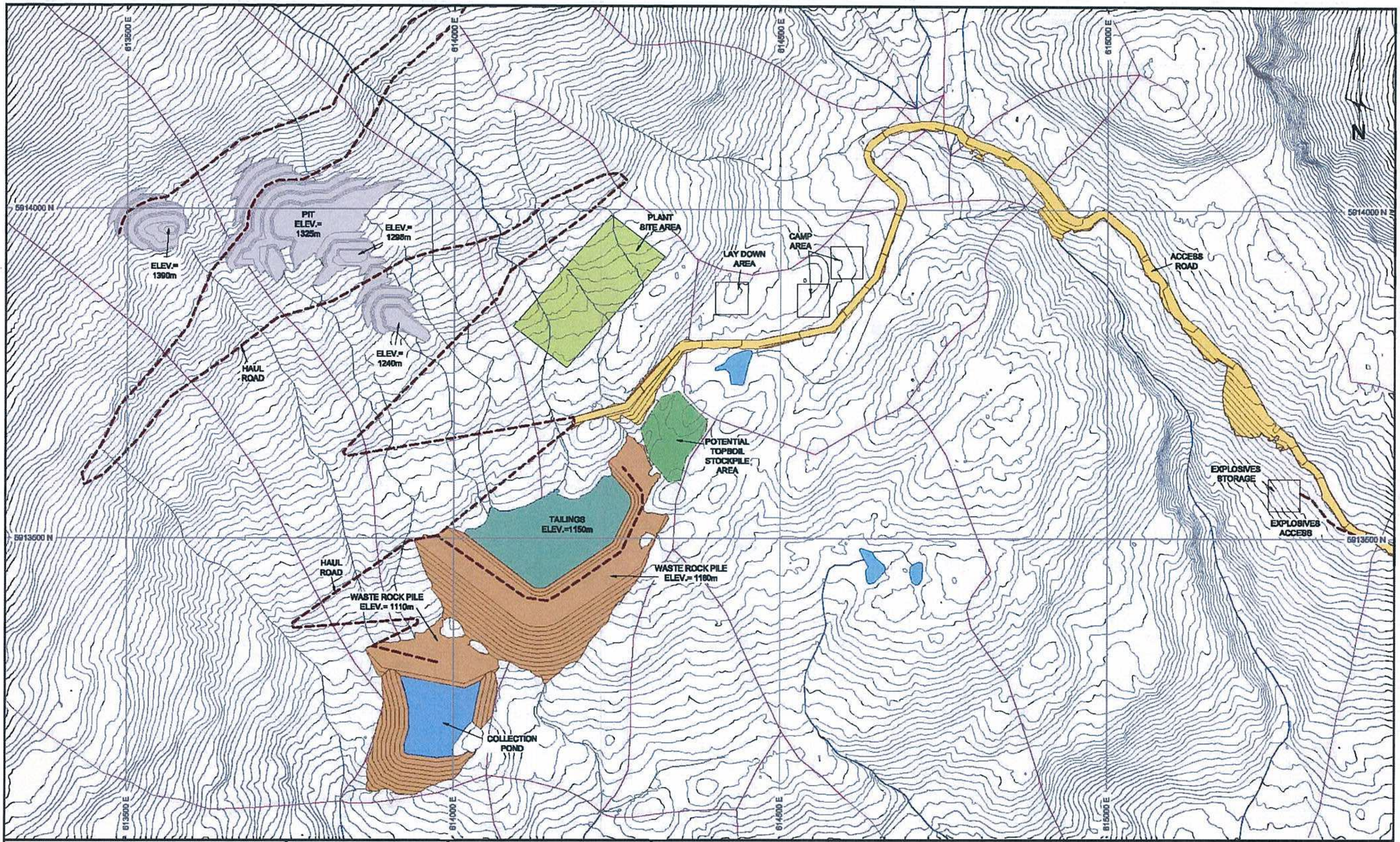
0 25 50 100 150 200 250

CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



DEERHORN METALS - DEERHORN - PEA - 2012
END OF PERIOD YR_03

DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_03 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

