

**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)]:** Structural Analysis

**TOTAL COST:** \$ 7,250.00

**AUTHOR(S):** Laurence Sookochoff, PEng

**SIGNATURE(S):**

Digitally signed by Laurence Sookochoff  
DN: cn=Laurence Sookochoff, o, ou, email=lsookochoff@yahoo.ca, c=CA  
Date: 2015.05.11 03:15:05 -07'00'

**NOTICE OF WORK PERMIT NUMBER(S)/DATE(S):** \_\_\_\_\_

**YEAR OF WORK:** 2014

**STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S):** 5494342 March 13, 2014

**PROPERTY NAME:** Toni

**CLAIM NAME(S) (on which the work was done):** 898131

**COMMODITIES SOUGHT:** Copper Gold

**MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN:** 092H.295 (Snow)

**MINING DIVISION:** Nicola

**NTS/BCGS:** 092H.098 092H.099

**LATITUDE:** 49 ° 58 ' 4.4 " **LONGITUDE:** 120 ° 23 ' 37.97 " (at centre of work)

**OWNER(S):**

1) Victory Resources Corporation

2) \_\_\_\_\_

**MAILING ADDRESS:**

13236 Cliffstone Court

Lake Country BC V4V 2R1

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

1) Victory Resources Corporation

2) \_\_\_\_\_

**MAILING ADDRESS:**

13236 Cliffstone Court

Lake Country BC V4V 2R1

**PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):**

The property is underlain entirely by the Late Triassic to Early Jurassic granodiorite of the Pennask batholith. Major northwesterly, northeasterly, and northerly trending structures. At the Snow mineral showing a drillhole intersected minor copper mineralization in weakly to moderately chloritized granite of the Pennask batholith.

**REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:** 32627, 33071

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
<b>GEOLOGICAL (scale, area)</b>			
Ground, mapping			
Photo interpretation	415 hectares	898131	\$ 7,250.00
<b>GEOPHYSICAL (line-kilometres)</b>			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
<b>GEOCHEMICAL (number of samples analysed for...)</b>			
Soil			
Silt			
Rock			
Other			
<b>DRILLING (total metres; number of holes, size)</b>			
Core			
Non-core			
<b>RELATED TECHNICAL</b>			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
<b>PROSPECTING (scale, area)</b>			
<b>PREPARATORY / PHYSICAL</b>			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
<b>TOTAL COST:</b>			<b>\$ 7,250.00</b>

# VICTORY RESOURCES CORPORATION

(Owner & Operator)

BC Geological Survey  
Assessment Report  
34868

## GEOLOGICAL ASSESSMENT REPORT

(Event 5494342)

on a

### STRUCTURAL ANALYSIS

Work done from March 9, 2014 to March 11, 2014

on

**Tenure 898131**

*of the seven claim*

**Toni 898131 Claim Group**

*of the 81 claim, 40,526 hectare*

**TONI PROPERTY**

**Nicola Mining Division**

**BCGS Map 092H.098/.099**

*Centre of Work*

**UTM Zone 10U (NAD 83) 5538316N 686886E**

*Author & Consultant*

**Laurence Sookchoff, PEng  
Sookchoff Consultants Inc.**

*Amended Report Submitted*

**May 11, 2015**

## TABLE OF CONTENTS

	page
Summary -----	4.
Introduction -----	5.
Toni 898131 Claim Group Location and Description -----	5.
Accessibility, Climate, Local Resources, Infrastructure and Physiography --	7.
Water and Power -----	8.
History: Toni 898131 Claim Group Area -----	8.
092HNE002 – MAL -----	8.
092HNE058 – HN-WEN -----	8.
092HNE059 – ECHO -----	8.
092HNE096 – ELK -----	9.
092HNE147 – COURT 1 -----	9.
092HNE270 – KIT -----	10.
092HNE311 – WAVE 1 -----	10.
092HNE312 – WAVE 2 -----	10.
History: Toni 898131 Claim Group -----	10.
092HNE295 – SNOW -----	10.
Geology: Regional -----	10.
Geology: Toni 898131 Claim Group Area -----	11.
092HNE002 – MAL -----	12.
092HNE058 – HN-WEN -----	12.
092HNE059 – ECHO -----	13.
092HNE074 – BIG KIDD -----	13.
092HNE096 – ELK -----	14.
092HNE147 – COURT 1 -----	14.
092HNE270 – KIT -----	14.
092HNE311 – WAVE 1 -----	15.
092HNE312 – WAVE 2 -----	15.
Geology: Toni 898131 Claim Group -----	15.
092HNE295 – SNOW -----	15.
Mineralization: Toni 898131 Claim Group Area -----	15.
092HNE002 – MAL -----	16.
092HNE058 – HN-WEN -----	16.
092HNE059 – ECHO -----	17.
092HNE074 – BIG KIDD -----	17.
092HNE096 – ELK -----	17.
092HNE147 – COURT 1 -----	21.
092HNE270 – KIT -----	21.
092HNE311 – WAVE 1 -----	21.
092HNE312 – WAVE 2 -----	21.
Mineralization: Toni 898131 Claim Group -----	21.
092HNE295 – SNOW -----	21.

**Table of Contents (cont'd)**

Structural Analysis ----- 22.  
 Interpretation and Conclusions ----- 25.  
 Selected References ----- 27.  
 Statement of Costs ----- 28.  
 Certificate ----- 29.

**ILLUSTRATIONS**

Figure 1. Location Map ----- 5.  
 Figure 2. Claim Location ----- 6.  
 Figure 3. Claim Map ----- 6.  
 Figure 4. Geology, Claim, Index & Minfile ----- 11.  
 Figure 5. Elk Multiple Vein Zones ----- 20.  
 Figure 6. Indicated Lineaments on Tenure 898131 ----- 21.  
 Figure 7. Rose Diagram from Lineaments of Tenure 898131 ----- 22.  
 Figure 8. Cross-Structural Locations on Tenure 898131 ----- 24.

**TABLES**

Table I Tenures of Toni 898131 claim group ----- 7.  
 Table II Approximate UTM locations of Figures 5 & 7 cross structures -- 24.

## SUMMARY

The seven claim Toni 898131 Claim Group of the 81 claim, 40,526 hectare Toni 898131 Claim Group covers an area of 2992 hectares located 215 kilometres northeast of Vancouver and 34 kilometres southeast of Merritt. Tenure 898131 of the Toni 898131 Claim Group, the subject of this report, is located 14 kilometres south-southeast of the formerly productive Elk gold-silver deposit.

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.

Gold Mountain has completed the first 500 dry short tons of the 10,000 tonne bulk sample. The 500 ton sample averaged 13.8 grams per tonne gold and contained 201 ounces of recoverable gold. Gross proceeds from the sale were \$250,408 USD (Gold Mountain news release October 31, 2013).

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. 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.

The Elk fault is topographically indicated for a minimum of 25 kilometres northward from, and not necessarily restricted to the limits of the Elk property in the south, to and beyond the Snow mineral showing (*Minfile 092HNE292*) in the north. The Elk structure is indicated as the controlling structure to the multiple vein zones of the Gold Mountain Elk property where one gold zone was previously mined.

As indicated by the BC government supported MapPlace geological maps, the Toni 898131 Claim Group is underlain wholly by the Early Jurassic Pennask batholith (LTrJgd).

