

Technical Report on the
SNOWSTORM COPPER-SILVER PROJECT
Shoshone County, Idaho, USA



Prepared For
Daycon Minerals Corporation

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COVER PHOTO

Snowstorm Project. Looking north from I-90 at Snowstorm Peak with Little North Fork drainage to the right. Snowstorm Mine is in the left-center of photo above the power line corridor.

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Technical Report on the Snowstorm Copper-Silver Project, Shoshone County, Idaho, USA

1.0 SUMMARY

This Technical Report on the Snowstorm Copper-Silver Project was prepared by the Qualified Person (“QP”) at the request of Daycon Minerals Corporation (“Daycon”).

Daycon, together with its wholly-owned subsidiary Daycon Minerals Inc., is the current holder of the Snowstorm Project, which includes the former producing Snowstorm Mine, and which is adjacent to the Lucky Friday claim block hosting the Lucky Friday Mine of Hecla Mining Company (“Hecla”) in the world-famous Silver Valley in the state of Idaho, United States of America.

The primary mineralization at the Snowstorm Project, and the metals focus of Daycon is copper (“Cu”) – silver (“Ag”), similar to nearby Revett-hosted deposits at the Troy Mine and at the world class Rock Creek and Montanore deposits, all of which have been recently acquired by Hecla. As such, Hecla now holds 3 of the 4 known Revett-hosted, stratabound Cu-Ag deposits, while Daycon owns the fourth.

In all, the Snowstorm Project comprises 53 patented claims, one parcel lot, 59 unpatented lode claims and one unpatented tunnel site covering approximately 788 hectares (1,948 acres). Additionally, Daycon holds Idaho Water Right 94-2064 allowing 1 CFS (cubic foot per second), or 26,928 gallons per hour, for mining purposes from Gentle Annie Gulch Creek located on the Snowstorm Project. This Water Right will allow Daycon sufficient water usage for exploration, development or mining purposes without having to go through lengthy permitting processes.

In addition, Daycon holds 4 unpatented lode claims in Montana at the eastern limit of the mineralized trend (the “Chipmunk Claims”).

While the Snowstorm Project does not have a current NI 43-101 compliant mineral reserve or resource estimate, a considered and updated review of all relevant factors indicate a significant potential for the Snowstorm Project.

The Lower Revett, which is mineralized in all the other known stratabound Revett-hosted deposits, has been largely ignored at the Snowstorm Project. The Rock Creek and Montanore ores occur in Lower Revett quartzites, and the Troy Mine developed and produced copper-silver resources from several quartzite beds in the Lower Revett. Lower Revett exposures in Military Gulch, just north of the Snowstorm Project, are known to contain stratabound copper-silver mineralization. The Lower Revett has not been adequately explored at the Snowstorm Project.

Recent drilling by Daycon (2014) discovered significant stratabound, disseminated sulfide mineralization in quartzite horizons in the Lower Revett that are comparable to the mineralized quartzite horizons at the Rock Creek and Montanore deposits. Daycon’s 2015 surface mapping and sampling program at Snowstorm demonstrated that the surface exposures of the Lower Revett show more pervasive and widespread mineralization and alteration than is found in the Upper Revett. Strong Cu and Ag soil geochemical anomalies overlie the Lower Revett in the Little North Fork drainage, and Lower Revett quartzites exposed in the National Tunnel were historically reported to range up to 3% Cu and 3 opt Ag.

A combination of: 1) the potential size of Revett-hosted copper-silver deposits, 2) the richness of the ore shoot in the historic Snowstorm Mine, 3) the 5.5 km (3.5 mi) strike length under Daycon’s control of the mineralized Revett horizons, 4) the existence of recently discovered mineralized

horizons in the relatively unexplored Lower Revett, 5) historic gold production from the Snowstorm Mine of 0.1 oz Au/ton, and 6) the new insights on the timing and chemistry of Revett type deposits make the Snowstorm Project a compelling exploration target. Combined with the location of the Snowstorm Project in the mining-friendly State of Idaho, and its specific location in the world-renowned Silver Valley adjacent to the Lucky Friday Mine claims, the outlook for future mineral activity at the Snowstorm Project has a high potential for exploration success.

Daycon's exploration activities to date, namely the 2014 drilling program and the 2015 field mapping and sampling program, confirmed the Lower Revett target as extremely positive and validated the high potential for future advancement of the project. In addition, preliminary exploration consisting of IP/Resistivity and Magnetic surveys for the faulted-off high-grade ore shoot that was the site of the historic production at the Snowstorm Mine should be implemented.

It is the opinion of Daycon and the QP that should the recommended core drilling program outlined in this report be carried out for a total of 28 holes over two years, a meaningful initial resource could be delineated after the end of the program, allowing for a quick decision on further exploration or development.

Background

On June 6, 2012, Daycon entered into two Exploration and Option to Purchase Agreements with Timberline Resources Corporation ("**Timberline**") (the "**Transaction**"). One of those agreements was in respect of the Snowstorm Copper-Silver Project in Idaho (the "**Snowstorm Project**") while the other related to six separate copper-silver prospects in Montana (the "**Montana Prospects**"). The Snowstorm Project and the Montana Prospects represented the complete portfolio of copper-silver properties acquired by Timberline commencing in 2004, and which were later inventoried by Timberline in 2006 in favor of its focus on a portfolio of gold properties in Montana and Nevada.

The Transaction was publicly announced by Timberline in a press release dated June 7, 2012.

The Snowstorm Project

Under the terms of the Exploration and Option to Purchase Agreement for the Snowstorm Project (the "**Snowstorm Option Agreement**") between Daycon and Timberline, Daycon was granted a five year option (the "**Option**") expiring on June 6, 2017 to acquire all of Timberline's 100% interest in the Snowstorm Project. Timberline's interest was represented by ownership of 45 patented mining claims and 39 unpatented mining claims (the "**Snowstorm Claims**") and a further eight patented mining claims (the "**Snowshoe Claims**") by way of mining lease (the "**Snowshoe Mining Lease**") between Timberline and Snowshoe Mining Company ("**Snowshoe**"), which mining lease was assigned to Daycon as part of the Transaction.

Under the terms of the Snowstorm Option Agreement with Timberline, Daycon was required to initially issue 500,000 common shares valued at \$0.25 each to Timberline. To keep the Option in good standing, Daycon was further required to issue 500,000 common shares valued at \$0.25 each to Timberline on each of June 6, 2013 and 2014, and to complete qualifying work expenditures for three years commencing June 6, 2014 of a minimum of \$250,000 per year. Finally, to exercise the option, Daycon was required to pay to Timberline \$1,500,000.

In August 2013, the Company entered into an amending agreement with Timberline whereby Timberline transferred all right, title and interest in the Snowstorm Property for a final issuance of 500,000 common shares, and all remaining option work or acquisition payments were deleted. No other option payment or exploration expenditures are required such that the Company is now the owner of the Snowstorm Property in consideration of Timberline having been issued a total of 2.0 million shares at a deemed price of \$0.25 per share.

The Snowstorm Project comprises both patented and unpatented claims. Unpatented claims at Snowstorm require approval of any exploration work that involves mechanical surface disturbance by the United States Forest Service ("**USFS**"). With patented claims, approval of USFS is not required, thus avoiding time delays for permitting, which significantly shortens the time horizons to achieve project goals.

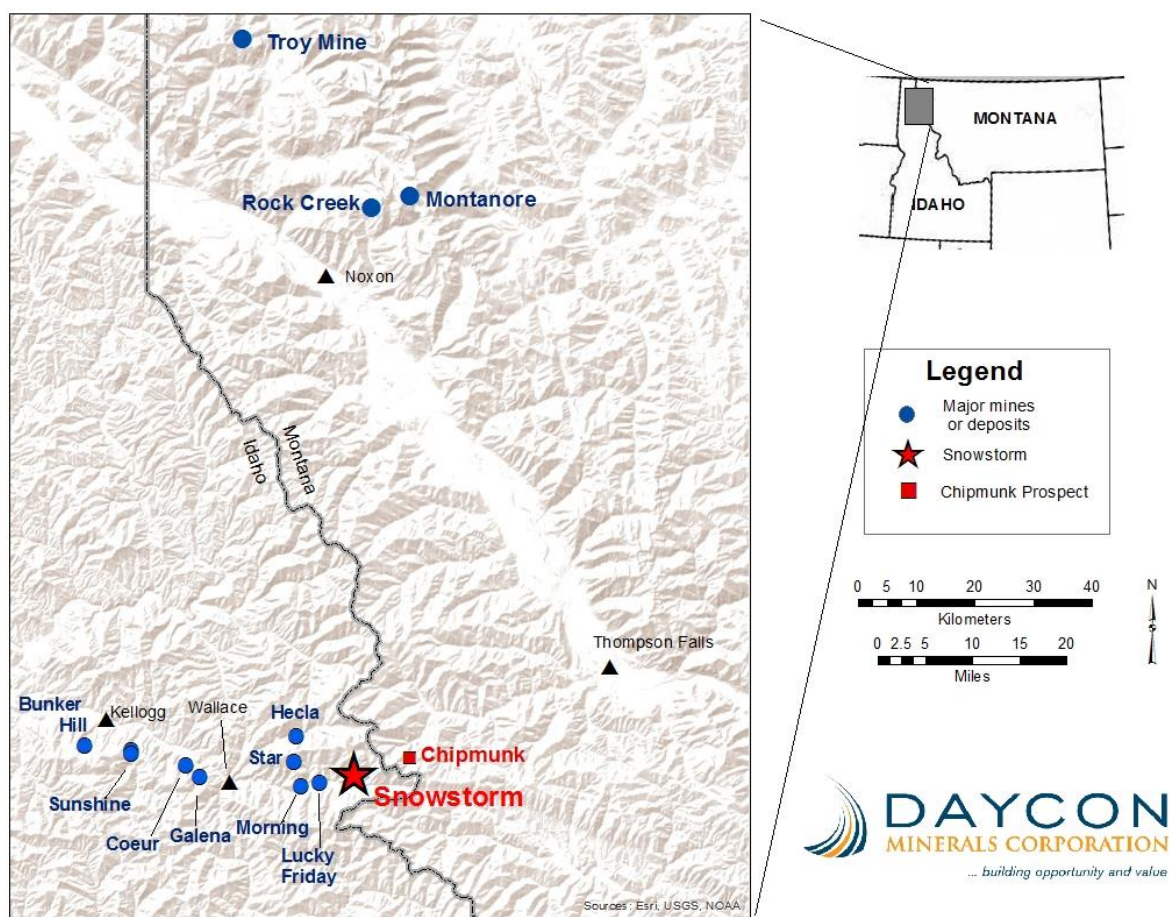
The Montana Prospects

At the same time as closing the Transaction, Daycon completed a second transaction with Timberline for the Montana Prospects; Clear Peak, Copper Rock, Minton Pass, Lucky Luke, East Bull and Standard Creek. Taken with the subsequently acquired Ripper Gulch Prospect in Montana, Daycon then held 8 properties – the Snowstorm Project which is the subject of this Report, and seven separate highly prospective exploration prospects totaling 238 claims covering over 1,925 hectares (4,760 acres), all strategically located with reference to outcrops of Revett Formation identified by the United States Geological Survey.

In August 2013, the Company entered into an amending agreement with Timberline whereby Timberline transferred all right, title and interest in a reduced claim position in the Montana Properties for and in consideration of \$1.00. In addition, a 3% royalty was reduced to 2%, which could then be further reduced to 1% at any time for \$1,000,000 USD for all prospects, as opposed to for each prospect as previously was the agreement. No option payment or exploration expenditures are required such that the Company was then the owner of the reduced Montana Prospects in consideration of Timberline being issued a total of 300,000 common shares at a deemed price of \$0.25 per share. In Montana. These claims – along with the Ripper Gulch (11 claims) and Chipmunk (4 claims) - totaled 50 claims.

In summary, Timberline was issued and is the owner of 2,300,000 common shares of the Company.

In September 2013, the Company dropped all the Montana Prospects, other than the Chipmunk Claims which it had staked directly, in order to concentrate solely on the Snowstorm Project.



Hecla Royalty

At the time of the Transaction, all of the Snowstorm Claims were subject to a net smelter royalty of 4% to Hecla (the “**Original Hecla Royalty**”). The Original Hecla Royalty was reduced to 1% and extended to the Snowshoe Claims as part of an agreement between Daycon, Hecla and Timberline, which closed on January 18, 2013 for the issuance of 500,000 shares of Daycon, being 4.56% of the issued shares of Daycon at that time (the “**New Hecla Royalty**”), as detailed below.

At the same time, Hecla was granted a pre-emptive right to maintain its 4.56% shareholding on future share issuances. Hecla's shareholdings subsequently fell below 4% such that the pre-emptive right was terminated.

Timberline also held a pre-emptive right, which was at 17.8%, that has since been terminated.

Snowshoe Mining Lease

Under the terms of the Snowshoe Mining Lease with Snowshoe, which was dated May 23, 2005, Daycon as assignee was granted exclusive rights to explore and mine minerals until May 23, 2025, with a right to extend for a further period of ten (10) years (which had been exercised). A 3% NSR royalty was payable as a production royalty, and advance royalties of \$15,000 were due on May 1 of each year. Daycon was obligated to expend annually a minimum of \$10,000 in exploration expenditures. A total of \$96,000 was paid as advance royalties by Timberline.

As regards the Snowshoe Mining Lease, the Company entered into an agreement with Snowshoe dated April 1, 2013 providing for the issuance of 300,000 common shares of the Company at a deemed price of \$0.40 USD per share in consideration of the lease being extended to May 23, 2025 at a rate of US\$1.00 per year with US\$13.00 confirmed as paid, with a further ten year right of renewal (which was exercised) together with the suspension of all payments otherwise due for so long as the purchase option is in effect. The Company was granted an option to purchase all 8 patented claims for USD \$200,000. In order to maintain the option, the Company was required to issue (and has issued) 65,000, 65,000 and 70,000 shares, respectively, on each of April 1, 2014, 2015 and 2016 at the same deemed price of \$0.40 USD per share. If not exercised, the Company would owe Snowshoe \$25,000, and the production royalty, advance royalty and annual minimum work expenditure requirements which were suspended while the purchase option was in effect would once more become effective.

During the year ending December 31, 2018, Daycon exercised its option to purchase the 8 patented claims from Snowshoe at the agreed price of US\$ 200,000 payable US\$ 50,000 on closing (paid), and on June 1 2019 (paid), with two further installments of US\$ 50,000 on each of the second and third anniversaries of closing, without interest. Daycon granted a non-assignable, limited recourse mortgage over the purchased claims to Snowshoe to secure payment and issued 500,000 common shares to Snowshoe for consideration of \$1 in connection with the transaction.

Additional Claims

In December 2012, Daycon received confirmation that the Bureau of Land Management (“**BLM**”) had approved the filing of 13 additional unpatented lode claims to the southeast of the Snowstorm Project. These claims, known as SB1-13 (the “**SB Claims**”) were staked by Daycon after being allowed to lapse by the prior owner. The SB Claims comprise part of the overall Snowstorm Project and are subject to the New Hecla Royalty.

Daycon staked an additional 6 unpatented lode claims and 1 unpatented tunnel site, known as the National Group, on open ground surrounding the Snowstorm Project in 2013. This group includes the Apex#1, NAT2, SB14 to SB17 claims, and National Tunnel #4 site. These claims are held by Daycon and are not subject to any royalty.

During 2019, Daycon staked one additional unpatented lode claim know as DP#1, which is not subject to any royalty.

Past Work

The Snowstorm Project has a long history with several producing mines: the historic Snowstorm, Snowshoe, Lucky Calumet and Missoula Mines. At the turn of the century, records indicate the Snowstorm Mine produced approximately 800,000 tons at 4% Cu, 6 opt Ag and 0.1 opt Au, making the Snowstorm Mine one of the most prolific producers at the time. The last reported production was in 1925. The past production was from an ore shoot occurring in the Upper Revett that faulted off; the faulted-off shoot remains a valid exploration target for Daycon.

The historic Snowshoe, Lucky Calumet and Missoula mines, which as noted are also part of the Snowstorm Project, are located northwest of the Snowstorm Mine along the mineralized Snowstorm Trend. In the National Tunnel, historical grades ranged up to 3% Cu and 3 opt Ag over a 40-50-foot width in both the 1200 and 800 levels from disseminated copper sulfides in the Lower Revett (Umpleby and Jones, 1923). U.S. Borax sampled a 20-foot width of 1% Cu and 1.46 opt Ag that was likely in Lower Revett in the Missoula #3 Tunnel.

The “Snowstorm Trend”, as used in this Report, is defined as the mapped surface exposure of the Revett mineralized horizons that hosts the Snowstorm Mine, and which includes the 5.5 km (3.5 mi) exposure that can be traced on properties controlled by Daycon. There is no recorded production from the Snowshoe, Missoula or Lucky Calumet mines, even though the size of the mine dumps indicates extensive workings. High-grade samples containing bornite and/or chalcocite have been reportedly collected from waste rocks on the dumps of these mines.

According to Ransome and Calkins (1908), the mostly oxidized ore from the Snowstorm Mine was transported on a Riblet tram to a leaching plant that reportedly attained 97% recovery. After the mill and plant were disassembled and shipped to Montana in 1915, ore was direct-shipped to smelters in Butte, Montana for silica flux with by-product copper and silver.

Since production ceased, several companies have conducted sporadic exploration and work programs, the most recent of which were by Hecla in the 1980’s and Timberline in the 2000’s. No work was done on the property after 2005 until Daycon’s drill program in 2014 and surface field work in 2015. Since that time, Daycon has focused on project interpretation and securing financing.

Distinct from the cross-cutting lead-zinc-silver veins typical of the Silver Valley, copper-silver mineralization at the Snowstorm Project occurs as Revett-type, stratabound, disseminated copper sulfides in quartzites of the Revett Formation. The steeply dipping, mineralized quartzite beds generally range from 10 to 20 meters (30 to 60 feet) thick and are oxidized within several hundred feet of the surface. The unusually rich grades, when compared to other Revett-hosted deposits, may be due, in part, to secondary enrichment. However, primary sulfide mineralization in the historic Snowstorm Mine was reported to contain grades similar to oxidized ores.

Daycon’s 2014 drilling program demonstrates that the Lower Revett mineralization discovered at Snowstorm is similar and comparable to the mineralization and stratigraphy found in the Lower Revett at Rock Creek and Montanore; all 3 properties have multiple mineralized quartzite horizons with disseminated copper sulfides, tetrahedrite and galena that range up to 70 feet (21 meters) in thickness. This report recommends further exploration by drilling favorable horizons in the Lower Revett, and in addition, recommends that IP/Resistivity and Magnetic surveys should be completed to explore for the faulted-off high grade ore shoot that was the site of the historic production at the Snowstorm Mine.

Project Location

The Snowstorm Project is located at the eastern end of Idaho’s famed Silver Valley. However, Coeur d’Alene-type vein mineralization is known to extend at least another 100 km (60 mi) east along the Lewis and Clark Line into Montana. The Snowstorm Project is primarily “stratabound Cu-Ag” mineralization in the Revett Formation and may have been enhanced by secondary enrichment during its deep oxidation. **The Snowstorm Project’s location as part of the Coeur d’Alene district trend, and its proximity to Hecla’s**

adjoining Lucky Friday Mine property with its deep, vein-type deposit, suggests the potential for the Snowstorm Project to also host Coeur d'Alene type veins.

The property is unique in that it is sited at the “convergence” of the Silver Valley with Revett Copper Sulfide Belt (“RCSB”) (Harrison, 1972), which leads to the possibility for significant mineralization at depth (Figure 2).

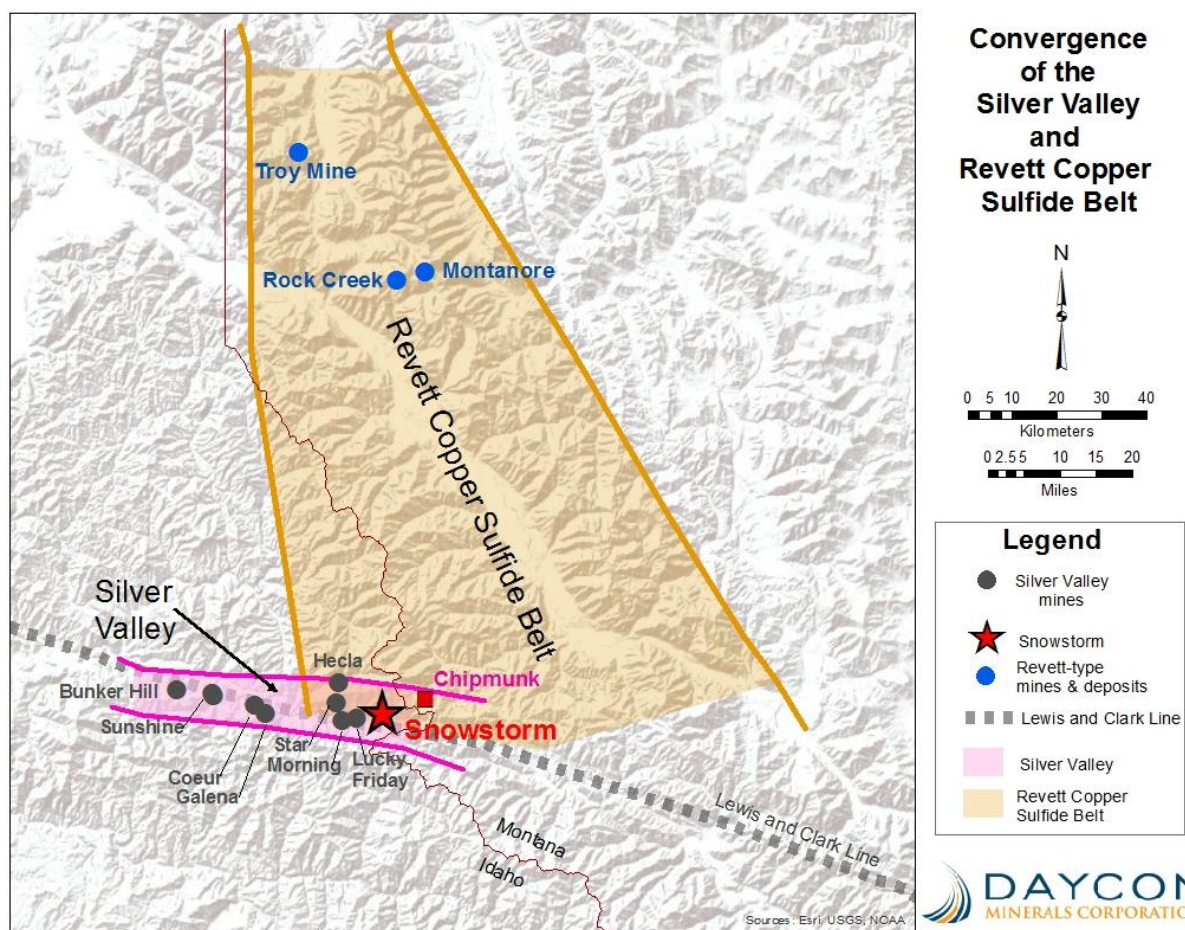


Figure 2. Location of Snowstorm at the Convergence of the Silver Valley (Coeur d'Alene Mining District) and the Revett Copper Sulfide Belt (RCSB)

More Recent Work by Hecla and Timberline

Hecla, as a result of its limited work in the late 1980's, defined a resource in a very limited area of the Snowstorm Project around the former Mine and at shallow depths of approximately 5 to 10 million tons of 1% Cu and 1 opt Ag. Hecla did not follow up on a further planned program of exploration. This resource may be regarded as an “historical resource” within the meaning of and subject to the limitations of NI 43-101. As an historical resource within the meaning of NI 43-101, this estimate is subject to limitations and qualifications, as fully set out in Section 3.

This area of mineralization, called the “Hecla Halo”, which surrounded the historic high-grade workings of the Snowstorm Mine, was considered uneconomic by Hecla. **That conclusion - for such grades being uneconomic – is not necessarily true today.** Area mines and projects, most notably the Troy Mine which produced for 35 years and the Rock Creek Project (formerly of Revett Minerals Inc. (“Revett”), now Hecla) and the Montanore Project (formerly of Mines Management Inc. (“MMI”), now Hecla), both of which forecast

20-30 year mines lives demonstrate that bulk-tonnage, low-grade, stratabound copper-silver deposits are viable.

Further it is the opinion of the QP, that given the high-grade ore produced from the historic Snowstorm Mine, the potential exists that grades at Snowstorm could far exceed the published resource grades at both Rock Creek and Montanore.

It should be noted that Hecla's inferred resource at Rock Creek and Montanore have grades of 0.7% Cu–1.5 opt Ag, and 0.7% Cu–1.6 opt Ag respectively. Moreover, the underground Troy Mine had demonstrated consistent cash operating costs of approximately \$30.00 per short ton (Revett Minerals, 2011 Financial Results).

Hecla, after its work program ended in 1990 and without pursuing its follow-up program, determined to joint venture Snowstorm. Timberline entered into an agreement with Hecla in 2004 by way of joint venture and option covering both the patented claims of Hecla and the unpatented claims of Timberline. Timberline undertook an exploration program in 2005 consisting of ten wide-spaced, shallow, diamond drill holes along the mineralized Upper Revett horizon at the property, the result of which was that every hole hit Cu-Ag mineralization but not with ore grade with sufficient thickness.

Subsequently, Hecla elected to not proceed with the joint venture, but instead transferred all interest in all claims to Timberline in return for the Original Hecla Royalty. Timberline studied proposals for further work at the Snowstorm and acquired additional properties in Montana (now known as the Montana Prospects as referred to above), but later determined to inventory its copper-silver portfolio in favor of its focus on a portfolio of gold properties in Montana and Nevada.

No work was undertaken at the Snowstorm Project since 2005 and before Daycon's drilling and surface field work programs in 2014 and 2015, respectively. All claims have been kept in good standing by Daycon.

Mineral Resource/Reserve

There is no NI 43-101 compliant mineral resource or reserve estimate for the Snowstorm Project.

Daycon's Focus

Daycon has determined to focus on the Snowstorm Project as its principal, flagship property, and for financing purposes. This Technical Report was commissioned to confirm the potential of the Snowstorm Project for such purposes.

The QP was engaged by Daycon with terms of reference to undertake a complete and thorough literature and report review of the Snowstorm Project, undertake initial exploration, and in light of modern views on geology, exploration and literature as to the nature of the deposit, recommend to Daycon a continuing program of work for the Snowstorm Project.

Recent regional age dating studies of Revett copper-silver deposits and the isotopic geochemistry of their deposition provide new tools to locate additional deposits. The Society of Economic Geologists dedicated its September 2012 issue of "Economic Geology" to publish the results of this and other research in the Belt Supergroup, and these studies have provided key concepts to understanding the current potential of the Snowstorm Project.

Evaluation of the Snowstorm Project, which is an advanced exploration project, by the QP indicates a high potential for exploration success. Based on Daycon's initial exploration programs and the available historic data, a significant, staged program directed to current evaluation of the copper-silver potential at the Snowstorm Project, primarily as Revett-type stratabound Cu-Ag mineralization with possible high-grade ore shoots containing significant gold mineralization, like the historic Snowstorm Mine, and with possible Coeur d'Alene type veins is highly warranted. The success of Daycon's recent exploration programs makes stratabound Cu-Ag mineralization in the Lower Revett the primary focus at the Snowstorm Project together with preliminary exploration for

the faulted-off high grade ore shoot that was the site of the historic production at the Snowstorm Mine.

Proposed Work

As such, the QP recommends the following two-year Snowstorm Work Program.

Generally speaking, the focus of the work is to capitalize on, and expand Daycon's initial exploration work with a two-year program of consisting core drilling and an IP/Resistivity survey along the mineralized Snowstorm Trend. An initial 12 core holes (14,400 feet) and geophysical survey are planned year 1 at an estimated cost of \$1,210,896. The drill program will be further expanded in year 2, both laterally and to greater depth with an additional 16 holes (24,000 feet) at an estimated cost of \$1,957,407.

Given the consistency of stratabound mineralization, Daycon's exploration results to date, and limited drilling required to estimate resources as evidenced by the 1,000-foot spacing used by both Revett Minerals and Mines Management, Daycon has good prospects to achieve results in short order and with reasonable exploration expenditures.

In addition, as noted, preliminary exploration consisting of IP/Resistivity and Magnetic surveys, for the faulted-off high grade ore shoot that was the site of the historic production at the Snowstorm Mine should also be implemented.

Target Areas

In the opinion of the QP, the Snowstorm Project contains three compelling exploration targets, especially for stratabound Cu-Ag mineralization in the Lower Revett (Figure 13, page 41). The QP agrees with and recommends those targets for initial focus by Daycon, and for a program of staged exploration as noted above to advance definition and understanding of the Snowstorm Project:

The three targets are:

Southeast Extension (Target 1) –Several possible mineralized horizons in the untested Lower Revett may exist beneath the Little North Fork of the Coeur d'Alene River. Lower Revett mineralization is strongly supported by the Bunker Hill soil geochemistry survey and Daycon's 2015 field examination along the trend of mineralized Revett horizons on both the east- and west-facing slopes just above the Little North Fork. Strong copper and silver geochemical anomalies in soil samples collected along the mineralized Revett horizons in the Little North Fork drainage are comparable to those collected above the historic Snowstorm Mine. Red hematite observed in surface outcrops and fragments from oxidized, bleached, Lower Revett quartzites is locally abundant and is probably derived from the weathering of copper sulfides. Some of the fragments are also highly stained with manganese oxides with possible neotocite on fracture surfaces, further suggesting the presence of copper in the unoxidized quartzites. Fine-grained, ragged, disseminated, glassy limonite was noted in several samples which may be the weathering products of chalcopyrite. White (1990) also noted probable disseminated chalcopyrite was encountered in the favorable Upper Revett horizon in Hecla's drill hole P-3.

Additionally, the extension of the high-grade, fault-truncated, Upper-Revett ore shoot in the historic Snowstorm Mine was likely shifted to the southeast of the Snowstorm Mine. White (1990) suggested that the Snowstorm ore-shoot extension may plunge at a shallow angle to the east beneath the mineralized Revett horizon exposed in the Little North Fork drainage. **Based on Daycon's work to date, the QP is of the opinion that this ore-shoot exists and is located in the Target 1 area southeast of the historic Snowstorm Mine.** Preliminary exploration for the faulted-off high grade ore shoot consisting of IP/Resistivity and Magnetic surveys should also be implemented.

Lower Revett Mineralization below the Snowstorm Mine and the Hecla Halo (Target 2) – Daycon's 2015 field program noted the presence of extensive Cu oxides, hematite liesegang, ragged disseminated limonite (iron oxide) and manganese staining with possible neotocite in Lower Revett quartzites near the historic Snowstorm Mine. Mineralization and alteration in the Lower Revett are both widespread and pervasive, extending at least 2000 feet (600 meters) along trend and 200 feet (60 meters)

in thickness. More importantly, this mineralization and alteration in the Lower Revett is stronger and more notable and can be traced over a much larger area in surface outcrops than the mineralization in the Upper Revett, except for the very limited Upper Revett outcrop immediately above the historic Snowstorm Mine.

As noted previously, Hecla defined an historical resource of 5 to 10 million tons grading 1% Cu and 1 opt Ag. A clear priority is to conduct current exploration work to both confirm and potentially expand this historical resource in the context of 43-101 standards, with the focus being drilling into the previously unexplored Lower Revett.

Northwest Extension (Target 3) – The extension of the mineralized horizons in the Lower Revett below the Missoula, Lucky Calumet and Snowshoe Mines to the northwest of the Snowstorm Mine. Daycon's 2014 drill results at Target 3 demonstrated disseminated, stratabound mineralization over at least 200 feet (60 meters) of thickness in Lower Revett quartzites that is similar to mineralized horizons at Rock Creek and Montanore. High-grade ore (up to 3% Cu and 3 opt Ag) was reportedly mined from the National Mine, (Umpleby, 1923), probably from stratabound mineralization in the Lower Revett. The best Timberline drill holes only tested the shallower Upper Revett in this area. The combination of Daycon's drill results and historical data suggests that this target has a high confidence level for success at greater depths than Timberline's holes.

The QP is of the view that various factors lead to considerable and significant potential for the Snowstorm Project:

- Copper-silver mineralization exists along the entire 5.5 km (3.5 mi) exposure length of the 15- to 20-meter (45 to 60 ft) thick, favorable Revett quartzites (Snowstorm Trend) on Daycon's Snowstorm properties, especially in the Lower Revett as demonstrated in Daycon's 2014 drill program.
- Historically, the project area has never been adequately explored at depth, especially in the Lower Revett, which hosts mineralization at Rock Creek, Montanore and the Troy Mine and is mineralized in the adjacent Military Gulch property.
- Daycon's 2015 surface field work noted widespread and pervasive Cu-Ag mineralization and alteration in the Lower Revett over several thousand feet along trend and at least 200 feet in thickness.
- Historic gold production (0.1 opt Au) from the Snowstorm Mine, along with the presence of gold in Daycon's DAY5 core hole, suggests significant gold mineralization may be present.
- The presence of a tetrahedrite-chalcopyrite mineral zone, unique to the Snowstorm Project, suggests the potential for higher silver grades.
- Similar to the Troy Mine, Rock Creek and Montanore, there appears to be comparable, mineralized quartzite horizons in the Lower Revett at the Snowstorm Project
- Strong copper-silver soil geochemical anomalies east of Snowstorm Mine have not yet been tested, especially in the Lower Revett.
- Recently published research has led to new models for ore control in Revett-type deposits.
- Modern exploration equipment and techniques allows for more accurate and inexpensive testing of targets.
- Similar, lower grade deposits that were once considered uneconomic have been mined.
- Location in the mining friendly environment of Idaho.
- Historic mining and extensive past work on the property provides valuable information, making this an advanced stage exploration project.
- Proximity to the Silver Valley provides access to skilled labor markets, community support and extensive mining services.

Future work, depending on results, would entail additional drilling to increase confidence in results, all with a view to defining resource estimations. Given the consistency of stratabound mineralization, and limited drilling required to estimate, Daycon has good prospects to achieve results in short order and with very reasonable exploration expenditures.

This Technical Report recommends that Daycon proceed to implement a two-year Snowstorm Work Program with a total budget for all phases of \$3,168,303. Detailed budgets for the two-year Exploration Program are in Tables 10 and 11 (pages 85-88).

Technical Report on the Snowstorm Copper-Silver Project Shoshone County, Idaho, USA

2.0 INTRODUCTION AND TERMS OF REFERENCE

This Technical Report (the “**Report**”) presents the exploration potential of the Snowstorm Copper-Silver (Cu-Ag) Project (the “**Snowstorm Project**”) in northern Idaho, near the Montana border. The Snowstorm Project is situated in the east end of the world-renowned Coeur d’Alene Mining District, also known as the Silver Valley, in Shoshone County, Idaho. The Silver Valley, up to 2012, has historically produced over 38,000 tonnes (1.24 billion troy ounces) of silver, 7.5M tonnes (8.3M tons) of lead, 3.0M tonnes (3.3M tons) of zinc and 94,000 kg (207,000 lbs) of copper (Gillerman, 2018).

The Project, which includes the historic Snowstorm Mine, is reported to have produced approximately 800,000 tons of ore containing 4% Cu, 6 opt Ag and 0.1 opt Au between 1903 and 1925.

Eugene A. (Skip) Yates (the “**QP**”) was commissioned by David Poynton, President and CEO of Daycon Minerals Corporation (“**Daycon**” or the “**Company**”) to prepare a National Instrument 43-101 (“**NI 43-101**”) compliant technical report for the Snowstorm Project. Daycon is a private company incorporated under the laws of Canada with their head office located at Suite 2608, 59 Annie Craig Drive, Toronto, Ontario M8V 0C4. Daycon has a wholly-owned subsidiary, Daycon Minerals Inc., which is incorporated under the laws of Delaware.

This Report is an update of earlier reports dated February 26, 2013, March 2, 2014 and May 17, 2017

Daycon and the QP have examined the wealth of available documentation on the historical production and exploration activities undertaken at the property since 1901. The intent of this Technical Report is to provide:

- the results of Daycon’s exploration programs, including the 2014 drill program and 2015 field program
- a comprehensive review of the historical production and exploration activities undertaken at the Snowstorm Project;
- an evaluation of the potential for the Snowstorm Project to host large-tonnage, Revett-hosted, copper-silver mineralization based on historical data; and
- recommendations for further exploration.

Daycon has accepted that the qualifications, expertise, experience, competence and professional reputation of the QP who is the author of this Report are appropriate and relevant for the preparation of this Report.

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In the opinion of the independent QP, the historical data is in sufficient detail, is credible and verifiable in the field, and is an accurate representation of the Project. It is his opinion there are not any material gaps in the information for the Project and there is sufficient information available to prepare this Report. The independent QP is not an insider or associate of Daycon.

The results of this Report are not dependent upon any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings.

The Qualified Person who authored and is responsible for this Report is Eugene A. Yates, B.A. Economics, M.S. Geology, Certified Professional Geologist (CPG-12000 in good standing with AIPG) licensed in Idaho (PGL-1394).

