Technical Report

Geology, mineralization and exploration, Hewitt-Van Roi Property, Southern British Columbia

NTS map sheet 082F/14

centered at UTM 5531000N, 478000E

Slocan Mining Division

by

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Prepared for Gold Jubilee Capital Corp.

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3 SUMMARY

The Hewitt-Van Roi property is located along the east side of Slocan Lake in southern British Columbia (NTS map sheets 082F/14). It comprises 38 crown grants and 6 contiguous claim units, 100% owned by Klondike Silver Corp. The issuer will acquire an undivided 51% right, title and interest in the property on payment of $320,000 to Klondike Silver Corp (Optionor), issuing 300,000 common shares to Klondike Silver and incurring at least $1,500,000 in exploration expenses on the Property,.

The Hewitt-Van Roi property has two past-producing mines, the Van Roi that mined 284,706 tonnes, producing 86,690 kg of silver, 8091 tonnes of lead, 7601 tonnes of zinc and 9,540 g of gold, and the Hewitt that mined 112,573 tonnes, producing 59,624 kg of silver, 1770 tonnes of lead, 2708 tonnes of zinc and 3,673 grams of gold.

The Hewitt and Van Roi deposits were developed on an east-trending, north dipping lode structure within middle Triassic metasediments of the Slocan Group, just north of the middle Jurassic Nelson batholith. The deposits are classed as polymetallic silver-lead-zinc veins, comprising galena and sphalerite with tetrahedrite, pyrargytite and native silver in higher grade zones.

Exploration by Klondike Silver Corp. in the 2008 and 2009 field seasons has included geological mapping, several soil geochemical surveys, ground geophysics, limited trenching and some diamond drilling. The total exploration expenditures by Klondike Silver Corp., since July 2009, are $116,108, including $10,021 for geological mapping, $9,401 for soil geochemical surveys, $11,428 for VLF-EM and magnetometer surveys, $14,275 for trenching and $70,983 for diamond drilling by Black Hawk Drilling Inc.

The geochemical and geophysical programs have been successful in locating several coincident anomalies that appear to be, at least in part, on trend and parallel with the main Hewitt-Van Roi lode system. The trenching program was not successful as bedrock was not encountered due to deep overburden. The drilling program was severely limited due to access problems and has not adequately tested inferred extensions of the known lode system or anomalies. Hence, considerable further work is recommended, including more tightly constrained geochemical surveys, additional ground geophysical surveys, trenching and diamond drilling.

4. INTRODUCTION

The Hewitt – Van Roi Technical Report was prepared for Gold Jubilee Capital Corp., listed on the TSX Venture Exchange and Klondike Silver Corp., also listed on the TSX Venture Exchange. Gold Jubilee Capital Corp. has reached an agreement with Klondike Silver Corp., the owner of the property, to option the property. Specifically, if Gold Jubilee Capital (Optionee) has paid $320,000 to Klondike Silver Corp (Optionor), issued 300,000 common shares to the Optionor and incurred at least $1,500,000 in exploration expenses on the Property, the Optionee will have exercised the option and will have acquired an undivided 51% right, title and interest in the property; the details of the agreement are given in Appendix 3. The agreement provides the Optionee control over the development of the exploration program during the term of the option agreement and the parties agree to cooperate in their investor relations efforts, dealings with investors, mining industry corporations, service corporations, governments, First Nations, banking groups and any and all partners required.

This report was prepared in order to describe the geology and exploration potential of the Hewitt-Van Roi property, located on the east side of Slocan Lake south of New Denver southeastern British Columbia.

A considerable part of this report was obtained by the author while working under contract to Klondike Silver Corp., mainly as an independent consultant. This work included geological mapping and supervision of exploration in the Slocan Camp from 2005 to 2009, as well as supervision of exploration on the Property in the 2008 and 2009 field seasons. The author is familiar with the Property and has discussed and reviewed with Klondike Silver personnel and contractors, all data presented in this report, including the prospecting work, soil geochemical surveys, geophysical surveys, drilling and trenching.

The author (Trygve Höy) visited the property several times in the 2008 and 2009 field seasons, examined the trenches, drill sites and drill core. He has co-authored several B.C. Government Assessment reports on the property, including reports that outlined exploration during the 2008 and 2009 field seasons.

5. RELIANCE ON OTHER EXPERTS

The author is familiar with all material presented in this report. Michael Seabrook, a graduate geologist from the University of Alberta and a Professional Geologist in Training, supervised the 2009 trenching and drilling programs, and details of this work have been submitted in a provincial government assessment report coauthored by this author. BA Belton conducted the geophysical survey, under the direct supervision of M. Seabrook. Soil surveys were done by Jeffery Höy, Jodie Hull, Aaron de Jong and Jeremy Seabrook, also under the direction supervision of either BA Belton or M. Seabrook.

The author is confident that the technical exploration programs described in this report were done competently by the contractors. These personnel have worked for the author for several years and their data are considered very reliable.

6. PROPERTY DESCRIPTION AND LOCATION

The Hewitt-Van Roi property is located in the northern part of 1:50,000 topographic map 082F/14, within the Selkirk Mountains immediately east of Slocan Lake (Figure 1). The towns of Silverton and New Denver are located approximately 4 km west-northwest and 7 km northwest of the Property respectively. The claims are within the Slocan Mining Division. The approximate center of the Property is UTM (Nad 83) coordinates 478000E and 5531000N.

The Property comprises 38 crown grants and 6 contiguous claim units, 100% owned by Klondike Silver Corp. (Table 1, Figure 2). The claims cover an area of 977.66 ha and these, in part, overlie the crown grants. The claims were acquired by paper staking by Klondike Silver Corp. and hence do not have any vendors or option agreements that need to be filled. Annual work done on the properties is filed as assessment reports to the Provincial government by Klondike Silver Corp, and this has allowed 5 of the claims to be in good standing until February, 2020 and the sixth until September 30, 2010. Cash payments to the provincial government will be made in lieu of work should the Companies decide to keep the sixth claim beyond September, 2011. Crown grants are owned outright by Klondike Silver Corp.

No environmental issues, related to exploration of these claims, are known. Exploration permits, applied for by Klondike Silver Corp. have been submitted to the provincial government and are in the review stage. A condition of all trenching and diamond drill permit applications is the recontouring and seeding of all sites.

There are two past producing mines within the property and several other metallic mineral occurrences listed in BC Minfile. These are described in more detail below, under “History” and “Mineralization”. The Van Roi mine (Minfile 082FNW064) was the largest producing mine in the area and one of the most successful in the entire Slocan Silver camp. The mine opened in 1893 and produced 284,706 tonnes before closing in 1957. There are nine different levels in the Van Roi mine covering a strike length of 914 m and to a depth of 366 m. The average grade recovered was 305.5g/tonne Ag, 2.6% Zn, 2.8% Pb. The Hewitt mine (Minfile 082FNW065) produced 112,573 tonnes from 1893 to 1972; it was amalgamated with the Van Roi mine in 1950 under Van Roi Consolidated Mines Ltd. In total, 14 different levels were explored in the Hewitt mine with average grades of 529 g/tonne Ag, 2.4% Zn, and 1.5% Pb.

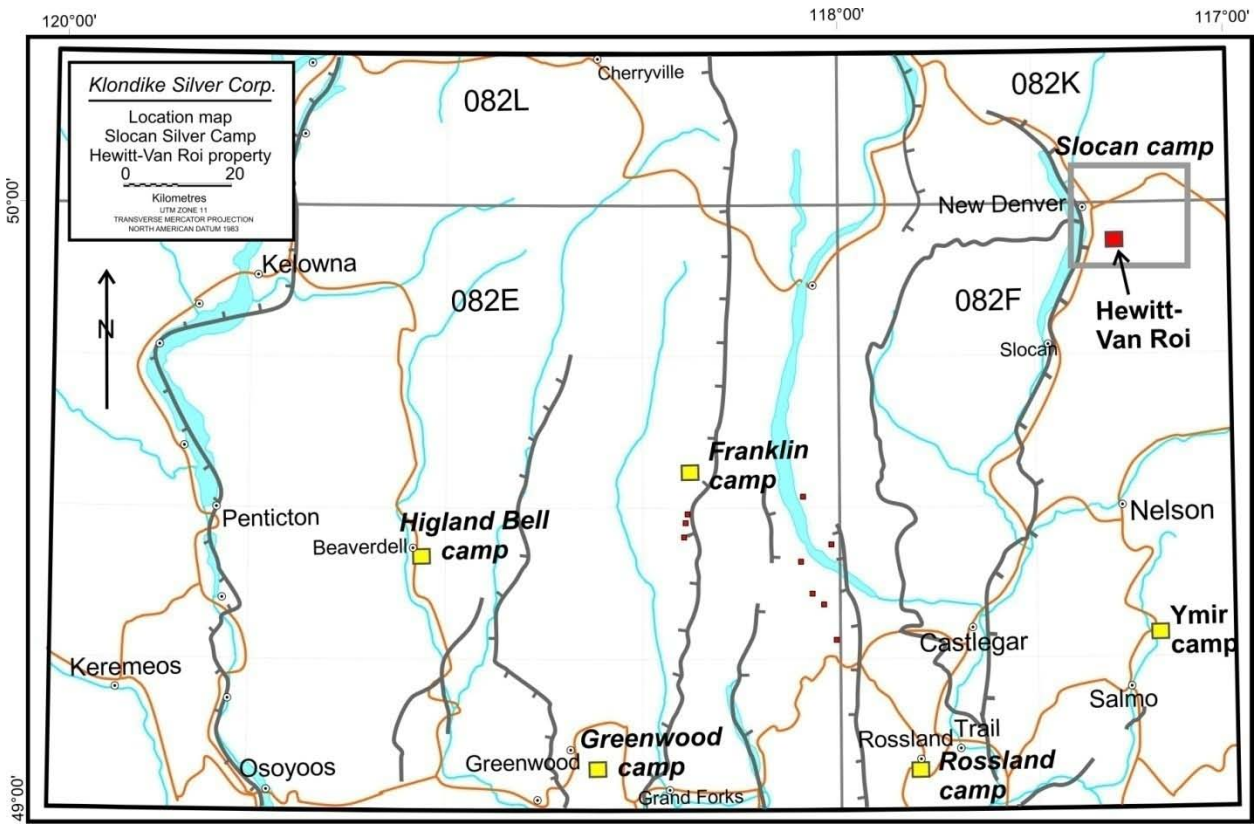

Figure 1: Location map, Hewitt – Van Roi property, southern British Columbia; note location of main mineral camps and Tertiary extensional faults.

7. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The Hewitt property is located 3.5 km southeast of the town of Silverton. The property is accessed via a branching gravel road 1 km from the north entrance to Red Mountain road. The turn off to Red Mountain road is 1 km south of the town of Silverton along highway No. 6. The eastern side of the property can be accessed by a logging road from Silverton that follows the Silverton Creek valley. Numerous mine or logging access roads, mostly decommissioned and only passable by foot or ATV, cross the Property.

The Property is located on the northern slopes of Mount Twigg, extending east-west for approximately 5 km along the southern side of Silverton Creek. Relief is variable, from gently sloping, slow-flowing drainages and swampy areas in the west to steep mountainous terrain in the central and eastern part. Relief ranges from 660 meters in Silverton Creek to 1740 meters on the north slope of Mount Twigg.

Lot no.	Land District	Folio No.	Owner
P00889	Kootenay	192961	Klondike Silver
739	Kootenay	50270	Klondike Silver
740	Kootenay	50270	Klondike Silver
741	Kootenay	50270	Klondike Silver
1397	Kootenay	208825	Klondike Silver
1398	Kootenay	208825	Klondike Silver
1399	Kootenay	208825	Klondike Silver
1400	Kootenay	208825	Klondike Silver
1401	Kootenay	208825	Klondike Silver
1402	Kootenay	208825	Klondike Silver
2228	Kootenay	53449	Klondike Silver
2297	Kootenay	51888	Klondike Silver
2298	Kootenay	51888	Klondike Silver
2299	Kootenay	51888	Klondike Silver
2230	Kootenay	51888	Klondike Silver
2900	Kootenay	208825	Klondike Silver
3362	Kootenay	53449	Klondike Silver
3363	Kootenay	53449	Klondike Silver
3364	Kootenay	53449	Klondike Silver
3365	Kootenay	53449	Klondike Silver
3366	Kootenay	53449	Klondike Silver
3367	Kootenay	53449	Klondike Silver
4440	Kootenay		Klondike Silver
4441	Kootenay		Klondike Silver
6527	Kootenay	208825	Klondike Silver
6528	Kootenay	208825	Klondike Silver
10051	Kootenay	208817	Klondike Silver
10052	Kootenay	208817	Klondike Silver
10053	Kootenay	208817	Klondike Silver
14420	Kootenay	54234	Klondike Silver
14421	Kootenay	54234	Klondike Silver
14422	Kootenay	54234	Klondike Silver
14423	Kootenay	54234	Klondike Silver
14424	Kootenay	54234	Klondike Silver
14425	Kootenay	54234	Klondike Silver
14426	Kootenay	54234	Klondike Silver
14427	Kootenay	54234	Klondike Silver
14428	Kootenay	54234	Klondike Silver

Table 1: List of Crown Grants, Hewitt-Van Roi property

Name	Number	Size (ha)	Expiry	Owner
Diana 4	577887	83.21	23/02/2020	Kondike Silver
Hewitt MinerD	600559	41.60	23/02/2020	Kondike Silver
Hewitt Spur	900573	20.80	23/02/2020	Kondike Silver
Hewii North	603583	291.13	23/02/2020	Kondike Silver
Bessie	654893	20.80	23/02/2020	Kondike Silver
VanRoiMaurie R	644086	520.12	30/09/2010	Kondike Silver

Table 1 (continued): List of mineral tenures, Hewitt-Van Roi property.

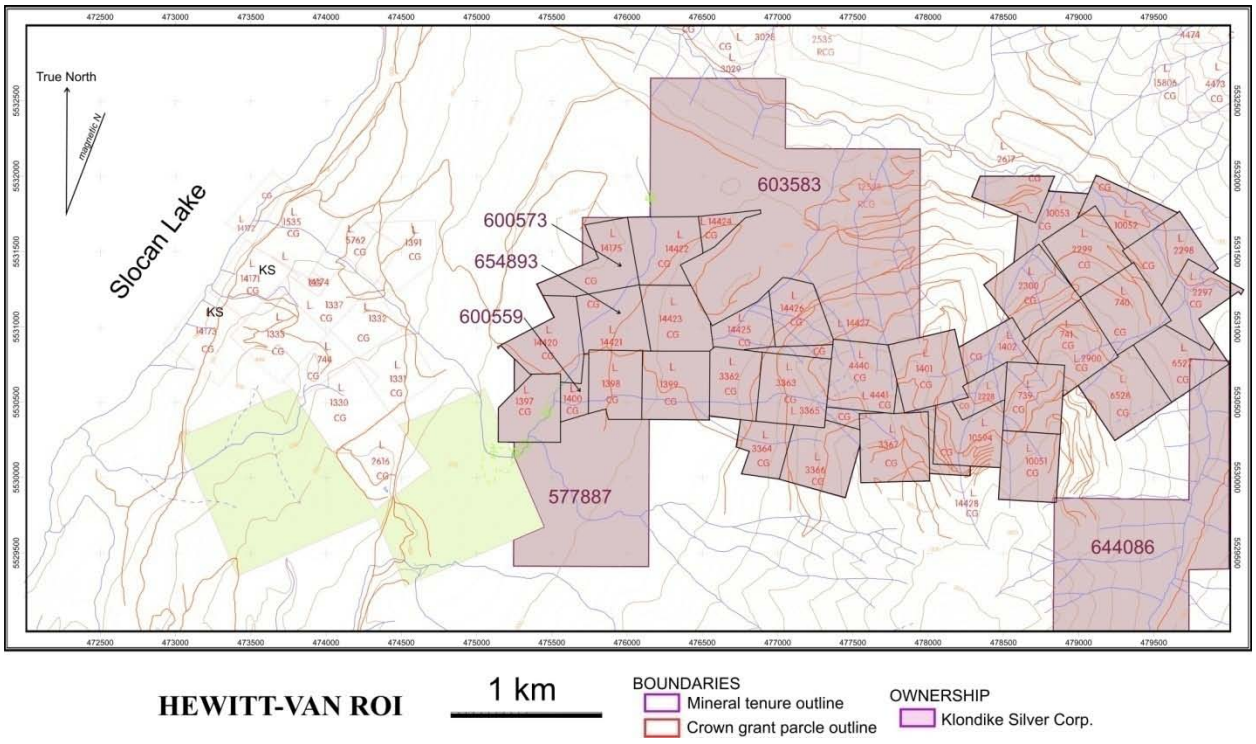

Figure 2: Location of Hewitt – Van Roi mineral claims and crown grants; see details in Table 1.

