JOHN BAKUS

(Owner & Operator)

GEOLOGICAL ASSESSMENT REPORT

(Event 5510348)

on a

STRUCTURAL ANALYSIS

Work done on

Tenures 852014, 983429, 983455, 1018729, 1020784

of the five Tenure

Skyline Claim Group

Alberni & Victoria Mining Divisions

BCGS Map 092F.017/.018

Centre of Work

5,440,056N 383,787E
(NAD 83)

AUTHOR & CONSULTANT

Laurence Sookochoff, PEng
Sookochoff Consultants Inc.

TABLE OF CONTENTS

TABLE OF CONTENTS *(cont'd)* page

ILLUSTRATIONS

TABLES

SUMMARY

The five claim Skyline claim group covers an area of 126.88 hectares located at the headwaters of China Creek on Vancouver Island 109 kilometres west of Vancouver and 22 kilometres southeast of Port Alberni.

The Skyline Claim Group area has a history of mineral exploration and mining which stems from 1862 when alluvial gold deposits were discovered in the China Creek area. These discoveries instigated exploration activity which resulted in the discovery of gold bearing veins and in 1900 the first processing of gold ore in a concentrator.

Since 1900 numerous hard-rock mineral deposits in the immediate area were found with some productive; the nearest being the Black Panther 520 metres west of the Skyline Claim Group. Production from the polymetallic veins of the Black Panther reportedly yielded 15,832 grams gold, 29,642 grams silver in addition to copper and lead. Other selected past producers close to the Skyline Claim Group are described in this report.

A 2011 ZTEM survey which covered a large area including the Skyline Claim Group ground resulted in the delineation of a northwesterly trending conductive trend which suggests"… an area favorable for alteration and mineralization" and which is indicated to project through the Skyline Claim Group. The interpretive results of the ZTEM survey revealed two conductive zones within the conductive trend which may occur on the Skyline Claim Group.

The Skyline Claim Group covers two Minfile mineral occurrences. The B and K mineral showing is of a shear zone containing several widely scattered narrow quartz veins from which a sample of one vein reportedly returned an assay of 87.8 grams (2.82 troz) per tonne gold. The Skyline prospect is of a quartz bearing shear zone from which a sample of one vein reportedly returned an assay of 52.1 grams (1.68 troz) per tonne gold and 113.8 grams per tonne silver. Two drill holes resulted in an inferred reserve of 6000 tonnes of 5.8 grams per tonne gold in two zones.

The structural analysis on the Skyline Claim Group resulted in the delineation of three cross structural locations (Figures 5) between two primary northwest and one north-south trending structure.

The location of cross-structure C and the closely related B AND K Minfile mineral showing (Figure 7) possibly hosted by the same structure as the conductive/structural trend may well suggest that the B and K mineral zone is a surficial indication of mineralization originating from a source at depth and routed to the surface via the conduit created by the structural intensity at cross-structure C.

The paralleling AB structure, as indicated by the structural analysis (Figure 5) and the breach in the magnetic wall (Figure 10), is indicated with two cross-structures **A** & **B** with location **B** possibly a reflection of the mineral and/or alteration conductive zone (isosurface) shown on Figure 10 which may possibly be located on the Skyline Claim Group.

It is concluded that two of the three cross structures as determined by the structural analysis of the Skyline Claim Group are prime exploration targets as indicated from the cross-structures, the association with one Minfile mineral location, and the two conductive zones indicated as mineralization and/or alteration may possibly be located on the Property.

It is recommended that an initial exploration program of prospecting over the areas of the three cross-structures be performed to locate any surficial geological indications of potentially depth related economic mineral zones. These geological indicators may be revealed as minerals and/or alteration and would be subject to interpretation as economic mineral indicators.

INTRODUCTION

In June, 2014 a structural analysis was completed on five claims of the Skyline Claim Group ("Property). The purpose of the program was to delineate potential structures which may be integral in geological controls to potentially economic mineral zones that may occur on the Skyline Claim Group. Information for this report was obtained from sources as cited under Selected References.

Figure 1. **Location Map**

PROPERTY LOCATION and DESCRIPTION

Location

The Property is located on Vancouver Island within BCGS Map 092H.088/.098 of the Alberni and Victoria Mining Divisions, 109 kilometres west of Vancouver, 49 kilometres west of Nanaimo and 22 kilometres southeast of Alberni.

Description

The Property is comprised of five claims covering an area of 126.8886 hectares. Particulars are as follows:

Property Location and Description *(cont'd)*

Table 1. **Skyline Claim Group Tenures**
(from MtOnline)

Tenure Number	Type	Claim Name	Good Until*	Area (ha)
852014	Mineral	ISLAND	20200425	42.2965
983429	Mineral	ISLAND 3	20200425	21.1492
983455	Mineral		20200425	21.1476
1018729	Mineral		20200425	21.146
1020784	Mineral	SKYLINE ISLAND 2	20200425	21.1493

*Upon the approval of the assessment work filing, Event Number 5510348.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Access

Access to the northern portion of the Skyline Property from Port Alberni and the headwaters of China Creek is via the China Creek service road.

