

# VICTORY RESOURCES CORPORATION

(Owner & Operator)

## GEOLOGICAL ASSESSMENT REPORT

(Event 5458246)

on a

## STRUCTURAL ANALYSIS

(Work done between June 26, 2013 and June 29, 2013)

on

**Tenure 589876**

*of the six claim*

**Toni 589876 Claim Group**

**TONI PROPERTY**

**Nicola Mining Division**

BCGS Map 092H.088

**Centre of Work**

5,526,077N, 682,675E

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**BC Geological Survey  
Assessment Report  
34470**

## TABLE OF CONTENTS

	page
Summary -----	4.
Introduction -----	5.
Property Description and Location -----	5.
Accessibility, Climate, Local Resources, Infrastructure and Physiography -----	7.
History: Property Area -----	8.
092HNE047 – BRENDA -----	8.
092HNE074 – BIG KIDD -----	8.
092HNE081 – EMERALD -----	9.
092HNE084 – PAYCINCI -----	9.
092HNE096 – ELK -----	9.
092HNE151 – THALIA -----	10.
History: Property -----	10.
092HNE133 – LATE -----	10.
092HNE180 – SHRIMPTON CREEK PLACER -----	10.
Geology: Regional -----	10.
Geology: Property Area -----	10.
092HNE047 – BRENDA -----	11.
092HNE074 – BIG KIDD -----	13.
092HNE081 – EMERALD -----	13.
092HNE084 – PAYCINCI -----	14.
092HNE096 – ELK -----	14.
092HNE151 – THALIA -----	14.
092HNE275 – BREW -----	14.
Geology: Property -----	15.
092HNE133 – LATE -----	15.
092HNE180 – SHRIMPTON CREEK PLACER -----	15.
Mineralization: Property Area -----	15.
092HNE047 – BRENDA -----	16.
092HNE074 – BIG KIDD -----	18.
092HNE084 – PAYCINCI -----	18.
092HNE081 – EMERALD -----	19.
092HNE096 – ELK -----	19.
092HNE151 – THALIA -----	23.
092HNE275 – BREW -----	23.
Mineralization: Property -----	23.
092HNE133 – LATE -----	23.
092HNE180 – SHRIMPTON CREEK PLACER -----	23.

**TABLE OF CONTENTS** (cont'd)

Structural Analysis -----	24.
Interpretation & Conclusions -----	27.
Selected References -----	28.
Statement of Costs -----	29.
Certificate -----	30.

**ILLUSTRATIONS**

Figure 1. Location Map -----	5.
Figure 2. Claim Location -----	6.
Figure 3. Claim Map -----	6.
Figure 4. Geology, Claims, Index, & Minfile -----	12.
Figure 5. Elk Vein Zones -----	22.
Figure 6. Lineaments as Indicated Structures on Tenure 589876 -----	24.
Figure 7. Rose Diagram from Lineaments of Figure 7 -----	25.
Figure 8. Cross-structural locations on Google Earth -----	26.

**TABLES**

Table 1 Tenures of the Toni-589876 Claim Group -----	6.
Table II Approximate Location of cross-structures and Minfiles -----	26.

## SUMMARY

The six claim Toni 589876 Claim Group of the TONI property (“Property”) covers an area of 3,249 hectares located 205 kilometres northeast of Vancouver and 30 kilometres southwest of Merritt. It is also located in the midst of five past producing mines and one producing mine; the 130,000 tonne per day Highland Valley Copper mine. The furthest from the Toni 589876 Claim Group is the Afton mine 82 kilometres to the north, whereas the nearest is the Elk mine seven kilometres east of the Toni 589876 Claim Group. Three of the five past producers are developed to a productive status. The closest to production is the Afton (New Afton) which is scheduled for production in 2014.

Minfile reports that production from the Elk past producer, was 1,518,777 grams (48,830 ounces) of gold and 1,903,000 grams (61,183 ounces) of silver recovered between 1992 and 1995. Gold-bearing pyrrhotite and polymetallic gold-silver mineralization are hosted primarily by parallel to subparallel east-northeast trending pyritic quartz veins and stringers in altered pyritic granitic and, less frequently, volcanic rocks.

Gold Mountain Mining Corporation, the present owner of the Elk property reports (2012 Corporate Presentation) on recent information at the Elk Property; past gold production at 51,460 ounces at 97 g/t (>3 opt) and an existing gold resource of 301,000 ounces gold in a measured and indicated category with 263,000 ounces of gold in an inferred category. The structural controls to the eight generally northerly aligned mineralized zones of the Elk property are indicated as controlled by the major northerly Elk (Siwash) fault and by a transverse easterly to northeasterly fault set (*Figure 5*).

As indicated by the BC government supported MapPlace geological maps, the Property predominantly is underlain by the Eastern Nicola Group basaltic volcanic rocks (*uTrNE*) with a portion of a succession of Upper Triassic mudstone, siltstone, shale, and fine clastic sedimentary rocks (*UTrNsF*) within in the southwest. The northwest claim covers a portion of a late Triassic granodioritic intrusive (LTrJgd) occurring in contact with the Nicola Group.

The Structural analysis on Tenure 589876 of the Toni 589876 Claim Group indicated a conjugate or polyphase fault array with a dominant northerly structural trend with northeasterly and northwesterly structures possibly indicating two tectonically unrelated sets of primary structures

The cross-structure location is significant in that the stronger structures could provide the means for tapping a mineral source at greater depths and provide an avenue of transport to the surface and imprint any mineral indicators at or near surface.

Based on the results of the Tenure 589876 Structural Analysis, the three cross-structure locations A, B & C, as determined in the structural analysis of Tenure 589876 and indicated on Figures 6 & 8, would be prime locations to explore for surficial geological indicators of a potentially economic deep-seated mineralized porphyry system. These geological indicators may be revealed as pathfinder minerals, minerals, and/or alteration products that would be subject to interpretation as economic mineral indicators to follow-up exploration.

The 11 designated Minfile mineral showings, prospects, or past producers included in this report are a reference to potential mineral resource indicators that should be sought as geological indicators in the exploration of three cross-structural locations of Tenure 589876.



Property Location & Description (cont'd)

Figure 2. Claim Location  
(From MapPlace & Google)

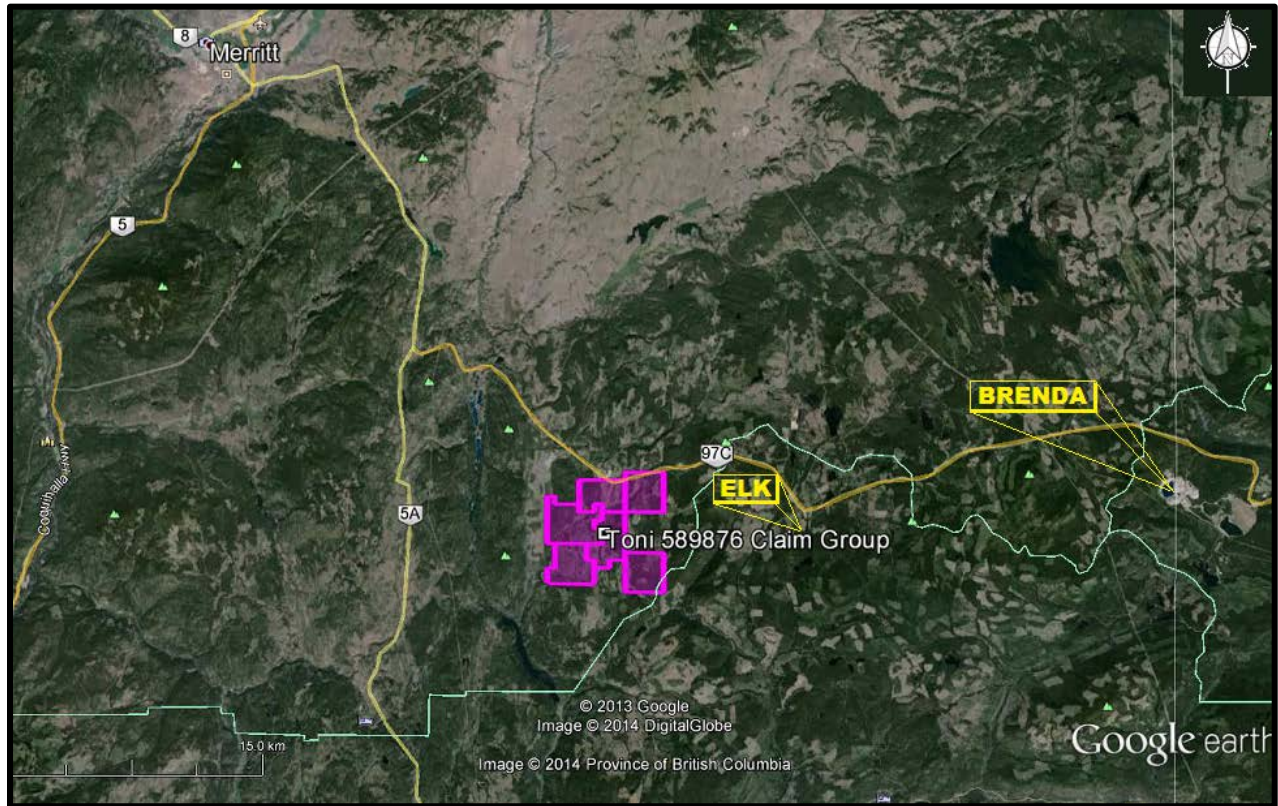
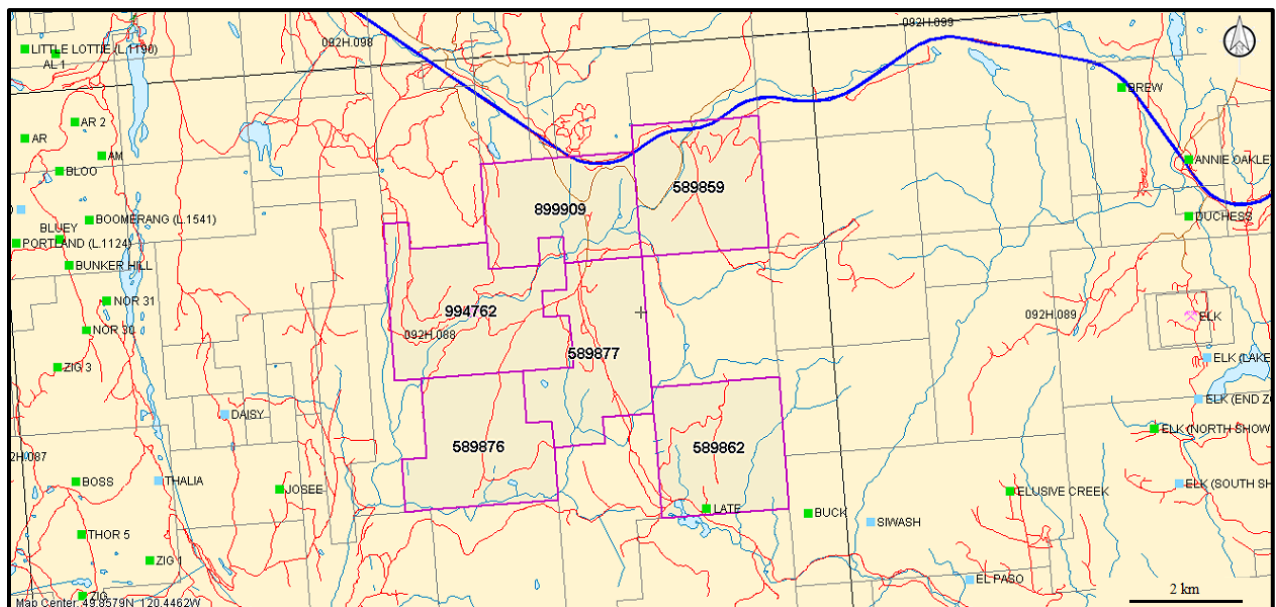


