

ASSESSMENT REPORT FOR THE COPPER RIDGE PROPERTY

KATIE CLAIMS

NTS MAP 082F02W (NAD 83)

Latitude: 49° 11' 42" N

Longitude: 116° 50' 10" W

Nelson Mining District, British Columbia



BC Geological Survey
Assessment Report
35250

January 4, 2015

Prepared by: Harold R. Oppelt

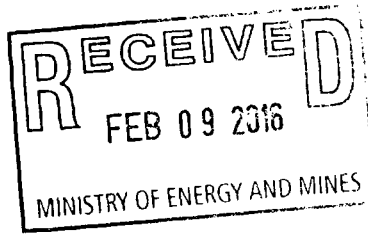
For

Innovative Energy Inc.

GEOLOGICAL SURVEY BRANCH
21664 Monahan Court
ASSESSMENT REPORT

Langley, BC, V3A 8N1

35,250 1



Ministry of Energy and Mines
BC Geological Survey

**ASSESSMENT REPORT
TITLE PAGE AND SUMMARY**

TITLE OF REPORT [type of survey(s)] Assessment Report for the Copper Ridge Property Katie and Katie 3	TOTAL COST \$10,976.00
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AUTHOR(S) Harold R. Oppelt SIGNATURE(S) Harold R Oppelt
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 DN: cn=Harold R Oppelt, o=bc, email=oppelt@bcgs.gov.bc.ca, c=CA
 Date: 2015.12.08 16:28:24 -0700

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) January 2015 YEAR OF WORK _____

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) July 1 to February 14 2015

PROPERTY NAME Copper Ridge Property

CLAIM NAME(S) (on which work was done) _____
Katie, Katie3

COMMODITIES SOUGHT Copper , Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN 082FSE048

MINING DIVISION Nelson NTS 082F02W

LATITUDE 49 ° 11 ' 42 " LONGITUDE 116 ° 50 ' 10 " (at centre of work)

OWNER(S)
1) Harold R Oppelt 2) _____

MAILING ADDRESS
21664 Monahan Court
Langley BC V3A 8N1

OPERATOR(S) [who paid for the work]
1) Harold R Oppelt 2) _____

MAILING ADDRESS
21664 Monahan Court
Langley BC V3A 8N1

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
Vein mineralization, copper and gold sulphide mineralization, Mine Stock Pluton, mid-Jurassic

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS _____

TYPE OF WORK IN THIS REPORT Prospecting and sampling	EXTENT OF WORK (IN METRIC UNITS) 548 ha	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			\$10,976
Ground, mapping _____			
Photo interpretation _____			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic _____			
Electromagnetic _____			
Induced Polarization _____			
Radiometric _____			
Seismic _____			
Other _____			
Airborne _____			
GEOCHEMICAL			
(number of samples analysed for ...)			
Soil _____			
Silt _____			
Rock _____		Katie, Katie3	
Other _____			
DRILLING			
(total metres; number of holes, size)			
Core _____			
Non-core _____			
RELATED TECHNICAL		Katie, Katie3	
Sampling/assaying _____			
Petrographic _____			
Mineralographic _____			
Metallurgic _____			
PROSPECTING (scale, area) _____		Katie, Katie3	
PREPARATORY/PHYSICAL			
Line/grid (kilometres) _____			
Topographic/Photogrammetric			
(scale, area) _____			
Legal surveys (scale, area) _____			
Road, local access (kilometres)/trail _____			
Trench (metres) _____			
Underground dev. (metres) _____			
Other _____			
		TOTAL COST	\$10,976

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Executive Summary

The Katie Mineral Claims are located in the Shaw Creek area of southeastern British Columbia, approximately 26 kilometers northwest of the Town of Creston. A field reconnaissance of the Katie Claims was conducted during the period from July 1st, 2014 to September 22th, 2014. The Katie Claims cover the area known as the 'Copper Ridge/ Lost Mine' showings as described in MINFILE Report 82FSE048.

The property is located in the Nelson Range of the Selkirk Mountains and lies within the southeastern section of the Omineca Geologic Belt within the Creston Map area (82F/02). The property is dominated by late Paleozoic igneous intrusions.

Field reconnaissance work for the calendar year 2014 was comprised of a general examination of the claims blocks, mapping of outcrops and structural features, and grab sampling. In addition a helicopter reconnaissance flight was undertaken to locate the old mine workings previously reported. The intent of the air reconnaissance program was to locate the previous mine workings as described as the Copper Ridge showings in the MINFILE Report 82FSE048.

The Katie Claims occur primarily within the middle Jurassic Mine Stock intrusive of the Kootenay Terrane in southeastern British Columbia. The Mine Stock consists of medium to coarse grained, pegmatitic, amphibole rich, biotitic, calcic granodiorites. Cu-Ag-Au mineralization in the area is thought to occur as epithermal vein deposits dominated by quartz and calcite deposition within faulted structural features. The Mine Stock is in unconformable contact to the east with the mid-Cretaceous Bayonne Batholith.

Two short adits believed to be dated from the early 1900's were discovered on the Katie Claims, but the extensive workings, as described by the MINFILE report, consisting of a 75m adit within a chalcopyrite-gold bearing vein have not yet been located.

Samples from the 2015 sampling program have returned significant copper values ranging from 1.2% to 4.38% Cu, but no appreciable anomalous gold values.

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1.0 Introduction

This assessment report summarizes the field work conducted during the calendar year 2014 on the Katie Mineral Claim Block, located in the Creston Map Sheet (082F/02) of southeastern British Columbia. The property lies within the headwaters of the Shaw Creek watershed area of the Selkirk Mountain Range, southwest of Kootenay Landing.

The Katie Claims were originally obtained to explore for the significant copper-gold mineralization reported in MINFILE Report number 082FE048 known as Copper Ridge. The Copper Ridge showing was described as *"...extensive high-grade mineralization exhibiting anomalous values of chalcopyrite and gold occurring within a quartz vein matter. The showing or vein matter is stated to have been traced for over 1 kilometer with widths obtaining up to 100m."*

The Katie Claims has been mapped to occur within the granodiorites of the mid Jurassic aged pluton known as the Mine Stock. The Mine Stock intrusives lie immediately west and in unconformable contact with the Cretaceous aged granites of the Bayonne Batholith.

The exploration program for 2014 consisted of grab sampling, mapping of outcrops and structural elements, and whole rock analysis for anomalous economic mineralization. The field work was conducted from the period July 1st to September 22th, 2014. A general property reconnaissance by ground was undertaken to verify and locate the old mine workings as described in the MINFILE report. In addition, a helicopter reconnaissance trip was undertaken to try and locate the old workings by air.

2.0 Location, Access and Physiography

The Katie Claims are located within the Nelson Mining District, approximately 26 kilometers west northwest of the Town of Creston, British Columbia and approximately 20 kilometers north of the US international boundary (Figure 1; location map). The property is located within the NTS Map sheet 82F02 known as the Creston map sheet. The property occurs at the headwaters of Shaw Creek which drains eastwards into Kootenay Lake. The center of the claim block is located at latitude 49° 11' 42" N and Longitude 116° 50' 10"W.

Access to the property is via 40 kilometers of Newington Trunk Road north of the all-weather road Salmo-Creston Highway #3. The forestry trunk road originates at the Summit Creek bridge along Highway #3 approximately 7 kilometers west of Creston. Access to the property is best gained by four-wheel drive truck. Entry to the property is now controlled the Federal Conservatory Road system where a permit is required which must outline all activities that will be undertaken enroute.

The topography of the property is moderately to very rugged, with elevations ranging from 1700 meters to 2300 meters at the summit of Wood Peak. The claim block straddles a rugged terrain comprised of cirque shaped, steep ridge lines cresting into three peaks, Woods Peak, Hulme Peak and Kootenay Peak (Figure 2; air photo).

