ASSESSMENT REPORT TITLE PAGE AND SUMMARY

TITLE OF REPORT: Gravity Geophysical Survey of the Red Property

TOTAL COST:$6,795.00

AUTHOR(S):David Blann
SIGNATURE(S):

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S):
STATEMENT OF WORK EVENT NUMBER(S)/DATE(S): 5568233

YEAR OF WORK: 2015

PROPERTY NAME: Red 1

CLAIM NAME(S) (on which work was done): Red 1 Tenure 1034358

COMMODITIES SOUGHT: copper

MINERAL INVENTORY MINFILE NUMBER(S),IF KNOWN:

MINING DIVISION: Clinton
NTS / BCGS:
LATITUDE: __51_° _58’ _03.76"
LONGITUDE: _121_° _23_’ _51.46_" (at centre of work)
UTM Zone: 10 EASTING: 610250 NORTHING:575800

OWNER(S):GWR Resources Inc. FMC 110622

MAILING ADDRESS:
733 510 West Hastings Street
Vancouver, B.C.
V6B 1L8

OPERATOR(S) [who paid for the work]: GWR Resources Inc.

MAILING ADDRESS: as above

REPORT KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude. **Do not use abbreviations or codes**).Upper Triassic-Lower Jurassic Nicola Group volcanic rocks cut by intrusive rocks of diorite to monzodiorite composition. Fracture controlled chlorite, epidote, k-feldspar, sericite with magnetite, hematite, pyrite, chalcopyrite, bornite, malachite, chalcocite, native copper.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:
33809, 30457,28093,26825, 25844,23310, 22203,18589

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	GRAVITY- 11 stations	1034358	**$6,795.00**
Airborne			
GEOCHEMICAL (number of samples analysed for …)			
Soil			
Silt			
Rock			
Other			
DRILLING (total metres, number of holes, size, storage location)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling / Assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale/area)			
PREPATORY / PHYSICAL			
Line/grid (km)			
Topo/Photogrammetric (scale, area)			
Legal Surveys (scale, area)			
Road, local access (km)/trail			
Trench (number/metres)			
Underground development (metres)			
Other			
		TOTAL COST	**$6,795.00**

Gravity Geophysical Survey

Of The

Red Property

Event # 5568233

Lac La Hache, British Columbia

UTM 92P.094

51⁰ 57' 51" N 121 23' 34" W

Clinton Mining Division

By

David E. Blann, P.Eng.

November 2, 2015

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APPENDIX

1.0 SUMMARY

The Red property is located 16 kilometres north-northeast of the village of Lac La Hache, in the south central Cariboo region of British Columbia. The property is accessed by approximately 28 kilometres of all weather logging roads, and in part by old skid trails. Lac La Hache is located on B.C. Highway 97, and is serviced by B.C. Rail, and B.C. Hydro.

The claim area is underlain by the west central portion of the Quesnel Trough, an Upper Triassic-Jurassic volcanic island arc sequence intruded by high level coeval dikes and stocks of gabbro, diorite, monzonite, and locally syenite. These rocks are in contact to the east with the composite Takomkane batholith, approximately 193 million years in age. Eocene to Miocene volcanic rock crosscut and overlies portions of the older rocks. The area was covered by over 1000 metres of ice during the latest glacial period that removed in part, Tertiary and older rocks and deposited between 1 and 30 metres or more of till, glaciofluvial and lacustrine cover. Tertiary volcanic cover may have in part protected older rocks and associated mineral deposits from glacial abrasion and erosion.

The Red property is approximately 90% covered by glacial and glaciofluvial deposits. Predominantly in the eastern portion of the claims, sporadic outcrop of fine grained units including limestone, greywacke, siltstone and argillite and medium grained volcanic agglomerate, flow, tuff, and intrusive clast breccia of basalt to andesite composition occur. These rocks are cut by dikes or small stocks of monzonite, monzodiorite and diorite composition. Dikes and flows of basalt composition, Tertiary in age, cut and in part overlie older rocks west of the property, and on the north side of Spout Lake. Approximately three kilometres to the northeast of the Red property, G.W.R. Resources Inc. has identified some 23.4 million tonnes of 0.23% copper in magnetite skarn at their North and South zones.

In February 2015, the Red property was amalgamated and reduced in size to 358.51 Hectares, called the Red 1 claim. The Red 1 contains a number of copper showings that occur in proximity with a strongly magnetic, north trending structure identified by regional airborne surveys. Positive C horizon, Ah horizon, deep auger till geochemical results with up to 2,500 ppm copper have been identified over the years. In 1997, two short diamond drill holes tested a portion of an easily accessible geochemical target and intersected fracture controlled chalcopyrite, bornite, native copper and hematite hosted by propylitic altered volcanic rocks in contact with a monzodiorite dike. An induced polarization geophysical covering a very limited portion of the eastern side of Red 1 was completed in 2008 which identified several strong chargeability zones.

During 2015, access road clearing, geological reconnaissance and 14 gravity geophysical stations were completed on the Red 1 claim. This was performed in conjunction with a larger program conducted by GWR Resources on its nearby Lac La Hache project. Results of the survey include the identification of a strongly positive gravity high centered near the north central portion of the Red 1 claim. This feature coincides within the positive northerly magnetic geophysical trend, interpreted regional scale Timothy Creek fault zone, copper showings and positive geochemical data. Together, the data support the presence of a large copper mineral system with potential to host quality copper deposits.

Recommendations to better define bulk tonnage copper deposits include a program of 15 km of induced polarization geophysical surveying, followed by diamond drilling of 10 holes of 100 metres length (1000 metres total). Total cost for this work is estimated to be $200,000.

2.0 INTRODUCTION

The purpose of the 2015 program was to investigate the Red 1 property with a gravity survey to provide additional information about the geology and nature of the copper zones present and support additional work on the property.

3.0 LOCATION AND INFRASTRUCTURE

The Red property is located 17 kilometres north-northeast of the village of Lac La Hache, and approximately 400 kilometres northeast of Vancouver, British Columbia (Figure 1). The approximate NTS coordinates are 510 57' 51" N 121 23' 34" W. The property is accessed by approximately 30 kilometres of paved and all-weather gravel road. From Lac La Hache, take the paved road east towards Timothy Lake, and at a junction, turn north towards Rail Lake. At Rail lake turn east along a major logging road that cuts through roughly the centre of the Red property. Extensive new logging and road construction is evident that transect the property. Highway 97, B.C. Rail, B.C. Hydro, and a natural gas pipeline are located in Lac La Hache. Twenty-six kilometres south of Lac La Hache is the town of 100 Mile House, population 8,000. The local economy is primarily dependent on forestry and ranching.

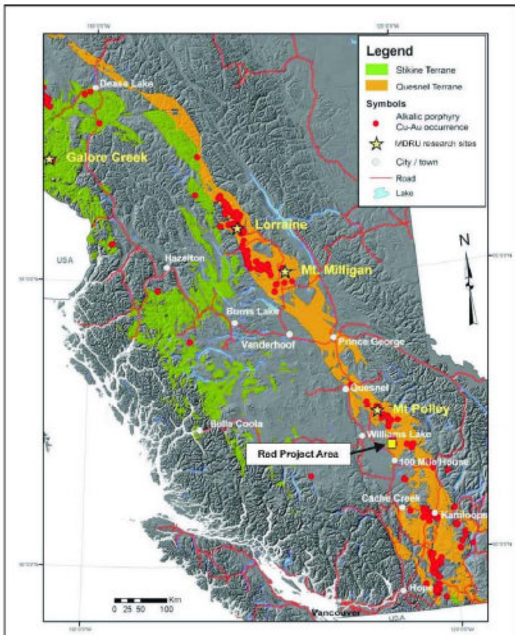

Figure 1. Distribution of the Quesnel Terrane (Quesnellia) in British Columbia, the location of alkalic copper-gold porphyry deposits within the terrane and the location of the Red project. Deposits denoted by stars are currently being researched by the Mineral Deposits Research Unit of the University of British Columbia.

Red Property Location	**Red Property** Spout Lake area, Lac La Hache, B.C. NTS 92P/ 14W — Clinton Mining Division 92P093, 92P094 — March 2013 Figure 1

4.0 PHYSIOGRAPHY AND CLIMATE

The property is situated in the Central Plateau of the Cariboo region of south central British Columbia. The area is characterized by gentle hills with elevations ranging from 850 to 1500 metres. Approximately 60% of the fir, spruce and pine forest in the immediate area has been logged and replanted. Several large lakes and numerous creeks provide water year-round. The annual precipitation is from 500 to 1000 millimetres, with most of it occurring during the winter months. Winter snow cover averages 1-2 metres, arriving by early November and departing by April. Work can be conducted year-round.

5.0 PROPERTY STATUS

The Red property is comprised of mineral tenure number 1034538 totaling 358.51 hectares (Table 1 Figure 2). These claims are registered 100% in the name of GWR Resources Inc., FMC 110622, of 733 510 West Hastings Street, Vancouver, B.C. Canada V6B 1L8.

Tenure Number	Tenure Owner	Issue Date	Expiry Date*	Area (Hectares)
1034358	110622 100%	Feb 24 2015	Dec 14, 2018	358.51

*subject to assessment work approval

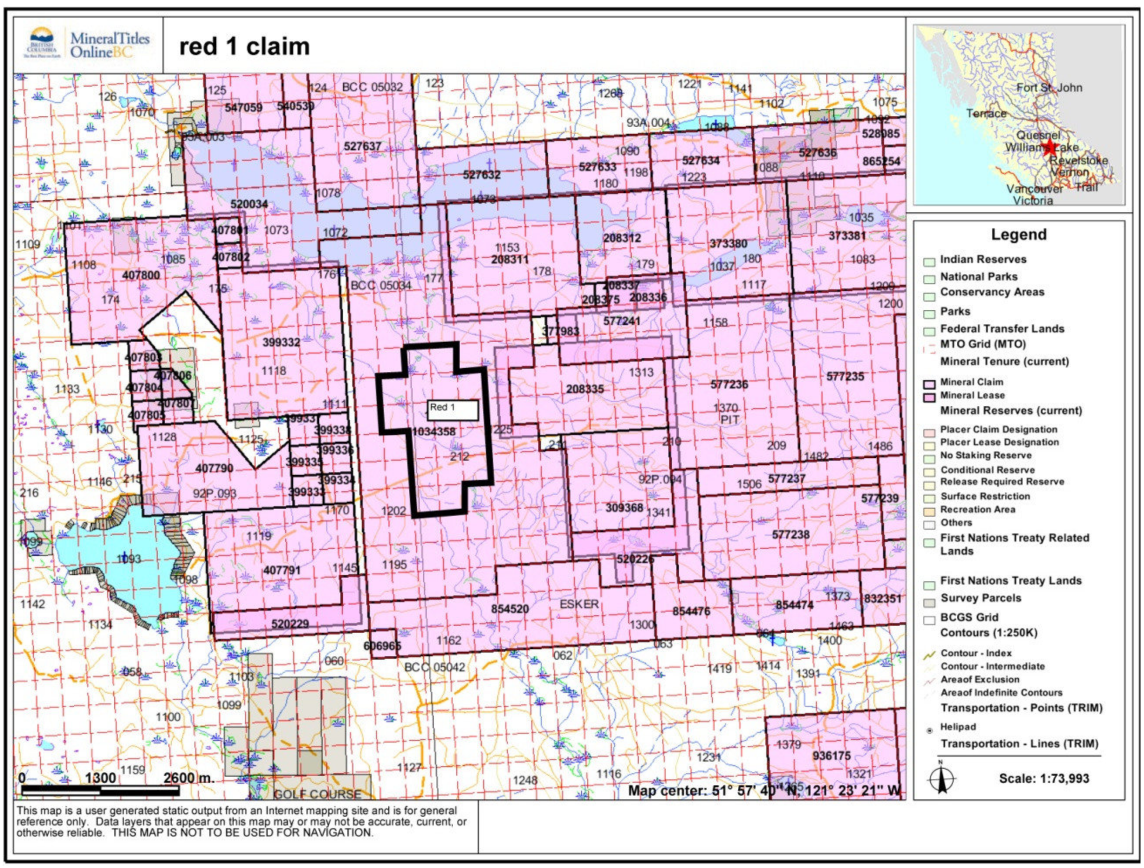

Figure 2 Red Property Mineral Tenure

6.0 HISTORY

The Lac La Hache area was initially prospected for placer gold during the Cariboo Gold Rush in the 1890's. In 1966 the federal government performed an airborne magnetic survey of the Lac La Hache area resulting in the delineation of a large annular magnetic anomaly. This was followed by exploration for porphyry copper and skarn mineralization. In 1966-1967, the Coranex Syndicate initiated regional reconnaissance soil sampling, resulting in the discovery of porphyry copper mineralization on the Peach showings, south of Peach Lake.

