J.A.G. Mines Ltd

FORMS 51-101 F1 and F2

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION AS AT DECEMBER 31th 2014

May 8th 2015

PREPARED BY

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TABLE OF CONTENT

LIST OF FIGURES

LIST OF TABLES

J.A.G. Mines Ltd

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION AS AT DECEMBER 31TH 2014

PART 1 : DATE OF STATEMENT

The present statement of reserves data and other oil and gas information was completed on May 8th 2015. The effective date of the information provided is December 31th 2014.

J.A.G. Mines Ltd (JAG) mandated Mr. Marc Richer-LaFlèche, an INRS-ETE consultant and an independant Professional Geologist, to compile the present report in accordance with Annex 6 of the F1 Form in compliance with the NATIONAL INSTRUMENT 51-101 pertaining to the Standards Of Disclosure For Oil And Gas Activity by engineers and geologists. Note that Mr. Marc Richer-LaFlèche also supervised and led the exploration field work conducted on JAG properties from 2006 to 2011.

As of the date of this statement, no hydrocarbon reserves have been confirmed on JAG properties. This report is therefore limited to the « other oil and gas information » component of the 51-101 regulations, describing the company's properties and discussing the exploration work accomplished by JAG.

JAG properties are all located in the Province of Quebec (Canada) within the following areas: Bas St-Laurent Region (Lake Temiscouata, Lake Pohenegamook) and Lac St-Jean Region.

PARTS 2 TO 5: RESERVES DATA

On the 31th of December 2014, no oil or gas reserves were attributed to JAG with respect to its properties in Quebec. This report therefore is restricted to a description of the company's oil and gas properties, in complinace with the NATIONAL INSTRUMENT 51-101 « Standards of Disclosure for Oil and Gas Activities ».

PART 6 : OTHER OIL AND GAS INFORMATION

6.1 PROPERTIES WITHOUT ATTRIBUTED RESERVES

6.1.1 Location and description of JAG's properties

6.1.1.1 Important changes relative to properties' limits

The surface area of the properties held by JAG-OLITRA was reduced from 470,885 to 263,309 hectares on March 10th 2013. The thirteen oil and gas permits held by J.A.G. Mines Ltd since then are listed in **Table 1** and located on **Figure 1**. JAG (and its subsidiary Olitra Inc.) holds a 100 % interest in all those 13 permits.

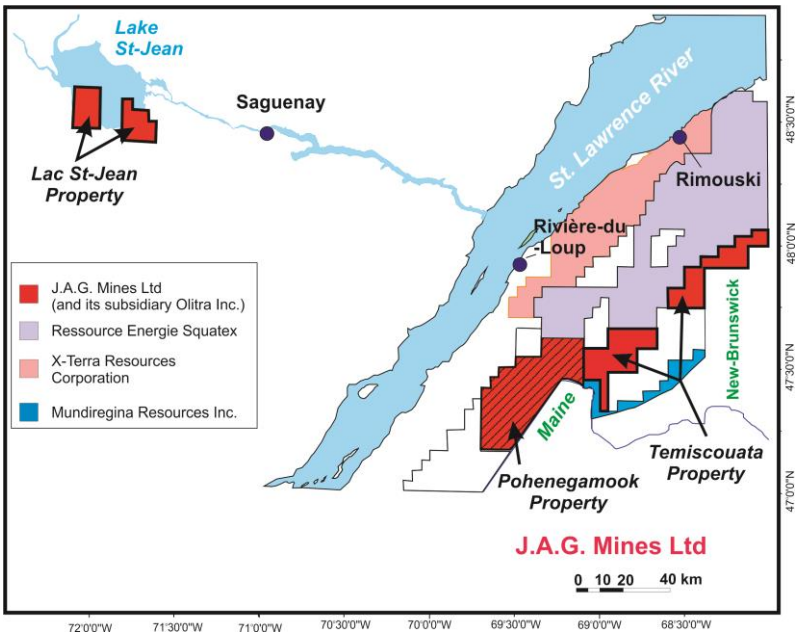
Table 1 : Oil and gas permits owned by JAG in the Province of Quebec
- As at December 31th 2014 -

PERMIT NUMBER	DATE OF ISSUE	SURFACE AREA (hectares)
Lac St-Jean Property		
2006PG841	10/03/2006	20,371
2006PG843	10/03/2006	20,332
TOTAL		**40,703**
Temiscouata Property		
2006PG847	10/03/2006	20,833
2006PG848	10/03/2006	20,787
2006PG851 *	10/03/2006	22,999
2006PG854	10/03/2006	24,528
TOTAL		**89,147**
Pohenegamook Porperty		
2010PR014-20	09/09/2010	133,459
TOTAL		**133,459**
TOTAL SURFACE AREA		**263,309**

* Surface area of this permit was increased retroactive to March 10th 2010.

Since September 9th 2010, JAG also holds a 100 % interest on another group of seven permits, contiguous to the Temiscouata Property. Those seven permits, having a total surface area of 133,459 hectares, form the Pohenegamook Property. Thus, on December 31th 2014, the total surface area of the two properties held by JAG in the Bas St-Laurent Region was 222,606 hectares, whereas the surface area of Lac St-Jean Property was 40,703 hectares.

Figure 1 : Property locations – J.A.G. Mines Ltd.
(Properties' limits as at December 31th 2014)



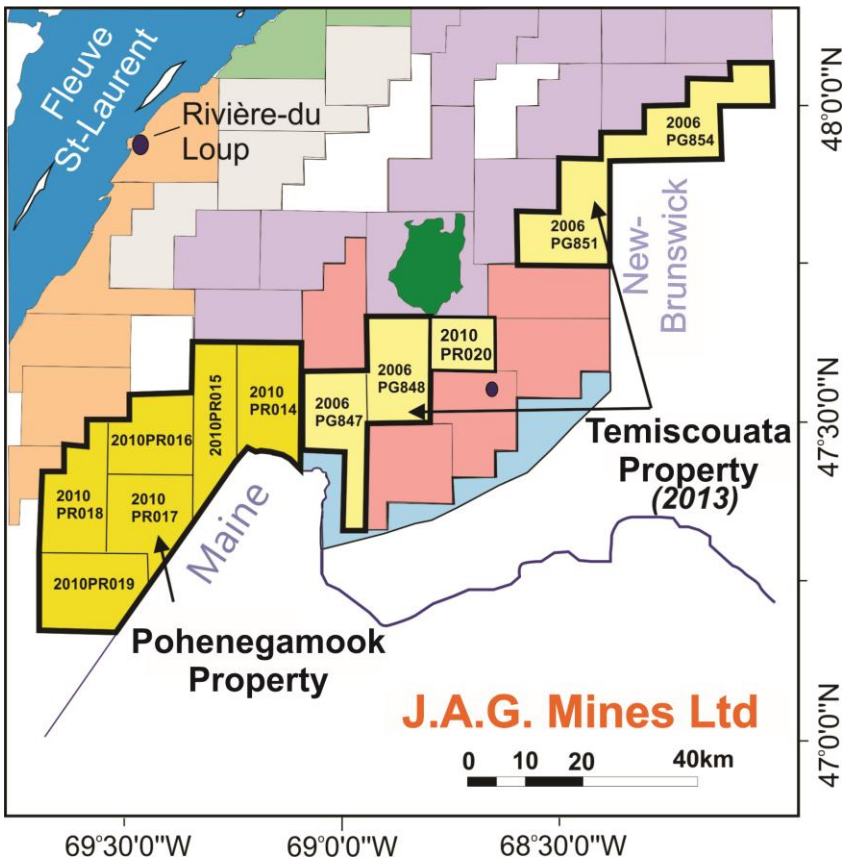
The Lac St-Jean Property is considered to be part of the St. Lawrence Lowlands sedimentary basin, whereas the Temiscouata and Pohenegamook properties are located within the Appalachian Belt. The potential of JAG's oil and gas properties is still unknown since very little past oil and gas exploration work and limited government geological and geophysical surveys have been completed in these areas.

6.1.1.2 Temiscouata Property

On March 10th 2013, the Temiscouata Property was reduced from 10 to 4 permits and its surface area from 204,715 to 89,147 hectares. The Temiscouata Property is located within the Lake Temiscouata area to the east and southeast of Rivière-du-Loup in the Lower St. Lawrence Region (**Figure 2**). JAG-OLITRA has a 100 % interest ownership over the four oil and gas permits forming the property (**Table 1**).

Surface geology of the Temiscouata Property exposes Devonian to Cambrian sedimentary rocks of the Appalachian sedimentary basin (Lower St. Lawrence-Gaspé) that remained relatively unexplored in the past for its oil and gas potential. Also, the general geological and structural knowledge of the Temiscouata area is less developed as compared with the eastern Gaspé Peninsula. Government geological maps of the area are not considered either detailed or accurate. Nevertheless, JAG preliminary studies are showing evidences of potentiel traps, source rocks and reservoir rocks representing good potential for oil and gas reserves accumulations.

Figure 2 : Location of the Temiscouata and Pohenegamook properties, J.A.G. Mines Ltd.
(Properties' limits as at December 31th 2014)



Modified from MRNQ oil and gas permits map.

