2017 Final Technical Report on Diamond Drilling on the Cowley Park Property

Whitehorse

Whitehorse area; NTS 105D 10

Location: Latitude of 60° 30' 29.087" N, and Longitude 134° 53' 29.088" W

Mining District: Whitehorse

Yukon Territory

Quartz Claims	
JIM 9 – 10	**85337 - 85338**
JIM 27 – 30	**85355 - 85358**
SUE 1 – 4	**75653 - 75656**
ACE 30	**85476**

By Nicolai Goeppel

On Behalf of Lobo Del Norte Ltd.

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Summary

The property covers the Cowley Deposit which remains the largest open-pit mineable reserve in the Whitehorse Copper Belt. In 2017, Lobo Del Norte Ltd. conducted 701.4 meters of diamond drilling in 4 holes on the Cowley Park Property to test for possible extension to known mineralization. The program also included logging all the 2017 and previous 2016 core which amounted to 1559.41 meters. The total cost of the project was $87,328.42. Work was carried out on JIM 9 – 10, JIM 27 – 30, JIM 38, SUE 1 – 4, and ACE 30 claims that lie approximately 20km south of Whitehorse and are road accessible of the Klondike Highway. A covered skid mounted drill rig was used and maneuvered into position using a D6 bulldozer. The existing network of trails from previous exploration was utilized to keep ground disturbance to a minimum. Water was sourced from Cowley creek that intersects the property.

2016 and 2017 drilling was designed to test fringes of the deposit for potential extensions to known mineralization. Highlights from logging of the 2016 holes and 2017 drilling are listed below:

- **Hole LDN-16-03 intersected 7.9 meters of 1.42% Cu, 0.36 g/t Au, 9.66 g/t Ag and 0.24% Mo**
- **Hole 2017 intersected 1.59% Cu and 9.24 g/t Ag over 10.36 meters and 0.85% Cu, 0.64 g/t Au, 6.78 g/t Ag, and 0.034% Mo over 51.82 meters**
- **2017B intersected high grade copper and significant gold-silver mineralization; 4.88 meters of 7.206% Cu, 65.67 g/t Ag, 0.663 g/t Au and 0.0373% Mo**
- **Hole 2017C intersected 55.7 meters returning 0.847% Cu, 0.142 g/t Au, 5.53 g/t Ag and 0.047% Mo**

Further work is recommended on the Cowley Park property consisting of drill step-outs along strike and would include logging and assaying of 16 holes unprocessed the 2008 Yankee Hat program in preparation for future drilling. Furthermore, a complete data compilation and digitization from historic and current work is recommended prior to drilling.

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Introduction

The Cowley Park Deposit is largest open-pit mineable reserve in the Whitehorse Copper Belt, located at the southern boundary of Whitehorse city limits in the Yukon Territory (MacKay et al., 1993). The property is road accessible situated 2km from the Klondike Highway. The Whitehorse Copper Belt has historically been the most significant copper production in the Territory with >10Mt grading approximately 1.5% Cu with significant gold and silver credits in several deposits (Watson, 1984). The skarn mineralization in the Whitehorse Copper Belt was first noted in 1897 with surface and underground hand mining occurring into the early 1900s; primarily on the War Eagle and Copper King sites. From 1967 to 1971 Whitehorse Copper Mines surface mined several deposits including the Arctic Chief, Little Chief and Keewenaw deposits through open pit methods. From 1972 until its closure in 1982 Whitehorse Copper Mines Ltd. operated year-round through underground mining. The Whitehorse Copper Mines provide steady work to locals for decades and close proximity to Whitehorse allowed for local businesses to benefit, stabilizing the Yukon's economy. Over 30 known deposits are comprised within the 35 km by 5 km northwesterly trending arc of predominantly skarn-related mineralization and includes the Cowley Deposit (Heon 2004, Tenney 1981).

The Cowley Deposit was first discovered in the early 1900s and explored with minor underground work. Drilling during the 60s had loosely defined the Main Zone, in the 1970s more-thorough drilling was conducted, culminating to 125 holes and 11,500 meters of core (Hureau, 1981). The Cowley Deposit was at the feasibility stage prior to shutdown of Whitehorse Copper Mines in 1982, due to a declining economy and copper prices. Approximately 884,000 tonnes of unmined ore at the Main Zone was calculated grading 1.04% Cu, 3.77 g/t Ag, 0.21 g/t Au, and 0.066% MoS2; with 668,000 tonnes of ore calculated in the South Zone at 0.9% Cu (Tenney, 1981; Watson, 1984). The mineralization was defined in two main lobes the upper and lower skarn.

More recently in 2008 Yankee Hat Minerals conducted a 21-hole drill program totalling 2134.1 meters. However, due to monetary constraints only 4 out of the 21 holes were logged. From the holes processed assays returned high grades up to 47% Cu and 324 g/t Ag. The processed holes tested between the two main mineralized lobes and successfully determined high grade skarn mineralization in this zone. The remaining core is currently being logged at the Whitehorse Core Library in preparation for 2018 drilling.

In 2016 Lobo Del Norte Ltd. conducted 858.01 m of diamond drilling in 5 holes, and in 2017 Lobo Del Norte Ltd. conducted another 701.4 meters of diamond drilling in 4 holes on the Cowley Park Property. Due to timing constraints, only two holes were logged and assayed, LDN-16-04 and LDN-16-05. LDN-16-05 was a directional drill hole drilled at an inclination of -60 till 185 meters where it was changed to -45 till the end of hole. LDN-16-05 intersected an extensive strongly mineralized zone and yielded 1.59% Cu and 9.24 g/t Ag over 10.36 meters; in addition, LDN-16-04 intersected 0.56% Cu and 2.75 g/t Ag over 6.63 meters. This report will summarize the results of the 2017 YMEP program that entailed logging and assaying of the remaining 864 meters of

unprocessed 2016 core, as well as the 2017 drilling and logging. The total work expenditures for the 2017 YMEP on the Cowely park property are $122,280.71.

Project Location

The Cowley Park Property is located in southern Yukon, in the Whitehorse Mining District and NTS map sheet 105D 10 (Figure 1&2). The Property is centered on Latitude of 60° 30' 29.087" N, and Longitude 134° 53' 29.088" W. The project lies on the southern boundary of Whitehorse city limits, under 20 km from the city centre. The property is road accessible located approximately 2 km off of the Klondike Highway and power (Figure 1). Nearby infrastructure makes for cost-effective exploration on the property and good feasibility. White Pass Railway is within 2km of the project with a line extending to the deep-water port located approximately 155 km south in Skagway, Alaska. Claims are in good standing held 100% by Lobo Del Norte Ltd., status is shown below.

Grant Number	Claim Name	Claim Owner	StakingDate	Claim Expiry Date	Status
75653	SUE 1	Lobo del Norte Ltd. - 100%	1961-04-23	2023-01-01	Active
75654	SUE 2	Lobo del Norte Ltd. - 100%	1961-04-23	2023-01-01	Active
75655	SUE 3	Lobo del Norte Ltd. - 100%	1961-04-23	2023-01-01	Active
75656	SUE 4	Lobo del Norte Ltd. - 100%	1961-04-23	2023-01-01	Active
85337	JIM 9	Lobo del Norte Ltd. - 100%	1963-08-10	2023-01-01	Active
85338	JIM 10	Lobo del Norte Ltd. - 100%	1963-08-10	2023-01-01	Active
85355	JIM 27	Lobo del Norte Ltd. - 100%	1963-08-22	2023-01-01	Active
85356	JIM 28	Lobo del Norte Ltd. - 100%	1963-08-22	2023-01-01	Active
85357	JIM 29	Lobo del Norte Ltd. - 100%	1963-08-22	2023-01-01	Active
85358	JIM 30	Lobo del Norte Ltd. - 100%	1963-08-22	2023-01-01	Active
85476	ACE 30	Lobo del Norte Ltd. - 100%	1963-09-19	2023-01-01	Active

Table 1. Claim Status.

Previous History

The Cowley Deposit was first explored in the early 1900s with minor underground work. The property received little work until the mid sixties with the advent of the Whitehorse Copper Mines and open pit mining through the Whitehorse Copper Belt. Ground based magnetic and induced polarization (IP) was conducted through the area defining multiple exploration targets, some showed association with historic showings. Later diamond drilling during the 1960's loosely defined the Main Zone mineralization. More thorough drilling was conducted during the 1970's, culminating to a total of 125 holes and 11,500 meters of core (Hureau, 1981). Approximately 884,000 tonnes of unmined ore at the Main Zone was calculated at 1.04% Cu, 3.77 g/t Ag, 0.21 g/t Au, and 0.066% MoS2; with 668,000 tonnes of ore calculated in the South Zone at 0.9% Cu (Tenney, 1981; Watson, 1984). The Cowley Deposit remains the largest open-pit mineable reserve in the Whitehorse Copper Belt (MacKay et al., 1993).

