

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: \$ 9,634.55

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): 5579431 November 20, 2015

PROPERTY NAME: Toni

CLAIM NAME(S) (on which the work was done): 1039980

COMMODITIES SOUGHT: Copper Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 092HNE311

MINING DIVISION: Nicola Similkameen

NTS/BCGS: 092H.099 092H.100

LATITUDE: 49 ° 53 ' 39 " **LONGITUDE:** 120 ° 08 ' 10 " (at centre of work)

OWNER(S):

1) Victory Resources Corporation

2) _____

MAILING ADDRESS:

132366 Cliffstone Court

Lake Country BC V4V 2R1

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

1) Victory Resources Corporation

2) _____

MAILING ADDRESS:

Victory Resources Corporation

Lake Country BC V4V 2R1

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

Triassic-Jurassic, Pennask Batholith, Granodiorite, Triassic, Nicola Group, Eastern Volcanic Facies, Volcanics, Sediments,

Eocene, Princeton Group, Cross-Structures, 0.2 m diameter vein float, 8230 parts per billion gold, 249.3 parts per million silver,

844 parts per million copper and 4091 parts per million lead

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 01685 34170 34420 34574 34661 34700

34881 35155 35156 35501 35862 36155

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	312 hectares	1039980	6,000.00
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic	2.1	1039980	3,634.55
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:			\$ 9,634.55

VICTORY RESOURCES CORPORATION

(Owner & Operator)

GEOLOGICAL & GEOPHYSICAL

**BC Geological Survey
Assessment Report
35933**

ASSESSMENT REPORT

(Event 5579431)

Work done between November 16, 2015 and November 20, 2015

on

Tenure 1039980

of the 11 claim

Toni 1039980 Claim Group

Nicola/Similkameen Mining Divisions

BCGS Map 092H.099/.100

Centre of Work

5,530,783N 705,681E

Author & Consultant

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Sookchoff Consultants Inc.

Submitted

April 24, 2016

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SUMMARY

The 11 claim 4,056 hectare Toni 1039980 Claim Group ("Property") is located in south-central British Columbia, 228 kilometres east-northeast of Vancouver, eight kilometres west and 11 kilometres east-northeast of the formerly productive Brenda and Elk mines respectively.

The Brenda (*MINFILE 092HNE047*) mineral deposit, hosted by the "Brenda stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith, was comprised of a core of intense fracturing with mineralization decreasing outwardly from this zone; the centre of the main mineral zone. The grade of the deposit and the outward limits of the deposit was a function of fracture (vein) density and of the thickness and mineralogy of the filling material.

The Elk (*MINFILE 092HNE096*) mineral deposit was developed at one of eight anomalous gold-in-soil zones which are located at the intersection of the major northerly trending ELK/Siwash fault and transverse easterly to northeasterly fault sets as shown on Figure 12.

The main mineral controls at both of these mines in addition to currently productive mineral deposits, such as at Copper Mountain, and at Highland Valley Copper, can be attributed to cross-structural conditions between major structures.

As indicated by the BC government supported MapPlace geological maps, the Toni 1039980 Claim Group is predominantly underlain in the north by the Pennask Batholith and in the southeast by a localized capping of Eocene volcanic rocks which cap a succession of Upper Triassic Nicola Group sedimentary rocks which in turn cap Nicola Group volcanic rocks. Along the southwest fringes of the Property the Pennask Batholith is in northeasterly contact with the Nicola volcanics.

In the structural analysis of Tenure 1039980, cross-structures "A" and "B", two of the three cross-structures delineated, are on an indicated northerly trending major structure. The cross-structural relationship is with intersecting westerly to west-northwesterly trending structures analogous to the mineral controlling structural zone at the Brew (*Minfile 092HNE275*) mineral showing, four kilometres north of the ELK. At this zone, the mineral showing is indicated to be associated with the Elk fault, the northwesterly trending Brew fault zone, the related significant fault/shear zones striking west-northwesterly, and the westerly trending major Magwump cross-fault.

The results of the magnetometer survey indicated a 200 metre wide, locally open-ended, background mag LO enveloping two anomalous mag LO's which may indicate a hydrothermally altered breccia zone or breccia pipe. This zone which hosts cross-structure "A" may reveal geological indicators to a potential mineral resource to depth.

The 200 metre mag LO area should be explored for the geological indicators which may be revealed as pathfinder minerals, minerals and/or alteration products that would be subject to interpretation as economic mineral indicators to follow-up exploration.

INTRODUCTION

From November 18, 2015 to November 20, 2015 a structural analysis and a localized magnetometer survey were completed on Tenure 1039980 of the 11 claim Toni 1039980 claim group ("Property"). The purpose of the program was to delineate potential structures and correlative magnetic responses which may be integral in geological controls to potentially economic mineral zones that may occur on Tenure 1039980 or on other claims of the Property.

Information for this report was obtained from sources as cited under Selected References and from work the author has performed on the Toni Property since 2006.

Figure 1. Location Map



PROPERTY LOCATION & DESCRIPTION

Location

The Property is located within BCGS Map 092H.099/.100 of the Nicola/Similkameen Mining Divisions, 228 kilometres east-northeast of Vancouver, 51 kilometres east-southwest of Merritt and 83 kilometres south of Kamloops. The formerly productive Brenda mine is 10 kilometres east.

Description

The Property is comprised of 11 contiguous claims covering an area of 4,056.4446 hectares.

Particulars are as follows:

Property Location & Description (cont'd)

Figure 2. Claim Location
(Base Map from MapPlace & Google)

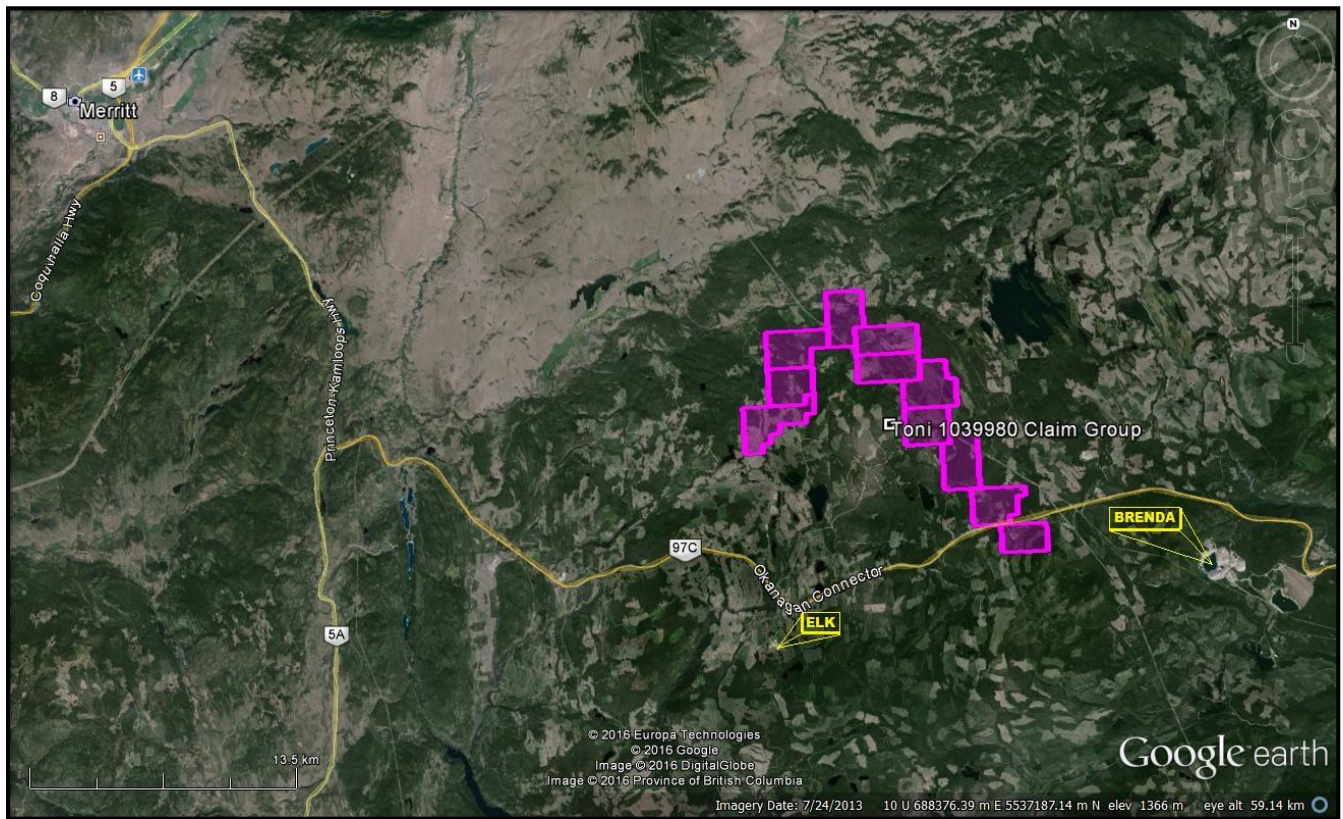
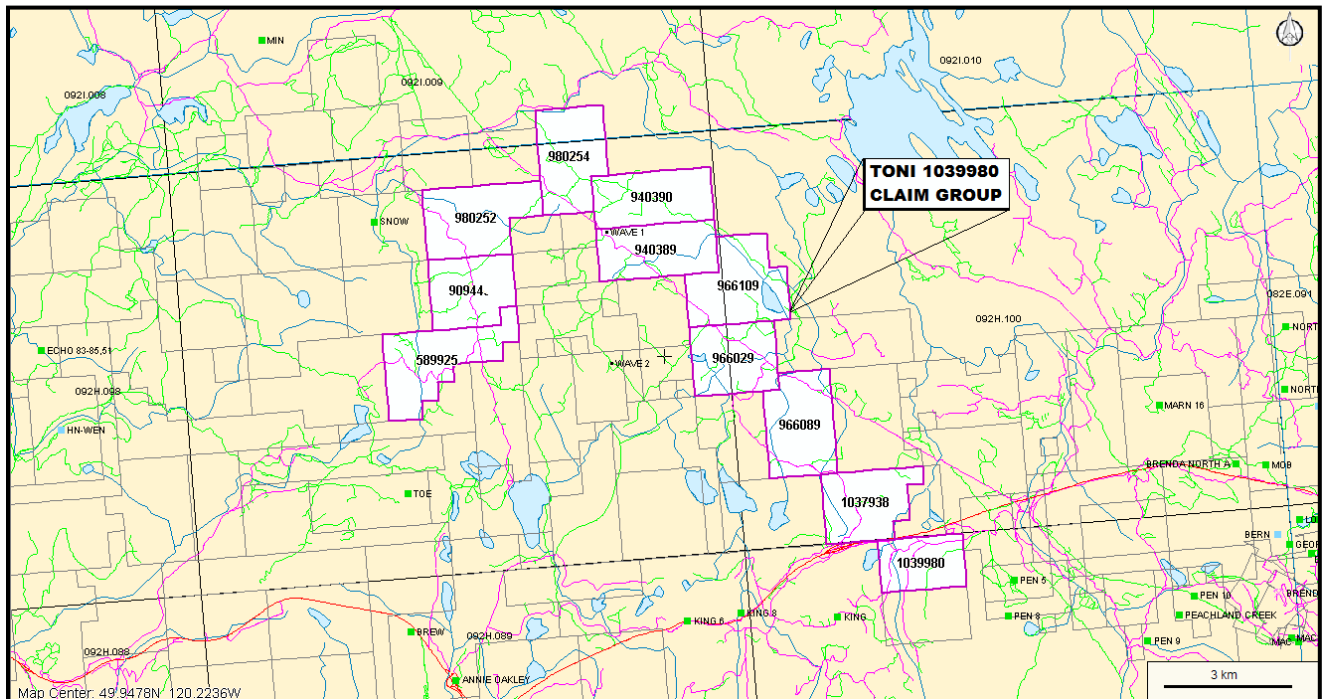


Figure 3. Claim Map
(Base Map from MapPlace)



Property Location & Description (cont'd)

Table I. Tenures of the Toni 1039980 Claim Group
(from MapPlace)

<u>Tenure Number</u>	<u>Type</u>	<u>Claim Name</u>	<u>Good Until</u>	<u>Area (ha)</u>
589925	Mineral	TONI 24	20160615	519.7367
909449	Mineral		20160615	394.8686
940389	Mineral	TONI 109	20160515	436.3715
940390	Mineral	TONI 110	20160515	436.2555
966029	Mineral	TOE124	20160515	415.8311
966089	Mineral	TOE126	20160515	478.3755
966109	Mineral	TOE126	20160515	498.8154
980252	Mineral	V4150	20160615	498.6036
980254	Mineral	V4152	20160515	456.9283
1037938	Mineral		20160515	416.1259
1039980	Mineral		20161116	312.1922

*Upon the approval of the assessment work filing, Event Number 5579431

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE & PHYSIOGRAPHY

Access

Access to the Property is southward from Merritt via Highway 5A/97C for 26 kilometres to the Aspen Grove junction thence eastward via Highway 97C or the Okanagan Connector for 40 kilometres to the western boundary of Tenure 1039980. A network of logging roads provide access routes to many areas within Tenure 1039980.

