# EnGold Mines Ltd.

# NI 43-101 Technical Report

## Mineral Resource Estimate for the Aurizon South Deposit, Lac La Hache Project Central British Columbia, Canada

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# 1. SUMMARY

## 1.1. Introduction

The Lac La Hache Project is a copper-gold-silver bearing porphyry/copper-magnetite skarn/carbonate replacement exploration project located approximately 14 km northeast of Lac La Hache, British Columbia, Canada (the "Property" or the "Lac La Hache Project"). The Property hosts several drilled prospects, including the Spout Copper Deposit with published indicated and iffered resources. Mineral tenures that comprise the Property are held 100% by EnGold Mines Ltd. (hereinafter "EnGold" or the "Company"). The Company was formerly called GWR Resources Inc. (GWR), and, in May 2016, the Company changed its name to EnGold Mines Ltd. (TSX Venture Exchange trading symbol EGM). For the purposes of this report, certain images and text references may correctly refer to this Company as GWR or EnGold.

In February 2012, GWR commissioned SRK Consulting (Canada) Inc. (SRK) to prepare a geological and mineral resource estimate; this represented a first-time disclosure of mineral resources for the Property. SRK rendered its services between February 2012 and April 2012. The Mineral Resource Statement was published by GWR in a press release dated April 19, 2012 (the effective date of the SRK report), and it is included here in Section 9.1.

In 2017, EnGold commissioned Kirkham Geosystems Ltd. to prepare an updated geological and mineral resource estimate and incorporate mineralization within the Aurizon South Prospect.

This technical report was prepared following the guidelines of the Canadian Securities Administrators' National Instrument 43-101 and Form 43-101F1. The Mineral Resource Statement reported in Section 14 was prepared in conformity with generally accepted CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines." The effective date of this report is March 5, 2018.

A list of acronyms and abbreviations commonly used in the report are provided in Section 2 of this report.

Exploration spanning five decades in the Lac La Hache Project area has outlined a number of zones of copper-gold-silver-magnetite mineralization, consistent with a porphyry mineralizing system(s), related to various intermediate-to-felsic, alkali intrusions that are emplaced into coeval volcano-sedimentary rocks.

Two broad deposit styles can be described:

1. porphyry copper (chalcopyrite, bornite, covellite-chalcocite, tetrahedrite, native copper, pyrite, pyrrhotite) as rare disseminations and more typically within fractures and hydrothermal breccias, the predominant type (at Aurizon Zones, Ann North, Miracle, Peach, others);

2. skarn/carbonate replacement-style magnetite-copper (+/- gold, silver, at Spout, G1, Nemrud) within Nicola volcaniclastic rocks.

Since acquisition of the Property work at property-wide and prospect-specific scales has included: prospecting; geological mapping; geochemical rock and soil sampling; induced polarization and magnetometer surveys; ground gravity surveys; airborne gamma ray spectrometric/magnetometer and gravity/magnetometer surveys and diamond drilling.

The mineral resource in the Aurizon South Deposit occurs as an intrusion hosted, copper-gold-silver-bearing hydrothermal breccia structure related to an alkalic copper porphyry system. The structure is nearly vertical (steeply west dipping) striking 020 degrees with a currently defined strike exceeding 400 m (open), down-dip extent exceeding 670 m below surface (open) and true widths varying from 2 to more than 10 m.

Several drilling campaigns from 2006 through 2012 targeted the Aurizon Central and South zones and several other prospects within the project area. This work showed that the Central Aurizon zone is characterized by numerous post-mineralization faults which cause internal grade discontinuity. Drilling at Aurizon South however, demonstrated strong continuity of the host structure, along which hydrothermal breccia-hosted mineralization occurs, and redefined the strike of the zone. Following a two-year exploration hiatus (2013 and 2014) drilling in 2015 and 2016 resumed, to expand the overall size of the Aurizon South deposit and identify new zones of high-grade mineralization within the main structure.

The purpose of this Technical Report was to present the first resource estimate for the Aurizon South Deposit. In addition, this Report served as an update on the exploration activities.

Metallurgical work to date has shown positive results with copper, gold, and silver recovery to the rougher concentrate averaged about 95, 92, and 90 percent, respectively. Cleaner testing indicated that regrinding of the rougher concentrate to about 41 µm K80 was required to produce a high-grade copper concentrate grading about 28 percent copper at a recovery of 91 percent.

## 1.2. Mineral Resource Estimate

Table 1.1 shows the Mineral Resource Statement for the Aurizon South deposit.

The author evaluated the resource in order to ensure that it meets the condition of “reasonable prospects of eventual economic extraction” as suggested under NI 43-101. The criteria considered were confidence, continuity and economic cut-off. The resource listed in this section is considered to have “reasonable prospects of eventual economic extraction”.

The mineral resource estimate which represents a maiden resource estimate for the Aurizon South deposit, incorporates data from drilling conducted between 2008 through 2017 that successfully delineated a new deposit on the project. The effective date is March 5, 2018.

**Table 1.1: Base-case Inferred Mineral Resource Estimate for Aurizon Using a 2.5 g/t AuEq Cut-off**

| Cutoff g/t | kTonnes | AuEq g/t | Au g/t | Cu % | Ag g/t | AuEq ounces |
|---|---|---|---|---|---|---|
| 2.5 | 1,073 | 3.60 | 2.48 | 0.64 | 5.98 | 124,206 |

Source: Kirkham Geosystems, 2018

Notes:

1) The current Resource Estimate was prepared by Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd.

2) All mineral resources have been estimated in accordance with Canadian Institute of Mining and Metallurgy and Petroleum (“CIM”) definitions, as required under National Instrument 43-101 (“NI 43-101”).

3) Mineral resources were constrained using mainly geological constraints and approximate AuEq grade domains.

4) AuEq values were calculated using average long-term prices of $1,200/oz Au, $16/oz Ag, $2.75/lb Cu, and metal recoveries of 92% Au, 95% Cu, and 90% Ag were used. Base case cut-off grade assumed $90/t operating and sustaining costs. All prices are stated in USD$.

5) All contained metal content values (including equivalencies) were calculated assuming 100% recoveries.

6) Mineral resources are not mineral reserves until they have demonstrated economic viability. Mineral resource estimates do not account for a resource’s mineability, selectivity, mining loss, or dilution. All figures are rounded to reflect the relative accuracy of the estimate, and, therefore, numbers may not appear to add precisely.

## 1.3. Conclusions and Recommendations

The exploration completed by EnGold between 2006 and 2017 on the Lac La Hache Property indicates that the presence of mineral resources which justifies the cost of ongoing exploration and development.

Potential risks related to the project include metallurgy, continuity of the structures and continued ability to expand resources. Further metallurgical testing is required in order to clearly understand recoveries. In addition, although the mineralized zones appear to be relatively continuous and predictable, faults and other structures may be encountered that would pose interpretation challenges. The Aurizon South deposit appears to be amenable to underground mining methods. However, thickness can vary which may require more selective mining methods which will increase costs and require higher cut-off grades to justify.

Opportunities related to the project are reflected in the fact that Lac La Hache has potential as a district play with a variety of deposits types which poses excellent exploration and expansion potential.

The author recommends a drilling program designed to expand resources and serve as a basis for higher level studies. The budget for the program is shown in Table 1.2.

**Table 1.2: Proposed Program Budget**

| Item | Description | | Budget |
|---|---|---|---|
| **Phase 1 Recommended Work 2018 Program** | | | |
| 1 | Spout Resource Update | | $40,000.00 |
| 2 | G1 Maiden Resource | | $60,000.00 |
| 3 | Initial Metallurgical G1 | | $20,000.00 |
| 4 | Ground Geophysics G1 Tests | | $60,000.00 |
| 5 | Ground Geophysics G1-Spout Surveying | | $130,000.00 |
| 6 | Community Engagement | | $100,000.00 |
| 7 | Drilling (estimated $130/m all-in) | *Metres* | |
| 8 | *a) G1* | *4,000* | |
| 9 | *b) Spout* | *10,000* | |
| 10 | *c) Gap* | *2,400* | |
| | 2018 Drilling Subtotals | 16,400 | $2,132,000.00 |
| | **Total Proposed 2018 Budget** | | **$2,542,000.00** |
| **Phase 2 Recommended Drilling** | | | |
| 11 | *d) Aurizon* | *3,500* | |
| 12 | *e) Porphyry* | *2,500* | |
| | Future Drilling Subtotals | 6,000 | $780,000.00 |
| | **Total Proposed Budget** | | **$3,322,000.00** |

# 2. INTRODUCTION

The Lac La Hache Project is an exploration project located 14 km northeast of the town of Lac La Hache, within the Clinton Mining Division in central British Columbia. The Property encompasses several prospects on a 19,621-ha Property that is owned and operated by Engold Mines Ltd. (EnGold).

This report, effective March 5th 2018, was prepared for EnGold in Vancouver, British Columbia. A previous technical report with an effective date June 4, 2012 documented the exploration work completed by the Company to that date.

In 2017, EnGold commissioned Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd. (Kirkham Geosystems), to complete a technical report that included the exploration work and drilling performed on the Property up to and including 2017 and to generate a resource estimate for the Aurizon South Deposit. This technical report also includes a Mineral Resource Statement prepared by Kirkham Geosystems and published during the first quarter of 2018.

The Mineral Resource Statement was prepared following the guidelines of the Canadian Securities Administrators' National Instrument 43-101 (NI 43-101) and Form 43-101F1 (Form F1). The Mineral Resource Statement reported herein was prepared in conformity with generally accepted CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2014).

## 2.1. Scope of Work

The scope of work consisted of the preparation of an independent technical report in compliance with NI 43-101 and Form F1 guidelines. The technical report was compiled by Garth Kirkham, P.Geo., Principal, Kirkham Geosystems, and it includes the mineral resource estimate and the preparation of the Mineral Resource Statement.

## 2.2. Site Visit

In accordance with NI 43-101 guidelines, Garth Kirkham, P.Geo., visited the Lac La Hache Project from August 31 through September 2, 2016. He was accompanied by EnGold representatives David Brett (President) and Robert Shives, P.Geo. (VP, Exploration).

Mr. Kirkham was given full access to the Property and all relevant data.

## 2.3. Abbreviations and Acronyms

Units of measurement used in this report conform to the SI (metric) system. A complete list of abbreviations and acronyms is shown in Table 2.1.

**Table 2.1: Abbreviations and Acronyms**

| | |
|---|---|
| cubic centimetre | cc |
| centimetre | cm |
| copper | Cu |
| degrees centigrade | ºC |
| Canadian Institute of Mining, Metallurgy and Petroleum | CIM |
| carbonate-replacement deposit | CRD |
| diamond drill hole | DDH |
| east | E |
| EnGold Mines Ltd. | EnGold |
| Global Positioning System | GPS |
| gram | g |
| grams per tonne | g/t |
| gold | Au |
| gold equivalent | AuEq |
| GWR Resources Inc. | GWR |
| hectare | ha |
| International Electrotechnical Commission | IEC |
| International Organization for Standardization | ISO |
| joint venture | JV |
| kilogram | kg |
| kilometre | km |
| length x width x height | L x W x H |
| metre | m |
| metres above sea level | masl |
| micron | µ |
| millilitre | mL |
| million years | Ma |
| millimetre | mm |
| millivolts per volt | mV/V |
| Moz | million ounces |
| Mlbs | million pounds |

| | |
|---|---|
| Mtonnes | million tonnes |
| National Instrument 43-101 | NI 43-101 |
| net smelter return | NSR |
| north | N |
| ounce | oz |
| Pacific Empire Minerals Corp. | PEM |
| parts per billion | ppb |
| parts per million | ppm |
| Peach Lake Resources Ltd. | PLR |
| qualified person | QP |
| south | S |
| silver | Ag |
| SRK Consulting (Canada) Inc. | SRK |
| three dimensional | 3D |
| tonne | t |
| tonnes per cubic metre | $t/m^3$ |
| Universal Transverse Mercator | UTM |
| very-low-frequency electromagnetic | VLF-EM |
| west | W |

# 3. RELIANCE ON OTHER EXPERTS

The author of this technical report is not qualified to provide extensive commentary on legal issues associated with the Lac La Hache Project. As such, portions of Section 4 that deal with the types and numbers of mineral tenures and licenses; the nature and extent of EnGold's title and interest in the Lac La Hache Property; and, the terms of any royalties, back-in rights, payments or other agreements and encumbrances to which the Property is subject are only descriptive in nature and are provided exclusive of a legal opinion.

This report has been prepared by the author for EnGold. The information, conclusions, opinions, and estimates contained herein are based on:

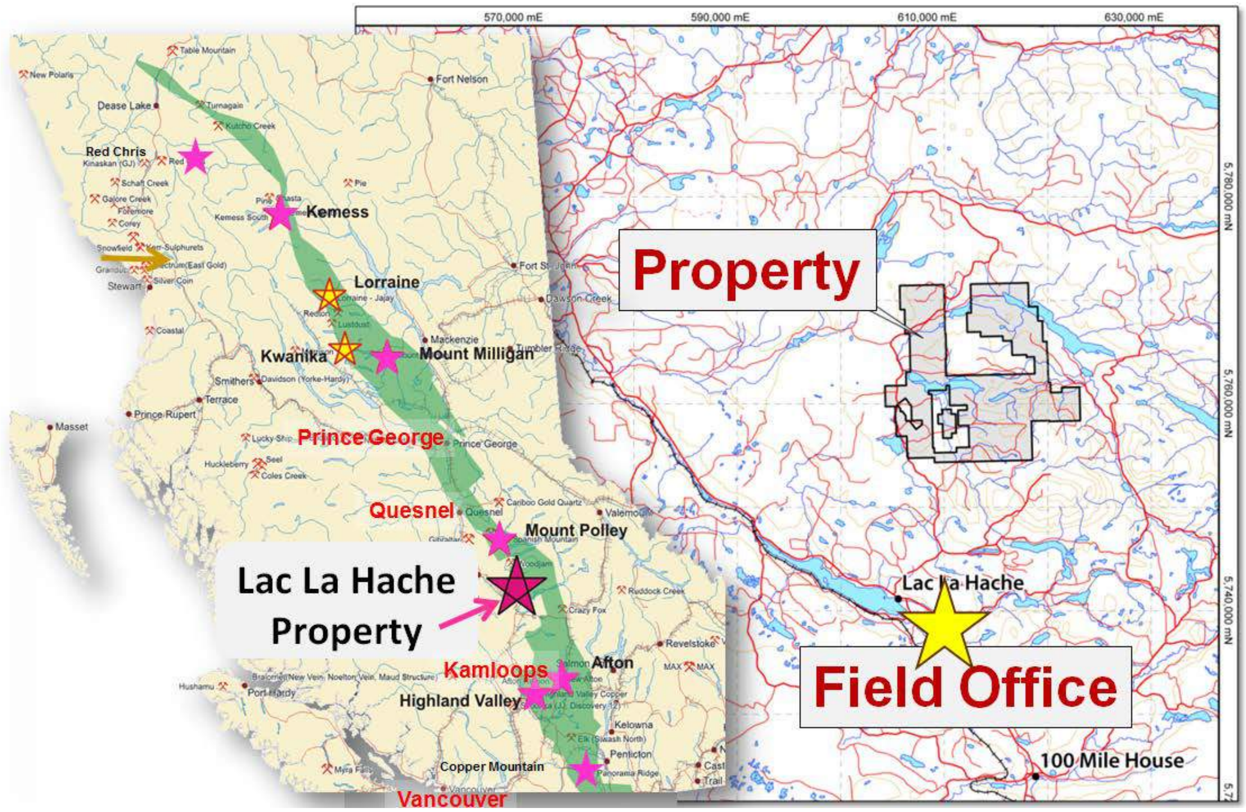
- information available to the author at the time of preparation of this report;
- assumptions, conditions, and qualifications as set forth in this report; and
- data, reports, and other information supplied by EnGold and other third-party sources.

EnGold reported to the author that, to the best of its knowledge, there isno known or pending litigation that could potentially affect the Lac La Hache Project.

# 4. PROPERTY DESCRIPTION AND LOCATION

The EnGold Lac La Hache Property is located 14 km northeast of the town of Lac La Hache, within the Clinton Mining Division in central British Columbia (Figures 4-1 and 4-2) and is 480 km via paved highway from the major port of Vancouver. The Property consists of 81 contiguous tenures and one additional tenure encompassing a total of 19,621.234 ha, centred at 613000mE and 5763500mN (UTM Zone 10U, NAD83 datum). Table 4.1 describes all tenures.

**Figure 4-1: Lac La Hache Project Location Map**




Source: EnGold Mines Ltd.

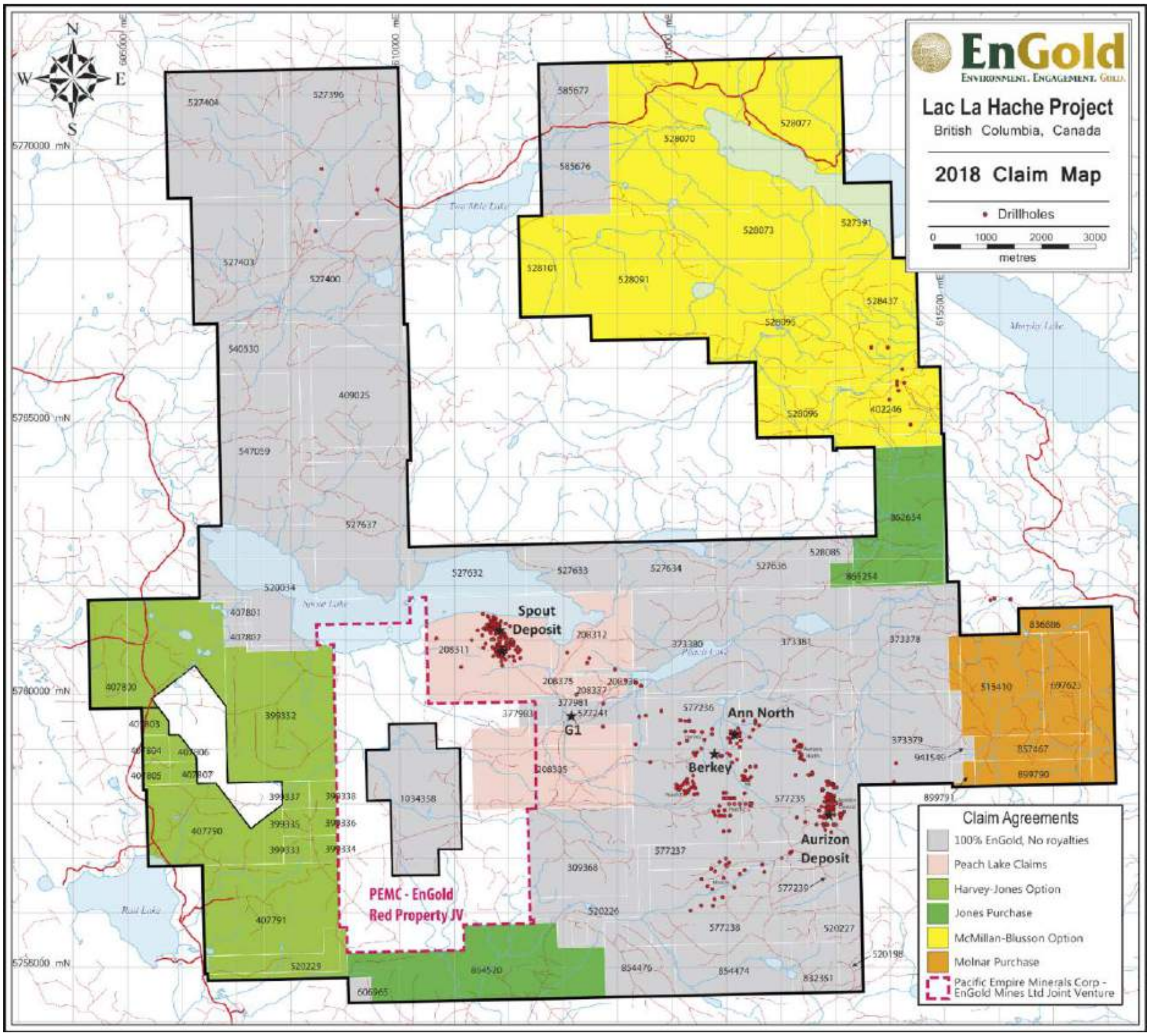
## 4.1. Mineral Tenure

In 2007, historical tenures, which were originally staked as 2-post and 4-post claims, were converted under the Modified Grid System. Figure 4-2 provides a map of mineral tenements within the Lac La Hache Project. EnGold holds 100% interest in all tenures, subject, in some cases, to underlying royalties to third parties as shown in Figure 4-2.

The Spout Deposit Resource described in this report lies entirely within claim number 208311, named Dora M.C.

The Aurizon Resource described in this report lies entirely within claim number 577235.

**Figure 4-2: Lac La Hache Project Tenure Map, showing sub-blocks with various underlying agreements.**




Source: EnGold Mines Ltd., 2018

**Table 4.1: Tenure Summary**

| Title No | Name | Map No | Good To Date | Area (ha) | Title No | Name | Map No | Good To Date | Area (ha) |
|---|---|---|---|---|---|---|---|---|---|
| 208311 | DORA M.C. | 092P094 | 2022/DEC/31 | 500.000 | 527404 | | 093A | 2022/DEC/31 | 496.722 |
| 208312 | DORA 1 | 092P094 | 2022/DEC/31 | 225.000 | 527632 | | 092P | 2022/DEC/31 | 199.009 |
| 208335 | PEWEE #1 | 092P094 | 2022/DEC/31 | 450.000 | 527633 | | 092P | 2022/DEC/31 | 159.207 |
| 208336 | PEWEE #3 | 092P094 | 2022/DEC/31 | 25.000 | 527634 | | 092P | 2022/DEC/31 | 159.207 |
| 208337 | PEWEE #2 | 092P094 | 2022/DEC/31 | 25.000 | 527636 | | 092P | 2022/DEC/31 | 199.009 |
| 208375 | CLUB 15 | 092P094 | 2022/DEC/31 | 100.000 | 527637 | | 092P | 2022/DEC/31 | 477.534 |
| 309368 | MURPHY 4 | 092P094 | 2022/DEC/31 | 500.000 | 528070 | | 093A | 2022/DEC/31 | 715.308 |
| 373378 | JACK 1 | 092P094 | 2022/DEC/31 | 400.000 | 528073 | | 093A | 2022/DEC/31 | 298.147 |
| 373379 | JACK 2 | 092P094 | 2022/DEC/31 | 400.000 | 528077 | | 093A | 2022/DEC/31 | 397.375 |
| 373380 | DORA 2 | 092P094 | 2022/DEC/31 | 400.000 | 528085 | | 093A | 2022/DEC/31 | 19.900 |
| 373381 | DORA 3 | 092P094 | 2022/DEC/31 | 400.000 | 528091 | | 093A | 2022/DEC/31 | 536.756 |
| 377981 | PL-9 | 092P094 | 2022/DEC/31 | 25.000 | 528095 | | 093A | 2022/DEC/31 | 556.729 |
| 399332 | SPOUT 1 | 092P093 | 2022/DEC/31 | 500.000 | 528096 | | 093A | 2022/DEC/31 | 159.119 |
| 399333 | SPOUT 4 | 092P093 | 2022/DEC/31 | 25.000 | 528101 | | 093A | 2022/DEC/31 | 159.031 |
| 399334 | SPOUT 5 | 092P093 | 2022/DEC/31 | 25.000 | 528437 | | 093A | 2022/DEC/31 | 298.252 |
| 399335 | SPOUT 6 | 092P093 | 2022/DEC/31 | 25.000 | 540530 | SPOUT WEST 2 | 093A | 2022/DEC/31 | 278.426 |
| 399336 | SPOUT 7 | 092P093 | 2022/DEC/31 | 25.000 | 547059 | JOSH 2 | 093A | 2022/DEC/31 | 358.052 |
| 399337 | SPOUT 8 | 092P093 | 2022/DEC/31 | 25.000 | 577235 | | 092P | 2022/DEC/31 | 497.885 |
| 399338 | SPOUT 9 | 092P093 | 2022/DEC/31 | 25.000 | 577236 | | 092P | 2022/DEC/31 | 557.643 |
| 402246 | MUR 1 | 093A004 | 2022/DEC/31 | 300.000 | 577237 | | 092P | 2022/DEC/31 | 139.454 |
| 407790 | SPOUT 10 | 092P093 | 2022/DEC/31 | 375.000 | 577238 | | 092P | 2022/DEC/31 | 418.439 |
| 407791 | SPOUT 19 | 092P093 | 2022/DEC/31 | 500.000 | 577239 | | 092P | 2022/DEC/31 | 59.772 |
| 407800 | SPOUT 11 | 092P093 | 2022/DEC/31 | 500.000 | 577241 | COCO 2 | 092P | 2022/DEC/31 | 258.847 |
| 407801 | SPOUT 12 | 092P093 | 2022/DEC/31 | 25.000 | 585676 | CARSON | 093A | 2022/DEC/31 | 238.459 |
| 407802 | SPOUT 13 | 092P093 | 2022/DEC/31 | 25.000 | 585677 | CARSON 2 | 093A | 2022/DEC/31 | 119.196 |
| 407803 | SPOUT 14 | 092P093 | 2022/DEC/31 | 25.000 | 606965 | SPOUT 1 | 092P | 2022/DEC/31 | 19.931 |
| 407804 | SPOUT 15 | 092P093 | 2022/DEC/31 | 25.000 | 697623 | STUART | 092P | 2022/DEC/31 | 159.280 |
| 407805 | SPOUT 17 | 092P093 | 2022/DEC/31 | 25.000 | 832351 | CYAN | 092P | 2022/DEC/31 | 79.721 |
| 407806 | SPOUT 16 | 092P093 | 2022/DEC/31 | 25.000 | 836886 | R-2 | 092P | 2022/DEC/31 | 199.093 |
| 407807 | SPOUT 18 | 092P093 | 2022/DEC/31 | 25.000 | 854474 | CYAN 1 | 092P | 2022/DEC/31 | 199.302 |
| 409025 | COPPER 20 | 093A004 | 2022/DEC/31 | 500.000 | 854476 | CYAN2 | 092P | 2022/DEC/31 | 139.509 |
| 515410 | | 092P | 2022/DEC/31 | 318.560 | 854520 | FLY 2 | 092P | 2022/DEC/31 | 498.245 |
| 520034 | SPOUT WEST 1 | 092P | 2022/DEC/31 | 497.543 | 857467 | J&D | 092P | 2022/DEC/31 | 99.573 |
| 520198 | JV 12 | 092P | 2022/DEC/31 | 39.860 | 862634 | JONES | 092P | 2022/DEC/31 | 397.951 |
| 520226 | JV 39 | 092P | 2022/DEC/31 | 199.257 | 865254 | PEACH | 092P | 2022/DEC/31 | 19.902 |
| 520227 | JV 40 | 092P | 2022/DEC/31 | 199.209 | 899790 | RILEY SUR | 092P | 2022/DEC/31 | 99.582 |
| 520229 | JV 41 | 092P | 2022/DEC/31 | 139.504 | 899791 | STUART.2 | 092P | 2022/DEC/31 | 19.916 |
| 527391 | | 093A | 2022/DEC/31 | 178.885 | 941549 | JACK FRAC | 092P | 2022/DEC/31 | 19.915 |
| 527396 | | 093A | 2022/DEC/31 | 596.092 | 1034358 | RED 1 | 092P | 2018/DEC/14 | 358.511 |
| 527400 | | 093A | 2022/DEC/31 | 477.112 | 1040124 | SPOUT FR | 092P | 2022/DEC/31 | 19.918 |
| 527403 | | 093A | 2022/DEC/31 | 397.561 | 1040127 | | 092P | 2022/DEC/31 | 39.824 |
| | | | | | | | | Total Area (ha) | 19621.234 |

Source: EnGold Mines Ltd. 2018

## 4.2. Underlying Agreements

### 4.2.1. *EnGold-Peach Lake Resources Joint Venture*

Six mineral tenures (208311, 208312, 208335, 208336, 208337, and 208375), also known as the PLR Claims) were wholly acquired by EnGold pursuant to an option and joint venture agreement with Peach Lake Resources Ltd. (PLR). The PLR Agreement was originally entered into in 1992 and amended a number of times. Under an earlier option agreement, PLR had acquired four of the six tenures (208335, 208336, 208337, and 208375) from propector Donald Fuller ("Fuller") to acquire 100% interest in the claims. This option was fully exercised, subject to a 3% net smelter return (NSR) royalty in favour of Fuller, and purchasable from Fuller by EnGold at any time for CDN$500,000. Under the PLR Agreement, EnGold acquired 80% of the PLR Claims and a Joint Venture (JV) agreement was formed. Under that JV agreement, PLR was diluted to a 1% NSR royalty, purchasable from PLR at any time by EnGold for $3,000,000. Under a 2017 agreement, EnGold and PLR agreed to reduce the maximum amount payable to PLR under its NSR royalty from $3,000,000 to $2,000,000, for which EnGold paid PLR $10,000 plus 350,000 common shares of EnGold.

### 4.2.2. *McMillan-Blusson Option*

Ten mineral tenures (402246, 527391, 528070, 528073, 528077, 528091, 528095, 528096, 528101, and 528437) are subject to a royalty described under an option agreement dated February 11, 2004 and amended June 3, 2009. EnGold may, at any time, purchase half of the Optionors' 2% NSR royalty for a one-time payment of $1,000,000 ($500,000 to each Optionor). EnGold may also purchase 50% of the remaining 1% NSR royalty at any time for $1,000,000 ($500,000 to each Optionor), leaving 0.5% to be held by the Optionors.

### 4.2.3. *Harvey-Jones Option*

Seventeen mineral tenures (399332, 399333, 399334, 399335, 399336, 399337, 399338, 407790, 407791, 407800, 407803, 407804, 407805, 407806, 407807, 520229, and 520233) are subject to a royalty described under an option agreement dated September 27, 2004. EnGold may, at any time, purchase half of the Optionors' 2% NSR royalty for a one-time payment of $1,000,000 ($500,000 to each Optionor), leaving 1.0% to be held by the Optionors.

### 4.2.4. *Molnar Purchase*

Six mineral tenures (515410, 697623, 836886, 857467, 899790, and 899791) are subject to a royalty described under an option agreement. EnGold may, at any time, purchase the entire 2% NSR royalty for a one-time payment of $500,000 to the vendor.

### 4.2.5. *Red Claim*

Under an April 2015 agreement, EnGold acquired a 100% interest in mineral tenure 1034358, also called the Red Claim, from David Blann (the "Blann Agreement"). Under the Blann Agreement, the Red Claim is subject to a 3% NSR royalty in favour of Blann, purchasable at any time for $3,000,000 and EnGold agreed to retain Blann, a geologist, for a minimum of 20 days per year to perform geological consulting work. If EnGold elects not to comply with the Blann Agreement, it is required to return the Red Claim to Blann after filing a minimum of one year's assessment work.

### 4.2.6. *Pacific Empire Minerals Joint Venture*

On or about the time that EnGold acquired the Red Claim under the Blann Agreement, Pacific Empire Minerals Corp. (PEM) acquired mineral tenure 1034474, which included open ground surrounding the Red

Claim (the PEM Claim). To facilitate exploration of the Red Claim and the surrounding PEM Claim, EnGold and PEM entered into a joint venture agreement (PEM JV) whereby each party would contribute 50% of its respective claims (the Red Claim and the PEM Claim) to be explored as one property (Red JV Property). Under the PEM JV, all exploration programs had to be approved by a 100% vote of a management committee whereby each PEM and EnGold member had one vote. Under this arrangement, neither party's contribution could be diluted without consent from the other. However, it was possible for either party, PEM or EnGold, to begin exploration and pay for 100% of the exploration program on the Red JV Property without dilution to the other party. At the time of writing this report, PEM was a private company in the process of going public on the TSX Venture Exchange by way of an IPO. PEM executives assured EnGold that they intend to proceed with a drilling program on the Red JV Property at their sole expense if and when funding becomes available through their planned IPO.

## 4.3. Permitting

Exploration work conducted by EnGold on the Project is authorized through permit number MX-3-192 granted by the British Columbia Ministry of Energy and Mines. Historically, authorization was granted annually, based on exploration plans submitted by EnGold under a Notice of Work. But recently, EnGold was granted authorization under amendments to the permit for five-year periods, called a Multi-Year Area Based (MYAB) permit, within specified areas of the Property. The MYAB permit requires annual reporting and ongoing reclamation activity.

EnGold is currently authorized to conduct exploration, including diamond drilling, in several areas of the Property. South of Spout Lake, these areas include property within or near the Spout Zones, Aurizon Zones, Berkey, Ann North, and the G1 Zone discovered in February 2017.

Non-disturbance activities, such as mapping, prospecting, standard soil sampling, certain geophysical surveys and other exploration methods, do not require authorization and can be conducted throughout the Project. In 2017, EnGold also staked a small area of placer or "quartz claims" immediately within the Aurizon South area.

The Property has ample land available for the construction of any proposed mine or mill structures and facilities, including tailings storage or waste disposal areas and heap leach pads.

## 4.4. Environmental and Socio-Economic

As required under the British Columbia Mineral Tenure Act (Act), EnGold must complete, during its current, permitted exploration phase, reclamation of access roads, drill pads, excavated pits and trenches built in the normal course of exploration. This may require infill of pits, trenches or ditches; removal of culverts or bridges; soil re-contouring; installation of water bars or other erosion control methods; tree planting or grass seeding; or other restorative measures. EnGold has posted bonds with the Government of British Columbia as required under the Act. Permission to draw water from watercourses, swamps or lakes is granted through the exploration permitting process and is subject to setbacks and erosion/siltation control. The Province has confirmed that there are no "designated" watercourses within the Lac La Hache Property, where water usage may be controlled.

The Project area is subject to broader, ongoing negotiations between the Government of British Columbia and indigenous groups that pertain to native land claims, aboriginal title, and related environmental concerns. However, these negotiations do not target the Project area specifically. EnGold is proactive with First Nation Bands in the region and provides regular information about its exploration activities and plans.

In British Columbia, mining rights are controlled by the Crown and administered by the Ministry of Energy, Mines & Petroleum Resources.

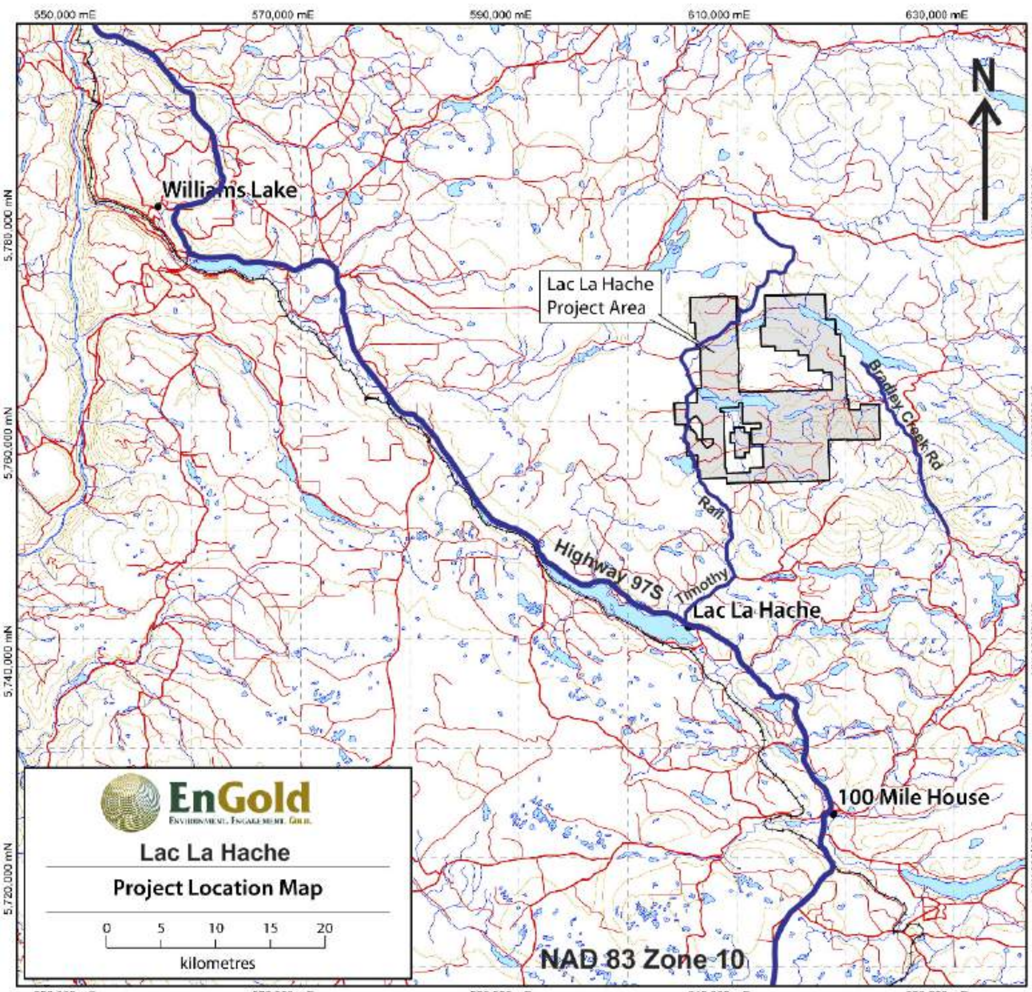
Neither the author of this report nor EnGold are aware of any other significant factors or risks that may affect access, title, or the right or ability to perform work on the Property.

# 5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

## 5.1. Accessibility

The Lac La Hache Property has excellent access throughout. The southern Property boundary can be reached via car, pickup truck or four-wheel-drive vehicle along the Timothy Mountain paved road for approximately 7 km from the village of Lac La Hache, then north for another 7 km on Spout/Rail Lakes all-weather gravel road (Figure 5-1). Several local residences are located along these roads, which are maintained year-round by the province. Access to the central property area located east and south of Spout Lake, including several drilled porphyry copper-gold showings, Spout Deposit and Aurizon Zones, is via the main Property access road known locally as the “Mine Road” which extends east of the Spout/Rail Lakes road at kilometre marker 50 (approximately 20 km from Lac La Hache). The straight-line distance from the town of Lac La Hache to the Property centre is 23.5 km.

**Figure 5-1: Property Access Roads**



Source: EnGold Mines Ltd. 2018

Access to the northern Property region is via the Spout/Rail Lakes road on the west side or the Bradley Creek road on the east side of the Property. An extensive network of roads built for timber access and log-hauling allows four-wheel-drive access to most parts within the Project area. The internal network of logging and mine roads is maintained by designated users, typically logging or exploration companies active in the area. EnGold is equipped to make repairs and remove snow as required.

## 5.2. Climate

The climate of the area is typical for the southern Cariboo region with mean monthly temperatures ranging from -5 to 20 degrees Celsius (ºC) and extreme temperatures ranging from -40 to 35 ºC. Maximum precipitation occurs as rain during June and July (average 54 mm per month). Snowfall occurs from October through to April, and peaks during December and January (average 50 cm per month). Field programs can be conducted year-round with breaks typically during the spring thaw/run-off period (March and April) to allow gravel, forestry-access roads to dry out.

## 5.3. Local Resources and Infrastructure

The town of Lac La Hache stretches for 20 km along British Columbia's Provincial Highway 97 South and covers 131 sq. km. The town offers motels, restaurants, post office, community centre, meeting hall, gas station with convenience store, and a bakery. Population in 2001 was 396, decreasing to 245 in 2006. A limited, relatively unskilled but trainable workforce is available, and EnGold employs three to five locals on a temporary basis, as needed. Assorted pieces of heavy equipment and trained operators are available as required.

Nearby recreational facilities offer seasonal activities, including horseback riding, golfing, cross-country and downhill skiing, snowmobiling, snowshoeing, boating, swimming and fishing.

The South Cariboo Regional Airport is located 30 km to the south of the Project area, north of the town of 108 Mile Ranch, B.C. and provides a 1.5 km asphalt runway. The airport supports helicopter and fixed-wing medical evacuation services.

Larger centres include 100 Mile House, a 20-minute drive along Highway 97 to the south of Lac La Hache, and Williams Lake, located about one hour to the north. Both locations offer a full range of services. The City of Kamloops is the nearest major centre, a 3-hour drive south of the Project area. Kamloops supports a large number of mining and mineral exploration projects throughout southern British Columbia.

EnGold maintains a large, modern steel building that houses corporate offices and a core processing facility (Figure 5-2), located minutes south of Lac La Hache on Highway 97 South. The proximity of the facility to the exploration property and local infrastructure allows an efficient field operation without requiring a camp on the Property. This helps save expenditures associated with establishing and running a camp and reduces potential environmental impact on the Property.

**Figure 5-2: EnGold's Office and Core Processing/Storage Facility, located 6 km south of the town of Lac La Hache.**

Source: EnGold Mines Ltd., 2018

## 5.4. Physiography

The project lies within the southern Cariboo plateau of south-central British Columbia, an upland region characterized by a mixed coniferous forest comprising pine and fir varieties along with birch, poplar and alder in cleared areas (Figure 5-3). The topography is flat to moderately rolling with an average elevation of about 1,300 m above sea level. The entire Property lies below the tree line. Larger lakes (more than 1 km in one direction) within the Property area include Murphy, Spout, McIntosh, Rail, Two Mile and Tillicum.

## 5.5. Water Resources

Numerous small ponds, swamps and creeks scattered across the Property provide water for diamond drilling purposes, although water supply can become limited during the coldest winter months (December to January).

The Lac La Hache Project is at the exploration stage, and no development studies have been conducted. However, conditions within or near the Project can support potential development, including locally available power, water, and mining personnel. The Property is large enough to support a site for potential tailings storage areas, waste disposal areas, heap leach pad areas, and processing plants.

**Figure 5-3: Typical Landscape in the Project Area.**
**Helicopter view from middle of EnGold's Lac La Hache Property near Spout Lake, looking southeasterly towards Mount Timothy ski hill.**

Source: EnGold Mines Ltd., 2018

# 6. HISTORY

To date, the majority of work within the project has been conducted south of Spout–Peach Lakes (the "Spout Block"), on ground held continuously by EnGold (formerly GWR) since 1993. Much less work has been completed on the remainder of the Property to the north of the Spout Block.

Evidence of early placer-gold prospecting activities suggests initial exploration in the area probably occurred during the late 1800s during the Cariboo gold rush.

In 1996, the first modern exploration program was carried out by the Coranex Syndicate (Coranex), following the discovery of copper mineralization at Cariboo-Bell (now known as Mount Polley), about 50 km to the northeast (Janes, 1967). Interest in the Spout Lake area was triggered by results of an aeromagnetic survey flown by the Geological Survey of Canada, defining a large circular magnetic anomaly measuring 12 × 15 km. Coranex obtained anomalous soils and stream sediment geochemical anomalies south of Peach Lake, which led to the discovery of an intrusion-hosted copper mineralization known as the Peach Zone on claim number 577236, and several other occurrences.

In 1969, Asarco Exploration Company of Canada Limited (Asarco) optioned the Property. According to Assessment Report 20621, Amax Potash Limited (Amax) learned of the Coranex discoveries south of Peach Lake, and Amax completed geological and geochemical work over parts of the airborne magnetic anomaly *not* held by Coranex. This work revealed magnetite-chalcopyrite skarn mineralization south of Spout Lake, and Amax immediately staked the WC claims. These showings are included within the Spout Deposit.

Between 1987 and 1988, Hemingson Gold Inc. carried out soil geochemical, induced polarization and VLF-EM surveying (White, 1988) over an area known as the Miracle claim numbers (537237 and 537238), resulting in the discovery of copper-gold mineralization associated with monzonite dykes intruding mafic volcanic rocks.

Between 1971 and 1973, Amax carried out exploration programs at Spout Lake that included geological mapping, airborne and ground magnetometer surveys, induced polarization and geochemical surveys, and bulldozer trenching. Drilling included six shallow packsack holes (136 m), 10 percussion holes, and seven diamond drill holes (843 m).

In 1974, Craigmont Mines Ltd. optioned the property and drilled six diamond drill holes (1,210 m) into the North Spout zone. At that time, the property was allowed to lapse.

In 1987, Peach Lake Resources re-staked portions and completed soil VLF-EM and magnetic surveys and excavator trenching.

In 1991, Asarco completed an exploration program over the Ann claims (577235 and 577236) consisting of induced polarization surveying (Lloyd and Cornock, 1991), soil geochemical surveying, geological mapping and percussion drilling (Gale, 1991). The geochemical soil and geophysical surveys conducted by Asarco were the first extensive surveys to be conducted over the Lac La Hache Project area. Follow-up trenching and percussion drilling by Asarco failed to define copper mineralization of possible economic grade.

In 1993, GWR acquired the Property and, through a joint venture with Regional Resources Limited, completed drilling at the Spout magnetite-copper prospect, resulting in an initial in-house estimation of 595,000 tonnes grading 1.78% Cu, 0.12 g/t Au, and 51% magnetite (Dunn, 1993). The historical mineral resource estimate is no longer current and is stated for historical purposes only and should not relied upon.

Under an option agreement with GWR, Regional Resources Limited drilled several targets (von Guttenberg, 1996) and discovered copper mineralization within the Peach Melba prospect and low-grade copper mineralization with enriched gold adjacent to a felsic dyke in what is now known as the Aurizon South prospect. In 1995, that agreement was terminated.

Since 1993, GWR has continuously held the core Spout Block claims within the Lac La Hache Property. Episodic exploration has included ground and airborne geophysical surveys, geochemical surveys, mapping, prospecting and diamond drilling in selected areas, resulting in the discovery of numerous prospects. This work is described in Section 9 Exploration.

# 7. GEOLOGICAL SETTING AND MINERALIZATION

The Lac La Hache Property is located within the Quesnel Trough, a 2,000 km depositional belt that hosts several large-tonnage porphyry-type deposits, including New Gold Inc.'s New Afton deposit, Imperial Metals Corporation's Mount Polley Mine, Teck Resources Limited's Highland Valley Copper Mine, Taseko Mines Ltd.'s Gibraltar Mine, Terrane Metals Corporation's Mt. Milligan Mine, and Northgate Minerals Corporation's Kemess Mine (Figure 7-1). The belt also hosts a magnetite-copper skarn deposit at the past-producing Craigmont Mine, located south of Highland Valley near Merritt, B.C.

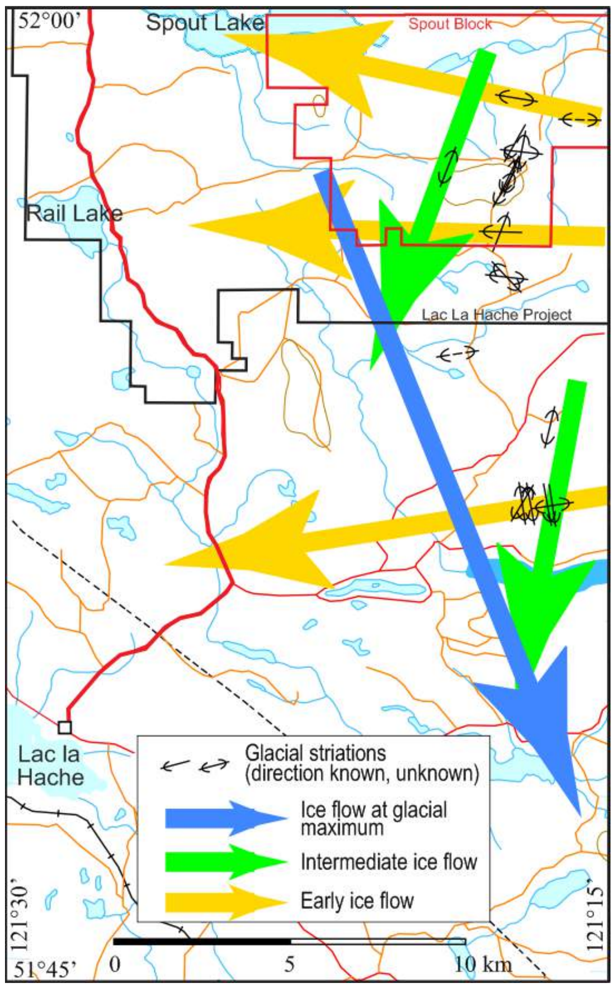
**Figure 7-1: EnGold's Lac La Hache Property Location within British Columbia's Quesnel Trough Volcano-Sedimentary Belt (green shading), in relation to existing Cu-Au deposits.**


Source: EnGold Mines Ltd. 2018

## 7.1. Quaternary Geology

The Spout Lake–Murphy Lake region is covered by variable thicknesses of glaciolacustrine and glaciofluvial sediments, forming till plains and hummocky moraine deposited approximately 20,000 years ago during the Late Wisconsinan Fraser glaciation. Recent fluvial deposits lie along drainages. This extensive unconsolidated cover is generally thin (a few metres) to absent (outcrop exposed locally on bedrock knobs), but can locally exceed 10 m. Studies, conducted by Dr. Alain Plouffe, Geological Survey of Canada, related to glacial stria on outcrop surfaces located on the Property and regionally (Figure 7-2), record ice flow directions that changed from an early west-northwest flow, to an intermediate southwest direction, followed by a younger southeasterly flow. Within the Property, evidence of westward transport is provided by abundant, large, rounded boulders found on the west side of the Property, roughly 10 to 15 km from their interpreted source; the Takomkane Batholith is located east of the Property.

**Figure 7-2: Regional Ice Flow Directions**




Source: Plouffe et al., 2010

## 7.2. Regional Geology

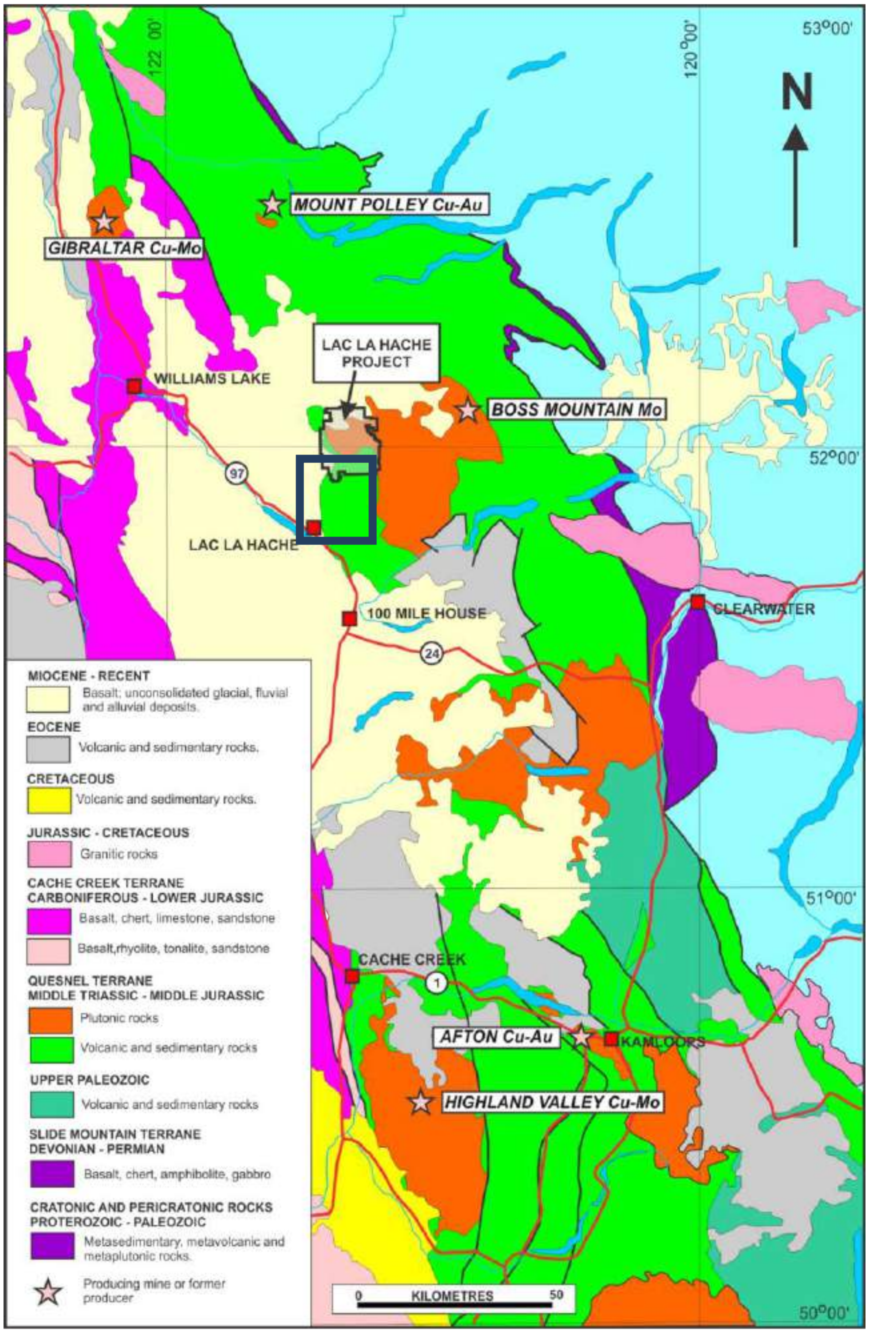
The bedrock geology of the Property region has been mapped and described by Schiarizza and Bligh (2008), from which Figure 7-3 is taken, and Schiarizza et al. (2009). The oldest rocks of the region are those of the Upper Triassic Nicola Group, an alkalic volcanic arc succession into which intermediate to felsic stocks have been emplaced. The Nicola Group volcanic stratigraphy in the region has been divided into the following three major units:

- a lower basaltic unit consisting of pyroxene-phyric basaltic breccia with volcaniclastic, epiclastic and calcareous strata;
- a polylithic breccia unit with clasts of both basalt and intermediate to felsic intrusive rocks; and
- a maroon and red volcaniclastic unit with local basalt and basaltic breccia.

In gross nature, this stratigraphic succession mimics that described by Panteleyev et al. (1996) in the Horsefly-Likely region to the north.

Nicola Group rocks are overlain by the Skull Hill Formation of the Eocene Kamloops Group, an assemblage of basalt, andesite, dacite and, locally, rhyodacite, with associated epiclastic sediments, and minor amounts of olivine basalt of the Miocene Chilcotin Group. Quaternary glacial and fluvioglacial deposits obscure much of the bedrock geology in the west and northwest parts of the project area. The eastern part of the region in which the Lac La Hache project is located is underlain dominantly by granodiorite of the calc-alkaline Upper Triassic-Lower Jurassic Takomkane Batholith. Intrusive rocks of alkalic composition consist of diorite, monzodiorite and monzonite and are coeval with Nicola Group volcanic rocks.

**Figure 7-3: Regional Bedrock Geology**




Source: After Schiarizza and Bligh, 2008

## 7.3. Property Geology

The Lac La Hache Project area is underlain almost entirely by Upper Triassic rocks of the Nicola Group and by intermediate to felsic plutons that have intruded the Nicola Group strata. A small area within the Property is underlain by younger Eocene-age Skull Hill Formation volcanic strata. The lowermost of four Nicola Group subunits, the Lemieux Creek succession, does not occur within the project region.

Figure 7-4 shows the geology of the southern part of the Project area, as mapped by Schiarizza et al., 2008. Figure 7-5 shows the geology of the area north of Spout Lake, as mapped by Schiarizza et al., 2009.

