ASSESSMENT REPORT

On the

PELLAIRE PROJECT

Events: # 5551235

Clinton Mining Division, B.C.

N.T.S 92 0/4

Latitude: 51 5' 52"N, L longitude 123 35'55"W

Owned by

Valor Resources Ltd.
North Vancouver, B.C.

Report by

John H. Hajek, Geochemist

May 25, 2015

ASSESSMENT REPORT TITLE PAGE AND SUMMARY

TITLE OF REPORT: Pellaire West Ridge Gold Deposit

TOTAL COST:$56,400

AUTHOR(S): J. H. HAJEK
SIGNATURE(S):

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S):
STATEMENT OF WORK EVENT NUMBER(S)/DATE(S):555121235, April 15,2015

YEAR OF WORK: 2014

PROPERTY NAME: Pellaire West Ridge

CLAIM NAME(S) (on which work was done):

Lord #1- 207933, Lord #5- 208501, HI #2- 209471

COMMODITIES SOUGHT: Gold-Silver

MINERAL INVENTORY MINFILE NUMBER(S),IF KNOWN:

MINING DIVISION: Clinton
NTS / BCGS:920.012
LATITUDE: ___51_____° __05'_____' ___52"N_____"
LONGITUDE: __123_____° 35'_____' __55" W_____" (at centre of work)
UTM Zone: EASTING: NORTHING:

OWNER(S):
Valor Resources Ltd.

MAILING ADDRESS:1204-111-13 Street E, North Vancouver, B.C. V7L 0C7

OPERATOR(S) [who paid for the work]:
Zelon Chemicals Ltd.
MAILING ADDRESS:
1204-111-13 Street E, North Vancouver, B.C. V7L 0C7

REPORT KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude. **Do not use abbreviations or codes**)
Epithermal vein hosted gold-silver deposit. Ten quartz veins within thrust faults, hosted in grano-diorite (103Ma). Veins are 100-300 meters in length & 0.3-7 meters thick with 0.5-3oz. gold/t occurring mainly as gold tellurides

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:
2009 #4382934, 2010 #4803670, 2012 #5412503 & 5423524

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (in metric units)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ...)			
Soil			
Silt			
Rock	56	207933	$8.000.00
Other			
DRILLING (total metres, number of holes, size, storage location)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling / Assaying		208501, 207933	10.000.00
Petrographic			
Mineralographic			
Metallurgic		208501, 209471	18,400.00
PROSPECTING (scale/area)			
PREPATORY / PHYSICAL			
Line/grid (km)			
Topo/Photogrammetric (scale, area)			
Legal Surveys (scale, area)			
Road, local access (km)/trail	5Km	208501 207933	20.000.00
Trench (number/metres)			
Underground development (metres)			
Other			
		TOTAL COST	56,400.00

Assessment Report

On the

Pellaire Project

2014 Exploration

Clinton Mining Division, B.C.
N.T.S: 92 0/4

Latitude: 51 5' 52"N, Longitude 123 35'55"W

Events: # 5551235

Work was done: September 25 to October. 23, 2014

On Tenures # **208501-207933 & 209471**

Owned by
Valor Resources Ltd.
North Vancouver, B.C.

Report by

John H. Hajek, Geochemist

Date of Report: May 25, 2015

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I. INTRODUCTION

J. H. Hajek was commissioned by Valor Resources Ltd. to oversee the Pellaire Project. This report documents geochemical exploration work done under the author's supervision, during September 25 to October 23, 2014 on the Pellaire property, Clinton Mining Division, British Columbia, Fig. 1.
Event #5551235 applies to the work period of September 22 to October 23, 2014
The exploration work was done on tenure # 208501, 207933 & 209471.

The objective of this report is to show the importance of a comprehensive approach to evaluate the gold-silver ore within the alteration zones.
The alteration zones constitute an important part of the Pellaire West Ridge deposit, therefore measuring a large and heterogeneous mass requires bulk sampling and identification of its constituents.
We have concentrated our effort on gold-silver content from stock pilled ore and their relation to other indicator elements.
The metallurgical and geochemical work consisted of the following:

- Data interpretation on 56 samples analysed by Acme labs
- Bulk fraction analysis tabulation with emphasis on gold-silver relation to lead and to bismuth & tellurium
- Rates of extraction were evaluated on various bulk samples
- Physical grain size distribution on large samples was related to the various components of the excavated rocks.
- A concept of Molecular Differentiation was used to relate silver to lead and gold-silver to bismuth & tellurides
- Partial CN extraction of 4hours was used to measure the efficiency of extracting gold on a commercial scale.
- Cyanide gold extractions are compared to fire assay results see D1to D4

Geological & physical separation of bulk rock samples (10 to 90Kg), from the #3 quartz vein and alteration envelop was done to establish the percentage of clay, fines and others. Nine ore rock were analysed for gold and taken as control samples on the past excavation of the #3 & #4 veins.

The author is an experienced geochemist since 1968 and he has been on the property intermittently since 1995.

II. PROPERTY DESCRIPTION and LOCATION

1. LOCATION, ACCESS, CLIMATE & PHYSIOGRAPHY

- **LOCATION**

Pellaire property is located in south central British Columbia, south of the Upper Taseko Lakes. The work area is located east of the Falls River drainage and west of the Lord River system.

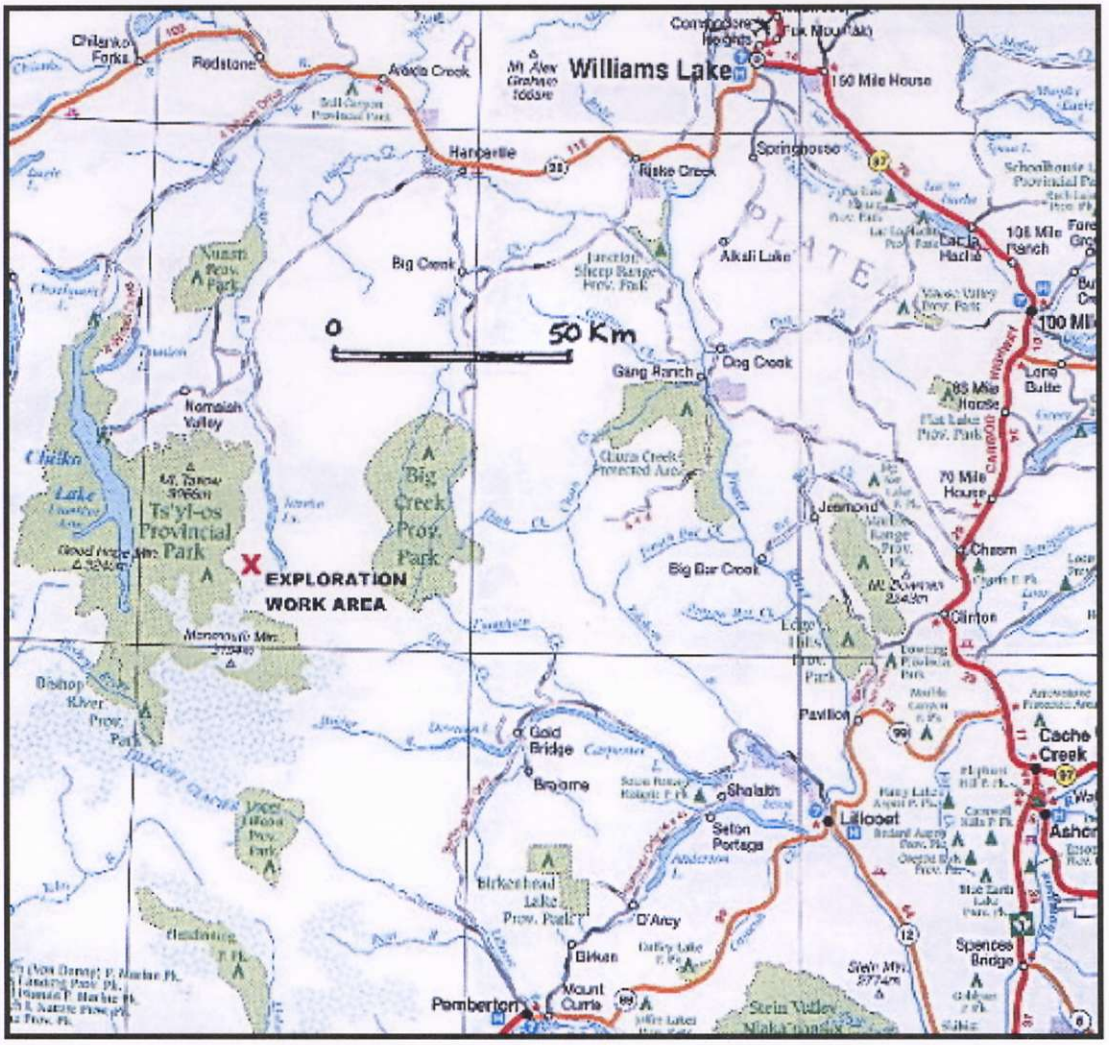


Fig 1: Location Map. "X" marks the exploration area. The property is 220 km due north of Vancouver and 160 km southwest of William's Lake.
A central point within the claims area is situated between Pellaire West ridge and Pellaire East ridge located at: 51 5" 52" North Latitude and 123 35' 55" West Longitude in N.T.S area 92O/4

- **ACCESS**

Access to the claims is available by road, from William's Lake over the Bella Coola road to Hanceville and then southerly for about 70 km along the Nemiah-Taseko road to the bridge crossing the Taseko River.
Twelve kilometres west of the Taseko River Bridge is the junction with the Pellaire road. From this junction, an upgraded 60 km section of road runs southerly to the Falls River campsite situated at the base of Pellaire ridge.
The total distance from William's Lake to the Falls River camp is about 260 km.
By air, access is by helicopter from bases at Pemberton or William's Lake.

- **CLIMATE & PHYSIOGRAPHY**

The claim group is situated in rugged terrain of high relief, along the eastern margin of the Pacific Ranges of the Coast plutonic complex.
Valleys, with basal elevations of between 1375m to 1675m, have been glacially scoured and thus are wide and gently sloped. Tree line extends to about 1975m above which the slopes rise more abruptly to elevations of up to 2590m.
Numerous glaciers are present at the higher elevations throughout the area; these are the source of all streams draining into the valleys.
About 70% of the elaims are above tree line where alpine vegetation predominates.
Sub alpine vegetation of pine and spruce predominates along valley floors.

2. PROPERTY & WORK AREA

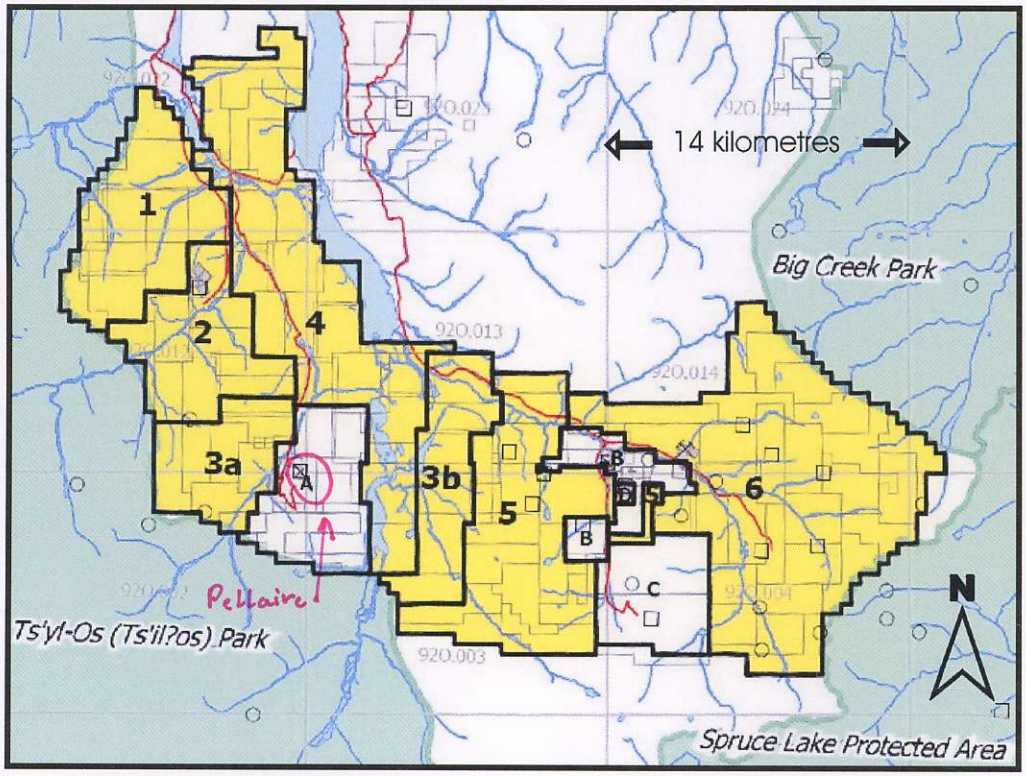
- Property Description and Mineral Titles:

Valor Resources is the beneficial owner of 18 claims in the Clinton Mining Division. The staked area forms a contiguous claim group, north-easterly elongate over 8 kilometres and about 8 kilometres wide, all within NTS: map sheet 92-O/4.

- Geological location

The property lies within and along the prospective northeast contact zone of the Coast Plutonic Complex, where it contacts strata of the back arc deposional basin known as Tyaughton Trough.

Fig 2. Valor Resources Ltd claims in white A, Taseko Lakes Area, BC.



The Pellaire project is shown by #A

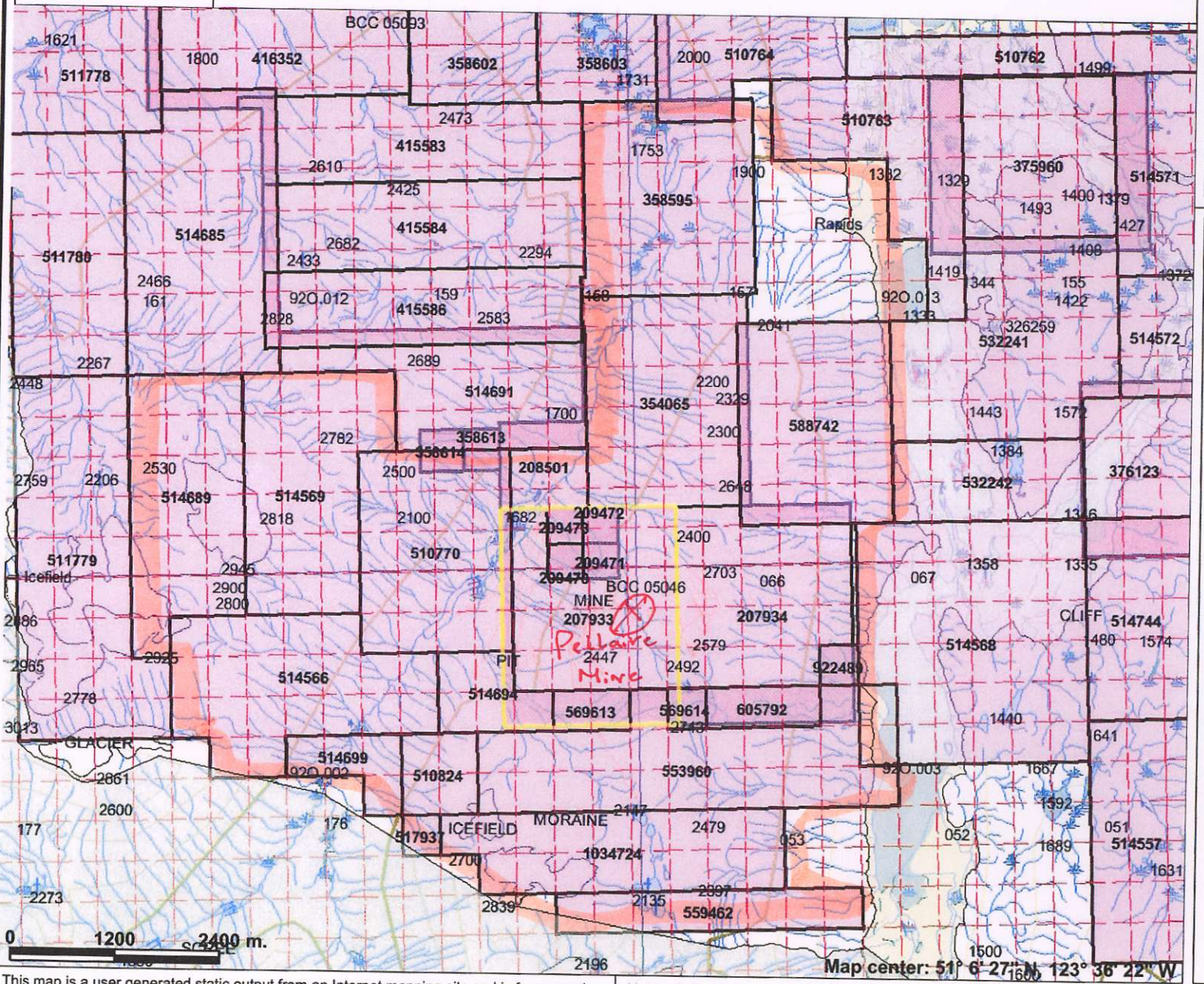
Assessment credits for work on the area are to be applied to contiguous claims shown below.

TABLE 1: Claim listing for Assessment Work started September 25, 2014 and finished October 23, 2014, event # 5551235

- Work was done on tenure ## 207933, 208501, 209471.

Tenure	Claim Name	Good To Date	Mining Division	Area
207933	LORD #1	2020/Jul/19	CLINTON	500.0
207934	LORD #2	2020/Jul/19	CLINTON	500.0
208501	LORD #5	2020/Sep/02	CLINTON	100.0
209470	HI #1	2020/may/03	CLINTON	25.0
514694		2020/Aug/24	CLINTON	101.50
209471	HI #2	2020/may/03	CLINTON	25.0
209472	HI #3	2020/may/03	CLINTON	25.0
209473	HI #4	2020/may/03	CLINTON	25.0

PELLAIRE PROPERTY



Legend

- Indian Reserves
- National Parks
- Conservancy Areas
- Parks
- Federal Transfer Lands
- MTO Grid (MTO)

Mineral Tenure (current)

- Mineral Claim
- Mineral Lease

Mineral Reserves (current)

- Placer Claim Designation
- Placer Lease Designation
- No Staking Reserve
- Conditional Reserve
- Release Required Reserve
- Surface Restriction
- Recreation Area
- Others
- First Nations Treaty Related Lands
- First Nations Treaty Lands
- Survey Parcels
- BCGS Grid

Contours (1:250K)

- Contour - Index
- Contour - Intermediate
- Areaof Exclusion
- Areaof Indefinite Contours

Transportation - Points (TRIM)

- Helipad

Transportation - Lines (TRIM)

Scale: 1:67,898

Notes: 15/05/2015

Pellaire Property

- fig 03 -

3. PROPERTY HISTORY

- **Discovery and Early Exploration (1936 to 1947)**

Gold-silver bearing quartz veins were discovered in 1936 by the prospectors A. Pelletier and AJ.Allaire. Five quartz veins, up to 2.4 meters wide, were found within granodiorite of the Coast plutonic complex.
1937: High-grade values of 400 g/t Au and 1345 g/t Ag, as recorded in the B.C. Minister of Mines Annual Report, 1937, prompted the formation of Hi Do Mines Ltd. in 1937 to explore and exploit the veins.
1945/46: A work program of 1,453 meters diamond drilling was undertaken by Pellaire Mines Ltd. A tractor road was put and three adits totalling 180m, on veins #1, #3, #4 and #5.
1947: 850 metres of drifts and crosscuts were completed on three different veins, which exposed a total of 140 metres of ore grade vein material.

- **Lord River Gold Mines and Silver Standard (1973 to 1990)**

1973: Silver Standard Mines Ltd. rehabilitated the workings. Some geological mapping and geochemical sampling were carried out.
1979/80/81: Silver Standard Mines Ltd. conducted the construction of an access road and an airstrip. A new adit was put in on the east-side of the ridge and had advanced 60 metres towards the #4 vein.
1987: Consolidated Silver Standard Mines Ltd., managed a program of exploration, adit development and diamond drilling, as described in Holtby's report of 1987.
A total of 1335 m of NQ core was drilled in 12 holes on the #3, #4 & #5 veins. As a result 49 m of drifting and crosscutting, the #6 vein was discovered.

1995/96/97: International Jaguar Equities Inc. acquired the property. It rehabilitated 73 kilometres of roads & bridges. Mine development comprised 200 metres of raise, crosscut, sub-drift and stopes in the 731 adit, from which 1,270 tonnes of ore were extracted, with average grades of 50 g/t gold.
A program of mapping, sampling, trenching and underground mining was carried out from July to September (Gaboury 1997).
1998-99: Jaguar resumed the bulk sampling program. A total of 1,000 tons of vein material was extracted and stored and the Pellaire base camp site.

- **Zelon Chemicals Ltd. and Valor Resources Ltd. (2000 to present)**

2000: Zelon Chemicals Ltd. purchased the Pellaire property from Jaguar Equities Inc. Zelon extended the bulk sampling program and established, east of Falls River el. 5550' next to the Pellaire camp, a gravity processing plant, a screen and a recovery unit.

A total of 1,200 tons of ore was produced from 15,000 tons of rock extracted from an open cut on the #3 and #4 veins. The development of a site for a processing facility was stated at el. 6500'located 3.5 Km from the Pellaire West ridge.
2002-05: Valor Resources Ltd. conducted exploration of the region with stream and soil/rock sampling of the Pellaire claims. It was followed by 5 Km of Magnetics & VLF, on the west ridge access road.
2006-09: Valor supported an airborne survey conducted by Aeroquest which outlined several areas of interest and located a suite of volcanics & intrusive on the Pellaire East Ridge & next to the zero vein system. A 354 soil/rock sampling survey on Pellaire East &West was done; which included the zero vein area with very good results.
2008: Zelon Chemicals relocated from the airborne data several intrusions correlating with the zero vein system, on the Pellaire south area. On the Pellaire west breccia 68 rock samples were analysed with high gold-silver ore grade results. Metallurgical testing of stock pilled rocks was done to measure the gold distribution.
2009-2011: Exploration of the Pellaire West ridge extension to the south resulted in 200 soil/rock samples taken. The zero vein area has geological similarities with the main gold zone to the north, however there are high copper & base metal values suggesting a porphyry source to the mineralizing fluids.
130 soil/rock samples from Pellaire North were collected and analysed. They confirmed the presence of several multi-elements anomalies (Cu-Pb-Au-Sn....), probably due to the Grizzly Cabin Pluton (102 Ma, diorite-pyroxene) extending from west of the Falls River to the east under Pellaire North EM anomalies.

2012-2013: Zelon Chemicals: The Falls River 4.5 Km upstream basin was sampled with 62 stream & seepage sediments. They indicated a new source of gold (1.8g) and poly-metallic enrichment along the Twin Creek eastern talus drainage.
The highest values were located on and upstream from the Twin Creek fault.
It may represent seepage from the Permian shales (251 Ma) as indicated be some trace elements. 19 bulk samples of 1cubic meter were separated & tested for gold & silver.
2014: 57 samples were analysed and used as calibration tests to evaluate past & present Cyanide leaching results. A successful 4 hours leach test was introduced, demonstrating that most gold tellurides were easily extractable.
The Molecular/g concept helped to establish a relation between silver and lead and between bismuth/tellurium and gold.

From 2003 to 2014: $980,000 was spent on exploration by the Zelon & Valor group of companies on the Pellaire area.

III. TASEKO WEST GEOLOGY

The property is located along the east margin of the Coast Plutonic Complex and is bounded to the northeast by Cretaceous volcanic and sedimentary rocks of the back arc depositional basin known as Tyaughton Trough.
Volcanic and sedimentary rocks in the trough range in age from Lower to Upper Cretaceous; Cretaceous time spans 145-65 Ma.
The Taseko Lakes region has undergone at least three phase of transpressional & contractional deformation:

- Sinistral reverse strike-slip movement (D1), 97-88 Ma (Twin Creeks). The rocks within the shear zone consist of sheared inter-layer andesitic & clastic marine sedimentary rocks.
- South vergent contractional faults (D2), 91-86 Ma (Pellaire & Bralorne).
- Dextral strike-slip faulting, (Twin Creeks). The Twin Creeks fault is inferred to be left-stepover associated with the Tchaikazan fault.

A. REGIONAL ROCK TYPES

The region is underlain by several rock units of Paleozoic to Cretaceous age. These units from oldest to youngest are:

- Twin Creek succession, Permian 251 Ma
- Tchaikazan River Succession, 102 Ma
- Falls River Succession, 103 Ma
- Taylor Creek Group, 113-97 Ma
- Powell Creek Group, 95 Ma

Mount McLeod Batholith intrudes all stratigraphic units and the bulk of the batholith is dominated by granodiorite. The fringe intrusive rocks range, from diorite to felsites and include various intermediate phases such as quartz diorite, quartz-feldspar porphyry, and feldspar porphyry.
The Falls River succession defined by Israel et al. (2006) was in the past included in the Taylor Creek Group classification. The Falls River succession consists of intermediate coherent and clastic volcanic units with subordinate amount of sedimentary rocks.

1. STRATIFIED ROCK UNITS

a) Palaeozoic rocks;

<u>Twin Creek Succession:</u> (251 Ma)

The unit occurs in fault lenses within the Twin Creek area and is composed of marine sedimentary rocks of Permian age. The age for the succession is 251 Ma (Israel and Kennedy, 2001) and is interpreted as Permian basement rocks to the Mesozoic Tyaughton basin.
The Twin Creeks succession is comprised of clastic sedimentary rocks composed of black silty shale, interbedded with muddy shale or sandstone.

b) Mesozoic rocks

- **Upper Cretaceous;**

Powell Creek Formation:(95-79 Ma)

The formation consists of andesitic units and associated volcaniclastic rocks. Breccias and conglomerates often bound in coherent units on either side and have been interpreted as flow front units, suggesting a sub-aerial environment of deposition. Therefore it is likely that the Powell Creek Formation was deposited in a costal environment with both sub-aerial & submarine location typical of a volcanic arc setting. The majority of the Powell Creek Fm. has a characteristic purple weathering colour.

- **Lower Cretaceous;**

Falls River succession: (103 Ma)

The succession consists of intermediate and clastic volcanic units with few clastic sedimentary rocks. The Falls River units have more abundant plagioclase phenocrysts than those of the Tchaikazan River succession. The lack of olivine and the increased plagioclase to hornblende ratio in most rocks give the Falls River volcanic rocks a slightly more felsic appearance than those of the Tchaikazan River. Veining and alteration are common and increase in intensity proximal to E-SE trending vertical fault zones in both the Twin Creeks & Pellaire areas. They are composed of quartz and carbonate, and less common epidote and pyrite.

Tchaikazan River succession: (102 Ma)

It is tbe most prominent lithologic unit in the area. The succession has been subdivided into sedimentary and volcanic dominated facies.

Sedimentary facies:

The sedimentary facies of the Tchaikazan River succession occurs in the Twin Creeks and Pellaire areas. The sedimentary rocks vary from silty and muddy shales up to coarse grained volcanic rich sandstone. Pyrite and arsenopyrite occur sporadically throughout the Tchaikazan sedimentary facies.

Volcanic facies:

The facie is composed mainly of clastic and intermediate to mafic volcanic rocks with lesser clastic sediment. Coherent volcanic flows are andesitic with up to 30% phenocryst consisting of hornblende and or plagioclase in varying proportions. Sedimentary rocks comprise a minority of the Tchaikazan volcanic facies and consist of coarse lithic sandstones and fine clastic siltstone and mudstones.
Clay alteration and weathering are widespread with zones of weak chlorite and carbonate alteration occurring proximal to fault zones.