Climate

The Property is within the western coastal forest region which is characterized by seasonally heavy precipitation.

Local Resources and Infrastructure

Ample provisions and accommodation for any exploration and/or development program would be available at Port Alberni or Nanaimo, both within some 95 road kilometres from the Skyline Claim Group.

Physiography

The topography on the Skyline Claim Group is generally rugged with moderately forested slopes Relief is in the order of 810 metres with elevations ranging from 700 metres within a creek valley in the northwest to 1,510 metres along a northerly trending razorback ridge in the west.

WATER & POWER

Sufficient water for all phases of the exploration program could be available from the many lakes and creeks, which are located within the confines of the property.

***Accessibility, Climate, Local Resources, Infrastructure and Physiography** (cont'd)*

Figure 2. **Claims Location**
(From MapPlace & Google)

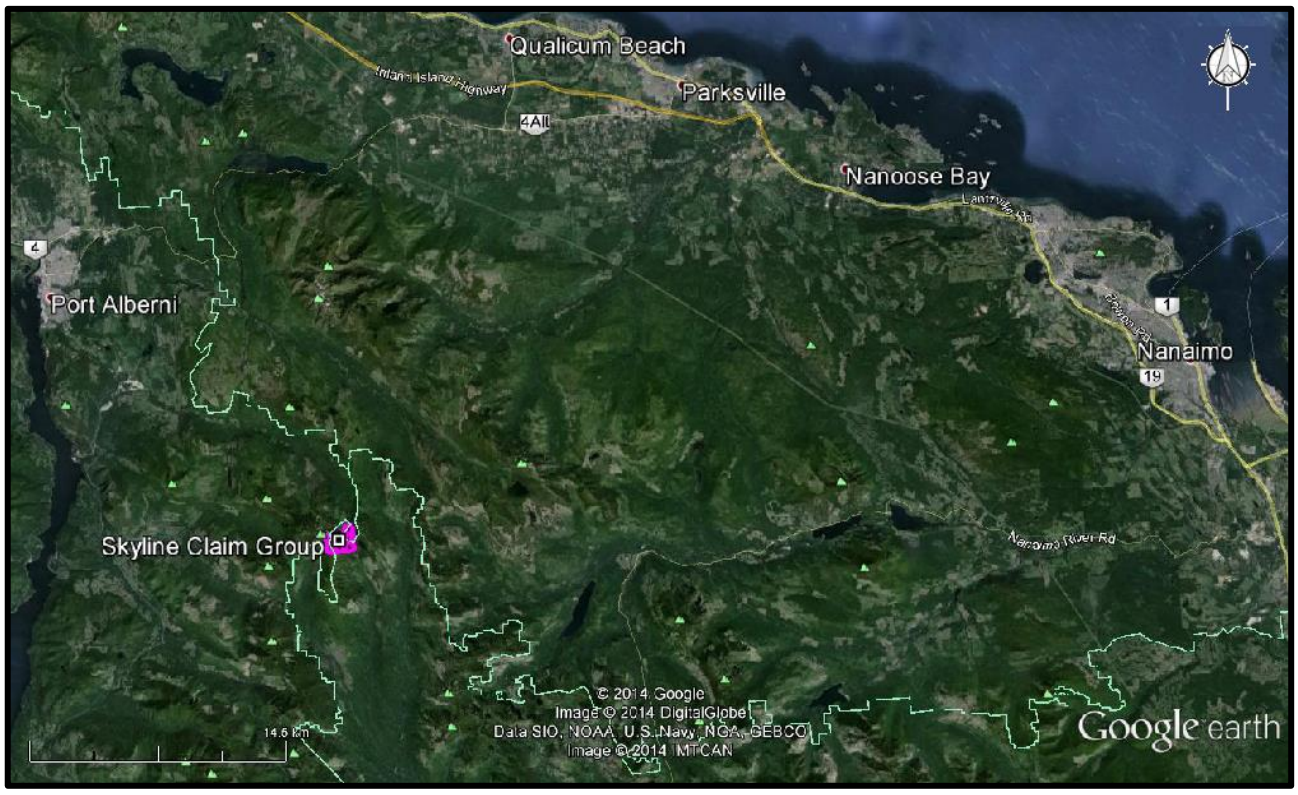
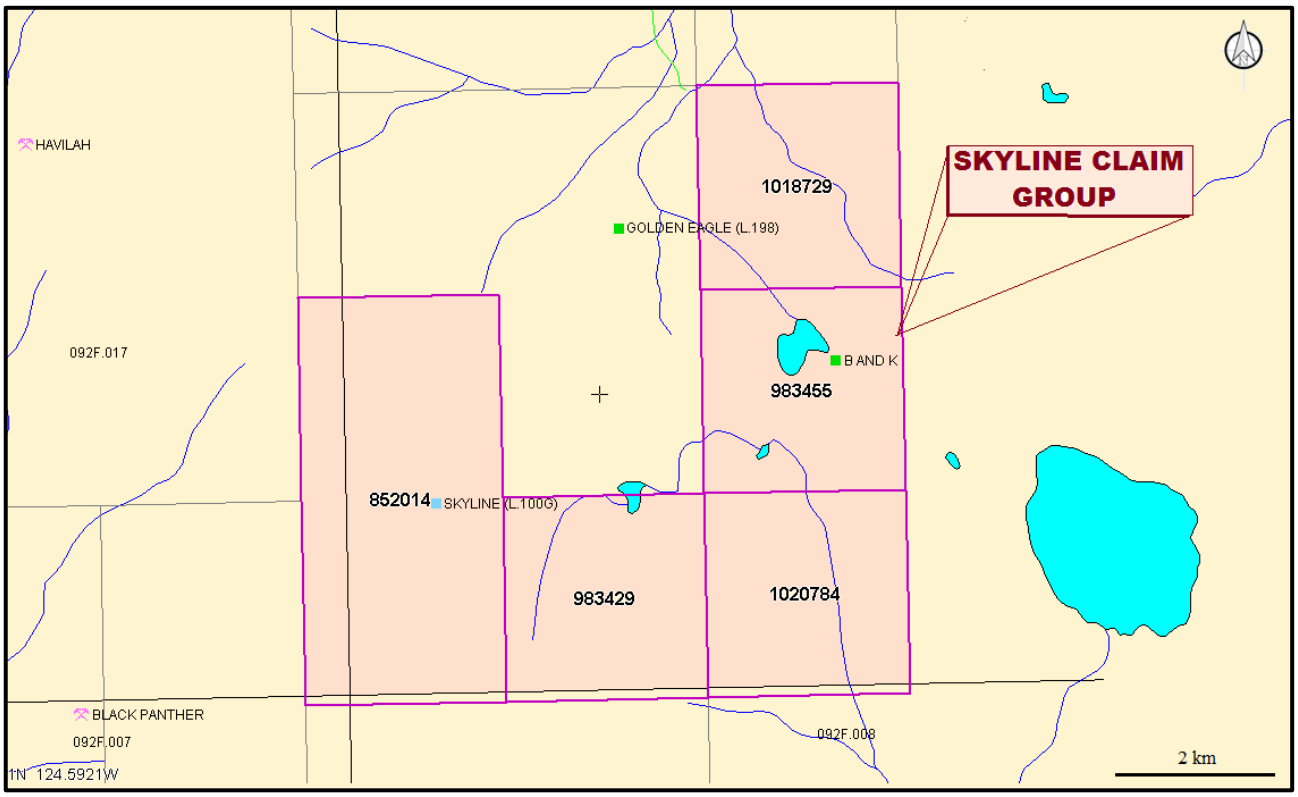