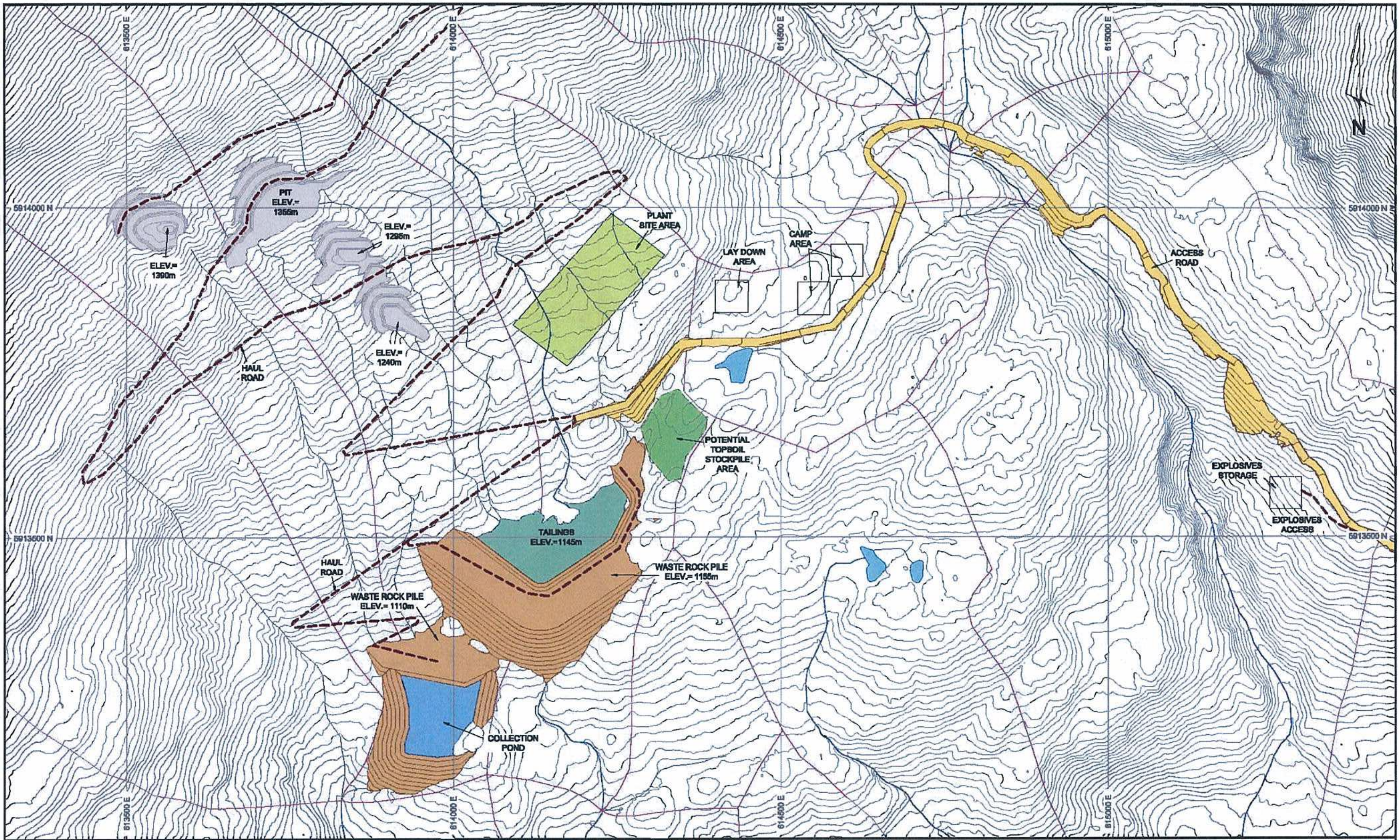
Moose Mountain Technical Services

0 25 50 100 150 200 250
CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



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END OF PERIOD YR_02			
DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_02 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

Moose Mountain Technical Services

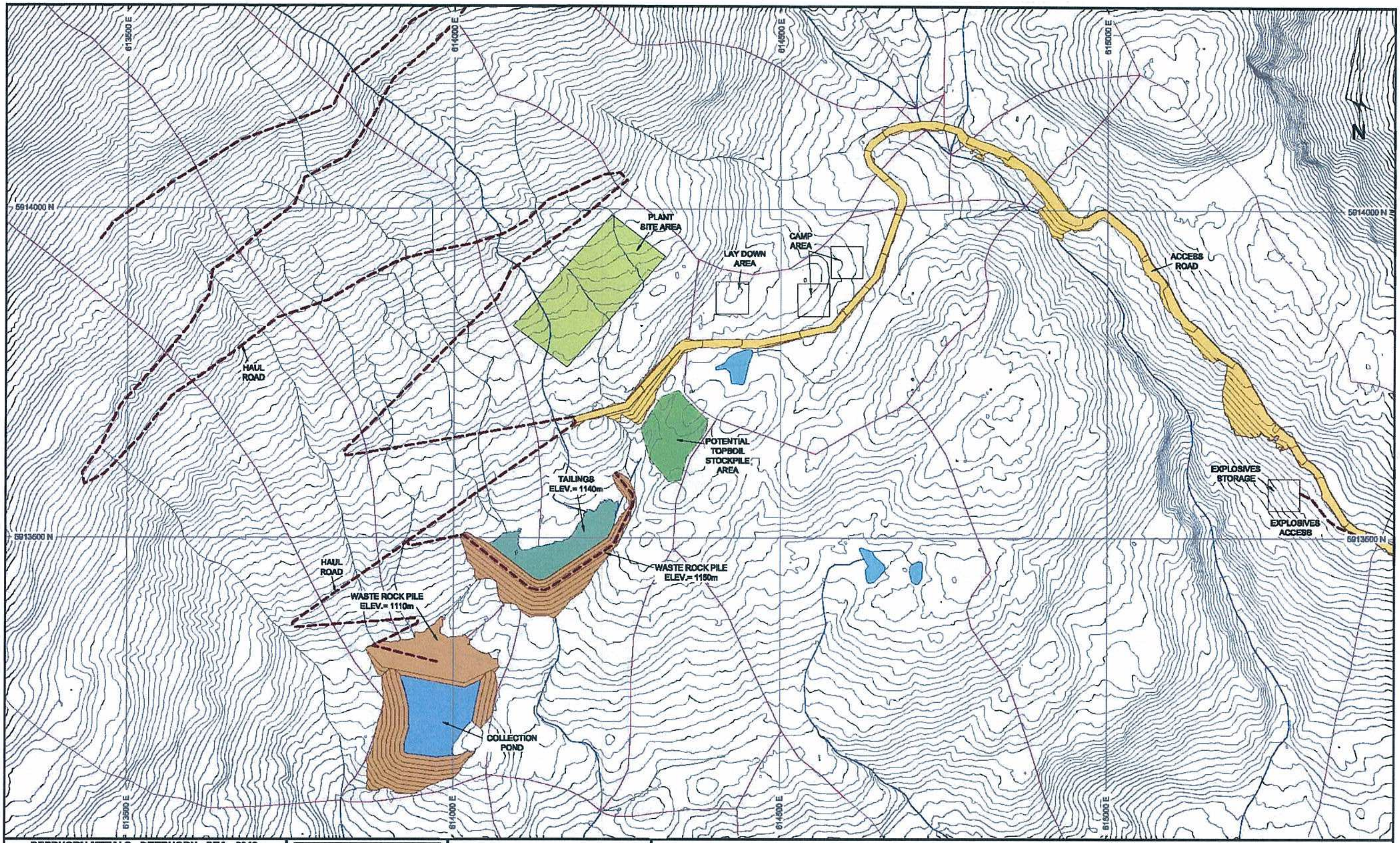
0 25 50 100 150 200 250

CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



DEERHORN METALS - DEERHORN - PEA - 2012			
END OF PERIOD YR_-01			
DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_-01 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

