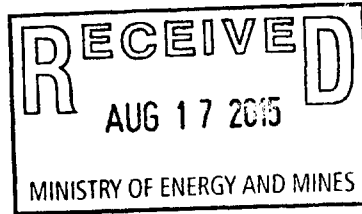


BC Geological Survey
Assessment Report
34831



Prospecting Survey Report

The Marysville Magnesite Deposit

Fort Steele Mining District, B.C

NTS 082 G 12W

Lat: 49 35 30N Long: 115 58 00W



For

Nealeco Resources

Event 550590.

**GEOLOGICAL
ASSESSM**

W. B Neale

15th July, 2014

34,831

REGISTER TRADE NAME - Proof of Filing

Alberta Registration Date: 2009/10/09

Registration Number: TN14951693

Service Request Number: 13761652
Trade Name: NEALECO RESOURCES
Type of Business: PROSPECTING
Business Location: LETHBRIDGE
Commencement Date: 2009/10/01

Declarant

Status: Active
Declarant Type: Individual
Last Name / Legal Entity Name: NEALE
First Name: WALLACE
Middle Name: B
Occupation: PROSPECTOR
Street: 1714 15 AVE S
City: LETHBRIDGE
Province: ALBERTA
Postal Code: T1K 0W9

Registration Authorized By: WALLACE B NEALE
AGENT OF CORPORATION

Introduction

This brief report is based on our experience on the property and by the review related Government Publications, Internal reports of Cominco, and other sources in the public Domain.

The Marysville Magnesite desposits were discovered in 1933 by W.H Collins. He described the deposit:

The deposit forms a narrow belt of manesite-bearing sediments extending in a N.N.E-S.S.W. Direction between the St Mary River and Perry Creek and is within a few hundred yards of the road from Marysville. The most Northerly exposures occur almost directly south of Marysville and less than a mile south of and about 400 feet above the St. Mary River. From this point, the belt was traced to within a mile of Perry Creek..

The parer Magnesite occurs toward the center of the magnesite belt. It varies from course to finely crystalline, weathers rough and is commonly coated rust-brown. Fresh surfaces are pearly gray, white and cream. In places the Magnesite may be traversed by irregular, small veins and veinlets of quartz but for the most part seems relatively free of visible impurities. Most of the better grade magnesite forms a single band , which though not continuously exposed, is probably nowhere less than 15 or 20 feet thick and in places at least 50 feet thick.

The Property

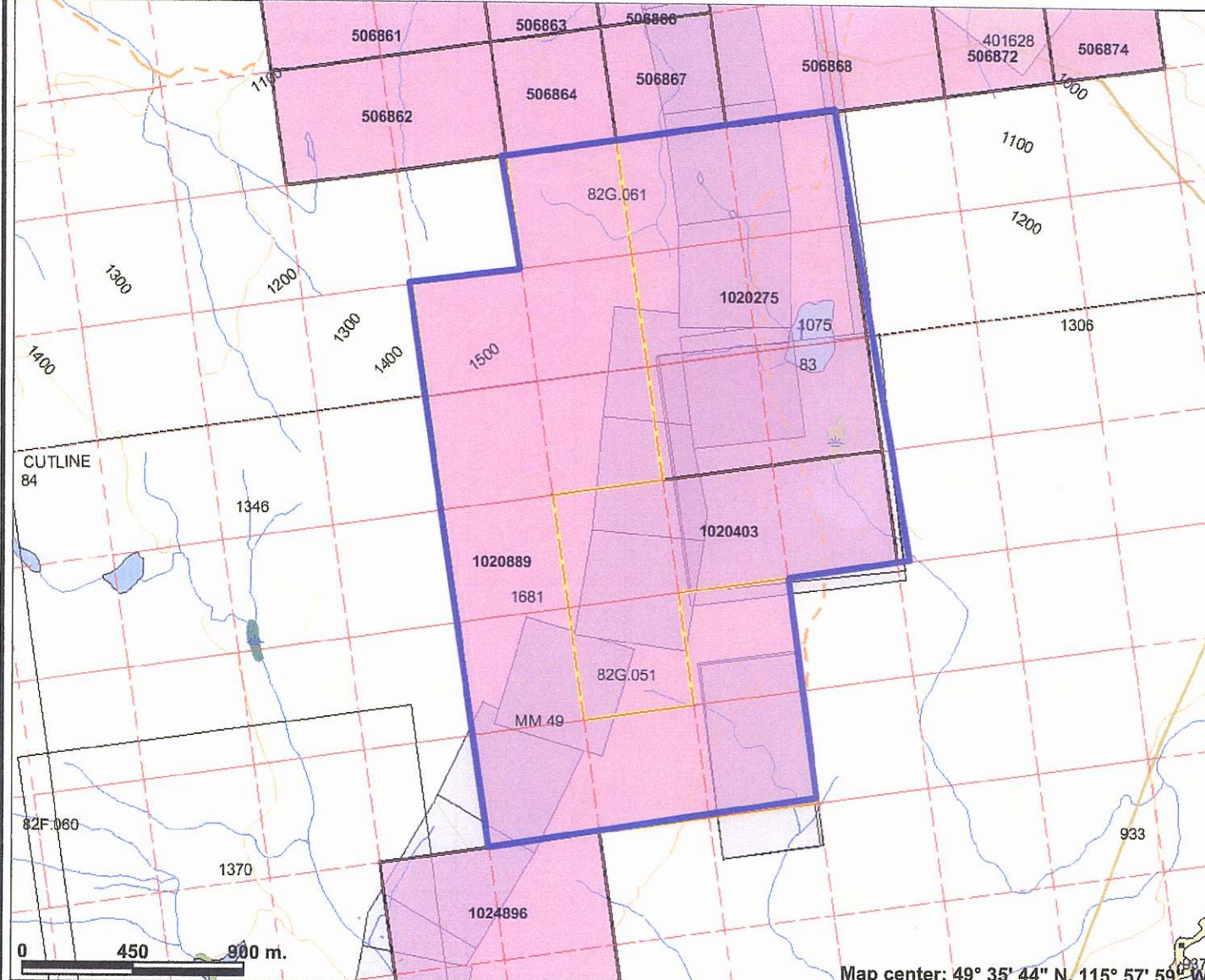
Our Tenures covering the Marysville Deposit include #1020889, 1020403 and 1020275, a total of 439.81ha

