



# Oweegee Copper-Gold Project



*Delta Target*

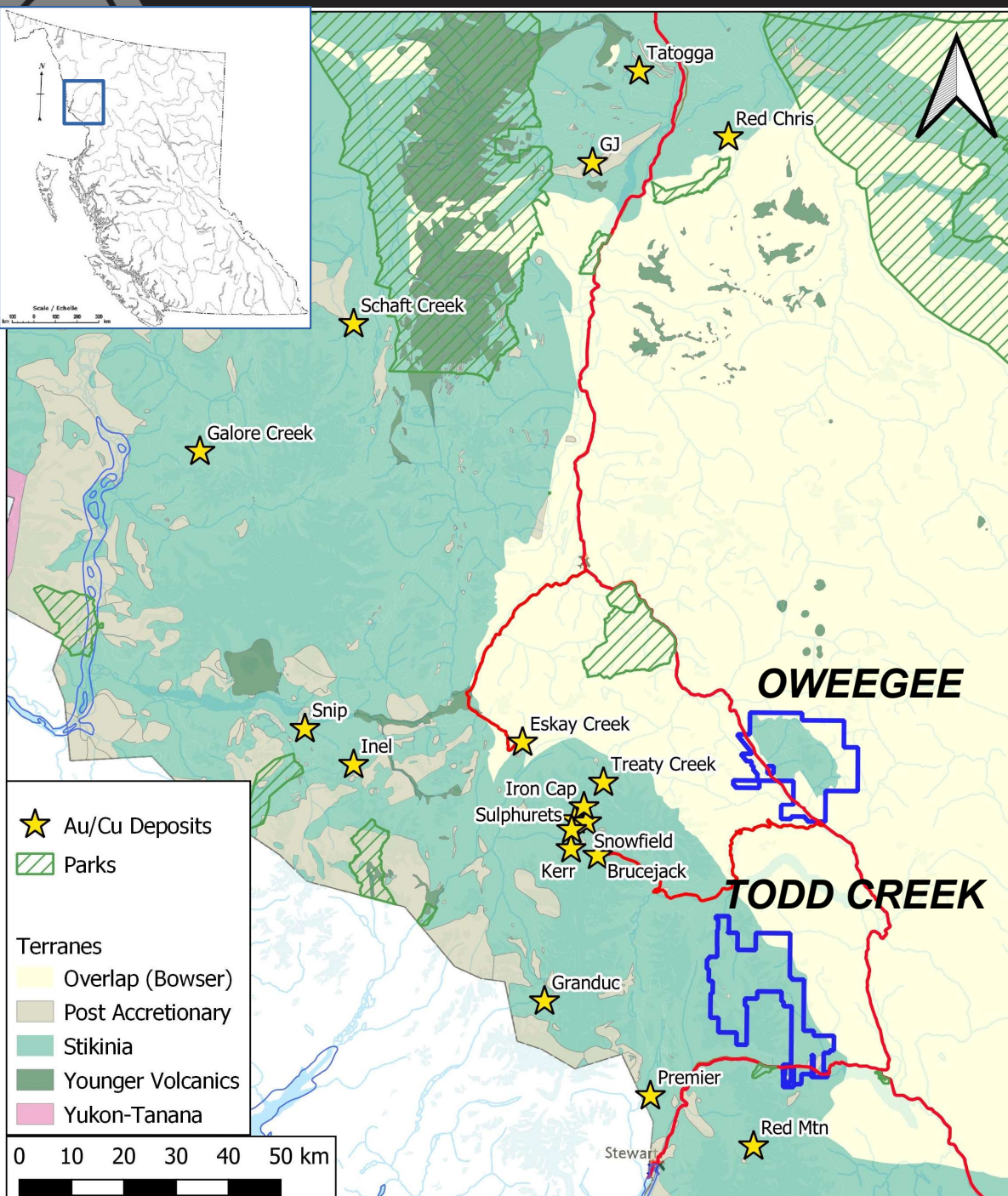


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*Delta Target*

# ArcWest's Golden Triangle Assets: Todd Creek and Oweegee



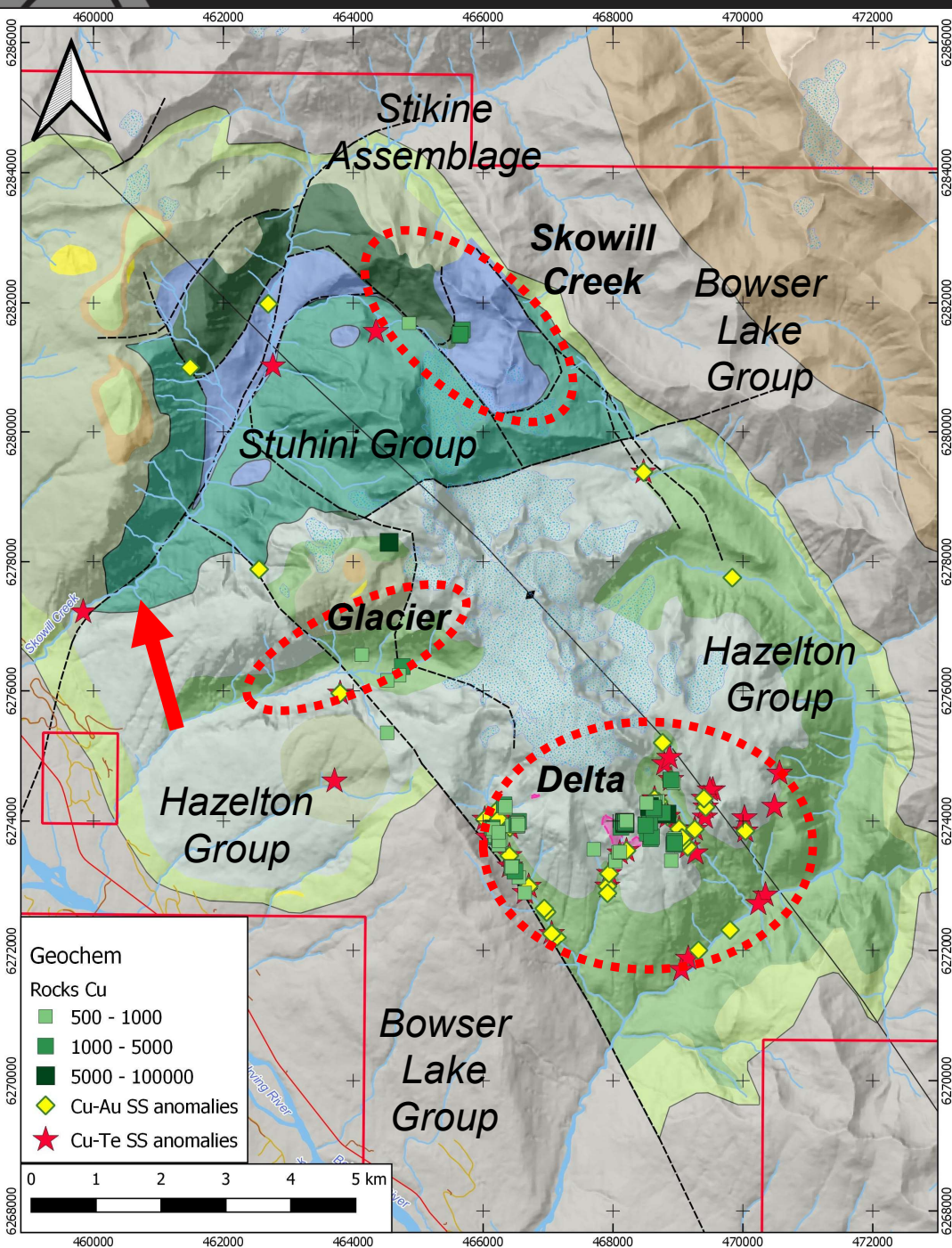
ArcWest owns two large land packages in B.C.'s Golden Triangle, close to one of the world's largest clusters of unmined gold-copper deposits (Seabridge's KSM project) and several producing and past producing gold-silver mines (Brucejack, Premier, Scottie Gold). Newcrest recently acquired Pretium's Brucejack mine in a transaction valued at \$3.5 billion.

