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Mining & Minerals Division
BC Geological Survey

Assessment Report
Title Page and Summary

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

TOTAL COST: \$ 9,748.38

AUTHOR(S): Laurence Sookochoff, PEng

SIGNATURE(S): Laurence Sookochoff

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PROPERTY NAME: Toni

CLAIM NAME(S) (on which the work was done): 1040295 1040296 1040297 1040298

COMMODITIES SOUGHT: Copper Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 092HNE292

MINING DIVISION: Nicola

NTS/BCGS: 092H.098

LATITUDE: 49 ° 58 ' 30 " **LONGITUDE:** 120 ° 15 ' 46 " (at centre of work)

OWNER(S):

1) Victory Resources Corporation

2) _____

MAILING ADDRESS:

132366 Cliffstone Court

Lake Country BC V4V2R1

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

1) Victory Resources Corporation

2) _____

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

Trassic-Jurassic, Triassic, Pennask Batholith, Granodiorites, Pyrite, Nicola Group, Eastern Volcanic Facies, Basaltic Volcanics, Structural Analysis, Cross-Structures

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 22864, 23292, 24253, 31244, 32520, 33654, 34903, 34593

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	414 hectares	1040295 1040296 1040297 1040298	\$ 6,000.00
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic	2.4	040295 1040296 1040297 1040298	3,748.38
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:			\$ 9,748.38

VICTORY RESOURCES CORPORATION

(Owner & Operator)

GEOLOGICAL & GEOPHYSICAL

ASSESSMENT REPORT

(Event 5580810)

work done from

December 2, 2015 to December 5, 2015

on

Tenures 1040295, 1040296, 1040297, & 1040298

of the 14 claim

Toni 1040295 Claim Group

Nicola Mining Division

BCGS Map 092H/.098

Centre of Work

10U (NAD 83) 5539444N, 696261E

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Sookochoff Consultants Inc.**

Date Submitted

May 14, 2016

**BC Geological Survey
Assessment Report
36046**

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SUMMARY

The 14 claim Toni 1040295 Claim Group, covering an area of 4615 hectares, is located 217 kilometres east-northeast of Vancouver, 38 kilometres south-southeast of Merritt, and 19 kilometres west-northwest of the past productive Brenda property in south-central British Columbia.

At the Brenda type porphyry Cu +/-Mo +/- Au deposit, production began 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. The deposit was hosted by the "Brenda Stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith.

The grade of the orebody was a function of fracture (vein) density and of the thickness and mineralogy of the filling material with the mineralization decreasing outwardly from the most intensely fractured/mineralized rock and the centre of the main mineral zone which is indicated as a cross-structure.

The Toni 1040295 Claim Group is underlain by the Pennask batholith (uTrJgd) in the northwest in a northeasterly contact with the Eastern Volcanic Facies of the Upper Triassic Nicola Group in the southeast. The major northerly trending Elk fault zone is indicated to be located centrally to within 200 metres southeast of the Snow mineral showing (092HNE292) and offset right laterally to continue through the Snow mineral showing..

In the exploration of the four claims of the Toni 1040295 Claim Group, the initial criteria selected for the location of a potential Brenda type mineral resource, was primarily for the location of cross-structures based on the premise that a cross-structure would be the best conduit for depth related hydrothermally generated fluids to surface and secondly a localized magnetometer survey over an indicated cross-structure to determine potential correlative hydrothermal alteration.

In the 414 hectare structural analysis area over the Pennask batholith, two cross-structural locations, "A" and "B" were delineated from northwesterly and northerly trending indicated major structures.

The magnetometer survey, which covered cross-structure "B", supported the basis for a cross-structural location to provide surficial indications of a potential mineral resource. Should the correlative mag LO be an indication of a hydrothermally altered zone, the variable trend of the general mag LO zone could indicate the alteration within the structures whereas the central anomalous mag LO could indicate an intensely brecciated, cross-structural zone.

Thus, the cross-structural "B" 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.

As the two cross-structural locations are within the Pennask granodioritic intrusive, some of the surficial geological indicators that should be searched for may be described in some of the 12 Minfile property records described herein where the properties are reported to be in a similar geological setting. Brenda, a past producer, would perhaps reveal the most significant indicators to note.

INTRODUCTION

In December 2015 a structural analysis and a localized magnetometer survey were completed on Tenures 1040295, 1040296, 1040297, & 1040298 of the 14 claim Toni 1040295 Claim Group (Property). The purpose of the program was to delineate potential structures which may be integral in geological controls to potentially economic mineral zones that may occur on Tenures 1040295, 1040296, 1040297, 1040298 or other claims of the Property and to determine the effectiveness of the magnetic results in locating a potential mineral resource.

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

Figure 1. Location Map



PROPERTY LOCATION AND DESCRIPTION

Location

The Property is located within BCGS Map 092H.098 of the Nicola Mining Division, 217 kilometres east-northeast of Vancouver, 38 kilometres south-southeast of Merritt and 20 kilometres west of the past productive Brenda property

Description

The Property is comprised of 14 contiguous claims covering an area of 4,615.3371 hectares. Particulars are as follows:

Table I: Tenures of Toni 1040295 Claim Group

Tenure Number	Type	Claim Name	Good Until	Area (ha)
551400	Mineral	MINY	20160615	312.041
589925	Mineral	TONI 24	20160615	519.7367
833943	Mineral	SNOW	20160615	415.5088
833944	Mineral	SNOW 1	20160615	415.6536
909389	Mineral	TONI 101	20160615	291.1295
909409	Mineral	TONI102	20160615	415.9075
909429	Mineral		20160615	395.1155
909449	Mineral		20160615	394.8686
1016051	Mineral	TONI11613	20160615	395.2778
1032321	Mineral		20160615	644.5177
1040295	Mineral		20161202	124.6855
1040296	Mineral		20161202	124.6639
1040297	Mineral		20161202	83.1082
1040298	Mineral		20161202	83.1228

*Upon the approval of the assessment work filing, Event Number 5580810

Figure 2. Claim Location

(from MapPlace & Google)

