BRITISH COLUMBIA
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Ministry of Energy, Mines & Petroleum Resources
Mining & Minerals Division
BC Geological Survey

Assessment Report
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: Diamond Drilling

TOTAL COST: $ 365,650

AUTHOR(S): Darcy Baker, Margaret McKeown

SIGNATURE(S):

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): MX-1-655

YEAR OF WORK: 2012

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5421712 and 5421713 (December 12, 2012)

PROPERTY NAME: Table Mountain

CLAIM NAME(S) (on which the work was done): 514497

COMMODITIES SOUGHT: Au, Ag

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 104P-019, -29, -70

MINING DIVISION: Liard

NTS/BCGS: 104P/5

LATITUDE: 59 ° 14 ' " **LONGITUDE:** 129 ° 40 ' " **(at centre of work)**

OWNER(S):
1) CHINA MINERALS MINING CORPORATION
2)

MAILING ADDRESS:
Suite 717, 1030 West Georgia Street
Vancouver, BC, Canada, V6E 2Y3

OPERATOR(S) [who paid for the work]:
1)
2)

MAILING ADDRESS:

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
Mississippian to Triassic Sylvester Allochthon consists of thrust-stacked slices of ophiolite and island arc rocks. Division II, which hosts Table Mtn mineralization, consists of basalt flows and associated breccias, chert and argillite intercalated with ultramafic rocks. The Sky Vein fills an east-west fault separating mafic volcanics to the south from sedimentary rocks to the north. A thick (10-24 m true width), Au-poor, quartz-carbonate-pyrite vein fills the fault immediately below the Table Mountain Thrust.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 2150, 9116, 11074,

Next Page

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			
Other			
DRILLING (total metres; number of holes, size)			
Core	1355.44m; 10 holes; NQ		$ 365,650
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
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:	$ 365,650

China Minerals Mining Corporation

2012 TABLE MOUNTAIN PROPERTY DRILLING REPORT, CASSIAR GOLD PROJECT

Volume I – Text

Liard Mining Division
NTS 104P/5
59˚ 14' N Latitude; 129˚ 40' W Longitude
UTM 6567000 mN; 462000 mE; Zone 9

-prepared for-

CHINA MINERALS MINING CORPORATION
Suite 717, 1030 West Georgia Street
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February 28, 2013

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1.0 SUMMARY

In conjunction with a larger drilling programme at the adjacent Taurus Property, 10 drill holes (for 1,355.44 m) were completed at the Sky Vein prospect, Table Mountain Property, by China Minerals Mining Corp. in 2012.

Following a programme of data compilation, interpretation, modelling and targeting in early 2012, the Sky Vein prospect was selected as a high priority exploration target at the Table Mountain Property. This conclusion was based on: (a) similarity of geological setting to prolific veins to the north and south (Cusac, Bain, Maureen, etc.); (b) apparent large displacement of the structure; (c) paucity of historical drill holes; (d) indication that most drill holes had not adequately tested the target because they are shallow and drilled from the wrong direction. Sky Vein drilling was favoured over step-out drilling along previously mined veins because this target was considered an exploration target that – if a major, high grade vein was discovered -- would have significantly greater impact on the economic potential of the property.

Table Mountain drilling resulted in the discovery of a very wide (up to 24 m true width) quartz vein at depth below the surface listwanite exposures at Sky Vein prospect. As suspected, the thickest vein intercepts occur just below the Table Mountain thrust fault in a geological setting akin to the high-grade veins at Cusac, Bain and Main Mines. Unfortunately, the bonanza gold grades that these mines are well known for proved elusive at the Sky Vein with the best intercept (1.86 m of 3.25 g/t Au) coming from pyritized wallrock whereas the many metres of intercepted quartz vein are only slightly elevated in gold.

High-grade vein deposits such as those characteristic of Table Mountain are notorious for erratic gold distribution. The 2012 Sky Vein drilling has defined a very large vein over a 270 m strike length but drill spacing is generally wide. Further drilling at Sky Vein is warranted given the potential for high-grade "ore shoots" within the vein. Apart from Sky Vein prospect, several Table Mountain vein targets (Bain, Cusac, Hunter, Pooley, etc.) remain under-explored and warrant further work.

2.0 INTRODUCTION

Equity Exploration Consultants Ltd. ("Equity") prepared this report at the request of China Minerals Mining Corp. ("China Minerals") to be used for assessment filing and to detail the 2012 exploration programme at Table Mountain. Equity managed the 2012 exploration program on behalf of China Minerals. This report has been prepared based on personal observations, data generated by the 2012 program, information contained in assessment reports filed with the British Columbia Ministry of Energy and Mines, private company reports, NI 43-101 technical reports and on regional geological publications by the British Columbia Geological Survey. A complete list of references is provided in Appendix A.

3.0 RELIANCE ON OTHER EXPERTS

In Section 4.0 we relied upon information provided by China Minerals concerning the extent of any underlying interests and royalties and on the Mineral Titles Online ("MTO") website for tenure data. Technical reports citing resource estimates for veins at Table Mountain (Pearson and Bakker, 2010) were relied upon for estimates of extracted and remaining gold resources. We have not relied upon an opinion or statement of other experts concerning legal, political, environmental or tax matters relevant to the assessment report.

4.0 PROPERTY DESCRIPTION AND LOCATION

The Cassiar Gold Project consists of 216 mineral and 2 placer claims in northwestern British Columbia (Figure 1) that are divided into the Taurus Property and the Table Mountain Property. The Table Mountain property consists of 106 contiguous mineral claims which together cover 387.11 km2 (Figure 2). The mineral claims covering the Table Mountain property are situated on NTS map sheet 104P/04E and BCGS map sheet 104P022 and 104P012. The historical mine site office and 2012 staging areas are located at 59°14' 22" latitude and 129°40' 04" longitude, and UTM coordinates 6566895mN and 461907mE (NAD 83 Zone 09) within the Liard Mining Division.

N

0 75 150 300

kilometres

China Minerals Mining Corp.

CASSIAR GOLD PROJECT

LOCATION MAP

EQUITY	Date: JAN 2013	Scale: 1:8,000,000	Figure
	U.T.M. Zone: UTM 9 - NAD83	Mining District: LIARD	1
	N.T.S. 104P/4E,5E	State/Province: BC	

Hawthorne Gold Corp. ("Hawthorne") consolidated the Cassiar Gold Project between 2008 and 2010 by acquiring 46 mineral claims from American Bonanza Gold Corp. ("American Bonanza"), 46 mineral claims from Cusac Gold Mines ("Cusac") and 124 mineral claims by staking or other mineral claim purchases. The cells form a contiguous grid such that the legacy and cell claims locally overlap. Claim data is summarized in Table 1. All claims are registered in the name of Cassiar Gold Corp. and are in good standing. Twelve Crown Grants located on the Table Mountain property are listed in Table 2.

The Table Mountain Property operates under the Mining Permit M-127 approving the work system and reclamation program. The property operates under an authorized Waste Disposal Permit. Water (PA 13757) and Air (PE 13756) discharge permits are also current. Placer Reserve No. 352785 covers the majority of the access road to the mine facilities and the tailings ponds. Exploration work permits are required on an as-needed basis in advance of the work being conducted.

Table 1: Tenure Data

Tenure ID	Claim Name	Tenure Type	Good To Date	Owner	Map Number	Area (ha)
221632	SUN	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	200.00
221633	UP	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	125.00
226156	RED HILL NO.5	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
226157	RED HILL NO.6	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
226193	JENNIE EXTENSION #4	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
226194	JENNIE EXTENSION #1	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
226195	JENNIE EXTENSION #2	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
226196	JENNIE EXTENSION #3	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
387811	WILDCAT 2	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
392766	WILDCAT 1	Mineral	2016/mar/01	Cassiar Gold Corp.	104P022	25.00
511365		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	1407.70
511371		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	265.06
511380		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	1226.94
511385		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	1243.58
511387	TRACKER 1-20	Mineral	2016/mar/01	Cassiar Gold Corp.	104P	364.83
511394	EASTER 1-25	Mineral	2016/mar/01	Cassiar Gold Corp.	104P	414.34
514057		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	995.13
514088		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	912.74
514497		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	911.94
514508		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	149.14
514509		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	49.72
514939		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	496.92
514943		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	381.10
514944		Mineral	2016/mar/01	Cassiar Gold Corp.	104P	579.69
533464	JENNIE VEIN	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	99.42
558610		Mineral	2015/mar/01	Cassiar Gold Corp.	104P	82.86
559394	RAM AG - CU PROSPECT	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	66.22
564713		Mineral	2015/mar/01	Cassiar Gold Corp.	104P	132.75
564714		Mineral	2015/mar/01	Cassiar Gold Corp.	104P	199.06
564715		Mineral	2015/mar/01	Cassiar Gold Corp.	104P	199.09
567733		Mineral	2015/mar/01	Cassiar Gold Corp.	104P	149.35
567756	NOME	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	82.99
571356	NOME	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	16.60
571357	FOX CASSIAR	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	16.56
571358	DALZIEL	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	16.56

Tenure ID	Claim Name	Tenure Type	Good To Date	Owner	Map Number	Area (ha)
575978	S2	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	364.77
575979	P1	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	414.91
575980	S3	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.13
575982	S4	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.31
575983	P2	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.31
575984	S5	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.14
575985	P3	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	331.95
575986	S6	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.40
575987	P4	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.33
575989	S7	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.39
575990	S8	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.14
575991	P5	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.15
575993	S9	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.31
575994	P7	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.15
575995	S10	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.13
575996	P8	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.16
575998	S11	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	364.75
575999	P8	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.16
576000	S12	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	347.95
576001	P9	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	381.95
576003	S13	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.73
576004	P10	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.56
576005	S14	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	380.98
576007	P11	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	365.09
576008	S16	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.54
576010	P12	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.45
576011	S17	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.94
576012	P13	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.74
576013	M11	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	413.69
576014	S18	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.13
576015	S19	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.32
576016	M12	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	413.94
576017	P15	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.41
576018	S20	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.14
576019	M13	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.39
576020	S21	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.40
576021	P13	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.60
576022	S23	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.14
576023	M14	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	413.69
576024	P15	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.41
576025	S24	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.41
576026	P16	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.41
576027	S25	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.15
576028	P18	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.41
576029	S24	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.40
576030	M15	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	413.68
576031	P19	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.40
576032	S26	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.32

Tenure ID	Claim Name	Tenure Type	Good To Date	Owner	Map Number	Area (ha)
576033	P20	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	415.40
576034	M16	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.36
576035	S16	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.74
576036	S27	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.12
576037	S28	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.93
576038	S29	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.74
576039	S30	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.93
576040	S31	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.13
576041	S32	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.33
576042	S33	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.14
576043	S34	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	398.53
576214	HG19	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	380.35
576215	HG20	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	396.97
576216	HG21	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	413.87
576217	HG22	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	413.58
576218	HG23	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.08
576219	HG24	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	397.29
576220	HG25	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	215.16
590125	HUNTER SW	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	414.81
599400	HG1	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	346.94
599401	HG2	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	165.23
606908		Mineral	2015/mar/01	Cassiar Gold Corp.	104P	380.14
575976	S1	Mineral	2015/mar/01	Cassiar Gold Corp.	104P	381.11

Table 2: Table Mountain Property Crown-Granted Mineral Claims

Tenure ID	Claim Name
6527	No 1 Claim of Hurricane GP MC
6528	No 2 Claim of Hurricane GP MC
6529	No 3 Claim of Hurricane GP MC
6530	No 4 Claim of Hurricane GP MC
6531	Red Hill No 1 MC
6532	Red Hill No 2 MC
6533	Red Hill No 3 MC
6536	Red Hill No 4 MC
6537	West Fraction MC
6538	East Fraction MC
6538	Adit No 2 MC
6540	Adit No 1 MC

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, PHYSIOGRAPHY

5.1 Accessibility

The Stewart-Cassiar Highway (Highway 37N), provides paved access across the northwestern edge of the property. A series of reclaimed roads and trails afford relatively easy access to most of the property.