Moose Mountain Technical Services

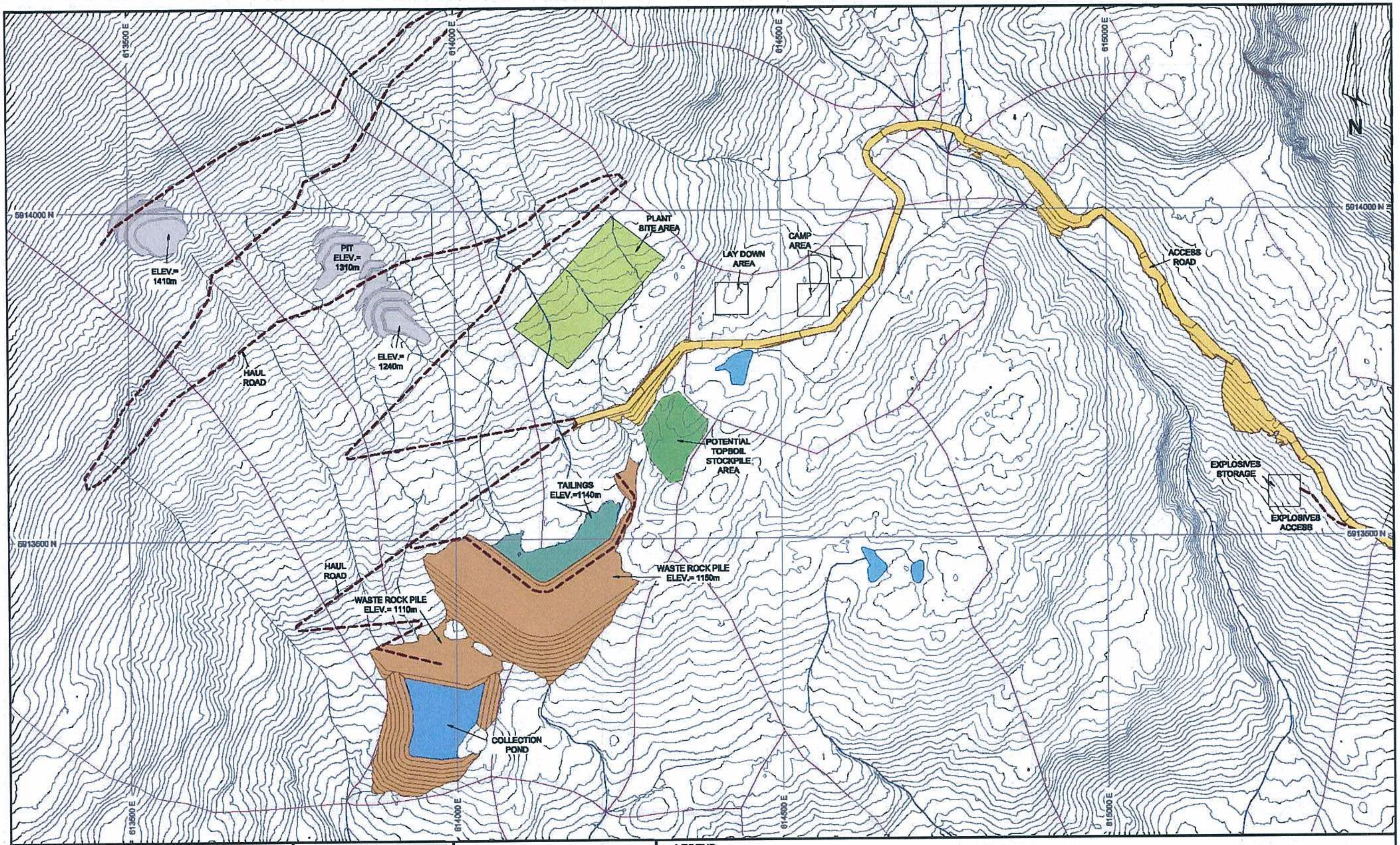
0 25 50 100 150 200 250

CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION



DEERHORN METALS - DEERHORN - PEA - 2012			
END OF PERIOD YR_01			
DATE:	2013/01/23	APPROVED BY:	TM/ME
SCALE:	1:5 000	FILE:	YR_01 (130123)
DRAWN BY:	DH	PROJECT:	DEERHORN PEA

Moose Mountain Technical Services

0 25 50 100 150 200 250

CONTOURS AT 5m INTERVALS

LEGEND

- PIT
- WASTE ROCK PILE
- TAILINGS
- COLLECTION POND
- ACCESS ROAD
- HAUL ROAD
- PLANT SITE AREA
- POTENTIAL TOPSOIL STOCKPILE AREA
- STREAMS
- LAKES/RIVERS
- DRAINAGE BOUNDARIES
- TOPOGRAPHY

NOT FOR CONSTRUCTION

Appendix D2 – Mining and Processing – Design Basis

Moose Mountain Technical Services

MINE DESIGN BASIS - Deerhorn PEA 2013

2013/02/26

Foreign Exchange Rate $US : $C				0.9905	$US/$C	MMTS
				$C	**Units**	**Source**
CONSUMABLE - STANDARD PRICES						
Fuel cost				0.897	$C/litre	MMTS
Electricity (Energy Charge)				0.0600	$C/kWhr	MMTS
METAL PRICES						
For Pit Optimization and NSR:						
Gold		$1 446.00	$US/oz	1459.87	$C/oz	MMTS
Silver		$27.91	$US/oz	28.18	$C/oz	MMTS
Terrillium		$240.00	$US/kg	242.30	$C/kg	metal pages
Forex	1CND =	$0.9905				
For Cashflow (Updated Jan 2013)						
Gold		$1 494.39	$US/oz	1508.72	$C/oz	MMTS
Silver		$29.13	$US/oz	29.41	$C/oz	MMTS
Terrillium		$237	$US/kg	238.80	$C/kg	metal pages
Forex	1CDN =	$0.9956	US$			MMTS
TOPOGRAPHY						
DEM provided by Bob Lane.						check the dates
PRODUCTION TARGETS						
AVG Metallurgical Process Daily thoughput	tpd	500				
Metallurgical Process Production days	days	148				
	weeks	21				
	months	5				
Annual Throughput	ktpa	**74.0**				below small mines permit limit

