**Ministry of Energy and Mines**
BC Geological Survey

**Assessment Report**
**Title Page and Summary**

**TYPE OF REPORT [type of survey(s)]:** Geological, Petrographic & Prospecting **TOTAL COST:** $7472.29

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

**NOTICE OF WORK PERMIT NUMBER(S)/DATE(S):** n/a **YEAR OF WORK:** 2017

**STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S):** 5652380 & 5656625

**PROPERTY NAME:** Wen-Toe

**CLAIM NAME(S) (on which the work was done):**
1053101, 1053102, 1053103, 1053104, 1032322, 1032321, 1053091, 1053093, 1050557, 1015041, 1050558, 551397

**COMMODITIES SOUGHT:** Cu, Au

**MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN:** 092HNE002, 058, 059, 060, 144, 269 & 270

**MINING DIVISION:** Nicola **NTS/BCGS:** 092H/098 & 099

**LATITUDE:** 49 ° 58 ' " **LONGITUDE:** 120 ° 27 ' " **(at centre of work)**

**OWNER(S):**
1) Victory Resources Corporation 2)

**MAILING ADDRESS:**
13236 Cliffstone Court
Lake Country, BC V4V 2R1

**OPERATOR(S) [who paid for the work]:**
1) Victory Resources Corporation 2)

**MAILING ADDRESS:**
13236 Cliffstone Court
Lake Country, BC V4V 2R1

**PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):**
Basalt, Granodiorite, Diorite, Triassic Nicola Group, Jurassic Pennask Batholith, propylitic, quartz vein, chalcopyrite, stockwork

**REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS:** 1586, 4230, 9590, 24800, 427039, 29976, 30405, 30728, 30747, 32160 & 35449

| 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** | 1:1000 ,3.5 hectares mapped, 5 pits | 1053101, 551397 & 1015041 | $4742.29 |
| **Photo interpretation** | | | |
| **GEOPHYSICAL (line-kilometres)** | | | |
| **Ground** | | | |
| **Magnetic** | | | |
| **Electromagnetic** | | | |
| **Induced Polarization** | | | |
| **Radiometric** | | | |
| **Seismic** | | | |
| **Other** | | | |
| **Airborne** | | | |
| **GEOCHEMICAL (number of samples analysed for...)** | | | |
| **Soil** | | | |
| **Silt** | | | |
| **Rock** | | | |
| **Other** | | | |
| **DRILLING (total metres; number of holes, size)** | | | |
| **Core** | | | $1300 |
| **Non-core** | | | |
| **RELATED TECHNICAL** | | | |
| **Sampling/assaying** | | | |
| **Petrographic** | 1 thin section | 1053101 | $300 |
| **Mineralographic** | | | |
| **Metallurgic** | | | |
| **PROSPECTING (scale, area)** | 20 hectares, 1:5000 | 1053103 | $1400 |
| **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:** | $7472.29 |

# Geological, Petrographic and Prospecting Assessment Report on the Wen-Toe Property

Aspen Grove, British Columbia
Nicola Mining Division

Map Sheets 092H/098 & 099

UTM 683500 E, 5535 000 N (Zone 10)

Claims 1053101, 1053102, 1053103, 1053104, 1032322, 1032321, 1053091, 1053093, 1050557, 1015041, 1050558, 551397

Prepared for:
Victory Resources Corporation

Prepared by:
Helgi Sigurgeirson, P.Geo.
January 17, 2018

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## Introduction

Location, Access and Physiography

The property is about 30 km southeast of Merritt in south-central British Columbia (Figure 1). It is accessed by taking highway 97C southeast to the Loon Lake Road Exit, which connects to the logging road network which criss-crosses the property. The property is centred at approximately 685000E, 5535000N (Zone 10).
The topography is moderate and is characterized by rolling hills. It ranges in elevation from 1720 m in the southeast part of the property to 1040 m in the Quilchena Creek valley in the northwest corner of the property. Most of the property is covered by second growth forest, and cut blocks at various stages of regrowth are common. Summers are generally hot and dry and snow can be expected from November to March.

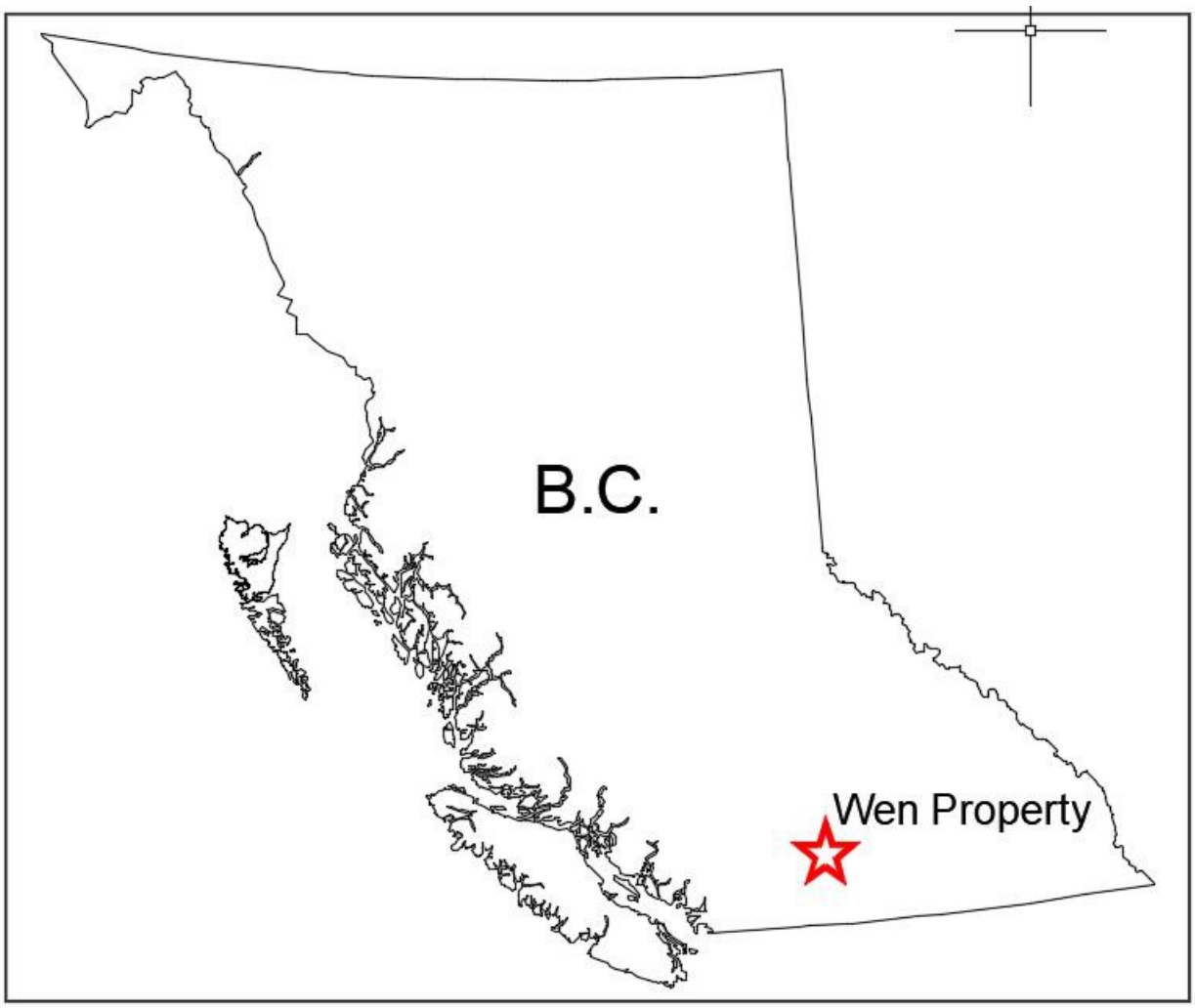


**Figure 1 : Location Map**

## Property Definition

The Wen-Toe Property consists of 12 claims totalling 6300.81 hectares (Figure 2). The claims are 100% held by Victory Resources Corporation. Two statements of work were filed (EV#5652380 and EV#5656625) for the work described in this report on June 10 and July 16, 2017. Claim details are given in Table 1.

| Claim | Good to date | Hectares |
|---|---|---|
| 1053101 | 2017/SEP/05 | 727.8 |
| 1053102 | 2017/SEP/05 | 685.92 |
| 1053103 | 2017/SEP/05 | 1102.08 |
| 1053104 | 2017/OCT/16 | 519.72 |
| 1032322 | 2017/SEP/05 | 623.83 |
| 1032321 | 2017/SEP/05 | 644.52 |
| 1053091 | 2017/SEP/05 | 145.57 |
| 1053093 | 2017/SEP/05 | 103.97 |
| 1050557 | 2017/SEP/05 | 478.51 |
| 1015041 | 2017/SEP/05 | 436.87 |
| 1050558 | 2017/SEP/05 | 332.85 |
| 551397 | 2017/SEP/05 | 499.17 |

