

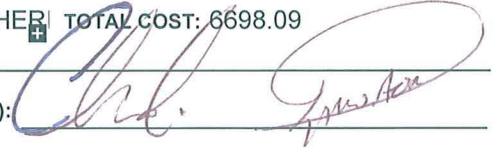
Ministry of Energy, Mines & Petroleum Resources
Mining & Minerals Division
BC Geological Survey

Assessment Report
Title Page and Summary

TYPE OF REPORT [type of survey(s)]: 2017 HEAVY MINERAL SAMPLING IN THE RANCHERIA TOTAL COST: 6698.09

AUTHOR(S): Chad Ulansky and Shadi Morton

SIGNATURE(S):



NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): _____ YEAR OF WORK: 2017

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5671194

PROPERTY NAME: KW2 - JDS Rancheria Claim Block

CLAIM NAME(S) (on which the work was done): 1035374

COMMODITIES SOUGHT: Barite, Molybdenite, zinc, lead

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: _____

MINING DIVISION: Liard

NTS/BCGS: _____

LATITUDE: 59 ° 59 '39.79 " LONGITUDE: -130 ° 30 '49.79 " (at centre of work)

OWNER(S):

1) JDS Resources - Jeff D. Stibbard

2) _____

MAILING ADDRESS:

206-3200 Richter Street, Kelowna, B.C. V1W 5K9

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

1) JDS Resources

2) _____

MAILING ADDRESS:

206-3200 Richter Street, Kelowna, B.C. V1W 5K9

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

Atan Group; Kechika Group; Road River Group; Tapioca Sandstone; McDame Group; Earn Group; Sylvester Allochthon;

Cassiar Batholith

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 36074; 12619; 13852; 26240; 10066; 8435

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	_____	_____	_____
Other Heavy Mineral Sampling	_____	1035374	6698.09
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:			6698.09



**AN ASSESSMENT REPORT
ON
2017 HEAVY MINERAL SAMPLING IN
THE RANCHERIA KW2 CLAIM,
BRITISH COLUMBIA, CANADA**

**PREPARED FOR
JDS RESOURCES LTD.**

**LAT: 59° 59' 39.79" N
LONG: 130° 30' 49.79" W
NTS Map Sheet:
104O15, 104O16**

STATEMENT OF WORK EVENT: 5671194

Prepared by
Chad Ulansky P. Geo.

Assisted by
Shadi Morton P. Geo.

Date: November 2017



TABLE OF CONTENTS

1. SUMMARY	3
2. INTRODUCTION AND TERMS OF REFERENCE	3
2.1 INTRODUCTION	3
2.2 UNITS AND CURRENCY	3
2.3 GIS DATA AND INTERPRETATIONS	3
3. PROPERTY DESCRIPTION AND LOCATION	3
3.1 LOCATION AND ACCESS	3
3.2 PROPERTY DESCRIPTION	4
4. ACCESS, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY	7
4.1 CLIMATE	7
4.2 LOCAL RESOURCES AND INFRASTRUCTURE	8
4.3 PHYSIOGRAPHY	8
5. HISTORY	8
6. GEOLOGICAL SETTING	14
6.1 REGIONAL GEOLOGY	14
6.2 PROPERTY GEOLOGY	15
7. MINERALIZATION	20
8. EXPLORATION	22
9. SAMPLING METHOD AND APPROACH	24
9.1 HEAVY MINERAL SAMPLING	24
10. SAMPLE PREPARATION, ANALYSES AND SECURITY	24
10.1 PROCESSING HEAVY MINERAL SAMPLES	24
10.2 SECURITY	25
11. RESULTS	25
12. CONCLUSIONS AND RECOMMENDATIONS	25
13. EXPLORATION EXPENDITURES	25
REFERENCES	27
APPENDIX I: STATEMENTS OF QUALIFICATIONS	28
TABLE 1. LIST OF CLAIMS	4
TABLE 2. 2017 SAMPLE LIST AND LOCATION ON KW2	22
Table 3. 2017 RANCHERIA MAIN BLOCK EXPENDITURES	26



1. SUMMARY

Element 29 Ventures Ltd was commissioned by Mr. Jeff Stibbard of JDS Resources Ltd. (the Company) to plan and undertake a heavy mineral sampling program on the Company's Rancheria claims in Northern British Columbia. The KW2 Claim (1035374) is a stand-alone claim north of the Rancheria Main Claim Block.

2. INTRODUCTION AND TERMS OF REFERENCE

2.1 INTRODUCTION

The data supporting the statements made in this report have been verified for accuracy and completeness by the authors. No meaningful errors or omissions were noted. The sources for the data are given in the "Reference" section of this report.

2.2 UNITS AND CURRENCY

Throughout this report, measurements are in metric units, unless the historic context dictates that the use of Imperial units is appropriate. Tonnages are shown as tonnes ("t"), equivalent to 1,000 kg, linear measurements are metres ("m"), or kilometres ("km") and precious metal values are as grams per tonne ("g Au/t") or troy ounces per ton ("oz Au/T" or "opt"). Grams are converted to ounces based on 31.104 g = 1 troy ounce and 34.29 g/t = 1 oz/T. Dollar amounts referenced in the report are in Canadian currency.

2.3 GIS DATA AND INTERPRETATIONS

The topographic data used in this report was downloaded from the .ftp site of Natural Resources Canada at

http://ftp.geogratis.gc.ca/pub/nrcan_rncan/vector/

Other data was downloaded from the publicly available sources provided by government of BC.

<https://www2.gov.bc.ca/gov/content/industry/mineral-exploration-mining/mineral-titles/data-gis>

<http://www.empr.gov.bc.ca/Mining/Geoscience/MapPlace/geoData/Pages/default.aspx>

3. PROPERTY DESCRIPTION AND LOCATION

3.1 LOCATION AND ACCESS

The KW2 claim is located approximately 90 km west-southwest of Watson Lake, Yukon. This claim is to the north of the main claims which surround Silvertip Property claims recently purchased by Coeur Mining from JDS Silver. The claim falls in NTS map sheets 104O15 and 104O16. The Alaska Highway leads westward from Watson Lake past the claims area. At mile 701, approximately 15km east of the town of Rancheria in the Yukon Territory, a 25 km gravel road leads to the property. The crew was based in Rancheria for the duration of the 2017 program.



3.2 PROPERTY DESCRIPTION

The project is comprised of 16 contiguous claims (11293.831 ha) and one stand-alone claim (KW2) (437.199 ha) totalling 11731 ha in area. This report reflects the activities undertaken on the KW2 Claim of the Rancheria Claims. Table 1 lists the claims that are plotted for the Main Block. These claims are owned 100% by Mr. Jeff Stibbard. This data was derived by downloading the latest claims fabric from government of BC on Oct 17, 2017 and extracting the claims that were owned 100% by Mr. Jeff Stibbard (Client # 125787). Figures 1 and 2 show the location map and the claims map. Please see the maps attached to this report for printing all figures to proper scale.

Table 1. List of Claims – Rancheria Main Block

CLAIM NUMBER	CLAIM NAME	CLIENT NUMBER	ISSUE DATE	EXPIRATION DATE	PERCENT OWNER	OWNER NAME	HECTARES
1035374	KW2	125787	04/08/2015	10/31/2017	100	STIBBARD, JEFF DAVID	437.199
Total							437.199



Figure 1. Location Map

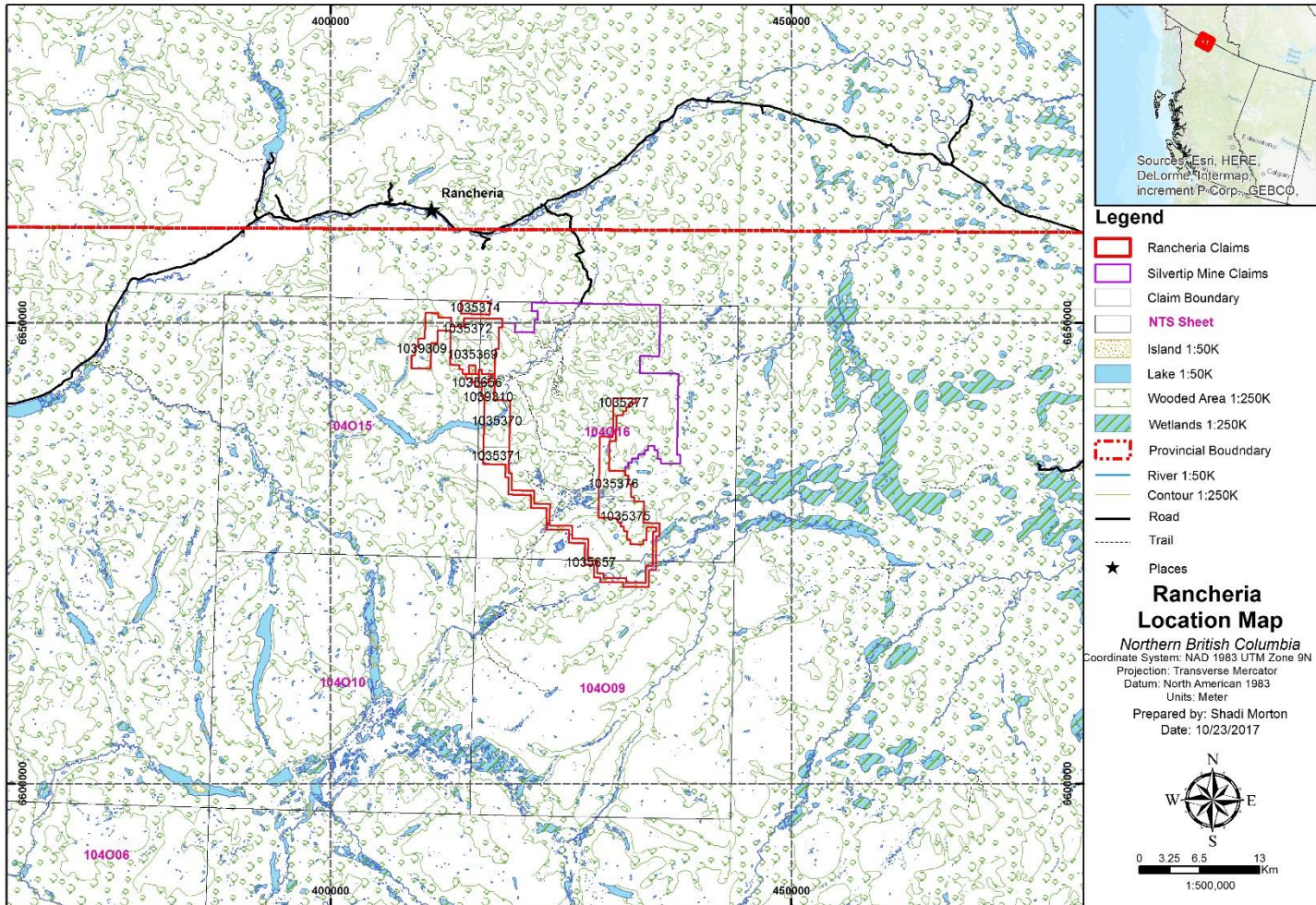
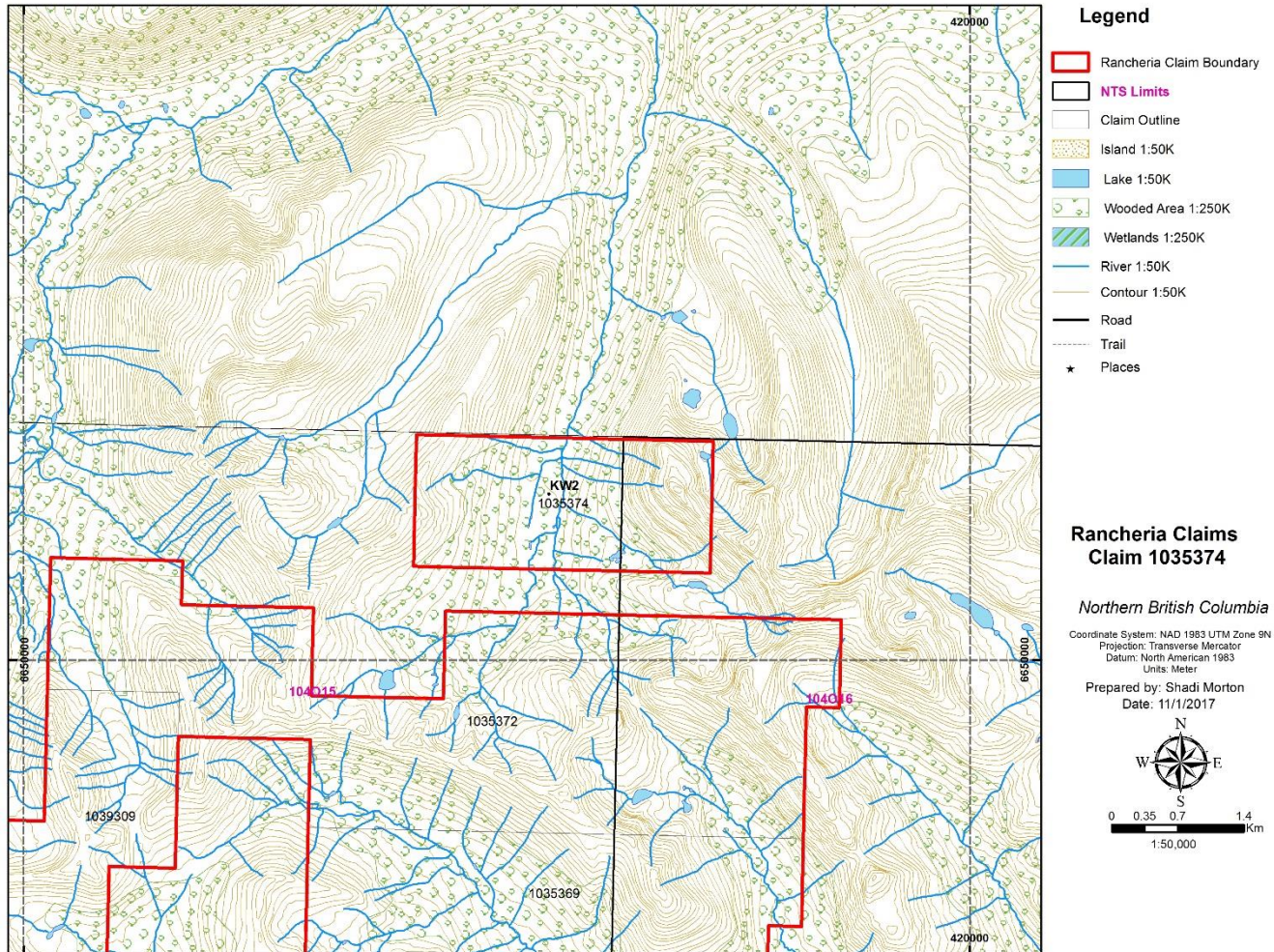