Moose Mountain Technical Services

MINE DESIGN BASIS - Deerhorn PEA 2013

PROCESS

Recovery and Grade Relationships

Metal	Recovery
Au	90.0%
Ag	90.0%
Te	90.0%

MMTS

CAPEX AND OPEX

Opex:

			Summer Ops	
	tpd	200	500 tpd	
Process	$/t	38.75	20.00	
G&A	$/t	5.81	5.70	
Process + G&A	**$/t**	**44.56**	**25.70**	MMTS
Mining Cost	$/t	4.00		MMTS - (various contractor estimates)

Capex:

		200	500 tpd	
Direct				
Process Capital	$M	10.5	15.0	MMTS Preliminary
Site Access	$M	2.0	2.0	MMTS Preliminary
Mine Capital (assume Contractor)	$M	2.0	2.0	MMTS Preliminary
Total Direct Capital	**$M**	**14.5**	**19.0**	
Indirect				
Exploration	$M	2.5	2.5	Resource 43-101
Permitting	$M	1.0	1.0	RB Estimate mid point
Initial Working Capital (3% of direc	$M	0.4	0.6	MMTS Allowance
Miscellaneous (5% of directs)	$M	0.7	1.0	MMTS Allowance
Contingency (20% of directs)	$M	2.9	3.8	MMTS Allowance
Total Indirect Capital	**$M**	7.6	8.8	
Total Capital	**$M**	**22.1**	**27.8**	

PRODUCTION TARGETS

AVG Metallurgical Process Daily thoughput	500	tpd	
Metallurgical Process Production days	148	days	estimate
Relative production rate			
Annual Throughput	**74 000**	tpa	estimate

Moose Mountain Technical Services

Pit Optimization - Net Smelter Revenues and Prices

Description	Variable	Calculation	Values	Units
	PROCESS			
Mill Feed AU Grade		Input	3.9	g/t
Mill Feed AG Grade		Input	118	g/t
Mill Feed TE Grade		Input	118	ppm (g/t)
Concentrate AU Grade		Input	200.0	g/t
Concentrate AG Grade		Input	6114	g/t
Concentrate TE Grade		Input	6114	g/t
Payable AU		Input	97%	
Payable AG		Input	90%	
Payable TE		Input	50%	
Refining Costs				
AU Refining		Input	8.00	USD/Oz
AG Refining		Input	0.60	USD/Oz
TE Refining		Input	10.00	USD/kg
Prices				
Gold Price	AUPRC	Input	$1 446	US$/oz
Silver Price	AGPRC	Input	$27.91	US$/oz
Tellurium Price	TEPRC	Input	$240.00	US$/kg
US Exchange rate	XRATE	Input	0.9905	US$/CDN$
Gold Price	AUCDN	=AUPRC/XRATE/gpoz	46.9	CDN$/g
Silver Price	AGCDN	=AGPRC/XRATE/gpoz	0.906	CDN$/g
Tellurium Price	TECDN	=TEPRC/XRATE/(1000g/kg)	0.242	CDN$/g
Concentrate Moisture	moisture		9%	
Conversions				
Pounds per tonne conversion	ppt	Constant	2204.62	lb/tonne
Grams per ounce conversion	gpoz	Constant	31.10348	gr/oz
Smelter Terms				
Au payable	payau	Input	97.0%	%
Ag payable	payag	Input	90.0%	%
Te payable	payte	Input	50.0%	%
smelting	smelt	Input	85.000	US$/DMT
au refining	refau	Input	8.000	US$/oz
ag refining	refag	Input	0.600	US$/oz
te refining	refag	Input	10.000	US$/kg
Dry Concentrate tonnes				
Concentrate	DMTCu	= 1-moisture	91%	%
Net Gold Revenue per Tonne Conc.				
Au in Conc	NetAu	= DMTCu*ConAu	182.00	g/WMT
Net payable Au in Concentrate	NPyAu	= payau*NetAu	176.54	g/WMT
Net payment Au in Concentrate	PayAu	=NPyAu*AUCDN	$8 286	CDN$/WMT
Refining Au	AuRef	= NetAu*refau/XRATE/gpoz	$46	CDN$/WMT
Net Revenue Gold	NRAu	= PayAu-AuRef	$8 240	CDN$/WMT
Net Silver Revenue per Tonne Conc.				
Ag in Conc	NetAg	= DMT*ConAg	5563.73	g/WMT
Net payable Ag in Concentrate	NPyAg	= payag*NetAg	5007.36	g/WMT
Net payment Ag in Concentrate	PayAg	=NPyAg*AGCDN	$4 536	CDN$/WMT
Refining Au	AgRef	= NetAg*refag/XRATE/gpoz	$98	CDN$/WMT
Net Revenue Silver	NRAg	= PayAg-AgRef	$4 439	CDN$/WMT
Net Tellurium Revenue per Tonne Conc.				
Te in Conc	NetTe	= DMT*ConTe	5564	g/WMT
Net payable Te in Concentrate	NPyTe	= payte*NetTe	2782	g/WMT
Net payment Te in Concentrate	PayTe	=NPyTe*TECDN	$674	CDN$/WMT
Refining Te	TeRef	= NetTe*refte/XRATE/gpkg	$28.09	CDN$/WMT
Net Revenue Tellurium	NRTe	= PayAg-AgRef	$646	CDN$/WMT
Net Revenue Total Copper Conc	TRev	= NRAu + NRAg + NRTe	$13 325	CDN$/WMT
Proportion Gold	TRAu	= NRCu/TRev	61.8%	%
Proportion Silver	TRAg	= NRAu/TRev	33.3%	%
Proportion Tellurium	TRTe	= NRAg/TRev	4.8%	%
Offsites, Freight, and Distribution Copper Conc				
Smelting	Smelt	=smelt*DMT/XRATE	$78.09	CDN$/WMT
freight for trucking	ftruck	Input	$50.00	CDN$/WMT
freight for rail	frail	Input	$0.00	CDN$/WMT
Stevedoring	fsteve	Input	$0.00	US$/WMT
freight for ships	focean	Input	$75.00	US$/WMT
Other Offsite Costs (Losses, Ins,Sell,supv,Assay)	other	Input	$20.00	CDN$/WMT
Offsites, Frgt, Distr. Total	OFD	= Sum (Smelt : Other)	$223.81	CDN$/WMT
Proportion Gold	OFDAu	=OFD*TRAu	$138.41	CDN$/WMT
Proportion Silver	OFDAg	=OFD*TRAg	$74.56	CDN$/WMT
Proportion Tellurium	OFDTe	=OFD*TRTe	$10.85	CDN$/WMT
Net Smelter Return per Tonne Cu Conc. (Wet)				
NSR Gold	NSRAu	= NRAu - OFDAu	$8 102	CDN$/WMT
NSR Silver	NSRAg	= NRAg - OFDAg	$4 364	CDN$/WMT
NSR Tellurium	NSRTe	= NRTe - OFDTe	$635	CDN$/WMT
NSR Total	NSR	= NSRAu + NSRAg + NSRTe	$12 466	CDN$/WMT
Net Smelter Price (to Mine Gate)				
Gold	NSPAu	= NSRAu/NetAu	$44.5	CDN$/g
Silver	NSPAg	= NSRAg/NetAg	$0.784	CDN$/g
Tellurium	NSPTe	= NSRTe/NetTe	$0.114	CDN$/g