In 1971, Amax Exploration Ltd. conducted geological and geochemical surveys west of Coranex ground resulting in the discovery of the WC chalcopyrite-magnetite skarn zone (North and South zones). Between 1971 and 1974 Amax defined two mineralized zones, approximately 500 metres east of the northeast corner of the Red property.

The area remained relatively unexplored until the mid-1980's when B.P.Selco and later, Cominco, performed regional programs. The properties eventually reverted back to the crown and were staked several times by various companies. Airborne and ground geophysical surveys, soil sampling, and trenching were performed, increasing knowledge of the area.

Drilling by GWR Resources on the North and south zones has resulted in some 23.4 million tonnes of 0.23% copper with accessory gold, silver and magnetite, and additional discoveries of porphyry copper-gold mineralization at the Miracle, Aurizon, Anne North and Peach Melba zones.

The area of the Red property was explored as the Club claims between 1988-1993 using airborne and ground geophysical surveys, soil, silt and rock geochemistry, trenching, and minor geological mapping (Seyward, 1989, White, 1989,1992, 1993, Blann, 1996).

A previous soil geochemical survey in the eastern portion of the Red property returned 25 samples containing greater than 40 ppb gold, and a further 18 containing 100-1930 ppb gold (White, 1989). PGE's were not analyzed for. In 1998, soil samples taken to the west returned values of up to 2619ppm copper and 156ppb gold, and suggests a broad area of greater than 10 ppb gold in soil remains open to the north and northwest portion of the Red property (Blann,1998). Diamond drilling of two short reconnaissance holes in 1998 returned pyrite and trace chalcopyrite, bornite, chalcocite and native copper in intense propylitic and iron oxide-rich volcanic rocks in proximity with a monzonite dike, and confirmed that Tertiary aged volcanic cover was not present as indicated in Government maps (Blann, 1999). In 2001, an auger till sampling program was conducted over a strong ground magnetic anomaly returning low-order but statistically significant coincident copper, arsenic, gold, and potassium concentrations on the western side of the property (Blann, 2002).

During 2005 six silt samples, 30 soil samples and a number or rock samples were collected (Blann 2006). Silt samples taken from a creek draining the northeastern portion of the property returned values of up to 810 ppm copper, 718 ppb silver, 15.3 ppb gold, and 43 ppb palladium. Soil sample results include 13 samples returning greater than 100 ppm copper, including a maximum of 7,750 ppm copper adjacent to a new copper showing. In general, an area approximately 200 metres by 200 metres contain anomalous copper in soil, in proximity with a new copper showing found in a recent logging clear cut. In general, an area approximately 200 metres by 200 metres contain anomalous copper in soil. The new showing consists of subparallel, east-west trending, moderate to steeply dipping lenses of massive chalcopyrite, probably bornite and malachite approximately 0.5 to 1.0 cm in thickness with samples returning 2.54% copper 12.8 ppm silver over 1.0 meter and 5 metres northwest, a grab sample contains 1.71% copper (Blann, 2006 AR 28093).

While under an Option Agreement with GWR Resources in 2007, 11 line-km of induced polarization geophysical survey was conducted by GWR resources near the eastern side of the Red property (Bailey, D., 2008, AR 30457). The southeast corner of the survey identified strong chargeability and magnetic values that remain open in extent to the south.

In 2012, GWR performed a large scale, widely spaced reconnaissance Ah horizon soil program. Through a financial contribution agreement with Mr. Blann, the program included 58 sample sites from the Red property. The results identified several sites with positive copper, gold, iron, arsenic values in the Ah horizon (Blann, 2013, AR 33809).

In 2013, additional auger till sampling, stream sediment and rock sampling was conducted that identified several new areas of outcrop and subcrop within new clear-cuts that contained positive copper values.

7.0 REGIONAL GEOLOGY

The Peach Lake area covers approximately 5 kilometres in width and 10 kilometres in length within the Quesnel Trough. The regional geology consists of north-northwest trending Upper Triassic-Jurassic Nicola group sediments, volcanic and high level intrusive rocks, a large centrally located monzonite stock and the Takomkane batholith. The edge of the Takomkane batholith occurs approximately 5 kilometres to the east of the property where it is up to 50 kilometres in width and estimated at 193 million years old (Whiteaker, 1995). The Takomkane Batholith is in part comprised of granodiorite, monzonite, gabbro, pyroxene, and locally more felsic phases. All of the rocks are locally crosscut and covered by basalt, Miocene-Eocene in age.

West of the Takomkane Batholith, a doughnut shaped aeromagnetic high anomaly with dimensions of 15 kilometres north-south and 10 kilometres east-west is partially mapped and interpreted to be centered by a locally mineralized monzonite stock; this stock is in part covered by Miocene- Eocene volcanic rocks. Peripheral to the stock is a magnetic high anomaly related to mafic- intermediate intrusions cutting Nicola volcanic-sediments; these rocks are propylitic to potassic altered, and contain broad zones of 0.5 - 10% pyrite, hydrothermal magnetite, and trace to 1% chalcopyrite, locally bornite, molybdenite, and associated gold-silver values (Figure 3).

Upper Triassic-Jurassic Nicola volcanic rocks are fine to coarse-grained, augite-hornblende and feldspar porphyritic flow, crystal tuff, lithic tuff and breccia of basalt to andesite composition. Fine grained carbonate amygdule volcanic rocks, siltstone, argillite, limestone and debris flow occur south of Spout lake, on the eastern side of the Red property. Bedding orientation varies as folding and faulting is evident. Intrusive rocks include gabbro, diorite, monzonite, monzodiorite, and locally syenite, inferred to be marginal phases of the Takomkane granodiorite. Intrusions are variably biotite-pyroxene-hornblende-feldspar porphyritic, occur as stocks, sills or dikes, and display textural and compositional zoning and crosscutting relationships. Intrusion, intrusive and volcanic breccia occurs.

Carbonate amygdaloidal, vessicular and feldspar porphyritic basaltic-andesite of Tertiary age unconformably overlie and crosscut Triassic-Jurassic and Cretaceous rocks. These rocks are generally fresh to weakly chlorite-epidote altered and hematitic in the Peach Lake-Spout Lake area. Tertiary rocks occur generally to the west and south of the Red property.

Glaciation and erosion has smoothed what once was likely part of a large mountain range, and glacial-related deposits from 1-30 metres in thickness cover most of the area. In portions of the Quesnel Trough, Tertiary volcanic cover has in part protected copper-gold porphyry deposits from glaciation, and deposits may be only partially exposed.

8.0 PROPERTY GEOLOGY

Outcrop on the Red property can be located in the east and northeast portion of the property. Trenches, roads, gravel pits and two drill holes suggest 2-30 metres of poor to well-sorted glacial related deposits occur elsewhere.

Rocks in the southern and eastern portion of the property are comprised of hard-weathering, coarse clast heterolithic volcanic-intrusive breccia and conglomerate of andesite-monzodiorite composition.

Photo: Nicola Group volcanic breccia/Agglomerate (left) and intrusive clast volcanic breccia with epidote (right)

Fine grained volcanic-sedimentary rocks occur further northwest; these rocks include argillite, siltstone, fossiliferous limestone, and fine to coarse volcanic breccia of andesitic to basaltic composition. Rocks to the north and east of the property are comprised of augite-hornblende-feldspar porphyritic basaltic andesite flow and breccia cut by monzonite dikes. Breccia clast size, texture, composition and associated alteration vary spatially.

Reworked glacial and glacio-fluvial till deposits from between 2 and 30 metres likely occur in gentle terrain in the western portion of the property. Geological Survey of Canada data suggests the area was near the apex of the last major glacial period, and movement was locally determined.

9.0 STRUCTURE

In the southeast portion of the property a coarse volcanic-intrusive breccia or agglomerate unit trends northwest following a topographic ridge. Intercalated volcanic-sedimentary units may increase in abundance to the northwest, however outcrop becomes very scarce. A contact between fossiliferous limestone and adjacent volcanic sediments is northerly with a moderate to steep westerly dip. A pronounced northwest trending magnetic structure through the property may be part of the regional-scale Timothy Creek Fault, and is parallel to chargeability and resistivity structures (Blann, 1998). VLF–EM surveys suggest northeast, northwest, and east trending structures occur (White, 1989).

A recent logging road exposed a 5 metre wide, clay altered fault zone trending 300 degrees, and similar orientations occur in many fault and fracture zones. Other faults and fractures, in part mineralized occur and trend north to northeast.

10.0 ALTERATION AND ASSOCIATED MINERALIZATION

Volcanic and volcanic-sedimentary rocks are deformed, weak to strongly fractured, and propylitic to locally potassic altered. Rocks from outcrop in the southern portion of the property contain structurally controlled zones of chlorite, epidote, calcite, sericite, clay, magnetite and hematite alteration with associated pyrite and chalcopyrite mineralization. Previous chip sampling on the Road zone returned 5 metres containing 0.25% copper and 5 metres containing 0.11% copper from propylitic altered intrusive and volcanic breccia within an area of less than 5 millisecond chargeability (White, 1989). Mineralization in this area is comprised of fine grained specular hematite, goethite, malachite, azurite, chalcopyrite, bornite and chalcocite within matrix and breccia clasts. The host is very weakly magnetic.

Outcrops of volcanic and volcanic-sedimentary rocks are variably altered and contain chlorite, epidote, sericite, carbonate, and locally calc-silicates and k-feldspar occurs. These rocks contain trace to 3% pyrite and trace to 5% magnetite. Chalcopyrite occurs in fractures up to 1 cm in thickness and locally replaces mafic minerals, feldspar or pyrite in the wall rocks.


New copper showings: strong epidote altered shear and fracture zone trending 330 degrees

Fracture controlled calc silicate- epidote-carbonate alteration with chalcopyrite.

11.0 2015 GRAVITY SURVEY

Between August 22 and 23, 2015, Excel Geophysics of High River Alberta completed 11 gravity stations on the Red 1 claim as part of a larger program conducted on the Lac La Hache project.

Selection, access to the field sites and geological input were assisted by Jesse Berke and Rob Shives, P.Geo.

