

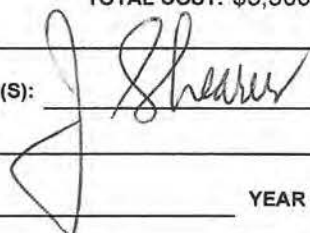
Ministry of Energy, Mines & Petroleum Resources
Mining & Minerals Division
BC Geological Survey

Assessment Report
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: Prospecting Assessment

TOTAL COST: \$5,500.00

AUTHOR(S): J. T. Shearer

SIGNATURE(S): 

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

YEAR OF WORK: 2017

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5648937

PROPERTY NAME: Sukunka

CLAIM NAME(S) (on which the work was done): 1051192

COMMODITIES SOUGHT:

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN:

MINING DIVISION: Liard Mining Division

NTS/BCGS: 93P-4, BCGS 93P.011

LATITUDE: 55 ° 08 '30 " LONGITUDE: 121 ° 53 '00 " (at centre of work)

OWNER(S):

1) J. T. Shearer

2)

MAILING ADDRESS:

Unit 5 - 2330 Tyner Street

Port Coquitlam, BC

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

1) Same

2)

MAILING ADDRESS:

Same

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

The deposit lies within a bed of limestone of the Mississippian Rundle Group underlain by shaley carbonates of Lower Mississippian Banff Formation and overlain by siltstone and shale of the Triassic Sulphur Mountain Formation.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:

None

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for...)			
Soil			
Silt			
Rock			5,500
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:			\$5,500.00

PROSPECTING ASSESSMENT REPORT
on the
SUKUNKA LIMESTONE DEPOSIT
LIARD MINING DIVISION
93P-4, BCGS 93P.011
55° 08' 30" North; 121° 53' 00" West
Claim Tenure 1051055 and 1051192
EVENT # 5648937

for

QUATSE SILVER RESOURCES LTD.
Unit 5 – 2330 Tyner Street
Port Coquitlam, BC V3C 2Z1
Ph: 604-970-6402

by

J.T. SHEARER, M.Sc., P.Geo. (BC & Ontario)
Consulting Geologist

May 10, 2017

Fieldwork completed between April 5, 2017 and May 10, 2017

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SUMMARY

The Sukunka Limestone occurrence is situated on the southeast side of the Sukunka River, just east of its confluence with Baker Creek, 64 kilometres south-southwest of Chetwynd.

The deposit lies within a bed of limestone of the Mississippian Rundle Group underlain by shaly carbonates of the Lower Mississippian Banff Formation and overlain by siltstone and shale of the Triassic Sulphur Mountain Formation (Spray River Group). The limestone outcrops as a narrow northwestward trending band along the east limb of an overturned syncline. Locally, the limestone is warped into a pair of closely-spaced anticlines trending west-northwest.

The deposit is comprised of a chemical grade limestone member that passes upward into an overlying impure limestone member. The chemical grade member consists of white speckled micrite and brown to grey-brown, very fine-grained, slightly dolomitic wackestone. The impure member consists of brown-grey to grey, fine to coarse-grained, silty, dolomitic wackestone with minor dolomitic micrite. Veins of white calcite are present in both units. Pyrobitumen is commonly displayed on fractured surfaces.

Two zones of reserves have been defined in the chemical grade limestone member along the crest of each of the two anticlines. The two zones are separated by an 80 to 90 metre wide band of impure limestone preserved along the intervening syncline. Indicated and inferred reserves (in tonnes) with average grades (in per cent) are given as follows (Industrial Mineral File - W.A. MacLeod, 1988):

Zone	Reserves	CaO	MgO	SiO ₂	Al ₂ O ₃	Fe ₂ O ₃
South	1,700,000	54.36	0.67	0.37	0.26	0.01
North	440,000	54.42	0.73	0.48	0.27	trace

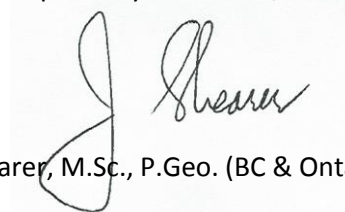
The South zone outcrops along the crest of the southern anticline over a length of 260 metres with a width of between 80 and 100 metres. The North zone outcrops for up to 160 metres along the crest of the northern anticline with a width of up to 100 metres.

Average grade is calculated at average 54.36% CaO (97.02% CaCO₃), 0.37% SiO₂, 0.01% Fe₂O₃, and 0.26% Al₂O₃.

Diamond drilling followed by limited quarry development, bulk sampling, and test marketing is proposed for the property. The recommended program budget will total \$ 160,000.00 with a potential sales revenue return from the test marketed lime of \$ 80,000.00.

Two Mineral Claims were recently staked to cover the Sukunka Limestone Deposit.

Respectfully submitted,



J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)