Figure 2. Property Map



*For printing this figure to scale please see the maps submitted with this report



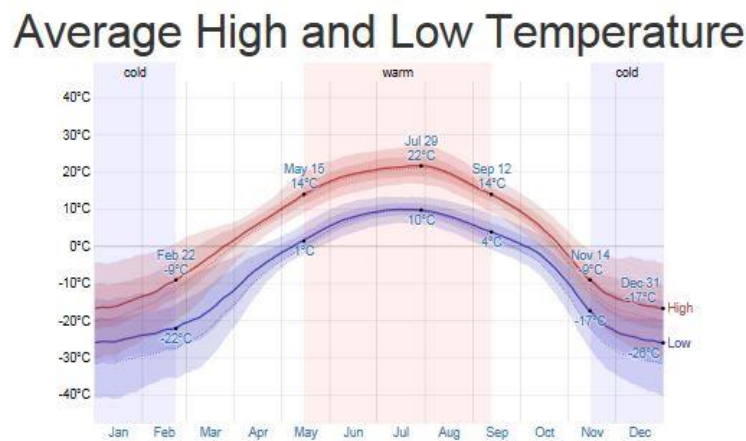
4. CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

4.1 CLIMATE

The following information was sourced from weatherspark.com for Watson Lake, Yukon. The warm season lasts about 4 months with an average daily high of 14°C, and the cold season is about 3 months with average daily high of -9°C.

Over the course of a year, the temperature typically varies from -25°C to 22°C and is rarely below -36°C or above 26°C.

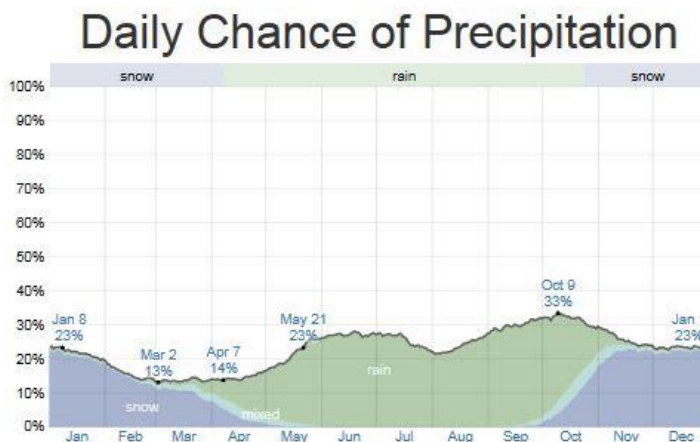
Figure 3. Daily High and Low Temperature



The daily average high (red line) and low (blue line) temperature, with 25th to 75th and 10th to 90th percentile bands. The thin dotted lines are the corresponding average perceived temperatures.

The wetter season lasts six months, from mid May 17, to mid-November, with a greater than 29% chance of a given day being a wet day (at least 1 millimeter of liquid – or liquid equivalent precipitation). This chance peaks to 43% around mid-July.

Figure 4. Probability of Precipitation at Some Point in the Day





The percentage of days in which various types of precipitation are observed, excluding trace quantities: rain alone, snow alone, and mixed (both rain and snow fell in the same day).

4.2 LOCAL RESOURCES AND INFRASTRUCTURE

The property is located in northern British Columbia, 8 km south of the Yukon border, and approximately 90 km by air west-southwest of Watson Lake. The property surrounds the Silvertip Mine Property which can be accessed via a 25 km gravel site access road from the Alaska Highway about 15 km east of Rancheria. The airport at Watson Lake is capable of handling jet aircraft. There is a network of ATV trails which accesses portions of the claim group.

4.3 PHYSIOGRAPHY

The property lies on the northeastern flank of the Cassiar Mountains. The terrain is moderately mountainous, with generally rounded peaks and ridges that are separated by U-shaped valleys. The highest peaks are about 1950 m and the topographic relief is typically about 300 and 500 m. Approximately 35% of the property is above tree line.

5. HISTORY

The historical work section is an excerpt of the report written by R. Cullen in 2016. At the end of this section a series of maps shows the location of referenced historical claims in relation to the current Rancheria project.

CUB Claims

The CUB showing appears to be a westward extension of the well-known AMY showing. In 1977, the CUB claims adjoining the Amy deposit were located. Dupont of Canada conducted geological and geochemical surveys on the CUB property in 1979. This activity was to evaluate skarn zones with elevated values of tungsten and molybdenum. In 1981 and 1982, Morbaco Mines Ltd., a successor of Fosco Mining Ltd., optioned the CUB property and conducted geochemical surveys and limited bulldozer trenching. In 1984, Sovereign Metals Corporation carried out exploration on the CUB property to test potential extension to the Amy deposit and to locate the source of high-grade float. Eight diamond drill holes totalling 439 meters were completed (Cullen 2016).

SHAR Claims

In 1979-80 Canadian Occidental Petroleum staked the SHAR claims to cover the headwaters of streams with high values of lead, zinc, silver, uranium, and molybdenum detected during 1978 Geological Survey of Canada – Uranium Reconnaissance Program (Open File 561 – June 8, 1979).

BEAR Claims

In 1979, a small Tungsten skarn in the Fly 1 and 2 claims were explored by Dupont of Canada Exploration but little attention was paid to silver-lead-zinc anomalies that were discovered. A trench on one anomaly revealed only a narrow high-grade vein (Galena, sphalerite, pyragyrite) in limestone. In 1983-84, small soil sampling, prospecting and VLF-EM programs were carried out. In 1985, Reg Resources Corp, Completed a VLF-EM survey in order to upgrade a



VLF-EM survey in the previous work and generate targets for drilling. In addition, a drift-corrected total field magnetometer survey was completed because of the skarn potential of the area.

NANCY Claims

In 1978-79, Noranda Exploration Company conducted soil sampling, geological mapping and drilled one diamond drill hole (BQ) totalling 124.37 m. The result of this exploration indicates possibly significant molybdenite confined to an area approximately 100m wide by 400 m long along the intrusive-hornfels contact.

The following series of maps were generated by roughly geo-referencing the claims maps that were submitted by various companies in their assessment reports and depicts the various historical claim fabric and the work summarised above.



