

# Technical Report on the Holdsworth Project

Holdsworth Property, Wawa, Ontario, Canada

Latitude, 48°6'35.6"N and Longitude 84°35' 5.6"W

NTS Map sheet 042C02

Prepared for:



**MacDonald Mines Exploration Ltd.**

December 20, 2016

Toronto, Ontario

By:

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## 1.0 Summary

MacDonald Mines Exploration Ltd. (TSX.V:BMK, "MacDonald Mines" or the "Company") with head office at 520-141 Adelaide Street W., Toronto, Ontario, M5H3L5, Canada commissioned this NI 43-101 technical report on the Wawa-Holdsworth Project ("the Project" or the "Property") following an option agreement dated December 7, 2016 between Noble Mineral Exploration Inc ("Noble Mineral") and MacDonald Mines. This technical report has been prepared on behalf of MacDonald Mines by Quentin Dale Yarie P. Geo (APGO No. 1778) on behalf of the Company. The writer is currently a serving board member of the Company and has been on the board since August 14, 2003.

The Wawa-Holdsworth Project is located 3 kilometres ("km") north of the town of Hawk Junction (20 km northeast of the town of Wawa in Corbiere and Esquega Townships, Ontario and comprises 18 contiguous fee simple absolute patented claims covering approximately 285 hectares. The property has year-long road access as well as easy access to other infrastructure including rail, road, electrical power, labor force and suppliers.

Following the option agreement with Noble Mineral, MacDonald Mines can earn a 51% undivided interest in the Wawa-Holdsworth Project by issuing to Noble Mineral 2,500,000 of its Class A Common Shares, 2,500,000 of its Warrants and incur a minimum of \$1,200,000 in expenditures in the 18-month period following the Effective Date. MacDonald Mines can earn an additional 24% undivided interest by incurring a further \$1,000,000 of expenditures on or before the second anniversary of the date the First Option is exercised and the Base Interest is earned, and by making a payment of \$100,000 to Noble Mineral (see section 4.0 for further details).

The Property is located in the Archean-aged Michipicoten greenstone belt and is proximal to the crustal-scale Wawa–Hawk Lake–Manitowik Lake Fault System. The main rock types observed on the Property include felsic to mafic volcanic and volcanoclastic rocks, porphyritic intrusions and layers of so-called Algoma-type banded iron formation. Historic work has defined three gold targets on the Wawa-Holdsworth Project. The first is the Soocana Vein System, a quartz vein complex developed in mafic to intermediate metavolcanic rocks that share geological attributes with greenstone-hosted quartz-carbonate vein-type mesothermal deposits like others in the Archean Superior Province. The Soocana Vein System was tested during 4 separate drill programs conducted between 1931 and 2008. Results from these drill programs indicated a strike length of 750 metres for the vein system, and it could better be described as the stacking of multiple gold-bearing quartz veins. Selected channel sampling results across a 51 meter section of this vein stack averaged 14.7 g/t Au in widths ranging from 0.5 to 1.5 meters.

The other two targets on the Property are spatially associated with the Soocana Vein System and include massive Pyrite Zones (also described as Algoma Iron Formation) with an oxidized cap, as well as a black granular oxide zone referred to as the "Oxide Sands". The Oxide Sands are believed to be the product of the weathering of an auriferous massive pyrite zone. Pyrite Zones appear to be formed in a sulphidic iron formation and represent a distinct gold target. The sulphides exhibit shearing and form steeply

dipping east-west trending lenses distributed along a mafic/felsic metavolcanic contact over a defined strike length of 2.2 km (a probable ductility-contrast horizon). Initial drilling between 1918 and 1930 focussed on the sulphur content of the Pyrite Zones whereas the exploration programs of the 1980s recognized a gold association with the Pyrite Zones. Seven drill holes in Pyrite Zones contained assays that varied from nil to relatively wide sections of low grade material, the best being 0.85 g/t over 11.83 metres in a 1988 drill hole (Reed Lake Exploration Ltd.). Another gold intersection of 5.18 g/t gold over 1.5 metre was also obtained in a sericite-altered shear zone in the hanging wall of a Pyrite Zone.

In 1999, detailed exploration work and systematic sampling of the Oxide Sands was undertaken by Noble Mineral over a strike length of 332.5 metres. At this location, where samples reached a depth of at least 8 meters, the average gold grade was 3.45 g/t and the average silver grade was 29.99 g/t. Other identified zones in the Oxide Sands remain to be tested in detail since they were not geologically defined or sampled. The spatial association between the Oxide Sands and the Pyrite Zones indicate that the 2.2 km-long strike-length is prospective for gold. Preliminary gold recovery tests carried out by Welch and SGS Lakefield on Oxide Sands material indicated gold recoveries ranging from 69% to 98.7 % for composite samples and from 45.6% to 89.8% for individual samples after a 48-hour agitated cyanide leach without sample crushing.

Based on the review of historic data available for the Property, the author concludes that potential exists to find additional gold mineralization and that additional exploration is warranted. Future exploration programs should also consider that all of the gold zones on the Property (e.g. Soocana Vein System and auriferous Pyrite Zones) relate to the same tectono-mesothermal gold-mineralizing event.

As an initial phase, the recommended work program includes an auger drill program of 1,250 metres to systematically test the gold content of the Oxide Sands along their interpreted 2.2 km strike length. Concurrently with this, surface exploration, airborne geophysics and mechanized stripping with an excavator should be done to uncover additional zones of gold mineralization and to better understand the structural setting of mineralization on the Property. This exploration program would also test the working hypothesis that all the gold showings relate to the same gold-mineralizing systems.

If the auger drill program on the Gold Sands is successful, a 43-101 compliant resource for the Oxide Sands might be estimated. A 2,750 metres diamond drilling program should also follow the prospecting, mapping and trenching program. Drilling will test the shear zone hosting the auriferous Pyrite Zones underlying the Oxide Sands and any new gold-bearing shear zones discovered as part of the sampling and surface mapping program that show mineralized thicknesses exceeding 5 m and continuity with a significant strike length. Also, the environmental baseline of the Oxide Sands should be established and the permitting process for the collection of a bulk sample for metallurgical testing of the Oxide Sands started. The costs for the two phases of the proposed exploration program are estimated at \$1,200,000.

At this time, the Wawa-Holdsworth Project is exploratory in nature.

## **2.0 Introduction**

### **2.1 Issuer and terms of references**

This report was commissioned by MacDonald Mines Exploration Ltd. (“MacDonald Mines”) to review the exploration activity on the Wawa-Holdsworth Project, located in the Province of Ontario, Canada (Figure 2-1). This report is designed to comply with Rules and Policies applying to National Instrument 43-101 (“NI43-101” - standards of Disclosure for Mineral Projects), and was prepared using Form 43-101F1, and guidelines in Companion Policy 43-101CP.

MacDonald Mines has entered into an option agreement with Noble Mineral Exploration Inc. (“Noble Mineral”) to acquire 51% of the Wawa-Holdsworth Project (see section 4.0 for more details). This report is intended to make the Wawa-Holdsworth Project the qualifying property of MacDonald Mines as required by TSX Ventures regulations.

### **2.2 Sources of information**

All data presented in this report are historical. The data come from assessment reports filed for the Property between 1910 and 2002, and from a 43-101 compliant report filed in 2002 by Sears, Barry and Associates Ltd. for Hawk Junction Capital Corp., a precursor company to Noble Mineral, and from literature in the public domain, and especially that of the Ontario Geological Survey (“OGS”). All the consulted reports are listed in the reference list of section 20. Additional information comes from internal data collected by Noble Mineral between 2002 and 2016 and are publically available on the Noble Mineral website (<http://www.noblemineralexploration.com/>). Many sections have been updated from the Sears, Barry and Associates Ltd. report of 2002.

### **2.3 Qualified person and site visit**

Quentin Yarie P. Geo. (APGO No. 1778 ) is acting as the Qualified Person for all sections of this report. Yarie reviewed the data presented in this report and has most recently visited the Property on November 19<sup>th</sup>, November 20<sup>th</sup>, and December 16<sup>th</sup>, 2016. These site visits covered the main mineralized zones already known on the Property and validated the existence and location of some of the historic drill-hole collars where the casings were preserved.

### **2.4 Units**

The metric system of measurement is used in this report. Listed below are the units used in historic report (imperial units) with their conversion factors to the metric system:

- 1 troy ounce = 31.10348 grams
- 1 ounce avoirdupois = 28.34952 grams
- 1 foot = 0.3048 metres

- 1 mile = 1.609347 kilometres
- 1 long ton = 2240 pounds = 1016.047 kilograms

### **3.0 Reliance on other experts**

In the preparation of this report, the author relied on historic data and interpretation from geoscientists of former public companies that worked the property between 1918 and 2002, and from the geoscientists of Noble Mineral. All the historic reports consulted in the preparation of this report can be found in the reference section (section 20). The descriptions of the gold mineralization identified on the Wawa-Holdsworth Property and the derived interpretations are based on this previous work. The geological, geophysical, and drilling reports were written by professional geoscientists. The author has direct ground experience with many of the Property's features, so there is no reason to doubt the many historic reports' veracity. Moreover, a review of drill logs and assay certificates issued during these historic exploration campaigns shows internal consistency across most of the results - there are no compelling reasons to single out any particular exploration campaign as having unusual results outside the range of previous or subsequent surveys. Accordingly, the author believes the data to be verifiable within testable parameters.

## **4.0 Property Information**

### **4.1 Property Description and Location**

The Wawa-Holdsworth Project is located approximately 3 km northwest of Hawk Junction, a small village situated 20 km northeast of Wawa and approximately 650 km northwest of Toronto, Ontario (Figure 4-1). The metric UTM (NAD83, Zone 16N) centre coordinates of the Property are 679760 mE and 5331200 mN. The Property is covered by National Topographic System ("NTS") map-sheet 042C02. The Wawa-Holdsworth Project consists of 18 contiguous fee simple absolute patented claims covering approximately 290 hectares (Figure 4-2). Fifteen are located in the southern part of Corbiere Township whereas three extend into the northern part of Esquega Township of the Sault Ste. Marie Mining Division. All 18 patented claims that making up the property include both the surface and mineral rights. Refer to Table 1 for a list of the claim IDs making up the property.

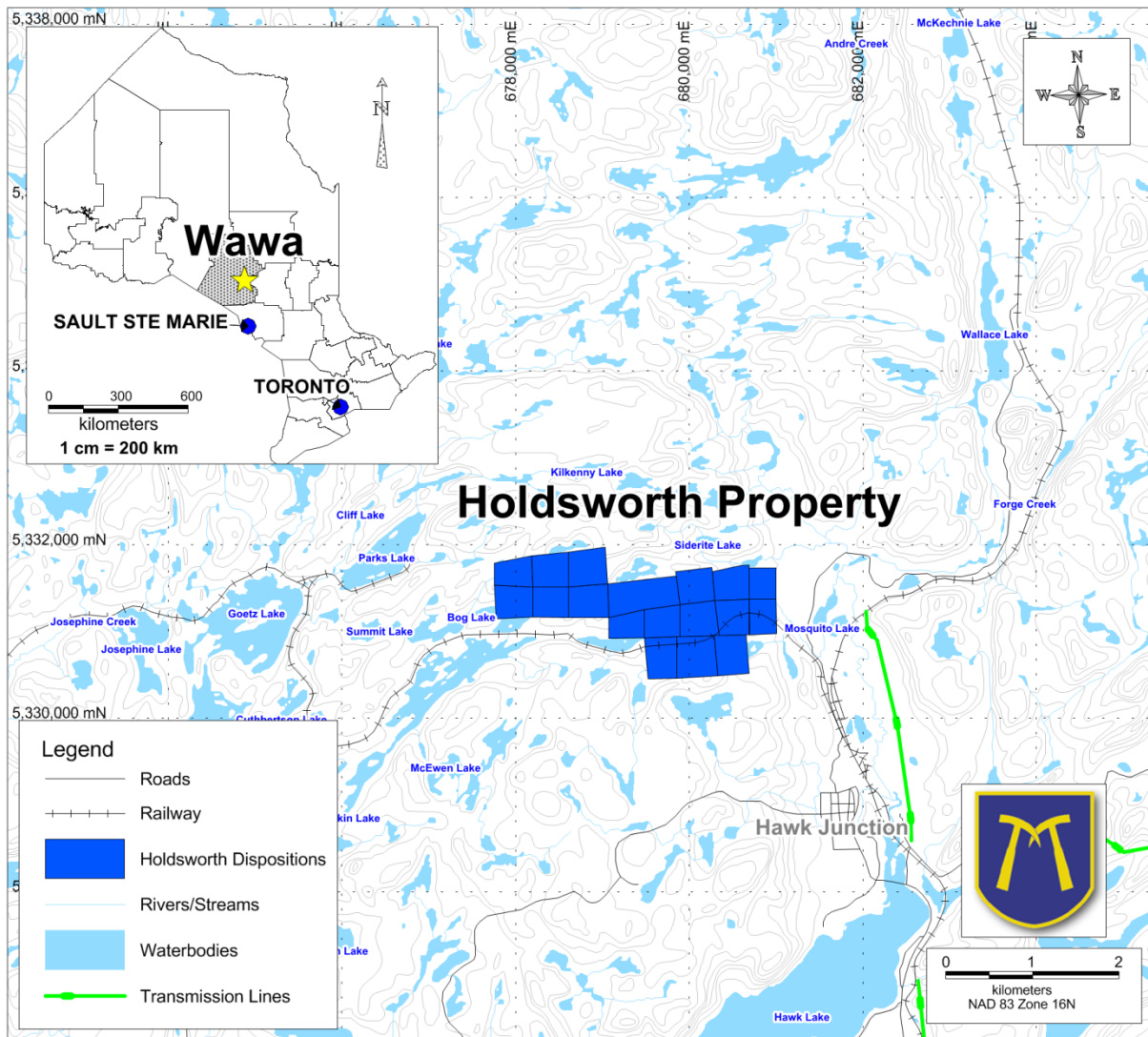
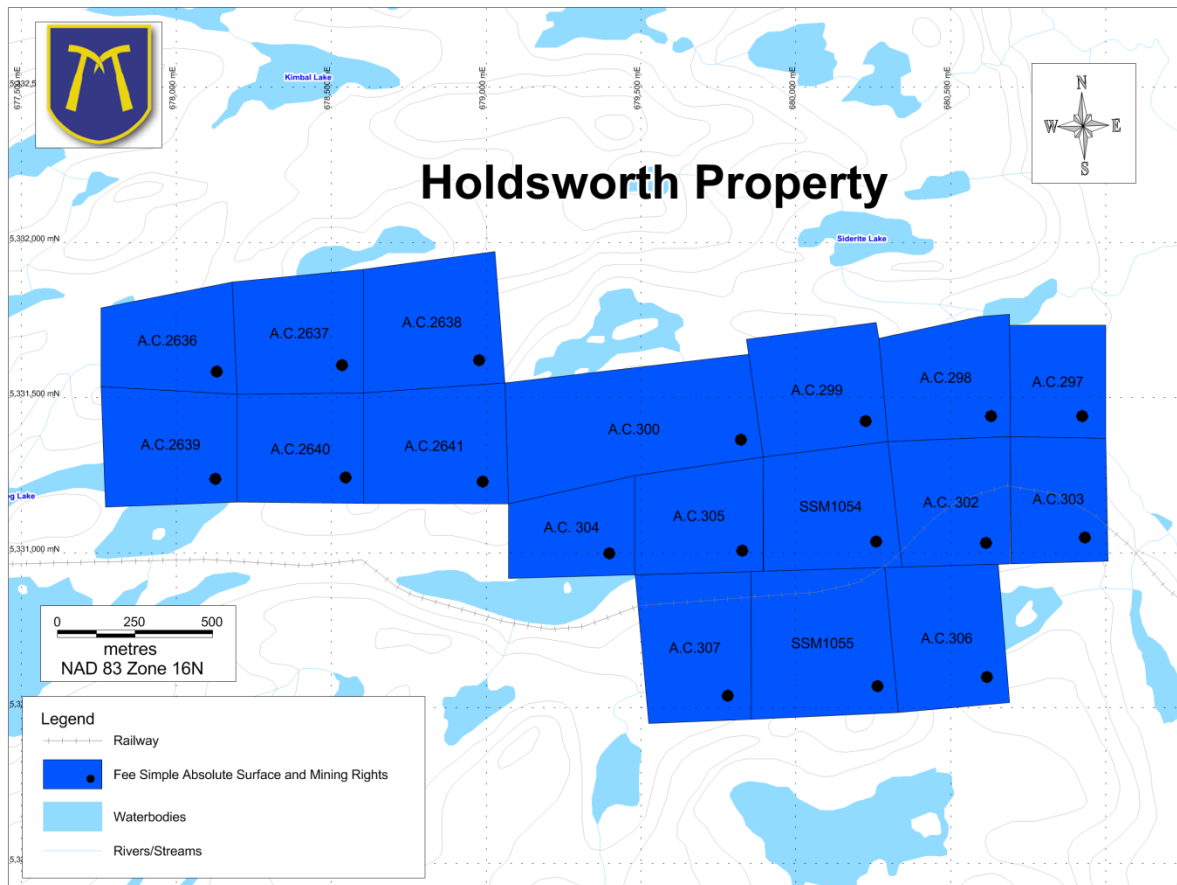


