



Chieftain Metals Corp

Tulsequah Chief Project Update
September 2013

Project Status

- Feasibility Study completed January 2013
- Special Use Permit, Parks Use Permits received January 2013
- Independent review of Feasibility Study complete
- Increase in total land package March 2013
- Financing discussions advancing
- Optimisation underway
 - increasing production
 - 2 year build
 - CAPEX review
- Fall 2013 Exploration Drilling Campaign
- Environmental Risk Assessment

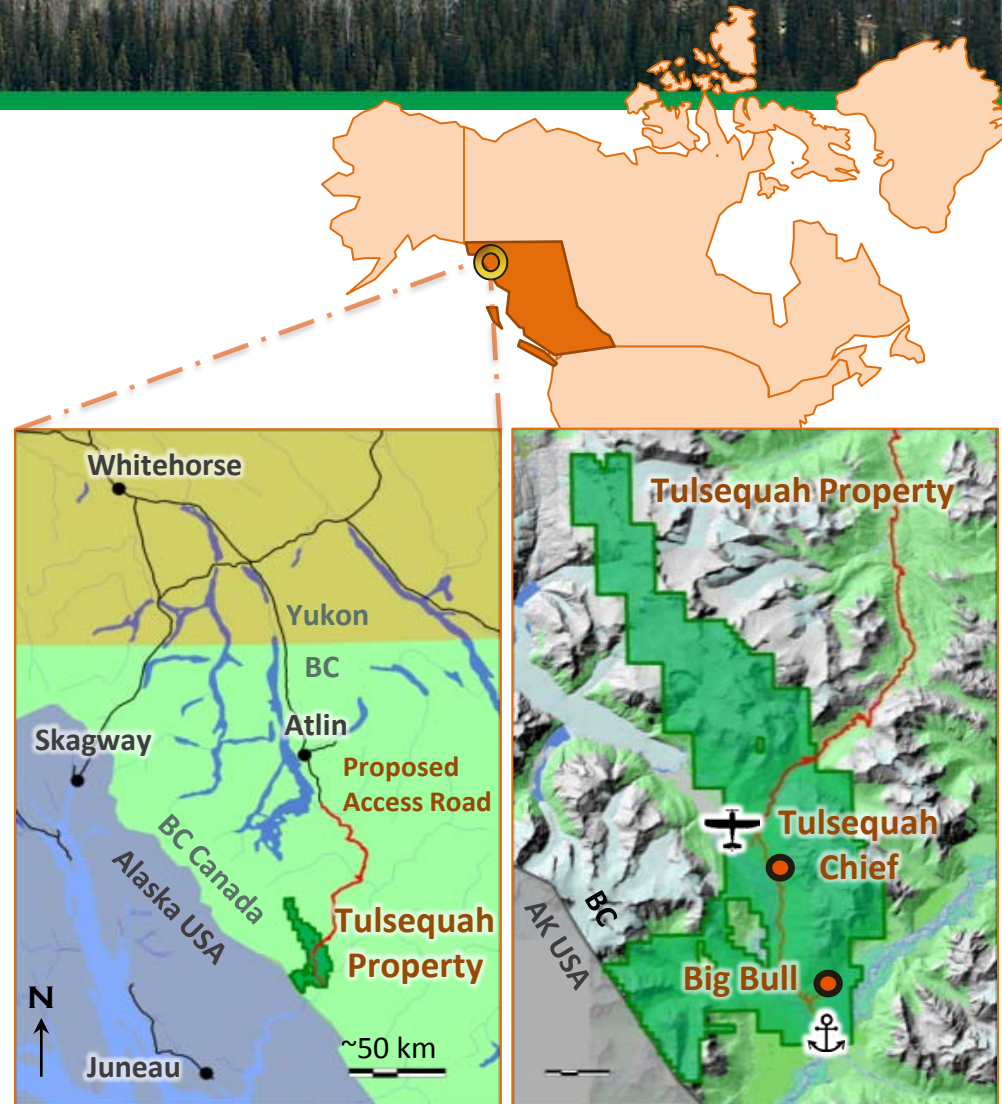
History and Location

HISTORY

- 1951-1957: mined by Cominco (Teck Resources)
- September 2010 – Tulsequah Property acquired
- January 2013 – feasibility study for Tulsequah Chief completed
- January 2013 – permits for construction received
- March 2013 – increased land package