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° and average 25°C with the winter temperatures reaching a low of -10° and averaging 8°. 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, and/or Kamloops, historic mining centres, could be a source of experienced and reliable exploration and mining personnel and a supply for most mining related equipment. Kamloops 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 three hours distant by road and less than one hour by air from Kamloops.

Physiography

The topography of Tenure 1039980 is of a moderately sloped predominantly clear-cut and second growth areas and forested. Elevations range from 1,654 metres in the northwest to 1,960 metres in the southeast corner.

HISTORY: PROPERTY AREA

The history on some of the more selected significant reported *MINFILE* mineral properties peripheral to the Toni 1039980 Claim Group is reported as follows. The distance from the Property is relative to the Toni 1039980 Claim Group.

MAL prospect (Cu skarn; Fe skarn; Au skarn)

MINFILE 092HNE002

Ten kilometres west

Initial work consisted of diamond drilling and trenching in the early 1960s on the main showing (Malachite 1 2 and Chalcocite 1-2 claims), on which the occurrence is centred. This is located on access road number 5116, 1 kilometre south of Quilchena Creek, 11.5 kilometres east-northeast of the community of Aspen Grove. A second showing, smaller and less significant but with the same characteristics, is located 1 kilometre to the southwest (Malachite 7, 092HNE269).

MARN 16 showing (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE043

Seven kilometres east

Kel-Glen Mines Ltd. completed geological, soil geochemical and geophysical surveys over the showing in 1966 and 1967, after staking the deposit in 1965. The company also drilled three diamond-drill holes, totalling 376 metres, and four percussion holes in 1966. The showing was restaked by Brenda Mines Ltd., operator of the nearby Brenda mine (MINFILE 092HNE047), in 1979. The company soil sampled the area in 1980 and 1981. In 1994, Cominco completed a 10.7 line-kilometre ground induced polarization survey on the area as the Pinnacle claims. During 2006 through 2012, Bitterroot Resources completed programs of rock, silt and soil sampling, geological mapping, 147.6 line-kilometres of ground magnetic surveys and a 66.2 line-kilometre ground induced polarization survey on the area as the North Brenda property.

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE047

Ten kilometres east

The Brenda mine began production in early 1970 with measured geological (proven) reserves of 160,556,700 tonnes grading 0.183 per cent copper and 0.049 per cent molybdenum at a cutoff of 0.3 per cent copper equivalent [$eCu = \% Cu + (3.45 \times \% Mo)$]. The mine officially closed June 8, 1990.

HN-WEN prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Eight kilometres west

Adits and trenches were initially cut around 1900; later work included diamond drilling and trenching in the 1960s and 1970s.

Map 41-1989). The volcanics may be affected by low grade propylitic and chloritic alteration. Less than 1 kilometre to the north of the occurrence is the east-striking contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).

History: Property Area (cont'd)**HN-WEN prospect (cont'd)**

The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, and volcanic tuff and breccia (Assessment Report 1586; Geological Survey of Canada

Sookchoff (2011) reports that recent exploration work at the HN-WEN by Victory Resources resulted in the delineation of the Adit 1 east-west trending quartz vein within the 90 metre wide northwesterly striking shear zone. The significance of the Adit 1 vein is that it occurs within the Nicola volcanics 50 metres north of the W96-1 drill hole where a mineral hosting quartz vein was intersected from which assays averaging 16.578 gm/t Au, 18.185 gm/t Ag, and 0.75% Cu over 6.55 metres of core or 3.81 metres of 28.43 g/t Au and 0.98% Cu.

ECHO showing (Volcanic redbed Cu)

MINFILE 092HNE059

Eight kilometres west

The Echo occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization. The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).

The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, and volcanic tuff and breccia (Assessment Report 1586; Geological Survey of Canada Map 41-1989). The volcanics may be affected by low grade propylitic and chloritic alteration. Less than 1 kilometre to the north of the occurrence is the east-striking contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

ELK past producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn +/-Au; Au-quartz veins)

MINFILE 092HNE096

Nine kilometres south

From 1992 and 1995 (inclusive), 16,570 tonnes of ore were mined and milled and 1,518,777 grams (48,830 ounces) of gold and 1,903,000 grams (61,183 ounces) of silver recovered.

In 1996, Fairfield shipped all remaining stockpiles, estimated to contain 2700 tonnes and grading greater than 12 grams per tonne (Information Circular 1997-1, page 21). A total of 994 metres of ramp access and three development levels exist underground.

Reverse circulation drilling, underground diamond drilling, reclamation, road construction, water sampling and aerial photography were also undertaken during this period. Surface and underground diamond drill programs were carried out in the Siwash Mine area from 1994 to 1996 to define the resource. Exploration surface drilling was also carried out during the 1995 and 1996 field seasons to test trench targets between the Siwash mine site and the South Showing area 2.5 kilometres to the south. Limited prospecting and environmental monitoring was undertaken from 1997 to 1999.

History: Property Area (cont'd)**ELK past producer (cont'd)**

In 1995, Fairfield Minerals with the support from the Explore B.C. Program carried out an extensive program including geochemistry, 13,972 metres of surface and underground diamond drilling in 315 holes and reserve calculations.

CREST 10 showing (Intrusion-related Au pyrrhotite veins; Au-quartz veins)

MINFILE 092HNE289

Five kilometres southwest

Fairfield Minerals Ltd. prospected and soil sampled the showing during 1989 through 1991 as part of the Pen and Crest claims. In 1994, a program of trenching, geological mapping and geochemical sampling was completed. In 1995, reconnaissance diamond drilling, totalling 258.46 metres, was completed on the Crest 6 and 8 claims. In 1996, programs of prospecting, geological mapping, trenching and fill-in geochemical surveys were continued on the claims. In 2001, Terrace Ventures acquired the property and completed a program of prospecting and rock sampling. In 2004, a program of geological mapping and soil sampling was completed. In 2012, a program of prospecting and soil sampling was completed.

SNOW showing (Porphyry Cu +/- Mo +/- Au; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE292

One kilometre west

The Pine showing is 500 metres south of Quilchena Creek and 4.8 kilometres north-northeast of the north end of Boot Lake.

PEN 5 showing (Polymetallic veins Ag-Pb-Zn+/-Au: Au skarn)

MINFILE 092HNE300

One kilometre east

From 1986 to 1990, Fairfield Minerals Ltd. completed prospecting in the area and subsequently staked the claims in 1990.

In 1991, Fairfield Minerals Ltd. conducted soil sampling and prospecting consisting of 2886 soil samples and 35 rock samples.

In 1993, Fairfield Minerals Ltd. collected 1156 soil, 11 rock and three stream sediment samples throughout the Pen claims.

In 1994, Fairfield Minerals Ltd. executed an exploration program of infill soil sampling, trenching and rock sampling.

In 1995, Fairfield Minerals Ltd. completed soil geochemical surveys on the property and later dropped the Pen 5 claim.

In 2005, Charles Greig and Bernard Kreft staked the area over the old Pen 5 and 8 claims, which were renamed Puupster and Puupster 2, as part of the North Brenda property.

In 2006, Bitterroot Resources Ltd. optioned the North Brenda property from Charles Grieg and Bernard Kreft.

In 2009 and 2010, Bitterroot Resources Ltd. completed stream sediment sampling near the Pen 5 showing.

History: Property Area (cont'd)**WAVE 2** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE312

Two kilometres west

Between 1986 and 1995, Fairfield Minerals explored the area and completed a program of wide-spaced grid soil sampling. The Wave 1 and 2 claims were staked to cover areas of mineralized quartz float and coincidental soil and stream anomalies. In 1991, samples of mineralized vein float, up to 0.20 metres in diameter, returned up to 25.7 parts per million silver, 1732 parts per million lead and 2107 parts per million zinc (Assessment Report 22864). Recently, the area has been explored by Sookochoff Consultants as a part of the Toni property.

PEN 10 showing (Porphyry related Au)

MINFILE 092HNE313

Six kilometres east

The area was originally explored in the 1960s for copper-molybdenum mineralization similar to that of the Brenda (MINFILE 092HNE047) deposit to the east.

From 1986 to 1990, Fairfield Minerals Ltd. completed prospecting in the area and subsequently staked the claims in 1990.

In 1991, Fairfield Minerals Ltd. conducted soil sampling and prospecting consisting of 2886 soil samples and 35 rock samples.

In 1992, Fairfield Minerals Ltd. followed up on anomalous soil sites found in 1991 and completed prospecting which led to the discovery of the Pen 10 showing.

In 1993, Fairfield Minerals Ltd. collected 1156 soil, 11 rock and three stream sediment samples throughout the Pen claims. Highlights at the Pen 10 showing include PEN93-R11, which assayed 5.025 grams per tonne gold (Assessment Report 23255).

In 1994, Fairfield Minerals Ltd. executed an exploration program of infill soil sampling, trenching and rock sampling. Two trenches totaling 122 metres were excavated, mapped and sampled. Highlights included chip sample PE941-3, which assayed 42.16 grams per tonne gold over 0.65 metre (Assessment Report 23919).

In 1995, Fairfield Minerals Ltd. completed soil geochemical surveys, rock sampling and 124.05 metres of diamond drilling in five holes. No significant mineralization was found in the drillcore.

HISTORY: PROPERTY**WAVE 1** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE311

Within Tenure 940389

Between 1986 and 1995, Fairfield Minerals conducted exploration, including a program of wide-spaced grid soil sampling. The Wave 1 and 2 claims were staked to cover areas of mineralized quartz float and coincidental soil and stream anomalies. Recently, the area has been explored by Sookochoff Consultants as a part of the Toni property.

GEOLOGY: REGIONAL

The Aspen Grove geological district is located within the regional Quesnel Trough, a 30 to 60, km wide belt of Lower Mesozoic volcanic and related strata enclosed between older rocks and much invaded by batholiths and lesser intrusions (Campbell and Tipper, 1970). The southern part is the well-known Nicola belt, continuing nearly 200 km to its termination at the U.S. border and containing the important copper deposits of the Highland Valley, Craigmont, Copper Mountain, Afton, and Brenda, in addition to the historic Hedley gold camp.

The Nicola Group has been divided into western, central, and eastern belts on the basis of lithology and litho-geochemistry and by major fault systems. Variation from calc-alkaline to shoshonitic compositions from west to east has been interpreted to reflect eastward dipping subduction in the Nicola arc.

GEOLOGY: PROPERTY AREA

The geology on some of the more selected significant reported *MINFILE* mineral showings, and past producers peripheral to the Property is reported as follows. The distance from the Property is relative to the Toni 1039980 Claim Group.

MAL prospect (Cu skarn; Fe skarn; Au skarn)

MINFILE 092HNE002

Ten kilometres west

The Malachite occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization. The occurrence lies in the northern assemblage of the Eastern belt or facies of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows.

The area of the Malachite occurrence is underlain by dark green, augite porphyritic andesitic to basaltic volcanics and fragmental rocks, with subordinate black argillite with local limy horizons, and feldspar porphyry (Assessment Reports 449, 1586). Some volcanic flow breccia contains pink trachytic fragments (Assessment Report 9590). Stratified rocks strike north-northwest and dip moderately to steeply west (Geological Survey of Canada Map 41-1989).

