

# **TECHNICAL REPORT**

## **Lennac Lake Porphyry Cu-Mo Mineral Property West Central British Columbia Canada**

Omineca Mining Division

Mineral Title Nos.: 504371, 551061, 551062,  
897483, 897484, 897486, 897487, 937574

NTS Map 93L/9

Latitude: 54° 44' 19" N Longitude: 126° 18' 29" W

UTM Zone 9, 673312E, 6069012N (NAD83)

### **Prepared for:**

Pivit Exploration Inc..  
#200-551 Howe St.  
Vancouver, B.C., Canada  
V6C 2C2

### **Prepared by:**

James M. Hutter P. Geo.  
Smithers, B.C.

Effective Date: December 15, 2017

## Date and Signature Page

Effective Date of this Report: December 15, 2017

Date of Signing: December 15, 2017

The image shows a handwritten signature in black ink that reads "J.M. Hutter". To the right of the signature is a circular professional seal. The seal has a double-line border and contains the following text: "PROFESSIONAL" at the top, "PROVINCE OF" in the middle, "J. M. HUTTER" in the center, "BRITISH COLUMBIA" below the name, and "GEOSCIENTIST" at the bottom.

J.M. Hutter, P. Geo.

# Table of Contents

Title Page ..... i

Date and Signature Page ..... ii

Table of Contents ..... iii

List of Tables ..... iv

List of Figures ..... v

1 Summary ..... 1

2 Introduction ..... 1

3 Reliance on other Experts ..... 4

4 Property Description and Location ..... 4

    4.1 Mineral Titles ..... 6

    4.2 Claim Ownership ..... 7

    4.3 Underlying Option Agreement ..... 7

    4.4 Required Permits and Reporting of Work ..... 8

    4.5 Environmental Liabilities ..... 9

5 Accessibility, Climate, Local Resources, Infrastructure and Physiography ..... 10

    5.1 Access ..... 10

    5.2 Climate and Vegetation ..... 10

    5.3 Local Resources ..... 10

    5.4 Infrastructure ..... 11

    5.5 Physiography ..... 11

6 History ..... 11

    6.1 1971-1974 Amax Exploration Ltd. / British Newfoundland Exploration Ltd. .... 11

    6.2 1990-1991 Kennecott Exploration Ltd. .... 16

    6.3 1993 Cominco Ltd. .... 16

    6.4 1998 Hudson Bay Exploration and Development Ltd. .... 17

    6.5 2004 D.G. MacIntyre and V.H. Parsons ..... 17

    6.6 2007-2008 Dentonia Resources Inc. .... 17

    6.7 2012 Antofagasta / Riverside Resources Ltd. .... 20

7 Geological Setting and Mineralization ..... 26

    7.1 Regional Geology ..... 26

    7.2 Property Geology and Mineral Occurrences ..... 29

8 Deposit Types ..... 30

9 Exploration ..... 31

    9.1 Tree Bark Geochemistry ..... 32

        9.1.1 Copper ..... 35

9.1.2 Molybdenum .....	37
9.1.3 Silver .....	39
9.1.4 Gold .....	40
9.1.5 Zinc .....	41
9.2 Rock Geochemistry .....	42
9.3 Soil Geochemical Survey .....	44
10 Drilling .....	46
11 Sample Preparation, Analyses and Security .....	46
12 Data Verification .....	47
13 Mineral Processing and Metallurgical Testing .....	47
14 Mineral Resource and Mineral Reserve Estimates .....	48
15 Adjacent Properties .....	48
16 Other Relevant Data and Information .....	48
17 Interpretation and Conclusions .....	48
18 Recommendations .....	49
19 References .....	51
20 Certificate of Author .....	53

## List of Tables

Table 1. List of Mineral Titles, Lennac Lake Property .....	6
Table 2. Summary of 1973 Percussion Drill Holes .....	12
Table 3. Average grades for 1973 drill holes intersecting Cu mineralization .....	13
Table 4. Summary of 1974 diamond drill holes .....	13
Table 5. Average Cu grades for assayed intervals, 1974 drill holes, West Zone .....	14
Table 6. Summary statistics pine bark samples (N=403) .....	33
Table 7. Summary statistics, spruce bark samples (N=28) .....	34
Table 8. Analytical results for ashed pine bark samples, West Zone. ....	37



Table 9. Analytical results for 2017 rock samples. .... 43

Table 10. Analytical results for 2017 soil samples..... 45

**List of Figures**

Figure 1. Location map, Lennac Lake Property, southwest British Columbia..... 2

Figure 2. Access and infrastructure map, Lennac Lake Property. .... 3

Figure 3. Mineral Titles Map, Lennac Lake Property. Map prepared using MTO geospatial data, and is current as of December 15, 2017..... 5

Figure 4. Geology, drill hole locations and schematic cross sections, West Zone. Source: Hodgson, 1974. .... 15

Figure 5. Drill hole plan, Southeast Zone, Dentonia Resources 2007-2008. .... 19

Figure 6. Graphic log, DDH LL07-1. Note: BRXX=breccia, BLFP=bladed feldspar porphyry, LPTF=lapilli tuff, QBFP=quartz-biotite-feldspar porphyry ..... 19

Figure 7. Geology and mineral occurrences superimposed on First Vertical Derivative of the aeromagnetic data. Map created by D.G. MacIntyre using data from the Aeroquest aeromagnetic survey..... 21

Figure 8. IP chargeability map, Lennac Lake Property. Source: Riverside Resources, 2012. .... 22

Figure 9. Drill hole location map, West Zone, Lennac Lake ..... 23

Figure 10. Graphic log, hole LLDH-12-001..... 25

Figure 11. Regional geology, Lennac Lake Property. Source: MacIntyre, 2001..... 28

Figure 12. Geological compilation map of the Lennac Lake property. Source: MacIntyre, 2007. .... 30

Figure 13. Location of 2017 tree bark samples superimposed on the 2012 IP chargeability map of Riverside Resources. .... 32

Figure 14. Proportional symbol plot showing range of Cu in tree bark samples superimposed on IP chargeability. .... 36

Figure 15. West zone pine bark sample locations. .... 37

Figure 16. Proportional symbol plot showing Mo in tree bark samples superimposed on IP chargeability. .... 38

Figure 17. Location of anomalous Mo tree bark samples and drill hole locations north of the East Zone. .... 39

Figure 18. Proportional symbol plot showing Ag in tree bark samples superimposed on IP chargeability. .... 40

Figure 19. Proportional symbol plot showing Au in tree bark samples superimposed on IP chargeability. .... 41

Figure 20. Proportional symbol plot showing Zn in tree bark samples superimposed on IP chargeability. .... 42

Figure 21. Location of rock samples collected in 2017. .... 43

Figure 22. Location of soils samples collected in 2017. .... 45

# 1 Summary

The Lennac Lake Property (the “Property”) is located west of Babine Lake in central British Columbia. The nearest town is Granisle, about 18 kilometres northeast of the property. The Property covers a number of copper-molybdenum showings that were first discovered by Amax Exploration Inc. in 1971. Amax did a limited amount of drilling and allowed the claims to lapse. This work defined two areas of low grade Cu mineralization - the West and East zones. Subsequent operators on the property have included Kennecott, Cominco, Hudson Bay Exploration and Development, Dentonia Resources and Riverside Resources. The Lennac Lake Property consists of eight (8) contiguous mineral titles that are located within the Omineca Mining Division. The total area covered by these mineral titles is 2875.46 hectares. These mineral titles are held equal by Donald George MacIntyre and Harold Victor Parsons of Victoria B.C. At the time of writing the Property was under option to Pivit Exploration Inc (“Pivit” or “the Company”). Pivit can acquire an undivided 100% interest in the property by paying \$200,000 cash and issuing 575,000 common shares to the property owners and completing \$400,000 in exploration work over the five year term of the agreement. The property owners will retain a 3% Net Smelter Return Royalty which can be purchased by Pivit.

In the writer’s opinion the Lennac Lake property is a property of merit and additional work is warranted. A two stage work program is recommended for the property, with the second stage being contingent on successful results from the first. Stage 1 would focus on the Jacob Zone. Depending on the results of this work, Stage 2 would involve further diamond drilling of the Jacob Zone as well as extending and enhancing known mineralized zones within the West Zone and the East/Southeast Zones, particularly at depth. The projected cost of the Stage 1 program is \$109,780.

## 2 Introduction

This technical report has been prepared at the request of Dusan Berka, P.Eng., President and CEO of Pivit Exploration Inc. (“Pivit” or the “Company”), a private company seeking listing on the Canadian Securities Exchange (the “CSE” or “Exchange”);. The following report describes historical work completed on the Property, reviews the results of recent geophysical and geochemical surveys and makes recommendations for further work.

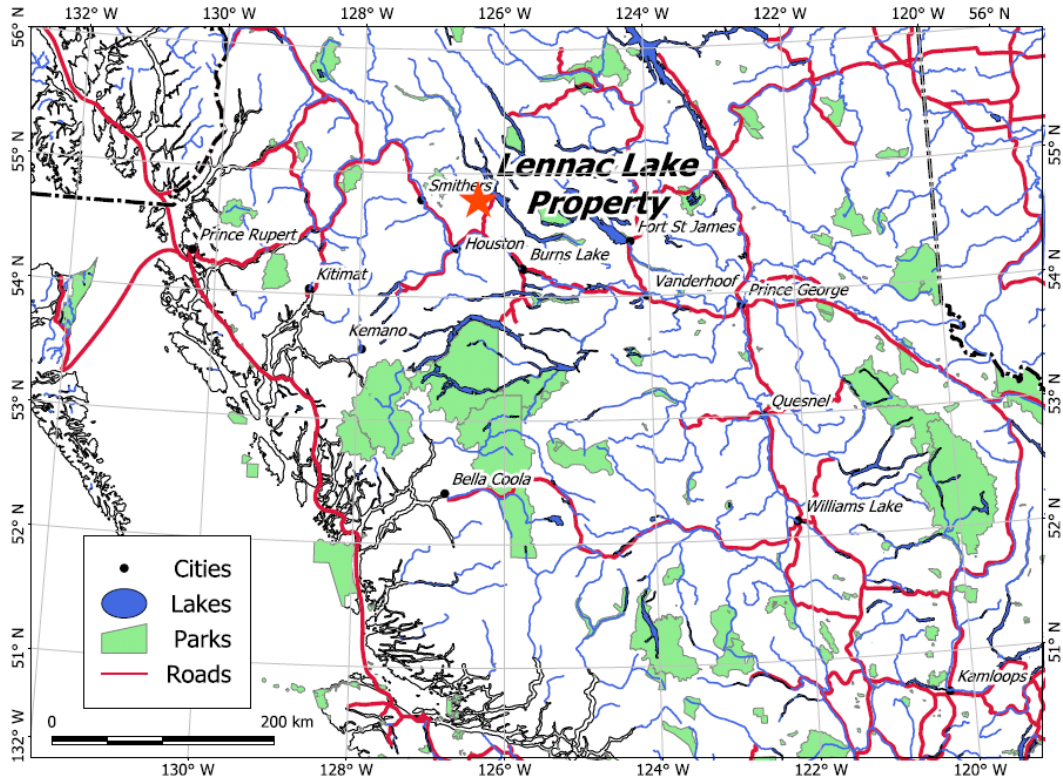


Figure 1. Location map, Lennac Lake Property, southwest British Columbia.

This technical report has been prepared in compliance with the requirements of National Instrument 43-101 and Form 43-101F1 and is intended to be used as supporting documentation to be filed with the Canadian Securities Commissions and the CSE. The purpose of this filing is to support the listing of Pivit Exploration Inc. on the CSE.

This report is based on a review of all geological, geophysical and geochemical assessment reports, maps and miscellaneous internal reports that were prepared by previous operators on the Lennac Lake Property. These reports contain detailed information on the results of geological mapping, prospecting, diamond drilling and geochemical sampling conducted on the Property since its initial discovery in 1972.

Most of the work done on the Lennac Lake Property has been filed for assessment credit and much of this information is available as free, downloadable Adobe Portable Document Format (PDF) files from the B.C. Ministry of Energy and Mines Assessment Report Indexing System (ARIS). The work described in these publicly available reports was done by industry professionals following industry best practices applicable at the time. The historical data describes the nature, style and possible economic value of known mineral occurrences on the Property.

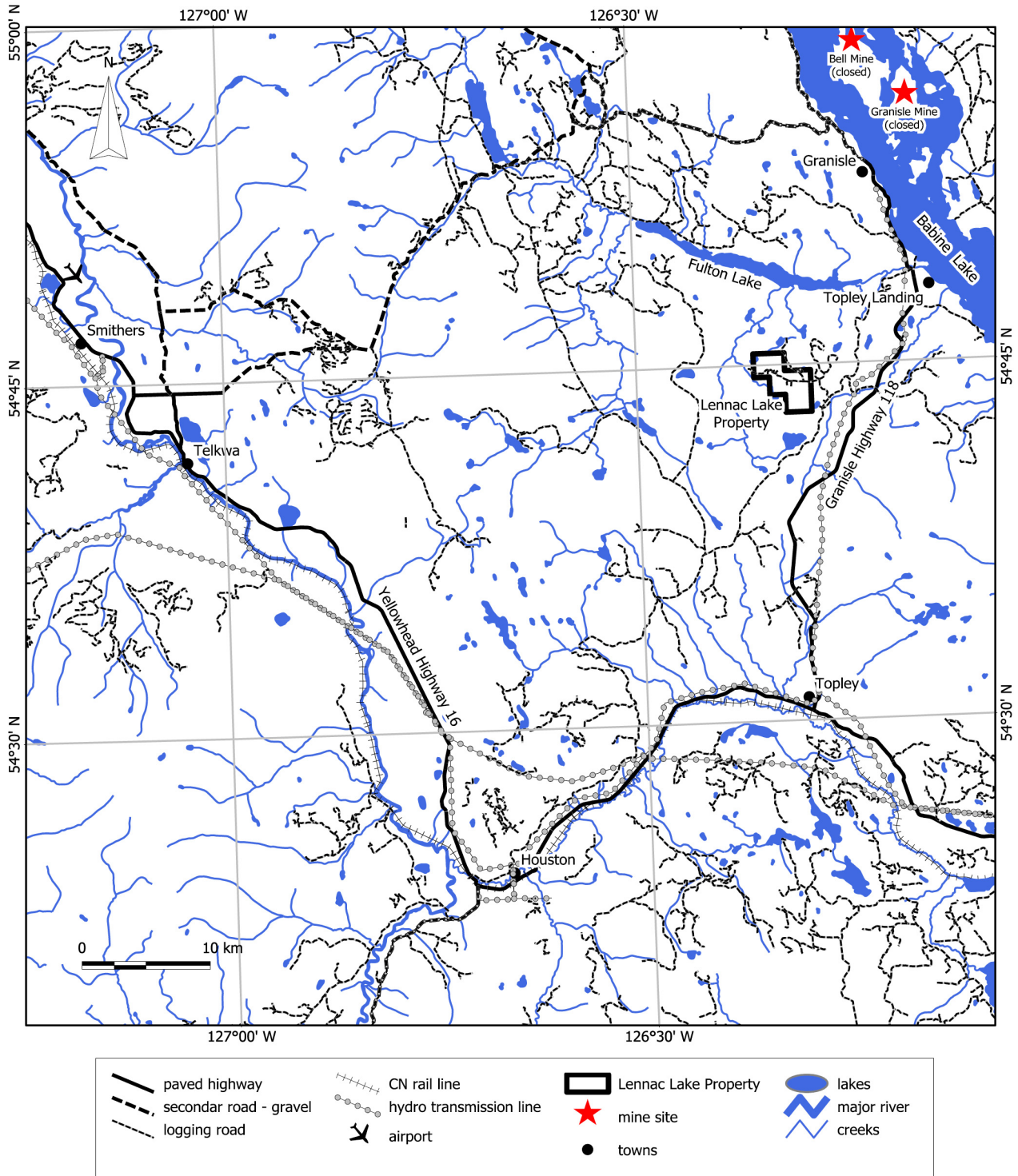


Figure 2. Access and infrastructure map, Lennac Lake Property.

The author visited the Lennac Lake Property on September 23, 2017.

Units of measure in this report are metric; monetary amounts referred to are in Canadian dollars.

### **3 Reliance on other Experts**

The writer has not relied on the opinion of non-qualified persons in the preparing of this report. All conclusions and recommendations in this report are those of the writer and are based on a review of historical work done on the property including work done in 2017 by Rich River Exploration on behalf of Pivit.

### **4 Property Description and Location**

The Lennac Lake property is located west of Babine Lake in west central British Columbia (Figure 2). The nearest town is Granisle, about 18 kilometres northeast of the property. The center of the property (Suratt showing) is at latitude 54°44'19" N and longitude 126°18'29" W. The corresponding UTM coordinates are 673312E, 6069012N (NAD 83, Zone 9). The property is located on NTS map sheet 93L/9 (Figure 2).

The Lennac Lake claim group consists of eight (8) contiguous mineral titles that are located within the Omineca Mining Division (Table 1 & Figure 2). The total area of the mineral titles within the Property boundary shown in Figure 2 is calculated to be 2875.465 hectares. These mineral titles are held equal by Donald George MacIntyre and Harold Victor Parsons of Victoria B.C. At the time of writing the Property was under option to Pivit Exploration Inc. The mineral titles cover crown land that is open for mineral exploration. At the time of the property visit there was active road building and logging being conducted on the property by Canfor Forest Products and D. Groot Logging.



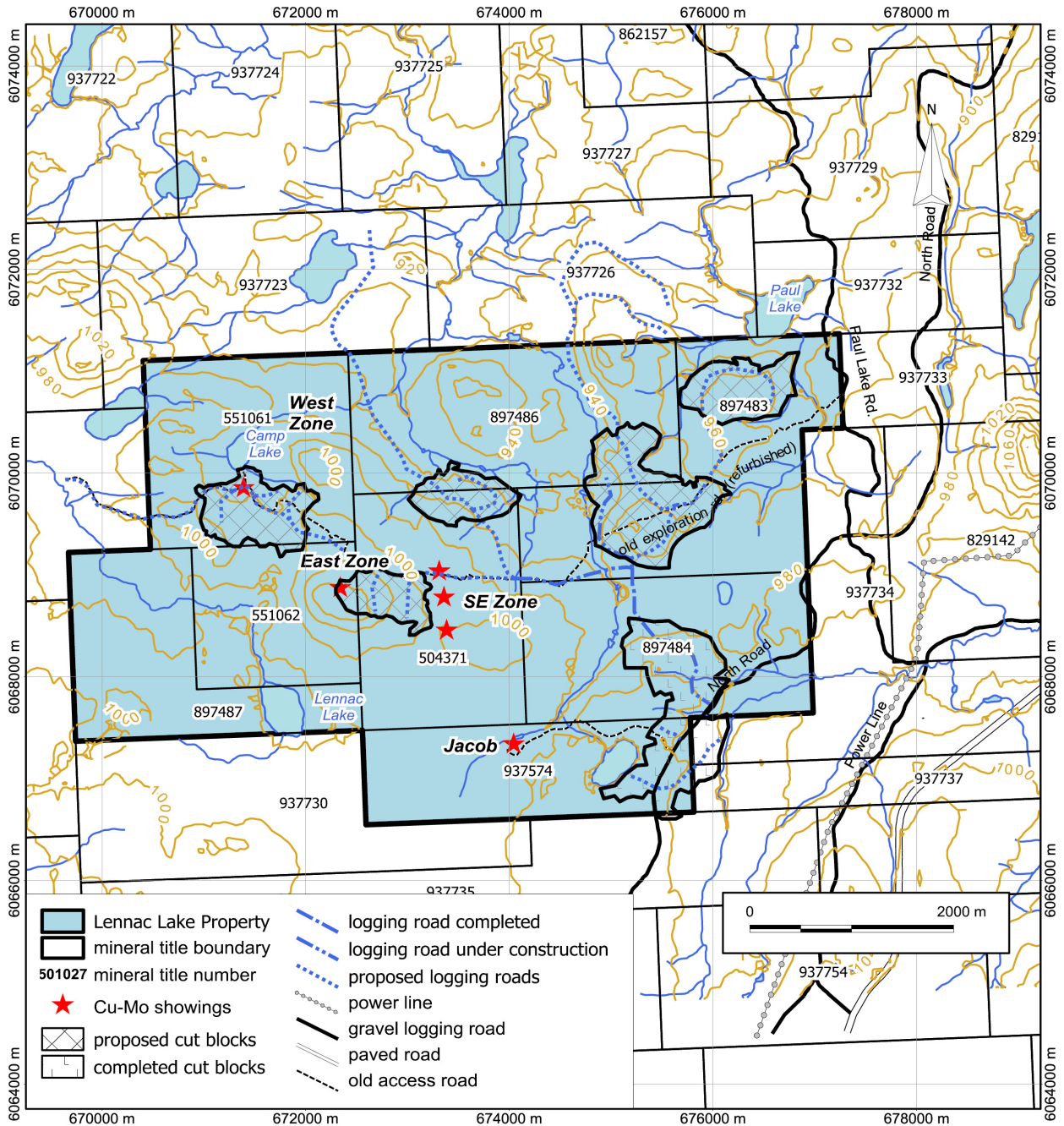


Figure 3. Mineral Titles Map, Lennac Lake Property. Map prepared using MTO geospatial data, and is current as of December 15, 2017.

