

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

TOTAL COST: \$12005.80

AUTHOR(S): H. Sigurgeirson SIGNATURE(S): _____

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): n/a YEAR OF WORK: 2016

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): SOW#5607758

PROPERTY NAME: Silver Stream

CLAIM NAME(S) (on which the work was done): 1043448

COMMODITIES SOUGHT: Nephrite

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 092JNE065, 092JNE174 & 092JNE175

MINING DIVISION: Lillooet NTS/BCGS: 092J/15

LATITUDE: 122 ° 30 ' 59 " LONGITUDE: 50 ° 54 ' 6 " (at centre of work)

OWNER(S):

1) Gray Rock Resources Ltd. 2) _____

MAILING ADDRESS:

Suite 900 - 570 Granville Street, Vancouver, B.C.

V6C 3P1

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

1) Saxifrage Geological Services Ltd. 2) Dave Deering (DRD Consulting)

MAILING ADDRESS:

47312 Schooner Way, Pender Island, B.C. V0N 2M2 7954 - 18th Ave., Burnaby, B.C. V3N 1J6

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

Serpentinite, Chert, Mississippian to Jurassic Bridge River Complex, Permian Shulaps Ultramafic Complex, Marshall Creek Fault,

Ophiolite, Nephrite, White Rock, 25 m vertical zone(s)

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 18869 & 33490

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	0.25 ha.	1043448	\$7500.00
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for...)			
Soil			
Silt			
Rock			
Other			
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic	9 sawn samples	1043448	\$4505.08
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:			\$12005.80

Geological Assessment Report
on the Marshall Creek
Jade Project

Lillooet Mining Division
British Columbia

Map Sheet 092J/15

UTM 534000E, 5639000N (Zone 10)

Claims 1043447 & 1043448

Prepared for:
Gray Rock Resources Ltd.
Suite 900 - 570 Granville Street,
Vancouver, B.C.

Prepared by:
Helgi Sigurgeirson, P.Geo.
October 18, 2016

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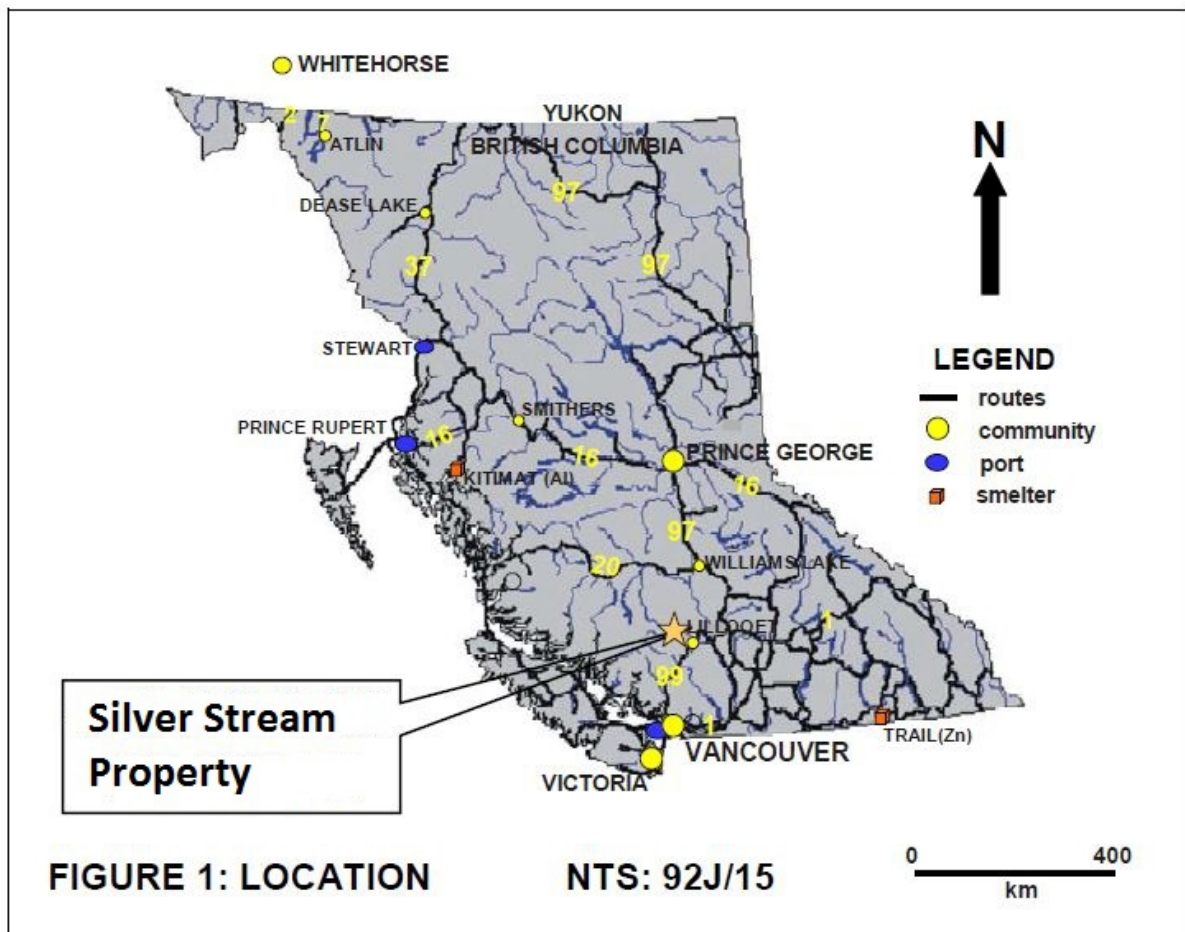
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Introduction

Location, Access and Physiography

The property is 49 km northwest of Lillooet (Figure 1). It is reached by taking the Bridge River Road for about 70 km to the intersection with the Marshall Lake Road. About 9 km up the Marshall Creek Road is a road that goes up the east side of Brett Creek, which accesses the jade workings. This road requires permission from the landowner whose property it crosses. About 1.6 km further up the Marshall Creek Road is the logging road that accesses the area of the Silver Stream (gold) Project. The property is centered on the treed, south facing lower slopes of the Marshall Creek Valley. It ranges in elevation from 1040 m in the valley to 1600 m at the north edge of the property. Snow can be expected from October to May.