MARN 16 showing (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE043

Ten kilometres east

The Marn 16 occurrence is situated in the vicinity of the contact between tuffaceous siltstone and bedded ash tuff of the Upper Triassic Whistle Creek Formation (Nicola Group) and coarse-grained, hornblende porphyritic granodiorite of the Early Jurassic Pennask Batholith. The siltstone and tuff are contained in a large pendant of Nicola Group volcanics and sediments lying immediately southwest of the showing.

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE047

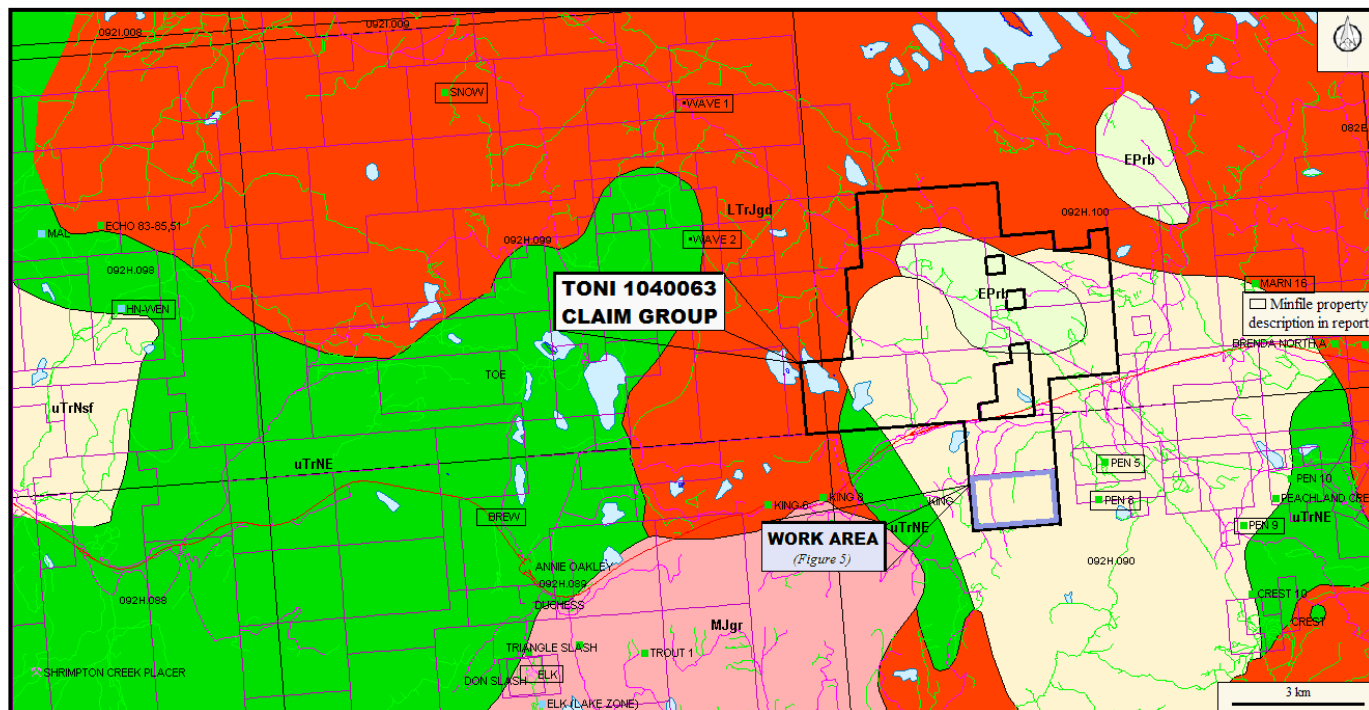
Ten kilometres east

The Pennask Mountain area is mainly underlain by a roof pendant comprising westerly younging, Upper Triassic sedimentary and volcanoclastic rocks of the Nicola Group.

Geology: Property Area (cont'd)

Figure 4. Geology, Claims, Index, & Minfile

(Base Map from MapPlace)



GEOLOGY MAP LEGEND

Pleistocene to Holocene

Qvk

Unnamed alkalic volcanic rocks

Eocene

EPrb: Princeton Group

andesitic volcanic rocks

Upper Triassic: Nicola Group

Eastern Volcanic Facies

uTrNE

basaltic volcanic rocks

uTtNsf

mudstone, siltstone, shale, fine clastic sedimentary rocks

uTrNMI

basaltic volcanic rocks

uTrJum

unnamed ultramafic rocks

Late Triassic to Early Jurassic

LTrJgd

unnamed granodiorite intrusive rocks

LTrJdr

dioritic to gabbroic intrusive rocks

Geology: Property Area (cont'd)

Brenda past producer (cont'd)

These are intruded and enclosed to the north, east and south by plutonic rocks of the Early Jurassic Pennask batholith and Middle Jurassic Osprey Lake batholith. Both the Nicola rocks and the Pennask batholith are unconformably overlain by Tertiary sediments and volcanics of the Princeton Group.

Geology: Property Area (cont'd)**Brenda past producer (cont'd)**

The Brenda copper-molybdenum deposit is within the "Brenda stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith. Several ages and compositions of pre and post-ore dikes cut the stock. The deposit is approximately 390 metres from the contact with Nicola Group rocks to the west.

Nicola Group tuffs, volcanic breccias and flows adjacent to the Brenda stock have been altered to "schistose hornfels". This hornfels, which is as wide as 450 metres, is characterized by the development of bands and aligned lenses of felted brown to black biotite. Schistosity generally strikes roughly parallel to the intrusive contact and dips west at 30 to 70 degrees.

The schistose hornfels grades westerly into recognizable west-dipping volcanic rocks which in turn are overlain by greywacke, argillite and shales. The Brenda stock is a composite, zoned quartz diorite to granodiorite body which can be divided into two units. Unit 1 is of quartz diorite composition and contains abundant mafic minerals (hornblende > biotite) and angular quartz grains, whereas unit 2 is porphyritic granodiorite and contains fewer mafic minerals (biotite > hornblende), well-defined biotite phenocrysts and subhedral quartz grains.

The contact between units 1 and 2 is generally gradational, but locally sharp. At sharp contacts, unit 2 is chilled against unit 1.

Dikes of several ages and compositions cut the Brenda stock. At least four types, aplite-pegmatite, andesite, trachyte porphyry and basalt, have been identified in the Brenda orebody. Similar dikes, as well as felsite, dacite and quartz diorite have been mapped beyond the limits of economic mineralization. The aplite-pegmatite dikes are cut by all other dikes and by all mineralized fractures. The andesite dikes have been altered and mineralized during ore formation. Two types of quartz diorite dikes are found and both are cut by quartz-sulphide veins. Dacite porphyry and felsite dikes are also cut by quartz-sulphide veins.

A trachyte porphyry dike up to 4.5 metres wide and 300 metres in strike length is exposed in the Brenda pit. A weakly mineralized vein was observed in the dike which suggested an intermineral age for the dike. Further evidence has clearly shown that the dikes cut all stages of mineralization, except some of the latest quartz veins (Canadian Institute of Mining and Metallurgy Special Volume 15). Several post-mineral hornblende lamprophyre dikes also occur within the Brenda orebody and are probably genetically related to the trachyte porphyry dikes. Irregular, branching basalt dikes, probably related to Tertiary volcanism, have been intruded along pre-existing fault zones. They cut all phases of mineralization and alteration.

Initial potassium-argon dating of two samples from the Brenda mine area resulted in different ages for hornblende (176 Ma) and biotite (148 Ma). Interpretation of these results suggests that the Brenda stock crystallized about 176 million years ago. Biotite samples from the pit area have been dated at about 146 Ma, which probably represents the age of mineralization (Canadian Institute of Mining and Metallurgy Special Volume 15).

Faults in the Brenda pit are expressed as fracture zones in which the rock is intensely altered to clay minerals, sericite, epidote and chlorite. These fracture zones range in width from a few centimetres to 9 metres. Most strike 070 degrees and dip steeply south. Northwest-striking faults exhibit left-lateral movement. The faults transect all mineralization, except some calcite veins. Sulphides, especially molybdenite, have been smeared along fault planes. Shear zones are wider and more numerous in the north half of the pit, where they control bench limits.

Geology: Property Area (cont'd)**HN-WEN** prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Eight kilometres west

The HN-WEN occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.

The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69).

This assemblage mainly consists of well-bedded submarine volcanoclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).

The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, fragmental rocks including tuff and breccia, and argillites (Assessment Reports 1586, 4230). The argillites are dark grey to black, well bedded, and locally limy. They are somewhat carbonaceous and pyritic. Minor rock types present include feldspar porphyry and locally lenses of diorite. About 2.5 kilometres to the northeast is the contact with the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

The contact between the volcanic rocks and the argillites passes through the centre of the mineralized area. The contact is parallel to bedding, striking 130 degrees and dipping 40 degrees southwest, with the volcanic rocks on the northeast side (Assessment Report 4230).

ECHO showing (Volcanic redbed Cu)

MINFILE 092HNE059

Eight kilometres west

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The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, and volcanic tuff and breccia (Assessment Report 1586; Geological Survey of Canada Map 41-1989). The volcanics may be affected by low grade propylitic and chloritic alteration. Less than 1 kilometre to the north of the occurrence is the east-striking contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

Geology: Property Area (cont'd)

ELK past producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn +/-Au; Au-quartz veins)
MINFILE 092HNE096
Nine kilometres south

The Elk property is underlain by Upper Triassic volcanics and sediments of the Nicola Group and by Middle Jurassic granites and granodiorites of the Osprey Lake batholith. The contact between these units trends northeasterly across the property. Early Tertiary feldspar porphyry stocks and dikes of the Otter intrusions occur throughout the property. The western property area is underlain by steeply west-dipping andesitic to basaltic flows, agglomerates, tuffs and minor siltstone and limestone units of the Nicola Group. The eastern half of the property is underlain by granitic rocks of the Osprey Lake batholith.

CREST 10 showing (Intrusion-related Au pyrrhotite veins; Au-quartz veins)
MINFILE 092HNE289
Five kilometres southwest

The occurrence is situated in a large pendant of Upper Triassic Nicola Group volcanics and sediments, near its south eastern margin. The pendant is surrounded by granodiorite and quartz diorite of the Early Jurassic Pennask Batholith.

Locally, a number of quartz veins cut argillite of the Stemwinder Mountain Formation (Nicola Group) and siliceous volcanics of the Peachland Creek Formation (Nicola Group), approximately 1 kilometre northwest of the contact with granodiorite of the Pennask Batholith. The veins are irregular, discontinuous and vary up to 30 centimetres wide. They are glassy grey to white and contain scattered grains of pyrite and a fine-grained black metallic mineral (tetrahedrite (?)).

SNOW showing (Porphyry Cu +/- Mo +/- Au; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE292
One kilometre west

A sample of drill core from 28.0 metres depth contained fine-grained magnetite accompanied by fine-grained chalcocite or bornite along the margins of a zeolite vein. Copper mineralization also occurs along fractures and as disseminations in the granite. Two assays of a grab sample taken in the vicinity of the drillhole yielded less than 0.3 gram per tonne gold, 3.1 grams per tonne silver and 0.54 per cent copper, and 0.45 gram per tonne gold, 3.1 grams per tonne silver and 0.30 per cent copper, respectively (Assessment Report 3415, assay certificates).

KING 6, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE297
Five kilometres west

A drusy quartz vein, 10 centimetres wide, cuts coarse-grained, feldspar megacrystic granite of the Middle Jurassic Osprey Lake batholith.

Geology: Property Area (cont'd)

KING 8, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE298

Three kilometres west

A shear zone, 70 centimetres wide, cuts coarse-grained, phyllic (sericitic (?))-altered granite of the Middle Jurassic Osprey Lake batholith, near an andesitic dike. The showing is approximately 100 metres south of the contact with andesitic ash and lapilli tuff of the Upper Triassic Whistle Creek Formation (Nicola Group).

PEN 5 showing (Polymetallic veins Ag-Pb-Zn+/-Au: Au skarn)

MINFILE 092HNE300

One kilometre east

The occurrence is hosted in a small elongate stock of granodiorite, near its eastern margin. This north-trending stock is 1.8 kilometres long and intrudes andesitic ash and lapilli tuff of the Upper Triassic Whistle Creek Formation (Nicola Group). The stock may be related to the Early Jurassic Pennask batholith, which surrounds the Nicola Group volcanics and sediments comprising this roof pendant.