Figure 3. Claim Map

(Base Map from MapPlace)



**Property Location & Description (cont'd)****Description**

The Property is comprised of six contiguous claims covering an area of 3249.479 hectares

The centre of the work area is at 5,526,077N, 682,675E (NAD 83). Particulars of the individual claims of the Toni 589876 Claim Group are as follows:

**Table I. Tenures of Toni 589876 Claim Group**  
(From MapPlace)

<u>Tenure Number</u>	<u>Type</u>	<u>Claim Name</u>	<u>Good Until</u>	<u>Area (ha)</u>
<a href="#">589859</a>	Mineral	TONI 8	20140415	520.5291
<a href="#">589862</a>	Mineral	TONI 10	20140415	520.9741
<a href="#">589876</a>	Mineral	TONI 15	20140415	520.9397
<a href="#">589877</a>	Mineral	TONI 16	20140415	520.7974
<a href="#">899909</a>	Mineral	TONI 17	20140415	478.9036
<a href="#">994762</a>	Mineral	TONI6120	20140415	687.3351

\*Upon the approval of the assessment work filing, Event Number 5458246

**ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE & PHYSIOGRAPHY****Access**

Access to the Property is southward from Merritt via Highway 5A/97C for 26 kilometres to the Aspen Grove junction thence eastward from via Highway 97C or the Coquihalla connector Highway for 16 kilometres to the northern boundary Tenure 899909 and the Property. To access the interior of the Property, at 15 kilometres of the Coquihalla highway the Loon Lake secondary road is taken southward for 300 metres to the northern boundary Tenure 899909 of the Toni 589876 Claim Group. This southern road extends through the length of the Property for five kilometres and is junctioned with roads providing access to most areas of the Property

**Climate**

The region is situated within the dry belt of British Columbia with rainfall between 25 and 30 cm per year. Temperatures during the summer months could reach a high of 35° and average 25°C with the winter temperatures reaching a low of -10° and averaging 8°. On the Property snow cover on the ground could be from December to April and would not hamper a year-round exploration program.

Sufficient water for all phases of the exploration program could be available from lakes and creeks which are located within the confines of the Property. Water may be scarce during the summer months and any water required for exploratory purposes, would be transported.

**Physiography**

The physiography of the Toni 589876 Claim Group is of gently rolling forested hills with a patchwork of logged areas. Elevations range from 1,158 metres within a river valley in the northwest corner of the southwestern Tenure 589876 to 1,658 metres in the northeast corner of the southeastern Tenure 589862.

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**Accessibility, Climate, Local Resources, Infrastructure, and Physiography (cont'd)****Local Resources and Infrastructure**

Merritt, and/or Kamloops, historic mining centres could be a source of experienced and reliable exploration and mining personnel and a supply for most mining related equipment. Kamloops is serviced daily by commercial airline and is a hub for road and rail transportation. Vancouver, a port city on the southwest corner of, and the largest city in, the Province of British Columbia is three hours distant by road and less than one hour by air from Kamloops.

**HISTORY: PROPERTY AREA**

The history on some of the more selected significant reported *MINFILE* mineral showings, past producers in the area of the 589876 Claim Group are reported as follows. The distance from the Property is relative to Tenure 589876 which is the subject of the structural analysis.

**BRENDA** past producer (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE047

Thirty-four kilometres east

*The Brenda mine began production in early 1970 with measured geological (proven) reserves of 160,556,700 tonnes grading 0.183 per cent copper and 0.049 per cent molybdenum at a cutoff of 0.3 per cent copper equivalent [ $eCu = \% Cu + (3.45 \times \% Mo)$ ]. The mine officially closed June 8, 1990.*

**BIG KIDD** prospect (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE074

Twelve kilometres northwest

*This occurrence was first explored by H.H. Schmidt, with the excavation of several trenches and one adit, 69 metres long, between 1900 and 1915. An additional three adits, 12 to 90 metres long, were excavated sometime between 1916 and the 1950s. The deposit was trenched and drilled by Noranda Mines Ltd. in 1956 after completing geological and geophysical surveys. Additional geophysical and soil geochemical surveys were carried out by Norranco Mining and Refining in 1969 and Amax Exploration Inc. in 1971. Amax also mapped and drilled the deposit in 1972. David Minerals Ltd. conducted geological and self-potential surveys, trenching and 112 metres of diamond drilling in three holes between 1975 and 1980. The deposit was sampled by Northair Mines Ltd. in 1991 and Placer Dome Inc. in 1992. Drilling by Placer intersected 71 metres averaging 0.75 gram per tonne gold and 0.2 per cent copper in the north zone of the Big Kidd breccia.*

*Christopher James Gold Corp. drilled 10 holes, totalling 2074 metres in 1997. A 116-metre intersection graded 0.801 grams per tonne gold and 0.124 per cent copper, including a higher grade section of 19.46 metres grading 3.09 grams per tonne gold and 0.113 per cent copper (Exploration in B.C. 1997, page 38). This intersection is from the North zone. The Southwest zone, 350 metres to the south, and the Northeast zone also contained mineralization.*

*The next program by Christopher James Gold was a 2 staged drilling program completed during the fall in 1999. This program drilled a fan of three holes to the southwest and one parallel hole along the Big Kidd Breccia north contact.*

**History: Property Area** (cont'd)**BIG KIDD** prospect (cont'd)

All four 1999 holes intersected significant lengths of gold-copper mineralized intrusion breccia with late porphyritic monzonite dyke and potassic (K-feldspar) alteration zones.

In 2003, Christopher James Gold Corp. drilled 9 holes and dug three trenches to test alkalic porphyry hosted by the Big Kidd breccia. Broad intervals of low-grade mineralization were encountered.

**EMERALD** showing (Volcanic redbed Cu)

MINFILE 092HNE081

Eleven kilometres northwest

The Emerald showing is 2.9 kilometres northwest of the south end of Alleyne Lake and 2.2 kilometres northeast of the south end of Kidd Lake.

**PAYCINCI** developed prospect (Volcanic redbed Cu)

MINFILE 092HNE084

Ten kilometres northwest

The Cincinnatti deposit was first explored by the Bates brothers in the early 1900s. A number of trenches, and one adit 120 metres long, were excavated between 1899 and 1913. Payco Mines Ltd. and Alscope Consolidated Ltd. conducted geological and geophysical surveys, trenching and diamond and percussion drilling between 1963 and 1967. An additional 15 holes totalling 1000 metres were drilled by Gold River Mines and Enterprises Ltd. in 1973 and Sienna Developments Ltd. in 1979. The deposit was most recently sampled by Pacific Copperfields Ltd. in 1992.

In 1998, Christopher James Gold Corp. optioned the property. Reserves are estimated at 1.8 million tonnes grading 1 per cent copper (Tom Schroeter, 1998).

**ELK** past producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Twelve kilometres east

From 1992 and 1995 (inclusive), 16,570 tonnes of ore were mined and milled and 1,518,777 grams (48,830 ounces) of gold and 1,903,000 grams (61,183 ounces) of silver recovered.

In 1996, Fairfield shipped all remaining stockpiles, estimated to contain 2700 tonnes and grading greater than 12 grams per tonne (Information Circular 1997-1, page 21). A total of 994 metres of ramp access and three development levels exist underground. Reverse circulation drilling, underground diamond drilling, reclamation, road construction, water sampling and aerial photography were also undertaken during this period. Surface and underground diamond drill programs were carried out in the Siwash Mine area from 1994 to 1996 to define the resource. Exploration surface drilling was also carried out during the 1995 and 1996 field seasons to test trench targets between the Siwash mine site and the South Showing area 2.5 kilometres to the south. Limited prospecting and environmental monitoring was undertaken from 1997 to 1999.