Details of the survey parameters, field logistics report and a table of Red property gravity data are provided in Appendix 1 and 2, respectively. Maps of the work completed are shown below.

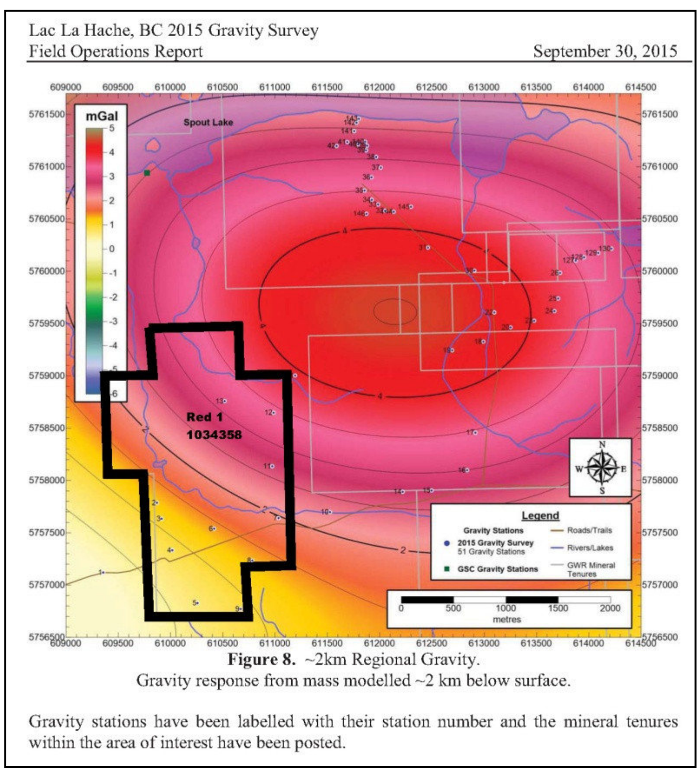

Figure 3 Regional Gravity and station locations

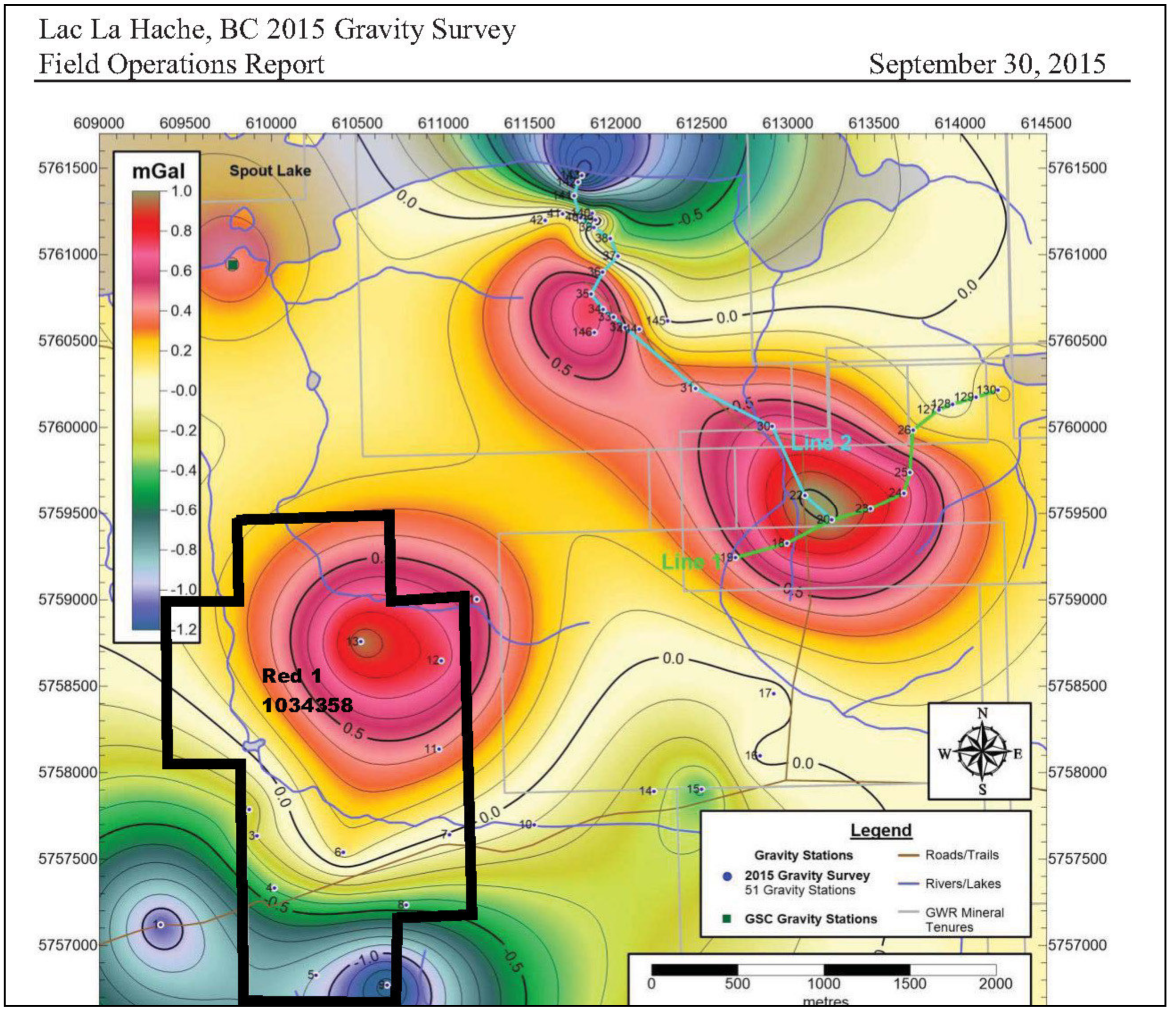

Figure 4   2015 Red Property Residual Gravity 0-2 km

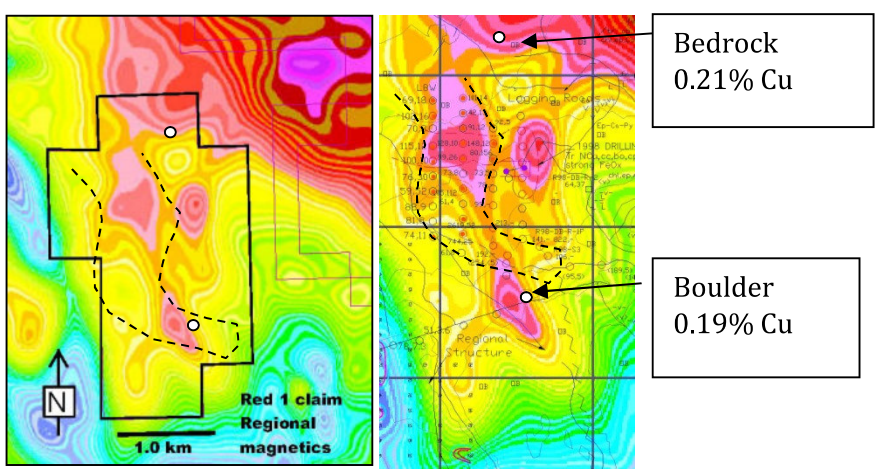

Figure 5 Red Property Regional Magnetics and soil sample compilation

12.0 RESULTS

From a review of the gravity data, a strong feature occurs in the north central portion of the Red claim, which also forms a part of the northerly trending high magnetic feature and associated copper in soil (glacial till) and rock samples (Figures 3, 4 and 5). The gravity feature appears similar to that occurring at the nearby Spout Lake North and South copper-iron Zones.

13.0 DISCUSSION

The Red property is approximately 90% covered by glacial till. Local outcrops are of Nicola Group, a sequence of sedimentary, volcanic and intrusive rocks, Upper Triassic-Jurassic in age and part of an island arc sequence. These rocks host economic porphyry copper-gold deposits such as Afton, Mt. Polley, and are cut and overlain by Tertiary-Miocene/Pliocene volcanic rocks that may have protected underlying Nicola Group rocks and associated mineral deposits from glacial abrasion.

On the Red property, the Nicola Group rocks are variably altered to chlorite, carbonate, sericite, magnetite, locally calc-silicate and k-feldspar. Several outcropping zones and drill core contain widespread trace-3% pyrite and locally chalcopyrite, bornite and secondary copper minerals such as chalcocite, native copper and malachite/azurite.

Historical geochemical surveys consisting of Bf, C and deep C (auger samples to > 2 metres below surface) and Ah horizon have produced several sizeable geochemical targets associated with positive magnetic, gravity, induced polarization and radiometric signatures. The geology of the area consisting of Nicola Group rocks and a regional scale Timothy Creek fault are supportive of conditions for copper mineralization to occur.

The main copper target area on the Red property is thought to occur in proximity to the northerly trend of higher magnetic response that are adjacent or a part of the regional scale Timothy Creek fault, a strong gravity anomaly, and subjacent to coincident positive potassium from previous airborne surveys. The presence of copper values within altered rocks in outcrops is also thought to be an important and encouraging aspect. Together, the exploration data to date supports the presence of underlying copper mineralization to occur for at least 2 km in a northerly trend.

14.0 CONCLUSIONS

The Red property is located northeast of Lac La Hache in south central British Columbia. The area is underlain by Upper Triassic Lower Jurassic Nicola Group that are cut by various high level intrusive rocks, and overlain in part by Tertiary-Miocene/Pliocene volcanic rocks. The area was affected by glaciation and glacial till, glaciofluvial and lacustrine deposits between 1 and 30 metres in thickness cover approximately 90% of the property. Several periods of exploration have identified positive copper values in outcrop, drill core, soil and stream sediment samples in several areas of the Red property.

The encouraging copper values occur within or adjacent to large scale airborne geophysical features and ground-based gravity and induced polarization geophysical surveys. These areas, in conjunction with previous exploration results in other areas of the property and at the nearby Lac La

Hache property, suggest reasonable potential for the presence of a large copper deposit and continued exploration is warranted.

15.0 RECOMMENDATIONS

It is recommended that an induced polarization geophysical survey be performed over all of the Red property. This could be done initially on 300 metre line spacing and require 15 line kilometres of survey. Lines should be arranged to cross the various target areas outlined to date. Estimated cost of $50,000 is anticipated. Additional survey lines will likely be required to fill-in or extend the survey and additional budget for this is recommended. Depending on results of Phase 1, Phase 2 exploration would consist of drill testing the various targets and include approximately 10 holes of 100 metres for a total of 1,000 metres at a cost of $150,000. In total, a $200,000 budget is recommended.

17.0 REFERENCES

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18.0 STATEMENT OF COSTS

Exploration Work type	**Comment**	**Days**			**Totals**
Field Work					
Rob shives P.Geo.	Field Management	2.0	$800.00	$1,600.00	
Jesse Burke	Access road clearing	1.0	$250.00	$250.00	
				$1,850.00	**$1,850.00**
Office Studies	**Personnel**				
Data and report review	Rob Shives, PhD.	1.0	$800.00	$800.00	
compilation/Report	David Blann, P.Eng.	4.0	$650.00	$2,600.00	
				$3,400.00	**$3,400.00**
Ground geophysics	**Line Kilometres / Enter total amount invoiced list personnel**				
Gravity: Excell Geophysics	14 gravity stations			$1,120.00	
				$1,120.00	**$1,120.00**
Accommodation & Food	**Rates per day**				
Hotel	Rob Shives/GWR	2.00	$65.00	$130.00	
	Jesse Burke	1.00	$65.00	$65.00	
Meals	Day rate	3.00	$45.00	$135.00	
Travel-	truck fuel for three trips			$ 70.00	
				$400.00	**$400.00**
Miscellaneous					
Telephone/communications				$25.00	
				$25.00	**$25.00**
TOTAL Expenditures					**$6,795.00**

19.0 STATEMENT OF QUALIFICATIONS

I, David E. Blann, of Burnaby, B.C., do hereby certify:

1.) That I am a Professional Engineer registered in the Province of British Columbia.

