



LYN PROPERTY

VEIN HOSTED SILVER - YUKON TERRITORY

- Tetrahedrite, argentiferous galena, sphalerite and chalcopyrite in quartz-calcite-siderite gangue with assays to **4328 g/t Ag**. Surface trenching returned up to **575 g/t Ag over 0.9 m** and **120 g/t Ag over 10 m** including **284 g/t over 2 m**.
- Best drill intersection to date - **1397 g/t Ag over 2.4 m**.
- Veins exposed over 275 m with individual veins traced up to 15 m.
- Airborne survey flown over the property but never followed up; the veins appear to be associated with an extensive swarm of conductors.
- Road accessible, approximately 4 km south of the Campbell Highway near Faro.

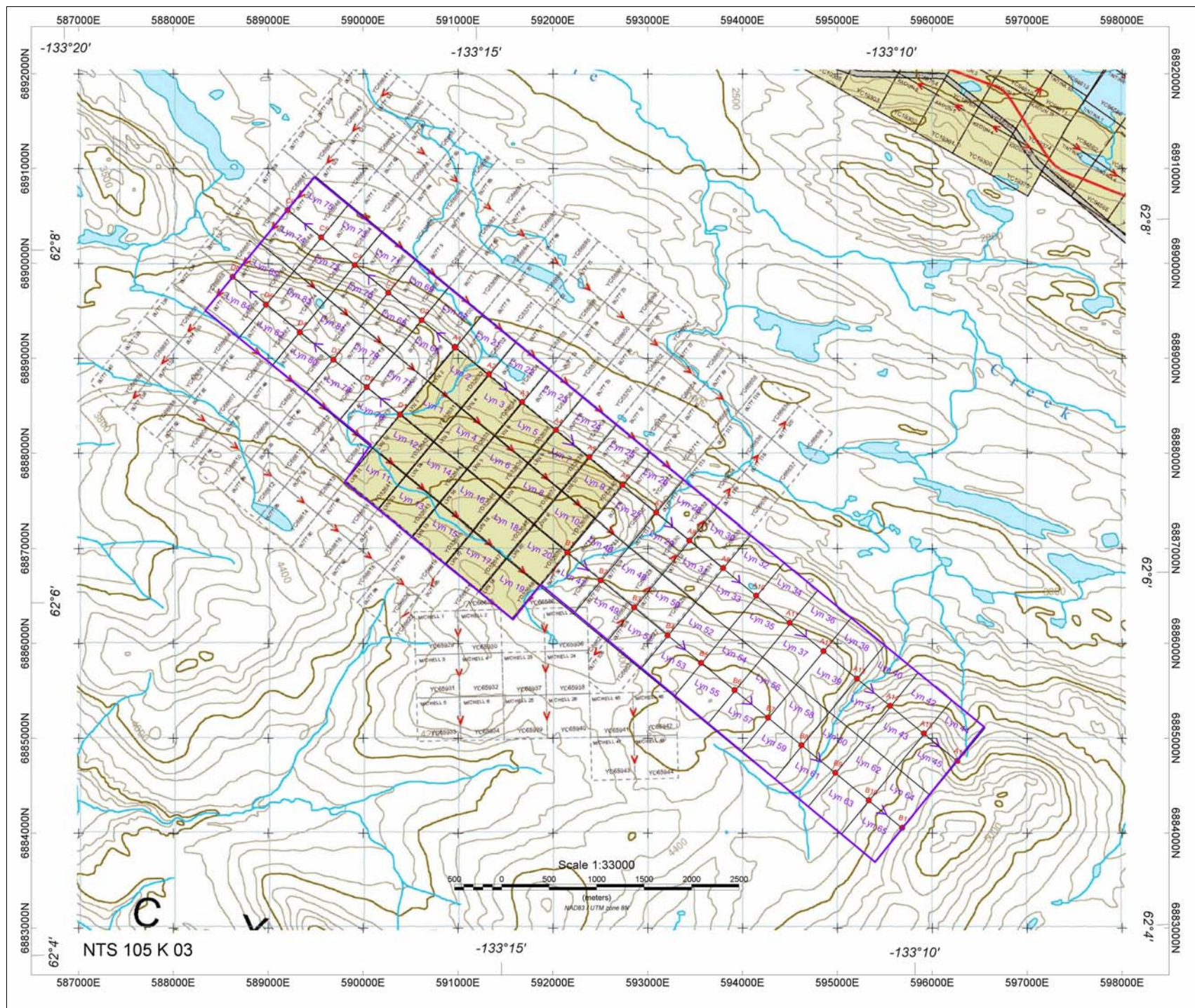
LOCATION & ACCESS

The Lyn Property is centred at 62° 06' N 133° 15' W on NTS 105 K 03 in the Whitehorse Mining District, Yukon Territory and consists of 86 Quartz claims (LYN 1-86). The property is owned by Pete Risby on behalf of 7606 Yukon Ltd and by Panarc Resources Ltd.. The property is 13 km SE of Faro and is readily accessible by a 4x4 road to the main showings.

