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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: \$ 9,046.50

AUTHOR(S): Laurence Sookochoff, PEng

SIGNATURE(S): *Laurence Sookochoff*

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S):

YEAR OF WORK: 2016

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5625506 November 10, 2016

PROPERTY NAME: Toni

CLAIM NAME(S) (on which the work was done): 1040739

COMMODITIES SOUGHT: Copper Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 092HNE166 / 177 / 180 / 256 / 257 / 258 / 259

MINING DIVISION: Nicola

NTS/BCGS: 092H.087 / .088 / .097 / .098

LATITUDE: 49 ° 55 ' 03 " LONGITUDE: 120 ° 38 ' 09 " (at centre of work)

OWNER(S):

1) Victory Resources Corporation

2)

MAILING ADDRESS:

132366 Cliffstone Court

Lake Country, BC V4V 2R1

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

1) Victory Resources Corporation

2)

MAILING ADDRESS:

132366 Cliffstone Court

Lake Country BC V4V 2R1

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

Pleistocene to Holocene, aklalic volcanic rocks, Upper Triassic, Nicola Group, Central Volcanic Facies, Eastern Volcanic Facies, andesitic volcanic rocks, basaltic volcanic rocks, sedimentary rocks, Triassic to Jurassic, granodioritic rocks

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 05908, 06302, 10497, 11104, 27112, 30690, 32382, 33742, 34673

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	249 hectares	1040739	\$ 6,000.00
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic	2.5	1040739	3,046.50
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:			\$ 9,046.50

VICTORY RESOURCES CORPORATION

(Owner & Operator)

GEOLOGICAL & GEOPHYSICAL

ASSESSMENT REPORT

(Event 5625506)

Work done on

Tenure 1040739

of the ten claim

Toni 1040739 Claim Group

(Work done from November 8, 2016 to November 10, 2016)

Nicola Mining Division

BCGS Maps 092H.087/.097/.088/.098

Centre of Work

5,532,130N, 669,719E

Author & Consultant

**Laurence Sookochoff, PEng
Sookochoff Consultants Inc.**

Submitted

July 21, 2017

**BC Geological Survey
Assessment Report
36560**

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SUMMARY

The ten claim, 6,682 hectare Toni 1040739 Claim Group, is located in south-central British Columbia 200 kilometres east-northeast of Vancouver, 27 kilometres southeast of Merritt, and within seven kilometres northeast of the Ketchan Lake North property where in 2015 Kaizen Discovery reported a 265.5 metre diamond drill hole intersection of copper-gold mineralization which included a 78 metre interval grading 0.50% copper and 0.15 grams per tonne gold.

The Ketchan Lake North prospect (*Minfile 092HNE115*), is predominantly underlain by the Nicola Central Volcanic Facies (*uTrNC*) intruded by a west-trending mass of fine to medium-grained diorite (microdiorite). The Ketchan Lake porphyry system is hosted in a diorite porphyry, and a hydrothermal breccia with the highest copper grades occurring in the deepest part of the intersection. The mineral controls to the mineralization are likely to fractures, breccia zones, and/or breccia pipes related to the regional Summers Creek Fault system.

The Big Kidd prospect (*Minfile 092HNE074*), within four kilometres northeast of Tenure 1051620, includes a 300 metre wide breccia pipe where a drill-hole intersection of 0.75 grams per tonne gold and 0.2 per cent copper over 71 metres in one of many drill holes was reported. The geological controls of the breccia pipe may be attributed to subsidiary structures developed from, and by a diorite/volcanic contact (*Figure 4*).

Tenure 1040739, the subject of the structural analysis, is underlain by the Nicola Central Volcanic Facies (*uTrNC*) comprised of andesitic volcanic rocks. A northerly trending splay of the regional Kentucky Fault system trends through the claim.

The magnetometer survey results revealed one open-ended anomalous mag LO centred at the apex of two anomalous mag HI's in the south indicate that the anomaly may reflect a hydrothermally altered brecciated zone at a cross-structure. The variable mag HI's enveloping the mag LO zone may reflect the unaltered or lightly altered volcanic rock. The northerly and the westerly trends of the variable mag LO zones peripheral to the anomalous mag LO could reflect the lighter alteration of the two structures making up the cross-structure as shown on *Figure 5*.

The approximate location of cross-structure "A", on the transitional zone between the mag HI and the mag LO zone which envelops the anomalous mag LO could indicate increased concentrations of magnetite along the periphery of a breccia pipe.

Thus, cross-structure "A" should be explored for surficial geological signatures of a potential economic mineral resource.

INTRODUCTION

From November 8, 2017 to November 10, 2017 a structural analysis and a localized magnetometer survey were completed on Tenure 1040739 of the ten claim Toni 1040739 claim group (Property). The purpose of the program was to delineate potential structures and correlative magnetic responses which may be integral in indicating near surface indications and/or geological controls, to a potential mineral resource.

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

Figure 1. Location Map



PROPERTY DESCRIPTION AND LOCATION

Description

The Property is comprised of ten contiguous claims covering an area of 6682.8923 hectares. Particulars are as follows:

Table I: Tenures of Toni 1040739 Claim Group

Tenure Number	Type	Claim Name	Good Until	Area (ha)
516708	Mineral		20170715	374.651
535845	Mineral	CASPER WEST	20170715	520.39
1011631	Mineral	BREW	20170501	166.5188
1015255	Mineral	TC12111	20170715	312.2401
1031276	Mineral	POTHOLE LAKE SOUTH	20170715	520.3022
1037242	Mineral	TONI 99	20170501	2061.5953
1037243	Mineral	TONI 1000	20170501	749.9469
1038803	Mineral		20170501	1311.3278
1040739	Mineral		20171227	249.6533
1044811	Mineral		20170715	416.2669

*Upon the approval of the assessment work filing of Event Number 5625506.

Figure 2. Claim Location
(from MapPlace & Google)

