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BC Geological Survey
Assessment Report
30114

ASSESSMENT REPORT

On

ROCK GEOCHEMISTRY

CHAMP GROUP

Champion/Beaver Creek Area
Nelson Mining Division

NTS 82F022, 12

UTM Co-Ordinates 5454000N 0460000E

By

TOM KENNEDY, Prospector

SUMMER, 2008

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT
30,114

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1.00 INTRODUCTION

This report describes the results of a Rock geochemistry program conducted on the CHAMP GROUP of mineral claims during the spring and summer of 2007.

1.10 Location and Access

The CHAMP GROUP of claims is centered roughly at UTM Co-Ordinates 460000E and 5454000N (Fig.1) in the headwaters of the small drainages of Champion, Hudu and Beaver Creeks. The property is accessed via a network of logging roads that branch off to the west and east of Highway 3 along a 25km stretch starting approximately 10 km to the southeast from Castlegar and continuing over the top of the Bombi Pass towards Salmo. Additional access is provided by hydro power lines and their service roads that roughly bisect the property.

1.20 Property

The CHAMP GROUP of claims is a contiguous block of 10 mineral claims owned by Tom Kennedy (Fig.2), and covers an area of approximately 6451Ha in the Nelson Mining District.

1.30 Physiography

The CHAMP GROUP is situated between the elevations of 640m and 1620m and consists of moderate to rugged topography. Forest cover is generally a mix of Lodgepole pine, fir and larch with spruce, balsam and cedar hemlock stands with cottonwoods in low lying wet areas. The property covers an area with recent and older predominantly clear cut logging blocks. Outcrops on the property are generally found along creek drainages and as isolated small hills and ridges through out the claimblock. Recent logging activities and road building has also provided bedrock exposures and outcrops would roughly cover less than 15 percent of the properties surface area.


1.40 History of Previous Exploration

Champ Claim Group covers an area that has been explored by various Junior and Senior mining companies in the past and several MinFile occurrences are located in close proximity to the claim group.

