

Frank Ploeger, P. Geo., Senior Geologist with Queenston, is supervising the Upper Canada exploration employing a QA/QC program consistent with NI 43-101 and industry best practices. William McGuinty, P. Geo. and Vice-President Exploration for Queenston, has reviewed the information in this document.

Bidgood Property

The Bidgood Property is owned 100% by Queenston and hosts two gold deposits that are being considered for the central milling strategy. This 1,260 hectare property hosts the Bidgood Mine that produced 165,000 oz of gold between 1934 - 1951 at a recovered grade of 9.2 g/t Au. Two diamond drill rigs focused on the Bidgood Mine gold corridor of the property during 2011 completing 106 holes for 26,000 m and a total expenditure of approximately \$2.7 million.

On October 17, 2011 an initial NI 43-101 open-pit mineral resource estimate for the Bidgood (South Zone) and Boundary deposits was reported. The report was prepared in accordance with NI 43-101 by P&E Mining Consultants Inc., of Brampton, Ontario. The mineral resource estimate incorporates 114 surface diamond drill holes (14,402 m) completed in 2010-11 and 23 historic holes (3,632 m) drilled by previous operators. The initial resource estimate was compiled on three of the 23 sub-vertically dipping gold zones that occur at Bidgood. The South Zone has been delineated over length of 230 m, to a depth of 100 m and over a width of 30 - 40 m. Both the South and Boundary deposits remain open along strike and to depth.

Table 6: Bidgood and Boundary In-Pit and Underground Mineral Resource Estimate⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾⁽⁹⁾

Capped	INDICATED			INFERRED		
Cut-Off Au g/t	Tonnes (t)	Grade (g/t)	Au (oz)	Tonnes (t)	Grade (g/t)	Au (oz)
Pit 0.42 g/t	1,438,000	1.66	76,000	242,000	1.68	13,000
UG Below Pit 2.3 g/t	26,000	3.28	3,000	76,000	3.09	8,000
Total	1,464,000	1.69	79,000	318,000	2.02	21,000

Uncapped Sensitivity	INDICATED			INFERRED		
Cut-Off Au g/t	Tonnes (t)	Grade (g/t)	Au (oz)	Tonnes (t)	Grade (g/t)	Au (oz)
Pit 0.42 g/t	1,447,000	2.47	115,000	246,000	2.88	23,000
UG Below Pit 2.3 g/t	43,000	7.05	10,000	136,000	7.52	33,000
Total	1,490,000	2.60	125,000	382,000	4.53	56,000

- (1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues, although the Company is not aware of any such issues.
- (2) The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
- (3) These mineral resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- (4) Grade capping of 7 g/t was utilized on raw assays for Boundary, 15 g/t for 20 Vein, and 22.5 g/t for the rest of Bidgood.
- (5) A bulk density of 2.87 t/m³ was used for all tonnage calculations.
- (6) A gold price of US\$1,300/oz and an exchange rate of US\$0.98 US=C\$1.00 was utilized in the Au cut-off grade calculations of 0.42 g/t for open pit and 2.3 g/t for underground. Open pit mining costs were assumed at C\$3.00/t for mineralized material, C\$2.50/t for waste rock and C\$1.75/t for overburden, while underground mining costs were assumed at C\$75/t, with process costs of C\$12/t and G&A of C\$5/t. Process recovery was assumed at 95%.
- (7) Values in the table may differ due to rounding.
- (8) The area of influence of the indicated category is 20m up/down dip, 15m along strike, and 10m across dip from a known sample point (drill holes), with a minimum 2 drill holes and max of 20 samples; other blocks within the hard-wireframe/constrain are coded as inferred.
- (9) The open pit resource is reported within a Whittle optimized pit shell

“Capped” or “Cut” grade are terms used in the mineral resource estimation procedure to control and limit the influence and effect of extremely high assay values. Specific caps are determined by applying geological constraints and using geostatistical