### 7.3.1. *Lithology*

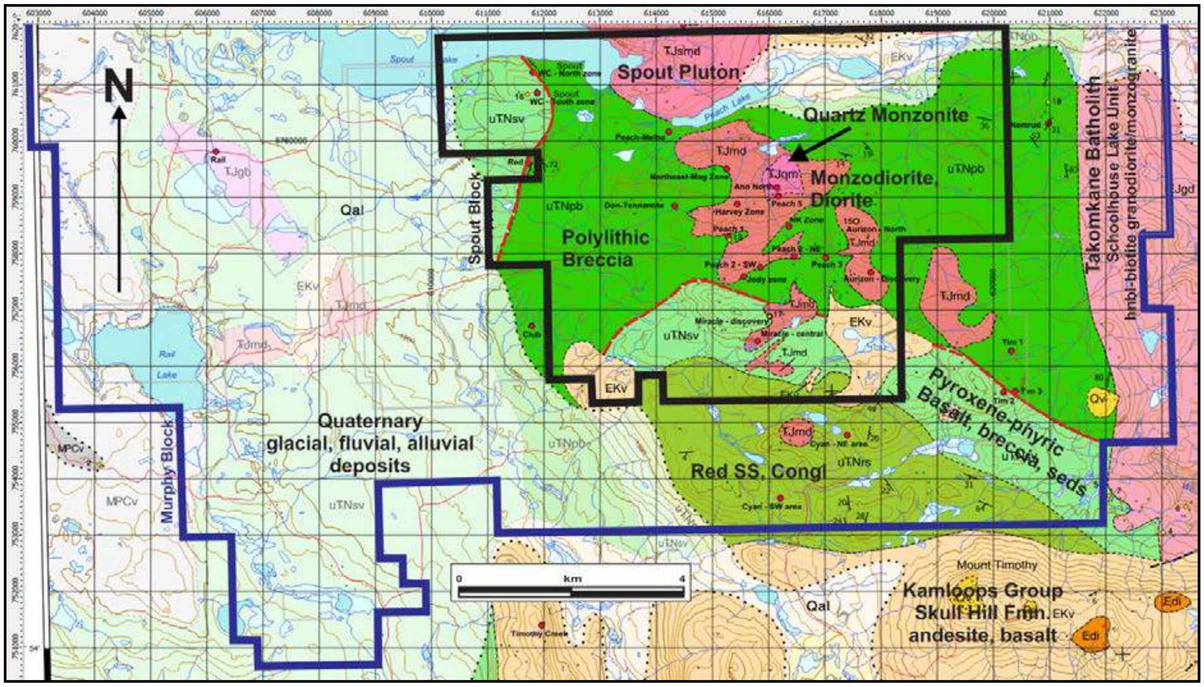
On the Property, the Nicola Group comprises three main units subdivided on the basis of composition and texture (Figure 7-4). The oldest rocks form a volcaniclastic succession of alkalic olivine-pyroxene and pyroxene basalt, generally as pillow breccia and autobrecciated flows with lesser amounts of hyaloclastite, tuff and tuff breccia. The unit is characterized by the lack of compositions other than basalt and forms the uppermost part of the volcaniclastic succession between Spout Lake and McIntosh Lakes. Overlying this unit is polylithic breccia that is differentiated from the older basaltic unit by the presence of felsic clasts, commonly of monzonitic or monzodioritic composition. Clasts of basaltic composition, derived from underlying rocks, are common while the matrix to this breccia is generally tuffaceous and feldspathic. Tuffaceous sandstone and siltstone occur as probable lenses within the unit while reworked breccia is common. The youngest unit consists of maroon to red sandstone, siltstone and conglomerate and maroon vesicular basalt and basaltic breccia. The oxidized nature of this unit suggests that it was deposited under shallow marine or subaerial conditions in contrast with underlying units which are generally green and dark grey.

In the eastern and southern parts of the project area, subaerial andesitic volcanic rocks, minor interbedded dacite, and sedimentary units of the Eocene Skull Hill Formation overlie Nicola Group strata. Andesite of the Skull Hill Formation is commonly maroon to red in colour and feldspar-phyric in contrast to maroon Nicola Group basalt which contains clinopyroxene phenocrysts. Intrusive rocks include pyroxene-phyric basaltic dykes, inferred to be comagmatic with the mafic strata that they commonly intrude and may represent feeders for overlying basaltic extrusive rocks.

South of Spout-Peach Lakes, stocks and dykes of equigranular to porphyritic monzonite to monzodiorite and rarely quartz monzonite are the most common intrusive rocks (Figure 7-4). The historically drilled copper-gold mineralization is spatially, and probably genetically, related to these intrusions as numerous prospects have been discovered at or near intrusive margins. Although there are several monzonite phases that can be differentiated on the basis of colour and amount of mafic minerals, it is not possible to separate them into discrete units. These monzonitic rocks lack modal quartz and, from data recorded in Panteleyev et al. (1996) from similar rocks to the north, monzonite of the Lac La Hache Project area is of alkalic composition. A single exception is seen at the Ann North prospect where copper mineralization intersected in drill holes is associated with quartz monzonite (Whiteaker, 1999). In some cases, colour is a function of potassium feldspar alteration while mafic mineral proportions, mainly hornblende, vary significantly.

The youngest intrusive rocks are dacite dykes that are probably related to the Eocene Skull Hill Formation. These dykes generally have intruded along normal faults that cut older rocks.

**Figure 7-4: Bedrock Geology South of Spout Lake, UTM Zone 10U, NAD83 datum.**




Source: After Schiarizza et al., 2008; Open File 2008-5

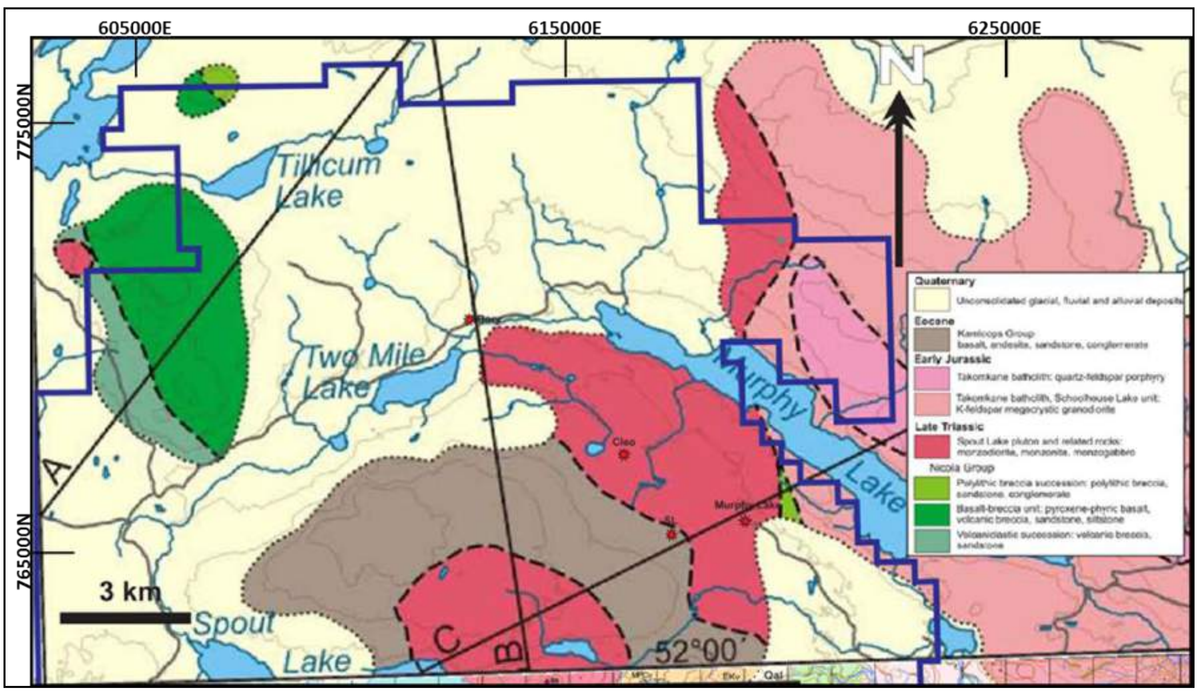
In the northern portion of the Property, lying north of Spout-Peach Lakes, (Figure 7-5) the Nicola Group is not a major component but is exposed south of McIntosh Lakes, where the volcaniclastic succession is overlain by basalt-breccia, in turn overlain by polylithic breccia. Schiarizza et al. (2009) have correlated these units with rocks in the vicinity of the Spout Zones, located south of Spout Lake and extending to the Mount Timothy area.

The Spout Lake pluton (also called Murphy Lake pluton) dominates the geology of the northern half of the Property, forming a roughly circular body. The western and northern contacts are obscured by Quaternary cover; however, correlation with magnetic patterns in the Spout-Peach Lakes area suggest the intrusive contact can be delineated by a prominent arcuate aeromagnetic high measuring 16 km north-south by more than 10 km east-west. The southern margins of the pluton intrude basalt-breccia and polylithic breccia units of the Nicola Group, near Spout-Peach Lakes. The northeast and eastern contacts with phases of the relatively younger Takomkane are also not exposed (Schiarizza et al., 2009). The southwestern part of the pluton is locally over-lapped by Eocene volcanic rocks of the Kamloops Group, but continuity of new ground magnetic surveys in that area suggest the cover is relatively thin.

Several phases have been noted within the Spout Lake (Murphy Lake) pluton (McMillan Assessment report; Schiarizza 2009), including fine to coarse grained or pegmatitic monzogabbro, monzodiorite, monzonite, granite and syenite. The mafic component is typically clinopyroxene with lesser biotite, but some rocks contain hornblende and biotite. Quartz is locally present as a minor constituent, and apatite is observed in thin sections. A discrete, small stock of equigranular monzonite and syenite intrudes the volcaniclastic Nicola units south of McIntosh Lakes, just west of the Property boundary. The intrusion occurs 5 km west of the arcuate aeromagnetic anomaly, suggesting it may have a satellite relationship to the Spout Lake Pluton, possibly similar to that of the Peach intrusions located south of Spout-Peach Lakes.

The Takomkane Batholith is a large (56 × 30 km) composite pluton that occurs mainly along the eastern margin of the Property, cutting the Spout Lake Pluton and Nicola Group rocks. It is locally overlain by Eocene, Miocene and Quaternary volcanic units. A north west-trending unit of quartz-feldspar porphyry up to 1,800 m wide has been traced for 11 km within the Schoolhouse Lake subunit on the northeast side of Murphy Lake (Schiarizza et al., 2009-1). Approximately 12 km north of the Property the Takomkane hosts the Woodjam Southeast Zone, containing an Inferred resource of 227.5 million tonnes at 0.31% Cu and 0.06 g/t Au (http://www.woodjamcopper.com).

**Figure 7-5: Property Geology South of Spout Lake, UTM Zone 10U, NAD83 datum.**




Source: After Schiarizza et al.; 2009-1, fig. 2

## 7.3.2. *Structural Geology*

The numerous exposures of plutonic rocks underlying the Property (Figure 7-4) define a northwesterly striking belt that is about 10 km long and 2 to 4 km wide. In gross aspect, this belt is oblique to the general Nicola Group stratigraphic trend, suggesting an underlying structural control, perhaps related to initial island arc development. Airborne gravity data (Simpson, 2010; Sander Geophysics, 2017) and ground-gravity and magnetic data also reflect a broad northwest regional geological fabric related to more-dense mafic volcanic components relative to less-dense intrusive units (Murphy, Takomkane, Peach).

Within the project area, bedding attitudes are difficult to obtain, but, from the few observations made, it appears that the Nicola Group rocks strike to the west or northwest and dip moderately to the north or northeast. Correlation of skarn horizons intersected in historical and recent drill holes within the Spout Zones, Peach Melba area, and 2017 G1 Discovery confirms a general stratigraphic dip of 15 degrees to east-northeast in that area of the Property.

It has been previously reported that the North Spout Zone is hosted by a northwest striking, steeply southwest dipping, 100 m wide high-strain zone developed prior to mineralization. Bedding within the volcanic strata has been observed to rotate into the plane of the zone, with boudinage and stretching parallel to dip-slip. A new interpretation by EnGold suggests the steeply dipping (near vertical) North Zone is hosted within fine-grained, thinly laminated volcaniclastic sediments, rather than by highly strained rocks. That orientation may be related to emplacement of the large Murphy (Spout) Pluton immediately adjacent to the north. Post mineralization, a series of steeply dipping, northeast trending, sinistral strike-slip faults offset the North Zone from 10 to 100 m locally (Bailey, 2012) and provide corridors for post-mineral intrusive dykes.

Faults are rarely recognized in outcrop but are commonly intersected in drill holes.

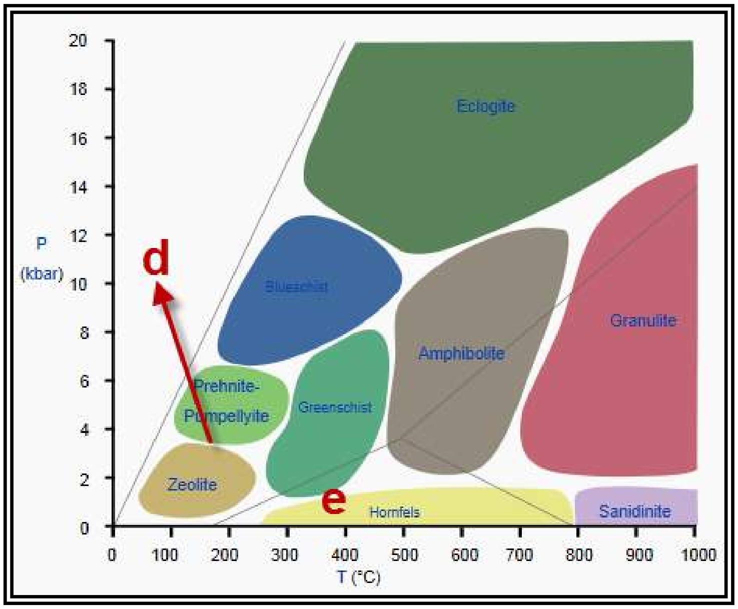
Most deformation is of a late, brittle nature and, apart from fault zones where penetrative fabrics are sometimes developed, a discrete conjugate fracture system is present throughout the Property. These fractures generally strike to the northwest and northeast, are steeply dipping and sometimes produce clear trends in ground and airborne magnetic patterns. The age of faulting is probably pre-Eocene but post-Upper Triassic, as faults have cut and displaced Nicola Group rocks but are occupied by dykes of the Eocene Skull Hill Formation. In the Aurizon area, wide Eocene dacite dykes are northwest oriented.

Copper-gold mineralization is commonly structurally controlled, with mineralization oriented 30 and 60 degrees to the dominant northwesterly-trending fracture direction. Within this regime, 020 degree-trends are apparent in a number of data layers, including soil geochemical data; airborne and ground magnetic-low trends or offsets in magnetic features; and, increased concentrations of some elements in drill cores. Higher gold grades modelled in the Aurizon Central Zone (using Leapfrog software) (Barnett, 2010), correlate spatially with 020-trending elevated cobalt concentrations. The Aurizon South mineralized hydrothermal breccia strikes 020 degrees and contains quartz textures characteristic of open-space extensional breccias and veins. A copper-gold-rich quartz vein recently discovered at Aurizon South strikes 120 degrees.

### 7.3.3. *Metamorphism*

Regional metamorphic grade of the rocks of the Lac La Hache Project area is very low, probably of zeolite facies because zeolite minerals occur within basalt at some distance from pluton boundaries. A petrographic study (Oliver, 2012) of selected unaltered, unmineralized samples includes a suite of essentially unmetamorphosed amygdaloidal and xenocryst-rich volcanic flows, lying below a prehnite–pumpellyite metamorphic field (< 200 ºC, < 3 Kbar) and biotite hornfels resulting from localized contact metamorphism related to Peach or Spout Lake intrusions (300 to 400 ºC) and shown in Figure 7-6.

**Figure 7-6: Petrographic Study of a Suite of 44 Samples from Lac La Hache, suggests very low metamorphic grade is associated within Eocene or younger volcanic rocks ("d"). Contact metamorphism has only affected rocks proximal to intrusions, causing development of biotite hornfels ("e").**

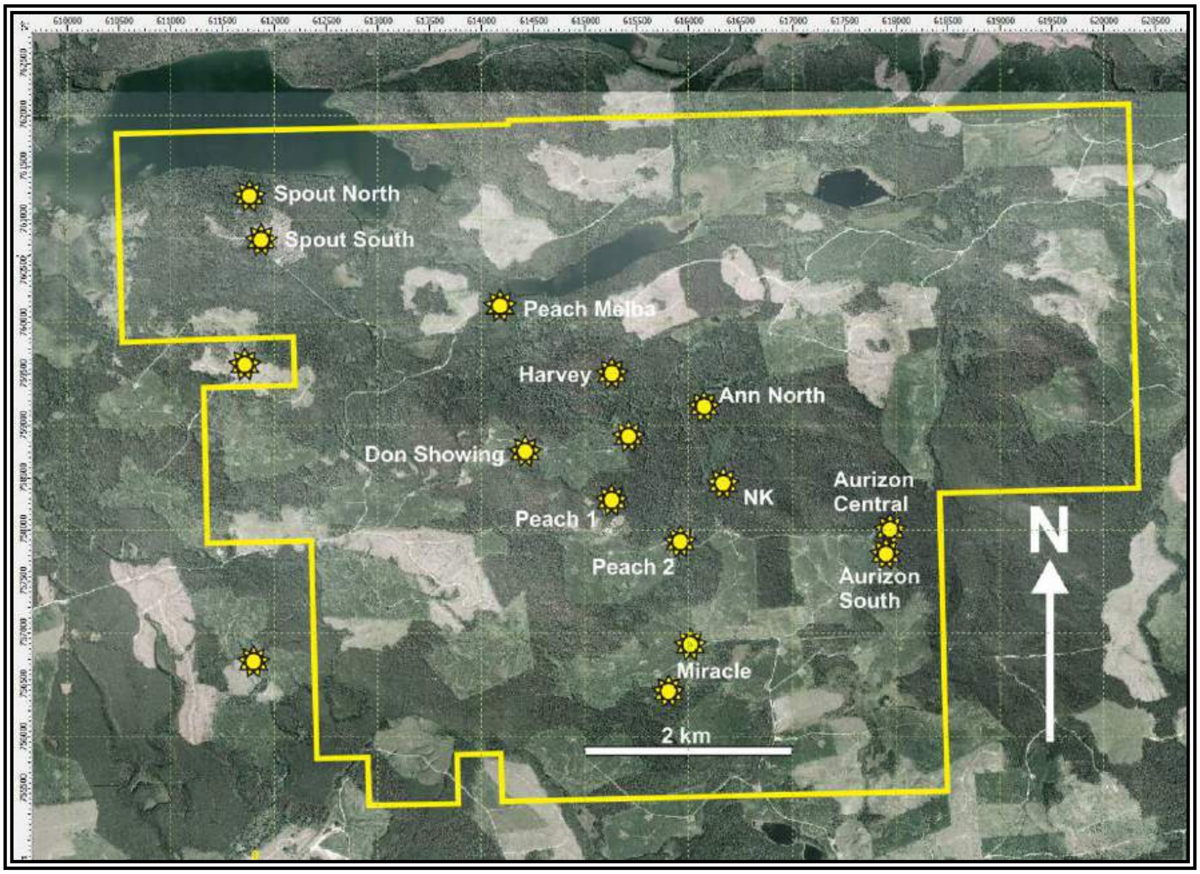



Source: Image from Oliver, 2012

## 7.4. Mineralization

Since the early 1970s, exploration of the Spout Block in the Lac La Hache Project area has outlined a number of zones of copper mineralization (Figure 7-7), some with enriched gold. These deposits and prospects are briefly described below.

**Figure 7-7: Location of Historical Showings within the Spout Block (the original GWR holdings prior to 2012). Unlabelled star southwest of Ann North is Berkey prospect. 2017 G1 Discovery is not shown, occurs 1800 m SE of Spout South.**




Source: Engold Mines Ltd., 2012

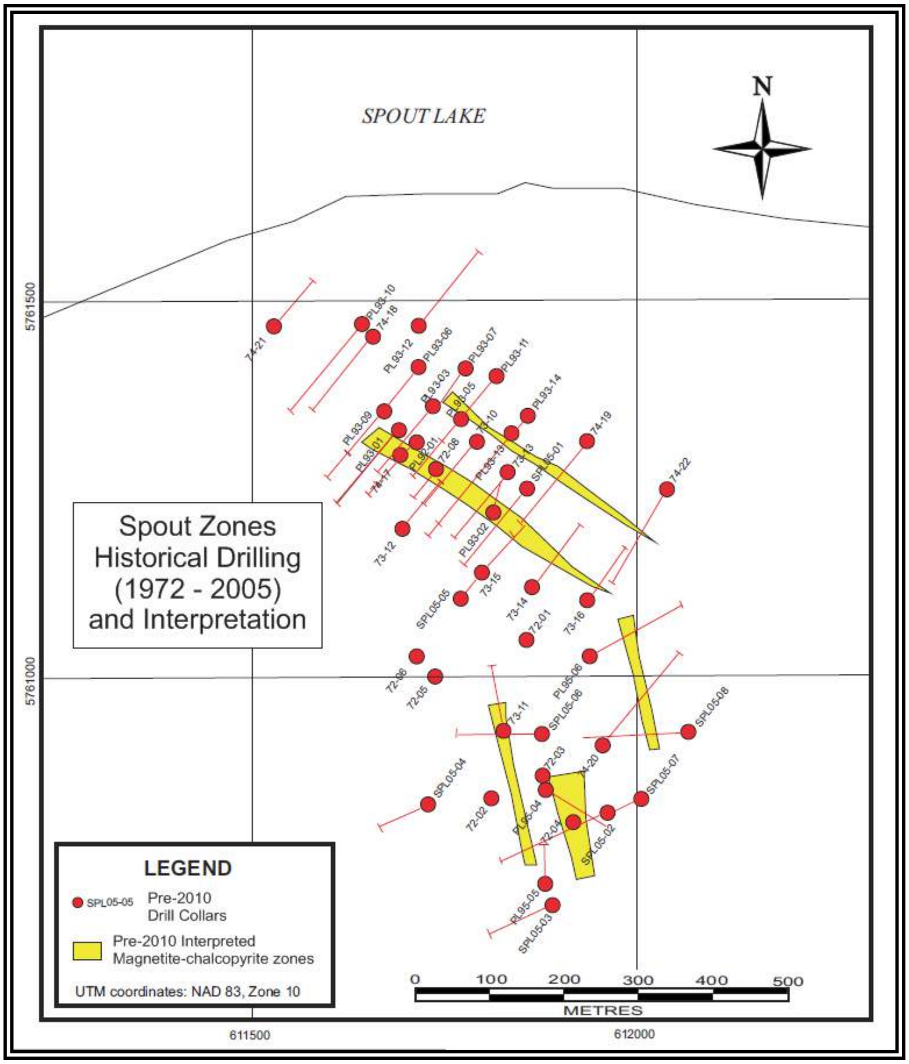
### Spout Deposit Skarn

Initially explored by AMAX Potash Ltd. in 1972, the Spout Deposit skarn zones were intermittently drilled over a period spanning more than three decades. Prior to the 2010 exploration program, the most recent drilling was by GWR between 2003 and 2005. These historical drilling results (between 1972 and 2005) are summarized in Section 10 of this report and collar locations are shown in Figure 7-8.

The Spout Deposit skarn zones occur within mid-upper Triassic Nicola volcanic stratigraphy, between a lower unit comprising clinopyroxene-phyric basalt, associated tuff and breccia, and an overlying polylithic tuff containing felsic clasts. The latter provides evidence that the chemistry of the magmas which produced both the volcanic rocks and their contemporaneous intrusive equivalents was becoming more felsic as the volcanic pile was forming. The contact between these units is not sharp, and, at regional scale, appears gradational over hundreds of metres (Schiarizza, 2008). In the Spout Zone area, the contact is generally east-dipping at approximately 15 degrees. Within the volcanic succession, sandstone, siltstone and calcareous siltstone occur.

The zones occur along the southern contact of the Spout Lake Pluton, a multi-phase intrusion, and the North Zone is cut by steeply dipping dykes ranging from diorite to monzonite in composition. Mineral assemblages are consistent with copper-iron skarns and include garnet (andradite)-diopside-epidote-magnetite-chalcopyrite (Oliver, 2012). The presence of magnetite in these ores indicates that the associated intrusions were strongly oxidized. Evidence in drill core suggests the magnetite was an early phase and was subsequently replaced by chalcopyrite and pyrite.

**Figure 7-8: Historical Drill Collar Locations and Early Interpretation of Mineralized Trends within the Spout Lake Skarn-Hosted Zones, based on drilling completed between 1972 and 2005, inclusively. In 2010, a new drilling program was initiated here to define a resource.**

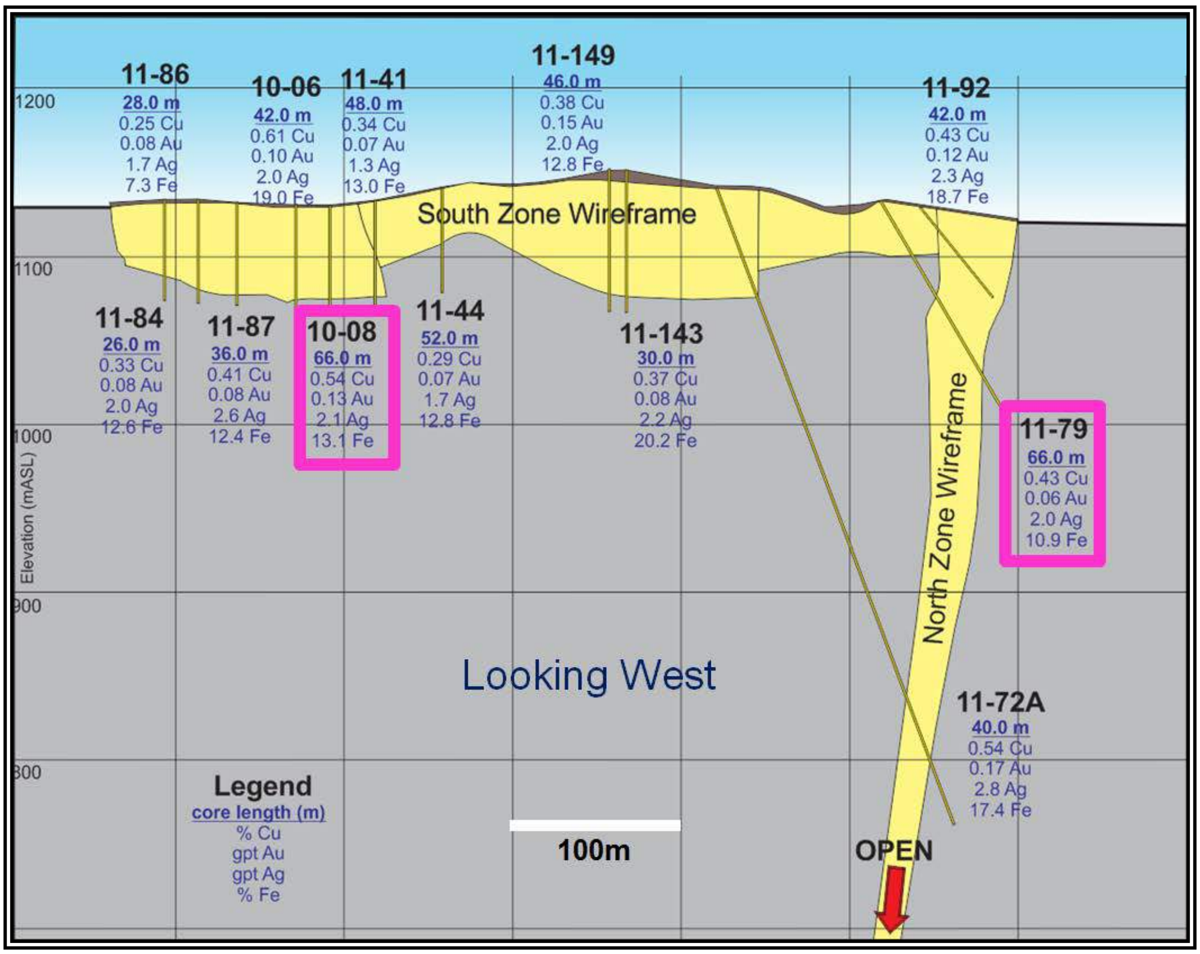



Source: Modified from Bailey, 2009

An early, subvertical, ductile shear was interpreted to have influenced development of the North Zone: however, bedding contacts run parallel to the zone suggesting it is stratiform, folded into a near-vertical orientation, likely an effect of emplacement of the Spout (Murphy) Pluton. Textures within the generally subhorizontal South Zone are massive, with no foliation developed.

Brittle fracturing and faulting has been observed and interpreted as post-mineral, causing sinistral, strike-slip displacements that can be observed in the ground magnetic data over the North Zone, in particular. In section views, some component of dip-slip has also been interpreted within the South Zone, and may down-drop the northeastern part of the zone. These offsets will affect possible future extraction of the ore in the zones; however, the magnetic data and drilling results suggest the lateral/vertical offsets may not be large (Figure 7-9).

**Figure 7-9: Simplified Longitudinal Section through the Wireframe Models Developed by SRK, 2012. Grades shown span relatively wide intervals; however, material exceeding 1% copper occurs within these.**



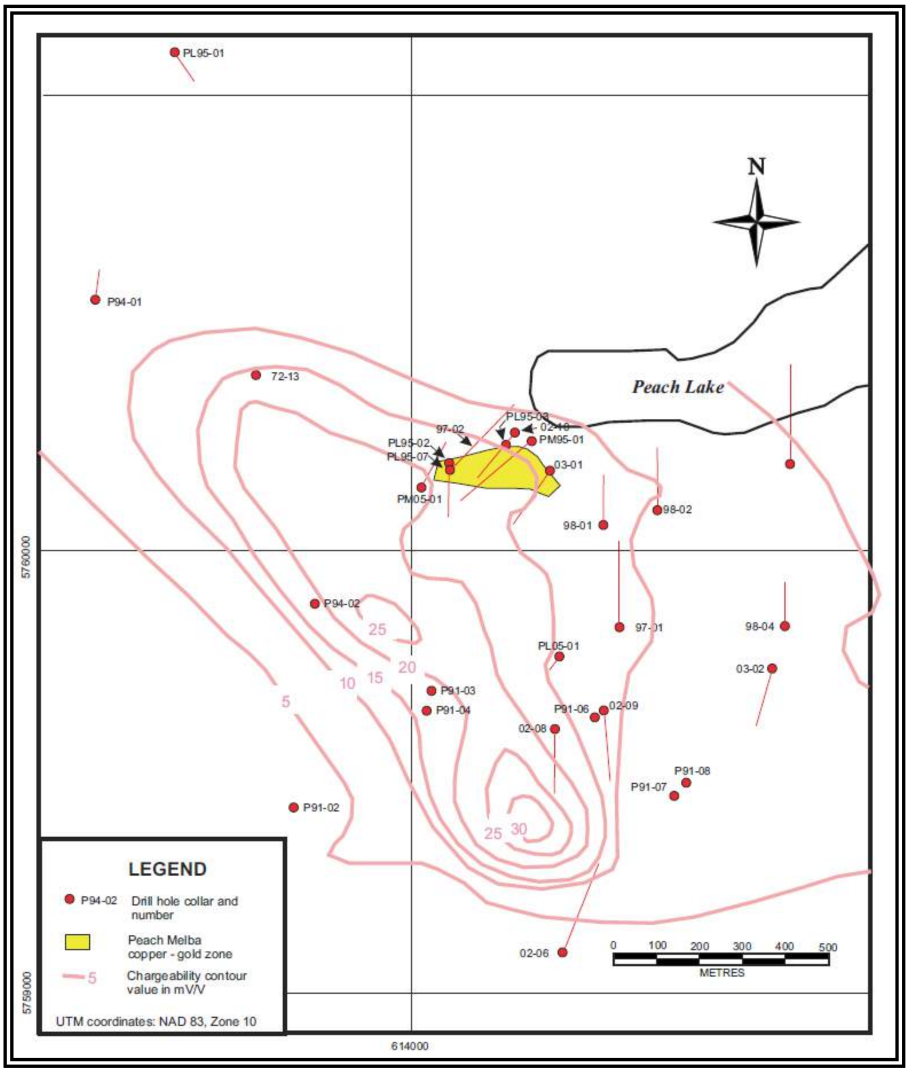

Source: R. Shives

### 7.4.1. *Peach Melba*

In 1995, the Peach Melba Zone was discovered by drilling the northern edge of a large (1,600 m long by 750 m wide) northwest-trending induced polarization anomaly (Figure 7-10). Chargeability contour values within the anomaly reach 30 mV/V. Chalcopyrite has been intersected in several drill holes and appears to be confined to a zone of variable thickness that strikes to the west over a distance of about 250 m. Copper grades range from less than 0.1% to about 1.0% but are commonly about 0.15% to 0.20% over down-hole lengths of up to 112 m. Von Guttenberg (1996) described the zone as being "an alkalic copper-gold system with fracture-controlled and disseminated pyrite-chalcopyrite mineralization in potassic/propylitic altered intrusive and volcanic rocks." Von Guttenberg considered the zone to be about 80 m wide and grading about 0.2% Cu and 0.1 to 0.2 g/t Au (von Guttenberg, 1996) but with narrow, higher grade intersections.

Historic and recent drilling 800 m west of the Peach Melba Zone intersected a weakly mineralized skarn interval within Nicola volcanics, at an elevation of 830 m above sea level. This position fits the 15 degree east-northeasterly dip projected from the Spout South mineralized skarn horizon, as described here. The implication of this is that the carbonate-rich Nicola volcanic strata underlie much of the property, at variable and relatively shallow depths, offering additional skarn potential where outcropping or buried intrusions may have interacted with the unit.

**Figure 7-10: Historical Drill Collar Locations, Induced Polarization Chargeability Contours and Interpretation of Mineralized Zone within the Peach Melba Zone**



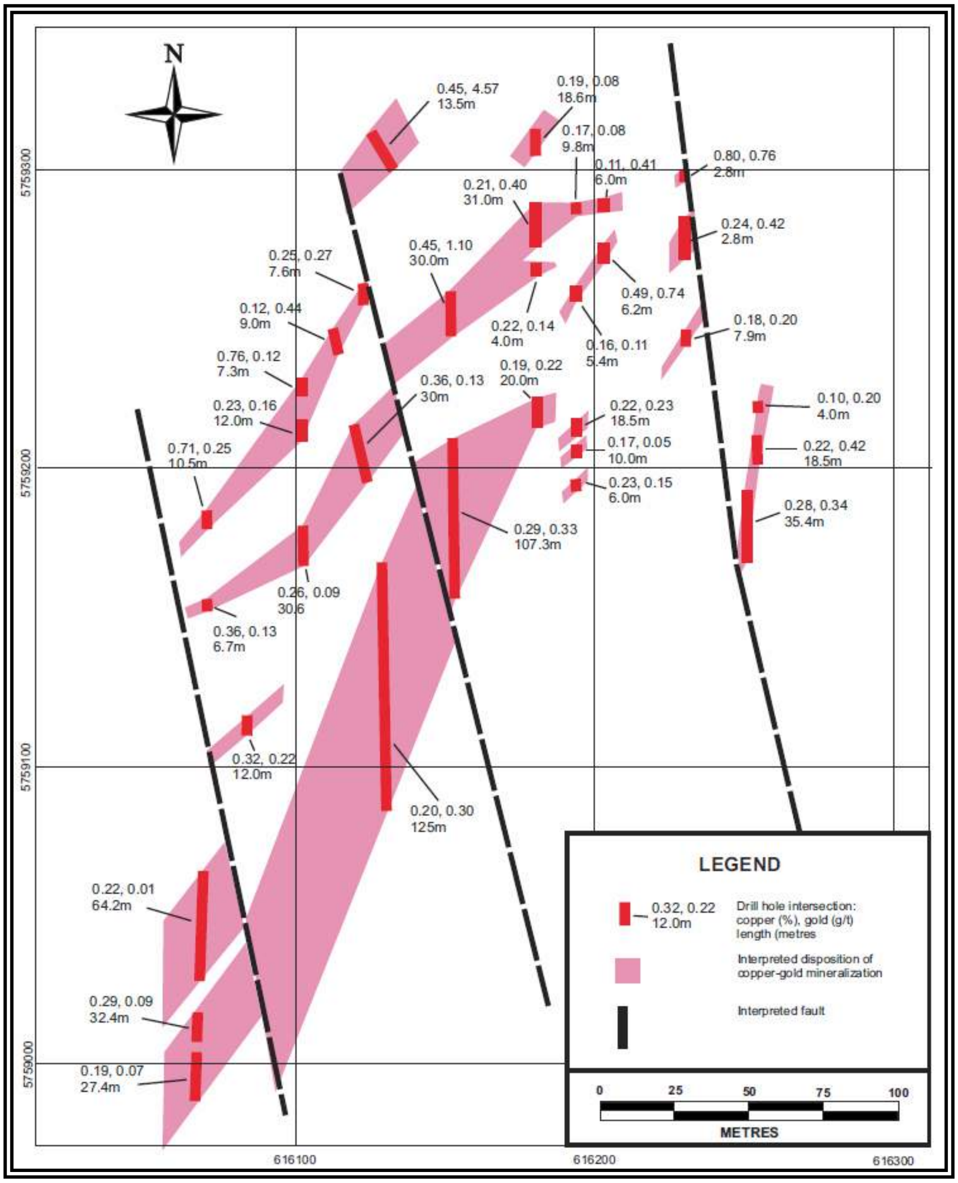

Source: Bailey, 2009

### 7.4.2. *Ann North*

Copper-gold mineralization at Ann North occurs as a series of elongated and faulted lenses within monzonite and quartz monzonite, disrupted by a series of interpreted north-northwest faults. The zone lies within a distinct, circular magnetic low anomaly. Copper mineralization occurs mainly as chalcopyrite with minor bornite in several subparallel zones striking to the north-northeast and extending over a distance of at least 350 m (Figure 7-11). The widest zone is interpreted as about 30 m thick but since drill holes were oriented at a shallow angle to the strike of the copper mineralization, true thickness of individual zones is not known. Copper grade is suggested from drilling results to date to be in the order of 0.2 to 0.3% but with narrow, higher grade intersections.

The limits of known copper mineralization have not yet been defined. Results from the induced polarization survey carried out in 2008 by Scott Geophysics show the zone is surrounded by strong chargeability responses, and best grades to date occur within a central chargeability low. Three-dimensional modelling of the data suggests that a conductive zone (that may include a northern extension of Ann North copper mineralization) continues to the north where it is displaced to the east by an east-west fault. This area has not been drilled to date.

**Figure 7-11: Historical Drill Collar Locations and Interpretation of Mineralized Trends within the Ann North Zone**

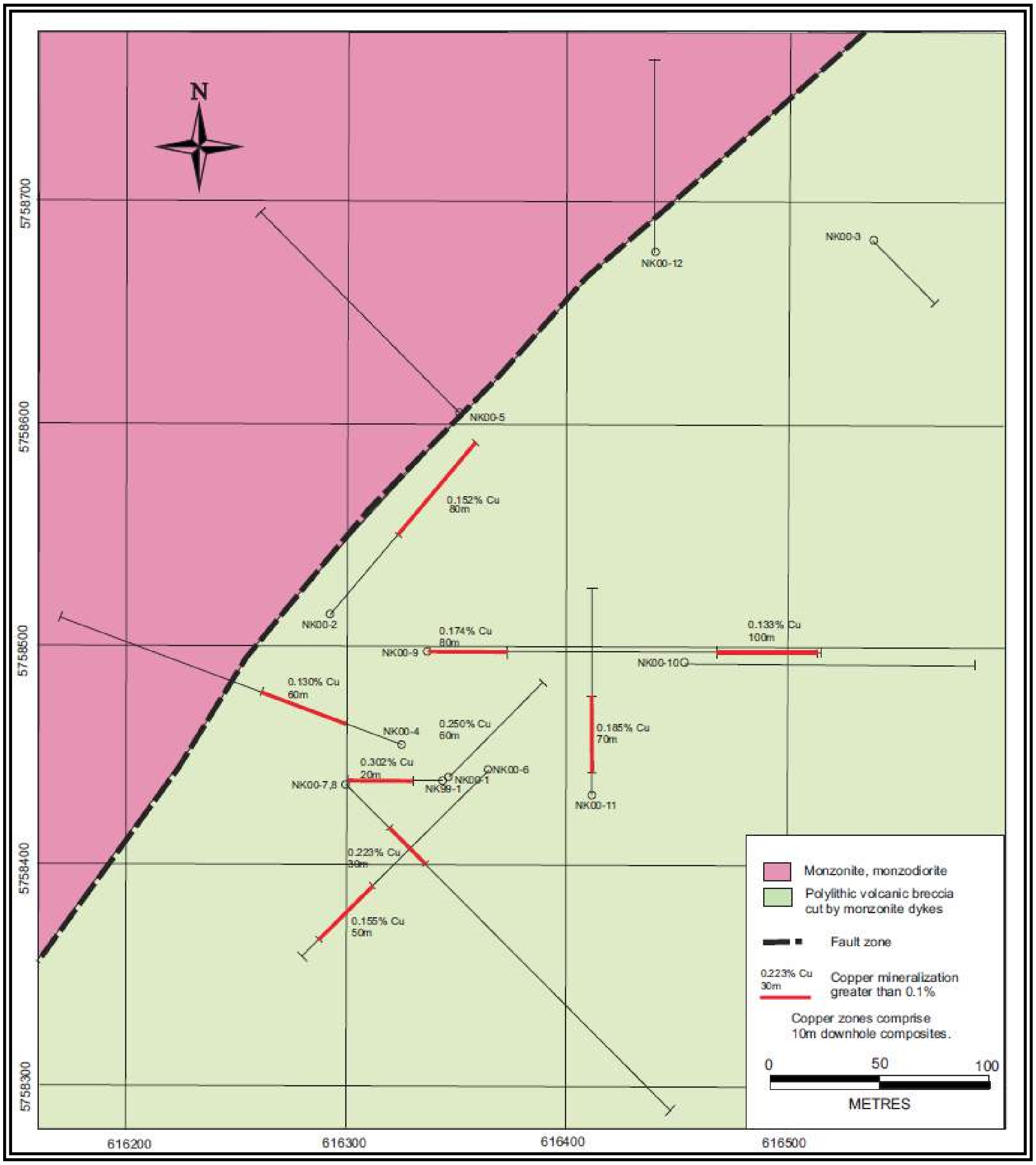



Source: Bailey, 2009

### 7.4.3. *NK*

The NK prospect was drilled in 2000 (Blann, 2001) and weak copper mineralization was intersected in several drill holes in a north-trending zone within volcanic rocks at the eastern margin of a monzonite pluton (Figure 7-12). The volcanic rocks have been propylitically altered with a weak to moderate potassic overprint, but intrusive rocks to the west are unaltered, and, in three holes drilled across the volcanic-monzonite contact (NK00-4, -5, and -12), none intersected copper mineralization in intrusive rocks. Insufficient information has been obtained to determine the attitude and dimensions of the NK Zone.

**Figure 7-12: Plan of Historical Drill Holes, General Geology and Copper Mineralized Intersections, within the NK prospect area. No trend to mineralization has been interpreted.**




Source: Bailey, 2009

## 7.4.4. *Miracle*

The Miracle Zone is one of the first prospects explored by GWR within the Lac La Hache Project area. The zone is located centrally within an induced polarization anomaly and has been tested to shallow depth (a few hundred metres) by a number of drill holes (Figure 7-13). Of all currently defined induced polarization anomalies within the Property, the Miracle anomaly is the largest (1,600 m north-south by 1,200 m east-west) and highest amplitude (chargeability values exceed 50 mV/V locally). Copper mineralized host rock is orange, altered monzonite, and volcanic rocks at the intrusive margins.

Copper mineralization appears to be confined within a northeasterly trending zone through the central part of the monzonitic body that is dominated by steeply dipping dykes of a more mafic, monzodioritic composition. Diamond drill hole (DDH) M94-06 intersected 6 m down-hole grading 1.39% Cu and 5.1 g/t Au, within felsic volcanic breccia adjacent to monzonite. DDH M94-01 cut 0.29% Cu and 0.27 g/t Au over 33 m between 300 m and 333 m down-hole. The copper generally occurs along potassically altered fractures and rarely as disseminations within the orange monzonite.

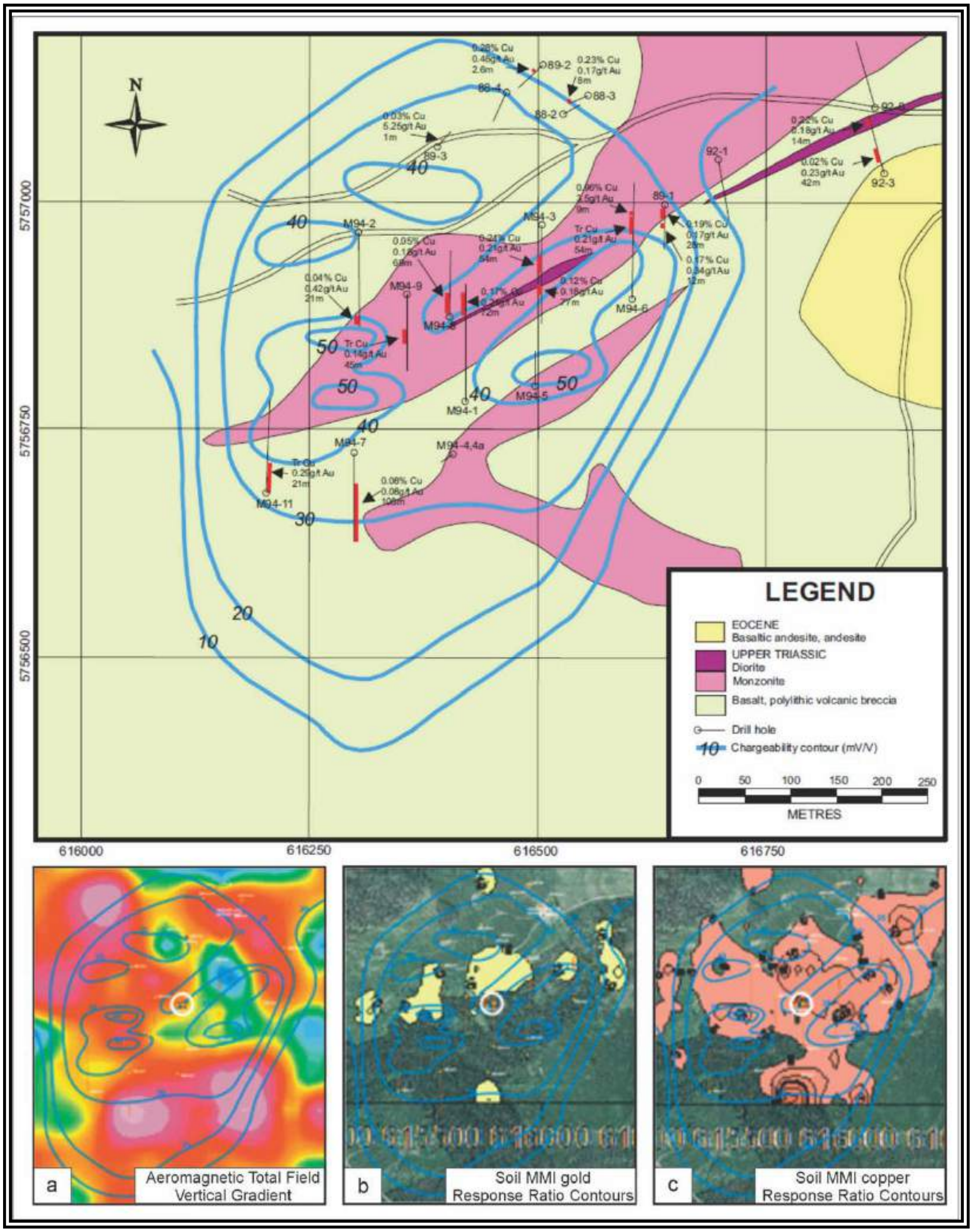
Several features are coincident with the northeast-trending mineralized zone, including:

- embayments within the induced polarization chargeability contours;
- linear magnetic total field low trend, defined by airborne and ground surveys; and
- positive anomalies in Mobile Metal Ion (MMI®) soil gold, copper, molybdenum, nickel, and negative anomalies, or lows, in lead and zinc.

The large, induced polarization chargeability anomaly that underlies the Miracle prospect is explained by an abundance of pyrite, primarily along fractures, in concentrations up to 15%. Where chalcopyrite is present, pyrite concentrations are minor. Potassium metasomatism (K-feldspar) appears to precede copper mineralization and hydrothermal magnetite appears to be earlier than both pyrite and chalcopyrite, supporting a model whereby early alteration of the pluton by oxidizing fluids is followed by lower temperature deposition of copper along fractures, as the hydrothermal system cools.

At the somewhat shallow level of drilling to date, the degree of fracturing, hydrothermal alteration and copper mineralization appear generally weak to moderate; however, it is possible that these improve with depth. The drill section defined by DDH M94-08 (higher elevation intersection) and M94-01 (lower elevation intersection) shows better grades with increasing depth. Deeper testing of the system at Miracle is considered, using one or two vertical holes placed in the centre of the geochemical/geophysical anomaly, perhaps on the same section as DDH collars M94-01 and M94-08.

**Figure 7-13: Historical Drill Collar Locations at the Miracle Prospect (main image, top) on Generalized Geology, Overlain with Induced Polarization Contours. Insets at bottom illustrate drill collars and induced polarization contours on: (a) coloured airborne magnetic vertical gradient patterns, where blues are relative mag lows, pinks are magnetic highs; (b) positive MMI gold Response Ratio anomalies in yellow; (c) positive MMI copper Response Ratio anomalies in pink.**




Source: Bailey, 2009

## 7.5. Alteration

Hydrothermal alteration associated with the alkalic, mineralizing systems at Lac La Hache comprises early propylitization characterized by chlorite-epidote-calcite-sericite mineral assemblages, which is overprinted by a later potassic event dominated by potassium feldspar, locally biotite, and magnetite.

Near contacts with intrusive bodies, the host Nicola Group rocks may be intensely potassically altered and locally hornfelsed. Commonly, strong propylitic and potassic alteration has destroyed much of the primary textures, making it difficult to distinguish protolith. Volcaniclastic host rocks include metamorphosed limestone and calcareous clastic units, and these are altered, mineralized locally, forming skarn-type or more broadly, carbonate replacement deposits.

Early mapping on the Property by Coranex Syndicate (Janes, 1967) describes a large area of “orange alteration and epidote”, and shows the limit of this alteration measuring 7 km east-west, 5.6 km north-south, centred over the Berkey–Peach prospects, and including all of the known porphyry-style prospects within the core area south of Spout–Peach Lake drainage. This alteration limit includes the 2017 G1 Discovery location as projected to surface (G1 is carbonate replacement type, occurs more than 300 m below the surface, but is within the overall porphyry-mineralizing system) and extends easterly, well past the Aurizon Deposits, and southerly beyond the Miracle prospect. The mapped alteration limit mimics the core of alteration indicated by the 2005 airborne gamma ray data (low thorium/potassium ratio) which has been clearly demonstrated as a diagnostic alteration signature at dozens of porphyry and epithermal deposits throughout the Quesnel Trough and elsewhere. This feature has been incorporated into EnGold’s conceptual exploration model for the project, described below.

# 8. DEPOSIT TYPES

Exploration spanning five decades in the Lac La Hache Project area has outlined a number of zones of copper-gold-silver-magnetite mineralization, consistent with a porphyry mineralizing system(s), related to various intermediate-to-felsic, alkali intrusions that are emplaced into coeval volcano-sedimentary rocks.

Two broad deposit styles can be described:

1. porphyry copper (chalcopyrite, bornite, covellite-chalcocite, tetrahedrite, native copper, pyrite, pyrrhotite) as rare disseminations and more typically within fractures and hydrothermal breccias, the predominant type (at Aurizon Zones, Ann North, Miracle, Peach, others);
2. skarn-hosted magnetite-copper (+/- gold, silver, at Spout, Nemrud).

The first deposit style at Lac La Hache is hosted by hydrothermally brecciated and/or fractured, potassically altered monzonite/monzodiorite and enclosing volcanic host rocks. This has been the dominant, historical exploration focus on the Property.

Porphyry mineralization is often associated with magnetite and, in the past, positive magnetic anomalies over alkalic plutons of intermediate to felsic composition were first order exploration targets within the Quesnel Trough, including at Lac La Hache Project. However, at Lac La Hache, high-grade copper (with gold-silver) mineralization in many prospects occurs in hydrothermal breccia with hematitic matrices having little to no magnetite (Aurizon South, Aurizon Central, Ann North, others). This has been observed elsewhere, such as at the Wight Pit at Mount Polley, or in association with magnetite-destructive alteration (several deposits in the Afton area) and, therefore, positive magnetic anomalies are not necessarily an exploration criterion. Copper-gold-silver assays from several zones at Lac La Hache correlate positively with lower magnetic susceptibility drill core measurements and lie within relative lows on ground and airborne magnetic maps.

At Lac La Hache, magnetic patterns defined by airborne and ground surveys may be further complicated by the presence of primary magnetite in both Nicola volcanics and in younger, overlying volcanics, related dykes, or other units unrelated to mineralizing processes.

Basic prospecting, trenching or test-pitting has led to many of the discoveries at or near surface. Induced polarization surveys have proven useful for delineating related sulphide-bearing (commonly pyrite) rocks which may contain copper. Lithogeochemical sampling and a variety of soil and biogeochemical methods have also been used to define targets.

The second deposit style at Lac La Hache is skarn-style, or more broadly, carbonate replacement deposit (CRD) style, magnetite-copper mineralization associated with an intermediate to felsic alkalic pluton but within carbonate-rich Nicola Group volcaniclastic rocks bordering the pluton. An example elsewhere is provided by the QR deposit, located 10 km northwest of Mount Polley, in which gold-enriched mineralization is hosted by carbonate-rich mafic tuff. At Mount Polley, skarn-hosted high-grade copper related to the larger porphyry system occurs within the Southeast Pond Zones area.

Skarn/CRD-type mineralization at Lac La Hache occurs south of Spout Lake and on the eastern side of the Property at the Nemrud prospect. Both lie proximal to larger, composite intrusions, and may lie in similar stratigraphic positions within Nicola host rocks, in carbonate-rich units at the basalt-breccia/polylithic tuff boundary (near the contact between rock assemblages two and three as defined by Schiarizza, 2016). The shallow dip of these prospective host horizons to the east of the Spout Zones offers additional, “blind” exploration targets. Reconnaissance ground surveying in 2015 located a strong positive residual Bouguer gravity anomaly southeast of Spout Deposits, leading to the 2017 discovery at the G1 anomaly, clearly demonstrating this potential. Regional mapping suggests the prospective stratigraphic boundary also continues northwest of the Spout Zones, offering additional skarn potential along the prominent, arcuate, positive magnetic total field anomaly which continues north of Spout Lake for several kilometres.

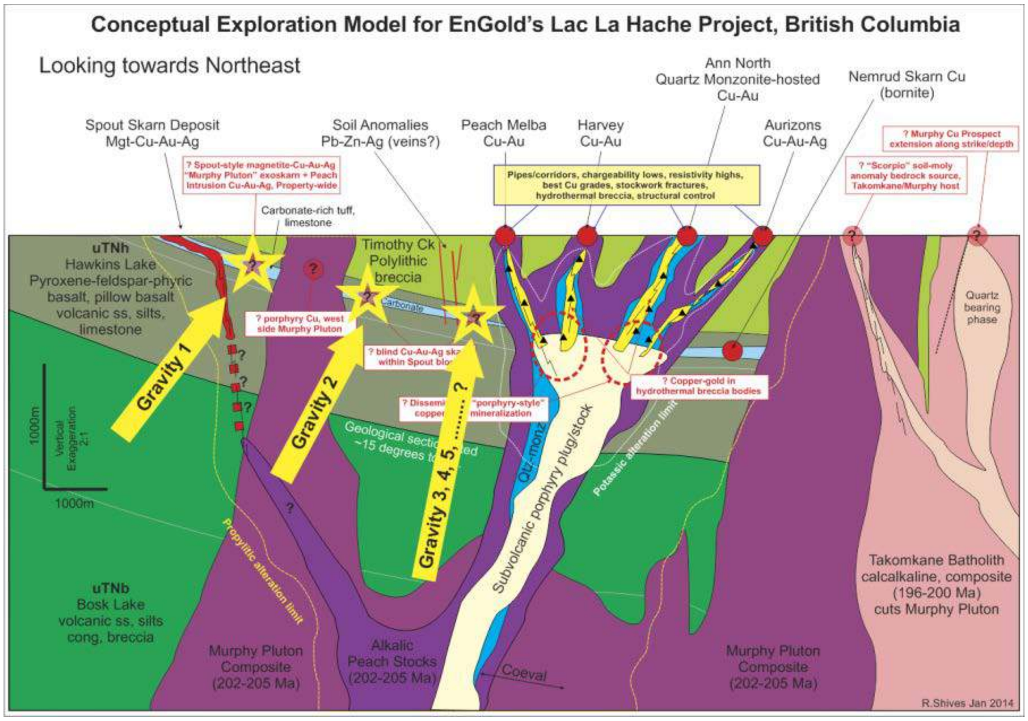
## 8.1. Conceptual Exploration Model

In 2012, EnGold published a conceptual exploration model incorporating all known geological, geochemical and geophysical results to date (Figure 8-1). The model places all known prospects within a single context and predicts the potential for new mineralization scenarios.