Mr. Yates has worked for Yates & Sherry, Inc. as a geological consultant since 1984, much of that time exploring for mineral deposits in rocks defined as being in the Belt Basin, which includes both the Silver Valley and Revett-hosted, stratabound Cu-Ag mineral deposits. The QP has visited the property many times in various contexts – notably in the years 1984 through 1992. He then up-dated his familiarity with the Snowstorm Project and the adjacent area with several site visits to the property, and a day examining the drill core obtained by Timberline across the mineralized Upper Revett horizon in 2012 and 2013. He subsequently planned and supervised Daycon's 2014 and 2015 exploration programs. Eugene Yates has been an exploration, development and mine geologist for 40 years and is an independent, qualified person as defined by NI 43-101.

The QP made initial site visits to the Snowstorm Project on November 17, 2012, on July 3, July 14, July 16, September 27, and October 18, 2013. The QP also led a geological field trip to the Snowstorm Project for the Belt Association, which is a group of earth scientists with extensive experience in the Belt Supergroup and in Revett-hosted Cu-Ag deposits. The QP was able to examine the geology, measure Revett sections in key areas, inspect historic workings, and assess the proposed IP and drill programs in the Little North Fork of the South Fork of the Coeur d'Alene River ("**Little North Fork**"). The QP confirmed that the IP survey is located above Revett mineralized quartzites and along the trend of strong soil geochemical copper-silver anomalies.

The QP traveled to Coeur d'Alene, Idaho on December 14, 2012 to meet with Timberline geologists and to inspect the core from the 10 holes drilled into the Upper Revett mineralized horizon by Timberline in 2005. The core was neatly arranged by hole in a local storage shed. Timberline graciously provided a heater and lights for the core inspection. Even though the core had been skeletonized, Timberline saved all the mineralized core and representative sections outside the mineralized zones. Mineralized sections had been sawn in half with footage markers and sample tags showing where samples were collected. Based on the visual inspection, all of the holes encountered oxidized copper minerals with isolated, unoxidized copper sulfides, primarily chalcopyrite and bornite. Copper mineralization visibly increased in coarser grained, vitreous quartzites, especially near the base of the Upper Revett.

In 2014, the QP supervised a 6-hole drill program to test the validity of the concept that stratabound Cu-Ag mineralization exists in the Lower Revett at the Snowstorm Project, similar to the mineralized horizons found at the Rock Creek and Montanore deposits in Montana. The QP visited the site almost daily over the 3-month drilling program and supervised drill logging and sampling.

In 2015, the QP conducted and supervised the surface field mapping and sampling program for Daycon. The QP spent 6 days' surface mapping of exposures of the Lower Revett along, and to a lesser extent, exposures of the Upper and Middle Revett, and St. Regis Formations.

Since that time, the QP has made several visits to the site for various purposes.

Metal values are reported in percentage ("%"), ounces per ton ("**opt**") and parts per million ("**ppm**"). A conversion factor of 0.907 has been used in this Report to convert short tons to metric tonnes ("**t**") where applicable. All dollar figures are quoted in United States dollars ("**\$**") unless otherwise stated. Grid coordinates are given in UTM WGS 84, (Zone11) and latitude/longitude system.

This Report is based on past information and data regarding the property, government reports and public information as listed in References (Section 27).

The following **Table 1** sets out commonly used abbreviations used in this Technical Report:

<u>Abbreviation</u>	<u>Description</u>
\$	US\$ dollars
%	percent
°C	degrees Celsius
°F	degrees Fahrenheit
M	million
B	billion
cm	centimeter
m	meter
km	kilometer
mm	millimeter
ha	hectares
ac	acres
kg	kilograms
ft	feet
mi	miles
lbs	pounds
oz	troy ounces
opt	ounces per ton
gpt	grams per tonne
ppm	parts per million
Cu	copper
Ag	silver
Pb	lead
Zn	zinc
IP	induced polarization
VLF	very low frequency
RCSB	Revett Copper Sulfide Belt
Upper Revett	Upper Member of the Revett Formation
Lower Revett	Lower Member of the Revett Formation
NSR	Net Smelter Royalty
NI 43-101	National Instrument 43-101
QP	Qualified Person preparing this Report

For the purposes of this Report, both metric and imperial measurements have been used where possible in order to assist the reader.

3.0 RELIANCE ON OTHER EXPERTS

In the preparation of this Report, the QP has relied on certain reports, opinions or statements of other experts who are not qualified persons. As regards legal, political, environmental or any tax matters relevant to this Report, the QP has solely relied on information provided by Daycon. Daycon caused copies of the agreements and claims regarding the Snowstorm Project to be reviewed and summarized for the QP.

An independent verification of land title and tenure was not performed by the QP. The QP has examined Shoshone County, Idaho records that verify the patented claims are presently held by Daycon, and that Daycon is current in the payment of property taxes on the patented claims. Daycon has confirmed the “active” status of the unpatented lode claims by using the internet-based BLM LR2000 mining claim reports (www.blm.gov/lr2000). Claims are shown as “active” if they are current with all county and BLM recordings and their filing fees are up-to-date. Daycon relies on contractual rights as regards the Snowstorm Project and has confirmed that a legal opinion regarding registered holders of patented and unpatented claims, together with enforceability of legal agreements, will be obtained at the time of listing or financing, current to that date, as is customary practice.

The QP has relied on data and information derived from work performed by past owners and in particular, on historical reports, data and maps obtained from Mr. Gignoux, Timberline Resources, Inc., Hecla Limited., and Bunker Hill Mining Co. Mr. Gignoux integrated much of the historical data, developed the initial exploration plan (IP program and drilling), and constructed the critical structural sections along and across the Revett mineralized horizons. Timberline Resources consolidated and digitized most of the historical data, provided geological maps and geochemical data, detailed drill logs and assay results for their drill program and allowed the QP to examine the drill core. Especially useful was the 2005 Timberline “Initial Exploration Report” prepared by Professional Geologist Michael McClave. Brian White, in a 1990 report for Hecla Limited (formerly Hecla Mining Co.), defined the 5 to 10 M ton “Hecla Halo” historical resource, which is a zone of 1% Cu and 1 opt Ag surrounding the mined-out core of the historic Snowstorm Mine. Bunker Hill Mining Co. conducted a soil sample program in 1970, collecting and analyzing over 1200 samples for Cu and Ag. The resulting soil geochemical anomalies helped define the soil-covered mineralized horizon, especially in the Little North Fork drainage. David Poynton, CEO of Daycon, contributed much of the legal and title language in this Report.

As required by NP 43-101, all such reliances will be noted in this Report, and all documents relied upon are listed in References, Section 27. The QP is of the view that all such reliances have been in accordance with industry standards and so are appropriate for this Report, and as the basis for on-going exploration work.

This Report refers to the fact that Hecla, as a result of its work, defined a resource of approximately 5 to 10M tons of 1% Cu and 1 opt Ag. It is to be noted that none of this work extended to the Lower Revett. **This resource may be regarded as an “historical resource” within the meaning of, and subject to the limitations of NI 43-101, and is denoted by such term in this Report.** As such, this estimate, while relevant, and considered reliable as prepared by Hecla, is not NI 43-10 compliant. The estimate uses categories other than those mandated by sections 1.2 and 1.3 of NI 43-101, and was based on Hecla’s calculation of industry accepted “resource” applicable in the 1980’s. No more recent estimates or data are available. Exploration work, including core drilling and underground drilling, needs to be completed to verify and confirm Hecla’s work, and such work is part of the two-year Exploration program recommended by this Report. **A qualified person has not completed sufficient work to classify the historical estimates as current mineral resources or mineral reserves, and Daycon is not treating the historical estimates as current mineral resources or mineral reserves.**

The QP reserves the right but will not be obligated to revise this Report and conclusions if additional information becomes known subsequent to the date of this Report.

A draft of this Report has been reviewed for factual errors by Daycon. Any statements and opinions expressed in this document are given in good faith and in the belief that such statements and opinions are not false and misleading at the date of this Report.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 Property Description

The Snowstorm Project consists of 53 patented mining claims, one parcel lot, 59 unpatented mining claims and one unpatented tunnel site totaling approximately 788 hectares (1,948 acres). The original Snowstorm Project is held by Daycon pursuant to an Exploration and Option to Purchase Agreement entered into by Daycon with Timberline Resources Corporation, a public corporation listed on the TSX Venture Exchange (TSXV:TBR).

The Snowstorm Project is located at the eastern end of the Coeur d'Alene Mining District in Shoshone County, Idaho at Latitude 47°29' North, Longitude 115°44' West. The property lies approximately 5.5 km (3.5 mi) northeast of the town of Mullan, Idaho, along the southwest flank of Snowstorm Peak in Sections 19, 20, 29, and 30, T. 48 N., R. 6 E. and Sections 13 and 24, T. 48 N., R. 5 E.

Figure 3 shows the location of the property, together with Daycon's Chipmunk claims, all of which are located on or close to outcrops of Revett Formation identified by the USGS as favorable to contain significant undiscovered Revett-type copper-silver deposits (Frost and Zientek, 2006).

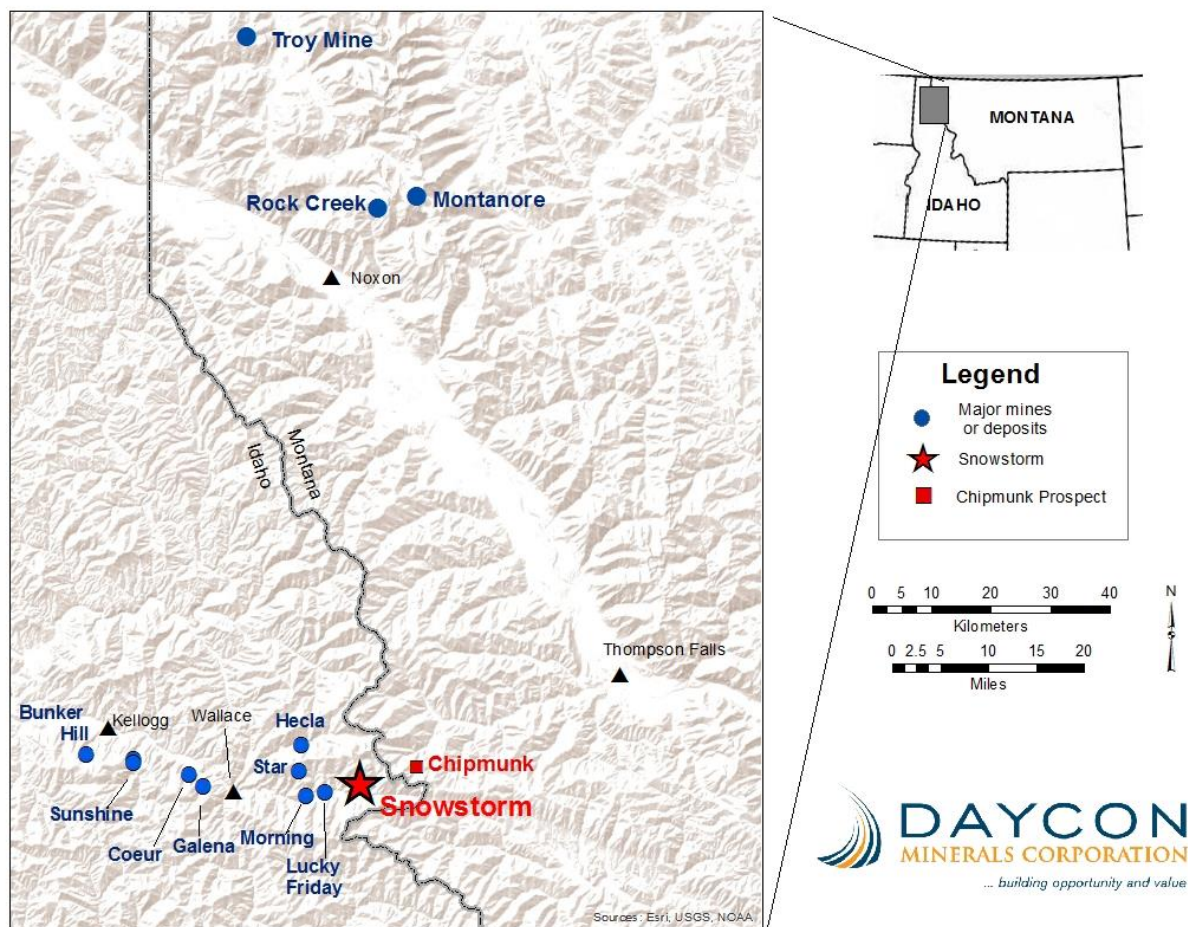


Figure 3. Snowstorm Project Location Map

The property consists of a contiguous land package with 113 claims in total and one fee parcel lot. These claims are listed in Tables 2, 3, 4 and 5 below and the generalized locations of the claim blocks are illustrated on Figure 4, page 24.

The patented claims include several formerly producing copper-silver mines and prospects, including the *Snowstorm*, *Snowshoe*, *Lucky Calumet*, *National* and *Missoula* (Figure 6, page 23). In the National Tunnel, historical grades ranging up to 3% Cu and 3 opt Ag over a 40-50-foot width were noted in both the 1200 and 800 levels in disseminated copper sulfides in the Lower Revett (Umpleby and Jones, 1923). U.S. Borax sampled a 20-foot width of 1% Cu and 1.46 opt Ag that may be in Lower Revett in the Missoula #3 Tunnel.

The unpatented claims are located in the Coeur d'Alene River District of the Idaho Panhandle National Forest and are subject to the paramount ownership of the of the United States subject to control by the U.S. Forest Service. Claim maintenance payments and related documents must be filed annually with the BLM to keep the claims from terminating.

**Table 2 – Snowstorm Patented Mining Claims and Fee Lands
(held 100% - from Timberline)**

Claim Name	Mineral Survey Number	Patent Number	Royalties
Boxer	1879	MC0067	1%
Lone Star	1879	MC0067	1%
Nineteen Hundred	1879	MC0067	1%
Snowstorm	1879	MC0067	1%
Snowstorm Fraction	1879	MC0067	1%
Snow Cap	2063	MC0289	1%
Snowdrift	2063	MC0289	1%
Snow Peak	2063	MC0289	1%
Illinois	2063	MC0289	1%
Liberty	2063	MC0289	1%
Protection	2063	MC0289	1%
Snowstorm Cloud	2063	MC0289	1%
Midlight	2104	MC0289	1%
Moonlight	2104	MC0289	1%
Starlight	2104	MC0289	1%
Sunlight	2104	MC0289	1%
Calumet	2223	MC0106	1%
Calumet Fraction	2223	MC0106	1%
Go Between	2223	MC0106	1%
John H.	2223	MC0106	1%
Lucky	2223	MC0106	1%
Montel	2223	MC0106	1%
Saturday	2223	MC0106	1%
Settin Sun	2223	MC0106	1%
Tamarack	2223	MC0106	1%
Nellie	2302	MC0067	1%
Bull Pen	2358	MC0067	1%
Independent Fraction	2358	MC0067	1%
San Quentin	2358	MC0067	1%
Manistee	2680	MC0067	1%
Missoula	2670	MC0067	1%
Rose	2670	MC0067	1%
Little Bert	2724	MC0067	1%
Maybel May No. 2	2724	MC0067	1%
Babb	2737	MC0067	1%
Emma Mine	2737	MC0067	1%

Mary Mine	2737	MC0067	1%
Schnelder	2737	MC0067	1%
Ground Squirrel	2670	MC0069	1%
Lost Horse	2670	MC0069	1%
Olive	2670	MC0069	1%
Slide	2670	MC0069	1%
Slide Fraction	2670	MC0069	1%
Wisconsin	2670	MC0069	1%
Wisconsin Fraction	2670	MC0069	
Parcel 48N06E19-1350	Lot 13	Fee Land	1%

**Table 3 – Patented Mining Claims
(held 100% - from Snowshoe)**

Claim Name	Mineral Survey Number	Patent Number	Royalties
Copper Enterprise	2224	MC0203	1%
1901	2224	MC0203	1%
Snowshoe	2224	MC0203	1%
Snowshoe Fraction	2224	MC0203	1%
Medium	2224	MC0203	1%
Lost Dog	2224	MC0203	1%
Medium Fraction	2224	MC0203	1%
Rock Slide	2224	MC0203	1%

**Table 4 – Unpatented Lode Mining Claims (from Timberline)
(held 100%)**

Claim Name	County Document Number	BLM Serial Number	Royalties
Timberline 5049	418116	IMC187442	1%
Timberline 5050	417877	IMC187443	1%
Timberline 5051	417876	IMC187444	1%
Timberline 5052	417875	IMC187445	1%
Timberline 5053	417874	IMC187446	1%
Timberline 5054	417873	IMC187447	1%
Timberline 5350	417835	IMC187467	1%
Timberline 5351	417836	IMC187468	1%
Timberline 5352	417837	IMC187469	1%
Timberline 5055	417872	IMC187448	1%
Timberline 5056	417871	IMC187449	1%
Timberline 5057	417870	IMC187450	1%
Timberline 5058	417869	IMC 187451	1%
Timberline 5059	418119	IMC 187452	1%
Timberline 5060	418120	IMC 187453	1%
Timberline 5148	418117	IMC 187454	1%
Timberline 5149	418118	IMC 187455	1%
Timberline 5150	417868	IMC 187456	1%
Timberline 5151	417867	IMC 187457	1%
Timberline 5152	417866	IMC 187458	1%
Timberline 5153	417865	IMC 187459	1%

Timberline 5154	417864	IMC 187460	1%
Timberline 5155	417863	IMC 187461	1%
Timberline 5156	417862	IMC 187462	1%
Timberline 5157	417861	IMC 187463	1%
Timberline 5158	417860	IMC 187464	1%
Timberline 5159	418121	IMC 187465	1%
Timberline 5160	418122	IMC187466	1%
Timberline 5450	417838	IMC 187470	1%
Timberline 5451	417839	IMC 187471	1%
Timberline 5452	417840	IMC 187472	1%
Timberline 6000	418123	IMC 187473	1%
Timberline 6001	418124	IMC 187474	1%
Timberline 6002	418125	IMC 187475	1%
Timberline 6006	418953	IMC 187571	1%
Timberline 6007	418954	IMC187572	1%
Timberline 6008	418995	IMC187573	1%
Timberline 6009	418956	IMC187574	1%
S-5161	418431	IMC187384	1%

**Table 5 – Unpatented Lode and Tunnel Claims (staked directly)
(held 100%)**

Claim Name	County Document Number	BLM Serial Number	Royalties
SB 1	471974	IMC211610	1%
SB 2	469718	IMC211611	1%
SB 3	469719	IMC211612	1%
SB 4	471975	IMC211613	1%
SB 5	469721	IMC211614	1%
SB 6	469877	IMC211615	1%
SB 7	469878	IMC211616	1%
SB 8	471976	IMC211617	1%
SB 9	471977	IMC211618	1%
SB 10	469879	IMC211619	1%
SB 11	469880	IMC211620	1%
SB 12	471978	IMC211621	1%
SB 13	469882	IMC211622	1%
SB 14	471979	IMC212429	n/a
SB 15	471980	IMC212430	n/a
SB 16	471981	IMC212431	n/a
SB 17	471982	IMC212432	n/a
NAT 2	471984	IMC212434	n/a
Apex #1	471983	IMC212433	n/a
National Tunnel #4 Site	471985	IMC212435	n/a
DP #1	499520	IMC228625	n/a

Figure 4 below maps the claims that comprise the Snowstorm Project.

Daycon Minerals Corporation (“**Daycon**”) entered into two Exploration and Option to Purchase Agreements with Timberline Resources Corporation (“**Timberline**”) on June 6, 2012 (the “**Transaction**”). One of those agreements was in respect of the Snowstorm Copper-Silver Project in Idaho (the “**Snowstorm Project**”) while the other related to six separate copper-silver prospects in Montana (the “**Montana Prospects**”). The Snowstorm Project and the Montana Prospects represented the complete portfolio of copper-silver

properties acquired by Timberline commencing in 2004 which were later inventoried by Timberline in 2006 in favor of its focus on, and portfolio of gold properties in Montana and Nevada.

The Transaction was publicly announced by Timberline by press release dated June 7, 2012.

Under the terms of the Exploration and Option to Purchase Agreement for the Snowstorm Project (the “**Snowstorm Option Agreement**”) between Daycon and Timberline, Daycon was granted a five-year option (the “**Option**”) expiring on June 6, 2017 to acquire all of Timberline’s 100% interest in the Snowstorm Project. Timberline’s interest was represented by ownership of 45 patented mining claims and 39 unpatented mining claims (the “**Snowstorm Claims**”). In addition, Daycon holds a further eight patented mining claims (the “**Snowshoe Claims**”) by way of mining lease (the “**Snowshoe Mining Lease**”) between Timberline and Snowshoe Mining Company (“**Snowshoe**”), which mining lease was assigned to Daycon as part of the Transaction.

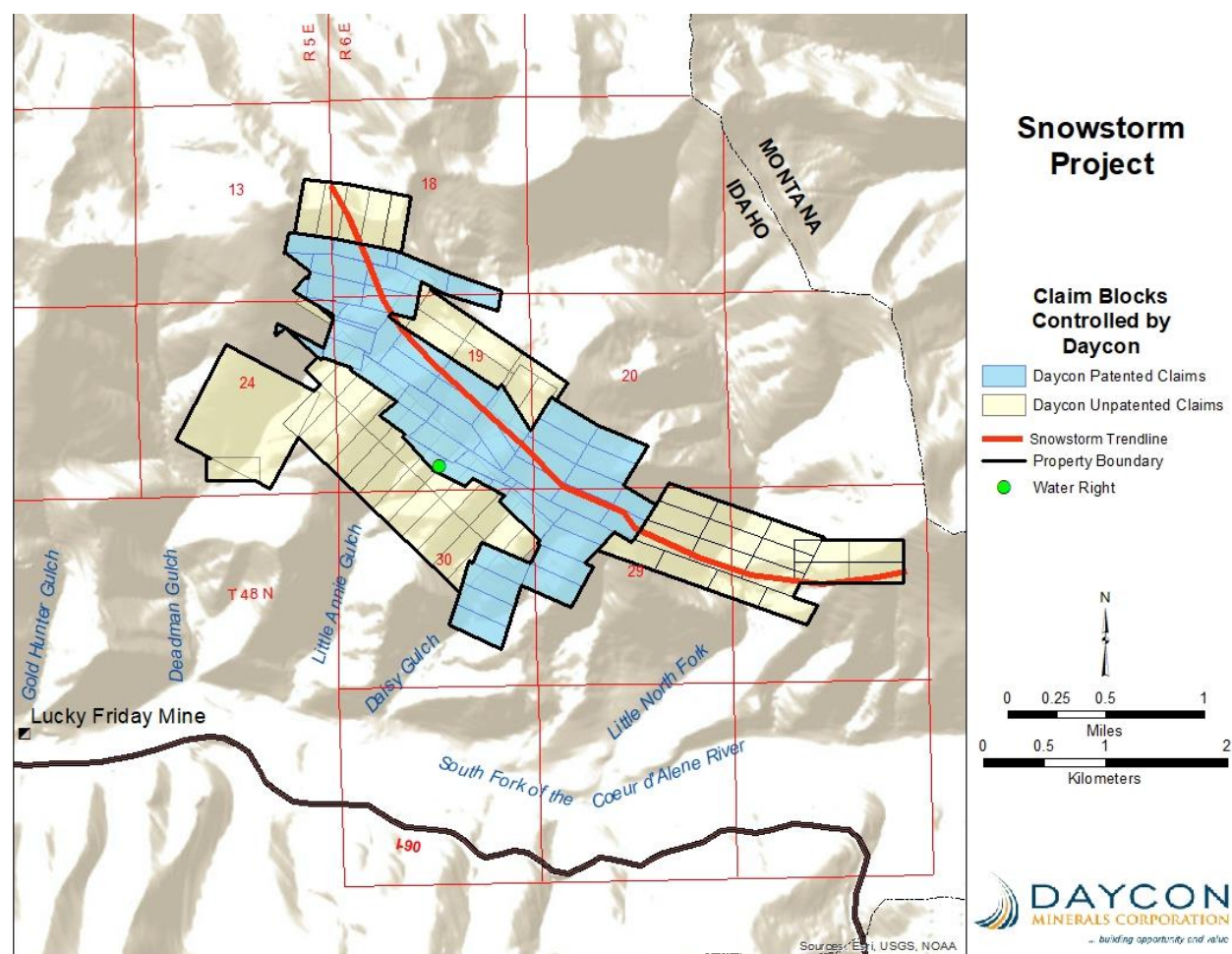


Figure 4. Claim Location Map

At the same time as closing the Transaction, Daycon completed a second transaction with Timberline for the Montana Prospects; Clear Peak, Copper Rock, Minton Pass, Lucky Luke, East Bull and Standard Creek. Taken with the subsequently acquired Ripper Gulch Prospects in Montana, Daycon then held 8 properties – the Snowstorm Project which is the subject of this Report, and seven separate highly prospective exploration prospects.

The Snowstorm Project comprises both patented and unpatented claims. Unpatented claims located on National Forest Service property require approval of the U.S. Forest Service (“**USFS**”) for any exploration work that involves mechanical surface disturbance. With patented claims, costly time delays are avoided by eliminating the need for USFS permitting.

At the time of the Transaction, all of the Original Snowstorm Claims were subject to a net smelter royalty of 4% to Hecla (the “**Original Hecla Royalty**”). The Original Hecla Royalty was reduced to 1% and extended to the Snowshoe Claims as part of an agreement between Daycon, Hecla and Timberline, which closed on January 18, 2013 for the issuance of 500,000 shares of Daycon, being 4.56% of the issued shares of Daycon (the “**New Hecla Royalty**”), as detailed below.

At the same time, Hecla was granted a pre-emptive right to maintain its 4.56% shareholding on future share issuances. Hecla’s shareholdings subsequently fell below 4% such that the pre-emptive right has terminated.

Timberline also held a pre-emptive right which was currently at 17.8%., which has also since terminated.

In December 2013, Daycon received confirmation that the Bureau of Land Management (“**BLM**”) had approved the filing of 13 additional claims to the southeast of the Snowstorm Project. These claims, known as SB1-13 (the “**SB Claims**”) were staked by Daycon after the prior owner allowed them to lapse. The SB Claims now comprise part of the overall Snowstorm Project and are subject to the New Hecla Royalty.

Daycon staked an additional 6 unpatented lode claims and 1 unpatented tunnel site, known as the National Group, on open ground surrounding the Project in 2013. This group includes the Apex#1, NAT2, SB14-17 claims, and National Tunnel#4 site. These claims are held by Daycon and are not subject to any royalty.

In 2019, Daycon staked one additional unpatented lode claim (DP#1), which is not subject to any royalty.

Under the terms of the Snowstorm Option Agreement with Timberline:

- Daycon issued 500,000 common shares valued at \$0.25 each to Timberline;
- to keep the Option in good standing, Daycon was required to issue 500,000 common shares valued at \$0.25 each to Timberline on each of June 6, 2013 and 2014;
- to keep the Option in good standing, Daycon was required to complete qualifying work expenditures for three years commencing June 6, 2014 of a minimum of \$250,000 per year; and
- Daycon was required to pay to Timberline, if it exercises the option, \$1,500,000.

In August 2013, the Company entered into an amending agreement with Timberline whereby Timberline transferred all right, title and interest in the Snowstorm Property for a final issuance of 500,000 common shares. No other option payment or exploration expenditures are required such that the Company is now the owner of the Snowstorm Property in consideration of Timberline having been issued a total of 2.0 million shares at a deemed price of US \$0.25 per share. Taken with the shares issued in respect of the Montana Prospects (300,000 shares, Timberline now holds 2.3 million shares of Daycon.

Under the terms of the Snowshoe Mining Lease with Snowshoe, which was dated May 23, 2005, Daycon as assignee was granted exclusive rights to explore and mine minerals until May 23, 2025, with a right to extend for a further period of ten (10) years (which had been exercised). A 3% NSR royalty was payable as a production royalty, and advance royalties of \$15,000 were due on May 1 of each year. Daycon was obligated to expend annually a minimum of \$10,000 in exploration expenditures. A total of \$96,000 had been paid as advance royalties by Timberline.

As regards the Snowshoe Mining Lease, the Company entered into an agreement with Snowshoe dated April 1, 2013 providing for the issuance of 300,000 common shares of the Company at a deemed price of \$0.40 USD per share in consideration of the lease being extended to May 23, 2025 at a rate of US\$1.00 per year with US\$13.00 confirmed as paid, with a further ten year right of renewal together with the suspension of all payments otherwise due while the purchase option is in effect. In addition, the Company

was granted an option to purchase all 8 patented claims for USD \$200,000. In order to maintain the option, The Company was required to issue (and has issued) 65,000, 65,000 and 70,000 shares, respectively, on each of April 1, 2014, 2015 and 2016 at the same deemed price of US\$ 0.40 per share.

During the year ending December 31, 2018, Daycon exercised its option to purchase the 8 patented claims from Snowshoe at the agreed price of US\$ 200,000 payable US\$ 50,000 on closing (paid) and on June 1, 2019 (paid), with two further installments of US\$ 50,000 on each of the second and third anniversaries of closing, without interest. Daycon granted a non-assignable, limited recourse mortgage over the purchased claims to Snowshoe to secure payment and issued 500,000 common shares to Snowshoe for consideration of \$1 in connection with the transaction.

The New Hecla Royalty is in good standing. All claims comprising the Snowstorm Project are in good standing.

4.2 Location

Situated at the eastern end of the Silver Valley, Idaho, and the southwestern end of Revett Copper Sulfide Belt, the Snowstorm Project reflects the convergence of two zones with potential for stratabound copper-silver deposits and deep silver-lead-zinc vein systems. Logistics are excellent; the town of Mullan, Idaho is less than two miles away, with easy access to Interstate Highway I-90 that links the Silver Valley westward to Coeur d'Alene, Spokane and Seattle.

The favorable Revett quartzite horizons can be traced on the surface for approximately 5.5 km (3.5 mi) from the northwest corner to the southeast corner of Daycon's properties. **The "Snowstorm Trend" is defined as the mapped surface exposure of the Revett mineralized horizons that host the Snowstorm Mine, which includes the 5.5 km (3.5 mi) that can be traced on properties controlled by Daycon** (Figure 12, page 36). In fact, the total exposure of the Snowstorm Trend can be traced from the Mammoth Mine at its northern end a distance of some 8.5 km (5.2 mi); almost to the Idaho-Montana border to the southeast.

In general, the business climate in the United States of America is extremely positive, and Daycon considers the jurisdiction to have minimal, if any, jurisdictional risk. Titles and ownership, and rights of all persons and companies are governed by well-established laws. The rule of law applies.

In the United States of America, lode mining claims are either patented or unpatented. Mining, processing and exploration activities in the United States must comply with all applicable federal and state laws and regulations. Those laws and regulations have been well developed over many years and so are well known and documented.

The Bureau of Land Management ("**BLM**"), Department of the Interior, administers over 245 million acres of public lands and 700 million acres of subsurface minerals nationwide. The Federal Land Policy and Management Act ("**FLPMA**") of 1976 provided that public lands remain under the stewardship of the federal government, in light of a multiple-use concept, one facet of which is under the General Mining Law of 1872, as amended. BLM administration includes claim recordation, annual maintenance, patents (which are no longer granted) and surface management.

An unpatented mining claim, which may be lode or placer, grants a restricted right to the development and extraction of a mineral deposit to the exclusion of all others. An unpatented tunnel site grants a subsurface right-of-way under Federal land and is used for access to lode mining claims or to explore for blind or undiscovered veins, lodes or ledges. The U.S. Forest Service ("**USFS**") manages the surface of National Forest Service lands. Staking and recording mining claims are subject to both Federal and state laws. Original location notices must be filed in the county office in which the claim is located, and then recorded with the BLM. There are annual requirements for the maintenance of unpatented mining claims and tunnel sites.

Apart from BLM and USFS, there are other federal and state laws which must be complied with, including reclamation and environmental laws.

The Snowstorm Project is situated in Shoshone County, Idaho in the Idaho Panhandle National Forest, and so the unpatented claims are subject to USFS jurisdiction. The area, however, has a long tradition of mining, particularly in the Silver Valley where over 1.24 billion ounces of silver have been produced since the 1880's. Idaho is considered mining friendly.

Examples of currently operating mines in Idaho include Hecla's Lucky Friday Mine, U.S. Silver's Galena and Crescent Mines, and Thompson Creek's Thompson Creek molybdenum mine. There are numerous mining projects under development throughout the state, including the Coeur and Sunshine Mines in the Silver Valley, and the Golden Chest (Au), Orogrande (Au), Idaho Cobalt (Cu-Co-Au), Musgrove (Cu-Zn), Sage Creek (Au), Rescue (Ag), Lemhi Pass (REE), Hercules (Ag), Kilgore (Au-Ag), Stibnite-Yellow Pine (Au-Sb-W), Mineral Gulch (Au), Almaden (Au), Atlanta (Au), Thunder Mountain (Au-Ag), Gold Hill (Au) and the recently announced, very large Cumo (Mo-Cu) deposits (Figure 5).

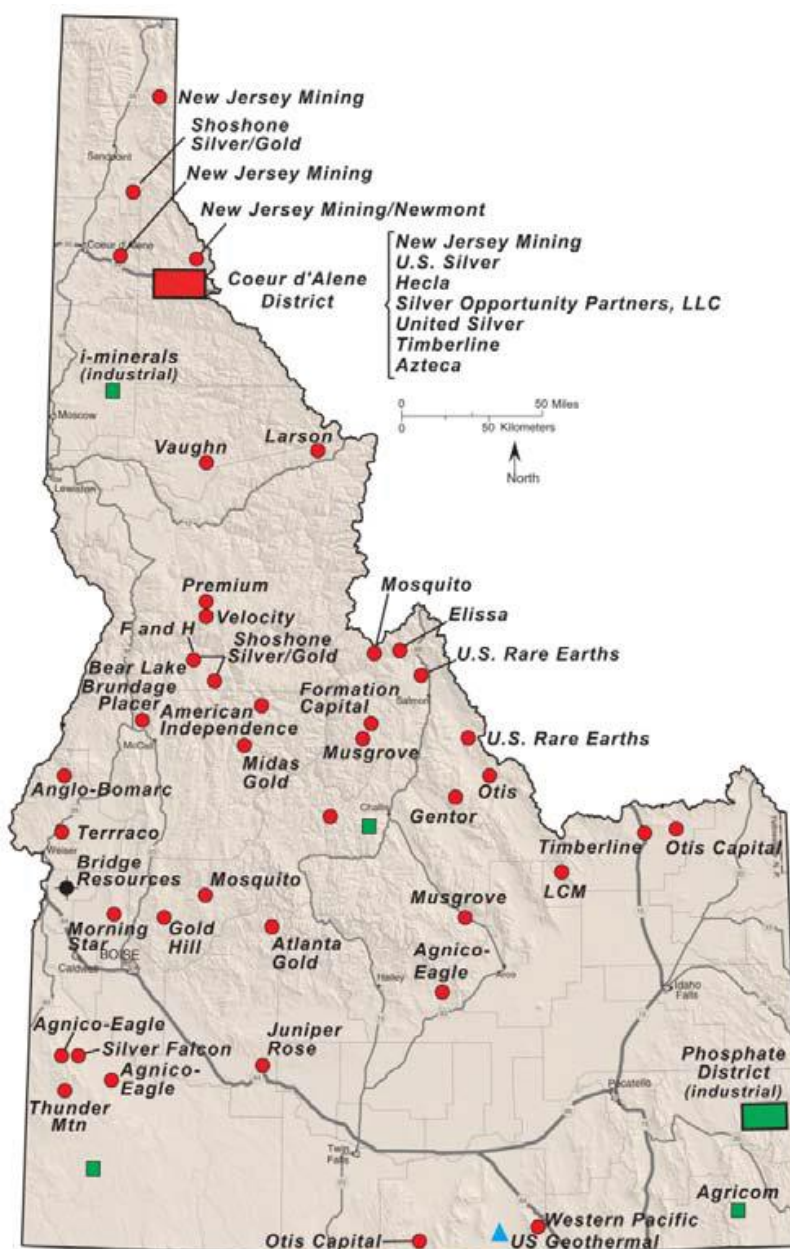


Figure 5. Mining Projects under development or exploration in Idaho during 2011.
Modified from Gillerman and Bennett (2012)

Daycon has not, to date, identified any significant environmental, social or community risks with its proposed activities. The Snowstorm Project is adjacent to the Lucky Friday claim block which hosts the Lucky Friday Mine in Mullan, Idaho, and so enjoys positive community support. The Snowstorm Project comprises both patented and unpatented claims. For unpatented claims, permitting from the USFS by way of a Plan of Operation (“POO”), duly bonded, is required for any work that is considered a mechanical surface disturbance. For that portion of proposed work at the Snowstorm Project that is on unpatented claims, a POO has been submitted and is currently under review by the USFS.

The significant and extensive historical work at the Snowstorm Project has and should continue to expedite an understanding of the Snowstorm Project, thereby categorizing it as an advanced exploration project.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The Snowstorm Project has an extensive, well maintained road network and is located very close to a major Interstate Highway (I-90) with easy access less than 5.5 km (3.5 mi) to the property from Mullan, Idaho. Access to the claims from Interstate Highway I-90 is via the Mullan exit (Exit 69), then turning right at the Lucky Friday Mine shaft and following paved roads (Larson Road) 3 km (2 mi) to Daisy Gulch, or 6 km (4 mi) to the Little North Fork of the South Fork of the Coeur d’Alene River (“**Little North Fork**”). Most of the historic mines in the patented claim block can be accessed along the extensive network of gravel and dirt roads from Daisy Creek and Deadman Gulch; the “SB” claims are accessed from a gravel road along the Little North Fork (Figure 6). The property is accessible from April to November and is usually snow-covered for the remainder of the year.