Moose Mountain Technical Services

MINE DESIGN BASIS - Deerhorn PEA 2013

MS-EP Cases

MS-EP Costs

Ore and Waste Mining 3.00 $/t (Changed to $4.00/t for the cashflows)

Process, G&A , Tailings Treatment, Site Services and Water Treatment Costs (NSR cut-off grade)
45 $C/t ore

Pit#	CASE	Net Price for Mine, Plant, & O/H		
		Gold	Silver	Tellurium
		$C/g	$C/g	$C/g
1	30.0%	$13.4	$0.235	$0.034
2	35.0%	$15.6	$0.274	$0.040
3	40.0%	$17.8	$0.314	$0.046
4	45.0%	$20.0	$0.353	$0.051
5	50.0%	$22.3	$0.392	$0.057
6	55.0%	$24.5	$0.431	$0.063
7	60.0%	$26.7	$0.470	$0.068
8	65.0%	$28.9	$0.510	$0.074
9	70.0%	$31.2	$0.549	$0.080
10	75.0%	$33.4	$0.588	$0.086
11	80.0%	$35.6	$0.627	$0.091
12	85.0%	$37.8	$0.666	$0.097
13	90.0%	$40.1	$0.706	$0.103
14	95.0%	$42.3	$0.745	$0.108
15	**100.0%**	**$44.5**	**$0.784**	**$0.114**
16	105.0%	$46.7	$0.823	$0.120
17	110.0%	$49.0	$0.862	$0.125
18	115.0%	$51.2	$0.902	$0.131
19	120.0%	$53.4	$0.941	$0.137
20	125.0%	$55.6	$0.980	$0.143
21	130.0%	$57.9	$1.019	$0.148
22	135.0%	$60.1	$1.058	$0.154
23	140.0%	$62.3	$1.098	$0.160
24	145.0%	$64.5	$1.137	$0.165
25	150.0%	$66.8	$1.176	$0.171

Moose Mountain Technical Services

MINE DESIGN BASIS - Deerhorn PEA 2013

2012

Pit Resource

Pit Delineated Reserve Calculation - Using MineSight PITRES and GNDLN routines

ORE% LOSS AND DILUTION			
Loss	10.0%		<u>not used</u>
Contact Dilution	10.0%		<u>not used</u>
WHOLE BLOCK LOSS AND DILUTION			
Loss	5.0%		MMTS
Dilution	2.0%		MMTS
Default SG:			
Waste	2.6	t/m3	3lane initial discussions - did not update after tests
Ore	2.7	t/m3	3lane initial discussions - did not update after tests
Ore NSR Cut off			
COG (covers process)	45	$C/t ore	

Dilution Grades

Waste Contact Grade		
NSR	$/t	8.656
AU	g/t	0.133
AG	g/t	5.096
TE	ppm	7.196

Pit	Mill Feed	NSRWB	AUWB	AGWB	TEWB	Total Waste	Strip
	kt	$/t	g/t	g/t	ppm	kt	Ratio
P651	27	430	7.44	182	29	132	4.85
P652	87	286	4.09	152	142	216	2.49
P653i	34	217	3.38	101	100	94	2.75
P654i	515	134	2.13	60	63	3 022	5.87
P655i	288	137	1.95	72	75	3 263	11.33
Total	**951**	**160**	**2.45**	**76.8**	**74.2**	**6 727**	**7.07**

Moose Mountain Technical Services

MINE DESIGN BASIS - Deerhorn PEA 2013

Pit Designs

Equipment Fleet
Major Mining Fleet

Shovels	CAT 345 or 385 sized shovels
Trucks	25 to 40 tonne truck

Use external roads where possible			
Use double bench			
8m min berm			MMTS
65 deg BFA			MMTS
44 degree OA			MMTS
Max pit ramp slope	8%		For winter conditions
Min haul road radius	75	m	CAT Handbook
Waste Dump Angle of Repose	37°		Blasted rock
Largest Vehicle Overall Width (CAT 725)	2.9	m	
Maximum Tire Height	1.6	m	23.5R25
Minimum Haul road outside berm height	1.2	m	Mines Act based on tire height
Minimum Shoulder / Berm Width	3.6	m	
Double lane highwall haul road allowance	12.3	m	BC Mines Act
Double lane external haul road allowance	15.8	m	BC Mines Act
Single lane highwall haul road allowance	9.4	m	BC Mines Act
Single lane external haul road allowance	12.9	m	BC Mines Act

