

Figure 1: Map of the Golden Arrow Mining District and Golden Arrow South Property with Location of Target Area.

Project Geology

The southwestern part of the Kawich Mountain Range has been interpreted to represent a caldera complex. The eastern side of this collapse and resurgent feature is partly preserved on the western flank of the mountain range and the western side of the caldera is buried in the Stone Cabin Valley/Cactus Flats depression. Late Precambrian and early Paleozoic sedimentary rocks form the basement into which the caldera was erupted. This caldera complex is rhyolitic in composition and has an age of 17.8 ± 0.5 m.y. (Cornwall, 1972). The Golden Arrow Mining District and Golden Arrow South are situated on the northern margin of the caldera complex but the gold-silver deposits are reported to be hosted in an older rhyolite unit with an age of 21.1 to 21.9 m.y. (Cornwall, 1972).

The delineated resources in the Golden Arrow Mining District are associated with intense silicic alteration in rhyolite tuff. Silicic alteration is manifested as pervasive quartz introduction in the volcanic rock, stockwork quartz veinlets and quartz veins ranging from a few centimeters to a meter wide. Accompanying the introduction of silica is adularia and minor pyrite. The resources are located at the intersection of north-northwest and east-west trending structures that locally control larger quartz veins. The company which owns the resources in the Golden Arrow Mining District has a work program to develop and expand these resources.

Target Identification

A zone of well developed silicic alteration has been identified in the southwest part of the Golden Arrow South property (Figure 2). This area contains several small mines but no overt indications of significant exploration work. In the vicinity of this alteration zone, 29 rock samples were collected by Seabridge with gold concentrations up to 9.95 g/t Au and 246.9 g/t Ag (Table 1). In addition, auger sampling was completed over the zone of silicic alteration and soil geochemical sampling was completed on the strike projection of this alteration zone. A primary target zone defined by alteration and gold geochemistry has an area of about 1200m by 700m. A secondary target of 2000m by 500m located to the north of the primary target has also been identified but results are indicative of thicker cover in this area and additional work is required to refine this target. Other less consistent geochemical targets have been found which are believed to be associated with discrete veins or deeply buried targets.

Interpretations of detailed geologic mapping and geochemical sampling are that several structural intersections between north-northwest (320° - 340°) trending and east-west trending structures localized the silicic alteration in this area. A series of east-northeast trending structures are also postulated that displaced the northern silica altered zones in a downward direction. Consequently, the southern most occurrence of silicic alteration is at the surface, and targets to the north are believed to exist under cover. The scale, textures, chemistry and structural setting for the targets in the southwest part of the Golden Arrow South property are very similar to those of the Gold Coin resource area. Understanding the geologic controls on this target will provide the

exploration model to define other targets on the property that are currently identified as geochemical anomalies.

