

Ministry of Energy & Mines
Energy & Minerals Division
Geological Survey Branch

**ASSESSMENT REPORT
TITLE PAGE AND SUMMARY**

TITLE OF REPORT [type of survey(s)] PROSPECTING TOTAL COST 8100⁻

AUTHOR(S) CRAIG KENNEDY SIGNATURE(S) Craig Kennedy

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) N/A YEAR OF WORK 2015

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) 5564543 June 4, 2015 to July 25, 2015

PROPERTY NAME SWEET SPOT

CLAIM NAME(S) (on which work was done) TENURE 604912, 882449, 882469

COMMODITIES SOUGHT Pb, Zn, Ag

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN N/A

MINING DIVISION FORT STEELE NTS 0826001

LATITUDE — ° — ' — " LONGITUDE — ° — ' — " (at centre of work)

OWNER(S) UTM COORDINATES 0575500E - 5429500N

1) CRAIG KENNEDY 2) _____

MAILING ADDRESS

2290 DEWOLFE AVE

KIMBERLEY B.C. VIA-1P5

OPERATOR(S) [who paid for the work]

1) CRAIG KENNEDY 2) _____

1

MAILING ADDRESS

2290 DEWOLFE AVE

KIMBERLEY B.C. VIA-1P5

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

LARGE ALTERATION ZONES OF BLACK BIOTITE GARNET CONCRETIONAL MIDDLE RIDGE FORMATION
PYRROTITE, PYRITE, LEAD & ZINC. LIESEGANG ALTERATION, TOURMALINE AND FRAGMENTAL
AND DISRUPTED BED OUTCROP & FLOAT - SERICITE ALTERATION WIDE SPREAD.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS 27786, 32246

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 _____			
Other _____			
DRILLING			
(total metres; number of holes, size)			
Core _____			
Non-core _____			
RELATED TECHNICAL			
Sampling/assaying _____			
Petrographic _____			
Mineralographic _____			
Metallurgic _____			
PROSPECTING (scale, area) <i>1:10000 PROSPECTING ROUTE MAP</i>	<i>604912, 882449, 882469</i>		<i>8100,-</i>
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			<i>8100,-</i>

Assessment Report

PROSPECTING

BC Geological Survey
Assessment Report
35667

SWEET SPOT PROPERTY

Hawkins Creek

FORT STEELE MINING DIVISION

N.T.S. MAP SHEET 082G.001

UTM COORDINATES 5429000N – 577000E

OWNER & AUTHOR

Craig Kennedy
2290 Dewolfe Ave.
Kimberley BC V1A 1P5

October 2015

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Sweet Spot Property

PROSPECTING REPORT

Craig Kennedy

October 2015

1.00 INTRODUCTION

This report describes and discusses the prospecting work on the Sweet Spot Property.

1.10 Location and Access

The Sweet Spot property is approximately 8 km east of the village of Yahk, BC centered at UTM coordinates 5429000N – 577000E. The sought boundary of the property is the boarder of the USA.

1.20 Tenure

The Sweet Spot Property is made up of tenures 604912, 882449 and 882469. Work on the property was paid for by Kootenay Silver Inc, Suite 1820 – 1055 W Hastings St., Vancouver BC.

1.30 History of Previous Work

The area has seen moderate to heavy exploration activities through the last 40 years. Comino Ltd. was the most effective explores in the area, see assessment reports: 19707, 20733, 22609, 21786, 23143 and 28340.

1.40 Summary

The Sweet Spot Property is in part a portion of the former Cominco Ltd Canam Property, the area was heavily explored during the late 1980s and early to mid-1990s. The Sweet Spot Property occupies an area hosting a very significant historic Pb, Zn and Ag soil anomaly. Cominco Ltd explored the anomaly with two short drill holes in 1991 and also tested geophysical anomalies to the east

with two short holes. Results of Cominco's exploration work was very positive with diamond drill hole C91-1 intersecting assayable concentrations of Pbs and Zns over the 600 meters length of the hole. At the time this was one of the most significant exploration holes drilled in the Canadian portion of the Belt outside of the Sullivan Corridor. Drill hole C91-1 was terminated in disseminated base metals slightly below the Moyie marker, or sedimentary varved carbonaceous interval approximately 860 meters above the Sullivan Horizon.