6.1.1.3 Pohenegamook Property

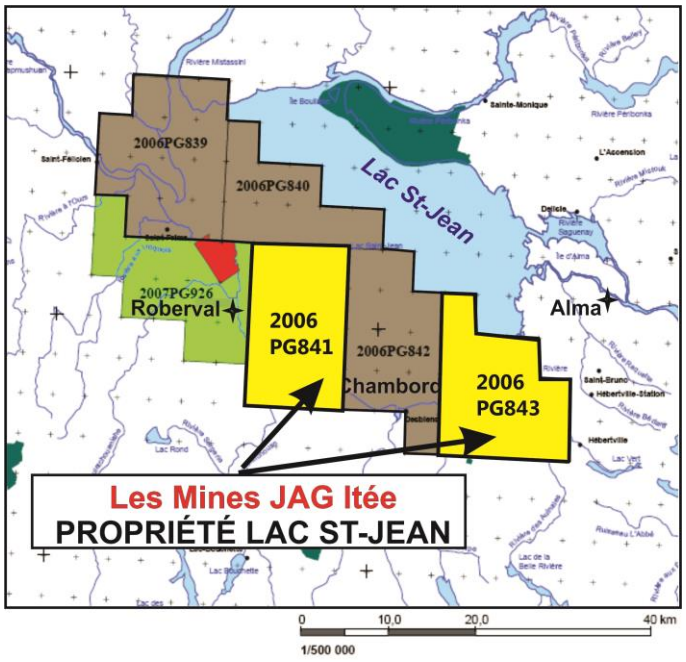
Located in the Lower St. Lawrence Region, the Pohenegamook Property forms the southwestern extension of the Temiscouata Property (**Figure 2**). It covers 133,459 hectares and includes six oil and gas permits (**Table 1**). Like the Temiscouata Porperty, the Pohenegamook Property is part of the Appalachian sedimentary rocks basin and its oil and gas potential is unknown since very limited exploration work has been completed in the past in this area. Similar exploration work as was completed in the Temiscouata Property is contemplated by JAG on this property.

6.1.1.4 Lac St-Jean Property

JAG held five oil and gas permits covering 99,945 hectares in the Lake St-Jean Region until March 10th 2013, when the surface area of the property was reduced to two permits. The two permits (2006PG841 et 2006PG843; **Figure 3**) still owned by JAG-OLITRA cover 40,703 hectares. Half of the permit area is covering the lake itself which requires shallow water offshore exploration.

The area contains flat laying Ordovician sedimentary rocks over an irregular Precambrian Shield that constitute the northeast part of the original St. Lawrence Lowlands carbonates platform (before erosion, the platform used to extend from Ontario to Anticosti Island). The area has known very little oil and gas exploration work in the past; therefore, its potential is still unknown.

Figure 3 : Location of the Lac St-Jean Property, J.A.G. Mines Ltd.
(Property limits as at December 31th 2014)



Modified from the MRNQ oil and gas permits map.

6.1.2 Statutory permit obligations

According to regulations on Oil, Gas, Brine and underground storage of the Mining Act of the Province of Quebec, oil and gas permits are issued for an initial period of five years with possible annual renewals for an additional five years. The permits give the holder exclusive oil and gas exploration rights as well as access to underground reservoirs as long as the holder complies with certain obligations.

Obligations are annual fees of $ 0.10 per hectare with minimum statutory exploration expenditure requirements. The minimum work program requirements must be equivalent to $ 0.50 per hectare the first year and it increases by $ 0.50 per hectare every subsequent year, to reach $ 2.50 per hectare during the fifth year. For further renewals, the annual fees increase to $ 0.50 per hectare and the work requirements remain equivalent to $ 2.50 per hectare.

Each year, a permit holder can drop an entire permit or a part of it. Note that on March 10th 2013, JAG dropped 10 of the 23 permits granted in March 2006. An annual reporting must be filed with the Ministère des Ressources naturelles du Québec (MRNQ) presenting the exploration work performed and the audited total exploration expenses incurred on the permits. For renewal purposes, the Quebec regulations allow permits to be grouped and work program expenditures to be allocated within a 40-kilometer radius from the location where expenditures are incurred. Any expenditure in excess of the requirements can be applied to subsequent year renewals.

At the expiration of the first ten years of permit holding, a zone located within the permits' limits can be recognized by the government as a significant discovery zone to allow completion of research work that will lead to development and production of hydrocarbons. Production lease is valid for 20 years and renewable for subsequent 10 years periods if the reserves are sufficient. Annual rent is $ 2.50 per hectare. The holder of a production lease must also pay a royalty representing between 5% and 12.5% of market value at the wellhead for oil, and between 10% and 12.5% for natural gas.

A new law related to oil and gas has been adopted by the Quebec government on June 13th 2011. This law specifies that a permit holder is exempted from mandatory exploration work required by the Mining Act until a date that has still to be fixed by the Minister of *Ressources naturelles*. Meanwhile, exploration rights are preserved for permits' holders as far as they pay their annual rents. Thus, during the exemption period, JAG has paid annual fees of $ 0.10 per hectare on permits granted in 2010 and $ 0.50 per hectare on those granted in 2006. A permits' expiration date will be reported after the end of the exemption period. It is important to note that the Quebec government has indicated that statutory permit obligations as well as royalties on oil and gas production will be reviewed in a near future.

6.2 CURRENT EXPENSES

Since March 2006, JAG has payed a total of $ 820,042 in annual fees and $ 1,929,708 in exploration work (**Table 2**). Exploration work conducted so far by JAG on its four oil and gas properties is more than enough to meet statutory permit obligations. Although JAG has established exploration programs for the 6th year of permit detention on Temiscouata and Lac St-Jean Properties as well as for the second year of permit detention on Pohenegamook Property, there is no work currently in progress.

Table 2 : Curent expenses as at December 31th 2014.

PROPERTY	ANNUAL FEES	EXPLORATION WORK	HOLD BY
Temiscouata	$ 492,825	$ 1,245,978	Olitra inc.
Pohenegamook	$ 53,434	$ 67,290	JAG
Lac St-Jean	$ 273,783	$ 616,440	Olitra inc.
TOTAL	**$ 820,042**	**$1 929,708**	

Source : Annual Financial statement December 31st 2014, J.A.G. Mines Ltd.

6.3 EXPLORATION WELLS

Exploration work being still in a preliminary phase, no wells have been drilled yet.

6.4 COMPLETED EXPLORATION WORK

Due to the exemption period discussed above, no exploration work was performed in 2014 on JAG's properties. Furthermore, since Form 51-101 F1 of December 2013 (published on SEDAR) provides an exhaustive review of the exploration work completed so far by the Company, the information provided in the present section is only a summary.

Exploration work carried out by JAG in Quebec on its permits is mainly aimed at the identification of conventional natural gas reservoirs. JAG's exploration program includes two phases. In the first phase, JAG has conducted a series of geochemical and geophysical surveys to better evaluate the hydrocarbon-generative potential of its properties and to define the best target areas for potential oil and gas accumulations. Over these areas, the second phase of exploration will use more conventional exploration tools, such as seismic surveys (or magnetotelluric and resistivity where seismic is poor) that will be followed by the drilling of wells on the located targets. JAG's approach facilitates identification of target areas and reduces risks in such vast and unexplored territories.

6.4.1 Temiscouata Property

Table 3 : Exploration work carried out by JAG on the Temiscouata Property during the first five years of permits' detention.

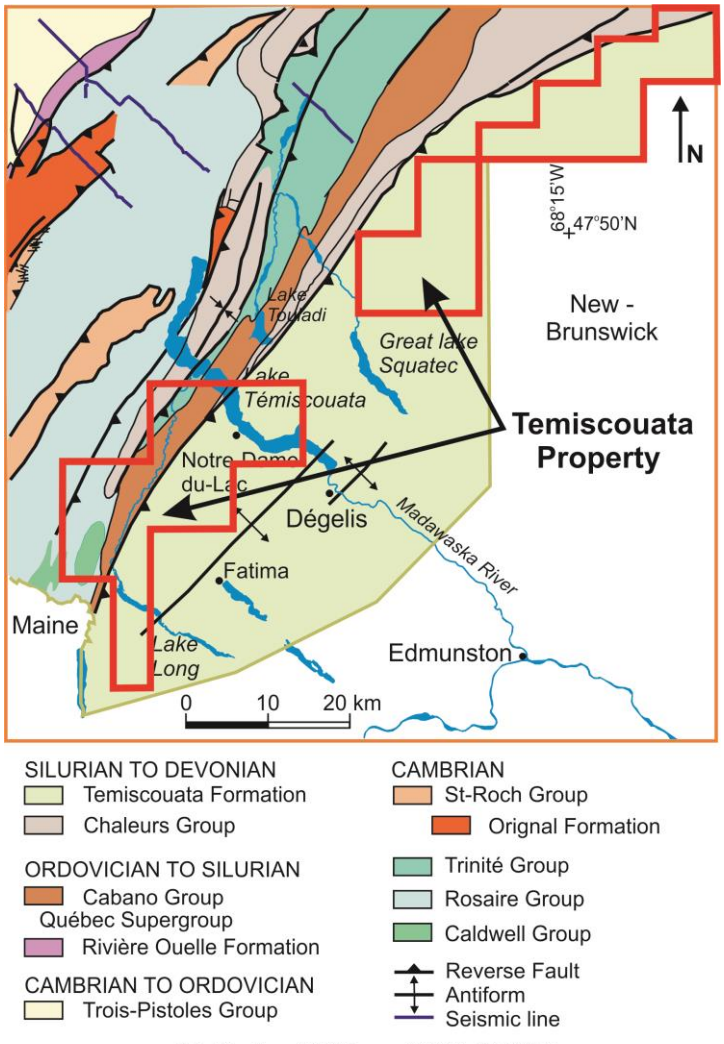
Year		Permits *	Type of surveys / studies
1	2006-2007	2006PG846 to 852	Reconnaissance magnetic survey. Reconnaissance EM survey (Geophex-GEM2 system coupled with a DGPS).
2	2007-2008	2006PG846 to 854	Reconnaissance soil gas survey and radiometric measurements of soil samples (K, eU, eTh): 750 samples. Reconnaissance geology (structural study) and lithogeochemistry.
3	2008-2009	2006PG846 to 850	Gravity survey (Scintrex - CG5 gravimeter coupled with a GPS RTK ProMark500 satellite-based positioning system from Magellan), Western part of property.
		2006PG846 to 853	Radiometric survey (K, eU, eTh; RS-700 gamma spectrometer from Radiation Solutions Inc.). Western part of property.
		2006PG848 to 850	Soil gas survey: 450 samples.
		2006PG846 to 851	Petrological study (phase 1): Geochemical and Rock Eval analyses.
4	2009-2010	2006PG851 to 854	Radiometric survey (K, eU, eTh; RS-700 gamma spectrometer from Radiation Solutions Inc.). Eastern part of property, ZEC Owen. Soil gas survey : 620 samples. Petrological study (phase 2): Geochemical and Rock Eval analyses. Gravity survey (Scintrex - CG5 gravimeter coupled with a GPS RTK ProMark500 satellite-based positioning system from Magellan), Eastern part of property, ZEC Owen.
5	2010-2011	2006PG846 to 854	Soil gas survey: 1 444 samples.
		2006PG854	Gravity survey (Scintrex - CG5) coupled with a GPS RTK ProMark500. Rimouski Reserve.
		2006PG847 and 848	Resistivity and Induced Polarization survey conducted with an ABEM Terrameter LS system. (Natural Source Audio-frequency Magnetotelluric survey conducted with a Zonge GDP-32 system : Not completed).
		2006PG851 and 854	Multi-frequency Electromagnetic survey conducted with an IRIS Instruments Promis-10 system.