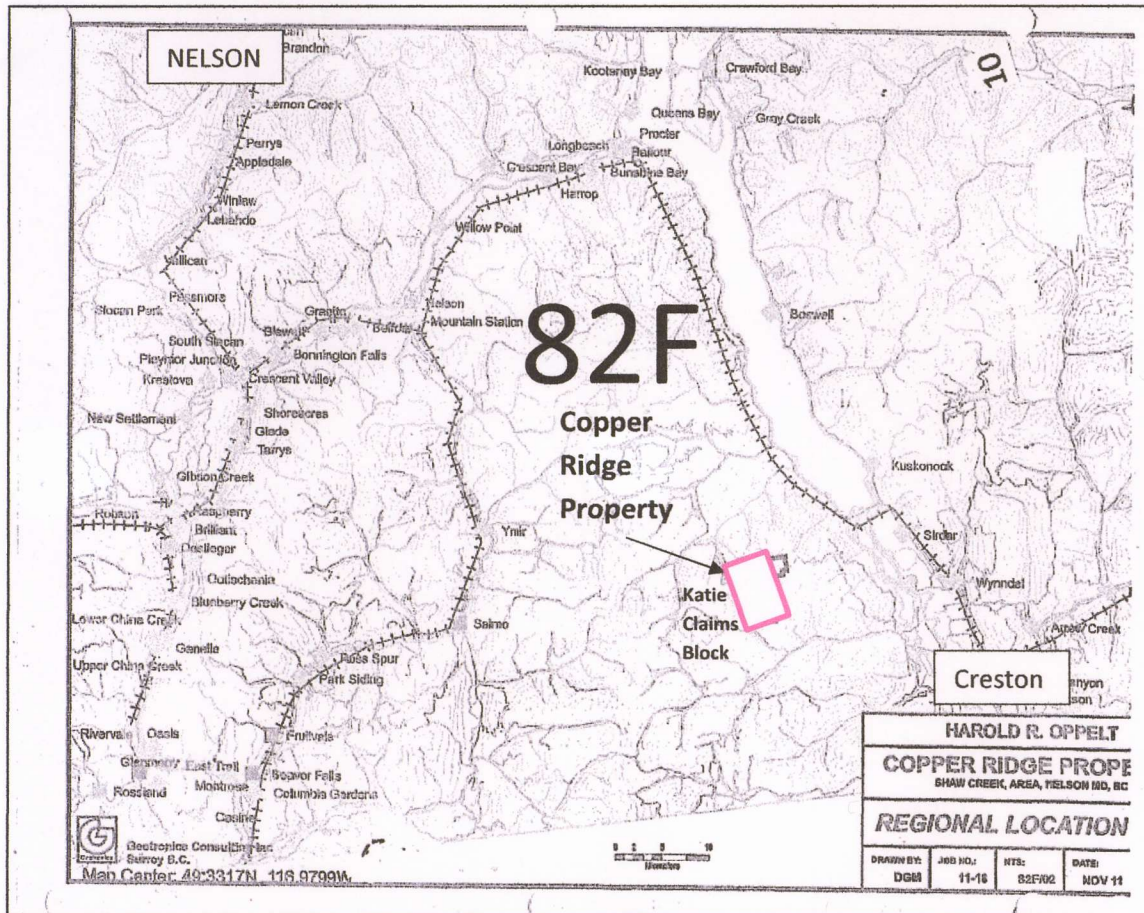


Figure 1: Location of Katie Claims is located inside NTS mapsheet 082F02, centered at Latitude 49° 11' 42" N and Longitude 116° 50' 10" W.

The headwaters of Shaw Creek originate in the north cirque as three separate streams joining into one. The claim block is heavily timbered where it has not been logged or on the ridge lines. Significant sized boulders from 1 to 5m in size occur at the base of the ridge as talus slopes.

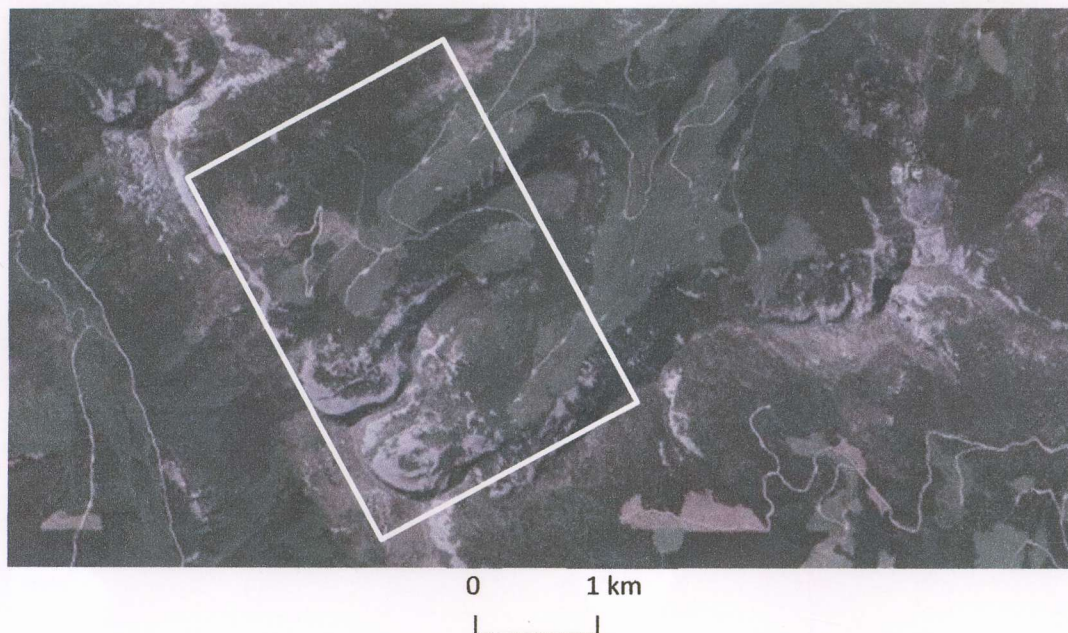


Figure 2: Air Photo of Katie Claim Block Area

3.0 Tenure of Katie Claim Block

The Katie Claims consist of two separate tenures totaling 548.85 hectares. The claims are owned 100% by Harold R. Oppelt and were originally registered on January 12th, 2005 (Figure 3; Claim Tenure Map).

The Katie Claim block consists of the following claims:

Claim Name	Tenure No.	No of Units	Area (ha)	Anniversary Date
Katie	501319	24	506.62	January 12, 2016
Katie3	501599	2	42.23	January 12, 2016

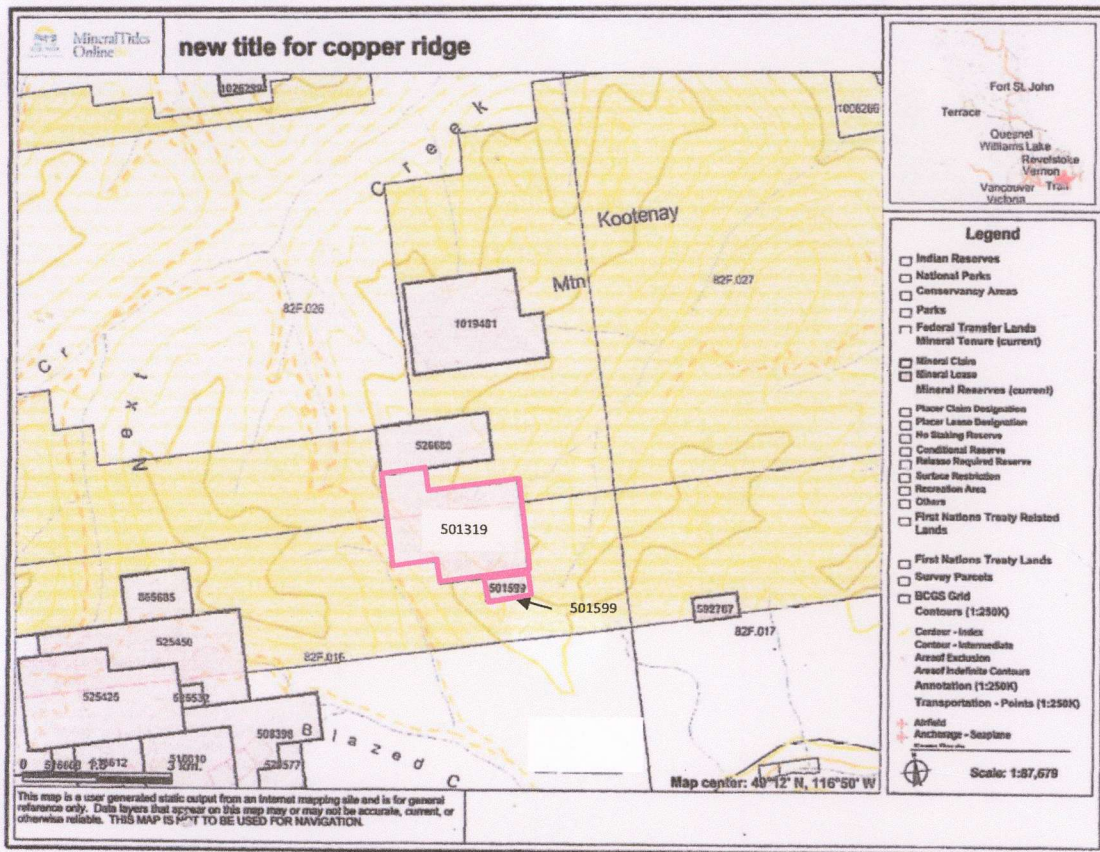


Figure 3: Katie Claim Block Tenure Map

4.0 Area History and Exploration

4.1 Introduction

There are numerous mineral prospects within the area. The Bayonne Mine (MINFILE No 082FSE030) and the Spokane Mine (MINFILE No 082FSE032) are historic gold, silver copper, lead and zinc producers in the area that may share the same exploration model for the Katie Claim Block.