The property is located 117 km north of Dease Lake and 141 km south of Watson Lake, Yukon Territory (Figure 1). The unincorporated settlement of Jade City is located near the northern end of the Table Mountain property on Highway 37N. Dease Lake is serviced five days a week by scheduled airlines and the Cassiar airstrip is available for charter aircraft.

5.2 Local Resources and Infrastructure

Both Dease Lake and Watson Lake serve as general service and supply centres for the region. The nearest major centres are Whitehorse, Yukon, approximately 560 km to the west, and Smithers, B.C. almost 720 km south.

The Cassiar Gold Project is located in a district with a long mining history. The town of Cassiar, located 12 km west of the Table Mountain property, housed employees of the Cassiar asbestos mine. Watson Lake was home to many employees of Canada Tungsten in the 1970s and 1980s and again recently. Dease Lake inhabitants have worked recently at Golden Bear near Telegraph Creek as well as at both the Table Mountain mines and the Taurus deposit only a few kilometres to the north. However, there is a small population base in the area requiring that most personnel for a new mining operation would have to be brought in. The town of Cassiar has been sold and only a few residents remain. Power for the region was historically and will in the future have to be provided by diesel generators or small-scale hydro, unless the B.C. Hydro grid is extended north. There are numerous creeks in the property area that have sufficient year-round flow for any exploration or mining operation. The property itself affords space for the development of tailings storage areas, waste disposal sites, heap leach pads, if required, and expanded processing facilities.

A 270 ton-per-day gravity and floatation mill, power plant, service facilities, offices and core library currently exist at Table Mountain. ATCO-style sleeper trailers and an old restaurant that was purchased to serve as a cookhouse are located on the side of Highway 37N and can accommodate up to 50 people.

Three permitted tailings facilities are located on the mine site. Tailings Facility #1 is located proximal to the mill and TFS#2 & TFS #3 are located proximal to the office building and core shack. There are 13 portals on the Table Mountain project area which lead to several underground workings. Numerous disturbed areas such as access roads, trenches, open pits, underground staging areas, and diamond drill sites occur throughout the property. Some have been reclaimed naturally and some have been reclaimed through removal of debris, re-contouring and seeding.

5.3 Physiography and Climate

The Table Mountain Property extends from Long Lake in the north to the Cottonwood and Dease River Valleys in the south. Major valley waterways within this region include Quartz Creek, McDame Creek, McDame Lake, Finlayson Creek, and the upper valley of Pooley Creek. Valley floors are up to 1 km wide with swampy areas separated by low hills with elevations between about 900 and 1,000 m. Valley slopes rise steeply to local peaks over 2,000 m throughout the property. Although the surrounding mountainous areas are rugged, much of the area has rolling topography. The highest peak on the property is Black Fox Mountain at 2,143 m. Erickson, Beaton and Finlayson creeks all flow into McDame Creek.

The property is covered by a moderate-to-heavy growth of lodgepole pine, black spruce, and poplar thinning to buck brush and alpine meadows above tree line at 1400 m. Valley bottoms comprise shallow lakes and swamps with thick, stunted growths of pine and spruce. Previous mining and exploration activities on the property have resulted in patchy cleared areas and trails that have been both naturally reclaimed and professionally seeded.

The climate is typical of northern British Columbia and the Yukon with long, cold winters and snow at any month of the year. Daily mean temperatures recorded at Jade City range from -23°C in January to +19°C in July. Snowfall can be expected between October and May with a total accumulation of ~2.3 m. On the property, snow can persist until late May; however snow removal is relatively simple, allowing for year-round operation. There are numerous creeks in the property area that have sufficient year-round flow for drilling operations.

6.0 HISTORY

6.1 Previous Exploration and Production

The Cassiar area has been explored for placer and lode vein gold deposits since 1874 and has experienced several periods of boom activity related to the fluctuations in gold prices. The Cassiar Gold Camp is one of British Columbia's major placer districts with recorded production of about 74,500 oz of gold (2,317 kg) between 1874 and 1895 (Holland, 1950).The first hard-rock production, however, occurred in 1934 and during the 1940s, 50s and 60s, about 92 tonnes of ore was mined from the main deposits in the camp (Diakow and Panteleyev, 1981).

The largest producer in the Table Mountain camp, the Main Mine, was in operation from 1979 until 1988. Approximately 150,000 oz (4,666 kg) of gold were produced from the Jennie-Maura-Alison and Bear Vein systems at Main Mine (Glover, 1998). The Vollaug Vein was mined from various open pits and underground workings between 1980 and 1997 with gold production totalling approximately 50,000 oz (1,555 kg). Mining commenced in the Cusac Mine on the Eileen-Michelle-Lily Vein system in 1986, and continued until 1997, with gold production totalling about 90,000 oz (2,799 kg). The Bain Vein system was mined from 1993 to 1995 with 24,000 oz (746 kg) of gold produced (Glover, 1998). Surface production from the Bear Vein in 1998 totaled approximately 1,000 oz (31 kg) of gold. In late 2006 and 2007, Cusac mined the Rory Vein in the north end of the Main Mine and produced 651 oz (20 kg) of gold from 5,910 tonnes for an average grade of 3.43 g/t. The recorded production from the entire Table Mountain camp totals about 315,651 oz (9,818 kg) of gold from 1979 to 2007.

North of the Table Mountain property, the Taurus Mine operated between 1981 and 1988, and it produced 35,000 oz (1,089 kg) of gold (Trenanan, 1997). A small amount of this production came from the Plaza Mine and open cuts on 88 Hill.

The total recorded production for the entire Cassiar Gold Camp (Table Mountain, Taurus and placer operations) is 425,151 oz (13,224 kg).

The exploration and mining history for Table Mountain is comprehensively described by several recent technical reports (Kirkham et al., 2008; Sketchley, 2003). Because the 2012 exploration programme focused on the Sky Vein, only exploration history of this prospect is detailed herein.

6.2 Sky Vein Exploration History

During 1979, Erickson Gold Mining Corporation (“Erickson”) optioned the McDame property – including the area of the Sky Vein – to Esso Resources Canada Limited (“Esso”) (Everett and Doborzynski, 1981a). The next year, Esso conducted the earliest systematic exploration work on the Sky Vein area (Table 3) including geophysics, mapping and geochemical surveys.

The Sky Vein was discovered in 1980 through prospecting along the sedimentary rock / basalt contact (i.e. the Table Mountain Thrust). That year, several soil and rock samples were collected from the Sky Vein area and 23.87 km of lines were cut and picketed (Everett and Doborzynski, 1981a, b). A broad 50-90 m wide arsenic anomaly associated with the Sky Vein was detected however soil geochemical results were erratic with anomalies being isolated to one sample highs.

1981 fieldwork included geological mapping, trenching and diamond drilling (Everett and Doborzynski, 1982b). A bulldozer was used to strip 400 m of the Sky Vein which provided good exposure for detailed mapping.

14 drill holes (for 1,223 m) completed in 1982-83 produced mixed results. Drilling was not successful in extending the known Sky Vein and associated listwanite body to the west. No further work was recommended on the Sky Vein following this drill program.

The property was returned to Erickson who drilled four holes (for 964 m) at the Sky Vein in 1986. The assessment report gives no details on the Sky Vein portion of the program (Boronowski, 1986). In 1995, Cusac Industries Ltd. (“Cusac”) completed five drill holes at the Sky Vein however no report was filed for assessment. In 2009 Hawthorne drilled one hole west of the Sky Vein that did not return significant results (Whitehead, 2010).

Table 3: Sky Vein Exploration Programmes

Year	Company	Mapping and Surface Work	Geochemistry	Geophysics	Drilling	Reference
1980	Esso Resources	24 km Sky Grid; geol. mapping	4 soil 10 rock	VLF-EM	-	(Everett and Doborzynski, 1981a, b)
1981	Esso Resources	mapping at 1:500 scale; 400 m trenching	238 rock	4.25 km linecutting	2 DDH (204 m)	(Everett and Doborzynski, 1982a)
1982	Esso Resources	geol. mapping	96 soil		7 DDH (342 m)	No report
1983	Esso Resources				7DDH (881 m)	(Everett, 1983a)
1986	Erickson Gold Mining				4 DDH (964 m)	(Boronowski, 1986)
1995	Cusac				5 DDH (317 m)	No report
2009	Hawthorne				1 DDH (187 m)	(Whitehead, 2010)
2012	China Minerals				10 DDH (1,355 m)	This report
				TOTAL	**36 DDH (4251 m)**	

6.3 Resource Estimates

Pearson and Bakker (2010) provide a detailed account of historic resource estimates for the Table Mountain Property. An updated NI 43-101 compliant mineral resource estimate (Table 4) for various Table Mountain veins was calculated using 3D mine modeling software and published in 2010 (Pearson and Bakker, 2010). No resource has been calculated for the Sky Vein.

Table 4: Summary of the Table Mountain Mineral Resource

Category	Tonnes	Au g/t	Au cut g/t	Density
Indicated Total	21,471	18.02	16.24	2.70
Inferred Total	65,757	24.3	20.12	2.70

6.4 2012 Work Program

China Minerals retained Equity to compile and organize the Cassiar Gold Project drill database during the winter and spring in order to derive geological interpretations and choose drill targets. During the 2012 field season, Equity managed a field program of drilling, re-logging of historic core and cross section interpretation to better define the structural controls of mineralization at the Taurus Property (McKeown et al., 2013) and of drilling on the Table Mountain Property at the Sky Vein prospect (this report).

A total of 1,355.44 m of NQ core were drilled in 10 drill holes (TM12-01 to TM12-10) at the Sky Vein Prospect. Drilling on the property began in the second week of August and ended in early September and was completed with one Hydracore 2000 skid portable core drill, operated by APEX Drilling of Smithers, B.C. The holes were sighted for azimuth and dip using a compass and surveyed downhole (dip and azimuth) using a Reflez EZ-Shot tool. Despite the abundance of late faulting and fracturing, drill recovery averaged 95% for all drill holes except for those that were lost. All results from the 2012 drilling can be found in Section 9.0. All 2012 drill logs are attached in Appendix F.

A magnetic declination of 23° 37’ E was used for all compass measurements. Structural measurements are all reported using the right-hand rule. All maps and UTM coordinates are referenced to the 1983 North American Datum (NAD83; Zone 9).

A drill collar location survey was conducted by McElhanney Land Surveys Ltd. of Vancouver, BC. All drill collar locations on the property from 2012 were surveyed (Table 7). Locations were collected using a differential GPS with a paired base station.

Two samples from the Sky Vein were selected for petrographic analysis following the drill program. The samples were submitted to Vancouver Petrographics for preparation of 30 µm thick polished thin sections. The thin section offcuts will be stained for K-feldspar in order to readily distinguish K-feldspar from quartz and untwined plagioclase. The offcuts were immersed in a solution of sodium cobaltinitrite, a process which causes the potassium feldspar to develop a yellow stain. Petrographic analysis is still pending and will be completed by Panterra Geoservices Inc.

A program to begin the salvage of the drill core library on the Table Mountain Property was carried out during 2012. The program had a budget of approximately $50,000 to recover core from racks that have collapsed, re-box and re-label core when necessary and cross stack it (Plate 1). Priority was based on rack conditions. This exercise was intended in part as a test program to estimate the cost associated with salvaging core from the numerous collapsing racks.

Rehabilitation of the core library saved a total of 182 drill holes that represent an estimated 25,000 m of diamond drill holes for $51,000. The per-meter cost of salvaging the core using these methods is approximately $2.04/m.