In 1965 New Imperial Metals contracted Wright Engineers Ltd., J.A.C. Ross and Associates and Dr. A.C. Skerl, PEng to conduct feasibility studies on the 6 main deposits in the belt including the Cowley Deposit (Wengzynowski, 2012). It was latter revised following 1970 drilling which further delineated mineralized zones. Feasibility studies record the evaluated geology, ore reserves; proposed pit designs and mining methods; mining schedule and results from metallurgical tests (Wengzynowski, 2014). The Cowley Deposit was at the feasibility stage prior to shutdown of Whitehorse Copper Mines in 1982, due to a declining economy and copper prices.

Recent Work

In 2008 work carried out by Yankee Hat Mineral after optioning the property from Lobo Del Norte consisted of 2134 m of diamond drilling at 21 locations. Due to monetary constraints and economic conditions only 5 of the 21 holes were logged and assayed and the property reverted to Lobo Del Norte Ltd. From the holes processed assays returned high grades up to 47% Cu and 324 g/t Ag and 300 g/t Ag and an interval with 38.57 m of 1.76% Cu (Davis, 2008). The processed holes tested between the two main mineralized lobes and successfully determined high grade skarn mineralization in this zone. The remaining core is currently being logged at the Whitehorse Core Library in preparation for 2018 drilling.

In 2016 Lobo Del Norte Ltd conducted 858.01 m of diamond drilling in 5 holes. Due to timing constraints, only two holes were logged and assayed, LDN-16-04 and LDN-16-05. LDN-16-05 was a directional drill hole drilled at an inclination of -60 till 185 meters where it was changed to -45 till the end of hole. LDN-16-05 intersected an extensive strongly mineralized zone and yielded 1.59% Cu and 9.24 g/t Ag over 10.36 meters; in addition, LDN-16-04 intersected 0.56% Cu and 2.75 g/t Ag over 6.63 meters.

Regional Geology

Due to the economic significance of the Whitehorse Copper Belt and the proximity to a major city in Yukon Territory, the rocks in the area have been well documented and researched. A number of regional geological and compilation studies have been carried out on the Whitehorse Copper Belt and associated Whitehorse Trough and include: Hart and Pelletier 1989; Heon, 2004; Kindle 1964; Morrison 1981; Tenney 1981; Watson 1984; and Wheeler 1961. The regional geology is illustrated in Figure 3, Appendix I.

The intrusive units in the region are predominantly granodiorite or diorite and Cretaceous in age (109 - 199 Ma). They are thought to form the upper reaches of a large batholith belonging to the Whitehorse Plutonic Suite of the Coast Plutonic Complex and intrude primarily into Triassic to Jurassic Lewes River (also known as the Aksala Group) Group clastic (Casca and Mandanna Members) and carbonate (Hancock Member) metasediments. These marine rocks belong to the Whitehorse Trough, part of the Stikinia Terrane within the Intermontane Superterrane; an island arc complex of Paleozoic to Jurassic age (Davis, 2008). The copper bearing skarns occur over a length of about 32 km along the western side of the Cretaceous diorite batholith. The Miles Canyon basalt, tertiary volcanic sequence and Quaternary glaciofluvial deposits overlay the older units. A series of folds run the length of the Whitehorse Copper Belt with fold hinges trending roughly NNW (Davis, 2008).

Property Geology and Mineralization

At the Cowley deposit skarning occurs variably along the contacts and through an extensive limestone lens encompassed by Cretaceous intrusive rocks of predominantly granodioritic to dioritic composition of the Whitehorse Plutonic Suite. The unit intrudes Triassic to Jurassic Lewes River Group clastic and carbonate meta-sedimentary units of the Whitehorse trough (Figure 3 & 4, Appendix I). The sequence has been regionally folded and cross cut by younger Tertiary volcanism. Quaternary glaciofluvial till forms veneer obscuring bedrock geology. Widespread skarning in the limestone lens is characterized assemblages of garnet, diopside, actinolite, tremolite/wollastonite, and epidote. Mineralized zones in skarnified horizons contain disseminated to ‘spectacular’ massive sections of pyrite, chalcopyrite, bornite, magnetite and lesser molybdenite. Figure 5 and 6 (Appendix I) illustrate the tabular nature and complexity of the mineralized zone which form two main mineralized lobes with higher grade cores and lower grade shells.

From observations, visual inspection of the core and logging of holes LDN-16-04 and LDN-16-05; it is evident that there is a structural and morphological control to skarn mineralization. Increased flow of intrusive related fluids is correlated to increased metasomatism of the carbonate and evident along contacts, structures, and other sites more prone to dilation. The limestone lens is a sedimentary sequence with observable bedding with skarnification and mineralization focused along bedding planes and in more permeable horizons. Mineralization is characteristically defined in zones dominated by either magnetite, chalcopyrite, pyrite, or molybdenum with other

constituents in lesser amounts as semi massive to fine interstitial disseminations. Mineralization is also observed in association with zones where skarn mineral abundances vary from dominated by garnet, diopside, tremolite or wollastonite and likely signify changes in overall fluid chemistry as the fluid reacts more with surrounding rock. The distribution of surface mineralization and complimented by the extensive historic drilling indicate two primary mineralized lobes. The distribution of most evident zone is along the northeast contact of the large limestone lens and would offer a site prone to dilation and potential faulting.

The hornblende quartz diorite that encompasses the limestone/marble lens and skarning displays variable degrees of mineralization generally along it's contact with skarn and marble. Mineralization consists of disseminations of interstial pyrite, bornite, chalcopyrite and molybdenum that appear to nucleate on chloritized hornblende grains and locally concentrate in minute fractures. Majority of the mineralization associated with contact area likely result from reactivity with limestone lens; interestingly, several intervals form intrusion hosted mineralization also persist deeper in holes away from contact areas. Mineralization in the intrusive has been noted in previous exploration and is why the Cowley Deposit has been cited as a porphyry style deposit. Alond the northern edge of the main zone mineralization in the adjacent intrusive rock has been incorporated in historic pit design and resource.

2017 YMEP Program and Results

The 2017 YMEP program consisted of logging and assaying of remaining 2016 holes that included 864 meters in 3 holes, and the 2017 drilling and logging that entailed 701.4 meters of diamond drilling in 4 holes. The 2017 drilling program was intended to further infill around the central part of the deposit and test for extensions to known mineralization. All drill hole locations and property geology is displayed in Figure 4. Drilling was carried out by Kluane Drilling Ltd. using a covered skid mounted diamond drill that was maneuvered into position using a D6 bulldozer. The existing network of trails from previous exploration was utilized to keep ground disturbance to a minimum. Water was sourced from Cowley creek that intersects the property. Drilling was completed with HTW bore.

Produced core was boxed and loaded on skids and where taken to the Bostock Core Library where it was logged and prepped for assay by Higher Ground Exploration Services. Blank material was routinely inserted every 20th sample to ensure quality of results. Core submitted for assay was brought to the ALS prep facility in Whitehorse. Analytical tests were conducted by ALS Global in Vancouver, BC, which is ISO accredited. Samples are crushed to 70% less than 2 millimetres, and a 250-gram sample is split with a riffle splitter. The split is pulverized to 85 per cent less than 75 microns, and 30 gram charges go through a multi-element assay with ICP-AES finish. Samples with gold, silver, copper, lead, or zinc exceeding the upper detection level are reanalyzed with ore grade determinations that are deemed most appropriate by the lab. Rigorous procedures are in place regarding sample collection, chain of custody and data entry. Certified assay standards,

duplicate samples and blanks are routinely inserted into the sample stream to ensure integrity of the assay process.

The table below summarizes location, azimuth, inclination and depth of each hole drilled in 2016 and 2017. Detailed invoices, drill logs and assays are located in Appendix II & III of this report.

2016 Drill Hole Data

Hole #	Year	Datum	Zone	Easting	Northing	Depth	Dip	Azimuth
LDN-16-01A	2016	NAD 83	8	505738	6715416	12.19m	- 90	010
LDN-16-01	2016	NAD 83	8	505738	6715416	236.22m	- 90	010
LDN-16-02	2016	NAD 83	8	505738	6715416	201.17m	- 45	010
LDN-16-04	**2016**	**NAD 83**	**8**	**505791**	**6715401**	**201.17m**	**- 90**	**010**
LDN-16-03	2016	NAD 83	8	505882	6715384	207.26m	- 90	010
LDN-16-05	**2016**	**NAD 83**	**8**	**506082**	**6715373**	**283.77m**	**- 60, - 45 (from 185m till EOH)**	**010**

Table 2. 2016 drill hole data, holes in bold (LDN-16-04 & LDN-16-05) were logged and assayed prior to the 2017 YMEP program.

2017 Drill Hole Data

Hole #	Year	Datum	Zone	Easting	Northing	Depth	Dip	Azimuth
2017	2017	NAD 83	8	506131	6715356	172.21m	75	011
2017A2	2017	NAD 83	8	506131	6715356	193.55m	75	191
2017B	2017	NAD 83	8	506047	6715308	193.55m	45	191
2017C	2017	NAD 83	8	505976	6715392	141.73m	90	191

Table 3. 2017 drill hole data.

Geological Summary and Results from Logging of 2016 Core

LDN-16-01 & LDN-16-01A: LDN-16-01A was a failed hole, the drill was reset besides the hole and a new hole was drilled (LDN-16-01). The hole was a 50 meter step out from historic drilling and drilled vertically to test for extensions of the lower higher grade skarn.