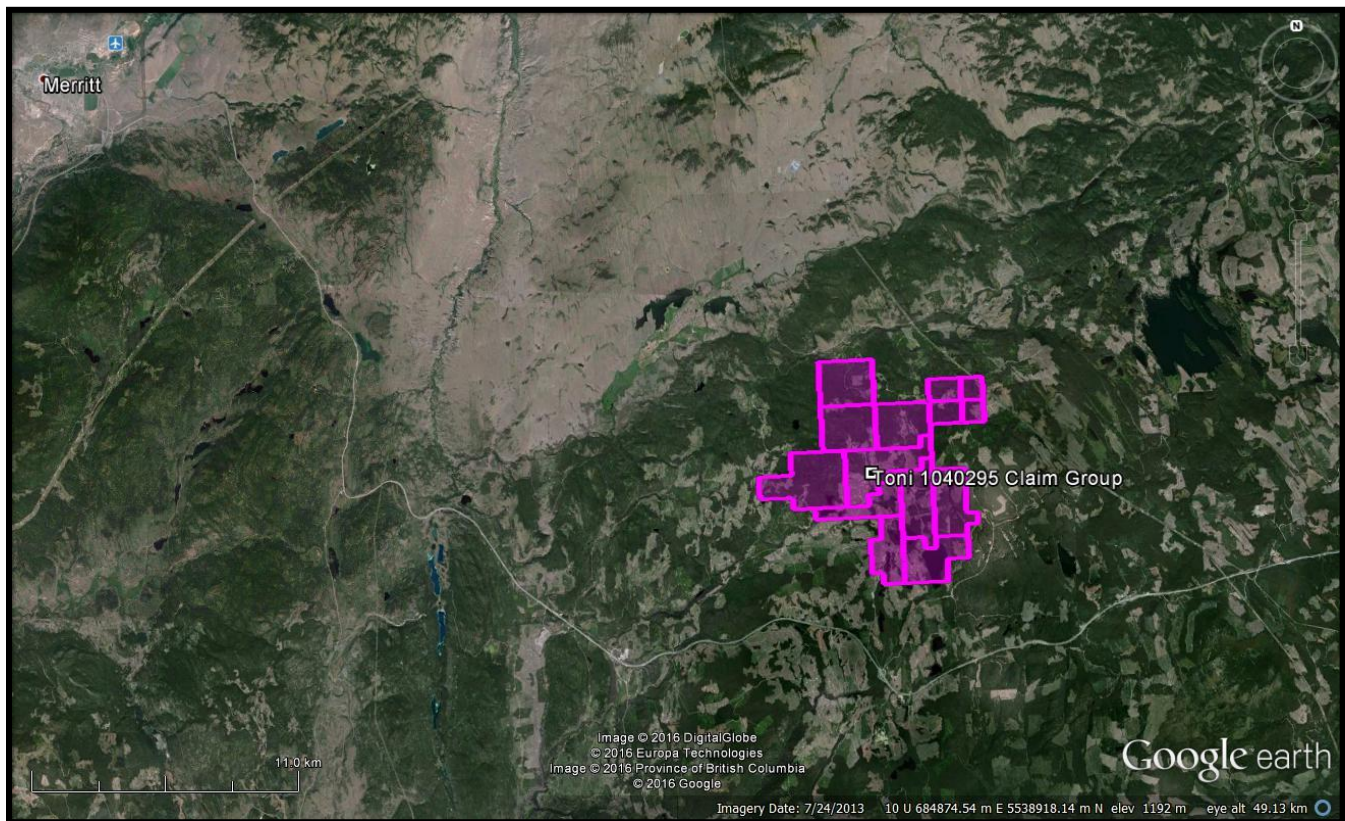
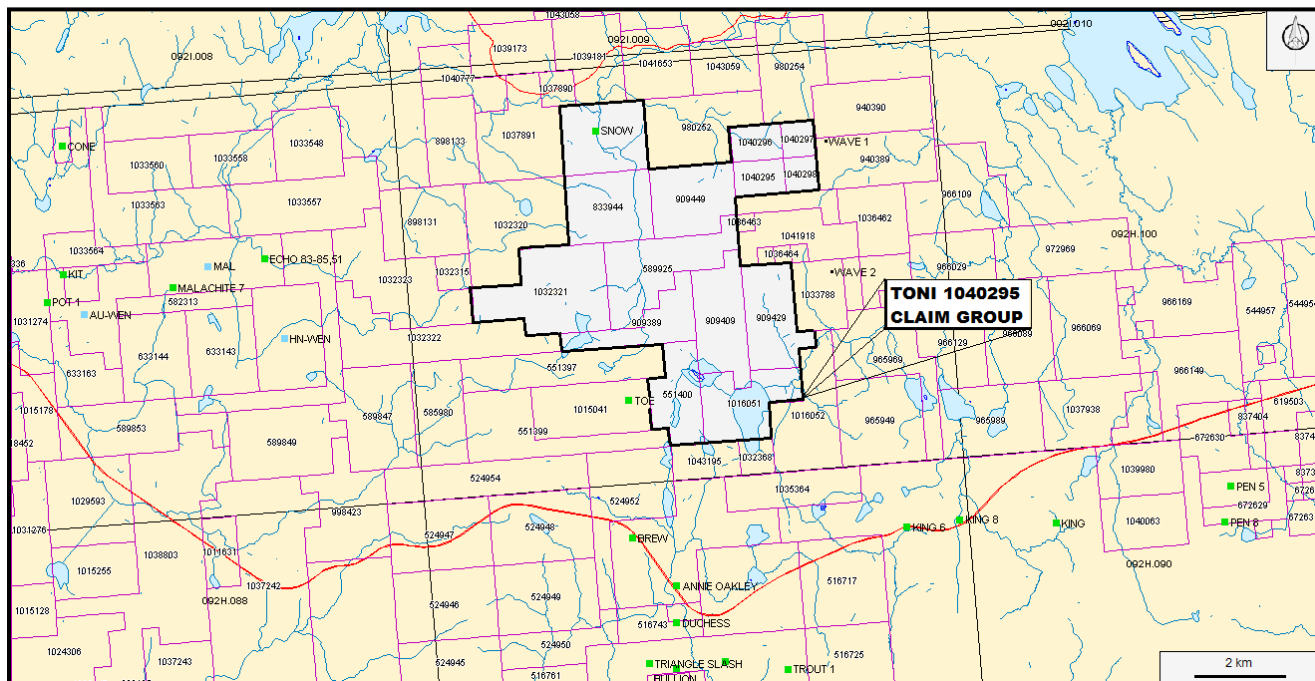


Figure 3. Claim Map

(Base map from MapPlace)



ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE & PHYSIOGRAPHY

Access

Access to the Property is southward from Merritt via Highway 5A/97C or the Princeton/Kamloops Highway for 26 kilometres to the Aspen Grove junction thence eastward from via Highway 97C or the Coquihalla connector Highway for 28 kilometres to the Elkhart junction thence northerly via a forestry road for five kilometres to the southern boundary of Tenure 1016051 of the Toni 1040295 Claim Group.

Climate

The region is situated within the dry belt of British Columbia with rainfall between 25 and 30 cm per year. Temperatures during the summer months could reach a high of 35° 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

Tenures 1040295, 1040296, 1040297, & 1040298 cover a forested with localized clear-cut areas. Relief is in the order of 162 metres from an elevation of 1,418 metres in the northwest corner to 1,580 metres in the southwest corner.

WATER and POWER

Sufficient water for all phases of the exploration program should be available from lakes and creeks located within the confines or peripheral to the Property. A 500Kv power line, trends southeasterly through the northeastern corner of Tenure 1040297.

HISTORY: PROPERTY AREA

The history on some of the MINFILE reported occurrences, prospects, and past producers in the Toni 1040295 Claim Group area is reported as follows. The distance is relative to the Toni 1040295 Claim Group.

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

MINFILE 092HNE002

Five 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).

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

MINFILE 092HNE047

Nineteen kilometres east-southeast

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

Three kilometres south

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

Sookochoff (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 (George Resources) 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.

TOE prospect (Volcanic redbed Cu; Alkalic porphyry Cu-Au)

MINFILE 092HNE060

100 metres west

The Toe occurrence consists of minor copper mineralization located sporadically in the area between Paradise and Boot lakes, 21 kilometres northeast of the community of Missezula Lake. This area lies 18 kilometres east of the historical Aspen Grove copper camp, between Merritt and Princeton.

The Toe 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 Eastern belt or facies of the Nicola Group, which is characterized by submarine volcanoclastic rocks and volcanic flows (Bulletin 69; Geological Survey of Canada Map 41-1989).

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

Exposure is limited in the Paradise and Boot lakes area (mainly on the Toe 27-29, 51, 54, 55 claims), which is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, fragmental rocks including tuff and breccia, minor argillite and diorite (Assessment Reports 1049, 1586)

The Nicola rocks in this area form a northeasterly-closing embayment largely surrounded by the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite (Geological Survey of Canada Map 41-1989).

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

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Six 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.

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. Early Tertiary feldspar porphyry and quartz feldspar porphyry stocks and dikes of the Otter intrusions cut both of the above. Breccias containing rounded volcanic, dioritic and granitic fragments in a granitic matrix crosscut Nicola rocks, Osprey Lake batholith and Otter intrusions rocks. The elongate breccia bodies vary in width from 5 to 30 metres and trend northeasterly. These zones may be portions of major fault structures, but displacement, if any, is not readily apparent. Andesite dikes are the youngest units mapped, postdating all of the above. They are dark greyish green, fine grained and vary in thickness from 30 centimetres to 5 metres. They are commonly muscovite-altered and brown weathering. Strong orange and blue clay alteration is also evident in these rocks. Mineralization appears to be spatially associated with these (Tertiary (?)) andesite dikes which are locally cut by quartz veins.