Figure 3. **Claim Map**



HISTORY: PROPERTY AREA

The history on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers on and peripheral to the Skyline Claim Group are reported as follows. The distance to the Minfile properties is relative to the Skyline Claim Group.

GOLDEN EAGLE showing (Cu+/- Ag quartz veins)
MINFILE 092F 080
200 metres northwest

The Golden Eagle showing is located approximately 16 kilometres southeast of Port Alberni and about 12 kilometres southeast of the Debbie deposit (092F 079).

From 1999 through 2002, Mandalay Resources completed programs of prospecting and rock and soil geochemical surveys on the King claims. In 2000, grab sampling of a massive sulphide zone with quartz veining, 100 metres south west of the adit, returned up to 14,321.9 parts per billion gold, 19.6 parts per million silver, 497 parts per million copper, 4799 parts per million lead, 18,662 parts per million zinc across 0.10 metre (Assessment Report 26392). In 2002, rock sampling of the same zone assayed up to 10.93 grams per tonne gold, 26.4 parts per million silver, 607 parts per million copper, 6054 parts per million lead and 17,724 parts per million zinc (DK 2805; Assessment Report 27089).

In 2004 and 2005, prospecting and minor trenching was completed by B. Hanslit on the Waterhen property.

***GILLESPI*E** past producer (Pyrite, Sphalerite, Galena, Arsenopyrite, Chalcopyrite, Pyrrhotite veins)
MINFILE 092F 082
One kilometre north- northwest

The Gillespie vein, one of the Havilah mine deposits, is located about 3 kilometres south of McKinlay Peak, 18 kilometres southeast of Port Alberni.

From 1999 through 2002, Mandalay Resources completed programs of prospecting and rock and soil geochemical surveys on the King claims. In 2001, a selected grab sample of dump material assayed 26.65 grams per tonne gold, 44.0 parts per million silver, 4559 parts per million copper, 8600 parts per million lead and 3.1 per cent zinc (Assessment Report 26721).

