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Client Update

Excerpted from Peter Grandich Blog on March 15, 2009:

<http://grandich.agoracom.com/category/grandich-companies/silver-quest-resources/>

I had a chance to get detailed updates from several of our client companies while at PDAC. Here's a brief update.



Silver Quest Resources – **I've gone crazy over SQI! I own about 4% or 2 million shares of SQI (I could sell tomorrow but need to disclose such a large personal stake). You can look at what I've said of late. I think just about all speculators/gamblers should own a piece and do so ASAP. Management tells me they've been overrun with interest since the news of Kinross's takeover bid of Underworld Resources. There's a gold rush in Yukon and I believe SQI is the next big thing up there. But despite this, they've several other projects that make this a compelling speculation.**

Excerpted from Peter Grandich Blog on March 12, 2009:

<http://grandich.agoracom.com/category/grandich-companies/silver-quest-resources/>

Client Update – Silver Quest Resources is a Major Player in The White Gold Area

[Silver Quest is one of the major players](#) in the White Gold Area of the Yukon; they hold 16 properties, 1,129 claims and 236 square kilometers of land. Silver Quest is the second largest land holder in the area, second only to [Underworld Resources who announced a take-over bid by Kinross earlier today](#).

Silver Quest's management has been building this land package since last summer and is still looking to expand the land holding. The properties that they have acquired are all promising gold targets, with anomalous gold values, favorable geology, good chemistry and are in areas that had been worked on in recent years by geologists that Silver Quest knows and trusts. The two most advanced properties are the Boulevard and Prospector Mountain projects.

Boulevard

[The Boulevard project](#) has been explored during the past 3 years with mapping, soil sampling, and minimal trenching and drilling. It was originally staked based on anomalous metal values in the ground including gold, arsenic and antimony, which are the main indicator metals at Underworlds Golden Saddle discovery. Boulevard now holds a 2.5 km long gold-arsenic-antimony soil anomaly, as well as other smaller anomalous areas around the property. These areas will be followed-up on this summer with trenching and drilling programs. Work on the property previous to Silver Quest's time as operator included 3 large trenches and 7 short drill holes. Good gold grads were encountered including Trench 1 which had 1 meter of 7 g/t gold and Trench 2 which showed 2 meters of 6.4 g/t gold. The best results from drilling were 18 meters of 0.86 g/t gold which included an intersection of 5.5 meters of 1.6 g/t gold.

Prospector Mountain

The Prospector Mountain project is a very interesting property. It has been explored in recent years by Tarsis Resources and Archer Cathro, who discovered gold-silver-copper porphyry style mineralization on the east side of the property and bonanza style gold-silver mineralization in epidermal veins on the west side of the property. Values from surface grab samples on the west side of the property are up to 82 g/t gold and 888 g/t silver; another sample assayed 56 g/t gold and 1375 g/t silver. There were 12 samples taken in this area all with bonanza levels of mineralization. This property has seen some historical trenching but only mapping and prospecting in recent years. Silver Quest is very much looking forward to get out to site and start exploring Prospector Mountain this summer.

Summer Plans

The remaining 14 properties that Silver Quest's holds in the White Gold Area were acquired based on geology and high metal values found in the soils. [Silver Quest will be heading out the to White Gold Area](#) in May and are planning extensive exploration programs including drilling and trenching on the Boulevard and Prospector Mountain properties as well as smaller follow-up programs on the remaining 14 properties. Silver Quest has a busy summer ahead of them as they are also planning significant drill programs on their Capoose and 3T's projects in central BC.

Bottom Line

Silver Quest's properties in the White Gold Area are strategically located close to and in some cases contiguous to Underworld's claims, and have all been chosen based on a variety of promising geological factors. The Company appears to be valued exclusively on their BC portfolio which makes the company significantly undervalued when you consider the huge upside potential of their White Gold Area plays.

I've noted in recent weeks that the share price was being held down mostly due to cheap financing that had come free trading. It looks like most of that paper has now come to market. The stock is close to a new 52-week high despite this overhang and appears ready to break to new highs. The deal for Underworld Resources has truly put SQI on the map now.

Please Note – SQI is a client of Grandich Publications [See disclosure](#)