The Claims are located approximately 10 kms northwest of Cranbrook B.C.The road access is a good quality logging road that connects the property to a paved highway near Wycliff, halfway between Cranbrook and Kimberly.

Current land use for the area includes fishing, hunting, recreational motoring and snowmobiling. Perry Creek and it's tributary Antwerp Creek drain from the outcroppings of Magnesite into the St. Mary river that is an important habitat for Kokanee, a land locked salmon. The mining of Magnesite should not have any negative impact on the water quality of these drainages providing recommended practices are employed.



Marysville Magnesite



Legend

- Indian Reserves
- National Parks
- Conservancy Areas
- Parks
- Federal Transfer Lands
- MTO Grid (MTO)
- Mineral Tenure (current)**
- Mineral Claim
- Mineral Lease
- Mineral Reserves (current)**
- Placer Claim Designation
- Placer Lease Designation
- No Staking Reserve
- Conditional Reserve
- Release Required Reserve
- Surface Restriction
- Recreation Area
- Others
- First Nations Treaty Related Lands
- First Nations Treaty Lands
- Integrated Cadastral Fabric
- Survey Parcels
- BCGS Grid
- Contours (1:250K)
- Contour - Index
- Contour - Intermediate
- Area of Exclusion
- Area of Indefinite Contours
- Annotation (1:20K)
- Transportation - Points (TRIM)

0 450 900 m.

Map center: 49° 35' 44" N, 115° 57' 59" W



Scale: 1:24,584

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.



Our Work

Drill cores and Historical data was destroyed when Cominco closed the Sullivan Mine. We explored the property, collected grab samples for assay and attempted to reconstruct the data that was outlined in the Geological reports. Our intent is to bring the record on the resource up to date to market the Property.

