

GREW CREEK PROJECT

A. Carlos (owner)

Whitehorse, Yukon

Phone (867) 668-6309

PROJECT STATUS

Optioned to Emerick Resources Corp.



Location

35 km west of Ross River

Ownership

A. Carlos

Commodity

Gold, silver

Ore type

Oxide

Mineral resource (cut-off grade of 0.2 g/t Au)*

0.773 million tonnes grading 33 g/t Ag and 8.9 g/t Au

*Historical resource; not NI 43-101 compliant

Proposed mining method

Open-pit, 365 days per year

Processing method

Conventional mill, dore bar, 365 days per year

Power

Yukon Energy's Faro-Ross River powerline crosses the property

HISTORY

The original Grew Creek claims were staked by Whitehorse prospector A. Carlos in 1983 and optioned by the Mincan JV (Hudson Bay Mining and Minerals), which carried out an extensive exploration program from 1984 to 1986.

In 1987, the claims were optioned by Noranda, which subsequently signed a joint-venture agreement with Golden Nevada Resources and Brenda Mines. Results of the 1987 program triggered a flurry of claim-staking and exploration activity in the area. A large-scale exploration program continued in 1988. In 1989, Golden Nevada changed its name to Goldnev Resources and renegotiated the joint venture agreement to give it a 100% interest in the property.

In 1992, Wheaton River Minerals took an option to conduct an underground development program, however, the option was dropped shortly after.

YGC Resources Ltd. optioned the property in 1993, and completed a \$150 000 drilling program at Grew Creek in 1995, and a 17 diamond-drill hole program in 1996. YGC

terminated its option agreement with Carlos in January, 1997.

In 2000, a total of \$36 000 was spent by A. Carlos exploring a new area 1.8 km from the main zone. He returned in 2001 to drill an additional five holes totalling 262 m, and continued to drill another six holes totalling 415 m in 2002. In 2003, he drilled a further 450 m in seven holes.

In July, 2004, Freegold Ventures Limited entered an option agreement to acquire up to a 100% interest in the project. The company reinterpreted the geology and proposed that the major direction of mineralization was sub-parallel to previous drilling which had been generally north/south in orientation. The company began a 12-hole confirmation drill program in October within the Main Zone using an east-west drilling orientation. This drilling program tended to intersect the veining at a truer width than was seen in the past.

In late 2005 Freegold conducted its own induced polarization survey over the Main Zone in order to determine if a geophysical signature could be associated with the mineralization. A well defined chargeability anomaly was identified that coincided very well with

the horizontal extents of the known mineralization. An additional 2 km of IP surveys were conducted, and two new areas were identified that contained geophysical signatures similar to those seen in the Main Zone. Freegold's most recent drilling in late 2005 and early 2006 tested these two new anomalies in the Rat Creek and Tarn zones with 13 holes.

In 2007, Freegold relinquished its option on the property. In January, 2008, the property was optioned by Emerick Resources Corporation, which prepared a summary geological report that reviewed exploration work carried out on the property to date. During the summer of 2008, A. Carlos carried out further enzyme leach soil sample surveys.

PROJECT SUMMARY

The Grew Creek deposit can be mined by open-pit methods with a stripping ratio of 9:1, waste to ore. Metallurgical testing by Noranda in 1988 indicated that recoveries of 92% to 94% are possible using simple cyanide processing.

The Grew Creek property is located approximately 35 km west of Ross River and 1 km from the Robert Campbell Highway and the Whitehorse power grid. The property consists of 192 claims and is owned by A. Carlos of Whitehorse.

The 2004 drill program evaluated a new interpretation of the structural controls on the mineralized vein system within the deposit and nearby targets.

Geology, mineralogy and ore reserves

The Grew Creek epithermal gold deposit is hosted by Eocene volcanic and sedimentary rocks deposited in a pull-apart basin within the Tintina fault zone. The gold occurs in stockwork quartz veins and hydrothermal breccias cutting hydrothermally altered rhyolite.

In the main zone, rhyolitic tuffs are juxtaposed by an east-trending fault against a cyclic sequence of fluvial sedimentary rocks. The faulted contact is partly intruded by a quartz-feldspar porphyry dyke. The pyroclastic rocks, dyke, fault and sedimentary rocks all dip steeply to the north. The volcanic rocks are hydrothermally altered to illite-quartz and illite-quartz-adularia assemblages, with an outer propylitic halo.