Last bench will not need haul road. Temporary internal ramps will be used
Last 2 haul benches have single lane haul roads
Minimum pit base width is shovel operating width. 25 m *TM*

	# of lanes	Grade
Main Ramp	2	8%
Last 2 benches of Ramp	1	8%
Last 2 benches of Pit Phase	No ramp	

Road construction

Cuts under 30m high	60 Degrees
Cuts over 30m high	50 Degrees

Waste Dump Engineering

Natural angle of repose	37°
Maximum free dumping height	300 m
Dumped waste swell factor	1.2
Reclaimed dump slopes	26°

Moose Mountain Technical Services

MINE DESIGN BASIS - Deerhorn PEA 2013

Schedule

Spot & DumpTime	0.5	min
Delay Time	1.0	min
Truck Factor	25	Tonne per load
Haul Cycles		
Rolling Resistance In Pit	5	%
Rolling Resistance On Ramp	3	%
Rolling Resistance Haul Road	3	%
Rolling Resistance On Dump	8	%

Loading Time

PFS Production Schedule

Shovel	Truck	Cycle Time per pass	# Passes	Job Efficiency	Spot and Wait time per load	Operating Efficiency	Utilization Efficiency	MS-SP Loading Time	MS-SP Efficiency factor	Productivity
		sec		%	sec			min / load		tonne/ ophr
CAT 385	CAT 725	40	4	84%	10	80%	96%	3.34	80%	359

Truck Haul Times

Spot & Dump Time	1.5	min	MMTS Estimate
Truck Operating Efficiency (to MSSP)	83%		MMTS Estimate
Truck Factor Waste and ORE	25	tonne per load	CAT spec
Haul Cycles			
Rolling Resistance In Pit	5	%	MMTS Estimate
Rolling Resistance On Ramp	3	%	MMTS Estimate
Rolling Resistance Haul Road	3	%	MMTS Estimate
Rolling Resistance On Dump	5	%	MMTS Estimate
Haul Operator Efficiency	90%		MMTS Estimate
Max speed	50 km/h		MMTS Estimate

PRODUCTION AND LABOUR ASSUMPTIONS

Crews	4	
Shifts per Day	2	
Hours per Shift	12	
Calendar days per year	148	Summer operations
Non scheduled days (shutdowns, weather etc.)	5	
Scheduled working days per year	148	
Total Mine Calendar Hours	3 552	
Shift Utilisation (10.5/12)	87.5%	
Scheduled working hours	3 108	
Efficiency (50 min hours)	83.3%	

Production Schedule 1

Year	Mill Feed	AU	AG	TE	Waste	Strip
	kt	g/t	g/t	ppm	kt	Ratio
1	56	7.005	208	128	371	6.6
2	74	3.607	127	119	500	6.8
3	74	2.465	85	87	583	7.9
4	74	2.063	69	66	561	7.6
5	74	2.115	66	63	580	7.8
6	74	1.73	45	53	580	7.8
7	74	1.909	42	52	580	7.8
8	74	2.304	54	62	580	7.8
9	74	2.082	61	63	610	8.2
10	74	1.995	69	62	580	7.8
11	74	1.958	67	68	720	9.7
12	74	2.122	78	93	229	3.1
13	74	1.698	61	65	241	3.3
14	5	1.479	58	59	12	2.4

Appendix D3 – Cash Flow Model

Deerhorn PEA Cash Flow

ALL Values are Canadian $ unless stated otherwise

Cashflow Summary (Schedule 1 - 500tpd Case - Summer Operations)

Cashflow Summary		Summer Ops
Initial Capital	$ million	$27.8
Gold Price	US$/Oz	$1 494
Silver Price	US$/Oz	$29
Tellurium Price	US$/kg	$237
Average Annual Revenue	$ million	$12.0
Average Annual Operating Cost	$ million	$4.4
Gold Produced	kOz	67
Silver Produced	kOz	2112
Tellurium Produced	tonnes	63
Operating Margin	%	63%
Before Tax Return on Investment		
IRR	%	32%
NPV5%	$ million	$39.5
NPV8%	$ million	$28.8
NPV10%	$ million	$23.3
Before Tax Payback	Years	2.4
After Tax Return on Investment (100% Equity)		
IRR	%	25%
NPV5%	$ million	$24.3
NPV8%	$ million	$17.1
NPV10%	$ million	$13.4
After Tax Payback	Years	2.6

Year			2013 -2	2014 -1	2015 0	2016 1	2017 2	2018 3	2019 4	2020 5	2021 6	2022 7	2023 8	2024 9	2025 10	2026 11	2027 12	2028 13	2029 14	2030 15	Total
Production																					
Waste	kTonne	6 727			-	371	500	583	561	580	580	580	580	610	580	720	229	241	12	-	6 727
Mined to Mill	kTonne	923			-	56	67	74	68	68	68	73	74	74	74	74	74	74	5	-	923
Mined to Stockpile	kTonne	14			-	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14
Stockpile to Mile	kTonne	26			-	7	-	6	6	6	1	-	-	-	-	-	-	-	-	-	26
Mill Feed	kTonne	949			-	56	74	74	74	74	74	74	74	74	74	74	74	74	5	-	949
Concentrate	Tonne	10 473			-	1 765	1 201	821	687	704	576	636	767	693	664	652	707	565	33	-	10 473
Au Produce	Oz	67 339			-	11 351	7 723	5 278	4 417	4 529	3 704	4 088	4 933	4 458	4 272	4 193	4 544	3 636	214	-	67 339
Ag Produced	Oz	2 111 525			-	337 225	272 087	181 085	148 680	140 379	97 197	89 981	116 489	131 270	148 689	143 768	166 666	129 625	8 384	-	2 111 525
Te Produced	kg	63 413			-	6 444	7 936	5 777	4 383	4 180	3 515	3 463	4 127	4 189	4 141	4 523	6 172	4 297	268	-	63 413
Net Revenue	($ 000's)	156 195				25 385	18 756	12 732	10 532	10 453	8 107	8 456	10 403	10 120	10 301	10 104	11 368	8 930	547	-	156 195
Less Operating Costs																					
Mining	($ 000's)	- 30 760			- -	1 792	2 268	2 652	2 540	2 616	2 596	2 612	2 616	2 736	2 616	3 176	1 212	1 260	68	- -	30 760
Processing	($ 000's)	- 21 827			- -	1 288	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	115	- -	21 827
General and Administrative	($ 000's)	- 5 412			- -	319	422	422	422	422	422	422	422	422	422	422	422	422	29	- -	5 412
Total Operating Costs	($ 000's)	- 57 999			- -	3 399	4 392	4 776	4 664	4 740	4 720	4 736	4 740	4 860	4 740	5 300	3 336	3 384	212	- -	57 999
EBITDA	($ 000's)	**98 196**			-	**21 985**	**14 364**	**7 956**	**5 868**	**5 713**	**3 387**	**3 720**	**5 663**	**5 260**	**5 561**	**4 804**	**8 032**	**5 546**	**335**	-	**98 196**