Both Todd Creek and Oweegee are crossed by paved highways and contain large underexplored copper-gold systems



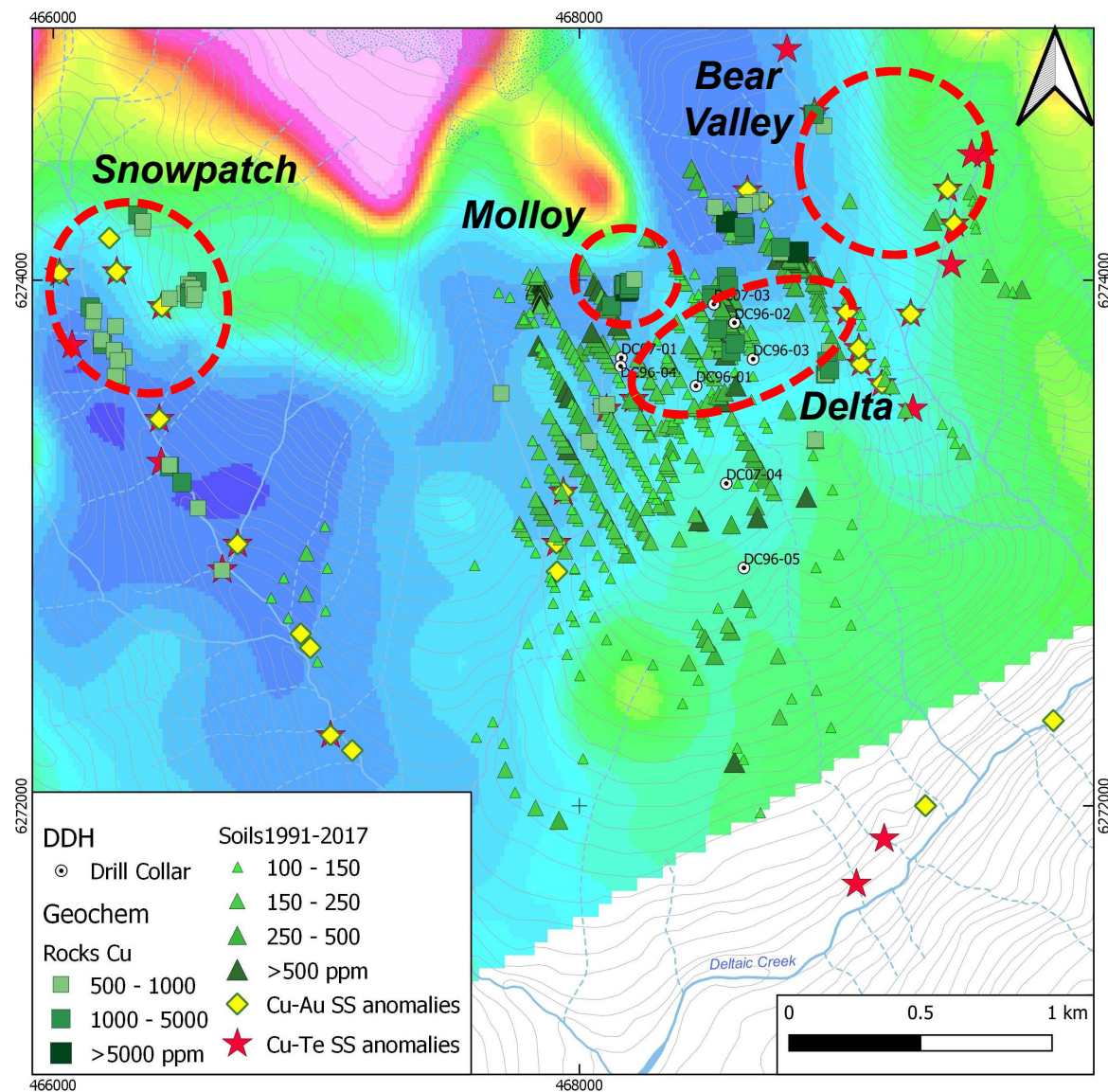
*Recently exposed gossan, Yellow Bowl zone, Todd Creek Project*