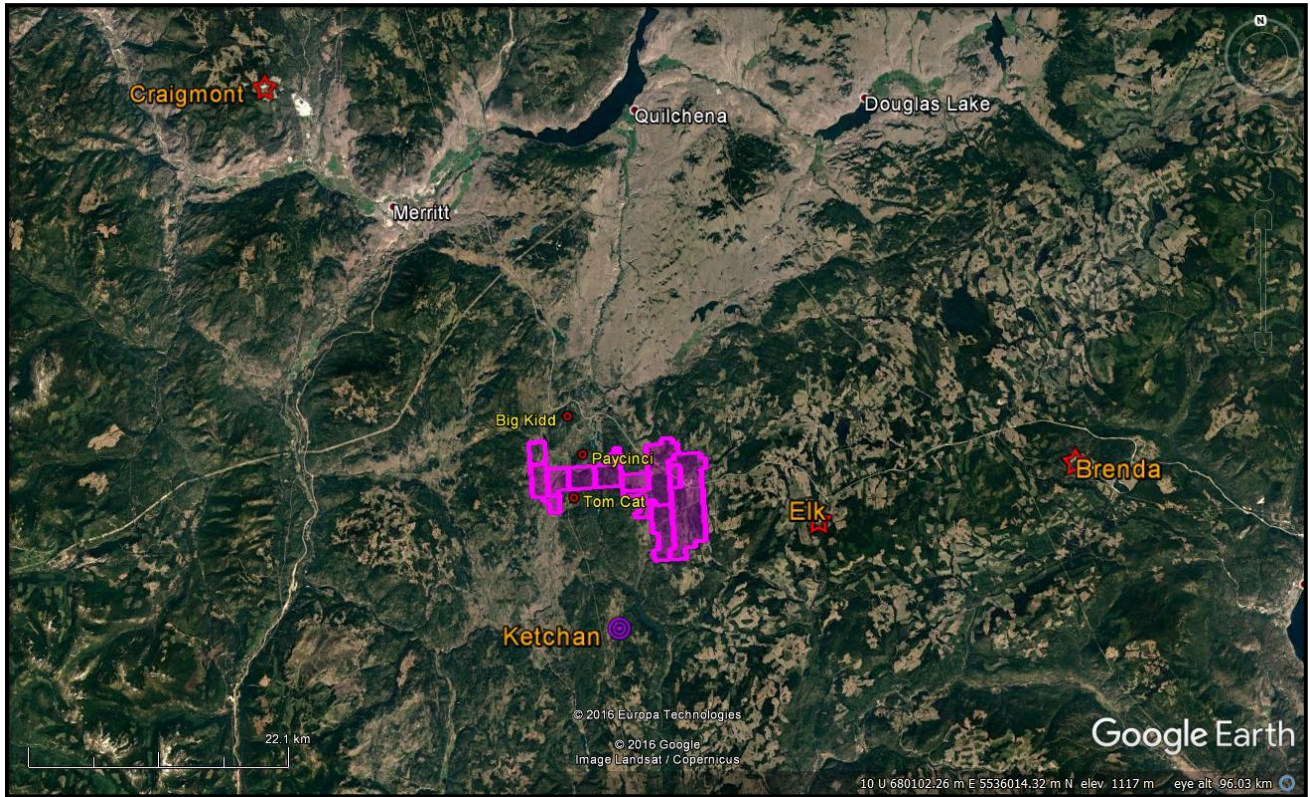
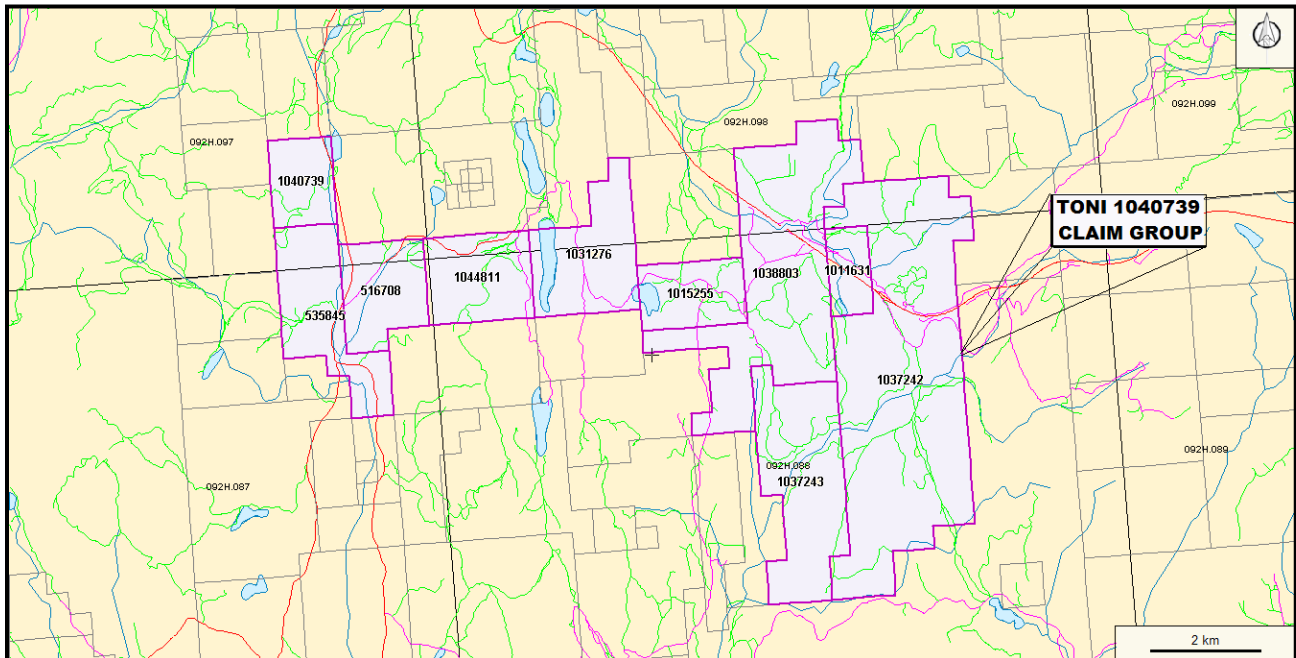


Figure 3. Claim Map
(from MapPlace)



Property Description and Location (cont'd)**Location**

The Property is located within BCGS Maps 092H.087/.097/.088/.098 of the Nicola Mining Division, 200 kilometres northeast of Vancouver, 27 kilometres southeast of Merritt, and seven kilometres northeast of the Ketchikan Lake North property where in 2015 Kaizen Discovery reported 265.5 metre diamond drill hole intersection of copper-gold mineralization which included a 78 metre interval grading 0.50% copper and 0.15 grams per tonne gold..

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 southward via Highway 5A for three kilometres to the northern boundary of Tenure 1040739 of the Toni 1040739 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

Tenure 1040739 covers a, moderately sloped forested area with a relief of 374 metres from an elevation of 1,095 metres in the southeast corner to 1,150 metres in the northwest corner.

WATER and POWER

Sufficient water for all phases of the exploration program should be available from lakes and creeks which are located within the confines or peripheral to Tenure 1040739. A 500Kv power line is within three kilometres northeast of the northeast corner of the Property.

HISTORY: PROPERTY AREA

The history on some MINFILE reported mineral anomalies, showings, prospects, and past producers in the Toni 1040739 Claim Group area is reported as follows. The distance is relative to the Toni 1040739 Claim Group.

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

MINFILE 092HNE047

Thirty-two kilometres east

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

History: Property Area (cont'd)

TOM CAT prospect (Volcanic redbed-Cu; Subvolcanic-Cu-Ag-Au (As-Sb);
Porphyry Mo (Low F-type)
MINFILE 092HNE056
One kilometre south

The occurrence was initially prospected and trenched by W. Murray between 1906 and 1913. Pyramid Mining Company Ltd. drilled 13 holes totalling 1042 metres in 1965.

BIG KIDD prospect (Volcanic redbed Cu; alkalic porphyry Cu-Au)
MINFILE 092HNE074
Three kilometres northeast

This occurrence was first explored by H.H. Schmidt, with the excavation of several trenches and one adit, 69 metres long, between 1900 and 1915. An additional three adits, 12 to 90 metres long, were excavated sometime between 1916 and the 1950s. The deposit was trenched and drilled by Noranda Mines Ltd. in 1956 after completing geological and geophysical surveys. Additional geophysical and soil geochemical surveys were carried out by Norranco Mining and Refining in 1969 and Amax Exploration Inc. in 1971. Amax also mapped and drilled the deposit in 1972. David Minerals Ltd. conducted geological and self-potential surveys, trenching and 112 metres of diamond drilling in three holes between 1975 and 1980. The deposit was sampled by Northair Mines Ltd. in 1991 and Placer Dome Inc. in 1992. Drilling by Placer intersected 71 metres averaging 0.75 gram per tonne gold and 0.2 per cent copper in the north zone of the Big Kidd breccia.

Christopher James Gold Corp. drilled 10 holes, totalling 2074 metres in 1997. A 116-metre intersection graded 0.801 grams per tonne gold and 0.124 per cent copper, including a higher grade section of 19.46 metres grading 3.09 grams per tonne gold and 0.113 per cent copper (Exploration in B.C. 1997, page 38). This intersection is from the North zone.

The Southwest zone, 350 metres to the south, and the Northeast zone also contained mineralization. The next program by Christopher James Gold was a 2 staged drilling program completed during the fall in 1999. This program drilled a fan of three holes to the southwest and one parallel hole along the Big Kidd Breccia north contact. All four 1999 holes intersected significant lengths of gold-copper mineralized intrusion breccia with late porphyritic monzonite dyke and potassic (K-feldspar) alteration zones.

In 2003, Christopher James Gold Corp. drilled 9 holes and dug three trenches to test alkalic porphyry hosted by the Big Kidd breccia. Broad intervals of low-grade mineralization were encountered

PAYCINCI prospect (Volcanic redbed Cu)
MINFILE 092HNE084
One kilometre north

The Cincinnatti deposit was first explored by the Bates brothers in the early 1900s. A number of trenches, and one adit 120 metres long, were excavated between 1899 and 1913. Payco Mines Ltd. and Alscope Consolidated Ltd. conducted geological and geophysical surveys, trenching and diamond and percussion drilling between 1963 and 1967. An additional 15 holes totalling 1000 metres were drilled by Gold River Mines and Enterprises Ltd. in 1973 and Sienna Developments Ltd. in 1979.

The deposit was most recently sampled by Pacific Copperfields Ltd. in 1992. In 1998, Christopher James Gold Corp. optioned the property. Reserves are estimated at 1.8 million tonnes grading 1 per cent copper (Tom Schroeter, 1998).

History: Property Area (cont'd)

ELK past Producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn +/-Au; Au-quartz veins)
MINFILE 092HNE096
Ten kilometres east

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

In 1996, Fairfield shipped all remaining stockpiles, estimated to contain 2700 tonnes and grading greater than 12 grams per tonne (Information Circular 1997-1, page 21). A total of 994 metres of ramp access and three development levels exist underground. Reverse circulation drilling, underground diamond drilling, reclamation, road construction, water sampling and aerial photography were also undertaken during this period.

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

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.

KETCHAN LAKE NORTH prospect (Alkalic porphyry Cu-Au)

MINFILE 092HNE115

Seven kilometres southwest

The Ketchan Lake North (previously Log) prospect is 400 metres east of Ketchan (Duke) Lake, 2.25 kilometres southwest of Missezula Lake and 35.5 kilometres north of Princeton.

