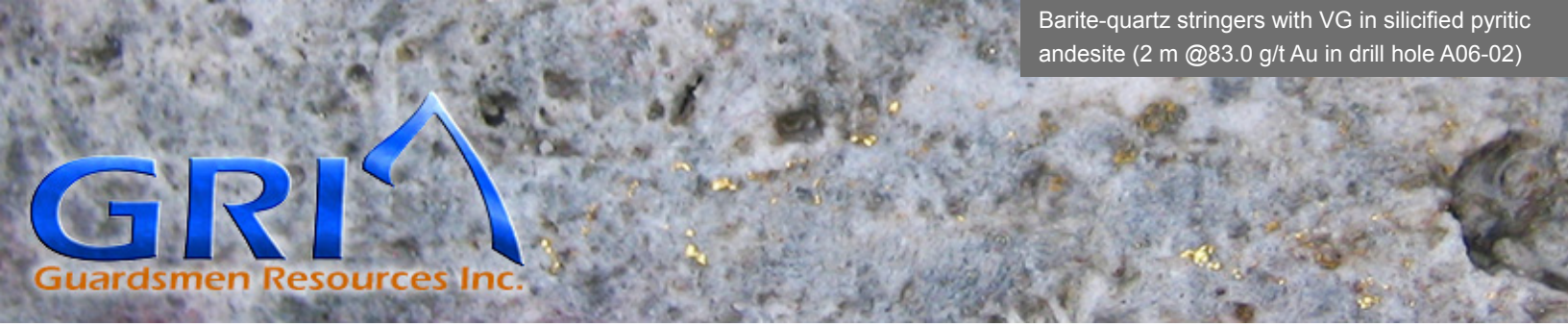


Barite-quartz stringers with VG in silicified pyritic andesite (2 m @83.0 g/t Au in drill hole A06-02)

Guardsmen Resources Inc.

Ranch Project, Northern BC

An Overlooked High-Sulphidation Epithermal Gold & Porphyry Copper-Gold Property

Highlights

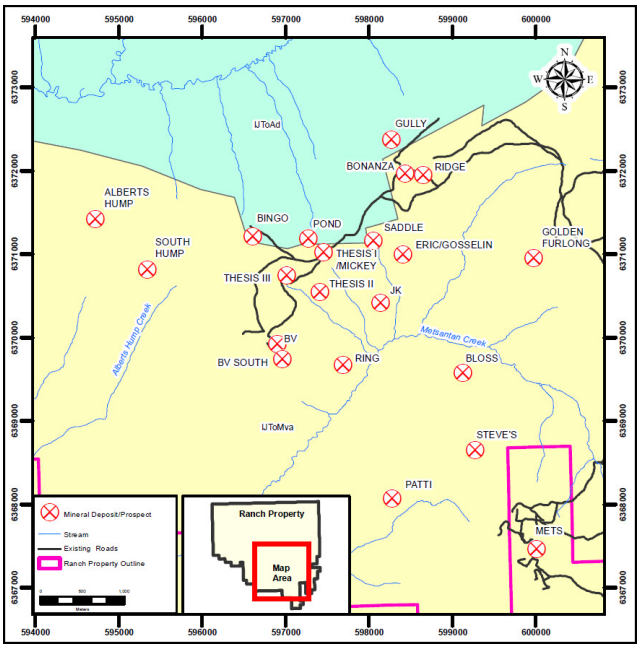
- 19 known high-sulphidation epithermal gold deposits and prospects within a 25 km^2 area
- exploration history: 34,000 m of core drilling in 427 holes and development of 3 small open pits; 10,000 oz gold produced
- deposits and prospects tested to shallow depths, remain open along strike and at depth, and contain small 'historic' resources
- geologic setting, structure, and styles of alteration and mineralization suggest presence of deeper gold mineralization and potential for buried porphyry copper-gold systems
- NI 43-101 report completed by B.K.Bowen (PEng) May 2012
- exploration permit and reclamation bond in-place
- extensive database in-hand

Property Status

- 41 mineral claims covering 13,500 hectares (135 km^2)
- 100%-owned by Guardsmen Resources Inc
- no underlying royalties or other encumbrances

Location and Access

- located ~300 km by air north of Smithers; all-season roads extend north from Mackenzie to Kemess mine
- seasonal roads access the nearby Sturdee airstrip, Baker mine and Lawyers gold-silver property
- 15 minutes by helicopter from Sturdee airstrip to property



Situated in the northern part of the Kemess-Toodoggone Mining District, a region underlain in part by Lower Jurassic intermediate volcanics and correlative intrusions that host known low-sulphidation and high-sulphidation epithermal gold-silver deposits and porphyry copper-gold deposits.

