BRITISH COLUMBIA

Ministry of Energy & Mines
Energy & Minerals Division
Geological Survey Branch

ASSESSMENT REPORT
TITLE PAGE AND SUMMARY

In relation to revised report dated 15 February 2010.

TITLE OF REPORT [type of survey(s)]	**TOTAL COST**
Assessment Report on Prospecting, Geochemical & Rock Sampling on the Nox Fort Property in 2008	$ 750,457.86

AUTHOR(S) J.David Williams SIGNATURE(S) J.David Williams

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) MX-5-646 / 02 October 2008 YEAR OF WORK 2008

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) 4263887 / 13 February 2008

PROPERTY NAME Nox Fort

CLAIM NAME(S) (on which work was done) Tenures: 516584, 516587, 520102, 521453, 521454, 555076, 556700, 556701, 556703, 556704, 558663, 558664, 575286, 575287, 575288, 575290

COMMODITIES SOUGHT Gold, Bismuth, Tellurium, Tungsten, Molybdenum

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN 082FSW002 (Bunker Hill), 082FSW236 (Bluestar)

MINING DIVISION Nelson NTS 082F.003, .004, .013, .014

LATITUDE 49 ° 03 ' 39 " LONGITUDE 117 ° 23 ' 19 " (at centre of work)

OWNER(S)

1) Clarke Gold Inc. 2)

MAILING ADDRESS

215 Silver Mead Cres. NW.
Calgary, AB T3B 3W4

OPERATOR(S) [who paid for the work]

1) Jaxon Minerals Inc. 2)

MAILING ADDRESS

488-625 Howe Street
Vancouver BC V6C 2T6

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):

Cambrian, Jurassic, mid-Cretaceous, Kootenay terrane, Quesnellia, Laib formation, Elise formation, Archibald formation, Wallack Creek stock, Bunker Hill intrusive, Bunker Hill Mine, Lefevre Skarn, Red Rock Mine, Bluestar, Pete Creek, Bayonne Magmatic Suite,Reduced Intrusion-Related Gold System, RIRGS, granitoid, granitize, quartz veins, hornfels, skarn, gold, bismuthinides, tellurides, scheelite, powellite, pyrite, pyrrhotite, arsenopyrite

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS 02747, 03392, 05028, 08729, 10225, 11227, 11536, 12758, 14373, 18990A,B,C, 20193, 22901A,B,C, 26159, 27231, 27513A,B, 27893, 28748, 28749, 29864, 30070

(OVER)

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ...)			
Soil	1512 samples,53-element ICP-MS	516584, 516587, 520102, 555076, 556701	$ 375,228.93
Silt	136 samples, 53-element ICP-MS	516584, 516587, 520102, 521453, 521454, 555076, 556700, 556701, 556703, 558663, 558664, 575286, 575287, 575288, 575290	$ 33,750.75
Rock	816 samples, 53-element ICP-MS	516584, 516587, 520102, 521453, 521454, 555076, 556701, 558663, 558664, 575286, 575288, 575290	$ 202,504.50
Other	408 till, 53-element ICP-MS 152 soil gas hydrocarbon [SGH]	516584, 516587, 520102, 521454, 555076, 556701, 556703, 556704, 558663, 575286, 575287, 575288, 575290	$ 138,973.68
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)	2,350 hectares		$ 0
PREPARATORY/PHYSICAL			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
		TOTAL COST	$ 750,457.86

Assessment Report
On
Prospecting, Geochemical & Rock Sampling
on the
NOX FORT PROPERTY
in 2008

Tenures Worked:	**516584, 516587, 520102, 521453, 521454, 555076, 556700, 556701, 556703, 556704, 558663, 558664, 575286, 575287, 575288, 575290**
Mining Division:	**Nelson**
NTS:	**082F.003, .004, .013 & .014**
Latitude:	**49°03'39"N**
Longitude:	**117°23'19"W**
Owner:	**Clarke Gold Inc.** [& Bis Gold Resources Inc.]
Operator:	**Jaxon Minerals Inc.**

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15 February 2010

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SUMMARY

In early 2008, Jaxon Minerals Inc. took an option with Clarke Gold Inc. and Bis-Gold Resources Inc. for the right to explore their gold-bismuth-tellurium mineral property in the Nelson mining division of British Columbia. Jaxon Minerals' Nox Fort Project was successfully completed over a period of 92 days from 19 July to 18 October 2008 and is the subject of this Report.

The Nox Fort Property lies about 15 kilometers southwest of the town of Salmo in the Kootenay district of British Columbia. It is made up of 16 contiguous mineral tenures which, during the 2008 field program, were owned by either Clarke Gold or Bis-Gold, depending on the tenure. Bis-Gold Resources has since merged with Clarke Gold resulting in a claim block, 6,434 hectares in size, wholly owned by Clarke Gold. A pair of adjoining Crown grants, Bunker Hill and Mormon Girl, is located in the central part of the Property and is also owned outright by Clarke Gold. Staking the Crown grants in 1897 is the earliest activity in the recorded history of the Property.

Exploration on the Property was focused on gold, where intermittently into WWII, underground development from three adits resulted in a small amount of production from the former Bunker Hill Mine. Production records exist only for the period from 1933 to 1943 when at total of 393 tonnes where shipped. Some or all of that tonnage was hand-sorted before being delivered to the Trail smelter.

Gold continues to be the commodity of interest but its association with bismuth and tellurium in the Bunker Hill Mine area has forged a new appreciation for the Property's mineral potential. Silver, tungsten and molybdenum also occur in places. The Property is large enough to enclose the former Red Rock mine, also a modest former producer of lead-zinc-silver. It is located on its own claim surrounded by the Nox Fort Property in its east-central part. That claim is not owned by Clarke Gold. The Red Rock mine demonstrates a potential for mineralization of that style in similar rocks throughout the southeast of the Property. Similarly, the Bluestar occurrence falls in a similar place but on the west portion of the Property. It is a small gold-copper-silver-lead-zinc showing that has implications for mineral potential in the west side of the Property. Elsewhere, documented exploration is either absent or merely reconnaissance in nature.

The geology of the Nox Fort Property consists of Cambrian sediments of ancestral North America and overlying Kootenay terrane rocks in fault contact with the mostly volcanic rocks of Quesnellia. That fault system, the Wantea thrust, runs northeasterly through the center of the Property where Cambrian sediments dominate in the southeast and Jurassic volcanics occupy the northwestern area of the Property. That fault contact is obliterated by mid-Cretaceous granitoids of the Bunker Hill intrusive and the much larger Wallack Creek Stock which fills the northeast of the Property and beyond. Poorly understood and perhaps unappreciated for their mineral potential, are at least two bodies of ultramafic rock that occur in the central part of the Property.

The Bunker Hill intrusive appears to be a crucial controlling feature of the distribution of mineralization in the Bunker Hill Mine area. It is a rectangular body at least 1500 meters in length and 200 to 400 meters wide. Much of the best known mineralization is associated with the north-south trending west contact. Several gold-bismuth-tellurium quartz veins in the Bunker Hill Mine area occur at or near the intrusive contact, as does the mineralization of the

Lefevre Skarn, a hornfelsic zone with skarn alteration at least 100 meters long and as much as 30 meters wide. The Lefevre Skarn generally contains the same commodities as the quartz veins along with tungsten.

Deposits with characteristics expressed by mineralization of the Bunker Hill Mine area are now recognized as Reduced Intrusion-Related Gold Systems [RIRGS]. That deposit model may be best known from mineral occurrences in the Tintina Gold Belt in Yukon and central Alaska. One of the principal deposits in that gold belt is the large, low-grade Fort Knox operating mine in Alaska.

The RIRGS model allows for deposits of varying styles to be generated from a causative granitoid intrusive. Those include quartz veins, sometimes occurring in swarms, skarn zones, replacement and disseminated bodies and a mineralized assemblage that is zoned with distance from the intrusive. Many of these characteristics are known in the Bunker Hill Mine area and recognition of many of the rest could be just beginning.

Jaxon Minerals' 2008 field program was to gather samples for assay in order to begin to assess many of the mineralized features in the Bunker Hill Mine area and to prospect and sample the entire Nox Fort Property. A certain amount of follow-up of the 2007 field program was also conducted. The sampling included several types, including rock, chip and channel, till, stream sediment and soil samples. In addition, a soil gas hydrocarbon [SGH] survey was conducted along with assaying a series of soil samples collected from the Bunker Hill Mine area in 2007. In all, 3,227 samples are associated with the Jaxon Minerals' field program.

Out of that work came an appreciation of the west contact of the Bunker Hill intrusive as a high-priority drill target. Assays from detailed chip and channel sampling of 2008, show that the quartz veining and skarn alteration can carry mineralization of economically significant grades but in a scattered and unpredictable distribution. Drilling would be the best tool for assessing that mineralization.

The silt sampling identified a highly prospective area to the northeast of the Bunker Hill Mine area, closer to the headwaters of Limpid Creek. Evidence from prospecting in 2008 and reporting by earlier workers suggest that the Bunker Hill intrusive contact may extend further north and continue to be as prospective along its length.

Soil sampling confirmed results of fieldwork completed in 2007 by enhancing a gold target identified by anomalous soils south-southwest of the Red Rock Mine in the southeast-center of the Property. Another target was located by anomalous silver assays in tills in rocks hosting the Bluestar occurrence in the southwest-center of the Property. Other, smaller targets featuring gold and other anomalous geochemistry in isolated samples, mostly along the powerline road in the east-center of the Property deserve follow-up. And it has become clear that a thorough compilation of the historical documentation related to the Nox Fort Property could identify a host of additional targets.

A recommended exploration program of about $720,000 is proposed that builds on the effort of the 2008 fieldwork and earlier work. Those recommendations consist of three activities that can be pursued independently. They are:

- additional fieldwork to follow up the anomalous results obtained in 2008
- drilling targets along the west contact of the Bunker Hill intrusive
- open up the Bunker Hill adits for mapping and sampling.

INTRODUCTION

Jaxon Minerals Inc. [Jaxon or Jaxon Minerals], over the 92-day period between 19 July and 18 October 2008, conducted an $856,000 program of field exploration on the Nox Fort Property located on the north side of the Pend d'Oreille River southwest of Salmo in the Kootenay district of BC. The Nox Fort Property was, in the early part of 2008, optioned from Bis-Gold Inc. [Bis-Gold] and Clarke Gold Inc. [Clarke Gold]. The purpose of the fieldwork was to assess, in better detail than had been attempted to date, known gold-bismuth-tellurium mineralization in the central part of the property, and to explore for additional mineralization of that type or related to other deposit styles in that area and throughout the entire 6,327-hectare property. In spite of the century-long history of the Property, exploration is still at an early stage.

Table 1: NOX FORT PROPERTY

Mining Division: Nelson	
NTS:	082F.003, .004, .013, .014
Latitude:	49°03'39"
Longitude:	117°23'19"
UTM N:	5,434,300
UTM E:	471,600 (Zone 11, NAD83)
Area:	6,327.45 hectares
Owner:	Clarke Gold Inc.[100%]
Expiry:	15 March 2013
BC Minfile of principal target	
Names:	Bunker Hill, Mormon Girl, Bunker, Cly
Minfile ID:	082FSW002

A pair of Crown grants in the central part of the Property contains the underground workings of the former Bunker Hill Mine, a very modest former producer that was intermittently active through the early decades of the previous century. Mineralization that occurs in various showings associated with the west contact of the Bunker Hill intrusive had, up to then, been inadequately assessed and was targeted for a program of comprehensive sampling. Prospecting of other targets located by recent work including that completed in 2008 was also followed up.

Silver-lead-zinc occurrences are known on Property. The Bluestar showing in the southwest-central part of the Property, and the former Red Rock mine, in its own claim unassociated with the Nox Fort Property and located nearly centrally in the east part of the Property, demonstrate a potential for further discoveries of those deposit types. In addition, ultramafic zones that, as far as is known, have never had had any attention paid to them were sampled.

In the field, the writer, J.D.Williams, Jaxon Minerals' consulting geologist, worked with Minconsult Mineral Exploration Services Ltd. [Minconsult], of Vernon BC, who supplied most of the program equipment, logistics and field personnel. Throughout the field program, Minconsult's very capable field crew conducted a campaign of soil, stream sediment (silt), and till sampling that was not only concentrated in the central part of the Property at or near the Bunker Hill mine, but also extended into every corner of the Property. Prospecting was also wide-ranging from which rock samples over more than a third of the Property were gathered. Chip and channel sampling from a selection of quartz veins, skarn zones and ultramafic exposures were collected in an effort to form, for the first time, a firm basis in the discussion of mineral potential at those sites on the Property. Soil samples gathered from the southern part of a field grid established in 2007 were submitted for analyses, thereby cleaning up a major loose end inherited by Jaxon Minerals when it optioned the Nox Fort Property.

In total, 3,024 samples of the 2008 program were submitted for assay in addition to the 203 soils of the 2007 program. Some of this work fell on the Crown grants which do not qualify for assessment credit. This document reports on all results that were obtained in 2008 whether they were from inside the Crown grant boundaries or not. In the 'Itemized Cost Statement' at the

end of the body of this Report, the program expenses are reduced by 87.7% in proportion to the total amount of sampling that is located outside the Crown grants and would therefore qualify for assessment credit. Tungsten analyses that exceeded detection limit in their initial assay procedure were rerun in 2009 and are not included in expenses applied for assessment credit but are incorporated into this Report all the same. Other selected samples rerun for gold by fire assay and others for lead and zinc are also included herein but not claimed for assessment credit.

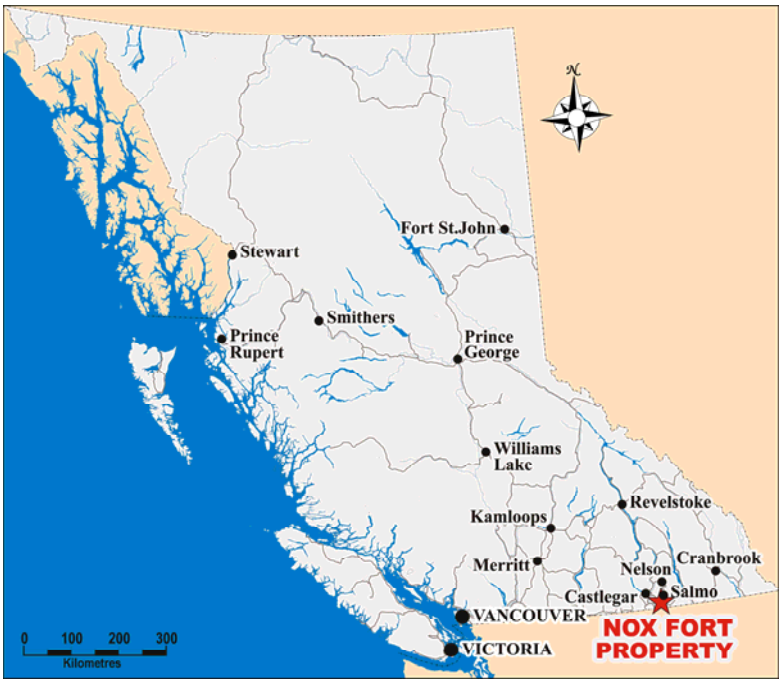


Figure 1: Location of the Nox Fort Property in the Kootenay district of southern British Columbia, southwest of the town of Salmo.

All sample details including field notes, assayer's certificates, and maps showing sample locations and plots of assay values for a series of selected elements are appended herein. A Microsoft Excel 2003 workbook that tabulates those same samples, along with analyses of selected elements, accompanies this report.

Software used in the preparation of this Report include AutoCAD Map 2008 & 2009, Microsoft Office 2003 & 2007, specifically Access, Excel and Word, and CorelDRAW and Photo-Paint of Corel Graphics Suite X3 & X4. And to generate the PDF version of this Report, as submitted to Mineral Titles Branch, Adobe Acrobat Professional version 7.0 was employed.

All units of measurement are consistent with the *Systéme Internationale d'Unités* [SI] unless specifically noted otherwise. All maps and drawings containing Universal Transverse Mercator [UTM] coordinates conform to North American Datum 1983 [NAD83] unless specified differently. All monetary figures are in Canadian dollars.

This Report is an amended version of an original date 13 May 2009 which was declared by the provincial authorities as not being in compliance with requirements specified by the Mineral Tenure Act Regulation. The insertion of maps of Appendix H, the series of 25 assay plans for samples that were inappropriately represented in the original report, is intended to bring this edition of the Report into acceptable compliance. Apart from clauses referring to that appendix and the inclusion of more recently received analytical results, most other content of the report is either unchanged or edited only to a minor degree.

LOCATION & ACCESS

The Nox Fort Property is located in southeastern BC (figures 1 & 2) about 15 kilometers southwest of Salmo, which was the base of operations for the 2008 field program. Fruitvale is the closest town, about 7 kilometers west from the nearest part of the Property. The town of Trail lies about 20 kilometers west of the Property; other nearby centers include Castlegar and Nelson.

Numerous roads lead to Nox Fort from both Fruitvale and from the north and west. During 2008, the rather well-travelled but circuitous route from Salmo was preferred (figure 3) that ultimately approaches the Property from the southeast. That involved travelling on Highway 3 south of Salmo before turning onto Highway 6 to for a total mileage of 24 kilometers to arrive short of the border crossing at Nelway.

From Nelway, Pend d'Oreille Road[1] heads west to the Pend d'Oreille River then runs northwest above its northern bank. Several forest service roads branch from the Pend d'Oreille Road, but the most direct route to the central part of the Property is via the Limpid Creek FSR which turns off 10 kilometers from Nelway. Limpid Creek FSR runs mostly northerly through the Limpid Creek valley then heads east, to parallel the Clel Creek tributary before climbing south to a point that provides the closest approach to the area of greatest activity of 2008, the Bunker Hill Mine area. The entire drive from Salmo is 41 kilometers.

The access route is paved along Highways 3 and 6 and for a few kilometers along Pend d'Oreille Road. The remainder of the route is on fairly good quality gravel and dirt road but for routine commuting, a four wheel drive vehicle would be recommended.

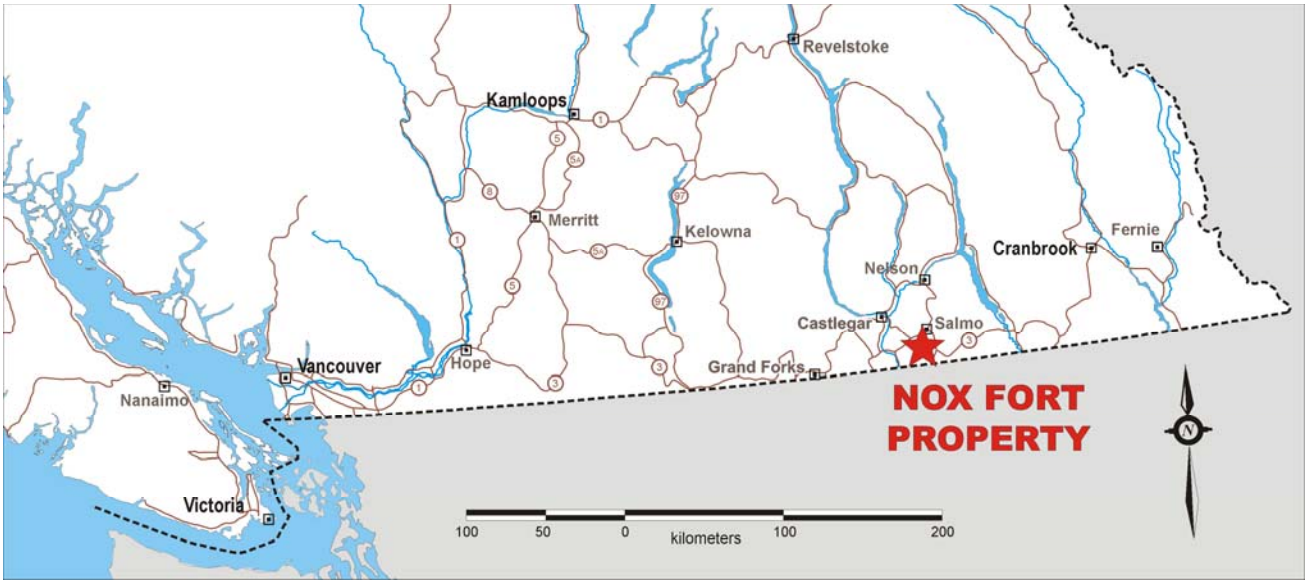


Figure 2: Location of the Fox Property in southern British Columbia, southwest of Salmo.

[1] Sometimes known as the Waneta-Nelway Road.

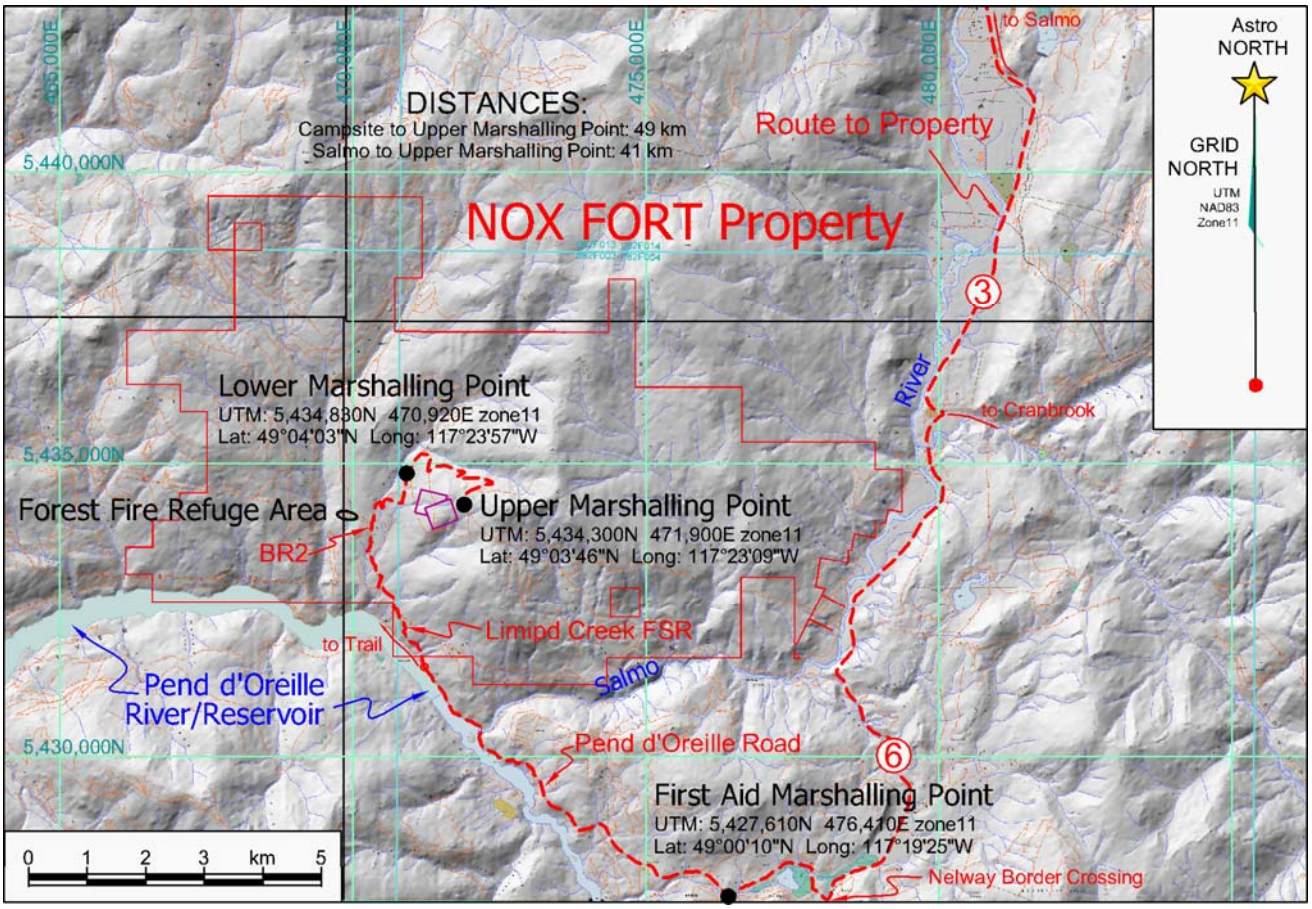


Figure 3: Access Route to Nox Fort Property from Salmo. Route includes southbound leg to Nelway then along Pend d'Oreille Road to Limpid Creek FSR. Map taken from the 2008 Project's Emergency Response Plan showing marshalling points among other details related to field safety.

TOPOGRAPHY, VEGETATION & PHYSIOGRAPHY

The Nox Fort Property occupies part of the Bonnington Range in the West Kootenay region of British Columbia. The Property is dominated by southerly facing slopes that form the Pend d'Oreille river valley.

The slopes range from moderate to gentle that rise from the Pend d'Oreille River at about 650 meters in elevation to above 1700 meters in places along the northern boundary of the Property. Stott Peak, at 1867m elevation, is the highest peak in the vicinity and lies just north of the Property in its west half

The slopes are well drained with swampy ground all but absent, as is standing water in only a single shallow pond. Several creeks incise the topography as they flow south into the Pend D'Oreille River. Among those drainages, the most significant are, from west to east, the Tillicum, Limpid, McCormick and Wallack Creeks[2] with flows that run through the summer months. Many smaller mapped tributaries[3] are dry during at least part of the summer months.

