

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

**ASSESSMENT REPORT
TITLE PAGE AND SUMMARY**

TITLE OF REPORT [type of survey(s)] ROCK GEOCHEMISTRY REPORT TOTAL COST \$ 1415.00

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

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

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S) 5610450 2015/JUL 28 - 2015/JUL 28

PROPERTY NAME LADY SLIPPER

CLAIM NAME(S) (on which work was done) TENURE 1037318

COMMODITIES SOUGHT Pb/Zn/Ag

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

MINING DIVISION FORT STEELE NTS 082G.011

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

OWNER(S) UTM COORDINATES 5449256N - 573697E

1) DARLENE LAVOIE 2) _____

MAILING ADDRESS
2290 DEWOLFE AVE
KIMBERLEY B.C. VIA-1P5

OPERATOR(S) [who paid for the work]
1) CRAIG KENNEDY 2) _____

MAILING ADDRESS
2290 DEWOLFE AVE
KIMBERLEY B.C. VIA-1P5

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
West flank of Moyle anticline, northeast structural zone dissected by northwest structure, upper sill package middle adridge rocks - Albite, chlorite, tourmaline and fragmental rocks associated with anomalous marker stratigraphy - Thin bedded siltstone/muds with pyrrhotite host minor amounts of visible Pb/Zn

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS 30087, 26065

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping _____			
Photo interpretation _____			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic _____			
Electromagnetic _____			
Induced Polarization _____			
Radiometric _____			
Seismic _____			
Other _____			
Airborne _____			
GEOCHEMICAL			
(number of samples analysed for ...)			
Soil _____			
Silt _____			
Rock _____	5 samples	1037318	1415.00
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			# 1415.00

Assessment Report

ROCK GEOCHEMISTRY

LADY SLIPPER PROPERTY

FORT STEELE MINING DIVISION

N.T.S. MAP SHEET 082G.011

UTM COORDINATES 5449256N – 573697E

OWNER

Darlene Lavoie
Kimberley BC

REPORT AUTHOR

Craig Kennedy
Prospector

October 2016

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Lady Slipper Property

ROCK GEOCHEMISTRY REPORT

Craig Kennedy

October 2016

1.00 INTRODUCTION

1.10 Location and Access

The Lady Slipper Property is centered at UTM 5449256N – 573397E, approximately 38 km southwest of Cranbrook BC. Access to the property is from highway 3 just south of Moyie Lake onto the Sunrise logging road for 3 km then switching to the Lower Sundown logging road and following it to its end. From this point take the gas line (4 wheel drive access) 6 kilometers to the property. The claim occupies the northwest aspect on the south side of the Moyie River.

1.20 Property

The Lady Slipper claim, tenure # 1037318 is owned by Darlene Lavoie of Kimberley BC.

1.30 Physiography

The claim is located on a moderate slope of mixed smaller diameter pine and larch, the area has a number of shallow draws which can have abundant wind throws, making travel difficult. The southeast corner of the property has heavy windfall due to fire damage. Bedrock is scarce with only 10% occurring on the property.

1.40 History of Previous Exploration

The area has seen moderate exploration activity over the last 60 years. Most work has been directed at searching for Pb/Zn/Ag deposits similar to the Sullivan or St. Eugene mines. Work has been done by both major and junior

exploration companies.

2.00 SUMMARY

Recent exploration in the Middle Aldridge Formation of the Belt Purcell Super Group has been largely focused in the search for base metals, specifically Pb/Zn, associated with Mud Volcanism. A large portion the known surface geology in the Canadian Belt belongs to the upper sill package which occupies the central portion of the Middle Aldridge. Three mafic sills generally reside within this section with the largest being the Sundown sill at its base. The Sundown can be in excess of 100 meters in width and in some locations shows signs of near intrusion. The Meadowbrook and R sills tend to be much narrower with the R sill being no greater than 25 meters in width.

