

Ministry of Energy and Mines
BC Geological Survey

**ASSESSMENT REPORT
TITLE PAGE AND SUMMARY**

TITLE OF REPORT [type of survey(s)] PROSPECTING REPORT ON CHENIER GROUP	TOTAL COST \$ 1796.00
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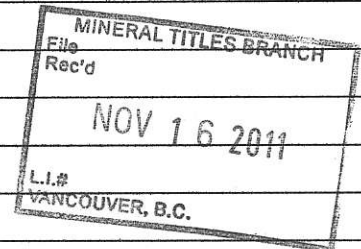
AUTHOR(S) Tom KENNEDY SIGNATURE(S) T. Kennedy

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) _____ YEAR OF WORK 2011

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) EVENT No 4906932

PROPERTY NAME CHENIER GROUP

CLAIM NAME(S) (on which work was done) 820202, 839285, 839286



COMMODITIES SOUGHT GOLD, SILVER, COPPER, MOLYBDENUM

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN _____

MINING DIVISION GREENWOOD, OSDYSS NTS 82E25, 82E35

LATITUDE 49 ° 30 ' 79 " LONGITUDE 119 ° 12 ' 84 " (at centre of work)

OWNER(S)

1) TOM KENNEDY 2) _____

MAILING ADDRESS

1082 COTE RD P.O. Box 40
SOUTH SLOAN BC V0G 2G0

OPERATOR(S) [who paid for the work]

1) KOOTENAY GOLD Corp. 2) _____

MAILING ADDRESS

Suite 920 - 1055 W. Hastings St.
Vancouver BC V6E 2E9 CANADA

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

Eocene Volcanics etc with Molybdenum mineralization

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS _____

32,509
GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping _____			
Photo interpretation _____			
GEOFYSICAL (line-kilometres)			
Ground			
Magnetic _____			
Electromagnetic _____			
Induced Polarization _____			
Radiometric _____			
Seismic _____			
Other _____			
Airborne _____			
GEOCHEMICAL			
(number of samples analysed for ...)			
Soil _____			
Silt _____			
Rock _____ <i>8 Sample Multi-element ICP.</i>		<i>839285</i>	<i>\$ 296.00</i>
Other _____			
DRILLING			
(total metres; number of holes, size)			
Core _____			
Non-core _____			
RELATED TECHNICAL			
Sampling/assaying _____			
Petrographic _____			
Mineralographic _____			
Metallurgic _____			
PROSPECTING (scale, area) _____		<i>839286, 820202, 839285</i>	<i>\$ 1500.00</i>
PREPARATORY/PHYSICAL			
Line/grid (kilometres) _____			
Topographic/Photogrammetric (scale, area) _____			
Legal surveys (scale, area) _____			
Road, local access (kilometres)/trail _____			
Trench (metres) _____			
Underground dev. (metres) _____			
Other _____			
TOTAL COST			<i>\$ 1796.00</i>

PROSPECTING REPORT

On the

**CHENIER GROUP
MINERAL CLAIMS**

In the Summer of 2011

I

BC Geological Survey
Assessment Report
32509

GREENWOOD/OSOYOOS

MINING DIVISIONS

UTM Co-Ordinates

345500E, 5464000N

NTS

82E25, 82E35

By

TOM KENNEDY

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1.00 INTRODUCTION

This report describes the prospecting program on the CHENIER Group of mineral claims during the summer of 2011.

1.10 Location and Access

The CHENIER group of claims is centered at UTM Co-ordinates: 345500E, 5464000N and is situated roughly 10km due south from the community of Beaverdell on the west side of the W. Kettle River drainage (Fig.1).

Access to the property is provided from the east by the Chenier Creek logging haul road that breaks off of Highway 39, 29.4 km north from Rock Creek. Additional access to the mineral claims can be obtained from the west via a number of inter-connected logging haul roads immediately to the east of the community of Okanogan Falls and from the south by a series of haul roads from the Baldy Mtn. Ski Hill.

1.20 Property

The CHENIER group of claims consist of three mineral tenures: RED (839285), GREEN (839286), DUCT TAPE (820202) owned by Tom Kennedy (Fig.2) and comprise a block roughly 1516.71Ha in area located in the Greenwood and Osoyoos Mining Divisions (NTS Map sheet 82E25 and 82E35).