[2] Historical maps may identify some of these creeks by different names. For example Tillicum and Limpid Creeks were once known as Fifteen Mile and Sixteen Mile Creeks respectively.
[3] Those creeks mapped by British Columbia's digital TRIM coverages that are represented in most maps contained in this Report.

The Pend d'Oreille River flows generally westward although the Seven Mile Dam, located downstream about 4 kilometers from the southwest corner of the Property, has turned much of the channel into a reservoir.

Providing water for drilling in parts of the central area of the Property could be a problem. Clel Creek provided what may be an ample flow during the summer of 2008 and the water in Limpid Creek would be of sufficient volume for any drilling campaign. However both sources can be somewhat removed from drill targets in the Bunker Hill Mine area.

Vegetation is widely variable ranging from stands of large and tall mature conifers with lesser deciduous growth, to dense and tangled low growth of alders and bush. Coniferous species include varieties of fir, pine and cedar. The occasional and sizeable grassy meadow exists in places; at least some of them are abandoned farmlands. Other areas of thin soil and somewhat steeper terrain can be nearly devoid of vegetation. A forest fire that ravaged the southern bank of the Pend d'Oreille in 2006 also consumed a part of the forest cover in the southwest of the Property.

Although there was no logging activity on the Property during the field program of 2008, recent logging had occurred especially in the part of the Bunker Hill Mine area. In 2007, large sections of those cut blocks had been replanted by mounding[4] which makes movement in those areas rather slow and treacherous.

Outcrop coverage is also widely variable ranging from sparse to predominant. Local steeper terrain or shallow cliff faces are scattered throughout the Property. For geological mapping purposes, it is expected that enough exposure exists to develop a good representation of the bedrock geology. Locating smaller targets such as quartz veins or mineralized horizons is a greater challenge. Soil profiles are well-developed in most places, usually occurring atop a layer of densely packed till which may exceed a meter in thickness as revealed in road cuts.

In the 2008 field program, nearly continuous soil coverage was broken only in a few places where overburden was too thin to sample adequately. Till sampling was generally conducted along road cuts where the profile of cover material was easy to assess and sample.

No known sources of contamination, apart from roads and disturbed profiles in mounded areas, would compromise soil or till geochemical sampling. Soil sampling in mounded areas is possible where a patch of undisturbed ground can be found among the scooped material. Hand (1982, p. 18) mentions that Grouse Creek may be contaminated for stream sediment sampling as it drains the former Red Rock lead-zinc-silver mine. Some placer work is continuing along the lower reaches of Tillicum Creek and there are the remains of what may have been placer activity in Limpid Creek below the Bunker Hill Mine area.

The pair of powerlines that run through the Property may have an effect on geophysical surveys. Other geophysical anomalies from historical workings, perhaps placer operations or long discontinued farming activity may cause spurious readings.

[4] Mounding is a replanting method that has a backhoe take a single scoop out of otherwise undisturbed soil and dump it at the front and/or rear of that scoop. A new sapling is planted in that newly made mound of freshly loosened soil. That practice leaves a surface of mounds and pits densely arrayed within reach of the arm of that back-hoe.

Climate conditions in the Nox Fort area, based on the 2008 season, consist of quite warm daytime temperatures through the last half of July. Dry and hot conditions moderated to cool and wet autumn days with the snow line descending through the last half of October. The property can be expected to be free of snow cover by the end of May.

Statistically, over the period of 1971 to 2000, the mean average annual temperature is 5.2°C that varies from a mean low of -5.9°C to a mean high of 16.4°C. As can be expected, December and January are the coldest with the average mean temperature of less than -5°C while that in June and July is 16.4°C. Over that same period, the mean annual precipitation is 911mm with 310mm of that falling in the months of May through September (ClimateBC, 2009).

Photo 1: Scenic view of part of the Nox Fort Property. Looking west northwest from a clear-cut at a point south of the Crown grants, Horticulturalist Creek flows southwest in the ravine in the foreground. Photograph looks across Limpid Creek valley. The BC Hydro powerline and its right of way is clearly visible.
Photo by Guy Laplante of Minconsult Mineral Exploration Services Ltd. 22Aug'08.

Infrastructure

There are numerous roads on the Nox Fort Property, especially in its western half. All are dirt or gravel in various states of repair. Several have been reclaimed where culverts have been removed and waterbars were struck across the roadbed. Many of the roads shown in the digital mapping reproduced this Report are completely overgrown. The condition of roads in the Limpid drainage, including those in the Bunker Hill Mine area, is variable. The Limpid Creek

FSR is in good condition, while those branching off of it have been deactivated and portions of those are covered by young regrowth.

A part of the eastern half of the Property, especially the entire Wallack Creek basin is completely inaccessible by road. One lone road skirts the southeastern edge of the Property along the north bank of the Salmo River but part of it can be driven with ATV only.

Two powerlines stretch east-west across the lower part of the Property. The BC Hydro line is built of steel pylons and runs above the FortisBC line which is strung on wooden poles.

Good quality highways connect centers of Castlegar (population 16,000), Nelson (10,000) and Trail (7,200) to Salmo (pop. 1,129). Castlegar can provide most of the equipment and supplies that cannot be obtained from the other centers.

Daily scheduled airline service to Vancouver and Calgary is available from Castlegar, although both Trail and Nelson have their own airstrips. Helicopter service is available at both the Castlegar and Nelson airports.

Cellular telephone service exists on about half the Nox Fort Property, at least in the Bunker Hill Mine area.[5] Reliable communications to points off the Property was achieved by Iridium satellite telephone. For accident or medical considerations, Salmo is equipped with a clinic and a nursing station, both of which have particular hours of operation. The project's first aid attendant was informed that the nearest and best-equipped medical facility is the Trail hospital. The BC Ambulance Service can be reached by dialing 911.

[5] This coverage applies to Telus customers, the few persons on-the Property in 2008 who subscribed to competing services had much less success in acquiring a signal.

MINERAL TENURE DISPOSITION

The Nox Fort Property of 2008 falls within the Nelson Mining District and is bounded by of a block of 16 contiguous MTO cell tenures of various sizes and configurations totaling 296 cells. The footprint of that claim block occupies an area of 6,434 hectares (table 2) in a crudely rectangular shape that extends roughly 12 kilometers east-west by about 5 kilometers north-south (figure 3). Overstaking adjacent claims in the southeast of that block, as well as a single claim (tenure 387781) in the east-central part of the claim block, whose ownership is unrelated to the Nox Fort Property, reduces the total size of the Project area to 6,327 hectares.

At the time of the 2008 field program, Bis-Gold held 10 of the tenures (as reflected in table 2). Bis-Gold amalgamated with Clarke Gold in September 2008. On 04 February 2009 ownership of claims owned by Bis-Gold was transferred[6] so that all tenures of the Nox Fort Property are 100% owned by Clarke Gold.[7]

Table 2: Mineral Tenures of the Nox Fort Property

Owner	Tenure Number	Claim Name	Cells	Issue Date	Good To Date	Area [ha]
MTO Tenures [at start of 2008 field program]						
Clarke Gold	**516584**		35	10-Jul-05	15-Mar-13	740.8530
Clarke Gold	**516587**		35	10-Jul-05	15-Mar-13	740.8800
Bis-Gold*	**520102**	REDBOW	24	17-Sep-05	15-Mar-13	508.0970
Bis-Gold*	**521453**	BLUGO	15	23-Oct-05	15-Mar-13	317.3780
Bis-Gold*	**521454**	GREENLY	9	23-Oct-05	15-Mar-13	190.4340
Bis-Gold*	**555076**	GREENGO	20	26-Mar-07	15-Mar-13	423.5191
Bis-Gold*	**556700**	RALPHCON	11	19-Apr-07	15-Mar-13	402.0381
Bis-Gold*	**556701**	WALLAIB	11	19-Apr-07	15-Mar-13	232.8844
Bis-Gold*	**556703**	PETELAIB	11	19-Apr-07	15-Mar-13	232.8707
Bis-Gold*	**556704**	GRANSLOPE	20	19-Apr-07	15-Mar-13	423.2893
Bis-Gold*	**558663**	ANNIESLOPE	20	14-May-07	15-Mar-13	423.4316
Bis-Gold*	**558664**	WALLCENTRE	20	14-May-07	15-Mar-13	423.2685
Clarke Gold	**575286**	CLERVAL	20	04-Feb-08	15-Mar-13	423.1109
Clarke Gold	**575287**	CLINDY	5	04-Feb-08	15-Mar-13	105.7467
Clarke Gold	**575288**	LISAY	20	04-Feb-08	15-Mar-13	423.0605
Clarke Gold	**575290**	TENLA	20	04-Feb-08	15-Mar-13	423.2522
			296			**6,434.114**
CROWN GRANTS						
Clarke Gold	**D.L. 2939**	BUNKER HILL				12.07
Clarke Gold	**D.L. 1949**	MORMON GIRL				17.74
MTO Tenures acquired in Nov'08						
Clarke Gold	**595137**	KAMPI	1	30-Nov-08	30-Nov-09	21.1508
Clarke Gold	**595139**	SCAMP	25	30-Nov-08	30-Nov-09	528.7845

* Bis-Gold now merged with Clarke Gold

In a Statement of Work filed on 13 February 2009, the expiry date of all mineral claims of the Nox Fort Property was brought to a common date of 15 March 2013. That expiry date is contingent on acceptance, by the BC Mineral Titles Branch, of this Report in support of that Statement of Work (ref. BC Mineral Titles Event Number 4263887).

[6] Personal communication with William R. Howard, President of Clark Gold, in an email dated 02 May 2009. That transfer was backdated by Mineral Title Branch to 28 September 2008, the day following the amalgamation of Bis-Gold with Clarke Gold.

[7] Free Miner Certificate [FMC] of Clarke Gold Inc. is 210814.

In the central part of the claim block is a contiguous pair of overlying of Crown grants, Bunker Hill and Mormon Girl. Together they occupy an area of nearly 30 hectares. These tenures are also owned outright by Clarke Gold.

On 30 November 2008 Clarke Gold acquired a pair of tenures in newly opened ground in the northwest of the claim block. These tenures, 595137 & 595139, for the purposes of this report are not considered part of the Nox Fort Property. Most maps contained in the Report that feature the Property boundary will show these claims and identify their status as newly acquired.

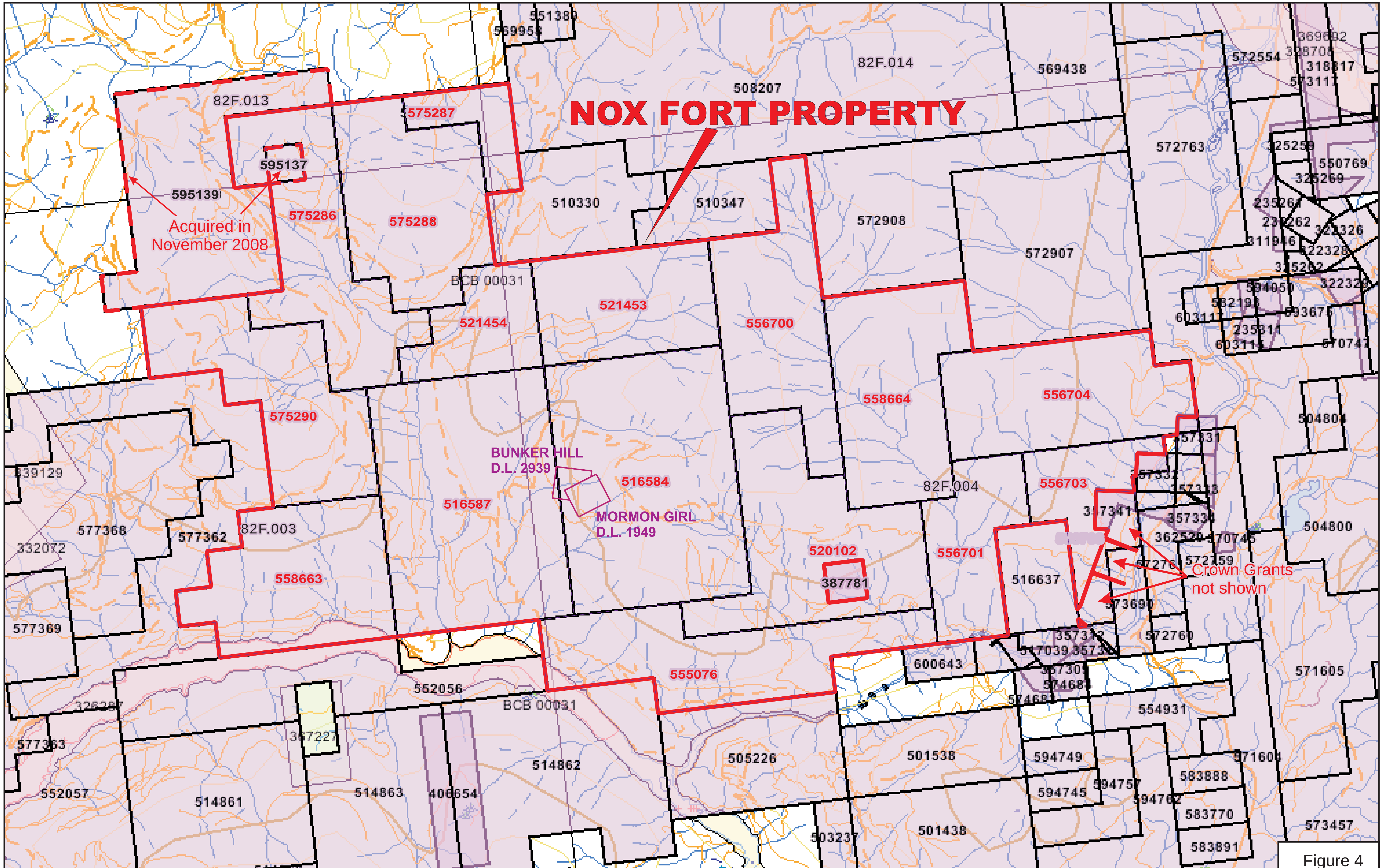
A Notice of Work was submitted to the Inspector of Mines in charge of permitting at the Cranbrook office of the Ministry of Energy, Mines and Petroleum Resources on 28 July 2008. A Mines Act Permit (MX-5-646), dated 02 October 2008 was issued by that office and received by Jaxon Minerals on 10 October 2008. The provisions of that exploration permit expired on 30 November 2008. For new work that requires blasting or ground disturbance a new Statement of Work will be required.

A total of 41 parcels of private land fall on some part of the Nox Fort Property. To conform to Section 19 of the Mineral Tenure Act that took effect on 02 June 2008, notifications were mailed to every addressee of those parcels that were identified by BC OnLine, British Columbia's internet service providing contact information for registered land owners. Those notifications provided the recipient with 10 days notice that "mining activity" could be conducted on their property and were mailed by the author on 15 July and 25 July 2008. For those days between the start of the field work on 18 July 2008, and the expiration of that 10-day notice, work was conducted on ground free of any holder of surface rights.

Land owner addresses for four of the parcels were not recognized by BC OnLine and that consequence was submitted in an "Application for Exemption" form to the Chief Gold Commissioner in Vancouver BC. A further four parcels of land were judged to overlap onto the Nox Fort Property to such negligible extent that no exploration would be conducted on that ground. Another parcel was "associated" with another parcel, both having a common owner and therefore combined into the same notification. As a result, notifications related to 32 parcels were delivered to 11 separate addresses.[8]

No royalty agreement or any other encumbrance applies to any part of the Property. As far as is known, no environmental liabilities apply to the Property.

[8] It was later confirmed that Land Owner Notifications to various addresses of owners identified by BC OnLine as "Crown Provincial" are not required to be delivered. A total of 27 parcels fall under that class of ownership leaving 14 parcels that would have qualified for consideration for Notification.



Map center: 49° 03' 52" N, 117° 22' 14" W

0 1 2 3 4 km.

Scale: 1:50,000

Claim detail after Mineral Titles (2009) April 2009

N

NOT FORT PROPERTY
Claim Map

JAXON MINERALS INC.

PROPERTY HISTORY

The history of mineral extraction in the Kootenays opens with place miners who made their way east from the Fraser Canyon. There were six placer claims on the Pend d'Oreille River in 1893 (Jacobsen, 2008, p.16). The original Mormon Girl claim was located on 28 April 1897 by Willis M. Fowlkes while the Bunker Hill claim was located on 25 May 1897 by G.D.Monk (Wilkin, 1898, p.3). Both claims were granted to John R. Reavis etal, on 18 June 1898 (Annual Report of the Minster of Mines, 1898).

Table 3a: Nox Fort Property History 1897-1942

Year	Owner/Operator	Claims	Work Performed	Reference(s)
1897	M.Fowlkes & G,D,Monk	Bunker Hill & Mormon Girl	Claims staked	Wilkin, 1898
1898	John R. Reavis, etal	Bunker Hill & Mormon Girl	Claim granted	Ann. Rep. Min Mines, 1898
To 1900	Bunker Hill Mining Co., Toronto, ON	Bunker Hill & Mormon Girl	"Several hundred feet of development work had been done … 10-stamp mill has been erected"	Ann. Rep. Min Mines, 1900
To 1933	Bunker Hill Gold Mines, Ltd. (N.P.L.), Nelson, BC	reverted Bunker Hill, Mormon Girl & 14[9] other claims	Level 1, 37m long, stoping done Level 2, 76m long, raise to surface 8m long east of workings, 18m trench & shallow shaft Blue Quartz trench (unspecified length)	Ann. Rep. Min Mines, 1933
1934	Bunker Hill Gold Mines, Ltd. (N.P.L.), Nelson, BC	No mention	Level 1 recorded as 118m long	Ann. Rep. Min Mines, 1934
1934	W.H.Miller, et al	You and Me claims	No. 1 to 4 surface workings	Ann. Rep. Min. Mines, 1934
1935	Waneta Gold Mines Ltd., Nelson, BC	No mention	Preparations for road construction to the workings and a new low-level adit (Level 3)	Ann. Rep. Min Mines, 1935
1936	Waneta Gold Mines Ltd., Nelson, BC	Bunker Hill, Mormon Girl & 14 claims	Level 3 recorded 318m of drift, 23m in 2 crosscuts & a 15m raise at 50°, 4 diamond drill holes	Ann. Rep. Min Mines, 1936
1937-1938	Westmont Mines Inc., operator	No mention	Continuing shipments to Trail smelter	Ann. Rep. Min Mines, 1938
1939	Waneta Gold Mines Ltd., Vancouver, BC	No mention	Last shipment to Trail smelter, operation ceased in May & equipment sold in autumn	Ann. Rep. Min Mines, 1939
1940	Waneta Gold Mines Ltd., Vancouver, BC; A.H.W.Crossley & Assoc., leaser	No mention	Hand steel production	Ann. Rep. Min Mines, 1939
1942	Waneta Gold Mines Ltd., Vancouver, BC; H.Lefeuve & Assoc., leaser & operator	No mention	A car of mined rock sent to Trail smelter, scheelite located; property optioned by Jason Mines Ltd., Toronto, ON 213m trenching & pits at Lefevre Skarn	Ann. Rep. Min Mines, 1939, Koffeyberg (2008a)

By 1900 a 10-stamp mill had been erected at the foot of a tram line from a "development area", thought to be at what is now known as Level 1, but was apparently in operation only a short time as the mineralization was not amenable to amalgamation. A small amount of stoping in Level 1 is thought to have occurred but no production was recorded.

[9] The 1933 Annual Report to the Minister of Mines states that the "property includes the Bunker Hill and Mormon Girl Crown-granted claims and 16 other claims." The 1936 edition of that reference specifies that in 1933 the new management had acquired the two reverted Crown grants and "14 locations staked around them."

The Bunker Hill Mine area saw no activity until 1933 when Bunker Hill Gold Mines acquired the Bunker Hill and Mormon Girl Crown grants which had, in the meantime, been revered to the Crown, along with 14 other "locations," presumably located claims.[10] Work was conducted on the two upper adits (the upper adit now known as Level 1 and the lower one as Level 2) and on several trenches at higher elevations. One of those is described as a trench 18 meters long towards the center of which a shallow shaft was sunk.[11] Another trench is identified as being at a slightly lower elevation and dug for the purpose of opening up the Blue Quartz vein.

In 1935 the property was acquired by Wantea Gold Mines Ltd. and work began on Level 3. Level 3 was extended for about 318 meters with a pair of crosscuts driven for a combined length of 23 meters to expose mineralized quartz veins, along with a 15 meter-long raise.[12] Four diamond drill holes were drilled from Level 3 but no encouragement in the core was encountered.

Small tonnages were sorted then shipped to the Tail smelter from 1936 to 1942 with the operation leased to a series of interests over that period. In 1939, Wantea Gold Mines sold the mining plant.

Total recorded production from the Bunker Hill Mine and nearby trenches or surface workings over the period 1933-1942 was 393 tonnes at 8.5 gold and 24.5 grams/tonne silver (Howard, 2005, table 3). As at least some of that tonnage was sorted[13] before being shipped to the Trail smelter.

In 1942, scheelite was located by the then current operator, H.Lefeuve and associates and the property optioned to Jason Mines of Toronto, Ontario. M.S.Hedley in 1943 reported and sketched 213 meters of trenching (Koffeyberg, 2008a, p. 8) at what is now called the Lefevre Skarn but no production is recorded. Those trenches are still visible today and several were cleaned out in the 2008 field program and channel sampled.

At what is now known as the **Bluestar** occurrence in the southwest of the Nox Fort Property (figure 5), activity was recorded in 1934 and 1939. By 1934, on the group of eight 'You and Me' claims, four surface workings were known (Ann. Rep. Min. Mines, 1934, p.E23-24). Those workings extended along a generally north-south quartz and silicified shear zone over a length of several tens of meters (a few hundred feet). Mineralization in those workings consisted of disseminated pyrite with occasional galena and sphalerite. A selected sample of that mineralization returned 13.7 gm/tne (0.40 oz/T) in gold, 137.1 gm/tne (4 oz/T) silver and 4% lead and 2% zinc.

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[10] Based on the map of Bunker Hill Gold Mines (undated), those 14 other "locations" may be claims named: Accountant, Assayer, Dentist, Home Ranch, Horticulturalist, Inspector, Iron Founder #1, Iron Founder #2, Lady of Lake, Lumberman, Lumberman #2, Teacher, Teaques Hill & The News.

[11] It is far from certain, but this shaft may be at what is now called the Timbered Shaft which, in turn, is thought to be the same as the Ness showing identified by BC Minfile.

[12] It is unclear if that distance to where "[t]he raise crosses a fault" as stated in the Annual Report to the Minister of Mines (1936) as "about 50 feet above the level" is the entire length of the raise and whether that distance is measured vertically or along its 50° incline. It is assumed the raise is 50 feet or 15m long.

[13] Ann. Rep. of the Min. of Mines (1934, p. E24) describes the mined material from Level 2 to have been "roughly sorted." A later reference (Ann. Rep. of the Min. of Mines, 1936, p. E20) states that the quantity shipped in 1934 was about half the volume mined.

The Blue Ridge claim was recorded in 1939 and by 1946 it is reported that a 9.1-meter (30-foot) adit-drift and eleven open-cuts had been made to explore a vein containing gold-bearing sulfide mineralization (Ann. Rep. Min. Mines, 1946, p. A148).

Work on what is now the Nox Fort Property resumes after WWII in 1971 when Abella Resources Ltd. completed a survey of 285 B-horizon soils on their claim block adjoining the Bunker Hill and Mormon Girl Crown grants and extending east by as much as 1600 meters. The soil samples were taken at 61-meter (200') intervals along 17 north-south oriented grid lines nominally spaced 122 meters (400') apart. Those samples were analyzed for copper and molybdenum. Assays for molybdenum were negligible but two weak anomalies in copper, defined by values greater than 50 ppm, were identified at the far east of the claim block which lies over the headwaters of McCormick Creek. Significantly, other copper responses of about similar magnitude fall in the Bunker Hill Mine area. Tully (1971, p.1) recommended additional claim staking, a magnetometer survey and mechanized trenching.

In 1974, on the Bluestar claim in the south west-central part of the Nox Fort Property, A.L.DeBriske collared a single 46.94 meter-long BQ diamond drill hole tested the mineralization under the open cut of the claim's namesake showing. Only narrow intervals of minor to trace pyrite were noted. DeBriske (1974) provides no assays or any conclusions or recommendations.

In 1980, R.J.Rourdon, also staked the Bluestar occurrence and sent four rock samples for assay and completed a VLF-EM survey. The rock samples taken from the best of the visible mineralization returned trace values in gold and silver and maximum in copper and lead of 0.01% and 0.03% respectively. VLF-EM was run for 1.2 line kilometers distributed along six variably spaced lines spanning a distance of 940 meters north to south. Most lines were oriented east-west with instrument readings taken at 15 meter intervals. Bourdon (1980, p. 6-7) concludes his VLF-EM data are insufficient to make a meaningful conclusion but recommended additional VLF-EM on infill and extended lines or soil sampling over the same surveyed area.

In 1981, Greenwich Resources Inc. completed an ambitious program of prospecting, geological mapping, soil and silt sampling as well as both magnetometer and VLF-EM surveys on its Wallack claims that fell on a large part of the Nox Fort Property in its entire southeast area. That fieldwork was controlled by a field grid whose west half was centered on the Red Rock mine area. The field grid was 45.23 line-kms in size with a baseline oriented east-northeast. Crosslines were spaced at 100 meters in the mine area and at 200-meter, but more often at 400-meter, spacings over a 5.4 kilometer-long baseline. Some crosslines stretched more than 1,500 meters in length.