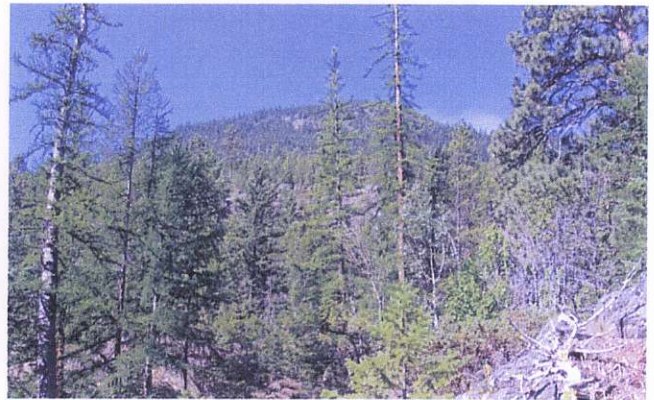
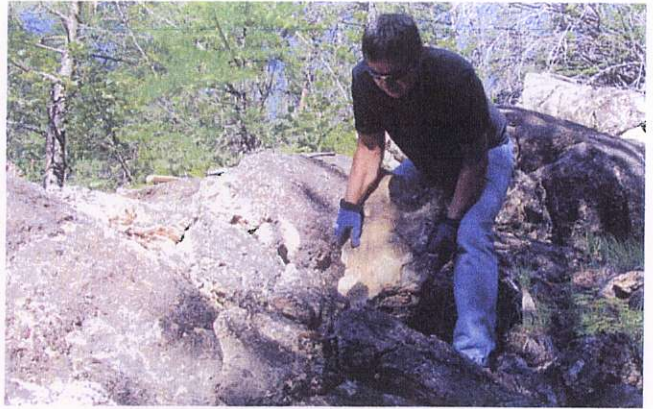
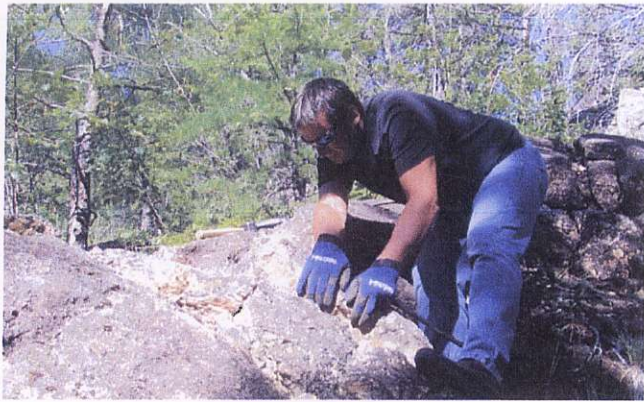
History

The Marysville Magnesite deposit was discovered during field work performed by the Geological Survey of Canada in 1932. The Consolidated Mining and Smelting Company of Canada, now Cominco did development work between 1938 and 1941. The work consisted of test pitting, underground testing, diamond drilling and geological mapping. Their work also included the mining of some 2,700 tons of ore which they used in experiments to produce magnesium powder.

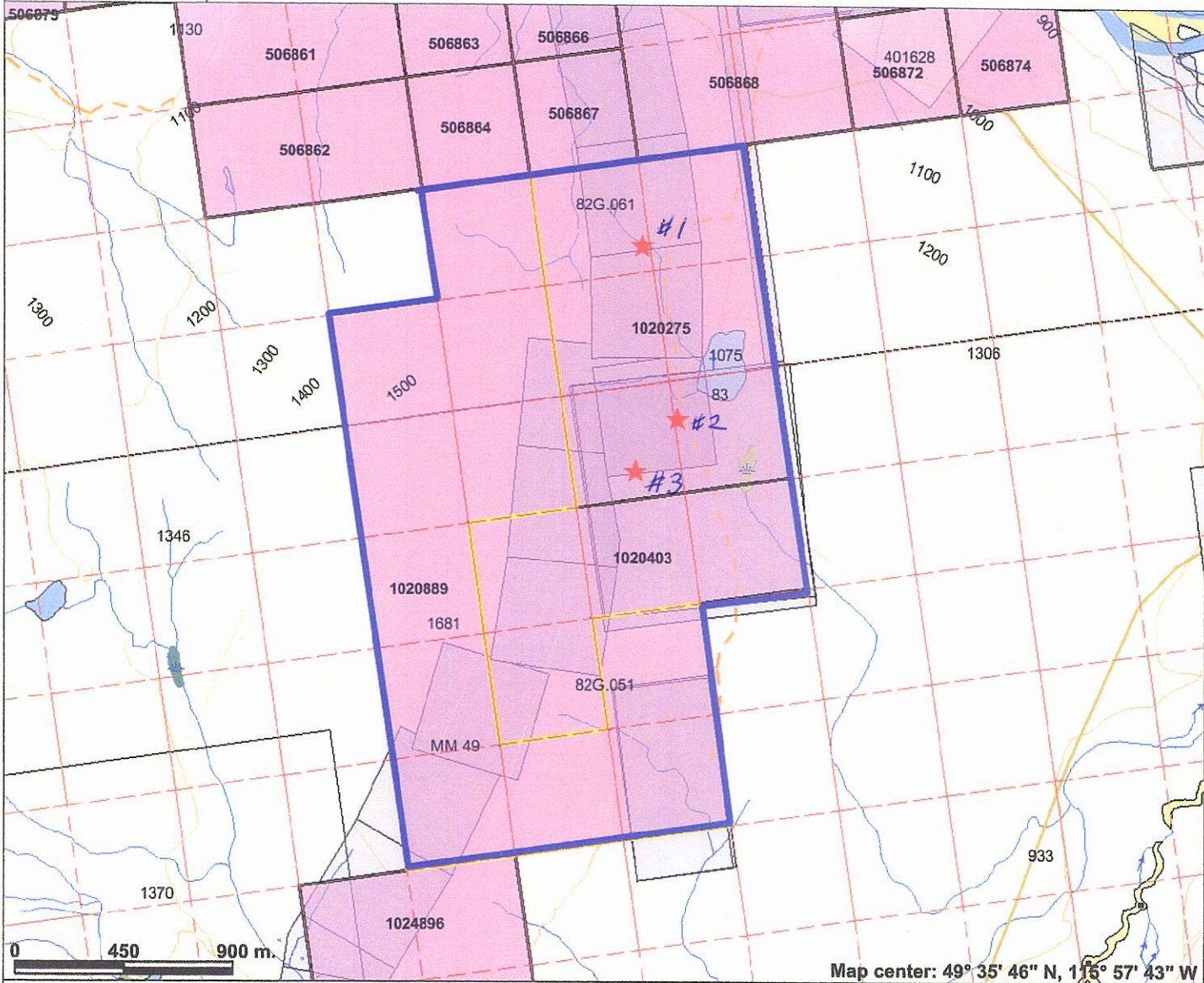
In 1959, Harbour National Resources did further exploration and drilling. Cominco performed some additional surface work in 1961.