The Pennask Batholith is a highly prospective host for a porphyritic mineral resource as it is host to the Brenda (past producer) porphyritic mineral deposit; the Snow mineralization in a drill hole, possibly indicative of an underlying economic porphyry system; and the Wave 1 mineralized quartz vein float possibly peripheral material to a porphyry system.

In the structural analysis of Tenure 898131, six structural intersections were delineated which would be prospective areas to explore for surficial geological indicators of a potential mineral resource. A structural intersection could be the most convenient conduit for a sub-surface hydrothermal mineral source to reach the surface and imprint mineral indicators thereon. These geological indicators may be revealed as minerals and/or alteration and would be subject to interpretation as economic mineral indicators.

The two structural intersections "A" & "B" would be the primary areas for exploration whereas locations "C", "D", "E", and "F" would be secondary. The exploration should be focused on the any geological features peripheral to a mineral resource.

Excluding other variable geological conditions, the structures are essential in the localization of potentially economic mineralization within and/or associated with the Pennask granodioritic intrusive covered by the Toni 898131 Claim Group.

## INTRODUCTION

In March 2014 a Structural Analysis was completed over Tenure 898131 of the seven claim Toni 898131 claim group (Property) of Victory's 81 claim 40,526 hectare TONI property. The purpose of the program was to delineate potential structures which may be integral in geological controls to potentially economic mineral zones that may occur on Tenure 898131 or other claims of the Toni property.

Information for this report was obtained from sources as cited under Selected References.

**Figure 1. Location Map**  
(from MapPlace)



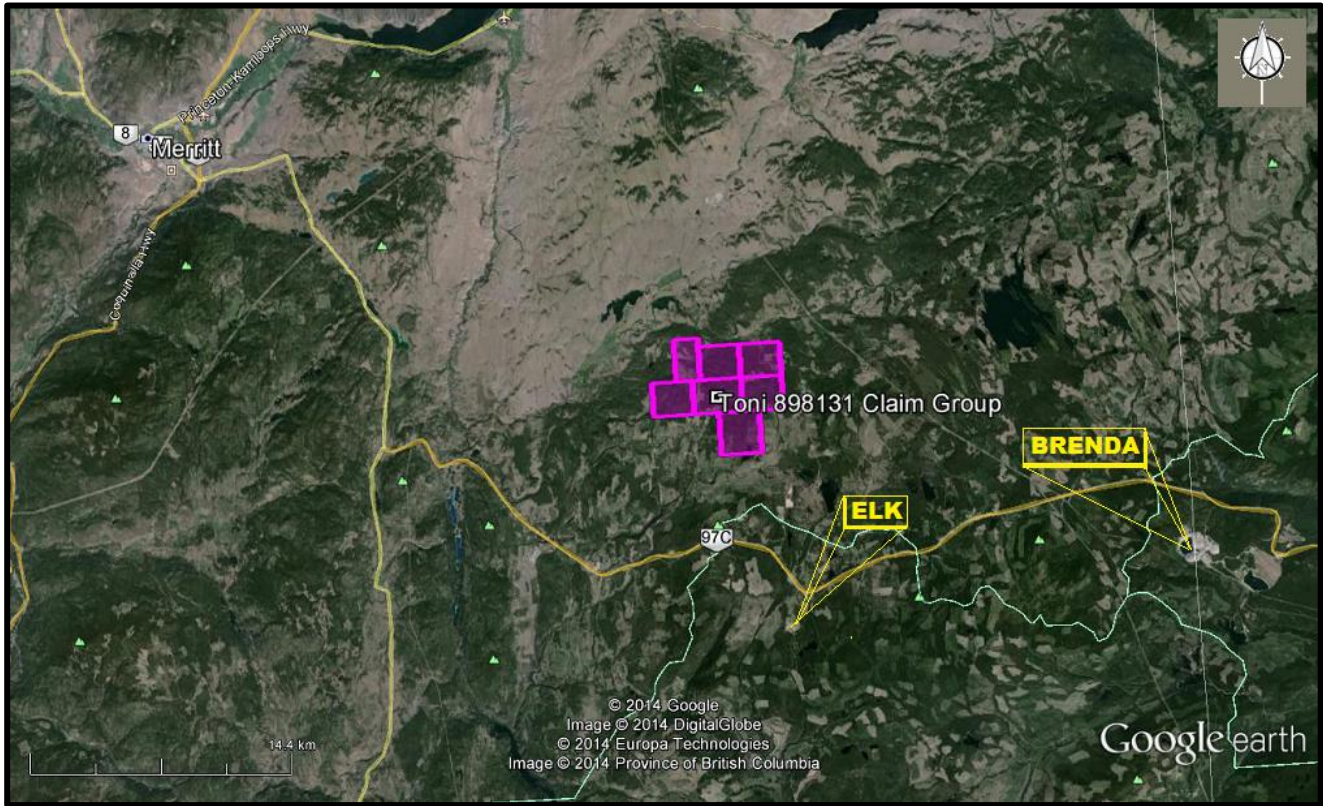
## TONI 898131 CLAIM GROUP LOCATION AND DESCRIPTION

### Location

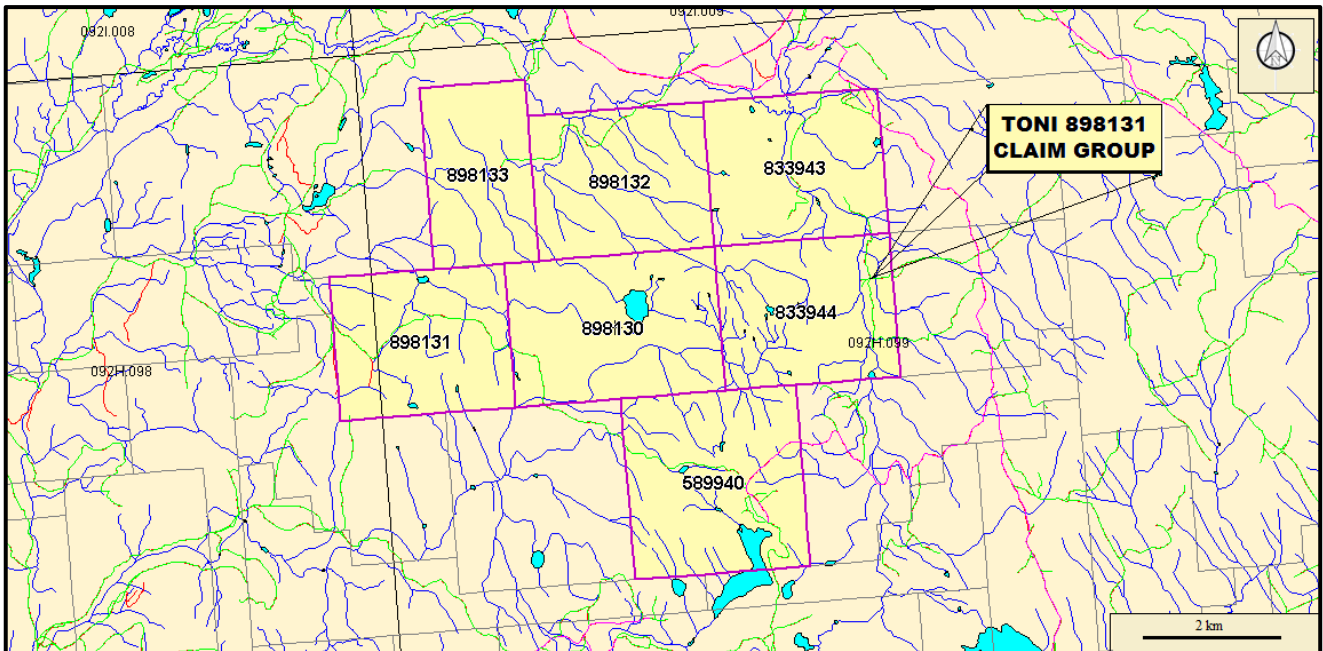
The Toni 898131 Claim Group is located within BCGS Map 092H.098/.099 of the Nicola Mining Division, 215 direct kilometres northeast of Vancouver and 34 direct kilometres southeast of Merritt. The centre of the work area is at 5,538,317N, 689,517E (NAD 83).