2.00 PROSPECTING PROGRAM

Prospecting was conducted on the property during early summer of 2015 with the emphasis placed on recognition of styles, intensity and size of alterations associated with the historic Pb/Zn soil anomaly. As with most of the area in the Hawkins Creek drainage, the Sweet Spot Property has only sparse outcrop. Float encountered is mostly angular in nature giving the impression of a fairly local source. A number of alteration features of potential importance have been recognized on the Sweet Spot. Some exist with bedrock exposure while others are found in substantial float trains. Of great interest and potential is the existence of a mineralized float train on the southwest edge of the property.

The float emanates from the ridge top and ridge line which forms the western boundary of the historic Cominco Pb/Zn soil anomaly. The mineralized float tracks downslope into a tributary drainage of America Creek, slightly off of the western edge of the property. The majority of the mineralized float train is made up of angular blackish silicified quartzite. This float host abundant biotite, clusters and dissemination of pyrite and pyrrhotite. Also associated is white mica, chlorite and pink garnet. Minor to moderately disseminated Zn/Pb can be seen in some of the float. The float zone is wider near the ridge top and it seems to be narrowing as you head down slope, however, this may be a function of increased glacial overburden down slope. Regardless, this occurrence would indicate a potential southwest continuation of the historic Pb/Zn soil anomaly. Slightly north of the mineralized float train near the western

property boundary an abundance of small pieces of black tourmaline float can be found. All this float is angular, some limonite stained and others host white mica and pink garnet along healed fractures. No source was found for this occurrence.

A float occurrence of significant importance is a zone which is traceable in a fairly steep northeast trend from the ridge top north towards the creek bottom of South Hawkins Creek drainage. The float is made up of shisty or silicified rocks and has a typical mottled and liesegang alteration pattern. The alteration consists of manganese, chlorite, abundant sericite, limonite and hematite colorations. Most has some type of fine fractures and some host narrow limonite or quartz veins. This type of alteration is a regional supergene alteration recognized in Lower Belt rocks within structural zones.

Other mineralized float noted consists of medium to large boulders of rusty diogabbro. These exist in the north central and eastern portions of the claim group. This material hosts dissemination of pyrrhotite with pyrite and rare chalcopyrite. Two populations of quartz float are commonly encountered during prospecting, one is narrow vein float seen in association with diogabbro boulders. This material is crystalline in nature and has associated rusty patches with manganese in vugs. The more important quartz float; may be that seen in areas where till is dominated by sediments. This quartz often contains coarse chlorite, has limonite staining along with books of biotite and/or white mica. Quartz veining which generated the float may indicate structure within the area. The St. Eugene Mine north of the property has abundant quartz chlorite veins distal to the main structure which hosts the Pb/Zn ore-shoots.

Other features of interest encountered on the Sweet Spot Property are related to sedimentary rock styles, character and alteration. The most important may be the existence of a large population of disrupted and fragmental type rock found in float and in outcrop on the property. This type of rock is considered

very important as it potentially indicates basin instability which may represent a mineralized hydrothermal event associated with mud volcanism. A similar situation is thought to be the source environment for the Sullivan orebody at Kimberley BC. More recent exploration around the St. Eugene Mine at Moyie BC has shed light on the importance of fragmental rocks and disrupted structural zones in relation to ore-shoots at that mine. The existence of mineralized outcrops and float on the property along with the positive historic exploration work gives confidence that the variety of fragmental and disrupted bed materials related to a hydrothermal event. This mineralizing hydrothermal event would seem to be on or very close to the Sweet Spot Property.