4.1.1 Bayonne Mine MINFILE 082FSE030

The Bayonne mine is a small historic producer (80,903 tonnes averaging 16.1 grams per tonne gold and 38.4 grams per tonne silver) from small (0.1-0.5 metre) quartz-filled fissure veins. The veins occur in biotite hornblende granodiorite of the Bayonne batholith which is altered to a talc-carbonate rock for 0.5-1.0 meter on either side of the fissure. The fissure contains one or more quartz veins with mineralization in well-defined shoots. An oxidized zone extends down the veins for 137 meters where it is abruptly truncated by unoxidized primary sulphides. Mineralization consists of pyrite, galena, sphalerite, chalcopyrite, tetrahedrite with minor free gold, hessite and petzite. Recent work included rehabilitation by Goldrich Resources over the period 1980-1987. A shipment of 39 tonnes averaging 5.1 grams per tonne gold, 41.1 grams per tonne silver, 0.4 per cent lead, 0.2 per cent zinc and 78.3 per cent silica was made to the Cominco smelter at Trail. Further geochemical, geophysical (VLF-EM) and trenching work was done under an option agreement with Terra Mines Ltd. over the 1987-1990 period. Reserves calculated in 1983 were 28,186 tonnes proven, 28,186 tonnes possible and 45,000 to 63,500 tonnes inferred. Proven and possible ore averages 15 and 25.7 grams per tonne gold and silver, respectively, over 0.5 meter width (GCNL May 27, 1983).

4.1.2 Spokane Mine MINFILE 082FSE032

The Spokane showings are located on the southeast slope of Wall Mountain at about 2000 meters elevation, near the upper end of Next Creek. The veins are on a steep hillside of 35 to 40 degrees, and trend across it obliquely at an angle of about 45 degrees to the headwaters of Next Creek or about east-west; the dip is steep to the southwest. A series of three adits exposes the main vein over a vertical distance of 50 meters and a strike length of 120 meters.

The main vein is a well defined and persistent fissure that varies in size from 5 centimeters to 1 meter wide and may be traced for over 600 meters onto the adjacent Harris (082FSE078) property to the west. The vein is hosted in biotite granodiorite of the Wall stock, assumed to be one of the Nelson intrusions of Middle Jurassic age. However, the vein is close to the southern

contact of the stock with surrounding metasediments (grit and quartzite) of the Three Sisters Formation, part of the Upper Proterozoic Horsethief Creek Group.

The vein consists of quartz and sheared or altered granodiorite since the vein or veins vary from fine stringers enclosing wallrock to a single vein the full width of the fissure. Alteration is to kaolin and pyrite in the wallrock adjacent to the vein. Biotite minette (lamprophyre) dikes cut and offset the vein along the hangingwall; the strike of these dikes is perpendicular to the vein.

Much of the vein is narrow and barren, but some well-mineralized shoots contain pyrite, galena, sphalerite, chalcopyrite (minor copper stain, assumed to be malachite), limonite, and rarely free gold. These minerals are developed as lenses, stringers and disseminations in the vein. Variable values in gold (up to 20.5 grams per tonne) and silver (up to 1405 grams per tonne) are associated with the sulfides, which assay up to 48.9 per cent lead and 1.6 per cent zinc (Minister of Mines Annual Report 1915, page 173).

Recorded production over the period 1915 to 1956 was 1733 tonnes from which 570,988 grams of silver, 29,639 grams of gold, 304,046 kilograms of lead and 12,943 kilograms of zinc were recovered. The vein is oxidized to a depth of 50 meters.

4.1.3 Echo Prospect (MINFILE 082FSE031)

The Echo property adjoins the Bayonne (082FSE030) on the south; the main vein lies about 0.75 kilometers south of the Bayonne vein, at an elevation of about 2000 metres on the southwest flank of John Bull Mountain. It is one of a group of showings that collectively comprise the Bayonne mine area. Bayonne Consolidated Mines, Ltd., incorporated April 1935, purchased the Bayonne property for \$100,000 payable out of production; the adjoining Echo group was acquired by the company in about 1936. The Echo group was owned in 1904 by W. Maher, H. Anderson, and J. Baugh, of Nelson. Trenching, ground sluicing, and at least 250 feet of underground work was done in one or more adits during the initial period of exploration. In 1922 the Echo group of 6 claims, the Echo, Echo Fr., Ontario, Portland, St. Elmo, and Idaho (Lots 13014-13019 respectively) were Crown-granted to Harris Ginsberg.

Hostrock to the veins is biotite hornblende granodiorite of the Mine stock, belonging to the Nelson intrusions of Middle Jurassic age. The main Echo quartz vein strikes east-west, dips 85 degrees south and has been exposed over a horizontal distance of at least 50 metres and a vertical distance of 16 metres in underground workings; surface workings expose this vein, which is 1 meter wide, for at least 300 metres, sub parallel to the Bayonne vein. A subsidiary vein strikes 060 degrees and is approximately 25 centimeters thick. The vein is followed by a light-coloured felsic dike, about 1 meter thick, in the hanging wall; this dike, which is shattered,

is reported to carry low gold values of about 1.5 to 2 grams per tonne. Alteration of the footwall comprises silicification, pyritization, and possibly argillization (described variously as "altered" and "talcy gouge"). Galena and pyrite are the only sulfides present.

4.1.4 Summit Bell Prospect (MINFILE 082FSE034)

The Summit Bell showings are located at approximately 1750 meters elevation on the northwest side of the headwaters of Bluebird Creek, a tributary of Blazed Creek, some 30 kilometers west-northwest of Creston and 3 kilometers east of the Bayonne mine (082FSE030). Three Crown grants, the Michigan, Maggie Aikens and Summit Bell (Lots 10775-10777 respectively), comprise the original property. The property was owned and under development by F. Aikens and P. Casey prior to 1910. Three claims were Crown-granted to Aikens and Casey in 1917. Work to that date was done in open cuts and a 37-meter drift adit. In 1937 the property was owned jointly by Mr. Aikens of Bayonne P.O. and Mrs. P. Casey, of Spokane. At that time the adit comprised about 67 meters of drift and crosscut. Bayonne Consolidated Mines, Ltd. optioned the property in 1939 but no work was done and the option was given up in 1941. The property lies within granodiorite or granite of the Mine stock, part of the Nelson intrusions of Middle Jurassic age. There appear to be two roughly parallel shears 6 to 8 meters apart, between which are numerous fractures filled with quartz. The shears strike northeasterly and dip steeply southeast. They contain irregular quartz lenses and veins up to 45 centimeters in width. Alteration next to the veins (not described, but assumed to be argillic) is up to 0.6 meter thick. In places, the quartz and to some extent the altered wallrock have been mineralized with pyrite which apparently carries the gold and silver values (up to 33 grams per tonne gold and 34 grams per tonne silver). Minor free gold and possibly some galena is reported. Quartz and wallrock are rusty and oxidized in many places, and the vein appears to be faulted and broken along strike.

4.1.5 Copper Ridge Prospect (MINFILE 082FSE048)

The Lost Mine (Copper Ridge, Copper Peak) showings were described in the Minister of Mines Annual Report for 1902 as situated at the head of Shaw Creek, at an elevation of 1830 meters. The vein matter is composed of quartz and calcite, with chalcopyrite, and can be traced for over 1 kilometer with widths of 30-100 meters and values at the surface averaging 8.6 grams per tonne gold (translated from \$5 values, at \$20 per ounce) and 4 per cent copper (Minister of Mines Annual Report 1902). A tunnel on the vein was driven for 75 meters in the mineralization.

