

GEOCHEMICAL WORK ASSESSMENT REPORT

ON

AW GROUP OF CLAIMS

CLINTON MINING DIVISION

**BC Geological Survey
Assessment Report
33218**

Location: NTS Maps 92P 013 and 92P 003

Map center: 51 8' N, 121 28' W

Work Performed

May 20, 2012 to July 16, 2012

Report Prepared by:

W. Kovacevic

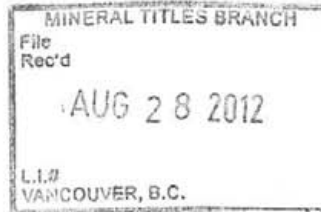
Willy Kovacevic

**For
Tilava Mining Corporation**

August 20, 2012

**GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT**

33,218



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

ASSESSMENT REPORT
TITLE PAGE AND SUMMARY

TITLE OF REPORT [type of survey(s)] GEOCHEMICAL SURVEY TOTAL COST \$8,950

AUTHOR(S) WILLY KOVACEVIC SIGNATURE(S) W. Kovacevic

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) N/A YEAR OF WORK 2012

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) EVENT NO 5324317 - MAY 26/12
EVENT NO 5395240 - JULY 20/12 EVENT NO 5400205 AUG. 17/12

PROPERTY NAME AW PROPERTY

CLAIM NAME(S) (on which work was done) TENURE 522332

COMMODITIES SOUGHT BENTONITE CLAY

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN _____

MINING DIVISION CLINTON NTS 92P003

LATITUDE 51° 8' " LONGITUDE 121° 28' " (at centre of work)

OWNER(S)
1) TILAVA MINING CORPORATION 2) _____

MAILING ADDRESS
BOX 372
CLINTON, B.C. V0K 1K0

OPERATOR(S) [who paid for the work]
1) TILAVA MINING CORPORATION 2) _____

MAILING ADDRESS
SAME AS ABOVE

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
Ultramafic rocks in contact with Cache Creek volcanics. The Ultramafite is zoned, contains both peridotite and dunite phases. All rocks are moderately to highly serpentinized, and in places, are completely steatized.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS RS # 1146, RS # 8111,
RS # 38677 AND # 26373

| 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 _____ | | | |
| Silt _____ | | | |
| Rock <u>16 ROCK SAMPLES - WRA / XRD</u> | | <u>TENURE 522332</u> | |
| Other _____ | | | |
| DRILLING | | | |
| (total metres; number of holes, size) | | | |
| Core _____ | | | |
| Non-core _____ | | | |
| RELATED TECHNICAL | | | |
| <u>Sampling/assaying</u> | | | <u>\$ 8,950 -</u> |
| Petrographic _____ | | | |
| Mineralographic _____ | | | |
| Metallurgic _____ | | | |
| PROSPECTING (scale, area) _____ | | | |
| 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 | | | <u>\$ 8,950 -</u> |

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Vancouver, B.C

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Earth & Ocean Science at University of
British Columbia.

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XRD Quantitative analyze by
Department of Earth & Ocean Science at
University of British Columbia

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XRD Qualitative analyze by
Department of Earth & Ocean Science at
University of British Columbia

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INTRODUCTION

Ultramafic belt, containing Chromium and allied metals Nickel and PGM stretches for some 30 kilometers north and south of Village of Clinton, British Columbia. Recorded occurrences on the belt are Scottie Creek, Mika Showing (AW Property) and Ferguson Creek Chromium (WK Property). The modern geophysical surveys (notably 1st Vertical Gradient Magnetic Survey) have well outlined the extension of the ultramafics. Tilava Mining Corporation is a 100% owner of the Ferguson Creek and AW Property. Historic exploration was concentrated mainly on Chromium and to some extension on Magnesite on AW claims. Both of these claims also contain sizable deposits of Bentonite; WK claims contain swelling bentonite and AW claims contain swelling and non swelling calcium bentonite.

This report represents the results of 2012 exploration program conducted by Tilava Mining Corporation on AW Group of claims in Clinton Mining Division of British Columbia. The exploration target was known but underexplored deposit of Bentonite.

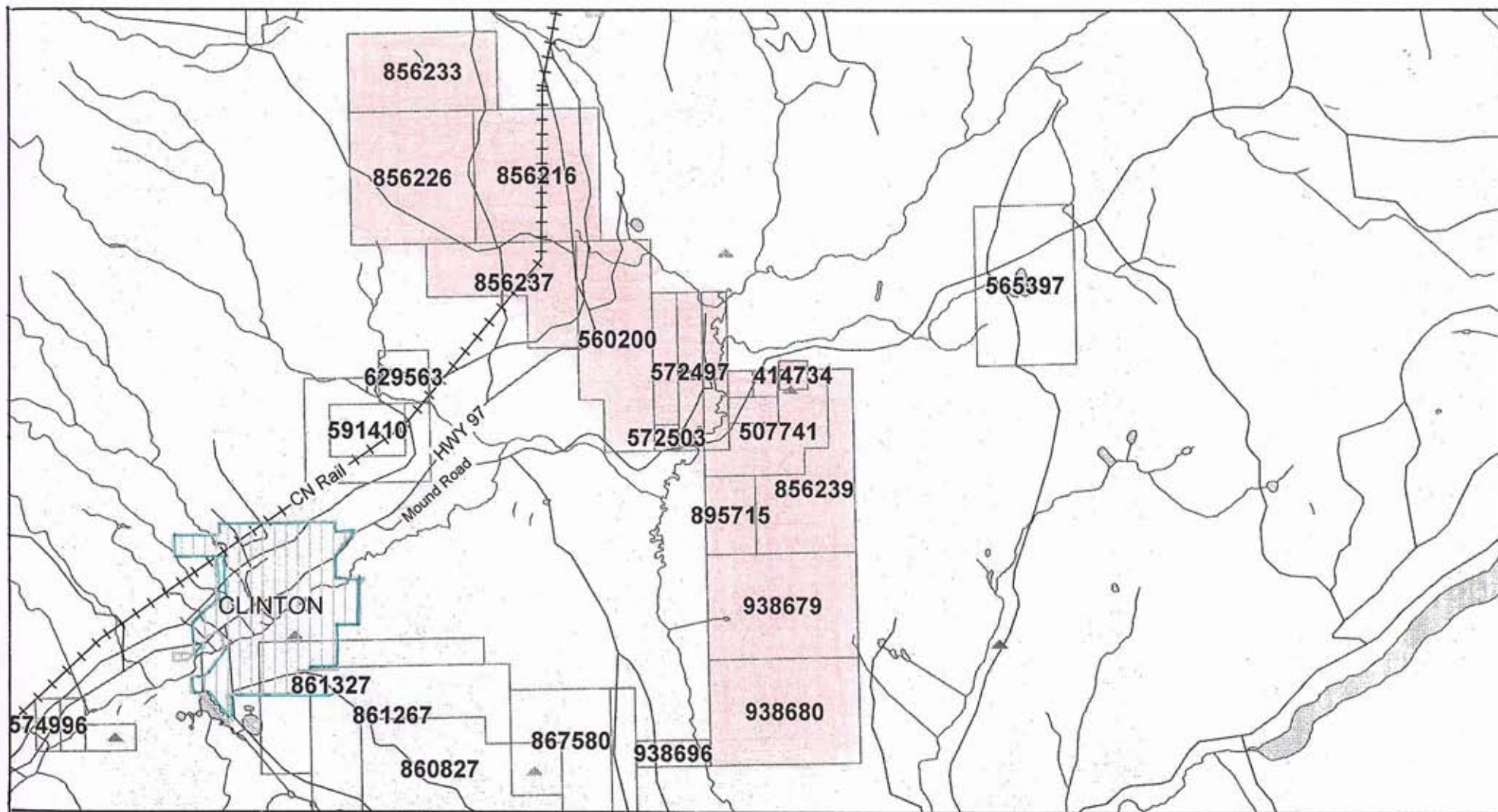
LOCATION AND ACCESS

AW claims are located in south-central British Columbia approximately 8.6 kilometers northeast of Village of Clinton, B.C. The geographic center of the claims is 51° 8' N, 121° 29' W. The claims are reached by taking Mound Road, which leaves Hwy 97 two kilometers north of Clinton, and traveling it along a distance of 8 kilometers.

The CN Rail is traversing the property as well as B.C. Hydro Power, Fortis Gas line, and major HWY 97.

Most basic services are in nearby town of Clinton and 100 Mile House located some 75 km north of Clinton. The City of Kamloops located about 145 km to the east has complete support facilities including assay laboratories, drilling companies, exploration contractors and mining consultants.

AW Claims Location Map



SCALE 1 : 100,684

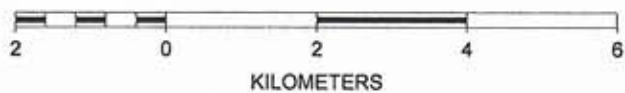


Fig. 1



AW Group of Claims 2012



SCALE 1 : 8,572

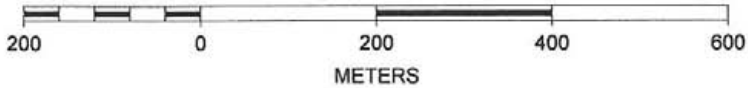


Fig. 2



PROPERTY AND OWNERSHIP

AW Group of claims described in this report consists of 20 Tenures, all in one block, totaling 4,457. hectares located in Clinton Mining Division (NTS maps 92P 013 and 92P 003) and shown in Figure 3. The tenures are a 100% owned by Tilava Mining Corporation.

| Tenure No. | Hectares | Expiry Dates |
|-------------------|-----------------|---------------------|
| 856233 | 364.73 | November 10, 2012 |
| 856226 | 506.74 | November 10, 2012 |
| 856216 | 506.74 | November 10, 2012 |
| 856237 | 324.43 | November 10, 2012 |
| 560200 | 446.18 | March 30, 2013 |
| 572496 | 101.41 | March 30, 2013 |
| 572497 | 121.70 | March 30, 2013 |
| 572501 | 121.70 | March 30, 2013 |
| 928068 | 20.28 | March 30, 2013 |
| 414734 | 25.00 | March 30, 2013 |
| 537678 | 20.29 | March 30, 2013 |
| 522332 | 40.57 | March 30, 2013 |
| 572503 | 20.29 | March 30, 2013 |
| 507741 | 243.46 | March 30, 2013 |
| 895715 | 121.76 | March 30, 2013 |
| 856239 | 344.97 | March 30, 2013 |
| 938679 | 487.21 | March 30, 2013 |
| 938680 | 487.37 | March 30, 2013 |
| 938696 | 60.93 | March 30, 2013 |
| 881769 | 101.55 | March 30, 2013 |

The Bentonite Mine is located on Tenure 522332 on DL 3768 which Lot is surveyed Crown Land.

PREVIOUS WORK

Historical works are best described in Assessment Reports: #1146, # 8111, # #38677 and # 26373.

Tilava acquired the property in 2000 and main exploration targets were Chromite and Magnesite. Sporadic work was done on known Bentonite showings consisting of small hand excavated trenches and pits and geochemical samplings

AW BENTONITE DEPOSITS

Bentonite is exposed in curved ridges rising from the valley floor originally projected as clay slump over curved surfaces. Initial works consisting of small trenching and hand excavated pits and prospecting the ridge, connecting east toward Pipeline Minfile, suggested that the deposit is much larger as originally projected.

In the valley floor immediately below bentonite ridges Tilava excavated eight pits in 2008 using hand held auger originally to test Leonardite overlaying the valley floor.

The Leonardite was encountered uniformly in the first 60-75 cm and the bottom 35 cm ended in soft bentonite. The dept capacity of the auger was only one meter therefore total thickness of the bentonite was unknown until the recent work using the large size excavator. It appears that the bentonite beneath the valley floor is at least five meters thick and may represent an enormous deposit.

In 2011 an area approximately covering 0.2 hectares were stripped of thin overburden 20-30 cm and rarely exceeding 50 cm exposing Bentonite. The equipment used consisting of dozer D6 Cat and Hitachi EX 270 owned by the contractor Ken Bolster from Clinton, B.C. This work was done in preparation for auger drilling and geochemical sampling.

