

AR 2013-001

NSGold Corporation Limited

INDIAN PATH CLAIMS

Lunenburg County

NTS 21 A 8B Exploration Licence 10089

DEPOSIT SUMMARY ASSESMENT

Perry MacKinnon, P.Geo.

January 6, 2013

DNRMPJ JAN07'13 15:19

DUPLICATE AVAILABLE

TABLE of CONTENTS

List of Figures	3
Summary	4
Introduction	5
Location and Access	5
License and Tabulation	6
Work Performed	9
Interpretation of Results	11
Conclusions and Recommendations	12
Bibliography	13
Authors Certificate	15

LIST of FIGURES

Figure I : Location Map 7

Figure II : Claim Map 8

SUMMARY

The gold and tungsten mineralization of the Indian Path property has been worked at intermittently since the 1860's. NSGold acquired the main part of the old workings by staking in 2011.

The current undertaking by the author for NSGold is to review the assessment files to determine the extent of the past work on the property and using this information to make a determination of the potential for deposit of economic interest at the site. One day was spent in this review and 1.5 days writing the report.

From the information available in the assessment files it appears there have been intercepts of both gold and tungsten that are considered of economic interest. The mineralization is open in all directions, however the better mineralization is near the axis of an anticline which passes through the area, of which the north limb and along strike in both directions is little explored. Twenty four of the twenty eight holes drilled on the property from 1934 to 1940 appear to have been some form of reverse circulation as the assays were from sludge samples, and most of the footage was spent on the south limb of the anticline, it leaves some doubt that this data provides an adequate assessment of the mineralization. Two holes of the four holes drilled by Jascan in 1986 did not test the main horizon of gold mineralization.

As the area consists entirely of small privately held lots, surface rights may present a logistical problem. As this has not been investigated in recent times, it should be looked at prior to any significant attempt at exploration. Not-with-standing the above, the establishment of a flagged grid to enable the implementation of a VLF and magnetometer survey over the wider property is recommended.

INTRODUCTION

In February 2009, Globex Mining Enterprises Inc. (Globex) staked three blocks of claims in the Indian Path area of Lunenburg County (see Figure II) which NSGold acquired as part of a larger package in 2010. NSGold acquired the main claims which include the historic workings on the property in 2011 by staking.

As a result of a familiarity of the Indian Path property resulting from previous work done by the author for Globex Mining Enterprises, it was recommended for NSGold to acquire and assess the economic potential of the known deposit. The current effort stems from this recommendation.

Historic work consisting of significant surface and underground exploration including several bulk samples has focussed on both gold and tungsten mineralization, generally in an either/ or scenario. With grades and widths of economic significance in both of these elements on the property, NSGold determined that researching the assessment files for the property would be a prudent exercise.

LOCATION and ACCESS

The area is accessed by driving approximately 15 kilometres SE of Bridgewater along Route 332 and turning north on the Indian Path Road for approximately 3 kilometres to a point 800 metres north of the junction of Indian Path Road and Fish Peddler road. A woods road is entered to the west and after 300 meters occasional trenches and other old workings may be seen in the woods to the north, just past the power line. The topography is gently rolling with the largest elevation changes in the area of concern being approximately 15 metres. The forest is predominantly mature spruce with mixed immature spruce and hardwoods. All surface rights are privately owned.