**Table 1: Claim details.**

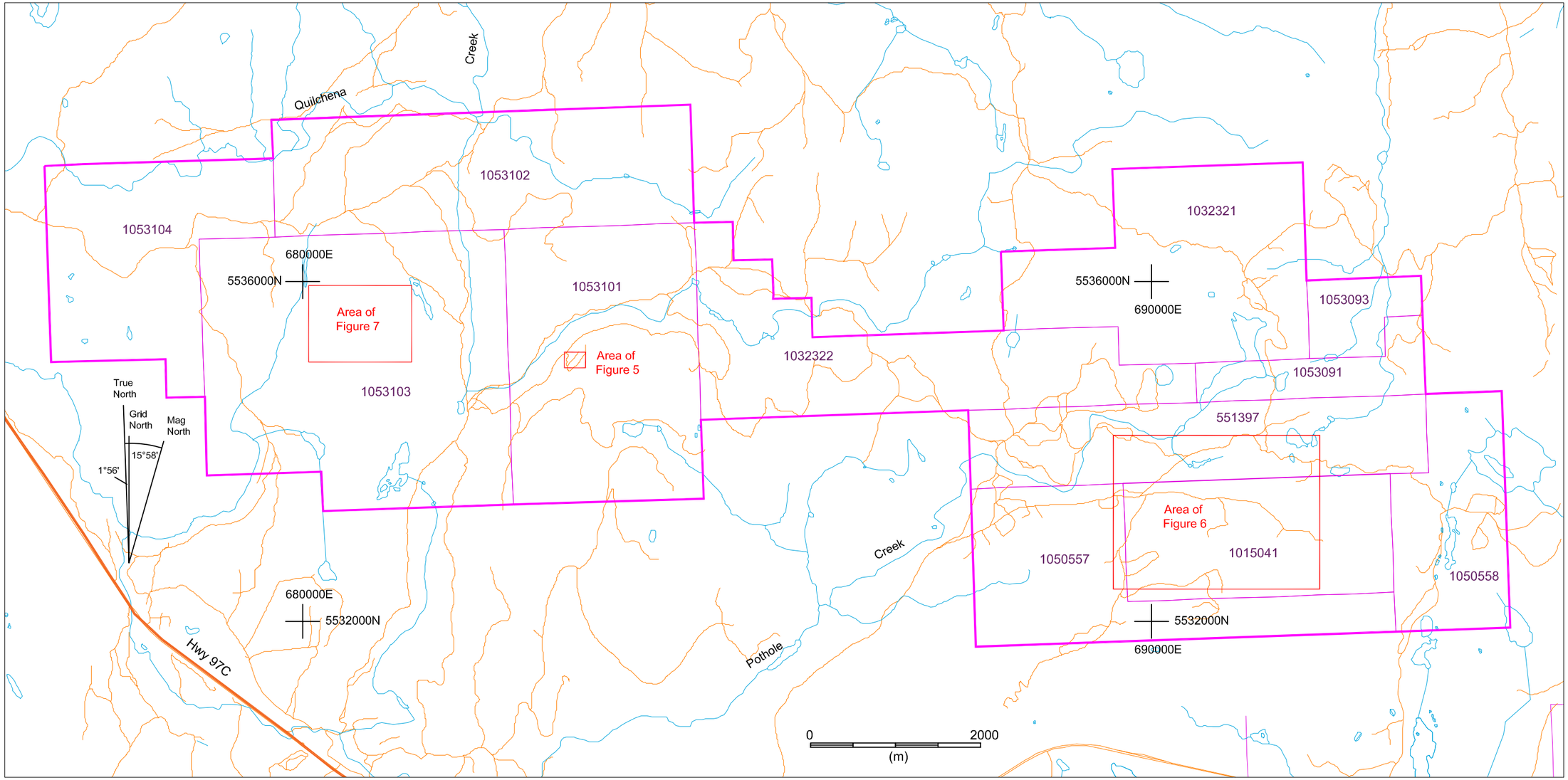


Figure 2: Claim & Index Map

Scale = 1:50 000

## Previous Work

A considerable amount of exploration has been done on the property and is summarized on Table 2. However, most of these programs were small and narrowly focused. Reconnaissance mapping was done by Consolidated Skeena Mines Ltd. (Sharp, 1968) over part of the property and limited mapping was done in the Au, Mal and HN-Wen Prospect areas. Consolidated Skeena Ltd. (Sharp, 1968) put in large soil and magnetometer grids in the Mal and Toe areas. Nitracell Canada Ltd. (Kierans, 1972) put in a large soil, magnetometer and IP grid in the HN-Wen area. Significant drill programs were done by Nitracell Canada Ltd. (Kierans, 1972), George Resource Company Ltd. (Verley, 1997) and Victory Resources at the Wen Prospect (Verzosa, 2003; Sookochoff, 2007, 2008 & 2009) . The Mal Prospect was mainly drilled by Kerr-Addison Gold Mines Ltd. (alluded to in other reports, but not recorded) and Abaton Resources Ltd. (Tully, 1981). Pyramid Gold Mines reportedly drilled 7 holes at the Au Prospect, but the results are not recorded. Victory Resources drilled 11 holes in the Toe area over several years (Sookochoff, 2008, 2009 & 2011).

Wen-Toe Property Minfiles (Figure 3):

Toe (092HNE060) – A copper soil anomaly.
HN-Wen (092HNE058) - A Cu+/-Au quartz vein and stockwork mineralization.
Echo (092HNE059) – A number of minor chalcopyrite showings.
Mal (092HNE002) – A Cu skarn prospect.
Malachite 7 (092HNE269) – A Cu skarn showing.
Au-Wen (092HNE144) – Sulphides with (Au +/- Cu) bearing fracture zone.
Kit (092HNE270) - Minor chalcopyrite and molybdenum bearing shear zone

## Work Program Summary

The purpose of the June and July 2017 work program was to:

1. characterize the overburden in the Toe area.
2. examine the stored drill core for evidence of porphyry style mineralization.
3. prospect the area of the IP anomaly on claim 1053103.
4. map the HN-Wen Prospect.

Five days of fieldwork were done from June 7 to 9 and July 15 to 16. Five overburden pits were dug. About 20 hectares were prospected. A quicklog was made and a core sample was taken for petrography. About 3.5 hectares were mapped at a 1:1000 scale.