2.) That I am a graduate in Geological Engineering from the Montana College of Mineral Science and Technology, Butte, Montana, U.S.A. (1987).

3.) That I am a graduate in Mining Engineering Technology from the B.C. Institute of Technology (1984).

4.) That I have been engaged in mineral exploration and development since 1984.

Dated at Squamish, B.C., November 2, 2015

"David Blann"

____

David E. Blann, P.Eng.

APPENDIX 1

Gravity Survey Field Logistics and Report

LAC LA HACHE, BC
GRAVITY SURVEY
FIELD OPERATIONS REPORT

LAC LA HACHE, BRITISH COLUMBIA,
CANADA

Centered Near

Latitude 51° 58’ N, Longitude 121° 22’ W

Survey Period

August 22 – 24, 2015

Submitted By

EXCEL GEOPHYSICS INC.

Box 5056
302 Centre Street S
High River, Alberta, Canada
T1V 1M3

Prepared For

GWR RESOURCES INC.

733 – 510 W. Hastings Street
Vancouver, BC, Canada
V6B 1L8

Date: September 30, 2015

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FIGURES

TABLES

ENCLOSURES

CD-ROM

Final Report

1. GWR Resources 2015 Gravity Survey Field Operations Report.pdf

Digital Data (Data listings in Microsoft Excel spreadsheet)

1. GWR Resources 2015 Gravity Survey – Observed Gravity Data.xls
2. GWR Resources 2015 Gravity Survey – Bouguer Gravity Data.xls

Images (full size maps in .pdf format)

1. BouguerGravity.pdf
2. 5kmRegionalGravity.pdf
3. 2kmRegionalGravity.pdf
4. 2kmResidualGravity.pdf
5. 2kmResidualGravity – SpoutLakeArea.pdf
6. ProfileLines-2kmResidual.pdf

INTRODUCTION

The following report describes the field operations of the land gravity survey conducted by *Excel Geophysics Inc.* (*Excel*) for *GWR Resources (GWR)* near Lac La Hache, British Columbia. The survey area was located approximately 20 km north-northeast of Lac La Hache, British Columbia. Figure 1 shows the location of the project.

The gravity survey was conducted between August 22 and 24, 2015. 51 gravity stations were collected along existing roads and trails to provide a preliminary evaluation of the efficacy of gravity to detect mineral deposits on the Lac La Hache mineral tenures. The gravity data were combined with existing GSC gravity data to provide a regional setting. Figure 2 show the location of the gravity stations collected.

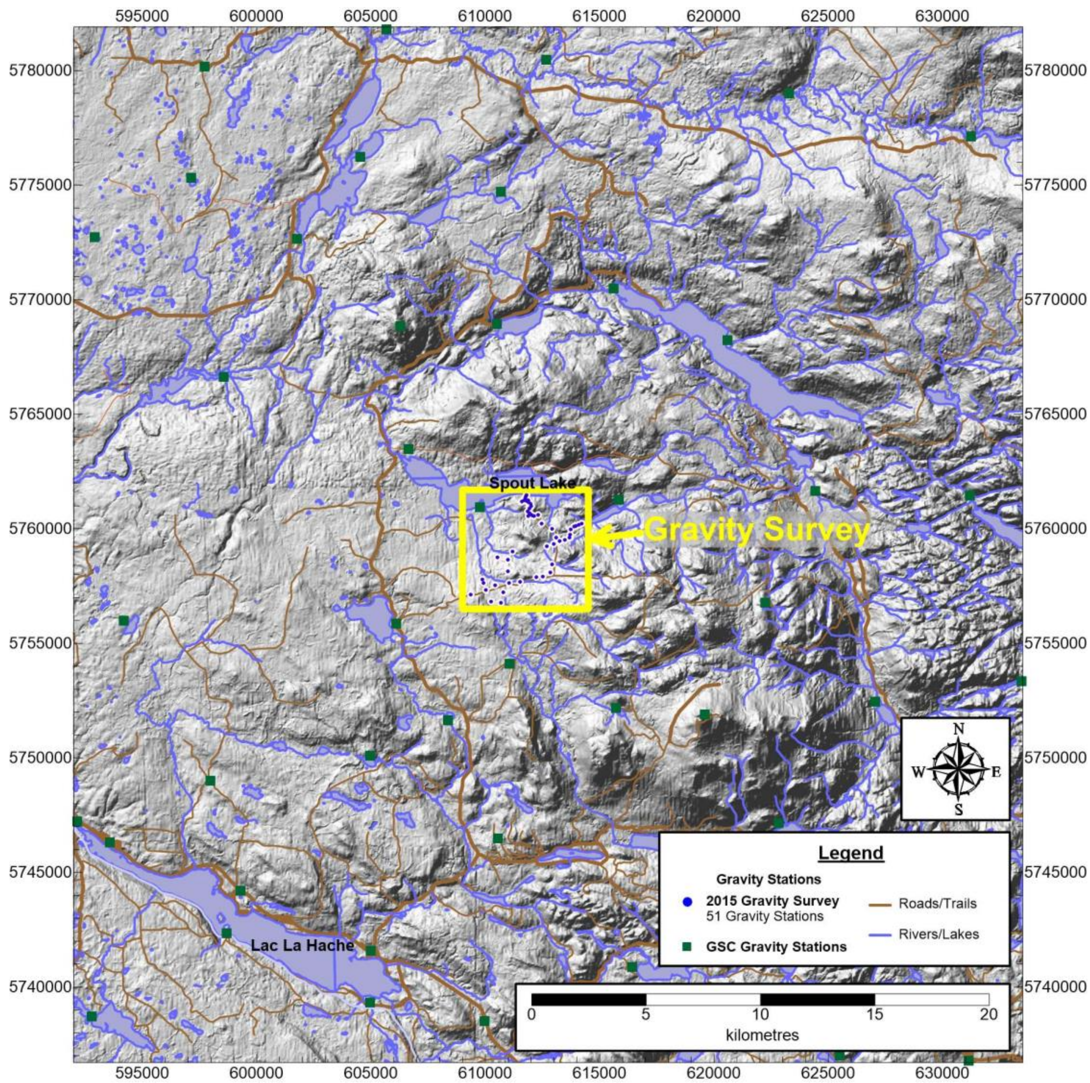

Figure 1. Location of *GWR* Lac La Hache Gravity Survey

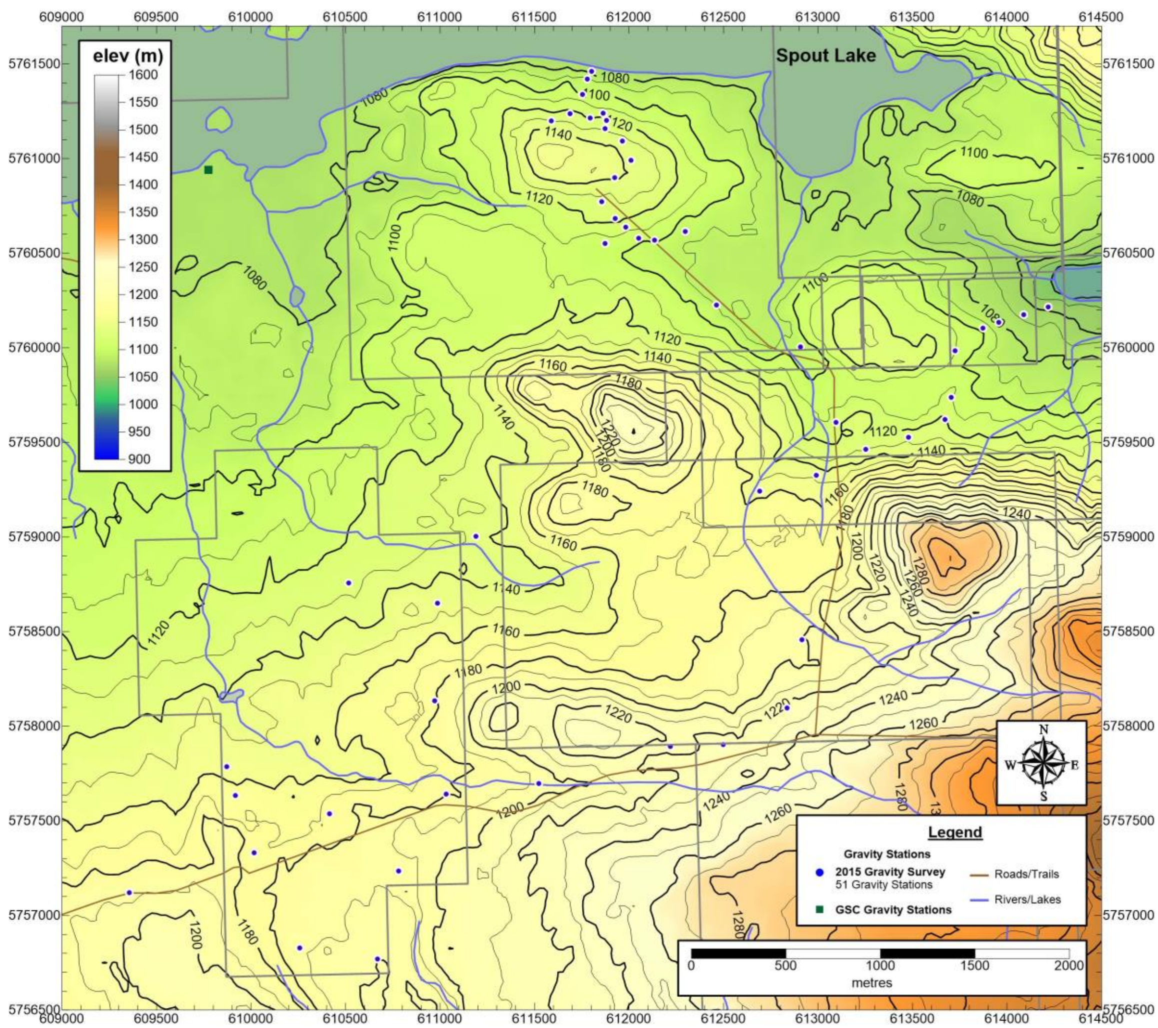

Figure 2. Lac La Hache Gravity Program

SAFETY

Each *Excel* crew member held valid safety certificates in Emergency First Aid, H_2S Awareness, Wildlife Awareness, and WHMIS. An emergency response plan containing contact numbers and emergency procedures was distributed and explained to all field staff. Safety meetings were held by the field staff on a regular basis to identify any safety hazards. There were no injuries or incidents during this survey. Excel ensured that each member of the crew was equipped with appropriate outdoor wear, cell phones and emergency first-aid kits.

GRAVITY SURVEY PARAMETERS

The following two tables outline the main details of the gravity survey as well as the people involved with this project.