CHAMP GROUP Location Map

 **CHAMP GROUP Location**

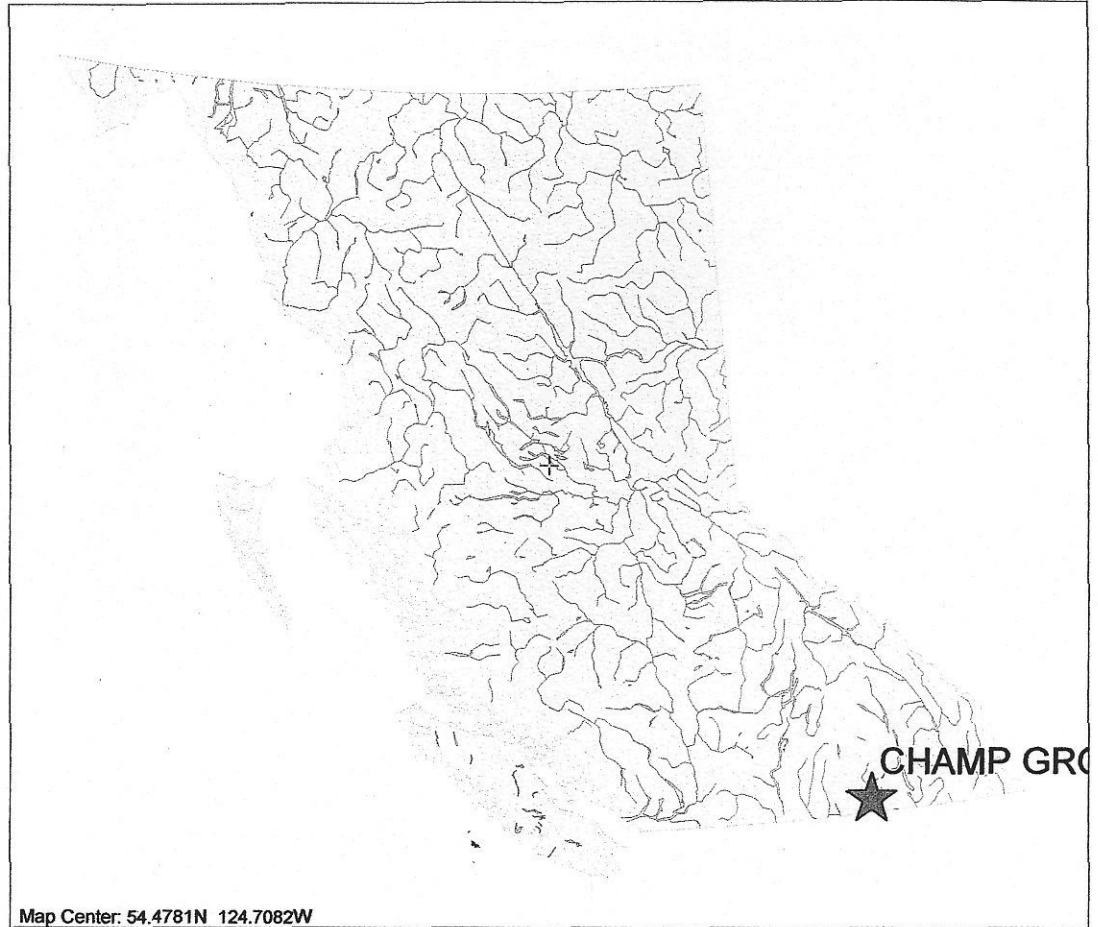
Topographic Layers

 **Lakes 1:6M**

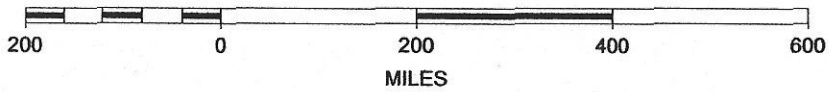
 **Rivers 1:6M**

BC Border Layers

 **BC Border 1:6M**





SCALE 1 : 12,464,636




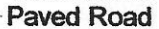





CHAMP GROUP Claim Map

Mineral Titles Layers

-  CHAMP GROUP Tenure
