

ROCK GEOCHEMISTRY REPORT

On the

**HOTTIE GROUP of
MINERAL CLAIMS**
In the Summer of 2011

BC Geological Survey
Assessment Report
32662

**CARIBOO
MINING DIVISION**
UTM Co-Ordinates
439539E, 5867092N
Zone 10

**NTS
930B091**

By

TOM KENNEDY
January 12, 2012

32,662

**GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT**

Ministry of Energy and Mines
BC Geological Survey

**ASSESSMENT REPORT
TITLE PAGE AND SUMMARY**

TITLE OF REPORT [type of survey(s)] <u>ROCK GEOCHEMISTRY</u>	TOTAL COST <u>\$ 2446.00</u>
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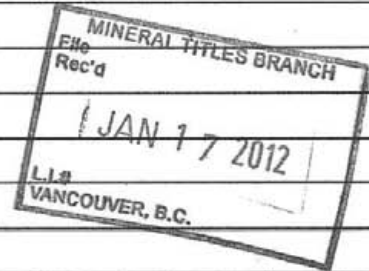
AUTHOR(S) TOM KENNEDY SIGNATURE(S) Tom Kennedy

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

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) EVENT NUMBER 4839076

PROPERTY NAME HOITIE GROUP

CLAIM NAME(S) (on which work was done) 841205, 841206, 841207, 841223



COMMODITIES SOUGHT GOLD

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN 093B066

MINING DIVISION CARIBOO NTS 9308091

LATITUDE 52 ° 57 ' 0.15 " LONGITUDE 123 ° 53 ' 59.58 " (at centre of work)

OWNER(S)
1) TOM KENNEDY 2) _____

MAILING ADDRESS
1082 COTE RD POBOX 40
SOUTH SLOAN BC V0G 2G0

OPERATOR(S) [who paid for the work]
1) KOOTENAY GOLD INC. 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):
HAZLETON GROUP ROCKS, OOTSA LAKE FELSIC VOLCANIC, CHILCOTIN GROUP
BASALTIC VOLCANICS - ARGILLIC ALTERATION, QUARTZ VEINLETS
QUARTZ EYE PORPHYRY DYKE
- ELEVATED COPPER, ARSENIC

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)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL			
(number of samples analysed for ...)			
Soil			
Silt			
Rock	9 SAMPLES MULTI-ELEMENT ICP WITH Au (PPB)	841205, 841206, 841207, 81223	\$2446.00
Other			
DRILLING			
(total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)			
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			\$2446.00

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1.00 INTRODUCTION

This report describes the results of a Rock geochemistry program conducted on the HOTTIE group of mineral claims during the early Summer of 2011.

1.10 Location and Access

The HOTTIE claim group is centered roughly at UTM Co-Ordinates 439539E, 5867092N (Fig.1). The claim group is located roughly 3.5km due west of Fishpot Lake immediately west of the Baezaeko River roughly 140km west of Quesnell.

Access to the claim group from Quesnell is facilitated by taking the Bouchie lake road west to the community of Nazko from which a series of westerly directed logging haul roads provides direct access to the property.

1.20 Property

The HOTTIE group of claims is a contiguous block of 4 mineral claims: Tenure #'s 841205, 841206, 841207, and 841223 owned by Tom Kennedy (Fig.2). In total the claim group covers an area of 1674.501Ha. and are located in the Cariboo Mining Division.

1.30 Physiography

The HOTTIE claim group is located in the Fraser Plateau immediately to the west of the Baezaeko River. Topography is generally gentle to moderate. Elevations range from 980m to 1440m. A number of boggy swamps are found on the property and at the time of the visit numerous small streams were in flow. Forest cover on the property is comprised predominantly of Lodgepole pine and Douglas fir with Spruce in boggy areas. Much of the property has been logged in the past which is now thickly overgrown with regeneration and alder and much of the access has been deactivated or is no longer passable. More recent logging and road building activity covers some portions of the claim group.

Glacial till covers the majority of the property hindering sampling and surface prospecting. Outcrop on the property at best would represent 10 percent of the surface area and are found on topographic highs as well as stream banks with additional occurrences provided by recent road building and logging activity.

