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# PROJECT DESCRIPTION

# STAGHORN GOLD (revised Sept, 2015)

**LOCATION:** Located 60 km southwest of Stephenville, in western Newfoundland, and 5 km west of Peter Strides camp area on the Burgeo Highway. Woods Lake is located in the centre of the claims with the property covering areas to the northeast and southwest. Access is via a system of forest roads leading from the Burgeo Highway with accommodations available at Peter Strides, where there are a number of seasonal and winterized cottages/camps.

**PROPERTY:** Consists of 353 claim units in thirteen licences for a total of 88 sq. km. The central 67 unit claim was optioned from prospectors Ed Northcott and Gilbert Lushman on May 27, 2008 (revised June 10, 2009). MEK has earned a 100% interest subject to a retained 2% NSR with a buyout of 50% for $1,000,000. During the fall of 2014, Metals Creek signed an option/joint venture agreement with Benton Resources Inc. where Benton can earn up to a 70% interest in the property by making cash payments to totalling $100,000, issuing 1,000,000 shares and completing $1,000,000 in work expenditures over a four year period.

**PREVIOUS WORK:** BP Selco carried out a regional gold exploration program in 1987-88. This program was a continuation of its success at the Hope Brook Gold Mine located 125 km to the south west. A number of geochemical anomalies were trenched in the Woods Lake area with gold values up to 0.348 opt Au.

Local prospectors Edwin Northcott and Gilbert Lushman carried out a systematic gold panning survey and prospecting program beginning in 1998 and over a couple of years chased mineralization to the south shore of Woods Lake where significant amounts of visible gold was found while panning the shore line material. Subsequent trenching uncovered the Main Zone.

Candente Resource Corp. optioned the property and carried out exploration over the next few years, returning the property to the vendors after its last work in 2006. This work included establishing a 200 meter grid surveyed with IP and Mag and drilling approx 12 holes, three of which were targeted on the Main Showing.

**METALS CREEK WORK:** MEK has carried out a number of field programs over the past three years. Initial first year work consisted of linecutting, ground magnetic and soils on the Main Showing along with a property wide prospecting program. Second year work consisted of a regional airborne magnetic survey and diamond drilling on the Main Zone. Limited prospecting and recce soil sampling was also done. Third year work consisted of minor prospecting and soil sampling and a fall drill program consisting of 16 holes for 2640 meters. This drilling concentrated on the Main Zone area and one other prospect 8 km to the west at Glimmer Pond. Total direct expenditures to the end of 2010 was approximately $1.2 million

**MINERALIZATION:** The property hosts a number of gold showings, mainly associated with highly altered (silica, albite, sericite) felsic rocks with a quartz stockwork, and a strong association with disseminated arsenopyrite and pyrite. Substantial work (27 drill holes total) has been carried out on the Main Zone (South Woods Lake) and this mineralization remains open. The other showings have only had prospecting and preliminary geology done and are being prioritized for follow-up. A brief description of the showings follow:

**Main Zone – (South Wood Lake Zone**) has been trenched over a 35 m by 75 meter area with grabs up to 65 gpt Au. Three holes were drilled across the zone in 2006. The initial hole was drilled down dip and the other two intersected substantial widths of a south dipping gold bearing porphyry up to 55m in width with values of 1.47 gpt Au over 22.5 m and 0.23 gpt Au over 52.9 m (collared in mineralization). It appears that no other holes were targeted on this zone, leaving it wide open. 24 holes have now been completed on the Woods Lake zone by MEK in 2009 and 2010. The zone has been traced for over 550m in length and is still open to the east and down dip. Highlights of this program included 1.37 g/t Au over 26.31m and 2.146 g/t gold over 12.6m.

**North Soil Anomalies –** located on the southwest end of Victoria Lake, this showing was only recently staked and is at the far northeast corner of the claim group. It is described as anomalous gold in quartz veining hosted within a sheared gabbro and is associated with arsenopyrite and pyrrhotite. Recent soil sampling southwest of this showing has outlined an area of gold-in-soil anomalies coincident with the interpreted Cape Ray alteration zone.

**Ryan's Hammer** – Further prospecting in 2014 resulted in the discovery of a high grade boulder train along the southwest shore of Victoria. Grab samples from the well mineralized granitic boulders returned assay values up to 32 g/t Au.

**Ryan's Hammer Extension –** Field work conducted by Benton during the 2015 field season has resulted in the discovery of additional soil anomalies and mineralized angular boulders grading 1.1 to 5.4 g/t Au and interpreted to be sub-crop. The boulders and soil anomalies have extended the Ryan's Hammer mineralized trend an additional 750m

**High Grade Shear –** A second zone was uncovered during the 2015 prospecting campaign which resulted in a mineralized iron-carbonate shear zone with significant associated visible gold. Grab samples from this shear zone resulted in assays up to 189.2 g/t Au and is located ~3km northwest of the original Ryan's Hammer area.