LOCATION AND ACCESS

- Northwest B.C., 100 km south of Atlin
- 65 km northeast of Juneau, AK
- Existing airstrip and barge landing
- Ports at Skagway, AK and Stewart, BC



Production and Reserve Profile Sensitivity

		Base Case Feasibility	Scenario 1 Feasibility
Price Deck:			
<u>Assumptions:</u>			
Reserve	tonnes	6,447,098	6,447,098
Au Grade	g/t	2.30	2.30
Ag Grade	g/t	81.38	81.38
Cu Grade	%	1.12%	1.12%
Pb Grade	%	1.04%	1.04%
Zn Grade	%	5.59%	5.59%
LOM	yrs	9.5	8.0
Op Cost	\$/Tn	126.00	126.00
Sustaining Capex	CAD\$ M	69.00	79.00
Production	tpd	2,000	2,500
<u>Results:</u>			
NPV8% Pre-Tax	CAD\$ M	199.9	225.4
IRR Pre-Tax	%	16.5%	18.8%
NPV8% After-Tax	CAD\$ M	144.0	162.4
IRR After-Tax	%	14.7%	16.6%
Annual FP NSR	CAD\$ M	191.2	243.21
Annual FP Operating Cash Flow	CAD\$ M	119.5	152.57

Feasibility Prices: \$0.97/lb Zn, \$3.66/lb Cu, \$1.01/lb Pb, \$28/oz Ag, \$1,455/oz Au

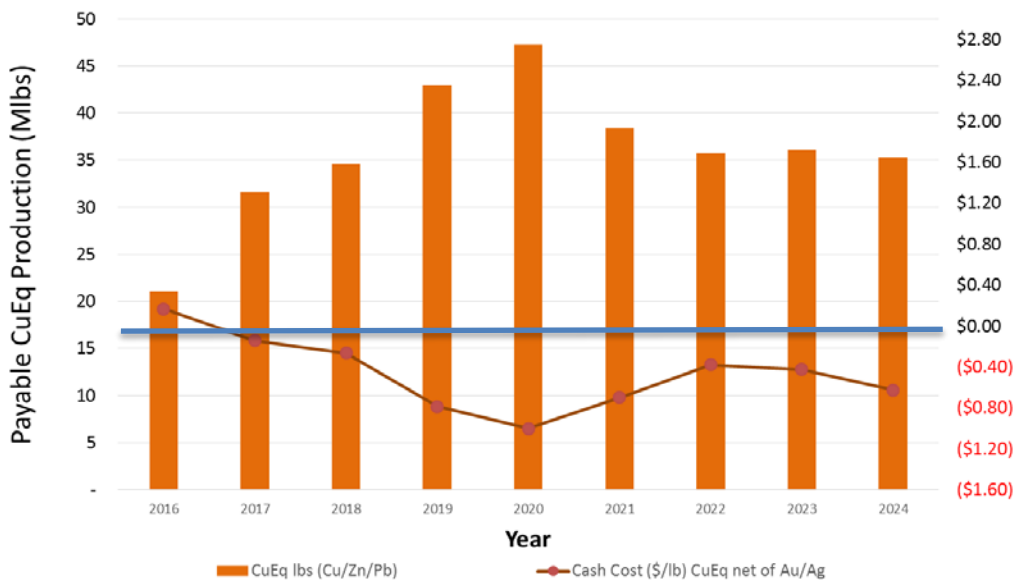
Consensus Economics August 2013 Prices: \$1.19/lb Zn, \$3.28/lb Cu, \$1.08/lb Pb, \$23.48/oz Ag, \$1,379/oz Au