A 163 stream sediment survey was conducted at 25 meter intervals on the property's drainage system. Hand (1982, p. 18) notes that results in copper, lead and zinc identified a single anomaly just downstream from an old trench on McCormick Creek. No map of the samples or assay results is contained in Hand's assessment report.

Table 3b: Nox Fort Property History 1971-2007

Year	Owner/Operator	Claims	Work Performed	Reference(s)
1971	Abella Resources Ltd.	Ness	18.6 line-km field grid; 285 B-horizon soils, geological mapping	Tully (1971), AR03392
1974	A.L.DeBriske	Bluestar	1 BQ drill hole, 46.94m depth	DeBriske (1974), AR 05028
1980	R.J.Bourdon	Zap claims	4 rock samples, 1.2 line-km VLF-EM	Bourdon (1980), AR 08729
1981	Greenwich Resources Inc.	Wallack group	Field grid: 45.23 line-km Prospecting & geology mapping: 1,000 hectares at 1:5,000 scale Sampling: 1800 A-horizon soil, 163 silt, 54 rock Geophysics: 43.85 line-km magnetic & 39.475 line-km VLF-EM	Hand (1982), AR 10225
1982	Duval Mining Ltd.	Till 1	Prospecting & sampling: 6 rock, 34 silt & 155 B-horizon soil	McKillop (1983), AR 11227
1983	Rex Silver Mines Ltd.	Waneta 1-10	Geological mapping 1:5,000 scale, 11 rock samples 2 field grids, 8.2 line-kms total, 334 B-horizon soils, 7.0 line-km VLF-EM	Aussant (1983), AR 11536
1984	R. & D. Tjader, owners Ryan Exploration Co, Ltd., operator	Bunker group	Geological mapping 1:2000 scale, 3.6 line-km field grid, Sampling: 35 rock, 135 soils at >0.5m depth	Kaufman (1984), AR 12758
1984	Snow-Water Resources Ltd.	Annie 1 & 2	13 rock samples	Sanguinetti, 1984
1985	Noranda Exploration Co. Ltd.	Swift 9 & 10	Field grid: 2.9 line-km, Geological mapping 1:2,500 scale, Sampling: 1 rock, 5 silt; Geophysics: magnetics & HLEM	Bradish & Gill (1985), AR 14373
1988	Corona Corp., owner Renegade Exploration, operator	Elise group	114 silt, 114 heavy mineral samples, 2,660 line-km airborne MAG-VLF & EM	Gaunt (1989), AR 18990
1989	Corona Corp.	Elise group	Field grid: 50.1 line-km, geological mapping , Sampling: 1443 B-horizon soil, 35 moss, 193 silt, 193 heavy mineral	Gaunt (1990), AR 20193
1992-1993	Jopec Resources Ltd.	Big John claim group	Field grid 14.1 line-km, 360 B-horizon soils, (& rock samples & drilling on Red Rock mine)	Santos (1993), AR 22901
1999	W. R. Howard	Cly 1 & 2	Field grids: total 5.995 line-km, Sampling: 37 rock, 155 N-horizon soil, 5.17 line-km VLF-EM	Howard (2000), AR 26159
2003	W.R.Howard, owner, Kootenay Gold Corp.,operator	Cly 1 & 2	Prospecting, 92 rock samples	Kennedy (2003), AR 27231
2004	W.R.Howard, owner, Kootenay Gold Corp., operator	Cly 1 & 2	Geological mapping 1:2,000 scale, Sampling: 47 rock, 46 B-horizon soil	Ray (2004), AR 27513A, Kennedy (2004), AR 27513B
2005	W. R. Howard	Cly 1 & 2	Rerun 37 rock samples; 48 new rock samples	Howard (2005), AR 27893
2005-2006	W. R. Howard	Cly 1 & 2	Mineralogical research, Geochemical & structural geology discussion	Howard (2006), AR 28748, Howard (2006b), AR 28749
2007	Clarke Gold Inc.	Tenure 516584	Mineralogical research	Howard (2008), AR 29864
2007	Clarke Gold Inc. Bis-Gold Resources Inc., owners, Discovery Consultants, operator	Bunker Hill Property	Sampling: 18 rock, 28 heavy mineral silt, 44 stream silt, 150 till, 217 B-horizon soil	Koffeyberg & Howard (2008a), AR 30070
2007	Clarke Gold Inc. owner Associated Geophysics, contractor	Bunker Hill property	6.2 line-km total-field magnetic & VLF-EM geophysics	Bowman (2008)

Soil samples were taken from the A-horizon at 25 meter intervals along field grid lines. Each of the 1,800 samples were analyzed for copper, lead, zinc, nickel and cobalt. Apart from the expected response from the Red Rock mine and downslope from it, there are numerous other anomalies, many of which fall on what is now the Nox Fort Property. Anomalous values on Nox Fort ground are represented by all assayed elements with some coincident in lead-zinc and others in nickel-copper. Many of these anomalies deserve to be investigated by Jaxon Minerals with a field visit.

All or most of the 54 rock samples were taken from trenches that are thought to be located within the Red Rock claim. Outside the Red Rock claim, the geophysics produced only single-station magnetometer highs and lows and isolated VLF-EM conductors, some of then coincident with the magnetic response. Hand (ibid, p.28) recommended establishing a larger field grid on which vertical loop EM [VLEM] was to be conducted, along with detailed geological and structural mapping of the Red Rock mine. Reconnaissance and follow-up mapping, prospecting and soil sampling of the limestone unit hosting the Red Rock mineralization was also proposed. That work would lead to the identification of targets suitable for a suggested drill program.

In 1982, Duval Mining Ltd. completed a field program on its Till 1 claim located near the headwaters of Tillicum Creek. Most of the claim falls north of the Nox Fort Property. A soil survey was completed, consisting of 155 B-horizon samples gathered at 100 meter intervals along the claim line and along traverses inside the claim. Silt samples were collected whenever a stream was encountered while gathering soils and on special traverses up tributaries of Tillicum Creek. In total 34 silts were shipped for assay. All geochemical samples were analyzed for gold and selected samples submitted for silver, lead, zinc, antimony and arsenic assay. Six rock samples were analyzed for gold only and all returned a value of 10 ppb or less.

A soil sample of 1,315 ppm in zinc far exceeds the mean value of 155 ppm for the 62 samples that were analyzed, and is the highest zinc value in Duval's survey. It is accompanied by values of 265 and 394 ppm to its north and south respectively. Although the location of that high value is about 200 meters north of the property boundary, those results may be an indication of the prospectivity of the rocks in that area. McKillop (1983, p.10) recommended additional work on the property in the form of geological mapping and infill geochemical sampling.

In 1983, Rex Silver Mines Ltd. staked a swath of the Pend d'Oreille River valley from the Bunker Hill area west, almost to Waneta. A pair of field grids, 8.2 line-km in combined size, on each side of Tillicum Creek were established on the Waneta 9 and 10 claims. The grids were oriented with their baseline northeast-southwest from which crosslines extended at 200-meter spacings. The west grid squarely covered the Bluestar mineral occurrence and the field grids were designed to cover the strike extension of that showing. Geological mapping along with a survey of 334 B-horizon soils at 25-meter intervals on both the crosslines and the baselines was completed over the field grids. The soil samples were analyzed for gold, silver, arsenic and antimony. VLF-EM was carried out over both grids.

Soil values on the east side of Tillicum Creek were relatively subdued with a single gold value of 274 ppb which coincides with neighboring weakly anomalous silver values and a broad area of elevated arsenic response. On the west grid, a number of east-northeasterly trending zones are coincident in gold-silver and arsenic. The silver response, as high as 9,600 ppb is in company with a number of strongly anomalous values along that trend. Both these gridded areas

were prospected during the 2008 field program, but more detailed geological examination is warranted.

VLF-EM readings were recorded at 25-meter intervals on the crosslines of both grids. A number of northwesterly conductors in the west grid that parallel the powerline, and conductors in the east grid swing northeasterly, show no correspondence with the trends of the soil geochemistry. Of the nine rock samples gathered from pyritic rocks and quartz veins, values as high as 7,500 ppb silver were returned, A sample of the Bluestar mineralization provided the highest gold value, 422 ppb. Aussant (1983, p. 15) recommended follow-up fieldwork to investigate the anomalous results with additional prospecting and stream sediment sampling.

In 1984, Ryan Exploration Co. Ltd., as operator of the Bunker claim group for R. & D. Tjader, conducted a geological mapping and soil sampling survey on the Bunker claim group which surrounded the Bunker Hill and Mormon Girl Crown grants, especially to their north and south. A field grid, 3.6 line-km in size, was established with five 600-meter grid lines, oriented east-west at 150-meter spacings extending from a 600-meter long baseline. On the grid lines, 135 soil samples were gathered at 30-meter intervals. The field grid extended through both Crown grants. Thirty-five rock samples were collected and both soil and rock samples were analyzed for gold and tungsten.

The soil values were mostly low, rarely exceeding 30 ppb in gold, with four isolated samples with highly anomalous results ranging from 220 to 760 ppb in gold scattered throughout the field grid. A single highly anomalous tungsten value was located at what is now known as the Lefevre Skarn. Of the 35 rock samples, three returned gold assays greater than 1000 ppb in gold, all of those also located at the Lefevre Skarn. One of those samples also returned an overlimit result in tungsten, >2000 ppm. Kaufman (1984, p. 4) recommended that those four isolated anomalous soils be further investigated.

Also in 1984, on what is now known as the Bluestar occurrence, Snow-Water Resources Ltd. staked the Annie 1 & 2 claims which was a re-staking of Bourdon's Zap claims of 1980. Twelve representative chip samples and a grab sample were collected from quartz veins and silicified zones exposed in historical surface workings, including a short adit, that stretched north-south for about 500 meters. Mineralization consisted of disseminated pyrite with occasional galena, sphalerite and chalcopyrite and the sampling revealed that gold grade was proportional to the sulfide content in the sample. The best of those chip samples graded 2.6 gm/tne (0.077 oz/T) in gold with another returning 2.4 gm/tne 0.070 oz/T) in gold. The grab sample collected from vein material at the adit dump assayed 11.8 gm/tne (0.346 oz/T) gold, 12.7 gm/tne (0.37 oz/T) silver with minor lead and zinc values. Sangunietti (1984) recommended a program of geological mapping, prospecting, trenching and soil sampling to investigate the potential of that vein structure and parallel features.

In 1985, Noranda Exploration Co. Ltd. worked on its Swift claims which adjoin those owned by the Tjaders to the north, further upstream on Limpid Creek. A field grid of 2.9 line-kms was established with five east-west lines, each 500 to 700-meters long. Geological mapping and both total field magnetics and horizontal-loop EM [HLEM] was conducted over the grid lines. One rock sample and five stream sediment samples were collected and analyzed for gold, copper, zinc, lead and silver. None of the samples returned assays of interest.

The geophysics located a coincident magnetic and EM anomaly, but due to the lack of outcrop exposure, the direction of the conductor axis could not be determined. Bradish (1985, p.

6) recommended that reconnaissance HLEM be run to determine the orientation of the conductor and a geochemical survey be undertaken over the area of the anomalous geophysics.

In 1988, Corona Corp. conducted a regional stream sediment and airborne geophysical survey in a block of ground that extended from just north of the Pend d'Oreille River, to the village of Salmo and from the Salmo River in the east nearly to Fruitvale in the west. That area covered the majority of the current Nox Fort Property except for a thin strip along its south margin and part of the southeast corner. In this ambitious program, coincident stream sediment and heavy mineral samples were taken at 114 sites on every major creek in the claim block. The heavy mineral sample was sieved on-site to -20 mesh. A 2,660 line-kilometer airborne magnetic and VLF-EM geophysical survey flown by Areodat Ltd.[14] extended well-beyond Corona's claim boundary. Flight lines of that survey were spaced at 200-meters and flown at an average terrain height of 60 meters.

Corona's stream sediment samples were analyzed by multi-element ICP but the gold values were of greatest interest. The response from the stream sediment samples were judged by Gaunt (1989, p. 4) to be subdued so his interpretation was based on gold results from the heavy mineral samples.

The integration of the airborne geophysics and the geochemical results located several high priority target areas in that large claim group. Two high-priority areas were selected by Gaunt (ibid, p. 7). The highest priority area was at the headwaters of Tillicum Creek where one of the largest EM-magnetic anomalies of the airborne survey was located along with anomalous stream sediment values. His second priority area was to the south on Tillicum Creek and included the headwaters of Limpid Creek. The outlines of those priority areas are not shown, but it is likely that only the second priority area would fall within the Nox Fort boundary in the north-central part of the Property. Guant (ibid, p. 6), recommended prospecting, geological mapping and detailed stream sediment sampling in his high priority areas.

In 1989, Corona Corp. returned to complete more detailed stream sediment and heavy mineral sampling over selected sections of drainages based on their results of the previous year. Silt and -20-mesh heavy mineral concentrate were each gathered from the same 193 locations, most of which fall off the Nox Fort Property. As in the previous year, Gaunt (1990, p. 10) noted that the best signal was from the heavy mineral sampling. The strongest results came from the headwaters of Tillicum and Swift Creeks that lies just north of the Property. The highest assay of 13,250 ppb in gold was from a tributary of Charbonneau Creek (Figure 5) but it lies less than 100 meters off the Property in the southwest.[15] Sporadic but high results came from a one kilometer-long section of Limpid Creek, west of the Crown grants.

A field grid, 50.1 line-kms in size was established with a baseline oriented 045°Az along most of the length of Limpid Creek. Cross lines, were placed on one side or the other of the baseline at 200-meter intervals. Geological mapping and 1,443 B-horizon samples were collected from the grid at 25-meter intervals over much of that field grid. The highest assay in gold was 110 ppb taken from the far north of the grid and is in company with other anomalous values to its southwest.

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[14] Aerodat Ltd. was sold to High-Sense Geophysics Ltd. in 1997 which was, in turn, acquired by Fugro N.V. in 2000.

[15] Gualt (1990, p.11), mentions that a local soil survey was conducted over that site on Charbonneau Creek with the best result of a mere 3 ppb in gold.

Gault (1990, p. 13-14) identifies that part of the field grid as having the greatest potential for mineralization and notes that it occurs on the edge of a strong magnetic conductor based on the airborne survey of the previous year. His geology map locates an intrusive contact against Elise porphyry underlying the anomalous soil values. Unfortunately, that entire anomalous area is just off the northern boundary of the Nox Fort Property. Additional soil sampling in that area on infill lines was recommended, along with magnetic and VLF-EM geophysics.

In 1992 and into 1993, Jopec Resources Ltd. worked on its Big John claim group which covered the south half of McCormick and Wallack Creeks. Within that claim block a soil survey was conducted on a 14.1 line-km field grid that covered the Red Rock mine[16] and an area extending to the west. Jopec also completed sampling and drilling in refurbished portions of the Red Rock mine as well.

Jopec's field grid had a base line oriented east-northeast with crosslines spaced at 100 meters in the mine area and 200 meters elsewhere. The soil survey of 368 B-horizon soils was done at 30-meter intervals on the crosslines. All samples were analyzed by 31-element ICP.

Based on the analytical results, several anomalous zones were outlined, several of which are directly related to the Red Rock mine. Other zones are identified by anomalous mercury coinciding with anomalous or elevated values in zinc, lead, cadmium or gold. The anomalies are scattered throughout the rest of the field grid, most of which trend northeast-southwest, which coincides with the orientation of the underlying rock units. A series of low priority zones, anomalous in mercury, lead and silver occur along the north of the field grid and are thought to be related to the southern contact of the Wallack Creek stock. Other samples far exceeding background level in gold, especially in the west part of the sampled area, may be of interest to Jaxon Minerals.

Santos (1993, p. 22) recommended additional soil sampling to the west and east of the Red Rock mine as well as infill lines at 50-meter spacings, and reconnaissance soil sampling over the remainder of their Big John property.

In 1999, W.R.Howard completed work on his Cly 1 & Cly 2 claims that generously enclose the Bunker Hill and Mormon Girl Crown grants on all sides. That work included establishing several field grids amounting to 5.965 line-kms, running VLF-EM over a total of 5.17 line-kms, and gathering 155 B-horizon soils and 37 rock samples, all from various locations in the Bunker Hill Mine area. Also, five undocumented old working were located; the Yankee Open Cut, Yankee Clear Cut Trench, Kenneth Trench, Hand Steel Trench and Timbered Shaft.

From his work, Howard (2000, p. 34-35) concludes that rocks from the Lefevre Skarn and auriferous quartz veins are anomalous in bismuth, tellurium and tungsten and enriched in zinc and molybdenum. Soil values from overtop and downslope of the Lefevre Skarn are enriched in gold, bismuth, tellurium, arsenic, antimony, zinc, cadmium and less strongly, cobalt, while silver, copper and lead response is low. The gold content and pathfinder elements (bismuth, tellurium, arsenic, zinc, molybdenum and tungsten) are greater in the Lefevre Skarn and quartz veins contained within it, than from quartz veins at the Bunker Hill Mine.

[16] Santos in his assessment report refers to the Red Rock mine as the Big John Mine.

SALMO

FRUITVALE

TRAIL

5,440,000N

5,435,000N

5,430,000N

Staked in Nov'08

NOX FORT PROPERTY BOUNDARY

Swift Creek

RIVER

Highway 3

SALMO

Creek

Wallack Creek

BUNKER HILL INTRUSIVE

Bunker Hill C.C.

Limpid Creek FSR

BUNKER HILL ADITS

Figure 13

Figure 12

Figure 14

Level 1

Level 2

Level 3

Ness Cu

Figure 9

Quartz Veins: BiTel, Ella, Blue Quartz, Moly

Lefevre Skarn: Au-W

Mormon Girl C.G.

Powerline IBC Hydro

Clarbonneau Creek

Bluestar

Ag-Pb-Zn (Au)

Jillicum Creek

Limpid Creek

Horticulturalist Creek

Powerline Road

Limpid Creek FSR

Pete Creek

Pb-Zn-Ag

Atkinson Creek

Pete Creek

Highway 6

McCormick Creek

Red Rock

Ag-Pb-Zn

PEND D'OREILLE RESERVIOR

Powerline IBC Hydro

RIVER

SALMO

Remac

Pb-Zn-Ag

465,000E

470,000E

475,000E

480,000E

Figure 5

Astro NORTH

GRID NORTH

Magnetic NORTH

UTM NAD83 Zone11

Convergence 0° 17' 41"

Declination 16° 22' (01 Oct '08)

Near Mormon Girl C.G.: 5434200N, 471500E

May 2009

Jaxon Minerals Inc.

Nox Fort Project 2008 - Index Map

500 250 0 500 1000 1500 2000 2500 3000 3500 4000 4500 5000 meters

Scale 1:50,000

JAXON MINERALS INC.

Quartz veins show sharp contacts with widths up to 1.35 meters. Quartz textures vary from milky white 'bull-quartz' to a pitted, fractured light grey quartz and a translucent coxcomb variety. Gold content is greatest in veins containing a variety of textures but are fractured and pitted. Sulfide content is sparse.

A prominent VLF-EM conductor trending northeast from Level 1 of the Bunker Hill Mine was located and coincides with anomalous soil geochemistry. The sulfide-poor Bunker Hill quartz veins do not respond to VLF-EM geophysics.

1n 2004, Kootenay Gold Corp. optioned W.R.Howard's ground and conducted a short program of prospecting and the collection of 92 rock samples. Several samples exceeding 1 gram/tonne gold were taken from workings in the Bunker Hill Mine area, including the Blue Quartz Vein and at the Lefevre Skarn. Two samples, also greater than 1 gram/tonne in gold, were taken roughly 300 meters upslope of the main Bunker Hill trend which prompted Kennedy (2003, p. 2) to recommend a local soil survey on closely spaced lines at each location.

Gold was panned in Horticulturalist Creek south-southwest of the Crown grants as well as in two spots on Limpid Creek west and southwest of the Crown grants. Gold colors were also panned from a tributary of McCormick Creek, and a rock sample in that same area returned 2,742 ppb in gold and was overlimit (>10,000 ppm) in lead.

In 2004, Kootenay Gold Corp. returned to gather additional 47 rock samples and complete a reconnaissance survey amounting to 46 B-horizon soil samples, all in the vicinity of the Bunker Hill Mine area. The rock samples were gathered from various locations including the BiTel Knoll which returned three samples with gold values of 5888, 8474 and 12,430 ppb over unrecorded widths. Most of the soils were taken at 20-meter intervals along a north-south stretch of Limpid Creek FSR east of the Crown grants. None of the soils returned anomalous results.

In the Bluestar area three rock samples were taken. Two samples returned results exceeding a gram/tonne in gold; 1524 and 2282 ppb.

Kennedy (2004, p.3 & 4) concludes that several of the sampled quartz veins in the Bunker Hill Mine area are anomalous in gold and contain anomalous amounts of bismuth. But the patchy pitted quartz and mineralization will require more intensive sampling.

Kootenay Gold also had G.E.Ray complete several days of field mapping and compile a geological map of the Bunker Hill Mine area. He described the deposit styles evident in that area and recommended additional mapping and sampling in the Bunker Hill Mine area along with a new, tighter field grid that duplicates the area sampled in the Bluestar area by Ryan Exploration in 1984 (Ray, 2004, p. 27 & 28). Also recommended was additional prospecting to the east, between the Bunker Hill intrusive and the Wallack Creek stock.

W.R.Howard in 2004 reran selected rock samples, collected in that year and from 2003, for fire assay gold a multi-element ICP procedure including mercury, tellurium and selenium. A group of 48 new samples were collected, most from the BiTel knoll and the rest from nearby trenched veins. Howard (2004, p. 59-62) concluded that the variability of gold in the veins is very high and computing average grades should be based on a large population of densely spaced samples.

During 2005 and 2006 W.R.Howard arranged to conduct mineralogical research on selected samples from the Bunker Hill Mine area (2006a). Microscope work indicated that native gold occurs with an assemblage of bismuth-telluride minerals. Native gold occurs as intergrowths in the bismuth-tellurides or as isolated grains in quartz. Further discussion on these aspects of the mineralogy on the Nox Fort Property is beyond the scope of this Report.

In a following report, W.R.Howard (2006b), discussed the geochemical and structural features of several veins and mineralized zones in the Bunker Hill Mine area and compares them with deposits of similar characteristics. Howard (ibid, p. 102) concludes by identifying six drill targets on several showings in the Bunker Hill Mine area as well as those related to Level 1 and Level 2.

A report in 2008 continues W.R.Howard's investigation into the peculiar bismuth-tellurium mineralogy in the Bunker Hill Mine area by having electron probe microanalysis and laser ablation ICP-MS performed on polished sections from selected samples taken from the field. Howard (2008, p.50) concludes with various observations on the elemental composition of the various rare bismuth-tellurides in those analyzed samples, all of which is beyond the scope of this Report.

In 2007, Discovery Consultants conducted a field program for Clarke Gold Inc. and Bis-Gold Resources Inc., which, at the time, were owners of separate portions of what is now Clarke Gold's Nox Fort Property. Discovery Consultants completed a program of sampling that ranged to almost every part of the Property, but the vast majority of their work fell within about a kilometer of the Crown grants.

A variety of sample types were taken, including 18 rock, 28 heavy mineral, 44 stream sediment, 150 till and 217 soil samples. Rock samples were collected from various places in the Bunker Hill Mine area including from the Level 1 and Level 2 areas, at the Lefevre Skarn, and from the Clease showing just south of the Crown grants. Many of those samples returned values greater than 1000 ppb in gold, with significant bismuth and a few with encouraging silver assays. Molybdenum and tungsten were also high in some samples. A single sample from a boulder of float on the 'quad trail', about 500 meters east-northeast from the Crown grants, returned 15,170 ppb in gold with high bismuth and tellurium, which is a further indication that some mineralization exists at higher elevations east of the Bunker Hill Mine area.

Heavy mineral samples from several places on the major drainages were screened for the -20 mesh fraction in the field. Concurrently stream sediment samples were gathered from the same heavy mineral sites and along first- and second-order tributaries. Heavy mineral samples from Limpid Creek, above the Crown grants were anomalous as were several in McCormick Creek. About half the silt samples taken from the entire length of Limpid Creek were anomalous, as was a single result from McCormick Creek.

A series of till samples were taken from exposures on the road network on the Property, and sampling extended from Wallack Creek in the east to Tillicum Creek in the west. Many samples were anomalous in gold and or any other of the economically significant elements. Many of these were resampled with rather comparable results in the 2008 field program.

The soil survey was completed over a 20 x 20-meter field grid that covered most of the east part of the Crown grants. In fact, 420 samples were collected, but only 217 of those in the north half of the field grid were sent for analysis. The remaining 203 samples were analyzed by

Jaxon Minerals in 2008. Of the 2007 results, two samples in particular stand out. They fall in the center of the north grid, nearly next to each other on adjacent lines and grade a highly anomalous 229 and 43 ppb in gold. Resampling this area with a much tighter local grid was a priority for Jaxon Minerals in 2008.

Again, **in 2007**, Clarke Gold Inc. had Associated Geophysics run a combined magnetic-VLF-EM survey over the west side of the Bunker Hill and Mormon Girl Crown grants. That survey was conducted on the same pattern as the soil grid established by Discovery Consultants, but with three lines extending from the middle lines west to Limpid Creek FSR. Total-field magnetic readings were recorded at one-second intervals while those from the VLF-EM readings were spaced at about 25-meter intervals. The instruments were recording concurrently on field grid lines spaced 20 or 40 meters apart amounting to 6.2 line-kms of surveyed traverse.