AW BENTONITE MINE SITE # 1

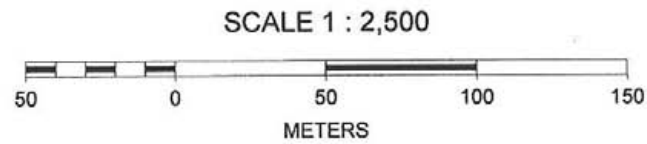
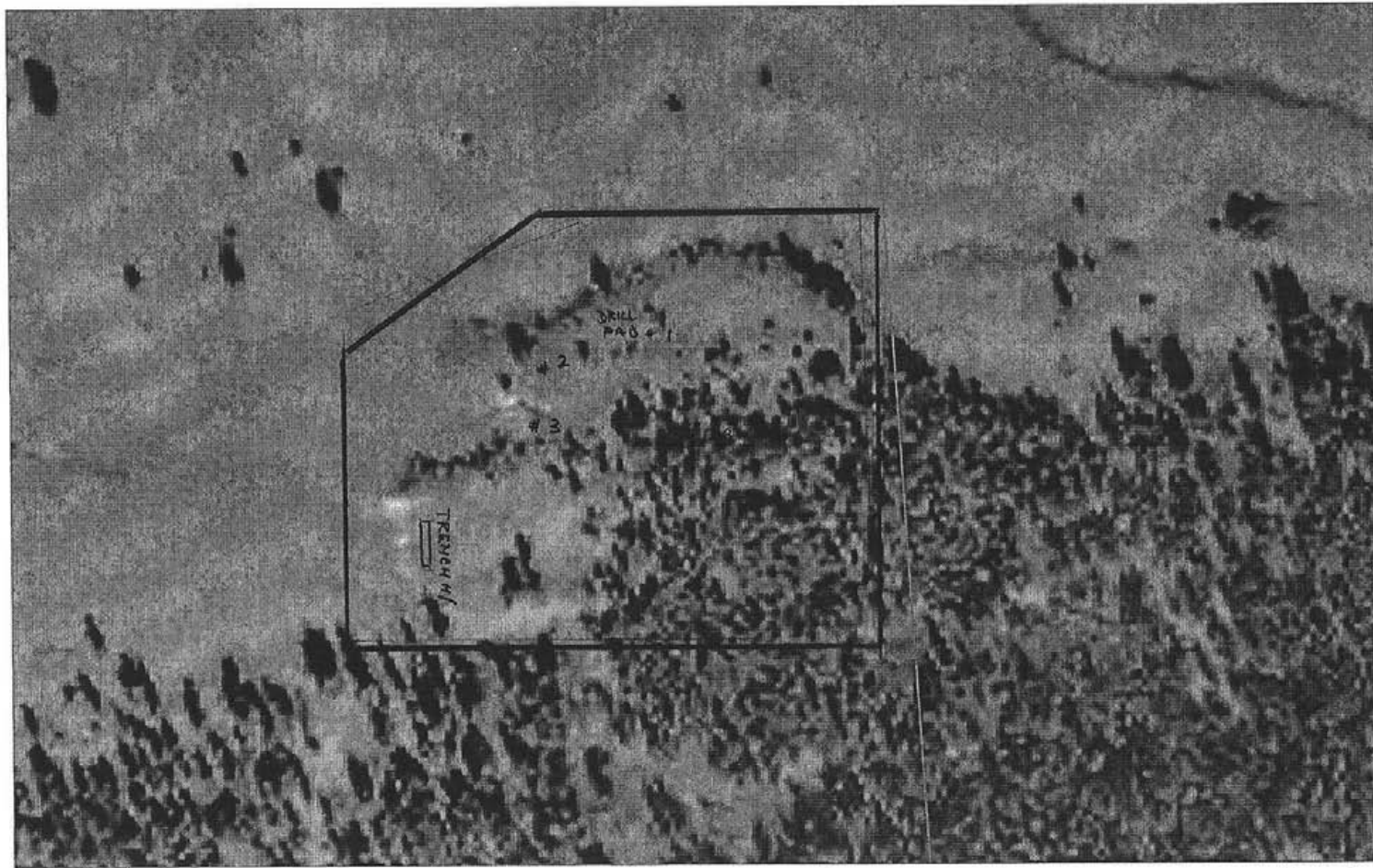


Fig. 5

Previously hand excavated three small trenches and pits were enlarged and deepened and two small but deep pits of approximately 5 meters were excavated by excavator. After taking the representative samples these pits were covered and reclaimed. In order to compare WRA results from the 2008 bentonite samples obtained by hand held auger (30 cm layer) the composite sample of 2011 deep excavated samples are submitted to WRA analyze with Eco-Tech lab in Kamloops.. The results were similar, with notably elevated values of calcium (12-14%) in both sampling where normal calcium content should be 2-5% as previously detected in the samples of the main bentonite deposit located above the valley floor. The importance of the elevated calcium will be further evaluated during the next stage of exploration.

2012 GEOCHEMICAL SURVEY COMPLETED

In May, 2012 5 rock grab samples were collected from excavated trenches or stripped area. The samples are predominately light colored solid chunks of bentonite which are flaky when dried. AW-RS #1 was collected from the pipeline bench cut described by Minfile Pipeline 092P 052 to be diatomeus earth.

UTM Coordinates

| | | |
|---------|----------------------|---------------------------------------|
| AW-RS#1 | 608598 E - 5664969 N | Minfile No.092P 052 |
| AW-RS#2 | 608257 E - 5664552 N | Central east end of the stripped area |
| AW-RS#3 | 608295 E - 5664606 N | Trench#2 |
| AW-RS#4 | 608293 E - 5664616 N | Trench#3 |
| AW-RS#5 | 608256 E - 5664580 N | Trench# 4 and 5 |
| AW-RS#6 | 608228 E - 5664510 N | Trench #1 |

In July, 2012 additional 10 composite bentonite samples from these locations were collected as follows:

| | | |
|---------|---|--|
| RS-2-A | 608257 E - 5664553 N | Sample collected 1 meter south of AW-RS#2 – lose rock material from 1 meter depth on the road cut bench. |
| RS-2-B | 608259 E - 5664553 N | Sample collected 2 meters north of AW- RS#2 – buff to rusty colored solid hard rock bentonite on the Road cut bench. |
| RS-2-C | 608255 E – 5664548 N | Sample collected 4 meters south of AW-RS#2 from 1 meter dept – lose bentonite fragments.. |
| RS-#6-A | Trench #1 608228 E - 5654510 south end of the trench 608219 E - 5664550 north end of the trench | 10 RS of lose bentonite collected at app. 3 meters intervals from Trench #1 excavated material covering app. 30 meters - (composite sample). |
| RS-#7 | 608240 E - 5664545 N (center) | 4 composite samples taken over 10 meters at depth of 35-40 cm. |

- RS-3-B 608295 E – 5664606 N
Composite sample from inside of Trench #3
- RS-4-A 608256 E – 5664580 N
Composite sample from inside of Trench #4
- RS-5-A Composite sample from inside of Trench #5
- RS - Composite #1 Composite light color and weight grab samples collected from
the above listed locations. The rocks are light and flaky.
- RS – Composite #2 Composite light colored and harder and dense bentonite, grab
samples, collected from the some above mentioned locations.

All samples were delivered to ALS Lab in Vancouver for WRA (whole rock) analyze and to Department of Earth & Ocean Sciences at University of British Columbia for XRD (X-ray diffraction) analyze.

RESULTS AND DISCUSSION (XRD) for AW- RS2 to AW-RS6

The X-ray diffractograms were analyzed using the International Centre for Diffraction Database PDF-4+ and Search-Match software by Bruker AXS. X-ray powder-diffraction data were refined using Ritveld software Topas 4.2 (Bruker AXS). The results of quantitative phase analysis by Ritveld refinement are given in table 1. These amounts represent the relative amounts of crystalline phase normalized to 100%.

The samples contain **abundant swelling clay** (smectite group) like montmorillonite. As the crystal structure of the mineral is disordered and not predictable, the UBC have used an empirical model to fit the patterns and to estimate the amount the results are considered to be semi-quantitative.

RESULTS AND DISCUSSION (XRD) for Composite Sample RS-Composite #2 and RS-2-B

The samples contain **abundant swelling clay** (smectite group) like montmorillonite similar to previous 6 samples AW-RS2 to AW-RS6

*

The XRD results for the first six samples are stored in Appendix "B".

The XRD results from the last ten samples are stored in Appendix "C" and Appendix "D".

RESULTS AND DISCUSSION (WRA)

Whole rock analyzes (WRA) of all 16 bentonite samples detected that at least 9 samples are considered to be sodium swelling type Bentonite (AW-RS2 to AW-RS6 and RS#2-B, RS#4-A, RS#6-A and RS-Composite #2). By adding sodium hydroxide the swelling capacity maybe improved. Tilava intends to carry experimentations with sodium hydroxide and other methods of beneficiations of bentonite in order to improve marketability of the AW Bentonite. The analytical results of WRA are stored in Appendix "A".

SUMMARY–CONCLUSION AND RECOMMENDATION

The 2012 geochemical sampling detected abundant swelling bentonite (smectite) montmorillonite indicating presence of sodium bentonite. Out of 16 rock samples 9 contained sodium bentonite which bentonite maybe further improved by adding sodium hydroxide improving marketability of the deposit.

The present knowledge of the bentonite deposit suggests that it will continue in north and north-east directions following the prominent ridge under a shallow overburden. Tilava has applied for permit for enlargement of the present AW Bentonite Mine and for 10,000 tones bulk sampling excavation. On August 16, 2012 Tilava has received Work Permits for both work applied; an Amended Work Permit which will considerably enlarge the Bentonite Mine size and the Permit to extract 10,000 tones of bentonite as bulk sampling.

REFERENCES

1. Harben P.W & Bets R.L (1990)
Industrial Minerals Geology and World Deposits- Chromite p, 52-61 and
Diatomite p, 101-195)
2. Harben P.W. (1992) –The Industrial Handy Book – A Guide to Markets,
Specification & Price – (Chromite p, 21-22)
3. Robert G. Wilson (1980) Report on Geology and Soil & Rock Geochemistry
On Mika Claims for CCH Resources Ltd.
4. Robert G. Wilson (1981) Report on Geology and Soil Geochemistry
On Mika Group for Campbell Resources Inc.
5. K.D. Hancock Ultramafic associated Chromite and Nickel Occurrences in
British Columbia (Open File 1900-27 Chrome Ridge, Scottie Creek, Mika and
Ferguson Creek occurrences p, 21-23)
6. Grant A. (2000) Geophysical Report AW Claims, Clinton Mining District, for
Tilava Mining Corporation (Assessment Report 26373)

Statement of Expenses**1. Labor**

Willy Kovacevic – Project Manager

May 20, 21 and 25, 2012

July, 6, 7 and 16, 2012

6 days @ 350/day \$350/day \$2,100

Ken Bolster – Assistant

May 21, 2012

| | | |
|-----------------|------------|------------|
| 1 day @ 350/day | <u>350</u> | |
| | \$2,450 | \$2,450.00 |

2. Transportation

4 x 4 pick-up truck

6 days @ 75/day \$450

Gas 275

Samples delivery 165

\$890 890.00

3. Groceries 150.00**4. Miscellaneous**

Photos and field supplies 75.00

5. Contractors

ALS Minerals Lab

Vancouver, B.C. \$1,135.11

UBC Earth & Ocean Sciences

Vancouver, B.C. 2,500.00

\$3,635.11 3,635.11

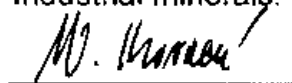
| | | |
|------------------|---------------------------|------------------------|
| 6. Report | \$1,500.00 | |
| Drafting & Misc | <u>250.00</u> | |
| | \$1,750.00 | 1,750.00 |
| | | <u>\$8,950.11</u> |
| | PAC 30% withdrawal | <u>1,983.79</u> |
| | Total Work Filed | \$10,933.90 |
| | | ===== |

| | | |
|--------------------------|--------------------|--------------------|
| Filed on May 26, 2012 | - Event No 5324317 | \$ 4,248.60 |
| Filed on July 20, 2012 | - Event No 5395240 | 5,729.35 |
| Filed on August 17, 2012 | - Event No 5400205 | <u>956.28</u> |
| | | \$10,933.69 |

Statement of Qualification

I, Willy Kovacevic, of the Village of Clinton, British Columbia, DO HEREBY CERTIFY THAT I have the following prospecting and related experience:

- 1971 Completed The Canadian Securities Course (The Investment Dealers Association of Canada)
- 1972 Attended a prospecting course (hard rock) organized by the B.C. & Yukon Chamber of Mines.
- 1975-1976 Developed and shipped polymetallic ore from Adams Plateau, B.C. to Cominco (Borex Mining Ltd. Spar 1 and Spar 2 claims).
- 1976 Attended a prospecting course (placer gold recovery) organized by B.C. & Yukon Chamber of Mines.
- 1977-1978 As the President of Lorcan Resources Ltd. (VSE public company) supervised and participated in geophysical survey and diamond drilling (Lost Cabin Mine, California) – worked as diamond driller helper.
- 1977-1979 Prospected and geochemically surveyed group of claims owned by Mineta Resources Ltd. (VSE public company) in Monashee Range, B.C. Prospected and geochemically surveyed in south-central B.C. for Tilava Mining Corporation (as owner).
- 1980-1983 Explored for oil and gas in USA, produced and marketed oil in Clinton County, Kentucky for Robico Investment Ltd (as owner) and for group of VSE public companies, Mineta Resources Ltd., Westam Oil Ltd and Boram Oil Ltd (as principal).
- 1983-1900 Supervised and participated in various phases of exploration on the properties owned by Star of Mineta Ltd (VSE public company) as principal (Kirkland Lake, Ontario, Adams Plateau, B.C. and Golden Loon claims, Little Fort, B.C.)
- 1993-2012 Prospected Golden Loon Claims, Little Fort, B.C. for Star of Mineta (VSE public company) as principal and Tilava Mining Corporation as owner and WK and AW claims group, Clinton, B.C as owner mainly for Industrial minerals: Chromium, Pozzolan and Bentonite.