# Oweegee Cu-Au Project – Porphyry Country



- The 31,000 hectare Oweegee Cu-Au Project, 45 km east of the supergiant KSM porphyry deposits (Seabridge), covers a structural culmination exposing Stikine Terrane volcanics and intrusive rocks below Bowser Lake Group sediments,
- The regionally significant Stuhini - Hazelton contact, (red arrow) closely associated with major porphyry copper-gold deposits, bisects the culmination
- A large historical exploration database includes rock, soil and silt geochem, airborne mag and EM, but only limited drilling in the Delta zone
- Drill testing of the Delta target in 1996 and 2007 intersected broad intervals of elevated Cu+Au in strongly altered breccias and diorite porphyry
- In 2021 mapping and sampling confirmed high grade Cu+Au assays northwest of historical drilling are in a zone of potassic altered intrusive rocks cut by porphyry-style B veins (Molloy zone)
- A 2017 stream sediment survey outlined a large porphyry-related Cu-Te-Au anomaly around the Delta target and extensive polymetallic anomalies in the Skowill Creek area
- Follow up of stream sediment anomalies in 2018 discovered a new, potassic altered, Cu-bearing intrusion over 1.7 km from known mineralization (Snowpatch zone)

# Oweegee: Cu Geochemistry and Magnetic Anomaly



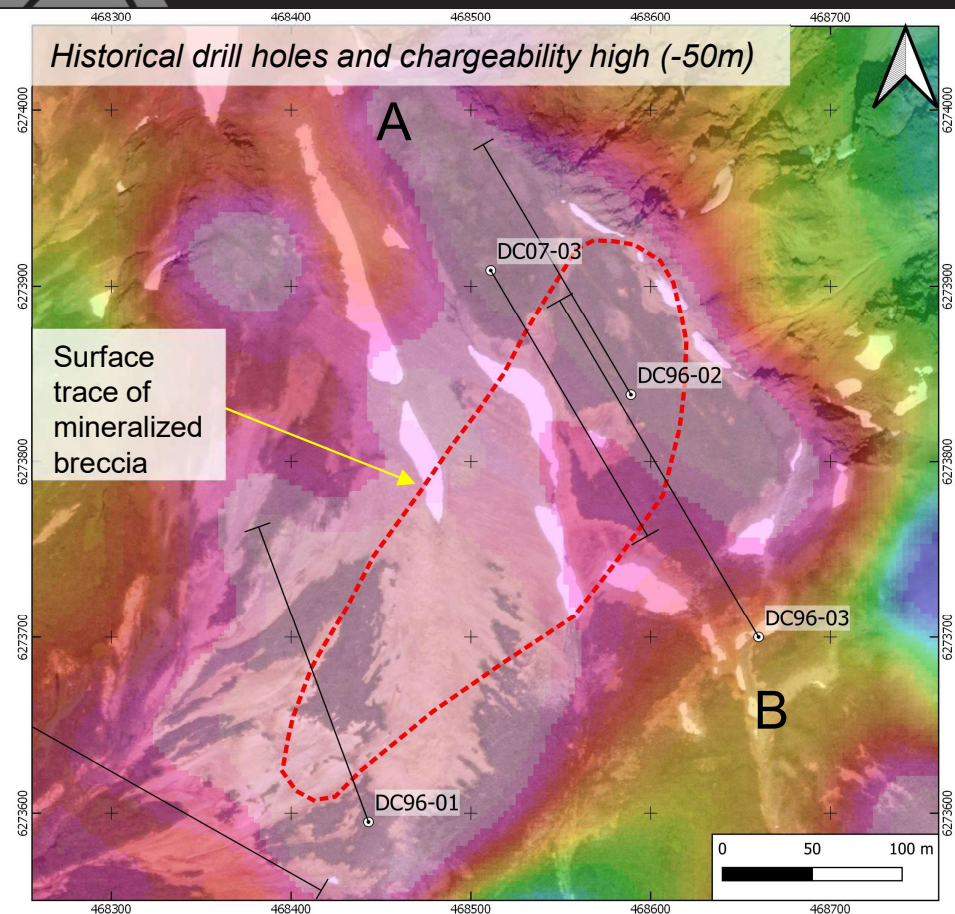
*Anomalous rock, soil and stream sediment geochemistry on airborne magnetics*

- The Delta Porphyry target lies within a large magnetic low consistent with extensive magnetite - destructive alteration
- Drill testing of the Delta Zone intersected intensely QSP altered intrusives and multiphase mineralized breccias which are open down dip
- Additional porphyry targets at Molloy, Snowpatch and upper Bear valley have yet to be tested