Property Definition

The Silver Stream Property consists of claims #1043447 and #1043448 (Figure 2). The claims total 468.81 hectares and are 100% owned by Gray Rock Resources Ltd. Claim #1043448 has been leased from Gray Rock Resources Ltd. by D. Deering and Saxifrage Geological Services on a 50/50 basis for the purpose of jade exploration.

A Statement of Work (Event #5607758) was filed for the work described in this report on June 22, 2016. The claims are good to October 21, 2019.

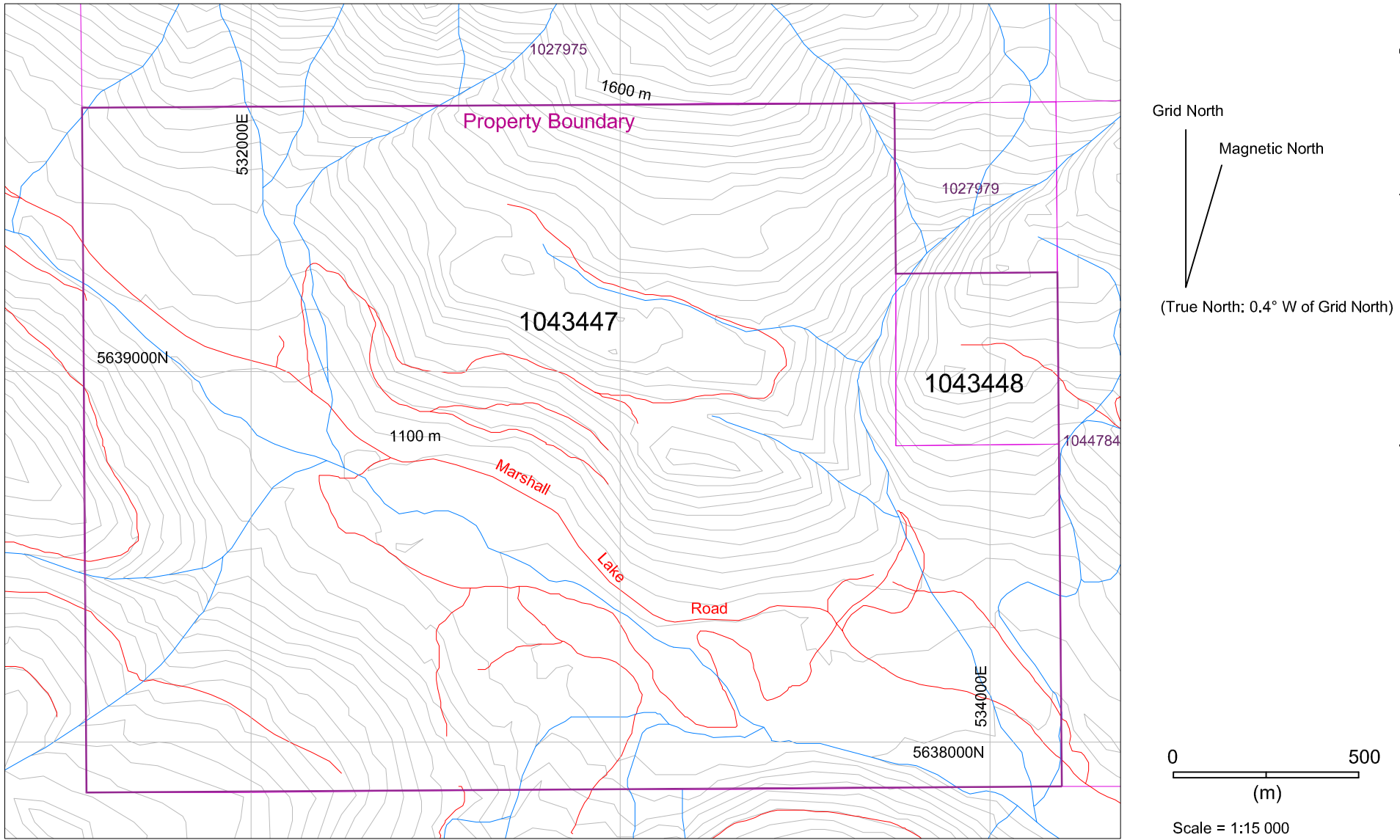


Figure 2: Claim Map

Previous Work

Jade was discovered above Brett Creek in 1967. This is the Greenbay (Brett Creek) Past Producer (Minfile No.092JNE065). The property owner reported to Leaming (1978) that about 650 tons of nephrite had been extracted and sold by 1975. The pit has been abandoned since that time.

The Silver Stream Project lies about a kilometer west of the jade workings. Gold exploration on the property, undertaken since 1987, has involved 1,759m of diamond drilling in 10 holes, hand and excavator trenching, mapping, magnetic and VLF-EM geophysical surveys, as well as rock and soil geochemistry (Paultler, 2012). Two significant zones of gold mineralization have been discovered there, the Western ((Minfile No.092JNE174) and Southeastern (Minfile No.092JNE175).

Work Program Summary

The purpose of the 2016 program was to map and sample the Brett Creek Jade showing. Helgi Sigurgeirson spent 40 hours mapping and sampling the Brett Creek workings from June 3 to June 7. Detailed mapping of the Brett Creek Pit was done at a 1:250 scale and covered approximately 0.25 hectares. Dave Deering spent 16 hours surveying and sampling. 8 hours were spent sawing the samples. Nine samples were collected and sawn.