THISTLE past producer (Cu+/-Ag quartz veins, Cu skarn, Noranda/Kuroko massive sulphide Cu-Pb-Zn)
MINFILE 092F 083
Three kilometres west

From 1938 to 1942, the Thistle Mine produced 6,283 tonnes of ore grading 4.9 per cent copper, 10.3 grams per tonne silver and 13.7 grams per tonne gold (Assessment Report 17661). Nexus acquired the property in late 1980. In 1981 and 1982, Nexus conducted surveys in the Panther Road (MINFILE 092F 439) and Thistle mine areas. In 1983, the property was optioned by Westmin Resources Ltd. and an exploration program of geological mapping, soil sampling, geophysical surveys and 6053.9 metres of diamond drilling was completed. In 1988, Nexus completed 1205.4 metres of diamond drilling on anomalies previously not tested, primarily on the Saddle occurrence (MINFILE 092F 442). In 1995, the area was staked as the Thistle 1 claim and a program of geochemical sampling was completed.

History: Property Area *(cont'd)*

BLACK PANTHER past producer (Cu+/-Ag quartz veins, Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092F 084
520 metres west

The Black Panther mine, originally discovered in 1936, is located approximately 20 kilometres southeast of Port Alberni.

In 1987, sampling of the workings by Candorado Mines Limited averaged 18.5 grams per tonne over vein material from 1.7 to 2.1 metres wide (George Cross Newsletter #34, 1987). Production in 1947, 1948 and 1950 totalled 1715 tonnes which yielded 15,832 grams gold, 29,642 grams silver, 226 kilograms copper and 5588 kilograms lead.

In 2005, Plateau Resources acquired the property and prospected the area the following year as BP claims.

BLACK LION showing (Cu+/- Ag quartz veins)
MINFILE 092F 085
700 metres south

The Black Lion showing is located approximately 20.5 kilometres southeast of Port Alberni. The mineralization is related to the Black Panther mine (092F 084) about 1/2 kilometre to the northwest.

In 2005, Plateau Resources acquired the property and prospected the area the following year as BP claims.

TAN showing (mineralized shear)
MINFILE 092F 398
550 metres south

The Tan showing is located 24 kilometres southeast of Port Alberni, slightly east of the B&K (092F 081) and Golden Eagle (092F 080) occurrences.

HAVILAH past producer (Cu+/- Ag quartz veins)
MINFILE 092F 437
750 metres northwest

The McQuillan vein is located 600 metres southeast of the Gillespie vein (092F 082) and the Havilah mine workings, about 20 kilometres southeast of Port Alberni.

From 1999 through 2002, Mandalay Resources completed programs of prospecting and rock and soil geochemical surveys on the King claims.

HISTORY: PROPERTY

B and K showing (Cu+/- Ag quartz veins)
MINFILE 092F 081
Within Tenure 983455

The B and K showing is located 2 kilometres east of the Golden Eagle showing (092F 080), about 19 kilometres southeast of Port Alberni.

History: Property *(cont'd)*

B and K *showing (cont'd)*

From 1999 through 2002, Mandalay Resources completed programs of prospecting and rock and soil geochemical surveys on the King claims. In 1999, two grab sample of dump material, from the area, assayed up to 57,000 parts per billion gold, 10,415 parts per million copper and 705 parts per million lead (Assessment Report 26086).

In 2004 and 2005, prospecting and minor trenching was completed by B. Hanslit on the Waterhen property.

SKYLINE prospect (Cu+/- Ag quartz veins)
MINFILE 092F 438
Within Tenure 852014

The Skyline occurrence is located just south of the Havilah mine workings (092F 082, 437), approximately 21 kilometres southeast of Port Alberni.

The showing lies in the Golden Eagle group of claims (see 092F 080) and has been described as the "High Grade vein" of the B and K group (092F 081).

GEOLOGY: REGIONAL

The Mt. McQuillan area of Vancouver Island is underlain predominantly by volcanic rocks of the Paleozoic Sicker Group. In the area Sicker Group is composed mainly of basic to intermediate volcanic rocks and less abundant clastic and carbonate rocks that have been affected by all phases of a complex history of deformation and metamorphism on the Island. Structurally, these rocks are part of the Cowichan-Horne Lake uplift, one of three major north trending axial uplift (Hawkins,1987).

GEOLOGY: PROPERTY AREA

The geology on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers on and peripheral to the Skyline Claim Group are reported as follows. The distance to the Minfile properties is relative to the Skyline Claim Group.

GOLDEN EAGLE showing (Cu+/- Ag quartz veins)
MINFILE 092F 080
200 metres northwest

The area is underlain by volcanic and sedimentary rocks of the Devonian Duck Lake Formation (Sicker Group). A major vertical north trending fault cuts the rocks. The volcanics are intruded by diorite (McQuillan diorite stock) of the Early to Middle Jurassic Island Plutonic Suite.