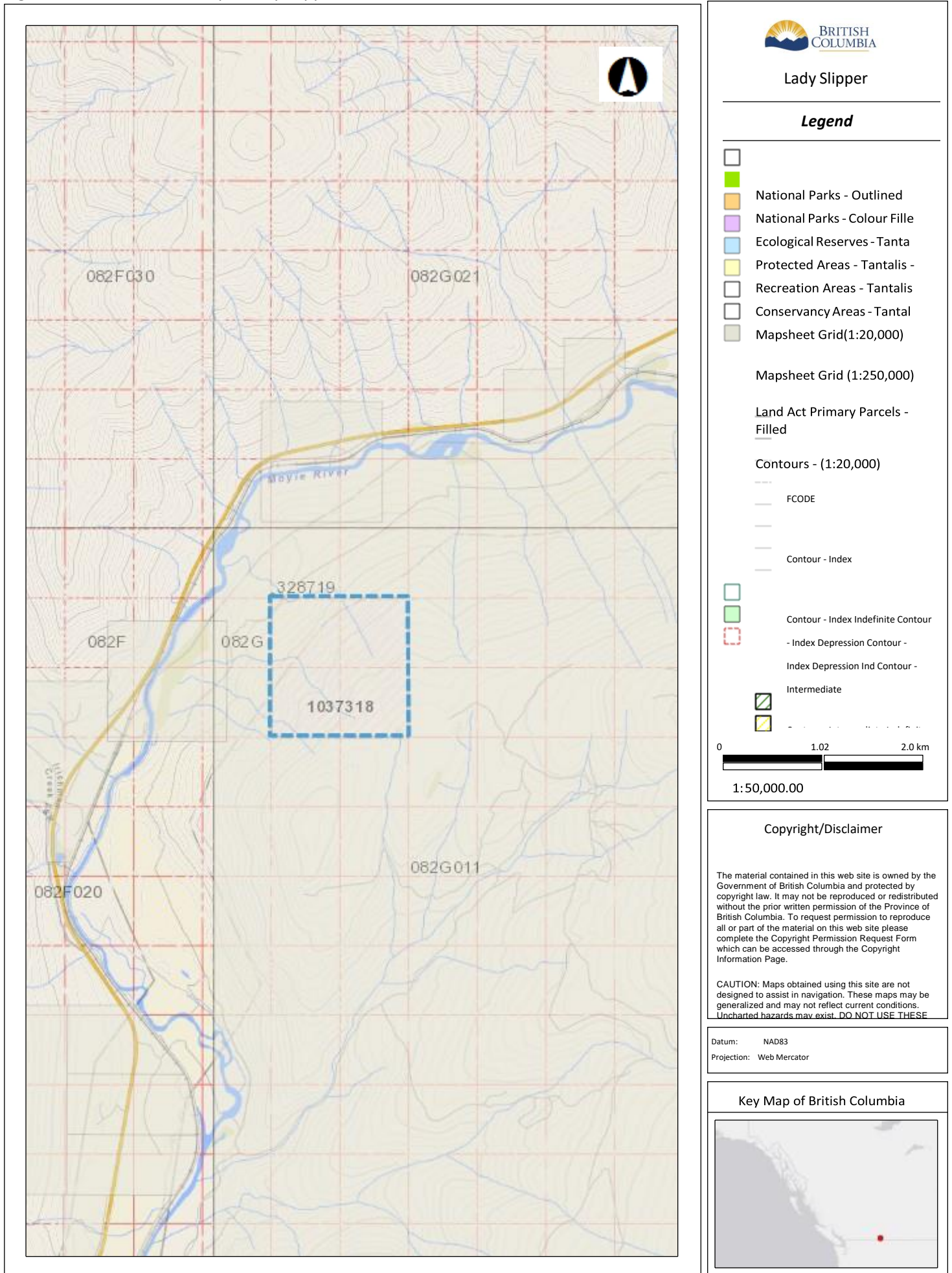
Mud volcanism is intimately associated with the Middle Aldridge sill package. Prospecting has long recognized that areas associated with mud volcanism are often environments exhibiting alteration styles similar to those seen with the Sullivan mine at Kimberley BC. Mud volcanism is thought to be the product of dewatering of the Belt basin brought on by deep seated seismic activity. Fluidized sedimentary material was channeled along and up conduits to be deposited onto the ancient sea floor.