Exploration Vectors to Undiscovered Mineral Deposits

Soil Geochemical Anomalies: Many mineralized gold zones occur south of gold soil geochemical anomalies; up-ice sources for some anomalies remain unexplained (SW of BV zone; N side of Alberts Hump; between Patti & Steve's).

Rock Geochemical Anomalies: In particular, an area N of Mickey zone where samples grading up 13,819 ppb Au occur down-ice of a silica-altered NW-trending fault - area has not been tested.

Airborne Magnetic Features: Total Magnetic Intensity identifies 3 prominent aeromagnetic highs: 1) a 700 m wide circular feature centered 600 m W-SW of the Thesis III zone; 2) a 1800 m by 400 m N-NW trending feature centered 1000 m NW of Alberts Hump, and; 3) a small circular feature ~ 200m across centered 1400 m NW of the Theses III zone. The features may represent high-level intrusions genetically related to the known gold zones.

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Coincident Resistivity-Chargeability Anomalies: A limited 3D-IP survey outlined a number of coincident resistivity-chargeability anomalies outside of known zones of gold mineralization that may be indicative of auriferous sulphide-bearing silicified zones at depth. A chargeability anomaly W-SW of the Thesis III zone coincides with both a chargeability and aeromagnetic anomalies, and may be an expression of a buried sulphide-bearing porphyry-type intrusion.

Diamond Drilling Results (1982-2007):
Bonanza Zone drilling (223 ddh; 18,778 m) tested the steeply dipping, complex zone of silica and clay alteration over N-S distance of 450 m and to an average vertical depth of 100 m; gold grades are erratic ranging up to several hundred grams per tonne; well-developed core of silica-pyrite persist to depths of more than 125 m with chalcopyrite, bornite, covellite and occasional copper sulphosalts occur; steeply dipping ore shoots may continue to greater depths than previously identified; in cross-section the silica-altered zones occur as moderately west-dipping sheets and are thought to have formed from the selective replacement of more permeable tuff units—this style of mineralization indicates that potential exists for thick ore zones that are more amenable to open pit or bulk underground mining techniques. Drill intersections include: 19.4 m @ 25.8 g/t Au (hole A87-60) & 41.0 m @ 1.99 g/t Au (hole AL97-1) which was an attempt to twin high grade encountered in hole A87-30 (25.6 m @ 29.9 g/t Au).

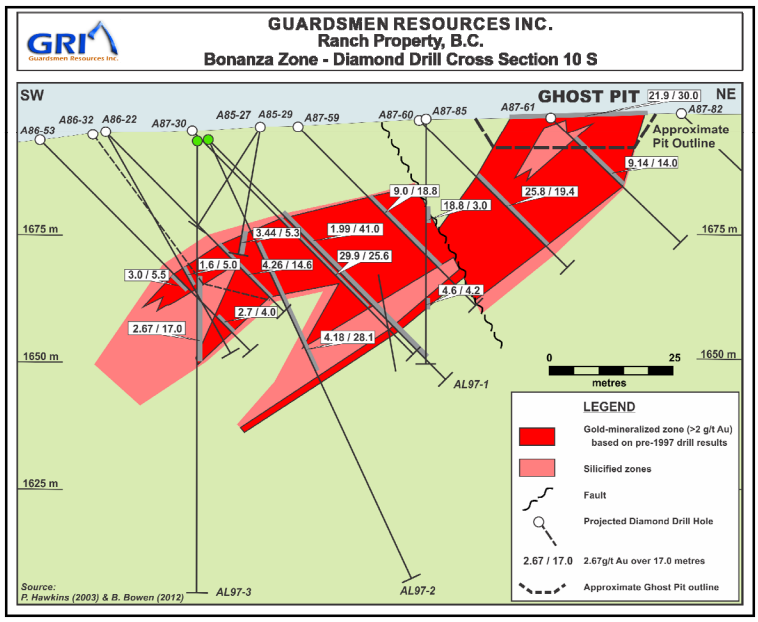
Thesis III Zone drilling (70 ddh; 4667 m) tested the generally sub-vertical zone over a NW-SE strike length of 200 m and to a depth of up to 125 m; the zone consists of three distinct core zones of silicification enveloped by an elliptical zone of argillic alteration; moderate to high-grade gold mineralization is directly associated with barite and is hosted by silicified rock with a porous, vuggy texture; shallow drilling (10-30 m below surface) returned intercepts of 16.0 m @ 11.87 g/ Au (hole 06-01) and 24.0 m @ 10.75 g/t Au (hole 06-02); results from deeper drilling returned grades <3.0 g/t Au over up to 6.0 m, but the intersection of mineralized siliceous zones at depth indicates potential for a bigger system.