 Willy Kovacevic
 Prospector

Appendix "A"



**ALS
Minerals**

ALS Canada Ltd.
2103 Dollarton Hwy
North Vancouver BC V7H DA7
Phone: 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

To: TILAVA MINING
BOX 372
CLINTON BC V0K 1K0

Page: 1
Finalized Date: 5-JUN-2012
Account: TILMIN

CERTIFICATE KL12118380

Project: AW Bentonite
P.O. No.:
This report is for 6 Rock samples submitted to our lab in Kamloops, BC, Canada on 25- MAY- 2012.
The following have access to data associated with this certificate:
W. KOVACEVIC

| SAMPLE PREPARATION | |
|--------------------|--------------------------------|
| ALS CODE | DESCRIPTION |
| WEI- 21 | Received Sample Weight |
| CRU- QC | Crushing QC Test |
| LOG- 22 | Sample login - Rcd w/o BarCode |
| CRU- 31 | Fine crushing - 70% <2mm |
| SPL- 21 | Split sample - riffle splitter |
| PUL- 31 | Pulverize split to 85% < 75 um |

| ANALYTICAL PROCEDURES | | |
|-----------------------|-------------------------------|------------|
| ALS CODE | DESCRIPTION | INSTRUMENT |
| ME- ICP06 | Whole Rock Package - ICP- AES | ICP- AES |
| OA- GRA05 | Loss on Ignition at 1000C | WST- SEQ |
| TOT- ICP06 | Total Calculation for ICP06 | ICP- AES |

To: TILAVA MINING
ATTN: W. KOVACEVIC
BOX 372
CLINTON BC V0K 1K0

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature: 
Colin Ramshaw, Vancouver Laboratory Manager



ALS Canada Ltd.
 2103 Dollarton Hwy
 North Vancouver BC V7H 0A7
 Phone: 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

To: TILAVA MINING
 BOX 372
 CLINTON BC V0K 1K0

Page: 2 - A
 Total # Pages: 2 (A - B)
 Finalized Date: 5-JUN-2012
 Account: TILMIN

Project: AW Bentonite

CERTIFICATE OF ANALYSIS KL12118380

| Sample Description | Method Analyte Units LOR | WEI-21 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | ME-ICP06 | OA-GRADS |
|--------------------|--------------------------|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | Recvd Wt. kg | SiO2 % | Al2O3 % | Fe2O3 % | CaO % | MgO % | Na2O % | K2O % | Cr2O3 % | TiO2 % | MnO % | P2O5 % | SrO % | BaO % | LOI % |
| | | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| AW-RS#1 | | 0.58 | 59.3 | 12.85 | 3.62 | 3.21 | 2.96 | 0.91 | 0.78 | 0.02 | 0.53 | 0.03 | 0.07 | 0.01 | 0.04 | 16.45 |
| AW-RS#2 | | 0.58 | 70.1 | 10.55 | 3.99 | 0.57 | 1.46 | 1.15 | 0.69 | 0.01 | 0.45 | 0.02 | 0.07 | 0.01 | 0.03 | 12.60 |
| AW-RS#3 | | 0.60 | 66.6 | 13.70 | 4.04 | 0.81 | 1.72 | 1.44 | 0.87 | 0.01 | 0.56 | 0.03 | 0.08 | 0.02 | 0.04 | 11.55 |
| AW-RS#4 | | 0.61 | 67.6 | 12.70 | 3.74 | 0.61 | 2.26 | 1.39 | 0.81 | 0.01 | 0.57 | 0.02 | 0.08 | 0.01 | 0.04 | 11.95 |
| AW-RS#5 | | 0.55 | 72.5 | 10.10 | 2.81 | 0.66 | 1.63 | 1.22 | 0.71 | 0.01 | 0.39 | 0.01 | 0.05 | 0.01 | 0.03 | 10.95 |
| AW-RS#6 | | 0.46 | 66.2 | 12.35 | 3.97 | 0.62 | 2.12 | 1.56 | 0.81 | 0.02 | 0.54 | 0.02 | 0.07 | 0.01 | 0.04 | 12.35 |



ALS Canada Ltd.
 2103 Dollarton Hwy
 North Vancouver BC V7H 0A7
 Phone: 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

To: TILAVA MINING
 BOX 372
 CLINTON BC V0K 1K0

Page: 2 - B
 Total # Pages: 2 (A - B)
 Finalized Date: 5-JUN-2012
 Account: TILMIN

Project: AW Bentonite

CERTIFICATE OF ANALYSIS KL12118380

| Sample Description | Method Analyte Units LDR | TOT-ICP06 Total % |
|--------------------|-----------------------------------|-------------------------|
| AW-RS#1 | | 100.78 |
| AW-RS#2 | | 101.70 |
| AW-RS#3 | | 101.47 |
| AW-RS#4 | | 101.77 |
| AW-RS#5 | | 101.08 |
| AW-RS#6 | | 100.68 |



ALS Canada Ltd.
2103 Dollarton Hwy
North Vancouver BC V7H 0A7
Phone 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

To: TILAVA MINING
BOX 372
CLINTON BC V0K 1K0

Page: 1
Finalized Date: 5- AUG- 2012
Account: TILMIN

CERTIFICATE KL12160516

Project:
P.O. No.:
This report is for 10 Other samples submitted to our lab in Kamloops, BC, Canada on 16-JUL-2012.
The following have access to data associated with this certificate:
W. KOVACEVIC

SAMPLE PREPARATION

| ALS CODE | DESCRIPTION |
|----------|--------------------------------|
| WEI- 21 | Received Sample Weight |
| CRU- QC | Crushing QC Test |
| LOG- 22 | Sample login - Rcd w/o BarCode |
| CRU- 31 | Fine crushing - 70% < 2mm |
| SPL- 21 | Split sample - riffle splitter |
| PUL- 31 | Pulverize split to 85% < 75 um |
| WSH- 21 | "Wash" crushers |

ANALYTICAL PROCEDURES

| ALS CODE | DESCRIPTION | INSTRUMENT |
|-----------|--------------------------|------------|
| ME- XRF06 | Whole Rock Package - XRF | XRF |
| QA- GRA06 | LOI for ME- XRF06 | WST- SIM |

To: TILAVA MINING
ATTN: W. KOVACEVIC
BOX 372
CLINTON BC V0K 1K0

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

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To: TILAVA MINING
 BOX 372
 CLINTON BC V0K 1K0

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 Finalized Date: 5- AUG- 2012
 Account: TILMIN

CERTIFICATE OF ANALYSIS KL12160516

| Sample Description | Method Analyte Units LOR | WEI- 21 Recvd Wt. kg | ME- XRF06 SiO2 % | ME- XRF06 Al2O3 % | ME- XRF06 Fe2O3 % | ME- XRF06 CaO % | ME- XRF06 MgO % | ME- XRF06 Na2O % | ME- XRF06 K2O % | ME- XRF06 Cr2O3 % | ME- XRF06 TiO2 % | ME- XRF06 MnO % | ME- XRF06 P2O5 % | ME- XRF06 SrO % | ME- XRF06 BaO % | ME- XRF06 LOI % |
|--------------------|--------------------------|----------------------|------------------|-------------------|-------------------|-----------------|-----------------|------------------|-----------------|-------------------|------------------|-----------------|------------------|-----------------|-----------------|-----------------|
| | | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | 0.001 | 0.01 | 0.01 | 0.01 |
| RS#2- A | | 4.32 | 54.64 | 13.13 | 6.31 | 2.03 | 2.19 | 1.49 | 0.93 | 0.02 | 0.54 | 0.08 | 0.137 | 0.02 | 0.03 | 17.20 |
| RS#2- B | | 3.39 | 55.74 | 12.13 | 10.43 | 1.12 | 1.81 | 1.50 | 0.67 | 0.01 | 0.47 | 0.30 | 0.124 | 0.02 | 0.03 | 15.85 |
| RS#2- C | | 4.23 | 53.59 | 12.77 | 6.25 | 2.38 | 2.25 | 1.31 | 0.90 | 0.01 | 0.51 | 0.09 | 0.149 | 0.01 | 0.03 | 18.45 |
| RS#3- B | | 6.07 | 57.74 | 11.30 | 5.18 | 1.89 | 1.93 | 1.28 | 0.80 | 0.01 | 0.47 | 0.07 | 0.132 | 0.01 | 0.03 | 17.60 |
| RS#4- A | | 6.08 | 58.23 | 12.28 | 4.80 | 1.28 | 2.30 | 1.40 | 0.89 | 0.01 | 0.52 | 0.07 | 0.118 | 0.01 | 0.04 | 17.40 |
| RS#5- A | | 4.87 | 56.78 | 12.16 | 5.59 | 1.20 | 2.37 | 1.16 | 0.86 | 0.01 | 0.49 | 0.09 | 0.212 | 0.01 | 0.03 | 18.35 |
| RS#6- A | | 6.70 | 55.46 | 12.33 | 5.32 | 1.59 | 2.47 | 1.61 | 0.87 | 0.01 | 0.50 | 0.07 | 0.137 | 0.01 | 0.04 | 18.35 |
| RS#7 | | 4.98 | 56.71 | 11.41 | 5.90 | 2.25 | 2.26 | 1.41 | 0.92 | 0.02 | 0.46 | 0.08 | 0.274 | 0.01 | 0.03 | 16.85 |
| RS - Composite #1 | | 16.09 | 52.09 | 13.39 | 6.77 | 2.41 | 3.91 | 1.38 | 0.78 | 0.09 | 0.57 | 0.06 | 0.106 | 0.02 | 0.02 | 17.80 |
| RS - Composite #2 | | 10.43 | 61.65 | 12.36 | 3.89 | 0.83 | 2.18 | 1.43 | 0.91 | 0.01 | 0.51 | 0.03 | 0.086 | 0.01 | 0.02 | 15.05 |



Minerals

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CERTIFICATE OF ANALYSIS KL12160516

| Sample Description | Method Analyte Units LOR | ME- XRF06 Total % 0.01 |
|--------------------|--------------------------|------------------------|
| RS#2- A | | 98.74 |
| RS#2- B | | 100.20 |
| RS#2- C | | 98.70 |
| RS#3- B | | 98.24 |
| RS#4- A | | 99.33 |
| RS#5- A | | 99.31 |
| RS#6- A | | 98.77 |
| RS#7 | | 98.58 |
| RS - Composite #1 | | 98.40 |
| RS - Composite #2 | | 98.96 |
| | | |

Appendix "B"

**QUANTITATIVE PHASE ANALYSIS OF 6 SAMPLES USING THE
RIETVELD METHOD AND X-RAY POWDER DIFFRACTION DATA**

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July 4, 2012

EXPERIMENTAL METHOD

The particle size of the samples was reduced to the optimum grain-size range for X-ray analysis ($<5 \mu\text{m}$) by grinding under ethanol in a vibratory McCrone Micronising Mill for 5 minutes. Continuous-scan X-ray powder-diffraction data were collected over a range $3\text{-}80^{\circ}2\theta$ with CoK α radiation on a Bruker D8 Focus Bragg-Brentano diffractometer equipped with an Fe monochromator foil, 0.6 mm (0.3°) divergence slit, incident- and diffracted-beam Soller slits and a LynxEye detector. The long fine-focus Co X-ray tube was operated at 35 kV and 40 mA, using a take-off angle of 6° .

RESULTS AND DISCUSSION

The X-ray diffractograms were analyzed using the International Centre for Diffraction Database PDF-4+ and Search-Match software by Bruker AXS. X-ray powder-diffraction data were refined using Rietveld software Topas 4.2 (Bruker AXS). The results of quantitative phase analysis by Rietveld refinement are given in Table 1. These amounts represent the relative amounts of crystalline phases normalized to 100%.

The samples contain abundant swelling clay (smectite group), likely montmorillonite. As the crystal structure of this mineral is disordered and not predictable, we have used an empirical model to fit the patterns and to estimate the amount. Consider the results semi-quantitative.