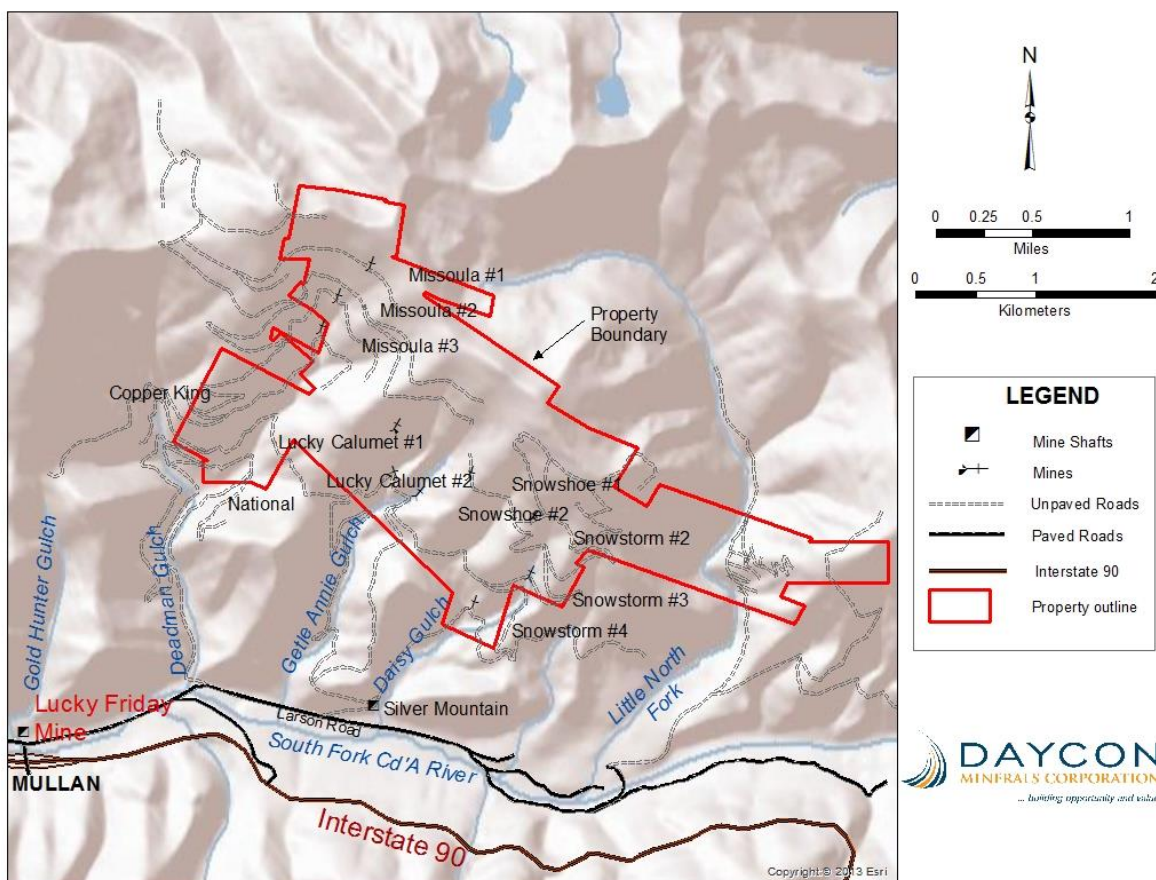


Figure 6. Snowstorm Project Road Access and Historic Mine Location Map

The climate is characterized by mild summers and cold winters. Summer temperatures are moderate with average high temperatures near 27°C (80°F); winters can be cold, as low as -20°C (-5°F), with abundant snow. Average annual precipitation is approximately 100 cm (40 in), much of which is either winter snowfall or heavy spring rains. Weather data and a webcam for Lookout Pass, which is only 6 km (4 mi) southeast of the Project, can be accessed at the Idaho Transportation Department, Highway Information (website <http://hb.511.idaho.gov/main.jsf>).

The Snowstorm Project is within the western margin of the Bitterroot Mountains of northern Idaho. The area is comprised of steep, rugged, forested terrain with narrow, flat ridge crests and sharp valleys. Elevations on the property range from 4,000 ft. (1,220 m) to 6,350 ft. (1,935 m) above sea level. The mountains are heavily forested; vegetation consists of mixed pine-fir-spruce forests with abundant maple-alder-huckleberry brush in logged or burned areas. The slopes are soil covered with sparse outcrops.

A major power line crosses the property below the Snowstorm Mine. Daycon has sufficient water for exploration drilling or development with Idaho Water Right 94-2604 allowing 1 CFS (cubic foot per second) for mining purposes from Gentle Annie Gulch Creek located on the Snowshoe patented claim block. Additionally, there is a perennial flow of water from the Snowstorm #3 tunnel that forms the headwaters of Daisy Creek; that flow has existed for years. Water is critical for exploration, mining and milling operations. Daycon's water right will allow water usage from Gentle Annie Gulch without having to go through potentially lengthy permitting processes.

The town of Mullan, Idaho, with a population of 692 according to the 2010 census, is located approximately 4 km (2 mi) from the Snowstorm Project. Limited travel services in Mullan include a hotel, café, gas station, elementary and high school, and local library. More importantly, the Lucky Friday Mine is located in Mullan, which suggests that mining services may be available, the community supports mining and that Mullan houses an experienced mining labor force.

Wallace, Idaho is located approximately 15 km (10 mi) west of the Snowstorm Project on I-90. Wallace is the county seat of Shoshone County and boasts a long tradition as the mining center of the Silver Valley. As such, Wallace offers diverse travel and mining services with an experienced work force. Wallace offers a choice of lodging, restaurants, stores and other travel services. Most mining supplies or services can be found in Wallace, or in nearby Osburn or Kellogg.

The closest metropolitan area is Spokane Washington, approximately 86 mi west of the Snowstorm Project on I-90. Spokane, with a population of 210,000, offers a diverse mix of tourist and industrial services, including commercial aviation.

6.0 HISTORY

Discovered in the 1880's, the historic Snowstorm Mine commenced production in 1903. The mine operated continuously until 1915, then intermittently until production ceased in 1925. Between 1903 and 1925, the mine produced approximately 800,000 tons grading 4% copper, 6 opt silver and 0.1 opt gold. The mostly oxidized ore was transported on a Riblet tram to a leaching plant that reportedly attained 97% recovery (Ransome and Calkins, 1908). After the mill and plant were disassembled and shipped to Montana in 1915, ore was direct-shipped to smelters in Butte, Montana for silica flux. Most of the production was from the #2 Adit (600 level) and the #3 Adit (1100 level). The #4 Adit, which was driven at the 1600 level, was unsuccessful in trying to find the faulted-off extension of the high-grade ore body (Figures 6 and 7, pages 27 and 28).

Historical Snowstorm Mine records from 1903 to 1925 note that a 97% recovery was obtained from oxidized ores using a leach process. Since modern floatation methods were not well developed at that time, the rich, unoxidized ores in quartzite were direct shipped to a smelter in Butte, Montana for use as a silica flux with credits paid for the by-product copper and silver.

According to Ransome and Calkins (1908):

“An extraction of about 97 per cent is said to be obtained at the Snowstorm mill at Larson, Idaho, where a copper carbonate ore is being treated. After crushing, the ore is run into agitators, where it is mixed with a 10 per cent solution of sulphuric acid and a solution of chloride of lime. Thus a solution of copper sulphate is formed, while the silver remains a precipitate of chloride.”

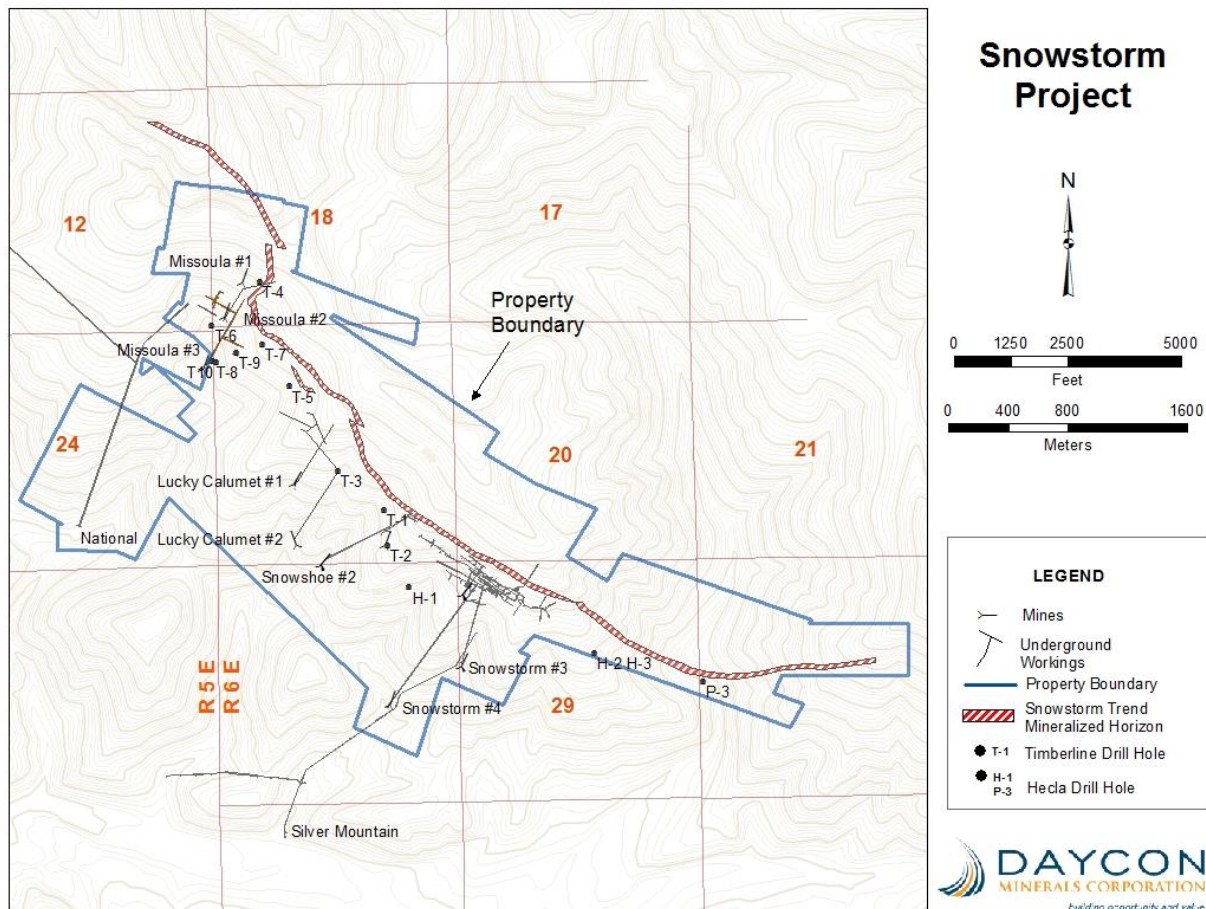


Figure 7. Plan map showing underground workings and drill-hole collars. Part of the workings in the National and Missoula #3 tunnels were following Coeur d'Alene style quartz-Cu-Ag-Pb veins.

Several smaller mines were also worked on the property (Figure 7). There is no recorded production from these mines, even though the size of the mine dumps indicates extensive workings. High-grade samples containing bornite and/or chalcocite have been reportedly collected from waste rocks on the dumps of these mines.

The *Snowshoe Mine* is located approximately 650 m (2,500 ft) northwest of Snowstorm Mine. The Snowshoe tunnel extends to the northeast about 450 m (1,400 ft). A 130 m (400 ft) drift running S70°E was then driven in 30- to 40-foot thick Upper Revett quartzite with disseminated copper sulfides. The mineralization is described as similar to the Snowstorm, but leaner (Calkins and Jones, 1914).

The *Lucky Calumet Mine*, located just east of the Snowshoe Mine, reportedly cross-cut vitreous Upper Revett quartzites, but with little mineralization.

The *Missoula Mine* is located approximately 2.5 km (1.5 mi) northwest of the Snowstorm Mine. According to Calkins and Jones (1914), the Missoula #3 tunnel travels N30°E for 1,900 feet, and then turns to N70°E for the remaining 700 feet. Mineralization was described as a quartz vein, with scattered bunches of galena and chalcopyrite, in quartzite wall rocks containing disseminated sulfides. In the 1980's, U.S. Borax, Inc. sampled 17.67 m (58 ft) of mineralized Revett quartzite from the Missoula #3 tunnel, their assays report 6.09 m (20 ft) grading 1% Cu and 1.42 opt Ag, and 11.58 m (48 ft) grading 0.5% Cu and 0.5 opt Ag (unpublished U.S. Borax map).

The *National Tunnel* is located in Deadman Gulch approximately 2.6 km (1.6 mi) west of the Snowstorm Mine. Even though the adit entrance is located south of Daycon's claim holdings, the 4,300 foot (1310 meter) tunnel extends close to the western edge of Snowstorm property where it intersects high-grade copper-silver mineralization. The 40- to 50-foot thick Lower Revett quartzite beds containing speckled bornite and chalcocite were reported to range up to 3% Cu and 3 opt Ag (Calkins and Jones, 1914), which is similar to the Snowstorm ore. The ore was developed along a northwest-southeast trending, 250 foot (75 meters) drift near the end of the tunnel at the 1,200 foot level with similar development at the 800 level (Umpleby and Jones, 1923). This high-grade ore shoot could extend a considerable distance to the southeast beneath claims now controlled by Daycon.



Plate 1. 1907 photograph of the Snowstorm Mine, showing Snowstorm Mill and tram to #3 Adit (1100 Ft Level) (Photograph PG8-X272, Barnard-Stockbridge Historical Photograph Collection, University of Idaho Library, Moscow Idaho).

The Snowstorm Project has been sporadically examined, geologically mapped, sampled and drilled; most recently by Bunker Hill, Hecla and Timberline. Hecla consolidated the property ownership in the early 1950's and began exploring the surrounding area for additional copper-silver resources along the trend of the mineralized Revett "ledge". Hecla drilled at least four holes on the property. Hole P-3, located near the Little North Fork drainage east of Snowstorm Mine, penetrated the Upper Revett, mineralized horizon and contained disseminated sulfides, probably chalcopyrite.

During the late 1950's, Bunker Hill and Hecla formed a joint venture creating Silver Mountain Lead Mines, Inc. ("**Silver Mountain**") to explore the Silver Mountain Property, which consisted of patented and

unpatented claims east and northeast of the Lucky Friday Mine, including the Snowstorm claims. Silver Mountain's primary target was Coeur d'Alene type veins at depth near the more favorable St. Regis and Revett formations. The secondary target was an extension of the stratabound Revett mineralization found at the historic Snowstorm Mine. This exploration effort was financed, in part, by a Defense Minerals Exploration Loan (DMEA) loan.

The exploration contract, which amounted to \$1.435 million and which was shared 50% by the federal government and 50% by Bunker Hill and Hecla, called for a 2,000 ft. vertical shaft with cross-cuts and drill holes to explore the property at depth. Work completed includes 2,080 ft. of shaft sinking, 9,890 ft. of cross-cuts, 10,877 ft. of underground drilling (18 holes) and 2,244 ft. of surface drilling (2 holes). The workings, which are located south of the Snowstorm Project, intersected both the Paymaster and Deadman shear zones, and encountered broken rock and heavy water flows. The workings were allowed to flood after completion of the exploration program in 1959.

In the late 1960's and early 1970's, Bunker Hill mapped the property, reopened the historic Snowstorm #2 adit, completed a soil sample program and conducted VLF, magnetometer and IP surveys. It should be noted that two test IP survey lines run by Bunker Hill over the historic Snowstorm ore shoot in 1969 showed no chargeability. A post-survey review discovered the sulfides had been oxidized to a depth of 500 feet; beyond the dipole spacing depth the survey was designed to investigate. Additionally, the high-grade ore had been removed by mining in this area, which was another short-coming of the test. Over a thousand soil samples were collected, which showed strong copper and silver anomalies along the mineralized Revett horizon, especially to the southeast of the Snowstorm mine in the vicinity of the Little North Fork (Figure 14a and 14b, pages 40 and 41). Bunker Hill's two surface drill holes failed to reach the target quartzites in the Upper Revett.

Hecla evaluated the lower grade "halo" that surrounded the historic high-grade Snowstorm ore and once again explored for the offset extension of the high grade in the 1980's. Hecla reopened the #3 Adit and drilled several holes both underground and from the surface to define an historical resource of 5 to 10 million tons of 1% Cu and 1 opt Ag that surrounded the high-grade core of the Snowstorm Mine.

Hecla completed at least 4 drill holes from the surface, and several underground drill holes and longholes from the historic Snowstorm workings. Diamond drill hole P-3, located in near the Little North Fork drainage east of Snowstorm Mine, penetrated the Upper Revett mineralized horizon and contained disseminated sulfides, probably chalcopyrite and pyrite (White, 1990). In diamond drill hole H-1, completed by Hecla in 1989 west of the Snowstorm workings, the mineralized Snowstorm horizon was faulted out, probably by the Snowstorm fault. Hecla also drilled two reverse-circulation holes, H-2 and H-3, in 1990 just east of the Snowstorm workings. The holes intersected thicker-than-expected vitreous, Revett quartzites that were highly oxidized with abundant iron oxides, minor malachite and a 5-foot sample containing disseminated chalcopyrite. The 5 ft interval returned an assay of 0.17% Cu and 0.16 opt Ag.

Hecla planned, but never carried out, an exploration program in 1990 that included geologic mapping, a geochemical survey, geophysical mapping using IP, resistivity and VLF, and drilling up to 5 RC holes. The exploration program was aimed to define potential resources at depth along the Snowstorm Trend in areas of heavy soil cover. Hecla concentrated its exploration efforts on the Upper Revett "Snowstorm" horizon and never tested the Lower Revett mineralized horizons, which is extremely significant considering the future exploration potential of the Snowstorm Project.

Hecla, as a result of its work, defined a resource of approximately 5 to 10 M tons of 1% Cu and 1 opt Ag. **This resource may be regarded as an "historical resource" within the meaning of, and subject to the limitations of NI 43-101, and is denoted by such term in this Report.** Hecla's work did not extend to the Lower Revett. As such, this estimate, while relevant, and considered reliable as prepared by Hecla, is not NI 43-10 compliant. The estimate uses categories other than those mandated by sections 1.2 and 1.3 of NI 43-101, and was based on Hecla's calculation of industry accepted "resource" applicable in the 1980's. No more recent estimates or data are available. Exploration work, including core drilling and underground drilling, needs to be completed to verify and confirm Hecla's work, and such work is part of the 2013-2014 Exploration program recommended by this Report. A qualified person has not completed

sufficient work to classify the historical estimates as current mineral resources or mineral reserves, and Daycon is not treating the historical estimates as current mineral resources or mineral reserves

Timberline optioned the property from Hecla in 2004. In 2005, Timberline's exploration activities included data consolidation, geologic mapping, rock sampling, and completing 10 relatively shallow, diamond-drill core holes along the Snowstorm Trend (McClave, 2005) (Figure 7, page 28). The core was logged and mineralized zones were sawn in half and assayed for copper and silver by Chris Christopherson Inc. in Smelterville, Idaho.

Timberline undertook a program of wide-spaced diamond core drilling in 2005. Timberline had concluded that mapping and sampling data acquired from outcrops and dumps along the mineralized horizon northwest of the former Snowstorm Mine clearly indicated the presence of a significant deposit of Troy-type copper silver mineralization. Consequently, a preliminary drilling program consisting of 10 generally wide-spaced (1,000 ft), angle, diamond-drill holes was designed to complete an initial test of the shallower portions of the Upper Revett zone. Hole collars were located on the ground by Michael McClave using a Garmin GPS in July 2005. Marcus & Marcus Exploration Company was contracted to undertake the drilling. Drilling began in October 2005 and was finished in early November with a total of 4,104.5 feet of HQ diameter core drilled (McClave, 2005). Drill hole locations are shown in Figure 7, page 28. Even though all of the drill holes encountered oxidized copper-silver mineralization, Timberline deemed the grade-thicknesses of the intercepts disappointing, possibly due to deeper oxidation or the erratic nature of the higher grade mineralized zones

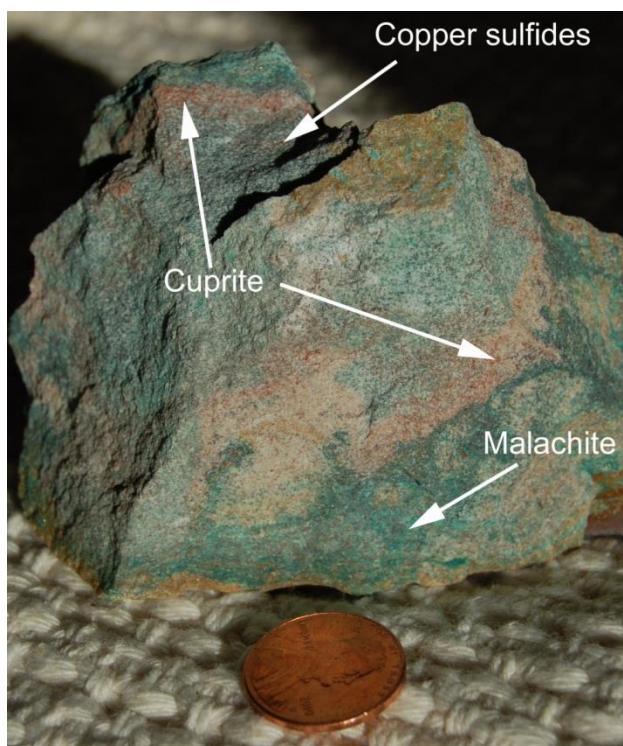


Plate 2. Partially oxidized hand specimen from the Historic Snowstorm Mine. Note the disseminated copper sulfides in the core, surrounded by oxidation minerals cuprite (Cu oxide) and malachite (Cu carbonate).

7.0 GEOLOGIC SETTING AND MINERALIZATION

REGIONAL GEOLOGY

1. Setting

The Snowstorm Project lies at the convergence of two major mineral belts, the Silver Valley and the Revett Copper Sulfide Belt (“**RCSB**”) (Figure 8). A recent USGS assessment indicates that “a large area of USFS-administered land in northwestern Montana and northern Idaho may contain significant undiscovered Revett-type copper-silver deposits” (Frost and Zientek, 2006).

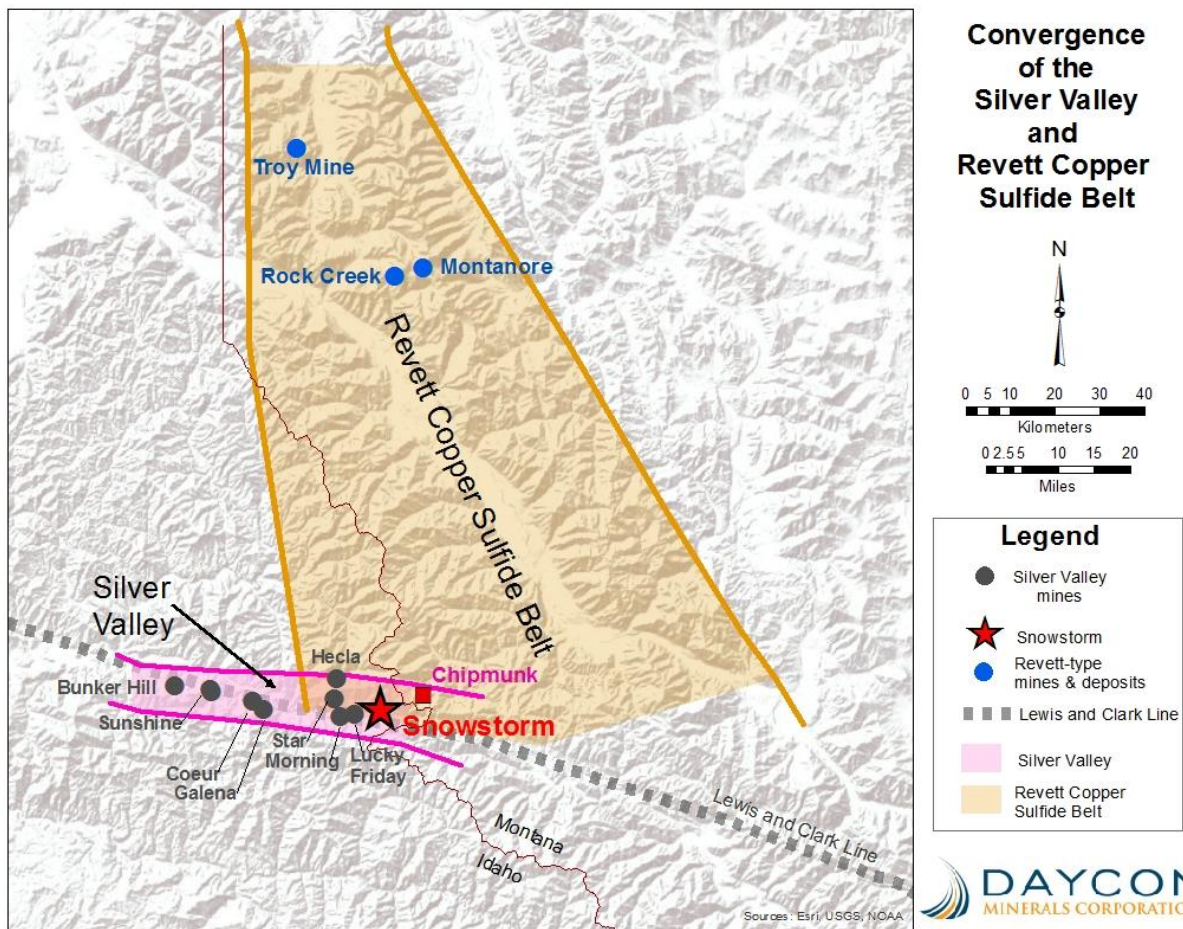


Figure 8. Location of Snowstorm at the Convergence of the Silver Valley (Coeur d’Alene Mining District) and the Revett Copper Sulfide Belt (RCSB)

The Silver Valley, which is also known as the Coeur d’Alene Mining District, is one of the world’s most productive silver camps, having produced over 38,500 tonnes (1.24 billion troy ounces) of silver, 7.5M tonnes (8.3M tons) of lead, 3.0M tonnes (3.3M tons) of zinc and 94,000 kg (207,000 lbs) of copper (Gillerman and Bennett, 2016). Hecla’s adjoining Lucky Friday Mine property is responsible for over 150M oz. Ag of the Coeur d’Alene district production. Completion of the internal #4 shaft at Lucky Friday will deepen the mine to 8,000 ft, and will increase the mine life by 20 years. The Lucky Friday Mine currently remains in a strike situation with limited operations conducted by management.

The district stretches over 40 km (25 mi) along the west-northwest trending Osburn Fault and has been mined to depths exceeding 2,200 m (7,200 ft). Ore deposits are steeply dipping, yet stratigraphically controlled, lead-zinc-silver veins occurring in the Precambrian rocks of the Belt Supergroup. Host rocks

are primarily quartzites, siltites and argillites. Veins with the highest zinc grades are commonly located in the Prichard Formation, moderate grade lead-zinc-silver veins tend to be found at the Prichard-Burke transition, and the largest tonnage, highest grade silver veins are hosted in the stratigraphically higher Revett and St. Regis formations (Long, 1998).

The Snowstorm Project is at the southern end of the Revett Copper Sulfide Belt (“RCSB”), which is a north-south mineral trend of stratabound copper-silver ore bodies hosted in Precambrian Revett quartzites. The three best known Revett-hosted deposits are the Troy Mine, which operated for 35 years (now in closure by Hecla) and Rock Creek deposits held by Hecla (formerly Revett Minerals) and the Montanore deposit also held by Hecla (formerly Mines Management). **The combined reported NI 43-101 compliant reserves and resources of these three properties are in excess of 276M oz. silver and 2,182M lbs. copper. Inferred resources total in excess of 295M oz. silver and 2,528M lbs. copper (Revett Silver Company, and Mines Management Inc.).**

The Troy Mine has produced 429.5M lbs. of copper and 52.8M ounces of silver since opening in 1981. As of February 3, 2014, Revett announced reserves (P+P) and resources (M+I) in excess of 110M oz. silver and 954M lbs. copper. Inferred resources total in excess of 1M oz. silver and 8M lbs. copper. Rock Creek and Montanore, as development projects, host combined resources (M+I) in excess of 166M oz. silver and 1,227M lbs. copper with Inferred resources totaling in excess of 294 M oz. silver and 2,519M lbs. copper. Mineralization is primarily constrained to quartzite beds in both the Upper and Lower Members of the Revett Formation.

2. Belt Rocks

The Coeur d’Alene Mining District and the Revett Copper-Silver Belt are hosted by Middle Proterozoic sedimentary rocks of the Belt Supergroup. The Belt Supergroup is divided into 4 major conformable groups: the Lower Belt Prichard, Ravalli, Middle Belt Carbonate (Wallace) and Upper Belt Missoula Groups. The Ravalli Group is subdivided, from oldest to youngest, into the Burke, Revett and St. Regis Formations (Figures 9 and 10). The Belt strata consist of a thick, conformable group of mostly fine-grained clastic rocks, which are only slightly metamorphosed. Quartzites of the Revett Formation host the stratabound, copper-silver ore of the Revett Copper-Silver Belt and localize higher grade silver ores in the Coeur d’Alene Mining District.

	Missoula Group	2500+ m	Red and green laminated siltites, argillites and minor quartzites. Shallow water sedimentary features common
Middle Belt Carbonates	Wallace Formation	1600 m	Black to gray, laminated to thin bedded, calcareous argillites, siltites and thin-bedded quartzites.
Ravalli Group	St. Regis Formation	450 m	Thin bedded to laminated, green-gray and red argillites and siltites with minor silty quartzites.
	Revett Formation	400 m	Thick bedded, gray to white quartzites with interbedded siltites and argillites
	Burke Formation	700 m	Medium bedded, greenish-gray siltites and silty quartzites.
	Prichard Formation	2000+ m base not exposed	Black to gray, very finely laminated, pyritic argillites and quartzites.

Figure 9. Generalized stratigraphy of the Belt Supergroup in the North Idaho region.

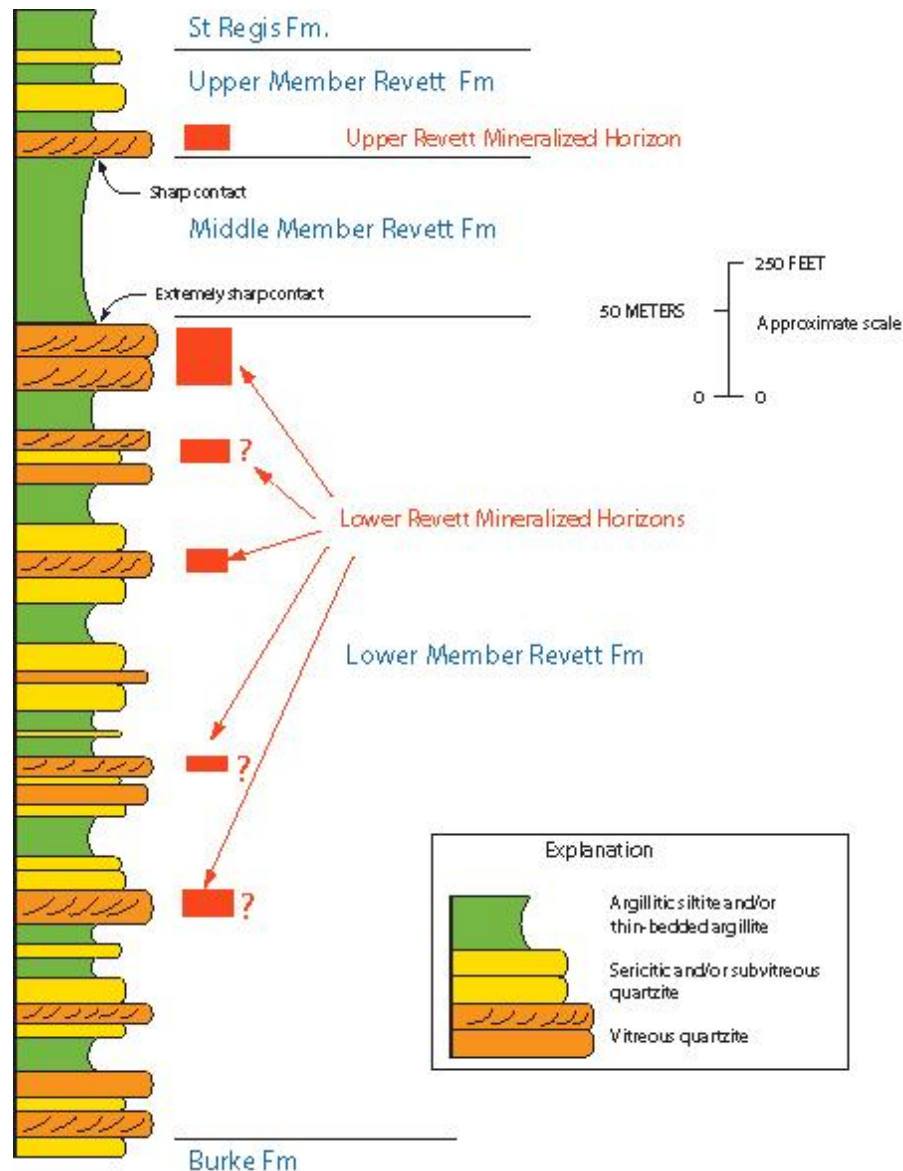


Figure 10. Detailed stratigraphy of the Revett Formation north of the Osburn Fault, showing the most favorable copper-silver horizons in the Snowstorm Project area. Modified from Mauk (2002).

3. Structure

The structural geology of the region is quite complex, with as many as 5 distinct faulting and folding events (White, 1998) recognized in the Coeur d'Alene Mining District, which lies along the Lewis and Clark Structural Zone (Figure 8). This west-northwest trending structural zone is dominated by the Osburn Fault, which bisects the Coeur d'Alene district along a right-lateral shear zone with up to 25 km (16 mi) of displacement (Bennett and Venkatakrishnan, 1982). The Osburn is a recurrent fault that has been active since the Precambrian. Regional-scale, northwest and north-south trending faults and asymmetrical folds are found north of the Osburn Fault.

In the Snowstorm Project area, strata are moderately dipping to overturned, due to the intersection of these folds with the west-northwest fault complex (Figure 11).

4. Mineralization/Alteration

The Coeur d'Alene Mining District is a primarily a lead-zinc-silver mineral belt that extends over 40 km from Pine Creek eastward to the Idaho-Montana state line. Most of the deposits in the district are composed of steeply dipping veins that range from a few centimeters to over 10 meters in width, and up to thousands of meters of length along strike and of depth down-dip. Economic veins are dominantly quartz, siderite, galena and sphalerite; high-grade silver zones commonly contain tetrahedrite. The steeply dipping veins occur in faults, the axial planes of folds and foliations, that cross-cut the Belt strata. Even though the veins are cross-cutting, the tenor of the ores is often stratigraphically controlled; the highest grade ores are commonly found near the Revett-St. Regis boundary.

From west to east, some of the most productive mines in the district include the Bunker Hill, Crescent, Sunshine, Consolidated Silver, Coeur, Galena, Caladay, Dayrock, Star-Morning, Gold Hunter, Lucky Friday, Missoula and Snowstorm.

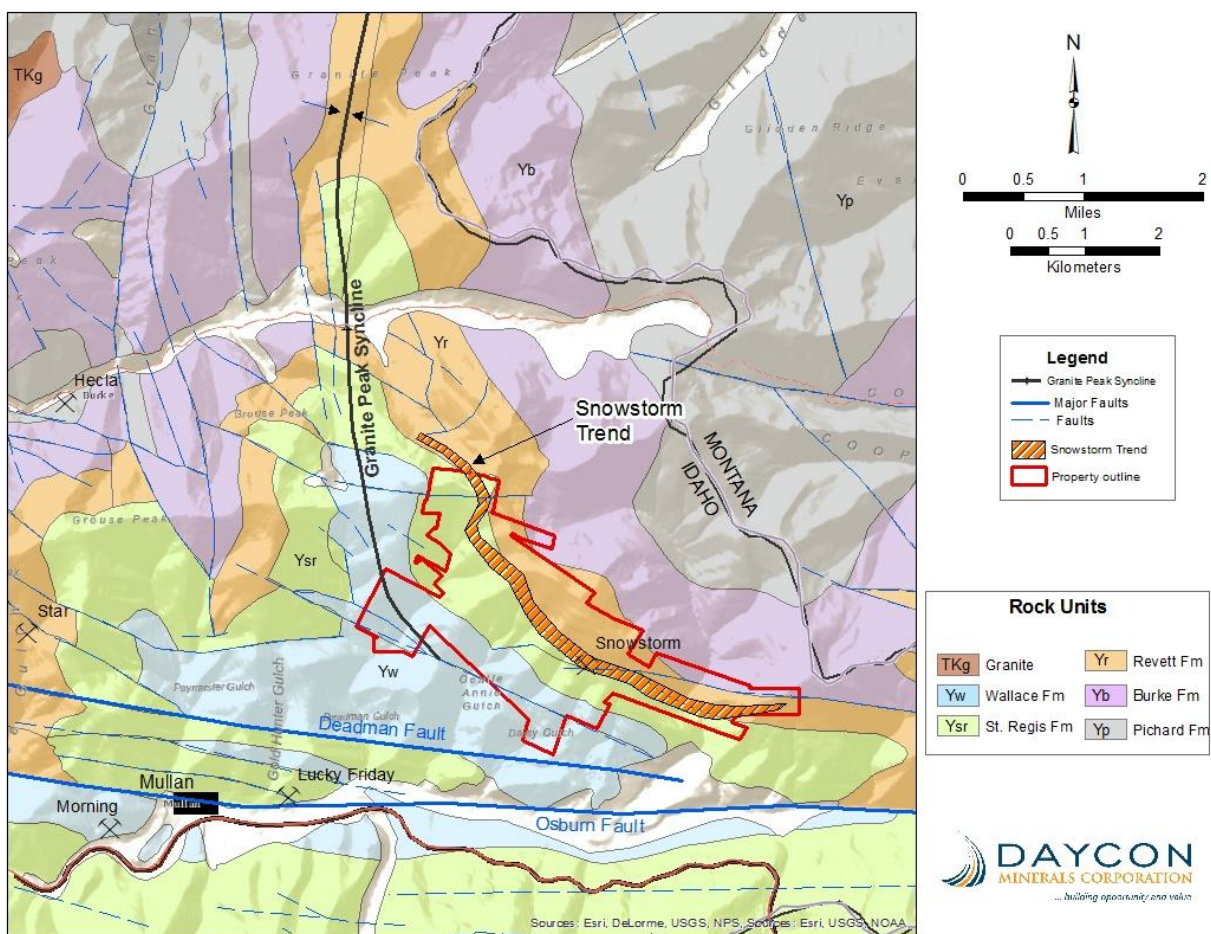


Figure 11. Regional geologic map of the Mullan, Idaho area showing the Snowstorm Project and Snowstorm Trend.