In 1995, Fairfield Minerals with the support from the Explore B.C. Program carried out an extensive program including geochemistry, 13,972 metres of surface and underground diamond drilling in 315 holes and reserve calculations.

**THALIA** prospect (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE151

Five kilometres west

*This prospect was initially investigated by Noranda Exploration Company Ltd. with the completion of geological and magnetometer surveys and one drillhole in 1972 and 1973. Cominco Ltd. drilled six percussion holes totalling 277 metres in 1979 after conducting geological and induced polarization surveys in 1978. The deposit was more recently sampled and prospected by Vanco Explorations Ltd. in 1985 and Rayrock Yellowknife Resources Ltd. in 1990.*

**HISTORY: PROPERTY****LATE** showing (Volcanic redbed Cu)

MINFILE 092HNE204

Within Tenure 589862

*Great Plains Development Company of Canada Ltd. and Inter- Continental Energy Corporation completed various geological, geophysical and soil geochemical surveys over the showing in 1973, 1980 and 1981.*

**SHRIMPTON CREEK PLACER** past producer (Surficial placers)

MINFILE 092HNE180

Within Tenure 994762

*The creek was worked by F. Keeling in 1939, between 6.4 and 8 kilometres above Missezula Lake.*

**GEOLOGY: REGIONAL**

The Aspen Grove geological district is located within the regional Quesnel Trough, a 30 to 60, km wide belt of Lower Mesozoic volcanic and related strata enclosed between older rocks and much invaded by batholiths and lesser intrusions (Campbell and Tipper, 1970). The southern part is the well-known Nicola belt, continuing nearly 200 km to its termination at the U.S. border and containing the important copper deposits of the Highland Valley, Craigmont, Copper Mountain, Afton, Brenda, in addition to the historic Hedley gold camp.

The Nicola Group has been divided into western, central, and eastern belts on the basis of lithology and litho-geochemistry and by major fault systems. Variation from calc-alkaline to shoshinitic compositions from west to east has been interpreted to reflect eastward dipping subduction in the Nicola arc.

The eastern belt of the Nicola Group is in a fault contact with the central belt of the Nicola Group. The fault is the northerly striking Kentucky-Alleyne fault zone and is within six kilometres west of the Property.

**GEOLOGY: PROPERTY AREA**

The geology on some of the more selected significant reported *MINFILE* mineral showings, and past producers peripheral to the Property are reported as follows. The distance from the Property is relative to Tenure 589876 which is the subject of the structural analysis.

**History: Property Area (cont'd)****BRENDA** past producer (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE047

Thirty-four kilometres east

*The Pennask Mountain area is mainly underlain by a roof pendant comprising westerly younging, Upper Triassic sedimentary and volcanoclastic rocks of the Nicola Group. These are intruded and enclosed to the north, east and south by plutonic rocks of the Early Jurassic Pennask batholith and Middle Jurassic Osprey Lake batholith. Both the Nicola rocks and the Pennask batholith are unconformably overlain by Tertiary sediments and volcanics of the Princeton Group.*

*The Brenda copper-molybdenum deposit is within the "Brenda stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith. Several ages and compositions of pre and post-ore dikes cut the stock. The deposit is approximately 390 metres from the contact with Nicola Group rocks to the west.*

*Nicola Group tuffs, volcanic breccias and flows adjacent to the Brenda stock have been altered to "schistose hornfels".*

*This hornfels, which is as wide as 450 metres, is characterized by the development of bands and aligned lenses of felted brown to black biotite. Schistosity generally strikes roughly parallel to the intrusive contact and dips west at 30 to 70 degrees. The schistose hornfels grades westerly into recognizable west-dipping volcanic rocks which in turn are overlain by greywacke, argillite and shales.*

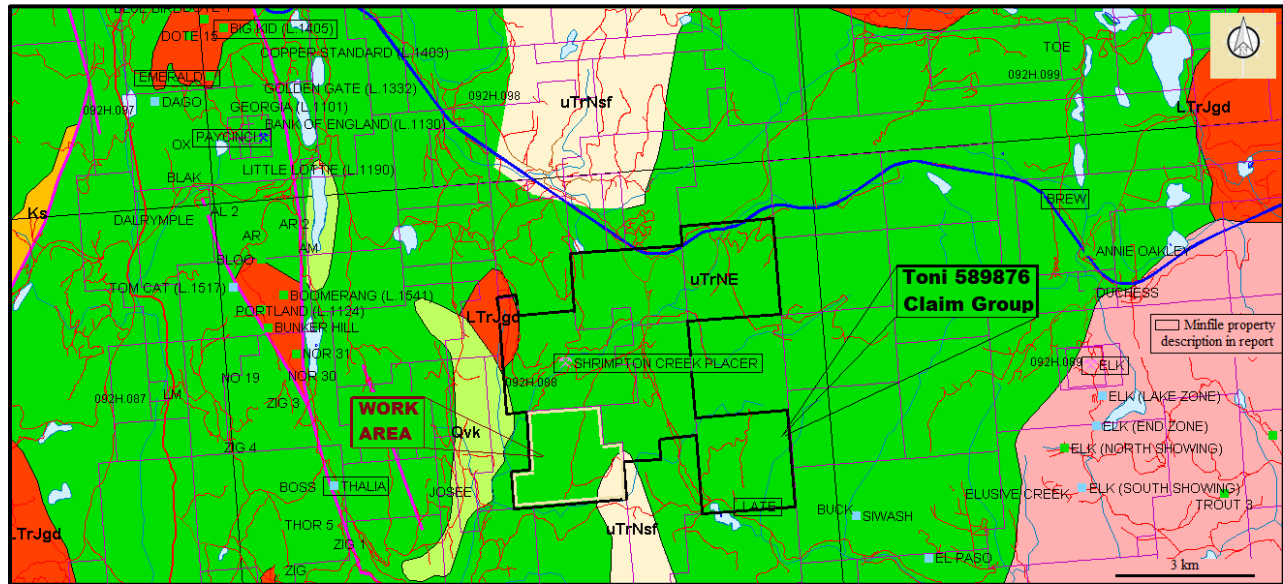
*The Brenda stock is a composite, zoned quartz diorite to granodiorite body which can be divided into two units. Unit 1 is of quartz diorite composition and contains abundant mafic minerals (hornblende > biotite) and angular quartz grains, whereas unit 2 is porphyritic granodiorite and contains fewer mafic minerals (biotite > hornblende), well-defined biotite phenocrysts and subhedral quartz grains. The contact between units 1 and 2 is generally gradational, but locally sharp. At sharp contacts, unit 2 is chilled against unit 1.*

*Dikes of several ages and compositions cut the Brenda stock. At least four types, aplite-pegmatite, andesite, trachyte porphyry and basalt, have been identified in the Brenda orebody. Similar dikes, as well as felsite, dacite and quartz diorite have been mapped beyond the limits of economic mineralization. The aplite-pegmatite dikes are cut by all other dikes and by all mineralized fractures. The andesite dikes have been altered and mineralized during ore formation. Two types of quartz diorite dikes are found and both are cut by quartz-sulphide veins. Dacite porphyry and felsite dikes are also cut by quartz-sulphide veins.*

*A trachyte porphyry dike up to 4.5 metres wide and 300 metres in strike length is exposed in the Brenda pit. A weakly mineralized vein was observed in the dike which suggested an intermineral age for the dike. Further evidence has clearly shown that the dikes cut all stages of mineralization, except some of the latest quartz veins (Canadian Institute of Mining and Metallurgy Special Volume 15). Several post-mineral hornblende lamprophyre dikes also occur within the Brenda orebody and are probably genetically related to the trachyte porphyry dikes. Irregular, branching basalt dikes, probably related to Tertiary volcanism, have been intruded along pre-existing fault zones. They cut all phases of mineralization and alteration.*

*Initial potassium-argon dating of two samples from the Brenda mine area resulted in different ages for hornblende (176 Ma) and biotite (148 Ma). Interpretation of these results suggests that the Brenda stock crystallized about 176 million years ago. Biotite samples from the pit area have been dated at about 146 Ma, which probably represents the age of mineralization (Canadian Institute of Mining and Metallurgy Special Volume 15).*

Figure 4. Geology, Claims, Index, & Minfile  
(Base Map from MapPlace)



**GEOLOGY MAP LEGEND**

**Pleistocene to Holocene**

Qvk

Unnamed alkalic volcanic rocks

**Upper Triassic: Nicola Group**

**Eastern Volcanic Facies**

uTrNE

lower amphibolite/kyanite grade metamorphic rocks

uTtNsf

mudstone, siltstone, shale, fine clastic sedimentary rocks

uTrNMI

basaltic volcanic rocks

uTrJum

unnamed ultramafic rocks

**Central Volcanic Facies**

uTrNc

andesitic volcanic rocks

**Late Triassic to Early Jurassic**

LTrJgd

unnamed granodiorite intrusive rocks

LTrJdr

dioritic to gabbroic intrusive rocks

**Geology: Property Area (cont'd)****Brenda past producer (cont'd)**

*Faults in the Brenda pit are expressed as fracture zones in which the rock is intensely altered to clay minerals, sericite, epidote and chlorite. These fracture zones range in width from a few centimetres to 9 metres. Most strike 070 degrees and dip steeply south. Northwest-striking faults exhibit left-lateral movement. The faults transect all mineralization, except some calcite veins. Sulphides, especially molybdenite, have been smeared along fault planes. Shear zones are wider and more numerous in the north half of the pit, where they control bench limits.*