Taylor Creek Group: (113-97 Ma)

The Taylor Creek Group consists mainly of clastic marine sedimentary rocks. The unit is intruded by the Tchaikazan Rapids Pluton (89 Ma).
The Taylor Creek Group is typically composed of grey bedded sandstone. Grains are mainly quartz and feldspar with rare larger lithic clasts.

2. INTRUSIVE ROCKS

The most extensive igneous body in the area is the Mount McLeod Batholith, which occurs in the southern part of the Twin Creek and Pellaire areas.
It comprises medium to coarse grained hornblende rich granodiorite, with U-Pb dating on the Batholith has given the ages of 101-103 Ma, (Israel and Kennedy, 2001).

a) Mount McLeod granodiorite: (103-101 Ma)

The batholith is composed mainly of uniform, medium to coarse grained biotite-hornblende granodiorite.
The granodiorite is equigranular and is composed of 35% plagioclase, 30% quartz, 15% K-feldspar, 10% biotite, and 10% hornblende. It may contain up to 3% of combined clinopyroxene, Fe-oxides or pyrite. Sets of imbricated thrust faults occur within the batholith. Also areas of copper and iron oxide alteration occur sporadically throughout the batholith.

b) Porphyritic biotite-hornblende granite: (97 Ma)

The Porphyritic biotite-hornblende granite cuts all other intrusive phases in the Mount McLeod Batholith; however, it is cut by the Mount McClure pluton.
The porphyritic biotite granodiorite consist of 50% feldspar, 34% quartz, 6% biotite and 5% hornblende. The remaining 5% of the modal composition is comprised of iron oxide and pyrite. The variation in feldspar and hornblende phenocryst size gives the rock its porphyritic texture.

c) Grizzly Cabin pluton: (102-99 Ma)

The Grizzly Cabin pluton occurs as an elongate W-NW trending lens in the NE part of the Twin Creeks area. It intrudes Permian rocks of the Twin Creek succession and Cretaceous rocks of the Tchaikazan River formation. The peripheral areas of the pluton are characterized by intermingling layers of quartz monzonite to monzo-diorite and fine grained biotite-pyroxene diorite. The central area of the pluton is composed of a single homogeneous phase pyroxene diorite.

d) Tchaikazan Rapids pluton: (89-76 Ma)

The Tchaikazan Rapids pluton is composed of plagioclase-hornblende porphyry. The rock composition is 50% aphanitic plagioclase, quartz rich groundmass and 50% phenocrysts. Plagioclase phenocrysts (30%) occur as subhedral to euhedral lathes; elongate hornblende lathes (15%); rounded quartz phenocrysts (5%).

e) Dikes: (89-65 Ma)

Twin Creeks dikes consists of fine grained andesite slightly porphyritic (1-2m wide) with an age of 65Ma.

Northwest Copper dikes are simillar in composition to the Tchaikazan Rapids Pluton (89 Ma), plagioclase-hornblende porphyry.

A separate hornblende-phyritic andesitic dike that cross cuts beds within the Powell Creek Formation in Northwest Copper yielded an age of 22 Ma. This age is correlative with Pemberton Arc volcanism to the south (29-6 Ma)

B. REGIONAL SETTING & STRUCTURE

Strong crustal faults occur along the east margin of the Coast Plutonic Complex:

During the early stages of subduction of Pacific plate, direction of convergence of the two plates was northeast, nearly orthogonally: oceanic crust under thrusting the lighter continental crust.

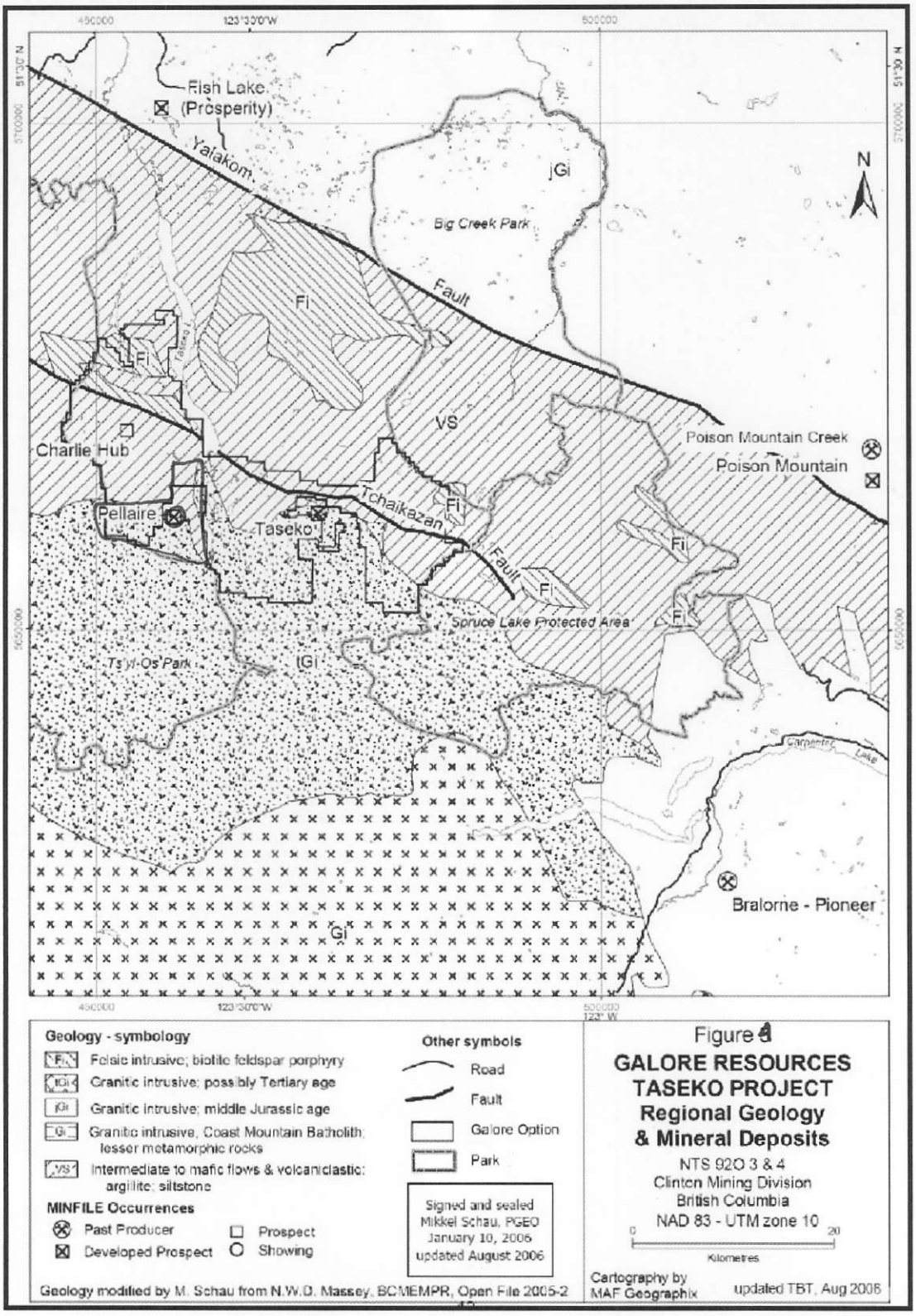
During later stages, the direction of convergence became more northerly more oblique; this generated a large component or right lateral translation.

The result is major crustal faults with under thrust component during early stages, with time, changing to mixed components of under thrusting and right lateral translation.

The paralleling Yalakom Fault, 24 km further to the northeast, makes the boundary between Chilcotin Ranges and Interior Plateau.

The amount of right lateral movement along both of these major crustal faults is appreciable, and undoubtedly the extent of subduction under thrusting is appreciable as well.

FIG. 4: Regional Geology of the Pellaire Project.



IV. PROPERTY GEOLOGY

The Pellaire deposit is an epithermal to mesothermal vein hosted gold- silver deposit. It contains ten known gold-silver bearing quartz veins. They are found within thrust faults that are hosted by a granodiorite (103 Ma.) of the Coast Plutonic Complex. The region is underlain by several rock units of Paleozoic to Cretaceous age with the Twin Creek identification of Permian sediments (251 Ma), ref. 2-3.

1. LITHOLOGIES (See previous chapter for details)

Falls River succession: (103 Ma)

The Falls River succession was defined by Israel et al., (2006) prior to this it was included in the Taylor Creek Group.

Tchaikazan River succession: (102 Ma)

It is the most prominent lithologic unit in the area. The succession has been subdivided into sedimentary and volcanic dominated facies.

Sedimentary facies:

The sedimentary facies of the Tchaikazan River succession occurs in the Twin Creeks and Pellaire areas.

Volcanic facies:

The volcanic facies of the Tchaikazan River suecession seem to be more extensive than the sediment dominated one. The facie is composed mainly of clastic and intermediate to mafic volcanic rocks with lesser clastic sediment.

Taylor Creek Group: (113-97 Ma)

The Taylor Creek Group consists mainly of clastic marine sedimentary rocks. The unit is intruded by the Tchaikazan Rapids Pluton (89 Ma).

2. INTRUSIVE ROCKS

The most extensive igneous body in the area is the Mount McLeod Batholith. It comprises hornblende rich granodiorite; with U-Pb dating on the Batholith has given the ages of 101-103 Ma, (Israel and Kennedy, 2001).

Mount McLeod granodiorite: (103-101 Ma)

The batholith is composed mainly of uniform, medium to coarse grained biotite-hornblende granodiorite. Sets of imbricated thrust faults occur within the batholith in Twin Creeks and Pellaire areas. Also areas of copper and iron oxide alteration occur sporadically throughout the batholith in both areas.

Porphyritic biotite-hornblende granite: (97 Ma)

The Porphyritic biotite-hornblende granite cuts all other intrusive phases in the Mt. McLeod Batholith; however it is cut by the Mount McClure pluton (65Ma).

3. PELLAIRE DEPOSIT LITHOLOGY

The granodiorite and the feldspar porphyry dominate the area with volcaniclastics Pendant scattered throughout.
An intrusive breccia contains fragments of the granodiorite and of feldspar porphyry and andesitic volcanics. The breccia is located on a fault contact with the granodiorite and the volcanics. The quartz veins are linear, parallel and constrained within the granodiorite.
Several geological units have been mapped in the area and based on cross-cutting relationship are listed below in increasing age order:

- Gabbro dykes with variable grain size & mineralogy
- Gold-silver bearing quartz veins, oxide stained & vuggy found in thrust Faults with a maximum of three meters thickness
- Intrusive breccia, altered with fractured clastic intrusive, volcanics, granodiorite & feldspar porphyry
- Altered feldspar porphyry & andesitic volcanics all oxide stained
- Granodiorite equigranular
- Andesitic volcaniclastics

a) Gabbroic Dykes

Gabbroic dykes are pervasive throughout the area and trend N-S. The dykes crosscut the veins and are cut by them.
The dykes are medium to fine grained with a variable mineralogy and grain size.

b) Intrusive Breccia

The breccia is fractured, altered with the oxide staining giving a rusty colour. It is composed of clast of feldspar porphyry, gabbro and andesitic volcanics, mostly found within a quartz-sericite matrix.
Gabbroic dykes crosscut the breccia. The siliceous & sericitic matrix shows plastic flow around the clast supported breccia. Sericite, clay, jerrisite & pyrite are the alteration minerals.
The breccia is bound on two sides by faulting with its southern boundary in contact with the granodiorite and the volcanics to the north.

c) Feldspar Porphyry

It is the largest unit composing the Pellaire deposit. It is homogenous in composition & grain size. The matrix is grey with fine grained plagioclase feldspar phenocrysts making 35% of the rock mass. The phenocrysts are made of 30% plagioclase feldspar and 5% hornblende.

d) Granodiorite (103 Ma.)

The granodiorite is the main rock unit hosting the Pellaire quartz veins. It is medium

Grained with plagioclase, quartz, biotite & hornblende. It is composed of 55% feldspar, 30% quartz, 10% hornblende, 5% biotite & pyroxene.

e) Andesitic Volcanics

Andesitic volcanics pendants are scattered throughout the region. This unit is very heterogeneous in clast size and shape. It is matrix and clast supported, often oxide stained as a visible alteration or weathering.

4. PELLAIRE WEST RIDGE SYSTEM

The Pellaire gold-silver quartz vein deposit is comprised of ten or more mineralised quartz-filled fractures in a biotite hornblende granodiorite body along its intrusive contact with overlying volcaniclastic and sediments of the Lower Cretaceous Falls River Succession.

- Of the known ten veins, four have been partially explored by underground workings to depth of 70 meters or less.

The four veins are exposed in the granodiorite along the Pellaire west ridge crest and range in length, on surface, from 100 to 300 meters and thickness varying from 0.3 to 7.7 meters.
Veins #1, #2, #3, #4, #5, #6 and #7 are within the main mine area and trend north-easterly to almost east-west and dip variably to the northwest at 2500 to 450.
In some cases the veins pinch and swell in width and in the case of #2 vein, individual en echelon lenses of crushed quartz, representing dismembered vein segments, are present, indicating post mineral deformation.
Pre-mineral, north trending andesite dykes are offset slightly by fault movements and north-trending, non-tectonized, post-mineral basalt dikes are also common.

- An east-west normal fault within the granodiorite, south of the mine site area, cuts across volcanic lithologies to the east.

The A, B, East and South East veins are aligned with this structure and are made up of layers or sheets of quartz, parallel with the walls, which have filled the open space. Where fault movement has taken place after quartz-mineral emplacement, a clay and rock flour gouge has developed. Wall rock alteration may persist several centimetres to meters into the enclosing granodiorite, depending on vein width.
The alteration consists of assemblages of epidote, chlorite, clays, sericite, kaolinite and quartz, sericite being the most common alteration product.

- The zero vein area is located south of the main Pellaire west ridge and consists of a porphyritic micro-diorite intruding the Mont Macleod Granodiorite mass.

A patch of intermediary volcanics outcrops to the S-W about 250 x 250 meters across. The original Zero vein outcrop is 200 meters long, with several alteration zones revealing the presence of other vein systems. Gold-silver values seems to be related to copper and lead, may be due to the proximity of a nearby intrusive.

5. PELLAIRE MINERALIZATION

From underground work done on #3 & #4 veins, it appears that sulphides and telluride deposition came at a late stage of mineralization.
The facts are that the sulphides are not disseminated through the quartz matrix. However the telluride must have been deposited during all stages of mineralization and remobilized several times, since tellurides are found in quartz and other rocks associated with alterations.
It was determined that hessite (Ag +Au)2 Te4, containing large amounts of gold and silver, had been introduced into fractures, open spaces, in alteration zones and in the pyrite as in a late mineralization stage.
Hessite apparently oxidizes rather rapidly and forms a fine powder during ground water percolation as it tends to be washed downwards into lower parts of the vein. This results in generally low gold grades at the surface of the vein outcrops, but increases the gold grades in underground workings.
Vein #4 as an example, caries low gold values of (0.1g to 1g) near surface, but at a lower level (20 feet down), gold values are enhanced up to +100g.

The five main veins located in the mine site area, have been the subject of numerous reports by the authors listed below, on which surface and underground exploration has been conducted over the years.
At the present we have found up to 10 veins along the Pellaire west ridge extending to the south for about 1,500 meters into the zero area at 7,800 feet elevation.

The main tonnage potential may come from the "zero vein" and a proposed interpreted X vein, which may be related to the Red Rock thrust.
All veins #1 to #7 may be part of the same hydrothermal system pumping the metal rich solutions into zones of weakness. The zero vein system seems to be related to a nearby intrusion (copper & molybdenum enrichment in rocks & soils).

Skerl (1947), Phendler (1980, 1984), Saunders (1984), Ash (1996), and Gaboury (1997), have all described in their reports, the geometry, the extent and the tenor of ore mineralization of the main five veins.

fig 05.

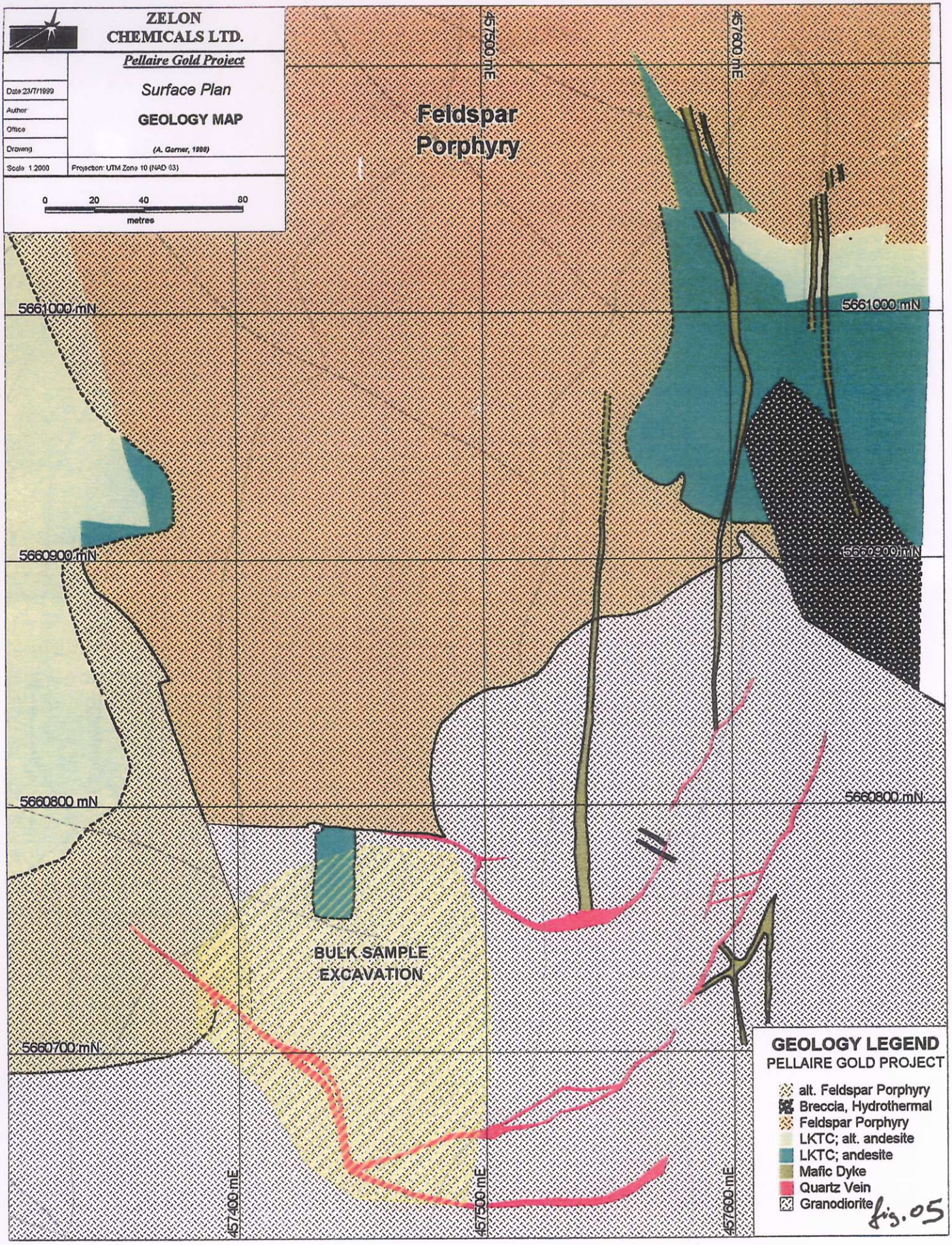

ZELON CHEMICALS LTD.
Pellaire Gold Project
Surface Plan
GEOLOGY MAP
(A. Garner, 1999)
Date 23/7/1999
Author
Office
Drawing
Scale 1:2000
Projection: UTM Zone 10 (NAD 83)
0 20 40 80
metres
Feldspar Porphyry
457500 mE
457600 mE
5661000 mN
5660900 mN
5660800 mN
5660700 mN
457400 mE
BULK SAMPLE EXCAVATION
GEOLOGY LEGEND
PELLAIRE GOLD PROJECT
alt. Feldspar Porphyry
Breccia, Hydrothermal
Feldspar Porphyry
LKTC; alt. andesite
LKTC; andesite
Mafic Dyke
Quartz Vein
Granodiorite

fig.05

PH-1

V. EXPLORATION OBJECTIVES

1. OBJECTIVES

The Pellaire property is comprised of a glacial bowl and high ridge flanked by a west ridge toward Falls River were all exploration to date has been done, a south-south-east high ridge and an east ridge toward Lord River practically left unexplored.

The exploration objectives are as follows:

- Establish common factors for the various ore zones.
- Molecular differentiation is presented as a tool to assemble related elements & to measure their distribution.
- Use of bulk sampling as a mean to provide a better representation of the gold-silver rock mass content.
- Physical distribution of each bulk sample in order to measure the amount of Au-Ag & other elements in each fraction type.
- Use of the size fraction data to locate the variation in the precious metal content and its related elements.
- Cyanide extraction & Fire Assay analysis are evaluated for their extraction rates.

2. FIELD PERSONNEL

A three men crew have been using accommodation at the Pellaire exploration camp on Falls River, about 7 km by road from the work area.

- The exploration/sampling started September 25 and finished October 23, 2014.
- Work was done on tenure # 207933, 208501, 209471.
- Events # 5551235

TABLE #2: Below, lists the personnel involved with the fieldwork

Workman, 2014	Time Frame 2014	Cost/day	Days
John H. Hajek, manager	Sept 25-October 23	$500	16
D. Hajek, field supervisor	Sept 25-October 23	$350	13
G. Pierce, sampler	Sept 25-October 23	$250	13

VI. 2014 DATA INTERPRETATION

A. OVERVIEW

The 2014 PELLAIRE exploration consisted of evaluating a geological assemblage of the 10 quartz veins and their metallurgical composition.
The analytical results presented in this report are to facilitate exploration of the gold-silver rich quartz structures
The exploration started September 25, 2014 and finished October 23, 2014.

- Work was done on tenure # 209471, 207933, 208501, event # 5551235
- Bulk ore sample physical composition using rock type & size fraction analysis
- Two 50Kg. bulk samples, P2C3 & P2C4 have been evaluated and compared to previous work and results during the years 2007-2012; see ref 04.
- Cyanide leaching time comparison
- Molecular/g differentiation & ratio interpretation
- Gold extraction rates are compared & evaluated; see T5 to T8

The data interpretation encompasses a diverse suite of representative samples which include several bulk evaluations.
A concept of molecular/g ratio and differentiation for P2C3 & P2C4 bulk samples and others is presented and outlined in tables T3, T4A-B-C.
Cyanide leaching results are evaluated for the extraction efficiency and compared to 2014 partial gold cyanide 4 hours leaching results.

Appendix A2:
Appendix #2 outlines the 56 analytical sample results. Significant results are tabulated to enhance the precious metals association to elements which are above background.

- 31 samples (18+13) were done for 53 elements &25 samples were analysed for gold on +250g sample by a 4 hours cyanide leach with AA finished.
- Rock samples representing V3/V4 vein gold extraction are evaluated.

Appendix A3:
Field sample description of rocks and processed concentrates are outlined to help the exploration of Pellaire western ridge.
Appendix A4:
Sampling method & approach, sample preparation, analysis & security are outlined to present a descriptive view of the various steps.

B. DATA INTERPRETATION

Threshold-anomalous values for ore grade samples are discussed below to suggest any possible relation to the gold-silver mineralizing fluids.
Emphasis was put on gold and silver and their possible relation to Bi-Te, Hg & Pb as being the source of the precious metals enrichment.
Variables related to the gold-silver enrichment are considered such as: gold and Te-Bi and or silver with lead minerals being the source through galena & tetrahedrite...
Bulk sampling as physical data on size fraction analysis is presented with an attempt to relate gold-silver content to telluride & bithmuthite.
Larger samples being partially leached (4hours) by cyanide extraction are compared to 12 hours and total extraction as outlined in D1-D2-D3-D4.
All sample values are listed in ppm, unless specified.

1. Acme labs #VAN14003956.2,

18 rock samples (-200 mesh) analyzed for 53 elements on 15g by ICP/ MS

Peel 1/14; Pb=169, **Ag=95.8**, Au=6.1, Bi=15, Hg=1, Te=33
Quartz vein with silver-gold related to telluride & bithmuthite mineralization
Peel 6B; Cu=958, Ag=4.6, Fe=5.7, Au=2.8, Te=40
Brecciated quartz with copper sulphides & gold-silver tellurides
Peel 7A; Cu=5314, Pb=+1%, Ag=+100, Au=3.4, Bi=224, Te=78
Quartz tetrahedrite vein (V3/4) excavated in the year 2000 with silver-gold related to bismuth tellurides & copper-lead mineralization
Peel 8A; Ag=2.2; Pb=80, Bi=1, Te=4, Au= low background.
Quartz/ quartzite mixed with wall rock; Au=0.24g on CN sample #8B.
Peel 9/14; Pb=207, Ag=2.5, Au=0.1, Bi=6, Te=6
Quartz vein with empty vogues with values leached from residual sulphides.

Peel 20/80; Mo=125, **Pb=989**, Ag=73.8, Fe=9.8%, **Au=97**, Bi=33, K=0.39%, S=0.5%, Te=42; also related to Peel 20 (-80 mesh).
Peel 21B; Pb=**308**, Ag=24, Fe=4.5%, Au=11.5, Bi=16, Te=25;
Also related to sample #Peel 20 (minus the magnetic portion); Quartz vein with silver-gold likely related to tellurides & lead.
Peel 21/35; Pb=**311,** Ag=30, Fe=4.9%, Au=20, Bi=18, Te=25;
Peel 20 sample, but washed: quartz vein (-35+80 fraction) with silver-gold possibly related to tellurides & lead mineralization.
Peel 25M; Ag=24, Au=8.8, Bi=6, Te=131
Peel 20 magnetic & para-magnetic quartz sample (-1 to -80 mesh) silver-gold results are likely related to tellurides. As indicated by Te=131ppm

Conclusion: Peel 20/80 metal concentration fits well with Peel #21B & Peel 21/35.
Peel 30R; Cu=389, Pb=124, **Ag=+100, Au=49**, Bi=58, Hg=2, Te=256
Quartz vein black inclusions; silver-gold likely related to tellurides, mercury.
Peel 31R; Ag=24, Au=1.7, Bi=4, K=0.35%, Te=10;
Quartz vein with box work in contact with granodiorite
Peel 32V2; Ag=7, Au=0.2, Bi=23, Te=4.5
Quartz vein #2, contact zone
Conclusion: Contrast between the high 30R sample and the two low precious metals values possibly due to gold depletion during trusting.

Bulk samples listed below have a uniform composition & values distribution:

a) P2C3 bulk sample: 25Kg.
Peel 44/1; Pb=131, Ag=14, Au=3.4, Bi=16, Te=27
P2C3; Quartz vein with silver-gold related to lead and tellurides.
P2C3/40; Pb=145, Ag=14, Fe=4.1%, Au=2.9, Bi=16, Te=25
Quartz vein (-40+80) fraction with silver-gold related to lead and tellurides.
P2C3/35; Pb=120, Ag=11, Au=2.4, Bi=14, Te=25, Cs=0.42
Quartz vein (-40+80) fraction with silver-gold related to lead and tellurides.
All samples are related to sample P610C3-2000 as common bulk with values as follows; Ag=6.1, Au=0.51, Bi=10, Te=15;
Fire Assay 1A.T: Ag=5.8, Au=0.58
Conclusion: Uniform metal distribution through the size fraction analysed is found in P2C3bulk samples. To be noted that the difference in the new results are due to the selection of sample analysed as indicated by the higher lead content.

b) P2C4 bulk sample: 11Kg.
P2C4-1; Pb=119, Ag=16.9, Fe=4.2%, Au=3.5, Bi=16, Te=28
Quartz vein as a grab sample (-1+40) with silver-gold related to lead and tellurides.
P2C4/40; Pb=106, Ag=12, Au=2.2, Bi=12, Te=21
Quartz vein (-40+80) fraction with silver-gold related to lead and tellurides
P2C4/80-40; Pb=135, Ag=19, Fe=4.7%, Au=4.2, Bi=17, K=0.3%, Te=29
Quartz vein (-40+80) fraction with silver-gold related to lead and tellurides

All samples are related to sample P610C4-2000 as a common bulk with values as follows; Ag=8.7, Au=0.77, Bi=4, Te=10
Fire Assay 1A.T: Ag=8.6, Au=1.2
Conclusion: Slight variation in Pb-Fe content between size fractions

2. Acme labs #VAN14003958.2,

13 samples analyzed for 53 elements on 15g by ICP- MS

Table concentrate from stock pile ore:

4036-14; Mo=617-Cu=961, Pb=7186, Ag-Au=100, Fe=27%, Bi=83, V=200, **B=173,** K=0.35%, **Hg=+50**, Te=95, Y=30, Ce=32, **Pt=1,806ppb**

Part of V3/V4 quartz veins system, lower level part of the hot solution from fault contact with the altered intrusive; the only location with high platinum.