Year			-2	-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total
PRE TAX CASHFLOW																					
EBITDA	$ 000's	98 196			-	21 985	14 364	7 956	5 868	5 713	3 387	3 720	5 663	5 260	5 561	4 804	8 032	5 546	335	-	98 196
Less Initial Capital	$ 000's	- 27 800	-4170 -	9 730 -	13 900																- 13 900
Less Sustaining Capital	$ 000's	- 2 502			- -	278 -	278 -	278 -	278 -	278 -	278 -	278 -	278 -	278	-	-	-	-	-	-	- 2 502
Less Closure Cost	$ 000's	- 1 390																	-1390		- 1 390
Plus Salvage Value	$ 000's	1 000																	1000		1 000
Plus Working Capital at Closure	$ 000's	600																	600		600
Total Pretax Cash Flow	**$ 000's**	**68 104**	**- 4 170 -**	**9 730 -**	**13 900**	**21 707**	**14 086**	**7 678**	**5 590**	**5 435**	**3 109**	**3 442**	**5 385**	**4 982**	**5 561**	**4 804**	**8 032**	**5 546**	**545**	-	**68 104**
Cum Pretax Cashflow	$ 000's		- 4 170 -	13 900 -	27 800 -	6 093	7 994	15 671	21 261	26 697	29 806	33 248	38 634	43 616	49 177	53 981	62 013	67 559	68 104	68 104	
Payback	Year	2.4		-	-	-	2.4	-	-	-	-	-	-	-	-	-	-	-	-	-	
IRR	%	32%																			
NPV5%	$ 000's	39 531																			
NPV8%	$ 000's	28 758																			
NPV10%	$ 000's	23 270																			
AFTER TAX CASHFLOW																					
EBITDA	$ 000's	98 196	-	-	-	21 985	14 364	7 956	5 868	5 713	3 387	3 720	5 663	5 260	5 561	4 804	8 032	5 546	335	-	98 196
Less Initial Capital	$ 000's	- 27 800	- 4 170 -	9 730 -	13 900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 13 900
Less Sustaining Capital	$ 000's	- 2 502	-	-	- -	278 -	278 -	278 -	278 -	278 -	278 -	278 -	278 -	278	-	-	-	-	-	-	- 2 502
Less Closure Cost	$ 000's	- 1 390	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- -	1 390	-	- 1 390
Plus Salvage Value	$ 000's	1 000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 000	-	1 000
Plus Working Capital at Closure	$ 000's	600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	600	-	600
Less: Mineral Tax	$ 000's	- 7 889	-	-	- -	440 -	287 -	417 -	727 -	707 -	404 -	448 -	700 -	648 -	723 -	625 -	1 044 -	721	-	-	- 7 889
Less: Income Tax	$ 000's	- 16 855	-	-	-	- -	2 727 -	1 960 -	1 316 -	1 274 -	732 -	805 -	1 250 -	1 155 -	1 222 -	1 063 -	1 818 -	1 254 -	278	-	- 16 855
Total After Tax Cash Flow	**$ 000's**	**43 360**	**- 4 170 -**	**9 730 -**	**13 900**	**21 267**	**11 072**	**5 300**	**3 547**	**3 455**	**1 973**	**2 190**	**3 435**	**3 179**	**3 615**	**3 117**	**5 170**	**3 572**	**267**	-	**57 260**
Cum After Tax Cashflow	$ 000's		- 4 170 -	13 900 -	27 800 -	6 533	4 539	9 840	13 387	16 842	18 815	21 005	24 440	27 620	31 235	34 352	39 521	43 093	43 360	43 360	
Payback	Year	2.6		-	-	-	2.6	-	-	-	-	-	-	-	-	-	-	-	-	-	
IRR	%	25%																			
NPV5%	$ 000's	24 308																			
NPV8%	$ 000's	17 079																			
NPV10%	$ 000's	13 383																			

