BRITISH COLUMBIA
The Best Place on Earth

Ministry of Energy, Mines & Petroleum Resources
Mining & Minerals Division
BC Geological Survey

Assessment Report
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: Geological Geophysical

TOTAL COST: $ 9,625.65

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

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): **YEAR OF WORK:** 2015

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5537445 January 9, 2015

PROPERTY NAME: Promontory Hills

CLAIM NAME(S) (on which the work was done): 969329

COMMODITIES SOUGHT: Copper Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 092ISE037 092ISE041 092SE042 092ISE044

MINING DIVISION: Nicola **NTS/BCGS:** 092I.015 092I.016

LATITUDE: 50 ° 09 ' 41 " **LONGITUDE:** 120 ° 56 ' 31 " **(at centre of work)**

OWNER(S):

1) Guy Delorme
2) Christopher Delorme

MAILING ADDRESS:

801-470 Granville Street
Vancouver BC V6C 1V5

340 Logan Lake Avenue
Merritt, BC Canada V1K 1P7

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

1) Guy Delorme
2) Christopher Delorme

MAILING ADDRESS:

801-470 Granville Street
Vancouver BC V6C 1V5

340 Logan Lake Avenue
Merritt, BC Canada V1K 1P7

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

Triassic-Jurassic, Eocene, Nicola Group, Western Volcanic Facies, Andesitic Volcanics, Princeton Group, Diorite, Gabbro, Northerly & Northwesterly Faults, Structural Intersections, SID Showing (092ISE137), Specularite, Chalcopyrite, Pyrite, Bornite, Malachite, Tourmaline

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 00222, 00225, 00236, 00237, 00240, 00273, 00274, 00330, 00341, 00452, 01777, 02128, 03889, 05771, 34025, 34901

Next Page

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	517 hectares	969329	$ 6,000.00
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic	1.6	969329	3,625.65
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for...)			
Soil			
Silt			
Rock			
Other			
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)			
PREPARATORY / PHYSICAL			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
		TOTAL COST:	$ 9,625.65

GUY & CHRISTOPHER DELORME

(Owners & Operators)

ASSESSMENT REPORT

on

GEOLOGICAL & GEOPHYSICAL SURVEYS

(Event 5537445)

Work done on

Tenure 969329

of the six claim

Prom 969329 Claim Group

Nicola Mining Division

BCGS Map 092I.015/.016

Work done from January 2, 2015 to February 18, 2016

Centre of Work

5,558,591N 646,992E
Zone 10U (NAD 83)

Author & Consultant

Laurence Sookochoff, PEng
Sookochoff Consultants Inc.

Report Submitted
July 14, 2015

Amended
February 21, 2016

TABLE OF CONTENTS page

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

ILLUSTRATIONS

TABLES

APPENDICES

SUMMARY

The six claim Prom 969329 claim group, covering an area of 2711 hectares, is located 185 kilometres northeast of Vancouver, nine kilometres northeast of Merritt, four kilometres south of the formerly productive Craigmont Mine, and 34 kilometres south of the world-class Highland Valley Copper Mine.

The Craigmont skarn copper deposit lies adjacent to the southern margin of the Guichon Creek batholith. Host rocks to the mineralization are calcareous sedimentary rocks of the Nicola Group volcanics which include limestones, limy tuffs, greywackes and argillites. The apparent ore controls are enclosing regional structures, favourable host rock, folding and brecciation of host rock, and proximity to the batholith.

The Highland Valley copper/molybdenum deposit is hosted by porphyritic quartz monzonite and granodiorite the Guichon Creek batholith. The most prominent structural features are the north trending, west dipping Lornex fault and the east trending Highland Valley fault. Fracture density was reported as apparently the most single factor in influencing ore grades of the Highland Valley mineral deposits

As indicated by the BC government supported MapPlace geological maps, Tenure 969329, the subject of the structural analysis, is underlain by dioritic to granodioritic rocks of the Late Triassic to Early Jurassic Coyle intrusive which is capped by Eocene andesitic rocks of the Princeton Group in the east and in contact with the Western Volcanic Facies of the Upper Triassic Nicola Group in the northwest corner. A regional northeasterly trending structure is indicated trending through the intrusive.

On the structurally analyzed Tenure 969329, several faults striking northwest with copper mineralization occurring at the contact of the Nicola Group and the Coyle stock as reported by Minfile, supports the geological potential for the presence of a porphyry resource. This support is augmented by the results of historical exploration on two areas (Chalco Group A & B) comprising the SID showing (Minfile 092ISE137). McAndrew, (1978) reports that several zones of copper mineralization were delineated by a soil survey with one large anomaly coinciding with the intersection of two major linears with mercury highs occurring in the area.

In the structural analysis of Tenure 969329 four cross-structures (“A” to “B”) were delineated from indicated major northerly and northwesterly trending major structures. As the SID mineralized area and cross-structure “A” are indicated as generally correlative, cross-structure “A” could be the conduit for the mineralization to reach the surface and hosted by minor structures created by the two major structures forming cross-structure “A”. This could explain the several zones of copper mineralization with the large copper anomaly possibly indicating the cross-structure and the anomalous mercury values indicating the upper reaches of a mineralized porphyry system.

The localized magnetometer survey which covered cross-structure "A", revealed a general anomalous mag LO zone that could substantiate the location of the cross-structure in an assumedly variable alteration zone assumedly produced by dynamic or hydrothermal alteration associated with the structures. The configuration of the northerly anomalous mag LO may indicate the major northerly trending "AB" structure of cross-structure "A" whereas the northeasterly structure is generally indicated in the mag LO configuration.

.

INTRODUCTION

Between January 2015 and February 2016 a structural analysis and a localized magnetometer survey were completed on Tenure 969329 of the six claim Prom 969329 claim group ("Property). The purpose of the program was to delineate potential structures which may be integral in geological controls to potentially economic mineral zones that may occur on Tenure 969329 or other claims of the Prom 969329 property.

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

Figure 1. **Location Map**

PROPERTY LOCATION and DESCRIPTION

Location

The Property is located within BCGS Map 092I.015/.016 of the Nicola Mining Division, 185 kilometres northeast of Vancouver, nine kilometres northeast of Merritt, and four kilometres south of the formerly productive Craigmont Mine. The centre of the work area is at 5,558,591N 646,992E (NAD 83)

Description

The Property is comprised of six claims covering an area of 2711.8598 hectares. Particulars are as follows:

Table 1. **Tenures of the Prom 969329 Claim Group**
(from MtOnline)

Tenure Number	Type	Claim Name	Good Until	Area (ha)
969309	Mineral	PROMOTORY HILLS	20150714	517.5311
969329	Mineral	PROMOTORY HILLS 2	20150714	517.5339
975700	Mineral	PROMOTORY HILLS 2	20150714	517.4131
975701	Mineral	PROMOTORY HILLS 4	20150714	517.5547
975703	Mineral	PROMOTORY HILLS SOUTH	20150714	124.2412
982982	Mineral	PROMOTORY HILLS	20150714	517.5858

Total Area: 2711.8598 ha

*Upon the approval of the assessment work filing Event Number 5537445.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Access

Access to the Property from Merritt is westward for nine kilometres via Highway 8 to the eastern boundary of Tenure 975700 of the Prom 969329 Claim Group.

Climate

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

Local Resources and Infrastructure

Merritt is a resource centre for employees of the world-class producing Highland Valley Copper Mine some 34 kilometres north of the Prom 969329 Claim Group.

Kamloops, 72 kilometres northeast, is serviced daily by commercial airline and is a hub for road and rail transportation. Vancouver, a port city on the southwest corner of, and the largest city in the Province of British Columbia is four hours distant by road and less than one hour by air from Kamloops.

Physiography

Tenure 969329 covers gentle to moderate slopes of clear-cut and selectively logged areas. Relief on the claim is in the order of 498 metres with elevations ranging from 582 metres in the southeast corner to 1,073 metres along the eastern portion of the northern border.

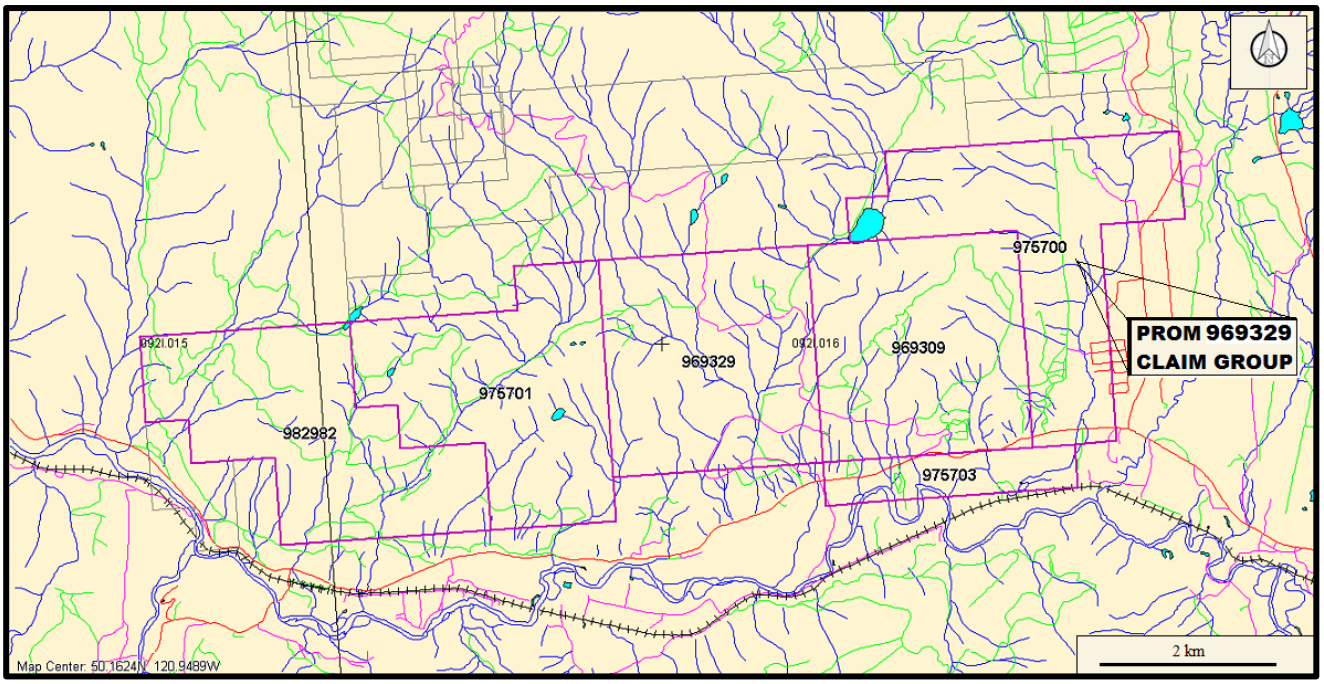
WATER & POWER

Sufficient water for all phases of the exploration program could be available from the many lakes and creeks, which are located within the confines of the property.

