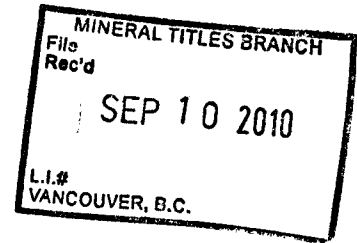


ROCK GEOCHEMISTRY REPORT  
GOOD GOLLY PROPERTY



NELSON MINING DIVISION  
SANCA CREEK AREA  
SOUTHEAST BC

BC Geological Survey  
Assessment Report  
31657

WORK PERFORMED SUMMER 2010

OWNER: SEAN KENNEDY  
OPERATOR: KOOTENAY GOLD INC  
VANCOUVER, BRITISH COLUMBIA

REPORT WRITTEN BY SEAN KENNEDY, PROSPECTOR

AUGUST 2010

31,657

GEOLOGICAL SURVEY BRANCH  
ASSESSMENT REPORT

Ministry of Energy, Mines & Petroleum Resources  
Mining & Minerals Division  
BC Geological Survey

Assessment Report  
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: ROCK GEOCHEMISTRY REPORT

TOTAL COST: \$1652.00

AUTHOR(S): SEAN KENNEDY

SIGNATURE(S): 

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): \_\_\_\_\_

YEAR OF WORK: 2010

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 4682312

PROPERTY NAME: GOOD GOLLY

CLAIM NAME(S) (on which the work was done): 549729, 545975

COMMODITIES SOUGHT: Au

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: \_\_\_\_\_

MINING DIVISION: Ft Steele NELSON

NTS/BCGS: \_\_\_\_\_

LATITUDE: \_\_\_\_\_ ° \_\_\_\_\_ ' \_\_\_\_\_ " LONGITUDE: \_\_\_\_\_ ° \_\_\_\_\_ ' \_\_\_\_\_ " (at centre of work)

OWNER(S):

1) Sean Kennedy

2) \_\_\_\_\_

MAILING ADDRESS:

272 Kimbrook Cr

Kimberley, BC V1A 3A7

OPERATOR(S) [who paid for the work]:

1) Kootenay Gold Inc

2) \_\_\_\_\_

MAILING ADDRESS:

Kootenay Gold Inc. Suite 920 - 1055 W. Hastings St.

Vancouver, British Columbia Canada V6E 2E9

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):

Au mineralization developed in quartz veins cutting Cretaceous Mt. Skelly Pluton.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: \_\_\_\_\_

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
<b>GEOLOGICAL (scale, area)</b>			
Ground, mapping			
Photo interpretation			
<b>GEOPHYSICAL (line-kilometres)</b>			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
<b>GEOCHEMICAL (number of samples analysed for...)</b>			
Soil			
Silt			
Rock 18			\$451.62
Other Labour costs			\$850.00
<b>DRILLING (total metres; number of holes, size)</b>			
Core			
Non-core			
<b>RELATED TECHNICAL</b>			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
<b>PROSPECTING (scale, area)</b>			
<b>PREPARATORY / PHYSICAL</b>			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other Report			\$350.00
<b>TOTAL COST:</b>			<b>\$1651.62</b>

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## INTRODUCTION

Rock geochemistry was used on the Good Golly mineral claims in southeast BC to further delineate gold bearing quartz veins in Cretaceous granite. Work was conducted during the summer of 2010 with 23 rock samples collected and analyzed.

## LOCATION AND ACCESS

The property is located approximately 35 kilometres north-northwest of the city of Creston, BC in the Sanca Creek watershed. Access is provided by the Sanca Creek FSR which branches off of the highway east about 45 kilometres north of Creston towards Crawford Bay. Numerous spur logging roads provide access to various parts of the claims.

## PROPERTY

The property is wholly owned by Sean Kennedy and is comprised of tenure numbers 503676, 545975, and 549729.

## PHYSIOGRAPHY

The area is largely timber covered with lodgepole pine as the dominant species, some cedar, hemlock, and fir is located in wetter areas, mainly valley bottoms. Brush is typically mountain alder and dwarf huckleberry. Slopes typically are steep above valley bottoms and tend to become gentle and then steepen again near ridgelines.