GILLESPIE past producer (Pyrite, Sphalerite, Galena, Arsenopyrite, Chalcopyrite, Pyrrhotite veins)
MINFILE 092F 082
One kilometre north- northwest

Paleozoic Sicker Group volcanics of the Devonian Duck Lake Formation are cut by a body of coarse-grained hybrid diorite of the Early to Middle Jurassic Island Plutonic Suite. A north trending fault bounds the diorite to the west and cuts andesite to the north of the diorite.

Geology: Property Area *(cont'd)*

GILLESPIE *past producer (cont'd)*

The Gillespie vein occurs in andesite along a north-northeast trending shear zone for about 200 metres, strikes 010 degrees and dips 65 to 80 degrees east. The vein, 10 to 80 centimetres wide, averages 30 centimetres in width and contains ribbon-quartz with pyrite, sphalerite, galena, pyrrhotite, arsenopyrite and chalcopyrite. The wall-rock is replaced by mariposite and carbonate minerals.

THISTLE past producer (Cu+/-Ag quartz veins, Cu skarn,
Noranda/Kuroko massive sulphide Cu-Pb-Zn)
MINFILE 092F 083
Three kilometres west

Basaltic flows and pillow basalt of the Triassic Karmutsen Formation (Vancouver Group) are underlain by a complexly inter- layered succession of volcanics and sediments of the Paleozoic Sicker and Mississippian to Lower Permian Buttle Lake groups. These include basaltic flows, agglomerates and bedded tuffs of the Upper Devonian McLaughlin Ridge Formation (Myra Formation), Sicker Group and limestones and marbles of the Upper Pennsylvanian to Lower Permian Mount Mark Formation (Buttle Lake Group, previously Buttle Lake Formation).

BLACK PANTHER past producer (Cu+/-Ag quartz veins, Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092F 084
520 metres west

In the area, a north striking fault separates andesites of the Devonian Duck Lake Formation (Sicker Group) from Early to Middle Jurassic Island Plutonic Suite diorite.

BLACK LION showing (Cu+/- Ag quartz veins)
MINFILE 092F 085
700 metres south

In the area, a north striking fault separates andesites of the Devonian Duck Lake Formation (Sicker Group) diorite of the Early to Middle Jurassic Island Plutonic Suite.

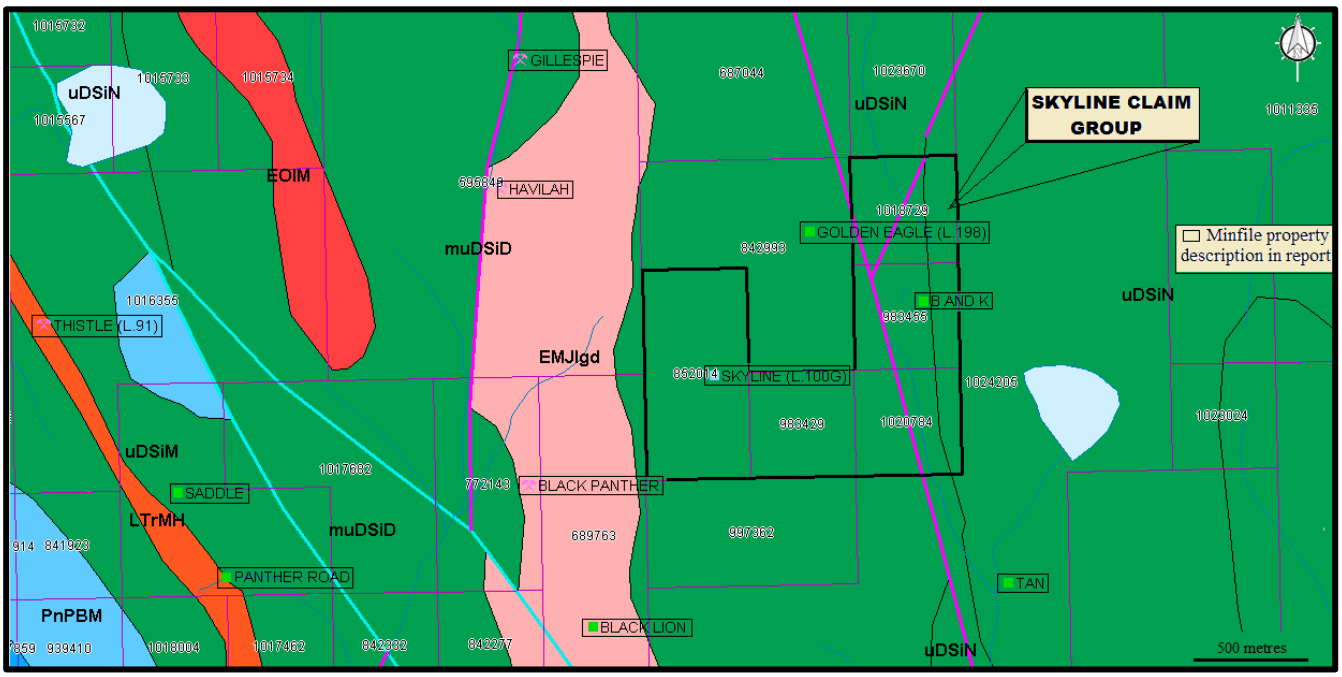
TAN showing (mineralized shear)
MINFILE 092F 398
550 metres south

The area, located in the Cowichan uplift, is underlain by volcanics and minor sediments of the Upper Devonian McLaughlin Ridge Formation (formerly the Myra Formation) and the Devonian Nitinat Formation, both of the Sicker Group. Diorite of the Early to Middle Jurassic Island Plutonic Suite occurs to the south.