4037-14; Mo=467-Cu=913, Pb=4224, Ag-Au=100, Fe=23%, Bi=91, **B=126,** K=0.47%, **Hg=+50**, Te=91, Pd=39ppb, Pt=17ppb

The two samples were taken closer to the intrusive which is in contact with a sedimentary marker horizon.

Peel 24M, Peel 46.100, Peel 48/80 are Part of Peel 24 & Peel 25

Peel 24M; Magnetic & para-magnetic fraction (-1 to +80) from 446g sample with magnetic (4.29%) portion on 19.15g.

Mo=75-Cu=277, Pb=541, Ag= 31, **Au=69**, Fe=15.9%, V=159, Cr=216, Hg=1, Sn=8;

High gold value could be due to residual micro-gold attached to magnetic fraction.

Peel 46/100; (-100)

Pb=212, Ag= 35.8, Au=10, Fe=6%, Bi=29, Te=52

Gold-silver values may be related to lead and tellurides mineralization.

Peel 48/80; (-80)

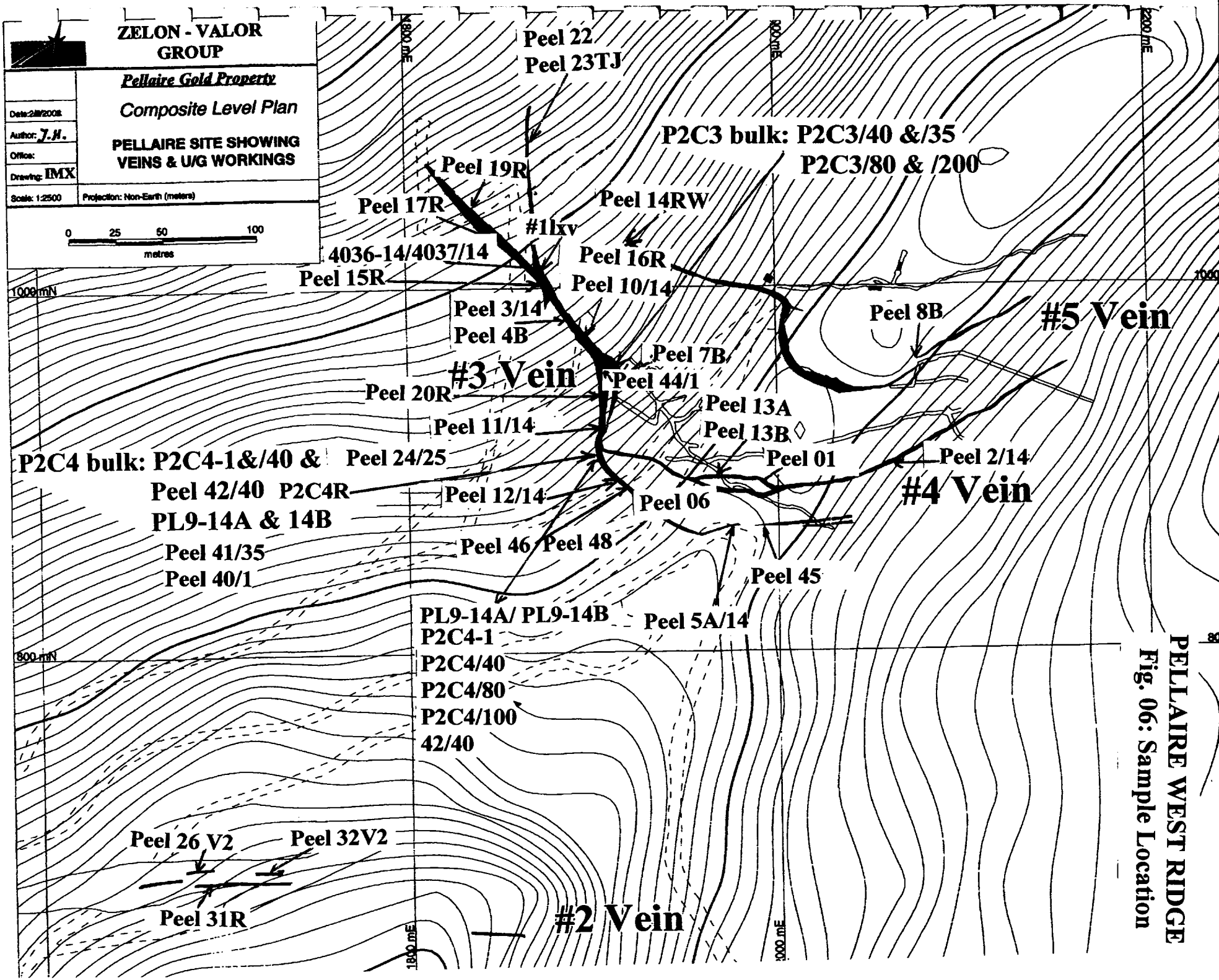
Pb=272, Ag= 23, Au=6, Fe=5.5%, Bi=23, Te=43

Gold-silver values may be related to lead and Tellurides compounds.

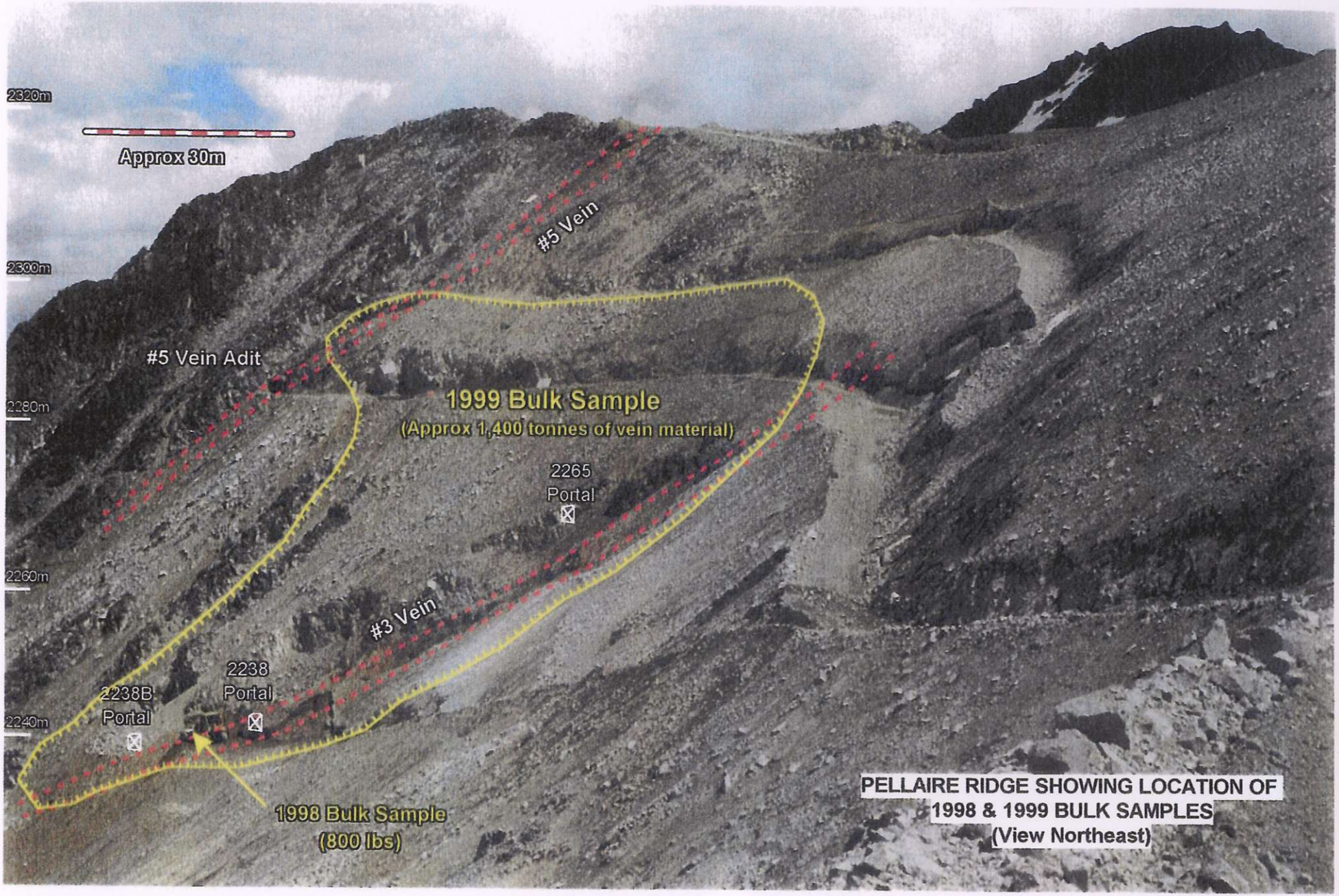
Conclusion: Complex mineralogical assemblage with lead, Telluride & bithmuthite are contributing to the gold-silver enrichment.

Some gold is attached to magnetic & para-magnetic minerals and it has been observed under microscopic examination.

Source rock could also be a pyroxene diorite Grizzly Cabin pluton related to the Twin Creek fault. It may explain the high 1.8g platinum value in sample #4036-14.



PELLAIRE WEST RIDGE
Fig. 06: Sample Location



PELLAIRE RIDGE SHOWING LOCATION OF
1998 & 1999 BULK SAMPLES
(View Northeast)

PH-2

C) BULK SAMPLING

Bulk sampling is partially representative of veins #3 & #4 alteration zones extracted between the year 1998 & 2000.
The samples and its constituents are separated by screening into various size fractions (100 to10mm, 10-5, -1-+40, +40-80, -80 & clay), then weigh and send for analysis.
Bulk sampling consists of 10, 25, 50, 75 & 90 kilograms of screened (-2 inches) ore from stock piles, or from Jigs concentrate which were stored into 900Lb barrels.
The objectives are to measure the gold silver concentration, along other elemental constituents, and its distribution through a large sample of rocks.

I. BULK FRACTION ANALYSIS

1. P2C3 25Kg. bulk sample:
Related to sample #P2C3A (2-12) with values: **Ag = 9g, Au = 1.**5g
Peel 44/1; Pb =131, Ag =14, Au =3.4, Bi =16, Te =27
P2C3; Quartz vein with silver-gold related to tellurides
P2C3/40; Pb=145, Ag=14, Fe=4.1%, Au=2.9, Bi=16, Te=25
Quartz vein (-40+80) fraction with silver-gold related to tellurides
P2C3/35; Pb=120, Ag=11.5, Au=2.4, Bi=14, Te=25, Cs=0.42
Quartz vein (-40+80) fraction with silver-gold related to tellurides
Also related to P610C3-2000 with values as follows; Ag =6.1, Au =0.51, Bi =10, Te =15; Fire Assay: Ag =5.8, Au = 0.58
Conclusion: P2C3bulk sample has a uniform metal distribution through the size fractions analysed.

2. Barrel #50 P2C3: 50Kg. processed from 900Lb total bulk
P2C3/80; Clay like alteration mixture, (-80mesh washed)
Pb=210, Ag= 21, Au=6.3, Fe=5.5%, Bi=22, Te=42
P2C3/200; Clay only (-200mesh)
Pb=232, Ag= 21, Au=5.9, Fe=5.2%, Bi=24, Te=43
Conclusion: Uniform metal distribution

3. Barrel #51P2C4:
a) P2C4 bulk sample: 11Kg.processed
P2C4-1; Pb =119, Ag =16.9, Fe =4.2%, Au =3.5, Bi =16, Te =28
Quartz vein as is (-1+40) fraction with silver-gold related to tellurides.
CN leach confirmed that gold-tellurides are uniformly distributed with gold having a range of 3.3ppm & 3.2ppm for all coarse fractions (+40 to -10mesh).

P2C4/40; Pb =106, Ag =12, Au =2.2, Bi =12, Te =21
Quartz vein (-40+80) fraction with silver-gold related to lead and to telluride mineralization with 5-10% clay left on solid grains
P2C4/80-40; Pb =135, Ag =19, Fe =4.7%, Au =4.2, Bi =17, K =0.3%, Te =29
Quartz vein (-40+80) fraction with silver-gold related to tellurides mineralization with10-20% clay in sample
Conclusion: Slight metal variation between size fractions.
P610C4-2000; Ag=8.7, Au=0.77, Bi=4, Te=10;
Fire Assay 1A.T: Ag=8.6, Au=1.2

b) P2C4, 50Kg.processed from 850Lb total.

Peel 42/40; Clay as solid particle 5-10% (-40+80) & related to sample # P2C4 (-40+80): Pb =127, Ag = 24.9, Au =4.5, Fe =4.4%, Bi =20, Te =37
Peel 43/80: (-80) Pb =200, Ag = 38, Au =9.7, Fe =5.5%, Bi =30, Te =53
This sample is related to sample # P2C4 (-80) with CN extraction: Au =10g
P2C4/80; Clay like alteration mixture, brown-yellow (-80mesh)
Pb =193, Ag = 28.5, Au =7.1, Fe =5.8%, Bi =24, Te =41
This sample is related to P2C4/80
P2C4/100; Clay like mixture only (-150mesh)
Pb =246, Ag = 28, Au =8.7, Fe =6%, Bi =23, Te =42
Conclusion: A proportional decrease in Tellurium corresponds to slight decrease in gold value which may be due to lead compounds

P2C4R Partial 4 hours CN leach:
Au =10g as (-200 mesh) crushed rock, related to P2C4-1: Au =3.5g,
also to be compared with; Au =7.1g, Au = 9.7g, Au = 8.7g, as total gold values for extraction on various size fractions.

c) Others rocks:

Peel-23TJ; Au =12g on (-40+80) CN extraction
Peel-22; Au =14.9g on (+35-1) CN extraction
Conclusion: high gold values for the coarse grain sizes.
PL9-14A; Magnetic & para-magnetic fraction from (-200 mesh), black magnetite from 96g sample with:
Au =6.6, Fe =24%, V =868, Cr =480, Mg, Ti =0.45%, Ga =12
PL9-14B; near same location as 14A
Au =23, Fe =25%, V =910, Ca =0.9%, Cr =469, Ti =0.46%, Ga =13
Conclusion: gold presents a large range

4. Peel 20 related to Peel 24 & 25:

Peel 20/80; Mo =125, **Pb =989**, Ag =73.8, Fe =9.8%, **Au =97**, Bi =33, K =0.39%, S =0.5%, Te =42; same as Peel #20 sample;
Bulk sample (-80 mesh) presents silver-gold enrichment which seems to be related to tellurides, lead compounds & other sulphides.
Peel 21B; Pb =**308**, Ag =24, Fe =4.5%, Au =11.5, Bi =16, Te =25
Peel 20, as a non-magnetic fraction represents a quartz vein where silver & gold seem to be related to bismuth-tellurides and lead (galena, tetrahedrite).
Peel 21/35; Pb =**311,** Ag =30, Fe =4.9%, Au =20, Bi =18, Te =25
Peel 20 but washed on sample of (-35+80 fraction) represents a quartz vein with silver-gold related to bismuth-tellurides.
Peel 25M; Ag =24, Au =8.8, Bi =6, Te =131
Peel 20 magnetic & para-magnetic sample represents a washed -1 to -80 mesh fraction; Quartz vein with silver-gold related to tellurides.
Conclusion:
Increase in tellurium content from 25ppm to 131ppm within the magnetic fraction is of interest. High lead values may also be related to silver content.

II. BULK PHYSICAL COMPOSITION

The objective of taking a large bulk sample is to be more representative of the gold content of a given mass of rocks.
Gold mineralization is not uniformly distributed through the Pellaire West Ridge veins. A large sample is separated into its specific components to measure its gold, silver & other metals content.
All the bulk samples listed on table #3 represent the physical composition of Pellaire West Ridge veins #2 & #3 or 2,200 tons of rocks taken from elevation 2265 meters to 2241 meters done between 1998 & 2000, fig 07, D1-D4 & Table 5-8.
The physical size separation is divided into two sections:

- Physical separation of bulk sample P2C3=10.5Kg & P2C4=12Kg.
- Table #3 is a summary of several bulk samples taken by the author of this report. It outlines several categories of rocks: rock type through alteration components, fine crushed rocks and clay like decomposed alteration products.

1. P2C3 SAMPLE OF 6,800g from10500g.

The whole P2C3 sample is weigh then screened into different size fractions:
Size 70 to 30mm, size 10 to 5mm, (-1 to 40 mesh, Taylor), then separated to (+40-80) mesh & (-80) mesh and into (-200) mesh made of clay & fines.

Each fraction is weigh and separated into 8 categories.
Oversize rocks: total = 2,700g or 39.7 % of total bulk sample.

a) Quartz rocks, 30 to 70mm = 300g or 0.44%of total bulk.
b) 60% white quartz =150g or 22.06%
c) Brown quartz =150g or 22.06%, for a total bulk sample.
d) Wall rocks made of 70% granite &20% sediment = 400g and 10% mixed granite-sediment = 100g; for a total sample of 500g or 7.35% of total bulk.
e) Granite 300g = 4.4%
f) White quartz, 15-25mm = 600g or 8.82%
g) Mixed quartz 80% & 20% brown quartz stained (Fe & Mn) =700g or 10.3% of total oversize hand sorted rocks or 2,700g

Other rocks:

--P2 (1) fine for size fraction & assay = 2,200g or 32.35%
Clay & others =1,400+500 = 1900g or 27.94%
Total hand sorted & processed rocks: 6,800g
--P2 (2) as is unwashed size (+1-5mm) sample of 4,200g kept as backup

2. P2C4 SAMPLE OF 6,500 from 12300g.

The whole P2C4 sample is weigh then screened into different size fractions:
Size 70 to 30mm, size 10 to 5mm, size -1 to 40 mesh (Taylor) then separated to (+40-80) mesh & into (-80) mesh and into (-200) mesh made of clay & fines.
Each fraction is weigh and separated into 8 categories such as;
Oversize rocks: total of 3,600g or 55.38%, of total bulk or 6,500g, divided into:

a) Quartz rocks, 30 to 70mm = 400g or 6.15%
b) Granite = 300g or 4.61%
c) Mixed rocks = 600g or 9.23%
d) 50% wall rock =300g & 50% brown quartz=300g, for a total sample of 600g or 9.23% of oversized sample.
e) Wall rocks made of 70% granite &20% sediment = 300g or 8.34%
f) Small wall rock of 15-20mm size = 1,600g or 24.61%
--White quartz, 15-25mm = 1,200g = 33.34%
--Mixed quartz 70% & 30% brown quartz (Fe & Mn) = 400g =11.11%

Total oversize hand sorted rocks; 3,600g; other rocks:

--P2 (3) fine for size fraction & assay = 2,600g or 40%
Clay & very fines (-300) =300g or 4.61%
Total hand sorted & processed rocks: 6,500g
--P2 (4) as is unwashed size (+1-5mm) sample of 5,800g kept as backup for further work.

3. PHYSICAL ORE Muck Composition

The physical composition of various batch of ore muck crushed to -2 inches has been sorted to identify the various rock types.
The composition is uniform within each type of provenance but vary greatly if it has been selectively transformed, i.e.: crushed, screened or washed through the jigs and pre-concentrated.
The objective of the identification sorting was to see if it was possible to separate most of the ore grade material from its wall rock (granite & volcanics).
Also it provides information through the elemental analysis on the precious metals nature, concentration.

a) TABLE #3

The bulk sample composition table lists a variety of hand sorted small batch of rock samples with a large 4 ton sample as comparison.
The large amount of fines and clay for P2C3 (52.95%) & P2C4 (46.6%) is due to the crushed -1/4 inch rocks.

NOTES to TABLE #3:

Data source is from 2015, 2007 &2012 assessment reports, ref.04
Each batch has been divided into the following rock types, using 90 kilograms bulk sampling of Vein#3 ore structure as an example; it produced the results listed below:

-- Granite represents the intrusive rocks mainly biotite-granite, 17.2%,
Mixed, quartz, altered rocks, fines, clays & others (loses)
-- Mixed is the left over composite sample from the same batch, 20.5%
-- Quartz is the white rock with or without black tellurides within the solid quartz vein material, 22.7% compared to 20% on 4 ton.
-- Altered represents rocks which have been leached, hydrothermaly changed often mineralized with brown, black & red minerals, 21% compared to 25% on 4 ton.
-- Fines are smaller one millimetre particles mixed with the batch, 11.6% which is low if compared to 40% for P2C4 bulk sample.
-- Clays represents alteration minerals as mica, pyrophylite & others, 5% which is similar to P2C4 clay = 4.6% compared to 20.6% for P2C3bulk.
-- Others represent losses made up to 100% of each batch, 2% which may range from 0.5% to 5% and includes moisture but not wet (water saturated).

TABLE #3 : BULK SAMPLE COMPOSITION

Sample	granite	mixed	quartz	altered		fines	clays	other	
11Kg	4.4%	7.35%	15.44%	12.5%		32.35%	20,6%		P2C3
12Kg	4.6%	9.2%	24.6%	17%		40%	4.6%		P2C4
28 Kg	5	6	7	5		3	1	1	28Kg
32 Kg	5	8	3.5	10.5		3.5	1.5	0.5	32Kg
30 Kg	5.5	4.5	10	3.5		4	2	0.5	30Kg
90 Kg	15.5	18.5	20.5	19		10.5	4.5	2.0	90Kg
90kg%	17.2%	20.5%	22.7%	21%		11.6%	5%	2%	100%
4 ton	15%	20%	20%	25%		10%	5%	5%	10%
30Kg	30%	28%	35%	12%		20%	5%	2%	100%
25Kg	12%	22%	30%	12%		20%	15%	8%	100%
17Kg	10%	25%	25%	20%		10%	5%	5%	100%
50Kg	21%	27%	18%	16%		7%	5%	6%	50Kg
75Kg	30%	32%	10%	12%		7%	4%	4%	75Kg
90Kg	15.5%	18.5%	20.5%	19%		10.5%	4.5%	2.0%	90Kg

D. MOLECULAR DIFFERENTIATION & RATIOS:

Comparisons between silver, lead, and gold molecular/g composition in an ore zone could be made by relating to each element molecular/g weight and ratios.
For this purpose we have used: Pb =207, Ag =107, Au =196, Bi =209 & Te =127.
The Pellaire West Ridge gold-silver ore is mostly related to tellurides of various compositions: Sylvanite (Ag, Au)Te2, Calaverite (AuTe2), Krennerite (Au3Ag Te8), Hessite (Ag2Te) and to a lesser extend Petzite (Ag3Au Te2).

Other related mineral composition has been found: Altaite (PbTe, with galena), Kostovite (copper-gold telluride, CuAuTe4), Tetradymite (bi2Te2S), Cosalite (Pb2Bi2S5) and Wehrlite.
Hessite (Ag2Te) was found in thin sections (200 microns) near galena and is scattered within the quartz matrix. Native gold is associated with hessite as inclusions. Bismuth-tellurides in contact with hessite seem to be replacing it, ref.14.

The objective of the molecular ratios calculation is to be able to differentiate between the free gold, the Tellurides and the lead impute from other eombination of elements.
Occasionally silver-gold is related to lead as a source; It is the case of quartz veins with Tetrahedrite & galena located on V3/V4 coalescent lower level quartz veins.
Cyanide 2014 extraction on low grade galena samples such as Peel #7b/14 with Au =1.6g & sample Peel #1XY with Au = 3.5g.

1. Ratios of interest in the following samples are:

a) Peel 1/14; Pb =169, Cu =337, Ag =96, Au =6, Bi =15, Hg =1.1, Te =33
Pb =169 = 0.9 mole/g, Ag = 96 = 0.9 mole, therefore Pb/Ag = 1:1(Pb small input)
Au = 6 = 0.032 mole, Ag/Au = 0.9/0.03 = 30
Bi =15 = 0.08 mole, Te = 33 = 0.26 mole, Bi+Te = 0.34mole and Te/Bi = 3.2(Hessite)
Au+Ag = 0.032+0.90 = 0.93mole/g, we have the indication that the tellurides could be the main source of gold, possibly Hessite with 2Ag for 1Te (Ag2Te).
However Ag = 0.9 mole/g indicates that there is not enough (Bi + Te) molecules to produce the silver result; therefore lead could be the main source for the amount of silver and to some gold.

b) **Peel 20/80; Mo =125, Pb =989, Ag =73.8, Au =97, Bi =33, Te =42**
Pb = 989 = 4.8 mole/g, Ag = 73.8 = 0.7 mole/g, therefore Pb/Ag = 6.9(Pb large input)
Au = 97 = 0.5 mole, Ag/Au = 0.7/0.5 = 1.4
Bi = 33 = 0.16mole, T e = 42 = 0.32 mole, Bi+Te = 0.49mole, Te/Bi = 0.5
Au+Ag = 0.5+0.7 = 1.2 mole/g, we have the indication that the tellurides & bismuth combination could not be the main source of gold.
However Ag = 0.7 mole/g indicates that there is not enough (Bi & Te) molecules to produce the silver result, therefore lead could be the main source for the silver and to some extant gold. Therefore lead/tetrahedrite/galena must be the contributing factors to the gold & silver enrichment.

c) Peel 21B; Pb=308, Ag=24.2, Au=11.5, Bi=16, Te=25
Pb = 308 = 1.5 mole/g, Ag = 24.2 = 0.24 mole/g, therefore Pb/Ag = 6.2(Pb main input)
Au = 11.5 = 0.059 mole, Ag/Au = 0.24/0.059 = 4.07

Bi = 16 = 0.08mole, Te = 25 = 0.20 mole, (Bi+Te) = 0.28 mole; Te/Bi = 2.5
Au = 0.059 mole we have the indication that the tellurides could not be the main source of gold. However Ag+ Au = 0.24 mole + 0.059 mole = 0.299 mole which indicates that there is not enough (Bi & Te) molecules to produce the silver & gold results therefore lead could be also the source for the silver & gold.

d) Peel 46/100; Pb=212, Ag= 35.8, Au=10, Fe=6%, Bi=29, Te=52
Pb = 212 = 1.02 mole/g, Ag = 35.8 = 0.33 mole/g, therefore Pb/Ag = 3.1(Pb dominant)
Au = 10 = 0.05 mole, Ag/Au = 6.6 (silver dominant)
Bi = 29 = 0.14mole, Te = 52= 0.41mole, Bi+Te = 0.55mole, Te/Bi = 3
Au+Ag = 0.05+0.33 = 0.38 mole/g, we have the indication that the tellurides could be the main source of gold and silver. It does not exclude lead input to the precious metal enrichment especially silver.

e) **Peel 43/80: Pb=200, Ag= 38, Au=9.7,** Fe=5.5%, **Bi=30, Te=53**
Also related to sample # P2C4 (-80) with CN extraction: Au = 10g
Pb = 200 = 0.97 mole/g, Ag = 38 = 0.35 mole/g, therefore Pb/Ag = 2.8(Pb dominant)
Au = 9.7 = 0.05 mole, Ag/Au = 7 (silver dominant)
Bi = 30 = 0.14mole, Te = 53 = 0.42mole, (Bi+Te) = 0.56mole, Te/Bi = 3
Au+Ag = 0.05+0.35 = 0.40 mole/g, we have the indication that the tellurides could be the main source of gold and silver. It does not exclude lead input to the precious metal enrichment.
Conclusion: Te/Bi ranges from 2 to 3 in all samples, which could be due to Bi + Te molecular summation & a common origin.

f) Other Samples;
57-40-2009: (Bi + Te) could be the main source for the silver & gold, however we are not excluding the lead input mainly for silver.
60P-40M-2009: (Bi + Te) could not be the main source for the silver & gold therefore lead is the main contributor to silver and to some of the gold
55P-82M-2009 & 54-42M-2009: (Bi + Te) could be the main source for gold, however silver input must be related to lead since Ag=+100g & Ag/Au=13.