1.30 Physiography

The CHENIER mineral property consists of moderate plateau like topography of the Okanogan Highlands and is situated between 1940m and 940m in elevation. It roughly covers the head waters of Chenier Creek and is bounded to the north by Little Goat creek and to the South by Kelly River. Approximately one third of the property is covered by recent clear-cut logging blocks with the remainder of the property forested with a mix of fir, pine and larch along with some deciduous species (cottonwood and birch) in areas of more moisture. Ground cover is comprised of small scrub brush and on the whole is quite open. Outcroppings of rock are generally located on topographic highs and along the banks of small streams cutting the property. Overburden does not appear to be too thick in most places on the property and consists primarily of washed gravel.

1.40 History of Previous Exploration

The CHENIER claim group covers an area that has been held previously by the author and present owner as well as various junior mining companies. Previous work carried out on the property consists of some geology, rock and soil geochemistry as well as an aerial geophysical survey and are referenced in ARISS Assessment Reports: 29299, 28960, 28576, and 07592. A compilation of previous data has at present not been undertaken.

Figure 1. CHENIER Location Map

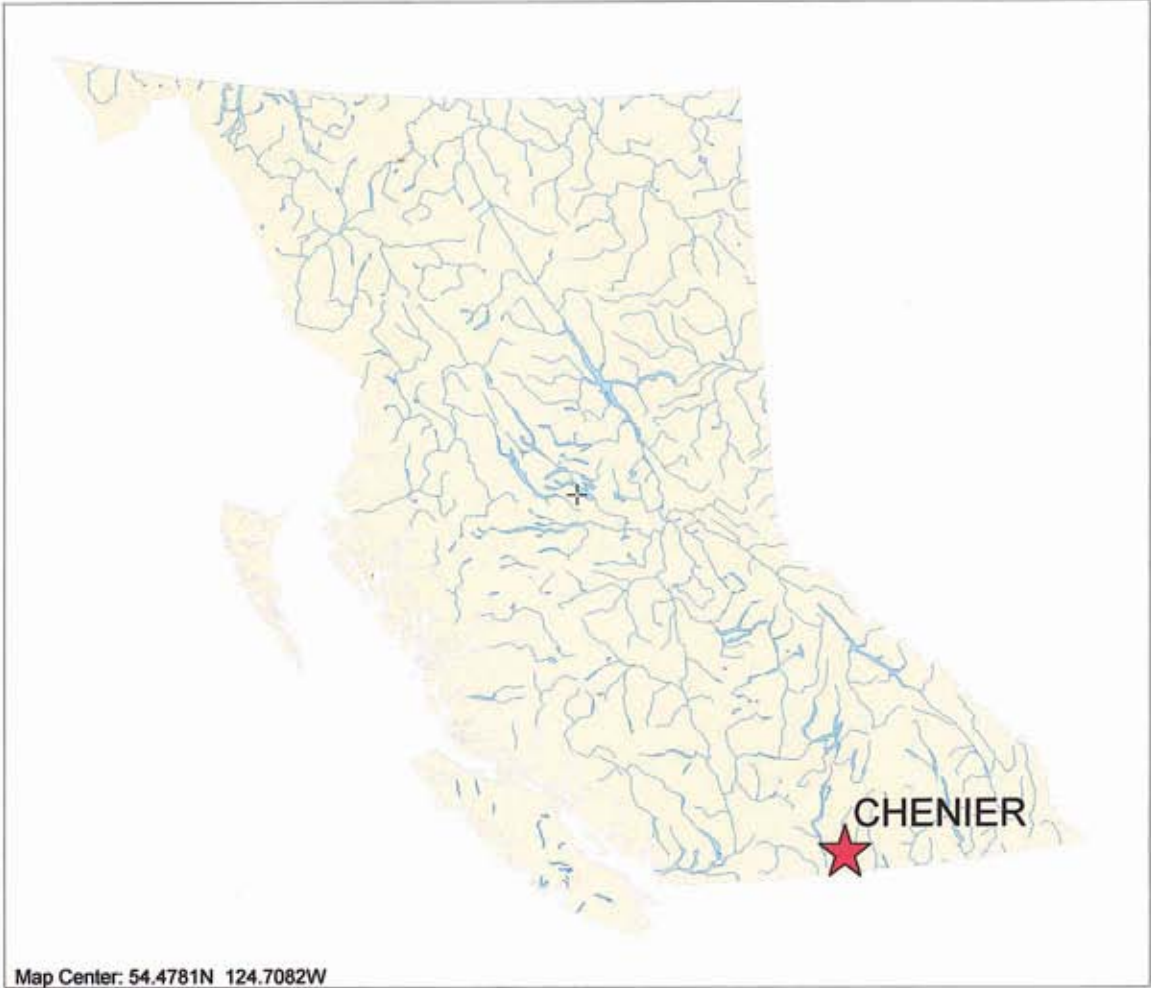
 **CHENIER Location**

Topographic Layers

-  **Lakes 1:6M**
-  **Rivers 1:6M**

BC Border Layers

-  **BC Border 1:6M**



SCALE 1 : 11,688,208

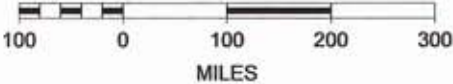


Figure 2. CHENIER GROUP Claim Map

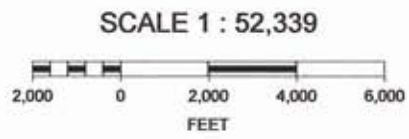
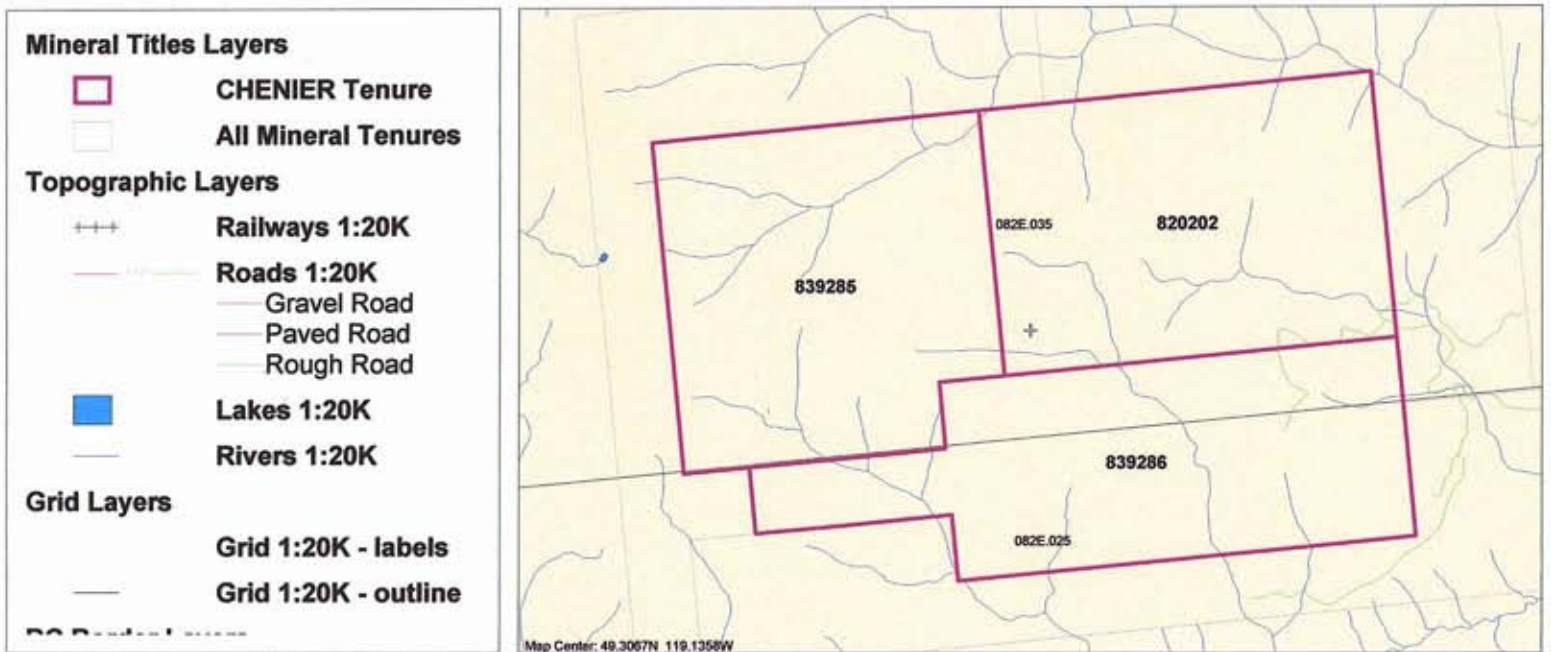
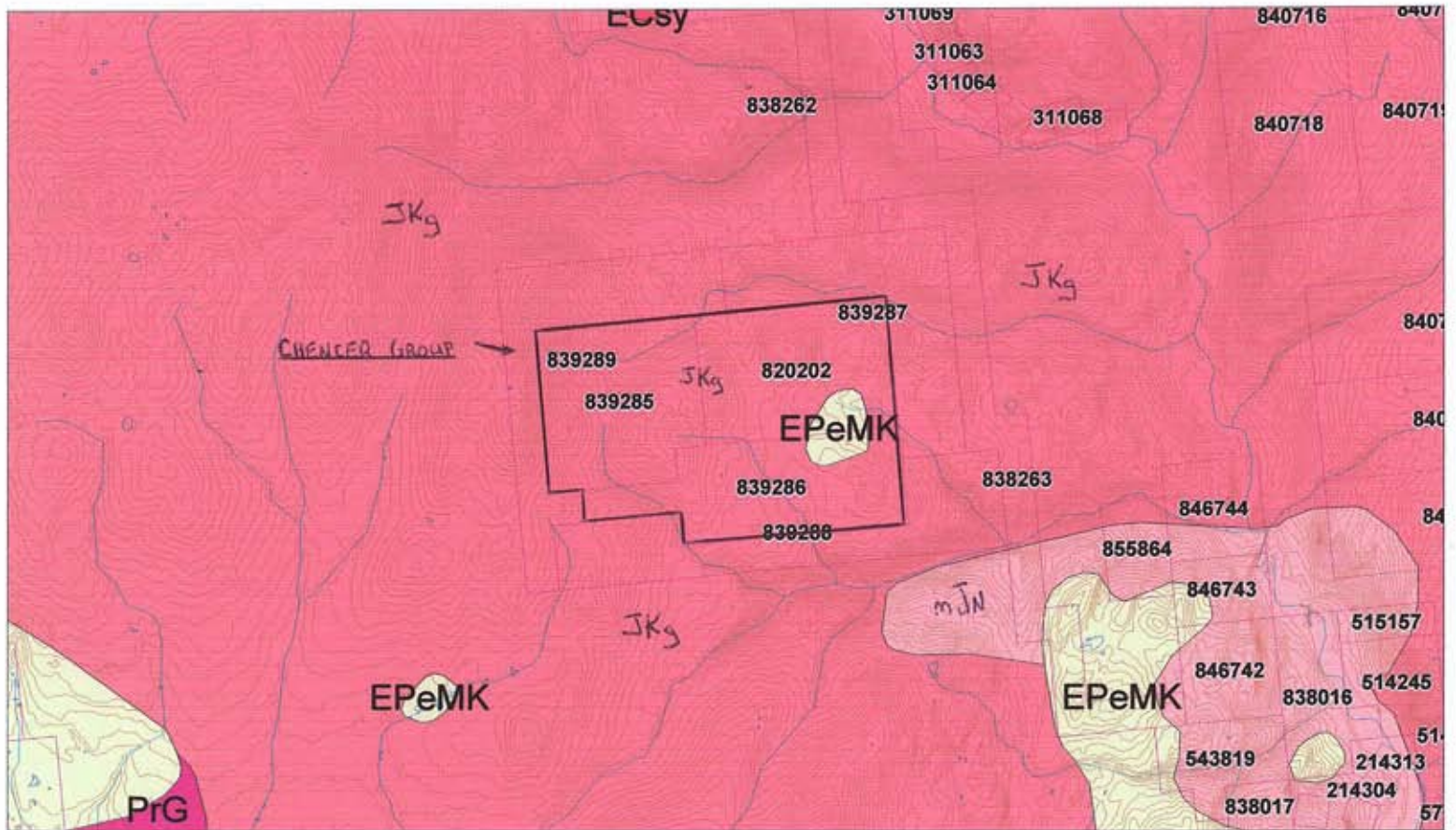
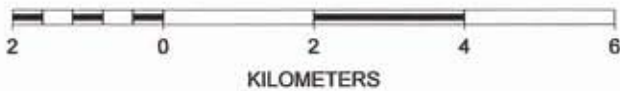