This prospect was first staked by Plateau Metals Ltd. in 1962, after copper mineralization was uncovered during a logging operation. The company completed a magnetometer survey and drilled three holes, totaling 145 metres, in 1962.

An additional seven holes, totaling 512 metres, were drilled in 1966 after the property was optioned to Adera Mining Ltd. Various geophysical and geological surveys and 768 metres of trenching were also completed in 1966. A channel sample of hard, well-fractured, silicified diorite, containing evenly disseminated fine crystals of chalcopyrite, yielded 1.36 per cent copper over 3.05 metres (National Mineral Inventory). A section of gossan near the north end of the zone analysed 0.17 per cent copper and 8.23 grams per tonne silver over 29 metres (Assessment Report 977). Hole P3 was drilled in the vicinity and yielded 0.22 per cent copper over 39.6 metres (Assessment Report 977).

The deposit was restaked by Bethlehem Copper Corporation in 1973. The company drilled three percussion holes totaling 322 metres, two diamond drillholes totaling 227 metres and one rotary hole, 218 metres deep, in 1974 and 1975. Rotary drilling near the centre of the zone intersected disseminated chalcopyrite to a depth of 218 metres (Assessment Report 5824).

Cominco Ltd. completed 1067.3 metres of percussion drilling in 15 holes in 1991. A second hole drilled 695 metres south-southeast of hole P3 assayed 0.379 per cent copper and 0.076 gram per tonne gold over 86.6 metres (Assessment Report 21746).

History: Property Area (cont'd)**Ketchan Lake North prospect (cont'd)**

In 1992, Cominco Ltd. conducted an eight-hole percussion drill program totaling 640 metres. Highlights include drillhole M92-4, which returned 81.4 metres grading 0.2595 per cent copper and 0.124 grams per tonne gold (Assessment Report 22555).

In 2004, William Richard Bergey completed reconnaissance geological mapping on the Aspen Grove property.

In 2005, Copper Belt Resources Ltd. conducted geological mapping and a 10-hole diamond drill program totaling 1210.2 metres. Drillhole K05-07 intersected a 35.8 metre section that assayed 0.54 per cent copper and 0.19 grams per tonne gold (Assessment Report 28484).

In 2006 and 2007, Midland Resources Corp. completed 1416 metres of diamond drilling in seven holes. Highlights include drillhole K-06-11, which returned 36.75 metres grading 0.29 per cent copper and 0.17 grams per tonne gold (Assessment Report 29453).

In 2011, Moag Copper-Gold Resources Inc. completed a mobile metal ion geochemical sampling survey in areas throughout the Aspen Grove property.

In 2013, West Cirque Resources Ltd. acquired the Aspen Grove property, which consists of 37 mineral claims, totaling 5629 hectares, including the Ketchan Lake North prospect, and proceeded to complete an exploration program of geological mapping and rock sampling throughout the property. Twelve samples were taken from trenches and outcrops at the Ketchan Lake North prospect and assayed up to 1.07 per cent copper, 0.458 grams per tonne gold and 52.5 grams per tonne silver (Press Release, West Cirque Resources Ltd., June 11, 2013).

HISTORY: PROPERTY

AM showing (Volcanic redbed Cu)

MINFILE 092HNE166

Within Tenure 1044811

The Am showing is 1.7 kilometres north-northwest of the north end of Bluey Lake and 600 metres west of the south end of Kentucky Lake.

AR showing (Volcanic redbed Cu)

MINFILE 092HNE177

Within Tenure 1044811

The AR showing is 2.6 kilometres northwest of the north end of Bluey Lake and 2.0 kilometres west-northwest of the south end of Kentucky Lake.

SHRIMPTON CREEK PLACER past producer (Surficial placers)

MINFILE 092HNE180

Within Tenure 1037243

The creek was worked by F. Keeling in 1939, between 6.4 and 8 kilometres above Missezula Lake.

DALRYMPLE showing (Volcanic redbed Cu)

MINFILE 092HNE256

Within Tenure 535845

The Dalrymple showing is 2.5 kilometres south-southwest of the south end of Kidd Lake and 2.3 kilometres northeast of the north end of Dodds Lake.

History: Property (cont'd)**BLOO** showing (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE257

Within Tenure 1044811

The Bloo showing is 1.8 kilometres north-northwest of the north end of Bluey Lake and 1.4 kilometres west-southwest of the south end of Kentucky Lake.

AR2 showing (Volcanic redbed Cu)

MINFILE 092HNE258

Within Tenure 1044811

The AR 2 showing is 2.4 kilometres north-northwest of the north end of Bluey Lake and 1.25 kilometres northwest of the south end of Kentucky Lake.

AL2 showing (Volcanic redbed Cu)

MINFILE 092HNE259

Within Tenure 516708

The AL 2 showing is 1.4 kilometres south-southwest of the south end of Miner Lake and 2.9 kilometres southeast of the south end of Kidd 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 MINFILE reported mineral anomalies, showings, prospects, and past producers in the Toni 1040739 Claim Group area is reported as follows. The distance is relative to the Toni 1040739 Claim Group.

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

MINFILE 092HNE047

Thirty-two kilometres east

The Pennask Mountain area is mainly underlain by a roof pendant comprising westerly younging, Upper Triassic sedimentary and volcanoclastic rocks of the Nicola Group. These are intruded and enclosed to the north, east and south by plutonic rocks of the Early Jurassic Pennask batholith and Middle Jurassic Osprey Lake batholith. Both the Nicola rocks and the Pennask batholith are unconformably overlain by Tertiary sediments and volcanics of the Princeton Group.

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.

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

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)**TOM CAT** prospect (Volcanic redbed-Cu; Subvolcanic-Cu-Ag-Au (As-Sb);

Porphyry Mo (Low F-type)

MINFILE 092HNE056

One kilometre south

This deposit is hosted in green laharic breccia or basaltic flow breccia near the contact with red laharic breccia of the Upper Triassic Nicola Group (Central belt, Bulletin 69). The unit strikes north-northwest and dips 60 degrees east. Massive basaltic flows outcrop to the northeast. Alteration of the breccia consists of some chloritization of olivine and pyroxene, and sericitization of feldspar.

BIG KIDD prospect (Volcanic redbed Cu; alkalic porphyry Cu-Au)

MINFILE 092HNE074

Three kilometres northeast

The deposit is located along the northern margin of an area of hilly upland situated in the centre of the Aspen Grove copper camp, known as the Fairweather Hills.

The Fairweather Hills region is underlain by the Central volcanic facies of the Upper Triassic Nicola Group, comprising intermediate, feldspar and feldspar augite porphyritic ash flows, and associated alkaline intrusions.

The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic.

Locally, the area is underlain by red and green laharic breccias, augite andesite porphyry and minor sediments of the Nicola Group (Central belt, Bulletin 69). The units generally strike north-northwest and dip east. This sequence is broken up into a series of tilted fault blocks trending north.

A vertical or subvertical breccia pipe, nearly circular in outline and about 300 metres wide, is developed in a body of fine-grained diorite, which may in part be recrystallized volcanics. The pipe consists of angular to subrounded clasts of volcanics, fine-grained diorite (microdiorite) and pinkish grey monzonite and syenomonzonite porphyry in a matrix of altered diorite intrusive material and finely comminuted rock. The fragments are 1 centimetre to several metres in diameter.

PAYCINCI prospect (Volcanic redbed Cu)

MINFILE 092HNE084

One kilometre north

The deposit is located in the southern portion of an area of hilly upland situated in the centre of the Aspen Grove copper camp, known as the Fairweather Hills. The Fairweather Hills region is underlain by the Central volcanic facies of the Upper Triassic Nicola Group, comprising intermediate, feldspar and feldspar augite porphyritic pyroclastics and flows, and associated alkaline intrusions. The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic.

Locally, the area is underlain by red and green laharic breccias, augite andesite porphyry and minor sediments of the Nicola Group (Central belt, Bulletin 69). The units generally strike north-northwest and dip east. This sequence is broken up into a series of tilted fault blocks trending north.

Hypogene and supergene copper mineralization occurs in green laharic breccia, near the contact with red laharic breccia to the east.

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

This mineralization consists primarily of disseminated and fracture controlled chalcocite and native copper, accompanied by lesser malachite and azurite, and minor chalcopyrite, bornite, cuprite and pyrite. Drilling indicates chalcopyrite becomes more abundant at depth at the expense of chalcocite. This mineralization is exposed along the crest and east flank of a small northerly trending ridge, over a north-south distance of 400 metres.