2. Molecular Data Differentiation

Converting analytical results for lead, silver, gold, bismuth and tellurium into their molecular equivalents give us the tools to compare each element impute, and may be, relate to their crystalline structure and chemical composition.

a) Table #4A

Table #4A : MOLECULAR DIFFERENCIATION

Peel 1/14: Quartz (-1mesh)

	Pb 207	Ag 107	Pb/ Ag	Au 196	Ag+ Au	Ag/ Au	Bi 209	Te 127	Bi+ Te	Te/ Bi
value	169	96		6		30	15	33		
Mole	0.9	0.9	1:1	0.03	0.93		0.08	0.26	0.34	3.2

Peel 20/80: Quartz (-80 mesh)

value	989	73.8		97		1.4	33	42		
Mole	4.8	0.7	6.9	0.5	1.2		0.16	0.33	0.49	0.5

Peel 21B: nonmagnetic portion also part of Peel 21/35 & #20

value	308	24.2		11.5		4	16	25		
Mole	1.5	0.24	6.2	0.06	0.30		0.08	0.20	0.28	2.5

Peel 46/100: (-100 mesh) also part of 24 & 25M

value	212	35.8		10		6.6	29	52		
Mole	1.02	0.33	3.1	0.05	0.38		0.14	0.41	0.55	2.9

Peel 43/80: (-80 mesh)

value	200	38		9.7		7.0	30	53		
Mole	0.97	0.35	2.8	0.05	0.40		0.14	0.42	0.56	3

57P-40-2009: Concentrate from Jig processing (+80 mesh)

value	275	26		9.7		4.8	18	27		
Mole	1.33	0.24	5.5	0.05	0.29		0.09	0.21	0.30	2.3

60P-40M-2009: Concentrate from HG processing (-80 mesh)

value	431	37		47		1.5	16	21		
Mole	2.08	0.35	5.9	0.24	0.59		0.08	0.16	0.24	3

55P-82M-2009: Middling #2 magnetic portion only (-80 mesh)

value	800	72		10.7		13.5	44	53		
Mole	3.86	0.67	11	0.05	0.72		0.21	0.42	0.63	2

54-42M-2009: Middling #2 magnetic portion only (+80 mesh)

value	1000	+100		13.7		+13.6	50	58		
Mole	4.8	0.93	5.1	0.068	1.0		0.24	0.46	0.70	2

Note: 55P-82M & 54-42M samples silver values are mainly relate to high lead values Pb/Ag=11 to 5.1, Ag/Au=+13.6 implies Pb has a large input and not from bismuth-tellurides, which are on the same ratio level: Te/Bi = 2

Table #4B

Molecular differentiation on bulk P2C3 coarse size fractions indicates that Bi+Te =0.2 in samples having the same telluric origin.

It contrasts with Te/Bi = 3 level for the bismuth-telluride source from P2C5-12 & 3P2C4 #3 samples having Te/Bi = 1.2 level, pointing to the lead as the source for silver and gold molecules & a smaller telluride input.

Table #4B : P2C3 BULK MOLECULAR DIFFERENTIATION

	Pb 207	Ag 107	Pb/ Ag	Au 196	Ag+ Au	Ag/ Au	Bi 209	Te 127	Bi+ Te	Te/ Bi
P2C3/35: Bulk (+35mesh)										
value	120	11.5	5.4	2.4		8.9	14	25		2.9
Mole	0.58	0.107		0.012	0.119		0.067	0.197	.264	
P2C3/40: Bulk (+40mesh)										
value	145	14	5.4	2.9		8.7	16	25		2.6
Mole	0.7	0.13		0.015	0.145		0.076	0.197	.273	
Peel 44/1: (+1mesh)										
value	131	14	4.8	3.4		7.6	16	27		2.8
Mole	0.63	0.13		0.017	0.147		0.076	0.212	.288	
P2C3/80: Bulk (-80mesh)										
value	210	21	5.1	6.3		6.1	22	42		3.1
Mole	1.01	0.196		0.032	0.228		0.105	0.33	.435	
P2C3 clay: Bulk (-100mesh)										
value	232	21	5.7	5.9		6.5	24	43		2.9
Mole	1.12	0.196		0.030	0.226		0.115	0.34	.455	
P2C5-12-(2012):										
value	144	13.3	0.56	19.2		1.26	287	212		1.2
Mole	0.70	1.24		0.098	1.338		1.37	1.67	3.04	
3P2C4 #3, con +40: Pb is the main contributor to Ag & Au, Te/Bi=1.3 indicates a same molecular structure & ratio as P2C5 (2012)										
value	5300	651	4.2	322		3.7	68	57		1.3
Mole	25.6	6.08		1.64	7.72		0.33	0.45	0.78	

Other examples: Same site & trenching; Te/Bi=1.2 & 1.3; large input for Pb and larger for Bi+Te = 3 for P2C5-12

Table #4C

Molecular/g differentiation on bulk P2C4 size fractions indicates a common origin for the metals input: Te/Bi = 2.8 to 3.0. Low gold value relative to silver, implying that lead input is one of the main source, Pb/Ag=3.6-4.6 exception is made for clay samples.

Table #4C : P2C4 BULK MOLECULAR DIFFERENTIATION										
	Pb 207	**Ag 107**	**Pb/ Ag**	**Au 196**	**Ag+ Au**	**Ag/ Au**	**Bi 209**	**Te 127**	**Bi+ Te**	**Te/ Bi**
P2C4/-1: Bulk (-1mesh)										
value	119	16.9	3.6	3.5		8.8	16	28		2.9
Mole	0.57	0.16		0.018	0.178		0.077	0.22	0.30	
P2C4/40: Bulk (+40mesh)										
value	106	12	4.6	2.2		10	12	21		2.9
Mole	0.51	0.11		0.011	0.12		0.06	0.16	0.22	
P2C4/80-40: Bulk (-40 +80mesh)										
value	135	19	3.6	4.2		8.6	17	29		2.8
Mole	0.65	0.18		0.021	0.20		0.08	0.23	0.31	
P2C4/80: Bulk (+80mesh)										
value	193	28.5	3.4	7.1		7.5	24	41		2.8
Mole	0.93	0.27		0.04	0.306		0.12	0.32	0.44	
P2C4/100: Bulk (-100mesh)										
value	246	28	4.6	8.7		5.9	23	42		3
Mole	1.19	0.26		0.04	0.304		0.11	0.33	0.44	
Peel 42/40 clay: Bulk (-40 +80mesh)										
value	127	24.9	2.7	4.5		10	20	37		3
Mole	0.61	0.23		0.02	0.25		0.10	0.29	0.39	
Peel 43/80: Bulk (-80mesh)										
value	200	38	2.7	9.7		7.4	30	53		2.9
Mole	0.97	0.36		0.05	0.41		0.14	0.42	0.56	

Notes: Clay values are of interest since silver is increasing with lead.
Tellurium in clay samples is increasing from 36 to 53ppm, which seems to indicate the presence of a tellurium rich Calaverite mineral (Au+Ag) Te4.

VII. CYANIDE LEACH COMPARISON

Pellaire gold concentration in the West Ridge ore zones is related to gold tellurides, mercury, bithmuthites, tetrahedrite and to residual micro-gold (-50 microns); ref.14. Drawings D-1-D-2-D-3-D-4 illustrate the variability of the gold content in different size fraction and evaluate the cyanide and fire assay extractions rates.

1. Present (2014) partial cyanide leach evaluation:

A partial cyanide leach of 4 hours gave useful gold results close to the gold content for 12 hours leaching time and higher than the fire assay method; see D1-D4.

Acme labs #VAN14003957.1,

25 rock samples partial CN leach of 4 hours on +250g (-200 mesh), gold by AA5.
The results are separated into four populations:

a) Quartz rock with high gold values:

Peel 2/14, 370g; Gold = 132gm, Telluride & bithmuthite, white quartz with black spots, same as M7 stockpile with Au = 53g, Ag = 195g (fire assay from 400g sample). 132ppm gold seems to be due to tellurium increase compared to same sample next to wall rock with no visible black spots, gold = 0.58g & 0.59g by fire assay.
Peel 3/14, 360g; Gold = 103gm, Telluride & bithmuthite, quartz with wall rock
Peel 4B/14, 270g; Gold = 75gm, Telluride & bithmuthite in quartz vein
Peel 12/14, 350g; Gold = 111gm, Telluride & bithmuthite in quartz vein
Peel 16R, 490g; Gold = 111gm, Telluride & bithmuthite white quartz & black stains
Peel 19R, 470g; Gold = 138gm, Telluride & bithmuthite white quartz with vogues
Peel 10/14, 560g; Gold = 25g, residual micro-gold in white quartz with boxwork
Peel 15R, 590g; Gold = 21g, residual micro-gold in crystalline quartz, boxwork with iron stained matrix
Peel 22, 410g; Gold = 14g, quartz vein (+35 fraction), this result may represent residual micro-gold (less magnetic minerals gold content).
Conclusion: Partial cyanide leaching of +250 grams sample should be proportional to the leaching time. High gold values are mainly due to the visible black Telluride minerals most of which will leach quite rapidly within 4hours, (Sylvanite-Hessite). Low gold values seem to be due to the residual micro-gold & to the absence of tellurides.

b) Gold in low grade quartz rock samples:

Peel 5A/14, 320g; 0.6g, brown, sugary brecciated quartz
Peel 8B, 520g; 0.24g, metamorphose quartz with iron stains
Peel 14RW, 390g; 1.5g, quartz limonite 1/3, 1/3 granite, 1/3quartz
Peel 13A, 430g; 0.38g, quartz within an alteration crushed zone

Peel 13B, 380g; 0.14g, quartz within an alteration crushed zone

Conclusion: Low grade gold values are possibly due to the alterations and remobilization of the gold through leaching. It may represent the residual free gold particles incrusted in the quartz structure.

Peel 11/14, 300g; 4.5g, metamorphose quartz with black inclusions

Peel 17R, 570g; 7g, quartz vein with black clouds

Peel 20R, 350g; 7.2g, quartz vein with black inclusions

Peel 45, 430g; 4g, quartz with wall rock alteration zone & black inclusions

Conclusion: Black clouds or inclusions in white quartz indicate higher gold grade possibly due to tellurides with gold particles left encapsulated within the quartz veins matrix.

c) Bulk CN Extractions:

P2C4R, 530g; 10.7g, (-200 mesh) crushed rock related to P2C4-1, with Au = 3.5g.

Peel 40/1, 500g; 3.2g, related to sample P2C4 (+1 -10) & clay as is, related to P2C3/40 Au = 2.9g.

Peel 41/35, 290g; 3.3g, sample P2C4 (-1 +40) & clay as is.

Peel 23TJ, 410g; 12.3g, (-40 +80) mesh

Peel 26V2, 480g; 2.4g, white quartz within a crushed zone with iron stains same as Sample #26M from vein #2

Conclusion: Lower grade gold values may be due to the clay alteration product and the remaining gold inclusions in the quartz matrix, after leaching.

d) CN Extractions on tetrahedrite quartz veins:

Peel 7B/14, 330g; 1.6g, quartz vein with minor tetrahedrite related to samples 7A-V3/4 with total gold = 3.4g and related to Peel 2/14.

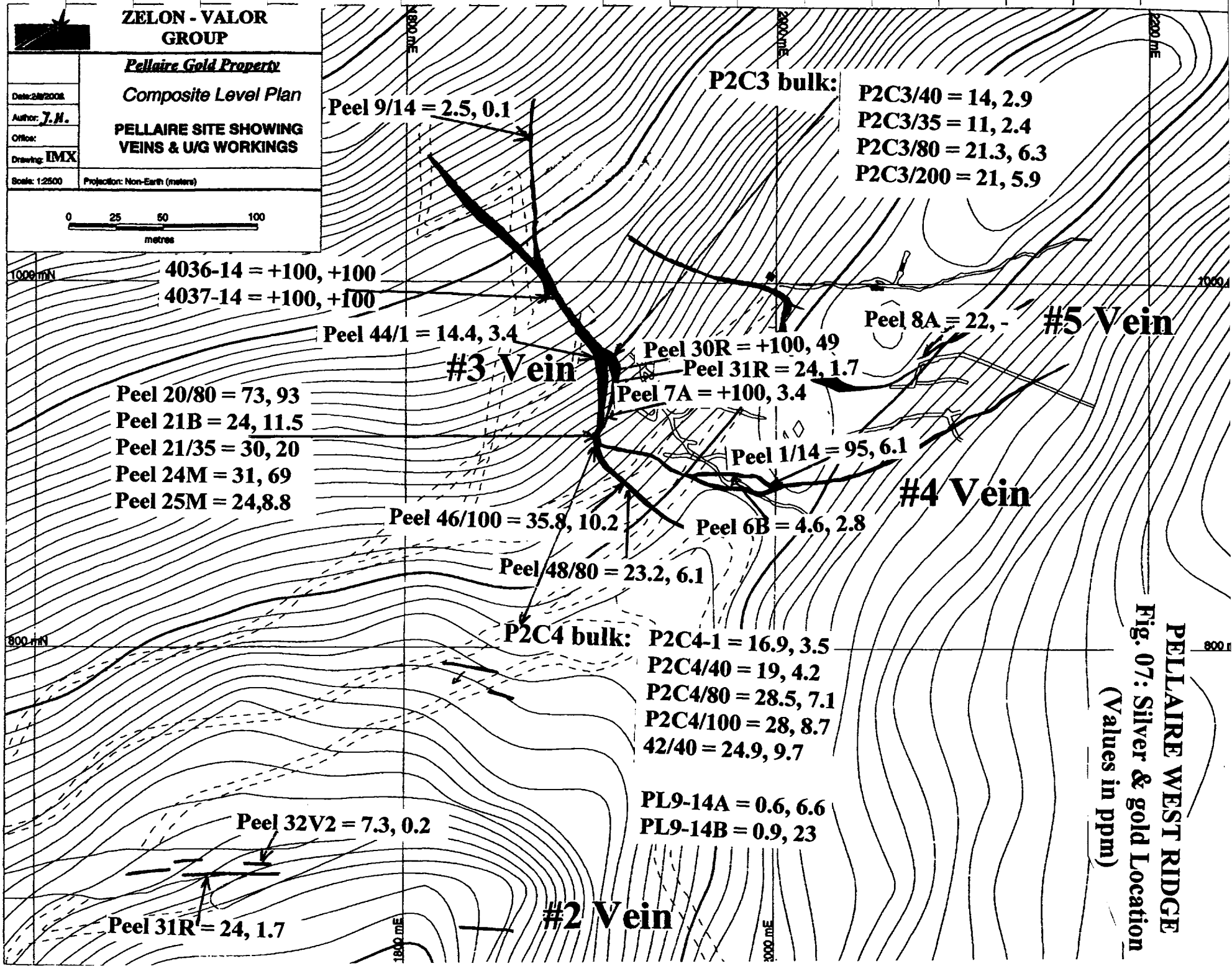
Peel 1LXV, 330g; 3.5g, coarse quartz vein with minor galena + tetrahedrite, boxwork with residual sulphides, sheared along wall rock contact

Related to samples SP17A &17B; 2000-2010 gold results:

Au =14.8g &18.4g by Fire assay.

Conclusion: CN partial leach provides an inside on the Te-Au relationship & extraction rate.

Gold values are uniformly distributed from1.6 to 18g; results are related to concentration of tetrahedrite, Kostovite (Cu-Au-Te4), Bournonite (Pb-Cu2)SbS6, bismuthites such as Tetradymite (Bi2Te2S) which all could Incorporate one atom of gold as a replacement element.



PELLAIRE WEST RIDGE
Fig. 07: Silver & gold Location
(Values in ppm)

2. GOLD EXTRACTION on four SAMPLE SETS

Drawings D-1-D-2-D-3-D4 are used to illustrate the variability of the gold content of different size fractions by cyanide and fire assay extraction.
Each sample is twined with a duplicate and both are representative of 22.5 tons of excavated rocks in 1999.
An attempt has been made to separate the effect of leachable tellurides (Krennerite, Hessite, Sylvanite, Petzite, Calaverite) from other gold compounds especially Bismuthites and residual micro gold.
The volatiles tellurides, mercury and other gold compounds are the cause of lower fire assays results than those done by cyanide extraction.
The high 4 hours CN gold extraction results could be due to readily soluble tellurides as Hessite, Krennerite and others; ref 14 &15.
All samples described in tables #5, #6, #7 & #8 are related to Jaguar International 1999 excavation of #3 &4 veins which ore is stock pilled at Pellaire camp.

a) Table #5: gold extraction rates: D-1; Samples 7A99 & 7B99

It appears, that the extraction rate is related to the availability and solubility of the various gold compounds. Table #5 illustrates the rate of gold extraction as related to the size of the grind.
In the coarser grains (+40 mesh), there seems to be a constant rate of extraction regardless of the total gold content.
Samples #1328 from load #24, assays indicated a gold content ranging from 10.9g (0.35oz.) to 17g (0.548oz/ton); ref #14.

- The cyanide 12 hour extractions on sample #7A, gave 0.684oz & 0.313oz for fire assay, which is 46% of the CN extraction. The variance may be indicative of large amount of volatile tellurides & mercury.

The extraction ratio for sample #7A/1328 is 0.684/548 =125% increase in the cyanide extractable gold or 0.684/0.35 =195% for the low grade #7A, thus a range of 125-195%.
The CN extraction for sample #7A is 0.684oz.of gold = 95% extraction of 0.721oz.total gold, compared to Fire assay extraction of 0.314oz. = 43.5% of total gold.

- Lower grade sample #7B: 0.313oz = 88 % CN extraction of 0.354oz.of total gold is compared to Fire assay extraction of 0.088oz. = 44% of total gold (table #5).

Gold Fire Assay results of 44% are the same regardless of grade (2X)

- The present 4 hours cyanide extraction Peel 20R/14 = 7.21g Au corresponds to 12 hours CN extraction on sample #7B99 = 9.7g Au or 0.313oz./t (table #5).
- Also related to sample Peel 20/80/14 with Au = 97.5g (3.134oz) and to sample Peel 7A/14: Au = 3.5g or 0.113oz (low grade galena) with Bi = 224 & Te = 78ppm being a possible source for the gold values.

b) Table #6: gold extraction rates: D-2; Samples 10A99 & 10B99

Table #6 illustrates the rate of gold extraction rate as related to the size of the grind. Samples #1331of load #K21 indicates a gold content of 19g (0.613oz) ref.14.

- The cyanide 12 hour extractions on sample 10A99, gave Au =1.281oz & 0.450oz for fire assay, which is 35% of the CN extraction.

The variance may be indicative of volatile telluride; 151% increase in CN gold extraction or 1.383/0.916 = 1.5098 or 150.98%.
The extraction ratio from load K21, samples10A/K21 is 1.281/0.613 = 209 % increase in the cyanide extractable gold or 0.747/0.613 = 122 % for the low grade #10B and as a bulk range of values (209-122 %) is explained by the various gold compound distribution and their relation with mercury and the tellurides.
1.281oz.Au = 93% CN extraction from 1.383oz./t total gold, when compared to Fire assay extraction of 0.450oz. It is only 32.5% of the total gold content.

- Lower grade sample #10B99 Au = 0.747oz or 87% CN extraction of 0.854oz.total gold, compared to Fire assay extraction of 0.751oz or 88% of total gold.

Gold F.A results of 32% & 88% are not the same due to an increase of volatile tellurides and mercury in the higher grade sample.

- The present 4 hours cyanide gold extraction on Peel 10/14 is Au = 25.03g which correspond to 12 hours extraction on sample #10B99 with Au = 23.1g or 0.747oz./t see table #6.
- It also correspond to Peel 21B with Au = 11.5g and Peel 21/35 with Au = 20g or 0.645oz (table #6).

c) Table #7 gold extraction rates: D-3; Samples 11A99 & 11B99

Table #7 illustrate the rate of gold extraction as related to the size of the grind.
Load K24 samples #749 assays indicates a gold content of 24.83g (0.80oz./ton) comparison with sample11B99, CN gold = 30.5g or 0.983oz, see Table #7.

- The cyanide 12 hour extractions for sample 11B99 gave Au = 0.983oz & 0.309oz for fire assay, which is 31% of the CN gold extraction? The extraction ratio for sample 11B/K24 is 0.983/0.801= 123% increase in the cyanide extraction.

Sample 11B99, Au = 0.983oz or 94% CN extraction on 1.047oz total gold, compared to Fire assay extraction of Au = 0.309oz or 30% of total gold.

- Lower grade sample 11A; Au = 0.320oz or 85% CN extraction on 0.374oz total gold, compared to Fire assay extraction of Au = 0.241oz or 64% of total gold. F.A gold results of 30% are compared to 32% of sample 10B99 which is the same result, regardless of grade which is 2X: 0.374/0.854, therefore the extraction rate is similar.

- The present 4 hours gold cyanide extraction on sample #Peel 11/14 gave Au = 4.58g and correspond to 12 hours extraction on sample #11A99 where Au = 10g or 0.320oz./t see table #7.
- Related to Peel 3/14 with Au = 6g (0.194oz.) which is also part of Peel #6B99 where Au = 2.88g also related to sample Peel #4B/14 &Peel #5A/14.

d) Table #8: gold extraction rates: D-4; Samples 15A99 & 15B99

Table #8 illustrate the rate of gold extraction as related to the size of the grind.
It appears, also that the extraction rate is related to the availability and solubility of The Various gold compounds.
Samples #1311part of load #27 with assays done in 1999 indicated a gold content ranging from 18.8g (0.56oz) to 28.4g or 0.916oz/ton.

- The cyanide 12 hour extractions gave 0.825oz & 0.508oz for fire assay, which is 62% of the CN extraction. The variance may be indicative of large amount of volatile telluride (Sylvanite). The 15B/L27sample value ratio is 0.965/0.916 or105% increase in the cyanide extractable gold corresponding to 0.825/0.583 or141% for the low grade 15A and as a range of 105-141% for bulk samples is acceptable.

Sample 15B99, with Au = 0.965oz or 87% CN extraction of 1.114oz total gold, compared to Fire assay extraction of 0.567oz or 51% of total gold.

- Lower grade sample #15A99: Au = 0.852oz or 85% CN extraction of 0.974oz total gold, compared to Fire assay extraction of Au = 0.508oz or 52% of total gold. F.A gold results of 51-52% are the same regardless of grade: Au = 1.114/0.974
- The present 4 hours gold cyanide extraction Peel #15Rwhere Au = 21.88g correspond to 12 hours extraction on sample #15A99 where Au = 25.6g gold or 0.825oz./t see table #8.
- Corresponding to sample Peel 30R with Au = 49.2g (1.59oz./ton) is a high grade with visible tellurides (Te = 256g) and 2g mercury.

Conclusions:
The grain size and the nature of the complex tellurides and bismuthites are the most important factor in the gold extraction as demonstrated by the (-80 & -200mesh) grind which is responsible for the 4hours partial cyanide leach excellent gold results.
The variation of CN & F.A. results could be very large due to the varieties of gold Assemblages with other elements such as Pb, Hg, Te and Bi... most of those elements vaporise in the F.A. process of gold extraction. However the F.A. extraction is more efficient in extracting the small amount of residual gold left over after CN extraction.

Table #5: gold extraction rates: fig D-1; Samples 7A99 & 7B99

Samples 7A & 7B described in table #5 are related to "Jaguar International" 1998-9 Excavation of #3 &4 veins which rocks are stock pilled at Pellaire camp.
The cyanide 12 hour extractions for 7A99 gave 0.68oz & 0.31oz by fire assay, which is 46% of the CN extraction.

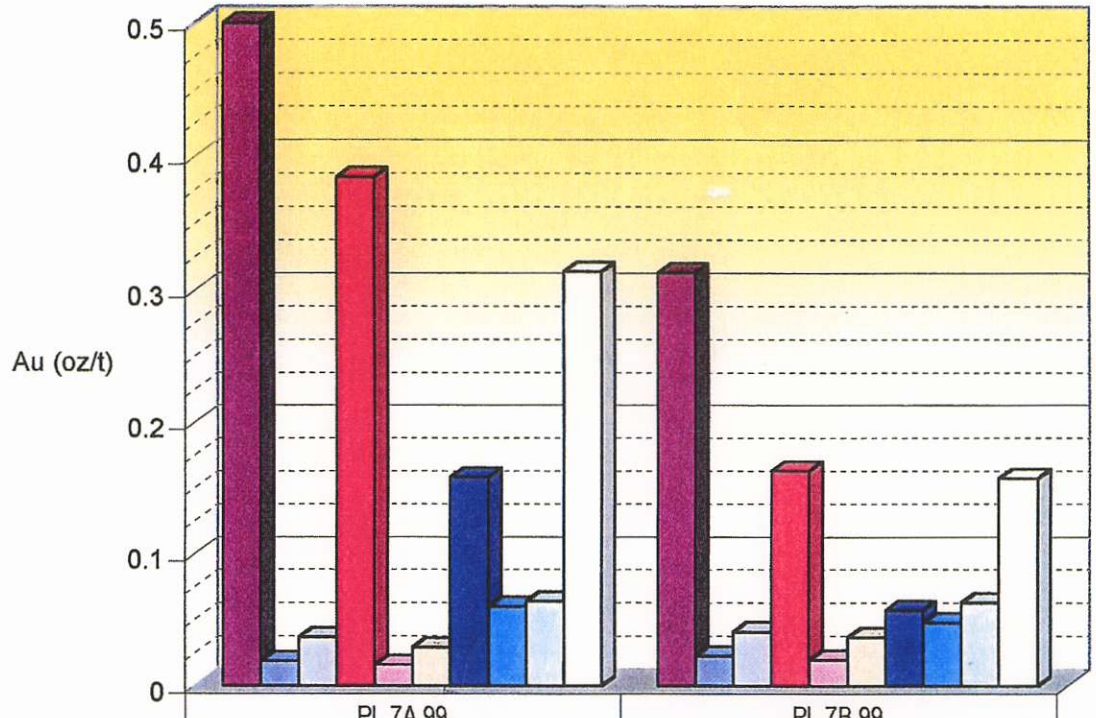
TABLE # 5

Values are expressed in 1000 0z/ton metric, source data is from Load #24, Sample 1328 on 22.5 tons with gold = 0.351 & 0.548 oz./ton

Sample 7A99	**F.A.**	**CN 12 h**	**R. CN residue**	**CN. T. 12 h**	**R.F.A residue**	**TOTAL CN+RFA**	**NOTES**
(-80)	**314**	684	19	703	37	**721**	F.A=43%
%	**43.5**	95	2.6	97	5	**100**	R.F.A =5/2.6%
(-40+80)		385	16	401	29	404	CN=53%
%		53	2.2	55	4	56	same residual Au
(+40)		158	60	218	64	222	CN=22%
%		22	8	30	9	31	Increase residual
7B99 as Peel20R	Part of 10 kg. sample as #7A, representing 22.5 ton stockpile						
(-80)	**157**	313 9.7g	23	336	41	**354 10g**	F.A =44/CN=88%
%	**44**	88	6.5	95	12	**100**	R.F.A=12%
(-40+80)		163	20	183	37	200	CN=46%
%		46	6	52	10	56	Au=56% as7A
(+40)		57	48	105	63	120	Low Au as 7A
%		16	14	30	18	34	High residual Au

Notes: F.A. = fire assay, CN= Cyanide 12 hours leach, R= residual gold left in pulp, R.CN= cyanide residual gold, R.F.A. = fire assay residual, Total CN+RFA= 100% Gold in sample. 7A99= sample batch #, (-80) = -80 mesh fraction, (-40+80) = mesh Size of analysed sample, (+40) = mesh size of sample, % = percent of total.