LOCATION MAP



Figure 1 Location Map

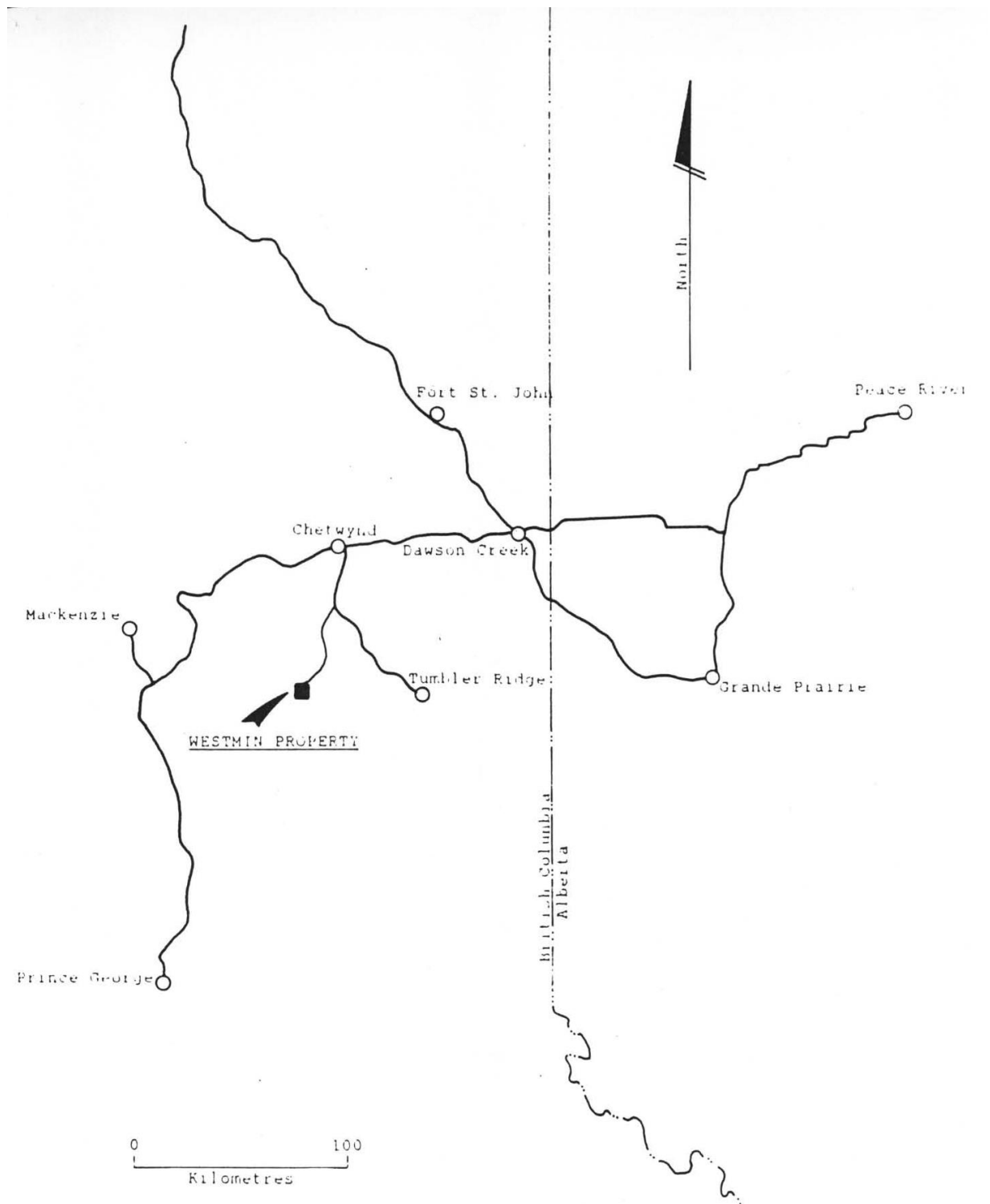


Figure 1a Detail Location Map

INTRODUCTION

This assessment report documents recent sampling on the former on the Sukunka Limestone claims located in the Sukunka River Valley in the Liard Mining Division, British Columbia.

Sampling was undertaken in April 2017.

The previous geological mapping and outcrop sampling program described in the history section was planned and supervised by W. A. McLeod during June, 1988.

This report describes the work performed and the results obtained and further recommends continued exploration by diamond drilling, bulk sampling (trial production), and the test marketing of recoverable chemical grade limestone present on the property.

CLAIM STATUS

The Mount Palsson limestone property consists of two MTO Mineral Claims which cover the former five-year Lease (Number 802015) granted to Westmin Resources Limited of Calgary, Alberta for the sole purpose of quarrying limestone.

The claims are located some seventy kilometres s o u t h southwest of Chetwynd, British Columbia in the Sukunka River Valley within the Liard Mining Division in N.T.S. grid 93 P/4 at 55°08'30" N.; 121°53'00"W. (Figure No. 1).

The property is accessible from Chetwynd via Provincial Highway No. 29 and the all-weather- Sukunka Forestry Access Road.

The property consists of the following mineral claims as tabulated in Table 1 and illustrated on Figure 2 and 3.

The staked claims are recorded as follows:

Table 1
List of Claims

Claim Name	Tenure No.	Size (ha)	Located Date	Current Expiry Date
Lime 1	1051055	110.94	March 30, 2017	March 30, 2023
Lime 2	1051192	36.98	April 4, 2017	April 4, 2023

Total 147.92 ha

* with application of assessment work documented in this report.

Cash may be paid in lieu if no work is performed. Following revisions to the Mineral Tenures Act on July 1, 2012, claims bear the burden of \$5 per hectare for the initial two years, \$10 per hectare for year three and four, \$15 per hectare for year five and six and \$20 per hectare each year thereafter.

