# **Canaan Gold Resources Inc.**

# **KLAZA RIVER PLACER GOLD PROPERTY**

Mount Nansen Gold District, Yukon

An Exploration Summary Report (YMEP2017-010)

### **PREPARED BY:**

KEVIN (KEHONG) WU, Ph.D, CEO&PRESIDENT CANAAN GOLD RESOURCES INC., YT CANADA

DATED ON: December 20, 2017

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Appendix I. Site Plans and Site Photos

Appendix II. The Original Reports of the Certificate of Analysis issued by ALS Canada Ltd.

Appendix III. The Original QC Report issued by ALS Canada Ltd.

### **1.0 Property Description**

Klaza River Placer Property (the "Property") is located in the Mount Nansen (Figure 1.1), where is in the southern part of the Dawson Range Gold Belt, in southwestern YT, Canada. Mount Nansen has been a traditional gold placer and gold lode mining area since the 1910's. However, Klaza River Placer Gold Property (Klaza Placer Gold) appears to have been largely ignored in comparison with other areas within the Mount Nansen Gold Camp (LeBarge, 1995). It was not until 1985 that an unnamed left-limit tributary (hereafter "Canaan Creek") of the Klaza River was staked and mining activities had thereafter been taken place.



Figure 1. The Location Map of the Klaza River Placer Gold Property in YT, Canada (After Dr. Y.T. Guo, P.Geo., 2016)

The Property is located approximately 50 km due west of the village of Carmacks in southwestern YT. Access is via the Mount Nansen Road, which extends from the Klondike Highway (NO. 2 HWY) connecting to Whitehorse, the capital city of the Yukon, at the village of Carmacks to the former Mount Nansen Mine site. Thereafter, it is around 15 kilometers to the Klaza River Placer Gold Property via miner's private trail.

The subject site comprises 45 contiguous gold placer claims along Klaza River main channel (31 claims) and its junction area with Canaan Creek (14 claims), which covers an area of about 4.50km<sup>2</sup>.

### 2 Ownership and Permits

Canaan Gold Resources Inc. and its owner, Dr. Kehong (Kevin) Wu, CEO (hereafter "Canaan") owns 100% of the Canaan Creek and Klaza Placer Gold (Figure 1.2) and two Placer Land Approvals with Water Usage Licences (Table 1.1), which are valid until 2019 and 2021, respectively. The operation is currently permitted to use 4000m<sup>3</sup> fresh water per day per water permit, and there is no process amount limitation on gold - bearing sediments per permit as long as there is water to use for the washing plants. The placer claims with a water usage permit and a placer land approval are considered as constituting a full permit to operate a placer mine in YT, Canada.



Figure 2. Placer Claims Owned by Canaan from Yukon Mining Viewer, Claims outline is Canaan Creek and Klaza River Placer Gold Property (After Dr. Y.T. Guo, P.Geo., 2016)

Table 1. T	wo Placer	Land A	pprovals and	Two	Water	Use	Licences	for	Canaan
------------	-----------	--------	--------------	-----	-------	-----	----------	-----	--------

Permit Type	Permit Number	Amount	Owner	Expiry Date
Water Use Licence	PM10-072	4000 m <sup>3</sup> /Day	Canaan	2021
Land Approval	AP10072	NA	Canaan	2021
Water Use Licence	PM09-665	4000 m <sup>3</sup> /Day	Canaan	2019
Land Approval	AP09665	NA	Canaan	2019

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### **3** Geology and Mineralization

The geology in the Mount Nansen area indicates a pre-glacial fluvial, glacial and fluvial/alluvial depositional environment that includes pre/post -glacial fluvial systems and glacial deposition. Two different type nuggets up to 11 grams have been discovered during the placer exploration and mining activities in the Property. The smoothing rounded type seems to be transported from old pre-glacial fluvial channel environments and may be from remote sources.