Au Concentration in Various Fractions in Samples PL 7A 99 and PL 7B 99



	PL 7A 99	PL 7B 99
Au (oz/t) CN leach -80 mesh	0.684	0.313
Au (oz/t) CN leach -80 mesh residue	0.019	0.023
Au (oz/t) FA -80 mesh residue	0.037	0.041
Au (oz/t) CN leach -40+80 mesh	0.385	0.163
Au (oz/t) CN leach -40+80 mesh residue	0.016	0.02
Au (oz/t) FA -40+80 mesh residue	0.029	0.037
Au (oz/t) CN leach +40 mesh	0.158	0.057
Au (oz/t) CN leach +40 mesh residue	0.060	0.048
Au (oz/t) FA +40 mesh residue	0.064	0.063
Au (oz/t) Total Fire Assay	0.314	0.157

Au (oz/t) CN leach -80 mesh
Au (oz/t) CN leach -80 mesh residue
Au (oz/t) FA -80 mesh residue
Au (oz/t) CN leach -40+80 mesh
Au (oz/t) CN leach -40+80 mesh residue
Au (oz/t) FA -40+80 mesh residue
Au (oz/t) CN leach +40 mesh
Au (oz/t) CN leach +40 mesh residue
Au (oz/t) FA +40 mesh residue
Au (oz/t) Total Fire Assay

Table #6: gold extraction rates: fig D-2; Samples 10A99 & 10B99

Samples 10A & 10B described in table #5 are related to the excavation of #3 & 4veins which rock are stock pilled at Pellaire camp.
The cyanide 12 hour extractions foe sample #10A; Au = 1.28oz & 0.45oz for fire assay, which is 35% of the CN extraction?

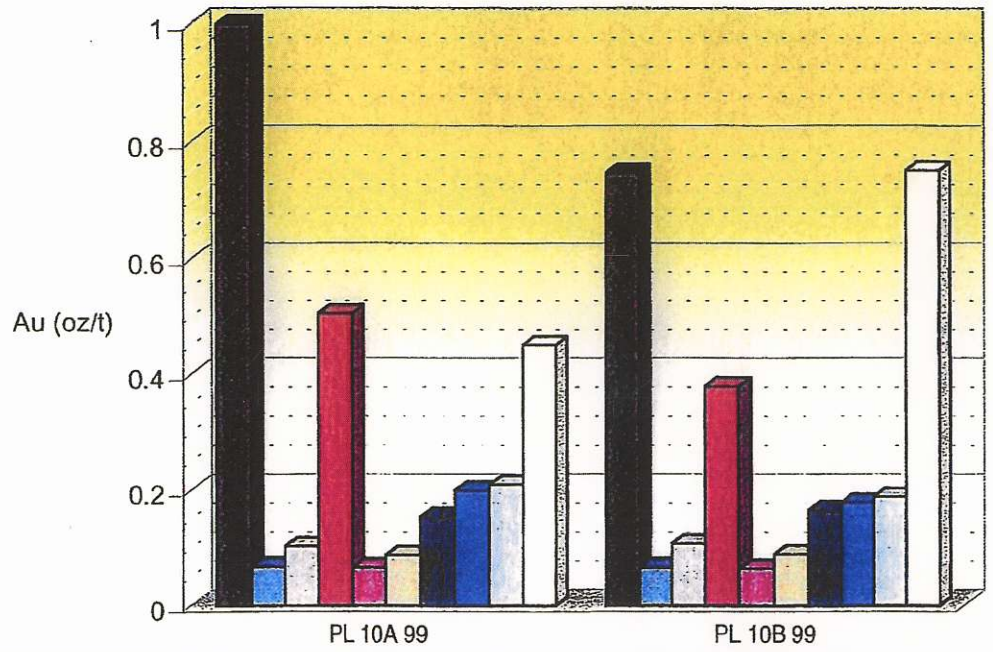
TABLE # 6

Values are expressed in 1000 0z/ton metric, source data is from Load #27, Sample 746 on load K21, 22.5 tons with gold = 0.613oz or 19g.

Sample 10A99	**F.A.**	**CN 12 h**	**R. CN residue**	**CN. T. 12 h**	**R.F.A residue**	**TOTAL CN+RFA**	**NOTES**
(-80)	**450**	1281	68	1349	102	**1383**	Gold F.A=32%
%	**32.5**	93	5	97	7	**100**	Gold CN=93%
(-40+80)		505	66	571	87	592	Same Au R. as -80
%		36.5	5	42	6	43	CN=36%
(+40)		153	199	352	209	362	CN=11%
%		11	14	25	15	26	High R.=14/15%
10B99 as Peel 10/14	Part of 10 kg. sample as #10A, representing 22.5 ton stockpile						
(-80)	**751**	747 23.1	67	814	107	**854** **26.5**	F.A=CN=88/87%
%	**88**	87	8	95	12.5	**100**	R.F.A=12.5%
(-40+80)		378	64	442	89	467	CN=44%
%		44	7.5	51	10	55	Total Au=55%
(+40)		165	178	343	188	253	High residual in
%		19	21	40	22	41	CN=F.A=R

Notes: F.A. = fire assay, CN= Cyanide 12 hours leach, R= residual gold left in pulp, R.CN= cyanide residual gold, R.F.A. = fire assay residual, Total CN+RFA= 100% Gold in sample. 10A99= sample batch #, (-80) = -80 mesh fraction, (-40+80) = mesh Size of analysed sample, (+40) = mesh size of sample, % = percent of total.

Au Concentration in Various Fractions in Samples PL 10A 99 and PL 10B 99



	PL 10A 99	PL 10B 99
Au (oz/t) CN leach -80 mesh	1.281	0.747
Au (oz/t) CN leach -80 mesh residue	0.068	0.067
Au (oz/t) FA -80 mesh residue	0.102	0.107
Au (oz/t) CN leach -40+80 mesh	0.505	0.378
Au (oz/t) CN leach -40+80 mesh residue	0.066	0.064
Au (oz/t) FA -40+80 mesh residue	0.087	0.089
Au (oz/t) CN leach +40 mesh	0.153	0.165
Au (oz/t) CN leach +40 mesh residue	0.199	0.178
Au (oz/t) FA +40 mesh residue	0.209	0.188
Au (oz/t) Total Fire Assay	0.45	0.751

Au (oz/t) CN leach -80 mesh

Au (oz/t) CN leach -80 mesh residue

Au (oz/t) FA -80 mesh residue

Au (oz/t) CN leach -40+80 mesh

Au (oz/t) CN leach -40+80 mesh residue

Au (oz/t) FA -40+80 mesh residue

Au (oz/t) CN leach +40 mesh

Au (oz/t) CN leach +40 mesh residue

Au (oz/t) FA +40 mesh residue

Au (oz/t) Total Fire Assay

Table #7 gold extraction rates: fig D-3; Samples 11A99 & 11B99

Samples 11A & 11B described in table #5 are related to the excavation of #3 & #4 veins which rocks are stock pilled at Pellaire camp.
The cyanide 12 hours extraction for sample #11A gave Au = 0.320oz & 0.24oz for fire assay, which is 75% of the CN extraction?

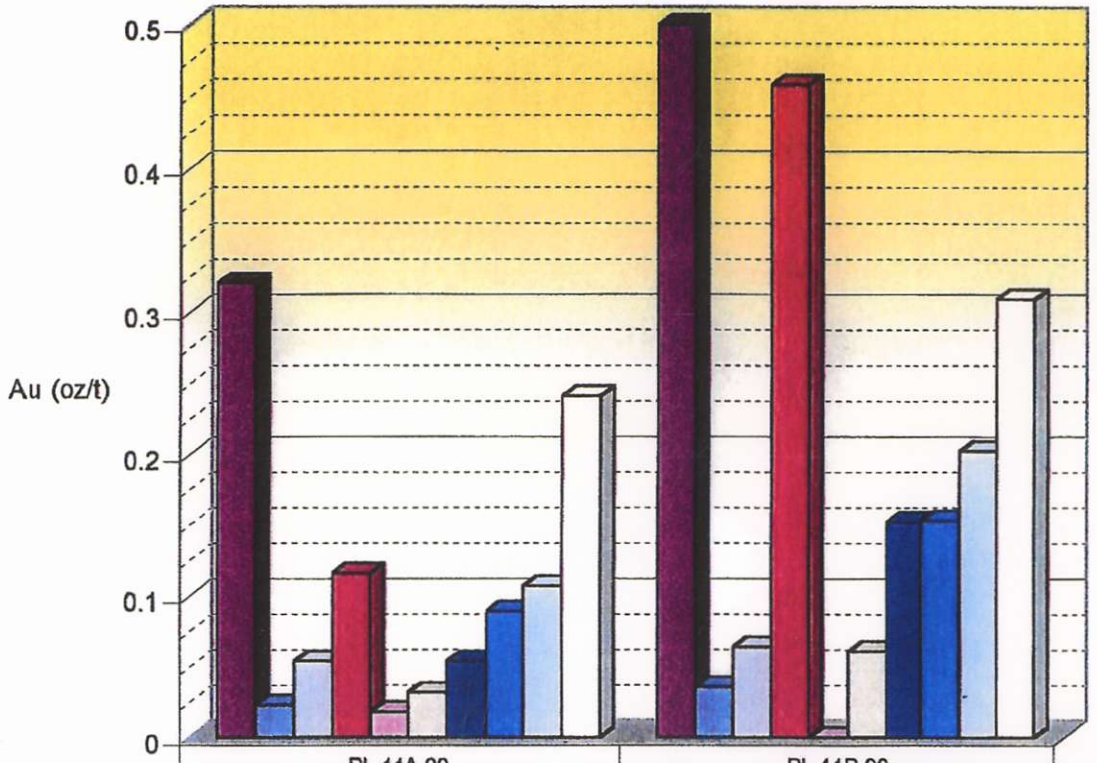
TABLE # 7

Values are expressed in 1000 0z/ton metric, source data is from Load K24, Sample 749 on load K24 of 22.5 tons with gold = 0.80oz or 25.83g.

Sample 11A99 as Peel 11/14	**F.A.**	**CN 12 h**	**R. CN residue**	**CN. T. 12 h**	**R.F.A residue**	**TOTAL CN+RFA**	**NOTES**
(-80)	**241**	320 10g	23	343	54	**374** **11.6g**	F.A=64, CN=85%
%	**64**	85	6	91	14	**100**	R.F.A=14%
(-40+80)		116	18	134	32	148	CN=31%
%		31	5	36	8	40	Recovery of R.
(+40)		54	89	143	107	161	CN=14%
%		14	24	38	29	43	R=24-29%
11B99	Part of 10 kg. sample as #11A, representing 22.5 ton stockpile						
(-80)	**309**	983	36	1019	64	**1047**	F.A=30%
%	**30**	94	3	97	6	**100**	CN=94%=Te
(-40+80)		458	-------	458	61	519	CN=44%
%		44	-------	44	6	50	R=6%=11A/R
(+40)		152	153	305	202	354	CN=14%
%		14	14	29	19	34	R=14-19%

Notes: F.A. = fire assay, CN= Cyanide 12 hours leach, R= residual gold left in pulp, R.CN= cyanide residual gold, R.F.A. = fire assay residual, Total CN+RFA= 100% Gold in sample. 11A99= sample batch #, (-80) = -80 mesh fraction, (-40+80) = mesh Size of analysed sample, (+40) = mesh size of sample, % = percent of total.

Au Concentration in Various Fractions in Samples PL 11A 99 and PL 11B 99



	PL 11A 99	PL 11B 99
Au (oz/t) CN leach -80 mesh	0.32	0.983
Au (oz/t) CN leach -80 mesh residue	0.023	0.036
Au (oz/t) FA -80 mesh residue	0.054	0.064
Au (oz/t) CN leach -40+80 mesh	0.116	0.458
Au (oz/t) CN leach -40+80 mesh residue	0.018	0
Au (oz/t) FA -40+80 mesh residue	0.032	0.061
Au (oz/t) CN leach +40 mesh	0.054	0.152
Au (oz/t) CN leach +40 mesh residue	0.089	0.153
Au (oz/t) FA +40 mesh residue	0.107	0.202
Au (oz/t) Total Fire Assay	0.241	0.309

Au (oz/t) CN leach -80 mesh
Au (oz/t) CN leach -80 mesh residue
Au (oz/t) FA -80 mesh residue
Au (oz/t) CN leach -40+80 mesh
Au (oz/t) CN leach -40+80 mesh residue
Au (oz/t) FA -40+80 mesh residue
Au (oz/t) CN leach +40 mesh
Au (oz/t) CN leach +40 mesh residue
Au (oz/t) FA +40 mesh residue
Au (oz/t) Total Fire Assay

Table #8: gold extraction rates: fig D-4; Samples 15A99 & 15B99

Samples 15A & 15B described in table #5 are related to the excavation of #3 & #4veins which rocks are stock pilled at Pellaire camp.
The cyanide 12 hours extraction for sample #15A, gave Au = 0.825oz & 0.508oz for fire assay, which is 62% of the CN extraction.

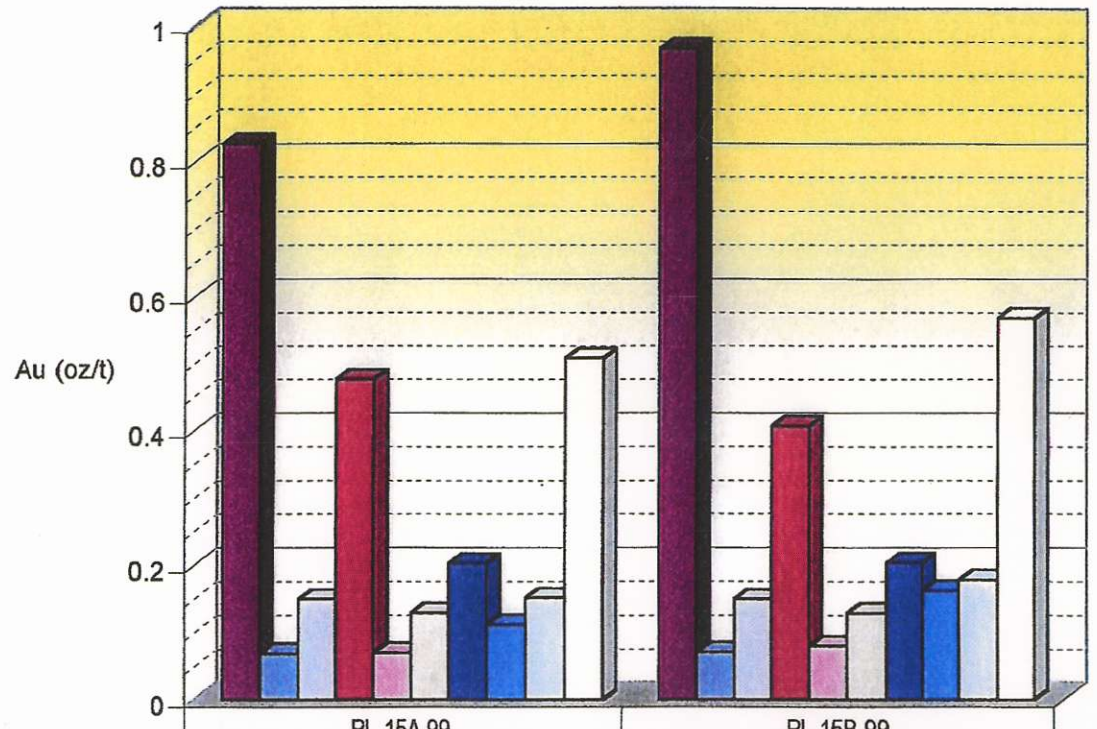
TABLE # 8

Values are expressed in 1000 0z/ton metric, source data is from Load #27, Sample 1311 on 22.5 tons with gold = 0.583oz & 0.916 oz./ton

Sample 15A99 as Peel 15R	**F.A.**	**CN 12 h**	**R. CN residue**	**CN. T. 12 h**	**R.F.A residue**	**TOTAL CN+RFA**	**NOTES**
(-80)	**508**	825 25.6g	69	894	149	**974** **30.2g**	F.A=52%
%	**52**	85	7	92	15	**100**	CN=85%
(-40+80)		476	7	483	129	605	R.CN=0.7%
%		49	0.7	49	13	62	R.F.A=13%
(+40)		202	112	314	151	353	CN=21%
%		21	11	32	15	37	R=11 & 15%
15B99	Part of 10 kg. sample as #15A, representing 22.5 ton stockpile						
(-80)	**567**	965	71	1036	149	**1114**	Extraction=15A
%	**51**	87	6	93	13	**100**	R=15A
(-40+80)		406	8	414	129	535	CN=36%
%		36	7	37	11	48	R=7-11%
(+40)		203	162	365	178	381	CN=18%
%		18	14	33	16	34	R.F.A=16%

Notes: F.A. = fire assay, CN= Cyanide 12 hours leach, R= residual gold left in pulp, R.CN= cyanide residual gold, R.F.A. = fire assay residual, Total CN+RFA= 100% Gold in sample. 15A99= sample batch #, (-80) = -80 mesh fraction, (-40+80) = mesh Size of analysed sample, (+40) = mesh size of sample, % = percent of total.

Au Concentration in Various Fractions in Samples PL 15A 99 and PL 15B 99



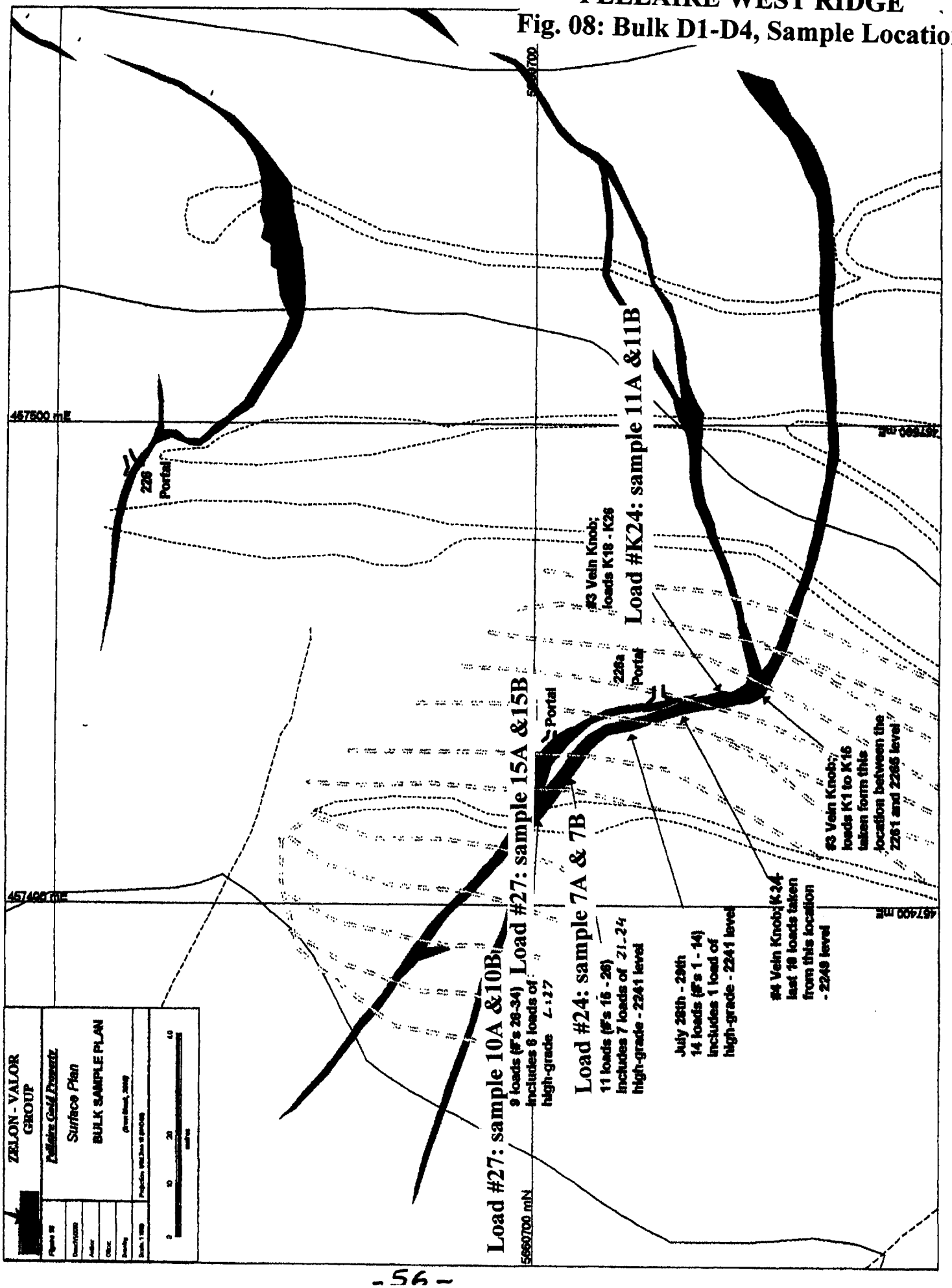
	PL 15A 99	PL 15B 99
Au (oz/t) CN leach -80 mesh	0.825	0.965
Au (oz/t) CN leach -80 mesh residue	0.069	0.071
Au (oz/t) FA -80 mesh residue	0.149	0.149
Au (oz/t) CN leach -40+80 mesh	0.476	0.406
Au (oz/t) CN leach -40+80 mesh residue	0.07	0.08
Au (oz/t) FA -40+80 mesh residue	0.129	0.129
Au (oz/t) CN leach +40 mesh	0.202	0.203
Au (oz/t) CN leach +40 mesh residue	0.112	0.162
Au (oz/t) FA +40 mesh residue	0.151	0.178
Au (oz/t) Total Fire Assay	0.508	0.567

Au (oz/t) CN leach -80 mesh
Au (oz/t) CN leach -80 mesh residue
Au (oz/t) FA -80 mesh residue
Au (oz/t) CN leach -40+80 mesh
Au (oz/t) CN leach -40+80 mesh residue
Au (oz/t) FA -40+80 mesh residue
Au (oz/t) CN leach +40 mesh
Au (oz/t) CN leach +40 mesh residue
Au (oz/t) FA +40 mesh residue
Au (oz/t) Total Fire Assay

DA

PELLAIRE WEST RIDGE

Fig. 08: Bulk D1-D4, Sample Location



VIII. ANOMALOUS RESULTS OVERVIEW

The overview of Pellaire West Ridge 56 samples results suggests:

- Gold & silver values are often associated to bismuth, tellurium and lead.
- Gold-silver enrichment is also associated to copper-moly mineralisation as seen on the zero veins structures and in concentrates.
- Some residual gold seems to be attached to the magnetic fraction.
- Partial 4 hours cyanide gold extraction efficiency is high due to the (-200) mesh sample grind & abundance of extractable Tellurides.
- Gold & silver on the +100g level are often associated to tellurides & tetradynite

1. Acme labs #VAN14003957.1,

25 samples, 4 hours CN leach on +250g, gold by AA5, Jan 29, 2015;
Values are in part per million unless specified.

Quartz rock samples with high values due to tellurides:

Peel 2/14; Gold = 132gm
Peel 3/14; Gold = 103gm
Peel 4B/14; Gold = 75gm
Peel 16R; Gold = 111gm
Peel 19R; Gold = 138gm
Peel 12/14; Gold = 111gm

Conclusion: Partial cyanide leaching of +250 grams samples should be proportional to the leaching time, therefore 12 hours leaching time should give higher results than 4 h. High gold values are mainly due to the visible black Tellurides some of which are very soluble thus increasing the rate of extraction (Sylvanite & Petzite).
Low gold values seem to be due to the residual micro-gold & to the absence of magnetic minerals.

2. Acme labs #VAN14003956.2,

Pellaire 18 samples analyzed for 53 elements on 15g by ICP/ MS and crushed to the (-200 mesh fraction): Values are in part per million unless specified.

Peel 1/14; Pb=169, Cu=337, Ag = 96, Au = 6, Bi=15, Hg=1.1, Te=33
Peel 6B; Cu=958, Ag = 4.6, Fe=5.7, Au = 2.8, Te=40
Peel 7A; Cu=5314, Pb=+1%, Ag = +100, Bi=224, Te=78,
Peel 20/80; Mo=125, Pb=989, Ag = 73.8, Fe=9.8%, Au = 97, Bi=33, K=0.39%, S=0.5%, Te=42
Peel 21B; Pb=308, Ag = 24.2, Fe=4.5%, Au = 11.5, Bi=16, Te=25
Peel 21/35; Pb=311, Ag = 30, Fe=4.9%, Au = 20, Bi=18, Te=25
Peel 25M; Ag = 24, Au= 8.8, Bi=6, Te=131, magnetite only.

Peel 30R; Cu=389, Pb=124, Ag = +100, Au = 49, Bi=58, Hg=2, Te=256
Conclusion: Constant lead values may be related to silver and tellurides & bismuthites, which could be the main source of the gold values, see molecular ratio section.
Bulk samples:
P2C3/40; Pb=145, Ag=14, Fe=4.1%, Au=2.9, Bi=16.5, Te=25
P2C3/35; Pb=120, Ag=11.5, Au=2.4, Bi=14.4, Te=25
P2C4-1; Pb=119, Ag=16.9, Fe=4.2%, Au=3.5, Bi=16, Te=28
P2C4/40; Pb=106, Ag=12.3, Au=2.2, Bi=12.7, Te=21.6
P2C4/80-40; Pb=135, Ag=19.1, Fe=4.7%, Au=4.2, Bi=17, Te=29
Conclusion: Uniform results for the bulk size fractions. Lead, Bismuth & tellurium are a common factor in gold-silver enrichment.

3. Acme labs #VAN14003958.2,

13 samples analyzed for 53 elements on 15g by ICP- MS, Values are in part per million unless specified.

4036-14; Mo=617-Cu=961, Pb=7186, Ag-Au = +100, Fe=27%, Bi=83, V=200, **B=173,** K=0.35%, Hg=+50, Te=95, **Pt=1,806ppb**
Part of V3/V4 quartz veins system, lower level part of the hot solution from fault contact with the altered intrusive; the only location with high platinum.
4037-14; Mo=467-Cu=913, Pb=4224, Ag-Au = +100, Fe=23%, Bi=91, **B=126,** K=0.47%, **Hg=+50**, Te=91
This sample is closer to the intrusive contact with remaining sedimentary marker horizon; Metal enrichment may come from a nearby intrusive as indicated by K=0.47% and Mo = 467ppm.
Peel 24M; Magnetic & para-magnetic fraction from (-1 to +80), 446g sample with 19.15g magnetic (4.29%). Pb=541, Ag = 31, **Au =69**, Fe=15.9%, V=159, Cr=216, Hg=1, Sn=8; residual micro-gold attached to magnetic fraction.
Peel 46/100; (-100)
Pb=212, Ag = 35.8, Au = 10, Fe=6%, Bi=29, Te=52
Peel 48/80; (-80)
Pb=272, Ag = 23, Au = 6, Fe=5.5%, Bi=23, Te=43
Conclusion: Complex mineralogical assemblage. Some gold is attached to magnetic & para-magnetic minerals. Gold & silver seem to be related to Pb-Te-Bi.