Regional Geology

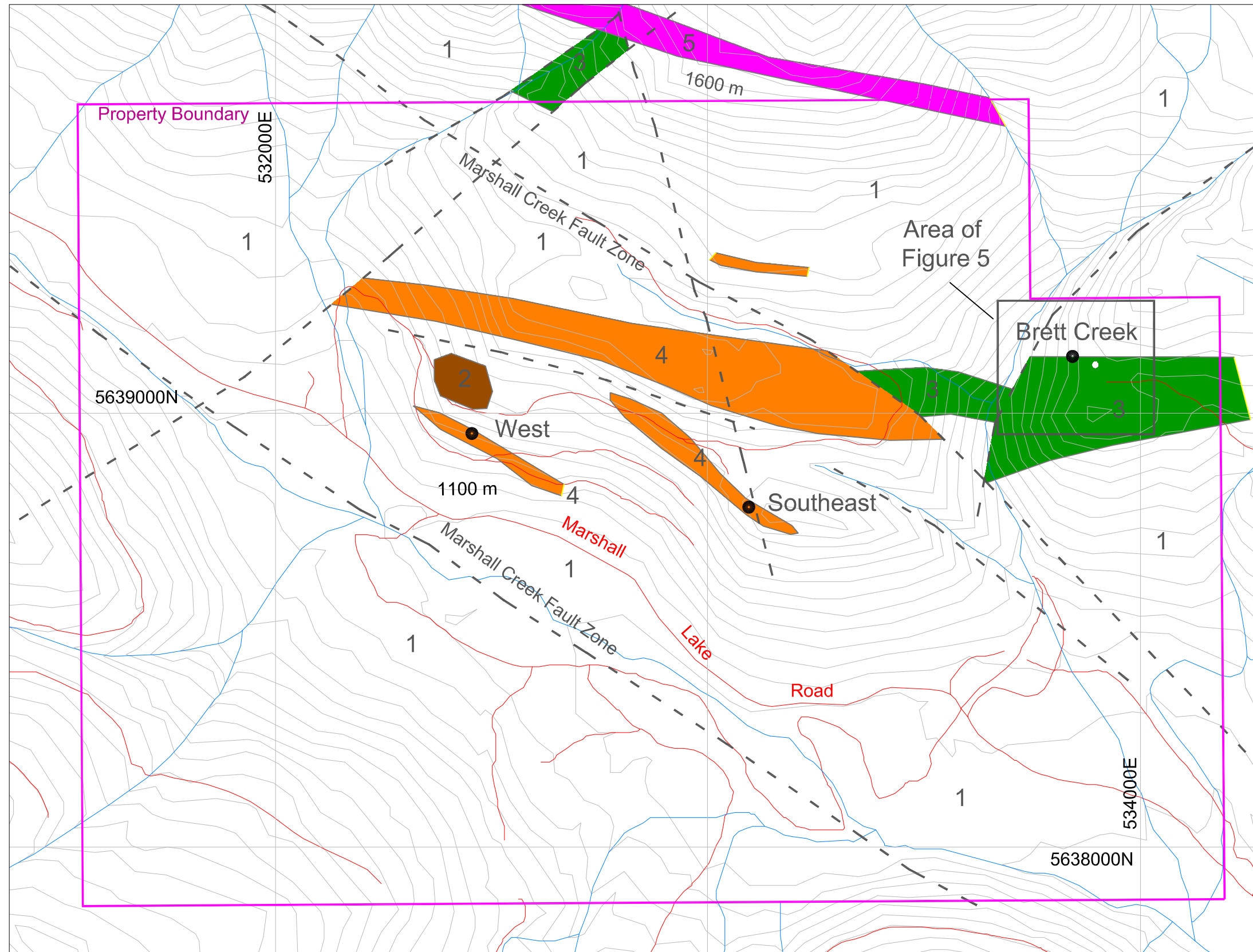
The Silverstream Property straddles the Marshall Creek Fault. South of this fault zone are Mississippian to Middle Jurassic Bridge River Complex marine sedimentary and volcanic rocks (MapPlace, 2016). To the north is a complex zone of Bridge River sediments and volcanics interleaved with serpentinites and ultramafic rocks. This zone occurs along the southern edge of the Permian Shulaps Ultramafic Complex and is host to the main Nephrite deposits in the region.

Both the Bridge River Complex and the Shulaps Ultramafic Complex are part of the allochthonous oceanic Bridge River Terrane, apparently accreted to North America in the Jurassic, situated along the northeastern margin of the Coast Plutonic Complex (Schiarizza et al., 1989 and 1990). The Bridge River Complex, a major gold bearing sequence through the region, is comprised of a sequence of marine chert, intermediate volcanics, gabbro, limestone, blueschist and clastic rocks ranging in age from Mississippian(?) to Jurassic. The Shulaps Ultramafic Complex is a Permian dismembered ophiolitic sequence comprised of serpentinitized ultramafic rocks and a serpentinite mélange of ultramafic, gabbroic, volcanic and sedimentary rocks. The rocks are stacked in complex, fault bounded relationships, generally parallel to the strong northwest trending regional fabric. The Bridge River Complex is intruded by Late Cretaceous to Tertiary granodiorite (LKTgd) and by smaller Eocene granodiorite (Egd) and feldspar porphyry (Efp) plutons, stocks and dykes. The northwest to north trending, steeply dipping Marshall Creek and the Yalakom/Bridge River Faults dominate the region. The faults record a complex history of mid Cretaceous to Tertiary compressional, strike-slip and extensional deformation.

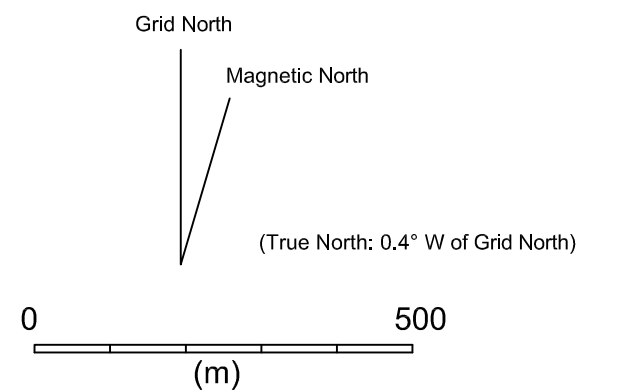
Property Geology

The Silver Stream property is primarily underlain by rocks of the Bridge River Complex. The Property Geology map (Figure 3) is based on mapping by Allen and Murrell (1989), with some modifications based on more recent work (Pautler, 2012). The northwest trending Marshall Creek Fault Zone, which is about 700 m wide in this area, runs across the center of the property.