*Since March 10th 2013, only permits 2006PG847, 2006PG848, 2006PG851 and 2006PG854 are still held by JAG-OLITRA.

6.4.1.1 Geology and geochemistry

According to regional geological maps, Temiscouata Property is mostly covered by Devonian sedimentary rocks from the Temiscouata Formation which is composed of a succession of siliciclastic rocks (turbidites), including shale, mudrock, siltstone, sandstone and conglomerate that are locally carbonated. In the area, the Temiscouta Formation is juxtaposed with Lower Silurian to Lower Devonian rocks from the Chaleurs Group and with Ordovician rocks of the Cabano Group along the northeast-southwest trending Temiscouata reverse fault. The main structural deformation episode is Acadian in age and similar to the one that affected sedimentary rocks of the Fortin Group located to the northeast in Gaspé Peninsula. During the 2010 field surveys, outcrops of locally dolomitized impure limestone showing stromatoporoid like facies, carbonated mudstone and arkosic sandstone, likely part of the Chaleurs Group, were found in the ZEC Owen. These rocks are interpreted to be part of a reef complex which was possibly associated with the Late Silurian reef belt located at the limit of the continental margin. Such a reef complex may represent potential reservoir rocks.

Figure 4 : Geology of the Temiscouata Property.
(Property limits as at December 31th 2014)



(Modified from MRNQ map: SI-21N-C2G-03F)

Rock Eval analysis performed on sedimentary rocks of the Temiscouata Formation and the Chaleurs Group revealed only traces of total organic matter, below significant levels. However, soil gas surveys conducted by JAG allowed recognition of numerous soil gas anomalies with quite high methane, ethane, propane and butane contents. It is therefore not excluded that the Temiscouata Formation could contain locally rocks having a high content of organic matter, or that the source of the thermogenic soil gas found is derived from older sedimentary rocks located below the Devonian Temiscouata Formation.

6.4.1.2 Soil gas surveys

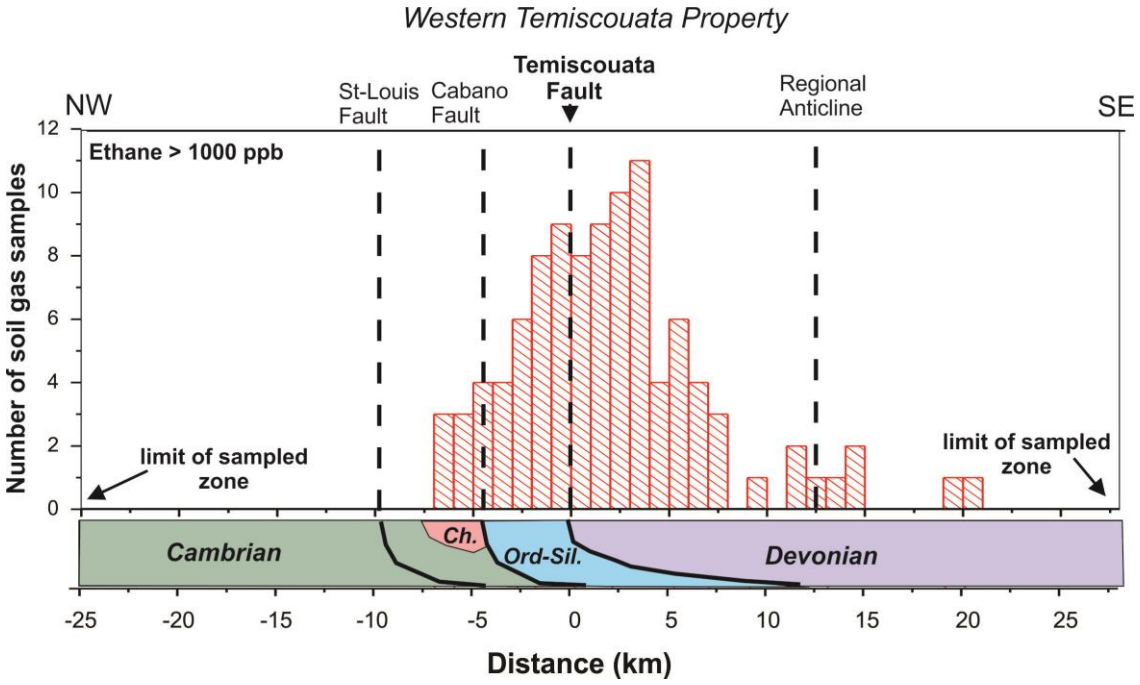
From 2008 to 2011, JAG has conducted soil gas surveys totaling more than 3,000 samples on Temiscouata Property. Soil gas surveys consist in sampling the overburden to analyze the C1 to C4 natural gas components present (C1 : methane, C2 : ethane, C3 : propane, C4 : butane). This exploration method has given promising results and allowed detection of some strong soil gas anomalies (**Figures 6** and **7)**. Results have been used to define target areas to better locate geophysical surveys.

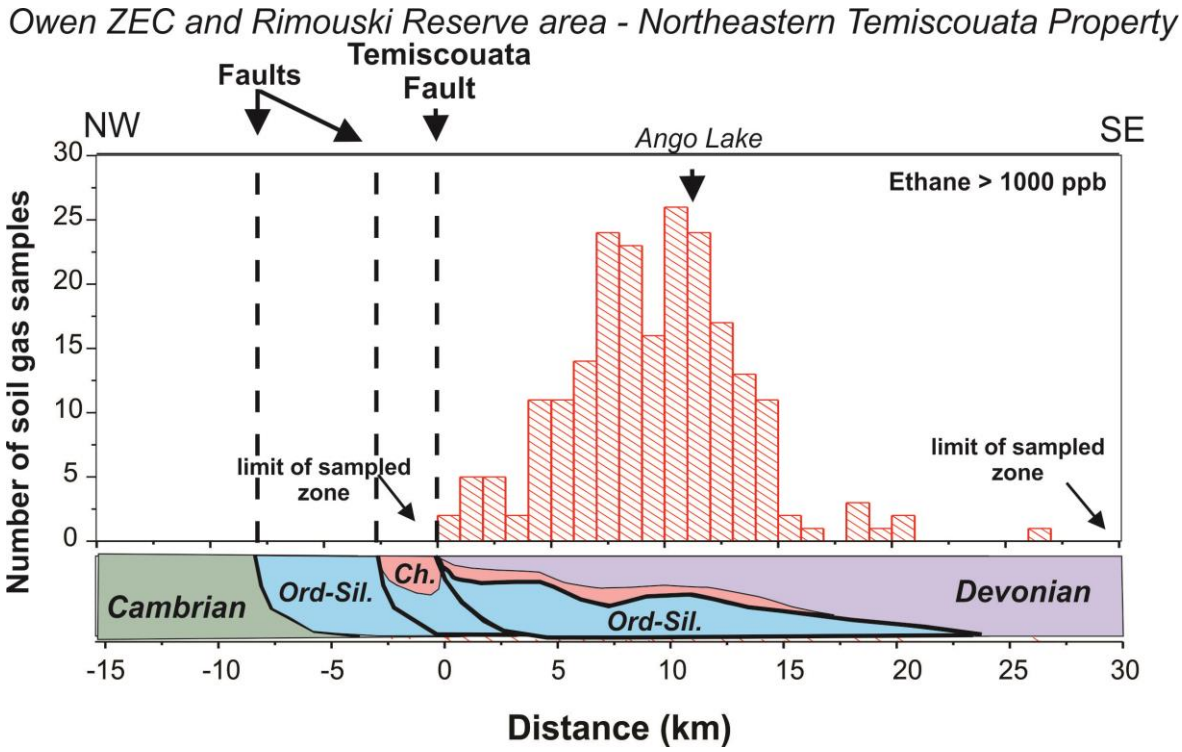
In Western Temiscouata Property (i.e. on permits 2006PG847 and 2006PG848), soil gas surveys showed that background values are respectively around 50 ppb for ethane and 1,000 ppb for methane, whereas anomalous values can easily reach more than 1,000 ppb for ethane and more than hundreds of thousands of ppb for methane. In the eastern part of the property (i.e. on permits 2006PG851 et 2006PG854), the highest ethane and methane values were obtained near Lake Ango (i.e. ethane content up to 17,713 ppb and methane up to 1,017 861 ppb). Those results made the Lake Ango area one of the priority targets in the eastern part of the Temiscouata Property.

Western part of the Temiscouata Property (permits 2006PG847 et 2006PG848)
When we consider the relation between anomalous soil gas values and the Temiscouata Fault, we observe that the amount of samples having higher than 1,000 ppb ethane contents increases near the fault and that soil gas anomalies are more abundant on the northwestern limb of the Temiscouata anticline (**Figure 5**). This anomalous zone which is 10 to 15 km wide, borders the Temiscouata Fault and appears to be superposed to an important gravimetric depression near St. Eusebe (**Figure 6**). The spatial relation between soil gas anomalies and the regional Temiscouata Fault suggests that natural gas could have migrated through the fault zone.