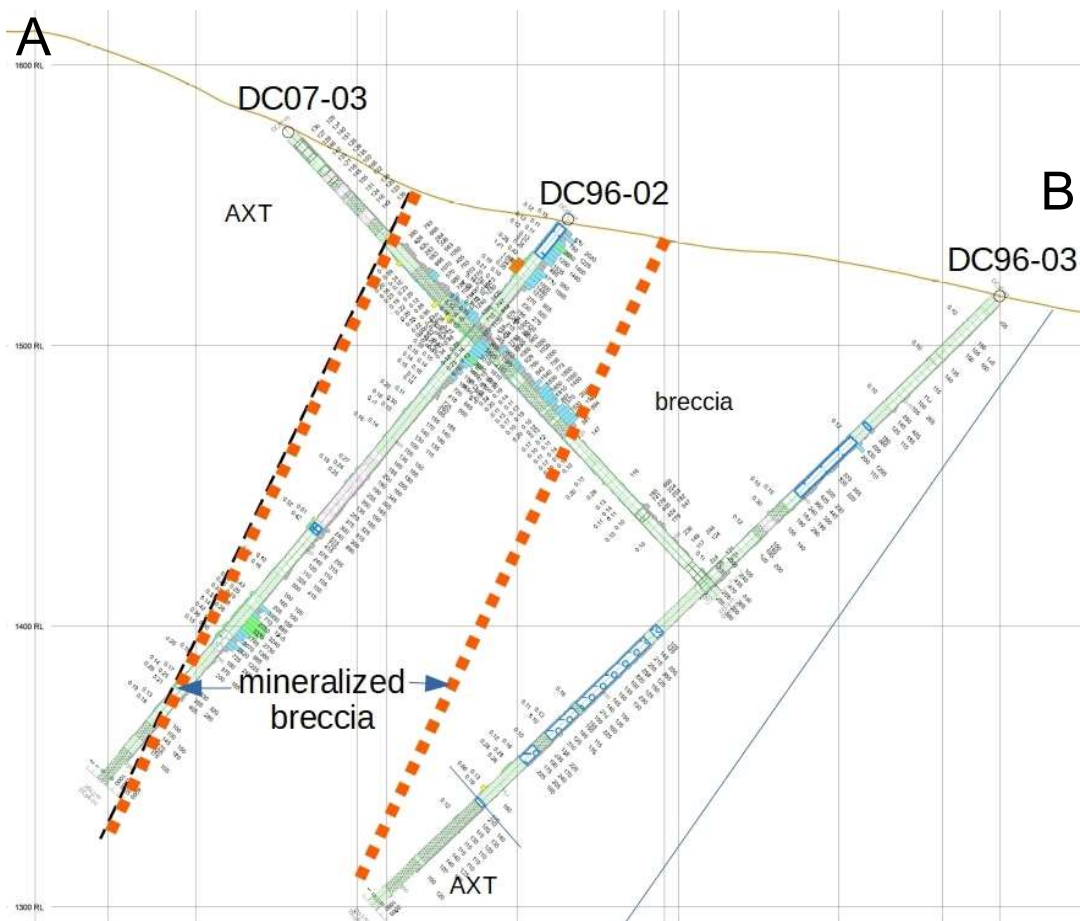


*Looking SE at Delta zone from collar of DC07-01*

# Delta Zone: Cu-Au Mineralized Breccia Body



*Rubby clay-pyrite altered Delta zone breccia outcrops*



*Cross section of Delta zone looking NE showing steep NW plunging breccia*

DDH	From (m)	To (m)	Int (m)	Au (g/t)	Cu (%)
DC96-02	3.05	73.45	70.40	0.263	0.12
Incl.	7.55	28.45	20.90	0.520	0.15
and	174.30	197.10	22.80	0.276	0.17
DC07-03	59.26	145.56	86.30	0.228	0.10
Incl.	80.16	95.80	15.64	0.442	0.10

# Delta Zone: DC07-03 Mineralized Breccias



61m: 591 ppb Au, 668 ppm Cu. Polymictic breccia sulfide-quartz matrix



86.5m: 589 ppb Au, 1140 ppm Cu. QSP altered breccia with pyrite clasts.



142.3m: 121 ppb Au, 1520 ppm Cu. Big quartz vein clast (Q) with sulfides in QSP altered breccia with sulfide rich matrix



184.6m: 104 ppb Au, 469 ppm Cu. Polymictic beccia with shardlike clasts



143m: quartz vein with sulfide centerline (arrow) in intrusive clast



193.2m: 85 ppb Au, 424 ppm Cu. Breccia with porphyry clast with qtz-sx vein (upper left)

# Delta Zone: DC07-03 Breccias and Veins



52m: Top of heterolithic hydrothermal-magmatic / intrusive breccia with hb biotite plag phyrlic clasts



101m: QSP/clay-pyrite altered breccia with pyrite-chalcopryrite veins parallel to core axis



127m: 136 ppb Au, 1540 ppm Cu. QSP altered intrusion with pyrite-chalcopryrite veins and crackle breccia



101-102m: 232 ppb Au, 1130 ppm Cu. Intensely QSP altered volcanics with sulfide + gypsum veins



141m: 177 ppb Au, 2010 ppm Cu. QSP altered breccia with porphyry style vein fragments with pyrite centre lines



171.4m: Monomictic porphyry breccia - volcanic breccia contact



185m: 61 ppb Au, 741 ppm Cu. QSP/clay-pyrite altered hydrothermal+magmatic breccia with qtz-pyrite vein.

# Molloy Zone: Untested Porphyry Cu-Au Mineralization

## *Molloy Zone (former Northwest Zone)*

Eleven grab samples collected in 1997 averaged **0.53% Cu, 1.09 g/t Au and 4.8 g/t Ag**

Additional sampling in 2021 averaged **0.36% Cu, 0.88 g/t Au, 4.4 g/t Ag** (14 grab samples)

The downslope area contains a 400m x 400m Cu-Au soil anomaly with assays up to 0.1% Cu and 0.9 g/t Au.

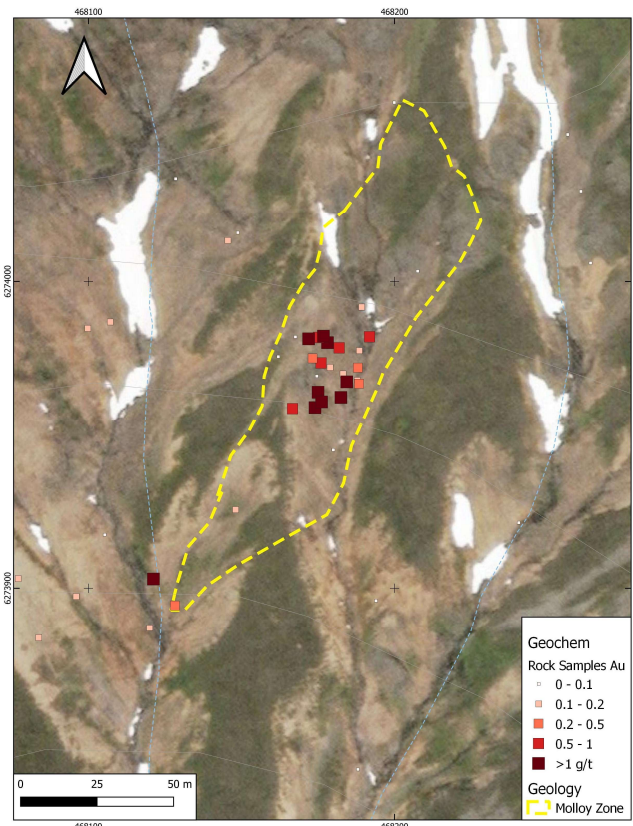
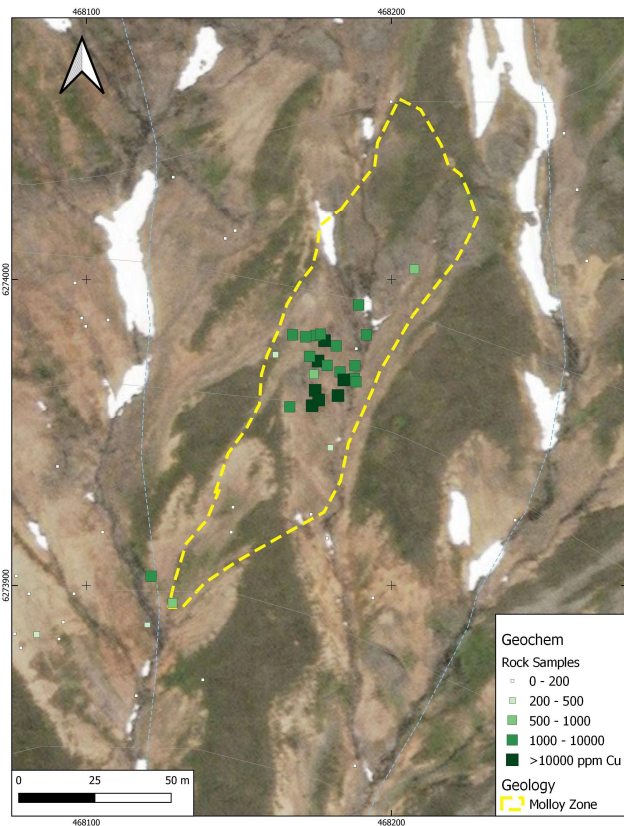
*Potential  
2022 drill pad*