-  All Mineral Tenures

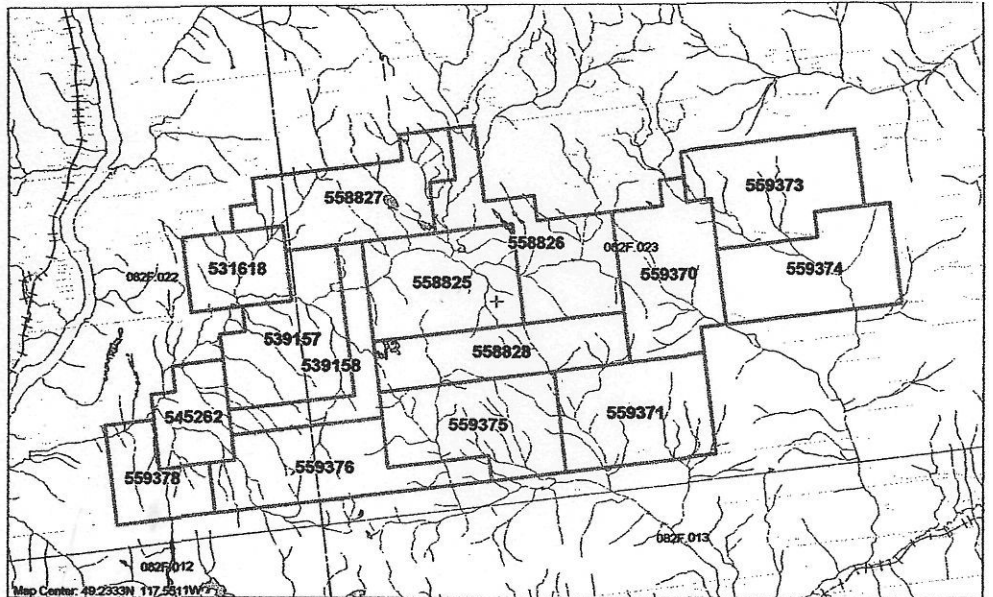
Topographic Layers

-  Railways 1:20K
-  Roads 1:20K
 -  Gravel Road
 -  Paved Road
 -  Rough Road

-  Lakes 1:20K
-  Rivers 1:20K

Grid Layers

-  Grid 1:20K - labels



SCALE 1 : 137,684

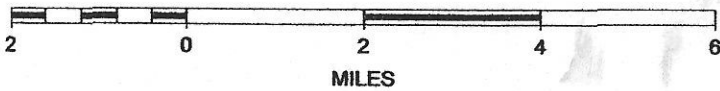
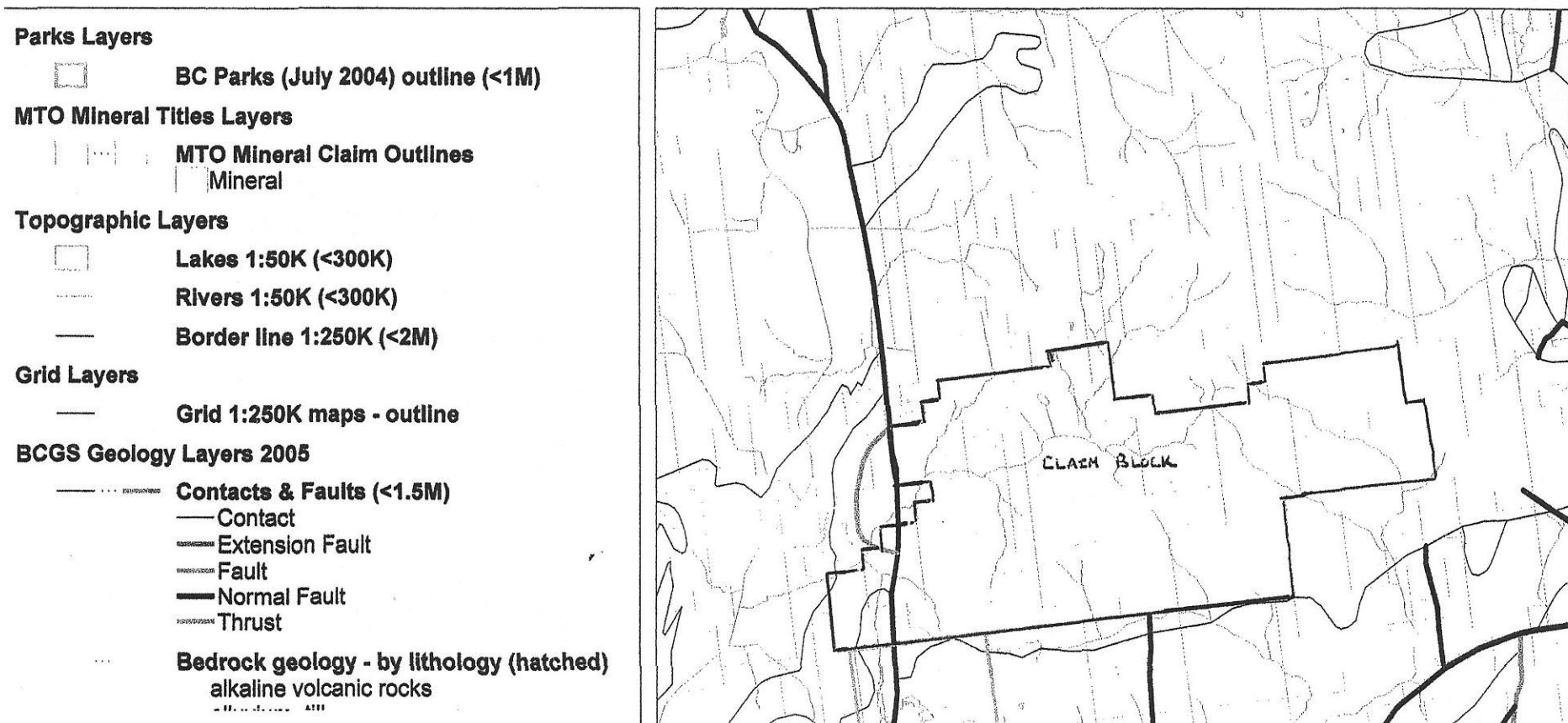
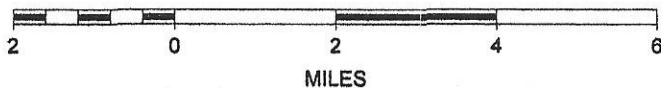