Figure 4-1 Location of the Wawa-Holdsworth project



**Figure 4-2 Wawa-Holdsworth project map showing the 18 fee simple absolute patented claims forming the Wawa-Holdsworth project and the rights associated with each of the claims.**

| Mining Division  | Township / Area | Type of Claim       | ACR #     | Parcel   | MNDM Claim Number | PIN        | Area (Acres)  | Area (Hectares) |
|------------------|-----------------|---------------------|-----------|----------|-------------------|------------|---------------|-----------------|
| Sault Ste. Marie | Corbiere        | Fee Simple Absolute | None      | 785      | SSM 1054          | 31148-0014 | 38.78         | 15.69           |
|                  |                 | Fee Simple Absolute | A.C. 297  | 1478     | None              | 31148-0016 | 302.69        | 122.49          |
|                  |                 |                     | A.C. 298  |          | None              |            |               |                 |
|                  |                 |                     | A.C. 299  |          | None              |            |               |                 |
|                  |                 |                     | A.C. 300  |          | None              |            |               |                 |
|                  |                 |                     | A.C. 302  |          | None              |            |               |                 |
|                  |                 |                     | A.C. 303  |          | None              |            |               |                 |
|                  |                 |                     | A.C. 304  |          | None              |            |               |                 |
|                  |                 |                     | A.C. 305  |          | None              |            |               |                 |
|                  |                 | Fee Simple Absolute | A.C. 2636 | 1876     | None              | 31148-0018 | 236           | 95.51           |
|                  |                 |                     | A.C. 2637 |          | None              |            |               |                 |
|                  |                 |                     | A.C. 2638 |          | None              |            |               |                 |
|                  |                 |                     | A.C. 2639 |          | None              |            |               |                 |
|                  |                 |                     | A.C. 2640 |          | None              |            |               |                 |
|                  |                 |                     | A.C. 2641 |          | None              |            |               |                 |
|                  | Esquega         | Fee Simple Absolute | None      | 786      | SSM 1055          | 31159-0195 | 49.57         | 20.06           |
|                  |                 | Fee Simple Absolute | A.C. 307  | 1478     | None              | 31159-0197 | 35.75         | 14.47           |
|                  |                 | Fee Simple Absolute | A.C. 306  | 1478     | None              | 31159-0223 | 41.56         | 16.82           |
| <b>1</b>         | <b>2</b>        | <b>6</b>            | <b>18</b> | <b>4</b> | <b>2</b>          | <b>6</b>   | <b>704.35</b> | <b>285.04</b>   |

**Table 1: List of Claim IDs making up the Wawa-Holdsworth Project**

## 4.2 Ownership

On November 14, 2016, MacDonald Mines announced in a press release, available on the company website and under its profile on [www.SEDAR.com](http://www.SEDAR.com), that it has entered an Option and Joint Venture Agreement ("the Option Agreement"), dated December 7, 2016 ("the "Effective Date") with Noble Mineral Exploration Inc.

Pursuant to the Option Agreement, to earn an initial 51% undivided interest ("the Base Interest") in the Wawa-Holdsworth Gold and Silver Project, MacDonald Mines will:

- issue 2,500,000 of its Class A Common Shares;
- issue 2,500,000 of its Warrants to Noble Mineral; and
- incur a minimum of \$1,200,000 in expenditures in the 18-month period following the Effective Date.

Should Noble Mineral elect not to participate at a 49%/51% interest level after completion of the initial earning (as per the items above), Macdonald Mines will have the right to earn an additional 24% undivided interest in the Project, upon which Macdonald Mines and Noble Mineral would respectively hold a 75% and 25% interest in the Project. To earn the additional 24% undivided interest, MacDonald Mines will:

- incur a further \$1,000,000 of expenditures on or before the second anniversary of the date the First Option is exercised and the Base Interest is earned; and
- make a payment of \$100,000 to Noble.

Pursuant to the terms of the Option Agreement, MacDonald Mines will be the operator of the Project.

To date, MacDonald has not earned any rights in the Wawa-Holdsworth Project. There can be no assurances that MacDonald will be able to incur the required eligible exploration expenses and thereby earn any rights in the Wawa-Holdsworth Project. In the event that MacDonald does not satisfy the terms of the Option Agreement and incur the required eligible exploration expenses, MacDonald will not have earned any rights in the Wawa-Holdsworth Project.

### **4.3 Land Asset Obligations and Reservations**

#### **4.3.1 Government Exploration Expenditures**

As Fee Simple Absolute titles, there are no exploration or development expenditures obligations required by the government on the Project.

#### **4.3.2 Taxes, Fees, and Rents**

A combined total of \$1,140.16 is paid annually in Provincial Land Taxes and Mining Land Taxes to the City of Thunder Bay and the MNDM respectively. All accounts are active and in good standing.

#### **4.3.3 Crown Reservations**

All of the titles are subject to Crown reservations of 5% of the acreage for roads, all trees, the right to use navigable waters and the adjoining banks, for a depth of one chain, for fishing purposes.

#### **4.3.4 Underlying Agreements and Obligations**

##### *Noble Option and NSR*

Please refer to Section 4.1 for those obligations as summarized under the Option Agreement with Noble.

##### *Algoma Central and Hudson Bay Railway Company Reservations and Royalties*

The Algoma Central and Hudson Bay Railway Company retains the following reservations on all of the Project's claims except SSM 1054 and SSM 1055 (as per registered instruments LT19421 and LT16684):

- All water powers
- All pine trees
- All trees other than pine except any that may be needed for mining purposes only
- the right of way, not exceeding 100 feet in width, for railroad track
- Gold, Silver, Copper and Nickel Royalty: 2% of the market value on the output up to \$1M, 3% of the market value on the output from \$1M up to and including \$4M and 5% of the market value on the output over \$4M

- Iron Ore Royalty (excepting siderite, pyrites or other sulphides): \$0.15 per long ton of raw Iron Ore.
- Siderite, Pyrites and other Sulphides Royalty: \$0.10 per long ton of raw ore.
- Other minerals: not less than \$0.15 per long ton of raw ore and not more than 5% of their market value at the date of shipment.

*Great Lakes Power Distribution Inc.*

Great Lakes Power Distribution Inc. as per registered instrument is entitled to easements for a transmission corridor through the claims that are part of Parcel 1478 (refer to Table 1). This is registered on PINs 31159-0016, 31159-0197 and 31159-0223 by way of Cautions as instrument LT 25876.

#### **4.4 Environmental liabilities**

At the present time, no environmental liabilities are known or were reported by previous workers for the Wawa-Holdsworth Project. Work programs in the past involved stripping, trenching and road construction by excavator, and diamond drilling (Sears, 2002). The old trenches have been filled in.

#### **4.5 Permits**

As all the ground of the Wawa-Holdsworth Project is covered by fee simple absolute patents that includes surface and mineral rights, no exploration plans or permits are required for early exploration activities. However, any bulk extraction to test the gold content and recuperation of the Oxide Sands zones will need to be permitted accordingly.

At the time of this report, no permits exist for bulk sampling on the Wawa-Holdsworth Project.

The author is not aware of any other significant factors or risks that may affect the access, title or the right or ability to perform work on the Property.

### **5.0 Accessibility, climate, local resources, infrastructure, and physiography**

#### **5.1 Access**

The Property can be accessed using a 3.2 km gravelled bush road leading north from Hawk Junction. On the Wawa-Holdsworth Project, old skidder and backhoe roads provide truck access to the majority of the known mineralized zones whereas ATV or snowmobiles can be used to access more remote places. Access from Hawk Junction is also possible using the railway bed previously owned and operated by Algoma Central Railway that extends from Hawk Junction to Michipicoten Harbor. The railway bed provides truck access to the southern part of the Property. A 6 km long paved highway (Hwy 547) joins Hawk Junction to Highway 101 at a point 19 km east of Wawa.

## **5.2 Climate**

Following Sears (2002), climate in the Hawk Junction area is typical of northern Ontario, with annual precipitation of 750 mm including snowfall of 300 cm. Winters are long and generally cold with an average temperature of -10°C. Summer temperatures average +10°C. Traditional underground and open pit mining takes place in the area year round. Moreover, it is likely that a heap leach operation would be limited to no more than a 6 month period.

## **5.3 Physiography and vegetation**

Following Sears (2002), the terrain within the Wawa-Holdsworth Project consists of rolling to steep rocky ridges separated by low lying to swampy valleys. Vegetation is typically of northern Boreal Forest including jack pine, spruce, balsam fir, poplar, birch and cedar. There is very little merchantable timber within the area of interest. Underbrush is extremely thick throughout the Property, including hazel, alder and moose maple. A small stream passes through the area of interest draining towards the east and ultimately into McVeigh Creek, Hawk Lake and the Michipicoten River.

## **5.4 Infrastructures and local resources**

Skilled and unskilled labour are available in Wawa and Hawk Junction because of the long mining history in the area. Wawa has a population of 2,975 persons whereas Hawk Junction has a population of 190 persons (<http://www12.statcan.gc.ca/census-recensement/2011>). Hawk Junction is a main stop on the Canada National Railway that provides railway access to the rest of the country. Hawk Junction can be reached using the paved secondary Highway 547 which links to Highway 101. Trans-Canada Highway 17 can be reached 20 kilometres East from the town of Wawa. A major hub for the Ontario electricity grid is situated 12 km east of Hawk Junction at Anjigamy and four hydroelectric generating stations occur within a 20 km radius of the Property (Sears, 2002).

Sufficient water is available from lakes and streams on the Property. The surface rights of the Property are sufficient for any potential mining operation related to the core zones of gold mineralization.

## **6.0 History**

Gold exploration in the region has been active since the 1860s (MacMillan and Rupert, 1990), and was first discovered in the Wawa Gold Camp in 1897 by William Teddy on the shores of Wawa Lake (Frey, 1987). Exploration on the Wawa-Holdsworth Property started slightly later in 1918 after the discovery by John Holdsworth of massive pyrite boulders that attracted the interest of the Algoma Steel Corp. (Sears, 2002). A summary of the historic exploration programs and results can be found in Table 6-1, whereas a map showing the location of the historic drill holes can be found in Fig. 6-1.

For all the historic resources presented in this section, following section 2.4 of the NI 43-101 Standards of Disclosure for Mineral Projects (Form 43-101F1), no qualified person has done enough work to classify any historical estimate as current mineral resources or mineral reserves and the issuer is not

treating the historical estimate as current mineral resources or mineral reserves. At this time, the Property is deemed to be exploratory in nature.