Hostrocks are mapped as biotite amphibole calcic-granodiorite by Geological Survey of Canada Map 603A (1941), now considered to be part of the Nelson intrusions of Middle Jurassic age

and metamorphosed to staurolite-kyanite-sillimanite amphibolite facies(MINFILE). The property is located a short distance to the west of the contact with the middle Cretaceous Bayonne batholith.

It is hard to see how such extensive, high-grade mineralization could escape the attention of later explorationists; it lies just off the western boundary of the Sherpa claim, staked in 1982 and stream silt sampled by Brinco Mining Ltd.; their survey showed nothing of interest (Assessment Report 11028).

4.2 History of the Copper Ridge Showing

The Copper Ridge Property (Katie Claim Block) was first reported in 1903 in the Minister of Mines Annual Report describing the property as 'The Lost Mine Group'. The group consisted of the Lost Mine, Copper Ridge and Copper Peak claims. The Ministers Report describes the property as 'vein matter is composed of calcite and quartz, with chalcopryrite, and can be plainly traced at different exposures over the length of the Copper Peak and the Lost Mine, and for several hundred feet on the Copper Ridge, a total length (measured on the horizontal) of 3,300 feet'. The widths of the vein material along surface exposures are stated to be varying from 30 meters to up to 100 meters.

This group of claims was being explored during the period from 1899 to 1902 by an undetermined group of owners. During this time, a tunnel totaling 250 feet in length was said to be driven at the 1830 metre (6000 foot) elevation level by the owners along the strike of the mineralization. In 1899, an unknown number of crosscuts totaling 27 lineal feet were also said to be driven. Mineral values returned from surface samples averaged 8.6 grams of gold per tonne and 4% copper. It is stated that work ceased in 1902 and the group of owners 'headed east' to eastern Canada to look for financial help to develop this promising discovery, but never returned to resume work. It is not known if any shipments of ore were made or if the any mineral inventory was ever recovered.

In 1982, a Mr. Anthony Mould staked the Sherpa claim, which lies within Tenure Block 501319 of the Katie Claims, and optioned the claim to Brinco Mining Ltd. Brinco Mining conducted a preliminary geological and geochemical investigation consisting of 5 km² of outcrop mapping at 1:10,000 scale and 25 silt samples taken from streams at about 300m intervals. The geochem samples were analyzed for Cu, Mo, Ag and Au. Nothing of interest was returned in the analyses.

No mention was made by Brinco in the assessment report of any previous tunneling or workings on the property. No mineralization was reported by Brinco during that period and no further work was recommended. The property is believed to have remained idle since the Brinco investigation in 1982.

5.0 2014 Work Program

The work program for 2014 comprised of data compilation for the area, a field reconnaissance program to prospect the Katie Claims for mineralization, rock sampling and an aerial survey to locate the old mine workings as reported in the MINFILE Report number 082FSE048. Field prospecting of the area was conducted at a reconnaissance level, using GPS as a locator, to confirm the host rocks of the property as described in previous publications. Approximately 3.0 kms of transverse was conducted on the Katie Claim Tenure 501319 to find the old mine workings.

The field ground work reconnaissance program was conducted from July 1 to July 8th, 2014 inclusive by Mr. Moses Goldenberg. A total of 50 hours was spent in traverses and prospecting was conducted within the boundaries of the Katie Claim 501319 and approximately 6 hours was spent prospecting within the Katie3 Claim 501599. Float, grab, chip and channel samples were collected during the course of the work program. Float samples are samples not taken from a specific outcrop and with an unknown source. Grab samples consist of a sample of rock taken from an outcrop, but not in a systematic manner.

A total of 11 grab rock samples were sampled and a whole rock analyses was conducted by acme Analytical Laboratories in Vancouver, B.C. on the samples. The certificate of analysis is included in Appendix A for these samples. The mineralization of the samples is discussed in the Property Geology and Mineralization section of this report.

An aerial traverse using a helicopter was conducted on September 22nd, 2014 by Mr. Christopher Graf, P.Eng, a consulting Geologist from Wardner, BC. Mr. Graf conducted a 2.2 hour air traverse by helicopter to try and locate the reported old mine workings and to determine the nature and type of outcrop anomaly in a cliff face within the south wall of the northernmost cirque on the Katie Claim. A copy of his findings is included in Appendix D.

6.0 Regional Geology

6.1 Introduction

The Creston map area (82F12) lies along the International Boundary, in the southern part of the Nelson 82F map sheet. The initial geological investigations were undertaken by Daly as he surveyed the International Boundary area in the early 1900s. In 1938, H. M. A. Rice conducted fieldwork in the Nelson East Half map area and completed a 1:250,000 scale geology map in 1941. In 1994, Brown and Stinson (East Kootenay project) mapped the Creston map area (82F12) and produced a 1:50,000 scale geologic compilation map, Open File 1995-15. A

1:250,000 scale colored compilation map for the entire British Columbian Purcell anticlinorium was completed by Hoy et al., in 1995.

6.2 Regional Geology

The Creston map area has a variety of structural and stratigraphic units that record the transition from the Purcell anticlinorium to the Kootenay Arc and includes important structures such as the northern extension of the Purcell Trench fault (Figure 4), the gradation of low grade, broadly folded Purcell Supergroup strata of the anticlinorium into equivalent but higher grade metamorphic and polydeformed rocks. The Purcell Supergroup is a thick succession of clastic and carbonate rocks of Middle Proterozoic age which is unconformably overlain to the west by the Upper Proterozoic Windermere Supergroup. A suite of small mid-Jurassic granitic stocks, dykes, and sills and extensive mid-Cretaceous batholiths have been mapped which intrude into Proterozoic rocks in the Creston map area.

The intrusive rocks that occur in the area are of Middle Jurassic-aged stocks (MJgr) and Cretaceous plutons (Kgd). The mid-Jurassic Mine Stock pluton (Figure 4) occurs in the immediate area of the Claim Block. The Mine Stock is centered southeast of the Copper Ridge Property on John Bull Mountain. The Mine Stock has been mapped to consist of fine to medium grained, light grey granodiorite that is fairly uniform in texture and composition, pegmatitic, and few xenoliths. Amphiboles and biotite occur equally abundant as associated minerals. Some of the mid-Jurassic granodiorite stocks are known to carry appreciable pyrite, pyrrhotite and chalcopyrite and tend to be associated with anomalous gold showings (*ie* Summit Bell and McMurdo mines). Within the Copper Ridge Property, the eastern edge of 'Mine Stock' is unconformably in contact with the southwest corner of the Cretaceous Bayonne Batholith.

The Cretaceous rocks are Bayonne Batholith, Rykert Batholith and Corn Creek and West Creston Gneiss. Within the immediate area of the Copper Ridge Property, the mid-Cretaceous Bayonne Batholith is present to the east of the property boundary. The Bayonne Batholith is a large, elongate, granitic body which extends northeastwards for 60 kms across Kootenay Lake. The Bayonne Batholith varies in composition from granite to a calcic granodiorite and contains phases described as coarse grained to fine grained, porphyritic and non-porphyritic, pink and light grey to dark grey and is often gneissic in nature. Biotite is the most commonly associated mineral. Large inclusions of metamorphosed sediments, most likely Proterozoic in age, occur as roof pendants or xenoliths in the Bayonne Batholith. The xenoliths are said to occur most frequently in the porphyritic phases of the batholith.