## HISTORY

Old pits are located on the property in one known location along a goethite and manganese rich quartz vein. Recently Kootenay Gold funded a program of rock geochemistry and prospecting as well as soil geochemistry. These programs were successful in delineating additional limonite rich quartz veins (up to 2 metres wide) that contained anomalous gold (up to 11 ppm), silver, lead, zinc, copper, and arsenic. A number of broader zones of alteration in the host granite contain hairline sheeted veins with carbonate and manganese alteration.

## GEOLOGY

The property is almost entirely underlain by two phases of Cretaceous granite; the coarsely porphyritic Mt Skelly pluton and the Sanca Stock, a younger biotite rich phase. Sediments on the property have been partially incorporated into the melt near the contact and are mostly schistose away from the intrusion. Veining and alteration tends to follow a northerly trend.

## ROCK GEOCHEMISTRY

During the program 23 samples were collected and analyzed by Acme Labs however only 18 were used for assessment (human error). All sample information is included in this report. Sample

locations, descriptions, and analysis are included in the appendix. A map of sample locations with gold in ppb is included in the sleeve.

The highest gold value returned from the program was from SK10-148 (7195 ppb). Anomalous gold values (greater than 10 ppb) were returned from 19 samples, 9 of which contained values over 100 ppb, three contained multigram gold. All the samples returned elevated values for lead, most contained anomalous manganese. Anomalies in moly, zinc, copper, silver, arsenic, uranium, antimony, bismuth, barium, and tungsten were also evident. Veining and alteration in the granite occurs as discrete zones, however width and orientation is difficult to determine due to poor outcrop exposure. Vein boulders up to 2 m x 2m were seen in float and contained anomalous values for gold and base metals.

#### CONCLUSIONS AND RECOMMENDATIONS

Rock geochemistry was used on the Good Golly mineral claims in southeast BC to try to determine gold bearing potential in quartz veins seen cutting Cretaceous granite. Three of the 23 samples collected contained multigram gold, nine samples had gold values over 100 ppb, and 19 had elevated levels (above 10 ppb). All the samples contained elevated levels of a number of important pathfinder elements.

Trenching of the veins is warranted to determine vein orientation and width for future diamond drilling. Ready analogues for the style of mineralization seen at the Good Golly are available at the past producing Bayonne and Valparaiso mines. Since the Good Golly hosts a number of anomalous veins and alteration zones the likelihood of successfully identifying a series of auriferous veins (up to 2 m wide as evidenced by outcrop exposures and boulders) seems good. Potential for a bulk tonnage sheeted vein scenario are also applicable to the property.