The irregular rough morphology gold particle seems from nearby local fluvial and alluvial environments, in which some of them even occur together with quartz vein. The rough morphology of gold grains or nuggets from the Canaan Creek and Klaza River Gold Placer Claims indicates very limited fluvial transporting features and proximity to the source. The fact is that the Canaan Creek and Klaza River Gold Placer site is right adjacent to the Klaza gold vein system (Figure 1.3).



Figure 3 Canaan Creek Gold Placer Deposit and the Adjacent Klaza Gold-Bearing Quartz Veins (After Dr. Y.T. Guo, P.Geo., 2016)

The well-developed lode gold (up to 1.3 million ounce gold mineral resources to date) in the Klaza Lode Gold Property from Rockhaven Resources Limited (Rockhaven Resources 43-101 report, February 26, 2016) provides one of a clear lode source for the gold placer in the Canaan Creek and Klaza River Gold Placer Properties.

Assay results from fine grain tailing samples in the Canaan Creek and from placer sand screening show most gold in Canaan Creek Gold Placer Property occurs in the size of 100 um to 300 um. The result shows most gold tends to be associated with fine grain sand. The studies and mining production suggests gold from different pay-dirt layers in the Canaan Creek Gold Placer Property are deposited from different environments and are erratically distributed throughout the column of sediments.

The lithology of sediments (Figure 1.4) in the Canaan Creek Gold Placer Property consists of diamicton, unsorted glacial deposits and contains particles ranging in size from clay to boulders, and alluvial/fluvial sand, mud and gravel from local streams and rivers



Figure 4 The Test Pit, Showing the Auriferous Glacial Till Sediments (After Dr. Y.T. Guo, P.Geo., 2016)

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The bed rocks are mainly granitoids including seynite, monzonite, diorite and other volcanics. All of these rocks contain either lower grade porphyry gold deposit or quartz vein type gold deposit or occurrence, and they provide the original sources for the placer deposit in the Canaan Creek.

### 4 Sample Database and Validation

As of September 30<sup>t h</sup> of 2016, a series of auger drilling holes and testing pits have been completed at the Canaan Creek Gold Placer Property for a total length of 710m, of which, around 310 samples have been collected and assayed . The drilling and testing pit sample assay results have been validated against recovery results from current small-scale pilot production, which has produced more than 2000 ounces of gold in the past several years with limited processing capacity and manpower.

### 5 Status of Exploration, Development and Operation

Beside the auger drilling and production/test pit exploration, Canaan conducted two-phase, 11-line, 2D resistivity geophysical exploration on the Canaan Creek and Klaza River main channel in 2011 and 2012 by Arctic Geophysics Inc. based in Yukon, Canada. The 2D resistivity survey successfully defined the width and depth of the gravel-bearing sediments in both the Klaza River main channel and Canaan Creek. The 2D resistivity survey shows the Canaan Creek up to 36m deep and mainly consists of alluvial and glacial till sediments.

The exploration and mining activities on the Property are still on going and are only limited to the center north area in Canaan Creek. Drilling and pit testing will be continuing in an effort to expand the resource base. The main focus of the ongoing drilling and pit testing are to delineate gravel and sand-bearing channels upstream and laterally for Canaan Creek Property. Detailed sedimentary studies on different pay dirt layers and standardized sample collection and preparation in the exploration need to be conducted in the Canaan Creek Gold Placer Property. Canaan Gold Resources has tested the reverse circulation percussion drill (RC) on the Canaan Creek Gold Placer Property in the September 2016, however, it turned out a failed try due to the motor explosive accident.

The small-scale pilot mining operation in the Canaan Creek in the past several years shows it is an economically viable project and is profitable. The total average cost per ounce of gold was about \$650 -700 US in 2012-2013 production years . The main development and operation objective is to set up and operate a 2000 m<sup>3</sup>/day placer gravel/sand processing capacity on site in coming year(s).