Figure 2 Claim Map



Figure 3 Google Image, Property

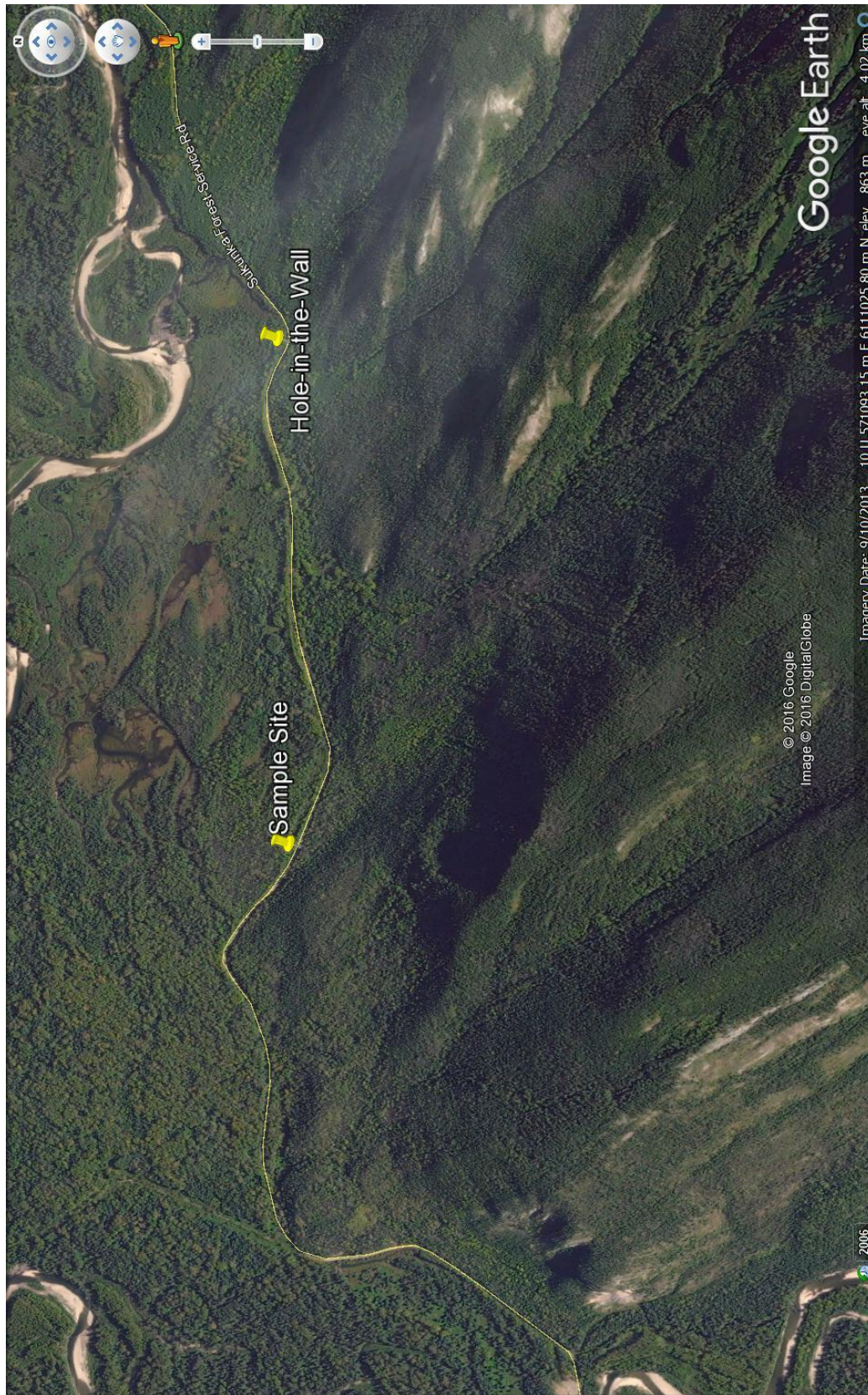


Figure 4 Google Image, Detail Property

HISTORY

Limestone Sampling

Surface sampling was carried out on the property during June, 1988 by W. McLeod and Mr. R.D. Gilchrist.

Thirty-seven representative chip samples were collected on a nominal fifty metre line spacing perpendicular to strike over most of the quarryable limestone in order to verify and augment previous sampling carried out by Westmin Resources Ltd. in 1983.

The sample locations are presented in Figure No.3 with the earlier Westmin samples referred to as the "A" Series and the 1988 work shown as Series "B".

Individual sample volumetrics are assumed to be constant and representative for the purpose of defining average limestone grades.

The samples were microscopically examined and subsequently forwarded to Loring Labs Ltd. of Calgary for assay. The assay results are discussed in the following section and the certificates included as "Appendix III" to this report.

Limestone Resources and Production

Two zones of chemical grade limestone have been previously defined on the property.

The "South Zone", by far- the larger of the two, is located along a northwest trending anticlinal axis in the southern portion of the lease. Assuming a quarry floor elevation of 765 metres and a stable quarry wall configuration attainable at sixty degrees, planimeter measurements indicate that some 1.7 million tonnes recoverable chemical grade resources are present without incurring any dilution from the overlying assay-defined low grade limestone.

Sampling results inclusive of both the 1983 Westmin assays and the current survey over the "South Zone" are tabled below (Table I):

Sample #	Assay #	% CaO	% MgO	% SiO ₂	% Fe ₂ O ₃	% Al ₂ O ₃
A-1		53.43	0.68			
A-2		53.94	0.53			
A-3		53.09	1.21			
A-4		54.86	0.45			
A-5		54.77	0.46			
A-6		54.54	0.58			
A-7		54.50	0.56			
A-8		54.42	0.90			
A-9		54.89	0.63			
A-10		54.54	0.65			
A-11	200+00	54.70	0.37	0.35	0.01	0.26
A-12	200+10	55.00	0.43	0.15	trace	0.24
A-13	200+17	54.88	0.52	0.07	trace	0.24
A-14	200+50	54.76	0.50	0.21	trace	0.24
A-15	300+00	55.00	0.48	0.11	trace	0.28
A-16	300+30	54.27	0.59	0.81	0.03	0.31
B-1	33776	55.82	1.07	0.04		
B-2	33777	64.35	0.89	0.04		

B-3	33752	54.92	0.44	0.16		
B-4	33753	54.52	0.63	0.42		
B-5	33754	54.82	0.42	0.28		
B-36	33763	53.21	1.18	1.20		
B-37	33764	53.91	1.31	0.72		
B-6	33501	53.31	0.56	0.76		
B-7	33502	54.12	0.58	0.50		
B-8	33503	54.82	0.74	0.12		
B-9	33504	53.71	0.79	0.68		
B-10	33505	54.32	0.60	0.56		
B-11	33506	53.81	0.48	0.16		
B-12	33507	54.52	0.73	0.38		
B-13	33755	54.82	0.45	0.30		
B-14	33756	53.41	0.96	0.58		
B-15	33757	54.52	0.88	0.20		
B-16	33758	54.54	0.77	0.26		
B-17	33759	54.12	0.79	0.74		
B-18	33509	54.29	0.58	0.28		
B-19	33510	54.62	0.54	0.12		
B-20	33513	54.62	0.58	0.20		

The "South Zone" assays average 54.36% CaO (97.02% CaCO₃), MgO, 0.37% SiO₂, 0.01% Fe₂O₃, and 0.26% Al₂O₃.