**Table 6-1 Summary of notable exploration work on the Wawa-Holdsworth project**

| Company/<br>Sources                                           | Year      | Work Performed                                                                                                                                                | Results Summary                                                                                                                                     |
|---------------------------------------------------------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Algoma Steel Corp.<br><br>OGS file<br>42C02SE0727             | 1918-1919 | Diamond drilling (22 holes)                                                                                                                                   | Discovery of the Main Pyrite Zone; No gold assays                                                                                                   |
| Grasselli Chemical Co.<br><br>OGS file<br>42C02SE0727         | 1926      | Diamond drilling (8 holes)                                                                                                                                    | Validation of the Main Pyrite Zone discovered by Algoma Steel Corp; No gold assays                                                                  |
| Canadian Pyrites Ltd.<br><br>OGS file<br>42C02SE0727          | 1930      | Electrical survey, Geological mapping                                                                                                                         | Identification of conductors that could represent additional zones of massive pyrite<br><br>First geology map of the property                       |
| Soocana Mining Company<br><br>OGS file<br>42C02SE0046         | 1931      | Diamond Drilling (6 holes),<br>Trenching and mapping                                                                                                          | Discovery of the Soocana Vein System                                                                                                                |
| Erie Canadian Mines<br><br>OGS file<br>42C02NE8867            | 1938      | Property Evaluation<br><br>Test samples                                                                                                                       |                                                                                                                                                     |
| Falconbridge Nickel Mines Ltd.<br><br>OGS file<br>42C02SE0301 | 1982-1983 | DIGHEM III airborne geophysical surveys, Magnetometer, VLF-EM, Geological mapping, Bedrock and soil geochemical survey, Trenching, Diamond drilling (5 holes) | Identification of the gold potential of the pyrite<br><br>Unsuccessful to replicate the drill results of Soocana Mining Company at the Soocana Vein |
| Reed Lake Exploration Ltd.<br><br>OGS files                   | 1987-1989 | Diamond drilling (37 holes), Line-cutting, Road construction, Trenching and sampling, Geological                                                              | Discovery of additional auriferous quartz veins in the Soocana Vein System structure                                                                |

| Company/<br>Sources                                                                                   | Year         | Work Performed                                                                                                                           | Results Summary                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 42C02NE0001<br><br>42C02SE0002                                                                        |              | mapping, Pitting of the Oxide Sands                                                                                                      | Proved the gold potential of the pyrite zones<br><br>Identification of the gold-bearing Oxide Sands overlying the pyrite zones<br><br>Unsuccessful to replicate the drill results of Soocana Mining Company at the Soocana Vein |
| Noble Mineral Exploration Inc.<br><br>Sears (2002), Noble Mineral Website, Noble Mineral news release | 1999-present | Diamond drilling (34 holes), Line-cutting, Trenching and sampling, Pitting, Metallurgical testing, Geological mapping, Ground geophysics | Delineation of the Oxide Sands geometry and strike length, Extension of the Soocana Vein System strike length to 750 metres                                                                                                     |

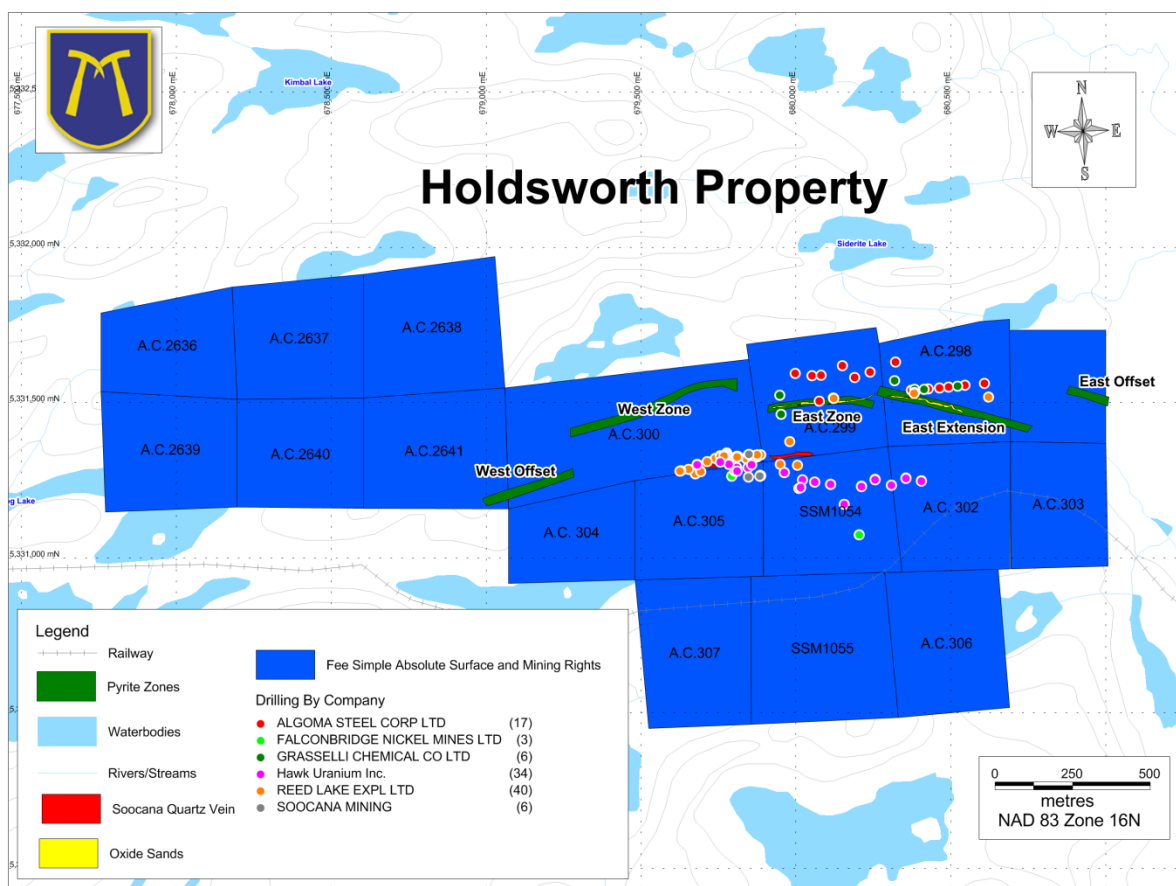


Figure 6-1 Location of historic collars and known gold mineralization zones within the Wawa-Holdsworth project

### 6.1 Initial exploration - 1918 to 1930

The early exploration on the Wawa-Holdsworth Project followed the discovery of the massive pyrite boulders by John Holdsworth and was principally focussed on finding the source of these massive sulphides for sulphur extraction. This sulphur exploration stage occurred between 1918 and 1930.

In 1918-19, **Algoma Steel Corp.** ("Algoma") thought that one possible source for the early discovered pyrite boulders was what they defined as the Main Pyrite Zone. Algoma drilled 22 holes (Table 6-2) and delineated a tonnage of 1.05 Mt containing 46% iron sulphides. No gold assay were obtained from that drill program (OGS assessment file 42C02SE0727).

In 1926, **Grasselli Chemical Co. Ltd.** drilled 8 holes to validate Algoma data and re-analyzed all the massive sulphides intersections. They estimated a tonnage of 1.02 Mt containing 46.14% iron sulphides (Table 6-2). No gold assay were obtained from that exploration program (OGS assessment file 42C02SE0727).

Table 6-2 Drilling highlights of Algoma Steel Corp. and Grasselli Chemical in the Pyrite Zones

| Company                | Year drilled | Hole # | From (m) | To (m)                                     | Length (m) | Average S (wt. %) Algoma Steel Corp. | Average S (wt. %) Grasselli Chemical |
|------------------------|--------------|--------|----------|--------------------------------------------|------------|--------------------------------------|--------------------------------------|
| Algoma Steel Corp.     | 1918         | 301    | 118.90   | 126.83                                     | 7.93       | 47.24                                | 47.19                                |
|                        | 1918         | 302    | 108.23   | 108.54                                     | 0.30       | N/A                                  | N/A                                  |
|                        | 1918         | 303    |          | No reported intersection of massive pyrite |            |                                      |                                      |
|                        | 1918         | 304    |          | No reported intersection of massive pyrite |            |                                      |                                      |
|                        | 1918         | 305    | 100.76   | 110.67                                     | 9.91       | 47                                   | 46.83                                |
|                        | 1918         | 306    | 120.73   | 128.05                                     | 7.32       | 45.5                                 | 47.16                                |
|                        | 1918         | 307    | 98.48    | 106.71                                     | 8.23       | 46.21                                | 47.55                                |
|                        | 1918         | 308    | 133.23   | 139.33                                     | 6.10       | 43.44                                | 43.86                                |
|                        | 1918         | 309    | 167.99   | 177.13                                     | 9.15       | 45.24                                | 46.12                                |
|                        | 1918         | 310    | 206.10   | 206.25                                     | 0.15       |                                      |                                      |
|                        | 1918         | 311    | 192.68   | 204.88                                     | 12.20      | 46.3                                 | 45.73                                |
|                        | 1918         | 312    | 221.95   | 223.48                                     | 1.52       | 48.35                                | 41.12                                |
|                        | 1918         | 313    | 131.40   | 139.33                                     | 7.93       | 44.27                                | 38.55                                |
|                        | 1919         | 314    | 117.68   | 126.37                                     | 8.69       | 46.01                                | 44.96                                |
|                        | 1919         | 315    | 0.00     | 0.00                                       | 0.00       |                                      |                                      |
|                        | 1919         | 316    | 126.37   | 134.15                                     | 7.77       | 45.08                                | 44.44                                |
|                        | 1919         | 317    | 153.05   | 157.01                                     | 3.96       | 41.85                                | 44.62                                |
|                        | 1919         | 318    | 129.88   | 131.40                                     | 1.52       | 42.83                                | 37.95                                |
|                        | 1919         | 319    | 123.02   | 123.32                                     | 0.30       | N/A                                  | 42.6                                 |
|                        | 1919         | 320    |          | No reported intersection of massive pyrite |            |                                      |                                      |
|                        | 1919         | 321    | 156.10   | 157.77                                     | 1.68       | 48.52                                | 45.8                                 |
|                        | 1919         | 322    | 76.68    | 83.38                                      | 6.71       | 46.9                                 | 46.22                                |
| Grasselli Chemical Co. | 1926         | G# 1   | 103.66   | 112.93                                     | 9.27       |                                      | 43.04                                |
|                        | 1926         | G# 2   | 163.95   | 173.12                                     | 9.17       |                                      | 45.70                                |
|                        | 1926         | G# 3   | 144.82   | 148.07                                     | 3.25       |                                      | 39.50                                |
|                        | 1926         | G# 4   |          | No reported intersection of massive pyrite |            |                                      |                                      |
|                        | 1926         | G# 5   | 124.64   | 151.40                                     | 26.75      |                                      | 47.81                                |
|                        | 1926         | G# 6   | 20.83    | 25.15                                      | 4.32       |                                      | 38.06                                |
|                        | 1926         | G# 7   | 75.15    | 79.75                                      | 4.60       |                                      | 35.00                                |
|                        | 1926         | G# 8   | 108.84   | 113.95                                     | 5.11       |                                      | 29.50                                |

In 1930, **Canadian Pyrites Ltd.** ("Dupont") conducted an "electrical survey" to locate new zones of massive pyrite. They also completed a summary geology map of the Property (OGS assessment file 42C02SE0727).

## 6.2 Gold discovery - 1931

In 1931, **Soocana Mining Company Ltd.** discovered the Holdsworth Gold Prospect now known as the Soocana Vein System. They drilled 6 holes in the vein and estimated that it contains 54,000 tons grading 0.556 oz/ton gold (19 g/t gold; OGS assessment file 42C02SE0045; Table 6-3). No drill logs remain from the Soocana Mining Company drill program. All the historic intersections were calculated from schematic maps left by the company without clear indications of the intersection depth, adding a high level of uncertainty to the data and the reported intersections.

**Table 6-3 Drilling highlights from the Soocana Mining Company**

| Company                       | Year drilled | Hole #   | From (m) | To (m) | Length (m) | Au (g/t) | Ag (g/t) | Zone         |
|-------------------------------|--------------|----------|----------|--------|------------|----------|----------|--------------|
| <b>Soocana Mining Company</b> | 1931         | Hole # 1 | N/A      | N/A    | 4.3        | 16       |          | Soocana Vein |
|                               | 1931         | Hole # 2 | N/A      | N/A    | 4.9        | 11.9     |          | Soocana Vein |
|                               | 1931         | Hole # 3 | N/A      | N/A    | 3.4        | 15.5     |          | Soocana Vein |
|                               | 1931         | Hole # 3 | N/A      | N/A    | 3.4        | 16.4     |          | Soocana Vein |
|                               | 1931         | Hole # 4 | N/A      | N/A    | 2.4        | 13.7     |          | Soocana Vein |
|                               | 1931         | Hole # 5 | N/A      | N/A    | 3.8        | 12.7     |          | Soocana Vein |
|                               | 1931         | Hole # 5 | N/A      | N/A    | 4.3        | 6.3      |          | Soocana Vein |
|                               | 1931         | Hole # 6 | N/A      | N/A    | 4.3        | 6.3      |          | Soocana Vein |
|                               | 1931         | Hole # 6 | N/A      | N/A    | 6.9        | 15.8     |          | Soocana Vein |

### **6.3 Exploration Hiatus - 1933 to 1979**

This period is characterized by miscellaneous property examinations by various companies that include **Falconbridge Nickel Mines Ltd.** (1935; Sears, 2002) and **Erie Canadian Mines Ltd.** (1938; OGS assessment file 42C02NE8867) without material exploration work.

### **6.4 Gold Exploration Period - 1979 to 2016**

In 1979, D.G. O'Reilly acquired the property.

#### **6.4.1 Falconbridge Nickel Mines Ltd. - 1982 to 1985**

In 1982, **Falconbridge Nickel Mines Ltd.** ("Falconbridge") optioned the Property from D.G. O'Reilly. All the results from Falconbridge exploration program can be found in the OGS assessment file 42C02SE0301. Their exploration program included:

- a series of airborne and ground geophysical surveys,
- rock sampling;
- soil sampling;
- geological mapping;
- Re-logging of the old drill core; and
- drilling of 5 diamond drill holes totaling 590 metres.

