

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)]:

2016 Geophysical Report on the Granite Basin Property

TOTAL COST: \$10,348.00

AUTHOR(S): R.A. (BOR) LANE

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):

5645343 / APRIL 11, 2017

PROPERTY NAME:

GRANITE BASIN

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

GRANITE 1 TO 4

COMMODITIES SOUGHT:

AU, AG

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN:

094C 009

MINING DIVISION:

OMINECA

NTS/BCGS:

094C.013, 094C.014

LATITUDE:

56° 28' 35"

LONGITUDE:

125° 51' 45"

(at centre of work)

OWNER(S):

1) CANASIL RESOURCES INC

MAILING ADDRESS:

1760 - 750 W. PENDER ST
VANCOUVER, BC V6C 1G8

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

1) AS ABOVE

MAILING ADDRESS:

AS ABOVE

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

TRIASSIC, JURASSIC, TANKA GROUP, AUGITE PORPHYRY,
PYRITE, GOLD, SILVER

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:

35183, 25217, 24220,
23652, 21931

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	MAGNETIC ; 41.5 line-km	GRANITE 1 to 4	\$10,348.00
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			
Mineralogaphic			
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:			\$10,348.00

2016
GEOPHYSICAL REPORT
ON THE
GRANITE BASIN PROPERTY
OMINECA MINING DIVISION
BRITISH COLUMBIA

BCGS MAPS 094C.013 AND 094C.014
LATITUDE 56.15°N AND LONGITUDE 125.01°W
STATEMENT OF WORK EVENT: 5645343

Prepared for: Canasil Resources Inc
1760 – 750 W. Pender Street
Vancouver, B.C. V6C 1G8

Prepared by: R. A. (Bob) Lane, P.Geo.
Plateau Minerals Corp.

Date: November 6, 2017

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APPENDIX A – LOGISTICS REPORT

1 EXECUTIVE SUMMARY

The Granite Basin property is located in the Aiken Lake area of the Omineca Mining Division, approximately 110 km northwest of Germansen Landing, British Columbia. The property consists of four contiguous claims that cover 1232.84 hectares of land within BCGS map 094C.041. Canasil Resources Inc. is the 100% registered owner of the four claims that comprise the property.

Detailed surface mapping, surface trenching and excavation of underground workings on the Granite Basin property (historically the Lay Group) identified two significant, unconnected gold and silver-bearing shear zones. The eastern zone, Zone 1, is located near Cominco's 1937 adit, and a western zone, consisting of Zones 2 and 3 is located 240 m to the west of the adit. Surface chip samples from Zone 1 grade up to 10.7 g/t Au and 14.8 g/t Ag over 0.4 m; chip samples from Zone 2 grade up to 16.95 g/t Au and 492 g/t Ag over 0.5 m, and; chip samples from Zone 3 grade up to 3.8 g/t Au and 23 g/t Ag over 5 m. Anomalies are restricted to a foliated, sericitic, mariposite-bearing(?) altered volcanic or intrusive which lies in the footwall of a shallowly dipping brittle fault. This fault undulates in both the dip and strike direction. Gold-silver anomalies are often associated with elevated lead and zinc values.

A limited 2016 prospecting attempted to identify and sample similar alteration and mineralization east and southeast of the old workings. Most of the samples collected and submitted for analysis were of silicified, pyritic and locally sheared fine-grained clastic and intermediate volcanic rocks. The altered rocks returned gold values ranging from less than detection to 7.93 g/t Au (sample GB16-BL03).

The 2016 helicopter-borne magnetics survey was hampered by difficult to unsafe flying conditions that prevented the central portion of the claim block from being flown, and resulted in a large gap in survey coverage. Therefore, the completed survey, totaling 41.5 line-km, yielded limited information proximal to the area of historic exploration and workings. While a detailed interpretation could not be carried, an overview of the data suggests the main area of mineralization is associated with a zone of reduced magnetic susceptibility which appears to be on the eastern flank of a larger magnetic high; the latter may potentially be associated with one or more buried intrusions. To the east of the historic mineralized zone a weak north westerly trend can also be observed in a series of weak magnetic highs.

A detail compilation of geological data should be undertaken to gauge the usefulness of the current magnetic coverage. In addition, all existing data should be compiled with the data from proposed Geoscience BC surveys of the area; anomalous features should be evaluated by completing field follow-up with an estimated cost of \$30,000.

2 INTRODUCTION

This assessment report has been prepared at the request of Canasil Resources Inc (Canasil) to summarize results of an airborne magnetic survey conducted November 2 - 6, 2016, on its Granite Basin property. The survey was completed by Peter E. Walcott & Associates Limited. This assessment report was prepared by independent Qualified Person R.A. (Bob) Lane, P.Geo.

2.1 LOCATION AND ACCESS

The Granite Basin property is located approximately 7 km northwest of the west end of Aiken Lake, 110 km northwest of Germansen Landing, in north-central British Columbia. The property is centered at 56°28'35" N and 125°51'45" W in the Omineca Mining Division of north-central BC. The Granite Basin property covers part of BCGS map 094C.041 (094C/05W).

Well-travelled logging roads provide access to the approximate centre of the property and several short, and partially sloughed tote roads offer potential access to an area of old underground workings at the Granite Basin MINFILE occurrence (MINFILE 094C 009).

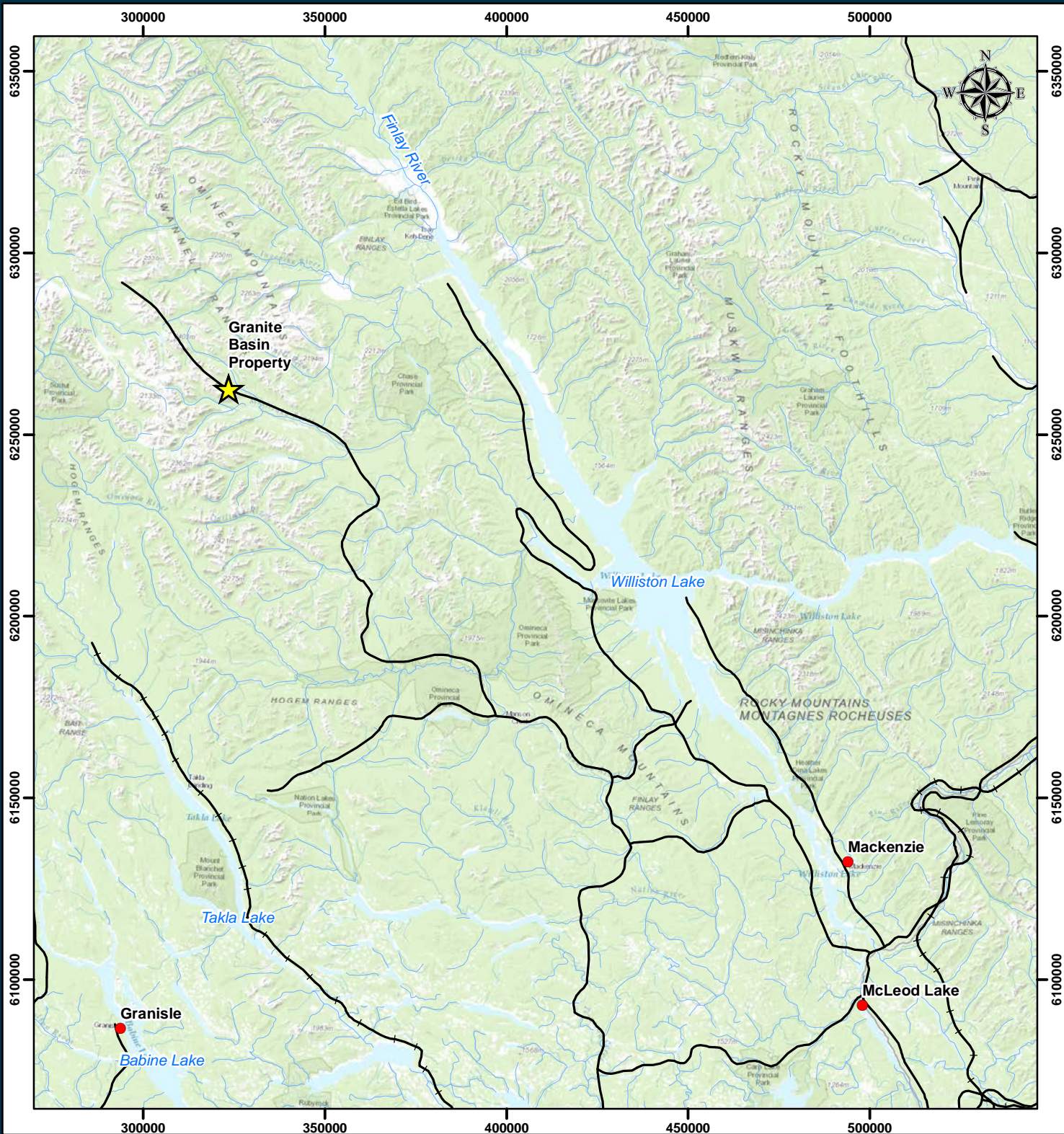
2.2 PHYSIOGRAPHY AND CLIMATE

Weather in the area is typical of north-central B.C. Usually outside work can go on from June 1st to September 15th without freezing conditions. The Omineca Mountains are known for severe, snowy winters and short, warm summers. Seasonal temperatures for the property are not available, but those for Fort St James average daily highs of about 20°C through the summer months, with average daily lows of -14°C in the winter. Annual average rainfall is approximately 29 cm, while the average snowfall is about 200 cm.

Elevations on the property range from about 1200 m to more than 2100 m. Vegetation consists principally of open jackpine forest. Above tree line bedrock exposure is excellent.

2.3 PROPERTY STATUS AND OWNERSHIP

The Granite Basin property consists of four contiguous claims that cover 1232.84 hectares of land that cover parts of BCGS map 094C.041 (Table 1 and Figure 2). The claims that comprise the property are 100% owned by Canasil Resources Inc.