The "North Zone" is also situated along a northwest trending anticlinal axis and is located near the Sukunka Forestry Road in the northern portion of the lease. It is limited to some 440,000 tonnes recoverable resources with a quarry floor elevation of 756 metres and similar development geometry to that proposed for the southern zone.

Sampling results inclusive of the Westmin assays are tabled below (Table II):

Sample #	Assay #	% CaO	% MgO	% SiO ₂	% Fe ₂ O ₃	% Al ₂ O ₃
A-17	200+210	54.92	0.44	0.16	trace	0.31
A-18	300+160	55.04	0.44	0.21	trace	0.26
A-19	300+220	54.92	0.41	0.24	trace	0.24
B-21	33512	54.52	0.58	0.28		
B-22	33765	55.12	0.84	0.10		
B-23	33766	54.02	0.93	0.18		
B-24	33767	54.52	0.89	0.31		
B-25	33768	54.22	0.90	0.22		
B-26	33769	52.51	0.96	1.93		
B-27	33770	54.42	0.87	1.20		

Analysis of the "North Zone" sample data indicates average assay values of: 54.42 % CaO (97.13% CaCO₃), 0.73% MgO, 0.48% SiO₂, trace Fe₂O₃, and 0.27% Al₂O₃.

Resources on both deposits are presently classified as "Possible/Inferred" with a diamond drilling and bulk sampling program required to define prove tonnages.

Grade variance is apparent across strike on both zones and appears to be related to either localized diagenesis or the enfolding of the gradationally overlying impure carbonates. In either case, the dolomitic and silicic material

has been included within the calculated recoverable reserves to allow for lower grade sections which may be present elsewhere in the deposits.

Sampling of the lower grade silicic and dolomitic carbonates adjacent to the “North” and “South” zones is summarized below (Table III)

Sample #	Assay #	% CaO	% MgO	% SiO ₂	% Fe ₂ O ₃	% Al ₂ O ₃
A-20		54.85	0.49			
A-21	200+80	52.78	1.66	1.17	0.03	0.28
A-22	200+110	54.15	0.63	1.21	trace	0.24
A-23	200+150	54.01	0.53	1.69	0.01	0.31
A-24	300+90	53.14	1.05	2.22	0.03	0.26
A-25	300+123	54.19	0.62	1.20	0.01	0.24
B-28	33508	53.21	1.62	0.73		
B-29	33760	53.21	1.36	2.29		
B-30	33761	53.31	1.35	1.16		
B-31	33762	54.02	0.47	1.71		
B-32	33511	51.00	1.56	2.76		
B-33	33778	53.28	0.63	0.88		
B-34	33751	54.25	0.41	0.14		
B-35	33514	53.11	0.76	2.10		

The low grade material averages 53.47% CaO (95.48 CaCO₃), 0.94% MgO, 1.38% SiO₂, 0.02% Fe₂O₃, 0.27% Al₂O₃.

The Sukunka property has not been developed to date but the good access and relative proximity to the Grande Prairie and Peace River bleached chemical kraft mills clearly enhances the potential economic viability if those markets can be established.

Relatively thin overburden cover coupled with steep outcrop slopes, most notably on the "South Zone", will facilitate ultimate quarry development.

Limestone grades at the Sukunka property compare favourably with material produced from the Peace River Lime Ltd. Quarry located 2.5 kilometres northwest of the Sukunka Deposits (figure 2). Peace River Lime quarry-run samples obtained by McLeod in 1987 (assay numbers: 17013 to 17015 inclusive) averaged 54.65% CaO, 0.51% MgO, 0.39% Al₂O₃, 0.08% Fe₂O₃ and 0.81% SiO₂.

Peace River Lime Ltd. was supplying the Grande Prairie market until early 1988 when it lost the contract because of failure to adequately supply for the Proctor & Gamble Mill. The Peace River Lime operation has subsequently passed into receivership and recently in 2016 resumed local shipments.

The Geological Survey of Canada has been geological mapping and conducting structural/stratigraphic investigations in the Monkman Pass area since the mid- 1960's. Gibson (1972, 1975) produced a comprehensive account of the Triassic strata of the area, although little time was spent mapping the phosphorite within the Sulphur Mountain Member. Previous exploration work on the Wapiti West prospect was work by Esso Resources Canada Limited ("Esso") during the period from 1978 to 1980 who after completing reconnaissance style work during 1978 and 1979 focused on the Tunnel area completing detailed trenching and core drilling during 1980 (12 hole program) to the south of the Tunnel Area. The Esso work straddles the Wapiti West claim block and Wapiti and Monkman Provincial Parks which are situated to the south.

Study of phosphate deposits of British Columbia was undertaken by the British Columbia Geological Survey Branch under the auspices of the Ministry of Employment and Investment, Energy and Minerals Division during the period

from 1985 to 1990. Bulletin 98, "Phosphate Deposits in British Columbia" authored by S. Butrenchuk, P. Geo. was published in 1996 and includes general geology an overview of the phosphate occurrences in the Tumbler Ridge Project study area.

In 2008, Pacific Ridge Exploration Ltd. contracted the services of Future Metals Inc. who conducted helicopter supported reconnaissance style sampling and follow-up hand trenching of phosphate bearing stratigraphy during July and August 2008. Fieldwork consisted of Phase I reconnaissance rock sampling program which was completed from July 2 through to August 5 and a Phase II follow-up hand trenching program which was completed during the period from August 6 to August 16.

The majority of the known phosphorite occurrences and phosphatic sediments occur in the Whistler member of the Sulphur Mountain Formation and in correlative rocks of the Toad Formation. In general, phosphatic and phosphorite beds are found throughout the Whistler member which outcrops from Mesoin Mountain in the southeast to Watson Peak in the Northwest a distance of approximately 125 km. The colour of the unit tends to be darker than both overlying and underlying members. A basal conglomerate, 5 to 20cm thick, containing phosphorite exists within the Mt. Pallson - Meosin Mountain area. Within the area northwest of Wapiti Lake, phosphorite ranges in thickness from 0.8 to 3.2m with assays varying from 11.9 to 23.7 % P₂O₅ (Heffernan, 1980 & A. Legun, 1987; BC Geological Survey Branch, Bulletin 98). Phosphate is found in the form of pellets, nodules, phosphate cement, phosphatic fragments, or clasts and phosphatized fossil debris. Minor phosphate is also present within the other members.