The Nicola Group lithologies mapped on the Elk property consist of dark greyish green, massive basaltic andesite (some porphyritic containing pyroxene and/or amphibole phenocrysts and some containing 0.5-millimetre laminae of sand-sized black grains); pale grey-green siliceous laminated tuff; and brownish green to pale green agglomerates containing fragments from 5-50 centimetres in size. The Nicola rocks are occasionally silicified, carbonatized or epidote-altered. Iron oxide staining and finely disseminated pyrite are common.

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The Osprey Lake granitic rocks are pinkish grey, medium to coarse-grained, equigranular quartz monzonite to granodiorite in composition. Pink, sugary textured aplite dikes cut the quartz monzonite. Quartz diorite related to the batholith is far less common and occurs as stocks. Dikes of quartz monzonite and hornblende-biotite-quartz monzonite also occur. Alteration includes weak to strong propylitic, argillic, phyllic and silicic assemblages.

Propylitic alteration is generally light green with biotite and hornblende altered to chlorite, and plagioclase is saussuritized.

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

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.

AU-WEN prospect (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE No 092HNE144

Seven kilometres east

The AU occurrence consists of gold-silver-copper mineralization just east of the historical Aspen Grove copper camp, between Merritt and Princeton. Work on this showing dates back to the 1930s when visible gold was discovered in soil.

The occurrence is located 1.8 kilometres east-northeast of Pothole Lake, between Quilchena and Pothole creeks, 8 kilometres east-northeast of the community of Aspen Grove. This prospect includes the Au claims and the FLIM and FLAM. The area was prospected in the 1930's for gold (Balon, 1994). McGoran (1979) reported that two prospectors, M. Bresnick and J. Kohler were able to pan colours from test pits although they failed to determine the source of the gold. Harry Nesbitt of Merritt staked the AU claims in 1969 and on his discovery of free gold in trenches prompted an option agreement with New Pyramid Gold Mines who in 1974 conducted further trenching followed by the completion of seven diamond drill holes. No details of the results of the drilling are available.

The claims reverted back to Nesbitt who in 1978 sold them to Invex Resources Ltd. A program of soil sampling and trenching by Invex delineated a copper-gold-silver anomaly extending some 700m northwards of the original Nesbitt showing. The combined soil and rock sampling however indicated, that the copper and gold anomalies were more pronounced in the rock sampling where gold values ranged up to 740ppb and copper values to 2,900ppm. McGoran (1979) observed, "the gold mineralization appears to be confined to one or more microdiorite dykes".

Invex merged with Imperial Metals Corp. who continued exploring the claims and in 1983 drilled 2 holes near the Nesbitt zone. The drilling returned anomalous gold values ranging up to 650ppb. In 1984, David Heyman optioned the claims from Imperial Metals and after adding the FLIM and FLAM claims optioned the claim group to Algo Resources Ltd. In 1986 Algo conducted IP, magnetometer, soil sampling and geological surveys and the following year drilled nine HQ diamond holes totaling 587 metres. One drill hole, DDH 87-8 obtained the best grade intercept over a near surface 1.5m section that yielded 1.4 gpt Au, 92.89 gpt Ag and 3.58% Cu.

History: Property Area (cont'd)**Au-Wen prospect (cont'd)**

Algo relinquished its option and returned the claims to Heyman. Subsequent prospecting by Heyman and J.D. Rowe of Fairfield Minerals Ltd. resulted in the discovery of a 0.75m wide gold-bearing quartz vein north of the Nesbitt zone. Chip sampling of these newly discovered vein yielded gold values of up to 1.402 opt Au.

In 1993 Fairfield optioned the ground from Heyman and undertook soil geochemical, geological and geophysical surveys, as well as trenching. A soil grid covered the entire AU claims as well as the FLIM and FLAM claims resulting in a few scattered gold values greater than 50ppb. Fairfield dropped its option and the claims reverted back to Heyman

In 1996, George Resources Company Ltd. commenced a program of line cutting and soil sampling covering parts of the AU 1, AU 3, AU 4 and FLAM claims. In addition, trenching and chip sampling of the Hodge Vein and the Nesbitt Zone were carried out.

A grid consisting of 25 line kilometers was laid out from which 274 soil samples were collected. None of the soil samples analyzed by ICP yielded a gold value greater than 5ppb while the highest copper value was 77ppm. Carl Verley (1997) observed, "the area sampled was underlain by a blanket of boulder till or outwash". Channel sampling from three trenches cut across the Hodge Vein yielded gold values ranging from 30ppb to 6,600 ppb in the wall rock and greater than 20,000 ppb from the vein. At the Nesbitt zone, two trenches yielded gold ranging from 5 ppb to 1,620 ppb.

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

MINFILE 092HNE311

100 metres east

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.

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

MINFILE 092HNE312

400 metres east

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 mineralised quartz float and coincidental soil and stream anomalies. Recently, the area has been explored by Sookochoff Consultants as a part of the Toni property.

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

MINFILE 092HNE292

Within Tenure 833943

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

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, 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 lithogeochemistry and by major fault systems. Variation from calc-alkaline to shoshinitic 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 MINFILE reported occurrences, prospects, and past producers in the Toni 1040295 Claim Group area is reported as follows. The distance is relative to the Toni 1040295 Claim Group.

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

MINFILE 092HNE002

Five 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).

ANNIE OAKLEY, WART showing (Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE029

Three kilometres south

This showing is hosted in variably silicified andesite of the Upper Triassic Nicola Group, 1.2 kilometres northwest of the Middle Jurassic Osprey Lake batholith.

The andesite is cut by a fault zone (Annie Oakley fault), striking 130 degrees and dipping 20 degrees south. This fault is possibly a splay off the Brew fault (see Brew, 092HNE275), 1.35 kilometres northwest. The zone is strongly clay altered and occasionally cut by quartz veins up to 6 centimetres wide. Trace to 1 per cent fine-grained pyrite is present within the fault.

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

MINFILE 092HNE047

Nineteen kilometres east-southeast

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

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

Both the Nicola rocks and the Pennask batholith are unconformably overlain by Tertiary sediments and volcanics of the Princeton Group.

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.

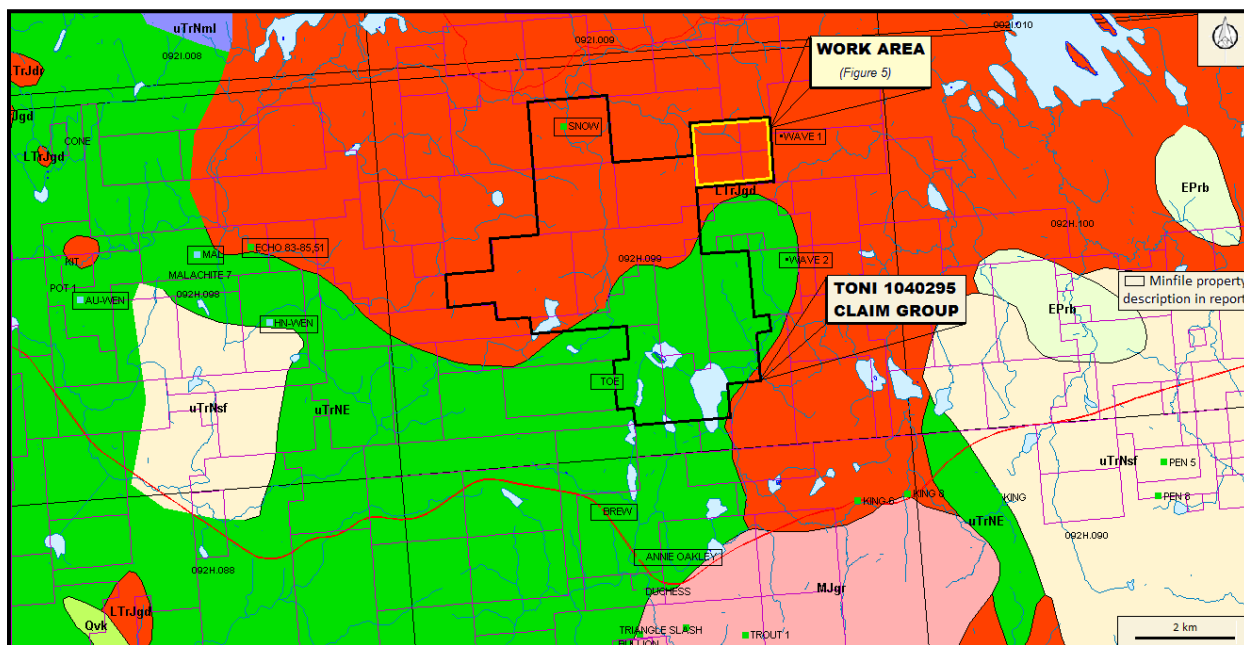
Initial potassium-argon dating of two samples from the Brenda mine area resulted in different ages for hornblende (176 Ma) and biotite (148 Ma). Interpretation of these results suggests that the Brenda stock crystallized about 176 million years ago