1.40 History of Previous Exploration

The HOTTIE Group covers an area that has been explored by various Junior and Senior mining companies. The claim group covers an area referenced by Minfile Number 093B

Figure 1. HOTTIE Group Location Map

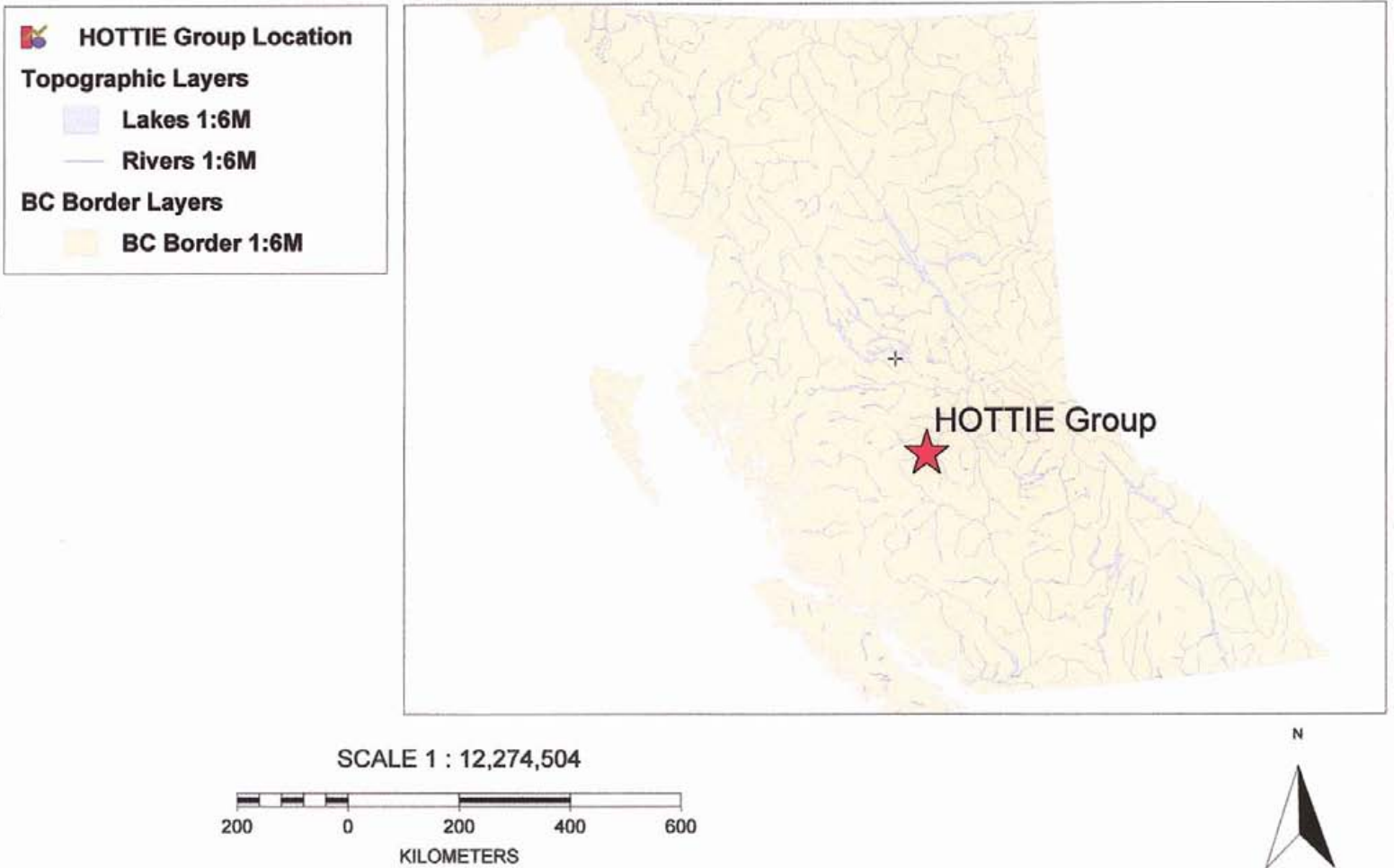


Figure 2. HOTTIE Group Claim Map

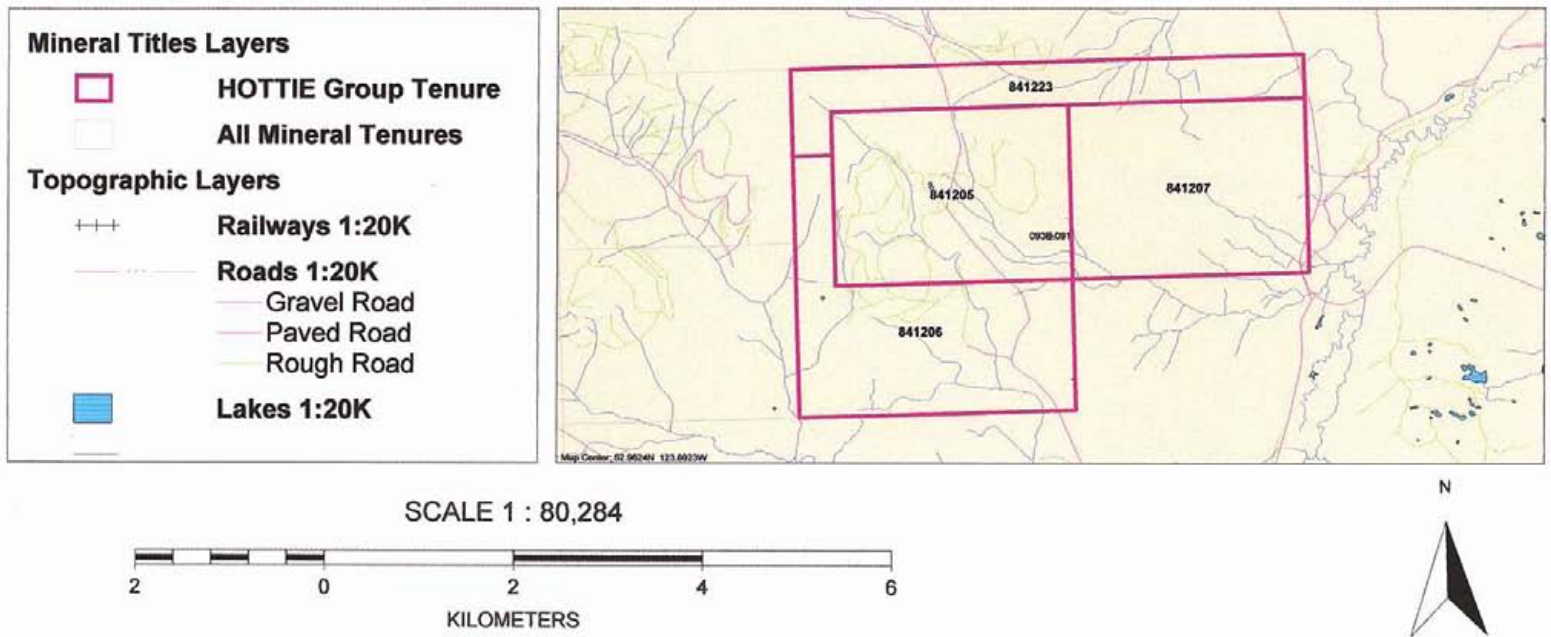
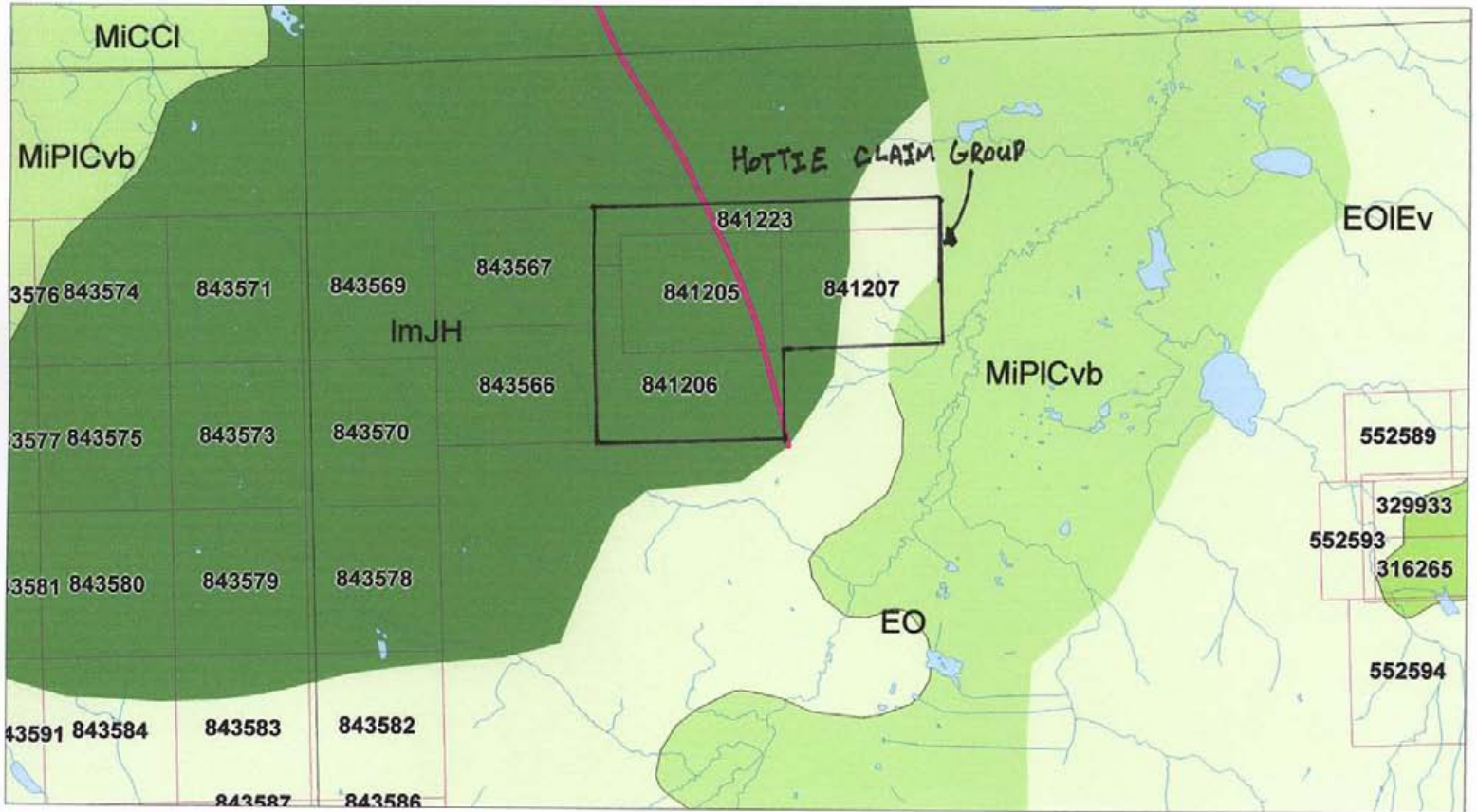
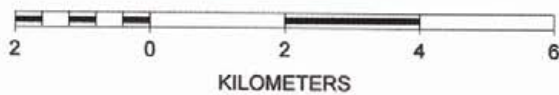