**Table 1. List of Mineral Titles, Lennac Lake Property**

<b>Tenure No</b>	<b>Claim Name</b>	<b>Issue Date</b>	<b>Good To Date</b>	<b>Area Ha</b>
937574	JACOB	2011 Dec 14	2019 Sep 07	298.880
551061	LENNAC WEST	2007 Feb 03	2019 Sep 07	373.341
551062	LENNAC EAST	2007 Feb 03	2019 Sep 07	224.084
504371	LENNAC	2005 Jan 20	2019 Sep 07	373.472
897483	LENNAC NORTHEAST	2011 Sep 14	2019 Sep 07	466.715
897484	LENNAC SOUTHEAST	2011 Sep 14	2019 Sep 07	392.176
897486	LENNAC NORTH	2011 Sep 14	2019 Sep 07	447.993
897487	LENNAC SOUTHWEST	2011 Sep 14	2019 Sep 07	298.805

**Total Area: 2875.465 ha**

#### 4.1 Mineral Titles

Details of the status of mineral title ownership for the Lennac Lake Property were obtained from the Mineral-Titles-Online (MTO) electronic staking system managed by the Mineral Titles Branch of the Province of British Columbia. This system is based on mineral titles acquired electronically online using a grid cell selection system. Tenure boundaries are based on lines of latitude and longitude. There is no requirement to mark claim boundaries on the ground as these can be determined with reasonable accuracy using a GPS. The Lennac Lake claims have not been surveyed.

The mineral titles comprising the Lennac Lake Property are shown in Figure 3 and listed in Table 1. The claim map shown in Figure 3 was generated from geospatial data downloaded from the GeoBC website of the Province of British Columbia. This data is the same as that used by the Mineral-Titles-Online (MTO) electronic staking system to locate and record mineral titles in British Columbia. The data is current as of December 15, 2017.

Claim details given in Table 1 were obtained using an online mineral title search engine available on the MTO web site. All claims listed in the table are in the Omineca Mining Division within NTS map sheet 93L/9.



## 4.2 Claim Ownership

Information posted on the MTO website indicates that all of the claims listed in Table 1 are owned 50% by Donald George MacIntyre and 50% by Harold Victor Parsons both of Victoria B.C.

## 4.3 Underlying Option Agreement

The mineral titles listed in Table 1 are under option to Pivit Exploration Inc. (“Pivit”) as outlined in an agreement signed on the 27th day of July, 2017 between Pivit and Donald George MacIntyre and Harold Victor Parsons (“the optionor”). Pivit provided the writer with a copy of this option agreement which specifies the terms whereby Pivit can earn a 100% interest in the Lennac Lake Property, subject to a 3% Net Smelter Return (NSR) Royalty, by completing \$400,000 in exploration, making payments of \$200,000 to the Optionor and issuing 575,000 common shares to Optionor on or before the fifth anniversary of Pivit’s listing on the Canadian Securities Exchange.

The purchaser will issue common shares as follows:

- 75,000 common shares to be issued upon listing; and
- 100,000 common shares on or before the first anniversary of listing, and
- 100,000 common shares on or before the second anniversary of listing, and
- 100,000 common shares on or before the third anniversary of listing, and
- 200,000 common shares on or before the fourth anniversary of listing

All share issuances made according to the above are to be made to Rich River Exploration Ltd.

The purchaser will make the following cash payments and work commitments:

- \$5,000 cash upon execution of this agreement; and
- \$5,000 upon listing
- \$5,000 on or before the first anniversary of listing
- \$10,000 cash and \$100,000 exploration expenditure on or before the second anniversary of listing; and,
- \$25,000 cash and \$100,000 exploration expenditure on or before the third anniversary of listing; and,
- \$50,000 cash and \$200,000 exploration expenditure on or before the fourth anniversary of listing;
- \$100,000 cash on or before the fifth anniversary of listing

All cash payments and share issuances will be made 50% to Donald George MacIntyre and 50% to Harold Victor Parsons.

Pivit will also pay the optionor a 3% net smelter return (NSR) royalty. Pivit can purchase the first 1% of the NSR for \$750,000 and the remaining 2% for an additional \$1,000,000.

#### **4.4 Required Permits and Reporting of Work**

Acquisition of mineral titles in British Columbia is done electronically through MTO. The electronic map used by MTO allows you to select single or multiple adjoining grid cells. Cells range in size from approximately 21 hectares (457m x 463m) in the south at the 49<sup>th</sup> parallel to approximately 16 hectares in the north at the 60<sup>th</sup> parallel. This is due to the longitude lines that gradually converge toward the North Pole. Clients are limited to 100 selected cells per submission for acquisition as one mineral title. The number of submissions is not limited, but each submission for a claim must be completed through to payment before another can commence. No two people can select the same cells simultaneously, since the database is live and updated instantly; once you make your selection, the cells you have selected will no longer be available to another person, unless the payment is not successfully completed within 30 minutes.

In British Columbia, the owner of a mineral title acquires the right to the minerals which were available at the time of title acquisition as defined in the Mineral Tenure Act of British Columbia. Surface rights and placer rights are not included. Mineral titles are valid for one year and the anniversary date is the annual occurrence of the date of recording (the “Issue Date”).

A mineral title has a set expiry date (the “Good To Date”), and in order to maintain the title beyond that expiry date, the recorded holder (or an agent) must, on or before the expiry date, register either exploration and development work that was performed on the title, or a payment instead of exploration and development (“PIED”). Failure to maintain a title results in automatic forfeiture at the end (midnight) of the expiry date; there is no notice to the title holder prior to forfeiture.

When exploration and development work or a PIED is registered, the title holder or agent may advance the title forward to any new date. With PIED the minimum requirement is 6 months, and the new date cannot exceed one year from the current expiry date; with work, it may be any date up to a maximum of ten years beyond the current anniversary year. All recorded holders of a mineral title must hold a valid Free Miners Certificate (“FMC”) when either work or PIED is registered on a mineral title.

The following are the current exploration expenditure or PIED amounts required to maintain a mineral title in good standing for one year:

Mineral Title - Work Requirement:

- \$5 per hectare for anniversary years 1 and 2;
- \$10 per hectare for anniversary years 3 and 4;
- \$15 per hectare for anniversary years 5 and 6; and
- \$20 per hectare for subsequent anniversary years

Mineral Title - PIED

- \$10 per hectare for anniversary years 1 and 2;
- \$20 per hectare for anniversary years 3 and 4;
- \$30 per hectare for anniversary years 5 and 6; and
- \$40 per hectare for subsequent anniversary years

Only work and associated costs for the current anniversary year of the mineral title may be applied toward that title. A report detailing work done and expenditures made must be filed with the B.C. Ministry of Energy and Mines within 90 days of filing of a Statement of Work (“SOW”). After the report is review by ministry staff it is either approved or returned to the submitter for correction. Failure to produce a compliant report could result in loss of assessment credit and forfeiture of the mineral titles to which the credit was applied.

At the time of writing, a Statement of Work for the work done on the Property in 2017 had not yet been filed.

Prior to initiating any physical work such as drilling, trenching, bulk sampling, camp construction, access upgrading or construction and geophysical surveys using live electrodes (IP) on a mineral property a Notice of Work permit application must be filed with and approved by the Ministry of Energy and Mines. The filing of the Notice of Work initiates engagement and consultation with all other stakeholders including First Nations.

## 4.5 Environmental Liabilities

There have not been any mining or significant exploration related physical disturbances on the Lennac Lake Property to date. The roads built to access forestry cut blocks were built in late 2016 and early 2017. Roads built for logging activities are not the responsibility of the mineral title holders. The author is not aware of any environmental issues or liabilities related to historical exploration or mining activities that would have an impact on future exploration of the Property.

## **5 Accessibility, Climate, Local Resources, Infrastructure and Physiography**

### **5.1 Access**

The Lennac Lake Property is accessible via paved and well-maintained logging roads starting at the town of Topley on transprovincial Highway 16 (Yellowhead Highway). Topley is the start of the paved, two lane, 50 kilometre long Granisle Highway which provides access to the towns of Topley Landing and Granisle on the shores of Babine Lake (Figure 2). To access the Lennac Lake Property one turns left onto the Shoulder Forest Service Road (FSR) at approximately kilometre 30 on the Granisle Highway and follows this road northward for a distance of 3.5 kilometres to the junction with the North haulage road. At the junction one turns left and follows the North road for 2.5 kilometres to approximately kilometre 65.4 and then turns right onto a new logging road that now provides access to the Property (Figure 3).

### **5.2 Climate and Vegetation**

The Property is situated in an area that has warm but often wet summers and cold winters. Snow accumulations rarely exceed 1 metre. Precipitation measured at nearby Granisle averages 528 mm per year. The driest month is normally April and the wettest is December. It is not uncommon for temperatures to be 20 to 40 degrees below freezing for weeks at a time in December through February. In recent years these cold spells have become less common. It is possible to work year round on the property although severe cold spells pose challenges with regard to keeping water from freezing.

The Property is relatively flat with a few small hills. The area is extensively covered by predominantly coniferous forest. The predominant tree species is closely spaced lodgepole pine which tends to grow on gravel covered areas. Spruce and balsam fir are restricted to the more swampy low lying areas of the Property. Poplar and cottonwood trees occur locally. Beginning in late 2016 a network of new logging roads and several large clearcut areas were located on the Property.

### **5.3 Local Resources**

The property is approximately 62 kilometres by road from the town of Houston where supplies and services required for any future exploration and development on the Property are readily available. There are a number of heavy equipment operators based in Houston. The nearby towns of Smithers and Burns Lake also provide services for mineral exploration and mining.

## 5.4 Infrastructure

The Lennac Lake property is ideally located for development. An all weather paved highway is within a few kilometres of the showings as is a transmission line that serves the community of Granisle (Figure 2). The CN railway line is located approximately 40 kilometres south of the property and is accessible via the Granisle Highway or Houston Forest products haulage road.

## 5.5 Physiography

The Property is situated in a relatively flat plateau area west of Babine Lake. Elevations range from 880 to 1050 metres. Lower areas on the property, especially to the south, are swampy but there are also low rises covered by open pine forest and shallow overburden. Outcrop is scarce but the southeast showings were exposed by trenching into glacial deposits less than a metre deep. In some areas, deep glacial outwash sands and gravels have buried bedrock.

# 6 History

## 6.1 1971-1974 Amax Exploration Ltd. / British Newfoundland Exploration Ltd.

The Lennac Lake copper-molybdenum prospect (Minfile Nos. 93L 190, 191) was first discovered by Amax Exploration Inc. in 1971 and staked as the Thezar claims (Leary and Allen, 1972). This discovery was the result of a regional soil sampling program that covered the entire Babine Lake area. The discovery showing was located by a prospecting team following up a single anomalous soil sample. After completing an IP survey (Depaoli and Allen, 1972) Amax drilled 44 percussion holes in 1973 totalling 3441 metres (Silversides, 1973). Of these, 36 were drilled in the vicinity of the discovery showing (West Zone) and the remainder further east in an area of strong geochemical soil anomalies (East Zone). All of the percussion holes were vertical and drilled to an arbitrary depth of around 87 metres (300 ft.). Some holes were abandoned because of thick overburden. Percussion holes 1, 2, 4, 5, 6, 7, 11, 12, 13, 15, 34, 35, 39 and 42 all intersected low grade copper mineralization hosted by granodiorite porphyry and hornfelsed volcanic rocks. Holes LL73-34, LL73-35 and LL73-39 were drilled in the East Zone. Location of West Zone drill holes is shown in Figure 4.

**Table 2. Summary of 1973 Percussion Drill Holes**

Hole	Easting	Northing	Elev. (m.)	Type	Azimuth	Inclination	Overburden	Length (m.)
LL73-1	671362	6069855	974	Percussion	360	-90	3.94	90.84
LL73-2	671314	6069750	978	Percussion	360	-90	3.63	90.84
LL73-3a	671245	6069700	982	Percussion	360	-90	30.48	30.48
LL73-3	671260	6069646	983	Percussion	360	-90	24.38	24.38
LL73-4	671418	6069956	965	Percussion	360	-90	7.87	60.56
LL73-5	671455	6070075	964	Percussion	360	-90	6.66	90.84
LL73-6	671510	6070186	970	Percussion	360	-90	5.45	90.84
LL73-7	671564	6070270	966	Percussion	360	-90	16.65	90.84
LL73-8	671615	6070374	964	Percussion	360	-90	21.2	90.84
LL73-9	671400	6070504	972	Percussion	360	-90	20.29	90.84
LL73-10	671355	6070412	967	Percussion	360	-90	28.77	90.84
LL73-11	671258	6070319	966	Percussion	360	-90	13.93	90.84
LL73-12	671153	6070229	964	Percussion	360	-90	14.23	90.84
LL73-13	671207	6070078	964	Percussion	360	-90	17.26	90.84
LL73-14	671152	6069980	972	Percussion	360	-90	19.68	90.84
LL73-15	671100	6069872	977	Percussion	360	-90	15.14	90.84
LL73-16	671047	6069766	988	Percussion	360	-90	9.08	75.7
LL73-17	671000	6069663	996	Percussion	360	-90	4.54	90.84
LL73-18	671518	6069628	984	Percussion	360	-90	5.45	90.84
LL73-19	671568	6069732	978	Percussion	360	-90	5.45	90.84
LL73-20	671621	6069836	971	Percussion	360	-90	16.96	90.84
LL73-21	671592	6070071	969	Percussion	360	-90	5.45	90.84
LL73-22	671652	6070153	975	Percussion	360	-90	24.38	24.38
LL73-23	671788	6070142	968	Percussion	360	-90	17.56	90.84
LL73-24	671845	6070253	978	Percussion	360	-90	6.06	90.84
LL73-25	671938	6069930	980	Percussion	360	-90	15.14	90.84
LL73-26	671883	6069816	981	Percussion	360	-90	7.57	90.84
LL73-27	670790	6069786	995	Percussion	360	-90	4.54	90.84
LL73-28	670848	6069909	989	Percussion	360	-90	7.57	90.84
LL73-29	670889	6069992	989	Percussion	360	-90	13.63	90.84
LL73-30	670940	6070096	982	Percussion	360	-90	19.08	36.34
LL73-31	670983	6070188	973	Percussion	360	-90	19.68	90.84
LL73-32	671055	6070299	977	Percussion	360	-90	24.38	24.38
LL73-33	671108	6070395	986	Percussion	360	-90	30.48	30.48
LL73-34	672337	6068952	1032	Percussion	360	-90	0.61	90.84
LL73-35	672449	6068861	1040	Percussion	360	-90	4.54	90.84
LL73-36	672239	6068983	1029	Percussion	360	-90	2.73	90.84
LL73-37	672383	6069200	1014	Percussion	360	-90	4.84	90.84
LL73-38	672521	6069132	1014	Percussion	360	-90	21.34	21.34
LL73-39	672414	6069335	1012	Percussion	360	-90	2.42	90.84
LL73-40	672503	6069446	1002	Percussion	360	-90	7.87	90.84
LL73-41	672298	6069563	1002	Percussion	360	-90	10.6	90.84
LL73-42	671492	6069848	973	Percussion	360	-90	2.42	90.84
LL73-43	671221	6069844	974	Percussion	360	-90	24.38	24.38

3440.98

**Table 3. Average grades for 1973 drill holes intersecting Cu mineralization**

Hole	Length (m.)	Cu %	Zone
LL73-1	87	0.12	West
LL73-2	87	0.11	West
LL73-4	53	0.23	West
LL73-5	84	0.23	West
LL73-6	85	0.20	West
LL73-7	74	0.11	West
LL73-11	77	0.09	West
LL73-12	77	0.07	West
LL73-13	74	0.11	West
LL73-15	76	0.11	West
LL73-34	90	0.17	East
LL73-35	86	0.11	East
LL73-39	88	0.08	East
LL73-42	88	0.08	West

The best intersections from the 1973 percussion drilling were 15 metres grading 0.37% Cu in drill hole LL73-4, 15 metres grading 0.38% Cu in drill hole LL73-5, 9 metres grading 0.44% Cu in drill hole LL73-6 and 15 metres grading 0.44% Cu in drill hole LL73-34.

In 1974, Amax drilled five BQ size diamond drill holes totalling 920 metres all within the West Zone (Hodgson, 1974). Holes 1, 2 and 5 were vertical and holes 3 and 5 were inclined at 45 degrees to the northwest (Figure 4). Overall the diamond drill holes returned substantially better grades than the 1973 percussion holes (Hodgson, 1974).

**Table 4. Summary of 1974 diamond drill holes**

Hole	Easting	Northing	Elev. (m)	Type	Azimuth	Inclination	Overburden	Length (m.)
LL74-1	671517	6070183	971	DDH - BQ	360	-90	4.27	183.79
LL74-2	671615	6070128	972	DDH - BQ	360	-90	7.92	184.71
LL74-3	671448	6070150	963	DDH - BQ	303	-46	18.29	186.84
LL74-4	671376	6070046	963	DDH - BQ	300	-46	14.02	181.97
LL74-5	671481	6069990	964	DDH - BQ	360	-90	12.19	182.27

919.58

**Table 5. Average Cu grades for assayed intervals, 1974 drill holes, West Zone**

Drill Hole	Length (m)	Cu %
LL74-1	178.73	0.23
LL74-2	118.95	0.20
LL74-3	113.75	0.25
LL74-4	110.1	0.11
LL74-5	112.24	0.20

The best intersections from the 1974 diamond drilling program were 39.6 metres grading 0.39% Cu in LL74-1, 12.2 metres grading 0.35% Cu and 6.1 metres grading 0.34% Cu in LL74-2, 30.5 metres grading 0.38% Cu, 6.4 metres grading 0.69% Cu and 12.2 metres grading 0.32% Cu in LL74-3.

The 1973 and 1974 drilling defined an oblong multi-phase intrusive body that has been tilted to the southeast (see section, Figure 4). Mineralization in the form of vein stockwork and disseminations occurs within the Late Cretaceous granodiorite porphyry and intruded hornfelsed Telkwa Formation volcanic rocks. The core of the intrusive complex appears to be a late stage porphyry that is only weakly mineralized (Figure 4). The tilting of the porphyry intrusion is attributed to Eocene or young rotation of fault blocks on a series of northeast trending, southeast dipping listric normal faults (MacIntyre and Villeneuve, 2001; MacIntyre et al., 2001). This interpretation is important because it means that the vertical percussion holes located on the west side of the porphyry intrusion would not have intersected the southeast dipping mineralization along the western contact of the intrusive complex.