The hole intersected from 95.63 to 102.64 m, 6.32 meters assaying 0.21% Cu and 0.16% Mo Section consisted of up to 25% disseminated fine grained pyrite forming euhedral cubes and concentring in clots up to 1cm in fractures with lesser chalcopyrite within coarse garnet-diopside-wollastonite-calcite-thulite horizons with disseminated coarse interstitial moly-chalcopyrite and

concentrating in fractures. Individual samples through the section assayed up to 0.53% Cu and 0.8% Mo.

From 118.57 till 233.17 (end of hole) the hole intersected locally moderately mineralized hornblende quartz diorite. Several intermediate dykes cross cut the section. Mineralization consists of localized disseminations and minute anatomizing fractures containing varying amounts of bornite, chalcopyrite, molybdenum and pyrite. Fractures generally are associated with a 1cm wide white alteration halo and proximal chloritization of hornblende grains. Assays returned moderate Cu values including from 155.98 to 159.03 m returning 0.17% Cu over 3.05 meters and from 126.26 to 127.79 meters that intersected 0.21% Cu over 1.5 meters.

Photo 1. Sample W796700, coarse disseminated interstitial molybdenum, 0.8% Mo over 2 feet.

LDN-16-02: This holes was drilled from the same pad as LDN-16-01, but drilled at a 45 and azimuth of 011 to intersect the upper skarn to see if mineralization extends to the northwest 35 meters.

The hole intersected marble and varying degrees of skarning till 110.95 meters and continued in hornblende quartz diorite till the end of the hole. The hole had several short moderately mineralized sections in the skarn and diorite. Mineralization in both units consisted of variable amounts of pyrite, chalcopyrite, bornite and molybdenum as interstitial disseminations or concentrating in minute fractures. These intersects include:

- 69.88 to 72.09 m – 0.72% Cu over 2.21 meters (skarn)
- 73.46 to 75.97 m – 0.53% Cu over 2.5 meters (skarn)
- 90.60 to 91.44 m – 0.79% Cu over 0.84 meters (skarn)
- 99.90 to 103.17 m – 0.23% Cu over 3.28 meters (skarn)
- 128.09 to 129.69 m – 0.31% Cu over 1.6 meters (diorite)
- 164.59 to 166.12 m – 0.42% Cu over 1.5 meters (diorite)
- 180.37 to 181.20 m – 0.54% Cu over 0.84 meters (diorite)

LDN-16-03: The hole was a placed between two historic drill holes (30m from each) and drilled vertically to test for extensions of the lower higher grade skarn.

The hole intersected 7.9 meters of 1.42% Cu, 0.36 g/t Au, 9.66 g/t Ag and 0.24% Mo from 71.32m to 79.25m, in fine grained garnet-actinolite-chlorite-wollastonite calc-silicate skarn with sections of coarse garnet. Bornite, chalcopyrite, pyrite, molybdenum and magnetite for interstitial disseminations up to 5% and concentrating in minute fractures.

Deeper in the hole intersected 10.67 meters of 0.73% Cu and 3.45 g/t Ag from 84.96 to 95.63 meters. This includes mineralization in both the calc-silicate skarn (4.26 meters of 1.09% Cu and 4.9 g/t Ag) and in the adjacent hornblende quartz diorite (6.4 meters of 0.42% Cu and 2.2 Ag). In the hornblende quartz diorite mineralization consisting of pyrite-chalcopyrite-bornite-molybdenum form local interstitial disseminations up to 5% and concentrating in minute fracture and quartz veinlets with pervasive chloritization of hornblende grains. From 106.68 to 109.12 meters the mineralized intrusive assayed 0.92% Cu and 7.3 g/t Ag over 2.44 meters.

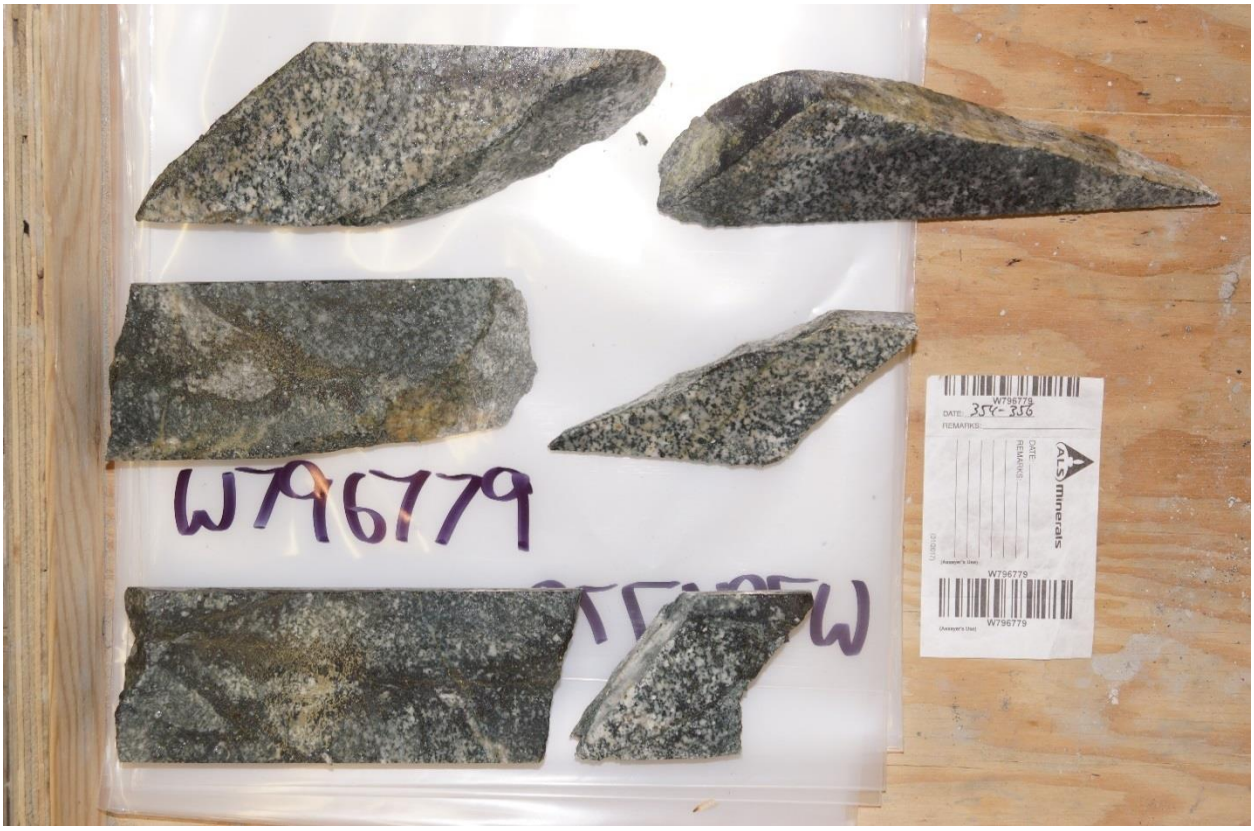

Photo 2. W796779 mineralized hornblende quartz diorite 2.83% Cu over 2 feet.

Geological Summary and Results from 2017 Drilling

Hole 2017: This hole was stepped out 50 meters to the southeast from hole LDN-16-05 that was drilled in 2016. LDN-16-05 intersected an extensive strongly mineralized zone of semi massive pyrite, chalcopyrite and bornite up to 50% encompassed with disseminated interstitial pyrite, bornite, chalcopyrite and lesser molybdenum and magnetite within the garnet-actinolite-chlorite-wollastonite calc-silicate skarn; and the zone yielded 1.59% Cu and 9.24 g/t Ag over 10.36 meters.

Hole 2017 was stepped out 50m southeast of hole LDN16-05 and oriented at the same 011 azimuth and drilled at 75 degrees. The hole began in medium grained hornblende diorite containing pyrite-chalcopyrite-bornite-molybdenum in local interstitial disseminations up to 5% and concentrating in minute fracture and quartz veinlets with pervasive chloritization of hornblende grains. Mineralization in the intrusive from 101.19 to 107.9 m, returned 0.48% Cu over 6.71 meters with individual samples assaying up to 1.06% Cu.

From 107.9 to 163.68 meters the hole intersected an extensive zone of disseminated interstitial bornite-chalcopyrite-molybdenum-pyrite locally up to 50% forming semi-massive bands of primarily bornite and chalcopyrite and concentrating in minute fractures within the garnet-diopside-actinolite-wollastonite-chlorite-epidote the calc-silicate skarn. From the 55.78 meter interval, 51.82 meters were sampled; barren cross cutting intermediate dykes where omitted

from sampling. The section assayed 0.85% Cu, 0.64 g/t Au, 6.78 g/t Ag, and 0.034% Mo over 51.82 meters. Peak values from the interval include 12.35% Cu, 0.79 g/t Au, 200 g/t Ag, and 0.16% Mo.