Figure 3 - Property Geology Map



- Intrusive Rocks**
- 5 Feldspar Porphyry
 - 4 Listwanite
 - 3 Serpentine
 - 2 Diorite
- Bridge River Complex**
- 1 Argillite, phyllite, chert
- Fault
 - Contact
 - Minfiles



Scale = 1:10 000

Geology after Allen & Murrell, 1989

The dominant lithology on the property is thickly bedded, black, grey to pale green coloured argillite and phyllitic argillite, with lesser grey 2-10 cm wide chert beds and minor greenstone of the Bridge River Complex. Foliation appears to parallel bedding, which generally trends east northeasterly to easterly with moderate to steep dips to the north. Medium to coarse grained diorite is exposed as outcrop above the West zone.

Serpentinite occurs as a number of dykes and/or fault bounded slices. One of these hosts the Brett Creek Jade Deposit, where the serpentinite is generally a dark greenish black. Elsewhere, the serpentinite is medium to bright emerald green in colour and is strongly foliated. Foliation trends are east-northeasterly to easterly with moderate to steep northerly dips, although mapping indicates a northwesterly trend subparallel to the Marshall Creek Fault zone.

Several elongated bodies of listwanite, with a maximum width of 100m and at least 1 km long occur on the property. The listwanite is massive, resistive and locally cliff-forming, light grey to green in colour, weathers orange-brown and consists of magnesite (magnesium-rich carbonate) and quartz, with minor amounts of talc, chlorite and fuchsite and trace to minor amounts of disseminated chromite and pyrite. Vuggy quartz veinlets ranging in width from 0.1 to 2 cm are locally present. The listwanite is probably derived from carbonate alteration of pre-existing serpentinite and greenstone.

Felsic feldspar porphyry dykes, west-northwesterly and northerly trending, intrude the Bridge River Complex on the property and are probably related to the Eocene Hog Creek stock, which occurs immediately east of Brett Creek (Figure 3). The dykes consist of 1 to 3 mm phenocrysts of feldspar and chloritized biotite along with 0.5 to 1% disseminated pyrite in a light grey aphanitic groundmass.

Mineralization

Nephrite occurs along the contacts of a large tectonic inclusion of chert and the surrounding serpentinite. Leaming (1978) reports that “in 1969 nephrite was exposed on both sides of the chert body in irregular lenses or pods up to several tonnes in weight.” These upper lenses were removed by 1975 (Figure 4), at which time the serpentinite on the north side of the chert body was dug away, leaving a 9 m face of talc and low grade nephrite. This is the present pit configuration, though colluvium has filled in the lowest part of the pit, obscuring the lower contact and reducing the face height to about 7 m.

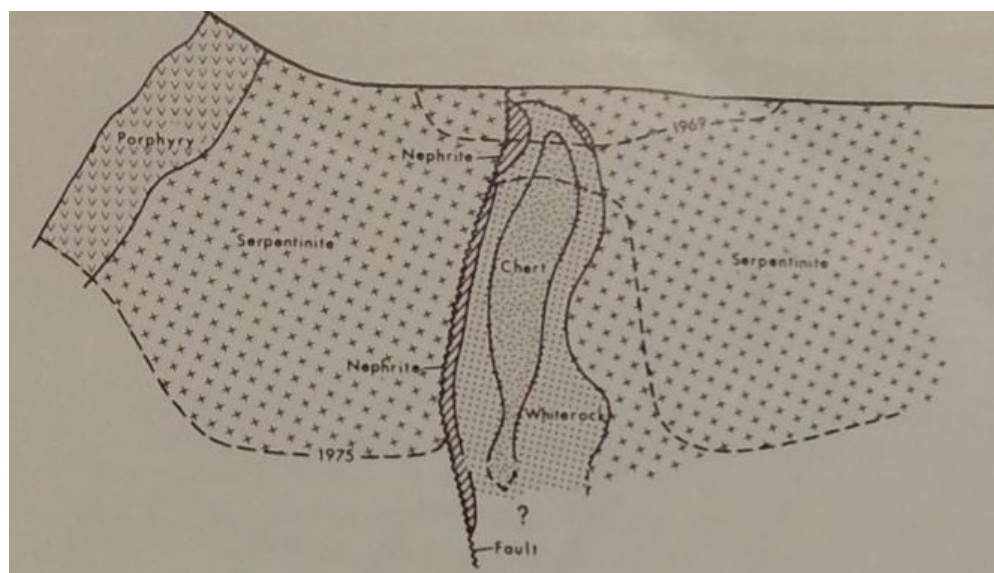


Figure 4: Diagrammatic cross section by Leaming showing development of the pit.

Two significant zones of gold-quartz vein type mineralization, the Silverstream Western and Southeast zones (Figure 3), were discovered on the Silver Stream property between 1988 and 1996 by following up rusty weathering listwanite uncovered during road building in 1987. Gold bearing mineralization occurs as narrow, broken and oxidized zones associated with steeply dipping shear zones. The oxidized faults are composed of clay and limonite with occasional fragments of quartz, and are hosted by intermediate to mafic volcanic and sedimentary rocks. Trenching in the West Zone exposed a mineralized east-southeast trending shear zone from 1-4m wide and at least 45m long that returned up to 8.9 g/t Au over 2.8m. A nearby drillhole, DDH SS 05-01, returned 5.41 g/t gold over 9.14m. The Southeast zone covers a series of parallel red iron oxide bearing shears returning up to 16.42 g/t Au over 0.9m.

Geological Mapping

The purpose of the mapping was to determine the nature, size and orientation of the nephrite bodies exposed in the pit. The location of the access road, benches and other site features are shown on Figure 5. The most notable feature in the pit is a 7 m high wall of talc and low grade nephrite exposed on the south side of the lower bench. Figure 6 is taken from the northwest, and shows the entire face. The lower left of the photo shows the lower access road and is the level of the lower bench, while the top of the face is the level of the middle bench. The layer of talc and nephrite that composes the face is a dull, greyish green, moderately foliated, about 30 to 50 cm thick, and lies along the north side of a 10 m x 25 m tectonic inclusion of medium to dark grey chert within the serpentinite. This is shown on the Pit Geology Map and Section A – A' (Figures 7 & 8). Between the talc-nephrite layer and the chert is a whiterock reaction zone that appears to be about 0.5 m thick. The contact with the serpentinite is obscured by colluvium. Higher in the pit, to the east north-east, the contact zone is better exposed. Indistinct pods of light green, translucent, semi-botrioidal nephrite up to 25 cm across occur on the whiterock side of the talc-nephrite layer, near the inflection between the main face and the north-eastern segment. Most of the nephrite found along the northeastern segment of the contact zone, however, was of lower quality. The talc and nephrite in the main face is generally foliated and fractured, but solid, blocky material occurs along the northeastern segment. The rocks are cut by moderately to steeply dipping, east and northeast striking faults. A steep east striking fault marks the north contact of the serpentinite with a fine grained, brownish white granodiorite?