At Sullivan this process is thought to have occurred with extrusion and subsequent collapse of dewatering sedimentary material. This process was immediately followed by a metal rich hydrothermal event which began the development of the Sullivan orebody. Structures responsible for channeling fluidized sediments in some cases remain open and receptive to ongoing activity. This includes the movement of hydrothermal gas and fluid, some of which may be endowed with metal. Recognition of these types of geological settings is an important focus for prospecting. The Lady Slipper property is one such area and requires a detailed evaluation.

Figure 1: Regional Location Map



Figure 2, Claim Location Map – Lady Slipper



Lady Slipper

Legend

- National Parks - Outlined
 - National Parks - Colour Fille
 - Ecological Reserves - Tanta
 - Protected Areas - Tantalis -
 - Recreation Areas - Tantalis
 - Conservancy Areas - Tantal
 - Mapsheet Grid(1:20,000)
- Mapsheet Grid (1:250,000)
- Land Act Primary Parcels - Filled
- Contours - (1:20,000)
- FCODE
 - Contour - Index
 - Contour - Index Indefinite Contour
 - Index Depression Contour -
 - Index Depression Ind Contour -
 - Intermediate
 -
- 0 1.02 2.0 km
- 1: 50,000.00

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Datum: NAD83
Projection: Web Mercator

Key Map of British Columbia



3.00 PROGRAM

Initial prospecting and rock sampling was carried out in the summer of 2015; the intent was to determine whether the local structural setting and alteration footprint was substantive enough to recommend an expanded exploration program.

A number of geological attributes exist in the area of the property. These include tourmaline outcrops, float, fragmental and disrupted rocks and anomalous values in lead and zinc. The mineralization is associated with marker stratigraphy and narrow bands of quartzite. The marker mineralization is of most significance as it represents the opportunity to discover sedex style mineralization. Markers are quite thin bedded siltstones and argillites with intervals of dark mud. Much of these formations are calcareous. Marker intervals can range from sub meter widths to 10 meters in thickness.

Of further interest is the existence of a northwest structural zone which dissects the middle of the property. Subcrop, float and outcrop alteration indicate this structure has had a strong hydrothermal history. Dip and strike information indicates the potential of a narrow north striking synform intersecting the northwest structure near the northwest corner of the property. In the area of the structural intersection evidence can be seen in subcrop float of chlorite/albite breccia and limonite breccia. There is a strong possibility this material is being generated as a result of the structural intersection.

4.00 CONCLUSION & RECOMMENDATIONS

Prospecting and limited geochemical work indicates that a potentially significant base metal target exists in the area of the Lady Slipper Property. A large alteration zone of chlorite sericite, albite and limonite exists within a zone of northwest shearing. This zone has occurrences of tourmalinized rocks on both its interpreted hangingwall and footwall. Recent work at the historic St. Eugene Pb/Zn/Ag mine shows the importance of northwest structure intersecting north-

south structure in regards to localizing base metal ore shoots. The tourmalinization and base metals hosted in muddy calcareous units also indicates opportunity for a Fors style vent hosted massive sulphide opportunity. It is recommended the property be expanded and a detailed geological, geochemical and geophysical program be implemented.

5.00 STATEMENT OF EXPENDITURES

Rock Geochemistry
Lady Slipper Property

Work performed: Summer 2015

Craig Kennedy - 1 day @ 500/day	\$500.00
1 4X4 Truck @ 100/day	100.00
July 28, 2016	
Acme – 5 Samples	165.00
Craig Kennedy – Report writing, drafting & maps	<u>650.00</u>
Total:	<u>\$1415.00</u>