4. Bulk Sampling

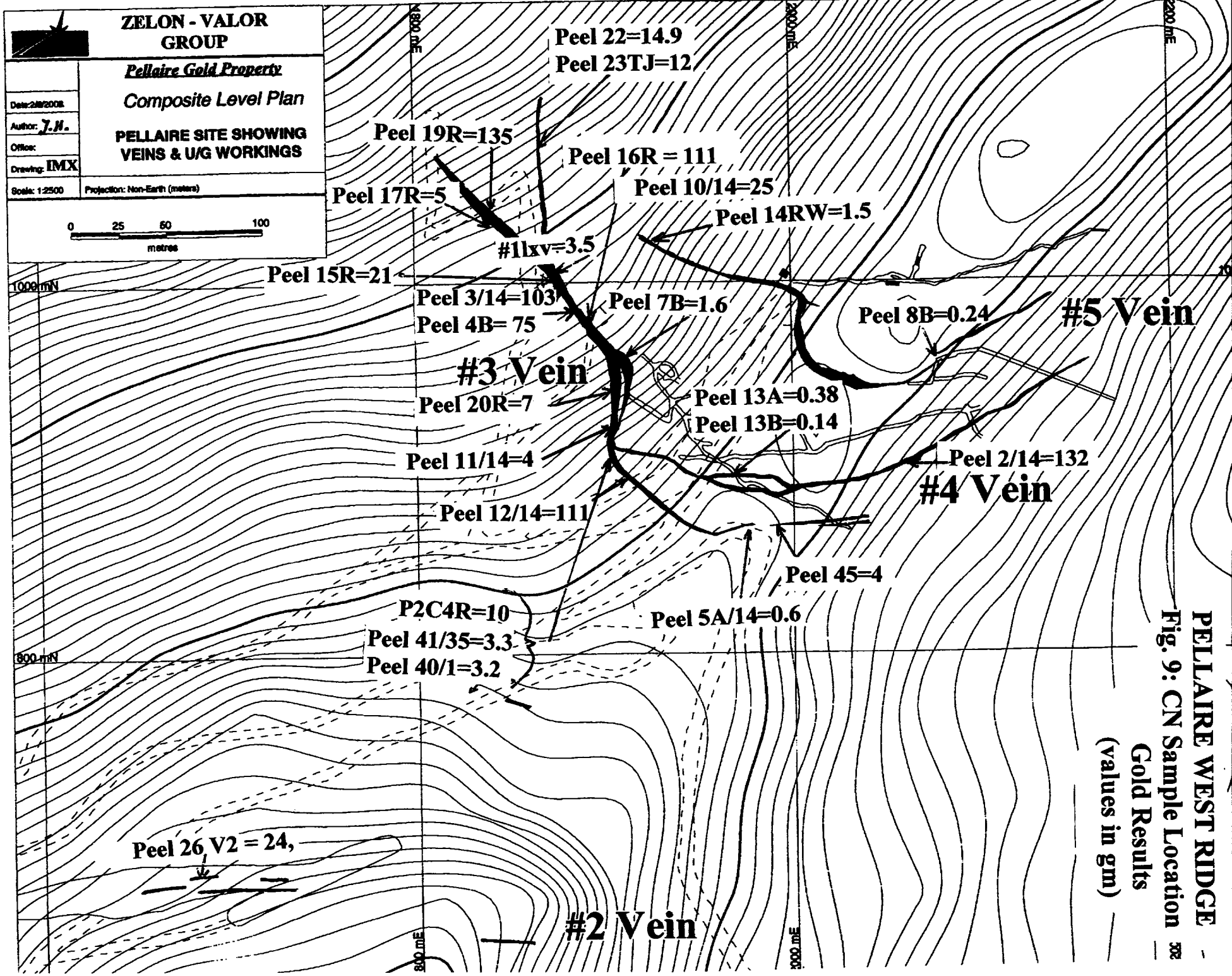
Bulk sampling consists of 10, 25, 50, 75 & 90 kilograms of screened (-2cm) materiel from stock piles or from Jigs wash concentrate which were stored into 900Lb. barrels.

a) Barrel #50 P2C3: 50Kg.processed from 900Lb total
P2C3/80; Clay like alteration mixture, (-80mesh washed)
Pb = 210, Ag = 21, Au = 6.3, Fe=5.5%, Bi=22, Te=42

P2C3/200; Clay only (-200mesh)
Pb=232, Ag = 21, Au = 5.9, Fe=5.2%, Bi=24, Te=43
Conclusion: constant lead-silver level and tellurides related to gold values. Similar anomalous values as Peel 46/100 & Peel 48/80 listed above.

b) Barrel #51P2C4: 50Kg. processed from 850Lb total
Peel 42/40; Clay as solid particle 5-10% (-40+80)
Pb =127, Ag = 24.9, Au = 4.5, Fe =4.4%, Bi=20, Te=37
Peel 43/80: (-80)
Pb =200, Ag = 38, Au = 9.7, Fe=5.5%, Bi=30, Te=53
P2C4/80; Clay like alteration mixture, brown-yellow (-80mesh)
Pb =193, Ag = 28.5, Au = 7.1, Fe=5.8%, Bi=24, Te=41
P2C4/100; Clay like mixture only, (-150mesh as is)
Pb =246, Ag = 28, Au = 8.7, Fe=6%, Bi=23, Te=42
Conclusion: Silver, gold and lead seems to increase with the finer size fraction. Bi & Te are constant In all medium including clay. Values are similar to P2C3 Barrel #50.
PL9-14A; Magnetic & para-magnetic fraction from (-200 mesh)
Black magnetite from 96g sample
Au = 6.6, Fe=24%, V=868, Cr=480, Na, Ti, Sc, Ga & Be
PL9-14B; near same location as sample #14A
Au = 23, Fe=25%, V=910, Cr=469, Na, Ti, Sc, Ga & Be
Conclusion: increase gold in the non-magnetic fraction with high V & Cr values.

c) Peel 20 (see molecular/g ratio section):
Peel 20/80; Mo =125, **Pb =989**, Ag = 73, Fe =9.8%, **Au = 97**, Bi =33, Te =42;
Gold could be related to telluride mineralization & other sulphides.
Peel 21B; Pb =**308**, Ag = 24, Fe =4.5%, Au =11, Bi =16, Te =25
Peel 20 does not include the magnetic & para-magnetic portion; Quartz vein with silver-gold related to telluride & lead.
Peel 21/35; Pb =**311,** Ag = 30, Fe =4.9%, Au = 20, Bi =18, Te =25
Peel 20 (-35+80 fraction); Quartz vein with silver-gold values related to telluride & lead results.
Peel 25M; Ag = 24, Au = 8.8, Bi =6, Te =131
Peel 20 magnetic & para-magnetic on washed (-1 to -80 mesh fraction); Quartz vein with silver-gold related to tellurides values.
Conclusion: Lead complex compounds are a possible source for most of the silver values. Increase in Te =131 in the magnetic fractions is of interest.



PELLAIRE WEST RIDGE - Fig. 9: CN Sample Location & Gold Results (values in gm)

VII. CONCLUSION & RECOMMENDATIONS

1. CONCLUSION

The rock assays outline the variations within the quartz gold-silver ore especially for high grade samples. Variation and correlation within the 53 elements opens a window on the processes of metal leaching and ore chronology.
The Pellaire West Ridge gold-silver ore is mostly related to tellurides of various compositions: Sylvanite, Hessite (Ag2Te) and to a lesser extend Petzite (Ag-Au)2 Te, Altaite (Pb-Te) & Kostovite (copper-gold telluride).
Hessite was found in thin sections (200 microns) associated with galena and as scattered within the quartz matrix; ref #7 & #8.
Native gold is associated with hessite as inclusions. Bismuth-tellurides have been found in contact with hessite and seem to be replacing it. Those are good examples of gold-silver substitution within the Bi-Te-Pb crystal lattice; ref #6 & #14.

A. Ore metallurgy

Emphasis was put on gold and silver and their possible relation to Bi-Te, Hg & Pb as being the source of the precious metals enrichment.
Variables are outlined related to the nature of the gold deposition mainly as Te-Bi or free micro gold (-10 micron).
The objective of the molecular ratios calculation is to be able to differentiate between the free gold, the Tellurides and the lead impute from other combination of elements.
Tables #4A-B-C-D have been used as an example of Molecular/g Differentiation.
Occasionally silver-gold is related to lead as a source, as is the case of quartz tetrahedrite-galena veins located on V3/V4 coalescent lower level quartz veins, elevation 2230 m.

B. Bulk sampling

Bulk sampling as physical & analytical data are presented with an attempt to relate gold content to telluride & bithmuthite through the cyanide extraction process.
Drawings D-1-D-2-D-3-D4 are used to illustrate the variability of the gold content of different size fraction by cyanide and fire assay extraction.
An attempt has been made to separate the effect of leachable tellurides (Krennerite, Hessite, Sylvanite, Petzite) from other gold compounds especially residual micro gold.
The volatiles tellurides, mercury and other gold compounds are the cause of lower fire assays results than those done by cyanide extraction.

Bulk sampling assay results are outlining the trace elements variations within each size fraction. Clay values did not change with the two mesh sizes (-80 &-200), possibly due to a homogeneous distribution of particles.

C. Cyanide & fire assay extraction

The high, 4 hours CN (cyanide) gold extraction results, could be due to the abundance of readily soluble tellurides as Hessite and others.
The grain size and the nature of the tellurides, are the most important factor in the gold extraction, as demonstrated by the (-80 mesh and -200mesh) grind, which is responsible for the 4hours partial cyanide leach excellent gold results.

The variation of CN & F.A (fire assay) results could be very large due to the varieties of gold compounds and other elements such as Hg, Te and Bi... most of those elements vaporise in the F.A. process of gold extraction.
Samples 7A & 7B described in table #5 are related to the ore excavated on #3 &4 veins and stock pilled at Pellaire camp; fig08 & PH #2.
The present cyanide 12 hour extractions for 7A99 gave 0.68oz & 0.31oz for sample #7B99 by fire assay, which is 46% of the CN extraction.
The cyanide 12 hour extractions of samples 10A & 10B gave 1.28oz & 0.45oz for fire assay, which is 35% of the CN extraction.
The cyanide 12 hours extraction of samples 11A & 11B gave 0.320oz & 0.24oz for fire assay, which is 75% of the CN extraction.
The cyanide 12 hours extraction of samples 15A & 15B gave 0.825oz & 0.508oz for fire assay, which is 62% of the CN extraction.

SUMMARY:

It appears that the gold extraction is directly related to the availability and solubility of the various gold compounds, i.e.: within the coarse grains the rate of extraction is constant, regardless of the total amount of gold present with the CN leach. Therefore the grain size of the crushed rock is a major factor in the CN extraction.

Fire assay extraction results are lower than the CN leach probably due to the abundance of volatile compounds associated to gold: mercury, tellurides.... Fire Assays results are higher than the CN leach, in extracting the small amount of residual gold.

2. RECOMMENDATIONS

The overview of Pellaire West Ridge 56 samples results suggests that the ore composition varies greatly and its commercial viability depends on its metallurgy.

A new evaluation of the Pellaire deposit should take into account the following conclusions:

- Tellurium and bismuth are often related to gold-silver values increases
- Molecular comparison is useful in equating elements input & origin
- Residual gold seems to be attached to the magnetic fraction as demonstrated by Zelon's 2000-2002 analytical work.
- Partial 4 hours cyanide gold extraction efficiency is high due to the (-200) mesh sample grind and to the abundance of bismuth-tellurides.
- The tetrahedrite &galena minerals seem to be occasionally the source for the silver ore grade materiel as suggested by the Molecular Comparison data. Also 14g to 18g of gold seems to be the maximum impute from this assemblage.

The Pellaire West Ridge gold-silver deposit opens the way to the possible discovery of several satellite ore zones related to the nearby intrusions.
As suggested by the intrusive related elements of 0.1% copper, 125-617ppm molybdenum, +1% lead & 0.4% potassium.

We recommend the following exploration steps:

1. Underground vein sampling & mapping followed by drilling on the ore faces. Geological interpretation of the geophysical EM data is strongly recommended. A program of drilling should follow the EM data interpretation.

2. Concurrently, 1-5 tons of stock piled ore should be tested per day by a mobile self-contain extraction unit; by using Clorox & bromine leach, one could test the efficiency of both methods of extraction.
   This will complete the bulk sampling stated in the years1998-2000.

3. STATEMENT OF EXPENDITURES

Expenditures incurred during the three exploration periods which started September 25, 2014 and finished October 23, 2014, are listed below.
The work was recorded as events # 5551235 requiring $58090 of work value.
The total work values in the statement of expenditures listed below is $56,400

List of expenditures: TABLE #09
September 25, 2014 to October 23, 2014

1. Personnel		**Rate**		**Total $**
John H. Hajek, manager	Sep.25-Oct.23,2014	$500	16	8,000
D. Hajek, technician	Sep.25-Oct.23,2014	$350	13	4,550
G. Pierce, sampler	Sep.25-Oct.23,2014	$250	13	3,250
TOTAL: $15,800				

2.Crew & equipment mobilization $1.300

3. Food & lodging, June 06 to Oct. 23, 2009:

Food & lodging	Sep.25-Oct.23,2014	$120	42	5,040
TOTAL: $5,040				

4. Equipment	Sep.25-Oct.23,2014			
truck rental 4x4, 1 ton	2 units x $100/day	$200	15	3,000
Phone, GPS & others	$200+$100+$200		15	500
2 chain saws	$20/day x2 units	$40	10	400
2 four wheelers	$40/day x 2 units	$80	15	1,200
D-9H bulldozer	$350/day x30h	$350	30	10,500
Backhoe, 10 days	8 hours/day x 10	$90/h	80	7,200
Field supplies	Gas, oil & others		15	3,860
TOTAL: $26,660				

5. Field crew & equipment demobilization..... $1,100
6. Assessment report & assays $6,500
(Acme Labs Assays=$622.75 + $378.79 + 699.58 = $1,700.58)

Total exploration expenses: $56,400

AUTHOR'S CERTIFICATE

I, John H. Hajek, resident at suite 1204, 3111-13TH Street East,
North Vancouver V7L 067, B.C, CANADA

Hereby certify that:

I have practiced my profession of geochemist for 45 years.
During much of that time I was employed by Rio Tinto, Mobil Oil and others.

For the past 40 years, I have been self employed as a consulting geochemist.

I am responsible for this report, entitled Assess report Pellaire project, 2014 geochemical sampling, and dated May 25, 2015

I spend 16 days on the property during October 2014 and 10 days managing and supervising the work described in the report.

I have worked on the property since 1996 with JAGUAR International Inc. and for last 15 years I have been working with several professional geologists to the advancement of the Pellaire property.

I am not independent, nor at arm's length with Valor Resources ltd.

Signed and dated May 25, 2015

John H. Hajek, Geochemist.

APPENDIX # A1: REFERENCES

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APPENDIX # A2: GEOCHEMICAL SAMPLING 2014

I. SAMPLE ANALYSIS

ACME Labs folios with analytical values for 56samples.

II. GEOCHEMICAL ANALYTICAL RESULTS

PELLAIRE GEOCHEMICAL SAMPLING 2014 RESULTS

Appendix #2 outlines all the analytical sample results for the year 2014.
Significant results are tabulated to enhance the precious metals association to elements which are above background. Threshold-anomalous values are discussed below to suggest any possible relation to the original mineralizing fluids.
Emphasis was put on gold and silver and their possible relation to Te-Bi, Hg & Pb as being the source of the precious metals enrichment.

I. SAMPLE ANALYSIS

1. Acme labs #VAN14003956.2,

18 samples analyzed for 53 elements on 15g by ICP/ MS, Jan 07, 2015; 2 standards, 2 blank control & 1 repeat sample.
Pellaire: 18 rock samples crushed to the -200 fraction:
Peel1/14 to P2C4/80-40 = 18 samples

2. Acme labs #VAN14003957.1,

25 samples CN leach on +250g, gold by AA5, Jan 29, 2015;
Pellaire: 25 rock samples cyanide leach for gold by AA5;
2 standards, 3 blank control & 1 repeat sample.
Peel 2/14 to Peel 45 = 25 rock samples

3. Acme labs #VAN14003958.2,

13 samples analyzed for 53 elements on 15g by ICP- MS, December 12, 2014; 2 standards, 1 blank control & 1 repeat sample.
Pellaire: 13 rock/pulp samples separated to -80,-100 &-200 mesh.
4036-14 to Pl9-14b = 13 pulps

II. GEOCHEMICAL ANALYTICAL RESULTS

(Values are in part per million unless specified)

5. Acme labs #VAN14003956.2,

18 samples analyzed for 53 elements on 15g by ICP/ MS,
Pellaire: 18 rock samples crushed to the -200 fraction:

Peel 1/14; Pb=169, Cu=337, Ag=95.8, U=4, Au=6.1, Bi=15, Hg=1.1, Te=33, Zr-In
Peel 6B; Cu=958, Ag=4.6, Fe=5.7, Au=2.8, Te=40, In
Peel 7A; Cu=5314, Pb=+1%, Ag=+100, U=7, Au=3.4, Cd=3, Sb=3, Bi=224, S=0.35%, Se=18, Te=78, Re
Peel 8A; Ag=22
Peel 9/14; Pb=207, Ag=2.5, Au=0.1, Bi=6, Te=6
Peel 30R; Cu=389, Pb=124, Ag=+100, Au=49.2, Bi=58, Hg=2, Te=256, In
Peel 31R; Ag=24.7, Au=1.7, Bi=4, Ba, K=0.35%, Te=10, Rb
Peel 32V2; Ag=7.3, Au=0.2, Bi=23, Te=4.5
Peel 44/1; Pb=131, Ag=14.4, Au=3.4, Bi=16, Ba, Al, Te=27, Rb
Related to Peel #24 & #25:
Peel 20/80; Mo=125, Pb=989, Ag=73.8, Fe=9.8%, U/Th=5/3, Au=97.4, Bi=33, V, P, La=17, Cr=22, Mg=0.19%, Ba=157, Ti, K=0.39%, S=0.5%, Te=42, Ga, Hf-Nb-Rb, Zr-Y=11, Ce=32
Peel 21B; Pb=308, Ag=24.2, Fe=4.5%, Au=11.5, Bi=16, Mg, Ba, Te=25
Peel 21/35; Pb=311, Ag=30.1, Fe=4.9%, Au=20, Bi=18, Mg, Ba, Ti, Te=25
Peel 25M; Ag=24.1, Au=8.8, Bi=6, Te=131
Bulk samples:
P2C3/40; Pb=145, Ag=14, Fe=4.1%, Au=2.9, Bi=16.5, Mg, Ba, Ti, Te=25
P2C3/35; Pb=120, Ag=11.5, Au=2.4, Bi=14.4, Te=25, Cs=0.42
P2C4-1; Pb=119, Ag=16.9, Fe=4.2%, Au=3.5, Bi=16, P, Mg, Ba, Al, Tl, Te=28, Cs, Rb
P2C4/40; Pb=106, Ag=12.3, Au=2.2, Bi=12.7, Te=21.6
P2C4/80-40; Pb=135, Ag=19.1, Fe=4.7%, Au=4.2, Bi=17, P, Mg, Ba=125, Al=0.8%, K=0.3%, Sc-Tl, Te=29.1, Cs, Hf-Rb

6. Acme labs #VAN14003957.1,

25 samples CN leach on +250g, gold by AA5, Jan 29, 2015;
4 Hours partial cyanide leach.
Gold in ppm/290-590g of quartz rock samples.

Peel 2/14; 132g **Peel 3/14; 103g**
Peel 4B/14; 75g **Peel 5A/14; 0.6**

Peel 7B/14; 1.6g
Peel 14RW; 1.5g
Peel 16R; 111g
Peel 19R; 135g
Peel 10/14; 25g
Peel 12/14; 111g
Peel 13A; 0.38g
Peel 20R; 7g
Peel 22; 14.9g
Peel 26V2; 2.4g
Peel 41/35; 3.3g

Peel 1LXV; 3.5
Peel 15R; 21g
Peel 17R; 5g
P2C4R; 10g
Peel 11/14; 4g
Peel 8B; 0.24g
Peel 13B; 0.14g
Peel 45; 4g
Peel 23TJ; 12g
Peel 40/1; 3.2g

7. Acme labs #VAN14003958.2,

13 samples analyzed for 53 elements on 15g by ICP- MS,

Table concentrate:

4036-14; Mo=617-Cu=961, Pb=7186, Ag-Au=100, Fe=27%, Sr-Cd-Sb, Bi=83, V=200, P=0.5%, La=18, Ba=208, B=173, K=0.35%, Tl, S=1.1%, Hg=+50, Te=95, Nb-Rb, Y=30, Ce=32, In, Pt=1,806ppb

4037-14; Mo=467-Cu=913, Pb=4224, Ag-Au=100, Fe=23%, Sr, Cd-Sb, Bi=91, V, P=0.25%, La=16, Ba=188, B=126, K=0.47%, Tl, S=1.2%, Hg=+50, Te=91, Rb, Y=25, Ce=30, In, Pd=39ppb, Pt=17ppb

Related to Peel #24 & #25:

Peel 24M; Magnetic & para-magnetic fraction from (-1 to +80)
446g sample with 19.15g magnetic (4.29%)
Mo=75-Cu=277, Pb=541, Ag= 31.7, Au=69.4, Fe=15.9%, Sb, Bi=14, V=159, P=0.19%, Cr=216, Ba=163, Hg=1, Te=16, Nb, Sn=8, Ce=22

Peel 46/100; (-100)
Cu=321, Pb=212, Ag= 35.8, Au=10.2, Fe=6%, U=6, Th=1.8, Sb, Hg, Bi=29, Ba=133, Te=52

Peel 48/80; (-80)
Cu=192, Pb=273, Ag= 23.2, Au=6.1, Fe=5.5%, U=5, Th=1.9, Sb, Bi=23, Ba=113, Te=43, Cs, Sn=1.3, Ce

Barrel #50 P2C3: 50Kg. from 900Lb total

P2C3/80; Clay like alteration mixture, (-80mesh)
Cu=157, Pb=210, Ag= 21.3, Au=6.3, Fe=5.5%, Sb, Bi=22, Ba=102, Te=42

P2C3/200; Clay only (-200mesh)
Cu=177, Pb=232, Ag= 21, Au=5.9, Fe=5.2%, Sb, Bi=24, Ba=114, Te=43

Barrel #51P2C4: 50Kg. from 850Lb total
Peel 42/40; Clay as solid particle 5-10% (-40+80)
Cu=250, Pb=127, Ag= 24.9, Au=4.5, Fe=4.4%, Sb, Bi=20, Te=37

Peel 43/80: (-80)
Cu=334, Pb=200, Ag= 38.4, Au=9.7, Fe=5.5%, Sb, Bi=30, Ba=139, Te=53

P2C4/80; Clay like alteration mixture, brown-yellow (-80mesh)
Cu=248, Pb=193, Ag= 28.5, Au=7.1, Fe=5.8%, Sb, Bi=24, Ba=124, Te=41

P2C4/100; Clay like mixture only, (-150mesh)
Cu=264, Pb=246, Ag= 28, Au=8.7, Fe=6%, Sb, Bi=23, Ba=138, Te=42

PL9-14A; Magnetic & para-magnetic fraction from (-200 mesh), black magnetite from 96g sample: Ag=0.6, Au=6.6, Fe=24%, Mn=1187, As =29, Sb, Bi=0.1, V=868, Ca=0.9%, S=0.5%, Cr=480, Mg, Ti=0.45%, Sc=5, Ga=12.7, Hf=0.2, Sn=1, Zr=8, Be, Pd =15ppb, Pt =11ppb

PL9-14B; Duplicate of PL9-14A
Ag=0.9, Au=23, Fe=25%, Mn=1211, Sb, As=31, Bi=0.1, V=910, Ca=0.9%, Cr=469, Mg, Ti=0.46%, S=0.5%, Sc=5, Ga=13.5, Hf=0.2, Sn=1, Zr=8, Be, Pd =25ppb, Pt = 9ppb

APPENDIX # A3

PELLAIRE FIELD SAMPLE DESCRIPTION
ROCKS GEOLOGICAL DESCRIPTION

1. Acme labs #VAN14003956.2,

18 samples analyzed for 53 elements on 15g crushed to the -200 mesh:

1. **Peel 1/14;** 95% quartz, iron stained, box work, in contact with sediments
2. **Peel 6B;** Quartz breccia, brown, manganese, fractured, in contact with wall rock, same as sample #5A/14
3. **Peel 7A;** Crystalline quartz vein with galena (tetrahedrite) from V3/V4
4. **Peel 8A;** White quartz contact with leaeh zone, iron stained vogues
5. **Peel 9/14;** Quartz vein with empty vogues, reddish dots
6. **Peel 20/80;** Quartz vein with vogues, TJ-80 washed
7. **Peel 21B;** Same as 20, less the magnetic & para-magnetic fractions
8. **Peel 21/35;** Washed (-35 +80), same as Peel 20
9. **Peel 25M;** Quartz vein, contact with wall rock, magnetic fraction
10. **Peel 30R;** Quartz vein with black diffusion in matrix
11. **Peel 31R;** White quartz vein with box work
12. **Peel 32V2;** Brown crumbed quartz from V#2

P2C3 Bulk 25 Kg processed: as sample #P610C3

1. **Peel 44/1;** P2C3 10,5Kg processed, as is with clay
2. **P2C3/40;** Quartz rock (+1) with 30% brown quartz
3. **P2C3/35;** (-1 +40)

P2C4 Bulk 11Kg processed: as P610C4,
60% brown quartz & 10% white clay

4. **P2C4-1;** Same as Peel 40, (-1 +40) less magnetics
5. **P2C4/40;** (-40+80) with 10-20% clay
6. **P2C4/80-40;** Jig concentrate with 5-10% clay

2. Acme labs #VAN14003958.2,

13 samples analyzed for 53 elements on 15g by ICP- MS

4036-14; Table concentrate as #4034, 60g sample
4037-14; Table concentrate #2 as #4039, 46g sample

Peel 24M; Magnetic & para-magnetic fraction from 41g of (-1 to +80)
446g sample with 19.15g magnetic (4.29%), same as 25M
Peel 46/100; (-100)
Peel 48/80; (-80)

Barrel #50 P2C3: 50Kg. from 900Lb total
P2C3/80; Clay like alteration mixture, (-80mesh)
P2C3/200; Clay only (-80mesh)

Barrel #51P2C4: 50Kg. from 850Lb, total processed 12Kg.
Peel 42/40; Clay as solid particle 5-10%, P2C4 (-40+80)
Peel 43/80: P2C4 (-80)

P2C4/80; Clay like alteration mixture washed, brown-yellow (-80mesh)
P2C4/100; Clay like mixture only, (-80mesh) as is, no wash.