Figure 3 Regional Geology Map



SCALE 1 : 150,000



1.50 Purpose of work

The 2007 rock geo-chemistry program continued the progress of an early program conducted on the Property Group in the spring. The goal of the program was to collect samples from an area of favourable geology for Rossland style massive sulphide gold veins; massive sulphide skarns and granite hosted/ related quartz veining with precious metals.

2.00 GEOLOGY

The Champion Creek block of mineral claims covers an area with a number of large sized roof pendants hosted within the Bonnington Batholith a mid to late Jurassic granitic intrusive (Refer to Figure 4). The roof pendants are of probable Early Jurassic Rossland group to Triassic aged Ymir group volcano-sedimentary packages and they show varying degrees of alteration/metamorphism. This sequence is in the structural hangingwall of the Champion Creek fault a major northerly trending tertiary fault system and is in contact with metamorphic rocks of the Castlegar Gneissic complex to the west. Parallel structural splays to the Champion Creek fault occur throughout the property and are commonly associated with greenstone to lamprophyre dykes which cut both pendants and granitic rocks. Several syenite and diorite dykes also occur on the property and generally follow the above structures.

3.00 ROCK GEO-CHEMISTRY RESULTS

3.10 Rock-Geochemistry Procedure

During the 2007 rock Geochemistry program samples 47 were collected. The samples consisted primarily of grab samples collected with hammers and picks. Locations were marked in the field with flagging and GPS readings were taken of each site with handheld GPS units. These samples were sent to ACME Analytical Laboratories where they were subjected to the Group ID multi-element assay package. Gold was assayed for by Atomic Absorption with values given in ppb. Sample locations with values plotted for gold and arsenic can be found on Figure 5 (in pocket) and a complete table of sample descriptions as well as UTM co-ordinates can be found in Appendix A, with Assay certificates in Appendix B

3.20 Discussion of Rock Geochemistry Results

Gold - 7 of the 47 samples collected during the 2007 rock geo-chemistry program yielded values for gold greater than 100 ppb with an additional 5 samples above 50 ppb, locations can be found on Figure 5. The gold samples can be broken into two groups; those hosted by quartz veining and stock-works within the granodiorite and those within the volcano-sedimentary pendant units and are listed in the table below. The highest value for gold CH07-50 (1222.1ppb) was taken from massive sulphide veinlets cutting a pendant unit and contained high values for arsenic (greater than 10,000ppm) along with CH07-51(343.4ppb) and CH07-48(275.8ppb). The rest of the anomalous samples obtained from

the pendant unit also showed a strong correlation to arsenic with only an erratic association with other base metals. Of the stockwork quartz related veining in the granodiorite the highest values obtained were at CH07-089(579.9ppb), CH07-94(231.5ppb), CH07-78(331.7ppb) and CH07-61(115.3ppb). These samples show no direct correlation to any other element however they are associated with weakly elevated levels for copper and lead.

Table of Gold values with host and values:

Sample No.	Host Unit	Value (ppb)
CH07-048	Pendant	275.8
CH07-049	Pendant	53.8
CH07-050	Pendant	1222.1
CH07-051	Pendant	343.4
CH07-052	Pendant	87.2
CH07-054	Pendant	77.2
CH07-061	Granodiorite	115.3
CH07-074	Granodiorite	72.4
CH07-078	Granodiorite	331.7
CH07-086	Granodiorite	59.5
CH07-089	Granodiorite	579.9
CH07-094	Granodiorite	231.5

Silver - Silver values on the whole were weakly elevated with 3 samples returning values greater than 2 ppm. The highest sample of greater than 100ppm (sample CH07-84) was comprised of quartz sub-crop material within a grano-diorite unit. This sample also yielded the highest value for copper of 663 ppm and bismuth greater than 2000 ppm.