The nearest communities are Silverton and New Denver, located on Slocan Lake to the west and northwest of the Property. The nearest airport is at Castlegar, approximately 100 km south of New Denver.

Most of the area is heavily wooded with largely second growth conifers; more recent logging has occurred in the eastern part of the Property on the western slopes of Maurier Creek. The area is generally dry and hot during the summer months (July through September) but wet, with considerable snow accumulation, during the winter months. Exploration can be easily carried out during the summer and fall seasons, but considerable and continuous snow plowing would be required to maintain access during the December-February winter season.

As the property is still in an exploration stage, logistics regarding development and mining have not been addressed, such as water and power sources, and potential plant and tailings sites.

8. HISTORY

Exploration on the property began in the late 1890s, following discovery of silver-rich veins on the Payne property in the Sandon camp approximately 10 km to the northeast of the Property. Most of the Property was covered by crown granted parcels and hence details of early exploration are not well documented. Two large past producing mines, the Hewitt and Van Roi, are the main deposits on the Property but several smaller mines and showings are also known either on the property or immediately adjacent and these increase the potential of the Hewitt-Van Roi property.

The Van Roi mine (Minfile 082FNW064) was the largest producing mine in the area and one of the most successful in the entire Slocan Silver camp. The mine opened in 1893 and produced 284,706 tonnes before closing in 1957. There are nine different levels in the Van Roi mine covering a strike length of 914 meters and a depth to 366 meters. The average grade recovered was 305.5 g/tonne Ag, 2.6% Zn, 2.8% Pb.

The Hewitt mine (Minfile 082FNW065) produced 112,573 tonnes from 1893 to 1972 and was amalgamated with the Van Roi mine in 1950 under Van Roi Consolidated Mines Ltd. The mine went through several closings and ownership changes until 1973 when a collapse in the lower levels forced Kopan Development Ltd. to cease operations, leaving 54,432 tonnes of indicated reserves. In total, 14 different levels were explored in the Hewitt mine with average grades of 529.0 g/tonne Ag, 2.4% Zn, and 1.5% Pb.

The CDO and the Wedge showings, located on ground immediately adjacent to the Property, were discovered in 1970 by Arjan Pacific Ltd. The CDO showing is located approximately 450 meters southeast of the main Van Roi vein while the Wedge showing is situated southeast of the confluence of Maurier and Silverton creeks. Both showings have been explored with trenches and adits and selected grab samples have reported grades of 1593.7 g/tonne Ag, 0.8% Zn, and 26.4% Pb (CDO) and 88.0 g/tonne Ag, 3.2% Zn, and 2.6% Pb for the Wedge (Hunter, 1989).

The Galena Farm mine (Minfile 082FNW067) and Noonday mine (Minfile 082FNW068), both located on ground immediately west of the Hewitt-Van Roi property, were worked intermittently from 1896 until 1966 by various owners. The Galena mine produced a total of 84,098 tonnes at an average grade of 208.6g/tonne Ag, 5.5% Zn, and 3.4% Pb. BC Minfile figures report that the Galena Farm mine produced 577 tonnes at an average grade of 5654.9 g/tonne Ag, 2.4% Zn, and 18.8% Pb.

The Lucky Thought mine (Minfile 082FNW063), located north of the Hewitt-Van Roi property (north of Hewitt mine and west of Twigg Creek), was intermittently developed between

1910 until 1956 under various lessors; however no significant ore was found after 1918. The Lucky Thought is not believed to be related to the main lode of the Hewitt and Van Roi mines and recovered only 9,321 tonnes from the four underground levels. The average grade from the Lucky Thought was 691.2 g/tonne Ag, 7.5% Zn, and 5.7% Pb.

In 2008 Klondike Silver Corp. began exploring the Hewitt property for the western extension of the Hewitt – Van Roi lode structure. An extensive soil geochemistry grid surveyed the area of the Diana 4 claim, as well as a significant portion of the western crown grant group (Seabrook and Höy, 2009). Exploration during the 2009 field season, since July, totalled $116,108, concentrating mainly on several soil anomalies recognized in the 2008 soil survey. As described in more detail below, this included geological mapping ($10,021), trenching ($14,275), largely unsuccessful due to deep overburden, limited diamond drilling ($70,983), an expanded soil survey ($9,401) and some ground geophysics $11,428).

9. GEOLOGICAL SETTING

Regional Geology

The Hewitt-Van Roi property lies along the southern edge of the Slocan Silver camp in the Kokanee Range of the Selkirk Mountains in southeastern British Columbia. This regional geology description is after Little (1960) and Höy (2005). The area (Figure 3) is mainly underlain by metasediments of the Late Triassic Slocan Group (Cairnes, 1934; Hedley, 1952), considered to be part of Quesnellia. Hence, it is located west of cratonic North America and pericratonic Kootenay Terrane.

The Kokanee Range is bounded to the west by the Valhalla metamorphic complex, exposed on the west side of Slocan Lake (Figure 3). The Valhalla complex was unroofed in Middle Eocene time by normal displacement along the low-angle, east-dipping Slocan Lake fault (Carr *et al*., 1987). The Slocan Lake fault is an extensional fault of crustal dimension that is imaged to extend eastward beneath the Slocan Silver camp and the Nelson batholith (Figure 3).

The Slocan Group comprises mainly argillite, impure sandstones, argillaceous limestone and minor mafic tuff (Hedley, 1952). These rocks are highly deformed, tightly folded and sheared. Metamorphic grade is low and hence many sedimentary structures such as cross-beds and graded beds are well preserved. Argillites are soft to moderately hard, fine-grained and dark in colour. They commonly form bluffs and are often difficult to distinguish from dark limestone. Limey and silty beds are common throughout the argillite units and quartzites are typically impure, commonly consisting of dark argillaceous, silty to limey sandstone.

The Slocan camp is at the northern edge of the middle Jurassic Nelson batholith, a large, composite mainly granodiorite intrusion that underlies much of the area south of the camp and extends between Slocan and Kootenay Lakes to south of the town of Nelson. Other small intermediate dikes and stocks in the area are probably phases of the Nelson batholith.

Lamprophyre and gabbro dikes, of probable Tertiary age, are common throughout the camp and in other silver camps within the Kokanee Range. Vein mineralization in the camp clearly cuts intrusive rocks related to the Nelson batholith and must therefore be younger than the batholith. Relationship between mineralization and lamprophyre dikes is more ambiguous; locally, veins appear to cut lamprophyre dikes, but at other locations, veins are truncated by these dikes leading Beaudoin *et al*. (1992a, 1992b) to conclude that mineralization is Eocene in age.

The structure of the Slocan Group is complex, with numerous asymmetric and overturned folds (Hedley, 1952) and prominent east and northeast trending faults and shears.

Mineralization in the camp occurs along a number of east-trending faults. Five main mineralized vein-fault systems trend generally eastward through the camp south of Carpenter Creek and have been projected northeastward into similar style deposits that occur north of Carpenter Creek (Höy, 2005). The main lode zones south of Carpenter Creek are referred to as the Hinckley-Idaho, Wonderful-Alamo, Yakima-Sunshine, Silvana-Ruth-Hope, and Canadian-Ivanhoe. Several parallel zones are known to occur north of these, including the Violamac and Monitor. The Hewitt-Van Roi deposits occur on a parallel, generally east-trending structure in the southern part of the Slocan Silver camp.

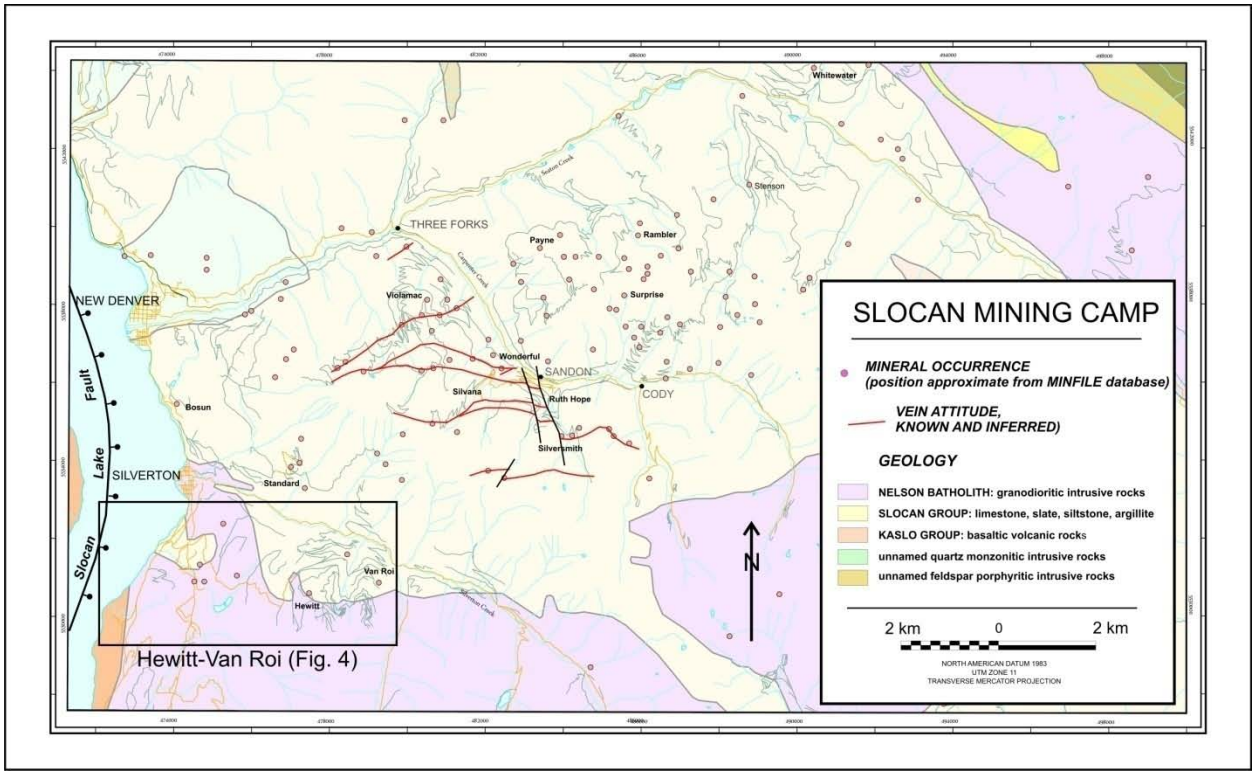

Figure 3: Regional geology of the Slocan Silver camp, showing location of the Hewitt-Van Roi property area; deposit locations are from B.C. Minfile.

Property Geology

The following geological description is largely summarized from B.C. government assessment reports submitted by Klondike Silver Corp. (Seabrook and Höy, 2009; 2010). The Hewitt-Van Roi property is located at the contact of the Slocan Group and the Nelson batholith to the south and west (Figures 3, 4). It is in the hangingwall of the east-dipping Slocan Lake fault, exposed 2-3 kilometers to the west. The Slocan metasedimentary beds trend roughly east west and dip steeply to the north. The strike of these beds is offset by a structural feature along Silverton Creek which changes the trend to a more north-south orientation.

The late Triassic Slocan Group in the Hewitt-Van Roi area comprises mainly quartzites, argillites and mixed banded sediments. The Nelson Batholith comprises a range of granitic rocks and has several different alteration types, including K-feldspar veining and less commonly calcite-chlorite +/- sericite associated with calcite or quartz veining. As well, thin veins of calcite with hematite along the vein margins can be found with pyrite disseminated into the granite matrix.

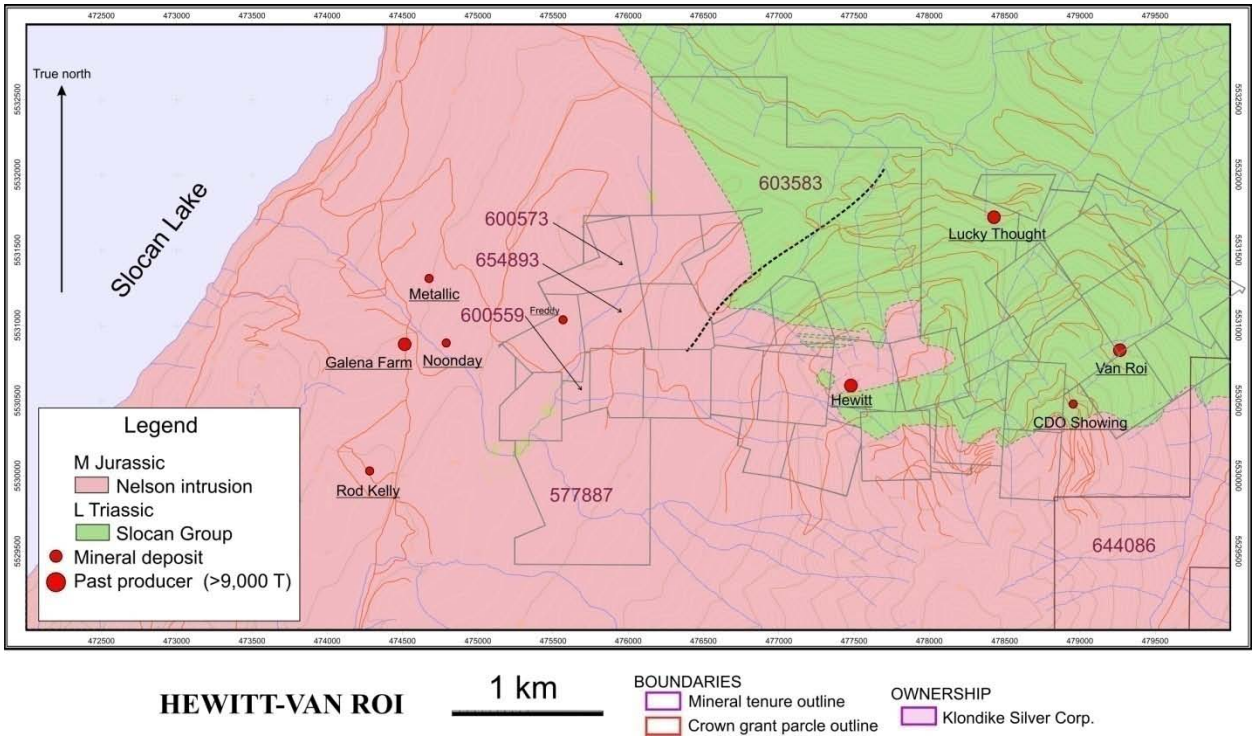

Figure 4: Geology in the area of the Hewitt-Van Roi property. Also shown are the outlines of crown grants and mineral tenures, past producers and important deposits in the area.