The vertical extents of the chert body are not known. The diagram by Leaming (Figure 4) suggests that about 5 m have been quarried from the top of the chert body, forming the present middle bench. Leaming's diagram also indicates that there was less nephrite on the south contact, which is not currently exposed. The contact zone is best exposed along the northeastern contact, which dips about 50° to the northeast. Figure 9 shows a 2 m section beginning with chert on the right, then about 1 m of white rock with pods and layers of mylonite, then a discontinuous layer talc-nephrite (up to 30 cm), then about 1 m of talc, then serpentinite. The similarity in colour and texture of the talc, nephrite and mylonite make mapping the internal divisions of the talc-nephrite layer a challenge.

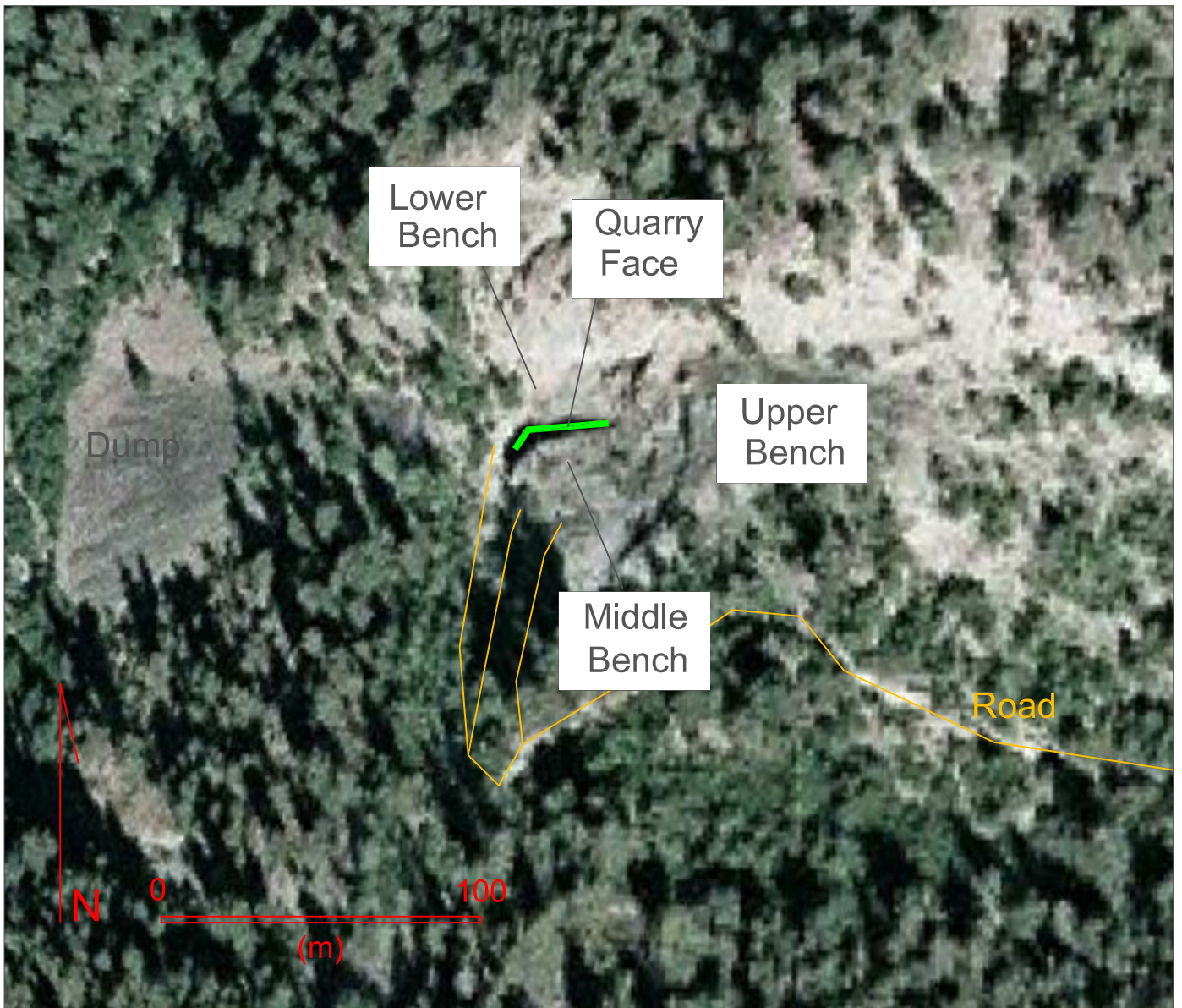


Figure 5: Brett Creek Nephrite Site Map



Figure 6: Photo of main workings showing the 7 m face of talc and nephrite (taken from the NW).