| Year | AR# | Author(s) | Company | Zone | Geological | Geochemical | Geophysical | Drilling | Other |
|---|---|---|---|---|---|---|---|---|---|
| 1961 | 403 | Rutherford | Skeena Silver Mines Ltd. | Mal | | | e.m. | | |
| (1962) | | (see AR#449 & 1586) | Kerr-Addison Gold Mines Ltd. | Mal | | | | 17? DDHs (1219 m) | Limited trenching |
| 1962 | 449 | Sirola | Kerr-Addison Gold Mines Ltd. | Mal | Prospect area | | SP, mag | | |
| (1967) | | (EMPR AR 1967) | Marengo Mines | Kit | | | | 2 DDHs | 60 m trench |
| 1967 | 1049 | Sharp | Consolidated Skeena Mines Ltd. | Mal (Echo), Toe | | Soil sampling | | | |
| 1967 | 1089 | Sharp | Consolidated Skeena Mines Ltd. | Toe | | Soil sampling | mag, e.m. & radioactivity | | |
| 1968 | 1586 | Sharp | Consolidated Skeena Mines Ltd. | Mal, Toe | Reconnaissance | Soil sampling | Mag | | |
| 1968 | 1703 | Caven | Consolidated Skeena Mines Ltd. | Toe | | | IP | | |
| 1968 | 1718 | Boniwell | Consolidated Skeena Mines Ltd. | Mal | | | IP | | |
| 1972 | 4230 | Kierans | Nitracell Canada Ltd. | Wen | Prospect area | Soil & rock sampling | IP, mag | 5 DDHs (884.7 m) | |
| (1974) | | (see AR#7293) | Pyramid Gold Mines | Au | | | | 7? DDHs | Trenching |
| 1979 | 7293 | McGowan | Invex Resources Ltd. | Au | | Soil & rock sampling | | | Trenching |
| 1979 | 7399 | McGowan | Invex Resources Ltd. | Au | | Soil sampling | | | |
| 1980 | 8453 | Tully | Abaton Resources Ltd. | Mal | | Rock sampling | VLF, mag | | Trenching |
| 1981 | 9078 | Mark | Omineca Resources Ltd. | Mal (south) | | | e.m. | | |
| 1981 | 9194 | Mark | Core Energy Corporation | Mal (Echo) | | | e.m. | | |
| 1981 | 9590 | Tully | Abaton Resources Ltd. | Mal | | | | 7 DDHs (616.18 m) | |
| 1983 | 11241 | Quin | Imperial Metals Corporation | Au | | | | 2 DDHs (167.8 m) | |
| 1986 | 16008 | Freeze & White | Algo Resources Ltd. | Au | Prospect area | Rock sampling | IP, mag | | |
| 1991 | 20994 | Clayton | Minova Incorporated | Toe (south) | Area south of Toe | Soil & rock sampling | | | |
| 1992 | 22566 | Watson | Laramide Resources Ltd. | | | Rock sampling | | | |
| 1992 | 22305 | Heyman | D. A. Heyman | Au | | Soil sampling | Mag | | |
| 1994 | 23446 | Balon | Fairfield Minerals Ltd | Au | | Soil & rock sampling | | | |
| 1997 | 24800 | Verley | George Resource Company Ltd. | Wen | | | | 16 DDHs (1636.8 m) | |
| 1997 | 24806 | Verley | George Resource Company Ltd. | Au | | Soil & rock sampling | | | Trenching |
| 2000 | 26469 | Dahrouge | Commerce Resources Corporation | Au, Mal, Wen | Reconnaissance | Rock sampling | | | |
| 2001 | 26605 | Reeder & Dahrouge | Commerce Resources Corporation | Toe | | Soil & rock sampling | | | |
| 2003 | 27039 | Verzosa | Lateegra Resources Corporation | Mal, Wen | | Soil sampling | VLF, mag | 6 DDHs (702.5 m) | |
| 2005 | | Verzosa | Victory Resources | Au, Mal, Wen, Toe | | | | | 43-101 Report |
| 2007 | 28905 | Sookochoff | Victory Resources | Wen | | MMI | | | |
| 2007 | 28924 | Sookochoff | Victory Resources | Au | | MMI | | | |
| 2007 | 29976 | Sookochoff | Victory Resources | Toe | | | | 1 DDH (160 m) | |
| 2008 | 30340 | Sookochoff | Victory Resources | Toe | | | | 1 DDH (283.3 m) | |
| 2008 | 30405 | Sookochoff | Victory Resources | Wen | | | | 1 DDH (88.39 m) | |
| 2009 | 30728 | Sookochoff | Victory Resources | Wen | | | | 4 DDHs (183.43 m) | |
| 2009 | 30747 | Sookochoff | Victory Resources | Toe | | | | 3 DDHs (160 m) | |
| *2010* | *31189* | *Sookochoff* | *Victory Resources* | *Mal (southwest)* | | | | | *Lineament study* |
| *2010* | *31194* | *Sookochoff* | *Victory Resources* | *Mal (south)* | | | | | *Lineament study* |
| 2011 | 32160 | Sookochoff | Victory Resources | Wen | | | | 6 DDHs (702.5 m) | |
| *2013* | *33747* | *Sookochoff* | *Victory Resources* | *Toe* | | | | | *Lineament study* |
| *2013* | *34282* | *Sookochoff* | *Victory Resources* | *Au* | | | | | *Lineament study* |
| *2015* | *35209* | *Sookochoff* | *Victory Resources* | *Connector* | | | | | *Lineament study* |
| 2015 | 35449 | Sookochoff | Victory Resources | Mal (south) | | | IP | | |
| *2016* | *35487* | *Sookochoff* | *Victory Resources* | *Wen* | | | *Mag* | | *Lineament study* |
| *2016* | *36193* | *Sookochoff* | *Victory Resources* | *Connector* | | | *Mag* | | *Economic evaluation(?)* |

**Table 2: Property History**

## Regional Geology

The property is located within the Quesnel Terrane, which is composed of Paleozoic and Mesozoic arcs and is an important metallogenic belt hosting numerous porphyry Cu-Au-Mo deposits. The property is within the eastern Belt of the late Triassic Nicola Group, which is composed of basaltic volcanic rocks and fine grained sediments. The Nicola Group rocks are intruded by granodiorites and quartz diorites of the early Jurassic Pennask Batholith (Preto, 1979; Monger, 1989). Major north-south trending faults, such as the Kentucky-Alleyne Fault immediately west of the property, are the dominant structural feature in the area. The metamorphic grade of the Nicola group rocks is gcommonly prehnite-pumpellyite.
The Dillard Creek Property, about 20 km to the south, hosts an alkalic porphyry system in the same (eastern) belt of the Nicola Group (Mihalynuk & Logan, 2013) as the property. The alkalic porphyry deposits of the Iron Mask Batholith also occur within Nicola Group volcanics, about 75 km to the north (Logan & Mihalynuk, 2006). In addition, Logan et al (2011) consider the Pennask Batholith to be part of the Takomkane/Wildhorse Suite, one of the three main mesozoic magmatic suites that displays Cu Porphyry mineralization. The Brenda Deposit, about 20 km to the east is an example of a porphyry deposit associated with this suite.

## Property Geology

The property is dominated by mafic, augite and hornblende porphyry pyroclastics and flows of the Nicola Group, and related dioritic intrusive rocks. Medium and coarse grained intrusives of the Pennask Batholith lie along the northern edge of the property. Mudstones and other fine clastic rocks of the sedimentary facies of the Nicola Group occur in the southeastern part of the property. The rocks are generally unfoliated.
The geology on Figure 3 is from the Geology, Hope, British Columbia Map Sheet (Monger, 1989). It is a 1:250 000 scale regional map and provides little detail, except to show that bedding in the area is generally west dipping. Beyond this the property is largely unmapped. The little mapping that was done during the various exploration programs on the property was either reconnaissance mapping or of limited extent.