Several northeast to northwest trending dykes on the property may be related to regional Eocene extension, associated with the Slocan Lake fault. The dykes range in size and composition and include some large mafic dykes that extend across the entire camp with very little change in orientation; these can be located by an airborne magnetic survey done by Klondike Silver Corp in 2005. Older quartz porphyry or monzonite dykes may be related to the Nelson plutonic suite.

The Hewitt-Van Roi lode is an east-trending shear structure with brecciated wall rock cemented by quartz and hosting significant sulphides in distinct veins and, in lesser concentrations, in the breccia itself. The structure is believed to extend from the Galena Farm mine in the west to the Iron Mask in the east; a distance of approximately 7 kilometers. The exact limits of the strike length are not known and the eastern extension is a target for Klondike Silver Corp. on the Sandon Peak property.

10. DEPOSIT TYPES

The main deposit type explored for in the Hewitt-Van Roi area is polymetallic lead-zinc silver veins. Based on spot gold soil geochemical highs in the western part of the area, gold-quartz veins are an ancillary target.

The Slocan Silver camp is characterized by extensive and continuous silver-lead-zinc veins that characterize this deposit type. As outlined by Lefebure and Church (1996), these veins are typically steeply dipping, and vary in width from a few centimetres to several meters and extending to lengths of more than a kilometer. They typically comprise a large number of sulphide minerals, but mainly galena, sphalerite and iron sulphide, and commonly include sulphosalts such as tetrahedrite. Carbonates (siderite, dolomite, ankerite and calcite) and quartz are the more common gangue minerals. The veins are structurally controlled, following large shear zones.

11. MINERALIZATION

The Hewitt – Van Roi property contains the past producing Hewitt and Van Roi mines as well as other smaller vein occurrences. These, and several other past producers located immediately adjacent to the Property (Metallic, Galena Farm and Noonday) are listed in Table 2. All deposits and occurrences are typical of the classical polymetallic silver-lead-zinc vein deposit type.

Van Roi, the largest past producer on the property, was developed on 9 levels, following a fault zone for about 900 meters and to a depth of 366 meters. It produced intermittently from 1893 to 1953, mining a total of 284,706 tonnes with an average grade of 305 g/tonne silver, 2.6% zinc and 2.0 % lead (Table 2). The vein structure is located in late Triassic Slocan Group quartzites, calcareous quartzites and argillites immediately north of the Nelson batholith. The

deposit is within a zone of faulting and shearing that strikes 070 to 075 degrees and dips north at 75 degrees. The shear zone contains two main veins and numerous smaller ones. These veins form shoots, typically 30 to 60 meters in length and 1 to 3 meters thick, that generally plunge 55 degrees to the west. The shoots comprise lenses and veins of massive galena and sphalerite, commonly associated with brecciated zones with fragments of ore and host rocks cemented by quartz, siderite and calcite. Higher grade portions of the ores shoots locally carried tetrahedrite, pyrargyrite and some native silver. Pyrite and chalcopyrite were common accessory minerals.

The Hewitt vein was mined from 1900 to 1983, for a total of 112,573 tonnes at an average grade of 305 g/tonne silver, 2.6% zinc and 2.0% lead (Table 2). It is on strike to the west from the Van Roi, and appears to be part of a continuous mineralized structural zone that has been developed and mined through a length of nearly 2 kilometers. It also occurs in Slocan Group metasediments, near the northern contact of the Nelson batholith. Several veins were developed within a generally east-northeast trending, north dipping shear zone. Most production came from two main ore shoots; the more western had an aggregate length of about 210 meters and an average width of 3 meters and the more eastern was mined through a strike length of 60 meters and to a vertical depth of 350 meters. The veins comprised brecciated rock cemented by quartz. Ore mineral, mainly galena, sphalerite and tetrahedrite, were banded, filled cavities, crusted fragments or were disseminated within the veins. Pyrite and pyrrhotite were abundant and pyrargyrite and native silver occurred in the higher grade portions of the ore shoots.

The Freddy vein (Table 2) occurs in the western part of the Property. Little is known of this occurrence and the following summary is taken largely from B.C. MINFILE. It has limited recorded production of 228 tonnes at an average grade of 1738 g/tonne silver, 0.5% lead and 0.4% zinc. Regional mapping indicates that it is within the Nelson batholith, east of a large pendant of Slocan Group metasediments. In contrast with the Hewitt-Van Roi vein structures, the Freddy vein is reported to strike northerly and dip to the east. It appears to be located north of the inferred westward projection of the Hewitt-Van Roi vein system.

Name	Minfile No.	Status / (Property)	Deposit type Commodities	Mined (tonnes)	Production (metals)
Hewitt	082FNW065	Past producer (Subject property)	Ag-Pb-Zn vein	112,573 T	59,624 kg Ag 1770 T Pb 2709 T Zn 3,673 g Au
Van Roi	082FNW064	Past producer (Subject property)	Ag-Pb-Zn vein	284,706 T	86,690 kg Ag 8091 T Pb 7601 T Zn 9,540 g Au
Freddy	082FNW209	Past producer (Subject property)	Ag-Pb-Zn vein	228 T	396,345 g Ag 1245 kg Pb 1023 kg Zn 715 g Au
Buster	082FNW188	Deposit (adjacent property)	Ag-Pb-Zn vein	2 T	2364 g Ag 150 kg Pb 173 kg Zn 31 g Au
Lucky Thought	082FNW063	Past producer (adjacent property)	Ag-Pb-Zn vein	9321 T	6 T Ag 532 T Pb 701 T Zn 584 g Au
Metallic	082FNW066	Past producer (adjacent property)	Ag-Pb-Zn vein	234 T	491,737 g Ag 25,825 kg Pb 23,249 kg Zn 93 g Au
Galena Farm	082FNW067	Past producer (adjacent property)	Ag-Pb-Zn vein	84,098 T	17,542 g Ag 2856,577 kg Pb 4638,348 kg Zn 2068 g Au
Noonday	082FNW068	Past producer (adjacent property)	Ag-Pb-Zn vein	577 T	1531,885 g Ag 105,159 kg Pb 13,861 kg Zn 93 g Au

Table 2: Mineral deposits and occurrences on the Hewitt-Van Roi Property (Hewitt, Van Roi, Freddy) and on the immediately adjacent ground (Buster, Lucky Thought, Metallic, Galena Farm and Noonday), summarized from B.C. MINFILE descriptions and records.

12. EXPLORATION

Exploration by Klondike Silver Corp. in 2008 and 2009 included reconnaissance geological mapping over a large part of the Property, soil geochemical surveys in both the western and eastern parts of the property, a ground geophysical survey that overlapped the soil survey in the west, and trenching and diamond drilling also in the western part. These programs are outlined below.

Geological mapping

M. Seabrook conducted reconnaissance geological mapping over a considerable part of the Hewitt-Van Roi property in 2008 and 2009, including some prospecting and sampling. The results of this program are outlined in Seabrook and Höy (2010) and included in the summary under "property geology". Exploration areas on the property are summarized in Figure 5.

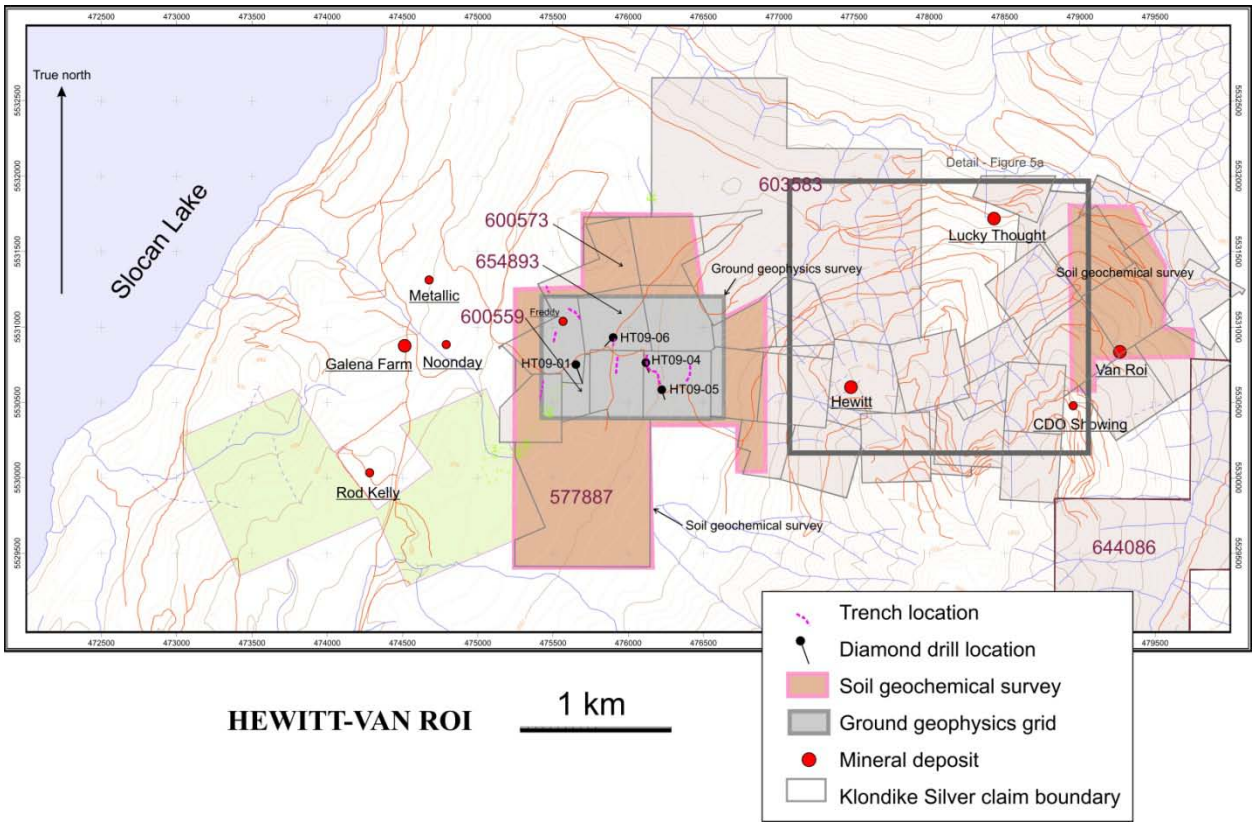

Figure 5: Hewitt-Van Roi property, showing known mineral occurrences and deposits, areas of exploration, including ground geophysical and soil geochemical programs, 2009 drill holes and 2009 trenching; .

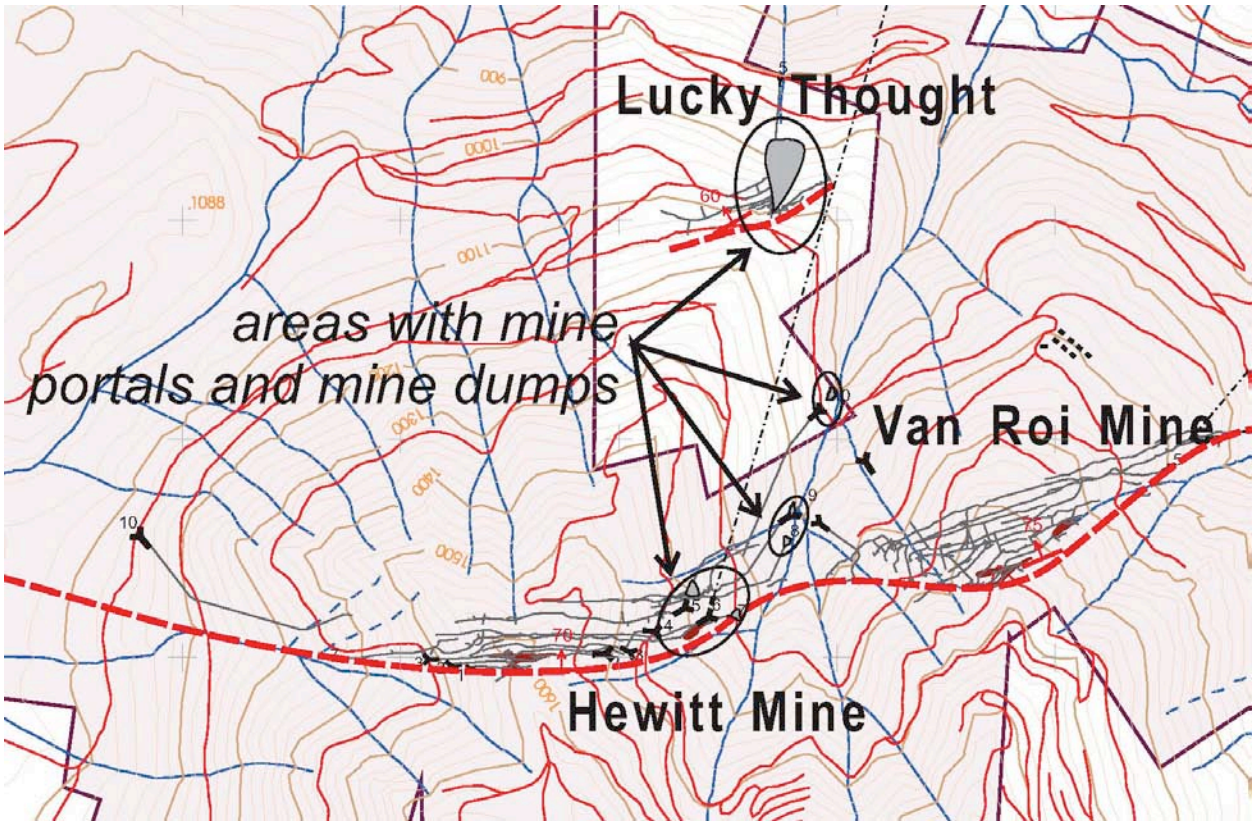

Figure 5a: Detail of Hewitt and Van Roi mine areas, showing location of underground workings (thin black lines), projected surface trace of Hewitt and Van Roi vein system (red) and mine dumps at portals (grey shade). For location, see Figure 5

Soil Geochemical Surveys

A large area in the western part of the Hewitt property was soil sampled in the 2008 and 2009 field seasons (Seabrook and Höy, 2009; 2010). The areas of the soil survey grids are shown in Figure 5, and results of the survey, in Figures 6-8. All samples were collected by contractors hired by Klondike Silver Corp. and under the supervision of M. Seabrook, an exploration geologist contracted by Klondike Silver Corp. These contractors are well known and considered reliable by the author.

The 2008 survey in the western part of the Property covered an area of approximately 2.48 square kilometers. Lines were oriented north-south, spaced 100 meters apart, with samples taken every 25 meters. A total of 365 samples were collected. Soil samples were taken using a grub-hoe and digging a 20 to 30 cm hole to the "B" horizon. A hand full of "B" horizon soil was placed into a Kraft paper soil sample bag and sealed. String machine and compass were used to establish soil sample grids. Reference points on the grid were obtained by a hand-held Garmin instrument and these data were used to locate the grid and to plot all other sample localities. All samples were sent to Acme Analytical Laboratories in Vancouver, B.C. for processing.

A smaller survey, covering an area of approximately 1 km by 600 meters was also done in

the eastern part of the property, in the area of the Van Roi mine. Survey lines ran north-south, 100 meters apart, with samples taken every 25 meters. A total of 260 samples were collected. Similar sampling and orientation methods were employed.

A more detailed survey, covering a portion of the 2008 survey, was done in 2009, also under the direct supervision of M. Seabrook. Several spot gold anomalies were targeted and an area of 10.2 ha was sampled with east-west oriented lines spaced 50m apart and samples taken every 12.5m. Methodology was similar to that used in the 2008 surveys, and all samples were submitted to Acme Analytical Laboratories in Vancouver for analyses.