Other rock types noted on the Sweet Spot Property that are of potential importance are as follows: Coarse rocks with floating black and grey mud chips; these lithologies may represent distal fragmental rocks. A medium to coarse grained biotite rich quartzite; this rock also hosts clots and dissemination of pyrite, pyrrhotite, chlorite and sericite. It can also host abundant amounts of pink garnet. This rock type forms the unit in which disseminated Pb/Zn mineralization is found. Concretional rock character is also unique and perhaps a mineral vector. These dime to looney size features contain carbonate. Concretions are found in both black and grey coarse rocks. The Sweet Spot also hosts an abundance of questionably greater than background carbonate rich rocks, some of which may be considered limestones. These limey rocks occur intermittently over a thick section of the middle Aldridge formation on the property. The interpreted limey section is in excess of 800 meters thick and forms the host rock of the historic drilling. Near the center of the property an interpreted east-west slump structure cuts from the east into the heart of the historic Pb/Zn soil anomaly. The structural zone is defined by local folding and bedding attitude changes, these features occur over a relatively narrow zone. Fragmental and coarse rocks were also noted in the structural corridor. Alteration observed is silicification, sericite and biotite rich rocks. Rocks with

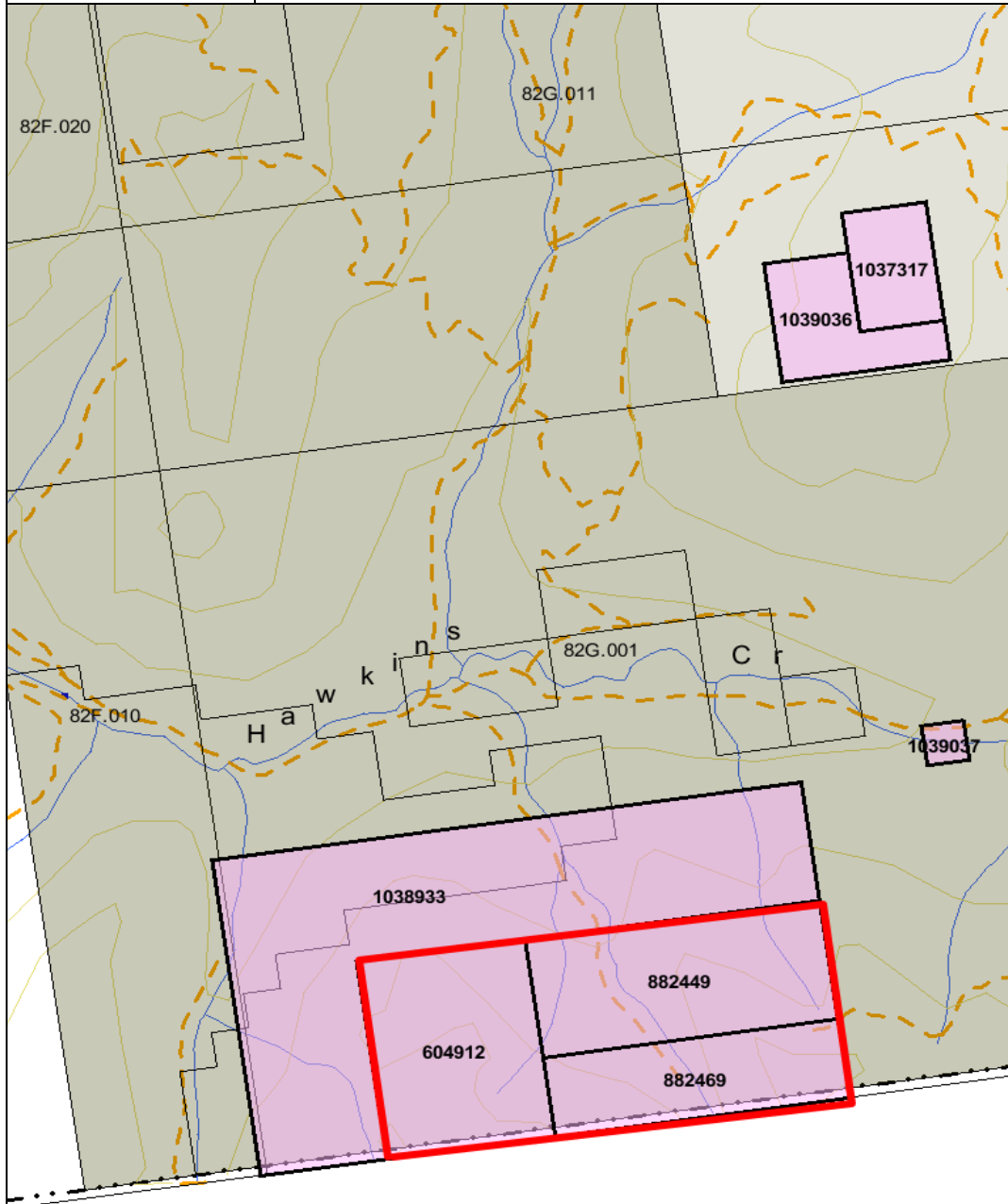
garnet and chlorite were also noted; this type of alteration can host clusters of pyrrhotite with rare chalcopyrite.