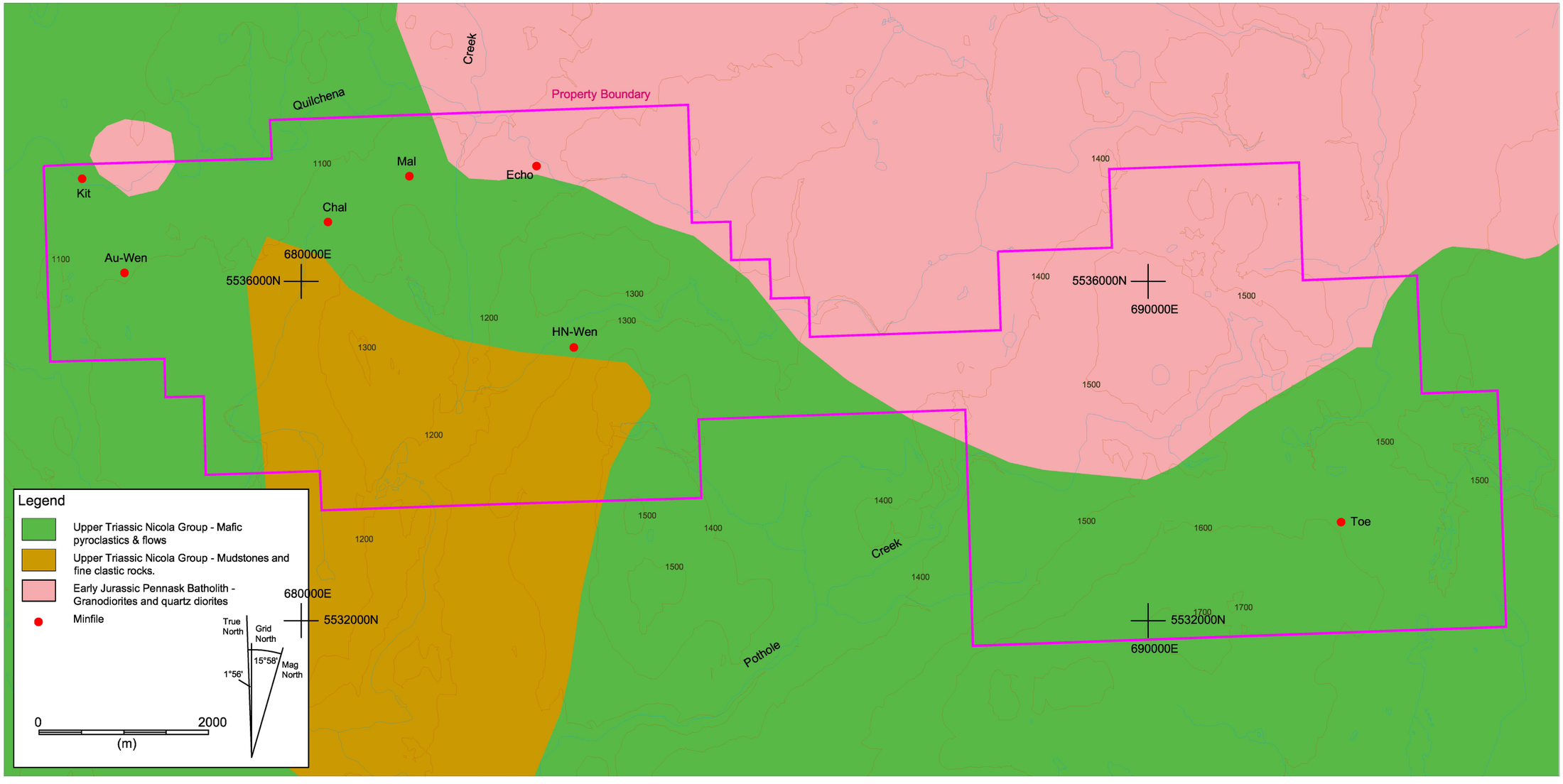


Figure 3: Property Geology Map

Scale = 1:50 000

## Core Exam

On July 7, 2017, some of the core from the 2010 drilling was examined. Only part of DDH 2010-05 and DDH 2010-04 had been kept in storage in Kelowna. A quicklog of part of hole 2010-05 (Figure 4) was made and a sample was selected for petrography.
The purpose of the exam was to look for indicators that the mineralization may be part of a porphyry system.
The upper part of DDH 2010-05 features a significant amount of mineralization, which Sookochoff (2011) interprets as a parallel structure to the main zone, though it may simply indicate a turn or offset of the main zone. A sulphide bearing quartz vein from about 18 to 28 m returned 1.76% Cu over 9.15 m, with up to 775 ppb Au. Oddly, the strongly altered and mineralized rock from about 6.7 to 11 m was not assayed. Three lithologies were noted. The uppermost is a medium to dark greyish green basaltic? tuff with generally inclined, but often contorted contacts. It is sheared and altered at it's lower contact with the quartz vein. Below the quartz vein is a horneblende (chlorite altered) and plagioclase bearing intrusive that is brecciated by quartz veins and features what appears to be variably strong chlorite + kspar alteration over about 7 m adjacent to the main quartz vein. A sample was taken from this material and submitted for petrographic analysis (Appendix 1). From about 36 to 50 m, is a dark green hornblende – plagioclase phyric diorite? The lower contact of the diorite is a highly broken zone with some quartz veining, though no sulphides. Below this is what appears to be a basaltic? tuff breccia or a pillow breccia, with the occasional zone of quatrz-carbonate brecciation +/- sulphides (mainly pyrite). Clasts? of this material are often similar to the diorite? above.
The occurrence of a (possibly) potassically altered and mineralized intrusive adjacent to the quartz vein is interesting from an alkalic porphyry exploration perspective. The petrographic report tentatively considered the potassium feldspar to be magmatic, though the patchy, variable nature of the potassic feldspar visible in other parts of the core suggests that it is an alteration mineral.

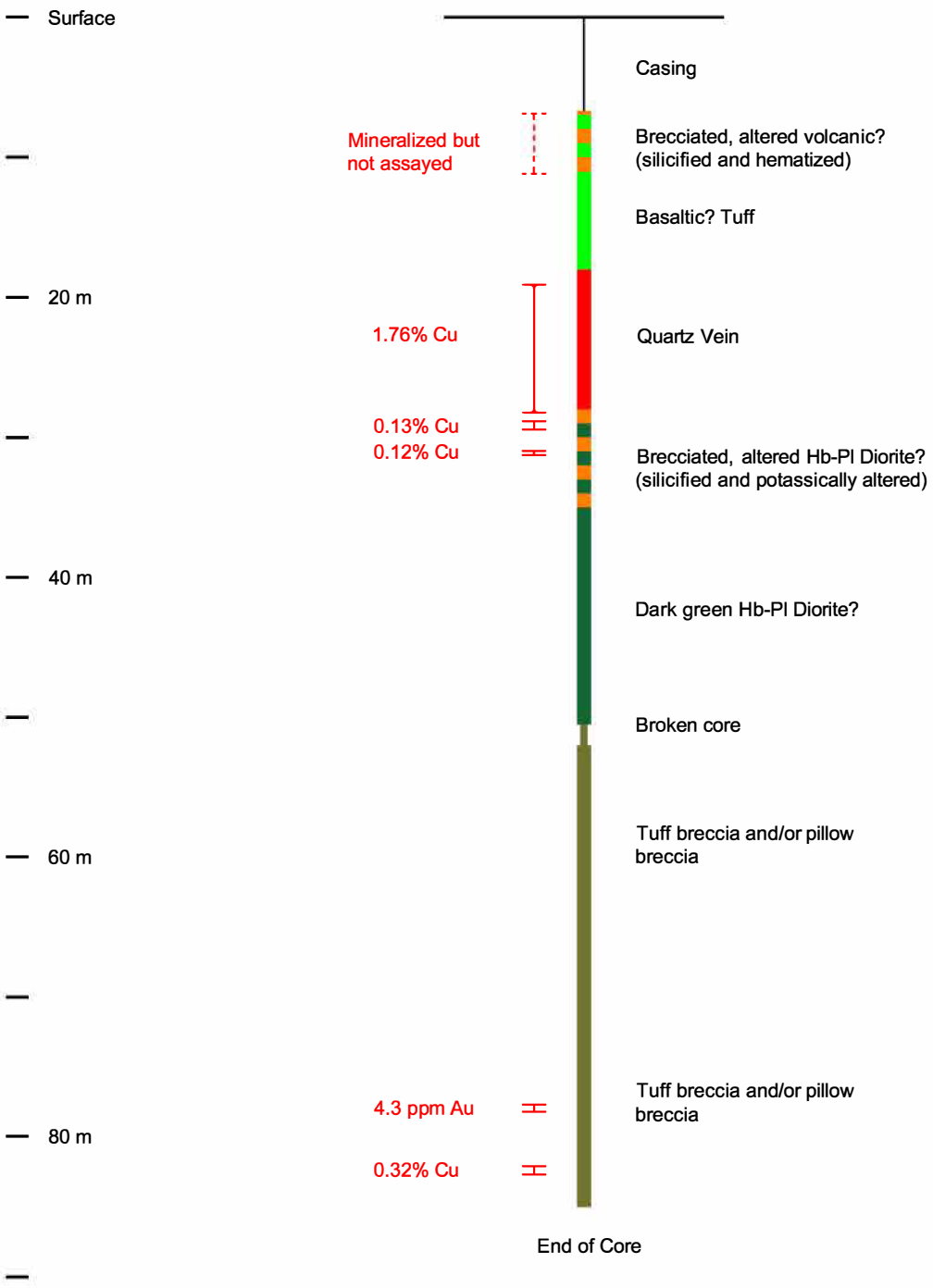


Figure 4: Quick log of Hole2010-05 Scale = 1:500

## Geological Mapping

The HN-Wen Prospect has had considerable exploration attention paid to it, but the work has, for the most part, been focused on repeatedly drilling the same small area of discontinuous Cu +/- Au bearing quartz vein and related stockwork mineralization. Geological mapping was done over the prospect area by Nitracell Canada Ltd. during the 1972 program (Kierans, 1972), but the available scan of the map is not legible. Limited reconnaissance mapping was also done by Skeena Consolidated Mines Ltd. (Sharp, 1968) during a previous program. Since then, no mapping has been done in the area. The purpose of the 2017 mapping was to produce a geological map of the showing area. July 15 and 16, 2017 were spent locating features and mapping outcrop at a 1:1000 scale in the Hn-Wen Prospect area (Figure 5).
Three adits are shown on the cross section from Sharp's 1968 report. The lower and middle adit were located, but the upper adit was not. It was likely in the stripped area above the upper road and was reported to have collapsed by the time of the 1968 report.
Four lithologies were mapped. Furthest west are black and grey mudstones and siltstones. One possible bedding measurement indicated a steep east dip. The drill reports indicate a westerly dip for the sediments. East of the mudstones, and apparently intercalated with them, are fine grained medium to dark grey green tuffs and lapilli tuffs. The north and west part of the mapped area is underlain by variably hornblende-pyroxene-plagioclase phyric basalt? One outcrop in this area was mapped as a horneblende phyric diorite. One outcrop to the east was mapped as lapilli tuff, but more mapping should be done to define the east contact.
The area mapped as porphyritic basalt coincides an the area of alteration and mineralization. The core exam (previous section) indicates that an intrusive may be associated with the mineralization, and that it would likely difficult to distinguish between the porphyritic basalt? and the dioritic? intrusive in an altered handsample, therefore the lithological assignments in this area should be considered provisional until more thorough mapping and petrography can be done.
The main adit features strongly limonitic, patchily malachite stained, bleached (sericite?), fine grained volcanic or intrusive rock. It is within a southeast striking zone of alteration and spotty mineralization at least 70 m wide, that appears to have a fairly well defined (shear or fault) contact to the west, though the east contact is uncertain. Epidote and carbonate alteration, both disseminated and as veinlets are ubiquitous within the altered zone. More intensely altered areas feature quartz-carbonate veinlets +/- chalcopyrite (and/or malachite). These areas are often limonitic. Hematite was observed on fractures at a number of locations, including specular hematite in quartz vein float.