**Toni 898131 Claim Group Location and Description (cont'd)**

**Figure 2. Claim Location: Toni 898131 Claim Group**  
(Base Map from Google Earth)



**Figure 3. Claim Map (Toni 898131 Claim Group)**  
(Base map from MapPlace)





**Toni 898131 Claim Group Location and Description (cont'd)****Description**

The Property is comprised of seven claims covering an area of 2992.4945 hectares. Particulars are as follows:

**Table I. Tenures of Toni 898131 Claim Group**

<u>Tenure Number</u>	<u>Type</u>	<u>Claim Name</u>	<u>Good Until</u>	<u>Area (ha)</u>
<a href="#">589940</a>	Mineral	TONI 28	20141125	519.768
<a href="#">833943</a>	Mineral	SNOW	20141125	415.5088
<a href="#">833944</a>	Mineral	SNOW 1	20141125	415.6536
<a href="#">898130</a>	Mineral	SNOW 2	20141125	498.7833
<a href="#">898131</a>	Mineral	SNOW 3	20150228	415.6527
<a href="#">898132</a>	Mineral	SNOW 4	20141125	415.5094
<a href="#">898133</a>	Mineral	SNOW 5	20150228	311.6187

Total Area: 2992.4945 ha

\*Upon the approval of the assessment work filing, Event Number 5494342.

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

There are three access routes to the Toni 898131 Claim Group.

The first route is to the southwestern part of the Property. From Merritt the Princeton-Kamloops Highway 5A/97C is taken southward for 27 kilometres to the Aspen Grove junction thence eastward on Highway 5A or the Coquihalla connector Highway for 15 kilometres to the Loon Lake Junction. A forestry road is then taken southward, eastward, and mainly northward for 16 kilometres to the southern boundary of Tenure 898131.

The second route is to the eastern part of the Property from the Elkhart Junction, 27 kilometres east of the Aspen Grove Junction. A forestry road is taken northward for 15 kilometres to the power line road, northwestward for two kilometres, and southwestward for five kilometres to the eastern boundary of Tenure 833944.

The third route is to the northern part of the Property from Quilchena, which is located 25 kilometres northwest of Merritt on the Princeton-Kamloops 5A Highway. The year-round maintained Pennask Lake road is taken southward for 29 kilometres to a junction with a forestry road leading circuitously for four kilometres to the northern boundary of Tenure 833944 and another one kilometre to within 140 metres of the Minfile Snow mineral showing.

**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°C and average 25°C with the winter temperatures reaching a low of -10°C and averaging 8°C. On the Toni 898131 Claim Group snow cover on the ground could be from December to April and would not hamper a year-round exploration program.

---

**Accessibility, Climate, Local Resources, Infrastructure, & Physiography (cont'd)****Local Resources & 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 four hours distant by road and less than one hour by air from Kamloops.

**Physiography**

The topography within the Toni 898131 Claim Group is of predominantly localized moderately sloped forested hills with a localized selectively logged area in the southwest corner. Relief is in the order of 210 metres ranging from elevations of 1,183 metres within a valley in the northwest corner to 1,393 metres on a local mount in the southwest.

**WATER and POWER**

Sufficient water for all phases of the exploration program could be available from lakes, rivers, and/or and creeks, which are located within the confines Tenure 89813.

A 500Kv power line, twinned with a 150Kv power line is located within ten kilometres east of Tenure 898131.

**HISTORY: TONI 898131 CLAIM GROUP AREA**

The history on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers and peripheral to the Toni 898131 Claim Group are reported as follows. The distance from the Toni 898131 Claim Group is relative to Tenure 898131, which is the subject of the structural analysis.

**MAL** prospect (Cu skarn; Fe skarn; Au skarn)

MINFILE 092HNE002

Four kilometres west

*Initial work consisted of diamond drilling and trenching in the early 1960s on the main showing (Malachite 1 2 and Chalcocite 1-2 claims), on which the occurrence is centred. This is located on access road number 5116, 1 kilometre south of Quilchena Creek, 11.5 kilometres east-northeast of the community of Aspen Grove. A second showing, smaller and less significant but with the same characteristics, is located 1 kilometre to the southwest (Malachite 7, 092HNE269).*

**HN-WEN** prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Three kilometres southwest

*Adits and trenches were initially cut around 1900; later work included diamond drilling and trenching in the 1960s and 1970s.*

**ECHO** showing (Volcanic redbed Cu)

MINFILE 092HNE059

Three kilometres west

**History: Toni 898131 Claim Group Area (cont'd)****Echo showing (cont'd)**

*The Echo occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.*

*The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).*

*The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, and volcanic tuff and breccia (Assessment Report 1586; Geological Survey of Canada Map 41-1989). The volcanics may be affected by low grade propylitic and chloritic alteration. Less than 1 kilometre to the north of the occurrence is the east-striking contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.*

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

MINFILE 092HNE096

Fourteen kilometres south-southeast

*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.*

**COURT 1** showing (Volcanic redbed Cu)

MINFILE 092HNE147

Ten kilometres west

*The Court 1 occurrence is a minor copper showing in part of the historical Aspen Grove copper camp, between Merritt and Princeton, where exploration dates back to the turn of the twentieth century. It is located on the former Ski group of claims (particularly Ski 13-16), on a tributary of Quilchena Creek, 3.5 kilometres east of Highway 5A, 7.5 kilometres northeast of the community of Aspen Grove (Assessment Report 925; Preliminary Map 15; Bulletin 69).*

**History: Toni 898131 Claim Group Area (cont 'd)****KIT** showing (Alkalic porphyry Cu-Au; Porphyry Mo (Low F type))

MINFILE 092HNE270

Eight kilometres west

*The Kit showing is exposed on the north bank of Quilchena Creek, 2.0 kilometres east-northeast of the creek's confluence with Pothole Creek and 7.8 kilometres northeast of Aspen Grove.*

*The intrusive was first prospected for molybdenum by J.E. Bate in 1915. Marengo Mines Ltd. excavated one trench, 60 metres long, and drilled two holes in 1967*

**WAVE 1** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE311

Nine kilometres east-northeast

*Between 1986 and 1995, Fairfield Minerals conducted exploration, including a program of wide-spaced grid soil sampling. The Wave 1 and 2 claims were staked to cover areas of mineralized quartz float and coincidental soil and stream anomalies. Recently, the area has been explored by Sookochoff Consultants as a part of the Toni property.*

**WAVE 2** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE312

Nine kilometres east-southeast

*Between 1986 and 1995, Fairfield Minerals conducted exploration, including a program of wide-spaced grid soil sampling. The Wave 1 and 2 claims were staked to cover areas of mineralized quartz float and coincidental soil and stream anomalies. Recently, the area has been explored by Sookochoff Consultants as a part of the Toni property.*