LICENSE and TABULATION

License # 10089

NTS: 21A 08B

Claims

EFGKLM

Tract

68

of claims

6

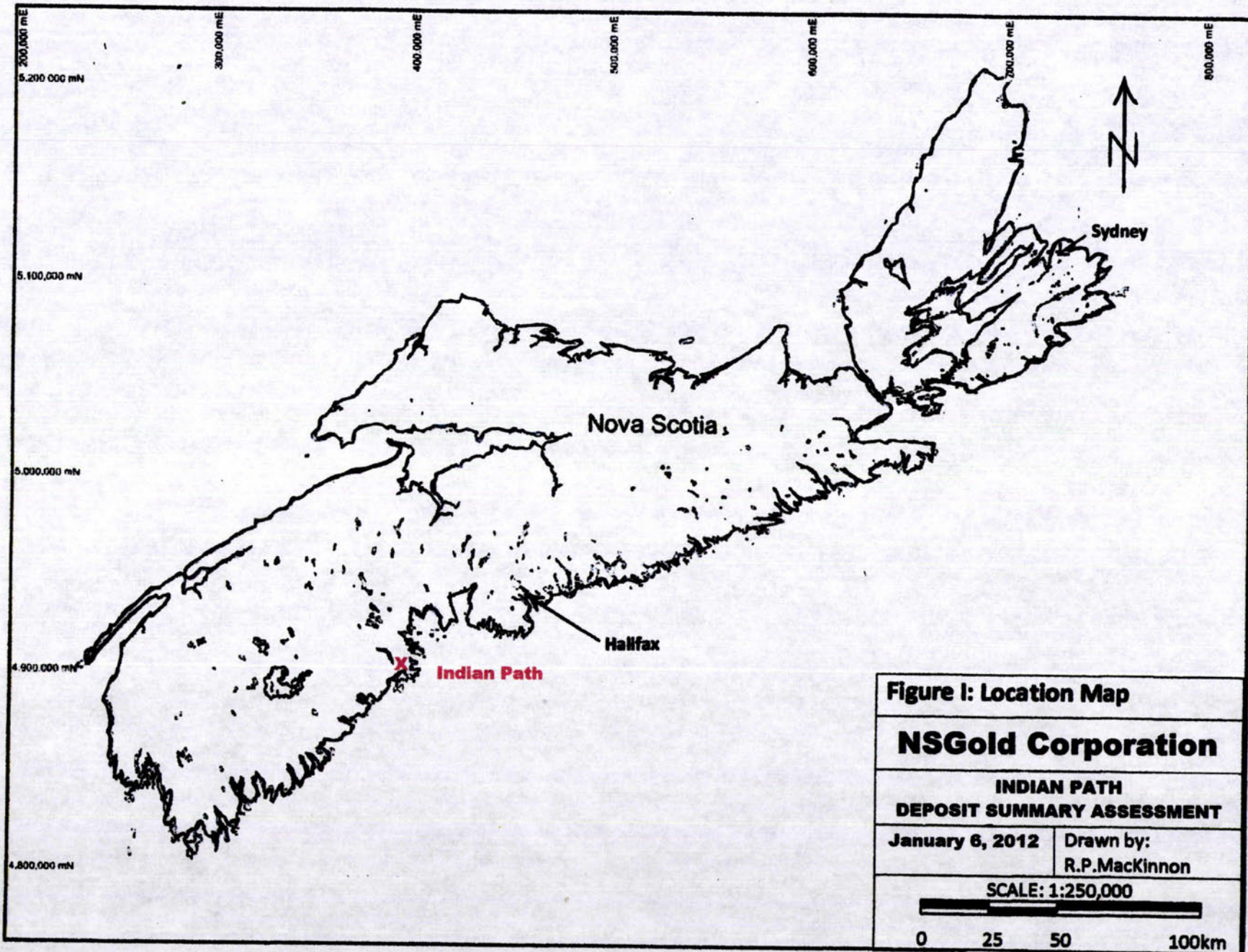
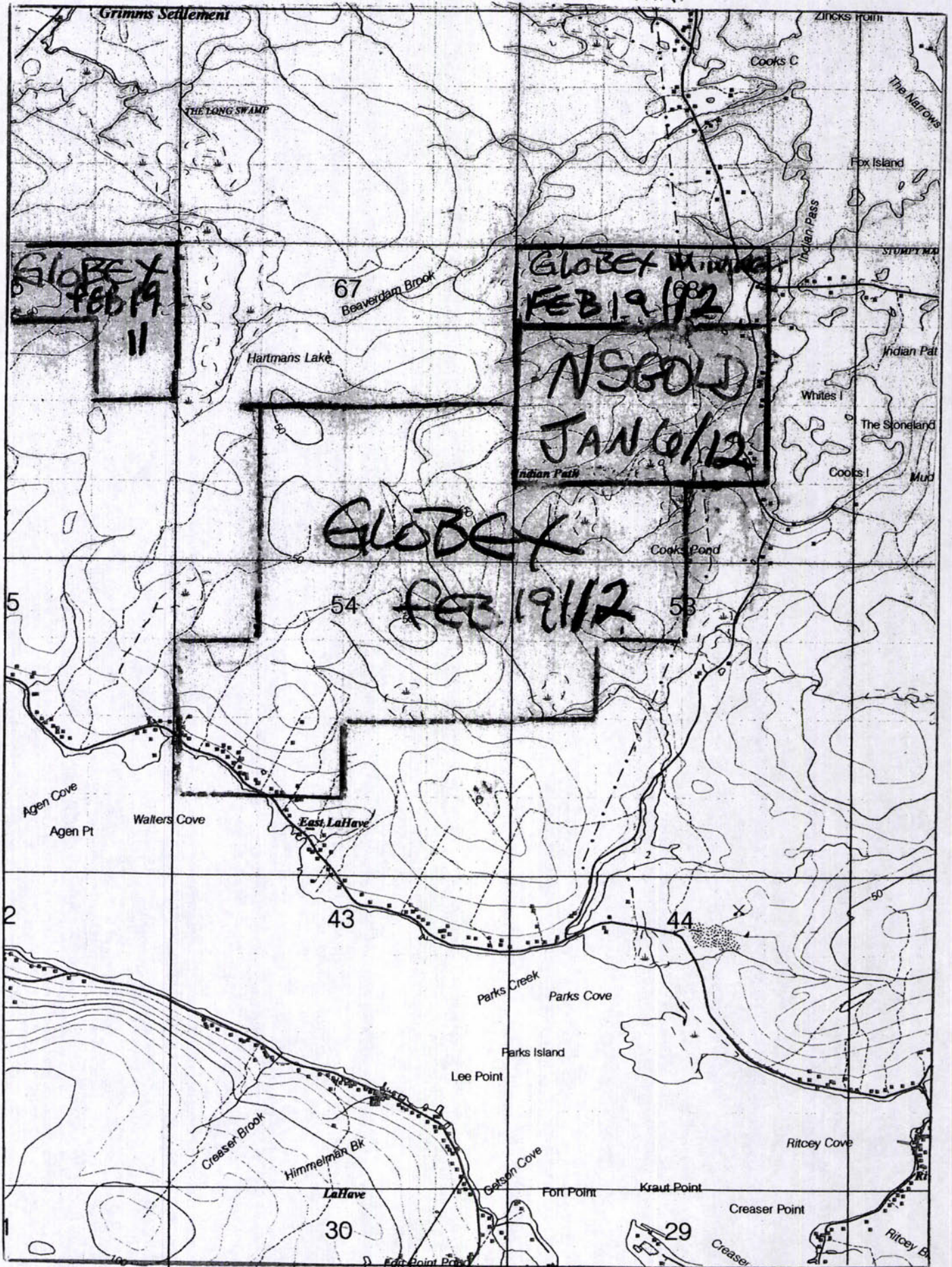