Bowman (2008, p.7-10) reports that numerous anomalous responses were detected by both the magnetometer and the VLF-EM instruments, and many were coincident with known mineralization. The most prominent geophysical feature is the strong response attributed to the west contact of the Bunker Hill intrusive, best expressed by the magnetics. Smaller magnetic anomalies and VLF-EM conductors occur in the vicinity of both the BiTel Knoll and Lefevre Skarn and conductors extend along a north-and south-trend from a point between Levels 1 and 2 of the Bunker Hill Mine.

Completion of the 2007 field program and geophysical survey brings the Property to the state that was current when Jaxon Minerals optioned the Property from Clarke Gold and Bis-Gold. This rather rich history reaching back for more than a century has not yet been properly compiled – a situation deservers to be rectified to unearth important details buried in the Property's documentation.

GEOLOGICAL SETTING

Regional Geology[17]

The Nox Fort Property is located in the Omineca Belt, a morphogeological belt of variably deformed and metamorphosed Proterozoic to Tertiary sedimentary rocks that separate the miogeocline of ancestral North America to the east from accreted terrains to the west. The Omineca Belt developed in the Jurassic through Early Cretaceous as Quesnellia was thrust over marginal North American and Kootenay terrane rocks and displaced further eastwards by folding and thrusting. This Mesozoic compressional deformation was followed by extensional tectonics in Eocene time.

The Omineca Belt in southern British Columbia is composed of Proterozoic metasedimentary rocks of the Windermere and overlying Lower Cambrian Quartzite Range and Reno formations. To the west, these are structurally overlain by metasediments of the north-trending Kootenay Terrane consisting mainly of Lower Paleozoic Lardeau Group and Active and Laib formations. These rocks are probably equivalent to or were deposited in proximity with North American miogeoclinal strata (Logan, 2000, p.194).

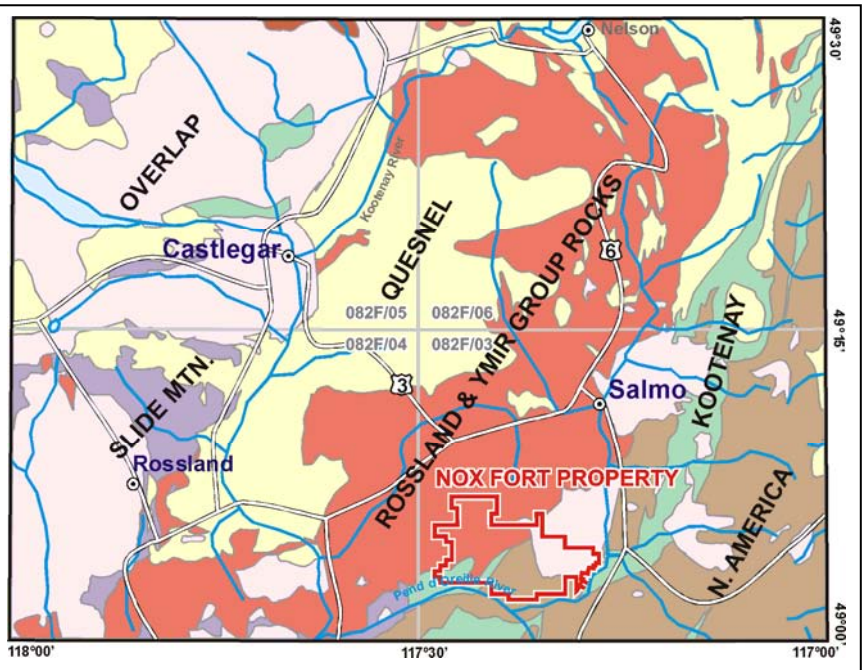


Figure 6: Generalized regional geology showing the Nox Fort Property straddling the rocks of ancestral North America and those of the Quesnellia terrane and including rocks of Kootenay terrane. The Cretaceous Wallack Creek stock occupies the eastern portion of the Property.
After Jackaman & Höy, 2004, fig.2

Quesnellia rocks consist of a thick, northeast trending belt of stratigraphic rocks of the Early Jurassic Rossland and correlative Ymir groups. They include clastic rocks of the Archibald Formation and volcanic rocks of the Elise Formation overlain by fine-grained clastic rocks of the Hall Formation.

The tectonic boundary between Quesnellia and North American Rocks is commonly marked by mafic volcanic rocks and ultramafics of the oceanic Slide Mountain terrane. At the Nox Fort Property area, this boundary is marked by the Waneta and Tillicum fault systems. That boundary is obscured or cut by Middle Jurassic Nelson batholithic bodies or intrusions of Cretaceous age.

The intrusions in the Nox Fort Area are part of a cluster of similar plutons and batholiths that describe an arcuate belt known as the Bayonne Suite which extends 350 kilometers north

[17] Much of this section is summarized or excerpted from Jackaman & Höy, 2004, p. 195, and Höy & Dunne, 2001, p.3, and Cathro & Lefebure, 2000, p.207.

from the international border. It is dominated by Middle Cretaceous plutons that follow the eastern edge of the Kootenay terrane as they intrude the miogeoclinal rocks of North American affinity and are largely undeformed and discordant to the regional structures of the Mesozoic accretionary event. Bayonne suite intrusives are composed of medium to coarse-grained, biotite-hornblende monzogranite to granodiorite and biotite and biotite-muscovite granites. They are often composite bodies consisting of several granitoid phases. Compositionally they are metaluminous to weakly peraluminous hornblende-biotite and strongly 2-mica granites, aplite and pegmatite (Logan, 2000, p.195).

Significantly, the intrusives of the Bayonne Suite show similarities to Middle Cretaceous granitoid rocks of the Tombstone Plutonic Suite, part of the Tintina Gold Belt which occupies most of central Alaska and runs through central Yukon. The similarity in plutonic rocks draws analogues of intrusion-related deposits of a gold-bismuth-tungsten-arsenic-tellurium-(molybdenum-antimony) assemblage in the Tintina Gold Belt, to similar occurrences in southern British Columbia. It is this type of mineralization at the former Bunker Hill Mine that was the target of much of the exploration during the 2008 field program.

Regional Mineral Occurrences[18]

About 30 kilometers west of the Nox Fort Property a cluster of mineral occurrences of the Rossland camp ranks as the second largest gold camp in British Columbia. They are gold-copper and polymetallic veins hosted in predominantly mafic volcanic rocks of the Elise Formation of the Rossland Group and in the monzonitic Rossland stock.

Northeast by about 20 kilometers from the Property, the Sheep Creek gold camp saw production out of mesothermal quartz veins mainly hosted by the Quartzite Range Formation.

Between Nox Fort and the Sheep Creek camp, the Salmo Belt forms a string of deposits east of the Salmo River and scatters a few deposits south of Nox Fort. These occurrences are dominated by carbonate-hosted lead-zinc deposits usually restricted to the dolomitic Reeves member of the Laib formation.

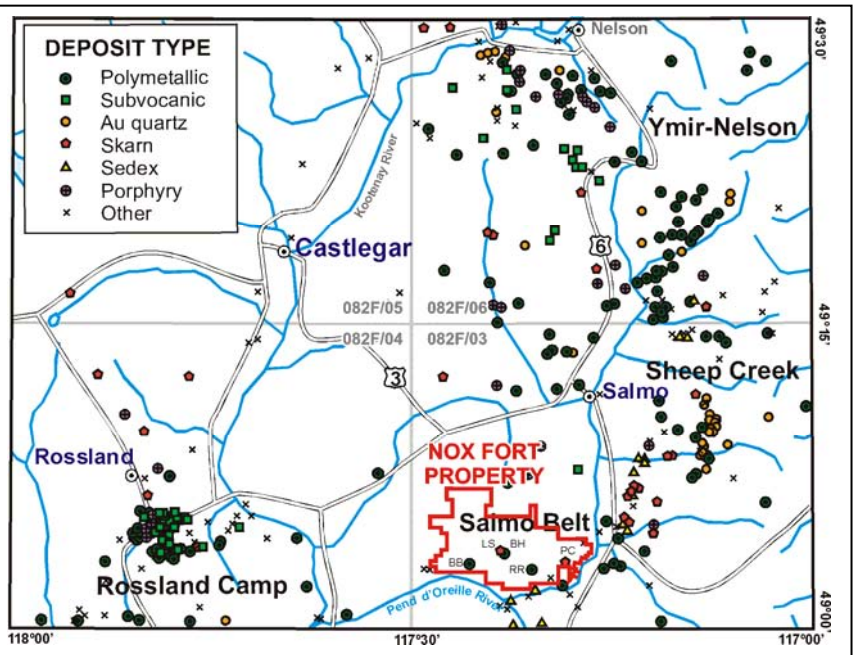


Figure 7: Distribution of mineral occurrences in the Rossland-Salmo-Nelson area. Note the occurrences on the Nox Fort Property: BB=Bluebird, LS=Lefevre Skarn, BH=Bunker Hill, RR=Red Rock, PC=Pete Creek.
After Jackaman & Höy, 2004, fig.3

The most notable of those is the Reeves MacDonald zinc-lead-silver mine located about a kilometer south of the Nox Fort Property boundary. It was in operation from 1949 to 1971 (MINFILE), and produced 5.8 million tonnes of 3.5% Zn, 0.98% Pb and 3.4g/t Ag (Höy & Dunne, 2001, p.11).

[18]Most of this sub-section is summarized or extracted from Jackaman & Höy, 2004, pp.195-196

Another notable deposit is the Jersey Emerald, located east of the Salmo River about 6 kilometers northeast of the Nox Fort Property boundary. It contains a variety of deposit types including tungsten skarn and gold-bismuth quartz vein and skarn where granitoid stocks are implicated. The Jersey Emerald also hosts stratabound Sedex-style zinc-silver-copper-barium deposit as well as a lower zone of the carbonate-hosted lead-zinc deposit of the original mine (Sultan Minerals, 2009).

No deposit is currently in production although recent work has been occurring on the Red Bird deposit, a southern oxidized extension of the Reeves MacDonald (Höy & Dunne, 2001, p.11), and on the various deposits at the Jersey Emerald deposit.

Property Geology

The geology of the Bunker Hill Mine area is best understood from reporting and mapping by Ray (2004, pp. 14-23 & Maps 1 & 2, Map 1 reproduced in part in figure 9). But it became evident, as the 2008 fieldwork progressed, that important aspects of that work may need to be reworked or at least updated. The geology beyond the Mine area which accounts for the vast majority of the Nox Fort Property, is much less well understood. Geology mapping was not emphasized in the 2008 field season as it was confined to a few very localized areas of detailed channel sampling. The descriptions that follow are partly based on the compilation map by Höy and Dunne (1998) (figures 8a & 8b) and their descriptions (in ibid, 1997 & 2001). Descriptions of Cambrian rocks are mostly from (Fyles & Hewlett, 1959).

The Nox Fort Property straddles rocks of the Kootenay Terrane against those of Quesnellia, all of which trend northeast-southwest. Marking that contact is the Wantea fault structure, a northwest dipping thrust which separates the Carboniferous and older Kootenay rocks in the southeast of the Property from younger Early Jurassic rocks of Quesnellia in the northwest. Occupying part of that contact are the intrusive rocks of the Wallack Creek Stock and the much smaller, and possibly related Bunker Hill Intrusive.[19]

North American Terrane Rocks

Lower Cambrian rocks of the Quartzite Range and Reno Formations, which make up the Hamill Group, are mapped in only a corner of the Nox Fort Property on its southern boundary.

Quartzite Range formation consists of a series of namesake quartzites. The lower member consists of grey-brown micaceous quartzite with horizons of impure white beds and thin beds of greenish phyllite. These quartzites grade into white quartzite of the upper member. The upper member quartzites are predominantly green but locally display a pinkish or greenish cast in beds that range to half a meter thick with quartz grains as large as 5mm across (Fyles & Hewlett, 1959, p. 19-21).

The Reno Formation is bounded by the sequence overlying the white quartzite at the top of the Quartzite Range formation and the first calcareous bed at the base of the Laib formation. That sequence is dominantly a dark grey micaceous quartzite that weathers to a brownish cast.

[19] The granite in the Bunker Hill area has been described as the Bunker Hill Sill (Howard, 2005 and later) and as the Bunker Hill Stock (Ray, 2004). It is the preference of the author to simply identify it as an intrusive.

Its upper member contains beds and lenses of coarse, sometimes opalescent quartz grains in a calcareous cement (ibid, p. 21-23).

Surprisingly, Fyles records rocks of the Reno and Quartzite Range formations just south of the adits of the Red Rock mine (ibid, 138-140). That suggests that more detailed mapping may locate a larger proportion of these rocks on the Nox Fort Property.

Kootenay Terrane Rocks

Overlying the Reno formation is a thick sequence of phyllite, micaceous quartzite and limestone of the Lower Cambrian Laib formation. These rocks dominate in the southeast of the Nox Fort Property and may underlie at least the southern part of the Bunker Hill Mine area.

The lower part of the Laib has been subdivided in three members, the Truman, Reeves and Emerald members. The Truman member consists of a moderately thin sequence of green and brown schist and phyllite with interbands of white limestone that separates the Reno quartzite from the Reeves limestone (ibid, p. 23-25).

The Reeves limestone conformably overlies the Truman member and is defined as the calcareous succession between the uppermost schist of the Truman member and the first bed of the overlying Emerald argillite. The Reeves limestone contains all the major lead-zinc deposits of the Salmo district including the Reeves MacDonald mine south of the Nox Fort Property. This limestone is banded grey or black and white and fine to medium grained that weathers to a blue-grey. It contains minor amounts of quartz and muscovite and is locally dolomitic and may contain needles or rosettes of tremolite (ibid, p. 25-26).

Overlying the Reeves limestone is the sequence of black argillite of the Emerald member which grades into green and brown phyllite of the Lower Laib. The Emerald argillite can vary from blocky and hornfelsic to phyllites with shiny foliation planes that grade into black schist (ibid, p. 26-27).

The Upper Laib is mainly composed of phyllite and schist, colored dull-green, grey and brown with minor sequences of argillaceous limestone. Some of the phyllite is calcareous. Most of the rocks are well foliated, displaying complex minor folds and crenulations (ibid, p. 27-28). Tremolite needles in the phyllites are common in some locations.

The geological map of Höy and Dunne (1998) (figures 8a & 8b), shows the Laib on the Nox Fort Property as the calcareous Reeves member which may not be appropriate in what is known of the Bunker Hill Mine area and in places elsewhere. With more detailed geological mapping it may appear that at least some of that mapped area would be identified as Upper Laib. Fyles (1959, 138-140) describes and maps Reeves limestone on surface and in the adits in contact with Quartzite Range formation at Red Rock

A sequence of complexly deformed phyllite, argillite, quartzite, chert and limestone of uncertain age has so far defied any attempt to correlate them with any unit in the Salmo area. They are known simply as ‘Cs’. They are terminated at the Wantea Thrust and their lower contact has been arbitrarily placed where a distinctive quartzite overlies the grey, black and locally green phyllite of the Upper Laib. The quartzite near Tillicum Creek is thinly banded grey, green and brown micaceous quartzite with minor lenses of grey phyllite (ibid, p. 37-38).

That lower contact with the Upper Laib is mapped through the Crown grant and the 'Cs' sequence predominates to the Wantea Thrust in the north part of the Bunker Hill Mine area.

Quesnellia Terrane Rocks

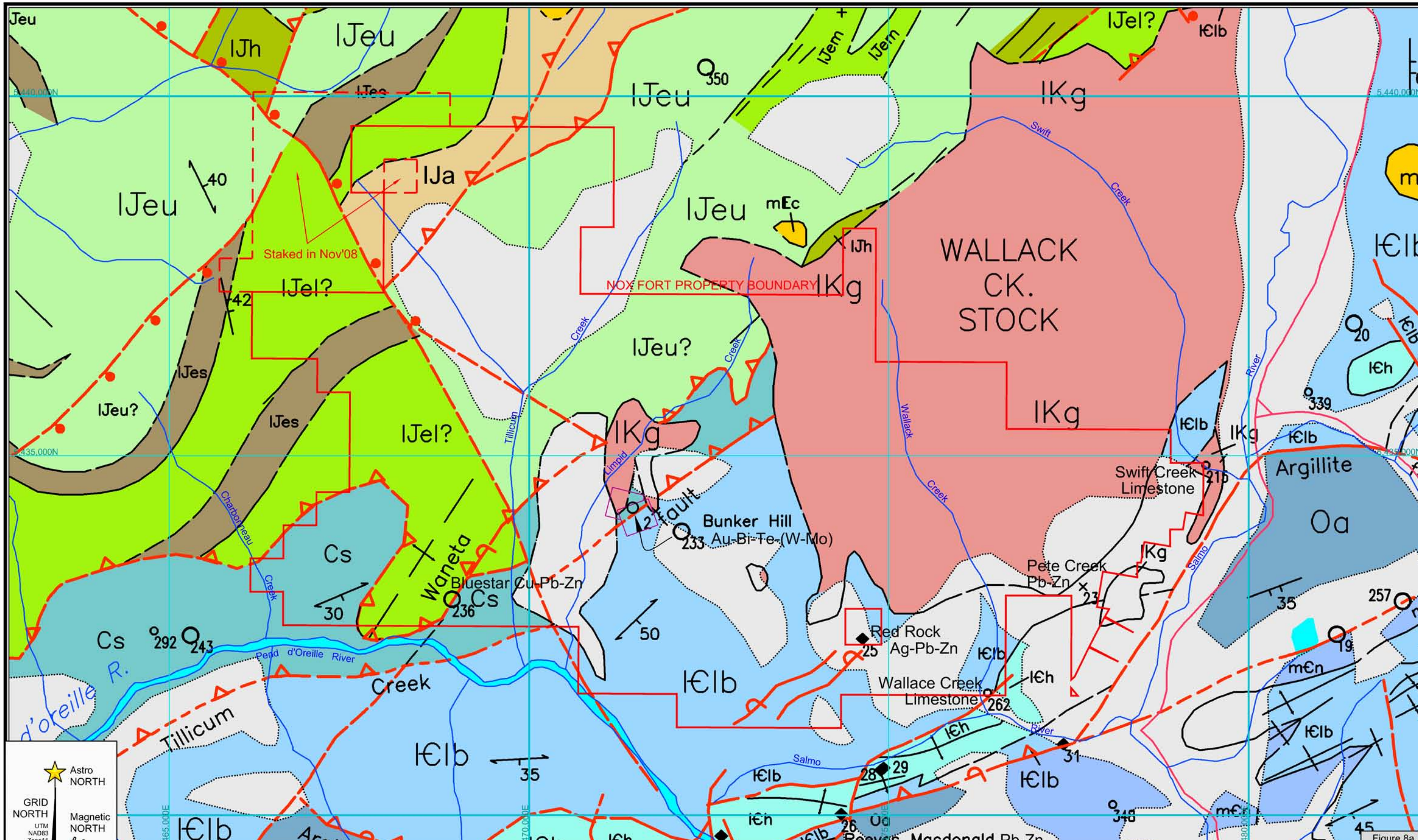
Quesnellia terrane rocks are represented on the Nox Fort Property by those of the Archibald and Elise formations, members of the Rossland Group. The Archibald formation is consists of a succession of siltstones, sandstones and argillites with prominent sections of interbedded conglomerate. Facies and thickness changes which include clastic debris flows, fluvial deposits that pass eastward into turbidite sequences indicate a depositional environment of a large submarine fan with a source material derived from the west (Höy & Dunne, 2001, p.3).

Abruptly overlying the Archibald formation are the predominantly mafic volcanics of the Elise Formation. It is comprised of a lower section of massive augite-phyric flows and an upper section dominated by lapilli tuff, pyroclastic breccia and epiclastic slump deposits. That sequence indicates an initial period of effusive mafic volcanism with flows deposited in a subaqueous environment. Rapid facies and thickness changes of the overlying Elise rocks indicate an active volcanic depositional environment. The abundance of pyroclastic flow deposits associated with surge deposits, coarse debris facies that indicates paleotopography of high relief and air-fall deposits, and minor lava flows are typical of deposits associated with stratovolcanoes (ibid, 1997, 29 & 53).

Only barely represented on the Nox Fort Property is the sedimentary succession that lies at the top of the Rossland Group, the Hall formation. It generally conformably overlies the Elise formation. The Hall formation consists of three members; a lower rusty black siltstone and argillite succession, coarsening upwards to a middle sequence of coarse sandstone and conglomerate, capped by a predominantly carbonaceous siltstone of the upper member. These members may occur in various thicknesses with the lower Hall being thicker and better exposed. A number of volcanic units, including tuffaceous conglomerate, minor crystal tuff and rare augite phyric flows occur within the lower and middle Hall. The depositional environment has been interpreted as that of a littoral or offshore environment where deposits were laid down on an irregular paleosurface after a hiatus from the Elise volcanism. Coarse clastic wedges indicate the source material may have been derived from highlands to the west and northeast (ibid, 2007, 59, 61 & 64).

Slide Mountain Terrane Rocks

Two large lenses of ultramafic rocks occur in the central part of the Nox Fort Property and are thought to be of Slide Mountain affinity but that is far from certain. These rocks are dark colored and variably serpentinized, usually highly magnetic with faint bands of very fine grained magnetite sometimes interrupted by sparsely distributed and irregular thin to gossamer seams of asbestos.



Source: Höy, Trygve & Dunne, Kathryn P.E. (1998): Geological Compilation of the Trail Map Area, Southeastern British Columbia, NTS (082F/3,4,5,6), BC Ministry of Energy, Mines & Petroleum Resources, Geoscience Map 1998-1, 1:100,000 scale.

May 2009

Jaxon Minerals Inc.

Nox Fort Project 2008 - Property Geology

500 250 0 500 1000 1500 2000 2500 3000 3500 4000 4500 5000 meters

Scale 1:50,000

Notes:
Bunker Hill Mine in original map relocated onto Bunker Hill & Mormon Girl crown grants (see arrow)

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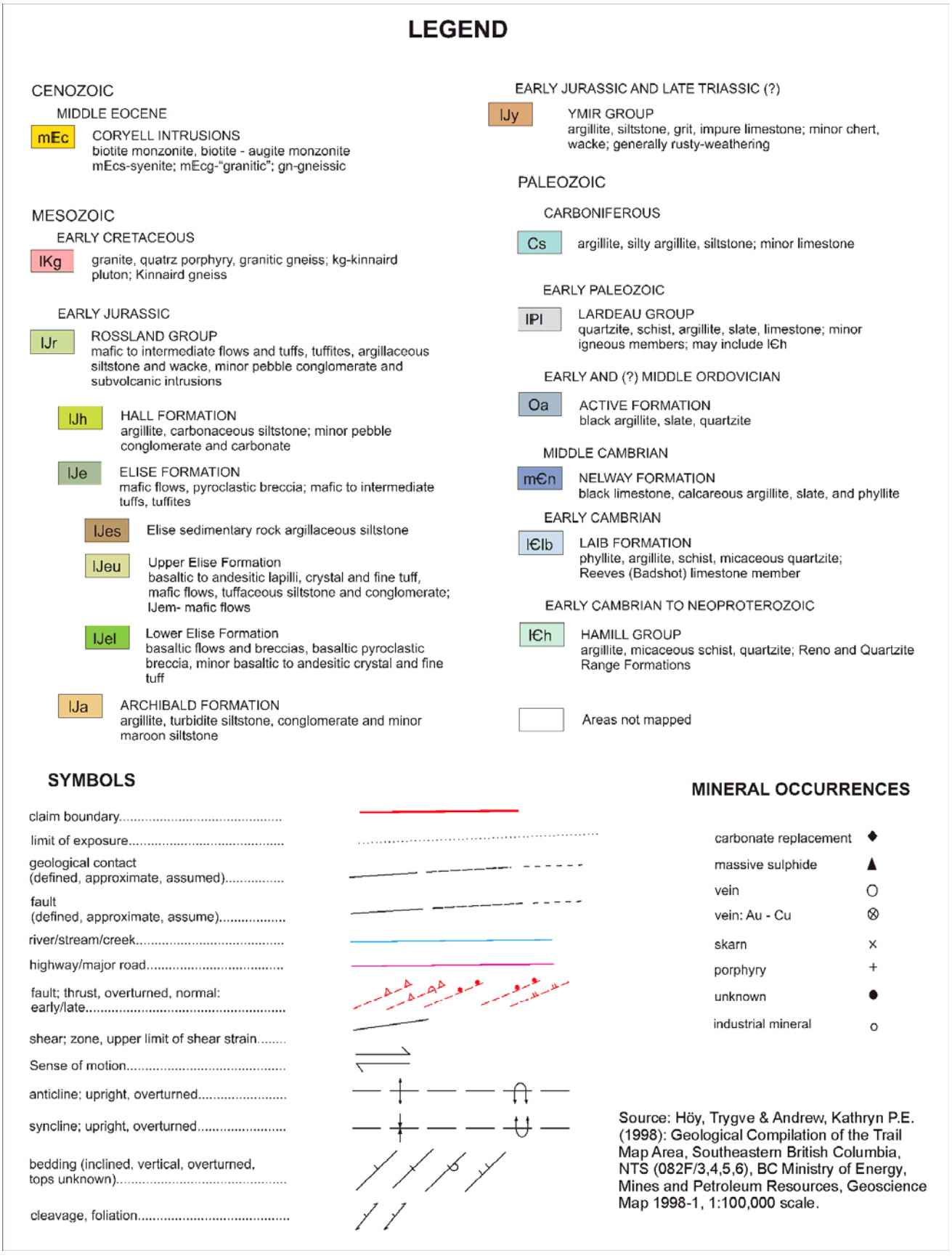

Figure 8b: Legend to Property Geology map of Figure 7a.
After Koffeyberg & Howard, 2008a, fig.4.