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

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Ten kilometres east

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

KETCHAN LAKE NORTH prospect (Alkalic porphyry Cu-Au)

MINFILE 092HNE115

Ten kilometres south

This region southwest of Missezula Lake is underlain by the eastern volcanic facies of the Upper Triassic Nicola Group, comprising mafic to intermediate augite and hornblende porphyritic pyroclastics and flows, and associated alkaline intrusions. The intrusions vary from diorite to monzonite in composition and are thought to be comagmatic with the Nicola Group, ranging in age from Late Triassic to Early Jurassic. Much of the copper mineralization and associated alteration frequenting this portion of the Nicola belt can be attributed to the emplacement of such intrusions.

Locally, the area is underlain by northwest-striking, moderately northeast-dipping andesitic flows, with lesser andesitic lapilli and crystal tuffs and minor lahar deposits of the Nicola Group (Central Belt, Bulletin 69). This sequence is intruded by a west-trending mass of fine to medium-grained diorite (microdiorite), roughly centred about Ketchan Lake, measuring 4000 by 2000 metres.

The diorite commonly contains seams and irregular replacements of orthoclase. Epidote is widespread, and is frequently developed along northwest-striking, northeast-dipping fractures. Disseminations and veinlets of magnetite are also present in this stock.

GEOLOGY: PROPERTY

As indicated by the BC government supported MapPlace geological maps, the regional north trending Kentucky-Alleyne bisects the Toni 909429 Claim Group with the Nicola Central Volcanic Facies (*uTrNC*) comprised of andesitic volcanic rocks in the east and the Nicola Eastern Volcanic Facies comprised of basaltic rocks (*uTrNE*) and sedimentary rocks (*uTrNsf*) and granodioritic stock (*LTrJgd*) outcropping in the east.

The mineralization on some MINFILE showings, and past producers within the Toni 1040739 Claim Group is reported as follows.

Geology: Property (cont'd)

AR showing (Volcanic redbed Cu)
MINFILE 092HNE177
Within Tenure 1044811

Two closely-spaced trenches expose chalcopyrite and bornite in green volcanic breccia and lahar deposits of the Upper Triassic Nicola Group (Central belt, Bulletin 69).

SHRIMPTON CREEK PLACER past producer (Surficial placers)

MINFILE 092HNE180
Within Tenure 1037243

Particles of flat, well-worn, flaky gold, 1.5 to 3 millimetres in diameter, were recovered from unsorted glacial material. Most of the gold was found near surface. Material lying on or near bedrock was found to be barren of gold.

DALRYMPLE showing (Volcanic redbed Cu)

MINFILE 092HNE256
Within Tenure 535845

Quartz-epidote-carbonate veinlets mineralized with chalcopyrite and malachite occur in andesite and dacite of the Upper Triassic Nicola Group (Western belt, Bulletin 69).

BLOO showing (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE257
Within Tenure 1044811

Chalcopyrite, malachite and hematite occur in fine-grained diorite or dioritized volcanics of the Upper Triassic Nicola Group (Central belt, Bulletin 69).

AR2 showing (Volcanic redbed Cu)

MINFILE 092HNE258
Within Tenure 1044811

The AR 2 showing is 2.4 kilometres north-northwest of the north end of Bluey Lake and 1.25 kilometres northwest of the south end of Kentucky Lake.

AL2 showing (Volcanic redbed Cu)

MINFILE 092HNE259
Within Tenure 516708

Copper mineralization occurs in limy siltstone and impure limestone near the contact with green volcanic breccia of the Upper Triassic Nicola Group (Central belt, Bulletin 69).

MINERALIZATION: PROPERTY AREA

The mineralization on some MINFILE mineral anomalies, showings, prospects, and past producers in the Toni 1040739 Claim Group area is reported as follows. The distance is relative to the Toni 1040739 Claim Group.

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

MINFILE 092HNE047
Thirty-two kilometres east

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

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

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

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

Primary mineralization is confined almost entirely to veins, except in altered dike rocks and in local areas of intense hydrothermal alteration which may contain minor disseminations. The grade of the orebody is a function of fracture (vein) density and of the thickness and mineralogy of the filling material. The average total sulphide content within the orebody is 1 per cent or less. Chalcopyrite and molybdenite, the principal sulphides, generally are accompanied by minor, but variable, quantities of pyrite and magnetite. Bornite, specular hematite, sphalerite and galena are rare constituents of the ore. Johnson (1973), in a study of 17 samples from the deposit, reported minor pyrrhotite, mackinawite, carrollite, cubanite, ilmenite, rutile and native gold (?), as well as several secondary sulphides (Canadian Institute of Mining and Metallurgy Special Volume 15). Pyrite is most abundant in altered andesite dikes and in quartz-molybdenite veins. The ratio of pyrite to chalcopyrite in the orebody is about 1:10, with the chalcopyrite content diminishing beyond the ore boundaries.

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

Ranges are recorded from less than 9 per metre near the periphery of the orebody to 63 per metre and occasionally 90 per metre near the centre of the orebody. Some veins have very sharp contacts with wallrocks, but most contacts are irregular in detail where gangue and sulphide minerals replace the wallrock.

A vein may show features characteristic of fracture-filling in one part and of replacement in another. Mineralized solutions were introduced into fractures and, during development of the resultant veins, minor replacement of the wallrock ensued.

The chronological stages of mineralization are as follows: (1) biotite-chalcopyrite (oldest); (2) quartz-potassium feldspar-sulphide; (3) quartz-molybdenite-pyrite; (4) epidote-sulphide-magnetite; and (5) biotite, calcite and quartz.

Stages 1 through 4 are all genetically related to a single mineralizing episode, which was responsible for the orebody. Stage 5 represents a later, probably unrelated, event(s) (Canadian Institute of Mining and Metallurgy Special Volume 15). Stage 2 veins form the bulk of the mineralization in the deposit, and are the most important source of ore.

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

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

Potassium feldspar and biotite alteration generally are separated in space, but locally occur together. Both types of alteration accompanied sulphide deposition.

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

Potassium feldspar replaces plagioclase adjacent to most stage 2 and, to a lesser extent, stage 3 veins. These irregular envelopes range in width from a centimetre or less up to a metre, with an average of about 2 centimetres. Potassium feldspar also occurs as a minor constituent of stage 1 veins.

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

Weak to intense propylitic alteration, which is characterized by the development of chlorite and epidote, as well as less obvious microscopic sericite and carbonate, is sporadically distributed throughout the Brenda stock. Large areas within the orebody have not been propylitized and in these areas, veins with potassic alteration envelopes clearly cut across propylitized quartz diorite, indicating an early hydrothermal or even a pre-ore origin for the propylitization (Canadian Institute of Mining and Metallurgy Special Volume 15). A second period of propylitization accompanied the development of stage 4 veins and is reflected as envelopes of epidote and chlorite.

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

Surface weathering, which is expressed predominantly by the development of limonite, extends as a highly irregular blanket over the mineralized zone for depths ranging from a few metres to greater than 30 metres. In this weathered area, limonite stains all fractures. Fault zones have been especially susceptible to surface weathering, and the argillic alteration of these zones may be primarily the result of groundwater action.

Secondary minerals developed during weathering, all highly subordinate in quantity to limonite, include malachite, azurite, hematite, ferrimolybdate, powellite and cupriferous manganese oxides. Cuprite, covellite, chalcopyrite, native copper, tenorite and ilsemanite are rare constituents.

Copper-molybdenum mineralization in the Brenda deposit was developed during several sequential stages, all of which constitute one mineralizing episode.

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

It is suggested that intermittent east-west compressional forces intensely fractured the rocks of the Brenda stock during several stages of time and tapped a hydrothermal source, either a later phase of the Brenda stock or a separate intrusive system.

As each stage of fractures developed, hydrothermal fluids introduced vein material which healed the fractures. Renewed build-up of compressional forces again fractured the rocks, which were again healed.

Repetition of this sequence can explain all stages of mineralization within the Brenda deposit. East-west compression continued after ore deposition ceased and produced prominent east-northeast and northwest striking shear zones (Canadian Institute of Mining and Metallurgy Special Volume 15).

Mineralization: Property Area (cont'd)**TOM CAT** prospect (Volcanic redbed-Cu; Subvolcanic-Cu-Ag-Au (As-Sb);

Porphyry Mo (Low F-type)

MINFILE 092HNE056

One kilometre south

This deposit is hosted in green laharic breccia or basaltic flow breccia near the contact with red laharic breccia of the Upper Triassic Nicola Group (Central belt, Bulletin 69). The unit strikes north-northwest and dips 60 degrees east. Massive basaltic flows outcrop to the northeast. Alteration of the breccia consists of some chloritization of olivine and pyroxene, and sericitization of feldspar.