Table 1. Rietveld Refinement Results (wt.%)

| Phase | Ideal Chemical Formula | AW-RS1 | AW-RS2 | AW-RS3 | AW-RS4 | AW-RS5 | AW-RS6 |
|---------------------|---|--------|--------|--------|--------|--------|--------|
| Albite low, calcian | $\text{NaAlSi}_3\text{O}_8 - \text{CaAl}_2\text{Si}_2\text{O}_8$ | 12 | 12 | 17 | 15 | 17 | 16 |
| Calcite, magnesian | $(\text{Ca},\text{Mg})\text{CO}_3$ | 11 | | | | | |
| Kaolinite | $\text{Al}_2\text{Si}_2\text{O}_5(\text{OH})_4$ | 7 | 4 | 5 | 5 | 4 | 6 |
| Montmorillonite | $\sim(\text{Na},\text{Ca})_{0.3}(\text{Al},\text{Mg})_2\text{Si}_4\text{O}_{10}(\text{OH})_2 \cdot n\text{H}_2\text{O}$ | 53 | 70 | 62 | 65 | 63 | 61 |
| Muscovite 2M1 | $\text{KAl}_2(\text{AlSi}_3\text{O}_{10})(\text{OH})_2$ | 4 | 3 | 4 | 4 | 3 | 4 |
| Orthoclase | KAlSi_3O_8 | 3 | 2 | 2 | 2 | 2 | 3 |
| Quartz low | SiO_2 | 11 | 9 | 10 | 9 | 11 | 11 |
| Total | | 100 | 100 | 100 | 100 | 100 | 100 |

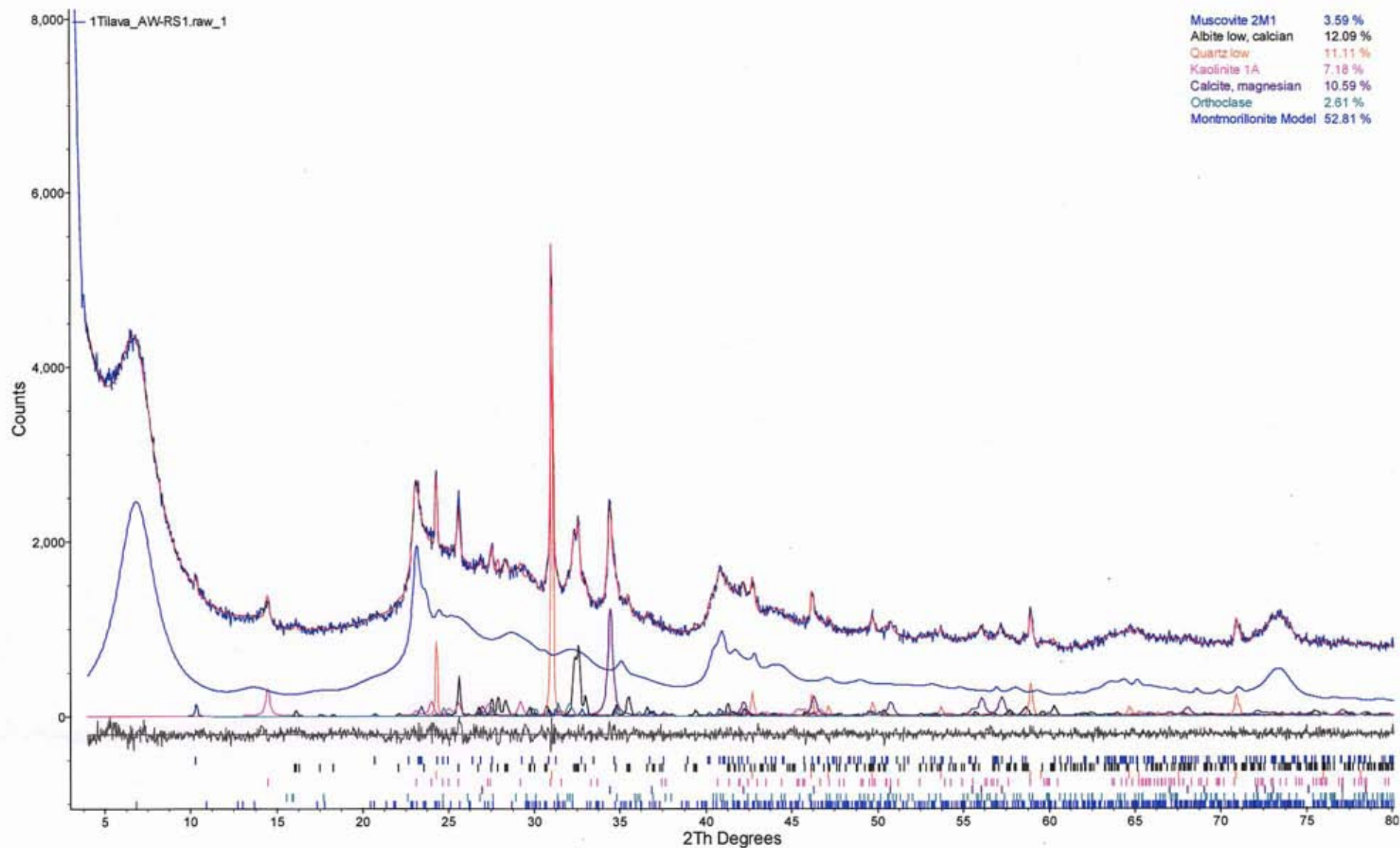


Figure 1. Rietveld refinement plot for Sample 1Tilava_AW-RS1 (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases.

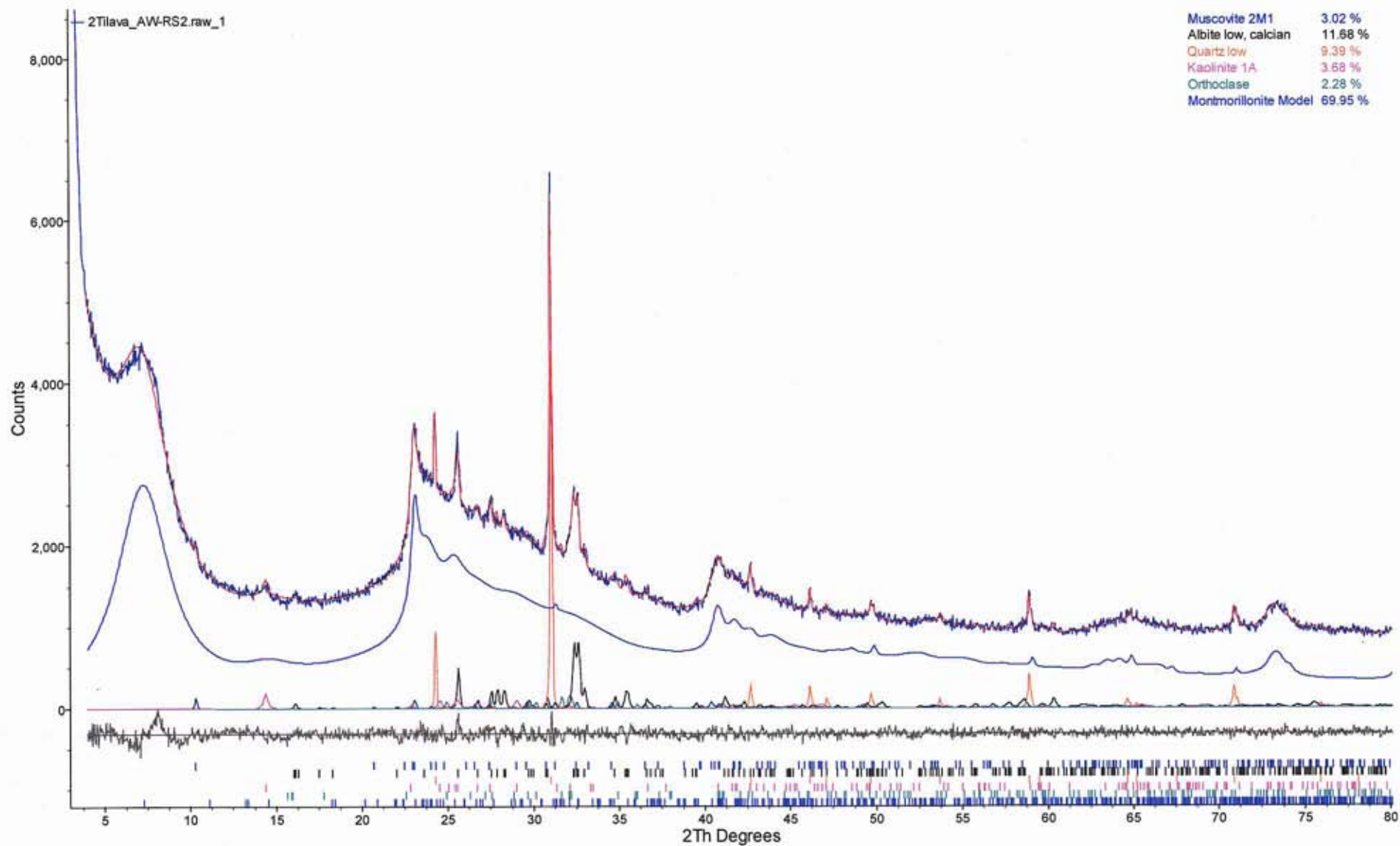


Figure 2. Rietveld refinement plot for Sample 2Tilava_AW-RS2 (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases.

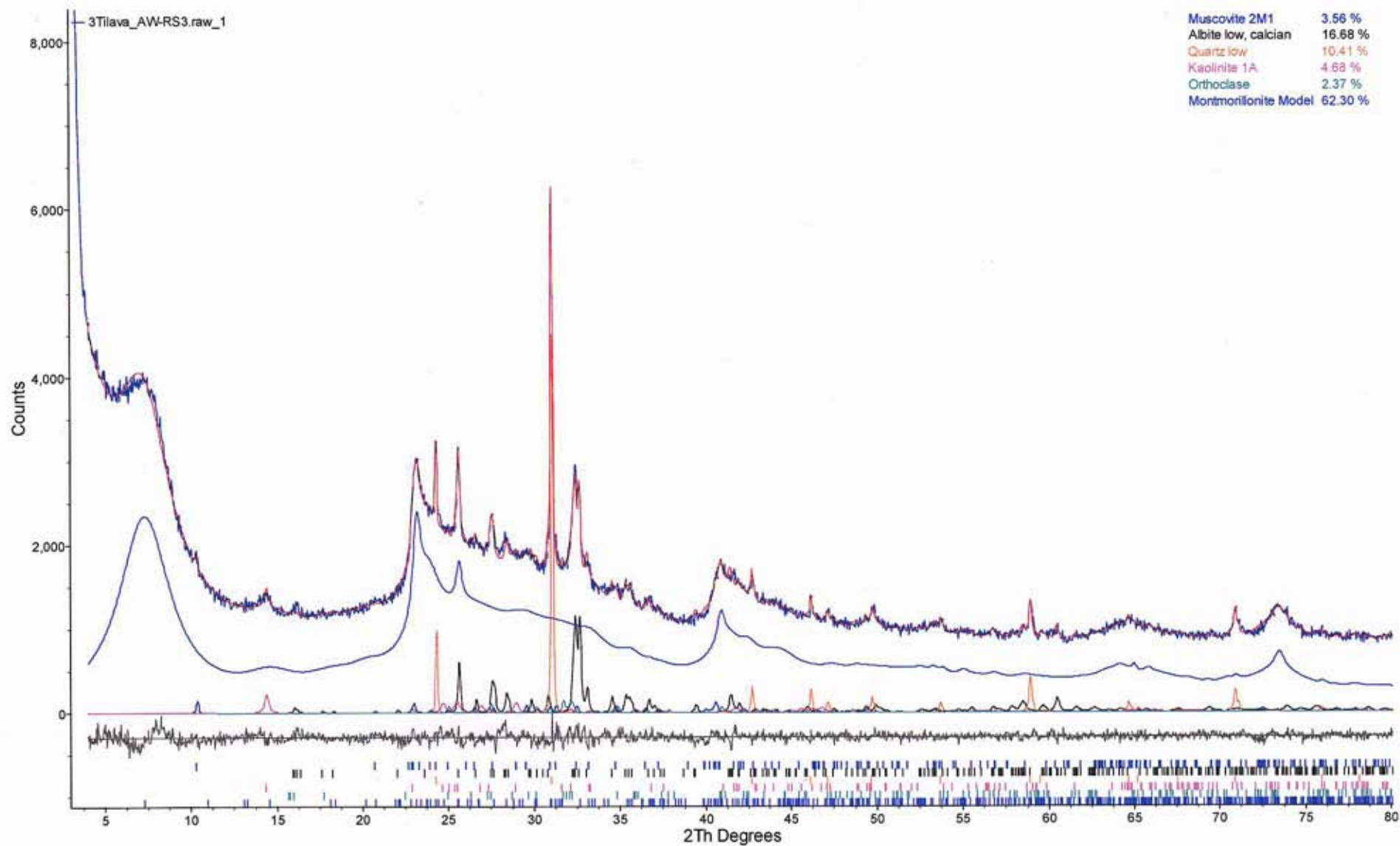


Figure 3. Rietveld refinement plot for Sample 3Tilava_AW-RS3 (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases.