Two drill holes tested the Soocana Vein System, one drill hole tested an airborne geophysical anomaly, while the other 2 holes tested the Pyrite Zones. Falconbridge's two drill holes into the Soocana Vein System were unsuccessful to replicate the reported grades from the 1931 drilling (Table 6-4). However, the holes Falconbridge drilled in the Pyrite Zones identified a gold potential by intersecting gold mineralization in shear zones in the vicinity of the massive Pyrite Zones and low grade values within the massive sulphides themselves (Table 6-4).

**Table 6-4 Drilling highlights from Falconbridge Nickel Mines Ltd.**

| Company                               | Year drilled | Hole # | From (m) | To (m) | Length (m) | Au (g/t) | Ag (g/t) | Zone         |
|---------------------------------------|--------------|--------|----------|--------|------------|----------|----------|--------------|
| <b>Falconbridge Nickel Mines Ltd.</b> | 1983         | OR-1   | 30       | 31.5   | 1.5        | 2.1      |          | Soocana Vein |
|                                       | 1983         | OR-4   | 104.4    | 106    | 1.6        | 4        |          | Pyrite Zones |
|                                       | 1983         | OR-5   | 89       | 92     | 4.5        | 1.53     |          | Pyrite Zones |

#### 6.4.2 Reed Lake Exploration Ltd. ("Reed Lake") - 1985 to 1989

Between 1985 and 1989, **Reed Lake Exploration Ltd.** optioned the property from D.G. O'Reilly and conducted an extensive exploration program that included:

- the construction of an access road;
- refurbishing the existing grid on the Property;
- prospecting and sampling over a portion of the claim group;
- stripping, trenching and sampling; and
- drilling of 37 diamond drill holes totaling 2,399 metres, 32 on the Soocana Vein System and 5 on the Pyrite Zones.

Reed Lake drilling was unsuccessful in replicating the 1931 drill results in the Soocana Vein System. Sears (2002) attributed this lack of success to a geological mapping error that assumed the wrong dip direction for the vein system. Nonetheless, Reed Lake highlighted a new potential for the Soocana Vein System by intersecting wide zones of secondary quartz veining and mineralization in the structure hosting the main quartz vein of the Soocana Vein System (Table 6-5; Sears, 2002). The Reed Lake exploration program also demonstrated the potential of the Pyrite Zones for gold mineralization since 3 of their 5 drill holes intersected massive sulphides contained elevated gold values (Table 6-5). Reed Lake also discovered the auriferous Oxide Sands that cover the Pyrite Zones (Sears, 1989). They estimated the depth of the Oxide Sands as exceeding 8 metres in most locations and that they contained gold values in the 3.43 g/t gold range (0.10 oz/ton; Sears, 1989).

**Table 6-5 Drilling highlights from Reed Lake Exploration Ltd.**

| Company                           | Year drilled | Hole # | From (m) | To (m) | Length (m) | Au (g/t) | Ag (g/t) | Zone         |
|-----------------------------------|--------------|--------|----------|--------|------------|----------|----------|--------------|
| <b>Reed Lake Exploration Ltd.</b> | 1987         | 87-1   | 74.12    | 82.20  | 8.08       | 0.59     |          | Soocana Vein |
|                                   | 1987         | 87-12  | 42.77    | 52.44  | 9.66       | 0.62     |          | Soocana Vein |
|                                   | 1987         | 87-14  | 23.81    | 31.46  | 7.65       | 0.58     |          | Soocana Vein |
|                                   | 1987         | 87-15  | 26.46    | 31.16  | 4.70       | 0.77     |          | Soocana Vein |
|                                   | 1987         | 87-18  | 47.93    | 50.73  | 2.80       | 0.49     |          | Soocana Vein |
|                                   | 1987         | 87-19  | 35.37    | 58.93  | 23.57      | 0.72     |          | Soocana Vein |
|                                   | 1987         | 87-3   | 44.97    | 48.96  | 3.99       | 1.28     |          | Soocana Vein |
|                                   | 1987         | 87-5   | 26.68    | 41.95  | 15.27      | 1.43     |          | Soocana Vein |

|      |        |        |        |       |      |              |
|------|--------|--------|--------|-------|------|--------------|
| 1987 | 87-7B  | 41.77  | 47.87  | 6.10  | 0.94 | Soocana Vein |
| 1988 | 88-R23 | 111.28 | 122.36 | 11.08 | 0.56 | Pyrite Zones |
| 1988 | 88-R24 | 44.51  | 47.87  | 3.35  | 0.43 | Pyrite Zones |
| 1988 | 88-R26 | 25.76  | 37.20  | 11.43 | 0.85 | Pyrite Zones |
| 1988 | 88-R27 | 39.63  | 50.30  | 10.67 | 0.63 | Pyrite Zones |
| 1988 | 88-R28 | 25.99  | 29.88  | 3.89  | 1.71 | Soocana Vein |
| 1988 | 88-R28 | 37.96  | 41.77  | 3.81  | 0.46 | Soocana Vein |
| 1988 | 88-R30 | 13.52  | 15.85  | 2.34  | 1.10 | Soocana Vein |
| 1988 | 88-R31 | 14.18  | 20.05  | 5.87  | 1.87 | Soocana Vein |
| 1988 | 88-R33 | 22.87  | 31.40  | 8.54  | 0.52 | Soocana Vein |
| 1988 | 88-R34 | 21.04  | 23.09  | 2.06  | 0.43 | Soocana Vein |
| 1988 | 88-R34 | 26.52  | 28.81  | 2.29  | 0.44 | Soocana Vein |
| 1988 | 88-R34 | 39.33  | 44.54  | 5.21  | 0.47 | Soocana Vein |
| 1988 | 88-R36 | 27.13  | 31.40  | 4.27  | 0.41 | Soocana Vein |
| 1988 | 88-R36 | 38.57  | 42.38  | 3.81  | 0.42 | Soocana Vein |
| 1988 | 88-R37 | 41.16  | 47.46  | 6.30  | 0.41 | Soocana Vein |

#### 6.4.3 Noble Mineral Exploration Inc. - 1999 to 2016

In 1999, Hawk Junction Capital Corp. (now “Noble Mineral”) acquired the Wawa-Holdsworth Property and conducted several exploration programs between 1999 and 2016. These exploration programs had two main targets, the Oxide Sands and the Soocana Vein System, and also included:

- line cutting;
- geologic mapping;
- detailed mapping and sampling of the Oxide Sands;
- rock chip sampling;
- preliminary mill test of the Oxide Sands in 1999 by the independent consultant Dave Welch in September (see Appendix 2 to Sears, 2002);
- metallurgical testing of the Oxide Sands by SGS Lakefield in 2008-2009;
- a ground Magnetic Survey; and
- a 34-holes 5,498 metres diamond drill program to test the Soocana Vein System.

During their 1999 exploration program, Noble Mineral systematically sampled two zones of the Oxide Sands that cover the East Zone of the Pyrite Zones (Oxide Sands zones A and B; Fig. 7-3). Over a combined strike length of 332.5 meters, they sampled 23 panels and calculated composited average for each of the panels in domains A and B in 23 (Table 6-6). In each panel, sampling consisted of a row of 3 or more random composite samples collected at variable intervals across the width of the zone at 0.91 metre vertical levels (Sears, 2002). From this systematic sampling, Sears (2002) outlined a potential resource of 11,760 tonnes having a grade of 3.45 g/t Au and 29.99 g/t Ag and classified it as an indicated estimate. No qualified person has done enough work to classify this historical estimate as current

mineral resources or mineral reserves and the issuer is not treating this historical estimate as current mineral resources or mineral reserves. During the 1999 exploration program, a sample from the Oxide Sands sample was also submitted for preliminary mill test and indicated an average gold recovery of 98.7% in a 48-hour agitated-leach without crushing (Table 6-7).

**Table 6-6 Estimated grade and dimensions of the Oxide Sands blocks reported by Sears (2002)**

| Block # | Length (m) | Width (m) | Average Depth (m) | Gold grade (g/t) | Silver grade (g/t) |
|---------|------------|-----------|-------------------|------------------|--------------------|
| A-1     | 30         | 6.9       | 4.65              | 4.92             | 25.22              |
| A-2     | 13.5       | 5.3       | 3                 | 5.76             | 42.65              |
| A-3     | 31         | 4.7       | 3.35              | 5.95             | 47.09              |
| A-4     | 10         | 3.5       | 3.74              | 5.94             | 50.78              |
| A-5     | 24         | 2.9       | 3.66              | 5.1              | 50.14              |
| A-6     | 8          | 5.3       | 5.49              | 2.99             | 36.01              |
| A-7     | 11.5       | 7.5       | 5.03              | 1.74             | 21.29              |
| A-8     | 20         | 6.3       | 3.65              | 0.85             | 9.91               |
| B-1     | 21         | 6.4       | 1.92              | 1.17             | 17.43              |
| B-2     | 53         | 3.8       | 1.14              | 1.2              | 17.94              |
| B-3     | 17.5       | 2.8       | 1.6               | 3.04             | 44.06              |
| B-4     | 17.5       | 5.5       | 3.2               | 3.88             | 50.56              |
| B-5     | 10         | 5.5       | 3.2               | 3.51             | 41.28              |
| B-6     | 45.5       | 3.6       | 2.28              | 1.84             | 16.83              |
| B-7     | 20         | 3         | 1.83              | 1.54             | 18.6               |

Also in 2008, as a follow up on the preliminary metallurgical testing results from the 1999 exploration program, Noble Mineral submitted a composite sample of Oxide Sands weighting 250kg to SGS Lakefield. This sample was made from the amalgamation of 4 Oxide Sands samples taken from 4 pit locations. The composite sample had an average gold recovery of 69% following a 48 hours agitated cyanide leach test (Table 6-8; Noble Mineral news release dated May 4, 2009; available on SEDAR.com). Noble Mineral also analysed the gold recovery for each of the 4 individual Oxide Sands samples used to make the composite sample. After 48 hours in an agitated cyanide leach test, three of the four samples had gold recoveries above 80%, whereas one sample had a gold recovery of 45.6% (Table 6-7). Using surface geological mapping and geophysical interpretations as well as the systematic spatial association of the Oxide Sands with the Pyrite Zones, Noble Mineral estimated that a 2,200 metres-long strike-length of the Pyrite Zones is favorable for the formation of gold-bearing Oxide Sands.

**Table 6-7 Recovery tests performed at SGS-Lakefield for the Oxide Sands samples**

|                       | Head grade |          | Recovery |      |
|-----------------------|------------|----------|----------|------|
|                       | Au (g/t)   | Ag (g/t) | Au %     | Ag % |
| Oxide Sands Composite | 3.45       | 45.2     | 69       | 61   |

|            |      |      |      |      |
|------------|------|------|------|------|
| Sample "A" | 1.19 | 29.3 | 89.8 | 81.2 |
| Sample "B" | 7.41 | 84   | 80.5 | 53   |
| Sample "C" | 6.93 | 117  | 45.6 | 36.5 |
| Sample "D" | 1.19 | 8.3  | 80.3 | 82.7 |

In addition to Oxide Sands metallurgical testing, during their 2008 exploration program, Noble Mineral drilled a total of 34 NQ holes on the Soocana Vein System using an Orbit-Garant drill rig capable of drilling to a depth of 450 metres. From those 34 holes, a total of 2,422 samples were submitted to ActLabs in Thunder Bay for gold (Au), silver (Ag) and 36 element ICP analysis. All but one of the 34 holes intersected what is believed to be the main quartz vein of the Soocana Vein System (Table 6-8). This exploration program by Noble Mineral also extended the strike length of the Soocana Vein System to approximately 750 metres from a former strike length estimate of 300 metres, and determined that the main quartz vein of the Soocana Vein System varies in width from 0.5m to 2.5m.