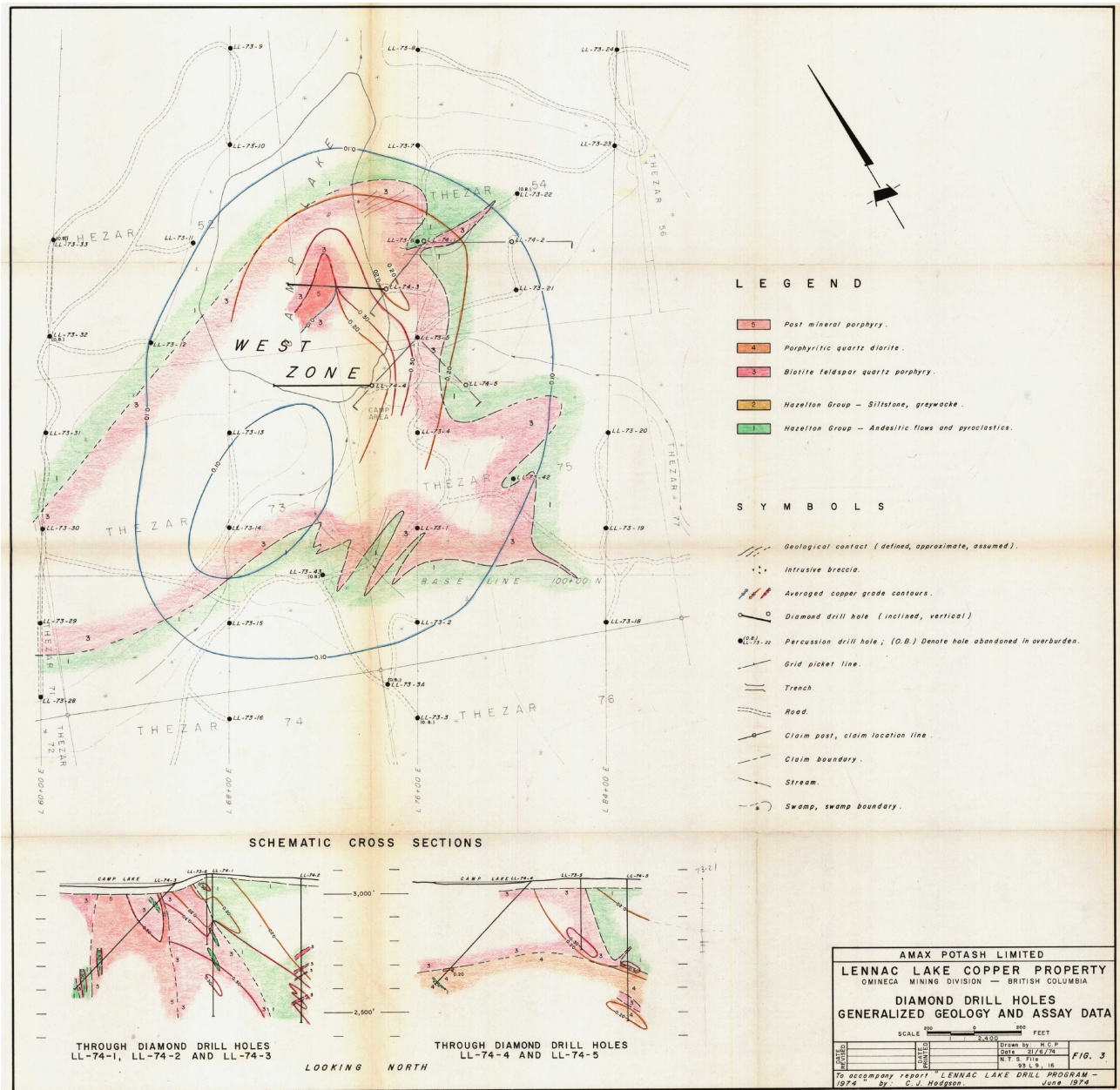


Figure 4. Geology, drill hole locations and schematic cross sections, West Zone. Source: Hodgson, 1974.

Also in 1973, British Newfoundland Exploration Ltd. drilled 11 percussion and three diamond-drill holes on the Jacob showing south of the Thezar claims. There is no information available for the location of drill holes and assay results for this drilling program.

## **6.2 1990-1991 Kennecott Exploration Ltd.**

In 1990, L. Bourgh restaked the property and it was optioned to Kennecott Exploration (Canada) Ltd. Kennecott completed geological mapping, prospecting and trenching and found additional copper showings on the east side of the property (Southeast Zone) (Smit and Harivel, 1992).

The 1991 exploration program was divided into two parts. The first part was carried out in August. During this time, Colin Harivel mapped part of the property around the main showings, Pat Suratt prospected throughout the central part of the property, and Lynn Bishop re-established an IP grid originally placed in 1972. The second part of the program was carried out in September. During this time, trenching was done using a skidder-mounted backhoe. In total, 30 man-days were spent mapping, prospecting and sampling, 110 rock samples and 44 soil samples were collected and geochemically analysed, 60 metres of trench were dug, and refurbishing the Amax grid. In addition, the access road was brushed out and a few mud holes repaired.

The 1991 exploration was directed towards evaluating the potential for significant gold values associated with copper mineralization on the property. The work plan included evaluating the work done by Amax, searching for new mineralization, and testing previously discovered and new mineralization for gold content. Work in the West and East zones confirmed the findings by Amax. Work east of the East zone found two new mineralized zones. The Suratt showing was located along the access road. This showing contains copper mineralization associated with a zone of silicified and clay altered volcanics. Results in the 0.2 to 0.3% copper range were obtained from chip samples in this zone. Molybdenum mineralization associated with quartz stringers was discovered south of the Suratt showing. Up to 1106 ppm Mo was returned from samples in this zone. Gold results from samples from all zones were low (mostly <50 ppb) except for one sample which assayed 1.84 gm/tonne gold.

## **6.3 1993 Cominco Ltd.**

Cominco Ltd. optioned the property in 1993 and did additional prospecting, soil geochemistry and trench sampling in the southeast showing (Callan, 1993; Jackisch, 1993). Cominco also did an Induced Polarization/ Resistivity survey which totalled 17.1 km on widely spaced lines.

The purpose of the geophysical survey was to test the south east part of the property for evidence of a major porphyry Cu-Mo mineralized system. This area of the property is mainly covered by swampy lowland with exposure masked by extensive glacial cover. A

weak chargeability anomaly was detected in the area south of the Southeast Zone (Jackisch, 1993).

#### **6.4 1998 Hudson Bay Exploration and Development Lts.**

Hudson Bay Exploration and Development held the property in 1998. After airborne electromagnetic surveys, it was concluded that grids should be investigated for outcrop and soil geochemistry in the vicinity of several EM anomalies (Bidwell, 1998). Three grid areas were established on the Property. In the period April to June 1998 a program of linecutting (31.5 km) and ground EM/magnetic surveys (25.5 km) was carried out on these grids. On the most westerly grid, located southwest of the West Zone, a strong NW trending EM anomaly runs the length of the grid with a steeply east to vertical dip. A weaker parallel anomaly was detected 350 m to the east. Another grid area was established near the eastern limit of the current property. A well defined vertical linear conductor was located in the centre of the grid area. This anomaly remains open to the south. Southwest of this anomaly two weak EM conductors were outlined on the ground survey but a creek and beaver ponds prevented good definition of the conductor. The more easterly of these conductors remains open off the south side of the grid. Detailed mapping, prospecting and soil geochemistry of the EM anomalies was recommended (Bidwell, 1998). However, this was not done and Hudson Bay dropped the claims in July 2004.

#### **6.5 2004 D.G. MacIntyre and V.H. Parsons**

Six two-post claims were staked over the southeast showings in September 2004 by D.G. MacIntyre and V.H. Parsons of Victoria. Additional claims to cover the West, East and Jacob zones were added on Jan. 12, 2005 when electronic staking was inaugurated. The original two-post claims were subsequently converted to cell claims.

In 2004 a broad orientation soil survey was completed at the Southeast Zone to determine if soil sampling was an effective tool. Eight samples were taken which showed weakly anomalous Cu and Ag (MacIntyre and Parsons, 2005).

#### **6.6 2007-2008 Dentonia Resources Inc.**

In February 2007, Dentonia Resources Inc. optioned the Lennac Lake property from the current property owners. The main focus of Dentonia's exploration program was the Southeast Zone, which was discovered in the early 1990's, and had not been previously drill tested. Between August 15 and October 15, 639 metres of AQ diamond drilling in 9 short drill holes (none of which exceeded 100 metres in vertical depth) was completed in the Southeast Zone. Results of this drilling were disclosed in news releases dated November 16, 2007 and January 26, 2008. This drilling indicated anomalous concentrations of Mo, Cu, Ag

and to a lesser extent Au occur in clay altered volcanic rocks and feldspar porphyry dykes over a distance of 800 metres. Dentonia, encouraged by the extensive alteration and fine-grained sulphide mineralization intersected in the 9 short AQ drill holes, contracted Driftwood Diamond Drilling of Smithers B.C. to do additional drilling on the property. A total of 2,650 metres of NQ diamond drilling was completed in 9 drill holes between early December 2007 and January 18, 2008 when the drilling program was halted due to insufficient funds. Dentonia subsequently dropped its option on the property.

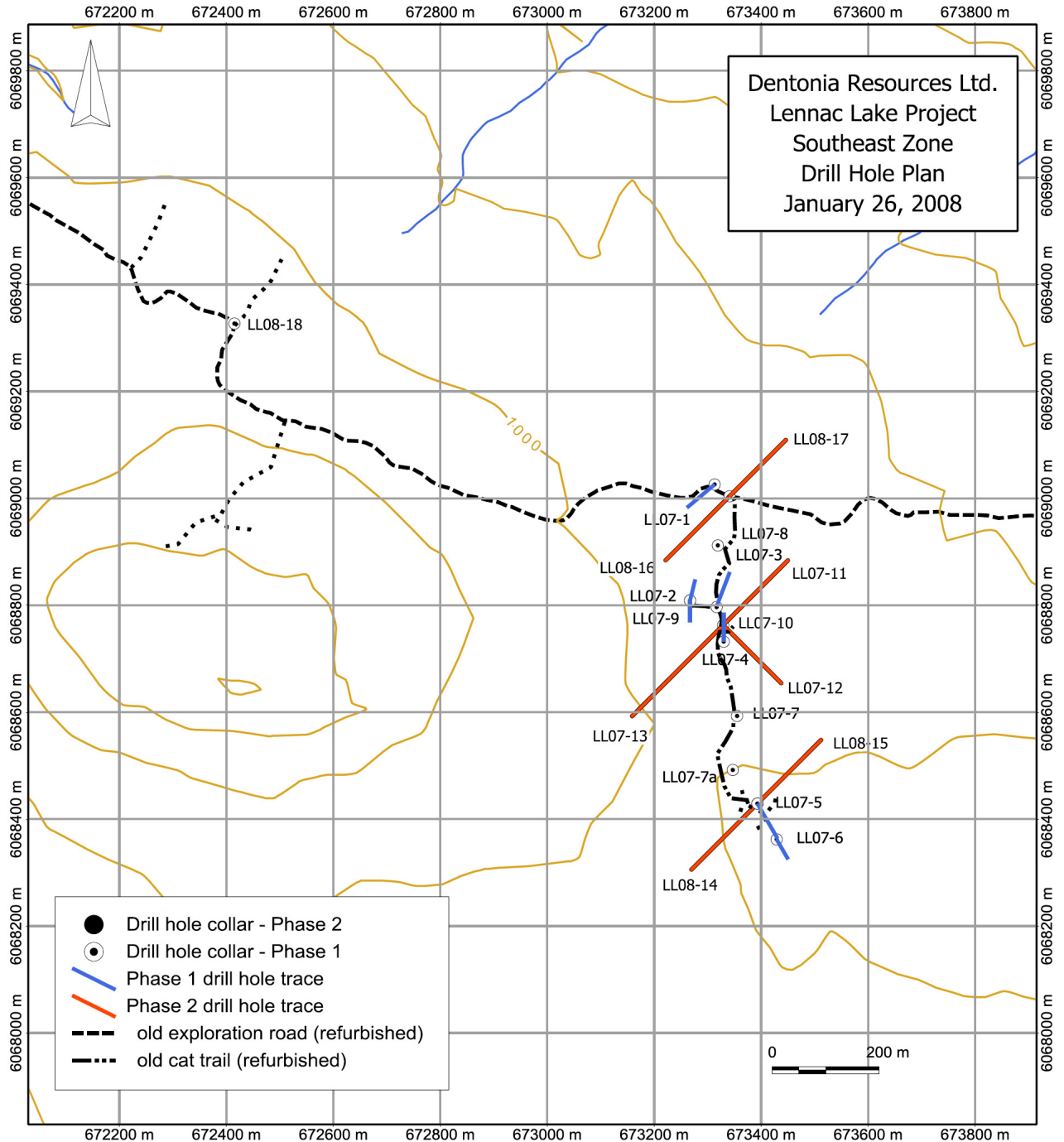




Figure 5. Drill hole plan, Southeast Zone, Dentonia Resources 2007-2008.

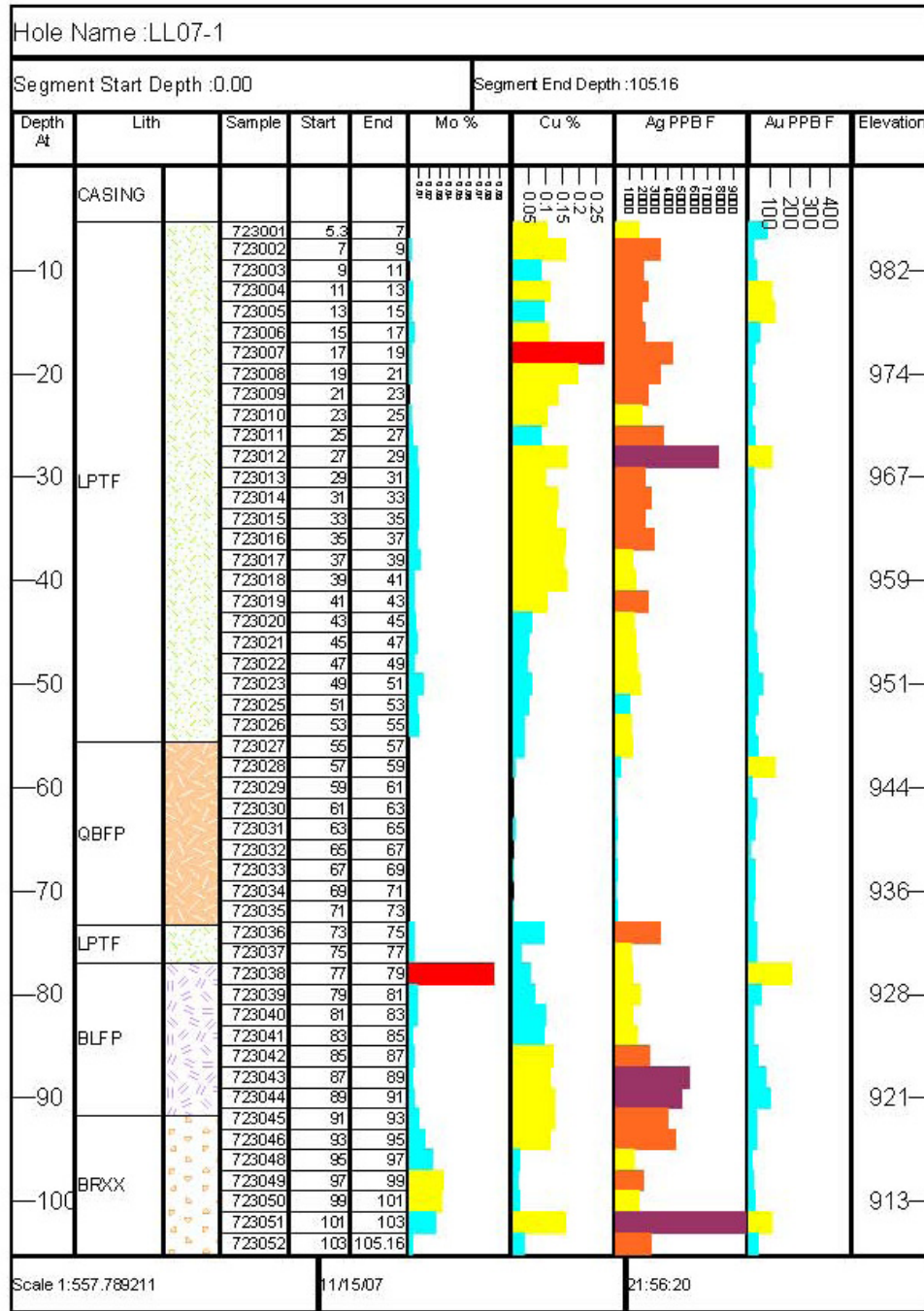


Figure 6. Graphic log, DDH LL07-1. Note: BRXX=breccia, BLFP=bladed feldspar porphyry, LPTF=lapilli tuff, QBFP=quartz-biotite-feldspar porphyry

## 6.7 2012 Antofagasta / Riverside Resources Ltd.

In early 2012 Riverside Resources, as part of their strategic alliance with Chilean mining company Antofagasta, optioned the Lennac Lake property. Riverside subsequently contracted Aeroquest Airborne to conduct a regional airborne magnetic survey over the Lennac Lake and adjoining claims during April of 2012. This survey was completed between April 8<sup>th</sup> and April 17<sup>th</sup> 2012 which included 4483 line kilometres at a nominal flight height of 50 m which varied depending on terrain. Flight lines were flown at 200 m spacing and at an azimuth of 45° and 225° with tie lines spaced by 2000 m on a 135° and 315° orientation. The results of the portion of the airborne survey that covered the Lennac Lake claims are summarized in an assessment report by MacIntyre (2012). This survey identified a large 6 km by 8 km circular feature thought to represent a rotated block forming a large dilational zone bound by NNE trending regional scale faults located in the southern area of the claim blocks (Clarke and Chadwick, 2013). Within this feature the three known mineralized occurrences at Lennac Lake lie along a northwest orientation. Along this northwest trend three doughnut magnetic features were identified, two of which correlate with Cu-Mo porphyry style mineralization at the East and West zones at Lennac Lake. The third doughnut feature may represent a barren phase as suggested by limited outcrop exposure and lack of an anomalous soil geochemical signature (Clarke and Chadwick, 2013).