Mineralization in “the Copper Belt” (Ransome and Calkins, 1908), or Snowstorm Trend, is stratabound copper-silver mineralization between Mullan and the Idaho-Montana line, which is unique to the district.

Most of the copper mined in the district was from “the Copper Belt”, the Snowstorm Mine being the dominant producer, and credited with 800,000 tons of ore grading 4% Cu, 6 opt Ag and 0.1 opt Au between 1902 and 1925, making the historic Snowstorm Mine the highest grade deposit in the RCSB and the only known Revett-hosted deposit in the RCSB that contains gold mineralization. Additional stratabound Snowstorm Trend mineralization was noted at the Snowshoe, Missoula, Lucky Calumet, National and Copper King mines, and numerous small prospects and workings in the area.

PROPERTY GEOLOGY

1. Stratigraphy

Rocks exposed in the Snowstorm Project area are almost exclusively from the Ravalli Group of the Middle Proterozoic Belt Supergroup. The Ravalli Group is composed of fine- to medium-grained, siliceous, clastic sedimentary rocks, and is divided into 3 conformable units: the Burke, Revett and St. Regis Formations. The Ravalli Group represents a fluvial, deltaic and shallow-water depositional system with the source rocks eroding from highlands to the southwest.

The Burke Formation consists of approximately 700 meters of mostly thin- to medium-bedded, greenish-gray, impure quartzite. Scattered pure quartzite beds are more numerous towards the base and the top. Sedimentary features such as mud-cracks, ripple marks and cross-stratification are common throughout the formation and indicate a shallow-water depositional environment. The tendency to weather into slabs of broken rock, the greenish gray color, the sericitic sheen of bedding planes and relative abundance of disseminated magnetite distinguish the Burke from surrounding strata.

The Revett Formation is predominantly light-colored, thick-bedded, fine- to medium-grained vitreous quartzite with interbedded siltites and argillites. The formation is noticeably thinned in the Project area to about 400 meters; regionally the Revett can be 500 to 800 meters thick, especially south of the Osburn Fault. The Revett is subdivided into three members: a quartzite-dominant Upper Member, a siltite-dominant Middle Member, and a quartzite-dominant Lower Member (Mauk, 2002). Stratabound copper-silver mineralization can be found in both the Upper and Lower Members. The Upper Revett, which is approximately 45 meters (150 feet) thick on the subject property hosts economic copper-silver mineralization in a 10 to 12 meter (30 to 40 feet) thick, massive, cross-bedded, vitreous quartzite at its base. The Middle Revett, which is 50 to 60 meters (160 to 200 feet) thick, is dominantly gray to lavender-gray siltites and silty quartzites containing magnetite and does not host economic mineralization. The Lower Revett, which ranges up to 300 meters (1,000 feet), consists of thick intervals of quartzite with interbedded greenish-gray siltites. At least two, and perhaps several quartzite horizons host sulfide mineralization in the Lower Revett, including an 18 to 22 meter (60 to 75 foot) thick, vitreous quartzite at the top of the Lower Revett (Figure 10). Subeconomic copper mineralization can be found throughout quartzitic beds in both the Upper and Lower Revett.

The St. Regis Formation is approximately 450 meters (1,500 feet) thick and grades into the underlying Revett Formation through a 30 to 50 meter (100 to 160 feet) transitional zone of impure quartzites, siltites and argillites. Quartzite beds become progressively scarcer above this contact. The upper 300 meters (1,000 feet) consists mainly of alternating beds of thin-bedded to laminated, fine-grained, impure quartzite and argillite. In the Snowstorm area, much of the diagnostic lavender color of St. Regis argillites has been chemically reduced to a bleached, greenish-gray color, probably as a result of mineralizing fluids. Isolated blebs of malachite were noted, especially along bedding planes, in fine-grained, thin, bleached quartzites. The top of the St. Regis Formation is dominantly thin-bedded green argillites which become more dolomitic near the contact with the overlying Wallace Formation.

2. Structure

The Snowstorm Project is structurally complex, located adjacent to the west-northwest striking Lewis and Clark Line, a major dextral shear zone that extends over 800 km from Spokane, Washington to central Montana and over 20 km in width (Sears, 2007), where it converges with the south-plunging axis of the north-south trending, asymmetrical Granite Peak Syncline. Major shears are the Osburn fault, with 25 km

of right-lateral displacement located 2 km south of the property, and the Deadman fault in the southern part of the property. The shearing has steepened fault, fold and bedding attitudes and rotated those 60 to 80 degrees in a counter-clockwise direction.

Because of its position on the eastern side of the Granite Creek Syncline, Snowstorm Trend rocks generally strike northwest with southwest dips ranging from 45° to being locally overturned. Numerous normal, reverse and strike-slip faults offset the strata up to several hundred meters. Two significant faults cut the mineralized Revett horizons at the subject property; the National fault and the Snowstorm fault. Both of these faults strike west-northwesterly and dip steeply to the north. In underground workings, the Snowstorm fault splits and diverges both downward and to the east into the North and South Snowstorm Faults. The North Snowstorm fault is a reverse fault with up to 200 meters of left lateral strike-slip motion. The high-grade Snowstorm ore shoot terminates against the North Snowstorm fault and appears to be offset up to 200 meters to the east. The South Snowstorm fault forms the boundary between the St. Regis and Revett formations and appears to have little offset (Ransome and Calkins, 1908; Sorenson, 1959).

3. Mineralization

In contrast to the veins in the rest of Coeur d'Alene Mining District, mineralization in the "Copper Belt" Snowstorm Trend is stratabound and constrained to the coarser grained quartzites in the Revett formation. The mineralization is primarily composed of disseminated copper sulfide minerals and their oxidation products. This stratabound copper-silver mineralization is most similar to the Revett-type deposits found at the Troy Mine, Rock Creek and Montanore deposits in Montana.

The historic Snowstorm ore shoot was deposited in a low temperature environment 1.3 billion years ago. It is the richest mineralized zone yet found along the 10 km (6 mi) long Snowstorm Trend, extending from north of Military Gulch to the Idaho-Montana state line just east of the Little North Fork of the Coeur d'Alene River. The Snowstorm Trend is defined here as the trend of exposed, mineralized Revett quartzite that includes the Snowstorm Mine in the Silver Valley "Copper Belt" (Figures 11 and 12).

The Snowstorm Project has the potential to host very large-tonnage, stratabound copper-silver deposits in vitreous quartzite beds in both the Upper and Lower Revett, which is similar to the Troy Mine. However, there are several significant differences at the Project:

- In contrast to the flat-lying strata at Troy Mine, the beds are steeply dipping to slightly overturned.
- Because the beds are tipped on end, the ore is highly oxidized at the Snowstorm Mine. There is very little oxidation at the Troy Mine, since it is covered with thousands of feet of overlying sediments.
- At 4% Cu and 6 opt (186 ppm) Ag, ore grades were much higher at Snowstorm than at the Troy Mine, which averages 0.63% Cu and 1.5 opt (46 ppm) Ag.
- At 0.1 opt Au, the historic Snowstorm Mine contained significant gold mineralization.
- The highest grade ore is less continuous at Snowstorm, and may be confined to narrower ore shoots.

Mineralization consists of fine- to very fine-grained, disseminated copper sulfides, primarily chalcocite, bornite and chalcopyrite containing silver in solid solution or as interstitial native silver. According to Ransome and Calkins (1908):

"In its unoxidized form the best ore consists of quartzite so crowded with little specks and small irregular bunches of bornite, chalcocite and chalcopyrite as to be dark gray or nearly black".

They also noted that some of the sulfides appear to be replacing sericite and siderite. However, due to surface weathering of the steeply dipping, exposed mineralized horizon, most of the ore at the Snowstorm Mine was oxidized to malachite and cuprite. Descriptions and assays of the high-grade sulfide ore suggest that secondary enrichment played only a minor role in grade enhancement.

Three cross sections are shown in Figures 13, 13a, 13b, and 13c.

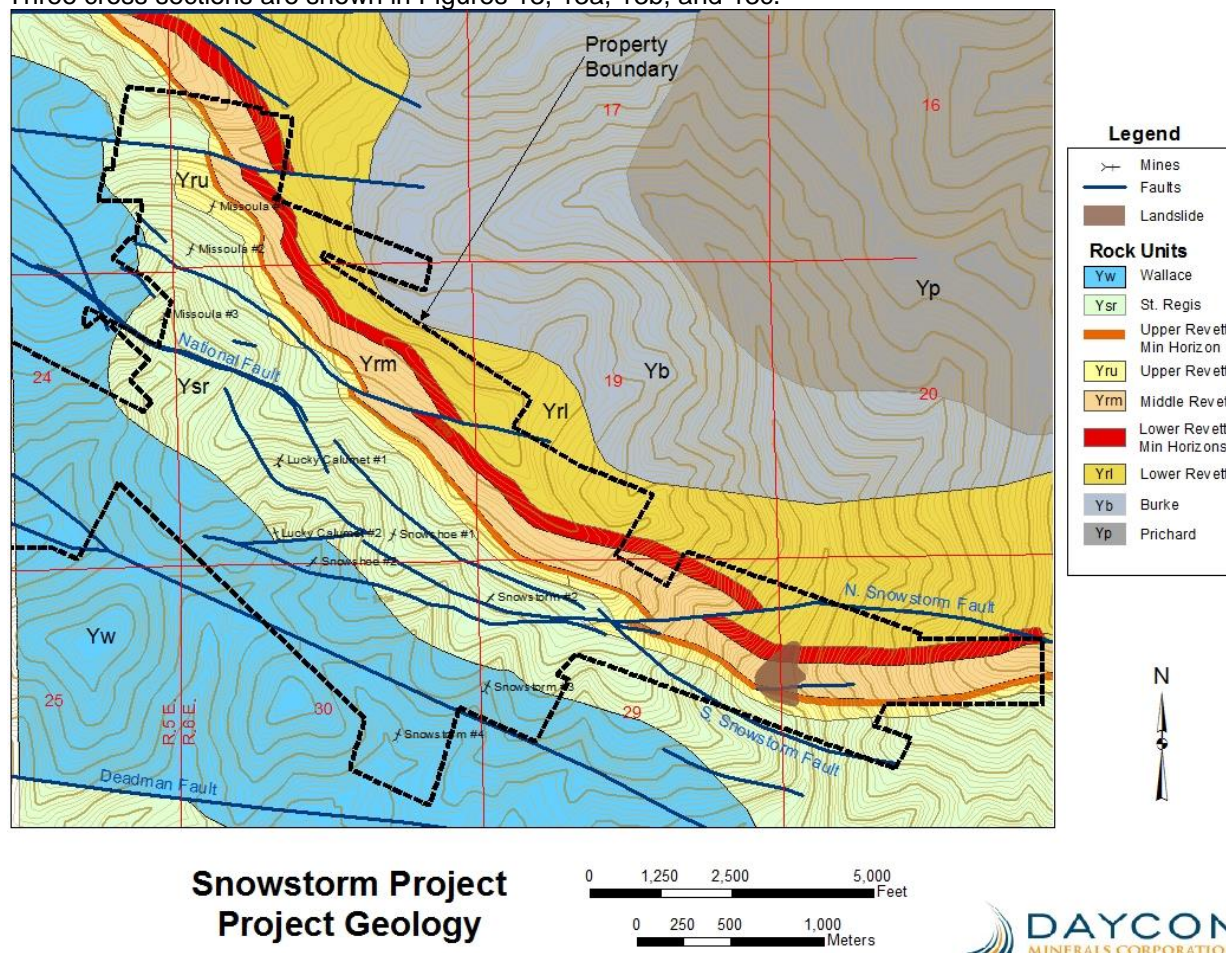


Figure 12. Property geologic map showing the Upper Revett Mineralized Horizon, the Lower Revett Mineralized Horizons, and Target areas. The Lower Revett Horizons, which are largely untested at the Snowstorm Project, are known to be mineralized on the Snowstorm and adjacent properties.

Cross-section A-A' (see Figure 13a) is constructed near the northwestern edge of the Snowstorm Project and corresponds to Target 3. Both the Upper Revett mineralized horizon and the Lower Revett mineralized horizon can be seen on the cross-section. The Missoula #3 and National Tunnel contained 30- to 50-foot thick, Revett quartzites with disseminated copper-sulfide mineralization. The stratabound mineralization in the National Tunnel is almost certainly in Lower Revett quartzites. Coeur d'Alene-type quartz-Cu-Ag-Pb veins were noted in the National Tunnel, associated with the National Fault, and in the Missoula #3 Tunnel.

Cross-section B-B' (see Figure 13b) is constructed across the historic Snowstorm Mine and Hecla Halo in Target 2. Both the Upper Revett mineralized horizon and the potentially mineralized Lower Revett horizon are shown. The historic Snowstorm Mine workings are shown- the #3 Level tunnel and small circles for workings along the mineralized horizon. All of the historic Snowstorm Mine production came from the Upper Revett.

Cross-section C-C' (see Figure 13c) is constructed across the Southeast Extension in Target 1. Both the Upper Revett mineralized horizon and the Lower Revett mineralized horizons are displayed. Hecla drill hole P-3 intersects the Upper Revett mineralized horizon in the Target 1 area; core logs indicate that the drill hole intercept contained both chalcopyrite and pyrite. **The Lower Revett horizons underlie the strong soil geochemistry anomalies and have not yet been tested other than by Daycon.**

Similar to the Troy Mine, the high-grade ore zone at the Snowstorm Mine is surrounded by an extensive halo of lower grade material (1% Cu and 1.0 opt Ag) (White, 1990). White, while working for Hecla, conservatively estimated that at least 5 to 10 million tons of this lower grade material remained around the old workings, and that the total is probably in excess of 10 million tons. White also suggests that the high-grade core of the Snowstorm deposit plunges downward and to the east and may lie at shallow levels along the strike of the Upper Revett mineralized horizon to the east of the Snowstorm Mine (Figure 13b). While visiting the site, the QP noted that vitreous quartzite float along the trend of the Lower Revett suggested strong mineralization comparable to similar Revett-type deposits visited elsewhere. Even though they were highly oxidized, the quartzites were bleached with intense iron-oxide liesegang banding and manganese oxides, possibly neotocite, along fractures and abundant fine- to very fine-grained glassy limonite after pyrite and chalcopyrite.

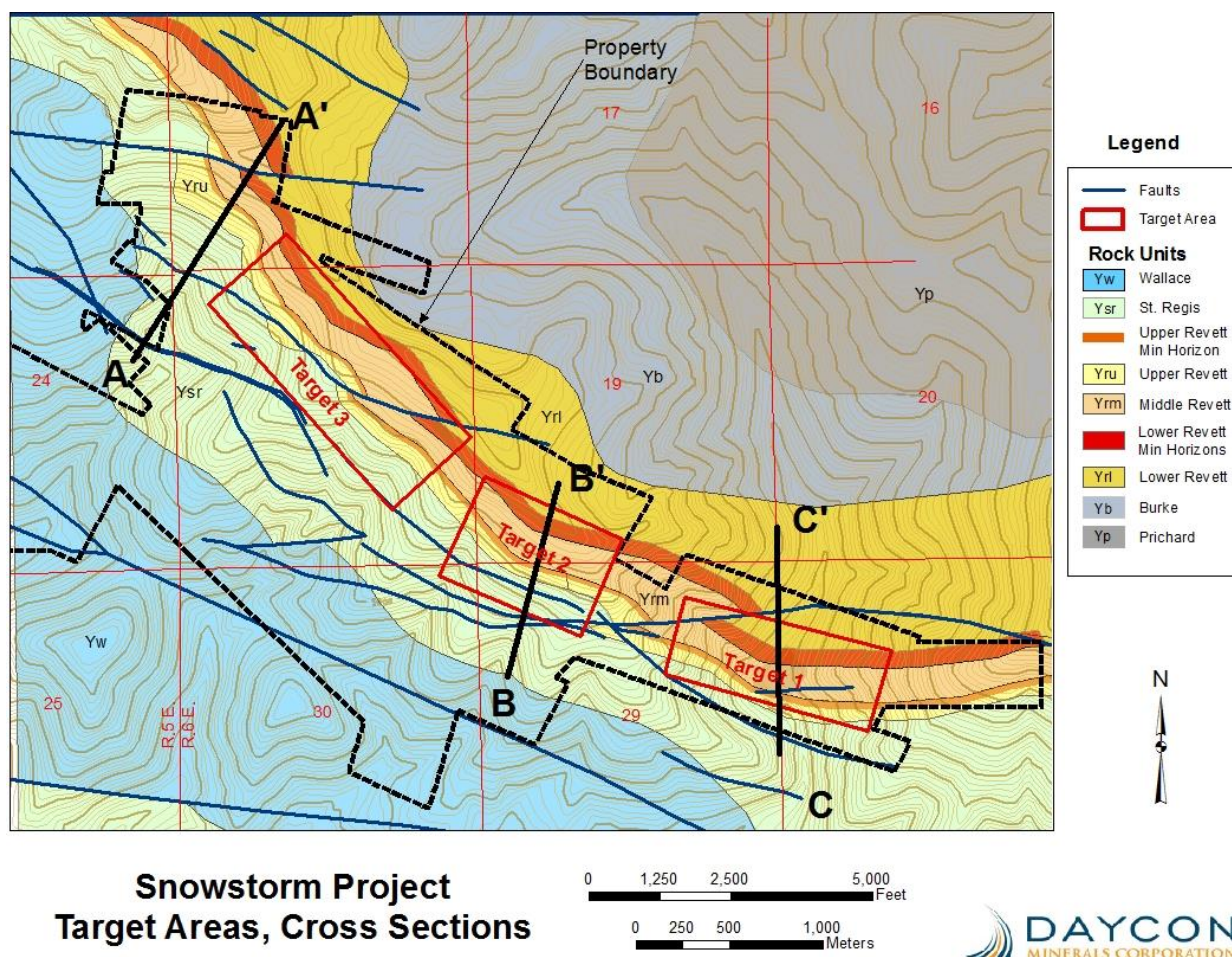


Figure 13. Location of Target Areas and Cross-Sections. Cross section A-A' (13a), B-B' (13b) and C-C' (13c).

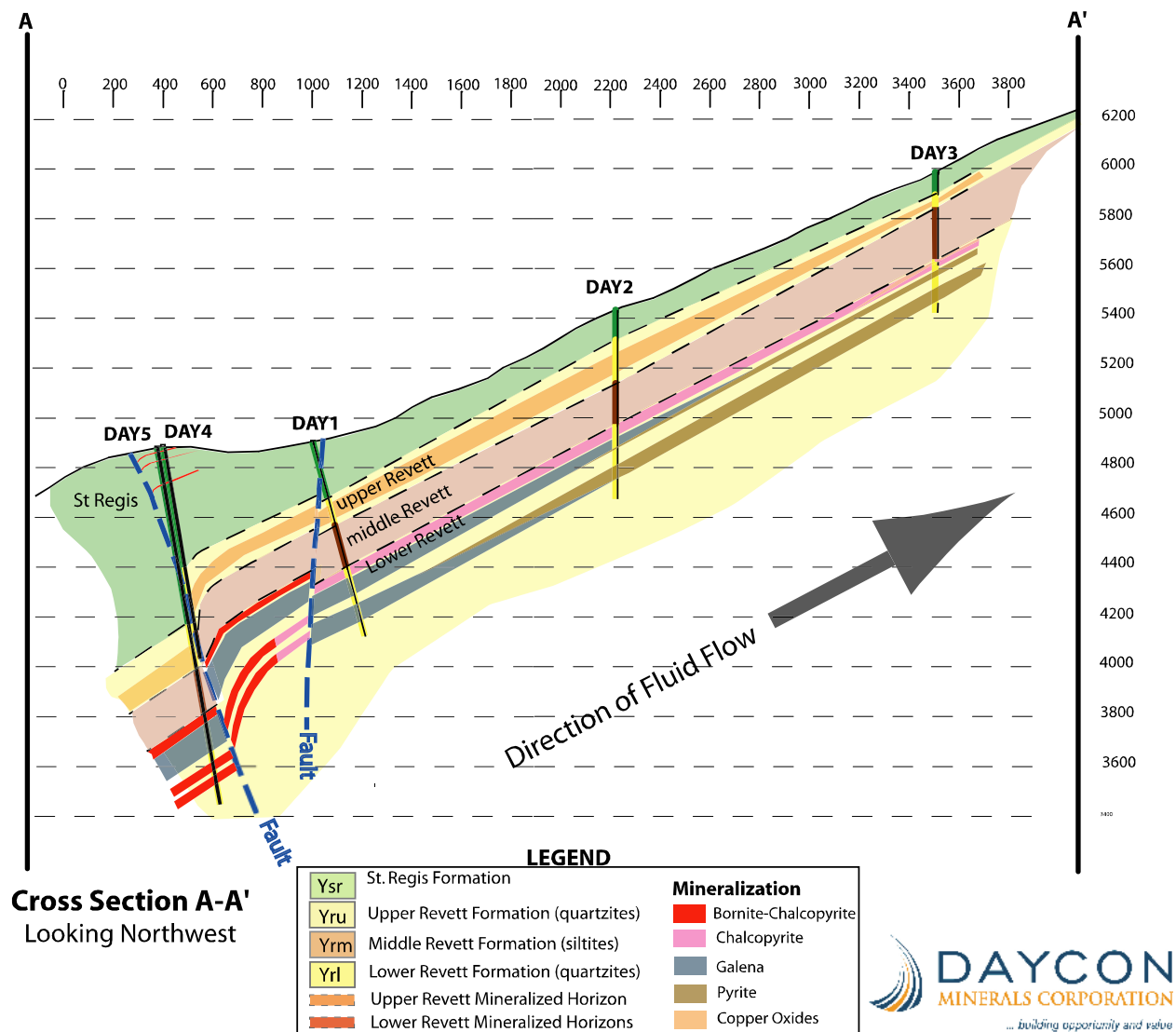


Figure 13a. Target 3, cross section A-A', looking NW.

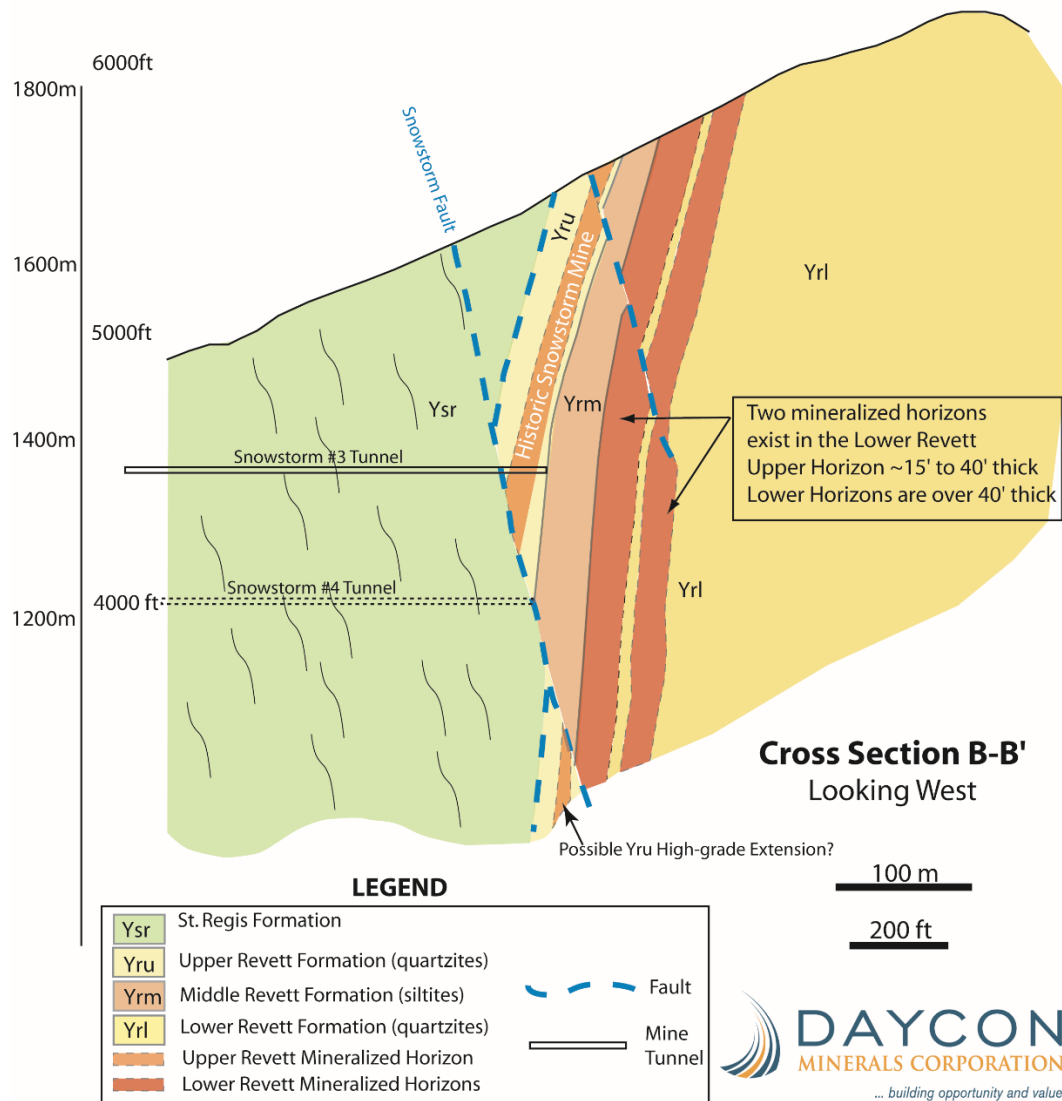


Figure 13b. Target 2, cross section B – B', looking NW

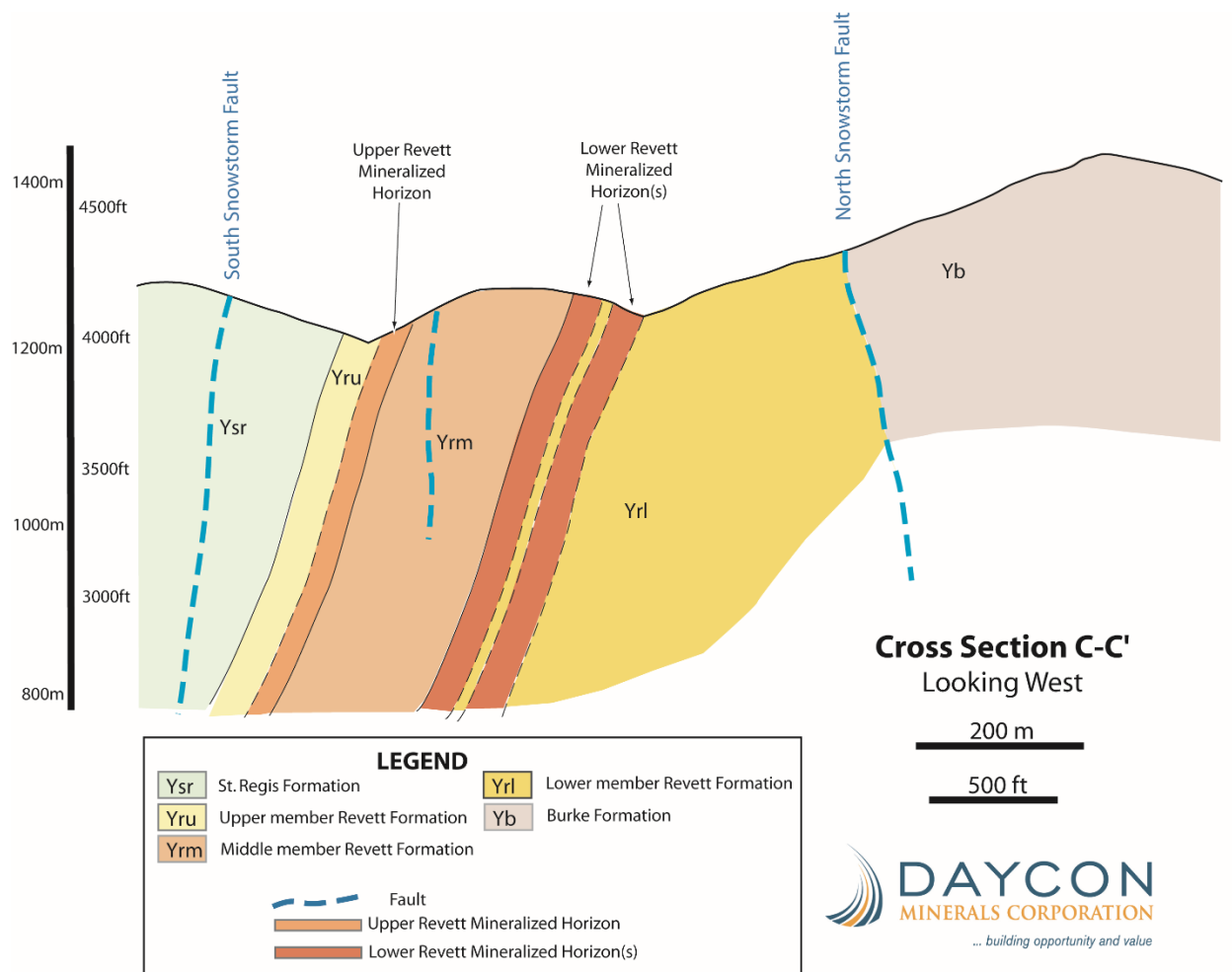


Figure 13c. Target 1, cross section C-C', looking West

The mineralized quartzite horizons at the base of the Upper Revett and top of the Lower Revett can be followed along strike for over 5.5 km (3.5 mi). In 1970, Bunker Hill Mining Co. collected and analyzed over 1,200 soil samples across these horizons for copper, silver, lead and zinc. The results, which are illustrated in Figures 14a and 14b, clearly show anomalous copper and silver values primarily along the trend of the Lower Revett mineralized horizon.

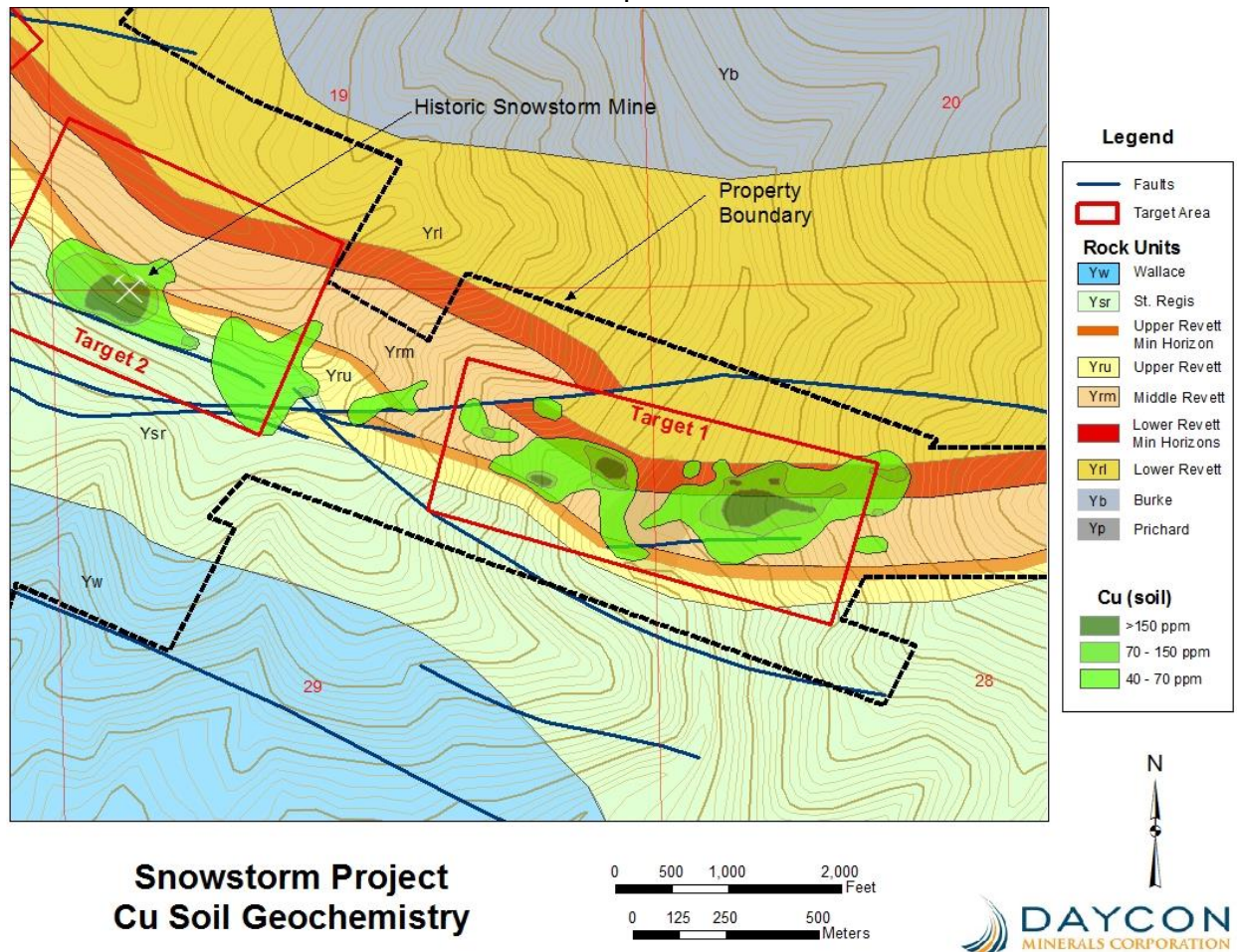


Figure 14a. Copper (Cu) geochemistry from soil samples collected by Bunker Hill.

Silver values are highest above the old Snowstorm workings, but are almost as strong southeast of the mine on the SB claim block on the slopes above the Little North Fork, which is near the suggested projection of the plunging high-grade ore shoot (White, 1990). The copper geochemical anomalies are stronger in the west facing slope above the Little North Fork drainage than those above the Snowstorm Mine. Both the silver and copper geochemical anomalies are strongest above and downhill from the untested Lower Revett mineralized horizon. Timberline's 2005 drill hole #2 was their easternmost hole but was not located far enough to the east to test the soil anomaly. Hecla's angle drill hole P-3 was located in the Little North Fork and encountered pyrite and chalcopyrite in the Upper Revett. Local silver soil anomalies were also noted both north and south of the mineralized quartzite in the Little North Fork drainage; these anomalies may be related to Coeur d'Alene vein-type mineralization.

The geology and mineralization have been extensively mapped and sampled by several researchers and mining companies since extraction began in the early 1900's. Ransome and Calkins (1908) first examined the mine in 1906 as part of a USGS evaluation of the Coeur d'Alene Mines. Calkins visited the workings again in 1912, before the mine ceased production in 1925 (Calkins and Jones, 1914). The Snowshoe, Missoula and National workings were also inspected by Calkins in 1912, where he noted fine-grained copper-sulfide minerals disseminated in both Upper and Lower Revett quartzites having a similar appearance to ores from the Snowstorm Mine. More importantly, chalcocite and bornite were recognized in the Snowshoe and National tunnels. Mineralized Lower Revett quartzites, up to 50 ft thick with grades up to 3% Cu and 3 opt Ag, were reported in a 250-foot drift near the end of the 4,300 ft long National Tunnel.

Coeur d'Alene-type quartz veins containing copper, silver and lead were also noted in the Missoula and National Mines.