WAVE 2 anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE312

Four kilometres west

The area is underlain by granitic rocks of the Jurassic Pennask batholith and basaltic volcanics of the Triassic Nicola Group.

PEN 10 showing (Porphyry related Au)

MINFILE 092HNE313

Six kilometres east

Regionally, the area is underlain by volcanic and sedimentary rocks of the Upper Triassic Nicola Group and granodiorite of the Late Triassic to Early Jurassic Pennask Batholith. Lithologies of the Nicola Group include argillite, siltstone and limestone interspersed with felsic to mafic flows and tuffs. Quartz veining is abundant locally near the edges of the batholith, which comprises white to grey, medium- to fine-grained granodiorite. Silicification and bleaching of the volcanics and argillite is present near contacts with intrusives.

GEOLOGY: PROPERTY

As indicated by the BC government supported MapPlace geological maps, the Toni 1039980 Claim Group is predominantly underlain in the north by the Pennask Batholith and in the southeast by a localized capping of Eocene volcanic rocks which cap a succession of Upper Triassic Nicola Group sedimentary rocks which in turn cap Nicola Group volcanic rocks. Along the southwest fringes of the Property the Pennask Batholith is in northeasterly contact with the Nicola volcanics.

WAVE 1 anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE311

Within Tenure 940389

The area is underlain by granitic rocks of the Jurassic Pennask batholith and basaltic volcanics of the Triassic Nicola Group.

MINERALIZATION: PROPERTY AREA

The mineralization on some of the more selected significant reported *MINFILE* mineral properties, peripheral to the Property is reported as follows. The distance from the Property is relative to the Toni 1039980 Claim Group.

MAL prospect (Cu skarn; Fe skarn; Au skarn)

MINFILE 092HNE002

Ten kilometres west

Copper mineralization is concentrated in the skarn zones. Pyrite and subordinate magnetite and chalcopyrite are associated with quartz-calcite veins, or are disseminated in variable amounts (Assessment Report 1586). Chalcocite and malachite are also present at the main showing (Assessment Report 8453). Finely disseminated pyrite is common in most rocks, particularly the argillaceous rocks (Assessment Reports 1718, 9590). A zone of massive, medium-grained pyrite between 1 and 13 metres thick, in altered volcanic rocks, has been found below the surface by diamond drilling; the paragenesis is epidote, magnetite, pyrite (Assessment Report 9590).

Copper values appear to be erratic. In early diamond drilling, the best result reported is 1.62 per cent copper over 6 metres; this section contained at least 50 per cent magnetite (Assessment Report 449, page 6). More recent diamond drilling has resulted in generally low metal values, although one split core sample assayed 0.37 per cent copper and 6.8 grams per tonne silver (Assessment Report 9590).

More recent diamond drilling has resulted in generally low metal values, although one split core sample assayed 0.37 per cent copper and 6.8 grams per tonne silver (Assessment Report 9590). A grab sample from the main trenched and drilled area assayed 0.34 gram per tonne gold, 3.4 grams per tonne silver, and 0.2 per cent copper (Assessment Report 8453).

The high magnetite and pyrite content of the rocks at this occurrence is reflected in significant magnetic and induced polarization anomalies, respectively, over the mineralized zones (Assessment Reports 1586, 8453).

MARN 16 showing (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE043

Seven kilometres east

The granodiorite is cut by fractures and quartz± orthoclase veins, 1 to 2 centimetres wide, containing blebs and plates of molybdenite and blebs of chalcopyrite and pyrite. Minor chalcopyrite occurs along chlorite± pyrite and epidote± pyrite fractures and stringers. The mineralized veins and fractures are widely spaced and have various attitudes. A bulk sample of mineralized granodiorite assayed 0.088 per cent molybdenum and 0.045 per cent copper (Assessment Report 875, part 2, page 9).

This mineralization is exposed over a distance of 45 metres along the southeast-striking granodiorite-siltstone contact, usually within tens of metres of the contact. Traces of chalcopyrite are also found within the siltstone. Diamond drilling intersected traces of chalcopyrite and molybdenite in three holes spaced over a distance of 150 metres.

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)

MINFILE 092HNE047

Ten kilometres east

The Brenda orebody is part of a belt of copper-molybdenum mineralization that extends north-northeast from the Nicola Group-Brenda stock contact.

Mineralization: Property Area (cont'd)**Brenda** past producer (cont'd)

Mineralization of economic grade (0.3 per cent copper equivalent) is confined to a somewhat irregular zone approximately 720 metres long and 360 metres wide. Ore-grade mineralization extends more than 300 metres below the original surface.

Lateral boundaries of ore-grade mineralization are gradational and appear to be nearly vertical.

Primary mineralization is confined almost entirely to veins, except in altered dike rocks and in local areas of intense hydrothermal alteration which may contain minor disseminations. The grade of the orebody is a function of fracture (vein) density and of the thickness and mineralogy of the filling material. The average total sulphide content within the orebody is 1 per cent or less.

Chalcopyrite and molybdenite, the principal sulphides, generally are accompanied by minor, but variable, quantities of pyrite and magnetite. Bornite, specular hematite, sphalerite and galena are rare constituents of the ore.

Johnson (1973), in a study of 17 samples from the deposit, reported minor pyrrhotite, mackinawite, carrollite, cubanite, ilmenite, rutile and native gold (?), as well as several secondary sulphides (Canadian Institute of Mining and Metallurgy Special Volume 15).

Pyrite is most abundant in altered andesite dikes and in quartz-molybdenite veins. The ratio of pyrite to chalcopyrite in the orebody is about 1:10, with the chalcopyrite content diminishing beyond the ore boundaries.

Because mineralization is confined almost entirely to veins in relatively fresh homogeneous rock, the veins are divided into separate stages, based on crosscutting relations and their mineralogy and alteration effects on the hostrock. The vein density within the orebody is not uniform.

Ranges are recorded from less than 9 per metre near the periphery of the orebody to 63 per metre and occasionally 90 per metre near the centre of the orebody. Some veins have very sharp contacts with wallrocks, but most contacts are irregular in detail where gangue and sulphide minerals replace the wallrock. A vein may show features characteristic of fracture-filling in one part and of replacement in another. Mineralized solutions were introduced into fractures and, during development of the resultant veins, minor replacement of the wallrock ensued.

The chronological stages of mineralization are as follows: (1) biotite-chalcopyrite (oldest); (2) quartz-potassium feldspar-sulphide; (3) quartz-molybdenite-pyrite; (4) epidote-sulphide-magnetite; and (5) biotite, calcite and quartz. Stages 1 through 4 are all genetically related to a single mineralizing episode, which was responsible for the orebody. Stage 5 represents a later, probably unrelated, event(s) (Canadian Institute of Mining and Metallurgy Special Volume 15). Stage 2 veins form the bulk of the mineralization in the deposit, and are the most important source of ore.

Hydrothermal alteration at the Brenda deposit generally is confined to narrow envelopes bordering veins. These alteration envelopes commonly grade outward into unaltered or weakly propylitic-altered rock. Where veins are closely spaced, alteration envelopes on adjacent veins may coalesce to produce local areas of pervasive alteration. For the most part, hydrothermal alteration at the Brenda deposit is exceptionally weak for a porphyry copper system.

Four types of alteration are recognized in the Brenda deposit, three of which are related to the mineralizing process. Two of these are potassic (potassium feldspar) and biotite, and the other is propylitic. Later argillic alteration has been superimposed on the system along post-mineral faults.

Mineralization: Property Area (cont'd)**Brenda** past producer (cont'd)

Potassium feldspar and biotite alteration generally are separated in space, but locally occur together. Both types of alteration accompanied sulphide deposition. Potassium feldspar replaces plagioclase adjacent to most stage 2 and, to a lesser extent, stage 3 veins. These irregular envelopes range in width from a centimetre or less up to a metre, with an average of about 2 centimetres. Potassium feldspar also occurs as a minor constituent of stage 1 veins.

Hydrothermal biotite replaces magmatic mafic minerals (hornblende, biotite) and, more rarely, plagioclase in hostrock adjacent to stage 2 and especially stage 3 veins. These envelopes of hydrothermal biotite range in width from less than 1 millimetre to several centimetres.

Weak to intense propylitic alteration, which is characterized by the development of chlorite and epidote, as well as less obvious microscopic sericite and carbonate, is sporadically distributed throughout the Brenda stock.

Large areas within the orebody have not been propylitized and in these areas, veins with potassic alteration envelopes clearly cut across propylitized quartz diorite, indicating an early hydrothermal or even a pre-ore origin for the propylitization (Canadian Institute of Mining and Metallurgy Special Volume 15). A second period of propylitization accompanied the development of stage 4 veins and is reflected as envelopes of epidote and chlorite.

Locally intense argillic alteration is confined to post-mineral fault zones where the hostrock has been highly shattered. Kaolinite, sericite and epidote have almost completely replaced the host rocks.

Surface weathering, which is expressed predominantly by the development of limonite, extends as a highly irregular blanket over the mineralized zone for depths ranging from a few metres to greater than 30 metres. In this weathered area, limonite stains all fractures. Fault zones have been especially susceptible to surface weathering, and the argillic alteration of these zones may be primarily the result of groundwater action. Secondary minerals developed during weathering, all highly subordinate in quantity to limonite, include malachite, azurite, hematite, ferrimolybdate, powellite and cupriferous manganese oxides. Cuprite, covellite, chalcopyrite, native copper, tenorite and ilsemanite are rare constituents. Copper-molybdenum mineralization in the Brenda deposit was developed during several sequential stages, all of which constitute one mineralizing episode.

Each stage occupies unique sets of fractures, which are filled with specific combinations of metallic and gangue minerals. Although the attitudes of veins in each stage are unique in detail, most stages include conjugate steeply dipping sets of northeast and northwest striking veins. If these veins occupy shear fractures, it is probable that they were formed by generally east-west compressive forces. Examination of the structure in the Nicola Group rocks to the west reveals that north-northwest and north trending fold axes also indicate an east-west compression.

It is suggested that intermittent east-west compressional forces intensely fractured the rocks of the Brenda stock during several stages of time and tapped a hydrothermal source, either a later phase of the Brenda stock or a separate intrusive system. As each stage of fractures developed, hydrothermal fluids introduced vein material which healed the fractures. Renewed build-up of compressional forces again fractured the rocks, which were again healed. Repetition of this sequence can explain all stages of mineralization within the Brenda deposit. East-west compression continued after ore deposition ceased and produced prominent east-northeast and northwest striking shear zones (Canadian Institute of Mining and Metallurgy Special Volume 15).

Mineralization: Property Area (cont'd)**HN-WEN** prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Eight kilometres west

The mineralization is restricted to the volcanics. It is exposed in 3 adits and at least 8 trenches, and is marked by alteration, mainly epidotization, silicification, carbonatization, moderate chloritization and local pyritization.

Chalcopyrite is the only copper mineral: it is disseminated, or concentrated in quartz and calcite veins and veinlets between 0.3 and 30 centimetres thick, usually about 8 centimetres thick. Pyrite, pyrrhotite and rare specular hematite are also present in the veins. Locally oxidation has produced abundant malachite, azurite and limonite.

The mineralized zone measures 760 by 90 metres and has a depth of about 75 metres. Diamond drilling indicates that it strikes 160 degrees and dips vertically or steeply east, so it is not parallel to the volcanic-sedimentary contact, indicating that the contact is not the controlling factor.

Incidentally, the Echo occurrence (092HNE059) lies on this trend, 2 kilometres to the north-northwest, and the mineralization may also extend south-southeast of the HN-WEN occurrence (Assessment Report 4230).

Some significant copper and silver values have been obtained from the workings and diamond drill core. A 1.5-metre chip sample from Adit Number 1 was assayed at 4.39 per cent copper, 92.6 grams per tonne silver, and 0.7 gram per tonne gold (Assessment Report 4230). A grab sample from here was assayed at 4.84 per cent copper, 46.6 grams per tonne silver and 0.7 gram per tonne gold (Assessment Report 4230). Both samples were from oxidized material and may not be representative of grade throughout the deposit (Assessment Report 4230). A drill core sample (hole HNS 72-1) assayed 1.12 per cent copper and 3.4 grams per tonne silver (Assessment Report 4230).

