

Project Description
West Kitikmeot Project – Regan Lake Area
Strongbow-NTI Exploration Agreement, West Kitikmeot Region, Nunavut

1.0 Introduction

The Regan Lake area of Strongbow Resources' West Kitikmeot project is located approximately 170 km south of Bathurst Inlet and 430 km southeast of Kugluktuk. Project properties in this area consist of 21,517 ha of land principally within Inuit Owned Lands (IOL) parcels CO-02, CO-03, BB-07, and BB-09 (Figure 1). Strongbow's rights to explore these IOL parcels are governed by Mineral Exploration Agreement STBW-03-01 signed with Nunavut Tunngavik Incorporated (NTI) in March 2003. In addition to the IOL parcels, the project also comprises the Mining Lease 3017 (248 ha) that is located just north of BB-07 and is subject to Crown (Federal) surface rights (Figure 2).

The project area has been primarily explored for base metals and gold from the 1960's to 1990s and diamonds in the mid-1990s. The area is considered by Strongbow to be prospective for both gold and base metal mineralization, being located in the vicinity of the Musk base metal deposit and just 40 km south of the Hackett River base metal deposit and Goose and George Lake gold deposits. In 2004, Strongbow proposes to initiate intensive exploration of the Regan Lake area of the West Kitikmeot project with the goal of discovering similar style gold and/or base metal mineralization.

2.0 Proposed Program

Timing and General Description

The proposed exploration program for the Regan Lake area will be conducted in two phases. The exact timing and nature of Strongbow's field program has not been finalized, however initial field work (Phase I) will commence in the summer of 2004 and consist of exploratory drilling, mapping, prospecting, sampling, and possible ground geophysical surveys. A second phase of field work (Phase II) is planned for the spring and/or summer months of 2005, however the exact areas to be followed up will be determined based on the results of this year's work and ongoing data compilation.

Phase I work will be conducted in the summer of 2004 and will involve a combination of prospecting, bedrock and surficial mapping, and diamond drilling in order to identify and delineate mineralized zones. Where mapping, prospecting, and ground truthing are carried out, one team of two geologists will access the area of interest via helicopter. The team will spend anywhere from 1 to 8 hours at each site locating mineralized zones, mapping bedrock lithologies, and collecting prospecting-type rock samples (1-5 kg each) for geochemical assays. The bedrock mapping will involve daily traverses on foot, cataloguing bedrock formations within the area with the aid of air photos and satellite images. The main purpose of this work is to verify the location and existence of

previously identified/explored mineral showings, identify new ones, and provide further information that will allow the prioritization of exploration targets. The summer program may also include a limited amount of ground geophysical surveys over several base metal/gold targets that have been identified.

The 2004 summer program's exploration drilling will test several of these targets, namely the Musk base metal deposit on ML3017 and nearby showings on BB-09. An initial program of drilling would consist of 10-12 drill holes, each likely of no more than 300m depth (2,500 to 3,000 m in total). Eight to ten of these holes will be dedicated to delineate the Musk deposit and another 2 holes will be assigned to test similar stratigraphy within IOL parcel BB-09. Exact collar positions for proposed drill holes have not been determined; however, within the designated target areas (shown in Figure 2), each drill hole will be spaced approximately 50 m apart from each other. 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. If the results of the initial drilling are sufficiently encouraging, a Phase II exploration drilling program of equal or more meterage (3,000 to 4,000 m) would be considered for later in the spring or summer of 2005. Lake-based targets will be drilled in the spring, whereas land-based targets will be drilled in the spring or summer.

The entire Phase I program is anticipated to run for approximately 6 weeks commencing after Spring break up, around the beginning of July, 2004. A Phase II drilling program would run for a similar length of time in the spring or summer of 2005. Personnel requirements for a Phase I and II program will include 14-16 persons: 4-6 geologists/geophysicists, 2 geotechnicians, 5 drillers, 1 helicopter pilot, 1 engineer, and 1 cook.

Camp

Previous exploration camps are believed to have been located on IOL parcel BB-09 or ML 3017 but exact locations are presently uncertain. The Phase I program will involve establishing temporary exploration camps located either at Lake 1 (65° 10' 26" N, 107° 38' 07" W), Lake 2 (65° 09' 34" N, 107° 38' 21" W), or Lake 3 (65° 08' 45" N, 107° 41' 56" W). Only one camp will be built and the exact location of the camp will depend on the site conditions as well as the areas of exploration focus for the summer and spring program. The appropriate authorities and regulatory bodies will be notified of the final camp placement. 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 to 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. Previous

assessment reports indicate that there is an airstrip located on ML 3017, to the west of the Musk deposit. Depending on the condition of the airstrip, it may or may not be used during the Phase I and II exploration programs.

Fuel

Fuel requirements for the Phase I exploration program is estimated based on 10 short drill holes (250 -300 m) and helicopter-supported mapping and prospecting throughout the property. Fuel consumption includes 55 drums of Jet B (11,275 l; for 4 weeks of helicopter time 15 drums of diesel (3,000 l for camp and drill), two 100 lb propane tanks (for cooking), and 300 l drill mud/polymer. If a Phase II program occurs, estimation of fuel consumption would be based on the number of drill holes and length of the program. Fuel caches will be located the requisite distance from the high water mark and their locations will be registered with the appropriate authority. Fuel will be transported to the property in a manner such that enough fuel is present at any given time to meet short term requirements; all empty drums will be backhauled on flights bringing new fuel to camp. 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 or no indication of the previous land use operation. Strongbow will notify the KIA Land Administration if any additional evidence for undocumented 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.