Figure 3: Table Mountain core library. Photos are taken before and after the 2012 core rehabilitation program, both towards the northeast.

7.0 REGIONAL GEOLOGY AND MINERALIZATION

The Cassiar Gold camp is underlain by the Sylvester Allochthon, an accreted terrane of Mississippian to Triassic age assigned to the Slide Mountain Terrane (Figure 4). The allochthon is a fault bounded imbricate assemblage that is affected by regional greenschist metamorphism (Nelson, 1993). It forms the centre of the flat bottomed McDame synclinorium comprised of thrust stacked slices of ophiolite and island-arc type rocks thrust over autochthonous North American sedimentary rocks. The underlying sedimentary rocks of the Cassiar Terrane include carbonate and clastic rocks including quartzite, grey to green phyllite, sandstone, phyllitic siltstone and shale (Nelson and Bradford, 1993).

The internal structure of the Sylvester Allochthon consists of interleaved tectonic slices, bounded by sub-horizontal, layer-concordant faults (Harms, 1986). These imbrications are related to the easterly directed, syn-accretionary thrust development during the Mesozoic emplacement of the Sylvester Allochthon on to the siliclastic strata of the pericratonic Cassiar Terrane (Nelson and Bradford, 1993). The lithotectonic units are an order of magnitude smaller than the terrane itself and may consist of only a single or a few repeated rock types. The “stratigraphy” of the Sylvester Allochthon is largely tectonic given the structural juxtaposition of unrelated lithologies and common older-over-younger relations across faults.

In spite of structural complexities, the Sylvester Group can be divided into three major divisions (Nelson et al., 1988). The base of the group, Division I, is composed of mainly chert and black argillite, with less abundant sandstone, siltstone, diorite and diabase sills, and bedded quartz-pyrite-barite exhalites. Division II - which hosts mineralization at Taurus - comprises basalt flows and associated breccias, chert and argillite which are intercalated with variably altered, narrow bodies of ultramafic rock. The highest exposed structural level of the allochthon, Division III, is comprised of island mafic to felsic arc-related volcanic rock and limestone. Cross-sections through the allochthon suggest it is only ~3-5 km thick (Figure 4).

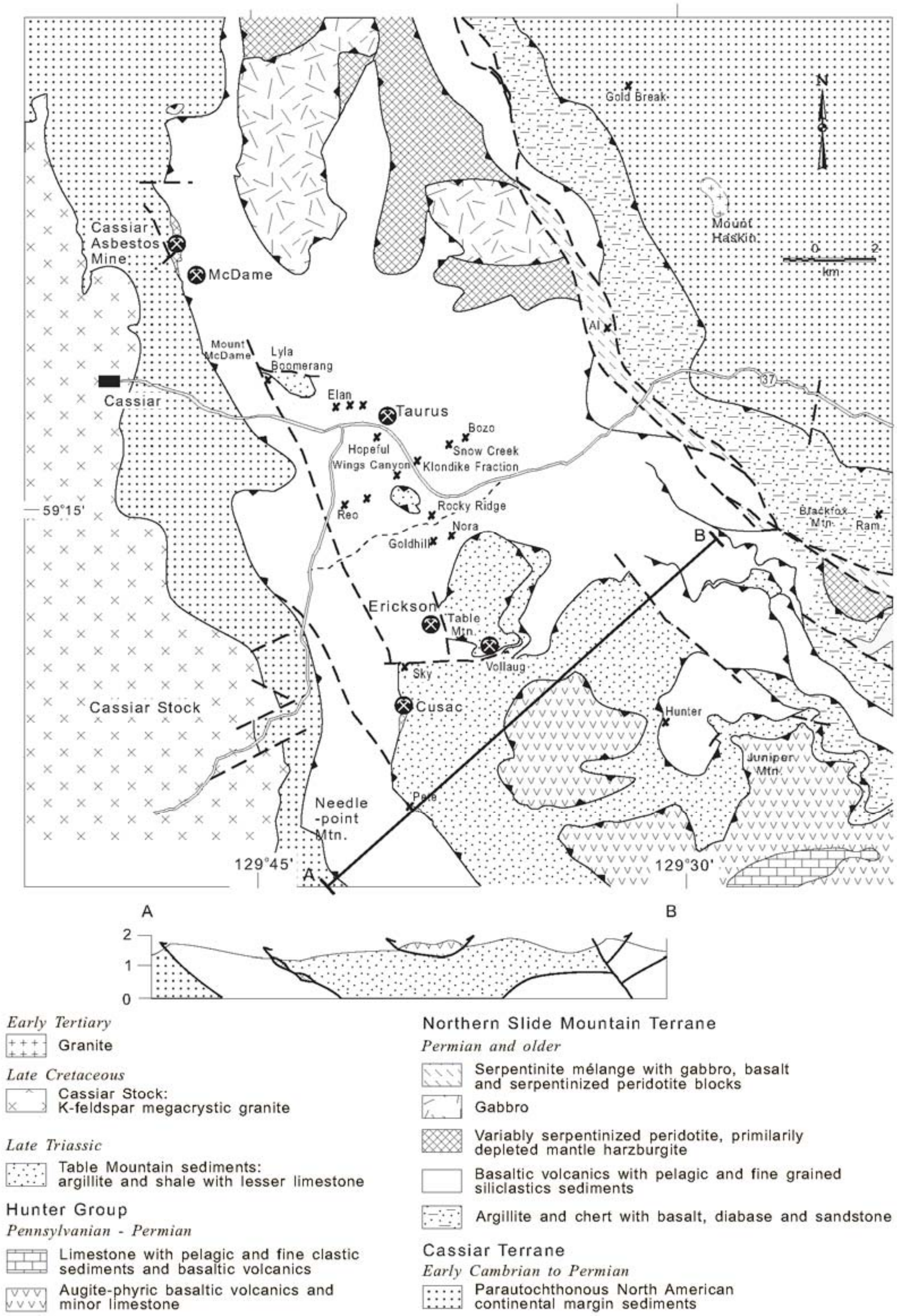

Figure 4: Regional geology of the Cassiar Gold Project, modified from Panteleyev et al. (1997) after Ash (1996), Harms (1989), Nelson and Bradford (1993).

The Cassiar Gold Project mineralization is typical of orogenic gold systems (e.g. Goldfarb, 2005). The Table Mountain Property vein deposits formed late in the Sylvester Allochthon accretionary tectonic history and are hosted within steeply- to moderately-dipping fault / vein zones which splay from thrust faults which probably originated much earlier. Rhys (2009) interprets that veins at Table Mountain formed within extensional structures that typically strike east-west across the gold camp consistent with a property-scale east-west oriented principle compressive stress direction (i.e. the opening direction is north-south). Conventional thinking in the area, however, suggests that the north-south oriented Erickson Creek Fault Zone played an important role in formation of the most prospective veins. According to Rhys (2009), this “structure” is much less significant than previously suggested and it comprises late faults which offset – and therefore post-date – major gold-bearing veins.

8 km west of the Table Mountain Property, the granitic to granodioritic Cassiar Batholith is exposed having intruded stratified units of the Cassiar Terrane at about 100 Ma (Nelson and Bradford, 1993). The batholith is cut by small, 70 Ma porphyritic granodioritic bodies that host the Cassiar and Storie molybdenum deposits. A 50 Ma suite of granitic stocks intruded the Cassiar Terrane sedimentary rocks on the east margin of the allochthon Near Reed and Haskin Mountains, these small intrusions contain molybdenum-bearing quartz stockworks and have associated base metal skarn mineralization (Christopher et al., 1972).

8.0 PROPERTY GEOLOGY AND MINERALIZATION

The Table Mountain Property is underlain by a simple sequence of shallowly-dipping mafic volcanic rocks with minor (~10%) interbedded sedimentary rock units which are part of Division II of the Sylvester Group (Nelson and Bradford, 1993). These units host a widespread network of gold-bearing veins and shear zones with styles and alteration consistent with an orogenic gold system (Goldfarb, 2005).

The east-west trending Sky Vein structure is located about midway between the Main Mine and the Bain Mine on the Table Mountain side of the Cassiar Gold Property in a region known as the “Sky Gap” attesting to the gap in known vein occurrences (Figure 5). Several variables make it an attractive target: it is favourably situated near the argillite-basalt contact and is associated with listwanite; the strike and dip of the vein are approximately parallel to the previously producing Jennie and Vollaug Veins, and; it has been targeted with only 23 drill holes, several of which have been ineffective as they were too shallow or poorly targeted the vein.

8.1 Lithology

Given the long history of exploration and mining by numerous operators over several decades in the area, the historical lithological coding schemes and descriptions were inconsistent and no single lithological scheme existed for the Table Mountain and adjacent Taurus properties. At the beginning of the 2012 season, the drill hole database (constructed by Hawthorne in 2007-2009) included 74 unique lithological codes, which we deemed to be too cumbersome to use effectively (Table 5). A similar conclusion was made by Stubens et al. (2009) who suggested that the numerous lithological codes precluded a geological interpretation of the Taurus Gold deposit. Principally, these historical codes were derived from the Taurus scheme of Broughton and Masson (1996) and the Table Mountain scheme developed by Erickson Gold Mining Corp. during the 1980s (e.g. Somerville et al., 1986).

In addition to being too cumbersome, these codes were problematic for other reasons. Firstly, many of these codes described variably altered equivalents of the same rock type. For example, 5CaiD (“Volcanics, Int Dol”), 5CamD (“Volcanics, Mod Dolomitization”) and 5CamiD (“Volcanics, Mod-Int Dolomitization”) essentially describe the same thing (carbonate altered mafic volcanic rock) so breaking them out is not useful. Secondly, even if the difference between some of these codes is geologically meaningful, their consistent use by many logging geologists over many drilling programs is impossible. For example, the Taurus codes T4 (“Pyritic Quartz Vein Zone >5% QV's” [*sic*]) and T4A (“Pyritic Quartz Vein Zone <5% QV's” [*sic*]) – although widely used at Taurus – simply did not highlight meaningful units that could be tied together on cross sections into a useful geological interpretation.

The combined and simplified lithological coding scheme includes 27 simplified codes (Table 5) derived from the historical codes. Preservation of historical codes was favoured over creating another scheme from scratch so the codes used in 2012 are a mix of the two main historical schemes. The simplified codes formed the basis for the lithological designations used during the 2012 programme of core logging and re-logging. Table 6 lists the codes used in 2012 at Table Mountain and provides detailed descriptions for each rock type.