Figure 2. **Claims Location**

(From MapPlace & Google)

Figure 3. **Claim Map**



HISTORY: PROPERTY AREA

The history on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers peripheral to the Prom 969329 Claim Group is reported as follows. The distance to the Minfile properties is relative to the Prom 969329 Claim Group.

HIGHLAND VALLEY COPPER producer (Porphyry Cu+/-Mo+-Au)

MINFILE 092ISW012

Thirty-four kilometres north

The Valley deposit lies within the Late Triassic to Early Jurassic Guichon Creek batholith and is hosted by Bethsaida phase porphyritic quartz monzonite and granodiorite. Feldspar porphyry and quartz feldspar porphyry dykes 0.6 to 35 metres wide dip steeply eastward in the western and central areas, and northward in the southern area of the deposit. These dykes are cut by mineralized fractures and quartz veinlets, and have been dated at 204 Ma +/- 4 Ma.

The Bethsaida granodiorite is also intruded by aplite dykes up to 30 centimetres wide, tan-coloured felsite dykes up to 4.5 metres wide, and three types of lamprophyre dykes (spessartite, hornblende vogesite, vogesite).

The most prominent structural features are the north trending, west dipping Lornex fault and the east trending Highland Valley fault. Faults and fractures in the deposit comprise four main sets. Quartz veinlets are subparallel to two of the earlier formed fault and fracture sets.

Silicic, potassic, phyllic, argillic and propylitic alteration are intimately associated. Stockworks of quartz veinlets 1 to 2 centimetres in width are common. Vuggy veinlets have envelopes of medium-grained sericite and/or potassic feldspar, and contain minor amounts of sericite, plagioclase, potassium feldspar, calcite, hematite, bornite, chalcopyrite, molybdenite, digenite and covellite.

These veinlets are moderately abundant within the 0.3 per cent copper isopleth. An area of well-developed barren quartz veinlets, generally 0.5 to 1.3 millimetres wide, without alteration envelopes, occurs in the southeastern part of the deposit.

In the west-central part of the deposit, potassium feldspar is associated with vein sericite in some replacement zones, as veinlet envelopes along fractures, and disseminated in quartz veinlets. Hydrothermal biotite occurs in small amounts. Flaky sericite and quartz, both as replacement zones and as envelopes around quartz veinlets, constitute the most common type of alteration associated with copper mineralization. Strong phyllic alteration coincides with the 0.5 per cent copper isopleth

Phyllic alteration is closely associated with pervasive argillization, which is strongest where fractures are most closely-spaced. Feldspars are altered to sericite, kaolinite, quartz and calcite.

The phyllic-argillic zone grades outward to a peripheral zone of weak to moderate propylitization, characterized by clay, sericite, epidote, clinozoisite and calcite replacing plagioclase, and chlorite and epidote replacing biotite. The age of hydrothermal alteration is approximately 191 Ma.

At the Valley deposit, gypsum is interpreted to be secondary and post-ore. It is commonly fibrous and white to orange but locally it forms large platy crystals or may be massive. Anhydrite, which is also present, provides indirect evidence for the secondary nature of the gypsum.

History: Property Area *(cont'd)*

Highland Valley Copper *producer (cont'd)*

It is apparently the same age as and associated with sericitic and potassic alteration. Quartz-gypsum veins and quartz-potash feldspar veins in which gypsum fills interstices provide more direct evidence for its secondary nature. Gypsum is believed to have formed at the expense of anhydrite which was deposited from the ore-forming fluids. Gypsum veins are common in the lower portion of the orebody (Open File 1991-15).

Sulphides occur chiefly as disseminations in quartz veinlets, and in phyllic (bornite) and potassic (chalcopyrite) alteration zones. Mineralization includes bornite and chalcopyrite, with minor digenite, covellite, pyrite, pyrrhotite, molybdenite, sphalerite and galena. The oxide zone averages 4.5 metres in thickness, and contains limonite, malachite, pyrolusite, digenite, native copper, and tenorite(?).

CRAIGMONT producer (Cu skarn; Fe skarn; Tailings)
MINFILE 092ISE035
Four kilometres north

The original Craigmont copper mine went into production in 1962, with underground mining ceasing in February 1982 as a result of the falling price of copper. The concentrator remained in operation processing the iron ore stockpiles until November 1982, when it was also shut down.

From the commencement of its operation in 1962 until 1970, Craigmont Mines Limited did not recover the magnetite in its milling process, and on a material-balance basis there is estimated to be in the order of 5 million tonnes of magnetite in the tailings deposit. The company reports that exploration completed in 1991 proved the presence of in excess of 1 million tonnes of magnetite in the southerly one-quarter of the tailings.

Since the cessation of production in 1982, magnetite has been shipped from the stockpiles at Craigmont to western Canadian and United States coal producers, to be used as an essential component in their heavy media separation process.

Magnetite remaining in the original stockpiles as of 1992 represents approximately three years of industry requirements, based on the current level of usage. In order to replenish the stockpiles, in 1991 the company applied for the necessary government permits to construct a facility to recover the magnetite from the old tailings deposit. Production from the plant is scheduled to commence in the fall of 1992 (J. Harris (Yorkshire Resources), personal communication, 1992).

Seven Industries Inc. continues to produce about 60,000 tonnes per year of magnetite by processing the Craigmont tailings. The quality of the product has improved and the company is supplying most coal mines in western Canada (except Manalta and Line Creek). The company has filed a conceptual design to create a new tailings storage dam (on top of the old one) which would allow the operation to continue for at least another 15 years (Information Circular 1996-1, page 10).

M Seven is reported to have operated the Craigmont tailings up to and including 2001.

In 2002, it was reported that Craigmont Holdings Ltd. owned the Craigmont magnetite tailings operation which is setup to process the tailings and recover about 70,000 tonnes of magnetite annually.

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

***Craigmont** producer (cont'd)*

In 2003, Craigmont Mines Ltd processed tailings from the old Craigmont copper mine and produced 45,000 tonnes of magnetite although the operation is setup up to recover up to 70,000 tonnes of magnetite annually. The magnetite is used in coal washing plants in British Columbia, Alberta and Washington State. The company is evaluating other magnetite sources, both on and off the property, as well as potential markets for hematite, which may also be recoverable.

In 2004, Craigmont Mines Ltd signed an option agreement with Christopher James Gold Corp to purchase 50% of the 70,000 tonne of per year magnetite operation for $3.5 million.

HISTORY: PROPERTY

In 2013 an ELF survey was completed on a localized area of the Prom 969329 Claim Group. The results of the survey were reported by Wyllie (2013) as:

"… geological, geochemical and geophysical investigations to date on the Promontory Hills Property indicate that widespread copper mineralisation is present. This is in addition to past production in the area from the Craigmont Mine. Work to date supports the following conclusions:

1. Copper-iron skarn mineralisation, resulting from the multiple phase intrusion of the nearby Guichon reek Batholith, is present throughout the area.

2. The Promontory Hills Property is host to geochemical and geophysical anomalies related to a large- scale copper mineralisation event that locally produced Cu-Fe skarn deposits in host limestones and calcareous volcanics of the Nicola Group.

3. ELF surveys have delineated conductor anomalies in the area which includes the past producing Craigmont mine. A magnitude change in tipper for mid-range frequencies show a general change in magnitude to high levels in the southeast, with lower magnitudes reported to the northeast. This is indicative of a major lithological change, likely resulting from the contrast between phases of the Guichon Creek Batholith and host sediments of the Nicola Group.

4. Further geophysical (ELF and IP) surveying, geochemical soil sampling and geological mapping and prospecting is needed to better define zones of copper skarn mineralisation on the property and advance them to the drill testing stage."

In 1975 a geological and a geochemical survey was completed in the area of the SID mineral showing. McAndrew (1976) reports on the results of the surveys in AR 5771. The pertinent results to McAndrew's Chalco Group which is within the area of the SID showing area are summarized by the author as follows:

- The geological environment is favourable for a Craigmont style mineral deposit in that there is a suspected limestone horizon in the Chalco B group ;
- The copper anomalies and mercury high's (Figure 8) are coincident with the projected extension of Lammle's Fault;
- "Is there a fault controlled skarn deposit beneath the Chaco B Group?"

***History: Property** (cont'd)*

At the Chalco A Group approximately one kilometre east of Chalco Group B and within the structurally analyzed Tenure 969329, McAndrew reports:

- Several zones of copper mineralization;
- One major fault and two major linears intersect on Chalco Group A;
- Extensive alteration throughout the area;
- The possibility of finding a non skarn deposit in this area cannot be ruled out;
- Large anomalies not due to known showings;
- A large copper anomaly coincides with the intersection of two major linears with mercury highs occurring in the area of the linears;
- Potential concealed mineralization in this area localized around a fault intersection.

Amongst other recommendations, McAndrew recommends additional photo interpretation for existing faults and structures.

GEOLOGY: REGIONAL (*from Bergey, 2007)*

"In terms of metal mining, the geological setting in the region between Kamloops and the U.S. border is framed by the Nicola Volcanic Belt (Figure 2). This belt, along with its sedimentary counterpart to the east, is the southern portion of the Quesnellia Terrane, one of the slices of exotic rocks that were accreted to the North American continent during the Mesozoic. The volcanic rocks of the Nicola group apparently contain above average amounts of copper-- and I do not believe that it is coincidental that most of the major copper deposits of British Columbia are found within this terrane and in equivalent exotic terranes to the north.

The Nicola volcanic rocks have been dated as Late Triassic in age. Not long afterward (in geological terms) a large number of bodies of intrusive rock were emplaced in the volcanic pile. The emplacement of these intrusions took place over a rather short time period from latest Triassic to earliest Jurassic. The intrusive rocks fall into two groups, based on their chemical compositions, each containing a distinctive type of porphyry copper mineralization.

The largest intrusions, typified by the Guichon batholith, host to the major copper deposits of the Highland Valley, are composed of quartz-rich granitic rocks of the "calc-alkaline" type. The copper deposits associated with this type of intrusion may contain molybdenum, but they are deficient in gold. Molybdenum commonly is an important by-product and may be a co-product, as at Brenda and Highmont.

Intrusive plutons of the ""alkaline type" are much smaller on average than the calc-alkaline ones. They are deficient in quartz and appear to be more closely related in time to the Nicola volcanic rocks, which they resemble in composition. Copper deposits of this association contain significant amounts of gold. Depending on comparative metal prices, gold may be the more important product in some of the deposits.