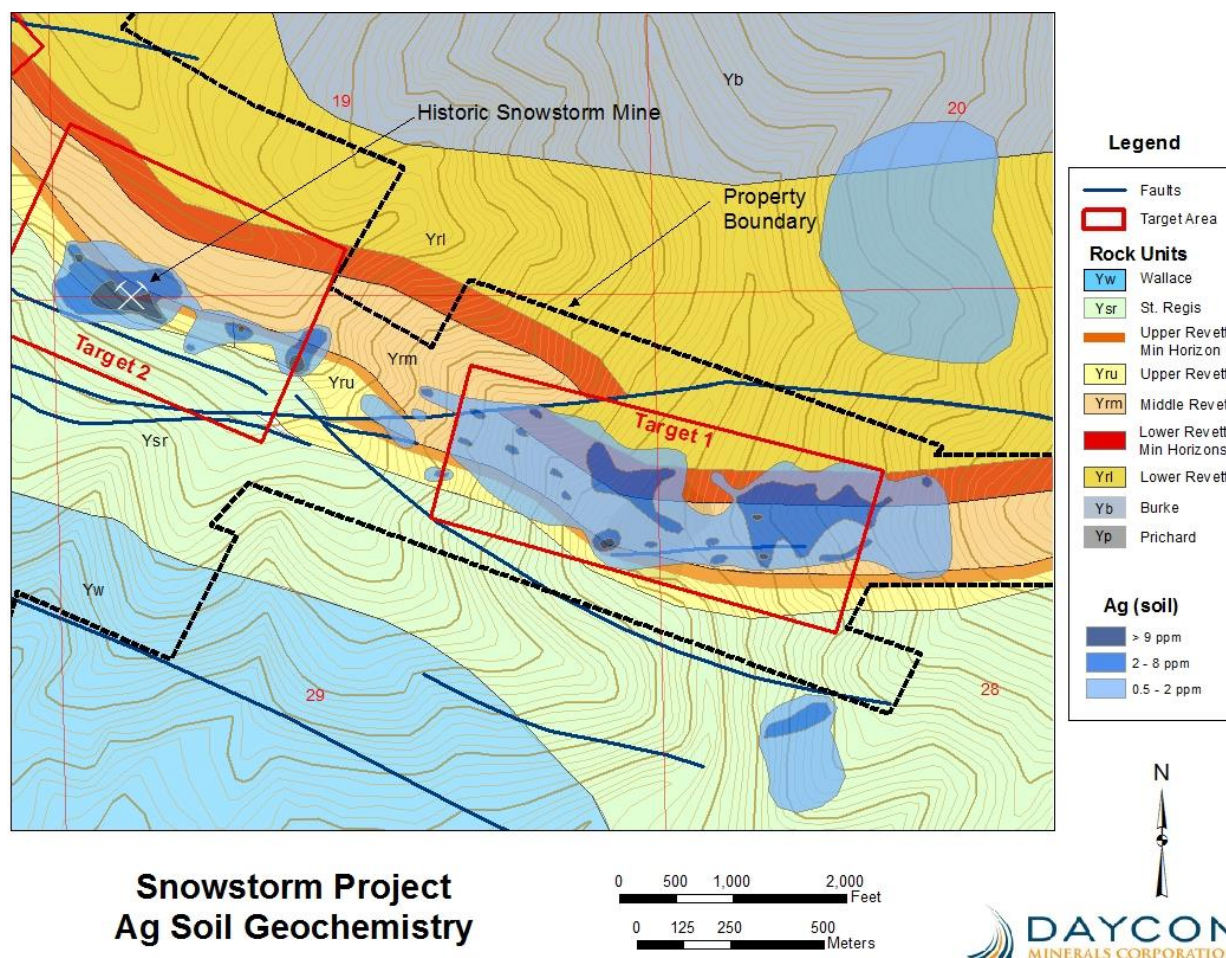


Figure 14b. Silver (Ag) geochemistry from soil samples collected by Bunker Hill. Note that the anomalous silver follows the Lower Revett mineralized horizon. Silver anomalies in the Little North Fork drainage area (Target 1) are similar to those found above the historic Snowstorm Mine.

More recent exploration has been carried out by Hecla, Bunker Hill, and Timberline mining companies. Surface rock samples of outcrops and mine dumps, which range up to 2.4% Cu with 5.7 opt Ag at the Missoula workings, 1.8% Cu with 2.9 opt Ag at the Snowshoe #2 adit, and 1.1% Cu with 2.3 opt Ag in road cuts northwest of the Missoula Mine, delineate a 5.5 km (3.5 mi) long by 15 m (45 ft) thick, highly oxidized, lower grade, mineralized quartzite horizons with high-grade ore shoots. Oxidized copper-bearing minerals exposed at the surface and in shallow workings include malachite, “glassy” limonite and neotocite. Manganese and iron oxides are locally abundant, commonly manifested as fracture coatings, liesegang banding or siderite “freckles”, in the mineralized horizon. Chalcocite, bornite and chalcopyrite have been observed in samples from mine dumps at both the Missoula and Snowshoe Mines.

Hecla Mining Co. drilled at least four core holes targeting the Upper Revett “Snowstorm” horizon on the property. Although none of the holes intersected the extension of the high-grade core, 1953 drill hole DDH# P-3 1953, which was located southeast of the Snowstorm Mine on the Little North Fork, encountered disseminated sulfide minerals, which was probably chalcopyrite that was initially misidentified as pyrite. Disseminated glassy limonites, probably from chalcopyrite, were observed in quartzites exposed in surface trenches above the drill hole.

Believing that the property had potential to host a deposit of similar size and grade to The Troy Mine, Timberline Resources drilled 10 wide-spaced angle holes along the trend of the Upper Revett mineralized horizon. All of the drill holes were in highly oxidized rock; only sparse sulfides were visible or noted on the drill logs. While the grades sampled were disappointing, all of the drill holes encountered mineralized Revett quartzite with anomalous copper-silver mineralization. None of the Timberline holes were drilled deep enough to intercept the Lower Revett.

While the historical production from the Snowstorm Mine is of much higher grade, the dimensions of orebody appear to be both more variable and less extensive laterally than in the analogous Revett-hosted deposits in RCSB. This variability and size difference may be explained by several factors:

- Post-mineralization faulting - unlike the Troy Mine, Rock Creek and Montanore, the Snowstorm Project is structurally complex, with steeply dipping beds, folds, numerous faults and intense shearing. From underground mapping, it is known that the North Snowstorm Fault cuts off both the high-grade ore shoot and the surrounding lower grade "halo".
- Deep oxidation - sulfide minerals have been leached and removed from parts of the deposits at the Snowstorm Project. More extensive deposits likely remain at depth.
- Orientation of pre-mineralization growth faults- the Troy Mine, Rock Creek and Montanore ore bodies are all associated with high-angle, pre-mineralization growth faults that were probably conduits for the mineralizing fluids (Lange and Sherry, 1983). To date, no such high-angle, bounding growth faults have been discovered at Snowstorm; most of the regional faults are oriented at low angles to bedding. The faults may have been low-angle initially, or may have been rotated to their present orientation, along with entire Belt section, by the tremendous shearing along the Lewis and Clark Line.
- Characteristics of the Revett host rocks - porosity and permeability may have been more restricted in the ore-hosting sandstones during mineralization than in the thicker, alluvial sandstones found to the northeast in Montana's Cabinet Mountains.
- Presence of reductants - the ore-forming sulfide minerals were localized where the warm, oxidizing, mineralizing fluids encountered reducing conditions, probably due to the presence of "sour" gas, in the porous sandstones. The presence of these reductants may have been variable across the Belt Basin.

Integrating the historical mine production, geologic mapping, drilling, and geochemistry with the Revett-hosted ore model, at least 3 targets have been delineated with the potential to host large, low-grade, copper-silver deposits, with local high-grade ore shoots at the Snowstorm Project (Figures 12 and 13).

The three targets are:

Southeast Extension (Target 1) –Several possible mineralized horizons in the untested Lower Revett may exist beneath the Little North Fork of the Coeur d'Alene River. Lower Revett mineralization is strongly supported by the Bunker Hill soil geochemistry survey and Daycon's 2015 field examination along the trend of mineralized Revett horizons on both the east- and west-facing slopes just above the Little North Fork. Strong copper and silver geochemical anomalies in soil samples collected along the mineralized Revett horizons in the Little North Fork drainage are comparable to those collected above the historic Snowstorm Mine. Red hematite observed in surface outcrops and fragments in oxidized, bleached, Lower Revett quartzites is locally abundant and is probably derived from the weathering of copper sulfides. Some of the fragments are also highly stained with manganese oxides with possible neotocite on fracture surfaces, further suggesting the presence of copper in the unoxidized quartzites. Fine-grained, ragged, disseminated, glassy limonite was noted in several samples which may be the weathering products of chalcopyrite. White (1990) also noted probable disseminated chalcopyrite was encountered in the favorable Upper Revett horizon in Hecla's drill hole P-3.

Additionally, the extension of the high-grade fault-truncated, Upper-Revett ore shoot mined in the historic Snowstorm Mine was likely shifted to the southeast of the Snowstorm Mine. White (1990) suggested that the Snowstorm ore-shoot extension may plunge at a shallow angle to the east beneath the mineralized Revett horizon exposed in the Little North Fork drainage. **Based on Daycon's work to date, the QP is of**

the opinion that this ore-shoot exists and is located in the Target 1 area southeast of the historic Snowstorm Mine.

Lower Revett Mineralization Below the Snowstorm Mine and the Hecla Halo (Target 2) – Daycon's 2015 field program noted the presence of extensive Cu oxides, hematite liesegang, ragged disseminated limonite (iron oxide) and manganese staining with possible neotocite in Lower Revett quartzites near the historic Snowstorm Mine. Mineralization and alteration in the Lower Revett is both widespread and pervasive, extending at least 2000 feet (600 meters) along trend and 200 feet (100 meters) in thickness. More importantly, this mineralization and alteration in the Lower Revett is stronger and more notable and can be traced over a much larger area in surface outcrops than the mineralization in the Upper Revett, except for the very limited Upper Revett outcrop immediately above the historic Snowstorm Mine.

As noted previously, Hecla defined an historical resource of 5-10 million tons grading 1% Cu and 1 opt Ag. A clear priority is to conduct current exploration work to both confirm and potentially expand this historical resource in the context of 43-101 standards.

Northwest Extension (Target 3) – The extension of the mineralized horizons in the Lower Revett below the Missoula, Lucky Calumet and Snowshoe Mines to the northwest of the Snowstorm Mine. Daycon's 2014 drill results demonstrated disseminated, stratabound mineralization over at least 200 feet (60 meters) of thickness in Lower Revett quartzites that is similar to mineralized horizons at Rock Creek and Montanore. High-grade ore (up to 3% Cu and 3 opt Ag) was reportedly mined from the National Mine, (Umpleby, 1923?), probably from stratabound mineralization in the Lower Revett. The best Timberline drill holes only tested the Upper Revett in this area. The combination of Daycon's drill results and historical data suggests that this target has a high confidence level for success at greater depths than Timberline's holes.

8.0 DEPOSIT TYPES

The historic Snowstorm Mine is a Revett-hosted, stratabound, disseminated Cu-sulfide deposit which boasted the highest copper-silver grades and the only significant gold mineralization in the Revett Copper Sulfide Belt. Ore-grade, Revett-style mineralization is documented at the Troy (Spar Lake) Mine, the Rock Creek and Montanore (Rock Lake) deposits in Montana, and at the Snowstorm Mine in Idaho. Additionally, there are numerous Revett-hosted exploration projects and prospects in both Montana and Idaho.

In fact, a recent USGS assessment indicates that "a large area of USFS-administered land in northwestern Montana and northern Idaho may contain significant undiscovered Revett-type copper-silver deposits" (Frost and Zientek, 2006).

The Revett-type deposits are associated with disseminated copper-sulfide mineralization in the Precambrian Belt Supergroup, primarily in the Revett formation. Copper-silver mineralization occurs as fine-grained sulfide disseminations, and up to half-inch sized sulfide masses, in quartzite beds, and in veinlets oriented both perpendicular to and parallel to bedding planes. Similar, though uneconomic, copper mineralization has also been noted along bedding planes and as disseminations in quartzitic rocks in the underlying Burke and in the overlying St. Regis and Wallace formations.

Revett-type deposits are stratabound in coarser grained, vitreous quartzites in the Upper and Lower Members of the Revett Formation. Mining at the Troy Mine (Revett Minerals) was confined to the lower quartzite beds in the Upper Revett; most of the deposits south of The Troy Mine area, including Rock Creek (Revett Minerals) and Montanore (Mines Management), are confined to quartzite beds in the Lower Revett. Revett Minerals had announced expanded copper-silver resources and development at the Troy Mine in several quartzite horizons in the Lower Revett as well (Figure 15); the Mine is now in closure following Hecla's acquisition of Revett Minerals in 2016.

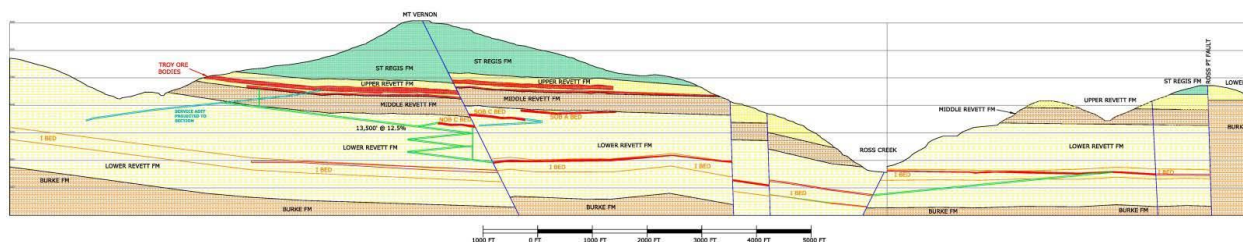


Figure 15: Cross section of the Troy Mine, showing multiple ore horizons in Lower Revett. Similar to Snowstorm, the Troy Mine was originally developed only in the Upper Revett. (Reference)

Fluid inclusion and isotope data published in recent edition of Economic Geology (Hayes, et al, 2012) suggest that the copper-silver ores at The Troy Mine were deposited across a reaction zone between an ascending, oxidizing, metal-rich brine and a reducing “sour” (H_2S -bearing) natural-gas reservoir in the host sandstones. The metal-rich fluids probably ascended along the East Fault, a high-angle growth fault, and are early diagenetic to post-diagenetic in age. Copper sulfides formed from relatively low-temperature fluids, probably less than $220^\circ C$ (Hayes, et al, 2012). Fluid inclusion studies suggest that the ore bodies probably formed where the oxidizing fluids mixed with pre-existing natural gas reservoirs in the Revett.

The deposits display sulfide- and gangue-mineral zonation both horizontally and vertically (Figure 16). At the Troy Mine, the general lateral zonation patterns, from the East Fault towards the west, are the proximal (1) chalcocite-chlorite, (2) bornite-calcite and (3) chalcopyrite-calcite zones outward to the distal (4) galena-calcite and (5) pyrite-calcite zones, which form large, uneconomic halos around the ore in the proximal zones (Hayes et al, 2012). Economic concentrations of Cu and Ag are found primarily within the chalcocite and bornite zones. Vertical zoning is similar, but not as well defined. Fluid inclusion studies indicate that the distal zones formed in temperatures well below $120^\circ C$ (Hayes, et al, 1989) while temperatures ranged up to $185^\circ C$, and possibly higher, in the chalcocite zone, suggesting that the oxidizing ore fluids moved outward through the permeable sandstones from the chalcocite-bornite zones. The distal galena and pyrite zones form large a large halo around these deposits and are useful as exploration guides. The general arcuate zoning characteristics and oxidation at the Troy Mine deposit are analogous to stratabound uranium roll-front deposits.

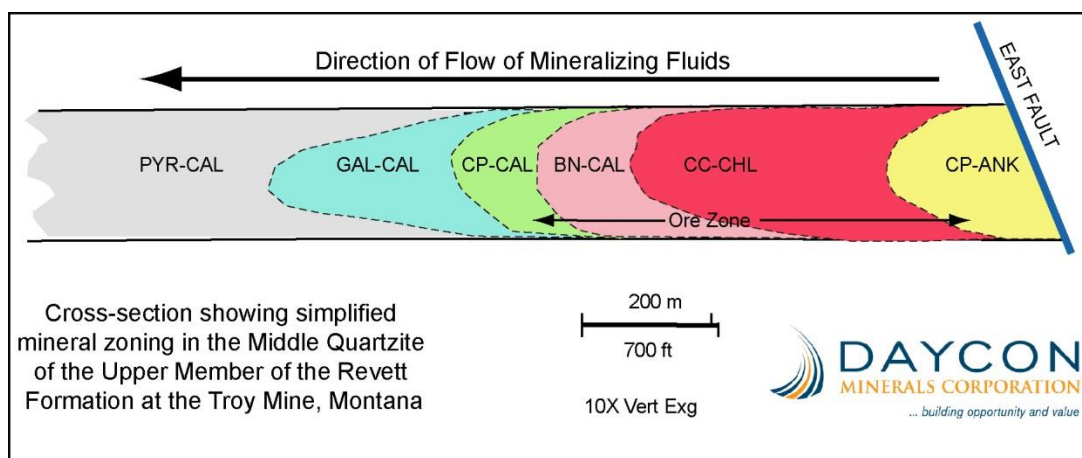


Figure 16. Simplified Mineral Zoning for Revett Copper Sulfide Deposits. This cross section illustrates the general mineral (sulfide and carbonate gangue) zoning at the Troy Mine, Montana. CP-ANK chalcopyrite-ankerite, CC-CHL chalcocite-chlorite, BN-CAL bornite calcite, CP-CAL chalcopyrite-calcite, GAL-CAL galena-calcite, and PYR-CAL pyrite-calcite. Mineral zoning is a critical tool providing vectors for exploration in Revett-type deposits.

Hecla's (formerly Revett Minerals') Troy Mine (Spar Lake deposit) was developed in 3 flat-lying quartzite beds at the base of the Upper Revett; the deposit is approximately 7500 feet long, 1800 feet wide and 60

feet thick, with average historic grades of 0.75% Cu and 1.4 opt Ag. **In 2012, the Troy Mine produced 1.1M oz. Ag and 7.5M lb. Cu. As of February 3, 2014, Troy announced reserves (P+P) and resources (M+I) in excess of 110M oz. silver and 954M lbs. copper. Inferred resources total in excess of 1M oz. silver and 8.8M lbs. copper.** Additional economic mineralization in the “C” and “I” quartzite beds in the Lower Revett and in the JF zone should add significant resources to the Troy Mine. Hecla determined to close the Troy Mine, and is in the process of de-commissioning.

Hecla’s (formerly Revett Minerals’) world-class Rock Creek deposit is geologically similar to, but larger than The Troy Mine. Rock Creek is a stratabound copper-silver deposit contained in upper quartzite beds of the Lower Revett. The Rock Creek orebody measures approximately 4,900 meters (16,000 feet) along the long axis and 2,200 meters (7,200 feet) wide with an average thickness of 10 meters (30 feet). **Rock Creek hosts Inferred Resources in excess of 229M oz. silver and 2,022M lbs. copper with average grades of 1.67 opt Au and 0.72% Cu, respectively (Revett Silver Co., 2005).** Hecla is still awaiting final approval of mining permits for the deposit, the bulk of which is located beneath the Cabinet Mountain Wilderness Area.

Hecla’s (formerly Mines Management’s) world-class Montanore (Rock Lake) deposit is similar to the Rock Creek deposit. Like Rock Creek, stratabound copper-silver mineralization is constrained to upper quartzite beds in the Lower Revett. Montanore measures 4,000 meters (12,000 feet) in the long axis to the north-northwest and ranges from 260 to 650 meters (800 to 2,000 feet) in width with an average thickness of 11 meters (34 feet). The mineralization has not been completely drilled and is open further down-dip to the northwest **Montanore hosts Resources (M+I) in excess of 166M oz. silver and 1,227M lbs. copper. Inferred resources total in excess of 65M oz. silver and 497M lbs. copper, with average grades ranging from 1.85 to 2.05 opt Ag and 0.71 to 0.75% Cu., respectively (Mines Management Inc, 2005).** Hecla is awaiting renewal of the mine permit obtained by Noranda in 1993.

All three deposits are sub-parallel to, and probably genetically related to bounding growth faults. The deposits are very extensive laterally with consistent grade thicknesses in the ore zones. Long-axis measurements in these deposits can extend upwards of several miles, and is commonly in the order of 2 to 3 times the width of these systems (Hayes and Einaudi, 1986). Both Rock Creek and Montanore were drilled on roughly 300 meter (1,000 foot) centers with high confidence in the calculated resources.

The historic mining of disseminated high-grade copper and silver in the Revett and the extensive strike length of the stratabound mineralization indicate that the Snowstorm system is a Revett-type, stratabound deposit. The Upper and Lower Revett mineralized horizons shows anomalous copper-silver mineralization extending over 5.5 km (3.5 mi) in surface exposures on the claims controlled by Daycon. The historic Snowstorm Mine exploited a high-grade chalcocite-bornite core zone surrounded by a large copper-silver halo with grades similar to The Troy Mine and Rock Creek. The extension of the high-grade ore shoot, which was truncated by the North Snowstorm Fault, has not yet been found. The mineralized Upper Revett on the remainder of the property has only been tested by widely spaced drilling and small workings in the near-surface, oxidized environment. There is significant untested potential for the Snowstorm Project to host a Revett type deposit at depth in Lower Revett quartzites.

Additionally, the Lower Revett, which is mineralized in almost all the other stratabound Revett-hosted deposits and prospects, has been largely ignored at the Snowstorm Project. The Rock Creek and Montanore ores occur in Lower Revett quartzites, and the Troy Mine had developed copper-silver resources in several quartzite beds in the Lower Revett. Lower Revett exposures in Military Gulch, just north of the Snowstorm Project, are known to contain stratabound copper-silver mineralization. The Lower Revett has not been adequately explored on the Snowstorm Project and may contain significant mineralization. Strong soil geochemical anomalies overlie the Lower Revett in the Little North Fork drainage, and Lower Revett quartzites exposed in the National Tunnel ranged- up to 3% Cu and 3 opt Ag.

Copper-sulfide mineral zoning may be a key aspect to exploration success at the Snowstorm Project, where the zoning appears to be similar to the Troy Mine, Rock Creek and Montanore deposits (Figure 16). Due to the steeply dipping, exposed strata, strong oxidation has leached and removed the sulfide minerals to a

depth of several hundred feet. Even so, it is clear that the Snowstorm Mine high-grade core was located in the chalcocite-bornite zone, similar to the highest-grade mineralized zone in other Revett-type deposits. At Snowstorm, this is surrounded by a lower, yet still ore grade, bornite-zone halo, then by a very extensive, property-wide chalcopyrite (with minor bornite) zone. Disseminated chalcocite, bornite and chalcopyrite have been reported in rock samples found on the dumps of the Snowshoe and Missoula mines, which are along strike and northwest of the Snowstorm Mine. Unique to the Snowstorm Project, a zone of disseminated chalcopyrite-tetrahedrite was found in core from Daycon's drill hole DAY5. The existence of a tetrahedrite mineral zone, which is not recognized in other Revett deposits, suggests that higher silver grades are possible at Snowstorm. The extensive nature of the chalcopyrite zone coupled with localized chalcocite-bornite samples suggests that probable ore-grade mineralization in the chalcocite and bornite zones are likely present either at depth or along the strike length of the Revett mineralized horizons.

At the Troy Mine, Rock Creek and Montanore, sulfide concentrations range from <1% in the chalcopyrite zone to >5% locally in the highest-grade chalcocite and bornite zones. It is expected that sulfide concentrations should be similar at the Snowstorm project in unoxidized mineralized horizons. If so, ore-grade sulfide concentrations at Snowstorm should provide a discernible IP chargeability and resistivity response. Revett Minerals successfully used IP surveys in their geophysical exploration at the Troy Mine (Feeback, 2012). It should be noted that two test IP survey lines run by Bunker Hill over the historic Snowstorm ore shoot in 1969 showed no chargeability. A post survey review discovered the sulfides had been oxidized to a depth of 500 feet; which is beyond the dipole spacing depth the survey was designed to investigate, thus explaining the results.

The combination of the potential size of Revett type copper-silver deposits, the richness of the historic Snowstorm ore shoot, the potential significant gold mineralization, the high grade mineralization exposed at depth in the National Tunnel, the 5.5 km (3.5 mi) strike length under Daycon's control of the mineralized Upper Revett horizon, the largely untested potential mineralization in the Lower Revett, and the new insights on the timing, genesis and mineral zoning of Revett type deposits make the Snowstorm Project a compelling exploration target.

9.0 EXPLORATION

After Daycon's new discovery of a significant thickness of disseminated sulfides in the Lower Revett in the 2014 drill program, the QP initiated a field exploration program in 2015 to more closely examine the Lower Revett. Daycon's 2014 drilling program is described in Section 10.

Surface exposures at Daycon's Snowstorm Project were mapped and sampled during 6 days in June and July 2015 to determine if higher-grade, Revett-type, Cu-Ag mineralization may exist at depth in quartzites in the Lower Revett (Figure 17). Surface exposures at the Upper Revett, Historic Snowstorm Mine (800,000 tons grading 4% Cu and 6 ounces/ton Ag) were also examined for comparison to surface exposures of the Lower Revett. Both the Upper and Lower Revett layers are tilted steeply to the southwest and are intensely oxidized to a depth of several hundred feet. With the intense oxidation, the QP relied heavily on the presence of secondary Cu minerals (malachite, azurite, cuprite and brochantite), the intensity and type of iron oxides, such as Liesegang banding of red-colored hematite, the relative abundance of pyrolusite and neotocite (manganese oxides) on fracture surfaces, and the abundance of fine "ragged" limonite spots that typically form from the oxidation of copper sulfide minerals.

In Daycon's 2014 core hole DAY5, the uppermost 250 feet [75 meters] (mostly quartzite) of the Lower Revett was identified as being anomalous in Cu-Ag with visible, stratabound, disseminated sulfide mineralization in at least 2 separate layers that ranged from 40 to 60 feet [12 to 18 meters] thick. Daycon's mapping of the Lower Revett surface exposures show intense mineralization and alteration over approximately 250 feet [75 meters] of thickness in the vicinity of the Historic Snowstorm Mine. The most intense mineralization, containing abundant secondary Cu minerals and hematitic iron oxides with numerous "ragged" sulfide spots, could be followed for over 2000 feet [610 meters] along the strike length of the uppermost quartzite layer in the Lower Revett. **Mineralization is pervasive for over 2 miles of**

Lower Revett exposures examined in the Snowstorm Project; including in the Little North Fork drainage area where the Lower Revett underlies a strong Cu-Ag soil sample anomaly. With the exception of the Upper Revett “discovery outcrop” directly above the historic Snowstorm Mine, Lower Revett mineralization in surface exposures was more intense than that found in surface exposures of the Upper Revett, despite the fact that the mineral zoning in the Lower Revett should be further from the source and thus lower grade (see Figure 18).

The intensity and prevalence of the mineralization defined at least two immediate and compelling drill targets in the Lower Revett; 1) behind and stratigraphically below the Historic Snowstorm Mine in Target 2, and 2) in the Little North Fork drainage in Target 1.

The top priority should be in the area of the Historic Snowstorm Mine (Target 2), as drilling can be conducted on patented claims and the surface mineralization is the most intense. **Given the surprising amount of surface mineralization observed, drill results could equal or better the size and grade of the Historic Snowstorm Mine.** An initial 6 to 8 core holes, ranging in depth from 600 to 1500 feet [180 to 460 meters] in depth, should be sufficient to assess Revett-style, Cu-Ag mineralization in the Lower Revett at depth below the Historic Snowstorm Mine. Hole locations and orientations will be determined based on results from previous holes. An additional 4 core holes, up to 2000 feet deep, may be necessary to adequately define mineral resources in this area.

An initial 2 to 4 core holes, ranging in depth from 500 to 1000 feet [150 to 300 meters], should be drilled to assess the potential mineralization in the Little North Fork Drainage (Target 1). A Plan of Operation will be submitted to the Forest Service to obtain permits for drilling in this area.

Another high-priority target is the fault-displaced Snowstorm Ore Shoot in the Upper Revett. White (1990) suggested, based on the mineralization in the historic Snowstorm Mine, that the cut-off ore shoot may exist at shallow depths to the east of the Snowstorm Mine. IP/Resistivity and Magnetic surveys may be useful in locating the high-sulfide, shallow buried ore shoot.

The cost of drilling both drill targets is adequately covered under the two-year drilling program budget of US\$3,168,303.

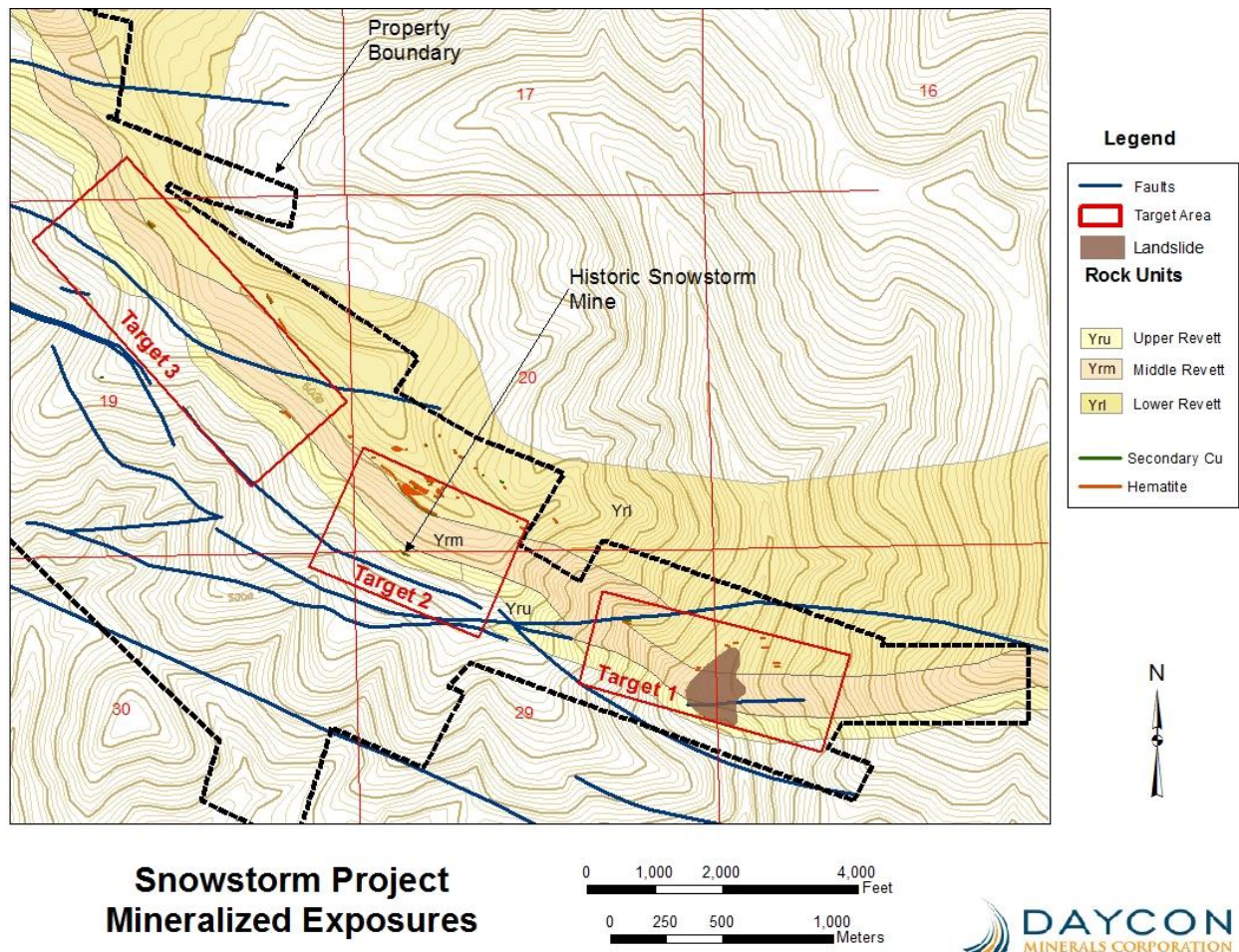


Figure 17. Surface exposure map of the Revett Formation showing relative mineralization/alteration

In June 2015 surface exposures at the Snowstorm Project were examined and sampled to determine the extent of stratabound, disseminated Cu-Ag mineralization in quartzites of the Lower Revett. **The results were better than expected, defining several promising drill targets.**

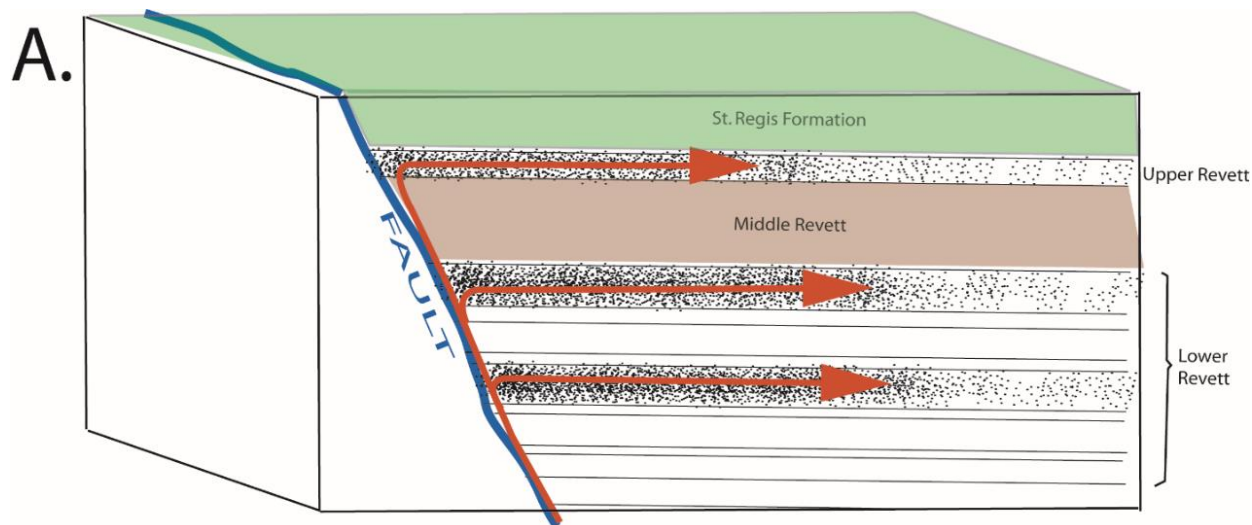
Exploration focused on finding altered and mineralized Lower Revett quartzites (Figure 17) in the Little North Fork of the Coeur d'Alene River drainage (Target 1), near the Historic Snowstorm Mine (Target 2), and in the Snowshoe Mine area (Target 3).

The mapping led to discovery of several Lower Revett quartzite surface exposures with strong indications of stratabound, disseminated (Revett-type) Cu-Ag mineralization and alteration. The presence of blue and green secondary Cu minerals (azurite, brochantite and malachite), of red, hematitic iron oxides with abundant Liesegang banding, and the profusion of disseminated, "ragged" spots after copper sulfides and pyrite in the quartzites all indicate Lower Revett is well mineralized. A Bunker Hill Mining Co. soil survey conducted in the 1970's also confirms that the Cu and Ag geochemical anomalies overlie Lower Revett quartzites in the Little North Fork drainage area. These soil anomalies have been largely ignored, because they didn't correlate to Upper Revett exposures (Historic Snowstorm Mine horizon). The altered and mineralized Lower Revett surface exposures can be traced at least 2000 feet [600 meters] along trend and 200 feet [60 meters] in thickness (Figure 17).

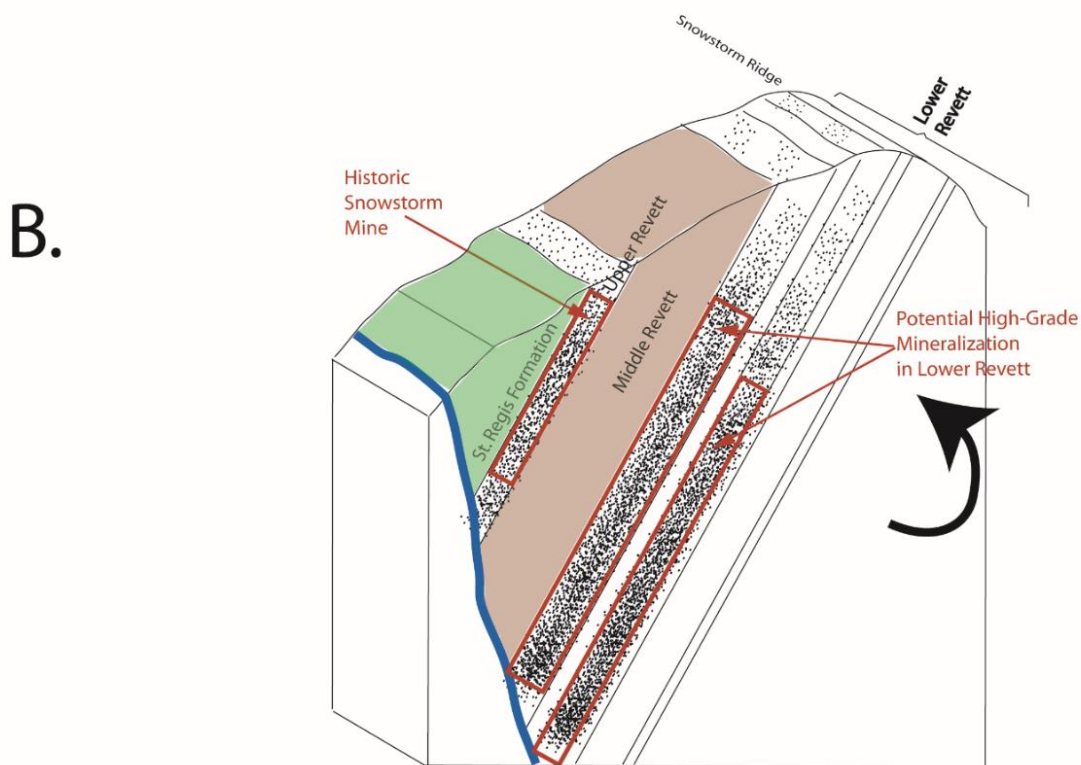
These exposures present several drill targets deeper in the Lower Revett, especially in Target 1 and Target 2. The Lower Revett was neglected by past exploration programs at Snowstorm, with the emphasis on finding the extension of the cut-off, high-grade ore shoot in the Upper Revett at the Historic Snowstorm Mine, without any attention to, analysis of, or work being done in the Lower Revett on other areas within the sizeable Snowstorm Project.