Summery

Magnesite, Mg_2CO_3 is an important Industrial Mineral and serves as a primary source of magnesium in the production of magnesium metal, soluble magnesium compounds, refractory materials, metal production, construction materials, pharmaceuticals, water treatment and agriculture. Factors that recommend This deposit for development include high grade ore zone, closeness to a major population area and the ease of access.



Work PERFORMED



Legend

- Indian Reserves
- National Parks
- Conservancy Areas
- Parks
- Federal Transfer Lands
- MTO Grid (MTO)
- Mineral Tenure (current)
- Mineral Claim
- Mineral Lease
- Mineral Reserves (current)**
 - Placer Claim Designation
 - Placer Lease Designation
 - No Staking Reserve
 - Conditional Reserve
 - Release Required Reserve
 - Surface Restriction
 - Recreation Area
 - Others
- First Nations Treaty Related Lands
- First Nations Treaty Lands
- Integrated Cadastral Fabric
- Survey Parcels
- BCGS Grid
- Contours (1:250K)
 - Contour - Index
 - Contour - Intermediate
 - Area of Exclusion
 - Area of Indefinite Contours
- Annotation (1:20K)
- Transportation - Points (TRIM)

Scale: 1:24,912



Map center: 49° 35' 46" N, 116° 57' 43" W

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.



Loring Laboratories(Alberta) Ltd.

629 Beaverdam Road N.E.,
Calgary Alberta T2K 4W7
Tel:403- 274-2777 Fax:403- 275-0541

TO: Nealeco Resources
1714 15 Ave. S
Lethbridge AB
T1K 0N9

FILE: 5 6 5 9 6

DATE: July 12, 2013

Attn: Bud Neale

WHOLEROCK ICP ANALYSIS

| Sample I.D. | Al ₂ O ₃ % | Ba ppm | CaO % | Cr ppm | Fe ₂ O ₃ % | K ₂ O % | MgO % | MnO % | Na ₂ O % | Ni ppm | P ₂ O ₅ % | SO ₃ % | SiO ₂ % | Sr ppm | TiO ₂ % | V ppm | LOI@1000 % | SUM % |
|-------------|----------------------------------|--------|-------|--------|----------------------------------|--------------------|-------|-------|---------------------|--------|---------------------------------|-------------------|--------------------|--------|--------------------|-------|------------|-------|
| Sample-1 | 0.72 | 17 | 0.07 | 275 | 0.38 | 0.10 | 0.10 | <0.01 | 0.02 | 5 | 0.01 | 0.02 | 97.78 | 4 | 0.01 | 4 | 0.19 | 99.42 |
| Sample-2 | 1.10 | 10 | 0.78 | 25 | 1.38 | 0.08 | 43.17 | 0.03 | 0.48 | 4 | 0.11 | 0.01 | 3.58 | 9 | 0.01 | 6 | 48.76 | 99.50 |
| Sample-3 | 2.08 | 12 | 0.98 | 79 | 0.96 | 0.09 | 36.85 | 0.03 | 0.57 | 5 | 0.26 | 0.02 | 18.60 | 10 | 0.02 | 7 | 39.49 | 99.93 |

Sample received on July 09, 2013

0.5 gm sample digested with multi acids and finished by ICP

Certified by: _____



AcmeLabs

Acme Analytical Laboratories (Vancouver) Ltd.