Figure 3: Regional Geology Map



SCALE 1 : 112,956



N



LEGEND

- ImJH - HAZELTON Fm
- EO - DOTSA LAKE Fm
- MiPICvb - CHELCOTEN GRP.

066 (refer to APPENDIX 3) and has seen previous soil and rock geochemical sampling, geological mapping as well as geophysics and limited drilling. Assessment report numbers pertaining to the afore mentioned work is as follows: 20022, 20277, 20874, 21594, 22400, 23045, 23695, and 24177.

1.50 Purpose of work

The purpose of the 2011 rock geochemical program was to collect data from two areas of previously identified gold in soil geochemistry with associated arsenic.

2.00 GEOLOGY

The HOTTIE claim group covers a window of Late Jurassic Hazelton Group volcano-sedimentary rocks consisting of mafic volcanics with chert pebble conglomerate and tuffaceous sediments. This sequence to the east is overlain by younger Eocene aged Ootsa Lake Group felsic volcanic rocks as well as Miocene aged basalts of the Chilcotin Group basaltic volcanic sequence.

The underlying Hazelton group rocks are intruded by diorite intrusions as well as minor quartz eye rhyolite bodies.

Alteration on the property consists of broad argillic alteration as well as oxidization of the Hazelton group with numerous narrow quartz veins and massive goethite fractures. Minor carbonate alteration and broad silicification also occurs on the property with pyrite flooding and sericite alteration localized along quartz filled fractures.

Structure noted on the property consisted primarily of milled and crackle breccias. Vein orientations obtained were commonly north-westerly striking with dips to the north.

3.00 ROCK GEO-CHEMISTRY

3.10 Rock-Geochemistry Procedure

The 2011 rock Geochemistry was hampered by the lack of outcrop and overgrown nature of previously logged areas as well as recent windfall of mountain pine beetle killed pine. During the 2011 rock Geochemistry program two previously identified areas of soil geochemistry and alteration were reinvestigated. In the southern zone no samples were collected due to a lack of outcrop. Nine samples were collected from the northern alteration area and 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 shipped via Greyhound to ACME Analytical Laboratories of Vancouver where they were subjected to the Group IDX30 multi-element assay package with values for Gold given in ppb.

Sample locations with values plotted for Copper, Arsenic, Antimony and Gold are located on Figure 4(In Pocket). Assay certificates can be found in APPENDIX 1 with a complete table of sample descriptions as well as UTM co-ordinates in Appendix 2.