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)

Figure 4. Property, Index, Geology, & Minfile
(Base map from MapPlace)



GEOLOGY MAP LEGEND

Pleistocene to Holocene

Qvk
 Unnamed alkalic volcanic rocks

Upper Triassic: Nicola Group

Eastern Volcanic Facies

uTrNE
 basaltic volcanic rocks

uTrNsf
 mudstone, siltstone, shale, fine clastic sedimentary rocks

uTrNMI
 lower amphibolite/kyanite grade metamorphic rocks

uTrJum
 unnamed ultramafic rocks

Central Volcanic Facies

uTrNc
 andesitic volcanic rocks

Late Triassic to Early Jurassic

LTrJgd
 unnamed granodiorite intrusive rocks

LTrJdr
 dioritic to gabbroic intrusive rocks

Middle Jurassic

MJgr
 Unnamed granitic, alkalic feldspar intrusive rocks

Geology: Property Area (cont'd)

HN-WEN prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Three 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).

Geology: Property Area (cont'd)**ECHO** showing (Volcanic redbed Cu)

MINFILE 092HNE059

Four 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.

TOE prospect (Volcanic redbed Cu; Alkalic porphyry Cu-Au)

MINFILE 092HNE060

100 metres west

A major copper soil anomaly occurs within the Toe claim group, measuring 3500 by 900 metres; a mercury anomaly is associated (Assessment Reports 1049, 1586). The highest soil anomaly was 0.07 per cent copper (Assessment Report 1586)

In 2008, drilling returned up to 488.5 parts per million copper over 1.0 metre (Assessment Report 30340).

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

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Six kilometres south

AU-WEN prospect (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE No 092HNE144

Seven kilometres west

The AU 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, ranging from tuffaceous volcanic siltstones characteristic of the lower part, to coarse volcanic conglomerate and laharic breccias in the upper part.

Geology: Property Area (cont'd)**Au-Wen prospect (cont'd)**

The assemblage is characterized by a paucity of intrusive rocks in comparison to the main Aspen Grove copper camp in the Central belt a few kilometres to the west, separated by the Kentucky-Alleyne fault system (Bulletin 69).

The AU occurrence is centred on the main gold showing, a small stripped, drilled and trenched area just off a gravel road south of Quilchena Creek (Assessment Reports 5766, 16008).

This and most of the surrounding area is underlain by andesitic to dacitic tuff, cherty tuff, black argillite, and volcanic sandstone and siltstone. The rocks are strongly fractured in a variety of orientations. Bedding in the tuff has been measured to strike 060 degrees and dip 54 degrees northwest, but it varies.

About 1 kilometre to the north of the main showing is biotite hornblende granodiorite and quartz monzonite of the Early Jurassic Pennask batholith, and about 500 metres to the west are porphyritic andesitic and basaltic volcanic rocks (Bulletin 69; Assessment Report 16008). Small bodies of diorite and micromonzonite, possibly subvolcanic, are quite common in the area, on the surface and in drill core (Assessment Report 16008). Some of the volcanics have sustained carbonate and epidote alteration, and locally they have pervasive hematite (Assessment Report 16008).

BREW showing (Alkalic porphyry Cu-Au; Subvolcanic Cu-Ag-Au; As-Sb)

MINFILE 092HNE275

Two kilometres south

This occurrence is hosted in volcanics and minor sediments of the Upper Triassic Nicola Group, 2.6 kilometres northwest of the Middle Jurassic Osprey Lake batholith. The volcanics consist primarily of andesite and fine-grained diorite. The contact between the two units is gradational, suggesting the diorite may be a subvolcanic equivalent of the andesite. Minor tuffs, lapilli tuffs, agglomerates, and feldspar porphyritic andesite are also present. The sediments consist of mudstone, siltstone, shale, and rare carbonate, intercalated with the pyroclastic units.

A major fault zone, the Brew fault, striking 140 degrees and dipping steeply southwest, is exposed along the Coquihalla Highway for 600 metres.

The zone is approximately 40 metres wide. It is somewhat gossanous and exhibits carbonate and clay alteration and sporadic silicification. Some quartz +/- calcite stringers and blebs are present but not common. Pyrite is ubiquitous along the entire fault. Sections of the zone are strongly mineralized with massive veins, narrow stringers and occasional disseminations of marcasite, pyrite and pyrrhotite. Samples of pyritic clay-altered sections have yielded up to 0.280 gram per tonne gold and 0.445 per cent arsenic (Assessment Report, 18041, page 8, samples 128665, 44719)

A sample from a zone of quartz stringers analysed 0.600 gram per tonne gold (sample 239716).

This fault is traversed by several significant fault/shear zones striking 100 to 120 degrees. One major crossfault, the Mugwump fault, is exposed west of the Brew fault, striking 100 degrees and dipping 60 degrees south.

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

MINFILE 092HNE311

100 metres east

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

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

MINFILE 092HNE312

400 metres east

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

GEOLOGY: PROPERTY

As indicated by the BC government supported MapPlace geological maps, the Property is underlain by the Pennask granodiorite batholith (uTrJgd) in the northwest in a northeasterly contact with the Eastern Volcanic Facies of the Upper Triassic Nicola Group in the southeast. The major northerly trending Elk fault zone is indicated to be located centrally to within 200 metres southeast of the Snow mineral showing (092HNE292) and offset right laterally to continue through the Snow mineral showing..

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

MINFILE 092HNE292

Within Tenure 833943

The Pine showing is 500 metres south of Quilchena Creek and 4.8 kilometres north-northeast of the north end of Boot Lake. A drillhole intersected minor copper mineralization in weakly to moderately chloritized granite of the Early Jurassic Pennask batholith.

MINERALIZATION: PROPERTY AREA

The mineralization on some of the MINFILE reported occurrences, prospects, and past producers in the Toni 1040295 Claim Group area is reported as follows. The distance is relative to the Toni 1040295 Claim Group.

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

MINFILE 092HNE002

Five 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).

Mineralization: Property Area (cont'd)

ANNIE OAKLEY, WART showing (Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE029
Three kilometres south

A sample of chips from a 2-centimetre wide drusy quartz vein, associated with a narrow clay shear, assayed 2.43 grams per tonne gold, 38.1 grams per tonne silver, 0.27 per cent copper and 1.71 per cent arsenic (Assessment Report 21922, page 9, Table 2, sample WART-R2). Two other samples of quartz vein material, containing scattered grains and bands of galena and sphalerite, assayed 1.17 to 2.23 grams per tonne gold, 264.7 to 1046 grams per tonne silver, 0.15 to 0.53 per cent lead, 0.92 per cent zinc and 0.38 to 0.82 per cent arsenic (Assessment Report 21922, page 9, Table 2, samples WART-R1, WART-R3). A bulk sample yielded 1.2 grams per tonne gold and 0.7 gram per tonne silver (Assessment Report 20994, page 10, sample 16961).