## STATEMENT OF COSTS

Work was completed June 7 2010

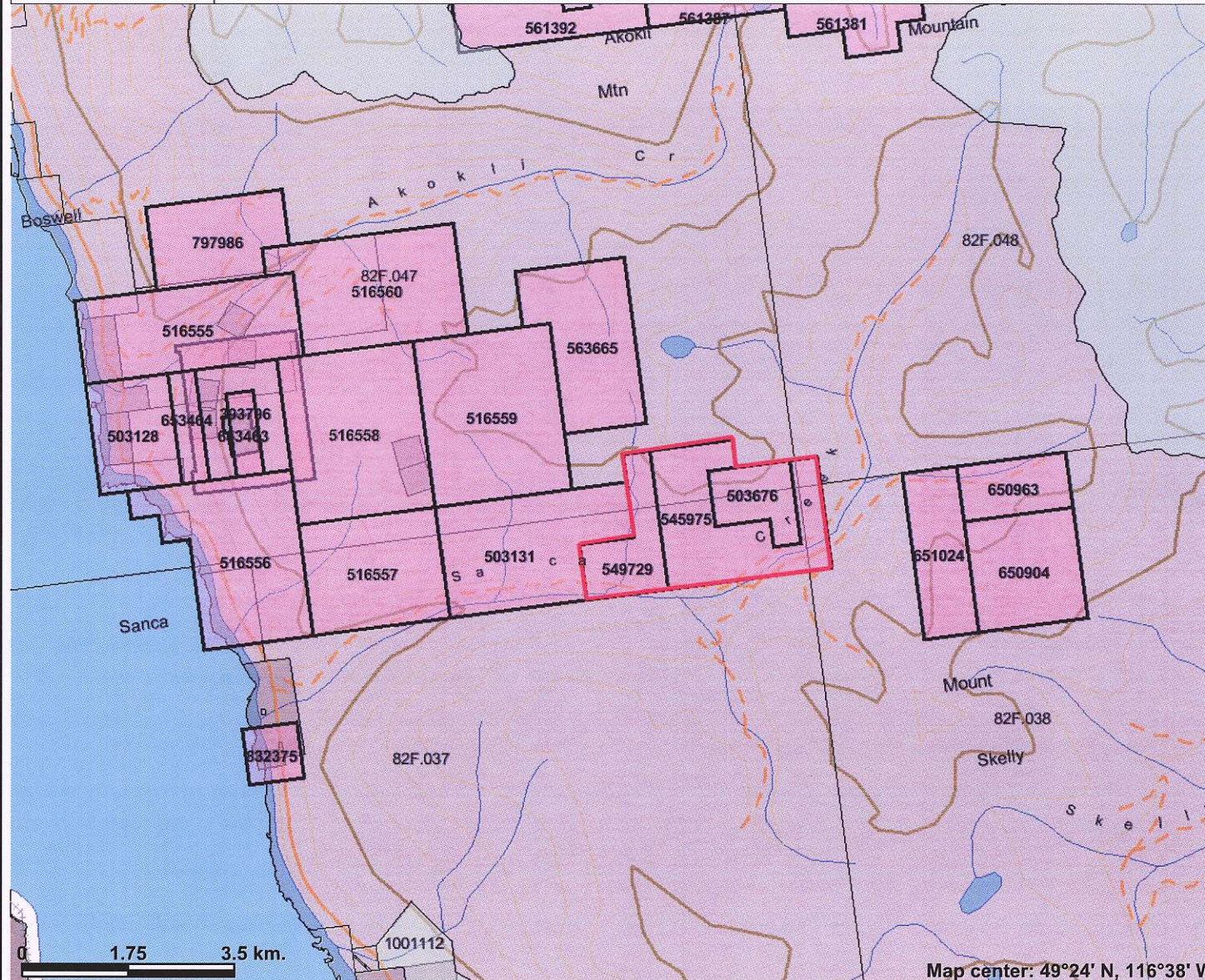
1 Man day @ \$350/day (S. Kennedy)	\$350.00
1 Man day @ \$350/day (M. Kennedy)	\$350.00
1 Truck day @ \$150	\$150.00
18 Rock Samples @ \$25.09	\$451.62
<u>Report 1 days @ \$350/day (S. Kennedy)</u>	<u>\$350.00</u>
Total	\$1,651.62

## STATEMENT OF QUALIFICATIONS

I, Sean Kennedy, certify that:

1. I am an independent prospector residing at 272 Kimbrook Crescent, Kimberley, BC.
2. I have been actively prospecting in the East Kootenay district of BC for the past 15 years
3. I have been employed as a professional prospector by junior mineral exploration companies.
4. I own and maintain mineral claims in BC.

# GOOD GOLLY CLAIM BLOCK



## Legend

- Indian Reserves
- National Parks
- Conservancy Areas
- Parks
- Mineral Tenure (current)
- Mineral Claim
- Mineral Lease
- Mineral Reserves (current)
- Placer Claim Designation
- Placer Lease Designation
- No Staking Reserve
- Conditional Reserve
- Release Required Reserve
- Surface Restriction
- Recreation Area
- Others
- Survey Parcels
- BCGS Grid
- Contours (1:250K)
- Contour - Index
- Contour - Intermediate
- Area of Exclusion
- Area of Indefinite Contours
- Annotation (1:250K)
- Transportation - Points (1:250K)
- Airfield
- Anchorage - Seaplane
- Ferry Route
- Heliport
- Seaplane Base
- Air Field
- Airport
- Air Feature - Condition Unknown