HAVILAH past producer (Cu+/- Ag quartz veins)
MINFILE 092F 437
750 metres northwest

The area is underlain by Devonian Sicker Group volcanic rocks (Duck Lake Formation). These are cut by a body of coarse-grained hybrid diorite of the Early to Middle Jurassic Island Plutonic Suite. A north trending fault bounds the diorite to the west and cuts andesite to the north of the diorite.

Figure 4. **Geology, Claim, Index, & Minfile**



GEOLOGY MAP LEGEND

Eocene to Oligocene
EOlM
Mt. Washington Plutonic Suite
quartz diorite intrusive rocks

Early Jurassic to Middle Jurassic
EMJl
Island Plutonic Suite
granodioritic intrusive rocks

Middle Triassic to Upper Triassic
Vancouver Group-Karmutsen Formation
uTrVK
basaltic volcanic rocks

Late Triassic
LTrMH
Mount Hill Gabbro
gabbroic to dioritic intrusive rocks

Lower Permean
lPBS
Buttle Lake Group-St Mary's Lake Formation
coarse clastic sedimentary rocks

Mississippian to Permean
MPnBFch
Buttle Lake Group-Fourth Lake Formation
chert, siliceous argillite, siliclastic rocks

Mississippian to Lower Permean
MPnBFch
Buttle Lake Group-Fourth Mount Mark Formation
limestone bioherm reef

Middle Devonian to Upper Devonian
uDSiN
Sicker Group- Nitinat Formation
calc-alkaline volcanic rocks
muSiD
Sicker Group-Duck Lake Formation
basaltic volcanic rocks
uDSiM
Sicker Group-McLaughlin Ridge Formation
volcaniclastic rocks

GEOLOGY: PROPERTY

As indicated by the BC government supported MapPlace geological maps, the Property is predominantly underlain by three Formations of the Middle Devonian to Upper Devonian Sicker Group. The Duck Lake Formation of basaltic volcanic rocks (MuSiD) in the west is in a northerly trending fault contact with the McLaughlin Ridge Formation of volcaniclastic rocks to the east and a pie sliced portion of fault bounded calc-alkaline volcanic rocks of the Nitinat Formation (uDSiN) in the northeast.

B and K showing (Cu+/- Ag quartz veins)
MINFILE 092F 081
Within Tenure 983455

The area is underlain by volcanic and minor sedimentary rocks of the Devonian Duck Lake Formation (Sicker Group). A major vertical north trending fault cuts the rocks.

SKYLINE prospect (Cu+/- Ag quartz veins)
MINFILE 092F 438
Within Tenure 852014

The area is underlain by volcanics of the Devonian Duck Lake Formation, Sicker Group which have been intruded by Early to Middle Jurassic Island Plutonic Suite.

MINERALIZATION: PROPERTY AREA

The mineralization on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers on and peripheral to the Skyline Claim Group are reported as follows. The distance to the Minfile properties is relative to the Skyline Claim Group.

GOLDEN EAGLE showing (Cu+/- Ag quartz veins)
MINFILE 092F 080
200 metres northwest

Several small quartz veins, variably mineralized with pyrite, chalcopyrite, galena, sphalerite, and arsenopyrite occur in andesite. The main quartz vein, and old workings, strikes 030 degrees, dips 65 degrees southeast and occurs in a 150 by 60 metre body of feldspar porphyry. The vein is a few centimetres to 1.5 metres in width, is about 120 metres long, and has a vertical depth of 100 metres. Mineralization consists of ribbon-quartz with pyrite and minor sulphides. A one metre sample of the vein assayed 1.7 grams per tonne gold, 24 grams per tonne silver, 0.1 per cent lead and 0.85 per cent zinc (Gunnex Limited, 1965). A sub-parallel vein, known as the BSF vein, lying to the south- west of the main vein, occurs in andesite. The vein is 0.1 to 1.0 metres wide, strikes northeast and dips 70 degrees east. A 1.1 metre chip-channel sample assayed 17.5 grams per tonne gold, 1.46 grams per tonne silver, 0.35 per cent lead, 0.27 per cent zinc, and 0.05 per cent copper (Assessment Report 10194).

***GILLESPI*E** past producer (Pyrite, Sphalerite, Galena, Arsenopyrite, Chalcopyrite, Pyrrhotite veins)
MINFILE 092F 082
One kilometre north- northwest

A 0.20 metre chip sample assayed 7.33 grams per tonne gold and 317.09 grams per tonne silver (George Cross News Letter #2, 1990). From the Gillespie vein in 1936 and 1939, 949 tonnes was mined produced 8,056 grams of gold, 43,669 grams of silver, 4,244 kilograms of copper, and 12,677 kilograms of lead. The McQuillan vein (O92F 437) lies 600 metres to the south.