**BIG KIDD** prospect (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE074

Twelve kilometres northwest

*The deposit is located along the northern margin of an area of hilly upland situated in the centre of the Aspen Grove copper camp, known as the Fairweather Hills. The Fairweather Hills region is underlain by the Central volcanic facies of the Upper Triassic Nicola Group, comprising intermediate, feldspar and feldspar augite porphyritic pyroclastics and flows, and associated alkaline intrusions.*

*The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic.*

*Locally, the area is underlain by red and green laharic breccias, augite andesite porphyry and minor sediments of the Nicola Group (Central belt, Bulletin 69). The units generally strike north-northwest and dip east. This sequence is broken up into a series of tilted fault blocks trending north.*

*A vertical or subvertical breccia pipe, nearly circular in outline and about 300 metres wide, is developed in a body of fine-grained diorite, which may in part be recrystallized volcanics. The pipe consists of angular to subrounded clasts of volcanics, fine-grained diorite (microdiorite) and pinkish grey monzonite and syenomonzonite porphyry in a matrix of altered diorite intrusive material and finely comminuted rock. The fragments are 1 centimetre to several metres in diameter.*

*Parts of the breccia, especially on the north and east sides of the pipe, show extensive late magmatic and/or hydrothermal alteration and recrystallization. Breccia clasts in these areas have pronounced grey and pinkish grey alteration rims, and the matrix is extensively replaced by epidote, chlorite and calcite.*

**EMERALD** showing (Volcanic redbed Cu)

MINFILE 092HNE081

Ten kilometres northwest

*In a shaft, chalcopyrite occurs in augite basalt porphyry of the Upper Triassic Nicola Group (Central belt, Bulletin 69). PAYCINCI developed prospect (Volcanic redbed Cu)*

**Geology: Property Area (cont'd)****PAYCINCI** developed prospect (Volcanic redbed Cu)

MINFILE 092HNE084

Ten kilometres northwest

*The deposit is located in the southern portion of an area of hilly upland situated in the centre of the Aspen Grove copper camp, known as the Fairweather Hills. The Fairweather Hills region is underlain by the Central volcanic facies of the Upper Triassic Nicola Group, comprising intermediate, feldspar and feldspar augite porphyritic pyroclastics and flows, and associated alkaline intrusions.*

*The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic.*

*Locally, the area is underlain by red and green laharic breccias, augite andesite porphyry and minor sediments of the Nicola Group (Central belt, Bulletin 69). The units generally strike north-northwest and dip east. This sequence is broken up into a series of tilted fault blocks trending north.*

**ELK** past producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Twelve kilometres east

*The Elk property is underlain by Upper Triassic volcanics and sediments of the Nicola Group and by Middle Jurassic granites and granodiorites of the Osprey Lake batholith. The contact between these units trends northeasterly across the property. Early Tertiary feldspar porphyry stocks and dikes of the Otter intrusions occur throughout the property. The western property area is underlain by steeply west-dipping andesitic to basaltic flows, agglomerates, tuffs and minor siltstone and limestone units of the Nicola Group. The eastern half of the property is underlain by granitic rocks of the Osprey Lake batholith.*

**THALIA** prospect (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE151

Five kilometres west

*This region north of Missezula Lake is underlain by the Eastern volcanic facies of the Upper Triassic Nicola Group, comprising mafic to intermediate, augite and hornblende porphyritic pyroclastics and flows, and associated alkaline intrusions. The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic. Much of the copper mineralization and associated alteration frequenting this portion of the Nicola belt can be attributed to the emplacement of such intrusions.*

**BREW** showing (Alkalic porphyry Cu-Au; Subvolcanic Cu-Ag-Au; As-Sb)

MINFILE 092HNE275

Twelve kilometres northeast

*This occurrence is hosted in volcanics and minor sediments of the Upper Triassic Nicola Group, 2.6 kilometres northwest of the Middle Jurassic Osprey Lake batholith. The volcanics consist primarily of andesite and fine-grained diorite. The contact between the two units is gradational, suggesting the diorite may be a subvolcanic equivalent of the andesite. Minor tuffs, lapilli tuffs, agglomerates, and feldspar porphyritic andesite are also present. The sediments consist of mudstone, siltstone, shale, and rare carbonate, intercalated with the pyroclastic units.*

**Geology: Property Area (cont'd)****BREW** showing (cont'd)

A major fault zone, the Brew fault, striking 140 degrees and dipping steeply southwest, is exposed along the Coquihalla Highway for 600 metres.

The zone is approximately 40 metres wide. It is somewhat gossanous and exhibits carbonate and clay alteration and sporadic silicification. Some quartz +/- calcite stringers and blebs are present but not common. Pyrite is ubiquitous along the entire fault. Sections of the zone are strongly mineralized with massive veins, narrow stringers and occasional disseminations of marcasite, pyrite and pyrrhotite. Samples of pyritic clay-altered sections have yielded up to 0.280 gram per tonne gold and 0.445 per cent arsenic (Assessment Report, 18041, page 8, samples 128665, 44719)

A sample from a zone of quartz stringers analysed 0.600 gram per tonne gold (sample 239716).

This fault is traversed by several significant fault/shear zones striking 100 to 120 degrees. One major crossfault, the Mugwump fault, is exposed west of the Brew fault, striking 100 degrees and dipping 60 degrees south.

**GEOLOGY: PROPERTY**

As indicated by the BC government supported MapPlace geological maps, the Property predominantly is underlain by the Eastern Nicola Group basaltic volcanic rocks (*uTrNE*) with a portion of a succession of Upper Triassic mudstone, siltstone, shale, and fine clastic sedimentary rocks (*UTrNsF*) within in the southwest. The northwest claim covers a portion of a late Triassic granodioritic intrusive (*LTrJgd*) occurring in contact with the Nicola Group.

**LATE** showing (Volcanic redbed Cu)

MINFILE 092HNE204

Within Tenure 589862

*This occurrence is hosted in massive red andesitic breccia, near the contact with massive green andesitic breccia and lithic tuff of the Upper Triassic Nicola Group.*

**SHRIMPTON CREEK PLACER** past producer (Surficial placers)

MINFILE 092HNE180

Within Tenure 994762

*Shrimpton Creek flows southwest from its headwaters immediately south of The Wart for 10 kilometres. The creek continues south-southwest for 6 kilometres before entering Missezula Lake, 38.5 kilometres north of Princeton. Most of the creek flows through a broad, gently sloping valley, which steepens somewhat in the lower 4 kilometres.*

**MINERALIZATION: PROPERTY AREA**

The mineralization on some of the more selected significant reported *MINFILE* mineral showings, prospects, and past producers peripheral to the Property are reported as follows. The distance from the Property is relative to Tenure 589876 which is the subject of the structural analysis.

**Mineralization: Toni 909409 Claim Group Area (cont'd)****BRENDA** past producer (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE047

Thirty-four kilometres east

*The Brenda orebody is part of a belt of copper-molybdenum mineralization that extends north-northeast from the Nicola Group-Brenda stock contact. Mineralization of economic grade (0.3 per cent copper equivalent) is confined to a somewhat irregular zone approximately 720 metres long and 360 metres wide. Ore-grade mineralization extends more than 300 metres below the original surface. Lateral boundaries of ore-grade mineralization are gradational and appear to be nearly vertical.*

*Primary mineralization is confined almost entirely to veins, except in altered dike rocks and in local areas of intense hydrothermal alteration which may contain minor disseminations. The grade of the orebody is a function of fracture (vein) density and of the thickness and mineralogy of the filling material. The average total sulphide content within the orebody is 1 per cent or less. Chalcopyrite and molybdenite, the principal sulphides, generally are accompanied by minor, but variable, quantities of pyrite and magnetite. Bornite, specular hematite, sphalerite and galena are rare constituents of the ore. Johnson (1973), in a study of 17 samples from the deposit, reported minor pyrrhotite, mackinawite, carrollite, cubanite, ilmenite, rutile and native gold (?), as well as several secondary sulphides (Canadian Institute of Mining and Metallurgy Special Volume 15). Pyrite is most abundant in altered andesite dikes and in quartz-molybdenite veins. The ratio of pyrite to chalcopyrite in the orebody is about 1:10, with the chalcopyrite content diminishing beyond the ore boundaries. Because mineralization is confined almost entirely to veins in relatively fresh homogeneous rock, the veins are divided into separate stages, based on crosscutting relations and their mineralogy and alteration effects on the hostrock. The vein density within the orebody is not uniform*

*Ranges are recorded from less than 9 per metre near the periphery of the orebody to 63 per metre and occasionally 90 per metre near the centre of the orebody. Some veins have very sharp contacts with wallrocks, but most contacts are irregular in detail where gangue and sulphide minerals replace the wallrock.*

*A vein may show features characteristic of fracture-filling in one part and of replacement in another. Mineralized solutions were introduced into fractures and, during development of the resultant veins, minor replacement of the wallrock ensued.*

*The chronological stages of mineralization are as follows: (1) biotite-chalcopyrite (oldest); (2) quartz-potassium feldspar-sulphide; (3) quartz-molybdenite-pyrite; (4) epidote-sulphide-magnetite; and (5) biotite, calcite and quartz. Stages 1 through 4 are all genetically related to a single mineralizing episode, which was responsible for the orebody. Stage 5 represents a later, probably unrelated, event(s) (Canadian Institute of Mining and Metallurgy Special Volume 15). Stage 2 veins form the bulk of the mineralization in the deposit, and are the most important source of ore.*

*Hydrothermal alteration at the Brenda deposit generally is confined to narrow envelopes bordering veins. These alteration envelopes commonly grade outward into unaltered or weakly propylitic-altered rock. Where veins are closely spaced, alteration envelopes on adjacent veins may coalesce to produce local areas of pervasive alteration. For the most part, hydrothermal alteration at the Brenda deposit is exceptionally weak for a porphyry copper system.*