Contoured grids of the soil survey areas are shown in Figures 6 to 8. In the western grid, a broad curving, roughly east-west trending coincident lead and silver anomaly corresponds very approximately with the inferred western extension of the Hewitt-Van Roi trend. A northeast trending anomalous zone appears to coincide with the more easterly trending zone along the western edge of the grid. An irregular lead geochemical high, without a coincident silver anomaly, is also apparent in the southwestern part of the survey. Several high spot gold values, also shown on Figure 6, occur in the northwestern part of the grid. The highest values are 138 and 104 ppb, but many other samples, in both the 2008 and more detailed 2009 surveys, have anomalous values above 20 ppb gold. They generally do not form a trend, perhaps due to the wide spacing of samples, except for four samples with greater than 10 ppb gold that appear to be aligned in a northeast trend.

The more eastern soil geochemical survey generally extended northward and down slope from the projected surface workings of the Van Roi mine. As shown in Figures 6 and 7, roughly coincident, east-trending silver and lead anomalies parallel the trace of the Van Roi. Some anomalies do occur up-slope, and several broad lead anomalous zones occur farther down slope; these latter appear to be coincident with more diffuse zinc anomalies, and produce an approximate east-northeasterly trend that is distinct from but parallel to the Van Roi trend.

Ground geophysics

A large magnetic and electromagnetic survey was conducted over the soil geochemical anomalies in the western part of the Hewitt property in 2009 (Figure 5). The data was collected by BA Belton, a contractor that has been employed by Klondike Silver Corp. for several years mainly to collect geophysical data. The survey was conducted with a GSM-19 Magnetometer/VLF EM v7 in base station mode for diurnal correction. A magnetic datum of 56224nT was used for this survey and was chosen based on readings near the base station location. A full list of specifications for the geophysical device is given in an assessment report submitted to the provincial government (Seabrook and Höy, 2010, Appendix 5). A total of 21.5 line kilometres of mag/VLF EM was read between May 20 and June 02, 2009. This consisted of 1720 simultaneous magnetometer/VLF (NLK and NML) stations at 12.5m sample intervals. The data was sent to Larder Geophysics in Larder Lake, Ontario for processing.

The data showed two weak northwest trending EM anomalies in the western half of the grid (Figure 9). The lack of strong EM trends in the survey suggests the absence of graphitic or conductive structures in the area. Minor variations in composition within the underlying granite could be responsible for the weak northwest trends.

While the EM grid lacks strong trends, the simultaneous magnetic survey has several distinct features. The most prominent of these is a transition from high total magnetic field in the south to low in the north (Figure 10). This transition could mark the contact between the granite of the Nelson batholith to the south and the Slocan sedimentary rocks to the north. An airborne magnetic survey conducted by Klondike Silver Corp. in 2004 showed a similar feature which was confirmed to be the contact of these units. A second feature is a northeast trend through the southwest quadrant of the survey block. The trend is marked by a linear break (anomalous magnetic low) within a significantly higher magnetic region. The feature follows the trend of a creek and therefore its relationship to structural feature on the property is uncertain.

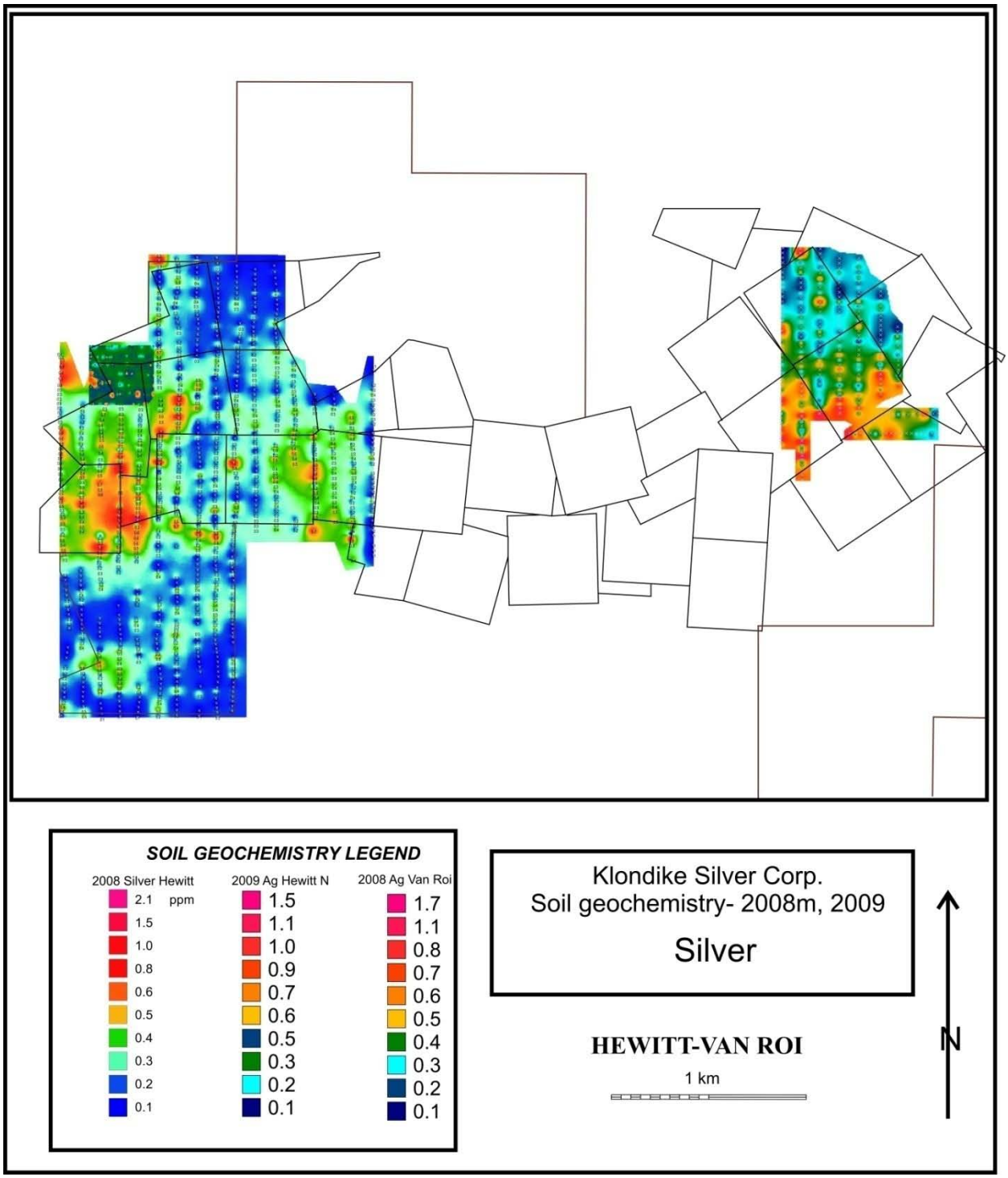

Figure 6: Contoured silver soil geochemical data, 2008 and 2009, in the western part of the Hewitt area and the Van Roi area (see Figure 5 location of grids); modified from Seabrook and Höy (2010). Note also gold spot highs (10 to 217 ppb Au).

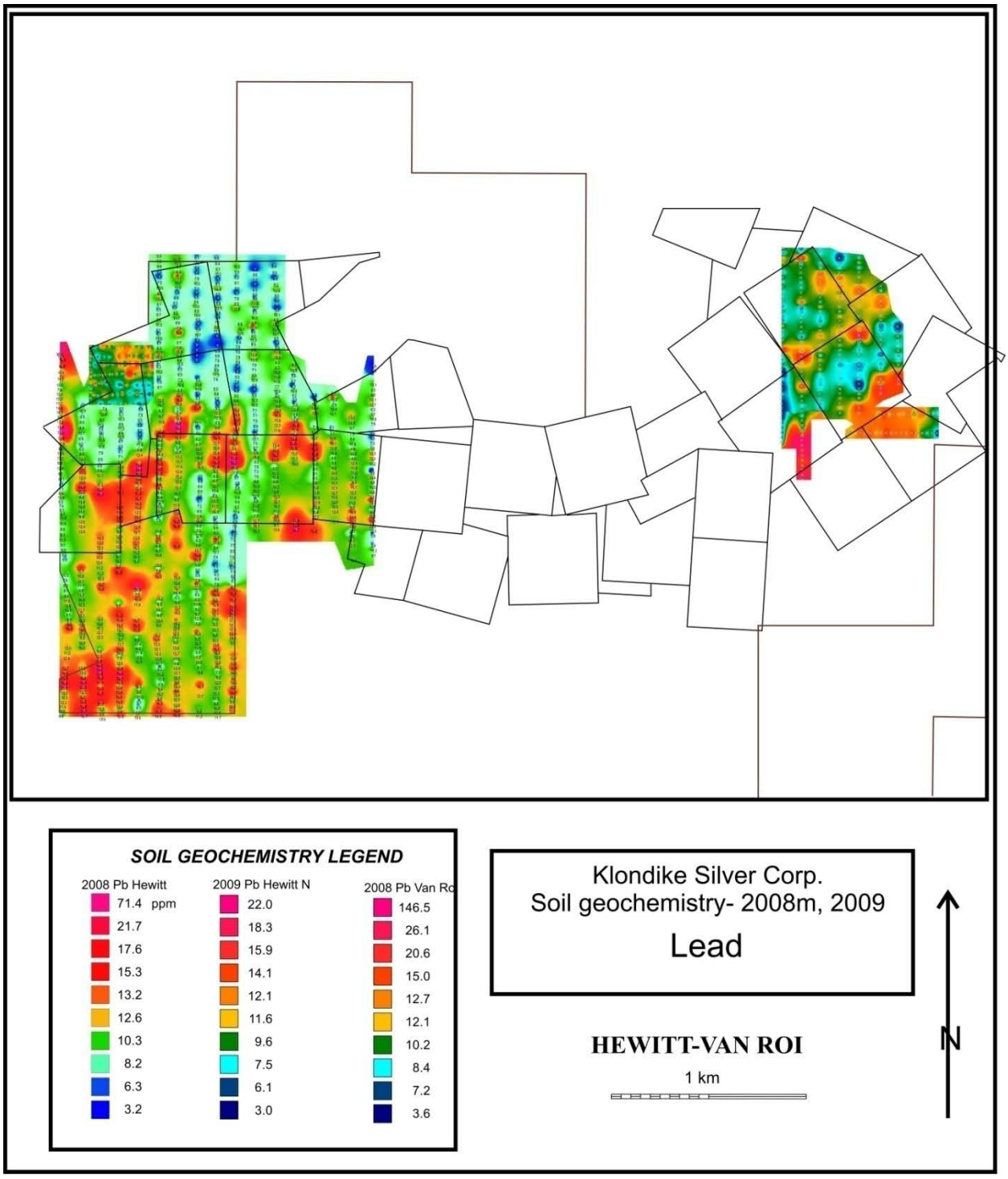

Figure 7: Contoured lead soil geochemical data, 2008 and 2009, in the western part of the Hewitt area and the Van Roi area (see Figure 5 location of grids); modified from Seabrook and Höy (2010).

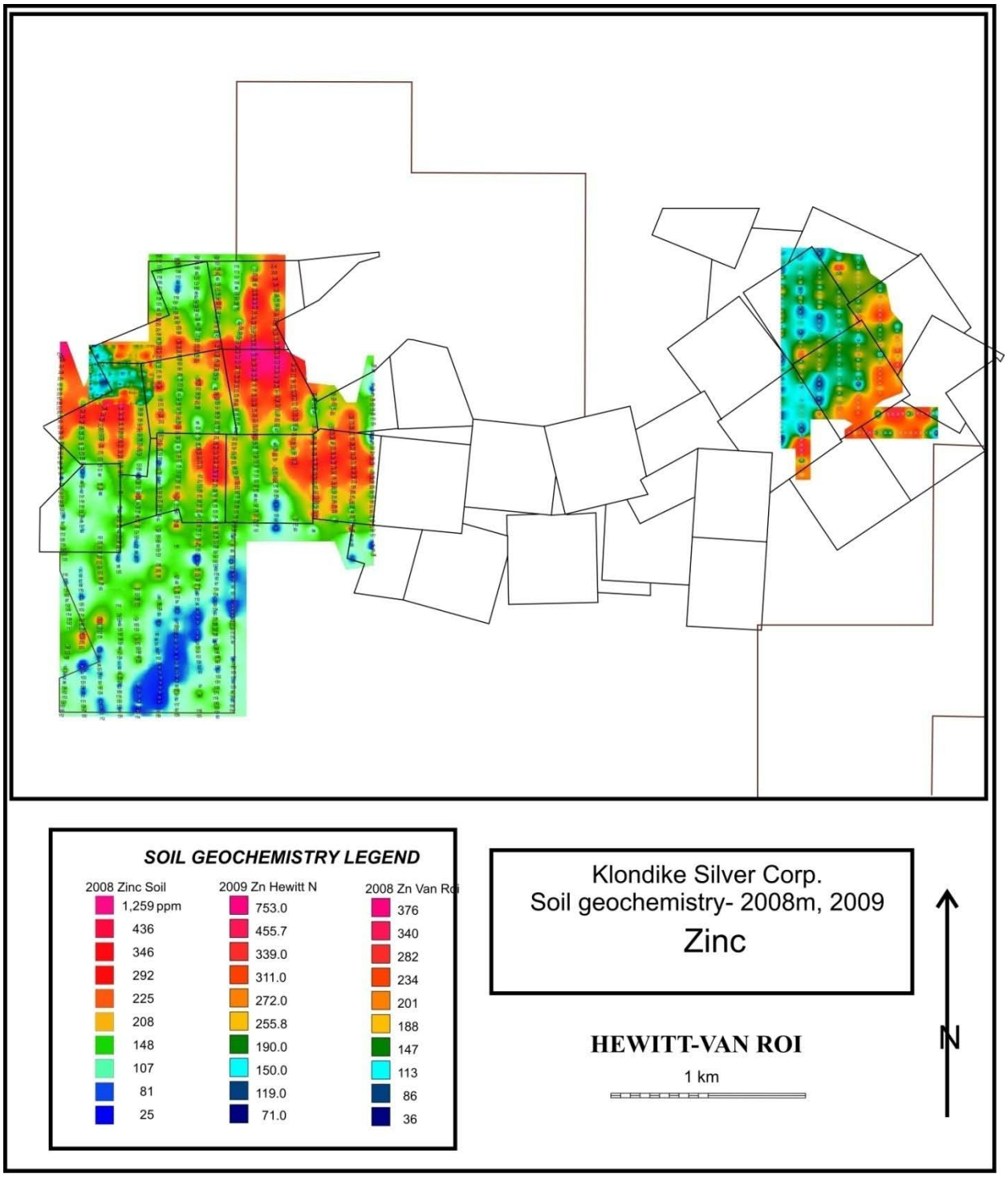

Figure 8: Contoured zinc soil geochemical data, 2008 and 2009, in the western part of the Hewitt area and the Van Roi area (see Figure 5 location of grids); modified from Seabrook and Höy (2010).