3.20 Discussion of Rock Geochemistry Results

Molybdenum:

Molybdenum values obtained on the whole were low with only 1 of the 9 samples returning a value above 5ppm consisting of 15.2ppm at sample site TK11-156.

Copper:

Moderately elevated levels of copper were obtained with 7 samples above 50ppm and 5 of these above 100ppm. Three samples returned values above 250ppm including the two program highs of 336.6ppm(TK11-156), and 442.2ppm(TK11-151).

Lead:

Very low values for lead were returned from the samples collected with only background values obtained.

Zinc:

Weakly elevated levels of zinc were encountered in the sampling survey. Of the nine samples collected six returned values above 50ppm with four of these above 100ppm. The program high consisted of 320ppm at sample site TK11-153.

Silver:

Low to background values of silver was obtained from the collected sampling with no values greater than 5ppm collected. The program high was only 1.8ppm and was collected at sample station TK11-152.

Arsenic:

The sampling program produced moderate to elevated results for arsenic. Six of the nine samples collected were above 50ppm and four of these above 100ppm. Two samples gave values above 250ppm and comprised the program highs of 236.6ppm(TK11-158), and 526.9(TK11-151)

Gold:

Low to background values for gold were achieved from the sampling conducted on the property with only one value above 10ppb at sample site TK11-151(17.9ppb).

Bismuth:

Minor values for bismuth were returned from the collected samples with five samples assaying above 1ppm and the two program highs of 2.0ppm at TK11-158 and 2.8ppm at sample site TK11-151.

Antimony:

Slightly elevated levels of antimony were obtained from the sampling program with 6 samples giving values above 2ppm and three of these over 5ppm. The survey highs consist of 13.7ppm(TK11-155), and 40.9ppm(TK11-156).

Others:

In general the other analyzed elements are at or near background values. Sample TK11- gave a value for selenium of 11.2ppm and a 26.6ppm value for cadmium was obtained at the survey high sample site for zinc (TK11-153)

4.00 CONCLUSIONS AND RECCOMENDATIONS

The sampling program conducted on the while limited in scope obtained several anomalous values for Arsenic and Antimony with weaker Copper. Although gold values obtained from the samples collected were low the size and style of the alteration and positive pathfinder element values, coupled with the results of historic work programs justifies further rock and prospecting activities particularly with the amount of recent logging activity in the area due to the mountain pine beetle outbreak.

5.00 STATEMENT OF COSTS

June 26, 27 2011

Tom Kennedy	2 days @ \$500.00/day (vehicle inclusive)	-\$1000.00
Tom Kennedy	1 day @ \$350.00/day -Report writing	-\$350.00
Sara Kennedy	2 days @ \$200.00/day	-\$400.00
Rock Samples	9 Samples(freight inclusive)	-\$261.00
Meals and Accommodations		-\$435.00
	TOTAL COST	<u>\$2446.00</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 1082 Cote Rd. South Slokan, B.C.
- 2) I have been actively involved in mining and mineral exploration for the past 19 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
ASSAY SHEETS



Acme Analytical Laboratories (Vancouver) Ltd.
 1020 Cordova St. East Vancouver BC V6A 4A3 Canada
 Phone (604) 253-3158 Fax (604) 253-1716

www.acmelab.com

Client: **Kootenay Gold Inc.**
 Suite 920 - 1055 W. Hastings St.
 Vancouver BC V6E 2E9 Canada

Project: HOTTIE
 Report Date: July 11, 2011

Page: 2 of 2 Part 1

CERTIFICATE OF ANALYSIS

VAN11002927.1

Method	Analyte	Unit	MDL	WGHT	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30	1DX30		
				Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
				kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	
TK11-150	Rock			0.44	0.9	73.9	2.3	151	0.2	0.5	0.6	38	0.68	47.9	5.5	6.4	6.3	4	2.9	1.0	0.5	<2	0.03
TK11-151	Rock			0.62	2.9	442.2	1.5	21	0.6	2.7	5.1	45	3.57	526.9	2.3	17.9	4.8	7	1.6	4.3	2.8	8	0.02
TK11-152	Rock			0.66	1.0	68.3	2.2	10	1.8	0.7	0.6	74	0.22	5.9	1.0	<0.5	4.8	11	0.2	1.8	0.2	<2	0.05
TK11-153	Rock			0.44	2.4	71.5	1.4	320	0.1	4.4	27.3	1391	4.79	76.4	0.1	<0.5	0.6	11	26.6	3.2	0.5	7	0.10
TK11-154	Rock			0.64	2.9	143.7	2.5	42	0.2	1.6	2.3	132	4.05	67.1	<0.1	0.8	0.7	5	0.9	6.4	1.2	3	0.03
TK11-155	Rock			0.60	2.2	117.1	2.6	79	0.2	7.5	1.5	125	4.90	104.9	<0.1	<0.5	0.6	19	1.4	13.7	1.4	3	0.02
TK11-156	Rock			0.41	15.2	336.6	3.6	176	0.4	10.5	2.3	123	6.24	116.8	0.2	<0.5	0.3	37	2.5	40.9	1.2	5	0.02
TK11-157	Rock			0.46	1.1	3.9	3.6	235	<0.1	2.7	13.5	1266	14.25	32.0	<0.1	1.8	0.4	17	0.3	0.9	0.1	43	0.30
TK11-158	Rock			0.54	0.6	277.0	5.8	62	0.2	4.6	17.0	178	7.86	236.6	<0.1	6.0	0.4	6	0.5	4.3	2.0	18	0.04