Two model-predicted features have since been demonstrated. The first relates to a copper-porphyry “mineralizing phase”, in the narrow sense, which might provide a metal source for the abundant fracture-controlled copper and generate heat required for intense hydrothermal brecciation and fracturing, evident at all existing porphyry-style prospects on the Property. In most cases, the hydrothermal breccias or fracture-hosted copper is hosted by monzonitic or monzodioritic intrusive phases which are not well mineralized beyond the later-emplaced breccia/fractures. The Berkey phase intrusion discovered in 2015 fits this requirement, as a late-magmatic, strongly potassically altered and well-mineralized, disseminated-copper source. Petrographic similarity with the mineralizing phase at Afton has been described as follows: “The intrusive breccia textures and alteration/mineralization are strongly reminiscent of alkaline Cu-Au porphyry-style typical of the Kamloops/Afton area of B.C. (e.g., Sugarloaf diorite)” (Leitch, 2015).

The second predicted feature was that additional magnetite-copper mineralization, similar to the Spout Deposit, could occur along the same or similar Nicola strata to the east (and northwest) of Spout. This could be in locations where intrusion-related (porphyry) metals (copper/gold/silver) might be introduced into the prospective host rocks as carbonate replacement deposits. The 2017 discovery at G1 has clearly demonstrated this possibility and indicates additional potential remains.

**Figure 8-1: Conceptual Exploration Model for EnGold's Lac La Hache Project**




Source: R. Shives, 2014

# 9. EXPLORATION

In 2005, GWR funded an airborne gamma ray spectrometric/magnetic total field survey (Carson et al, 2006) covering the original block of 20 claims located primarily south of Spout Lake. The survey measured the magnetic field and gamma radiation emitted from radioactive elements potassium (K40), uranium (U238) and thorium (Tl208) occurring within the top 30 cm of the earth's surface. Potassium enrichment related to hydrothermal alteration can produce relative lows in the equivalent thorium/potassium ratios (Shives et al., 1997), offering useful regional and property-scale exploration vectors within alkalic porphyry systems when used in combination with magnetic total field patterns. Elsewhere within the Quesnel Trough, these anomalous patterns have led to the discovery of previously unknown mineralization in both outcropping and overburden-covered settings (for example, in the Phillips Lakes area, southeast of Mount Milligan). Related ground studies (Shives et al., 1997) have been conducted at Mount Milligan, Mount Polley, Prosperity, Kemess South, Endako, Cat/Bet, GWR Lac La Hache, several Afton prospects and mines, several prospects in the Toodoggone region, and elsewhere. At Lac La Hache, it appears that the aerially extensive low thorium/potassium anomaly overlies true hydrothermal alteration, where potassium alteration and copper mineralization is known, but also includes outcroppings of less-altered or apparently unaltered, unmineralized outcrop of polylithic breccia. The latter suggests some part of the radiometric signature may relate to a non-mineralizing hydrothermal or possibly magmatic process, unrelated to ore-forming processes directly. At Lac La Hache, the anomalies provide regional vectoring down to property scale, but appear less specific at prospect or individual zone scale. This underscores the requirement to rank drill targets on the basis of all available information.

From October to November 2008, Scott Geophysics Ltd. completed 88.1-line km of induced polarization surveying over parts of Ann 1, Ann 2, Jack 1 and Jack 2 tenures (577235, 577236, 373378, 373379). Previously, induced polarization surveying (Lloyd and Cornock, 1991) used four electrodes spaced 50 m apart on 200 m lines that are oriented north-south, subparallel to dominantly north-trending (northwest to northeast) mineralized structures. Penetration depth was in the order of about 100 m. The 2008 Scott survey was oriented east-west to better cross the northerly trends, using 12 electrodes at 100 m spacing on 200 m lines. This configuration allows penetration to a depth of several hundred metres, to detect deep conductors as well as those that are near surface. Data inversion software was used to refine anomalies and convert apparent depths to elevations above sea level, enabling predictions to be made with respect to drilling depths required to test anomalies. Survey results suggested the presence of several subparallel north-south zones that could be related to previously known copper-gold mineralization occurrences.

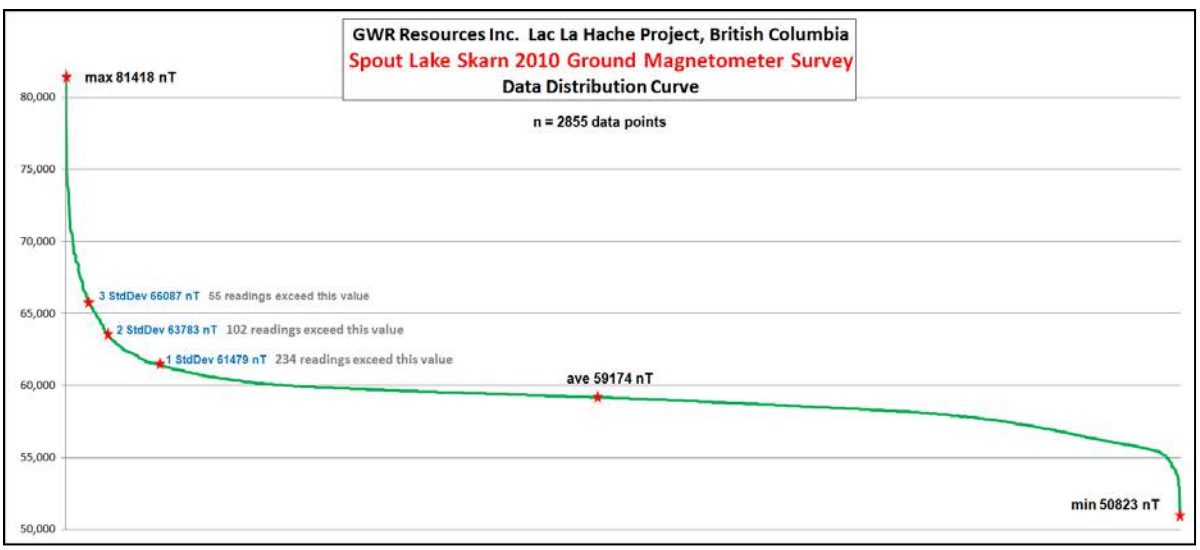
Exploration within the Lac La Hache Property was significantly re-focused in 2010. Although a moderate amount of drilling continued within the Aurizon prospects, as described here, emphasis shifted to defining the potential of the Spout skarn-hosted mineralization. This work included detailed ground magnetometer surveys over the historical Spout Zones, prospecting, back-hoe test pitting through thin overburden cover, bedrock sampling, lithogeochemical analyses, metallurgical studies, petrographic work, and closely spaced drilling (20 m and 25 m centres) of the mineralized zones that would support the NI 43-101 compliant resource estimation completed in 2012 by SRK, for Spout North and South Deposits.

The Spout Deposit includes Spout North and Spout South zones. These are stratiform magnetite-copper deposits containing gold and silver in lesser amounts, interpreted originally as skarn-type but recently (2017) re-interpreted by EnGold in a broader sense as carbonate replacement-style. Spout South mineralization subcrops below a thin layer (less than 3 m) of overburden and is horizontal, with true thicknesses varying from a few meters to more than 40 m locally. Spout North is nearly vertical, varying from 2 m to more than 10 m true width, strikes more than 400m (open) and extends below 350 m (open). Drilling has focussed on testing Spout North above 100 m in support of an open pit mining model, leaving the lower portion only sparsely drilled in some areas. The single, deepest intersection to date is at approximately 350 m vertically and the zone remains open at depth.

In 2010, EnGold reinitiated exploration of the Spout Deposit with the specific goal of determining a NI 43-101 compliant resource estimate. The high magnetite content of the magnetite-copper-(gold-silver) mineralization in the zones produces high amplitude, positive magnetic anomalies on airborne and ground surveys, providing a direct exploration vector

To support the planned detailed drilling programs, in summer 2010, EnGold field staff completed 30 line km of total field magnetometer surveys over the zones, with stations every 12.5 m along lines spaced at 25 m, using a rented, calibrated GEM Systems GSM-19 Overhauser mobile magnetometer with a recording base station. Figure 9-1 shows the ground data distribution curve. Results are shown in Figure 9-2 as a coloured magnetic total field grid with labeled data contours.

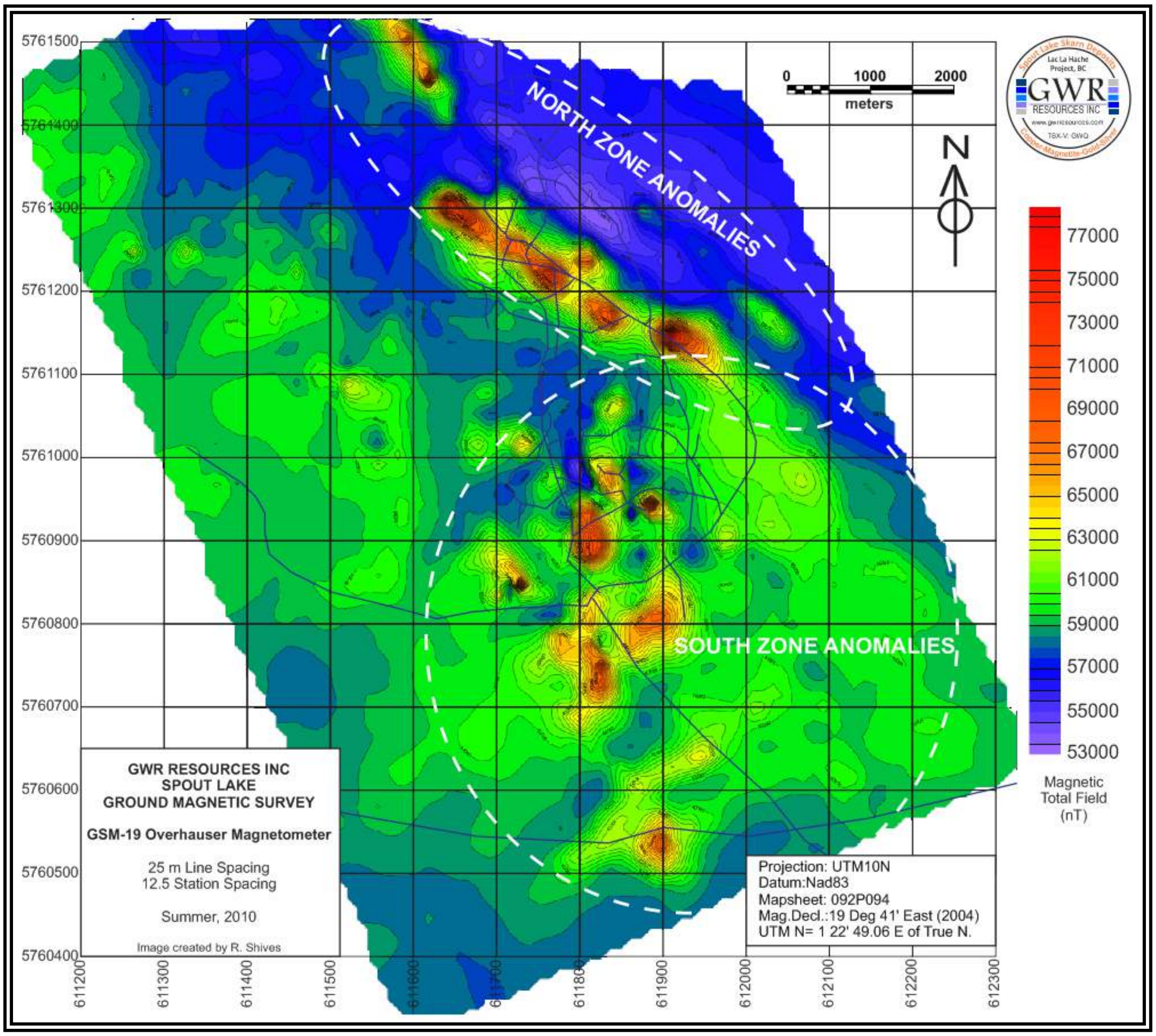
**Figure 9-1: Data Distribution Curve for the 2010 Ground Magnetometer Survey over the Spout Zones. Very high magnitudes measured at several sites, where 102 readings exceeded 2 standard deviations, including 55 that exceeded 3 standard deviations. These extreme values were measured directly on outcropping, or very near-surface, massive magnetite with associated copper (gold-silver).**




Source: GWR Resources Inc., 2010

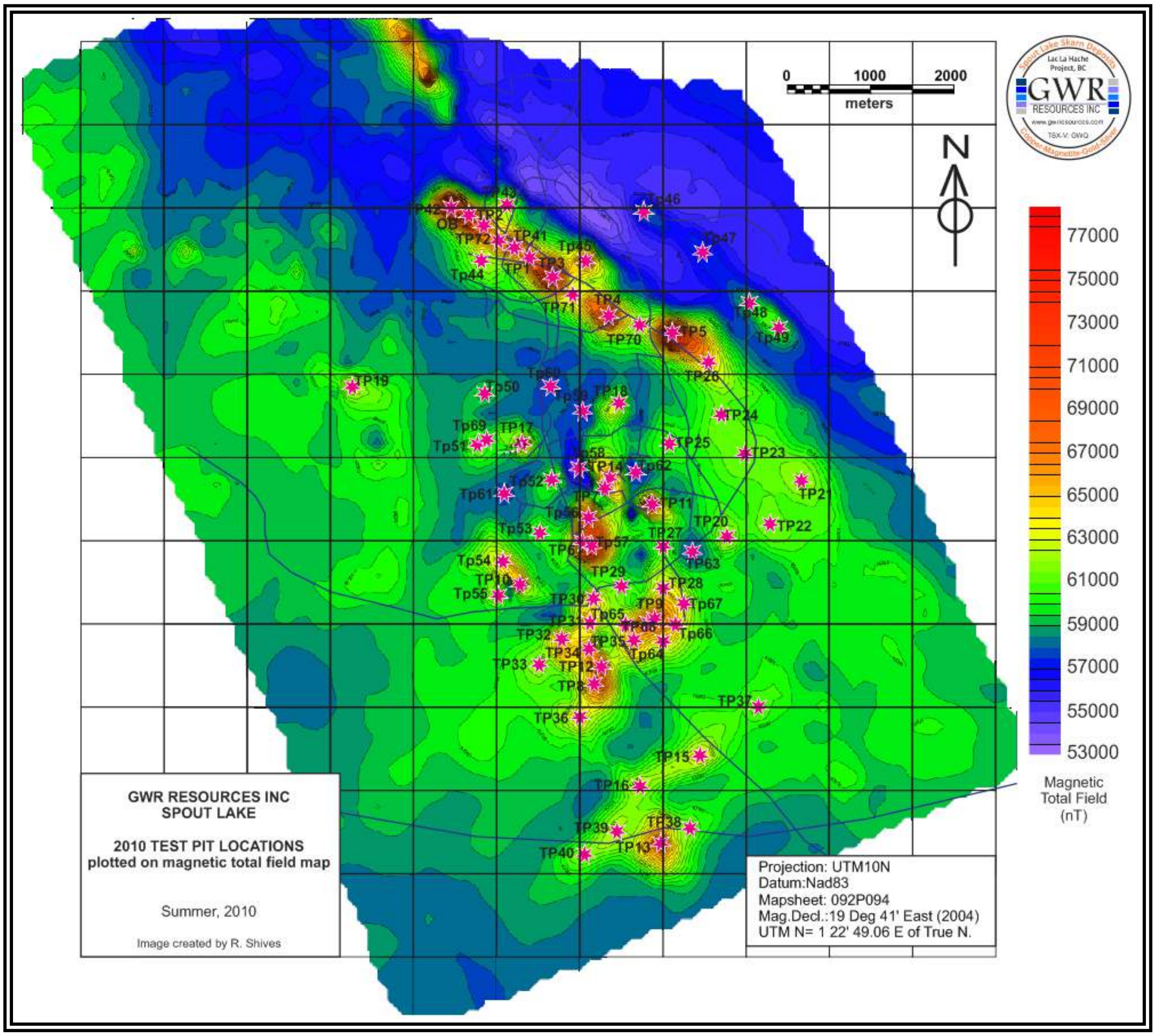
The new ground data acquired in 2010 outlines the near-surface portions of both zones as high amplitude responses (yellow and orange colours on the colour map in Figure 9-2, providing focus for subsequent exploration. Magnetite mineralization exposed in outcrop within both zones was historically trenched and drilled and produced the highest magnetometer readings on the ground survey, due to proximity of massive magnetite to the magnetic sensor. However, high amplitude, positive anomalies also occur in overburden-covered areas, and a program of “test-pitting” was carried out to provide bedrock samples for analysis. Using the magnetic patterns as a guide, a total of 72 pits were completed using a large hoe to reach down through the overburden, as deep as 5.5 m, to obtain information about depth to bedrock, rock type, and, where possible, a sample for analysis. Test pit locations are shown in Figure 9-3, listed in Table 9.1, and assays for a selected suite of test pit samples are provided in Table 9.2.

**Figure 9-2: Ground Magnetometer Survey Over the Spout Zones Effectively Maps Near-surface Concentrations of Magnetite. As copper (gold-silver) mineralization is associated with magnetite in these zones, the magnetic patterns provide exploration vectoring.**




Source: GWR Resources Inc., 2010

**Figure 9-3: Locations of 72 Overburden Test Pits, Dug In 2010 to Sample Bedrock Below Magnetic Anomalies (positive and negative patterns). Overburden depth exceeded the reach of the hoe bucket (5.5 m) in only a few pits, including the easternmost sites 21 to 24.**




Source: GWR Resources Inc., 2010

The test pitting program was useful, providing geological information, and most importantly, drill targets in covered areas where bedrock was otherwise unavailable. Although overburden is extensive in topographically subdued areas, depth to bedrock exceeded the reach of the hoe bucket (5.5 m) in only a few pits along the eastern side of the south zone. A general, and inverse, correlation was noted between the ground magnetometer values and overburden thickness, although several deep pits also produced high values, and these contained massive magnetite.

A suite of 26 variably mineralized test pit bedrock "grab" samples were sent to Eco Tech Labs in Kamloops for standard analyses, using the same methods for preparation and analysis as those used for GWR drill cores. The test pit sampling approach is not intended to provide samples for use in evaluation of resources or to indicate width of mineralized zones or continuity of grades.

Assay results (Table 9.2) show high correlation between copper, iron, gold and silver concentrations, with copper ranging up to 3% in test pit number 1 (TP1). However, copper/iron ratios are disproportionately high within the high-copper samples, suggesting copper is a separate mineralizing event relative to magnetite. This is also shown by petrographic study of the Spout copper-gold-silver-magnetite mineralization (Oliver, 2012).

**Table 9.1: Test Pit Coordinates and Depth to Bedrock**

| Test Pit Number | Pit coordinates NAD83 UTM Zone 10 | | Overburden Depth (m) |
|---|---|---|---|
| | Easting | Northing | |
| TP1 | 611740 | 5761241 | 0.5 |
| TP2 | 611684 | 5761279 | 0.5 |
| TP3 | 611767 | 5761217 | 0.5 |
| TP4 | 611835 | 5761171 | 1.0 |
| TP5 | 611911 | 5761151 | >5.5 |
| TP6 | 611803 | 5760899 | 1.0 |
| TP7 | 611830 | 5760964 | 1.0 |
| TP8 | 611817 | 5760728 | 1.0 |
| TP9 | 611890 | 5760807 | 1.0 |
| TP10 | 611728 | 5760848 | 1.0 |
| TP11 | 611887 | 5760944 | 1.0 |
| TP12 | 611826 | 5760749 | 1.0 |
| TP13 | 611897 | 5760537 | 1.0 |
| TP14 | 611836 | 5760976 | 0.0 |
| TP15 | 611945 | 5760643 | 5.5 |
| TP16 | 611872 | 5760605 | 1.0 |
| TP17 | 611730 | 5761018 | 1.0 |
| TP18 | 611847 | 5761066 | 0.5 |
| TP19 | 611557 | 5761086 | 1.0 |
| TP20 | 611977 | 5760906 | 2.0 |
| TP21 | 612066 | 5760973 | 5.5 |
| TP22 | 612029 | 5760921 | 2.0 |
| TP23 | 611998 | 5761005 | 5.5 |
| TP24 | 611970 | 5761052 | >5.5 |
| TP25 | 611908 | 5761017 | 0.0 |
| TP26 | 611955 | 5761115 | >5.5 |
| TP27 | 611900 | 5760894 | 1.0 |
| TP28 | 611900 | 5760844 | 3.0 |
| TP29 | 611850 | 5760846 | 1.5 |
| TP30 | 611817 | 5760831 | 1.0 |
| TP31 | 611812 | 5760802 | 1.5 |
| TP32 | 611778 | 5760782 | 1.5 |
| TP33 | 611751 | 5760752 | 0.0 |

| Test Pit Number | Pit coordinates NAD83 UTM Zone 10 | | Overburden Depth (m) |
|---|---|---|---|
| | Easting | Northing | |
| TP37 | 612015 | 5760700 | 1.0 |
| TP38 | 611932 | 5760555 | 2.0 |
| TP39 | 611845 | 5760551 | >5.5 |
| TP40 | 611806 | 5760523 | 5.5 |
| TP41 | 611721 | 5761253 | 0.5 |
| TP42 | 611645 | 5761301 | 1.0 |
| TP43 | 611712 | 5761304 | 1.0 |
| TP44 | 611682 | 5761237 | 0.0 |
| TP45 | 611807 | 5761237 | 0.5 |
| TP46 | 611877 | 5761296 | 1.0 |
| TP47 | 611948 | 5761247 | 1.0 |
| TP48 | 612004 | 5761186 | 1.0 |
| TP49 | 612039 | 5761156 | 1.0 |
| TP50 | 611686 | 5761078 | 1.0 |
| TP51 | 611677 | 5761016 | 0.5 |
| TP52 | 611766 | 5760974 | 3.0 |
| TP53 | 611752 | 5760910 | 5.0 |
| TP54 | 611708 | 5760876 | 1.5 |
| TP55 | 611702 | 5760835 | 0.0 |
| TP56 | 611810 | 5760928 | 1.5 |
| TP57 | 611814 | 5760894 | 3.0 |
| TP58 | 611800 | 5760988 | 1.0 |
| TP59 | 611803 | 5761056 | 3.0 |
| TP60 | 611765 | 5761086 | 5.5 |
| TP61 | 611709 | 5760957 | 1.0 |
| TP62 | 611867 | 5760983 | 0.0 |
| TP63 | 611935 | 5760887 | 2.5 |
| TP64 | 611900 | 5760780 | 2.5 |
| TP65 | 611855 | 5760800 | 2.5 |
| TP66 | 611915 | 5760800 | 2.0 |
| TP67 | 611925 | 5760825 | 2.7 |
| TP68 | 611883 | 5760802 | 2.0 |
| TP69 | 611688 | 5761022 | 0.0 |

| Test Pit Number | Pit coordinates NAD83 UTM Zone 10 | | Overburden Depth (m) |
|---|---|---|---|
| | Easting | Northing | |
| TP34 | 611811 | 5760771 | 1.5 |
| TP35 | 611865 | 5760781 | 3.0 |
| TP36 | 611800 | 5760689 | 3.0 |

| Test Pit Number | Pit coordinates NAD83 UTM Zone 10 | | Overburden Depth (m) |
|---|---|---|---|
| | Easting | Northing | |
| TP70 | 611872 | 5761160 | 4.0 |
| TP71 | 611791 | 5761197 | 0.5 |
| TP72 | 611702 | 5761261 | 1.0 |

Source: Spout Deposits, 2010

**Table 9.2: Assay Results for 26 Bedrock Samples Collected from Overburden pits; Spout Zones, 2010.**

| Bedrock Sample | Skarn Zone | Easting NAD 83 | Northing Zone 10 | Relative Ground Magnetic Value | Au (g/t) | Cu (%) | Ag (ppm) | Fe (%) |
|---|---|---|---|---|---|---|---|---|
| **TP1** | N | 611740 | 5761241 | High | 0.45 | 3.05 | 12.8 | 33.7 |
| **TP2** | N | 611684 | 5761279 | High | 0.16 | 0.32 | 2.8 | 52.5 |
| **TP3** | N | 611767 | 5761217 | Very High | 0.13 | 0.63 | 4.8 | 22.6 |
| **TP4** | N | 611835 | 5761171 | Very High | 0.17 | 0.33 | 5.1 | 35.6 |
| **TP6** | S | 611803 | 5760899 | High | 0.23 | 0.34 | 3.4 | 40.1 |
| **TP7** | S | 611830 | 5760964 | High | 0.16 | 0.59 | 4.6 | 65.6 |
| **TP9** | S | 611890 | 5760807 | High | 0.53 | 1.83 | 9.2 | 58.2 |
| **TP10** | S | 611728 | 5760848 | High | 0.04 | 0.30 | 2.5 | 21.0 |
| **TP27** | S | 611900 | 5760894 | Low | <0.03 | 0.27 | 1.1 | 17.8 |
| **TP29** | S | 611850 | 5760846 | Low | <0.03 | 0.03 | 0.3 | 10.1 |
| **TP30** | S | 611817 | 5760831 | Moderate | 0.43 | 2.75 | 14.8 | 32.6 |
| **TP32** | S | 611778 | 5760782 | Moderate | 0.04 | 0.25 | 1.6 | 14.9 |
| **TP33** | S | 611751 | 5760752 | Low | 0.10 | 0.52 | 3.2 | 19.4 |
| **TP34** | S | 611811 | 5760771 | Moderate | 0.08 | 0.44 | 2.4 | 16.3 |
| **TP35** | S | 611865 | 5760781 | Moderate | 0.08 | 0.53 | 2.1 | 17.9 |
| **TP38** | SE | 611932 | 5760555 | Low | <0.03 | 0.29 | 0.7 | 6.2 |
| **TP52** | S | 611766 | 5760974 | Low | 0.05 | 0.41 | 2.3 | 15.4 |
| **TP53** | S | 611752 | 5760910 | Low | 0.04 | 0.53 | 3.2 | 34.4 |
| **TP54** | S | 611708 | 5760876 | Moderate | <0.03 | <0.01 | 0.3 | 12.1 |
| **TP55** | S | 611702 | 5760835 | Moderate | <0.03 | 0.49 | 4.4 | 16.2 |
| **TP56** | S | 611810 | 5760928 | High | 0.29 | 1.22 | 5.0 | 37.2 |
| **TP57** | S | 611814 | 5760894 | High | 0.18 | 1.46 | 6.0 | 25.5 |
| **TP58** | S | 611800 | 5760988 | Very Low | 0.18 | 1.07 | 12.2 | 40.4 |
| **TP59** | S | 611803 | 5761056 | Very Low | <0.03 | 0.16 | 1.1 | 14.0 |
| **TP66** | S | 611915 | 5760800 | Moderate | 0.06 | 0.26 | 1.6 | 16.2 |
| **TP68** | S | 611883 | 5760802 | High | 0.10 | 1.22 | 3.3 | 38.3 |

Source: Analyses by Eco Tech Labs, Kamloops

## 9.1. Peach Melba Area

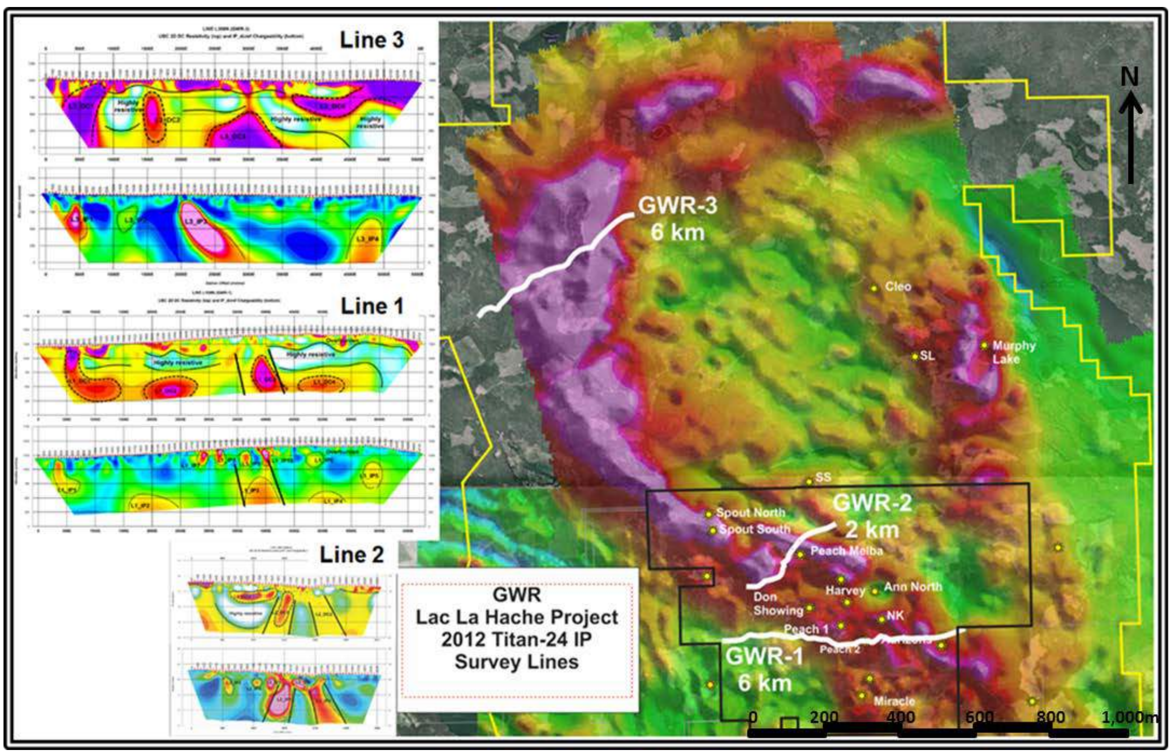
In winter 2011, detailed ground magnetometer surveys (12.5 m stations on 25 m lines) were completed by Peter E. Walcott and Associates Ltd. in two blocks between Spout and Peach Lakes. The largest survey (50 line km) covered a prominent aeromagnetic total field anomaly associated with the southern contact of the Spout Lake Pluton. No outcrops are exposed in the low swampy drainage underlying the anomaly.

Drill follow-up, designed to test skarn potential similar to Spout Zones, unfortunately encountered barren primary magnetite within a gabbro-dioritic phase of the pluton.

## 9.2. Titan-24 IP Surveying

In January 2012, Quantec Geoscience Ltd., Toronto, completed a Titan 24 Deep Penetration IP survey along three separate lines, two within the historical Spout Block and one to the north within the new Murphy Block. The survey line locations and modelled chargeability and resistivity profiles are shown in Figure 9-4. Weak responses were measured along Line 1, but strong chargeability anomalies were encountered along Lines 2 and 3. Line 2 crossed the known Peach Melba induced polarization anomaly, west of the Peach Melba prospect, and produced a Titan 24 modelled chargeability anomaly at depth in an area not previously drilled. This feature was tested with a single, deep hole (DDH P12-09, drilled to 706.2 m). The hole encountered abundant pyrite (up to 15%) but only low copper values over narrow intervals.

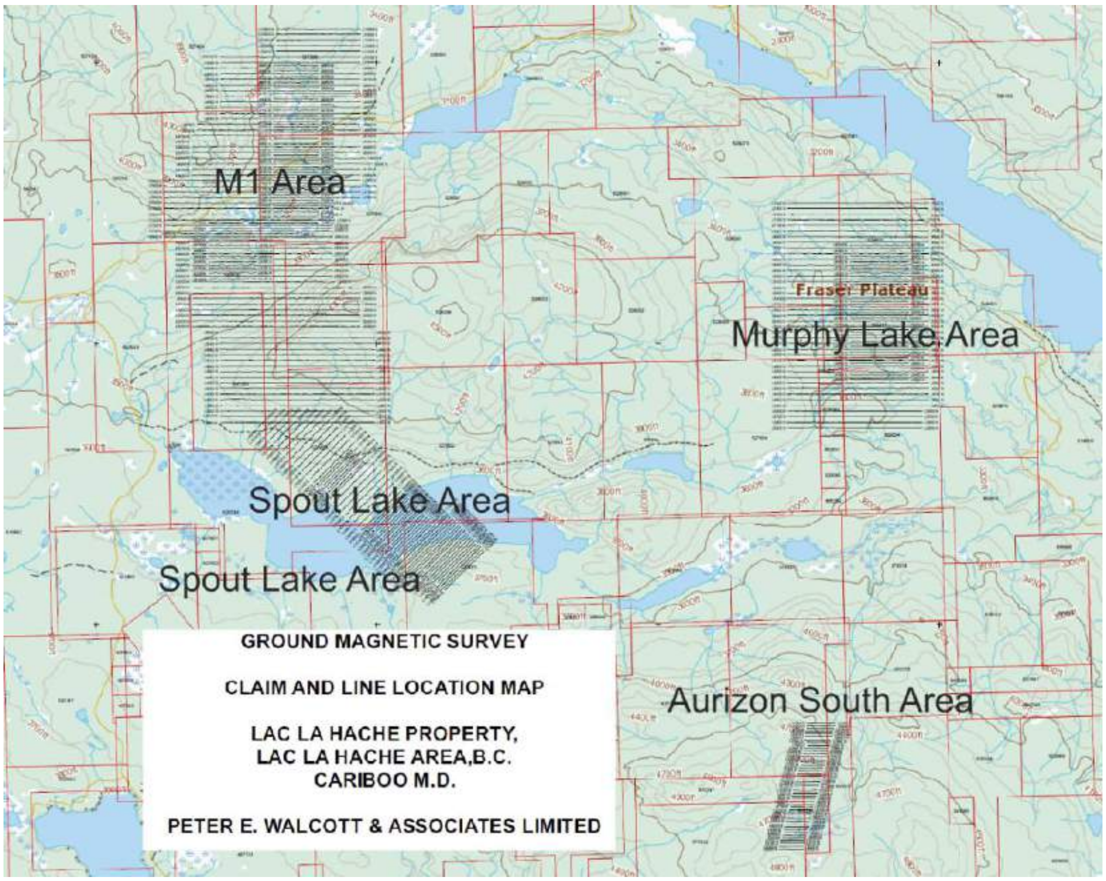
**Figure 9-4: Locations of 3 Quantec Titan-24 IP Survey Lines, in relation to large magnetic anomaly, and corresponding modelled chargeability/resistivity sections.**




Source: EnGold Mines Ltd., 2012

Between March 12 and April 19, 2012, Peter E. Walcott and Associates completed 430.5 line km of ground magnetic surveying within three areas on the project (Figure 9-5). Two larger surveys were completed on the western (283 km) and eastern (128 km) flanks of the large circular airborne magnetic anomaly, north of the Spout Lake–Peach Lake drainage. A smaller survey (19.5 km) was also completed along the Aurizon South prospect. Stations were spaced at 12.5 m along the survey lines.

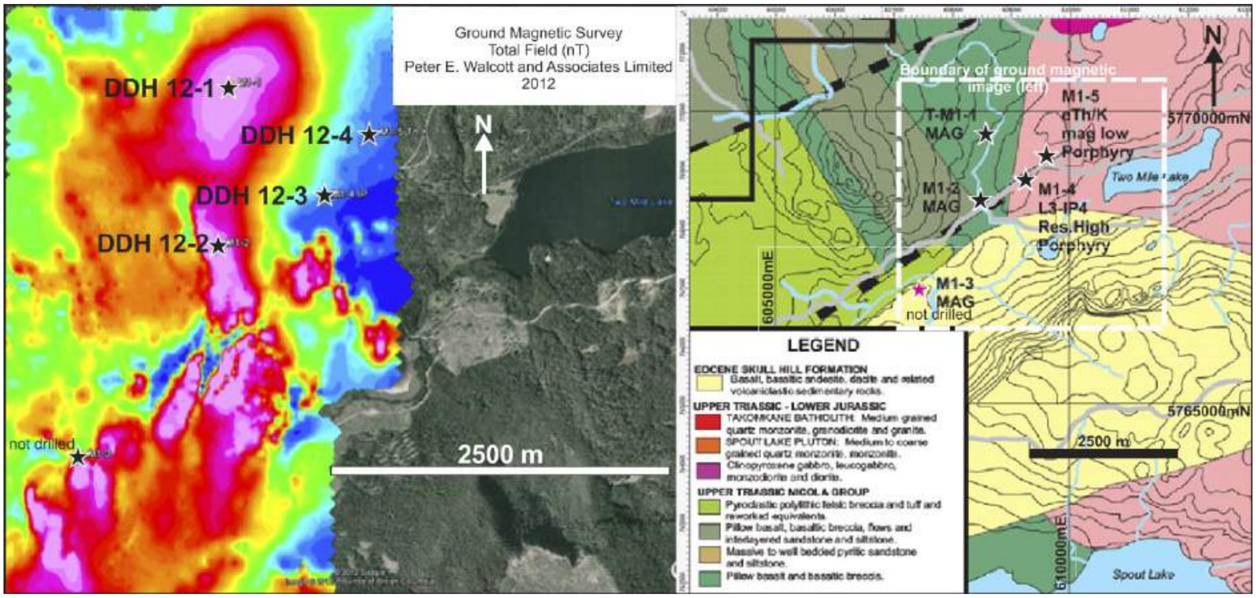
**Figure 9-5: Location of 2012 Ground Magnetometer Surveys**




Source: Peter E. Walcott & Associates Limited

In summer 2012, reconnaissance exploration drilling was completed in two areas located north of the Spout Lake–Peach Lake drainages. In the first area, northwest of Two Mile Lake, four vertical holes tested western portions of the large, circular airborne magnetic high to determine if the high magnetic responses were related to magnetite within overlying Eocene rocks, or the large central Murphy Intrusion, or to the Nicola volcano-sedimentary rocks lying outside the intrusion. Three mineralizing scenarios are possible: these relate to barren mafic border phases of the intrusion, porphyry-style mineralization inside the intrusion, or possible magnetite-exoskarn-type mineralization similar to Spout Deposits. Specific collar locations were selected using mapped geology and new ground magnetic data collected by Peter E. Walcott and Associates. They used 100 m and, locally, 50 m survey line spacing (Figure 9-6).

**Figure 9-6: Drill Hole Locations, Ground Magnetic Patterns, Geology of the Murphy Lake M1 area, west of Two Mile Lake**




Source: Peter E. Walcott & Associates Limited

Results at holes ML12-1 and ML12-2 indicated that the magnetic response at those sites is not related to either Quaternary cover or Eocene rocks, occurring, instead, as disseminated grains, blebs, along fractures and massive replacements up to 20% magnetite, within tuffaceous Nicola volcanic rocks and within gabbroic and monzonitic phases of the Murphy intrusion. Strong potassic alteration, trace chalcopyrite, pyrite and molybdenite are present locally, associated with leucocratic monzonitic phases/dykes cutting more mafic units. Assay results were relatively low, with narrow zones grading 0.15 to 0.28% Cu. Hole ML12-2 intersected 15 m grading 0.18% Cu from 233 to 248 m. These two holes appeared to cut very near the intrusive/Nicola contact, and the presence of at least small amounts of copper with moly suggests future drilling should test further west within the magnetic high, but test farther away from the intrusion, similar to the Spout Deposit situation.

The targets at DDHs ML12-3 and ML12-4 were considered porphyry-style, occurring well within the mapped extent of Murphy intrusion and featuring magnetic total field lows combined with resistivity plus induced polarization highs as defined by a Quantec Geoscience Ltd. Titan 24 survey and airborne radiometric eTh/K low. Unfortunately, neither hole properly tested these targets: ML12-3 was terminated at 400 m, short of the modelled IP anomaly, and ML12-4 was abandoned due to poor drilling conditions.

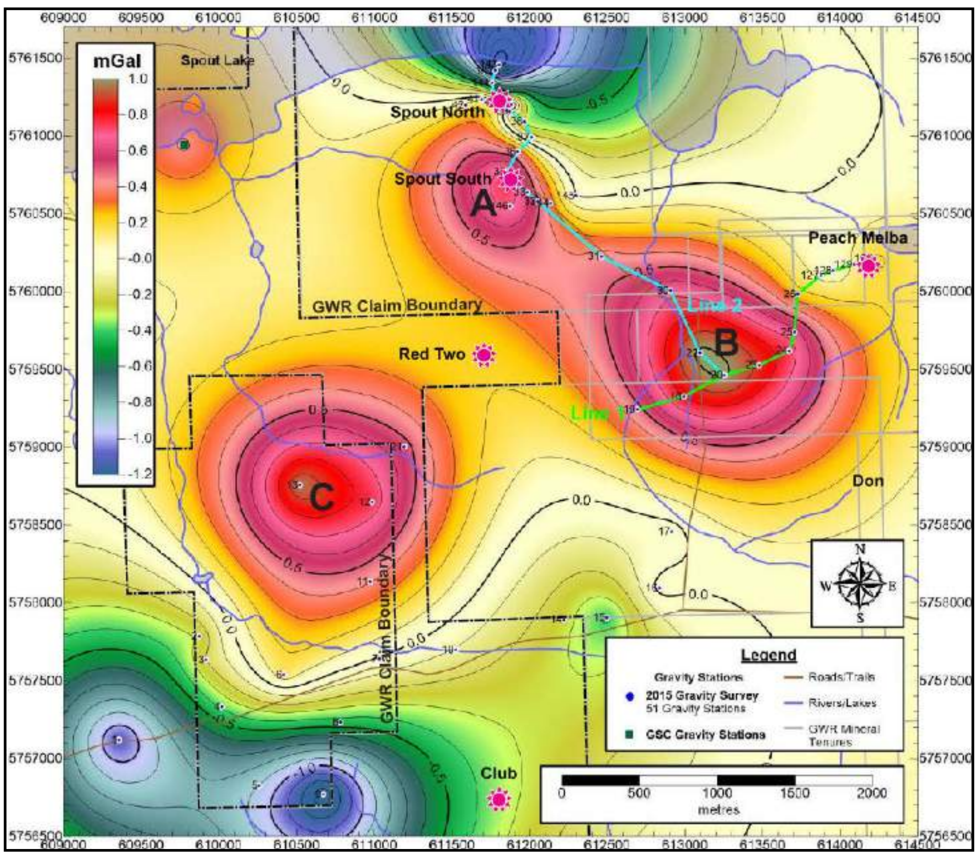
In 2012, the second area drilled was on the eastern side of the project, within the Murphy Lake copper-gold prospect, where historical drilling defined a 30 to 35 m wide, steeply dipping zone of copper mineralization grading 0.2 to 0.3% Cu, intersected in two holes over a strike length of 115 m. DDH ML12-05 failed to extend this zone; however, the hole appears to have been drilled at an incorrect azimuth, and further drilling remains warranted in this area.

In 2013 and 2014, a world-wide depression in mineral exploration activity had a significant impact on exploration expenditures throughout British Columbia and on the Project. A small ground magnetometer and induced polarization survey was completed in the north claims area by Peter E. Walcott and Associates, over a multi-site molybdenum anomaly (called the "Scorpio Anomaly") produced by a regional Ah-horizon soil survey completed late in 2012. The ground geophysics produced relatively low-amplitude total field magnetic patterns and moderate IP chargeability responses in the area. Subsequent prospecting failed to locate mineralization of interest on surface within the anomalous geochemical area. Drilling was not recommended, and that portion of the ground was subsequently dropped.

In summer 2015, exploration resumed on the project with infill Ah-horizon soil geochemical sampling, collection of 58 stream sediment samples, prospecting, and additional drilling at the Aurizon South Deposit.

In August 2015, Excel Geophysics conducted a brief, two-day ground gravity test survey designed to measure the method's response over massive magnetite-copper at surface in the Spout Deposit (North and South Zones) and to explore for possibly similar responses in the vicinity. The results from 51 gravity stations were positive over Spout and comparatively stronger responses were obtained in two new, previously unexplored areas. Results of the test survey are shown in Figure 9-7.

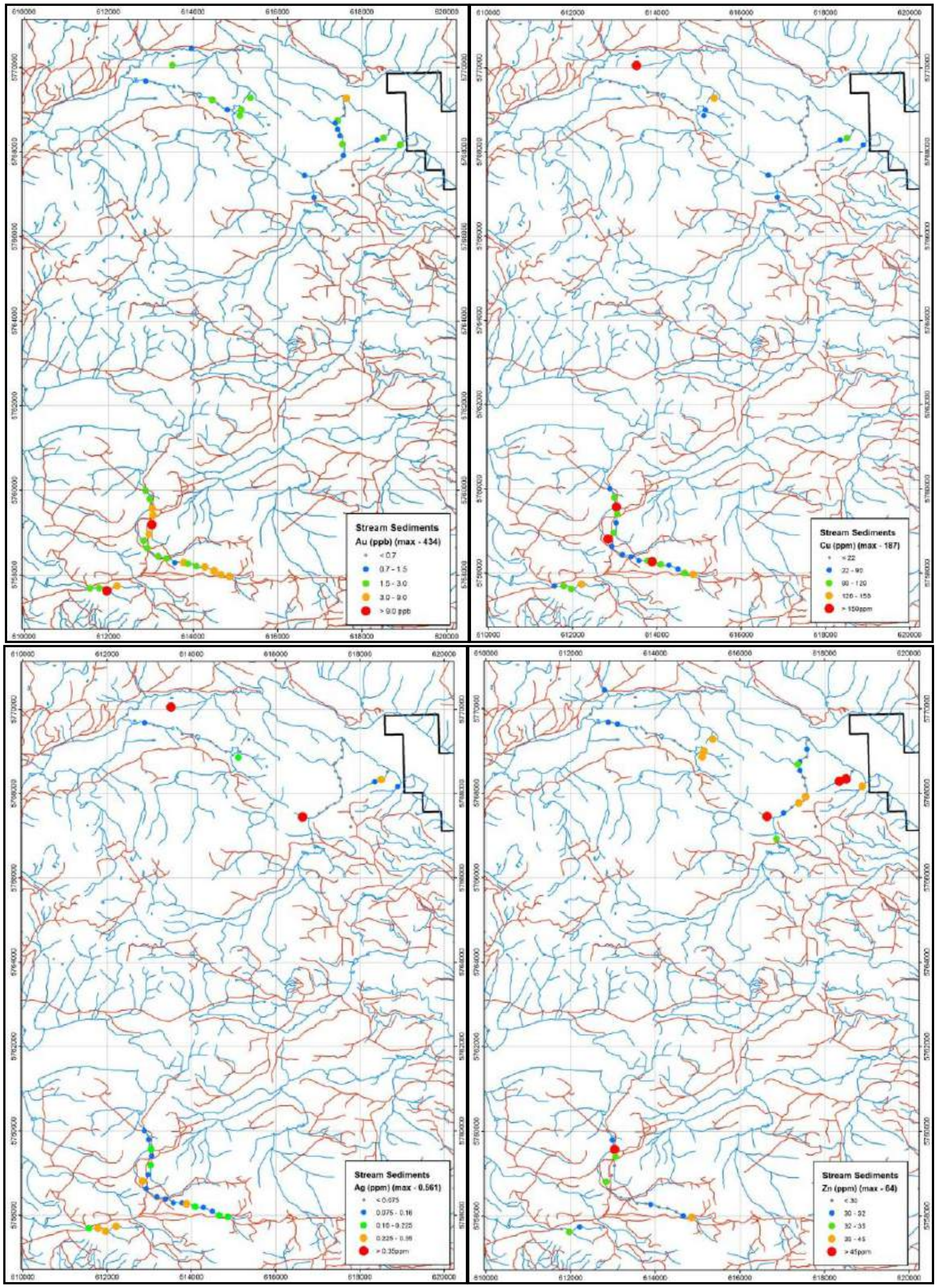
**Figure 9-7: Results of 2015 Ground Gravity Test Conducted by Excel Geophysics over Spout Deposits and Vicinity. Residual gravity response from ~2 km to surface.**




Source: Excel Geophysics Ltd., 2015

Stream sediment geochemistry results for several metals were anomalous in two areas, including a multi-site, polymetallic anomaly at approximately 613100mE, 5759600mN (NAD83 UTM Zone 10). Prospecting in the area of the polymetallic anomaly uncovered very fine-grained metasedimentary rocks with traces of visible metals in bedrock exposures along the stream. This area was subsequently found to underlie the ground gravity anomaly defined by reconnaissance test surveying completed in 2015, which lead to the drill hole discovery in 2017 at G1 Area (DDH G16-01 was completed in 2017). Results for gold, copper, silver and zinc for all 2015 stream sediment stations are shown in Figure 9-8.

**Figure 9-8: Results of 58 Stream Sediment Analyses for Au, Cu, Ag, Zn, 2015 sampling**




Source: EnGold Mines Ltd. 2015

Additional prospecting along recent clear-cut roads in 2015 led to discovery of a new showing called the "Berkey Prospect" located west of the drilled Ann North Prospect. A mineralized, strongly potassically altered, quartz-syenite phase was exposed over approximately 20 m north-south by 5 m maximum width, cutting the regional grey host-intrusion, locally a pyroxene diorite (Figure 9-9).

**Figure 9-9: Berkey Prospect Surface Exposure (photo)**


Source: Shives, 2015

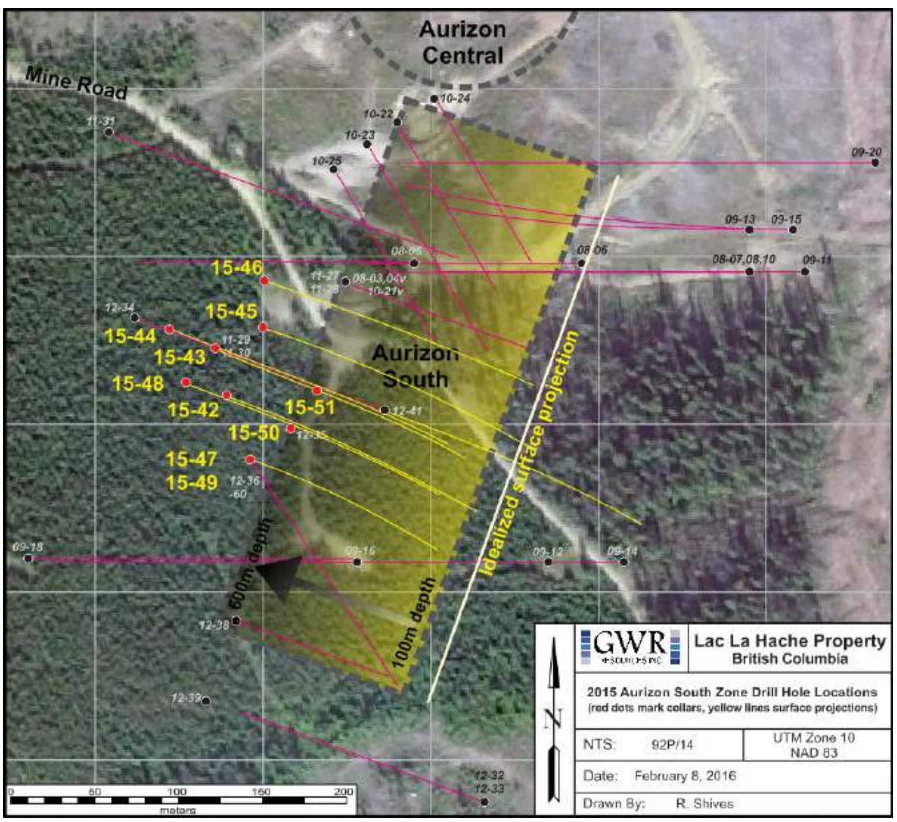
Within the Berkey phase, potassic alteration is pervasive, and textures resemble intrusive breccias, suggesting alteration is possibly late magmatic rather than truly hydrothermal. According to Vancouver Petrographics petrographer Dr. Craig Leitch, the intrusive breccia textures and alteration/mineralization are strongly reminiscent of alkaline copper-gold porphyry-style typical of the Kamloops/Afton area of B.C. (e.g., Sugarloaf diorite). Chalcopyrite occurs as disseminated (not fracture-controlled), fine to coarse blebs, grading 0.35 to 0.45% Cu in assays of many grab and channel samples (Figure 9-10). Although three short NQ holes drilled in 2017 under the trenched outcrop exposure failed to extend the surface showing to depth, the presence of the well-mineralized, altered, Berkey phase may have important porphyry-copper exploration significance.

**Figure 9-10: Strongly K-Altered Berkey Phase with Coarse Chalcopyrite Grains (photo)**

Source: Shives, 2015

In 2015, 10 NQ holes (2,642 m) were drilled at the Aurizon South Zone by contractor DJ Drilling Ltd., Watson Lake, YT. A drill plan map is provided in Figure 9-11. Collar coordinates, elevations, orientations, hole lengths and significant assay results are provided in Table 10.8.

**Figure 9-11: Plan of Idealized 020-Striking, Steeply West-dipping Aurizon South Structure (yellow) with historical and 2015 drilling**




Source: R. Shives, 2016

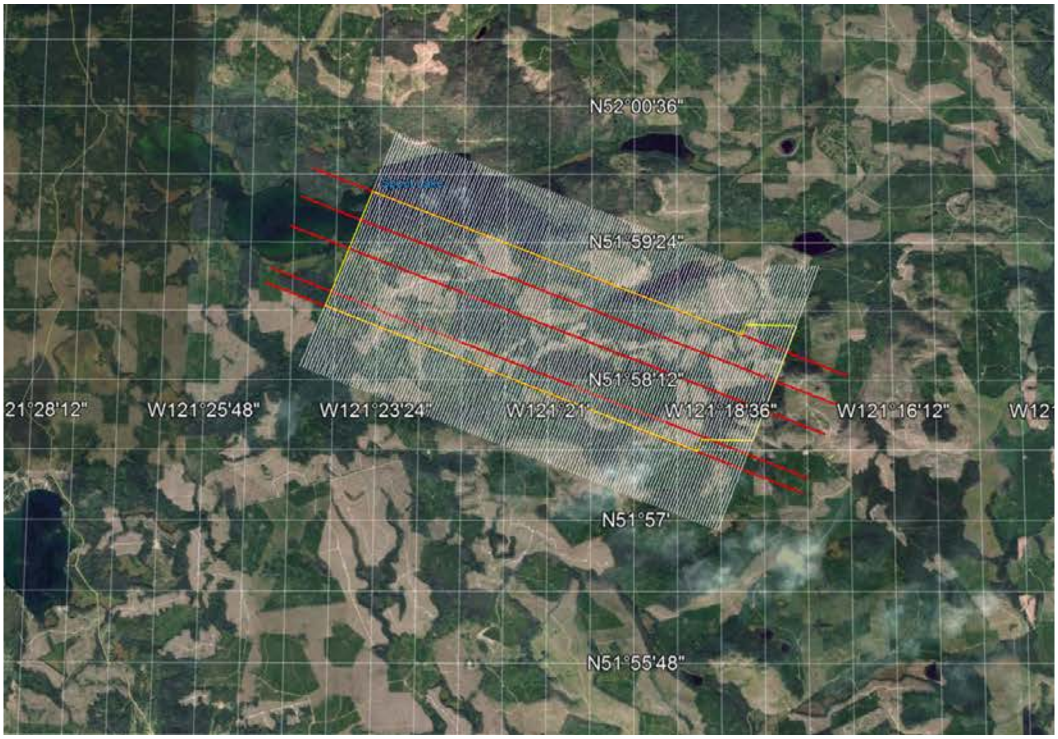
In June 23 to 26, 2017 a high-resolution helicopter-borne gravimetric and magnetic gradient survey was completed over a portion of the project (Figure 9-12, Figure 9-13) by Sander Geophysics Ltd., Ottawa, using its AIRGrav system. The planned survey totalled 329-line km; however, turn-arounds on the end of flight lines required 1 km extensions, resulting in a total of 641 line km actually flown, including 9 km control lines.

Traverse lines were oriented at 020 degrees and spaced at 50 m. Control lines were oriented at 200 degrees at 1,000 m spacing. The magnetometers were suspended below the helicopter at 30 m above terrain. Nominal terrain clearance for the helicopter was 60 m.