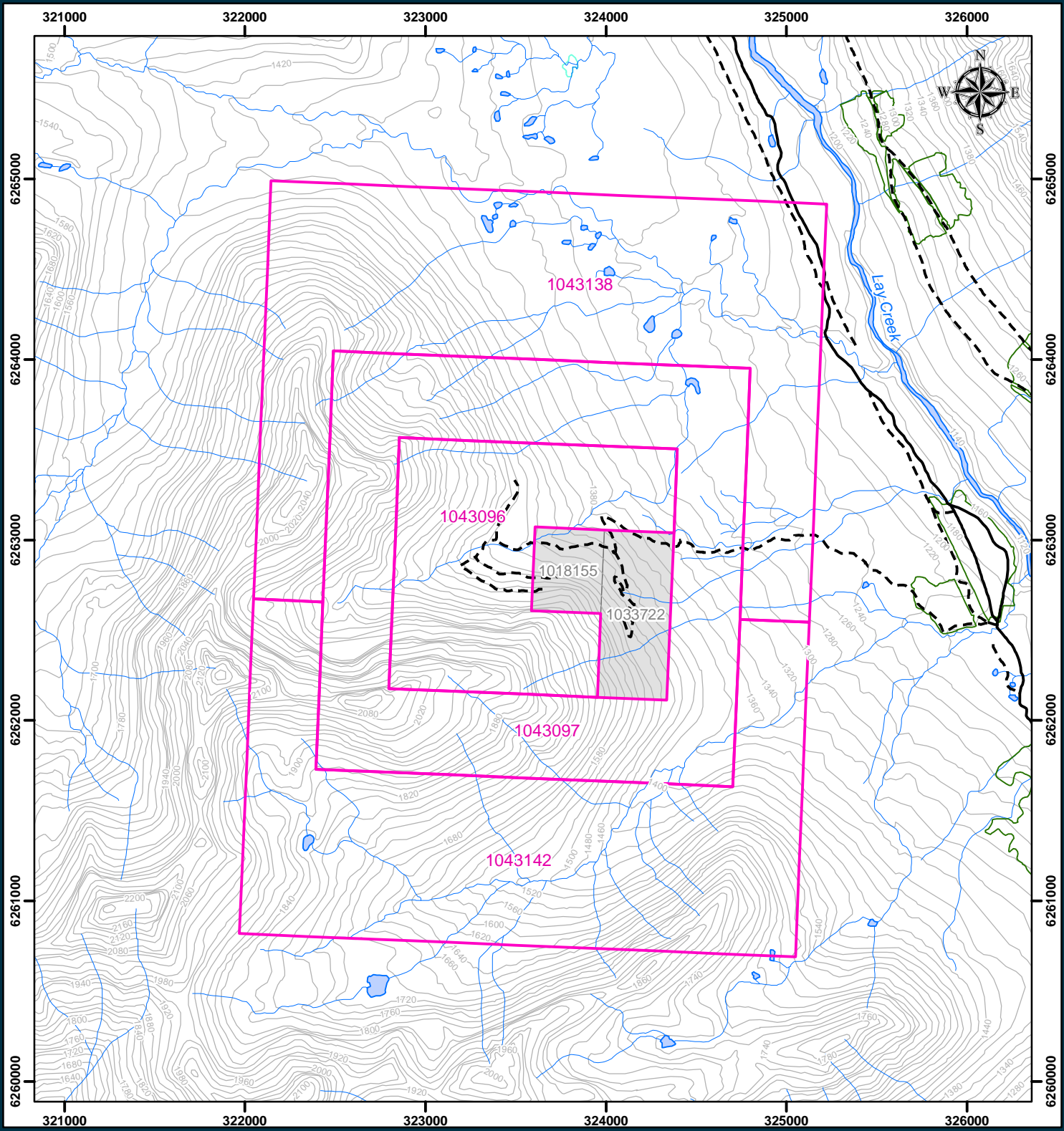
Canasil Resources Inc.
Granite Basin Property
Location
Figure 1

20k Mapsheets: 94C03,4,13,14,23,24
 Date: 01-25-2017
 Projection: NAD 1983 UTM Zone 10N
 Scale: 1:1,500,000
 Author: tkwitkoski
 Last Modified By: tkwitkoski
 Checked By: BL
 Revision #:
 0 5 10 20 30 40 50
 Kilometers

Legend

- Granite Basin Property
- City / Town / Community
- Road
- Railway
- Stream
- Lake





Canasil Resources Inc.
Granite Basin Property
Mineral Tenure
Figure 2

Date: 01-25-2017
 Projection: NAD 1983 UTM Zone 10N
 Scale: 1:30,000
 Author: aingls
 Last Modified By: tkwitkoski
 Checked By: BL
 Revision #: _____

0 250 500 1,000
 Metres

Legend

- Gravel Road
- - - Rough Road
- Stream
- Contour
- Existing Cutblocks
- Lake / River
- Wetland
- Mineral Tenure - Canasil Resources Inc
- Mineral Tenure - Kelly Funk



Table 1: Granite Basin Property - Mineral Claims

Title No.	Claim Name	Owner	Title Type	Issue Date	Good To Date	Area (ha)
1043096	GRANITE 1	104199 (100%)	Mineral Claim	2016/mar/29	2020/apr/15	160.80
1043097	GRANITE 2	104199 (100%)	Mineral Claim	2016/mar/29	2020/apr/15	321.61
1043138	GRANITE 3	104199 (100%)	Mineral Claim	2016/mar/31	2020/apr/15	392.96
1043142	GRANITE 4	104199 (100%)	Mineral Claim	2016/mar/31	2020/apr/15	357.47
						1232.84

2.4 EXPLORATION HISTORY

A brief account of exploration activities conducted on the Granite Basin property is provided below in chronological order.

In 1936, the area was staked by Consolidated Mining and Smelting Company of Canada (Cominco) to cover pyritic shear zones and 1,142 linear feet of hand trenching was completed confirming the presence of gold-silver values. Three zones, 1, 2, and 3 were identified. In addition, a 110 foot drift (5040 foot elevation) was driven without reaching bedrock.

In 1937, Cominco completed a 158 foot drift at a higher elevation of 5180 feet. The workings included two crosscuts of 66 feet and 10 feet in length. The developments encountered mineralized bedrock and intersected good gold grades including 6.86 g/t Au over 12 m (Lay, 1940; Roots, 1954) consistent with the surface showings of Zone 1. Surface chip sampling at Zone 2 included a 3 m interval averaging 9.43 g/t Au and 439 g/t Ag, and a chip sample taken from an exposure of Zone 3 returned 12.35 g/t Au and 32.93 g/t Ag over a 45 m length and 1.35 m width (Sirola, 1963B).

In 1962, prospecting by Emil Bronlund located new showings west of the upper adit workings and the area was re-staked.

In 1963, the property was evaluated separately by Medallion Gold Mining Corporation Ltd. and by Kerr Addison Gold Mines Ltd. Resampling focussed of the new zone (Zone 2). Chip samples collected from the west end of Zone 2 returned 7.54 g/t Au over 1.5 m (Sirola, 1963A) and 13.0 g/t Au and 490 g/t Ag over 3 m (Bronlund, 1963). In addition, five chip samples taken from the most easterly exposure of Zone 2 averaged 7.22 g/t Au and 328 g/t Ag across 6.3 m (Bronlund, 1963).

From 1971-1973, Union Minere and Stellac Exploration completed a soil geochemical survey and collected rock samples.

From 1974-1975, Susie Gold Mines conducted soil geochemical and rock chip surveys, constructed road access and completed trenching southeast of the 1936 trenching.

From 1979 to 1980, Mark V Petroleum Ltd. conducted EM and magnetometer surveys and collected chip samples.

From 1990 to 1992, Paul Weishaupt staked the Granite Basin property and conducted a soil survey, collected rock samples and blasted trenches in a cliff face.

From 1993 to 1994, Noranda Exploration Co. Ltd. staked the area for Hemlo Gold Mines Inc., then conducted rock sampling, a geochemical soil survey, and geological mapping.

From 1994 to 1995, Hemlo Gold Mines Inc. completed a program of mapping, rock sampling and diamond drilling. Highlights of the drill program included drillhole DDH-HGB-95-2, which returned 9.1 metres grading 3.36 g/t Au and 11.7 g/t Ag (Assessment Report 24220).

In 1996, Hemlo Gold Mines Inc. completed additional trenching and channel sampling to test the grades and extent of the previously identified gold-silver anomalies.

In 1997, Canasil Resources Inc. (Canasil) conducted a 500 m drill program. Significant results included drillhole GB-97-01, which returned 5 metres grading 2.37 g/t Au and 5.85 g/t Ag (Assessment Report 25297).

There was no exploration activity on the Granite Basin property from 1997 to 2012.

In 2013, Canasil funded a remote sensing survey of the property. The work, was completed by Auracle Geospatial Science Inc. (McLelland, 2013).

In 2014, Canasil conducted a limited prospecting and sampling program.

In 2016, Canasil conducted a one-day helicopter-supported prospecting program focused on a linear zone of altered and mineralized bedrock similar to the pyritic shear zones described in the literature. Subsequent to the prospecting program, Canasil completed a helicopter-borne magnetic survey whose results are presented in this assessment report.

3 REGIONAL GEOLOGY

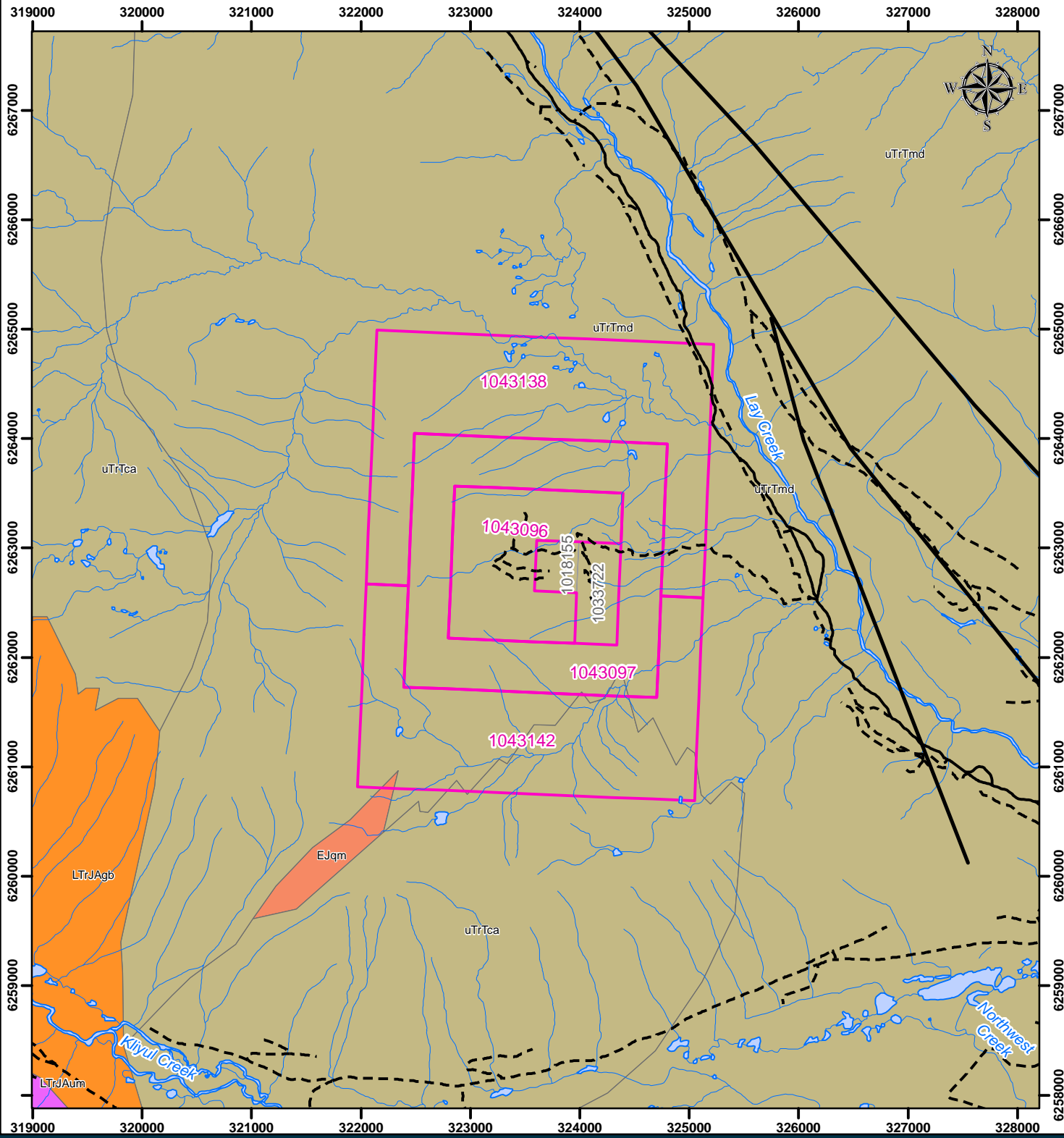
The Granite Basin property is situated within the Intermontane belt. In the vicinity of the Granite Basin property it is made up of Upper Triassic to Lower Jurassic island arc volcanic, volcanoclastic and minor sedimentary rocks of the Takla Group. The volcanic-dominated package has been invaded by Jura-Cretaceous diorite, monzonite and syenite intrusions that are associated with the Hogem batholith. In fault contact to the east are volcanic and sedimentary rocks of the Mississippian Cache Creek Group. They are intruded by Triassic Trembleur ultramafic bodies. Figure 3 provides an illustration of the regional geology of the area.