Pyrite, pyrrhotite, chalcopyrite and arsenopyrite are disseminated sporadically in the tuffaceous rocks and argillite, up to about 1 per cent, and also occur in fractures (Assessment Reports 11241, 16008). Native gold is associated with the sulphides in narrow quartz-filled fractures in these rocks (Assessment Report 16008). Minor malachite occurs in volcanics.

ECHO showing (Volcanic redbed Cu)

MINFILE 092HNE059

Eight kilometres west

Chalcopyrite and malachite are present in trenches and open cuts in volcanics over an area 1000 by 800 metres. Chalcopyrite is disseminated, or concentrated in quartz-calcite veins (Assessment Report 1586).

The Echo occurrence lies directly along the strike of prominent fractures which host significant copper-silver mineralization at the HN-WEN occurrence (092HNE058), 2 kilometres to the south-southeast (Assessment Report 4230).

ELK past producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Nine kilometres south

Gold-silver mineralization on the Elk property is hosted primarily by pyritic quartz veins and stringers in altered pyritic granitic and, less frequently, volcanic rocks.

Mineralization: Property Area (cont'd)**Elk past producer (cont'd)**

Crosscutting relationships indicate that the veins are Tertiary in age; they may be related to Tertiary Otter intrusive events.

To date, mineralization has been located in four areas on the Elk property: Siwash North, South Showing (092HNE261), North Showing (092HNE281) and Siwash Lake (092HNE041, 295).

The Siwash Lake zone is 800 metres south of the Siwash North deposit; the North Showing and South Showing areas are 2 and 3 kilometres south of Siwash North respectively.

In the Siwash North area, gold occurs in veins measuring 5-70 centimetres wide, hosted by a zone of strongly sericitic altered granite and, in the west, volcanic rocks.

In general, the mineralized zone trends east-northeast with southerly dips from 20-80 degrees (from east to west), and appears to be related to minor shearing. Quartz veining occurs in a number of parallel to subparallel zones. Each zone consists of one or more veins within an elevation range of 5 to 10 metres that can be correlated as a group to adjacent drill holes. In the eastern parts of the area, up to six subparallel zones occur.

Five of these zones are consistent enough to be labelled the A, B, C, D and E zones.

Mineralization in the west has been identified in one or locally two zones (the B and C zones). The main mineralized zone (B) is consistent, with only minor exceptions, across the entire drill grid.

The Siwash North structure has been tested to 335 metres down dip and along a strike length of 925 metres. The zone remains open to depth and along strike.

At surface, supergene alteration has leached out most of the sulphides with some pyrite and chalcopyrite remaining. Mineralization occurs primarily as native gold, occasionally as spectacular aggregates of coarse flakes in frothy quartz (strong pyrite boxwork) or in fractures in the vein. Electrum was noted in one area as very coarse-grained flakes associated with strong manganese staining. Gold is rarely seen in boxworks in sericitic (phyllic) alteration.

In drill core, mineralization has not been affected by supergene processes. Metallic minerals in drill core include pyrite, chalcopyrite, sphalerite, galena, tetrahedrite, maldonite? pyrrhotite and native gold in order of decreasing abundance. Gold is strongly associated with pyrite and with a blue-grey mineral. Photomicrographs show the gold commonly in contact with this mineral, which may be a gold-bismuth alloy (maldonite?) or a copper-bismuth- antimony sulphosalt.

Gangue mineralogy consists primarily of quartz and altered wallrock fragments. Ankerite is commonly present, with lesser amounts of calcite. Minor barite is also present. Fluorite was noted in one vein as very small (less than 1 millimetre) zoned purple cubes scattered in the quartz.

Stronger alteration generally accompanies higher grade gold mineralization. Seven main types of alteration were recognized in the granitic rocks throughout the property: propylitic, argillic, sericitic, potassium feldspar stable phyllic, phyllic, advanced argillic and silicic. Locally, potassic alteration, skarnification and silicification are evident, but are relatively minor and do not appear to be related to mineralization.

Mineralization: Property Area (cont'd)**Elk past producer (cont'd)**

Propylitic alteration is generally light green with biotite and hornblende altered to chlorite, and plagioclase is saussuritized. In volcanics, the colour is generally olive green, and the rock is soft. Argillic alteration is exemplified by bleached rock, with plagioclase white and clay-altered; potassium feldspar is slightly altered.

Volcanics are bleached to light green or grey. Sericitic alteration is typically pale green with a micaceous sheen, with plagioclase altered to sericite; trace disseminated pyrite may be present. This type of alteration is often associated with quartz veins and appears to be the lowest grade alteration associated with gold mineralization. It is not recognized in volcanics.

Potassium feldspar stable phyllic alteration is light pink, green or yellowish with potassium feldspar fresh and pink and blocky. Plagioclase and mafic minerals are altered to fine-grained quartz-sericite-pyrite. It often occurs with veins and is associated with gold mineralization; it is not recognized in volcanics.

Phyllic alteration is generally grey, fine-grained quartz-sericite-pyrite alteration usually associated with veins and often gradational to quartz and often auriferous. Advanced argillic alteration is exemplified by most or all of feldspar being destroyed, quartz is "free-floating". The alteration is often sheared and white in colour and is often associated with quartz veins.

Volcanics are white or blue coloured. Silicic alteration is quartz veining or replacement that is hard with moderate conchoidal fracture

There is a strong symmetrical zoning of alteration around the quartz veins: vein-advanced argillic-phyllic-potassium feldspar stable phyllic-argillic-propylitic.

Measured geological reserves of the Siwash North deposit are 308,414 tonnes grading 22.17 grams per tonne gold and 24.68 grams per tonne silver using a cutoff grade of 10 grams per tonne gold.

Reserves are based on results from 107 drillholes at 50-metre grid spacings along 804 metres of strike length to 304 metres downdip. All veining intercepts have been adjusted for true width and assays diluted to 2-metre mining widths (George Cross News Letter No. 223 (November), 1991).

The revised drill indicated reserve, based on more realistic open pit and underground mining widths of 0.39 to 0.79 metre with a 20.5 grams per tonne gold cutoff grade, is 122,458 tonnes averaging 54.5 grams per tonne gold (George Cross News Letter No. 65 (April 2), 1993).

Surface drilling was done on fences 10-50 metres apart, underground drilling on fences 10 metres apart.

Reserve calculations by the company and consultant Roscoe Postle gave the following results (Explore B.C. Program 95/96 - A38):

Probable (undiluted) 16,991 tonnes at 28,200 tonnes at 50.2 g/t gold 26.6 g/t gold

Possible (undiluted) 50,260 tonnes at 66,400 tonnes at 42.0 g/t gold 31.4 g/t gold

The 1996 exploration program consisted of 6873 metres of drilling in 91 holes. The Siwash zone has been traced along a 914 metre strike length and downdip to 245 metres.

Reserves estimated by the company at January 1, 1996 were 121,350 tonnes grading 25.4 grams per tonne gold and 35.3 grams per tonne silver.

Mineralization: Property Area (cont'd)**Elk past producer (cont'd)**

These include a diluted, probable open-pit resource of 11,340 tonnes grading 58.97 grams per tonne gold, an underground probable resource below the open pit of 20,225 tonnes grading 26.74 grams per tonne gold, and a further possible underground resource of 89,790 tonnes grading 23.66 grams per tonne gold (Information Circular 1997-1, page 21).

Surface diamond drilling totaling 1413.96 metres in 12 holes was completed on the Siwash Mining lease during 2000 testing the B, WD and Gold Creek West (GCW) zones.

A trenching program was carried out in 2001 in the Siwash East Area consisting of six trenches totaling 202 meters. Almaden Resources and Fairfield Minerals Ltd. merged into Almaden Minerals Ltd. in February, 2002.

In 2002, Almaden undertook a 26 hole surface diamond drill program for a total of 4995.67 metres testing the B, WD, GCW and Bullion Creek zones. During the 2003 field season a 6570 metre, 30 hole, diamond drill program was carried out by Almaden in the Siwash North area testing the WD zone. The WD vein system is located approximately 100 metres north of the Siwash B zone vein and has been tested over a strike length of 610m and down dip for 380m.

By the end of May 2004, a total of eight mineralized veins had been discovered on the property. Four vein systems had been drilled in the Siwash area: the B system with a strike length of 900 m has been tested down dip to 320 m; the WD zone with a strike length of 650 m has been tested to 370 m down dip; the GCW zone with a strike length of 300 m has been tested to 130 m down dip and the Bullion Creek (BC) zone which has been tested with two holes to a depth of 75 m.

A new 43-101 compliant resource was calculated using drill data for the Siwash B and WD veins, just two of eight known mesothermal vein structures on the property.

Global (bulk-tonnage and underground mineable) measured and indicated resources were reported to total 668,300 tonnes grading 9.66 grams per tonne gold (207,600 ounces) plus an additional 1,317,200 tonnes grading 4.91 grams per tonne gold (207,800 ounces) in the inferred category (News Release, Almaden Minerals Limited, May 28, 2004).

Included in the global figures is a higher grade, underground-mineable resource totaling 164,000 tonnes grading 33.69 g/t gold in the measured and indicated category, plus another 195 200 tonnes grading 16.38 g/t gold in the inferred category.

In 2004 a diamond drill program consisting of 10,265 meters of NQ drilling in 44 holes was completed.

Included in the global figures is a higher grade, underground-mineable resource totaling 164,000 tonnes grading 33.69 g/t gold in the measured and indicated category, plus another 195 200 tonnes grading 16.38 g/t gold in the inferred category.

In 2004 a diamond drill program consisting of 10,265 meters of NQ drilling in 44 holes was completed. As reported by Almaden in 2001, a possible extension to the B and WD vein systems was found roughly two kilometres along strike to the east, on the other side of an area of overburden cover and no outcrop, as part of a trenching program.

Mineralization: Property Area (cont'd)**Elk past producer (cont'd)**

Grab samples of the vein material taken at surface returned averaged analyses of 31.6 grams per tonne gold and 104.4 grams per tonne silver (News Release, Almaden Minerals Limited, March 4, 2005. This discovery added about two kilometres of prospective, unexplored strike length to the high-grade vein system.

Update

Gold Mountain Mining Corporation, the present owner of the Elk property reports (2012 Corporate Presentation) on recent information at the Elk Property; past gold production at 51,500 ounces at 97 g/t (>3 opt) and an existing gold resource of 301,000 ounces gold in a measured and indicated category with 263,000 ounces of gold in an inferred category.

CREST 10 showing (Intrusion-related Au pyrrhotite veins; Au-quartz veins)

MINFILE 092HNE289

Five kilometres southwest

In 1991, a grab sample (C90-R22) of a narrow pyritic quartz vein in argillite assayed 3.52 grams per tonne gold and 30.8 grams per tonne silver (Assessment Report 21058, page 9). A grab sample (PEN91-R32) of an 8-centimetre wide quartz vein with minor pyrite and limonite in siliceous volcanics, taken 1.0 kilometre northeast of sample C90-R22, yielded 4.28 grams per tonne gold and 38.1 grams per tonne silver (Assessment Report 22304, page 18, Table 2). Two other samples (PEN91-R22, PEN91-R33), taken 400 and 800 metres northeast of sample C90-R22, analysed 2.74 and 1.06 grams per tonne gold and 6.2 and 3.0 grams per tonne silver, respectively (Assessment Report 22304, page 18, Table 2).

In 1994, trench CR94-2 yielded 4.96 grams per tonne gold over 3.9 metres (Assessment Report 23923).

SNOW showing (Porphyry Cu +/- Mo +/- Au; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE292

One kilometre west

A sample of drill core from 28.0 metres depth contained fine-grained magnetite accompanied by fine-grained chalcocite or bornite along the margins of a zeolite vein. Copper mineralization also occurs along fractures and as disseminations in the granite. Two assays of a grab sample taken in the vicinity of the drillhole yielded less than 0.3 gram per tonne gold, 3.1 grams per tonne silver and 0.54 per cent copper, and 0.45 gram per tonne gold, 3.1 grams per tonne silver and 0.30 per cent copper, respectively (Assessment Report 3415, assay certificates).