Table 5: Correlation between 2012 and Historical Lithological Coding Schemes

2012 code	Original* code	Original* Description from dbl_tblDHLithology database table
5B	5B	Chert, tuff chert, includes some argillite, in northeast well layered chert - phyllite, tuff chert, ribboned chert and argillite
	5Ca/5Ce	Volcanics/Cherty Tuffs
	5Ce	Strongly Siliceous Volcanics
	5CeBX	Brecciated Cherty Tuffs
	5Cf	Interbedded Volcanics - Chert
	5CfBX	Cherty Matrix BX, Brecciated Chert
	5CfBXb	Cherty Matrix BX, Black
	5CfBXg	Cherty Matrix BX, Graphitic
	5CfBXr	Cherty Matrix BX, Rehealed
	5Df	Interbedded Sediments: Chert
	T7A	Chert
5CfBX	FTX	Cherty Matrix BX, Breccia Chert was 5CfBX
5Db	5Db	Siltstone
5Dc	5Da	Greywacke
	5Dc	Sandstone
5DD	5Cd	Graphitic Volcanics
	5Dd	Argillite, includes graphitic argillite
	T6	Graphitic Argillite
5De	5De	Limestone (continuous pods)
6	6	Unknown: Diorite; volcanic plug? Sill?; locally fine-grained feldspar porphyry.
7	7a	Listwanite: Serpentine, chlorite, carbonate, with minor talc
	7b	Listwanite: Talc, carbonate, minor chlorite.
	7c	Listwanite: Mariposite, quartz, carbonate, with minor talc
T1	5Ca	Volcanics with varying degrees of carbonate/dolomite alteration (formerly included 5Ca/5Ce, 5CaBx, 5CaBxg, 5CaiD, 5CaiDBX, 5CamD, 5CamiD, 5C)
	5CaBX	Volcanics, BX'd
	5CaBXg	Volcanics, Int Graph BX'n
	5Cb	Dacite to andesite tuff breccia and/or flow breccia, with local phenocrysts of feldspar or pyroxene.
	5Cm	Interbedded Volcanics - Dacite to andesite flow, with or without pillows, local phenocrysts of feldspar or pyroxene.
	5Cv	Volcanic, chloritic. Incl. 5CaBX, 5Ca/5Ce, 5Ca, 5Cb, 5CaBXg, 5CamD
	T1	Basalt
T1A	T1A	Pillow Basalt
T1F	T1F	Basalt Mag or Jasper
T2	5CaiD	Volcanics, Int Dol
	5CaiDBX	Volcanics, IntDol BX'd
	5CamD	Volcanics, Mod Dolomitization
	5CamiD	Volcanics, Mod-Int Dolomitization
	T2	Altered Basalt
	T3	Pyritic Mineralized Zone (logged in years other than 1994, 1995 and 2012)
	T4	Pyritic Quartz Vein Zone >5% QV's (This is the primary mineralized unit)
	T4A	Pyritic Quartz Vein Zone <5% QV's
T3	T3	Pyritic Mineralized Zone (logged in 1994, 1995 and 2012)
T5	QCV	Quartz Carbonate Vein
	QST	Quartz Stringer, also Qvnlt, QSTRZ
	QSTR	Quartz Stringer
	QSTRZ	Quartz Stringer Zone
	QSTWK	Quartz Stockwork
	QV	Quartz Veins: Often containing sulphides (tetrahedrite arsenopyrite), graphite and sometimes visible gold
	QVb	

2012 code	Original* code	Original* Description from dbl_tblDHLithology database table
	QVBX	Quartz Vein Breccia
	QVE	Extensional quartz vein
	QVg	
	QVLT	Quartz Veinlet
	Qvnlt	Quartz Veinlet
	QVS	Shearing quartz vein
	T5	??
T7	T7	Argillaceous chert
T8	T8	Mafic Tuff
T9	T9	Ultramafic Volcanic
T10	10	Dyke (unknown)
	10a	Diabase Dyke, Mafic Dyke
	10b	Lamprophyre Dyke (formerly also included Andesite - Dacite Dyke)
	10c	Aplite Dyke
	10d	Rhyolite Dyke
	T10	Mafic Dyke
T11	T11	Lamprophyre
T12	T12	Massive Sulphide
T13	T13	Mudstone
BX	BX	Breccia
CV	CV	Carbonate Vein
FLT	FLT	Fault, Fault Zone
NCOR	LC	Lost Core
OVB	CAS	Casing
	OB	Overburden
	OVB	Overburden
SHZ	SHZ	Shear Zone

*original codes and descriptions are depicted here as they appeared in the Hawthorne database

The above simplified codes formed the basis for the lithological designations used during the 2012 programme of core logging and re-logging. The rock units used during 2012 are listed and described in Table 6.

Table 6: 2012 Lithological Codes and Descriptions

Litho. Code	Lithological Unit Name	Description
T1	Unaltered Basalt	Medium to dark green, fine-grained, massive basalt metamorphosed to lower greenschist facies assemblage of chlorite ± epidote ± carbonate ± sericite. A more coarse-grained variety occurs in the Taurus West area.
T1A	Pillow Basalt	Medium to dark green pillowed basalt flows metamorphosed to lower greenschist facies assemblage of chlorite ± epidote ± carbonate ± sericite. In situ hyaloclastite is common with well developed pillow flows. Locally siliceous material and epidote occur at pillow borders and pillow interstices.
T1F	Jasperoidal Pillow Basalt†	Sub-type of pillowed basalt that is moderately to strongly magnetic with siliceous jasper variolites occurring within the pillow interstices.
T2	Ankerite Altered Basalt	Tan to flesh color with weak to strong pervasive ankerite alteration, locally as mm-scale euhedral ankerite rhombs. Occurs as halos to quartz veins and shear zones. Disseminated sulfides (pyrite and lesser arsenopyrite) more common near vein margins or proximal to shear zones. Main host of gold at Taurus.
T3	Pyritic Basalt†	Basalt with abundant (5-40%), fine-grained disseminated pyrite in a sericite-quartz-carbonate groundmass distinguished by its lack of association with quartz veins. Unit seems to be limited to the westernmost 88 Hill and Taurus West areas. Early style of gold mineralization.
T5	Quartz Vein	All quartz and quartz-carbonate veins greater than 10 cm width were logged as T5 in 2012. Two main types of veins occur at Taurus: shear veins and extension veins. Shear veins are typically 2-200 cm wide and are characterized by sheared vein margins, banding and messy margins with common wall rock inclusions. Extensional veins are typically 1-10 cm wide and have crisp margins, fibrous textures parallel to the vein margin and in outcrop typically have strike lengths <~5 m.
5DD	Argillite	Dark grey to black, carbonaceous to graphitic, well-bedded. Beds range from 1 mm to 10 cm thickness. Contact with basalt is commonly sheared, graphitic, gougy and brecciated. The argillite commonly grades into argillaceous chert.
T7	Argillaceous Chert	Gradational with Argillite. Green, tan or light pink, commonly cut by late carbonate veining with darker argillite interbeds.
5B	Chert	Green, tan or light pink, bedded and strongly siliceous; interbedded with basalt.

Litho. Code	Lithological Unit Name	Description
T8	Mafic Tuff	Occurs as a fine ash tuff to a gradational fine to coarse lapilli tuff. The lapilli commonly have chloritic rims. Intersections are rare and not correlatable from drill hole to drill hole. Several of the mafic tuff units noted in historical drill logs were found to be shear zones that are part of the Taurus Thrust. Rare intersections of heterolithic volcaniclastic breccias were also logged as T8. Clast textures are variable ranging from bands of angular clasts to sub-rounded clasts supported in a fine mud/ash matrix.
T10	Mafic Dyke	Aphanitic, dark green to black, ranging from centimeters to 10 m in thickness. The dykes appear to have propagated along thrust faults. They cut all stratified rocks and therefore appear to be very late.
T11	Lamprophyre Dyke	Biotite phenocrysts distinguish these from mafic dykes on the property. The dykes tend to propagate along the thrust surface or along thrust ramps and cut all stratified rocks.
T13	Mudstone	Thin to poorly bedded and commonly a soft green color.
5Dc	Sandstone†	Dark grey to black, fine-grained sandstone commonly with disseminated pyrite.
7	Listwanite	Carbonatized (fuchsite/mariposite) and serpentinized ultramafic rocks. These rocks have a distinct, mottled, bright green color imparted by the chrome-micas. Alteration includes: serpentine-chlorite-carbonate, minor talc, mariposite/fuchsite, sericite. Visible mineralization includes pyrite or chalcopyrite. Listwanite horizons commonly occur along argillite-basalt thrust contacts (Everett, 1983b).
CV	Calcite Vein	Milky white, cm to m scale, calcite veins cross-cut gold-bearing quartz-carbonate veins and are paragenetically late. Larger calcite veins commonly formed within the small structures hosting gold-bearing veins. Fine calcite veins and breccia cement are common within late brittle fracture and fault zones.
SHZ	Shear Zone	Zones of ductile deformation commonly occur near the lithological contact of the mafic volcanic and sedimentary units however also occur well within the upper altered or unaltered basalt. The thickness and intensity of these zones vary greatly from hole to hole. The basal shear zone is interpreted as flat-lying with several steep thrust ramps splaying from it.
FLT	Fault Zone	Intense, late, brittle faulting. These zones commonly appear to be remobilized ductile shear zones. Fault zones cut all rock units. Undifferentiated fault breccia and fault gouge.
FBX	Fault Breccia	Fault rock with greater than 50% milled, rounded and broken wallrock fragments; variation of fault zone.
FLG	Fault Gouge	Fault rock with less than 50% milled, rounded and broken wallrock fragments; variation of fault zone dominated by gouge.

†Logged in 2012 at Taurus but not encountered during the Sky Vein drilling program at Table Mountain

8.1 Structure, Alteration and Mineralization

The structural evolution of the Cassiar area is characterized by a set of early ductile fabrics (D1 and D2) that developed during easterly-directed thrusting which accommodated emplacement of the Sylvester Allochthon onto the Cassiar Terrane (Nelson and Bradford, 1993; Rhys, 2009). Superimposed upon these generally shallowly-dipping fabrics are a set of steeper, more discrete fault and shear structures which host gold mineralization and formed during later stages of thrust-related tectonism (D3). Late brittle faults (D4) truncate all lithologies and offset (post-date) gold-bearing structures. More detail of these structures is provided below. This summary is after the structural setting description of Rhys (2009) and is based on 2012 core and outcrop observations.

The structural evolution of D1, D2 and D3 structures is characterised by progressive deformation including foliation development, folding and faulting / shearing. Inhomogeneities of the stratigraphic sequence (i.e. interbedded basaltic and sedimentary rocks of Division II of the Sylvester Allochthon) clearly had a strong influence on strain partitioning. Although earlier foliations are pervasive, penetrative ductile fabrics, strained intervals are commonly interrupted by sequences of pristine, unstrained rock. For example, some pillowed basalt sequences lack any penetrative foliation and pillow structures are intact (i.e. not flattened). Rhys' description of the structural geology speaks to this theme and based on the core logging completed in 2012, our observations are consistent with widespread strain partitioning. In general, sedimentary units and stratigraphic contacts are more highly strained.

Rhys defines D1 deformation as early thrusting, with minor recumbent folding developed adjacent to thrusts. At Table Mountain, prolific gold-bearing veins (e.g. Maureen, Jennie) developed within about 20-40 m below thrust faults in steeper splay structures formed during D3 reactivation. The main thrust fault is called the Table Mountain Thrust and it separates footwall mafic volcanic rocks from overlying sedimentary rocks (mostly argillite with minor sandstone). Multiple, stacked thrusts occur, however, as evidenced at the Main Mine. Vollaug Vein is unusual in that this mined deposit was a vein lying within the thrust itself.

D2 structures comprise foliations (S2) that overprint thrust faults and are typically concordant with bedding – that is, dip shallowly like the overall thrust-stacked stratigraphy. In general, therefore, S2 and S0 have similar orientations.

A steeply dipping, generally northwest trending foliation associated with open folding of S0 and S1 is assigned to D3. This S3 fabric is present within argillite outcrops north of the Sky Vein and is likely axial-planar to suspected folds defined by the outcrop patterns of argillite and sandstone (see Figure 5). Note that detailed mapping was not completed at Sky Vein in 2012 and Figure 5 is compiled from geological maps prepared by Esso in the early 1980s (Everett and Doborzynski, 1981a, b).

Across the project area, the intersection of S3 and the shallower S2 form a northwest plunging intersection lineation that is also concordant to a mineral stretching lineation. Importantly, this event is linked to the main stage (vein-related) gold mineralization event in that fibrous extensional veins commonly formed perpendicular to the composite stretching and intersection lineation. This extension direction is near north-south at Taurus but is more northwest-southeast directed at Table Mountain. Significantly, this event records a similar, gold-associated extensional event across the property.