The Sulphur Mountain Formation is divided into Vega-Phroso, Whistler and Llama members. The Vega-Phroso Member overlies Permian strata and is brown weathering, flaggy consisting of grey siltstone with minor shale and bioclastic units. The phosphatic beds are generally thin (0.3m) and locally occur in the upper part of the section. The Vega-Phroso Member varies from 80 to 270m thick.

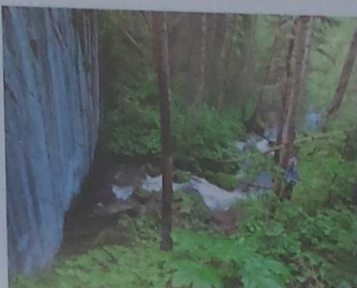
The Whistler Member is a grey weathering dark grey recessive siltstone approximately 20 to 85 meters thick which disconformably overlies the Vega-Phroso member. In outcrop, the northwest trending sedimentary unit extends from Meosin Mountain in the southeast to Watson Peak in the northwest. In many localities, its lower contact is marked by a thin 5 to 20cm basal phosphatic conglomerate. The basal conglomerate is present in the Wapiti Lake and Tunnel areas with the phosphatic bearing beds present throughout the Whistler Member.

The Llama member varies from 60 to 360m in thickness and is a resistant sequence of dolomitic and quartzitic siltstone and limestone with minor sandstone and dolostone and conformably overly the Whistler member.



Photo 1 North Zone

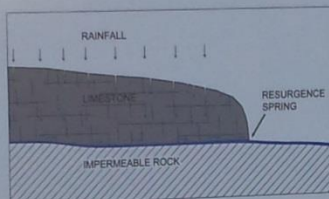
Hole-In-The-Wall Provincial Park



Hole-in-the-Wall Provincial Park was established in 2000. The 137 hectare park preserves a large resurgence spring.

This substantial clear stream emerges at the foot of a vertical blue-grey limestone cliff, and flows through the forest surrounded by verdant vegetation. The creek rushes beneath the Sukunka Forest Service Road after fifty metres, and flows through a wetland before joining the Sukunka River.

The limestone cliff is from the Mississippian Period, between 359 and 323 million years old. These rocks and the layers above them were formed from sediments deposited on the floor of a balmy, shallow sea, about 20° north of the equator, off the shore of the continent of Laurentia.



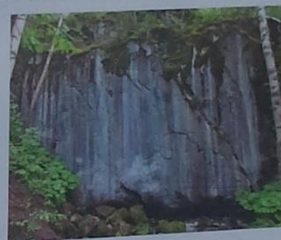
Design by Kevin Sharman.

Water in which carbon dioxide is dissolved forms the weakly acidic carbonic acid, which has the capacity to dissolve limestone rock. Surface water is rare in such areas, and most water drainage occurs through tunnels and channels in the rock deep underground. At the bottom of the limestone rock layer, if the underlying rocks are impermeable to the passage of water, this water may travel along the upper surface of the impermeable rock until it reaches the surface as a spring. Hole-in-the-Wall is an outstanding example of such a resurgence spring. Flow rates are higher after melting of the winter snowpack but remain considerable throughout the year.



American Dipper, photo by Jack Carrigan.

A pair of American Dippers can often be heard or seen with their young, bobbing up and down on the rocks in the creek, or foraging for larvae in the water. They usually nest under the rock cliff above the spring in June and July. Please do not disturb these nesting birds. Many American Dippers stay in the Peace Region through the winter, staying close to open patches of water in the faster-flowing creeks and rivers.



American Dipper nest at Hole-in-the-Wall.



BCParks



Photo 2 Hole-In-Wall Park Sign

GEOLOGY

Published geological maps show the Sukunka Limestone Deposit to be located on the eastern limb of a thrust block syncline in the Rocky Mountain Front Range and underlain by thrust and folded Triassic and Mississippian aged marine sediments (Figure 2).

Northwest striking Mississippian Rundle Group limestones underlie at least the eastern two-thirds of the lease and host the potential chemical grade limestone quarry reserves (Figure 3).

Geological mapping and sampling carried out during 1582 has shown the Rundle carbonate to consist of two gradationally distinct folded limestone lithofacies.

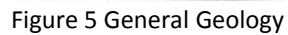
Chemical grade brown to grey-brown carbonates are continuously transitional from a very "clean" white speckled micrite through very fine grained detrital wackestone to a slightly dolomitic and silty courser grained wackestone.

Impure limestones gradationally overlie the chemical grade material and consist of brown-grey to grey fine through course grained detrital (with lessor crinoidal) silty and dolomitic wackestones and minor dolomitic micrite.

White crystalline calcite veins and stringers are present in both limestone units, but are more prevalent in the finer grained chemical grade material. Dolomite crystals in both units are typically very fine grained and appear to represent diagenetic overgrowth whereas the silica component, while equally fine grained, could either be primary or diagenetic and may therefore be indicative of depositional environment.

All limestones are relatively "tight" with only minor fracture porosity being present. Pyrobitumen is commonly observed on many of the fracture surfaces.

In the absence of a clearly defined marker horizon, structural definition is tentative at best and is only supported by opposed sedimentary layering attitudes and rock type distribution as best defined by assay data. Resolution of the detailed structure must await future drill core analyses.



EXPLORATION 2017

The claims were examined in 2017 west of the Hole-In-The-Wall Park and several samples were collected.

Assays were conducted by using an XRF Unit factory calibrated (Cert No. 0154-0557-1) on October 30, 2013, Instrument #540557 Type Olympus DPO-2000 Delta Premium. The instrument was calibrated using Alloy Certified reference materials by ARM1 and NIS5 standards. Only certified operators were employed and that were experienced in XRF assay procedures. Read times were 120 seconds or greater.