KING 6, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE297

Five kilometres west

The vein is mineralized with scattered blebs of chalcopyrite. A selected sample analysed 0.41 gram per tonne gold and 7.8 grams per tonne silver (Assessment Report 21922, page 9, Table 2, sample Q1b-R3).

Mineralization: Property Area (cont'd)**KING 8, KING** showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE298

Three kilometres west

A pyritic quartz-calcite vein/breccia is associated with the shear zone. A series of selected chips from the vein yielded 0.44 gram per tonne gold and 10.6 grams per tonne silver (Assessment Report 21922, page 9, Table 2, sample Q17-R2A).

PEN 5 showing (Polymetallic veins Ag-Pb-Zn+/-Au: Au skarn)

MINFILE 092HNE300

One kilometre east

Selected grab samples of sericite and chlorite-altered granodiorite, with clots and stringers of arsenopyrite, sphalerite and pyrite, assayed 1.6 grams per tonne gold and 5.0 grams per tonne silver (Assessment Report 22304, page 17, Table 2, sample PEN91-R8).

The volcanics near the granodiorite contact contain small massive sulphide pods in skarn and quartz-arsenopyrite veins. Selected grab samples of angular quartz vein float fragments up to 4 centimetres wide, with sparse to abundant arsenopyrite, yielded 3.77 grams per tonne gold and 3.2 grams per tonne silver (Assessment Report 22304, page 17, Table 2, sample PEN91-R9).

WAVE 2 anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE312

Four kilometres west

Locally, mineralized quartz vein float was found and contain disseminated pyrite and limonite with occasional specks of chalcopryrite, galena or sphalerite. In 1991, samples of mineralized vein float, up to 0.20 metres in diameter, returned up to 25.7 parts per million silver, 1732 parts per million lead and 2107 parts per million zinc (Assessment Report 22864).

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PEN 10 showing (Porphyry related Au)

MINFILE 092HNE313

Six kilometres east

Mineralization occurs as pyrite with lesser pyrrhotite, chalcopryrite, molybdenite, galena, sphalerite, arsenopyrite and tetrahedrite hosted in diorite and altered volcanics crosscut by feldspar porphyry dikes.

MINERALIZATION: PROPERTY**WAVE 1** anomaly (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE311

Within Tenure 940389

Locally, mineralized quartz vein float was found and contain disseminated pyrite and limonite with occasional specks of chalcopryrite, galena or sphalerite.

Mineralization: Property (cont'd)**Wave 1 anomaly (cont'd)**

Between 1986 and 1995, Fairfield Minerals conducted exploration, including a program of wide-spaced grid soil sampling. In 1991, samples of mineralized vein float, up to 0.20 metre in diameter, returned up to 8230 parts per billion gold, 249.3 parts per million silver, 844 parts per million copper and 4091 parts per million lead (Assessment Report 22864). Recently, the area has been explored by Sookochoff Consultants as a part of the Toni property.

STRUCTURAL ANALYSIS**a) Purpose**

The purpose of the structural analysis was to delineate any area of major fault intersections which location could be the centre of maximum brecciation and be depth intensive to provide the most favourable feeder zone to any convective hydrothermal fluids sourced from a potentially mineral laden reservoir. The fluid constituents and/or the indications thereof could be etched in the surface material; where, by means of standard exploratory procedures, the source and location may be identified and a foundation on which to warrant any follow-up exploration.

These surficial indications such as prime minerals, indicator minerals, or alteration patterns, may be an indication of a masked mineral resource. Thus, a cross-structural location would be the prime area to initially prospect for the surficial indicators which may be revealed as pathfinder minerals, minerals and/or alteration products that would be subject to interpretation as economic mineral indicators.

Figure 5. Lineaments as Indicated Structures on Tenure 1039980

**b) Method**

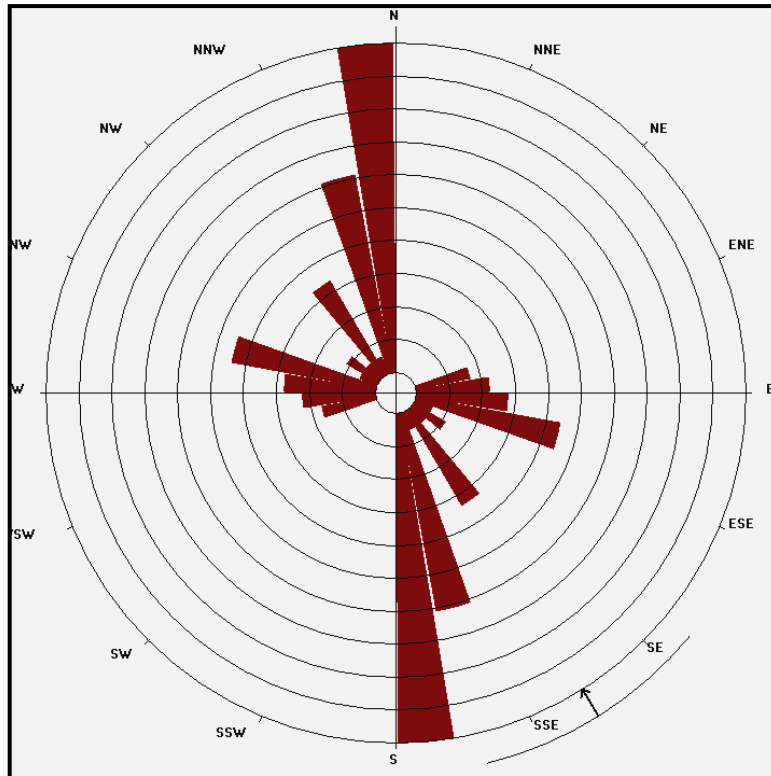
The structural analysis was performed on a MapPlace DEM image hillshade map of Tenure 1039980 by viewing of the map and marking the lineaments, or indicated structures, thereon. A total of 60 lineaments were marked as shown on Figure 5. The lineaments were compiled into a 10 degree class interval and plotted as a rose diagram as shown on Figure 6. The indicated primary structural trend was then plotted on the lineament map with the general trend influenced by the predominant lineaments as shown by the Rose Diagram.

Structural Analysis (cont'd)

c) Results

Three cross-structures were delineated from an indicated primary northerly trending structure intersected by two indicated westerly to west-northwesterly trending structures.

Figure 6. Rose Diagram from indicated structures on Tenure 1039980



STATISTICS

Axial (non-polar) data
 No. of Data = 60
 Sector angle = 10°
 Scale: tick interval = 3% [1.8 data]
 Maximum = 30% [18 data]
 Mean Resultant dir'n = 148-328
 [Approx. 95% Confidence interval = ±18.3°]
 (valid only for unimodal data)

Mean Resultant dir'n = 147.9 - 327.9
 Circ. Median = 149.0 - 329.0
 Circ. Mean Dev. about median = 31.2°
 Circ. Variance = 0.21
 Circular Std. Dev. = 39.23°
 Circ. Dispersion = 1.54
 Circ. Std Error = 0.1602
 Circ. Skewness = 5.42
 Circ. Kurtosis = -11.39

kappa = 0.85
 (von Mises concentration param. estimate)

Resultant length = 23.49
 Mean Resultant length = 0.3916

'Mean' Moments: Cbar = 0.17; Sbar = -0.3527
 'Full' trig. sums: SumCos = 10.1993; Sbar = -21.1638
 Mean resultant of doubled angles = 0.528
 Mean direction of doubled angles = 166

(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 locations on Google Earth**
(Base map from MapPlace & Google Earth)

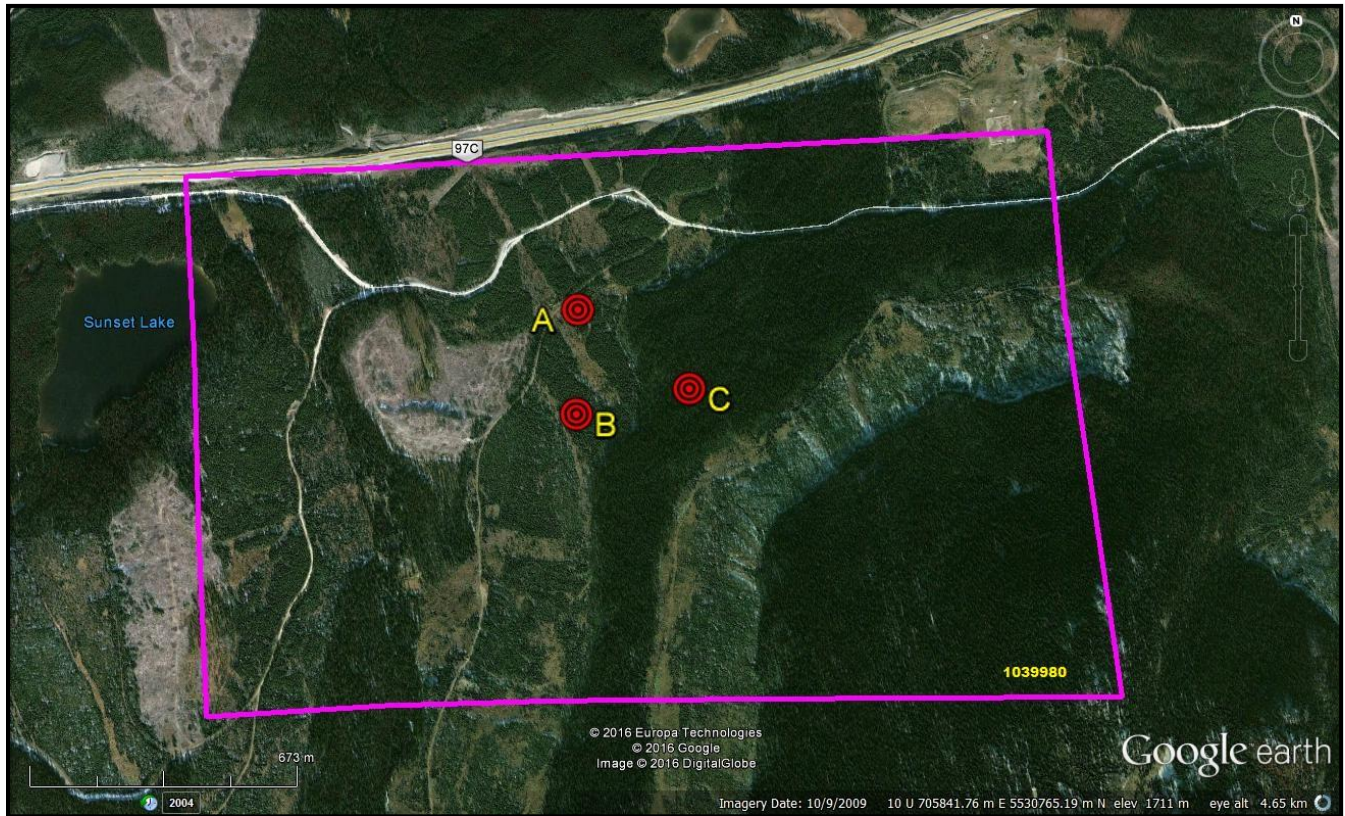


Table II. **Approximate location of cross-structures**
(UTM 10NAD 83)

Cross-Structure	UTM East	UTM North	Elevation (metres)
A	705,592	5,531,028	1,671
B	705,585	5,530,759	1,690
C	705,876	5,530,820	1,699

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 as a reconnaissance tool for mapping geologic lithology and structure since different rock types have different background amounts of magnetite and/or pyrrhotite.

