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)]: Prospecting

TOTAL COST: $15,000

AUTHOR(S): J. T. Shearer, M.Sc., P.Geo. **SIGNATURE(S):** J. Shearer

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S):

YEAR OF WORK: 2012

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): Event #5417411

PROPERTY NAME: Sherwood

CLAIM NAME(S) (on which the work was done): Sherwood 7, Skookum 1
848167and 842294

COMMODITIES SOUGHT: Volcanic Ash

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN:

MINING DIVISION: Clinton **NTS/BCGS:** 92P/2W

LATITUDE: 51 ° 04 '59 " **LONGITUDE:** 120 ° 52 '06 " **(at centre of work)**

OWNER(S):
1) J. T. Shearer 2)

MAILING ADDRESS:
Unit 5 - 2330 Tyner Street
Port Coquitlam, BC V3C 2Z1

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

MAILING ADDRESS:
as above

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
Valley fill by fine to coarse rhyolitic volcanic ash of Miocene age having pozzolanic properties and oil absorbing mainly flat lying up to 100m thick

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:
Assess. Rpt. 22,221 and 30,478

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			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)		848176, 842294	~~6,800~~ 15,000
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:	~~6,800~~ 15,000

GEOLOGICAL ASSESSMENT REPORT
ON THE
HI OX GOLD PROJECT and
SHERWOOD VOLCANIC ASH DEPOSIT

CLINTON MINING DIVISION
Lat. 51"08'43”N Long. 120°47’57”W
+ 51°04’59”N/120°52’06”W
N.T.S. 92P-2W (92P.016)
Event #5417411
Permit MX-4-632

for:

HOMEGOLD RESOURCES LTD.
Unit 5 – 2330 Tyner Street
Port Coquitlam, British Columbia
V3C 2Z1

by:

J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)
E-mail: jo@HomegoldResourcesLtd.com
Phone: 604-970-6402

January 15, 2013

Fieldwork completed between January 1, 2012 and November 19, 2012

Mr. Shearer standing in front of the designated sampling site on the east side of the quarry road (WP0005).

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SUMMARY

The Hi Ox gold property is located approximately 50 kilometres north of Savona and is accessible on a good-quality public gravel road north from the Trans-Canada Highway, at a point 7.4 kilometres west of Savona. It is about 60km northwest of Kamloops.

At least two styles of mineralization are present on the property. At the Depression and Lake Zones, mineralization consists of a chalcedonic quartz stockwork and calcite veining within an argillite breccia and a quartz vein hosted in andesite tuff (Assessment Report 15143). Locally disseminated pyrite is found in tuff at the Lake zone. At the Bridge zone, a vein system is hosted by quartz diorite (Assessment Report 15987), where Hole 85-4 ran from 30 to 40 feet 4700 ppb gold. A two foot sections assayed 0.729 oz./ton gold. An assay of 1800 ppb gold was obtained in a rock chip sample from a trench on the Lake zone (Assessment Report 14101).

The Hi Ox claims are underlain by argillite and andesite of the Upper Triassic Nicola Group that are exposed in a window through the Miocene plateau basalts which blanket most of the surrounding area. The argillite is interbedded with andesitic tuffs, augite porphyry and minor agglomerate (Assessment Report 14101). Nicola Group rocks are intruded by biotite quartz diorite which are probably part of the Triassic to Jurassic Thuya batholith (Geological Survey of Canada Memoir 363).

In 1985, a program of rock chip sampling (32 samples), soil sampling (1260 samples), linecutting, induced polarization surveying (14.3 kilometres), magnetometer surveying (28 kilometres), VLF-EM surveying (28 kilometres), reverse circulation percussion drilling (9005 metres in 20 holes) and diamond drilling (183 metres in 4 holes) was carried out. Placer Development Limited optioned the property and in 1986 (Assessment Report 15987) completed additional induced polarization surveys (12 kilometres) and four diamond-drill holes (526 metres). In 1987, Placer Development completed additional rock chip and soil geochemical surveys, geological mapping, magnetometer and VLF-EM surveys (Assessment Report 16617).

Between 2010 and 2012, a program of area reconnaissance, road traverses, prospecting and VLF-EM, ground magnetometer was completed by Homegold Resources Ltd. Previously discovered showings were examined and rock samples collected. Assay results confirm the presence of stockwork gold mineralization.

Assessment applied in 2012 to 2013 consisted of For purpose of demonstrating odour capture to perspective users in the BC Lower Mainland, It was decided to take a larger sample of Sherwood volcanic ash after snow cover gave way to spring conditions.

24 plastic 20 litre size buckets were collected June 1 + 2 from upper bank, Deadman Creek Forest Service Road 8 km south of Vidette Resort turn off, 44km from Highway 1.

As each was involved with collection, storage and processing decomposing organic materials the City of Surrey, Harvest Energy, Richmond and Wastek, Cache Creek were contacted for their support by experimenting with Sherwood Ash application as a means to control unwelcomed odour.

To optimize potential application effectiveness fine grinding of ash to powder was done in Abbotsford using a First American mill in early November after SGS, Delta, small mill test bucket sizing was deemed insufficient for intimate mixing and coating contact with residential organics collected in Surrey and

subsequently processed for methane and soil generation in Richmond while Cache Creek experimented with a leachate application.
Buckets of fine ground Sherwood Ash were distributed for individual testing purposes in November. Each recipient was aware of bench test small odour control trials using decaying foods, strong odour items such as smoked salmon and respective positive results subject to an individual's sensitivity to smell.

Geologically, the property is underlain by rhyolite ash of the Miocene Deadman River Formation (Chilcotin Group). This volcanic ash occurs in flat-laying beds and is soft and poorly consolidated. The ash is mainly composed of sandy-pebbly, whitish to buff colored fine to very fine- grained lapilli tuffs.

Sherwood Creek Ash was previously tested for its pozzolanic properties. All chemical and physical results met the American Society for Testing Metals (ASTM) specifications. The ash is proved to be pozzolanic and can be used as a mineral admixture in concrete.

Previous investigation indicated that the ash is a quality absorbent for oil and oil products (Yacoup, 2008).

In 2002, Sherwood Creek Ash was investigated as a Hi-Tech environmental product (Vitrolite).Such a product offers thermal conductivity and hardness value to all plastic products. Vitrolite can significantly reduce the mold cycle times, increase productivity and improve quality. Ultimate cost savings can be enormous in manufacturing plastic products.

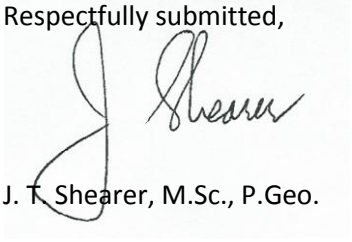
Previous work (Yacoub, 2008) indicates that the average glass content of the Sherwood Creek deposit is not high enough to be good source of Vitrolite. The average glass content of the lower unit is 61.1% and the average glass content of the upper unit is 34.7%. However, two layers of pure chalky ash hosted by the lower unit proved to be of top quality glassy ash. The glass content of the chalky ash within these two layers ranges between 85% and 90%, indicating high quality volcanic ash and a top quality source of Vitrolite.

The property is in an excellent location in south-central British Columbia, with good road access and is a short distance from the Canadian National Railways.

The work program in 2012 and 2013 focussed on the general properties of the fine ash deposits in the north part of the property near Skookum Lake and also of the coarse clastic pumaceous material near the south end of Snohoosh Lake.

A program, in 2013, of continued geological mapping, bulk sampling and systematic testing toward outline a deposit of high absorbency for oil is recommended.