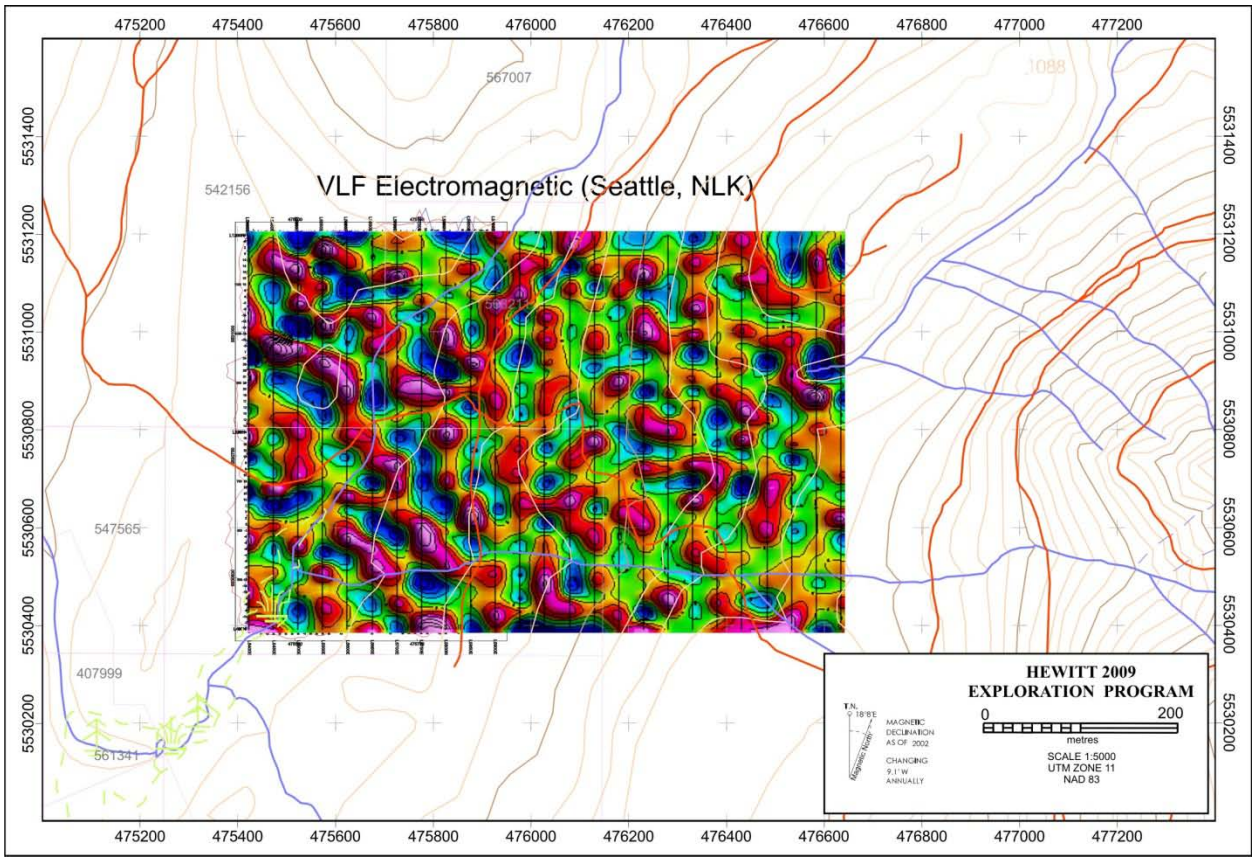

Figure 9: VLF EM Seattle (NLK) signal source, Hewitt-Van Roi property; see text for discussion and Seabrook and Höy (2010) for data

Trenching

A trenching program was done on the western side of the Hewitt-Van Roi property in August and September, 2009. The program was intended to expose bedrock in areas of silver, lead and gold soil anomalies. Mechanical trenching was done by a contract company, under the supervision of Klondike Silver Corp. staff. A Kobelco SK-03 back hoe with a relatively narrow track base was used. Trenches were excavated to a maximum depth of two meters with material preserved for rehabilitation and re-contouring as required.

Trench locations, shown in Figures 5 and 11, were determined by a handheld GARMIN 60Cx series device. UTM NAD 83 coordinates were marked at the starting location for each trench. Trenches were then surveyed with a field tape and compass and plotted on a field maps. Unfortunately, bedrock was not exposed in most of the trenches due to thick glacial sediments. Some float samples were taken and assayed for 24 elements using Aqua Regia digestion ICP-ES analysis; this data is presented in Seabrook and Höy (2010, Appendix 8) but is not discussed here as it is not considered representative of underlying bedrock.

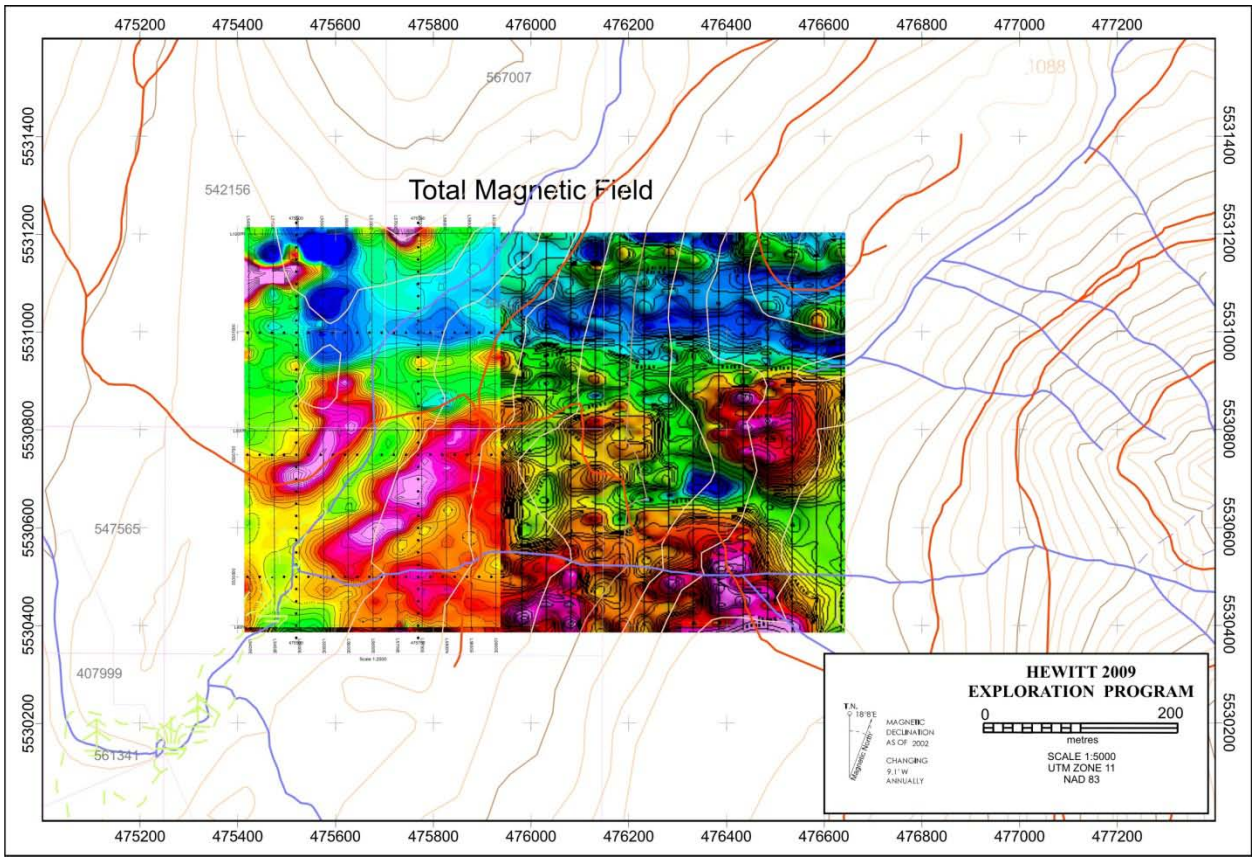

Figure 10: Total magnetic field, Hewitt-Van Roi property; see text for discussion and Seabrook and Höy (2010) for data.

13. DRILLING

Diamond drilling was conducted in the western part of the Hewitt-Van Roi property, west of the Hewitt mine workings, in October of 2009 (Figures 5, 11) Six drill holes were planned but Fall rains saturated the ground and two of the drill sites were inaccessible. In total, 4 holes were drilled for a total length of 480 meters. The following description is taken mainly from Seabrook and Höy (2010).

The drilling was contracted to Black Hawk Drilling Ltd. with NQ diameter core boxed on site and logged by M. Seabrook at Klondike Silver's Rosebery field office. The drill used was a Longyear Super 38 transported to and from the site by low bed transport. Drill pads were prepared by a Kobelco SK-03 backhoe. The core was logged in detail with descriptions of lithology, structure, alteration and mineralization recorded in the log (*see* Appendix 9 in Seabrook and Höy, 2010). Drill hole locations are shown in Figures 5 and 11 and graphic logs

are presented in Seabrook and Höy, *op.cit*). Samples from the core were cut and sent to Acme Analytical Labs for 24 element ICP-MS analyses. These analyses are given in Appendix 2.

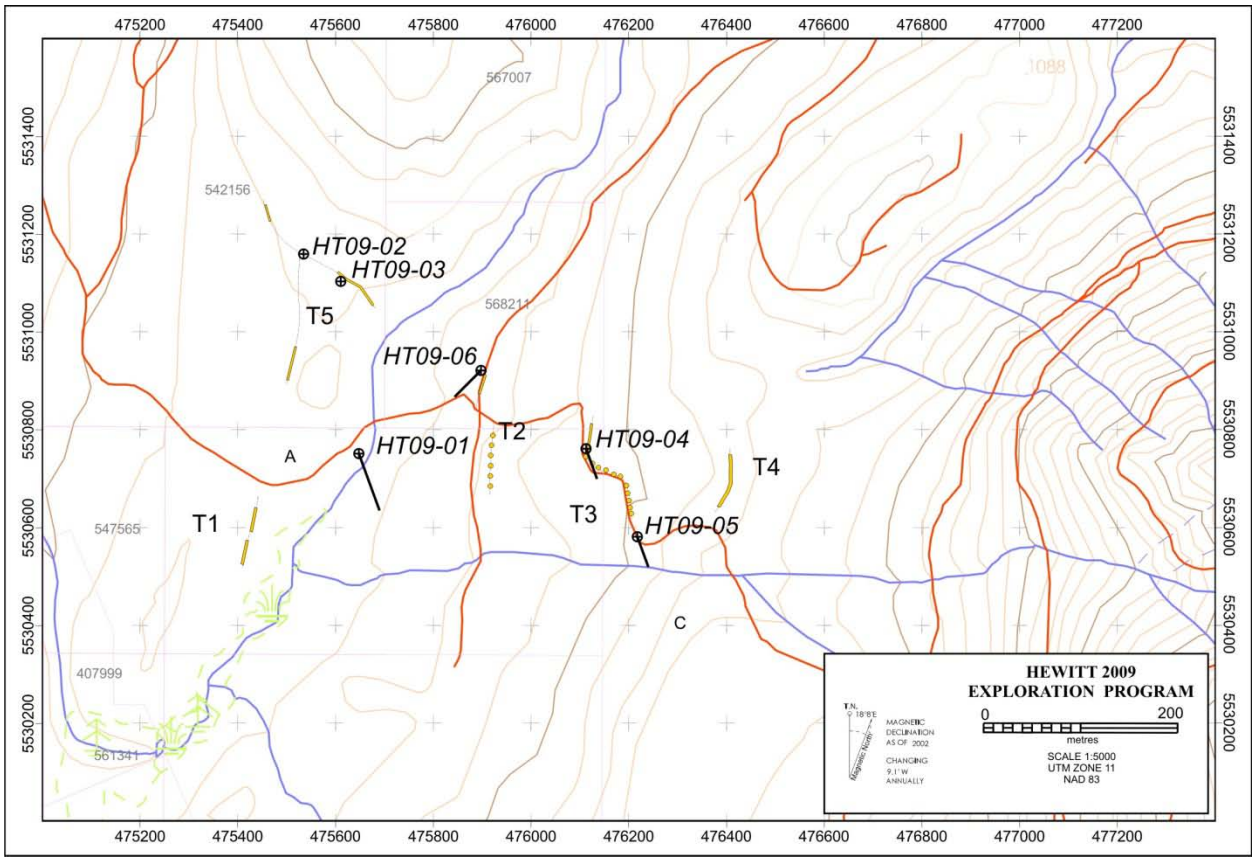

Figure 11: Location of trenches and drill holes in the western part of the Hewitt-Van Roi property; see Figure 5 for location of all exploration surveys, 2008 and 2009 field seasons; proposed holes 02 and 03 were not drilled due to access problems (after Seabrook and Höy, 2010).

In all holes a minimum of 6 meters of casing was required; in DDH HT09-01, 21.3 meters of casing was required. All drill holes intersected coarse grained granite with K-feldspar phenocrysts. Only minor variations, due to variable mafic content and deformation producing a very weak foliation fabric, were noted. Mafic minerals include biotite and hornblende and can total up to 35% of the total rock. The most significant features of the granite are the alteration types.

The most abundant alteration is potassic associated with K-feldspar veins up to 7.6 meters (apparent) thick. Plagioclase in the matrix is altered to K-feldspar giving the granite a pink-orange color. Potassic alteration has also been observed near calcite veins but only as irregular halos. A second type of alteration is bleaching due to the presence of sericite in the matrix. The sericitic alteration reduces the hardness of the rock and in DDH 09-01 developed into a mud

interval. Sericite is also common in the alteration zones, although not the dominant mineral type in the zones.

Zones of intense alteration range from less than 30 cm to 15 m in core length. The zones are comprised of mainly chlorite and calcite with moderate concentrations of sericite and quartz. In many cases the original granitic texture grades out toward the center of the zone where calcite veins and graphite shear planes host calcite and hematite. An alteration zone in HT09-01 may correlate with a similar zone in HT09-06. Both intersections have quartz veining within the extremely altered portions of the interval and contain elevated concentrations of pyrite. The alteration zones are believed to be formed in and adjacent to shears. The zone in HT09-01 was the only interval that contained visible mineralization – coarse grained sphalerite in a quartz vein. A 20 cm length of core assayed 23 g/tonne silver, 0.03% Pb and 0.72% Zn. Its orientation and true thickness are not known with certainty but based on core to vein angle of 35°, the true width is assumed to be approximately 12 cm.

14. SAMPLING METHOD AND APPROACH

Soil Geochemistry

All samples were collected by contractors employed by Klondike Silver Corp. under the supervision of BA Belton and project geologist M. Seabrook. In the 2008 surveys, lines were spaced 100 meters apart and samples taken every 25 meters. Soil samples were taken using a grub-hoe and digging a 20 to 30 cm hole to the "B" horizon. A hand full of "B" horizon soil was placed into a Kraft paper soil sample bag and sealed. String machine and compass were used to establish soil sample grids and each sample location was marked in the field by ribboning. The locations of numerous reference points on each line (dependent on satellite coverage) were determined by a hand-held Garmin instrument, and these were used to locate the grid and to plot all samples localities.

Two geochemical grids were done in 2008 and a more detailed grid in 2009 that overlapped the 2008 west grid. The 2008 grids covered irregular areas of approximately 900 x 1900 meters and 600 by 700 meters. The detailed 2009 grid covered an approximate area of 500 x 700 meters. A total of 365 samples were collected in the western grid, and 260 samples in the eastern grid. The western grid was designed specifically to try to determine the western extension of the Hewitt-Van Roi lode structure, in an area of extensive overburden. The locations of these grids are plotted on Figure 4 and results on Figure 5 to 7.

Trenching

All trench sampling was under the direct supervision of M. Seabrook. Seventeen samples were collected, mainly float samples because as noted above outcrop was rarely exposed. All samples were selected grab samples. Their locations were determined by hand-held Garmin

instrument, and the description, width and orientation of each sample recorded; this data is presented in Seabrook and Höy (2010).

Samples were sealed in plastic bags and sent to Acme Analytical Laboratories in Vancouver for analyses. It is not believed that these samples necessarily represent mineralization in underlying bedrock and therefore results are not discussed further.