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### **6 Mineral Resource Estimate**

### 6.1 Mineral Resource Estimate for Canaan Creek in 2015

In December 30, 2015, Canaan has commissioned Dr. YT. Guo, P.Geo to complete an NI 43-101 technical report for the Canaan Creek Gold Property (Dr. Y.T. Guo, PGeo., 2015), which covers an area of about 0.28 km<sup>2</sup> and includes 12 test pits and drill holes. A 3D block model has been completed by using industrial standard Micromine software (version 14) in the mineral resource estimate. The Inferred mineral resource estimate after depletion from past year production and capping of high grade of gold assay for the Canaan Creek placer deposit in the Canaan Creek Gold Placer Property is shown in Table 1.3 as of December 30, 2015.

Table 2. Inferred Mineral Resource for the Canaan Creek Gold Placer Property, Yukon, Canada 1,2

Cubic Metres (000)	Grade (g/m <sup>3</sup> )	Contained Gold (oz)	
1,758	5.94	335,641	

(1)Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

(2) The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there have been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.

Based on the 2015 database and assay results, as of December 30, 2015 that the modeled Canaan Creek placer deposit within an area of around 0.28 km<sup>2</sup> in the Canaan Creek Gold Placer Property at the cut-off grade of  $0.5g/m^3$  Au contains an Inferred Mineral Resource of 1.76 million cubic meters at an average gold grade of 5.94 g/m<sup>3</sup> after considering the mining depletion of the past 5 years and capping of high grade gold assay value and contains an estimated gold metal of 0. 34 million ounces.

### 6.2 Mineral Resource Estimate for Canaan Creek in 2016

In order to expand and further define the mineral resource in the Canaan Creek Gold Placer Property, an exploration program which consists o f 30 auger drilling holes and 14 test pits has been planned and completed from July to September of 2016. These exploration works have successfully defined the auriferous zone in the depth up to 30m deep and on the strike up to 1.73km long in the placer sediments by panning and assay results (Figure 3-5). However, the assay results from the auger drilling campaign cannot meet the requirements for the resource estimate due to two issues: 1), around 10% intervals of auger drilling intervals have no samples to be collected due to water washing the slides; 2), assayed samples are not representative due to a small portion (around 500 grams or less).

14 testing pits have been completed using excavators and 37 samples have been collected using a cooler or a rice bag with the average weights about 50-30kg. They have been planned to be concentrated by panning or using a table shaker. However, the staff from the Canaan Gold Resource has only processed and sampled small portion of the collected samples (several hundred grams to several kilograms), which makes the samples no representative. All these issues make no reliable and no representative data available to update the resource estimate for the Canaan Creek Gold Placer property in 2016.



Figure 5. Cross Section Line 0 Based on Auger Drilling Holes in the Downstream of Canaan Creek, showing the Pay Dirt Layer Thickness Up to 30m (After Dr. Y.T. Guo, P.Geo., 2016)



Figure 6. Auriferous Zone (Green Color) defined by Auger Drill Holes and Test Pits in the Canaan Creek Gold Placer Property (After Dr. Y.T. Guo, P.Geo., 2016)

### 6.3 Mineral Resource Estimate for Klaza River Placer Gold Property

At this stage, there are no mineral reserves at the Klaza River Placer deposit, the deposit is currently in preparation phase. There are no known factors related to mining, metallurgical, infrastructure, environmental, permitting, legal, title, and taxation, socio-economic, marketing or political issues which could materially affect this operation.

### 7 Exploration Program in Klaza River Placer Gold Property

### 7.1 Test Pits/Trenches and Drilling Program

Total 40 testing pits including 400m trenches had been carried out on the Klaza River Placer Property during June to August 2017. The trenches are varied from 5-6m wide and 50-80m long stripping by a D9Cat dozer and further excavated with a KOMATSU PC-240 excavator, and the depth of each test pit varied 3-5m below the ground surface. Some pits are benched large enough for the excavator to sit at lower levels to reach depths up to 7m (Refer to Appendix I, Site Photos1-4). A total of 5 testing holes had been drilled utilizing a portable the reverse circulation percussion drill (RC). The drill string was made up of standard 6-foot long with a 8-inch inside diameter. The sediments and bedrock chips were pumped and recovered by a compressor unit. All sediments and bedrock chips were collected and examined on each 2.0m (6-foot) long sections. When the driller note a change in lithology, due to behavior of the drill, it will be noted in the logs(Refer to Appendix I, Site Photos1-6).