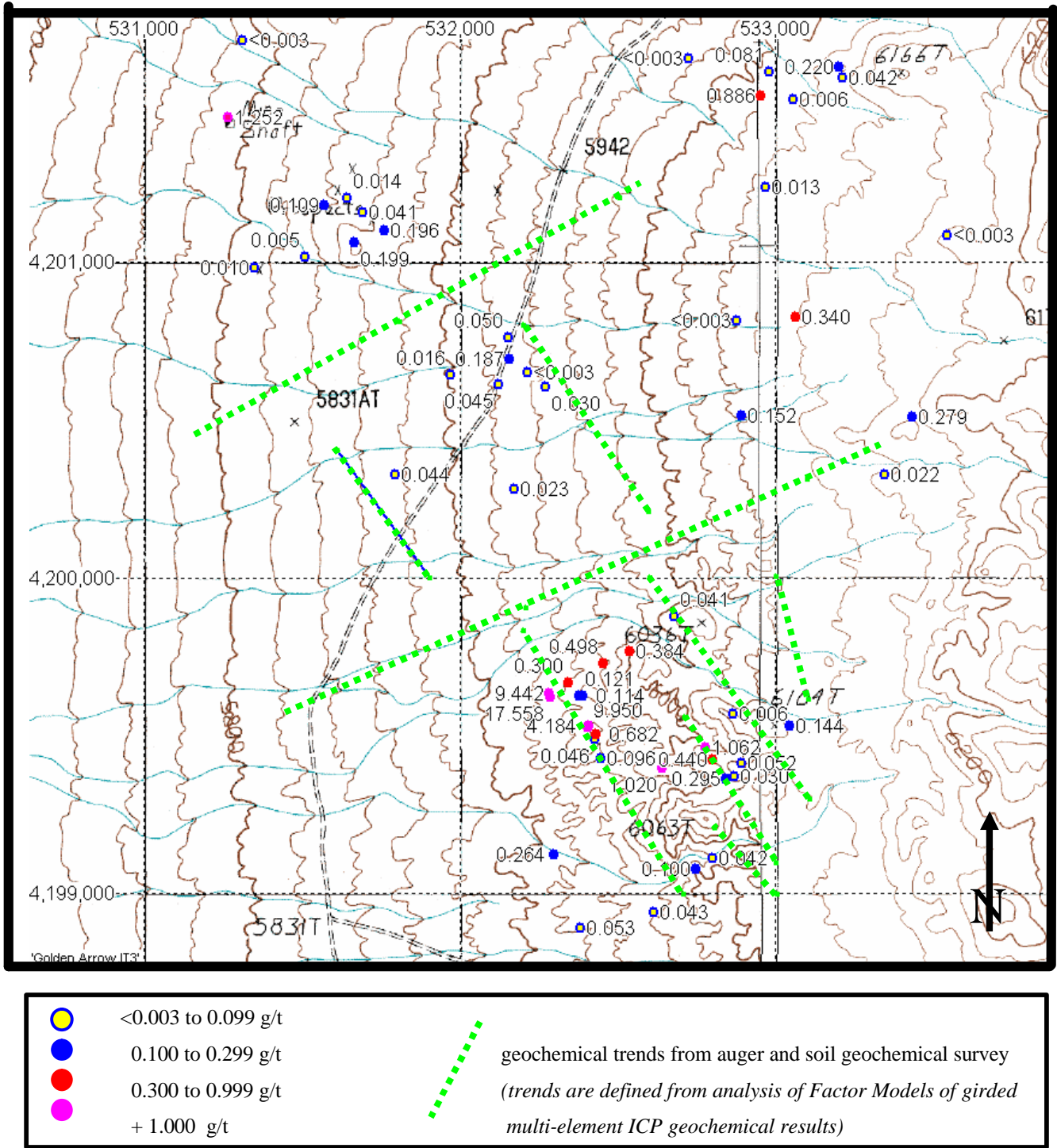


Figure 3: Target Area on the Golden Arrow South Property.

Table 1: Rock Chip Results from Golden Arrow South Property

Sample Number	Au g/mt	Ag g/mt	Sample Number	Au g/mt	Ag g/mt	Sample Number	Au g/mt	Ag g/mt
GAS - 01	17.558	200.0	SA-1269	9.563	765.9	SA-6160	<0.003	0.3
GAS - 02	0.682	16.7	SA-1270	0.220	11.5	SA-6161	0.187	18.1
GAS - 03	4.184	20.3	SA-1271	0.199	8.1	SA-6162	0.050	2.2
GAS - 04	0.114	1.1	SA-1272	0.072	4.9	SA-6163	0.196	0.7
GAS - 05	0.114	24.6	SA-1273	0.105	24.6	SA-6164	0.109	1.0
GAS - 06	0.143	76.8	SA-1274	1.252	9.7	SA-6165	0.014	0.6
GAS - 07	0.240	133.1	SA-1275	0.094	9.9	SA-6166	0.041	0.3
GAS - 08	6.020	200.0	SA-1276	0.025	4.9	SA-6167	<0.003	2.1
GAS - 09	0.227	--	SA-1277	0.245	155.0	SA-6168	0.340	10.6
SA-1239	0.042	0.7	SA-1278	0.979	14.5	SA-6169	<0.003	0.4
SA-1240	0.100	0.5	SA-1279	0.100	2.2	SA-6170	0.006	0.5
SA-1241	0.043	0.4	SA-1280	0.174	41.1	SA-6171	0.886	13.5
SA-1242	0.053	0.2	SA-1281	0.060	1.0	SA-6172	0.013	0.8
SA-1243	0.264	0.3	SA-1282	0.032	3.0	SA-6173	<0.003	0.2
SA-1244	0.096	0.7	SA-1283	0.233	4.0	SA-6174	0.081	0.2
SA-1245	0.046	17.7	SA-1284	0.132	0.4	SA-6175	0.042	0.4
SA-1246	9.950	59.0	SA-1285	0.032	1.0	SA-6176	0.220	0.1
SA-1247	1.020	15.0	SA-6138	<0.003	<0.1	SA-6177	0.300	1.2
SA-1248	1.062	2.7	SA-6139	0.493	2.3	SA-6178	0.008	0.8
SA-1249	0.440	20.7	SA-6140	0.009	0.1	SA-6179	0.059	2.1
SA-1250	0.295	16.3	SA-6141	0.014	0.3	SA-6180	0.295	6.4
SA-1251	0.030	0.8	SA-6142	0.081	4.3	SA-6181	0.020	0.4
SA-1252	0.052	1.6	SA-6143	<0.003	0.1	SA-6182	0.589	0.8
SA-1253	0.144	10.0	SA-6144	0.104	1.2	SA-6183	0.150	0.8
SA-1254	0.006	0.2	SA-6145	0.778	1.3	SA-6184	1.576	27.5
SA-1255	0.384	0.9	SA-6146	0.004	0.2	SA-6185	0.205	9.8
SA-1256	0.498	4.1	SA-6147	<0.003	<0.1	SA-6186	0.452	232.0
SA-1257	0.300	1.9	SA-6148	<0.003	0.2	SA-6187	0.050	31.8
SA-1258	9.442	246.9	SA-6149	<0.003	0.5			
SA-1259	0.121	3.0	SA-6150	<0.003	1.6			
SA-1260	0.041	0.7	SA-6151	0.045	0.4			
SA-1261	0.023	3.3	SA-6152	0.022	1.1			
SA-1262	0.030	7.4	SA-6153	<0.003	0.2			
SA-1263	0.152	0.3	SA-6154	<0.003	0.5			
SA-1264	0.044	0.6	SA-6155	1.252	15.2			
SA-1265	0.016	1.5	SA-6156	0.010	0.3			
SA-1266	0.279	6.2	SA-6157	0.005	0.2			
SA-1267	0.022	1.1	SA-6158	0.199	2.5			
SA-1268	0.269	70.6	SA-6159	0.045	4.6			

indicate samples on the Figure 2