BIG KIDD prospect (Volcanic redbed Cu; alkalic porphyry Cu-Au)

MINFILE 092HNE074

Three kilometres northeast

Mineralization is erratic and consists of abundant magnetite, and pyrite, lesser chalcopyrite, and traces of bornite and chalcocite, as disseminations, lenses, scattered blebs and veinlets. Cuprite and native copper are also reported. This mineralization tends to favour the zones of alteration, but is not proportional to the intensity of alteration.

The sulphides are in part controlled by zones of shearing and fracturing in the northeastern portion of the deposit. Limonite, malachite and azurite are present at or near surface. Pyrite occurs primarily as disseminations up to 5 millimetres in diameter.

The mineral also occurs along fractures in association with chalcopyrite, orthoclase, quartz and/or carbonate. Chalcopyrite tends to be finely disseminated and is usually associated with magnetite, intimately associated with pyrite, and forms pseudomorphs after pyrite. Pyrite-chalcopyrite intergrowths are prevalent along fractures. Bornite is often found in magnetite-chalcopyrite blebs and veinlets, which often display epidote halos.

Copper content is quite variable, and precious metal values are low but anomalous. Channel sampling of an adit yielded 0.901 per cent copper, 0.141 gram per tonne gold and 13.66 grams per tonne silver over 14 metres (Assessment Report 7100, page 8, adit no. 1) Channel sampling of a trench, 90 to 190 metres west of the adit, yielded 0.237 per cent copper, 0.095 gram per tonne gold and 3.37 gram per tonne silver over 35 metres (Assessment Report 7100, page 9, trench no. 12). Trenching and sampling of the northern margin of the breccia pipe yielded gold values of up to 1.97 grams per tonne over 6 metres (Assessment Report 8743, Figure 3.)

PAYCINCI prospect (Volcanic redbed Cu)

MINFILE 092HNE084

One kilometre north

Hypogene and supergene copper mineralization occurs in green laharic breccia, near the contact with red laharic breccia to the east. This mineralization consists primarily of disseminated and fracture controlled chalcocite and native copper, accompanied by lesser malachite and azurite, and minor chalcopyrite, bornite, cuprite and pyrite. Drilling indicates chalcopyrite becomes more abundant at depth at the expense of chalcocite. This mineralization is exposed along the crest and east flank of a small northerly trending ridge, over a north-south distance of 400 metres.

Drill indicated reserves are 54,000 tonnes grading 0.876 per cent copper (Assessment Report 7654, page 1). Precious metal values are generally low. Six rock samples analysed 1.1 to 2.4 per cent copper, 0.005 to 0.010 gram per tonne gold and 1.3 to 5.7 grams per tonne silver (Assessment Report 14108, Figure 5, samples 2051 to 2056).

Mineralization: Property Area (cont'd)**ELK** Past Producer (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn

+/-Au; Au-quartz veins)

MINFILE 092HNE096

Twelve kilometres east

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. 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 downdip and along a strike length of 925 metres. The zone remains open to depth and along strike.

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

In drill core, mineralization has not been affected by supergene processes. Metallic minerals in drill core include pyrite, chalcopyrite, sphalerite, galena, tetrahedrite, maldonite ? pyrrhotite and native gold in order of decreasing abundance.

Gold is strongly associated with pyrite and with a blue-grey mineral. Photomicrographs show the gold commonly in contact with this mineral, which may be a gold-bismuth alloy (maldonite?) or a copper-bismuth- antimony sulphosalt.

Gangue mineralogy consists primarily of quartz and altered wallrock fragments. Ankerite is commonly present, with lesser amounts of calcite.

Minor barite is also present. Fluorite was noted in one vein as very small (less than 1 millimetre) zoned purple cubes scattered in the quartz.

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

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

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

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

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

Phyllic alteration is generally grey, fine-grained quartz-sericite-pyrite alteration usually associated with veins and often gradational to quartz and often auriferous. Advanced argillic alteration is exemplified by most or all of feldspar being destroyed, quartz is "free-floating". The alteration is often sheared and white in colour and is often associated with quartz veins. Volcanics are white or blue coloured. Silicic alteration is quartz veining or replacement that is hard with moderate conchoidal fracture. There is a strong symmetrical zoning of alteration around the quartz veins: vein-advanced argillic-phyllic-potassium feldspar stable phyllic-argillic-propylitic.

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

Reserves are based on results from 107 drillholes at 50-metre grid spacings along 804 metres of strike length to 304 metres 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.

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.

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

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.

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

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

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.

Gold Mountain Mining Corporation, the present owner of the Elk property, reports (2012 Corporate Presentation) on recent information at the Elk Property; past gold production at 51,460 ounces at 97 g/t (>3 opt) and an existing gold resource of 301,000 ounces gold in a measured and indicated category with 263,000 ounces of gold in an inferred category. 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.

In October 2013, Gold Mountain had 500 tons of 13.8 gram gold per tonne ore, taken from the Elk mineral deposit, and processed at a custom mill; a return of \$250,408.00 was generated.

KETCHAN LAKE NORTH prospect (Alkalic porphyry Cu-Au)

MINFILE 092HNE115

Ten kilometres south

Mineralization is hosted in the diorite and consists of pyrite and chalcopyrite, usually as disseminations, but also as fracture fillings. Rare bornite and chalcocite are also reported.

Seams, patches and blebs of orthoclase, epidote and/or magnetite are sometimes associated with this mineralization. Some malachite is also present in surface exposures. Chlorite, sericite and traces of secondary biotite occur with the sulphides at depth.

Trenching and drilling have intersected copper mineralization in a northwest-trending zone 1400 metres long and up to 600 metres wide, roughly paralleling the northeastern margin of the stock.

MINERALIZATION: PROPERTY

The mineralization on some MINFILE showings, and past producers within the Toni 1040739 Claim Group is reported as follows.

AM showing (Volcanic redbed Cu)

MINFILE 092HNE166

Within Tenure 1044811

A chip sample from an old shaft assayed 2.05 per cent copper over 1.6 metres (Assessment Report 6821, page 4).

AR showing (Volcanic redbed Cu)

MINFILE 092HNE177

Within Tenure 1044811

Two closely-spaced trenches expose chalcopyrite and bornite in green volcanic breccia and lahar deposits of the Upper Triassic Nicola Group (Central belt, Bulletin 69).

Mineralization: Property (cont'd)**SHRIMPTON CREEK PLACER** past producer (Surficial placers)

MINFILE 092HNE180

Within Tenure 1037243

Particles of flat, well-worn, flaky gold, 1.5 to 3 millimetres in diameter, were recovered from unsorted glacial material. Most of the gold was found near surface. Material lying on or near bedrock was found to be barren of gold.

DALRYMPLE showing (Volcanic redbed Cu)

MINFILE 092HNE256

Within Tenure 535845

A rock sample analysed 0.18 per cent copper and 0.9 gram per tonne silver (Assessment Report 10497, page 6, sample PR-4).

BLOO showing (Alkalic porphyry Cu-Au; Volcanic redbed Cu)

MINFILE 092HNE257

Within Tenure 1044811

A rock sample analysed 0.483 per cent copper and 1.7 grams per tonne silver (Assessment Report 14141, Drawing 5b, sample 2574).

AR2 showing (Volcanic redbed Cu)

MINFILE 092HNE258

Within Tenure 1044811

An old shaft exposes malachite and chalcocite in volcanic breccia and lahar deposits of the Upper Triassic Nicola Group (Central belt, Bulletin 69).

AL2 showing (Volcanic redbed Cu)

MINFILE 092HNE259

Within Tenure 516708

A sample analysed 1.43 per cent copper and 0.001 gram per tonne gold (Assessment Report 20551, Figure 3, Sample Al 90001).

STRUCTURAL ANALYSIS**a) Purpose**

The purpose of the structural analysis was to delineate any area of relative 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 should 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 expression of sub-surface mineralization that originated from a potentially developed 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.

Structural Analysis (cont'd)

b) Method

An orthographic map downloaded from MapPlace was utilized as the base map for the structural analysis on Tenure 1040739. A total of 49 structurally indicated lineaments were marked (*Figure 5*), compiled into a 10 degree class interval, and plotted as a rose diagram as indicated on *Figure 6*.