Sample #1 (grab sample) a dark grey fragmental limestone assayed 53.05% to 56.19% CaO. Sample #2, a limestone specimen similar to sample #1 assayed 54.59% CaO. Silicon runs between 1.8 to 3.5% along with low P_2O_5 of 0.45%. Iron is also low at 0.12% along with 0.0015% Sr. Sample #3 is a schistose, fine grained silty shale that is very low in CaO, high Si at 24.53% and 8.17% Al. Potassium is 2.7% and Fe 2.3%.

These results confirm the range of carbonate values obtained by previous work in the 1980's.

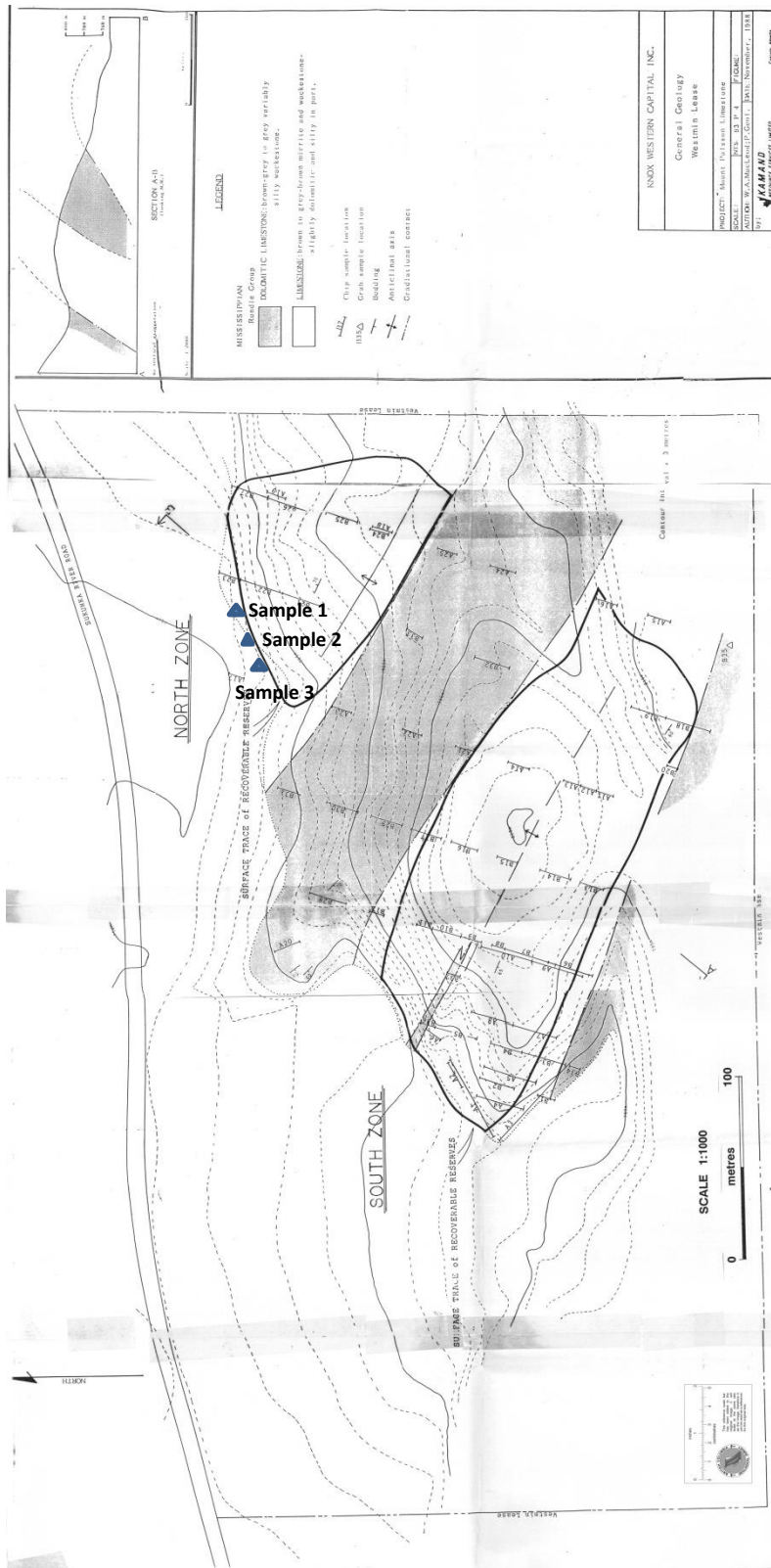


Figure 6 Detail Geology, Sukunka Limestone

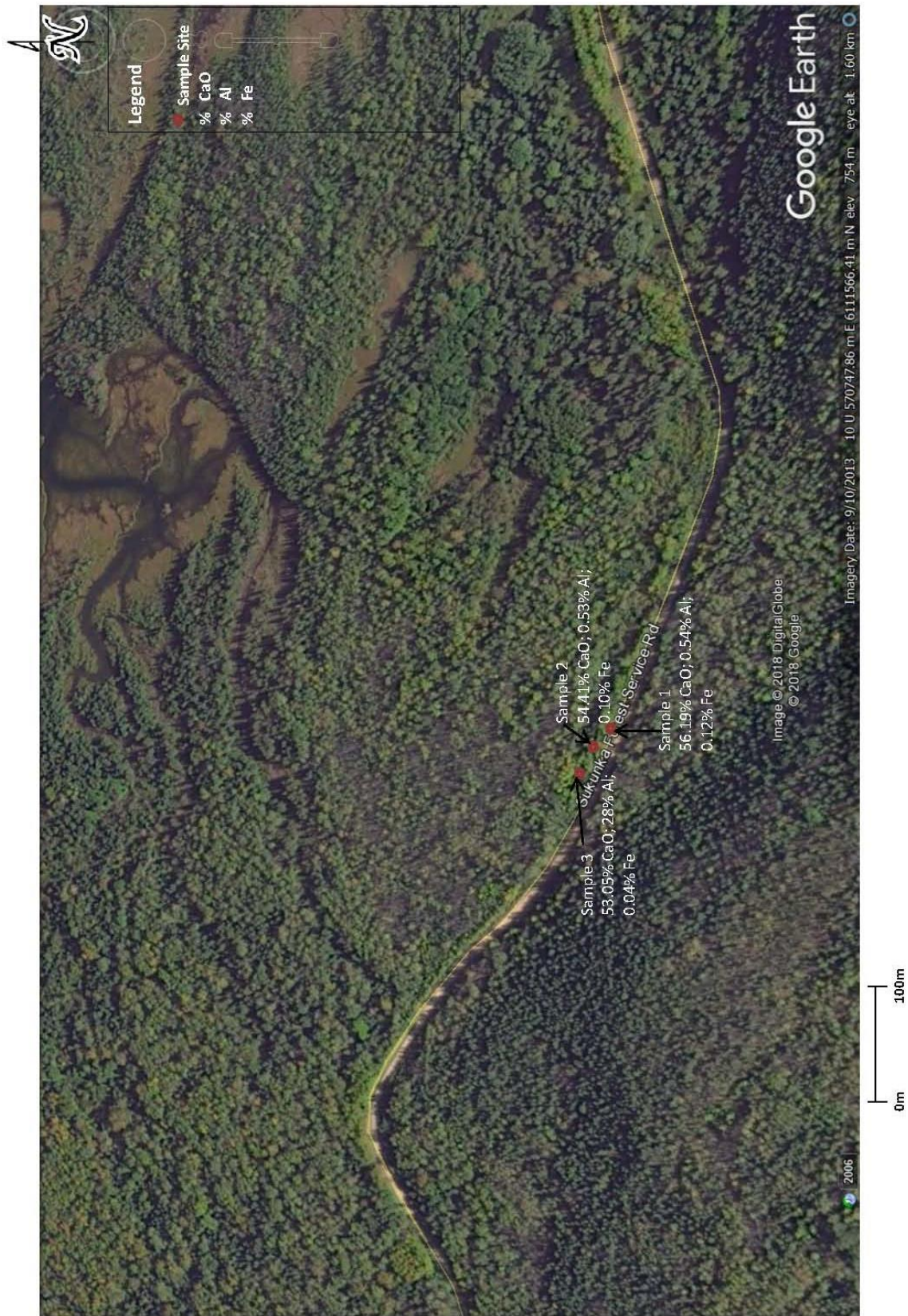


Figure 7 Sample Locations and Results

CONCLUSIONS and RECOMMENDATIONS

The subject property is underlain by northwest striking folded and thrustured marine sediments of Triassic and Mississippian age. Rundle Group limestones outcropping on the property host significant potential industrial chemical grade limestone reserves.

Representative chip sampling completed during 19E8 in conjunction with an earlier sampling program carried out by Westmin successfully defined two quarryable zones of chemical grade limestone reserves.

The largest zone at, some 1.7 million tonnes of "probable" reserves, is located in the southern portion of the Westmin Lease while the second deposit is limited to 440,000 tonnes in the northeastern corner of the property. Average assay grades at both exceed designated limerock specifications for the bleached kraft mill markets located in Grande Prairie and Peace River.

Silicic and dolomitic limestones adjacent to the two high grade deposits will meet agricultural specifications and could therefore be recovered for Peace River aglime market.

The Peace River Lime Ltd. quarry, located near the Sukunka property was in receivership thereby allowing increased access to both the chemical and aglime markets. However this quarry has recently reopened.

RECOMMENDATIONS

The results of the work have been encouraging to date, but proven quarryable reserves remain to be defined on the Sukunka claims.

Two northeast trending fences of diamond drill holes are proposed for the western end of the "South" zone in order to define sufficient initial "proven" reserves from which to base limited site development, a bulk sampling program, trial marketing, and initial limestone quarrying.

Concurrent trial production (bulk sampling) and test marketing would be contingent upon a successful drill program.

The proposed budget for the drilling and bulk sampling program is presented below (Table IV):

Proposed Budget

	Amount