Respectfully submitted,



J. T. Shearer, M.Sc., P.Geo.

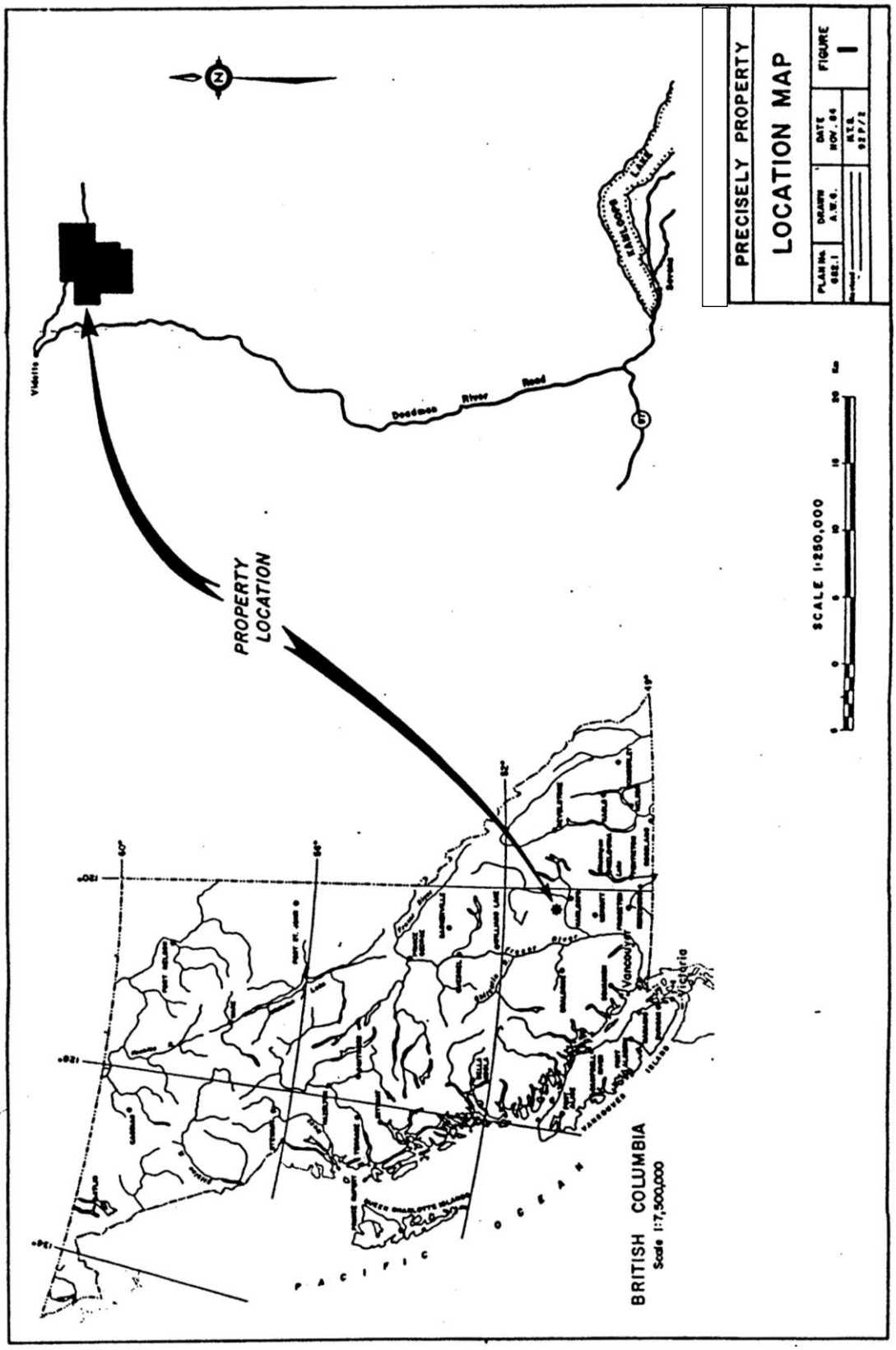

PRECISELY PROPERTY
LOCATION MAP
FIGURE 1
PROPERTY LOCATION
Dease River Road
SCALE 1:250,000
BRITISH COLUMBIA
Scale 1:7,500,000
PACIFIC OCEAN

Figure 1

Sherwood Creek (General Location Map)

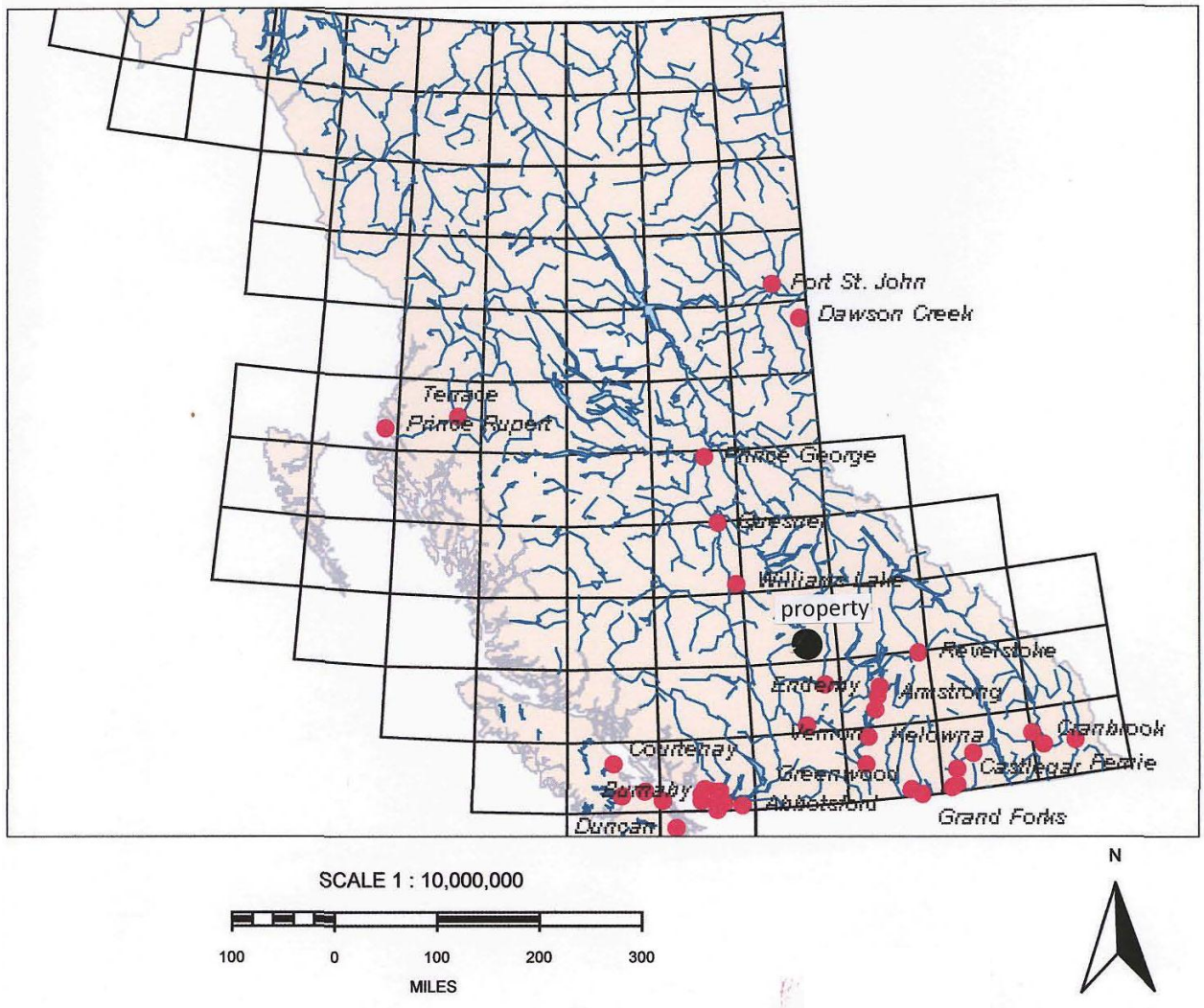


Figure 2

INTRODUCTION

The Hi Ox claim group consists of ten (10) claims (4,441.88ha) located 62 km northwest of Kamloops, B.C. The claims cover volcanic and minor sedimentary rocks of the Triassic Nicola Group and have been intruded by diorite and granodiorite. Extensive work during the period 1984 through 1986 had found gold values in silicified and brecciated argillites and in quartz veins and alteration envelopes in granodiorite.

A small exploration program in 2010 to 2011 was directed to examine the road access, previously defined gold showings and follow-up of gold in soil results property in an effort to detect new areas of mineralization. The current 2012 program of geophysical surveying (VLF-EM and ground magnetometer) and geological mapping is the subject of this report.

At least two styles of mineralization are present on the property. At the Depression and Lake Zones, mineralization consists of a chalcedonic quartz stockwork and calcite veining within an argillite breccia and a quartz vein hosted in andesite tuff (Assessment Report 15143). Locally disseminated pyrite is found in tuff at the Lake zone. At the Bridge zone, a vein system is hosted by quartz diorite (Assessment Report 15987), where Hole 85-4 ran from 30 to 40 feet 4700 ppb gold. A two foot sections assayed 0.729 oz./ton gold. An assay of 1800 ppb gold was obtained in a rock chip sample from a trench on the Lake zone (Assessment Report 14101).

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This report presents the results of the 2012-2013 fieldwork program completed on the Sherwood Volcanic Ash Deposit. The main purpose of this report is to study the physical and microscopic characteristics of the volcanic ash of the property. The report also describes the regional geology and the past exploration in the area and outlines a budget proposal for the next phase exploration program.

LOCATION and ACCESS

The Hi Ox and Sherwood Volcanic Ash Deposit properties are located approximately 62 km northwest of Kamloops, B.C., and 7 km southeast of Vidette Lake. Access is via the all-weather Deadman River road which leaves the Trans-Canada Highway at a point 5 km west of the Thompson River Bridge at Savona, B.C. The Deadman River road crosses the northwest corner of the Hi Ox property. Local ranch and logging roads provide access to most parts of the claim group.

The property is situated near the south end of the Fraser Plateau at an elevation of about 1,100 meters. Topographic range on the property is approximately 150 meters. Much of the claim group is gently rolling with low ridges and knolls interspersed with gullies, swampy pothole lakes and sloughs. The general trend to this topography is 160'.

Large sections of the property are covered with open poplar forest and patches of lodgepole pine and spruce. Large firs are scattered about on the higher hills. Much of the forest has been decimated by the mountain pine beetle.

The Sherwood Volcanic Ash Deposit is located in south-central British Columbia, approximately 60 kilometers northeast of the town of Cache Creek.

Access to the property is via the Trans-Canada Highway going east from Cache Creek, then follow the well maintained all-weather Deadman Road going northeast for thirty-eight kilometers up to the property.