Scale: 1:100,000

Map center: 49°24' N, 116°38' W

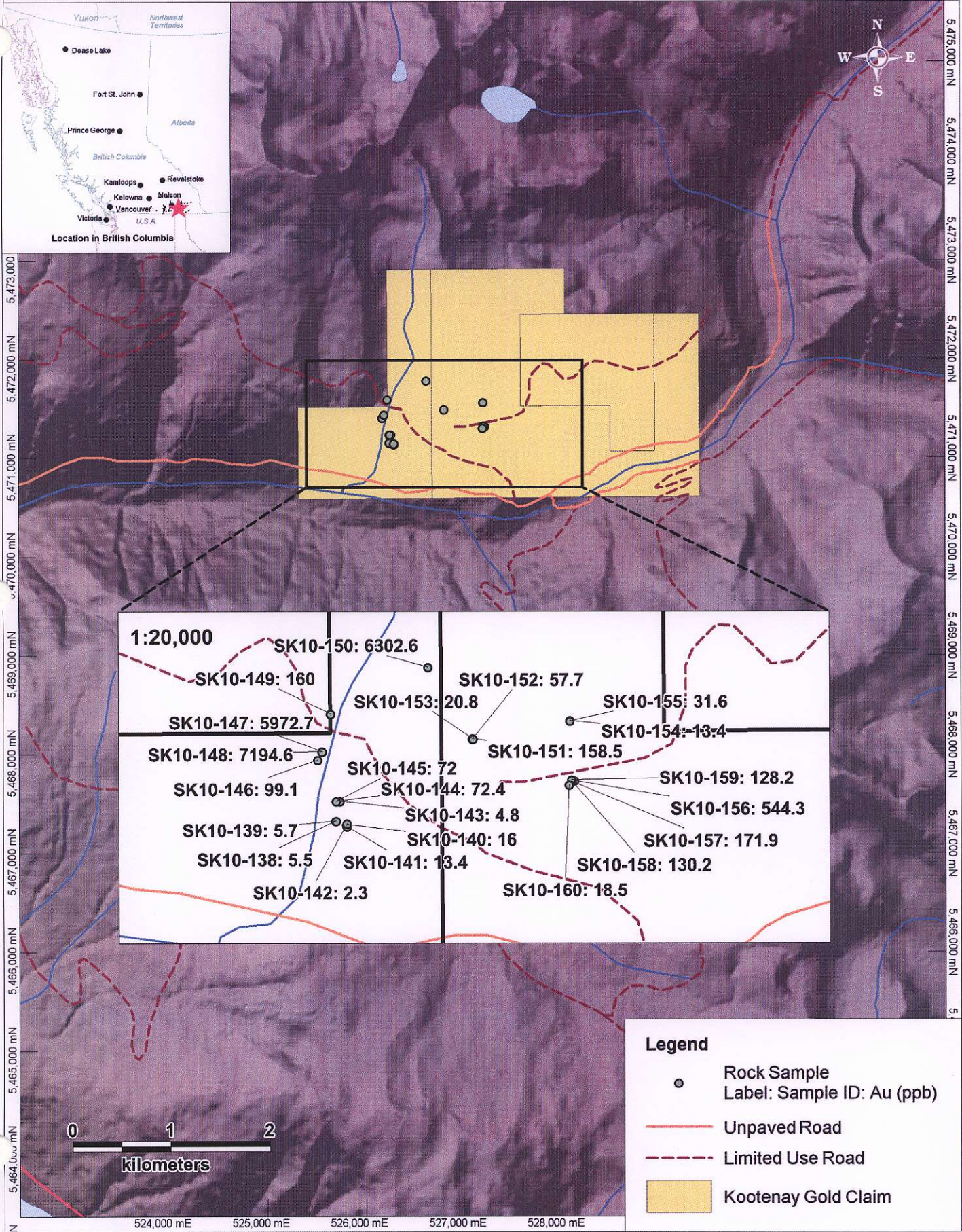
This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

Notes: REGIONAL LOCATION TOP RIGHT



# GOOD GOLLY PROPERTY: ROCK SAMPLING

Datum: Zone 11, NAD83  
Date: Aug 31, 2010



**1:20,000**

SK10-150: 6302.6	SK10-152: 57.7	SK10-155: 31.6
SK10-149: 160	SK10-153: 20.8	SK10-154: 13.4
SK10-147: 5972.7	SK10-151: 158.5	SK10-156: 544.3
SK10-148: 7194.6	SK10-145: 72	SK10-157: 171.9
SK10-146: 99.1	SK10-144: 72.4	SK10-158: 130.2
SK10-139: 5.7	SK10-143: 4.8	SK10-160: 18.5
SK10-138: 5.5	SK10-140: 16	
SK10-141: 13.4		
SK10-142: 2.3		