***Geology: Regional** (cont'd)*

A number of volcanic and sedimentary units overlie the Nicola group and the associated calc-alkaline and alkaline intrusive rocks. The Ashcroft Formation of Early Jurassic age laps onto the northern and north-western flanks of the Guichon Creek batholith. A northwest-trending belt of moderately folded volcanic rocks of the Spences Bridge group of Early Cretaceous age rests unconformably on the south- western margin of the Guichon Creek batholith and on the adjacent volcanic rocks of the Nicola Group. The volcanic-dominated Kamloops group of Eocene age once covered much of the northern part of the region. Remaining remnants overlie the rocks of the Nicola group and the associated intrusions, including portions of the Guichon Creek batholith."

GEOLOGY: PROPERTY AREA

The geology on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers peripheral to the Prom 969329 Claim Group is reported as follows. The distance to the Minfile properties is relative to the Prom 969329 Claim Group.

HIGHLAND VALLEY COPPER producer (Porphyry Cu+/-Mo+-Au)

MINFILE 092ISW012

Thirty-four kilometres north

The Valley deposit lies within the Late Triassic to Early Jurassic Guichon Creek batholith and is hosted by Bethsaida phase porphyritic quartz monzonite and granodiorite. Feldspar porphyry and quartz feldspar porphyry dykes 0.6 to 35 metres wide dip steeply eastward in the western and central areas, and northward in the southern area of the deposit. These dykes are cut by mineralized fractures and quartz veinlets, and have been dated at 204 Ma +/- 4 Ma.

The Bethsaida granodiorite is also intruded by aplite dykes up to 30 centimetres wide, tan-coloured felsite dykes up to 4.5 metres wide, and three types of lamprophyre dykes (spessartite, hornblende vogesite, vogesite).

The most prominent structural features are the north trending, west dipping Lornex fault and the east trending Highland Valley fault. Faults and fractures in the deposit comprise four main sets. Quartz veinlets are subparallel to two of the earlier formed fault and fracture sets.

Silicic, potassic, phyllic, argillic and propylitic alteration are intimately associated. Stockworks of quartz veinlets 1 to 2 centimetres in width are common. Vuggy veinlets have envelopes of medium-grained sericite and/or potassic feldspar, and contain minor amounts of sericite, plagioclase, potassium feldspar, calcite, hematite, bornite, chalcopyrite, molybdenite, digenite and covellite.

These veinlets are moderately abundant within the 0.3 per cent copper isopleth. An area of well-developed barren quartz veinlets, generally 0.5 to 1.3 millimetres wide, without alteration envelopes, occurs in the southeastern part of the deposit.

In the west-central part of the deposit, potassium feldspar is associated with vein sericite in some replacement zones, as veinlet envelopes along fractures, and disseminated in quartz veinlets. Hydrothermal biotite occurs in small amounts. Flaky sericite and quartz, both as replacement zones and as envelopes around quartz veinlets, constitute the most common type of alteration associated with copper mineralization. Strong phyllic alteration coincides with the 0.5 per cent copper isopleth.

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

***Highland Valley Copper** producer (cont'd)*

Phyllic alteration is closely associated with pervasive argillization, which is strongest where fractures are most closely-spaced. Feldspars are altered to sericite, kaolinite, quartz and calcite.

The phyllic-argillic zone grades outward to a peripheral zone of weak to moderate propylitization, characterized by clay, sericite, epidote, clinozoisite and calcite replacing plagioclase, and chlorite and epidote replacing biotite. The age of hydrothermal alteration is approximately 191 Ma.

At the Valley deposit, gypsum is interpreted to be secondary and post-ore. It is commonly fibrous and white to orange but locally it forms large platy crystals or may be massive. Anhydrite, which is also present, provides indirect evidence for the secondary nature of the gypsum. It is apparently the same age as and associated with sericitic and potassic alteration. Quartz-gypsum veins and quartz-potash feldspar veins in which gypsum fills interstices provide more direct evidence for its secondary nature. Gypsum is believed to have formed at the expense of anhydrite which was deposited from the ore-forming fluids. Gypsum veins are common in the lower portion of the orebody (Open File 1991-15).

Sulphides occur chiefly as disseminations in quartz veinlets, and in phyllic (bornite) and potassic (chalcopyrite) alteration zones. Mineralization includes bornite and chalcopyrite, with minor digenite, covellite, pyrite, pyrrhotite, molybdenite, sphalerite and galena. The oxide zone averages 4.5 metres in thickness, and contains limonite, malachite, pyrolusite, digenite, native copper, and tenorite(?).

CRAIGMONT producer (Cu skarn; Fe skarn; Tailings)
MINFILE 092ISE035
Four kilometres north

The Promontory Hills area is underlain by a complex east- northeast trending, steeply dipping volcanic pile of Upper Triassic Nicola Group rocks, bounded to the north by the multistage Early Jurassic-Late Triassic Guichon Creek batholith and unconformably overlain by the Middle and Upper Cretaceous Spences Bridge Group. Most of the area is covered by extensive gravel overburden.

In the vicinity of Craigmont mine, the Border phase of the Guichon Creek batholith varies in composition from quartz diorite to granodiorite. These rocks intrude the Nicola Group, a thick volcanic and sedimentary series of agglomerate, breccia, andesitic flows, limestone, argillite and greywacke. Attitudes parallel the intrusive contact zone. Sediments immediately adjacent to the batholith are hornfelsed quartzofeldspathic greywackes. Spences Bridge Group agglomerates and flows dip approximately 15 degrees to the south and outcrop in the areas south and west of the mine.

The mine lies adjacent to the southern margin of the Guichon Creek batholith. Host rocks to the mineralization are calcareous sedimentary rocks of the Nicola Group comprised of limestones, limy tuffs, greywackes and argillites.

The gross structure at the mine is a large anticline with ore- bearing drag folds on the north limb. These folds plunge 60 to 70 degrees eastward and are often occupied by diorite dykes. The anticline is cut off by a northwest trending fault on the west and an east trending fault on the south. Orebodies lie within a block bounded by these regional faults and the Guichon Creek intrusive.

Geology: Property Area *(cont'd)*

Craigmont *(cont'd)*

Alteration mineralogy indicates thermal zoning. Within the hornfelsed zone, greywackes contain biotite and actinolite and limestone is altered to marble. Immediately to the south is a massive actinolite skarn which, in places, is further altered to epidote and garnet (grossularite, andradite). Three types of alteration are present. First is a zone of potassic alteration with a related (second) distal hornfels. Third is skarn alteration which overprints the potassic alteration and some of the hornfels. The skarn is garnet-epidote-amphibolite in composition with some chlorite, tourmaline and sericite.

Semi-continuous ore is found over a strike length of 900 metres and a vertical depth of 600 metres. The five main orebodies are confined to the limy horizon between walls of greywacke and andesite.

TOM showing (Disseminate; Stockwork)
MINFILE 092ISE037
Two kilometres north

Rocks of the Upper Triassic Nicola Group in the Promontory Hills area are cut off by the Lower Jurassic Guichon Creek batholith to the north and the Coyle stock to the south, and are overlain unconformably by the Lower Cretaceous Spences Bridge Group to the west and the Upper Cretaceous Kingsvale Group to the east. A large, upright to slightly overturned, subisoclinal anticline has a northeast striking axial surface and apparent low easterly plunge. Inferred faults have north-northwest to northwest and northeast trends. The Tom showing is underlain by ash tuff, volcanic sandstone and volcanic breccia with intercalated augite plagioclase andesitic lavas. These lithologies comprise the core of the major fold and are locally strongly faulted.

HANK 1-4 showing (Cu skarn)
MINFILE 092ISE039
One kilometre north

Rocks of the Upper Triassic Nicola Group exposed on Promontory Hills are intruded by the Lower Jurassic Guichon Creek batholith to the north and the Coyle stock to the south, and are overlain unconformably by the Lower Cretaceous Spences Bridge Group to the west and the Upper Cretaceous Kingsvale Group to the east. A large, slightly overturned subisoclinal anticline plunges gently northeast. Inferred faults have north-northwest and northeast trends.

The Hank 1-4 showing is underlain by ash tuff, volcanic sandstone, volcanic breccia and intercalated augite plagioclase andesitic flows in the core of the major fold. Strata strikes northeast and dips steeply southeast. Occasional limy sections are partially altered to skarn zones consisting of garnet, albite, quartz, calcite, epidote and chlorite, with minor sulphides.

ARH showing (Cu skarn)
MINFILE 092ISE040
One kilometre north

Rocks of the Upper Triassic Nicola Group are exposed on Promontory Hills and are intruded by the Lower Jurassic Guichon Creek batholith to the north and the Coyle stock to the south, and are unconformably overlain by the Lower Cretaceous Spences Bridge Group to the west and the Upper Cretaceous Kingsvale Group to the east. A large, slightly overturned subisoclinal anticline plunges gently northeast. Faults trend northwest and northeast.

Geology: Property Area *(cont'd)*

ARH *(cont'd)*

The Arh showing is situated on the south limb of the major fold near the intrusive contact of Nicola Group volcanic and sedimentary rocks and the Coyle stock. The main rock types are massive to porphyritic andesitic flows and intermediate tuffs with some mixed quartzofeldspathic rocks, greywacke, argillite and limestone. The Nicola Group rocks are hornfelsed in the contact zone. The Coyle stock is diorite to quartz monzonite and is believed to be related to late stage Nicola Group volcanism.

RYE showing (Porphyry Cu+/-Mo+/-Au)
MINFILE 092ISE043
Six kilometres east-northeast

The property lies near the intrusive contact of the Lower Jurassic Guichon Creek batholith with the Upper Triassic Nicola Group. Locally, quartz monzonite similar to Guichon Creek intrusive rocks intrudes Nicola Group greenstone and andesite.

MIKE GRID prospect (Fe skarn Cu skarn)
MINFILE 092ISE064
One kilometre north

The Mike Grid area covers Upper Triassic Nicola Group volcanics predominantly comprised of andesitic to basaltic, massive to plagioclase porphyritic (locally augite) flows and breccias with fine disseminated and local fracture controlled (vein) magnetite. The volcanic assemblage includes intercalations of volcaniclastic rock and minor sediments which range from a few metres to many tens of metres in thickness. A second unit comprising green to grey andesitic tuff and breccia includes fine bedded (local cherty) to coarse lapilli tuffs and agglomerates. A third unit consists of calcsilicate altered (hornfels) tuffs and immature sediments. These are predominantly fine grained, fine bedded to massive siliceous rocks with variable epidote, carbonate, light pink to brown garnet, disseminated pyrite and/or pyrrhotite. The main calcsilicate unit is northwest trending and up to 50 metres wide with associated tuffs (unit 2). Two or more dikes of quartz feldspar porphyry intrude the Nicola sequence.