Table 1. Gravity Survey Parameters

Gravity Survey Parameters	
General Survey Location	North-northwest of Lac La Hache, BC Latitude: 51° 58' N Longitude: 121° 22' W
Survey Duration	August 22 to 24, 2015
Gravity Station Spacing	Variable
Gravity Stations Acquired	Total: 51 Stations
Terrain Corrections	Inner (0 to 50 m) Outer (50 m to 25 km)
Methods of Transportation	Truck and Foot
Land Gravity Meters Used	LaCoste and Romberg G-353

Table 2. Project Personnel

Project Personnel		
***Excel* President**	Brian Jones	
Gravity Field Crew	Brian Jones	Andrew Gibson
Data Processors	Sheldon Kasper	Nicole Trenholm

GRAVITY SURVEY PROCEDURE

The survey crew consisted of two *Excel* geophysical operators. *Excel* had a supervisor on site for the duration of the project to coordinate all aspects of the operation including data quality control, client communications, staffing, environmental compliance and adherence to safety guidelines. Survey operations were based out of the Rangeland Motel, located in Lac La Hache, BC.

Trucks were used to transport the crew and equipment to and from the survey area. One LaCoste and Romberg G-series land gravity meters was used for this survey, with a second meter on standby. The project was surveyed mostly by truck. A few stations required the operators to proceed on foot due to overgrowth on the trails. Gravity stations were laid out along the access at a variety of spacings, as per client request. Terrain corrections for zones B and C (2 to 50 m) were recorded at each station using inclinometers.

A Garmin GPS navigation system equipped with a pre-programmed set of station coordinates was used for navigation to each gravity station. The precise location of the gravity meter at each station was determined using geodetic grade dual frequency Leica RTK GPS receivers. This aspect of the survey is described in detail under GPS survey procedure and processing. Figure 3 shows a typical gravity station setup in the field.

Figure 3. Typical Gravity Station Setup

GRAVITY BASE STATIONS

The gravity survey has not been tied to the Canadian Gravity Standardization Network (CGSN). The CGSN gravity base 9216-1982 at the Bridge Creek Centre in 100 Mile House, BC could be used to tie the survey into the CGSN if additional gravity data is collected in the area.

Field base 0 6 was established by *Excel* at station 0 6 in the survey area. This base was used as the main gravity and GPS base for the survey. A gravity reading was taken at this gravity base at the beginning and end of each day to determine meter drift. Table 3 contains the location and floating observed gravity value used during gravity data processing. Figure 4 shows field base 0 6.

Table 3. *GWR* Gravity Bases (WGS84)

Base Name	Latitude	Longitude	Observed Gravity (mGal)
Excel Control Base 0 6	51° 57' 27" N	121° 23' 35" W	981000*

* Not tied in to CGSN

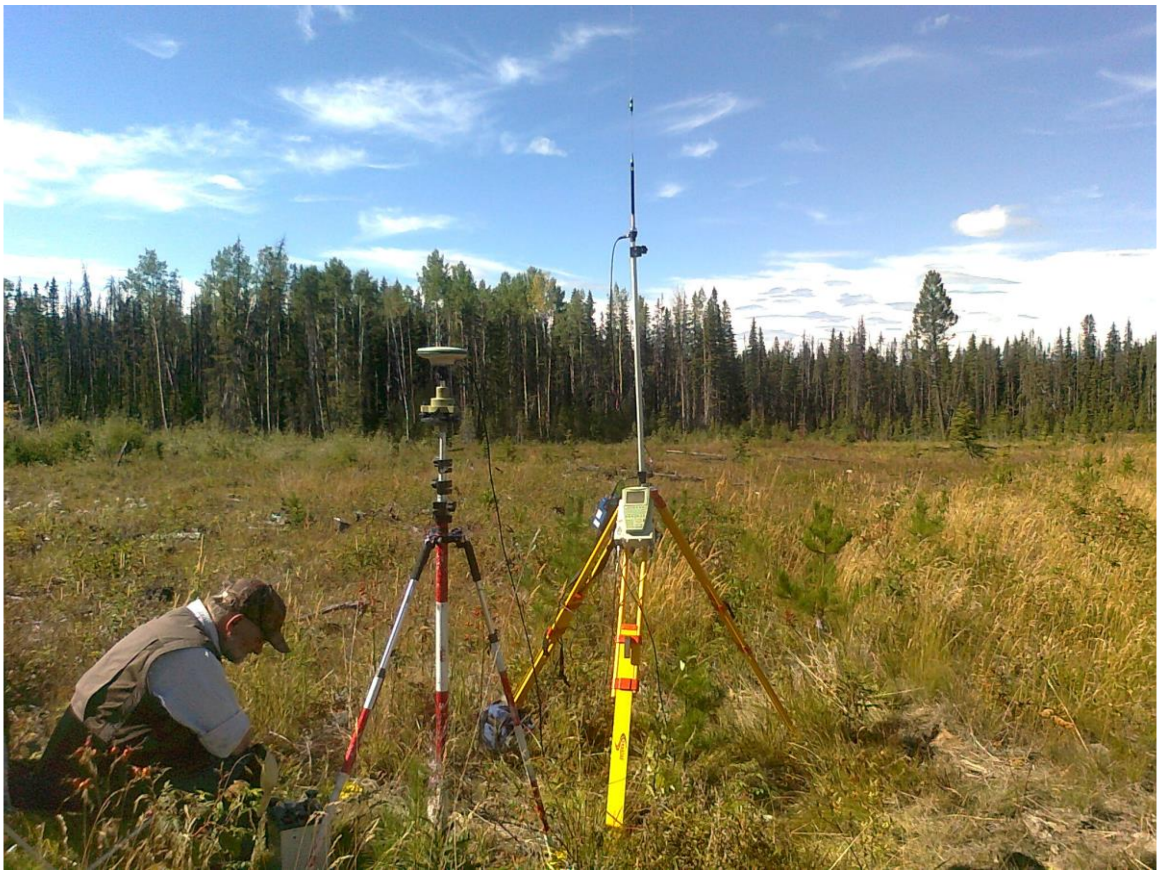

Figure 4. Gravity and GPS Field Base at station 0 6.

GPS CONTROL BASES

Precise elevation data is required for processing gravity data, therefore high quality differential GPS data is recorded at each gravity station. *Excel* personnel established gravity station 0 6 as a GPS control base in the survey area. This GPS control base was tied to the Canadian Active Control System (CACS) network using the base at Williams Lake, BC (WILL-937011). The data were downloaded from the International GNSS service website. GPS control base 0 6 can be seen in Figure 4. Coordinates for the control bases can be found in Table 4.

Table 4. GPS Bases

Base Name	NAD 83 Latitude	NAD 83 Longitude	Ellipsoidal Elevation (m)	Orthometric Elevation (m)
WILL-937011	52° 14’ 12.72689” N	122° 10’ 4.11766” W	1095.65745	1109.74345
0 6	51° 57’ 27.21774” N	121° 23’ 35.14767” W	1158.311	1172.066

GPS SURVEY PROCEDURE AND PROCESSING

Excel personnel established one main GPS control base within the survey area (gravity station 0 6). *Excel* used this control for the gravity survey. The location of *Excel* GPS base 0 6 is shown in Figure 4. The coordinates for the GPS bases are shown in Table 4.

Excel's personnel conducting the gravity survey were responsible for recording GPS readings at each gravity station. Leica VIVA series GPS units running in RTK mode were used for the duration of the survey because of their accuracy, reliability, fast satellite acquisition, ease of operation and small size.

GPS data were processed each evening using Leica Geosystems post-processing software. Station locations were downloaded from each Leica controller and checked for position and height quality. A position quality threshold was set in each controller. The unit would not automatically record a position until those cutoffs were met (<2 cm horizontal and <2.5 cm vertical). GPS data acquisition time ranged from less than a minute to up to 30 minutes depending on the position of the satellites and the clarity of the radio signal from the base station.

GRAVITY DATA REDUCTION

The LaCoste and Romberg land gravity meter (G-series) is operated manually and is capable of reliable and repeatable gravity readings to an accuracy of better than 0.01 mGal by experienced operators. The operator must ensure that the meter is operated at the recommended regulated temperature and is level during the reading.

The station id, date, time, dial reading and instrument height are recorded in a field notebook at each land gravity station. A gravity base is measured at the beginning and end of each day to correctly account for meter drift. Each evening the field data are entered into a computer and corrected for sun/moon tidal effects, instrument height, and instrument drift to obtain the observed gravity. Refer to the *Observed Gravity Data Listing* (GWR Resources Lac La Hache Gravity Survey – Observed Gravity Data.xls) for the raw data, observed gravity and intermediate reduction values for each day.

After the GPS coordinates and elevations are processed and merged with the observed gravity for each station, intermediate corrections are applied to the observed gravity to yield final Bouguer anomaly values. See Table 5 for the formulae used to determine the intermediate corrections and Bouguer gravity values. The Bouguer gravity has been calculated using constant density Bouguer and terrain corrections. A constant density of 2.70 g/cm³ was chosen for the data reduction. Refer to the *Constant Density Bouguer Gravity Data Listings* (GWR Resources Lac La Hache Gravity Survey – Bouguer Gravity Data.xls) for the intermediate corrections, station densities and final constant density Bouguer gravity values.

Table 5. Gravity Correction Formulae

Gravity Corrections	Description
Latitude Correction	International Association of Geodesy, World Geodetic System 1984. $= 978032.67714 \times \left(\frac{1 + (0.00193185138639 \times \sin^2(\text{latitude}))}{\sqrt{1 - (0.00669437999013 \times \sin^2(\text{latitude}))}}\right)$
Free Air Correction	= elevation (m) * 0.3086 mGal/m
Bouguer Correction	= - elevation (m) * density (g/cm^3) * (2 * pi * 0.00667384)
Terrain Corrections	B and C Zone (2 to 50 m) field observations with constant density.
	Outer terrain corrections (50 m to 25 km) calculated using 25m DEM data and a constant density.
Final Bouguer Values	= Observed Gravity – Latitude Correction + Free Air Correction + Bouguer Correction + Inner Terrain Correction + Outer Terrain Correction

A Bouguer gravity map was created using all data acquired by Excel as well as available GSC data. The GSC data provides regional context and control for filtered map products. The regional Bouguer Gravity Map is shown in Figure 5.

DATA QUALITY

Gravity measurements were of excellent quality. Over the three day survey, gravity meter drifts were 0.04, 0.02 and 0.01 mGal. Relative station elevations and horizontal locations were estimated to be better than 5 cm.