1020 Cordova St. East Vancouver BC V6A 4A3 Canada
 Phone (604) 253-3158 Fax (604) 253-1716

www.acmelab.com

Client: Aztec Geoscience Inc.
 612 - 3030 Kilpatrick Ave.
 Courtenay BC V9N 8P1 Canada

Project: HC2011
Report Date: January 12, 2012

Page: 1 of 1 Part 2

QUALITY CONTROL REPORT

VAN11006891.1

| Method | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 1DX30 | 7AR |
|----------------------------|------------|-------|-------|--------|-------|--------|-------|-------|--------|-------|-------|-------|-------|-------|--------|-------|-------|-------|--------|
| Analyte | La | Cr | Mg | Ba | Ti | B | Al | Na | K | W | Hg | Sc | Tl | S | Ga | Se | Te | Cu | |
| Unit | ppm | ppm | % | ppm | % | ppm | % | % | % | ppm | ppm | ppm | ppm | % | ppm | ppm | ppm | % | |
| MDL | 1 | 1 | 0.01 | 1 | 0.001 | 1 | 0.01 | 0.001 | 0.01 | 0.1 | 0.01 | 0.1 | 0.1 | 0.05 | 1 | 0.5 | 0.2 | 0.001 | |
| Reference Materials | | | | | | | | | | | | | | | | | | | |
| STD DS8 | Standard | 15 | 105 | 0.56 | 231 | 0.121 | 1 | 0.89 | 0.097 | 0.41 | 2.6 | 0.20 | 2.3 | 4.5 | 0.16 | 4 | 4.7 | 4.4 | |
| STD GC-7 | Standard | | | | | | | | | | | | | | | | | | 0.568 |
| STD GC-7 | Standard | | | | | | | | | | | | | | | | | | 0.556 |
| STD DS8 Expected | | 14.6 | 115 | 0.6045 | 279 | 0.113 | 2.6 | 0.93 | 0.0883 | 0.41 | 3 | 0.192 | 2.3 | 5.4 | 0.1679 | 4.7 | 5.23 | 5 | |
| STD GC-7 Expected | | | | | | | | | | | | | | | | | | | 0.555 |
| BLK | Blank | <1 | 2 | <0.01 | <1 | <0.001 | <1 | <0.01 | <0.001 | <0.01 | <0.1 | 0.03 | <0.1 | <0.1 | <0.05 | <1 | <0.5 | <0.2 | |
| BLK | Blank | | | | | | | | | | | | | | | | | | <0.001 |
| Prep Wash | | | | | | | | | | | | | | | | | | | |
| G1 | Prep Blank | 12 | 9 | 0.44 | 127 | 0.115 | <1 | 0.97 | 0.137 | 0.50 | 0.1 | 0.02 | 2.1 | 0.2 | <0.05 | 4 | <0.5 | <0.2 | |

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.

Summery of Writers Qualifications

I Wallace B Neale am holder of a valid Free Miners Lic. 144021 , over the years I have located some 200 tenures in British Columbia.

I am a Graduate of The Prospector Program at UBC

I am experienced in evaluating prospects by geology, soil and rock sampling and by bulk sampling.

I am a member of several mining associations and I maintain an extensive library of geological books, reports and articles

I am the author of this report which is based on my personal observations and by research of the public record with the assistance of Fiona Katay, Regional Geologist Kootenay-Boundry

Dated at Lethbridge Alberta July 15, 2014

References

Department of Mines Geological Survey by W.H. Collins 1933
43-101 Technical Report, Hunter Thompson Chemical Inc., 2008
Prospecting Report, David Manley Fredund 2008
Geological Report, Stalak Resources Inc, 1999
Numerous Cominco files and records, 1977

Report Amendments

August 12, 2015

On the Map submitted, titled " Work Performed"

In the report you will note 3 stars. The north most star will be rock plot #1, the middle star will be rock plot #2 and the South star will be rock plot #3

On the page noting the Loring Labs Assay you will note 3 samples. These correspond with the above plots. The Acme labs assays were duplicates to confirm the original samples.

GPS location of Plot 1 (old adit) $N49^{\circ}36'22.3''W115^{\circ}57'20.9''$

Plot 2 exposed outcrops $N49^{\circ}36'18.1''W115^{\circ}57'23.0''$

Plot 3 quarry $N49^{\circ}36'17.6''W115^{\circ}57'24.2''$

A handwritten signature in black ink, appearing to be 'W.B. Neale', with a long horizontal line extending to the right.

W.B. Neale