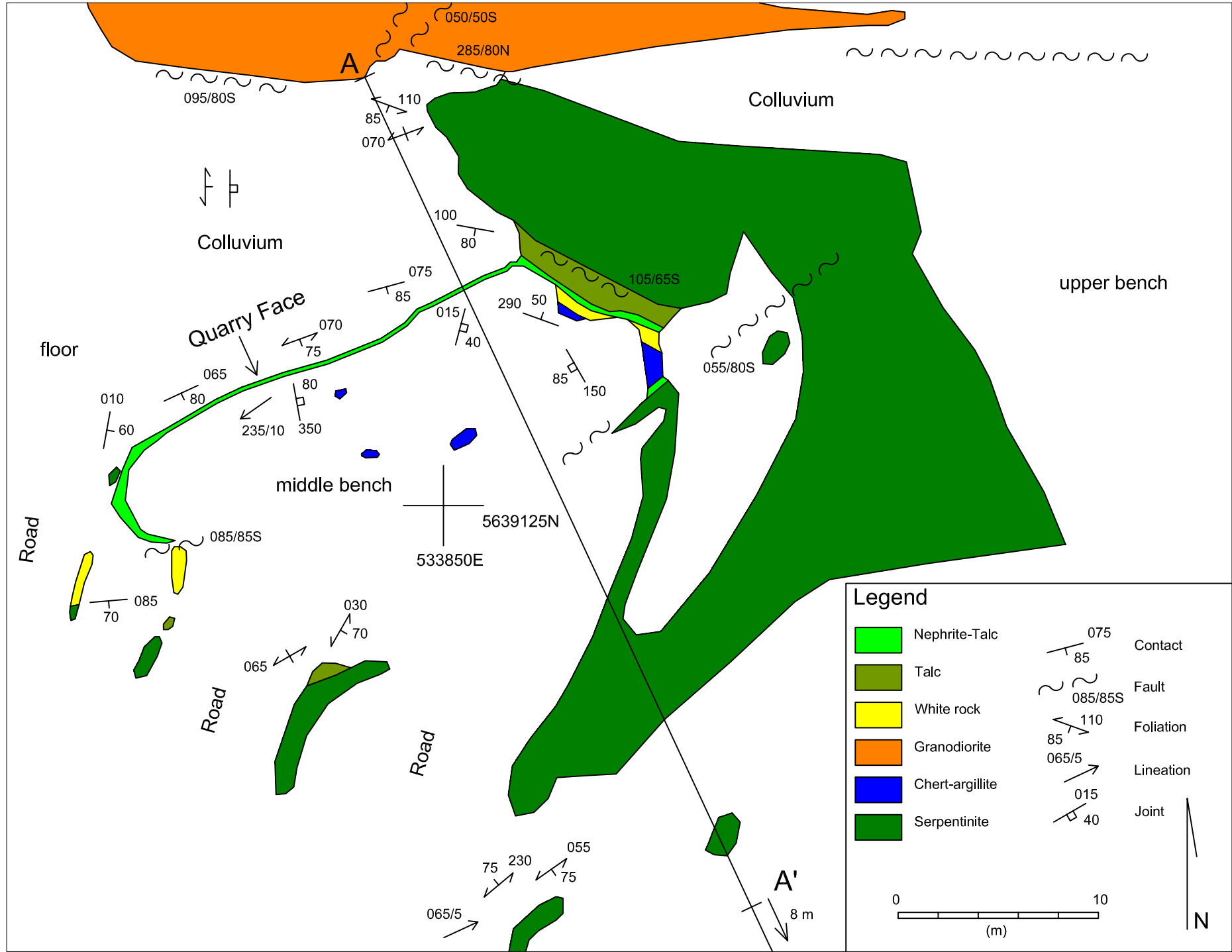


Figure 7: Pit Geology Map

Scale = 1:250

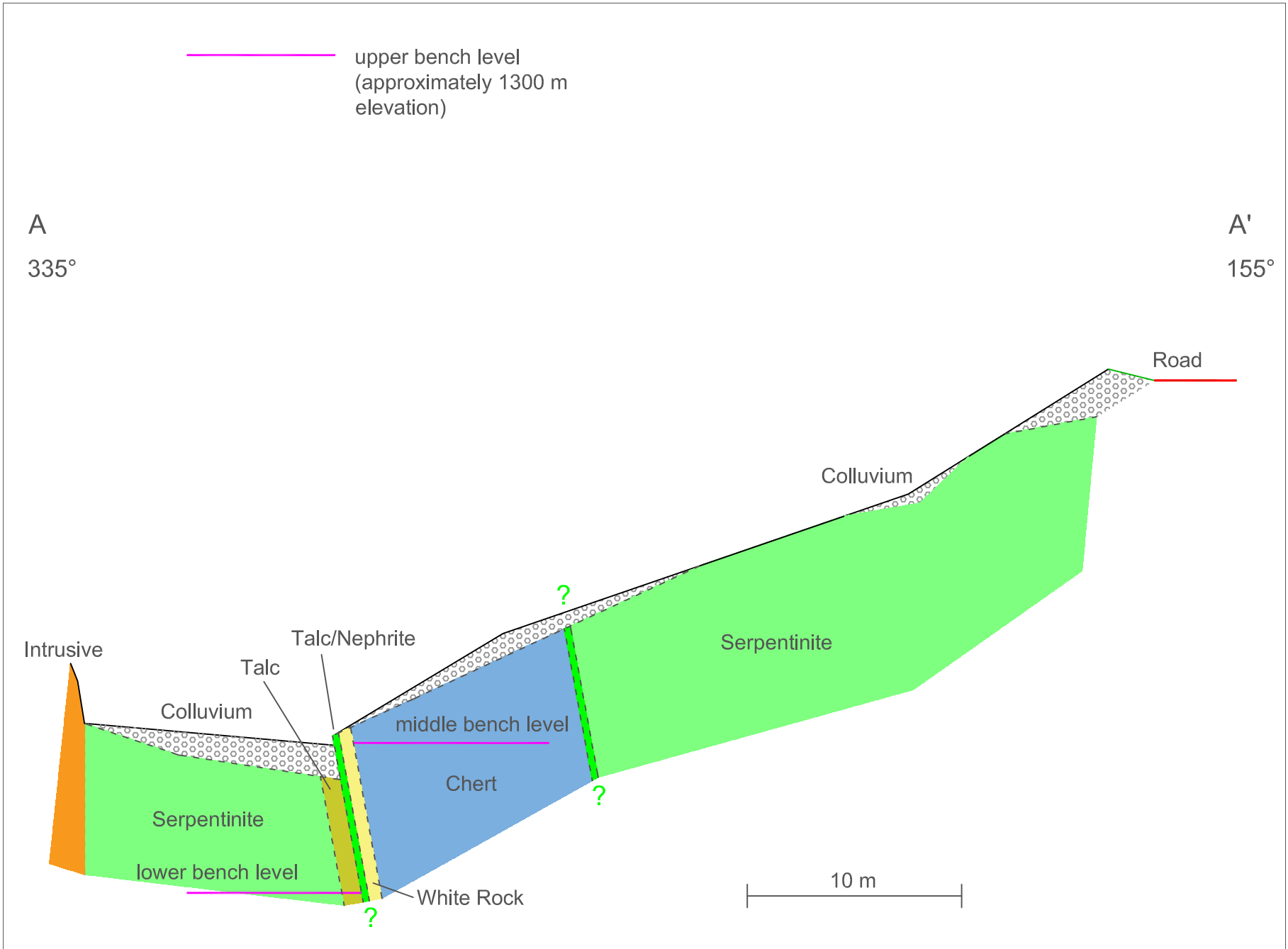


Figure 8: Section A - A'

Scale = 1:250



Figure 9: 2 m wide Contact Zone showing white rock on the left, serpentinite in the upper right corner, and talc and nephrite in between.