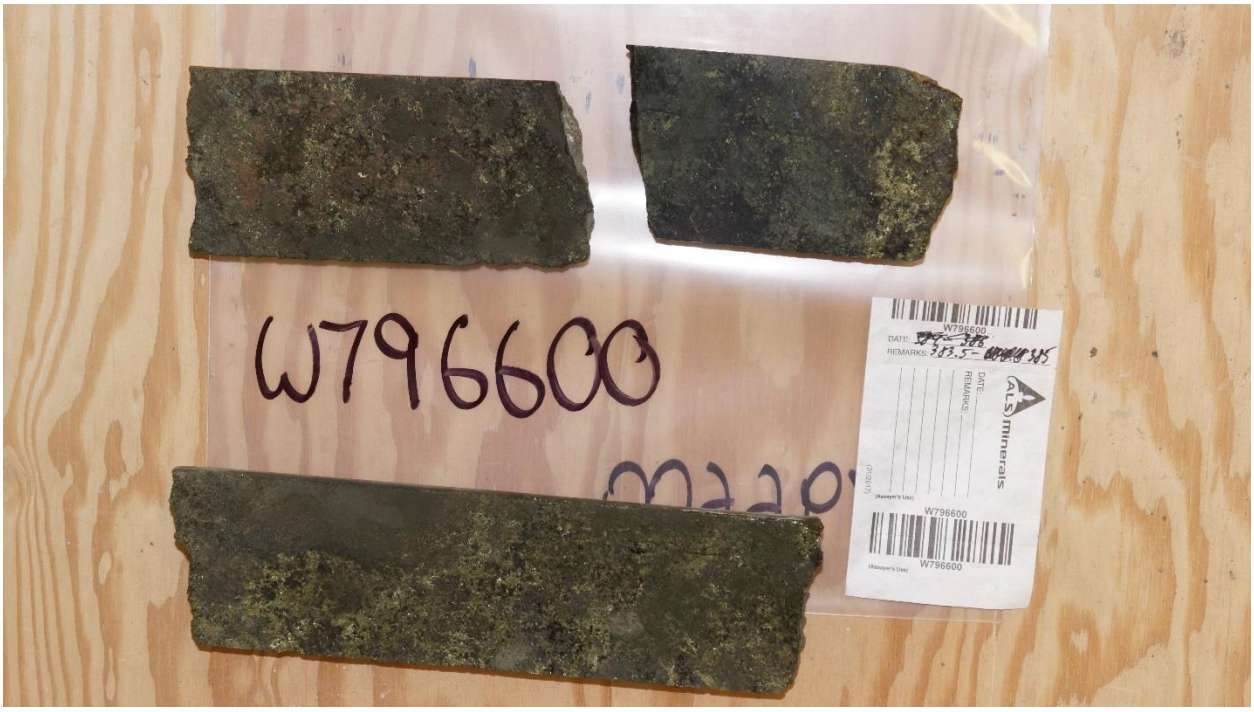

Photo 3. W796600 strongly mineralized skarn with semi-massive chalcopyrite-pyrite assaying 12.35% Cu over 1.5 feet.

Hole 2017A2: Hole 2017A2 was drilled from the same pad as Hole 2017, towards the southwest at an azimuth of 191 and dip of 75 degrees. The hole intersected hornblende quartz diorite with several cross cutting intermediate dykes. Mineralization was observed within the intrusive consisting of local sections of disseminated bornite-chalcopyrite-pyrite-molybdenum dominated generally by one constituent or another and concentrating as globules in minute fractures. Mineralization hosted in the intrusive returned 5.64 meters of 0.25% Cu and 0.02% Mo from 145.99 to 151.64 meters and 3.05 meters of 0.399% Cu from 156.67 to 159.72 meters.

Photo 4. S057201 mineralized hornblende quartz diorite 1.14% Cu over 2 feet.

Hole 2017B: The hole is located in the southern mineralized zone, historic drilling intersected mineralization at depth, drilled at a 75 and azimuth of 191.The hole was planned to test shallower mineralization drilled at a 45 and azimuth of 191. Recent previous trenching (less than 30 yrs old) above the hole exposed surface mineralization, this hole was also intended to test the depth and continuity of the surface mineralization. The southern area is the location of underground reserves, determining near surface mineralization may allow for more economical open pitting methods.

2017B intersected high grade copper and significant gold-silver mineralization; 4.88 meters of 7.206% Cu, 65.67 g/t Ag, 0.663 g/t Au and 0.0373% Mo from 72.92 to 77.8 meters and includes 21.85% Cu, 2.03 g/t Au and 181 g/t Ag over 1.07 meters. Mineralization consists of semi massive chalcopyrite and bornite up to 50% encompassed with disseminated interstitial bornite, chalcopyrite and lesser molybdenum and local magnetite within the fine grained garnet-actinolite-chlorite-wollastonite calc-silicate skarn.

Hole 2017B also intersected 2.67 meters of 0.648% Cu in deeper in the skarn horizon and 0.648% Cu over 8.2 meters from a section of calc silicate skarning and lesser mineralized adjacent quartz diorite that contained minute fractures and disseminations of pyrite with lesser chalcopyrite and bornite that is associated with increased fracturing and pervasive chloritization.

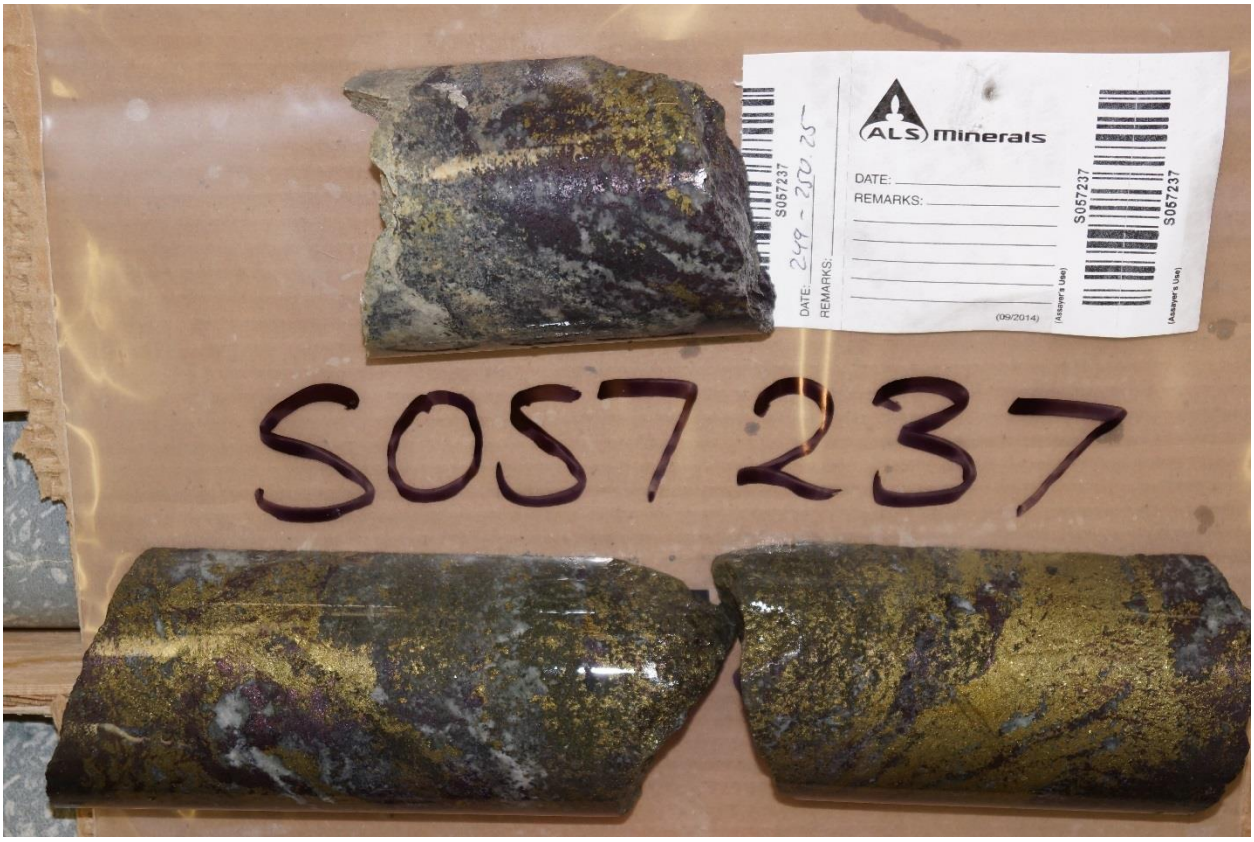

Photo 5. S057237 strongly mineralized skarn with massive chalcopyrite-bornite assaying 24.8 % Cu, 2.95 g/t Au and 181 g/t Ag over 1.25 feet.

Hole 2017C: The hole was a 40 meter step out from historic drilling and infilling a section of the previous closely spaced gridded drilling. It was drilled at a 90 to test for extensions of the lower skarn.

from 56.54 to 127.1 meters the hole intersected 55.7 meters returning 0.847% Cu, 0.142 g/t Au, 5.53 g/t Ag and .047% Mo. Only 55.7 of the 70.56 meter interval was sampled; omitted sections from sampling consisted of cross cutting intermediate dykes and barren skarn or intrusion. Mineralization consisted of disseminated interstitial bornite-chalcopyrite-pyrite-molybdenum-magnetite in varying quantities often dominated by one constituent or another. Bornite-chalcopyrite-pyrite-molybdenum also concentrated in minute fractures within the garnet or diopside dominated skarn generally with varying amounts of wollastonite, thulite, actinolite and calcite with alternating degrees of chloritization and epidotization.