6.00 AUTHOR'S QUALIFICATIONS

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

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

Craig Kennedy
Craig Kennedy, Prospector

7.00 Rock Sample Descriptions

Sample No.	UTM E	UTM N	Property	Description
ORC-001	573964	5449526	Lady Slipper	Marker stratigraphy 20 cm interval –some disseminated Zn
ORC-002	573980	5449017	Lady Slipper	Brown tourmaline subcrop – narrow crystalline Qtz veins - Muscovite
ORC-003	574140	5448821	Lady Slipper	Marker stratigraphy 5 cm, disseminated Zn & Pb (rare)
ORC-004	574105	5448965	Lady Slipper	Marker stratigraphy 30 cm interval Zn & Pb - Strike 36°, Dip west 25°
ORC-005	574110	5449208	Lady Slipper	15 cm wide quartzite section wit disseminated Zn, Strike 16°, Dip 25°

Lady Slipper Prospecting Map

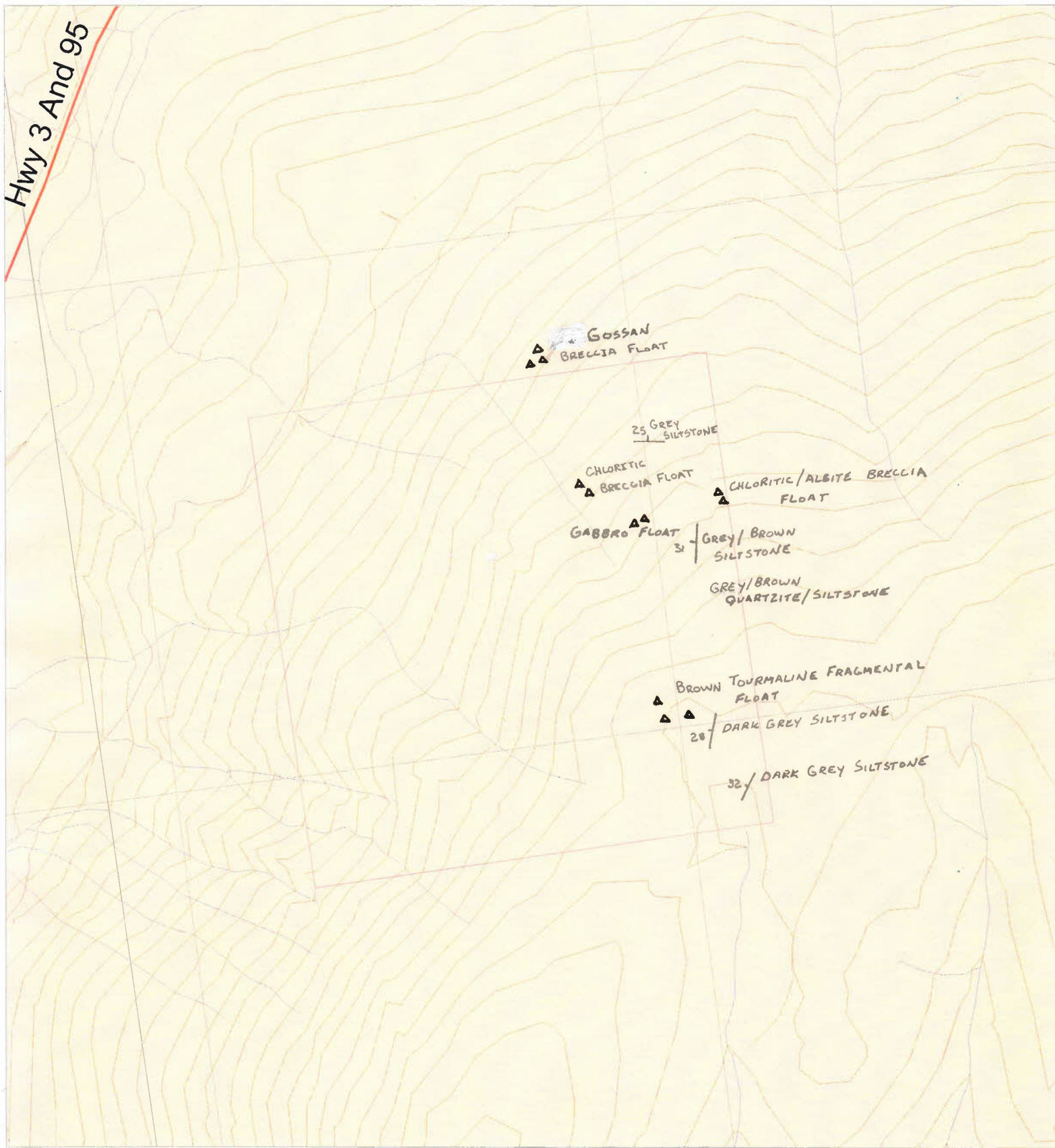


FIGURE 3A

SCALE 1 : 10,000



LEGEND

- ▲▲ FLOAT
- PROSPECTING TRAVERSE ROUTE

N



Lady Slipper Rock Geochemistry Pb/Zn

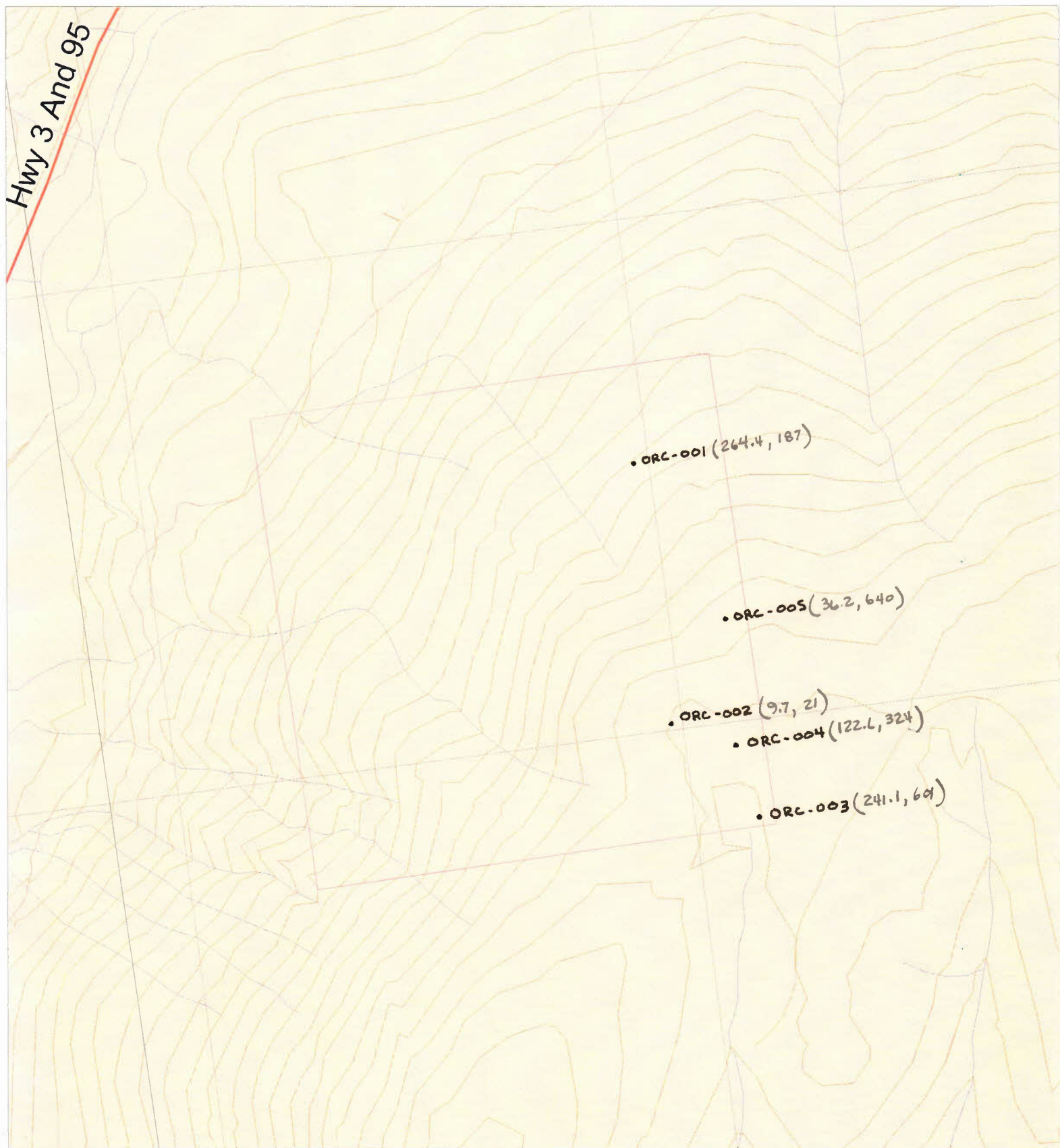


FIGURE 3B

SCALE 1 : 10,000



LEGEND Pb PPM Zn PPM
SAMPLE SITE • ORC-001 (264.4, 187)





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Canada

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Bureau Veritas Commodities Canada Ltd.
9050 Shaughnessy St Vancouver BC V6P 6E5 CANADA