Overprinting gold-bearing veins and all lithologies is a locally widespread late deformation event (herein referred to as D4) characterized by brittle faulting, calcite veinlets and minor kink bands. These faults are generally steeply dipping and north-northwest trending although other orientations are likely. These faults typically are associated with calcite veins and pervasive calcite alteration. Examples include the Boss Fault which truncates the Rory Vein at Main Mine, which is a large void lined with euhedral calcite crystals as exposed underground. At Sky Vein, D4 faults are interpreted at surface where locally listwanite exposures in trenches from the 1980s are displaced. Minor intense gouge zones are exposed within the interpreted faults. In drill core, numerous late faults are interpreted from widespread intervals of fault breccia and fault gouge and these faults are seemingly responsible for dismembering the thick intervals of Sky Vein quartz. Reactivation of earlier structures – including the Table Mountain Thrust and the gold-bearing Sky Vein structure -- appears to be common during D4.

As described by Rhys (2009), the “Erickson Creek Fault Zone” – a north-south corridor of faulting that was previously linked with productive veins – appears to comprise a series of oblique, late faults that truncate gold-bearing veins. The recognition of this corridor of faulting is probably due to exposure since the north-south corridor coincides with the outcrop pattern (i.e. exposure) of major thrust faults.

We do not see widespread evidence of overprinting structures within drill core the same way they are manifest in outcrop and much of Rhys’ (2009) overprinting relations are gleaned from underground exposures at Table Mountain that were inaccessible in 2012. The main structural features in drill core, however, are consistent with the above structural history.

The Sky Vein structure is somewhat unusual in that it separates a large wedge of sedimentary rock to the north from mafic volcanic rock to the south. The nature of the northern contact of the sedimentary unit is poorly understood but it should be evaluated for gold-hosting veins as well. Drilling to date has not defined the bottom of this sedimentary wedge so clearly the Sky Vein structure has a significant component of displacement (100+ m?) and apparently significantly more than other vein-hosting structures where overlying sedimentary hanging wall rocks are typically down-dropped a few tens of metres. Sedimentary rocks and a body of concordant diorite interpreted as a sub-volcanic intrusion (Everett and Doborzynski, 1981a) dip more steeply (~70^o) within this sedimentary wedge and are probably infolded within this down-dropped structure.

South of the Sky Vein, the thrust contact is typical in that it hosts up to 15 m of listwanite (carbonate-silica altered ultramafic rock, Figure 6D). The steeply north-dipping Sky Vein structure also locally hosts listwanite which occurs well up into the sedimentary rock hanging wall where it is exposed in 1980s era bulldozer trenches. As such, the listwanite bodies form both shallowly-dipping thin slices within the Table Mountain Thrust, and steeply-dipping bodies within the Sky Vein structure.

The Sky Vein structure is locally an insignificant fault zone (Figure 6C) but beneath the Table Mountain Thrust is characterized by white-grey quartz veins (Figure 6A) up to 24 m wide (true width). Abrupt changes in vein size are evident based on drilling so it seems that structural “blow-outs” allow very narrow, insignificant fault / veins at shallow depths to expand to large veins within only tens of metres down-dip. This is clearly related to the intersection of the Table Mountain thrust and Sky Vein structures.

These veins are predominantly quartz with minor carbonaceous stylolites and pyrite (Figure 6B). The vein is locally brecciated, fractured and cut by brittle faults attesting to a long-lived history of repeated

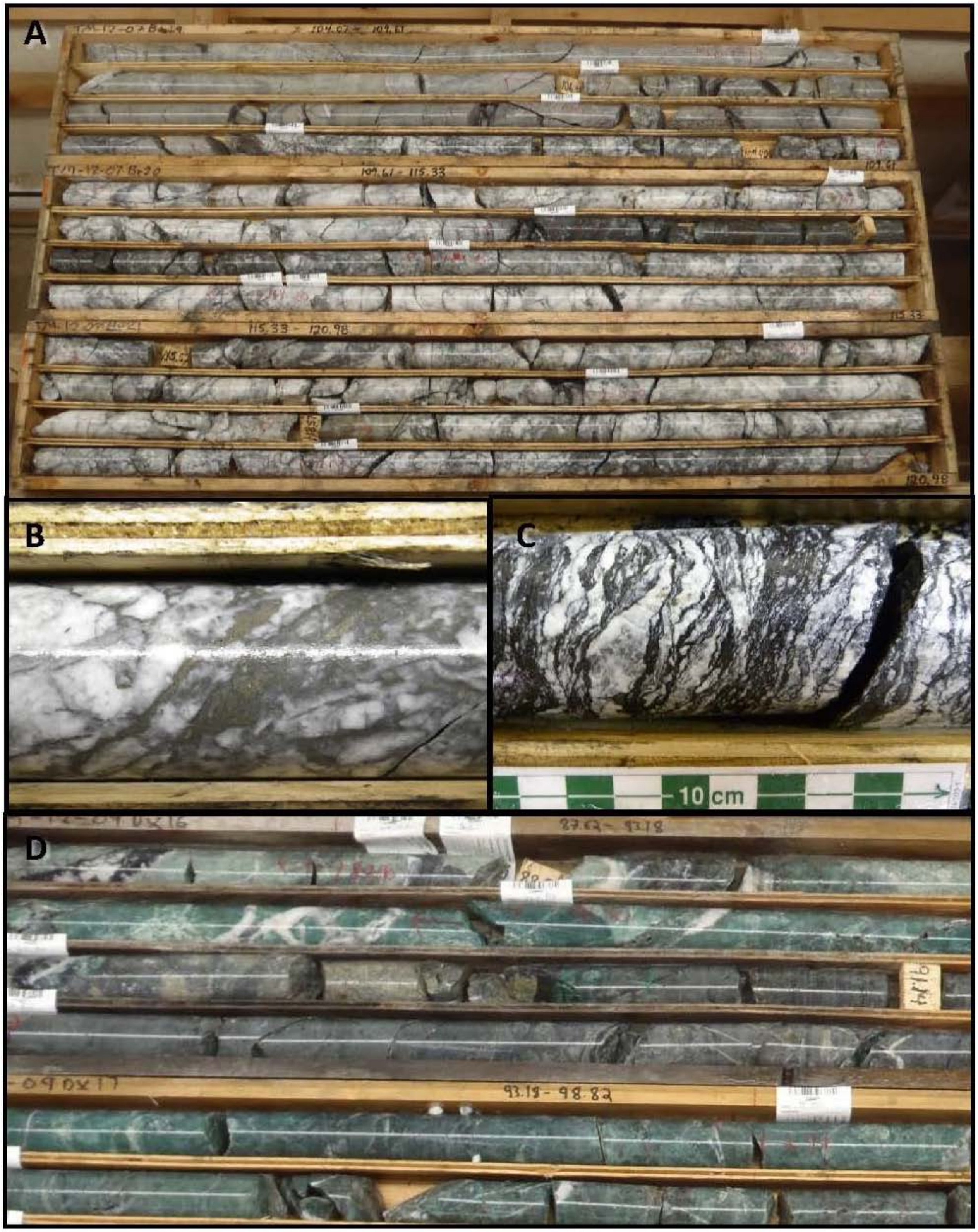

Figure 6: (A) Sky Vein (15.25 m interval) in drill core characterized by white to dark grey quartz that is locally brecciated and pyritic (TM12-07 from 104.07 m); (B) Bands and aggregates of pyrite within Sky Vein quartz; (C) Strongly brecciated and sheared quartz-argillite carbonaceous breccia interpreted as part of the Sky Vein structure at shallow depth within argillite (TM12-01 at 81 m); (D) Silicified listwanite within Table Mountain Thrust with characteristic green mariposite and vuggy quartz veins (TM12-09 from 87 m).

structural events. Alteration of wallrock is best developed where the Sky Vein is in contact with mafic volcanic rocks and is characterized by carbonate-sericite-pyrite. The highest grade gold mineralization is associated with this style of altered wallrock whereas quartz is generally barren where tested by the 2012 drill holes. Other sulphide phases include rare sphalerite, chalcopyrite and tetrahedrite.

9.0 DIAMOND DRILLING

Drilling at the Sky Vein prospect in 2012 totalled 1,355.44 m in 10 drill holes (TM12-01 to TM12-10) (Table 7). This programme was completed in 14 drilling days starting August 20 for an average of 97 m per day. The holes were sighted for azimuth and dip using a compass and surveyed downhole using a Reflex EZ-Shot to obtain the dip and azimuth. Despite the abundance of late faulting and fracturing drill recovery was typically good averaging 95% for all drill holes except for those that were lost. Drill logs can be found in Appendix F and Figures 7-14 (Volume II) are cross-sections of both the historic and 2012 drill holes along with interpretations.

Table 7: 2012 Table Mountain Drill Hole Survey Data

Hole	Length (m)	Prospect	Easting	Northing	Elevation	Dip	Azimuth (°)
TM12-01	127.41	Sky Vein	460781	6562913	1405	-45	000
TM12-02	94.18	Sky Vein	460730	6562910	1396	-45	004
TM12-03	115.51	Sky Vein	460648	6562928	1382	-48	348
TM12-04	133.81	Sky Vein	460597	6562866	1372	-44	359
TM12-05	78.94	Sky Vein	460605	6562900	1371	-44	358
TM12-06	170.38	Sky Vein	460706	6562856	1386	-44	002
TM12-07	155.14	Sky Vein	460800	6562850	1404	-45	358
TM12-08	114.91	Sky Vein	460704	6562891	1387	-47	002
TM12-09	167.34	Sky Vein	460852	6562838	1410	-45	001
TM12-10	197.82	Sky Vein	460744	6562855	1394	-48	001

The drill core was placed in either 5-foot long or 4-foot long wooden core boxes and brought to the core logging facilities at the mine site where the core was logged for geology and geotechnical data (recovery and RQD), photographed and then sawn in half using a diamond-blade core saw. Once sawn, half the core was placed in a sample bag and the other half was returned to the core box for archive. The core has been stored in racks near the old onsite fire assay laboratory. A total of 762 core samples (including blanks, standards and duplicates) were submitted to the ALS Global preparation facility in Terrace, B.C. for analysis.

Core samples were analysed for gold by fire assay-atomic absorption on a 30 g aliquot (ALS code Au-AA23) and for 35 elements by induced couple plasma-atomic emission spectroscopy using an aqua regia digestion (ALS code ME-ICP41). Values returning greater than 5 ppm Au from the initial analyses were re-assayed for Au by fire assay with gravimetric finish and values returning greater than 10 ppm Au were re-assayed for Au by metallic screen with fire assay finish. Analytical certificates form Appendix G.

Equity's protocol for QA/QC carried out during the 2012 exploration program involved inclusion of analytical blanks, core and preparation duplicates and standards in the drill core sample stream submitted to the laboratory. In the case of core duplicate samples, half the core was sawn again with the two quarter sections placed in separate sample bags for analysis. It is the opinion of the authors that sample preparation, security, and analytical procedures were adequate during the 2012 exploration program. Quality Assurance/Quality Control (QAQC) data and discussion have been included in Appendix C.

9.1 Sky Vein Prospect

Relative to other vein targets on Table Mountain, the Sky Vein had seen minimal – and mostly very shallow – drilling during historical exploration campaigns (Figure 5). Modelling and interpretation in 3D of the compiled Sky Vein dataset in 2012, however, indicated that the Sky Vein geological setting is very similar to prolific Table Mountain veins (e.g. Cusac Mine veins) but that drill holes had generally only tested the structure at shallow depths and wholly within sedimentary rocks. The 2012 drill holes, therefore, aimed to test the Sky Vein structure about 20-30 m below the shallowly-dipping Table Mountain thrust since the best vein widths and gold grades at Table Mountain are well known to be just below the thrust.