FIGURE 2 CLAIM MAP



WORK PERFORMED

Two days were spent reading through the available assessment reports for the property and assessing the methodology and scope of past exploration efforts. Fairly detailed but somewhat different interpretative summaries of the previous efforts were undertaken by successive companies interested in the potential of the area, to which to author will add in the briefest fashion.

The geology of the general area consists of quartzites, siltstones and slates of the Cambrian-Ordovician Halifax Group (from White et al, 2009) overlying the Goldenville Group which combined comprise the bulk of the Meguma Supergroup occupying a large portion of southern Nova Scotia. Mineraliferous quartz veins on the Indian Path property are reported to occur in the slaty beds of the Halifax Group, a bit of an anomaly as the majority of the known Meguma hosted gold deposits are hosted by the underlying Goldenville Group, though other exceptions do exist.

A "Gold Compilation of the Meguma Terrane in Nova Scotia" map by McMullin, Richardson and Goodwin, 1986, depicts a possibly continuous 45 km long anticlinal axis going through the area and continuing south through the Vogler's Cove area and much further. Most of the historic workings occur on the more shallow dipping south limb of the anticline (reported to be between 60 and 70 degrees depending on the author). The north limb dip is reported as between 72 and 80 degrees. Both get steeper with depth as distance increases from the anticlinal axis. All authors are in agreement with Faribault who describes the plunge of the anticline in this area at -30 degrees to the east. Whitelaw, 1991, describes the north limb striking at 77 degrees and the south limb at 63 degrees. From a LiDAR survey flown by Leading Edge Geomatics for NSGold in 2011, the regional structure is quite pronounced in the Indian Path area and runs at 59-60 degrees. It is expected this would also be the strike of the anticlinal axis, however one would expect it would occur somewhere in the middle of the strike of the two limbs as described above, or approximately 70 degrees. The reason for this disparity is unclear.

Mineralization of interest varied with the participant from gold initially, to tungsten only, in the 1930's, to gold and tungsten, to the last significant effort in 1986 by Jascan where the only assaying was for gold. Occasional mention is also made of the existence of sphalerite, galena, arsenopyrite, pyrrhotite and calcite being in evidence however, as little is made of these elements, it is expected that they are scarce components of the whole. Tungsten mineralization is said to occur as minute disseminations to clumps weighing several pounds. Free gold is reported (Jascan, 1987) to be seen and values in excess of 13 ounces per ton or over 450 grams per tonne, have been determined from samples taken from various development dumps on the property. This highest value is toward the western end of the main historical area of focus. No significant underground development was done in this area and only four holes tested west of this #4 shaft area (see plan maps of the workings by Jascan, Whitelaw and others for shaft and drill hole locations). A Jascan sample from the muck pile near the westernmost surface workings, approximately 500 feet west of the nearest drilling, assayed 0.1115 ounces per ton or 3.82 grams per tonne.

The original discovery was made in the early or late 1860's, depending on which report you read. The only significant gold production appears to have occurred prior to the 1900's and is reported to be 52 ounces from 331 tons of ore for a grade of 0.16 ounces per ton or 5 grams per tonne. Seven drill holes were put in place by Indian Path Mines in 1934, followed by eighteen holes by United Simcoe in 1939-1940. Assays from the latter holes were all from sludge samples indicating the drilling may have been from some form of reverse circulation procedure. Most samples were 3-5 feet in length, ranging from 0.5 to 7 feet. Many of the holes were drilled at -30 degrees with the steepest at -60 degrees. The highest gold value obtained was 15.43 ppm over 1 foot (as converted by Hudgtec, 2008 from the original which was in dollars of value at the time). The best tungsten value obtained in this drilling was 42.65%

WO₃ over 0.5 feet. Many samples had no values returned for either element and there was some "lost core" reported. There appears to be little correlation between the tungsten and gold values for the most part, but both are generally associated with quartz veining.

In 1986, Jascan Mines drilled four diamond drill holes on the property. The best gold results were from the first hole which provided 5 feet of 3.24 ppm Au starting at 79.5 feet down the hole. The highest value obtained was 5.17 ppm over 0.5 feet starting at 100.5 feet in the same hole. Unfortunately Jascan did not test for tungsten in this work. Two of Jascan's holes tested a 500 foot long auriferous horizon outlined by United Simcoe and Indian Path Mines. Several intercepts from these hole provided values in the 1-3 ppm Au range but it is not known if they coincide with the work of the previous companies as no cross sections are provided. These were not the holes with the best values mentioned above, which tested the quite poorly explored north limb of the anticline.

Underground development began, according to Malcolm, 1929, in 1962 when a 25 foot shaft was put in place. Another is recorded as being 33 feet in 1926 and deepened to 70 feet a few years later. Goranson (1931), from the GSC described a 21 inch wide quartz vein and that scheelite occurred in an area 300 feet wide along a strike of 1300 feet. He also described a third shaft worked to a depth of 35 feet. J.P. Nowlan, in a 1977 report for Royal Aggasiz Mines reports that Government geologist J.P. Messervey reported a rich showing in shaft # 3 in 1933, and that seven short holes were drilled (by the Department) and there were numerous occurrences of scheelite throughout. It would seem that this would be the same seven holes reported (by ACA Howe for Jascan in 1987) to be drilled in 1934 by Indian Path Mines. In 1934 underground development connected the #2 and #3 shafts at the 75 foot level. It is unclear what this distance might be as the numbering of the shafts appears to have changed, according to Whitelaw, but it was probably 30 meters or less.