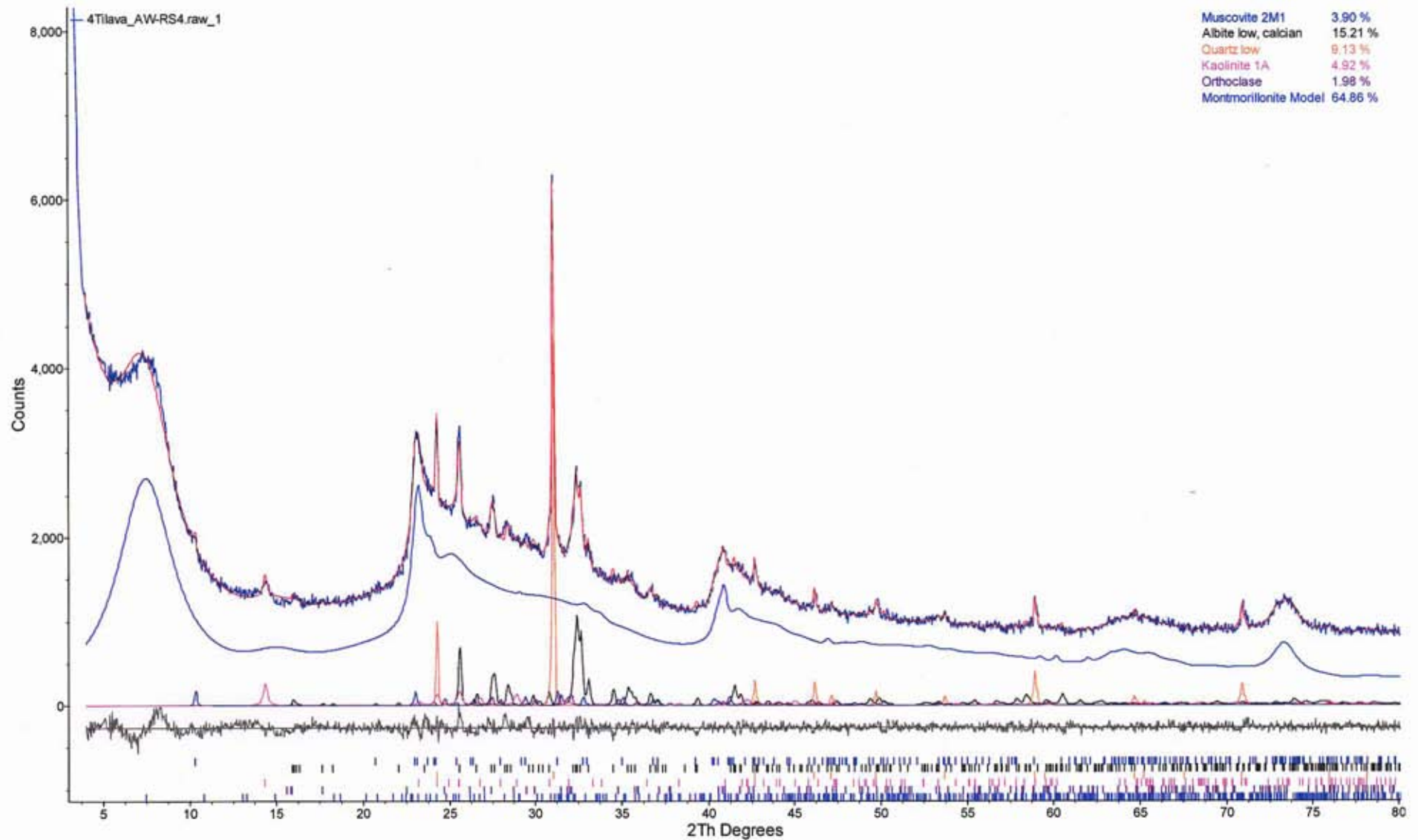


Figure 4. Rietveld refinement plot for Sample **4Tilava_AW-RS4** (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases.

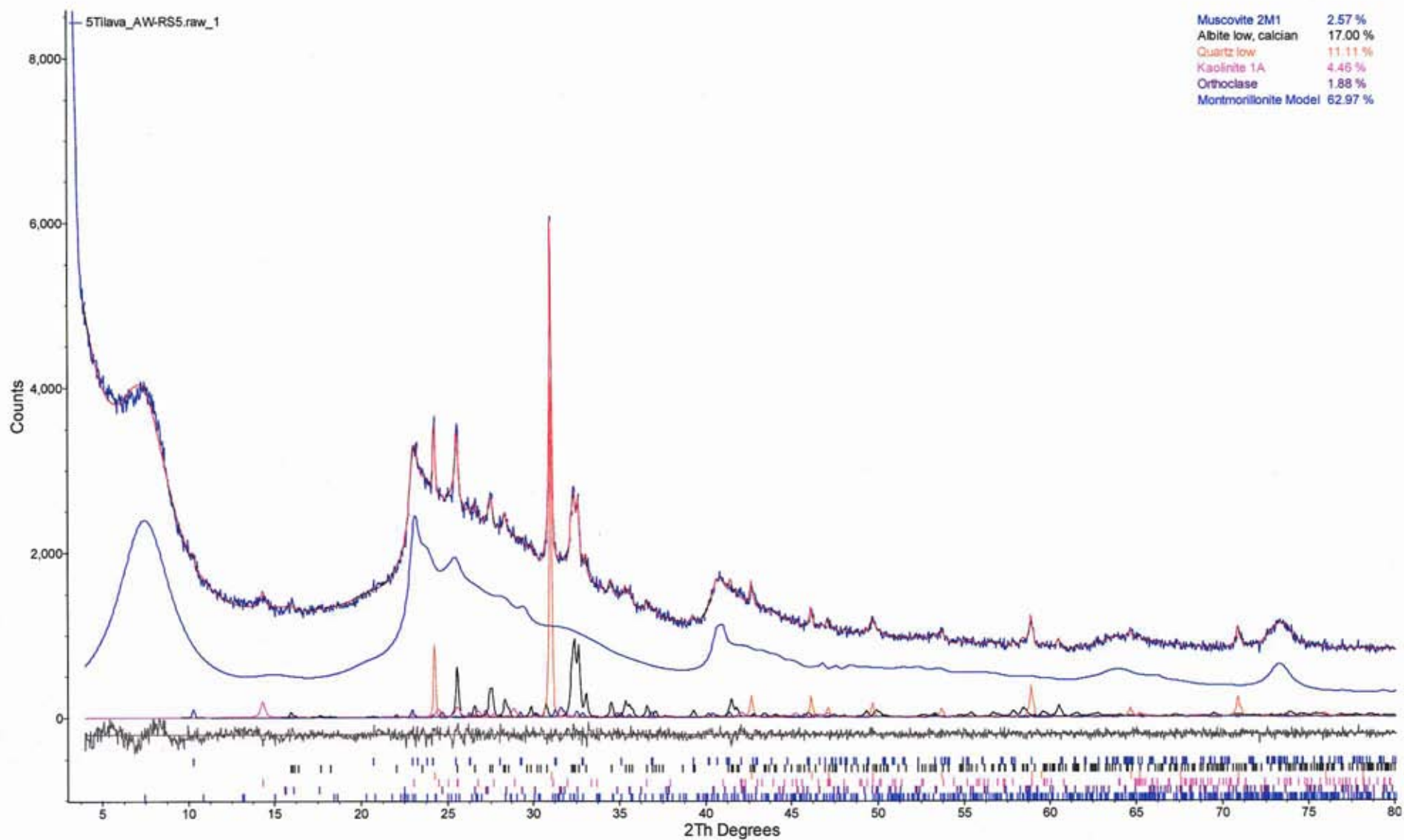


Figure 5. Rietveld refinement plot for Sample **5Tilava_AW-RS5** (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases.

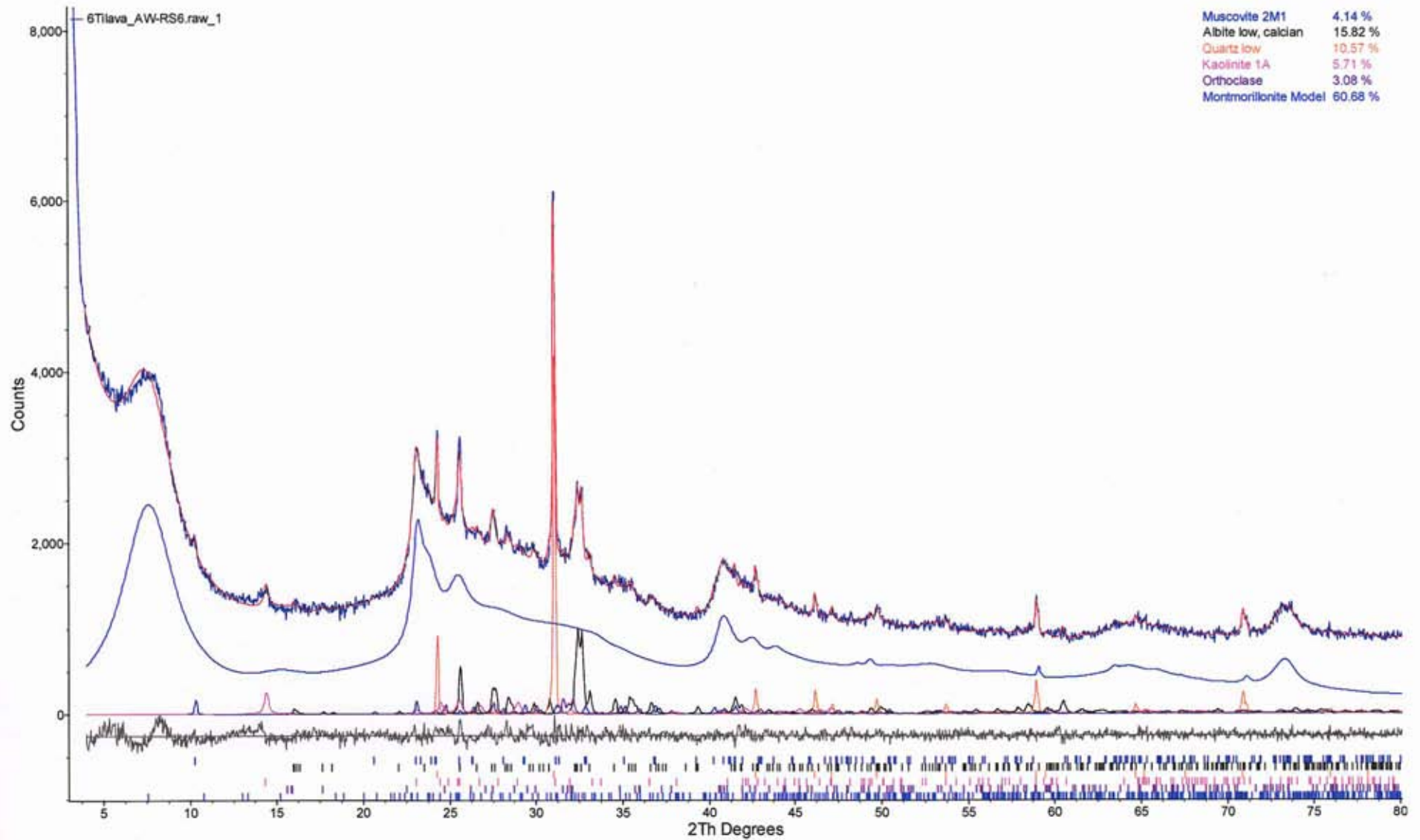


Figure 6. Rietveld refinement plot for Sample **6Tilava_AW-RS6** (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases.

Appendix "C"

**QUANTITATIVE AND QUALITATIVE PHASE ANALYSIS OF 10 SAMPLES USING
THE RIETVELD METHOD AND X-RAY POWDER DIFFRACTION DATA**

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August 23, 2012

EXPERIMENTAL METHOD

The particle size of the samples **RS#2-B** and **RS-Composite#2** was reduced to the optimum grain-size range for X-ray analysis ($<5\ \mu\text{m}$) by grinding under ethanol in a vibratory McCrone Micronising Mill for 7 minutes. The other eight samples were ground into fine powder with a corundum mortar and smeared on to a glass slide with ethanol. Continuous-scan X-ray powder-diffraction data for all the samples were collected over a range $3\text{-}80^\circ 2\theta$ with CoK α radiation on a Bruker D8 Focus Bragg-Brentano diffractometer equipped with an Fe monochromator foil, 0.6 mm (0.3°) divergence slit, incident- and diffracted-beam Soller slits and a LynxEye detector. The long fine-focus Co X-ray tube was operated at 35 kV and 40 mA, using a take-off angle of 6° .

RESULTS AND DISCUSSION

The X-ray diffractograms for all the samples were analyzed using the International Centre for Diffraction Database PDF-4+ and Search-Match software by Bruker AXS. X-ray powder-diffraction data of the samples **RS#2-B** and **RS-Composite#2** were refined using Rietveld software Topas 4.2 (Bruker AXS). The results of quantitative phase analysis by Rietveld refinement are given in Table 1. These amounts represent the relative amounts of crystalline phases normalized to 100%. The X-ray diffractograms with results are shown in Figures 1 – 2.

The samples **RS#2-B** and **RS-Composite#2** contain abundant swelling clay (smectite group), likely montmorillonite. As the crystal structure of this mineral is disordered and not predictable, we have used an empirical model to fit the patterns and to estimate the amount. Consider the results semi-quantitative.

The results of qualitative phase analysis for the eight samples are shown in Table 2. The X-ray diffractograms are shown in Figures 3-10.