Initially, the 2012 drilling targeted the structure too shallow so holes TM12-01 through TM12-03 only encountered insignificant quartz veins hosted in sedimentary rock of the hanging wall sequence. Given that listwanite crops out at surface with sedimentary rocks on both hanging wall and footwall sides, it was speculated that the Table Mountain Thrust is very shallow. These first few drill holes, however, demonstrate that the sedimentary sequence is thicker than suspected and that the listwanite exposures demarcate the steep Sky Vein structure – not the thrust. The listwanite occurs well above the thrust and it is unclear if this is common near other Table Mountain veins.

Later holes were stepped back and encountered very thick quartz veins ranging from 10 to 24 m (true width) at greater depths. Unfortunately, no highly auriferous sections of the Sky Vein were intersected, consistent with quartz-carbonate-pyrite only vein intercepts. No visible gold was observed in the drill core and only very rare base metal sulphides were identified. The best intercept from the 2012 drilling is 3.25 g/t Au over 1.86 m; other mineralized intervals are summarized in Figure 5 and Table 8.

Table 8: 2012 Drill Core Sample Results – Sky Vein

Hole Number	From (m)	To (m)	Interval (m) *	Wt. Avg. (g/t Au)
TM12-01	83.90	90.00	6.10	0.50
TM12-02	No significant results			
TM12-03	No significant results			
TM12-04	75.90	87.55	11.65	0.82
TM12-04	109.13	115.00	5.87	0.65
TM12-05	32.40	46.46	14.06	0.95
TM12-05	54.00	71.83	17.83	1.00
TM12-06	91.90	104.40	12.50	1.91
TM12-06	118.10	125.25	7.15	1.34
TM12-07	102.20	108.55	6.35	0.77
TM12-08	No significant results			
TM12-09	133.81	146.00	12.19	1.15
including	135.00	136.86	1.86	3.25
TM12-10	104.97	112.40	7.43	0.50

* True widths are approximately 70% of reported drill intercept widths

9.1.1 TM12-01

The first of the drill holes in the Table Mountain area, this hole was drilled to test the Sky Vein up-dip of a gold-bearing intersection in hole S86-32. This hole was dominated by argillite, but contained a number of brecciated zones with abundant quartz vein clasts. A sheared quartz-argillite breccia at approximately 82 meters likely represents the Table Mountain Thrust, below which a 2 meter quartz vein with minor pyrite (2%) likely represents the Sky Vein. Towards the bottom of the hole a dark grey sandstone unit appears, the top 10 meters of which contains 3% disseminated pyrite.

9.1.2 TM12-02

This hole was designed as a 50 m step to the west of the previous hole, in order to test down-dip of Sky Vein intersections in holes 82-16 and 82-17. The hole consists primarily of argillite, with two large brecciated zones containing clasts of quartz veins. Two intact metre-scale quartz veins occur between 81-84 m downhole. Pyrite mineralization is strongest in the area directly above the two larger quartz veins where stockwork quartz veining is present, with 2% pyrite over 13 meters and one quartz stringer containing sphalerite.

9.1.3 TM12-03

Stepping further to the west, this hole was drilled in an effort to fill in a sizable gap in previous drilling of the Sky Vein area. Like the previous two drill holes the dominant lithology drilled in this hole was argillite, with brecciated zones containing quartz vein clasts, but unlike the previous two holes this one also contained a brecciated and silicified listwanite unit with trace sphalerite and tetrahedrite near its lower contact which is marked by 3.5 m of fault gouge. Two unmineralized quartz veins occur at approximately 100 and 106 m. The listwanite and fault gouge represent the Sky Vein structure.

Although the Sky Vein was present in all of the first three drill holes, the structure is poorly mineralized. This is seemingly because these holes all tested the structure within argillite – that is, too shallow. It appears that the Table Mountain Thrust dips to the east such that the argillite thickens eastward (this is compounded by the west-dipping slope).

9.1.4 TM12-04

Continuing to the west, this hole was designed to test the Sky Vein in an area where the argillite unit overlying the Taurus Thrust was known to be absent, as well as to test up-dip of gold-bearing basalt intersections identified in drill hole 83-24. The top 35 meters of this hole are primarily chert, with several small quartz veins containing trace chalcopyrite but little to no pyrite, after which the hole is dominantly massive and pillowed basalt. A strongly brecciated basalt interval occurs from 75-89 meters, the bottom 6 meters of which contains 3-5% disseminated pyrite. Two minor shear zones in the basalt are present towards the bottom of the hole. The deeper of these shears is at the contact between the basalt and underlying sandstone, contains 3-5% pyrite, and likely correlates with the gold-bearing intersections in 83-24.

9.1.5 TM12-05

Based on the seeming continuity of mineralized intervals interpreted from the previous hole and drill hole 83-24, the absence of argillite towards the western margin of the Sky Vein, and the idea that these zones may widen towards the surface, this hole was drilled to test the up-dip extent of quartz veins and pyritized shear zones intersected in TM12-04. This hole begins with a small interval of basalt which is followed by a 10 meter interval of chert with a large, but unmineralized, quartz vein at its center. After this the hole displays quite a bit of structural complexity, with interlayered basalt and sedimentary units ranging from undeformed to sheared and containing a number of brecciated fault zones and variably deformed quartz veins. From 57-59 meters is a sheared listwanite, which is followed by 17 meters of basalt containing several areas of brecciation and a number of intact quartz veins, with the hole ending in relatively undeformed black sandstone. Significant mineralization is present in a number of areas, most notably in quartz veins at the top of the hole with chalcopyrite and in the brecciated and sheared mafic units where pyrite is disseminated from 3-5% over much of the structure.

9.1.6 TM12-06

This hole was collared 100 m east of holes TM12-04 and -05 but stepped back from TM12-02 which failed to intersect the Sky Vein structure. The top of the hole consists of argillite followed by 20 m of sheared listwanite. Below this is interlayered chert and basalt, with several notable quartz veins, which transitions into 30 m of basalt. The bottom of the basalt unit is cut by a ~10 m wide (true width) quartz vein with strongly brecciated and pyritized wallrock on both margins. Significantly, the upper wallrock returned 1.91 g/t Au over 12.5 m and the lower wallrock interval returned 1.34 g/t Au over 7.15 m. The quartz vein, however, returned very low gold values. The hole ends in 45 m of black sandstone, the top 10 m of which contains about 3% disseminated pyrite.

9.1.7 TM12-07

Based on the large quartz vein intersected in the previous hole, this hole was designed as a 100 m step to the east where the steeply-dipping Sky Vein structure had been intersected close to surface in holes 82-19 and 82-19A, but had not been tested at depth. Similar to hole TM12-06, this hole encountered mixed sedimentary rocks (consisting of argillite, sandstone, and chert) at the top with several notable quartz veins, below which occurs a sizable listwanite unit and then 25 m of basalt with several quartz veins (one contains minor tetrahedrite), but no brecciation or disseminated pyrite. Below this is a 15 m wide quartz vein with minor pyrite, and common carbonaceous stylolites, which demonstrated the continuity of the voluminous quartz veining towards the east for at least 100 m. The hole ended in variably brecciated argillite with broken stockwork quartz veining but little pyrite.

9.1.8 TM12-08

This hole is a 35 m forward step from TM12-06 which was designed to intersected the Sky Vein about 25 m up-dip – and closer to the thrust contact -- from the TM12-06 intercept. This hole encountered hanging wall argillite above a thick (18 m true) listwanite which marks the Table Mountain Thrust contact. Below the thrust is 15 m (core length) of footwall basalt in contact with argillite below. The argillite hosts a couple insignificant quartz veins directly up-dip from the 10 m thick vein in TM12-06, but a significant (20+ m true thickness) vein further down the hole. It is possible that this vein is displaced by later faults. This vein returned very low gold values possibly because it is hosted on both sides by argillite (geochemically a poor host).

9.1.9 TM12-09

This hole is a 50 m step to the east of hole TM12-07, designed to test the continuity of the previously intersected voluminous quartz veining and extend it to the east into an unexplored area. This hole is similar to TM12-06, consisting of argillite at the top followed by a sizable listwanite unit, after which the hole consists of interlayered sedimentary rocks and basalt. These transition into a basalt unit containing several vuggy, meter-scale quartz veins with 1-3% pyrite, which is brecciated over its bottom 13 m with up to 6% disseminated pyrite. Below this are several meters of brecciated argillite with minor quartz veining; the hole ends in competent, unmineralized argillite. While no single, large quartz vein was present in this hole, a number of meter-scale quartz veins with pyrite are present throughout the bottom 20 m of the basalt unit.

9.1.10 TM12-10

The last hole of the 2012 drill program, TM12-10 was drilled in an effort to test the Sky Vein in the 100 m gap between TM12-06 and TM12-07, as well as to test up-dip of gold-bearing basalt intersections in hole S86-33. This hole encountered a similar sequence to the previous holes, including argillite at the top of the hole, followed by a sizable listwanite unit (from 33.8 to 66.4 m) and then interlayered sedimentary rocks and basalt which transitions into basalt with notable quartz veining and disseminated pyrite up to 3% along some vein margins. Significantly, the hole cored a quartz vein from 132.6 to 167.6 (35.0 m core length, ~22 m true width) but the vein is typically white quartz with minor grey quartz and localized intervals with up to 5% fine-grained dull pyrite along fractures and as disseminate blebs. Core recovery was problematic within some intervals.

10.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

The Sky Vein is a significant, vein-hosting structure and is oriented similarly to the major producing veins of the Table Mountain camp in a very similar geological setting. 2012 drilling at Sky Vein was successful in intersecting a very large quartz vein but unfortunately no high-grade gold intervals were intersected.

The Sky Vein structure separates mafic volcanic rocks (very good gold host) to the south (footwall) from sedimentary rocks (very poor gold host) to the north (hanging wall). It is possible that the Sky Vein is inherently less endowed in gold because of this wall rock setting – prolific Table Mountain veins typically have mafic volcanic host rocks on both hanging and footwalls.

On the other hand, high-grade oreshoots in Table Mountain veins can be very small (but also very rich) so it is possible that the 2012 drilling – which is quite widely spaced at about 50 m or more – simply missed high-grade vein sections.

Further drilling should tighten the drill spacing to get more vein pierce points but potential along strike to the west is negligible since the hillside intersects the vein structure at decreasing elevations such that the prolific portion of the structure, immediately below the Table Mountain Thrust, is eroded. Also problematic, the overlying sedimentary hanging wall sequence gets very thick along strike to the east as topography rises and the Table Mountain Thrust dips to the east, making targeting the right depth very difficult and surface drilling expensive. Some in-fill, ore-shoot targeted drilling is warranted. We suggest eight holes for 1,200 m targeted to hit wide vein intercepts with the hope of hitting bonanza-grade gold zones within the large vein.

Additional consideration should be given to the sedimentary / mafic volcanic contact north of the Sky Vein structure. This is a poorly understood contact that may be similar to the Sky Vein in that it forms a major D3 structure and may therefore be prospective for blind and undiscovered gold-bearing veins.

The Table Mountain Property veins are worthy of further exploration, especially if they could one day augment a processing facility at Taurus. It seems highly plausible that major undiscovered veins exist at Table Mountain, but will require extensive mapping, geophysical surveying and drilling to target and discover.

Respectfully submitted,

Darcy Baker, P.Geo.

Margot McKeown, B.Sc., GIT

EQUITY EXPLORATION CONSULTANTS LTD.