Distribution of soil gas anomalies on both sides of the Temiscouata Fault suggests that their occurrence is associated with the thickening of the underlying sedimentary sequence, as shown by the gravimetric depression, rather than by the fault itself, which crosscuts the later. Considering that the density of soil gas anomalies diminishes rapidly towards the axis of the regional anticline, it is also assumed that gas migration was not controlled by this structure. Indeed, folds associated with Acadian thrusting probably constitute better structural targets than the Temiscouata anticline.

Figure 5 : Distribution of soil gas samples with ethane content higher than 1,000 ppb on both sides of the regional reverse Temiscouata Fault.





Eastern part of the Temiscouata Property (permits 2006PG851 et 2006PG854)
The distribution of soil gas anomalies found in the eastern part of the Temiscouata Property does not appear to be controlled by the Temiscouata Fault. In the Lake Ango area, anomalies are concentrated in a strip of land located some 7 to 12 km south of Temiscouata Fault and very little soil gas anomalies were obtained to the north of the fault (**Figure 5**). Although very few outcrops are exposed in the eastern part of the property, it is hypothesized that the slightly dipping regional structure could explain the spreading of soil gas anomalies in the area. Moreover, thin structural nappes are also inferred from audiomagnetotelluric data acquired by JAG in 2011 along the main road of ZEC Owen. Therefore, in the eastern part of the property, it is postulated that hydrocarbons could have been trapped into porous sandstone and reef limestone of the Silurian Chaleurs Group, which are exposed just south of the Temiscouata Fault in ZEC Owen and located underneath the more impermeable rocks of the Temiscouata Formation.

Soil gas source
Thermal maturation of the organic matter contained in sedimentary rocks exposed in this part of the Appalachian Belt is relatively high. Nevertheless, methane/ethane and ethane/propane ratios suggest a thermogenic origin for soil gas and a condensates or dry gas source for most samples and even an oil source for some soil gas samples coming from the western part of the Temiscouata Property. Therefore, thermal maturation of source(s) could have been lower than what appears on surface. The results obtained so far allow one to postulate that the source of thermogenic soil gas measured on the property could be located underneath the Devonian Temiscouata Formation. Moreover, it is not excluded that the source of gas could be derived from sedimentary rocks of the Ordovician platform, present elsewhere in the St. Lawrence Lowlands and maybe deeply buried under the nappe pile in this part of the Appalachian Belt (i.e. under the important regional gravimetric low shown on **Figure 6**).

6.4.1.3 Geoophysical surveys

Regional radiometric surveys

Gamma ray surveys were conducted over identified zones of interest of the Temiscouata Property in 2008 and 2009. Generally, amounts of radioelements %K, *e*Th and *e*U increase from northwest to southeast, i.e. from the Cambro-Ordovician sequence across Temiscouata Fault to Devonian rocks. The highest *e*U values are observed on the southeastern limb of the Temiscouata anticline. Lithogeochemical data acquired so far by JAG suggest that radiometric variations observed over the Temiscouata Formation are, at least in part, associated with the presence of carbonate in the sedimentary rocks which cause a dilution effect on U, Th and K contents. Moreover, some residual radiometric anomalies with higher *e*U and K values are located over areas which were sampled with high soil gas contents. Some of these anomalies could be associated with hydrocarbon micro-seepages which could have contributed to the precipitation of uranium ions in the overburden.

Regional gravity surveys

Three gravity surveys totaling 2,390 stations were conducted on the Temiscouata Property. The regional distribution of the Bouguer gravity anomaly over the Temiscouata Property shows large domains, being several kilometers wide, on both sides of Lake Temiscouata. Two gravity highs located west and east of Lake Temiscouata are identified (**Figure 6**). These highs do not appear

to be indicative of specific lithological domains, since sedimentary rock formations are different in ages and facies on both sides of the lake. These highs could rather be explained by variations of thikness of the sedimentary rock sequence over the Precambrian basement. Although this has not been confirmed yet, it is assumed that these two gravity highs that are separated by a depression are more or less located near the Temiscouata reverse fault, and could be the expression of a horst and graben type structure created before the Acadian orogeny. The gravity depression could more likely be explained by a locally thicker sedimentary sequence that might have been part of the be Cambrian-Ordovician platform. Such a possibility is also supported by the regional magnetic map (GSC data), since major regional negative magnetic anomalies are roughly overlying gravity depressions.

Finally, note that most soil gas anomalies measured over the Temiscouata Property were found in areas overlying major gravity depressions. Considering the thin overburden in the area, these depressions are most likely explained by thickening of the sedimentary rock sequence over the Precambrian basement.

Rimouski Reserve (permit 2006PG854). Gravity data acquired in the Rimouski Reserve clearly show the presence of rock units having contrasting densities. In the southern part of the Reserve, soil gas anomalies are preferentially located over areas with a low Bouguer gravity value. This is well shown on **Figure 7** where high ethane values are associated with a series of relatively narrow gravity depressions. The trace of a SW-NE trending fault (not reported on regional geological maps) is further suggested by the alignment of these gravity lows.

Electrical resistivity surveys

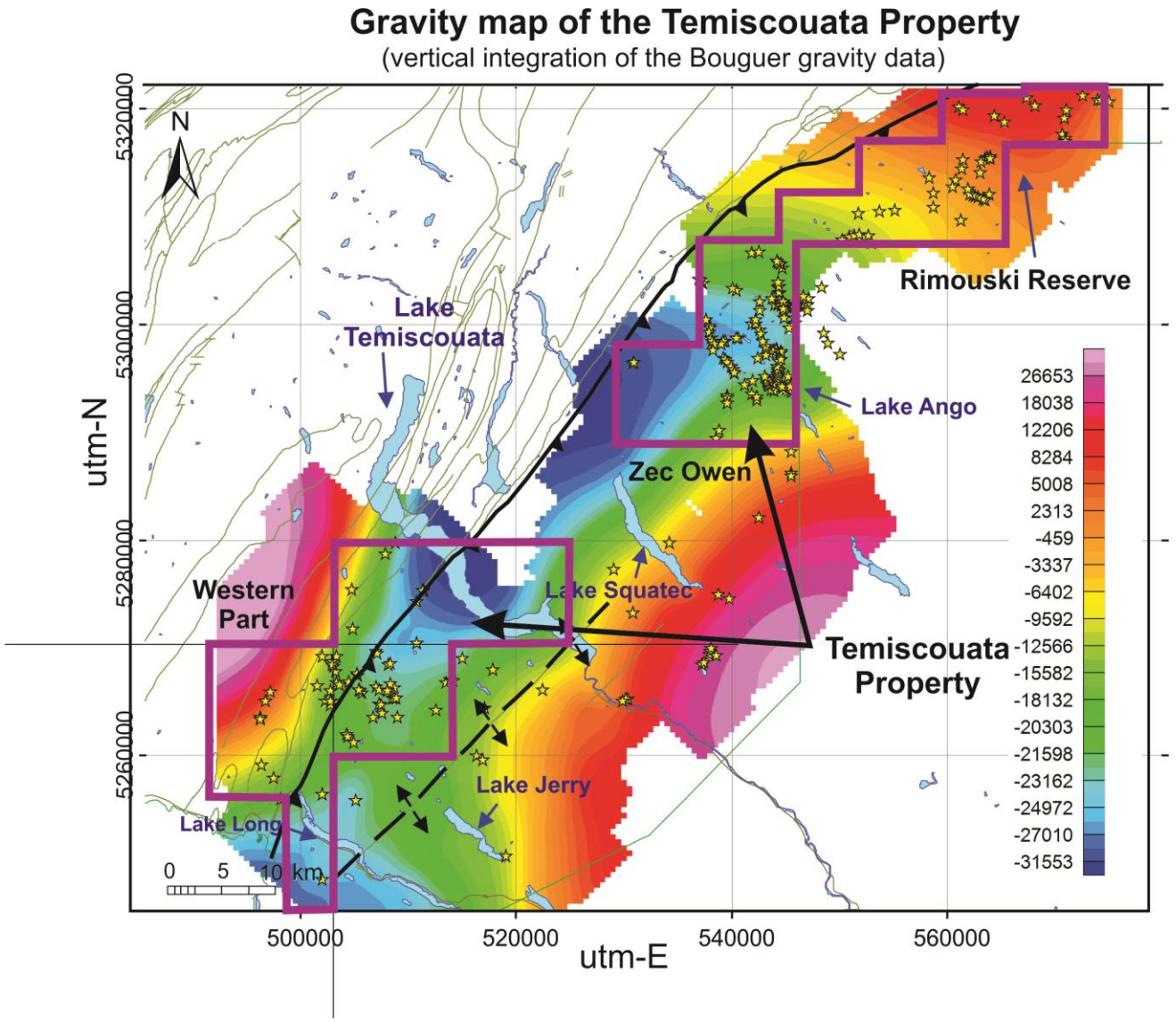
Three types of electrical resistivity surveys were performed by JAG on the Temiscouata Property :

- Resistivity and induced polarization (IP) survey conducted with an ABEM Terrameter LS system coupled with 1.6 km long multi-electrode cables.
- Multi-frequency electromagnetic survey conducted with an Iris Instruments Promis-10 system;
- Natural source audio-frequency magnetotelluric survey (NSAMT) conducted with a Zonge GDP-32 system.

Used together, these three methods allow a better recognition of structural and lithological constrats underneath the Quaternary sediment cover. The ABEM Terrameter LS system offers the best vertical and horizontal resolution down to a depth of 300 m. The depth of penetration of the Promis-10 system is at most 200 m but is faster to execute. NSAMT surveys conducted with the Zonge AMT system offer medium quality resolution, but modeled depth may reach 2.5 km.