Figure 3. Regional Geology map

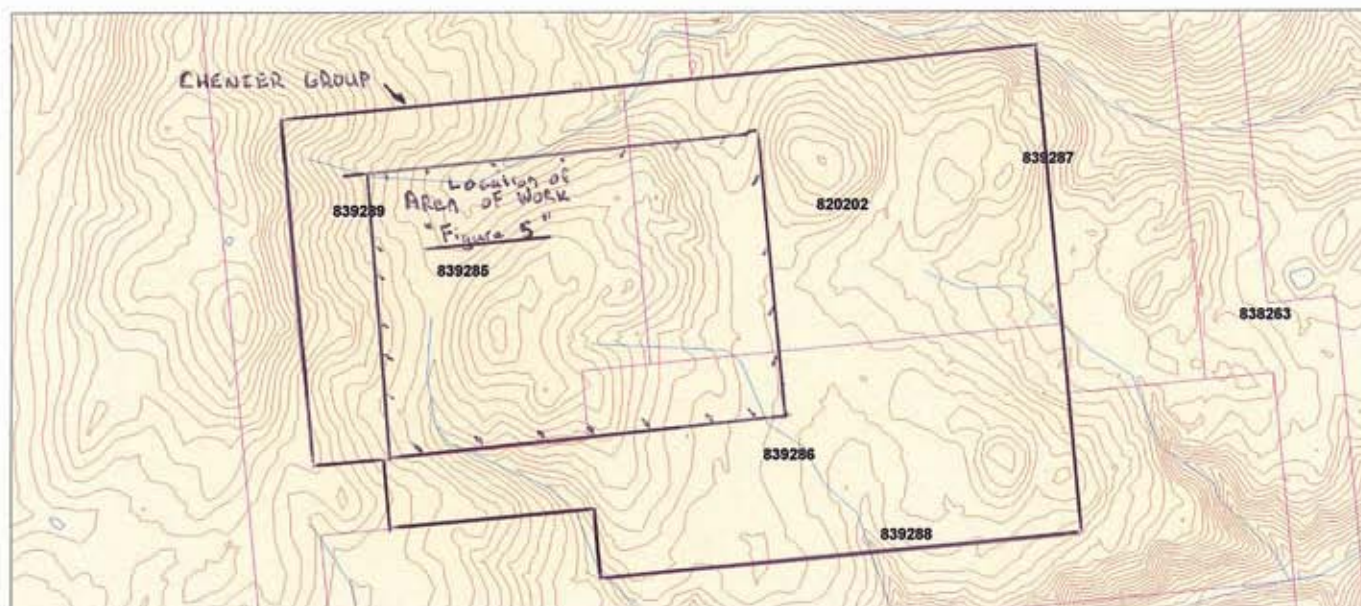


SCALE 1 : 100,000



LEGEND JKg - Okanogan Batholith
EPeMK - Eocene Volcanics
mJN - Nelson Batholith

FIGURE 4 : WORK LOCATION MAP



SCALE 1 : 50,000

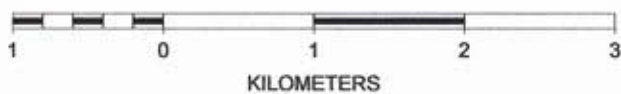
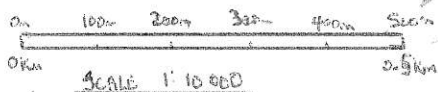


FIGURE 5 PROSPECTING MAP

- LEGEND**
- - Sample Location
 - // - Dyke
 - - Dikecap Boundary
 - △ - Subcrop
 - △ - Small outcrop
 - ~ - Fault?



1.50 Purpose of work

The purpose of the 2011 prospecting program was to investigate an area of Eocene volcanic rocks for the potential of gold and or base metal mineralization.