Figure 1: Regional Location Map





Figure 2, Sweet Spot Claim Location Map



Legend

- Indian Reserves
- National Parks
- Conservancy Areas
- Parks
- Federal Transfer Lands
- 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
- Area of Exclusion
- Area of 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
- Road - Paved.lanes.2or More.Divided
- Road (Paved Undivided) - Not Elevated - 1 Lane
- Road (Paved Undivided) - Not Elevated - 2 Lanes
- Road - Paved.lanes.3or

0 1400 2800 m.

Map center: 49° 2' 13" N, 115° 57' 20" W



Scale: 1:80,000

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

3.00 CONCLUSION

Prospecting has defined large, unique alteration zoning surrounding a historic Pb/Zn occurrence on the Sweet Spot Property. The alterations are recognized in outcrop and with abundant float occurrences. Historic drilling discovered anomalous Pb/Zn to the bottom of a 600 meter hole. This hole was actually stopped in disseminated mineralization.

Prospecting for geological features, such as structural controls, unique varieties of alteration, subtle sedimentary characteristic and size potential criteria's is a new important way of looking at mineralized occurrences. It becomes very important to recognize there is more to mineral exploration than seeking out metal. In short; let the rocks do the talking. The size, unique alteration, sedimentary characteristics, structural observations and historic work warrant the need for more drilling on the property. This is definitely not the time to walk.

4.00 STATEMENT OF EXPENDITURES

Prospecting Program Summer 2015 Sweet Spot Property	
Craig Kennedy - 7 days @ 500/day	\$3500.00
7 4X4 Truck @ 100/day	700.00
Jun 4, 7, 22, Jul 4, 12, 15, 25	
Tom Kennedy – 2 days @ 500/day	1000.00
Jul 4, 15	
Mike Kennedy – 2 day @ 500	1000.00
2 4X4 Truck @ 100/day	200.00
Jul 4, 25	
Sean Kennedy – 1 day @ 500/day	500.00
Jul 25	
Craig Kennedy - Report writing, Misc drafting & Maps	<u>1200.00</u>
Total:	<u>\$8100.00</u>

5.00 AUTHOR'S QUALIFICATIONS

As the author of this report I, Craig Kennedy, certify that:

1. I am an independent prospector residing at 2290 Dewolfe Avenue, Kimberley, BC.
2. I have been actively prospecting in the East and West Kootenays district of BC for the past 35 years and have made my living prospecting for the past 26 years.
3. I have been employed as a professional prospector by major and junior mineral exploration companies.
4. I own and maintain mineral claims in BC and have optioned numerous claims to various exploration companies.

Craig Kennedy

Craig Kennedy
Prospector

LEGEND

SCALE 1:10000



- HISTORIC Pb/Zn SOIL ANOMALY
- PROSPECTING TRAVERSE ROUTES
- BEDROCK
- FLOAT & SUBCROP
- C-91-1 HISTORIC DRILL SITES