Diamond Drilling

Core logging and collection of all samples was done by M. Seabrook, a contract geologist hired by Klondike Silver Corp. to directly oversee field work. Seabrook identified and marked intervals of alteration and mineralization, and these were sawn at the Klondike Gold field office at Rosebery by contractors overseen by Seabrook. Samples were described by Seabrook, placed in plastic bags, tied with ribboning, tagged and shipped to Acme Analytical Laboratories in Vancouver for analyses. As described below, only one vein with visible mineralization was intersected; a 20 cm apparent (approximately 12 cm true) quartz vein with sphalerite assayed 23 g/tonne Ag, 0.03% Pb and 0.72% Zn. This analyses is from a split of the 20 cm sample and only represents the grade of that interval. The vein was not intersected in other drill holes and hence its orientation and extent are not known.

15. SAMPLE PREPARATION, ANALYSES AND SECURITY

All trench and drill core rock samples were shipped directly to Acme Analytical Laboratories in Vancouver, British Columbia and analyzed, following standard procedures, for Group 1D, multi-element ICP-ES analyses. As noted by Acme Laboratories, samples were crushed, pulverized and a 0.5 gram split leached in hot (95°C) Aqua Regia. Quality control by Acme Laboratories includes insertion of both standards and blind repeats to check for analytical consistency. The pulp duplicates were run for also run for all elements.

Soil samples were also shipped directly to Acme Analytical Laboratories in Vancouver, British Columbia. Samples were dried, sieved and pulverized, and analyzed by 30 element ICP-ES, as described above. A quality control report is included in the final "certificate of analyses" provided by Acme Analytical Laboratories. Pulp duplicates and reference standards were included in all batches and these as well analyzed by ICP-ES.

Collection of all samples was done by qualified personnel, contracted by Klondike Silver Corp. The author has used these contractors for several years and is confident that both the collection and handling of samples has been done in a competent manner. Hence, the author contends that analyses of soil samples accurately reflect multi-element values at specific sites in the B soil horizon, and the trends depicted on the contoured soil maps adequately show mineralizing trends; furthermore, the author also believes that the reported analysis of the small vein that was sampled in the drill core correctly represent the mineralization and alteration of that sampled core interval.

However, no sample preparation (sorting, crushing, separating, etc) was done by any employee, officer, director or associate of the Issuer or Vendor. This was done by the independent Acme Laboratories in Vancouver.

As noted below (Data verification) all quality control measures were done by the independent Acme Analytical Laboratories in Vancouver. Duplicate soil samples (or rock) were not submitted by Klondike Silver Corp. The quality control measures done by Acme Laboratories included inserts of blind duplicates and standards, and the results of these analyses confirmed, in the author's opinion, the reliability of the geochemical data.

In summary, the author is confident in the collection of all data and its handling and shipment to the laboratory. Furthermore, the author is confident in the analytical methods employed by Acme Analytical Laboratories, in part because of their reputation, but also because of the quality control methods they employ and because of the reproducibility of the results.

16. DATA VERIFICATION

Acme Analytical Laboratories is an internationally accredited laboratory. According to its website, in 1994 it "began adapting its Quality Management System to an ISO 9000 model. Acme implemented a quality system compliant with the International Standards Organization (ISO) 9001 Model for Quality Assurance and ISO/IEC 17025 General Requirements for the Competence of Testing and Calibration Laboratories. On November 13, 1996, Acme became the first commercial geochemical analysis and assaying lab in North America to be accredited under ISO 9001. The laboratory has maintained its registration in good standing since then".

The author (QP) has not directly verified the analytical data presented in this report. However, he and Klondike Silver Corp. contracted the work to well trained and reliable personnel that have worked for Klondike Silver Corp exploration for several years in southeastern British Columbia. .

17. ADJACENT PROPERTIES

The Hewitt-Van Roi property is in the southern part of the Slocan Silver Camp, and many of the deposits in the camp have a history of exploration and development that goes back to the 1890s, following the discovery of the Payne deposit. As well, there are several properties and mineral occurrences immediately adjacent to the Hewitt-Van Roi property, as shown on Figure 5 and listed in Table 2, and several of these have had past production.

More than a hundred mines have worked deposits in the Slocan Silver Camp since their discovery in 1892, with production of more than 24 million ounces of silver. These mines developed a series of silver-lead-zinc veins that can be traced or extrapolated from the south side of Carpenter creek several kilometers to the east or northeast. Five main mineralized vein-fault

systems have been recognized in the immediate Carpenter Creek area. These are informally referred to as, from north to south, the Hinckley-Idaho, Wonderful-Alamo, Yakima-Sunshine, Silvana-Ruth-Hope, and Canadian-Ivanhoe (Höy, 2005). Several parallel zones are known to occur north of these, including the Violamac and Monitor, and other smaller veins occur between the main lodes. The northern of these mineralized lodes trend eastward across Carpenter Creek and, although not continuously traced due in part to heavy overburden in the Carpenter Creek valley, undoubtedly are aligned with more eastern deposits such as Payne, Rambler and Surprise. Several kilometers farther east, several similar trending veins have been worked in the Jackson basin area. The only currently operating mill, owned by Klondike Silver Corp., is processing ore mainly from the Wonderful deposit area; the mill is rated at 100 tonnes/day.

The Hewitt-Van Roi vein system is located approximately 4 km southwest of the Canadian-Ivanhoe veins, the most southern lode system in the main Slocan camp. The Hewitt-Van Roi parallels the main veins of the camp and has similar mineralogy and structural controls.

The Galena Farm, Noonday and Metallic deposits occur immediately west of the Hewitt-Van Roi property. These are similar to the Hewitt and Van Roi veins and may be western extensions or occur along separate parallel structures. A considerable part of the 2008 and 2009 exploration has been directed towards locating western extensions of the Hewitt vein in an area of considerable overburden between Hewitt and the Galena Farm-Noonday-Metallic area.

The Galena Farm (Minfile 082FNW067) is located approximately 700 meters due west of the western edge of the Hewitt-Van Roi property. All data reported here is taken directly from B.C. Government MINFILE and Assessment Reports and this data has not been verified by the author. BC MINFILE reports that 84,098 tonnes of ore was mined intermittently from 1900 to 1977, with recovery of 17,542,637 grams of silver, 2068 grams of gold, 2,856 tonnes lead, 4,638 tonnes zinc and 2250 kg of cadmium. The deposit is hosted by porphyritic granite of the middle Jurassic Nelson intrusions that contain pendants of metasediments of the Triassic Slocan Group. "The deposit contains two main lodes, the Main and Noonday lodes. The Main lode is about 24 metres thick, forming the hangingwall to the Noonday lode (082FNW068). The Main lode strikes 300 degrees and dips about 50 degrees to the northeast. The hangingwall is well defined but the footwall was poorly defined and was determined by the grade of mineralization. Lode width varies from about 60 centimetres to approximately 60 metres but narrows with depth where it is faulted at the 150 foot level. To the east, the Main lode is truncated by a north-trending fault and offset by numerous other smaller north- trending faults. The Main lode ore zone consists of a series of subparallel quartz veins separated by varying widths of brecciated wallrock. The veins are also brecciated locally, particularly near the western end of the workings. Alteration of wallrock is reported but not described. The ore consists of massive lenses of sphalerite, galena and pyrite up to 1.5 metres thick in veins composed of quartz with lesser siderite, calcite and locally abundant fluorite. Some native silver has also been reported." (BC MINFILE 082FNW067).

The Noonday property (082FNW056) is located immediately east of Galena Farm, along the same east-trending structure. The rocks on the Noonday property include banded, calcareous, tuffaceous and cherty argillites of the Slocan Group that strike 025 degrees, dip 60 degrees southeast; they are intruded by quartz feldspar porphyritic dikes and sills. The following description, taken from BC Minfile 082FNW056, has not been verified by the author: "The deposit consists of a mineralized shear developed subparallel to the strike of the host sedimentary rocks. The shear has been exploited in four adits over a vertical range of about 180 metres. It is about 60 to 90 centimetres wide in the upper levels of the mine and averages 1.5 metres on the No. 4 level. The shear is composed essentially of crushed wallrock containing bands and disseminations of sulphides within a matrix of coarse calcite or siderite in the lower levels of the mine. Coarse, cubic argentiferous galena is the dominant sulphide mineral. It occurs with sphalerite and a trace of pyrite in bands and lenses up to a metre thick in the upper levels of the mine. Production from the property between 1894 and 1954 yielded 548,378 grams of silver, 147,499 kilograms of lead, 4946 kilograms of zinc and 31grams of gold from 357 tonnes mined.").

Several other smaller occurrences occur in the immediate vicinity of the Hewitt-Van Roi property, as shown on Figure 5. These as well are listed in Table 2 and described in BC Minfile. The author (QP) has not been able to verify the descriptions or data on the adjacent properties, and the described mineralization on these properties is not necessarily indicative of the mineralization of the subject properties of this technical report.

18. MINERAL PROCESSING

Not applicable

19. MINERAL RESOURCE ESTIMATES

Not applicable

20. OTHER RELEVENT DATA AND INFORMATION

Not applicable

21. INTERPRETATION AND CONCLUSIONS

The Hewitt-Van Roi property is underlain by mainly granitic intrusive rocks of the Nelson plutonic suite and, to the north, host metasedimentary rocks of the Middle Triassic Slocan Group. Several generally north to northeast trending dykes cut the Slocan Group rocks. A prominent east-trending shear cuts through the eastern half of the Property and this forms the host for the mineralized and exploited polymetallic silver-lead-zinc veins on the property.

Work by Klondike Silver Corp., mainly during the 2008 and 2009 field seasons, was directed mainly to finding the western extension of the mineralized Hewitt-Van Roi shear in an area that is largely covered by deep overburden between the past-producing Hewitt deposit on the Property and the Galena Farm and Noonday deposits that lie approximately 700 meters west of the Property. Some work was also done in the eastern part of the Property, exploring for an eastern extension of the mineralized structure and in an attempt to find parallel zones to the north.

Work in the western part of the Property included a soil geochemical survey that identified several broad coincident silver and lead anomalous zones, generally trending east-west, and approximately on strike with the Hewitt lode to the east. A more detailed grid, covering part of the 2008 survey area, was done over an area that contained several spot gold anomalies. A ground geophysical VLF-EM and magnetic survey also was done over this area, but those results were somewhat ambiguous. The EM survey showed some indistinct northwest trends that cannot be explained by known geological trends. The magnetic survey showed a transition from a high magnetic field in the south to a lower magnetic field in the north, interpreted to correspond to the approximate contact between granitic rocks and, farther north, metasedimentary rocks. The soil survey in the eastern part of the Property showed several broad northeast trending lead anomalous zones that roughly parallel the trend of the Van Roi vein system, up slope to the south.

Work in 2009 included trenching and diamond drilling in the area of the western soil anomalies. Due to depth of overburden, trenching failed to intersect bedrock. Drilling was limited, mainly due to access problems late in the season, but several holes intersected zones of intense alteration and shearing and one hole, DDH HT09-01 intersected a 20 cm (apparent width) interval with sphalerite that assayed 23 g/tonne Ag and 0.72% Zn.

Considerable further work is recommended on the Hewitt-Van Roi property. A more detailed soil survey should cover a larger part of the area, particularly the more accessible western part of the property. The ground VLF-EM and magnetic surveys should also be expanded to cover all areas covered by the soil survey. An IP survey, specifically targeting the projected extension of the Hewitt vein system is recommended. Based on these results, further trenching is recommended and in areas of deep overburden, diamond drilling. A similar approach is also recommended in the eastern part of the area, both along the eastern extension of the Van Roi vein and north of the vein system where a widely spaced soil survey identified the broad lead anomalies.

22. RECOMMENDATIONS

The Hewitt Van Roi property warrants considerable further work. This work should initially be directed towards the western and eastern extensions of the past producing Hewitt-Van Roi vein system. Specifically, Phase 1 exploration:

1. Continue with more detailed soil surveys (50 m line spacing and 12.5 m sample spacings) in the areas of both the western and eastern soil grids.
2. Complete ground geophysical surveys (VLF-EM and magnetic) in areas of soil geochemical grids.
3. Continue with detailed geological mapping, particularly in the eastern part of the property.
4. Contract a geophysical firm to enhance and reinterpret an airborne geophysical survey and the ground VLF-EM and magnetic survey.
5. Conduct an IP survey across the projected extensions of the Hewitt-Van Roi lode system, and in areas of soil and/or ground geophysical anomalies.
6. Continue trenching in soil, VLF-EM and/or IP anomaly areas.
7. Diamond drill Hewitt-Van Roi extensions, IP and geochemical and geophysical anomalies.

Total estimated costs, exclusive of trenching, for this First phase of exploration are tabulated below (Table 4).

Soil surveys	30 man days	9000.00	Total costs
	Expenses	2500.00	
	Lab costs	4000.00	
	Reporting	2000.00	$17,500.00
Ground VLF-EM surveys	20 man days	9000.00	
	Expenses	1000.00	
	Reporting	1500.00	$11,500.00
IP Survey	Total contract....	10000.00	$10,000.00
Geology (regional and detailed)	20 man days	9000.00	
	Expenses	2000.00	
	Reporting	5000.00	$16,000.00
Trenching	Total contract...	10,000.00	$10,000.00
Diamond drilling	1000m@$140/m inclusive		$140,000.00
Administration and contingency	(approx. 10%)		$20,000.00
Phase 1 total cost			**$225,000.00**

Table 4: Estimated costs of proposed Phase 1 exploration program.

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Appendix 1

STATEMENT OF QUALIFICATIONS: Trygve Höy

I, Trygve Höy, Ph.D., P.Eng do hereby certify that:

1. I am an independent consulting geologist, residing at 2450 Dixon Road, Sooke, B.C., V9Z 0X6
2. This certificate applies to the technical report titled "Geology, Mineralization and Exploration, Hewitt-Van Roi Property, Southern British Columbia" dated June 22, 2010 (the "Technical Report").
3. I have an M.Sc. in Geology from Carleton University, Ottawa, Ontario (1970) and a B.Sc. in Geology from the University of British Columbia (1968). I am a member of the Association of Professional Engineers and Geoscientists of BC and a member of the Society of Economic Geologies.
4. I attained the degree of Doctor of Philosophy (Ph.D.) in geology from Queens University, Kingston, Ontario in 1974.
5. I have worked as a geologist for a total of 34 years since my graduation from university, 27 years as a project geologist with the B.C. Geological Survey Branch and 7 years as an independent consulting geologist.
6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 and certify that by reason of my education, affiliation with a professional association and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
7. I have managed some aspects of the exploration work done on the Hewitt-Van Roi property in 2009 and 2008, and have been involved in all aspects of the exploration program. I have visited the property several times, most recently in October, 2009.
8. I am independent of Klondike Silver Corp. Gold Jubilee Capital Corp., applying the tests set out in section 1.4 of National Instrument 43-101.
9. I am responsible for the preparation of all items in the Technical Report and take responsibility for the items in the Technical Report.
10. I have read National Instrument 43-101 and Form 43-101F1 and the Technical Report has been prepared in compliance with that instrument and form.
11. As of the date of the certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 22nd Day of June, 2010.

_____ Trygve Høy, P.Eng, PhD.

Appendix 2

GEOCHEMICAL ANALYSES OF DRILL CORE SAMPLES

Notes: All sampling was done by M. Seabrook, field geologist, or by a contractor directly supervised by M. Seabrook.

All analyses were done by Acme Analytical Laboratories, Vancouver,
852 E. Hastings St., Vancouver B.C., V6A 1R6 Canada

Phone (604) 253-3158, Fax (604) 253-1716, B.C.

Detailed analytical methods given at end of the appendix.