Plutonic Rocks

The 115 Ma (Logan. 2002b) mid Cretaceous Wallack Creek stock is the most prominent intrusive feature on the Nox Fort Property as it occupies most of its northeast quadrant. The smaller satellite body of the Bunker Hill intrusive lies to the west of the Wallack Creek stock. Hand specimens from both intrusives are usually indistinguishable. For the time being, the inference that the two stocks are closely related is assumed, as they could be conjoined at depth. Characteristics of the Bunker Hill intrusive are better known and, as far as is known, would apply to the Wallack Creek stock as well.

The Bunker Hill intrusive is of granitic to quartz monzonitic composition, nearly homogeneously medium grained and equigranular that may vary in color from leucocratic to pale brown. In the Bunker Hill Mine area the intrusive occurs as a dike-like body about 1500 meters long and 200 to 400 meters wide. It is abruptly terminated at Horticulturalist Creek as it either submarines under the Laib sediments on the south bank of the creek or is faulted away. To the north, the intrusive balloons to a larger feature to in an area that has not been mapped in detail. The intrusive appears on the Limpid Creek FSR about 350 meters northwest of the Bunker Hill adits.

Contacts of the Bunker Hill intrusive with quartzite can be abrupt and uncomplicated or sometimes disrupted by irregular faulting. Other places, such as at the Lefevre Skarn, a zone of hornfelsic and garnet-diopside skarn is developed containing minor amounts of sulfide mineralization and local patches of significant amounts of gold and tungsten. The intrusive contact in other places is the locus of quartz veins of variable thickness up to more than a meter wide and at inconsistent orientations that extend into both the intrusive and the hosting sediments. These quartz veins may be mineralized with minor sulfides but also contain significant grades in gold along with bismuth and tellurium.

Fyles (1959, p. 39) describes the southwestern part of the Wallack Creek stock as composed of gneissic granite with many inclusions of incompletely granitized sediments. That zone of assimilation extends over a distance of several hundred meters (“a few thousand feet”) into the Cambrian rocks. Outcrops along the margin of the stock contain lenses of limestone, thin beds of black argillite, micaceous quartzite and irregular masses of granitic rock. The limestones are grey and white, medium to coarsely crystalline, and micaceous quartzites have become rusty weathering micaceous quartz-feldspar gneisses or poorly foliated granite. Cleaner quartzites are not as completely granitized but they commonly contain sodic plagioclase and a proportion of muscovite.

In the Bunker Hill area a large amount of float as both rounded and angular boulders are composed of a distinctive bladed texture probably derived from alkaline rocks of a Coryell intrusive, of Cenozoic age, mapped just north of the Property boundary. These intrusives occur as small bodies of augite-biotite monzonite in which the crystals of augite are characteristic. The intrusive north of the Property is a basic syenite, containing some olivine, and is noted for its distinctive large, thin lamellae of biotite that are more conspicuous that the augite[20] (Little, 1965). It is possible, given the amount of float that is seen, that additional and heretofore unmapped intrusives of that type may exist.

[20] This very distinctive texture was dubbed “Black Frost” by Linda Barber of the Kokanee Rock Club (personal communication, 05Nov’08) – a term that amply describes the dark blades of bright fine grained biotite against a medium grey to very dark green groundmass.

Dikes of aplite and lamprophyre occur throughout the metasediments in the Bunker Hill Mine area. The dikes are generally thin and can rapidly vary in attitude. Aplite dikes are composed of fine to medium grained, usually flesh-colored to slightly pink colored material of granitic composition.

Lamprophyre dikes range to a meter wide but, where thinner, can splay or coalesce in a disorganized, ribbon-like manner. The dikes are usually a dark bronze color, composed of very soft, nearly friable, predominantly micaceous material. The most common lamprophyre is composed principally of reddish-brown biotite crystals dominating olivine which is invariably altered to talc or serpentine (Fyles & Hewlett, 1959, p. 45).

Structure

The most prominent fold structure in the Nox Fort area is the Salmo River anticline, an isoclinal fold with an axial plane dipping steeply southward with a slight westward plunge. The fold axis lies just off the south of the boundary on the east side of the Property. As the rock units and the fold axis swings from primarily east-west to northeast, flanking the Property to its southeast, it disappears in granitized rocks related to the Wallack Creek stock (ibid, p. 48).

Marking the boundary of Quesnellia and rocks of the Kootenay terrane is the west-dipping west-verging Waneta Thrust Fault (Höy & Andrew, 1990, p/14-15). A zone of parallel structures imposes an intense penetrative foliation to the enclosing rocks which may be locally folded. The thrust fault has been displaced between Tillicum and Limpid creek by a northeast-dipping transverse fault

In the Bunker Hill Mine area, Ray (2004, p.17) recognized two periods of folding. The initial deformation is the more intense, taking place under regional greenschist facies metamorphism and is expressed as penetrative mica-chlorite cleavage and schistosity. The intensity of that fabric is variably developed, where quartzites tend to lack the fabric while argillaceous units have become phyllites. This deformation event, during a period of large-scale isoclinal folding, is thought to have occurred with the folding and thrusting in the Jurassic as Quesnellia was docking and overriding ancestral North America.

A weaker second episode is evident as mostly open flexures although tighter folds were noted (ibid). Most of the few fold axes that were seen plunge moderately to steeply westerly.

Shearing and faulting is common, especially in the less competent argillites and graphitic sediments. The Bunker Hill intrusive is cut by a number of northwest-southeast trending faults, which suggests a brittle deformation event occurred in the area postdating the Cretaceous. Several sites, including the Blue Quartz, Moly Trench, Kenneth Trench and Timbered Shaft (Ness?) all display fracturing trending east-west which parallels the creek draining the area adjacent to the Bunker Hill adits. That suggests that east-west faulting may extend throughout the Bunker Hill mine area.

Mineralization

As many as four mineral occurrences fall within the outside perimeter of the Nox Fort Property according to the BC Minfile (table 4). Principal of those is Bunker Hill which was the focus of much of the 2008 field program. The former producer at Red Rock falls within the claim not

owned by Clarke Gold in the east central part of the Property. Red Rock may serve as a precedent that reflects a potential for the discovery of additional deposits of that kind, in rocks of the Laib formation that occupy a large portion of Nox Fort. Two other showings at opposite ends of the Property, Pete Creek in the east and Bluestar in the west are of different deposit types and demonstrate the range of mineralization contained in rocks of the area.

Table 4
Mineral Occurrences on the Nox Fort Property

Name	Minfile No.	Commodities
Bunker Hill	082FSW002	Au-Bi-Te-Ag-W-Mo-Pb-Zn
Red Rock	082FSW025	Pb-Zn-Ag
Ness	082FSW233	Cu
Pete Creek	082FSW023	Zn-Pb-Ag
Bluestar	082FSW236	Au-Cu-Ag-Pb-Zn

Bunker Hill: Mineralization at Bunker Hill appears to be influenced by the Bunker Hill intrusive especially along its contacts with the enclosing sediments. Ray (2004, p.18-19) adequately summarizes the various deposit types that are occur in the Bunker Hill Mine area:

- Quartz veins and stringers that occur within the intrusive and may extend into the host sediments. Quartz is fine and coarse grained occurring as veins greater than a meter wide and often reminiscent of bull-quartz. It can also be pitted and express a globular form of white and grey colored chalcedonic silica dubbed 'hydrothermal quartz'.[21] Stringers of grey and translucent quartz sometimes also of the 'hydrothermal' variety can populate local patches of silicified intrusive. Minor medium to very fine grained pyrite and rarer pyrrhotite are contained in the quartz, and uncommonly, very finely divided dustings of silvery metallic minerals attributed to a variety of bismuthinides and tellurides.[22] Accessory and locally significant amounts of galena and molybdenum are known.
- Tungsten-bearing scheelite-garnet-pyroxene exoskarns that lie adjacent to the intrusive contact called the Lefevre Skarn. It is as wide as 30 meters and extends along the west contact of the Bunker Hill intrusive for about 100 meters. It is principally a hornfelsic zone with centers of garnet-diopside skarn scattered within it along with quartz veins containing relatively minor amounts of sulfides. Those include pyrite, pyrrhotite and, rarely, arsenopyrite. The veins and alteration carry gold and bismuth with lesser tellurium and silver with anomalous arsenic in places.
- A single example of pyrite and galena, sometimes accompanied by sphalerite, is classified as a third style of mineralization based on the Hand Steel showing. No effort was made to locate that showing in the 2008 field program and Ray admits he could not find it in his program (2004, p.12). The showing is described as a distal deposit style without distinct quartz veining but consists of sparse sulfides disseminated in altered and bleached argillaceous quartzites.

Red Rock: This is a former underground producer that over its sporadic operating period between 1935 and 1975, mined 525 tonnes at 295 grams/tonne silver, 0.3 grams/tonne gold, 0.16% lead and 0.18% zinc. A main sulfide lens at the sheared contact between the Reeves limestone and the underlying quartzite was stoped to surface from the upper two of three adits. That sulfide lens contained coarse grained galena, sphalerite, and pyrite with manganiferous siderite and local arsenopyrite. The mineralization thinned in all directions having a maximum

[21] Bruce Ballantyne, project manager, Jaxon Minerals, personal communication on occasions during the 2008 field program.
[22] Refer to Howard (2006a & 2008) for an extended discussion on the laboratory investigations on the peculiar mineralogy found in some of the veins in the Bunker Hill Mine area. Those topics are beyond the scope of this Report.

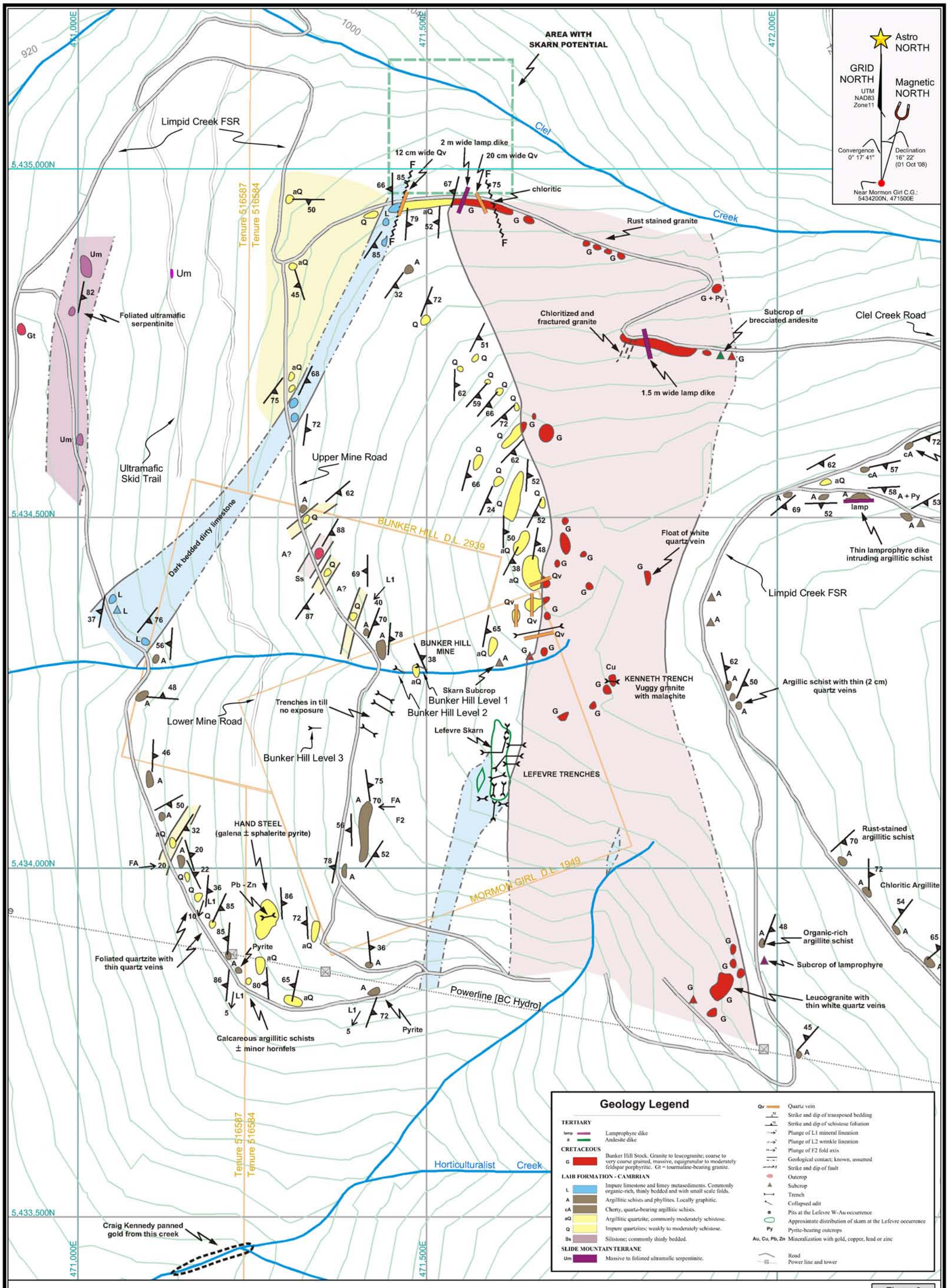

Figure 9

Source: after Ray, 2004, Map 1

Jaxon Minerals Inc.

Bedrock Geology - Bunker Hill Mine Area

50 25 0 50 100 150 200 250 300 350 400 450 500 meters

Scale 1:5,000

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May 2009

width of 3 meters and a strike length that tapered over 21 meters, disappearing 60 meters down-its dip of 65° (BC Minfile).

Ness: The location of this showing as recorded in BC Minfile is rather imprecise but it is thought that the Ness is what is now known as the Timbered Shaft. It consists of an irregular lens of massive white quartz exposed on surface and in a shallow shaft, not more than 4 meters deep, that contained cribbing near its bottom. A vein just below the collar of the shaft contained bands and streaks of locally massive medium to coarse grained sulfides. That vein and along with other loose material was scaled into the bottom of the shaft before channel sampling began (fig. Sh-A, Appendix G). Not much of the mineralization remained in the wall once the scaling had been completed. While clearing the quartz on surface, that mineralized material on the floor of the shaft was further covered by overburden. The quartz vein is over a meter thick with inconsistent orientations and appears to pinch out to the north and east as it is obscured by cover. Eight channel samples taken in 2008 returned no values of interest.

Pete Creek: This group of two showings of lead-zinc skarn showing was not located in the 2008 field program and details are limited. The upper showing is a small lens of sphalerite and galena at the contact between and coarse grained tremolitic limestone of the Reeves member and granitized quartzite of the Laib formation. A 1.5-meter chip sample contained 34.3 grams/tonne silver, 3.48% lead and 5.1% zinc. A second showing, 460 meters to the southwest consist of massive pyrrhotite between Reeves limestone and granitized siliceous rocks. The mineralization was traced for 23 meters at 075°Az. The limestone, in the Laib formation, is partly altered to a green silicate described as a skarn (BC Minfile).

Bluestar: This mineral occurrence consists of at least eleven open cuts and a short adit-drift (Ann. Rep. Min. Mines, p. A148) descending the slopes west of Tillicum Creek just above the Pend d'Oreille River in the southwest-central part of the Property. Those historical workings trend north-south over a distance of about 500 meters. The adit-drift is a nine meter-long mined-out slot with an overhanging face.

Mineralization in the workings consist of disseminated pyrite and occasional crystalline clusters of galena, sphalerite and chalcopyrite in quartz veins and silicified shear zones that both crosscut and are conformable to thinly bedded, green-grey siliceous argillite, phyllitic argillite and light grey calcareous argillite. In the adit, the mineralized zone is about 2 meters wide, striking between 150° and 160°Az and with a 65° to 70° west dip (Sanguinetti, 1984, p.7). Overall, the zone ranges in width from 1 to 2.5 meters (Minfile). A sub-parallel vein is exposed about 300 meters to the west (Sanguinetti, 1984, p.7).

Fieldwork by Rex Silver Mines Ltd. (Aussant, 1983, map 8) identified a broad area of anomalous silver in soils with an orientation consistent with the regional geological trend west of Tillicum Creek. The Bluestar adit is located within that anomaly.

Representative chip sampling by Snow-Water Resources Inc. returned two favorable gold assays of note; 2.6 gm/tne (0.077 oz/T) in gold over a width of 3.2 meters and 2.4 gm/tne (0.070 oz/T) gold over 1.8 meters. A random grab sample from the adit dump returned 11.8 gm/tne (0.346 oz/T) in gold, 12.6 gm/tne (0.37 oz/T) in silver along with minor lead and zinc values. In general, the gold grade and sulfide content in a sample were related (Sanguinetti, 1984, p.7 & table 1)

Several samples were taken from Bluestar during the 2008 field program. The best of those, sample 918339, returned 4314 ppb gold and 7002 ppb silver over an unspecified width.

The vein structures are thought to be controlled by the nearby Waneta Thrust, a nearby regional structure that strikes northeast just west of the adit area. Given the evidence of at least one sub-parallel vein in an area of rather extensive overburden, the potential for additional structures giving host to gold-silver mineralization is recognized. That makes the Bluestar area a compelling target for vein-type structures that are similar yet distinct from those in the Bunker Hill mine area.

Exploration Targets

The deposit type that has dominated the history of the Bunker Hill Mine area is now recognized as Reduced Intrusion-Related Gold System [RIRGS]. The RIRGS is a recently recognized deposit class whose most prominent analogues are the large, low-grade, bulk tonnage deposits of Fort Knox (Alaska) and Dublin Gulch (Yukon) of the Tintina Gold Belt. Not only does the RIRGS model apply strictly to gold deposits of particular characteristics, but also include associated deposits such as skarns, veins, disseminations, stockworks, replacement and breccia bodies that may occur within or outboard of the aureole of causative intrusion (figure 10a).

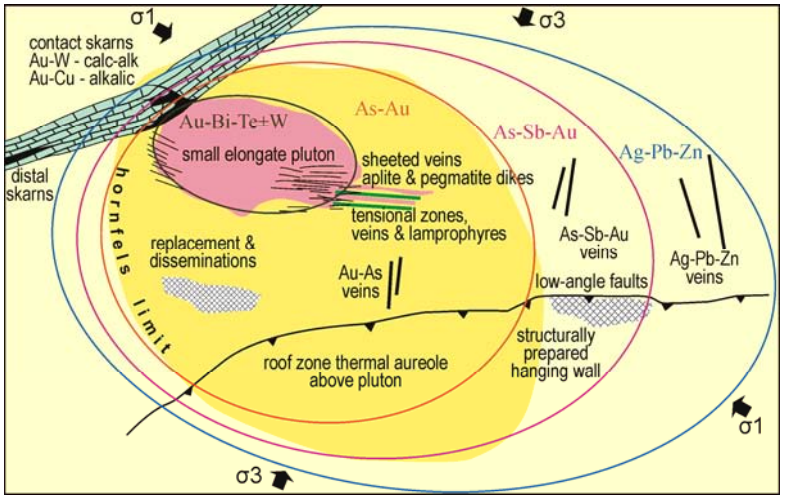


Figure 10a: Generalized RIRGS model in plan view. Sheeted Au-Bi-Te-W bearing quartz veins and a variety of other deposit styles are associated with a granitoid pluton in a zoned system. Many of these deposit types are known in the Bunker Hill Mine area and all were targets in the 2008 field program.

After Hart, 2007, fig.12.

RIRGS deposits are associated with metaluminous or weakly peraluminous, subalkalic intrusions of intermediate to felsic compositions. These deposits are best developed in intrusions emplaced into ancient continental margins behind accretionary terranes or collisional orogens. Preferred host rocks include reducing basinal miogeoclinal sediments or metasedimentary rocks (Hart, 2005, p.7). The Bunker Hill mine area, underlain by miogeoclinal strata of the Kootenay Arc that defines the west margin of ancestral North America in proximity to Quesnellia, fulfills the tectonic setting of the RIRGS model. The granitic to quartz monzonitic Bunker Hill intrusive more completely conforms to the characteristic geological setting of RIRGS deposits. Significantly for exploration, the association of RIRGS with intrusives of a type that lacks magnetite endows them with only low magnetic susceptibilities and aeromagnetic response (ibid, p.8).

The most diagnostic deposit style of a RIRGS classification is intrusion-hosted, proximal deposits of sheeted arrays of thin, low-sulfide quartz vein with an Au-Bi-Te-W signature (Hart, 2007). Gold can also be found in the infill of miarolitic cavities within the plutons and in pegmatites or aplites that cut the intrusions. Proximal deposits are located in host rocks adjacent to the intrusions, but within the metamorphic or thermal aureole. Common deposit types are

skarns, replacements of calcareous rocks, breccias and diatremes and veins and disseminated deposits in metasedimentary host rocks. Distal deposits are located beyond the outer limit of the hornfels. They include auriferous, mesothermal to epithermal quartz-sulfide veins, hydrothermal breccias and base metal veins and auriferous disseminations in variably calcareous and carbonaceous metasedimentary rocks that have been favorably compared to Carlin-style deposits. Vertical variations in deposit style include differences in the relative importance of ductile and brittle structures, the degree of lateral dispersion or concentration of hydrothermal fluids (Lang & Baker, 2001, p.482) (figure 10b).

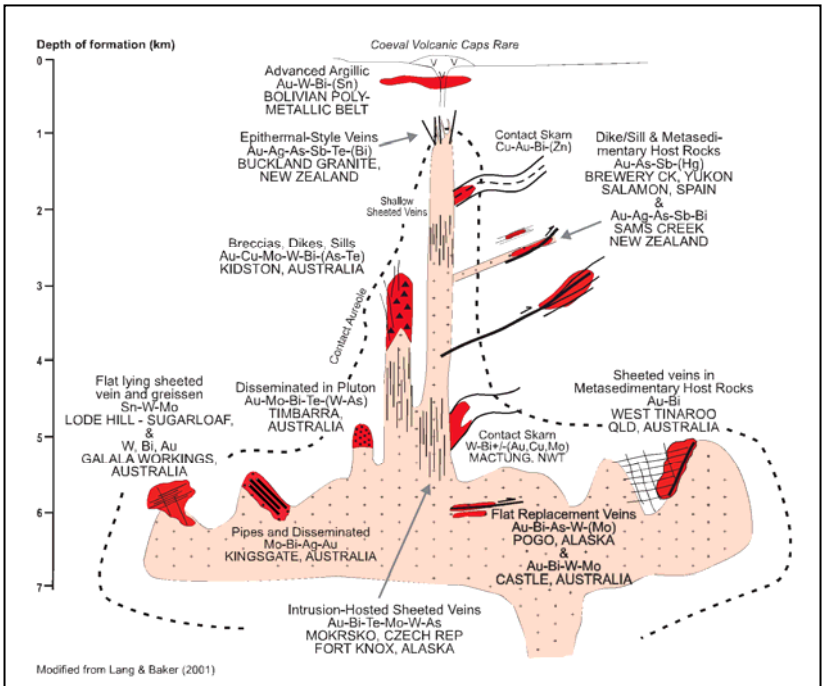


Figure 10b: Vertical section through a conceptual RIRGS model. Various intrusion-related deposit styles dependent on fluid characteristics and metal signatures.

After Aurex

Similar characteristics to plutons of the Tintina Gold Belt are recognized in the Bayonne Magmatic Belt of southeast British Columbia and by association, the class of deposits hosted by them. The Wallack Creek stock is classed among those intrusives, as perhaps would the nearly indistinguishable Bunker Hill intrusive. Logan (2002b), describes the Wallack Creek stock as weakly peraluminous containing biotite and muscovite. The well-documented Au-Bi-Te assemblage of the quartz veins associated with the Bunker Hill intrusive are among the basic qualifications for the mineralization in the Bunker Hill Mine area to be recognized as RIRGS deposit model. In that case, the intrusives and their influence to their host rocks becomes a target for exploration. At Nox Fort, that area covers the entire east half of the Property.

A second exploration target on the Nox Fort is represented by the former Red Rock Mine. This deposit, with its Pb-Zn-Ag mineral assemblage, is classed as a polymetallic manto-type (BC Minfile, Red Rock). These deposits are generated by pluton-driven hydrothermal solutions that follow a variety of permeable pathways such as bedding and fracture planes or karst features, or they may be spatially associated with dikes or distal to skarns and small felsic intrusions. Their morphology can vary from irregular to conformable or crosscutting bodies, such as massive lenses, pipes and veins, typically hosted in limestone or dolostone. Compositionally, they consist of sphalerite, galena, pyrite and other sulfides and sulphosalts, with gangue minerals such as quartz, barite, gypsum and minor calc-silicates. Carbonate wall rocks are commonly dolomitized and/or silicified, while pelitic sediments and igneous rocks are argillized and chloritized.

Mantos of the Red Rock type belong to a continuum with skarn deposits (perhaps such as that at Pete Creek) and other associated deposits such as porphyries, veins and possibly Carlin-type sediment hosted varieties (Nelson, 1996). It is entirely possible that the Red Rock deposit is a manifestation of a distal deposit in the suite of deposit styles associated with an intrusion-related system spawned by the Wallack Creek stock.