**Falls Zone** – Located 4 km to the southwest of the Main Zone, the Falls Zone mineralization is exposed in a small brook and consists of a very siliceous sericitized unit with disseminated arsenopyrite and pyrite. Gold grades from this material was anomalous with values approaching 0.5 gpt.

**Mink Pond** – Similiar mineralization to the Falls Zone: strong silica/sericite/sulphide alteration over a large area with anomalous gold up to 2.0 gpt. Most of the area is overburden covered and the mineralization found to date may be along the south edge of the system

**Glimmer Pond** – Initial interest in this area was tweaked after the discovery of high grade quartz float with values up to 213.8 g/t Au on the northwest side of Glimmer Pond. Follow-up prospecting found strongly altered volcanic/sediments on the southeast side of the Pond with gold values up to 1.63 gpt. The area in between is thought to be the main "break" but is overburden or water covered. Four holes were completed in this area in 2010 and the alteration was defined over substantial widths, however only anomalous gold was encountered.

**Sure Shot Trench** – Located 1 km east of Woods Lake a narrow trench, excavated by BP Selco, had values up to 16.6 and 25.8 gpt Au. The mineralization is described as an altered pink felsic intrusive hosting a quartz stock work and disseminated pyrite and arsenopyrite. Two holes were completed in this area in 2010.

**Hill Top/Redbull** – Located 2 km to the northeast of the Main Zone, this mineralization consists of poorly exposed quartz sulphide veins with values from 1.1 to 2.9 gpt Au.

**GP Showing** – Located on a skidder trail near the truck unloading point, north of Woods Lake, the showing consists of sheared and mineralized banded volcanic. Grab samples ran up to 1.3 gpt.

**GEOLOGY:** The property covers a 32 km strike length of the auriferous Cape Ray Fault. This regionally significant “break” is over 150 km long and hosts the 400,000 oz Cape Ray gold deposits on the southwest end (75 km from Staghorn) and the 700,000 oz Valentine Lake (Leprachaun Zone) deposit 35 km northeast of Staghorn. Within the claims, the fault zone is characterized as a schist zone of variable width, interlayered with a conglomerate unit and a mafic volcanic, bounded to the northwest by ultramafic and mafic rocks of the King George IV Ophiolite complex. Immediately south of Woods Lake this fault hosted stratigraphy outlines a two km long flexure in the structure and hosts the South Woods Lake porphyry mineralization. A mag low defined over this mineralization probably represents a buried intrusive and this pattern is repeated along the fault structure.

**AIRBORNE MAGNETIC SURVEY:** Metals Creek completed a detailed airborne magnetic survey over the property in the fall, 2009 and this has provided an excellent base and targeting tool for the regional follow-up program. The new showings at Glimmer, Falls, Mink Lake, Hilltop, Sure Shot and Victoria Lake all line up with the indicated location of the Cape Ray fault.

**SUMMARY:** Previous work has outlined a number of gold showings proximal to, or within splays proximal to the auriferous Cape Ray Fault system. The geology outlining this structural zone is analogous to those hosting many of the major greenstone hosted gold deposits in the Abitibi. The fault is defined by a series of ultramafic rocks, mafic volcanics and conglomerates representing a deep seated structure and the gold mineralization is associated with altered porphyries located in flexures or dilatant zones along this structure. The Staghorn Showing best represents the Abitibi analogy in that the gold mineralization is associated with an intensely altered felsic rock (silica, sericite, albite and sulfidization) within a large scale dilatant zone caused by an east-southeast trending splay in the northeast trending structure. Other showings along strike show similar characteristics but need more work.

Drilling completed by MEK has been successful in proving the significance of the Cape Ray structure to host widespread gold mineralization associated with strong alteration. Significant drilled results include 1.37 g/t Au over 26.31m and 2.15 g/t over 12.6 m. A detailed airborne mag survey has been completed over the project area extending along the Cape Ray fault system in an attempt to further delineate the system both at the Main Woods Lake Zone and along strike. The magnetic low, which is indicative of the Woods Lake mineralization, extends to the northeast and southwest along the Cape Ray fault and appears to be mapping the main structure, associated splays and possible alteration systems along the entire length of the property.

Exploration work planned includes continued ground geophysics and soil geochemistry along with mechanical trenching to further define the extent of the Ryan’s Hammer mineralization. Trenching will commence once permits are received.