Photo 5. S057237 strongly mineralized skarn with semi-massive chalcopyrite-bornite assaying 8.34 % Cu, 0.92 g/t Au and 55.3 g/t Ag over 1.5 feet.

2017 YMEP Program Expenditures

The total expenditures for the 2017 YMEP Program is $122,280.71. These costs entail drilling and transportation, core logging and assays. Invoices, analytical certificates and receipts are in Appendix II of this report and a summary of 2017 expenditures is listed below.

2017 YMEP Expenditures

Drilling and Transportation	$72,998.84
Core Logging	$15,573.98
Assays	$33,077.89
Drill hole targeting	$630.00
Total	**$122,280.71**

Conclusion and Recommendations

Positive results from the 2017 drilling and 2016 logging suggests further work is warranted on the Cowley Park project. Results from the 2017 program have indicated extensions of extensive copper mineralization with notable gold, silver and moly credits to the eastern and southern portions of the Main Zone and lower grade Cu-Au-Ag-Mo mineralization west of the main zone. Shallow drilling in the South zone (underground reserves) suggest extensive mineralization exists close to surface and may allow for more economical open pit methods.

Further drilling is recommended to expand on extensive copper mineralization indicated east and south of the main zone and beyond the original pit designs. In addition, further drilling is recommended to test for shallow mineralization in the south zone and towards the west of the main zone were little drilling has been done despite mineralization can be seen in old workings and outcrops.

It is recommended that prior to drilling the historic data be compiled and digitized and remaining 2008 unprocessed core be logged and assayed. Particularly previous holes that intersected high grade bornite bearing Cu-Au-Ag-Mo mineralization and the South zone that accounts for 44% of the historic reserve in the underground category. Generally, a geochemical or geophysical survey would be recommended prior to further drilling to determine if any outlier mineralized zones may exists beyond the known mineralization; however, based on previous exploration work on the property geochemical surveys results indicate a strong glacial drift component and magnetic surveys despite locally high abundances of magnetite display strong interference from graphitic material within the limestones and marble. Therefore, it is recommended that prior to drilling preliminary prospecting and mapping be carried out. Prospecting and preliminary mapping should be used to determine sites obscured by till for trenching and later drilling. Historic geochemical soil surveys and IP geophysics outline anomalies to the area south and west of the Cowley Park deposit and offer excellent immediate targets for future exploration (Figures 7, 8 & 9).

Easy access and good infrastructure allows for cost-effective exploration and makes the Cowley Park feasible if advanced developments are made. In addition, to recent drilling that has extended known mineralization several factors could allow for a significant boost to calculated reserves. Reserves calculated in 1965, 1971 and 1979 likely used a conservative estimation with a high cut-off to sustain economic profitability while copper prices were low. Furthermore, improvements in technology and recovery systems would likely boost recovery and offer lower cut-off grades. Based on recorded correspondence from Whitehorse Copper Mines in 1981 (Hureau, 1981), suggests approximately 100,000 tonnes of 0.9 % Cu ore exists below pit level of the Main zone. In addition, higher grade mineralization in the main zone was interpreted in two main lobes with a lower grade shell; however, 2008 drilling intersected high grade mineralization

between the two main lobes indicating better continuity between the zones. These factors coupled with infill drilling and further step outs would allow for a significant increase in reserves.

Statement of Qualifications

I Nicolai Goeppel am a local Yukon prospector/geologist and owner to Higher Ground Exploration Services. I completed a BSc in Earth Sciences at Memorial University in January 2014. I'm born and raised in the Yukon with placer roots in the Freegold Mountain area near Carmacks. I've been involved in geology since 2009 starting with two field seasons with the YGS and have since worked in the mineral exploration industry all across Yukon, BC and in parts of Newfoundland. This work entailed prospecting, bedrock mapping, soil/silt/biochemical sampling, ground VLF/magnetics/EM surveys. This experience also involved management and planning of numerous green field exploration projects. More recently in 2016 and 2017 where I managed and planned a multi-million-dollar exploration program that encompassed the BC coastal mountains from Bute inlet to Atlin, BC that ground truthed over 300 targets and personally discovered multiple high grade finds including grades up to 36,875 g/t Ag and 92.8 g/t Au from brand new hardrock discoveries. The discoveries led to property options to both Goliath resources and Juggernaut exploration. In addition, I visited various world class porphyry and related deposits in Chile and Bolivia, including Chuquicamata, Cerro Rico and Escondida.