Vancouver, British Columbia

February 28, 2013

Appendix A: Bibliography

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Appendix B: Statement of Expenditures

STATEMENT OF EXPENDITURES
Table Mountain Property
June 1 - October 1, 2012

PROFESSIONAL FEES AND WAGES:

Henry Awmack, P.Eng.				
	0.02 days @	$700/day	$	14.95
Darcy Baker, P. Geo.				
	14.64 days @	$700/day		10,246.38
Joshua Bunce, Sampler				
	2.96 days @	$275/day		813.30
Hannah Cavallin, Sr. Sampler				
	3.86 days @	$325/day		1,254.86
Ryan Congdon, Geologist				
	10.19 days @	$575/day		5,857.37
Dan Gainer, Sr. Sampler				
	10.19 days @	$325/day		3,310.69
Mitchell Garrison, Sr. Sampler				
	6.33 days @	$325/day		2,055.83
Brian Hegarty, Sr. Sampler				
	3.68 days @	$325/day		1,195.05
Evan Jones, Sr. Sampler				
	3.61 days @	$325/day		1,174.76
Veronique Jones, Sr. Sampler				
	9.04 days @	$325/day		2,936.90
Charlotte Lebel, Sampler				
	0.33 days @	$275/day		90.37
Michelle Lebel, Sampler				
	2.77 days @	$275/day		762.69
Jim Lehtinen, P. Geo.				
	6.98 days @	$700/day		4,887.99
Marilyn Livingston, Cook/First Aid Level III				
	11.58 days @	$550/day		6,370.82
Margot McKeown, Project Geologist				
	28.56 days @	$700/day		19,992.58
Stewart McLean, Camp Manager				
	5.18 days @	$450/day		2,328.98
Scott Parker, GIS/Logistics				
	2.46 hours @	$75/hour		184.84
Mary Porter, Cook				
	9.53 days @	$475/day		4,526.52
Neil Rushton, First Aid Level III				
	5.91 days @	$400/day		2,365.95
Randi Simonovic, Sampler				
	4.35 days @	$275/day		1,197.35
Colin Slauenwhite, Project Manager				

	3.06 days @	$625/day	1,914.12	
Robert Treat, Geologist	9.04 days @	$575/day	5,196.06	
Ron Voordouw, PhD	16.47 days @	$700/day	11,531.05	
Sammy Wallace, Sampler	4.11 days @	$275/day	1,129.58	
Agata Zurek, GIS	63.67 hours @	$75/hour	4,775.03	
Clerical	13.97 hours @	$35/hour	488.80	$ 96,602.82

EQUIPMENT RENTALS:

Core Saw (Electric)	24.56 days @	$40/day	$ 982.53	
Field Computers	93.32 days @	$40/day	3,732.95	
Micromine Software	81.35 hours @	$40/hour	3,254.00	7,969.48

EXPENSES:

Chemical Analyses	$ 24,858.75
Field Equipment Repairs & Maintenance	1,010.49
Field Consumables	431.39
Materials and Supplies	1,722.66
Plot Charges	121.32
Camp Food	5,518.98
Meals	168.47
Accommodation	185.07
Taxis and Airporters	137.14
Truck Rental (Non-Equity)	473.19
Automotive Fuel	93.35
Automotive Expenses	11.00
Aircraft Charters	430.96
Busfare	1.65
Airfare	8,018.13
Telephone Distance Charges	31.25
Freight	4,126.37
Bulk Fuel	13,339.21
Camp Maintenance/Catering	36.97
Satellite Phone Rental	41.08
Downhole Survey Tool Rental (Non-Equity)	1,634.07
Cat	2,891.72
Forklift	410.76
Drilling: Footage	147,183.57
Drilling: Materials	9,165.11
Drilling: Coreboxes	2,144.58
Geological Consulting	501.58
Expediting	496.43

Telephone Rental	228.78	
Internet Charges	667.97	
Other Contract Workers (Electrician)	276.03	
Project Supervision Charges	33,898.62	
Report (estimated)	821.51	261,078.15
TOTAL:		**$ 365,650.44**

Costs prorated by metres drilled

Metres drilled on Table Mountain:	1355
Total metres drilled on Taurus and Table Mountain:	8247
Pro rata proportion spent on Table Mountain:	16.430217%

Appendix C: Quality Control / Quality Assurance

QUALITY CONTROL / QUALITY ASSURANCE

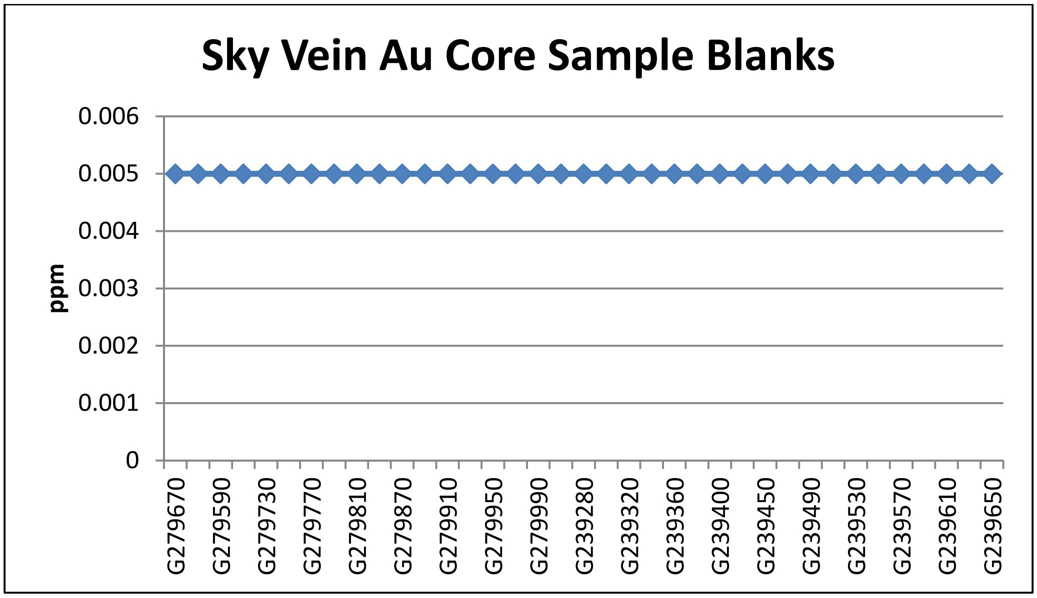
I Chain of Custody

2012 drill core was logged and sampled at the core shack facility located adjacent to the old Erickson Minesite office at the Table Mountain Property. Samples were packed in clear plastic rock bags, sealed and then shipped with other samples in woven rice sacks which were sealed with uniquely-numbered, non-resealable security straps. Rice sacks were trucked to the ALS Global preparation laboratory in Terrace, B.C. (an ISO 9001 registered facility) via Bandstra Transportation Systems Ltd. Bandstra's regularly scheduled trucks collected the rice sacks directly from the core logging facility loading dock. ALS reported that all bags were received in good condition, with all security straps intact, and with no evidence of tampering.

II Drill Core Blanks

Blanks are samples which are known to be barren of mineralization and are inserted into the sample stream in the field to determine whether contamination has occurred after sample collection. During the 2012 programme, commercially available coarse crushed limestone (the type used for gardening) was used as a blank because this material is generally known to be devoid of metals and is coarse enough that it must undergo crushing and pulverizing. Blanks were inserted every 20 samples for a total of 37 samples.

Review of the analytical results for the 2012 blanks indicates that all blank samples in the core sample stream returned uniformly low values in elements of interest. Au concentration is shown in chart below on the x-axis and sample numbers for the blank samples are displayed on the y-axis. All blanks returned values below the detection limit (≤0.005 ppm Au).

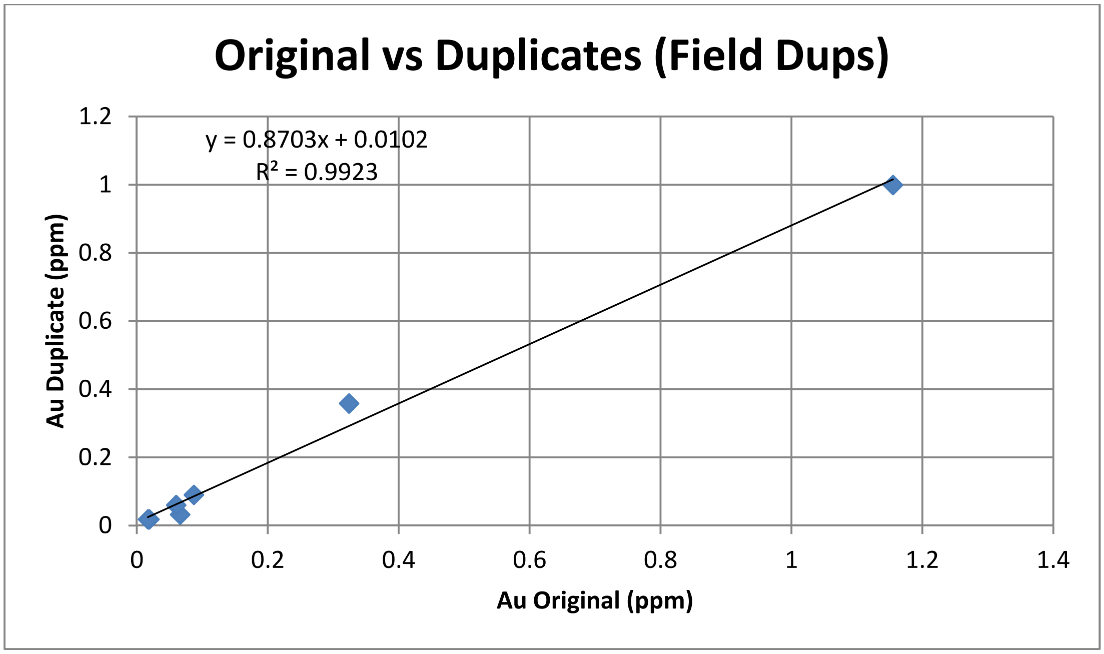


III Field Duplicate Analysis

Field duplicates consist of the collection and analysis of two separate samples from the same field location or core interval. They are used to measure the reproducibility of sampling, which includes both laboratory variation and sample variation. The most important duplicate is the field duplicate as precision error estimated with these data is a cumulative error, which will include all subsequent sample preparation and analytical error as well as the natural variability of the parent material.

During the 2012 Table Mountain drilling campaign, core field duplicate samples were initially sawn into two halves and then one half was sawn into two quarters with one quarter as the primary sample and the other quarter as the field duplicate. One half of the original core is retained in the core box. A field duplicate was taken every 80 samples.

Scatter plots of the duplicate data allow a visual comparison of the precision at the two stages of sample size reduction. Outliers are marked in red.