Contract Diamond Drilling – 200m @ \$110/m	\$22,000.00
Mob/Demob/Accommodation/Meals	\$10,000.00
Contract Bulldozing	\$10,000.00
Contract Blasting and Crushing	\$39,000.00
Contract Trucking	\$42,000.00
Assay and Lab Services	\$7,500.00
Equipment Rentals – vehicles/survey equipment/production equipment	\$5,000.00
Project Supervision	\$12,000.00
Report Preparation and Reproduction	\$1,500.00
Subtotal	\$ 149,000.00
Contingency 10%	15,000.00
Operating Total	\$164,000.00
Less sales revenue on 2,000 tonnes limerock @ \$40/tonne	(\$80,000.00)
Possible Net Project Cost	\$84,400.00

REFERENCES

MacLeod, W.A., 1989:

Geological Report on the Westmin Lease No. 802015, Mount Palsson Area, for Knox Western Capital Inc. dated February 8, 1989.

Shearer, J. T., 2016:

Geochemical Assessment Report on the Wapiti West Project (formerly Tunnel Project), for Fertoz International Inc. dated March 22, 2016

2014:

Geological, Geochemical, Trenching and Prospecting Assessment Report on the Wapiti West Project, for Fertoz International Inc., January 9, 2014

APPENDIX 1

STATEMENT of QUALIFICATIONS

May 10, 2017

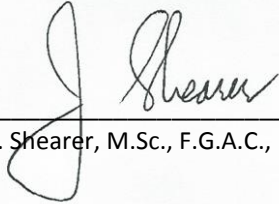
STATEMENT of QUALIFICATIONS

J. T. Shearer, M.Sc., P.Geo, Homegold Resources Ltd.

I, JOHAN T. SHEARER, of 3572 Hamilton Street, in the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I am a graduate of the University of British Columbia (B.Sc., 1973) in Honours Geology, and the University of London, Imperial College (M.Sc., 1977).
2. I have over 40 years' experience in exploration for base and precious metals and industrial mineral commodities in the Cordillera of Western North America with such companies as McIntyre Mines Ltd., J.C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd.
3. I am a fellow in good standing of the Geological Association of Canada (Fellow No. F439) and I am a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia (Member No. 19,279). I am a fellow of the Society of Economic Geologists.
4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. at #5-2330 Tyner St., Port Coquitlam, B.C.
5. I am the author of a report entitled "Property Assessment Report on the Sukunka Limestone Deposit" dated May 10, 2017.
6. I have visited the property on April 9 and 10, 2017. I have carried out mapping and sample collection and am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Wapiti claims by examining in detail the available reports and maps and have discussed previous work with persons knowledgeable of the area.
7. I have an Open Pit Supervisor Ticket (#98-3550) for daily supervision duties in the Phosphorite Bulk Sample.