Sampling

Nine rock samples were collected, sawn and described. The purpose of the sampling was to assess the quality of the jade and better understand the geology of the talc-nephrite layer. The sample locations are shown in Figure 10. Sampling the nephrite was difficult as it generally occurs as indistinct pods within the talc, and is very hard. Sawing is generally required to properly assess the colour and texture of the nephrite. Where possible, large blocks were taken out and sawn, though in some cases, only small chips could be obtained. Samples were taken to Lillooet and sawn (Figure 11). In some cases the samples were polished to clearly show the colour and texture. The results are summarized in Table 1.

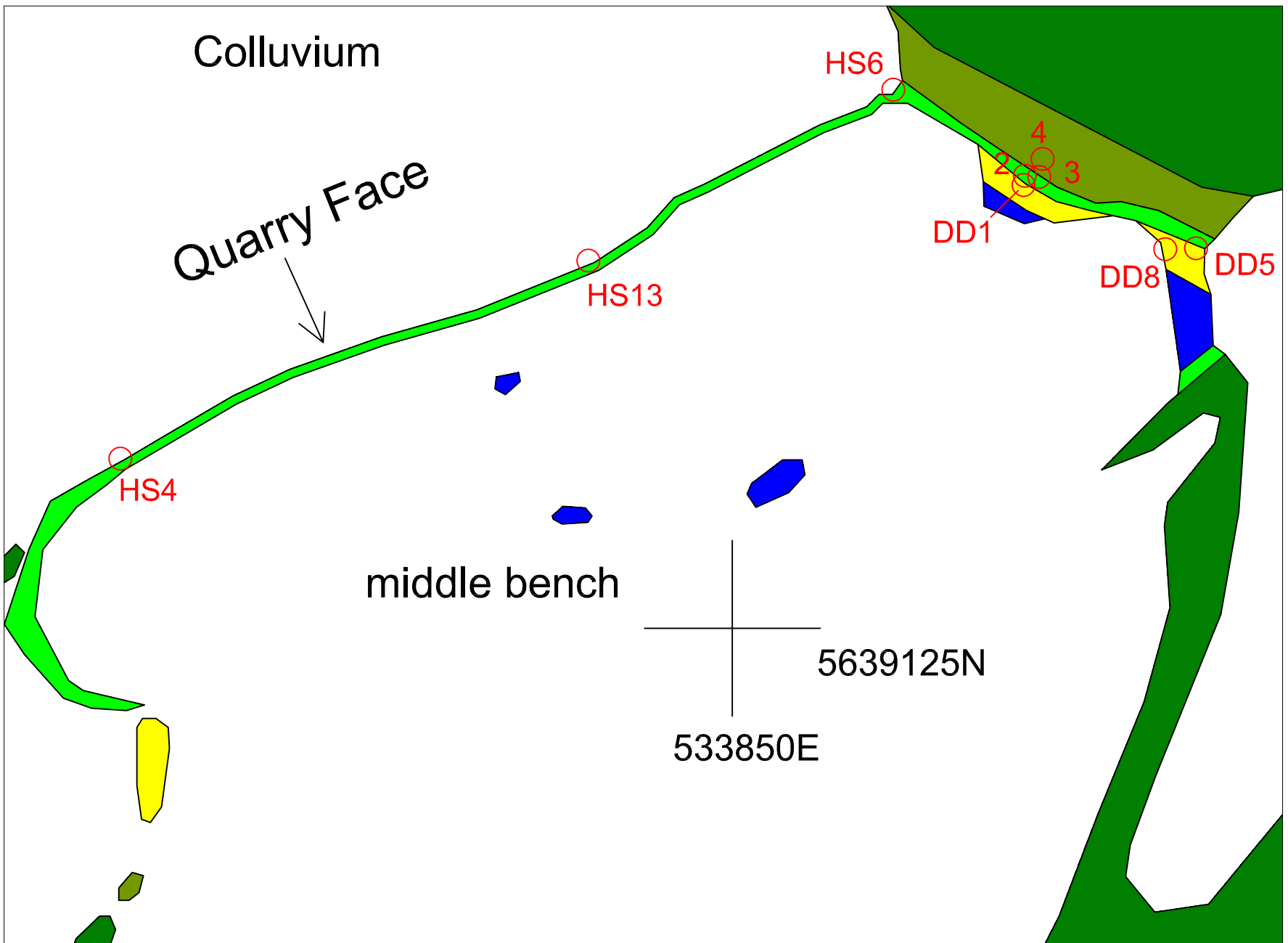


Figure 10 - Rock Sample Location Map (see Figure 7 for Lithology Legend)

Scale = 1:125

Table 1: Sample Descriptions

Sample ID	Easting	Northing	Description	Photo
HS6	533854	5639137	25 cm x 25 cm x 3 mm slab. Sparse fractures. Irregular patches and bands of semi-botryoidal, light green, hard, translucent nephrite within a moderately hard, dark green, opaque semi-nephrite.	Figure 12
HS4	533836	5639128	Moderately fractured & foliated nephrite near the contact with white rock. Patches of hard, light green, translucent nephrite within darker green nephrite. Dark > light.	
HS13	533847	5639133	Similar to HS4.	
DD1	533856	5639135	20 cm x 20 cm x 1 cm slab. Unfractured mylonite. Irregular, discontinuous bands and boudins of medium and dark green matrix (nephrite?) and frequent patches or streaks of grey or darker green material. Moderately hard to hard.	Figure 13
DD2	533857	5639135	Dark green, opaque, variably hard semi-nephrite, with white rock along the edge of the sample	
DD3	533858	5639136	Similar to DD2.	Figure 14
DD4	533858	5639136	Small sample from fractured area. Light olive green, moderately translucent, hard nephrite.	
DD5	533859	5639134	Dominated by convoluted white rock in contact with hard, dull, dark green nephrite.	
DD8	533860	5639133	Dark green, hard, opaque mylonite with boudins of moderately hard, light greenish grey material. Similar to DD1.	