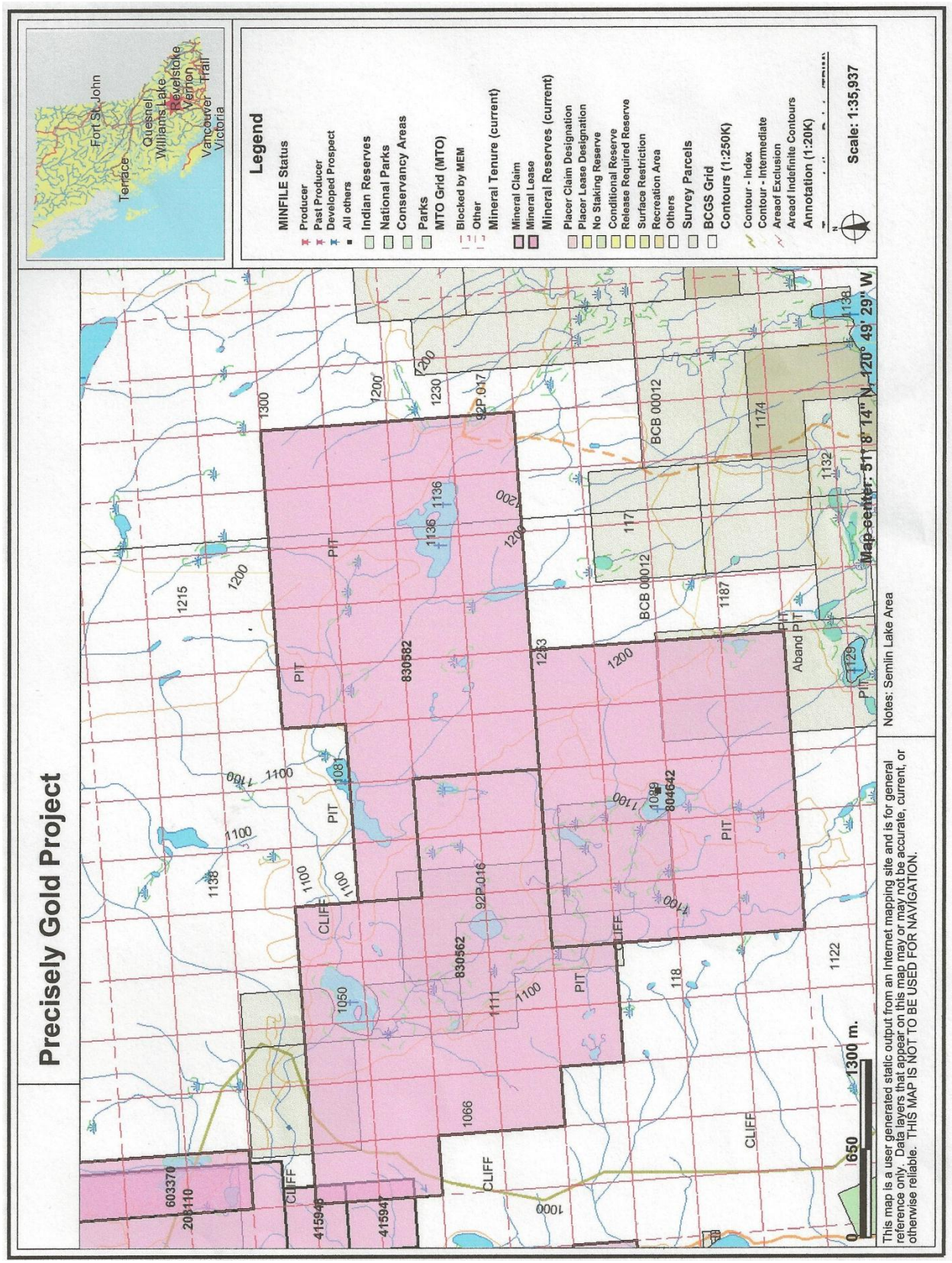


Figure 3 Claim Map, Hi Ox

CLAIM STATUS

The Sherwood Volcanic Ash Deposit consists of nine contiguous mineral claims, totalling 1,502.33ha. The property lies in the Clinton Mining Division.

TABLE I
List of Claims

Tenure No:	Claim Name	Area (ha)	Record Date	Good To Date	Owner
846176	Sherwood 7	406.33	February 11, 2011	July 15, 2012	J. T. Shearer
846097	Sherwood South	81.25	February 10, 2011	July 15, 2012	J. T. Shearer
842292	Marshy Lake 1	121.85	January 3, 2011	July 15, 2012	J. T. Shearer
846098	Sherwood South 1	60.92	February 10, 2011	July 15, 2012	J. T. Shearer
842284	Sherwood 3	162.40	January 3, 2011	July 15, 2012	J. T. Shearer
842282	Sherwood 1	20.30	January 3, 2011	July 15, 2012	J. T. Shearer
842283	Sherwood 2	60.91	January 3, 2011	July 15, 2012	J. T. Shearer
831333	Precisely 6	405.76	August 10, 2010	May 31, 2012	J. T. Shearer
842294	Skookum 1	182.61	January 3, 2011	July 15, 2012	J. T. Shearer

Total ha: 1,502.33

List of Claims

Tenure No:	Claim Name	Area (ha)	Record Date	Good To Date	Owner
804642	Big D	405.70	June 29, 2010	May 31, 2012	J. T. Shearer
830562	Precisely 2	486.68	July 29, 2010	May 31, 2012	J. T. Shearer
830582	Precisely 3	506.94	July 29, 2010	May 31, 2012	J. T. Shearer
830602	Precisely 4	426.10	July 29, 2010	May 31, 2012	J. T. Shearer
831332	Precisely 5	405.62	August 10, 2010	May 31, 2012	J. T. Shearer
831334	Precisely 7	486.93	August 10, 2010	May 31, 2012	J. T. Shearer
831469	Precisely 8	506.81	August 12, 2010	May 31, 2012	J. T. Shearer
831470	Precisely 9	486.89	August 12, 2010	May 31, 2012	J. T. Shearer
832359	Precisely 10	324.45	August 28, 2010	May 31, 2012	J. T. Shearer

Total ha: 4,036.12

Following revisions to the Mineral Tenures Act on July 1, 2012, claims bear the burden of $5 per hectare for the initial two years, $10 per hectare for year three and four, $15 per hectare for year five and six and $20 per hectare each year thereafter.

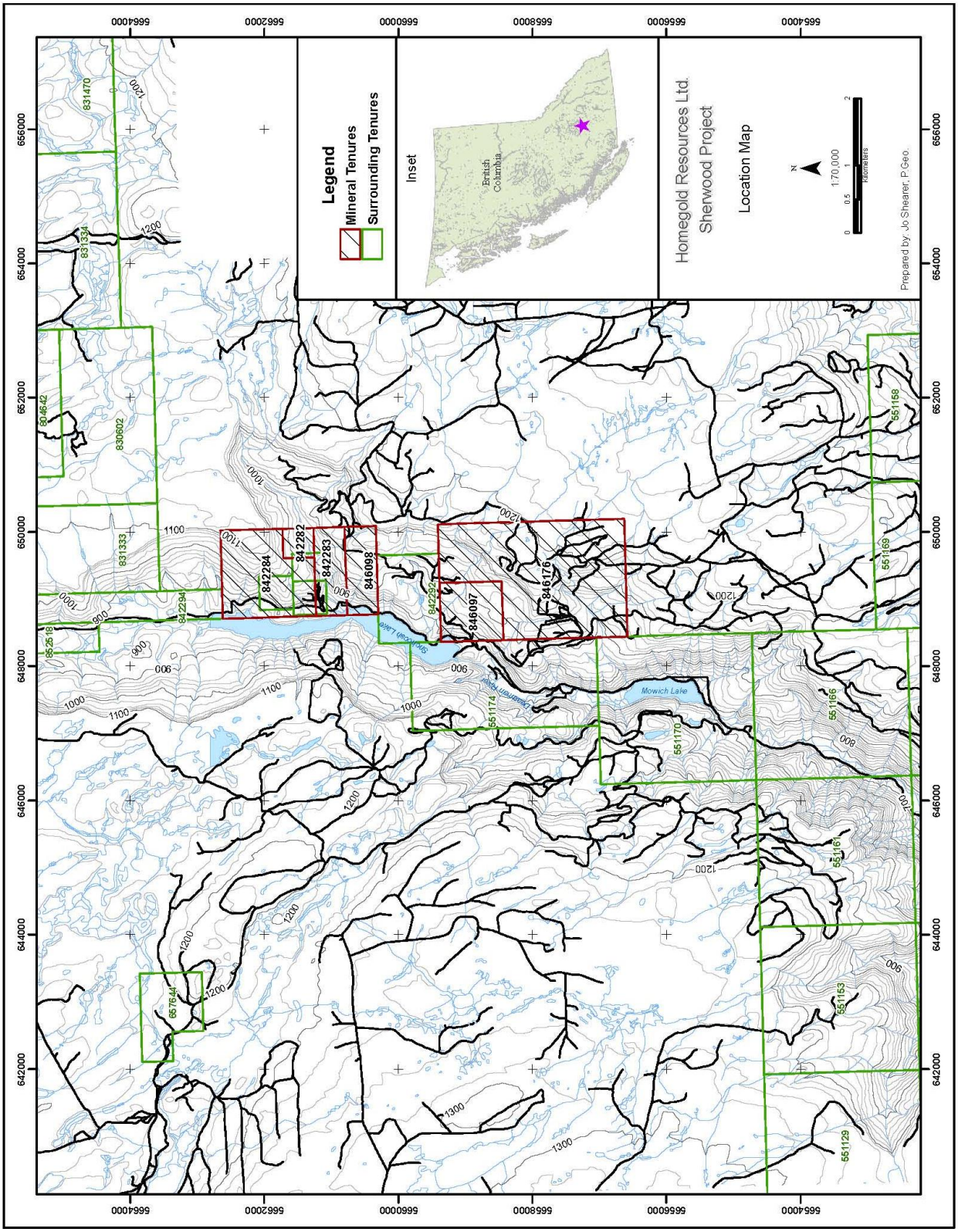


Figure 4 Access Map, Sherwood

HISTORY

The Sherwood Creek occurrence has been known for many years as a good possible source of pozzolan. An attempt was made to exploit the deposit in 1959.