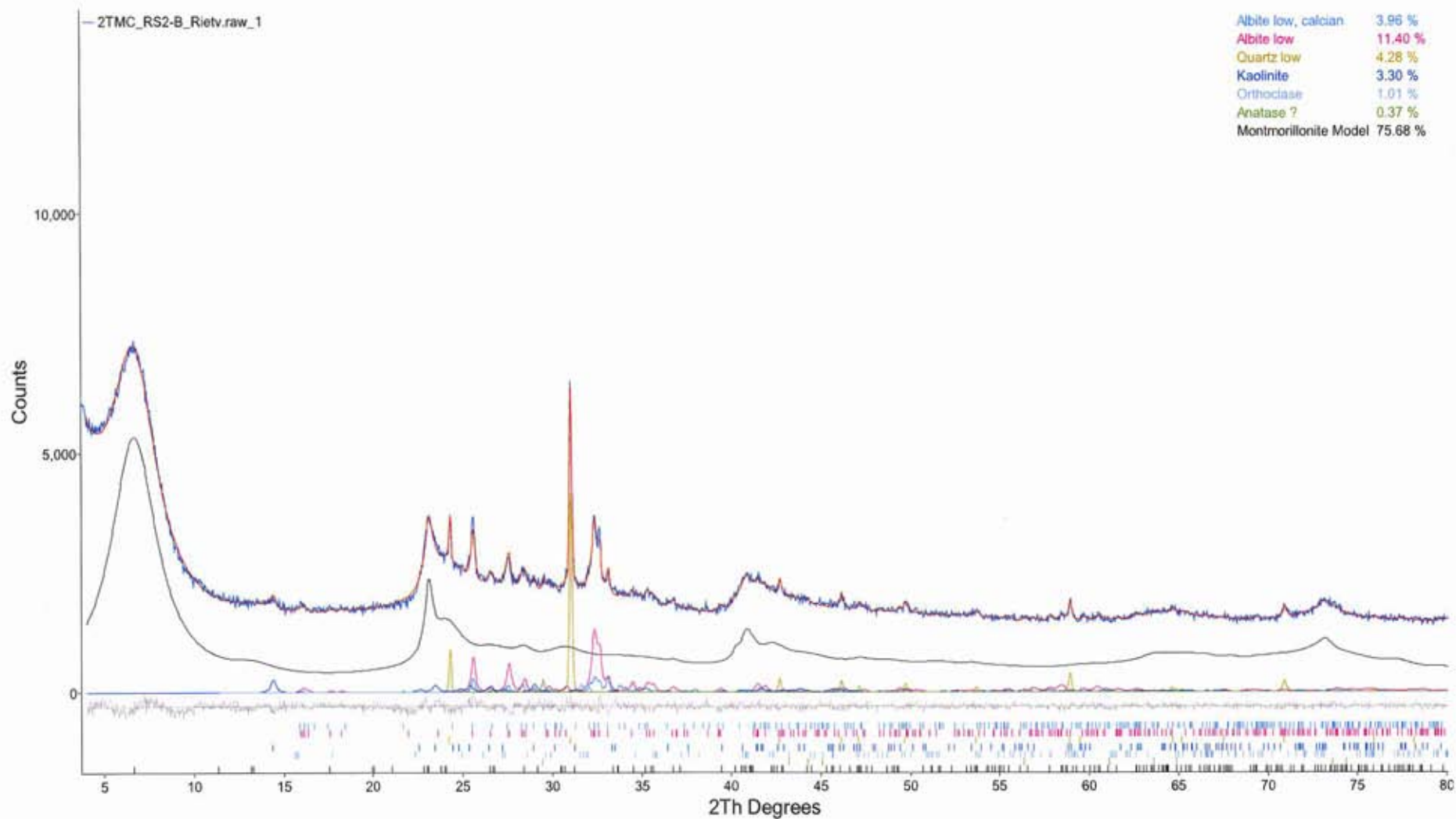


Figure 1. Rietveld refinement plot for sample **RS#2-B** (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases. **Approximate results.**

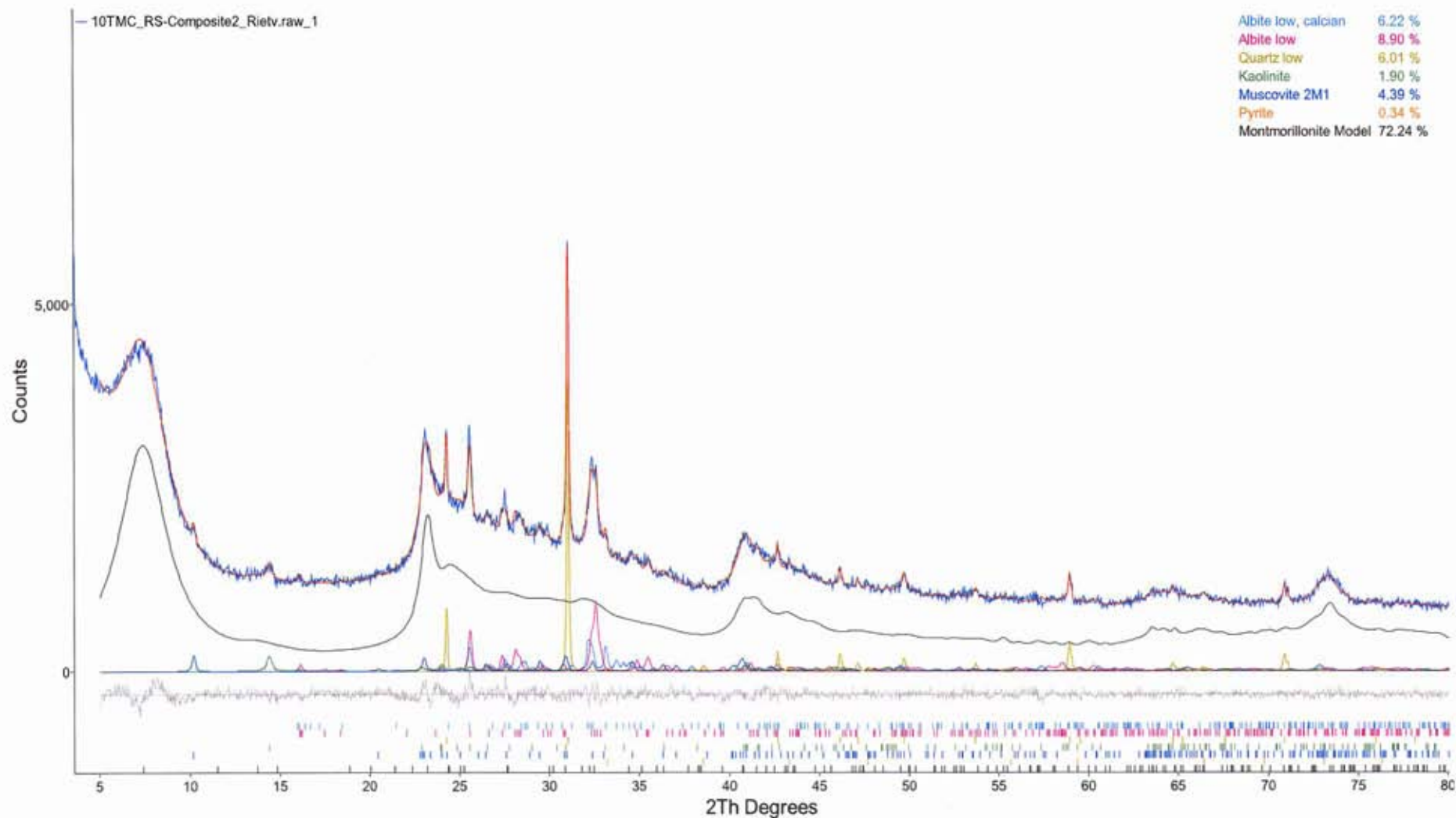
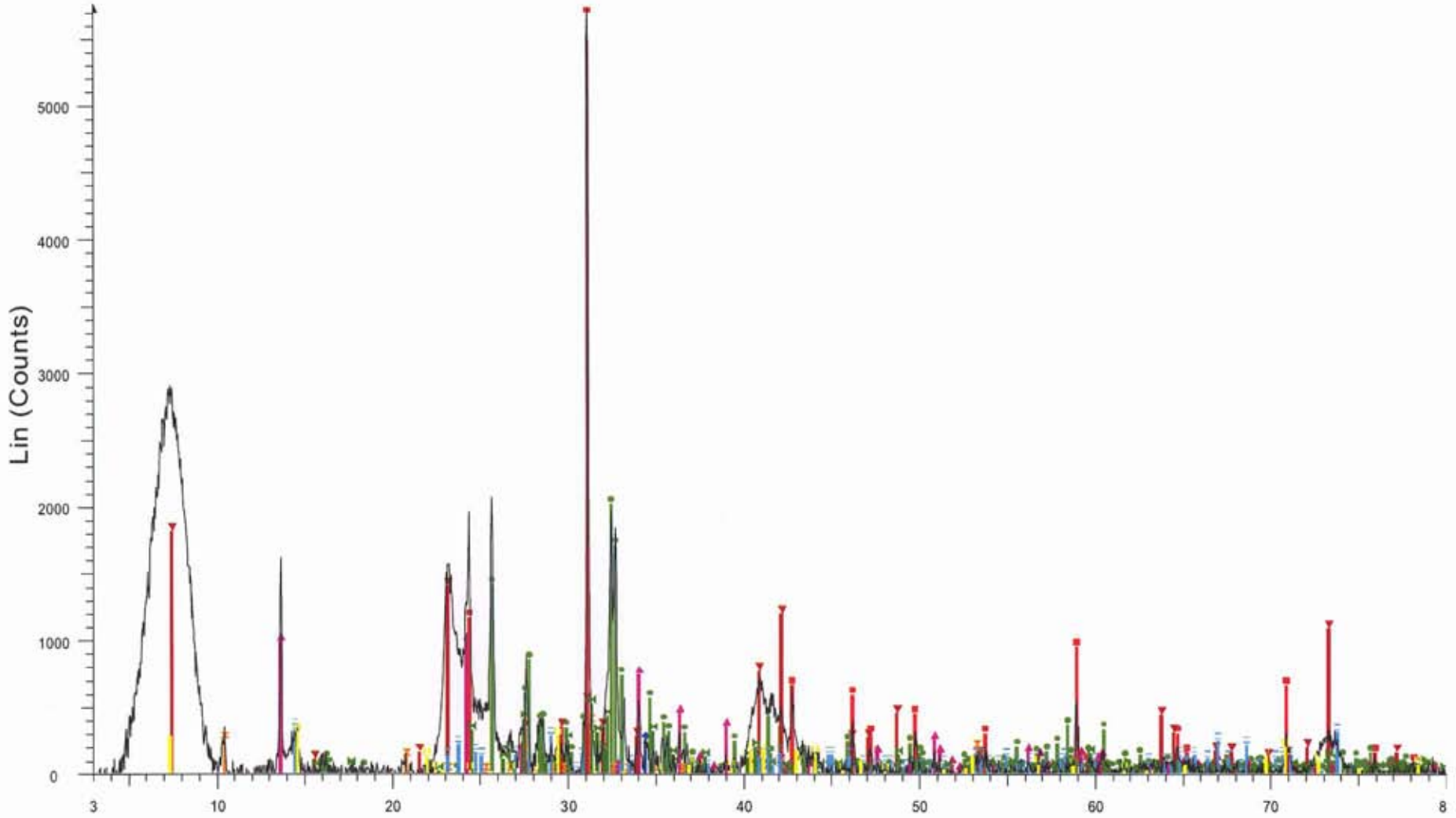


Figure 2. Rietveld refinement plot for sample **RS-Composite#2** (blue line - observed intensity at each step; red line - calculated pattern; solid grey line below - difference between observed and calculated intensities; vertical bars, positions of all Bragg reflections). Coloured lines are individual diffraction patterns of all phases. **Approximate results.**

Table 1. Rietveld Refinement Results (wt.%)

| Phase | <u>Ideal</u> Chemical Formula | RS#2-B | RS-Composite#2 |
|-----------------|---|--------|----------------|
| Plagioclase | $\text{NaAlSi}_3\text{O}_8 - \text{CaAl}_2\text{Si}_2\text{O}_8$ | 15 | 15 |
| Kaolinite | $\text{Al}_2\text{Si}_2\text{O}_5(\text{OH})_4$ | 3 | 2 |
| Montmorillonite | $\sim(\text{Na,Ca})_{0.3}(\text{Al,Mg})_2\text{Si}_4\text{O}_{10}(\text{OH})_2 \square n\text{H}_2\text{O}$ | 76 | 72 |
| Muscovite 2M1 | $\text{KAl}_2(\text{AlSi}_3\text{O}_{10})(\text{OH})_2$ | | 4 |
| Quartz | SiO_2 | 4 | 6 |
| K-feldspar | KAlSi_3O_8 | 1 | |
| Anatase ? | TiO_2 | <0.5 | |
| Pyrite ? | FeS_2 | | <0.5 |
| Total | | 100 | 100 |

Appendix "D"



- 1TMC_RS2-A_smear - File: 1TMC_RS2-A_smear.raw - Type: Locked Coupled - Start: Operations: Displacement 0.042 | Background 1.000,1.000 | Import
- 00-046-1045 (*) - Quartz, syn - SiO2
- 00-005-0586 (*) - Calcite, syn - CaCO3
- 04-007-9876 (C) - Albite, calcian - Na0.6Ca0.4Al1.4Si2.6O8
- 00-033-0311 (*) - Gypsum, syn - CaSO4·2H2O
- 00-060-0318 (N) - Montmorillonite - (Ca,Na)0.3Al2(Si,Al)4O10(OH)2·xH2O
- 00-058-2035 (I) - Muscovite-2M1 - KAl2(Si,Al)4O10(OH)2
- 01-086-0437 (*) - Orthoclase - (K0.94Na0.06)(AlSi3O8)
- 00-014-0164 (I) - Kaolinite-1A - Al2Si2O5(OH)4
- 00-046-1323 (I) - Clinoclchlore-1MIIb - (Mg,Al,Fe)6(Si,Al)4O10(OH)8

Fig. 3. X-ray diffractogram of sample RS#2-A. (background subtracted)