4 PROPERTY GEOLOGY

Property-scale bedrock mapping of the Granite Basin property was completed by Hemlo Gold Mines Inc. The work covered the 1937 Cominco adit and areas to the west and south of the old workings. The following geological descriptions are taken from Erdman (1995).

"The dominant rock type is a fine to medium grained augite porphyritic andesite. It is composed of up to 15% 0.5 mm to 3 mm pyroxene crystals in a dark to medium green groundmass. It may also contain, in equal abundance, phenocrysts of feldspar to 0.5 mm in diameter. Higher in the section black siltstones, impure limestones and volcanoclastics are intercalated in the augite porphyry. These rocks have been hornfelsed where they are in contact with bodies of feldspar porphyry (see below). Dioritic intrusives are of two types - a porphyritic and a generally non-porphyritic type. Both types are leucocratic, fine to medium grained, have a sugary texture, and contain hornblende as well as feldspar. The porphyritic diorite contains feldspar phenocrysts up to 3 mm in diameter and hornblended crystals to 5 mm in length. It most likely had the same magmatic source as the non-porphyritic diorite, but followed a different cooling path. Both types are present as sills. Isolated outcrops of quartz-feldspar or hornblende only porphyritic diorite are also present in outcrop but could not be followed for any distance. The former was included with the porphyritic diorite, the latter with the non-porphyritic diorite. Feldspar porphyry is present as dykes and sills cutting both the volcano-sedimentary package as well as both phases of diorite. It varies in colour from light grey to dark green, and contains up to 20% light grey feldspar phenocrysts up to 3 mm in size. It contains little to no hornblende. This rock type appears to be restricted to the vicinity of the gossanous central area."

"Structural measurements on bedded sediments or volcanoclastics located on ridge tops indicate an approximate north-south strike (172° to 192°) with dips to the west from 25° to 40°. Further to the north the strike becomes more westerly (approximately 220°), however the angle of dip remains the same. Prior to the work by Noranda in 1994 exploration programmes had identified three zones of shearing, identified as Zones 1 to 3. Zone 1, the easternmost zone, strikes at 310° and dips steeply to the northeast at 75°. This is the zone intersected by Cominco's 1937 adit and is reported to have a width of 12 meters. Zones 2 and 3 lie to the southwest, are higher in elevation by 85 m and 182 m respectively and have similar strikes and dips 266°/40°N (Zone 2) and 262°/58°N (Zone 3). These latter two zones are now believed to be outcrops of the same shear, with the steep talus slope between Zones 2 and 3 covering an irregular dip slope exposing the upper limits and hanging wall of the shear. Although the footwall of this second zone is never exposed it is at least 5 meters wide, as measured at the previously named Zone 3."



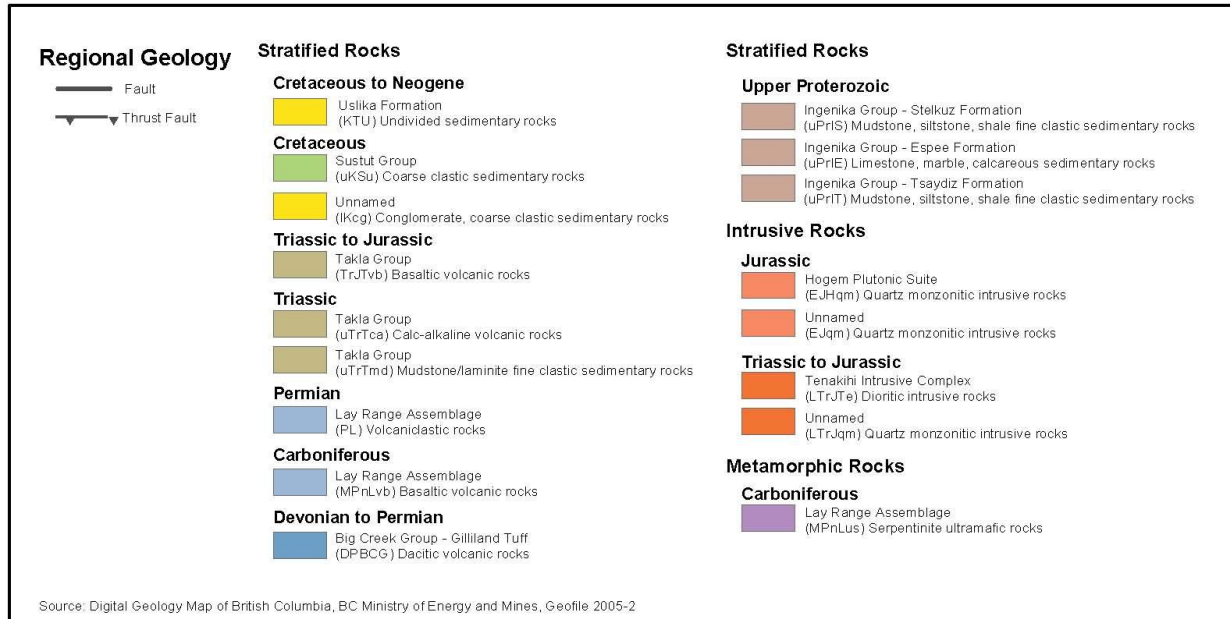
Canasil Resources Inc.
Granite Basin Property
Regional Geology
Figure 3

20k Mapsheets:
 Date: 01-25-2017
 Projection: NAD 1983 UTM Zone 10N
 Scale: 1:50,000
 Author: ainglis
 Last Modified By: tkwitkoski
 Checked By: BL
 Revision #: _____

Legend

- Fault
- Paved Road
- Gravel Road
- Rough Road
- Stream
- Lake / River
- Mineral Tenure - Canasil Resources Inc
- Mineral Tenure - Kelly Funk





5 MINERALIZATION

The following description of mineralization found at the Granite Basin property is taken from Erdman (1995).

"The augite porphyritic andesite and associated sediments are generally non-mineralized, or may be sparsely mineralized with fine-grained disseminated pyrite. However in contact with the porphyritic diorite these rocks may be heavily pyritized."

"The porphyritic diorite always hosts pyrite, in concentrations of up to 20%. Prior to 1975, exploration programmes focused on these pyritic horizons, and in general the gold content was negligible except in the vicinity of the adit where a pyritic horizon is coincident with the Zone 1 shear."

"In 1975 it was recognized that it was the shears which hosted the gold-silver mineralization and that these shears cut across all rock types. Rocks within the shears are foliated, altered to a fine grain, white to light blue colour and contain cryptocrystalline quartz veinlets, patchy carbonate, sericite, minor mariposite (?), and pyrite, both as wavy laminations as well as disseminated. Two generations of pyrite are clearly visible: 1. An early fine grain silvery phase often observed as a film along fracture planes, and 2. a later coarser grained yellowish phase occurring along foliation planes and as irregular pods. Very rarely trace amounts of galena are associated with the quartz veinlets."

"Detailed mapping by Hemlo in 1995 shows that the sheared foliated outcrops always occur in the footwall of a 5 cm wide brittle fault generally striking from 310° to 330° and dipping shallowly to the northeast. Rocks exposed in the hanging wall are unaltered andesites or limy

sediments, and may or may not contain pyrite. This fault does not have a flat planar surface but undulates in both the dip and strike direction, as evidenced by the dip slope connecting Zones 2 and 3, and in outcrop above the trench blasted by Canasil in 1992."

6 2016 GEOPHYSICAL SURVEY PROGRAM

Peter E. Walcott & Associates Limited completed a heli-borne magnetic survey over the Granite property for Canasil Resources Inc. from November 2-6, 2016. The survey consisted of 41.5 line-kms of airborne magnetics flown with a nominal line spacing of 100m on north-south orientated lines, and with east-west tie lines spaced with a nominal line spacing of 500m (Figure 4). A logistics report for the survey is provided in Appendix A.