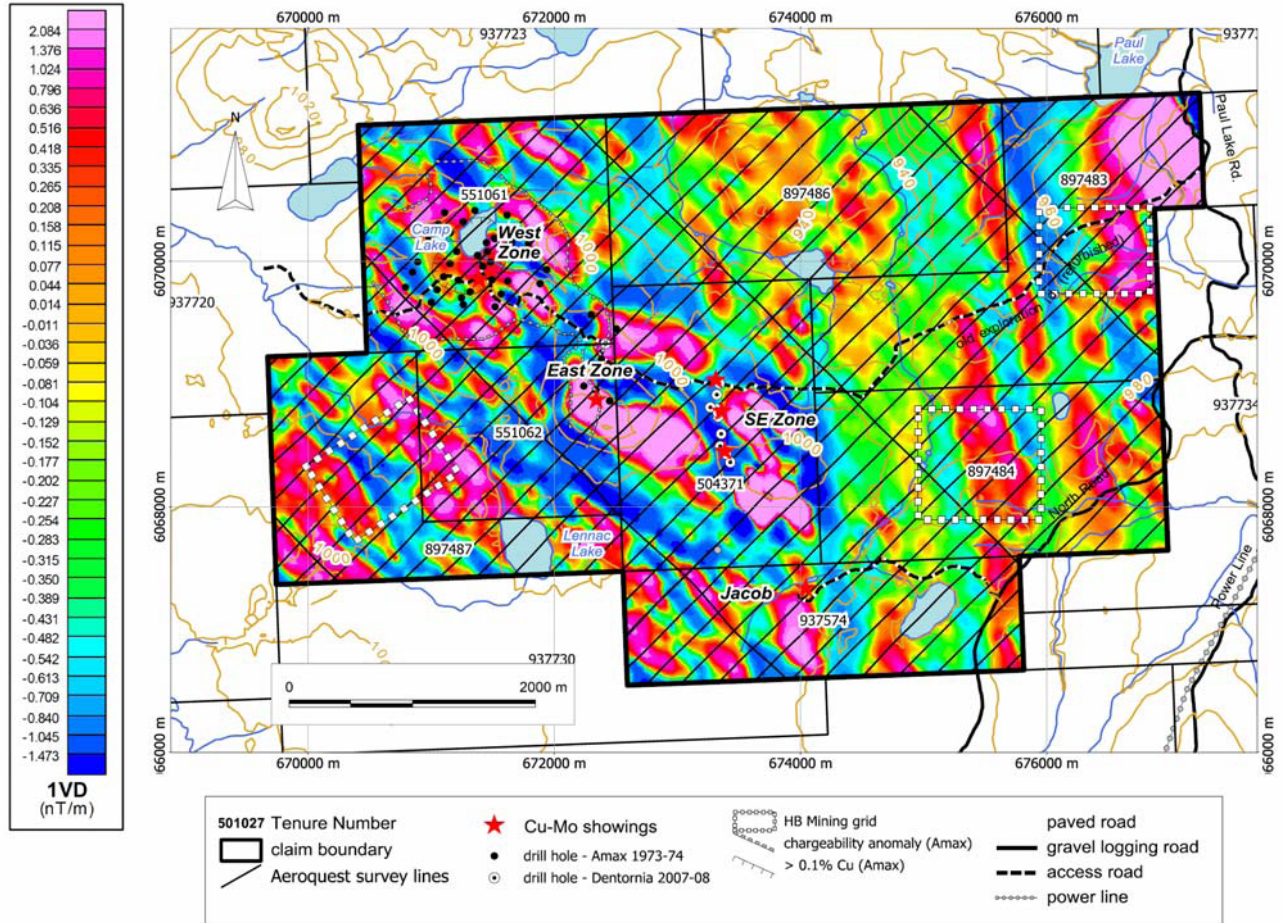


Figure 7. Geology and mineral occurrences superimposed on First Vertical Derivative of the aeromagnetic data. Map created by D.G. MacIntyre using data from the Aeroquest aeromagnetic survey.

Further processing and unconstrained inversion modelling of this data by Mira Geosciences Ltd. was completed using the UBC-GIF MAG3D suite of algorithms. Several circular features favourable of a porphyry style signature were identified within regions of structural complexity. These features may represent intrusive centres and targets for Cu porphyry style mineralization warranting follow-up work.

Riverside also conducted a ground IP survey at Lennac Lake which was successful in identifying a circular chargeability high around the periphery of the West Zone which outlines the pyritic halo relating to phyllic alteration (Figure 4). A north-south trending chargeable high was also identified during the Lennac Lake IP surveying. Portions of this feature were tested in the central section during the 2007-2008 drilling at the Southeast Zone with limited testing in the south at the Jacob showing. According to Clarke and Chadwick (2013), this does not represent a typical porphyry chargeability signature but may represent structurally controlled mineralization.

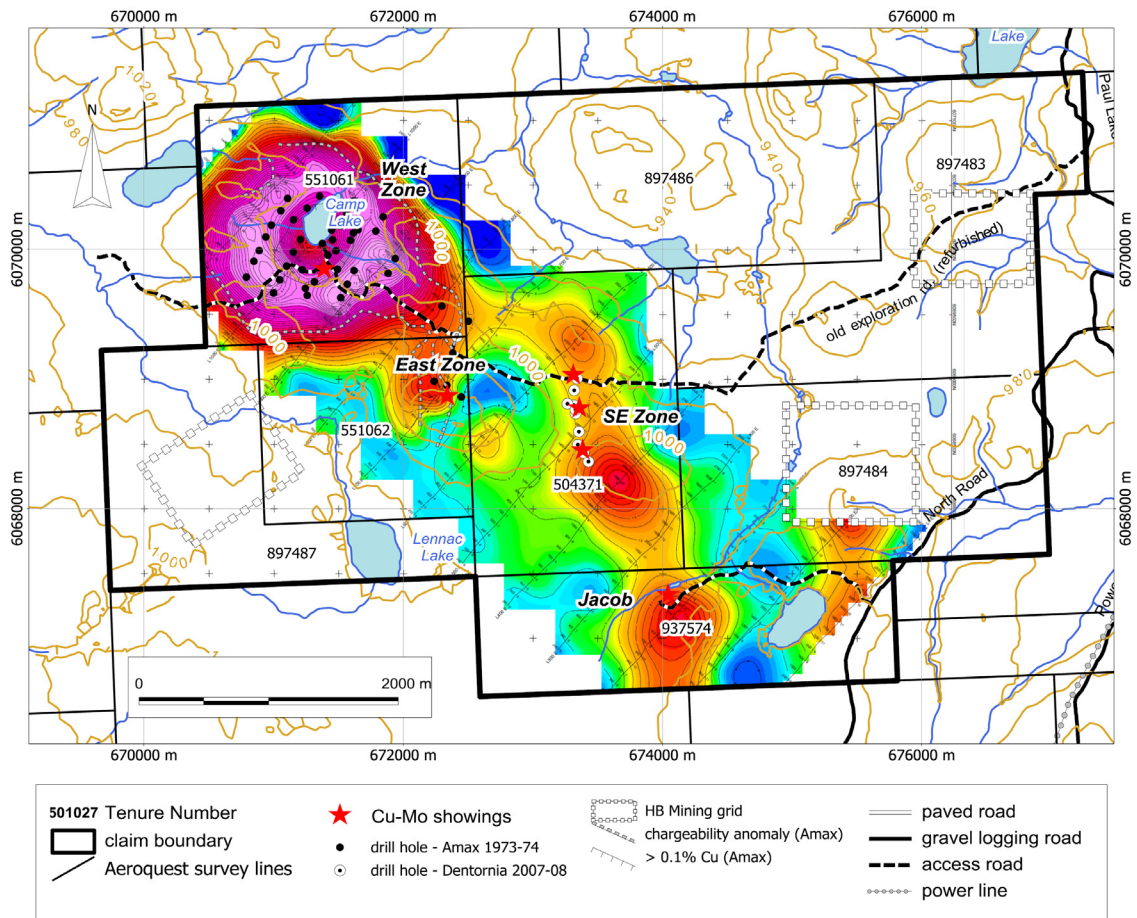


Figure 8. IP chargeability map, Lennac Lake Property. Source: Riverside Resources, 2012.



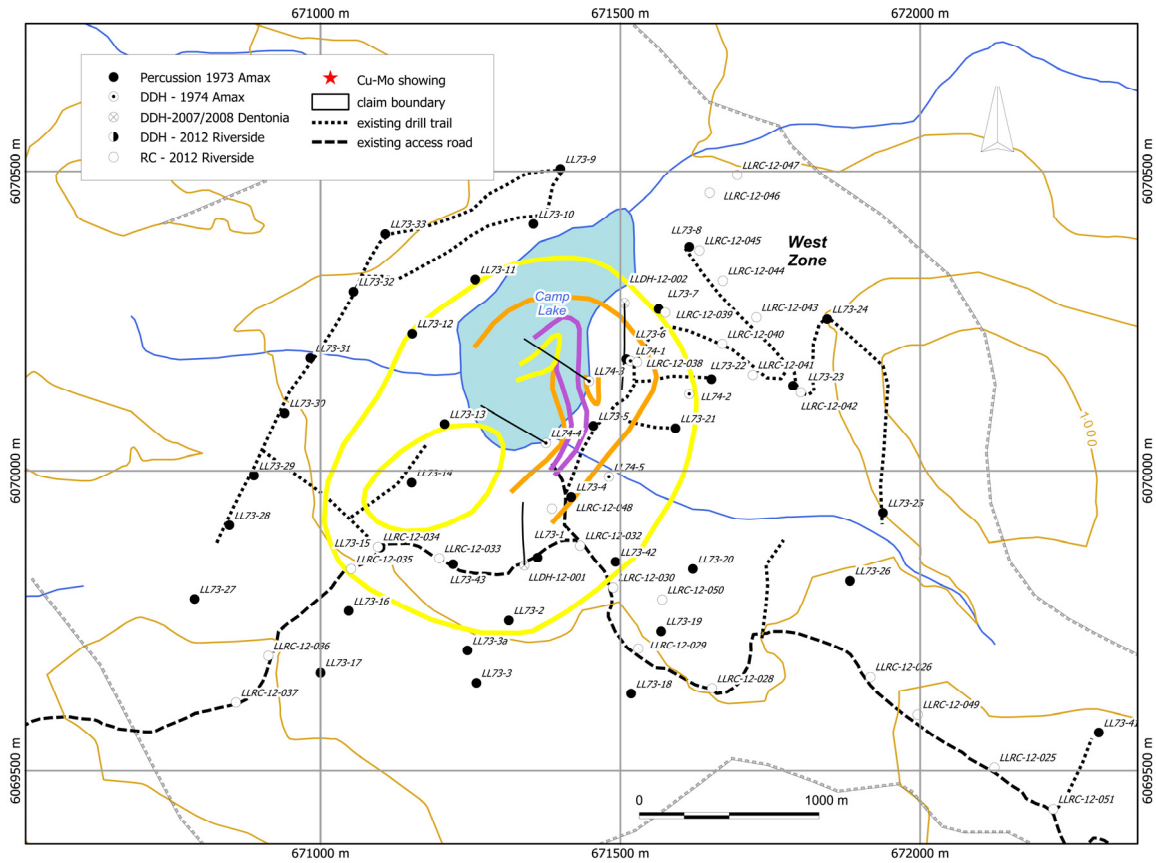


Figure 9. Drill hole location map, West Zone, Lennac Lake

Riverside, encouraged by the results of the airborne magnetometer and ground IP surveys contracted HyTech drilling of Smithers to do RC and diamond drilling at Lennac Lake. RC drilling was completed between July 18th, 2012 and September 26th, 2012. RC drilling was done using a track mounted Multi-Power Products Grasshopper RC drill. Unfortunately, due to time constraints around the building of new access trails, hole locations were limited to existing tracks and roads. Drill hole locations were spaced 250 m and as close as 100 m when infill drilling sections of interest. Geology and alteration logged in bedrock chips was combined with limited outcrop mapping data to create comprehensive alteration and geologic maps in the areas of interest. The purpose of the RC drill program was to penetrate glacial cover to test the bedrock in target areas to assess validity of further diamond drilling. A total of 61 vertical drill holes totalling 938 metres were completed. No down hole orientation surveys were completed during the RC drilling campaign. Samples were taken on 1.5 m intervals from the base of the till cover and from top of the bedrock. Holes were generally terminated after 3-6 m of drill penetration in to bedrock. Approximately 2-5 kg of material was spear sampled from the selected intervals and sent to SGS Laboratories in Telkwa and Vancouver, British Columbia. RC drilling at the West Zone at Lennac Lake aided in confirming the extent of mineralization while constraining the extent of alteration

haloes of the known porphyry system. At the East Zone, RC drilling intersected sporadic zones of Cu-Mo mineralization often correlating with localized zones of potassic altered fine-grained intrusives.

Samples of chips of all holes on 1.5 m intervals are stored at the UTM Exploration Ltd. storage yard at 3176 Tatlow Road, Smithers, British Columbia.

Exploration diamond drilling in 2012 included two holes at the West Zone totalling 800.4 m and two holes at the East Zone totalling 678.65. Drilling was done using a portable drill with a track mounted All-Track used for drill rig moves. LLDH-12-001 and LLDH-12-002 aimed at testing the extent of known mineralization at depth within the potassic core at the West Zone (Figure 9). Drill holes LLDH-12-003 and LLDH-12-004 were a two hole drill fence testing across a favourable magnetic signature with known mineralization identified but poorly defined by limited historic drilling. Drill core is stored at Rugged Edge Holdings at 7221 Cedar Road, Smithers, British Columbia.

Diamond drill holes LLDH-12-001 and LLDH-12-002 were collared 470m apart and tested the northern and southern end of the weak magnetic anomaly inferred to be the geophysical signature of the potassic core of the porphyry system at the West Zone (Figure 9). LLDH-12-001 was oriented due north and angled at  $-70^{\circ}$  and LLDH-12-002 was oriented due south at  $-70^{\circ}$ . LLDH-12-001 intersected consistent low grade Cu-Mo mineralization throughout the entire hole (Figure 10), hosted in quartz+biotite+feldspar+hornblende porphyry with weak potassic alteration characterized by fine-grained secondary biotite and K-feldspar selvages on quartz vein stockworking. Mineralization, as chalcopyrite and rare molybdenite, is hosted as disseminations and blebs in groundmass and quartz veining. The main mineralizing porphyry phase intrudes a fine-grained dark grey biotite+feldspar+hornblende intrusive phase as determined by cross-cutting relationships. An increase in Cu-Mo grade and sulphide content is observed in the fine-grained intrusive phase which represents a more mafic phase and favourable environment for mineralization. Rare narrow dikes ( $<10$  m) of a barren quartz+biotite+feldspar+hornblende porphyry were intersected which represent a postmineralization phase of the intrusive suite. Drill hole LLDH-12-001 averaged 0.19% Cu over 346 metres. The best intersection was between 264 and 282 metres which graded 0.40% Cu.



chlorite+epidote+magnetite altered crystal-lithic tuff. The alteration assemblage is typical of a distal propylitic alteration halo within the Lennac Lake porphyry systems. Tan coloured quartz+feldspar+biotite dikes cut the crystal-lithic tuff. Hole LLDH-12-004 targeted the magnetic low centre within the doughnut shaped magnetic feature and intersected a light grey to tan strongly clay+sericite altered quartz+biotite+feldspar porphyry with two phases of strong stockwork veining. Fine, wormy, quartz veins with delicate UST textures are cut by planar, barren quartz vein stockwork throughout the hole. Although the intense stockwork veining was encouraging, the lack of sulphide suggests the intrusive phase was not intruded under favourable conditions for copper porphyry mineralization. Only very localized molybdenite and rare chalcopyrite veinlets were intersected in LLDH-12-004.

Riverside Resources subsequently cancelled their option agreement at Lennac Lake in early 2014 even though a number of new targets generated by the airborne magnetometer and ground IP surveys remained untested.

## **7 Geological Setting and Mineralization**

### **7.1 Regional Geology**

The Lennac Lake Property is located within the Skeena Arch structural feature within the central area of the Stikinia Terrane which comprises Carboniferous to Middle Jurassic volcanic, sedimentary units and plutonic suites (Schiarizza and MacIntyre, 1999). Collision of the Stikinia Terrane with the Cache Creek Terrane resulted in the formation of the Skeena Arch structural feature, a broad east-west zone of uplifted rocks dividing the Bowser Basin to the north with the Nechako Basin to the south.

The oldest unit on the Property is Permian aged marine sediments including limestones, chert and chloritic metavolcanics of the Asitka Group as a series of imbricated thrust panels which outcrop as a thin north-south package in the eastern section of the Property (MacIntyre et al., 2001). The area north of Fulton Lake is dominated by the Late Triassic Takla Group overlying the Asitka Group which marks the beginning of long lived subduction arc-volcanism within the Babine porphyry belt. Augite-phyric basalt and lesser marine and nonmarine sedimentary packages dominate the Takla Group. A polymictic boulder conglomerate marks a period of uplift prior to deposition of the early Jurassic Hazelton Group (MacIntyre et al., 2001). Continued calc-alkaline arc volcanism through the early Jurassic produced volcanic tuffs, flows and breccias which underlie the area south of Fulton Lake and the Lennac Lake Property. The Topley Intrusive suite which is predominantly granitic in composition forms the core of Tachek and Matzhetzel Mountains south of the Granisle Highway. Rift magmatism continued in the Middle Cretaceous to Late Eocene

within a transtensional tectonic setting (MacIntyre et al., 1995). Quartz+feldspar+biotite+hornblende porphyries of the Late Cretaceous Bulkley intrusive suite cut the Late Jurassic Telkwa Formation volcanics to the south of Fulton Lake and host the Lennac Lake Cu-Mo porphyries. A block of Eocene rocks including biotite+hornblende+feldspar porphyry intrusions of the Babine Intrusive suite and the coeval Newman Formation which includes rhyolitic lahars and breccias is located to the northeast near the town of Granisle. The Babine Intrusive suite hosts the Bell and Granisle Cu-Au porphyry systems further north. Eocene and Late Cretaceous intrusive phases are predominantly elongate dykes and sills suggesting emplacement along deep penetrating structures activated during extension (MacIntyre and Villeneuve, 2001).

The transtensional tectonic setting in the Middle Cretaceous to Late Eocene created regional north trending normal faulting. This faulting shows a dextral component resulting in northeast trending shear zones which offset the north trending normal faults (MacIntyre et al., 1995).

Regional extension continued after the eruption of the Newman Formation volcanism evidenced by tilting of blocks to the southeast, downdropping of fault blocks and emplacement of the Eocene aged Endako Formation basalt (MacIntyre et al., 1995).

There are three ages of intrusives in the area. Jurassic Topley quartz monzonites and granodiorites underlie a large area south of the property. Late Cretaceous Bulkley intrusions, quartz monzonite and quartz diorite, occur as plugs throughout the area. Finally, Tertiary Babine intrusives occurring as small plugs and dikes are found around Babine Lake. They are often described as biotite-feldspar porphyries. Mineralization occurs in porphyries associated with all three ages of intrusives. The former Granisle and Bell mines about 25 kilometres north of Lennac Lake are associated with Babine intrusives.