Mineralization: Property Area *(cont'd)*

THISTLE past producer (Cu+/-Ag quartz veins, Cu skarn,
Noranda/Kuroko massive sulphide Cu-Pb-Zn)
MINFILE 092F 083
Three kilometres west

Disseminated to massive sulphide mineralization, consisting of pyrite, chalcopyrite and minor pyrrhotite plus sulphide rich quartz-carbonate veins, occur in sheared pyritic quartz-sericite schists with chloritized mafic volcanic flows ("Mine Flow Unit") and tuffs of the Upper Devonian McLaughlin Ridge Formation. A nearby limestone, which strikes 170 degrees and dips 65 degrees southwest, has largely been replaced by diopside (skarn). Disseminated magnetite, some of which has been oxidized to hematite, occurs in the calcite and malachite occurs in places.

Two ore zones, 40 metres apart, measure 2 to 20 metres long by 1 to 8 metres wide. A 1.8-metre chip channel sample of a high grade shear at the south end of the lower glory hole assayed 38.4 grams per tonne gold, 30.5 grams per tonne silver and 2.69 per cent copper (Assessment Report 11064). Drilling in 1984, intersected 20 centimetres of 17.6 grams per tonne gold in chloritic basalt, including 2 centimetres of massive pyrite (Assessment Report 15288).

BLACK PANTHER past producer (Cu+/-Ag quartz veins, Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092F 084
520 metres west

Quartz veins, lenses, stockworks and stringers containing variable amounts of sulphides, mainly pyrite, chalcopyrite, minor galena and sphalerite, occur in a shear zone which sub-parallels the andesite/diorite contact. The wallrock is strongly altered by ankeritic carbonate for widths of several centimetres to 9 metres. The main shear zone, which has been traced for at least 3.2 kilometres, is locally cut by quartz stringers. The stringers are 2.5 centimetres to 0.9 metre wide and up to 12 metres long. A subordinate shear set, trending 20 to 30 degrees, is also present. Ore grades are highest where these two shear sets intersect.

Reserves have been estimated at 12,250 tonnes grading 6.86 grams per tonne gold (Assessment Report 9639). The Black Lion showing (092F 085), about 1/2 kilometre to the southeast, is considered to be an extension of the main shear zone.

In 1987, sampling of the workings by Candorado Mines Limited averaged 18.5 grams per tonne over vein material from 1.7 to 2.1 metres wide (George Cross Newsletter #34, 1987). Production in 1947, 1948 and 1950 totalled 1715 tonnes which yielded 15,832 grams gold, 29,642 grams silver, 226 kilograms copper and 5588 kilograms lead.

BLACK LION showing (Cu+/- Ag quartz veins)
MINFILE 092F 085
700 metres south

Pyrite and galena occur in quartz veins within a 0.25 to 2.8 metre wide carbonate altered shear zone within andesite and diorite. The veins are 30 to 50 centimetres wide over a 53 metre long zone which strikes north and dips 75 degrees east.

Mineralization: Property Area *(cont'd)*

TAN showing (mineralized shear)
MINFILE 092F 398
550 metres south

The showing occurs in basaltic pyroclastics of the McLaughlin Ridge Formation which comprised of tuff, agglomerate, flows with minor interbedded chert and argillite. A quartz-sulphide mineralized shear zone strikes 150 degrees and dips 45 degrees east. The zone has been traced along strike for 70 metres and is 1.8 metres wide. The sulphides, with the exception of pyrite, have not been specified. A grab sample from a trench (#1) on the shear zone assayed 0.06 grams per tonne gold, 2.1 grams per tonne silver, 0.05 per cent molybdenum, 0.01 per cent copper, 0.16 per cent arsenic and 33.39 per cent iron (Assessment Report 16072).

HAVILAH past producer (Cu+/- Ag quartz veins)
MINFILE 092F 437
750 metres northwest

The McQuillan vein and the adjoining Alberni vein to the south, occur along a shear zone which cuts andesite, diorite and Tertiary quartz-feldspar porphyry. The shear zone trends 020 degrees for about 80 metres, dips 70 degrees east and is about 5 metres wide. Quartz lenses along the shear contain pyrite, sphalerite, galena and lesser chalcopyrite and arsenopyrite.

A 60 centimetre sample of a vein assayed 5.5 grams per tonne gold and 20.6 grams per tonne silver (Minister of Mines Annual Report 1936).

MINERALIZATION: PROPERTY

B and K showing (Cu+/- Ag quartz veins)
MINFILE 092F 081
Within Tenure 983455

Several widely scattered narrow (up to 20 centimetres) quartz veins, with pyrite and minor sulphides, occur in shear zones within tuffs, cherts and andesite. A sample of one of these veins at the south end of Summit Lake assayed 87.8 grams per tonne gold (Minister of Mines Annual Report, 1944).