In June 1959, a little development work was done on the main exposure north of Sherwood Creek and a tractor road was put in for approximately 250 meters along the bottom exposure of the chalky white ash. Also, a shallow trench had been bulldozed northward up the slope. At approximately 90 meters west of the first trench a second trench was dug in horizontally for 60 meters and exposed 10 meters of white ash. At approximately three hundred meters north of the second trench a third trench was put in for thirty meters and exposed a buff colored ash. White ash was found extensively at the main deposit and in another outcrop approximately 1.5 kilometers south of the Sherwood Creek deposit by the main road. The ash is very uniform in color and extremely fine grained. Previous test showed that 83.6 % of the ash material passed through a 200 mesh screen (Yacoub, 2002 & 2008).

The following shows a screen analysis of a sample from the white fine ash.

Retained on (mesh)	%
35	0
48	0.10
65	0.30
100	0.60
150	0.80
200	14.50
Through 200	83.60

Three representative samples were previously analyzed to determine the chemical composition of the ash. The results are as outlined below:

	(1) Wt%	(2) Wt%	(3) Wt%
SiO_2	73.10	71.70	70.10
Al_2O_3	12.46	13.88	14.31
Fe_2O_3	1.74	1.82	2.69
CaO	Nil	Nil	1.60
K_2O	3.46	3.09	2.66
Na_2O	2.98	1.80	1.64
MgO	0.46	0.38	0.47
H_2O	1.90	4.01	2.27
Organic Matter	3.86		
Total	99.96	99.78	100.04

(1) Finest material (80%-200 mesh)
(2) Medium fine material
(3) Coarsest bet

To test the pozzolanic reaction of the ash a channel sample was collected over 25 meters above the top white bed at the main outcrop of the Sherwood Creek deposit (Yacoub, 2002).

Chemical Analysis = $\frac{-b \pm \sqrt{b-4ac}}{2a}$

Test	A.S.T.M. Requirement	Sherwood Creek Deposit
$SiO_2+AlO_2+Fe_2O_3$	Min. Per cent, 70.0	84.80
MgO	Max Per cent, 5.0	0.49
SO_3	Max Per cent, 3.0	0.10
Ignition Loss	Max Per cent, 1.0	7.25
Moisture Content	Max Per cent, 3.0	3.23

Physical Tests

Test	A.S.T.M. Requirement	Sherwood Creek Deposit
Specific Gravity		2.44
Fineness %	Max 12%	1.00
Activity Index with Cement % of Control at 28 days	Min 75	84
Activity Index with Lime at 7 days	Min 600psi	709
Water Requirement % of Control	Max 115	97
Drying Shrinkage	Max 0.03	-.008
Autoclave Expansion %	Max 0.5	0.06

The test results meet the chemical and the physical requirements to be used as a mineral admixture in concrete. Tests have also indicated that the white ash is suitable for cream glazes on ceramic ware and as an ingredient for certain ceramic bodies.

In 1987, Veto Resources Ltd completed a drilling program consisting of six drill holes to test the Sherwood Creek deposit. A general resource of 10,000,000 tons were indicated and more ground acquisition to the east was recommended.

In 1993, Mr. Michel Dickens conducted a limited prospecting program to test the quality of the ash to absorb oil and eliminate odor. His home testing results indicated that Sherwood Creek volcanic ash has a remarkable quality to absorb crude oil and to eliminate ammonia odor.

In 2001, a previous fieldwork program was conducted to test the capability of the ash to absorb oil and oil products. Results indicated that Sherwood Creek ash is a high quality absorbent for oil products.

In 2002, a detailed geologic investigation on the Sherwood Creek ash deposit located on the Pumice 1 claim was completed by previous workers. The investigation focused on the quality of the ash to be used as Vitrolite and the program has proved that the average glass content of the lower unit of the deposit is 61.1% and the average glass content of the upper unit is 34.7%. The glass content of the ash deposit is not high enough to produce quality Vitrolite. However, the lower unit of the deposit is hosting two layers of high quality ash. The glass content of the ash of these two layers ranges between 85% and 90% indicating top quality ash to be used as a good source of Vitrolite (Yacoub, 2008).

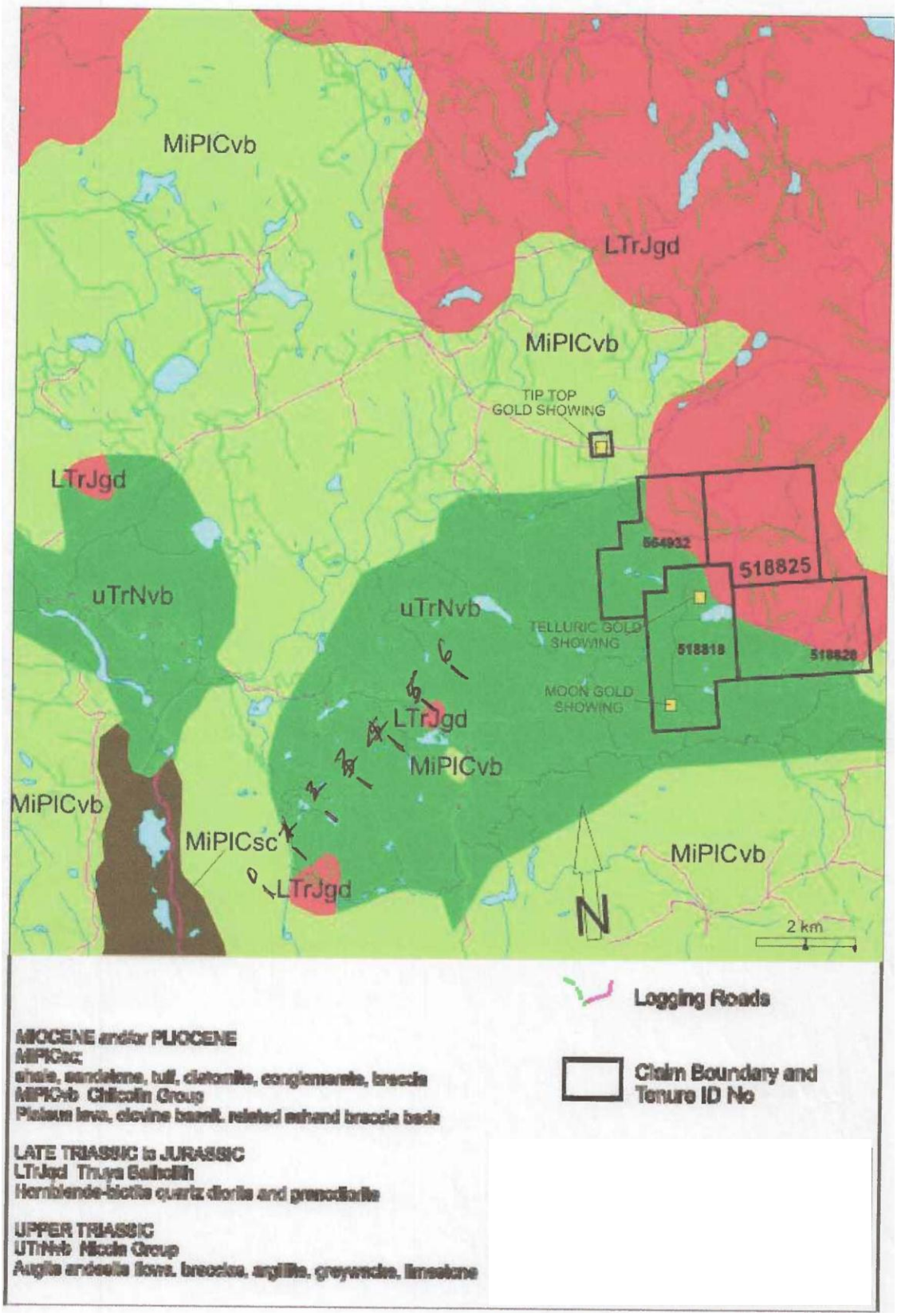


Figure 5 Deposit Location Map

GEOLOGY

REGIONAL GEOLOGY
After P.B.Read and Yacoub

Basalts of the Miocene Chasm Formation (Chilcotin Group) are the most abundant rocks in the region. However, the massive rhyolite ash of the Miocene Deadman River Formation is exposed beneath the basalts as outcrops and cliffs on the east side of the Deadman Valley for a length of 6.5 kilometers.

The Miocene succession consists of up to 350 meters of fluviatile rhyolite ash and fine clastic sediments underlying a minimum thickness of 500 meters of olivine basalt flows. These rocks belong to the Chilcotin Group.