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Appendix I

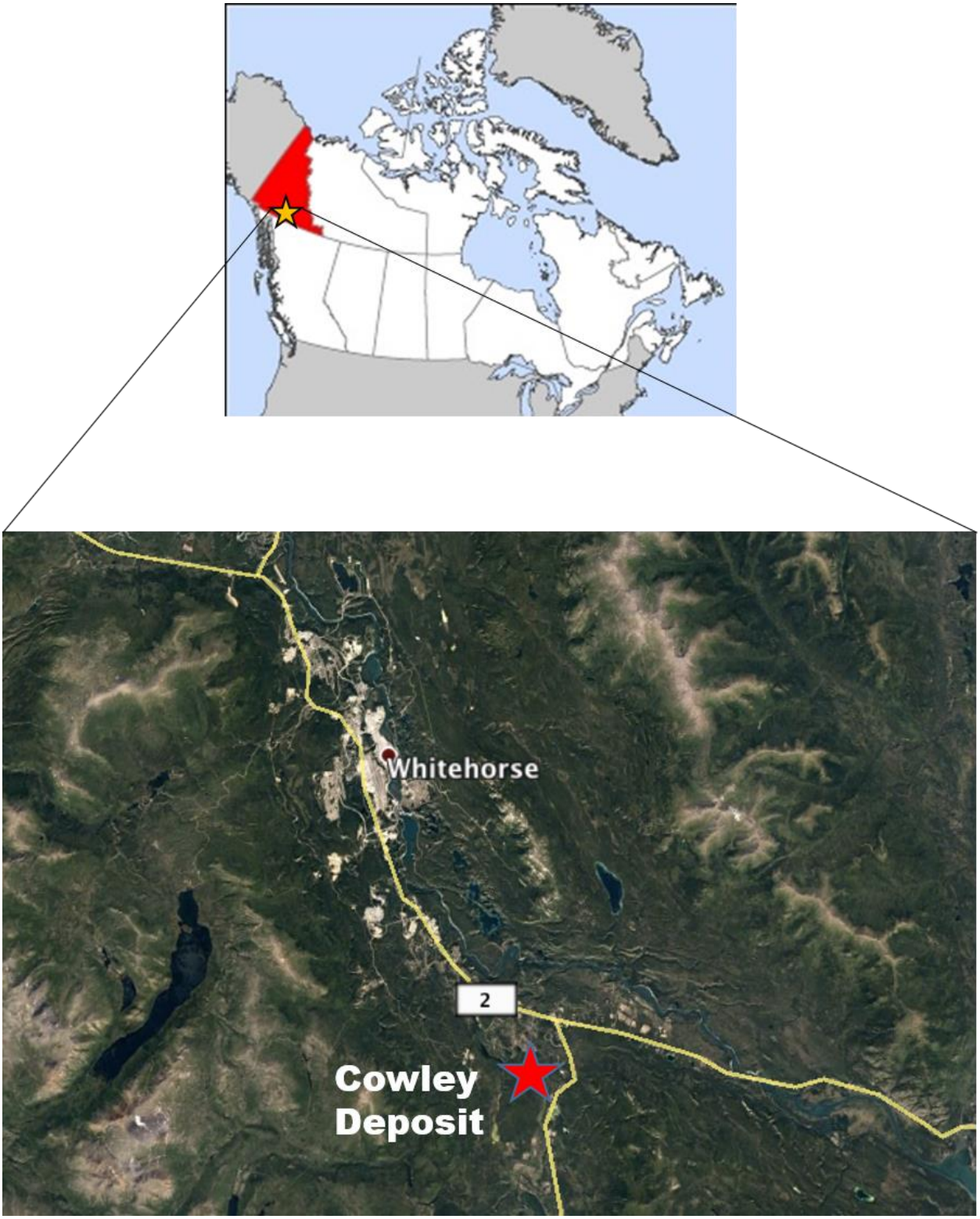

Figure 1. Location

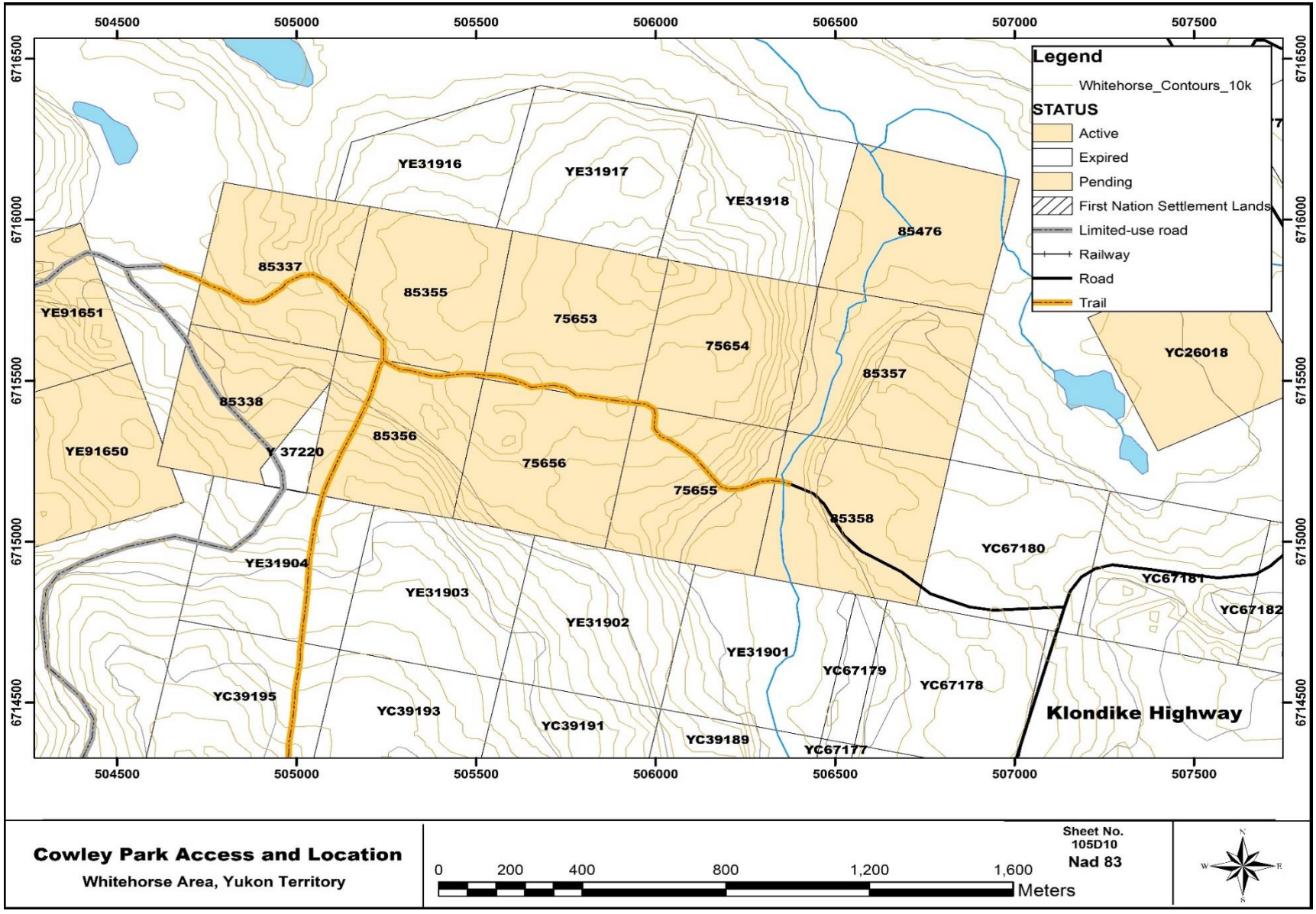

Figure 2. Cowley Park Project Location and access.

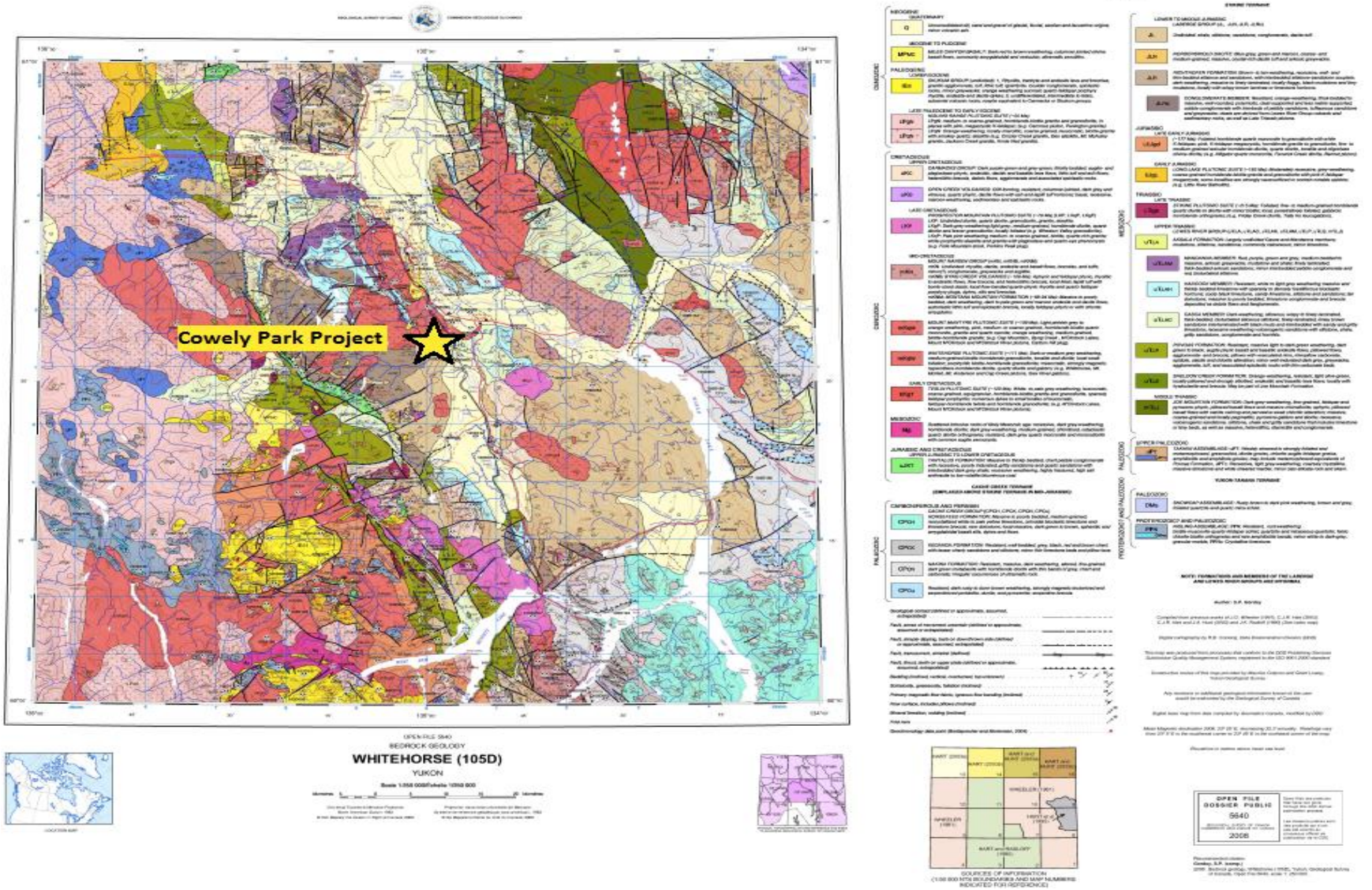

Figure 3. Regional Geology Whitehorse Area (Gordey, Steven, 1951)