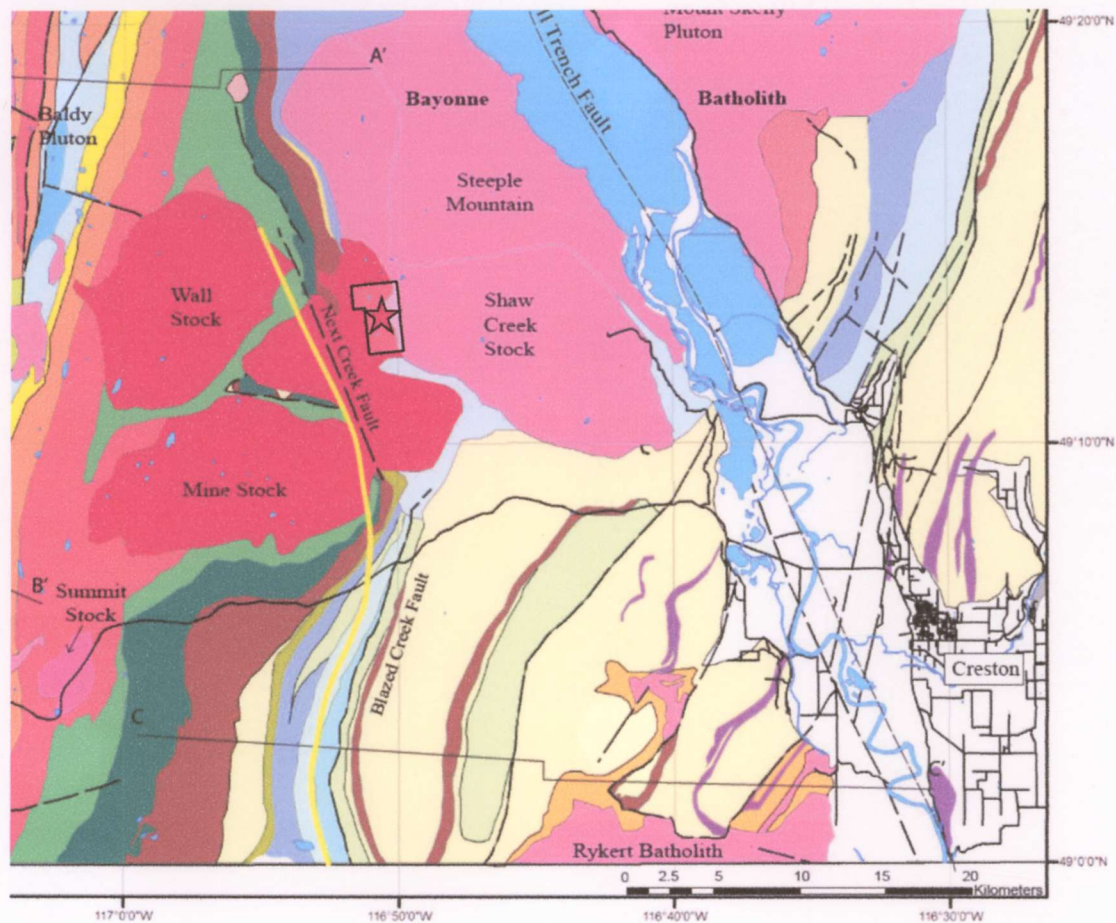
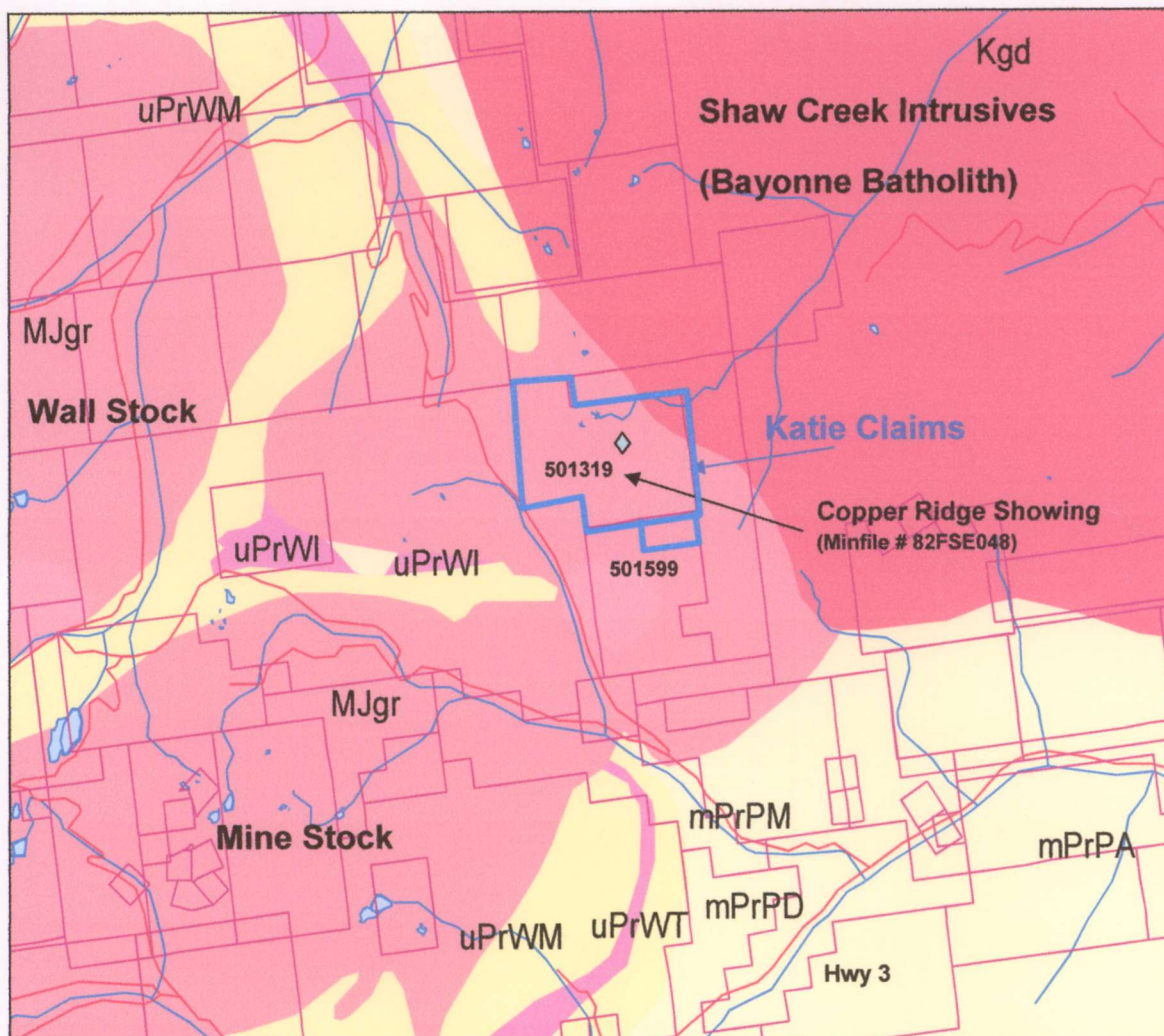


Figure 4: The Mine Stock Pluton is considered to be part of the Nelson Intrusive of Mid-Jurassic age. The Mine Stock Pluton is in contact to the northeast with the Cretaceous Shaw Creek Intrusives (Bayonne Batholith). The pluton is composed of coarse grained calcalkaline hornblende-biotite rich granodiorite with common pegmatites. The Pluton is known to be the host to various associated mineralization of Au-Ag-Pb-Zn occurrences. The Copper Ridge occurrence has been reported to be a quartz-calcite vein bearing chalcopyrite and minor gold. (Modified from Webster and Patterson, 2013).



Legend

- Kgd** Cretaceous Shaw Creek Intrusives (Bayonne Batholith)
- MJgr** Mid Jurassic Intrusives (Wall Stock & Mine Stock)
- uPrWM** upper Proterozoic Windermere Supergroup – Monk Fm
- uPrWI** upper Proterozoic Windermere Supergroup – Irene Fm
- uPrWT** upper Proterozoic Windermere Supergroup – Toby Fm
- uPrWTS** upper Proterozoic Windermere Supergroup – Three Sisters Fm
- mPrPM** Mid Proterozoic Purcell Supergroup - Mount Nelson Fm
- mPrPD** Mid Proterozoic Purcell Supergroup - Dutch Crk Fm
- mPrPC** Mid Proterozoic Purcell Supergroup - Creston Fm

Katie Claims Outline with Tenure Number

Innovative Energy Inc.

Figure 5

Regional Geology Map with Claim Outlines

January 4, 2015

Nelson Mining Division

7.0 Property Geology and Mineralization

7.1 Property Geology

Along the valley floor within the Claim Block, outcrops are generally sparse due to forest and soil cover. However, within the cirque portion of the Katie Claims at higher elevations, along the ridgelines, outcropping can be continuous.