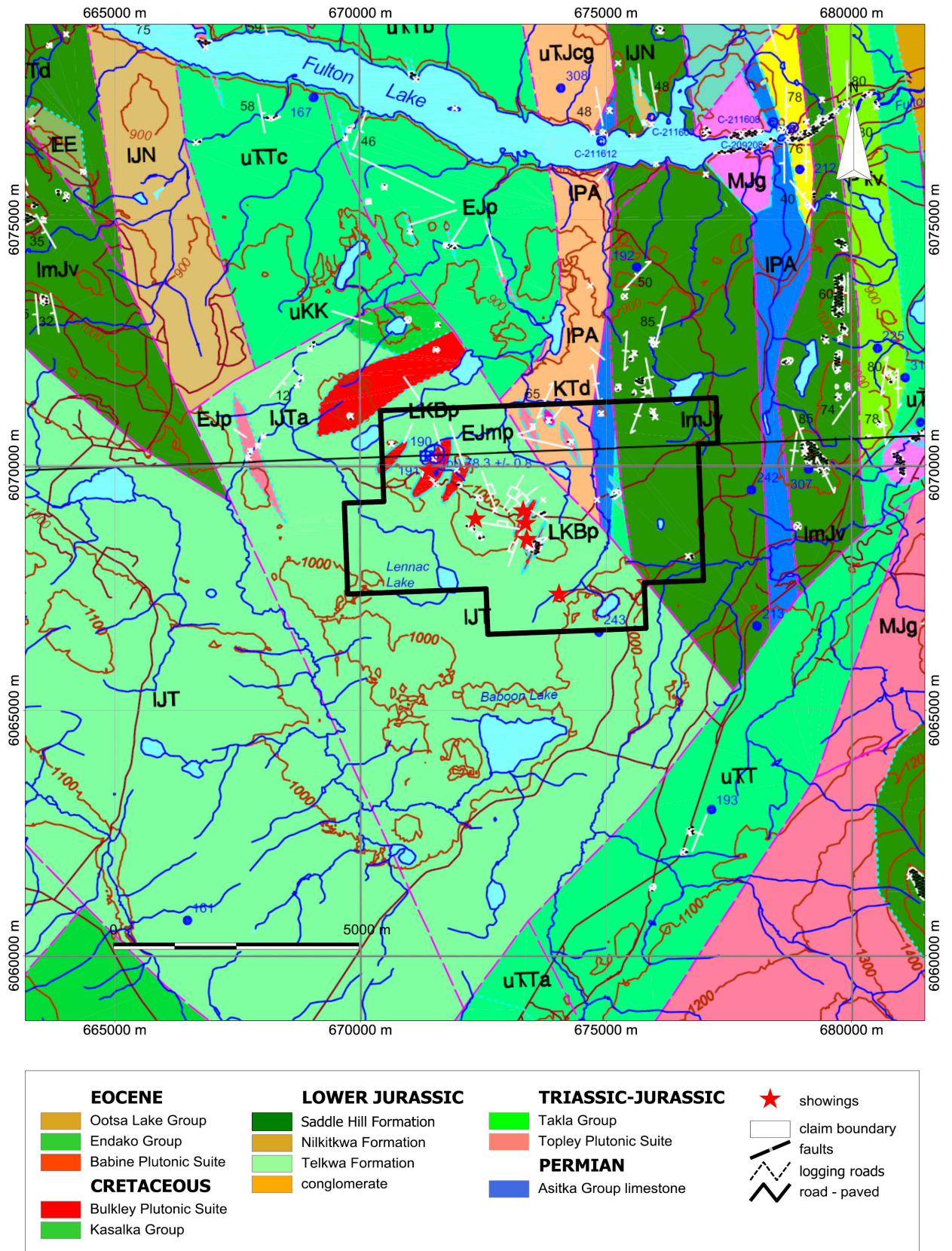


Figure 11. Regional geology, Lennac Lake Property. Source: MacIntyre, 2001.

## 7.2 Property Geology and Mineral Occurrences

Porphyry copper mineralization and alteration are associated with a series of northeast-trending intrusions of biotite-hornblende-feldspar-quartz porphyry that intrude maroon lapilli tuffs and volcaniclastic rocks of the Lower Jurassic Telkwa Formation (Figure 8). The porphyry, which is quartz monzonite to granodiorite in composition and typical of the Late Cretaceous Bulkley intrusions, contains euhedral biotite books, hornblende, plagioclase and locally quartz eyes up to 1 centimetre in diameter. The main phase granodiorite porphyry intrusion has been dated at 78.3± 0.8 Ma (MacIntyre and Villeneuve, 2001). Phenocrysts comprise up to 30% of the rock. The currently producing Huckleberry mine south of Houston B.C. and the Hudson Bay Mountain porphyry molybdenum deposit at Smithers are also associated with Late Cretaceous Bulkley Intrusions.

The main areas of mineralization on the Lennac Lake property are the west, east, southeast and Jacob zones (Figure 1). The west zone, which was discovered first, is mainly disseminated and fracture-coating pyrite, chalcopyrite and trace molybdenite in relatively fresh, coarse-grained porphyry and hornfelsed volcanics. The east zone is mainly fracture coatings and veinlets of pyrite and chalcopyrite with associated chlorite-epidote alteration envelopes. This alteration is superimposed on biotite hornfelsed Telkwa volcanic rocks.

The southeast zone includes three separate mineral occurrences – the Suratt showing, and two trenched areas 75 and 600 metres further south respectively (Figure 12). The Suratt showing comprises chalcopyrite, pyrite and tetrahedrite in a rhyolite breccia that has been exposed by trenching along the old exploration road. A zone of quartz-molybdenite stockwork in a quartz-sericite-altered quartz-biotite-feldspar porphyry intrusion is exposed in trenches along a cat trail that heads south from the Suratt showing. The trail ends 600 metres to the south where several shallow trenches have exposed disseminated and fracture-controlled chalcopyrite and pyrite in a fine-grained quartz-sericite-altered feldspar porphyry (altered Telkwa Formation andesite?) and a medium to coarse-grained quartz-biotite-feldspar porphyry intrusion. Chip samples from these trenches returned modest copper values. However, the area is still considered favourable because copper mineralization occurs in widely spaced trenches within an area of no outcrop and there is strong quartz-sericite alteration and quartz vein stockworking in a multi-phase porphyritic intrusion.



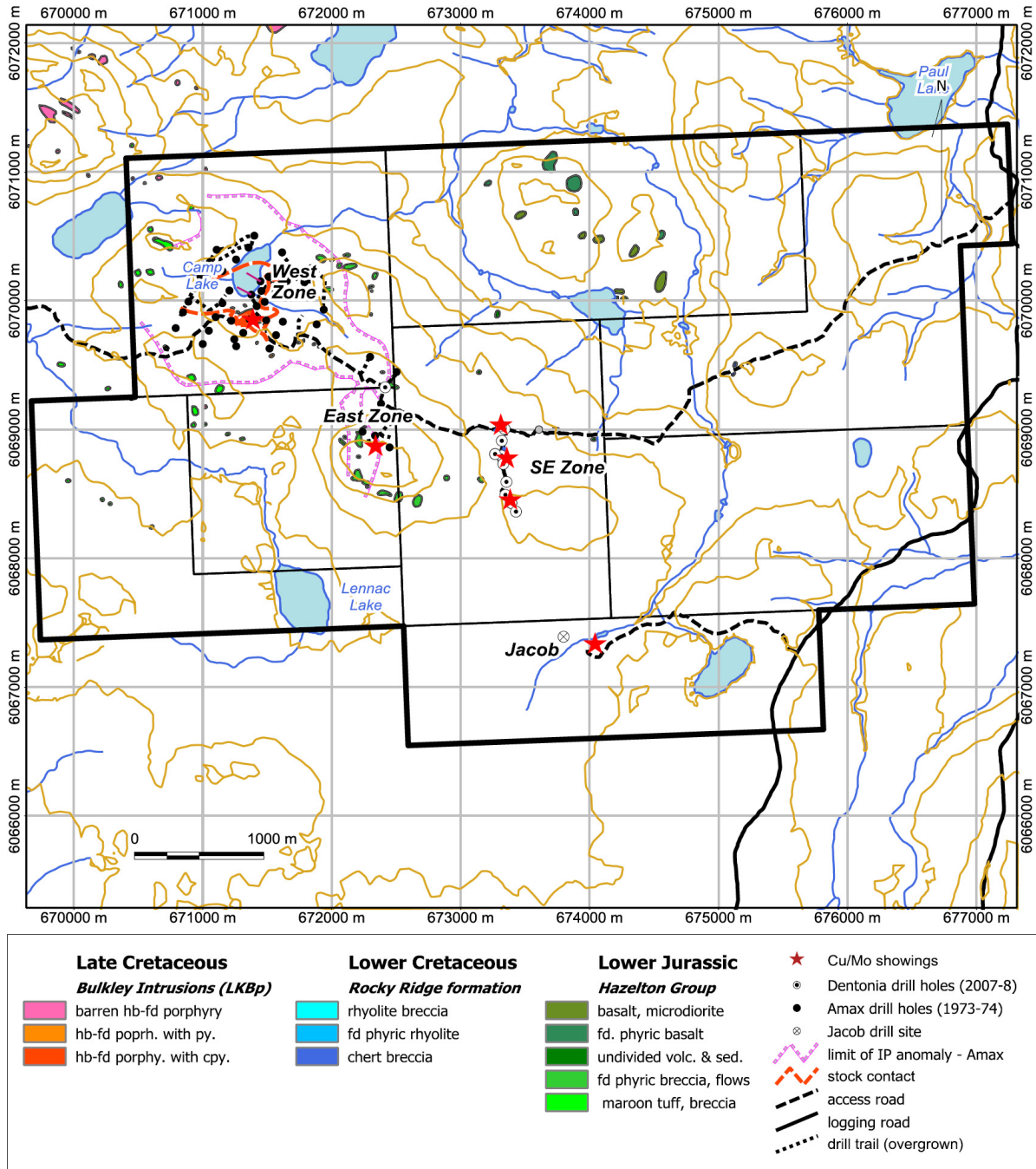


Figure 12. Geological compilation map of the Lennac Lake property. Source: MacIntyre, 2007.

## 8 Deposit Types

The Lennac Lake mineral showings are classified as porphyry Cu-Mo (L04) type in the B.C. Ministry of Energy and Mines Minfile database (Minfile Nos. 093L 190, 093L 191). This type of deposit commonly forms in sub-circular zones of brecciated and hydrothermally altered rock in and around the apex of a feldspar porphyritic quartz diorite to quartz



monzonite stock. The style of mineralization is largely dependent on depth of formation. Deposits developed in relatively high-level, subvolcanic environments are commonly associated with multiple dike and breccia phases. The mineralization observed in the southeast zone at Lennac Lake is consistent with this level of formation. However, deposits formed at greater depth are more often associated with zones of stockwork veining and disseminations forming in the contact zone of an intrusive complex. Mineralization can occur both within the intrusion and surrounding intruded rocks. The east and west zones at Lennac Lake have characteristics that suggest a deeper depth of formation than the southeast zone.

Porphyry Cu-Mo deposits form as concentrations of quartz, quartz-sulphide and sulphide veinlets and stockworks and as sulphide disseminations in broad potassic and phyllic alteration zones. They are commonly surrounded by a halo of propylitic alteration. The principal economic minerals are chalcopyrite, molybdenite, lesser bornite and trace gold or electrum. Pyrite is an important constituent, particularly in the phyllic and propylitic alteration zones.

## 9 Exploration

Exploration work done on the Lennac Lake Property prior to 2017 is described in the history section of this report. Work done by the issuer in 2017 involved the collection of 431 tree bark samples, 35 rock samples and 9 soil samples. This work was done by Rich River Exploration on behalf of Pivit and was supervised by Craig Lynes (P.Ge.). The sampling took place over a three week period in August, 2017. Samples collected by Rich River were shipped to Bureau Veritas laboratories in Vancouver and were analyzed for 36 elements using an Aqua Regia digestion and an Inductively Coupled Plasma Mass Spectrometry (ICP-MS) finish. This section describes the results of the 2017 geochemical program.

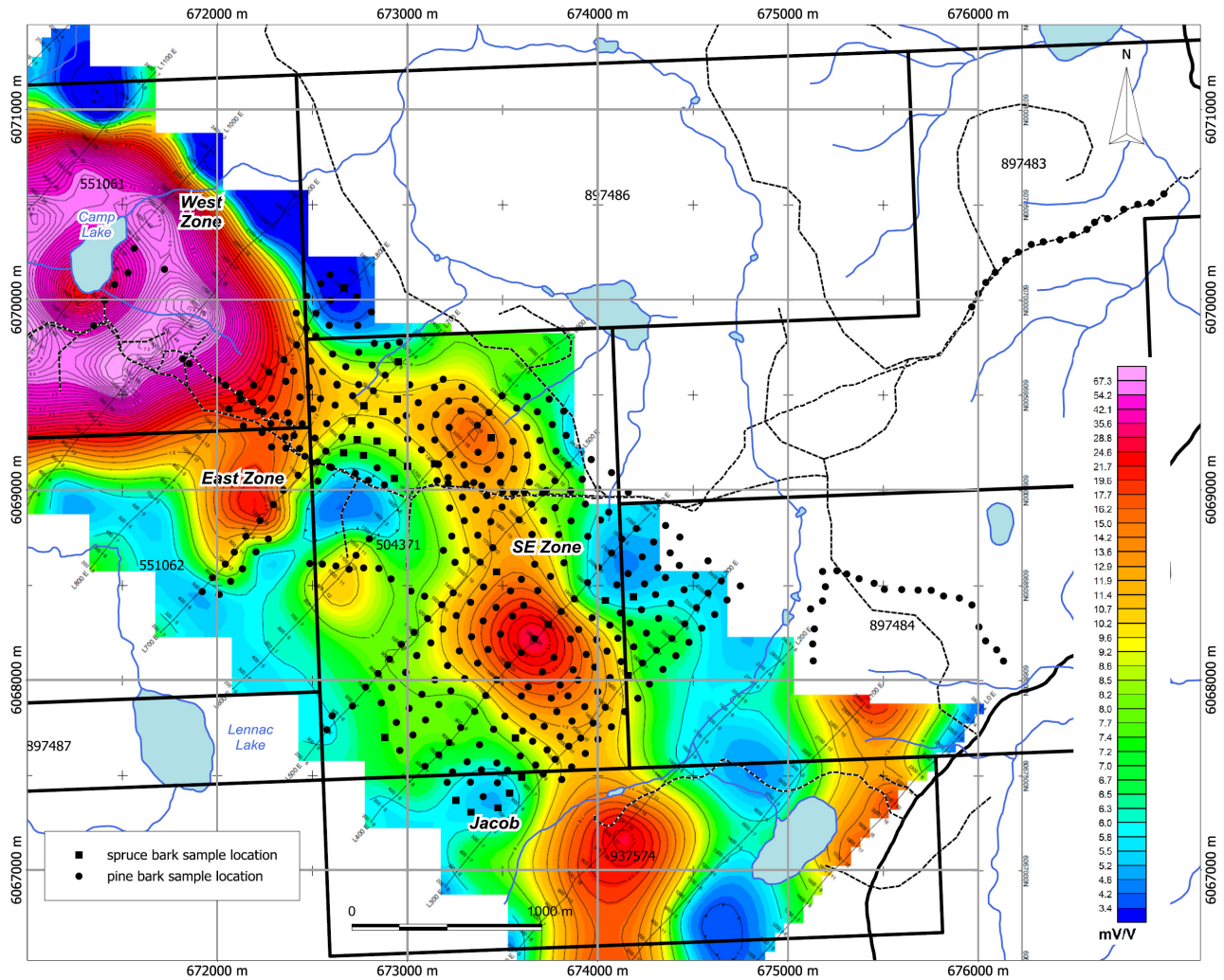


Figure 13. Location of 2017 tree bark samples superimposed on the 2012 IP chargeability map of Riverside Resources.

### 9.1 Tree Bark Geochemistry

The Lennac Lake property is located in a biogeoclimatic regime where tree roots penetrate to a depth of several metres and extract metals from the soil, glacial drift, locally the bedrock and the waters contained within these media (Dunn, 1997). The roots extract elements required by the trees, together with others not required for plant growth, but which the trees can tolerate. Many of the latter group of elements are stored in the outer bark, twig ends and tree tops. Thus, the extensive root system of a tree is able to integrate the geochemical signature of many cubic metres of the substrate and amplify this signature by accumulating elements in the tree extremities. Surveys to collect and analyze tree and scrub tissues can, therefore, provide valuable information on the chemistry of the substrate and assist in defining areas of good mineral exploration potential (Dunn, 1997).

The purpose of the tree bark sampling done in 2017 was to locate new zones of mineralization in areas of glacial overburden cover. Most of this cover is comprised of outwash gravel and sands. Previous soil sampling has produced only sporadic anomalies, even in areas of known bedrock mineralization. Figure 13 shows the location of 2017 tree bark samples. The main area of sampling was centered on an IP chargeability anomaly in the southeast zone that could potentially represent a new zone of sulphide mineralization below the overburden cover. Tree bark was collected from 403 pine trees and 28 spruce trees on the property. Summary statistics for these samples are given in Tables 6 and 7.

**Table 6. Summary statistics pine bark samples (N=403)**

Element.	No.	Minimum	Maximum	Median	Standard Deviation	98th Percentile	95th Percentile	90th Percentile	50th Percentile
Mo PPM	403	0.52	30.41	5.05	3.28	12.99	9.65	8.13	5.05
Cu PPM	403	69.20	470.02	242.01	78.04	385.64	369.26	338.51	242.01
Pb PPM	403	3.59	120.21	24.35	11.79	52.68	44.70	39.95	24.35
Zn PPM	403	983.50	4161.30	2283.90	534.61	3410.48	3211.56	3006.98	2283.90
Zn DBE	403	17.34	75.75	33.59	9.30	57.14	52.47	48.16	33.59
Ag PPB	401	113.00	16291.00	1051.00	1405.89	4787.88	3709.10	2853.00	1051.00
Ni PPM	401	0.30	50.80	13.00	8.12	35.80	30.30	25.40	13.00
Co PPM	403	0.50	12.50	3.90	1.62	8.10	7.00	6.40	3.90
Mn PPM	217	1033.00	9962.00	6338.00	2265.91	9838.48	9478.60	9083.60	6338.00
Fe %	403	0.03	1.83	0.39	0.19	0.77	0.70	0.62	0.39
As PPM	397	0.20	11.40	2.10	1.07	4.52	3.90	3.30	2.10
U PPM	243	0.10	0.30	0.10	0.05	0.22	0.20	0.20	0.10
Au PPB	345	0.20	60.90	1.80	3.61	7.66	5.50	4.26	1.80
Th PPM	369	0.10	0.70	0.20	0.08	0.40	0.30	0.30	0.20
Sr PPM	403	307.90	1733.60	595.80	194.00	1164.45	937.26	874.04	595.80
Cd PPM	403	0.67	103.81	31.54	16.36	73.60	61.67	53.50	31.54
Sb PPM	403	0.05	3.57	1.02	0.48	2.14	1.87	1.66	1.02
Bi PPM	396	0.02	0.31	0.12	0.06	0.26	0.23	0.20	0.12
V PPM	395	2.00	47.00	9.00	4.99	21.00	18.00	16.00	9.00
Ca %	403	15.85	36.09	28.20	2.94	34.37	33.17	31.96	28.20
P %	403	0.33	2.89	1.23	0.42	2.03	1.89	1.77	1.23
La PPM	398	0.50	6.50	1.90	0.86	4.01	3.52	3.10	1.90
Cr PPM	402	0.60	16.00	3.20	1.64	6.40	6.00	5.20	3.20
Mg %	403	0.73	5.57	2.24	0.78	4.22	3.72	3.31	2.24
Ba PPM	403	252.90	7963.10	768.70	756.39	1721.09	1396.93	1226.46	768.70
Ti PPM	403	19.00	595.00	139.00	55.01	242.92	223.90	205.80	139.00
B PPM	403	59.00	594.00	229.00	77.68	417.68	375.90	338.80	229.00
Al %	403	0.02	4.59	1.60	1.07	4.06	3.68	3.24	1.60
Na %	403	0.04	0.40	0.13	0.04	0.24	0.21	0.18	0.13
K %	398	1.19	9.96	3.86	1.57	8.45	7.37	6.17	3.86
W PPM	307	0.10	0.60	0.20	0.07	0.30	0.30	0.30	0.20
Sc PPM	403	0.10	7.40	2.20	1.18	4.40	4.00	3.80	2.20
Tl PPM	373	0.02	1.65	0.12	0.18	0.68	0.51	0.39	0.12
S %	403	0.28	1.51	0.78	0.18	1.12	1.05	1.00	0.78
Se PPM	209	0.10	2.30	0.40	0.34	1.48	1.16	0.90	0.40

Element.	No.	Minimum	Maximum	Median	Standard Deviation	98th Percentile	95th Percentile	90th Percentile	50th Percentile
Te PPM	234	0.02	0.15	0.05	0.02	0.11	0.09	0.08	0.05
Ga PPM	402	0.30	5.40	1.70	0.74	3.40	3.20	2.80	1.70

Notes: Only values within the limits of detection were used to calculate statistics. For Mn, 186 samples were above the 10,000 ppm upper limit for the analytical method used.