Base Metals and Arsenic- The results of the samples collected showed no significantly elevated levels for lead or zinc with only a handful of samples even weakly anomalous (greater than 100ppm). The highest zinc value of 245ppm was obtained from a hornfelsed fracture zone with pyrite in a pendant unit (sample CH07-58) and the highest lead value of 134ppm was obtained from quartz material from a grano-diorite. Two other lead samples greater than 100 ppm (sample CH07-51, 52) were obtained within a massive arsenopyrite zone in a roof pendant. Copper values were similarly low with only 3 samples with values over 100 ppm in samples CH07-73 (411ppm), 77(111ppm) and 84 (663ppm). All of these samples were collected out of quartz vein material within granitic intrusives.

A number of samples contained significant values for arsenic with several returning values above the detection limit of 10000ppm (samples CH07-48,50,51,52) and 2 other samples with values over 1000ppm CH07-49(3473), and CH07-59(1322). Three more samples were above 100ppm CH07-53(263), CH07-54(192), and CH07-60 (106). All of these samples were taken from veining and fractures of massive sulphides with quartz and weak sericite alteration cutting pendant units. The highest value for arsenic obtained in quartz veining from within the granodiorite was 67ppm in sample CH07-86.

4.00 CONCLUSIONS AND RECCOMENDATIONS

The rock geochemistry program conducted during the early Summer of 2007 on the Champion Creek Group of mineral claims has provided evidence of two styles of gold mineralization on the property; one associated with quartz stockworks and veining within the granodiorite intrusion and a second style associated with massive sulphide veining and fractures with arsenic in a sedimentary/volcanic pendant an environment and style very similar to that at the Rossland camp to the west.

Further rock sampling coupled with soils and geological mapping should be carried out in the areas of identified gold mineralization and geophysics should also be considered in the next phase of work on the property.

5.00 STATEMENT OF COSTS

Tom Kennedy	10 days @ \$450.00/day (vehicle inclusive)	-\$4500.00
Tom Kennedy	2 days @ \$300.00/day -Report writing	-\$600.00
Rock Samples	47 @ \$22.00/sample	-\$1034.00
	TOTAL COST	<u>\$6134.00</u>

6.00 AUTHOR'S QUALIFICATIONS

As author of this report I, Tom Kennedy certifies that:

- 1) I am an independent consulting prospector residing at 404 22nd Ave. N. Cranbrook, B.C.
- 2) I have been actively involved in mining and mineral exploration for the past 17 years.
- 3) I have been employed by individuals as well as \junior and Major mining companies.
- 4) I have created and optioned numerous grass-roots mineral exploration properties.