**Table 6-8 Highlights from Noble Mineral drilling of the Soocana Vein System**

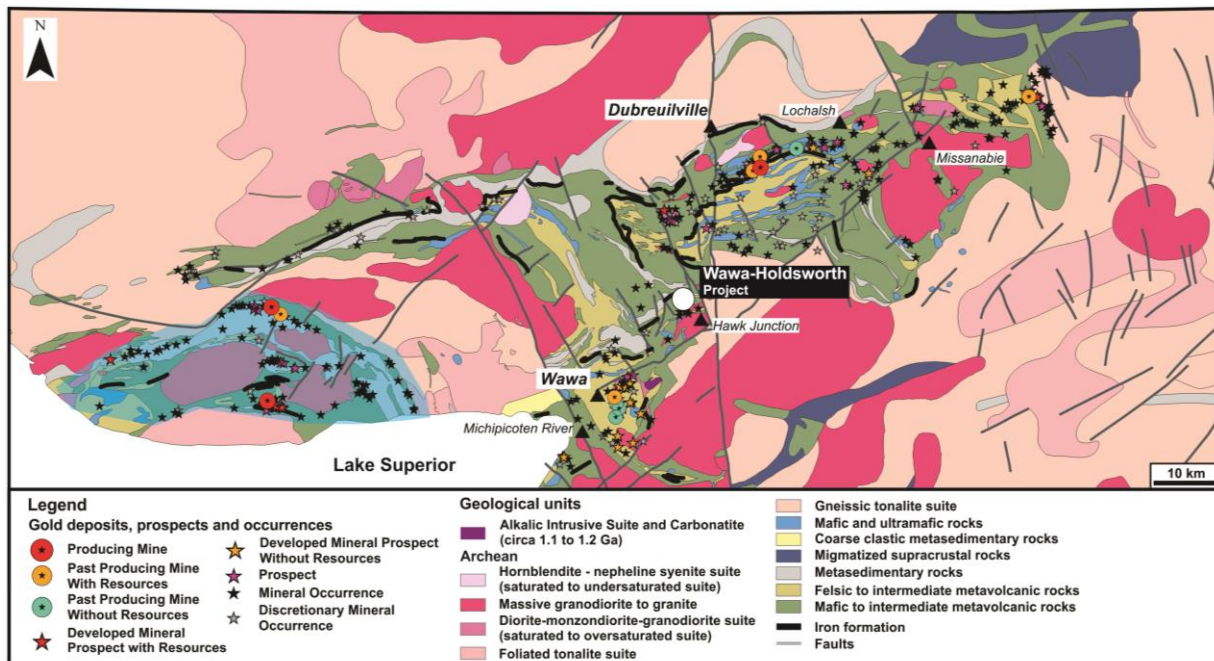
| Company            | Year drilled | Hole #  | From (m) | To (m) | Length (m) | Au (g/t)    | Ag (g/t) | Zone         |
|--------------------|--------------|---------|----------|--------|------------|-------------|----------|--------------|
| Noble Mineral Inc. | 2008         | HW 8-06 | 41.24    | 41.54  | 0.3        | 2.93        | 0.9      | Soocana Vein |
|                    | 2008         | HW 8-07 | 156      | 157    | 1          | 0.58        | 0.3      | Soocana Vein |
|                    | 2008         | HW 8-07 | 157      | 158    | 1          | 0.57        | 0.8      | Soocana Vein |
|                    | 2008         | HW 8-09 | 19.84    | 20.26  | 0.42       | 1.01        | 0.5      | Soocana Vein |
|                    | 2008         | HW 8-11 | 6.74     | 7.4    | 0.66       | 13.5        | 4.6      | Soocana Vein |
|                    | 2008         | HW 8-11 | 31       | 32     | 1          | 0.48        | 0.2      | Soocana Vein |
|                    | 2008         | HW 8-11 | 32       | 33     | 1          | 0.95        | 0.2      | Soocana Vein |
|                    | 2008         | HW 8-13 | 18.53    | 19.1   | 0.57       | 22.4        | 10.1     | Soocana Vein |
|                    | 2008         | HW 8-13 | 19.1     | 19.6   | 0.5        | 35.2        |          | Soocana Vein |
|                    | 2008         | HW 8-14 | 27.5     | 28.19  | 0.69       | 2.74        | 0.4      | Soocana Vein |
|                    | 2008         | HW 8-14 | 28.7     | 29.2   | 0.5        | 0.75        | 0.3      | Soocana Vein |
|                    | 2008         | HW 8-14 | 29.2     | 29.7   | 0.5        | 0.96        | 0.5      | Soocana Vein |
|                    | 2008         | HW 8-14 | 29.7     | 30.1   | 0.4        | 2.4         | 0.8      | Soocana Vein |
|                    | 2008         | HW 8-21 | 32.46    | 33     | 0.54       | 0.56        | <0.2     | Soocana Vein |
|                    | 2008         | HW 8-21 | 33       | 33.59  | 0.59       | 3.67(4.49)* | 0.6      | Soocana Vein |
|                    | 2008         | HW 8-21 | 33.59    | 33.9   | 0.31       | 3.28(3.19)* | 1.9      | Soocana Vein |
|                    | 2008         | HW 8-21 | 34.69    | 35.33  | 0.64       | 1.3         | <0.2     | Soocana Vein |
|                    | 2008         | HW 8-21 | 103.32   | 104    | 0.68       | 0.61        | 0.3      | Soocana Vein |
|                    | 2008         | HW 8-25 | 93.4     | 93.95  | 0.55       | 6.42(6.25)* | 2.8      | Soocana Vein |
|                    | 2008         | HW 8-27 | 120.21   | 120.66 | 0.45       | 2.4         | 0.2      | Soocana Vein |
|                    | 2008         | HW 8-29 | 108      | 108.56 | 0.56       | 1.05        | 1.9      | Soocana Vein |
|                    | 2008         | HW 8-31 | 17.47    | 18     | 0.53       | 1.8         | 3.7      | Soocana Vein |
|                    | 2008         | HW 8-31 | 125.35   | 125.92 | 0.57       | 5.74(4.38)* | 0.3      | Soocana Vein |

|      |         |       |       |      |             |     |              |
|------|---------|-------|-------|------|-------------|-----|--------------|
| 2008 | HW 8-33 | 89.46 | 90    | 0.54 | 17.7(17.9)* |     | Soocana Vein |
| 2008 | HW8-30  | 15    | 15.51 | 0.51 | 4.65        | 0.7 | Soocana Vein |
| 2008 | HW8-30  | 15.51 | 15.95 | 0.44 | 3.41        | 0.7 | Soocana Vein |

## 7.0 Geological setting and mineralization

### 7.1 Regional Geology

The Wawa-Holdsworth Property is located in the southern part of the Michipicoten greenstone belt, one of two greenstone belts that form the Wawa Subprovince (Fig. 7.1) of the Superior Province, the world's largest Archean craton (Ronacher and Mckenzie, 2015). The Wawa Subprovince extends from Minnesota in the west to the Kapuskasing structural zone in the east. The Superior Province was formed by the amalgamation of numerous subprovinces of various origins and compositions (plutonic, volcanic-plutonic, gneissic, sedimentary) that range in age from 3.0 to 2.65 Ga (Polat and Kerrich, 2000).



**Figure 7-1 Wawa-Holdsworth Project within the Michipicoten greenstone belt**

Geology after Ontario Geological Survey (2011); Mineral showings and deposits after Ontario Geological Survey (2014)

### 7.2 Local Geology

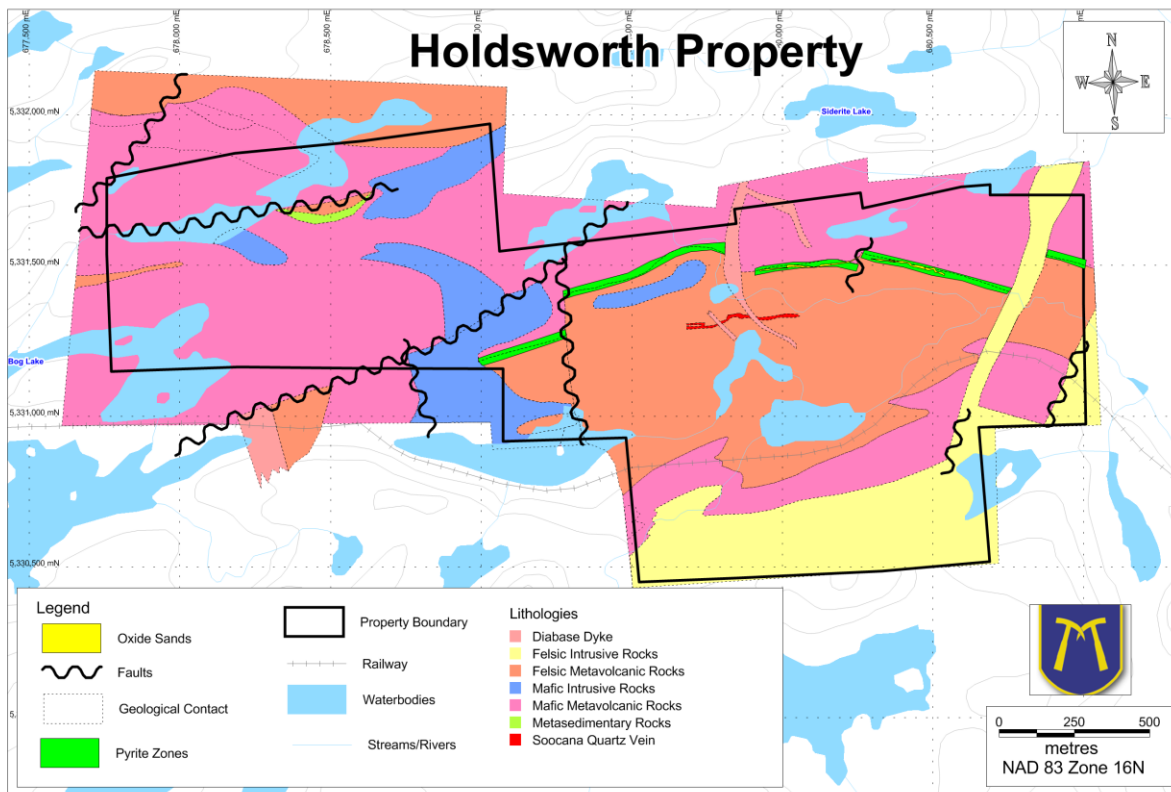
The Michipicoten greenstone belt is an amalgamation of three cycles of mafic to felsic volcanism associated with concomitant subvolcanic intrusions (Sage, 1994). Zircon U-Pb ages date volcanic Cycle 1 to 2.9 Ga, volcanic Cycle 2 to 2.75 Ga and volcanic Cycle 3 to 2.7 Ga. Like other greenstone belts within

the Superior Province, the mafic portion of the Michipicoten greenstone belt ranges in composition from basaltic to komatiitic. In the southern part of the Michipicoten greenstone belt, the main subvolcanic intrusions, emplaced during cycles 1 and 2 are the Hawk Lake Granitic Complex and the Jubilee Lake Stock. These intrusions have been interpreted to delineate the centres of calderas and to be the intrusive equivalent of the felsic to intermediate volcanic rocks within the main greenstones (Sage, 1984). The hiatus between volcanic Cycles 2 and 3 was marked by extensive banded iron formations. Post-Archean magmatism includes diabase dikes and the emplacement of the Firesand River Carbonatite intruded along the Wawa–Hawk Lake–Manitowik Lake Fault System. The Wawa-Holdsworth Project is located within the southern part of the Michipicoten greenstone belt (Sherman, 2005).

A prominent structure in the southern Michipicoten greenstone belt is the Wawa–Hawk Lake–Manitowik Lake Fault System, which defines the boundary between a lamprophyre-rich domain to the south and lamprophyre-free domain to the north (Figure 7-2). The emplacement of the Firesand River Carbonatite along the Wawa–Hawk Lake–Manitowik Lake Fault System suggests that the fault is deep-seated, whereas the location of the Jubilee Stock and Hawk Granite Complex along the fault indicate that it may follow an older structure active during the formation of the older greenstone belt. All the rocks of the Michipicoten greenstone belt are metamorphosed at greenschist facies and its volcano-plutonic sequences have been repeatedly deformed and folded (Sage, 1994).

### **7.3 Property Geology**

Following Sears (2002), units on the Property consist of mafic to felsic volcanics with local clastic and chemical (iron formation) metasedimentary layers. Mafic to felsic intrusions are also present. The felsic intrusions principally comprise subvolcanic porphyries, and are located in the southern part of the Property whereas mafic intrusions are distributed throughout. Iron formation is pyrite-rich and generally sheared (Gledhill, 1937), and forms massive pyrite deposits distributed at the contact between felsic volcanoclastic rocks and overlying mafic volcanic flows (Sears, 2002). Many shear zones with subparallel folding and shearing disrupt the local stratigraphy. Later brittle faults were also formed at a high-angle to the stratigraphy and pre-existing shearing.



**Figure 7-2 - Simplified geology of the Wawa-Holdsworth project with the location of the main gold targets**

## 7.4 Mineralization

Three main zones of gold and silver mineralization were identified on the Wawa-Holdsworth project and include:

- Greenstone-hosted quartz-carbonate veins represented by the "The Soocana Vein System";
- BIF-hosted gold mineralization represented by auriferous massive pyrite zones formed in a so-called Algoma Iron Formation known as the "Pyrite Zones"; and
- An oxidized cap at surface developed over the Pyrite Zones known as the "The Oxide Sands".

### 7.4.1 Greenstone-hosted quartz-carbonate veins - Soocana Vein System

The Soocana Vein System is a south dipping quartz-carbonate vein system traced over an east-west strike length of 750 metres (Fig. 7-2). The vein width ranges from 0.5 to 2.5 metres and occurs in an altered shear zone cutting mafic intrusions and metavolcanic units. Channel sampling results across a 51 metre section of the main quartz vein of the Soocana Vein System averaged 14.7 g/t Au across widths ranging from 0.5 to 1.5 metres (Sears, 2002). An immediate alteration halo around the vein contains sericite and local green mica, whereas gangue minerals in the vein include quartz, carbonate,

tourmaline, pyrite, and chalcopyrite. An outer alteration halo formed by less deformed bleached zones containing calcite, pyrite and chlorite. Drilling by Reed Lake shows that the main quartz vein of the Soocana Vein System is likely part of a larger vein system and that additional gold-bearing quartz veins exist in the same shear zone. None of the previous workers have precisely quantified the width of the deformation zone associated with the Soocana Vein System, which remains open in both directions and at depth.

#### 7.4.2 BIF-hosted gold mineralization - the Pyrite Zones

Known Pyrite Zones consist of five east-trending and sheared lenses of pyrite distributed over a strike length of 2.2 km along the contact between mafic and felsic volcanic rocks (Fig. 7-2; Sears, 2002). The sulfide lenses dip steeply towards the north, contain up to 5% sugary to greasy quartz stringers and ribbons, and include: the 'East', 'East Extension', 'East Offset', 'West' and 'West Offset'. Drill programs completed from 1918 to 1926 (Algoma Steel Corp. and the Grasselli Chemical Co.) targeted the East Pyrite Zone but did not assay for gold (Sears, 2002). The gold potential of the Pyrite Zones was defined by six exploration holes, 2 by Falconbridge in 1983 and 4 by Reed Lake Exploration Ltd. in 1988. In one of the Falconbridge holes, the massive pyrite contained gold values ranging from nil to 0.14 g/t (0.004 oz/ton). In three of the five holes drilled by Reed Lake, gold results from the Pyrite Zones include 1.03 g/t Au over 2.13 meters (Hole R23), 1.06 g/t over 6.1 meters (Hole R26) and 1.08 g/t Au over 5.8 meters (Hole R27). Falconbridge drilling also showed that some of the shear zones spatially associated with the Pyrite Zones are also gold-mineralized as they intersected 5.14 g/t (0.15 oz/ton) gold over 1.5 meters in a shear zone below the Pyrite Zones. Other results from Falconbridge indicated gold grades between nil to 7.2 g/t gold in the altered and sheared host volcanic rocks of the massive sulfide zones. Gledhill (1937) also reported that some of the massive pyrite of the Pyrite Zones assayed as high as 12.68 g/t gold, but no records exist on the sample location or on the material sent for analysis (0.37 oz/ton).