As shown in the tables Cu, Zn, Ag, Mn, Sr, Ca, Ba and B are all relatively enriched in the ashed bark samples with similar results for both pine and spruce sample sets. Mo and Pb also show significant variation although their overall concentrations in the ashed samples were relatively low compared to Cu and Zn.

**Table 7. Summary statistics, spruce bark samples (N=28)**

Map No.	No.	Minimum	Maximum	Median	Standard Deviation	98th Percentile	95th Percentile	90th Percentile	50th Percentile
Mo PPM	28	0.81	8.32	2.20	1.68	6.79	5.15	4.28	2.20
Cu PPM	28	42.37	394.32	148.08	80.07	335.47	278.67	257.41	148.08
Pb PPM	28	2.81	30.49	8.36	8.18	28.81	27.06	23.78	8.36
Zn PPM	28	1499.80	3843.80	2205.80	616.19	3826.47	3677.23	3229.75	2205.80
Ag PPB	28	122.00	1400.00	365.00	338.82	1381.64	1266.95	741.40	365.00
Ni PPM	23	0.40	33.90	3.30	7.01	25.67	14.24	5.54	3.30
Co PPM	28	0.50	6.30	1.40	1.33	5.71	4.75	2.85	1.40
Mn PPM	26	1036.00	8560.00	2961.00	1888.41	7600.00	6400.75	5672.00	2961.00
Fe %	28	0.03	0.46	0.10	0.13	0.44	0.42	0.37	0.10
As PPM	26	0.20	3.60	1.15	0.91	3.40	3.13	2.65	1.15
U PPM	2	0.10	0.10	0.10	0.00	0.10	0.10	0.10	0.10
Au PPB	26	0.40	52.20	1.70	10.20	33.75	12.33	3.25	1.70
Th PPM	8	0.10	0.30	0.20	0.05	0.29	0.27	0.23	0.20
Sr PPM	20	457.20	1800.10	1457.80	437.83	1785.39	1763.34	1667.89	1457.80
Cd PPM	28	0.26	61.46	1.02	13.45	45.65	31.35	15.86	1.02
Sb PPM	28	0.07	1.20	0.23	0.32	1.16	1.03	0.81	0.23
Bi PPM	15	0.02	0.17	0.05	0.04	0.16	0.15	0.13	0.05
V PPM	11	3.00	14.00	6.00	3.36	13.20	12.00	10.00	6.00
Ca %	28	23.85	36.92	32.82	3.01	36.80	36.60	35.98	32.82
P %	28	0.27	2.09	0.64	0.36	1.66	1.25	1.04	0.64
La PPM	16	0.50	2.30	0.95	0.55	2.27	2.23	1.90	0.95
Cr PPM	22	0.50	4.50	1.10	1.04	3.95	3.20	3.13	1.10
Mg %	28	0.46	2.57	1.04	0.50	2.37	2.04	1.73	1.04
Ba PPM	28	556.70	7907.40	4572.30	1906.28	7784.23	7396.82	6858.13	4572.30
Ti PPM	28	27.00	171.00	49.50	36.44	146.70	123.90	116.50	49.50
B PPM	28	174.00	491.00	283.00	74.82	458.60	410.00	358.40	283.00
Al %	28	0.03	3.48	0.07	0.72	2.67	1.41	0.29	0.07
Na %	28	0.02	0.27	0.08	0.05	0.22	0.18	0.16	0.08
K %	27	0.96	9.09	4.09	2.10	8.61	7.90	7.00	4.09
W PPM	7	0.10	0.30	0.20	0.07	0.29	0.27	0.24	0.20
Sc PPM	26	0.10	3.60	2.00	1.21	3.60	3.60	3.55	2.00

Map No.	No.	Minimum	Maximum	Median	Standard Deviation	98th Percentile	95th Percentile	90th Percentile	50th Percentile
Tl PPM	15	0.02	0.27	0.04	0.06	0.23	0.17	0.10	0.04
S %	28	0.20	1.10	0.40	0.20	0.97	0.79	0.64	0.40
Se PPM	5	0.10	1.10	0.20	0.42	1.05	0.98	0.86	0.20
Te PPM	23	0.02	0.20	0.08	0.05	0.19	0.18	0.13	0.08
Ga PPM	28	0.20	2.10	0.85	0.55	2.05	1.90	1.70	0.85

### 9.1.1 Copper

The location of tree bark samples containing anomalous concentrations of copper is shown in Figure 14. Statistically anomalous samples in the >98<sup>th</sup> percentile, 98<sup>th</sup> to 95<sup>th</sup> percentile and 90<sup>th</sup> to 95<sup>th</sup> percentile ranges are plotted as proportionally sized symbols. The highest values returned were 470.02 ppm Cu for pine bark and 394.2 for spruce bark. Both of these samples were located near the East Zone. As shown on Figure 14 there was a wide distribution of anomalous samples with no clear pattern of distribution although there is a clustering of three anomalous samples in the Southeast Zone (Figure 14).

Of particular interest were samples collected from the West Zone (Figure 15). The purpose of this sampling was to determine what the concentration levels of Cu in ashed pine bark might be for trees growing directly above known subsurface Cu mineralization. Sample locations are shown in Figure 15 and analytical results are given in Table 8. Surprisingly only 1 of the 6 samples collected was above the 50<sup>th</sup> percentile in terms of Cu concentration. Bark samples collected elsewhere on the property generally had higher or similar Cu content to those from the West Zone.

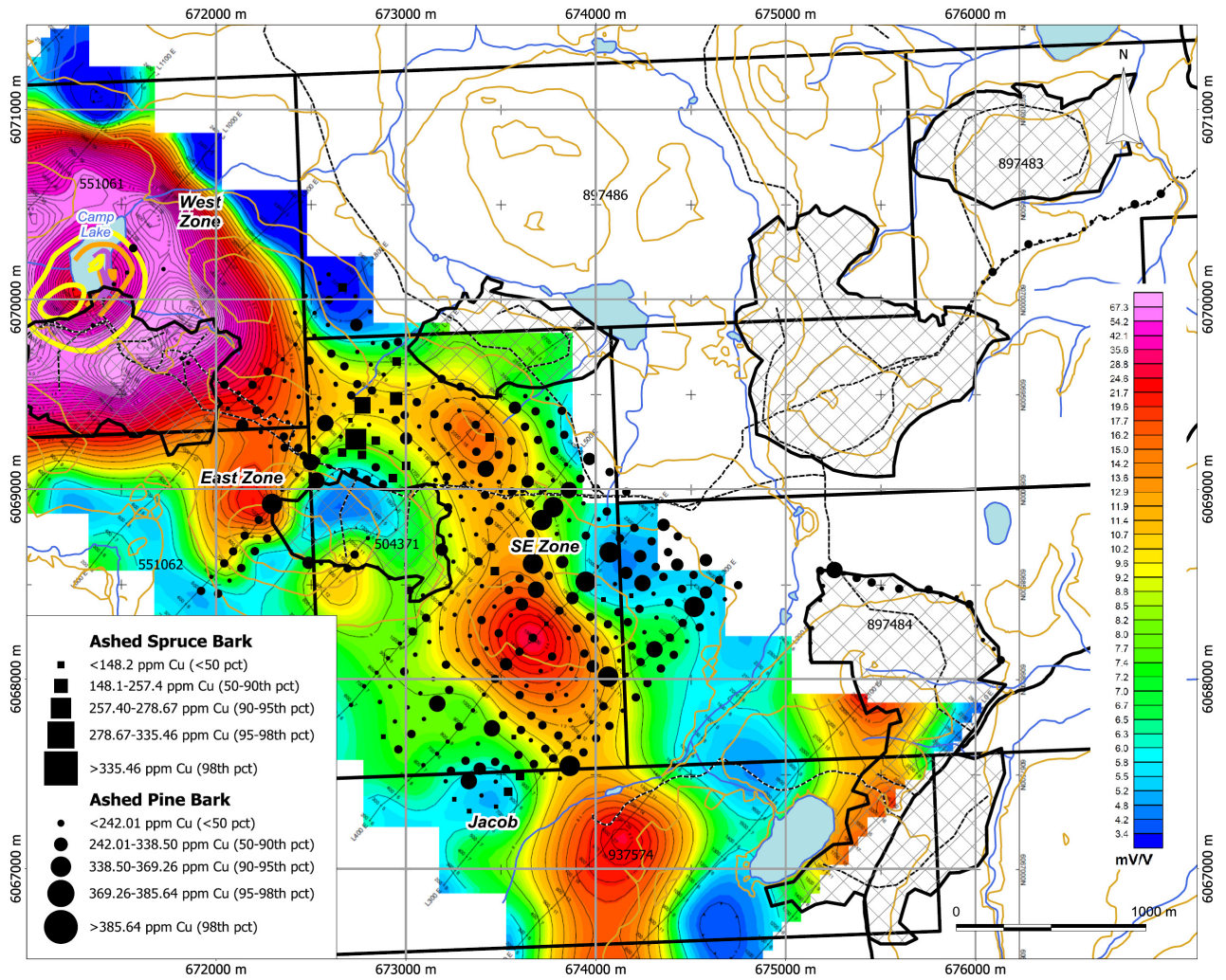


Figure 14. Proportional symbol plot showing range of Cu in tree bark samples superimposed on IP chargeability.



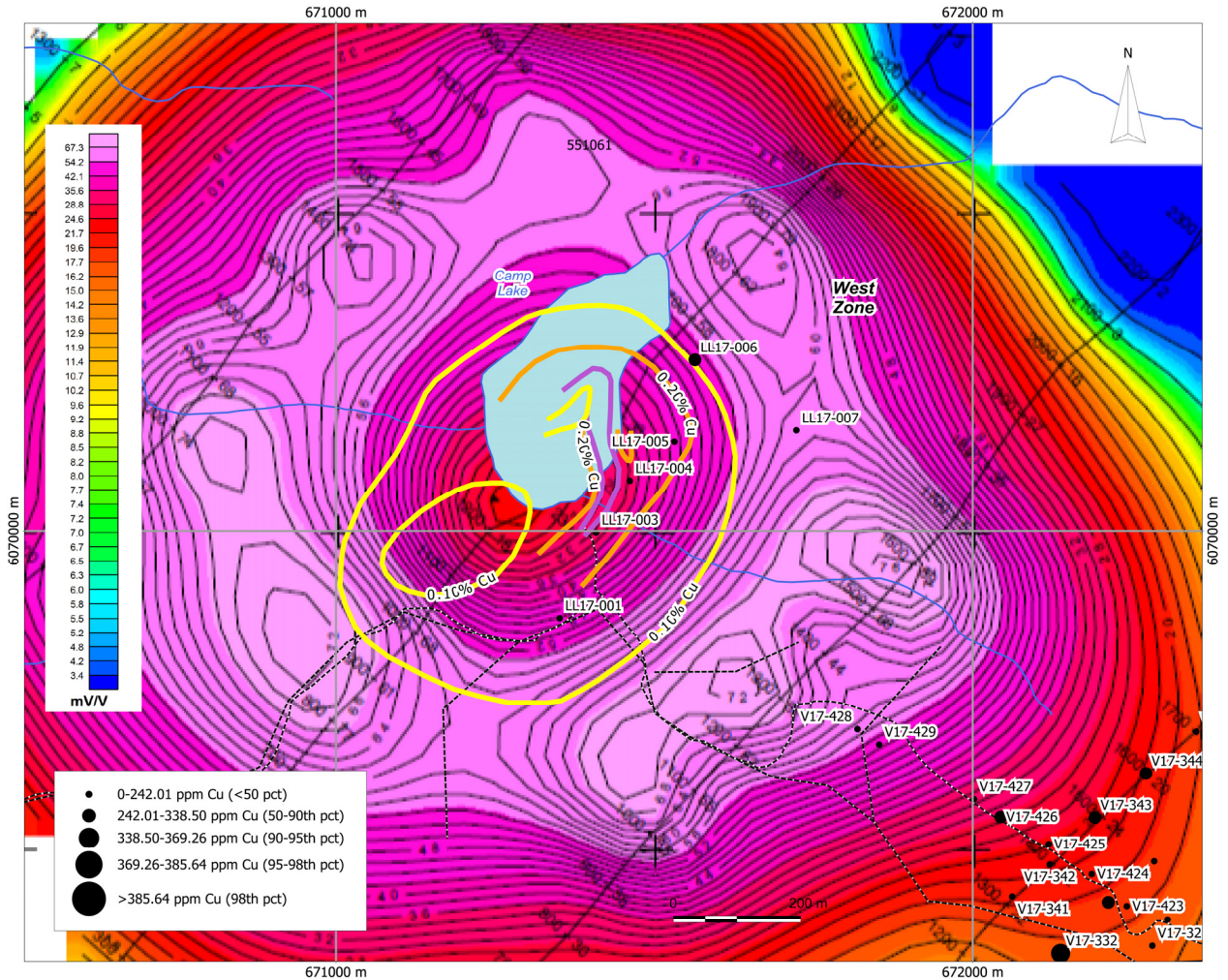


Figure 15. West zone pine bark sample locations.

Table 8. Analytical results for ashed pine bark samples, West Zone.

Map No.	Mo PPM	Cu PPM	Zn PPM	Ag PPB
LL17-001	9.09	186.83	2942.7	515
LL17-003	2.09	101.89	3097.8	330
LL17-004	1.38	204.06	1321.7	263
LL17-005	4.26	143.23	1618.6	5192
LL17-006	6.08	264.61	2020.6	1383
LL17-007	3.03	154.39	1873.7	165

### 9.1.2 Molybdenum

The locations of tree bark samples containing anomalous concentrations of molybdenum are shown in Figure 16. Statistically anomalous samples in the >98<sup>th</sup> percentile, 98<sup>th</sup> to 95<sup>th</sup> percentile and 90<sup>th</sup> to 95<sup>th</sup> percentile ranges are plotted as proportional symbols. The highest values returned were 30.4 ppm Mo for pine bark and 8.3 ppm Mo for spruce bark. As shown

on Figure 17 there was a clustering of anomalous samples just north of the East Zone. Previous drilling in this area has intersected low grade Mo mineralization.

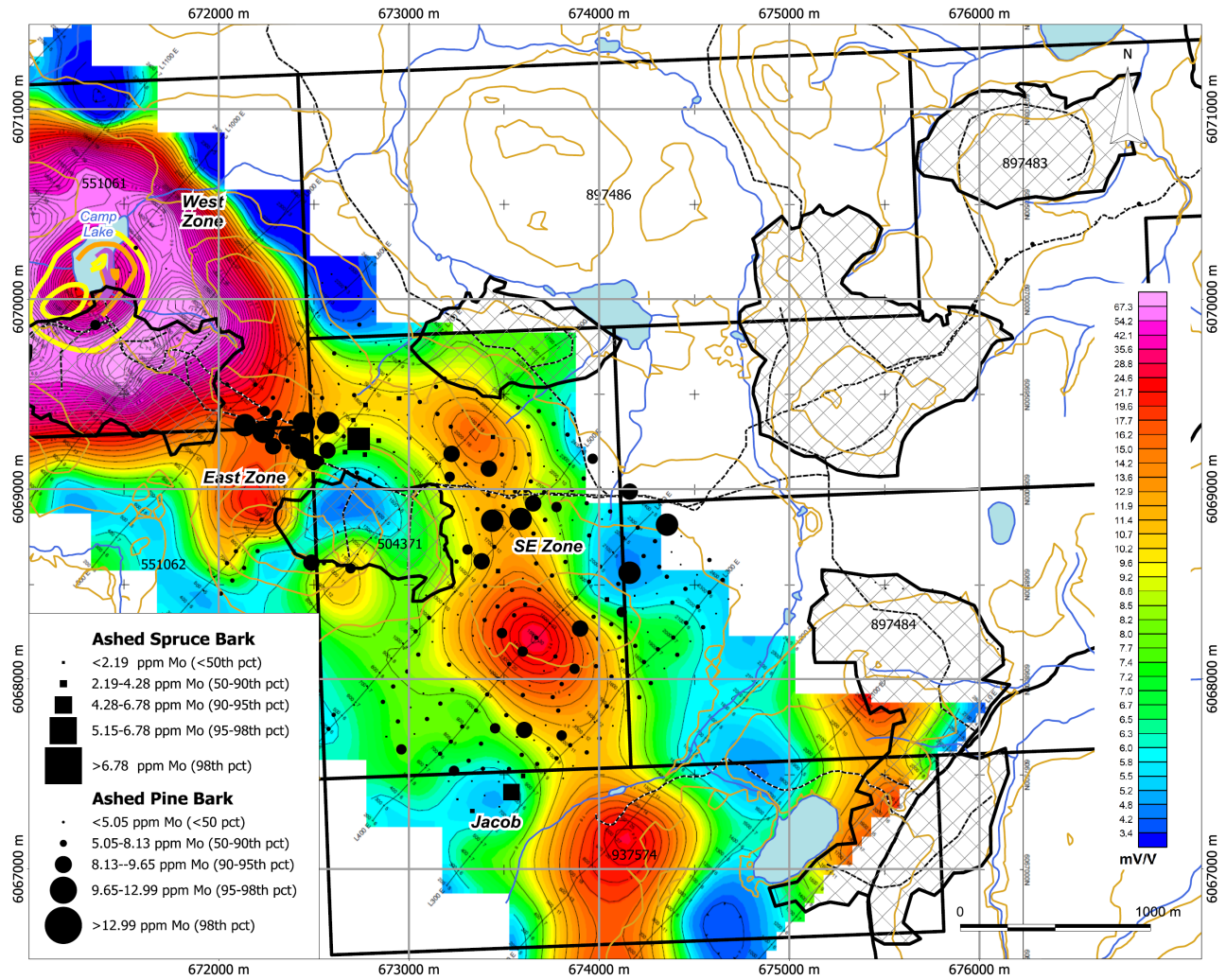


Figure 16. Proportional symbol plot showing Mo in tree bark samples superimposed on IP chargeability.