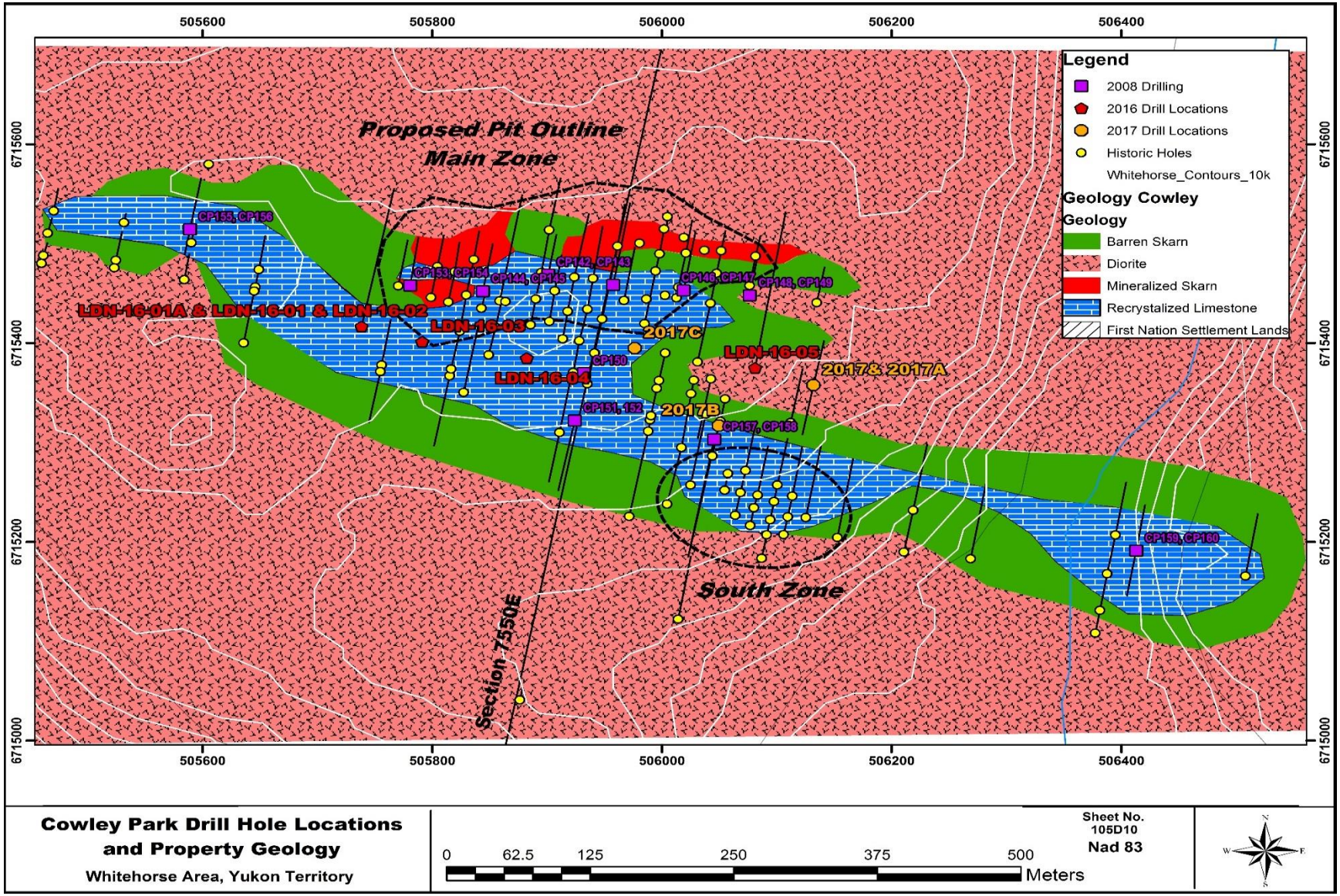

Figure 4. Property Geology and Drill Locations

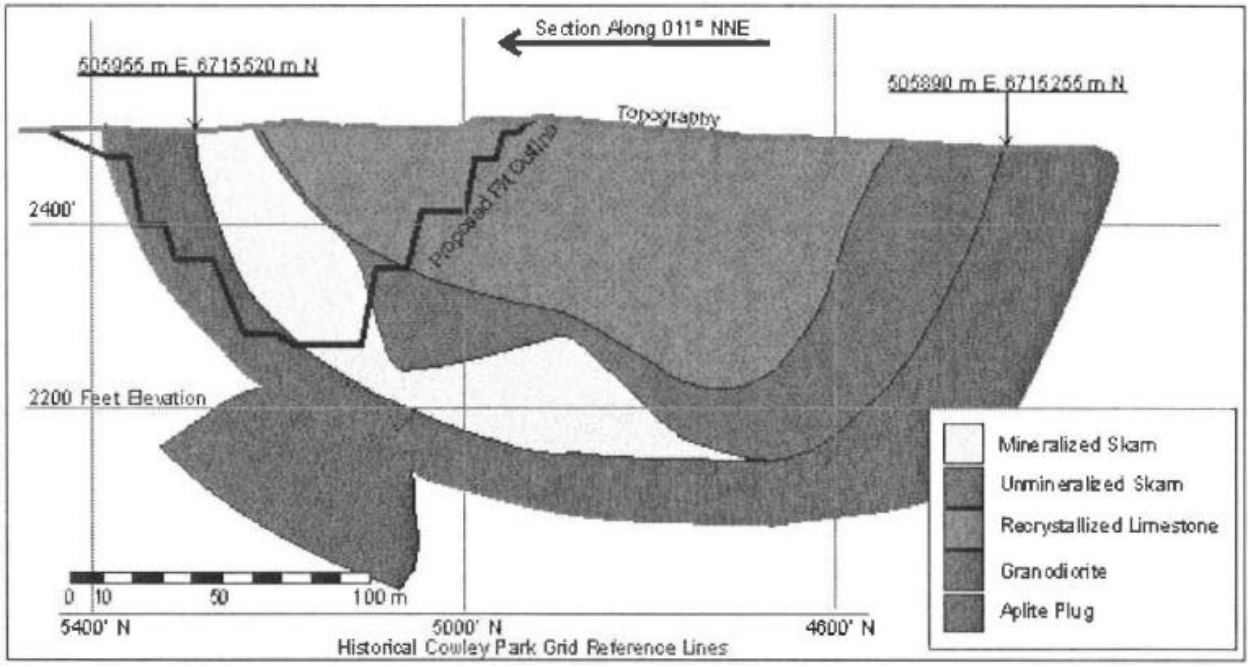

Figure 5. Cross-section 7550E through deposit with proposed pit outline (Modified after Tenney, 1981).

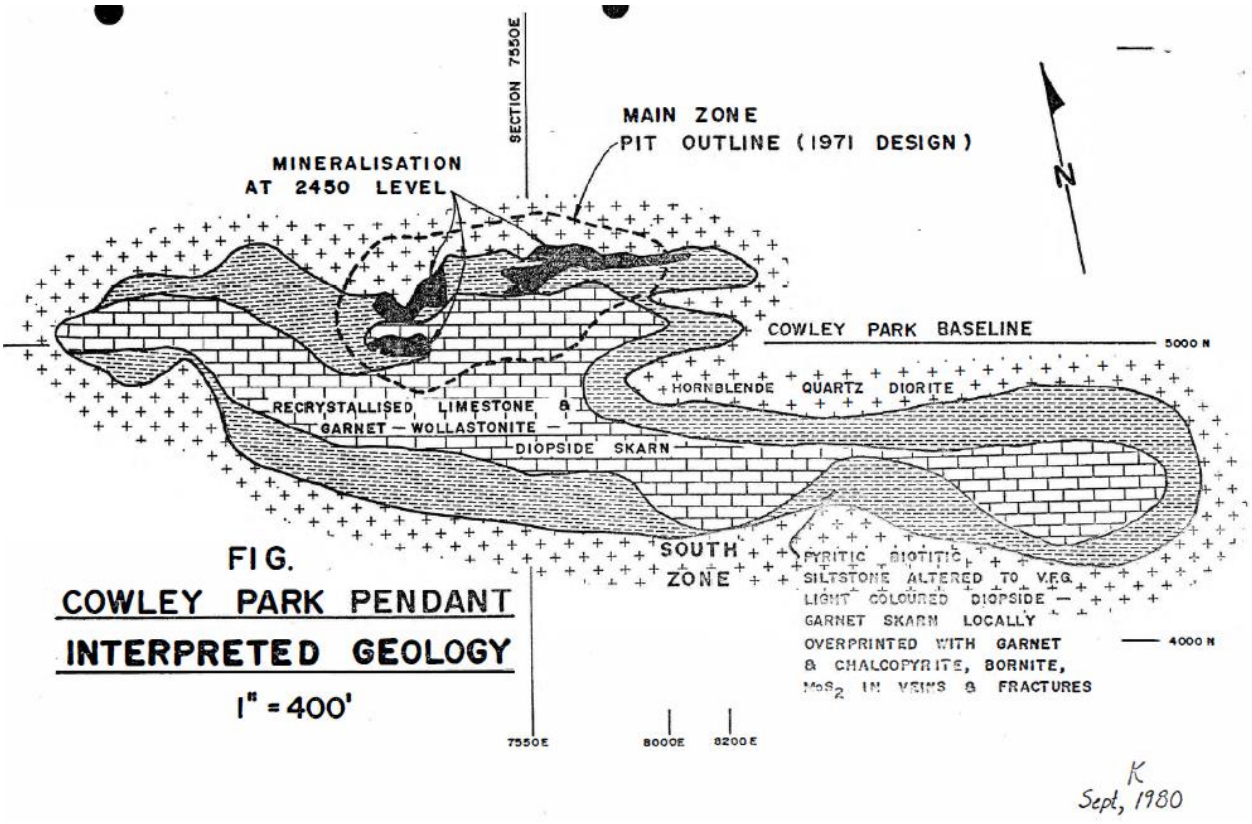

Figure 6. Geology and mineralization at 2450 level (Tenney, 1981).