**Figure 9-12: Airborne Gravity/MAG Survey Location, June 2017**

Source: Sander Geophysics Ltd., 2017

**Figure 9-13: 2017 Airborne Gravity/MAG Survey Flight Lines and Control Lines Layout**

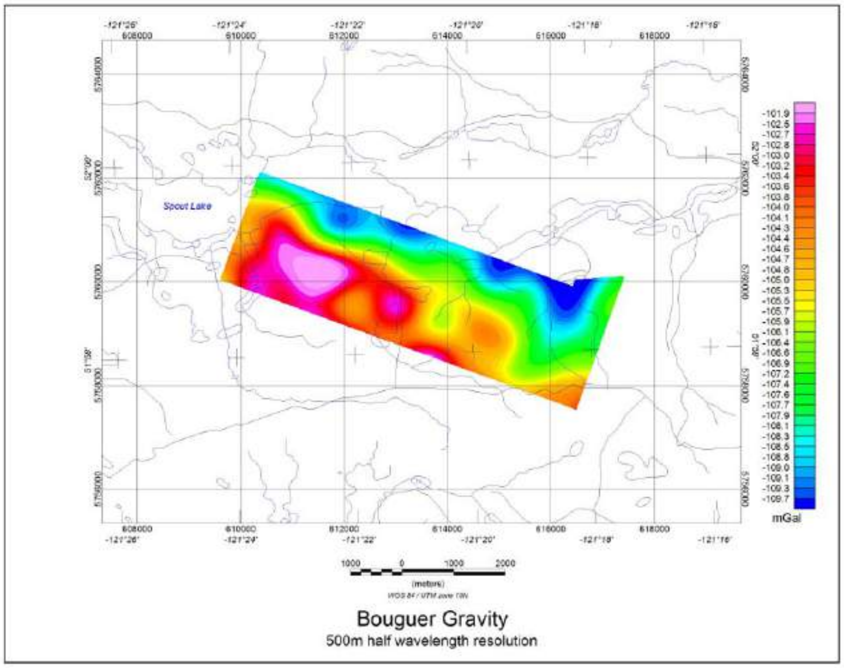


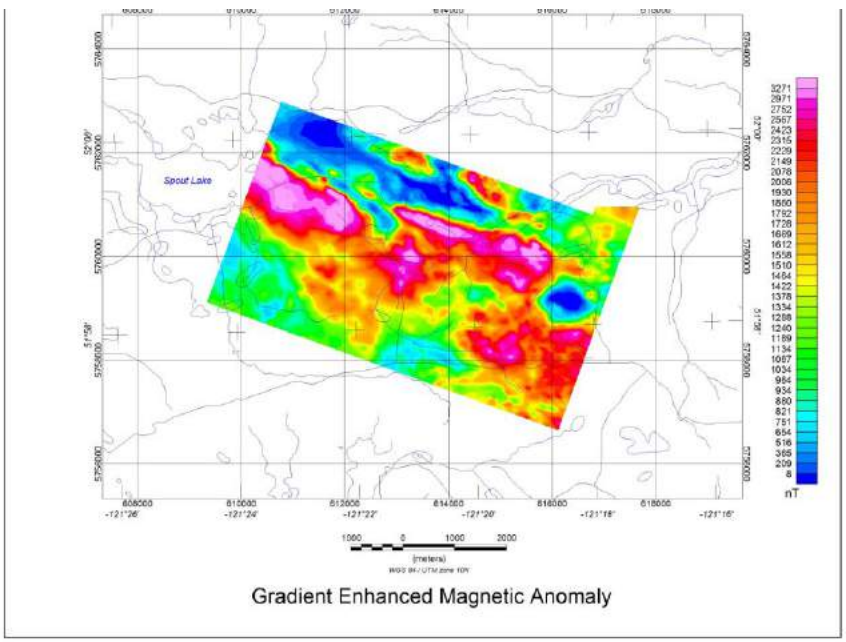

Source: Sander Geophysics Ltd.

Survey results were provided by Sander Geophysics to EnGold as colour map images and as digital data. Examples are shown in Figure 9-14.

Contracting geophysicist Trent Pezzot provided additional modelling and interpretation of both Sander Geophysics airborne gravity data and Excel Geophysics ground gravity data. Modelling of 3D isosurfaces for both datasets were completed by MapIt (Paul Stacey), and those surfaces were viewed by the author using GeoScience Analyst (Mira Geoscience, Figure 9-15). The modelled airborne and ground data, combined with recommendations and interpretations by Sander Geophysics, Excel Geophysics (Brian Jones), and Trent Pezzot were used to select potential exploration drill targets within the G1 area and, more regionally, within the project. Two of the regional targets were drill tested (G2 and Spout West anomalies) but failed to explain the anomalies.

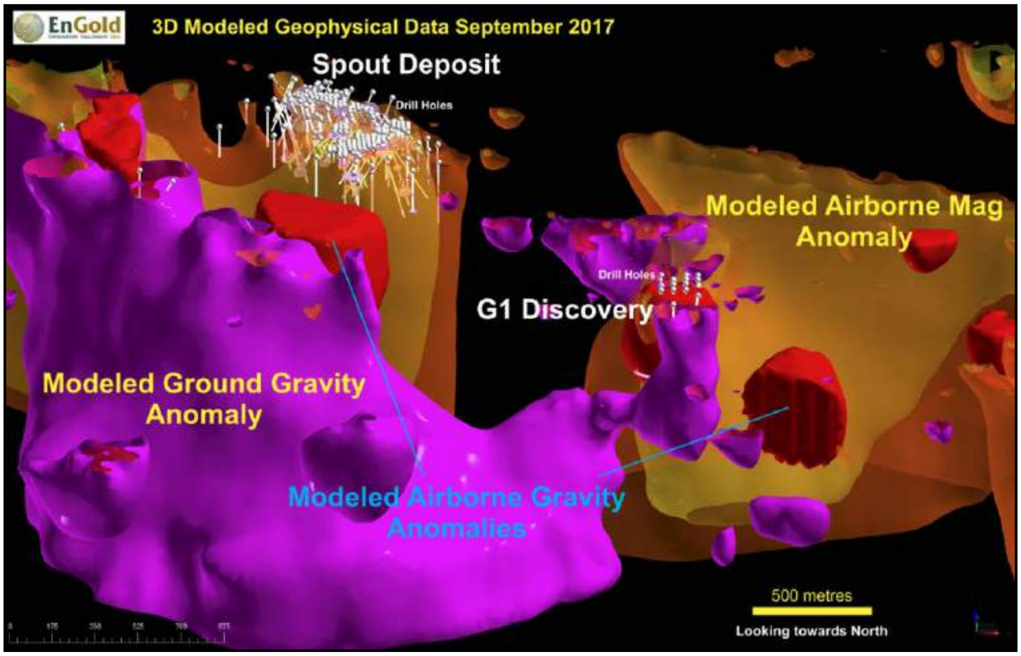
**Figure 9-14: Maps of Airborne Bouguer Gravity (top) and Gradient Enhanced Magnetic Anomaly (bottom)**



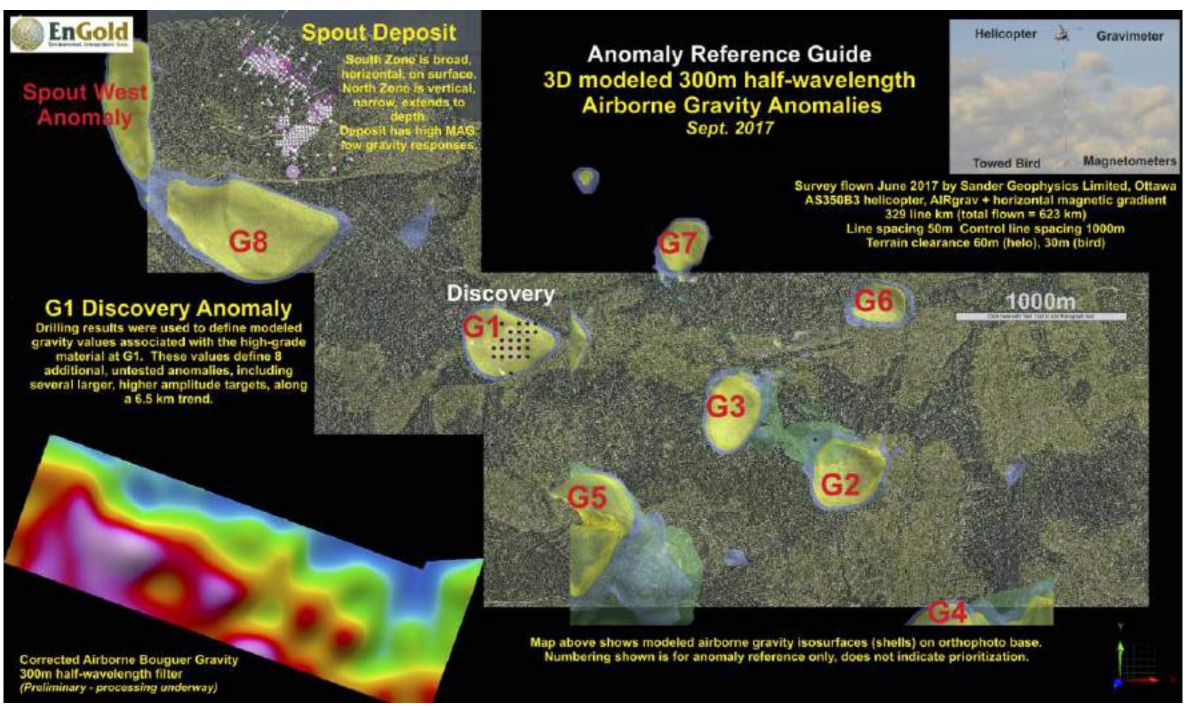

Source: Sander Geophysics, June 2017

**Figure 9-15: 3D Modelled Isosurfaces (MapIt) of Ground (Excel Geophysics) and Airborne (Sander Geophysics) Gravity and Mag Data,
as viewed using Geoscience Analyst in the Spout Deposit and G1 discovery area.**




Source: EnGold Mines Ltd., 2017

**Figure 9-16: Map of Modelled Airborne Gravity Anomalies,
numbered for reference.**




Source: EnGold Mines Ltd., 2017

# 10. DRILLING

Drilling results from work carried out by GWR between 1972 and 2001 have been summarized by Blann (2001) and are presented in Table 10.1. UTM coordinates of many of the early historical drill collar locations are not available, as they were established using various local grid coordinates on cut lines which no longer exist. Where it is possible to reliably position historical drill plans relative to modern GPS collar coordinates s still marked clearly on the ground, UTM coordinates can be assigned to the older collars.

**Table 10.1: Summary of Drilling Results on the Lac La Hache Property (1972 to 2001)**

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Drill Type | Reference |
|---|---|---|---|---|---|---|---|---|
| Spout South | 72-SL-1 | 0 | 18.3 | 18.3 | 0.13 | | Percussion | |
| | 72-SL-2 | 2.4 | 12.2 | 9.8 | 0.37 | | Percussion | Leary, 1972 |
| | | 2.4 | 24.4 | 22 | 0.23 | | | |
| | 72-SL-3 | 3.7 | 9.1 | 5.4 | 0.79 | | | |
| | | 3.7 | 15.2 | 11.5 | 0.47 | | | |
| | | 3.7 | 45.7 | 42 | 0.22 | | | |
| | 72-SL-4 | 9.1 | 45.7 | 36.6 | 0.15 | | | |
| | 72-SL-5 | 0.6 | 12.2 | 11.6 | 0.16 | | | |
| | | 0.6 | 27.4 | 26.8 | 0.18 | | | |
| | | 76.2 | 88.4 | 12.2 | 0.37 | | | |
| | 72-SL-8 | 6.1 | 21.3 | 15.2 | 0.29 | | Percussion | |
| | | 42.7 | 91.4 | 48.7 | 1.63 | | | |
| | | 61 | 85.3 | 24.3 | 2.28 | | | |
| | 72-SL-9 | 36.6 | 48.8 | 12.2 | 0.15 | | | |
| | PSH-1 | 0 | 3 | 3 | 0.53 | | Packsack | |
| | | 0 | 9.1 | 9.1 | 0.32 | | | |
| | | 0 | 25.1 | 25.1 | 0.15 | | | |
| | PSH-2 | 0 | 3.1 | 3.1 | 0.75 | | | |
| | | 0 | 6.2 | 6.2 | 0.42 | | | |
| | PSH-4 | 3.1 | 33.5 | 33.5 | 0.12 | | | |
| | PSH-5 | 6.1 | 9.1 | 3 | 0.14 | | Packsack | |
| | PSH-6 | 6.1 | 9.1 | 3 | 0.14 | | Packsack | |
| Spout North | 10 | 99.1 | 102.2 | 3.1 | 1 | | Diamond DH | Hodgson, 1973 |
| | 11 | 22.9 | 61 | 38.1 | 0.12 | | | |
| | 12 | 98.1 | 101.5 | 3.4 | 1.86 | | | |
| | 13 | 19.8 | 91.4 | 71.6 | 0.47 | | | |
| | | 19.8 | 45.7 | 25.9 | 0.58 | | | |

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Drill Type | Reference |
|---|---|---|---|---|---|---|---|---|
| | | 47.2 | 54.9 | 7.7 | 0.42 | | | |
| | | 58.5 | 60.4 | 1.9 | 1 | | | |
| | | 66.1 | 67 | 0.9 | 3.4 | | | |
| | | 67.1 | 71.6 | 4.5 | 0.32 | | | |
| | | 76.8 | 78 | 1.2 | 2.2 | | | |
| | | 85.3 | 91.4 | 6.1 | 1.15 | | | |
| | 14 | 62.8 | 83.8 | 21 | 0.68 | | | |
| | 15 | 71.8 | 82.9 | 11.1 | 0.63 | | | |
| | | 88.4 | 95.1 | 6.7 | 0.38 | | | |
| | 16 | 54.3 | 56 | 1.7 | 2 | | | |
| | 74-17 | 29.6 | 32.6 | 3 | 0.48 | | Diamond DH | Vollo, 1974 |
| | | 52.6 | 55.5 | 2.9 | 1 | | | |
| | | 59.7 | 62.8 | 3.1 | 2.17 | | | |
| | | 62.8 | 65.8 | 3 | 3.77 | | | |
| | | 79.2 | 85.3 | 6.1 | 0.45 | | | |
| | 74-18 | 100.3 | 102.7 | 2.4 | 0.19 | | | |
| | 74-19 | 46.6 | 50.3 | 3.7 | 1.23 | | | |
| | | 65.2 | 68.3 | 3.1 | 0.44 | | | |
| | | 193.2 | 199.3 | 6.1 | 0.43 | | | |
| | | 202.4 | 205.4 | 3 | 0.73 | | | |
| | | 205.4 | 208.5 | 3.1 | 1.88 | | | |
| | 74-20 | 65.2 | 71.3 | 6.1 | 0.69 | | | |
| | | 101.8 | 103.6 | 2.8 | 0.58 | | | |
| | | 182.9 | 189 | 5.5 | 0.52 | | | |
| | | 213.4 | 215.5 | 2.1 | 0.27 | | | |
| | | 222.8 | 225.8 | 3 | 0.37 | | | |
| | 74-21 | 61 | 73.5 | 12.5 | 0.38 | | | |
| | 74-22 | 75.3 | 77.7 | 2.4 | 1.29 | | | |
| | 93-1 | 18.5 | 84.5 | 66 | 1.18 | | Diamond DH | Dunn, 1993 |
| | 93-2 | 163.6 | 168.7 | 5.1 | 0.52 | | | |
| | | 187.8 | 191.8 | 4 | 0.99 | | | |
| | 93-3 | 72.9 | 76.2 | 3.3 | 1.17 | | | |
| | | 130.8 | 140.8 | 10 | 2.66 | | | |
| | 93-4 | 69 | 73 | 4 | 0.25 | | | |
| | 93-5 | 127.2 | 129.2 | 2 | 0.45 | | | |

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Drill Type | Reference |
|---|---|---|---|---|---|---|---|---|
| | 93-6 | 163.6 | 173.6 | 10 | 0.87 | | | |
| | | 169.6 | 173.6 | 4 | 1.57 | | | |
| | 93-7 | 228 | 250 | 22 | 0.49 | | | |
| | | 258.9 | 276.4 | 18 | 0.72 | | | |
| | 93-8 | 66.7 | 79.6 | 12.9 | 0.49 | | | |
| | | 77.6 | 79.6 | 2 | 1.23 | | | |
| | 93-9 | 73.5 | 85.5 | 12 | 0.76 | | | |
| | | 95.5 | 97.5 | 2 | 0.58 | | | |
| | 93-11 | 85.5 | 87.5 | 2 | 1.47 | | | |
| | | 113.5 | 123.5 | 10 | 0.9 | | | |
| | | 127.5 | 133.5 | 6 | 2.34 | | | |
| | 93-12 | 135.1 | 159.1 | 24 | 0.21 | | | |
| | 93-13 | 188.1 | 212.5 | 24.4 | 1.22 | 0.26 | Diamond DH | Blann, 1994 |
| | 94-14 | 46.6 | 76.6 | 30 | 0.18 | - | | |
| | | 271.9 | 281.5 | 9.6 | 0.86 | 0.13 | | |
| | | 277 | 279 | 2 | 2.3 | 0.26 | | |
| Peach Melba | 72-PL-13 | 27.4 | 30.5 | 3.1 | 0.11 | | Percussion | |
| | | 42.7 | 45.8 | 3.1 | 0.1 | | | |
| | | 21.3 | 45.8 | 24.5 | 0.07 | | | |
| | | 61 | 79.2 | 18.1 | 0.08 | | | |
| | 72-PL-14 | 85.3 | 88.4 | 3.1 | 0.14 | | | |
| | | 64 | 91.4 | 27.4 | 0.07 | | | |
| | | 21.3 | 42.7 | 21.4 | 0.05 | | | |
| | P91-4 | 6.1 | 24.4 | 18.3 | 0.21 | 0.34 | Percussion | Gale, 1991 |
| | P94-2 | | | 52.4 | 0.03 | 0.21 | Diamond DH | von Guttenberg 1994 |
| | P95-1 | | | 15 | 0.16 | 0.33 | | von Guttenberg 1994 |
| | | | | 6 | 0.03 | 3 | | |
| | 95-2 | 29 | 106.4 | 77.4 | 0.23 | 0.23 | Diamond DH | Blann, 1995 |
| | 95-3 | 51 | 84 | 33 | 0.14 | 0.1 | | |
| | | 114 | 136.3 | 22.3 | 0.12 | 0.13 | | |
| | 95-7 | 25.3 | 29.7 | 4.4 | 0.2 | 0.5 | | |
| | | 136 | 145 | 9 | 0.15 | 0.06 | | |

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Drill Type | Reference |
|---|---|---|---|---|---|---|---|---|
| | PM95-1 | | | 112 | 0.2 | 0.13 | | von Guttenberg 1994 |
| | 97-1 | 192 | 213 | 21 | 0.13 | 0.12 | Diamond DH | Blann, 1998 |
| | | 222 | 225 | 3 | 0.41 | 0.06 | | |
| | 97-2 | 33 | 51 | 18 | 0.08 | 0.1 | | |
| | | 177 | 183 | 6 | 0.06 | 0.26 | | |
| | PM98-1 | 19 | 58 | 39 | 0.09 | 0.08 | | |
| | | 58 | 68 | 10 | 0.23 | 0.18 | | |
| | | 82 | 94 | 12 | 0.18 | 0.16 | | |
| | | 112 | 154 | 42 | 0.15 | 0.11 | | |
| | PM98-3 | 65.5 | 66 | 0.5 | 0.9 | 0.83 | | |
| | | 98 | 99.5 | 1.5 | 0.32 | 1.08 | | |
| | | 99.5 | 110 | 10.5 | 0.06 | 0.13 | | |
| | | 116 | 117 | 1 | 0.84 | 0.76 | | |
| | PM98-4 | 42 | 51 | 9 | 0.12 | 0.32 | | |
| | P91-7 | 6.1 | 24.4 | 18.3 | 0.1 | 0.18 | | |
| Peach 1 | P91-12 | 18.3 | 30.5 | 12.2 | 0.11 | 0.11 | Percussion | Gale, 1991 |
| Peach 2 | P91-9 | 12.2 | 18.3 | 6.1 | 0.1 | 0.23 | | |
| | P91-10 | 6.1 | 76.2 | 70.1 | 0.1 | 0.1 | | |
| | P91-13 | 6.1 | 30.5 | 24.4 | 0.08 | 0.21 | | |
| | P91-15 | 24.4 | 27.4 | 3 | 0.04 | 0.91 | | |
| | P91-16 | 3.7 | 12.2 | 8.5 | 0.12 | 0.04 | | |
| | | 39.6 | 45.7 | 6.1 | 0.12 | 0.03 | | |
| Aurizon | A94-1 | 95 | 98 | 3 | 0.07 | 3.96 | Diamond DH | Blann, 1995 |
| | | 134 | 137 | 3 | 0.17 | 4.56 | | |
| | | 137 | 140 | 3 | 0.15 | 1.3 | | |
| | | 170 | 173 | 3 | 0.19 | 2.66 | | |
| | | 209.4 | 213.2 | 3.8 | 0.22 | 11.41 | | |
| | | 225.9 | 228.3 | 2.4 | 0.47 | 3.56 | | |
| | A94-2 | 71 | 80 | 9 | 0.02 | 0.3 | | |
| | | 123.7 | 126.3 | 2.6 | 0.59 | 4.11 | | |
| | A95-2 | 127.3 | 133.3 | 6 | 0.18 | 1.1 | | |
| | | 130.3 | 133.3 | 3 | 0.34 | 2.2 | | |
| | AZ00-1 | 3.7 | 41.1 | 37.4 | 0.08 | 0.12 | Diamond DH | Blann, 2001 |
| | | 41.1 | 80 | 38.9 | 0.11 | 0.16 | | |

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Drill Type | Reference |
|---|---|---|---|---|---|---|---|---|
| | | 80 | 126.5 | 46.5 | 0.22 | 0.39 | | |
| | AZ00-2 | 115 | 118 | 3 | 0.11 | 0.17 | | |
| | AZ01-4 | 8.5 | 154.5 | 146 | 0.08 | 0.03 | | |
| NK | A98-1 | 12.9 | 139.3 | 126.4 | 0.13 | 0.12 | Diamond DH | Whiteaker, 1998 |
| | | 35.1 | 50.9 | 15.8 | 0.54 | 0.51 | | |
| | A98-2 | 20.5 | 90 | 69.5 | 0.15 | 0.04 | | |
| | | 125 | 129.5 | 4.5 | 0.01 | 3.6 | | |
| | A98-4 | 9.6 | 129.9 | 120.3 | 0.11 | 0.06 | | |
| | | 64 | 98.1 | 34.1 | 0.2 | 0.09 | | |
| | NK99-1 | 0 | 13.5 | 13.5 | 0.39 | 0.24 | Diamond DH | Blann, 2000 |
| | NK00-1 | 0 | 89.3 | 89.3 | 0.19 | 0.23 | | |
| | NK00-2 | 143 | 145 | 2 | 0.25 | 1.26 | | |
| | NK00-6 | 116 | 149 | 33 | 0.18 | 0.17 | | |
| | | 1.2 | 74 | 72.8 | 0.19 | 0.06 | | |
| | NK00-9 | 329 | 332 | 3 | 0.26 | 5.1 | | |
| | | 347 | 389 | 42 | 0.2 | 0.07 | | |
| | NK00-11 | 3 | 147 | 144 | 0.14 | 0.11 | | |
| Ann North | 00-14 | 6.1 | 180 | 173.9 | 0.13 | 0.12 | | |
| | | 17 | 29 | 12 | 0.32 | 0.22 | | |
| | 00-15 | 71 | 196 | 125 | 0.2 | 0.3 | | |
| | 00-16 | 40 | 55 | 15 | 0.27 | 0.06 | | |
| | | 135.3 | 147 | 11.7 | 0.17 | 0.15 | | |
| | | 182.5 | 392.4 | 209.9 | 0.16 | 0.12 | | |
| | 00-17 | 82.6 | 118 | 35.4 | 0.28 | 0.34 | | |
| | | 85.2 | 96.6 | 11.4 | 0.53 | 0.72 | | |
| | 00-25 | 98 | 225.6 | 127.6 | 0.11 | 0.14 | | |
| | | 101 | 107 | 6 | 0.08 | 0.58 | | |
| | | 219.4 | 225.6 | 6.2 | 0.49 | 0.75 | | |
| | 94-1 | 276 | 348 | 72 | 0.17 | 0.21 | Diamond DH | Blann, 1994 |
| | | 300 | 321 | 21 | 0.37 | 0.34 | | |
| | 94-3 | 90 | 144 | 54 | 0.24 | 0.21 | | |
| | | 183 | 210 | 27 | 0.12 | 0.18 | | |
| | 94-6 | 264 | 270 | 6 | 1.38 | 5.1 | | |
| | 94.7 | 171 | 278 | 107 | 0.08 | 0.06 | | |

Source: Modified from Blann, 2001

In 2000, the discovery in outcrop of native copper within potassic-altered monzonite sparked exploration in the vicinity of the Aurizon Central prospect, including some initial drilling (Blann, 2001). However, the main exploration phase did not proceed until 2007, as reported below.

During the periods of October 2003 and May 2005, GWR completed a total of 36 diamond drill holes over the Harvey, Ann North, Peach 2, Peach Melba and Spout prospects (Callaghan, 2005). Significant results are shown in Table 10.2.

**Table 10.2: Summary of Drilling Results on the Lac La Hache Property (2003 to 2005)**

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|
| Harvey | GWR-03-12 | 38.8 | 63.1 | 24.3 | 0.17 | 0.04 |
| | GWR-03-16 | 68.4 | 76.6 | 8.2 | 0.22 | 0.07 |
| | | 187.2 | 197.3 | 10.1 | 0.18 | 0.06 |
| Ann North | GWR-04-19 | 24.1 | 54.1 | 30 | 0.45 | 1.1 |
| | | 76.1 | 86.3 | 10.2 | 0.18 | 0.18 |
| | | 106.8 | 120.9 | 14.1 | 0.31 | 0.2 |
| | | 154.9 | 260.2 | 105.3 | 0.29 | 0.33 |
| | GWR-04-20 | 10.4 | 20.2 | 9.8 | 0.17 | 0.08 |
| | | 86.6 | 102 | 15.4 | 0.16 | 0.09 |
| | | 215.8 | 234.3 | 18.5 | 0.22 | 0.23 |
| | | 244.9 | 254.9 | 10 | 0.17 | 0.05 |
| | GWR-04-21 | 56.1 | 69.3 | 13.2 | 0.46 | 4.57 |
| | GWR-04-22 | 55.9 | 103.4 | 47.5 | 0.26 | 0.09 |
| | | 176.1 | 206.7 | 30.6 | 0.26 | 0.09 |
| | GWR-04-23 | 36.6 | 47.1 | 10.5 | 0.71 | 0.25 |
| | | 255 | 319.2 | 64.2 | 0.22 | 0.01 |
| | | 363.2 | 390.6 | 27.4 | 0.19 | 0.07 |
| | GWR-04-24 | 169.8 | 181.9 | 12.1 | 0.34 | 0.1 |
| | GWR-04-26 | 26.5 | 45.1 | 18.6 | 0.19 | 0.08 |
| | | 88.3 | 119.3 | 31 | 0.21 | 0.4 |
| | | 237 | 257 | 20 | 0.19 | 0.22 |
| | GWR-04-27 | 217.1 | 250.5 | 33.4 | 0.24 | 0.42 |
| | GWR-04-28 | 289 | 307 | 18 | 0.25 | 0.08 |
| | GWR-04-29 | 128 | 148.3 | 20.3 | 0.25 | 0.13 |
| | GWR-04-30 | 232 | 250.5 | 18.5 | 0.22 | 0.42 |
| | GWR-04-36 | 37.5 | 50 | 12.5 | 0.49 | 0.1 |
| Spout North | SPL-05-01 | 34.1 | 56.7 | 22.6 | 0.23 | 0.03 |
| | | 180.5 | 198.9 | 18.4 | 0.6 | 0.12 |

| Prospect Area | Collar No. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|
| | | 215.4 | 297.3 | 81.9 | 0.4 | 0.01 |
| | SPL-05-05 | 305.5 | 327.5 | 22 | 0.64 | 0.05 |
| | SPL-05-08 | 81.4 | 102.9 | 21.5 | 0.21 | - |
| Spout South | SPL-05-02 | 33.5 | 66.2 | 32.7 | 0.24 | 0.06 |
| | SPL-05-04 | 17.4 | 26.4 | 9 | 0.15 | - |
| | SPL-05-07 | 38.6 | 50.3 | 11.7 | 0.4 | 0.28 |
| | | 79.5 | 91.5 | 12 | 0.45 | 0.18 |

Source: modified from Bailey, 2009; Callaghan, 2005

In 2006, GWR completed 10 diamond drill holes on the Aurizon Central prospect (AZ06-01 through AZ06-10; totalling 3,673 m) These holes confirmed the presence of low to moderate grade copper mineralization, initially recognized in 2000 (Blann, 2001), associated with enriched gold concentrations relative to copper values. Significant results are summarized in Table 10.3.

In 2007, GWR completed 3,178 m of overburden trenching and 15,325.4 m of diamond drilling in 43 holes [AZ07-11 through AZ07-55 in the area of the Aurizon prospects (Bailey; 2007, 2008] within the Ann 1 tenure (577235). The trenching exposed low-grade copper mineralization with associated gold in discontinuous zones striking to the north-northwest. This was followed in 2008 and 2009 by an additional 48 diamond drill holes within Aurizon Central and an area to the north (Table 10.3) and another 20 holes were drilled within the Aurizon South prospect.

Diamond drill hole (DDH) AZS08-07 is considered a discovery hole for the Aurizon South Zone, intersecting 26 m (down-hole) grading 0.87 Cu, 6.28 g/t Au and 4.8 g/t Ag from 316 to 342 m, within hydrothermal breccia cutting potassic-altered monzonite. Within this interval, a 6 m section from 326 to 332 m assayed 1.92% Cu, 15.5 g/t Au and 7.6 g/t Ag. The matrix of the host breccia is hematitic rather than magnetite-bearing, and magnetic susceptibility values decrease through the mineralized core interval.

**Table 10.3: Summary of Drilling Results on the Aurizon Prospect (2006 to 2008)**

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Incl. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| AZ06-01 | 5757970 | 617930 | 1367 | 323.5 | 310 | -60 | 35.3 | 292 | 257 | 0.22 | 0.44 |
| AZ06-02 | 5758025 | 617860 | 1380 | 109 | 310 | -70 | 42 | 60 | 18 | 0.16 | 0.24 |
| AZ06-03 | 5758025 | 617860 | 1380 | 516.7 | 0 | -90 | 44 | 89 | 45 | 0.24 | 0.33 |
| | | | | | | | 153 | 185 | 32 | 0.22 | 0.47 |
| | | | | | | | 229 | 301 | 72 | 0.25 | 1.14 |
| AZ06-04 | 5758033 | 617903 | 1379 | 526 | 310 | -60 | 94 | 114 | 20 | 0.18 | 0.37` |
| | | | | | | | 192 | 224 | 32 | 0.12 | 0.63 |
| AZ06-05 | 5758103 | 617879 | 1375 | 230.7 | 314 | -60 | 20.1 | 35.1 | 15 | 0.18 | 0.51 |
| AZ06-06 | 5757913 | 617943 | 1377 | 335.6 | 310 | -60 | 73 | 145 | 72 | 0.17 | 0.47 |
| | | | | | | | 235 | 264 | 29 | 0.25 | 0.42 |
| | | | | | | | 217 | 330 | 112.6 | 0.21 | 0.38 |
| AZ06-07 | 5757856 | 617913 | 1380 | 255.5 | 310 | -60 | Eocene strata, not sampled | | | | |
| AZ06-08 | 5758002 | 617996 | 1341 | 480.4 | 310 | -60 | 27.3 | 315 | 288 | 0.16 | 0.38 |
| AZ06-09 | 5757940 | 617967 | 1367 | 462.5 | 310 | -70 | 94 | 118 | 24 | 0.3 | 0.61 |
| AZ06-10 | 5757885 | 617975 | 1375 | 433.1 | 310 | -55 | No significant results | | | | |
| AZ07-11 | 5758533 | 617507 | 1358 | 497.7 | 60 | -45 | 7.3 | 28 | 20.7 | 0.07 | 2.77 |
| AZ07-12 | 5758261 | 617760 | 1371 | 410 | 90 | -45 | 3.1 | 33.2 | 30.1 | 0.11 | 0.1 |
| | | | | | | | 143 | 173 | 30 | 0.11 | 0.29 |
| | | | | | | | 268.3 | 310 | 41.7 | 0.15 | 0.18 |
| AZ07-13 | 5758264 | 617779 | 1372 | 536.5 | 270 | -45 | 6.1 | 30.5 | 24.4 | 0.13 | 0.14 |
| AZ07-14 | 5758827 | 617367 | 1340 | 332.4 | 90 | -45 | 86 | 103 | 16.5 | 0.02 | 0.19 |
| AZ07-15 | 5759158 | 617250 | 1302 | 303.3 | 320 | -45 | No significant results | | | | |
| AZ07-16 | 5758828 | 617373 | 1340 | 311.8 | 310 | -60 | 127.3 | 152 | 24.7 | 0.2 | 0.22 |
| AZ07-18 | 5759075 | 617384 | 1320 | 335.9 | 80 | -60 | Not assayed, samples lost in fire | | | | |
| AZ07-19 | 5758033 | 617963 | 1337 | 514.1 | 290 | -60 | 219.9 | 268 | 48 | 0.2 | 0.55 |
| AZ07-20 | 5757777 | 617851 | 1398 | 248.1 | 60 | -63 | Not assayed, drilled into barren monzonite | | | | |
| AZ07-21 | 5758020 | 617849 | 1380 | 273.4 | 130 | -60 | 79 | 169 | 90 | 0.39 | 0.61 |
| AZ07-22 | 5758036 | 617801 | 1383 | 358.7 | 130 | -60 | 135 | 157 | 22 | 0.17 | 0.25 |

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Incl. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| AZ07-23 | 5757950 | 617750 | 1388 | 313 | 130 | -60 | No significant results | | | | |
| AZ07-24 | 5758044 | 617876 | 1380 | 411.5 | 220 | -60 | 52.9 | 72.9 | 20 | 0.15 | 0.23 |
| AZ07-26 | 5758102 | 617884 | 1375 | 324.6 | 220 | -60 | No significant results | | | | |
| AZ07-27 | 5758126 | 617899 | 1371 | 323.1 | 218 | -60 | 132 | 264 | 132 | 0.24 | 0.37 |
| AZ07-28 | 5758126 | 617899 | 1371 | 390.1 | 218 | -75 | 95 | 254 | 161 | 0.19 | 0.29 |
| AZ07-29 | 5758017 | 617910 | 1379 | 192 | 220 | -60 | 43 | 175 | 132 | 0.19 | 0.43 |
| AZ07-30 | 5758063 | 617936 | 1365 | 175.3 | 220 | -60 | 78 | 110 | 32 | 0.16 | 0.44 |
| AZ07-31 | 5758152 | 617857 | 1369 | 307.8 | 220 | -60 | No significant results | | | | |
| AZ07-32 | 5758113 | 617825 | 1381 | 210.3 | 220 | -60 | No significant results | | | | |
| AZ07-33 | 5758032 | 617969 | 1338 | 243 | 220 | -60 | 50 | 116 | 66 | 0.19 | 0.54 |
| AZ07-34 | 5758005 | 618007 | 1341 | 216.4 | 220 | -60 | Hole abandoned | | | | |
| AZ07-35 | 5758101 | 617961 | 1358 | 292 | 220 | -60 | 186 | 222 | 36 | 0.18 | 0.21 |
| AZ07-36 | 5758188 | 617865 | 1360 | 331.6 | 220 | -60 | No significant results | | | | |
| AZ07-37 | 5758340 | 617863 | 1362 | 424.6 | 220 | -60 | 62 | 94 | 32 | 0.17 | 0.34 |
| AZ07-38 | 5758241 | 617763 | 1372 | 451.1 | 220 | -60 | No significant results | | | | |
| AZ07-39 | 5758113 | 617936 | 1355 | 317 | 220 | -60 | 199 | 267 | 68 | 0.16 | 0.18 |
| AZ07-40 | 5758166 | 617928 | 1356 | 391.7 | 210 | -75 | 179 | 227 | 48 | 0.21 | 0.31 |
| AZ07-41 | 5758137 | 617988 | 1345 | 390.1 | 220 | -60 | No significant results, drilled under soil anomaly | | | | |
| AZ07-42 | 5758406 | 617844 | 1341 | 501.4 | 220 | -60 | No significant results, drilled under soil anomaly | | | | |
| AZ07-43 | 5758892 | 617385 | 1301 | 509 | 220 | -60 | 289 | 329 | 40 | 0.14 | 0.05 |
| AZ07-44 | 5758839 | 617354 | 1309 | 403.9 | 220 | -60 | No significant results, drilled under trench anomaly | | | | |
| AZ07-45 | 5758892 | 617385 | 1301 | 432.8 | 0 | -90 | Weak mineralization, drilled under trench anomaly | | | | |
| AZ07-46 | 5758522 | 617517 | 1358 | 219.5 | 220 | -60 | 34 | 43 | 9 | 0.28 | 2.9 |
| AZ07-47 | 5758571 | 617580 | 1331 | 392 | 220 | -60 | No significant results, drilled under trench anomaly | | | | |
| AZ07-48 | 5759035 | 617372 | 1305 | 414.5 | 220 | -60 | No significant results, drilled under soil anomaly | | | | |
| AZ07-49 | 5759145 | 617260 | 1300 | 347.5 | 220 | -60 | Weak mineralization, drilled under trench anomaly | | | | |

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Incl. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| AZ07-50 | 5759080 | 617345 | 1302 | 406.9 | 40 | -60 | Weak mineralization, drilled under trench anomaly | | | | |
| AZ07-51 | 5759045 | 617312 | 1315 | 295 | 40 | -60 | 17 | 99 | 72 | 0.22 | - |
| AZ07-52 | 5759045 | 617312 | 1315 | 411.5 | 220 | -60 | Weak mineralization, drilled under trench anomaly | | | | |
| AZ07-53 | 5758985 | 617256 | 1296 | 344.4 | 220 | -60 | Weak mineralization, drilled under trench anomaly | | | | |
| AZ07-54 | 5758950 | 617345 | 1298 | 353.6 | 220 | -60 | No significant results | | | | |
| AZ07-55 | 5758527 | 617271 | 1381 | 466.3 | 220 | -60 | 14 | 23 | 9 | 0.23 | 0.34 |
| AZ08-56 | 5758039 | 617972 | 1355 | 338.3 | 270 | -60 | 17 | 271 | 254 | 0.11 | 0.33 |
| | | | | | | | 153 | 271 | 118 | 0.14 | 0.52 |
| AZ08-57 | 5758039 | 617972 | 1355 | 338.3 | 0 | -90 | 13 | 53 | 40 | 0.13 | 0.26 |
| AZ08-58 | 5758039 | 617997 | 1340 | 294.5 | 270 | -60 | 159 | 277 | 118 | 0.22 | 0.39 |
| AZ08-59 | 5758034 | 617918 | 1365 | 281.9 | 270 | -60 | 161 | 198 | 37 | 0.21 | 0.31 |
| AZ08-60 | 5758034 | 617918 | 1365 | 341.5 | 0 | -90 | 12 | 36 | 24 | 0.16 | 0.15 |
| | | | | | | | 70 | 132 | 62 | 0.17 | 0.32 |
| | | | | | | | 146 | 182 | 36 | 0.13 | 0.32 |
| AZ08-61 | 5758412 | 617845 | 1358 | 314 | 270 | -60 | No significant results, drilled for geological information | | | | |
| AZ08-62 | 5758000 | 617994 | 1351 | 307.8 | 270 | -60 | 23 | 253 | 230 | 0.21 | 0.37 |
| | | | | | | | 85 | 157 | 72 | 0.33 | 0.63 |
| AZ08-63 | 5758000 | 617994 | 1351 | 356.6 | 0 | -90 | 345 | 357 | 11.6 | 0.36 | 0.66 |
| AZ08-64 | 5758412 | 617845 | 1358 | 210.3 | 0 | -90 | No significant results, targeted mineralization faulted off | | | | |
| AZ08-65 | 5757997 | 617980 | 1357 | 135.3 | 270 | -60 | 34 | 134 | 100 | 0.22 | 0.4 |
| AZ08-66 | 5758412 | 617871 | 1330 | 176.1 | 270 | -60 | No significant results, drilled for geological information | | | | |
| AZ08-67 | 5758412 | 617871 | 1330 | 262.1 | 90 | -60 | 184 | 193 | 9 | 0.47 | 1.11 |
| AZ08-68 | 5757991 | 617956 | 1360 | 265.1 | 270 | -60 | 34 | 138 | 104 | 0.31 | 0.41 |
| AZ08-69 | 5758370 | 617900 | 1338 | 100.3 | 270 | -60 | Hole abandoned | | | | |
| AZ08-70 | 5757991 | 617956 | 1360 | 313.9 | 0 | -90 | 35 | 101 | 66 | 0.18 | 0.41 |
| AZ08-71 | 5758373 | 617926 | 1329 | 286.5 | 270 | -60 | 57 | 93 | 36 | 0.1 | 0.15 |

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Incl. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| AZ08-72 | 5757985 | 617923 | 1370 | 254.5 | 270 | -60 | 78 | 170 | 92 | 0.25 | 0.53 |
| AZ08-73 | 5758372 | 617946 | 1335 | 368.8 | 270 | -60 | No significant results | | | | |
| AZ08-74 | 5757950 | 617938 | 1372 | 265.1 | 270 | -60 | 38 | 120 | 94 | 0.37 | 0.95 |
| AZ08-75 | 5758010 | 618022 | 1353 | 254.5 | 270 | -60 | No significant results | | | | |
| AZ08-76 | 5757950 | 617964 | 1366 | 307.8 | 270 | -60 | 78 | 105 | 27 | 0.27 | 0.46 |
| AZ08-77 | 5758372 | 617946 | 1325 | 275.8 | 270 | -75 | Weak mineralization, drilled on alteration | | | | |
| AZ08-78 | 5757948 | 617913 | 1373 | 199 | 270 | -60 | 20 | 157 | 137 | 0.23 | 0.92 |
| AZ08-79 | 5758350 | 617927 | 1346 | 330.7 | 270 | -60 | Weak mineralization | | | | |
| AZ08-80 | 5757985 | 617900 | 1373 | 246.8 | 270 | -60 | 74 | 120 | 46 | 0.21 | 0.45 |
| AZ08-81 | 5758349 | 617954 | 1340 | 263.3 | 270 | -60 | No significant results | | | | |
| AZ08-82 | 5757913 | 617968 | 1360 | 300.2 | 270 | -60 | No significant results, drilled for geological information | | | | |
| AZ08-83 | 5758350 | 617981 | 1330 | 270.1 | 270 | -60 | 44 | 56 | 12 | 0.16 | 0.1 |
| AZ08-84 | 5757913 | 617943 | 1368 | 97.5 | 270 | -60 | Hole abandoned in fault | | | | |
| AZ08-85 | 5758300 | 617975 | 1338 | 295.6 | 270 | -60 | No significant, drilled for geol. Info. | | | | |
| AZ08-86 | 5757913 | 617943 | 1368 | 240.7 | 0 | -90 | Weak mineralization | | | | |
| AZ08-87 | 5758301 | 618001 | 1329 | 332.2 | 270 | -60 | Weak mineralization | | | | |
| AZ08-88 | 5757948 | 617888 | 1380 | 134.1 | 270 | -60 | 14 | 102 | 88 | 0.12 | 0.73 |
| AZ08-89 | 5758301 | 618027 | 1316 | 293.8 | 270 | -60 | Weak mineralization near top | | | | |
| AZ08-90 | 5757979 | 617874 | 1375 | 234.6 | 270 | -60 | 12 | 66 | 54 | 0.11 | 0.37 |
| AZ08-91 | 5758034 | 617893 | 1368 | 325.8 | 270 | -60 | No significant results | | | | |
| AZ08-92 | 5757777 | 617851 | 1398 | 354.9 | 270 | -60 | No significant, drilled to close off mineralization | | | | |
| AZ08-93 | 5757777 | 617800 | 1401 | 365.8 | 270 | -60 | No significant, drilled to close off mineralization | | | | |
| AZ08-94 | 5757979 | 617874 | 1375 | 239.9 | 0 | -90 | 59 | 169 | 110 | 0.2 | 0.41 |
| AZ08-95 | 5757950 | 617850 | 1380 | 358.1 | 0 | -90 | 103 | 143 | 40 | 0.23 | 0.44 |
| AZ08-96 | 5757950 | 617850 | 1380 | 483.7 | 0 | -70 | 254 | 284 | 30 | 0.39 | 0.99 |
| | | | | | | | plus two 2 m intervals >1% Cu and 2.5-8.7 g/t Au | | | | |
| AZ08-97 | 5758000 | 617850 | 1380 | 479.1 | 0 | -70 | 341 | 463 | 122 | 0.17 | 0.62 |

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Incl. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| | | | | | | | 349 | 389 | 40 | 0.33 | 0.74 |
| AZ08-98 | 5758050 | 617850 | 1381 | 529.4 | 0 | -72.8 | 171 | 233 | 62 | 0.15 | 0.63 |
| AZ08-99 | 5758098 | 617850 | 1380 | 441.9 | 0 | -71 | No significant results | | | | |
| AZ08-100 | 5757900 | 617900 | 1380 | 420.5 | 0 | -70 | No significant results | | | | |
| AZ08-101 | 5757950 | 617900 | 1377 | 490.9 | 0 | -70 | 223 | 275 | 52 | 0.36 | 0.37 |

Source: modified from Bailey, 2009

At the Peach 1 and Peach 2 prospects, copper-gold mineralization occurs at the western margin of a monzonite intrusion with copper sulphides occurring both within the border phase of the intrusion and in volcanic rocks that are cut by monzonite dykes. In late 2007, GWR excavated and sampled bedrock within a 60 m trench across the Peach 1 Zone. The trench averaged about 0.2% Cu with anomalous gold. During 2007 and 2008, 27 drill holes (P07-01 through P08-27; 8,864.6 m) were completed at the Peach 1 prospect. The first hole, P07-01, intersected 86 m grading 0.50% Cu and 0.42 g/t Au. Unfortunately, this hole appears to have been drilled directly down a steeply-plunging "shoot" of limited lateral extent, as all subsequent drilling failed to reproduce or to extend the initial results. Table 10.4 lists drilling results from the Peach 1 prospect.

**Table 10.4: Summary of Drilling Results on the Peach 1 Prospect (2007 to 2008)**

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Dip | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| P07-01 | 5758220 | 615275 | 1378 | 371.2 | 45 | -60 | 190 | 276 | 86 | 0.5 | 0.42 |
| P07-02 | 5758251 | 615306 | 1370 | 274.3 | 40 | -60 | 12 | 28 | 16 | 0.36 | 0.34 |
| P07-03 | 5758182 | 615246 | 1380 | 438.9 | 40 | -60 | 13 | 57 | 44 | 0.14 | 0.36 |
| P07-04 | 5758246 | 615234 | 1376 | 384.4 | 40 | -60 | 119 | 157 | 38 | 0.23 | 0.22 |
| P07-05 | 5758367 | 615400 | 1336 | 292.6 | 220 | -60 | 243 | 249 | 6 | 0.24 | 0.24 |
| P07-06 | 5758286 | 615430 | 1351 | 317 | 220 | -60 | No significant results | | | | |
| P07-07 | 5758206 | 615294 | 1373 | 384 | 40 | -60 | 45 | 81 | 36 | 0.11 | 0.17 |
| P07-08 | 5758322 | 615411 | 1345 | 351.4 | 0 | -90 | No significant results | | | | |
| P08-09 | 5758293 | 615160 | 1370 | 296.2 | 130 | -60 | 259 | 268 | 6 | 0.44 | 1.04 |
| P08-10 | 5758325 | 615122 | 1365 | 374.9 | 130 | -60 | 51 | 79 | 28 | 0.15 | 0.2 |
| P08-11 | 5758256 | 615125 | 1372 | 292.6 | 130 | -60 | 159 | 213 | 54 | 0.14 | 0.14 |
| P08-12 | 5758286 | 615082 | 1370 | 237.7 | 130 | -60 | 9 | 30 | 21 | 0.19 | 0.12 |
| P08-13 | 5758350 | 615081 | 1357 | 335.3 | 130 | -60 | Not assayed | | | | |
| P08-14 | 5758336 | 615188 | 1371 | 207.3 | 130 | -60 | 3 | 21 | 18 | 0.29 | 0.31 |
| P08-15 | 5758366 | 615220 | 1364 | 289.5 | 130 | -60 | 72 | 240 | 168 | 0.2 | 0.18 |
| P08-16 | 5758408 | 615250 | 1351 | 264 | 130 | -60 | Not assayed | | | | |
| P08-17 | 5758379 | 615292 | 1358 | 301.8 | 130 | -60 | 244 | 248 | 4 | 0.9 | 0.79 |
| P08-18 | 5758379 | 615292 | 1358 | 320 | 210 | -75 | 86 | 158 | 72 | 0.18 | 0.17 |
| P08-19 | 5758408 | 615250 | 1351 | 298.7 | 220 | -70 | Weak mineralization | | | | |
| P08-20 | 5758293 | 615160 | 1370 | 323.7 | 40 | -60 | No significant results | | | | |
| P08-21 | 5758256 | 615125 | 1372 | 486.5 | 40 | -60 | 246 | 270 | 24 | 0.24 | 0.68 |
| P08-22 | 5758450 | 615285 | 1336 | 350 | 0 | -90 | Not assayed | | | | |
| P08-23 | 5758300 | 615355 | 1345 | 213.4 | 0 | -90 | Not assayed | | | | |
| P08-24 | 5758410 | 615380 | 1331 | 338.3 | 180 | -67 | Not assayed | | | | |
| P08-25 | 5758410 | 615380 | 1331 | 359.6 | 0 | -90 | Not assayed | | | | |
| P08-26 | 5758410 | 615380 | 1331 | 402.3 | 143 | -65 | Not assayed | | | | |
| P08-27 | 5758515 | 615395 | 1320 | 359 | 43 | -60 | Not assayed | | | | |

Source: modified from Bailey, 2009

The Peach 2 prospect covers a significant copper soil geochemical anomaly and an accompanying induced polarization anomaly. Drilling in 1999, 2004 and 2008 (P208-01 through P208-23; 7,542.2 m) intersected only low copper values. High conductivity detected by the induced polarization survey is caused by pyrite in amounts up to 15% accompanied by only minor chalcopyrite. Table 10.5 summarizes the 2008 results from 23 holes (7,542.2 m) drilled at the Peach 2 prospect. The copper-gold mineralization at both Peach 1 and Peach 2 prospects is generally low grade and inconsistent.

**Table 10.5: Summary of Drilling Results on the Peach 2 Prospect (2008)**

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Dip | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | |
| P208-01 | 5758173 | 615413 | 1336 | 394.7 | 90 | -60 | Not encouraging, hole not assayed | | | | |
| P208-02 | 5758159 | 615459 | 1330 | 324.1 | 90 | -60 | Not encouraging, hole not assayed | | | | |
| P208-03 | 5757875 | 615950 | 1400 | 438.9 | 0 | -60 | Not encouraging, hole not assayed | | | | |
| P208-04 | 5757875 | 615950 | 1400 | 263.6 | 45 | -60 | No significant results | | | | |
| P208-05 | 5758000 | 616053 | 1387 | 383.1 | 270 | -60 | No significant results | | | | |
| P208-06 | 5758100 | 616000 | 1380 | 377 | 270 | -60 | No significant results | | | | |
| P208-07 | 5758100 | 615950 | 1380 | 181.9 | 270 | -60 | Not encouraging, hole not assayed | | | | |
| P208-08 | 5758100 | 616047 | 1378 | 352.7 | 270 | -60 | 330 | 339 | 9 | 0.24 | 0.07 |
| P208-09 | 5758100 | 616100 | 1378 | 413 | 270 | -60 | No significant results | | | | |
| P208-10 | 5758100 | 616150 | 1378 | 250.7 | 270 | -60 | No significant results | | | | |
| P208-11 | 5758200 | 615950 | 1365 | 288.6 | 270 | -60 | 103 | 129 | 26 | 0.25 | 0.15 |
| P208-12 | 5758200 | 616000 | 1369 | 310 | 270 | -60 | Not encouraging, hole not assayed | | | | |
| P208-13 | 5757780 | 615870 | 1420 | 313 | 0 | -90 | Not encouraging, hole not assayed | | | | |
| P208-14 | 5757778 | 615972 | 1425 | 334.4 | 270 | -60 | No significant results | | | | |
| P208-15 | 5757780 | 616070 | 1420 | 300.8 | 270 | -60 | No significant results | | | | |
| P208-16 | 5757780 | 615920 | 1422 | 294.7 | 270 | -60 | No significant results | | | | |
| P208-17 | 5757780 | 615920 | 1422 | 430 | 0 | -90 | No significant results | | | | |
| P208-18 | 5758000 | 616153 | 1395 | 407 | 270 | -60 | 61 | 67 | 6 | 0.51 | 0.14 |
| P208-19 | 5758000 | 616250 | 1400 | 233.8 | 270 | -60 | No significant results | | | | |
| P208-20 | 5758000 | 616350 | 1405 | 285 | 270 | -60 | 194 | 202 | 8 | 0.1 | 3.68 |
| P208-21 | 5758000 | 616450 | 1405 | 322.2 | 270 | -60 | No significant results | | | | |
| P208-22 | 5757497 | 616052 | 1468 | 265.8 | 270 | -60 | No significant results | | | | |
| P208-23 | 5757496 | 615950 | 1408 | 377.2 | 270 | -60 | Not encouraging, hole not assayed | | | | |

Source: modified from Bailey, 2009

Additional reconnaissance drilling was conducted in 2008 in two areas:

- two holes (909.4 m) on the JACK claims (DDHs JK090-01 and JK090-02) tested below bedrock exposures of fracture-controlled malachite, within combined deep IP, magnetic, airborne spectrometric and conventional B-soil copper anomalies. Results confirmed that pyrite is associated with the IP anomaly, but no significant copper-gold mineralization was encountered;
- five holes (1,397.3 m) between Miracle and Aurizon South prospects did not intersect significant copper-gold mineralization.

From 2009 through 2012, GWR continued drilling within the Aurizon Zones testing extents of the better mineralized, hydrothermal breccia zones intersected previously, both laterally and to depth. Results confirmed earlier observations that mineralization within Central Aurizon is relatively gold-rich; dissected and displaced by numerous, variably oriented faults; and appears to down-drop to the north across a series of steeply north-dipping east-westerly striking faults.

In 2009, ten holes (AZS09-11 through AZS09-20; 5,094.4 m) were drilled in the Aurizon South Zone to test the extents of the breccia-hosted high-grade gold mineralization within DDH AZS08-07. These successfully extended the Aurizon South Zone to depth, approximately 60 m to the north (DDHs AZS09-13, -15, -20) and 175 m to the south (DDHs AZS09-12, -14, -16), with multi-gram gold grades in several holes over consecutive, 2 m intervals. Interpretation of the strike of the Aurizon South Zone was then thought to be approximately 060 degrees.

In 2010, seven holes were drilled within Aurizon Central; results are summarized in Table 10.6.