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)
MINFILE 092HNE047
Nineteen kilometres east-southeast

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

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

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.

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, ferrimolybdite, 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.

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

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).

HN-WEN prospect (Volcanic redbed Cu)

MINFILE 092HNE058

Three 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.

Rather, the veins hosting the mineralization are structurally controlled by numerous faults and fractures which consistently strike 160 degrees and dip 85 degrees east (Assessment Report 4230).

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).

The average grade of the whole deposit has been estimated at 0.08 per cent copper, with a generally low gold and silver content (Assessment Report 4230).

Sookochoff (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 Adit 1 vein 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 reportedly average 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.

Mineralization: Property Area (cont'd)**ECHO** showing (Volcanic redbed Cu)

MINFILE 092HNE059

Four 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).

TOE prospect (Volcanic redbed Cu; Alkalic porphyry Cu-Au)

MINFILE 092HNE060

100 metres west

The Toe occurrence consists of minor copper mineralization located sporadically in the area between Paradise and Boot lakes, 21 kilometres northeast of the community of Missezula Lake. This area lies 18 kilometres east of the historical Aspen Grove copper camp, between Merritt and Princeton.

The Toe 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 Eastern belt or facies of the Nicola Group, which is characterized by submarine volcanoclastic rocks and volcanic flows (Bulletin 69; Geological Survey of Canada Map 41-1989). Exposure is limited in the Paradise and Boot lakes area (mainly on the Toe 27-29, 51, 54, 55 claims), which is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, fragmental rocks including tuff and breccia, minor argillite and diorite (Assessment Reports 1049, 1586)

The Nicola rocks in this area form a northeasterly-closing embayment largely surrounded by the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite (Geological Survey of Canada Map 41-1989).

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

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Six 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. 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.

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

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 drillholes. 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.

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 down-dip. 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).

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.

Mineralization: Property Area (cont'd)**ELK Past Producer (cont'd)**

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.

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.

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 down dip 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.

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.

Mineralization: Property Area (cont'd)**ELK Past Producer (cont'd)**

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. 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.

AU-WEN prospect (Intrusion related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)

MINFILE 092HNE144

Seven kilometres west

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.

The overall extent of the mineralisation has not been determined, although diamond drilling has demonstrated that minor pyrite, pyrrhotite and chalcopyrite, disseminated or associated with quartz or calcite fracture veinlets, does persist below the surface (Assessment Reports 11241, 16008).

Gold values in the area are generally low, but high values have been obtained from trench sampling and drill core at the main showing. Significant gold assays in chip samples range from 6.8 grams per tonne over 5.1 metres to 10.8 grams per tonne over 4.9 metres (Assessment Report 16008).

Copper is associated with the gold mineralisation; one rock sample from the main trench yielded 0.29 per cent copper (Assessment Report 7293). Another sample yielded 26 grams per tonne silver and 0.14 per cent lead (Assessment Report 7293). Silver in diamond drill core is generally under 1 gram per tonne (Assessment Report 11241).

Grab and select samples assayed between 14.4 and 91 grams per tonne gold (Assessment Reports 5766, 16008). The best drill core intersection assayed 4.97 grams per tonne gold over 1.5 metres (Assessment Report 16008).

BREW showing (Alkalic porphyry Cu-Au; Subvolcanic Cu-Ag-Au; As-Sb)

MINFILE 092HNE275

Two kilometres south

The zone has been traced on surface for 400 metres and is 30 to 40 centimetres wide. It is comprised of strongly gossanous clay and fault gouge containing 1 to 2 per cent pyrite. Quartz and quartz-calcite stringers and quartz blebs occur sporadically throughout the zone.

A sample of quartz vein material yielded 0.14 gram per tonne gold and 14.4 grams per tonne silver (Assessment Report, 18041, page 8, sample 239774).

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

MINFILE 092HNE311

400 metres east

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

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

MINFILE 092HNE312

100 metres east

Locally, mineralised quartz vein float was found and contain disseminated pyrite and limonite with occasional specks of chalcopyrite, galena or sphalerite. In 1991, samples of mineralised 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).

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

MINFILE 092HNE292

Within Tenure 833943

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).

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.

b) Method

The structural analysis was performed on a MapPlace DEM image hillshade map of Tenures 1040295, 1040296, 1040297, & 1040298 by viewing of the map and marking the lineaments, or indicated structures, thereon. A total of 53 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 on the Rose Diagram.

The centre of the work area on Tenures 1040295, 1040296, 1040297, & 1040298 is at 5,539,444N, 696,261E (10) (NAD 83).

c) Results

Two cross-structures were delineated from one indicated major northwesterly trending structure intersected by two indicated northerly trending major structures.

Structural Analysis (cont'd)

Figure 5. Indicated Lineaments as Structures on Tenures 1040295, 1040296, 1040297, & 1040298

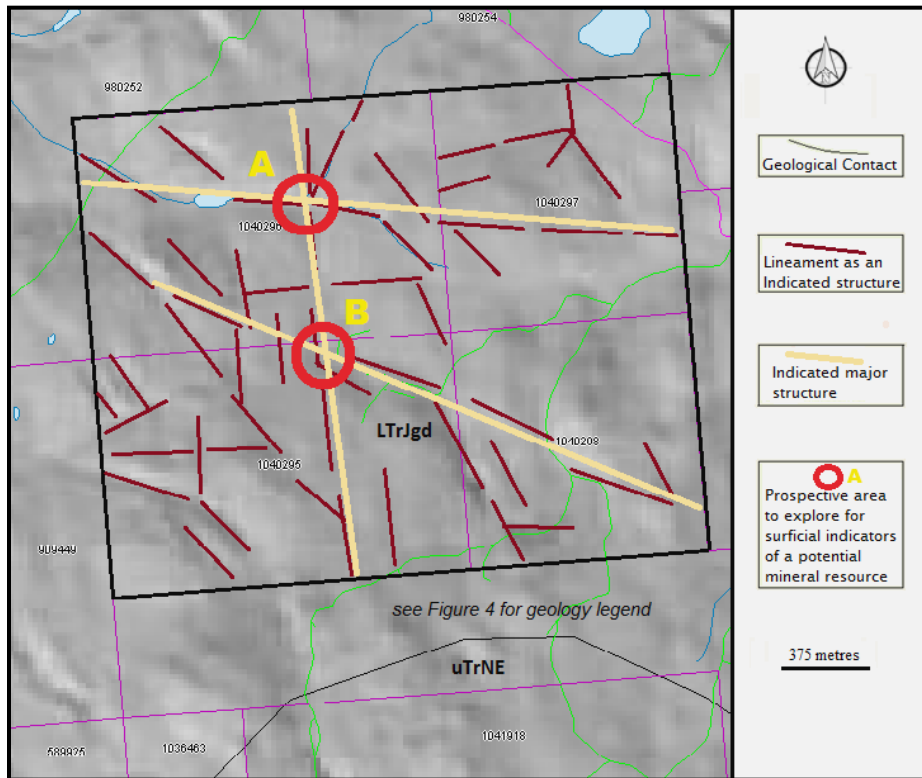
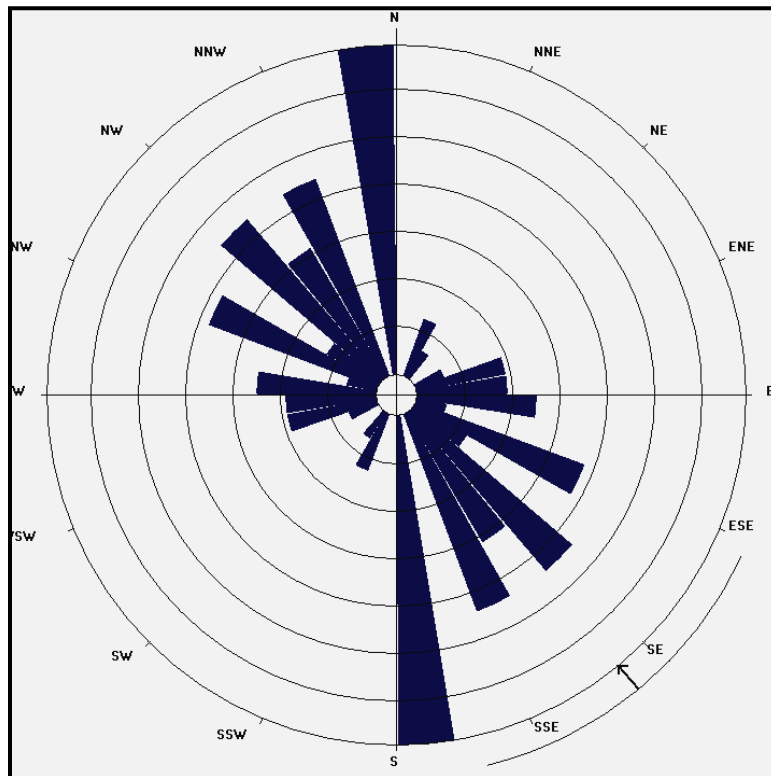