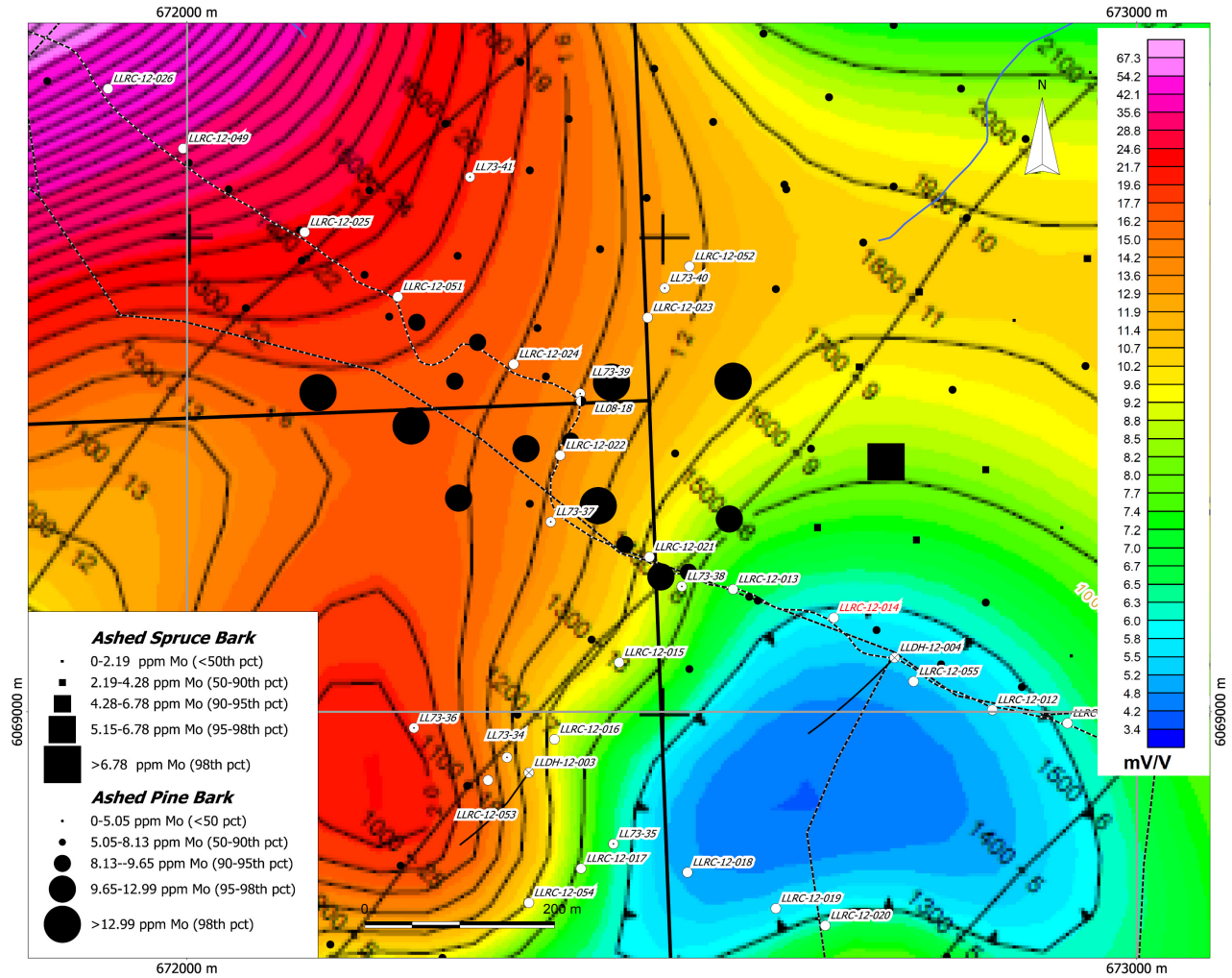


Figure 17. Location of anomalous Mo tree bark samples and drill hole locations north of the East Zone.

### 9.1.3 Silver

The locations of tree bark samples containing anomalous concentrations of silver are shown in Figure 18. Statistically anomalous samples in the >98<sup>th</sup> percentile, 98<sup>th</sup> to 95<sup>th</sup> percentile and 90<sup>th</sup> to 95<sup>th</sup> percentile ranges are plotted as proportional symbols. The highest value returned was 16,291 ppb Ag for a pine bark sample collected 1.2 kilometres east of the West Zone in an area of low chargeability (Figure 18). The highest Ag in spruce bark was 1,400 ppb Ag. As shown on Figure 18 there was a wide distribution of anomalous samples with no clear pattern of distribution.

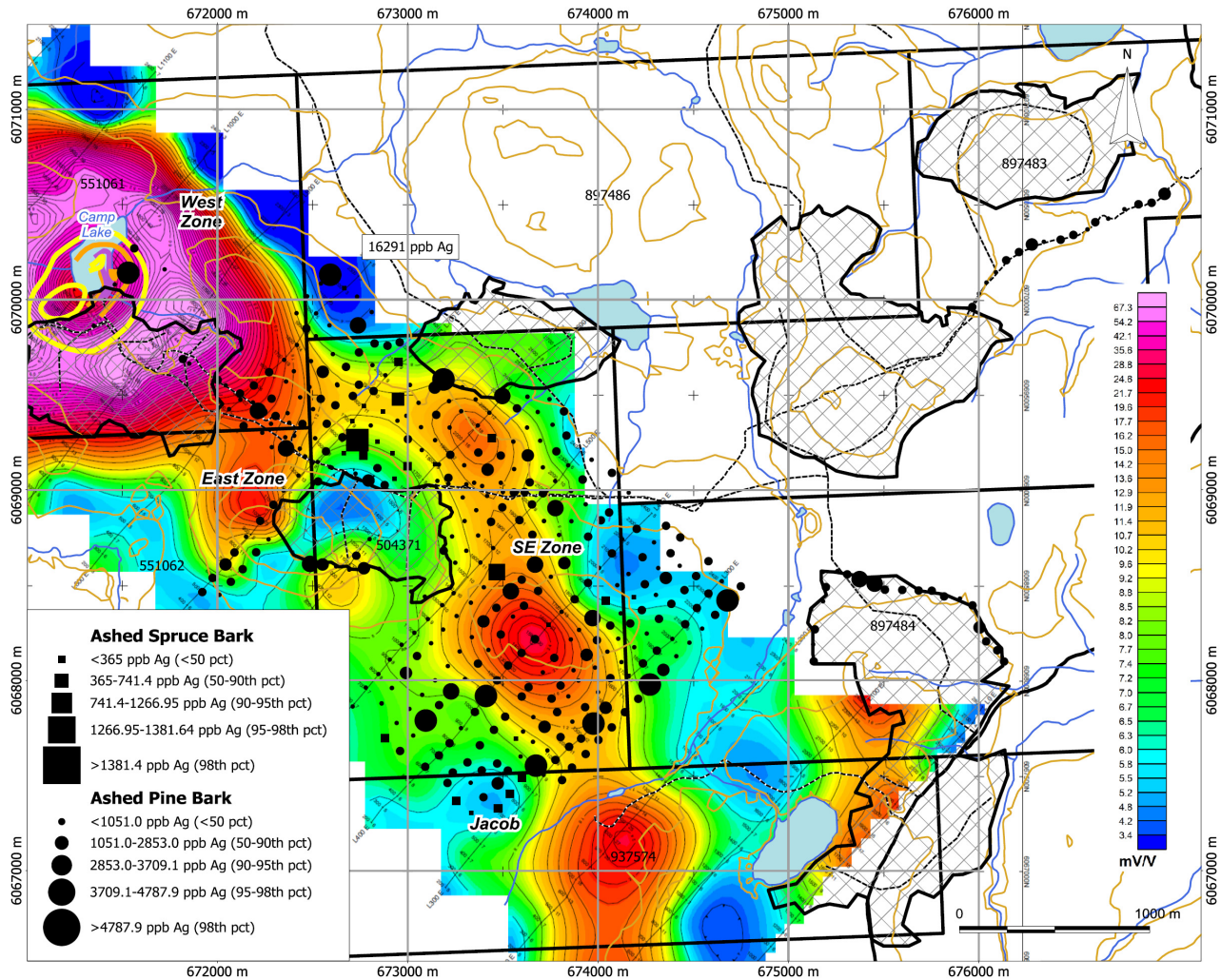


Figure 18. Proportional symbol plot showing Ag in tree bark samples superimposed on IP chargeability.

### 9.1.4 Gold

The locations of tree bark samples containing anomalous concentrations of gold are shown in Figure 19. Statistically anomalous samples in the >98<sup>th</sup> percentile, 98<sup>th</sup> to 95<sup>th</sup> percentile and 90<sup>th</sup> to 95<sup>th</sup> percentile ranges are plotted as proportional symbols. The highest value returned was 60.9 ppb Au for a pine bark sample collected southwest of the Southeast Zone in an area of relatively low chargeability (Figure 19). The highest Au in spruce bark was 52.2 ppb for a sample taken northeast of the East Zone (Figure 19) in an area of moderate chargeability. As shown on Figure 19 there was a wide distribution of statistically anomalous samples with no clear pattern of distribution although there are four anomalous samples near the northeast limit of the main tree bark sampling area. Three of these samples are from an area of low chargeability (Figure 19)



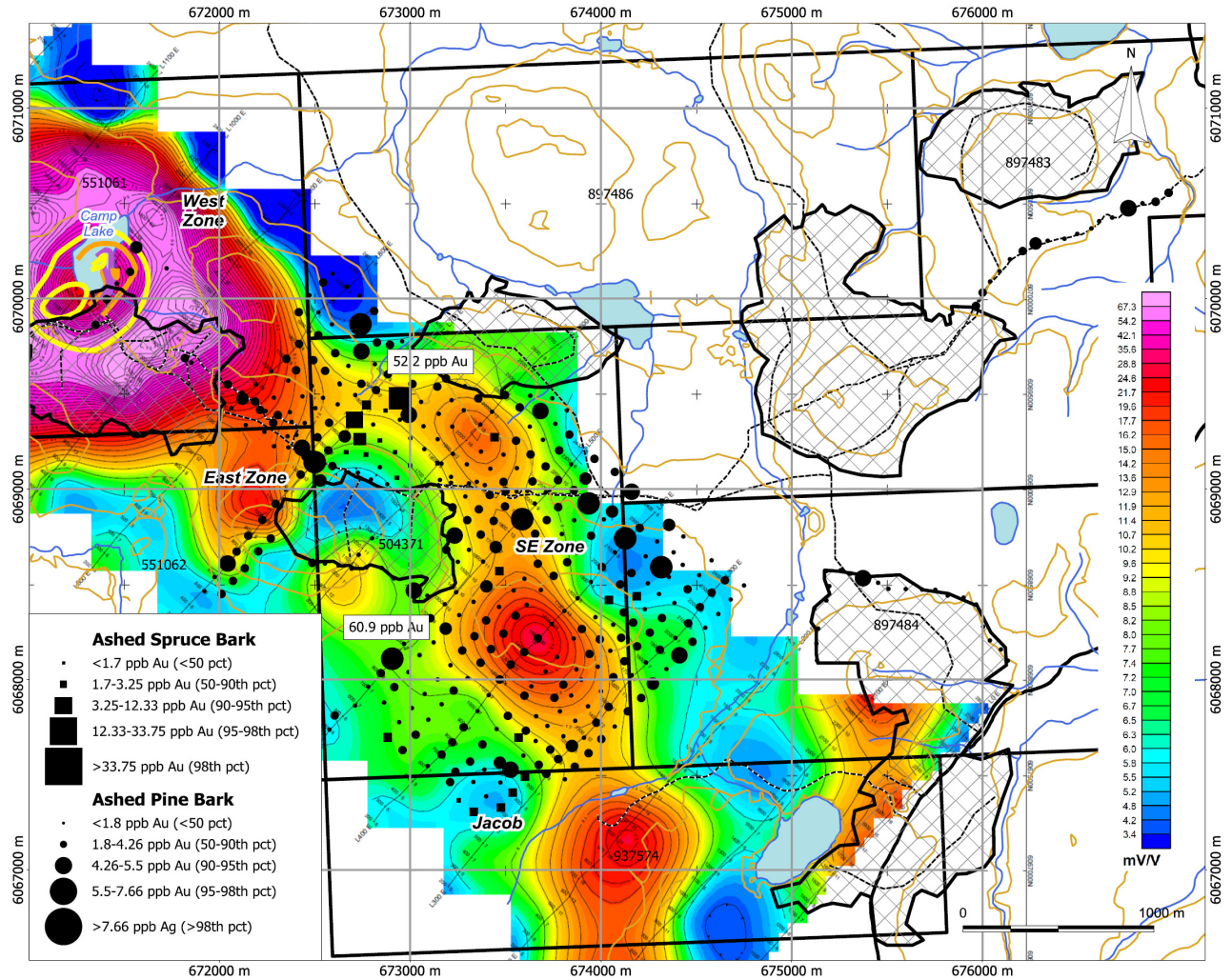


Figure 19. Proportional symbol plot showing Au in tree bark samples superimposed on IP chargeability.

### 9.1.5 Zinc

The locations of tree bark samples containing anomalous concentrations of zinc are shown in Figure 20. Statistically anomalous samples in the >98<sup>th</sup> percentile, 98<sup>th</sup> to 95<sup>th</sup> percentile and 90<sup>th</sup> to 95<sup>th</sup> percentile ranges are plotted as proportional symbols. The highest value returned was 4,161.30 ppm Zn for a pine bark sample collected approximately 600 metres east of the Southeast Zone in an area of low chargeability (Figure 19) where there is also a number of anomalous Au samples. The highest Zn in spruce bark was 3,843.8 ppm for a sample taken near the Jacob showing (Figure 20) in an area of relatively low chargeability. As shown on Figure 20 there was a wide distribution of statistically anomalous samples with no clear pattern of distribution although there are three anomalous samples near the northeast limit of the main tree bark sampling area, in the same general area as a number of Au anomalies.

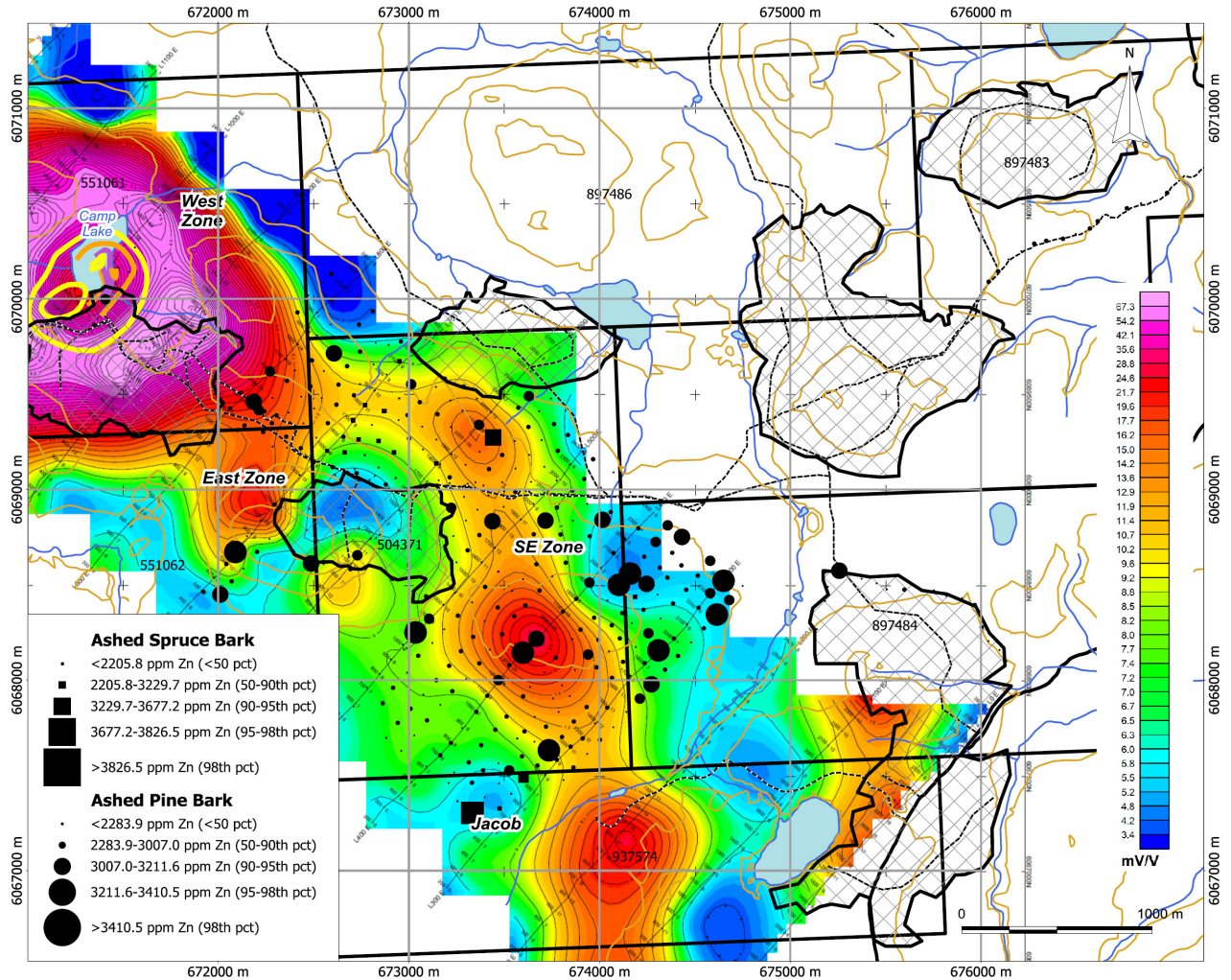


Figure 20. Proportional symbol plot showing Zn in tree bark samples superimposed on IP chargeability.

## 9.2 Rock Geochemistry

A total of 35 rock samples were collected in 2017. A summary of the analytical results for elements of interest is given in Table 9. Sample locations are shown in Figure 21. The most significant result was 17,774.1 ppb Au and 10,839 ppm Ag for an angular float sample collected along the new access road in the central part of the property (LENR1702, Figure 21). This sample is described as a quartz breccia vein comprised of 40% white and 40% grey quartz, 15% remnant sericitic altered wallrock and 5% dilational massive veinlet pyrite and 2% fine to coarse disseminated in quartz pyrite. Other mineralized samples (LENR1707-LENR1716 in Table 9) that returned anomalous Cu and Ag were collected from a trench along the old access road at the Surratt showing. This showing is comprised of white to grey clay-sericitic altered volcanic breccia with malachite staining. Sample LENR1706 returned





Lab No.	Type	Easting	Northing	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPB	As PPM	Au PPB
LENR1710	O	673314	6069005	5.36	883.55	45.01	75.9	2934	262.8	24.3
LENR1711	O	673314	6069005	5.89	2967.38	33.44	108.3	7753	579.1	137.4
LENR1712	O	673314	6069005	3.48	3940.95	40.4	105.8	11221	415.5	286.4
LENR1713	O	673314	6069005	8.4	7898.44	207.33	240.9	20709	2173.3	196.5
LENR1714	O	673314	6069005	5.03	838.79	42.62	75.5	3336	209.2	40.3
LENR1715	O	673314	6069005	10.91	848.5	28.67	46.3	4509	248.5	45.2
LENR1716	O	673314	6069005	5.1	1741.9	15.96	41.3	5710	296.6	71.8
LENR1717	F	674032	6066944	1.73	23.22	4.53	13.3	79	60.9	<0.2
LENR1718	SC	675027	6067417	0.42	30.13	3.61	25.7	62	1.4	2.2
LENR1719	F	675018	6070593	0.27	7.61	10	55.1	151	6.5	3.5
LENR1720	SC	674535	6071774	0.49	41.08	4.54	28.4	81	569.6	0.5
LENR17001BS	SC?	673568	6067694	2.88	92.98	3.97	111.6	56	18.6	<0.2
LENR17001DL	O	673450	6067750	0.41	17.41	2.2	74.2	108	3.5	5.1
LENR17002BS	F or SC	673851	6068538	0.48	2.75	5.23	37.3	19	2.1	<0.2
LENR17002DL	F or SC	674202	6068178	0.32	9.14	3.66	56.8	19	7.6	1.4
LF0812-03	F	673864	6069367	0.08	175.54	1.96	28.2	235	3	11.4
LF0812-03A	F	673864	6069367	2.82	711.26	1.71	23.9	203	2.5	5.2
LF0812-04	F	673242	6069877	0.72	17.04	2.91	31.8	79	3.1	21.9
LF0812-05	F	673202	6069921	0.16	9.65	2.81	55.3	18	3.5	1.4
LF0812-07	F	673549	6069961	0.68	4.31	7.73	104.9	76	2.9	3.1
LF0814-04	F	675368	6068171	0.18	4.07	8.99	54.8	133	4.6	2.7
LF0818-01	F	673398	6068406	31.65	960.89	19.44	175.7	1919	189.4	31.4
LF0821-01	F	672370	6069372	1.61	431.43	27.37	53	851	7.5	51.9
LF0826-01	F	675360	6069203	25.13	2012.63	1.6	81.2	4017	1.9	49.3
LF0826-02	F	675360	6069203	1.2	464.25	18.48	64.6	600	7	45.5
LO0818-01	F	673341	6068757	78.7	697.46	6.91	75.4	1920	114.1	19.3

Note: F=float, O=outcrop, SC=subcrop

### 9.3 Soil Geochemical Survey

A total of 9 soil samples were collected in 2017, 8 of these along the access road where it cuts through the East Zone. The location of these samples is shown in Figure 22 and analytical results are summarized in Table 10. These samples only returned background values for Cu and Ag with the exception of sample LEN S17 12 which might be slightly anomalous in Cu at 53.95 ppm.