*Four types of alteration are recognized in the Brenda deposit, three of which are related to the mineralizing process. Two of these are potassic (potassium feldspar) and biotite, and the other is propylitic. Later argillic alteration has been superimposed on the system along post-mineral faults.*

**Mineralization: Toni 909409 Claim Group Area (cont'd)****Brenda past producer (cont'd)**

*Potassium feldspar and biotite alteration generally are separated in space, but locally occur together. Both types of alteration accompanied sulphide deposition. Potassium feldspar replaces plagioclase adjacent to most stage 2 and, to a lesser extent, stage 3 veins. These irregular envelopes range in width from a centimetre or less up to a metre, with an average of about 2 centimetres. Potassium feldspar also occurs as a minor constituent of stage 1 veins.*

*Hydrothermal biotite replaces magmatic mafic minerals (hornblende, biotite) and, more rarely, plagioclase in hostrock adjacent to stage 2 and especially stage 3 veins. These envelopes of hydrothermal biotite range in width from less than 1 millimetre to several centimetres.*

*Weak to intense propylitic alteration, which is characterized by the development of chlorite and epidote, as well as less obvious microscopic sericite and carbonate, is sporadically distributed throughout the Brenda stock. Large areas within the orebody have not been propylitized and in these areas, veins with potassic alteration envelopes clearly cut across propylitized quartz diorite, indicating an early hydrothermal or even a pre-ore origin for the propylitization (Canadian Institute of Mining and Metallurgy Special Volume 15). A second period of propylitization accompanied the development of stage 4 veins and is reflected as envelopes of epidote and chlorite.*

*Locally intense argillic alteration is confined to post-mineral fault zones where the hostrock has been highly shattered. Kaolinite, sericite and epidote have almost completely replaced the host rocks.*

*Surface weathering, which is expressed predominantly by the development of limonite, extends as a highly irregular blanket over the mineralized zone for depths ranging from a few metres to greater than 30 metres. In this weathered area, limonite stains all fractures. Fault zones have been especially susceptible to surface weathering, and the argillic alteration of these zones may be primarily the result of groundwater action. Secondary minerals developed during weathering, all highly subordinate in quantity to limonite, include malachite, azurite, hematite, ferrimolybdate, powellite and cupriferous manganese oxides. Cuprite, covellite, chalcocopyrite, native copper, tenorite and ilsemanite are rare constituents.*

*Copper-molybdenum mineralization in the Brenda deposit was developed during several sequential stages, all of which constitute one mineralizing episode.*

*Each stage occupies unique sets of fractures, which are filled with specific combinations of metallic and gangue minerals. Although the attitudes of veins in each stage are unique in detail, most stages include conjugate steeply dipping sets of northeast and northwest striking veins. If these veins occupy shear fractures, it is probable that they were formed by generally east-west compressive forces. Examination of the structure in the Nicola Group rocks to the west reveals that north-northwest and north trending fold axes also indicate an east-west compression.*

*It is suggested that intermittent east-west compressional forces intensely fractured the rocks of the Brenda stock during several stages of time and tapped a hydrothermal source, either a later phase of the Brenda stock or a separate intrusive system.*

*As each stage of fractures developed, hydrothermal fluids introduced vein material which healed the fractures. Renewed build-up of compressional forces again fractured the rocks, which were again healed. Repetition of this sequence can explain all stages of mineralization within the Brenda deposit. East-west compression continued after ore deposition ceased and produced prominent east-northeast and northwest striking shear zones (Canadian Institute of Mining and Metallurgy Special Volume 15).*

**Mineralization: Toni 909409 Claim Group Area (cont'd)****BIG KIDD** prospect (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE074

Twelve kilometres northwest

*This occurrence was first explored by H.H. Schmidt, with the excavation of several trenches and one adit, 69 metres long, between 1900 and 1915. An additional three adits, 12 to 90 metres long, were excavated sometime between 1916 and the 1950s. The deposit was trenched and drilled by Noranda Mines Ltd. in 1956 after completing geological and geophysical surveys.*

*Additional geophysical and soil geochemical surveys were carried out by Norranco Mining and Refining in 1969 and Amax Exploration Inc. in 1971. Amax also mapped and drilled the deposit in 1972. David Minerals Ltd. conducted geological and self-potential surveys, trenching and 112 metres of diamond drilling in three holes between 1975 and 1980. The deposit was sampled by Northair Mines Ltd. in 1991 and Placer Dome Inc. in 1992. Drilling by Placer intersected 71 metres averaging 0.75 gram per tonne gold and 0.2 per cent copper in the north zone of the Big Kidd breccia.*

*Christopher James Gold Corp. drilled 10 holes, totalling 2074 metres in 1997. A 116-metre intersection graded 0.801 grams per tonne gold and 0.124 per cent copper, including a higher grade section of 19.46 metres grading 3.09 grams per tonne gold and 0.113 per cent copper (Exploration in B.C. 1997, page 38). This intersection is from the North zone. The Southwest zone, 350 metres to the south, and the Northeast zone also contained mineralization.*

*The next program by Christopher James Gold was a 2 staged drilling program completed during the fall in 1999. This program drilled a fan of three holes to the southwest and one parallel hole along the Big Kidd Breccia north contact. All four 1999 holes intersected significant lengths of gold-copper mineralized intrusion breccia with late porphyritic monzonite dyke and potassic (K-feldspar) alteration zones.*

*In 2003, Christopher James Gold Corp. drilled 9 holes and dug three trenches to test alkalic porphyry hosted by the Big Kidd breccia. Broad intervals of low-grade mineralization were encountered.*

**PAYCINCI** developed prospect (Volcanic redbed Cu)

MINFILE 092HNE084

Ten kilometres northwest

*Hypogene and supergene copper mineralization occurs in green laharic breccia, near the contact with red laharic breccia to the east. This mineralization consists primarily of disseminated and fracture controlled chalcocite and native copper, accompanied by lesser malachite and azurite, and minor chalcopyrite, bornite, cuprite and pyrite. Drilling indicates chalcopyrite becomes more abundant at depth at the expense of chalcocite. This mineralization is exposed along the crest and east flank of a small northerly trending ridge, over a north-south distance of 400 metres.*

*Drill indicated reserves are 54,000 tonnes grading 0.876 per cent copper (Assessment Report 7654, page 1). Precious metal values are generally low. Six rock samples analysed 1.1 to 2.4 per cent copper, 0.005 to 0.010 gram per tonne gold and 1.3 to 5.7 grams per tonne silver (Assessment Report 14108, Figure 5, samples 2051 to 2056). One chip sample taken along a trench yielded 0.89 per cent copper over 49 metres (George Cross News Letter No. 90 (May 8), 1992).*

**Mineralization: Property Area (cont'd)****EMERALD** showing (Volcanic redbed Cu)

MINFILE 092HNE081

Eleven kilometres northwest

*A grab sample from a dump assayed 0.10 per cent copper (Property File - M.K. Lorimer, 1971, page 4).*

**ELK** past producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn +/-Au; Au-quartz veins)

MINFILE 092HNE096

Twelve kilometres east

*Gold-silver mineralization on the Elk property is hosted primarily by pyritic quartz veins and stringers in altered pyritic granitic and, less frequently, volcanic rocks. Crosscutting relationships indicate that the veins are Tertiary in age; they may be related to Tertiary Otter intrusive events.*

*To date, mineralization has been located in four areas on the Elk property: Siwash North, South Showing (092HNE261), North Showing (092HNE281) and Siwash Lake (092HNE041, 295).*

*The Siwash Lake zone is 800 metres south of the Siwash North deposit; the North Showing and South Showing areas are 2 and 3 kilometres south of Siwash North respectively.*

*In the Siwash North area, gold occurs in veins measuring 5-70 centimetres wide, hosted by a zone of strongly sericitic altered granite and, in the west, volcanic rocks. In general, the mineralized zone trends east-northeast with southerly dips from 20-80 degrees (from east to west), and appears to be related to minor shearing. Quartz veining occurs in a number of parallel to subparallel zones. Each zone consists of one or more veins within an elevation range of 5 to 10 metres that can be correlated as a group to adjacent drill holes. In the eastern parts of the area, up to six subparallel zones occur. Five of these zones are consistent enough to be labelled the A, B, C, D and E zones.*

*Mineralization in the west has been identified in one or locally two zones (the B and C zones). The main mineralized zone (B) is consistent, with only minor exceptions, across the entire drill grid.*

*The Siwash North structure has been tested to 335 metres down dip and along a strike length of 925 metres. The zone remains open to depth and along strike.*

*At surface, supergene alteration has leached out most of the sulphides with some pyrite and chalcopyrite remaining. Mineralization occurs primarily as native gold, occasionally as spectacular aggregates of coarse flakes in frothy quartz (strong pyrite boxwork) or in fractures in the vein. Electrum was noted in one area as very coarse-grained flakes associated with strong manganese staining. Gold is rarely seen in boxworks in sericitic (phyllic) alteration.*

*In drill core, mineralization has not been affected by supergene processes. Metallic minerals in drill core include pyrite, chalcopyrite, sphalerite, galena, tetrahedrite, maldonite? pyrrhotite and native gold in order of decreasing abundance. Gold is strongly associated with pyrite and with a blue-grey mineral. Photomicrographs show the gold commonly in contact with this mineral, which may be a gold-bismuth alloy (maldonite?) or a copper-bismuth-antimony sulphosalt.*

*Gangue mineralogy consists primarily of quartz and altered wallrock fragments. Ankerite is commonly present, with lesser amounts of calcite. Minor barite is also present. Fluorite was noted in one vein as very small (less than 1 millimetre) zoned purple cubes scattered in the quartz.*