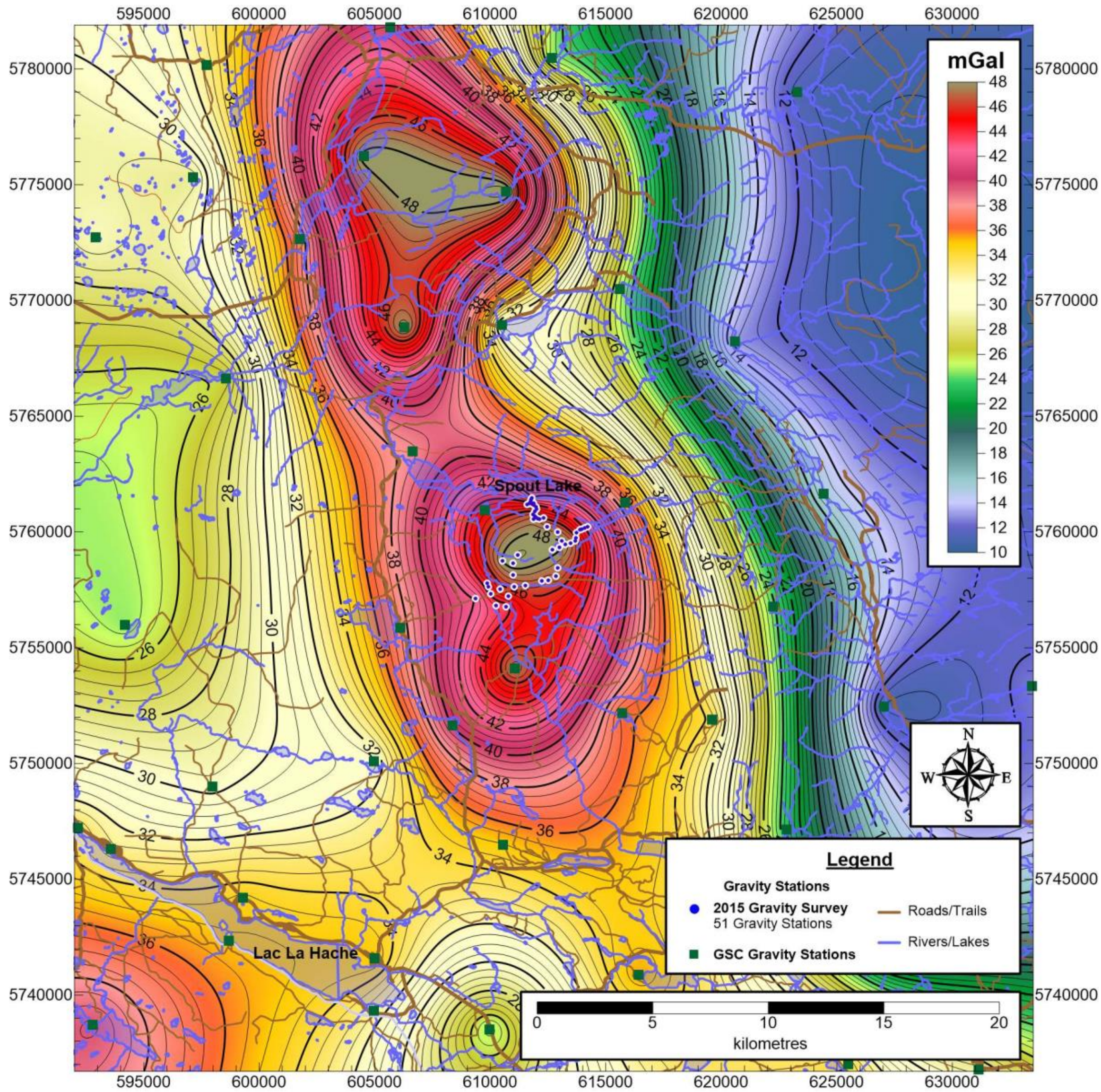

Figure 5. Bouguer Gravity Map (density = 2.7 g/cm³)

GRAVITY INTERPRETATION AND MODELLING

The interpretation presented in this report incorporates all data acquired in August 2015. The main objective of this gravity survey was to determine the gravity signature of the mineral deposits on the Lac La Hache property.

BOUGUER GRAVITY MAP

The constant density Bouguer Gravity Map is presented in Figure 5. The data have been reduced at a density of 2.7 g/cm³ and the project has been inset into the regional GSC gravity data. The current survey was collected at the peak of an impressive gravity high.

GRAVITY RESIDUAL MAPS

One of the most useful procedures in understanding the implications of the gravity signature is to separate the gravity signal into the response from different depths. The shape (or spectral property) of a gravity anomaly is depth dependent, which allows the Bouguer gravity map to be separated into a series of maps relating to the anomaly sources at varying depths. In order to see the gravity response from exploration depths, the deeper regional gravity trends need to be removed. The impressive gravity peak directly under the data and significant gravity low to the east were modelled using equivalent mass depth modelling. Figure 6 presents the deep regional gravity response. An arbitrary depth of 5 km was used to calculate this deep regional gravity.

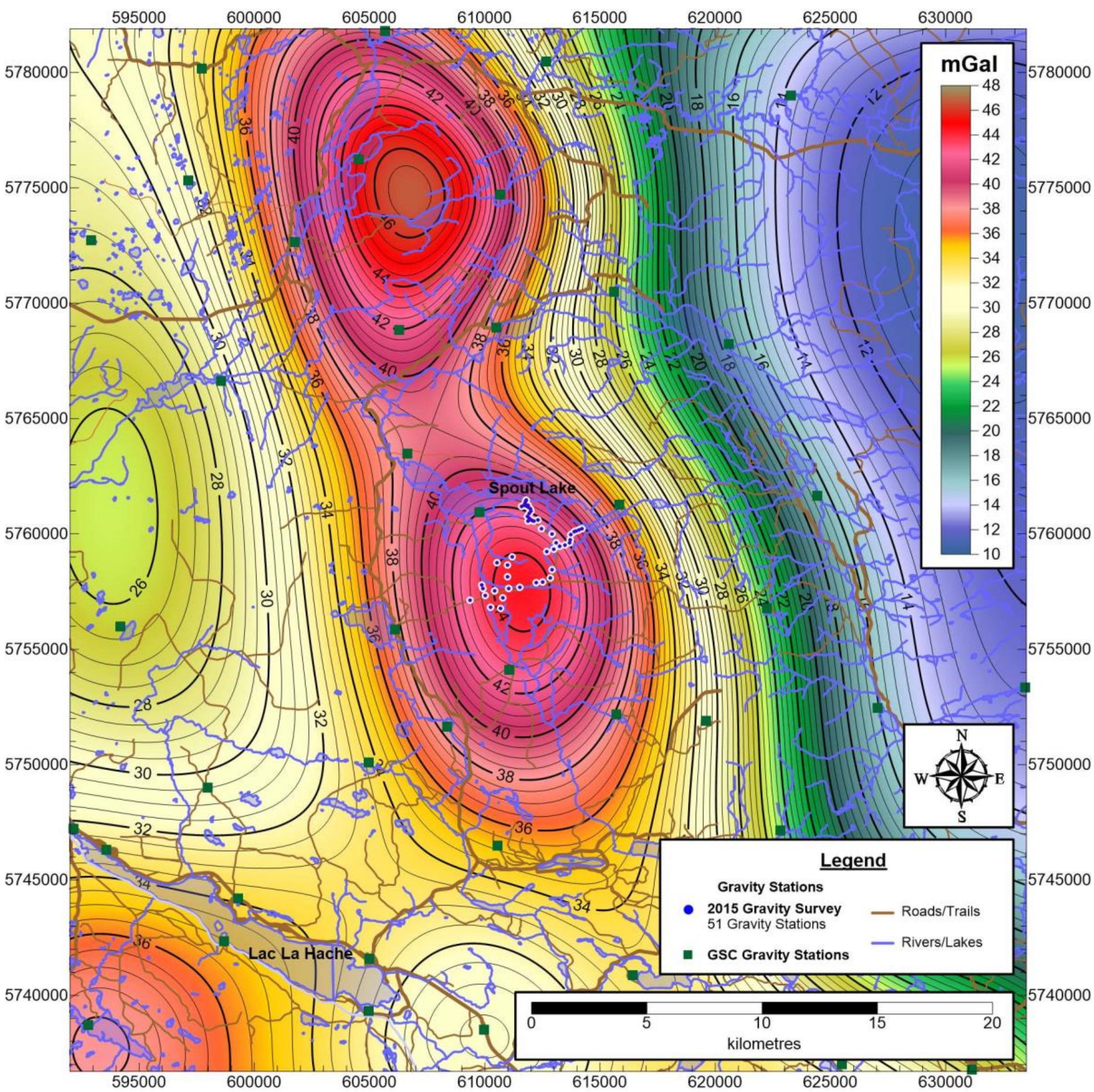

Figure 6. Deep Regional Gravity (~5km below surface)

The remaining gravity response is shown in Figure 7. A significant portion of the deep regional gravity trend has been removed.

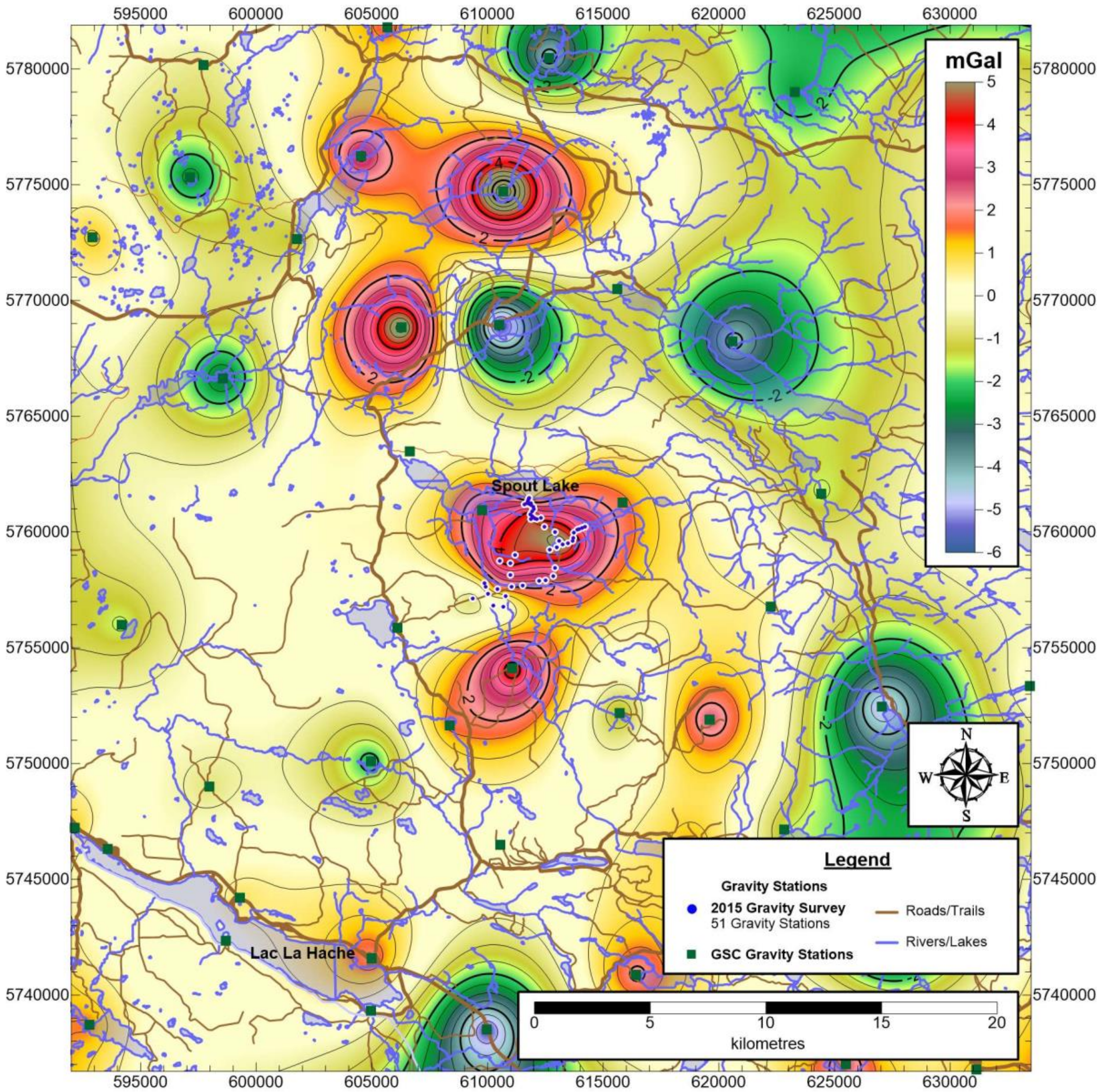

Figure 7. ~5 km Residual Gravity.
Gravity response from approximately 5 km to the surface.