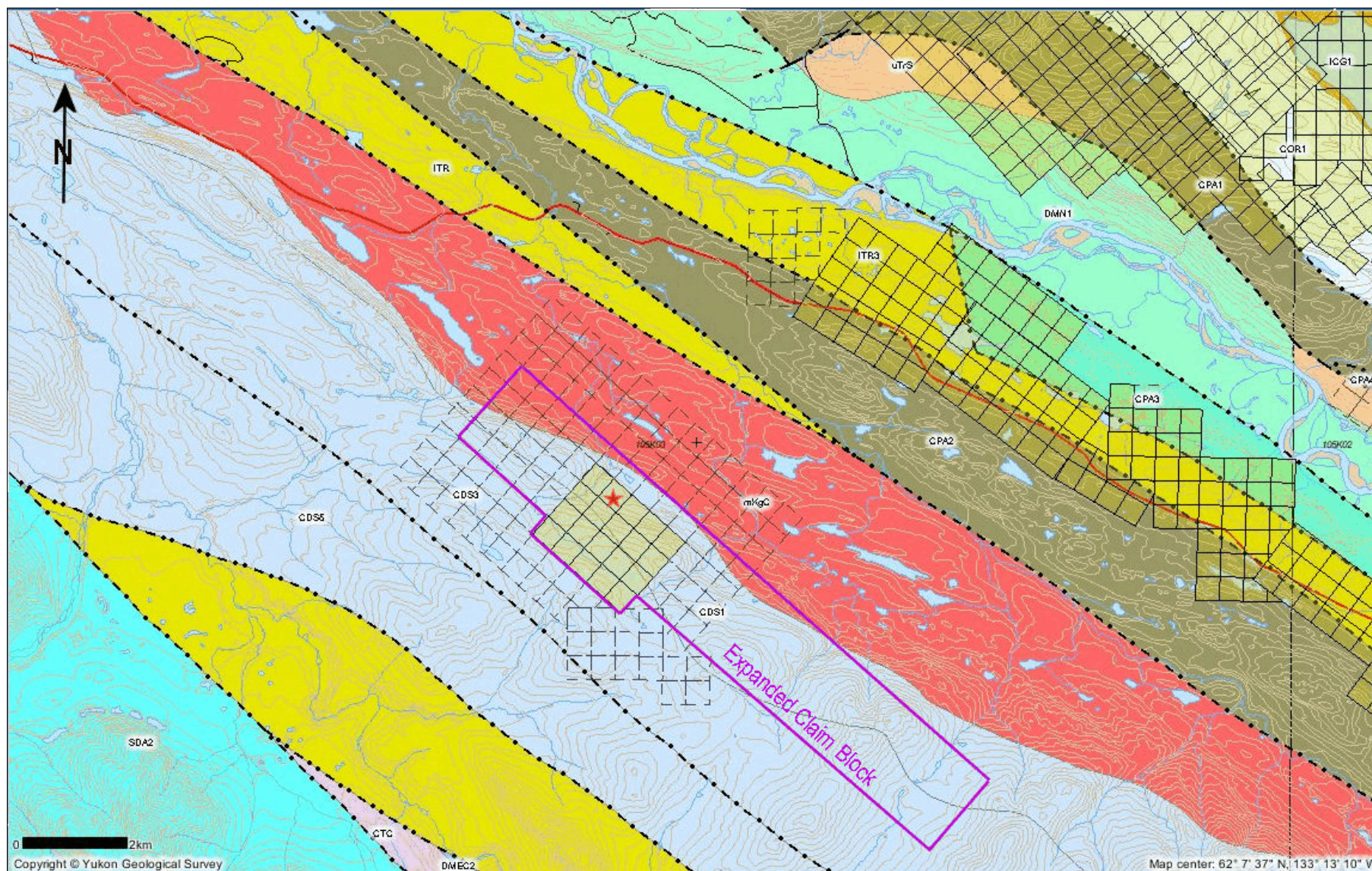
EXPLORATION HISTORY

Lead-zinc silver mineralization was discovered in the area by Kerr Addison in 1969 who explored the property with soil geochem, gravity and 3 drill holes. They subsequently optioned the property to Thales Exploration Ltd. who drilled 2 additional holes. The area of the LYN showing was restaked as the PUG Claims (part of the Woodside Project) and optioned in a package to a series of junior companies including Dominion Explorers, Sunexco Energy, Welcome North and Getty. Murnion United took over the claims in 1989 and held them until lapsing. He performed extensive trenching, stripping and road building on the site. The property was restaked by Pete Risby in August 2010 and the claim block was expanded by Panarc Resources in March 2011.