Rocks of the Deadman River Formation underlie parts of the valley walls of Deadman River. White to buff-weathering of massive rhyolite ash dominates and white tuffaceous sandstone and shale occur near the top of the sequence. In the Deadman River valley, Campbell and Tipper (1971) suggested that diatomaceous layers up to 4 meters thick occur near the bottom of the succession.

Cross-section of the Miocene Deadman channel (Mio-Deadman) is two kilometers wide and 380 meters deep with the lower 200 meters filled mainly with rhyolite ash of Deadman River Formation (Read, 1988).

Bevier (1983) noted that the present courses of the Fraser and Chilcotin Rivers were established during the late Miocene. The near coincidence of the Mio-Bonaparte channel and present Bonaparte River, Mio Deadman, present Deadman, and Mio-Snohoosh with Snohoosh Lake may have the same implication of the Late Miocene development.

The Hi Ox Project is located on a window in the Miocene basalts which form the extensive plateau covering large areas of the southern central interior of British Columbia. The olivine basalts found locally essentially form the western and southern boundaries of the claims. The property is underlain by the Triassic Nicola Group; represented by augite andesite flows and breccia, tuff, argillite, greywacke and grey limestone.

Intrusives mapped in the general area are described as quartz monzonite and granodiorite.

LOCAL GEOLOGY

The area of the property is underlain by massive rhyolite ash of the Miocene Deadman River Formation (Chilcotin Group). The Miocene volcanic ash occurs in flat-laying beds and is soft, poorly consolidated and composed of a sandy- pebbly, white-light gray to buff colored very fine to fine grained lapilli tuffs with varies size cavities.

The Sherwood volcanic ash occurs as large, fairly well exposed outcrops located along the main access road.

Exposures can be seen in an easterly direction for at least 400 meters and up to 1,500m. In some places the weathering of the tuffs has left isolated pinnacles 10 to 15 meters high. Within these tuffs are three

horizontal beds of pure white, highly siliceous material, three to four meters thick and separated from one another by 10 to 30 meters of tuffs. The finest material, at the bottom of the section, is located along the old bulldozer road cut and has the appearance of pure white chalk.

The volcanic ash is capped by olivine basalts of the Chasm Formation. The ash is typically tan-brown on both fresh and weathered surfaces. Although, two layers of white, friable ash is found within the exposed section. The ash forms steep slopes (inclination of 50°) that are covered by loose soil, small bushes, and scattered pine trees.

Very light gray massive fine-grained, soft, poorly consolidated volcanic ash. The visual examination of the ash indicates an extensive alteration to clay and amorphous material account for well over 50% of the ash. Samples contain quartz and feldspar. The overall glass content of the ash exposed by the road cuts (glassy ash layer) ranges between 85-90%. However samples collected from several other locations within the ash deposit have visual glass content that is generally lower than those of the glassy unit.

This glassy tuffs are typically a very fine-grained massive to diffusely laminated crystal-bearing vitric tuff comprising a dominantly glassy groundmass and approximately 10% angular fragments of quartz and feldspar crystals, platy muscovite, carbonate aggregate and other indeterminate phases. In detail, the groundmass consists of undeformed curved or elongate glass shards with pale brown very fine ash between the shards. Locally microlites are likely, alkali feldspar (identification based on stained offcut) (Yacoub, 2002 and 2008)occur within the very fine ash. Diffuse planar lamination is defined by irregular fine discontinuous lenses of aphanitic dark brown material (possibly former pumice fragments) and alternating ratios of glass shards to crystals (some more crystal-bearing, shard-poor layers). The X-ray diffraction powder method is recommended to identify aphanitic and indeterminate phases in this sample.

MAJOR MINERALS
Mineral % Distribution & Characteristics Optical

Volcanic glass 50 fine curved, cuspate and rod-shaped clear shards, undeformed isotropic. Pale brown ash 30 aphanitic fine ash, fills the interstices between glass shards isotropic. Dark brown material 7 aphanitic material, occurs as irregular aggregates, possible former pumice fragments, defines diffuse lamination (Yacoub, 2008).

Mineral % Distribution & Characteristics Optical
Alkali feldspar microcrystalline, occurs in groundmass as microlites (identification based on stained offcut)

Quartz: very fine-grained, angular grains, occurs as broken crystal fragments

Feldspar: very fine-grained, tabular forms, occurs as broken crystal fragments Indeterminate crystal fragments.

Vitrolite is an inert off-white material used to improve the physical properties of all plastic polymers. It is produced by a proprietary process from a natural amorphous aluminosilicate glass (high quality volcanic ash with high glass content).

The advantages of using Vitrolite in plastics are unmatched by any other single processing aid on the market today.

Vitrolite
• Reduces costs by reducing cycle time and often reduces operating temperature.
• Achieves increased impact strength and other physical properties for higher quality products.
• Increased production throughout by 20% based upon the application.
• Lower viscosity for better mold fill, fewer short shots, and les rejects.
• Enhanced dispersion, increases effectiveness of additives and possibly reduces pigment load.
• Temperature and molding pressure are often lower, creating less energy consumption and more durable products.

Vitrolite is also a new product that contains special reinforcements which permit very rigid and light material widely used by the leading manufacturer of motorhomes in the USA with high success.

The market price for quality Vitrolite ranges from $7 to $8 per pound (Yacoub, 2008).