Figure 6. Rose Diagram from lineaments on Tenures 1040295, 1040296, 1040297, & 1040298



Structural Analysis (cont'd)

STATISTICS

Axial (non-polar) data
 No. of Data = 53
 Sector angle = 10°
 Scale: tick interval = 3% [1.6 data]
 Maximum = 20.8% [11 data]
 Mean Resultant dir'n = 141-321
 [Approx. 95% Confidence interval = ±25.6°]
 (valid only for unimodal data)

Mean Resultant dir'n = 140.5 - 320.5
 Circ.Median = 136.0 - 316.0
 Circ.Mean Dev.about median = 30.0°
 Circ. Variance = 0.20
 Circular Std.Dev. = 38.49°
 Circ. Dispersion = 2.57
 Circ.Std Error = 0.2201
 Circ.Skewness = 1.70
 Circ.Kurtosis = -10.39

kappa = 0.89
 (von Mises concentration param. estimate)

Resultant length = 21.50
 Mean Resultant length = 0.4056

'Mean' Moments: Cbar = 0.0776; Sbar = -0.3981
 'Full' trig. sums: SumCos = 4.1111; Sbar = -21.1007
 Mean resultant of doubled angles = 0.1552
 Mean direction of doubled angles = 149

(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'

Figure 7. Cross-Structural locations on Tenures 1040295 & 1040296

(Base map from Google Earth)

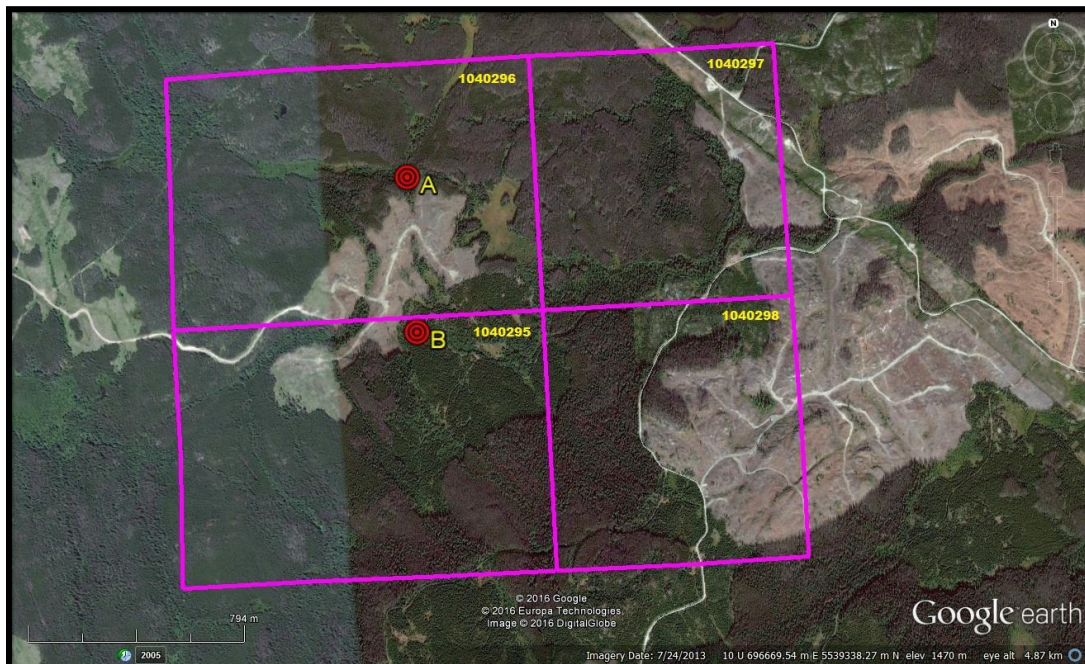


Table II. Approximate location of cross-structures on Tenures 1040295 & 1040296

(10NAD 83) D

Location	UTM East	UTM North	Elevation (metres)
A	696,150	5,539,383	1,440
B	696,179	5,539,369	1,466

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.

