

Technical Summary for Gold Hill:

"Gold Hill resembles the look and geology of Butte, Montana" -
Geologist C.W. Gabrielson

Some of the earliest professional and scientific observations of the mine were done by C.W. Gabrielson, who was immeasurably impressed with the area. He noted the geology of Gold Hill, located in schist, intruded by a granite porphyry of Proterozoic age, in many ways was similar to that of the prolific ore bodies of Butte, Montana, where mines have been producing thousands of tons of ore for more than a century. Gabrielson had a strong opinion that the vein and ore deposits could run to significant depths, alluding to 5,000 feet depths on rocks of similar structure! In a summary to the then-owner of the mine, Gabrielson concluded many years ago, "you have a good, worth while property. Properly handled, it is destined to become one of the profitable mines in Arizona."

His studies were later used by the ProMet Services, Inc. geologist, Mike Price, who came up with the proven, probable and possible ore amounts of 380,000 tons. This was calculated from mappings of the area and it was broken down thusly: Proven reserves at Gold Hill to be 30,000 tons at 0.27 troy oz per ton of Gold, probable reserves were announced to be 150,000 tons at .27oz/Au/ton and possible reserves of 200,000 tons at .27oz/Au/ton. ProMetServices, Inc. which did exhaustive research on the property quotes "this property does indeed have unusual potential for development together with fortuitous circumstances of convenient location, access (and) clean old workings

Toronto's Sage Gold drilled nearly 2 miles of core samples in 2007-2008, and found the vein systems are related to northwest to southeast-trending fault system. The Main East vein structure was found to be linear, vertically-dipping with a strike length of 840 feet exposed from a ridgeline elevation of 4,300 feet to 3,620 above sea level. Sage Gold's webpage on Gold Hill quotes the following information: The Gold Hill property comprises six patented mining claims located in Maricopa County, Arizona and is located in schist intruded by a granite porphyry of Proterozoic age. The mineralized fault structure has a strike length exceeding 4,000 feet and has been delineated by

numerous exploratory surface pits, development tunnels, shafts, and adits. The highest grade in the recent 2008 channel samples assays is 31.7 grams of gold per tonne (0.925 ounces per ton) over a width of 1.2 metres and the highest grade grab sample is 54.8 grams of gold per tonne (1.598 ounces per ton) . The following samples represent channel sample assays of greater than 10 grams of gold per tonne over the specified widths. All assays are reported on the Sage web site"

Sage Gold's overview continues: "Sage also completed a thirty three element ICP (induced couple plasma) analysis of the sample material for base metals and trace elements. The geochemical analyses indicate that there is relatively low amount of base metal sulphides and that an average ratio of silver to gold is 3.74. A series of parallel veins trend northwest – southeast and occur within a Proterozoic age porphyritic granite that intrudes a sequence of schists and argillites. Veins are exposed on the surface over a distance in excess of 1.5 kilometres (4,920 feet). The veins are delineated by exploratory pits, tunnels, shafts and adits. Historical workings from the period 1884-1898 resulted in a 90 metres (300 foot) haulageway with three production raises. Several exploratory winzes and underhand stopes were also developed along with four shafts which have since caved in. In the main haulage tunnel, driven within the East vein structure, oriented almost north-south, veins are exposed over a length of 100 metres (328 feet) with the greatest density of quartz veins occurring over a width of about 55 metres (180 feet) The Company has not yet conducted sufficient exploration to define the indicated and inferred mineral resources. As such, the potential quantity and grade disclosed above is conceptual in nature based on sampling of underground workings at the Gold Hill property. The sample results are relevant in that they represent the most recent work conducted on the property. The reserve/resource categories predate NI 43-101 and given that there has been no feasibility study completed on the property these reserve categories should be defined as inferred, indicated and measured mineral resources. Further exploration may not result in the discovery of additional mineral resources."

"All resource estimates quoted herein are based on prior data and reports obtained and prepared by previous operators. The Company has not completed the work necessary to verify the classification of the mineral resource estimates. The Company is not treating the mineral resource estimates as NI 43-101 defined resources verified by a qualified person. The historical estimates should not be relied upon. The Company has not completed a feasibility study and there is no certainty that the Company's

planned operations will be economically viable. Sage intends to verify the historical results through an underground sampling program followed by underground drilling to test the lateral and vertical extent of the vein structures."

Despite their years of drilling, Sage Gold never filed a formal mineral report with the Arizona Department of Minerals. The report is not legally required. Sage preferred to keep their findings to themselves. However, after the drilling program, Sage Gold announced that they wanted to enter into a partnership on the property with the current owners. The two parties were never able to reach a mutually-satisfactory agreement.