A second deep equivalent mass model was calculated at a depth of approximately 2 km below surface. The resulting regional gravity response is presented in Figure 8. The central gravity high beneath the survey area has successfully been removed from the residual gravity (Figure 9), allowing the detailed gravity information from depths of exploration interest to be examined.

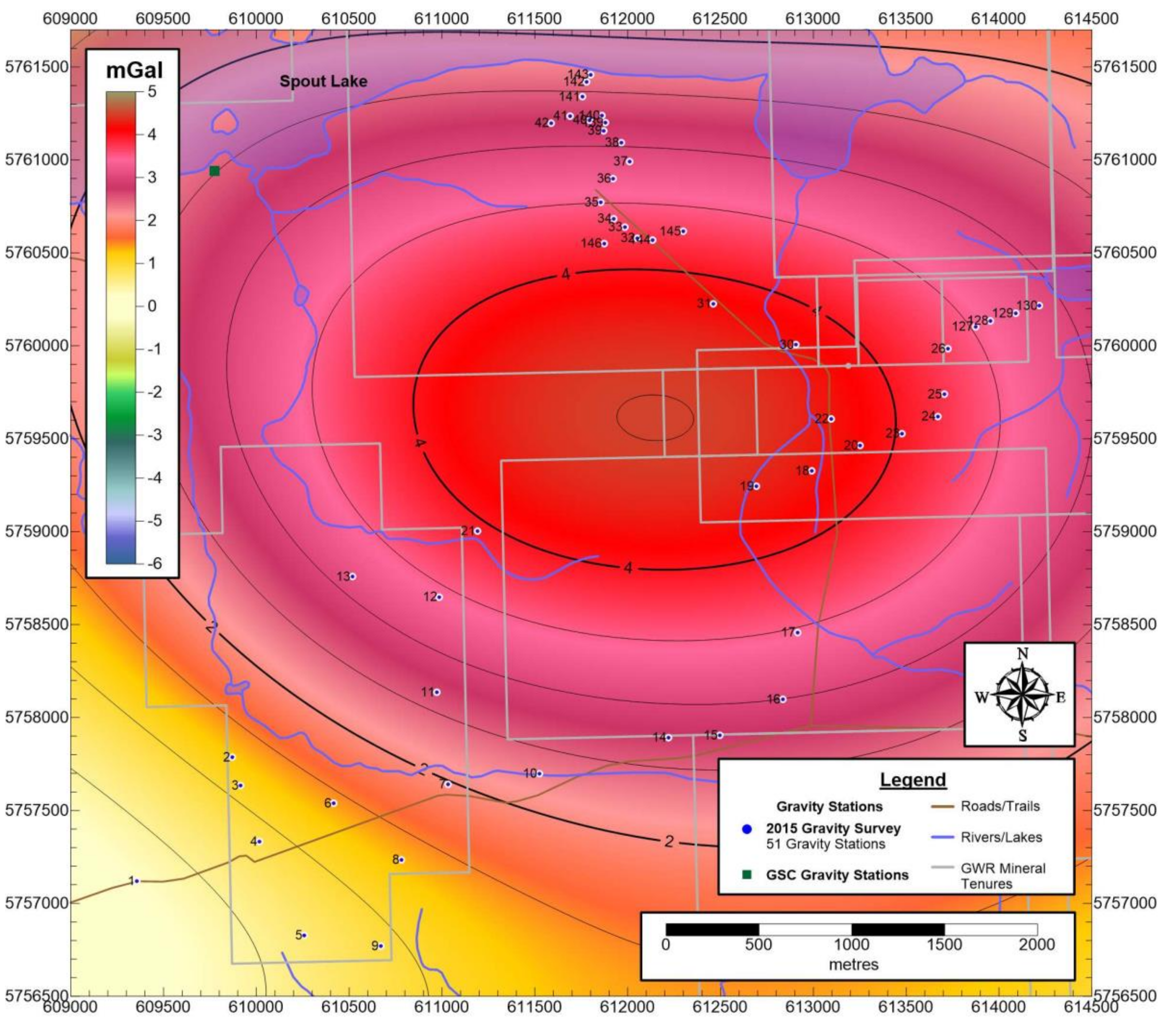

Figure 8. ~2km Regional Gravity.
Gravity response from mass modelled ~2 km below surface.

Gravity stations have been labelled with their station number and the mineral tenures within the area of interest have been posted.

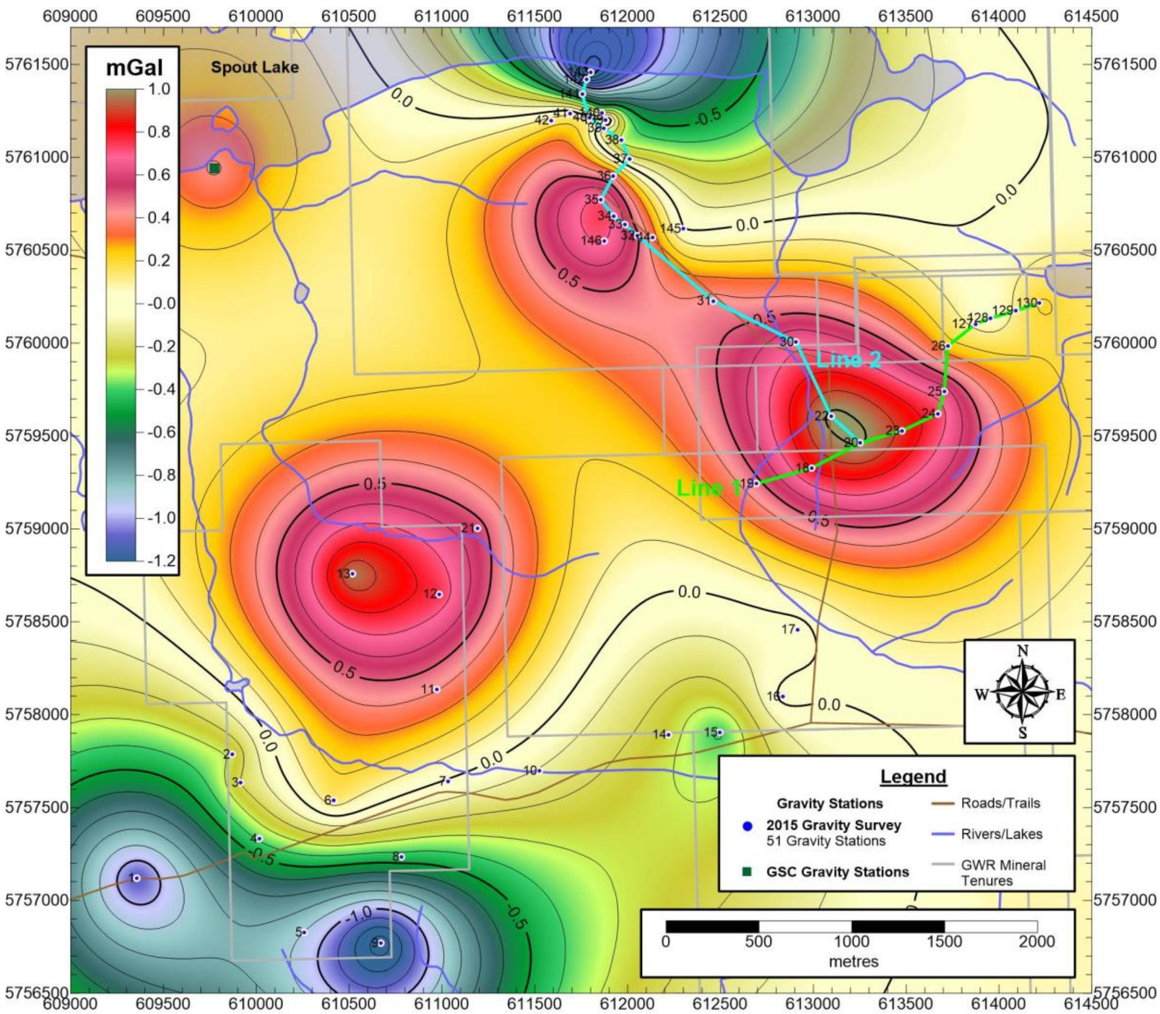

Figure 9. ~2 km Residual Gravity.
Gravity response from ~2 km to surface.

On the east side of the project area, gravity data were collected toward an area where hydrothermally controlled mineralization has been found. In Figure 10 (A), the gravity results are shown in profile form on the left (Line 1). The author is not certain of the exact location of the hydrothermally controlled mineralization, but a change can be seen at the east end of the profile line (Line 1). Additional data to the north and south of the access road would assist in understanding the changes in gravity at the east end of Line 1.

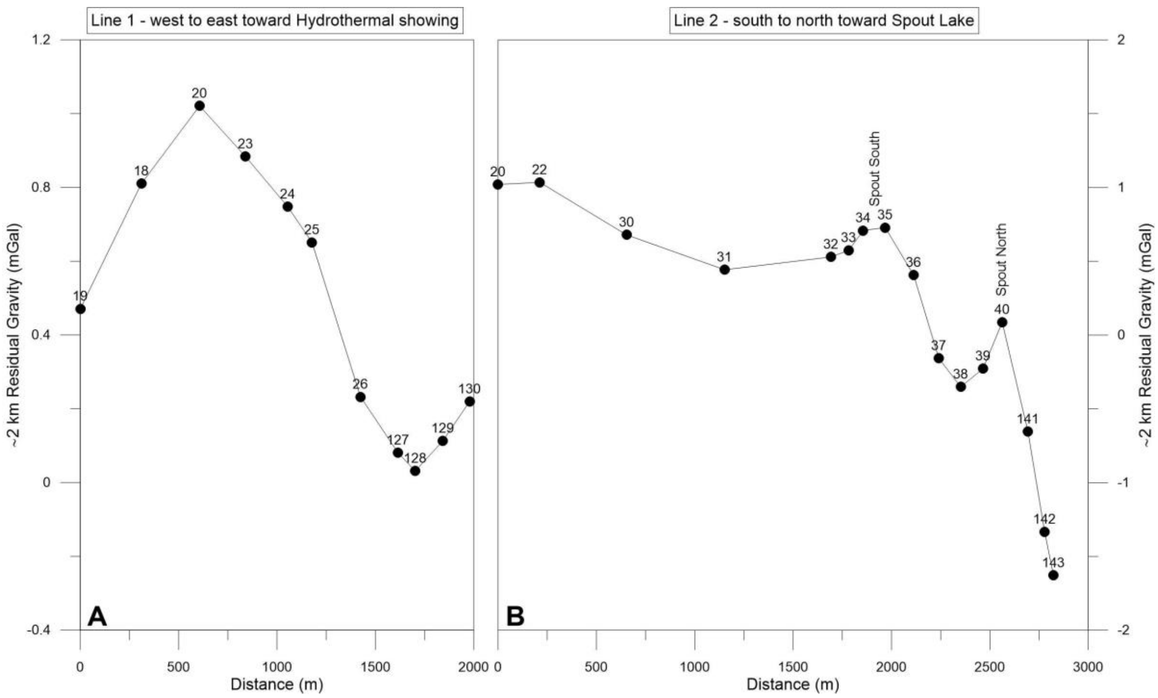

Figure 10. 2 km Residual Gravity Profiles.
A – Line 1, west to east toward Hydrothermal showing.
B – Line 2, south to north toward Spout Lake.