BV Zone drilling (48 ddh; 2278 m) tested 350 m of NW-SE strike length to depths of up to 60 m, but was focused on a 180 m segment that reaches widths 40 m in width and dips steeply to the north; it contains discrete barite veins 0.2 to 2.0 m wide that contain most of the gold; 10 ddh (362 m) tested BV South zone along 120 m of its S-SE strike length to depths of 40 m.

Bingo Zone drilling (14 ddh; 1545 m) outlined two parallel zones of pyritic and locally baritic silica-hosted gold mineralization that dip NE; open along strike to NW & SE and at depth; strongly anomalous in Cu and Ag; deeper drill intersections include: 44.0 m (106.57 - 150.57 m) @ 1.23 g/t Au, 5.68 g/t Ag & 0.29% Cu (hole 88-12).

Historical Resource Est (**not NI 43-101 compliant**) for Selected Zones

Zone (Author, Year)	Cut-off grd (g/t Au)	Tonnes	Grade (g/t Au)	Tonnes Mined	Tonnes Milled
Bonanza				4700	4700
(Cheni, 1992)*	5.00	69,225	14.06		
(Micromine, 2007)*	1.00	410,750	5.03		
Thesis III				4500	4500
(Cheni, 1992)*	3.50	13,012	16.75		
(Micromine, 2007)*	1.00	64,410	7.23		
BV				49,790	32,000
(Micromine, 2007)*	1.00	129,810	7.01		



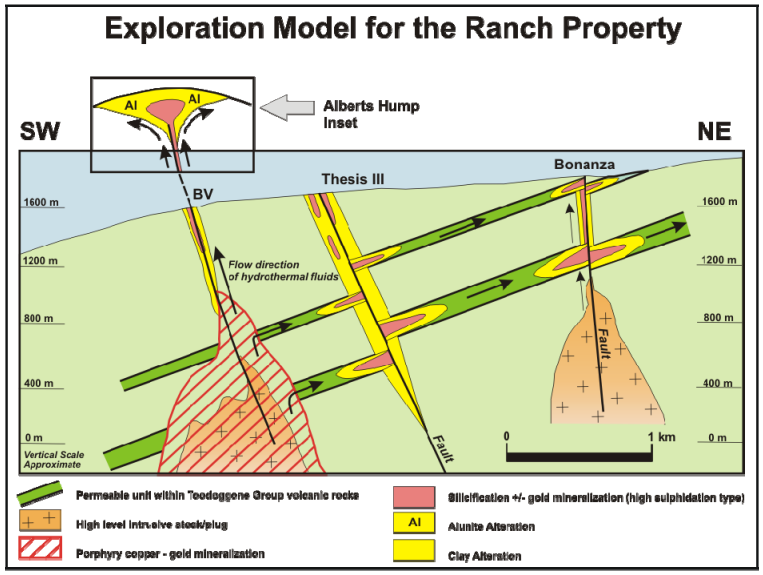
Recommendations

A May 2012 NI 43-101 report by B.K. Bowen recommends an exploration program consisting of 2500 m of drilling in 5 known, but underexplored zones (Bingo, Patti, Steve's, Thesis II & South Ridge), 2000 m of excavator trenching (Bonanza North, Mickey & South Hump), 10 km^2 deep-penetrating 3D-IP, prospecting, mapping and geochemical sampling.

Summary

The Ranch property is vastly underexplored. Past work has resulted in discovery of 19 zones of gold mineralization and small-scale surface mining of 3 of the zones. The property offers a considerable data set, an in-place permit and reclamation bond valid until November 2014.