Figure 5. Assessment Report # 8435 - 1980

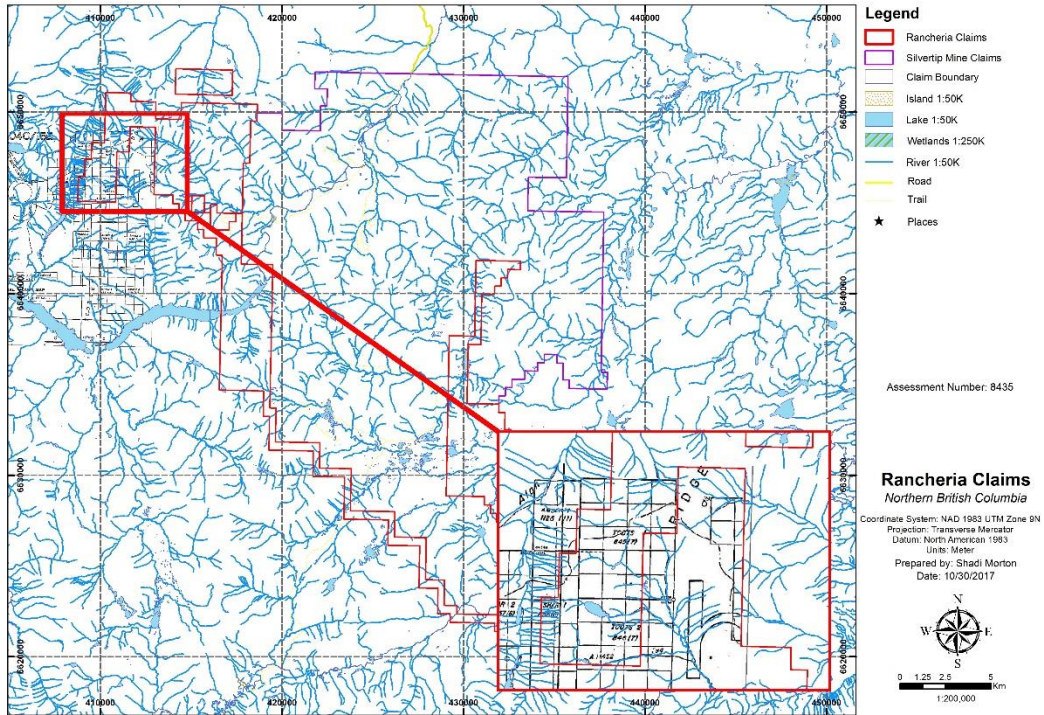


Figure 6. Assessment Report # 9912 - 1981

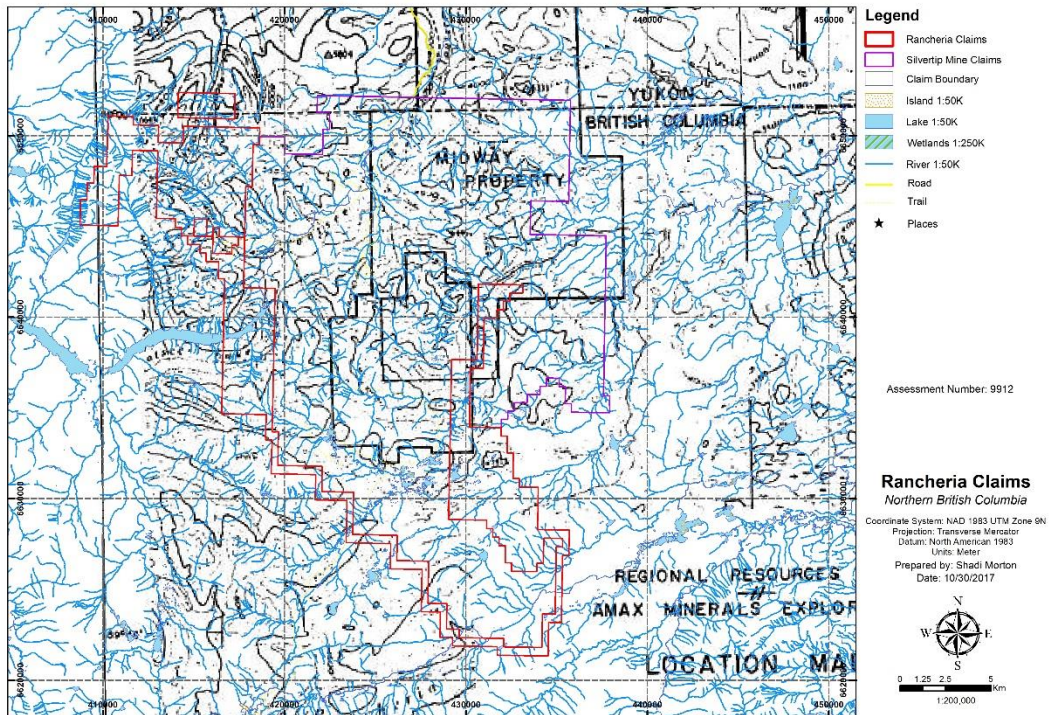




Figure 7. Assessment Report # 10066 - 1981

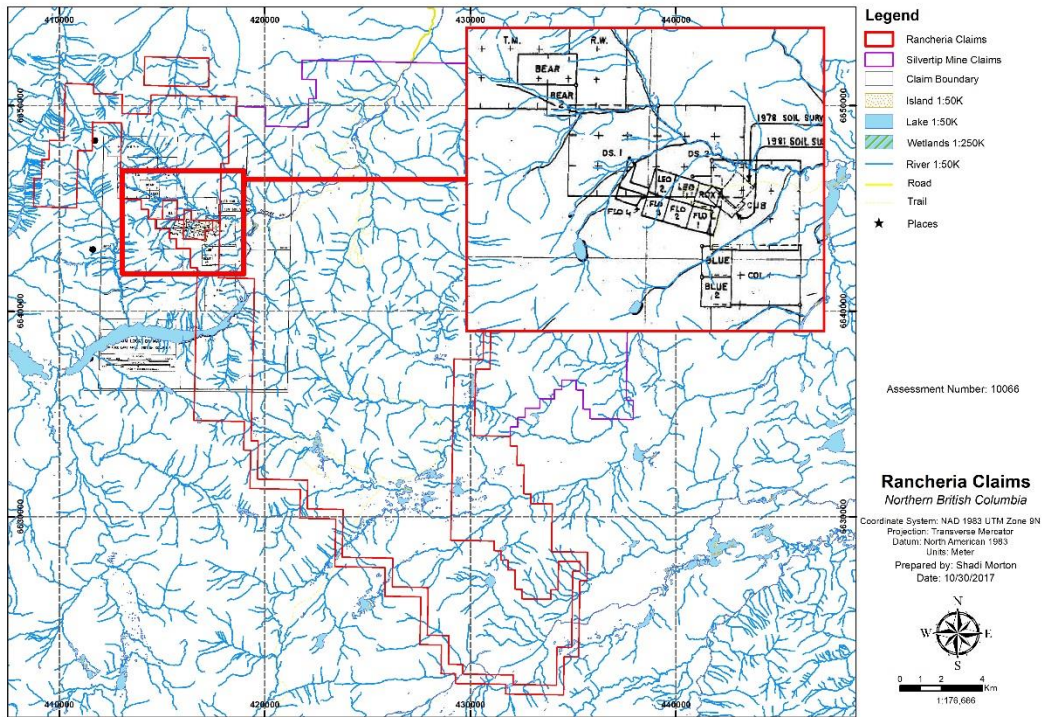


Figure 8. Assessment Report # 12619 - 1984

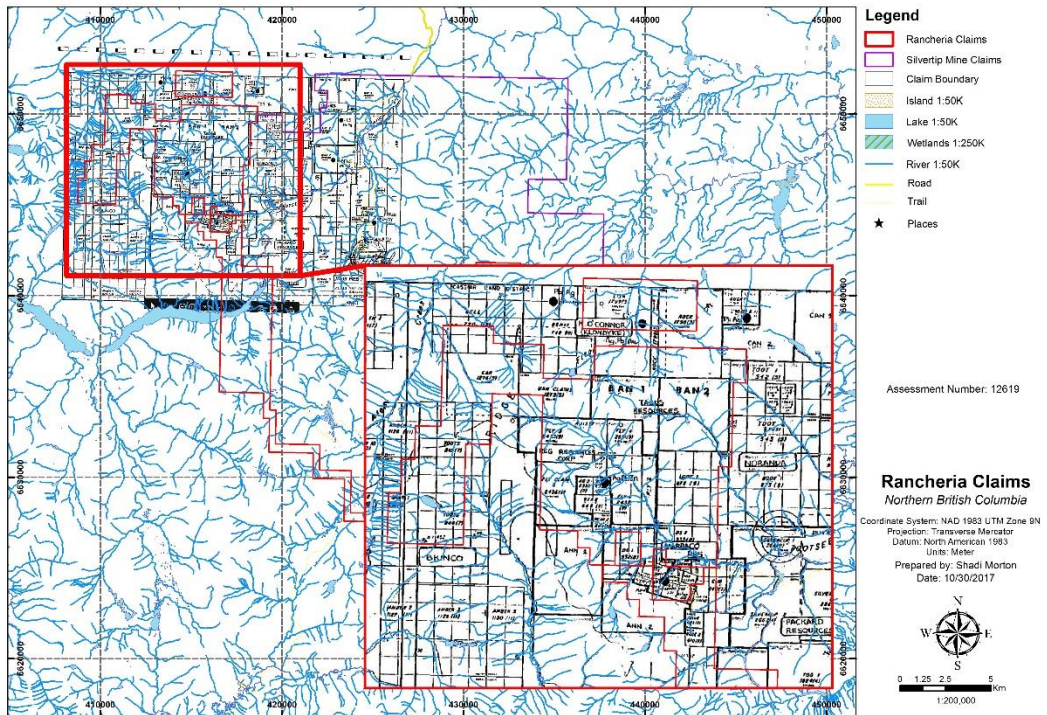




Figure 9. Assessment Report # 13376 - 1984

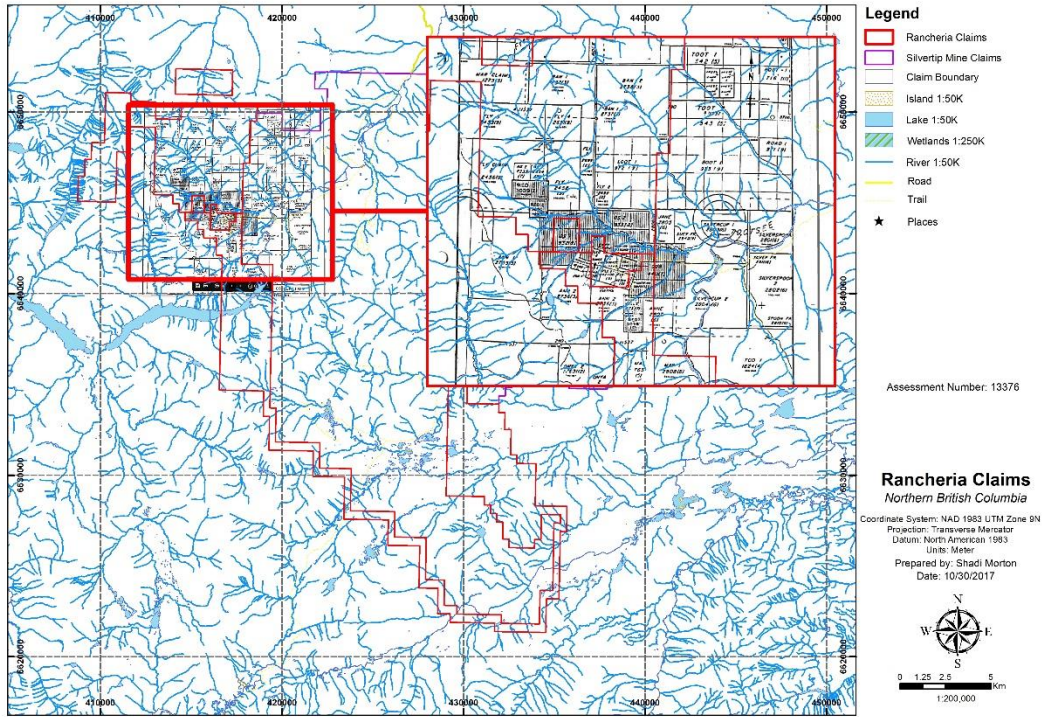




Figure 10. Assessment Report # 13852 - 1985

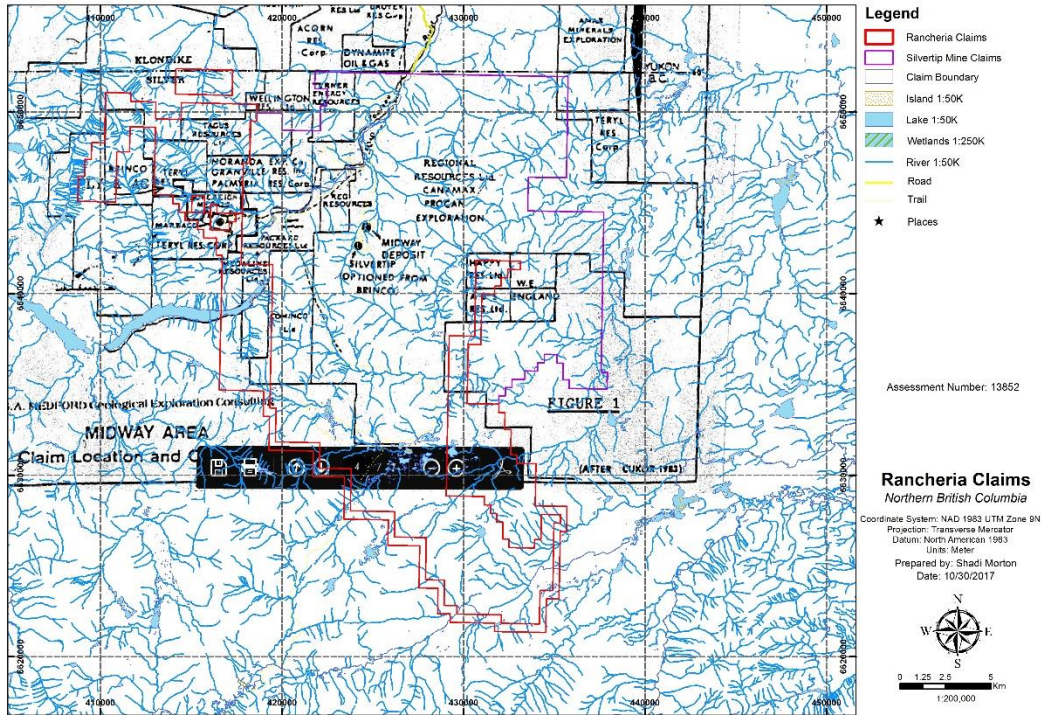
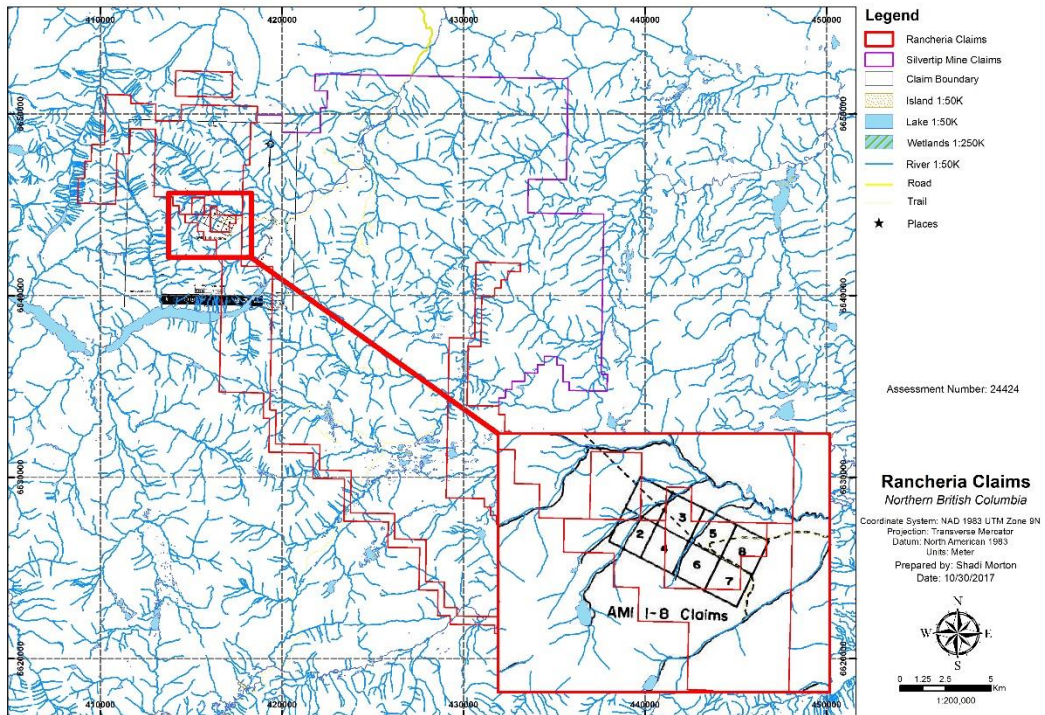


Figure 11. Assessment Report # 24424 - 1





5. GEOLOGY

6.1 REGIONAL GEOLOGY

The JDS Resources properties are situated in the Northern Omineca Belt of the Canadian Cordillera. The area lies within the Cassiar Platform which is a splinter of the North American continental shelf that was carried northwest in dextral transcurrent movement along the Tintina Fault for at least 400 km (Dover 1994, Gabrielse et al 2006).