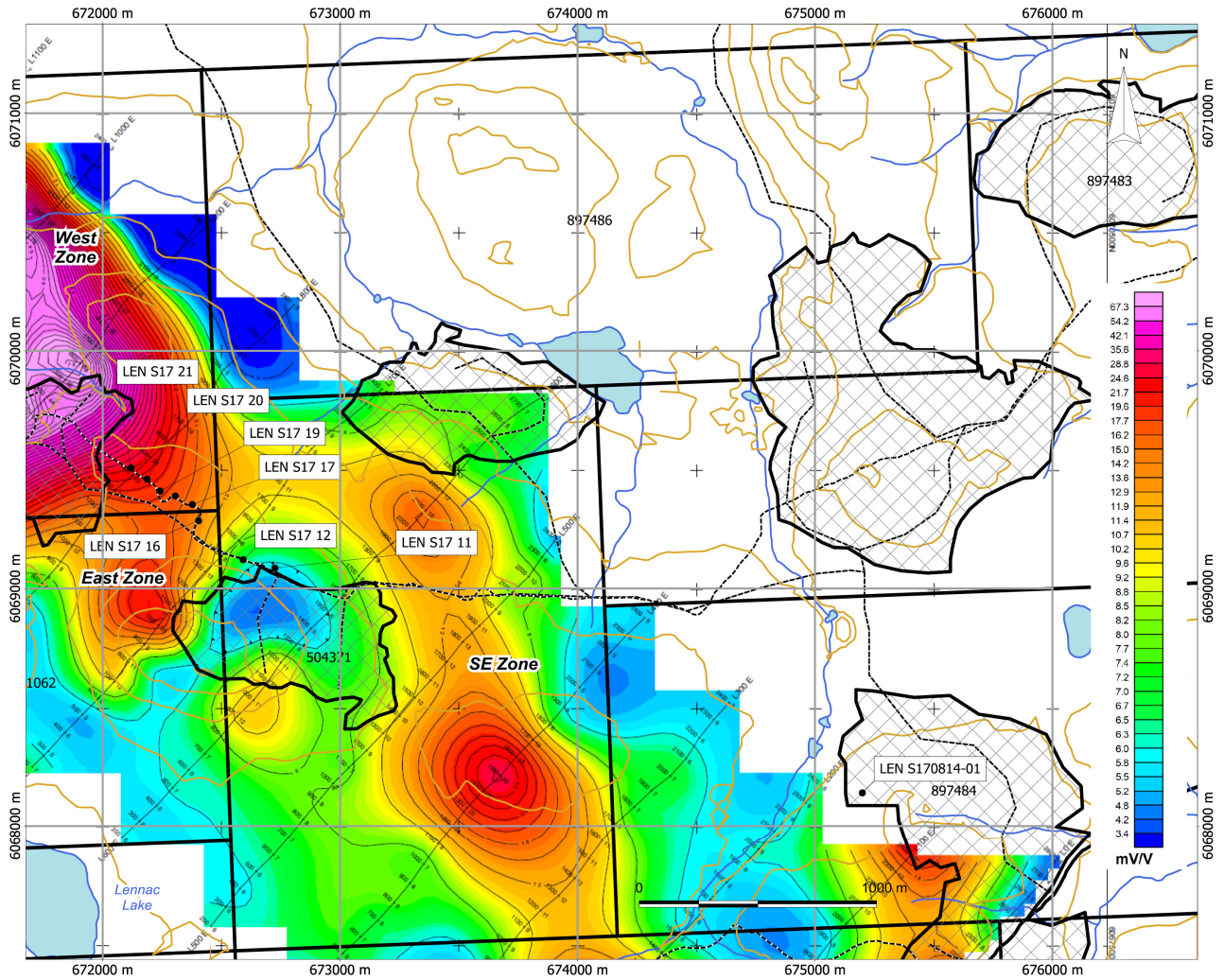


Figure 22. Location of soils samples collected in 2017.

Table 10. Analytical results for 2017 soil samples

Sample	Easting	Northing	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPB	As PPM	Au PPB
LEN S17 11	672726	6069086	1.01	30.97	8.49	77.4	136	15.9	2
LEN S17 12	672592	6069121	1.46	53.95	8.85	99.4	509	13.3	1.7
LEN S17 16	672404	6069285	2.96	12.87	6.42	112.2	282	8.2	<0.2
LEN S17 17	672378	6069353	2.3	17.52	7.15	87.9	111	11.9	<0.2
LEN S17 18	672306	6069389	1.34	12.13	6.32	148.4	251	10.1	<0.2
LEN S17 19	672242	6069410	1.34	16.38	8.82	83.4	228	13.7	<0.2
LEN S17 20	672187	6069460	1.09	19.59	7	92.4	78	21.1	0.4
LEN S17 21	672119	6069507	0.8	15.73	5.06	107.1	89	11.2	0.4
LEN S170814-01	675199	6068140	0.88	38.77	8.11	60.9	209	13.4	2.1



## 10 Drilling

Previous diamond and percussion drilling done on the Lennac Lake Property is described in the History section of this report. The most recent diamond drilling was done by Riverside Resources in 2012.

## 11 Sample Preparation, Analyses and Security

Rock samples were placed in labelled plastic bags, with a label also placed within the bag and shipped directly to the Bureau Veritas laboratory in Vancouver. At the lab each rock sample was crushed to 70% passing 10 mesh followed by pulverizing a 250gm split to 85% passing 150 mesh. A subsample of each was digested and analysed as described above. Ore grade samples containing >10,000 ppm Cu were also analyzed by ICP-AES to quantify the Cu content to a percentage level.

Biogeochemical samples were collected by scraping the outermost layer of ‘dead’ bark from trees with a modified dust pan held below to catch the scrapings. Care was taken not to sample the live inner bark, and to clean the sampling equipment between stations. The scrapings were placed in labelled Kraft paper bags.

All sample sites were marked in the field with an aluminum metal tag with the sample number engraved by pen onto the surface of the tag. The tags were nailed onto the trees that were sampled. Field notes for each sample site were recorded in a notebook and later transferred to an Excel spreadsheet. Sample location coordinates were recorded using a GPS. The UTM coordinates for each station were downloaded to a computer and cut and paste into the sample description database.

Bureau Veritas runs standards and provides re-samples at varying intervals for each sample shipment analysed.

Concentration of the bark samples by ashing was undertaken prior to analysis. This was done to allow a larger, more representative sample size to be analyzed, as ashing reduces the sample volume and weight by an average factor of about 50x. This weight reduction effectively concentrates the sample and allows for the detection of elements in the bark that are at or below the detection limits of the instrumentation. There are several downfalls of ashing samples as a preparation procedure. The first is that many trace elements, including arsenic and mercury, are volatilized, and driven off in the exhaust of the oven. Ashing also

adds a step to the analytical procedure which ultimately carries with it a source of error. In addition, the degree of concentration from ashing is highly variable, based on the density of the organic matter in the original sample.

The bark samples were ashed by the following procedure:

1. A representative aliquot (enough to fill a 150-mL beaker) was transferred onto a clean mixing surface.
2. Larger pieces were broken, by hand, into smaller pieces (approx 1cm in length).
3. Samples were mixed thoroughly and transferred to a weighed 150-mL glass beaker.
4. The Beaker & Sample was weighed and placed in a muffle furnace at room temperature.
5. Set furnace temperature at 250-300°C and turn on the furnace.
6. Gently, open furnace door at ½ hour intervals to allow air into the furnace.
7. After 1½ hours, increase temp to 350°C and continue heating until samples are completely charred (about 2½ to 3 hours).
8. Increase temp to 550°C and continue heating until ashing is complete.

A 0.25 g sample of ash is then digested under heat in an aqua regia solution. Following digestion, the sample was made up to volume with deionized water. The sample solution was then analyzed by both ICP-AES and ICP-MS.

## 12 Data Verification

The writer visited the Lennac Lake Property on September 23, 2017. The writer has also reviewed the analytical reports for the work done in 2017 and is confident that the analytical procedures followed by Bureau Veritas are appropriate for the samples submitted.

## 13 Mineral Processing and Metallurgical Testing

There is no record of any mineral processing or metallurgical testing having been done on samples from the Lennac Lake Property.

## **14 Mineral Resource and Mineral Reserve Estimates**

There has not been sufficient drilling to determine the subsurface extent and overall grade of mineralization on the Lennac Lake Property. Therefore, there are no historical mineral resource estimates for the Property.

## **15 Adjacent Properties**

There are no significant mineral properties adjacent to the Lennac Lake Property.

## **16 Other Relevant Data and Information**

The author has reviewed all public and private reports pertaining directly to the Property. The writer is not aware of any additional sources of information that might significantly change the conclusions presented in this technical report.

## **17 Interpretation and Conclusions**

The Lennac Lake Property is an exploration-stage property with potential for copper ± molybdenum ± gold ± silver mineralization related to copper porphyry type deposits. The Property is well situated to benefit from nearby infrastructure should there be exploration resulting in the outlining of a potential deposit of economic significance. Historical exploration, including diamond drilling and airborne and ground-based geophysical surveys, has provided insight to the underlying geology and has intersected anomalous copper mineralization in a number of holes.

The Property is located in the southern portion of the Stikine Terrane in an area which is known to host several porphyry copper ± molybdenum ± gold ± silver deposits, including the Granisle and Bell Copper mines approximately 25 km to the north of the Property. The Bulkley Intrusive Suite, to which the intrusions on the Lennac Lake Property may be related, are known to be spatially and, in some cases, genetically related to porphyry copper type mineralization in the region.

The Property has two main zones exhibiting anomalous IP chargeability and copper-molybdenum soil geochemistry, both of which have seen historical drilling which intersected anomalous copper to varying extents. At the time of this Report, these zones

have not demonstrated economic viability and there is no certainty in knowing these zones may ever exhibit economic viability as there has not been sufficient drilling completed.

The areas are outlined in Figure 8 as doughnut-shaped IP chargeability anomalies. The greater part of the historic activities has been directed towards the West Zone, which is the more prominent of the two anomalies. The East Zone and Southeast Zone are both included as parts of the other chargeability anomaly which may be modified by a north trending structure.

The two target areas, as defined by IP chargeability response, have been the subject of considerable diamond drilling, percussion drilling and reverse circulation drilling campaigns; however, the majority of the work has been restricted to relatively shallow depths. The known zones are generally open in multiple directions laterally and all are open at depth.

The Jacob zone, outside of the two IP “doughnuts”, has been the subject of only limited work and is deserving of further investigation. While appearances are that this is an isolated occurrence, displacement by faulting is a distinct possibility.

The biogeochemical survey, although interesting, has not been able to provide clear results that would be useful in outlining areas that would be deserving of further work, with the possible exception being the results for molybdenum which show a cluster of anomalous assays just north of the East Zone.

The coincidence of anomalous copper mineralization in historical drilling, known surface mineralization, anomalous IP chargeability responses and anomalous copper-molybdenum soil geochemistry indicates the presence of hydrothermal systems associated with copper  $\pm$  molybdenum  $\pm$  gold  $\pm$  silver on the Property, which is situated within a well-known porphyry copper belt. It is the opinion of the author that the Lennac Lake Property merits further exploration.

## 18 Recommendations

Given that there is exploration potential on the Property, one must then consider how best to proceed with regard to exploration methods in order to evaluate the priority target areas. The Property is generally covered by glacial overburden, and as such, an appropriate method of exploration would be diamond drilling, directed in large part by the results of historical work including both diamond drilling and geophysical programs. The accessibility of the Property and the existing network of logging roads are conducive to exploration in this manner.

A two-phase exploration program is recommended by the author. A Phase 1 diamond drilling program of 450 metres is recommended to test the Jacob showing. This program would be planned as two holes of 225 metres each, although a field decision could be made to change this to a single hole of 450 metres should favourable results be encountered in the first hole.

A Phase 2 exploration program, consisting of more extensive diamond drilling, would include further drilling in the Jacob Zone and would also focus on further drilling of the West Zone and the East/Southeast Zones to delineate and extend the mineralized extents of the zones outlined by historical work. The proportion of drilling between these zones and the Jacob Zone would be contingent on results of the Phase 1 work. Phase 2 would consist of 4,000 metres of diamond drilling. The total cost of the proposed two-phase diamond drilling program on the Lennac Lake Property is CDN\$1,024,180.

Stage 1

Expense		Units	Unit cost	Total
Drilling	450	metres	\$175	\$78750
Per Diem Costs	54	person days	\$100	\$5400
Analytical	150	analyses	\$35	\$5250
Geologists	10	person days	\$650	\$6500
Report Preparation	6	days	\$650	\$3900
Contingency 10%				\$9980
			Total	\$109780

Stage 2

Expense		Units	Unit cost	Total
Drilling	4000	metres	\$170	\$680000
Per Diem Costs	480	person days	\$100	\$48000
Analytical	1280	analyses	\$35	\$44800
Geologists	80	person days	\$650	\$52000
Report Preparation	10	days	\$650	\$6500
Contingency 10%				\$83100
			Total	\$914400
			Total Phase 1 + 2	\$1024180

## 19 References

- Bidwell, G., 1998: Line Cutting and Geophysical Report on the Len 3, 4 and 5 claims, B.C. Ministry of Energy and Mines Assessment Report 25628.
- Callan, N., 1993: Geology and Geochemistry, Lennac Property, B.C. Ministry of Energy and Mines Assessment Report 23048.
- Carter, N.C. (1973): Geology of the Northern Babine Lake Area, B.C. Ministry of Energy, Mines and Petroleum Resources, Preliminary Map 12, (93L).
- Carter, N.C. (1981): Porphyry Copper and Molybdenum Deposits West Central British Columbia; B.C. Ministry of Energy, Mines and Petroleum Resources, Bulletin 64.
- Clarke, J. and Chadwick, P., 2013 Assessment Report on the 2012 Geophysical, Geochemical and Geological Exploration Work on Flute and Lennac Properties, West Central British Columbia, B.C. Ministry of Energy and Mines Assessment Report 33707 Parts A-G.
- Depaoli, G.M. and Allan, J.F., 1972: Geophysical report on Ground Magnetometer and Induced Polarization Surveys on the Lennac Lake Copper Property, B.C. Ministry of Energy and Mines Assessment Report 3808.
- Dunn, C.E. 1997: Biogeochemical Surveys in the Interior Plateau of British Columbia, in Geological Fieldwork 1996, B.C. Ministry of Employment and Investment, Paper 1997-2, pp.205-218.
- Dunn, C.E. 2007: Biogeochemistry in Mineral Exploration; in Handbook of Exploration and Environmental Geochemistry, Volume 9, M. Hale (ed.), Elsevier, Amsterdam, 464pp.
- Hodgson, C.J., 1974: 1974 Property Report - Lennac Lake Drill Program, internal Amax report, 80p.
- Hodgson, C.J., 1974: Lennac Lake Drill Program, B.C. Ministry of Energy and Mines Assessment Report 5031.
- Jackisch, I., 1993: I.P./Resistivity Survey on the Lennac Property, B.C. Ministry of Energy and Mines Assessment Report 23048.
- Leary, G.M. and Allan, J.F., 1972: Lennac Lake Cu Property, B.C. Ministry of Energy and Mines Assessment Report 3807.
- MacIntyre, D.G., 2001. Geological Compilation Map Babine Porphyry copper District Central British Columbia, B.C. Ministry of Energy and Mines, Open File 2002-3, map at 1:100,000 scale.
- MacIntyre, D.G., 2007: Diamond Drilling, Lennac Lake Property, Drill Holes LL07-1 to LL07-3, B.C. Ministry of Energy and Mines Assessment Report 29459, 65 p.

- MacIntyre, D.G., 2012. Results of an Airborne Magnetometer Survey, Lennac Lake Property, West Central British Columbia, B.C. Ministry of Energy and Mines Assessment Report 33302, 36 p.
- MacIntyre, D.G. and Parsons, H.V., 2005: Geology and Geochemistry, Southeast Zone, Lennac Lake, B.C. Ministry of Energy and Mines Assessment Report 27987, 19 p.
- MacIntyre, D.G., Webster, I.C.L., and Bellefontaine, K. 1996a. Babine Porphyry District project: Bedrock Geology of the Fulton Lake map area (NTS 93L16). In Geological Fieldwork 1995. British Columbia Ministry of Energy, Mines and Petroleum Resources, Paper 1996-1, pp. 11-35.
- MacIntyre, D.G., Webster, I.C.L., and Bellefontaine, K. 1996b. Geology of the Fulton Lake Map Sheet (93L/16), British Columbia Ministry of Energy, Mines and Petroleum Resources, Open File Map, 1996-29.
- MacIntyre, D.G., and Villeneuve, M.E. 2001. Geochronology and tectonic setting of Mid Cretaceous to Eocene magmatism, Babine porphyry copper district, central British Columbia. Canadian Journal of Earth Sciences, 38.
- MacIntyre, D.G., Villeneuve, M.E., and Schiarizza, P. 2001. Timing and tectonic setting of Stikine Terrane magmatism, Babine-Takla lakes area, central British Columbia. Canadian Journal of Earth Sciences, 38.
- Silversides, D.A., 1972: 1972 Property Report - Lennac Lake Copper Prospect, internal Amax report, 43 p.
- Silversides, D.A., 1973: 1973 Property Report - Lennac Lake Copper Prospect, internal Amax report, 78 p.
- Smit, H. and Harivel, C., 1992: Geology and Trenching on the Lennac Lake Property, B.C. Ministry of Energy and Mines Assessment Report 22181.
- Tipper, H.W. and Richards, T.A. (1976): Geology of the Smithers Area, GSC, Open File 351. Scale 1:125,000.

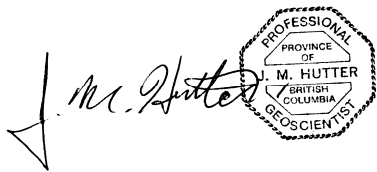


## 20 Certificate of Author

I, James M. Hutter, P. Geo., do hereby certify that:

- 1) I am a consulting geologist with an office at 4407 Alfred Avenue, Smithers, BC, Canada;
- 2) This certificate applies to the technical report entitled “Technical Report on the Lennac Lake Porphyry Cu-Mo Property, West Central British Columbia, Canada” dated December 15, 2017, prepared for Pivit Exploration Inc. of Vancouver, B.C.;
- 3) I am a graduate of the University of British Columbia, in 1976, with a BSc in Geology.
- 4) I am a member in good standing of the Association of Professional Engineers and Geoscientists of BC;
- 5) I have practiced my profession since 1976 in various capacities and I have experience working on porphyry copper ± molybdenum ± gold deposits in British Columbia;
- 6) I have read National Instrument 43-101 and Form 43-101F1 and I am a Qualified Person for the purpose of NI 43-101 and this technical report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1;
- 7) I, as the qualified person, am independent of the issuer as defined in Section 1.4 of National Instrument 43-101;
- 8) I have attended the property on September 23, 2017;
- 9) I am responsible for all items within this report;
- 10) I have had no previous involvement with the mineral property in question;
- 11) 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 this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading;
- 12) I consent to the filing of the technical report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the technical report;

James M. Hutter, P. Geo



The image shows a handwritten signature of James M. Hutter in black ink. To the right of the signature is a circular professional seal. The seal has a dashed border and contains the text: "PROFESSIONAL PROVINCE OF BRITISH COLUMBIA GEOSCIENTISTS" around the perimeter, and "J. M. HUTTER" in the center.

---

Dated this 15th day of December, 2017