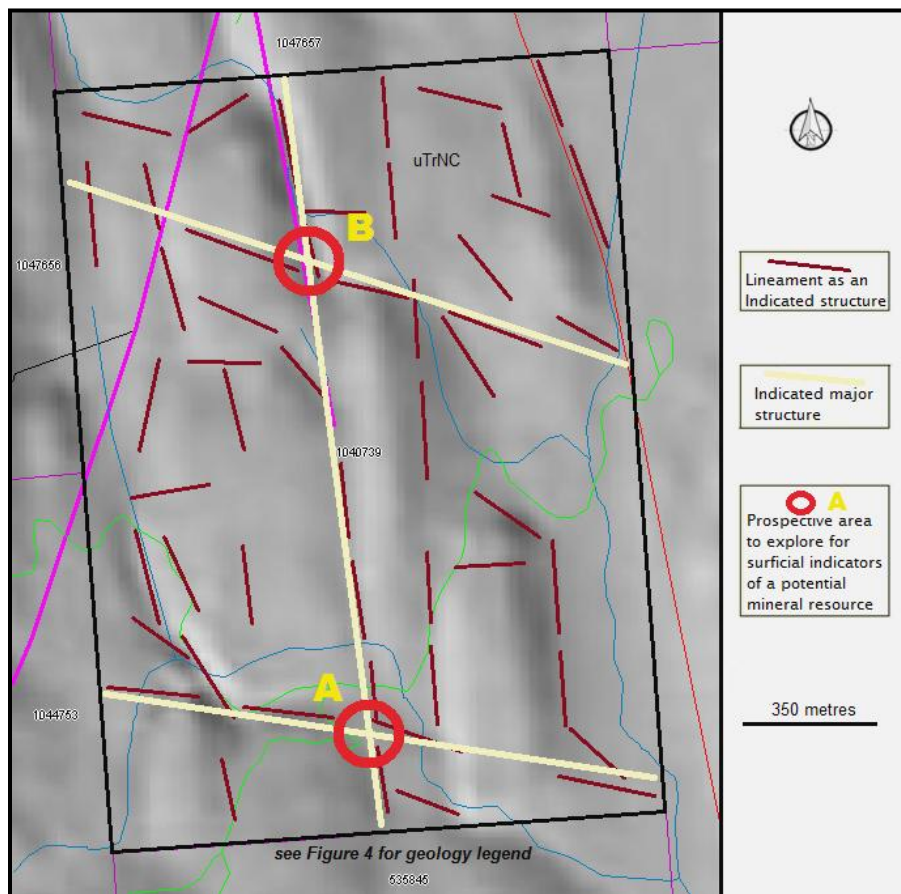
The centre of the work area is at 5,532,130N 669,719E 10(NAD 83).

c) Results

Two cross-structural locations, "A" & "B" were delineated on Tenure 1040739 from indicated major west-northwesterly and northerly trending structures.

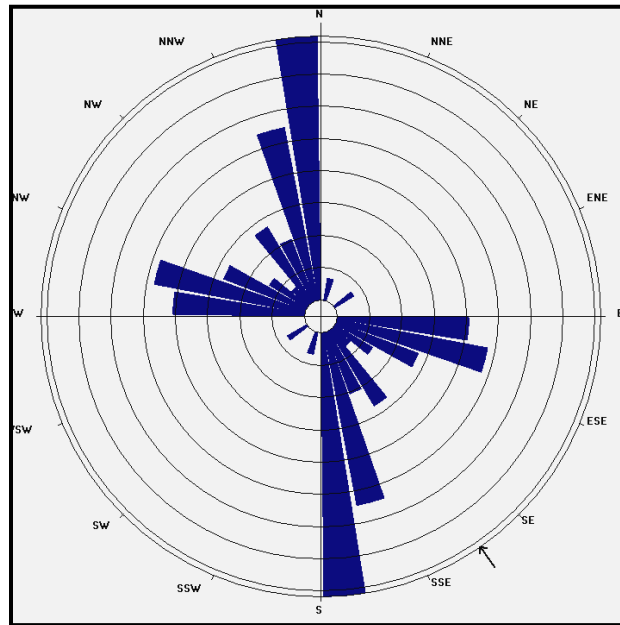
The cross-structures are located within an area of Nicola andesites four kilometres west the main regional Kentucky-Alleyne fault system, and covering portions of the splay faults with a cross-structure of this system adjacent to its northern boundary.

Figure 5. Indicated Structures on Tenure 1040739



Structural Analysis (cont'd)

Figure 6. Rose Diagram from lineaments



STATISTICS

Axial (non-polar) data

No. of Data = 49

Sector angle = 10°

Scale: tick interval = 3% [1.5 data]

Maximum = 24.5% [12 data]

Mean Resultant dir'n = 145-325

[Approx. 95% Confidence interval = ±20.4°]

(valid only for unimodal data)

Mean Resultant dir'n = 145.2 - 325.2

Circ. Median = 157.0 - 337.0

Circ. Mean Dev. about median = 29.4°

Circ. Variance = 0.18

Circular Std. Dev. = 36.34°

Circ. Dispersion = 1.56

Circ. Std Error = 0.1782

Circ. Skewness = 3.80

Circ. Kurtosis = -20.53

kappa = 1.00

(von Mises concentration param. estimate)

Resultant length = 21.92

Mean Resultant length = 0.4473

'Mean' Moments: Cbar = 0.1565; Sbar = -0.419

'Full' trig. sums: SumCos = 7.6706; Sbar = -20.5291

Mean resultant of doubled angles = 0.3775

Mean direction of doubled angles = 175

(Usage references: Mardia & Jupp,

'Directional Statistics', 1999, Wiley;

Fisher, 'Statistical Analysis of Circular Data', 1993, Cambridge University Press)

Note: The 95% confidence calculation uses

Fisher's (1993) 'large-sample method'

Structural Analysis (cont'd)

Figure 7. **Cross-Structural locations (Figure 5) on Tenure 1040739**
 (Base map from MapPlace and Google Earth)

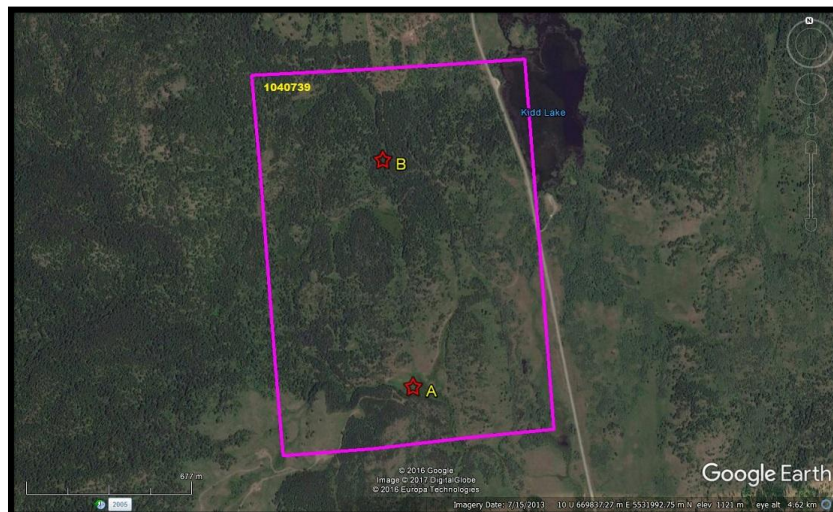


Table II. **Approximate location of cross-structures on Tenure 1040739**
 (UTM-Zone 10 NAD 83)

Area	UTM East	UTM North	Elevation (metres)
A	669,711	5,531,382	1,080
B	669,647	5,532,508	1,080

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 is 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 grid station at 5531350N four additional base-line stations were established northerly at 50 metre intervals located to 5531550N. Magnetometer readings were taken at 25 metre intervals along each of the three grid lines from 669500E to 670000E. The grid line stations were located with a GPS instrument. Line kilometres of magnetometer survey completed was 2.5 The field data is reported herein in Appendix I.