September 9, 2013 Spot Prices: \$0.84/lb Zn, \$3.23/lb Cu, \$0.96/lb Pb, \$23.70/oz Ag, \$1,386/oz Au

Low Cost of Production

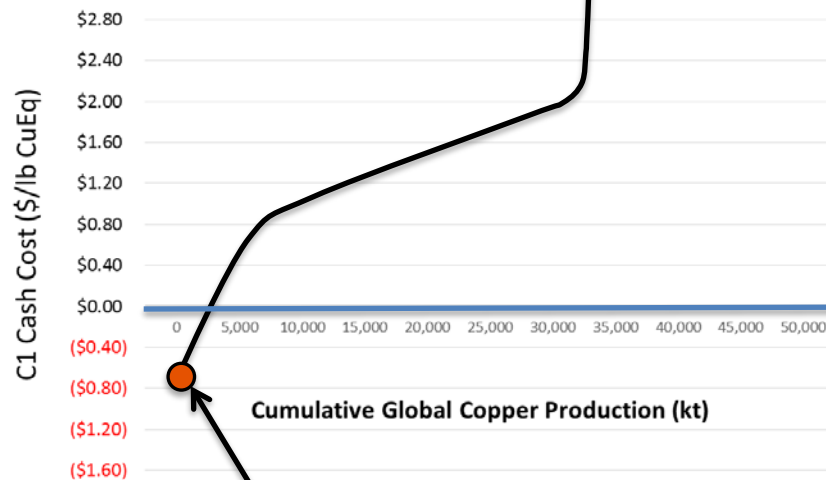
Tulsequah Chief

Annual CuEq Production and C1 Cash Costs



Global Copper Mines

Copper C1 Cost Curve



Tulsequah Chief plots near bottom of global copper cost curve*

Assumes price deck of \$3.66/lb Cu, \$0.97/lb Zn, \$1.01/lb Pb, \$1455/oz Au, \$28/oz Ag
 *Global copper cash cost (C1 – net of by-products) curve estimated. For illustrative purposes only.

Construction Timeline

2 Year Build	2014				2015				2016				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Road Construction		[Orange bar from Q2 2014 to Q4 2015]							★	Access Road Open			
Plant Site Earthworks		[Orange bar from Q2 2014 to Q4 2014]											
Surface Construction			[Orange bar from Q3 2014 to Q2 2016]									★	Commissioning Complete
U/G Development				[Orange bar from Q4 2014 to Q2 2016]									
Production									★	Commercial Production			

- Barge landing and airstrip in place

Barging and Concentrate Shipping

- Barging
 - Conventional, built for purpose low draft barges to minimize effects on Taku and Tulsequah Rivers
 - Barging program to run for two seasons only
 - Local pilots will be used
- Shipping
 - Chieftain evaluating options for shipping at this time
 - Skagway, AK
 - Stewart, BC
 - Concentrates will be covered and shipped in compliance with all relevant environmental and safety standards

Interim Water Treatment Plant

- \$9 Million spent to construct and operate WTP
- Plant shutdown June 2012 due to financial constraints
- Test program undertaken November 2012, confirmed original design parameters
- Plant designed to be integrated into operating mine water treatment system



Environmental Risk Assessment

- BC Ministry of Environment has requested Chieftain to prepare a report on the risks posed to the Tulsequah River by the ongoing discharge of impacted water from the Tulsequah Chief Mine
- Report will comprise:
 - a discussion of mitigation activities undertaken at site since WTP shutdown;
 - review of all available literature;
 - analysis of the Tulsequah River data set; and
 - assessment of possible impacts to aquatic resources in the Tulsequah as a whole.
- Report submission planned for 31 October 2013

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