Appendix 10: Drilling assay certificates

Acme Analytical Laboratories LTD.
852 E. Hastings St., Vancouver B.C., V6A 1R6 Canada
Phone (604) 253-3158, Fax (604) 253-1716

24 Element aqua regia digestion ICP-ES analysis on 6 samples.

Acme Analytical Laboratories (Vancouver) Ltd.
1020 Cordova St. East Vancouver BC V6A 4A3 Canada
Phone (604) 253-3158 Fax (604) 253-1716
www.acmelab.com

Client: **Klondike Silver Corp., Rosebery**
614 Rosebery Park Rd., RR1, S3,C6,
New Denver BC V0G 1S0 Canada

Submitted By: Mike Seabrook
Receiving Lab: Canada-Vancouver
Received: October 27, 2009
Report Date: November 10, 2009
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN09005257.1

CLIENT JOB INFORMATION

Project: Hewit09Drill
Shipment ID:
P.O. Number
Number of Samples: 6

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Method Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
R200-250	6	Crush split and pulverize 250g drill core to 200 mesh			VAN
7AR2	6	1:1:1 Aqua Regia digestion ICP-ES analysis	1	Completed	VAN

SAMPLE DISPOSAL

RTRN-PLP	Return
DISP-RJT	Dispose of Reject After 90 days

Acme does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

ADDITIONAL COMMENTS

Invoice To: Klondike Silver Corp.
711- 675 W. Hastings St.
Vancouver BC V6B 1N2
Canada

CC: Jody Cliff
Alan Campbell
Trygve Hoy

BRITISH COLUMBIA CERTIFIED ASSAYER
CLARENCE LEONG
GENERAL MANAGER

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of analysis only.
"*" asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

Acme Analytical Laboratories (Vancouver) Ltd.
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www.acmelab.com

Client: **Klondike Silver Corp., Rosebery**
614 Rosebery Park Rd., RR1, S3,C6,
New Denver BC V0G 1S0 Canada

Project: Hewit09Drill
Report Date: November 10, 2009

CERTIFICATE OF ANALYSIS VAN09005257.1

Method		WGHT	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR
Analyte		Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	Sr	Cd	Sb	Bi	Ca	P	Cr	Mg	Al
Unit		kg	%	%	%	%	gm/mt	%	%	%	%	%	%	%	%	%	%	%	%	%	%
MDL		0.01	0.001	0.001	0.01	0.01	2	0.001	0.001	0.01	0.01	0.01	0.001	0.001	0.001	0.01	0.01	0.001	0.001	0.01	0.01
3301	Drill Core	0.53	<0.001	0.005	0.03	0.72	23	<0.001	<0.001	0.60	3.86	<0.01	0.002	0.005	<0.001	<0.01	0.27	0.072	<0.001	0.29	1.33
3302	Drill Core	0.48	<0.001	<0.001	0.02	0.07	<2	<0.001	0.001	0.41	3.84	<0.01	0.013	<0.001	<0.001	<0.01	2.10	0.121	<0.001	0.68	1.12
3303	Drill Core	0.87	<0.001	<0.001	<0.01	0.04	3	<0.001	<0.001	0.42	3.80	0.02	0.016	<0.001	<0.001	<0.01	1.87	0.100	<0.001	0.52	1.26
3304	Drill Core	0.41	<0.001	0.002	<0.01	<0.01	<2	<0.001	<0.001	0.03	2.02	<0.01	0.005	<0.001	<0.001	<0.01	0.75	0.098	0.001	0.43	0.63
3305	Drill Core	0.60	<0.001	<0.001	<0.01	<0.01	<2	<0.001	<0.001	0.07	2.59	<0.01	0.013	<0.001	<0.001	<0.01	2.02	0.092	0.002	0.83	1.06
3306	Drill Core	0.56	<0.001	<0.001	<0.01	<0.01	<2	0.022	0.001	0.14	2.71	<0.01	0.031	<0.001	<0.001	<0.01	5.61	0.052	0.023	1.52	1.67

Acme Analytical Laboratories (Vancouver) Ltd.
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Phone (604) 253-3158 Fax (604) 253-1716
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Client: **Klondike Silver Corp., Rosebery**
614 Rosebery Park Rd., RR1, S3,C6,
New Denver BC V0G 1S0 Canada

Project: Hewit09Drill
Report Date: November 10, 2009

CERTIFICATE OF ANALYSIS VAN09005257.1

Method		7AR	7AR	7AR	7AR	7AR
Analyte		Na	K	W	Hg	S
Unit		%	%	%	%	%
MDL		0.01	0.01	0.001	0.001	0.05
3301	Drill Core	<0.01	0.26	<0.001	<0.001	0.49
3302	Drill Core	<0.01	0.44	<0.001	<0.001	0.44
3303	Drill Core	<0.01	0.33	<0.001	<0.001	1.32
3304	Drill Core	0.10	0.14	<0.001	<0.001	0.33
3305	Drill Core	0.04	0.07	<0.001	<0.001	0.08
3306	Drill Core	<0.01	0.01	<0.001	<0.001	0.12

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Client: **Klondike Silver Corp., Rosebery**
614 Rosebery Park Rd., RR1, S3,C6,
New Denver BC V0G 1S0 Canada

Project: Hewit09Drill
Report Date: November 10, 2009

QUALITY CONTROL REPORT VAN09005257.1

	Method	WGHT	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR	7AR
	Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	Sr	Cd	Sb	Bi	Ca	P	Cr	Mg	Al
	Unit	kg	%	%	%	%	gm/mt	%	%	%	%	%	%	%	%	%	%	%	%	%	%
	MDL	0.01	0.001	0.001	0.01	0.01	2	0.001	0.001	0.01	0.01	0.01	0.001	0.001	0.001	0.01	0.01	0.001	0.001	0.01	0.01
Reference Materials																					
STD R4A	Standard		0.064	0.510	1.58	3.30	87	0.357	0.040	0.07	23.75	0.03	0.004	0.018	0.017	<0.01	0.98	0.043	0.013	0.87	1.29
STD R4A	Standard		0.063	0.511	1.55	3.30	87	0.357	0.040	0.06	23.72	0.02	0.004	0.018	0.018	<0.01	0.98	0.042	0.012	0.86	1.29
STD R4A Expected			0.062	0.502	1.5	3.31	86	0.334	0.04	0.06	23.38	0.023	0.004	0.017	0.0135	0.0024	0.94	0.042	0.012	0.83	1.25
BLK	Blank		<0.001	<0.001	<0.01	<0.01	<2	<0.001	<0.001	<0.01	<0.01	<0.01	<0.001	<0.001	<0.001	<0.01	<0.01	<0.001	<0.001	<0.01	<0.01
Prep Wash																					
G1	Prep Blank	<0.01	<0.001	<0.001	<0.01	<0.01	<2	<0.001	<0.001	0.06	2.01	<0.01	0.006	<0.001	<0.001	<0.01	0.49	0.071	<0.001	0.47	0.94

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New Denver BC V0G 1S0 Canada

Project: Hewit09Drill
Report Date: November 10, 2009

QUALITY CONTROL REPORT VAN09005257.1

	Method	7AR	7AR	7AR	7AR	7AR
	Analyte	Na	K	W	Hg	S
	Unit	%	%	%	%	%
	MDL	0.01	0.01	0.001	0.001	0.05
Reference Materials						
STD R4A	Standard	0.07	0.51	<0.001	<0.001	16.16
STD R4A	Standard	0.07	0.51	<0.001	0.001	16.12
STD R4A Expected		0.07	0.51	0.0011	0.001	16.7
BLK	Blank	<0.01	<0.01	<0.001	<0.001	<0.05
Prep Wash						
G1	Prep Blank	0.11	0.54	<0.001	<0.001	<0.05

Appendix 3

Option Agreement: Klondike Silver Corp. and Gold Jubilee Capital Corp.

Hewitt Van Roi Property – British Columbia

This Agreement is dated for reference the 8th day of June, 2010.

BETWEEN:

GOLD JUBILEE CAPITAL CORP.

#1206 – 588 Broughton Street

Vancouver, British Columbia V6G 3E3

(the above hereinafter referred to as the "Optionee")

OF THE FIRST PART

AND:

KLONDIKE SILVER CORP.

711 - 675 West Hastings Street

Vancouver, British Columbia V6B 1N2

(the above hereinafter referred to as the "Optionor")

OF THE SECOND PART

WITNESSES THAT WHEREAS Optionor is the recorded and beneficial owner of a 100% legal and beneficial interest in and to certain mining claims situated in Slocan Mining Division, British Columbia more particularly described in Schedule "A" attached hereto (collectively the "Property");

AND WHEREAS the Optionor desires to grant and the Optionee is desirous of obtaining an option to acquire a 51% undivided interest in and to the Property upon terms and subject to the conditions herein contained.

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

1. GRANT OF OPTION

The Optionor grants to the Optionee the sole, exclusive and irrevocable right and option (the "Option") to acquire an undivided 51% right, title and interest in and to the Property, in accordance with the terms of this Agreement.

OPTION ONLY

This is an option only and except as specifically provided otherwise, nothing herein contained shall be construed as obligating the Optionee to do any acts or make any payments hereunder and any act or acts, or payment or payments as shall be made hereunder shall not be construed as obligating the Optionee to do any further act or make any further payment. If the Option is terminated before the Option is exercised, the Optionee shall not be bound thereafter in debt, damages or otherwise under this Agreement, except in respect of obligations arising prior to such termination or otherwise provided for in this Agreement, and all payments theretofore paid by the Optionee shall be retained by the Optionor for its own use absolutely.

2. TERMS OF THE OPTION

In order to maintain the Option in good standing and earn a 51% right, title and undivided interest in and to the Property, the Optionee, subject to paragraph 2, shall:

(a) pay to the Optionor $10,000 upon signing;

(b) pay to the Optionor a further $10,000 upon regulatory approval of this Agreement;

(c) pay to the Optionor a further $100,000 on or before the date which is one year from the date of regulatory approval;

(d) pay to the Optionor a further $100,000 on or before the date which is two years from the date of regulatory approval;

(e) pay to the Optionor a further $100,000 on or before the date which is three years from the date of regulatory approval;

(f) issue to the Optionor 100,000 common shares of the Optionee on or before the date which is one year from the date of regulatory approval:

(g) issue to the Optionor a further 100,000 common shares of the Optionee on or before the date which is two years from the date of regulatory approval;

(h) issue to the Optionor a further 100,000 common shares of the Optionee on or before the date which is three years from the date of regulatory approval:

(i) incur exploration expenses on the Property equal to the first phase recommended work program as outlined in the 43-101 report prepared for the Property on or before the date

which is one year from the dae of regulatory approval, it being acknowledged that the first $100,000 in exploration expenditures are not an option and is a firm commitment by the Optionee;

(j) incur a further $500,000 in exploration expenses on the Property on or before the date which is two years from the date of regulatory approval; and

(k) incur a further $1,000,000 in exploration expenses on the Property on or before the date which is three years from the date of regulatory approval.

For the purposes of this Agreement and the Joint Venture Agreement, ”exploration expenses” means all costs, expenses and charges of whatsoever kind or nature incurred by the Optionee in connection with the exploration, development and maintenance of the Property, including any property taxes, determined in accordance with Canadian generally accepted accounting practices.

3. EXERCISE OF THE OPTION

If the Optionee has paid $320,000 to the Optionor, issued 300,000 common shares to the Optionor and incurred at least an aggregate of $1,500,000 in exploration expenses on the Property, the Optionee shall be deemed to have exercised the Option and will have acquired an undivided 51% right, title and interest in and to the Property.

5. JOINT VENTURE FORMATION

If the Optionee exercises the Option, the Optionor and the Optionee shall form a Joint Venture whose conduct and obligations shall be governed by the Joint Venture Agreement which shall be attached hereto as Schedule “B”.

6. OPERATOR

During the term of the Option, the Optionor shall be the operator for purposes of developing and executing exploration programs.

The operator shall submit a draft work program for each exploration season to the non-operator. The draft program shall contain a statement in reasonable detail of proposed operations and estimates of all exploration or development costs to be incurred. The non-operator agrees to provide close cooperation to the operator in the development of the exploration program during the term of this Agreement and the parties agree to cooperate in their investor relations efforts, dealings with investors, mining industry corporations, service corporations, governments, First Nations, banking groups and any and all partners required to produce a successful outcome for the exploration and development of the Property.

7. RIGHT OF ENTRY

During the currency of the Option the Optionor and its employees, agents and any person duly authorized by the Optionor shall have the sole and exclusive right, so long as it is operator, to:

(a) enter in, under and upon the Property;

(b) have exclusive and quiet possession thereof subject to the rights of the Optionee hereunder;

(c) do such prospecting, exploration, development or other mining work thereon and thereunder as the Optionor in its sole discretion may consider advisable;

(d) bring upon and erect upon the Property such mining facilities as the Optionor may consider advisable; and

(e) remove from the Property and dispose of reasonable quantities of ores, minerals and metals for the purposes of sampling, obtaining assays or making other tests.

8. TERMINATION

If the Optionee should fail to issue any shares or incur sufficient expenses within the time permitted therefore under this Agreement to maintain the Option, or if the Optionee should be in default in performing any of its obligations hereunder, the Optionee shall have thirty (30) days to issue the shares, incur the exploration expenses or cure the default, and if the Optionee fails to do so then the Option shall at the end of such 30 day period be and be deemed for all purposes to have been terminated.

9. NO PRODUCTION OBLIGATION

The Optionee shall be under no obligation whatsoever to place the Property into production.

10. EXCLUSION OF PROPERTY

The Optionee shall have the right at any time and from time to time to elect to exclude from this Agreement any portion of the Property by not less than 60 days prior written notice to the Optionor of this election; provided that any portion of the Property so excluded shall be in good standing, free and clear of all liens, charges and encumbrances, and provided further that the Optionee, if requested by the Optionor in writing, shall deliver to the Optionor recorded transfers of any mineral claims and other property interests which are included in the portion of the Property so excluded in favour of the Optionor.

11. COVENANTS OF THE OPERATOR

During the currency of this Agreement, the Operator shall:

(a) deliver a 43-101 compliant technical report related to the Property to the Optionee as soon as possible after the date of execution of this Agreement;

(b) ensure the Property is in good standing by ensuring all property taxes are paid, the filing of assessment work conducted on the Property is completed or by making payments in lieu thereof, and by doing all other acts and things and making all other payments which may be necessary in that regard;

(c) ensure all reclamation work required resulting from exploration work conducted subsequent to the date of this Agreement is completed;

(d) make available to the non-operator and its representatives all records and files relating to the Property in its possession and permit the non-operator and its representatives to take abstracts therefrom and make copies thereof and prepare monthly reports to the non-operator during the active field season of work conducted, results obtained and analysis of results and prepare a formal report by March 1 the following year;

(e) permit the non-operator, or its representative, duly authorized by it in writing, at its own risk and expense, access to the Property at all reasonable times and to all records prepared by the operator in connection with work done or with respect to the Property;

(f) not do or permit or suffer to be done any act or thing which would or might in any way adversely affect the rights of the non-operator hereunder; and

(g) ensure all work on or with respect to the Property is done in a careful and workmanlike manner and in compliance with the applicable laws of the jurisdiction in which the Property is located and indemnify and save the non-operator harmless from any and all loss, damage, costs, actions and suits arising out of or in connection with work done by the operator on or with respect to the Property.

12. COVENANTS OF THE NON OPERATOR

During the currency of this Agreement, the non-operator covenants and agrees with the operator to not do or permit or suffer to be done any act or thing which would or might in any way adversely affect the rights of the operator hereunder.