**Table 10.6: Summary of Drilling Results on the Aurizon Central Zone (2010)**

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Incl | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | | |
| AZ10-104 | 5758126 | 617875 | 1369 | 736.7 | 0 | -90 | 2 | 17 | 15 | 0.22 | 0.26 | 1.4 |
| | | | | | | | 321 | 327 | 6 | 0.17 | 0.11 | 0.5 |
| | | | | | | | 342 | 351 | 9 | 0.11 | 0.09 | <0.2 |
| | | | | | | | 621 | 623 | 2 | 0.17 | 0.03 | 0.5 |
| | | | | | | | 625 | 627 | 2 | 0.21 | <0.03 | 0.5 |
| | | | | | | | 703 | 712 | 9 | 0.12 | 0.07 | 0.1 |
| AZ10-105 | 5758559 | 617583 | 1355 | 96.6 | 295 | -45 | 28 | 30 | 2 | 0.07 | 1.03 | 3.9 |
| AZ10-106 | 5758559 | 617583 | 1355 | 288.7 | 295 | -60 | 28 | 32 | 4 | 0.14 | 0.62 | 0.3 |
| | | | | | | | 97 | 100 | 3 | 0.11 | 0.30 | 0.2 |
| AZ10-107 | 5758535 | 617575 | 1356 | 80.1 | 295 | -45 | 16 | 22 | 6 | 0.02 | 1.16 | 0.8 |
| | | | | | | | 36 | 38 | 2 | 0.44 | 1.06 | 1.6 |
| AZ10-108 | 5758535 | 617575 | 1356 | 134.7 | 295 | -60 | 102 | 106 | 4 | 0.02 | 1.69 | 1.6 |
| AZ10-109 | 5758535 | 617575 | 1356 | 297.7 | 0 | -90 | No Significant results | | | | | |
| AZ10-110 | 5758797 | 617428 | 1328 | 800.7 | 0 | -90 | 17 | 20 | 3 | 0.45 | 0.53 | 2.4 |
| | | | | | | | 80 | 95 | 15 | 0.26 | 0.29 | 1.2 |
| | | | | | | | 437 | 440 | 3 | 0.15 | 0.24 | 1.4 |
| | | | | | | | 550 | 560 | 10 | 0.14 | 0.17 | 0.8 |
| | | | | | | | 568 | 574 | 6 | 0.41 | 0.11 | 0.9 |
| | | | | | | | 726 | 732 | 6 | 0.77 | 0.98 | 3.1 |
| | | | | | | *incl.* | 726 | 729 | 3 | 1.02 | 1.46 | 4.6 |

Source: EnGold Mines Ltd., 2012

Also, in 2010, a series of six holes in Aurizon South (AZS10-21 through AZS10-26; 2,934.9 m) intersected the zone to a depth of 600 m below surface. DDH AZS10-21 showed the true thickness of the zone at approximately 250 m below surface to be 28 m, and this supported reinterpretation of the strike as 020 degrees. The dip appeared to be steep, roughly 80 to 85 degrees to the west.

In 2011 and 2012, eight holes (AZS11-27 through AZS12-34; 3,207.3 m) confirmed the 020-degree strike of the Aurizon South Zone and increased the strike length of the mineralized trend to approximately 300 m. Results of the 2010, 2011 and 2012 Aurizon South holes are summarized in Table 10.7.

**Table 10.7: Summary of Drilling Results in the Aurizon South Zone (2010 to 2012)**

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Inclin. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | | |
| AZS10-21 | 5757785 | 617849 | 1403 | 876.1 | 0 | -89 | 482 | 492 | 10 | 0.59 | 4.94 | 1.5 |
| | | | | | | *incl.* | 486 | 490 | 4 | 0.82 | 7.34 | 1.8 |
| | | | | | | | 500 | 508 | 8 | 1.10 | 3.62 | 3.4 |
| | | | | | | *incl.* | 500 | 502 | 2 | 3.19 | 5.20 | 8.3 |
| | | | | | | | 514 | 520 | 6 | 0.73 | 0.81 | 1.8 |
| | | | | | | *incl.* | 518 | 520 | 2 | 1.30 | 1.58 | 3.5 |
| | | | | | | | 536 | 538 | 2 | 0.47 | 0.37 | 3.6 |
| | | | | | | | 544 | 552 | 8 | 0.43 | 0.35 | 1.6 |
| | | | | | | *incl.* | 544 | 546 | 2 | 0.97 | 0.51 | 3.0 |
| | | | | | | | 560 | 562 | 2 | 0.59 | 0.76 | 1.6 |
| | | | | | | | 590 | 606 | 8 | 0.67 | 3.53 | 6.2 |
| | | | | | | *incl.* | 598 | 600 | 2 | 1.57 | 8.35 | 29.4 |
| | | | | | | | 768 | 771 | 3 | 0.49 | 0.17 | 2.0 |
| AZS10-22 | 5757880 | 617880 | 1380 | 331.3 | 150 | -70 | 211 | 213 | 2 | 0.54 | 1.90 | 3.8 |
| | | | | | | | 225 | 227 | 2 | 0.14 | 0.93 | 0.5 |
| | | | | | | | 243 | 253 | 10 | 0.17 | 0.35 | 0.8 |
| | | | | | | *incl.* | 247 | 249 | 2 | 0.50 | 0.85 | 2.6 |
| AZS10-23 | 5757869 | 617862 | 1384 | 419.7 | 150 | -70 | 145 | 147 | 2 | 0.16 | 0.37 | 1.0 |
| | | | | | | | 229 | 231 | 2 | 0.07 | 1.35 | 0.7 |
| | | | | | | | 251 | 263 | 12 | 0.81 | 0.86 | 3.4 |
| | | | | | | | 289 | 299 | 10 | 0.29 | 1.34 | 2.1 |
| | | | | | | | 311 | 313 | 2 | 0.27 | 6.95 | 1.5 |
| | | | | | | | 327 | 329 | 2 | 18* | 0.85 | <0.2 |
| | | | | | | | 368 | 371 | 3 | 4* | 1.66 | <0.2 |
| AZS10-24 | 5757894 | 617902 | 1377 | 343.5 | 150 | -70 | 211 | 213 | 2 | 0.13 | 0.47 | 0.3 |
| | | | | | | | 221 | 255 | 34 | 0.27 | 0.59 | 1.0 |
| AZS10-25 | 5757856 | 617841 | 1387 | 413.6 | 150 | -70 | 247 | 249 | 2 | 0.11 | 0.15 | 0.6 |
| | | | | | | | 253 | 255 | 2 | 0.21 | 0.59 | 0.5 |
| | | | | | | | 315 | 319 | 4 | 0.39 | 0.84 | 1.3 |
| | | | | | | | 331 | 333 | 2 | 0.28 | 2.72 | 2.2 |
| | | | | | | | 371 | 373 | 2 | 2.64 | 9.66 | 3.4 |
| | | | | | | | 393 | 395 | 2 | 0.13 | 0.53 | 0.3 |
| AZS10-26 | 5757930 | 617825 | 1385 | 550.7 | 150 | -70 | 420 | 428 | 8 | 0.21 | 0.54 | 1.4 |

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Inclin. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | | |
| | | | | | | | 434 | 440 | 6 | 0.25 | 0.20 | 1.0 |
| | | | | | | | 460 | 464 | 4 | 0.73 | 3.45 | 1.9 |
| | | | | | | *incl.* | 460 | 462 | 2 | 1.23 | 5.25 | 2.9 |
| | | | | | | | 466 | 468 | 2 | 0.25 | 0.39 | 1.0 |
| AZS11-27 | 5757785 | 617849 | 1403 | 203.3 | 110 | -55 | 151 | 159 | 8 | 0.12 | 0.89 | 0.8 |
| AZS11-28 | 5757785 | 617849 | 1403 | 273.7 | 110 | -70 | 47 | 49 | 2 | 0.13 | 4.82 | 1.7 |
| | | | | | | | 141 | 149 | 8 | 0.30 | 1.80 | 1.6 |
| | | | | | | *incl.* | 141 | 145 | 4 | 0.48 | 3.45 | 2.7 |
| | | | | | | | 209 | 217 | 8 | 0.20 | 0.31 | 0.8 |
| | | | | | | | 233 | 237 | 4 | 0.65 | 2.10 | 10.8 |
| AZS11-29 | 5757740 | 617786 | 1412 | 287.7 | 110 | -55 | 225 | 235 | 10 | 2.90 | ? | 15.3 |
| | | | | | | | 229 | 231 | 2 | 9.30 | >10 | 48.1 |
| AZS11-30 | 5757740 | 617786 | 1412 | 452 | 110 | -75 | 263 | 265 | 2 | 0.35 | 0.18 | 1.7 |
| | | | | | | | 325 | 445 | 120 | 0.24 | 0.51 | 1.5 |
| | | | | | | *incl.* | 325 | 357 | 32 | 0.43 | 1.51 | 2.4 |
| | | | | | | *and* | 337 | 339 | 2 | 1.44 | 4.88 | 6.9 |
| | | | | | | *and* | 367 | 369 | 2 | 0.31 | 0.56 | 1.0 |
| | | | | | | *and* | 373 | 375 | 2 | 0.12 | 0.25 | 1.5 |
| | | | | | | *and* | 391 | 393 | 2 | 0.22 | 0.37 | 1.4 |
| | | | | | | *and* | 395 | 405 | 10 | 0.38 | 0.29 | 2.0 |
| | | | | | | *and* | 409 | 413 | 4 | 0.25 | 0.26 | 1.4 |
| AZS11-31 | 5757874 | 617708 | 1412 | 662.0 | 110 | -74 | 449 | 451 | 2 | 0.62 | 0.42 | 7.3 |
| | | | | | | *and* | 469 | 471 | 2 | 0.01 | 2.73 | 2.3 |
| | | | | | | *and* | 619 | 625 | 6 | 0.65 | 0.20 | 2.5 |
| | | | | | | *and* | 643 | 645 | 2 | 0.60 | 0.40 | 1.4 |
| | | | | | | *and* | 659 | 673 | 14 | 0.25 | 0.41 | 1.8 |
| | | | | | | *incl.* | 661 | 663 | 2 | 0.75 | 0.52 | 2.9 |
| AZS12-32 | 5757475 | 617932 | 1423 | 240.2 | 290 | -50 | No Significant results | | | | | |
| AZS12-33 | 5757475 | 617932 | 1423 | 417.2 | 290 | -70 | 291 | 303 | 12 | 0.92 | 3.40 | 5.2 |
| | | | | | | *incl.* | 294 | 300 | 6 | 1.70 | 6.74 | 9.8 |
| | | | | | | *incl.* | 294 | 297 | 3 | 3.05 | 6.63 | 16.9 |
| AZS12-34 | 5757761 | 617724 | 1423 | 671.2 | 110 | -75 | 419 | 421 | 2 | 0.79 | 0.12 | 1.4 |
| | | | | | | *and* | 435 | 607 | 172 | 0.30 | 0.42 | 1.7 |
| | | | | | | *incl.* | 485 | 505 | 20 | 0.64 | 0.70 | 4.9 |

| Collar No. | UTM Coordinates Zone 10 NAD83 | | Collar Elev. (mASL) | Hole Length (m) | Az. | Inclin. | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Northing | Easting | | | | | | | | | | |
| | | | | | | *incl.* | 493 | 495 | 2 | 1.03 | 0.86 | 10.8 |
| | | | | | | *incl.* | 501 | 505 | 4 | 1.60 | 1.60 | 6.8 |
| | | | | | | *incl.* | 527 | 529 | 2 | 1.86 | 2.82 | 7.0 |
| | | | | | | *incl.* | 555 | 557 | 2 | 0.76 | 3.48 | 2.4 |
| | | | | | | *incl.* | 577 | 579 | 2 | 0.60 | 1.02 | 3.0 |
| | | | | | | *incl.* | 593 | 605 | 12 | 1.53 | 2.00 | 8.7 |
| | | | | | | *incl.* | 593 | 595 | 2 | 2.09 | 1.77 | 5.9 |
| | | | | | | *incl.* | 599 | 601 | 2 | 3.99 | 3.29 | 30.4 |

Source: EnGold Mines Ltd. 2018

All 2015 holes drilled at Aurizon South were surveyed to measure down-hole deviation using a rented Deviflex, non-magnetic tool. On completion of the 2015 drilling program at Aurizon South, all new and several previously drilled collars were accurately surveyed by Dugald Dunlop, Meridian Mapping Ltd., Coldstream, B.C., using a Trimble Pro 6H GPS system.

The 2015 drilling program at Aurizon South expanded the gold-silver-copper mineralization first intersected in DDH AZS11-29 by approximately 100 m horizontally to the south of AZS11-29 and vertically by about 100 m (50 m above and 50 m below AZS11-29). Holes to the north of AZS11-29 (AZS15-45 and -46) intersected faulting and mafic dykes which appear to cut-out much of the zone, such that only narrow, gold-rich zones were encountered.

Collar coordinates, elevations, orientations, hole lengths and significant assay results for the 2015 Aurizon South drilling campaign are provided in Table 10.8.

**Table 10.8: Summary of Assay Results for 10 Holes Drilled within Aurizon South Zone, 2015**

| Selected drill core assays, 2015 program, Aurizon South Prospect<br>Bolded figure thresholds: Au >5 g/t; Cu >1%; Ag >5 g/t; Interval >5 m | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **DDH** | **E** | **N** | **Elev. (mASL)** | **DDH (deg)** | **Az (deg)** | **Length (m)** | **Au (g/t)** | **Cu (%)** | **Ag (g/t)** | **Interval (m)** | **From (m)** | **To (m)** |
| | **NAD 83 Zone 10 m** | | | | | | | | | | | |
| **AZS15-42** | 617778 | 5757717 | 1418.5 | -55 | 110 | 276.15 | 2.87 | 0.26 | **12.12** | 2.00 | 36.55 | 38.55 |
| | | | | | | incl. | 2.67 | 0.18 | **15.40** | 1.50 | 37.05 | 38.55 |
| | | | | | | | **7.74** | **1.26** | **6.53** | **10.00** | 195.00 | 205.00 |
| | | | | | | incl. | **11.67** | **1.54** | **7.92** | 5.00 | 198.00 | 203.00 |
| | | | | | | incl. | **23.00** | **3.42** | **18.10** | 0.45 | 199.50 | 199.95 |
| **AZS15-43** | 617771 | 5757745 | 1413.3 | -55 | 110 | 279.20 | 1.32 | 0.37 | 2.52 | **15.10** | 226.90 | 242.00 |
| | | | | | | incl. | **5.68** | **1.05** | **9.74** | 2.00 | 235.00 | 237.00 |
| | | | | | | incl. | **10.25** | **1.36** | **15.10** | 0.95 | 235.00 | 235.90 |
| **AZS15-44** | 617744 | 5757757 | 1413.0 | -55 | 110 | 304.80 | 0.88 | 0.20 | 1.17 | **11.20** | 262.00 | 273.20 |
| | | | | | | incl. | 3.84 | 0.19 | 1.60 | 1.00 | 266.00 | 267.00 |
| **AZS15-45** | 617801 | 5757786 | 1402.3 | -55 | 110 | 297.26 | 0.78 | 0.02 | 2.55 | 4.00 | 50.00 | 54.00 |
| **AZS15-46** | 617800 | 5757758 | 1406.1 | -55 | 110 | 296.27 | 0.87 | 0.01 | 0.15 | 4.00 | 134.00 | 138.00 |
| | | | | | | incl. | 2.14 | **1.09** | **5.10** | 0.77 | 171.88 | 172.65 |
| **AZS15-47** | 617793 | 5757679 | 1423.9 | -62 | 110 | 260.60 | **6.66** | 0.20 | 4.60 | 1.61 | 55.08 | 56.69 |
| | | | | | | | 0.66 | 0.21 | 1.70 | **18.40** | 202.70 | 221.10 |
| | | | | | | incl. | 2.10 | 0.35 | 3.94 | 4.10 | 217.00 | 221.10 |
| **AZS15-48** | 617751 | 5757725 | 1419.6 | -55 | 110 | 276.15 | 2.21 | 0.01 | 0.20 | 2.45 | 78.55 | 81.00 |
| | | | | | | | 1.99 | 0.60 | **7.40** | 0.55 | 85.95 | 86.50 |
| | | | | | | | 1.03 | 0.34 | 3.30 | 0.70 | 142.10 | 142.80 |
| | | | | | | | 1.70 | 0.44 | 2.60 | **23.00** | 229.00 | 252.00 |
| | | | | | | incl. | **10.73** | **1.52** | **11.50** | 2.00 | 242.00 | 244.00 |

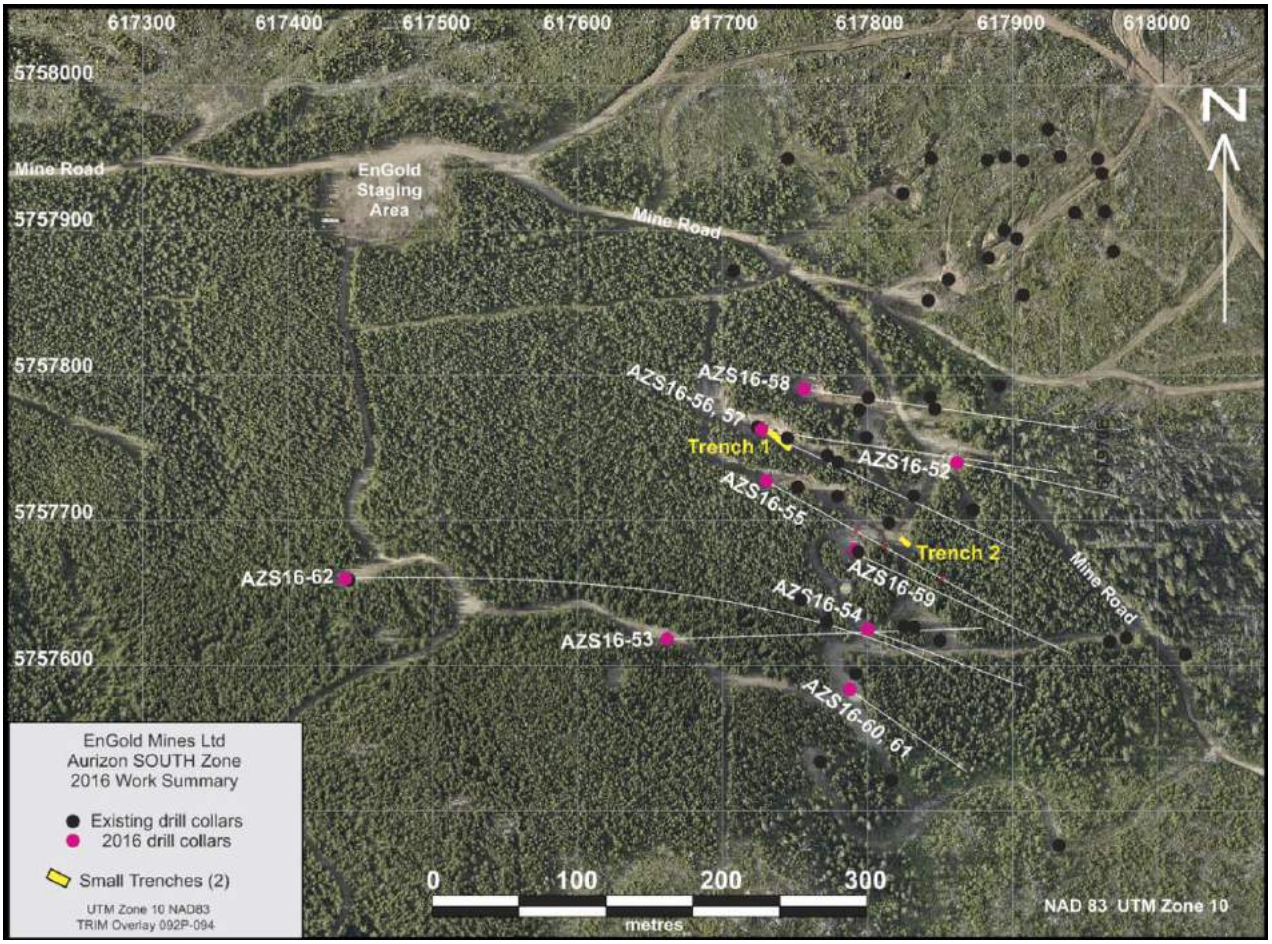
| Selected drill core assays, 2015 program, Aurizon South Prospect<br>Bolded figure thresholds: Au >5 g/t; Cu >1%; Ag >5 g/t; Interval >5 m | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **DDH** | **E** | **N** | **Elev. (mASL)** | **DDH (deg)** | **Az (deg)** | **Length (m)** | **Au (g/t)** | **Cu (%)** | **Ag (g/t)** | **Interval (m)** | **From (m)** | **To (m)** |
| | **NAD 83 Zone 10 m** | | | | | | | | | | | |
| **AZS15-49** | 617794 | 5757679 | 1424.0 | -45 | 110 | 218.85 | **13.40** | 0.50 | **96.00** | 0.83 | 38.00 | 38.83 |
| | | | | | | | **13.15** | 0.09 | 2.00 | 0.65 | 72.85 | 73.50 |
| | | | | | | | **10.20** | 0.87 | **37.20** | 0.80 | 160.20 | 161.00 |
| **AZS15-50** | 617815 | 5757697 | 1415.0 | -55 | 110 | 244.03 | 0.72 | **2.30** | **9.10** | 0.50 | 96.00 | 96.50 |
| | | | | | | | 2.71 | 0.08 | 2.08 | 6.60 | 139.40 | 146.00 |
| | | | | | | incl. | 4.30 | 0.09 | 3.49 | 2.44 | 143.56 | 146.00 |
| | | | | | | incl. | **8.79** | 0.26 | **12.60** | 0.74 | 143.56 | 144.30 |
| | | | | | | | **12.40** | 0.09 | 0.90 | 2.00 | 210.00 | 212.00 |
| **AZS15-51** | 617832 | 5757718 | 1409.0 | -55 | 110 | 208.79 | 2.06 | 0.38 | 2.47 | 1.55 | 116.15 | 117.70 |
| | | | | | | incl. | **6.26** | 0.74 | **6.70** | 0.60 | 116.15 | 116.75 |

In May 2016, GWR Resources Inc. was renamed EnGold Mines Ltd.

In late summer/fall 2016, 11 NQ holes (4,042.9 m) were completed at the Aurizon South prospect. A single hole was started (halted at 136.6 m) in a new area to test the large anomaly delineated by the 2015 gravity survey; this hole was completed in February 2017. A drill plan map for Aurizon South is provided in Figure 10-1. Collar coordinates, elevations, orientations, hole lengths and significant assay results are provided in Table 10.9.

All holes were surveyed to measure down-hole deviation using a rented Deviflex, non-magnetic tool operated by J. Berkey. Drill cores were transported by the drilling crew to EnGold's secure office/core facility located south of the village of Lac La Hache, after each 10-hour shift. The cores were logged by B. Augsten, P.Geo., and selected intervals were sawed and securely bagged by J. Berkey. Following each drilling phase, sampled cores were securely transported by either R. Shives or B. Augsten to ALS Minerals receiving depot in Kamloops. On completion of the 2016 drilling program at Aurizon South, all new collars were accurately surveyed by Dugald Dunlop, Meridian Mapping Ltd., Coldstream, B.C., using a Trimble Pro 6H GPS system.

**Figure 10-1: Plan of Historical and 2016 Drilling, Aurizon South Zone**




Source: Shives, 2017

**Table 10.9: Collar Location, Orientation, Assay Summary for 11 Holes Drilled within Aurizon South Zone, 2016**

| DDH | Dip | Az. | Depth (m) | E | N | Elevation (m) | From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | NAD83 Zone 10 | | | | | | | | |
| **AZS16-52** | 52.6 | 102 | 214.58 | 617860.9 | 5757740.3 | 1403.7 | No Significant Assays | | | | | |
| | | | | | | | | | | | | |
| **AZS16-53** | 65 | 88 | 516.03 | 617661.3 | 5757618.1 | 1460.8 | 457.85 | 460.90 | 3.05 | 18.54 | 37.96 | 1.49 |
| | | | | | | including | 460.00 | 460.90 | 0.90 | 57.80 | 116.00 | 2.99 |
| | | | | | | and | 465.20 | 476.00 | 10.80 | 1.56 | 1.91 | 0.30 |
| | | | | | | including | 465.20 | 468.00 | 2.80 | 2.87 | 4.93 | 0.76 |
| | | | | | | | | | | | | |
| **AZS16-54** | 60 | 110 | 183.18 | 617799.5 | 5757625.2 | 1432.4 | 144.54 | 154.00 | 9.46 | 2.11 | 5.55 | 1.19 |
| | | | | | | including | 147.50 | 150.00 | 2.50 | 4.70 | 11.41 | 3.04 |
| | | | | | | and | 166.00 | 169.00 | 3.00 | 1.42 | 3.77 | 0.53 |
| | | | | | | | | | | | | |
| **AZS16-55** | 58 | 119 | 367.59 | 617730.1 | 5757727.2 | 1421.9 | 54.00 | 56.00 | 2.00 | 1.14 | 0.90 | 0.10 |
| | | | | | | and | 132.50 | 133.00 | 0.50 | 2.51 | 1.00 | 0.20 |
| | | | | | | and | 175.12 | 176.65 | 1.53 | 2.97 | 5.70 | 0.54 |
| | | | | | | and | 260.95 | 161.95 | 1.00 | 1.49 | 12.80 | 2.00 |
| | | | | | | | | | | | | |
| **AZS16-56** | 59 | 115 | 379.78 | 617725.3 | 5757763.2 | 1413.7 | 17.50 | 17.60 | 0.10 | 263.00 | 90.50 | 1.74 |
| | | | | | | and | 313.00 | 315.80 | 2.80 | 1.59 | 8.76 | 1.18 |
| | | | | | | | | | | | | |
| **AZS16-57** | 57 | 98 | 381.30 | 617725.3 | 5757763.2 | 1413.7 | 13.11 | 13.32 | 0.21 | 77.20 | 31.90 | 0.63 |
| | | | | | | and | 349.00 | 350.00 | 1.00 | 1.31 | 5.10 | 0.41 |
| | | | | | | and | 374.00 | 376.00 | 2.00 | 7.96 | 4.65 | 0.24 |

| DDH | Dip | Az. | Depth (m) | E | N | Elevation (m) | From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | NAD83 Zone 10 | | | | | | | | |
| | | | | | | including | 375.00 | 376.00 | 1.00 | 13.95 | 7.80 | 0.40 |
| | | | | | | | | | | | | |
| **AZS16-58** | 56 | 98 | 341.38 | 617756.6 | 5757790.2 | 1405.8 | 180.70 | 182.35 | 1.65 | 6.27 | 8.00 | 0.08 |
| | | | | | | and | 294.00 | 302.00 | 8.00 | 2.99 | 2.60 | 0.47 |
| | | | | | | including | 298.00 | 300.00 | 2.00 | 5.07 | 2.80 | 0.45 |
| | | | | | | | | | | | | |
| **AZS16-59** | 55 | 115 | 262.13 | 617782.6 | 5757677.4 | 1424.0 | 46.10 | 46.77 | 0.67 | 4.53 | 30.50 | 0.23 |
| | | | | | | and | 85.00 | 86.00 | 1.00 | 14.25 | 2.30 | 0.19 |
| | | | | | | and | 172.40 | 174.95 | 2.55 | 3.30 | 3.30 | 0.37 |
| | | | | | | including | 173.70 | 174.95 | 1.25 | 4.17 | 2.00 | 0.19 |
| | | | | | | | | | | | | |
| **AZS16-60** | 64 | 125 | 218.85 | 617787.6 | 5757583.6 | 1443.1 | 94.00 | 95.00 | 1.00 | 1.93 | 16.50 | 0.08 |
| | | | | | | and | 141.30 | 142.90 | 1.60 | 1.38 | 1.20 | 0.04 |
| | | | | | | and | 146.00 | 148.70 | 2.70 | 2.62 | 20.23 | 0.08 |
| | | | | | | | | | | | | |
| **AZS16-61** | 75 | 125 | 337.40 | 617787.6 | 5757583.6 | 1443.1 | 126.80 | 129.00 | 2.20 | 1.17 | 19.95 | 0.02 |
| | | | | | | and | 251.35 | 258.20 | 6.85 | 4.80 | 5.46 | 1.25 |
| | | | | | | including | 251.35 | 253.30 | 1.95 | 15.46 | 13.45 | 3.67 |
| | | | | | | including | 251.35 | 252.30 | 0.95 | 18.10 | 15.70 | 4.47 |
| | | | | | | | | | | | | |
| **AZS16-62** | 60 | 90 | 840.70 | 617446.0 | 5757660.0 | 1445.0 | 489.00 | 490.00 | 1.00 | 0.68 | 5.20 | 1.00 |
| | | | | | | and | 649.20 | 651.00 | 1.80 | 15.66 | 10.40 | 3.12 |
| | | | | | | including | 649.20 | 649.70 | 0.50 | 26.10 | 12.60 | 1.86 |

| DDH | Dip | Az. | Depth (m) | E | N | Elevation (m) | From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | NAD83 Zone 10 | | | | | | | | |
| | | | | | | and | 753.10 | 755.30 | 2.20 | 0.98 | 6.20 | 1.63 |
| | | | | | | and | 769.45 | 790.00 | 20.55 | 0.95 | 5.36 | 0.91 |
| | | | | | | including | 773.40 | 774.18 | 0.78 | 3.43 | 27.00 | 1.18 |
| | | | | | | including | 780.30 | 782.00 | 1.70 | 2.55 | 10.80 | 4.98 |

DDH AZS16-52 tested the Aurizon South structure at a relatively high elevation of 100 m below surface. Previous drilling elsewhere along the structure had shown that grades and widths were weakening towards the surface, and AZS16-52 confirmed this at a new location, intersecting no significant grades.

Hole AZS16-53 was a re-entry hole, whereby an historical drill hole, which new geological modelling showed had stopped short of the structure, was re-entered and deepened. Hole AZS16-53 commenced at a depth of 328.27 m, and intersected 3.05 m grading 18.54 g/t Au, 37.96 g/t Ag and 1.49% Cu between 457.85 and 460.9 m down hole, including 0.9 m grading 57.8 g/t Au, 116 g/t Ag, and 2.99% Cu. The mineralized structure was cut-out by a post-mineral mafic dyke from 460.9 to 465.2 m. The mineralized zone then resumed at 465.2 m, yielding a second 10.8 m intercept grading 1.56 g/t Au, 0.3% Cu and 1.91 g/t Ag. Gold and copper mineralization occurs within an intensely potassically altered and fractured intrusive host similar to previous intercepts in the structure.

Hole AZS16-54 was drilled along the south limit of the structure approximately 60 m beyond previous drilling (AZS15-47 cut 6.66 g/t Au over 1.61 m; AZS15-50 cut 12.4 g/t Au over 2 m). Hole AZS16-54 intersected 2.5 m grading 4.7 g/t Au, 11.41 g/t Ag, and 3.04% Cu, within a wider interval of 9.46 m grading 2.11 g/t Au, 5.55 g/t Ag, and 1.19% Cu between 144.54 and 154.0 m down-hole. A second, lower zone assayed 1.42 g/t Au, 3.77 g/t Ag, and 0.53% Cu between 166 and 169 m. The gold and copper mineralization occur in intensely altered and fractured monzodiorite, veined with sulphide-bearing (pyrite, chalcopyrite), fine-grained light grey quartz, and coarse-grained white quartz. Alteration is highly variable and includes potassium feldspar, epidote, chlorite, hematite and albite, all overprinted by younger calcitic fractures.

Results in holes AZS16-55, -56, -57 and -58 extended the high gold-copper-silver grades within the Aurizon Structure more than 50 m below previous drilling at the 170 m level (vertically below surface). Mineralization occurs again within sulphide-rich (pyrite, chalcopyrite) hydrothermal breccia, and where dark grey silicification and/or quartz veining are developed. DDH AZS16-55 intersected relatively narrow zones of less than 2 m, with gold grades less than 3 g/t. DDH AZS16-56 and -57 both intersected fine, visible gold grains in a 10 to 21 cm thick sulphide-bearing quartz vein within 15 m of the surface. These graded, respectively, 263 g/t Au, 90.5 g/t Ag, 1.74% Cu over 10 cm, and 77.2 g/t Au, 31.9 g/t Ag, and 0.63% Cu over 21 cm. Hole AZS16-57 also intersected 7.96 g/t Au, 4.65 g/t Ag, and 0.24% Cu over 2 m within the structure.

DDH AZS16-59 intersected a 1 m interval grading 14.25 g/t Au, 2.3 g/t Ag, and 0.19% Cu.

DDHs AZS16-60, -61 and -62 extended the overall southern strike limit of the Aurizon South structure another 50 m or more at shallow (200 m), intermediate (300 m) and deep (700 m) depths below surface, respectively. The strike extension continues south of a 15 m wide, southeast striking (120 degrees), near vertical, pinkish-brown, post-mineral Eocene (?) quartz-feldspar porphyry dyke, which appears to cut across the 020-trending Aurizon South structure at a high angle.

DDH AZS16-62 re-entered a previously drilled hole and commenced coring at 318.1 m, targeting the Aurizon South structure at the deepest level drilled to date, and approximately 225 m on strike to the south of previous deep-testing of the zone. Hole AZS16-62 encountered multiple mineralized zones, including a narrow visible gold-bearing quartz vein located within a highly pyritized and silicified 2 m interval of core. Below that, the Aurizon South hydrothermal breccia structure yielded a 40 m intercept of well-mineralized material at a vertical depth of approximately 650 to 700 m. Multigram gold assays were intersected in similar-looking rocks drilled previously to the north within the structure (AZS10-21 and AZS12-34).

The discovery of visible gold in quartz in holes AZS16-56 and -57 represents the first-ever report of free gold-in-quartz on the Property. Two small machine-dug trenches (shown in Figure 10-1) successfully located the vein in outcrop above the drill holes, below thin overburden cover. Visible gold is common in the vein and in nearby altered wall rock. Chalcocite is also abundant in the vein. The vein has been traced for more than 120 m to date (vein remains open along strike and to depth). Assay results from several grab samples collected at the two trenches are provided in Table 10.10. Values within a single piece of the vein in Trench #2 assayed 177.5 g/t Au, 80.9 g/t Ag, and 7.46% Cu (grab sample number 7). A similar result was obtained in Trench #1, located 120 m away.

**Table 10.10: Aurizon South Quartz Vein Grab Sample Assays.**
**Trench locations are shown in Figure 10-1.**

| Sample | Location | Type | Au (g/t) | Ag (g/t) | Cu (%) | Description |
|---|---|---|---|---|---|---|
| 1 | Northwest Trench #1 617735E 5757759N | 10 cm quartz vein | 62.5 | 38.8 | 3.38 | visible gold, chalcocite |
| 2 | | 10 cm quartz vein | 55.6 | 55.2 | 28.4 | visible gold, abundant chalcocite |
| 3 | | wall rock | 43.9 | 27.6 | 2.07 | gouge, visible gold |
| 4 | | quartz vein composite | 177 | 62.8 | 4.92 | visible gold, chalcocite |
| 5 | Southeast Trench #2 617829E 5757674N | quartz vein, visible gold, pyrite, chalcocite | 14.90 | 9.30 | 3.76 | polished QV; py, chalcocite, quartz, visible gold |
| 6 | | quartz vein, visible gold, pyrite, chalcocite | 95.7 | 49.1 | 5.67 | grab sample; py, chalcocite, chalcopyrite, visible gold |
| 7 | | quartz vein, visible gold, pyrite, chalcocite | 177.5 | 80.9 | 7.46 | grab sample; py, chalcocite, chalcopyrite, visible gold |

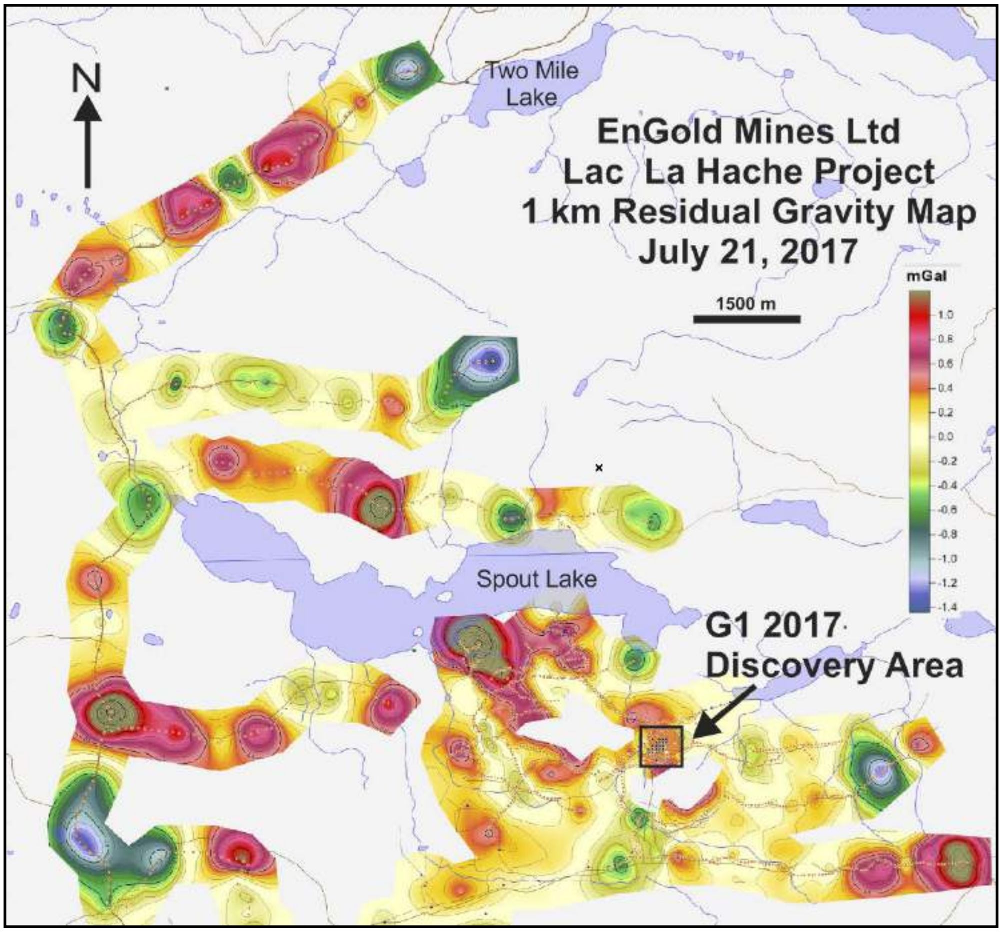
Source: Shives, 2017

In 2017, drilling at Aurizon South again focused on infill of relatively large gaps between historical pierce points within the Aurizon South gold-silver-copper structure. Three holes were designed to provide 50 m step-outs from the multigram gold intersection within DDH AZS08-07 (6.26 g/t Au over 26 m down-hole, including 15.5 g/t Au over 6 m down-hole). Faulting prevented completion of two of these holes before they intersected the structure. The third hole (AZS17-64) was completed, intersecting several 1.0 to 1.2 m intervals grading 1.5 to 5.5 g/t.

Drilling at Aurizon South was halted temporarily in February 2017, following discovery at the G1 gravity anomaly. That vertical hole G16-01 (started in 2016 and drilled to 136.6 m) was completed in February 2017 and is considered the discovery hole for the new G1 Prospect, intersecting a true width of 26.6 m grading 1.76% Cu, 0.27 g/t Au, 10.29 g/t Ag and 35.8% Fe, from 337.3 to 363.9 m. The Aurizon South drill was moved and a second drill was mobilized to commence a 50 m step-out program to delineate the G1 mineralization.

During summer and fall 2017, additional ground gravity surveying was completed in the G1 Discovery area by Excel Geophysics to infill the relatively coarse measurements taken during the initial 2015 test survey and to cover a larger surrounding area. A total of 1,640 stations were surveyed in 2017. Results were presented by Excel Geophysics in stages to EnGold, while both the gravity surveying and drilling programs were ongoing. Results to July 21, 2017 are shown in Figure 10-2.

**Figure 10-2: 1 km Residual Ground Gravity Map to July 21, 2017**



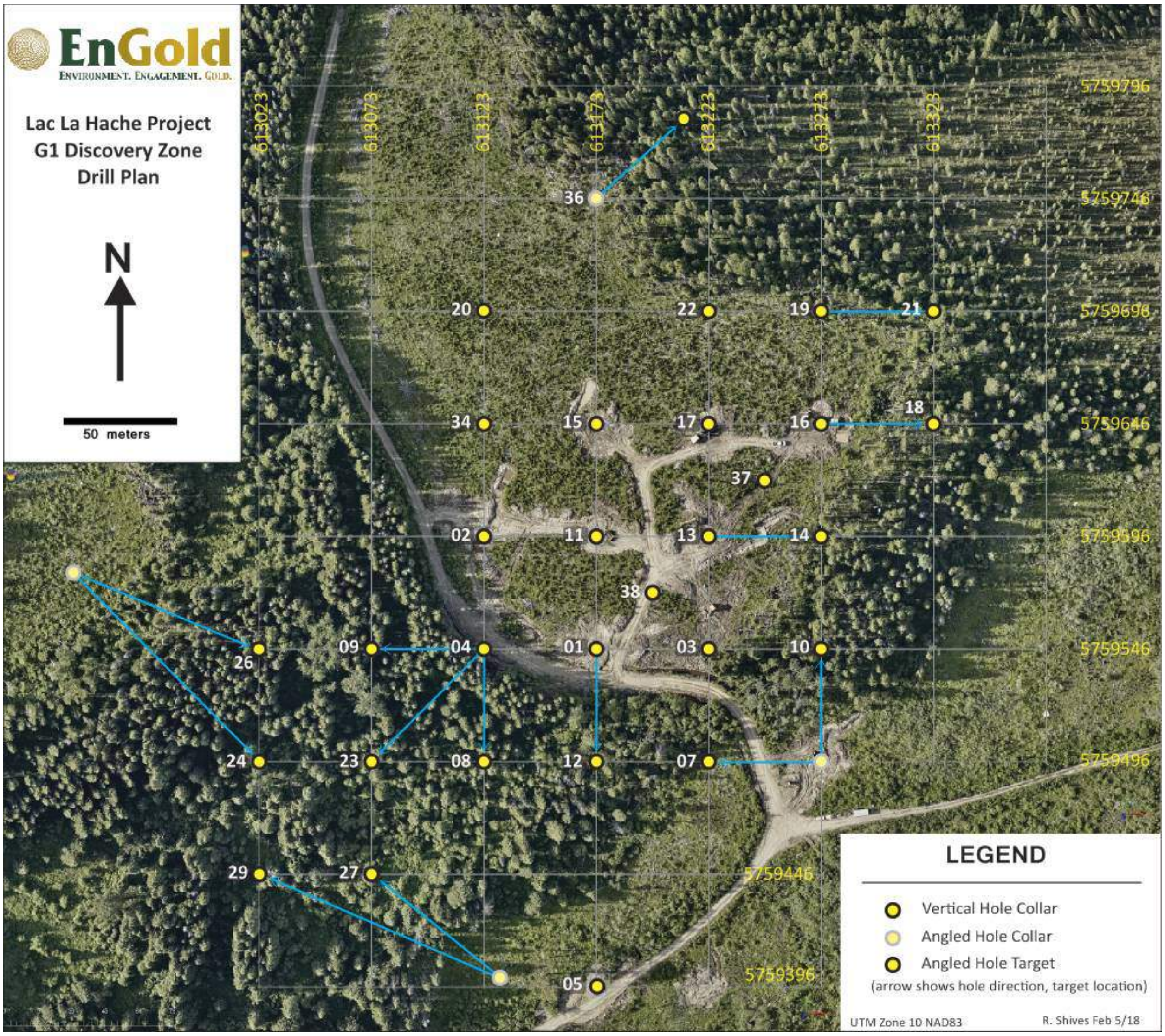

Source: Excel Geophysics, 2017

At the time of writing (March 5, 2018), 30 holes had been completed at the new G1 Prospect (Table 10.11, Figure 10-3), within an area approximately 250 m north-south by 250 m east-west. The G1 zone to date appears irregularly shaped, with the long axis extending for 250 m in a northeast-southwest direction and the shorter axis approximately 150 m in a northwest-southeast direction. Mineralization is stratiform, occurring within subhorizontal, limey (calcitic), volcaniclastic rocks (siltstones, grits and conglomerates) as carbonate replacements by early magnetite and subsequent chalcopyrite (+Au, +Ag), very similar to the Spout Deposit. Based on relatively coarse 50 m drill hole spacing, the true, vertical thickness of the zone appears largest along a crudely central axis defined by holes G17-23, G16-01, G17-38, G17-13, G17-37 and G17-16; the latter hole produced the thickest intersection date at more than 44 m (Figure 10-4). Assay results for all holes are shown in Table 10.12.

**Table 10.11: Specifications for 30 NQ Holes (12,859 m) Completed at G1 Discovery, 2017**

| Collar | Easting | Northing | Elevation (mASL) | Azimuth | Dip | Length (m) |
|---|---|---|---|---|---|---|
| | UTM Zone 10 NAD83 | | | | | |
| G16-01 | 613172.7 | 5759544.1 | 1123.9 | - | 90.0 | 505.4 |
| G17-02 | 613124.8 | 5759594.9 | 1117.3 | - | 90.0 | 484.3 |
| G17-03 | 613222.1 | 5759545.8 | 1123.4 | - | 90.0 | 514.8 |
| G17-04 | 613126.7 | 5759544.7 | 1121.9 | - | 90.0 | 511.2 |
| G17-05 | 613173.2 | 5759392.9 | 1134.8 | - | 90.0 | 515.1 |
| G17-07 | 613272.7 | 5759495.9 | 1124.7 | 270 | 81.5 | 447.8 |
| G17-08 | 613126.7 | 5759544.7 | 1121.9 | 180 | 81.5 | 468.5 |
| G17-09 | 613126.7 | 5759544.7 | 1121.9 | - | 90.0 | 415.3 |
| G17-10 | 613272.7 | 5759495.9 | 1124.7 | 0 | 81.5 | 392.9 |
| G17-11 | 613174.0 | 5759594.5 | 1121.4 | - | 90.0 | 410.6 |
| G17-12 | 613172.7 | 5759544.1 | 1123.9 | 180 | 81.5 | 429.2 |
| G17-13 | 613223.0 | 5759595.4 | 1124.1 | - | 90.0 | 404.8 |
| G17-14 | 613223.6 | 5759593.4 | 1124.0 | 90 | 81.5 | 431.9 |
| G17-15 | 613174.6 | 5759643.6 | 1116.0 | - | 90.0 | 414.2 |
| G17-16 | 613274.0 | 5759646.4 | 1116.9 | - | 90.0 | 423.1 |
| G17-17 | 613223.6 | 5759642.7 | 1117.9 | - | 90.0 | 369.4 |
| G17-18 | 613274.0 | 5759646.4 | 1116.9 | 90 | 81.5 | 380.1 |
| G17-19 | 613274.7 | 5759692.6 | 1112.1 | 90 | 81.5 | 380.4 |
| G17-20 | 613123.8 | 5759695.2 | 1111.6 | - | 90.0 | 438.3 |
| G17-21 | 613274.7 | 5759692.6 | 1112.1 | 90 | 81.5 | 365.2 |
| G17-22 | 613225.4 | 5759695.2 | 1111.8 | - | 90.0 | 392.6 |
| G17-23 | 613126.7 | 5759544.7 | 1121.9 | 225 | 78.0 | 410.9 |
| G17-24 | 612939.7 | 5759577.1 | 1119.9 | 135 | 71.5 | 428.9 |
| G17-26 | 612939.7 | 5759577.1 | 1119.9 | 112 | 76.0 | 401.4 |
| G17-27 | 613131.0 | 5759400.9 | 1132.6 | 309 | 78.7 | 471.5 |
| G17-29 | 613131.0 | 5759400.9 | 1132.6 | 293 | -72.4 | 434.9 |
| G17-34 | 613122.3 | 5759645.6 | 1113.3 | - | 90.0 | 432.5 |
| G17-36 | 613173.2 | 5759743.2 | 1111.3 | 48 | 80.0 | 389.5 |
| G17-37 | 613249.5 | 5759621.1 | 1119.9 | - | 90.0 | 365.2 |
| G17-38 | 613197.9 | 5759572.6 | 1123.5 | - | 90.0 | 429.2 |

**Figure 10-3: Map of Drill Collars and Zone Intersection Locations at G1 Discovery**




Source: EnGold Mines Ltd. 2018

**Table 10.12: Assay Summary for 2017 Drilling at G1 Discovery, G2 and Spout West Gravity Anomalies**

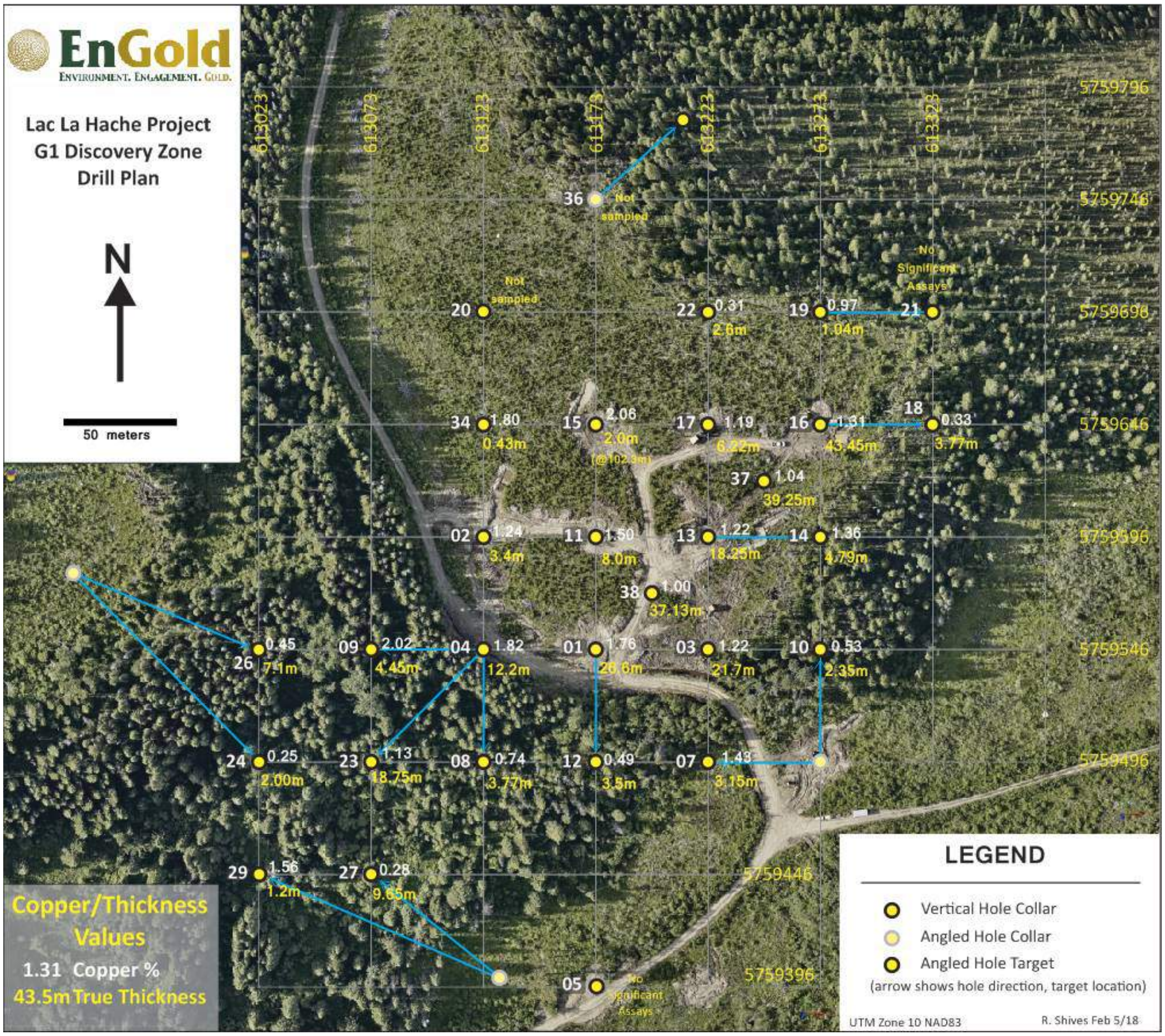
DDH Prefixes: G17- G1 Discovery area; G2- gravity anomaly G2; SW- gravity anomaly Spout West

| DDH | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| **G16-01** | 337.30 | 363.87 | 26.57 | 1.76 | 0.27 | 10.29 | 35.80 |
| *including* | 343.00 | 357.00 | 14.00 | 2.09 | 0.27 | 12.34 | 36.40 |
| | 416.00 | 421.66 | 5.66 | 1.14 | 0.23 | 5.07 | 19.70 |
| *including* | 418.53 | 419.53 | 1.00 | 4.49 | 0.94 | 17.10 | 44.00 |
| | | | | | | | |
| **G17-03** | 307.00 | 313.00 | 6.00 | 0.33 | 0.04 | 2.20 | 7.98 |
| | 337.30 | 359.00 | 21.70 | 1.22 | 0.17 | 5.96 | 30.06 |
| *including* | 343.00 | 349.00 | 6.00 | 1.76 | 0.16 | 8.00 | 34.23 |
| | 376.95 | 387.05 | 10.10 | 0.51 | 0.05 | 4.15 | 16.05 |
| | | | | | | | |
| **G17-04** | 336.00 | 348.20 | 12.20 | 1.82 | 0.41 | 9.96 | 32.49 |
| *including* | 336.00 | 342.00 | 6.00 | 2.18 | 0.46 | 12.13 | 34.87 |
| | | | | | | | |
| **G17-07** | 351.25 | 357.3 | 6.05 | 1.01 | 0.18 | 8.02 | 24.25 |
| *including* | 352.5 | 355.65 | 3.15 | 1.43 | 0.31 | 12.60 | 28.18 |
| | | | | | | | |
| **G17-09** | 95.00 | 98.80 | 3.80 | 0.53 | 0.18 | 6.39 | 15.30 |
| *including* | 95.00 | 96.00 | 1.00 | 1.05 | 0.36 | 11.90 | 26.40 |
| | 231.00 | 247.00 | 16.00 | 0.38 | 0.06 | 1.36 | 8.16 |
| *including* | 239.00 | 241.00 | 2.00 | 1.35 | 0.07 | 2.00 | 15.50 |
| | 263.00 | 268.00 | 5.00 | 0.49 | 0.08 | 2.18 | 7.04 |
| | 288.00 | 298.55 | 10.55 | 1.10 | 0.27 | 5.53 | 5.81 |
| *including* | 289.55 | 294.00 | 4.45 | 2.02 | 0.57 | 10.31 | 6.21 |
| *including* | 289.55 | 290.00 | 0.45 | 12.35 | 4.48 | 66.40 | 13.85 |
| | 332.75 | 334.00 | 1.25 | 0.61 | 0.03 | 2.80 | 9.60 |
| | | | | | | | |
| **G17-11** | 321.96 | 333.00 | 11.04 | 1.16 | 0.12 | 6.19 | 27.44 |
| *including* | 323.00 | 331.00 | 8.00 | 1.50 | 0.16 | 7.73 | 31.58 |
| | | | | | | | |
| **G17-13** | 318.75 | 337.00 | 18.25 | 1.22 | 0.14 | 5.27 | 26.70 |
| *including* | 328.00 | 334.00 | 6.00 | 1.92 | 0.18 | 8.23 | 30.27 |
| | | | | | | | |

| DDH | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **G17-14** | 277.00 | 281.00 | 4.00 | 0.38 | 0.04 | 3.00 | 6.76 |
| | 309.56 | 314.35 | 4.79 | 1.36 | 0.14 | 7.24 | 26.60 |
| *including* | 311.00 | 313.65 | 2.65 | 1.97 | 0.20 | 10.82 | 34.95 |
| | | | | | | | |
| **G17-16** | 293.00 | 336.45 | 43.45 | 1.31 | 0.20 | 4.06 | 31.14 |
| *including* | 293.00 | 296.80 | 3.80 | 2.01 | 0.23 | 6.09 | 34.16 |
| *including* | 302.00 | 326.00 | 24.00 | 1.67 | 0.29 | 5.09 | 34.55 |
| | | | | | | | |
| **G17-23** | 351.20 | 369.95 | 18.75 | 1.13 | 0.14 | 5.55 | 26.23 |
| *including* | 351.20 | 356.05 | 4.85 | 1.42 | 0.15 | 9.13 | 37.48 |
| *including* | 352.00 | 354.00 | 2.00 | 1.69 | 0.20 | 13.50 | 36.70 |
| *including* | 361.76 | 363.05 | 1.29 | 5.44 | 0.54 | 19.80 | 30.80 |
| *including* | 363.81 | 365.03 | 1.22 | 1.37 | 0.47 | 5.70 | 28.00 |
| *including* | 366.35 | 367.95 | 1.60 | 1.46 | 0.26 | 7.00 | 26.00 |
| | | | | | | | |
| **G17-37** | 191.55 | 195.00 | 3.45 | 1.10 | 0.10 | 20.69 | 10.61 |
| | 298.60 | 337.85 | 39.25 | 1.04 | 0.11 | 5.21 | 24.53 |
| *including* | 302.00 | 306.92 | 4.92 | 1.62 | 0.18 | 7.73 | 33.56 |
| *including* | 311.00 | 312.80 | 1.80 | 1.54 | 0.19 | 6.70 | 16.45 |
| *including* | 321.00 | 329.00 | 8.00 | 2.01 | 0.20 | 11.70 | 37.28 |
| *including* | 334.00 | 335.50 | 1.50 | 2.11 | 0.12 | 7.50 | 34.40 |
| *including* | 336.50 | 337.85 | 1.35 | 1.56 | 0.12 | 7.70 | 17.25 |
| | | | | | | | |
| **G17-38** | 291.45 | 292.10 | 0.65 | 2.02 | 0.28 | 6.80 | 12.75 |
| | 318.75 | 355.88 | 37.13 | 1.00 | 0.16 | 4.41 | 26.35 |
| *including* | 332.12 | 355.88 | 23.76 | 1.37 | 0.24 | 6.23 | 36.70 |
| *including* | 340.00 | 344.00 | 4.00 | 2.15 | 0.58 | 8.10 | 36.45 |

Source: EnGold Mines Ltd., 2018

**Figure 10-4: Map of Copper Grades and Thicknesses at G1 Discovery**




Source: EnGold Mines Ltd. 2018

The modelled airborne and ground data, combined with recommendations and interpretations by Sander Geophysics, Excel Geophysics (Brian Jones), and Trent Pezzot were used to select potential exploration drill targets within the G1 area and, more regionally, within the Project (Table 10.13, Figure 9-16).