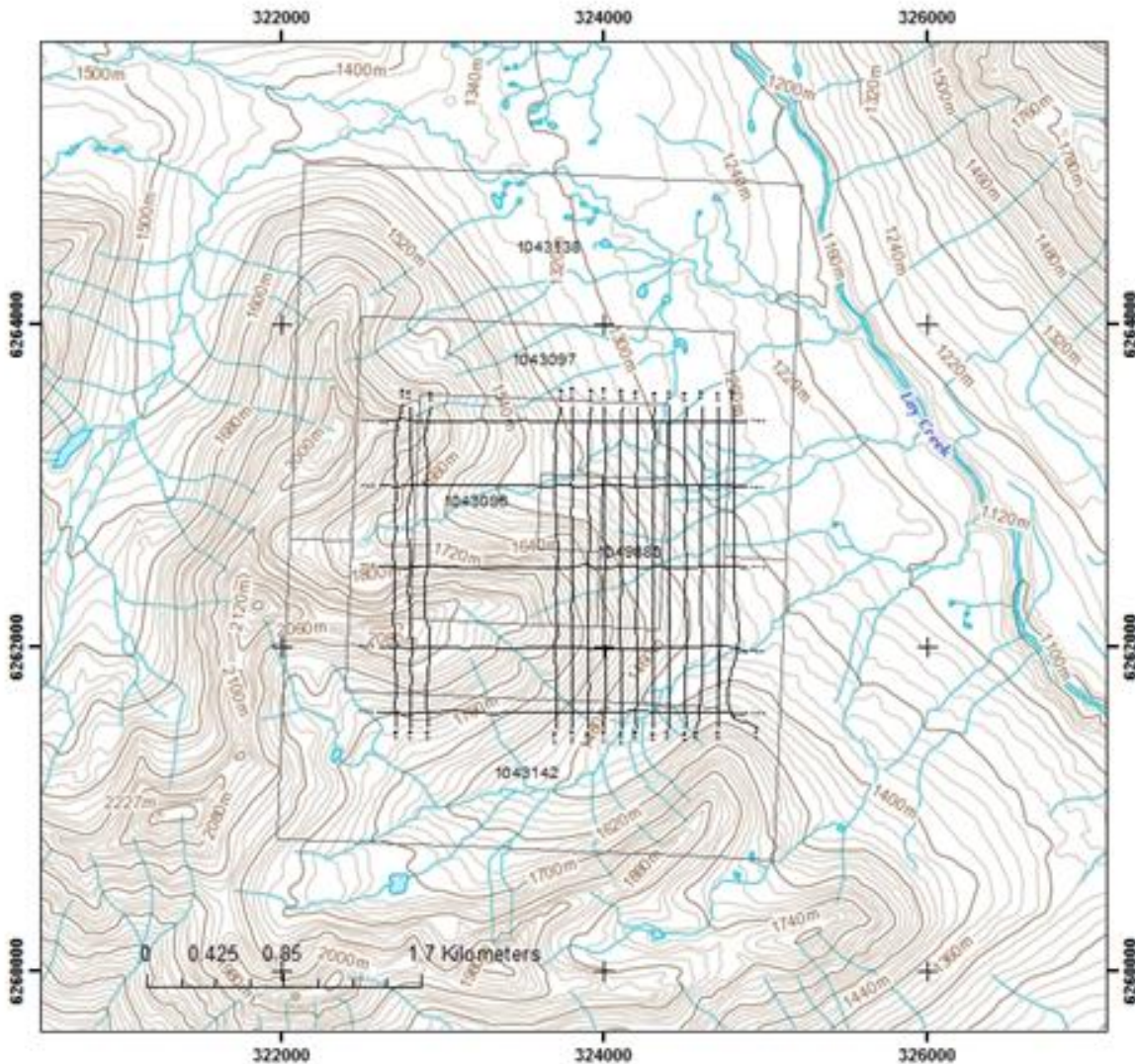


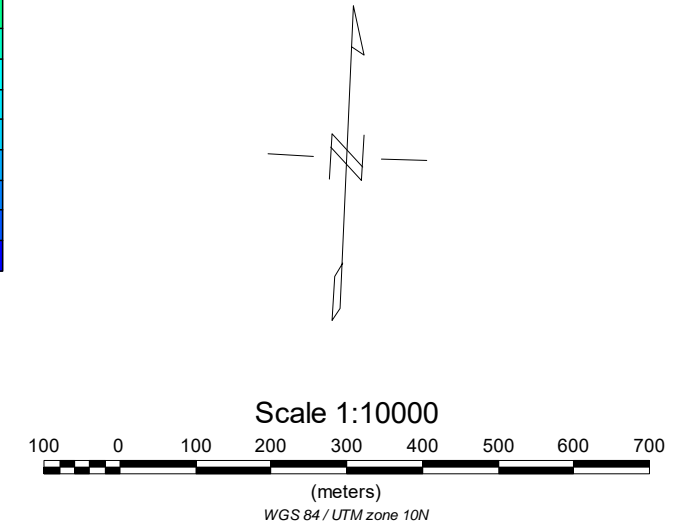
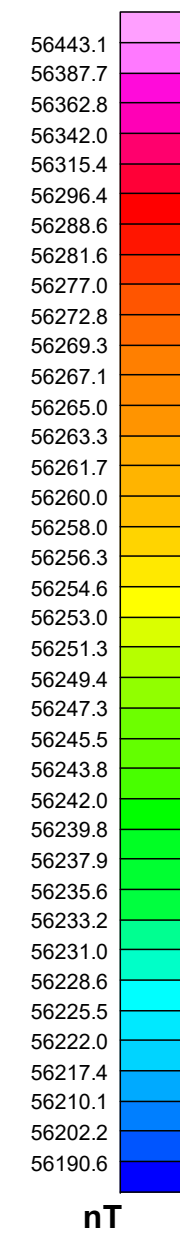
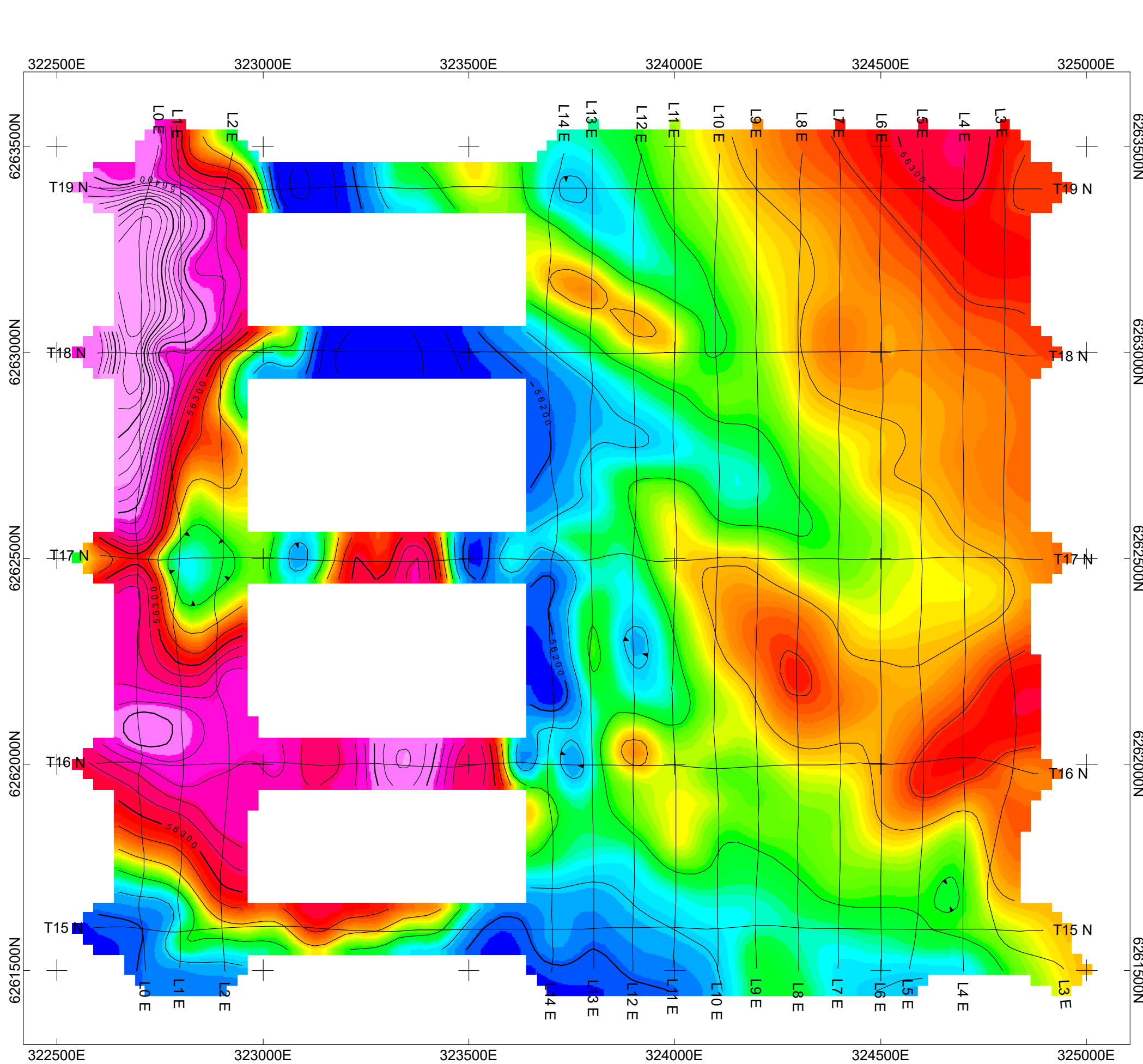
Figure 4: Flight Lines Completed over Granite Basin Property

7 DISCUSSION OF RESULTS, INTERPRETATION AND CONCLUSIONS

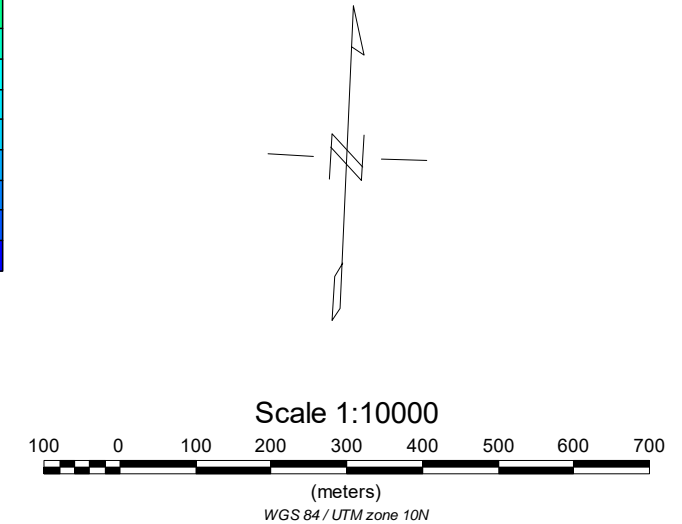
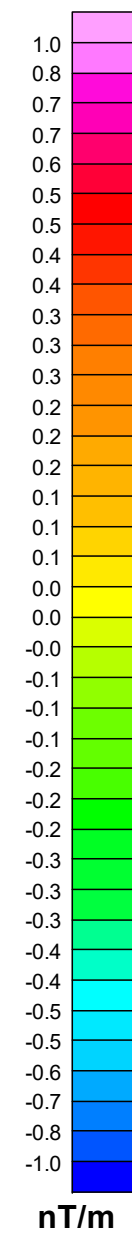
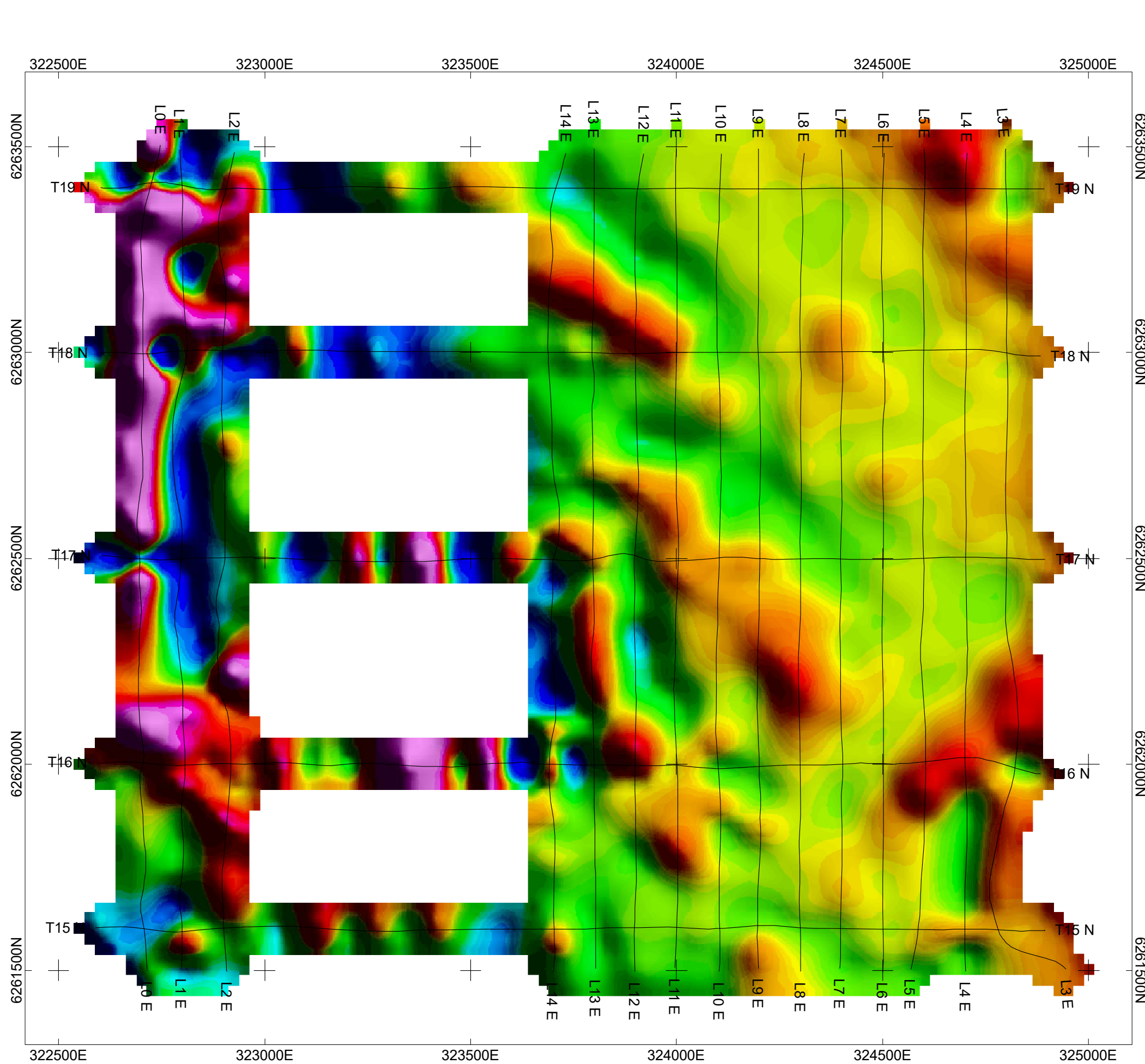
The proposed survey coverage was hampered by difficult to unsafe flying condition that prevented the central portion of the claim block from being flown, and resulted in a large gap in survey coverage. Therefore, the completed survey yielded limited information proximal to the area of historic exploration and workings. While a detailed interpretation cannot be carried out using the current dataset, an overview suggests the main area of mineralization is associated with a zone of reduced magnetic susceptibility which appears to be on the eastern flank of a larger magnetic high; the latter may potentially be associated with one or more buried intrusions.