The Nicola sequence strikes northwest to northeast with steep east to west dips. Bedding attitudes suggest tight folding. A number of northwesterly trending fault zones are apparent.

LAW past producer (Skarn)
MINFILE 092ISE148
Four kilometres south

The northeastern slopes of Mount McInnes are underlain primarily by the Upper Cretaceous Kingsvale Group, a succession of andesitic and basaltic flows with interbedded volcanic breccia, tuff and sandstone. Upper Triassic Nicola Group volcanic, volcaniclastic and sedimentary rocks and Lower Jurassic dioritic intrusions are exposed north of Nicola River and in the valley of an unnamed creek west of Logan Creek. The area east of Logan Creek is underlain by Eocene volcanics and minor intercalated sedimentary rocks of the Kamloops Group.

The Nicola Group rocks are intensely altered and chloritized. Lenses of crystalline limestone host skarn development. A dark grey 3 metre wide diabase dyke strikes 040 degrees and dips 80 degrees to the west.

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

ETTA showing (Disseminated)
MINFILE 092ISE162
Two kilometres north

The Etta showing is underlain in the west by Nicola Group volcanic breccia, tuff, agglomerate and flows with interbedded limestone and argillite. Kingsvale Group basalt, andesite, hornblende-needle porphyry, volcanic breccia, basal sandstone and conglomerate outcrops in the east. The contact of the two sequences trends northwest.

Alteration consists of strong chloritization of the volcanic rocks with occasional small patches of malachite.

BETTY LOU showing (Cu skarn)
MINFILE 092ISE173
Six kilometres northwest

Rocks of the Upper Triassic Nicola Group exposed on Promontory Hills are intruded by the Lower Jurassic Guichon Creek batholith to the north and the Coyle stock to the south, and are unconformably overlain by the Lower Cretaceous Spences Bridge Group to the west and the Upper Cretaceous Kingsvale Group to the east. A large, slightly overturned subisoclinal anticline plunges gently northeast. Inferred faults have north-northwest and northeast trends. The Betty Lou showing is situated on the northern limb of the major fold and is underlain primarily by pyritic altered greywacke, siliceous limestone, argillite and volcaniclastic rocks. The sedimentary unit is overlain by andesitic fragmental rocks. A quartz feldspar porphyry unit is believed to be Upper Triassic in age. Near the northwest boundary of the property the Nicola Group rocks are intruded by Guichon Creek hornblende diorite with considerable accessory magnetite. Several types of alteration are present. The greywacke exhibits hornfelsing and biotite alteration and carries minor disseminated pyrite. Limestone grades to complete recrystallization within 1000 metres of the Guichon Creek batholith contact. Patches of garnet-epidote skarn occur in the volcanics. Hematite and malachite also occur. Development of actinolite-magnetite skarn similar to that at the Craigmont mine (092ISE035) is also evident.

GEOLOGY: PROPERTY

As indicated by the BC government supported MapPlace geological maps, Tenure 969329, the subject of the structural analysis, is underlain by dioritic to granodioritic rocks of the Late Triassic to Early Jurassic Coyle intrusive which is capped by Eocene andesitic rocks of the Princeton Group in the east and in contact with the Western Volcanic Facies of the Upper Triassic Nicola Group in the northwest corner. A regional northeasterly trending structure is indicated trending through the intrusive.

TEX showing (Porphyry Cu+/-Mo+/-Au)
MINFILE 092ISE041
Within Tenure 982982

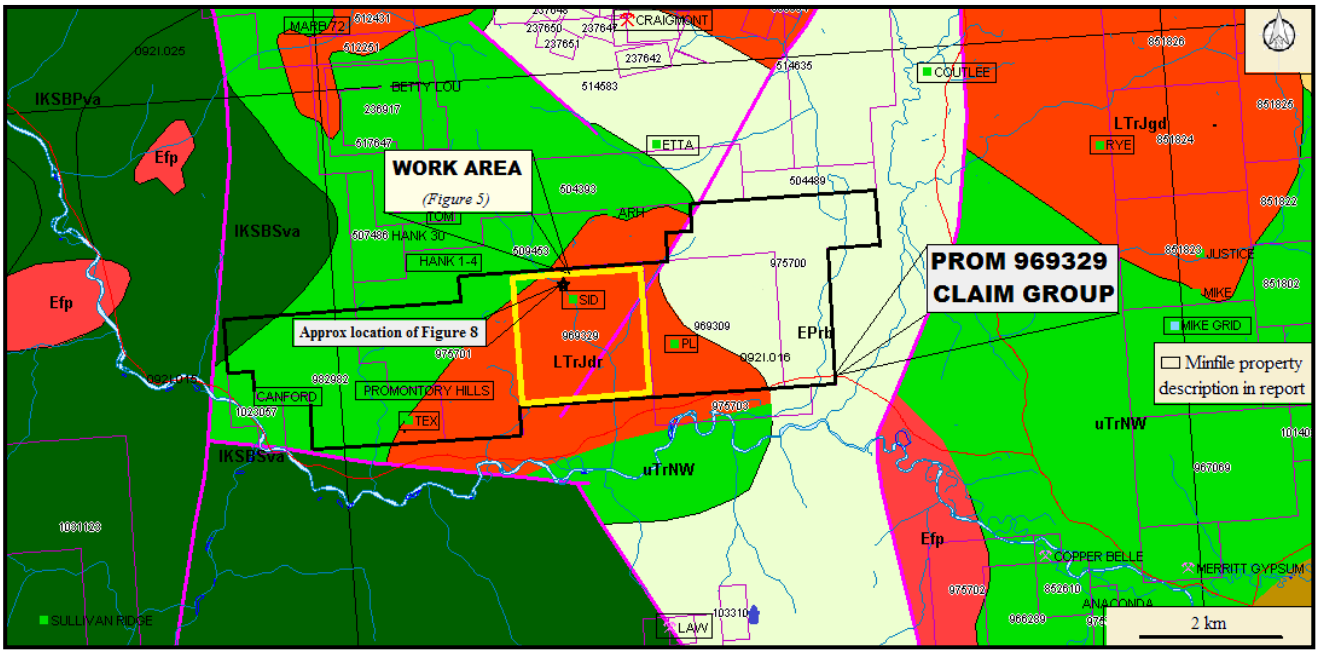
The property is underlain by volcaniclastic rocks of the Upper Triassic Nicola Group intruded to the south by the Coyle quartz diorite stock and to the north by the Guichon Creek granodiorite batholith, both Lower Jurassic age. On the Tex property, massive green tuffs have been subdivided into limy, vitric, fissile or silicified units. Discontinuous beds of greywacke and limy sediments are interbedded with the tuff horizons. Strikes swing from north to northeast and dips are moderate

***Geology: Property** (cont'd)*

***Tex** showing (cont'd)*

It is slightly chloritized and pyritic, and hosts scattered carbonate stringers which are less than 3 centimetres wide and consist mainly of calcite, with up to 20 per cent siderite locally. Intrusion of the dyke is apparently associated with folding and faulting. Chlorite and pyrite are widespread. A 15 metre wide zone of intense propylitization (chlorite, epidote, calcite) occurs along the contact of the quartz porphyry and the Nicola Group rocks. The tuff and greywacke units have been silicified in scattered patches. Minor hematite and limonite are also evident.

Figure 4. **Geology, Claim, Index, & Minfile**



GEOLOGY MAP LEGEND

Eocene

EPr

Princeton Group

Undivided volcanic rocks

EPrb

Princeton Group

Andesitic volcanic rocks

Efp

Unnamed feldspar porphyry intrusive rocks

Late Jurassic to Middle Jurassic

ImJA

Ashcroft Formation

mudstone, siltstone, shale, fine clastic sedimentary rocks

Upper Triassic-Nicola Group

uTrNW

Western Volcanic Facies

undivided volcanic rocks

Late Triassic to Early Jurassic

LTrJgd

unnamed granodiorite intrusive rocks

LTrJdr

dioritic to gabbroic intrusive rocks

GUICHON CREEK BATHOLITH

LTrJGBo – Border Phase

quartz dioritic intrusive rocks

***Geology: Property** (cont'd)*

PL showing (Stockwork)
MINFILE 092ISE042
Within Tenure 969309

The property lies near the southeast perimeter of the Lower Jurassic Guichon Creek batholith which intrudes Upper Triassic Nicola Group volcanic and sedimentary rocks. To the east, Upper Cretaceous Kingsvale Group volcanic flow rocks unconformably overlie the Nicola Group. The PL property is underlain by quartz diorite mapped as the pre-Guichon Coyle stock (Map 30). Approximately 1000 metres to the north it intrudes mixed volcanic and sedimentary Nicola Group rocks. The stock is cut by dykes and by oxidized north and northwest trending faults.

SID showing (Disseminated copper)
MINFILE 092ISE137
Within Tenure 969329

Upper Triassic Nicola Group rocks exposed on Promontory Hills are intruded by the Lower Jurassic Guichon Creek batholith to the north and the Coyle stock to the south, and are unconformably overlain by Cretaceous Spences Bridge and Kingsvale groups to the west and east respectively. The Nicola Group rocks comprise a large, slightly overturned subisoclinal anticline which plunges gently northeast. Several faults strike northwest. Copper mineralization occurs at the contact of the Nicola Group volcanics and the granitic Coyle stock. The Nicola Group rocks are northeast trending, dark green to black tuffaceous and fragmental andesites which are moderately chloritized and epidotized. The Coyle stock is a pink leucocratic granite with less than five per cent (by volume) chloritized hornblende, biotite and disseminated magnetite. Feldspar porphyry, diorite and quartz diorite are marginal intrusive phases. Quartz and carbonate veining with associated specularite is characteristic of the Coyle stock and are believed to be related to late-stage Nicola Group volcanism.

PROMONTORY HILLS showing (Limestone)
MINFILE 092ISE144
Within Tenure 982982

Several limestone lenses of the Upper Triassic Nicola Group are exposed on the south slope of Promontory Hills. The lowest lens forms the top of a steep bluff 335 metres above Highway 8. Siliceous dark grey limestone veined with white calcite is exposed across 21 metres for 61 metres along a strike of 040 degrees.

MINERALIZATION: PROPERTY AREA

The mineralization on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers peripheral to the Prom 969329 Claim Group is reported as follows. The distance to the Minfile properties is relative to the Prom 969329 Claim.

HIGHLAND VALLEY COPPER producer (Porphyry Cu+/-Mo+-Au)

MINFILE 092ISW012

Thirty-four kilometres north

Highland Valley Copper operates two distinct mines, the Valley mine and the Lornex mine, and between the two has measured and indicated ore reserves of 761 million tonnes of 0.408 per cent copper and 0.0072 molybdenum.