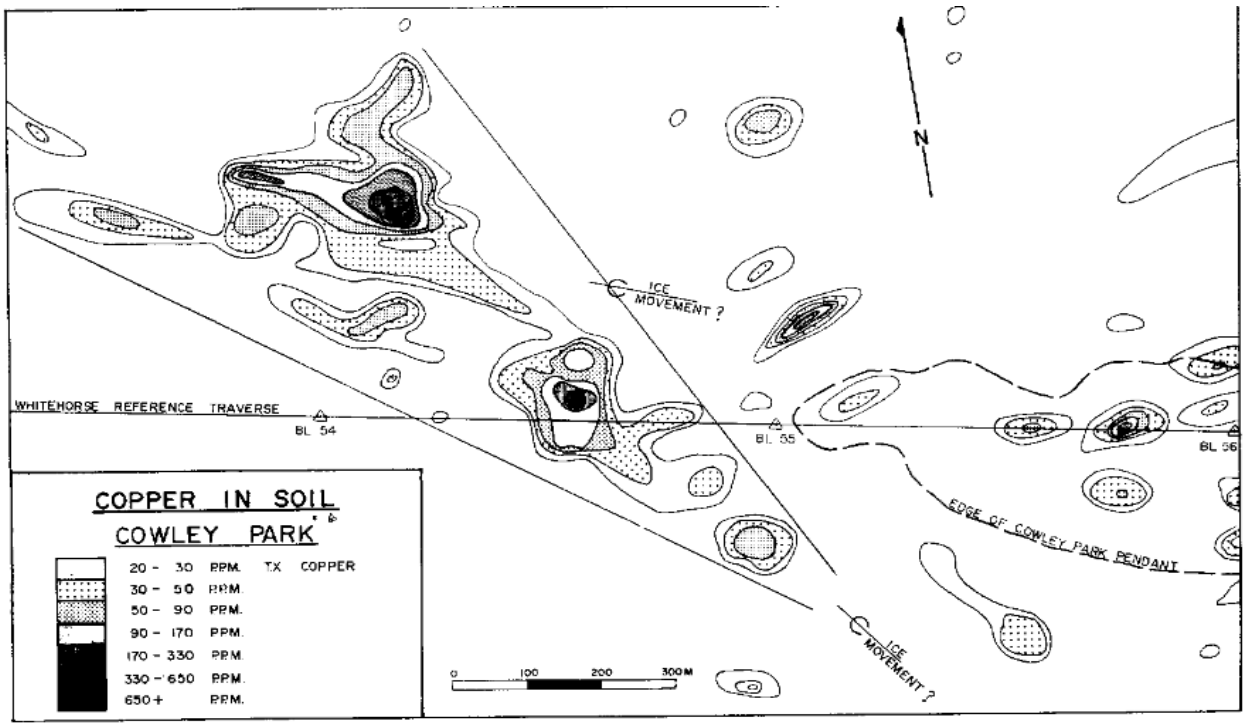

Figure 7. Geochemical soil survey, (Tenney, 1981)

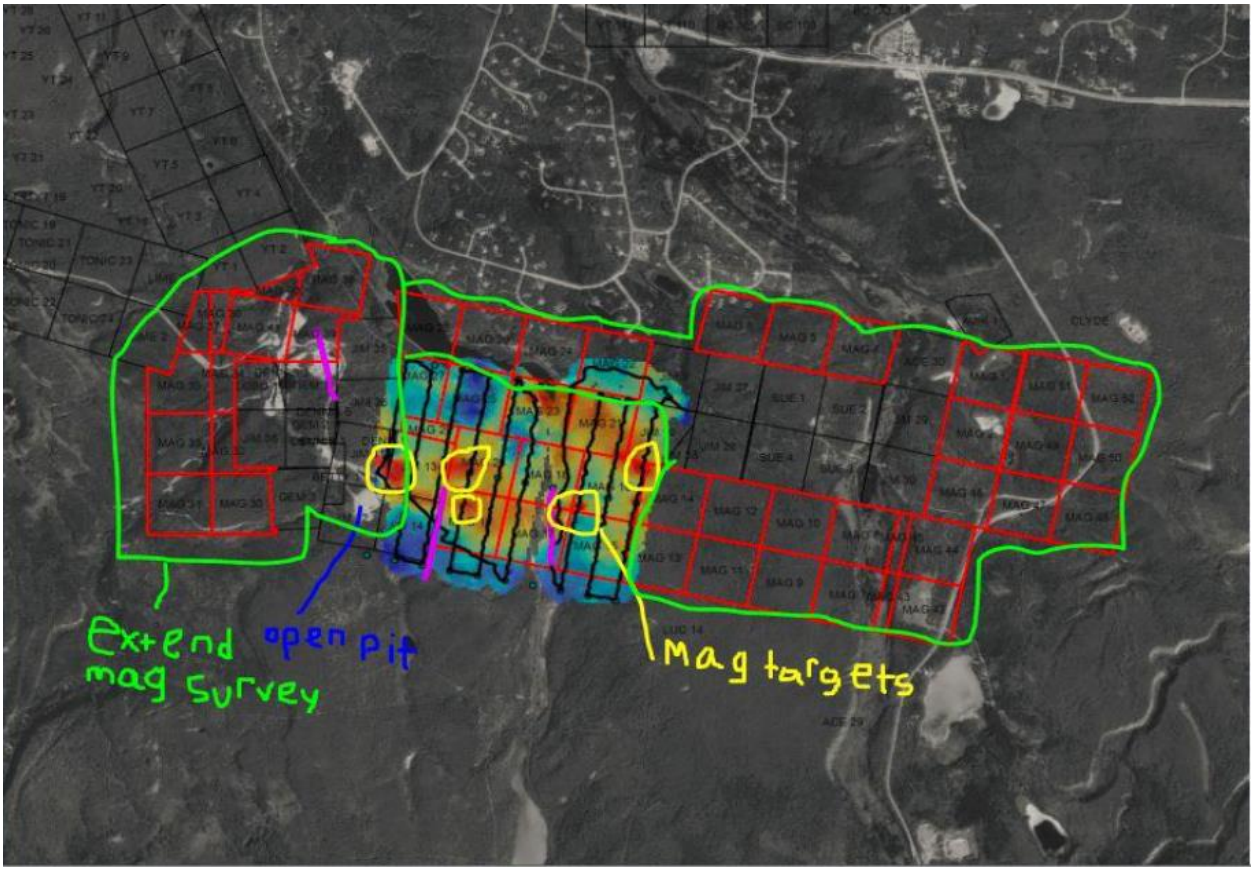

Figure 8. Magnetic anomalies west of Cowely Park, yet to be followed up (Wengzynowski, 2014).

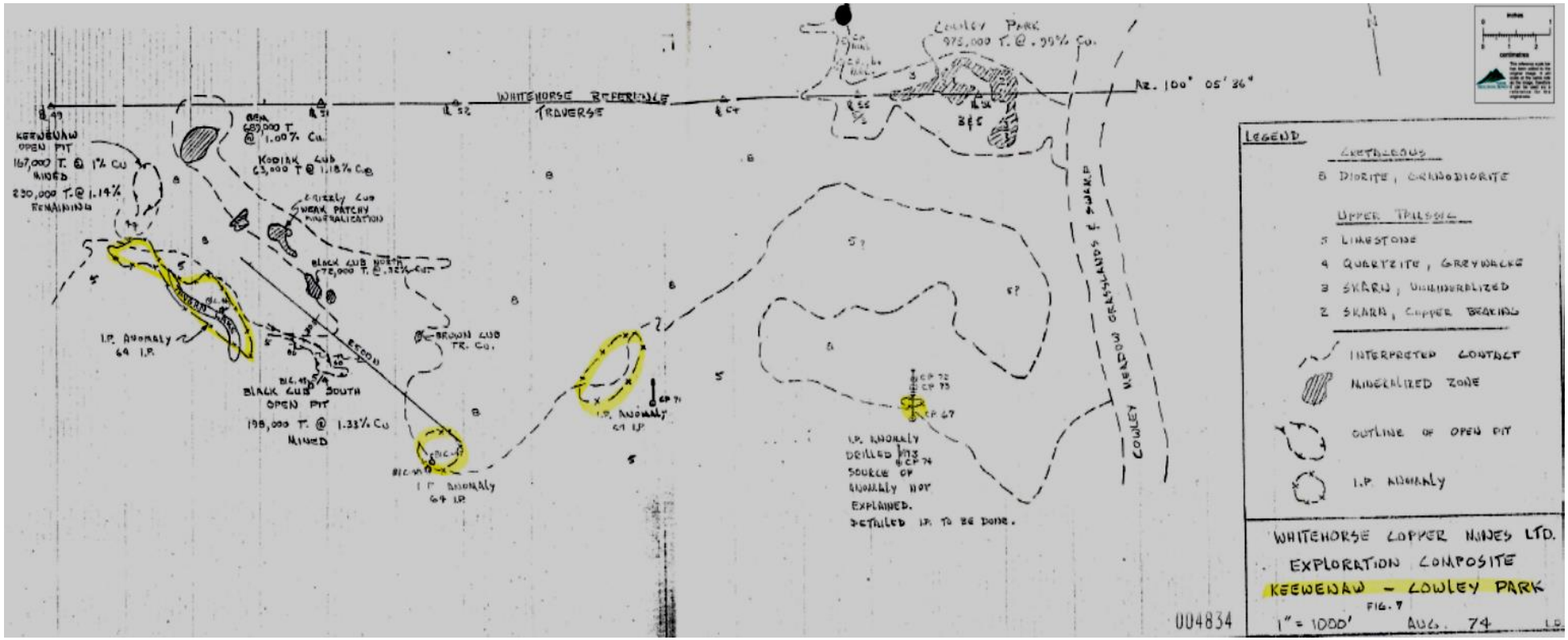

Figure 9. Historic IP anomalies near Cowley Park, (Whitehorse Copper Mines Ltd., 1974