2.00 GEOLOGY

The CHENIER Group of claims covers an area of Okanogan Batholith with minor xenoliths of Anarchist pendant rocks and a small occurrence of an Eocene aged volcanic unit (Figure 3). The volcanic unit consists of mafic volcanic units interbedded with conglomeratic units that are capped by a sequence of felsic tuffs with quartz eyes. The contact between the volcanics and underlying basement rocks appears to be partially fault controlled. Several syenitic feldspar porphyry dykes were noted cutting the volcanics and basement rocks along with several mafic lamproidial to basaltic dykes.

3.00 PROSPECTING

The prospecting program on the Chenier group of claims during the 2011 field season was focused on an area covered by Eocene aged volcanic rocks (Fig.4). Several features of interest were encountered during the program including: Alteration, Structure, and Mineralization.

Alteration

Several styles of alteration were encountered while prospecting on the CHENIER group of claims. Epidote and a weak bleaching of host volcanic rocks was commonly noted along the margins of cross-cutting syenite dykes with minor amounts of disseminated pyrite and limonite. Fracture controlled epidote flooding along narrow zones was also noted in the volcanic unit with calcite and fluorite along with minor pyrite.

Minor argillic alteration along with bleaching and disseminated pyrite and limonite occurs with zones of quartz crystal veining developed within a series of syenitic feldspar porphyry dykes was seen cutting the volcanic formation.

Pyrite and epidote with a weak chloritic alteration was also encountered in subcrop of milled material along the contact of the volcanics and underlying basement rocks.

Elsewhere more randomly developed minor zones of disseminated pyrite with limonite with weak bleaching and chloritization of the felsic volcanics was observed.

Structure

Structure in the area of prospecting was predominantly focused along the contact between the volcanic unit and basement rocks and consisted of milled and brecciated subcrop of volcanic conglomerate with variable amounts of alteration including epidote and pyrite flooding. An orientation of this zone was not readily obtainable, but appears to trending some what to the NE and dipping shallowly in a westerly direction. It is possible that this

4.00 Conclusions and Recommendations

The prospecting program carried out on the CHENIER Group of mineral claims identified an area of quartz veining with associated limonite and pyrite flooding of host syenitic feldspar porphyry dykes. Although the assayed rock samples collected failed to return significant results for precious metals very elevated values for Molybdenum were obtained,

These results coupled with some of the alteration encountered and geological setting strongly favors the possibility of a buried porphyry style molybdenum target being developed in the area investigated.

More rock geochemistry and detailed geological mapping should be carried out in the vicinity of the quartz stock work veining along with some form of ground geophysics should also be attempted in order to determine if any signature of the mineralization encountered thus far can be found to be able to trace the zone through areas of poor exposure and or to areas of more strongly developed veining.

5.00 STATEMENT OF EXPENDITURES

Prospecting	Tom Kennedy	2 days @ \$500.00/day (vehicle inclusive)	-\$1000.00
	Report	1 day @ \$350.00/day	-\$350.00
	Rock Samples	9 samples	-\$296.00
	Maps and Misc.		-\$150.00

TOTAL COST \$1796.00

6.00 AUTHOR'S QUALIFICATIONS

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

- 1) I am an independent consulting prospector residing at 404 22nd Ave North, Cranbrook, B.C.
- 2) I have been actively involved in mining and mineral exploration for the past 18 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 A
ASSAY SHEETS



AcmeLabs

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Suite 820 - 1055 W. Hastings St.
Vancouver BC V6E 2E9 Canada