### 7.2 Sampling Program

The collected samples will be transported to an indoor processing facility located at the secure camp facility immediately. Each sample was weighed. For those samples containing excessive mud, they had been washed thoroughly in a portable cement mixer. The individual samples are poured onto a horizontal screen and sieved to 0.952cm (3/8th inch) minus. The sieved material is dropped directly into a small hopper containing a 5cm (2-inch) diameter screw feeder that fed the material onto a Wifley Table Concentrator at a controlled rate. The concentrator consists of bottomattached rotating magnetic separators to eliminate the bulk of magnetic concentrate. Samples with gold-bearing concentrate are re-run through the concentrator at finer settings once or twice more to eliminate as much concentrate reject as possible. The final concentrate are be processed across a Shaking Table where individual gold particles collected. Gold samples are weighed in milligrams when applicable with a 'mini PRO' (30 X 0.001g) Portable Precision Balance electronic scale manufactured by American Weigh Scales Inc. (Refer to Appendix I, Site Photos 7-10). The grams of gold contained in the individual sample will then be converted, arithmetically to give grams per metric ton.

### 7.3 Sample Analysis

All the samples were directly delivered to ALS lab in North Vancouver, British Columbia, Canada. The samples collected were further processed and assayed by a fire assay method (Au-GRA21) from ALS lab in the North Vancouver. The assay result for these samples are listed in Table 3 as following (Refer to Appendix II., the Certificate Report from ALS Canada Ltd.).

			C Sauce
Sample's ID	Density (t/m <sup>3</sup> )	Au (g/t)	Au (g/m <sup>3</sup> )
MT-1 (Canaan Open Pit)	1.75	0.41	0.72
MT-2 (Canaan Open Pit)	1.68	0.34	0.57
TS-1 (Canaan Tailing)	1.85	0.30	0.56
TS-2 (Canaan Tailing)	1.48	0.02	0.03
0125-1 (KLaza River)	1.67	0.75	1.25
0700-1 (Klaza River)	1.82	0.30	0.55
1200-1 (Klaza River)	1.79	0.45	0.81
1800-1 (Klaza River)	1.83	3.03	5.54
1800-2 (Klaza River)	1.91	3.29	6.28
2400-1 (Klaza River)	1.77	6.27	11.10
2400-2 (Klaza River)	1.94	2.68	5.20
2014-3 (Klaza River)	1.86	> 21.16	>39.36

Table 3. Gold Assay Results Summary for the Samples collected from the open pit and the main channel of Klaza River in 2017 Exploration Campaign

All the sampling locations and site photos please refer to Appendix I, while the assay reports issued by ALS Canada Ltd. has been attached in back of the report as Appendix II.

### 7.4 QA/QC for the Assay Results

A well-designed quality control program can detect contamination, sampling inconsistencies, sampling over-selection, sample mis-numbering or mis-ordering, degraded analytical detection limits, laboratory biases and analytical procedural errors. Most importantly, it can tell the accuracy and precision of the entire sampling and analytical process. Based on the quality checks results used by the ALS' laboratory, the QA/QC checks for standards, blanks and duplicate samples were conducted by Author for each batch of sample assay results (Refer to Appendix III., the Original QC Report from ALS Canada Ltd.).