Cassiar terrane, which is composed of upper Proterozoic through middle Devonian carbonate and clastic sediment rocks seems to lead the most economical mineral deposits in the region. The main mineral deposits are syngenetic barite, +/- lead, zinc in Palaeozoic sediments, and skarn and replacement deposits related to Cretaceous intrusive and hydrothermal activity. The Silvertip deposit and Butler Mountain deposit fall within the Tootsee River fault system, which may have played an important part in their formation (Cullen 2016).

Figure 12. Stratigraphic Column for Silvertip Deposit (Rees et al 2000)

Intrusive Rocks	Late Cretaceous		LK	felsic dikes
	mid-Cretaceous	CASSIAR BATHOLITH	mKg	granite, granodiorite
	Lower Mississippian to Upper Permian and Upper Triassic	SYLVESTER ALLOCHTHON	SAII	Division II: basalt, gabbro, serpentinite, chert
			SAI	Division I: argillite, chert, slate, greenstone
	Upper Devonian to Lower Mississippian	EARN GROUP	DME	sandstone, conglomerate siltstone, shale carbonaceous argillite
	Middle (to Upper?) Devonian	McDAME GROUP	mDM	fossiliferous limestone, dolostone
	Silurian to Lower Devonian	TAPIOCA SANDSTONE (informal)	SDTs	dolostone, quartzite dolomitic siltstone, sandstone
	Ordovician to Silurian	ROAD RIVER GROUP	OSRR	carbonaceous, partly calcareous slate, siltstone, black limestone
	Middle? or Upper Cambrian to Lower Ordovician	KECHIKA GROUP	COK	argillaceous limestone, calcareous slate, siltstone
	Lower Cambrian	ATAN GROUP	ICR	limestone, dolomitized limestone Archeocyathid-bearing
ICB			Quartzite, argillite	



6.2 PROPERTY GEOLOGY

JDS Resources Rancheria claims surround the Silvertip mine claims, and thus include all the rock types mentioned in the stratigraphic column in Figure 5. The following is an excerpt from 2016 assessment report written by R. Cullen, which describes the property geology in detail.

The Atan Group

The Atan group forms the basal layer of easterly to south-easterly rocks, which are comprised of siliciclastic rocks of the Boya Formation, and the carbonate dominated Rosella Formation. These rocks are exposed in fault bounded panels in the west of the Main Claim Block, immediately east of the Cassiar Batholith. The Boya Formation is dominated by siliciclastic rocks that are well sorted, white, grey and black quartzites, and poorly sorted black turbidite deposits. The turbidites can be black slate, thinly bedded siltstone, quartzite greywacke or quartz pebble conglomerate. The Rosella formation is predominately streak grey limestone or marble and orange weathered dolomite. Individual beds are generally greater than 100 m thick and the Silverknife showing is hosted in Rosella formation.

Kechika Group

This group is comprised of thinly bedded calcareous shales and siltstones with minor pure limestone inter-beds. The weathering of these rocks produces silver, yellow, and orange shades. These rocks are strongly deformed and are cut by small-scale internal thrusts. The Amy deposit, which is a conformable silver-lead-zinc deposit is hosted by a thick limestone lens, which in turn is thought to be a patch reef in the Kechika group.

Road River Group

The Road River Group is comprised of fissile black graphitic limestone with minor interlayers of black argillaceous-graphitic limestone, minor interlayers of black non-calcareous slate, and pure dolomite. This unit is about 200m thick and can contain graptolites and thick grey quartz lenses (1 – 10 m thick).

Tapioca Sandstone

This is an informal unit and lies stratigraphically between the Road River group and the McDame Group. The identifying characteristic of this group is the rounded (tapioca looking) quartz grains in a dolomite matrix. This unit transitions downward into siltstone of the Road River Group and upward into laminated or massive dolostone of the McDame Group.

McDame Group

This is a platformal carbonate accumulation with strong facies variation; massive dark grey dolostone is overlain by dark grey highly fossiliferous limestone that is locally dolomitized from the McDame Group. This carbonate unit hosts the massive sulphide mineralization in Silvertip. It contains a lower dolomitic unit of about 100 m thickness, and an upper limestone unit of up to 260 m thickness.

Earn Group

This is a turbiditic sequence that is recognized from MacMillan Pass in the Yukon to the Gataga area of BC. This Group is comprised of black slate, thinly bedded siltstone, thinly-thickly bedded sandstone, chert-pebble



conglomerates, and minor barite rich exhalites. These exhalites, barite within the siliceous and sulphide rich matrix of chert and limestone, though minor, are economically significant. In this area the upper contact of the Earn formation is a thrust which forms the base of the Sylvester allochthon.

Sylvester Allochthon

The Sylvester Allochthon was assembled into its current form during two or more discreet episodes of telescoping. The first one occurred in the late Palaeozoic and the second one during its emplacement onto the North American continental margin during Jurassic times. This Allochthon has been subdivided into six lithotectonic units and 15 sub-units. It is dominated by oceanic lithologies such as cherts, argillite, basalt/diabase dykes and sills. The non-oceanic lithologies include trachy-andesite with attendant erosive and sub-volcanic equivalents. This raft of oceanic terranes has been thrust overtop of the Cassiar Terrane.

Cassiar Batholith

The Cassiar Batholith is comprised of coarse grained quartz monzonite with pink orthoclase mega-crysts and coarse biotite/hornblende granodiorite. The Cassiar batholith and the attendant intrusive bodies include domes, pegmatite dykes and aplite rocks. The known mineralization within this batholith includes gold-bearing porphyry and vein swarms. Known economic minerals include molybdenite, gold with pyrite, galena and argentite.