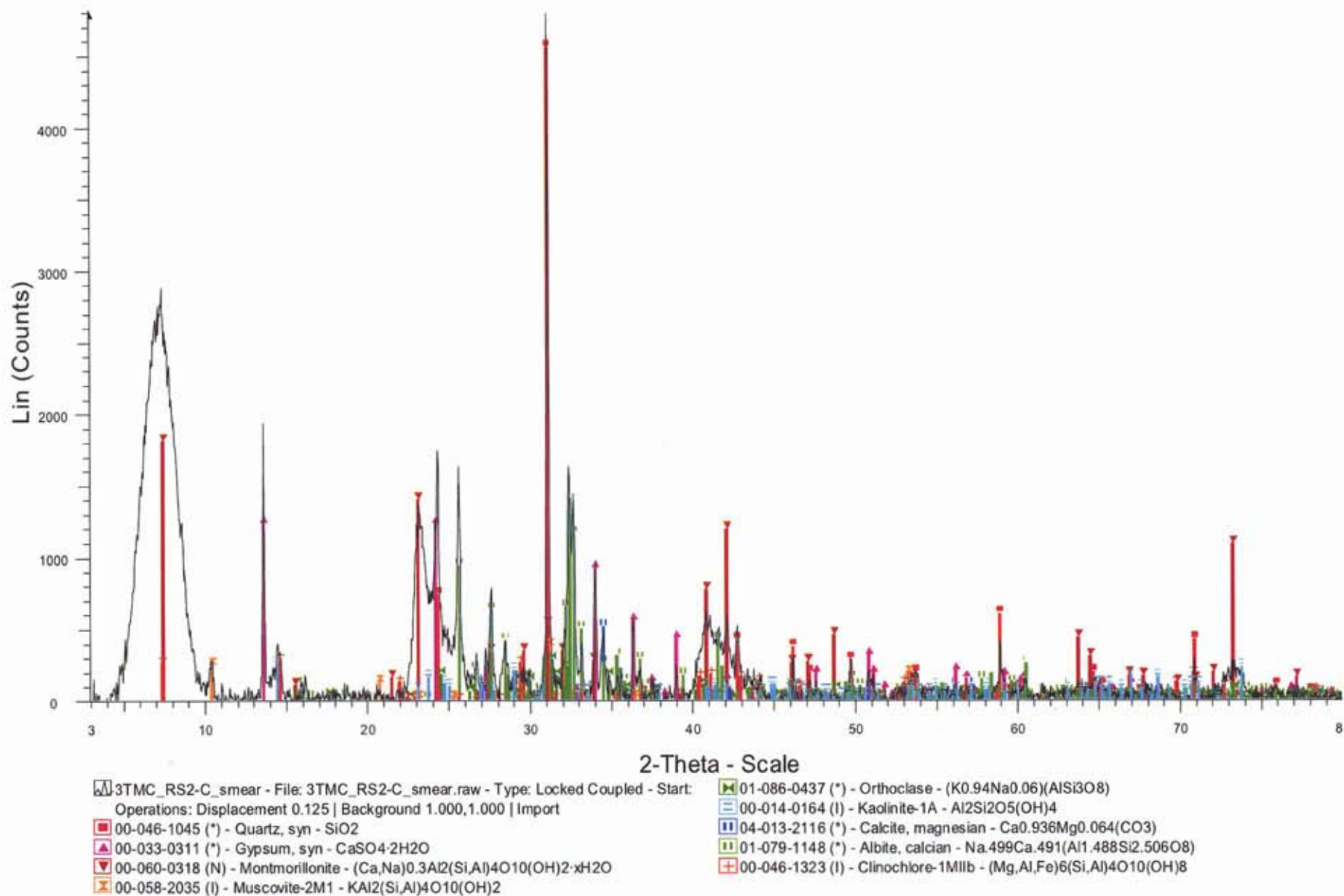


Figure 4. X-ray diffractogram of sample RS#2-C. (background subtracted)

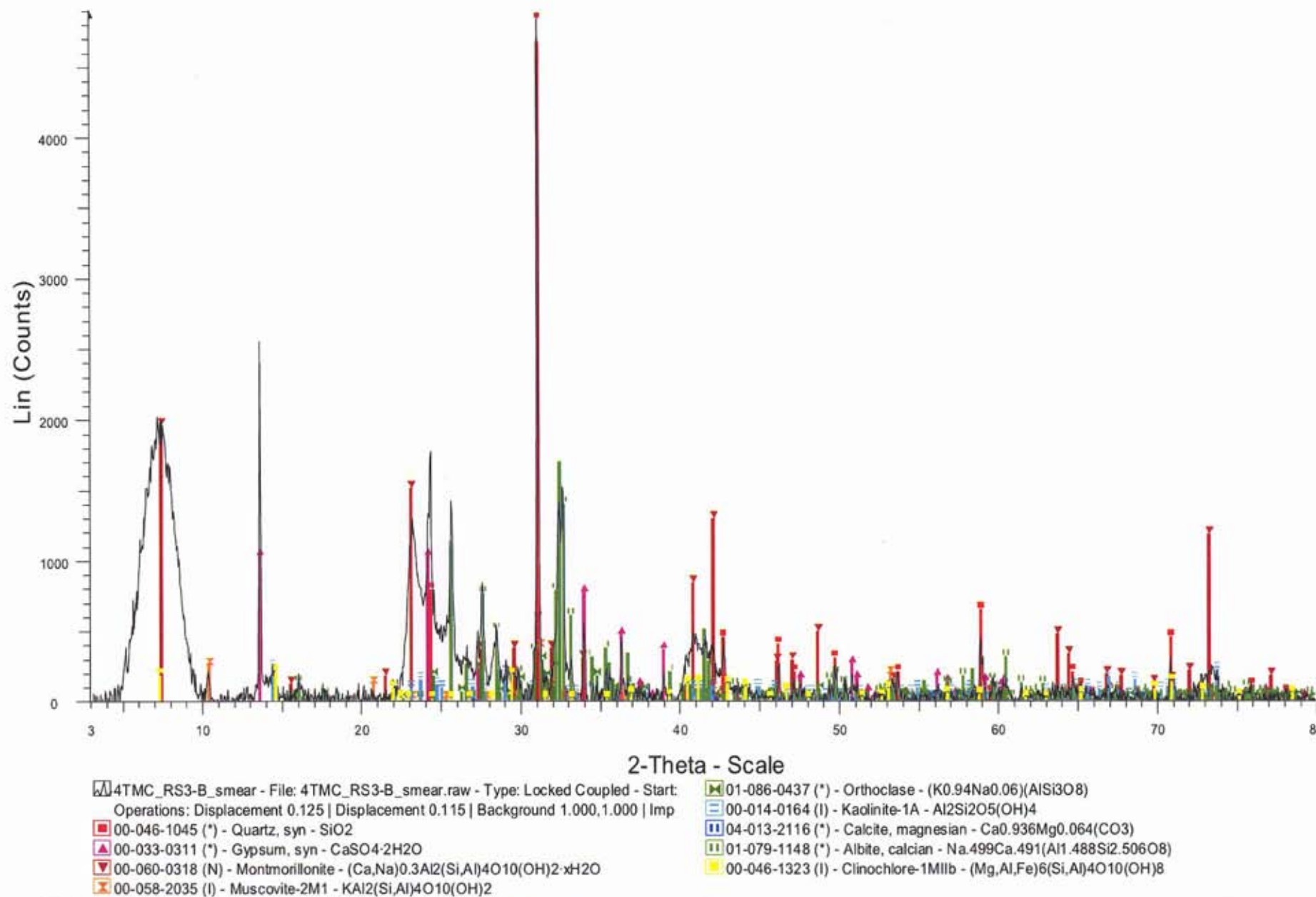


Fig. 5. X-ray diffractogram of sample RS#3-B. (background subtracted)

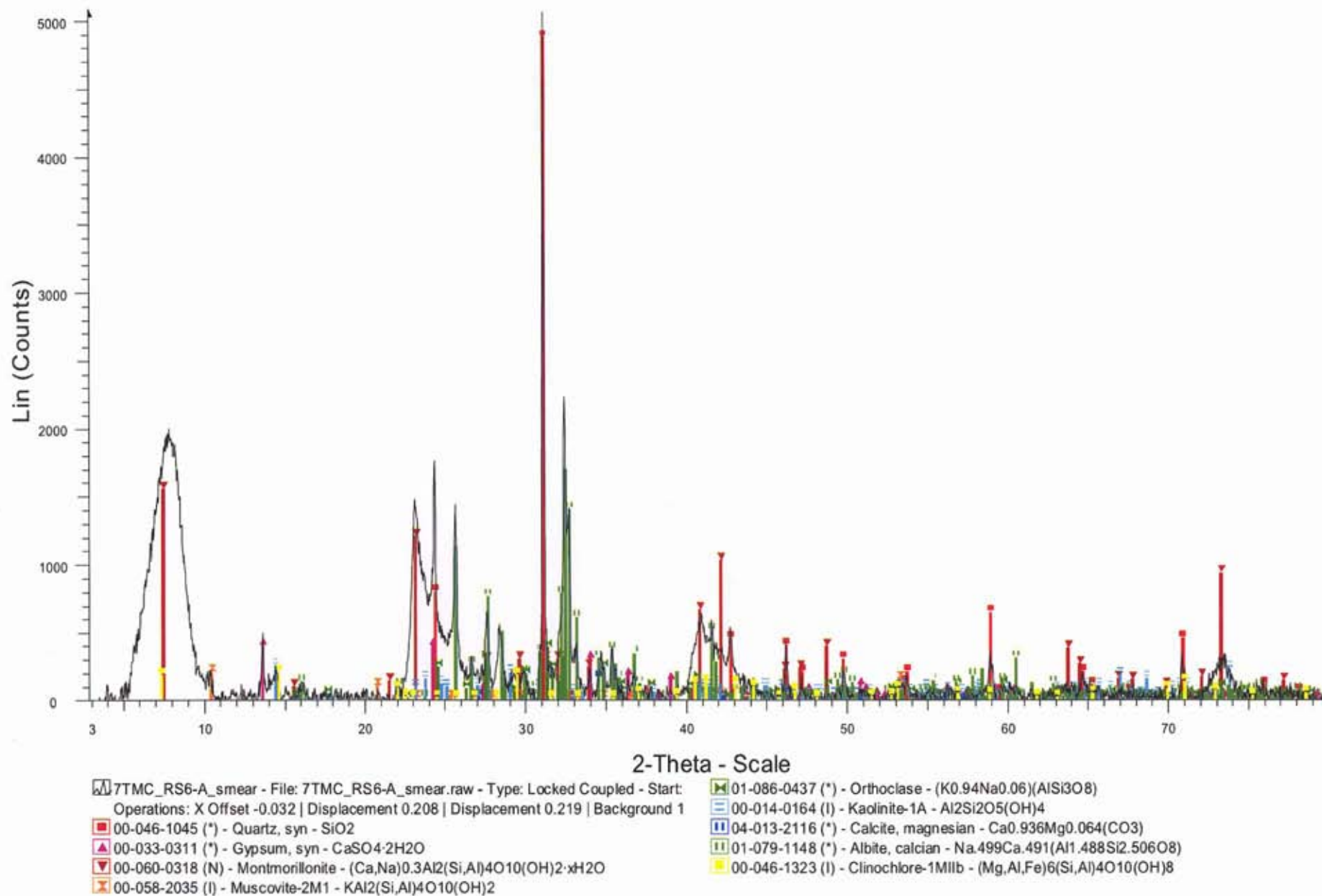


Fig 6. X-ray diffractogram of sample RS#4-A. (background subtracted)

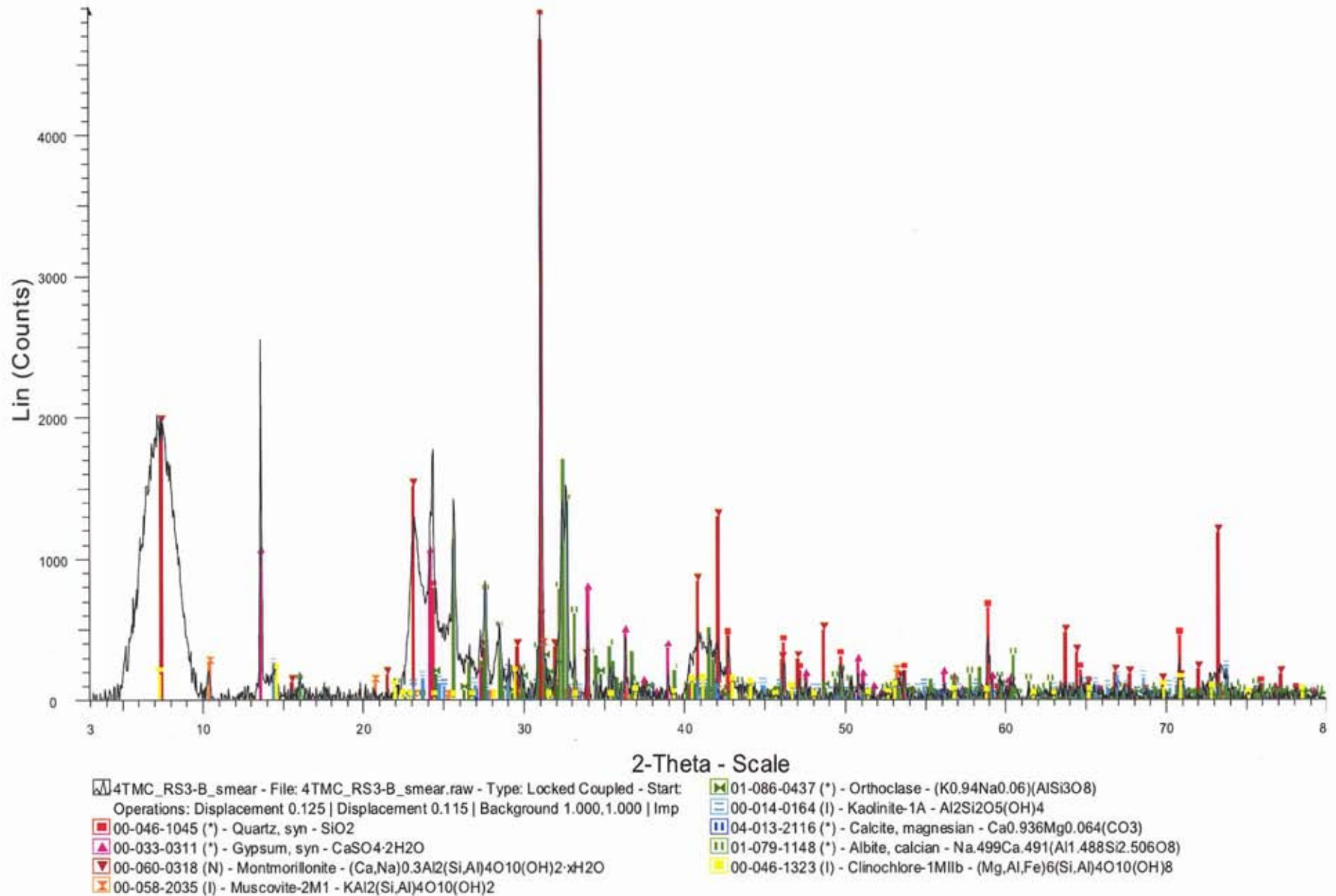


Fig 7. X-ray diffractogram of sample RS#5-A. (background subtracted)