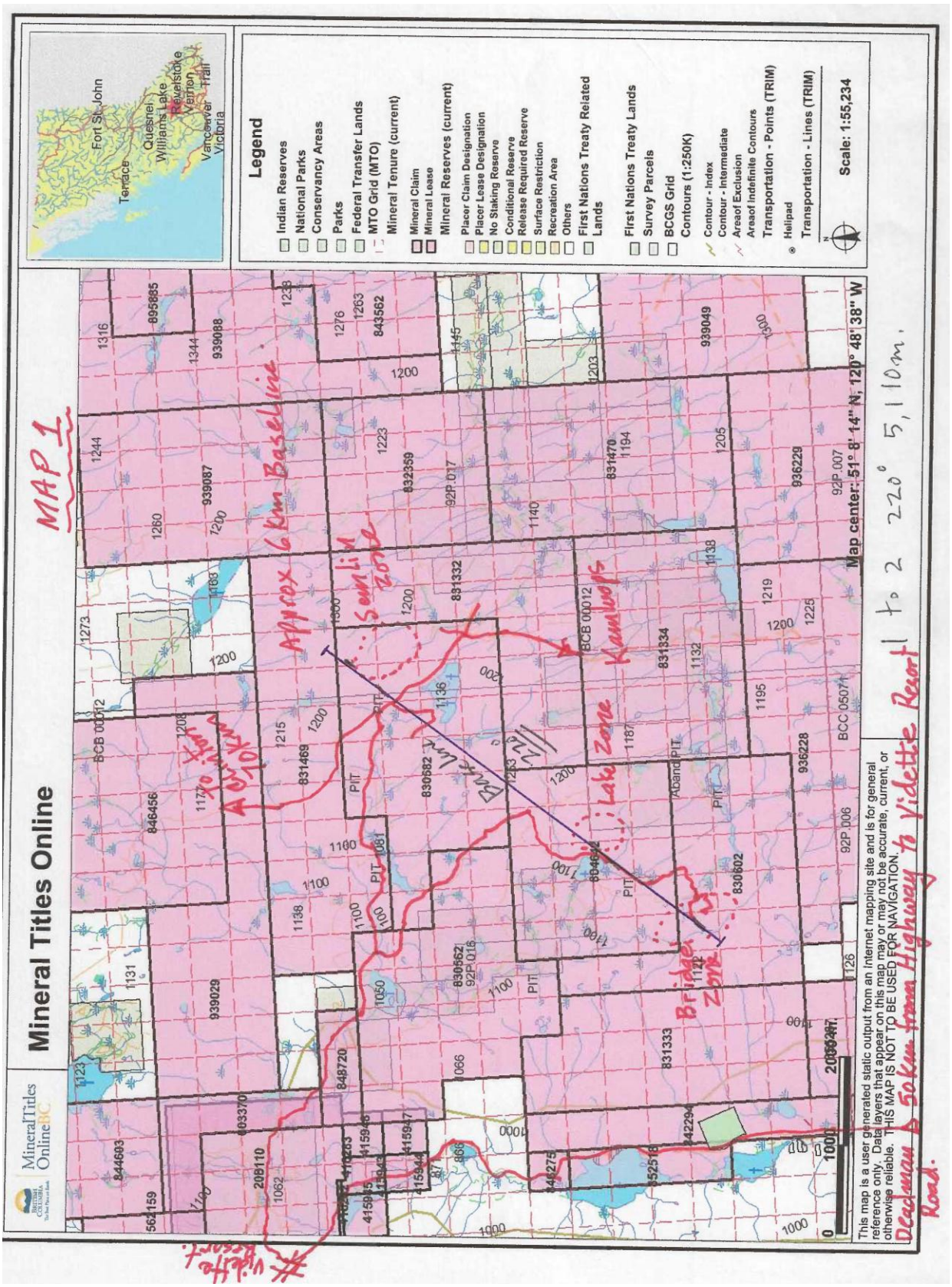


Figure 6 Claim Map and Hi Ox Baseline

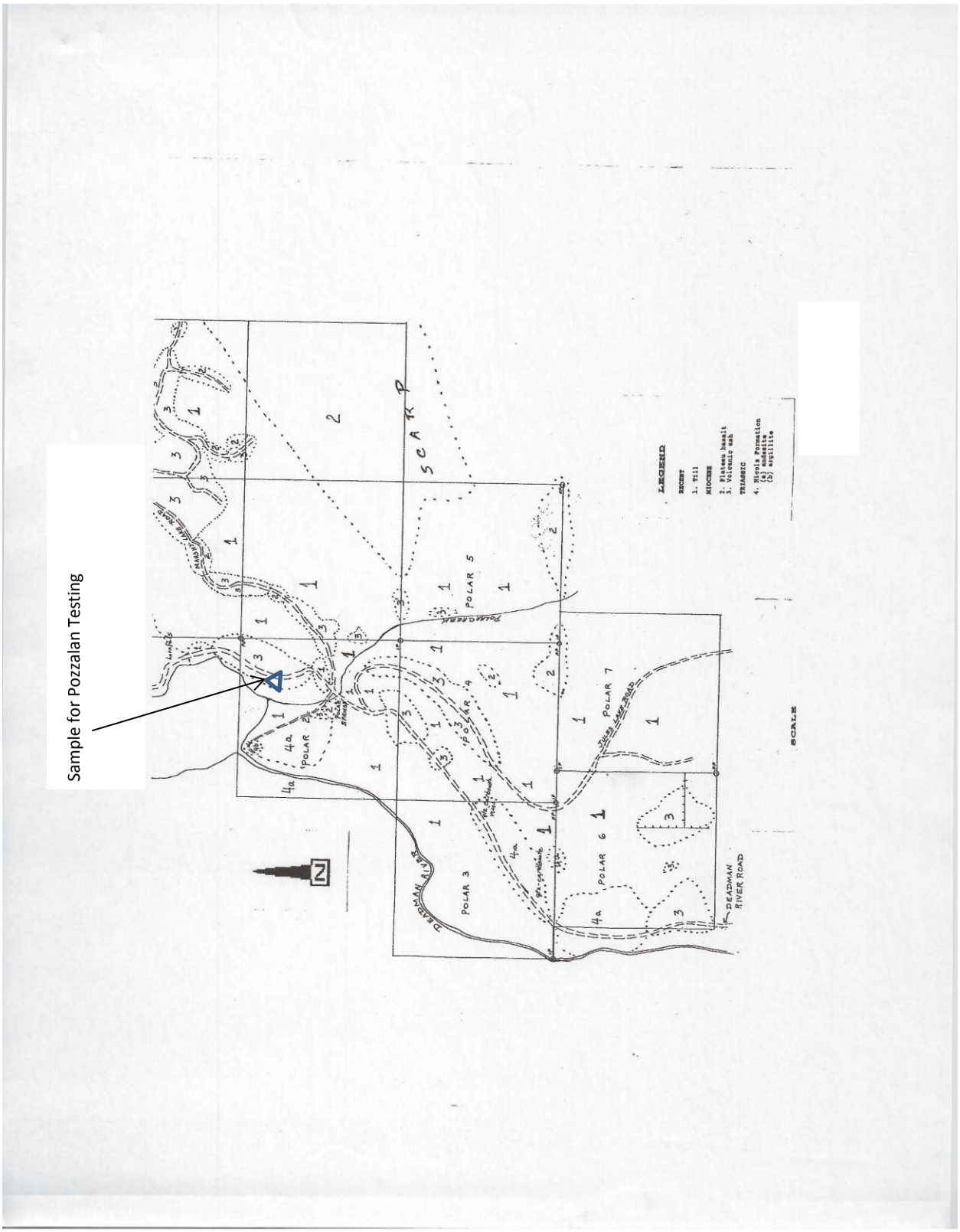


Figure 7 Deposit Location South, Sample Location

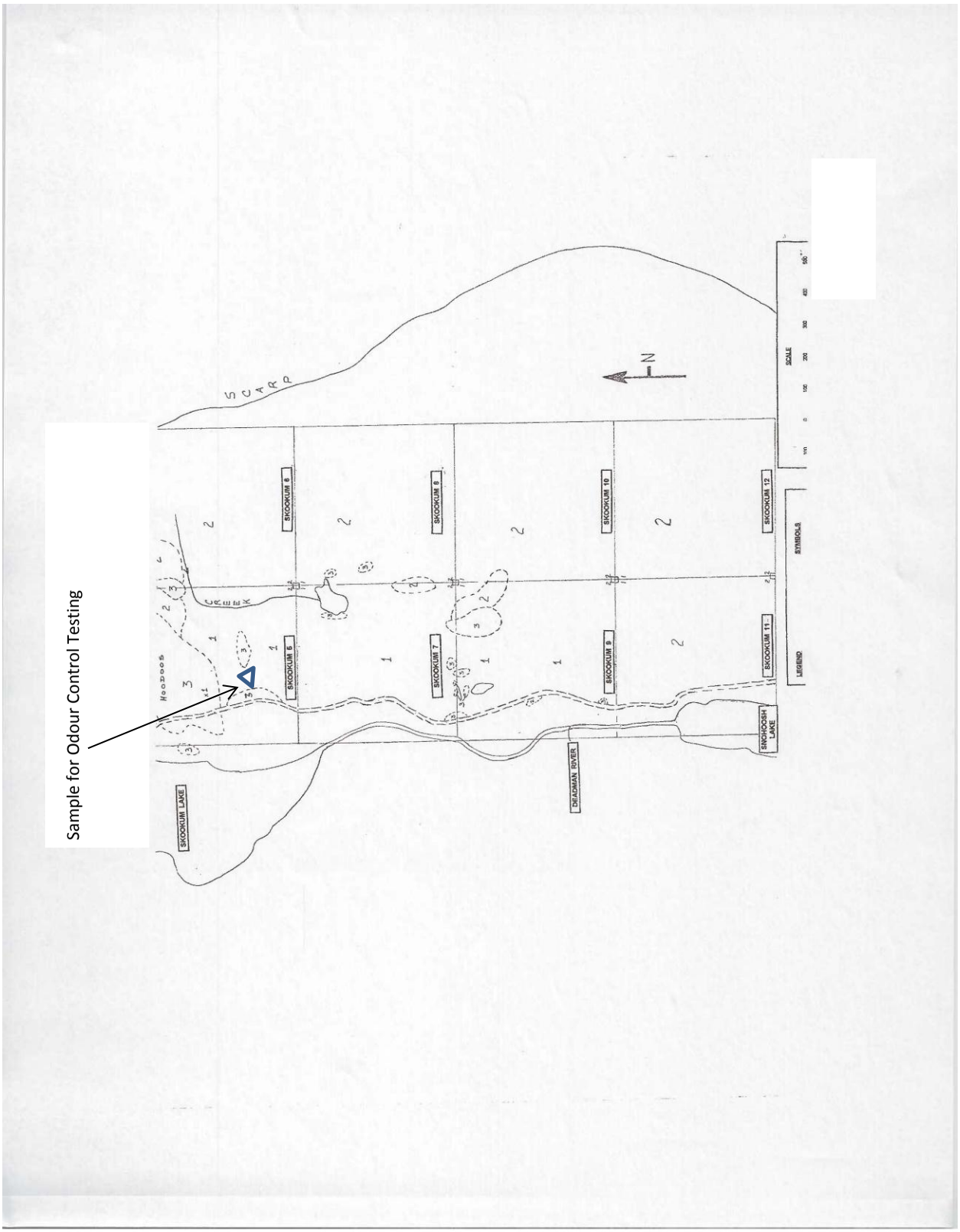


Figure 8 Deposit Location Central, Sample Location

EXPLORATION 2012 to 2013

A larger sample of Sherwood volcanic ash was collected for purpose of demonstrating its oleophilic property to perspective users in the B.C. lower mainland for purpose of odour reduction..

24 buckets of 20 litre size were filled, June 1+2, 2012, from upper bank, Deadman Creek Forest Service Road 8 km south of Vidette Resort turn off (44Km from Highway1 turn off just west of Savona).

City of Surrey, Harvest Energy, Richmond and Wastech, Cache Creek were contacted and 9 buckets of fine ground volcanic ash were delivered to Surrey November 14 and 15, 2012 c/o Rob Costanza, Deputy Manager, Operations and 4 buckets fine ground to Wastech, Cache Creek, c/o David Barbour, EIT on Nov.22nd. Harvest Canada West's Regional Vice president, Jeff Leech was apprised of Surrey's interest in odour reduction efforts and as a recipient of Surrey organic matter collection has a vested interest in Surrey's progress.

Fine grinding of volcanic ash was done in Abbotsford using a First American mill in early November after SGS, Delta small jaw Sept 11th test bucket amount was deemed insufficient for intimate contact with organic collected material in Surrey and leachate collected at Cache Creek.

David Barbour reports that the ash is not working well enough and at this time has not requested further material. He does want to be informed of our progress.

Given the weak response to volatile hydrocarbons, the volcanic ash strategy for 2012 changed to concentrating on controlling odours related to collection of residential and commercial waste organic collection. As cities and municipalities implement improved collection and streaming of garbage, recyclables and organic matter, the derived operating and social benefits are demonstrable in concert with higher technology applications for sorting, compaction, process and recovered value.