*Potential  
post mineral  
volcanic  
rocks?  
Porphyry Cu-  
Au system  
open to north?*

*Delta Zone*

***Despite hosting the most significant Cu-Au assays in grab samples on the property, Molloy Zone remains untested by drilling***

# Molloy Zone: Cu, Au, Ag Geochemistry



- Molloy Zone is hosted by a microdiorite (latite porphyry) intrusion and contains a stockwork of porphyry B veins (quartz-chalcopyrite-pyrite±magnetite); relict potassic alteration is overprinted by sericite-chlorite-carbonate;
- Rock sample assays (1997 and 2021):

Sample	X_UTM	Y_UTM	Au_ppm	Ag_ppm	Cu_ppm
A0420017	468121	6273903	2.20	1.4	1635
A0420022	468176	6273961	3.82	15.3	10900
A0420023	468172	6273981	2.37	16.2	8270
A0420061	468189	6273992	0.17	1.2	1230
A0420062	468188	6273967	0.31	9.7	2040
A0420063	468192	6273982	0.62	5.4	5320
A0420064	468208	6274003	0.02	0.5	531
A0420163	468128	6273894	0.50	0.5	586
A0420167	468162	6273976	0.03	0.2	431
A0420168	468175	6273969	0.04	0.4	537
A0420169	468177	6273982	1.12	5.2	7120
A0420170	468168	6273982	0.04	0.4	1565
A0420171	468167	6273959	0.70	2.3	3630
A0420176	468180	6273945	0.04	0.3	453
A0420177	468188	6273972	0.46	3.3	7140
A0420178	468120	6273887	0.16	0.4	233
460232	468176	6273974	0.98	4.0	6220
460233	468173	6273975	0.29	1.0	2950
460234	468179	6273972	0.19	1.2	2530
460235	468183	6273970	0.13	0.6	2480
460236	468188	6273968	0.18	0.4	1100
460237	468178	6273980	1.03	4.0	6830
460238	468175	6273982	0.87	3.2	3860
460239	468182	6273978	0.67	3.2	4900
600761	468188	6273978	0.12	-0.2	35
600762	468184	6273967	2.52	11.8	13500
600763	468174	6273959	3.48	15.8	8440
600764	468182	6273962	1.70	8.4	6190
600765	468175	6273964	3.06	9.2	11700

Looking West across the Molloy Zone





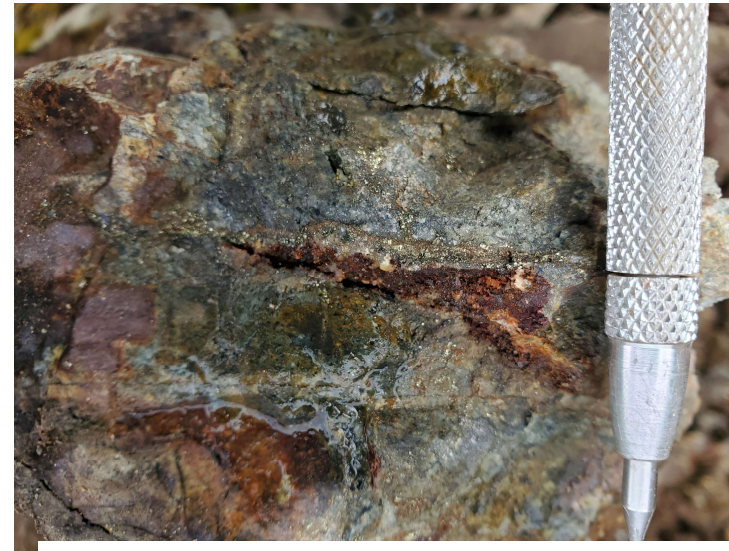
# Molloy Zone: Porphyry Cu-Au veins



Sheeted qtz-cp B veins, 0.71% Cu, 1.12 g/t Au (sample 420169)



Stockwork qtz-cp B veins, 0.36% Cu, 0.70 g/t Au (sample 420171)



Stockwork qtz-cp B veins, 0.83% Cu, 2.37 g/t Au, 16.2 g/t Ag (sample 420023)