Magnetometer Survey (cont'd)

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

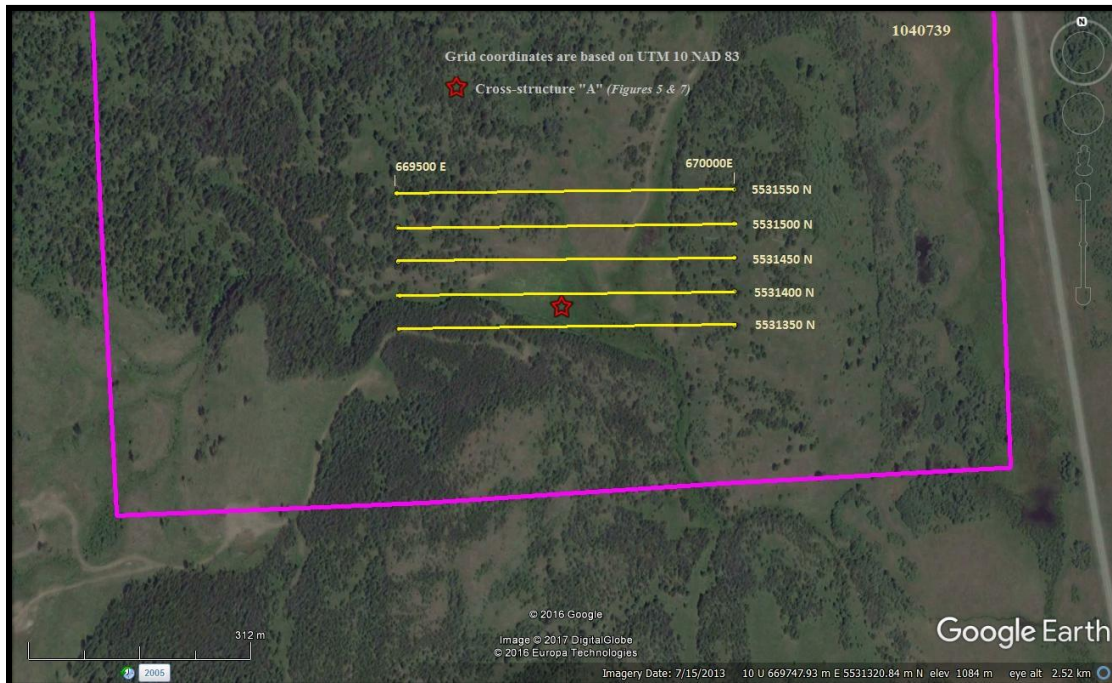
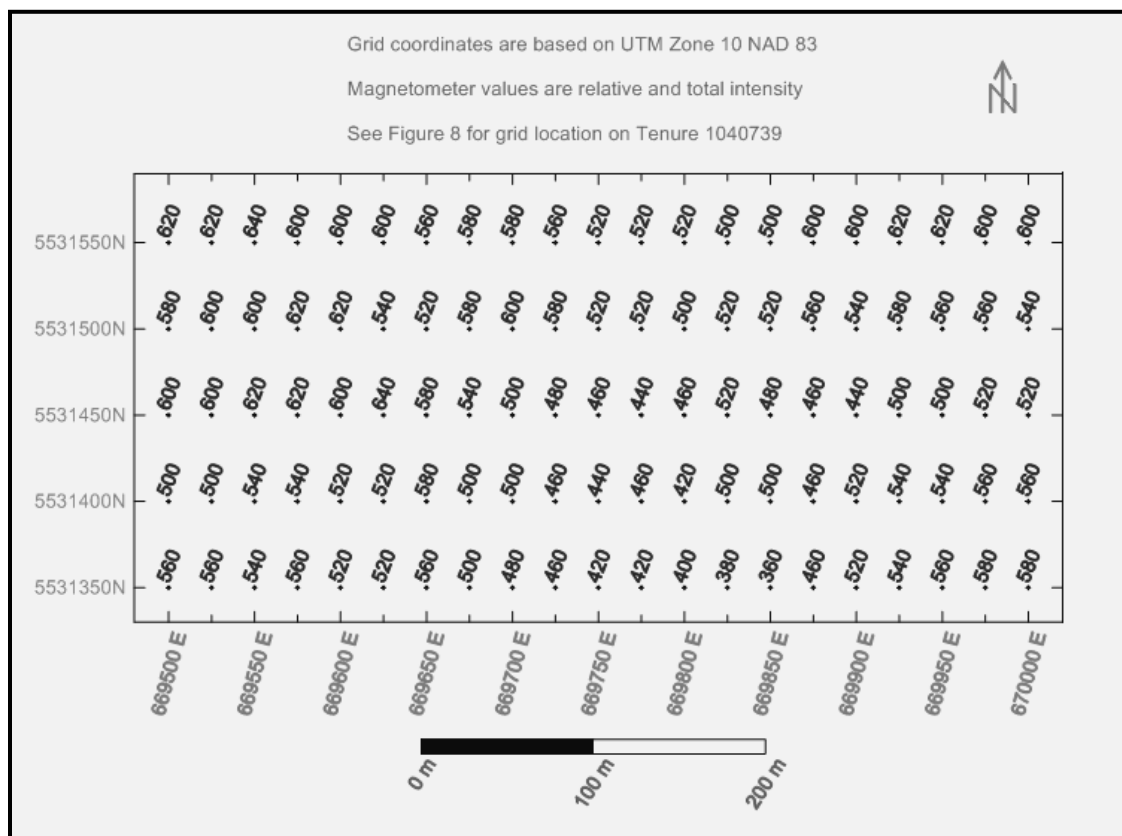


Figure 9 .Magnetometer Survey Data



Magnetometer Survey (cont'd)

Figure 10. Magnetometer Survey Contoured Data

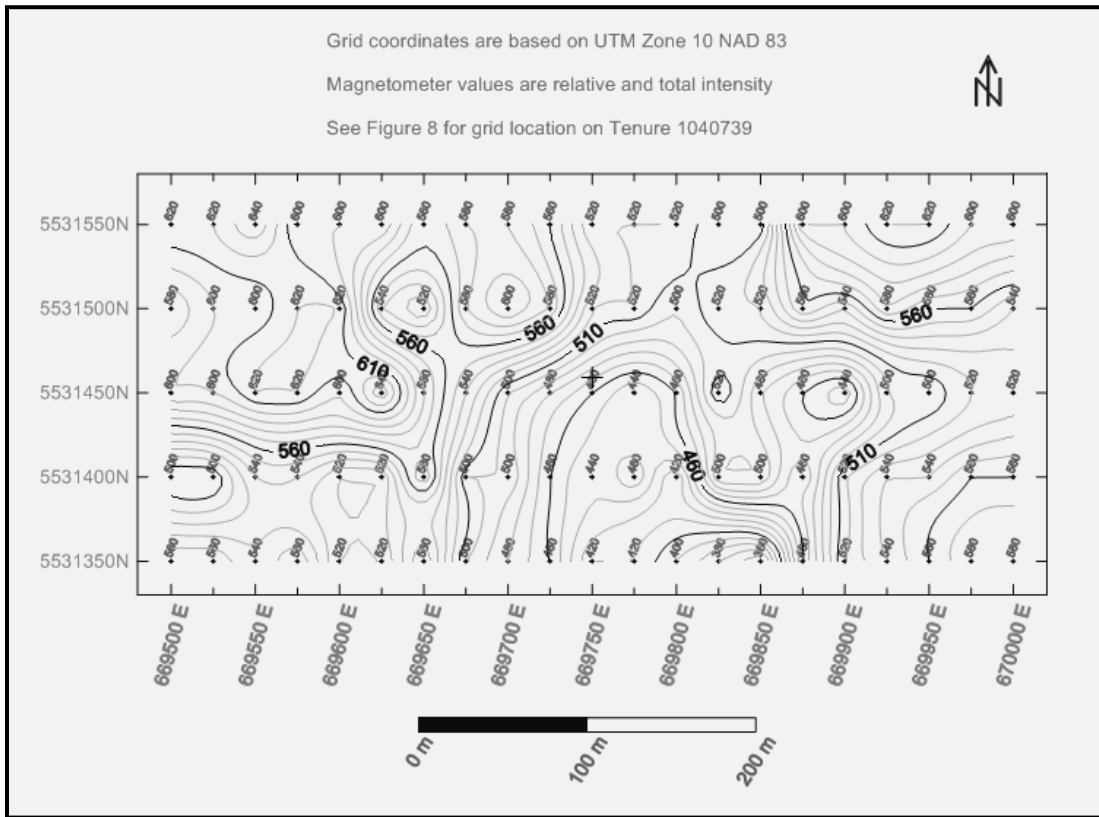
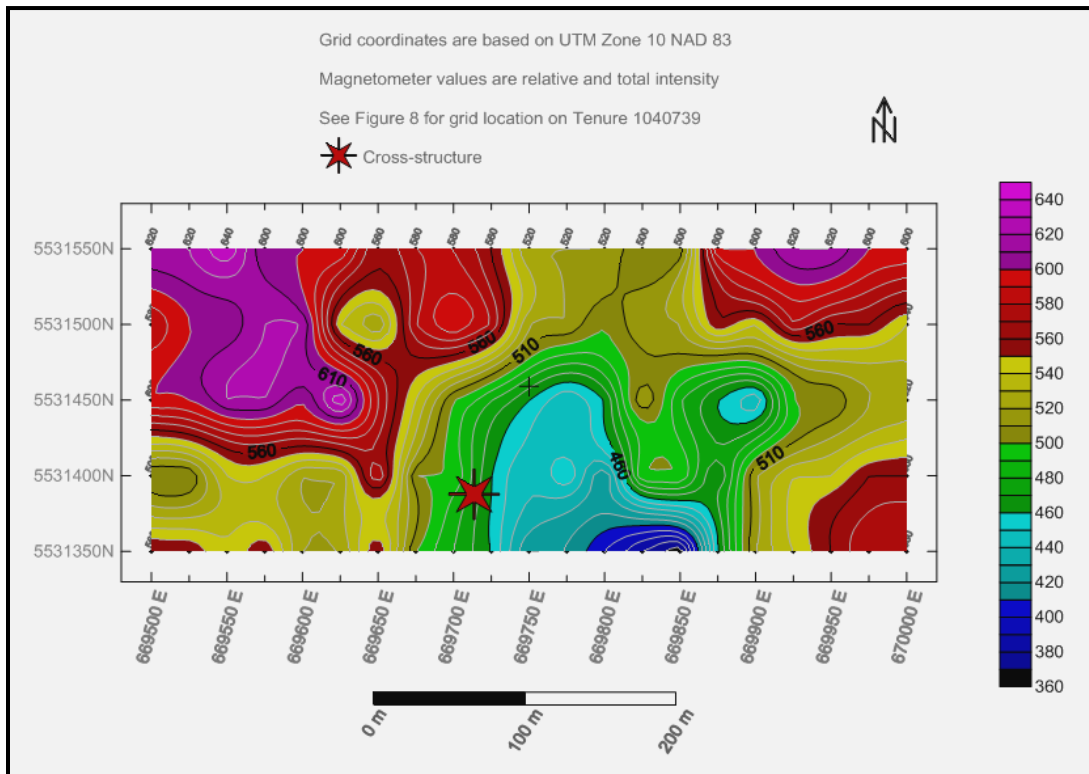