Exploration potential for economic structurally-controlled or replacement-style high sulphidation epithermal gold±silver deposits, and spatially/genetically related buried porphyry copper-gold deposits is considered to be excellent.



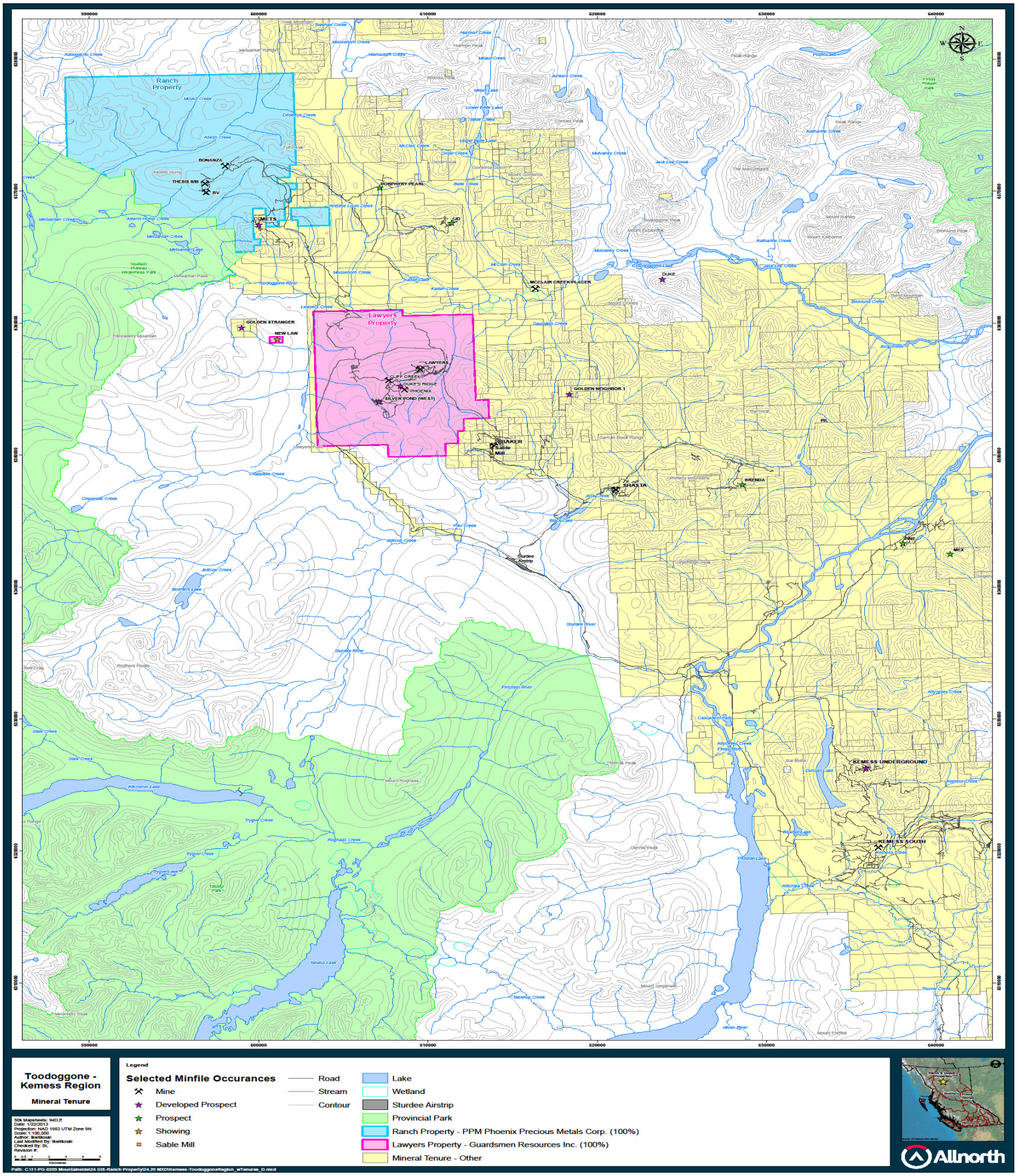


Figure 1: ownership of Ranch is Guardsmen and Lawyers PPM