Dated at Port Coquitlam, British Columbia, this 10th day of May, 2017.



J.T. Shearer, M.Sc., F.G.A.C., P.Geo.

APPENDIX II

STATEMENT of COSTS

May 10, 2017

STATEMENT of COSTS SUKUNKA PROJECT

Wages and Benefits

	Total without GST
J. T. Shearer, M.Sc., P.Geo. (BC & Ontario) 2 days @ \$700/day; April 9+10, 2017	\$ 1,400.00
Wages Subtotal	\$ 1,400.00
Expenses	
Transportation	
Truck, 4x4, 2 days @ \$120/day	240.00
Fuel	425.00
Hotel; 2 persons for 1 night each	214.00
Meals	160.00
Fieldman/Prospector 2 days @ \$325/day; April 9+10, 2017	650.00
XRF Rental	300.00
Certified XRF Operator	600.00
Report Preparation	1,400.00
Word Processing	350.00
Expenses Subtotal	\$ 4,339.00
Grand Total	\$ 5,739.00

Event #	5648937
Filed	May 10, 2017
Amount	\$ 5,500.00
PAC	\$ 1,156.08
Total Filed	\$ 6,656.08

APPENDIX III

ASSAY CERTIFICATES and SAMPLE DESCRIPTIONS

May 10, 2017

Sukunka Sample Descriptions

Sample #1	Light grey, knobby weathering , limestone, fine grained dark grey-brown, knobby weathering due to rounded fragments
Sample #2	4 th assay, similar to sample #1, darker grey, fine grained, same fragmental nature
Sample #3	1 st assay, siliceous, brown weathering, slatey cleavage, schistose dark grey, fine grained, parts are carbonate-rich

Sukunka XRF

Date	Time	Sample	1	Mg	Mg +/-	Al	Al +/-	Si	Si +/-	P	P +/-	S	S +/-	Cl	Cl +/-	K	K +/-	Ca	Ca +/-	Ti		
28/04/2017	18:10:46		1	ND		0.54	0.05	3.2748	0.032	0.4463	0.0302	0.0816	0.0029	ND		0.0402	0.0025	56.19	0.38	0.0639		
28/04/2017	18:12:25		2	ND		0.53	0.05	3.4706	0.0327	0.4342	0.0295	0.0561	0.0027	ND		0.0431	0.0025	54.41	0.37	0.0724		
28/04/2017	18:14:58		3	ND		0.28	0.05	1.8453	0.025	0.3896	0.0312	0.0192	0.0028	ND		0.0412	0.0027	53.05	0.42	ND		
28/04/2017	18:16:46		3	ND		0.58	0.05	3.3001	0.0323	0.4316	0.03	0.0476	0.0028	ND		0.0308	0.0025	54.59	0.38	0.0756		
Ti +/-	V	V +/-	Cr	Cr +/-	Mn	Mn +/-	Fe	Fe +/-	Co	Co +/-	Ni	Ni +/-	Cu	Cu +/-	Zn	Zn +/-	As	As +/-	Se	Se +/-		
0.0212	ND		ND		0.0166	0.0042	0.1181	0.0065	ND		ND		ND		0.0027	0.0006	ND		0.0006	0.0002		
0.0203	ND		ND		0.0348	0.0047	0.1002	0.0059	ND		ND		0.0029	0.0009	0.0024	0.0006	ND		ND			
	0.0417	0.013	ND		ND		0.0399	0.0047	ND		ND		ND		0.0027	0.0007	ND		ND			
0.0211	ND		ND		0.0231	0.0044	0.1277	0.0067	ND		ND		ND		0.0021	0.0006	ND		ND			
Rb	Rb +/-	Sr	Sr +/-	Y	Y +/-	Zr	Zr +/-	Mo	Mo +/-	Ag	Ag +/-	Cd	Cd +/-	Sn	Sn +/-	Sb	Sb +/-	W	W +/-	Hg	Hg +/-	Pb
ND		0.1119	0.0012	ND		0.0015	0.0004	ND		ND		ND		ND		ND		ND		ND		ND
ND		0.1087	0.0012	0.0007	0.0002	ND		ND		ND		ND		ND		ND		ND		ND		ND
ND		0.1213	0.0015	0.0011	0.0002	ND		0.0013	0.0003	ND		ND		ND		ND		ND		ND		ND
ND		0.1034	0.0012	0.0011	0.0002	ND		ND		ND		ND		ND		ND		ND		ND		ND
Pb +/-	Bi	Bi +/-	Th	Th +/-	U	U +/-	LE	LE +/-	Instrument	SN	Model	Tube	Anode	Unit								
	ND		ND		ND		39.12	0.3		540557	Delta Professional	Rh		%								
	ND		ND		ND		40.73	0.29		540557	Delta Professional	Rh		%								
	ND		ND		ND		44.17	0.32		540557	Delta Professional	Rh		%								
	ND		ND		ND		40.69	0.3		540557	Delta Professional	Rh		%								

Location of Samples: UTM 10μ ± 18ft.

Sample 1 – Waypoint 978 (Garmin) 0570680 6111420 Elevation 756m; at 53km on road

Sample 2 – 0570685 6111445

Sample 3 – 0570680 6111440