### **8** Conclusions and Recommendations

### 8.1 Conclusion

The RC drills, testing trench/pits and production pits data have been used to explore the Klaza River Placer Gold Property in 2017 exploration program, in order to extends the confirmed auriferous zone to be increased a lot in the Canaan Creek Gold Placer Property. However, the mineral resources estimate updating for the Klaza River's Deposit could not be conducted due to the lower sampling density and lack of good manner for recovery samples by RC Drill program for deep layers. On the other hand, the drilling and test pit result are good enough to guide the placer mining operation in the Klaza River Placer Gold Property based on the common industrial practice in YT Canada. The drill hole and open pits also confirm the 2D resistivity survey results and interpretation on the survey profiles. 2D resistivity survey is an efficiency method for the placer deposits exploration. The 2D resistivity survey shows the Klaza River up to 40m deep and mainly consists of alluvial and glacial till sediments which are confirmed by the exploration program. Nevertheless, the Klaza River Placer Gold Property, the more samples and more detailed sampling program should be conducted in the next exploration campaign in coming seasons. The pertinent production pit in the Canaan Creek in the resource estimation model area from past six years was around 169.046 m<sup>3</sup> with an average grade of 2.67 g/m<sup>3</sup>. This is somewhat difference between the past year average gold grade (2.67 g/m<sup>3</sup>) and the reported average gold grade  $(5.94 \text{ g/m}^3)$  in the 2015 Resource Estimate. However, the updating data for the proposed project carried out in 2017 indicated that the gold grades for Klaza River Placer Gold Property tested are varied within 0.55~39.36 g/m<sup>3</sup> and 4.39 g/m<sup>3</sup> averagely, after the anomalous highest one  $(39.36 \text{ g/m}^3)$  had been removed from the gold grade estimation.

The auger drills, testing pits and production pits data available are not adequate to estimate the mineral resources in the any category for the proposed exploration program. And the current exploration area remains open in all the directions, and additional drilling and pit testing is required to define the ultimate limits of the deposit. There are indications that additional resources are present on the property and an additional exploration drilling and pit testing is recommended.

### 8.2 Recommendation

More closely spaced pit/drilling is required to exhibit the level of confidence required for resources in the Inferred, Indicated and/or Measured categories, in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (May 10, 2014). The following further exploration's actions are recommended for the Klaza River Placer Gold Property in coming years:

- Drill additional holes or conduct additional testing pit on a 50-m grid pattern to identify both the lateral and longitudinal extents of the current resource (approximately 30~50 holes or pits, total 1000~1500 m = \$150,000) in order to expand the current primary resource identified to be upgraded into the Inferred/Indicated category;
- Detail logging, large sampling, density measurement and assaying for different pay dirt layers in the next exploration campaign are required to better model the resource blocks in the Klaza River site;
- Pertinent wash plant shows very low gold recovery rate (around 32% average). The gold assay of two tailing samples from 2013 and 2014 production tailing dumps returned 2.01 g/t and 1.04 g/t respectively, which shows a lot gold (up to 70%) was lost in the tailings. The gold recovery improvement study for the pertinent and future wash plants is required. A new washing-plant with 2000 m<sup>3</sup> per day processing capacity of placer gravels is recommended as the first step to develop the Klaza River site; and
- A preliminary economic assessment study (or scoping study) is recommended after completion of the further drilling/pit testing exploration program, if necessary.

### 9.0 REFERENCES

Artics Geophysics Inc. 2011, 2012: Geophysical Survey with 2D Resistivity Klaza River, Yukon (Internal Reports).

Chapman, R and Grimshaw, M., University of Leeds, 2015: Placer- Lode Gold Relationships in the Nansen Placer District Yukon (Internal Report)

Englehardt, P., Simon Fraser University, 2015: Glaciated gold, Quaternary Stratigraphy of Back Creek, Conference Presentation, Yukon Placer Froum 2015, Whitehorse, Yukon, Canada

Lebarge, W. P. 1995 Sedimentology of Placer Gravels Near MT. Nansen, Central Yukon Territory; Exploration and geological Services Division, Yukon Region, Bulletin 4

Rockhaven Resources Limited, 2015, 2016: Geology, Mineralization, Geochemical Serveyrs, Geophysical Surveys, Diamond and Percurssion Drilling, Metallurgical Testing and Mineral Resources on the Klaza Property Yukon, Canada (NI43-101Reports)