Quartz stockwork B veins in outcrop

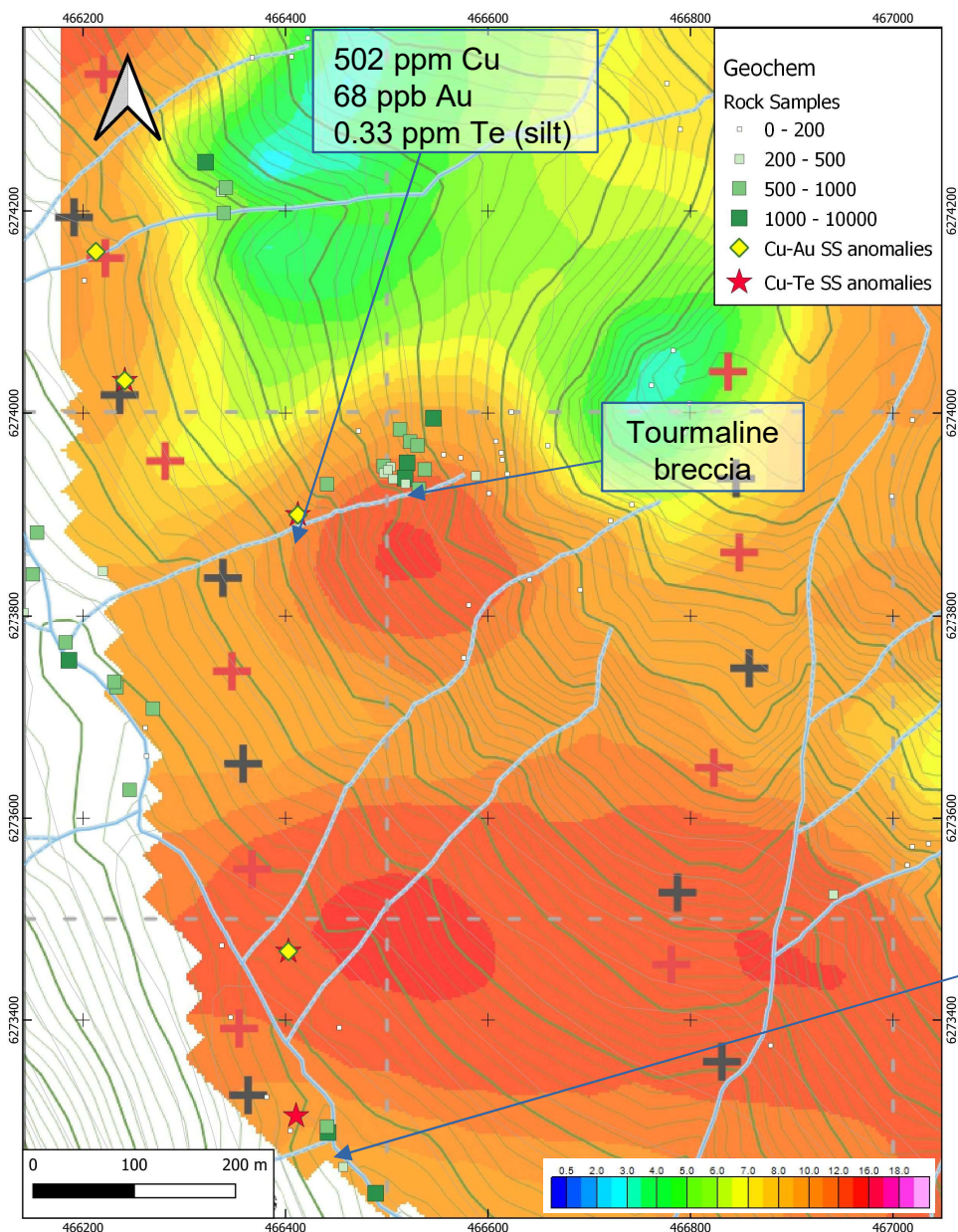


Polymetallic hydrothermal breccia, 12.4% Zn, 0.20% Cu, 0.31 g/t Au, 9.7 g/t Ag (sample 420062)



Sheeted qtz-cp B veins, 0.53% Cu, 0.62 g/t Au (sample 420063)

# Snowpatch Zone: Porphyry Dykes and Mineralized Breccias



*Snowpatch Zone – Cu in rocks, stream sediment anomalies, and chargeability (300m depth slice)*

- Two km west of the Molloy Zone, the Snowpatch Zone contains altered and Cu-Au mineralized porphyry dykes and hydrothermal breccias in outcrop and float over an area of at least 0.5 x 1.5 km.
- The extent of the zone is highlighted by a number of stream sediment samples with anomalous Cu, Au and Te values
- Two well defined chargeability highs were outlined in 2021; to date the zone has never been drill tested



*Breccia with potassic altered quartz latite and quartz vein clasts in hydrothermal matrix of quartz-biotite/chlorite-anhydrite-pyrite±chalcopyrite; 1340 ppm Cu, 68 ppb Au; sample 420184*

# Snowpatch Zone: Alteration and Breccias



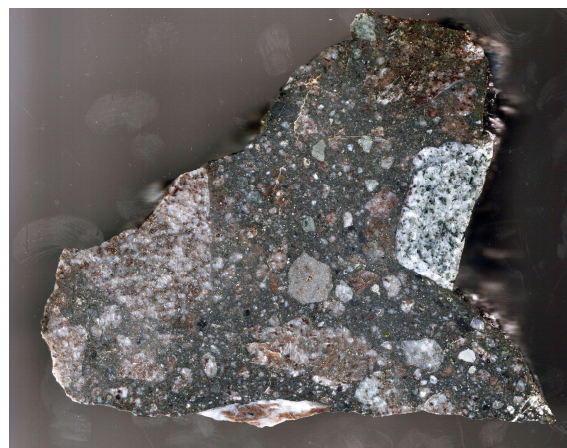
*Tourmaline breccia, Snowpatch Zone*



*Biotite alteration  
and disseminated  
py-cp in porphyry  
dyke; stn  
OW21SS144*