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

Project: HOTTIE
 Report Date: July 11, 2011

Page: 2 of 2 Part 2

CERTIFICATE OF ANALYSIS

VAN11002927.1

Method	Analyte	Unit	MDL	1DX30 P %	1DX30 La ppm	1DX30 Cr ppm	1DX30 Mg %	1DX30 Ba ppm	1DX30 Tl %	1DX30 B ppm	1DX30 Al %	1DX30 Na %	1DX30 K %	1DX30 W ppm	1DX30 Hg ppm	1DX30 Sc ppm	1DX30 Tl ppm	1DX30 S %	1DX30 Ga ppm	1DX30 Se ppm	1DX30 Te ppm
TK11-150	Rock			0.007	12	<1	<0.01	107	<0.001	<1	0.28	0.009	0.21	<0.1	0.13	0.2	<0.1	<0.05	<1	1.2	<0.2
TK11-151	Rock			0.006	9	1	0.02	167	<0.001	<1	0.38	0.013	0.22	<0.1	0.28	0.2	<0.1	<0.05	<1	11.2	<0.2
TK11-152	Rock			0.016	12	<1	0.03	115	<0.001	3	0.34	0.023	0.20	<0.1	0.07	0.2	<0.1	<0.05	<1	<0.5	<0.2
TK11-153	Rock			0.113	9	1	0.03	99	0.002	<1	0.45	0.009	0.28	<0.1	0.14	0.8	1.7	<0.05	<1	<0.5	<0.2
TK11-154	Rock			0.080	10	<1	0.03	66	0.002	<1	0.46	0.008	0.29	<0.1	0.39	0.7	0.2	<0.05	<1	2.9	0.3
TK11-155	Rock			0.093	8	1	0.02	51	0.001	<1	0.35	0.007	0.24	<0.1	0.34	0.7	0.5	<0.05	<1	1.5	<0.2
TK11-156	Rock			0.130	6	2	0.01	58	0.002	<1	0.28	0.007	0.17	<0.1	0.09	1.0	<0.1	<0.05	<1	<0.5	<0.2
TK11-157	Rock			0.218	9	<1	0.05	84	0.001	<1	0.88	0.003	0.11	<0.1	0.33	5.1	<0.1	<0.05	2	<0.5	<0.2
TK11-158	Rock			0.053	6	2	0.03	66	0.001	<1	0.41	0.006	0.22	<0.1	0.14	2.0	<0.1	<0.05	<1	0.5	0.3

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 2

**ROCK SAMPLE LOCATIONS
AND DESCRIPTIONS**

Sample No	UTM E	UTM N	DESCRIPTION
TK11-150	437878	5868501	Felsite sub-crop with narrow crystalline quartz veinlets with some limonite and pyrite with reddish boxworks
TK11-151	437878	5868501	Felsite sub-crop with limonite wad in quartz veining with some open space quartz crystal vugs fills and hematite and limonite staining with sericite
TK11-152	438034	5868379	Felsite outcrop in road bed with manganese coated fractures and some limonite and reddish staining
TK11-153	438211	5868419	Narrow quartz veinlets (milky with quartz crystals) in argillic altered sedimentary/volcanic package with some limonite and pyrite in veins - strike EW dip to N at 70 degrees
TK11-154	438211	5868419	Series of narrow quartz veinlets with limonite and pyrite cutting argillic altered sed/volcanic sequence -strike 310 degrees dip to N at 65 degrees
TK11-155	438211	5868419	Same as above
TK11-156	438241	5868432	Float in talus of milky bull type quartz vein material with black limonite and pyrite within argillic altered sediments
TK11-157	438257	5868437	Narrow limonite wad veinlets with argillic altered margins in sedimentary package -20 degree strike dip vertically
TK11-158	438462	5868490	Narrow quartz limonite veinlets in argillic altered host -bank rubble