Tom Kennedy

Prospector

APPENDIX 1
ROCK SAMPLE
DESCRIPTIONS

Sample No.	UTM E	UTM n	Description
CH07-048	461921	5452691	Series of biotite and sericite rich fractures in sedimentary/volcanic porphyry pendant with limonite, pyrite and arsenopyrite in 50 degree trending fractures/ veins dipping to NW at 70 degrees
CH07-049	461921	5452691	Same area as above - sericite altered old porphyry unit with arsenopyrite disseminated and along fractures
CH07-050	461921	5452691	Same area as above - series of parallel trending biotite and sericite rich massive arsenopyrite, limonite and pyrite fractures within porphyry unit -60 degree trending vertically dipping over a 4-5m width
CH07-051	461921	5452691	Same as Above
CH07-052	461921	5452691	Same as Above
CH07-053	461889	5452707	Quartz carbonate veining along contact of coarse granite and pendant unit with disseminated pyrite and arsenopyrite along margins -1 foot wide zone 30 degree trending dip 75 degrees to NW
CH07-054	461925	5452664	1 foot wide zone of sulfide flooded biotite /sericite altered porphyry unit with limonite, pyrite and arsenopyrite - 50 degree strike dipping vertically
CH07-055	461930	5452619	Epidote skarned massive pyrite vein in porphyry unit with biotite and sericite - 70 degree strike dip 80 degrees to NW
CH07-056	461928	5452634	Parallel zone to above with pyrite, limonite and sericite in epidote/garnet veinlets
CH07-057	461870	5452492	Sericite, carbonate and pyrite altered zone in coarser granite 340 degree trend dip 70 degrees to NE 3-4m wide - sample of more intense altered material with disseminated pyrite and limonite
CH07-058	461813	5453241	60 degree trending hornfelsed fractures in silicified sedimentary pendant with some limonite, pyrite and rare sphalerite
CH07-059	463211	5454838	Pendant sub-crop with pegmatitic veinlets with rare arsenopyrite in an along margins
CH07-060	463363	5454799	1m wide zone with narrow quartz veinlets (milky quartz crystal vugs) with limonite carbonate and pyrite -320 degree trending in contact zone of pendant and coarser white granite
CH07-061	454693	5452768	Micro-veined broken finer-grained granodiorite with some epidote and limonite/pyrite
CH07-062	463089	5453784	Quartz stockwork float in silicified finer-grained diorite with some quartz crystal vugs with rare limonite and pyrite - some carbonate
CH07-063	463255	5453369	Hornfelsed sediments with pegmatitic veinlets with some limonite and pyrite -rare MoS
CH07-064	463050	5453281	Narrow massive pyrite quartz veinlets cutting old porphyry unit -50 degree strike dip 70 degrees to NW
CH07-065	464115	5453462	Quartz carbonate stockwork in coarse grained white granite - veinlets cm scale over 0.5m width with carbonate green sericite and pyrite along margins - 50 degree strike dip 65 degrees to NW
CH07-066	464115	5453462	Same zone as above- sample of quartz material with some limonite and pyrite

CH07-067	464374	5453481	Mylonitic margin of a diorite dyke with pyrite, limonite, magnetite and sericite alteration in white coarse grained granite - 345 degree trend
CH07-068	464615	5453174	Pit on a pendant/granite contact sheared trending 350 degrees dip 75 degrees to E -sample of pendant material with drusy quartz calcite veinlets -some fine-grained limonite and pyrite
CH07-069	464615	5453174	Same as Above
CH07-070	464620	5458132	Milled albitic silicified material with rotted out pyrite and limonite in sediment pendant unit
CH07-071	463214	5454492	Epithermal style quartz breccia in fine-grained granodiorite with some limonite and pyrite, and carbonate - 140 degree trend
CH07-072	455274	5451185	Broken quartz veins in granite with some limonite and pyrite - epidote and pink alteration of feldspars
CH07-073	455358	5451146	Narrow quartz vein in granite with blackish chlorite alteration along margins with pyrite and limonite in and along vein -140 degree strike dip 70 degrees to SW
CH07-074	455400	5451145	Quartz stockwork sub-crop with limonite and pyrite in milky quartz with some black ribbons along margins -granite host
CH07-075	455613	5450853	0.5m wide open space quartz stockwork zone in granite with some pyrite and limonite with sericite alteration and carbonate along margins - 110 degree orientation
CH07-076	455613	5450853	Same as Above
CH07-077	455582	5450841	Narrow quartz veins in granite with open space textures sheared margins and limonite/pyrite in and along margins
CH07-078	455705	5450414	Narrow quartz shear in granite with limonite, pyrite sericite and manganese - 60 degree strike dip 70 degrees to N
CH07-079	456025	5451815	Zone of oxide brecciation with mafic dykes cutting granite volcanic contact with some quartz crystal veinlets and limonite and pyrite - 350 degree strike dip 20 degrees to W
CH07-080	456025	5451815	Same zone as Above -Sample of 1m wide manganese chlorite rich breccia diatreme with disseminate pyrite and limonite
CH07-081	456077	5451593	Chloritic and bleached brecciated zone with some quartz veinlets with limonite, pyrite and carbonate - some iron oxides on slips
CH07-082	455706	5451335	Narrow quartz veinlets with sheared margins and limonite/pyrite cutting medium grained white granite - strike 70 degrees dip 25 degrees to S
CH07-083	455315	5454412	Quartz breccia material with fine-grained sugary quartz with some pyrite and limonite - 4-6 inches wide in granite
CH07-084	453804	5450732	Quartz sub-crop with pyrite, limonite and arsenopyrite coming out of granodiorite
CH07-085	455240	5451459	Broken zone of granite and mafic dyke material with some limonite and pyrite fractures with calcite and rare chalcopyrite
CH07-086	455732	5450787	Quartz stockwork sub-crop with some orange boxwork limonite and pyrite with sericite and chlorite alteration along margins
CH07-087	455676	5450860	Erratic quartz stockwork zone in coarser white granite with some limonite and pyrite in milky quartz
CH07-088	455564	5450999	Narrow milky quartz veinlets with sheared margins chlorite and pyrite in and along veining
CH07-089	455404	5451051	Quartz veinlet stockwork sub-crop with limonite and pyrite in veining with limonite manganese and carbonate alteration along margins