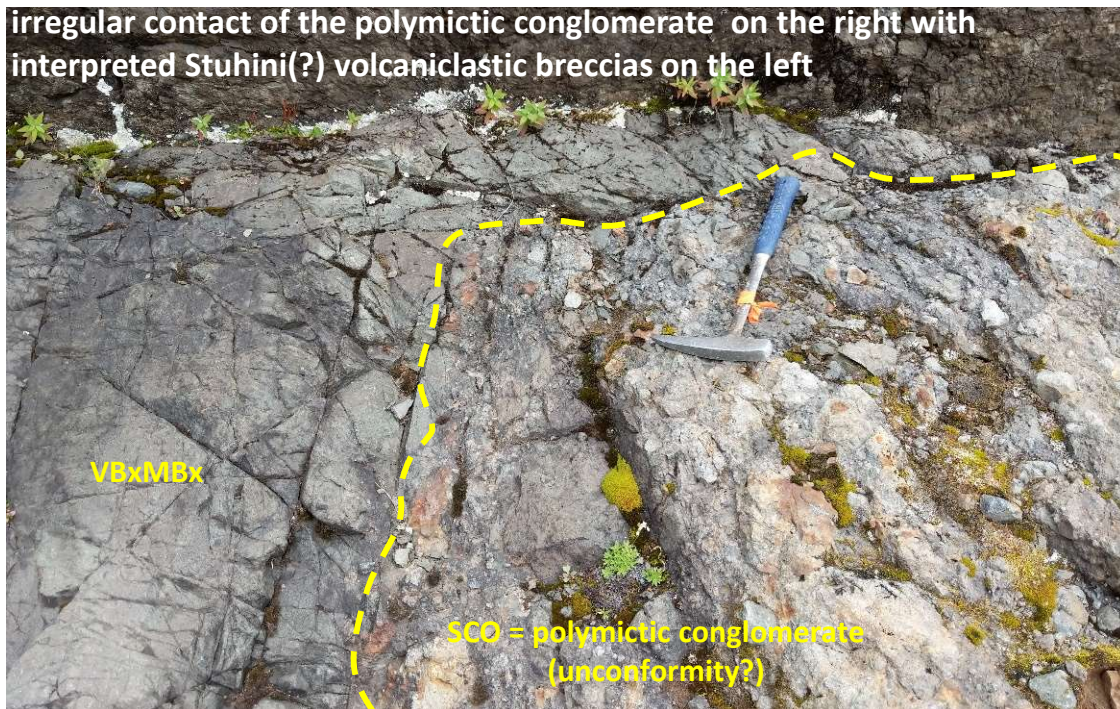
*Porphyry breccia, relict  
potassic overprinted by  
sericite-chlorite alteration  
cut by qtz-cb-sx veins;  
582 ppm Cu  
sample 420183*



*Strongly potassic (albite-  
Kspar-quartz-biotite-  
anhydrite-pyrite) altered  
breccia with latite porphyry  
clasts in matrix of Kspar-  
quartz-secondary biotite-  
anhydrite-pyrite  
996 ppm Cu, 53 ppb Au  
sample 420185*

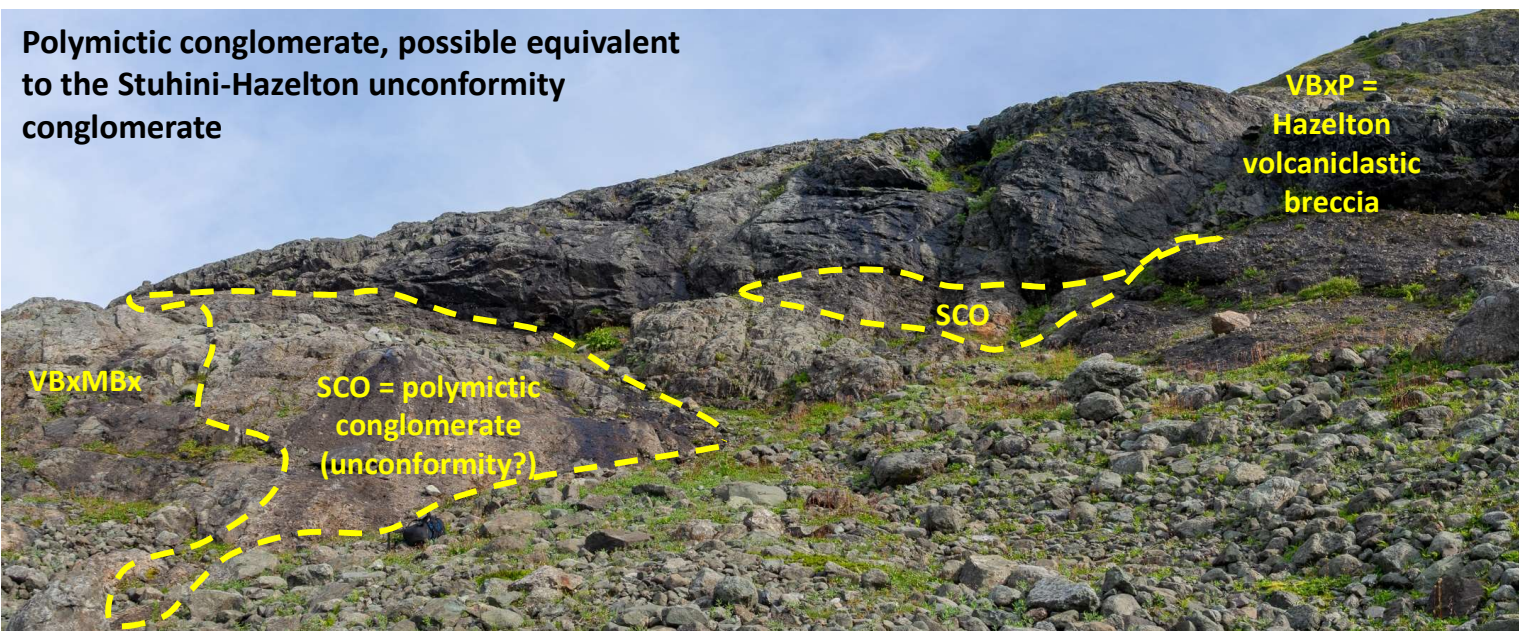
# Oweegee: Hazelton–Stuhini Unconformity?

irregular contact of the polymictic conglomerate on the right with interpreted Stuhini(?) volcanoclastic breccias on the left



- The regionally important Stuhini-Hazelton unconformity may be present as discontinuous polymictic conglomerate outcrops on the west side of the Delta Zone.
- The conglomerate contains abundant intrusive clasts locally containing porphyry-style veining.
- Alternatively some of these outcrops may include altered and mineralized diatreme breccias