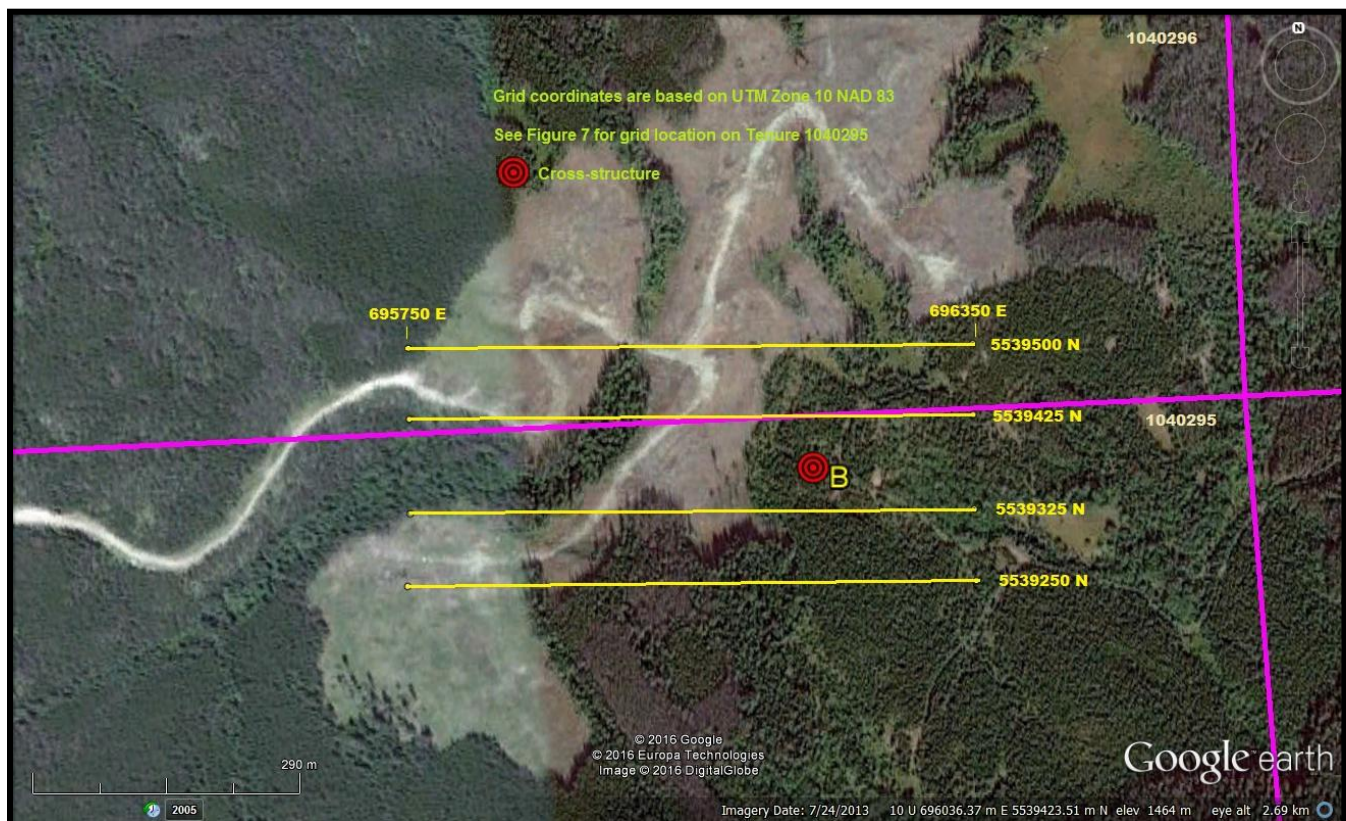
b) Theory

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.

c) Survey Procedure

From an initial base-line station 5539500N 695750E three additional base-line stations were established southerly at 5539425N, 5539325N and 5539250N. Magnetometer readings were taken at 25 metre intervals easterly along each of the three grid lines to 696350E. The grid line stations were located with a GPS instrument. Line kilometres of magnetometer survey completed was 2.4. The field data is reported in Appendix I.

Figure 8. Magnetometer Grid Index Map
(Base from MapPlace)



Magnetometer Survey (cont'd)

Figure 9 .Magnetometer Survey Data
(Base from MapPlace)

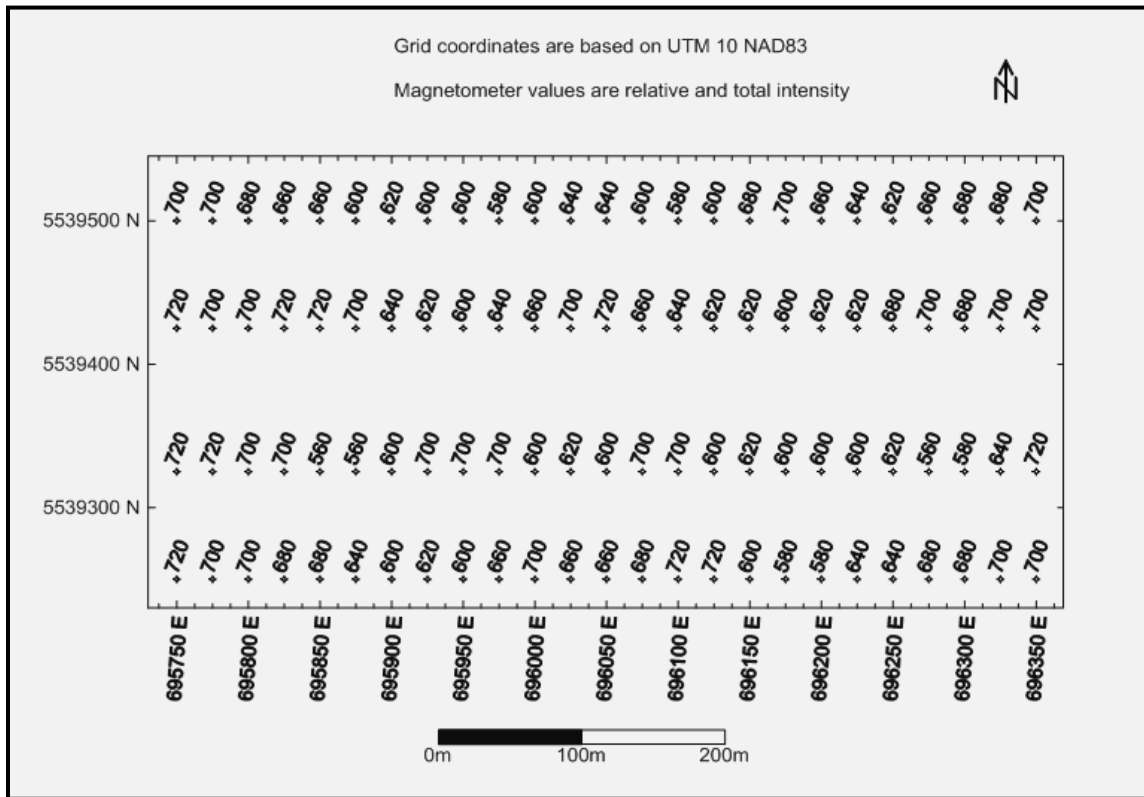
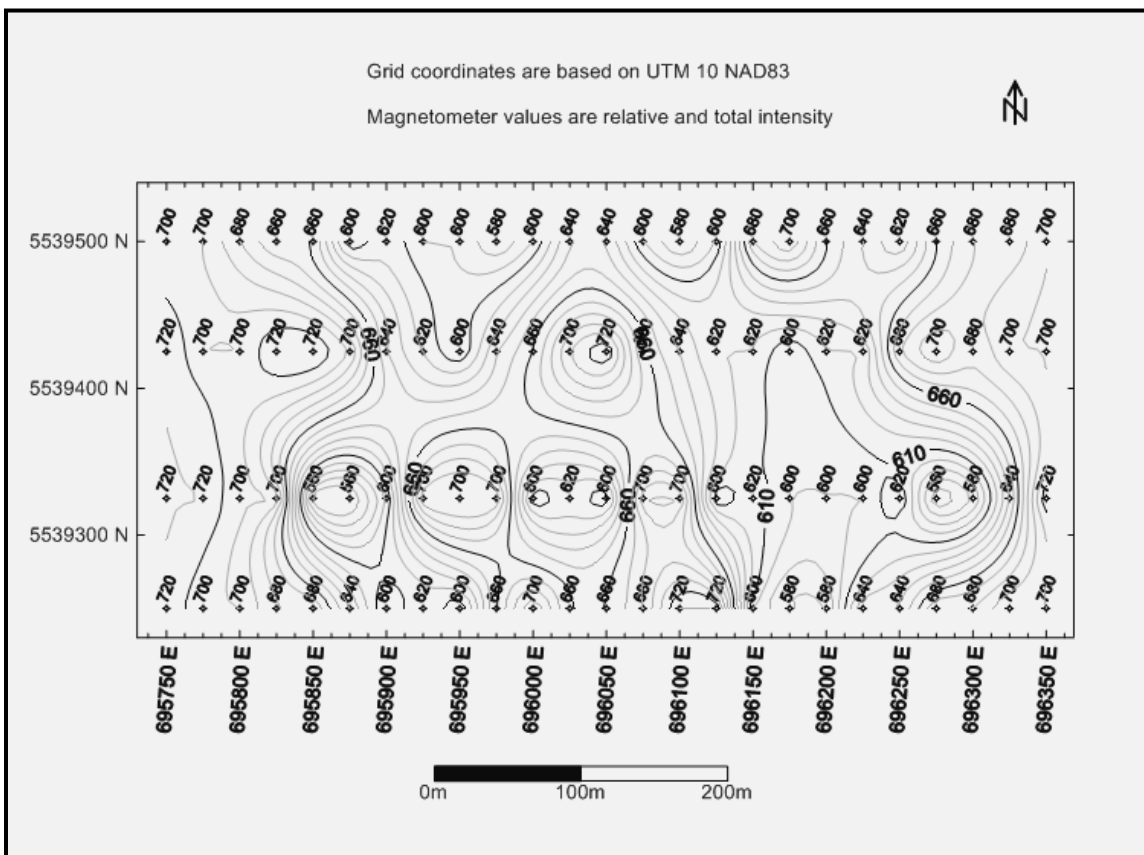
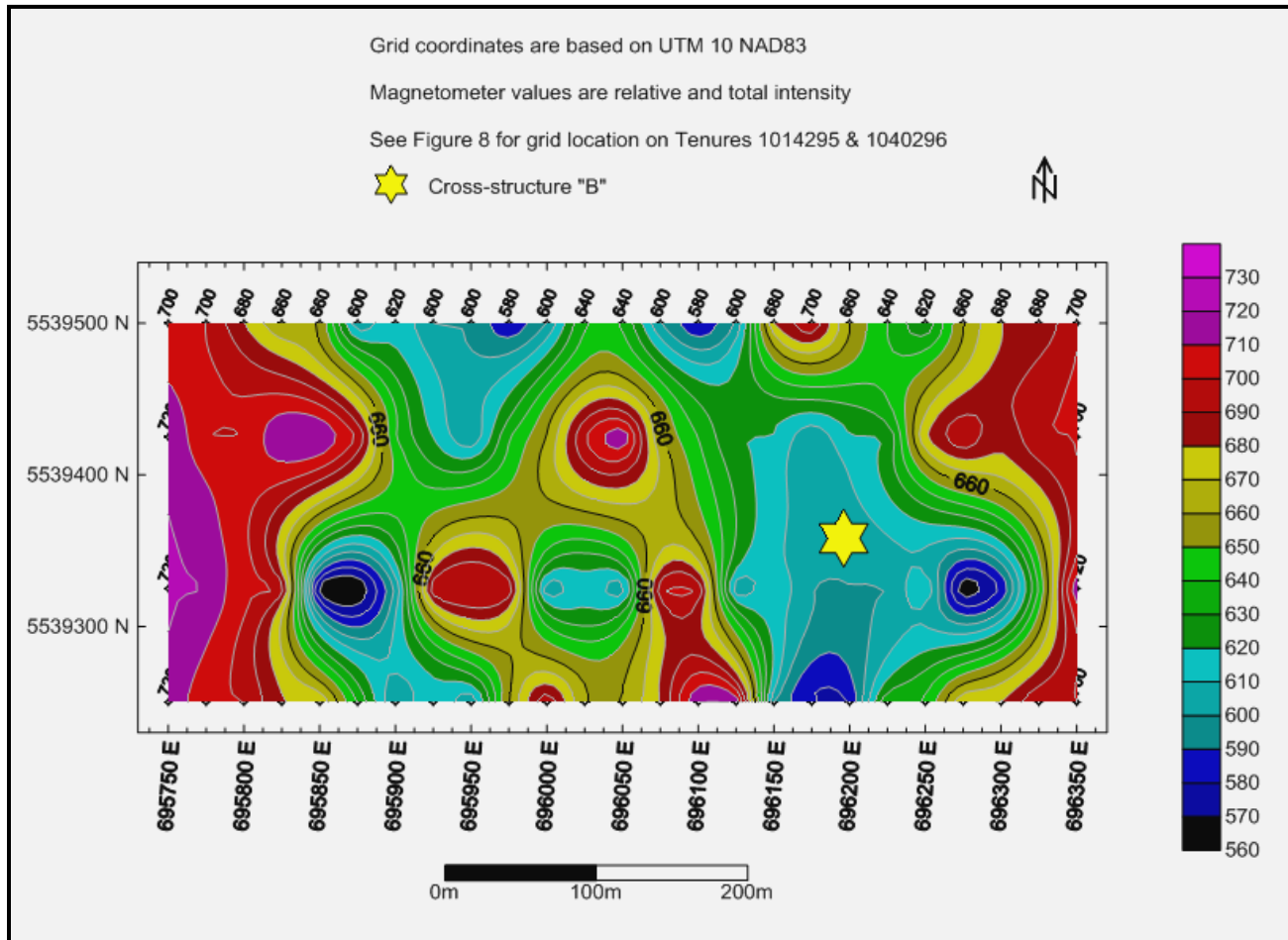