The mineralized zone contains pyrite, marcasite, arsenopyrite, chalcopyrite, argentite, electrum, silver

selenides, galena and sphalerite. Fluorite is also present in the Tarn zone. Gangue minerals include quartz, adularia, carbonates, and quartz pseudomorphs after calcite. In the main zone, gold and silver occur as micron-size grains in chalcedony stringer stockworks and adjacent silicified tuffs. There is a good correlation between gold and silver, with a gold:silver ratio of about 1:4 for ore-grade mineralization, which occurs in an elongated zone trending west-northwest. Arsenic and mercury are strongly anomalous in the mineralized rock, but mercury shows only a weak correlation with gold and silver. Most high mercury values lie along the fault, above the gold-silver zone.

Initial drilling on the main zone gave a best intersection of 11.7 g/t Au and 150.9 g/t Ag across 31.4 m, while the best section exposed in a trench assayed 3.6 g/t Au and 15.3 g/t Ag across 13 m. The 1989 drilling focused on the main zone, with the best hole returning 10.5 g/t Au over 13 m.

The Tarn zone, located 2 km to the east, consists of quartz-fluorite-chalcedony stockwork and localized silicification within a 900 x 100 m zone of sericitized rhyolite dykes and tuff. The best assays were 150 ppb Au across 2.0 m in a trench and 520 ppb Au over 1.5 m in a drill hole.

Prospecting in the area is difficult due to a thick cover of glacial till. Plouffe (1989) showed that gold is concentrated in the silt- and clay-size fraction down-ice from the Grew Creek deposit, but the common pathfinder elements Ag, Sb, As and Hg show little correlation with the gold distribution.

In 1991, a trench in the K410 zone, 15 km northwest of the deposit, uncovered intensely iron-stained, highly fractured acid-leached volcanic rocks. Carlos excavated four hand pits to bedrock in 1992 and encountered intensely clay-altered Eocene sediments with hematite-rich bands. Samples from the pits returned anomalous values of mercury and barium, and a heavy mineral concentrate from 45 kg of glacial till in Pit #2 assayed 9320 ppb Au.

The 1993 diamond drilling intersected strongly altered volcanic rocks beneath a zone of hydrothermal alteration exposed in a surface trench.

The 1994 drilling showed that the South zone consists of an extensive quartz-adularia stringer stockwork of low-grade gold-silver values. The best intersections were 2.33 g/t Au and 4.1 g/t Ag over 10.4 m. The South zone appears to be connected with the Main zone, but

further drilling between the two mineralized zones needs to be carried out to confirm this theory. Drilling in the Main zone confirmed earlier reported grades. The best intersection was 1.69 g/t Au and 3.0 g/t Ag over 24 m.

In 2000, a total of 450 soil samples were grid-collected over a 2 km area and analysed by the enzyme-leach method. Three new geochemical targets were delineated in a favourable structural area north of the Tarn zone, adjacent to the Robert Campbell Highway.

In 2001, five holes were drilled and a hydrothermal breccia was intersected.

In 2002, 1200 grid soil samples were collected on the Maverick prospect, located 7 km northwest of the Grew Creek deposit along the graben trend. The samples were analysed using the enzyme leach technique. Results from the sampling prompted the drilling of four holes totaling 268 m. An additional 365 fill-in and grid expansion soil samples were also collected.

In 2004, significant intercepts from Freegold's drilling included: 10.9 m (true width) grading 6.8 g/tonne, including 1.5 m (true width) @ 17.8 g/tonne in hole GC-04-225, and 4.4 m (true width) grading 22.1 g/tonne in hole GC-04-227.

While drilling in 2005 and 2006 intersected favourable alteration and evidence of hydrothermal activities similar to that seen in the Main Zone, only anomalous gold levels were encountered over broad areas. The recent identification of uranium in drill core has led the company to reassess the project's potential. A single interval of core from hole GC-06-248 (112.78 to 114.3 m) in the Tarn zone was reassayed and returned a grade of 0.1% U_3O_8 over a 1.52-metre interval. The significance of this uranium mineralization and its relationship to new depositional models remains uncertain. Previous glacial till concentrate samples from the eastern portion of the Tarn area identified large areas of anomalous rare-earth elements, including thorium (up to 58 ppm), lanthanum (up to 270 ppm) and uranium (up to 270 ppm).

Production plans

In 1989, Orcan Mineral Associates estimated a geological resource of 773 012 tonnes grading 8.9 g/t Au and 33.6 g/t Ag at a cut-off grade of 0.2 g/t Au and containing a higher grade resource of 184 947 tonnes grading 12.1 g/t Au. This resource estimate is not NI 43-101 compliant.