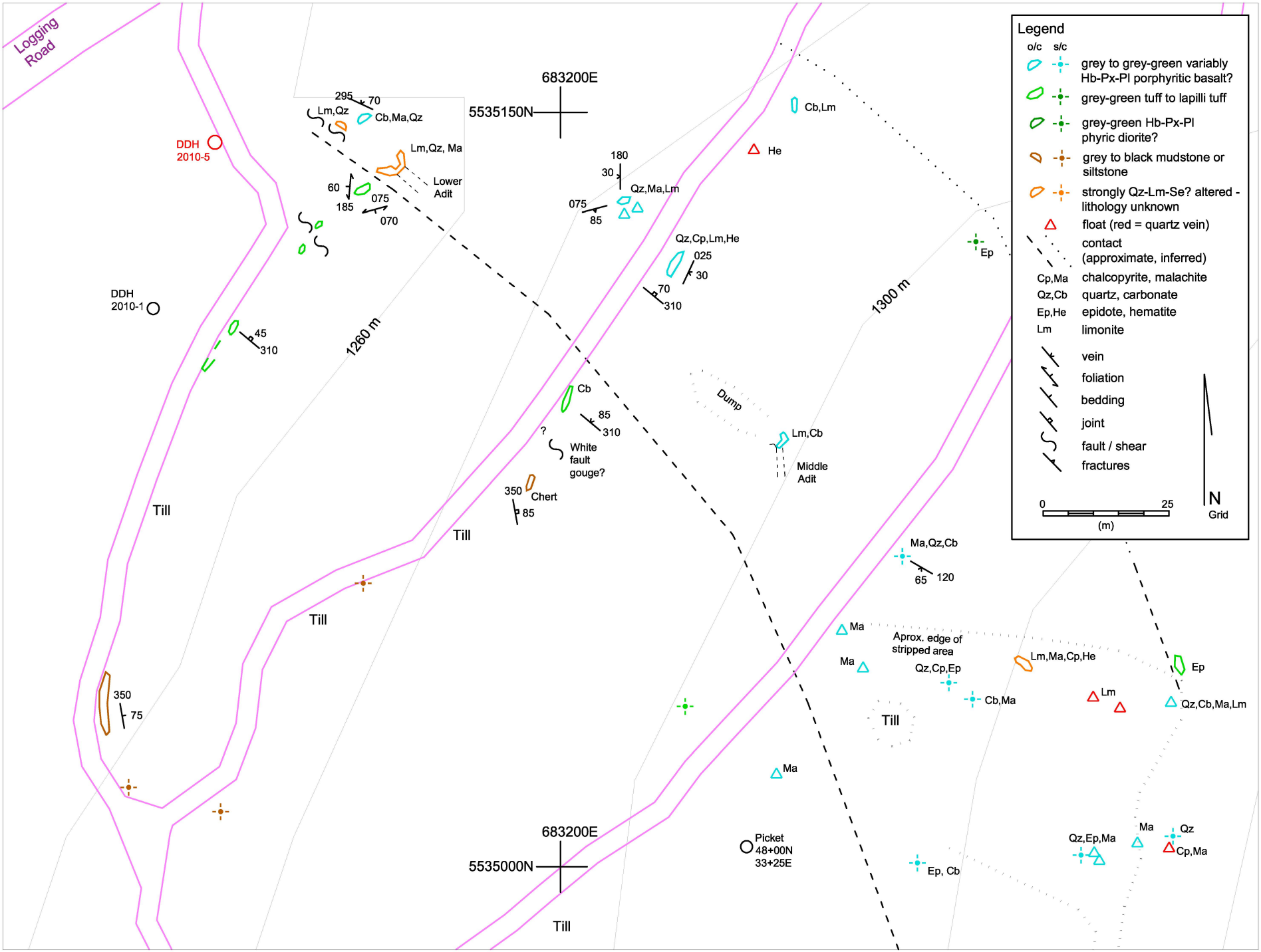


Figure 5: HN-Wen Prospect Map

Scale = 1:1000

## Overburden Examination

A large, but patchy Cu soil anomaly was identified from soil sampling carried out in the late 1960's by Consolidated Skeena Mines Ltd. (Sharp, 1968). Various authors have pondered the nature of the anomaly, but none of them attempted to determine what type of surficial material(s) the anomaly was associated with. As glacial till would be expected in the area, the first step in determining the source of the anomaly would be to determine the types of overburden that may have been sampled.
The 1968 soil sampling map was georeferenced as accurately as possible using topographic features, then anomalous stations were marked to locate anomalous areas (Figure 6). Once areas were determined, these were visited in the field, and pits were dug. Notes and samples were taken at these locations. Unfortunately, the samples were lost during transit to the lab, and were only just recovered during the writing of this report. However, sufficient information was obtained from the notes taken to advance the understanding of the Toe soil anomaly.
Note that though the soil map was fit as closely as possible to topography, individual sample locations could easily be out by 100 m or more due to differrences between the 1968 map and the base map used..

Overburden Pit Descriptions:

Pit #1(UTM 691603, 5535957)
Located in a roadcut composed of several meters of till.
Upper 50 cm composed of loose, silt-sand diamicton. Probable supraglacial till.
From 50 cm to 110 cm, moderately dense, brown, sandy diamicton. Clast supported with subangular pebbles and cobbles of grey-green volcanic and the occasional subrounded granitoid cobble. Possible basal till?

Pit #2 (UTM 690626, 5533434)
Taken near outcrop of dark green very fine grained basalt? Light grey, dense, silt>clay>sand, matrix supported diamicton with sparse, sub-angular pebbles and cobbles. 35 cm deep pit. Possible basal till.

Pit #3 (UTM 691470, 5533250)
Taken from within 10 m of an outcrop of a dark green volcanic. Orange-brown silty soil to a depth of 25 cm. Angular clasts of dark green volcanic dominate. Residual soil.

Pit #4 (UTM 689686, 5532560)
Located in a flat area with boulders scattered on surface. 30 cm deep. Pale tan-grey, dense, silty diamicton with sub-round to sub-angular pebbles and cobbles. Probable basal till.

Pit #5 (UTM 689874, 5532611)
Thin till (about 50 cm thick) over broken bedrock. Orange-brown, loose, silty diamicton. Probable supraglacial till.

Discussion:
General observations made while traversing the area indicate that till is likely the most common surficial material. Three different surficial materials were found within the upper 50 cm of the overburden at the locations examined; supraglacial till, basal till and residual soil. It seems likely that the patchy nature of the soil anomaly is due, at least in part, to the patchy distribution of the various surficial materials present.