Bacteria acts on organic matter during decomposition with odour a prime component of chemical change. The range of application of odour control agent potential stretches from kitchen and yard residential storage to commercial bin collection to central large processing sites designed to produce methane and soils. The relief given to landfill operations is impressive. Bi-production of fuel and soils is good for all concerned.

For purpose of demonstrating odour capture to perspective users in the BC Lower Mainland, It was decided to take a larger sample of Sherwood volcanic ash.

24 plastic 20 litre size buckets were collected June 1 + 2 from upper bank, Deadman Creek Forest Service Road 8 km south of Vidette Resort turn off, 44km from Highway 1.

As each was involved with collection, storage and processing decomposing organic materials the City of Surrey, Harvest Energy, Richmond and Wastech, Cache Creek were contacted for their support by experimenting with Sherwood Ash application as a means to control unwelcomed odour.

To optimize potential application effectiveness fine grinding of ash to powder was done in Abbotsford using a First American mill in early November after SGS, Delta, small mill test bucket sizing was deemed insufficient for intimate mixing and coating contact with residential organics collected in Surrey and

subsequently processed for methane and soil generation in Richmond while Cache Creek experimented with a leachate application.

Buckets of fine ground Sherwood Ash were distributed for individual testing purposes in November. Each recipient was aware of bench test small odour control trials using decaying foods, strong odour items such as smoked salmon and respective positive results subject to an individual's sensitivity to smell.

The physical attributes of interest are:

1. Lite weight aggregate potential;
2. Usage as industrial absorbent;
3. Odour reduction benefits.

Determination of relative density and absorption values for a variety of ash samples was used as the starting point for forecasting product development promise.

Comparisons were made with some existing market product data to refine product development potential.

Samples were made available to a major lower mainland cement/ready mix producer for testing of the pozzalanic capacity of the coarser ash from Location 1. Preliminary tests indicate that there is a large amount of cementaceous "activity" to warrant further testing. Strength tests are still pending.

Test Results:

For lite weight aggregate application:

- Sherwood fine ash dry basis specific gravity of <1% corresponds to commercial pumice sold into B.C. Lower Mainland market;
- Sherwood coarser ash dry basis specific gravity appears to range >1.0 and <1.5%;
- Sherwood clastic volcanic material needs further sampling to define presence of segregated pumice phase.

Absorption test results for Sherwood ash samples and commercial cat litter product:

- Levelton Technical Reports for 3 Sherwood ash samples and brand name cat litter results of common hydro carbon product fluids give similar absorption results.

Odour benefication:

- Levelton reported minor decrease in odour for brand cat litter while no apparent amount of odour decrease observed with test samples exposed to same common hydro carbon fluids;
- Other counter top testing using closed vessels such as jars and zip lock bag, for a simple example, where ash addition to creosote treated wood suggested a marked odour elimination;
- Producers of soils, handlers of manure, alternate lite weight aggregate sourcing and alternative kiln fuel providers have added their anecdotal support for bulk testing.

Recommendations:

- Map area of volcanic ash for detailed stratigraphy
- Refine physical testing criteria for stratigraphic guided sampling

- Ally with research groups and continue to contact industrial sector for potential product development
- Select screen plant for bulk sampling and field trials

Conclusions:

- There is sufficient product development potential to resume field work, refine test selection, liaise with research groups and work closely with interested parties.

Technical Data:

Levelton Reported Results for Sherwood Volcanic Ash

Sample I.D.	Bulk (Dry Basis) s.g.	Bulk (SSD Basis) s.g.	Absorption (%)	Engine Oil	Trans Fluid	Gas	Cat Litter
Fine ash	0.92	1.53	66.50				
Coarser ash	1.45	1.74	20.00				
Fine ash 450	1.90	2.00	5.33				
Volc ash 451	1.19	1.72	44.50	7.90	6.40	5.30	16.80
Volc ash	1.37	1.80	27.60	18.90	15.80	5.60	14.50
Volc ash 607	1.33	1.73	30.50	17.50	14.00	8.80	11.10

ARCHAEOLOGY (by Carrie Dan and Lea McNabb)

A Brief Reconnaissance of a Rhyolitic Ash Sampling Site in the Deadman Valley
Prepared by the Skeetchestn Natural Resources without Prejudice to Aboriginal Rights and Title.

Geologist Jo Shearer, owner of Homegold Resources Ltd., has submitted a mineral permit application (NOW 1621019 -2011 – 01 Sherwood Project) to the Ministry of Energy, Mines and Petroleum Resources (MEM&PR). On June 25 2012, Mr. Shearer met with Tk'emlups te Secwepemc (TteS) archaeologist Carrie Dan and Skeetchestn Natural Resources Department (SNRD) archaeologist Lea McNabb at the Big Sky gas station on the Skeetchestn Indian Reserve #0. The group proceeded north on the Deadman-Vidette Lake Road from its junction with the TransCanada Highway for approximately 38 km to the south end of Snohoosh Lake.

The purpose of the trip was to look at potential sampling areas where Mr. Shearer could extract a volume of volcanic ash. Geologist Peter B. Read (1988a, 1989, 1995) has written several articles for geological journals regarding ancient deposits in the Deadman Valley. Light-coloured chalky rhyolitic ash below dark volcanic flows evident on the valley walls are the two main deposits of the Neogene (formerly Tertiary) Miocene period (a geologic epoch from about 23.03 to 5.332 million years ago (Ma) at that local. According to Mr. Shearer this substance can be used for absorption products to be used for oil spills, odor control etc.

Sample extraction would involve widening of the road side by approximately 10 ft. according to Mr. Shearer. The expected duration of the sampling project would be one day. Heavy duty equipment is expected to include an excavator, a low bed truck for transportation close to the site and a dump truck for transportation of the sample. Mr. Shearer was told that the site visit in no way was to be interpreted as First Nation consultation and was advised to meet with the Joint Referral Committee as a next step.

- The first area examined for sampling was on the east side of the Deadman-Vidette Road (WP0001) at the south end of Snohoosh Lake. A large cut bank with eroding white-grey compacted sediment is located at this point.
- WP0002 is located at another location where deep deposit is on road cut.
- At WP0003 massive disturbance by past logging or mining activity was observed.
- WP0004 is a point further up an old overgrown road.
- WP0005 was a point identified on east side of the secondary road where a sample could be taken without any concern of impacts to any archaeological resources. The archaeological potential is low due to the steep grade, distance from water and rocky substrate. Any archaeological resources that might have been located there have already been massively impacted by past rock extraction.

At the proposed sampling site, massive disturbance from past mining or logging was observed. After the field visit, SNRD archaeologist McNabb reviewed past activity for the area and found that an archaeological survey had been done at the same site by SNRD in 2007. At that time SNRD was looking for a quarry site to obtain rip rap for fishery projects. A crew of two had visited two quarry sites seen outlined in red in figure 1 and reported no archaeology potential due to the existing mass disturbance. Since that time, SNRD has periodically been extracting more material from the northern quarry.