**HISTORY: TONI 898131 CLAIM GROUP****SNOW** showing (Porphyry Cu +/- Mo +/- Au; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE292

Within Tenure 833943

*The Pine showing is 500 metres south of Quilchena Creek and 4.8 kilometres north-northeast of the north end of Boot Lake.*

**GEOLOGY: REGIONAL**

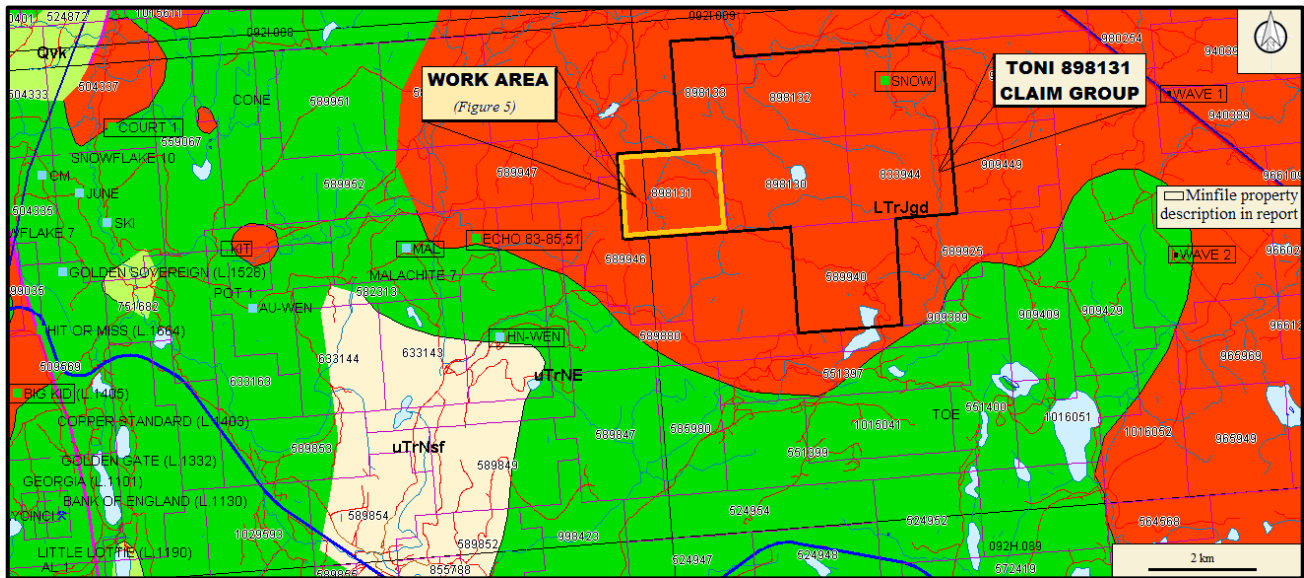
The Aspen Grove geological district is located within the regional Quesnel Trough, a 30 to 60, km wide belt of Lower Mesozoic volcanic and related strata enclosed between older rocks and much invaded by batholiths and lesser intrusions (Campbell and Tipper, 1970). The southern part is the well-known Nicola belt, continuing nearly 200 km to its termination at the U.S. border and containing the important copper deposits of 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 lithochemistry and by major fault systems. Variation from calc-alkaline to shoshonitic compositions from west to east has been interpreted to reflect eastward dipping subduction in the Nicola arc. The Toni 898131 Claim Group is situated within the eastern belt of the Nicola Group which is bounded on the west by the northerly striking Kentucky-Alleyne fault zone.

## GEOLOGY: TONI 898131 CLAIM GROUP AREA

The geology on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers peripheral to the Toni 898131 Claim Group (Figure 4) are reported as follows. The distance from the Toni 898131 Claim Group is relative to Tenure 898131, which is the subject of the structural analysis.

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



## GEOLOGY MAP LEGEND

### Pleistocene to Recent

#### PIRal

Unnamed alluvial till

#### PIRvk

Unnamed alkalic volcanic rocks

### Upper Triassic

#### 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

### Middle Jurassic

##### MJgr

Unnamed granitic, alkalic feldspar Intrusive rocks

**Geology: Toni 898131 Claim Group Area (cont'd)****MAL** prospect (Cu skarn; Fe skarn; Au skarn)

MINFILE 092HNE002

Four kilometres west

*The Malachite occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.*

*The occurrence lies in the northern assemblage of the Eastern belt or facies of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).*

*The area of the Malachite occurrence is underlain by dark green, augite porphyritic andesitic to basaltic volcanics and fragmental rocks, with subordinate black argillite with local limy horizons, and feldspar porphyry (Assessment Reports 449, 1586). Some volcanic flow breccia contains pink trachytic fragments (Assessment Report 9590). Stratified rocks strike north-northwest and dip moderately to steeply west (Geological Survey of Canada Map 41-1989). Within 1 or 2 kilometres to the north of these rocks is the east-trending contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.*

*The volcanics and sedimentary rocks have been altered, probably the result of hydrothermal activity related to the Pennask batholith. Epidote alteration is common; potassium feldspar alteration is more restricted. Skarn alteration is most characteristic of this occurrence, as it hosts the main mineralization. It is closely associated with limy rocks, and is marked by epidote and garnet. North-trending gossanous shear zones have been exposed in trenches near the skarn zones (Assessment Report 449).*

**HN-WEN** prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Three kilometres southwest

*The HN-WEN occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.*

*The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).*

*The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, fragmental rocks including tuff and breccia, and argillites (Assessment Reports 1586, 4230). The argillites are dark grey to black, well bedded, and locally limy. They are somewhat carbonaceous and pyritic. Minor rock types present include feldspar porphyry and locally lenses of diorite. About 2.5 kilometres to the northeast is the contact with the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.*

**Geology: Toni 898131 Claim Group Area (cont'd)****HN-WEN prospect (cont'd)**

*The contact between the volcanic rocks and the argillites passes through the centre of the mineralised area. The contact is parallel to bedding, striking 130 degrees and dipping 40 degrees southwest, with the volcanic rocks on the northeast side (Assessment Report 4230).*

**ECHO showing (Volcanic redbed Cu)**

MINFILE 092HNE059

Three kilometres west

*The Echo occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A).*

*This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.*

*The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).*

*The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, and volcanic tuff and breccia (Assessment Report 1586; Geological Survey of Canada Map 41-1989). The volcanics may be affected by low grade propylitic and chloritic alteration. Less than 1 kilometre to the north of the occurrence is the east-striking contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.*

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

MINFILE 092HNE074

Twelve kilometres west-southwest

*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.*

**Geology: Toni 551399 Claim Group Area (cont'd)****Big Kidd prospect (cont'd)**

*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.*

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

MINFILE 092HNE096

Fourteen kilometres south-southeast

*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.*

**COURT 1** showing (Volcanic redbed Cu)

MINFILE 092HNE147

Ten kilometres west

*The Court 1 occurrence is located in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.*

*The occurrence is one of many in the Aspen Grove area. It lies in the Central belt or facies of the Nicola Group (after Preto, Bulletin 69). This belt of rocks mainly consists of subaerial and submarine, red or purple to green augite plagioclase porphyritic andesitic and basaltic flows, volcanic breccia and tuff, and minor argillites and limestone. The volcanics are intruded by bodies of comagmatic diorite to monzonite of Late Triassic to Early Jurassic age. The area is characterized by long-lived, primarily north-striking faults and related fracturing, which originally controlled intrusion emplacement. East-striking faults are subordinate, and commonly offset intrusive contacts.*