PHONE (604) 253-3158

Client: **Kootenay Silver Inc.**
Suite 1820 - 1055 W. Hastings St.
Vancouver BC V6E 2E9 CANADA

Submitted By: Email Distribution List - Soil & Rock
Receiving Lab: Canada-Vancouver
Received: September 03, 2015
Report Date: September 25, 2015
Page: 1 of 2

CERTIFICATE OF ANALYSIS

VAN15002359.1

CLIENT JOB INFORMATION

Project: ORC
Shipment ID:
P.O. Number
Number of Samples: 5

SAMPLE PREPARATION AND ANALYTICAL PROCEDURES

Procedure Code	Number of Samples	Code Description	Test Wgt (g)	Report Status	Lab
PRP70-250	5	Crush, split and pulverize 250 g rock to 200 mesh			VAN
AQ202	5	1:1:1 Aqua Regia digestion ICP-MS analysis	30	Completed	VAN

SAMPLE DISPOSAL

DISP-PLP Dispose of Pulp After 90 days
DISP-RJT Dispose of Reject After 90 days

ADDITIONAL COMMENTS

Bureau Veritas does not accept responsibility for samples left at the laboratory after 90 days without prior written instructions for sample storage or return.

Invoice To: Kootenay Silver Inc.
Suite 1820 - 1055 W. Hastings St.
Vancouver BC V6E 2E9
CANADA

CC:



This report supersedes all previous preliminary and final reports with this file number dated prior to the date on this certificate. Signature indicates final approval; preliminary reports are unsigned and should