

Project Description

Strongbow-NTI Exploration Agreement, West Kitikmeot Region, Nunavut

1.0 Introduction

In early March, 2003, Strongbow Resources Inc and Nunavut Tunngavik Inc signed a Mineral Exploration Agreement (MEA) to explore over 600,000ha of Inuit Owned Lands (IOL) in the West Kitikmeot Region of Nunavut (Figure 1). The area covered by the MEA includes all or parts of 27 IOL parcels within the West Kitikmeot Region and include geological environments considered prospective for deposits of gold, base metals, and diamonds. Strongbow has yet to conduct any exploration of the areas subject to the MEA, however some of the parcels have been actively explored in the past, prior to finalization of the Nunavut Land Claim Agreement. Strongbow intends to compile available historical geoscience information relating to these IOL parcels in an effort to identify the most prospective areas for the discovery of economic mineralization. Part of this work will include compiling airborne magnetic data including flying new fixed wing magnetic surveys where existing data are not available. A field program is anticipated for summer 2003 that will include prospecting and field verification of mineral occurrences identified by the compilation work. The field program may also include more detailed work in specific areas involving till sampling for kimberlite indicator minerals, mapping of bedrock lithologies, ground geophysical surveys and diamond drilling.

2.0 Proposed Program

Timing and General Description

The main purpose of Strongbow's 2003 program is to compile available historical geoscience information for the IOL parcels subject to the MEA. This work will be ongoing throughout the year and will be directed from Strongbow's Vancouver office, in consultation with NTL.

Flux Geophysics of Georgetown, Ontario, has been contracted to conduct fixed wing airborne magnetic surveys over 10 of the IOL parcels during May 2003. The survey aircraft will be based in Kugluktuk and the surveys should be complete within three to four weeks of commencement. The remaining surveys will be conducted during the summer months (timing is presently not finalized), with the aircraft based either in Kugluktuk or possibly from Lupin mine site.

The exact timing and nature of Strongbow's field program has not been finalized, however two phases of exploration are anticipated. Initial field work will likely commence in early July and consist of confirming the presence of mineral showings identified by the data compilation. The exact areas to be followed up will be determined as the data compilation progresses. This work will likely involve one team of two geologists accessing the IOL parcels via helicopter and landing at the specific target areas. The team will spend anywhere from 1 to 8 hours at each site locating mineralized zones and collecting prospecting-type rock samples (1-5kg each) for geochemical assays.

The main purpose of this work is to verify the location and existence of previously identified/explored mineral showings and provide further information that will allow the prioritization of exploration targets.

In addition to verifying the locations of mineral showings, the phase one exploration program will likely consist of some amount of more detailed work on specific areas that are of more immediate interest. Areas identified as of immediate interest for diamonds include portions of IOL parcels CO-40, CO-44, CO-46, CO-69, CO-20, and CO-08. Diamond exploration work on these parcels will consist of prospecting for kimberlite float and the collection of bulk (~20 litre) till samples to test for the presence of kimberlite indicator minerals. The total number of samples to be collected is still to be determined, however it is anticipated to be on the order of 200 to 300 samples. A single sampling team can collect between 10-15 and 25-30 samples per day, depending on whether they are collected entirely on foot or with the assistance of a helicopter, respectively. Regardless of the method of collection, a helicopter is used at the end of each sample day to transport the samples back to a central sample cache that can be accessed by float equipped aircraft for removal to Yellowknife.

A priority target area for gold exploration has been identified on IOL Parcel CO-20. The area is located approximately 15km south southeast of the ULU gold deposit and has previously been explored by BHP Minerals in the early 1990's. Phase one exploration of this area will likely consist of bedrock mapping, prospecting, and ground geophysical surveys. The bedrock mapping will involve daily traverses on foot, cataloguing bedrock formations within the area with the aid of air photos and satellite images. Ground geophysical surveys would involve constructing a grid and measuring the magnetic and conductive properties of the underlying bedrock.

The entire phase one program is anticipated to run for approximately 3-4 weeks commencing during the first week in July, 2003. Personnel requirements are anticipated to include approximately 4 geologists. Accommodations will be arranged at existing camp sites located on Crown Land a reasonable distance from the IOL parcels. Using the existing facilities should allow for some cost savings as it removes the requirement to mobilize and construct an exploration camp.

If results of the initial gold exploration on CO-20 are sufficiently encouraging, a short 1-2 week exploration drilling program would be considered for later in the summer of 2003 or early spring 2004. Personnel requirements for a Phase II drilling program will include 10-12 persons (5 drillers, 1 cook, 1 pilot, 1 engineer, 1-2 geologists) and construction of an exploration camp may be required. An initial program of drilling would consist of 5 to 8 exploration drill holes, each likely of no more than 100m depth. As a decision to proceed with such a program will be based on the results of the phase one, it is not possible to determine collar positions for proposed drill holes. The drill used would be a Boyles 25 or equivalent. Drill moves and crew changes will be accomplished with the use of a Hughes 500 helicopter. Drilling sludges will be stored in sumps and later buried. Garbage will be collected and returned to camp daily for incineration. Non-combustible garbage will be flown out from site for proper disposal.

Camp

A drilling program on CO-20 would likely involve establishing a camp located on the parcel at the eastern end of a lake located at $66^{\circ} 50' 30''$ N, $110^{\circ} 57'$ W. It is believed that this site has been used previously for an exploration camp in the 1970's. The camp would consist of six or seven 14'x16' Jutland-style tents with wooden floors and frames (1 kitchen, 1 dry, 1 office, 3-4 sleeping tents). All sewage and grey-water will be buried in pits, and garbage will be incinerated daily in burn barrels. Scrap metal and other non-combustible garbage will be collected and removed from the site by back-hauls during the program and as part of the demobilisation from site at the end of the program. Empty fuel drums and other remaining equipment from the present program will be removed from site at the end of the land use operation.

Fuel

Fuel requirements for the phase one exploration program are relatively modest, consisting of fuel requirements for the helicopter required to access the IOL parcels. Small fuel caches of 4-6 drums of sealed Jet B fuel may be located on the IOL parcels. Such caches will be located the requisite distance from the high water mark and their locations will be registered with the appropriate authority (i.e. KIA when on IOL lands). A later Phase II drilling program would increase fuel requirements to include approximately 15 drums Jet B (3000 l; for helicopter); 10 drums diesel (2000 l; for drill and camp); 1-2 100 lb propane tanks (for cooking and drill); 300 l drill mud/polymer. All fuel will be stored and used as per Strongbow Resources Spill contingency plan (attached).

Wildlife

All exploration sites, including any camp and/or drill sites will be kept as clean as possible in order to limit the potential of attracting wildlife. To reduce the chances for bear/human interaction the guidelines will be followed that were established in the GNWT Renewable Resources pamphlets 'Safety in Grizzly and Black Bear country' and 'Black Bears and Grizzlies of the NWT'. To avoid disturbance of caribou and nesting birds, all contract aircraft (helicopters and fixed-wing) will fly at altitudes of greater than 300m above ground level whenever possible.

Reclamation

Upon completion of the land use operation, all materials (drill, tents, pumps, fuel barrels, etc.) will be removed from the site. The wooden tent floors will be burned and buried and the sumps and sewage pits will be filled in. After the clean up has been completed there will be little/no indication of the previous land use operation. Strongbow will notify the KIA Land Administration if any undocumented evidence of previous land use activities is encountered. Strongbow will endeavor to assist in properly disposing of waste from such sites within the scope and capacity of the proposed program.