Magnetometer Survey (cont'd)

Figure 8. Magnetometer Survey Grid Index Map
(Base map from Google Earth)

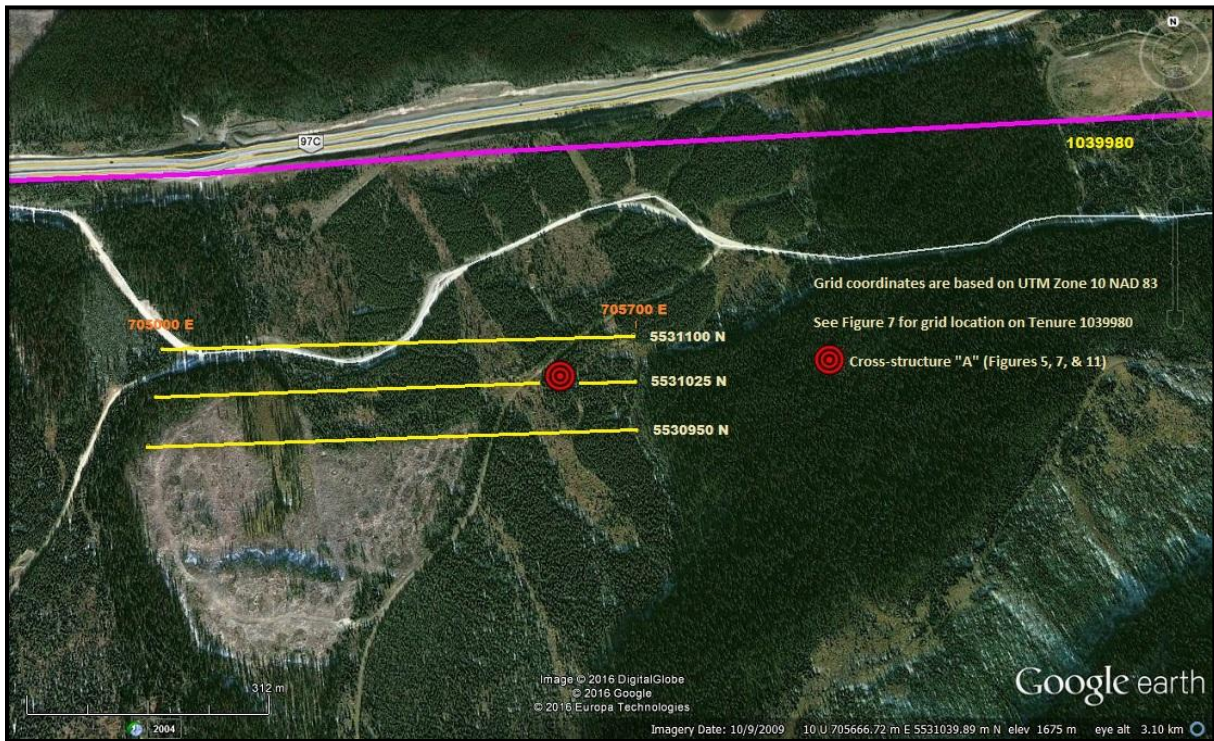
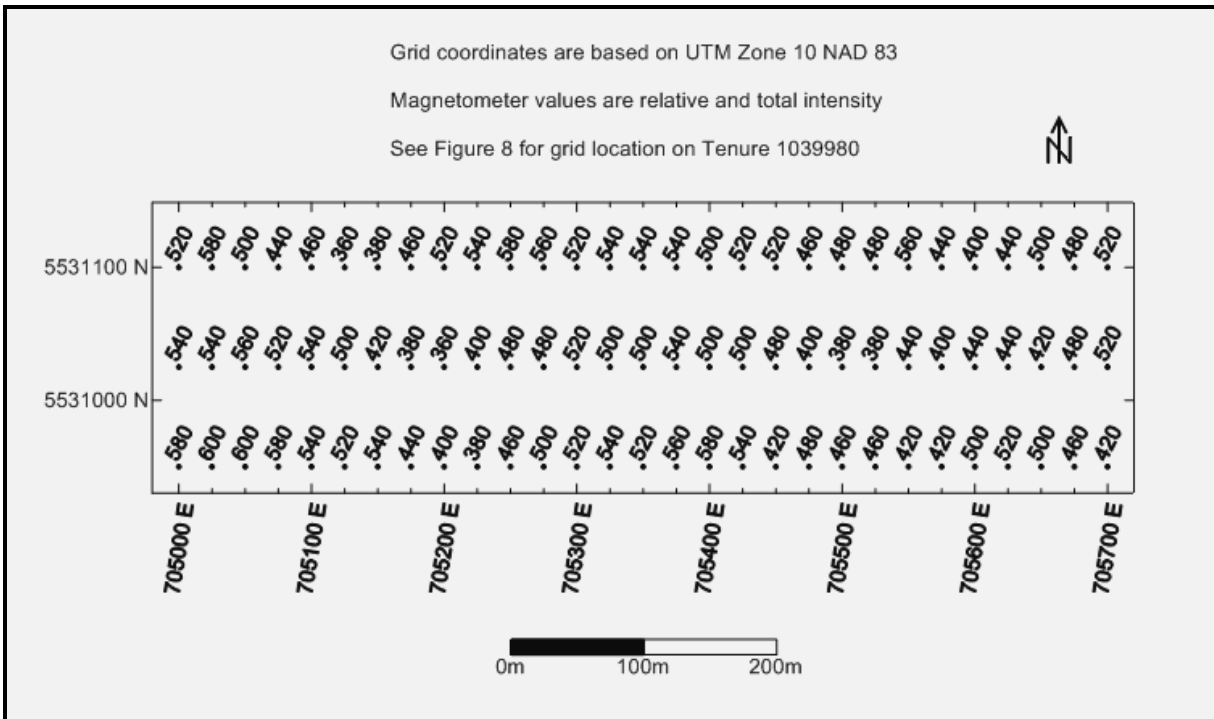


Figure 9 .Magnetometer Survey Data



Magnetometer Survey (cont'd)

Figure 10. Magnetometer Survey Data Contour Map

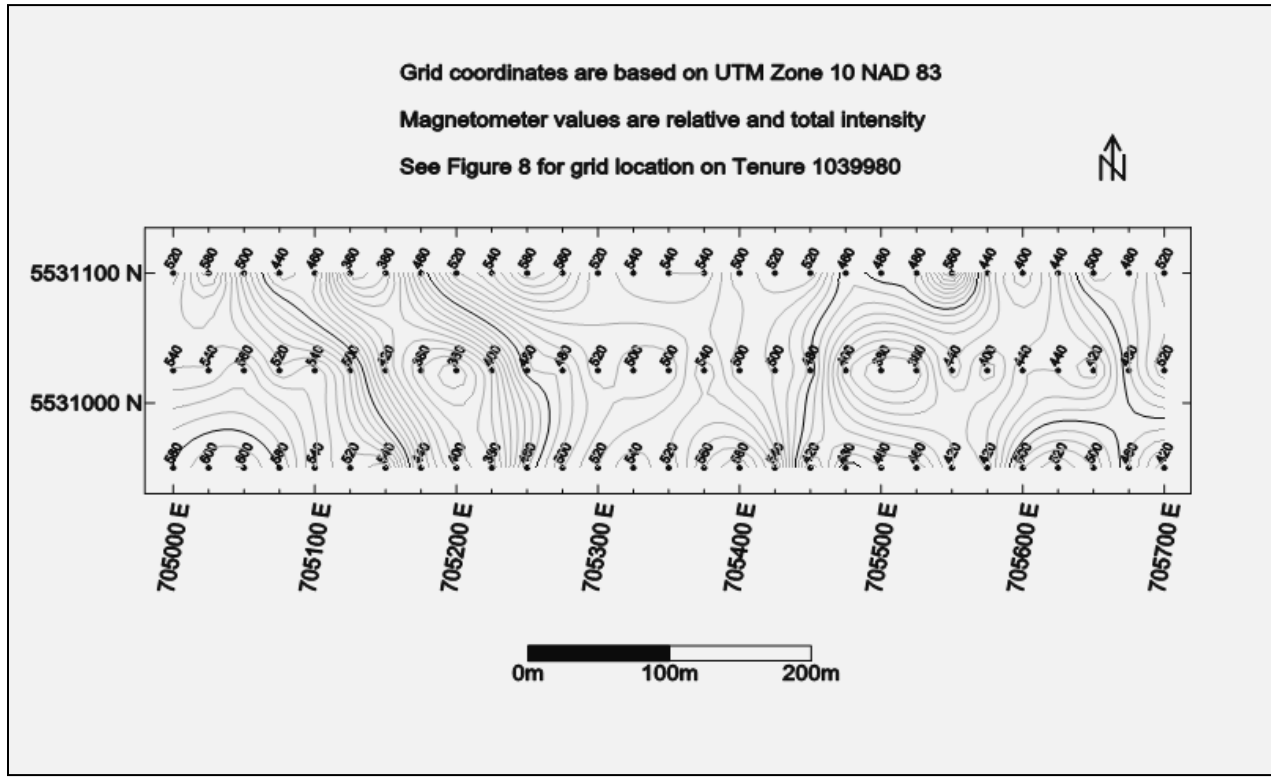
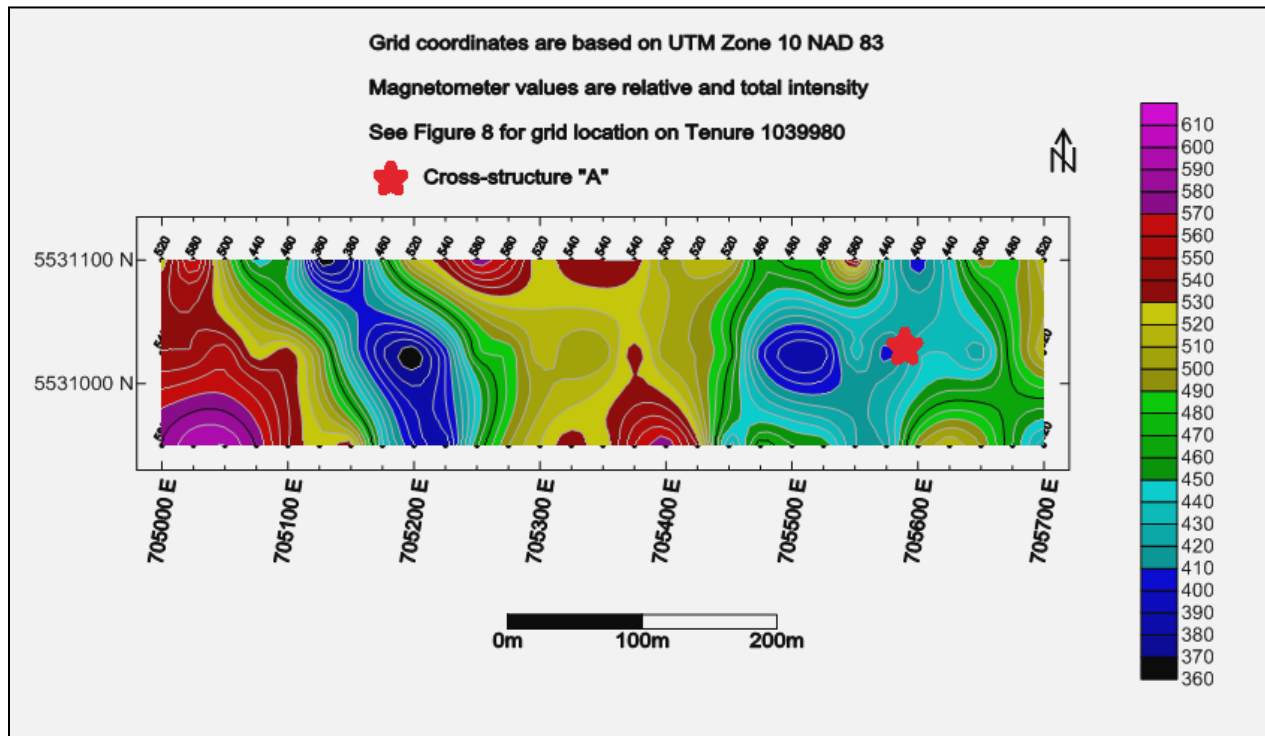


Figure 11. Magnetometer Survey Data Coloured Contour Map



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

From an initial grid station at 5531100N 705000E two additional base-line station was established southerly at 75etre intervals located at 5531025N and 5530950N. Magnetometer readings were taken at 25 metre intervals along each of the three grid lines from 705000E to 705700E. The grid line stations were located with a GPS instrument. Line kilometres of magnetometer survey completed was 2.1. The field data is reported herein in Appendix I.

e) Results

The localized magnetometer survey which covered Nicola Group sedimentary rocks capping Nicola Group volcanics, indicated two anomalous magnetometer low's (mag LO) and one anomalous magnetometer high (mag HI).