To the east of the historic mineralized zone a weak north westerly trend can also be observed in a series of weak magnetic highs.

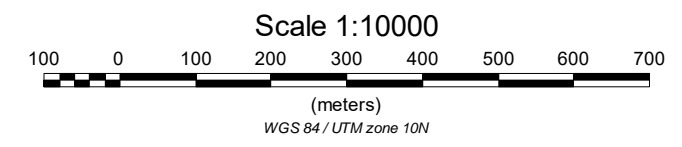
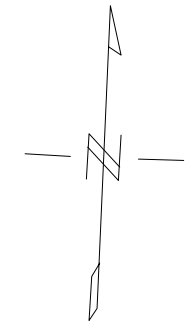
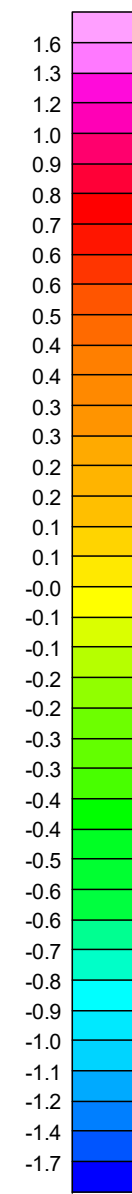
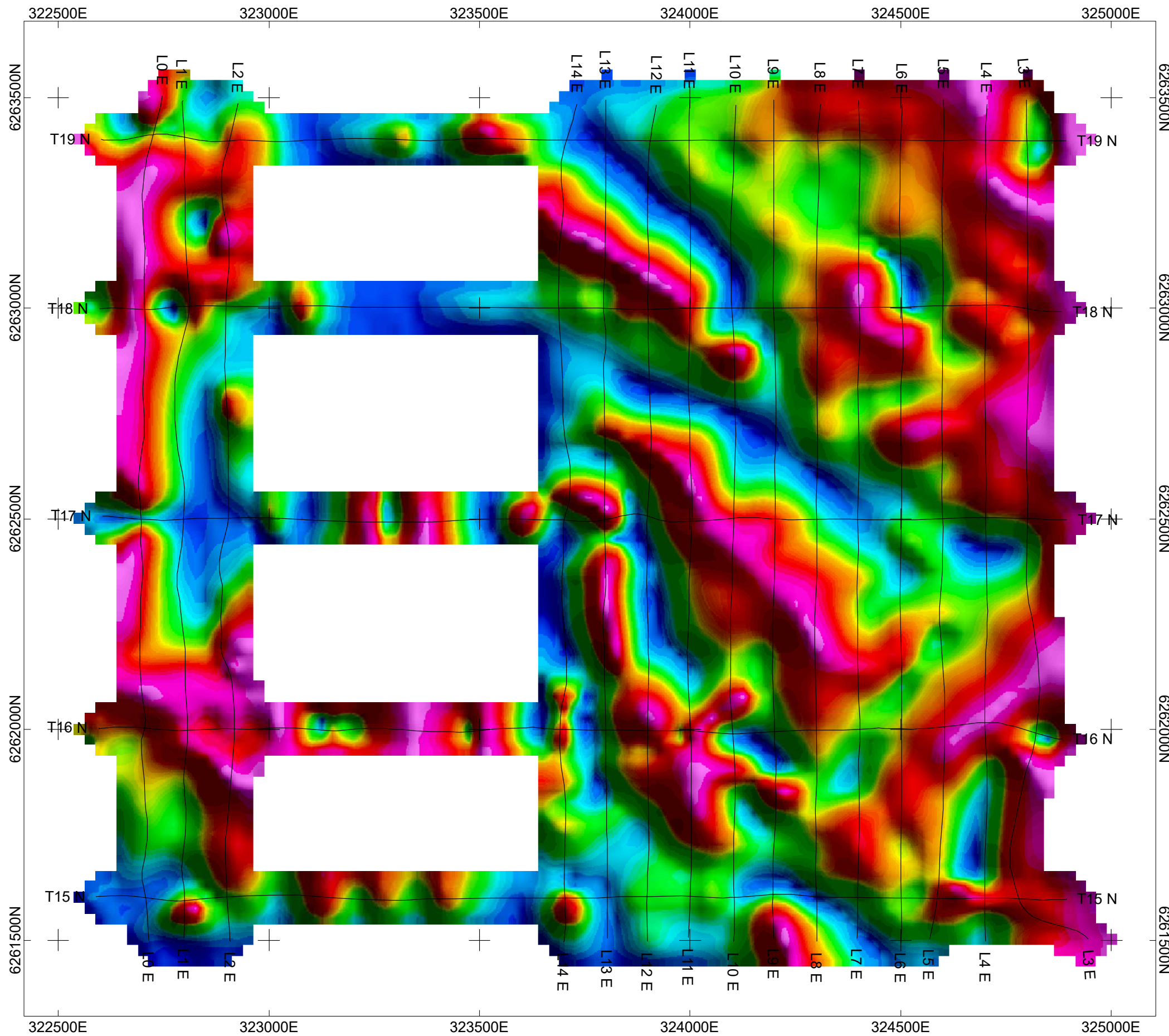
Survey results for Total Magnetic Intensity, Calculated First Vertical Derivative, and Tilt Derivative at a scale of 1:10,000 are shown in Figures 5, 6 and 7, respectively.



CANASIL RESOURCES INC.
AIRBORNE MAGNETIC SURVEY CONTOURS OF TOTAL FIELD INTENSITY (nT)
GRANITE PROPERTY NOVEMBER 2016
PETER E. WALCOTT & ASSOCIATES LIMITED



CANASIL RESOURCES INC.
AIRBORNE MAGNETIC SURVEY CONTOURS OF 1VD OF TMI
GRANITE PROPERTY NOVEMBER 2016
PETER E. WALCOTT & ASSOCIATES LIMITED



CANASIL RESOURCES INC.
AIRBORNE MAGNETIC SURVEY TILT DERIVATIVE
GRANITE PROPERTY NOVEMBER 2016
PETER E. WALCOTT & ASSOCIATES LIMITED

8 RECOMMENDATIONS

A detail compilation of geological data should be undertaken to gauge the usefulness of the current magnetic coverage, proximal to the mineralization along with in the east where a series of northwesterly trending magnetic features are observed.

In addition, all existing data should be compiled with the data from proposed Geoscience BC surveys of the area; anomalous features should be evaluated by completing field follow-up with an estimated cost of \$30,000.

9 ITEMIZED COST STATEMENT – GEOPHYSICAL PROGRAM

Granite Basin Geophysic - November 2016		Dates Worked	Days/Hrs	Rate	Amount	TOTALS
Wages & Salaries (Project Planning, Travel and Fieldwork):						
Walcott, A (P.E. Walcott & Assoc.)	Geophysicist (Flat Rate)	Nov 2 - 6/16	1.00	2,900.00	2,900.00	
					2,900.00	2,900.00
Helicopter (West Luck, Fireweed Helicopters)						
Fort St James base	3.9 hours flying including fuel	Nov 2 - 6/16	3.90	1340.51	5,228.00	5,228.00
Rentals - Equipment						
Travel (to/from site)						
Walcott, A (P.E. Walcott & Assoc.)	Flat Rate	Nov 2 - 6/16	1.00	1,500.00	1,500.00	
					1,500.00	1,500.00
Accommodation and Meals						
Walcott, A (P.E. Walcott & Assoc.)	- included in above costs					
Consulting - Report Writing & Data Processing						
Allnorth Consultants	GIS Mapping Services	Nov-17	1.00	300.00	300.00	
Plateau Minerals Corp.	PGEO Report Writing	Nov-17	0.60	700.00	420.00	
			1.60		720.00	720.00
Total Cost Statement	Granite Basin Geophysics - November 2016					10,348.00

10 REFERENCES

- Bronlund, E. (1963): Summary Report on Mineral Properties (Lay Group); private report for Medallion Gold Mining Corporation Ltd., 8 p.
- Erdman, L. (1995): Geological, Geochemical and Drilling Report, Granite Basin Property; *BC Ministry of Energy and Mines*, Assessment Report 24220, 62 p.
- Ferri, F., Dudka, S., Rees, C., Meldrum, D. (1993a): Geology of the Aiken Lake and Osilinka River Areas, Northern Quesnel Trough (NTS 94C/2,3,5,6 & I2); in Geological Fieldwork 1992, Grant, B. and Newell, J.M., Editors, *BC Ministry of Energy, Mines and Petroleum Resources*, Paper 1993-1, p 109-134.
- Ferri, F., Dudka, S., Rees, C., Meldrum, D. (1993b): Preliminary Geology of the Aiken Lake and Osilinka River Areas, British Columbia (NTS 94C/2, 3, 5, 6 & I2); *BC Ministry of Energy, Mines and Petroleum Resources*, Open File 1993-2.
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Weishaupt, P. J. (1993): Geological and Geochemical Report, Granite Mineral Claim; *BC Ministry of Energy and Mines*, Assessment Report 23150, 29 p.

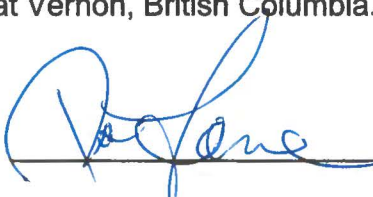

Weishaupt, P. J. (1997): Drilling Report on the Granite Basin Property; *BC Ministry of Energy and Mines*, Assessment Report 25297, 33 p.

STATEMENT OF QUALIFICATIONS

I, **R. A. (Bob) Lane** certify that:

1. I am the President of Plateau Minerals Corp., a mineral exploration consulting company with an office located at 3000 18th Street, Vernon, B.C.
2. I am the author of this assessment report, entitled "2016 Geophysical Report on the Granite Basin Property, Omineca Mining Division, British Columbia". The report presents the findings of 2016 exploration program and was filed with the B.C. Ministry of Energy and Mines on behalf of Canasil Resources Inc.
3. I have conducted exploration on the Granite Basin property on behalf of Canasil, but was not on site during the geophysical program that was completed November 2 – 6, 2016.
4. I am a graduate of the University of British Columbia in 1990 with a M.Sc. in Geology.
5. I am a Professional Geoscientist (P.Geo.) registered with the Association of Professional Engineers and Geoscientists of British Columbia (Registration #18993) and have been a member in good standing since 1992.
6. I have practiced my profession continuously since 1990 and have more than 25 years of experience investigating a number of mineral deposit types, primarily in British Columbia.
7. As a result of my experience and qualifications, I am a Qualified Person as defined by National Instrument 43-101 Standards for Disclosure for Mineral Projects.