13. REPRESENTATIONS AND WARRANTIES OF THE OPTIONOR

The Optionor hereby represents and warrants to the Optionee that:

(a) the Optionor is the legal and beneficial owner of the Property;

(b) the Property consists of those mineral claims more particularly described in Schedule "A" attached hereto, and that such claims were located and recorded in accordance with the applicable laws of British Columbia and are valid and subsisting as of the date of execution and delivery of this Agreement;

(c) the Property is in good standing, free and clear of all liens, charges and encumbrances;

(d) the Optionor has incurred in excess of $120,000 in exploration expenditures on the Property between July 2009 and the date hereof;

(e) there are no pending or threatened actions, suits, claims or proceedings regarding the Property; and

(f) the Optionor has the exclusive right and authority to enter into this Agreement and to dispose of the Property in accordance with the terms hereof, and that no other person, firm or corporation has any proprietary or other interest in the same.

The representations and warranties of the Optionor herein before set out, form a part of this Agreement and are conditions upon which the Optionee has relied on in entering into this Agreement and shall survive the exercise of the Option by the Optionee. The Optionor shall indemnify and save the Optionee harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation, warranty, covenant, agreement or condition contained in this Agreement. The Optionor acknowledges and agrees that the Optionee has entered into this Agreement relying on the warranties and representations and other terms and conditions of this Agreement and that no information which is now known or which may hereafter become known to the Optionee or its officers, directors or professional advisors shall limit or extinguish the right to indemnity hereunder.

14. TERMINATION PRIOR TO ACQUISITION OF INTEREST

If the Option is terminated, or if this Agreement is terminated prior to the exercise of the Option by the Optionee, the Optionee shall return to the Optionor forthwith exclusive and quiet possession of the Property, in good standing, and free and clear of all liens, charges and encumbrances.

15. ADDITIONAL TERMINATION

In addition to any other termination provisions contained in this Agreement, the Optionee shall at any time have the right to terminate its rights and future obligations under this Agreement by giving notice in writing of such termination to the Optionor, and in the event of such termination, the Optionee shall not earn any interest in the Property, and this Agreement, save and except for the provisions of paragraphs 14 hereof, shall be of no further force and effect.

16. FORCE MAJEURE

If the Optionee is prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lockouts, labour shortages, power shortages, fires, wars, acts of God, governmental regulations restricting normal operations or any other reason or reasons beyond the control of the Optionee, the time limited for the performance of the various provisions of this Agreement as set out above shall be extended by a period of time equal in length to the period of such prevention and delay. The Optionee, insofar as is possible, shall promptly give written notice to the Optionor of the particulars of the reasons for any prevention or delay under this paragraph, and shall take all reasonable steps to remove the cause of such prevention or delay and shall give written notice to the Optionor as soon as such cause ceases to subsist.

17. NOTICE

Any notice required to be given under this Agreement shall be deemed to be well and sufficiently given if delivered or if mailed by registered mail in Canada, (save and except during the period of any interruption in the normal postal service within Canada) or sent by facsimile transfer to either party at the addresses first set out above and any notice given as aforesaid shall be deemed to have been given, if delivered or sent by facsimile transfer, when delivered or faxed, or if by mail, on the third business day after the date sent by mail . Either party may from time to time by notice in writing change its address for the purpose of this paragraph.

18. FURTHER ASSURANCES

The parties hereto agree to execute all such further or other assurances and documents and to do or cause to be done all acts necessary to implement and carry into effect the provisions and intent of this Agreement.

19. TIME OF ESSENCE

Time shall be of the essence of this Agreement.

20. TITLES

The titles to the respective paragraphs hereof shall not be deemed to form part of this Agreement but shall be regarded as having been used for convenience of reference only.

21. SCHEDULES

The Schedules to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if they were contained in the body hereof.

22. VOID OR INVALID PROVISION

If any term, provision, covenant or condition of this Agreement, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void or unenforceable, all provisions, covenants and conditions of this Agreement, and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and in no way be affected, impaired or invalidated thereby.

23. SUCCESSORS AND ASSIGNS

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors, assigns, heirs, executors or administrators as the case may be.

24. APPROVALS

The Optionee and the Optionor hereby acknowledge that this Agreement shall be subject to all necessary regulatory approvals. The parties agree that a joint news release shall be put out by them to announce this Agreement.

25. ARBITRATION

If any question, difference or dispute shall arise between the parties or any of them in respect of any matter arising under or in connection with the subject matter of this Agreement, or in relation to the construction hereof, the same shall be determined by the award of a single arbitrator under the Commercial Arbitration Act of the Province of British Columbia, and the decision of the arbitrator shall in all respects be conclusive and binding upon all the parties.

26. ASSIGNMENT

The Optionee with the consent of the Optionor first had and obtained, such consent to be not unreasonably withheld, may at any time during the term of the Option sell, transfer or otherwise dispose of all or any portion of its interest in or its rights under this Agreement; provided that any purchaser, grantee or transferee of any such interest or rights delivers to the Optionor its agreement related to this Agreement and to the Property, containing:

(a) a covenant by such transferee to perform all the obligations of the Optionee to be performed under this Agreement in respect of the interest or rights to be acquired by it from the Optionee to the same extent as if this Agreement had been originally executed by such transferee as principal obligant; and

(b) a provision subjecting any further sale, transfer or other disposition of such interest or rights or any portion thereof to the restrictions contained in this section;

and further provided that any shares delivered to the Optionor in connection with the exercise of the Option must be shares of the Optionee, unless otherwise agreed in writing by the Optionor.

No transfer or assignment by the Optionee of any interest less than its entire interest in this Agreement shall, as between the Optionee and the Optionor, discharge it from any of its obligations hereunder, but upon the transfer by the Optionee of the entire interest at the time held by it in this Agreement (whether to one or more transferees and whether in one or in a number of successive transfers), the Optionee shall be deemed to be discharged from all obligations hereunder save and except for obligations which arose prior to the date of transfer.

27. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia.

28. PRIOR AGREEMENTS

This Agreement contains the entire agreement between the parties in respect of the Property and supersedes all prior agreements between the parties hereto with respect to the Property, which said prior agreements shall be deemed to be null and void upon the execution hereof.

29. EXECUTION IN COUNTERPARTS

This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document.

IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

The **COMMON SEAL** of)
GOLD JUBILEE CAPITAL CORP**.**)
was hereunto affixed in the presence of:)
)
_____)
Authorized Signatory)

The **COMMON SEAL** of)
KLONDIKE SILVER CORP.)
was hereunto affixed in the presence of:)
)
_____) c/s
Authorized Signatory)

SCHEDULE "A"

REFERRED TO IN THE AGREEMENT DATED FOR REFERENCE THE 8TH DAY OF JUNE, 2010 BETWEEN **GOLD JUBILEE CAPITAL CORP.** AND **KLONDIKE SILVER CORP.**

The Property consists of the following claims in the Slocan Mining Division, British Columbia. The following is the claim and lot information:

	CLAIM NAME	# BLKS	# OF HECTARES	NEW RECORD #	EXPIRY DATE	Map #
	Diana 4	1	83.207	577887	23/02/2020	82F.094
	HEWITTMINERD		41.600	600559	23/02/2020	82F.094
	HEWITTSPUR		20.800	600573	23/02/2020	82F.094
	Hewitt North		291.130	603583	23/02/2020	82F.094
	BESSIE		20.800	654893	23/02/2020	82F.094
	VANROIMAURIER		520.123	644086	30/09/2010	82F.094

Claim Name	**Lot #**	**Land District**	**Folio #**	**Owner #**	**PID #**
Hewitt Production Area	P00889	Kootenay	192961	626791	013-499-521
	739-41	Kootenay	50270	626791	
	1397-1402	Kootenay	208825	626791	
	2228	Kootenay	53449	626791	
	2297-2300	Kootenay	51888	626791	
	2900	Kootenay	208825	626791	
	3362-67	Kootenay	53449	626791	
	4440-41				
	6527-28	Kootenay	208825	626791	
	10051-53	Kootenay	51888	626791	
	10594	Kootenay	208825	626791	
	14175	Kootenay	208817	626791	
	14420-28	Kootenay	52434	626791	

SCHEDULE "B"

REFERRED TO IN THE AGREEMENT DATED FOR REFERENCE THE 8TH DAY OF JUNE, 2010 BETWEEN **GOLD JUBILEE CAPITAL CORP.** AND **KLONDIKE SILVER CORP.**

JOINT VENTURE AGREEMENT

HEWITT VAN ROI PROPERTY, BRITISH COLUMBIA

THIS AGREEMENT is dated for reference the __ day of ___, 200__.

BETWEEN:

KLONDIKE SILVER CORP.

711 - 675 West Hastings Street

Vancouver, British Columbia V6B 1N2

(the above hereinafter referred to as the "Klondike")

OF THE FIRST PART

AND:

GOLD JUBILEE CAPITAL CORP.

#1206 – 588 Broughton Street

Vancouver, British Columbia V6G 3E3

(the above hereinafter referred to as the "GJCC")

OF THE SECOND PART

WHEREAS: pursuant to the Option Agreement dated for reference June 8, 2010 (the "Option Agreement"), GJCC has earned from Klolndike 51% of Klondike's interest in and to certain mineral claims situated in Slocan Mining Division more specifically described in Appendix "A" attached hereto (the "Property"), and Klondike and GJCC have agreed to form a Joint Venture for the purpose of further exploring, developing and, if favourable, placing the Property into commercial production.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and of the covenants and conditions herein contained, the parties agree as follows:

1. The parties shall establish a Management Committee. Each party shall be entitled to appoint one member to the Management Committee. Each party shall designate in writing to the other the name of its member.

(a) A party may from time to time revoke in writing the appointment of its member to the Management Committee and appoint in writing another in their place. A party may from time to time in writing appoint one alternate member for the member theretofore appointed by such party.

(b) All meetings of the Management Committee shall be held at such times as the members deem appropriate but in any event, not more frequently than once every three months. All meetings of the Management Committee shall be held in Vancouver, British Columbia, unless the members of the Management Committee agree otherwise. Any member of the Management Committee may call a meeting at any time by giving seven days notice.

(c) Voting by the Management Committee may be conducted by verbal, written or faxed ballot. Any resolution in writing signed by a majority of the members of the Management Committee in one or more counterparts shall be valid and binding as if passed at a meeting of the Management Committee duly called and constituted.

(d) Each member (or alternate member in the absence of the member) of the Management Committee shall have a number of votes equal to the Interest held by the party such member or alternate member represents.

(e) All decisions of the Management Committee will be by majority vote of the votes entitled to be cast by the members, with the Manager to cast the deciding vote in the event of a tie vote.

2. Upon the formation of the Joint Venture:

(a) GJCC shall be the Manager of the business and affairs of the Joint Venture and will continue in such capacity as long as GJCC holds at least an undivided 51% interest in the Property; and

(b) If the interest of GJCC in the Joint Venture is reduced below 51% the party holding greater than 50% or the largest percentage holder shall be appointed the Manager.

3. **(a)** The Manager will prepare draft programs for each exploration season. The draft program shall contain a statement in reasonable detail of proposed operations and estimates of all exploration or development costs to be incurred.

(b) The Manager shall forthwith submit the program to the parties. Each party may, within 30 days of the receipt of the program, give notice to the Manager committing to contribute its proportionate share of the costs of that program. A party which fails to give that notice within the 30 day period shall be deemed to have elected not to contribute.

(c) If any party has elected or is deemed to have elected not to contribute to a program, that party's interest in the Property shall be reduced pursuant to the provisions of sub-paragraph (e) herein.

(d) If the Manager presents a program of less than $100,000, the other party shall be entitled, so long as it has a 40% or greater interest, to submit a larger program in its place and such program shall be deemed approved and in that case, the Manager will resign and the other party who submitted the larger program shall become the new Manager under this Agreement.

(d) If a party (the "Defaulting Party") fails or is deemed to have failed to elect to participate, or fails to pay its proportionate share of the costs of a program within 30 days after demand, and if the other party (the "Contributing Party") proceeds with the program, then the interest of the Contributing Party shall be increased and the interest of the Defaulting Party shall be decreased so that the interest of each party at all times is that percentage which is equal to:

i. the sum of that party's total exploration costs or deemed exploration costs incurred on the Property since the commencement of the Option Agreement; divided by

ii. the sum of the total exploration costs and deemed exploration costs incurred on the Property by both parties since the commencement of the Option Agreement; multiplied by

iii. 100,

and for the purposes of this calculation, Klondike shall at the time of formation of the Joint Venture be deemed to have incurred that percentage of the total exploration costs incurred on the Property by GJCC since the Effective Date of the Option Agreement which is equal to Klondike's percentage interest in the Property at the time of formation of the Joint Venture, so that, for example, if GJCC has at the time of formation of the Joint Venture earned a 51% interest in the Property by incurring exploration expenses totaling $1,500,000, then for the purposes of this calculation, Klondike shall be deemed to have incurred exploration expenses of $735,000 and GJCC $765,000 at the time of formation of the Joint Venture.

4. During the term of the Joint Venture Agreement the Joint Venturers shall be entitled to take in kind and separately dispose of all concentrate, minerals and metals produced from the Property pro rata according to their respective beneficial interests in the Joint Venture.

5. Neither party to the Joint Venture Agreement shall during its term apply for partition of the Property or the sale thereof in lieu of partition.

6. This Joint Venture Agreement shall be replaced by a more formal Joint Venture Agreement containing the principles described herein expressed in such fashion together with such other provisions as the parties and their respective counsel deem appropriate following further good faith negotiations between the parties, however until this Agreement is so replaced it shall constitute a binding Joint Venture Agreement between the parties to the Joint Venture respecting the day to day affairs of the Joint Venture and the disposition of the Property and all mineral products derived therefrom.

7. If any question, difference or dispute shall arise between the parties or any of them in respect of any matter arising under or in connection with the subject matter of this Joint Venture Agreement, or in relation to the construction hereof, the same shall be determined by the award of a single arbitrator under the Commercial Arbitration Act of the Province of British

Columbia, and the decision of the arbitrator shall in all respects be conclusive and binding upon all the parties

IN WITNESS WHEREOF the parties hereto have hereunto executed these presents as of the day and year first above written.

The **COMMON SEAL** of)
KLONDIKE SILVER CORP.)
was hereunto affixed in the presence of:)
)
_____) c/s
Authorized Signatory)

The **COMMON SEAL** of)
GOLD JUBILEE CAPITAL CORP.)
was hereunto affixed in the presence of:)
)
_____)
Authorized Signatory)

APPENDIX "A"

REFERRED TO IN THE JOINT VENTURE AGREEMENT DATED FOR REFERENCE THE _____ DAY OF _____, 200___ BETWEEN **GOLD JUBILEE CAPITAL CORP.** AND **KLONDIKE SILVER CORP.**

The Property consists of the following claims in the Slocan Mining District, British Columbia. The following are the property details:

Claim Name	Claim Number	Expiry Date

TRYGVE HOY

2450 Dixon Road

Sooke B.C. V0S 1V0
Tel: (250) 642-5003

September 2, 2010

To: B. C. Securities Commission (BCSC)
Alberta Securities Commission (ASC)
TSX Venture Exchange (TSX-V)

CONSENT of AUTHOR

I, Trygve Hoy, do hereby consent to the public filing of the technical report entitled "Geology, mineralization and exploration, Hewitt-Van Roi Property, Southern British Columbia" (the "Technical Report") prepared for Gold Jubilee Capital Corp. and dated June 22, 2010, and any extracts from or a summary of the Technical Report under the National Instrument 43-101 disclosure of Klondike Silver Corp. and to the filing of the Technical Report with any securities regulatory authorities.

I further consent to the company filing the report on SEDAR and consent to press releases made by the company with my prior approval. In particular, I have read and approved the press release of Klondike Silver Corp. dated September _____, 2010 (the "Disclosure") in which the findings of the Technical Report are disclosed.

I also confirm that I have read the Disclosure and that it fairly and accurately represents the information in the Technical Report that supports the Disclosure.

Dated this _____ day of September, 2010.

Yours truly,

Trygve Hoy, P.Eng., Ph.D.