Deerhorn PEA

ALL Values are Canadian $

Revenue, Mining, Processing and General and Administrative Costs

Year			-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total
Waste		kTonne			371	500	583	561	580	580	580	580	610	580	720	229	241	12		6 727
Mined to Mill		kTonne			56	67	74	68	68	68	73	74	74	74	74	74	74	5		923
Mined to Stockpile		kTonne			14		-	-	-	-	-	-	-	-	-	-	-	-		14
Stockpile to Mill		kTonne			7	-	6	6	6	1	-	-	-	-	-	-	-	-		26
Mill Feed		**kTonne**			**56**	**74**	**74**	**74**	**74**	**74**	**74**	**74**	**74**	**74**	**74**	**74**	**74**	**5**		**949**
Au		g/t			7.01	3.61	2.47	2.06	2.12	1.73	1.91	2.30	2.08	2.00	1.96	2.12	1.70	1.48		2.45
Ag		g/t			208	127	85	69	66	45	42	54	61	69	67	78	61	58		76.9
Te		ppm			128	119	87	66	63	53	52	62	63	62	68	93	65	59		74.2
Mine Strip Ratio					6.6	6.8	7.9	7.6	7.8	7.8	7.8	7.8	8.2	7.8	9.7	3.1	3.3	2.4		7.09
Process	Au	%			90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%		
Recoveries	Ag	%			90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%		
	Te	%			90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%		
Metal In	Au	Oz			11 351	7 723	5 278	4 417	4 529	3 704	4 088	4 933	4 458	4 272	4 193	4 544	3 636	214		67 339
Concentrate	Ag	Oz			337 225	272 087	181 085	148 680	140 379	97 197	89 981	116 489	131 270	148 689	143 768	166 666	129 625	8 384		2 111 525
	Te	kg			6 444	7 936	5 777	4 383	4 180	3 515	3 463	4 127	4 189	4 141	4 523	6 172	4 297	268		63 413
Concentrate	Tonnes				1 765	1 201	821	687	704	576	636	767	693	664	652	707	565	33		10 473
Concentrate Loads (20 ton Loads)					88	60	41	34	35	29	32	38	35	33	33	35	28	2		524
Revenue																				
Au Revenue	($ 000's)				16 526	11 245	7 685	6 431	6 594	5 393	5 951	7 183	6 491	6 220	6 104	6 615	5 294	312		98 044
Ag Revenue	($ 000's)				8 880	7 165	4 768	3 915	3 697	2 559	2 369	3 067	3 457	3 915	3 786	4 389	3 413	221		55 603
Te Revenue	($ 000's)				767	945	688	522	497	418	412	491	499	493	538	735	511	32		7 548
Gross Revenue					**26 173**	**19 354**	**13 141**	**10 868**	**10 788**	**8 371**	**8 733**	**10 741**	**10 446**	**10 628**	**10 428**	**11 739**	**9 218**	**564**		**161 194**
less: Refining Cost					358	304	209	168	162	123	121	151	156	165	165	198	150	9		2 440
less: Smelter Charge					150	102	70	58	60	49	54	65	59	56	55	60	48	3		890
less: Transport Tuck					97	66	45	38	39	32	35	42	38	37	36	39	31	2		575
less: Transport Rail					-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
less: Transport Ocean					145	99	68	57	58	47	52	63	57	55	54	58	47	3		863
less: Transport Other					39	26	18	15	15	13	14	17	15	15	14	16	12	1		230
Net Revenue	($ 000's)				25 385	18 756	12 732	10 532	10 453	8 107	8 456	10 403	10 120	10 301	10 104	11 368	8 930	547		156 195
Mining, Processing and General and Administrative Costs																				
Mining																				
Waste					1 484	2 000	2 332	2 244	2 320	2 320	2 320	2 320	2 440	2 320	2 880	916	964	48		26 908
Ore					308	268	320	296	296	276	292	296	296	296	296	296	296	20		3 852
Total Mining Cost					1 792	2 268	2 652	2 540	2 616	2 596	2 612	2 616	2 736	2 616	3 176	1 212	1 260	68		30 760
Processing					1 288	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	115		21 827
General and administrative					319	422	422	422	422	422	422	422	422	422	422	422	422	29		5 412

Appendix D4 – Environmental Studies and permitting cost estimate

Estimated Costs of the Deer Horn Project Mines Act and Related Permits Application:

Background Studies	
Water	*$ 75,000*
Air	*$ 50,000*
Fisheries	*$100,000*
Wildlife	*$ 50,000*
Hydrology	*$ 50,000*
Visuals/Noise	*$ 50,000*
Land & Resource Use	*$ 25,000*
Archaeological & Heritage	*$ 75,000*
Background Studies Total	**$475,000**
First Nations	
Consultation & Engagement	$ 50,000
Social & Economic Studies	$ 50,000
Permit Application	$150,000
Total	**$725,000**

List of British Columbia Authorizations, Licenses and Permits that may be required:

- BC GOVERNMENT PERMITS AND LICENSES ENABLING LEGISLATION
- Application Approval Certificate *BC Environmental Assessment Act*
- Permit Approving Work System & Reclamation Program
- (Minesite – Initial Development)
- *Mines Act*
- Amendment to Permit Approving Work System & Reclamation
- Program (Pre-production)
- *Mines Act*
- Amendment to Permit Approving Work System & Reclamation
- Program (Bonding)
- *Mines Act*
- Amendment to Permit Approving Work System & Reclamation
- Program (Mine Plan - Production)
- *Mines Act*
- Approvals to Construct & Operate Tailings Impoundment Dam *Mines Act*
- Permit Approving Work System & Reclamation Program
- (Gravel Pit/Wash Plant/Rock Borrow Pit) *Mines Act*
- Water Licence – Notice of Intention (Application) *Water Act*
- Water Licence – Storage & Diversion *Water Act*
- Water Licence – Use *Water Act*
- Licence to Cut – Gravel Pits *Forest Act*
- Licence to Cut – Access Road *Forest Act*
- Licence to Cut – Borrow Areas *Forest Act*
- Licence to Cut/Special Use Permit – Powerline *Forest Act*
- Special Use Permit – Access Road *Forest Act*
- Licence of Occupation – Pump house/Water line *Land Act*
- Licence of Occupation – Borrow/Gravel Pits *Land Act*
- Licence of Occupation – Staging Area *Land Act*
- Licence of Occupation – Powerline *Land Act*
- Surface Lease – Minesite Facilities *Land Act*
- Road Use Permit –*Forest Act*
- Waste Management Permit – Effluent (Tailings & Sewage) *Environmental Management Act*
- Waste Management Permit – Refuse *Environmental Management Act*
- Camp/Office Operation Permits (Drinking Water, Sewage Disposal,
- Sanitation and Food Handling)
- *Health Act/ Environmental Management Act*
- Special Waste Generator Permit (Waste Oil) *Environmental Management Act*
- *(Special Waste Regulations)*
- Fuel Storage Approval *Fire Services Act*
- Firearm Restricted Area *Wildlife Act*