- Legend**
- Rock Sample  
Label: Sample ID: Au (ppb)
  - Unpaved Road
  - - - Limited Use Road
  - Kootenay Gold Claim

## APPENDIX

SAMPLE #	UTM E	UTM N	DESCRIPTION
SK10-138	526248	5471160	Subcropping zone of carb/Mn alt granite, lim wad/qtz as sheeted veins
SK10-139	526249	5471160	Subcropping zone of carb/Mn alt granite, lim wad/qtz as sheeted veins
SK10-140	526292	5471146	Subcropping zone of carb/Mn alt granite, lim wad/qtz as sheeted veins
SK10-141	526293	5471139	Subcropping zone of carb/Mn alt granite, lim wad/qtz as sheeted veins
SK10-142	526293	5471150	Subcropping zone of carb/Mn alt granite, lim wad/qtz as sheeted veins
SK10-143	526264	5471239	Subcropping zone of carb/Mn alt granite, lim wad/qtz as sheeted veins
SK10-144	526249	5471239	Zone of sheeted veins with ser, carb, Mn, goe in altered granite
SK10-145	526250	5471239	Zone of sheeted veins with ser, carb, Mn, goe in altered granite
SK10-146	526175	5471407	Qtz greissen boulder, bx, goe, argillically alt
SK10-147	526193	5471441	8 cm wide qtz vein, strong goe, Mn, carb, sausserite
SK10-148	526192	5471441	8 cm wide qtz vein, strong goe, Mn, carb, sausserite
SK10-149	526228	5471593	Angular qtz float w/Py/PbS, rusty
SK10-150	526625	5471783	Similar float as last, hem
SK10-151	526807	5471493	Subcropping zone of good clayt alt granite, sheeted qtz veins, hem, goe, py
SK10-152	526807	5471492	Subcropping zone of good clayt alt granite, sheeted qtz veins, hem, goe, py
SK10-153	526808	5471492	Subcropping zone of good clayt alt granite, sheeted qtz veins, hem, goe, py
SK10-154	527202	5471566	Mn rich zone in granite, thin qtz, carbonate
SK10-155	527202	5471565	Mn rich zone in granite, thin qtz, carbonate
SK10-156	527222	5471322	Limonite rich qtz float
SK10-157	527211	5471319	Same as last, large boulders, ser rich
SK10-158	527211	5471319	Same as last, large boulders, ser rich
SK10-159	527210	5471326	Same as last, large boulders, ser rich
SK10-160	527200	5471305	1mx1m qtz/granite bx float, hem wad, goe, ser



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 Vancouver BC V6E 2E9 Canada