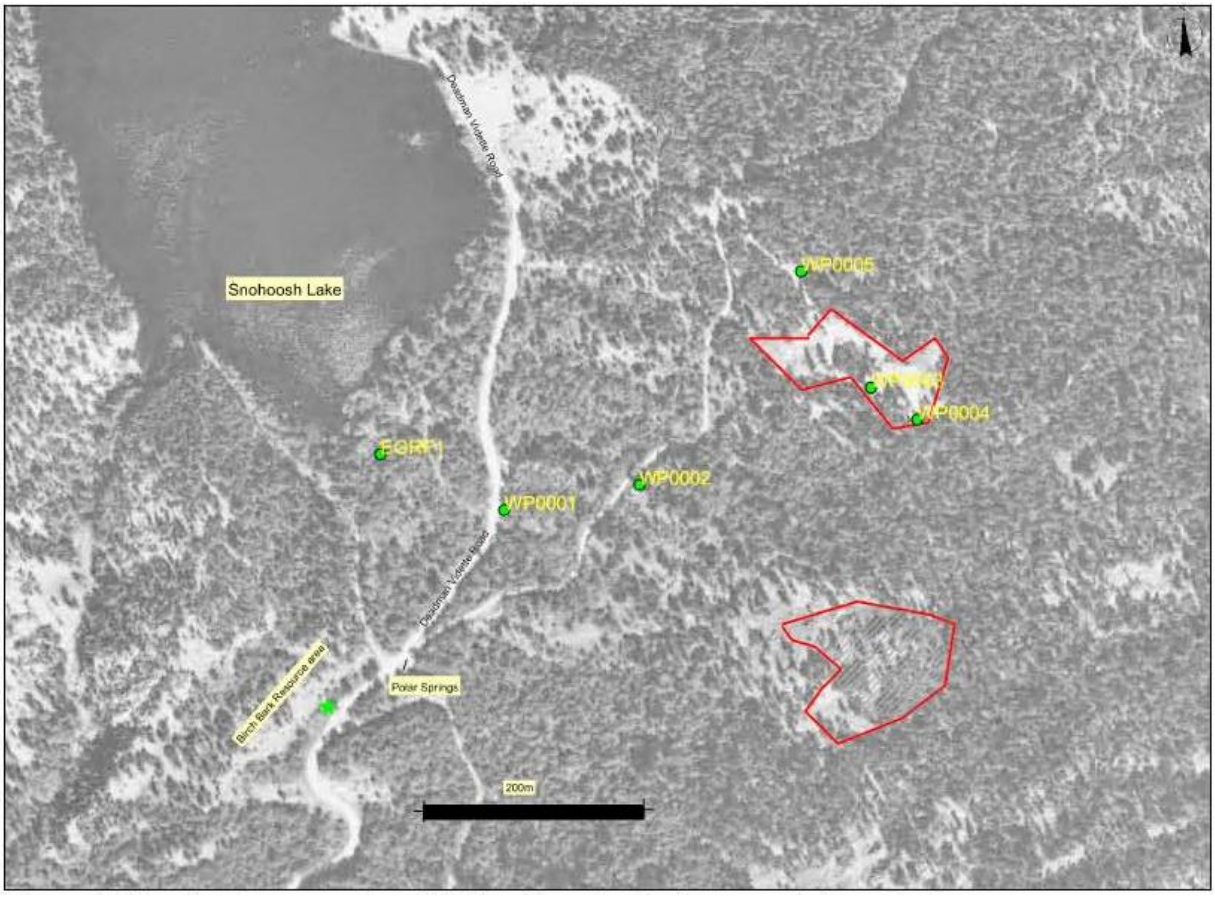


Figure 9 : Map showing waypoints (WP#) referred to in the report. The red polygons represent areas previously surveyed by SNRD staff in the fall of 2007. Cultural resources in the area include a recorded archaeological site (EGRF1), a culturally significant spring (Polar Springs) and a culturally significant tree resource area.

Summary:

This overview applies only to physical archaeological resources and does not constitute a traditional land use study nor should it be interpreted in any way as Aboriginal consultation.

no archaeological sites were identified during the assessment nor were any areas of archaeological potential identified.

It is also recommended that sampling at this designated point (WP0005) proceed only with the knowledge that archaeological sites, artifacts and features in the Province of British Columbia are protected from disturbance or destruction by the Heritage Conservation Act (1996) and, with respect to Forestry operations, section 51 of the Forest Practices Code Act (1997). In the event that archaeological material is encountered during the sampling activity, it is recommended that development activities involving land surface alteration be suspended and the SNRD be contacted.

CONCLUSIONS and RECOMMENDATIONS

The Sherwood Creek volcanic ash occur as large, fairly well exposed outcrops located on the Sherwood Project measuring approximately 9km north-south and about 1.5km wide. The average thickness is presently unknown but parts are up to 100m thick.

According to the American Society of Testing Materials (ASTM) tests, the deposit meets the chemical and physical requirements for N class pozzolanic material and can be used as a mineral admixture in concrete

Present and previous work proved that the ash deposit is also a quality absorbent and can be used in several cleaning applications.

The 2002 detailed work program on the property has proved that the average glass content of the lower unit of the deposit is 61.1% and the average glass content of the upper unit is 34.7%. The glass content of the deposit is not high enough to produce quality Vitrolite (see 2003 report). However, the lower unit of the deposit is hosting two layers of high quality ash. The glass content of the ash of these two layers ranges between 85% and 90% indicating top quality ash to be used as a good source of Vitrolite.

The volcanic ash of Sherwood creek property is considered a natural commodity, environmentally friendly, and can be presented to the local and the international markets as a multi-purpose Hi- Tech product of considerable value due to its high performance and high market price.

For purpose of demonstrating odour capture to perspective users in the BC Lower Mainland, It was decided to take a larger sample of Sherwood volcanic ash after snow cover gave way to spring conditions.

24 plastic 20 litre size buckets were collected June 1 + 2, 2012 from upper bank, Deadman Creek Forest Service Road 8 km south of Vidette Resort turn off, 44km from Highway 1.

As each was involved with collection, storage and processing decomposing organic materials the City of Surrey, Harvest Energy, Richmond and Wastech, Cache Creek were contacted for their support by experimenting with Sherwood Ash application as a means to control unwelcomed odour.

To optimize potential application effectiveness fine grinding of ash to powder was done in Abbotsford using a First American mill in early November after SGS, Delta, small mill test bucket sizing was deemed insufficient for intimate mixing and coating contact with residential organics collected in Surrey and subsequently processed for methane and soil generation in Richmond while Cache Creek experimented with a leachate application.

Buckets of fine ground Sherwood Ash were distributed for individual testing purposes in November. Each recipient was aware of bench test small odour control trials using decaying foods, strong odour items such as smoked salmon and respective positive results subject to an individual's sensitivity to smell.

1. A resource evaluation program should be initiated on the property focusing on evaluating the mineral potential and the market value of the high quality ash in the three layers.

2. Test the extent of the first, second and third layers by diamond drilling.

3. A 400 meter diamond drilling program should be initiated to investigate the quality and the extension of the chalky ash of the Sherwood Creek Deposit.

Based on the drilling results, a reserves estimate of the high quality ash should be investigated by more drilling to determine the commercial value of the quality ash.

PROPOSED BUDGET

Phase I: 200 METERS OF DIAMOND DRILLING (Four vertical holes 50 meters each)

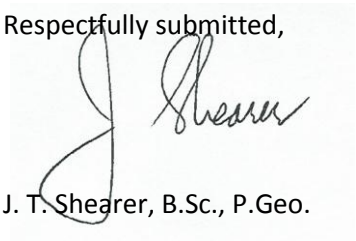
(Project geologist and two geotecnicians-10 days).

Project Preparation		$2,500
Mob/Demob		8,000
Field Crew		15,000
Field Costs		6,500
200 meters of shallow diamond drilling (four holes 50 meters each)		26,000
Lab and x ray Analysis		6,000
Data compilation and report		6,000
	Subtotal	70,000

Phase II: Bulk Sampling

5,000 tonne bulk sample	
Supervision	20,000
Excavator	40,000
Mob & Demob	5,000
Trucking	50,000
Camp & Food	10,000
Product Testing	30,000
Assays	5,000
Reporting	10,000
Subtotal	170,000
Total	$ 240,000
	+ Taxes

Respectfully submitted,



J. T. Shearer, B.Sc., P.Geo.

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APPENDIX I

STATEMENT of QUALIFICATIONS

January 15, 2013

STATEMENT of QUALIFICATIONS

I, Johan T. Shearer of Unit 5 – 2330 Tyner Street, in the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I graduated in Honours Geology (B.Sc., 1973) from the University of British Columbia and the University of London, Imperial College, (M.Sc. 1977).

2. I have practiced my profession as an Exploration Geologist continuously since graduation and have been employed by such mining companies as McIntyre Mines Ltd., J.C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd. I am presently employed by Homegold Resources Ltd.

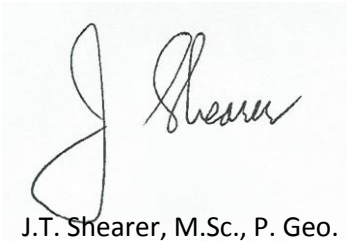
3. I am a fellow of the Geological Association of Canada (Fellow No. F439). I am also a member of the Canadian Institute of Mining and Metallurgy, the Geological Society of London and the Mineralogical Association of Canada. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (P.Geo., Member Number 19,279).

4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. At Unit #5 2330 Tyner Street, Port Coquitlam, British Columbia.

5. I am the author of the report entitled "Geological and Geophysical Assessment Report on the Hi Ox Gold Property and Sherwood Volcanic Ash Deposit" dated January 15, 2013.

6. I have visited the property and supervised the crew in 2012 and 2013. I have carried out mapping and sample collection and am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Hi Ox Gold Project and Sherwood Volcanic Ash Deposit by examining in detail the available reports and maps and have discussed previous work with persons knowledgeable of the area.

Dated at Port Coquitlam, British Columbia, this 15th day of January, 2013.



J.T. Shearer, M.Sc., P. Geo.

APPENDIX II

STATEMENT of Costs

January 15, 2013

Statement of 2013

Wages		Without HST
J. T. Shearer, M.Sc., P.Geo., Geologist		
6 days @ $700/day, June 1+2 and 27+28, November 14+15, 2012		$ 4,200.00
R. Savelieff		
5 days @ $500/day, June 1+2 and 27, November 14+15, 2012		3,500.00
	Wages Sub-total	$ 7,700.00
Expenses		
Truck 1, Rental, fully equipped 4x4, 4 days @ $120/day		480.00
Fuel, 1,200km		380.00
Hotel		385.00
Meals		195.00
Grinding Tests		800.00
Field Supplies – buckets		210.00
Sludge-Odour Control, Wastech		825.00
Odour Control, Fraser Pacific Enterprises, City of Surrey, Harvest Energy (Delta)		910.00
Cement/Major Readymix Producer, Pozzelanic Testing		565.00
Archaeology Assessment		1,500.00
Report Preparation		1,400.00
Word Processing and Reproduction		320.00
	Expenses Sub-total	$ 7,970.00
	Grand Total	**$ 15,670.00**

Event #	5417411
Date Filed	November 19, 2012
Amount Filed	$15,000.00
PAC Filed	$872.30
Total Filed	$14,127.30

APPENDIX III

SAMPLE DESCRIPTIONS

January 15, 2013

Appendix IV
Sample Descriptions

Sample 1	North End	Light grey, fine grained
Sample 2	South End	light grey, coarse clastic, slightly pumaceous
Sample 3	South end Basalt quarry Location	light grey, fine grained
Sample 4	South end Basalt quarry Location	screened material of Sample #3