Dated this 6th day of November, 2017, at Vernon, British Columbia.



R. A. (Bob) Lane, P.Geo.

APPENDIX A – LOGISTICS REPORT

A LOGISTICS REPORT
ON
A HELIBORNE MAGNETIC SURVEY
GRANITE PROPERTY
LAY CREEK AREA, BRITISH COLUMBIA

OMINECA M.D.
56° 28.4'N, 125° 51.77'W
NTS 094C/05

Claims:

1043096 ,1043097,1043138,1043142, 1049880

Work Dates: November 2nd – 6th , 2016

FOR
CANASIL RESOURCES INC.
VANCOUVER, BRITISH COLUMBIA

BY
ALEXANDER WALCOTT, B.Sc
PETER E. WALCOTT & ASSOCIATES LIMITED
Coquitlam, British Columbia

FEBRUARY 2017

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SURVEY SPECIFICATIONS.....	6
DATA PROCESSING AND PRESENTATION.....	8

APPENDIX I

Cost of Project
 Personnel Employed on Project
 Data Description

ACCOMPANYING MAPS

Granite Block 2	
Claim and Flight Line Map	Scale 1:10,000
Contours of Total Field Intensity	Scale 1:10,000
Contours of Calculated Vertical Gradient	Scale 1:10,000
Contours of Tilt Derivative	Scale 1:10,000

INTRODUCTION.

Between November 2nd and 6th, 2016, Peter E. Walcott & Associates Limited undertook a heli-borne magnetic survey over the Granite property for Canasil Resources Inc.

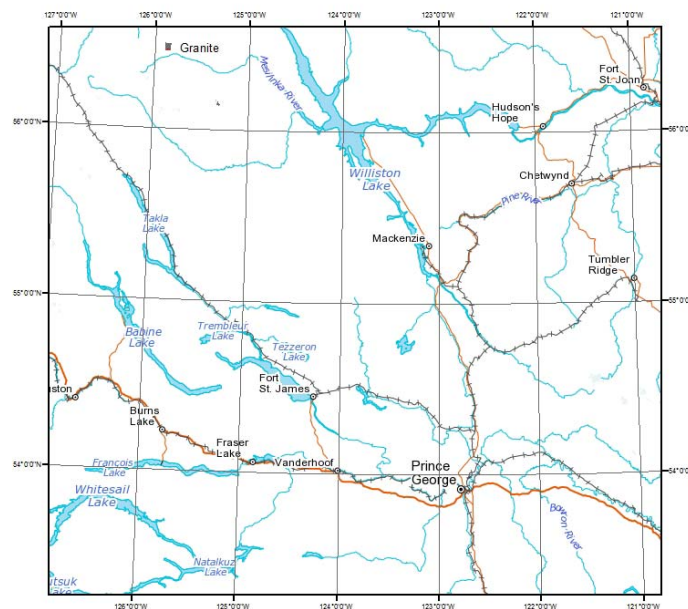
The survey consisted of some 41.5 line kilometers of airborne magnetics flown with a nominal line spacing of some 100 meters on north-south orientated lines, and with east-west tie lines spaced with a nominal line spacing of some 500 meters.

PROPERTY LOCATION AND ACCESS

The Granite project is located some 250 kilometres north-northwest of the community of Ft. St James, British Columbia.

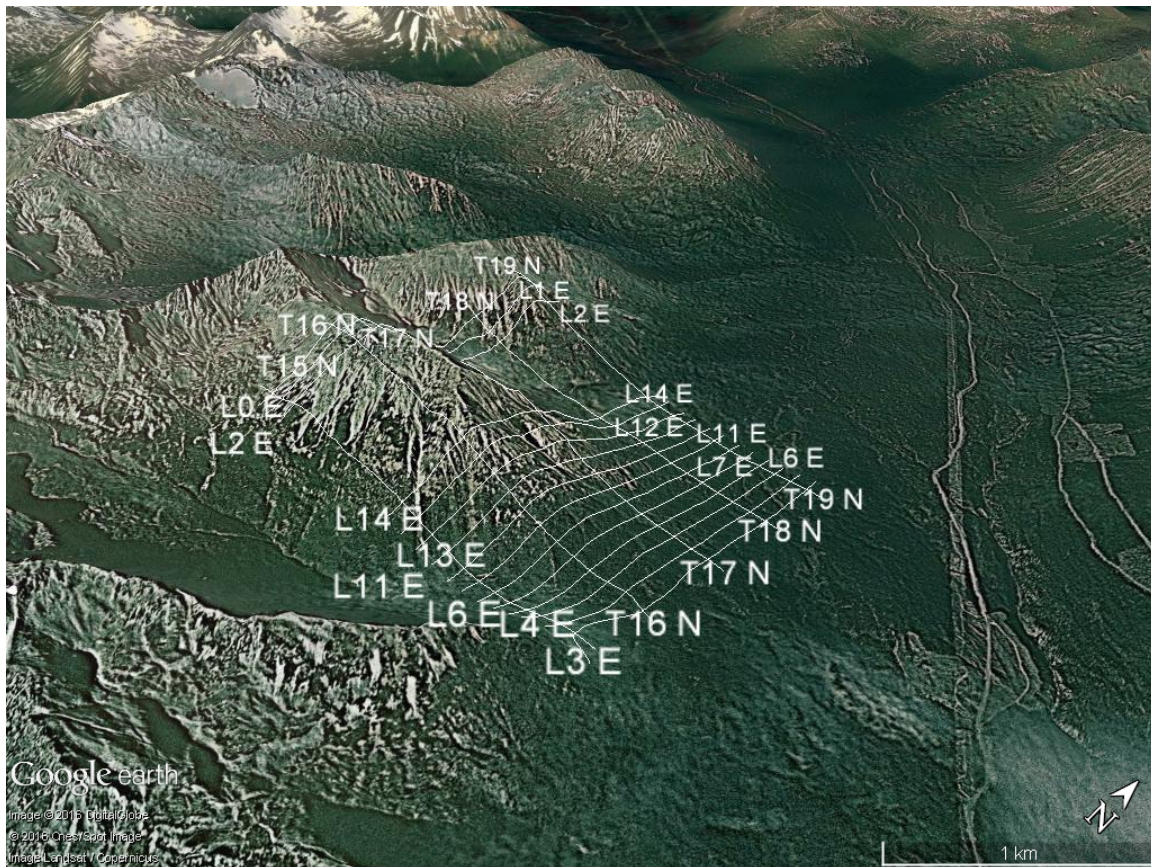
Access to the property is gained via a network of resources roads emanating from the community of Ft. St. James, British Columbia.

Leaving Ft. St James, one travels northbound towards the community of Germiston Landing, via the North Road and Thudade FSR respectively. Continuing through Germenson, westbound on the Thudade FSR the road then turns northbound after some 35 kilometers. After an additional 40 kilometers, the road meets the Finlay FSR at the Osilinka Camp. Continuing north westly for an additional 60 kilometers, one arrives proximal to the property.



Property Location Map

PROPERTY LOCATION AND ACCESS con't



Flight Block 2

SURVEY SPECIFICATIONS.

The Airborne Magnetic Survey.

The airborne magnetic survey was conducted using a bird type system towed on a 65' line by a Bell 206 B2 CF-JOR operated by Fireweed Helicopters Ltd of Whitehorse, Yukon.

The bird unit consists of three main components – C-824 Cesium Magnetometer manufactured by Geometrics San Jose, California, AR3000 Laser Range Finder manufactured by Acuity of Portland, Oregon and a 19x GPS manufactured by Garmin International Inc. of Kansas City, Kansas.

The C-824 Cesium Magnetometer is a highly sensitive magnetic sensor capable of providing sensitivity up to 0.01 nT and sampling rates up to 1000 Hz. On this survey a sampling rate of 10 Hz was employed.

The respective components were in turn connected to the helicopter via a shielded multi-conductor cable within the tow line for power and data transmission to the logging units on the helicopter.

Flight line navigation data was obtained using Hemisphere R330 GNSS receiver with a 10 Hz update rate.

Data logging and navigation were carried out utilizing Geometrics MagLogPro software on a Panasonic CF-19 Toughbook computer with a secondary 7" daylight viewable pilot navigation monitor.

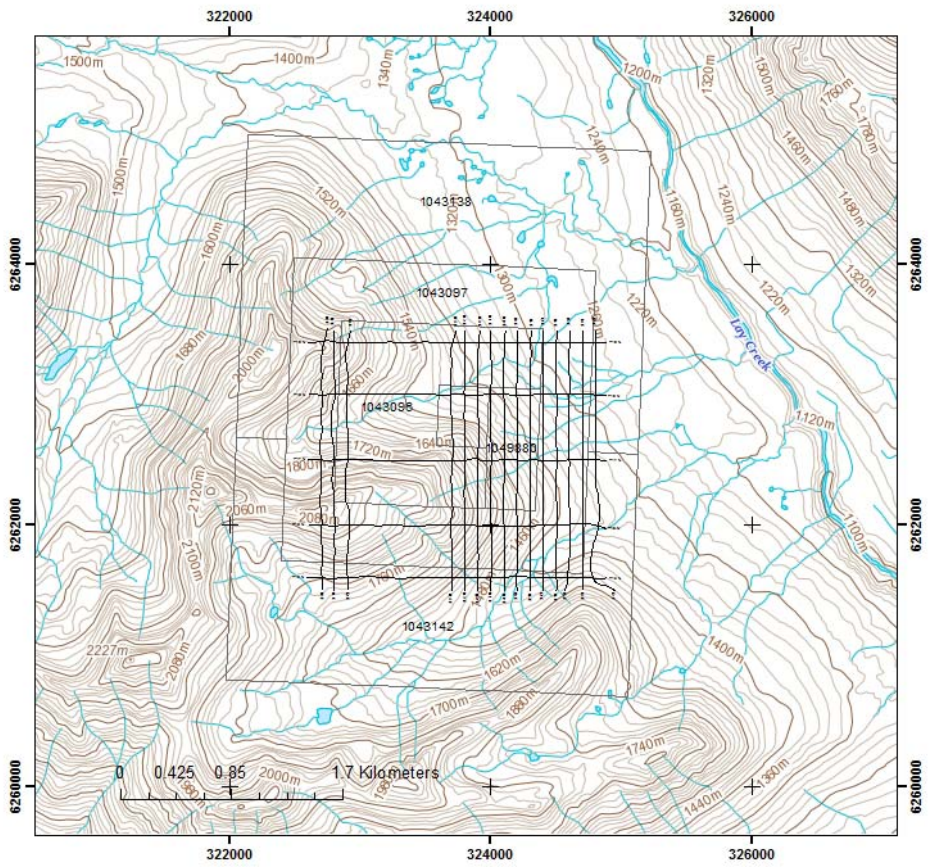
In addition to the airborne unit the survey also utilized two GSM 19 proton precession magnetometer manufactured by GEM Instruments of Richmond Hill, Ontario as base magnetometers. These instruments measure variations in the total intensity of the earth's magnetic field to an accuracy of plus or minus one nanotesla.

SURVEY SPECIFICATIONS cont'd

The survey coverage consisted of some 16 north-south orientated flight lines and 5 orthogonal tie lines.

The survey was carried out with a mean bird height of some 43 meters. The east-central portion of the property with a reasonable bird height due to extremely rugged terrain and high winds, hence was skipped over.