Project: GOOD GOLLY  
 Report Date: July 02, 2010

Page: 2 of 2 Part 1

**CERTIFICATE OF ANALYSIS**

**VAN10002681.1**

Method	WGHT	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30
Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	
Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	
MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01	
SK10-138	Rock	0.72	0.4	12.0	248.4	172	0.5	0.6	0.6	1852	2.44	23.3	3.5	5.5	3.2	7	0.8	0.1	0.3	<2	0.02
SK10-139	Rock	0.60	0.3	29.3	2202	184	1.1	0.7	2.7	2711	1.87	26.7	5.2	5.7	6.5	19	1.0	0.8	0.3	2	0.04
SK10-140	Rock	0.76	0.7	20.7	894.3	1613	1.6	2.3	3.0	>10000	5.49	41.0	4.2	16.0	3.5	91	11.7	0.2	1.0	<2	0.03
SK10-141	Rock	0.63	0.7	18.4	1339	1957	1.5	1.8	2.4	>10000	8.71	35.8	5.7	13.4	3.7	93	13.3	0.3	1.1	2	0.03
SK10-142	Rock	0.68	0.5	28.5	5531	1107	1.8	0.5	1.5	>10000	3.67	5.8	5.7	2.3	4.9	37	6.0	0.5	1.6	3	0.02
SK10-143	Rock	0.40	0.6	62.1	2384	343	1.9	1.8	1.2	1957	1.73	15.4	2.7	4.8	5.0	7	0.8	1.1	3.6	3	0.02
SK10-144	Rock	0.53	0.7	66.7	98.2	102	1.7	0.4	0.7	207	2.89	84.4	1.8	72.4	4.9	40	0.4	0.8	5.6	<2	0.03
SK10-145	Rock	0.90	1.2	146.6	709.8	249	2.6	0.7	2.1	330	4.18	99.1	5.6	72.0	5.0	35	0.9	0.9	10.3	<2	0.02
SK10-146	Rock	0.77	17.0	87.9	463.8	1253	5.3	1.5	3.7	723	9.07	2742	32.2	99.1	2.9	14	7.7	4.7	1.7	9	0.02
SK10-147	Rock	0.84	17.9	375.6	6799	1718	93.6	0.6	1.3	608	21.06	9137	31.5	5973	1.6	119	49.2	18.7	176.4	4	0.04
SK10-148	Rock	0.87	22.0	425.8	>10000	1483	>100	0.6	0.7	575	19.06	>10000	28.2	7195	2.1	225	50.6	23.4	233.8	6	0.04
SK10-149	Rock	0.68	2.4	14.2	174.9	46	5.1	2.8	1.1	52	1.27	39.2	0.4	160.0	<0.1	3	0.2	0.2	7.5	3	<0.01
SK10-150	Rock	0.42	2.8	247.6	901.8	139	>100	2.7	1.0	4418	7.09	604.6	6.3	6303	0.4	10	0.7	38.1	1190	25	<0.01
SK10-151	Rock	0.79	3.4	157.6	150.6	121	6.3	1.3	3.1	5902	3.44	38.6	6.3	158.5	0.3	32	1.7	0.5	5.4	6	<0.01
SK10-152	Rock	0.69	1.3	90.6	248.0	83	5.2	2.1	3.6	5350	2.45	5.0	14.4	57.7	0.4	30	0.5	1.0	2.0	24	0.01
SK10-153	Rock	0.99	0.2	20.5	494.6	187	0.3	1.4	2.8	1229	1.13	2.8	3.5	20.8	8.8	9	1.4	0.1	1.3	6	0.08
SK10-154	Rock	0.75	0.9	54.2	1497	179	2.6	2.9	6.2	5154	2.34	20.4	6.6	13.4	13.9	9	0.6	0.3	6.0	5	<0.01
SK10-155	Rock	0.78	2.1	19.9	248.5	99	1.7	1.0	1.5	3035	1.47	23.8	7.0	31.6	2.0	11	1.4	0.2	6.4	4	<0.01
SK10-156	Rock	0.92	109.3	203.0	1784	175	18.2	0.8	1.2	150	28.65	225.8	12.0	544.3	1.9	9	0.1	0.3	70.3	17	<0.01
SK10-157	Rock	0.74	67.1	135.9	446.5	96	2.5	2.5	0.8	185	8.31	111.6	6.6	171.9	1.6	2	<0.1	0.3	35.1	3	<0.01
SK10-158	Rock	1.12	28.9	160.8	331.0	86	8.5	2.5	6.2	>10000	9.62	66.0	4.7	130.2	0.5	41	0.5	0.5	18.1	2	0.01
SK10-159	Rock	0.67	11.6	220.4	258.7	40	5.1	1.8	1.5	1227	7.98	72.3	5.3	128.2	9.0	88	<0.1	0.1	15.7	3	0.01
SK10-160	Rock	0.67	63.7	88.7	641.4	73	10.9	0.7	1.2	.6714	8.49	25.8	10.7	18.5	7.5	49	<0.1	0.2	24.9	15	0.01

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.