Mineralization: Property Area *(cont'd)*

Highland Valley Copper *producer (cont'd)*

The ore reserves of each mine are: Valley mine - 627 million tonnes at 0.418 per cent copper and 0.0056 per cent molybdenum; Lornex mine - 135 million tonnes at 0.364 per cent copper and 0.0144 per cent molybdenum. The individual mine reserves are calculated at an equivalent cutoff grade of 0.25 per cent copper using a molybdenum multiplying factor of 3.5 (CIM Bulletin July/August 1992, pages 73,74).

CRAIGMONT producer (Cu skarn; Fe skarn; Tailings)

MINFILE 092ISE035

Four kilometres north

Mineralization consists of magnetite, hematite and chalcopyrite and occur as massive pods, lenses and disseminations extending through the calc-silicate horizon. The body is roughly tabular, trends east and dips near vertically. Minor folding and faulting is present but do not significantly distort the mineralization. Chalcopyrite is associated with, but post-dates the magnetite and commonly encloses the magnetite.

Chalcopyrite is the principal ore mineral and occurs as veins, streaks, patches and coarse disseminations. It was first deposited with magnetite during the development of the actinolite skarn and later with specularite as fracture-fillings and veins. Bornite is present in small amounts. Pyrite is confined to areas of heavy garnet alteration. Approximately 20 per cent of the ore (by weight) is comprised of magnetite and hematite and along with actinolite, epidote, grossularite, andradite, pyrite and minor diopside, occur in the skarn. Supergene minerals, native copper and chalcocite, occur in a narrow oxidized zone immediately above the orebody. The apparent ore controls are favourable host rock, folding and brecciation of host rock, and proximity to the batholith.

TOM showing (Disseminate; Stockwork)

MINFILE 092ISE037

Two kilometres north

Mineralization consists of disseminations and fracture-fillings of pyrite, chalcopyrite and specular hematite. Alteration minerals include epidote, calcite and chlorite.

HANK 1-4 showing (Cu skarn)

MINFILE 092ISE039

One kilometre north

A mineralized zone is located at a major contact flexure and crossfault intersection showing weak chloritization and extensive cherty epidotization. Trenches (1958) expose limy and non-limy strata and quartz porphyry hosting weak chalcopyrite and specularite disseminations and narrow veinlets. Magnetite is not present.

ARH showing (Cu skarn)

MINFILE 092ISE040

One kilometre north

At the contact of limestone and Nicola Group volcanic rocks, small patches of garnet skarn host chalcopyrite and hematite mineralization. Disseminated magnetite and pyrite are also present.

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

RYE showing (Porphyry Cu+/-Mo+/-Au)
MINFILE 092ISE043
Six kilometres east-northeast

Both the plutonic and volcanic rocks are fractured and mineralized with magnetite, pyrite, hematite, chalcopyrite, bornite, malachite and azurite.

MIKE GRID prospect (Fe skarn Cu skarn)
MINFILE 092ISE064
One kilometre north

A number of styles of mineralization and associated alteration occur on the Mike grid. Several discontinuous, dislocated copper-iron mineralized skarn zones are exposed in the Mike trenches over 300 metres strike length. Chalcopyrite, malachite and minor azurite are associated with medium to coarse grained magnetite rich, epidote, calcite skarn with dark chlorite and local actinolite. Pink to light brown garnet skarn with epidote has little copper. In more fractured and brecciated areas, coarse specular hematite and calcite occurs with epidote, minor amphibole, chlorite and chalcopyrite (coarse blebby

LAW past producer (Skarn)
MINFILE 092ISE148
Four kilometres south

It contains minor magnetite, chalcopyrite and specular hematite along widely spaced fine fractures. Small sphalerite veinlets and weak disseminations of pyrite, chalcopyrite and bornite are exposed at widely separated locations in Nicola Group rocks and their skarn equivalents.

ETTA showing (Disseminated)
MINFILE 092ISE162
Two kilometres north

Mineralization consists of fine disseminations of chalcopyrite and pyrite and occasional flecks of pyrrhotite in Nicola and Kingsvale group rocks.

BETTY LOU showing (Cu skarn)
MINFILE 092ISE173
Six kilometres northwest

Ore controls are the limestone host rock, fold structures and proximity to the batholith. Minor copper mineralization (chalcopyrite) occurs in the skarn zones and disseminated in the country rock. A small occurrence of galena and sphalerite also occurs at the top of Promontory Hills.

MINERALIZATION: PROPERTY

The reported mineralization on the MINFILE properties on the Prom 969329 Claim Group is as follows.

TEX showing (Porphyry Cu+/-Mo+/-Au)
MINFILE 092ISE041
Within Tenure 982982

Low grade copper mineralization occurs in a zone 300 metres in length along a sericitized shear zone striking north-northeast and dipping steeply west. Chalcopyrite, bornite, pyrite and pyrrhotite occur as veinlets and disseminations in carbonate veins and less commonly in limy country rock.

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

PL showing (Stockwork)
MINFILE 092ISE042
Within Tenure 969329

A highly sheared zone is iron and copper stained. Copper sulphides and magnetite are evident.

SID showing (Disseminated copper)
MINFILE 092ISE137
Within Tenure 969329

The contact of the Nicola Group and the Coyle stock is chilled with fine-grained rhyolite dykes present. Tuffs and fragmental rocks are hornfelsed and silicified to quartzofeldspathic hornfels, gneisses and chlorite or sericite schists. This unit is mineralized with specularite, chalcopyrite and minor amounts of pyrite, bornite and malachite. Specks of tourmaline are also evident.

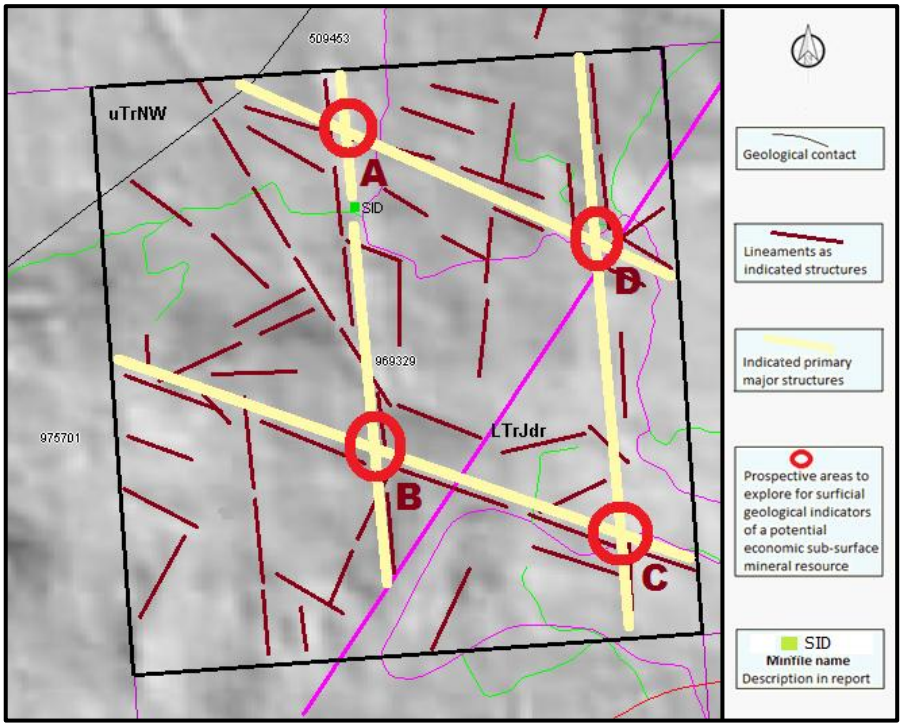
PROMONTORY HILLS showing (Limestone)
MINFILE 092ISE144
Within Tenure 982982

A sample taken across the width of the exposure analyzed 0.92 per cent Fe2O3, 0.107 per cent MnO, 1.06 per cent MgO, 45.92 per cent CaO, 0.042 per cent P2O5, 0.04 per cent S, 36.85 per cent Ig. Loss, 0.08 per cent H2O, 2.84 per cent R2O3 and 13.32 per cent Insol. (Minister of Mines Annual Report 1958). A second lens is found 91 metres higher up the hill, a third lens 152 metres higher and a fourth lens 91 metres above the third. All lenses form bare northeast trending mounds on flat terraces that break the general slope of the hill.

STRUCTURAL ANALYSIS

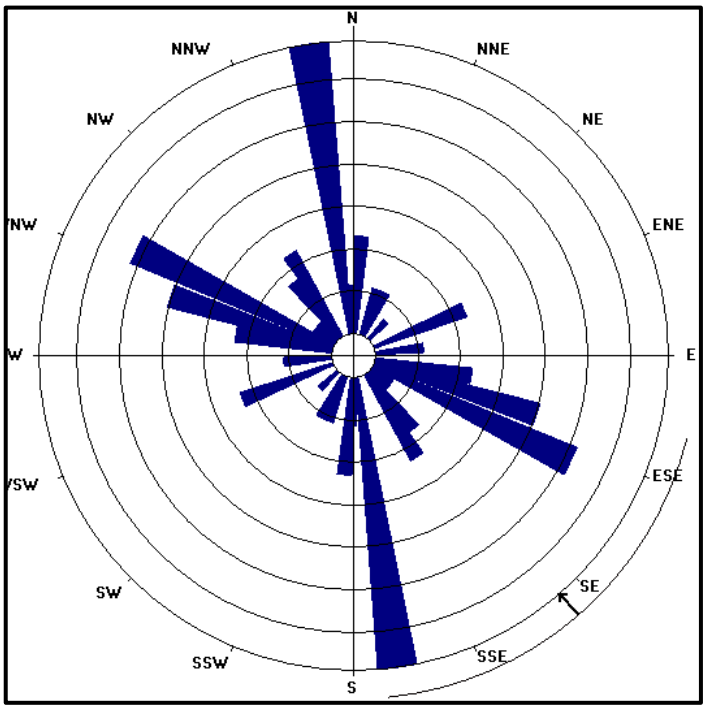
A DEM image hillshade map downloaded from MapPlace was utilized as the base map for the Structural analysis on Tenure 969329 .A total of 58 lineaments were marked, compiled into a 10 degree class interval, and plotted as a Rose Diagram as indicated on Figure 6.