#### 7.4.3 The Oxide Sands or Black Sand Zone

The Oxide Sands or Black Sand Zone overlies some of the Pyrite Zones. The “sand” is formed of siliceous grains and non-magnetic iron oxide ranging in size from a few centimeters to several microns (Sears, 2002). The Oxide Sands are interpreted to be the oxidized equivalent of the underlying massive sulphide (Sears, 2002). In zones A and B of the Oxide Sands over a strike length of 332.5 metres (Fig. 7-3), Reed Lake Exploration and Noble Mineral estimated that the vertical extent of Oxide Sands is at least 8 metres and that the width of the zone varies between 2 and 10 metres. Sears (2002) estimated an average gold grade of 3.45 g/t and an average silver grade of 29.99 g/t for the Oxide Sands of these zones. Three other blocks of Oxide Sands exist (zones C, D and E) but were not extensively sampled and remain therefore of undetermined size or grade. Four additional zones prospective for Oxide Sands were identified on the Wawa-Holdsworth Property and are associated with geophysical conductors that could be sulphide zones. These zones remain to be investigated. Based on field data, the strike length of the known Pyrite Zones and indirect information from geophysical interpretations, Noble Mineral estimated a possible strike length of 2,200 metres for the Oxide Sands zones.

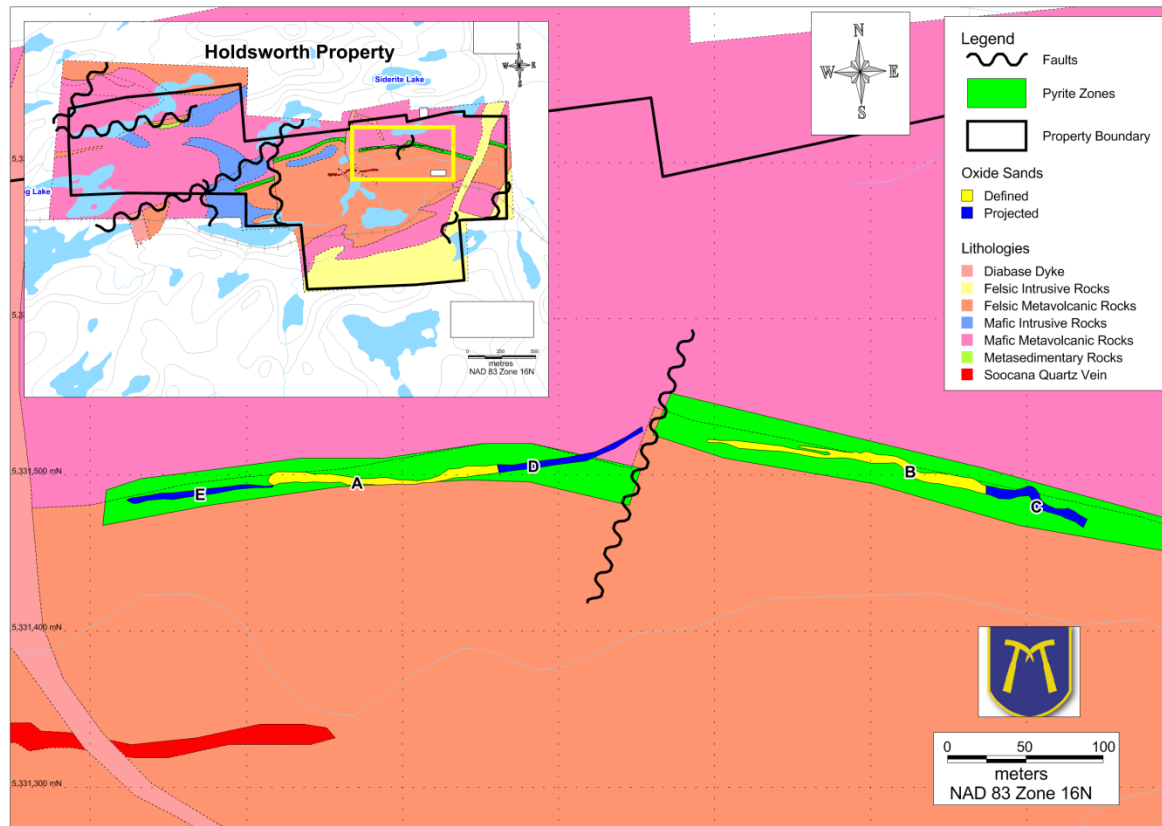


Figure 7-3 Geology map showing the location of zones A, B, C, D and E of the Oxide Sands

## 8.0 Deposit types

Following Dubé et al. (2015), gold mineralization at the Wawa-Holdsworth project is best classified as part of the Precambrian Lode Gold deposits and includes two definable sub-types: greenstone-hosted quartz-carbonate vein deposits (like the Soocana Vein System) and Banded Iron Formation (BIF)-hosted deposits (gold concentrations in an “Algoma-type” iron formation). Both types can also be classified as mesothermal mineralizing systems formed around the brittle-ductile transition in continental crust.

Dubé and Gosselin (2007) defined greenstone-hosted quartz-carbonate vein deposits as occurring in greenstone belts characterized by tholeiitic basalts and ultramafic komatiitic flows later intruded by intermediate to felsic porphyritic intrusions, and less often by swarms of albitites and lamprophyre dykes. Dubé et al. (2015) defined BIF-hosted gold deposits as preferentially formed in poly-deformed Algoma-type iron formation formed in Precambrian greenstone belts in which gold mineralization is discordant to stratiform and generally concentrated in fold hinges and attenuated limbs.

Greenstone-hosted quartz-carbonate vein and BIF-hosted gold deposits are mostly formed in major transtensional to compressional crustal-scale fault zones and are typically located in secondary and tertiary structures adjacent to the boundaries between geological domains of a geological province. For

the BIF-hosted deposit, the iron formation could act as a reactive unit to preferentially removed and concentrate gold from the circulating fluids (Dubé and Gosselin, 2007; Dubé et al., 2015). Metamorphic fluids are interpreted to be responsible for gold transport as bi-sulphide complexes. However, gold may have been sequestered from rocks predating the metamorphic event (Goldfarb et al., 2005). BIF hosted and quartz-carbonate vein deposits can also straddle each other in the same area and occur in close proximity (Dubé et al., 2015).

Typical hydrothermal alteration facies associated with this family of deposit, of which the mineralogy is strongly influenced by the composition of the host rock, include:

- potassic alteration forming muscovite/sericite and fuchsite, or biotite and K-feldspar;
- sodic alteration characterized by the formation of albite as early alteration and dikes;
- carbonatization characterized by the zoned formation of carbonate and iron carbonate;
- sulphidization characterized by the formation of pyrite, arsenopyrite and pyrrhotite;
- tourmalinization; and
- chloritization.

In some BIF-hosted deposits, the footprint of hydrothermal alteration is described as subtle and spatially constrained to the immediate vicinity of the mineralized zones (Dubé et al., 2015).

The weathering of a gold-enriched Algoma-type iron formation is likely the source of the Oxide Sands where weathering concentrated the gold initially present in the iron formation.

## **9.0 Exploration**

MacDonald Mines has not conducted any exploration program on the project. Results from previous exploration programs are presented in section 6.0 of the report.

## **10.0 Drilling**

MacDonald Mines has not conducted any drilling program on the project. The results and attributes from previous drilling programs are presented in section 6.0 of the report.

## **11.0 Sample preparation, analyses and security**

### **11.1 Pre 1999 exploration programs**

For the exploration programs of Soocana Mining Company, Falconbridge Nickel Mines Ltd. and Reed Lake Exploration Ltd, no records outlining the sample preparation, type of analyses, analytical laboratory and security of historic drill core are available.

As the historical sampling preparation, security, and analytical procedures are unknown and as such the authors cannot comment on their adequacy. However, one aspect noted by the author is the variability of the gold assay results obtained for duplicated samples by Falconbridge and Reed Lake Exploration for holes drilled in the Soocana Vein System and the Pyrite Zones. An extreme example comes from the sample 3149 collected in DDH 87-5 of Reed Lake Exploration. The initial analysis for that sample indicated that it contained 0.008 oz/ton (0.27 g/t) gold whereas the duplicated analyses from this sample gave 0.686 oz/ton (23.52 g/t) and 1.029 oz/ton (35.27 g/t) gold (Sears, 1987). The author interprets this variability as a possible indicator that a strong nugget effect might be present and that measures to mitigate this must be considered in future exploration and drill programs.

### **11.2 Noble Mineral exploration programs**

During the 1999 sampling program of the Oxide Sands by Noble Mineral, sampling consisted of a row of 3 or more random composite samples collected at variable intervals across the width of the zone at 0.91 metre vertical levels (Sears, 2002). The samples were collected in plastic sample bags and placed at a locked and secure location at Hawk Junction. At the end of the field program, they were transported to Swastika Laboratories to be analysed by fire assay for gold. 19% of the samples were re-assayed to ensure the quality of the data. 44 duplicates were also sent to SGS Lakefield for testing. Results presented in Sears (2002) show a strong positive correlation between the samples and their duplicates. The good relation between the samples and their duplicate indicates a weak nugget effect in the Oxide Sands. No records exist on additional QA/QC protocols like systematic insertion of certified reference material or blanks.

For the drilling program of Noble Mineral, the core boxes were secured after drilling and core logging and sampling were done by specially trained and supervised personnel in a secure enclosure. Samples were also sealed and stored in this secure facility before shipping to Actlabs in Thunder Bay for gold (Au), silver (Ag) and 36 element ICP analyses. After logging, the core was stored in a locked warehouse. Metallic screen analyses were done on a selection of samples, but the analytical methods used by Noble Mineral were not described in detail. No records exist on additional QA/QC protocols like systematic insertion of certified reference material or blanks.

In the opinion of the author, the sampling preparation and security used by Noble Mineral to collect samples from the Oxide Sands and drill core are satisfactory and, therefore, adequate. However, the author is of the opinion that the absence of certified reference material and blanks in the sampling procedures of Noble Mineral leaves some uncertainty regarding the quality of the assay results. Because they are unknown, the author cannot comment on the adequacy of the analytical methods selected by Noble Mineral. However, the metallic screen analyses done on the samples of the Soocana Vein System indicate that mitigation measures of the nugget effect were implemented, but the extent and systematic application of this implementation remains unknown to the author.

## **12.0 Data verification**

The verification work completed by MacDonald Mines indicate moderate to high levels of uncertainty on the locations of the historic drill collars and sampling sites from all the explorers active on the Property before 2003.

This was partially compounded by Noble Mineral, as they surveyed some of the historic collars from Reed Lake Exploration and all the collars from their 2008 drilling program. The surveying was done by D.S Urso Surveying Limited. Although the survey data obtained by Noble Mineral can be used to increase the confidence in the location of the other holes, for which no surveyed coordinates were obtained, a low level of confidence remains associated with the location of these holes.

## **13. Mineral processing and metallurgical testing**

MacDonald Mines has not conducted mineral processing and metallurgical testing for the gold mineralization zones of the Property.

## **14.0 Mineral resource estimates**

This item does not apply to the Wawa-Holdsworth Project at this time.

## **15.0 Environmental Studies, Permitting and Social or Community Impact**

The Wawa-Holdsworth Project is at an early exploration stage at the time of this report. The immediate impacts of the project are relatively limited. This may result in seasonal hiring of contractors to help with the exploration work.

Consultations with the Michipicoten First Nation community are also at an early stage considering the early exploration stage of the project.

## **16.0 Adjacent properties**

There are no claims immediately adjacent to the Wawa Gold Property, however, there are mines in the general vicinity that may have similar mineralization styles (Fig. 16-1). These are described below.

### **16.1 Red Pine Exploration Inc.**

The Wawa Gold Project of Red Pine Exploration Inc. ('Red Pine'), Augustine Ventures Inc. ('Augustine') and Citabar Limited Partnership ('Citabar') is located 15 km southwest of the Wawa-Holdsworth Project. The Wawa Gold Project covers the core of the Wawa Gold Camp where, from the 1900s to the 1980s, 9 gold mines were in operation. Throughout the Wawa Gold Project gold mineralization is generally

spatially associated with shear zones in which finely disseminated sulphides (pyrite, arsenopyrite, pyrrhotite, chalcopyrite) and quartz, combined with sericitic alteration, are visual indicators of gold mineralization. The shear zones are cutting various rock types and the mineralized zones generally have a podiform to lensoidal geometry. Strong silicification is typically associated with the mineralization.

The main asset defined so far on the Wawa Gold Project is the Surluga Deposit that includes 3 historic mines and is currently evaluated for an open pit operation. The Surluga Deposit contains a NI 43-101 compliant inferred resource of 1.088 million ounces @1.71 g/t gold. The Surluga Deposit is centered on the Jubilee shear zone, which hosts the majority of the known gold mineralization. The Jubilee Shear Zone consists of a number of parallel, ~300–900 m long en-echelon segments. It strikes northeast (018-034°) and dips (25-55°) to the southeast. Its width ranges from 9 m to 60 m (Ronacher and Mckenzie, 2015).

The Qualified Person has been unable to verify the information presented in section 16.1 and the information is not indicative of mineralization on the Wawa-Holdsworth Project property that is the subject of this report. The information presented here is from the public domain. This report clearly distinguishes between the information from adjacent properties, such as the Island Gold Mine, and the information from the Wawa-Holdsworth project that is the subject of this report.