**APPENDIX 3
MINFILE DATA**

Location/Identification

MINFILE Number:	093B 066	Mining Division:	Cariboo
Name(s):	<u>QFP</u> FISHPOT	Electoral District:	Cariboo North
Status:	Showing	Forest District:	Quesnel Forest District
Regions:	British Columbia	UTM Zone:	10 (NAD 83)
BCGS Map:	093B091	Northing:	5870450
NTS Map:	093B13W	Easting:	437559
Latitude:	52 58 48 N		
Longitude:	123 55 48 W		
Elevation:			
Location Accuracy:	Within 500M		

Mineral Occurrence

Commodities:	Gold, Copper		
Minerals	Significant:	Quartz, Calcite	
	Associated:	Pyrite, Chalcopyrite	
	Alteration:	Carbonate, Chalcedony, Biotite, Chlorite	
Deposit	Character:	Breccia, Vein	
	Classification:	Epithermal, Porphyry	

Host Rock

Dominant Host Rock:	Plutonic		
Stratigraphic Age	Group	Formation	Igneous/Metamorphic/Other
Jurassic	Hazelton	----	----
Isotopic Age	Dating Method	Material Dated	
----	----	----	
Lithology:	Quartz Feldspar Porphyry		

Geological Setting

Tectonic Belt:	Intermontane	Physiographic Area:	Nechako Plateau
Terrane:	Stikine		

Inventory

No inventory data

Capsule Geology

The QFP claims are located approximately 30 kilometers north east of the community of Clisbako, 6.5 kilometers west of the Baezaeko River. The claims were staked in 1989 to cover a pyritic quartz-feldspar porphyry intrusion that shows evidence of epithermal style alteration. Geochemical sampling and trenching was conducted on the property during 1990 through 1995. In 1994, an airborne magnetometer survey was completed and the following year a two hole (378 metre) diamond drill program was completed.

The property is underlain by a pyrite bearing quartz eye rhyolite porphyry body, also identified as a quartz monzonite intrusion. Epiclastic sedimentary rocks host the intrusion. These consist of a chert pebble conglomerate, shales and tuffaceous sandstones of the Late Jurassic Hazelton group. A small, 400 by 100 metre, plug of pale green to white and highly siliceous felsite, of Eocene Ootsa group is also present and contains brecciated sections and moderately intense stockwork zones of limonitic, drusy quartz veinlets. Minor malachite has been observed in the felsite, while weakly disseminated pyrite is common throughout the host rocks with occasional fine grained aggregates of chalcopyrite.

Two major zones of alteration have been identified on the property, the North and South Zones. These areas are marked by extensive carbonate alteration and limonitic staining as well as numerous faults and shear zones. Another area of alteration is present in an area of roof pendant at the top of the porphyry intrusion and contains chert pebble conglomerates which have been brecciated and veined by quartz (chalcedony) -calcite-limonite-pyrite stringers.

A rock geochemical survey of the pendant returned anomalous values of up to 145 parts per billion gold, 453 parts per million arsenic, 1131 parts per million barium, 353 parts per million copper, 65 parts per million antimony, 1108 parts per million zinc and one sample of chalcedonic quartz and calcite returned 3.82 grams per tonne Au (Property File Rimfire Heberlein, D., 1992).

In 1993, a rock geochemical survey on the Fishpot claims returned six samples over 100 parts per billion gold and one as high as 1660 parts per billion gold from a sample of veined and silicified material within the felsite body. A selected sample containing visible chalcopyrite returned 31,549 parts per million copper, 377.5 parts per million silver and 98,109 parts per million arsenic (Assessment Report 20022).