**Table 10.13: Specifications for 30 NQ Holes (12,859 m) Completed at G1 Discovery, 2017.**

| Collar | Easting | Northing | Elevation (mASL) | Azimuth | Dip | Length (m) |
|---|---|---|---|---|---|---|
| | UTM Zone 10 NAD83 | | | | | |
| **G2 Airborne Gravity Anomaly** | | | | | | |
| G2-17-25 | 615001.4 | 5758998.5 | 1204.9 | - | 90.0 | 353.1 |
| G2-17-28 | 615198.9 | 5758809.5 | 1235.6 | 270 | 60.0 | 562.1 |
| Berkey **Prospect** | | | | | | |
| B17-30 | 615767.0 | 5758897.0 | 1231.0 | 104 | 46.0 | 151.8 |
| B17-32 | 615767.0 | 5758897.0 | 1231.0 | 90 | 45.0 | 84.7 |
| B17-33 | 615774.0 | 5758893.0 | 1232.0 | 288 | 45.0 | 30.4 |
| Spout West **Area** | | | | | | |
| G17-06 | 611000.2 | 5760619.7 | 1109.0 | - | 90.0 | 550.8 |
| SW17-31 | 610681.2 | 5761026.9 | 1093.1 | - | 90.0 | 401.7 |
| SW17-35 | 610681.2 | 5761026.9 | 1093.1 | 53 | 44.0 | 554.4 |

Source: EnGold Mines Ltd., 2018

**Spout Deposit Drilling**

In late summer 2010, results from the ground magnetometer survey and test pitting program were combined with information from historical drilling and re-logging of all historical cores in a geo-referenced digital system by Robert Shives, VP Exploration of GWR. The irregular distribution typical of skarn-hosted copper-gold-silver-magnetite mineralization was expected to present grade continuity challenges, so patterns of 20 m collar-spacing for South Spout and 25 m collar-spacing for North Spout were designed. Drilling commenced in October 2011 with two NQ drill rigs and, except for breaks at Christmas and spring break-up, drilling continued through to October 2011. A total of 178 holes were drilled. Drill collar locations are shown in Figure 10-5 (North Zone) and Figure 10-6 (South Zone).

Targets were prioritized on the basis of corresponding ground magnetic survey intensity, beginning with highest amplitude anomalies. This approach proved very successful as less than 5 out of the initial 140 holes failed to intersect copper-gold-silver-magnetite mineralization exceeding a minimum of a several metres wide. Drill hole specifications are provided in Table 10.14. Assay results are provided in Table 10.15.

**Table 10.14: UTM Coordinates (NAD83 Zone 10), Elevation, Length and Orientation, of 178 holes drilled within Spout Zones Oct 2010–Oct 2011**

| Collar Number | Easting | Northing | Elevation (m) | Length (m) | Az (deg) | Incl. (deg) |
|---|---|---|---|---|---|---|
| SL10-01 | 611890 | 5760806 | 1131 | 352.6 | 0 | -90 |
| SL10-02 | 611871 | 5760806 | 1130 | 69.1 | 0 | -90 |
| SL10-03 | 611870 | 5760786 | 1130 | 76.2 | 0 | -90 |
| SL10-04 | 611891 | 5760786 | 1130 | 42.1 | 0 | -90 |
| SL10-05 | 611911 | 5760788 | 1130 | 61.4 | 0 | -90 |
| SL10-06 | 611910 | 5760808 | 1131 | 76.3 | 0 | -90 |
| SL10-07 | 611909 | 5760826 | 1131 | 76.2 | 0 | -90 |
| SL10-08 | 611891 | 5760826 | 1131 | 70.2 | 0 | -90 |
| SL10-09 | 611907 | 5760845 | 1132 | 76.3 | 0 | -90 |
| SL10-10 | 612001 | 5761007 | 1138 | 277.4 | 0 | -90 |
| SL10-11 | 611607 | 5761281 | 1109 | 87.5 | 40 | -45 |
| SL10-12 | 611607 | 5761281 | 1109 | 133.2 | 40 | -60 |
| SL10-13 | 611609 | 5761253 | 1116 | 133.2 | 40 | -45 |
| SL10-14 | 611629 | 5761270 | 1113 | 100 | 40 | -45 |
| SL10-15 | 611640 | 5761290 | 1110 | 60 | 40 | -45 |
| SL10-16 | 611644 | 5761251 | 1116 | 145.4 | 40 | -45 |
| SL10-17 | 611644 | 5761251 | 1116 | 121 | 45 | -60 |
| SL10-18 | 611660 | 5761267 | 1116 | 84.4 | 40 | -45 |
| SL10-19 | 611680 | 5761294 | 1115 | 66.1 | 40 | -45 |
| SL10-20 | 611708 | 5761295 | 1114 | 69.2 | 360 | -45 |
| SL10-21 | 611870 | 5760827 | 1130 | 85.3 | 0 | -90 |
| SL10-22 | 611848 | 5760826 | 1131 | 70.1 | 0 | -90 |
| SL10-23 | 611849 | 5760804 | 1130 | 67 | 0 | -90 |
| SL10-24 | 611851 | 5760785 | 1129 | 70.1 | 0 | -90 |
| SL10-25 | 611853 | 5760765 | 1130 | 70.1 | 0 | -90 |
| SL10-26 | 611873 | 5760765 | 1131 | 70.3 | 0 | -90 |
| SL10-27 | 611893 | 5760767 | 1130 | 70.1 | 0 | -90 |
| SL10-28 | 611913 | 5760768 | 1131 | 70.1 | 0 | -90 |
| SL11-29 | 611932 | 5760788 | 1131 | 79.2 | 0 | -90 |
| SL11-30 | 611930 | 5760808 | 1131 | 79.4 | 0 | -90 |
| SL10-31 | 611708 | 5761295 | 1114 | 60 | 40 | -44 |
| SL10-32 | 611692 | 5761273 | 1116 | 90.5 | 40 | -43.3 |

| Collar Number | Easting | Northing | Elevation (m) | Length (m) | Az (deg) | Incl. (deg) |
|---|---|---|---|---|---|---|
| SL10-33 | 611675 | 5761254 | 1117 | 108.8 | 44 | -44.2 |
| SL10-34 | 611658 | 5761233 | 1118 | 139.3 | 40 | -45 |
| SL10-35 | 611658 | 5761233 | 1118 | 120.8 | 40 | -60 |
| SL10-36 | 611700 | 5761239 | 1118 | 90.5 | 40 | -45 |
| SL10-37 | 611700 | 5761239 | 1118 | 121 | 40 | -60 |
| SL11-38 | 611715 | 5761260 | 1117 | 90.5 | 40 | -45 |
| SL11-39 | 611735 | 5761245 | 1116 | 90.5 | 40 | -45 |
| SL11-40 | 611720 | 5761224 | 1120 | 90.5 | 40 | -45 |
| SL11-41 | 611929 | 5760828 | 1131 | 79.3 | 0 | -90 |
| SL11-42 | 611928 | 5760844 | 1132 | 79.2 | 0 | -90 |
| SL11-43 | 611888 | 5760846 | 1133 | 79.2 | 0 | -90 |
| SL11-44 | 611905 | 5760867 | 1135 | 77.1 | 0 | -90 |
| SL11-45 | 611926 | 5760865 | 1134 | 79.2 | 0 | -90 |
| SL11-46 | 611886 | 5760867 | 1137 | 80.3 | 0 | -90 |
| SL11-47 | 611952 | 5760789 | 1131 | 79.2 | 0 | -90 |
| SL11-48 | 611951 | 5760808 | 1131 | 79.2 | 0 | -90 |
| SL11-49 | 611949 | 5760830 | 1131 | 76.6 | 0 | -90 |
| SL11-50 | 611948 | 5760850 | 1132 | 79.2 | 0 | -90 |
| SL11-51 | 611720 | 5761224 | 1120 | 117.8 | 40 | -60 |
| SL11-52 | 611772 | 5761248 | 1118 | 60 | 40 | -45 |
| SL11-53 | 611756 | 5761226 | 1120 | 81.3 | 40 | -44 |
| SL11-54 | 611738 | 5761209 | 1122 | 99.7 | 40 | -44.5 |
| SL11-55 | 611738 | 5761209 | 1122 | 108.8 | 40 | -60 |
| SL11-56 | 611802 | 5761247 | 1120 | 60 | 51.4 | -45 |
| SL11-57 | 611792 | 5761231 | 1121 | 81.4 | 40 | -44.6 |
| SL11-58 | 611775 | 5761212 | 1122 | 121 | 40 | -45 |
| SL11-59 | 611757 | 5761194 | 1124 | 151.1 | 40 | -44.8 |
| SL11-60 | 611758 | 5761194 | 1124 | 151.1 | 40 | -59.3 |
| SL11-61 | 611947 | 5760869 | 1134 | 79.2 | 0 | -90 |
| SL11-62 | 611970 | 5760851 | 1132 | 82.2 | 0 | -90 |
| SL11-63 | 611988 | 5760855 | 1132 | 79.2 | 0 | -90 |
| SL11-64 | 611772 | 5760762 | 1125 | 61 | 0 | -90 |
| SL11-65 | 611771 | 5760783 | 1127 | 61 | 0 | -90 |
| SL11-66 | 611790 | 5760763 | 1127 | 61 | 0 | -90 |

| Collar Number | Easting | Northing | Elevation (m) | Length (m) | Az (deg) | Incl. (deg) |
|---|---|---|---|---|---|---|
| SL11-67 | 611791 | 5760781 | 1127 | 61 | 0 | -90 |
| SL11-68 | 611814 | 5760762 | 1130 | 61 | 0 | -90 |
| SL11-69 | 611831 | 5760784 | 1129 | 61 | 0 | -90 |
| SL11-70 | 611832 | 5760764 | 1130 | 70.1 | 0 | -90 |
| SL11-71 | 611612 | 5761213 | 1119 | 279.5 | 40 | -60 |
| SL11-72 | 611588 | 5761191 | 1123 | 385.3 | 40 | -75 |
| SL11-72A | 611586 | 5761192 | 1123 | 459.6 | 40 | -70 |
| SL11-73 | 611796 | 5761191 | 1124 | 81.3 | 40 | -45 |
| SL11-74 | 611772 | 5761170 | 1126 | 99.6 | 40 | -45 |
| SL11-75 | 611814 | 5761180 | 1125 | 60 | 40 | -45 |
| SL11-76 | 611796 | 5761159 | 1127 | 151.5 | 40 | -60 |
| SL11-77 | 611831 | 5761158 | 1127 | 60 | 40 | -45.2 |
| SL11-78 | 611831 | 5761158 | 1127 | 81.3 | 40 | -60 |
| SL11-79 | 611814 | 5761141 | 1130 | 151.5 | 40 | -60 |
| SL11-80 | 611866 | 5761164 | 1127 | 60 | 40 | -45 |
| SL11-81 | 611809 | 5760783 | 1128 | 61 | 0 | -90 |
| SL11-82 | 611815 | 5760741 | 1132 | 61 | 0 | -90 |
| SL11-83 | 611813 | 5760705 | 1131 | 61 | 0 | -90 |
| SL11-84 | 611813 | 5760723 | 1132 | 61 | 0 | -90 |
| SL11-85 | 611834 | 5760702 | 1134 | 61 | 0 | -90 |
| SL11-86 | 611834 | 5760722 | 1135 | 64 | 0 | -90 |
| SL11-87 | 611835 | 5760745 | 1132 | 61 | 0 | -90 |
| SL11-88 | 611816 | 5760802 | 1129 | 61 | 0 | -90 |
| SL11-89 | 611812 | 5760823 | 1131 | 61 | 0 | -90 |
| SL11-90 | 611990 | 5760905 | 1135 | 79.2 | 0 | -90 |
| SL11-92 | 611887 | 5761147 | 1129 | 78.3 | 40 | -45 |
| SL11-93 | 611868 | 5761125 | 1133 | 139.3 | 40 | -60 |
| SL11-94 | 611853 | 5761109 | 1136 | 200.3 | 40 | -60 |
| SL11-95 | 611904 | 5761130 | 1131 | 69.2 | 40 | -45 |
| SL11-96 | 611889 | 5761109 | 1135 | 163.6 | 40 | -60 |
| SL11-97 | 611854 | 5761074 | 1139 | 227.7 | 40 | -60 |
| SL11-98 | 611826 | 5761035 | 1144 | 401.4 | 40 | -60 |
| SL11-99 | 611925 | 5761116 | 1132 | 69.2 | 40 | -45 |
| SL11-100 | 611925 | 5761116 | 1132 | 136.2 | 40 | -60 |

| Collar Number | Easting | Northing | Elevation (m) | Length (m) | Az (deg) | Incl. (deg) |
|---|---|---|---|---|---|---|
| SL11-101 | 611971 | 5760905 | 1136 | 70.1 | 0 | -90 |
| SL11-102 | 611991 | 5760835 | 1131 | 79.2 | 0 | -90 |
| SL11-103 | 611971 | 5760830 | 1131 | 70.1 | 0 | -90 |
| SL11-104 | 611970 | 5760862 | 1133 | 88.4 | 0 | -90 |
| SL11-105 | 611991 | 5760863 | 1132 | 88.4 | 0 | -90 |
| SL11-106 | 611972 | 5760924 | 1138 | 100.6 | 0 | -90 |
| SL11-107 | 611991 | 5760922 | 1137 | 100.6 | 0 | -90 |
| SL11-108 | 612025 | 5760917 | 1135 | 131.1 | 0 | -90 |
| SL11-109 | 612071 | 5760968 | 1134 | 140.2 | 0 | -90 |
| SL11-110 | 611815 | 5760884 | 1146 | 70.1 | 0 | -90 |
| SL11-111 | 611941 | 5761105 | 1132 | 81.3 | 40 | -45 |
| SL11-112 | 611941 | 5761105 | 1132 | 145.4 | 40 | -60 |
| SL11-113 | 611938 | 5761064 | 1138 | 99.7 | 40 | -60 |
| SL11-114 | 611938 | 5761065 | 1138 | 151.5 | 40 | -60 |
| SL11-115 | 611667 | 5761207 | 1123 | 303.9 | 40 | -60 |
| SL11-116 | 611997 | 5760947 | 1138 | 441 | 40 | -70 |
| SL11-117 | 611997 | 5760947 | 1138 | 121.9 | 0 | -90 |
| SL11-118 | 612091 | 5760902 | 1132 | 176.5 | 0 | -90 |
| SL11-119 | 612172 | 5760869 | 1126 | 146.3 | 0 | -90 |
| SL11-120 | 612134 | 5760822 | 1127 | 128 | 0 | -90 |
| SL11-121 | 611818 | 5760924 | 1155 | 70.1 | 0 | -90 |
| SL11-122 | 611837 | 5760977 | 1151 | 496.5 | 0 | -90 |
| SL11-123 | 611733 | 5761014 | 1145 | 129.8 | 0 | -90 |
| SL11-124 | 611683 | 5761014 | 1153 | 149.4 | 0 | -90 |
| SL11-125 | 611711 | 5760872 | 1149 | 69.4 | 0 | -90 |
| SL11-126 | 611795 | 5760925 | 1152 | 61 | 0 | -90 |
| SL11-127 | 611794 | 5760905 | 1151 | 61 | 0 | -90 |
| SL11-128 | 611835 | 5760906 | 1152 | 48.7 | 0 | -90 |
| SL11-129 | 611816 | 5760906 | 1152 | 48.8 | 0 | -90 |
| SL11-130 | 611834 | 5760925 | 1156 | 48.8 | 0 | -90 |
| SL11-131 | 612214 | 5760822 | 1123 | 143.3 | 0 | -90 |
| SL11-132 | 612061 | 5761020 | 1135 | 244.6 | 40 | -60 |
| SL11-133 | 612176 | 5760774 | 1121 | 157.6 | 0 | -90 |
| SL11-134 | 612217 | 5760676 | 1117 | 282.5 | 0 | -90 |

| Collar Number | Easting | Northing | Elevation (m) | Length (m) | Az (deg) | Incl. (deg) |
|---|---|---|---|---|---|---|
| SL11-135 | 612112 | 5760621 | 1107 | 194.2 | 0 | -90 |
| SL11-136 | 612090 | 5760700 | 1120 | 133.2 | 0 | -90 |
| SL11-137 | 612014 | 5760700 | 1124 | 133.2 | 0 | -90 |
| SL11-138 | 611946 | 5760642 | 1117 | 242.9 | 0 | -90 |
| SL11-139 | 611879 | 5760678 | 1117 | 185 | 0 | -90 |
| SL11-140 | 611870 | 5760605 | 1107 | 108.8 | 0 | -90 |
| SL11-141 | 611793 | 5760884 | 1147 | 48.8 | 0 | -90 |
| SL11-142 | 611837 | 5760886 | 1144 | 48.8 | 0 | -90 |
| SL11-143 | 612091 | 5760984 | 1132 | 121.9 | 0 | -90 |
| SL11-144 | 612090 | 5760964 | 1133 | 137.3 | 0 | -90 |
| SL11-145 | 612090 | 5760945 | 1132 | 118.9 | 0 | -90 |
| SL11-146 | 612071 | 5760944 | 1134 | 109.7 | 0 | -90 |
| SL11-147 | 612069 | 5760986 | 1134 | 115.8 | 0 | -90 |
| SL11-148 | 612051 | 5760981 | 1135 | 109.7 | 0 | -90 |
| SL11-149 | 612053 | 5760964 | 1135 | 109.7 | 0 | -90 |
| SL11-150 | 612034 | 5760999 | 1136 | 109.7 | 0 | -90 |
| SL11-151 | 611135 | 5760508 | 1117 | 392.2 | 270 | -60 |
| SL11-152 | 610679 | 5761037 | 1095 | 300.8 | 90 | -60 |
| SL11-153 | 611720 | 5760705 | 1126 | 185 | 0 | -90 |
| SL11-154 | 611546 | 5760862 | 1141 | 148.4 | 0 | -90 |
| SL11-155 | 611587 | 5760934 | 1147 | 166.7 | 0 | -90 |
| SL11-156 | 611325 | 5761000 | 1109 | 142.3 | 0 | -90 |
| SL11-157 | 611521 | 5761092 | 1143 | 174.6 | 0 | -90 |
| SL11-158 | 611435 | 5761178 | 1135 | 108.5 | 0 | -90 |
| SL11-159 | 611795 | 5760905 | 1151 | 273.1 | 130 | -50 |
| SL11-160 | 611971 | 5760905 | 1136 | 495 | 40 | -70 |
| SL11-161 | 612030 | 5760982 | 1136 | 109.7 | 0 | -90 |
| SL11-162 | 612030 | 5760982 | 1136 | 279.5 | 40 | -60 |
| SL11-163 | 612050 | 5760946 | 1135 | 106.7 | 0 | -90 |
| SL11-164 | 612032 | 5760950 | 1136 | 109.7 | 0 | -90 |
| SL11-165 | 612031 | 5760964 | 1137 | 109.7 | 0 | -90 |
| SL11-166 | 612009 | 5760985 | 1138 | 109.7 | 0 | -90 |
| SL11-167 | 611888 | 5760535 | 1102 | 154.2 | 0 | -90 |
| SL11-168 | 611948 | 5761025 | 1140 | 397.7 | 130 | -45 |

| Collar Number | Easting | Northing | Elevation (m) | Length (m) | Az (deg) | Incl. (deg) |
|---|---|---|---|---|---|---|
| SL11-169 | 611948 | 5761025 | 1140 | 157.5 | 130 | -60 |
| SL11-170 | 611948 | 5761025 | 1140 | 84.4 | 0 | -90 |
| SL11-171 | 611667 | 5761207 | 1123 | 288.6 | 40 | -70 |
| SL11-172 | 611652 | 5761186 | 1128 | 346.5 | 40 | -70 |
| SL11-173 | 611547 | 5761215 | 1122 | 255.1 | 40 | -52 |
| SL11-174 | 611547 | 5761215 | 1122 | 307.1 | 40 | -60 |
| SL11-175 | 611547 | 5761215 | 1122 | 413.6 | 40 | -70 |
| SL11-176 | 611692 | 5761190 | 1124 | 172.8 | 40 | -60 |
| SL11-177 | 611692 | 5761190 | 1124 | 325.2 | 40 | -70 |
| SL11-178 | 611675 | 5761131 | 1138 | 354.1 | 40 | -70 |

**Table 10.15: Summary of Assay Results for 178 Holes Drilled within the Spout Zones, Oct 2010–Oct 2011.**

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL10-01** | 2.1 | 32 | 29.9 | 0.64 | 0.14 | 2.1 | 16.5 |
| *including* | 14.0 | 20.0 | 6.0 | 2.00 | 0.48 | 6.6 | 30.0 |
| *including* | 14.0 | 16.0 | 2.0 | 3.85 | 0.91 | 11.5 | 25.8 |
| | 183.0 | 185.0 | 2.0 | 1.26 | 0.30 | 2.8 | 5.6 |
| | 193.0 | 195.0 | 2.0 | 1.65 | 0.13 | 4.1 | 6.2 |
| **SL10-02** | 3.0 | 19.0 | 16.0 | 0.30 | 0.04 | 0.8 | 12.3 |
| | 55.0 | 67.0 | 12.0 | 0.24 | 0.05 | 0.9 | 11.3 |
| **SL10-03** | 7.0 | 23.0 | 16.0 | 0.58 | 0.03 | 1.4 | 13.5 |
| **SL10-04** | 3.0 | 11.0 | 8.0 | 0.34 | 0.07 | 1.1 | 13.0 |
| **SL10-05** | 7.00 | 13.00 | 6.0 | 0.26 | 0.03 | 1.0 | 11.8 |
| | 19.00 | 25.00 | 6.0 | 0.38 | 0.04 | 1.7 | 13.5 |
| | 43.00 | 49.00 | 6.0 | 0.36 | 0.01 | 2.3 | 10.9 |
| **SL10-06** | 5.0 | 47.0 | 42.0 | 0.61 | 0.08 | 2.0 | 19.0 |
| *including* | 5.0 | 9.0 | 4.0 | 0.95 | 0.15 | 3.4 | 27.2 |
| *and* | 19.0 | 21.0 | 2.0 | 1.52 | 0.21 | 4.6 | 30.6 |
| *and* | 25.0 | 27.0 | 2.0 | 1.70 | 0.17 | 5.8 | 43.4 |
| **SL10-07** | 3.0 | 47.0 | 44.0 | 0.56 | 0.11 | 2.2 | 18.3 |
| *including* | 19.0 | 21.0 | 2.0 | 1.17 | 0.32 | 4.6 | 25.8 |
| *and* | 35.0 | 39.0 | 4.0 | 1.64 | 0.30 | 6.5 | 21.3 |
| **SL10-08** | 2.0 | 6.0 | 4.0 | 0.81 | 0.11 | 2.8 | 16.9 |
| | 12.0 | 20.0 | 8.0 | 0.80 | 0.12 | 2.6 | 17.0 |
| | 24.0 | 32.0 | 8.0 | 0.42 | 0.03 | 1.9 | 11.8 |
| | 34.0 | 40.0 | 6.0 | 0.93 | 0.17 | 4.2 | 19.2 |
| | 44.0 | 52.0 | 8.0 | 0.46 | 0.05 | 1.8 | 12.0 |
| | 58.0 | 60.0 | 2.0 | 4.45 | 1.09 | 15.4 | 17.5 |
| **SL10-09** | 11.0 | 43.0 | 32.0 | 0.39 | 0.07 | 1.7 | 16.0 |
| | 55.0 | 61.0 | 6.0 | 0.51 | 0.13 | 2.2 | 10.3 |
| *including* | 57.0 | 59.0 | 2.0 | 1.18 | 0.29 | 4.2 | 11.2 |
| **SL10-10** | 46.0 | 60.0 | 14.0 | 0.28 | 0.06 | 1.1 | 11.5 |
| | 66.0 | 78.0 | 12.0 | 0.39 | 0.07 | 1.4 | 9.3 |
| **SL10-11** | 69.5 | 83.5 | 14.0 | 1.39 | 0.18 | 4.9 | 36.6 |
| *including* | 69.5 | 75.5 | 6.0 | 2.62 | 0.36 | 8.3 | 38.8 |
| *and* | 73.5 | 75.5 | 2.0 | 4.40 | 0.77 | 14.9 | 48.9 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL10-12** | 97.0 | 109.0 | 12.0 | 0.31 | 0.04 | 1.5 | 30.7 |
| **SL10-13** | 104.0 | 114.0 | 10.0 | 0.42 | 0.08 | 2.3 | 23.0 |
| **SL10-14** | 61.0 | 69.0 | 8.0 | 1.77 | 0.17 | 14.5 | 26.9 |
| *including* | 65.0 | 69.0 | 4.0 | 2.47 | 0.23 | 26.1 | 26.7 |
| **SL10-15** | 25.0 | 37.0 | 12.0 | 1.32 | 0.21 | 4.5 | 34.2 |
| *including* | 27.0 | 29.0 | 2.0 | 3.55 | 0.68 | 10.2 | 48.4 |
| | 51.0 | 53.0 | 2.0 | 0.43 | <0.03 | 1.0 | 6.3 |
| **SL10-16** | 71.0 | 79.0 | 8.0 | 3.04 | 0.80 | 16.4 | 34.4 |
| *including* | 73.0 | 75.0 | 2.0 | 7.00 | 1.92 | 42.2 | 29.3 |
| | 83.0 | 85.0 | 2.0 | 0.42 | 0.04 | 1.2 | 11.2 |
| | 123.0 | 133.0 | 10.0 | 0.62 | 0.11 | 2.6 | 27.1 |
| **SL10-17** | 89.0 | 99.0 | 10.0 | 0.28 | 0.04 | 1.2 | 20.6 |
| | 109.0 | 113.0 | 4.0 | 0.34 | 0.04 | 1.5 | 18.8 |
| **SL10-18** | 33.0 | 47.0 | 14.0 | 3.34 | 0.56 | 12.4 | 33.4 |
| *including* | 35.0 | 43.0 | 8.0 | 5.35 | 0.90 | 19.4 | 39.9 |
| | 51.0 | 57.0 | 6.0 | 1.52 | 0.14 | 6.6 | 35.4 |
| *including* | 55.0 | 57.0 | 2.0 | 3.60 | 0.37 | 15.3 | 28.5 |
| **SL10-19** | 57.2 | 59.2 | 2.0 | 0.49 | 0.10 | 4.1 | 11.7 |
| **SL10-20** | 18.0 | 20.0 | 2.0 | 1.22 | 0.17 | 6.2 | 23.8 |
| | 34.0 | 36.0 | 2.0 | 0.32 | <0.03 | 2.8 | 26.4 |
| **SL10-21** | 3.0 | 15.0 | 12.0 | 1.09 | 0.17 | 7.9 | 15.6 |
| *including* | 5.0 | 9.0 | 4.0 | 2.35 | 0.18 | 20.8 | 13.7 |
| | 45.0 | 47.0 | 2.0 | 0.48 | 0.10 | 2.4 | 16.2 |
| | 63.0 | 67.0 | 4.0 | 0.42 | 0.09 | 2.3 | 14.9 |
| **SL10-22** | 4.0 | 38.0 | 34.0 | 0.21 | 0.04 | 1.3 | 10.5 |
| **SL10-23** | 3.0 | 25.0 | 22.0 | 0.58 | 0.10 | 2.1 | 14.0 |
| *including* | 17.0 | 23.0 | 6.0 | 1.53 | 0.28 | 5.5 | 18.9 |
| | 57.0 | 61.0 | 4.0 | 0.45 | 0.04 | 1.4 | 9.6 |
| **SL10-24** | 12.0 | 22.0 | 10.0 | 0.50 | 0.12 | 2.2 | 14.1 |
| *including* | 20.0 | 22.0 | 2.0 | 1.19 | 0.56 | 5.5 | 23.4 |
| | 38.0 | 40.0 | 2.0 | 0.42 | 0.06 | 1.8 | 13.2 |
| **SL10-25** | 3.0 | 19.0 | 16.0 | 0.54 | 0.08 | 2.2 | 17.0 |
| | 25.0 | 29.0 | 4.0 | 0.42 | 0.06 | 1.7 | 10.9 |
| **SL10-26** | 7 | 15 | 8.0 | 0.21 | 0.04 | 1.0 | 11.9 |
| **SL10-27** | 24 | 34 | 10.0 | 0.39 | 0.03 | 2.1 | 10.4 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL10-28** | 15 | 17 | 2.0 | 0.36 | 0.04 | 2.1 | 17.4 |
| | 33 | 35 | 2.0 | 0.34 | 0.03 | 2.3 | 21.6 |
| **SL10-29** | 20 | 22 | 2.0 | 0.34 | 0.06 | 1.0 | 16.1 |
| | 26 | 28 | 2.0 | 0.35 | 0.06 | 1.0 | 12.8 |
| | 38 | 40 | 2.0 | 0.31 | 0.03 | 1.4 | 14.7 |
| | 48 | 52 | 4.0 | 0.35 | 0.06 | 2.2 | 21.5 |
| **SL10-30** | 12 | 52 | 40.0 | 0.47 | 0.08 | 2.2 | 18.0 |
| *including* | 12 | 24 | 12.0 | 0.90 | 0.20 | 3.5 | 27.3 |
| **SL10-31** | 3 | 7 | 4.0 | 0.53 | 0.08 | 1.3 | 8.2 |
| | 19 | 21 | 2.0 | 0.29 | 0.06 | 1.2 | 10.7 |
| | 25 | 29 | 4.0 | 0.24 | 0.07 | 1.3 | 6.6 |
| | 33 | 37 | 4.0 | 0.31 | 0.08 | 1.3 | 15.5 |
| **SL10-32** | 46 | 48 | 2.0 | 0.35 | 0.04 | 1.3 | 16.2 |
| | 60 | 66 | 6.0 | 0.35 | 0.06 | 1.7 | 18.4 |
| **SL10-33** | 23 | 27 | 4.0 | 0.27 | 0.04 | 1.1 | 6.2 |
| | 31 | 45 | 14.0 | 0.35 | 0.04 | 1.2 | 7.5 |
| | 61 | 63.3 | 2.3 | 0.42 | 0.09 | 1.2 | 12.6 |
| **SL10-34** | 57.5 | 59.5 | 2.0 | 0.49 | 0.07 | 2.6 | 6.9 |
| | 65.5 | 67.5 | 2.0 | 0.38 | 0.05 | 2.0 | 7.0 |
| | 79.5 | 83.5 | 4.0 | 0.99 | 0.27 | 4.8 | 33.1 |
| **SL10-35** | 100.8 | 108.8 | 8.0 | 0.39 | 0.09 | 1.8 | 28.5 |
| **SL10-36** | 31.0 | 45.0 | 14.0 | 0.83 | 0.12 | 3.0 | 16.6 |
| *including* | 31.0 | 39.0 | 8.0 | 1.20 | 0.15 | 4.0 | 20.7 |
| **SL10-37** | 54.0 | 62.0 | 8.0 | 0.53 | 0.09 | 2.5 | 39.3 |
| **SL11-38** | 69.0 | 73.0 | 4.0 | 0.41 | 0.27 | 3.0 | 15.4 |
| **SL11-39** | 3.80 | 5.80 | 2.0 | 0.39 | 0.05 | 1.6 | 21.2 |
| **SL11-40** | 33.0 | 41.0 | 8.0 | 0.66 | 0.10 | 3.1 | 14.3 |
| *including* | 33.0 | 35.0 | 2.0 | 1.99 | 0.34 | 8.9 | 29.7 |
| **SL11-41** | 4.0 | 52.0 | 48.0 | 0.34 | 0.04 | 1.3 | 13.0 |
| **SL11-42** | 14.0 | 36.0 | 22.0 | 1.22 | 0.20 | 4.2 | 17.7 |
| *including* | 18.0 | 20.0 | 2.0 | 4.05 | 0.70 | 12.2 | 33.2 |
| *and* | 28.0 | 30.0 | 2.0 | 3.30 | 0.44 | 10.3 | 16.5 |
| *and* | 32.0 | 34.0 | 2.0 | 2.65 | 0.36 | 10.4 | 17.1 |
| **SL11-43** | 11 | 39 | 28.0 | 0.27 | 0.06 | 0.9 | 12.1 |
| **SL11-44** | 4.8 | 56.8 | 52.0 | 0.29 | 0.04 | 1.5 | 12.8 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| *including* | 4.8 | 8.8 | 4.0 | 1.16 | 0.14 | 4.3 | 28.6 |
| **SL11-45** | 7.0 | 13.0 | 6.0 | 0.93 | 0.28 | 7.2 | 41.6 |
| *including* | 11.0 | 13.0 | 2.0 | 1.58 | 0.22 | 6.5 | 37.9 |
| | 17.0 | 19.0 | 2.0 | 0.53 | 0.12 | 3.1 | 19.3 |
| | 33.0 | 41.0 | 8.0 | 0.37 | 0.05 | 2.0 | 13.2 |
| | 47.0 | 51.0 | 4.0 | 0.58 | 0.07 | 4.3 | 19.8 |
| | 63.0 | 65.0 | 2.0 | 0.63 | 0.06 | 2.8 | 13.3 |
| **SL11-46** | 5.3 | 13.3 | 8.0 | 0.39 | 0.03 | 1.7 | 16.0 |
| **SL11-47** | 24.6 | 40.6 | 16.0 | 0.42 | 0.06 | 2.0 | 17.2 |
| **SL11-48** | 25.1 | 29.1 | 4.0 | 0.31 | 0.03 | 1.2 | 12.7 |
| | 56.5 | 60.5 | 4.0 | 0.21 | 0.02 | 1.1 | 9.3 |
| **SL11-49** | 21.3 | 27.3 | 6.0 | 1.27 | 0.17 | 3.9 | 24.8 |
| | 33.3 | 35.3 | 2.0 | 0.31 | 0.04 | 1.7 | 19.7 |
| **SL11-50** | 17.3 | 27.3 | 10.0 | 0.39 | 0.06 | 1.8 | 17.4 |
| **SL11-51** | 57.6 | 61.6 | 4.0 | 1.11 | 0.23 | 5.0 | 40.7 |
| | 99.3 | 101.3 | 2.0 | 0.32 | <0.03 | 1.5 | 18.4 |
| **SL11-52** | No Significant assays | | | | | | |
| **SL11-53** | 2.6 | 6.6 | 4.0 | 0.25 | 0.02 | 1.2 | 13.6 |
| **SL11-54** | 11 | 19 | 8.0 | 0.32 | 0.05 | 1.7 | 12.6 |
| **SL11-55** | 29.5 | 35.5 | 6.0 | 0.32 | 0.03 | 1.2 | 3.8 |
| | 66.0 | 70.0 | 4.0 | 0.46 | 0.03 | 1.4 | 19.4 |
| **SL11-56** | 9.0 | 45.0 | 36.0 | 0.29 | 0.04 | 1.4 | 13.3 |
| **SL11-57** | 0.8 | 2.8 | 2.0 | 0.49 | 0.05 | 3.1 | 18.2 |
| | 31.4 | 43.4 | 12.0 | 0.60 | 0.08 | 2.8 | 22.6 |
| | 35.4 | 37.4 | 2.0 | 1.34 | 0.10 | 5.6 | 29.8 |
| **SL11-58** | 4.0 | 8.0 | 4.0 | 0.77 | 0.20 | 3.1 | 16.7 |
| | 20.0 | 26.0 | 6.0 | 0.67 | 0.08 | 2.7 | 11.2 |
| *including* | 22.0 | 24.0 | 2.0 | 1.08 | 0.11 | 3.8 | 15.6 |
| | 32.0 | 34.0 | 2.0 | 0.59 | 0.07 | 2.9 | 9.5 |
| | 88.5 | 94.5 | 6.0 | 0.87 | 0.03 | 4.1 | 16.1 |
| *including* | 90.5 | 92.5 | 2.0 | 1.47 | 0.05 | 6.3 | 21.9 |
| **SL11-59** | 44.5 | 46.5 | 2.0 | 0.47 | 0.03 | 2.3 | 7.2 |
| | 52.5 | 60.5 | 8.0 | 1.24 | 0.10 | 4.2 | 21.6 |
| *including* | 56.5 | 58.5 | 2.0 | 1.76 | 0.13 | 6.2 | 18.6 |
| | 90.5 | 96.5 | 6.0 | 0.95 | 0.21 | 5.4 | 27.3 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| *including* | 90.5 | 92.5 | 2.0 | 2.10 | 0.12 | 7.2 | 28.6 |
| **SL11-60** | 74.5 | 76.5 | 2.0 | 0.91 | 0.14 | 3.0 | 42.5 |
| | 86.5 | 88.5 | 2.0 | 0.73 | 0.08 | 2.2 | 32.4 |
| | 112.0 | 116.0 | 4.0 | 0.38 | 0.02 | 1.7 | 21.6 |
| **SL11-61** | 16.8 | 24.8 | 8.0 | 0.60 | 0.05 | 3.1 | 23.6 |
| *including* | 18.8 | 20.8 | 2.0 | 1.26 | 0.15 | 7.2 | 29.0 |
| | 36.8 | 62.8 | 26.0 | 0.24 | 0.02 | 1.1 | 11.8 |
| **SL11-62** | 25.2 | 52.2 | 27.0 | 0.24 | 0.04 | 1.3 | 9.1 |
| | 58.2 | 64.2 | 6.0 | 0.44 | 0.03 | 1.8 | 14.8 |
| **SL11-63** | 30.0 | 40.0 | 10.0 | 0.49 | 0.09 | 2.0 | 21.4 |
| *including* | 30.0 | 32.0 | 2.0 | 1.21 | 0.30 | 4.3 | 36.1 |
| | 50.0 | 52.0 | 2.0 | 0.25 | 0.06 | 1.0 | 10.7 |
| **SL11-64** | No Significant Intercepts | | | | | | |
| **SL11-65** | 10.5 | 18.5 | 8.0 | 0.28 | 0.05 | 1.6 | 12.3 |
| **SL11-66** | 21.0 | 23.0 | 2.0 | 0.23 | 0.05 | 1.2 | 11.4 |
| **SL11-67** | 5.0 | 9.0 | 4.0 | 0.35 | 0.05 | 1.5 | 17.7 |
| | 15.0 | 17.0 | 2.0 | 0.43 | 0.08 | 2.6 | 15.1 |
| | 23.0 | 25.0 | 2.0 | 0.31 | 0.04 | 2.0 | 13.1 |
| **SL11-68** | 5.5 | 11.5 | 6.0 | 0.42 | 0.07 | 2.0 | 15.9 |
| | 21.5 | 27.5 | 6.0 | 0.21 | 0.04 | 1.3 | 12.4 |
| | 50.8 | 52.8 | 2.0 | 0.29 | 0.08 | 1.4 | 15.4 |
| **SL11-69** | 15.0 | 17.0 | 2.0 | 0.29 | 0.03 | 1.6 | 10.5 |
| | 21.0 | 27.0 | 6.0 | 0.22 | 0.04 | 1.0 | 10.2 |
| | 31.0 | 39.0 | 8.0 | 0.32 | 0.06 | 1.1 | 5.6 |
| | 45.0 | 49.0 | 4.0 | 0.30 | 0.05 | 1.5 | 11.6 |
| **SL11-70** | 1.2 | 11.2 | 10.0 | 0.40 | 0.05 | 1.7 | 16.8 |
| | 15.2 | 23.2 | 8.0 | 0.32 | 0.04 | 1.4 | 15.9 |
| | 27.2 | 35.2 | 8.0 | 0.30 | 0.03 | 1.3 | 14.3 |
| **SL11-71** | 168.4 | 178.4 | 10.0 | 1.72 | 0.44 | 6.4 | 35.6 |
| *including* | 168.4 | 172.4 | 4.0 | 2.88 | 0.76 | 10.4 | 39.3 |
| | 180.4 | 188.4 | 8.0 | 0.51 | 0.09 | 2.4 | 11.9 |
| | 271.5 | 279.5 | 8.0 | 0.20 | 0.03 | 0.6 | 5.2 |
| **SL11-72** | 368.1 | 380.1 | 12.0 | 0.31 | 0.31 | 3.7 | 36.1 |
| *including* | 374.1 | 380.1 | 6.0 | 2.06 | 0.54 | 5.5 | 53.5 |
| **SL11-72A** | 309.0 | 313.0 | 4.0 | 0.70 | 0.09 | 3.7 | 6.2 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| | 319.0 | 321.0 | 2.0 | 0.61 | <0.03 | 2.6 | 4.2 |
| | 339.0 | 349.0 | 10.0 | 1.34 | 0.28 | 6.3 | 52.4 |
| *including* | 339.0 | 347.0 | 8.0 | 1.67 | 0.34 | 7.6 | 52.5 |
| **SL11-73** | 6.0 | 10.0 | 4.0 | 0.23 | 0.03 | 1.3 | 8.8 |
| | 22.0 | 24.0 | 2.0 | 0.22 | <0.03 | 1.2 | 12.2 |
| **SL11-74** | 33.7 | 69.7 | 36.0 | 0.32 | 0.05 | 1.3 | 11.0 |
| | 57.7 | 63.7 | 6.0 | 0.73 | 0.13 | 3.2 | 27.2 |
| | 77.7 | 79.7 | 2.0 | 0.32 | <0.03 | 1.6 | 14.1 |
| | 91.7 | 93.7 | 2.0 | 0.65 | 0.07 | 2.2 | 23.7 |
| **SL11-75** | 8.0 | 10.0 | 2.0 | 0.47 | 0.07 | 2.8 | 13.7 |
| | 24.0 | 30.0 | 6.0 | 0.58 | 0.07 | 3.2 | 23.2 |
| | 34.0 | 36.0 | 2.0 | 1.08 | 0.10 | 5.0 | 30.0 |
| **SL11-76** | 79.0 | 83.0 | 4.0 | 0.23 | 0.03 | 1.8 | 28.6 |
| | 87.0 | 89.0 | 2.0 | 0.26 | <0.03 | 0.6 | 6.7 |
| | 95.0 | 97.0 | 2.0 | 0.43 | 0.05 | 2.2 | 21.3 |
| **SL11-77** | 17.5 | 19.5 | 2.0 | 0.58 | 0.06 | 1.8 | 15.2 |
| | 25.5 | 45.5 | 20.0 | 0.22 | 0.03 | 1.2 | 21.5 |
| **SL11-78** | 15.0 | 17.0 | 2.0 | 0.27 | 0.04 | 0.6 | 7.4 |
| | 35.0 | 37.0 | 2.0 | 0.40 | 0.06 | 2.0 | 18.2 |
| | 47.0 | 53.0 | 6.0 | 0.69 | 0.09 | 3.8 | 28.4 |
| | 71.0 | 73.0 | 2.0 | 0.51 | 0.07 | 3.0 | 23.2 |
| **SL11-79** | 11.3 | 23.3 | 12.0 | 0.77 | 0.13 | 3.3 | 6.7 |
| *including* | 17.3 | 21.3 | 4.0 | 2.10 | 0.35 | 9.1 | 8.3 |
| | 69.3 | 135.3 | 66.0 | 0.43 | 0.04 | 1.9 | 10.9 |
| *including* | 105.3 | 109.3 | 4.0 | 2.60 | 0.07 | 10.5 | 11.3 |
| **SL11-80** | 52.0 | 54.0 | 2.0 | 0.17 | 0.03 | 0.8 | 10.1 |
| | 58.0 | 60.0 | 2.0 | 0.18 | <0.03 | 0.8 | 11.0 |
| **SL11-81** | 5.0 | 15.0 | 10.0 | 0.42 | 0.07 | 2.1 | 21.2 |
| **SL11-82** | 26.0 | 30.0 | 4.0 | 0.62 | 0.12 | 3.7 | 17.9 |
| | 42.0 | 44.0 | 2.0 | 0.56 | 0.09 | 3.1 | 15.4 |
| **SL11-83** | Not sampled | | | | | | |
| **SL11-84** | 8.0 | 34.0 | 26.0 | 0.33 | 0.07 | 1.7 | 12.7 |
| *including* | 16.0 | 24.0 | 8.0 | 0.65 | 0.12 | 3.4 | 17.2 |
| **SL11-85** | 39.5 | 47.5 | 8.0 | 0.57 | 0.07 | 3.0 | 16.4 |
| *including* | 39.5 | 41.5 | 2.0 | 1.16 | 0.15 | 6.0 | 21.0 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL11-86** | 6.3 | 8.3 | 2.0 | 0.25 | 0.05 | 1.7 | 7.3 |
| | 20.3 | 22.3 | 2.0 | 0.24 | <0.03 | 1.2 | 9.7 |
| | 34.3 | 62.3 | 28.0 | 0.23 | 0.03 | 1.4 | 10.3 |
| *including* | 34.3 | 38.3 | 4.0 | 0.91 | 0.12 | 4.9 | 21.7 |
| **SL11-87** | 2.4 | 38.4 | 36.0 | 0.41 | 0.06 | 2.2 | 12.4 |
| *including* | 16.4 | 20.4 | 4.0 | 1.03 | 0.14 | 5.1 | 17.8 |
| *and* | 34.4 | 36.4 | 2.0 | 1.28 | 0.15 | 5.2 | 11.1 |
| **SL11-88** | 2.0 | 18.0 | 16.0 | 0.22 | 0.04 | 1.1 | 13.5 |
| | 22.0 | 28.0 | 6.0 | 0.26 | 0.03 | 1.3 | 11.3 |
| | 34.0 | 36.0 | 2.0 | 0.26 | <0.03 | 1.2 | 9.2 |
| | 40.0 | 42.0 | 2.0 | 0.28 | 0.12 | 2.4 | 12.1 |
| **SL11-89** | 5.0 | 7.0 | 2.0 | 0.61 | 0.11 | 2.8 | 23.7 |
| **SL11-90** | 42.0 | 44.0 | 2.0 | 0.43 | 0.05 | 2.0 | 9.3 |
| | 52.0 | 54.0 | 2.0 | 0.40 | 0.05 | 1.8 | 12.6 |
| | 58.0 | 60.0 | 2.0 | 0.29 | 0.03 | 1.4 | 13.3 |
| **SL11-91** | Not drilled | | | | | | |
| **SL11-92** | 18.0 | 62.0 | 44.0 | 0.41 | 0.09 | 2.0 | 18.1 |
| *including* | 20.0 | 22.0 | 2.0 | 0.49 | 0.15 | 2.2 | 27.8 |
| *and* | 32.0 | 42.0 | 10.0 | 1.10 | 0.20 | 5.2 | 30.7 |
| **SL11-93** | 80.0 | 82.0 | 2.0 | 0.33 | 0.05 | 2.2 | 13.2 |
| | 90.0 | 92.0 | 2.0 | 0.29 | 0.06 | 1.4 | 10.0 |
| | 100.0 | 136.0 | 36.0 | 0.56 | 0.15 | 3.1 | 21.1 |
| *including* | 110.0 | 114.0 | 4.0 | 1.97 | 0.69 | 12.0 | 27.8 |
| **SL11-94** | 136.5 | 138.5 | 2.0 | 0.23 | 0.03 | 1.0 | 8.0 |
| | 158.5 | 168.5 | 10.0 | 2.02 | 0.25 | 6.0 | 30.9 |
| *including* | 160.5 | 162.5 | 2.0 | 4.84 | 0.44 | 10.0 | 29.0 |
| SL11-95 | 30.0 | 66.0 | 36.0 | 0.89 | 0.11 | 3.8 | 25.8 |
| *including* | 34.0 | 40.0 | 6.0 | 2.01 | 0.24 | 8.7 | 43.9 |
| *and* | 64.0 | 66.0 | 2.0 | 1.58 | 0.28 | 5.6 | 30.6 |
| **SL11-96** | 100.0 | 136.0 | 36.0 | 0.47 | 0.11 | 2.0 | 15.8 |
| | 112.0 | 116.0 | 4.0 | 1.63 | 0.28 | 6.0 | 46.3 |
| **SL11-97** | 1.3 | 13.3 | 12.0 | 0.30 | 0.09 | 2.2 | 10.7 |
| | 203.7 | 219.7 | 16.0 | 0.55 | 0.14 | 3.1 | 31.3 |
| *including* | 213.7 | 215.7 | 2.0 | 1.06 | 0.29 | 5.0 | 45.2 |
| **SL11-98** | 11.2 | 13.2 | 2.0 | 0.64 | 0.12 | 2.8 | 17.2 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| | 31.2 | 33.2 | 2.0 | 0.34 | 0.05 | 2.0 | 6.0 |
| | 286.0 | 288.0 | 2.0 | 0.49 | 0.08 | 2.8 | 8.5 |
| **SL11-99** | 31.6 | 61.6 | 30.0 | 0.64 | 0.09 | 3.0 | 16.8 |
| *including* | 31.6 | 35.6 | 4.0 | 2.55 | 0.30 | 11.4 | 37.3 |
| *and* | 45.6 | 47.6 | 2.0 | 1.12 | 0.14 | 3.6 | 10.0 |
| **SL11-100** | 52.0 | 92.0 | 20.0 | 0.53 | 0.11 | 2.2 | 16.1 |
| | 56.0 | 62.0 | 6.0 | 0.95 | 0.12 | 3.7 | 27.1 |
| | 76.0 | 80.0 | 4.0 | 1.08 | 0.30 | 4.5 | 15.0 |
| | 86.0 | 90.0 | 4.0 | 1.21 | 0.15 | 5.0 | 28.2 |
| **SL11-101** | 53.5 | 55.5 | 2.0 | 0.23 | 0.03 | 0.8 | 13.4 |
| **SL11-102** | 25.5 | 35.5 | 10.0 | 0.71 | 0.09 | 2.4 | 25.3 |
| *including* | 27.5 | 31.5 | 4.0 | 1.17 | 0.19 | 4.0 | 28.5 |
| **SL11-103** | 27.0 | 31.0 | 4.0 | 0.90 | 0.14 | 2.9 | 22.7 |
| | 63.0 | 65.0 | 2.0 | 0.60 | 0.04 | 5.6 | 12.6 |
| **SL11-104** | 20.4 | 38.4 | 18.0 | 0.30 | 0.05 | 1.5 | 18.1 |
| | 46.4 | 54.4 | 8.0 | 0.32 | 0.03 | 1.9 | 9.5 |
| | 58.4 | 60.4 | 2.0 | 0.25 | <0.03 | 1.2 | 4.9 |
| **SL11-105** | 31.0 | 41.0 | 10.0 | 0.44 | 0.07 | 1.6 | 19.8 |
| | 49.0 | 51.0 | 2.0 | 0.57 | 0.09 | 2.0 | 12.4 |
| | 57.0 | 59.0 | 2.0 | 0.40 | <0.03 | 1.6 | 11.0 |
| **SL11-106** | 59.0 | 83.0 | 24.0 | 0.30 | 0.05 | 1.2 | 9.5 |
| *including* | 61.0 | 63.0 | 2.0 | 0.49 | 0.07 | 2.0 | 14.5 |
| *and* | 69.0 | 75.0 | 6.0 | 0.68 | 0.11 | 2.7 | 13.9 |
| **SL11-107** | 69.0 | 71.0 | 2.0 | 0.26 | 0.05 | 1.0 | 9.7 |
| | 85.0 | 89.0 | 4.0 | 0.33 | 0.06 | 1.5 | 10.1 |
| **SL11-108** | 53.0 | 85.0 | 32.0 | 0.38 | 0.05 | 1.5 | 11.6 |
| *including* | 55.0 | 57.0 | 2.0 | 0.88 | 0.07 | 2.4 | 12.1 |
| *and* | 63.0 | 67.0 | 4.0 | 1.31 | 0.19 | 4.3 | 27.4 |
| and | 83.0 | 85.0 | 2.0 | 0.41 | 0.06 | 1.8 | 14.5 |
| **SL11-109** | 75.5 | 95.5 | 20.0 | 0.34 | 0.05 | 1.6 | 17.8 |
| *including* | 81.5 | 83.5 | 2.0 | 0.81 | 0.13 | 3.6 | 28.5 |
| *and* | 89.5 | 91.5 | 2.0 | 1.64 | 0.25 | 9.0 | 40.8 |
| **SL11-110** | 2.2 | 8.2 | 6.0 | 0.38 | 0.03 | 1.8 | 24.4 |
| | 22.2 | 28.2 | 6.0 | 0.27 | 0.02 | 1.5 | 13.2 |
| **SL11-111** | No Significant Intercepts (only one sample taken) | | | | | | |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL11-112** | 41.8 | 43.8 | 2.0 | 2.14 | 0.42 | 6.6 | 21.1 |
| **SL11-113** | 57.0 | 75.0 | 18.0 | 0.49 | 0.08 | 1.8 | 13.5 |
| *including* | 65.0 | 67.0 | 2.0 | 1.05 | 0.13 | 3.4 | 30.0 |
| **SL11-114** | 89.0 | 109.0 | 20.0 | 0.56 | 0.10 | 2.6 | 20.0 |
| *including* | 103.0 | 105.0 | 2.0 | 1.40 | 0.19 | 6.0 | 35.7 |
| **SL11-115** | 133.0 | 141.0 | 8.0 | 1.19 | 0.13 | 2.4 | 23.6 |
| including | 135.0 | 139.0 | 4.0 | 2.08 | 0.22 | 3.6 | 37.7 |
| | 181.0 | 189.0 | 8.0 | 0.32 | 0.05 | 1.9 | 20.6 |
| **SL11-116** | 48.0 | 68.0 | 20.0 | 0.40 | 0.08 | 1.7 | 12.9 |
| *including* | 64.0 | 66.0 | 2.0 | 1.80 | 0.34 | 7.2 | 33.8 |
| | 82.0 | 96.0 | 14.0 | 0.30 | 0.08 | 1.7 | 12.6 |
| | 162.0 | 168.0 | 6.0 | 0.20 | 0.09 | 0.7 | 6.2 |
| | 200.0 | 261.0 | 61.0 | 0.24 | 0.09 | 1.5 | 7.5 |
| *including* | 231.0 | 233.0 | 2.0 | 1.34 | 0.44 | 13.4 | 15.4 |
| | 302.0 | 326.0 | 24.0 | 0.33 | 0.11 | 1.6 | 12.9 |
| | 338.0 | 344.0 | 6.0 | 0.46 | 0.12 | 2.3 | 9.6 |
| | 360.0 | 371.0 | 11.0 | 1.16 | 0.24 | 4.2 | 14.6 |
| **SL11-117** | 58.0 | 70.0 | 12.0 | 0.70 | 0.14 | 3.3 | 17.8 |
| *including* | 68.0 | 70.0 | 2.0 | 2.23 | 0.34 | 9.2 | 14.8 |
| | 80.0 | 82.0 | 2.0 | 0.26 | 0.07 | 1.3 | 11.2 |
| **SL11-118** | 84.0 | 108.0 | 24.0 | 0.24 | 0.04 | 1.1 | 8.5 |
| | 132.0 | 134.0 | 2.0 | 0.38 | 0.09 | 1.9 | 13.0 |
| **SL11-119** | 74.2 | 108.2 | 34.0 | 0.28 | 0.06 | 0.9 | 11.2 |
| **SL11-120** | 83.0 | 89.0 | 6.0 | 0.20 | <0.03 | 0.2 | 6.2 |
| | 97.0 | 107.0 | 10.0 | 0.18 | 0.02 | 0.4 | 6.5 |
| | 117.0 | 119.0 | 2.0 | 0.17 | 0.02 | 0.5 | 7.0 |
| **SL11-121** | 3.0 | 7.0 | 4.0 | 0.63 | 0.08 | 2.4 | 23.2 |
| | 19.0 | 25.0 | 6.0 | 0.49 | 0.06 | 2.5 | 12.2 |
| | 33.0 | 39.0 | 6.0 | 0.27 | 0.02 | 1.7 | 12.3 |
| **SL11-122** | 4.0 | 6.0 | 2.0 | 0.37 | <0.03 | 2.2 | 18.7 |
| | 18.0 | 20.0 | 2.0 | 0.38 | 0.03 | 3.0 | 21.6 |
| | 30.0 | 32.0 | 2.0 | 0.50 | <0.03 | 3.0 | 12.1 |
| **SL11-123** | 2.0 | 8.0 | 2.0 | 0.24 | 0.02 | 1.7 | 10.2 |
| | 47.0 | 51.0 | 2.0 | 0.29 | 0.02 | 1.2 | 6.3 |
| **SL11-124** | 12.0 | 14.0 | 2.0 | 0.34 | 0.04 | 2.4 | 5.2 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL11-125** | 2.2 | 26.2 | 24.0 | 0.19 | 0.04 | 1.4 | 10.5 |
| *including* | 2.2 | 4.2 | 2.0 | 0.54 | 0.07 | 4.3 | 11.4 |
| *and* | 24.2 | 26.2 | 2.0 | 0.48 | 0.11 | 3.0 | 12.6 |
| **SL11-126** | 3.0 | 23.0 | 20.0 | 0.47 | 0.05 | 2.1 | 14.9 |
| *including* | 15.0 | 23.0 | 8.0 | 0.90 | 0.10 | 4.1 | 19.6 |
| **SL11-127** | 3.4 | 7.4 | 4.0 | 0.34 | 0.04 | 1.8 | 27.5 |
| | 21.4 | 31.4 | 10.0 | 0.38 | 0.03 | 1.7 | 13.2 |
| **SL11-128** | 9.0 | 11.0 | 2.0 | 0.44 | 0.04 | 1.8 | 26.4 |
| | 23.0 | 25.0 | 2.0 | 0.31 | <0.03 | 1.6 | 11.9 |
| | 33.0 | 35.0 | 2.0 | 0.65 | 0.04 | 2.4 | 16.4 |
| | 43.0 | 47.0 | 4.0 | 0.37 | 0.11 | 2.0 | 9.8 |
| **SL11-129** | 0.8 | 10.8 | 10.0 | 0.43 | 0.08 | 2.1 | 17.7 |
| *including* | 2.8 | 6.8 | 4.0 | 0.76 | 0.10 | 2.9 | 21.4 |
| | 38.8 | 44.8 | 6.0 | 0.69 | 0.07 | 3.9 | 14.5 |
| **SL11-130** | 18.0 | 28.0 | 10.0 | 0.32 | 0.08 | 1.3 | 12.0 |
| *including* | 22.0 | 24.0 | 2.0 | 0.81 | 0.16 | 2.8 | 11.8 |
| | 36.0 | 44.0 | 8.0 | 0.31 | 0.04 | 1.4 | 11.5 |
| **SL11-131** | 109.3 | 137.3 | 28.0 | 0.20 | 0.05 | 0.5 | 8.2 |
| **SL11-132** | 99 | 101 | 2.0 | 0.26 | <0.3 | 1.6 | 4.6 |
| | 137.0 | 145.0 | 8.0 | 0.25 | 0.09 | 1.2 | 7.6 |
| | 169 | 187 | 18.0 | 0.57 | 0.15 | 2.7 | 12.9 |
| *including* | 183 | 185 | 2.0 | 2.15 | 0.53 | 10.2 | 40.0 |
| **SL11-133** | 122 | 124 | 2.0 | 0.32 | 0.06 | 1.0 | 9.3 |
| **SL11-134** | 144.2 | 154.2 | 10.0 | 0.26 | 0.05 | 0.9 | 11.5 |
| | 166.2 | 170.2 | 4.0 | 0.23 | 0.09 | 1.6 | 8.9 |
| | 176.2 | 178.2 | 2.0 | 0.23 | 0.03 | 0.6 | 1.6 |
| **SL11-135** | 104.0 | 110.0 | 6.0 | 0.30 | 0.06 | 0.6 | 12.6 |
| | 187.5 | 189.5 | 2.0 | 1.02 | 0.19 | 6.0 | 7.4 |
| **SL11-136** | 51.8 | 53.8 | 2.0 | 0.22 | 0.03 | 0.4 | 3.6 |
| | 79.8 | 89.8 | 10.0 | 0.20 | 0.02 | 0.7 | 9.8 |
| | 93.8 | 101.8 | 8.0 | 0.17 | 0.02 | 0.4 | 8.3 |
| | 107.8 | 109.8 | 2.0 | 0.21 | 0.03 | 0.7 | 7.5 |
| **SL11-137** | 30.0 | 42.0 | 12.0 | 0.19 | 0.02 | 0.5 | 10.1 |
| | 96.0 | 98.0 | 2.0 | 0.31 | 0.05 | 1.3 | 5.6 |
| | 114.0 | 116.0 | 2.0 | 0.21 | 0.03 | 1.0 | 7.2 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL11-138** | 6.1 | 12.1 | 6.0 | 0.28 | 0.04 | 0.9 | 12.0 |
| | 26.1 | 34.1 | 8.0 | 0.22 | 0.04 | 1.0 | 9.1 |
| **SL11-139** | 53.0 | 57.0 | 4.0 | 0.36 | 0.07 | 1.9 | 12.3 |
| | 73.0 | 75.0 | 2.0 | 1.03 | 0.63 | 9.6 | 12.0 |
| **SL11-140** | 6.7 | 34.7 | 28.0 | 0.55 | 0.08 | 2.1 | 12.8 |
| *including* | 16.7 | 18.7 | 2.0 | 3.67 | 0.54 | 17.1 | 20.8 |
| | 40.7 | 42.7 | 2 | 0.39 | 0.05 | 2.0 | 8.0 |
| **SL11-141** | 15.5 | 29.5 | 14.0 | 0.91 | 0.08 | 3.1 | 15.6 |
| *including* | 17.5 | 21.5 | 4.0 | 2.18 | 0.18 | 7.3 | 23.4 |
| **SL11-142** | 2.8 | 6.8 | 4.0 | 0.88 | 0.13 | 2.5 | 33.4 |
| *including* | 2.8 | 4.8 | 2.0 | 1.38 | 0.24 | 3.4 | 30.3 |
| **SL11-143** | 72.4 | 102.4 | 30.0 | 0.35 | 0.07 | 2.0 | 20.2 |
| *including* | 84.4 | 86.4 | 2.0 | 1.42 | 0.23 | 5.4 | 30.5 |
| **SL11-144** | 114.0 | 116.0 | 2.0 | 0.23 | <0.03 | 0.8 | 7.2 |
| | 126.0 | 128.0 | 2.0 | 0.27 | 0.03 | 0.8 | 7.4 |
| **SL11-145** | 10.0 | 16.0 | 6.0 | 0.41 | 0.10 | 3.7 | 11.0 |
| | 73.0 | 85.0 | 12.0 | 0.35 | 0.06 | 1.6 | 17.4 |
| *including* | 79.0 | 81.0 | 2.0 | 0.94 | 0.17 | 4.6 | 20.0 |
| | 93.0 | 105.0 | 12.0 | 0.34 | 0.05 | 1.6 | 17.1 |
| **SL11-146** | 68.8 | 76.8 | 8.0 | 0.38 | 0.07 | 1.7 | 17.1 |
| *including* | 68.8 | 70.8 | 2.0 | 0.93 | 0.11 | 3.6 | 30.3 |
| | 82.8 | 86.8 | 4.0 | 0.31 | 0.07 | 1.6 | 20.7 |
| | 92.8 | 94.8 | 2.0 | 0.27 | 0.04 | 1.2 | 9.3 |
| | 104.8 | 109.7 | 4.9 | 0.34 | 0.04 | 1.5 | 12.5 |
| **SL11-147** | Not sampled | | | | | | |
| **SL11-148** | 61.0 | 75.0 | 14.0 | 0.78 | 0.12 | 4.5 | 22.1 |
| *including* | 63.0 | 69.0 | 6.0 | 1.19 | 0.18 | 6.9 | 25.3 |
| | 87.0 | 89.0 | 2.0 | 0.24 | <0.03 | 2.8 | 40.9 |
| **SL11-149** | 62 | 108 | 46.0 | 0.38 | 0.07 | 0.8 | 12.8 |
| *including* | 64.0 | 66.0 | 2.0 | 2.70 | 0.61 | 5.4 | 24.6 |
| *and* | 80.0 | 82.0 | 2.0 | 2.15 | 0.35 | 6.4 | 31.1 |
| **SL11-150** | 51.1 | 83.1 | 32.0 | 0.43 | 0.05 | 1.5 | 19.2 |
| *including* | 51.1 | 53.1 | 2.0 | 1.50 | 0.11 | 6.1 | 41.4 |
| *and* | 61.1 | 63.1 | 2.0 | 1.62 | 0.18 | 4.9 | 29.1 |
| **SL11-151** | No Significant Intercepts | | | | | | |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| **SL11-152** | 96.0 | 99.0 | 3.0 | 0.24 | 0.03 | 5.5 | 2.9 |
| **SL11-153** | 66.0 | 69.0 | 3.0 | 0.26 | 0.01 | 1.9 | 5.3 |
| **SL11-154** | No Significant Intercepts | | | | | | |
| **SL11-155** | 66.0 | 69.0 | 3.0 | 0.26 | 0.01 | 1.9 | 5.3 |
| **SL11-156** | No Significant Intercepts | | | | | | |
| **SL11-157** | No Significant Intercepts | | | | | | |
| **SL11-158** | No Significant Intercepts | | | | | | |
| **SL11-159** | 3.0 | 9.0 | 6.0 | 0.41 | 0.09 | 1.9 | 35.2 |
| *including* | 5.0 | 7.0 | 2.0 | 0.82 | 0.17 | 2.8 | 42.8 |
| | 15.0 | 17.0 | 2.0 | 0.31 | 0.05 | 1.0 | 10.8 |
| | 27.0 | 33.0 | 6.0 | 0.27 | 0.03 | 1.5 | 15.7 |
| | 37.0 | 39.0 | 2.0 | 0.41 | 0.01 | 1.1 | 7.6 |
| | 63.0 | 67.0 | 4.0 | 0.27 | 0.04 | 1.4 | 8.8 |
| | 95.0 | 97.0 | 2.0 | 0.37 | 0.02 | 1.0 | 9.1 |
| | 247.0 | 249.0 | 2.0 | 0.34 | 0.06 | 1.5 | 8.4 |
| **SL11-160** | 59.0 | 63.0 | 4.0 | 0.26 | 0.04 | 0.7 | 9.5 |
| | 65.0 | 81.0 | 16.0 | 0.36 | 0.08 | 1.4 | 11.0 |
| *including* | 79.0 | 81.0 | 2.0 | 1.40 | 0.18 | 4.0 | 7.8 |
| | 93.0 | 101.0 | 8.0 | 0.49 | 0.09 | 1.5 | 10.1 |
| *including* | 93.0 | 99.0 | 2.0 | 1.15 | 0.25 | 3.3 | 9.9 |
| | 111.0 | 113.0 | 2.0 | 3.37 | 0.59 | 32.7 | 11.2 |
| | 229.0 | 231.0 | 2.0 | 0.24 | 0.05 | 0.7 | 7.3 |
| | 436.0 | 438.0 | 2.0 | 0.33 | 0.02 | 1.7 | 3.1 |
| **SL11-161** | 48.0 | 80.0 | 32.0 | 0.32 | 0.04 | 0.7 | 12.2 |
| *including* | 50.0 | 52.0 | 2.0 | 1.51 | 0.14 | 2.8 | 17.3 |
| *and* | 62.0 | 64.0 | 2.0 | 1.16 | 0.18 | 3.0 | 23.4 |
| **SL11-162** | 70.0 | 96.0 | 26.0 | 0.67 | 0.11 | 2.8 | 23.9 |
| *including* | 78.0 | 82.0 | 4.0 | 1.58 | 0.18 | 6.0 | 33.2 |
| *and* | 94.0 | 96.0 | 2.0 | 1.00 | 0.14 | 4.0 | 27.2 |
| | 238.0 | 240.0 | 2.0 | 0.26 | 0.04 | 1.0 | 6.6 |
| | 264.0 | 270.0 | 6.0 | 0.25 | 0.04 | 1.1 | 5.0 |
| **SL11-163** | 51.5 | 89.5 | 38.0 | 0.40 | 0.07 | 1.2 | 16.8 |
| *including* | 59.5 | 61.5 | 2.0 | 1.15 | 0.21 | 3.5 | 32.4 |
| *and* | 71.5 | 73.5 | 2.0 | 1.82 | 0.16 | 5.0 | 49.1 |
| **SL11-164** | 61.0 | 77.0 | 16.0 | 0.45 | 0.07 | 1.6 | 17.3 |