**Mineralization: Property Area** (cont'd)**ELK past producer** (cont'd)

*Stronger alteration generally accompanies higher grade gold mineralization. Seven main types of alteration were recognized in the granitic rocks throughout the property: propylitic, argillic, sericitic, potassium feldspar stable phyllic, phyllic, advanced argillic and silicic. Locally, potassic alteration, skarnification and silicification are evident, but are relatively minor and do not appear to be related to mineralization.*

*Propylitic alteration is generally light green with biotite and hornblende altered to chlorite, and plagioclase is saussuritized. In volcanics, the colour is generally olive green, and the rock is soft. Argillic alteration is exemplified by bleached rock, with plagioclase white and clay-altered; potassium feldspar is slightly altered.*

*Volcanics are bleached to light green or grey. Sericitic alteration is typically pale green with a micaceous sheen, with plagioclase altered to sericite; trace disseminated pyrite may be present. This type of alteration is often associated with quartz veins and appears to be the lowest grade alteration associated with gold mineralization. It is not recognized in volcanics.*

*Potassium feldspar stable phyllic alteration is light pink, green or yellowish with potassium feldspar fresh and pink and blocky. Plagioclase and mafic minerals are altered to fine-grained quartz-sericite-pyrite. It often occurs with veins and is associated with gold mineralization; it is not recognized in volcanics.*

*Phyllic alteration is generally grey, fine-grained quartz-sericite-pyrite alteration usually associated with veins and often gradational to quartz and often auriferous. Advanced argillic alteration is exemplified by most or all of feldspar being destroyed, quartz is "free-floating". The alteration is often sheared and white in colour and is often associated with quartz veins.*

*Volcanics are white or blue coloured. Silicic alteration is quartz veining or replacement that is hard with moderate conchoidal fracture. There is a strong symmetrical zoning of alteration around the quartz veins: vein-advanced argillic-phyllic-potassium feldspar stable phyllic-argillic-propylitic.*

*Measured geological reserves of the Siwash North deposit are 308,414 tonnes grading 22.17 grams per tonne gold and 24.68 grams per tonne silver using a cutoff grade of 10 grams per tonne gold.*

*Reserves are based on results from 107 drillholes at 50-metre grid spacings along 804 metres of strike length to 304 metres downdip. All veining intercepts have been adjusted for true width and assays diluted to 2-metre mining widths (George Cross News Letter No. 223 (November), 1991).*

*The revised drill indicated reserve, based on more realistic open pit and underground mining widths of 0.39 to 0.79 metre with a 20.5 grams per tonne gold cutoff grade, is 122,458 tonnes averaging 54.5 grams per tonne gold (George Cross News Letter No. 65 (April 2), 1993).*

*Surface drilling was done on fences 10-50 metres apart, underground drilling on fences 10 metres apart. Reserve calculations by the company and consultant Roscoe Postle gave the following results (Explore B.C. Program 95/96 - A38):*

*Probable (undiluted) 16,991 tonnes at 28,200 tonnes at 50.2 g/t gold 26.6 g/t gold*

*Possible (undiluted) 50,260 tonnes at 66,400 tonnes at 42.0 g/t gold 31.4 g/t gold*

*The 1996 exploration program consisted of 6873 metres of drilling in 91 holes. The Siwash zone has been traced along a 914 metre strike length and downdip to 245 metres.*

**Mineralization: Property Area** (cont'd)**ELK past producer** (cont'd)

Reserves estimated by the company at January 1, 1996 were 121,350 tonnes grading 25.4 grams per tonne gold and 35.3 grams per tonne silver.

These include a diluted, probable open-pit resource of 11,340 tonnes grading 58.97 grams per tonne gold, an underground probable resource below the open pit of 20,225 tonnes grading 26.74 grams per tonne gold, and a further possible underground resource of 89,790 tonnes grading 23.66 grams per tonne gold (Information Circular 1997-1, page 21).

Surface diamond drilling totaling 1413.96 metres in 12 holes was completed on the Siwash Mining lease during 2000 testing the B, WD and Gold Creek West (GCW) zones.

A trenching program was carried out in 2001 in the Siwash East Area consisting of six trenches totaling 202 meters. Almaden Resources and Fairfield Minerals Ltd. merged into Almaden Minerals Ltd. in February, 2002.

In 2002, Almaden undertook a 26 hole surface diamond drill program for a total of 4995.67 metres testing the B, WD, GCW and Bullion Creek zones. During the 2003 field season a 6570 metre, 30 hole, diamond drill program was carried out by Almaden in the Siwash North area testing the WD zone. The WD vein system is located approximately 100 metres north of the Siwash B zone vein and has been tested over a strike length of 610m and down dip for 380m.

By the end of May 2004, a total of eight mineralized veins had been discovered on the property. Four vein systems had been drilled in the Siwash area: the B system with a strike length of 900 m has been tested down dip to 320 m; the WD zone with a strike length of 650 m has been tested to 370 m down dip; the GCW zone with a strike length of 300 m has been tested to 130 m down dip and the Bullion Creek (BC) zone which has been tested with two holes to a depth of 75 m.

A new 43-101 compliant resource was calculated using drill data for the Siwash B and WD veins, just two of eight known mesothermal vein structures on the property.

Global (bulk-tonnage and underground mineable) measured and indicated resources were reported to total 668,300 tonnes grading 9.66 grams per tonne gold (207,600 ounces) plus an additional 1,317,200 tonnes grading 4.91 grams per tonne gold (207,800 ounces) in the inferred category (News Release, Almaden Minerals Limited, May 28, 2004).

Included in the global figures is a higher grade, underground-mineable resource totaling 164,000 tonnes grading 33.69 g/t gold in the measured and indicated category, plus another 195 200 tonnes grading 16.38 g/t gold in the inferred category.

In 2004 a diamond drill program consisting of 10,265 meters of NQ drilling in 44 holes was completed.

Included in the global figures is a higher grade, underground-mineable resource totaling 164,000 tonnes grading 33.69 g/t gold in the measured and indicated category, plus another 195 200 tonnes grading 16.38 g/t gold in the inferred category.

In 2004 a diamond drill program consisting of 10,265 meters of NQ drilling in 44 holes was completed. As reported by Almaden in 2001, a possible extension to the B and WD vein systems was found roughly two kilometres along strike to the east, on the other side of an area of overburden cover and no outcrop, as part of a trenching program.

**Mineralization: Property Area (cont'd)**

**ELK past producer (cont'd)**

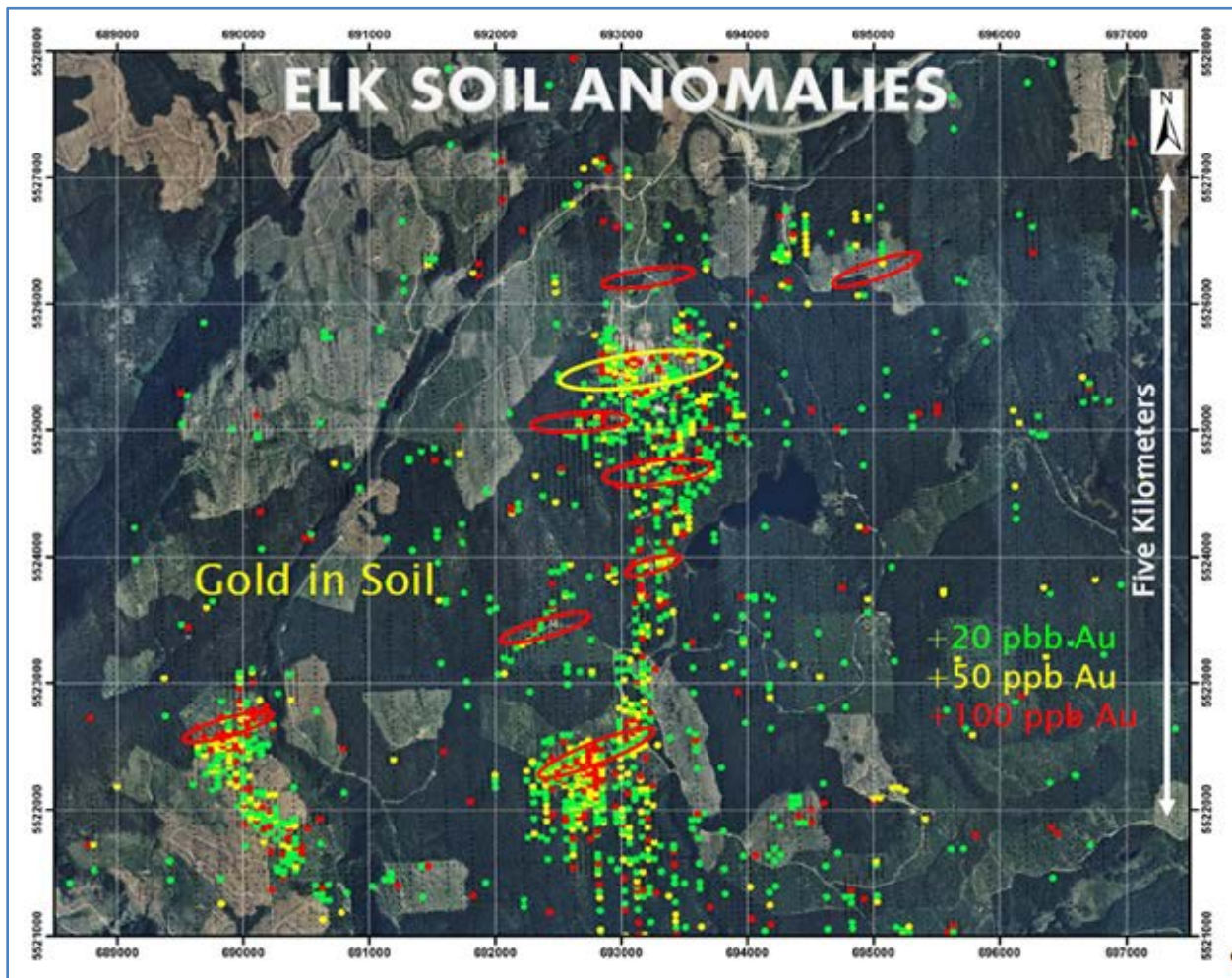
Grab samples of the vein material taken at surface returned averaged analyses of 31.6 grams per tonne gold and 104.4 grams per tonne silver (News Release, Almaden Minerals Limited, March 4, 2005. This discovery added about two kilometres of prospective, unexplored strike length to the high-grade vein system.