Revett-type Cu-Ag deposits formed where ascending hydrothermal fluids encountered permeable sandstone layers (Figure 18), and are restricted to a roughly north-south trending zone that extends from the Snowstorm Mine north to Troy, Montana (Hayes, et al, 2012). These hot fluids deposited silver-rich, copper-sulfide minerals as they moved laterally through the sandstone layer, resulting in stratabound, disseminated Cu-Ag ore bodies and mineral deposits in present-day Revett Quartzites (Snowstorm Mine, Troy Mine, Rock Creek Deposit, Montanore Deposit). Deposits can be found in both the Upper and Lower Revett quartzite horizons, but are more prevalent in the Lower Revett.

The Snowstorm Mine (Upper Revett) hosted the highest grade Revett-type deposit found to date with approximately 800,000 tons of 4% Cu and 6 opt Ag and 0.1 opt Au. In contrast to other Revett-type deposits, the quartzite layers that host the mineralization at Snowstorm are tilted steeply on end and have been intensely oxidized from the surface to about 500 feet.



A. Origin. Hot mineralizing fluids (Cu-Ag rich) ascend fault and flow laterally through permeable sandstones, depositing disseminated copper sulfides. The mineralization zones outward from fault from high-grade Cu-Ag (heavy stippling) to lower grade disseminated galena/pyrite zones (open stippling).



B. Present-day configuration after folding, shearing, erosion and intense surface oxidation. The Lower Revett, as can be seen, should be zoned further out at the surface (lower grade) than the Upper Revett (Snowstorm Mine). The presence of stacked mineral horizons, secondary Cu minerals, hematitic liesegang banding and disseminated, "ragged" limonite spots after sulfides in the Lower Revett suggests higher grade mineralization at depth.

Figure 18. Diagram showing hydrothermal origin ("A") and potential mineralization in tilted Lower Revett quartzites ("B")

TARGET 1 (Little North Fork drainage):

Significant observations

1. While the Upper Revett discovery outcrop for the very high-grade Historic Snowstorm Mine is highly oxidized, hematite rich (red FeOx) with ragged limonite spots, abundant liesegang banding and abundant malachite, the Upper Revett in the Little North Fork shows little hematite, limited liesegang banding and very sparse malachite
2. Lower Revett quartzites are in place (not faulted out as reported by previous workers) in the Little North Fork drainage. The stratigraphic section can be followed from the Upper Revett quartzites down through the Middle Revett into the Lower Revett, but is hidden by landslide material near the bottom of the Little North Fork Valley.
3. While highly oxidized, the hematitic weathering and abundant “ragged” limonite spots suggest that some of the Lower Revett vitreous quartzites contained copper sulfide minerals. No secondary copper minerals were noted (which is not unexpected).
4. The copper and silver soil geochemical anomalies appear to be spatially related to the top of Lower Revett quartzites and are not related to Upper Revett mineralization (Figures 19, 20).



Plate 3. Photos of red (hematitic) iron oxide staining on Lower Revett Quartzites at Target 1. These samples contain abundant “ragged” limonite spots, probably from weathering of disseminated copper sulfides

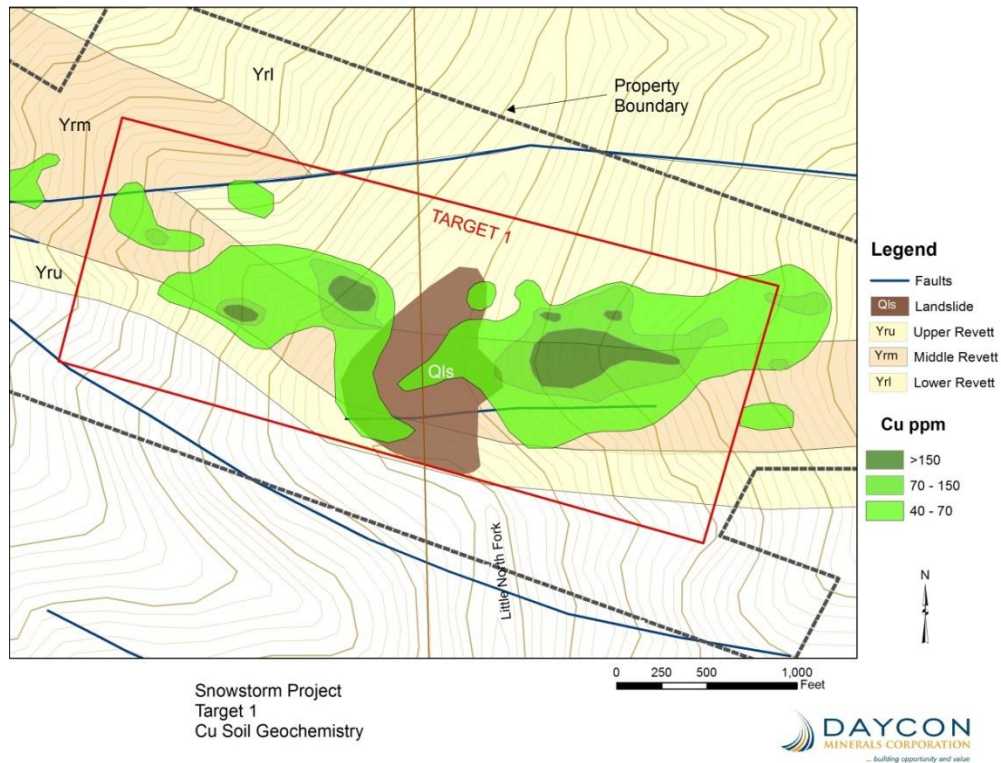


Figure 19. Copper soil geochemical anomaly in Target 1. Note that the anomaly is most intense near the top of the Lower Revett layer (contact between Lower and Middle Revett)

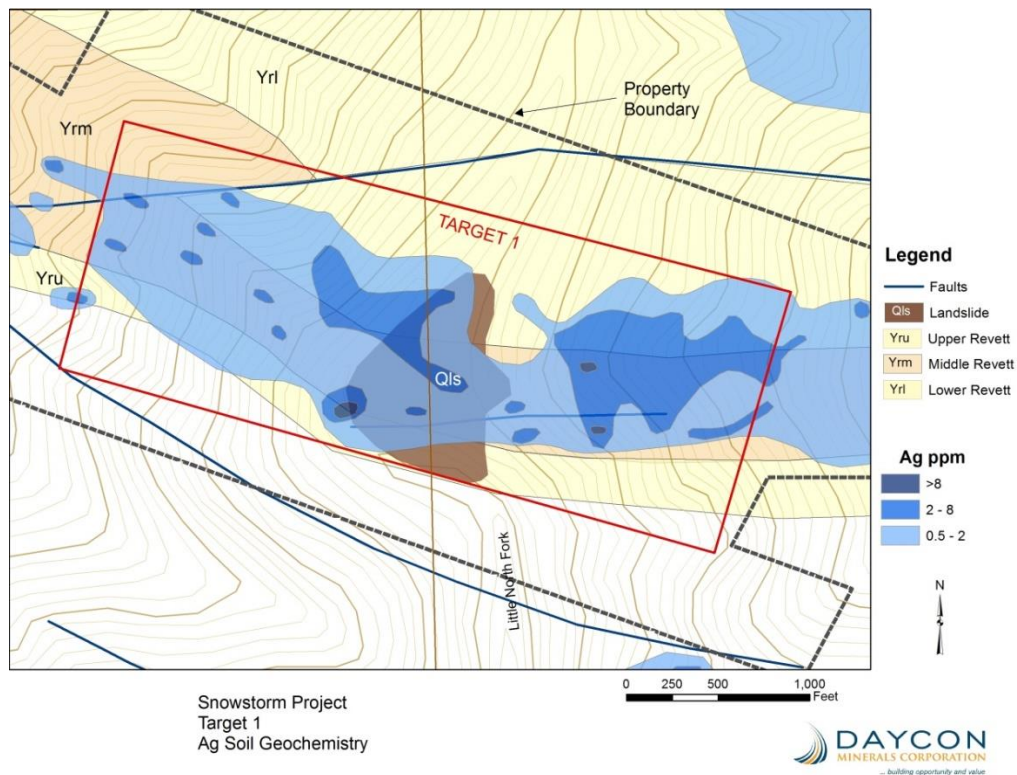


Figure 20. Silver soil geochemical anomaly in Target 1. Note that the anomaly is most intense near the top of the Lower Revett layer (contact between Lower and Middle Revett)

Past exploration focused exclusively on finding mineralization in the Upper Revett similar to the Historic Snowstorm Mine. In the Little North Fork drainage, previous mapping showed the Lower Revett as missing and faulted out. The presence of a landslide overlying the contact between the Middle and Lower Revett, combined with a lack of outcrops due to heavy forest cover, obscures the Lower Revett and could have led to this hypothesis.

There is clear evidence for the presence of the Lower Revett in the Little North Fork drainage. With careful observation, mapping revealed the entire Revett stratigraphic section from Upper Revett quartzites, through the Middle Revett into vitreous quartzites at the top of the Lower Revett.

Quartzites layers at the top of the Lower Revett (which also host the Montanore and Rock Creek deposits) exhibit hematitic (red) iron oxides and contain abundant, disseminated “ragged” limonite spots after sulfides. This indicates that these quartzites were probably mineralized with disseminated copper sulfides before intense oxidation due to weathering at the surface. Analyses from the rock samples collected show anomalous Cu, Pb and Ag in the specimens.

The quartzites found near the top of Lower Revett underlie the strong soil geochemical anomaly found by The Bunker Hill Mining Company soil survey. It is the QP’s opinion that the soil anomaly was generated by mineralization in the Lower Revett quartzites; making Target #1 an enticing drill target. It is also interesting that at least one quartzite unit deeper in the Lower Revett section showed enough mineralization at the surface to justify digging several tunnels for exploration and/or development (probably near the turn of the century), suggesting that mineralization may be found in some of the quartzite layers even deeper in the section of the Lower Revett.

The continuation of the cut-off, high-grade ore chute at the Snowstorm Mine was probably displaced to the east in the Target 1 area. An IP/Resistivity survey should be implemented to help locate the buried off-set of the fault displaced ore chute.

TARGET 2 (Lower Revett Stratigraphically below the Historic Snowstorm Mine):

Significant observations

1. Vitreous quartzites of the Lower Revett are exposed as outcropping to subcropping talus fields above the Historic Snowstorm Mine.
2. Similar to mineralized surface exposures at the Historic Snowstorm Mine, quartzites in the Lower Revett are highly oxidized showing abundant hematitic (red) iron oxide with pervasive liesegang banding and commonly with the secondary copper minerals azurite, malachite, brochantite and cuprite.
3. Bands of hematitic (red) iron oxide, many containing secondary copper minerals, were noted down section all the way to the top of the ridge. These were usually separated by layers with intense limonitic (tan-brown) iron oxides with pervasive liesegang banding and weathered pyrite cubes.
4. Assuming a 50° to 60° dip to the southwest, trigonometric calculations indicate that we traversed approximately 320 feet (100 meters) of Lower Revett section to the top of Snowstorm Ridge above the Historic Snowstorm Mine, and an additional 200 feet (60 meters) on the backside of Snowstorm Mountain. Isolated secondary copper was noted even deeper in the Lower Revett section on the north side (below) of Snowstorm Ridge
5. Secondary copper mineralization could be followed for at least 650 feet [200 meters] along strike in the uppermost quartzites in the Lower Revett; intense iron-oxide alteration, without noticeable secondary copper minerals, could be followed along strike for an additional 1000 feet [300 meters] to the northwest.
6. Both ragged limonite spots after sulfides (probably chalcopyrite?) and cubic limonite spots after pyrite could be observed in quartzite layers to the top of ridge.
7. Secondary Cu mineralization and hematitic iron oxides are much more prevalent in the Lower Revett than in the Upper Revett (Figure 21).

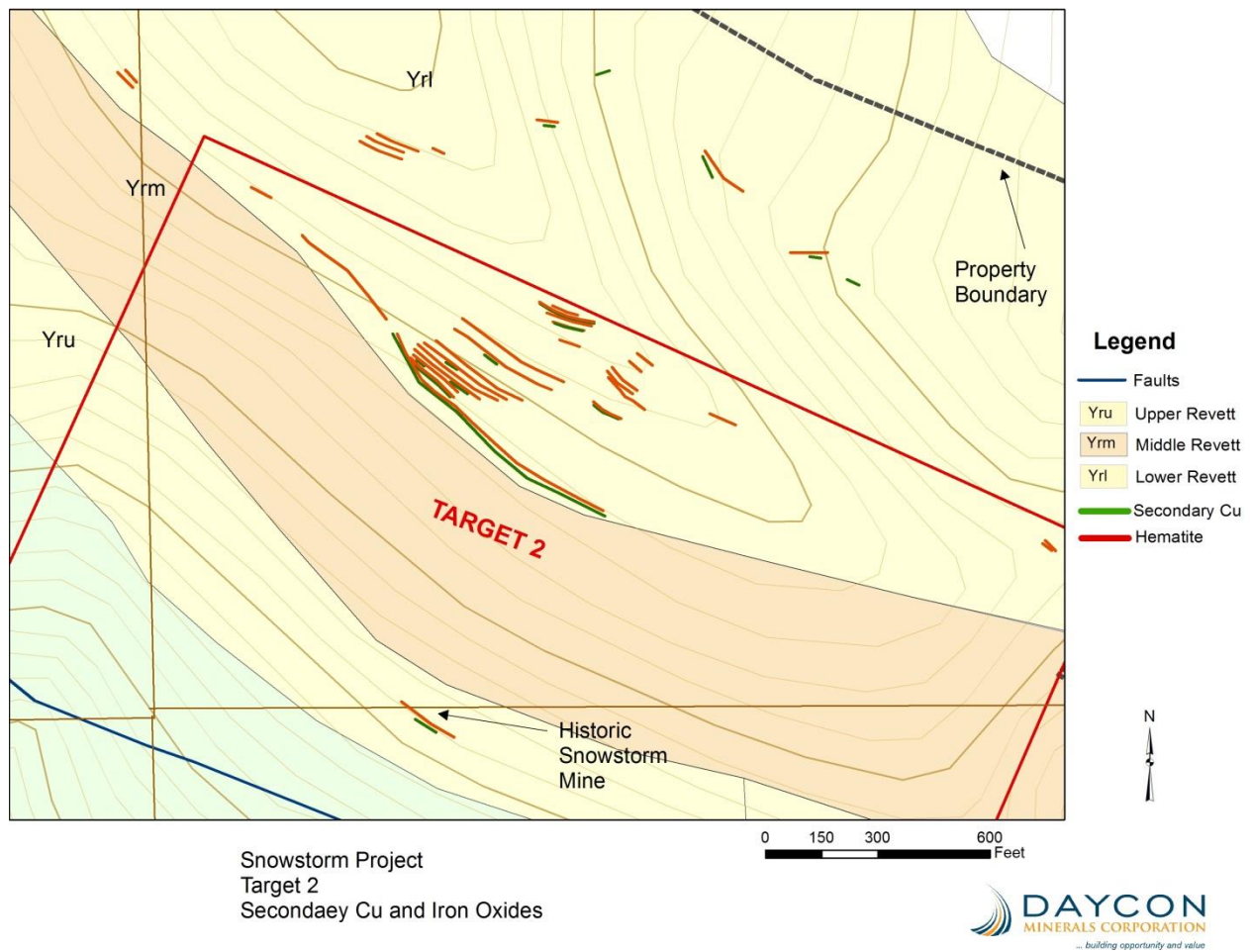


Figure 21: Geologic map of Revett Formation showing surface exposures of secondary Cu and iron oxides



Plate 4. Photo of red (hematitic) iron oxide staining and azurite (blue Cu mineral) in Lower Revett Quartzites.



Plate 5. Oxidized bornite bleb in quartzite. Note hematitic halo



Plate 6. Red weathering (hematitic) layer at least 150 feet stratigraphically below the top of the Lower Revett with secondary copper minerals azurite, brochantite and malachite

The Lower Revett, in the area of and stratigraphically below the Historic Snowstorm Mine, contains stratabound, disseminated copper sulfide minerals. The presence of secondary copper minerals and

intense iron-oxides, especially hematite, indicate higher grade mineralization. The mineralization is also extensive, extending at least 1500 feet [460 meters] along strike with a thickness of at least 250 feet [75 meters]. It is anticipated the high-grade Cu-Ag mineralized layers ranging up to 40 to 60 feet [12 to 18 meter] in thickness, similar to other known Cu-Ag deposits elsewhere in the Lower Revett, exist in top 300 feet [90 meters] of quartzites in the Lower Revett at the Snowstorm Project. This is corroborated by at least 2 separate, 40+ feet [12+meters] thick, stratabound, disseminated Cu-Ag mineralized zones intercepted in the top 300 feet [90 meters] of the Lower Revett by drill hole DAY5.

The different types of iron oxide probably reflect both lateral and vertical zoning from high-grade Cu-Ag mineralization (bornite-chalcocite) to lower grade copper mineralization (chalcopyrite) to pyrite, similar to the Troy Mine and the Rock Creek and Montanore deposits. Because the surface exposures of the Lower Revett are probably zoned further away from the source of the mineralization than the Historic Snowstorm Mine in the Upper Revett, it is possible that similar grades could be encountered at depth in the Lower Revett. **At this point, the Lower Revett near the Historic Snowstorm Mine is the top priority drill target for Daycon.**

Mineralization and iron-oxide alteration are much more pervasive in the Lower Revett than in the Upper Revett, even near the Historic Snowstorm Mine. In fact, the mineralization was much better than expected and almost as good as the original surface exposure of the Snowstorm Mine - **even though it should be zoned further out from the source and be lower grade.** Stacked mineral horizons exist from the St. Regis Formation all the way down to the Lower Revett and are especially noticeable in the high-grade Upper Revett (Snowstorm Mine) and intense surface mineralization in the Lower Revett. This suggests, especially at depth in the Lower Revett, that the grades could be equal to the Snowstorm Mine, and the size has the potential to be much larger (given that the Lower Revett is thicker).

TARGET 3 (Snowshoe Mine area)

Significant observations

1. The Upper Revett is poorly mineralized in the Snowshoe/Lucky Calumet Mine area. There was very little iron oxide; lieegang banding was almost absent, and no secondary Cu minerals were noted.
2. Most of the area was heavily forested and/or bush covered with little to no exposures of Lower Revett.
3. Lower Revett quartzites in talus fields near the top of Snowstorm Mountain still contained both hematitic and limonitic iron oxides with sparse secondary Cu minerals- primarily malachite and brochantite along the rims of quartzite fragments. Sulfide spots were less noticeable. Even so, the relatively unexplored Lower Revett appeared much more highly mineralized than the Upper Revett in this area.

The pervasive mineralization found in Lower Revett continues into Target 3, several thousand feet west of the Historic Snowstorm Mine. Very little mineralization was noted in the Upper Revett in this area. Lower Revett mineralization appears to diminish further to the west; mineral vectors point to the source being close to the Historic Snowstorm Mine.

While Target 3 presents a number of possibilities, the immediate focus should remain on Target 1 and Target 2.

10.0 DRILLING

In 2014, Daycon completed a 6-hole drilling program near the historic Missoula Mine in the western part of the Snowstorm Project (Target 3). The drill program was designed to:

1. Validate the concept of disseminated, stratabound, Revett-type mineralization in Lower Revett quartzites,
2. Be cost effective by drilling multiple Lower Revett targets at shallower depths

3. Target the Lower Revett strata where it is less tilted (flatter) to get below the intense surface oxidation
4. Compare the style of mineralization with other known Revett-type deposits, particularly the Troy Mine, and the Rock Creek and Montanore deposits in Montana
5. Target higher grade, stratabound, copper-silver mineralization (3% Cu, 3 opt Ag) that was reported in the National Tunnel in 1923.

Daycon's 2014 Snowstorm drill program, which consisted of 4 reverse circulation (RC) and 2 core holes, was a success and resulted in a significant new discovery of stratabound, disseminated, Revett-type sulfide mineralization in quartzites in the Lower Revett (Figure 22,23 and 24). Historic mining and exploration programs at Snowstorm were all targeted at the Upper Revett.

In core hole DAY5, select sample intervals in the Lower Revett mineralized horizons range up to 0.86% Cu and 2.42 opt Ag. The mineralized quartzites contain predominantly disseminated chalcopyrite, galena, and pyrite with bornite locally. Additionally, there is a disseminated galena zone that extends at least 100 feet below the Upper Mineralized Horizon. Disseminated pyrite envelopes all of the Lower Revett mineralized horizons and extends at least 100 feet below the Lower Mineralized Horizon. In addition to copper mineralization in the Upper Revett, disseminated chalcopyrite and bornite can be found in silty quartzites several hundred feet up into St. Regis Formation. **In the opinion of the QP, these "stacked" mineral horizons are important indicators for proximity to higher grade "ore".**

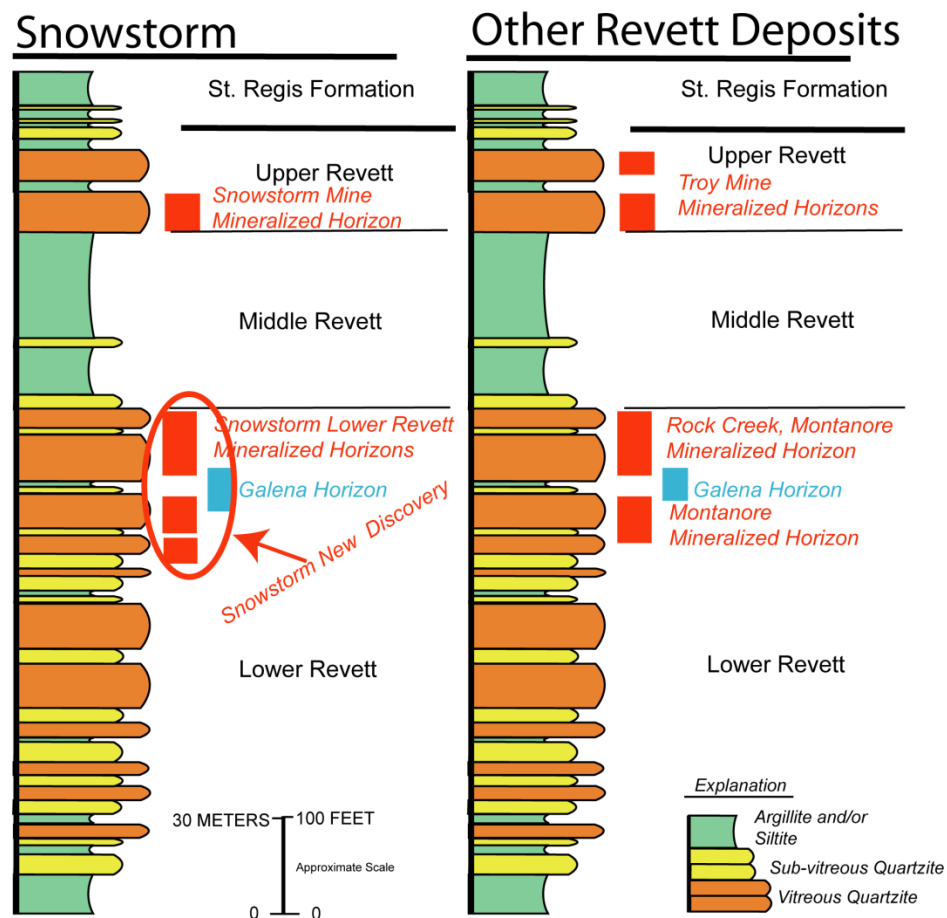


Figure 22. Generalized stratigraphic sections showing stratabound, disseminated sulfide mineralization at Daycon's Snowstorm Project, Idaho in comparison to other known Revett-type deposits. The three mineralized horizons in the Lower Revett constitute a new discovery made during the 2014 drilling program

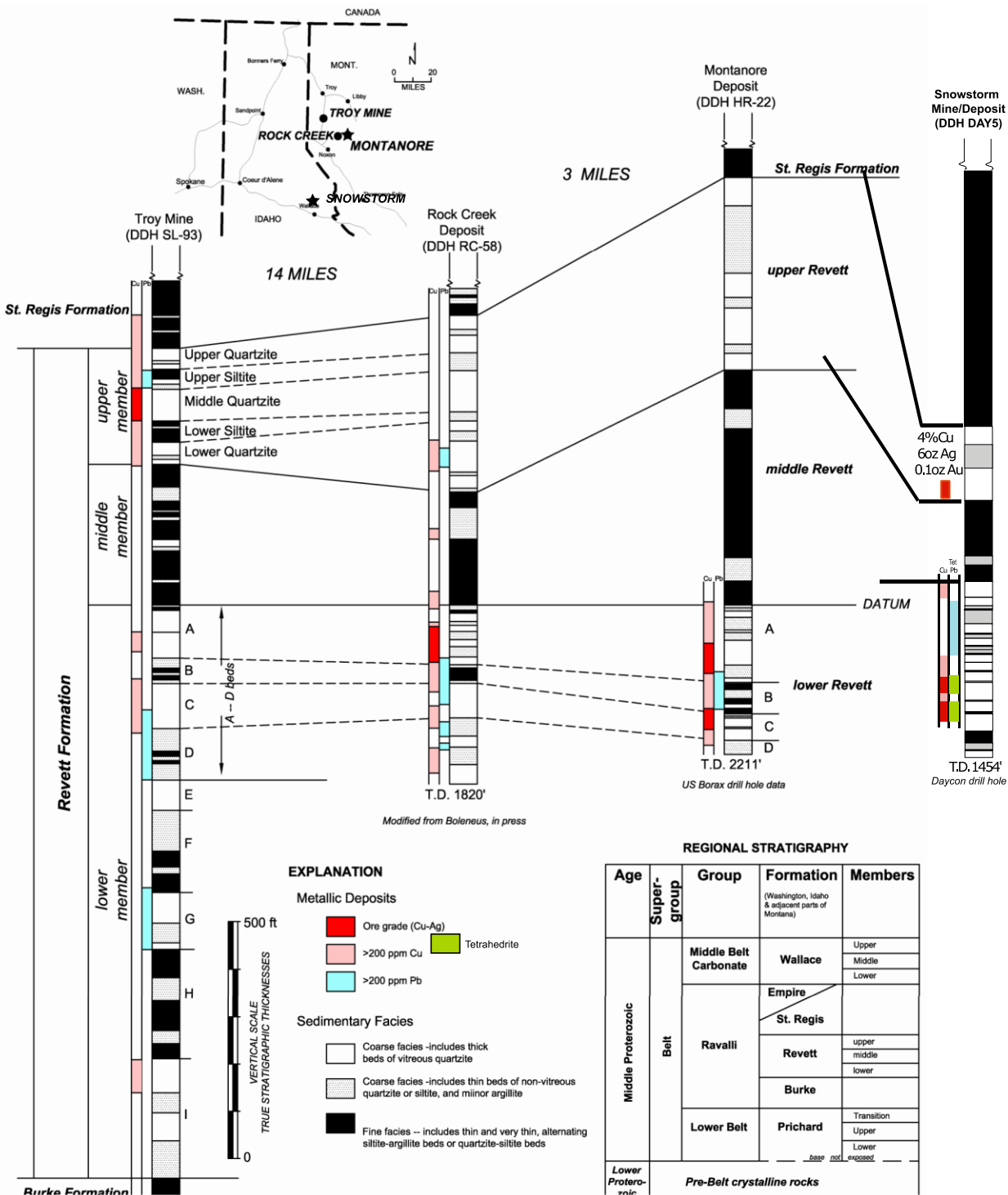
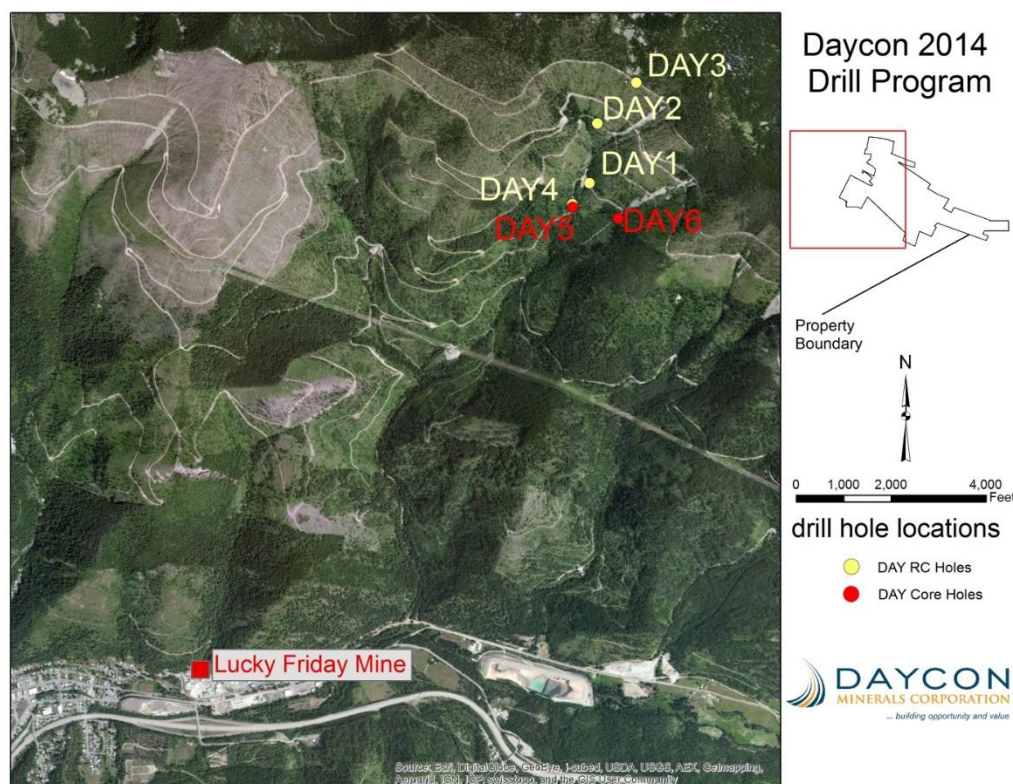


Figure 23. Comparison of Daycon's Snowstorm Project, Idaho to other Revett-type deposits. Original data presented in Mines Management 2005 Montanore Technical Report; Snowstorm data added by QP. Snowstorm column reflects Historic Snowstorm Mine in Upper Revett and drill data from Daycon's 2014 drill program in the Lower Revett.



While the remaining holes are lower grade than DAY5, they show the continuity of the Lower Revett mineralized horizons over several thousand feet and display the mineral zoning common to Revett-type stratabound deposits. In DAY5, the Lower Revett mineralized quartzites are predominantly in the chalcopyrite zone (with bornite locally). Both laterally and vertically, this grades outwardly from the source of the mineralizing fluids into the chalcopyrite and galena zones (DAY1, DAY2 and DAY6) and finally into the pyrite zone (DAY2 and DAY3). These zones can be used as vectors to indicate the direction of fluid flow and higher-grade mineralization (Figure 24). If the source of mineralizing fluids is the National Fault and/or the Snowstorm Fault, then higher grade deposits should be encountered in the Lower Revett under Targets 2 and 3 (Figure 25).

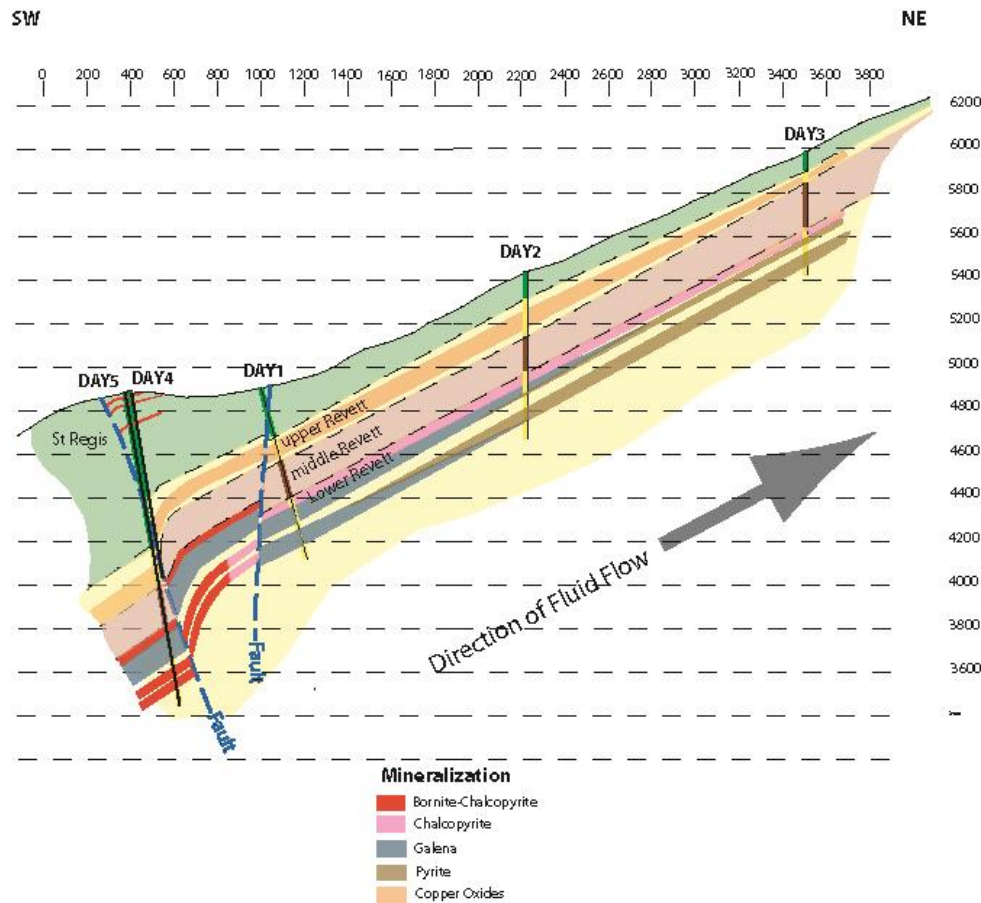


Figure 25: Cross-section along 2014 drill holes DAY1 to DAY5 showing stratigraphy and mineralization

Daycon's 2014 exploration drill program began on June 26, 2014 and ended on September 9, 2014. Four RC (Reverse Circulation) holes and two diamond-drill core holes were completed during that time (Figure 3). The RC holes were drilled by Diversified Drilling, based in Missoula, Montana, using a Schramm T450GT track-mounted rig. The RC holes employed a down-hole hammer drill with a 5.5-inch diameter bit. The drill utilized rig-mounted cyclone and rotary wet splitters for sample collection with approximately 40% split retained for sample. Samples were collected every five feet. Samples were further split in the mineralized zones with two samples collected; one half for assay and the other half as "archive" or "reject" sample to be saved for future reference. Sample chips were also screened and collected in chip trays for geological review. The QP was on-site during drilling operations to monitor drilling and sample collection and to log the drill holes.

The four RC holes, DAY1 to DAY4, totaled 2980 ft (908 m) (Tables 6 and 7); the first three holes were drilled to their planned depth and the 4th hole had to be abandoned at 865 feet due to caving problems. The RC drilling program finished on July 18, 2014. Samples were air dried on site and at a secure storage facility prior to shipment for assay.

Core drilling commenced on August 18, 2014. Two core holes, DAY5 and DAY6, were drilled using a truck-mounted LA 70 diamond core drill operated by Marcus and Marcus Drilling Company, based in Post Falls, Idaho. Core recovery was excellent, averaging 98%. The drill employed a wireline system to drill HQ (2.5 inch) diameter core recovered with an inner tube core barrel. Marcus and Marcus completed the two holes totaling 2480 ft (756 m) (Tables 6 and 8) by September 11, 2014. The core holes were drilled from the surface to their planned depths. The QP was on-site during drilling operations to monitor drilling operations, log the holes, and collect core. Core samples were sawn into halves with one half sent for assay and the

other half retained for future reference. Down hole orientation surveys were completed by Marcus & Marcus using a REFLEX EZ-Track survey instrument every 200 feet for both core holes.

All holes were sited by the QP, and were located on 1":200' scale satellite photos and checked using a Garmin GPSMap 62S GPS.