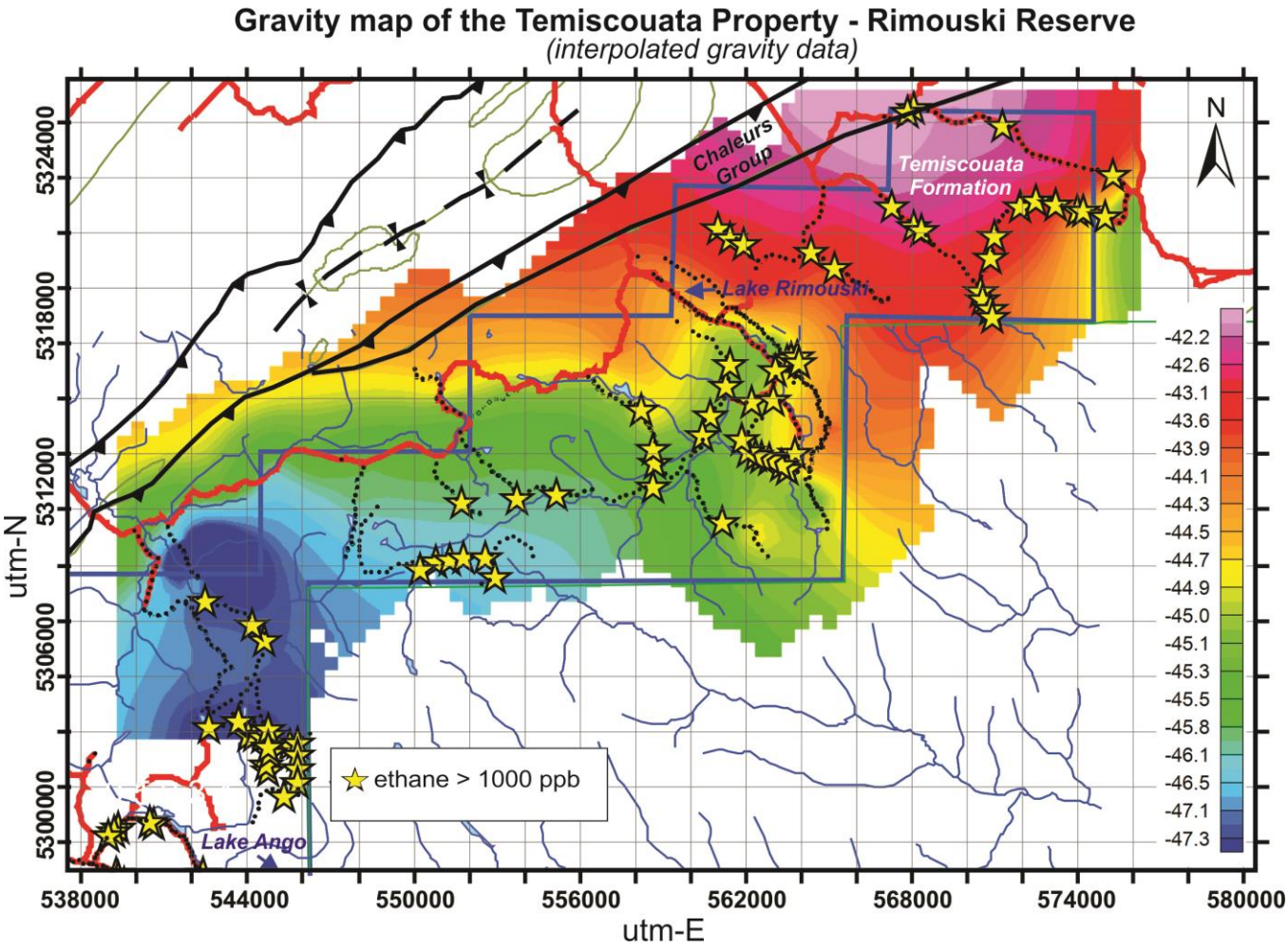
Electrical resistivity surveys were used (in areas having high soilgas contents) to provide information on geological formations present at depth. Results depended on the method used and the area covered and are presented in the reports posted on JAG's website.

Figure 6 : Gravity map of the Temiscouata Property, J.A.G. Mines Ltd.



Stars show location of soil gas samples having anomalous ethane content higher than 1,000 ppb.

Figure 7 : Tilt derivative of the Bouguer gravity data, J.A.G. Mines Ltd.



Stars show location of soil gas samples having anomalous ethane content higher than 1,000 ppb (permits 2006PG854 and 2006PG851).

6.4.1.4 Exploration model

Results obtained so far on Temiscouata Property suggest the following exploration model :

1- Although not located yet, the source for the soil gas measured over the Temiscouata Property is presumed to be derived from Cambrian-Ordovician sedimentary rocks that are covered by the thrusted Devonian Temiscouata Formation. Gas-generative rocks of lower density, possibly associated with remnants of the Ordovician platform, could be located under the thrusted Devonian rocks as suggested by the regional gravity low that is more or less aligned with the Temiscouata Fault. Considering that numerous soil gas anomalies of thermogenic origin have been identified over and around this gravity depression, it is postulated that the source of natural gas could have been derived from such older platform sequences preserved within pre-Acadian extensional structures. The nature of the soil gas seems to be derived from mixed thermogenic sources, showing either natural gas, condensates or even oil signatures (the latter having been observed on samples taken in the St. Eusebe area, which is located in the western part of the property).

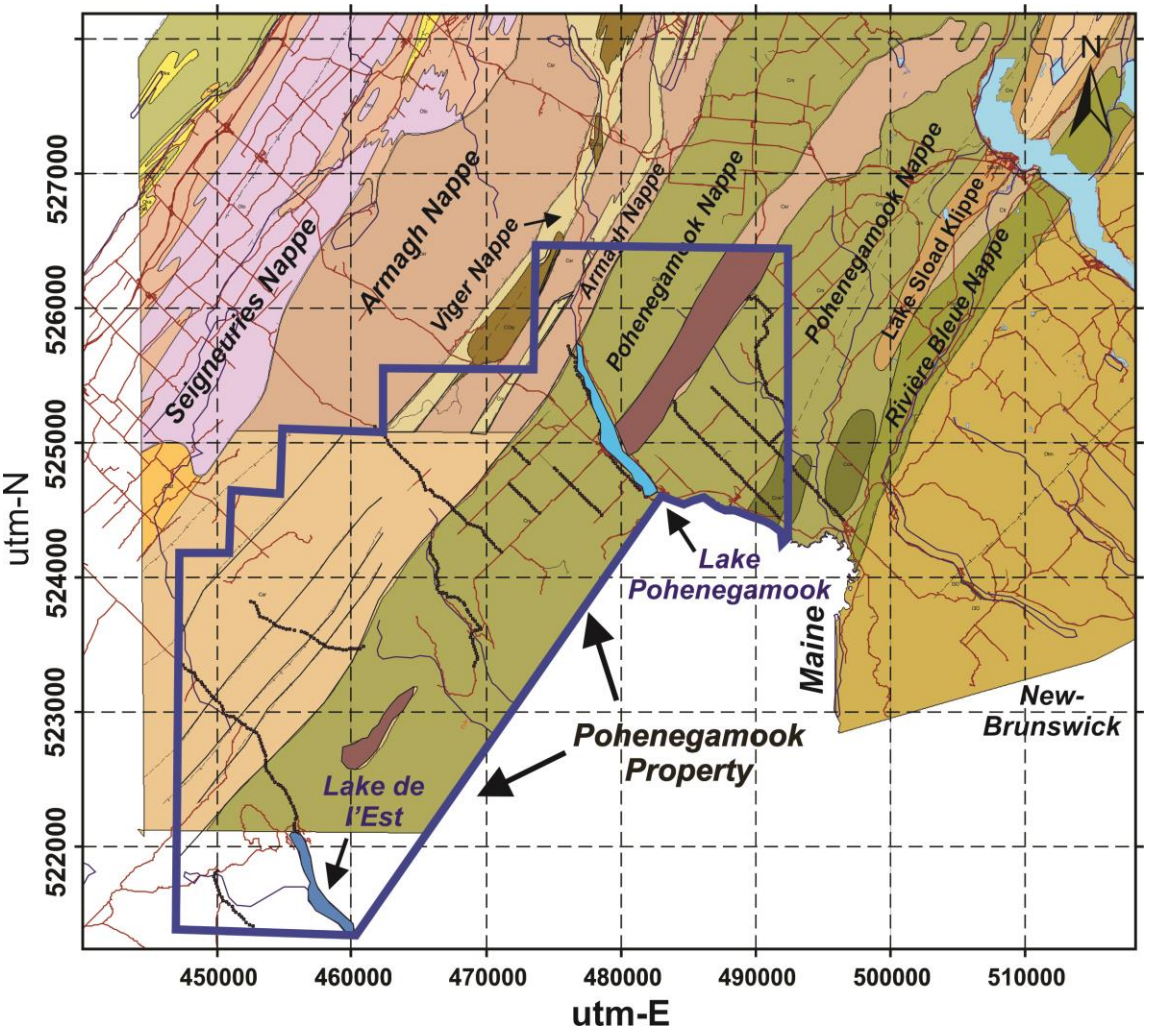
2- Migrating hydrocarbons could have been trapped in porous rocks of a Silurian reef complex, which is inferred from the occurrence of stomatoporoid like limestone, carbonated mudstone and arkosic sandstone of the Chaleurs Group in the ZEC Owen. This same reef complex might also constitute the reservoir of the thermogenic gas detected by the soil gas surveys.

3- One can also postulate that such a reservoir might have been overthrusted by the Devonian Temiscouata Formation which is mainly made up of relatively impermeable shale and mudstone alternating with some more resistive sandstone units. Thermogenic gas could then have migrated through small fractures and pores located within the rather impermeable Temiscouata Formation towards the surface.