*The Court 1 occurrence is centred on an outcrop of andesitic to basaltic volcanic rocks in a creek draining into Quilchena Creek (Bulletin 69). This coincides with a copper soil anomaly (Assessment Report 925). These rocks are intruded by aplite dikes (Assessment Report 925). A short distance away there is an outcrop of skarn alteration (Assessment Report 925).*

**KIT** showing (Alkalic porphyry Cu-Au; Porphyry Mo (Low F type))

MINFILE 092HNE270

Eight kilometres west

*A small body of granodiorite of Late Triassic to Early Jurassic age intrudes volcanics of the Upper Triassic Nicola Group. The granodiorite is cut by narrow, steeply-dipping shears striking north and northeast, near the faulted contact with slightly pyritic Nicola Group greenstone to the northwest.*



**Geology: Toni 898131 Claim Group Area (cont'd)****WAVE 1** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE311

Nine kilometres east-northeast

*The area is underlain by granitic rocks of the Jurassic Pennask batholith and basaltic volcanics of the Triassic Nicola Group.*

**WAVE 2** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE312

Nine kilometres east-southeast

*The area is underlain by granitic rocks of the Jurassic Pennask batholith and basaltic volcanics of the Triassic Nicola Group.*

**GEOLOGY: TONI 898131 CLAIM GROUP**

As indicated by the BC government supported MapPlace geological maps, the 19 claim Toni 898131 Claim Group is predominantly underlain by the Early Jurassic Pennask batholith (LTrJgd) with the proximal Upper Triassic Eastern Volcanic Facies of the Nicola volcanics (UTrNE) indicated within 200 metres to the southwest.

Three prominent directional contacts, northwesterly, northerly, and northwesterly, are evident in the water course pattern of the immediate area within the Nicola rocks and the Pennask intrusive, indicating prevailing tectonic forces prior to, contemporaneous, and subsequent to, the emplacement of the Pennask Batholith. This compressional tectonic force is reported as east-west in the Brenda.

One of the resultant major structures in the area is the northerly trending Elk fault system which is evidenced topographically for a minimum of 25 kilometres from, and not necessarily restricted to the limits of, the formerly productive Elk property in the south, to and beyond the Snow mineral showing (*Minfile 092HNE292*) in the north located within Tenure 833943 of the Property. The Elk fault is offset twice for up to two kilometres in the Elk/Snow section; at the Brew mineral showing (*Minfile 092HNE275*) by the 280 degree striking Magwump fault and by an indicated northwesterly trending fault (Snow fault) at the Snow mineral showing (*Minfile 092H295*).

The Elk fault trends northerly through two of the eastern claims of the Property: Tenure 833943 Tenure 833943.

**SNOW** showing (Porphyry Cu +/- Mo +/- Au; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE292

Within Tenure 833943

*The Pine showing is 500 metres south of Quilchena Creek and 4.8 kilometres north-northeast of the north end of Boot Lake. A drillhole intersected minor copper mineralization in weakly to moderately chloritized granite of the Early Jurassic Pennask batholith.*

**MINERALIZATION: TONI 898131 CLAIM GROUP AREA**

The mineralization on some of the more significant mineral MINFILE reported showings, prospects, and past producers peripheral to the Toni 898131 Claim Group are reported as follows. The distance from the Toni 898131 Claim Group is relative to Tenure 898131, which is the subject of the structural analysis.

**Mineralization: Toni 898131 Claim Group Area (cont'd)****MAL** prospect (Cu skarn; Fe skarn; Au skarn)

MINFILE 092HNE002

Four kilometres west

*Copper mineralization is concentrated in the skarn zones. Pyrite and subordinate magnetite and chalcopyrite are associated with quartz-calcite veins, or are disseminated in variable amounts (Assessment Report 1586). Chalcocite and malachite are also present at the main showing (Assessment Report 8453). Finely disseminated pyrite is common in most rocks, particularly the argillaceous rocks (Assessment Reports 1718, 9590). A zone of massive, medium-grained pyrite between 1 and 13 metres thick, in altered volcanic rocks, has been found below the surface by diamond drilling; the paragenesis is epidote, magnetite, pyrite (Assessment Report 9590).*

*Copper values appear to be erratic. In early diamond drilling, the best result reported is 1.62 per cent copper over 6 metres; this section contained at least 50 per cent magnetite (Assessment Report 449, page 6).*

*More recent diamond drilling has resulted in generally low metal values, although one split core sample assayed 0.37 per cent copper and 6.8 grams per tonne silver (Assessment Report 9590). A grab sample from the main trenched and drilled area assayed 0.34 gram per tonne gold, 3.4 grams per tonne silver, and 0.2 per cent copper (Assessment Report 8453).*

*The high magnetite and pyrite content of the rocks at this occurrence is reflected in significant magnetic and induced polarization anomalies, respectively, over the mineralized zones (Assessment Reports 1586, 8453).*

**HN-WEN** prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Three kilometres southwest

*The mineralization is restricted to the volcanics. It is exposed in 3 adits and at least 8 trenches, and is marked by alteration, mainly epidotization, silicification, carbonatization, moderate chloritization and local pyritization. Chalcopyrite is the only copper mineral: it is disseminated, or concentrated in quartz and calcite veins and veinlets between 0.3 and 30 centimetres thick, usually about 8 centimetres thick. Pyrite, pyrrhotite and rare specular hematite are also present in the veins. Locally oxidation has produced abundant malachite, azurite and limonite.*

*The mineralized zone measures 760 by 90 metres and has a depth of about 75 metres. Diamond drilling indicates that it strikes 160 degrees and dips vertically or steeply east, so it is not parallel to the volcanic-sedimentary contact, indicating that the contact is not the controlling factor. Rather, the veins hosting the mineralization are structurally controlled by numerous faults and fractures which consistently strike 160 degrees and dip 85 degrees east (Assessment Report 4230). Incidentally, the Echo occurrence (092HNE059) lies on this trend, 2 kilometres to the north-northwest, and the mineralization may also extend south-southeast of the HN-WEN occurrence (Assessment Report 4230).*

*Some significant copper and silver values have been obtained from the workings and diamond drill core. A 1.5-metre chip sample from Adit Number 1 was assayed at 4.39 per cent copper, 92.6 grams per tonne silver, and 0.7 gram per tonne gold (Assessment Report 4230).*

*A grab sample from here was assayed at 4.84 per cent copper, 46.6 grams per tonne silver and 0.7 gram per tonne gold (Assessment Report 4230). Both samples were from oxidized material and may not be representative of grade throughout the deposit (Assessment Report 4230).*

**Mineralisation: Toni 551399 Claim Group Area (cont'd)****HN-WEN prospect (cont'd)**

*A drill core sample (hole HNS 72-1) assayed 1.12 per cent copper and 3.4 grams per tonne silver (Assessment Report 4230).*

*The average grade of the whole deposit has been estimated at 0.08 per cent copper, with a generally low gold and silver content (Assessment Report 4230).*

**ECHO showing (Volcanic redbed Cu)**

MINFILE 092HNE059

Three kilometres west

*Chalcopyrite and malachite are present in trenches and open-cuts in volcanics over an area 1000 by 800 metres. Chalcopyrite is disseminated, or concentrated in quartz-calcite veins (Assessment Report 1586). The Echo occurrence lies directly along the strike of prominent fractures which host significant copper-silver mineralization at the HN-WEN occurrence (092HNE058), 2 kilometres to the south-southeast (Assessment Report 4230).*