TABLE 6. 2014 Drill Program showing type, depth, location and orientation of each hole

Hole	Type	Depth (ft)	UTM Coordinates (Zone 11N)		Azimuth	Inclination
			Easting	Northing		
DAY1	RC	800	1949010.5	17261784.2	N55E	-75
DAY2	RC	750	1949180.2	17263043.7		-90
DAY3	RC	565	1949997.7	17263903.3		-90
DAY4	RC	865	1948654.6	17261300.7	N05W	-80
DAY5	Core	1454	1948655.8	17261282.2	N07W	-80
DAY6	Core	1026	1949617.0	17261038.6	N50E	-75
Total		5460				

The drilling led to the significant new discovery of at least three continuous horizons containing Revett-type, stratabound, disseminated sulfide mineralization in the Lower Revett. The uppermost mineralized horizon, located in quartzites at the very top of the Lower Revett ("A" horizon), just below the contact with the overlying Middle Revett, is 50 to 60 feet in width. A more substantial, 60- to 90-foot mineralized horizon ("B" horizon) is located approximately 100 feet below the top of the Lower Revett. A galena zone, which ranges up to 120 feet in thickness, lies just below the uppermost "A" horizon. These Lower Revett quartzite zones, which are similar to those found in the Rock Creek and Montanore Deposits, had not been previously tested in the Snowstorm Mine or adjacent properties (Figure 22 and 23). The QP is of the opinion that the RC chips and core were handled, logged and sampled in compliance with NR 43-101 standards.

RC holes were sampled at 5' intervals. In projected mineralized zones, these were split into two samples using a drill mounted rotary wet splitter- one sample for assay and the other sample archived for future reference. It is difficult to determine the true thickness of RC samples, but based on nearby surface and underground rock orientations the true thickness of the 5' sample intervals range from 3.9 to 4.6 feet.

Core hole sample intervals, which range from 0.4 to 10.5 feet and averaged 2.2 feet in DAY5 and 2.6 feet in DAY6, were determined by visible stratabound mineralization and alteration. As such, there is strong lithographic control on the mineralization, with it being primarily restricted to quartzites and, to a lesser extent, silty quartzites. The mineralization varies, however, even within single quartzite beds, often resulting in several samples being taken within single stratigraphic units. True thicknesses of the mineralization were determined by measuring the orientation of the stratigraphy to the core.

Both visual and assay results from the drill holes suggest that quartzites in both the Upper and Lower Members of the Revett Formation contain significant thicknesses of stratabound, Revett-type, disseminated sulfide mineralization. The mineralized horizons are continuous across several thousand feet and can be identified in all the drill holes. At least two mineralized quartzite horizons are present in the Lower Revett, an upper horizon just below the Middle Revett contact and a lower horizon some 80 to 140 feet below the upper zone. Zoning patterns for the mineralization and alteration are similar to that found in the Troy Mine, and in the Rock Creek and Montanore deposits. There is a distinct galena zone below the upper quartzite Cu-Ag mineralized horizon in the Lower Revett; the lower mineralized horizon also zones out into a galena zone towards the north and northeast.

TABLE 7: Geochemical analyses of mineralized intervals RC Holes

Drill Hole	Rock Unit	From	To	Feet	Cu %	Ag opt	Pb %
DAY1	Upper Revett	240	280	40	0.05	0.04	
DAY1	Lower Revett	515	525	10	0.11	0.09	
	containing	515	520	5	0.18	0.15	
DAY1	Lower Revett	545	600	55	0.02	0.06	
	containing	545	575	30	0.04	0.07	
DAY1	Lower Revett	560	630	70		0.07	0.09
	containing	595	600	5		0.09	0.52
DAY1	Lower Revett	660	745	85			0.11
	containing	675	705	30			0.21

DAY2	Upper Revett	80	145	65	0.12	0.09	
	containing	80	85	5	0.54	0.32	
DAY2	Upper Revett	225	285	60	0.22	0.17	
	containing	265	280	15	0.49	0.30	
DAY2	Lower Revett	445	495	50	0.08	0.22	
	containing	450	460	10	0.20	0.47	
DAY2	Lower Revett	645	700	55	0.01	0.03	

DAY3	Upper Revett	90	140	50	0.14	0.11	
	containing	90	120	30	0.16	0.11	
DAY3	Lower Revett	350	370	20	0.02	0.01	
DAY3	Lower Revett	430	440	10	0.02		
DAY3	Lower Revett	455	470	15	0.01		

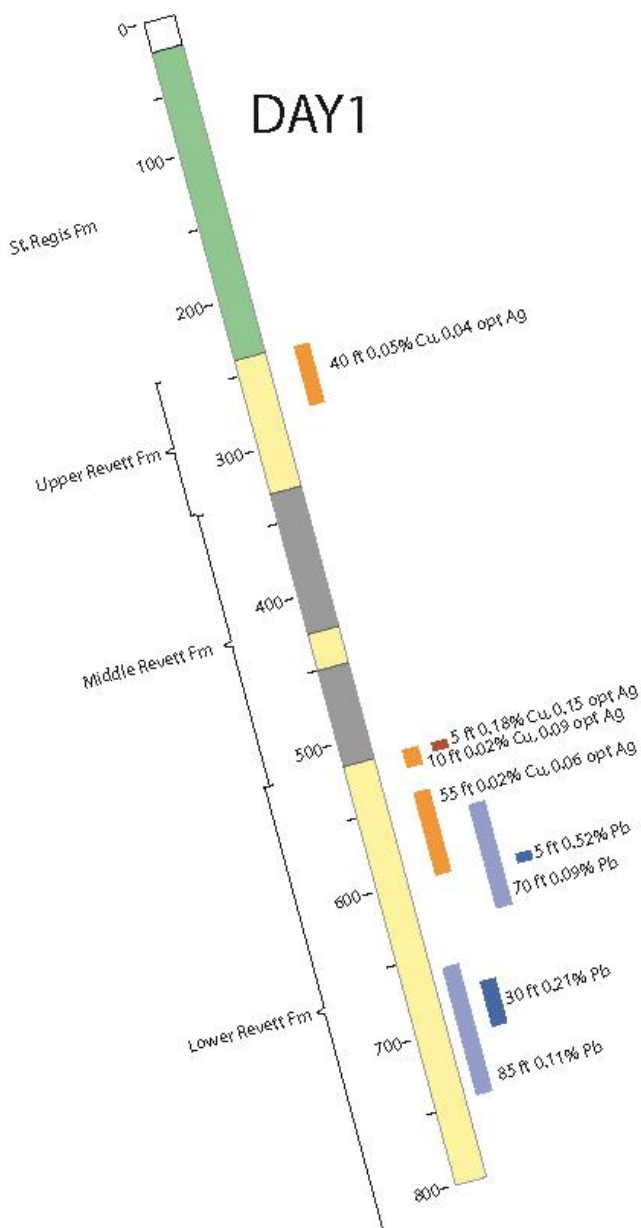
DAY4	St Regis	145	165	20	0.09	0.20	
DAY4	Upper Revett	510	530	20	0.02	0.04	
DAY4	Upper Revett	590	610	20	0.03	0.03	
DAY4	Upper Revett	705	725	20	0.04	0.04	

These assay results were not the focus of the 2014 drill program but nonetheless were encouraging and insightful; rather the program focus was to validate concept and Daycon's work did in fact successfully result in a new discovery on the Snowstorm Project by validating the concept of Revett-style mineralization in the Lower Revett. The results of the drill program show mineralization similar to Rock Creek and Montanore, although the grades are less than the reported historical production at the Snowstorm Project (which grades were substantially better than grades at Rock Creek and Montanore).

DAY1 (RC Hole): The highly oxidized Upper Revett was mineralized with malachite and limonite with sparse chalcopyrite and pyrite locally, with 40 feet of 0.045% Cu and 0.04 opt Ag.

Three mineralized horizons were noted in the Lower Revett:

1. The uppermost quartzite bed, just below the contact with the Middle Revett, is 10 feet in width and is mineralized with disseminated chalcopyrite and pyrite. Assays show 10 feet of 0.11% Cu and 0.09 opt Ag containing 5 feet of 0.15% Cu and 0.15 opt Ag.
2. The middle horizon, approximately 30 feet below the Middle Revett contact, is 85 feet in width and is mineralized with disseminated chalcopyrite, galena and pyrite. Assays show 55 feet of 0.02% Cu and 0.06 opt Ag containing 30 feet of 0.04% Cu and 0.07 opt Ag. Lead assays showed 70 feet of 0.09% Pb containing 5 feet of 0.52% Pb.
3. The lowermost horizon, approximately 145 feet below the contact with the Middle Revett, is 100 feet in width and is mineralized with disseminated galena and pyrite. Assays show 85 feet of 0.11% Pb containing 30 feet of 0.21% Pb.

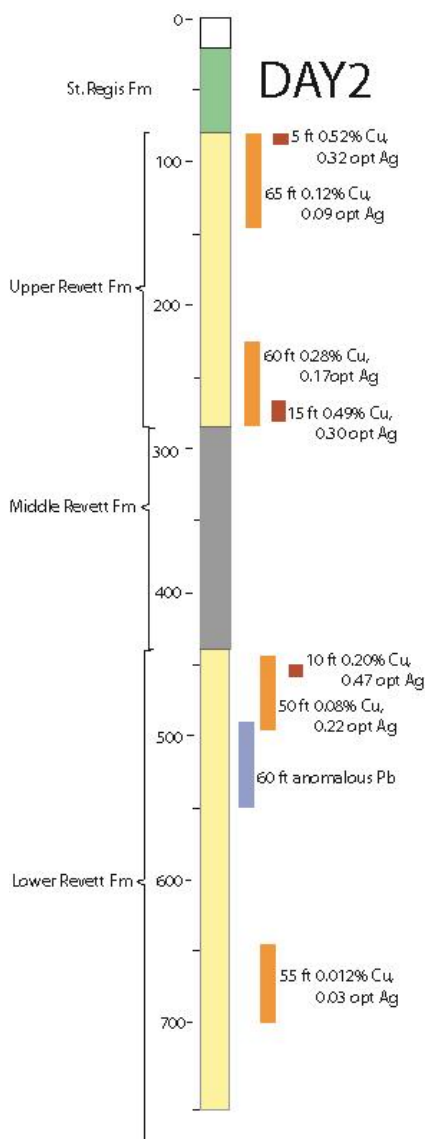


DAY2 (RC Hole): The Upper Revett is oxidized and is anomalously thick (210 feet), which may be the result of repeated sections due to faulting. Two mineralized horizons were visible and may be repeated Upper Revett:

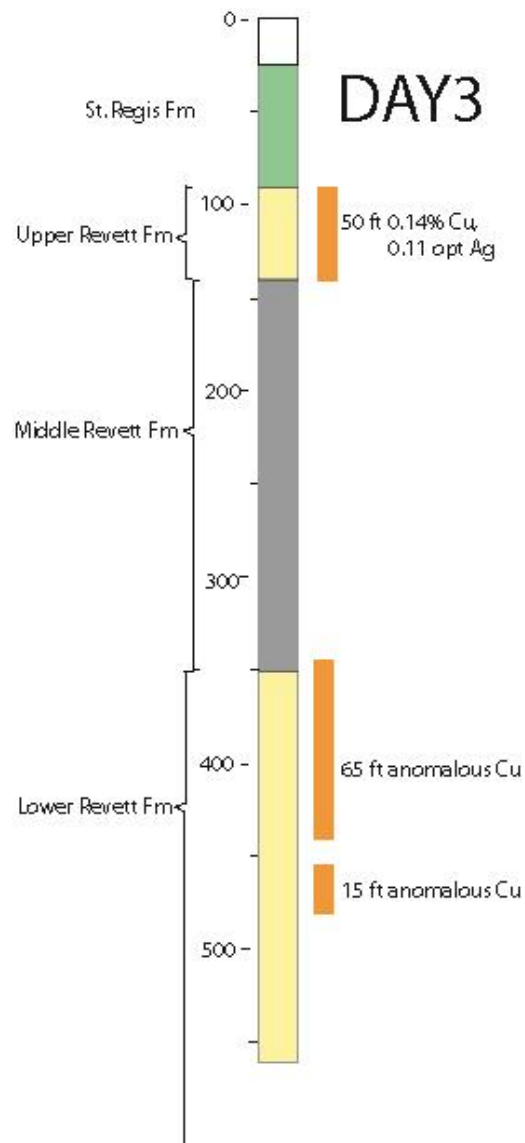
1. The upper horizon, just below the St. Regis contact, is 65 feet in width and is mineralized with malachite and limonite with sparse disseminated chalcopyrite, bornite and pyrite locally. Assays show 65 feet of 0.12% Cu and 0.09 opt Ag containing 5 feet of 0.54% Cu and 0.32 opt Ag.
2. The lower horizon, approximately 145 below the St. Regis contact, is 60 feet in width and is mineralized with malachite and limonite with sparse disseminated chalcopyrite and pyrite locally. Assays show 60 feet of 0.22% Cu and 0.17 opt Ag containing 15 feet of 0.49% Cu and 0.30 opt Ag.

Two mineralized horizons were noted in the Lower Revett:

1. The upper horizon, just below the contact with the Middle Revett, is 80 feet in width and is mineralized with disseminated chalcopyrite, bornite and pyrite. Assays show 50 feet of 0.08% Cu and 0.22 opt Ag containing 10 feet of 0.20% Cu and 0.47 opt Ag.
2. The lower horizon, approximately 190 feet below the Middle Revett contact, is 65 feet in width and is mineralized with disseminated chalcopyrite and pyrite. Assays show 55 feet of 0.012% Cu and 0.03 opt Ag.



DAY3 (RC Hole): Both the Upper and Lower Revett are oxidized. The Upper Revett horizon is 75 feet in width and is mineralized with limonite and minor malachite. Assays show 0.14% Cu and 0.11 opt Ag with low-grade, but anomalous, Zn. The Lower Revett horizon is approximately 120 feet in width and is mineralized with limonite, sparse malachite and minor disseminated pyrite. Assays show low-grade, but anomalous, Cu and Zn.



DAY4 (RC Hole): The hole collapsed before reaching the Lower Revett target. The Upper Revett is intensely fractured and oxidized, and is mineralized with malachite, limonite and sparse chalcopryite. Assays show low grade, but anomalous, Cu, Pb and Zn over a 200-foot drill thickness.

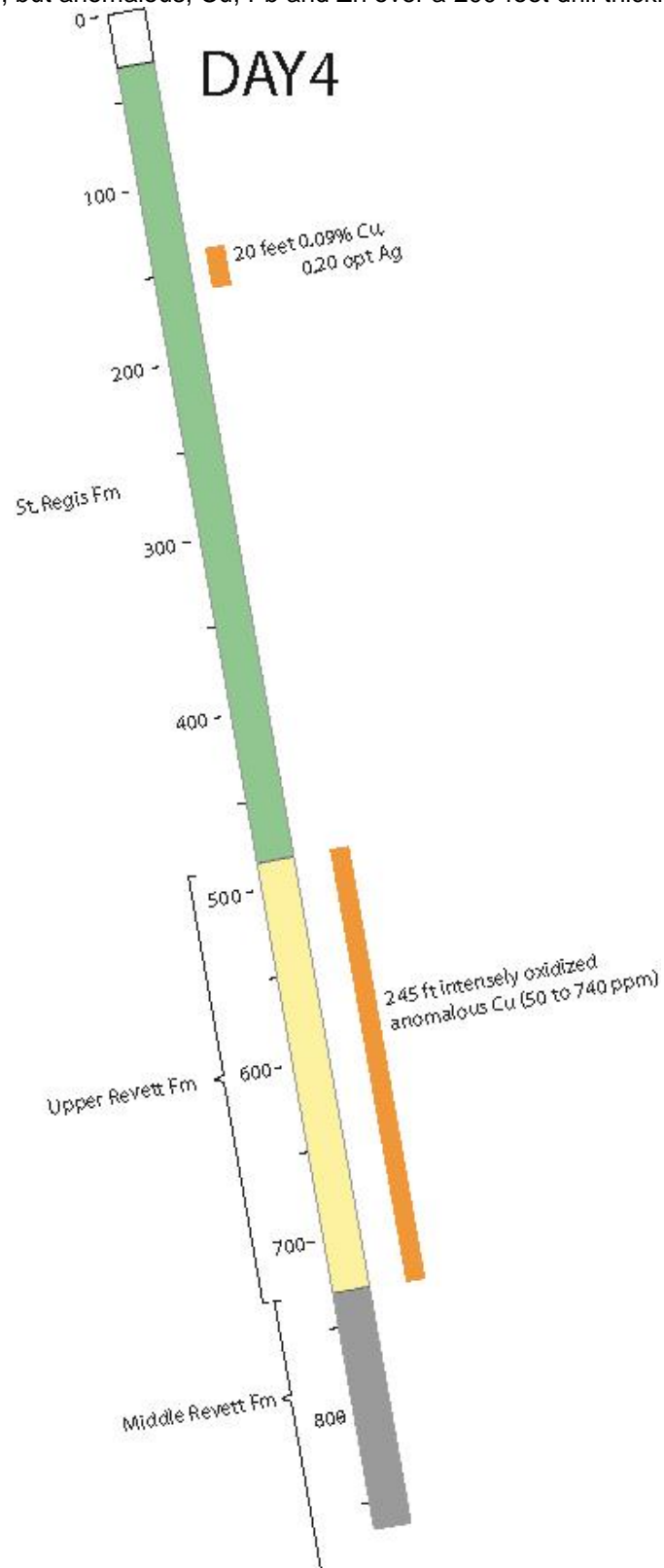


TABLE 8: Geochemical analyses of mineralized intervals for core holes

Drill Hole	Rock Unit	From	To	Feet	Cu %	Ag opt	Pb %
DAY5	St Regis	18.6	23.6	5	0.24	0.55	
	containing	18.6	19.5	0.9	0.31	0.76	
DAY5	St Regis	64.1	64.8	0.7	0.25	0.50	
DAY5	St Regis	163.5	165.1	1.6	0.29	0.82	
DAY5	Upper Revett	858.6	896.8	38.2	0.16	0.14	
DAY5	Lower Revett	1075.1	1143.1	68	0.09	0.005	
	containing	1075.1	1092	16.9	0.30	0.18	
DAY5	Lower Revett	1115.3	1235.5	120.2			0.038
DAY5	Lower Revett	1269.5	1314.7	45.2	0.30	0.88	
	containing	1300.7	1303.4	2.7	0.86	2.42	
DAY5	Lower Revett	1331.1	1376.5	45.4	0.13	0.24	
	containing	1331.1	1337.9	6.8	0.21		
	containing	1367.5	1373.6	6.1		0.53	
DAY6	Lower Revett	708.7	714.9	6.2	0.15	0.013	
DAY6	Lower Revett	749	817.5	68.5			0.14
DAY6	containing	788.4	790.6	2.2			0.62
DAY6	Lower Revett	864.7	877.4	12.7			0.10

DAY5 (Core Hole): This is the most significant drill hole of the 2014 drill program. Both the Upper and Lower Revett are mineralized in DAY5; additionally, disseminated copper-sulfide mineralization extends up several hundred feet into the overlying St. Regis Formation.

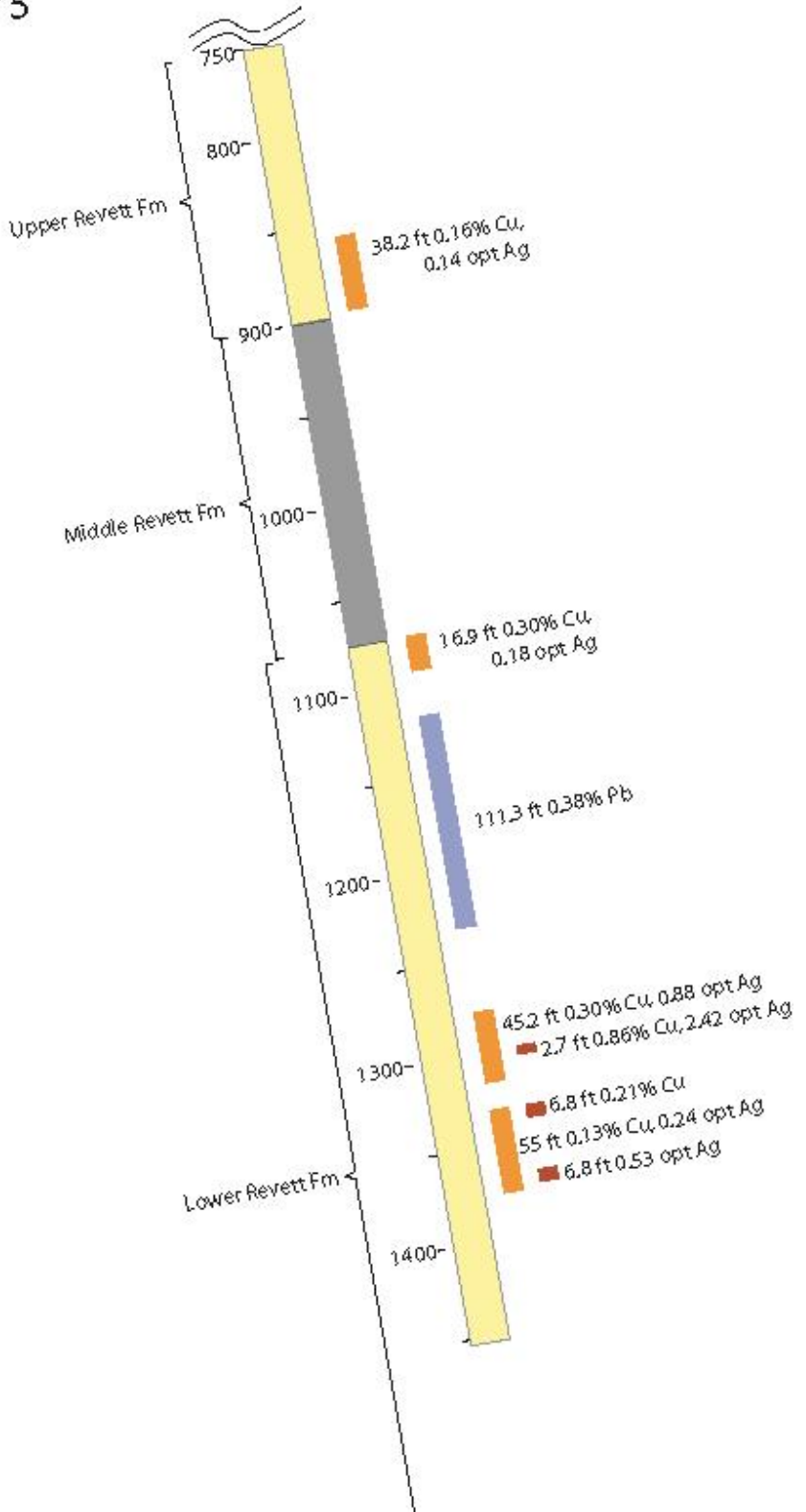
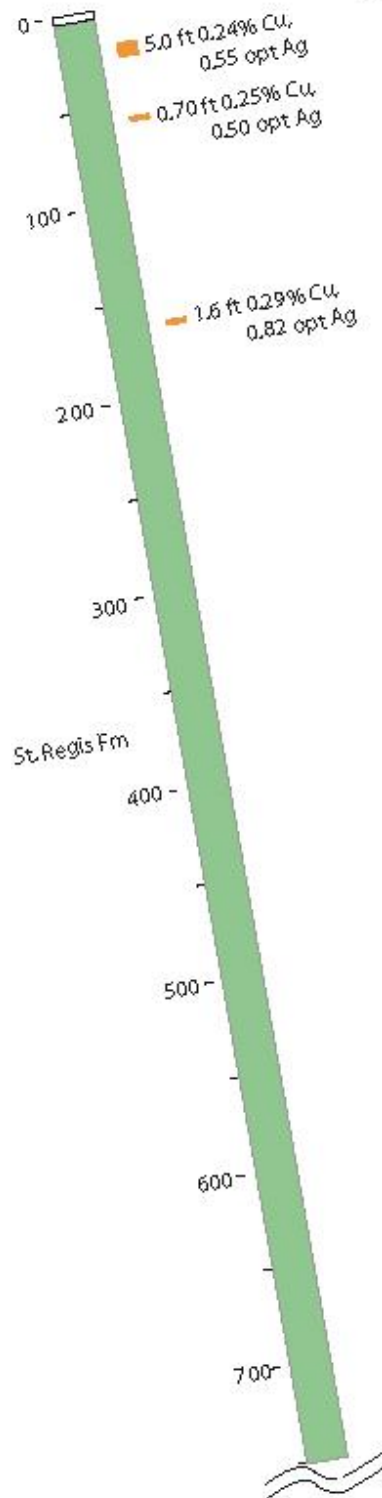
Several thin “sandy” horizons in the St. Regis contain visible bornite and chalcopyrite. Assays range up to 0.31% Cu and 0.82 opt Ag.

The lower quartzite in the Upper Revett, which is intensely fractured and oxidized, contains malachite and limonite with sparse chalcopyrite where not oxidized. Assays show 38.2 feet of 0.16% Cu and .014 opt Ag.

Three mineralized horizons were noted in the Lower Revett:

1. The uppermost quartzite horizon, located immediately below the Middle Revett contact, is 16.9 feet in width and is mineralized with visible disseminated chalcopyrite, chalcocite and pyrite. Assays show 16.9 feet of 0.30% Cu and 0.18 opt Ag.
2. The middle horizon, located approximately 194 feet below the Middle Revett contact, is 45.2 feet with disseminated chalcopyrite, tetrahedrite and bornite. Assays show 45.2 feet of 0.30% Cu and 0.88 opt Ag, containing 2.7 feet of 0.86% Cu, 2.42 opt Ag and 0.004 opt Au.
3. The lowest mineralized horizon, located approximately 256 feet below the Middle Revett contact, is 45.4 feet in width and is mineralized with disseminated chalcopyrite, tetrahedrite and pyrite. Assays show 45.4 feet of 0.13% Cu and 0.24 opt Ag, containing 6.8 feet of 0.21% Cu and 6.1 feet of 0.53 opt Ag.

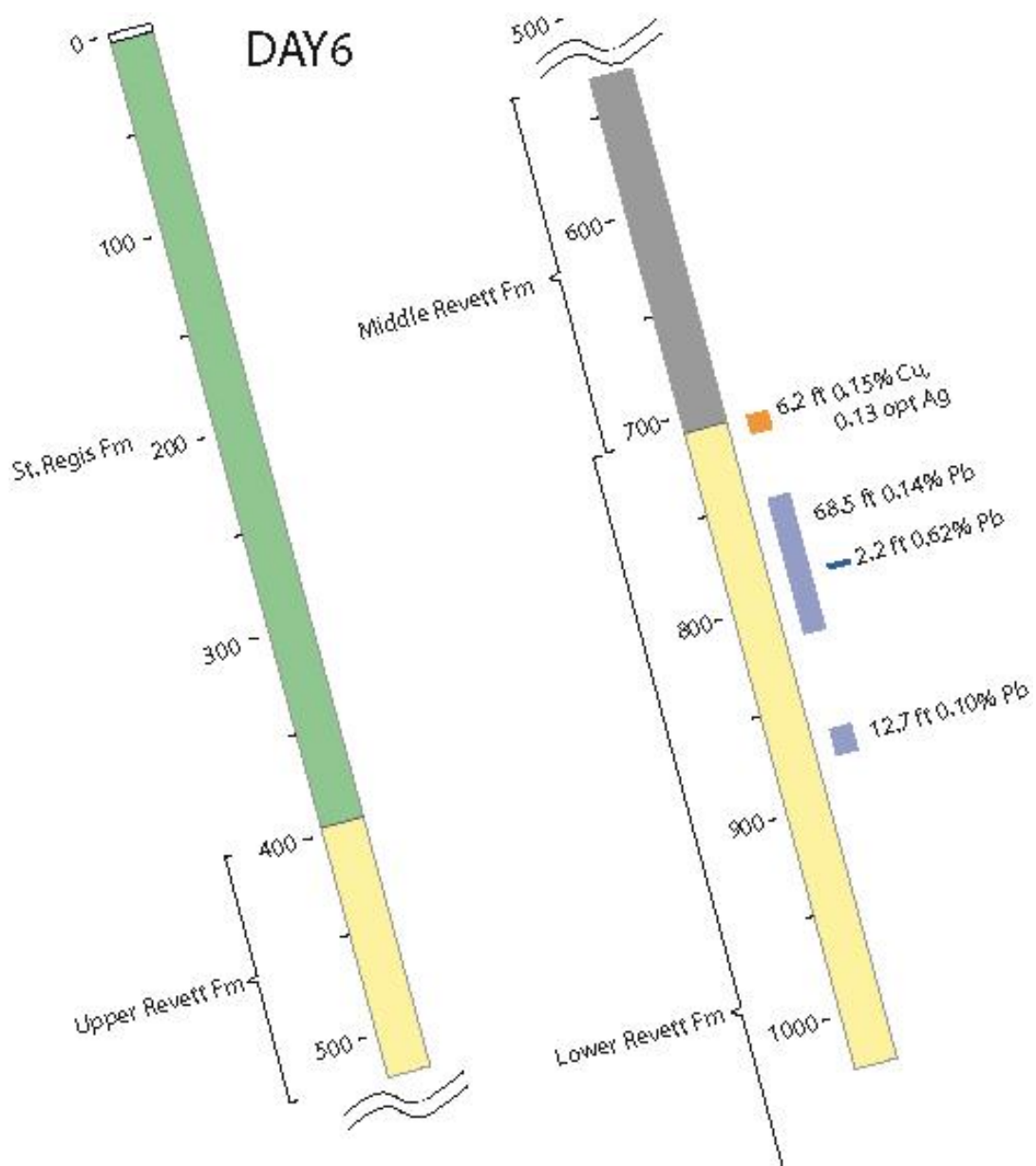
DAY5



DAY6 (Core Hole): The Lower Revett is mineralized in DAY6; the Upper Revett is intensely oxidized with little mineralization. The uppermost horizon in the Lower Revett contains copper sulfides; the lower horizons contain galena.

Three mineralized horizons were noted in the Lower Revett:

1. The uppermost quartzite horizon, located immediately below the Middle Revett contact, is 6.2 feet in width and is mineralized with visible disseminated chalcopyrite and pyrite. Assays show 6.2 feet of 0.15% Cu and 0.13 opt Ag.
2. The middle horizon, located approximately 40.3 feet below the Middle Revett contact, is 68.5 feet with disseminated galena and pyrite. Assays show 68.5 feet of 0.14% Pb, containing 2.2 feet of 0.62% Pb.
3. The lowest mineralized horizon, located approximately 156 feet below the Middle Revett contact, is 12.7 feet in width and is mineralized with disseminated galena and pyrite. Assays show 12.7 feet of 0.10% Pb.



11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

11.1 RC Samples

RC drilling was conducted by a Diversified Drilling LLC, which specializes in contracted RC drilling services. Groundwater was encountered at shallow levels; virtually all the samples were wet. The drill utilized rig-mounted cyclone and rotary wet splitters for sample collection with approximately 40% split retained for sample. Samples were collected by the drillers at 5-foot intervals. The drill cuttings were divided into 2 samples through the cyclone and splitter, one for geochemical assay and one for logging and to be archived for future reference. A portion of each sample was also collected in a plastic chip tray labeled with the drill hole number and depth of the sample.

All of the drilling and sampling was supervised on-site by the site geologist, which was either the QP or his contracted geologist. The site geologist also logged the cuttings during drilling, describing the lithology, mineralization, alteration, structures and other pertinent information associated with each 5-foot sample. Sample bags for analyses were pre-labeled with sample numbers and included water resistant sample tags with corresponding sample numbers. All sample bags collected for analyses remained unopened and were zip-tied for additional security at the site. The samples were allowed to dry on site for 2 to 3 days before being transported to a secure storage facility in Montana by the QP. The samples, standards and blanks were arranged and readied for shipment to ALS Global Laboratory by the QP.

11.2 Core Samples

Drill core was collected and handled at the drill site by Marcus & Marcus, Inc., which specializes in contract diamond-drilling core services. The driller removed the core from the core barrel after each run, and arranged it in core boxes that are sequentially numbered with the beginning and ending footages labeled on each box. Following each run, a small wooden block is labeled with the footage, length of the run and length of the core, and is placed in the box. The lid is secured on the box when it is full, and the box is stored on site until it is logged by the site geologist and transported by the QP to a secure storage facility in Montana.

The site geologist logged the core, noting lithology, mineralization and alteration at the site. All of the core boxes were transported to a secure storage facility in Montana by the QP. Mineralized core was sawed in half under the direct supervision of the QP. The QP assigned sample intervals based on the mineralization; each sample interval was assigned a unique sample number with a corresponding sample tag. One half of the sawn core was retained in the core box for future reference; the other half was placed in pre-labeled sample bags with corresponding sample number tags included in the bag. The QP filled out a core sample form noting the starting and ending footage of each sample interval, the date and geochemical analyses desired. Core samples were shipped by the QP to ALS Global Laboratory in Elko, NV for geochemical analyses.

11.3 Sample Security

Sample bags were pre-labeled using unique, sequential sample numbers taken from a sample tag book; each page contained 1 tear-off sample tag labeled with the sample number. The sample tag was inserted into corresponding labeled sample bag. For core samples, the sample interval is noted in the sample tag book and on the core logs by the QP. For RC samples, each 5-foot interval collected for analyses was recorded in the sample book and on the chip logs by the QP. Standard samples were inserted every 12th sample and blank samples were inserted every 25th sample. The standard and blank samples were commercial samples with a similar style of mineralization supplied by CDN Resource Laboratories Ltd. Commercial standards and blanks were used to assess the accuracy of the analyses and check for contamination.

RC samples were arranged and checked against the master sample list to verify that all the samples were accounted for and that the bags were not damaged prior to shipment. Any bags that showed any sign of

damage were inserted into a second, new sample bag with the same sample number. The RC samples were placed in 3 Super Sacks and each Super Sack was sealed with double, heavy duty zip ties by the QP. The samples were loaded and transported by Reddaway Transport to ALS Global Laboratory in Elko, NV. A sample submittal form was prepared with the shipment number, sample numbers, number of samples, and the type of analysis requested. A paper copy was included with the shipment and an electronic copy was emailed to the lab. ALS Global, which is an internationally accredited laboratory, affirmed that all the samples were received and that the Super Sacks were still sealed.

Core samples were checked against a master sample list to verify that all samples were accounted for. Core samples were boxed and shipped via UPS to ALS Global in Elko, NV for analyses. When the samples were prepared for shipment, they were arranged in order (including standards and blanks) prior to shipping. A sample submittal form was prepared with the shipment number, sample numbers, number of samples, and the type of analysis requested. A paper copy was included with the shipment and an electronic copy was emailed to the lab.

11.4 Internal QA/QC

Drill hole collars were surveyed using a Garmin GPSMap 62S handheld GPS unit with a horizontal accuracy of ± 9 feet. Holes were marked in the field with survey stakes. Down-hole surveys were completed on the two core holes by Marcus & Marcus drilling using a REFLEX EZ-Track survey tool to note orientations of the hole every 200 feet and at the bottom of the hole.

The Quality Assurance/Quality Control (QA/QC) program followed industry standards. A total of 695 samples were submitted for analyses. The QA/QC samples included 51 standards and 24 blanks.

Commercially prepared standards with similar stratabound copper-sulfide mineralization were supplied by CDN Resource Laboratories Ltd. (CDN-ME-1209) with certified values for copper (0.37% + 0.034%), silver (37.1 g/t + 3.2g/t) and zinc (0.224% + 0.018%). To meet internal QA/QC protocols, the standards needed to assay within two standard deviations of the recommended copper and silver values furnished from CDN. Figures 25 and 26 illustrate the commercial standard assay results. The QP reviewed all analytical data to verify that it met internal standards.

It is the QP's opinion that the sample preparation, security and analytical procedures all followed accepted industry standards and that the data is adequate to assess the mineralization for exploration purposes.

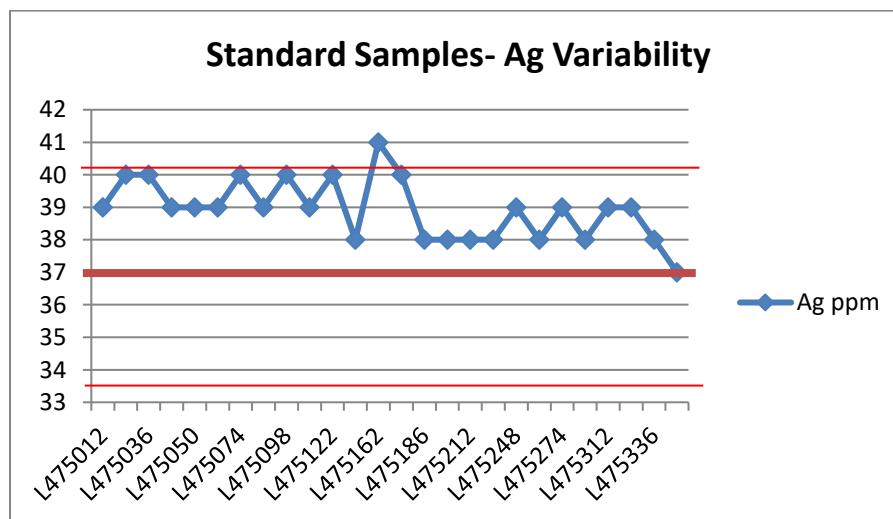


Figure 26: Commercial Standard assay results for RC holes showing variability for Ag. Dark red horizontal line (37.1 ppm) is the certified value for Ag; thin red lines show 2nd standard deviation

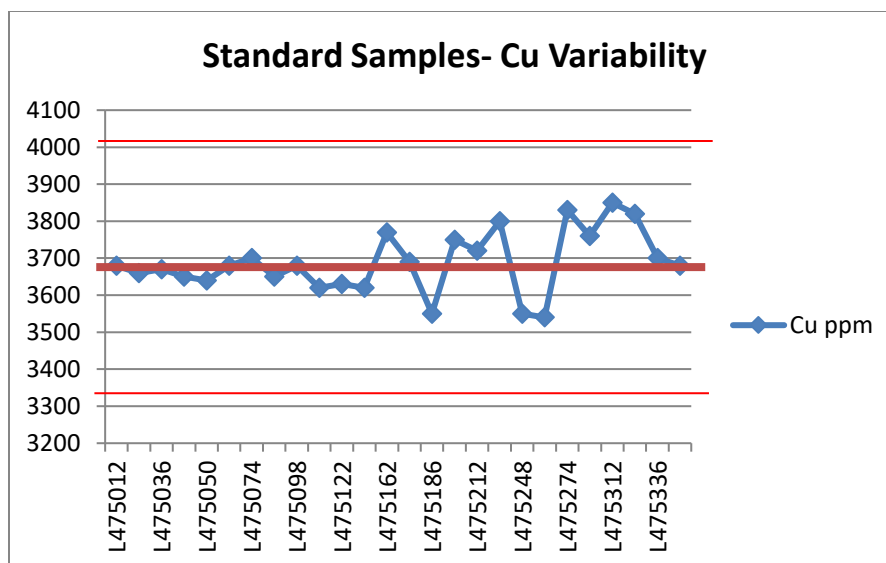


Figure 27: Commercial Standard assay results for RC holes showing variability for Cu. Dark red horizontal line (3700 ppm) is the certified value for Ag; thin red lines show 2nd standard deviation

Regarding the work performed by both Hecla and Timberline, neither Daycon nor the QP have reviewed or considered the steps, techniques, policies and applications used by either Hecla or Timberline in their steps of sample preparation, analysis or security as such information is dated and simply not available at this time. However, for purposes of this Technical Report, both Daycon and the QP have assumed, given the nature and status of both these companies that sample preparation, analysis and security all adhered to best practices and standards applicable to mining issuers of like size and status in effect at the time the work was done.