The Katie Claim Blocks are underlain by predominantly granodiorites and quartz monzonites of the mid-Jurassic Mine Stock pluton. The granodiorites observed were generally a massive, poorly defined texture of fine to coarse grained comprised of euhedral to subhedral plagioclase, biotite and hornblende in a quartz matrix. The granodiorites generally have a salt and pepper appearance weathering to a white to light grey color. Orthoclase was present in only small amounts. Evidence of any bedding or any structural grain is faint and unreliable in the granodiorite stock. The quartz monzonites are comprised of medium grained quartz, biotite and euhedral to subeuhedral phenocrysts of plagioclase. Several inclusions mica schists were noted in the granodiorite. The inclusions consisted of gneisses and quartz mica schists. These are assumed to belong to the Proterozoic Windermere or Purcell Supergroups. The muscovite can be found in abundance in the creeks that form the headwaters of Shaw Creek. Small, low angle reverse faults were noted in the southern cliff face of the northernmost cirque.

There is an obvious change in lithology on the eastern boundary of the claim area where light grey granodiorites containing few zirconoliths described above gradationally changes to granites and granodiorites with abundant zirconoliths. This granodiorite is considered to be part of the Bayonne Batholith (Shaw Creek Pluton). The contact of the two plutons was not observed in this field work.

7.2 Mineralization

Extensive sulfide mineralization within a large quartz and calcite filled vein was encountered within Tenure Block 501319. The vein is approximately 20m thick where it outcrops at the base of the talus slope along Copper Ridge. Two small adits were found to have been driven into the mineralization. The location of the adits are 512009E and 5448502N at an elevation 2024m. Each adit is only six to eight feet in depth, but were collapsed so the actual original depth is unknown (Photo 1, 2). The strike of the vein is generally southeast 145° and dipping vertically. The vein itself is filled with quartz and calcite with extensive pyrite, marcasite and pyrrhotite showings. Malachite staining is obvious on rocks within the dump material. Striking the sulfide mineralization gave off a distinct "rotten egg" smell, indicative of marcasite. Some thin quartz veins are pitted or vuggy and strongly limonitic, probably due to oxidized pyrite.

The first two lower adits at the elevation of 2024m are subparallel to each other, with a bearing of 150° and separated by a distance of approximately 40 feet. The area between the two adits is covered by forest cove, but if the vein system is continuous between the two adits, then the vein would be up to 50 feet wide at that point.



Photo 1: Photo of opening of small adit at $49^{\circ} 12' 30''\text{N}$ and $116^{\circ} 50' 06''\text{W}$.

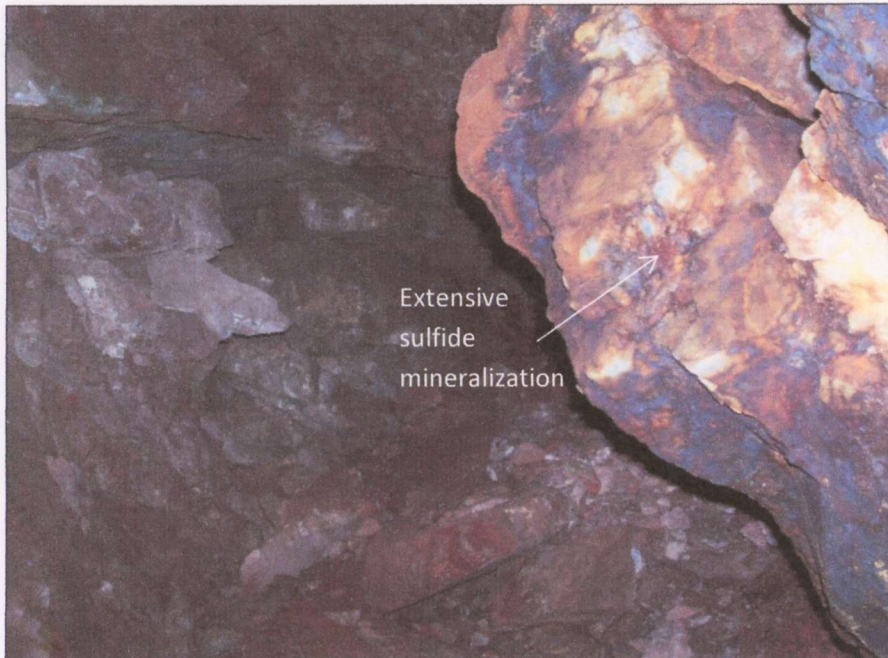


Photo 2: Photo of sulfide mineralization inside adit.

The vein can be traced for several hundred meters to the cliff face that makes up the southeast exposure of the northernmost cirque and across into the southern face of the southern cirque. It is believed the vein material is associated with a shear fracture zone and these two adits were driven into the areas of sulfide mineralization in the shear zone.

It is assumed that the vein material can be classified as described by Hart et al (2000) as a 'proximal member vein deposit' related to the emplacement in and around the intrusive Bayonne magmatic suites. It is considered that fracture lines are known to occur for significant distances which may have then infilled with quartz and calcite mineral solutions often carrying sulfide mineralization.

7.2.1 Rock Sample Geochemistry

A total of 8 samples which were taken from the adits and from reconnaissance traverses during the 2014 field work were all sampled from the Mine stock (MJgr) host rock vein material within Tenure 501319. Whole rock geochemical analysis was conducted on all 8 samples. A summary table of the location and economic mineral values are provided in Table 1. A map of the location and values is provided as Figure 6. On average, the samples showed anomalous but erratic copper values, ranging from 9 up to 4370 ppm but with a statistical average of 1656.7 ppm. Gold values were all 5 ppb or less, manganese values ranged from 482-2380 ppm, and zinc values ranged from 78 to 346 ppm.

Table 1: Rock Sample Geochemical Analyses

	Sample Number	UTM Location of Sample (nad83)		Values Au	Values Ag	Values Cu	Values Mn	Values Ni	Values Zn
		East	North	ppm	ppm	ppm	ppm	ppm	ppm
	Open Cut	512257E	5448389N	<0.005	<0.5	2270	1855	214	127
	CR1	512058E	5448042N	<0.005	<0.5	4370	2260	186	144
	CR2	512082E	5448083N	<0.005	<0.5	3200	2380	25	301
	CR2A	512010E	5448502N	<0.005	<0.5	1160	2040	56	346
	CR3	511968E	5447991N	<0.005	<0.5	932	736	762	78
	CR3B	512122E	5448518N	<0.007	<0.5	1280	680	768	80
	CR4	512094E	5448553N	<0.005	<0.5	33	482	1	260
	CR4A	512012E	5448034N	<0.005	<0.5	9	570	2	643
Range				<0.005	<0.5	9-4370	482-2380	1-768	78-346
Min				<0.005	<0.5	9	482	1	78
Max				<0.005	<0.5	4370	2380	768	346
Avg				<0.005	<0.5	1656.7	1375.37	251.75	247.375
Max Au	-	-	-	-					
Max Ag					-				
Max Cu	CR1	512058E	5448042N			4370			
Max Mn	CR2	512082E	5448083N				2380		
Max Ni	CR3B	512122E	5448518N					768	
Max Zn	CR2A	512010E	5448502N						346