PL9-14A; Magnetic & para-magnetic fraction from (-200 mesh)
Black magnetite from 96g sample
PL9-14B; Duplicate sample of 14A

3. Acme labs #VAN14003957.1,
25 samples CN leach on +250g, gold by AA5,

Gold in ppm/290-590g of quartz rock samples:
Peel 2/14; 132g, white quartz with black spots, M7 stockpile
Peel 3/14; 103g, quartz wall rock, V2 location
Peel 4B/14; 75g, white quartz with manganese stains
Peel 5A/14; As Peel 6B, 0.6g, brown, sugary brecciated quartz, V2
Peel 7B/14; As Peel 7b, 1.6g, quartz vein with tetrahedrite as 7A-V3/4
with Au=3.4g
Peel 1LXV; 3.5g, coarse quartz vein, galena + tetrahedrite, boxwork with residual sulphides, sheared along wall rock contact
Peel 14RW; 1.5g, quartz limonite 1/3 with 50% alteration, 1/3 granite, 1/3quartz
Peel 15R; 21g, crystalline quartz, boxwork, iron stained
Peel 16R; 111g, white quartz with black stains (Te?).
Peel 17R; 5g, white quartz with black patches
Peel 19R; 135g, white quartz with black vogues
P2C4R; 10g, -200 mesh crushed rock
Peel 10/14; 25g, white massive quartz with leached boxwork

Peel 11/14; 4g, metamorphose quartz with black inclusions
Peel 12/14; 111g, metamorphose quartz with black inclusions
Peel 8B; As Peel 8A-8C, 0.24g, metamorphose quartz with iron stains

Peel 13A; 0.38g, quartz within an alteration crushed zone
Peel 13B; 0.14g, quartz within an alteration crushed zone

Peel 20R; 7g, quartz vein
Peel 45; 4g, quartz with wall rock alteration zone &black inclusions
Peel 22; 14.9g, (+ 35) mesh, magnetics, same as TJ-35 (less magnetics)
Peel 23TJ; 12g, (-40 +80) mesh
Peel 26V2; 2.4g, white quartz within a crushed zone with iron stains,
Same as 26M
Barrel #51P2C4:
Peel 40/1; 3.2g, as is P2C4 (+1 -10)
Peel 41/35; 3.3g, P2C4 (-1 +40) with clay as is

4. Bulk Sampling

Bulk sampling is partially representative of veins #2, #3 & #4 rocks extracted between the year 1998 & 2000.
The sample and its constituents are separated by screening into various size fractions (100 to10mm, 10-5, -1-+40, +40-80, -80 & clay), then identified, weigh and send for analysis.
Bulk sampling consists of 10, 25, 50, 75 & 90 kilograms of screened (-2cm) materiel from stock piles or from Jigs wash concentrate which were stored into 900Lb. barrels.

The objectives are to establish a data base of the various ore zones and:

- Use of bulk sampling as a mean to provide a better representation of the gold-silver rock mass content.
- Physical distribution of each bulk sample in order to measure the amount of Au-Ag & other elements in each fraction type.
- Use of the size fraction data to locate the variation in the precious metal content and its related elements through Molecular/g Differentiation.

APPENDIX # A4

1. SAMPLING METHOD & APPROACH

- **Description geochemical sampling:**

The 2014 geochemical rock sampling along the western flank of the pellaire glacial moraine is comprised of rocks outcrops along with geological specimens.
56 samples were collected in 2014 and send to Acme Labs.
The sampling was carried out by a 2 men team then put into a standard paper sample bag. Each location is flagged and marked with a station number.

- **Sample quality**

Rock results are well representative of the area geology and provide a quantitative value of analysed elements.

- **Sampling intervals**

The sampling intervals are variable to reflect the various geological units .

2. SAMPLE PREPARATION, ANALYSIS & SECURITY

- **Sample drying & shipping**

J.HAJEK, Geochemist, supervised shipping of all geochemical soil samples.

- **ACME Analytical laboratories**

This Vancouver laboratory is well established certified and is known to the author for its high standards and quality control.

- **Quality control**

For every batch of 40 samples, 1 -3 duplicates, 2 standards and 2 blanks are analyzed.
Each batch of 20 samples contains one or more internal duplicate sample known only to Zelon Chemicals staff.

- **Statement on sampling & analytical control**

Acme has used 53 elements ICP-MS procedure on 15 grams pulp and 30 g. fire assays, resulting on a rigorous analytical control.

3. DUPLICATE SAMPLES EXTRACTION:

- Three samples have been analysed as control, standard & repeat by ACME laboratories. 19 samples of coarse and fines have been analysed and compared for accuracy.
- The coarse fraction was pulverized to -200 meshes and the (-40+80; -80) fractions were separated by sifting through standard sieve.

- Sampling method and approach
  The purpose of analyzing the standard (-80 mesh and -200 mesh), described as fines versus the coarser fraction (+80 and 40 fractions), is to measure any noticeable differences in metals content due to leaching, clay, and to measure the rate of extraction of various metals.
- Partial cyanide extraction was used to compare and evaluate present results to past ones and to confirm the presence of tellurides.

DUPLICATE SAMPLES EXTRACTION

1. Internal Control Samples (values in ppm)

Acme labs #VAN14003956.2,
Sample Peel 25M: Ag=24.121/ repeat= 24.064, Au=8.826/ repeat =7.701
Standard DS10: Ag=1938 expected 2020; Au=80.6 expected 91.9;
Bi=13.79 expected 11.65.

Acme labs #VAN14003958.2,
Sample Peel 46/100: Pb=212.45 repeat= 202.95; Ag=35.824/ repeat=35.176;
Au=10.263/ repeat=7.906; Bi=29.01/ repeat=28.02.
Standard DS10: Pb=162.68/ expected 150.55; Ag=2.079/2.020; Au=137.7/91.9
Bi=12.560/ expected 11.65

Acme labs #VAN14003957.1,
25 samples CN leach on +250g, gold by AA5,
Sample Peel 40/1: CN Au=3.22/ repeat= 3.10ppm.
Standard GBM311-1: CN Au=0.47 expected Au=0.656 or 72%
Standard GBM903-5: CN Au=1.53 expected Au=1.514

2. Zelon Duplicates:

- **P2C3/40**
  Copper = 118, Lead = 145 & Silver = 14ppm
- **P2C3/35**
  Copper = 105, Lead = 119 & Silver = 17ppm

All others analytical results are of gond accuracy and could be used for geochemical metal assemblages & conclusions.

APPENDIX # A5

ACME ANALYTICAL REPORTS

1. **Acme labs #VAN14003956.2**

2. **Acme labs #VAN14003957.1,**

3. **Acme labs #VAN14003958.2,**

BUREAU VERITAS MINERAL LABORATORIES Canada

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Submitted By: John Hajek
Receiving Lab: Canada-Vancouver
Received: December 10, 2014
Report Date: January 07, 2015
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN14003956.1

CLIENT JOB INFORMATION

Project: Pellaire
Shipment ID:
P.O. Number
Number of Samples: 18

SAMPLE DISPOSAL

PICKUP-PLP Client to Pickup Pulps
PICKUP-RJT Client to Pickup Rejects

Bureau Veritas does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Procedure Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
PRP70-250	9	Crush, split and pulverize 250 g rock to 200 mesh			VAN
PUL85	9	Pulverize to 85% passing 200 mesh			VAN
AQ251_EXT	18	1:1:1 Aqua Regia digestion Ultratrace ICP-MS analysis	15	Completed	VAN

ADDITIONAL COMMENTS

Invoice To: Zelon Chemicals Ltd.
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7
CANADA

CC:

BRITISH COLUMBIA CERTIFIED ASSAYER
MARCUS LAU
Geochemical Laboratory Manager

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Bureau Veritas assumes the liabilities for actual cost of analysis only. Results apply to samples as submitted.
"*" asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

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1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire

Report Date: January 07, 2015

CERTIFICATE OF ANALYSIS VAN14003956.1

Method		WGHT	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
Analyte		Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
Unit		kg	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%
MDL		0.01	0.01	0.01	0.01	0.1	2	0.1	0.1	1	0.01	0.1	0.1	0.2	0.1	0.5	0.01	0.02	0.02	2	0.01
PEEL 1/14	Rock	0.51	29.88	337.48	169.80	15.0	95872	2.9	13.5	59	3.65	16.5	4.3	6148.1	0.2	9.4	0.28	0.60	15.46	29	0.02
PEEL 6B	Rock	0.46	24.13	958.31	68.64	45.1	4667	4.3	4.8	177	5.70	19.3	5.5	2887.6	0.5	12.9	0.10	1.18	0.36	16	0.05
PEEL 7A	Rock	0.35	4.91	5314.20	>10000	12.0	>100000	1.6	0.4	55	0.86	1.2	7.1	3478.6	0.1	11.2	3.43	3.58	224.77	<2	0.01
PEEL 8A	Rock	0.40	2.34	88.87	80.24	5.4	2229	1.7	1.2	114	1.25	2.4	0.6	82.0	0.2	7.4	<0.01	0.06	1.37	6	0.03
PEEL 9/14	Rock	0.26	2.00	19.81	207.82	2.5	2587	1.3	0.3	69	1.56	1.2	0.1	104.8	0.3	3.6	<0.01	0.06	6.48	3	0.02
PEEL 20/80	Rock	0.56	125.42	262.17	989.19	48.8	73824	16.3	25.1	591	9.81	13.8	5.3	97465.8	3.1	84.9	0.29	1.25	33.96	104	0.24
PEEL 21B	Rock	0.41	38.13	158.57	308.28	36.7	24280	9.9	15.0	387	4.51	8.4	2.8	11526.3	1.3	39.8	0.18	0.70	16.70	18	0.15
PEEL 21/35	Rock	0.34	36.23	159.72	311.83	36.5	30179	10.6	15.5	425	4.94	8.7	2.8	19956.9	1.3	40.8	0.19	0.70	17.95	29	0.16
P2C3/40	Rock	0.31	21.78	118.92	145.44	28.6	13995	7.2	9.2	452	4.16	8.1	2.7	2892.5	1.2	43.6	0.09	0.56	16.51	18	0.16
PEEL 25M	Rock	0.52	7.42	31.31	44.41	11.5	24121	1.4	1.0	68	0.99	1.4	0.5	8826.4	0.2	3.3	0.04	0.67	6.48	4	0.01
PEEL 30R	Rock	0.38	10.96	389.69	124.62	9.7	>100000	1.8	1.7	80	1.25	2.8	1.2	49248.8	0.3	6.5	<0.01	1.57	58.00	3	0.01
PEEL 31R	Rock	0.42	10.49	131.76	43.80	5.2	24767	1.8	2.3	56	1.69	9.5	2.5	1744.4	0.5	4.2	0.01	0.28	4.06	12	0.02
PEEL 32V2	Rock	0.33	3.57	23.82	56.09	3.5	7310	1.6	0.3	75	0.94	0.8	0.2	217.6	<0.1	5.1	<0.01	0.56	23.04	<2	<0.01
PEEL 44/1	Rock	0.47	21.15	123.30	131.46	27.5	14431	7.1	8.5	421	3.97	7.5	2.8	3436.4	1.2	43.8	0.12	0.55	15.93	18	0.16
P2C3/35	Rock	0.31	18.56	105.98	120.70	28.1	11568	6.9	7.7	372	3.51	6.8	2.4	2442.9	1.1	37.3	0.09	0.54	14.41	16	0.16
P2C4-1	Rock	0.34	20.04	178.45	119.47	32.2	16960	9.2	11.1	520	4.27	8.3	3.2	3522.1	1.3	48.9	0.14	0.84	16.04	22	0.19
P2C4/40	Rock	0.54	16.23	148.37	106.20	32.0	12381	8.1	8.9	427	3.75	7.1	2.8	2194.0	1.1	39.4	0.13	0.59	12.70	18	0.17
P2C4/80-40	Rock	0.39	23.33	193.92	135.39	39.0	19144	10.1	12.9	614	4.72	9.4	3.7	4189.5	1.5	57.1	0.19	0.77	17.76	23	0.20

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Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 07, 2015

CERTIFICATE OF ANALYSIS VAN14003956.1

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Sc	Tl	S	Hg	Se	Te	Ga	Cs	Ge
	Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	%	ppb	ppm	ppm	ppm	ppm	ppm
	MDL	0.001	0.5	0.5	0.01	0.5	0.001	1	0.01	0.001	0.01	0.1	0.1	0.02	0.02	5	0.1	0.02	0.1	0.02	0.1
PEEL 1/14	Rock	0.022	1.2	4.1	0.02	52.2	0.002	1	0.21	0.006	0.15	1.2	0.9	<0.02	0.04	1144	0.3	33.19	1.1	0.12	<0.1
PEEL 6B	Rock	0.049	1.1	7.9	0.03	15.0	0.001	<1	0.35	0.011	0.05	0.1	1.1	<0.02	0.05	257	0.1	40.29	1.4	0.11	<0.1
PEEL 7A	Rock	0.003	1.0	3.5	<0.01	6.8	<0.001	<1	0.14	0.002	0.02	<0.1	0.2	<0.02	0.35	186	18.5	78.48	0.2	0.04	<0.1
PEEL 8A	Rock	0.014	1.1	4.1	0.02	37.8	<0.001	2	0.18	0.006	0.10	<0.1	0.4	<0.02	0.04	9	<0.1	4.20	0.8	0.05	<0.1
PEEL 9/14	Rock	0.009	1.9	4.0	0.02	76.2	0.005	1	0.22	0.005	0.24	0.2	0.3	<0.02	0.16	29	0.2	6.12	0.7	0.09	<0.1
PEEL 20/80	Rock	0.086	17.5	22.0	0.18	157.7	0.028	2	0.68	0.036	0.39	0.9	1.8	0.07	0.51	784	0.7	42.68	2.9	0.30	<0.1
PEEL 21B	Rock	0.047	7.0	7.4	0.17	100.5	0.007	1	0.59	0.020	0.26	0.3	1.4	0.05	0.23	237	0.5	24.96	1.9	0.25	<0.1
PEEL 21/35	Rock	0.048	7.3	9.6	0.17	100.4	0.011	2	0.60	0.021	0.26	0.3	1.5	0.05	0.24	245	0.4	24.88	2.0	0.25	<0.1
P2C3/40	Rock	0.045	5.8	8.8	0.15	104.7	0.004	2	0.68	0.016	0.25	0.2	1.5	0.05	0.20	187	0.4	26.82	2.3	0.43	<0.1
PEEL 25M	Rock	0.005	2.0	3.3	0.02	37.0	0.001	2	0.19	0.004	0.12	0.1	0.4	<0.02	<0.02	289	<0.1	131.32	0.6	0.08	<0.1
PEEL 30R	Rock	0.008	2.1	3.6	0.01	34.8	<0.001	<1	0.20	0.003	0.10	<0.1	0.3	<0.02	<0.02	2063	<0.1	255.95	0.5	0.12	<0.1
PEEL 31R	Rock	0.014	3.7	3.7	0.04	112.2	0.002	<1	0.49	0.007	0.35	0.6	0.9	0.03	<0.02	473	<0.1	10.48	1.5	0.15	<0.1
PEEL 32V2	Rock	0.003	<0.5	4.8	<0.01	25.4	<0.001	<1	0.04	0.003	0.03	<0.1	0.1	<0.02	0.03	44	<0.1	4.57	0.2	<0.02	<0.1
PEEL 44/1	Rock	0.046	5.7	7.7	0.15	102.8	0.004	2	0.70	0.016	0.26	0.2	1.3	0.05	0.20	188	0.4	27.15	2.3	0.44	<0.1
P2C3/35	Rock	0.039	5.5	8.2	0.16	92.4	0.004	2	0.61	0.014	0.22	0.2	1.2	0.05	0.15	168	0.3	24.96	2.3	0.42	<0.1
P2C4-1	Rock	0.053	6.3	8.1	0.19	115.1	0.004	1	0.75	0.014	0.28	0.2	1.7	0.07	0.24	232	0.4	28.43	2.4	0.42	<0.1
P2C4/40	Rock	0.043	5.2	7.8	0.17	88.1	0.005	1	0.67	0.013	0.23	0.2	1.4	0.05	0.18	171	0.3	21.63	2.3	0.38	<0.1
P2C4/80-40	Rock	0.059	6.9	8.7	0.20	125.9	0.005	2	0.81	0.016	0.30	0.2	1.8	0.07	0.27	343	0.5	29.12	2.8	0.44	<0.1

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Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 07, 2015

CERTIFICATE OF ANALYSIS VAN14003956.1

Method		AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
Analyte		Hf	Nb	Rb	Sn	Ta	Zr	Y	Ce	In	Re	Be	Li	Pd	Pt
Unit		ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppb	ppb
MDL		0.02	0.02	0.1	0.1	0.05	0.1	0.01	0.1	0.02	1	0.1	0.1	10	2
PEEL 1/14	Rock	<0.02	0.03	2.5	0.3	<0.05	4.3	1.06	2.0	0.12	<1	0.1	0.3	<10	<2
PEEL 6B	Rock	<0.02	0.02	0.9	0.1	<0.05	0.2	2.56	2.2	0.17	<1	0.1	0.3	<10	<2
PEEL 7A	Rock	<0.02	<0.02	0.6	<0.1	<0.05	<0.1	0.55	1.8	0.12	3	<0.1	0.2	<10	<2
PEEL 8A	Rock	<0.02	<0.02	1.6	<0.1	<0.05	0.3	0.47	2.3	<0.02	<1	<0.1	0.2	<10	<2
PEEL 9/14	Rock	0.02	<0.02	2.9	0.2	<0.05	0.6	0.17	3.6	<0.02	<1	0.2	0.2	<10	<2
PEEL 20/80	Rock	0.09	0.12	6.6	0.7	<0.05	3.0	11.86	32.7	0.07	1	0.4	3.1	<10	<2
PEEL 21B	Rock	0.04	<0.02	4.5	0.3	<0.05	1.6	4.47	13.3	0.02	2	0.4	2.9	<10	<2
PEEL 21/35	Rock	0.04	0.03	4.6	0.2	<0.05	1.5	4.68	14.1	0.05	<1	0.2	2.6	<10	<2
P2C3/40	Rock	0.04	<0.02	4.6	0.2	<0.05	1.4	3.56	11.7	0.04	<1	0.1	2.2	<10	<2
PEEL 25M	Rock	<0.02	<0.02	2.2	<0.1	<0.05	0.7	0.90	4.1	0.02	<1	0.1	0.1	<10	<2
PEEL 30R	Rock	0.02	<0.02	1.9	<0.1	<0.05	0.4	0.63	4.0	0.19	1	<0.1	0.3	<10	<2
PEEL 31R	Rock	0.04	<0.02	5.0	0.1	<0.05	1.3	0.64	6.6	0.03	<1	0.2	0.5	<10	<2
PEEL 32V2	Rock	<0.02	<0.02	0.4	0.1	<0.05	<0.1	0.09	0.3	<0.02	<1	<0.1	<0.1	<10	<2
PEEL 44/1	Rock	0.04	<0.02	5.2	0.2	<0.05	1.5	3.54	11.9	0.06	<1	0.3	2.3	<10	<2
P2C3/35	Rock	0.04	<0.02	4.6	0.2	<0.05	1.4	3.25	11.3	0.05	<1	0.1	2.4	<10	<2
P2C4-1	Rock	0.04	0.05	5.5	0.1	<0.05	1.7	4.63	13.1	0.05	1	0.2	2.8	<10	<2
P2C4/40	Rock	0.03	<0.02	4.6	0.2	<0.05	1.5	3.69	11.1	0.05	<1	<0.1	2.6	<10	<2
P2C4/80-40	Rock	0.07	<0.02	6.0	0.2	<0.05	1.8	5.09	14.5	0.07	1	0.3	3.1	<10	<2

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Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 07, 2015

QUALITY CONTROL REPORT VAN14003956.1

	Method	WGHT	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca
	Unit	kg	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%
	MDL	0.01	0.01	0.01	0.01	0.1	2	0.1	0.1	1	0.01	0.1	0.1	0.2	0.1	0.5	0.01	0.02	0.02	2	0.01
Pulp Duplicates																					
PEEL 25M	Rock	0.52	7.42	31.31	44.41	11.5	24121	1.4	1.0	68	0.99	1.4	0.5	6826.4	0.2	3.3	0.04	0.67	6.48	4	0.01
REP PEEL 25M	QC		7.73	31.45	44.57	11.6	24064	1.4	1.1	68	0.99	1.3	0.5	7701.3	0.2	3.5	0.02	0.62	6.42	4	0.02
Reference Materials																					
STD DS10	Standard		14.79	159.39	159.73	388.8	1938	79.5	13.4	891	2.82	45.6	2.9	80.6	8.2	74.4	2.55	9.61	13.73	44	1.08
STD OXC109	Standard		1.59	37.51	11.49	43.4	21	75.5	19.3	412	2.87	0.6	0.7	187.5	1.5	143.4	0.01	0.02	<0.02	47	0.68
STD DS10 Expected			14.69	154.61	150.55	370	2020	74.6	12.9	875	2.7188	43.7	2.59	91.9	7.5	67.1	2.49	8.23	11.65	43	1.0625
STD OXC109 Expected														201							
BLK	Blank		<0.01	<0.01	<0.01	<0.1	9	<0.1	<0.1	<1	<0.01	0.3	<0.1	<0.2	<0.1	<0.5	<0.01	<0.02	<0.02	<2	<0.01
Prep Wash																					
ROCK-VAN	Prep Blank		0.93	4.56	1.36	38.4	24	1.4	3.8	525	1.88	1.5	0.4	<0.2	2.6	35.5	<0.01	<0.02	0.11	22	0.66
ROCK-VAN	Prep Blank		0.76	5.41	1.27	36.3	20	1.1	3.8	502	1.84	1.3	0.4	<0.2	2.4	32.5	<0.01	<0.02	0.10	22	0.63

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North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 07, 2015

QUALITY CONTROL REPORT VAN14003956.1

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Sc	Tl	S	Hg	Se	Te	Ga	Cs	Ge
	Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	%	ppb	ppm	ppm	ppm	ppm	ppm
	MDL	0.001	0.5	0.5	0.01	0.5	0.001	1	0.01	0.001	0.01	0.1	0.1	0.02	0.02	5	0.1	0.02	0.1	0.02	0.1
Pulp Duplicates																					
PEEL 25M	Rock	0.005	2.0	3.3	0.02	37.0	0.001	2	0.19	0.004	0.12	0.1	0.4	<0.02	<0.02	289	<0.1	131.32	0.6	0.08	<0.1
REP PEEL 25M	QC	0.005	2.0	3.6	0.02	37.2	0.001	1	0.20	0.004	0.12	0.1	0.4	<0.02	<0.02	301	<0.1	130.50	0.6	0.08	<0.1
Reference Materials																					
STD DS10	Standard	0.070	18.7	58.1	0.79	378.7	0.084	7	1.09	0.073	0.35	3.3	3.0	5.40	0.29	279	2.3	5.62	4.5	2.70	<0.1
STD OXC109	Standard	0.102	13.2	60.2	1.44	56.6	0.403	1	1.53	0.694	0.43	0.2	1.0	0.02	<0.02	<5	<0.1	<0.02	5.3	0.17	<0.1
STD DS10 Expected		0.073	17.5	54.6	0.775	359	0.0817		1.0259	0.067	0.338	3.32	2.8	5.1	0.29	300	2.3	5.01	4.3	2.63	0.08
STD OXC109 Expected																					
BLK	Blank	<0.001	<0.5	<0.5	<0.01	<0.5	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.1	<0.02	<0.02	<5	<0.1	<0.02	<0.1	<0.02	<0.1
Prep Wash																					
ROCK-VAN	Prep Blank	0.043	7.5	3.4	0.46	91.9	0.095	2	1.29	0.228	0.18	0.1	4.3	<0.02	<0.02	<5	<0.1	<0.02	4.8	0.12	<0.1
ROCK-VAN	Prep Blank	0.041	6.9	3.0	0.46	91.5	0.086	2	1.26	0.221	0.17	0.1	4.5	<0.02	<0.02	<5	<0.1	<0.02	4.7	0.11	<0.1

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 07, 2015

QUALITY CONTROL REPORT VAN14003956.1

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	Hf	Nb	Rb	Sn	Ta	Zr	Y	Ce	In	Re	Be	Li	Pd	Pt
	Unit	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppb	ppb
	MDL	0.02	0.02	0.1	0.1	0.05	0.1	0.01	0.1	0.02	1	0.1	0.1	10	2
Pulp Duplicates															
PEEL 25M	Rock	<0.02	<0.02	2.2	<0.1	<0.05	0.7	0.90	4.1	0.02	<1	0.1	0.1	<10	<2
REP PEEL 25M	QC	<0.02	<0.02	2.1	<0.1	<0.05	0.8	0.92	3.9	0.03	<1	<0.1	0.2	<10	<2
Reference Materials															
STD DS10	Standard	0.05	1.68	29.1	1.8	<0.05	2.6	8.29	37.7	0.28	53	0.7	20.2	102	181
STD OXC109	Standard	0.27	1.11	15.2	1.4	<0.05	23.3	4.29	23.4	<0.02	<1	0.8	2.0	<10	<2
STD DS10 Expected		0.06	1.62	27.7	1.6		2.8	7.77	37	0.23	50	0.63	19.4	110	191
STD OXC109 Expected															
BLK	Blank	<0.02	<0.02	<0.1	<0.1	<0.05	<0.1	<0.01	<0.1	<0.02	<1	<0.1	<0.1	<10	<2
Prep Wash															
ROCK-VAN	Prep Blank	0.18	0.28	3.8	0.4	<0.05	5.1	9.50	14.5	<0.02	<1	0.2	2.9	<10	<2
ROCK-VAN	Prep Blank	0.39	0.28	3.6	0.4	<0.05	4.3	8.68	13.3	<0.02	<1	0.2	2.7	<10	<2

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9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1204 - 111 East 13st Street
North Vancouver BC V7L 0C7 CANADA

Submitted By: John Hajek
Receiving Lab: Canada-Vancouver
Received: December 08, 2014
Report Date: January 29, 2015
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN14003957.1

CLIENT JOB INFORMATION

Project: Pellaire
Shipment ID:
P.O. Number
Number of Samples: 25

SAMPLE DISPOSAL

PICKUP-PLP Client to Pickup Pulps
PICKUP-RJT Client to Pickup Rejects

Bureau Veritas does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Procedure Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
PRP70-250	22	Crush, split and pulverize 250 g rock to 200 mesh			VAN
PUL85	3	Pulverize to 85% passing 200 mesh			VAN
CN402	25	20g/50ml Cyanide Leach by AAS, 4 hr, Shake Flask	20	Completed	RBC

ADDITIONAL COMMENTS

Invoice To: Zelon Enterprises Ltd.
1204 - 111 East 13st Street
North Vancouver BC V7L 0C7
CANADA

CC:

BRITISH COLUMBIA CERTIFIED ASSAYER
MARCUS LAU
Geochemical Laboratory Manager

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Bureau Veritas assumes the liabilities for actual cost of analysis only. Results apply to samples as submitted.
"*" asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1204 - 111 East 13st Street
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 29, 2015

CERTIFICATE OF ANALYSIS VAN14003957.1

	Method	WGHT	CN402
	Analyte	Wgt	AuCN
	Unit	kg	ppm
	MDL	0.01	0.05
PEEL 2/14	Rock	0.37	132.00
PEEL 3/14	Rock	0.36	103.10
PEEL 4B/14	Rock	0.27	75.77
PEEL 5A/14	Rock	0.32	0.60
PEEL 7B/14	Rock	0.33	1.66
PEEL 1LXV	Rock	0.33	3.50
PEEL 14RW	Rock	0.39	1.53
PEEL 15R	Rock	0.59	21.88
PEEL 16R	Rock	0.49	111.47
PEEL 17R	Rock	0.57	5.12
PEEL 19R	Rock	0.47	135.08
P2C4R	Rock	0.43	10.76
PEEL 10/14	Rock	0.56	25.03
PEEL 11/14	Rock	0.30	4.58
PEEL 12/14	Rock	0.35	111.06
PEEL 8B	Rock	0.52	0.24
PEEL 13A	Rock	0.43	0.38
PEEL 13B	Rock	0.38	0.14
PEEL 20R	Rock	0.35	7.21
PEEL 22	Rock Chip	0.41	14.93
PEEL 23TJ	Rock Chip	0.41	12.32
PEEL 26V2	Rock	0.48	2.44
PEEL 40/1	Rock	0.50	3.22
PEEL 41/35	Rock Chip	0.29	3.36
PEEL 46	Rock	0.43	4.08

Bureau Veritas Commodities Canada Ltd. Final Report

Client:	Zelon Enterprises Ltd.	Pellaire	
File Created:	29-Jan-15		
Job Number:	VAN14003957		
Number of Samples:	25		
	Analyte	Wgt	AuCN
	Unit	KG	PPM
PEEL 2/14	Rock	0.37	132
PEEL 3/14	Rock	0.36	103.1
PEEL 4B/14	Rock	0.27	75.77
PEEL 5A/14	Rock	0.32	0.6
PEEL 7B/14	Rock	0.33	1.66
PEEL 1LXV	Rock	0.33	3.5
PEEL 14RW	Rock	0.39	1.53
PEEL 15R	Rock	0.59	21.88
PEEL 16R	Rock	0.49	111.47
PEEL 17R	Rock	0.57	5.12
PEEL 19R	Rock	0.47	135.08
P2C4R	Rock	0.43	10.76
PEEL 10/14	Rock	0.56	25.03
PEEL 11/14	Rock	0.3	4.58
PEEL 12/14	Rock	0.35	111.06
PEEL 8B	Rock	0.52	0.24
PEEL 13A	Rock	0.43	0.38
PEEL 13B	Rock	0.38	0.14
PEEL 20R	Rock	0.35	7.21
PEEL 22	Rock Chip	0.41	14.93
PEEL 23TJ	Rock Chip	0.41	12.32
PEEL 26V2	Rock	0.48	2.44
PEEL 40/1	Rock	0.5	3.22
PEEL 41/35	Rock Chip	0.29	3.36
PEEL 45	Rock	0.43	4.08
Pulp Duplicates			
PEEL 40/1	Rock	0.5	3.22
PEEL 40/1	REP		3.19
STD GBM903-5	STD		1.53
STD GBM311-1	STD		0.47
BLK	BLK		<0.05
ROCK-VAN	Prep Blank		<0.05
ROCK-VAN	Prep Blank		<0.05

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1204 - 111 East 13st Street
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 29, 2015

QUALITY CONTROL REPORT VAN14003957.1

		Method	WGHT	CN402
		Analyte	Wgt	AuCN
		Unit	kg	ppm
		MDL	0.01	0.05
Pulp Duplicates				
PEEL 40/1	Rock		0.50	3.22
REP PEEL 40/1	QC			3.19
Reference Materials				
STD GBM311-1	Standard			0.47
STD GBM903-5	Standard			1.53
STD GBM903-5 Expected				1.514
STD GBM311-1 Expected				0.656
BLK	Blank			<0.05
Prep Wash				
ROCK-VAN	Prep Blank			<0.05
ROCK-VAN	Prep Blank			<0.05

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9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Submitted By: John Hajek
Receiving Lab: Canada-Vancouver
Received: December 12, 2014
Report Date: January 07, 2015
Page: 1 of 2

CERTIFICATE OF ANALYSIS VAN14003958.1

CLIENT JOB INFORMATION

Project: Pellaire
Shipment ID:
P.O. Number
Number of Samples: 13

SAMPLE DISPOSAL

PICKUP-PLP Client to Pickup Pulps

Bureau Veritas does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Procedure Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
SLBHP	13	Sort, label and box pulps			VAN
AQ251_EXT	13	1:1:1 Aqua Regia digestion Ultratrace ICP-MS analysis	15	Completed	VAN
DRPLP	13	Warehouse handling / disposition of pulps			VAN

ADDITIONAL COMMENTS

Analyze sample as is. Rep will not match

Invoice To: Zelon Chemicals Ltd.
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7
CANADA

CC:

BRITISH COLUMBIA CERTIFIED ASSAYER
MARCUS LAU
Geochemical Laboratory Manager

This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only.
All results are considered the confidential property of the client. Bureau Veritas assumes the liabilities for actual cost of analysis only. Results apply to samples as submitted.
"*" asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.