Figure 13. Rancheria Claims Terrane Geology

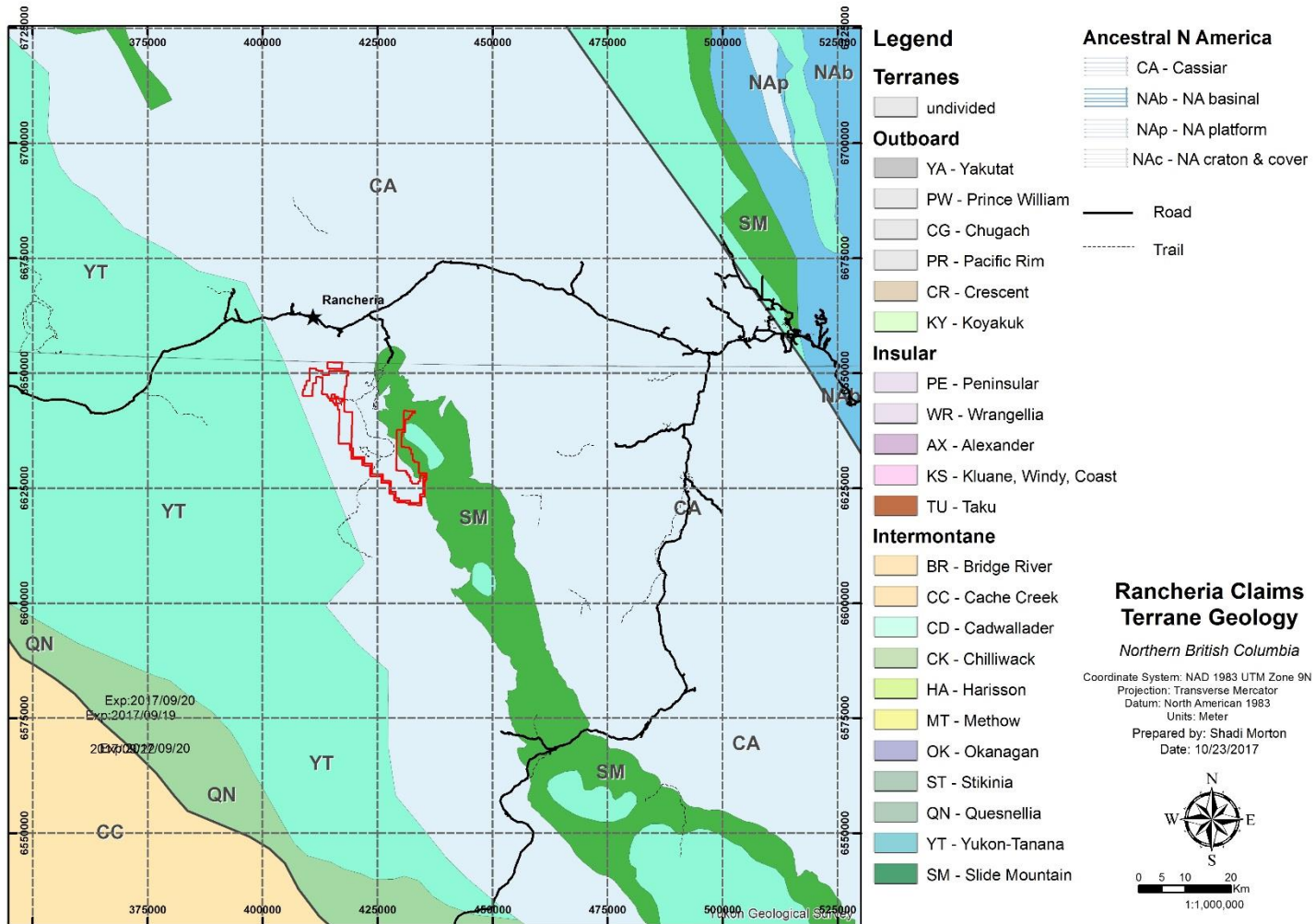




Figure 14. Regional Tectonic Elements around Silvertip Mine and JDS Claims

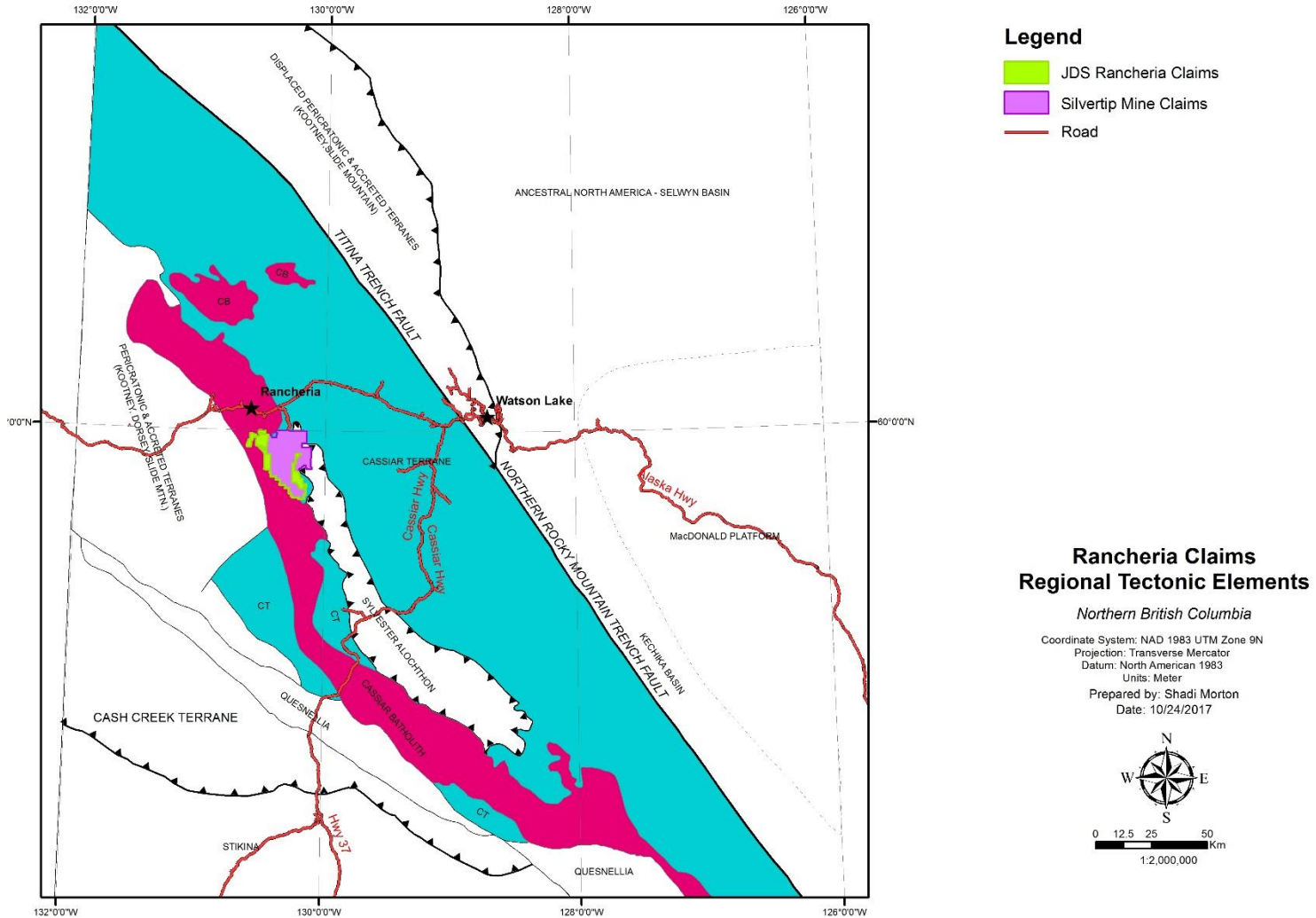
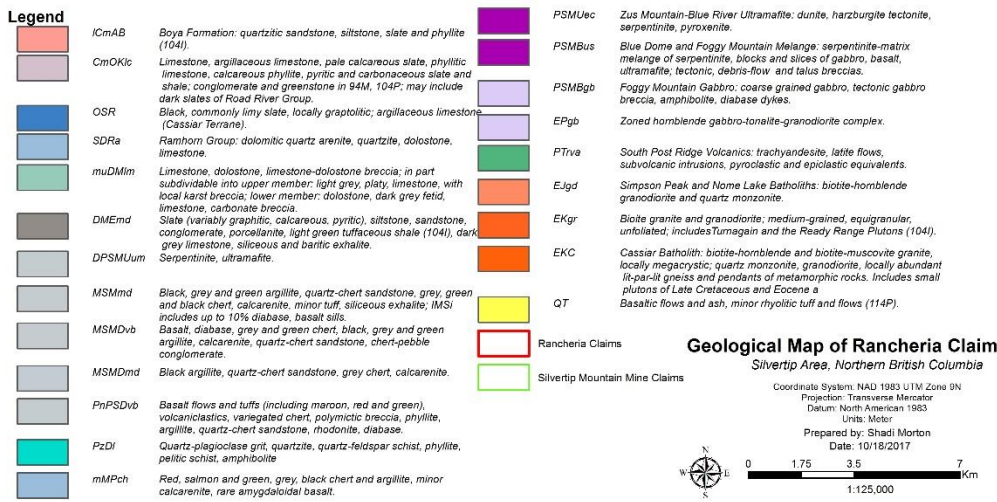
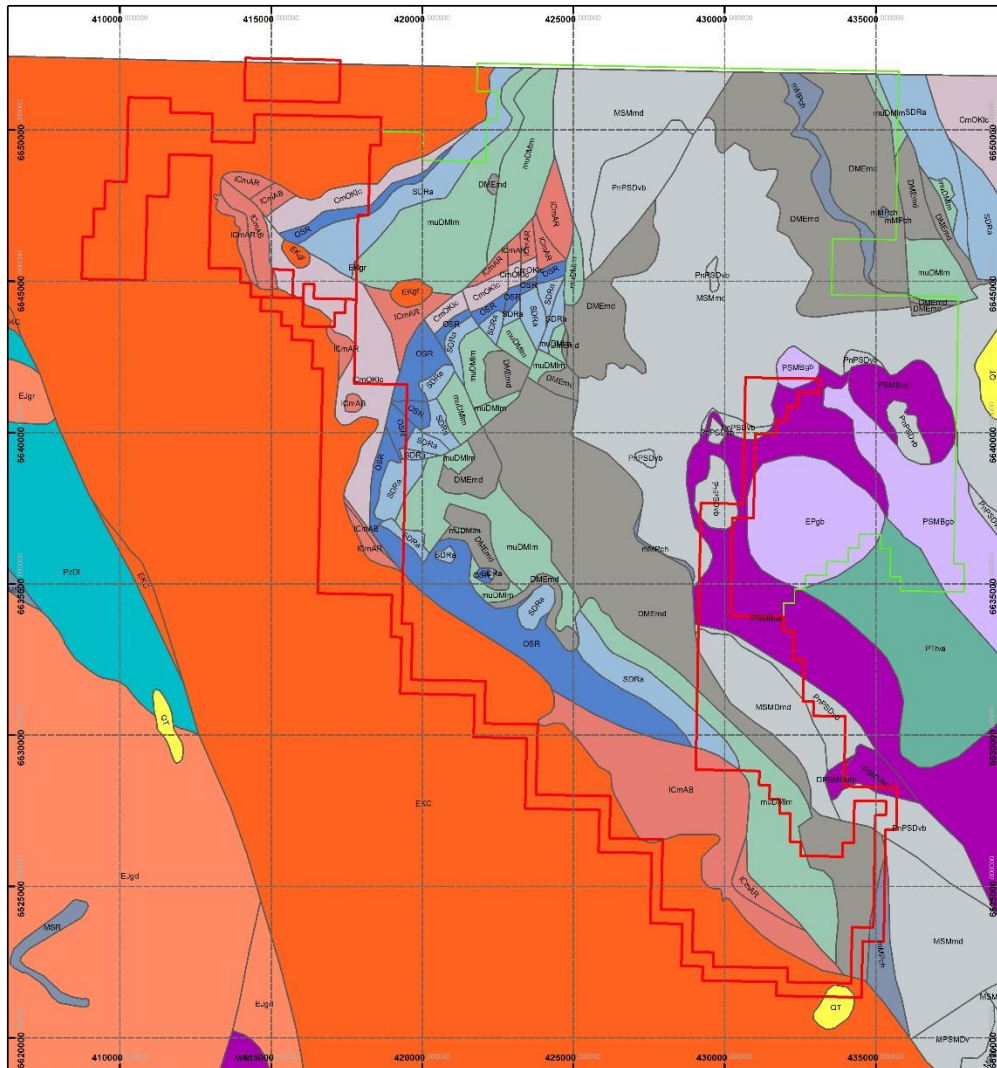




Figure 15. Property Geological Map of the Claims Area



Geological Map of Rancheria Claims
 Silvertip Area, Northern British Columbia

Coordinate System: NAD 1983 UTM Zone 9N
 Projection: Transverse Mercator
 Datum: North American 1983
 Units: Meter

Prepared by: Shadi Morton
 Date: 10/18/2017

0 1.75 3.5 7 Km
1:125,000



7. MINERALIZATION

Figure 16 depicts the mineralization in the vicinity of the claims. The metals are the first four commodities listed in the Minfile. The majority of the mineralization shows association with Cassiar Terrane and the Cassiar Batholith.

As mentioned by R. Cullen 2016, three major styles of mineralization are thought to be present in the Rancheria claims. Barite and Lead, Zinc exhalites with pyrite, galena and sphalerite are present within the Earn Group sediments (pp. Dev – Lwr. Miss.). Molybdenite in quartz veins, scheelite in adjacent skarns, and silver, lead, zinc replacement lenses and veins may have formed during the intrusion of the Cassiar Batholith, examples of which have been found in the Rancheria claims (Mid Cret.). Silver, lead, zinc lodes, Mantos, and Gold bearing porphyries (Late Cret. – Eocene) are thought to be associated with late intrusive phases, including medium grained granite or porphyritic dykes that may or may not contains sericitized zones. Mantos are hosted in massive carbonate units such as Silvertip. Silver, lead, zinc veins and porphyry with sericitic alteration can contain molybdenite, gold, and silver. The following table summarizes these finding with respect to the Rancheria claims.

Name	Tenure Number	Tenure Name	Type of mineralization	Metals
Nancy	1035373	KW1	Vein	Ag, Pb, Zn, Au
Rancheria	1035373	KW1	Skarn	Mo, Pb, Zn
Tootsee	1039309	PAL	Vein	Ag, Pb, Zn, Au
Shar	1039309	PAL	Vein	Ag, Pb, Zn, Au
Toots2	1039309	PAL	Vein	Ag, Pb, Zn, Au
BEAR	1035369	STIB1	Skarn	W, Mo, Pb
Cub	1035369	STIB1	Manto	Ag, Pb, Zn, Au



8. EXPLORATION

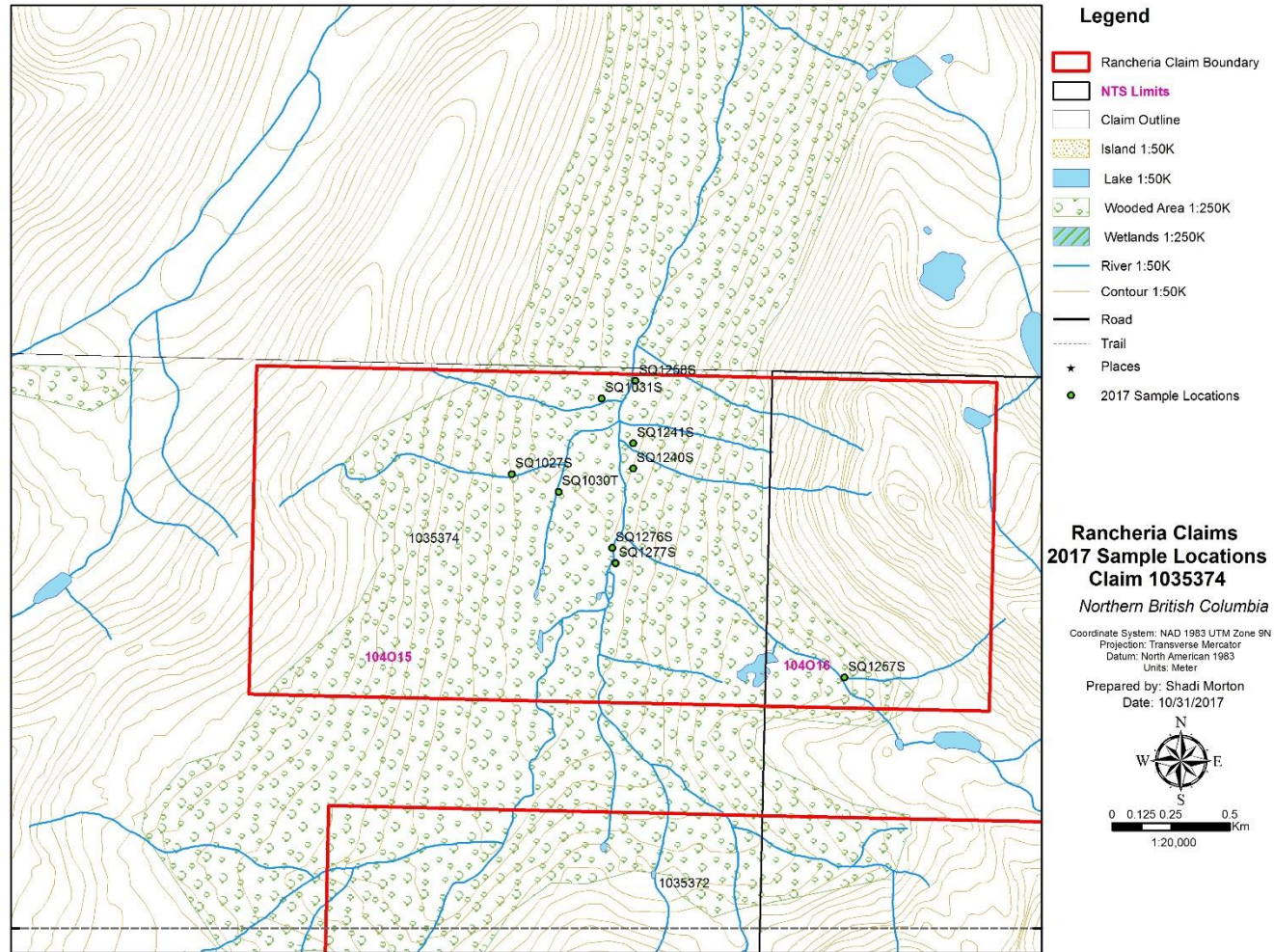
In 2017, Chad Ulansky of Element 29 Ventures Ltd, was contracted to oversee the field exploration season. During the program 9 heavy mineral samples were collected from the Rancheria Main claim block. Table 2 lists the samples with their locations and Figure 17 shows these samples plotted on the topography.