be used for reference only. All results are considered the confidential property of the client. Bureau Veritas assumes the liabilities for actual cost of analysis only. Results apply to samples as submitted.
*** asterisk indicates that an analytical result could not be provided due to unusually high levels of interference from other elements.



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Report Date: September 25, 2015

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Part: 1 of 2

CERTIFICATE OF ANALYSIS

VAN15002359.1

Method	WGHT	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202
Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	
Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	
MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01	
ORC-001	Rock	1.26	0.5	62.5	264.4	187	1.9	28.1	13.4	251	2.61	0.8	1.1	3.2	10.3	6	0.5	1.0	6.0	19	0.14
ORC-002	Rock	0.25	0.4	7.1	9.7	21	<0.1	12.1	3.5	97	0.86	25.8	0.9	74.8	5.7	7	<0.1	2.4	37.5	8	0.04
ORC-003	Rock	0.73	1.5	38.3	241.1	601	0.5	19.0	10.7	208	1.88	1.3	1.1	2.4	9.1	10	26.1	0.5	1.2	13	0.16
ORC-004	Rock	0.49	0.3	15.6	122.6	324	0.2	19.5	8.4	695	3.59	1.9	1.6	2.8	13.2	31	1.1	0.6	0.7	40	0.53
ORC-005	Rock	0.55	0.2	35.8	36.2	640	<0.1	10.2	10.5	260	1.92	2.7	1.2	<0.5	9.0	10	13.4	0.4	0.3	21	0.08