### **16.2 Argonaut Gold Inc.**

Argonaut Gold Inc.'s ("Argonaut") Magino gold project ("Magino") is located approximately 22 km NNE of the Wawa-Holdsworth property in Finan Township (Figure 16-1). Magino is a historic underground mine revaluated by Argonaut to be reopened as an open pit operation. Gold is hosted by carbonate-quartz-tourmaline veins that occur in an ENE striking, felsic intrusions, the Webb Lake and Lovell Lake Stocks. The stock hosts about 5–10% veins. High-grade gold-bearing veins are enclosed in a strongly silica-flooded envelope of low-grade, quartz-sericitic-pyrite±gold mineralization. Doerksen et al. (2014) report a strong, structural control on the veins with 70°-striking shear zones being common. Individual quartz-veins are hosted by secondary, brittle-ductile fracture sets. The last resource statement for the Magino deposit, effective January 18, 2016, estimated 43-101 compliant Probable Reserve of 105.5 Mt @ 0.89 g/t gold containing 3.019 million ounces of gold (Makarenko et al., 2016).

The Qualified Person has been unable to verify the information presented in section 16.2 and the information is not indicative of mineralization on the Wawa-Holdsworth Project property that is the subject of this report. The information presented here is from the public domain. This report clearly distinguishes between the information from adjacent properties, such as the Magino deposit, and the information from the Wawa-Holdsworth project that is the subject of this report.

### **16.3 Richmond Mines Inc.**

Richmont Mines Inc.'s ("Richmont") Island Gold Mine located approximately 22 km NNE of the Wawa-Holdsworth Property and has been a gold producer from underground operations since 2007 (Adam and Vachon, 2014). The underground operations are accessed via a ramp and reach depths of 574 m.

Between 2007 and the end of 2013, the mine has produced >256,000 ounces of gold. Gold mineralization is hosted by the Goudreau Lake deformation zone and associated with strong sericitization and silicification. Narrow quartz-veins contain 2%–5% pyrite and gold. Effective December 31, 2015, Richmond updated the 43-101 compliant Proven and Probable mineral reserves, and the measured, indicated and inferred resources of the Island Gold Mine. The updated numbers are presented in the Tables 16.1 and 16.2 below.

**Table 16-1 43-101 compliant mineral resource of the Island Gold Mine**

| <b>Resource Categories</b>            | <b>Tonnes</b>    | <b>Grade<br/>(g/t gold)</b> | <b>Contained<br/>Metal Gold (Oz)</b> |
|---------------------------------------|------------------|-----------------------------|--------------------------------------|
| Measured (above - 400m)               | 7,500            | 5.8                         | 1,350                                |
| Indicated (above - 400m)              | 235,500          | 6.96                        | 52,700                               |
| Indicated (below - 400m)              | 105,500          | 5.2                         | 17,650                               |
| <b>Total (Measured and Indicated)</b> | <b>348,500</b>   | <b>6.4</b>                  | <b>71,700</b>                        |
| Inferred (above - 400m)               | 412,500          | 7.44                        | 98,700                               |
| Inferred(below - 400m)                | 2,402,500        | 8.67                        | 669,350                              |
| <b>Total Inferred</b>                 | <b>2,815,000</b> | <b>8.49</b>                 | <b>768,050</b>                       |

**Table 16-2 43-101 compliant mineral reserve of the Island Gold Mine**

| <b>Reserve Categories</b> | <b>Tonnes</b> | <b>Grade<br/>(g/t gold)</b> | <b>Contained<br/>Metal Gold (Oz)</b> |
|---------------------------|---------------|-----------------------------|--------------------------------------|
| Proven (above - 400m)     | 97,000        | 7                           | 21,800                               |
| Proven (below - 400m)     | 266,500       | 7.72                        | 66,100                               |
| Probable (above - 400m)   | 248,000       | 6.88                        | 54,900                               |
| Probable (below - 400m)   | 1,504,000     | 8.66                        | 418,900                              |

The Qualified Person has been unable to verify the information presented in section 16.3 and the information is not indicative of mineralization on the Wawa-Holdsworth Project that is the subject of this report. The information presented here is from the public domain. This report clearly distinguishes between the information from adjacent properties, such as the Island Gold Mine, and the information from the Wawa-Holdsworth Project that is the subject of this report.

## **17.0 Other relevant data and information**

The Qualified Person is not aware of any other relevant data, information or explanation that would make this report understandable or not misleading.

## 18.0 Interpretation and conclusions

The Wawa-Holdsworth Project consists of 18 contiguous fee simple absolute patented claims covering approximately 290 hectares and is advantageously located 3 km north the town of Hawk Junction, granting the project year-long road access and easy access to infrastructures. The project is prospective for three recognized types of gold mineralization that include:

- Greenstone-hosted quartz-carbonate vein deposit (Soocana Vein System);
- BIF-hosted gold deposits (gold-bearing pyrite zones in an Algoma-type iron formation).
- Gold-bearing Oxide Sands developed from the weathering of the auriferous Pyrite Zones.

The geological data available also indicates a likely genetic relation between the greenstone-hosted quartz-carbonate vein-type mineralization (Soocana Vein System) and the BIF-hosted gold mineralization (auriferous pyrite zones) of the Wawa-Holdsworth project. This interpreted association is similar to what is observed in other gold districts (Dubé et al., 2015) and suggests that these mineralized zones are part of the same hydrothermal system. This working hypothesis could considerably expand the area of interest for exploration on the Wawa-Holdsworth Project as most of the Property would fall within the same structural/hydrothermal system. Reed Lake Exploration work also showed that the Soocana Vein System consists of more than one mineralized quartz vein, broadening the potential for gold mineralization associated with that vein system.

The Oxide Sands, capping the gold-bearing iron formation, also show a good potential to become an easily recoverable material for a hypothetical gold production. However, additional exploration work remains to be done to quantify the total amount of gold and silver contained in the Gold Sands outside the 332.5 metres-long section that was sampled in detail.

Based on the historic exploration on the Property and the potential scale of the hydrothermal system, the authors conclude that significant potential exists to find additional gold mineralization on the Wawa-Holdsworth Project, which warrants additional exploration programs.

The authors did not determine any significant risks or uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information and the geological model presented herein, other than the uncertainties associated with the historic drilling and sampling programs.

## 19.0 Recommendations

The gold potential of the Oxide Sands has been demonstrated by the previous operators, but much remains to be done to clearly evaluate the size and grade of this mineralization type. Considering an average depth of 10 metres for the Oxide Sands and following a surface recognition program, a drill program of 1250 metres with coring capabilities is recommended to systematically test the gold content of the Oxide Sands along their interpreted 2200 metres strike length. Concurrently, ground exploration, airborne geophysics and mechanized stripping should be done to uncover additional zones of gold

mineralization based on the working hypothesis that all the gold showings of the property relate to the same tectono-hydrothermal event and to locate possible fold zones in the iron formation.

**Table 19-1 Budgeted elements for Phase 1 exploration program**

|                                                                                                 |                   |
|-------------------------------------------------------------------------------------------------|-------------------|
| Re-interpretation of historic data and integration in GIS and 3D models (30 days * 800\$) ..... | 24,000.00         |
| Oxide Sands drilling with coring capabilities (1250m * 37.5\$/m) .....                          | 46,875.00         |
| Sampling, Labor and Support (35 days * 900\$) .....                                             | 31,000.00         |
| Assaying (1250 samples * 20\$/samples) .....                                                    | 25,000.00         |
| Field mapping and prospecting (35 days * 900\$) .....                                           | 31,000.00         |
| Assaying (300 samples * 40\$/samples) .....                                                     | 12,000.00         |
| Geophysical surveys .....                                                                       | 100,000.00        |
| Excavator + Operator (15 days * 1000).....                                                      | 15,000.00         |
| Trench Washing + Mapping + Sampling (30 days * 1200) .....                                      | 36,000.00         |
| Assaying (500 samples * 40\$/samples) .....                                                     | 20,000.00         |
| Personnel Mobilization and vehicles .....                                                       | 10,500.00         |
| 10% contingency .....                                                                           | 35,137.50         |
| <b>Total Phase 1</b> .....                                                                      | <b>386,512.50</b> |

If the drill program on the Gold Sands is successful, an initial 43-101 compliant resource for the Oxide Sands should be estimated. A 2,750 metres HQ diamond drilling program should also follow based on the results of the geophysical surveys, and of the field mapping, sampling and trenching program. This drill program will test the structure hosting the auriferous Pyrite Zones underlying the Gold Sands and any new gold-bearing shear zones discovered as part of the sampling and mapping program that show a surface thickness exceeding 5 metres and a strike continuity of significance. Concurrently, the environmental baseline of the Oxide Sands should be established and the permitting process for the collection of a bulk sample for metallurgical testing of the Oxide Sands started.

**Table 19-2 Budgeted elements for Phase 2 exploration program**

|                                                                              |                   |
|------------------------------------------------------------------------------|-------------------|
| Resource estimate for the gold sands .....                                   | 100,000.00        |
| HQ diamond drilling of gold targets (2750 metres @ 216\$/metres all-in)..... | 594,000.00        |
| Environmental baseline of the Gold Sands and bulk sample permitting .....    | 50,000.00         |
| 10% contingency .....                                                        | 74,400.00         |
| <b>Total Phase 2</b> .....                                                   | <b>818,400.00</b> |

The two proposed phases of exploration should define if potentially economic gold mineralization exists on the Wawa-Holdsworth Project. Success in those two phases should be followed by a prioritization of the targets based on their probabilities of being put into production. Subsequent work may involve bulk sampling and systematic metallurgical testing of the Gold Sands followed by the completion of a

Preliminary Economic Assessment. The breakdown of the costs associated with that third phase is beyond the scope of this report as it is entirely contingent on the results of phases 1 and 2.

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## 21.0 Certificate of Qualified Persons

I, Quentin Dale Yarie, P. Geo. of 196 McAllister Road, Toronto, Ontario, M3H 2N9, do hereby certify that:

- I am a member of the Association of Professional Geoscientists of Ontario since 2010 (License 1778) and a member of the Association of Professional Geoscientists of Nova Scotia since 2002 (License 121). I am also a member of the Society of Exploration Geophysicists (144385).
- I have practiced my profession more than 30 years.
- I certify that by reason of my education and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purpose of this Technical Report. My relevant work experience for the purpose of my activities identified in this report are:
  - Experience with junior resource companies as a Director of Red Pine Resources (CNDX), MacDonald Mines Exploration (CNDX) and Energizer Resources Limited (CNDX). Experience with junior resource companies as President and CEO of Macdonald Mines Exploration, Red Pine and Honey Badger Exploration Inc.
  - Continuous work in the mineral exploration and mining industry since 1983. I ran my own geophysical consulting firm from 1990 through 2002. Work has included supervision of grassroots to advanced stage programs which have included airborne and ground geophysics, mapping, geochemical sampling, trenching and drilling. I have reviewed numerous gold, silver, base metals and diamond projects in a wide range of geological environments both in Canada, Mexico, Chile, China, Turkey, Jordan, Italy and other international destinations.
- I am the author of several technical reports.
- This certificate relates to the "NI 43-101 Report on the Wawa-Holdsworth Project" dated December 17, 2016 (the "Technical Report").
- My most recent personal inspection of the Wawa-Holdsworth Project took place December 16, 2016.
- I am not independent of MacDonald Mines Exploration Ltd.
- I have been involved with the Wawa-Holdsworth Project since December 2016 in the position of President and CEO of MacDonald Mines Exploration Ltd.
- I am responsible for all Sections of the Technical Report.
- I have read National Instrument 43-101 - "Standards of Disclosure for Mineral Projects", and the Technical Report has been prepared in compliance therewith.
- As at December 17, 2016, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated at Toronto, Ontario, this 20th day of December 2016.

## Appendices



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T AND  
REGISTRY  
OFFICE #:

31148-0014 (12)

PARTIAL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 1

PREPARED FOR "Peach" man1  
ON 2016/11/21 AT 11:13:59

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION: POL 795 SEC 4MS; MINING CLAY, SBY 1034 COALIERE; DISTRICT OF ALQUA

PROPERTY REMARKS: CROWN GRANT SEE 02821.

ESTATE/QUALITIES:

THE SURVEY

ABSOLUTE

OWNERS' NAMES

HOMER URBAN INC.

RECEIVED

FIRST CONVERSION FROM BOOK

CAPACITY 60000

BOOK

PLAN CREATION DATE:  
2006/02/20

| REG. NUM.                                                                       | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM              | PARTIES TO                | CERT/<br>CHRD |
|---------------------------------------------------------------------------------|------------|-------------------|----------|---------------------------|---------------------------|---------------|
| ** PRINTOUT INCLUDES ALL INSTRUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** |            |                   |          |                           |                           |               |
| L123387                                                                         | 1999/05/26 | TRANSFER          | \$32,500 |                           | HOMER URBAN CAPITAL CORP. | C             |
| A144584                                                                         | 2008/10/17 | APL CH NAME OWNER |          | HOMER URBAN CAPITAL CORP. | HOMER URBAN INC.          | C             |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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REGISTRY  
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31148-0014 (27)

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 1

PREPARED FOR "Peach" man1  
ON 2016/11/21 AT 11:13:59

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION:

POL 795 SEC 26S; MINING CLAIM 98V 1034 COSEBIE; DISTRICT OF ALGOMA

PROPERTY REMARKS:

CROWN GRANT SEE 02821.

ESTATE/QUALITIES:

RECEIVED

FILE SYMBOL

FIRST CONVERSION FROM BOOK

FILE CREATION DATE:  
2006/02/20

ABSOLUTE

OWNERS' NAMES

CALCULUS BANK  
BANK

HOMER URBAN INC.

| REG. NUM.                                                                       | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM              | PARTIES TO                | CERT/<br>CHRD |
|---------------------------------------------------------------------------------|------------|-------------------|----------|---------------------------|---------------------------|---------------|
| ** PRINTOUT INCLUDES ALL INSTRUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** |            |                   |          |                           |                           |               |
| L123387                                                                         | 1999/05/26 | TRANSFER          | \$32,500 |                           | HOMER URBAN CAPITAL CORP. | C             |
| A144584                                                                         | 2008/10/17 | APL CH NAME OWNER |          | HOMER URBAN CAPITAL CORP. | HOMER URBAN INC.          | C             |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 1

PREPARED FOR "Peach" man1  
ON 2016/11/21 AT 11:13:59

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION: PCL 795 SEC 4MS; MINING CLAY, SBY 1034 COBBIER; DISTRICT OF ALQUA

PROPERTY REMARKS: CROWN GRANT SEE 02821.