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

MINFILE 092HNE074

Twelve kilometres west-southwest

*Mineralization is erratic and consists of abundant magnetite, and pyrite, lesser chalcopyrite, and traces of bornite and chalcocite, as disseminations, lenses, scattered blebs and veinlets. Cuprite and native copper are also reported. This mineralization tends to favour the zones of alteration, but is not proportional to the intensity of alteration.*

*The sulphides are in part controlled by zones of shearing and fracturing in the northeastern portion of the deposit. Limonite, malachite and azurite are present at or near surface.*

*Pyrite occurs primarily as disseminations up to 5 millimetres in diameter. The mineral also occurs along fractures in association with chalcopyrite, orthoclase, quartz and/or carbonate. Chalcopyrite tends to be finely disseminated and is usually associated with magnetite, intimately associated with pyrite, and forms pseudomorphs after pyrite. Pyrite-chalcopyrite intergrowths are prevalent along fractures. Bornite is often found in magnetite-chalcopyrite blebs and veinlets, which often display epidote halos.*

*Copper content is quite variable, and precious metal values are low but anomalous. Channel sampling of an adit yielded 0.901 per cent copper, 0.141 gram per tonne gold and 13.66 grams per tonne silver over 14 metres (Assessment Report 7100, page 8, adit no. 1).*

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

MINFILE 092HNE096

Fourteen kilometres south-southeast

*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.*

**Mineralization: Toni 898131 Claim Group Area (cont'd)****Elk past producer (cont'd)**

*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.*

*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.*

**Mineralization: Toni 898131 Claim Group Area (cont'd)****Elk past producer (cont'd)**

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 down-dip. 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 down-dip to 245 metres.

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

### Mineralization: Toni 898131 Claim Group Area (cont'd)

#### Elk past producer (cont'd)

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.

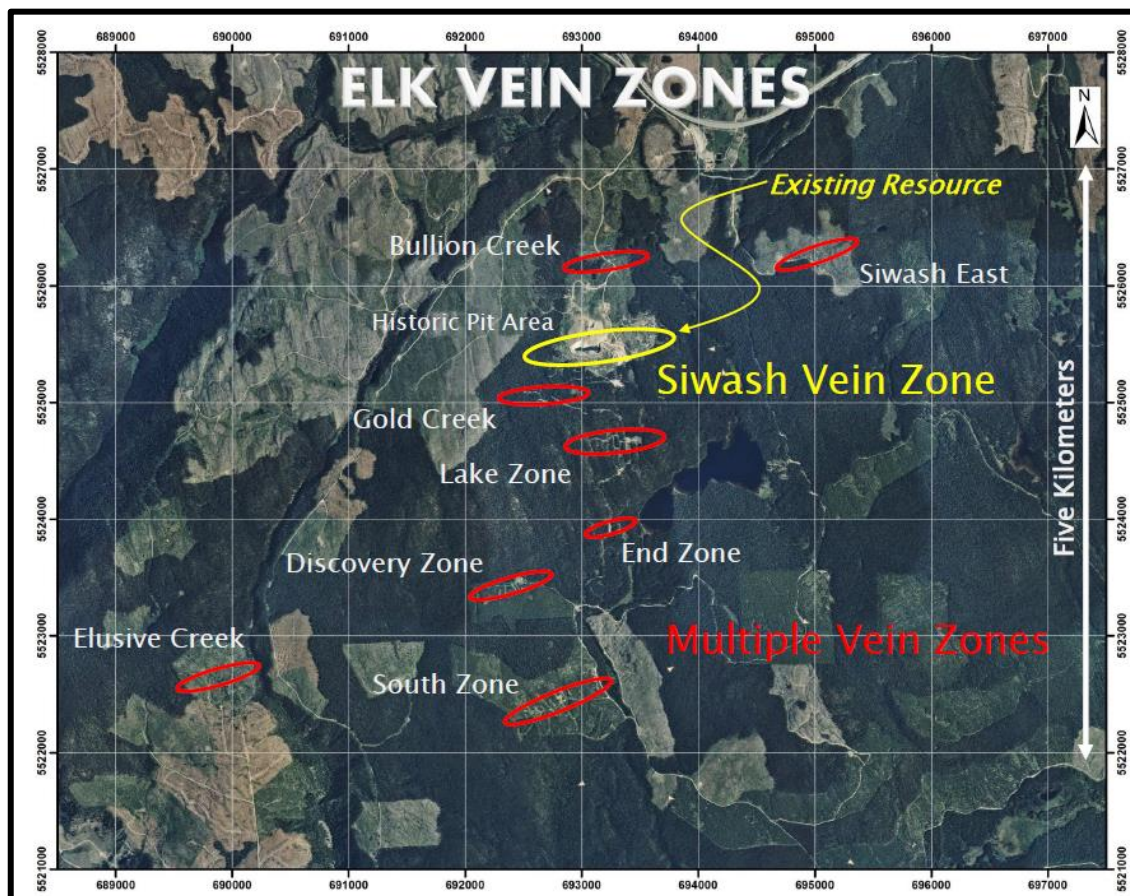
A new 43-101 compliant resource was calculated using drill data for the Siwash B and WD veins, just two of eight known mesothermal vein structures on the property.

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.

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

**Figure 5. Elk Multiple Vein 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.**



**Mineralization: Toni 898131 Claim Group 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.*

**COURT 1** showing (Volcanic redbed Cu)

MINFILE 092HNE147

Ten kilometres west

*Mineralization at the showing is exposed by stripping, and consists of chalcopyrite, pyrite, malachite and azurite. Chalcopyrite and molybdenite are present at the skarn-altered outcrop. The nature of the mineralization is not specified but in showings in the area minerals are characteristically disseminated or hosted in quartz veinlets.*

**KIT** showing (Alkalic porphyry Cu-Au; Porphyry Mo (Low F type))

MINFILE 092HNE270

Eight kilometres west

*Some of the shears are graphitic and they locally contain quartz lenses 2.5 to 5 centimetres wide with minor disseminated molybdenite. The intrusive is also fractured to some extent, with one prominent set striking 055 to 070 degrees and dipping steeply southeast. Some of the fractures contain quartz with minor chalcopyrite, malachite and molybdenite*

**WAVE 1** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE311

Eight kilometres east-northeast

*Locally, mineralized quartz vein float was found and contain disseminated pyrite and limonite with occasional specks of chalcopyrite, galena or sphalerite. In 1991, samples of mineralized vein float, up to 0.20 metre in diameter, returned up to 8230 parts per billion gold, 249.3 parts per million silver, 844 parts per million copper and 4091 parts per million lead (Assessment Report 22864).*

**WAVE 2** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE312

Nine kilometres east-southeast

*Locally, mineralized quartz vein float was found and contain disseminated pyrite and limonite with occasional specks of chalcopyrite, galena or sphalerite. In 1991, samples of mineralized vein float, up to 0.20 metres in diameter, returned up to 25.7 parts per million silver, 1732 parts per million lead and 2107 parts per million zinc (Assessment Report 22864).*

**MINERALIZATION: TONI 898131 CLAIM GROUP****SNOW** showing (Porphyry Cu +/- Mo +/- Au; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE292