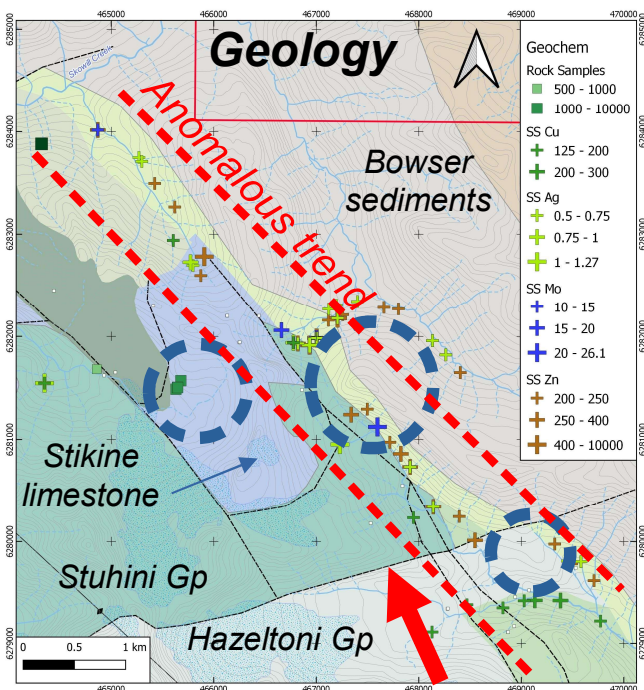
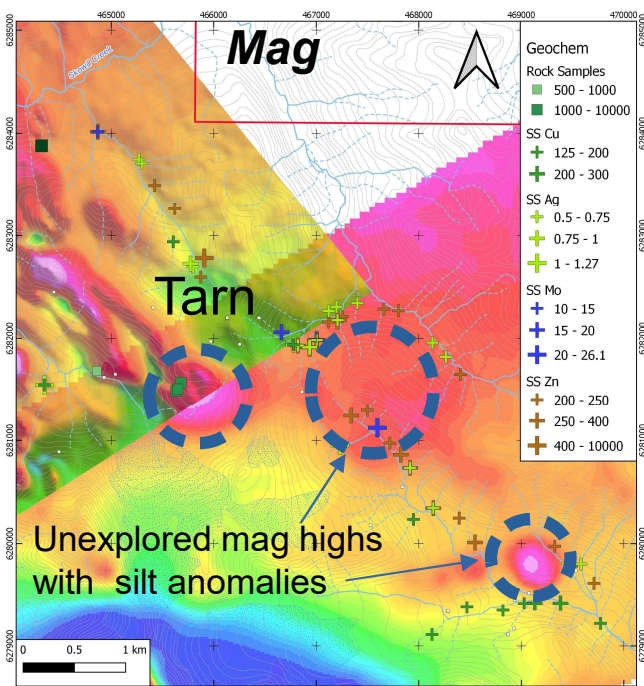
Polymictic conglomerate, possible equivalent to the Stuhini-Hazelton unconformity conglomerate



Altered porphyritic intrusive clasts with local, porphyry style veins



# Skowill Creek: Tarn Zone and Unexplored Anomalies



- In the northern part of Oweegee, the Tarn Zone is part of a 7 km long belt of polymetallic stream sediment anomalies (Cu-Zn-Mo-Ag) associated with discrete mag highs
- Discovered in 2021, Tarn contains zones of semi-massive magnetite-specular hematite-chalcopyrite-sphalerite and quartz-magnetite-chalcopyrite veins; limited sampling produced assays up to 5.72% Zn, 0.44% Cu and 4.2 g/t Ag
- Other than this new discovery, almost no exploration has been done yet to follow up on these anomalies



Skarn-like altered and veined mafic volcanics, Tarn  
5.27% Zn, 0.44% Cu, sample 420268

Gossanous skree of silica-pyrite altered  
potential porphyritic intrusive with barite veins,  
Tarn



# Sanatana Earn-In Agreement and 2022 Planning

*In April, 2022, Sanatana Resources Inc. completed Year One obligations under an earn-in agreement with ArcWest. Sanatana can earn an initial 60% interest (the “First Option”) in the Oweegee Project by funding, over a four-year period, cumulative exploration expenditures of \$6,600,000 and by making staged cash and share payments totaling \$500,000 and 2,000,000 common shares, respectively. Upon completion of the First Option and receipt of an initial interest notice from Sanatana, Sanatana will have a 60 day period to elect to earn an additional 20% interest in the Oweegee Project, for an aggregate 80% interest (the “80% Interest”), or to form a joint venture with ArcWest. The Second Option can be attained by completing and delivering to ArcWest a Feasibility Study on or before December 31st, 2027. In the event a production decision is made to place the property into production, Sanatana shall arrange project financing for the Joint Venture, the repayment of which shall be made out of cash flows from the property.*

*Sanatana has secured funding and contracts for a **5,000 m drill program** at Oweegee starting as soon as snow conditions allow. Field crews are scheduled to start on June 1, 2022. A 5,000 m drill contract has been signed with Atlas Drilling to provide a helicopter-portable drill rig capable of drilling in excess of 500 m hole length of HQ core.*

*Drilling will initially focus on geochemical and geophysical targets at the Molloy monzonite which hosts the strongest Cu-Au mineralization identified to date, but has never been drill tested.*

*In addition to drilling, additional induced polarization (IP) surveying is scheduled to start in early July 2022. The 2022 lines will expand on the previous year’s 3 x 1.6 km survey area around the Molloy zone as well as multi-kilometre reconnaissance IP lines at the Glacier and Skowill prospects.*



## Oweegee Cu-Au Project: Summary

*The Delta Zone is an underexplored porphyry Cu-Au system exposed over 20 square kilometers. Additional copper showings, multi-element anomalies and gossans occur throughout the property and require follow up exploration.*

*Shallow historical drilling at the Delta Zone intercepted significant Cu-Au mineralization over broad intervals within QSP altered breccias. This suggests potential to vector into higher grade porphyry Cu-Au mineralization with depth.*

*Exploration in 2021 documented porphyry style B veins with high Cu+Au values in the Molloy Zone, potassic altered copper-bearing breccias and porphyry dykes in the Snowpatch Zone, and newly discovered skarn systems in the Skowill Creek area. None of these targets has yet been drill tested. IP surveys outlined significant new targets both near surface and at depth.*

*An ambitious program of drilling is planned for 2022 to test some of these targets.*