Yingting (Tony) Guo P.Geo., NI43-101 Mineral Resource Estimate for the Klaza River Gold Placer Property in Yukon, Canada, 2015

Yingting (Tony) Guo P.Geo., 2016: Mineral Resource Estimate for the Klaza River Gold Placer Property in Yukon, Canada (Internal Report)

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# APPENDIX I. PLANS AND SITE PHOTOS



Site Photo#1. Location Plan of the Klaza River Placer Gold Property (Modified After Rockhaven Resources Limited, NI43-101 reports, 2015/2016)



Site Photo#2. Claims Plan of the Klaza River Placer Gold Property (Modified After Yukon Mining Map Viewer, 2017)



Site Photo#3. Aerial Photo of the Subject Site (Northeastern View, 2017)



Site Photo#4. Trench Stripping on site



Site Photo#5. Sampling inside the Open-pit by an Excavator



Site Photo#6. A RC Drill working on Site



Site Photo#7. Trenches and Testing Pits (1)



Site Photo#8. Trenches and Testing Pits (2)



Site Photo#9. Sampling from Testing Pits



Site Photo#10. Samples and Treatments

# APPENDIX II. THE ORIGINAL ASSAY REPORTS SAMPLE PREPARATIOND AND CERTIFICATE OF ANALYSIS ISSUED BY ASL CANADA LTD.



# WORKORDER CONFIRMATION FOR VA17228607

To:

Kevin Wu Canaan Gold Resources Inc 26 16233 83rd Ave Surrey BC Canada V4N 0Z3

### WO Billing address:

Kevin Wu Canaan Gold Resources Inc 26 16233 83rd Ave Surrey BC Canada V4N 0Z3

### WORKORDER DISTRIBUTION

REPORT I	DESCRIPTION	<b>DESTINATION PERS</b>	ON DELIVERY
Work Order		ALS Geochemistry	Email
Certificate of anal	ysis	Tony Guo	Email
ALS Minerals Stan	dard CSV format	Tony Guo	Email
Certificate of anal	vsis	Kevin Wu	Email
ALS Minerals Stan	dard CSV format	Kevin Wu	Email
Invoice		Kevin Wu	Email
QC Certificate		Kevin Wu	Email
Work Order		Kevin Wu	Email
Samples submitted by:		Total Samples Received:	12
Project:	Canaan Gold	Pulp Disposition:	Return after 90 Days
P. O. #:		Reject Disposition:	Return
Sample Type: Sand		First Sample Description: MP-1	
Date Received: October 20, 2017		Carrier and Waybill:	
Sample Origin: British Columbia, Canada			

### ANALYTICAL WORK REQUESTED:

PREP

- 12 LOG-22 Sample login Rcd w/o BarCode
- 12 PUL-31 Pulverize split to 85% <75 um

12 WEI-21 Received Sample Weight Analytes Requested: Recvd Wt.

### ANALYTICAL

12 Au-GRA21 Au 30g FA-GRAV finish Analytes Requested: Au

### MISCELLANEOUS ITEMS:

BAT-01 Administration Fee

1

This Workorder Confirmation is issued to detail how the sample submission has been logged in the ALS system. Please review the details herein to ensure accuracy and advise ALS immediately of any changes required.

Client Code CAGORE

Print date Nov 01, 2017

Page 1 of 1



ALS Canada Ltd.

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### To: CANAAN GOLD RESOURCES INC 26 16233 83RD AVE SURREY BC V4N 0Z3

Page: 1 Total # Pages: 2 (A) Plus Appendix Pages Finalized Date: 9 - NOV - 2017 Account: CAGORE

CERTIFICATE VA17228607

Project: Canaan Gold

This report is for 12 Sand samples submitted to our lab in Vancouver, BC, Canada on 20-OCT-2017.