Much further afield, in the southwest of the Property, the mineralization at Bluestar represents another exploration target. It is classified as a polymetallic vein occurrence (Minfile, Bluestar) containing disseminated pyrite with minor galena, sphalerite and chalcopyrite (Sanguinetti, 1984, p.1) along with gold and silver. In deposits of this type, mineralization is contained in steeply dipping, narrow, tabular or splayed veins that may occur in sets of parallel or offset veins, each generally less than three meters wide but ranging to several tens of meters in thickness. The veins typically occur along faults or fractures in host rocks of all types and of any age. Limited alteration of wall rocks to depths of a few meters may be displayed, consisting of sericitization, silicification and pyritization, accompanied by veins or stringers of siderite or ankerite. Secondary structures related to regional faulting is usually the principal control of the distribution of veins. Mineralizaton is controlled by the sources and composition of magmatic or meteoric waters that has escape along those fault conduits to form the veins. Those veins can occur in clusters along or associated with the same controlling structure (Lefebure & Church, 1996).

Veins at the Bluestar occurrence are thought to be distinct from similar structures in the Bunker Hill mine area based on the composition of their contained mineralization. That difference results from the association of Bunker Hill veins with its neighboring intrusive. By contrast, the Bluestar veins are in different rocks quite removed from any known intrusive but perhaps related to the regional Waneta Thrust or its associated structures including satellite structures.

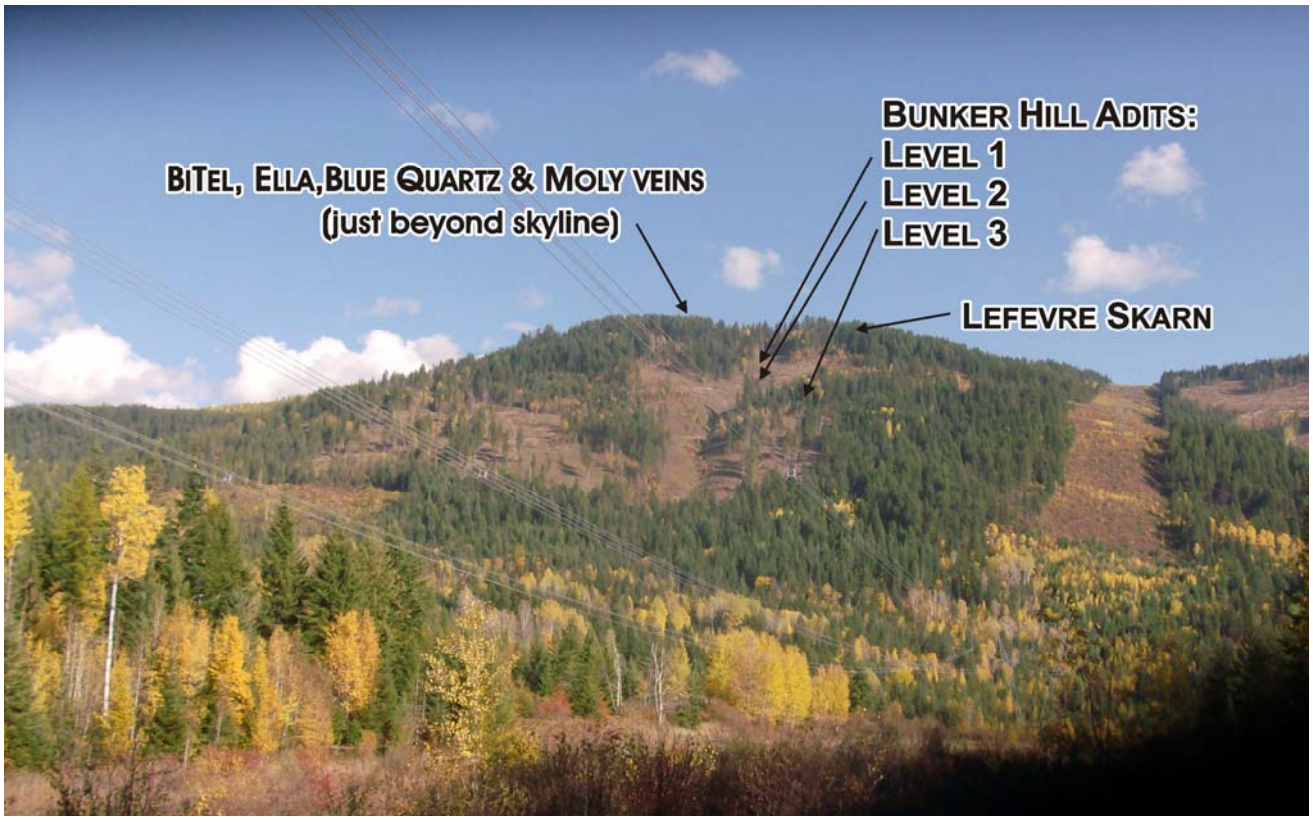


Photo 2: View of the Bunker Hill Mine area with adit locations and notable mineralized localities. Frame looks east across Limpid Creek valley; skyline stretches across 3 km. Geology in view is of quartzite, argillite & calcareous sediments; the Bunker Hill intrusive lies just beyond and parallel to the skyline. BC Hydro line stretches through the right-of-way in the distance at right, and powerlines cross through the left foreground. Forest is a mixture of old-growth, or older regrowth, recent clear-cuts and partly regrown patches. Photo by J.D.Williams, 18Oct'08.

FIELDWORK OF 2008

The vast majority of the fieldwork related to the Nox Fort Project of 2008 involved sampling. In all, 3,024 samples were collected from every corner of the Nox Fort Property (table 5). An additional 203 soil samples, taken by Discovery Consultants for Clarke Gold in 2007 from their South Grid at the Bunker Hill Mine area, were sent for analyses by Jaxon Minerals in 2008. That increases the total population of samples related to the Nox Fort Project to 3,227.

Table 5: Sampling of the 2008 Program

Sample Type	Number of samples
Rock - Chips & Channels	355
Rock – Prospecting	461
Soil	1,512
Soil – Soil Gas Hydrocarbon [SGH]	152
Silt	136
Till	236
Till Retake	172
TOTAL 2008 field samples	**3,024**
Soil - Analyses 2007 South Grid	203
TOTAL – Nox Fort Project	**3,227**

Two categories of rock samples are listed in the above table. The 355 chips & channels relate to the more detailed and representative samples at 17 named sites in the Bunker Hill mine area and vicinity. Most of those were channel samples, the remainder were chip samples designed to be just as representative but taken from places where moving in equipment to service a rock saw was not justified. All of these 17 sample sites were those that either had been trenched in historical times or were already visible as outcrop. The effort of the 2008 fieldwork was to brush out and clean out older workings or remove the shallowest of overburden to enlarge the area of exposed bedrock.

Prospecting samples, on the other hand, were gathered on traverses on an ad hoc basis while prospecting or while gathering geochemical samples. These 461 samples were taken from localities throughout the property and at locations where mineralization appeared to be of interest. They were therefore not intended to be representative. In all, about 2,350 hectares or roughly 37% of the property was covered by the Program's prospectors.

Perhaps next to the chip & channel sampling campaign, the collection of 1,512 soil samples was the most involved. This large group of B-horizon soils was largely meant to expand the sample coverage achieved in 2007 and to cover as much of an area contiguous to it as the Project's resources would allow. A few other sampling campaigns in various other parts of the Property are also included in that total.

Silt sampling was designed to build on that of 2007 and to cover, on a reconnaissance basis, the greatest area of the Property as possible while taking full advantage of the network of roads to expedite the rate of sampling. An attempt was made to gather silt samples on drainages that involved only a short traverse from the nearest road. In general, that 136-sample campaign avoided areas covered in 2007.

Symbol	Sample Type	No. Samples
	Rocks: Channel & Chip [17 sites]	355
	Rocks: Regional prospecting	461
	Soils - 1,360 samples Soils & SGH - 152 Samples	1,512
	Silts/Stream sediments	136
	Tills	236
	Tills: Retake of 2007 samples	172

Staked in Nov'08

NOX FORT PROPERTY BOUNDARY

Astro NORTH

GRID NORTH

Magnetic NORTH

UTM NAD83 Zone11

Convergence 0° 17' 41"

Declination 16° 22' (01 Oct '08)

Near Mormon Girl C.G.: 5434200N, 471500E

April 2009

Figure 11

Jaxon Minerals Inc.

Nox Fort Project 2008 - Sample Locations

500 250 0 500 1000 1500 2000 2500 3000 3500 4000 4500 5000 meters

Scale 1:50,000

JAXON MINERALS INC.

The sample principle was applied to the till sampling campaign. For these 236 samples, their area of coverage absolutely relied upon the road network. It was on the road banks that the till was exposed which maintained an efficient rate of sampling. It is the rather extreme difference in the density of roads that accounts for the sample coverage to be heaviest in the west part of the Property while the Wallack Creek stock, in the northeast quadrant of the Property, is entirely unrepresented by till samples.

A series of 43 till samples of the 2007 field program returned assay results that were judged to be anomalous in at least one element. These locations were sampled again in 2008 but with the added attempt to increase the effective footprint of that original sample and thereby learn whether it was a spurious result or one from a truly anomalous area. At every resampled location of 2007, where they could be found, the anomalous sample was retaken, accompanied by three others; one about 10 meters along the road, another about the same distance along the road in the other direction, and a third from a point, usually in the bush, about 10 meters upslope. That campaign of 'till retakes' involved 4 samples from each of the 43 selected locations of 2007, for a total of 172 samples.

The technique of sampling for soil gas hydrocarbon [SGH] was attempted in three extended lines overtop the Bunker Hill Mine area and extending east. That series of 152 samples were taken concurrently with B-horizon soils. Those samples were sent for analysis to Activation Laboratories Ltd. [Actlabs]. Further discussion on these samples is resumed in a following section.

Aside from the SGH samples, all others were delivered to Acme Analytical Laboratories [Acme Labs] for analysis by a 53-element ultratrace ICP-MS procedure.

What follows is a description of field and analytical techniques attributable to each type of sample. All field samples of the 2008 program are reported herein. They are plotted in figure 11 and again with sample tag numbers in the series of 1:10,000 scale maps in appendix A. Separate series of maps showing results for selected elements gold, bismuth, tellurium, antimony, silver, lead, zinc, nickel, cobalt, arsenic, molybdenum and tungsten for each sample type, soil, silt, till, till retakes, and rock samples are included in appendices B through G.

Appendix H includes a series of maps showing assay values for all rock, soil silt, till and till retake field samples for six elements of greatest interest on the Property: gold, bismuth tellurium, silver, molybdenum and tungsten. A series of assay plans for the analyses of the same suite of elements in the 2007 South Field Grid are also included in appendix H. Finally, the determinations as released by Actlabs related to the SGH survey are also appended.

All field notes for the same sample types, soil, silt, till, till retakes, and rock samples along with assays for the same selected elements are tabulated in Appendix I, and are included in the Excel 2003 workbook that accompanies this Report. That workbook also includes all Acme Labs assays as well as the SGH analyses released by Actlabs. All Acme Labs' signed assayer's certificates are included in Appendix J. Appendix K includes a report, in its entirety, by Actlabs on their SGH analysis.

ROCK SAMPLING (PROSPECTING, CHIPS & CHANNELS)

Sampling Method and Approach

Chip and channel samples were gathered from 17 named sites selected for detailed sampling. Channels in bedrock were cut with a diamond bladed rock saw. Parallel channels several centimeters deep and a centimeter or two apart ran the full length of the sample which averaged a meter or more. The writer or Pat Williams[23] chiseled out the intervening material and, while transferring it to a sample bag, recorded a sample description. A sample tag was inserted into each sample bag which was then sealed in the field with a zip-tie. Channel samples were marked with an aluminum strip labelled with the sample number then stapled to a small block of wood that had been hammered into a spot in the channel that applies to that sample.

Chip samples were collected by first loosening the rock with several strikes from a large sledge hammer. From that line of loosened material, the sampled rock was chipped with a rock hammer into a sample bag. As with the channel samples, a sample tag was inserted into each filled bag and sealed with a zip-tie. A sample description was recorded in the same manner as for the channel samples. Samples were marked in the field with aluminum strips labeled with the sample number and wired to a neighboring bush, or more commonly, wired to a surveyor's spad pounded into the rock of the sampled area

Rock samples taken while prospecting were gathered in plastic sample bags accompanied by a sample tag. They were returned to camp where they often served as a basis for discussion and further study. For that reason, no special effort was made to maintain these particular samples under secure conditions before they were prepared for shipment. It was often several days after they arrived from the field, that they would be sealed and delivered to Castlegar for transport to the assay lab.

All chip and channel samples prepared in a given day were delivered to a large locked storage bay in Salmo. As the samples collected in the storage bay, they were bundled for shipment. Shipped samples were contained in large rice bags and double sealed with zip-ties. Each bag was labeled on both sides with a unique number and the address of the analytical lab. Into each rice bag a completed sample request form was inserted that identified the samples contained in it and the assay procedure to be applied to its accompanying samples. Shipments varied in size but ranged around 20 bags at a time. Each shipment was delivered by the writer or a person from the project designated by him to the gated depot of Overland West Freight Lines in Castlegar.

Assays of selected elements gold, bismuth, tellurium, antimony, silver, lead, zinc, nickel, cobalt, arsenic, molybdenum and tungsten for the prospecting samples are plotted on a series of 1:20,000 scale maps in appendix F. Appendix G contains a series of 23 maps at 1:100 or 1:200 scale that detail the sample locations of all chip and channel samples and assays of the same group of selected elements. Those maps are preceded by a separate Key Map that shows, at 1:7,500 scale, the location of the 17 named chip and channel sample sites. All those samples are again plotted with their assay value for six elements of greatest interest to the Property (gold, bismuth, tellurium, silver, molybdenum and tungsten) in appendix H. Field notes for all rock samples along with assays for the same selected elements are tabulated in appendix I and are included in the Excel workbook accompanying this Report.

[23] Field geologist under the employ of Minconsult. No relation to the writer.

Sample Preparation, Analysis and Quality Control

All rock samples were delivered directly to Acme Labs in Vancouver for preparation and analysis. Acme Labs' Group 1F was requested for all rock and geochemical samples. That procedure provides results for 53-elements by ICP-MS. Some of those elements report only partial concentrations due to refractory elements.

Sample preparation includes drying the sample at 60°C then crushing it to 70% -10-mesh, from which a 250 gram riffle split was pulverized to a pulp of 85% -200-mesh. Jaxon Minerals specified that analysis be performed on a 30-gram subsample of that pulp. That subsample was digested in a solution of hot aqua regia composed of equal parts HCl and HNO_3 which is maintained at about 95°C for one hour. That solution is allowed to cool then is brought to volume with a weak solution of HCl. Analysis is completed by aspirating that cooled solution into an ICP mass spectrometer.

Acme Labs inserts a preparation blank into its first sample of any job run. A pulp duplicate is inserted for every 20 samples or more frequently to monitor sub-sampling variation. Acme inserts it own reagent blanks and reference standard into the job stream

The 1F procedure allows a detection limit of 100 ppm for tungsten. In the 2008 field program, 62 rock samples (and one soil sample) returned assays that exceeded that limit. Pulps of that group of samples were rerun with Acme Labs' 7KP procedure for tungsten. That procedure was run on a second half-gram split of the original pulp, digested in a phosphoric acid solution for an hour, then treated with 25% HCl before analysis by ICP-MS. The same regimen of pulp duplicates and in-house quality control as for the 1F procedure was applied.

Two samples exceeded the upper detection limit for Acme Labs' 1F procedure in lead and zinc (100,000 ppm) and one of those exceeded the detection limit in silver (10,000 ppb). To resolve those overlimit values a gravimetric fire assay procedure for silver was performed on sample 945541. On that sample and on sample 945405, an ICP-ES procedure (Acme Labs' code 7AR), that allows for higher detection limits, was run on a 1 gram subsample from pulp for 23-elements, including lead and zinc.

To develop a baseline dataset that compares silver values from the original ICP-MS procedure, an additional 20 samples were selected for rerun by ICP-ES. For a similar purpose, 37 samples spanning a range of gold determinations by ICP-MS were rerun by fire assay (Acme Labs' code G06) for gold only. Returned values in both paired datasets correlated closely, yielding correlation coefficients of 0.911 for silver and a much better 0.994 in the gold comparison.

The one-gram subsample of the ICP-ES procedure consisted of digestion in aqua regia in a hot water bath after which the cooled solution is made up to 100 ml with dilute HCl before being aspirated into the spectrograph.

Rerun analyses for gold and silver by fire assay was on a 30 gram subsample. That procedure involves blending the pulp with fluxes and firing in an oven at 1050°C where the gold and silver form a bead that is refired at 950°C to yield a gold-silver doré bead. That bead is leached to dissolve silver, leaving a gold sponge which is in turn dissolved in a subsequent acid leach. Gold analyses below 30 gm/tne is performed by ICP-ES, otherwise the gold is weighed from the sponge. Silver concentration exceeding 300 gm/tne is determined by ICP-ES,

otherwise the determination is based on separate pulp leached by aqua regia and aspirated into an ICP-ES instrument.

Rocks (Prospecting)

Rock samples gathered across much of the Property reveal several locations of interest. Among those is the small showing in Limpid Creek north of the Bunker Hill mine area (sample 918379, 5435677N, 471384E) that returned 1100 ppb in gold along with strongly anomalous lead. That consisted of a thin lens of banded, very fine grained metallics that included galena and sphalerite in a thin quartz lens, conformable to foliation of what were thought to be basaltic to andesitic volcanics. That sample is located in a section of Limpid Creek, above its confluence with Clel Creek that returned a cluster of other rock samples anomalous in silver, lead, zinc and antimony.

A large very rusty and very silicic boulder of banded argillite containing at least 20% medium and fine grained pyrite was found on the south bank of Horticulturalist Creek, south of the Bunker Hill Mine area (sample 918061, 5433508N, 471966E). It returned 2190 ppb in gold and 145 ppm bismuth as well as anomalous values in tellurium, silver and tungsten. Even though rocks outcropping in the area south of the Bunker Hill intrusive are monotonous, weakly mineralized argillites, this sample suggests that there may be mineralization to be found upslope in geology that has not been closely mapped.

Visible gold was seen in sample 869549 (5433360N, 474339E) in a small quartz lens in banded argillite and quartzite on a spur of the powerline road north of the Red Rock Mine in the central-east part of the Nox Fort Property. That lens was heavily pitted with sucrosic crystalline quartz and globular chalcedonic silica on the surface of which numerous very small to tiny native gold flecks were very irregularly distributed. A sample of this material returned merely background values in all elements of interest. A concerted attempt to locate more material similarly enriched was unsuccessful, although the rocks are generally better mineralized with sulfides than is typical.

The highest grade sample was from the best mineralized quartz of mine muck located in one corner at the foot of the rather large dump below Level 3 of the Bunker Hill Mine. That quartz can contain as much as 20% sulfides as fine to medium grained pyrite, pyrrhotite and, in some fragments, galena with a small amount of chalcopyrite, all arranged in an irregular open network of fractures within very coarse grained white quartz. That sample (#918364, 5434195N, 471305E) returned 18,960 ppb gold, 1383 ppm bismuth, 60 ppm tellurium and 39,162 ppb silver. It is assumed that this material originated in Level 3 which is a clear indication that high-grade mineralization exists in the Bunker Hill Mine area. It is to obtain a look at this material in the underground that a program to reopen that level is among the recommendations listed in this Report.

Other locations that could qualify for follow-up are where a few isolated samples were taken at the east end of the powerline road north of the Red Rock Mine. Sample 869756 (5433294N, 475029) returned 2354 ppb in silver, while at the very end of that road, sample 945453 (5433061N, 475812E) returned a comparatively anomalous zinc assay of 451 ppm.

A small cluster of samples south-southwest of the Red Rock Mine are anomalous in silver and zinc, especially sample 945472 (5432264N, 473815E) which assayed 3789 ppb silver and 393 ppm zinc, the latter again, comparatively anomalous.

Rocks (Chips & Channels)

The series of 17 named locations that were sites of organized representative sampling yielded a number of assays of economic significance. The sites were generally selected from the Bunker Hill Mine area, especially from the BiTel Knoll and neighboring veins and the Lefevre Skarn, as well as locations at and near Level 1. Most of the remaining sites are over exposures of ultramafics from which no assays of interest were obtained.

BiTel Knoll: The BiTel Knoll is a complicated quartz and granite structure, best described as a horsetail with massive quartz feathering into and partly assimilating its host granite, which in the west of the outcrop, under-rides mostly dirty quartzites along a very irregular, shallowly west-dipping intrusive contact. The quartzites at the contact have been bleached and displaced by quartz veins which contain rare and small patches of dark, fine grained sulfides. Five assays greater than a gram per tonne in gold were returned, the highest being 2295 ppb gold. All higher-grade gold assays are accompanied with the highest bismuth and tellurium values.

Ella Vein: A thick, fairly continuous slab of white coarse grained quartz best describes the Ella vein as it descends the slope southwest of the BiTel Knoll. A sample at its extreme north end, of 2284 ppb in gold and another sample at its extreme south end, of 6458 ppb in silver, are the only results of note.

Blue Quartz Vein: Historically, visible gold was recorded at the Blue Quartz vein but a close look by several persons failed to locate any new samples featuring VG. An upper quartz vein at a disrupted intrusive contact with bleached and broken quartzite returned a sample with 2095 ppb in silver. Another thin, banded quartz vein that was barely visible at the bottom of the trench, in its north wall, was not sampled and is now buried by overburden that was disturbed when preparing the site for sampling.

Moly Trench East of the trench at the Blue Quartz vein, at the east end of a fairly continuous excavation, the Moly Trench is a curious exposure of a moderate to shallowly north-dipping slab of vein-quartz enclosed by granite, which further east is represented by an elongate rubble pile of mineralized quartz. That pile often displays a mosaic or cobble breccia texture healed by a hard, blue-black aphanitic material, thought to be chlorite. Other fragments show streaks and irregular pods of pyrite, galena and/or molybdenite.

Two samples returned grades greater than a gram per tonne gold; the higher value, 4118 ppb gold. Silver grades for those were much greater at 14,103 and 20,740 ppb with the highest grade of 40,506 ppb silver from a sample that was overlimit in lead, >10,000 ppm, and highly anomalous in zinc. Yet another sample returned a strongly anomalous 1532 ppm in tungsten.

Kenneth Trench: Well within the Bunker Hill intrusive, the Kenneth trench displays a peculiar sponge-like texture where the feldspathic component has been leached leaving a strongly pitted and raspy remnant of quartz. In the center of the leached zone medium grained pyrite to a greater or lesser extent occupies the open spaces. No assays of interest were returned from this material of the adjacent altered granite.

Timbered Shaft: Further east, beyond the east contact of the Bunker Hill intrusive, is the Timbered Shaft which, as it is thought is the Ness mineral occurrence (BC Minfile), was described earlier. Eight samples from that quartz returned no assays of interest.

Lefevre Skarn: This series of trenches and pits created in 1942 was the subject of an intensive period of sampling during the 2008 field program. Rather than refurbish the rather extensive network of trenches, it was decided to take channels across five separate Sections that would thoroughly, and perhaps for the first time, represent the mineralization of the Lefevre Skarn. These sections ranged from about nine to 27 meters in length.

The five sampled sections of the Lefevre Skarn comprise a zone of hornfelsic alteration in argillites and argillaceous quartzites that fall along 55 meters of the west contact of the Bunker Hill intrusive. Irregular or diffuse patches of garnet-diopside can be seen in places. That intrusive contact is exposed at the east end in both Sections 1 and 3.

Table 6: Average grades of sampled Sections through the Lefevre Skarn

Section of Lefevre Skarn	Sampled Length	Weighted average				
		Au [ppb]	Bi [ppm]	Te [ppm]	Ag [ppb]	W [ppb]
Section 1	15.41	450.19	48.16	0.65	266.0	687.4
Section 2 West	15.71	13.40	2.32	0.04	95.6	196.5
Section 2 East	10.71	14.43	1.59	0.04	150.4	101.0
Section 3 West	11.15	608.81	40.8	1.25	213.5	530.0
Section 3 East	12.51	620.01	58.63	1.63	2092.8	603.3
Section 4	10.84	1580.45	129.07	3.62	614.8	964.9
Section 5	12.91	448.88	39.36	0.83	394.3	730.9
Average	**12.75**	**501.72**	**43.60**	**1.07**	**532.7**	**539.1**

A total of 97 samples were cut from the sampled Sections at the Lefevre Skarn. In an attempt to learn the tenor of the mineralization based on that sampling, an average grade for each Section is computed as listed in table 6. Samples that qualified for this calculation are those that fell closest to the centerline of the Section. These values are weighted by their sample length and averaged over the total span sampled. From this analysis, the tenor of mineralization is just over half a gram per tonne in both gold and silver.

Assay values ranged as high as 14,026 ppb in gold, which also returned the highest value in bismuth, 1247 ppm, and tellurium, 33.9 ppm. That sample came from a narrow quartz vein at the edge of the west pit in Section 4, which contained the most arsenopyrite seen in any place on the Property in 2008. Unsurprisingly, that sample also contained the highest arsenic grade obtained from the Lefevre Skarn, 8820 ppm. The maximum silver value was 11,651 ppb which also returned the highest lead value, 426 ppm. That sample came from the middle of Section 3 West but displayed no notable characteristics.

All of the 63 samples that returned an overlimit result in tungsten in the initial ICP-MS analyses came from the Lefevre Trench. All were rerun with a high-grade analytical procedure. The outcome of that reanalysis was a maximum assay of 4620 ppm in tungsten, which came from a sample at the east end of Section 5. In general, tungsten is highest in Sections 1 and 2 West in the north, and Sections 3 East, 4 and 5 in the south half of the Skarn zone. When lamping the samples before they were shipped, the color of the scheelite under ultraviolet was often a shade of yellow indicating that a proportion of molybdenum (as powellite) was being

expressed. The assays seem to bear that out although all molybdenum assays are far below economic significance.