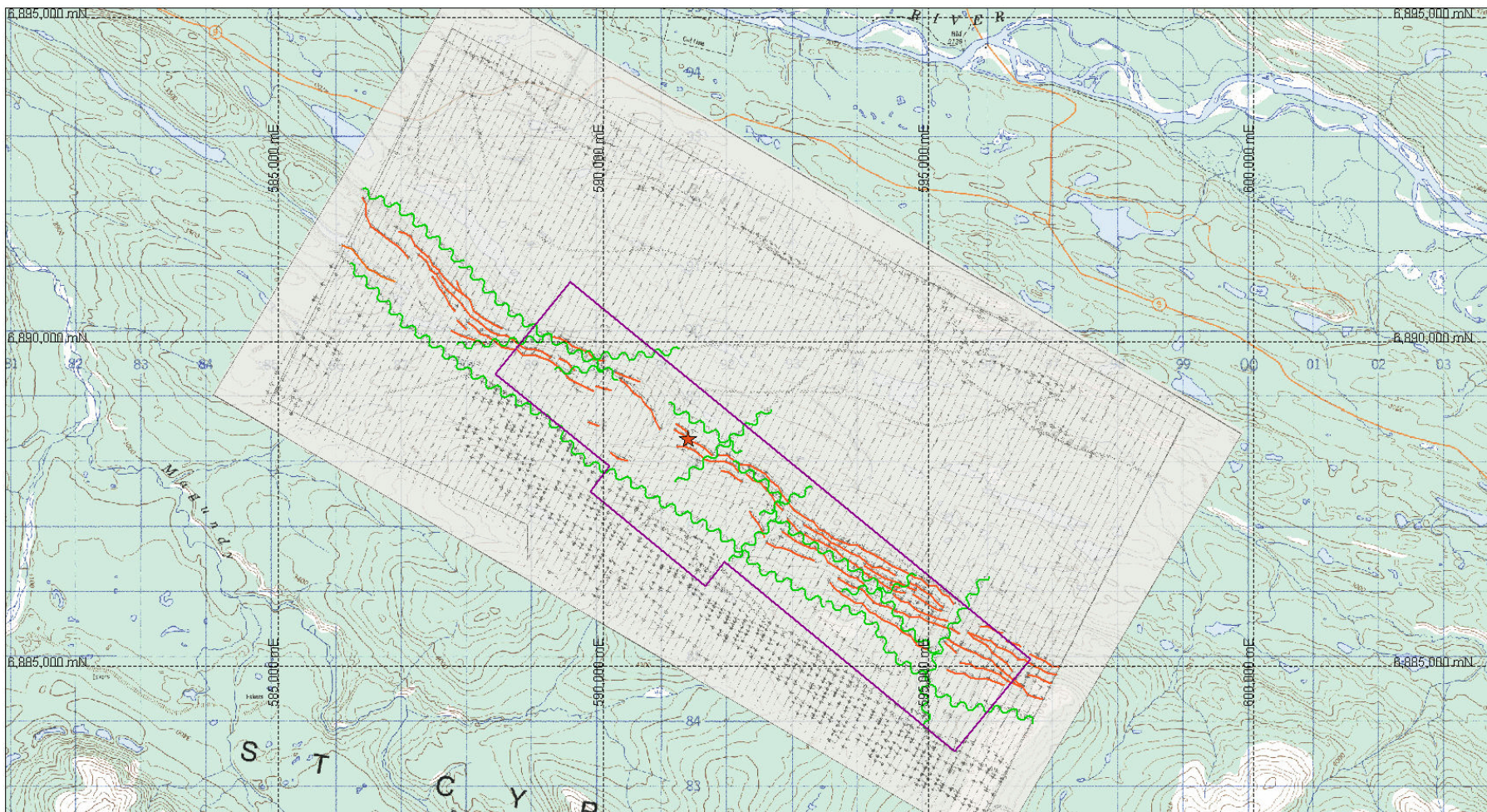




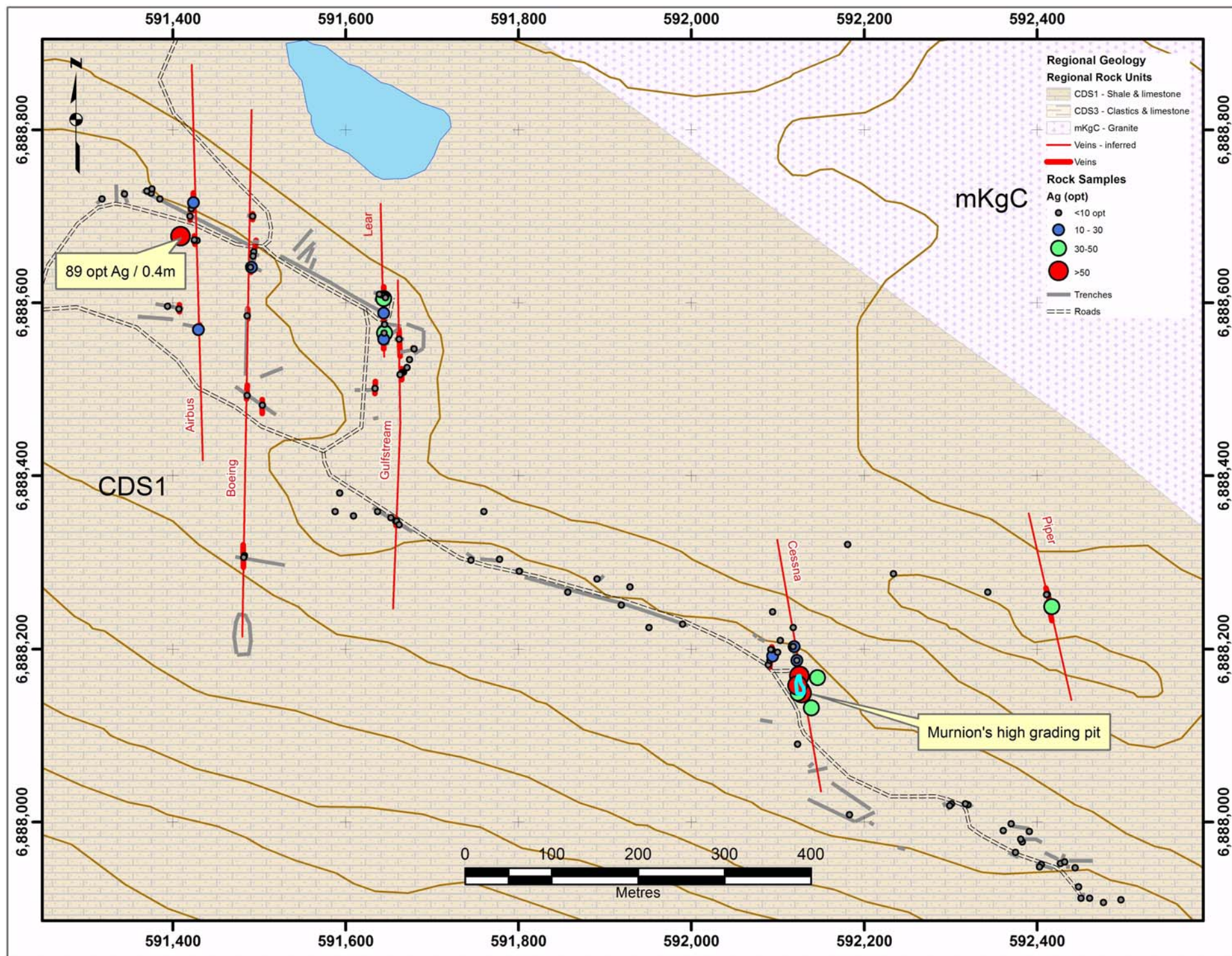
Lyn Property - Claim locations



Regional geology - Lyn Property area. The star indicates the location of the high grade silver mineralization on the property.



Overlay of 1987 Aerodat helicopter-borne EM survey conductors on topography. The claim block is outlined in purple and the star indicates the location of the high grade silver mineralization on the property. Conductors are in orange and magnetic breaks interpreted as faults or contacts are in green.



Detail map showing vein locations

GEOLOGY & GEOPHYSICS

The Lyn Property is underlain by Cambrian to Ordovician sandstone, calcareous sandstone and limestone of the St. Cyr Formation within the Cassiar Platform, immediately south of the Tintina Fault. In the immediate area of the showings, bedrock consists of calcareous phyllite and sandstone with interbedded limestone. Bedding and veining strike NNW to NNE and reverse dip, suggesting local folding.