**Update**

Gold Mountain Mining Corporation, the present owner of the Elk property reports (2012 Corporate Presentation) on recent information at the Elk Property; past gold production at 51,500 ounces at 97 g/t (>3 opt) and an existing gold resource of 301,000 ounces gold in a measured and indicated category with 263,000 ounces of gold in an inferred category.

**Figure 5. Elk Mineral Zones showing the indicated localized association to structural intersections of the major north trending Elk or Siwash fault and a subsidiary set of easterly to northeasterly trending faults.**

(Map from Gold Mountain Mining Corporation January 2012 Corporate Presentation)



**Mineralization: Property Area** (cont'd)**THALIA** prospect (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE151

Five kilometres west

*Erratic copper mineralization is hosted in fine-grained diorite/andesite porphyry and basalt of the Nicola Group (Central belt, Bulletin 69), in an elongate area trending north-northwest for 1050 metres. Mineralization consists primarily of chalcocite and malachite along fractures and associated with calcite stringers. Pyrite and chalcopyrite are also present. Strongest mineralization occurs in the most southerly exposures, where one trench sample analysed 0.38 per cent copper over 15 metres (Assessment Report 7724, Plate 1). An adjacent vertical percussion hole graded 0.14 per cent copper over 32.0 metres (Assessment Report 7724, hole TPH-79-5). Analyses of three grab samples taken 480 metres north-northeast averaged 0.23 per cent copper (Assessment Report 21406, Figure 4, site C). A sample of brecciated red basalt with chalcocite, 1000 metres north-northeast, assayed 10 grams per tonne silver and 2.6 per cent copper over 1 metre (Assessment Report 7724, Plate 1). Chalcocite forms scattered blebs and semimassive lenses at this northernmost exposure.*

**BREW** showing (Alkalic porphyry Cu-Au; Subvolcanic Cu-Ag-Au; As-Sb)

MINFILE 092HNE275

Twelve kilometres northeast

*The zone has been traced on surface for 400 metres and is 30 to 40 centimetres wide. It is comprised of strongly gossanous clay and fault gouge containing 1 to 2 per cent pyrite. Quartz and quartz-calcite stringers and quartz blebs occur sporadically throughout the zone. A sample of quartz vein material yielded 0.14 gram per tonne gold and 14.4 grams per tonne silver (Assessment Report, 18041, page 8, sample 239774).*

**MINERALIZATION: PROPERTY****LATE** showing (Volcanic redbed Cu)

MINFILE 092HNE204

Within Tenure 589862

*Chalcocite and rarer bornite occur in north-trending fracture zones, and less commonly as disseminations, over an area 240 metres long and 120 metres wide. Stringers of epidote, calcite and specular hematite are associated with the chalcocite and bornite. Malachite usually accompanies this mineralization. A sample with traces of chalcocite and malachite analysed 0.024 per cent copper, 0.2 gram per tonne silver and less than 0.001 gram per tonne gold over 1.0 metre (Assessment Report 10448, geology map, sample 1). A second grab sample from a pit excavated in a shear with malachite staining, 150 metres northwest of sample 1, analysed 0.0082 per cent copper, 2.4 grams per tonne silver and 0.001 gram per tonne gold (sample 2).*

**SHRIMPTON CREEK PLACER** past producer (Surficial placers)

MINFILE 092HNE180

Within Tenure 994762

*Particles of flat, well-worn, flaky gold, 1.5 to 3 millimetres in diameter, were recovered from unsorted glacial material. Most of the gold was found near surface. Material lying on or near bedrock was found to be barren of gold.*

### STRUCTURAL ANALYSIS

The structural analysis was performed on a MapPlace hillside shade map of Tenure 589876 by viewing of the map and marking the lineaments, or indicated structures, thereon. A total of 84 lineaments were marked (Figure 6), compiled into a 10 degree class interval, and plotted as a Rose Diagram as indicated on Figure 7.

Figure 6. Lineaments as Indicated Structures on Tenure 589876

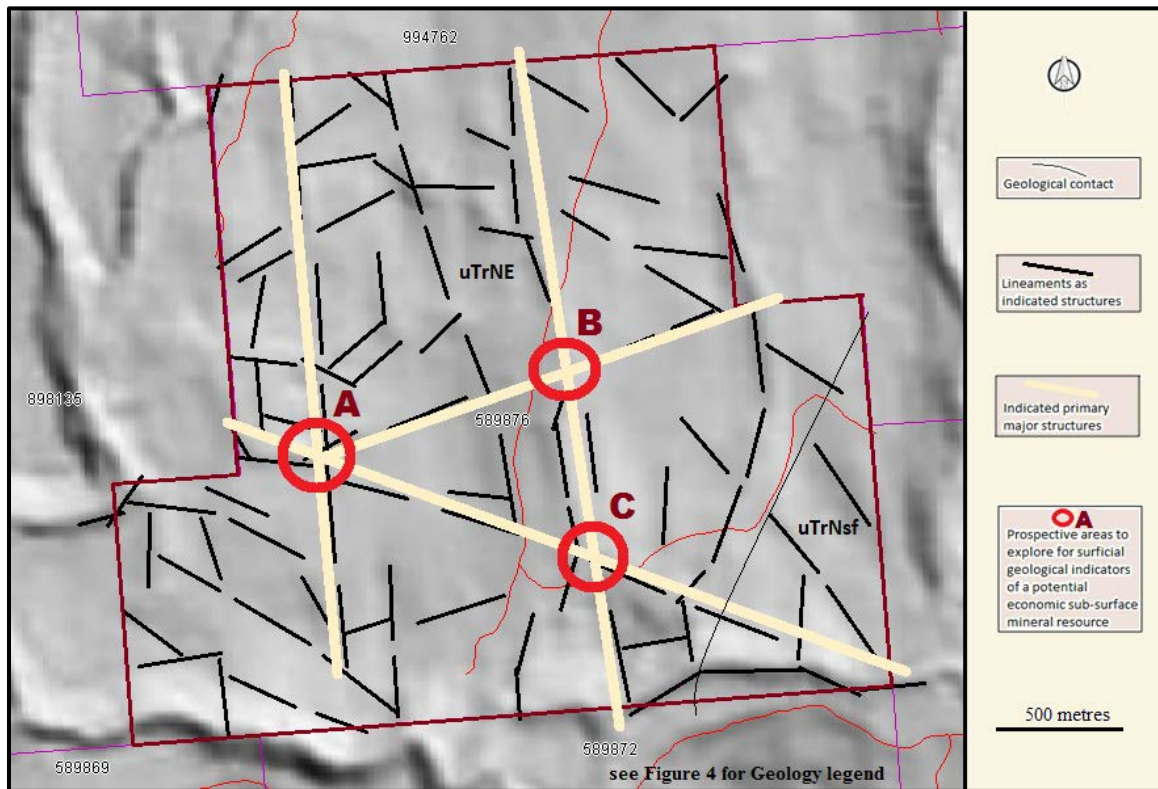
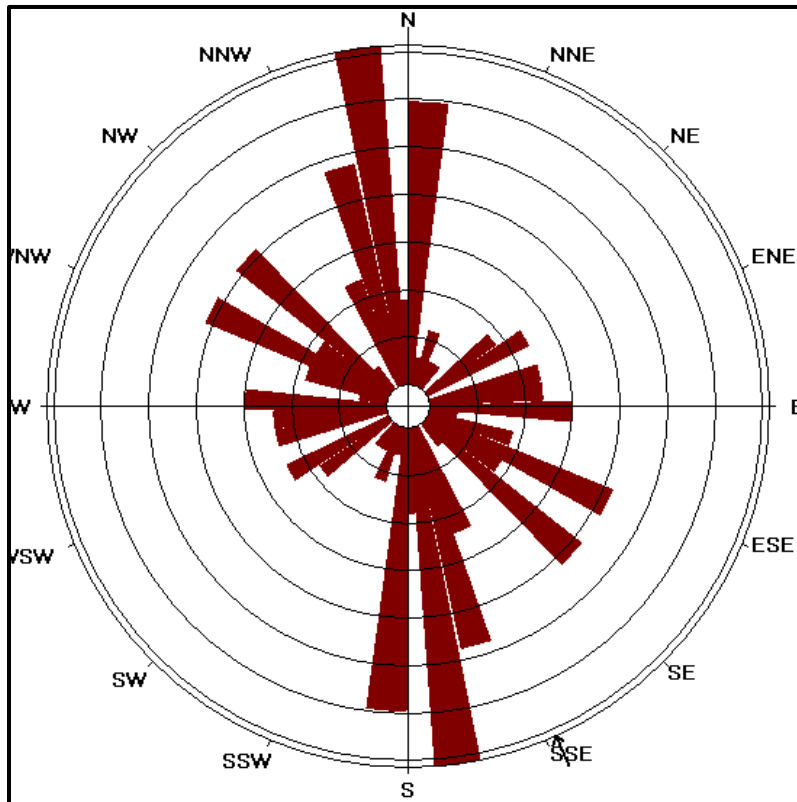


Figure 7. Rose Diagram from indicated structures (lineaments) of Figure 6.