Survey Area	# of Lines	# of Tie Lines	Total Distance
Block 2	16	5	41 km



Block 2 – Flight Lines

DATA PROCESSING AND PRESENTATION.

The data was first exported from MagLogPro, where the various sensor inputs were merged into Geosoft compatible ascii files. This merged dataset was then loaded into Geosoft Oasis Montaj for data reduction and processing.

The data was first corrected for diurnal magnetic drift, utilizing the magnetic base stations. The data was then lag corrected to account for positioning errors due to instrument delay and other positional errors. Tie line levelling was then undertaken prior to gridding.

Gridding was then undertaken on the levelled line data utilizing Geosoft's rangrid algorithm using a 20 meter cell size.

The reduced and leveled data set was then subject to several filtering techniques using the Geosoft MagMap module for evaluation and presentation.

The magnetic data for each of the respective blocks presented in this report is Contours of Total Magnetic Intensity, Contours Calculated First Vertical Derivative, and Contours of the Tilt Derivative at a scale of 1:10,000.

Respectfully submitted,

PETER E. WALCOTT & ASSOCIATES LTD.

**Alexander Walcott, B.Sc.
Geophysicist**

**Peter E. Walcott, P.Eng.
Geophysicist**

Coquitlam, B.C.

February 2017

APPENDIX I

COST OF PROJECT.

Peter E. Walcott & Associates Limited undertook the survey daily basis of \$2900.00 per day.

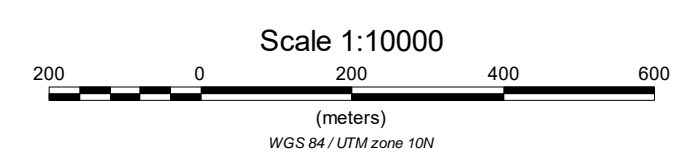
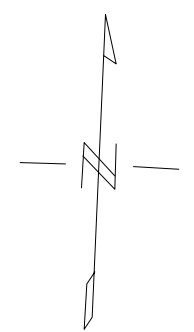
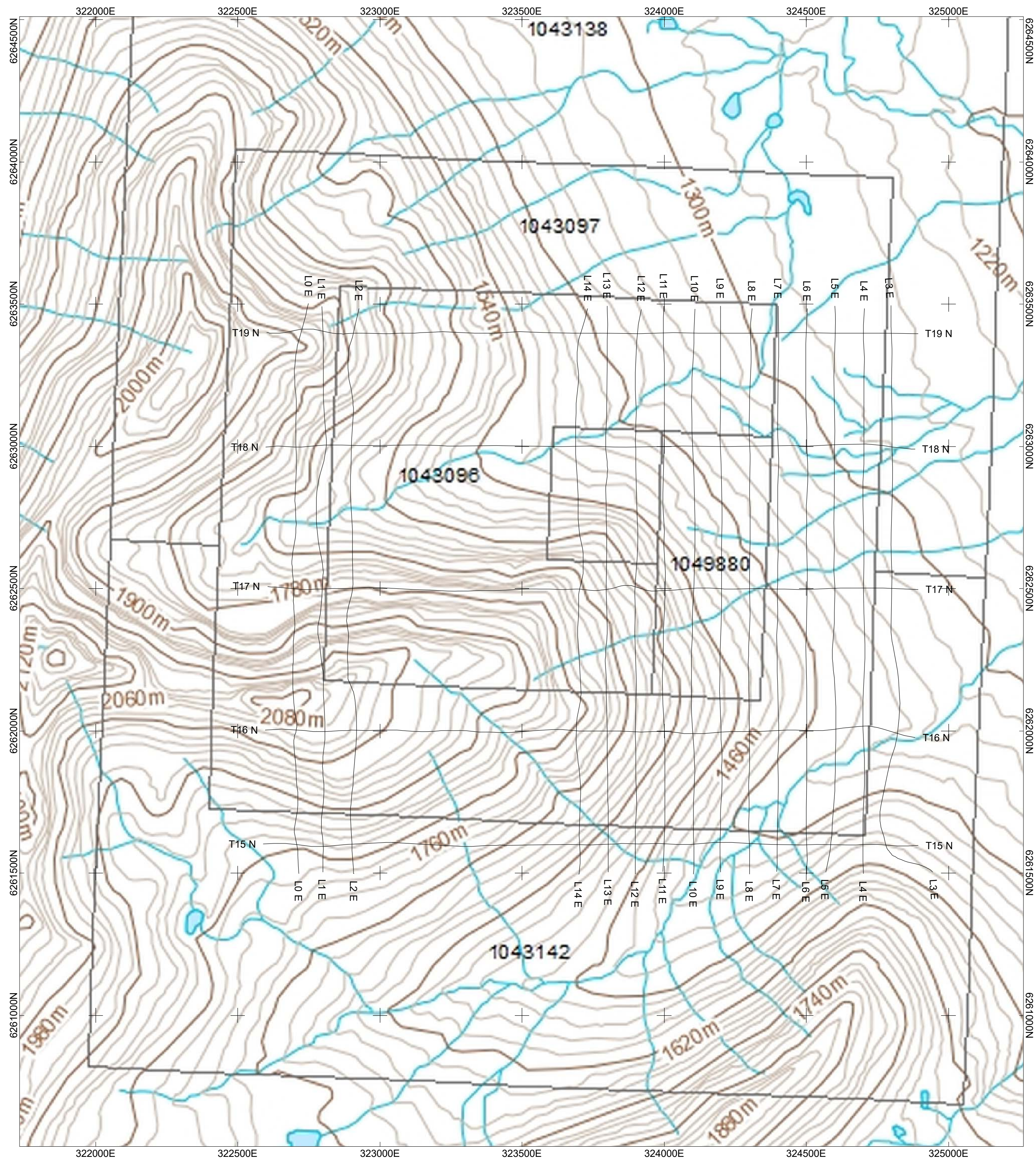
A mobilization cost of \$1,500.00 and helicopter costs of \$5228.00 were also incurred thus bringing the total cost of the project to \$9628.00

PERSONNEL EMPLOYED ON PROJECT.

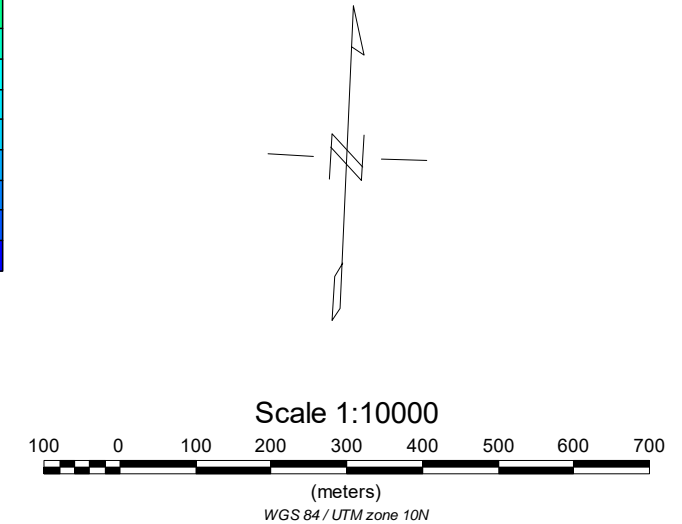
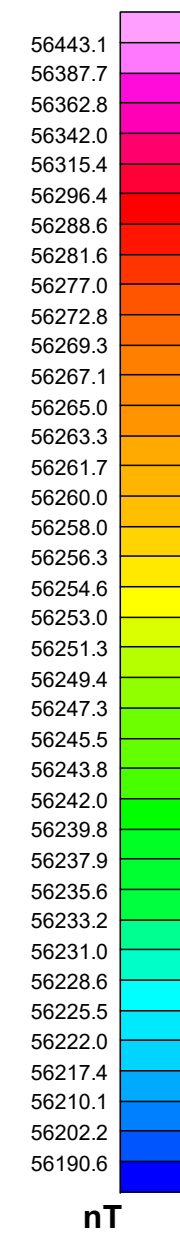
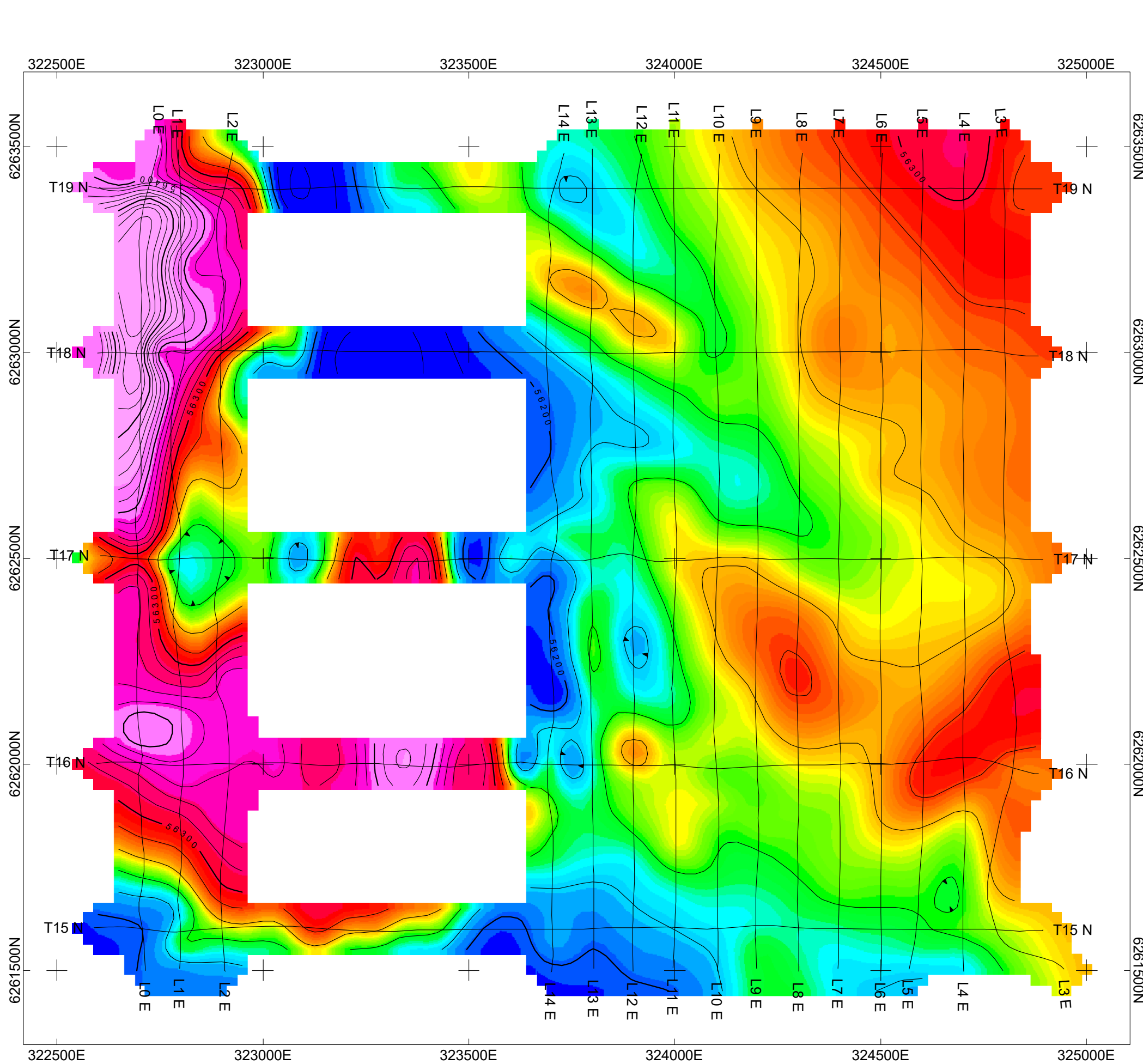
Name	Occupation	Address	Dates
Peter E. Walcott	Geophysicist	Unit 111- 17, Fawcett Rd. Coquitlam, B.C. V3K 6V2	
Alexander Walcott	"	"	November 2 nd -6 th 2016
West Luck	Pilot Fireweed Helicopters		"