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PHONE (604) 253-3158

Client: **Zelon Chemicals Ltd.**
1204 - 111 East 13th St.
North Vancouver BC V7L 0C7 CANADA

Project: Pellaire
Report Date: January 07, 2015

CERTIFICATE OF ANALYSIS VAN14003958.1

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P
	Unit	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	%
	MDL	0.01	0.01	0.01	0.1	2	0.1	0.1	1	0.01	0.1	0.1	0.2	0.1	0.5	0.01	0.02	0.02	2	0.01	0.001
4036-14	Soil Pulp	617.09	961.34	7186.77	145.6>100000		86.4	179.5	1826	27.37	61.9	16.5>100000		5.1	122.2	2.51	3.37	82.94	200	0.42	0.248
4037-14	Soil Pulp	467.90	913.52	4224.25	140.2>100000		60.5	117.9	1427	23.47	45.7	13.2>100000		5.2	152.7	2.08	2.24	91.10	104	0.29	0.253
PEEL-24M	Soil Pulp	75.82	277.38	541.02	139.6	31749	71.9	30.3	1041	15.86	14.0	3.8	69386.8	2.2	37.8	0.58	2.02	14.57	159	0.88	0.193
PEEL-42/40	Soil Pulp	23.28	249.95	127.37	34.8	24899	10.0	14.8	627	4.42	10.2	3.6	4518.8	1.2	52.6	0.29	1.20	20.66	20	0.18	0.062
PEEL-43/80	Soil Pulp	34.31	334.15	200.25	45.4	38432	14.2	20.3	904	6.10	14.4	5.2	9744.2	1.9	86.7	0.41	1.65	29.82	28	0.25	0.091
PEEL-46/100	Soil Pulp	34.04	321.78	212.45	48.4	35824	13.4	20.7	876	5.96	14.0	5.0	10263.2	1.8	83.5	0.37	1.65	29.01	27	0.23	0.090
PEEL-48/80	Soil Pulp	33.62	192.09	272.50	40.6	23261	13.5	14.8	680	5.49	13.1	4.1	6105.5	1.9	75.6	0.32	0.91	22.92	25	0.28	0.079
P2C3/80	Soil Pulp	31.87	157.53	210.59	32.2	21289	8.4	13.3	566	4.97	11.8	3.7	6321.2	1.7	67.1	0.29	0.97	22.66	21	0.22	0.070
P2C3/200	Soil Pulp	32.75	177.08	232.10	40.8	21081	11.2	14.3	711	5.25	13.0	3.9	5919.5	1.8	72.9	0.30	0.85	24.00	25	0.29	0.077
P2C4/80	Soil Pulp	31.78	247.82	193.07	40.1	28526	12.8	17.9	795	5.86	13.2	4.8	7181.5	1.8	77.8	0.32	1.08	23.99	27	0.26	0.087
P2C4/100	Soil Pulp	33.04	264.73	246.50	46.2	28009	14.2	19.0	900	6.02	14.2	5.0	8730.1	2.0	85.9	0.38	1.52	23.53	27	0.29	0.090
PL9-14A	Soil Pulp	1.60	80.60	17.17	199.2	600	77.3	36.8	1187	24.72	29.5	0.6	6652.5	0.6	48.8	0.18	0.81	0.12	868	0.90	0.081
PL9-14B	Soil Pulp	1.41	74.69	17.75	197.2	951	75.5	35.9	1211	25.23	31.4	0.6	23084.2	0.6	47.2	0.17	0.84	0.11	910	0.90	0.073

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1502 - 1320 Chesterfield Ave.
North Vancouver BC V7W 0A6 CANADA

Project: Pellaire
Report Date: January 07, 2015

CERTIFICATE OF ANALYSIS VAN14003958.2

Method		AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
Analyte		La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Sc	Tl	S	Hg	Se	Te	Ga	Cs	Ge	Hf
Unit		ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	%	ppb	ppm	ppm	ppm	ppm	ppm	ppm
MDL		0.5	0.5	0.01	0.5	0.001	1	0.01	0.001	0.01	0.1	0.1	0.02	0.02	5	0.1	0.02	0.1	0.02	0.1	0.02
4036-14	Soil Pulp	18.7	42.8	0.21	208.7	0.026	173	0.49	0.002	0.35	1.5	2.8	0.16	1.10	>50000	1.9	95.38	3.8	0.26	0.2	0.08
4037-14	Soil Pulp	16.1	29.6	0.16	187.9	0.016	126	0.49	0.020	0.47	0.9	2.8	0.13	1.21	>50000	1.7	91.14	3.2	0.23	0.5	0.19
PEEL-24M	Soil Pulp	9.6	216.7	0.42	163.6	0.069	2	0.71	0.015	0.10	2.2	2.3	0.06	0.12	1008	0.4	16.52	5.2	0.54	0.4	0.14
PEEL-42/40	Soil Pulp	4.9	5.3	0.17	88.8	0.004	1	0.55	0.011	0.16	0.2	1.5	0.06	0.27	330	0.5	37.46	2.2	0.34	<0.1	0.06
PEEL-43/80	Soil Pulp	7.3	7.9	0.19	139.2	0.004	2	0.73	0.017	0.24	0.3	2.0	0.10	0.43	557	0.7	53.16	3.2	0.46	<0.1	0.07
PEEL-46/100	Soil Pulp	7.1	8.3	0.20	133.0	0.005	1	0.68	0.017	0.23	0.3	1.9	0.10	0.42	520	0.7	51.86	2.8	0.38	<0.1	0.08
PEEL-48/80	Soil Pulp	7.2	10.2	0.19	113.2	0.004	2	0.75	0.020	0.22	0.3	1.9	0.08	0.37	364	0.8	42.91	2.9	0.60	<0.1	0.04
P2C3/80	Soil Pulp	6.1	5.5	0.14	102.3	0.004	1	0.58	0.017	0.19	0.3	1.5	0.06	0.34	364	0.7	42.42	2.5	0.46	<0.1	0.04
P2C3/200	Soil Pulp	7.2	7.4	0.21	114.2	0.006	2	0.78	0.019	0.20	0.2	2.1	0.07	0.38	383	0.8	43.64	3.0	0.59	<0.1	0.03
P2C4/80	Soil Pulp	6.8	6.9	0.18	123.8	0.004	2	0.69	0.017	0.24	0.3	1.9	0.08	0.43	486	0.7	41.30	2.9	0.42	<0.1	0.05
P2C4/100	Soil Pulp	7.8	7.6	0.20	138.2	0.005	2	0.75	0.018	0.25	0.3	2.1	0.09	0.43	536	0.6	41.49	3.3	0.51	<0.1	0.05
PL9-14A	Soil Pulp	5.0	480.3	0.58	29.8	0.457	10	0.92	0.024	0.02	<0.1	5.3	0.03	0.54	444	0.9	0.03	12.7	0.17	0.4	0.26
PL9-14B	Soil Pulp	4.8	468.8	0.58	30.4	0.462	10	0.92	0.024	0.02	0.1	5.3	0.03	0.54	450	1.0	0.05	13.5	0.15	0.4	0.24

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1502 - 1320 Chesterfield Ave.
North Vancouver BC V7W 0A6 CANADA

Project: Pellaire
Report Date: January 07, 2015

CERTIFICATE OF ANALYSIS VAN14003958.2

Method		AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
Analyte		Nb	Rb	Sn	Ta	Zr	Y	Ce	In	Re	Be	Li	Pd	Pt
Unit		ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppb	ppb
MDL		0.02	0.1	0.1	0.05	0.1	0.01	0.1	0.02	1	0.1	0.1	10	2
4036-14	Soil Pulp	0.20	5.4	1.0	<0.05	5.7	30.53	32.6	0.16	<1	0.6	3.1	*	1806
4037-14	Soil Pulp	0.10	7.8	0.9	<0.05	5.1	24.81	30.4	0.14	3	0.6	2.9	39	17
PEEL-24M	Soil Pulp	0.39	3.9	8.0	<0.05	3.8	9.19	21.9	0.08	<1	0.1	6.7	<10	<2
PEEL-42/40	Soil Pulp	<0.02	3.3	0.2	<0.05	1.8	5.02	11.7	0.07	2	0.1	3.1	<10	<2
PEEL-43/80	Soil Pulp	<0.02	5.4	0.5	<0.05	2.6	7.23	17.6	0.10	2	0.2	3.8	<10	<2
PEEL-46/100	Soil Pulp	<0.02	4.5	0.4	<0.05	2.4	6.91	17.2	0.08	<1	0.3	3.7	<10	<2
PEEL-48/80	Soil Pulp	<0.02	4.7	1.3	<0.05	1.9	5.92	16.3	0.08	<1	0.2	3.6	<10	<2
P2C3/80	Soil Pulp	<0.02	4.0	0.3	<0.05	1.9	4.77	14.0	0.07	<1	0.2	2.6	<10	<2
P2C3/200	Soil Pulp	0.03	4.5	0.2	<0.05	1.9	5.82	16.5	0.06	<1	0.2	3.6	<10	<2
P2C4/80	Soil Pulp	<0.02	5.1	0.2	<0.05	2.3	6.37	15.9	0.09	<1	0.2	3.7	<10	<2
P2C4/100	Soil Pulp	<0.02	5.2	0.4	<0.05	2.5	6.95	17.4	0.08	<1	0.2	3.9	<10	<2
PL9-14A	Soil Pulp	0.09	1.1	1.1	<0.05	8.1	5.94	9.9	0.03	2	1.4	7.0	15	11
PL9-14B	Soil Pulp	0.09	1.1	1.1	<0.05	8.1	5.67	9.5	0.02	2	1.5	7.3	25	9

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1502 - 1320 Chesterfield Ave.
North Vancouver BC V7W 0A6 CANADA

Project: Pellaire
Report Date: January 07, 2015

QUALITY CONTROL REPORT VAN14003958.2

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P
	Unit	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	%
	MDL	0.01	0.01	0.01	0.1	2	0.1	0.1	1	0.01	0.1	0.1	0.2	0.1	0.5	0.01	0.02	0.02	2	0.01	0.001
Pulp Duplicates																					
PEEL-46/100	Soil Pulp	34.04	321.78	212.45	48.4	35824	13.4	20.7	876	5.96	14.0	5.0	10263.2	1.8	83.5	0.37	1.65	29.01	27	0.23	0.090
REP PEEL-46/100	QC	32.10	318.25	202.95	43.6	35176	13.4	19.5	872	5.91	13.5	5.0	7906.9	1.8	79.7	0.35	1.55	28.02	27	0.24	0.086
Reference Materials																					
STD DS10	Standard	15.18	154.51	162.68	356.7	2079	77.8	12.6	884	2.82	48.1	2.7	137.5	7.5	65.8	2.58	8.54	12.50	44	1.09	0.079
STD OXC109	Standard	1.52	36.15	11.06	40.6	29	75.0	18.7	410	2.87	1.2	0.6	228.4	1.4	138.0	0.03	0.04	0.04	47	0.67	0.107
STD DS10 Expected		14.69	154.61	150.55	370	2020	74.6	12.9	875	2.7188	43.7	2.59	91.9	7.5	67.1	2.49	8.23	11.65	43	1.0625	0.073
STD OXC109 Expected													201								
BLK	Blank	<0.01	0.03	0.04	0.1	3	<0.1	<0.1	<1	<0.01	0.4	<0.1	4.2	<0.1	<0.5	<0.01	<0.02	<0.02	<2	<0.01	<0.001

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Bureau Veritas Commodities Canada Ltd.
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PHONE (604) 253-3158

Client: **Zelon Enterprises Ltd.**
1502 - 1320 Chesterfield Ave.
North Vancouver BC V7W 0A6 CANADA

Project: Pellaire
Report Date: January 07, 2015

QUALITY CONTROL REPORT VAN14003958.2

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Sc	Tl	S	Hg	Se	Te	Ga	Cs	Ge	Hf
	Unit	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	%	ppb	ppm	ppm	ppm	ppm	ppm	ppm
	MDL	0.5	0.5	0.01	0.5	0.001	1	0.01	0.001	0.01	0.1	0.1	0.02	0.02	5	0.1	0.02	0.1	0.02	0.1	0.02
Pulp Duplicates																					
PEEL-46/100	Soil Pulp	7.1	8.3	0.20	133.0	0.005	1	0.68	0.017	0.23	0.3	1.9	0.10	0.42	526	0.7	51.86	2.8	0.38	<0.1	0.08
REP PEEL-46/100	QC	6.9	8.1	0.19	129.9	0.005	1	0.68	0.017	0.23	0.3	2.1	0.08	0.42	519	0.6	51.22	2.8	0.39	<0.1	0.06
Reference Materials																					
STD DS10	Standard	18.3	58.2	0.79	395.9	0.078	6	1.07	0.071	0.34	3.6	3.0	5.31	0.29	321	2.3	5.22	4.5	2.81	0.1	0.10
STD OXC109	Standard	12.4	60.0	1.43	54.4	0.373	1	1.52	0.702	0.43	0.2	1.3	0.04	<0.02	5	<0.1	<0.02	5.6	0.17	<0.1	0.36
STD DS10 Expected		17.5	54.6	0.775	359	0.0817		1.0259	0.067	0.338	3.32	2.8	5.1	0.29	300	2.3	5.01	4.3	2.63	0.08	0.06
STD OXC109 Expected																					
BLK	Blank	<0.5	<0.5	<0.01	<0.5	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.1	<0.02	<0.02	5	<0.1	<0.02	<0.1	<0.02	<0.1	<0.02

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Project: Pellaire
Report Date: January 07, 2015

QUALITY CONTROL REPORT VAN14003958.2

	Method	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251	AQ251
	Analyte	Nb	Rb	Sn	Ta	Zr	Y	Ce	In	Re	Be	Li	Pd	Pt
	Unit	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppm	ppm	ppb	ppb
	MDL	0.02	0.1	0.1	0.05	0.1	0.01	0.1	0.02	1	0.1	0.1	10	2
Pulp Duplicates														
PEEL-46/100	Soil Pulp	<0.02	4.5	0.4	<0.05	2.4	6.91	17.2	0.08	<1	0.3	3.7	<10	<2
REP PEEL-46/100	QC	<0.02	4.5	0.3	<0.05	2.2	6.63	16.4	0.08	2	0.2	3.7	<10	<2
Reference Materials														
STD DS10	Standard	1.79	29.2	1.4	<0.05	2.6	7.78	39.1	0.27	65	0.5	19.3	120	195
STD OXC109	Standard	1.10	14.0	1.1	<0.05	22.5	4.00	23.4	<0.02	<1	0.9	2.1	13	<2
STD DS10 Expected		1.62	27.7	1.6		2.8	7.77	37	0.23	50	0.63	19.4	110	191
STD OXC109 Expected														
BLK	Blank	<0.02	<0.1	<0.1	<0.05	<0.1	<0.01	<0.1	<0.02	<1	<0.1	<0.1	<10	<2

IX PHYSICAL REPORT OF WORK

Physical road work done from September 25 to October 23, 2014.

Road maintenance was done on 4,900 meters of roads, by a two men crew using a John Deer backhoe, a D-9H bulldozer with rippers, chain saws, a one ton truck and two four-wheelers.

The equipment's were used on the following sites:

- 2,500 meters of access road were cleared in talus slide to have access to Fishem Lake, the Tchaikazan bridge and the Pellaire camp.
- 1,000 meters of road were eleared with water ditch repaired to provide access to the sampling site.
- 1,400 meters of eat trails were cleared to provide access to the PELLAIRE West Ridge were most workings are located, elevation 2350 meters.
- A backhoe was used for 10 days on 8 hours per day basis for a total of 80 hours
- A D-9H Bulldozer with rippers was used for 30 hours located at Fishem Lake.

Documentation:

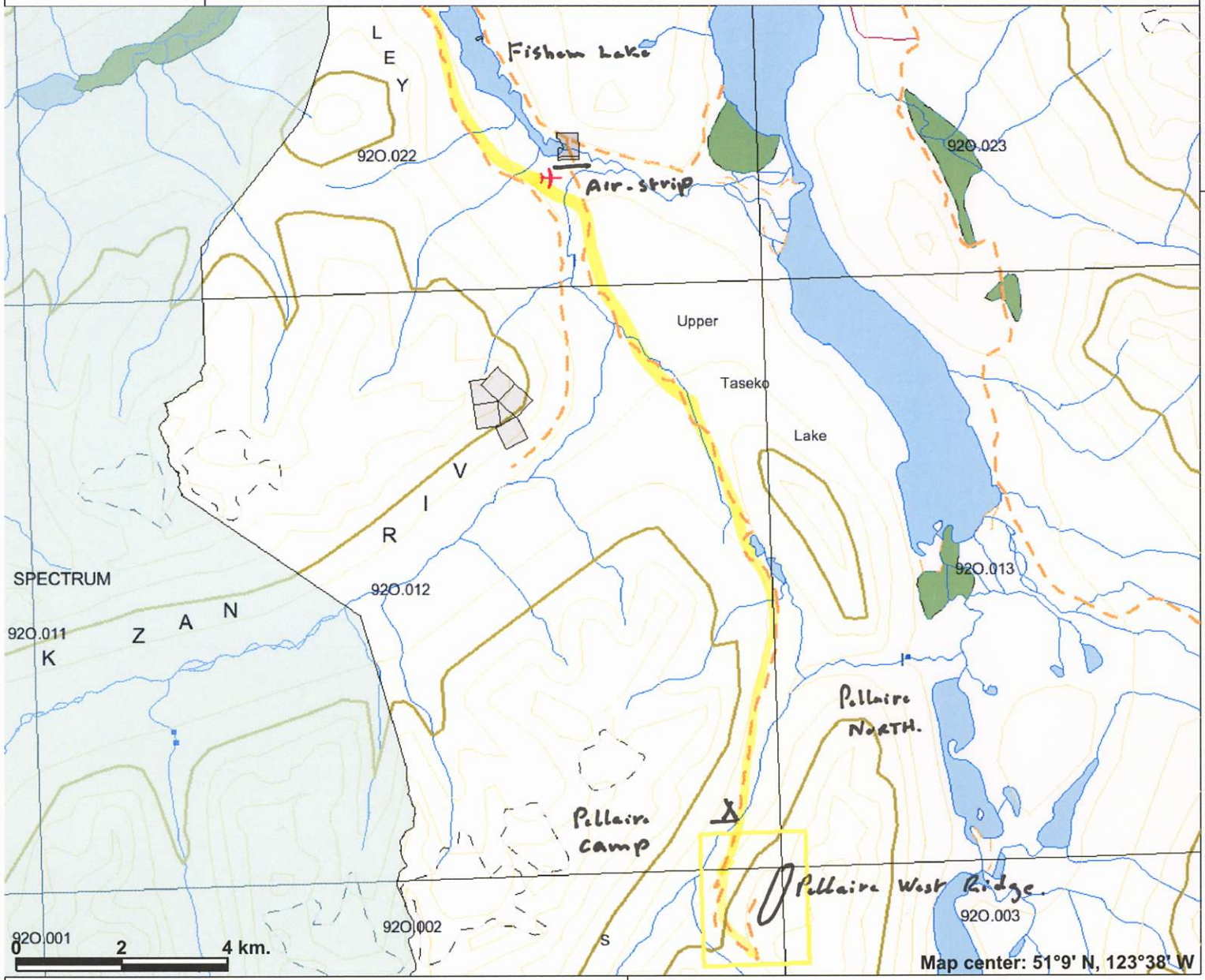
--- **Fig. 10:** Taseko access roads

__**PH-3:** Pellaire V2 quartz vein

__**Summary of event #5551235**

MineralTitles OnlineBC

TASEKO ROADS



Legend

- Indian Reserves
- National Parks
- Conservancy Areas
- Parks
- Federal Transfer Lands
- Mineral Tenure (current)
- First Nations Treaty Related Lands
- First Nations Treaty Lands
- Survey Parcels
- BCGS Grid
- Contours (1:250K)
  - Contour - Index
  - Contour - Intermediate
  - Areaof Exclusion
  - Areaof Indefinite Contours
- Annotation (1:250K)
- Transportation - Points (1:250K)
  - Airfield
  - Anchorage - Seaplane
  - Ferry Route
  - Heliport
  - Seaplane Base
  - Air Field
  - Airport
  - Air Feature - Condition Unknown
  - Airport.Abandoned
- Transportation - Lines (1:250K)
  - Ferry Route
  - Aerial Cableway
  - Road (Gravel Undivided) - 1 Lane
  - Road (Gravel Undivided) - 3 Lanes

Scale: 1:113,163

Notes: 15/05/2015

Access Road

fig 10

Pellaire V_2 Quartz Vein

PH-3

BRITISH COLUMBIA

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Exploration and Development Work / Expiry Date Change Event Detail

Event Number ID	**5551235**
Recorded Date	2015/apr/15
Work Type	Technical Work (T)
Technical Items	Geological (G), Geochemical (C), Preparatory Surveys (TS), PAC Withdrawal (up to 30% of technical work required) (W3)
Work Start Date	2014/sep/25
Work Stop Date	2014/oct/23
Total Value of Work	$ 56400.00
Mine Permit Number	

Summary of the work value:

Title Numbers	**208501**
Claim Name/Property	LORD #5
Issue Date	1988/sep/02
Work Performed Index	Y
Old Good To Date	2017/sep/02
New Good To Date	2020/sep/02
Numbers of Days Forward	1096
Area in Ha	100.00
Applied Work Value	$ 4000.00
Submission Fee	$ 0.00
Title Numbers	**207933**
Claim Name/Property	LORD #1
Issue Date	1979/jul/19
Work Performed Index	Y
Old Good To Date	2017/jul/19

New Good To Date	2020/jul/19
Numbers of Days Forward	1096
Area in Ha	500.00
Applied Work Value	$ 17500.00
Submission Fee	$ 0.00
Title Numbers	**207934**
Claim Name/Property	LORD #2
Issue Date	1979/jul/19
Work Performed Index	N
Old Good To Date	2016/jul/19
New Good To Date	2020/jul/19
Numbers of Days Forward	1461
Area in Ha	500.00
Applied Work Value	$ 25000.00
Submission Fee	$ 0.00
Title Numbers	**514694**
Claim Name/Property	
Issue Date	2005/jun/17
Work Performed Index	N
Old Good To Date	2016/aug/24
New Good To Date	2020/aug/24
Numbers of Days Forward	1461
Area in Ha	101.51
Applied Work Value	$ 6090.54
Submission Fee	$ 0.00
Title Numbers	**209470**
Claim Name/Property	HI #1
Issue Date	1965/may/03
Work Performed Index	N
Old Good To Date	2015/may/03
New Good To Date	2020/may/03
Numbers of Days Forward	1827
Area in Ha	25.00
Applied Work	$ 1375.00

Value	
Submission Fee	$ 0.00
Title Numbers	**209471**
Claim Name/Property	HI #2
Issue Date	1965/may/03
Work Performed Index	Y
Old Good To Date	2015/may/03
New Good To Date	2020/may/03
Numbers of Days Forward	1827
Area in Ha	25.00
Applied Work Value	$ 1375.00
Submission Fee	$ 0.00
Title Numbers	**209472**
Claim Name/Property	HI #3
Issue Date	1965/may/03
Work Performed Index	N
Old Good To Date	2015/may/03
New Good To Date	2020/may/03
Numbers of Days Forward	1827
Area in Ha	25.00
Applied Work Value	$ 1375.00
Submission Fee	$ 0.00
Title Numbers	**209473**
Claim Name/Property	HI #4
Issue Date	1965/may/03
Work Performed Index	N
Old Good To Date	2015/may/03
New Good To Date	2020/may/03
Numbers of Days Forward	1827
Area in Ha	25.00
Applied Work Value	$ 1375.00
Submission Fee	$ 0.00

Financial Summary:

Total Applied Work Value:	$ 58090.54
PAC name	ZELON CHEMICALS LTD
Debited PAC amount	$ 1690.54
Credited PAC amount	$
Total Submission Fees	$ 0.00
Total Paid	$ 0.00

Related Summary:

Existing Work Program Event Numbers

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