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CERTIFICATE OF ANALYSIS

VAN15002359.1

Method	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202
Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te	
Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	
MDL	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2	
ORC-001	Rock	0.067	26	13	0.64	90	0.086	<1	1.28	0.013	0.89	<0.1	<0.01	1.8	1.1	0.92	4	0.9	0.3
ORC-002	Rock	0.021	11	12	0.34	28	0.042	36	0.68	0.007	0.33	<0.1	<0.01	2.6	0.3	<0.05	2	<0.5	3.3
ORC-003	Rock	0.025	9	12	0.68	82	0.103	<1	1.37	0.034	0.87	0.1	<0.01	1.6	0.5	0.57	3	<0.5	0.2
ORC-004	Rock	0.055	30	37	1.92	150	0.207	<1	3.25	0.145	2.21	0.1	<0.01	4.4	1.2	0.28	9	<0.5	<0.2
ORC-005	Rock	0.018	23	17	0.42	108	0.099	<1	0.91	0.043	0.58	<0.1	<0.01	2.6	0.4	0.43	3	<0.5	<0.2



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QUALITY CONTROL REPORT

VAN15002359.1

Method	WGHT	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202
Analyte	Wgt	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	
Unit	kg	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	
MDL	0.01	0.1	0.1	0.1	1	0.1	0.1	0.1	1	0.01	0.5	0.1	0.5	0.1	1	0.1	0.1	0.1	2	0.01	
Reference Materials																					
STD DS10	Standard	14.8	157.6	156.1	385	2.0	77.0	13.4	923	2.83	44.7	2.8	90.9	7.4	70	2.6	8.9	12.8	47	1.10	
STD OXC129	Standard	1.2	27.9	6.4	41	<0.1	80.0	21.8	429	3.14	0.8	0.7	208.2	1.9	190	<0.1	<0.1	<0.1	56	0.66	
STD DS10 Expected		15.1	154.61	150.55	370	2.02	74.6	12.9	875	2.7188	46.2	2.59	91.9	7.5	67.1	2.62	9	11.65	43	1.0625	
STD OXC129 Expected		1.3	28	6.3	42.9		79.5	20.3	421	3.065	0.6	0.72	195	1.9					51	0.665	
BLK	Blank	<0.1	<0.1	<0.1	<1	<0.1	<0.1	<0.1	<1	<0.01	0.5	<0.1	<0.5	<0.1	<1	<0.1	<0.1	<0.1	<2	<0.01	
Prep Wash																					
ROCK-VAN	Prep Blank	0.9	3.3	0.8	29	<0.1	0.7	3.8	497	1.90	2.9	0.4	1.9	2.1	21	<0.1	<0.1	<0.1	28	0.62	



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Method	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202	AQ202
Analyte	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Hg	Sc	Tl	S	Ga	Se	Te	
Unit	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	
MDL	0.001	1	1	0.01	1	0.001	1	0.01	0.001	0.01	0.1	0.01	0.1	0.1	0.05	1	0.5	0.2	
Reference Materials																			
STD DS10	Standard	0.078	18	57	0.80	349	0.080	6	1.06	0.065	0.34	3.1	0.29	3.1	5.7	0.29	4	2.9	5.1
STD OXC129	Standard	0.101	13	55	1.57	51	0.436	<1	1.54	0.566	0.37	<0.1	<0.01	1.5	<0.1	<0.05	6	<0.5	<0.2
STD DS10 Expected		0.0765	17.5	54.6	0.775	359	0.0817		1.0755	0.067	0.338	3.32	0.3	3	5.1	0.29	4.5	2.3	5.01
STD OXC129 Expected		0.102	13	52	1.545	50	0.4	1	1.58	0.6	0.37			1.1			5.6		
BLK	Blank	<0.001	<1	<1	<0.01	<1	<0.001	<1	<0.01	<0.001	<0.01	<0.1	<0.01	<0.1	<0.1	<0.05	<1	<0.5	<0.2
Prep Wash																			
ROCK-VAN	Prep Blank	0.041	6	3	0.47	62	0.071	<1	0.96	0.114	0.09	<0.1	<0.01	4.4	<0.1	<0.05	4	<0.5	<0.2