High grade silver mineralization occurs in tetrahedrite and steel galena together with sphalerite, and chalcopyrite in veins with quartz-calcite-siderite-ankerite gangue. Vein widths are generally 0.4 to 1.0 m wide with some up to a couple of metres in drill intersections, channel samples and trench exposures. Individual veins can be traced along strike for up to 15 m and the network of veins has been exposed in trenching over a distance of at least 275 m. Mineralization appears to trend NW-SE along a major shear zone which follows a pronounced air photo lineament in part. While the property has been trenched and partially stripped, there are no records of systematic geological mapping or sampling in the public record. Best reported surface chip samples ran to 4328 g/t Ag, 57.52% Pb, 10.88% Zn over 0.3 m. The best drill intersection ran 1397 g/t Ag, 48.2% Pb and 14.7% Zn over 2.4 m.

An extensive helicopter-borne magnetic and electromagnetic survey was flown across the property during the Woodside Project. The Lyn showing mineralization is associated with a swarm of extensive weak to moderate SE trending conductors. These conductors have not been systematically investigated and their source is unknown.

PROPOSED EXPLORATION PROGRAM

Panarc Resources proposes to conduct detailed geological mapping focusing on structure in the area underlain by the high grade veins, supplemented by VLF-EM surveys to define the vein systems. Detailed geochemical profiles would follow along the defined vein traces to locate potential mineralized shoots. These would be tested by shallow (Packsack or Winkie) drilling. The potential of the property to support a renewed hand-sorted high-grading operation will also be examined.

THIS PROPERTY IS AVAILABLE FOR OPTION



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