Figure 11. Magnetometer Survey Colour Contoured Data



Magnetometer Survey (cont'd)**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 a of 500 by 200 metre area of the 249 hectare Tenure 1040739 indicated one anomalous magnetometer low (Mag LO) and two anomalous magnetometer highs (Mag HI).

Mag HI

- two localized open-ended anomalous mag HI's in the northwest and the northeast corners of the survey area and two smaller and general relative mag HI's in the southeast and southwest corners;
- the northwest anomaly is within a general 125 metre mag LO zone which is closed to the southeast and open to the northwest with a northwest trend;
- the northeast anomaly is within a general 100 metre mag LO zone which is closed to the southwest and open to the northeast.

Mag LO

- a 50 metre wide localized anomalous mag LO in the mid south of the survey area is enveloped by the mag HI zones
- the anomaly is within a general 100 by 125 metre mag LO zone closed to the north and open to the south

Cross-structure "A"

The approximate location of cross-structure "A" which was covered by the magnetometer survey and which was within an indicated area of andesitic volcanics, is located along the western portion of the transitional zone between the general mag HI and the mag LO zones.

INTERPRETATION & CONCLUSIONS

The two cross -structures within Tenure 1040739 located on a northern portion and the southern projection of a northerly trending regional structure indicates the potential of the structure tapping a hydrothermal source of a potentially mineral laden reservoir at depth and providing a means for the conveyance of the hydrothermal fluids to surface and the deposition of the fluids at certain temperature/pressure related depths. The west-northwest structures that form the cross-structure should increase the area of deposition in the provision of an extensive breccia zone such as the 300 metre breccia pipe at the Big Kidd prospect (092HNE056).

At the Ketchan Lake North prospect (092HNE115) the significance of the brecciation to increased mineralization is related by Thomson (2006) in an assessment report wherein it is reported that:

“Brecciated areas generally contain stronger overall alteration, mainly chlorite with increased concentrations of magnetite. The strongest areas of brecciated magnetite-rich rock, observed in most of the 2005 drill holes, generally contained the highest concentrations of pyrite/chalcopyrite.”

The mineral zone is hosted by a diorite porphyry and an intrusive hydrothermal breccia. The highest copper grades occur in the deepest part of the intersection, which from 248 to 262 metres returned 1.03% copper and 0.13 g/t gold. This interval also returned 126 ppm (parts per million) molybdenum. The best grades of copper and gold are generally associated with the margins of magnetic highs with associated moderate chargeability (*Kaizen news release*).

Interpretation and Conclusions (cont'd)

The magnetometer survey results that revealed one open-ended anomalous mag LO centred at the apex of two anomalous mag HI's in the south, indicate that the anomaly may reflect a hydrothermally altered brecciated zone at a cross-structure. The variable mag HI's enveloping the mag LO zone may reflect the unaltered or lightly altered volcanic rock. The northerly and the westerly trends of the variable mag LO zones peripheral to the anomalous mag LO could reflect the lighter alteration of the two structures making up the cross-structure as shown on Figure 5.

The approximate location of cross-structure "A", on the transitional zone between the mag HI and the mag LO zone which envelops the anomalous mag LO could indicate increased concentrations of magnetite along the periphery of a breccia pipe.

Thus, cross-structure "A" should be explored for surficial geological signatures of a potential economic mineral resource.

Respectfully submitted
Sookochoff Consultants Inc.



Laurence Sookochoff, PEng

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Bergey, W.R. - Report on the Ketchan Property for Copper-Hill Exploration Corporation. September 15, 2004. AR 27534.

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MapPlace – Map Data downloads

MtOnline - MINFILE downloads.

092HNE047 – BRENDA

092HNE056 – TOM CAT

092HNE074 – BIG KIDD

092HNE084 – PAYCINCI

092HNE096 – ELK

092HNE115 – KETCHAN LAKE

NORTH

092HNE166 – AM

092HNE177 – AR

092HNE180 – SHRIMPTON CREEK
PLACER

092HNE256 – DALRYMPLE

092HNE257 – BLOO

092HNE258 – AR2

092HNE259 – AL2

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Thomson, G. – Diamond Drilling Assessment Report on the Ketchan Lake Property for Midland Resources Corporation. November 22, 2007. AR 29453.

Sookochoff, L. – Geological Assessment Report on Tenure 1015180 of the Toni 1015180 Claim Group for Victory Resources Corporation. June 8, 2015. AR 35,451.

Sookochoff, L. – Geological & Geophysical Assessment Report on Tenure 1040735 of the Tom Cat 1040735 Claim Group for Sierra Iron Ore Corp. January 5, 2016.

STATEMENT OF COSTS

Work on Tenure 1040739 was completed from November 8, 2016 to November 10, 2016 to the value as follows:

Structural Analysis

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

Magnetometer Survey

Rick Pearson & Ross Heyer

November 9-10, 2016

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

Kilometre charge: 315@ \$0.70 ----- 220.50

Fuel ----- 56.00

Room & board 4 man days @ \$90.00 ----- 360.00

Mag rental 2 days @ \$80.00 ----- 160.00 796.50

Maps ----- 750.00

Report ----- 3,300.00

\$ 9,046.50

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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.



Laurence Sookochoff, P. Eng.

Appendix I

Magnetometer Data

E5625506 T1040739														
North	East	Mag	North	East	Mag	North	East	Mag	North	East	Mag	North	East	Mag
5531350	669500	560	5531400	669500	500	5531450	669500	600	5531500	669500	580	5531550	669500	620
5531350	669525	560	5531400	669525	500	5531450	669525	600	5531500	669525	600	5531550	669525	620
5531350	669550	540	5531400	669550	540	5531450	669550	620	5531500	669550	600	5531550	669550	640
5531350	669575	560	5531400	669575	540	5531450	669575	620	5531500	669575	620	5531550	669575	600
5531350	669600	520	5531400	669600	520	5531450	669600	600	5531500	669600	620	5531550	669600	600
5531350	669625	520	5531400	669625	520	5531450	669625	640	5531500	669625	540	5531550	669625	600
5531350	669650	560	5531400	669650	580	5531450	669650	580	5531500	669650	520	5531550	669650	560
5531350	669675	500	5531400	669675	500	5531450	669675	540	5531500	669675	580	5531550	669675	580
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5531350	669725	460	5531400	669725	460	5531450	669725	480	5531500	669725	580	5531550	669725	560
5531350	669750	420	5531400	669750	440	5531450	669750	460	5531500	669750	520	5531550	669750	520
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5531350	669925	540	5531400	669925	540	5531450	669925	500	5531500	669925	580	5531550	669925	620
5531350	669950	560	5531400	669950	540	5531450	669950	500	5531500	669950	560	5531550	669950	620
5531350	669975	580	5531400	669975	560	5531450	669975	520	5531500	669975	560	5531550	669975	600
5531350	670000	580	5531400	670000	560	5531450	670000	520	5531500	670000	540	5531550	670000	600