6.4.2. Pohenegamook Property

Since September 9th 2010, JAG holds a 100 % interest on six oil and gas exploration permits forming the Pohenegamook Property. These permits cover a total surface area of **133,459 hectares**. As it is the case for the nearby Temiscouata Property, JAG is searching conventional gas reservoirs. Regional geology is characterized by the presence of a series of nappes (Armagh, Viger, Pohenegamook and Lake Sload; **Figure 8**), lying over the Humber Zone and the deep St. Lawrence Lowlands Platform. Despite the relatively high thermal maturation of sedimentary rocks exposed on the Property, it is postulated that hydrocarbons generated by the Platform rocks might have migrated locally through the Appalachian thrust pile and that high porosity sandstone (e.g. Park site) could constitute expected reservoirs with shale or volcanic units (e.g. Armagh nappe) being cap rocks.

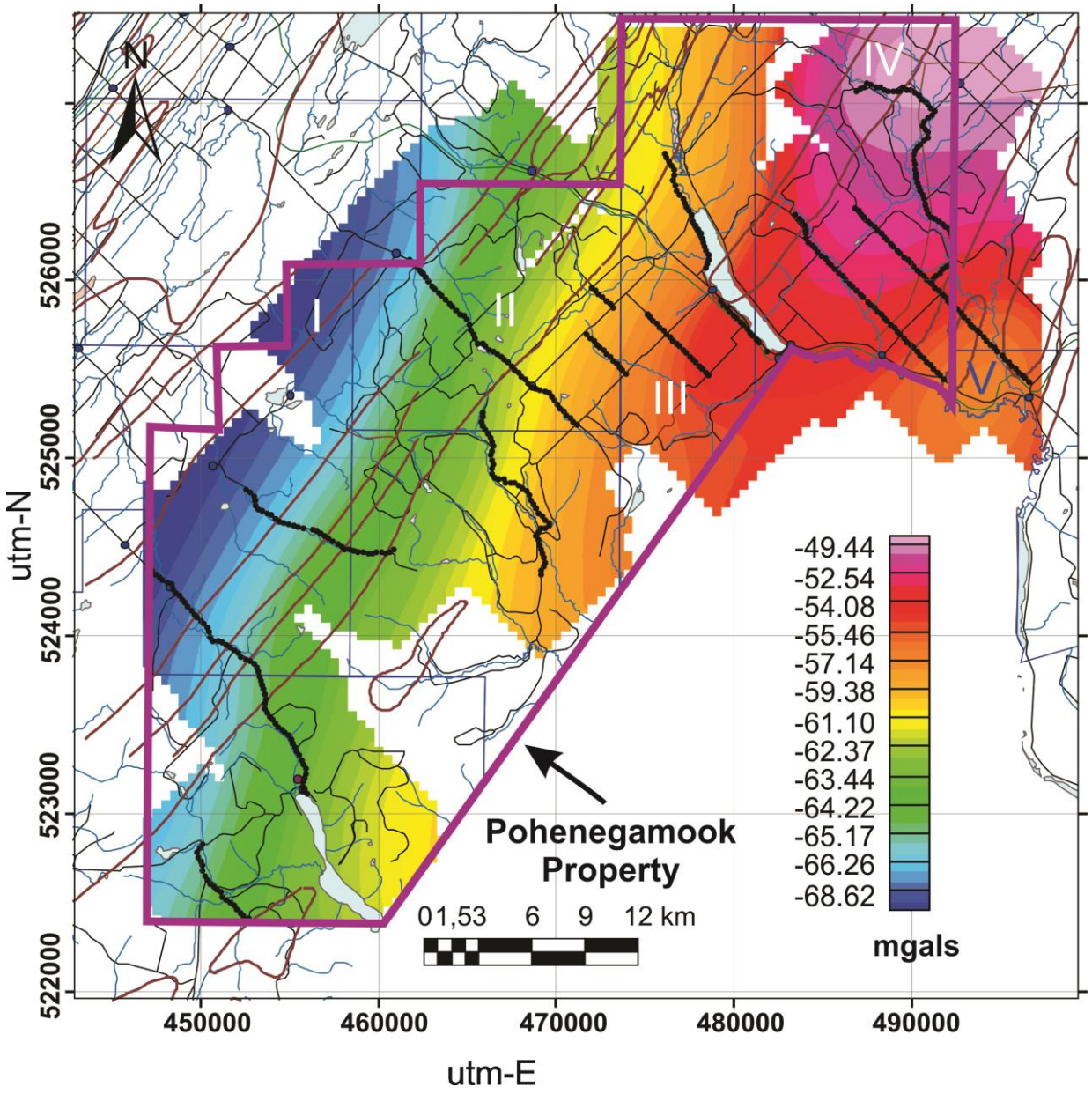
Figure 8 : Geology of the Pohenegamook Property.



(modified from MRNQ)

In the first year of permits' detention, a reconnaissance gravimetric survey was conducted along 183 linear kilometers with 722 measure stations within the Property (**Figure 9**). The regional distribution of the Bouguer gravity anomaly over the Pohenegamook Property shows large domains, being several kilometers wide and trending southwest-northeast like main Appalachian structures. Gravity highs located in the central and northeastern parts of the Property within the Pohenegamook nappe could reflect thinning of the sedimentary rock cover over the Precambrian basement and depressions (i.e. over Armagh and Rivière Bleue nappes), a locally thicker sequence.

Figure 9 : Gravity map of the Pohenegamook Property, J.A.G. Mines Ltd. (complete Bouguer anomaly)



6.4.3 Lac St-Jean Property

Table 4 : Exploration work carried out by JAG on the Lac St-Jean Property during the first five years of permits' detention.

Year		Permits *	Type of study / survey
1	2006-2007	2006PG839 à 843	Reconnaissance magnetic survey conducted on ice over the lake with a GSM-19 (v 7.0) magnetometer-gradiometer from GEM Systems.
2	2007-2008	2006PG839-841-842-843	Petrological study (part 1): geochemical analyses and Rock Eval analyses on Ordovician rock samples. Soil gas survey: 359 samples. Radiometric survey (K, eU, eTh; RS-700 gamma spectrometer from Radiation Solutions Inc.).
3	2008-2009	2006PG839 à 843	On ice, gravity survey (Scintrex - CG5 gravimeter coupled with a GPS RTK ProMark500 satellite-based positioning system from Magellan). Reconnaissance magnetic survey conducted on ice with a GSM-19 (v 7.0) magnetometer-gradiometer from GEM Systems.
4	2009-2010	2006PG839 à 843	On land, winter gravity survey (Scintrex - CG5 gravimeter coupled with a GPS RTK ProMark500 satellite-based positioning system from Magellan). Offshore magnetic survey conducted with a GSM-19(v 7.0) magnetometer-gradiometer from GEM Systems, positionned with a Novatel DGPS.
5	2010-2011	2006PG839 à 843	Natural source audio-frequency magnetotelluric survey conducted on ice with a Zonge GDP-32 system. Multi-frequency electromagnetic survey conducted on ice with an IRIS Instruments Promis-10 system.

* Since March 10th 2013, only permits 2006PG841 and 2006PG843 are still held by JAG.

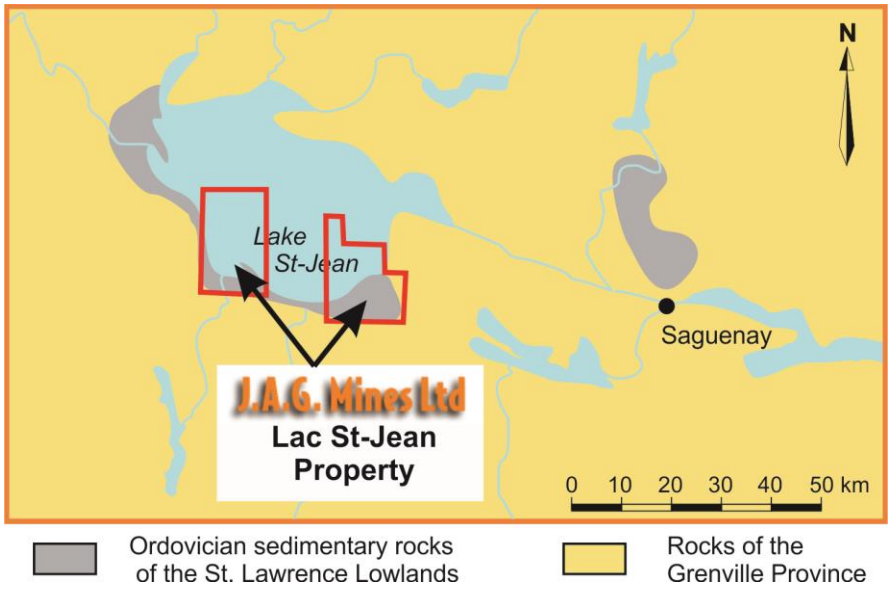
6.4.3.1 Geology and geochemistry

More than half of Lac St-Jean exploration permits are located over the lake itself and require shallow offshore exploration. Lake St-Jean covers an area of 104,118 hectares and the maximum depth is 64 meters, although the average detph is around 10 meters. A central deep, reaching from 15 to 64 m and trending N330 is located at approximately 12 km northeast of Pointe de Chambord and a second one, larger and not as linear, is found at some 13 km northwest of St-Gédéon with depth ranging from 18 to 46 m.

In the Lac St-Jean area, the subhorizontal Ordovician sedimentary sequences unconformably overly Precambrian metamorphic rocks of the Grenville Province (**Figure 10**). These Paleozoic sedimentary rocks are the northeast extension of the better exposed St. Lawrence Lowlands Platform to the south (before erosion, the carbonate platform was covering the entire territory between Ontario and Anticosti Island).

The Ordovican sedimentary rock sequence is composed of four carbonate Formations overlain by the Pointe Bleue Shale. Rock Eval results conducted by JAG show that the Pointe Bleue Shale is organic-rich and contains oil-prone kerogens, as indicated by total organic carbon values ranging from 1.98 to 6.24 wt%, therefore having a very good oil-generative potential, and has reached the oil window (average T_{max} = 436ºC ± 3ºC).