Within Tenure 833943

*A drillhole intersected minor copper mineralization in weakly to moderately chloritized granite of the Early Jurassic Pennask batholith. A sample of drill core from 28.0 metres depth contained fine-grained magnetite accompanied by fine-grained chalcocite or bornite along the margins of a zeolite vein.*

### STRUCTURAL ANALYSIS

The structural analysis was performed on a MapPlace hillside shade map of Tenure 898131 by viewing of the map and marking the lineaments, or indicated structures, thereon. A total of 89 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. Indicated Lineaments on Tenure 898131

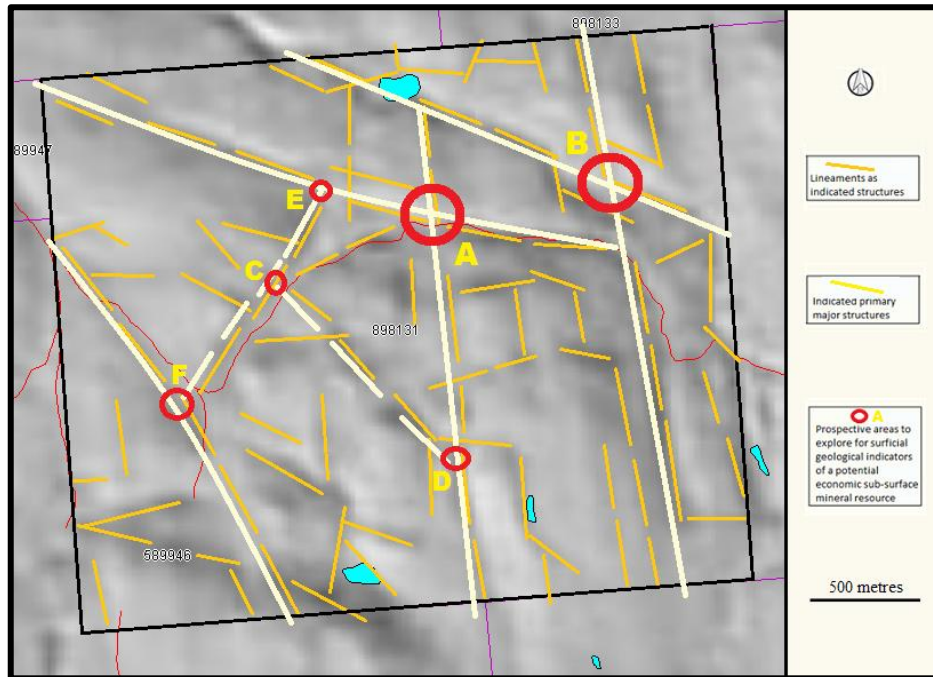
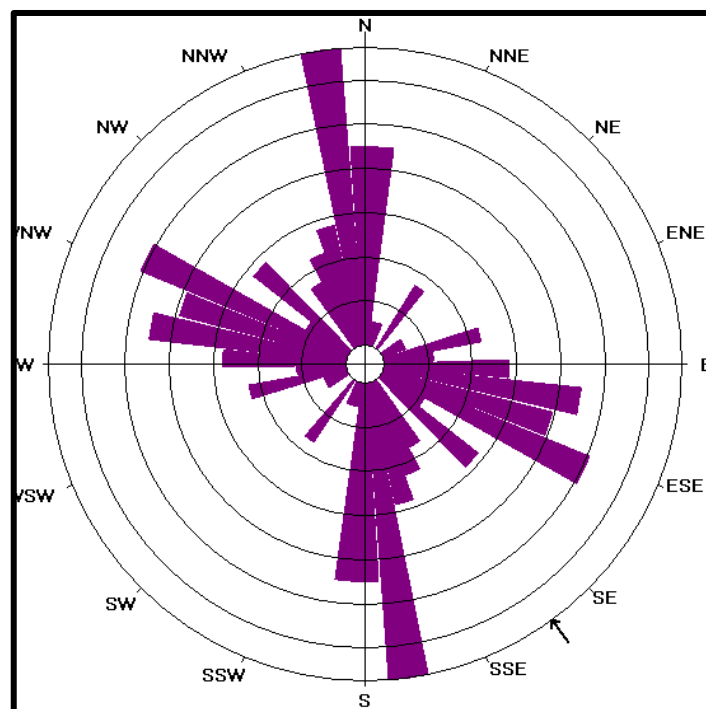


Figure 7. Rose Diagram from lineaments of Tenure 898131.





*Structural Analysis (cont'd)*

## **STATISTICS**

(for Figure 6)

Axial (non-polar) data

No. of Data = 89

Sector angle = 8°

Scale: tick interval = 2% [1.8 data]

Maximum = 13.5% [12 data]

Mean Resultant dir'n = 144-324

[Approx. 95% Confidence interval = ±24.4°]

(valid only for unimodal data)

---

Mean Resultant dir'n = 143.8 - 323.8

Circ.Median = 145.0 - 325.0

Circ.Mean Dev.about median = 35.5°

Circ. Variance = 0.27

Circular Std.Dev. = 45.42°

Circ. Dispersion = 3.95

Circ.Std Error = 0.2106

Circ.Skewness = 1.02

Circ.Kurtosis = -8.48

kappa = 0.59

(von Mises concentration param. estimate)

Resultant length = 25.33

Mean Resultant length = 0.2846

'Mean' Moments: Cbar = 0.0862; Sbar = -0.2712

'Full' trig. sums: SumCos = 7.6696; Sbar = -24.136

Mean resultant of doubled angles = 0.361

Mean direction of doubled angles = 006

(Usage references: Mardia & Jupp,

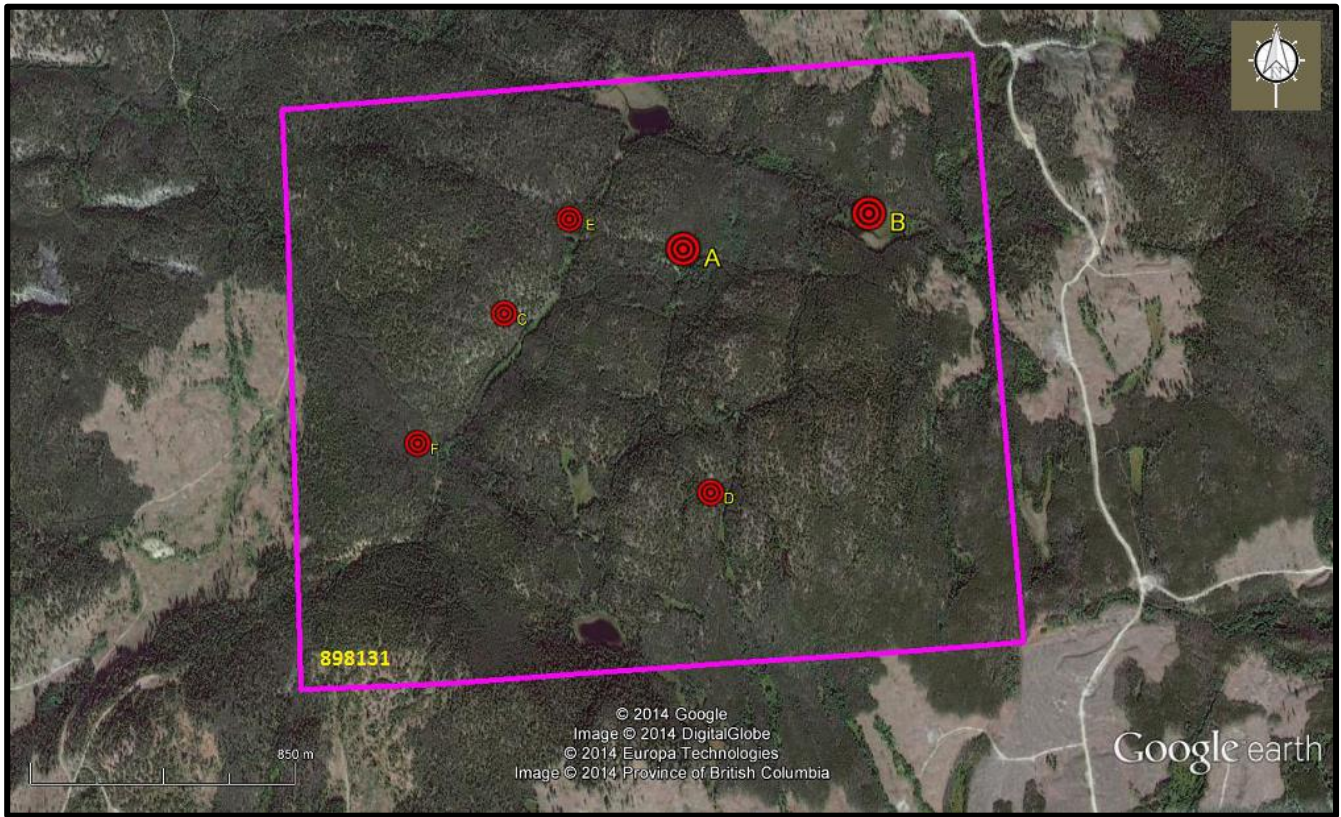
'Directional Statistics', 1999, Wiley;