DATA DESCRIPTION

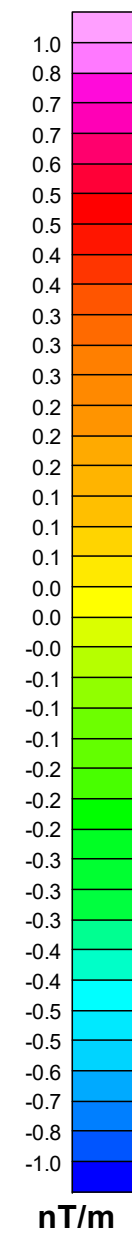
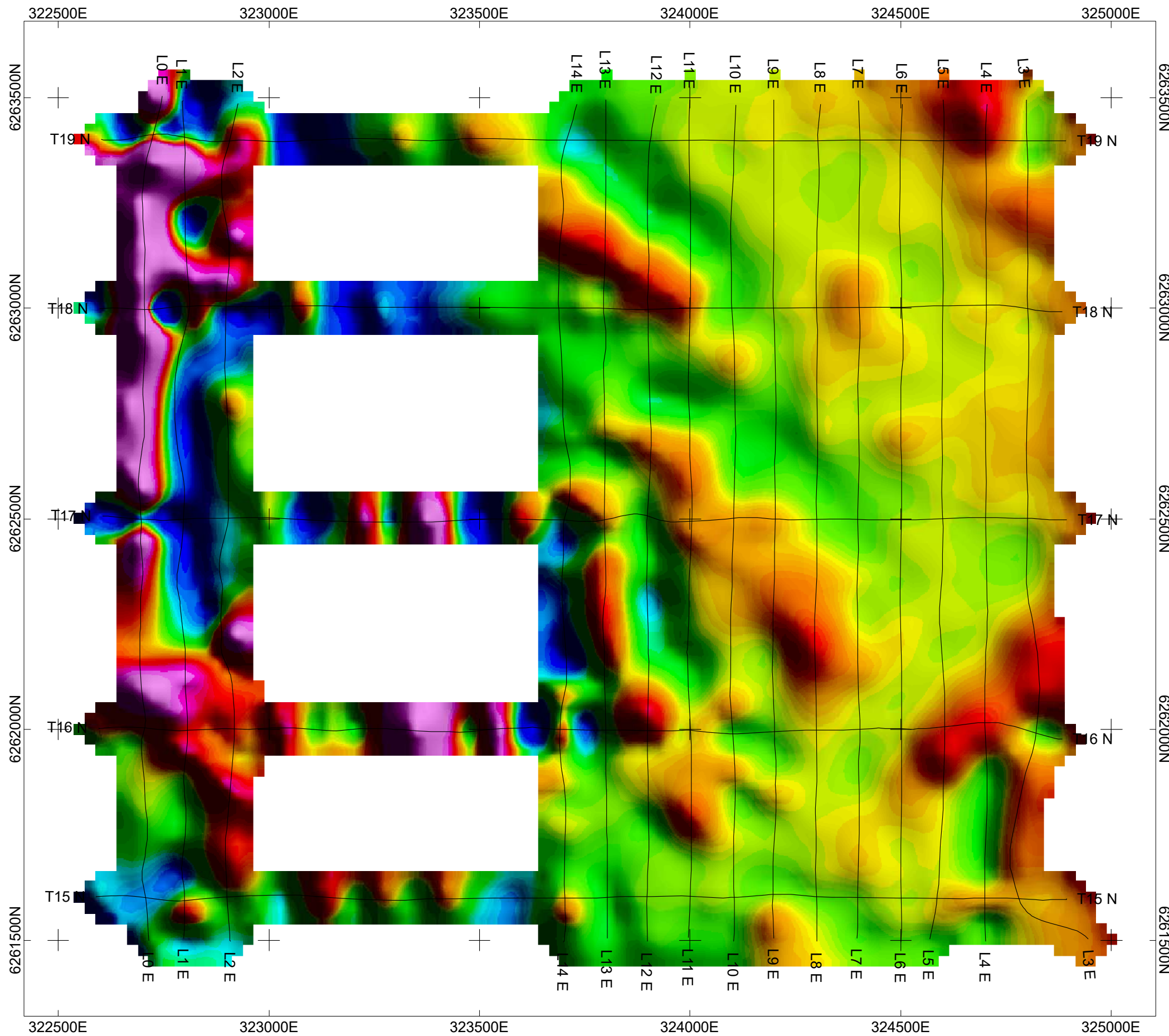
Latitude	Helicopter Position WGS 84 (degrees)
Longitude	
HeliElev	
Butmx	Bird Position Nad83 Zone 10 (m)
Butmy	
Belev	
Base	Base Station TMI (nT)
TMI	Non-Corrected TMI (nT)
TMICI	Base Corrected TMI (nT)
TMILeveled	Tie Line Leveled TMI (nT)
Microleveled	Micro Leveled TMI (nT)
Laser	Bird Height (m)
Time	
Date	
.	



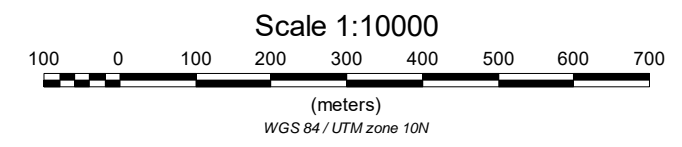
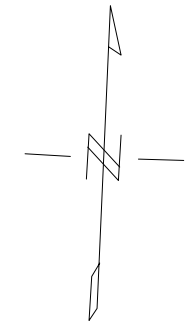
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AIRBORNE MAGNETIC SURVEY CLAIM AND LINE LOCATION
GRANITE PROPERTY NOVEMBER 2016
PETER E. WALCOTT & ASSOCIATES LIMITED



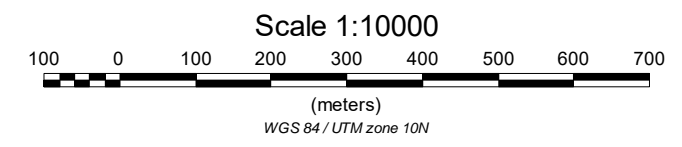
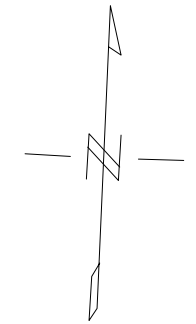
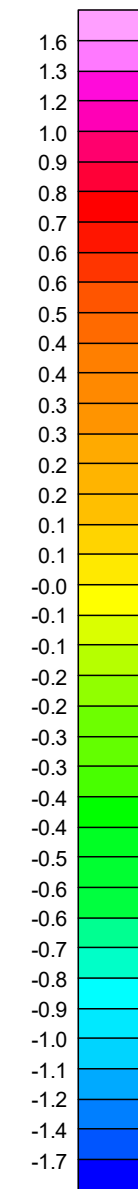
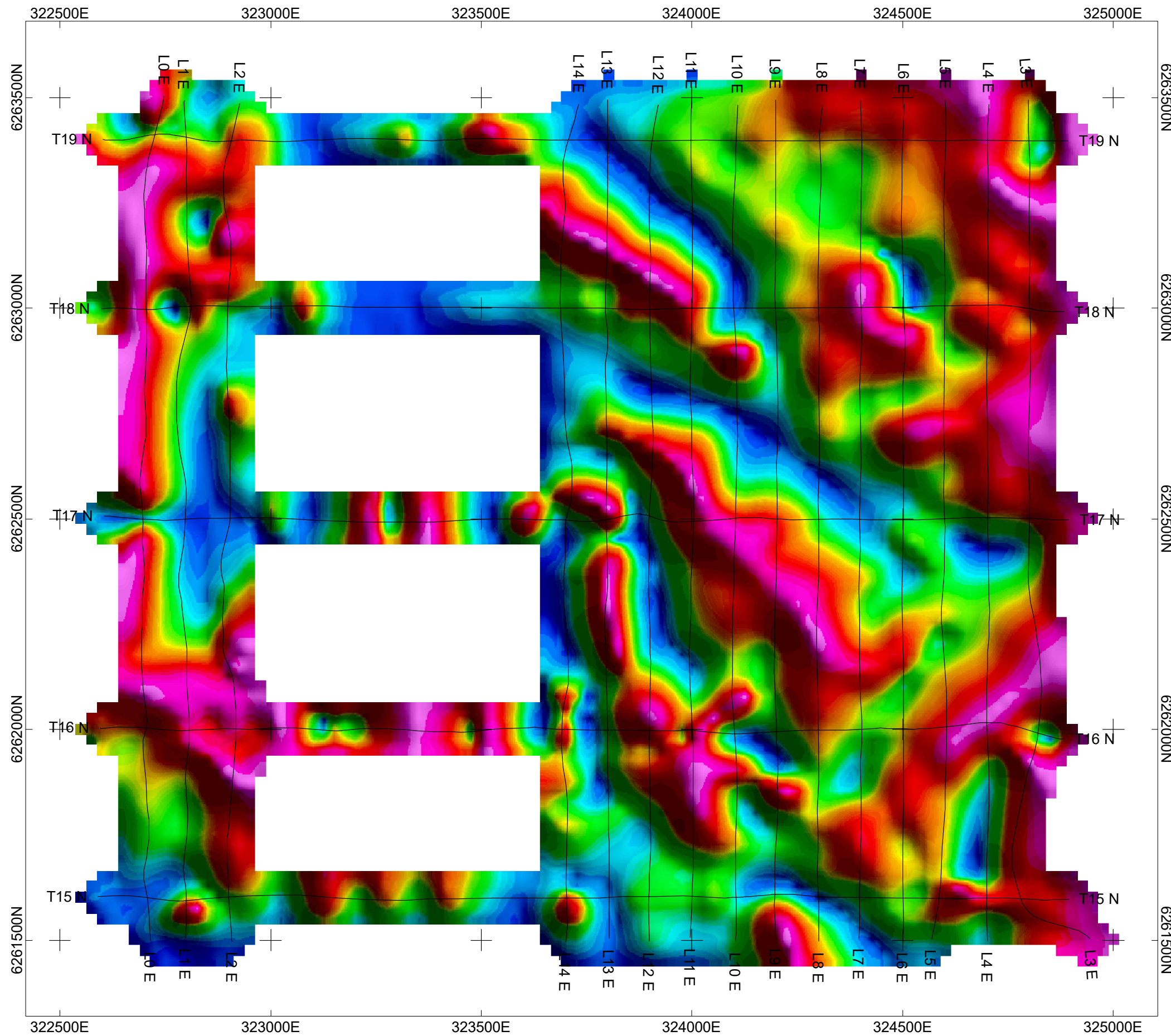
CANASIL RESOURCES INC.
AIRBORNE MAGNETIC SURVEY CONTOURS OF TOTAL FIELD INTENSITY (nT)
GRANITE PROPERTY NOVEMBER 2016
PETER E. WALCOTT & ASSOCIATES LIMITED



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AIRBORNE MAGNETIC SURVEY CONTOURS OF 1VD OF TMI
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