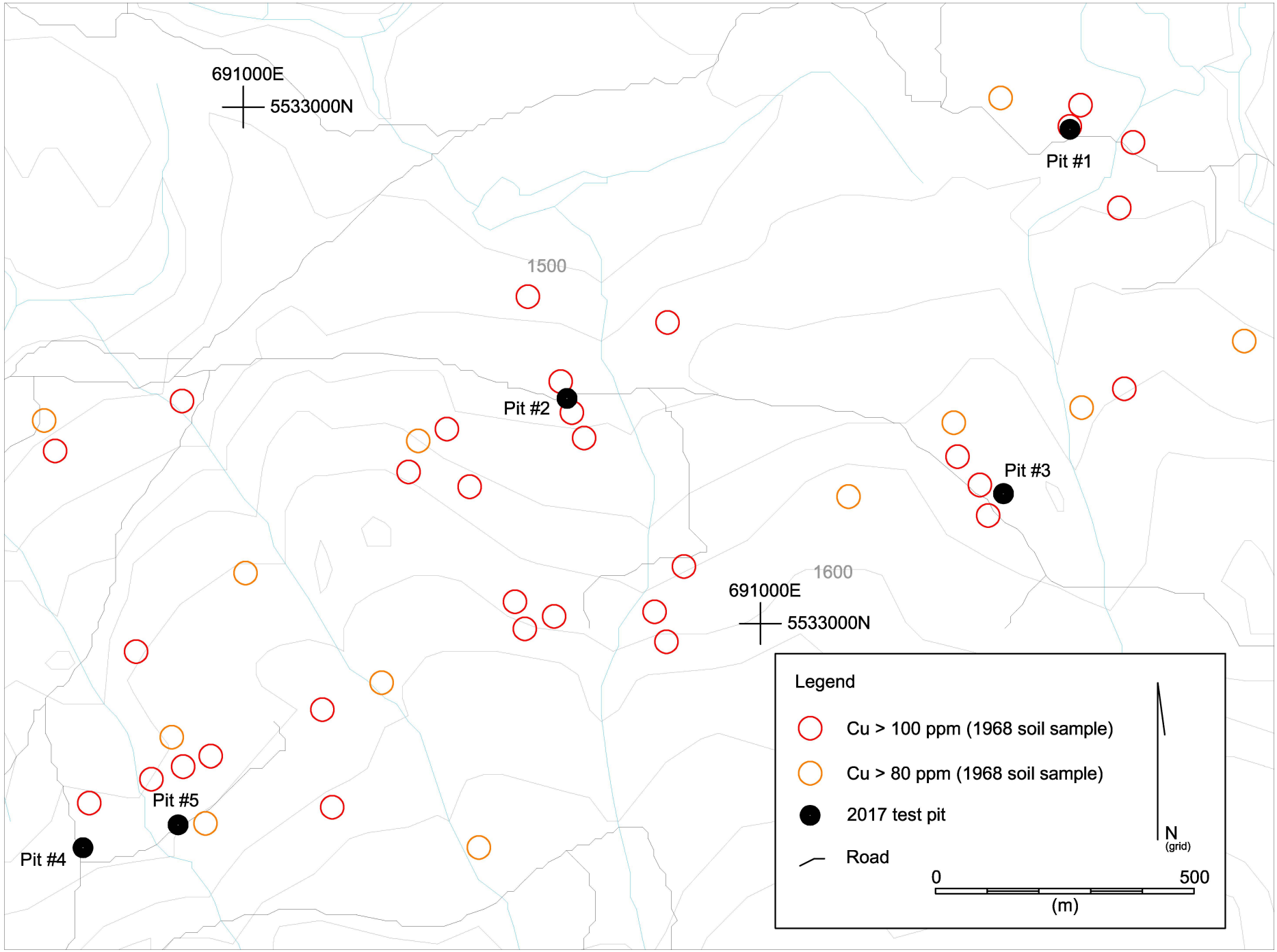


Figure 6: Overburden exam pit location map

Scale = 1:10 000

## Prospecting

On July 9, 2017, a prospecting traverse was made over the large hill south of the Mal Prospect. The purpose of the traverse was to look for signs of alteration or mineralization that might explain the IP anomaly on the single IP line that was run in 2014 (Sookochoff, 2015). The traverse reached and covered the west end of the IP anomaly, which is shown as a red line on the 2014 IP line (Figure 7). Notes were made at 11 stations, but no samples were taken. Sample station notes are summarized on Table 3.

No significant alteration or mineralization was encountered. Three lithologies were encountered; a white granodiorite, a dark green-grey feldspar phyric diorite?, and a dark grey basalt. The diorite may simply be a coarse grained version of the basalt. Up to 2% disseminated pyrite was observed in outcrop in the area prospected, which may explain the anomaly.

| Station | Easting | Northing | Description |
|---|---|---|---|
| 1 | 680378 | 5535403 | s/c unaltered, white, m.g. Hb-Bi GRD |
| 2 | 680430 | 5535455 | o/c unaltered, green-grey, f.g. Fl phyric DIO |
| 3 | 680495 | 5535500 | o/c dark grey, v.f.g. BAS. Magnetic. v.f.g. diss. Py &/or Po (2%) |
| 4 | 680610 | 5535480 | o/c same DIO as at 2 |
| 5 | 680616 | 5535490 | o/c white, m.g. Hb-Bi GRD with tr diss Py |
| 6 | 680716 | 5535600 | o/c dark grey, f.g. BAS with patchy tr Sx. Non-magnetic |
| 7 | 680661 | 5535590 | s/c same GRD as at 1 |
| 8 | 680542 | 5535586 | o/c dark grey, f.g. Fl+Mf phyric BAS with patchy tr Sx. Non-magnetic |
| 9 | 680480 | 5535585 | o/c dark grey, f.g. Fl+Mf phyric BAS. Non-magnetic |
| 10 | 680443 | 5535601 | o/c dark grey v.f.g. BAS. Tr v.f.g. Sx |
| 11 | 680260 | 5535600 | till |

**Table 3: IP line prospecting stations**

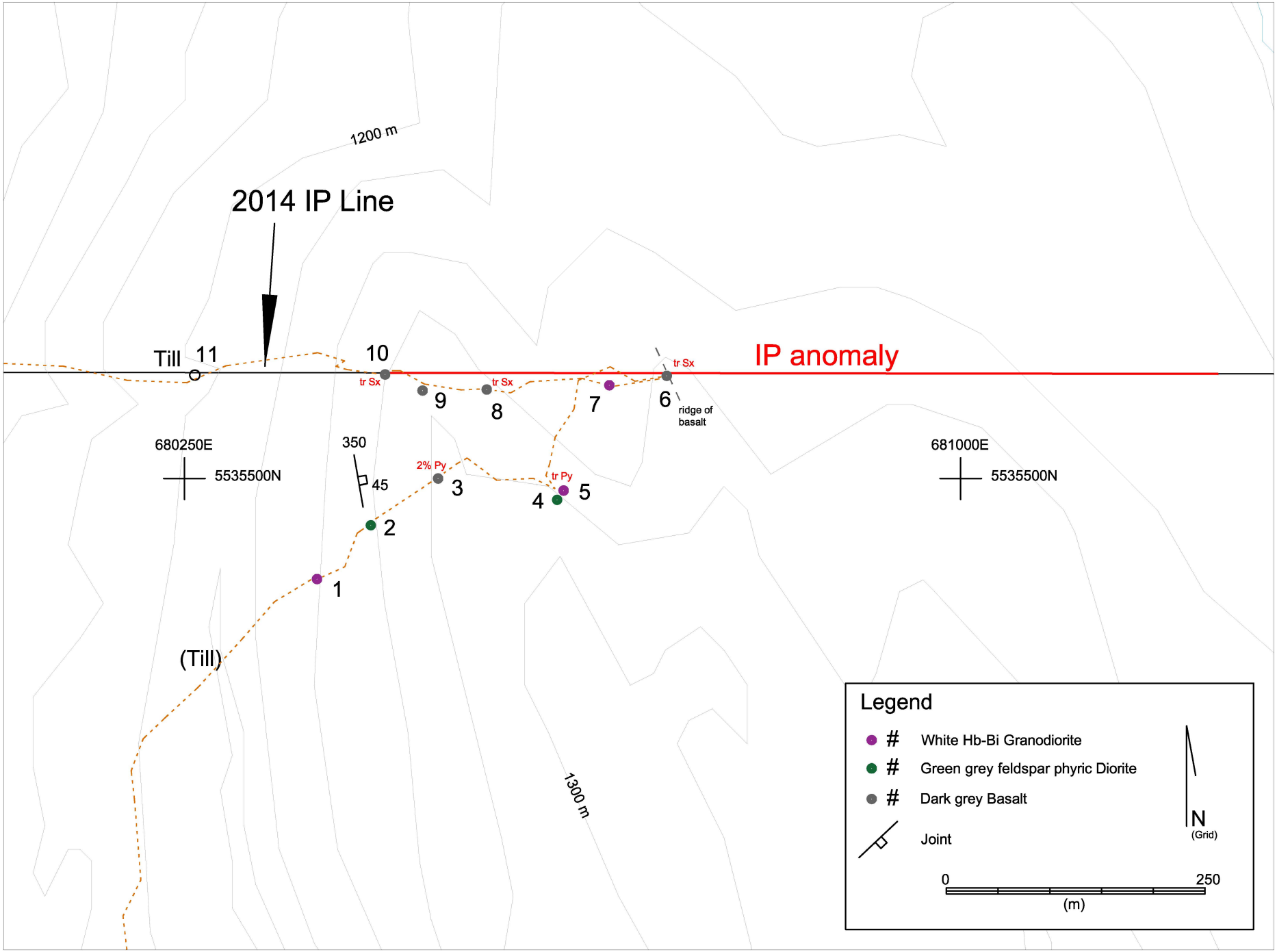


Figure 7: IP Line Prospecting Stations

Scale = 1:5000

## Conclusions and Recommendations

A quicklog of DDH 2010-05 suggests that there may be an altered and mineralized intrusive associated with the mineralization at the HN-Wen Prospect. The available core should be relogged and sampled to clarify this.

The mineralized zone at the HN-Wen Prospect has had little work done outside the immediate prospect area and is open in several directions. The mineralization may be associated with an intrusive that has not been differentiated from the volcanics in past programs. Mapping, prospecting, petrography and lithogeochemical sampling should be done in the HN-Wen area to remedy these issues and to attempt to determine whether the mineralization is related to a porphyry system.