Figure 10. Magnetometer Survey Contoured Data



Magnetometer Survey (cont'd)**Figure 11. Magnetometer Survey Colour Contoured Data****d) Data Reduction**

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

e) Results

The localized magnetometer survey which covered granodiorites of the Pennask Batholith, indicated two central discontinuous, irregular, general magnetic low's (mag LO) with an open, variable north trend.

The western mag LO is up to 125 metres wide with a north-northwest trend in the southern portion and a north-northeast trend in the northern portion. At the central flexural trend is a 75 metre wide anomalous mag LO and an open, localized anomalous mag LO at the northern limit of the mag survey.

The eastern mag LO is up to 200 metres wide, envelops three anomalous mag LO's, and has a general north and northeast trend in the southern portion and a northwest trend in the northern portion. The two localized southern mag LO's are in an indicated northeast trend with a north-northwest trend indicated with the open northern anomalous mag LO and the central anomalous mag LO which is at the flexural trend.

The approximate location of cross-structure "B" which was covered by the magnetometer survey, is located within the eastern magnetometer LO within the northerly and the northwesterly sub-anomalous LO trend.

INTERPRETATION & CONCLUSIONS

The two cross-structures, "A", and "B", that were delineated on Tenures 1040295 & 1040296 would be prospective areas to explore for surficial geological indicators of a potential mineral resource. The cross-structural location should be the centre of intense brecciation which could provide an enhanced conduit for hydrothermally generated fluids to surface and imprint its components within the surface material.

The major structures formulating the cross-structures could also be an indication 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 in the area such as at Copper Mountain, and at the world class Highland Valley Copper mine.

The magnetometer survey, which covered cross-structure "B", supported the basis for a cross-structural location to provide surficial indications of a potential mineral resource. If the general eastern mag LO is an indication of a hydrothermally altered zone, the variable trend of the zone could indicate the alteration within the structures whereas the central anomalous mag LO could indicate an intensely brecciated, cross-structural zone with increased alteration.

Thus, the cross-structural "B" 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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092HNE058 – HN-WEN

092HNE059 – ECHO

092HNE060 – TOE

092HNE114 – ELK

092HNE144 – AU-WEN

092HNE275 – BREW

092HNE292 – SNOW

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Sookchoff, L. – Geological and Geophysical Assessment Report on Tenure 980252 of the Toni 980252 Claim Group for Victory Resources Corporation. May 20, 2015.

STATEMENT OF COSTS

Work on Tenures 1040295, 1040296, 1040297, & 1040298 was completed from December 2, 2015 to December 5, 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

December 4-5, 2015

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

Truck rental, kilometre charge, fuel, room & board,

mag rental ----- 1,348.38

\$ 5,548.38

Maps ----- 750.00

Report ----- 3,500.00

\$ 9,748.38

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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

E5580810											
East	North	Mag	East	North	Mag	East	North	Mag	East	North	Mag
695750	5539250	720	695750	5539325	720	695750	5539425	720	695750	5539500	700
695775	5539250	700	695775	5539325	720	695775	5539425	700	695775	5539500	700
695800	5539250	700	695800	5539325	700	695800	5539425	700	695800	5539500	680
695825	5539250	680	695825	5539325	700	695825	5539425	720	695825	5539500	660
695850	5539250	680	695850	5539325	560	695850	5539425	720	695850	5539500	660
695875	5539250	640	695875	5539325	560	695875	5539425	700	695875	5539500	600
695900	5539250	600	695900	5539325	600	695900	5539425	640	695900	5539500	620
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696325	5539250	700	696325	5539325	640	696325	5539425	700	696325	5539500	680
696350	5539250	700	696350	5539325	720	696350	5539425	700	696350	5539500	700