Fisher, 'Statistical Analysis of Circular Data',  
1993, Cambridge University Press)

Note: The 95% confidence calculation uses  
Fisher's (1993) 'large-sample method'

**Structural Analysis (cont'd)**

**Figure 8. Cross-structural Locations on Tenure 898131**  
 (Base map from MapPlace & Google Earth)



**Table II. Approximate UTM locations of Figures 5 & 7 cross-structures on Tenure 898131**  
 (Base map from Google Earth)

Cross-Structures	UTM East	UTM North	Elevation (metres)
A	687,160	5,538,548	1,284
B	687,181	5,538,537	1,281
C	686,609	5,538,350	1,292
D	687,240	5,537,770	1,358
E	686,820	5,538,650	1,298
F	686,324	5,537,951	1,283

## INTERPRETATION & CONCLUSIONS

The Structural Analysis of Tenure 898131 indicated two prime and four secondary cross-structures that are prospective areas to explore for surficial geological indicators of a potential economic sub-surface mineral resource.

The two prime locations “A” and “B” are cross-structures between indicated primary northerly and west-northwesterly structures. The northerly structures are identified as mineral to mineral zones in the area as at the Elk past producer where the main structure is the north trending Elk Fault which 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 shows this structural/mineral pattern.

The Elk structure is indicated topographically over a distance of at least 20 kilometres from south of the Elk mineral zones to the SNOW (*Minfile 092HNE292*) mineral showing to the north (on Tenure the Toni Property) where a drill hole intersected minor copper mineralization in weakly to moderately chloritized granite of the Pennask batholith. The Elk structure is indicated as the controlling structure to the multiple vein zones of the Gold Mountain Elk property where one gold zone was previously mined.

The Pennask Batholith is a highly prospective host for a porphyritic mineral resource as it is host to the:

1. The Brenda (*Minfile 092HNE047*) past producer where mineralization decreases outwardly from the most intensely fractured/mineralized rock and the centre of the main mineral zone. The centre well fractured zone could very well be the intersection of two major structures which would not only fracture the rock but also provide a conduit for the mineralizing fluids to surface;
2. The Snow (*Minfile 092HNE292*) mineral showing where the reported copper mineralization near a fault intersection may be a surficial indicator of an underlying economic porphyry Cu +/- Mo +/- Au mineral resource;
3. The Wave 1 (*Minfile 092HNE311*) anomaly where the quartz vein float containing disseminated pyrite and limonite with occasional specks of chalcopyrite, galena or sphalerite, could be surficial indicators to a polymetallic vein Ag-Pb-Zn+/-Au peripheral to a porphyritic mineral resource.

There are many other examples of cross-structural and/or structural/mineral association relationships in the area of the Toni 898131 Claim Group with some examples of association and types of potential resource mineralization indicators in the eight Minfile properties described herein. The locations of these Minfile properties are shown on Figure 4.

In the resulting six cross- structural locations delineated in the structural analysis of Tenure 898131, the two structural intersections “A” & “B” would be the primary areas for exploration; locations “C”, “D”, “E”, and “F” would be secondary. The exploration should be focused on the any geological features peripheral to a mineral resource.

Excluding other variable geological conditions, the structures are essential in the localization of potentially economic mineralization within and/or associated with the Pennask granodioritic intrusive covered by the Toni 898131 Claim Group.

***Interpretation & Conclusions (cont'd)***

For other mineral deposit types that may occur within the Toni 898131 Claim Group reference is made in the report to the eight Minfile properties outside Tenure 898131. These Minfile descriptions, copied from the BC Government Minfile records, are shown on Figure 5 and are included herein as potential types of mineralization that should be sought subsequent to the exploration of the two prime exploration areas within Tenure 898131.

Respectfully submitted  
Sookochoff Consultants Inc.



Laurence Sookochoff, P.Eng

**SELECTED REFERENCES**

**Dahrouge, J.** -2001: 2000 Geological Mapping, Sampling and Line-Cutting on the AU Property for Commerce Resources Corp. **AR 24,460.**

**Holcombe, R.** – 2009: GEORient, ver 9.4.4. Stereographic Projections and Rose Diagram Plots

**Kierans, M.D.** -1972: Mineral Exploration Report on the Hill Group, Wart Mountain Area for Nitracell Canada Ltd. **AR 4,230.**

**MapPlace** – Map Data downloads

**Marshak, S., Mitra, G.** – Basic Methods of Structural Geology. pp 258-259, 264\*.Prentice-Hall Inc. 1988.

**Minfile downloads**

092HNE002 – MAL

092HNE058 – HN-WEN

092HNE059 – ECHO

092HNE074 – BIG KIDD

092HNE096 – ELK

092HNE147 – COURT 1

092HNE270 – KIT

092HNE295 – SNOW

092HNE311 – WAVE 1

092HNE312 – WAVE 2

**Sookochoff, L.** - Geological Assessment Report on Tenure 589875 of the Toni 589875 Claim Group for Victory Resources Corporation. August 4, 2012. **AR 33,207**

**Sookochoff, L.** - Geological Assessment Report on Tenure 589853 of the Toni 589853 Claim Group for Victory Resources Corporation. June 8, 2013. **AR 34,074.**

## STATEMENT OF COSTS

Work was done from March 9, 2014 to March 11, 2014 to the value as follows:

### Structural Analysis

Laurence Sookochoff, P Eng. 3 days @ \$ 1,000.00/day ----	\$ 3,000.00
Report -----	<u>4,250.00</u>
	\$ 7,250.00
	=====

## **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-eight 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 Toni 898131 Claim Group as described herein.
- 6) I am a director of Victory Resources Corporation.



Laurence Sookochoff, P. Eng.