CH07-090	455274	5451243	Narrow quartz veinlet stockwork zone with some calcite and pyrite in volcanic diorite pendant - 30 degree strike dip 20 degrees to E
CH07-091	455223	5451282	Quartz stockwork zone in volcanic granite mix zone with some limonite and pyrite - 320 degree trend
CH07-092	455225	5451334	Epidote altered zone with milky to crystalline texture quartz veinlets with some limonite and pyrite with weak sericite alteration
CH07-093	455225	5451489	Brecciated granite with epidote, limonite alteration and narrow quartz veinlets
CH07-094	455174	5451640	Quartz stockwork sub-crop with sheared margins -pyrite and limonite with black tourmaline in and along margins

APPENDIX 2
ASSAY SHEETS

AGOR ANALYTICAL LABORATORIES LTD.
(ISO 9001 Accredited Co.)

852 E. HASTINGS ST. VANCOUVER BC V6A 1R6

PHONE (604) 253-3158 FAX (604) 253-1716



GEOCHEMICAL ANALYSIS CERTIFICATE



Kootenay Gold Corp. File # A703415
156 Bay View Drive South, Calgary AB T2V 3N8 Submitted by: Tom Kennedy

SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Au*
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	%	%	%	%	ppm	ppb
CH07-48	3	38	7	24	<.3	6	11	1180	3.64	>10000	<8	<2	2	39	<.5	3	<3	89	1.47	.098	7	24	1.40	50	.16	<20	3.46	.31	.75	3	275.8
CH07-49	3	48	49	6	<.3	27	25	1289	4.26	3473	<8	<2	4	76	<.5	<3	<3	111	3.78	.141	11	18	1.74	238	.34	<20	7.42	.27	1.54	<2	53.8
CH07-50	<1	35	18	51	1.4	99	138	1881	6.92	>10000	<8	<2	3	31	.5	4	<3	78	.94	.060	4	17	4.10	140	.04	<20	4.11	.05	1.97	2	1222.1
CH07-51	4	91	103	86	3.1	13	18	888	5.09	>10000	<8	<2	4	64	1.6	7	<3	41	2.64	.131	12	13	1.47	74	.05	<20	4.60	.06	.20	9	343.4
CH07-52	4	62	124	38	1.9	4	8	982	4.12	>10000	<8	<2	7	167	.5	<3	<3	69	7.05	.166	21	19	1.45	226	.12	<20	9.45	.17	.47	4	87.2
CH07-53	2	28	40	94	1.5	10	20	753	3.70	263	<8	<2	6	20	1.2	<3	3	65	.59	.120	14	12	.74	100	.07	<20	1.23	.06	.27	<2	7.8
CH07-54	3	80	11	30	.8	6	17	1188	7.12	192	<8	<2	3	56	.6	<3	<3	36	1.79	.093	10	5	.59	45	.09	<20	3.33	.23	.24	2	77.2
CH07-55	2	57	19	95	.6	4	10	694	2.36	44	<8	<2	8	31	<.5	<3	<3	39	.59	.083	10	9	.57	48	.11	<20	1.16	.09	.19	2	5.5
CH07-56	1	67	3	5	.5	1	2	209	2.19	69	<8	<2	3	49	<.5	<3	<3	11	1.27	.082	7	3	.20	21	.05	<20	1.95	.26	.08	<2	.5
CH07-57	<1	24	6	91	.6	4	15	1226	5.66	10	<8	<2	3	140	<.5	<3	3	63	2.42	.200	12	4	1.31	82	.02	<20	1.70	.05	.26	<2	.9
CH07-58	4	86	25	245	<.3	35	17	274	3.63	17	<8	<2	2	29	2.2	<3	<3	98	2.33	.108	6	52	.91	17	.16	<20	2.13	.04	.03	3	1.6
CH07-59	5	20	5	17	.3	30	13	162	1.53	1322	<8	<2	2	131	<.5	6	<3	38	2.20	.111	10	13	.44	31	.06	20	3.39	.43	.13	<2	5.4
CH07-60	664	86	73	117	17.9	20	13	274	3.72	106	<8	<2	2	8	.7	7	<3	92	.12	.027	7	16	1.02	26	<.01	<20	1.26	.02	.02	2	20.8
STANDARD DS7/OXF41	19	94	65	390	.8	49	9	597	2.28	46	8	<2	5	74	5.7	5	5	77	.96	.071	12	188	1.02	376	.11	32	.99	.10	.42	7	765.1

SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Au*
	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	%	%	%	%	ppm	ppb
G-1	1	2	<3	31	<.3	2	2	395	1.34	<2	<8	<2	2	41	<.5	<3	<3	23	.33	.051	5	6	.46	152	.10	<20	.81	.07	.39	<2	.5
CH07-61	<1	27	13	52	<.3	3	7	715	1.73	12	<8	<2	8	36	.7	<3	4	13	.31	.097	20	5	.51	94	.08	<20	1.14	.07	.30	<2	115.3
CH07-62	<1	9	<3	27	<.3	2	4	379	1.80	3	<8	<2	2	57	<.5	<3	<3	43	1.82	.096	9	10	.51	27	.01	<20	.65	.05	.04	<2	11.1
CH07-63	12	61	9	30	.6	3	1	81	2.24	45	<8	<2	2	25	<.5	11	<3	84	.70	.106	6	26	.45	73	.13	<20	1.02	.06	.22	<2	7.7
CH07-64	4	44	18	53	.5	5	23	326	4.17	6	<8	<2	4	53	2.2	3	5	53	.65	.100	7	25	1.02	28	.06	<20	1.02	.06	.06	<2	8.2
CH07-65	1	20	13	56	.9	6	13	687	3.44	30	8	<2	10	83	<.5	3	<3	53	1.30	.080	17	10	1.11	38	.02	<20	1.55	.02	.21	<2	4.9
CH07-66	1	17	15	50	7.0	3	5	471	1.88	55	<8	<2	3	24	.5	3	<3	20	.42	.029	6	4	.38	24	<.01	<20	.58	.01	.10	<2	9.3
CH07-67	<1	36	<3	90	<.3	27	27	1690	5.82	17	<8	<2	5	145	.6	3	3	38	3.91	.403	25	52	2.92	104	.02	<20	3.24	.12	.43	<2	3.1
CH07-68	22	67	4	132	.6	59	11	265	3.13	26	<8	<2	2	56	1.3	<3	<3	74	2.62	.099	9	25	.71	19	.06	<20	1.38	.04	.04	<2	2.7
CH07-69	1	11	<3	84	.7	8	5	574	1.83	19	<8	<2	<2	110	1.9	<3	<3	52	7.06	.044	4	24	.72	7	.05	<20	2.00	.01	.03	<2	2.4
CH07-70	4	34	8	61	<.3	13	3	207	1.91	82	<8	<2	5	38	1.0	<3	<3	62	2.69	.053	4	16	.44	33	.06	<20	2.42	.01	.03	<2	4.0
CH07-71	1	2	<3	38	.3	2	5	759	2.38	10	<8	<2	2	37	<.5	<3	<3	43	1.22	.056	6	14	.84	86	.02	<20	1.25	.01	.15	<2	4.1
FR07-12	4	13	140	290	.7	12	5	250	2.58	101	<8	<2	<2	37	3.1	<3	<3	17	.21	.089	5	6	.08	18	<.01	<20	.35	.07	.05	<2	60.6