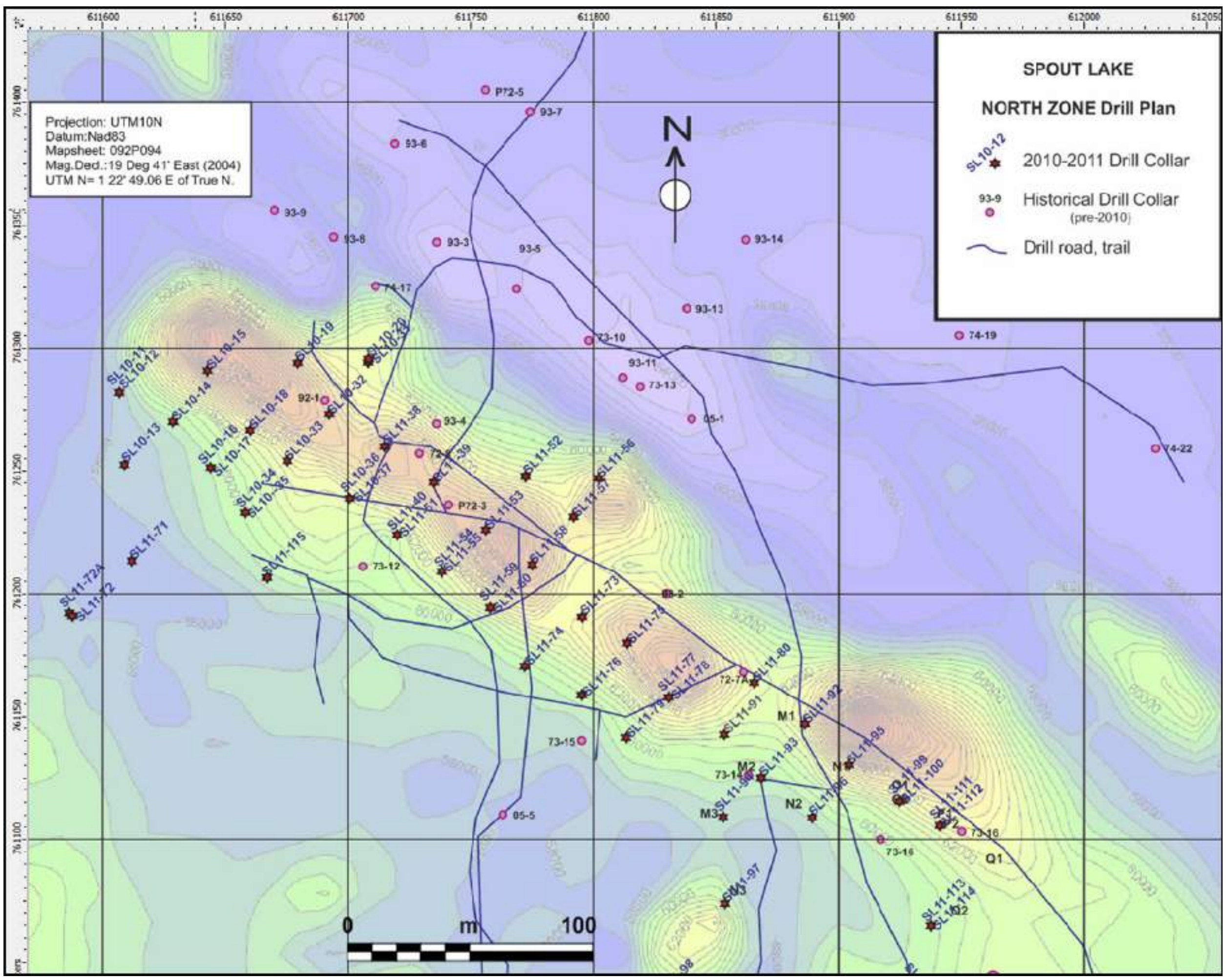
| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| *including* | 61.0 | 63.0 | 2.0 | 1.10 | 0.15 | 4.4 | 28.9 |
| *and* | 67.0 | 69.0 | 2.0 | 1.09 | 0.19 | 3.4 | 20.7 |
| **SL11-165** | 61.0 | 79.0 | 18.0 | 0.67 | 0.14 | 3.5 | 17.2 |
| *including* | 61.0 | 67.0 | 6.0 | 1.20 | 0.22 | 6.1 | 21.4 |
| | 101.0 | 103.0 | 2.0 | 0.36 | 0.10 | 1.2 | 12.7 |
| **SL11-166** | 51.0 | 59.0 | 8.0 | 0.62 | 0.10 | 2.4 | 17.1 |
| *including* | 55.0 | 57.0 | 2.0 | 1.46 | 0.21 | 5.2 | 25.1 |
| | 63.0 | 67.0 | 4.0 | 0.46 | 0.06 | 1.5 | 11.7 |
| | 75.0 | 77.0 | 2.0 | 0.28 | 0.04 | 0.8 | 10.6 |
| | 85.0 | 87.0 | 2.0 | 0.23 | 0.03 | 0.6 | 14.0 |
| **SL11-167** | 5.0 | 17.0 | 12.0 | 0.37 | 0.08 | 1.5 | 21.1 |
| **SL11-168** | 69.6 | 81.6 | 12.0 | 0.79 | 0.10 | 2.8 | 15.6 |
| *including* | 77.6 | 81.6 | 4.0 | 1.45 | 0.17 | 5.0 | 16.8 |
| | 89.6 | 91.6 | 2.0 | 0.81 | 0.06 | 2.1 | 7.3 |
| | 95.6 | 97.6 | 2.0 | 0.28 | 0.04 | 1.3 | 10.1 |
| | 117.6 | 119.6 | 2.0 | 0.28 | 0.05 | 1.3 | 9.9 |
| | 121.6 | 123.6 | 2.0 | 0.59 | 0.07 | 2.1 | 15.3 |
| | 139.6 | 143.6 | 4.0 | 0.24 | 0.05 | 0.9 | 8.3 |
| | 219.6 | 221.6 | 2.0 | 0.61 | 0.14 | 3.7 | 6.8 |
| | 239.6 | 243.6 | 4.0 | 0.40 | 0.06 | 1.5 | 6.5 |
| **SL11-169** | 47 | 49 | 2 | 0.39 | 0.03 | 1.2 | 9.1 |
| | 53.0 | 97.0 | 44.0 | 0.38 | 0.07 | 1.5 | 13.8 |
| *including* | 85.0 | 87.0 | 2.0 | 1.20 | 0.22 | 3.3 | 16.6 |
| | 155.0 | 157.5 | 2.5 | 0.59 | 0.09 | 4.8 | 6.4 |
| **SL11-170** | 52.4 | 54.4 | 2.0 | 0.86 | 0.14 | 2.5 | 15.8 |
| | 56.4 | 62.4 | 6.0 | 0.27 | 0.02 | 1.1 | 6.8 |
| | 66.4 | 68.4 | 2.0 | 0.32 | 0.02 | 1.8 | 17.7 |
| **SL11-171** | 174.3 | 180.3 | 6.0 | 1.86 | 0.49 | 6.8 | 33.1 |
| | 188.3 | 190.3 | 2.0 | 0.31 | 0.03 | 1.3 | 11.2 |
| **SL11-172** | 213.0 | 215.0 | 2.0 | 0.21 | 0.03 | 0.4 | 5.4 |
| | 219.0 | 233.0 | 14.0 | 0.69 | 0.09 | 2.4 | 31.9 |
| *Including* | 219.0 | 225.0 | 6.0 | 1.18 | 0.15 | 4.1 | 31.8 |
| | 239.0 | 241.0 | 2.0 | 0.23 | 0.03 | 1.2 | 8.6 |
| | 332.0 | 338.0 | 6.0 | 0.26 | 0.18 | 1.5 | 4.9 |
| **SL11-173** | 180 | 192 | 12.0 | 0.28 | 0.02 | 1.4 | 5.6 |

| Collar Number | From (m) | To (m) | Core Length (m) | Cu (%) | Au (g/t) | Ag (g/t) | Fe (%) |
|---|---|---|---|---|---|---|---|
| | 204.0 | 210.0 | 6.0 | 0.58 | 0.08 | 2.2 | 25.2 |
| *Including* | 204.0 | 206.0 | 2.0 | 1.31 | 0.16 | 4.6 | 17.5 |
| | 214.0 | 218.0 | 4.0 | 0.22 | 0.03 | 0.9 | 6.0 |
| **SL11-174** | 210.0 | 214.0 | 4.0 | 0.21 | 0.03 | 1.5 | 7.3 |
| | 226.0 | 232.0 | 6.0 | 0.56 | 0.10 | 2.2 | 7.7 |
| | 238.0 | 242.0 | 4.0 | 0.49 | 0.04 | 2.1 | 10.0 |
| | 250.0 | 260.0 | 10.0 | 0.47 | 0.13 | 2.3 | 16.0 |
| *Including* | 250.0 | 252.0 | 2.0 | 1.05 | 0.33 | 5.1 | 26.4 |
| **SL11-175** | 295.0 | 297.0 | 2.0 | 0.53 | 0.08 | 1.4 | 8.9 |
| | 313.0 | 319.0 | 6.0 | 0.40 | 0.03 | 2.3 | 3.9 |
| | 337.0 | 345.0 | 8.0 | 1.17 | 0.39 | 7.2 | 38.0 |
| *Including* | 341.0 | 345.0 | 4.0 | 1.89 | 0.57 | 10.2 | 42.7 |
| **SL11-176** | 112.0 | 124.0 | 12.0 | 0.37 | 0.04 | 2.1 | 12.4 |
| *Including* | 120.0 | 122.0 | 2.0 | 0.97 | 0.08 | 5.4 | 32.3 |
| | 132.0 | 138.0 | 6.0 | 1.03 | 0.10 | 3.8 | 33.1 |
| *Including* | 132.0 | 136.0 | 4.0 | 1.46 | 0.13 | 5.3 | 24.9 |
| **SL11-177** | 172.5 | 182.5 | 10.0 | 7.90 | 3.40 | 45.4 | 16.8 |
| *Including* | 174.5 | 180.5 | 6.0 | 12.64 | 5.70 | 73.0 | 21.5 |
| *Including* | 174.5 | 178.5 | 4.0 | 16.78 | 7.88 | 92.3 | 19.2 |
| *Including* | 176.5 | 178.5 | 2.0 | 22.80 | 2.80 | 59.5 | 16.7 |
| | 286.0 | 292.0 | 6.0 | 0.25 | 0.16 | 2.4 | 6.6 |
| | 296.0 | 306.0 | 10.0 | 0.18 | 0.10 | 1.4 | 6.1 |
| | 314.0 | 316.0 | 2.0 | 0.31 | <0.005 | 0.4 | 4.7 |
| **SL11-178** | 274.0 | 278.0 | 4.0 | 0.20 | 0.02 | 0.9 | 6.7 |
| | 282.0 | 288.0 | 6.0 | 0.19 | 0.03 | 0.9 | 6.4 |
| | 292.0 | 304.0 | 12.0 | 0.23 | 0.04 | 1.2 | 9.1 |
| | 316.0 | 320.0 | 4.0 | 0.24 | 0.06 | 1.4 | 8.1 |
| | 326.0 | 340.0 | 14.0 | 0.59 | 0.16 | 4.8 | 18.9 |
| *Including* | 326.0 | 332.0 | 6.0 | 1.22 | 0.33 | 10.0 | 15.3 |
| *And* | 328.0 | 330.0 | 2.0 | 2.02 | 0.60 | 17.3 | 15.5 |

**Spout Deposit, North Zone Drilling**

North Zone holes were drilled towards 040 degrees east of north, roughly perpendicular to the overall strike of the steeply south-dipping zone (Figure 10-5), using holes inclined 45, 60 and 70 degrees. Drill sections tested the zone every 25 m along strike, and most holes targeting vertical depths above 150 m were considered open-pit mineable. In three locations, approximately 100 m apart along-strike, the zone was intersected approximately 250 m below surface, and in one section, located near the western end of the Zone, to a vertical depth of 350 m (DDH SL11-72).

**Figure 10-5: Spout North Drill Plan Shows Locations of Historical and 2010–2011 Drilling, overlain on ground magnetic contours.**



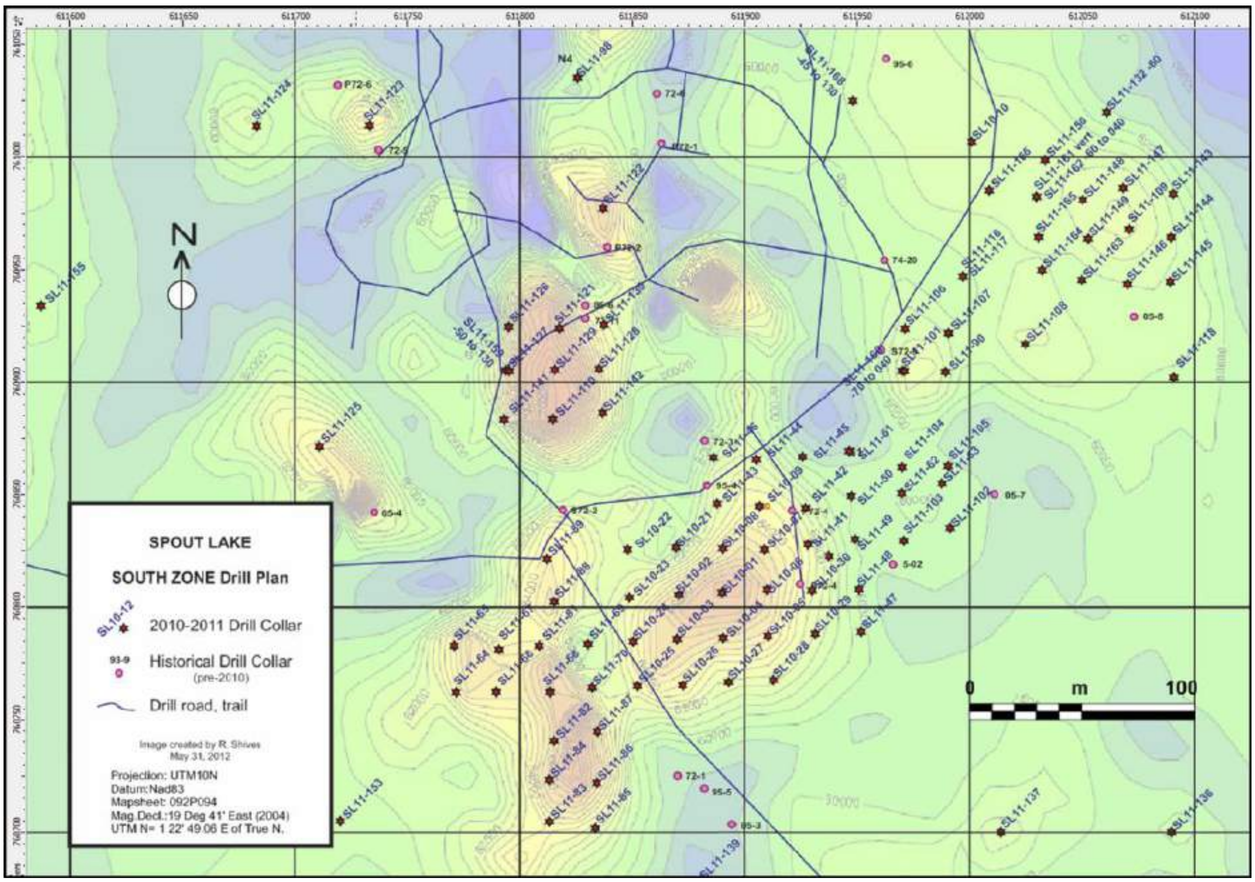

Source: EnGold Mines Ltd., 2012

In February 2012, SRK Consulting (Canada) Inc. (SRK) was engaged by GWR to evaluate the mineral resources for the Lac La Hache Project. SRK classified the mineral resources for the Spout deposit as Indicated and Inferred Mineral Resources as defined in NI 43-101. The tonnages and average grades of SRK's resource estimates are described in Section 14.1.

### Spout Deposit, South Zone Drilling

The South Zone drilling was completed using predominantly vertical drill holes because the zone is sub-horizontal. A few angled holes in the South Zone were drilled to test continuity of subparallel, narrow, sub-vertical veins of massive chalcopyrite. The shallow (near or at-surface) position of the South Zone permitted relatively short holes (Figure 10-6).

**Figure 10-6: Spout South Drill Plan Shows Locations of Historical and 2010–2011 Drilling, overlain on ground magnetic contours.**




Source: EnGold Mines Ltd., 2012

# 11. SAMPLE SECURITY, PREPARATION AND ANALYSES

## 11.1. Facility Security

EnGold maintains a secure office/core logging/sampling/core storage facility located on Highway 97 South, 6 km south of Lac La Hache. This facility is enclosed by a 3 m high chain link fence topped by barbed wire and is accessed through a gate that is kept locked when the facility is vacant. Core logging and sampling is carried out within a secure building owned by EnGold and only management, geological/geotechnical or drilling contractor staff have key-access to the facility. All access keys are numbered, assigned to specific individuals, and are not reproducible by key-holders.

Locks on yard entrance gates are keyed separately than building-entrance locks to further control access. All core handling (core delivery, logging and sampling) is supervised by the QP or, in his absence, by the core logging geologist. No non-company personnel are permitted unaccompanied access to the logging/sampling part of the facility.

## 11.2. Sampling Protocols

### 11.2.1. *Trench Sampling*

Robert Shives (VP Exploration and Qualified Person, EnGold) was on-site during the Aurizon trench-sampling and witnessed proper trench bedrock sampling protocols, sample bagging and tagging conducted by experienced EnGold field staff. Those samples were transported by EnGold staff to ALS Labs in Kamloops for sample preparation. EnGold believes that proper sampling and chain of custody measures were followed.

### 11.2.2. *Overburden Test Pit Sampling*

Where test pits have been used to obtain bedrock information under overburden cover, locations were selected by EnGold's QP and were excavated by EnGold field staff under his supervision. Where depth to bedrock did not exceed the hoe's reach, a bedrock sample was obtained by the hoe operator and brought to surface for examination. GPS coordinates were taken of the actual excavated pit. Samples were bagged, labelled clearly, and transported to the EnGold facility for washing, cutting and examination by the QP. For samples selected by the QP or project geologist for further analysis, EnGold staff then re-bagged, tagged, and sealed each bag with zip-ties; placed them into rice bags, again zip-tied; and transported them to ALS in Kamloops where they were securely stored, catalogued and prepared for analyses.

### 11.2.3. *Drill Core Sampling*

Drilling by EnGold has been completed using various commercial drilling contractors who follow industry standardized coring, extraction and core handling procedures. At the drill, the NQ or NQ2 cores are placed in 4 or 5-foot, 4-row wooden core trays by the drilling helper, with wooden core blocks marking the current footage or drilling depth. As each core tray is filled, the helper clearly labels each tray with the drill hole name and core box number and then covers each with a wooden lid to keep the cores in place, avoid contamination, and ensure security. At the end of each drilling shift, the covered core trays are transported by the drillers directly to the EnGold facility south of Lac La Hache, where they are stored within the locked compound (or inside the locked building, when authorized EnGold personnel are present) until the covers are removed by EnGold staff and processing commences.

All work involving drill core is only carried out by authorized or supervised company personnel. Once drill core is logged geologically and geotechnically, it is photographed. The QP or drill geologist indicates where sampling is to occur, and sample tags are assigned to each sample interval. The core is sawed in half longitudinally by a supervised, trained, core technician using a diamond saw. One half of the core is placed in a heavy-gauge plastic sample bag with its corresponding sample tag, and the other half is returned to its appropriate, sample-tagged position in the core box for storage. Each sample bag is secured using strong plastic zip-ties and then placed into larger rice bags, also secured by zip-ties.

Samples for analysis are stored on pallets within the locked facility until transported to ALS in Kamloops. Prior to 2010, transportation from EnGold facility to Kamloops was carried out using covered pickup trucks. From 2010 to 2012, GWR engaged a bonded commercial carrier, Overland West Freight Lines, to transport the samples. Following a 2-year exploration hiatus (2013 to 2014), EnGold again transported all samples to the ALS Kamloops labs via EnGold staff authorized by the QP (most often the QP himself or drill geologist) using covered vehicles.

Prior to 2012, core sample lengths within porphyry-style mineralization were typically 3 m. However, where mineralization is considered to be variable or intense, sampling is reduced to 2 m intervals or less. Sampling is at the discretion of the drill geologist, based on the degree and type of hydrothermal alteration and the presence of visible sulphide or magnetite mineralization. Unaltered core may not be sampled.

All drilling conducted throughout the Property up to the end of 2006 was not CIM-compliant because standards and duplicate samples were not included within the sample stream, and sampling methodology was not consistent with industry standards. However, beginning in 2007, with drill hole AZ07-11, sample quality control was introduced and from that date has been employed on a routine basis for every hole drilled. From 2008 to 2009, after results were received from Eco Tech Labs, representative inter-laboratory checks assays were conducted by Acme Analytical Laboratories of Vancouver. These results showed excellent correlation between the two labs (Bailey, 2009).

The drill core sampling quality control procedures are as follows:

a) during core cutting and sampling by supervised EnGold geotechnical staff, additional “blind standard” samples, supplied by CDN Ltd. of Vancouver, are inserted into the sample stream at the frequency of about one standard every 20 samples; and

b) “blank standard” samples, consisting of road construction material obtained from a local gravel pit material or purchased driveway stone material (consistently assays zero amounts of copper and gold), are also inserted into the sample stream at the same rate as standard samples; and

c) duplicate analyses are performed by the lab at regular intervals using 30 g split of pulps.

## 11.3. Drill Core Analytical Procedures

On June 30, 2011, ALS Group announced the acquisition of Eco Tech Labs in Kamloops (previously owned by Stewart Group). EnGold samples continued to be shipped to the same lab in Kamloops for sample preparation, following the same procedures. Commencing with Spout Zones DDH SL11-135 and onward, during the third week of August 2011, analyses of those pulps prepared in Kamloops were performed by ALS Labs in Vancouver.

Sample preparation has continued at ALS Kamloops and analyses performed by ALS Vancouver to the present time.

### 11.3.1. *Sample Preparation*

Samples are catalogued and logged into the ALS sample-tracking database. During this process, samples are checked for spillage and general sample integrity. It is verified that samples match the sample shipment requisition provided by EnGold. The samples are transferred into a drying oven and dried.

Core/rock samples are crushed on a Terminator Jaw Crusher to minus 10 mesh ensuring that a minimum of 70% passes through a 2 mm (Tyler 9 mesh) screen. Every 35 samples, a re-split is taken using a riffle splitter to be tested to ensure the homogeneity of the crushed material.

A 250 g sub sample of the crushed material is pulverized on a ring mill pulverizer ensuring that 85% passes through a 75 µ (Tyler 200 mesh) screen. The sub sample is rolled, homogenized and bagged in a pre-numbered bag. A barren gravel blank is prepared after each job in the sample prep to be analyzed for trace contamination along with the actual samples.

### 11.3.2. *Multi Element ICP – AES Analysis*

A 0.5 g sample is digested with aqua regia for 45 minutes in a graphite heating block. The sample is cooled, then diluted to 12.5 mL with deionized water, mixed and analyzed by inductively coupled plasma-atomic emission spectrometry. The analytical results are corrected for inter-element spectral interferences. The reportable analytes are listed in Table 11.1. Results are collated by computer and are printed along with accompanying quality control data (repeats, re-splits, and standards).

**Table 11.1: Reportable Analytes, ALS Labs ICP – AES**

| Analyte | Symbol | Units | Lower Limit | Upper Limit | Default Overlimit Method |
|---|---|---|---|---|---|
| Silver | Ag | ppm | 0.2 | 100 | Ag-OG46 |
| Aluminum | Al | % | 0.01 | 25 | |
| Arsenic | As | ppm | 2 | 10000 | |
| Boron | B | ppm | 10 | 10000 | |
| Barium | Ba | ppm | 10 | 10000 | |
| Beryllium | Be | ppm | 0.5 | 1000 | |
| Bismuth | Bi | ppm | 2 | 10000 | |
| Calcium | Ca | % | 0.01 | 25 | |
| Cadmium | Cd | ppm | 0.5 | 1000 | |
| Cobalt | Co | ppm | 1 | 10000 | |
| Chromium | Cr | ppm | 1 | 10000 | |
| Copper | Cu | ppm | 1 | 10000 | Cu-OG46 |
| Iron | Fe | % | 0.01 | 50 | |
| Gallium | Ga | ppm | 10 | 10000 | |
| Mercury | Hg | ppm | 1 | 10000 | |
| Potassium | K | % | 0.01 | 10 | |
| Lanthanum | La | ppm | 10 | 10000 | |
| Magnesium | Mg | % | 0.01 | 25 | |
| Manganese | Mn | ppm | 5 | 50000 | |
| Molybdenum | Mo | ppm | 1 | 10000 | |
| Sodium | Na | % | 0.01 | 10 | |
| Nickel | Ni | ppm | 1 | 10000 | |
| Phosphorus | P | ppm | 10 | 10000 | |
| Lead | Pb | ppm | 2 | 10000 | Pb-OG46 |
| Sulfur | S | % | 0.01 | 10 | |
| Antimony | Sb | ppm | 2 | 10000 | |
| Scandium | Sc | ppm | 1 | 10000 | |
| Strontium | Sr | ppm | 1 | 10000 | |
| Thorium | Th | ppm | 20 | 10000 | |
| Titanium | Ti | % | 0.01 | 10 | |
| Thallium | Tl | ppm | 10 | 10000 | |
| Uranium | U | ppm | 10 | 10000 | |
| Vanadium | V | ppm | 1 | 10000 | |
| Tungsten | W | ppm | 10 | 10000 | |
| Zinc | Zn | ppm | 2 | 10000 | Zn-OG46 |

### 11.3.3. *Gold Analysis – Fire Assay Fusion, AAS Finish*

A 30 g sample size is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven, 0.5 mL concentrated hydrochloric acid is then added, and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 4 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards. The upper detection limit is 10.0 ppm, and the lower limit is 0.005 ppm.

Appropriate standards and repeat/re-split samples (Quality Control Components) accompany the samples on the data sheet. Results are collated by and are printed along with accompanying quality control data (repeats, re-splits, and standards).

### 11.3.4. *Copper Analysis*

Samples and standards undergo an aqua regia digestion in 200 mL phosphoric acid flasks. Appropriate standards and repeat/re-split samples (Quality Control Components) accompany the samples on the data sheet. The digested solutions are made to volume with reverse osmosis (RO) water and allowed to settle. An aliquot of sample is analyzed on a Perkin Elmer/Thermo Scientific™ Series Atomic Absorption (AA) Spectroscopy (detection limit 0.01% AA). Instrument calibration is done by verified synthetic standards, which have undergone the same digestion procedure as the samples. Standards used narrowly bracket the absorbance value of the sample for maximum precision. Results are collated and are printed along with accompanying quality control data (repeats, re-splits, and standards).

For samples approaching or exceeding 1% copper, a sample is digested in 75% aqua regia for 120 minutes. After cooling, the resulting solution is diluted to volume (100 mL) with de-ionized water, mixed and then analyzed by inductively coupled plasma-atomic emission spectrometry or by atomic absorption spectrometry. The upper detection limit is 40% copper, and the lower detection limit is 0.001% copper.

## 11.4. ALS Lab Accreditation

### 11.4.1. *ALS Group Labs, Vancouver*

ALS laboratories are accredited to ISO/IEC 17025-2005 standards worldwide. As part of EnGold's ongoing quality control procedures, following the change over in August 2011 from Eco Tech Kamloops to ALS Vancouver laboratories, core analysis was scrutinized to ensure no significant assay differences resulted.

## 11.5. Quality Assurance and Quality Control Programs

The copper-gold mineralized standards used by EnGold were acquired from CDN Resource Laboratories Ltd. of Vancouver.

Standard CDN-CGS-12 is certified to contain 0.265 ± 0.015% Cu and 0.29 ± 0.04 g/t Au. Rob Shives, P.Geo. and qualified person for EnGold, reviewed the analyses of the inserted standards by both Eco Tech and ALS, and both consistently reported 0.26 or 0.27% Cu, and 0.29 to 0.31 g/t Au. No significant differences in values for the standard are noted between the labs. Similarly, analyses of the blank standard for both labs show no detectable copper (<0.01% Cu) and no detectable gold (<0.03) based on aqua regia digestion and ICP-MS analyses. Results of duplicate sample analyses for copper and gold received from the analytical laboratories are monitored by the QP on an ongoing basis, and show good agreement.

The copper-gold standard used more recently (2015 to 2017) by EnGold is CDN-CM-11A. This standard is certified (May 10, 2011) to contain 1.014 g/t Au (+/- 0.106 g/t) and 0.332% Cu (+/-0.012%). The average of 54 recent analyses of this standard, inserted into the sample streams by EnGold staff, is 1.062 g/t Au, and, therefore, falls well within the error of the certified analysis. The average copper for the same analyses is 0.342, also within the analytical error.

# 12. DATA VERIFICATION

Garth Kirkham, P. Geo., visited the Property between August 31 through September 2, 2016. The site visit included an inspection of the Property, offices, drill sites, outcrops, drill collars, core storage facilities, core receiving area, and tours of major centres and surrounding villages most likely to be affected by any potential mining operation.

The tour of the office and storage facilities showed a clean, well-organized, professional environment. On-site staff led the author through the chain of custody and methods used at each stage of the logging and sampling process. All methods and processes are up to industry standards and reflect best practices, and no issues were identified.

A visit to the collar locations showed that the collars were well marked and labelled; therefore, they were easily identified.

The author inspected several complete drill holes and they were laid out at the core storage area. Site staff supplied the logs and assay sheets for verification against the core and the logged intervals. The data correlated with the physical core and no issues were identified. In addition, the author toured the complete core storage facilities, selecting and reviewing core throughout. No issues were identified, and recoveries appeared to be very good.

The author is confident that the data and results are valid based on the site visit and inspection of all aspects of the project, including methods and procedures used. It is the opinion of the independent author that all work, procedures, and results have adhered to best practices and industry standards required by NI 43-101. No duplicate samples were taken during the April 2015 site visit to verify assay results and the author was satisfied with the results from previous verification sampling. In addition, there were no limitations with respect to validating the physical data or computer-based data. The author is of the opinion that the work was being performed by competent professionals that adhere to industry best practices and standards.

The data verification process did not identify any material issues with the Engold sample/assay data. The author is satisfied that the assay data is of suitable quality to be used as the basis for this resource estimate.

# 13. MINERAL PROCESSING AND METALLURGICAL TESTING

On November 30, 2017, EnGold provided 52 kg of sample reject material derived from the preparation of 23 split core samples from the Aurizon South deposit to ALS Metallurgical Labs, Kamloops. The material was composited into a single sample.

The objective of the metallurgical test program was to assess the metallurgical performance of the composite using a copper flotation flowsheet. Kinetic rougher and batch cleaner flotation tests were performed to establish copper, gold and silver grades and recoveries to a copper concentrate. In addition, the amenability to gravity separation was tested and a Bond ball mill work index test was completed.

The following text was extracted verbatim from the ALS Report:

*The composite assayed about 1.2 percent copper, 10 g/tonne silver and 9 g/tonne gold. It should be noted that there was high variability between the gold assays on the head samples. This indicates that there was a strong possibility of coarse gold being present in the sample. The primary objective of this program was to determine the metallurgical response of copper and gold in the sample to both gravity concentration and froth flotation techniques.*

*A copper flotation flowsheet was used in kinetic rougher and batch cleaner tests. Three grind sizings were tested in the rougher tests to determine the effect of primary grind sizing on flotation recovery ofcopper and gold. Initial results indicated that there was a minimal impact on gold recovery between 100 and 200 µm K80 grind sizings, and a slight decrease in copper recovery at the coarsest grind size. Tests conducted at a natural pH also recorded similar recoveries to those measured with the pH adjusted to 10 using lime. Lime was used to create conditions selective against pyrite flotation and to assist in producing a high-grade copper concentrate.*

*Copper, gold, and silver recovery to the rougher concentrate averaged about 95, 92, and 90 percent, respectively. Cleaner testing indicated that regrinding of the rougher concentrate to about 41 µm K80 was required to produce a high-grade copper concentrate grading about 28 percent copper at a recovery of 91 percent. The copper concentrate also contained 152 g/tonne silver, and 118 g/tonne gold at recoveries of 61 and 71 percent, respectively.*

*A gravity concentration step was added to the flowsheet preceding flotation to determine if gold and silver recovery could be improved. Although the gravity test indicated that about 35 percent of the gold was recovered to the gravity concentrate grading about 284 g/tonne, the overall gold recovery from combined gravity and flotation of gravity tails indicated that there was no benefit.*

# 14. MINERAL RESOURCE ESTIMATES

## 14.1. Introduction

The purpose of this report is to document the resource estimation for the Aurizon South deposit. This section describes the work conducted by Kirkham Geosystems, including key assumptions and parameters used to prepare the mineral resource models for Aurizon South, together with appropriate commentary regarding the merits and possible limitations of such assumptions.

### 14.1.1. *Previous Mineral Resource Estimate*

SRK Consulting (Canada) Inc. (SRK) was engaged by GWR in February 2012 to evaluate the potentially open-pit mineable mineral resources for the Lac La Hache Project.

In February, 2012, GWR Resources ("GWR") commissioned SRK Consulting (Canada) Inc. ("SRK") to prepare a geological model and mineral resource estimate for the Spout Deposit of the Lac La Hache Project. The services were rendered between February and April, 2012, leading to the disclosure of a mineral resource statement for the Spout Deposit in a news release on April 19, 2012 by GWR. That technical report supported for the first NI 43-101 resource estimate for the Spout Cu-Au-Ag-magnetite deposit and constitutes the first-time disclosure of mineral resources for the Lac La Hache Project.

SRK classified the mineral resources for the Spout deposit as Indicated and Inferred Mineral Resources as defined in NI 43-101. Block classification was applied to the model using a combination of the average distance to composites and number of drill holes contributing to the local estimate. The tonnages and grades of SRK's resource estimates are shown in Table 14.1.

**Table 14.1: Mineral Resource Statement, Spout Deposit, Lac La Hache Project, British Columbia, SRK Consulting (Canada) Inc., April 11, 2012**

| Category | Quantity (Mt) | Grade | | | | Metal | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Cu (%) | Au (g/t) | Ag (g/t) | Magnetite (%) | Cu (000't) | Au (000'oz) | Ag (000'oz) | Magnetite (000't) |
| **Open Pit**** | | | | | | | | | |
| Indicated | 7.6 | 0.28 | 0.05 | 1.26 | 11.4 | 21.4 | 12.3 | 309.7 | 871.6 |
| Inferred | 15.8 | 0.21 | 0.04 | 0.93 | 8.32 | 33.2 | 20.3 | 472.0 | 1,313.4 |

Note: Mineral resources are reported in relation to a conceptual pit shell, to a maximum depth below surface of 60 m. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate

** Open pit mineral resources are reported at a cut-off grade of 0.2% Cu Equivalent. Cut-off grades are based on a price of US$3.25 per pound of copper and copper recoveries of 80%, US$1,300 per ounce of gold and gold recoveries of 55%, US$21 per ounce of silver and silver recoveries of 45%, and US$2.70 per dry metric tonne unit ("dmtu") Fe and magnetite and magnetite recoveries of 80 percent for open pit resources.

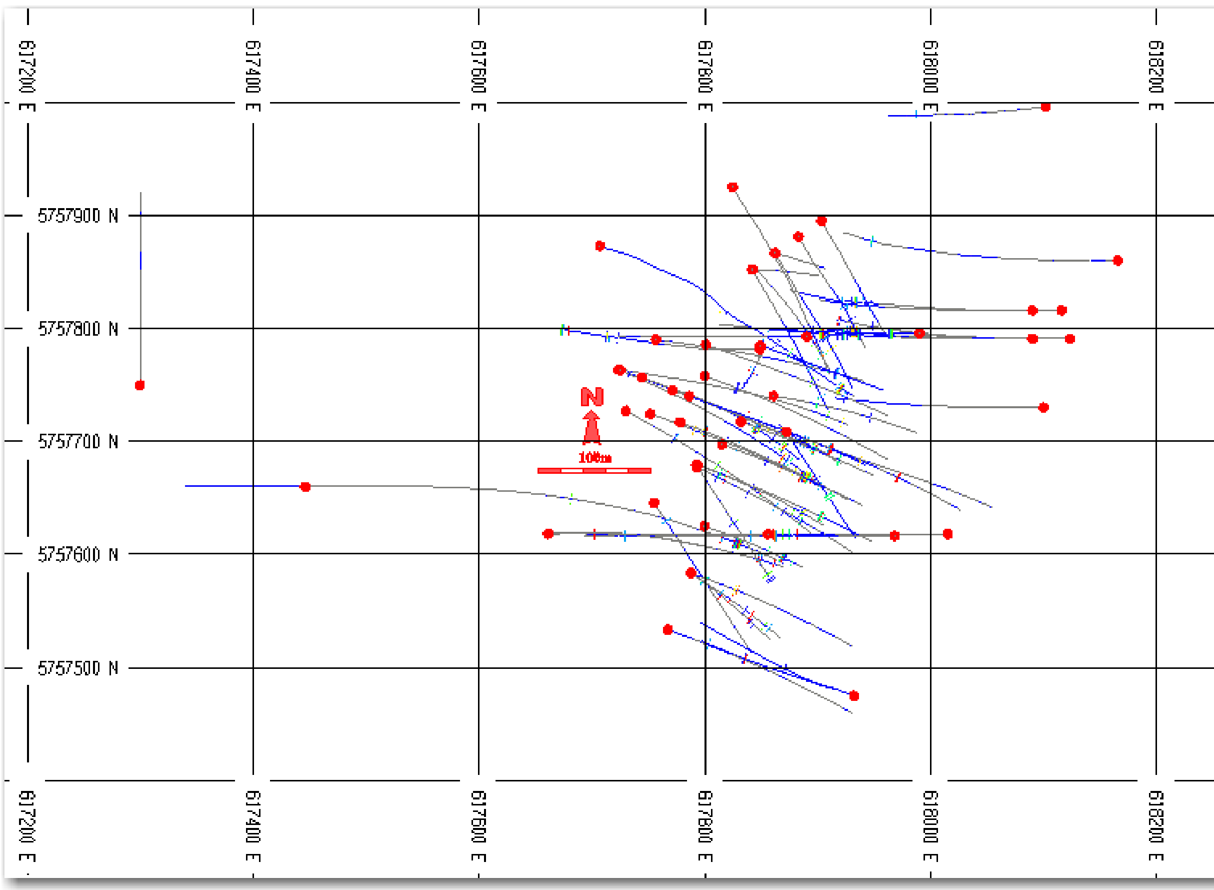
Important Note:

The open pit model adopted by SRK in 2012 was based on a low-grade-ore, open pit design that extended to a depth of only 60 m below surface. While this depth limit was deemed sufficient for extraction of most of the Spout South Zone ore, it included only the upper portion of the steeply dipping Spout North Zone, which has been intersected to a depth of more than 350 m vertically and is open to depth. Both North and South Spout Zones contain higher grade material. EnGold intends to re-evaluate potential of the Spout Deposit as an underground mineable resource based on extraction of the higher-grade material (>1% Cu equivalent), located near surface in both Zones and extending to depth in Spout North.

## 14.2. Data

The 56 drill holes in the database for Aurizon South were supplied in electronic format by EnGold. This included collars, down-hole surveys, lithology data and assay data (i.e., Au g/t, Cu%, Ag g/t). Validation and verification checks were performed during importation of data to ensure there were no overlapping intervals, typographic errors or anomalous entries. None were found. Figure 14-1 shows a plan view of the supplied drill holes.

**Figure 14-1: Plan View of Aurizon South Drill Holes**



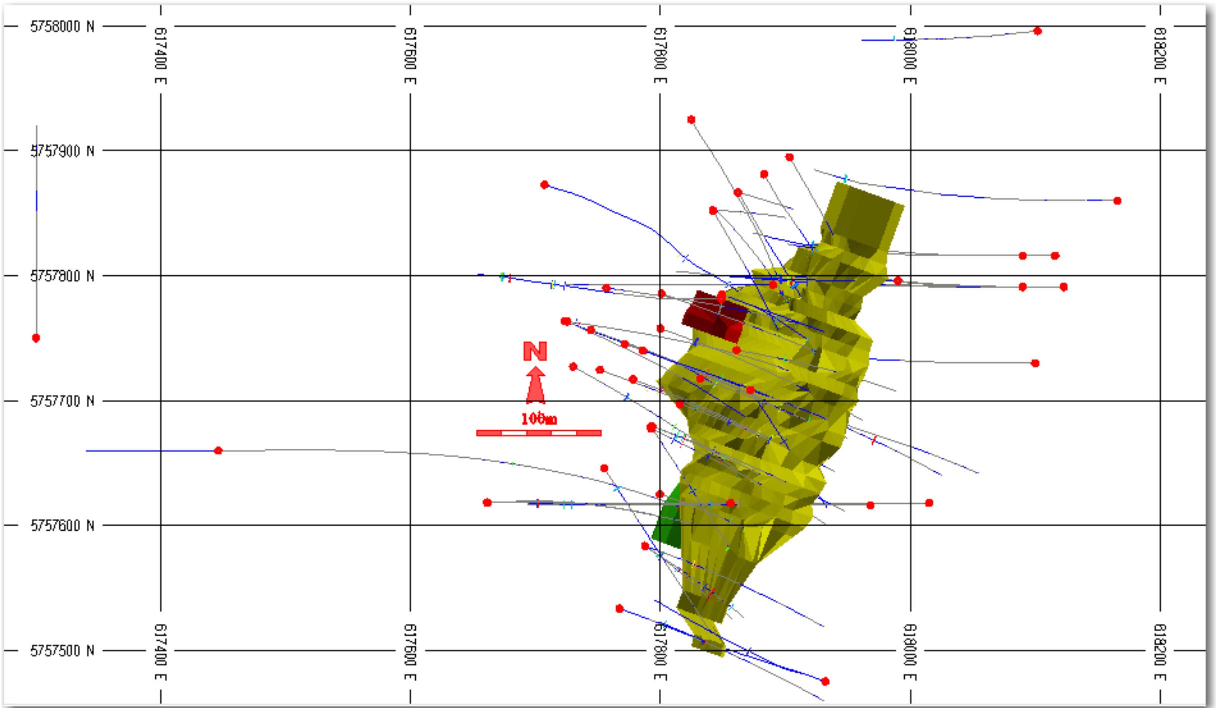

Source: Kirkham Geosystems, 2018

## 14.3. Geology Model

Solid models (Figure 14-2 and Figure 14-3) were created from sections and based on a combination of lithology, gold grades and site knowledge. It is important to note that the understanding and interpretation has evolved to be that of a Hangingwall, Footwall and Main zone as shown in Figures 14-2 and 14-3.