Figure 5. **Indicated structures from lineaments on Tenure 969329**



Structural Analysis *(cont'd)*

Figure 6. **Rose Diagram from lineaments of Figure 5.**



STATISTICS (for Figure 5)

Axial (non-polar) data
No. of Data = 58
Sector angle = 8°
Scale: tick interval = 3% [1.7 data]
Maximum = 20.7% [12 data]
Mean Resultant dir'n = 139-319
[Approx. 95% Confidence interval = ±35.0°]
(valid only for unimodal data)

Mean Resultant dir'n = 139.1 - 319.1
Circ.Median = 137.5 - 317.5
Circ.Mean Dev.about median = 35.8°
Circ. Variance = 0.28
Circular Std.Dev. = 46.44°
Circ. Dispersion = 4.96
Circ.Std Error = 0.2923
Circ.Skewness = -0.79
Circ.Kurtosis = -6.73

kappa = 0.56
(von Mises concentration param. estimate)

Resultant length = 15.59
Mean Resultant length = 0.2687

'Mean' Moments: Cbar = 0.0383; Sbar = -0.266
'Full' trig. sums: SumCos = 2.2203; Sbar = -15.4281
Mean resultant of doubled angles = 0.2841
Mean direction of doubled angles = 020

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

Structural Analysis *(cont'd)*

Figure 7. **Cross-structural location on Google Earth**

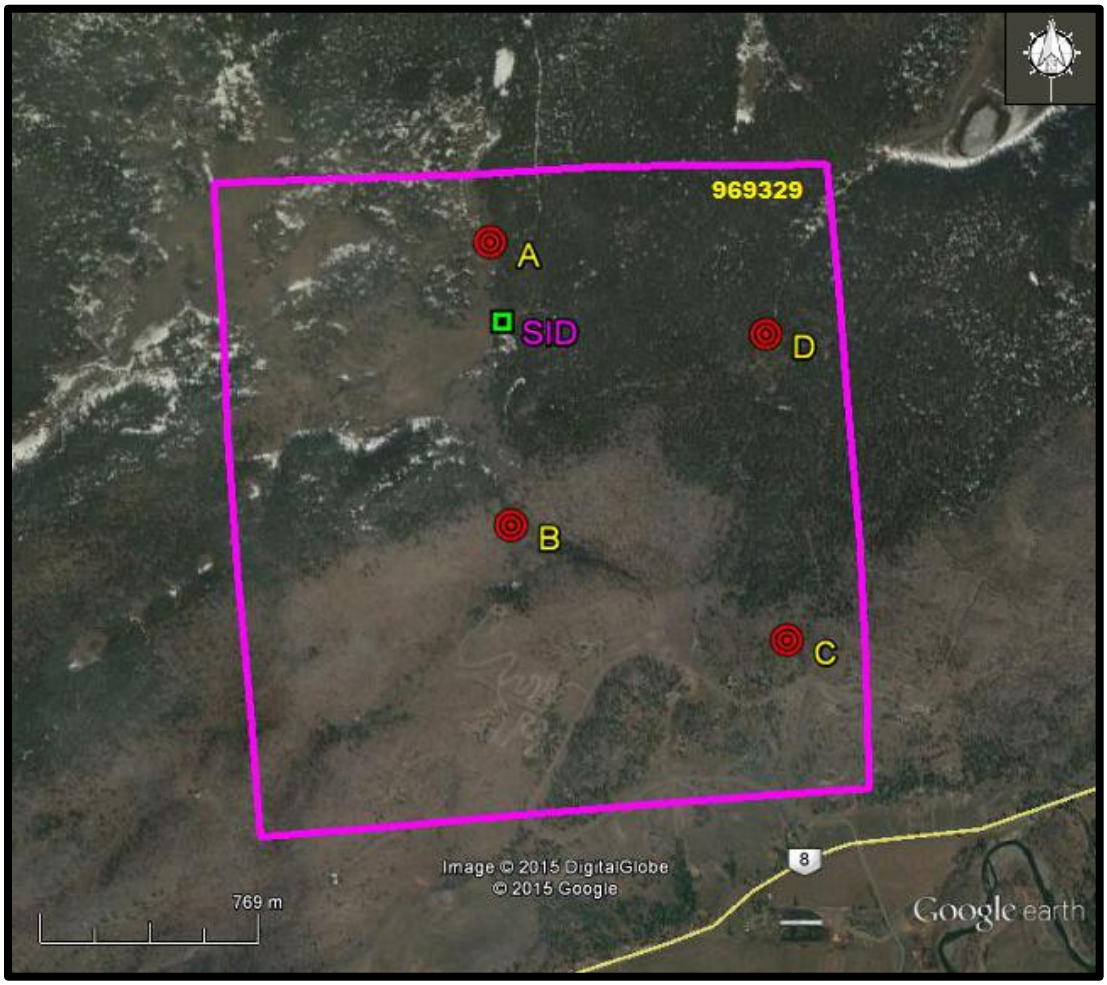


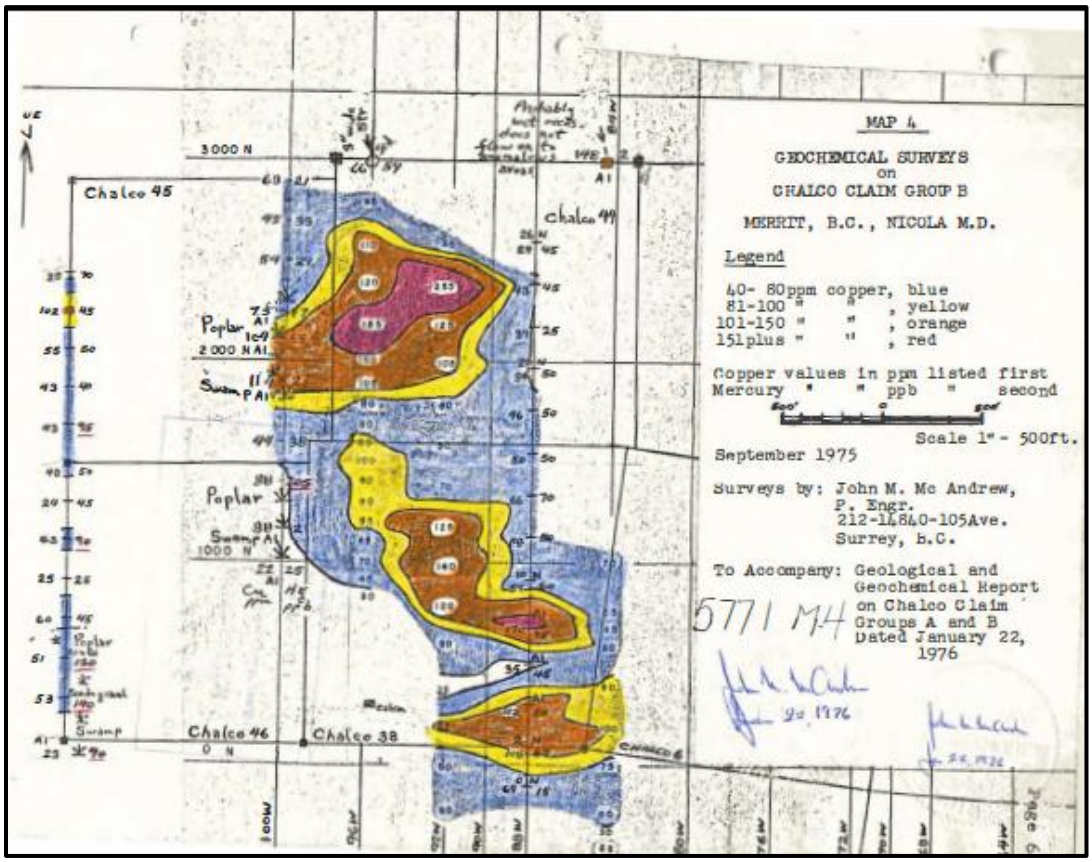
Table II. **Approximate location of cross-structure& Minfile**

(UTM-NAD 83)

Cross-structure	UTM East	UTM North	Elevation (metres)
A	646,824	5,559,373	918
B	646,860	5,558,358	805
C	647,854	5,557,905	782
D	646,862	5,559,093	
Minfile			
SID	648,553	5,558,275	825

Figure 8. **Geochemical Results near the SID showing ***

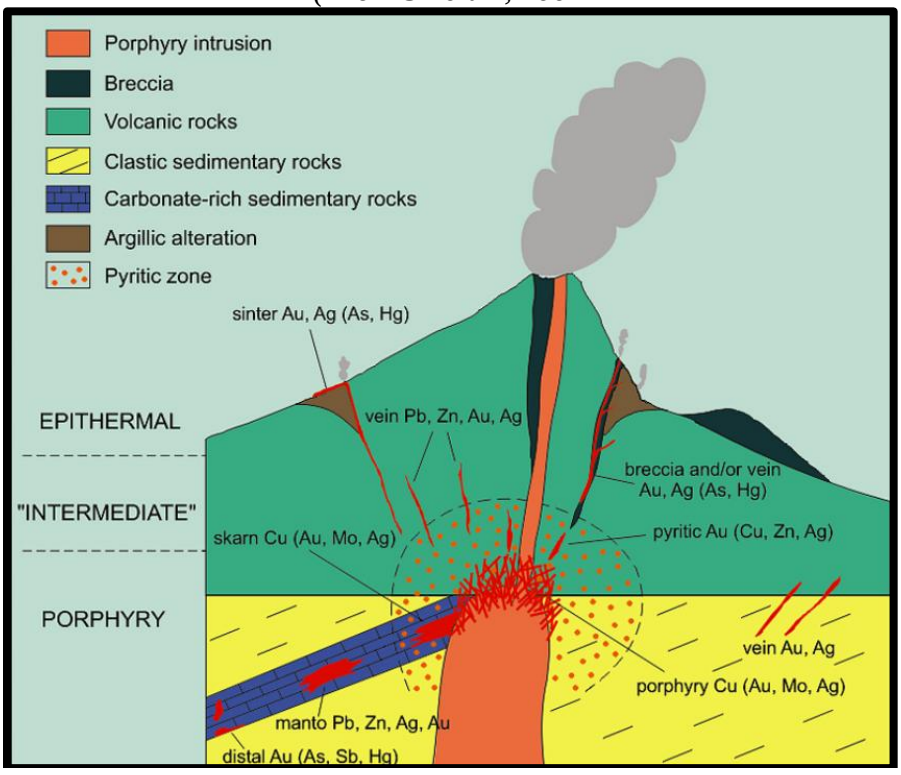
(Map from AR 5771)



- *See Figure 4 for location on Property*

Figure 9. **Porphyry Copper Model**

(From Sinclair, 2007



Magnetometer Survey

a) Instrumentation

A Scintrex MF 2 Model magnetometer was used for the magnetometer survey. Diurnal variations were corrected by taking repeated readings at a base point throughout the day. Magnetometer values are total intensity and relative.

b) Theory

Only two commonly occurring minerals are strongly magnetic, magnetite and pyrrhotite; magnetic surveys are therefore used to detect the presence of these minerals in varying concentrations. Magnetics is also useful is a reconnaissance tool for mapping geologic lithology and structure since different rock types have different background amounts of magnetite and/or pyrrhotite.