Level 1 & Vicinity: Quartz veins flanking the slot that leads up to the mostly sloughed-in portal at Level 1 of the Bunker Hill Mine were sampled. The quartz on the south side of the slot tumbled out into a group of large boulders as the area was being cleared in preparation for sampling. The three samples that were cut returned encouraging grades ranging form 3228 to 6345 ppb in gold. Curiously, the lowest grade gold sample provided the highest grade in bismuth, 230 ppm, and tellurium, 15.8 ppm, and a high silver assay, 26,014 ppb. Four samples from the vein on the opposite side of the slot failed to report any assay of interest, although bismuth was weakly anomalous.

The vein on the south side of the Level 1 slot, which provided the best results, contained pits with both euhedral quartz and globular or reniform styles as well as smoky quartz. The nearly barren vein feature on the north side was similar in places, though usually massive and white quartz but had up to 5% very fine grained sulfide, probably pyrite.

About 40 meters northwest of Level 1, a boulder of quartz float held in the grasp of the root system of a large conifer was sampled with good results. Of the two samples, one assayed 17,062 ppb in gold, 1185 ppm bismuth and 3806 ppb silver. The other sample, by contrast, was low in gold, 3210 ppb, but high in silver, 38,732 ppb, with a lower but highly anomalous bismuth assay, 838 ppb. Apart from the quartz being the smoky variety and a small amount of hematite stain, no sulfides or other evidence was noted that would account for such high assays.

Level 1 North: An prominent though somewhat overgrown exposure of vein quartz extended over intervals spanning 20 meters at a distance of about 40 meters north and upslope from Level 1 . It appeared that this feature had been cleared in earlier years, as, towards the top of these exposures, old pits and trenches were clearly evident.

Of the 20 samples taken from this site, 19 were from vein material. Of those, six returned values greater than a gram per tonne in gold, ranging from 1685 to 6240 ppb in gold. Bismuth of the lowest grade gold in those six samples was highest at 714 ppm. For one of those six samples a silver assay of 26,091 ppb was returned. Another silver assay, 24,607 ppb, was contained in a sample without gold or any other particularly anomalous element.

Clease Showing: Three arbitrarily chosen locations at the Clease showing were selected for sampling as they showed vein quartz that was outcropping or thinly covered. When clearing these locations, it was noted that additional quartz boulders and cobbles were tumbling out of the overburden on the upslope side; an indication that larger vein system may exist there.

The three locations are all hosted in granite, often altered or resorbed by the vein quartz. The quartz is generally poorly organized, and may degrade to thinner stringers or veinlets in places. Sulfides, as fine grained pyrite occurs in minor amounts.

Although only a single sample returned a value greater than a gram per tonne in gold, anomalous values in bismuth, exceeding 50 ppm, were obtained for that sample and one other. Silver from six samples, including those mentioned, was greater 2 grams per tonne.

Ultramafic sites: Five sites were selected for channel sampling in areas where ultramafic rocks outcropped. The mineralization in these rocks was weak although they contained a high

percentage of magnetite in most places. The intent of these samples was to gain some experience with the ultramafics on the Nox Fort Property and establish a geochemical baseline for these rocks.

The sites that were selected were named ***Ultramafic Upper, Ultramafic Middle, Ultramafic Lower*** and ***Ultramafic South***. These sites are on the east side of Limpid Creek FSR, about 150 to 350 meters northwest of the Crown grants. A fifth site, the ***Powerline Ultramafic*** is located in the BC Hydro right-of-way about a kilometer west of the Crown grants. No assays of interest were returned, but these rocks are distinguished by their remarkable uniformity in nickel at about 2200 ppm and cobalt hovering near 100 ppm.

Powerline Argillite: A low thinly covered mound of dark graphitic argillite containing disseminations and knots, or perhaps nodules of pyrite, was sampled. This site is on the south edge of the BC Hydro right-of-way about 1300 meters west of the Crown grants. No assays of interest were obtained from six channel samples.

Limpid Granite-Ultramafic: On the east side of a section of the Limpid Creek FSR, northwest of the Crown grants by about 350 meters, granite is in contact with ultramafic. Vein quartz complicates that contact as does patches of brecciation and a variable, though generally minor amount of pyrite. Ten samples were collected along a line on the ditch side of the FSR with no assays of interest returned.

GEOCHEMICAL SAMPLING (SOIL, SILT & TILL)

Sampling Method and Approach

Soil, silt and till samples were collected in the field using various implements including a scoop, trowel, pelican beak scraper or grub hoe, but the favorite was a geotool. Soil samples averaging two kilograms in size were taken from the B-horizon at depths that varied from 5 cm to nearly half a meter, averaging 20 to 25 cms. Soil was collected in large plastic bags into which a sample tag was inserted before being sealed with a zip-tie. The sample location was flagged and identified by the sample number written on a tyvek tag that was affixed to a nearby bush. Field notes that recorded characteristics of the sample and its local conditions were completed and the GPS coordinate was recorded not only on the field notes but also as a labeled waypoint in the receiver. Finally a photograph of the site was taken that also framed the collected and sealed sample.

Although most soil samples were taken on a grid pattern, no cut and picketed field grid was ever established. All lines were set by compass and hip-chain. GPS was relied upon for sample coordinate locations.

Silt samples consisted of the finest-sized material that could be seen within a five meter or greater length of the stream channel at the selected sample site. That fine-grained material usually rested at the top of quiescent locations in the streambed. As many scoops from a number of places were collected into a large plastic sample bag to make up a sample of about 2 kilograms in size (dry weight). As with the soil sample procedure, a sample tag was inserted into that bag and sealed with a zip-tie. The sample location was marked with flagging and a labeled tyvek tag. Field notes, detailing silt, stream and site characteristics were recorded, along with GPS coordinates. The site, showing the completed sample, was photographed.

Till was almost exclusively taken at road cuts which exposed the hard, densely packed material that distinguished it from the looser, often darker colored soil lying above it. Till was further distinguished by its coarser texture, often containing rounded cobbles or small boulders. A sample of about 2 kilograms or greater was collected near the top of the till layer into the same type of large plastic bag that contained soil and silt samples. The sample was tagged and sealed and, as with the soil and slit procedure, field notes on the characteristics of the sample and its locality, as well its GPS coordinates were recorded. Here too, the site was flagged, tagged and photographed.

Field duplicates were taken on a randomized basis that was designed to average one every 18 samples, except for silt samples where that practice was not requested.[24] For soil and till samples, a ‘standard’ sample was inserted at an equally randomized rate of one per every 18 field samples — every 19 samples for the till sample series. Neither field duplicates nor ‘standards’ were inserted into the series of till retakes. That practice of inserting field duplicates and ‘standards’ was more rigorously followed for soils than for the other sample types.

[24] Two field duplicates were taken anyway.

Material for 'standard' soil came from a high, easily accessible bank of till where the McCormick Creek FSR turned off Pend d'Oreille Road. For a silt 'standard' the field crew gathered a large pail of material from the mouth of the Salmo River.[25]

Samples were carried out of the field on the day they were taken and stored in the same locked storage bay in Salmo that contained chip and channel samples. Shipping preparations and delivery to Castlegar were identical to that for rocks. An attempt was made to ship geochemical samples separately from rock samples.

Assays for selected elements, gold, bismuth, tellurium, antimony, silver, lead, zinc, nickel, cobalt, arsenic, molybdenum and tungsten for each of the soil, silt, till and till retake series are represented in a series of 1:20,000 scale maps in appendices B through E. Assays, as numeric values, for all geochemical samples for the six elements of greatest interest on the Property (gold, bismuth, tellurium, silver, molybdenum and tungsten) are also plotted on maps at 1:12,500 scale in appendix H. As with the rock samples, field notes along with assays for the same selected elements are tabulated in ix I and are included in the Excel workbook accompanying this Report.

Sample Preparation, Analysis and Quality Control

As with the rock samples, all geochemical samples were sent to Acme Labs for analysis. After drying, the first step in sample preparation for all geochemical samples was to be sieved to -230 mesh. It is for this reason that the volume of material collected was much larger than the typical size of a sample sieved for its -80-mesh fraction. The benefit of selecting for the -230-mesh fraction is for an enhanced signal in the reported assays, particularly in gold.

As with the rock samples, all the remaining steps in the 53-element, 1F ultratrace ICP-MS analytical procedure was identical to that described for the rock samples. A single determination from a soil sample exceeded the detection limit for tungsten, and that sample was rerun with Acme Labs' 7KP phosphoric acid digestion on a half-gram pulp split, followed by ICP-MS analysis.

Soil samples

The survey of 1,512 B-horizon soil samples of the 2008 program has identified numerous locations for follow-up fieldwork. The vast majority of gold values fall below 15 ppb which, for the time being is judged a threshold value, which puts samples above that value into a moderately anomalous class. Samples greater than 50 ppb in gold are judged highly anomalous.

Interspersed in the dense sampling west and northwest of the Crown grants are numerous moderately anomalous gold soils that, based on mapping by Ray (2004), appear to be controlled by stratigraphy trending north-northeast. Towards the southern end of that sampling, less than

[25] It was later learned why the gold assays of the silt 'standards' were strongly anomalous. A pail of 'standard' material was taken from a small sandy beach that is on or very near a placer claim maintained by George Adie, for the Chamber of Mines of Eastern British Columbia. On occasion he obtains flakes of placer gold to laminate onto Chamber of Mines business cards to hand out to students at various gatherings such as the Minerals South convention held annually in the autumn (George Adie, personal communication, 05Nov'08). Long before then, the author, after learning where the field crew had collected its silt 'standard', once the assays had arrived, personally returned the still nearly full pail of material to its original location.

200 meters east of the Bunker Hill Crown grant, two samples containing 138 and 68 ppb in gold may be part of that pattern conforming to stratigraphy but they also fall on-strike with a southern extension of the local ultramafic trend.

About a kilometer west of the Crown grants, a three-line soil grid put in place to gauge the response from the ultramafics in that area, returned a pair of moderately anomalous golds in its east end just west of Limpid Creek FSR.

Further north, at a distance of about 2 kilometers northwest of the Crown grants, the site of the 2007 till sample, CT048 (discussed in Till Retakes subsection below), returned a cluster of moderately anomalous gold assays ranging up to 43 ppb, as well as moderately and highly anomalous silver values reaching 1457 ppb.

Another larger and more strongly anomalous cluster of soils falls southwest of Red Rock, on the McCormick Creek FSR. At least three samples greater than 50 ppb fall in that area accompanied by others not nearly as anomalous. That area may be one to follow up with more detailed sampling.

As noted with the rock samples, isolated soil samples taken along the BC Hydro powerline road north of the Red Rock Mine are candidates for follow-up work. Among them is sample 869941 (5433278N, 475036E), which holds a gold assay of 74 ppb, and a highly anomalous silver value, 1298 ppb, and coincides with a rock sample with a value of 2354 ppb in silver.

Silt samples

The most profound development from the 136 sample silt survey is the highly anomalous values obtained in the upper part of Limpid Creek about 2 kilometers northeast of the Crown grants. There, the highest gold value of the survey was obtained, 210 ppb, joined by the next highest gold value, 130 ppb. These two samples are highly anomalous whatever statistics one would apply. The situation with silver is similar, with the highest response occurring in that area but displaced to tributaries at higher elevation and further east by half a kilometer or more. The response from bismuth, lead, molybdenum and tungsten is as strong if not more so.

Silts taken along Wallack Creek were also surprisingly high, reaching 76 ppb in gold before falling off to background levels further north. Samples downstream from that high value remain strongly anomalous for at least 2 kilometers. A few strongly anomalous molybdenum samples are scattered along that drainage as well.

Till samples

From the 236-sample till survey, some of the highest grade samples in gold are located near or around Atkinson Creek (figure 5) in the extreme east end of the property. That relative gold response is matched by that of bismuth and tellurium. That suggests that a geological environment with a mineral assemblage analogous to that at the Bunker Hill Mine might be targeted.

A single strongly anomalous gold value falls west of Tillicum Creek about three kilometers west-northwest of the Crown grants. That sample is accompanied by a loose collection of other moderately anomalous gold values.

Silver is especially anomalous in a band of samples that stretch from just above the mouth of Tillicum Creek westwards for about a kilometer. The Bluestar occurrence is nearby and the results of soils by Rex Silver in 1983, who was pursuing the Bluestar mineralization, found a broad and strong silver anomaly over much of that area. The tills of 2008 seem to be generally consistent with their findings.

Till Retakes

Resampling a selected population of tills of the 2007 field program that were judged to be anomalous in at least one element, generally confirmed the anomalous nature of the original. The procedure of taking three additional samples dispersed by 10 meters up and down the road and into the bush on the uphill side, was intended to lend a degree of confidence to the original assay.

Sample CT048 (5435606N, 469769E) from the 2007 field program, when resampled with the arrangement of four follow-up samples in 2008, returned anomalous gold results from all four. The original determination of 2007 of 29.3 ppb in gold, was matched in 2008 with values 14.7, 19.4, 26.5 and 30.8 ppb in gold. A soil grid over a somewhat larger area also returned anomalous gold and silver results. This location remains a target to be followed-up with a larger soil survey.

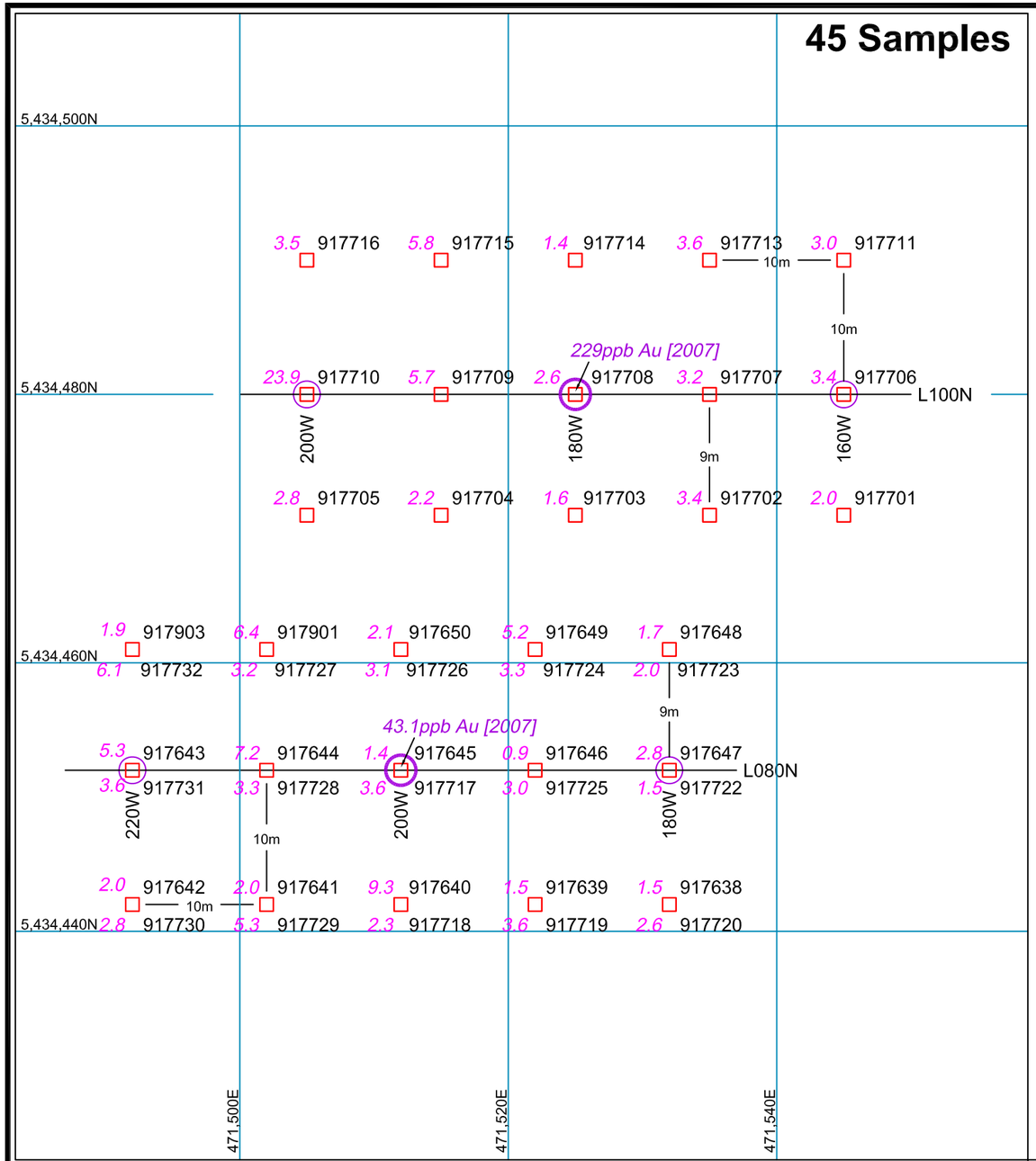
A second sample, CT011 (5433990N, 471963E), which returned 13.7 in gold in 2007, returned 7.1, 14.7, 15.2 and 25.9 ppb in gold from the resampling of 2008. A soil grid was placed over that area as well but resulted in no encouraging results.

Sample BT116 (5433212N, 475121E), collected in 2007, returned a tungsten value of 31.2 ppm from one of the quadrumvirate of samples taken in 2008. That assay is extraordinarily anomalous for that population of till samples. That sample was taken a mere 10 meters from soil sample 869943 which is itself anomalous in tungsten with a value of 16.5 ppm, and is anomalous in gold. In addition, another soil sample (#869941), just as anomalous in gold was taken 100 meters to the northwest.

2007 Soil Anomaly

In the Bunker Hill Mine area Discovery Consultants, in its soil survey covering the east side of the Crown grants, a neighboring pair of strongly anomalous gold values on adjacent grid lines was reported. That survey was done on a grid with stations nominally spaced at 20 meters in both east and north directions. In 2008, Jaxon Minerals returned to that area to resample the original anomalous location and a further pair of stations to the east and west along those grid lines. Samples were also taken at half-intervals between all those original grid stations (figure 12).

The follow-up survey involved two field technicians to divide the work of gathering 30 samples between themselves, whereupon the person gathering the samples in the south half of



Analytical Results - Selected Elements

SampleID	Au [ppb]	Bi [ppm]	Te [ppm]	Sb [ppm]	Ag [ppb]	Pb [ppm]	Zn [ppm]	Ni [ppm]	Co [ppm]	As [ppm]	Mo [ppm]	W [ppm]
917638	1.5	0.31	<0.02	0.54	242	20.53	210.7	91.9	17.2	12.2	0.88	0.3
917639	1.5	0.29	<0.02	0.64	336	21.76	272.4	78.9	15.2	16.0	1.23	0.5
917640	9.3	0.35	<0.02	0.87	313	29.19	425.9	75.3	15.7	17.0	1.99	0.8
917641	2.0	0.39	0.03	0.59	471	31.55	482.8	63.8	13.5	17.1	1.66	0.7
917642	2.0	0.60	<0.02	0.60	276	41.13	658.5	75.2	15.8	17.4	1.70	1.4
917643	5.3	0.63	0.04	0.88	361	119.32	737.5	72.7	17.5	30.4	2.28	0.8
917644	7.2	0.42	0.02	0.77	283	51.30	633.6	81.7	16.3	18.0	2.18	0.6
917645	1.4	0.39	0.04	0.84	269	36.90	590.0	74.4	16.2	14.9	3.73	0.7
917646	0.9	0.35	0.02	0.56	371	25.67	460.1	69.2	15.3	16.1	2.04	0.6
917647	2.8	0.35	<0.02	0.65	203	26.99	310.1	79.2	16.6	16.1	1.86	0.3
917648	1.7	0.34	<0.02	0.61	244	27.84	486.7	80.2	15.1	13.0	0.93	0.4
917649	5.2	0.42	0.03	0.78	285	30.44	347.1	76.9	18.1	20.5	2.16	0.7
917650	2.1	0.44	<0.02	0.64	455	55.79	656.5	76.1	18.0	16.5	2.28	0.6
917701	2.0	0.50	<0.02	1.23	369	54.33	963.8	121.2	23.7	14.3	1.11	0.4
917702	3.4	0.40	<0.02	0.77	210	37.11	405.6	110.8	20.7	12.9	1.12	0.4
917703	1.6	0.42	<0.02	0.63	218	32.48	537.5	82.3	17.5	15.8	1.36	0.6
917704	2.2	0.49	0.04	1.15	237	43.95	456.3	82.5	19.4	18.4	2.17	0.9
917705	2.8	0.56	0.04	1.38	270	76.71	511.5	81.1	18.5	15.6	1.77	0.9
917706	3.4	0.48	<0.02	1.03	146	36.53	459.5	94.7	19.6	14.7	1.06	0.7
917707	3.2	0.46	<0.02	0.97	198	35.56	418.2	88.1	19.1	19.5	0.97	0.9
917708	2.6	0.49	0.03	1.14	202	37.01	388.1	75.8	18.1	20.4	1.41	0.7
917709	5.7	0.59	<0.02	1.26	312	80.68	540.9	86.0	20.8	19.2	3.46	1.1
917710	23.9	0.63	0.06	1.58	238	66.97	437.2	86.7	20.7	19.1	2.27	1.2
917711	3.0	0.71	<0.02	0.89	236	38.92	367.7	95.1	19.9	17.4	1.17	0.5
917713	3.6	0.51	0.09	1.31	150	39.96	288.3	89.6	17.8	21.0	1.43	0.7
917714	1.4	0.54	<0.02	0.85	222	44.16	368.1	86.1	20.5	16.8	1.43	0.7
917715	5.8	0.78	0.10	1.55	238	61.98	441.1	87.5	20.6	21.1	1.49	1.1
917716	3.5	0.73	0.03	1.11	258	70.54	283.9	78.4	21.2	20.9	1.69	0.7
917717	3.6	0.40	<0.02	0.82	297	37.56	653.2	80.8	16.9	13.8	3.84	0.6
917718	2.3	0.36	<0.02	0.90	273	31.17	482.9	79.9	15.5	15.9	2.08	0.7
917719	3.6	0.32	<0.02	0.68	359	22.68	303.6	91.6	16.9	16.8	1.38	0.5
917720	2.6	0.34	0.04	0.63	268	23.65	249.9	104.4	19.8	13.0	0.97	0.3
917722	1.5	0.38	0.03	0.85	184	30.97	390.1	94.1	17.2	18.2	1.75	0.4
917723	2.0	0.35	0.03	0.73	230	31.81	562.6	96.0	17.5	12.7	1.15	0.5
917724	3.3	0.46	0.06	0.86	285	34.90	403.4	82.4	17.7	20.2	2.36	0.7
917725	3.0	0.40	0.02	0.59	387	28.54	484.1	76.7	16.9	17.1	2.13	0.6
917726	3.1	0.47	0.04	0.80	412	56.90	681.6	76.5	17.7	16.5	2.33	0.7
917727	3.2	0.55	0.06	1.09	330	83.86	482.6	76.1	17.9	18.9	1.67	0.7
917728	3.3	0.50	0.03	0.96	235	59.44	777.9	81.3	16.8	20.5	2.14	0.6
917729	5.3	0.46	0.05	0.73	432	37.30	503.2	63.6	13.6	17.4	1.81	0.7
917730	2.8	0.81	0.03	0.82	159	50.63	1018.6	68.2	14.9	18.7	3.50	1.5
917731	3.6	0.71	0.06	1.03	319	141.92	864.4	74.1	18.2	34.3	2.67	0.9
917732	6.1	0.59	<0.02	1.02	508	99.57	525.4	74.4	18.3	20.2	1.82	0.7
917901	6.4	0.50	0.03	0.94	359	72.62	444.2	71.7	17.4	18.8	1.54	0.7
917903	1.9	0.51	<0.02	0.80	490	83.26	479.2	67.1	16.7	19.3	1.65	0.7

Anomalous Gold in 2007 Soil Samples

L1+00N 1+80W	**229**	0.46	0.04	1.04	431	40.97	385.4	70.6	18.7	18.6	1.35	0.5
L0+80N 2+00W	**43.1**	0.34	0.02	0.62	195	34.58	732.0	67.7	14.1	12.2	2.94	0.6

SYMBOL LEGEND

2007 Soil sample location anomalous, non-anomalous sample

X.X 917XXX — 2008 Soil sample Location with Sample ID & Au assay [ppb]

Notes:
Location coordinates based on those of the pair of anomalous soil assays of 2007 (highlighted in bold).
2007 soil assay based on subsample of -80 mesh fraction, 2008 followup samples from a 30 gram -230 mesh subsample.

GRID NORTH
UTM NAD83 Zone11

JAXON MINERALS INC.

10 8 6 4 2 0 10 meters 20
Scale 1:400

Figure 12

Jaxon Minerals Inc.

NOX FORT PROJECT 2008

Followup Soil Sampling of Anomalous Gold in 2007 Soil Grid

Mining Division: Nelson
N.T.S.: 082F004

Fieldwork by: J.D.Williams, P.Eng.
Drawn by: J.D.Williams, P.Eng.
Date Drawn: April 2009

File Ref: NoxFort_AuSoilResampling.dwg [Bsize_400m]

the surveyed area improperly completed his field notes creating ambiguities in that work. That half of the follow-up survey was redone, resulting in a survey 45 samples in size.

The anomalous values of the 2007 survey, 229 and 43 ppb in gold were not duplicated. None of the assays of the 2008 follow-up survey exceeded 10 ppb in gold except for a single result of 24 ppb 40 meters from the nearest anomalous value of 2007.