Figure 11: Large piece from the talc-nephrite layer being sawn.

Most of the nephrite sampled was variably hard, opaque, dull dark green or greyish green, as at DD2, DD3 and DD5. HS 4, HS13 and DD4 are from similar material, but also feature the occasional small patch of light green, translucent nephrite. At HS6, large pods, up to 25 cm across, of hard, translucent, light green, semi-botryoidal nephrite occur within the darker green material. One of these produced the 3 mm x 20 cm x 25 cm slab shown in Figure 12.

DD1 and DD8 sampled a hard, dark green mylonite with bands and boudins of grey or darker green material. It appears to occur adjacent to or within the zone of whiterock alteration and has only been noted in the northeastern edge of the chert body. Petrography should be done on the mylonite as it's relation to the other lithologies is unclear.



Figure 12: 20 cm x 25 cm x 3 mm polished slab of semi-botryoidal nephrite.



Figure 13: Dark green mylonite.



Figure 14: Dark green nephrite in contact with white rock.

Conclusions

The quality of the jade produced during the historical mining operation is unknown, as there are no direct descriptions of it available in the literature. The best quality jade found during the present program was the botryoidal material from HS6, which is of uncertain value. It is likely that any valuable jade that was exposed in the pit has been extracted and sold. The chert body has only been partially excavated, and most of its contact surfaces remains unevaluated. Unexposed contact zones should be trenched or drilled to determine whether they contain high grade nephrite, and to determine the extent of the chert body.

References

Allen, D.G. and Murrell, M.R. (1989) Geological, Geochemical and Geophysical Report on the Marshall Creek Property; *B.C. Ministry of Energy and Mines*, Assessment Report #18869.

Leaming, S.F., 1978, Jade in Canada, *Geological Survey of Canada*, Paper 78-19, 59p.

MapPlace (2016) BC Map UTM Zone 10 showing part of Map Sheet 092H/6W. BC Geological Survey <http://webmap.em.gov.bc.ca/mapplace/minpot/BC_UTM.cfm?zone=10> (September 10, 2016).

Pautler, J.M., 2012. Geological and geochemical assessment report on the 2012 Silver Stream Project. British Columbia Ministry of Energy Mines and Petroleum Resources Assessment Report #33490.

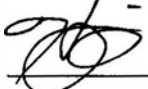

Schiarizza, P., Gaba R.G., Coleman, M., Garver, J.I., and Glover, J.K. (1990) Geology and Mineral Occurrences of the Yalakom River Area, Geological Fieldwork 1989; *BCMEMP*, Paper 1990-1, pp. 53-72.

Schiarizza, P., Gaba, R.G., Glover, J.K. and Garver, J.I. (1989) Geology and Mineral Occurrences of the Tyaughton Creek Area; Geological Fieldwork, 1988; *BCMEMP*, Paper 1989-1, pp. 115-130.

Statement of Qualifications

I, Helgi Sigurgeirson, certify the following:

1. I graduated in 1995 from the University of British Columbia with a B.Sc. in the Geological Sciences.
2. I have worked in mining and mineral exploration continuously since graduation.
3. I have worked on VMS, porphyry, epithermal and mesothermal Au vein, anorthosite hosted Ti, and nephrite exploration programs in Canada, Mexico and China. I have developed and operated 3 dimension stone quarries on the BC coast.
4. I am a professional geoscientist in the Association of Professional Engineers and Geoscientists of British Columbia, and have been a member in good standing (member #28920) since 2004.
5. I carried out the work program described herein and wrote this report.



H. Sigurgeirson, P.Geo

October 18, 2016

Date

BRETT CREEK PROPERTY - 2016 AR (TECHNICAL)		Start: June 2, 2016	15-Jun-16		
		End: June 16, 2016			
STATEMENT OF EXPENDITURES					
CONSULTANT			Totals		
H.Sigurgeirson, P.Geo		6 Days@\$500/day	\$3,000.00		
D. Deering, P.Eng.		4 Days@\$500/day	\$2,000.00		
Report Preparation			\$2,500.00		
Subtotal			\$7,500.00		
EQUIPMENT RENTAL & SUPPLIES					
(1) 4x4 Truck HS		7 Days@\$110/day	\$770.00		
(1) 4x4 Truck DRD		4 Days@\$110/day	\$440.00		
(2) 4x4 ATV DRD Quad	2 Quads	7 Days@\$80/day	\$1,120.00		
DRD Rock Saw Cutting & Polishing Equipment		2 days@\$250/day	\$500.00		
Room & Board (Lillooet Yard)		11 Days@\$100/man-day	\$1,100.00		
Field Supplies(flagging,notepaper,felts, etc.)			\$150.00		
Subtotal			\$4,080.00		
EXPENSES					
H. Sigurgeirson - Fuel, Gas & Oil, Transportation, Food			\$125.40		
D. Deering - Fuel, Gas & Oil (Trucks and ATV-Quads) Food			\$300.40		
Subtotal			\$425.80		
Total Statement of Expenditures			\$12,005.80		
Field & Travel Days					
H. Sigurgeirson	Field	Brett Creek Mapping	July 3,4,5,6,&7	5 days	
	Travel	1/2 day for each day MOB	July 2 & 8	1day	
					Total 6 days
D. Deering	Field	Brett Creek Sampling	July 5 & 7	2 days	
	Cut & Polish	Lillooet Yard	July 8	1 day	
	Travel	1/2 day for each day DMOB	July 3 & 9	1 day	
					Total 4 days