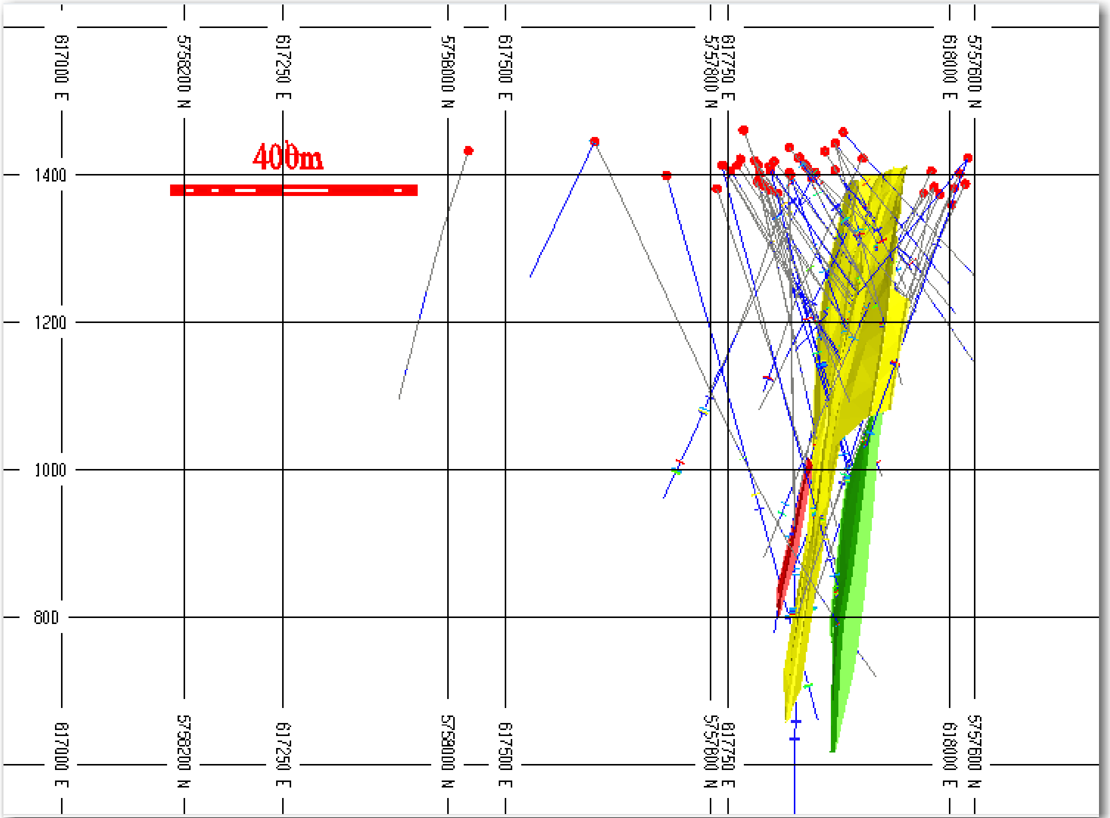
Every intersection was inspected and the solid was then manually adjusted to match the drill intercepts. Once the solid model was created, it was used to code the drill hole assays and composites for subsequent statistical and geostatistical analysis. The solid zone was used to constrain the block model by matching assays to those within the zones. The orientation and ranges (distances) used for search ellipsoids in the estimation process were derived from strike and dip of the mineralized zone, site knowledge, and on-site observations by EnGold geological staff.

**Figure 14-2: Plan View of Aurizon South Mineralized Zones and Drill Holes**




Source: Kirkham Geosystems, 2018

**Figure 14-3: Section View of Aurizon South Mineralized Zones and Drill Holes Looking 34 degrees Azimuth**




Source: Kirkham Geosystems, 2018

## 14.4. Data Analysis

The database was numerically coded by solids for the Hangingwall, Footwall and Main mineralized zones. The database was then manually adjusted, drill hole by drill hole, to ensure accuracy of zonal intercepts. Table 14.2 shows the statistics for the gold, copper, silver assays.

**Table 14.2: Statistics for Gold, Copper, Silver by Zone**

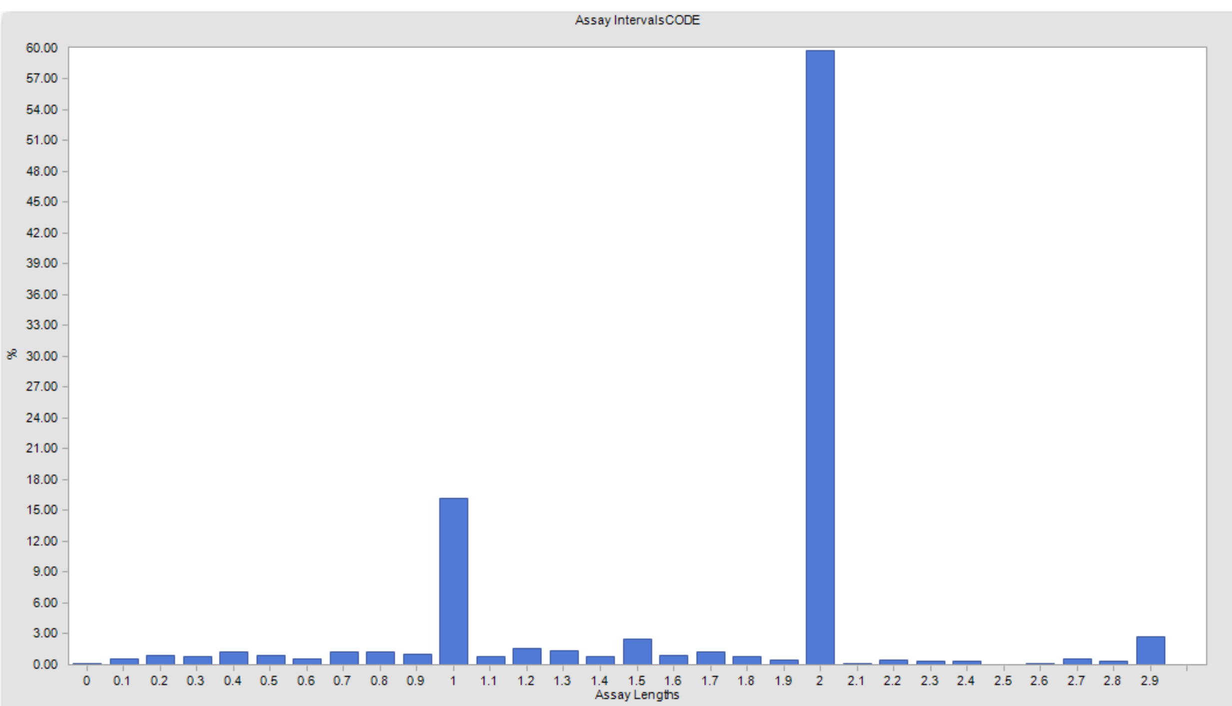
| Zone | | # | Maximum | Mean | COV |
|---|---|---|---|---|---|
| Hangingwall Splay | AU | 20 | 8.7 | 2.195 | 1.2 |
| | CU | 20 | 3.19 | 0.507 | 1.4 |
| | AG | 20 | 8.3 | 1.469 | 1.3 |
| Footwall Splay | AU | 57 | 57.8 | 1.569 | 3.9 |
| | CU | 57 | 3.99 | 0.596 | 1.3 |
| | AG | 57 | 100 | 4.920 | 2.4 |
| Main Zone | AU | 557 | 23 | 1.000 | 2.3 |
| | CU | 557 | 9.3 | 0.270 | 2.3 |
| | AG | 557 | 48.1 | 1.714 | 2.2 |
| Total | AU | 634 | 57.8 | 1.088 | 2.6 |
| | CU | 634 | 9.3 | 0.304 | 2.1 |
| | AG | 634 | 100 | 1.948 | 2.5 |
| All | AU | 4,803 | 263 | 0.222 | 6.1 |
| | CU | 4,785 | 9.3 | 0.074 | 3.5 |
| | AG | 4,587 | 100 | 0.508 | 4.4 |

Source: Kirkham Geosystems, 2018

## 14.5. Composites

It was determined that a 2.5 m composite length offered the best balance between providing common support for samples and minimizing the smoothing of the grades. The 2.5 m sample length also was consistent with the distribution of sample lengths within the mineralized domains as shown in the histogram of assay lengths in Figure 14-4.

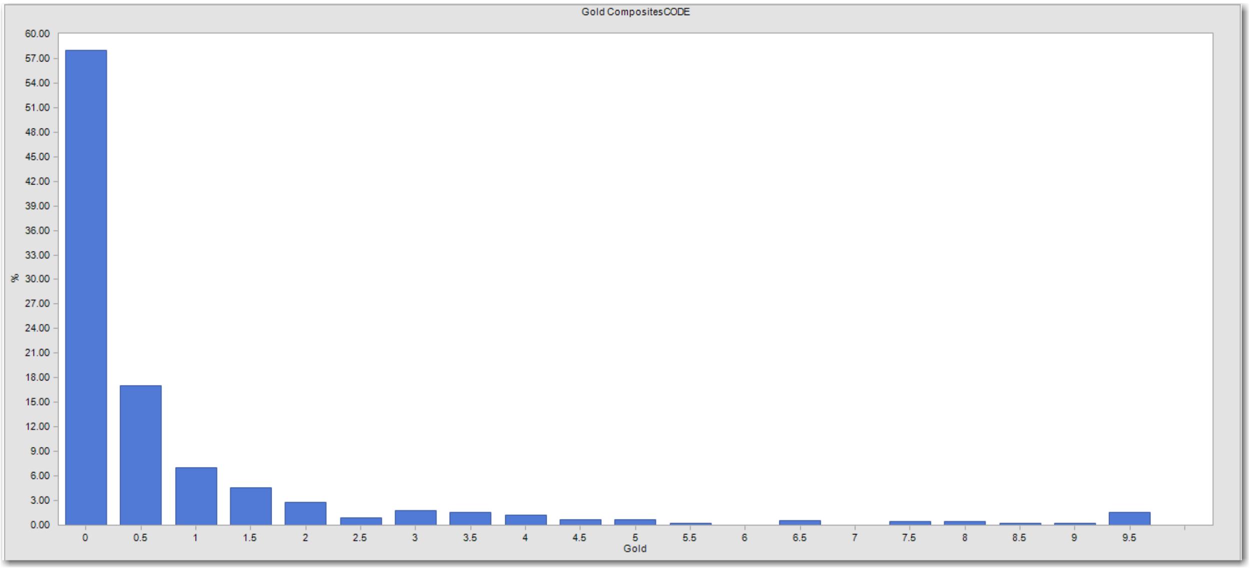
**Figure 14-4: Assay Interval Lengths**




Source: Kirkham Geosystems, 2018

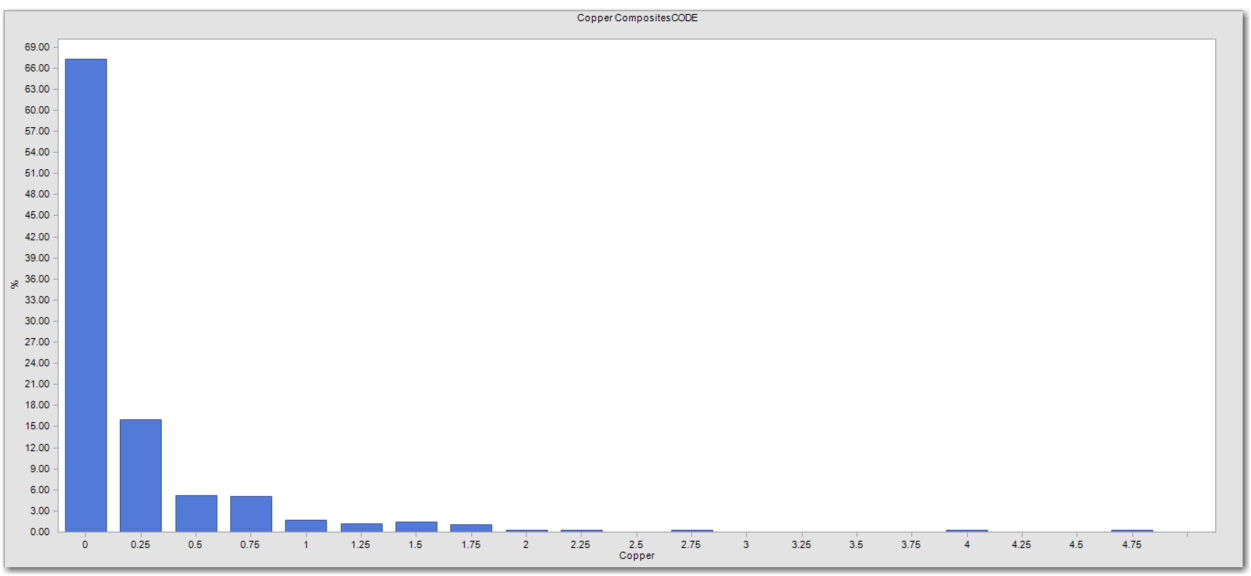
Figures 14-5 through 14-7 show the histograms for gold, copper, and silver, respectively, within the mineralized solids for all zones which demonstrate well-formed, log-normal distribution for all metals.

**Figure 14-5: Histogram of Gold Composite Grades in Zones**



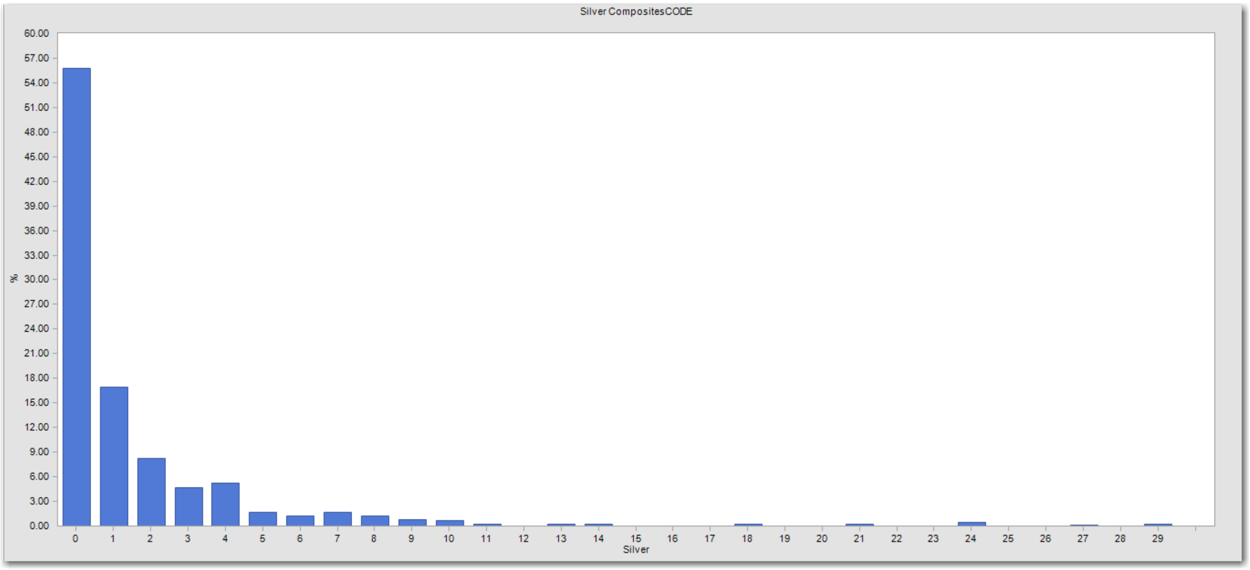

Source: Kirkham Geosystems, 2018

**Figure 14-6: Histogram of Copper Composite Grades in Zones**




Source: Kirkham Geosystems, 2018

**Figure 14-7: Histogram of Silver Composite Grades in Zones**



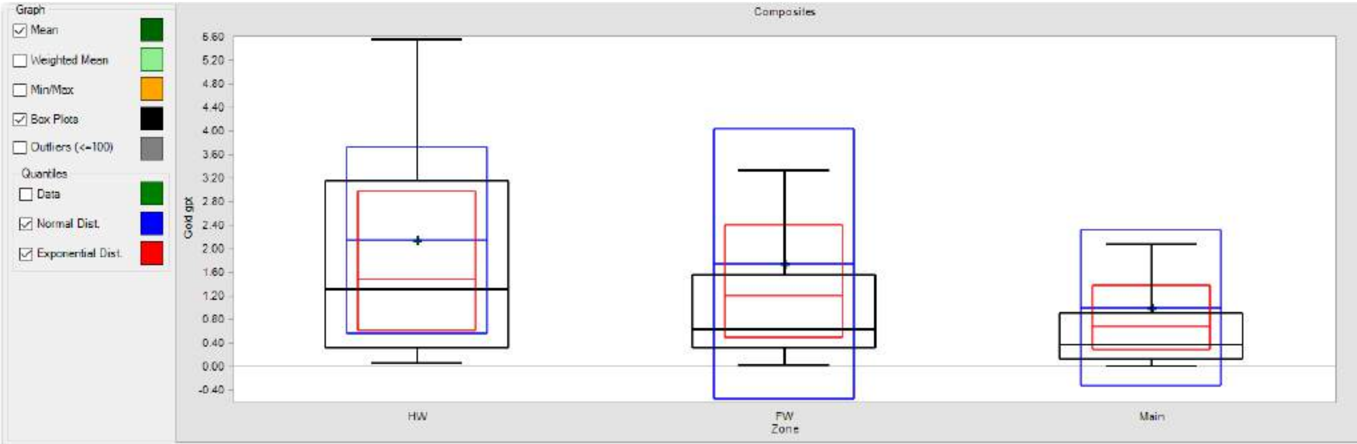

Source: Kirkham Geosystems, 2018

Table 14.2 shows the basic statistics for the 2.5 m copper composite grades within the mineralized domains. It should be noted that although 2.5 m is the composite length, any residual composites of lengths greater than 1.25 m and less than 2.5 m were retained to represent a composite, while any composite residuals less than 1.25 m were combined with the previous composite.

There is a total of 4,102 composites, 432 of which are within the mineralized zones. Average gold, copper and silver grades for all zones are 1.088 g/t Au, 0.304% Cu and 1.949 g/t Ag, respectively, and are shown in Table 14.3.

The box plots shown in Figure 14-8 illustrate that the three units and their statistical relationship to each other are different from each other's zones and, therefore, they should be estimated separately.

## Figure 14-8: Box Plot for Gold Composites by Zone




| | HW | FW | Main |
|---|---|---|---|
| Min | 0.063 | 0.020 | 0.002 |
| Max | 8.071 | 15.759 | 15.880 |
| Mean | 2.1467 | 1.7401 | 0.9950 |
| First quartile | 0.3260 | 0.3121 | 0.1320 |
| Median | 1.3160 | 0.6249 | 0.3650 |
| Third quartile | 3.1539 | 1.5480 | 0.9098 |
| SD | 2.3483 | 3.4051 | 1.9617 |
| Variance | 5.5147 | 11.5947 | 3.8091 |
| CV | 1.0939 | 1.9568 | 1.9615 |

Source: Kirkham Geosystems, 2018

## Table 14.3: Composite Statistics Weighted by Length

| Zone | | # | Maximum | Mean | COV |
|---|---|---|---|---|---|
| Hangingwall Splay | AU | 17 | 8.07 | 2.195 | 1.1 |
| | CU | 17 | 1.87 | 0.507 | 0.9 |
| | AG | 17 | 4.91 | 1.469 | 0.9 |
| Footwall Splay | AU | 33 | 15.76 | 1.569 | 1.9 |
| | CU | 33 | 2.50 | 0.596 | 1.0 |
| | AG | 33 | 27.69 | 4.920 | 1.3 |
| Main Zone | AU | 382 | 15.88 | 1.000 | 2.0 |
| | CU | 382 | 5.96 | 0.270 | 1.9 |
| | AG | 382 | 32.92 | 1.715 | 1.8 |
| Total | AU | 432 | 15.88 | 1.088 | 1.9 |
| | CU | 432 | 5.96 | 0.304 | 1.7 |
| | AG | 432 | 32.92 | 1.949 | 1.8 |
| All | AU | 4,102 | 26.25 | 0.222 | 4.3 |
| | CU | 4,089 | 5.96 | 0.074 | 3.0 |
| | AG | 3,907 | 60.10 | 0.507 | 3.4 |

Source: Kirkham Geosystems, 2018

## 14.6. Evaluation of Outlier Assay Values

An evaluation of the probability plots suggests that there may be outlier assay values that could result in an overestimation of resources. Although it is believed that this risk is relatively low, it was considered prudent to cut the gold and copper composites to 10 g/t and 1.0%, respectively, to reduce the effects of outliers.

## 14.7. Specific Gravity Estimation

An average value of 2.71 t/m$^3$ was used because it was representative of the densities within the mineralized zones.

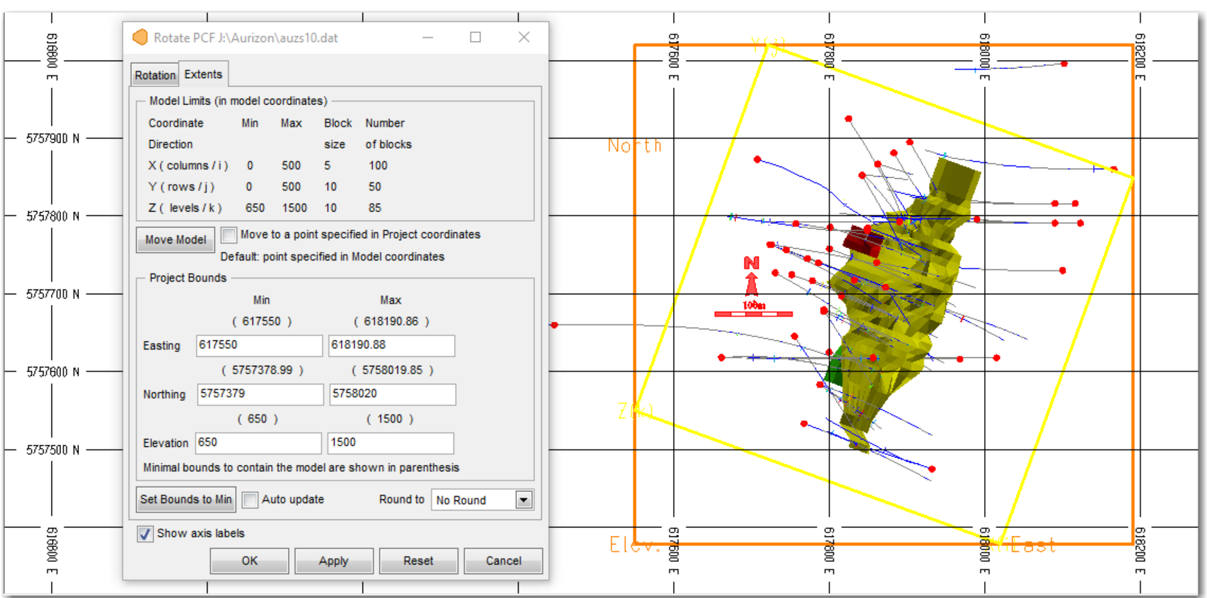
## 14.8. Variography

Experimental variograms and variogram models in the form of correlograms were generated for gold, copper, and silver grades. However, the individual zones do not have sufficient data to generate meaningful variogram results. For this reason, it was decided at this time to use inverse distance to the second power as the interpolator.

## 14.9. Block Model Definition

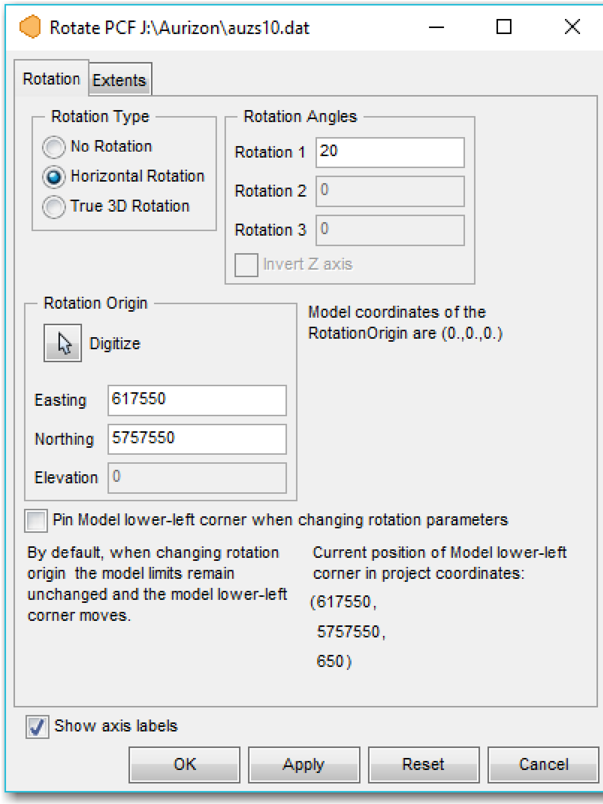
The block model used to estimate the resources was defined according to the limits specified in Figures 14-9 and 14-10. The block model is orthogonal and non-rotated, reflecting the orientation of the deposit. The chosen block size was 10 m × 10 m × 2 m, roughly reflecting the drill hole spacing (i.e., 4 to 6 blocks between drill holes) which is spaced at approximately 50 m centres. Note: MineSight$^{TM}$ uses the centroid of the blocks as the origin.

**Figure 14-9: Origin and Orientation for the Aurizon South Block Model**




Source: Kirkham Geosystems, 2018

**Figure 14-10: Dimensions for the Aurizon South Block Model**




Source: Kirkham Geosystems, 2018

## 14.10. Resource Estimation Methodology

The resource estimation plan includes the following items:

- mineralized zone code and percentage of modelled mineralization in each block; and
- estimated block gold, copper and silver grades by inverse distance to the second power.

Table 14.4 summarizes the search ellipse dimensions for the estimation for each zone.

**Table 14.4: Search Ellipse Parameters for the Aurizon South Deposit**

| Zone | Major Axis | Semi-Major Axis | Minor Axis | 1st Rotation Angle Azimuth | 2nd Rotation Angle Dip | 3rd Rotation Angle | Min. No. Of Comps | Max. No. Of Comps | Max. Samples per Drill Hole |
|---|---|---|---|---|---|---|---|---|---|
| Main | 150 | 150 | 25 | 290 | -80 | 0 | 2 | 12 | 4 |
| Hangingwall | 150 | 150 | 25 | 290 | -80 | 0 | 1 | 12 | 4 |
| Footwall | 150 | 150 | 25 | 290 | -80 | 0 | 1 | 12 | 4 |

Source: Kirkham Geosystems, 2018

## 14.11. Resource Validation

A graphical validation was completed on the block model. This type of validation serves the following purposes:

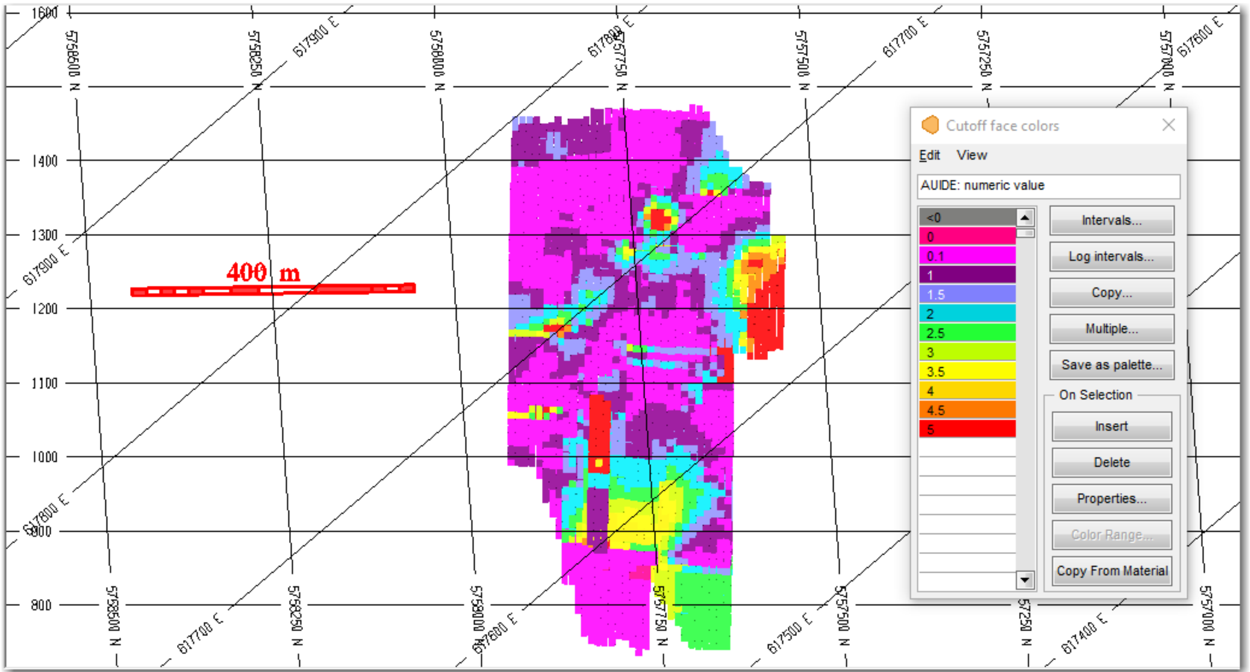
- checks the reasonableness of the estimated grades based on the estimation plan and the nearby composites;
- checks that the general drift and the local grade trends compare to the drift and local grade trends of the composites;
- ensures that all blocks in the core of the deposit have been estimated;
- checks that topography has been properly accounted for;
- checks against manual approximate estimates of tonnages to determine reasonableness; and
- inspects for and explains potentially high-grade block estimates in the neighbourhood of the extremely high assays.

A full set of cross sections, long sections (Figure 14-11) and plans were used to digitally check the block model; these showed the block grades and composites. There was no indication that a block was wrongly estimated, and it appears that every block grade could be explained as a function of the surrounding composites and the applied estimation plan.

The validation techniques included the following:

- visual inspections on a section-by-section and plan-by-plan basis;
- use of grade-tonnage curves;
- swath plots comparing kriged estimated block grades with inverse distance and nearest neighbour estimates; and
- inspection of histograms showing distance from first composite to nearest block, and average distance to blocks for all composites (this gives a quantitative measure of confidence that blocks are adequately informed in addition to assisting in the classification of resources).

**Figure 14-11: Long-section View of the Block Model Showing Gold Equivalent Grades**




Source: Kirkham Geosystems, 2018

## 14.12. Mineral Resource Classification

Mineral resources were estimated in conformity with generally accepted *CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines* (2003). Mineral resources are not mineral reserves and do not have demonstrated economic viability.

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity.

**An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.**

*An Inferred Mineral Resource is based on limited information and sampling gathered through appropriate sampling* techniques from locations such as outcrops, trenches, pits, workings and drill holes. Inferred Mineral Resources must not be included in the economic analysis, production schedules, or estimated mine life in publicly disclosed Pre- Feasibility or Feasibility Studies, or in the Life of Mine plans and cash flow models of developed mines. Inferred Mineral Resources can only be used in economic studies as provided under NI 43-101.

*There may be circumstances, where appropriate sampling, testing, and other measurements are sufficient* to demonstrate data integrity, geological and grade/quality continuity of a Measured or Indicated Mineral Resource, however, quality assurance and quality control, or other information may not meet all industry norms for the disclosure of an Indicated or Measured Mineral Resource. Under these circumstances, it may be reasonable for the Qualified Person to report an Inferred Mineral Resource if the Qualified Person has taken steps to verify the information meets the requirements of an Inferred Mineral Resource.

The mineral resources may be impacted by further infill and exploration drilling that may result in an increase or decrease in future resource evaluations. The mineral resources may also be affected by subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic and other factors. There is insufficient information in this early stage of study to assess the extent to which the mineral resources will be affected by factors such as these that are more suitably assessed in a scoping or conceptual study.

Mineral resources for the Aurizon South deposit were classified according to the *CIM Definition Standards for Mineral Resources and Mineral Reserves* (2014) by Garth Kirkham, P.Geo., an “independent qualified person” as defined by National Instrument 43-101.

All blocks were classified as Inferred and the resulting resource is reported as Inferred.

## 14.13. Sensitivity of the Block Model to Selection Cut-off Grade

The mineral resources are sensitive to the selection of cut-off grade. Table 14.5 shows the total resources for all metals at varying AuEq cut-off grades. The reader is cautioned that these values should not be misconstrued as a mineral reserve. The reported quantities and grades are only presented as a sensitivity of the resource model to the selection of cut-off grades.

Note: The base case cut-off grades are based on potentially underground, mineable resources at the base case of 2.5 g/t AuEq.

**Table 14.5: Inferred Mineral Resource Cut-off Sensitivities at Aurizon**

| Cutoff g/t | kTonnes | AuEq g/t | Au g/t | Cu % | Ag g/t | AuEq ounces |
|---|---|---|---|---|---|---|
| 2 | 1,529 | 3.19 | 2.16 | 0.60 | 5.36 | 156,993 |
| 2.25 | 1,277 | 3.41 | 2.32 | 0.62 | 5.70 | 139,835 |
| 2.5 | 1,073 | 3.60 | 2.48 | 0.64 | 5.98 | 124,206 |
| 3 | 495 | 4.69 | 3.64 | 0.60 | 6.01 | 74,675 |
| 4 | 257 | 5.87 | 4.80 | 0.60 | 6.99 | 48,550 |
| 5 | 178 | 6.53 | 5.38 | 0.64 | 8.34 | 37,310 |
| 6 | 102 | 7.26 | 5.95 | 0.71 | 12.58 | 23,712 |

Source: Kirkham Geosystems, 2018

Notes:

1) The current Resource Estimate was prepared by Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd.

2) All mineral resources have been estimated in accordance with Canadian Institute of Mining and Metallurgy and Petroleum (“CIM”) definitions, as required under National Instrument 43-101 (“NI 43-101”).

3) Mineral resources were constrained using mainly geological constraints and approximate AuEq grade domains.

4) AuEq values were calculated using average long-term prices of $1,200/oz Au, $16/oz Ag, $2.75/lb Cu, and metal recoveries of 92% Au, 95% Cu, and 90% Ag were used. Base case cut-off grade assumed $90/t operating and sustaining costs. All prices are stated in USD$.

5) All contained metal content values (including equivalencies) were calculated assuming 100% recoveries.

6) Mineral resources are not mineral reserves until they have demonstrated economic viability. Mineral resource estimates do not account for a resource’s mineability, selectivity, mining loss, or dilution. All figures are rounded to reflect the relative accuracy of the estimate, and, therefore, numbers may not appear to add precisely.

## 14.14. Mineral Resource Statement

Table 14.6 shows the Mineral Resource Statement for the Aurizon South deposit.

The author evaluated the resource in order to ensure that it meets the condition of “reasonable prospects of eventual economic extraction” as suggested under NI 43-101. The criteria considered were confidence, continuity and economic cut-off. The resource listed in this section is considered to have “reasonable prospects of eventual economic extraction”.

The mineral resource estimate which represents a maiden resource estimate for the Aurizon South deposit, incorporates data from drilling conducted between 2008 through 2017 that successfully delineated a new deposit on the project. The effective date is March 5, 2018.

**Table 14.6: Base-case Inferred Mineral Resource Estimate for Aurizon Using a 2.5 g/t AuEq Cut-off**

| Cutoff g/t | kTonnes | AuEq g/t | Au g/t | Cu % | Ag g/t | AuEq ounces |
|---|---|---|---|---|---|---|
| 2.5 | 1,073 | 3.60 | 2.48 | 0.64 | 5.98 | 124,206 |

Source: Kirkham Geosystems, 2018

Notes:

1) The current Resource Estimate was prepared by Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd.

2) All mineral resources have been estimated in accordance with Canadian Institute of Mining and Metallurgy and Petroleum (“CIM”) definitions, as required under National Instrument 43-101 (“NI 43-101”).

3) Mineral resources were constrained using mainly geological constraints and approximate AuEq grade domains.

4) AuEq values were calculated using average long-term prices of $1,200/oz Au, $16/oz Ag, $2.75/lb Cu, and metal recoveries of 92% Au, 95% Cu, and 90% Ag were used. Base case cut-off grade assumed $90/t operating and sustaining costs. All prices are stated in USD$.

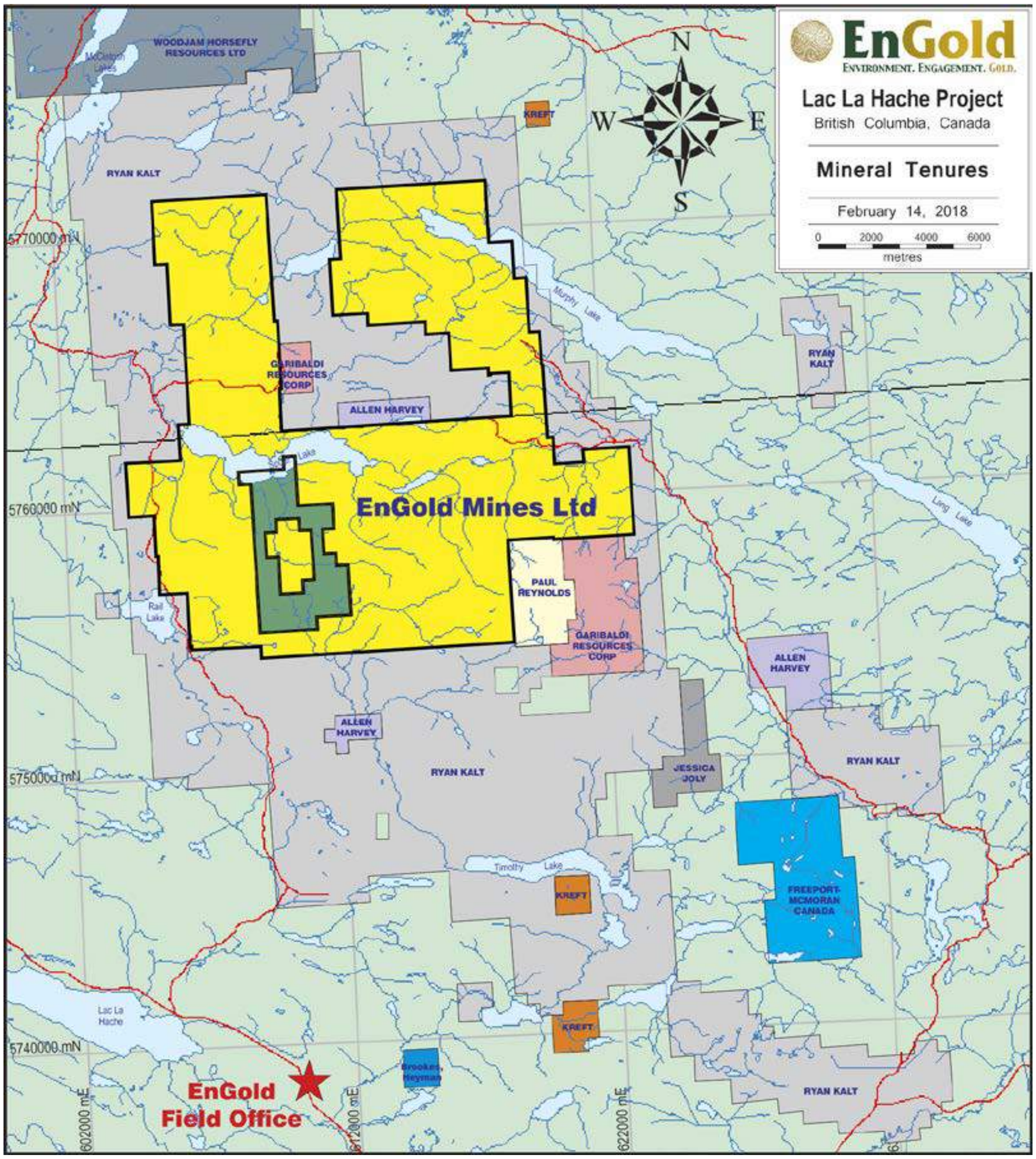
5) All contained metal content values (including equivalencies) were calculated assuming 100% recoveries.

6) Mineral resources are not mineral reserves until they have demonstrated economic viability. Mineral resource estimates do not account for a resource’s mineability, selectivity, mining loss, or dilution. All figures are rounded to reflect the relative accuracy of the estimate, and, therefore, numbers may not appear to add precisely.

# 15. ADJACENT PROPERTIES

The EnGold Lac La Hache Project is located 14 km northeast of the town of Lac La Hache, within the Clinton Mining Division in central British Columbia. The closest project adjacent to the Lac La Hache Project is the Woodjamproperty.

**Figure 15-1: Map of Tenures in the Lac La Hache Property area.**




Source: EnGold Mines Ltd., 2018

The staked tenures in the immediate vicinity of the Property, at the time of writing, are shown in Figure 15-1. Several undeveloped mineral occurrences or prospects are reported in these adjacent tenures; however, no advanced stage exploration is known to occur and no resources are reported.

Adjacent tenures located off the southeast corner of the project are held by Paul Reynolds and host three mineral occurrences called Tim 1 (UTM Zone 10 NAD83 coordinates are 620320E, 5756280N), Tim 2

(620180E, 5755540N) and Tim 3 (620390E, 5755560N). These are described by Schiarizza (Schiarizza et al., 2008) as copper +/- gold/silver-bearing veins and fracture stockworks containing chalcopyrite, pyrite, bornite and locally malachite, with associated alteration, including potassium feldspar, epidote, calcite and magnetite. These occur in and adjacent to syenodiorite dikes.

Exploration on the Tam property since 1967 includes geochemical, geophysical, and geological surveys; trenching; percussion; and diamond drilling. Previous exploration on the property identified areas containing copper, gold in soil, and induced polarization anomalies, and the most recent work was focused in areas of high chargeability.

In 2001, GWR conducted geological mapping, rock and soil sampling, and drilling of three holes (379.5 m) on the Tim 1 prospect. Drill results at Tim 1 included 0.61% Cu, 0.18 g/t Au, 6.3 g/t Ag over 17.4 m. Several mineralized rock samples were found in the area, ranging from 0.17% Cu up to 1.92% Cu, suggesting proximity to a copper-gold porphyry system (Blann, 2001).

A number of other showings in the surrounding area are described in the British Columbia MINFILE database. These include: Cyan NE, Cyan SW, SS, Rail, and others.

The northern boundary of the Lac La Hache Project lies approximately 6 km south of the Woodjam property, 100% owned by Consolidated Woodjam Copper Corp., subject to underlying royalties to Gold Fields Limited.

Six zones of porphyry mineralization (Megabuck, Deerhorn, Takom, Three Firs, Southeast, Megaton) have been identified through drilling (>125,000 m in 395 holes), within a 5 km diameter area. One additional showing was discovered in 2017, called the Canyon Zone, and it remains undrilled. The zones include copper-gold in alkaline to subalkaline monzodioritic intrusive and Nicola volcanic rocks, and in the Southeast Zone, the zones include copper-gold-molybdenum in calc-alkaline quartz monzonitic phases of the Takomkane Batholith.

In 2013, Gold Fields Limited announced a NI 43-101 compliant Inferred resource on the Southeast Zone of 227.5 million tonnes at 0.31% Cu, containing 1.542 billion pounds of copper. That zone also contains gold, silver and molybdenum. An induced polarization survey conducted in 2007 defined a large hydrothermal system (5 x 6 km) with discrete chargeability anomalies, including one leading to the discovery of the Zone. The NI 43-101 Technical Report for the Woodjam copper-gold project is available at: www.woodjamcopper.com.

Inferred resources have also been reported at Deerhorn (32.8 million tonnes grading 0.22% Cu, 0.49 g/t Au) and at Takom (8.3 million tonnes grading 0.22% Cu and 0.26 g/t Au).

The proximity of the Woodjam zones, the presence of polyphase intrusions similar to the Spout intrusion, and the large Takomkane Batholith suggest similar mineralization potential may exist on the Lac La Hache Property, north of Spout-Peach Lakes.

# 16. OTHER RELEVANT DATA AND INFORMATION

There is no additional relevant data or information.

# 17. INTERPRETATION AND CONCLUSIONS

The Lac La Hache Project is an exploration and resource development project located 14 km northeast of the town of Lac La Hache, within the Clinton Mining Division in central British Columbia. The Project encompasses several prospects on a 19,621-ha Property.

Exploration spanning five decades in the Lac La Hache Project area has outlined a number of zones of copper-gold-silver-magnetite mineralization, consistent with a porphyry mineralizing system(s), related to various intermediate-to-felsic, alkali intrusions that are emplaced into coeval volcano-sedimentary rocks.

Two broad deposit styles can be described:

3. porphyry copper (chalcopyrite, bornite, covellite-chalcocite, tetrahedrite, native copper, pyrite, pyrrhotite) as rare disseminations and more typically within fractures and hydrothermal breccias, the predominant type (at Aurizon Zones, Ann North, Miracle, Peach, others);
4. skarn/carbonate replacement-style magnetite-copper (+/- gold, silver, at Spout, G1, Nemrud) within Nicola volcaniclastic rocks.

Since acquisition of the Property work at property-wide and prospect-specific scales has included: prospecting; geological mapping; geochemical rock and soil sampling; induced polarization and magnetometer surveys; ground gravity surveys; airborne gamma ray spectrometric/magnetometer and gravity/magnetometer surveys and diamond drilling.

The geochemical, geophysical and geological work performed to date in addition to extensive drilling at the Lac La Hache Project have resulted in the delineation of two mineral resources: Aurizon South and Spout and several additional targets of high exploration potential.

The mineral resource in the Aurizon South Deposit occurs as an intrusion hosted, copper-gold-silver-bearing hydrothermal breccia structure related to an alkalic copper porphyry system. The structure is nearly vertical (steeply west dipping) striking 020 degrees with a currently defined strike exceeding 400 m (open), down-dip extent exceeding 670 m below surface (open) and true widths varying from 2 to more than 10 m.

Several drilling campaigns from 2006 through 2012 targeted the Aurizon Central and South zones and several other prospects within the project area. This work showed that the Central Aurizon zone is characterized by numerous post-mineralization faults which cause internal grade discontinuity. Drilling at Aurizon South however, demonstrated strong continuity of the host structure, along which hydrothermal breccia-hosted mineralization occurs, and redefined the strike of the zone. Following a two-year exploration hiatus (2013 and 2014) drilling in 2015 and 2016 resumed, to expand the overall size of the Aurizon South deposit and identify new zones of high-grade mineralization within the main structure.

The purpose of this Technical Report was to present the first resource estimate for the Aurizon South Deposit. In addition, this Report served as an update on the exploration activities.

Metallurgical work to date has shown positive results with copper, gold, and silver recovery to the rougher concentrate averaged about 95, 92, and 90 percent, respectively. Cleaner testing indicated that regrinding of the rougher concentrate to about 41 µm K80 was required to produce a high-grade copper concentrate grading about 28 percent copper at a recovery of 91 percent.

Based on a 2 g/t Gold Equivalent cut-off grade, Inferred Resources are 1,073,000 tonnes at a grade of 3.6 g/t AuEq, 2.48 g/t Au, 0.64% Cu and 5.98 g/t Ag.

Potential risks related to the project include metallurgy, continuity of the structures and continued ability to expand resources. Further metallurgical testing is required in order to clearly understand recoveries. In addition, although the mineralized zones appear to be relatively continuous and predictable, faults and other structures may be encountered that would pose interpretation challenges. The Aurizon South deposit appears to be amenable to underground mining methods. However, thickness can vary which may require more selective mining methods which will increase costs and require higher cut-off grades to justify.

Opportunities related to the project are reflected in the fact that Lac La Hache has potential as a district play with a variety of deposits types which poses excellent exploration and expansion potential.

The exploration completed by EnGold between 2006 and 2017 on the Lac La Hache Projectindicates that the presence of mineral resources which justifies the cost of ongoing exploration and development.

# 18. RECOMMENDATIONS

## 18.1. 2018 Program

This section outlines several activities that are recommended for completion during the 2018 Exploration Program.

### *1. Update Spout Deposit Resource at Spout ($40K)*

The resource estimated by SRK (2012) for the Spout North and South Zones was based on an open pit model which extended only to a pit depth of 60 m below surface, yielding a currently uneconomic, relatively low-tonnage, low-grade resource. EnGold believes the application of an underground mining model has potential to be economic, largely due to the inclusion of higher grade material within both zones below the 60 m depth, especially within the vertical Spout North Zone. Relative to open pitting, the underground approach offers additional potential benefits related to lower waste rock volumes, lower stripping ratio, much lower capital expenditure, and improved social licence.

Following the completion of proposed infill and extension drilling at Spout North (discussed in this section), the generation of a new resource estimate, based on a potential underground mining approach, is recommended at Spout.

### *2. Maiden Resource at G1 Zone ($60K)*

The G1 Zone discovered in February 2017 has been tested by approximately 27 holes to date on 50 m centres with two infill holes at 37 m spacing. The zone remains open. Following the completion of the recommended ground geophysical surveys and proposed additional drilling (both discussed in this section), the completion of a maiden resource estimate is recommended.

### *3. Metallurgical Testing at G1 ($20K)*

To support item 2, metallurgical testing is recommended for a composite of drill core rejects from G1 drilling to assess metallurgical performance using a copper flotation flowsheet.

### *4. Ground Geophysical Test Surveying at G1 ($60K)*

The G1 Zone contains semi-massive mineralization located $320^+$ m below surface. This mineralization is highly magnetic (magnetic susceptibilities exceed several hundred SI units locally) and dense (drill core densities approach 4.0 g/cc). Although ground gravity survey patterns contributed significantly to the discovery, considerable additional gravity (ground and airborne) and magnetic (airborne) surveying completed in 2017 provides somewhat ambiguous targeting for future drilling.

Testing of alternative geophysical methods is recommended to provide additional targeting information. The goal of this work is twofold: to provide guidance to extension drilling of the G1 Zone, and to indicate possible infill targets, where possibly stronger responses might indicate thicker mineralization.

This should include initial bench-testing on representative drill cores, followed by field tests within open boreholes located within the zone and outside the zone, between open boreholes and between the boreholes and the surface. Recommended methods include induced polarization, magnetic and electromagnetic techniques in various configurations.

### 5. Ground Geophysical Surveying in Spout-G1 Gap ($130K)

Existing ground surveys (magnetic, induced polarization, gravity) within the broad area extending from the west shore of Peach Lake to Spout Deposits and south to G1 Zone are patchy, inconsistent or absent. Based on the results from G1 test surveys described above, systematic coverage should be completed to provide up-to-date, consistent coverage using magnetic and induced polarization surveys. The techniques should be optimized based on the test survey results. Ground gravity surveying is also recommended.

### 6. Community Engagement ($100K)

EnGold has been proactively communicating with the local community, First Nations and stakeholders. Additional work in this area is recommended.

### 7. Drilling

Diamond drilling is recommended in several locations on the Project.

These results are summarized, with no prioritization, as follows:

a) G1 infill/extension, 10 holes @ 400 m = 4,000 m

This phase should follow completion of item 4, using those results to improve drill targeting designed to search for thicker mineralization within the Zone, and to extend outward from the currently defined mineralization, where it remains open.

b) Spout North infill/extension, 25 holes various lengths = 10,000 m

The vertical Spout North Zone has been only sparsely tested below 150 to 200 m and has large gaps between existing pierce-points. Drilling is recommended to infill and to extend the zone to depth and along strike. This will support the recommended underground mining resource update and with the view to increase tonnage and confidence in the resource.

c) Spout G1 Gap, 6 holes @ 400 m = 2,400 m

A 1,800 m gap exists between the Spout and G1 Zones, where geological interpretation indicates prospective host lithology. Following completion of the work recommended in item 5, suitable targets should be tested to search for stratiform copper-magnetite replacement-style mineralization similar to Spout/G1.

**Future Drilling**

d) Aurizon South infill/extension, 6 holes various lengths = 3,500 m

The maiden resource announced in January 2018 at Aurizon Gold Zone can be improved through infill drilling, where large gaps within the structure exist, and along strike, where the zone remains open (especially to the south and to depth). Additional drilling is recommended to increase confidence and develop further continuity. Depending on results, additional drilling beyond this recommendation may prove beneficial, and could possibly support a revised resource estimate.

e) Deep Porphyry copper targets, Ann North-Berkey, Aurizon, NK 3 to 4 holes = 2,500 m

Modelling of existing geophysical (mainly induced polarization), geological and drilling results to date provides compelling porphyry-copper exploration targets at several drilled prospects within the Project. Historic (pre-2012) drilling by GWR in these areas was relatively shallow (generally less than 150 m and only rarely to 300 m). Drill testing of strong induced polarization chargeability anomalies was often halted within barren, strong pyrite mineralization. Evidence now suggests that possible copper mineralization may lie below, interpreting the anomalies as overlying, pyritic caps. Modeling of chargeability and resistivity data in 3D strongly supports this interpretation.

Discovery in 2015 of the Berkey phase (highly potassically altered monzodiorite with disseminated chalcopyrite) cutting the regional, grey monzonitic "peach-type" intrusion southwest of the Ann North Prospect, further enhances potential for discovery at depth.

A modest initial drilling program is recommended to test for porphyry copper mineralization below known prospects (Table 18.1).

**Table 18.1: Recommended Drilling Program**

| Item | Description | | Budget |
|---|---|---|---|
| **Phase 1 Recommended Work 2018 Program** | | | |
| 1 | Spout Resource Update | | $40,000.00 |
| 2 | G1 Maiden Resource | | $60,000.00 |
| 3 | Initial Metallurgical G1 | | $20,000.00 |
| 4 | Ground Geophysics G1 Tests | | $60,000.00 |
| 5 | Ground Geophysics G1-Spout Surveying | | $130,000.00 |
| 6 | Community Engagement | | $100,000.00 |
| 7 | Drilling (estimated $130/m all-in) | *Metres* | |
| 8 | *a) G1* | *4,000* | |
| 9 | *b) Spout* | *10,000* | |
| 10 | *c) Gap* | *2,400* | |
| | 2018 Drilling Subtotals | 16,400 | $2,132,000.00 |
| | **Total Proposed 2018 Budget** | | **$2,542,000.00** |
| **Phase 2 Recommended Drilling** | | | |
| 11 | *d) Aurizon* | *3,500* | |
| 12 | *e) Porphyry* | *2,500* | |
| | Future Drilling Subtotals | 6,000 | $780,000.00 |
| | **Total Proposed Budget** | | **$3,322,000.00** |

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# 20. CERTIFICATES

I, Garth David Kirkham, P.Geo., do hereby certify that:

1) I am a consulting geoscientist with an office at 6331 Palace Place, Burnaby, British Columbia.
2) This certificate applies to the entitled "Technical Report for the Aurizon South Deposit, Lac La Hache, BC, Canada" with effective date of 5th of March, 2018 ("Technical Report") prepared for Engold Mines Ltd., Vancouver, B.C.
3) I am a graduate of the University of Alberta in 1983 with a BSc. I have continuously practiced my profession since 1988. I have worked on and been involved with NI 43-101 studies on the Kutcho Creek and Debarwa poly-metallic deposits along with the initial resource estimate on the Cerro Las Minitas Project, Mexico.
4) I am a member in good standing of the Association of Professional Engineers and Geoscientists of BC (EGBC).
5) I have visited the Property on March 31, 2015 through April 2, 2015.
6) In the independent report titled entitled "Technical Report for the Aurizon South Deposit, Lac La Hache, BC, Canada" with effective date of 5th of March, 2018. I am responsible all Sections.
7) I have not had prior involvement with the Property.
8) I am independent of Engold Mines Ltd. as defined in Section 1.5 of National Instrument 43-101.
9) I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by reason of education, experience, independence and affiliation with a professional association, I meet the requirements of an Independent Qualified Person as defined in National Instrument 43-101.
10) I am not aware of any material fact or material change with respect to the subject matter of the technical report that is not reflected in the Technical Report and that, at the effective date of the Technical Report, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.
11) I have read National Instrument 43-101, Standards for Disclosure of Mineral Projects and Form 43-101F1. This technical report has been prepared in compliance with that instrument and form.

Dated this 5th day of March, 2018 in Burnaby, British Columbia.

*"Garth Kirkham" {signed and sealed}*

Garth Kirkham, P.Geo.
Kirkham Geosystems Ltd.