The patchy nature of the Toe soil anomaly is likely due to the patchy distribution of the surficial materials observed in the area. It would require sampling, together with careful notes on the nature of the overburden at each location, to determine which of the surficial materials present carries the Cu anomaly. Ideally, a backhoe would be used to dig larger and deeper pits. This would allow greater confidence in determining the type of material, as well as facilitating sampling.

The IP anomaly on the 2014 IP line may be due to the disseminated pyrite observed in the basalts, but not enough of the anomalous area was covered to be confident this was the cause. More prospecting should be done along the east end of the 2014 IP line and in the general area.

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**Statement of Qualifications**

I, Helgi Sigurgeirson, certify the following:

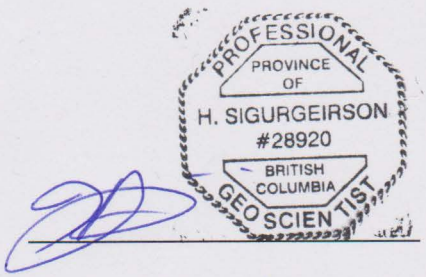
1. I graduated in 1995 from the University of British Columbia with a B.Sc. in the Geological Sciences.

2. I have worked in mining and mineral exploration continuously since graduation.

3. I have worked on VMS, porphyry, epithermal and mesothermal Au vein, anorthosite hosted Ti, nephrite and other exploration programs in Canada, Mexico and China. I have developed and operated 3 dimension stone quarries on the BC coast.

4. I am a professional geoscientist in the Association of Professional Engineers and Geoscientists of British Columbia, and have been a member in good standing (member #28920) since 2004.

5. I carried out the work program described herein and wrote this report.




H. Sigurgeirson, P.Geo

JAN. 17, 2018

Date

*This document represents an electronic version of the original hard copy document, sealed, signed and dated by Helgi Sigurgeirson, P.Geo and retained on file. The content of the electronically transmitted document can be confirmed by referring to the original hard copy and filed*

## Cost Statement

| Consultant | Item | Rate | Days | Total |
|---|---|---|---|---|
| H. Sigurgeirson, P.Geo. (Saxifrage Geological Services Ltd.) | Fieldwork: June 7 – 9 & July 15 - 16 | $500.00 | 5 | $2,500.00 |
| | Travel (half rate) | $250.00 | 2 | $500.00 |
| | Report | | | $2,440.00 |
| **Subtotal** | | | | **$5,450.00** |
| **Mileage** | 2007 F-150 4x4 | $100.00 | 7 | **$700.00** |
| **Expenses** | Accommodations | $84.00 | 5 | $420.00 |
| | Fuel | $45.00 | 7 | $315.00 |
| | Food | $50.00 | 7 | $350.00 |
| **Subtotal** | | | | **$1,085.00** |
| **Petrography** | | | | **$245.00** |
| **Total** | **$7,480.00** | | | |

BRITISH COLUMBIA

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# Mineral Titles Online

## Mineral Claim Exploration and Development Work/Expiry Date Change

Confirmation

Recorder: SAXIFRAGE GEOLOGICAL SERVICES LTD. (280348)
Submitter: SAXIFRAGE GEOLOGICAL SERVICES LTD. (280348)
Recorded: 2017/JUN/10
Effective: 2017/JUN/10
D/E Date: 2017/JUN/10

### Confirmation

If you have not yet submitted your report for this work program, your technical work report is due in 90 days. The Exploration and Development Work/Expiry Date Change event number is required with your report submission. Please attach a copy of this confirmation page to your report. Contact Mineral Titles Branch for more information.

Event Number: 5652380

Work Type: Technical Work
Technical Items: Geochemical, Geological, Prospecting

Work Start Date: 2017/JUN/07
Work Stop Date: 2017/JUN/09
Total Value of Work: $ 3422.29
Mine Permit No:

### Summary of the work value:

| Title Number | Claim Name/ Property | Issue Date | Good To Date | New Good To Date | # of Days For-ward | Area in Ha | Applied Work Value | Sub-mission Fee |
|---|---|---|---|---|---|---|---|---|
| 551397 | ENY | 2007/FEB/07 | 2017/JUN/16 | 2017/AUG/24 | 69 | 499.17 | $ 1415.46 | $ 0.00 |
| 1015041 | TONIAMAL8 | 2012/DEC/04 | 2017/JUN/16 | 2017/AUG/24 | 69 | 436.87 | $ 1238.80 | $ 0.00 |
| 1050557 | | 2017/MAR/05 | 2017/JUN/16 | 2017/AUG/24 | 69 | 478.51 | $ 452.29 | $ 0.00 |
| 1050558 | | 2017/MAR/05 | 2017/JUN/16 | 2017/AUG/24 | 69 | 332.85 | $ 314.61 | $ 0.00 |

### Financial Summary:

Total applied work value: $ 3421.16

PAC name: Victory Resources Corporation
Debited PAC amount: $ 0.0
Credited PAC amount: $ 1.13

Total Submission Fees: $ 0.0

Total Paid: $ 0.0

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# Mineral Titles Online

## Mineral Claim Exploration and Development W ork/Expiry Date Change

Confirmation

| | | | |
|---|---|---|---|
| Recorder: | SAXIFRAGE GEOLOGICAL SERVICES LTD. (280348) | Submitter: | SAXIFRAGE GEOLOGICAL SERVICES LTD. (280348) |
| Recorded: | 2017/JUL/16 | Effective: | 2017/JUL/16 |
| D/E Date: | 2017/JUL/16 | | |

### Confirmation

If you have not yet submitted your report for this work program, your technical work report is due in 90 days. The Exploration and Development Work/Expiry Date Change event number is required with your report submission. Please attach a copy of this confirmation page to your report. Contact Mineral Titles Branch for more information.

Event Number: 5656625

Work Type: Technical Work
Technical Items: Geological

Work Start Date: 2017/JUL/15
Work Stop Date: 2017/JUL/16
Total Value of Work: $ 4050.00
Mine Permit No:

### Summary of the work value:

| Title Number | Claim Name/Property | Issue Date | Good To Date | New Good To Date | # of Days For-ward | Area in Ha | Applied Work Value | Sub-mission Fee |
|---|---|---|---|---|---|---|---|---|
| 551397 | ENY | 2007/FEB/07 | 2017/AUG/24 | 2017/SEP/05 | 12 | 499.17 | $ 246.17 | $ 0.00 |
| 1015041 | TONIAMAL8 | 2012/DEC/04 | 2017/AUG/24 | 2017/SEP/05 | 12 | 436.87 | $ 215.44 | $ 0.00 |
| 1032321 | | 2014/NOV/20 | 2017/JUL/31 | 2017/SEP/05 | 36 | 644.52 | $ 635.69 | $ 0.00 |
| 1032322 | | 2014/NOV/20 | 2017/JUL/20 | 2017/SEP/05 | 47 | 623.83 | $ 803.29 | $ 0.00 |
| 1050557 | | 2017/MAR/05 | 2017/AUG/24 | 2017/SEP/05 | 12 | 478.51 | $ 78.66 | $ 0.00 |
| 1050558 | | 2017/MAR/05 | 2017/AUG/24 | 2017/SEP/05 | 12 | 332.85 | $ 54.71 | $ 0.00 |
| 1053091 | TN2 | 2011/OCT/10 | 2017/JUL/31 | 2017/SEP/05 | 36 | 145.57 | $ 215.37 | $ 0.00 |
| 1053093 | TN3 | 2016/OCT/08 | 2017/JUL/31 | 2017/SEP/05 | 36 | 103.97 | $ 51.27 | $ 0.00 |
| 1053101 | AW EAST | 2017/JUL/12 | 2017/JUL/17 | 2017/SEP/05 | 50 | 727.80 | $ 498.49 | $ 0.00 |
| 1053102 | AW NORTH | 2017/JUL/12 | 2017/JUL/17 | 2017/SEP/05 | 50 | 685.92 | $ 469.81 | $ 0.00 |
| 1053103 | AW CENTRAL | 2017/JUL/12 | 2017/JUL/17 | 2017/SEP/05 | 50 | 1102.08 | $ 754.85 | $ 0.00 |

### Financial Summary:

Total applied work value: $ 4023.75

PAC name: Victory Resources Corporation
Debited PAC amount: $ 0.0
Credited PAC amount: $ 26.25

Total Submission Fees: $ 0.0

Total Paid: $ 0.0

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# Appendix

Petrographic Report

VANPETRO
VANCOUVER PETROGRAPHICS LTD

Report for: Saxifrage Geologic Services Ltd.