Table 2. 2017 Sample list and location on KW2

Sample Name	Easting	Northing	Elevation (m)
SQ1027S	415234	6651924	1314.3
SQ1030T	415432	6651849	1282
SQ1031S	415614	6652244	1250.9
SQ1240S	415748	6651947	1269.5
SQ1241S	415749	6652054	1258.5
SQ1257S	416644	6651062	1451.5
SQ1258S	415758	6652318	1235
SQ1276S	415659	6651611	1280.8
SQ1277S	415673	6651546	1282.6



Figure 17. Claim Block and Sample Locations



*For printing this figure to scale please see the maps submitted with this report



9. SAMPLING METHOD AND APPROACH

9.1 Heavy Mineral Sampling

Successful sampling requires a systematic approach which accounts for local variations in geology, geomorphology, climate and target properties. Using the proprietary techniques developed by CF Mineral Research, minerals considered pathfinders for metals mineralization are concentrated to for subsequent analysis.

Evaluation of the results allows the Company to focus its time and assets on exploring areas of potential economic significance.

Sampling procedures utilized for the heavy mineral sampling program were as follows:

- Sample locations were chosen prior to the field program by senior technical staff. These were then digitized and plotted on topographic maps at a suitable scale for field operations. The sample sites were located based on the following factors:
 - Historical data available in the public domain
 - The drainage network
 - Claim locations
- During field operations technicians were transported from the base of operations to the field by helicopter. After completing a sample the technician would either hike or be moved to the next proposed location by helicopter.
- The technician chose the specific sample site once the local conditions were evaluated at the digitized location. The technicians selected a site where heavy minerals would naturally be concentrated.
- Once the specific site was selected a 10 kilogram sample of sediments sieved to either -20 mesh or -6 mesh was collected. The site was then plotted on the field map and the coordinates saved in a handheld GPS. A photo of each sample location was also taken. Field maps and GPS coordinates were collected at the end of each day.
- At the end of each day the collected samples were transported to the base of operations by helicopter and then stored in a secure location. At the end of the program the samples were shipped in sealed mega-bags to CF Minerals Research Ltd in Kelowna, BC for processing.

10. SAMPLE PREPARATION, ANALYSIS AND SECURITY

10.1 PROCESSING HEAVY MINERAL SAMPLES

Various density and magnetic separation techniques are used to prepare the heavy mineral concentrates.

Once the samples are reduced to the size, density and magnetic fraction required for analysis the procedure is as follows:

- The samples are logged in and weighed
- The samples are wet sieved to -6+16, -16+32, -32+60 and -60 size fractions
- The fractions are dried and dry sieved



- A heavy liquid separation of the -16+32, -32+60 and -60 fractions using tetrabromoethane (TBE, SG = 2.9 g/cm³)
- A heavy liquid separation of the sinks from the TBE separation using methylene iodide (MI, SG = 3.09 to 3.20 g/cm³).
- The MI sinks are then sieved to make -16+60 and -60 fractions
- Magnetic Separation (3 to 4 stages at various magnetic intensities) using a Franz separator to yield -16+60 HM, HP and HN and -60 HM, HP and HN fractions
- Selected fractions will then be sent for assay

10.2 SECURITY

Chain of custody procedures were implemented as an integral part of the program. At the end of each day the sampler returned to base with the samples collected during the day. These samples were placed in a mega-bag which was then sealed with a uniquely numbered security closure. Sealed mega-bags were then shipped by commercial carrier to CF Mineral Research Ltd for processing.

11. RESULTS

At the time of writing the samples have only been concentrated. Assay results are not yet available. The statement of costs associated with this assessment report only includes the concentration costs at the laboratory, not the assay costs.

12. CONCLUSIONS AND RECOMMENDATIONS

The heavy mineral sampling program undertaken over the Rancheria claims is designed to detect mineralized areas. The results of this work should allow future exploration programs to focus their efforts on restricted zones within the claims.

Future work will be determined by the assay results when available.

13. EXPLORATION EXPENDITURES

The Rancheria project consists of 16 adjoining claims and one isolated claim. The costs are apportioned to the two claim groupings based upon the number of samples collected in each. Isolated claim KW2 (claim number 1035374) had 9 samples collected within its boundaries during the program. The 16 contiguous claims had 180 samples collected within their boundaries during the program.



Table 3. 2017 Rancheria Main Block Expenditures

Rancheria Project 2017		Dates worked	Days/Hrs	Rate	Amount	TOTALS
Wages and Salaries (Project Planning, Travel and Fieldwork)						
Beauchamp, J	Field Technician	Sept 26-Oct 3, Oct 5-13	17	550	9,350.00	
Nylen, D	Field Technician	Oct 4-11	8	500	4,000.00	
Ulansky, C	Geologist/Manager	Sept 23-Oct 3, Oct 6-13	19	800	15,200.00	
					<u>28,550.00</u>	28,550.00
Field Map Preparation						
Kelex Development Ltd	GIS mapping services		1		1,800.00	1,800.00
Room and Board						
Hotel and meals (actual)	Sept 26-Oct 3, Oct 5-13		1		6,040.99	6,040.99
Rentals - Equipment						
ATVs	4x4, 6x6	Sept 26-Oct 3, Oct 6-13	32	125	4,000.00	
Generator		Sept 26-Oct 3, Oct 6-13	16	20	320.00	
Chain saws	x2	Sept 26-Oct 3, Oct 6-13	32	10	320.00	
Communications	Sat phones, VHF	Sept 26-Oct 3, Oct 6-13	38	20	760.00	
Sampling equipm	x3	Sept 26-Oct 3, Oct 6-13	38	50	1,900.00	
					<u>7,300.00</u>	7,300.00
Transportation						
Helicopter	MD 520N	Oct 5-9	15.2	1,350	20,520.00	
Helicopter fuel	90 litres/hr	Oct 5-9	1368	1	1,641.60	
Truck (4x4)	Kilometre charges	Sept 26-Oct 3, Oct 6-13	6666	1	4,532.84	
Trailer	Day rate	Sept 26-Oct 3, Oct 6-13	16	50	800.00	
Fuel			1		1,229.90	
Flights			1		2,053.02	
					<u>30,777.36</u>	30,777.36
Geochemical Analysis and Assaying						
Shipping	Manitoulin		1		3,203.20	
CF Minerals	Sample processing	189 samples	1		58,788.35	
					<u>61,991.55</u>	61,991.55
Consulting - Report Writing and Data Collection						
Kelex Development Ltd	GIS Mapping services		1		1,800.00	
Element 29 Ventures	Report writing		1		2,400.00	
					<u>4,200.00</u>	4,200.00
Total Cost Statement For All Claims						140,659.90
Prorata costs for 9 samples collected on claim KW2						6,698.09



REFERENCES

Cullen, Randal. 2016 Prospectivity Review and Exploration Plan for JDS Resources Claims, Silvertip Area, Northern British Columbia (2016); Ministry of Energy and mines, assessment report 36074.

Christopher P.A., 1984. Geochemical and Geophysical Report on FLY and AG Claims. Ministry of Energy and Mines, assessment Report 12619.

Darney, R., and Aikins, H.S., 1984. Assessment Report on Diamond Drilling. Ministry of Energy and Mines, assessment Report 13376.

Dover, J.H. 1994. Geology of east – central Alaska, in Pflaker, George and Berg, H.C., eds., The Geology of Alaska, Chapter G-1 of the Geology of North America: Boulder, Colo., Geological Society of America, p. 153-204.

H. Gabrielse. Geology of Jennings River Map-Area, British Columbia (104-O). Geological Survey of Canada, Paper 68-55, Pages 26-27.

Gabrielse, H.M. D.C and Mortensen, J.K., 2006. Cretaceous and Cenozoic dextral orogeny – parallel displacements, magmatism and paleogeography of the north American Cordillera; Evidence for and against large-scale displacements: Geological Association of Canada Special Paper 46, p. 255-276.

Mitch G. Mihalynuk, Kim A. Bellefontaine, Derek A. Brown, James M. Logan, JoAnne L. Nelson, Andrew S. Legun, and Larry, J. Diakow. MINERAL POTENTIAL PROJECT GEOLOGICAL COMPILATION NORTHWEST BRITISH COLUMBIA, Geological Survey Branch Open File 1996-11

Medford, G.A., 1985. Geophysical Report on the Fly and AG Claims; Ministry of Energy and mines, assessment report 13852.

Nelson, J.L. and Bradford, J. A. 1993. Geology of the MIDWAY-CASSIAR AREA, NORTHERN BRITISH COLUMBIA (104O/104P). Department of Energy and mines, Bull 83.

Rees, C. Akelaitis, C., and Robertson, S., 2000. Winter 2000 Summary Report on the Silvertip Property, British Columbia: Physical Work and Diamond Drilling; Ministry of Energy and mines, assessment report 26240.

Schellenberg, D. G., 1981. Report on the Soil Geochemical Field Survey for Silver, Lead and Zinc on Part of the “ROX” claim owned and operated by Marbaco Resources Ltd. Of Vancouver, B.C.; Ministry of Energy and mines, assessment report 10066.

Whiting, B.H., and Garde, T.J., 1980. 1980 Geological Report for the Tootsee Ridge Project.; Ministry of Energy and mines, assessment report 8435.



APPENDIX I: STATEMENTS OF QUALIFICATIONS



October 31, 2017

RE: Statement of Qualifications

I, Chad Stanley Ulansky, geologist with business address in Kelowna, British Columbia and residential address in West Kelowna, British Columbia, do hereby certify that:

1. I graduated from the University of Cape Town, South Africa in 1998 with a B.Sc. (Honours) in Geology.
2. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia (registration number 37150).
3. I am a member of the Association of Professional Geoscientists of Ontario (registration number 1800).
4. I have been actively involved in mineral exploration since 1991.
5. I have personally participated in and supervised the work reported herein.

Signed,

Chad Stanley Ulansky
B.Sc., P.Geo.



October 31, 2017

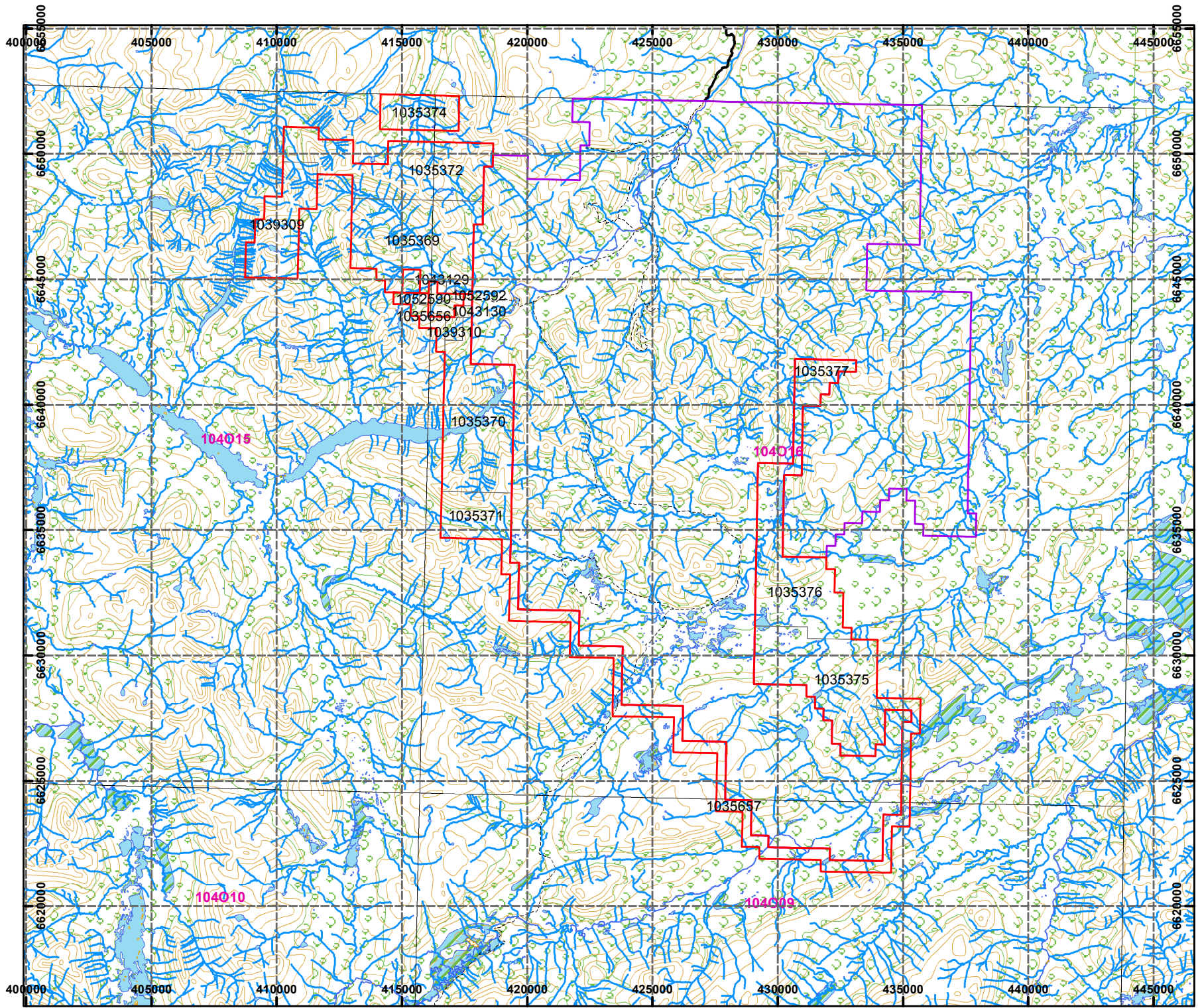
RE: Statement of Qualifications

I, Shadi Morton, geologist with business address in Kelowna, British Columbia and residential address also in Kelowna, British Columbia, do hereby certify that:

1. I graduated from the University of British Columbia, Canada in 2004 with a B.Sc. (Honours) in Geology.
2. I am a member of the Engineers and Geoscientists BC (registration number 136597).
3. I have been actively involved in mineral exploration since 2002.
4. I have assisted in preparing this report.

Signed,

Shadi Morton
B.Sc., P.Geo.

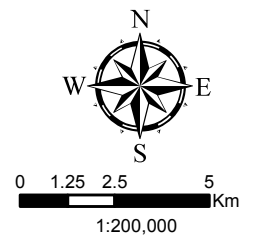


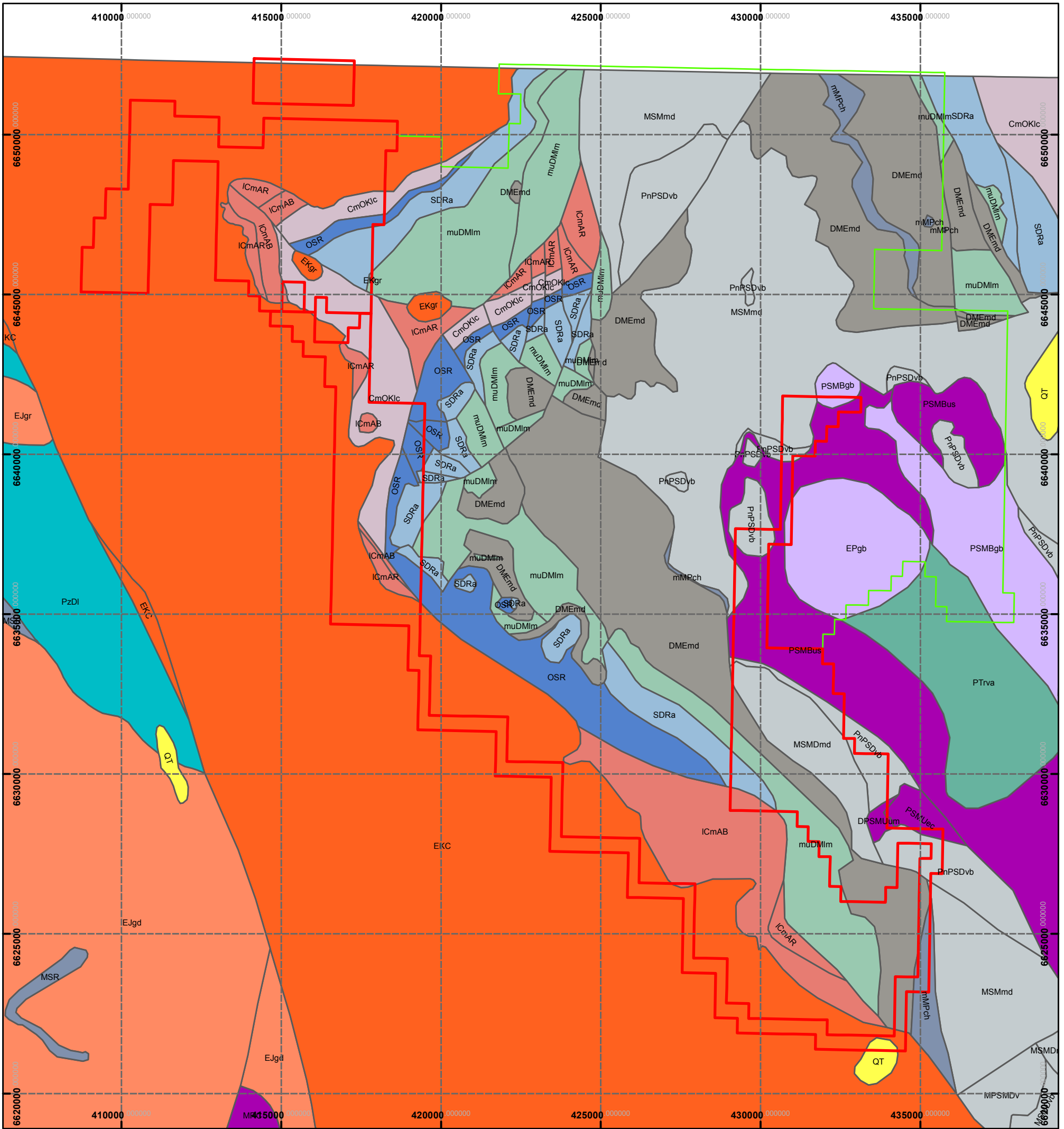
- ### Legend
- Rancheria Claims
 - Silvertip Mine Claims
 - Claim Boundary
 - NTS Sheet
 - Island 1:50K
 - Lake 1:50K
 - Wooded Area 1:250K
 - Wetlands 1:250K
 - River 1:50K
 - Contour 1:250K
 - Road
 - Trail
 - Places

Rancheria Claims

Northern British Columbia

Coordinate System: NAD 1983 UTM Zone 9N
 Projection: Transverse Mercator
 Datum: North American 1983
 Units: Meter
 Prepared by: Shadi Morton
 Date: 10/18/2017



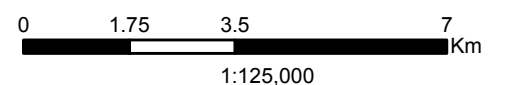


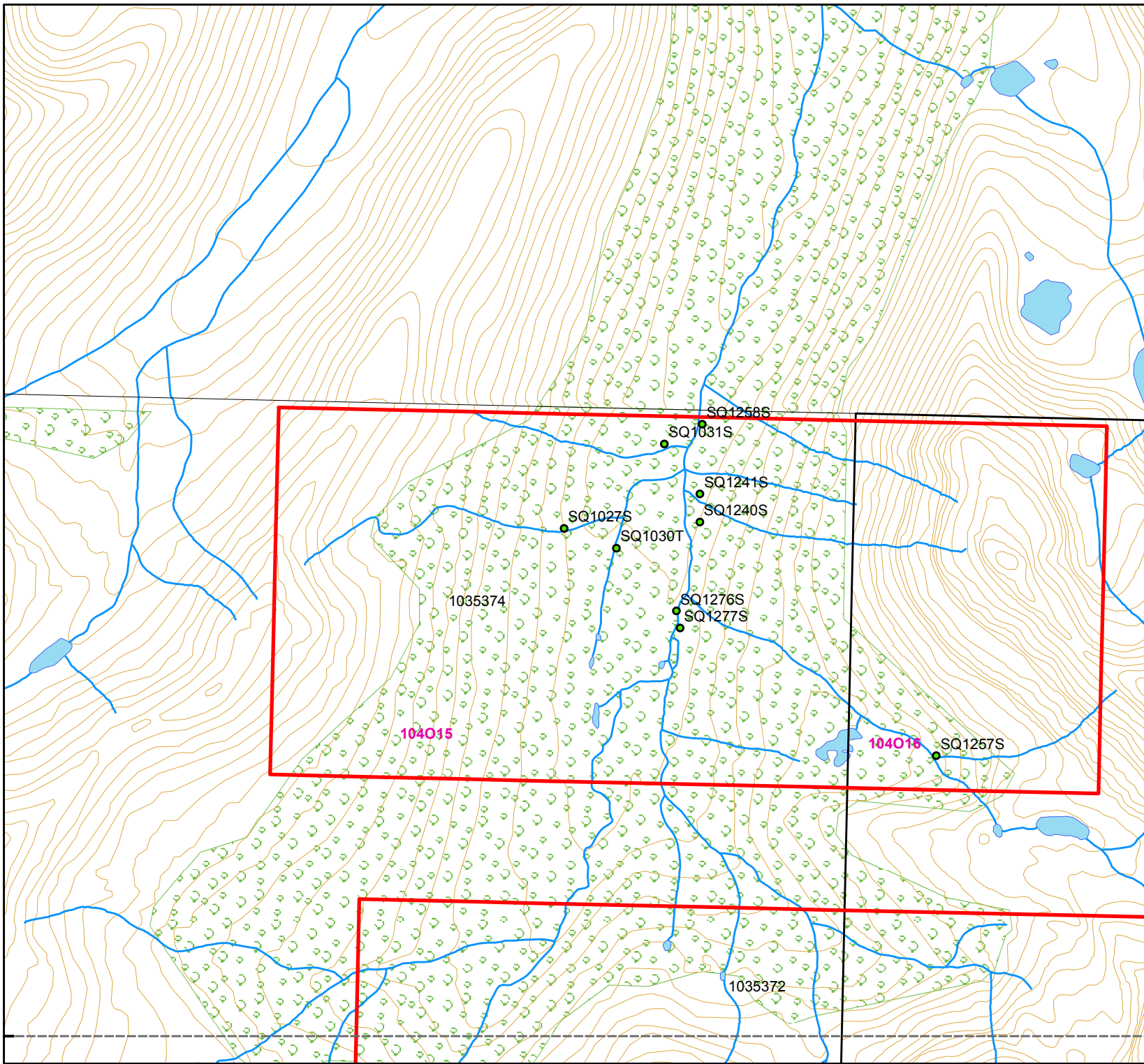
Legend

- | | | |
|---|---|---|
| <p>ICmAB Boya Formation: quartzitic sandstone, siltstone, slate and phyllite (104I).</p> <p>CmOKlc Limestone, argillaceous limestone, pale calcareous slate, phyllitic limestone, calcareous phyllite, pyritic and carbonaceous slate and shale; conglomerate and greenstone in 94M, 104P; may include dark slates of Road River Group.</p> <p>OSR Black, commonly limy slate, locally graptolitic; argillaceous limestone (Cassiar Terrane).</p> <p>SDRa Ramhorn Group: dolomitic quartz arenite, quartzite, dolostone, limestone.</p> <p>muDMlm Limestone, dolostone, limestone-dolostone breccia; in part subdividable into upper member: light grey, platy, limestone, with local karst breccia; lower member: dolostone, dark grey fetid, limestone, carbonate breccia.</p> <p>DMEmd Slate (variably graphitic, calcareous, pyritic), siltstone, sandstone, conglomerate, porcellanite, light green tuffaceous shale (104I), dark grey limestone, siliceous and baritic exhalite.</p> <p>DPSMUum Serpentinite, ultramafite.</p> <p>MSMmd Black, grey and green argillite, quartz-chert sandstone, grey, green and black chert, calcarenite, minor tuff, siliceous exhalite; IMSi includes up to 10% diabase, basalt sills.</p> <p>MSMDvb Basalt, diabase, grey and green chert, black, grey and green argillite, calcarenite, quartz-chert sandstone, chert-pebble conglomerate.</p> <p>MSMDmd Black argillite, quartz-chert sandstone, grey chert, calcarenite.</p> <p>PnPSDvb Basalt flows and tuffs (including maroon, red and green), volcanoclastics, variegated chert, polymictic breccia, phyllite, argillite, quartz-chert sandstone, rhodonite, diabase.</p> <p>PzDI Quartz-plagioclase grit, quartzite, quartz-feldspar schist, phyllite, pelitic schist, amphibolite</p> <p>mMPch Red, salmon and green, grey, black chert and argillite, minor calcarenite, rare amygdaloidal basalt.</p> | <p>PSMUec Zus Mountain-Blue River Ultramafite: dunite, harzburgite tectonite, serpentinite, pyroxenite.</p> <p>PSMBus Blue Dome and Foggy Mountain Melange: serpentinite-matrix melange of serpentinite, blocks and slices of gabbro, basalt, ultramafite; tectonic, debris-flow and talus breccias.</p> <p>PSMBgb Foggy Mountain Gabbro: coarse grained gabbro, tectonic gabbro breccia, amphibolite, diabase dykes.</p> <p>EPgb Zoned hornblende gabbro-tonalite-granodiorite complex.</p> <p>PTva South Post Ridge Volcanics: trachyandesite, latite flows, subvolcanic intrusions, pyroclastic and epiclastic equivalents.</p> <p>EJgd Simpson Peak and Nome Lake Batholiths: biotite-hornblende granodiorite and quartz monzonite.</p> <p>EKgr Biotite granite and granodiorite; medium-grained, equigranular, unfoliated; includes Turnagain and the Ready Range Plutons (104I).</p> <p>EKC Cassiar Batholith: biotite-hornblende and biotite-muscovite granite, locally megacrystic; quartz monzonite, granodiorite, locally abundant lit-par-lit gneiss and pendants of metamorphic rocks. Includes small plutons of Late Cretaceous and Eocene a Basaltic flows and ash, minor rhyolitic tuff and flows (114P).</p> <p>QT</p> | <p>Rancheria Claims</p> <p>Silvertip Mountain Mine Claims</p> |
|---|---|---|