Project: CHENIER
Report Date: August 02, 2011

Page: 2 of 2 Part 1

CERTIFICATE OF ANALYSIS

Method	WGHT	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	%	
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	
TK11-179	Rock	1.01	16.7	10.2	28.3	29	1.3	2.0	3.3	188	1.98	0.8	2.5	3.4	6.0	54	<0.1	0.2	0.2	16	0.17
TK11-180	Rock	0.61	25.0	13.9	30.5	16	0.2	0.8	1.1	78	2.12	0.7	7.9	<0.5	7.3	86	<0.1	<0.1	0.3	19	0.08
TK11-181	Rock	0.98	76.4	5.9	170.9	15	0.9	1.1	1.2	89	1.63	1.1	4.2	5.6	5.8	100	<0.1	0.4	1.1	13	0.07
TK11-182	Rock	0.99	17.0	11.3	34.0	28	0.2	1.2	2.2	134	2.20	1.1	4.2	1.4	11.4	92	<0.1	<0.1	0.1	27	0.20
TK11-183	Rock	0.51	100.9	4.5	43.6	37	0.5	2.2	1.4	139	2.44	2.9	2.0	4.8	13.9	222	<0.1	0.1	0.5	34	0.19
TK11-184	Rock	0.83	354.7	7.6	72.5	42	2.8	1.9	3.0	208	1.60	3.9	2.8	19.1	10.8	54	<0.1	2.3	0.2	19	0.17
TK11-185	Rock	0.88	208.5	12.7	96.7	27	1.3	1.3	1.6	128	1.70	2.0	2.9	6.2	8.9	39	<0.1	0.9	0.1	19	0.08
TK11-186	Rock	0.78	1.1	70.1	33.8	68	<0.1	5.1	9.7	553	2.73	1.6	3.7	<0.5	24.9	225	0.2	0.1	<0.1	60	0.84
TK11-187	Rock	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.



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Project: CHENIER
 Report Date: August 02, 2011

Page: 2 of 2 Part 2

CERTIFICATE OF ANALYSIS VAN/11005621

Method	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30
Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te	
Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	
MDL	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	
TK11-179	Rock	0.080	32	6	0.25	150	0.013	2	0.86	0.045	0.14	<0.1	<0.01	0.7	<0.1	<0.05	4	0.5	<0.2
TK11-180	Rock	0.103	42	7	0.17	132	0.027	1	0.55	0.061	0.15	<0.1	<0.01	1.2	<0.1	0.10	4	<0.5	0.4
TK11-181	Rock	0.073	35	6	0.16	120	0.021	<1	0.49	0.055	0.15	<0.1	<0.01	1.1	<0.1	0.10	3	0.5	0.3
TK11-182	Rock	0.128	48	7	0.37	132	0.025	<1	0.82	0.060	0.16	<0.1	<0.01	1.4	<0.1	0.05	6	0.8	<0.2
TK11-183	Rock	0.174	78	3	0.38	243	0.056	<1	0.84	0.050	0.27	0.1	<0.01	0.9	<0.1	0.18	5	<0.5	<0.2
TK11-184	Rock	0.072	50	2	0.23	95	0.054	<1	0.83	0.029	0.19	0.1	<0.01	0.5	<0.1	<0.05	3	0.5	1.0
TK11-185	Rock	0.071	40	2	0.18	95	0.078	2	0.59	0.028	0.14	0.1	<0.01	0.4	<0.1	<0.05	3	0.7	0.7
TK11-186	Rock	0.166	138	4	0.74	280	0.121	<1	1.32	0.073	0.20	<0.1	<0.01	1.5	<0.1	<0.05	9	<0.5	<0.2
TK11-167	Rock	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.	L.N.R.

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.

APPENDIX B
SAMPLE DESCRIPTIONS

Sample No.	UTM E	UTM N	Description
TK11-179	344992	5463776	Series of chalcedonic epithermal like quartz crystal veinlets cutting a trachyte dyke within volcanics(Eocene) with pyrite and limonite alteration in and along veinlets -50degree strike dip vertically developed across a 10m width - sample is a grab of quartz material some with brecciated host clasts
TK11-180	344992	5463776	Same as above -stronger quartz breccia material with more limonite and pyrite in a breccia zone
TK11-181	344992	5463776	Same as above -siliceous matrix breccia with limonite and pyrite
TK11-182	344992	5463776	Same as above -bleached host rock and narrow pyrite limonite rich pod within quartz veining
TK11-183	344968	5463797	Parallel zone of quartz stockwork alteration to above with some breccia and limonite alteration in a bleached and pyrite flooded trachyte syenite dyke cutting Eocene volcanics - sample is a grab of quartz material with limonite and pyrite
TK11-184	344968	5463797	Same as above -pyrite and limonite in quartz veinlets and siliceous matrix breccia
TK11-185	344968	5463797	Same as above -pyrite and limonite in quartz veinlets
TK11-186	344585	5463998	Iron stained fractures cutting Eocene volcanics mafic phase with some carbonate and quartz containing fluorite (green and purple) and rare pyrite and limonite
TK11-187	344915	5463283	Subcrop of feldspar porphyry in volcanics with grey siliceous veinlets with some pyrite and limonite with epidote