12.0 DATA VERIFICATION

The QP personally sited the exploration drill holes and verified their orientations. The QP supervised all drilling operations, including the collection of samples at the drill sites. The QP supervised the entire QA/QC program, including logging of the holes, moving the samples to a secure location, sample preparation, shipping and review of the analyses. Duplicate RC samples and core for all footages of all the drill holes are stored in a secure storage facility in Montana.

The QP also inspected and supervised the transport of the 2005 Timberline drill core to the secure storage facility in Montana. The QP examined these core holes and confirmed that the visually estimated grades were consistent with their reported geochemical assay data.

The QP is of the opinion that the data is representative of the drilled mineralization found at the Snowstorm Project and is adequate for purposes used in this report.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical testing has been undertaken by Daycon.

The geology and sulfide mineralogy of the Snowstorm Project are similar to the Troy Mine in Montana. The processing plant at the Troy Mine processed on copper sulfide minerals in Revett-hosted deposits for almost 20 years. Metallurgical recoveries average greater than 80% for copper and silver. The ore goes through a three-stage crushing operation, ball mill grinding to -80 mesh, and flotation circuits to obtain

copper-silver concentrates (40% Cu, 97 opt Ag), which are shipped to a smelter. It is expected that sulfide ores at the Snowstorm Project can be similarly processed.

14.0 MINERAL RESOURCE ESTIMATES

There is no current mineral resource estimate for the Snowstorm Project that is compliant with NI 43-101.

15.0 MINERAL RESERVE ESTIMATES

There is no current mineral reserve estimate for the Snowstorm Project that is compliant with NI 43-101.

16.0 MINING METHODS

Daycon has not considered mining methods for the Snowstorm Project.

17.0 RECOVERY METHODS

Daycon has not considered recovery methods for the Snowstorm Project apart from available historical records as noted in this Report,

18.0 PROJECT INFRASTRUCTURE

There is no project infrastructure at the Snowstorm Project. That being said, location in the Silver Valley, near the towns of Mullan and Wallace, in the mining-friendly State of Idaho allow Daycon and the Snowstorm Project to take advantage of strong community support, service and infrastructure.

19.0 MARKET STUDIES AND CONTRACTS

Daycon has not considered market studies for the Snowstorm Project, and there are no material contracts for property development.

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

Daycon has not conducted any environmental studies for the Snowstorm Project. Daycon has not, to date, identified any significant environmental, social or community risks with its proposed activities.

The Snowstorm Project comprises both patented and unpatented claims. For unpatented claims, permitting from the USFS by way of a Plan of Operation (“**POO**”), duly bonded, is required for any work that is considered a mechanical surface disturbance. A Plan of Operations for drilling on unpatented claims in the Target 1 area, as recommended by the QP, will have to be submitted. **Targets 2 and 3 are located on patented claims, meaning no exploration or mining permits are required by the USFS.**

Social and community impact is considered minimal given that the Snowstorm Project is a former mine and is situated in the Silver Valley, Idaho. The Snowstorm Project is adjacent to the Lucky Friday claim block which hosts the Lucky Friday Mine in Mullan, Idaho, and so enjoys positive community support

21.0 CAPITAL AND OPERATING COSTS

Daycon has not considered capital and operating costs for the Snowstorm Project.

22.0 ECONOMIC ANALYSIS

Daycon has not considered an economic analysis for the Snowstorm Project.

23.0 ADJACENT PROPERTIES

Hecla's Lucky Friday claim block, which hosts the Lucky Friday Mine, adjoins the Snowstorm Project to the west. This world-class mine, which is the deepest working mine in the U.S., has been in continuous operation for 70 years. The mine produces lead-zinc-silver ore from several Coeur d'Alene-type veins, including the Lucky Friday, Star, Morning, Noonday and Gold Hunter veins.

24.0 OTHER RELEVANT DATA AND INFORMATION

The QP is not aware of any further information that is not included in this Report

25.0 INTERPRETATION AND CONCLUSIONS

Daycon's Snowstorm Project comprises 112 patented and unpatented lode claims, one unpatented tunnel site and one parcel lot totaling 788 ha (1,948 ac) of highly prospective ground at the convergence of two world-class silver mineral belts, the east-west oriented Silver Valley in Idaho and the north-south trending Revett Copper Sulfide Belt ("RCSB") in Montana and Idaho. The historic Snowstorm Mine is one of only 4 known Revett-hosted, copper-silver deposits with significant production or defined resources in the RCSB, the others being Hecla's Troy Mine (Spar Lake), and their Rock Creek and Montanore deposits in Montana, both of which have been negatively impacted by permitting, litigation and state regulations.

The RCSB combined reported reserves and resources (according to Revett Minerals and Mines Management Technical Reports) are in excess of 259M oz. silver and 968M lbs. copper. Inferred resources total in excess of 294M oz. silver and 2,080M lbs. copper.

Historic production and exploration data confirm that the Snowstorm Project is a stratabound, Revett-hosted deposit analogous to Hecla's Rock Creek and Montanore deposits, and the Troy Mine in Montana. In these Revett-type deposits, economic concentrations of copper-sulfide minerals containing silver are constrained to 40- to 60-foot thick, vitreous quartzite beds found near the base of the Upper Revett and the upper quartzite layers in the Lower Revett. The Revett strata, which has been tipped on edge by folding and faulting at the Snowstorm Project, dips steeply to the southwest, resulting in intense oxidation and leaching of surface outcrops.

The exposed Revett mineralized horizons, termed the Snowstorm Trend, can be traced along the entire 5.5 km (3.5 mi) length of Daycon's Snowstorm Project claims. Historic workings have intersected the favorable Upper Revett horizon to depths of at least 1,500 feet. **The exposed length and depth, when combined with the 40- to 60- foot thickness, of the mineralized Revett quartzite horizons presents an extremely**

favorable and attractive target for a potential large-tonnage, Revett-type copper-silver-gold deposit with high-grade ore shoots on the Snowstorm Project.

While the primary focus of Daycon's exploration program is Revett-type copper-silver mineralization, the Snowstorm Project also may have the potential to host deep, Coeur d'Alene-style veins comparable to the nearby Lucky Friday Mine owned by Hecla. The Coeur d'Alene Mining District extends eastward from the Silver Valley through the Snowstorm Project into western Montana. Lead-zinc-copper-silver vein mineralization has been described in the Missoula workings on the Snowstorm property and in the nearby Copper King workings northwest of the Snowstorm Project.

The Snowstorm Mine produced 800,000 tons of ore in the early 1900's from a 40- to 50-foot thick, high-grade (4% Cu, 6 opt Ag and 0.1 oz Au) ore shoot in Upper Revett quartzites. The mined-out, rich core was reported by Hecla to be surrounded by a 5 to 10 M ton "halo" of unmined, leaner material (1% Cu and 1 opt Ag) similar to grades found at the Troy Mine, and the Rock Creek and Montanore deposits, all of which are now owned by Hecla. The fault-truncated extension of the rich ore shoot has not yet been found. The Snowshoe, Missoula and National workings, all of which are on the Snowstorm Project and date back to the early 1900's, intersected mineralized Revett quartzites along the Snowstorm Trend. More importantly, mineralization in the Snowshoe and National tunnels consisted of the proximal copper sulfide minerals bornite and chalcocite, and the National tunnel intersected 40- to 50-foot thick section of Lower Revett quartzite with disseminated chalcocite and bornite, which was similar in appearance to the Snowstorm Mine ore shoot, though slightly leaner, with grades ranging up to 3% Cu and 3 opt Ag.

Three compelling exploration targets emerge from the Snowstorm Project data:

Southeast Extension (Target 1) –Several possible mineralized horizons in the untested Lower Revett may exist beneath the Little North Fork of the Coeur d'Alene River. Lower Revett mineralization is strongly supported by the Bunker Hill soil geochemistry survey and the 2015 field examination along the trend of mineralized Revett horizons on both the east- and west-facing slopes just above the Little North Fork. Strong copper and silver geochemical anomalies in soil samples collected along the mineralized Revett horizons in the Little North Fork drainage are comparable to those collected above the historic Snowstorm Mine. Red hematite observed in surface outcrops and fragments in oxidized, bleached, Lower Revett quartzites is locally abundant and is probably derived from the weathering of copper sulfides. Some of the fragments are also highly stained with manganese oxides with possible neotocite on fracture surfaces, further suggesting the presence of copper in the unoxidized quartzites. Fine-grained, ragged, disseminated, glassy limonite was noted in several samples which may be the weathering products of chalcopyrite. White (1990) also noted probable disseminated chalcopyrite was encountered in the favorable Upper Revett horizon in Hecla's drill hole P-3.

Additionally, the extension of the high-grade fault-truncated Upper-Revett ore shoot was likely shifted to the southeast of the Snowstorm Mine. White (1990) suggested that the Snowstorm ore-shoot extension may plunge at a shallow angle to the east beneath the mineralized Revett horizon exposed in the Little North Fork drainage. **Based on Daycon's work to date, the QP is of the opinion that this ore-shoot exists and is located in the Target 1 area southeast of the historic Snowstorm Mine. The QP recommends using IP/Resistivity and Magnetic surveys, followed by drilling to locate the fault-displaced extension of the ore shoot.**

Lower Revett Mineralization Below the Snowstorm Mine and the Hecla Halo (Target 2) – Daycon's 2015 field program noted the presence of extensive Cu oxides, hematite liesegang, ragged disseminated limonite (iron oxide) and manganese staining with possible neotocite in Lower Revett quartzites near the historic Snowstorm Mine. Mineralization and alteration in the Lower Revett is both widespread and pervasive, extending at least 1000 feet (300 meters) along trend and 200 feet (60 meters) in thickness. More importantly, this mineralization and alteration in the Lower Revett is stronger and more notable and can be traced over a much larger area in surface outcrops than the mineralization in the Upper Revett, except for the very limited Upper Revett outcrop immediately above the historic Snowstorm Mine.

As noted previously, Hecla defined an historical resource of 5 to 10 million tons grading 1% Cu and 1 opt Ag. A clear priority is to conduct current exploration work to both confirm and potentially expand this historical resource in the context of 43-101 standards,

Northwest Extension (Target 3) – The extension of the mineralized horizons in the Lower Revett below the Missoula, Lucky Calumet and Snowshoe Mines to the northwest of the Snowstorm Mine. Daycon's 2014 drill results demonstrated disseminated, stratabound mineralization over at least 200 feet (60 meters) of thickness in Lower Revett quartzites that is similar to mineralized horizons at Rock Creek and Montanore. High-grade ore (up to 3% Cu and 3 opt Ag) was reportedly mined from the National Mine by (Umpleby and Jones, 1923), probably from stratabound mineralization in the Lower Revett. The best Timberline drill holes only tested the Upper Revett mineralized horizon in this area with grades that range up to 0.8% Cu and 0.48 opt Ag, and never tested the Lower Revett at depth. The combination of Daycon's drill results and historical data suggests that this target has a high confidence level for success at greater depths than Timberline's holes.

26.0 RECOMMENDATIONS

The QP recommends a staged drill program to define the mineralization in the Lower Revett in the most prospective areas.

As noted previously, **in the opinion of the QP, the Snowstorm Project contains three compelling exploration targets, especially for stratabound Cu-Ag mineralization in the Lower Revett (Figure 13, page 40).**

The three targets are discussed above in Section 25.

Given the multiplicity of targets and potential, the QP has recommended concentrating on Targets 1 and 2 for Daycon's proposed two-year Work Program.

The QP recommends up to 12 angle core holes be drilled in Year 1 (Figure 27). The QP recommends drilling up to 8 holes (9,600 feet) in the Target 2 area. Holes will be sited on patented claims (Figure 27). The first holes would be sited in Middle Revett just above the Snowstorm Mine surface outcrop, in the area of the strongest surface mineralization in the Lower Revett (Target 2). Two holes could be drilled from each drill pad to different depths for cost effectiveness. The two holes would target the Lower Revett below the level of surface oxidation, at approximately 500 feet with the deeper hole targeting the Lower Revett around 900 to 1000 feet.

Depending on the success of the first holes, the next holes would be stepped out approximately 1000 feet along strike to the southeast and northwest.

The QP also recommends an additional 4 angle core holes (4800 feet) in the Target 1 area. These holes will be located to intersect the favorable Lower Revett horizons below the soil anomalies and best surface exposures.

In addition, IP/Resistivity and Magnetic surveys should be implemented to explore, for the faulted-off high-grade ore shoot that was the site of the historic production at the Snowstorm Mine.

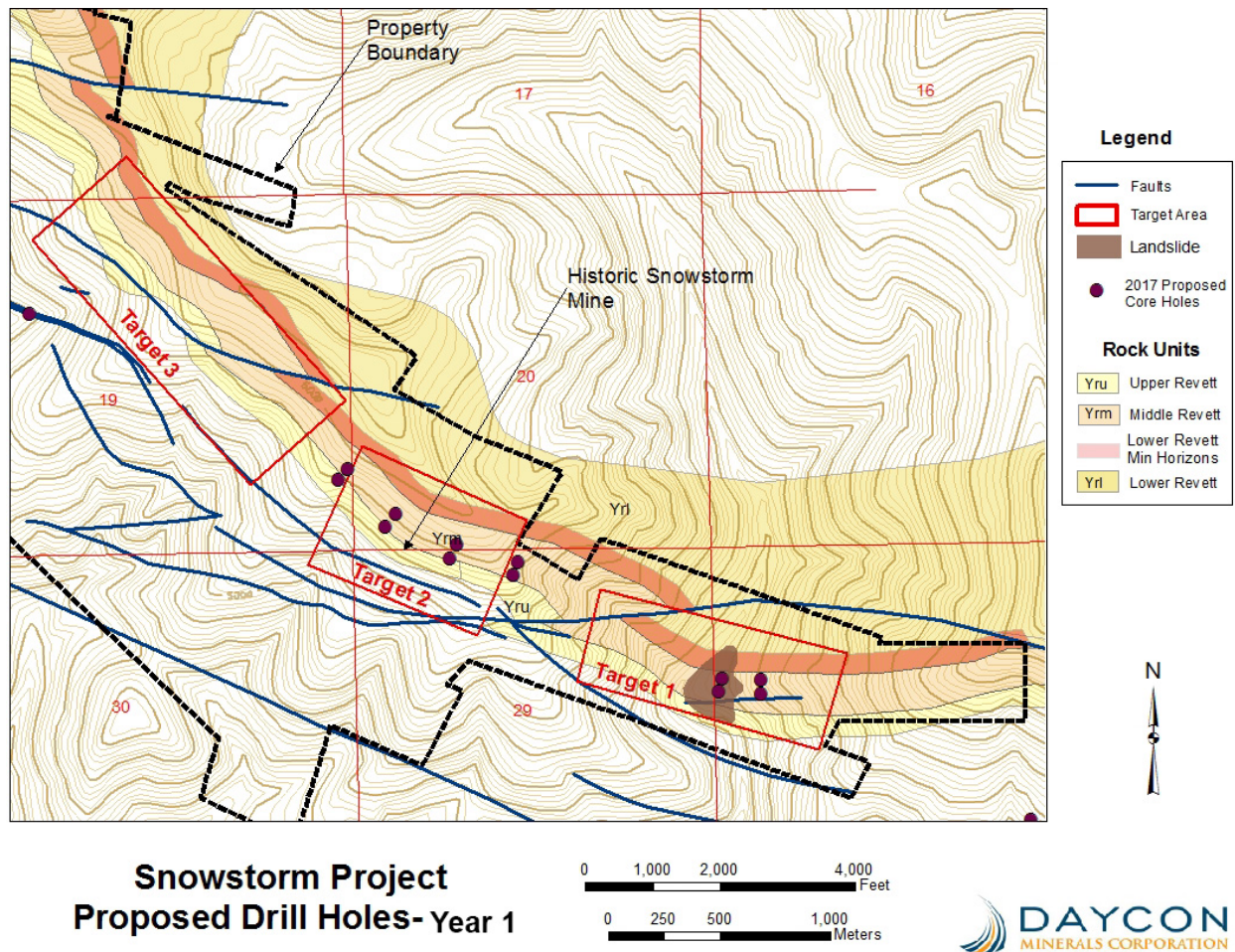


Figure 28: Proposed Year 1 Diamond Drill Core Program

For Year 2, the QP recommends a further program of core drill holes that will continue to be stepped out laterally, and holes will be drilled deeper to determine the deposit dimensions in areas with favorable mineralization. The QP currently recommends a total of 16 core holes (24,000 feet) for Daycon's Year 2 drilling program in both Targets 1 and 2.

The QP endorses these targets for initial focus by Daycon, and for the commencement and advancement of a program of staged exploration to advance definition and understanding of the potential mineral resource Snowstorm Project.

The recommended two-year Snowstorm Work Program Budget is summarized as follows:

Table 9 – Two-Year Exploration Program Summary and Analysis of Drilling

Year 1	Total	Drilling + Assay	Drilling – feet
Target 1	\$403,123	\$352,190	4,800
Target 2	\$806,247	\$704,380	9,600
Target 3	0	0	0
SUBTOTAL Year 1	\$1,210,896	\$1,059,210	14,400
Year 2			
Target 1	\$812,508	\$718,252	9600
Target 2	\$812,508	\$718,252	9600
Target 3	\$406,255	\$359,126	4800
SUBTOTAL Year 2	\$1,957,407	\$1,795,630	24,000
TOTAL	\$3,168,303	\$2,854,840	38,400

Of the total budgets for each year, the two-year Exploration Program includes a total of 38,400 feet of surface core drilling. At \$2.85M (with 10% contingency), this figure represents over 90% of the total Budget.

Given that each of Targets 1, 2 and 3 is distinct, and that there are distinct elements within each Target program, Daycon retains flexibility in proceeding depending on best allocation of available funding.

In preparing this Program, the QP has considered the holdings of Daycon in terms of patented versus unpatented claims and the Program attempts to work on patented claims to the greatest extent possible in order to minimize USFS approval and potential regulatory delay.

The QP is of the view that various factors lead to considerable and significant potential for the Snowstorm Project:

- Copper-silver mineralization exists along the entire 5.5 km (3.5 mi) exposure length of the 15- to 20-meter (45 to 60 ft) thick, favorable Revett quartzites (Snowstorm Trend) on Daycon's Snowstorm properties, especially in the Lower Revett as demonstrated in Daycon's 2014 drill program.
- Historically, the project area has never been adequately explored at depth, especially in the Lower Revett, which hosts mineralization at Rock Creek, Montanore and the Troy Mine and is mineralized in the adjacent Military Gulch property.
- Daycon's 2015 surface field work noted widespread and pervasive Cu-Ag mineralization and alteration in the Lower Revett over several thousand feet along trend and at least 200 feet in thickness.
- Historic gold production (0.1 opt Au) from the Snowstorm Mine, along with the presence of gold in Daycon's DAY5 core hole, suggests significant gold mineralization may be present.
- The presence of a tetrahedrite-chalcopryite mineral zone, unique to the Snowstorm Project, suggests the potential for higher silver grades.
- Similar to the Troy Mine, Rock Creek and Montanore, there appears to be comparable, mineralized quartzite horizons in the Lower Revett at the Snowstorm Project
- Strong copper-silver soil geochemical anomalies east of Snowstorm Mine have not yet been tested, especially in the Lower Revett.
- Recently published research has led to new models for ore control in Revett-type deposits.
- Modern exploration equipment and techniques allows for more accurate and inexpensive testing of targets.
- Similar, lower grade deposits that were once considered uneconomic have been mined.
- Location in the mining friendly environment of Idaho.

- Historic mining and extensive past work on the property provides valuable information, making this an advanced stage exploration project.
- Proximity to the Silver Valley provides access to skilled labor markets, community support and extensive mining services.

Future work, depending on results, would entail additional drilling to increase confidence in results, all with a view to defining resource estimations. Given the consistency of stratabound mineralization, and limited drilling required to estimate, Daycon has good prospects to achieve results in short order and with very reasonable exploration expenditures.

Exploration Program Budgets

This Technical Report recommends that Daycon proceed to implement the two-year Snowstorm Work Program with a total budget for all phases of \$3,168,303.

Detailed budgets for the two-year Exploration Program are in Tables 10 to 11.

This Technical Report is effective and dated at Lolo, Montana this 18th day of July, 2019.

SIGNED AND SEALED



Eugene A (Skip) Yates
(Certified Professional Geologist, Idaho Reg. No. PGL1394)
Yates & Sherry, Inc.
Geological Consultant



Table 10 - Year 1 Exploration Budget

Item/Task	Rate	Units	Number of Units	Total cost
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Year 1

<i>Geologic Mapping and Sampling</i>				\$ 2,375.00
Project Geologist- hole location	\$ 300.00	per day	3	\$ 900.00
Field Geologist- hole location	\$ 150.00	per day	3	\$ 450.00
Lodging	\$ 70.00	per day	3	\$ 210.00
Per Diem	\$ 20.00	per day	6	\$ 120.00
Field supplies	\$ 200.00	per project	1	\$ 200.00
Mileage	\$ 0.55	per mile	900	\$ 495.00

<i>Geophysics</i>				\$ 55,500.00
IP Survey-brushing lines (complete)	\$ 600.00	per line	5	\$ 3,000.00
IP-Resistivity Survey-	\$10,000.00	per 5000 ft line	5	\$ 50,000.00
Interpretation and Report	\$ 2,500.00	per survey	1	\$ 2,500.00

<i>Drilling</i>				\$ 871,560.00
Location of Core holes - Excavator	\$ 1,000.00	per hole	12	\$ 12,000.00
Core drilling all in (10 holes @1,200 ft avg)	\$ 48.00	foot	14,400	\$ 691,200.00
Mob/Demob	\$ 4,000.00	job	1	\$ 4,000.00
Consumables	\$ 1,200.00	hole	12	\$ 14,400.00
Travel Time	\$ 100.00	shift	100	\$ 10,000.00
Per diem	\$ 90.00	man/day	300	\$ 27,000.00
Project Geologist	\$ 300.00	day	25	\$ 7,500.00
Field Geologist	\$ 150.00	day	100	\$ 15,000.00
Mileage Geologist	\$ 0.55	per mile	10000	\$ 5,500.00
Lodging Geologist	\$ 70.00	per day	100	\$ 7,000.00
Per diem Geologist	\$ 20.00	per day	105	\$ 2,100.00
Miscellaneous	10%			\$ 75,620.00

<i>Geochemistry/Assaying</i>				\$ 187,650.00
Core Sample Prep- sawing, bagging, handling	\$ 3,000.00	per hole	12	\$ 36,000.00
Sample Bags	\$ 300.00	per hole	12	\$ 3,600.00
Core Samples- Assay	\$ 45.00	per sample	2250	\$ 101,250.00

Rock Samples-Assay	\$ 45.00	per sample	150	\$ 6,750.00
Sample preparation	\$ 12.00	per sample	2400	\$ 28,800.00
Standards and Blanks	\$ 5.00	per sample	250	\$ 1,250.00
Miscellaneous (Shelving, saw blades, etc)	\$ 400.00	per hole	10	\$ 4,000.00
Shipping/Handling	\$ 600.00	per hole	10	\$ 6,000.00

Staffing				\$ 5,700.00
Project Geologist- permitting	\$ 250.00	per day	3	\$ 750.00
Project Geologist- Interpretation, Reports	\$ 250.00	per day	15	\$ 3,750.00
Field Geologist Core logging and sampling	\$ 150.00	per day	8	\$ 1,200.00
QP Mining Engineer	\$ 500.00	per day	0	\$

Permitting				\$ 2,200.00
Preparation of Plan of Operation (POO)	\$ 200.00	per year	1	\$ 200.00
Bonding	\$ 500.00	per drill hole	4	\$ 2,000.00

Land and Legal				\$ 11,490.00
BLM Maintenance Fee-unpatented claims	\$ 160.00	per claim	64	\$ 10,240.00
BLM Fees for new claims	\$ 212.00	per claim	0	\$ -
County filing fees	\$ 25.00	per county	2	\$ 50.00
Insurance	\$ 5,000.00	per year		\$ -
Legal services	\$ 2,000.00	per year		\$ -
Administrative	\$ 2,000.00	per year		\$ -

Equipment and Expenses				\$ 7,080.00
Field Equipment and supplies	\$ 2,000.00	per year	1	\$ 2,000.00
Vehicles	\$ 0.55	per mile	2400	\$ 1,320.00
Airfare	\$ 750.00	per trip	0	\$ -
Hotel/Lodging	\$ 70.00	per day/person		\$ -
Per diem (food)	\$ 20.00	per day/person		\$ -
Storage, rental space	\$ 160.00	per month	11	\$ 1,760.00
Miscellaneous expenses	\$ 2,000.00	per year	1	\$ 2,000.00

Subtotal Expenses				\$ 1,142,355.00
Contingency 6%				\$ 68,541.30
Total Year 1 Expenses				\$1,210,896.30

Table 11 - Year 2 Exploration Budget

Item/Task	Rate	Units	Number of Units	Total cost
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Year 2

<i>Geologic Mapping and Sampling</i>				\$ 3,550.00
Project Geologist- hole location	\$ 300.00	per day	5	\$ 1,500.00
Field Geologist- hole location	\$ 150.00	per day	5	\$ 750.00
Lodging	\$ 70.00	per day	5	\$ 350.00
Per Diem	\$ 20.00	per day	10	\$ 200.00
Field supplies	\$ 200.00	per project	1	\$ 200.00
Mileage	\$ 0.55	per mile	1000	\$ 550.00

<i>Geophysics</i>				\$ -
IP Survey-brushing lines (complete)	\$ 600.00	per line	0	\$ -
IP-Resistivity Survey-	\$10,000.00	per 5000 ft line	0	\$ -
Interpretation and Report	\$ 2,500.00	per survey	0	\$ -

<i>Drilling</i>				\$ 1,545,780.00
Location of Core holes - Excavator	\$ 1,000.00	per hole	16	\$ 16,000.00
Core drilling all in (16 holes @ 1,500 ft avg)	\$ 52.00	foot	24000	\$ 1,248,000.00
Mob/Demob	\$ 5,000.00	job	1	\$ 5,000.00
Consumables	\$ 1,600.00	hole	16	\$ 25,600.00
Travel Time	\$ 100.00	shift	240	\$ 24,000.00
Per diem	\$ 90.00	man/day	480	\$ 43,200.00
Project Geologist	\$ 300.00	day	45	\$ 13,500.00
Field Geologist	\$ 150.00	day	120	\$ 18,000.00
Mileage Geologist	\$ 0.55	per mile	10000	\$ 5,500.00
Lodging Geologist	\$ 70.00	per day	120	\$ 8,400.00
Per diem Geologist	\$ 20.00	per day	120	\$ 2,400.00
Miscellaneous	10%			\$ 136,180.00

<i>Geochemistry/Assaying</i>				\$ 249,850.00
Core Sample Prep- sawing, bagging, handling	\$ 3,000.00	per hole	16	\$ 48,000.00
Sample Bags	\$ 300.00	per hole	16	\$ 4,800.00
Core Samples- Assay	\$ 45.00	per sample	3000	\$ 135,000.00
Rock Samples-Assay	\$ 45.00	per sample	150	\$ 6,750.00

Sample preparation	\$ 12.00	per sample	3150	\$ 37,800.00
Standards and Blanks	\$ 5.00	per sample	300	\$ 1,500.00
Miscellaneous (Shelving, saw blades, etc)	\$ 400.00	per hole	16	\$ 6,400.00
Shipping/Handling	\$ 600.00	per hole	16	\$ 9,600.00

Staffing				\$ 16,000.00
Project Geologist- permitting	\$ 250.00	per day	5	\$ 1,250.00
Project Geologist- Interpretation, Reports	\$ 250.00	per day	30	\$ 7,500.00
Field Geologist Core logging and sampling	\$ 150.00	per day	15	\$ 2,250.00
QP Mining Engineer	\$ 500.00	per day	10	\$ 5,000.00

Permitting				\$ 4,200.00
Preparation of Plan of Operation (POO)	\$ 200.00	per year	1	\$ 200.00
Bonding	\$ 500.00	per drill hole	8	\$ 4,000.00

Land and Legal				\$ 10,610.00
BLM Maintenance Fee-unpatented claims	\$ 165.00	per claim	64	\$ 10,560.00
BLM Fees for new claims	\$ 212.00	per claim		\$ -
County filing fees	\$ 25.00	per county	2	\$ 50.00
Insurance	\$ 5,000.00	per year		\$ -
Legal services	\$ 2,000.00	per year		\$ -
Administrative	\$ 2,000.00	per year		\$ -

Equipment and Expenses				\$ 16,620.00
Field Equipment and supplies	\$ 2,500.00	per year	1	\$ 2,500.00
Vehicles	\$ 0.55	per mile	2400	\$ 1,320.00
Airfare (President and investors)	\$ 1,200.00	per trip	6	\$ 7,200.00
Hotel/Lodging (President and investors)	\$ 70.00	per day/person	18	\$ 1,260.00
Per diem (President and investors)	\$ 20.00	per day/person	18	\$ 360.00
Storage, rental space	\$ 180.00	per month	11	\$ 1,980.00
Miscellaneous expenses	\$ 2,000.00	per year	1	\$ 2,000.00

Subtotal Expenses				\$ 1,846,610.00
Contingency 6%				\$ 110,796.60
Total Year 2 Expenses				\$1,957,406.60

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**Eugene A (Skip) Yates,
233 Cap de Villa,
Lolo, Montana, USA 59847**

CERTIFICATE of QUALIFIED PERSON

I, Eugene A (Skip) Yates, residing in Lolo, Montana, do hereby certify that;

1. I am an independent consulting geologist residing at 233 Cap de Villa, and since 1984 have been the President of Yates & Sherry, Inc., an exploration consulting services firm.
2. This certificate applies to the technical report entitled "Technical Report on the Snowstorm Project, Idaho" (the "**Technical Report**") prepared for Daycon Minerals Corporation (the "**Issuer**"). I am the sole author or otherwise supervised the preparation of the Technical Report, and so I am responsible for all sections of the Technical Report. This Report is an update earlier reports on the same topic dated February 26, 2013, March 2, 2014, and May 17, 2017.
3. I am a graduate of Vanderbilt University 1975 (B.A.) in Economics. I pursued graduate studies at Oregon State University 1976-1977 and am a graduate of Washington State University 1980 (M.S.) in Economic Geology.
4. I have practiced geology continuously as a professional since 1977. I have worked with St. Joe American Corp. (1977-1980), Union Carbide Corporation (1980 – 1984) and Treasure State Mining Corp. (1988-2004). Since 1984, I have been the President of Yates & Sherry, Inc., an exploration consulting services firm. As such, I have practiced geology for a period of over 40 years.
5. I am in good standing as a Certified Professional Geologist (CPG-12000) with the American Institute of Professional Geologists, and am a member of the Geologic Society of America, the Tobacco Root Geological Society, the Montana Mining Association, the American Exploration & Mining Association, the Society for Mining, Metallurgy & Exploration, and the Society of Economic Geologists.
6. I am a Professional Geologist (Idaho PGL1394) licensed in the State of Idaho.
7. I have read the definition of "qualified person" set out in National Instrument 43-101 ("**NI 43-101**") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
8. I am very familiar with the Silver Valley of Northern Idaho, the area in which the property that is the subject of this Technical Report is situated.
9. I am very familiar and have experience with Revett-type formations that are the focus of the subject property as a result of my work in exploration for similar style deposits in Montana and Idaho over the past 37 years.
10. I have visited the property before in various contexts – notably in the years 1986 to 1992. I first briefly visited the property while working as a consultant doing regional reconnaissance for Kennecott in 1986. I again briefly examined the property for my own account a couple of years later due to its relation to other properties of interest. No technical reports have been written on the property by me previously to the Technical Reports authored for Daycon.
11. I specifically visited the property that is the subject of the Technical Report on November 17, 2012, on July 3, July 14, July 16, September 27, and October 18, 2013, and traveled to Coeur d'Alene, Idaho on December 14, 2012 to inspect the core from Timberline's 10 holes drilled in 2005.

12. Thereafter, from the time of my engagement by Daycon in 2012, I have travelled to and been at the property extensively, including planning and supervising Daycon's 2014 and 2015 work programs as described in this Technical Report.

13. I am independent of the Issuer applying all of the tests in section 1.5 of NI 43-101 and have had no prior professional or report writing involvement with the property that is the subject of the Technical Report.

14. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

15. I have read NI 43-101 and Form 43-101FI, as dated June 24th, 2011. The Technical Report has been prepared in compliance therewith.

16. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public.

Dated at Lolo, Montana this 18th day of July, 2019.

SIGNED AND SEALED



Eugene A (Skip) Yates
(Cert. Prof. Geo., Idaho Reg. No. PGL1394)
Yates & Sherry, Inc.
Geological Consultant



APPENDIX A

Timberline Drill Results

Drill hole information and assay data by hole:

Table 12 – Summary of Diamond Drilling Results:

Hole Number	Easting	Northing	Col. El.(ft)	Az	Incl	Depth (feet)	From (feet)	To (feet)	Int. (ft)	Cu (%)	Ag (opt)
SS -1	595345	5260278	5359	050	-60	377.2	228.7 231.3 216.8 171.4	231.3 281.3 218.7 210.9	2.6 50.0 1.9	0.12 <0.08 0.13 <0.09	0.20 <0.31 0.03 0.04
SS -2	595356	5260070	5255	050	-45	712.2	629.9 incl. 629.9 674.6	687.2 633.0 678.2	57.3 3.1 3.6	>0.12 0.59 0.65	0.09 0.42 1.49
SS -3	595066	5260722	5632	045	-70	372			All	<0.03	
SS -4	594425	5261860	6010	060	-80	149.2	53.8 incl. 64.6	127.2 70.1	73.4 5.5	0.20 0.44	.018 0.38
SS -5	594758	5261071	5571	065	-70	322.0			All	<0.08	<0.075
SS -6	594190	5261570	5438	060	-60	432.0	62.6 81.0 325.3 335.7	74.9 325.3 335.7 432.0	18.8 244.3 10.4 96.3	0.31 <0.10 <0.17 <0.09	0.12 <3ppm <0.17ppm <0.06
SS -7	594575	5261350	5930	073	-65	227.5			All	<200ppm	<1.2ppm
SS -8	594138	5261196	4972	073	-50	492.2	252.3	283.9	31.6	>0.06	>0.03
SS -9	594340	5261275	5410	073	-70	442.2	254.4	310.1	55.7	>0.03	>0.05
SS -10	594118	5261195	4972	000	-90	578.0	279.9 311.2 317.0 348.1	311.2 317.0 348.1 559.7	31.3 5.8 31.1 211.6	<0.11 0.24 <0.17 <0.01	<0.08 0.17 <0.15 <0.04

Core recovery was essentially 100%. The core was taken to a logging and storage facility in Mullan where Sandra Powers logged the core and identified and marked favorable intervals for sampling that were less than 5 feet in length. The sample intervals were cut in half with a tile saw with half being sent to Chris Christopherson, Inc. in Smelterville, Idaho for assay. The samples were crushed to ¼ inch, split and pulverized to -200 mesh and assayed for copper and silver using a three-acid digestion with an atomic absorption spectroscopic (AAS) finish. Duplicate assays were made on every 10th sample.

These drilling results were disappointing to Timberline. Even though every hole contained significant Cu-Ag mineralization, the grades and thicknesses were not deemed to be economic. Only holes SS-2, 4, and 6 contained copper grades remotely close to typical Troy Mine grades and only hole 2 had a silver grade exceeding 1 ounce per ton, and this over 3.6-foot intercept. Oxidation has, to some degree affected the Upper Revett mineralized horizon in all the drill holes, probably lowering the grade to some extent in all, and significantly in SS-3 and SS-5. Where sulfides were encountered, chalcopyrite substantially exceeded bornite and chalcocite was insignificant.