Geological Map of Rancheria Claims
Silvertip Area, Northern British Columbia

Coordinate System: NAD 1983 UTM Zone 9N
 Projection: Transverse Mercator
 Datum: North American 1983
 Units: Meter
 Prepared by: Shadi Morton
 Date: 10/18/2017





Legend

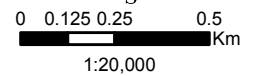
- Rancheria Claim Boundary
- NTS Limits
- Claim Outline
- Island 1:50K
- Lake 1:50K
- Wooded Area 1:250K
- Wetlands 1:250K
- River 1:50K
- Contour 1:50K
- Road
- Trail
- Places
- 2017 Sample Locations

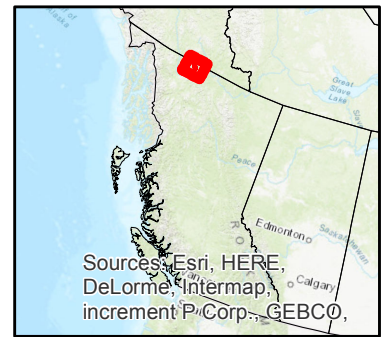
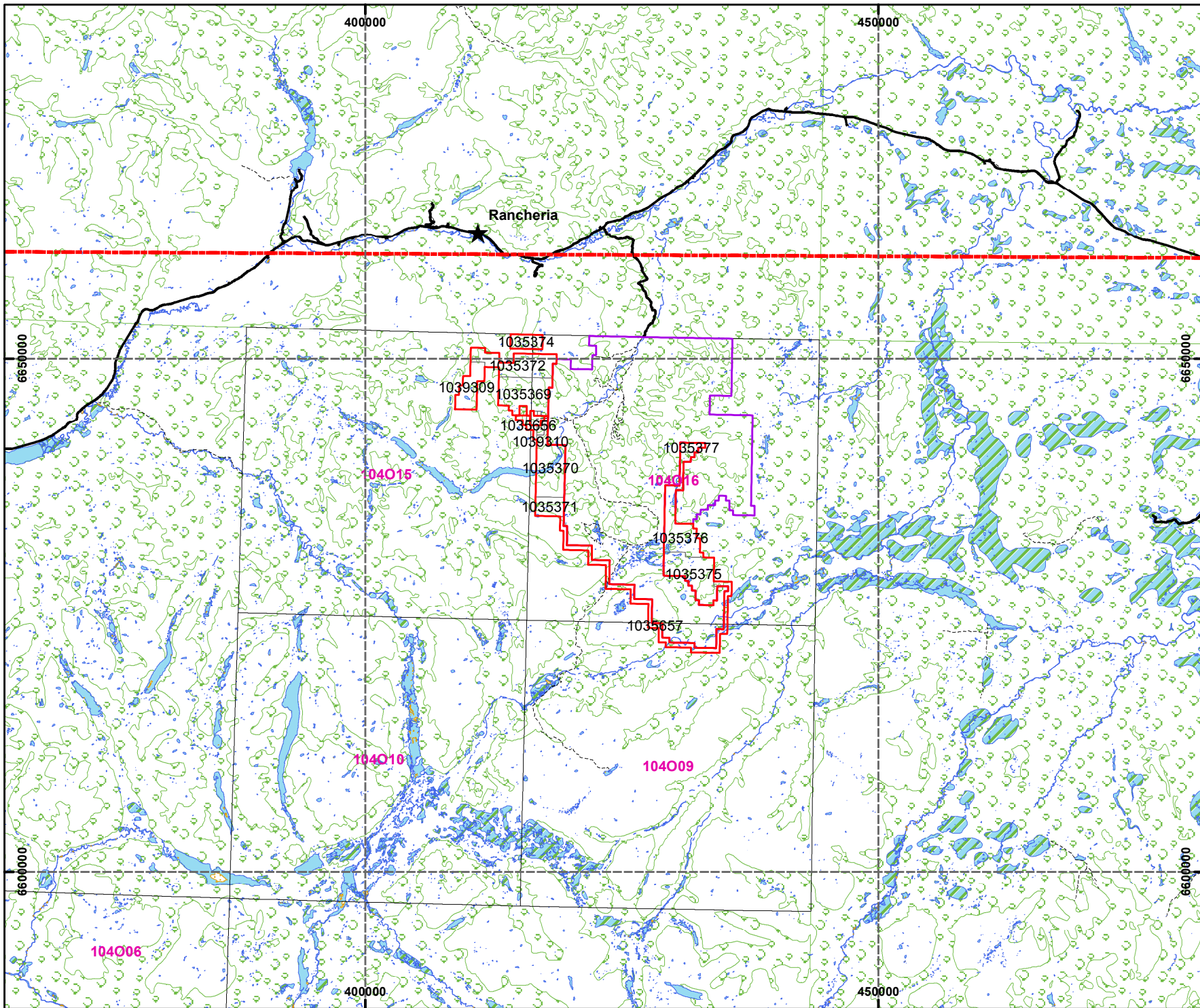
**Rancheria Claims
2017 Sample Locations
Claim 1035374**

Northern British Columbia

Coordinate System: NAD 1983 UTM Zone 9N
Projection: Transverse Mercator
Datum: North American 1983
Units: Meter

Prepared by: Shadi Morton
Date: 10/31/2017





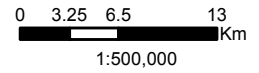
Legend

- Rancheria Claims
- Silvertip Mine Claims
- Claim Boundary
- NTS Sheet
- Island 1:50K
- Lake 1:50K
- Wooded Area 1:250K
- Wetlands 1:250K
- Provincial Boundary
- River 1:50K
- Contour 1:250K
- Road
- Trail
- Places

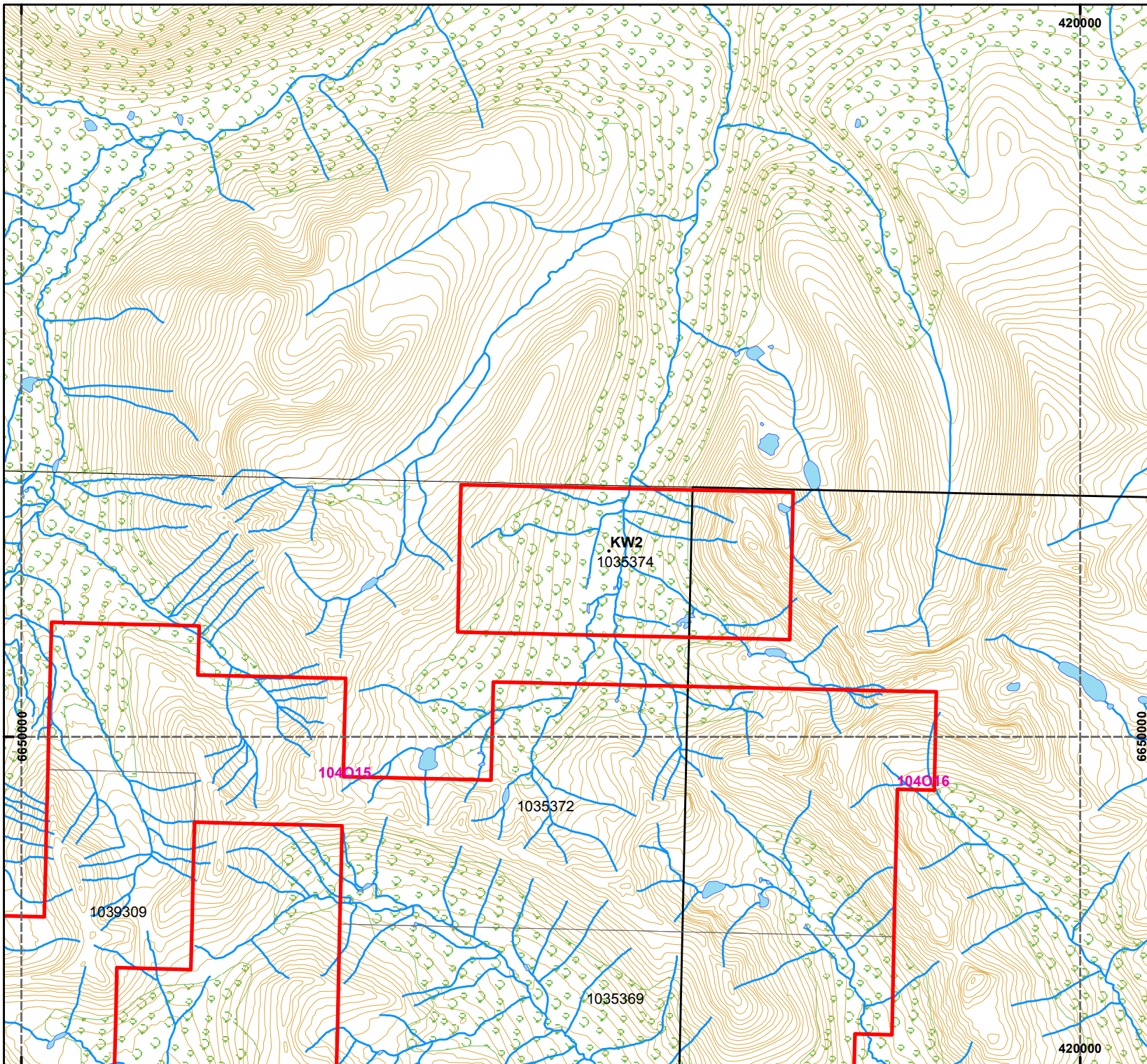
**Rancheria
Location Map**

Northern British Columbia
 Coordinate System: NAD 1983 UTM Zone 9N
 Projection: Transverse Mercator
 Datum: North American 1983
 Units: Meter

Prepared by: Shadi Morton
 Date: 10/23/2017



SampleName	Easting	Northing	Elevation (m)
SQ1027S	415234	6651924	1314.3
SQ1030T	415432	6651849	1282
SQ1031S	415614	6652244	1250.9
SQ1240S	415748	6651947	1269.5
SQ1241S	415749	6652054	1258.5
SQ1257S	416644	6651062	1451.5
SQ1258S	415758	6652318	1235
SQ1276S	415659	6651611	1280.8
SQ1277S	415673	6651546	1282.6



- ### Legend
- Rancheria Claim Boundary
 - NTS Limits
 - Claim Outline
 - Island 1:50K
 - Lake 1:50K
 - Wooded Area 1:250K
 - Wetlands 1:250K
 - River 1:50K
 - Contour 1:50K
 - Road
 - Trail
 - Places

Rancheria Claims Claim 1035374

Northern British Columbia

Coordinate System: NAD 1983 UTM Zone 9N
 Projection: Transverse Mercator
 Datum: North American 1983
 Units: Meter

Prepared by: Shadi Morton
 Date: 11/1/2017