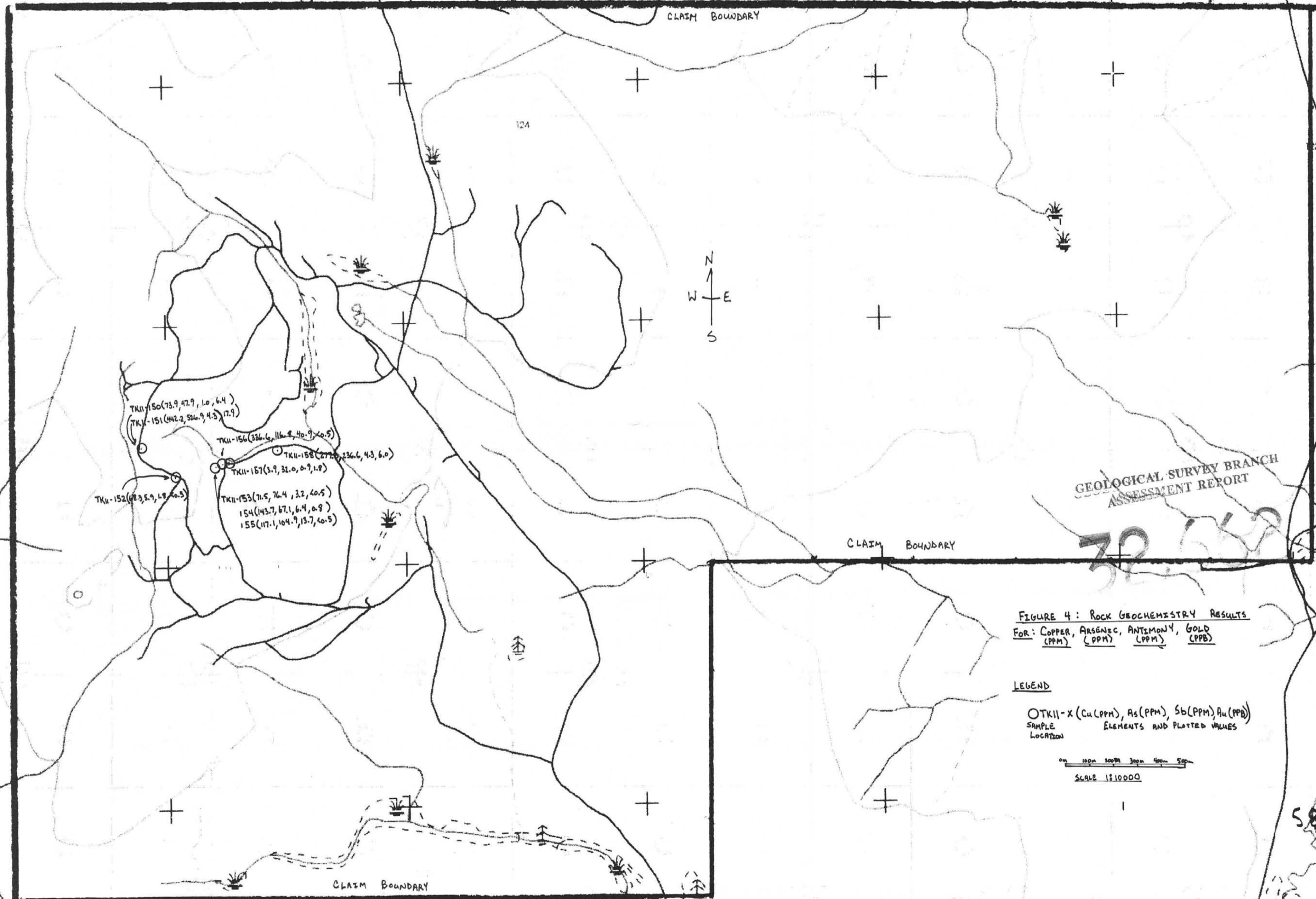
Drilling in 1995, encountered weakly pyritic, chlorite rich, siltstone and a pyritic biotite hornfels containing quartz-pyrite-chalcopyrite veinlets spaced 5 to 10 metres apart. The maximum gold assay returned 610 parts per billion over 2 metres (Assessment Report 24177).

Bibliography

EMPR ASS RPT 20022, 20277, 20874, 21594, 22400, 23045, 23695, 24177

EMPR PF Rimfire (Heberlein, D., (1992-01-23): QFP Epithermal Au Property report)

Date Coded:	2009/04/02	Coded By:	Karl A. Flower(KAF)	Field Check:	N
Date Revised:	2009/08/10	Revised By:	Karl A. Flower(KAF)	Field Check:	



GEOLOGICAL SURVEY BRANCH
 ASSESSMENT REPORT

FIGURE 4: ROCK GEOCHEMISTRY RESULTS
 FOR: COPPER, ARSENIC, ANTIMONY, GOLD
 (PPM) (PPM) (PPM) (PPB)

LEGEND
 ○TKII-X (Cu (PPM), As (PPM), Sb (PPM), Au (PPB))
 SAMPLE LOCATION ELEMENTS AND PLOTTED VALUES

0m 100m 200m 300m 400m 500m
 SCALE 1:10,000