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Project: GOOD GOLLY

Report Date: July 02, 2010

Page: 2 of 2 Part 2

# CERTIFICATE OF ANALYSIS

**VAN10002681.1**

Method	Analyte	Unit	MDL	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	G6Gr	7AR	
				P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te	Ag	Pb
				%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	gm/mt	%
				0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2	50	0.01
SK10-138	Rock			0.026	12	5	0.01	55	<0.001	5	0.28	0.006	0.27	0.3	0.03	0.5	0.1	<0.05	<1	<0.5	<0.2		
SK10-139	Rock			0.034	21	6	0.02	52	<0.001	8	0.46	0.006	0.39	0.3	0.15	0.5	0.2	0.05	<1	<0.5	<0.2		
SK10-140	Rock			0.025	14	5	0.01	224	<0.001	5	0.35	0.005	0.39	0.2	0.03	0.7	0.2	<0.05	1	<0.5	<0.2		
SK10-141	Rock			0.031	14	3	0.02	299	0.001	5	0.40	0.003	0.34	0.3	0.04	0.8	0.2	<0.05	2	<0.5	<0.2		
SK10-142	Rock			0.029	19	3	<0.01	125	<0.001	7	0.38	0.004	0.35	0.2	0.16	0.7	0.2	<0.05	1	<0.5	<0.2		
SK10-143	Rock			0.029	18	5	0.02	53	0.001	7	0.43	0.006	0.32	0.8	0.58	0.4	0.2	<0.05	1	<0.5	<0.2		
SK10-144	Rock			0.024	16	4	0.01	64	<0.001	5	0.41	0.007	0.32	0.9	0.05	0.3	0.1	<0.05	1	<0.5	<0.2		
SK10-145	Rock			0.045	17	4	0.01	72	<0.001	5	0.44	0.007	0.35	2.2	0.12	0.4	0.1	<0.05	1	<0.5	<0.2		
SK10-146	Rock			0.034	10	4	<0.01	143	<0.001	6	0.33	0.003	0.24	30.8	0.09	1.0	<0.1	<0.05	<1	<0.5	<0.2		
SK10-147	Rock			0.032	9	4	<0.01	137	<0.001	2	0.21	0.022	0.14	19.0	0.28	0.4	<0.1	0.24	<1	<0.5	0.4		
SK10-148	Rock			0.033	10	3	0.01	222	0.001	2	0.26	0.029	0.18	14.8	0.46	0.5	<0.1	0.35	1	<0.5	1.0	99	1.16
SK10-149	Rock			0.002	<1	18	<0.01	52	<0.001	<1	0.05	0.001	0.03	2.0	0.02	<0.1	<0.1	0.39	<1	<0.5	0.9		
SK10-150	Rock			0.039	<1	13	0.02	56	0.002	<1	0.11	0.004	0.02	1.5	0.02	0.3	<0.1	<0.05	.1	0.5	1.8	314	
SK10-151	Rock			0.008	<1	14	<0.01	125	0.001	<1	0.07	0.007	0.05	3.1	0.01	0.2	<0.1	1.12	<1	<0.5	0.8		
SK10-152	Rock			0.012	2	14	<0.01	186	0.002	<1	0.09	0.003	0.05	18.8	<0.01	0.3	<0.1	0.34	1	<0.5	0.6		
SK10-153	Rock			0.038	26	8	0.02	82	0.002	2	0.39	0.008	0.28	2.1	0.04	0.6	0.1	<0.05	1	<0.5	0.2		
SK10-154	Rock			0.041	39	6	0.01	30	0.001	7	0.41	0.004	0.39	0.3	0.04	1.6	0.1	<0.05	1	<0.5	<0.2		
SK10-155	Rock			0.010	7	10	<0.01	33	0.001	3	0.16	0.005	0.10	1.3	<0.01	0.5	<0.1	<0.05	<1	<0.5	<0.2		
SK10-156	Rock			0.214	3	4	<0.01	50	0.001	<1	0.32	0.004	0.06	1.9	0.22	0.8	<0.1	0.11	2	0.7	0.2		
SK10-157	Rock			0.049	4	10	<0.01	13	<0.001	2	0.18	0.004	0.10	1.0	0.02	0.4	<0.1	<0.05	<1	<0.5	<0.2		
SK10-158	Rock			0.009	2	9	0.01	25	0.002	1	0.09	0.009	0.05	4.4	0.03	0.5	<0.1	4.24	<1	0.6	<0.2		
SK10-159	Rock			0.067	20	5	0.01	51	<0.001	3	0.40	0.010	0.30	0.8	0.02	0.5	0.1	0.09	1	0.6	<0.2		
SK10-160	Rock			0.068	13	5	0.01	193	0.001	4	0.37	0.003	0.28	2.7	0.01	2.0	0.1	<0.05	1	<0.5	<0.2		