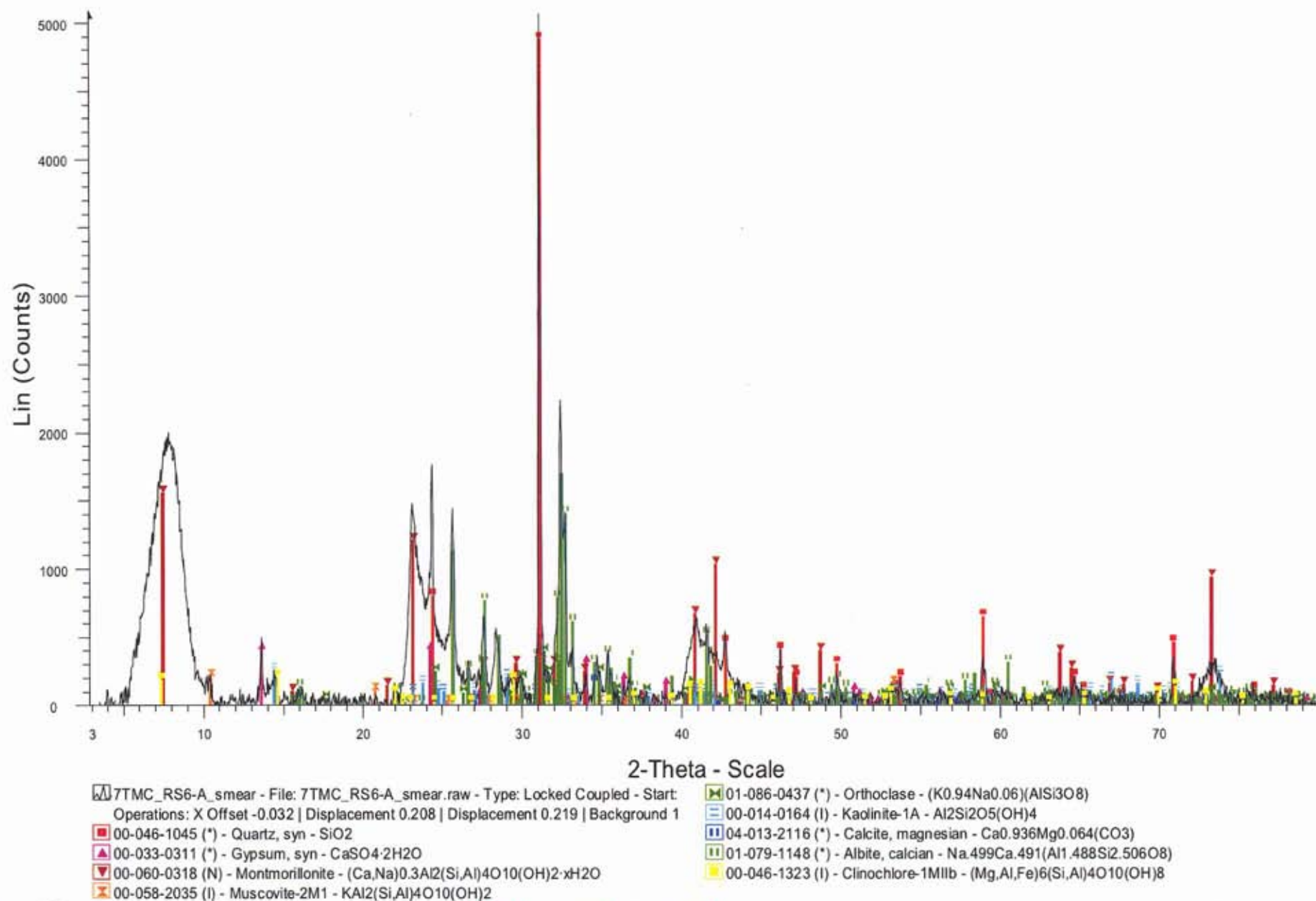


Fig 8. X-ray diffractogram of sample RS#6-A. (background subtracted)

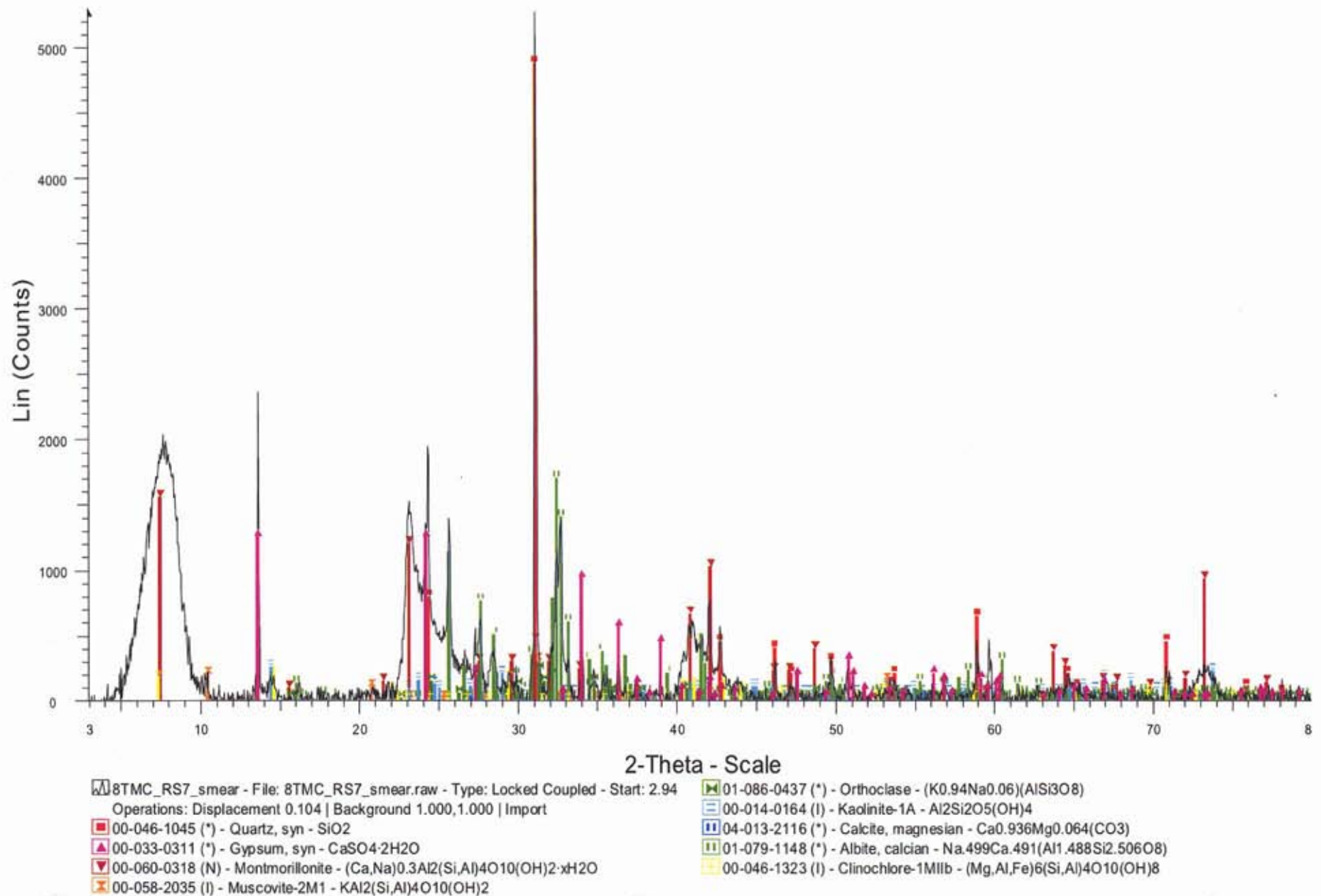


Figure 9. X-ray diffractogram of sample RS#7. (background subtracted)

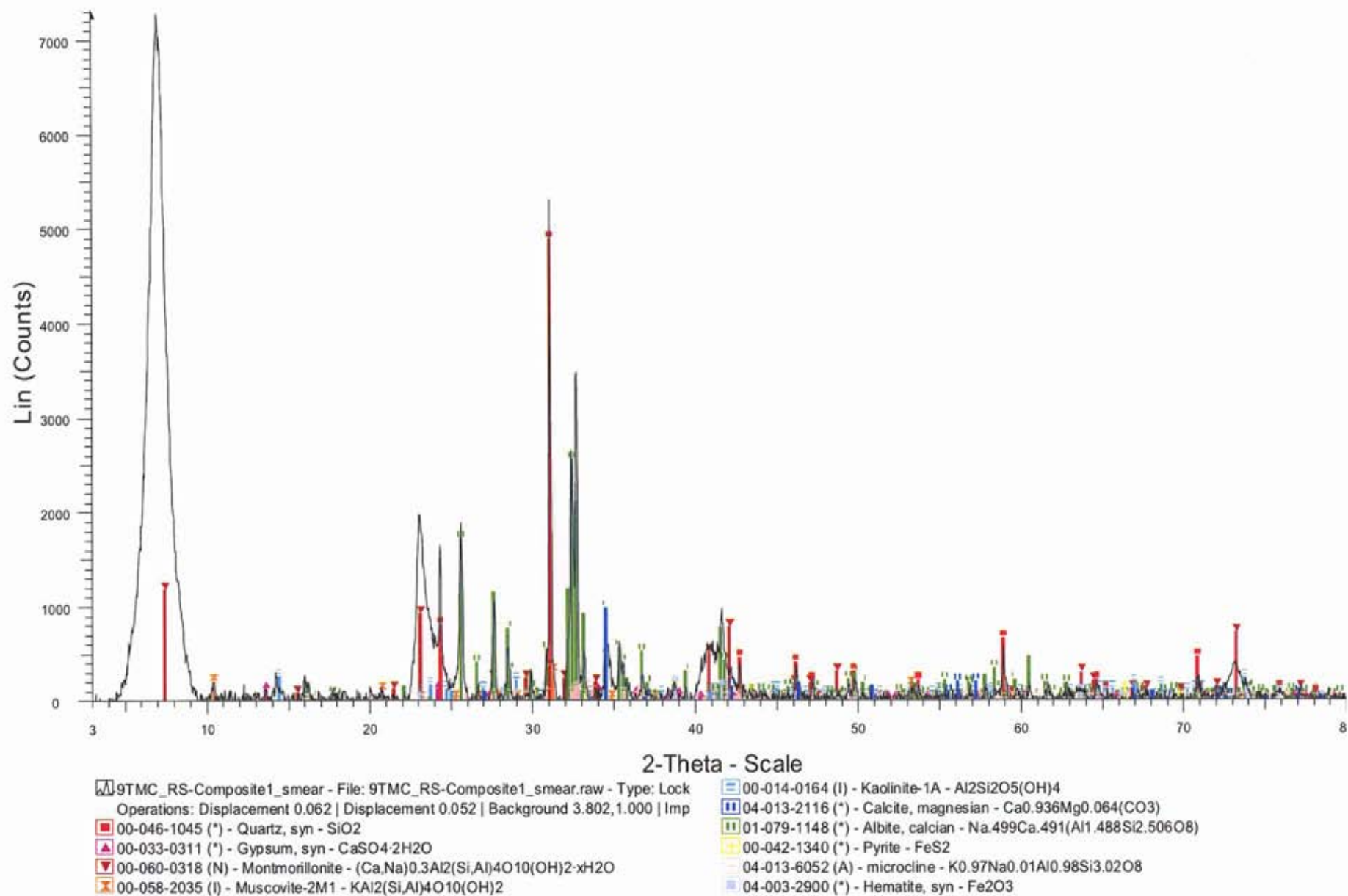


Figure 10. X-ray diffractogram of sample **RS-Composite#1. (background subtracted)**