Sent to: Mr. Sigurgeirson

Report 170420

July 7, 2017

# Petrographic Report on One Rock Sample for Saxifrage Geologic Services Ltd.

Fabrizio Colombo, Ph.D., P.Geo.
*fab.petrologic@gmail.com*

# Table of Contents

# 1. Introduction

Mr. Sigurgeirson of Saxifrage Geologic Services Ltd. submitted one rock sample to Vancouver Petrographics for petrographic analysis. The client suggested this rock is a “potassically altered intrusive or volcanic”, and did not provide any geological background information.

Sample 1 was cut and prepared as ~20 × 40 mm thin section (see the image of the billet on the first page of the description).

The attached “Petrographic Descriptions” section provides the following: (i) the petrographic rock classification; (ii) a brief microstructural description; (iii) the alteration minerals in decreasing order of abundance; (iv) a table with the modal percentage and average grain size for each mineral; and (v) a detailed description of the minerals in decreasing order of abundance.

The petrographic classification follows the recommendations of Gillespie and Styles (1999).

The microstructural terminology used in this report follows the recommendations and definitions of Vernon (2004), Passchier and Trouw (2005), and Ramdohr (1980). Some of the petrographic and microstructural terms are defined in the glossary.

# 2. Bibliography

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# 3. Petrographic Description

## *Sample 1: DDH 10-5 31.0 m*

### *Plagioclase-[amphibole]-phyric hypabyssal rock (microsyenite?)*

### *Quartz-calcite-chlorite-opaque minerals veins and veinlets*

Subhedral to angular pseudomorphs of chlorite and euhedral to subhedral phenocrysts of plagioclase are immersed within a very fine-grained groundmass, which is dominated by K-feldspar. The porphyritic microstructure is crosscut by irregular veins and veinlets of quartz, chlorite and calcite.

**Alteration: chlorite**: weak; **calcite-quartz(?)-rutile(?)**: subtle to weak; **white mica-oxides**: subtle.

| *Mineral* | *Alteration and Weathering Mineral* | *Modal %* | *Size Range (mm)* | *Distinguishing Features* |
|---|---|---|---|---|
| **plagioclase-[amphibole]-phyric hypabyssal rock (~90% of PTS)** | | | | |
| *phenocrysts* | | | | |
| [amphibole] | chlorite-calcite-rutile-opaque minerals | 15–20 | [am: up to 2 long] ch: up to 0.1 | ch: moderate relief, very weak pleochroism with pale green tints, straight extinction, low birefringence, negative elongation |
| plagioclase | | 2–4 | up to 0.5 | low relief, first order grey birefringence, albite and albite-Carlsbad twinnings |
| [biotite] | white mica-oxides | tr | 0.8 | wm: moderate relief, birefringence up to third order blue, straight extinction |
| *groundmass* | | | | |
| K-feldspar | | 60–63 | up to 0.05 | low relief, low birefringence (up to first order grey) |
| plagioclase | | 10–12 | up to 0.1 | low relief, first order grey birefringence, rare albite |

| *Mineral* | *Alteration and Weathering Mineral* | *Modal %* | *Size Range (mm)* | *Distinguishing Features* |
|---|---|---|---|---|
| | | | | twinnings |
| | rutile(?)-opaque minerals | 0.5–1 | up to 0.03 | |
| | calcite | tr | up to 0.05 | high relief, extreme birefringence, brisk reaction to cold dilute (10%) HCl |
| | | | | |
| **quartz-calcite-chlorite-opaque minerals veins and veinlets (~11% of PTS)** | | | | |
| opaque minerals | | 3 | up to 5 long | |
| quartz | | 3 | up to 0.5 | low relief, birefringence up to first order white |
| calcite | | 3 | up to 1 | high relief, extreme birefringence, brisk reaction to cold dilute (10%) HCl |
| chlorite | | 2 | up to 0.1 | moderate relief, very weak pleochroism with pale green tints, straight extinction, low birefringence, negative elongation |

**Chlorite** forms fine-grained crystals, which completely replaced subhedral to angular pseudomorphs (up to 2 mm long). The pseudomorphs show lozenge and prismatic shape suggesting they replaced amphibole. Within the pseudomorphs, the chlorite is associated with very fine-grained dispersions of opaque to quasi-opaque minerals (rutile and opaque minerals?). The chlorite is concentrated within some segments of the up to 2.5 mm thick vein, in which it forms irregular domains along the vein walls associated with quartz in the median zone of the vein. Very fine- to fine-grained flakes of chlorite, together with fine-grained patches of calcite are dispersed within the groundmass. Thin veinlets are chlorite-rich or quartz-rich, and because of their mineral composition and they branched off from the veins, I interpret the veinlets as having formed during the same infill stage that formed the veins.

**K-feldspar** forms very fine- to fine-grained anhedral crystals within the groundmass, in which the K-feldspar is intergrown with fine-grained plagioclase. I tentatively interpret the K-feldspar as a magmatic mineral. This interpretation is based on its homogeneous distribution within the groundmass and its relatively clear appearance under plane polarized transmitted light. More samples would need to be analyzed to confirm this interpretation.

**Plagioclase** forms euhedral to anhedral phenocrysts (up to 0.5 mm), which are distinguished by their typical albite and albite-Carlsbad twinnings. The plagioclase is subtly altered by very fine-grained unresolved dispersions. The abundance of amphibole phenocrysts and K-feldspar within the groundmass indicate this hypabyssal rock is alkaline. The plagioclase is

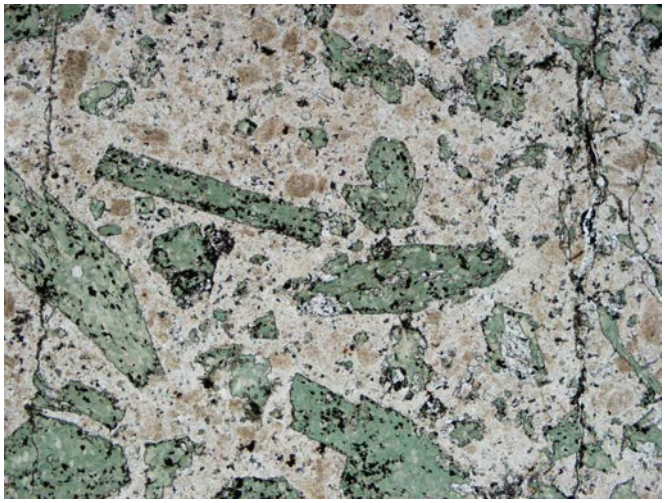
subordinate to the amphibole and the K-feldspar. In some cases, the anhedral crystals of plagioclase are chaotically dispersed and probably resorbed by the K-feldspar within the groundmass. I interpret these microstructures as evidence of disequilibrium between the plagioclase and the K-feldspar during the latest magmatic stages.

**Calcite** is concentrated within irregular domains within the veins and veinlets, and its is dispersed as fine-grained patches within the groundmass.

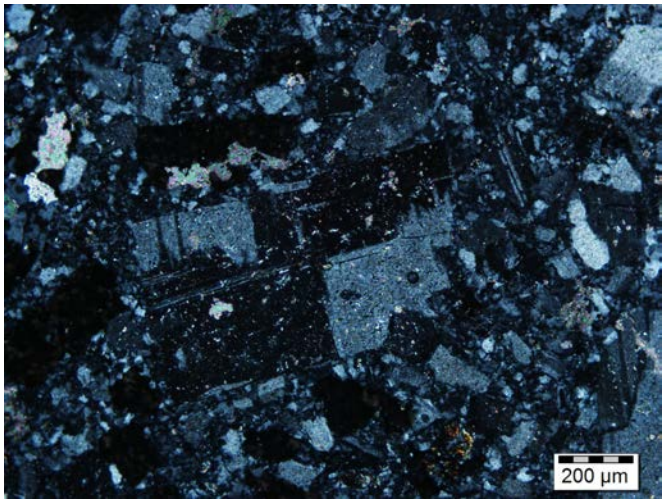
**Opaque minerals** (probably including pyrite?) form medium-grained subhedral crystals (up to 5 mm long) concentrated within the veins. The magnetic susceptibility was measured on the billet and is $0.454 \times 10^{-3}$ SI.

**Quartz** is concentrated within the median zone of some segments of the veins. Within the vein, the quartz forms blocky to anhedral crystals (up to 0.5 mm). The quartz is fine-grained within the veinlets.

A rare phenocryst of biotite (up to 0.8 mm) is completely replaced by **white mica** and irregular oxidized patch.



***Photomicrograph 1a**: Euhedral pseudomorphs of chlorite (green), probable rutile, and opaque minerals replaced amphibole and are immersed within a K-feldspar dominated groundmass (white). Plane-polarized transmitted light.*




***Photomicrograph 1b**: A subhedral crystal of plagioclase (in the centre of this photomicrograph) is immersed within a groundmass of K-feldspar and finer-grained plagioclase. Plane-polarized transmitted light.*

This report consists of 6 pages and is signed by

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