At the north end of the project area, gravity data were collected at a tighter spacing over an area of known skarn mineralization called Spout North and Spout South. Figure 10 (B) shows the 2 km Residual Gravity in profile form along this line (Line 2). Figure 11 provides a detailed look at the Spout Lake area of the 2 km Residual Gravity Map. On both the map and the profile, there are several points of note. The Spout South skarn deposit has a clear gravity high associated with it. The Spout North skarn deposit can also be seen in a clear high frequency anomaly associated with gravity stations 39, 40, 139 and 140. To the west, the Spout North deposit can be inferred from contours associated with gravity stations 40, 41, and 42. Currently there is not enough data to properly residualize the gravity anomaly from the background gravity high and the Spout South anomaly.

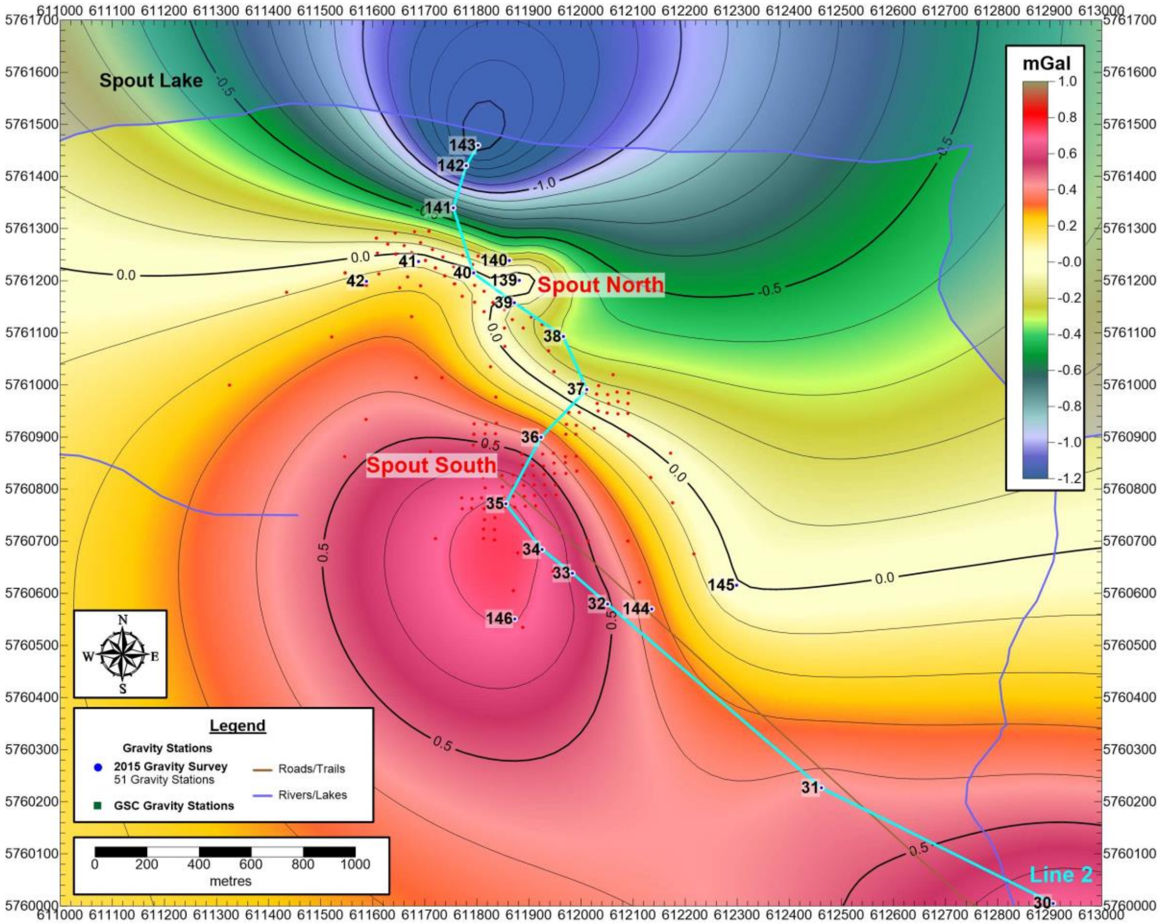

Figure 11. 2 km Residual Gravity Map,
focused on the Spout North and Spout South skarn deposits.

CONCLUSIONS and RECOMMENDATIONS

This preliminary assessment of the ability to identify and delineate mineralized areas on the Lac La Hache property with gravity has been quite successful. The Spout South and Spout North deposits have clear gravity anomalies associated with them. We strongly recommend additional gravity data collection to allow for proper residualization of the gravity anomalies. Additional gravity data would also allow more sophisticated data processing and mass modelling techniques to be used. Detailed gravity data over ore deposits can also be used to refine the dimensions of the body and the mass estimates.

APPENDIX A - UTM Zone 10 Coordinate System Parameters

The coordinate system used for mapping purposes is UTM Zone 10 (WGS84). Parameters for the coordinate system are shown in Table 6.

Table 6. UTM Zone 10 Mapping Parameters

Project Mapping System	
Datum	WGS 84
Ellipsoid	WGS 84
Latitude of Origin	Equator, 0º
Central Meridian	123º W
Grid Projection	UTM Zone 10
Scale Factor	0.9996
False Easting	500,000.0 m
False Northing	0.0 m

Ellipsoids:	WGS 84
Semi-major axis	6,378,137.0 m
Semi-minor axis	6,356,752.3 m

APPENDIX B - Data Listing Format

Observed Gravity Data

The *Observed Gravity Data Listing* (GWR Resources Lac La Hache Gravity Survey – Observed Gravity Data.xls) contains a listing of all gravity data collected by the crew during the survey period. The data is presented in chronological order.

The LaCoste and Romberg G-series land gravity meter uses a zero length spring supporting a mass on a beam as is standard in all modern gravity meters. While the meter is level, a counter dial is turned to adjust the position of the beam until the force of gravity is balanced by the mechanical force of the zero length spring. A calibration table is used to convert the counter reading value to a value in mGal. While the zero length spring system may drift during a day, this drift can be accurately identified and corrected by reoccupying a known gravity station one or more times during the day.

Each gravity loop is separated by a blank row. The primary gravity base is always assigned a line number of 0 to distinguish it from other readings, and can be seen at the start and end of each gravity loop. The date, time, Greenwich Mean offset, and project location (latitude and longitude) are used to compute the sun/moon gravity tide correction.

The relative gravity is computed by summing all of the terms:

Relative Gravity = calibrated counter reading + instrument height correction + tide correction - drift correction

Observed Gravity = relative station gravity - relative base gravity + base absolute gravity

Gravity base values can be seen in Table 3.

Bouguer Gravity Data

The *Constant Density Bouguer Gravity Data Listing* (GWR Resources Lac La Hache Gravity Survey – Bouguer Gravity Data.xls) displays the observed gravity and coordinate data with intermediate corrections and variable density Bouguer gravity values. Latitude and longitude values are given as well as UTM Zone 10 coordinates in WGS84. The elevations shown are orthometric height above mean sea level, calculated using the Canada HT2.0 geoid model. The intermediate corrections include the latitude, free air, constant density Bouguer and terrain corrections.

The final Bouguer gravity is computed as follows:

Bouguer Anomaly *(Variable Density)* = observed gravity - latitude corr. + free air corr.
+ Bouguer corr. +
(inner terrain corr. + outer terrain corr.)

Outer terrain corrections were calculated using 25m DEM data.

APPENDIX 2

Gravity Survey Field Data- Red Property

GWR Resources Inc.
Lac La Hache 2015 Gravity Survey - Observed Gravity Data

Line Number	Station Number	Date (dd/mm/yyyy)	Time (hhmm)	GMT Shift (hrs to GMT)	Gravity Meter Number	Operator ID	Counter Reading	Instrument Height (cm)	Calibrated Reading (mGal)	Instrument Height Correction (mGal)	Tide Correction (mGal)	Adjusted Reading (mGal)	Drift Correction (mGal)	Relative Gravity (mGal)	Observed Gravity (mGal)
0	6	8/22/2015	1442	-7	353	Brian Jones	4434.87	0	4721.79	0	-0.04	4721.75	0.00	4721.75	981000.00
0	4	8/22/2015	1544	-7	353	Brian Jones	4432.23	0	4718.97	0	-0.05	4718.92	0.01	4718.91	980997.17
0	3	8/22/2015	1607	-7	353	Brian Jones	4435.17	0	4722.11	0	-0.05	4722.06	0.01	4722.05	981000.30
0	2	8/22/2015	1630	-7	353	Brian Jones	4436.67	0	4723.71	0	-0.05	4723.66	0.02	4723.64	981001.90
0	1	8/22/2015	1700	-7	353	Brian Jones	4427.70	0	4714.13	0	-0.06	4714.08	0.02	4714.06	980992.31
0	5	8/22/2015	1742	-7	353	Brian Jones	4429.32	0	4715.86	0	-0.06	4715.81	0.03	4715.78	980994.03
0	7	8/22/2015	1803	-7	353	Brian Jones	4433.28	0	4720.09	0	-0.06	4720.04	0.03	4720.00	980998.26
0	8	8/22/2015	1819	-7	353	Brian Jones	4430.85	0	4717.50	0	-0.06	4717.44	0.03	4717.41	980995.66
0	9	8/22/2015	1838	-7	353	Brian Jones	4427.73	0	4714.17	0	-0.06	4714.11	0.04	4714.07	980992.32
0	10	8/22/2015	1907	-7	353	Brian Jones	4431.20	0	4717.87	0	-0.06	4717.81	0.04	4717.77	980996.02
0	6	8/22/2015	1931	-7	353	Brian Jones	4434.93	0	4721.86	0	-0.07	4721.79	0.04	4721.75	981000.00
0	6	8/23/2015	932	-7	353	Brian Jones	4434.76	0	4721.67	0	0.04	4721.71	0.00	4721.71	981000.00
0	6	8/23/2015	942	-7	353	Brian Jones	4434.77	0	4721.68	0	0.04	4721.72	0.00	4721.72	981000.01
0	11	8/23/2015	1014	-7	353	Brian Jones	4434.51	0	4721.41	0	0.03	4721.44	0.00	4721.43	980999.72
0	12	8/23/2015	1042	-7	353	Brian Jones	4442.48	0	4729.92	0	0.02	4729.94	0.00	4729.94	981008.23
0	13	8/23/2015	1106	-7	353	Brian Jones	4446.03	0	4733.71	0	0.02	4733.73	0.00	4733.72	981012.01
0	6	8/23/2015	2025	-7	353	Brian Jones	4434.88	0	4721.80	0	-0.07	4721.73	0.02	4721.71	981000.00
0	6	8/24/2015	1042	-7	353	Brian Jones	4434.71	0	4721.62	0	0.05	4721.67	0.00	4721.67	981000.00
0	6	8/24/2015	1957	-7	353	Brian Jones	4434.84	0	4721.76	0	-0.08	4721.68	0.02	4721.67	981000.00

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