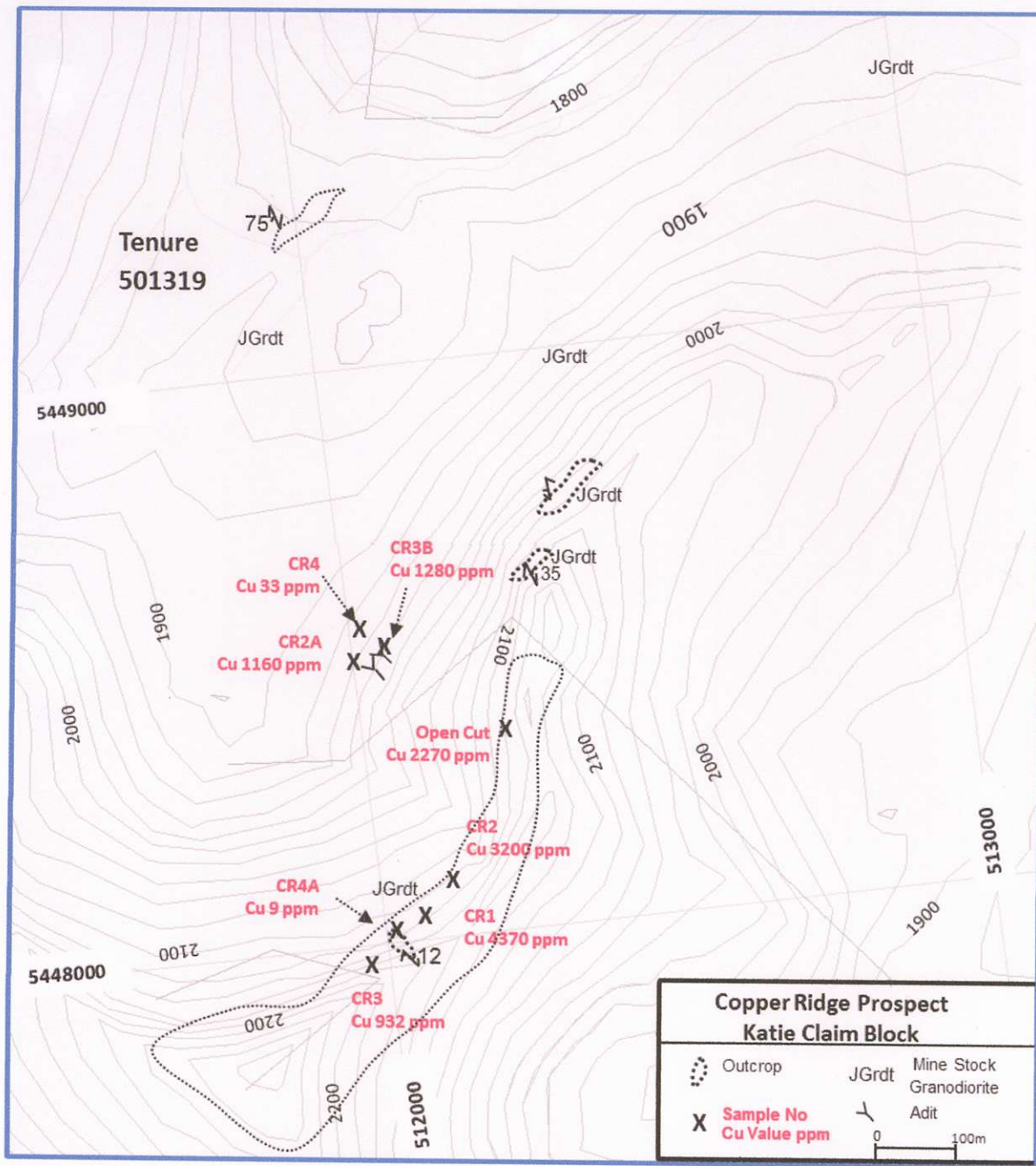


Figure 6: Copper Ridge Prospect; Rock Sample Locations and copper values.

8.0 Conclusions and Recommendations

The Katie Claim Block, Tenures 501319 and 501599, is underlain predominately by the mid Jurassic age Mine Stock pluton. The Mine Stock is comprised of massive white to light grey biotite amphibole granodiorites and quartz monzonites. The Mine Stock is probably in contact to the east of the Claims with the Cretaceous aged Bayonne Batholith, although the contact has not yet been found on the property. These mid Jurassic and Cretaceous aged plutons are known to host several important mineral finds such as the Bayonne Mine, Summir Bell and Spokane Mine.

The Copper Ridge MINFILE 82FSE048 which occurs within the Katie Claim Block is reported to have a vein deposit that is traceable for over a kilometer carrying significant gold and copper values. As reported, the prospect is said to have a 250 foot adit driven into the vein. Ground and aerial traverses, during the 2015 work program, to locate the old mine working even interpretation of satellite photography have failed to locate the old mine workings reported. No sign of any mine tailings, which for a 250 foot adit should be apparent, were not found.

Reconnaissance geologic mapping confirmed the presence of granodiorite as described in Section 7.0 Property Geology and Mineralization. The granodiorites are extensive in distribution covering the majority of the claim block. These granodiorites belong to the mid-Jurassic Mine Stock. A 20 to 25m wide vein deposit has been discovered. The vein trends north-south varying in strike from 150° to 180° and dipping near vertical. The vein is comprised of quartz, calcite and limonite with sulfide mineralization. Sulfide mineralization consists of chalcopyrite, pyrite, pyrrhotite, malachite and marcasite.

Geochemical analysis of the eight grab samples from the program have copper values ranging from 9 to 4370 ppm with a mean average of 1656.7 ppm. No appreciable gold values were obtained and average below 5 ppb in the samples.

Although the program failed to locate old mine workings, the vein system discovered may be the one as reported in the Minfile reports and the 1902 Annual Report of the Minister of Mines for BC. The geologic setting of the host rocks is conducive to proximal Au-Ag-Cu fracture filled vein deposits related to the emplacement of the Cretaceous Bayonne Batholith. The possibility exists that Mesozoic age intrusive activity in this region has injected mineralizing fluids along structure and may have hosted mineralization in traps such as fault intersections.

Continued exploration of the block is warranted as previous reports have documented the existence of the mine workings and the potential of an economic deposit of precious metals and high grade copper showing. A program to continue to explore for the Copper Ridge vein (Lost Mine) will be undertaken in the summer of 2016 when access to the property can be

permitted by weather. Simple prospecting of both bedrock and till on trend of the previous anomalies and more widespread structures along with continued soil sampling is recommended at the very least. The introduction of a defined grid for the purpose of conducting magnetometer and VLF-EM surveys (which have been shown to be highly effective in base metal exploration) is also recommended. Trenching of anomalous structures followed by diamond drilling could quickly follow the location of anomalies. A two-phase program is recommended, having a projected total cost of \$125,000 for Phase 1 and \$275,000 for Phase of drilling is recommended. The Phase 1 program mainly involves diamond drilling 4 holes to depths of 150 to 200 meters each to establish the continuity of the surface showing. The Phase 2 program, which is dependent on results from the first phase, involves additional diamond drilling. Geological work, including detailed property mapping and core logging, should continue in both programs.

9.0 References

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Energy Mines and Petroleum Resources Assessment Report Number 11028.

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APPENDIX A
Geochemical Analysis Certificates



ALS Canada Ltd.
 2103 Dollarton Hwy
 North Vancouver BC V7H 0A7
 Phone: 604 984 D221 Fax: 604 984 0218 www.alsglobal.com

To: **INNOVATIVE ENERGY INC.**
21664 MONAHAN COURT
LANGLEY BC V3A 8N1

Page: 1
 Total # Pages: 2 (A - C)
 Plus Appendix Pages
 Finalized Date: 5-SEP-2014
 This copy reported on
 25-SEP-2014
 Account: INNENE

CERTIFICATE VA14130989

This report is for 8 Rock samples submitted to our lab in Vancouver, BC, Canada on 26-AUG-2014.

The following have access to data associated with this certificate:

HAROLD OPPELT

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rcd w/o BarCode
CRU-QC	Crushing QC Test
CRU-31	Fine crushing - 70% <2mm
SPL-21	Split sample - riffle splitter
PUL-31	Pulverize split to 85% <75 um

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME-ICP61	33 element four acid ICP-AES	ICP-AES
Au-AA23	Au 30g FA-AA finish	AAS

To: **INNOVATIVE ENERGY INC.**
ATTN: HAROLD OPPELT
21664 MONAHAN COURT
LANGLEY BC V3A 8N1

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

***** See Appendix Page for comments regarding this certificate *****

Signature:

Colin Ramshaw, Vancouver Laboratory Manager



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 Account: INNENE

CERTIFICATE OF ANALYSIS VA14130989

Method Analyte Units LOR	WEI-21 Recvd Wt. kg	AU-AA23 Au ppm	ME-ICP61 Ag ppm	ME-ICP61 Al %	ME-ICP61 As ppm	ME-ICP61 Ba ppm	ME-ICP61 Be ppm	ME-ICP61 Bi ppm	ME-ICP61 Ca %	ME-ICP61 Cd ppm	ME-ICP61 Co ppm	ME-ICP61 Cr ppm	ME-ICP61 Cu ppm	ME-ICP61 Fe %	ME-ICP61 Ga ppm
Sample Description	0.02	0.006	0.5	0.01	5	10	0.5	2	0.01	0.5	1	1	1	0.01	10
OPEN CUT CR1 - A - Aug/2014	0.58	0.006	<0.5	0.20	<5	10	<0.5	3	4.88	<0.5	85	14	2270	35.3	<10
CR 1 AUG/2014	0.46	<0.005	0.5	0.24	<5	10	<0.5	<2	5.62	<0.5	80	15	4370	33.1	<10
CR 2 AUG/2014	0.34	<0.005	<0.5	0.91	<5	10	0.9	<2	18.9	0.9	38	11	3200	15.00	<10
CR 2A AUG/2014	0.40	<0.005	<0.5	1.31	<5	20	1.1	<2	14.40	1.3	31	19	1180	17.85	<10
CR 3	0.50	0.005	<0.5	0.05	<5	10	<0.5	7	4.74	<0.5	28	7	932	45.8	<10
CR 3B AUG/2014	0.52	0.007	<0.5	0.08	<5	10	<0.5	<2	4.26	<0.5	42	8	1280	48.0	<10
CR 4	0.52	<0.005	<0.5	9.07	8	1520	2.1	<2	0.45	2.4	4	7	33	1.89	20
CR 4A AUG/2014	0.58	<0.005	<0.5	9.46	6	1460	2.3	<2	0.27	2.0	3	9	9	2.21	20