Figure 10 : Geology of the Lac St-Jean Property, J.A.G. Mines Ltd.
(Property limits as at December 31th 2014)



6.4.3.2 Soil gas survey

In 2008, a soil gas survey was conducted in which 359 samples were collected on the SW side of Lake St-Jean. Three anomalous zones were identified near St.Prime, near Metabetchouan and on the Chambord Peninsula (**Figure 11**). Results suggest that most soil gas samples are thermogenic in origin and likely derived from a source containing oil and locally condensates, which is also supported by Rock Eval analyses. We also note that some samples have mixed thermogenic and biogenic signatures.

6.4.3.3 Geophysical surveys

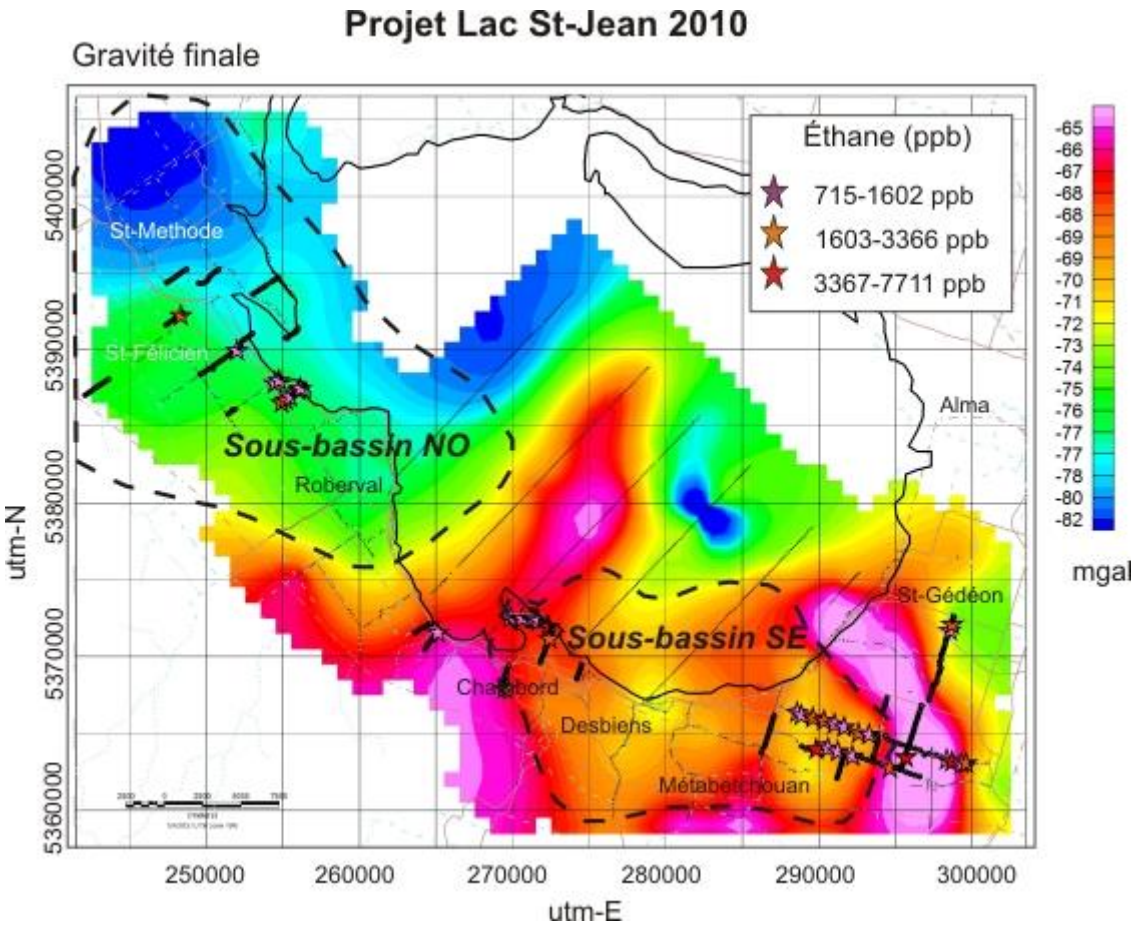
Gravity surveys

Two gravity surveys were carried out in 2009 and 2010 : a land gravity survey of 1092 stations on the eastern shore of Lake St. Jean, between St. Method and St. Gedeon, and an on-ice gravity survey of 441 stations along five sections on the frozen surface of the lake.

Regional structural features outlined by the combined results of both surveys suggest a basement uplift in the central part of the lake, near Chambord (**Figure 11**), and the separation of the Ordovician carbonate platform sequences into two basins of unequal dimensions and depths. The larger and deeper one is located in the north-western part of the lake (from St. Methode to Roberval) and the smaller one lies in its south-eastern part (from Chambord to Metabetchouan). The basement uplift is suggested by an important gravity high, NNE-SSW trending and 15-20 km in length.

The spatial distribution of soil gas anomalies on land are preferentially located where the Ordovician carbonate platform appears to be the thickest and where gravity values are lower. Considering that very few soil gas anomalies were detected above the gravity high**,** the gravity depressions should be considered as primary targets for oil and gas exploration.

Figure 11 : Bouguer gravity anomaly, Lac St-Jean Property.



Stars show location of soil gas samples having high ethane contents. Note that soil gas anomalies are preferentially located over gravity depressions.

Electrical resistivity surveys

Two types of electrical resistivity surveys were carried out on the frozen Lac St-Jean Property in 2011 in order to check if the methods could be used to map the thickness variations and geometry of the sedimentary rock sequences and lake bottom sediments:

- A multi-frequency electromagnetic survey conducted with an Iris Instruments Promis-10 system.
- A natural source audio-frequency magnetotelluric survey (NSAMT) conducted with a Zonge GDP-32 system.

Promis-10 Survey

This 87.8 linear kilometers of Promis-10 multi-frequency electromagnetic survey was acquired in order to check if the method could be used to map the apparent electrical resistivity of the lake bottom sediments. With an average penetration depth of 150 m from the ice surface, but only 100 m, or even less, above conductive sediments, the method could only be used in shallow parts of the lake. The electrical resistivity was also much weaker above the deepest parts of the lake. This may be explained by the combined effects of water thickness and the muddy character of sediments.

The Promis-10 survey has also shown the presence of a plateau of sedimentary rocks located in shallow water depth north of Chambord. This plateau shows weak apparent electrical resistivity, whereas deepest parts of the lake are characterized by much more variable electrical resistivity values.

Natural source audio-frequency magnetotelluric survey (NSAMT)

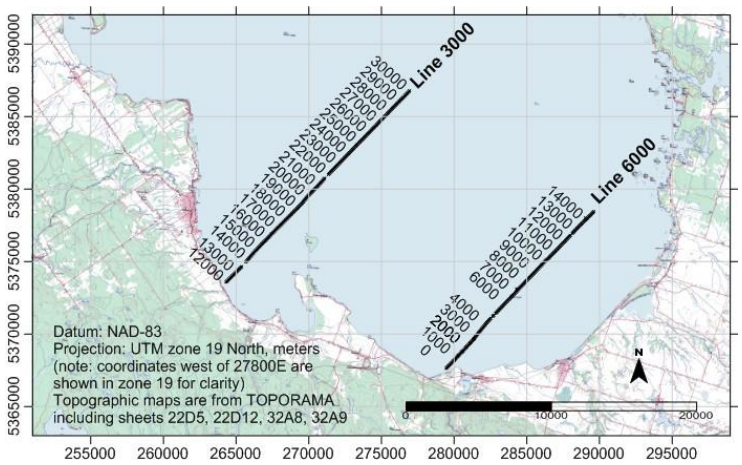
Thirty-two linear kilometers of NSAMT data recorded over two cross-sections (lines 3000 and 6000 on **Figure 12**) were acquired during the 2011 winter by INRS-ETE in collaboration with Zonge International and modeled depth reached about 1,500 m.

Cross-section 3000 on **Figure 13** is 17.5 km long. Its southwest end starts in the Bay of Roberval over the sedimentary rock plateau described above and it crosses a narrow deep near station 24,850. Seven electrical units are observed on this cross-section (**I** to **VII**). Units **I** and **II** are most likely Quaternary sediments located over a more resistive bedrock composed of Paleozoic (**III** to **V**) and Precambrian rock sequences (**VII**).

Between stations 13,050 and 13,850 of **Figure 13**, electrical units **III** to **V** are steeper and thicker, reaching approximately 500 meters. However, these units are the thickest under station 23,850 where they reach more than 1,500 meters suggesting that the Ordovician rock sequences are the thickest in the central deep of the lake, located some 12 kilometers from Chambord. The contours of the electrial units further suggest the presence of graben-like Paleozoic structure under the lake bottom.

Cross-section 6000 is 15 km long and shows eight electrical units (**I** to **VIII** on **Figure 14**). Units **I** and **II** are most likely lake bottom and clayey Quaternary sediments. These two units rest on the bedrock (units **III** to **VI**). As for cross-section 3000, electrical units **III** and **IV** are interpreted to be Ordovician sedimentary rock sequences. At depths greater than 200 meters, cross-section 6000 is quite different from cross-section 3000 as it shows strongly resistive units. Considering the local geology, these resistive units (**VI**, **VII** and **VIII**) are assumed to correspond to the Precambrian basement.

Figure 12 : Location of the NSAMT survey, Lac St-Jean Property.



6.4.3.4 Exploration model

Data acquired so far by JAG on Lac St-Jean Property suggest the following exploration model. It is postulated that basement uplift, suggested by the gravimetric high shown on **Figure 11**, might have contributed to both thermal maturation of organic matter and lateral migration of hydrocarbons within the Ordovician sedimentary rock basin, since at least one lithological unit of this basin, the Pointe Bleue Shale, shows a very good oil-generative potential and has reached the oil window.