c) Survey Procedure

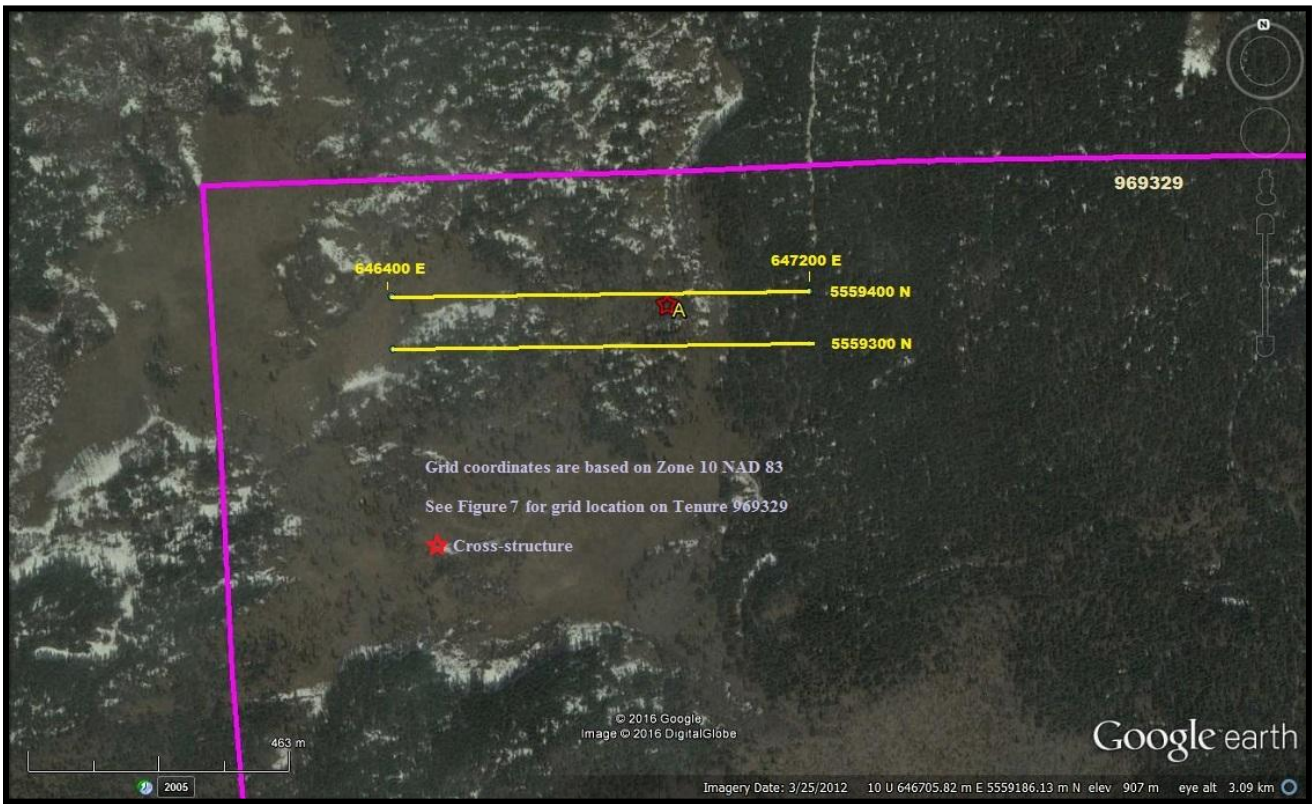
A 400 metre base line was established from 5559400N 647000E southward to 5559300N 647300E. From each of the two base line stations magnetometer readings were taken at 25 metre intervals westerly to 646200E. The grid line stations were established with a GPS instrument. Line kilometres of magnetometer survey completed was 1.6. The field results are reported herein in Appendix I.

d) Data Reduction

The field results were initially input to an Exel spreadsheet whereupon a Surfer 31 program was utilized to create the maps exemplified herein as Figures 9, 10, & 11.

Figure 10. **Magnetometer Grid Index Map**

(Base from MapPlace & Google Earth)



Magnetometer Survey *(cont'd)*

Figure 11 .**Magnetometer Survey Grid & Raw Data**

(Base from MapPlace)

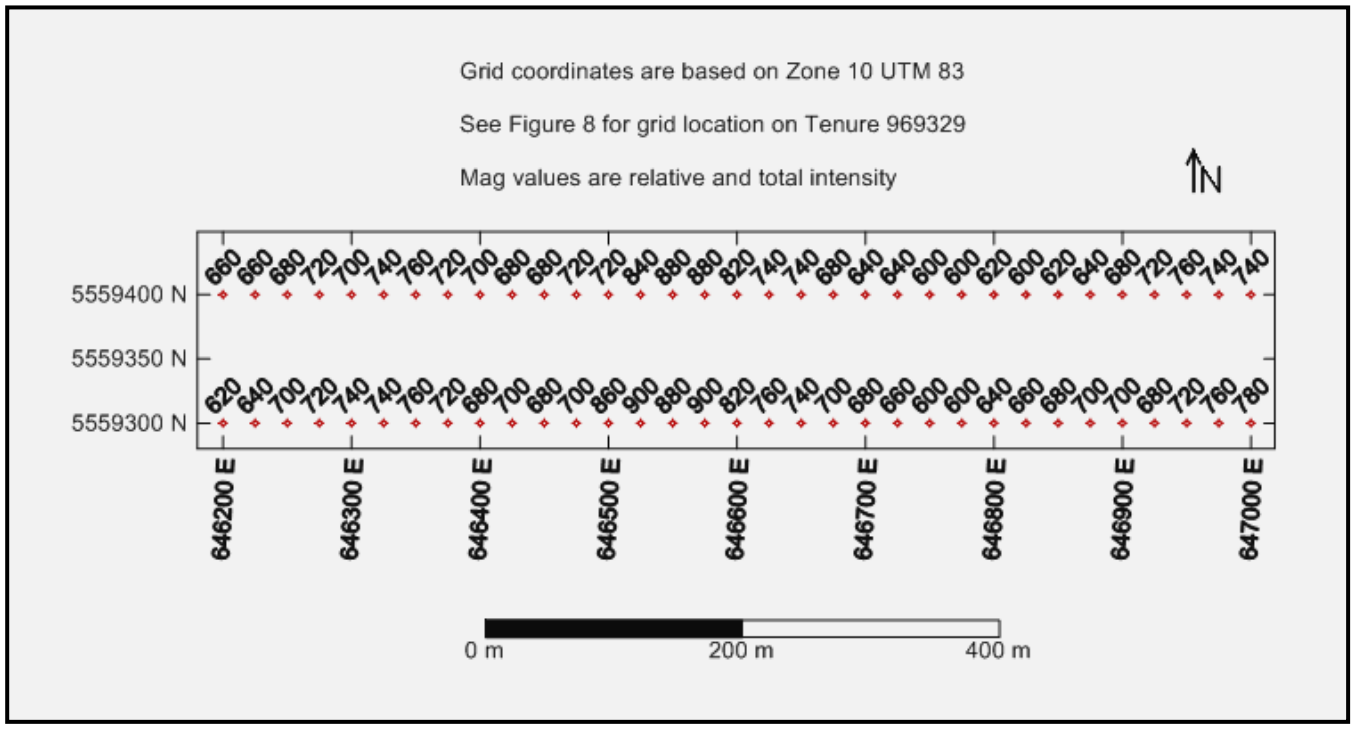
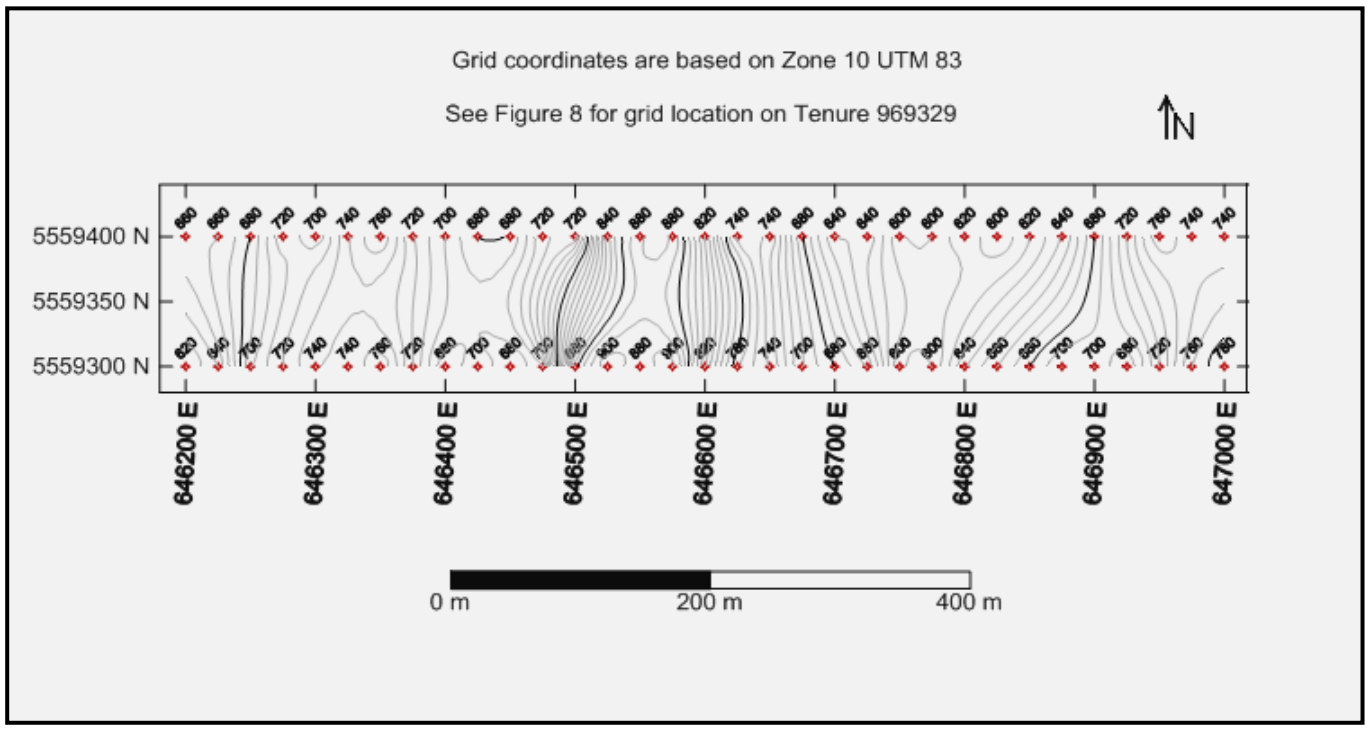