**STATISTICS**

Axial (non-polar) data  
 No. of Data = 84  
 Sector angle = 8°  
 Scale: tick interval = 2% [1.7 data]  
 Maximum = 14.3% [12 data]  
 Mean Resultant dir'n = 156-336  
 [Approx. 95% Confidence interval = ±33.8°]  
 (valid only for unimodal data)

Mean Resultant dir'n = 155.9 - 335.9  
 Circ.Median = not calculated  
 Circ.Mean Dev.about median = not calculated  
 (Not calculated if too many data, or data are axial (non-polar), and too coarsely grouped)  
 Circ. Variance = 0.31  
 Circular Std.Dev. = 49.02°  
 Circ. Dispersion = 6.77  
 Circ.Std Error = 0.2838  
 Circ.Skewness = 1.61

Circ.Kurtosis = -2.14  
 kappa = 0.48  
 (von Mises concentration param. estimate)

Resultant length = 19.43  
 Mean Resultant length = 0.2314

'Mean' Moments: Cbar = 0.1545; Sbar = -0.1722  
 'Full' trig. sums: SumCos = 12.9769; Sbar = -14.4663  
 Mean resultant of doubled angles = 0.2756  
 Mean direction of doubled angles = 174

(Usage references: Mardia & Jupp, 'Directional Statistics', 1999, Wiley; Fisher, 'Statistical Analysis of Circular Data', 1993, Cambridge University Press)  
 Note: The 95% confidence calculation uses Fisher's (1993) 'large-sample method'

Figure 8. **Cross-structural locations on Google Earth**  
(Base map from MapPlace & Google Earth)

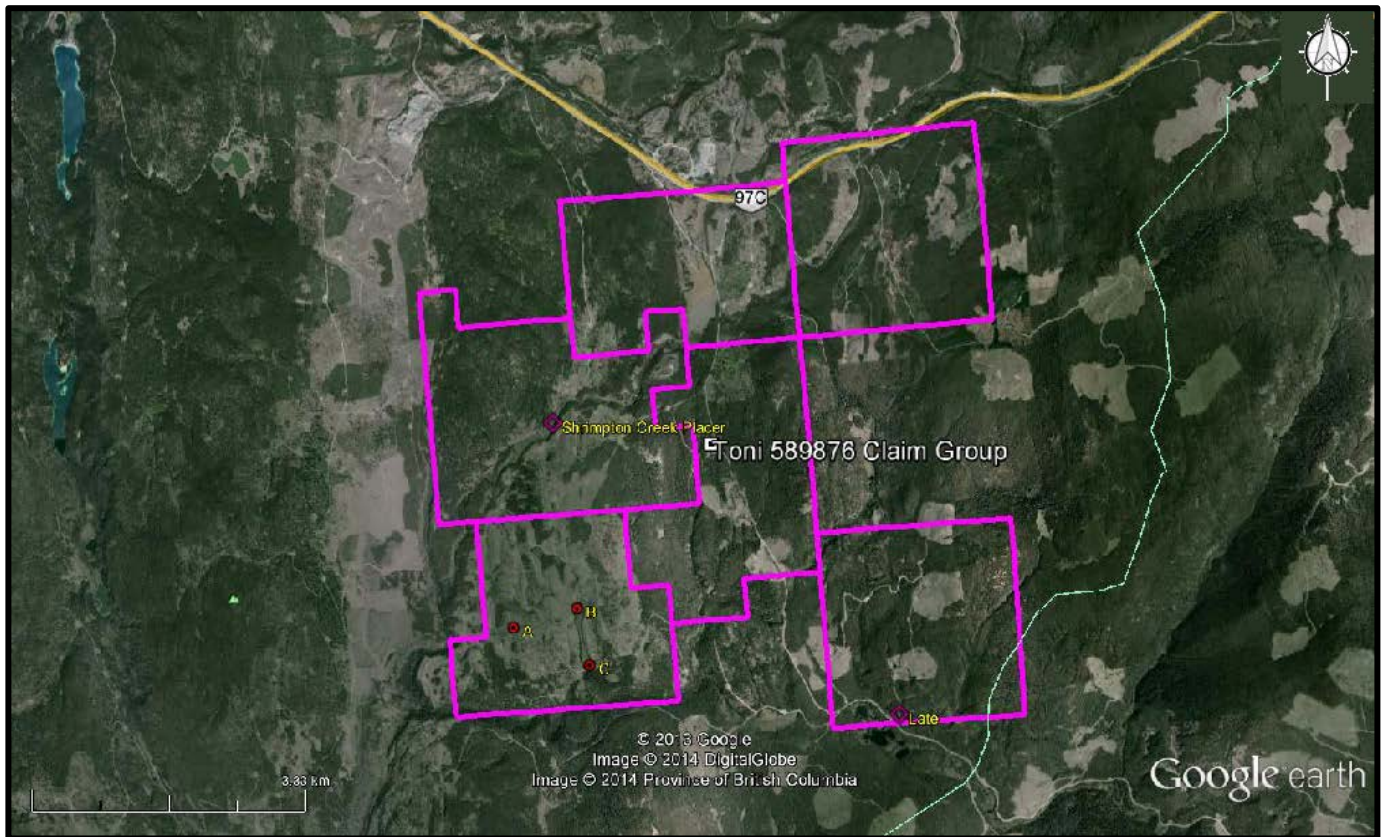


Table II. **Approximate location of cross-structures & Minfiles**  
(UTM-NAD 83)

Cross-Structures	UTM East	UTM North	Elevation (metres)
<b>A</b>	680,025	5,523,661	1,213
<b>B</b>	680,800	5,523,854	1,243
<b>C</b>	680,915	5,523,171	1,240
<b>Minfiles</b>			
<b>Shrimpton Creek Placer</b>	680,617	5,526,063	1,177
<b>Late</b>	684,559	5,522,425	1,381

## **INTERPRETATION and CONCLUSIONS**

The Structural analysis on Tenure 589876 of the Toni 589876 Claim Group indicated a conjugate or polyphase fault array with a dominant northerly structural trend with northeasterly and northwesterly structures possibly indicating two tectonically unrelated sets of forces

The cross-structure location is significant in that the stronger structures could provide the means for tapping a mineral source at greater depths and provide an avenue of transport to the surface and imprint any mineral indicators at or near surface.

This is exemplified at the Elk mineral zones where the main structure, the north trending Elk Fault, is intersected by numerous east-northeasterly trending faults. The cross-structural mineral controlling feature is obvious as the mineral zones are mostly adjacent to the Elk Fault and related to the cross fault intersection (Figure 8).

In many cases, some of the weaker structures, expressed as variably sized, possibly en-echelon shear zones to a stronger structure, host minor mineralization that may be surficial seepage from a hydrothermal mineral source at depth.

On a smaller scale, not related to a productive mineral zone, the Brew (*Minfile 092HNE275*) showing structural intersections are indicated as mineral controls to mineralizing accessed from a deep-seated source. Gold and silver minerals occur in a major fault zone hosting pyrite and quartz stringers; samples of which assayed 0.60 grams per tonne gold.

The three cross-structure locations A, B & C, as determined in the structural analysis of Tenure 589876 and indicated on Figures 6 & 8, would be prime locations to explore for surficial geological indicators of a potential economic deep-seated mineralized porphyry system. These geological indicators may be revealed as pathfinder minerals, minerals and/or alteration products that would be subject to interpretation as economic mineral indicators to follow-up exploration.

Respectfully submitted  
Sookochoff Consultants Inc.



Laurence Sookochoff, PEng

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**MapPlace** – Map Data downloads

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**McInnis, M.D.**, 1973: Property Report on the Buck Group for Great Plains Development Company Ltd. **AR 04,552.**

**MtOnline** - MINFILE downloads.

092HNE047 – BRENDA  
092HNE074 – BIG KIDD  
092HNE081 – EMERALD  
092HNE084 – PAYCINCI  
092HNE096 – ELK  
092HNE133 – LATE  
092HNE151 – THALIA  
092HNE180 – SHRIMPTON CREEK PLACER  
092HNE275 – BREW

**Rowe, J.D.**, 1995 Geochemical Report on the Wave Property for Fairfield Minerals Ltd. **AR 24,253.**

**Sookchoff, L.** – Structural Analysis on Tenure 589852 of the 9 Tenure 589852 Claim Group of the Toni Property for Victory Resources Corporation. February 5, 2012. **AR 32,705.**

**Sookchoff, L.** – Structural Analysis on Tenure 909449 of the 12 Claim Tenure 909949 Claim Group of the Toni Property for Victory Resources Corporation. February 10, 2013.

**STATEMENT OF COSTS**

The work on Tenure 589876 was completed from June 26, 2013 to June 29, 2013 to the value as follows.

Laurence Sookochoff, P.Eng.: 3 days @ \$1,000. /day -----	\$ 3,000.00
Maps -----	1,000.00
Report -----	<u>3,500.00</u>
	\$ 7,500.00
	=====

## CERTIFICATE

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify:  
That I am a Consulting Geologist and principal of Sookochoff Consultants Inc. with an address at 120  
125A-1030 Denman Street, Vancouver, BC V6G 2M6.

I, Laurence Sookochoff, further certify that:

- 1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.
- 2) I have been practicing my profession for the past forty-seven years.
- 3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.
- 4) The information for this report is based on information as itemized in the Selected Reference section of this report and from work the author has performed on the Toni Property since 2006.
- 5) I have no interest in the Property as described herein.
- 6) I am a director of Victory Resources Corporation.



Laurence Sookochoff, P. Eng.