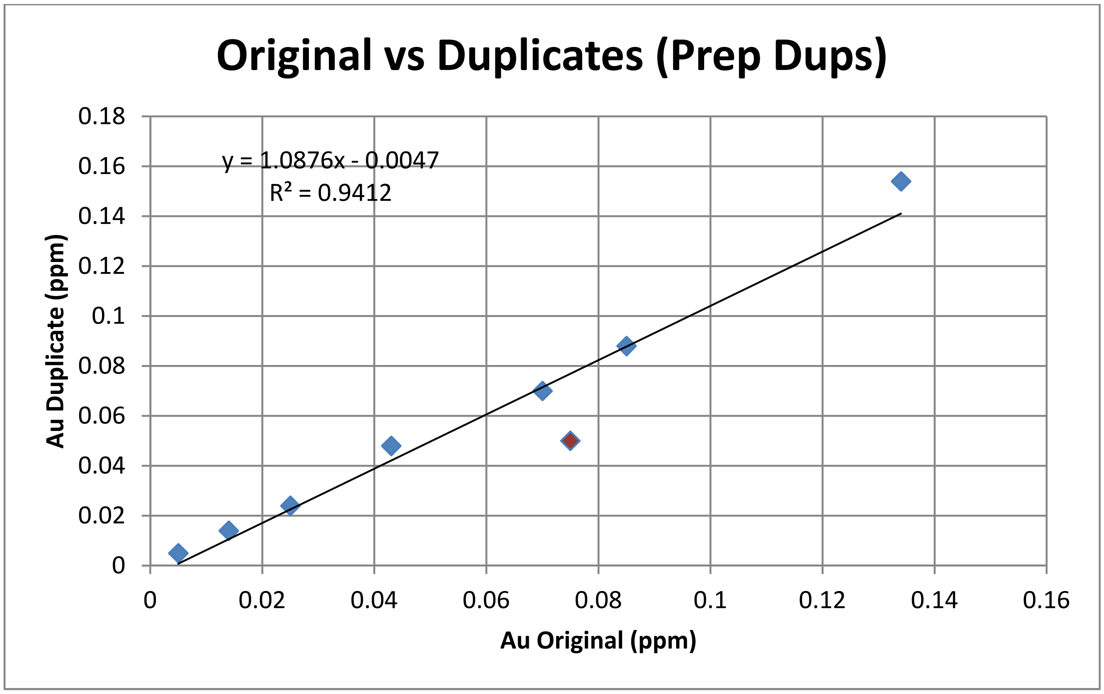


The scatter plot for field duplicates indicates very good precision. The Pearson coefficient is very high demonstrating a strong linear dependence between the original and duplicate pairs. The sample set is limited to seven duplicate pairs none of which contain high Au values, and therefore the inhomogeneous distribution of gold that is characteristic of the property is not an issue for these samples. At the lower end of the grade spectrum, these field duplicates show a low level of sample preparation and analytical error.

IV Preparation Duplicate Analysis

Preparation duplicates are separate analyses of two portions of a prepared sample. They are used to measure the reproducibility of laboratory analyses. The lab was instructed to make two pulps from the crushed sample and analyze each separately. The duplicate sample tag was inserted into an empty sample bag and shipped with the original sample with instructions to prepare a second pulp. During the 2012 program preparation duplicate samples were completed every 80 samples. This dataset is limited to 8 sample pairs which is not ideal for statistical analysis.

The expectation is that the precision will improve from the field duplicate to preparation duplicate as the samples are more homogenous due to crushing, pulverizing and mixing. It is also expected that precision will improve with element (e.g. Au, Cu) concentration.



The scatter plot above indicates high precision with the preparation duplicates taken after coarse crushing. The Pearson coefficient is slightly lower than with the field duplicate pairs indicating a lower linear dependence between the original and duplicate samples. While this is unexpected it appears to be solely due to variation with one duplicate pair (duplicate sample G279925 marked in red) that varied by 0.025 ppm Au. The variation between the two samples can be explained by spatial variability of gold distribution in the sample due to the nugget effect.

IV Standards

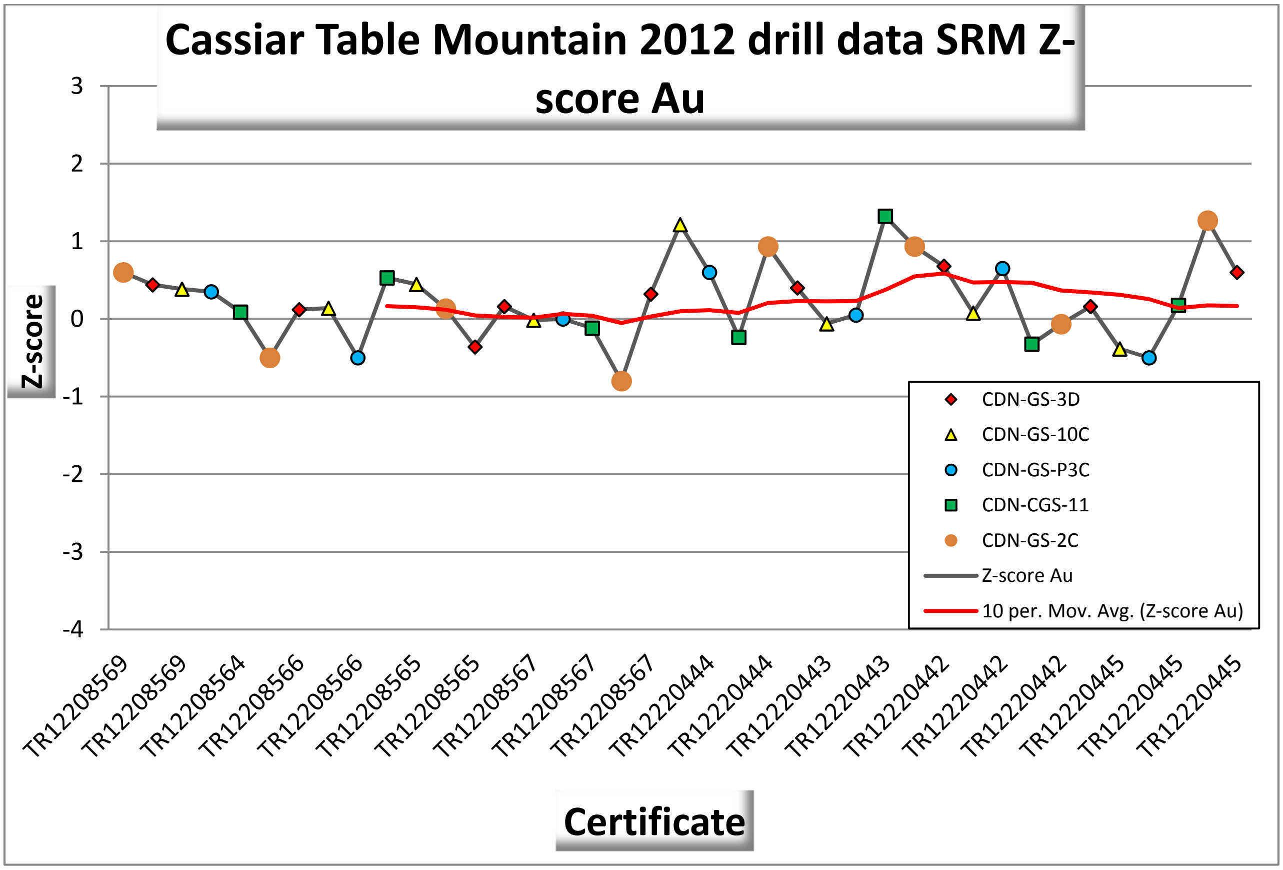
Standard reference materials (SRM) are inserted into the sample stream to gauge the accuracy of the lab's analyses. Five SRM's were inserted into the 2012 core sample stream; CDN-GS-3D, CDN-GS-10C, CDN-GS-P3C, CDN-CGS-11 and CDN-GS-2C. The means and standard deviations for certified values established during round robin standard certification are used for calculating warning and control limits.

STANDARD:	Au (ppm)		Cu (%)	
	Au (g/t)	Std. Dev. (g/t)	Cu (%)	Std. Dev. (g/t)
CDN-GS-3D	3.41	0.25		
CDN-GS-10C	9.71	0.65		
CDN-GS-P3C	0.263	0.02		
CDN-CGS-11	0.73	0.068	0.683	0.026
CDN-GS-2C	2.06	0.15		

Warning limits are set at the mean ±2 standard deviations (σ) and control limits are set at ±3σ. Any single SRM beyond the upper and lower control limits is deemed a failure and consecutive standards on the same certificate exceeding the warning limits are also deemed failures.

Shewhart charts which plot concentration versus sample sequence are attached below. By plotting the z-score, multiple SRM's can be displayed for each element; the z-score levels the mean and standard deviation for each SRM so that warning limits are indicated by a z-score of ±2 and control limits are indicated by a z-score of ±3.

None of the standards failed or fell outside of the warning limit of ±2 standard deviations (σ) which demonstrates good analytical accuracy for gold, although analytical results appear to be biased slightly high relative to the certified values of the SRMs.



VII Conclusions

- There is no evidence of tampering with the samples between collection and the laboratory.
- Consistently low values for Au analyses in blank samples indicate that contamination of core samples did not take place in the field, or in the lab.
- Quarter-core field duplicates and laboratory preparation duplicates both indicate acceptable reproducibility. Though it was not an issue for these samples as they returned low Au values the nugget effect is typically very pronounced with the Cassiar geology. It is recommended that that future programs not collect field duplicates since any variability measured will only reflect the variability of gold distribution within the sample and not reflect the reproducibility of sample preparation and analysis methods. Lab duplicates provide a better measure of the reproducibility of laboratory results. A second set of duplicates could be taken from the final sample pulp and would provide a more meaningful measure of lab reproducibility and replicate analysis measuring the variance of sampling.
- All standards passed, indicating sufficient analytical accuracy for gold.
- Due to the limited size of the program, insufficient blank, field duplicate and preparation duplicate samples were analyzed to make definitive conclusions about contamination and reproducibility. Conclusions for them should be considered preliminary.

- Although not presented here, ALS Minerals carries out a full QA/QC protocol, including blanks, duplicates and standards, on laboratory handling and analysis of samples and satisfy themselves that results are satisfactory, prior to issuing certificates.

Appendix D: Digital Data Archive

Report text, geochemical and drill databases, geophysical files, drafting and plot files, photographs

Appendix E: Geologist’s Certificates

QUALIFIED PERSON'S CERTIFICATE

Darcy E.L. Baker
114 – 2635 Prince Edward Street
Vancouver, BC, Canada

I, **DARCY E.L. BAKER**, P.Geo., do hereby certify that:

1. I am a Consulting Geologist and President of Equity Exploration Consultants Ltd., a geological consulting and contracting firm with offices at Suite 200–900 West Hastings Street, Vancouver, B.C.

2. I am an co-author of the assessment report *2012 Table Mountain Property Drilling Report, Cassiar Gold Project* prepared for China Minerals Mining Corporation

3. I am a member in good standing (#33,448) of the Association of Professional Engineers and Geoscientists of British Columbia.

4. I am a graduate of Dalhousie University (1997) with an Honours Bachelor of Science degree in Geology, and am a graduate of the University of Newcastle, Australia (2003) with a Doctor of Philosophy degree in Geology, and I have practiced my profession continuously since 1997.

5. Since 1997 I have been involved in mineral exploration for gold, silver, copper, uranium, molybdenum, lead and zinc in Canada, Alaska, Nevada, Mexico and Australia.

6. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

7. I was directly involved with the planning, managing and execution of the 2012 diamond drilling program on the Cassiar Gold Project between June 1st and October 1st, 2012.

Dated at Vancouver, British Columbia, this 28th day of February, 2013.

"signed and sealed Darcy Baker"

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Darcy E. L. Baker, Ph.D., P.Geo.

GEOLOGIST'S CERTIFICATE

Margot McKeown
2309 – 928 Homer Street
Vancouver, BC, Canada

I, **MARGOT MCKEOWN**, do hereby certify that:

1. I am a Project Geologist employed by Equity Exploration Consultants Ltd., with offices at Suite 200–900 West Hastings Street, Vancouver, B.C.

2. I am an co-author of the assessment report *2012 Table Mountain Property Drilling Report, Cassiar Gold Project* prepared for China Minerals Mining Corporation

3. I am a graduate of the University of Victoria (2008) with a Bachelor of Science degree in Earth Science, and I have practiced my profession since 2008.

4. Since 2006, I have been involved in mineral exploration for gold, copper, lead and zinc and in Canada and the United States.

5. I am currently a Consulting Geologist and have been since 2010.

6. As of February 25, 2013, I am enrolled as a Geologist-In-Training with the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

7. I was directly involved with the planning, managing and execution of the 2012 diamond drilling program on the Cassiar Gold Project between June 1st and October 1st, 2012

8. I examined a majority of the core from that program.

Dated at Vancouver, British Columbia, this 28th day of February, 2013.

"signed Margot McKeown"

Margot McKeown, B.Sc, GIT