The following have access to data associated with this certificate:

TONY GUO

KEVIN WU

	SAMPLE PREPARATION				
ALS CODE	DESCRIPTION				
WEI-21	Received Sample Weight				
LOG-22	Sample login - Rcd w/o BarCode				
PUL-31 Pulverize split to 85% <75 um					
	ANALYTICAL PROCEDUR	ES			
ALS CODE	DESCRIPTION	INSTRUMENT			
Au-GRA21	Au 30g FA-GRAV finish	WST-SIM			

To: CANAAN GOLD RESOURCES INC ATTN: KEVIN WU 26 16233 83RD AVE SURREY BC V4N 023

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature: Colin Ramshaw, Vancouver Laboratory Manager

\*\*\*\*\* See Appendix Page for comments regarding this certificate \*\*\*\*\*



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Page: Appendix 1 Total # Appendix Pages: 1 Finalized Date: 9-NOV-2017 Account: CAGORE

Project: Canaan Gold

### CERTIFICATE OF ANALYSIS VA17228607

	CERTIFICATE COMMENTS						
Applies to Method:	LABORATORY ADDRESSES   Processed at ALS Vancouver located at 2103 Dollarton Hwy, North Vancouver, BC, Canada.   Au-GRA21 LOG-22 PUL-31 WEI-21						



ALS Canada Ltd.

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Page: 2 - A Total # Pages: 2 (A) Plus Appendix Pages Finalized Date: 9-NOV-2017 Account: CAGORE

Project: Canaan Gold

### CERTIFICATE OF ANALYSIS VA17228607

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	Au-GRA21 Au ppm 0.05	
MP-1 MP-2 TS-1 TS-2 0125-1		0.12 0.12 0.12 0.12 0.12 0.12	188.0 161.0 125.0 4.07 347	
0700-1 1200-1 1800-1 1800-2 2400-01		0.12 0.14 0.14 0.12 0.12	164.0 198.5 1205 1495 2560	
2400-02 2400-03		0.10 0.12	1320 >10000	



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### QC CERTIFICATE VA17228607

Project: Canaan Gold

This report is for 12 Sand samples submitted to our lab in Vancouver, BC, Canada on 20-OCT-2017.

The following have access to data associated with this certificate:

TONY GUO

KEVIN WU

	SAMPLE PREPARATIO	N
ALS CODE	DESCRIPTION	
WEI-21	Received Sample Weight	
LOG-22	Sample login - Rcd w/o BarCode	
PUL-31	Pulverize split to 85% <75 um	
	ANALYTICAL PROCEDU	JRES
ALS CODE	DESCRIPTION	INSTRUMENT
Au-GRA21	Au 30g FA-GRAV finish	WST-SIM

To: CANAAN GOLD RESOURCES INC ATTN: KEVIN WU 26 16233 83RD AVE SURREY BC V4N 0Z3

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

\*\*\*\*\* See Appendix Page for comments regarding this certificate \*\*\*\*\*

Colin Ramshaw, Vancouver Laboratory Manager

# APPENDIX III. THE ORIGINAL QC REPORT

# QC CERTIFICATE OF ANALYSIS ISSUED BY ASL CANADA LTD.



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Page: 2 - A Total # Pages: 2 (A) Plus Appendix Pages Finalized Date: 9-NOV-2017 Account: CAGORE

Project: Canaan Gold

### QC CERTIFICATE OF ANALYSIS VA17228607

Method Analyte Sample Description LOR	Au-GRA21 Au ppm 0.05
	STANDARDS
G915-7 Target Range - Lower Bound Upper Bound JK-17 Target Range - Lower Bound Upper Bound	12.55 11.60 13.15 2.06 1.83 2.17
	BLANKS
BLANK Target Range • Lower Bound Upper Bound	<0.05 <0.05 0.10
	DUPLICATES
ORIGINAL DUP Target Range · Lower Bound Upper Bound	73.0 74.6 70.1 77.5
ORIGINAL DUP Target Range - Lower Bound Upper Bound	4.12 4.03 3.82 4.33



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2103 Dollarton Hwy North Vancouver BC V7H 0A7 Phone: +1 (604) 984 0221 Fax: +1 (604) 984 0218 www.algglobal.com/geochemistry