When investigating that area, the author determined that the sandy soil is draped over a slope of rounded and angular talus. That talus consists of boulders and cobbles of various compositions with a significant proportion that are weakly and moderately skarnified.

2007 South Grid Soil Analyses

The 203 soil samples collected by Discovery Consultants in 2007 in the South field grid, in the Bunker Hill Mine area, were submitted to Acme Labs for analysis by 53-element, Group 1F, ICP-MS in 2008. These samples, while being prepared for analysis were sieved to -80 mesh. That was done to serve as a comparison to samples of the North grid which, in 2007, were prepared in the same manner. For all the geochemical sampling sent in for assay by Jaxon Minerals in 2008, this group was the only one that was sieved to a size other than -230 mesh.

That grid covered the Lefevre Skarn and the dump below Level 2 of the Bunker Hill Mine (figure 13). As might be expected, a strong response was obtained in gold, bismuth, tellurium, molybdenum and tungsten from samples over the Lefevre Skarn and, for many of those elements, at the Level 2 dump. Several samples moderately anomalous in gold, ranging between 19.6 and 66.2 ppb, are scattered along the west contact of the Bunker Hill intrusive. An anomalous result of 157.6 ppm in gold below and southeast of the BiTel Knoll is so far unexplained.

Assay values from those samples are plotted in a series of maps contained in appendix H. A separate map at 1:2,500 scale is dedicated to each of the six elements of greatest interest to the Property; gold, bismuth, tellurium, silver, molybdenum and tungsten.

NORTH SOIL GRID of 2007

SOUTH SOIL GRID of 2007

BUNKER HILL C.G. D.L.2939

MORMON GIRL C.G. D.L.1949

Dark bedded dirty limestone

Float of white quartz vein

Trenches in till no exposure

Skarn Subcrop

Lefevre Skarn

LEFEVRE TRENCHES

KENNETH TRENCH
Vuggy granite with malachite

HAND STEEL
(galena ± sphalerite pyrite)

BUNKER HILL MINE

Argill

471.200E
471.400E
471.600E
471.800E
472.000E

5,434,400N
5,434,200N

L000N
L000S
L020S
L040S
L060S
L080S
L100S
L120S
L160S
L180S
L200S
L220S
L240S
L260S
L280S
L300S

320W
300W
280W
260W
240W
220W
200W
180W
160W
140W
120W
100W
080W
060W
040W
020W
000W

Astro NORTH
GRID NORTH
Magnetic NORTH
UTM NAD83 Zone11
Convergence 0° 17' 41"
Declination 16° 22' (01 Oct '08)
Near Mormon Girl C.G.: 5434200N, 471500E

Source: Backdrop of mapped geology by G.E.Ray, (2004)
see figure 9 for geology legend

May 2009

Symbol Legend
Gold assay [ppb]
soil sample location
scaled in proportion to assay

Jaxon Minerals Inc.

Nox Fort Project 2008 - 2007 South Soil Grid

25 0 25 50 75 100 125 150 175 200 225 250 meters
Scale 1:2,500

Au [ppb]

JAXON MINERALS INC.

Figure 13

SOIL GAS HYDROCARBON [SGH]

SGH Introduction

SGH is a geochemical analytical technique that is essentially a weak leach that only extracts the surficial-bound hydrocarbon compounds that are mobile and have moved upwards from depth. The laboratory procedure detects 162 specific organic compounds in the C_5-C_{17} carbon series at the parts per trillion [ppt] range by gas chromatography – mass spectrometry. Compounds in the C_5-C_{17} carbon range are less affected by weathering, by bacterial and ultraviolet degradation, or by seasonal water washing. SGH are not gaseous compounds at room temperature but may migrate to the surface by various processes and may be in a vapor form at depth. Actlabs promotes SHG as a dual purpose tool that can be used to vector to the location of a target through geochromatography and also to confirm the identity of a target through the specific mix of SGH classes found (Actlabs, undated, p. 3).

Sampling Method and Approach

Jaxon Minerals, in its experiment with SGH, decided to take three lines of samples from the 2007 field grid and extend them east so that each line was represented by at least 50 samples. Actlabs recommends that at least 50 evenly spaced samples be taken per target with about one third of that population overlying the target and the remaining bracketing it on either side by roughly equal numbers.

The samples were collected at about 20-meter intervals from field grid lines 020N, 060S and 180S (figure 14 & charts of appendix K). Each line was sampled over a length of about a kilometer. B-horizon material was gathered at each sample location while a separate sample from the same pit was taken for ICP-MS analysis by Acme Labs. A total of 152 SGH samples were shipped; no field duplicates or 'standards' were part of that shipment.

A report released by Actlabs is contained in appendix K. Also included in that appendix are three posters which graphically compare the SGH response with ICP-MS results from Acme Labs. The data in and Excel spreadsheet released by Actlabs is reproduced in the MS Excel workbook of accompanying this Report.

Determinations by Actlabs that form the basis of the color shaded 'Primary' and 'Secondary' maps are plotted separately in appendix H at 1:3,000 scale. These determinations are based on raw concentration data from the proprietary analyses of the suite of 162 detected compounds.[26]

Sample Preparation, Analysis and Quality Control

Once the samples are received at Actlabs, they are air-dried to 40°C them sieved for the -60-mesh fraction. Analysis is performed with a very weak leach to extract the surficial-bound hydrocarbons from the sample particles – hydrocarbons that have been mobilized from depth. Those hydrocarbons are extracted by high resolution gas chromatography, then by mass spectrometry to detect 162 targeted hydrocarbons to a reporting limit of 1 ppt (Sutherland & Hoffman, 2008, p. 2 & 3).

[26] Personal communication, Dale Sutherland, Actlabs, 09 July 2009.

"PRIMARY"
SGH GOLD INDICATOR CLASS

KEY: ✕ Sample location

Source: SGH response as taken from Sutherland & Hoffman (2008) and attached in Appendix J.

"SECONDARY"
SGH GOLD INDICATOR CLASS

Source: Backdrop of mapped geology in lowest panel by G.E.Ray, (2004); see figure 9 for geology legend
Samples plotted are those taken concurrently with the SGH samples to serve as a comparison. Symbol size is scaled proportional to assay.

May 2009

Symbol Legend
Gold assay [ppb]
soil sample location
scaled in proportion to assay

Jaxon Minerals Inc.
Nox Fort Project 2008 - SGH Survey

100 80 60 40 20 0 100 200 300 400 meters
Scale 1:4,000

Figure 14

JAXON MINERALS INC.

Those results are separated into 19 subclasses which are then evaluated in terms of their geochromatography and for coincident compound class anomalies unique to different types of mineralization. That evaluation is embodied in a 6-point scale with 6 being the best rating which means that SGH subclasses most important to describing a gold signature are present, and point to the same location with well-defined anomalies (ibid, p. 3 & 4).

Quality of data is computed by a per-cent coefficient of variation [%CV]. Of the 162 compounds being detected, the first 15 compounds listed in the spreadsheet of data (accompanying this Report) are measured to less precision than the remaining 147 compounds. A %CV statistic, it is argued, is a better indication of SGH precision, with a value of 6.6% being excellent (ibid, p. 5). That measure, from the 152-sample survey of 2008, is 4.6%. While processing that group of 152 samples, Actlabs inserted replicates selected from 10 of them. Neither field duplicates nor 'standards' were collected for the SGH survey.

Results of SGH Survey

Actlabs provides a color shaded diagram of the SGH surveyed area for a 'Primary SGH gold indicator class map' and a similarly titled Secondary map (figure 14 & appendix K). On the Primary map, Actlabs points out 3 anomalies evident by the warmest colors. They are the west half of L020N, the east half of the same line and the eastern-most 100 meters of L180S; those anomalies score five or better in Actlabs' 6-point scale.

INTERPRETATION AND CONCLUSIONS

The sampling of 2008 illuminated a number of new targets of the Nox Fort Property and placed new emphasis on targets identified by earlier workers.

In the Bunker Hill Mine area, results from chip and channel sampling in the vicinity of the BiTel Knoll, especially at the Moly Trench, at the Lefevre Skarn and south to the Clease Showing indicates that the west contact of the Bunker Hill intrusive represents a compelling drill target. Quartz veins with even higher assays in the Level 1 area and high-grade mineralization in the dump below Level 3 provides further encouragement for drilling off a section of the west contact with a number of holes.

Geochemical sampling, particularly that from soils, show intriguing patterns in the sediments west of the contact, perhaps especially if the southern extension of the ultramafic is implicated.

By far, the greatest accomplishment of the 2008 field program is the identification of prospective ground upstream on Limpid Creek about 2 kilometers northeast of the Crown grants. Silt assays, anomalous in a range of elements including gold and silver, makes a high priority target. This development builds on the work by Discovery Consultants in 2007, whose stream sediment survey began to indicate the favorability of that area. Further upstream on Limpid Creek and just north of the Property boundary, Corona located an area with relatively anomalous soil assays at and near a granitic contact. That suggests that a contact of the Bunker Hill intrusive or the Wallack Creek stock may extend from the Crown grants, through the anomalous silts of 2008 and beyond to the northwest.

A follow-up program would involve gathering confirmation silts, pan samples, prospecting and geological mapping and blanket coverage with soil sampling. Water samples may be a technique to consider as well. A trail that extends the new road crossing Clel Creek a further 600 meters would provide ATV access to that area.

Silts from Wallack Creek were encouraging and came as a bit of a surprise. It was unexpected to learn that anomalous gold results came from in what is mapped as the interior of the Wallack Creek stock. The upper section of Wallack Creek, above the BC Hydro line deserves a detailed confirmation survey of silt sampling and prospecting.

A location just off the southwest corner of the Red Rock claim persists in returning anomalous results for gold and other elements. The 2008 sampling expanded on anomalous tills of 2007 and is expressed by a cluster of elevated assays located about 100 meters from the Red Rock boundary. That group of samples is accompanied by another smaller cluster of 2008 soils a further 400 meters west-southwestard. The orientation of that pair of anomalous sample clusters is not inconsistent with the general trend of the underlying Laib formation and may relate to genuine enrichment. That area may have been first identified as anomalous by Jopec Resources in 1992-1993 where Santos (1993, plate 14) locates relatively elevated gold from sampling just north of the anomalous samples of 2008.

A rather large geochemical signature appears to be related to rocks hosting the Bluestar occurrence. Till sampling of 2008 indentified an extended area anomalous in silver which may mirror the results of soil sampling reported by Rex Silver in 1983 (Aussant, 1983). The 2008

field program gave that occurrence and its host rocks only superficial attention which, based on the results of the till sampling, may elevate the Bluestar area to a much higher priority.

Other samples that occur in isolation or in small clusters were located in various parts of the Property. The most prospective area identified by these smaller targets is along the BC Hydro powerline road (figure 5). From the available mapping, that road runs along and through the south contact of the Wallack Creek stock. It is shown as having rather complicated geometry and a cursory examination of the rocks of that area in 2008 seems to bear that out. That contact may have spawned mineralization that the few anomalous soils taken along that road is only just hinting at.

A review of the historical work conducted over the last century has revealed information that could be relevant to further work. To avoid missed opportunities by denying the experience shared by earlier workers, a through compilation of the available documentation should be undertaken.

RECOMMENDATIONS

The fieldwork of 2008 identified at least two new areas of interest and illuminated areas that are worthy drill targets. It is also appreciated that the bedrock geology is not very well understood and some effort should be placed into geological mapping. In addition, gaining access to mineralization in the underground, based on what is seen in the dumps, would provide a significant contribution to the knowledge base of the Property.

It is recommended that further work be advanced in three categories:

- follow up of 2008 fieldwork with additional sampling in areas that returned encouraging results. Conduct geological mapping in as many important areas as possible. Complete a compilation of historical data.
- drill an array of holes targeting the west contact of the Bunker Hill intrusive
- open up the adits to map and sample exposed mineralization

Stream sediments in the upper drainages of both Limpid and Wallack Creeks returned surprisingly anomalous results in gold and ought to be priority areas for follow up fieldwork. It is recommended that trails be established to allow ATV access closer to each area. That would facilitate a program of detailed silt sampling to confirm and perhaps pinpoint centers holding the best mineral potential. That work could be done in concert with soil sampling, prospecting and rock sampling as well as geological mapping. Given the numerous tributaries that are mapped in each basin, gathering water samples and pH readings ought to be considered.

A program that takes prospecting and geological mapping further afield should be considered in following up singular or small clusters of anomalous sample locations in the historical record that would be of interest. For that, a comprehensive compilation of the Property ought to be completed and these localities identified and investigated. Principal among those may be the 2007 till sample CT048, which was followed up in 2008 with encouraging results.

It is appreciated that the contact of the Bunker Hill Intrusive, perhaps especially on its west side, could be everywhere prospective and assessing that potential would be best done with drilling. The veins at and near Level 1, mineralization at the Moly trench and encouraging results from the Clease Showing are a testament of that potential, but tempered by the fact that not all quartz veins hold mineralization. Also, the Lefevre Skarn, as it falls on the same contact, is a larger target that could be tested in the same drill program.

Complicating any planned layout of drilling is the unknown dip of the intrusive contact. At BiTel knoll it appears to be at a shallow attitude dipping west, but a single measurement at the Lefevre Skarn shows it oriented steeply east. It may, in fact be a complicated contact with inconsistent orientation. Holes collared in the Bunker Hill granite drilling west will probably need to be accompanied by holes oriented in the opposite direction from lower elevations and collared in metasediment.

The proposed program of 2,500m allows for eight or ten holes, each 250m or slightly greater in length. Existing roads and trails in most of the Bunker Hill area may be improved or extended short distances to provide adequate sites for drilling. A campaign of that size could extend for five or six weeks. Core ought to be of NQ size or equivalent and several drill contractors are located in the Salmo area. In general, personnel holding good skills in many

technical aspects of mineral exploration are available in Salmo or from towns within commuting distance. Taking advantage of the abilities of the local workforce is encouraged.

Mineralization in the dumps from the underground, especially below Level 3 is an indication that they may provide important clues to the style of mineralization that occurs in the Bunker Hill area, if one were to gain access to those levels. A program is budgeted to open up and secure the portals for the limited purpose of allowing a brief opportunity to map and sample mineralization in the adits. Most of Level 1 may be collapsed or caved but Levels 2 and 3 may be in much better shape. Short trails off existing well-established roads are all that is needed to provide the required access to the portals. Mining contractors in the Kootenay district may be available to take on that work.

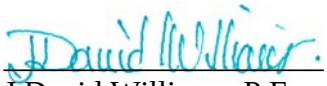
Table 7: Proposed Exploration Budget

I T E M	Amount
Follow-up Field Exploration of 2008 results - (40 days)	
Geologist (data compilation) @ $600/day, 10 days [off-site] @ $600/day	6,000
Project Geologist 40 days @ $600/day	24,000
Mapping Geologist 40 days $ $500/day	20,000
Prospector 40 days @ $350/day	14,000
Field technician 40 days @ $300/day	12,000
Field supplies & rentals for 3 months	6,000
Accommodation & Groceries 2 persons 40 days @ $150/day	12,000
Trail construction & reclamation 5 days @ $140/hour	5,600
Analytical cost 500 samples @ $45/sample (shipped)	22,500
Contingency (~10%)	10,000
Total Follow-up	**132,100**
Drill Program – 2,500 meters - (40 days)	
Drilling 2,500m @ $125/meter (add $10,000 mobe + demobe)	322,500
Drill Geologist 45 days @ $600/day	27,000
Core Geotechnician 40 days @ $350/day	14,000
Core splitter 20 days @ $250/day	5,000
Camp cook & First aid technician 40 days @ $400/day	16,000
Analytical cost 1,000 samples @ $45/sample (shipped)	45,000
Trail construction, sump excavation & reclamation 5 days @ $140/hour (+ $2,500 standby)	8,100
Supplies & rentals	8,000
Contingency (~10%)	44,000
Total Drilling	**489,600**
Underground Access - (10 days)	
Trail construction, portal excavation 3 days @ $140/hour	3,360
Mining Contractor timbering, scaling, ventilation – 10 days duration	60,000
Geological Mapping 5 days @ $600/day	3,000
Underground sampler 5 days @ $350/day	1,750
Analytical cost 200 samples @ $45/sample (shipped)	9,000
Supplies & rentals	1,000
Contingency (~20%)	16,000
Total Underground	**94,110**
Reporting and Data Processing Project Geologist 10 days @ $600/day	6,000
Jaxon Project Management 40 half-days @ $1000/day	20,000
TOTAL PROJECT EXPENSES	**741,810**

The proposed budget (table 7) is organized into three activities – they may be considered as phases but they are not intended as such, even though each activity can be pursued selectively on separate timetables or deferred entirely. The pursuit of one activity is not contingent on any other, although what is learned from an examination of the adits could have an influence, maybe a profound one, on the layout of holes of the drill program. No timetable is implied in the work

as budgeted, except that if aspects of the work were to be drawn out over longer periods, the budget would be impacted by somewhat higher overall costs. Application of all three activities, especially simultaneously, could advance the prospects of the Nox Fort Property enormously.

Respectfully submitted,



J.David Williams, P.Eng.
13 May 2009
Amended 15 February 2010.

JDW/jdw
NoxFort2008_AssessmentReport_rev15Feb10.doc

ITEMIZED COST STATEMENT

The vast majority of the activity connected with the Nox Fort Project of 2008 consisted of sampling. Only a small proportion of effort went into geological mapping and that was concentrated on a few of the more prominent sites that were channel sampled.

It is recognized that expenses incurred on work completed on Crown grants are not allowable credits for assessment. Since the Crown grants are located in the central part of the property, where much of the more intense activity was conducted in 2008, some allowance has to be made for expenditures applied to work conducted within the Crown grants.

Results from the entire body of sampling is presented in the Report, irrespective of its location either on or off the Crown grants, and following that theme, so too are the expenses incurred by the entire 2008 program. It is proposed that expenses claimed for assessment credit be a reduction of total program cost in proportion to the number of samples gathered from inside the Crown grant boundaries. The following table summarizes the number of samples of all types gathered in 2008 and those located within the Crown grants:

Table 8: Samples Gathered in 2008 Apportioned to Crown Grants

Sample Type	Samples Gathered	Discount Dups & STDs	Within C.G.	Outside C.G
Rocks – Chips & Channels	355	355	180	175
Rocks – Prospecting	461	461	6	455
Soils	1,512	1,384	112	1,272
SGH	152	152	44	108
Silts	136	131	0	131
Tills	236	213	0	213
Till Retakes	172	172	12	160
TOTAL	**3,024**	**2,868**	**354**	**2,514**

The total number of samples shipped is reduced by the number of ‘standard’ and duplicate samples. What remains are the samples plotted in figure 11 and in appendices A to H. Of the 3,024 samples sent for assay, 2,868 are shown plotted in maps contained in this Report. One can assume the same proportion of standards and field duplicates were shipped for assay irrespective of whether they fall within or outside the Crown grants. Of those 2,868 plotted samples, 354 were taken from the Crown grants, leaving the balance, 2,514, or 87.7% of that total project expenses that would qualify for assessment credit.

2008 Program & Costs

The 92-day field program at Nox Fort was under the management of Bruce Ballantyne of Jaxon Minerals. Fieldwork was completed under the direction of the writer, J.David Williams, as Jaxon Minerals’ consulting geologist, while working in concert with Minconsult who supplied the highly capable field crew and the camp cook. Minconsult supplied much of the field equipment including a pair of four wheel drive crew-cabs and a pair of ATVs. The camp cook also served as first aid attendant. Members of Minconsult’s crew hailed from the local area, other BC communities and as far away as central Ontario.

Table 9: Summary of Project Costs

CHARGEABLE ITEM	Cost
Land Owner Notification	
Project Geologist – J.D.Williams – 3 days @ $600/day	1800.00
BC OnLine fees	400.00
Personnel & Professional Fees	
Project geological consultant – J.D.Williams – 92 days @ $650/day	59,800.00
Minconsult project manager – one of Tim Bissett, Jim Donaldson, Adrian Last - 92 days @ $600/day	55,200.00
Minconsult prospectors – Alfi Elden, Milton Mankowske - total 76.5 days @ $600/day	45,900.00
Minconsult geologist – Pat Williams – 16 days @ $550/day	8,800.00
Minconsult field crew: camp cook – first aid attendant & samplers average 7.7 persons – 92 days @ $500/day	354,200.00
Jaxon project manager – Bruce Ballantyne – 92 half-days @ $1000/day	46,000.00
Analytical Cost	
Acme Analytical Labs – 203 Soils of 2007 Program – 53-element ICP-MS ultratrace [Acme Group 1F30] @ $34.94	7,093.63
Acme Analytical Labs – 2,872 samples (all types) – 53-element ICP-MS ultratrace [Acme Group 1F30] (includes shipping) @ $42.46	121,936.16
Activation Laboratories – 152 Soil Gas Hydrocarbon analyses & report	8,408.40
Accommodation, Board, Travel & Storage	
Field Camp – Pine Springs Motel & RV Park – 3 cabins – 3.7 months @ $9,225/mo	33,795.69
Groceries	18645.16
Minconsult – Employee travel	17,234.31
Salmo Storage – 3 units – 4 months @ $126/mo	1,512.00
Equipment Rentals	
Truck rental – 2 vehicles – 4WD crew cabs – 92 days @ $60/day	11,040.00
ATV rental – 2 vehicles – 92 days @ $60/day	11,040.00
Field storage container – 4 months @ $150.60/mo	602.40
Equipment rental – compressor, pressure washer, water tanks, hoses & fittings	11,333.10
Satellite phones – 3 units – 4 months @ $100/mo	1,200.00
Chainsaws – 2 units – 92 days @ $35/day	6,440.00
VHF radios – 12 units – 4 months @ $80/mo	3,840.00
Minconsult rentals – 2 computers, 12 GPSes – 92 days @ $38.06/day	3,502.00
Field consumable, supplies & expenses	
Fuel (trucks & all equipment)	17,345.36
Field gear & supplies	4,492.99
Delivery of field container	724.50
Phone line	424.52
Report Preparation	
J.D.Williams – 5 days @ $600/day	3,000.00
TOTAL PROJECT EXPENSES	**855,710.22**
Proportion of Expenses applied to activity *outside* Crown Grants [87.7%]	**750.457.86**

Accommodation for members of the field crew who resided out-of-town was at the Pine Springs Motel and RV Park located on Highway 3 about 8 kilometers west of Salmo. The camp consisted of at least three rented cabins, which included space for project field offices along with separate accommodations for the camp cook. A cookhouse was constructed on the Pine Springs grounds and equipped with appliances to handle a crew which reached as many as a dozen persons, but averaged about nine.

Access to the Property was by crew-cab from the campsite and once on the Property, a pair of ATVs was available to transport field crews to particular work sites. All personnel

worked an 8 hour day including travel time which amounted to about three-quarters of an hour each way. Samples and equipment were kept in a pair of rented storage lockers. A 20-foot container was rented and placed on the Property for the duration of the project which served as a garage for the ATVs as well as storage for first aid equipment as well as fire fighting gear. Short-term equipment rentals were arranged with one or more outlets in Castlegar. That equipment included an air compressor, pressure washer, water pump, water tanks, various hoses and fittings that were used to clear overburden from shallow outcrop and old trenches and to wash them clean of dust especially after the samples were cut.

A total of $856,000 in expenses is tabulated (table 9) for the 2008 field program. Of that amount, $750,000 is applied for assessment credit, calculated at a rate of 87.7% to account for the proportion of total activity conducted outside the Crown grants. Not included is $826.89 of additional assaying costs incurred in 2009 for the re-analyses of the 63 samples that returned values above detection limit in tungsten in the initial ICP-MS procedure. Also not included in that tally are more recent reruns on 37 samples for gold by fire assay, a single metallic determination for silver and reanalyses on 21 samples by ICP-ES to resolve overlimit values obtained initially. That assaying totaled $920.59. All those assay results are incorporated into this Report nonetheless.

STATEMENT OF QUALIFICATIONS

I, J.David Williams residing at 303 - 1225 Cardero Street in the City of Vancouver, in the Province of British Columbia

DO HEREBY CERTIFY;

1. That I am a consulting engineer with a business address of 303 - 1225 Cardero Street, Vancouver, British Columbia, V6G 2H8.
2. That I am doing business under the name of Integrex Engineering and that I am the sole proprietor of the company and that I hold a valid license issued by the City of Vancouver to conduct business at the above address.
3. That I am a graduate of the University of Toronto where I obtained a Bachelor of Applied Science degree in Geological Engineering (exploration option).
4. That I have actively practiced my profession as a geological engineer since graduating in 1978.
5. That I am a Professional Engineer registered with the Association of Professional Engineers and Geoscientists of the Province of British Columbia.
6. That the information, opinions and recommendations in the attached documents are based on my position as consulting project geologist over a period that extends from 09 June 2008 and my involvement with fieldwork at the Nox Fort Property over the period from 19 July to 18 October 2008.
7. That I have not received, directly or indirectly, nor do I expect to receive any interest, direct or indirect, in the property of Jaxon Minerals Inc. or Clarke Gold Inc., nor do I directly own any securities of Jaxon Minerals Inc. or Clarke Gold Inc. or any affiliate thereof known to me.
8. I am the author of this Report entitled “Assessment Report on Prospecting, Geochemical & Rock Sampling on the Nox Fort Property in 2008”, dated 15 February 2010.
9. That I hereby grant to Jaxon Minerals Inc. authorization to include this report in any Prospectus, Statement of Material Facts or other public document.

J.David Williams, P.Eng.

dated at Vancouver, British Columbia this 15th day of February 2010.

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