In addition to drilling and trenching in 1939, United Simcoe extracted a 40 ton sample from between the #2 and #3 shafts that returned 0.34% WO₃. Shortly after this, Tungsten Mines Limited deepened the #2 shaft to 250 feet and did 1200 feet of lateral development to facilitate exploration and the extraction of enough tonnage to have five bulk samples sent away for processing to determine the value of tungsten in the rock. Levels were established at depths of 130 and 230 feet during this effort and the results, based on 5 samples ranging from 20-60 tons each from a 169 ton initial sample, ranged from 0.10% to 0.54% WO₃. A reported 6200 tons was mined following the initial testing and 22 tons of concentrate were sent for processing, returning 0.26% WO₃ based on the original volume. This was the last production from the area as demand for tungsten diminished toward the end of the second world war.

The last work of significance regarding the property was by Bruce Hudgins of Hudgtec Consulting Ltd. in 2008. A compilation of historic drill hole data and conversion to modern form was began and a recommendation to complete the effort was made, as well as mapping and trenching efforts. It was noted that "reference is also made in at least one historic report on the potential for open pitting the tungsten zones". It was also observed that "Preliminary graphical and visual analysis of the drill hole assay database for gold indicates the potential for wider, low grade zones associated with certain strata or facies within the Halifax Formation at Indian Path".

Regarding the open pit potential, Charlick, 1942, reported a bulk sample returning 0.46% WO₃ taken from an area from 3.5 to 19 feet in width, with no comment on possible gold content.

INTERPRETATION of RESULTS

Regarding the structure of the deposit, the relatively steep plunge (30 degrees east) of the anticline at this location provides relatively quickly changing strata along strike with older units to the west and younger to the east. To the east there was little exploration 20 meters beyond the underground workings and the potential in this direction would seem to be significant, though there are a few houses, the main paved road in the area and eventually the ocean in this direction. To the west there are old trenches and at least one historic shaft approximately 350 meters beyond the westernmost drilling. Although there are no current dwellings in this direction, there are an increasing number of properties, increasing potential access difficulties.

Faribault is reported to have indicated that a fault may offset the mineralization to the west. From the 1957 GSC Aero-magnetometer Survey, M.S. King's 1997 Vertical Second Derivative Aeromagnetic Map and Leading Edge Geomatic's 2011 LiDAR Survey, there does not appear to be any indication of a significant offset, at least within the 800 meters of the historic surface workings. Minor offsetting of strata and veins are reported from several sources in historic underground work, however distances are usually less than a few meters, though in one case it is indicated to be 60 feet. A N-S oriented linear feature is apparent on the LiDAR Hillshade Map that may intersect the extension of the mineralized horizon some 500 meters west of the known surface workings but this particular region is obscured by the presence of a drumlin and there doesn't appear to be any offset of the linear features extending from either side of drumlin.

The 1987 Jascan drilling did test the north limb of the deposit with its first two holes (drilled from the same set-up) to some degree. Several of the historic holes partially tested this area as well, one in particular at a very poor angle, however there is some speculation on the part of the author, which is also commented on in the same light in several of the historic reports, that there may be at least as good mineralization potential on the north limb of the anticline as has been documented in the south limb. In Meguma gold deposits there does seem to be a preferential depositional favouritism in regard to gold in the south limb of the many deposits but there are quite a few exceptions to this. In addition, another bit of favouritism regarding the depositional preference for gold is for the steeper of the two limbs of any given anticline. Though there are exceptions to this rule as well, in the case of the Indian Path deposit, the north limb is the steeper of the two.

Malcolm (1929) reports that "only one vein was worked, it shows rolls and was richest immediately north of the apex of the anticline where it assumed a banded structure and was well mineralized". This contrasts with later lines in the same brief report that "ten or twelve leads varying in width up to 5 feet were exposed...". This does however, confirm the existence of gold on the north side of the structure.