Figure 12. **Magnetometer Survey Contour Map**

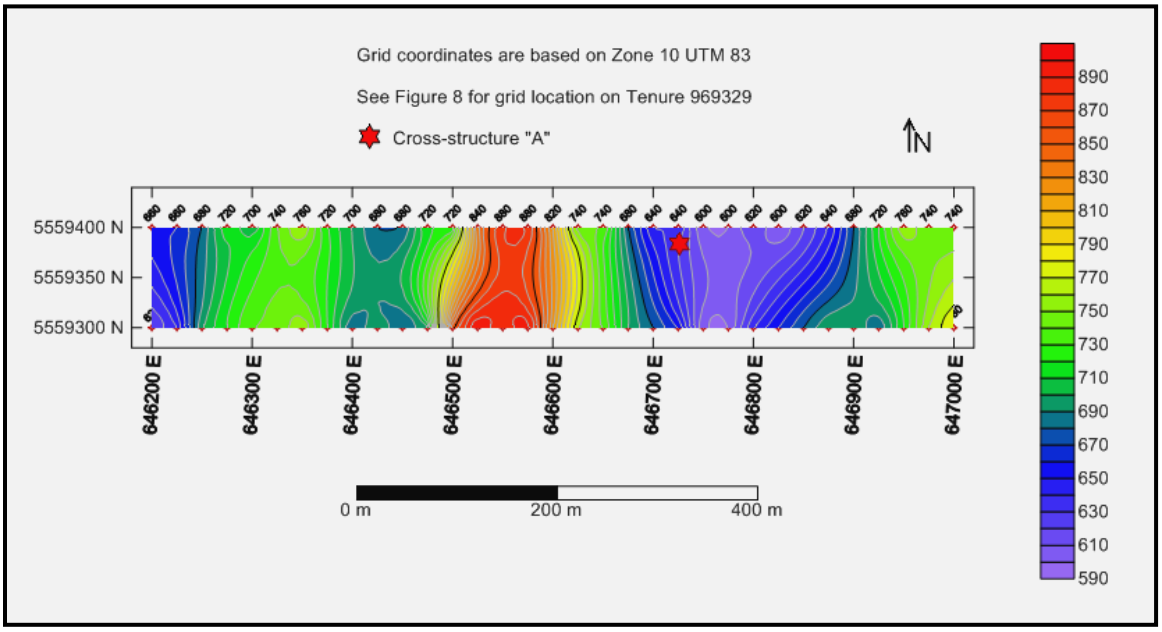


***Magnetometer Survey** (cont'd)*

e) Results

The magnetometer survey, which was over dioritic to gabbroic intrusive rocks *(LTrJdr)*, indicated a central 50 metre wide northerly trending anomalous magnetic high (mag HI) and a 25 metre wide along the southern grid line to a 75 metre wide along the northern grid line anomalous magnetic low (mag LO) zone.

Figure 13. **Magnetometer Survey Coloured Contour Map**



INTERPRETATION & CONCLUSIONS

The four cross-structures delineated on Tenure 969329 were developed from indicated major northerly and northwesterly trending major structures. These cross-structural intersections should be the prime exploration areas to explore for surficial geological indications of a concealed mineral resource.

These directional regional or major structures are common to the area and are indicated on the MapPlace geological map as westerly, northwesterly, northerly, and northeasterly structures in their manifestation as contacts between the Nicola rocks and the intrusives. The major structures may also create a subservient degree of structures ranging down to breccias and stockworks which may host mineralization. The major/minor/ structure association appears to be essential for the creation of sufficient mineral controls on which to establish economic mineral resource as at the world-class Highland Valley *(Minfile 092ISW012)* mineral deposit and at Copper Mountain *(Minfile 092HSE001)*.

However, in variable mineral deposits such as at the Craigmont *(Minfile 092ISE035)*.skarn deposit, the minor structures may not be as significant; the five main orebodies are confined to regional northwest and east trending structures and the Guichon Creek intrusive.

In the area of the Prom 969329 Claim Group, the mineralization reported on the Minfile properties that are blocked out on Figure 4, excluding Craigmont, are reported as minor mineral showings with most being skarn related indicating limy sections and/or limestone associated with the Nicola volcanics.

Interpretation & Conclusions *(cont'd)*

The skarns and the inferred north-northwest and northeast trending fault in the area indicate the possibility for a Craigmont style mineral resource. The potential for a porphyry mineral resource is indicated by the Rye mineral showing.

Within the Prom 969329 Claim Group there is a comparable geological picture with the potential for a skarn or a porphyry resource. However, with half the Property underlain by the pre Guichon Coyle intrusive and with an associated regional northeasterly trending structure, a porphyritic mineral resource appears more prospective within the intrusive (cp Highland Valley Copper) or at the intrusive/volcanic contact (cp Copper Mountain) (Figure 9).

On the structurally analyzed Tenure 969329, several faults striking northwest and copper mineralization occurring at the contact of the Nicola Group and the Coyle stock, as reported by Minfile (SID Minfile 092ISE137), supports the geological potential for the presence of a porphyry resource. This support is augmented by the results of historical exploration on two areas (Chalco Group A & B) comprising the SID showing area. McAndrew, (1978) reports that several zones of copper mineralization were delineated in a soil survey with one large anomaly coinciding with the intersection of two major linears with mercury highs occurring in the area of the linears.

As the SID mineralized area and cross-structure "A" are indicated as generally correlative, cross-structure "A" could be the conduit for the mineralization to reach the surface and hosted by minor structures created by the two major structures forming cross-structure "A". This could explain the several zones of copper mineralization with the large anomaly possibly indicating the cross-structure.

The localized magnetometer survey which covered cross-structure "A" revealed a general anomalous mag LO zone that could substantiate the location of the cross-structure in an assumedly variable alteration zone assumedly produced by dynamic or hydrothermal alteration associated with the structures. The configuration of the northerly anomalous mag LO may indicate the major northerly trending "AB" structure of cross-structure "A" whereas the northeasterly structure is generally indicated in the mag LO configuration.

The central mag HI could indicate a gabbroic phase of the intrusion.

Therefore, the location of cross-structure "A" should be explored for geological signatures of a potentially concealed mineral resource. Should outcrops be scarce, a localized magnetometer and VLF-EM should be completed to cover the area. Soil samples should be taken and analyzed for pathfinder elements.

Subsequent to the exploration of area "A" the other three cross-structural locations should be explored for surficial geological indicators of a potential concealed mineral resource.

Respectfully submitted
Sookochoff Consultants Inc.

Laurence Sookochoff, PEng

SELECTED REFERENCES

Bergey, W.R. – Report on the Exploration Potential of the Highland Valley Property for Moag Copper Gold Resources Inc. January 10, 2014.

MapPlace – Map Data downloads

McMillan, W.J., Osatenko, M.J. – Guichon Creek Batholith and Mineral Deposits. Geological Association of Canada. Society of Economic Geologists. Joint Annual Meeting, 1977. British Columbia Ministry of Mines and Petroleum Resources.

MtOnline - MINFILE downloads.

092ISW012 – HIGHLAND VALLEY COPPER
092ISE035 – CRAIGMONT
092ISE037 – TOM .
092ISE039 – HANK 1-4
092ISE040 – ARH
092ISE041 – TEX
092ISE042 – PL
092ISE043 – RYE
092ISE061 – CANFORD
092ISE064 – MIKE GRID
092ISE148 – LAW
092ISE137 – SID
092ISE144 – PROMONTORY HILLS
092ISE162 – ETTA
092ISE173 – BETTY LOU

Sookochoff, L. – Geological Assessment Report on a Structural Analysis on Tenure 969309 of the Prom 969309 Claim Group for Dot Resources Ltd. July 22, 2014. AR 34,901.

Sookochoff, L. – Geological Assessment Report on the Caper Claim for Fintra Ventures Ltd. June 15, 1995. AR 23,944.

Stewart, E.B. – A Report on the Geological Mapping, Diamond Drilling and Geophysical Surveys on the Dot Property for Dot Resources Ltd. May 15, 2013. AR 29,969.

Wyllie, R. – Assessment Report – Promontory Hills Property for Dot Resources Ltd. May 15, 2013. AR 34,052.

STATEMENT OF COSTS

Work on Tenure 969329 was completed from January 2, 2015 to February 17, 2016 to the value as follows:

Structural Analysis	
Laurence Sookochoff, P Eng. 3 days @ $ 1,000.00/day ----------	$ 3,000.00
Magnetometer Survey	
Christopher Delorme & Guy Delorme	
February 16-17, 2016	
Four man days @ $300.00 per day ----------	1,200.00
Truck rental, kilometre charge, fuel, room & board,	
mag rental ----------	1,225.65
	$ 5,425.65
Maps ----------	750.00
Report ----------	3,500.00
	$ 9,625.65
	======

CERTIFICATE

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify:

That I am a Consulting Geologist and principal of Sookochoff Consultants Inc. with an address at 120 125A-1030 Denman Street, Vancouver, BC V6G 2M6.

I, Laurence Sookochoff, further certify that:

1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.

2) I have been practicing my profession for the past forty-nine years.

3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.

4) The information for this report is based on information as itemized in the Selected Reference section of this report and from work the author has performed in the Guichon Creek batholith area.

5) I have no interest in the Property as described herein.

Laurence Sookochoff, P. Eng.

Appendix I

Magnetometer Data

	E5537445 T969329					
East	**North**	**Mag**		**East**	**North**	**Mag**
647000	5559400	740		647000	5559300	780
646975	5559400	740		646975	5559300	760
646950	5559400	760		646950	5559300	720
646925	5559400	720		646925	5559300	680
646900	5559400	680		646900	5559300	700
646875	5559400	640		646875	5559300	700
646850	5559400	620		646850	5559300	680
646825	5559400	600		646825	5559300	660
646800	5559400	620		646800	5559300	640
646775	5559400	600		646775	5559300	600
646750	5559400	600		646750	5559300	600
646725	5559400	640		646725	5559300	660
646700	5559400	640		646700	5559300	680
646675	5559400	680		646675	5559300	700
646650	5559400	740		646650	5559300	740
646625	5559400	740		646625	5559300	760
646600	5559400	820		646600	5559300	820
646575	5559400	880		646575	5559300	900
646550	5559400	880		646550	5559300	880
646525	5559400	840		646525	5559300	900
646500	5559400	720		646500	5559300	860
646475	5559400	720		646475	5559300	700
646450	5559400	680		646450	5559300	680
646425	5559400	680		646425	5559300	700
646400	5559400	700		646400	5559300	680
646375	5559400	720		646375	5559300	720
646350	5559400	760		646350	5559300	760
646325	5559400	740		646325	5559300	740
646300	5559400	700		646300	5559300	740
646275	5559400	720		646275	5559300	720
646250	5559400	680		646250	5559300	700
646225	5559400	660		646225	5559300	640
646200	5559400	660		646200	5559300	620