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CERTIFICATE OF ANALYSIS VA14130989

Sample Description	Method Analyte Units LOR	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	
		K %	La ppm	Mg %	Mn ppm	Mo ppm	Na %	Ni ppm	P ppm	Pb ppm	S %	Sb ppm	Sc ppm	Sr ppm	Th ppm	Ti %
OPEN CUT CR1-A-Aug/2014		0.01	<10	0.83	1865	20	0.02	214	820	<2	>10.0	10	1	5	<20	0.02
CR 1 AUG/2014		0.01	<10	0.84	2280	17	0.02	186	810	<2	>10.0	<5	1	5	<20	0.02
CR 2 AUG/2014		0.01	10	1.88	2380	1	0.03	25	880	<2	0.21	<5	1	18	<20	0.03
CR 2A AUG/2014		0.01	10	1.10	2040	6	0.04	56	1280	<2	4.03	5	1	23	<20	0.03
CR 3		<0.01	<10	0.60	736	13	0.01	782	520	4	>10.0	11	<1	6	<20	<0.01
CR 3B AUG/2014		<0.01	<10	0.48	880	14	0.01	788	450	<2	>10.0	8	<1	4	<20	<0.01
CR 4		3.06	40	0.15	482	<1	2.74	1	970	111	0.10	<5	4	383	<20	0.23
CR 4A AUG/2014		3.88	40	0.16	570	<1	2.24	2	1100	340	0.08	<5	5	184	<20	0.27



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CERTIFICATE OF ANALYSIS VA14130989

Sample Description	Method Analyte Units LOR	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61
		Ti ppm	U ppm	V ppm	W ppm	Zn ppm
OPEN CUT CR1-A-Aug/2014		<10	<10	24	<10	127
CR 1 AUG/2014		<10	<10	33	<10	144
CR 2 AUG/2014		<10	10	53	<10	301
CR 2A AUG/2014		<10	10	68	<10	346
CR 3		<10	<10	14	<10	78
CR 3B AUG/2014		<10	<10	14	<10	80
CR 4		<10	<10	35	<10	260
CR 4A AUG/2014		<10	<10	42	<10	643

APPENDIX B

2014 EXPLORATION COST STATEMENT

Salaries

Marc Goldenberg July 1 – 8 th , 2014 8 days @ \$250 per day	\$2000.00
Marc Goldenberg Sep 29, 2014 1 day @\$250 per day	\$250.00
Chris Graf September 29, 2014 1 day @ \$450 per day	\$450.00

Transportation

Truck Rental July 1 – 8 th , 2014 8 days @ \$50.00 per day	\$400.00
Truck Rental Sept 29, 2014 1 day @ \$100 per day	\$100.00
Fuel and mileage allowance July 1- 8 th , 2014 8 days @ \$75/day	\$600.00
Fuel and mileage allowance Sept 29, 2014	\$100.00

Helicopter service

September 29, 2014 1 day	\$2910.60
--------------------------	-----------

Accommodations & Meals

July 1 – 8 th , 2014 8 days @\$100.00 per day	\$800.00
Sept 29, 2014 1 day @\$100 per day	\$100.00

Sample Freight Costs

\$70.35

Sample Preparation & Assay Cost

\$476.15

Report Preparation & Drafting

\$2718.90

Grand Total

\$10,976.00

APPENDIX C

STATEMENT OF QUALIFICATION

I, Harold Richard Oppelt, of 21664 Monahan Court, Langley, B.C., do hereby declare the following:

1. I have worked as a prospector in mineral exploration for the past 45 years.
2. I have worked on several prospects and developed prospects in Alberta and in British Columbia during the years 1967 to 2015.
3. I am responsible for the preparation of this report and I am the sole owner of the claims.
4. I have based this report on field examinations within the area of interest and on a review of the technical and geological data.

Harold Oppelt

Harold R Oppelt

Harold R. Oppelt

APPENDIX D

Aerial Reconnaissance Notes

Christopher W. Graf P.Eng. Consulting Geologist
P.O. Box 20
Wardner, B.C. V0B 2J0
Telephone: 250-429-3572 Fax: 250-429-3542
Email: cgraf@spectramining.com

September 23, 2014

Project: Katie Claims - Shaw Creek

Dear Harold,

As you requested I left my home at 9:00AM yesterday morning and drove to the Creston airport. I met Marc Goldenberg and the High Terrain helicopter at 11:00AM and we promptly flew to the property returning to Creston at 3:00 PM, I then drove home and got back at 6:00 PM, it was a fine clear weather day for flying.

We flew over to Shaw Creek and first hovered at a low elevation over and around the Blue Kyanite site as you requested. The ground is littered with very large talus boulders and being on a well treed side hill there was no place we could land on that side of Shaw creek so we proceeded to fly up to the head of Shaw creek.

We first made several passes with the helicopter at a fairly low elevation over the entire head of the valley and the UTM possible tunnel sites you had given us in order to get an overview of the whole area. We did not see any obvious signs of mining activity but it was clear that the entire valley is completely underlain by a massive light colored, non rusty weathering and unaltered, granitic body with a few sparse, darker colored, roof pendants of metamorphosed sedimentary rock up to several hundreds of meters in size.

We landed at a small pond about 300 meters from your GPS site for the Copper Peak site and first hiked to one of these dark colored sedimentary rock roof pendants about 250 meters in size. Marc took a rock sample but there was no sign of mineralization but we observed that the granite body hosting the sedimentary rock was cut by a number of aplite/pegmatite dikes up to perhaps a meter wide that were dominated by a white quartz phase.

We flew 300 meters over to the Copper Peak GPS site and hovered over it at a very low elevation and made about 6 passes over and around the site at a very low elevation. The tree cover was quite open but we did not observe any signs of a tunnel or other mining activity although if there had been any mining disturbance there we would have clearly seen it.

We then flew to the Copper Ridge GPS site and hovered over it at a very low elevation and also made about 6 passes around the site at a very low elevation. Again the tree cover was quite open but we did not observe any signs of a tunnel or any other mining disturbance although if there had been any disturbance we would have clearly seen it.

We then flew over to the three "adits" that Marc had found and sampled earlier this year just below the two light colored patches on the cliff above the "tunnels" that are referred to as "headlights". These "adits" are small holes spaced about 5 meters or so apart up the hillside in a limonitic colored soil zone. The pilot could not land anywhere near these "adits" and so I was not able to visit them however we did GPS their location which the pilot recorded as 512000E 5448210 N and Marc recorded as 512064 E 5448232 N. I have bracketed the word "adits" as Marc said they were only about 1 to 2 meters long so can not really be called tunnels.

These "tunnels" are excavated into one of the dark colored sedimentary roof pendants in the granite body. This roof pendant strikes southerly up the cliff above the "tunnels" where two blocks of light colored rock (probably granite) are caught up in it and these are the "headlights". There was no sign of tunneling or any other mining disturbance in the cliff or on along strike on the south side of the ridge so the mineralization at the "adits" is limited in size.

We then flew to the GPS site of the Lost Mine #48 and landed in a meadow. We hiked over to the GPS site but there was no sign of a tunnel or any mining disturbance. Marc took a stream sediment sample at the GPS location. There is no bedrock in the area only swampy ground with many large granite boulders strewn about.

We went back to the helicopter and I asked the pilot to calculate the amount of flying time we had already done and he said including flying back to the Creston airport and then returning to Nelson the total would be 2.2 hours which was about the total of 2 hours you originally had in mind. The pilot also said he did not have a lot of fuel left so we decided to go back to Creston arriving at 3:00 PM.

Respectfully Submitted,

Chris Graf P.Eng

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