The other preference for gold deposition common to many of the Meguma deposits is their location on or slightly peripheral to domal features occurring along anticlinal axes. The steep easterly plunge of the Indian Path structure indicates that, if there is a domal feature associated with the known structure, the crest of it would be some distance to the west of the main workings. Most of the other such dome structures known by the author have plunges in

either direction of less than 10 degrees. Some structural work in the wider area may shed some light on how plunge/ lineation changes as you proceed west from the site, and how this may affect the strata and the potential for more widespread mineralization along the strike of the structure.

CONCLUSIONS and RECOMMENDATIONS

Reviewing the assessment files for the Indian Path property has confirmed that there is significant potential for gold and tungsten mineralization and ore grade values for both elements have been proven to occur on the site. The structure has been well defined in terms of the strike and dip of the strata, from records provided in government assessment files of historic underground development however the exploration history is one of sporadic quests for either gold or tungsten, even as late as 1986, when no assaying was done for tungsten in a four drill hole program on the property. No concerted drill program has been done, with capitalizing on the feasibility of mining gold and tungsten together, in mind and this is where the potential for this property lies.

Sludge sampling analysis from 18 holes drilled by United Simcoe in 1939-40 returned some ore grade values of both gold and tungsten but there are no details provided as to the quality/ accuracy of the sampling method thereby rendering the data of questionable value in assessing the potential of the property. As usual, in any drill testing of narrow vein gold structures, the nugget effect always provides an uncertainty of the accuracy of the method and it does not appear that any of the many bulk samples sent for analysis were tested for gold.

As permission to access such a large number of properties may meet with some opposition if an intrusive program such as trenching were attempted, the author suggests that a flagged grid be put in place and a VLF and magnetometer survey be implemented. With the reported presence of pyrrhotite and some pyrite occurring with the quartz veins, the magnetometer may distinguish the difference between the veined areas and the most likely pyrite mineralized host Halifax slates. A VLF survey may also detect the increased, though probably subtle, mineralization. The survey would ideally cover the approximately 1 km distance from the road in the east to the drumlin in the west.

Assuming permission could be obtained from landowners to run such a survey, and that anomalies would be obtained, a small drill hole program of short holes testing the structure from both directions would be a worthwhile follow-up.

A day or 2 of reconnaissance to better understand the structure of the area may provide some insight toward choosing the best drill sites.

BIBLIOGRAPHY

Gold, Indian Path, Lunenburg County, Nova Scotia. Report on Geology, Exploration and Development Histories, Trenching, Grab and Channel Sampling, Rock Assays, Drilling and Drill Core Assays [Indian Path Property], by Morris, G A; A C A Howe International Limited; Jascan Resources Incorporated, Assessment Report ME 1987-010

Gold, Indian Path, Lunenburg County, Nova Scotia. Report on Prospecting [Assessment Report on 1987 Exploration Program on General Exploration License No. 12070, Indian Path], by Rodenhizer, W.D., Assessment Report ME 1987-197, 1987

Gold, Tungsten, Indian Path, Lunenburg County, Nova Scotia. Report on a Compilation of Existing Drill Hole Data on the Property [Assessment Report License 06536 Indian Path Project, Lunenburg Co., N.S.], by Hudgins, A B, Hudgtec Consulting Limited, Assessment Report ME 2008-064, 2008

Gold, Tungsten, Indian Path, Lunenburg County, Nova Scotia. Report on Property Geology, Exploration History, Prospecting, and a Reconnaissance VLF-EM Survey [Indian Path, License Number 15317], by Whitelaw, R M, Assessment Report ME 1991-008, 1991

Government of Nova Scotia, Department of Natural Resources, 2004 Online Geosciences Map

Gold Fields of Nova Scotia, Malcolm, 1929, Memoir 156.

NS Department of Mines Aeromagnetic Map of Indian Path Sheet NTS 21A-8B (based on GSC data), 1957. OFM 1957-042.