Moreover, it is hypothesized that the bituminous Pointe Bleue Shale, deposited at the top of the Ordovician stratigraphic sequence, may have been locally displaced deep under limestone and sandstone units by fault plays developed in the Lake St-Jean «graben». In such a geological context, one could imagine that hydrocarbons may have migrated from Pointe-Bleue Shale towards sandstone and limestone units where they were trapped subsequently.

The 2011 NSAMT survey carried out on Lake St-Jean sheds new light on the deep geology, as results suggest the presence of a sedimentary rock sequence at least 1,500 m thick under the lake deeps. Such a thick sequence has never been considered before and could represent a target of primary interest for natural gas and condensates exploration (and even for oil).

It is also possible, although this has not been observed in the field yet, that regional faults could have contributed to hydrothermal fluid migration within the sedimentary rock basin and to the formation of hydrothermal dolomite. It is well known that dolomitization increases porosity of limestone and may favor the formation of good reservoirs.

Figure 13 : Electrical resistivity tomographic image of Line 3000, Lac St-Jean Property.

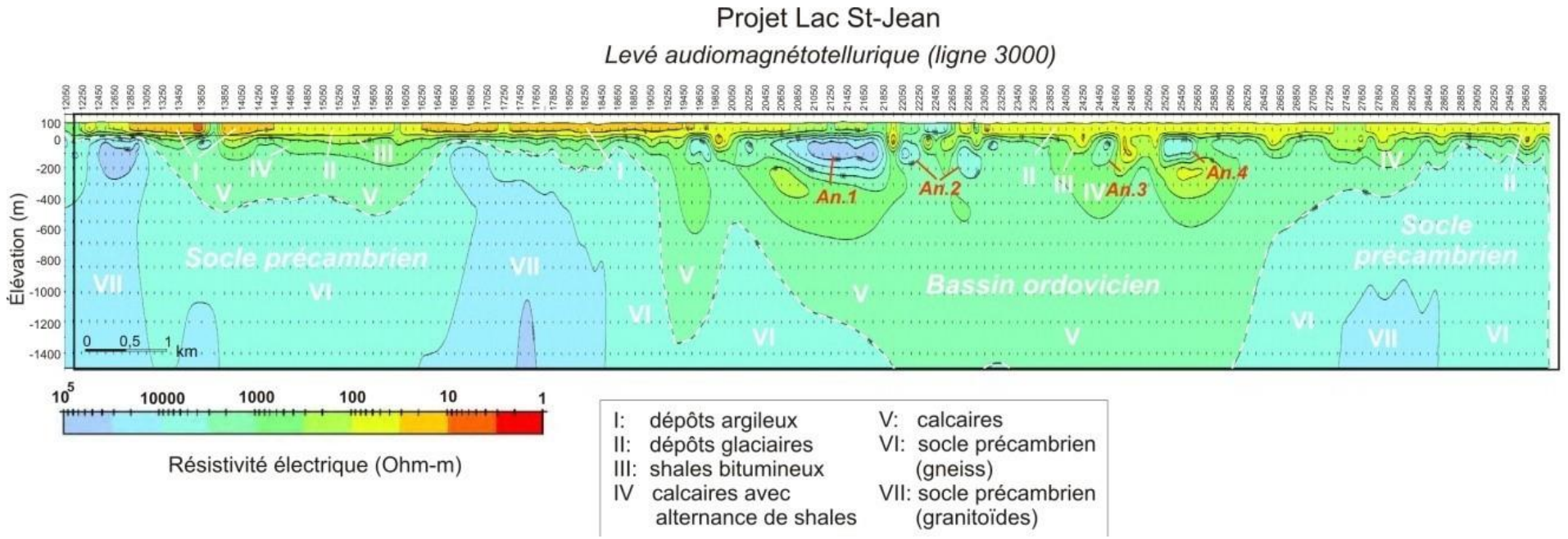
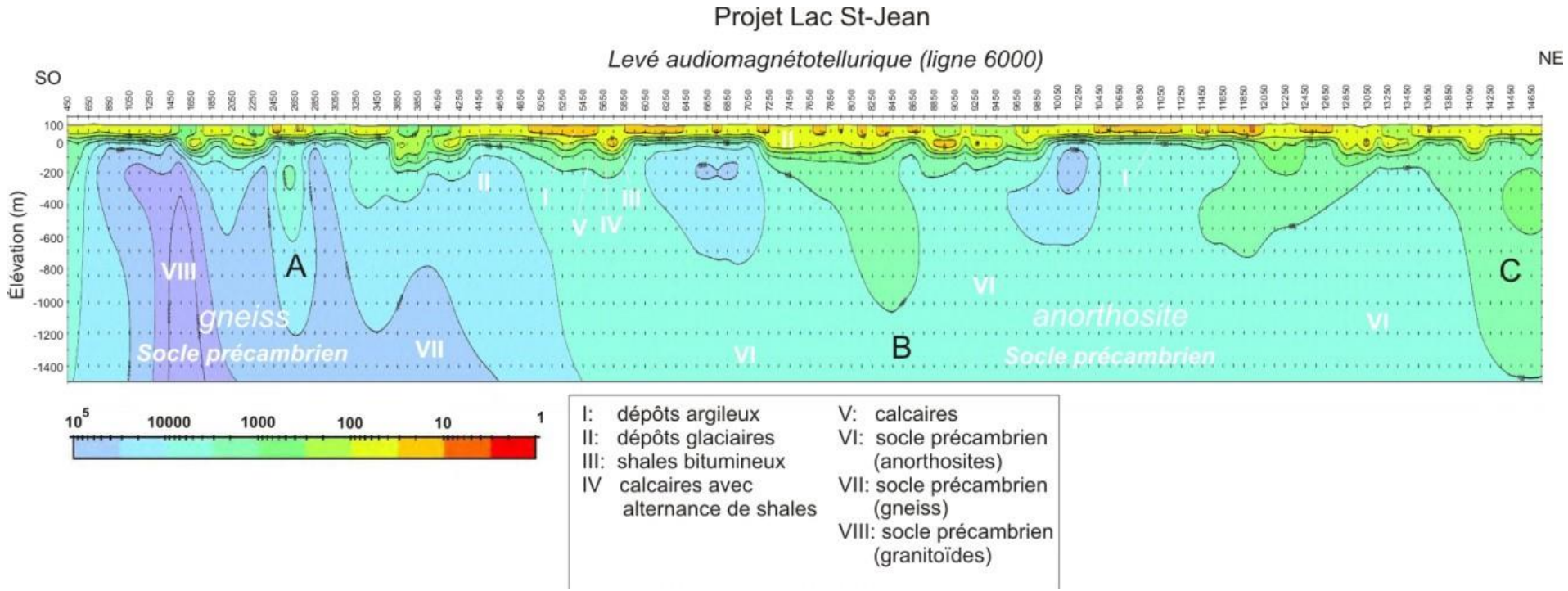


Figure 14 : Electrical resistivity tomographic image of Line 6000, Lac St-Jean Property.



PROFESSIONAL CERTIFICATE

I, undersigned, MARC RICHER-LAFLÈCHE, Ph.D., P.Geo., certify the following :

- I am a geologist, professor and researcher at INRS-ETE, Université du Québec, Quebec City.
- I have a Bachelors degree in Geology (1984) and a Master's degree in Geology (1986) from Montréal University, Canada and a Doctorate in Geology from the University of Montpellier II (1991), France.
- I am a member of the Ordre des géologues du Québec (OGQ no 1055) and have been continually practicing the profession of geologist since graduation from university.
- I contributed, since 2006 through 2011, to field work and interpretation data on JAG Mines Ltd's Oil and Gas properties.
- I am responsible for the preparation of the present report (French version) titled: Forms 51-101 F1 and F2, Disclosure of reserves data and other oil and gas information as at December 31th 2014, J.A.G. Mines Ltd, which was finalized on May 8th 2015.
- I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties that form the subject matter of the current technical report or in the securities of J.A.G. Mines Ltd.
- I am not aware of any material fact or material change with respect to the subject matter of this report that is not reflected in this report, the omission of which would make the report misleading.
- I have read and used general instructions related to Form 51-101F1 of the National Instrument 51-101 on the information concerning technical reports on oil and gas activities and production. The technical report has been prepared in accordance with the requirements of National Instrument 51-101.
- I authorize the publication and the use of this report or parts of this report by J.A.G. Mines Ltd.

Signed on this May 8th 2015.

Marc Richer-Laflèche, géo.
No. permis : 1055

ANNEX 1 : FORM 51-101 F2

May 8th 2015

J.A.G. Mines Ltd
620, St-Jacques West Street
Room 110
Montréal (Qc)
H3C 1C7

REF : FORM 51-101 F2 : REPORT ON RESERVES DATA BY A QUALIFIED EVALUATOR INDEPENDENT OF J.A.G. MINES

To the board of directors of J.A.G. Mines Ltd (the Company) :

1. We have evaluated reserves data of J.A.G. Mines Ltd as of December 31th 2014. Reserves data include :

a) There are no proven reserves on the Company properties.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (COGEH Handbook) prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

4. The following table sets forth the estimated future net revenue (before deduction of Canadian federal and provincial income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated by us for the period ended December 31th 2014, and identifies the respective portions thereof that we have evaluated and reported on the Company's board of directors :

Independent Qualified Reserves Evaluator	Description and Preparation Date of Evaluation Report	Location of Reserves	Net Present Value of Future Net Revenue (before Canadian federal and provincial income taxes, 10% discount rate)			
			Audited (M$)	Evaluated (M$)	Reviewed (M$)	Total (M$)
Marc Richer-LaFlèche, P.Geo.	May 8th 2015	Quebec, Canada	nil	nil	nil	nil

5. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

6. We have no responsibility to update our report referred to in paragraph 4 for events and circumstances occurring after its preparation date.

7. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

Executed as to our report referred to above :

Signed on this May 8th 2015.

Marc Richer-Lafleche, géo.
No. permis : 1055