#### To: CANAAN GOLD RESOURCES INC 26 16233 83RD AVE SURREY BC V4N 0Z3

Page: Appendix 1 Total # Appendix Pages: 1 Finalized Date: 9-NOV-2017 Account: CAGORE

Project: Canaan Gold

### QC CERTIFICATE OF ANALYSIS VA17228607

	CERTIFICATE COMMENTS							
Applies to Method:	LABORATORY ADDRESSES Processed at ALS Vancouver located at 2103 Dollarton Hwy, North Vancouver, BC, Canada. Au-GRA21 LOG-22 PUL-31 WEI-21							

APPENDIX IV

TEST HOLES LOCATION PLAN AND DETAILS' INFO FOR DRILL LOGS



App. IV-1 Test Holes Location Plan











### Poor to no recovery **Bottom Half** Major Water

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te with builders

-

VERY DATY

NO Return

NO Return

Brown

-----

Slop at surface

Washed OUT

above water







Hard to recover when powder dry falling off rods





**APPENDIX V** 

TEST PITS LOCATION PLAN AND LOCATION DATA

## APPENDIX V-1 TRENCH AND TEST PITS LOCATION PLAN (WESTERN VIEW)



### APPENDIX V-2 LOCATION DATA FOR TRENCH AND TEST PITS

1200-1	•	Gmz 5-26	N62 13714 W137 25270	1212 n
1200-2		Gmz 5-28	N62.13744 W137.25270	1210 m
1200-3	0	Gmz 5-28	N52.13775 W137.25281	1209 m
1400-1	•	Gmz 5-26	N62.13581 W137.24774	1218 m
1400-2	•	Gmz 5-26	N62.13618 W137.24772	1218 m
1400-3	•	Gmz 5-26	N62.13668 W137.24769	1219 m
1600-1	•	Gmz 5-28	N62.13459 W137.24398	1243 m
1600-2	•	Gniz 5-26	N62.13511 W137.24391	1238 n
1600-3	۲	Gmz 5-28	N62.13592 W137.24405	1232 m
1800-1	0	Gmz 5-28	N52.13364 W137.24038	1242 m
1800-2		Gmz 5-26	N62.13424 W137.24036	1238 a
1800-3		Gmz 5-28	N62.13500 W137.24024	1235 n
2000-1		Gmz 5-26	N52.13323 W137.23451	1241 m
2000-2	•	Gmz 5-28	N62.13377 W137.23463	1241 m
2000-3	•	Gmz 5-26	N62.13469 W137.23456	1241 m
2200-1		Gmz 5-28	N62.13190 W137.23049	1252 m
2200-2		Gmz 5-26	N62.13251 W137.23051	1252 m
2200-3		Gmiz 5-26	N62.13351 W137.23058	1252 m
2400-1		Gmz 5-28	N62.13095 W137.22771	1258 a
2400~2		Gmz 5-28	N62.13216 W137.22760	1260 a
2400-3	۲	Gmz 5-26	N62.13347 W137.22760	1262 m
250-1		Gmz 5-28	N62.13743 W137.27017	1190 m
250-2	•	Gmz 5-28	N62.13810 W137.27003	1188 n
500-1	•	Gmz 5-26	N62.13764 W137.26554	1190 n
500~2		Gmz 5-28	NE2.13819 W137.26560	1190 a
500-3	•	Gmz 5-28	N62.13878 W137.26558	1192 m
700-1	•	Gm/z 5-28	N62.13714 W137.28127	1210 m
700-2	0	Gmz 5-26	N62.13758 W137.26127	1208 m
700-3	•	Gmz 5-28	N62.13795 W137.26127	1207 m
900-1		Gmz 5~28	N62.13762 W137.25690	1208 m
900-2	•	Gmz 5-28	N62.13785 W137.25684	1207 m
Camp	-	Gmz 5-26	N62.13339 W137.27539	1215 m
New Camp		Gmz 5-26	N62.13430 W137.22528	1280 n