NSGold Corporation Limited Indian Path LiDAR Survey Licences 8519 and 8520 Lunenburg County, Nova Scotia; NTS : 21A 08 B; Perry MacKinnon, P.Geo., February 15, 2012

Map of Meguma Terrane Enhanced (Second Vertical Derivative) Aeromagnetic Digital Data of the Lunenburg Area, Lunenburg County, Nova Scotia [21A/08B and C] [1:50 000]; King, M.S., OFM ME 1997-027:

Provenance of the Meguma Terrane, Nova Scotia (Abstract), by White, C E, Nova Scotia Department of Natural Resources; Waldron, J W F, University of Alberta; Barr, S M, Acadia University; Simonetti, A, University of Alberta; Heaman, L M, University of Alberta, Report ME 2009-001, 2009

Tungsten, Indian Path, Lunenburg County, Nova Scotia. Drill Hole Logs, Drill Hole Sections and Drill Core Geochemical Analyses, by Scott, J S, Siscoe Gold Mines Limited; Siscoe Gold Mines Limited, Assessment Report ME 21A/08B 53-L-13(05), 1939

Tungsten Deposit, Indian Path, Lunenburg County, by Charlick, R, Nova Scotia Department of Mines and Energy, Annual Report 1941-42

Authors Page

I, Perry MacKinnon, do hereby certify that:

1. I am a self employed consulting geologist
My mailing address is:
21 Virginia Drive
Hammonds Plains, NS
B4B1S5
2. I am a graduate of Acadia University, NS
BSc Geology, 1982
3. Since graduation I have been employed for one year as a mine geologist, four years as a full time surface exploration geologist, a period of time as a part time consultant geologist, and more recently and presently, a full time consultant geologist.
4. I have acquired P.Ge. status in the Province of Nova Scotia in 2009.
5. The information contained in this report is based on my research and interpretations thereof.
6. I have no vested interest in this property however I do have a stock option agreement with NSGold to possibly acquire stock in that company in the future.

Dated: January 6, 2013

Hammonds Plains, Nova Scotia


Perry MacKinnon, P.Geol.



Form 10 - Statement of Assessment Work Expenditure
(pursuant to the *Mineral Resources Act*, S.N.S. 1990, c. 18, s. 43(1))

(Complete as necessary to substantiate the total claimed.)

Re: Licence No. 10089 Date of issue January 6, 2011

Type of Work		Amount Spent
1.	Prospecting _____ days	
2.	Geological mapping _____ days	
3.	Trenching/stripping/refilling _____ m ² / _____ m ³	
4.	Assaying & whole rock analysis _____ #	
5.	Other laboratory _____ #	
6.	Grid: (a) Line cutting (b) Picket setting (c) Flagging	_____ km _____ km _____ km
7.	Geophysical surveys Airborne: (a) EM/VLF (b) Mag or Grad (c) Radiometric (d) Combination (e) Other _____	_____ km _____ km _____ km _____ km _____ km
8.	Geophysical surveys Ground: (a) EM/VLF (b) Seismic soundings (c) Magnetic/telluric (d) IP/resistivity (e) Gravity (f) Other _____	_____ km _____ # _____ km _____ km _____ km _____ km
9.	Geochemical surveys (a) Lake, stream, spring (i) Water (ii) Sediments (b) (i) Rock (ii) Core (iii) Chips (c) (i) Soil (ii) Overburden (d) Gas (e) Biogeochemistry (f) Sample collection (g) Other _____	DNRMPT JAN07'13 15:19 _____ samples _____ samples _____ samples _____ samples _____ samples _____ samples _____ samples _____ samples _____ samples _____ days
10.	Drilling: (a) Diamond (# holes/m) (b) Percussion (# holes/m) (c) Rotary (# holes/m) (d) Auger (# holes/m) (e) Reverse circulation (# holes/m) (f) Logging, supervision, etc. (g) Sealing (# holes)	_____ / _____ m _____ / _____ m _____ / _____ m _____ / _____ m _____ / _____ m _____ days _____ #
11.	Other (describe) <u>Research Report Writing</u>	<u>2 days</u> <u>1.5 days</u>
	Subtotal	<u>1000.00</u> <u>750.00</u> 1750.00
	Overhead costs <u>10%</u>	175
12.	Secretarial services	
13.	Drafting services	
14.	Office expenses (rent, heat, light, etc.)	
15.	Field supplies	
16.	Compensation paid to landowners	
17.	Legal fees	
18.	Other (describe)	
	Subtotal	1925.00
	Grand total	1925.00