ESTATE/QUALITIES:

THE SURVEY

ABSOLUTE

OWNERS' NAMES

HAWK URBANION INC.

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CALCULATE BOOK

BOOK

PLAN CREATION DATE:

2006/02/20

| REG. NUM.                                                                       | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM | PARTIES TO                  | CERT/<br>CHRD |
|---------------------------------------------------------------------------------|------------|-------------------|----------|--------------|-----------------------------|---------------|
| ** PRINTOUT INCLUDES ALL INSTRUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** |            |                   |          |              |                             |               |
| L123387                                                                         | 1999/05/26 | TRANSFER          | \$32,500 |              | HAWK JUNCTION CAPITAL CORP. | C             |
| A144584                                                                         | 2008/10/17 | APL CH NAME OWNER |          |              | HAWK URBANION INC.          | C             |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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OFFICE #1  
31148-0016 (LIT)  
\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PATCHED REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER  
PAGE 1 OF 1  
PREPARED FOR THE  
ON 2016/11/13 AT 13:07:39

PROPERTY DESCRIPTION: PCL 1478 SEC A&B; PT TWO OF CORBIERE AS IN LT16684 (FIRSTLY, SECONDLY); S/T LT13588; S/T LT19404; S/T LT16684; DISTRICT OF ALTONA

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER LT13588 WAS CREDITED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 2007/07/13 BY RON LANE. CORRECTION: INSTRUMENT NUMBER LT11402 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 2007/07/13 BY RON LANE.

ESTATE/MULTIPLIER: REGULARLY  
FEE SIMPLE FIRST CONVERSION FROM BOOK  
ANNUALITY  
OWNERS' NAMES CANTLEY SHARE  
HANK URANIN INC. ROWN

PLN CREATION DATE:  
2006/02/20

| REG. NUM.                                                                     | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM                                                                                                       | PARTIES TO                             | CERT/CHKD |
|-------------------------------------------------------------------------------|------------|-------------------|----------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** |            |                   |          |                                                                                                                    |                                        |           |
| LT25876                                                                       | 1946/10/24 | CAUTION-LAND      |          |                                                                                                                    | THIS GREAT LAKES POWER COMPANY LIMITED | C         |
|                                                                               |            |                   |          | REMARKS: SKETCH ATTACHED.                                                                                          |                                        |           |
| LT13588                                                                       | 1987/07/13 | TRANSFER          | \$2      |                                                                                                                    | GREAT LAKES POWER LIMITED              | C         |
|                                                                               |            |                   |          | REMARKS: LT25876                                                                                                   |                                        |           |
| LT11402                                                                       | 1987/08/13 | NOTICE            |          |                                                                                                                    |                                        | C         |
|                                                                               |            |                   |          | REMARKS: MULTI                                                                                                     |                                        |           |
| LT22387                                                                       | 1999/05/26 | TRANSFER          | \$22,500 |                                                                                                                    | HANK JUNCTION CAPITAL CORP.            | C         |
| AL19197                                                                       | 2007/07/13 | LAND'S ORDER      |          |                                                                                                                    | LAND REGISTRAR                         | C         |
|                                                                               |            |                   |          | REMARKS: ADD LT13588 TO PIN 0016 AND ADD LT11402 TO PINS 0016, 0223, 0197 & 0224 AND AMEND T/N TO SHOW S/T LT13588 |                                        |           |
| AL44584                                                                       | 2008/10/17 | APL CH NAME OWNER |          |                                                                                                                    | HANK JUNCTION CAPITAL CORP.            | C         |
| AL59944                                                                       | 2009/07/03 | APL (GENERAL)     |          |                                                                                                                    | GREAT LAKES POWER LIMITED              | C         |
|                                                                               |            |                   |          | REMARKS: TRANSFER OF EASEMENTS, SEE SCHEDULE                                                                       |                                        |           |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



PROPERTY DESCRIPTION: PCL 1076 SEC A&B; PT RAILWAY LANDS TWO OF CORPERS AS IN L1942-1; S/7 L1942-1, DISTRICT OF ALGOMA

PROPERTY REMARKS:  
ESTATE/QUALITY:  
FEE SIMPLE  
ABSOLUTE;  
OWNERS' NAMES:  
HAWK JUNCTION INC.

RECENTLY:  
FIRST CONVERSION FROM BOOK  
CAPACITY SHARE  
KNOWN

FIN CREATION DATE:  
2006/02/20

| REG. NUM.                                                                     | DATE       | INSTRUMENT TYPE    | AMOUNT   | PARTIES FROM                | PARTIES TO                  | CERT/CHD |
|-------------------------------------------------------------------------------|------------|--------------------|----------|-----------------------------|-----------------------------|----------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** |            |                    |          |                             |                             |          |
| L1923387                                                                      | 1999/03/26 | TRANSFER           | \$32,500 |                             | HAWK JUNCTION CAPITAL CORP. | C        |
| A144584                                                                       | 2008/10/17 | REL CH NAME CHANGE |          | HAWK JUNCTION CAPITAL CORP. | HAWK JUNCTION INC.          | C        |

NOTE: AMENDING PROPERTIES SHOULD BE INVESTIGATED TO ACHIEVE DESCRPTIVE INCONSISTENCIES. IF ANY, THE DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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TAX?  
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OFFICE #1

3119-0-95 (27)

PAGE 1 OF 1  
PREPARED FOR CP001mcl  
ON 2016/11/13 AT 19:10:30

PROPERTY IDENTIFICATION: FOL 766 SEC A05, P2 MINING CLAIM SSM 1355 SEQUELA AS LN A0522, DISTRICT OF ALBANY

PROPERTY REMARKS: CROWN GRANT SEE A0522.  
ESTATE/QUALIFIER: RECENTLY:  
FEE SIMPLE FIRST CONVERSION FROM BOOK  
ABSOLUTE  
CONVEYANCE NAME: CASCADY SHARE  
HORN  
HORN URBANION INC.

EIN CREATION DATE:  
2006/03/20

| REG. NUM.                                                                     | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM                | PARTIES TO                  | CERT/<br>CHRD |
|-------------------------------------------------------------------------------|------------|-------------------|----------|-----------------------------|-----------------------------|---------------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES (UNLESS INSTRUMENTS NOT INCLUDED); ** |            |                   |          |                             |                             |               |
| L123387                                                                       | 1999/05/26 | TRANSFER          | \$32,500 |                             | HORN URBANION CAPITAL CORP. | C             |
| A144584                                                                       | 2008/10/17 | APL CH NAME OWNER |          | HORN URBANION CAPITAL CORP. | HORN URBANION INC.          | C             |

NOTE: ALLOCATING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES. IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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PROPERTY DESCRIPTION: PCL 1478 SEC AMS; ET MAP OF ESQUEMA AS IN L116684 (THEBLY); S/T RIGHT IN L116684; S/T RIGHT IN L116404; S/T L113588; DISTRICT OF ALGOMA

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER L1114012 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 2007/07/13 BY SON LANE.

ESTATE/DEAL/TYPE: RECEIPT

TEL SYMBOL: FIRST CONVERSION FROM BOOK

ABSOLUTE: CALCULATE SQUARE

OWNERS: NAMES: ROCK

HOME URBANISM INC.

| REG. NUM.                                                                                | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM                | PARTIES TO                            | CERT/CHRD |
|------------------------------------------------------------------------------------------|------------|-------------------|----------|-----------------------------|---------------------------------------|-----------|
| ** PRINTOUT INCLUDES ALL INSTRUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **          |            |                   |          |                             |                                       |           |
| NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY                            |            |                   |          |                             |                                       |           |
| L125976                                                                                  | 1946/10/24 | CANTION-LAND      |          |                             | THE GRANT LAKES POWER COMPANY LIMITED | C         |
| REMARKS: SKETCH ATTACHED.                                                                |            |                   |          |                             |                                       |           |
| L1113588                                                                                 | 1991/07/13 | TRANSFER          | \$2      |                             | GRANT LAKES POWER LIMITED             | C         |
| REMARKS: 1726454                                                                         |            |                   |          |                             |                                       |           |
| L1114012                                                                                 | 1991/08/13 | NOTICE            |          |                             |                                       | C         |
| REMARKS: NG/LTI                                                                          |            |                   |          |                             |                                       |           |
| L123387                                                                                  | 1999/05/26 | TRANSFER          | \$32,500 |                             | HAWK JUNCTION CAPITAL CORP.           | C         |
| REMARKS: 2007/07/13 LR'S ORDER                                                           |            |                   |          |                             |                                       |           |
| REMARKS: AND L1113588 TO PIN 0016, 0231, 0197 & 0224 AND AMEND T/V/N TO SHOW S/T L113588 |            |                   |          |                             |                                       |           |
| L113584                                                                                  | 2008/10/11 | APL CH NAME OWNER |          | HAWK JUNCTION CAPITAL CORP. | HAWK URBANISM INC.                    | C         |
| REMARKS: 2009/07/03 APL (GENEOL)                                                         |            |                   |          |                             |                                       |           |
| L155944                                                                                  | 2009/07/03 | APL (GENEOL)      |          | GRANT LAKES POWER LIMITED   | GRANT LAKES POWER DISTRIBUTION INC.   | C         |
| REMARKS: TRANSFER OF RESERVATIONS, SEE SCHEDULE                                          |            |                   |          |                             |                                       |           |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

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OFFICE #:

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 1

PREPARED FOR "Peach" man1  
ON 2016/11/21 AT 11:13:59

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION:

POL 795 SEC 26S; MINING CLAY, 98X 1034 CORNER; DISTRICT OF ALQUA

PROPERTY REMARKS:

CROWN GRANT SEE 02821.

ESTATE/QUALITIES:

RECEIVED

FILE SYMBOL

FIRST CONVERSION FROM BOOK

FILE CREATION DATE:  
2006/02/20

ABSOLUTE

OWNERS' NAMES  
HOMER URBAN INC.

CAPITAL STOCK  
BOOK

| REG. NUM.                                                                       | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM              | PARTIES TO                | CERT/<br>CHRD |
|---------------------------------------------------------------------------------|------------|-------------------|----------|---------------------------|---------------------------|---------------|
| ** PRINTOUT INCLUDES ALL INSTRUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** |            |                   |          |                           |                           |               |
| L123387                                                                         | 1999/05/26 | TRANSFER          | \$32,500 |                           | HOMER URBAN CAPITAL CORP. | C             |
| A144584                                                                         | 2008/10/17 | APL CH NAME OWNER |          | HOMER URBAN CAPITAL CORP. | HOMER URBAN INC.          | C             |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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LAND REGISTRATION (ABBREVIATED) FOR PROPERTY IDENTIFIER  
31159-0223 (77)

PAGE 1 OF 1  
PREPARED FOR TPOA/10001  
ON 2016/11/13 AT 13:09:55

PROPERTY DESCRIPTION: PCL 478 SEC A8S, PT 1/2 OF E80000 AS IN L116684 (31159-0223); S/2 RIGHT IN L116684; S/2 RIGHT IN L119404; S/2 L1113588; DISTRICT OF ALCOVA

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER L114012 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 2007/07/13 BY RON LANE.  
ESTATE/QUALITY: EJECTMENT  
FEE SAMPLE: FIRST CONVERSION FROM BOOK  
ABSTRACT: CAPACITY SHARE  
OWNER NAMES: GREAT LAKES POWER INC.  
HARK URBAN INC.

| REG. NUM.                                                                                                          | DATE       | INSTRUMENT TYPE   | AMOUNT   | PARTIES FROM              | PARTIES TO                            | CERT/CHRD |
|--------------------------------------------------------------------------------------------------------------------|------------|-------------------|----------|---------------------------|---------------------------------------|-----------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **                                      |            |                   |          |                           |                                       |           |
| NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY                                                      |            |                   |          |                           |                                       |           |
| L125876                                                                                                            | 1946/10/24 | CATION LAND       |          |                           | THE GREAT LAKES POWER COMPANY LIMITED | C         |
| REMARKS: SLEUTH ATTACHED.                                                                                          |            |                   |          |                           |                                       |           |
| L1113588                                                                                                           | 1981/07/13 | TRANSFER          | \$2      |                           | GREAT LAKES POWER LIMITED             | C         |
| REMARKS: L126454                                                                                                   |            |                   |          |                           |                                       |           |
| L1114012                                                                                                           | 1981/08/13 | NOTICE            |          |                           |                                       | C         |
| REMARKS: MUDTI                                                                                                     |            |                   |          |                           |                                       |           |
| L123387                                                                                                            | 1999/02/26 | TRANSFER          | \$32,000 |                           | LARK JUNCTION CAPITAL CORP.           | C         |
| REMARKS: 2007/07/13 L2'S ORDER                                                                                     |            |                   |          |                           |                                       |           |
| L113197                                                                                                            | 2007/07/13 | LAND REGISTAR     |          |                           | LAND REGISTAR                         | C         |
| REMARKS: ADD L113588 TO PIN 0046 AND ADD L114012 TO PINS 0016, 0223, 0197 & 0224 AND AMEND T/N TO SHOW S/T L113588 |            |                   |          |                           |                                       |           |
| L144594                                                                                                            | 2008/10/17 | ATL CH NAME OWNER |          | HARK URBAN INC.           | HARK URBAN INC.                       | C         |
| REMARKS: 2009/07/03 ATL (GENERAL)                                                                                  |            |                   |          |                           |                                       |           |
| L155944                                                                                                            | 2009/07/03 | ATL (GENERAL)     |          | GREAT LAKES POWER LIMITED | GREAT LAKES POWER DISTRIBUTION INC.   | C         |
| REMARKS: TRANSFER OF BUSINESSES, SEE SCHEDULE                                                                      |            |                   |          |                           |                                       |           |

NOTE: ADVISING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES. IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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