The anomalous mag LO in the western sector is a 25 metre wide, open-ended, north-northwest trending zone;

The anomalous mag LO in the eastern sector is a 50 metre diameter zone, enveloped by a 200 metre wide, locally open-ended, background mag LO.

The anomalous mag HI is a 75 metre wide zone in the southwest corner which is open to the south and west, and is within a background north-northwest trending mag HI, open to the north, south, and west.

Cross-structure "A" is located within the eastern mag LO and correlates with a one station anomalous mag LO and is 100 metres east of the 50 metre diameter anomalous mag LO.

INTERPRETATION and CONCLUSIONS

The three cross-structures delineated on Tenure 1039980 should be the centre of intense brecciation and could be the centre of mineral controlling structures to mineral resources as was the setting at the past productive Brenda (*MINFILE 092HNE047*) and at the Elk (*MINFILE 092HNE096*) mineral resources. Cross-structural conditions are commonly the most effective mineral controlling quality in some of the currently productive mineral deposits, such as at Copper Mountain, and at Highland Valley Copper.

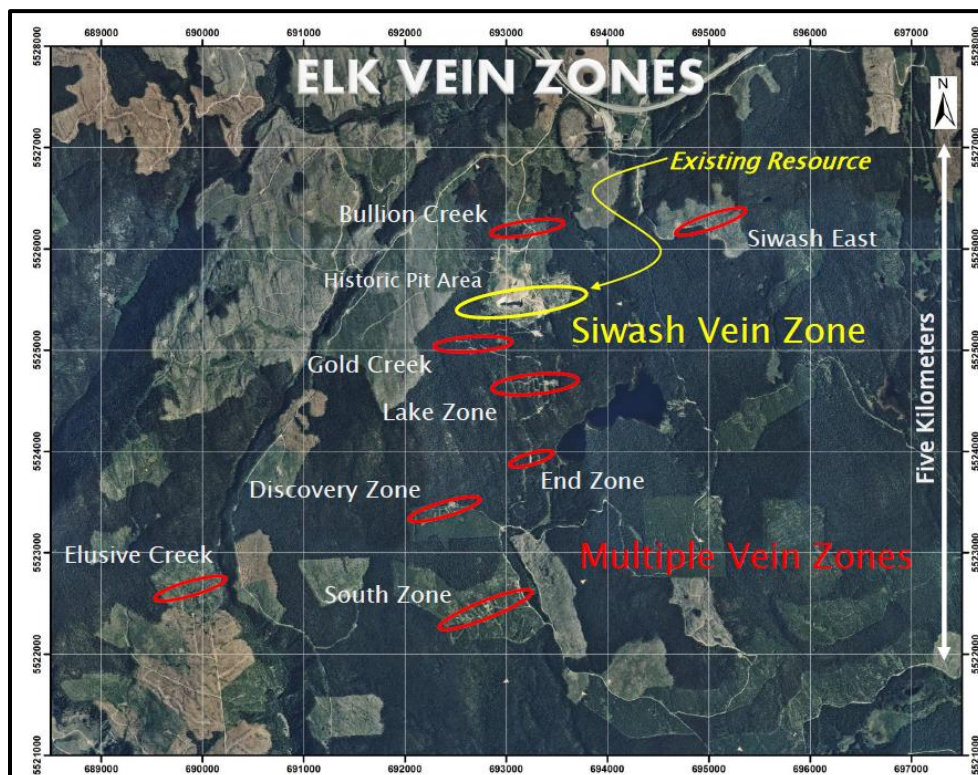
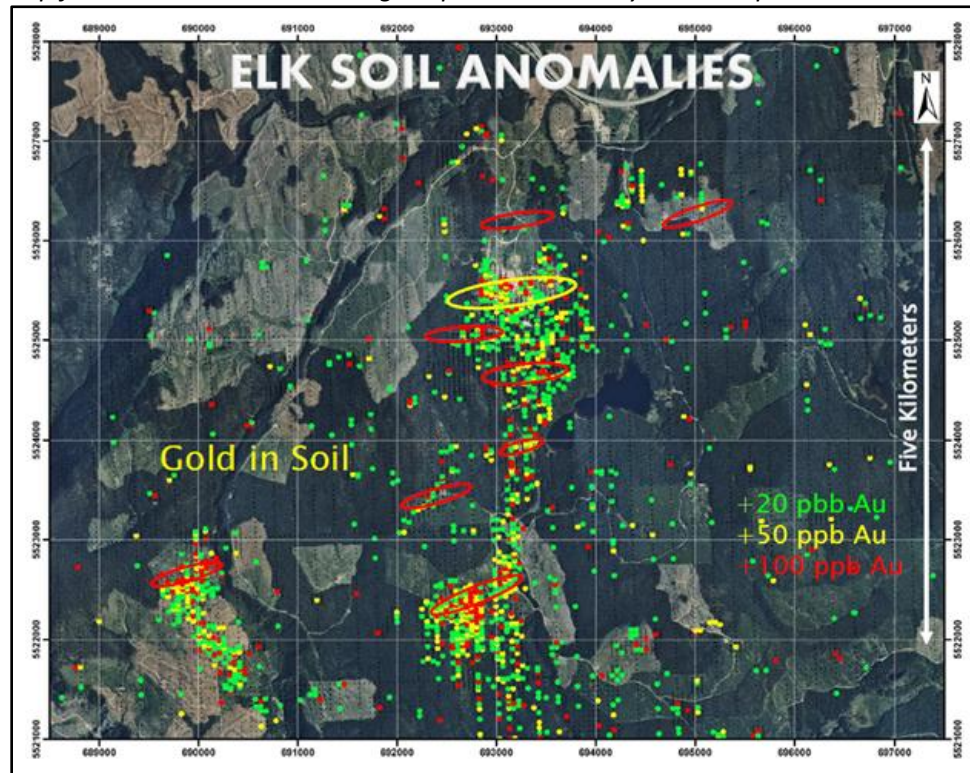
At the Elk the structural controls to the eight generally northerly aligned mineralized zones are indicated as controlled by the major northerly ELK/Siwash fault and by a transverse easterly to northeasterly fault set as shown on Figure 12. This former producer, where reported past production was 51,460 ounces gold at 97 g/t (>3 opt), has experienced additional development to where presently reported gold resource of 301,000 ounces in a measured and indicated category and 263,000 ounces of gold in an inferred category have been reported.

The Elk/Siwash structure structural zone, indicated topographically over a distance of at least 20 kilometres from south of the Elk mineral zones to north of the SNOW (*Minfile 092HNE292*) mineral showing, is one of many northerly trending structures that are indicative as mineral controlling structures in the area of the Toni 1039980 Claim Group. The structure trends through Tenure 589925, the southwestern most claim of the Claim Group.

Cross-structures "A" and "B", two of the three cross-structures delineated on Tenure 1039980, are on an indicated northerly trending major structure. The cross-structural relationship with intersecting westerly to west-northwesterly trending structures is indicative of the mineral controlling structural zone four kilometres north of the ELK.

Figures 12 & 12a. Elk Soil Anomalies & Vein Zones showing the indicated localized association to structural intersections of the major north trending Elk/Siwash fault and a subsidiary set of easterly to east-northeasterly trending faults.

(Map from Gold Mountain Mining Corporation January 2012 Corporate Presentation)



Interpretation and Conclusions (cont'd)

At this zone, the BREW (*Minfile 092HNE275*) mineral showing is indicated to be associated with the Elk fault, the major northwesterly trending Brew fault zone, the related significant fault/shear zones striking west-northwesterly, and the westerly trending major Magwump cross-fault.

From the results of the magnetometer survey, the 200 metre wide, locally open-ended, background mag LO enveloping two anomalous mag LO's, may indicate a hydrothermally altered breccia zone or breccia pipe that can reveal any other geological indications to a potential mineral resource to depth. The location of cross-structure "A" within the mag LO substantiates this potential.

The eastern north-northwesterly trending anomalous mag LO could indicate an altered structural zone.

The 200 metre mag LO area should be explored for surficial geological indicators of a potential concealed mineral resource. These geological indicators may be revealed as pathfinder minerals, minerals and/or alteration products that would be subject to interpretation as economic mineral indicators to follow-up exploration.

Respectfully submitted
Sookochoff Consultants Inc.



Laurence Sookochoff, PEng

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Guilbert, J.M., Park Jr., C.F. - The Geology of Ore Deposits. Waveland Press, Inc. 2007.

John, D.A. - Porphyry Copper Deposit Model. Scientific Investigations Report 2010-5070-B.U.S. Department of the Interior. U.S. Geological Survey, Reston, Virginia: 2010.

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MtOnline - MINFILE downloads.

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092HNE043 – MARN 16

092HNE047 – BRENDA

092HNE058 – HN-WEN

092HNE059 – ECHO

092HNE096 – ELK

092HNE289 – CREST 10

092HNE292 – SNOW

092HNE297 – KING 6

092HNE298 – KING 8

092HNE300 – PEN 5

092HNE311 – WAVE 1

092HNE312 – WAVE 2

092HNE313 – PEN 10

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Sookchoff, L. – Structural Analysis on Tenure 965989 of the five Claim 965989 Claim Group of the Toni Property for Victory Resources Corporation. December 10, 2014. AR 34,043.

Sookchoff, L. – Geological & Geophysical Assessment Report on Tenure 966009 of the seven Claim Toni 966009 Claim Group of the Toni Property for Victory Resources Corporation. August 14, 2015. AR 35,501.

STATEMENT OF COSTS

Work on Tenure 1039980 was completed from November 16, 2015 to November 20 2015 to the value as follows:

Structural Analysis

Laurence Sookochoff, P Eng. 3 days @ \$ 1,000.00/day ----- \$ 3,000.00

Magnetometer Survey

Rick Pearson & Ross Heyer

November 17-18, 2015

Four man days @ \$300.00 per day ----- 1,200.00

Truck rental, mag rental, kilometre charge, fuel, room & board, ----- 1,254.55

\$ 5,454.55

Maps ----- 750.00

Report ----- 3,500.00

\$ 9,634.55

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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 on the Toni Property since 2006.
- 5) I have no interest in the Property as described herein.
- 6) I am a director of Victory Resources Corporation.



Laurence Sookochoff, P. Eng.

Appendix I

Magnetometer Data

E 5579431 T 1039980								
East	North	Mag	East	North	Mag	East	North	Mag
705000	5530950	580	705000	5531025	540	705000	5531100	520
705025	5530950	600	705025	5531025	540	705025	5531100	580
705050	5530950	600	705050	5531025	560	705050	5531100	500
705075	5530950	580	705075	5531025	520	705075	5531100	440
705100	5530950	540	705100	5531025	540	705100	5531100	460
705125	5530950	520	705125	5531025	500	705125	5531100	360
705150	5530950	540	705150	5531025	420	705150	5531100	380
705175	5530950	440	705175	5531025	380	705175	5531100	460
705200	5530950	400	705200	5531025	360	705200	5531100	520
705225	5530950	380	705225	5531025	400	705225	5531100	540
705250	5530950	460	705250	5531025	480	705250	5531100	580
705275	5530950	500	705275	5531025	480	705275	5531100	560
705300	5530950	520	705300	5531025	520	705300	5531100	520
705325	5530950	540	705325	5531025	500	705325	5531100	540
705350	5530950	520	705350	5531025	500	705350	5531100	540
705375	5530950	560	705375	5531025	540	705375	5531100	540
705400	5530950	580	705400	5531025	500	705400	5531100	500
705425	5530950	540	705425	5531025	500	705425	5531100	520
705450	5530950	420	705450	5531025	480	705450	5531100	520
705475	5530950	480	705475	5531025	400	705475	5531100	460
705500	5530950	460	705500	5531025	380	705500	5531100	480
705525	5530950	460	705525	5531025	380	705525	5531100	480
705550	5530950	420	705550	5531025	440	705550	5531100	560
705575	5530950	420	705575	5531025	400	705575	5531100	440
705600	5530950	500	705600	5531025	440	705600	5531100	400
705625	5530950	520	705625	5531025	440	705625	5531100	440
705650	5530950	500	705650	5531025	420	705650	5531100	500
705675	5530950	460	705675	5531025	480	705675	5531100	480
705700	5530950	420	705700	5531025	520	705700	5531100	520