To the north of the lake one hundred metres, quartz stringers with chalcopyrite, pyrite, sphalerite and galena occur. A 1.5 metre sample from a vein in a trench assayed 2.7 grams per tonne gold, 13.7 grams per tonne silver and 0.15 per cent copper (Laanela, 1965).

SKYLINE prospect (Cu+/- Ag quartz veins)
MINFILE 092F 438
Within Tenure 852014

Two parallel quartz veins, 3 to 9 metres apart, lie in a north trending shear within carbonate altered andesite. The veins are 15 to 30 centimetres wide, 40 metres long and dip 70 degrees west. Banded mineralization consists of pyrite, arsenopyrite and galena.

A 30 centimetre sample assayed 52.1 grams per tonne gold and 113.8 grams per tonne silver (Gunnex Limited, 1965). Two drill holes in 1980 resulted in an inferred reserve of 6000 tonnes of 5.8 grams per tonne gold in two zones (Assessment Report 9639).

STRUCTURAL ANALYSIS

A Google Earth map was utilized as the base map for the Structural analysis on the five claims of the Skyline Claim Group. A total of 38 lineaments were marked (Figure 5), compiled into a 10 degree class interval, and plotted as a Rose Diagram as indicated on Figure 6.

The centre of the work area is at 5,440,056N 383,787E (NAD 83)

Figure 5. **Indicated Lineaments as Structures on Tenure 589584**

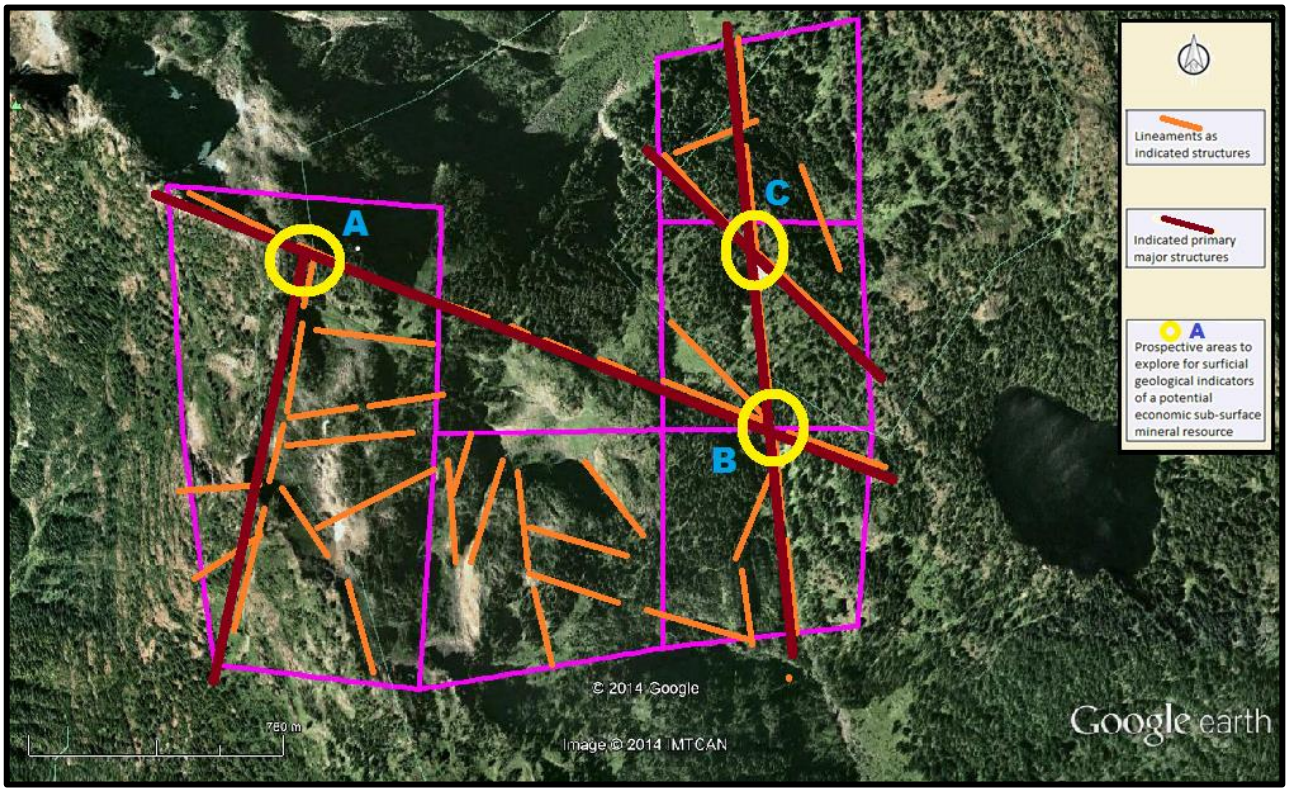
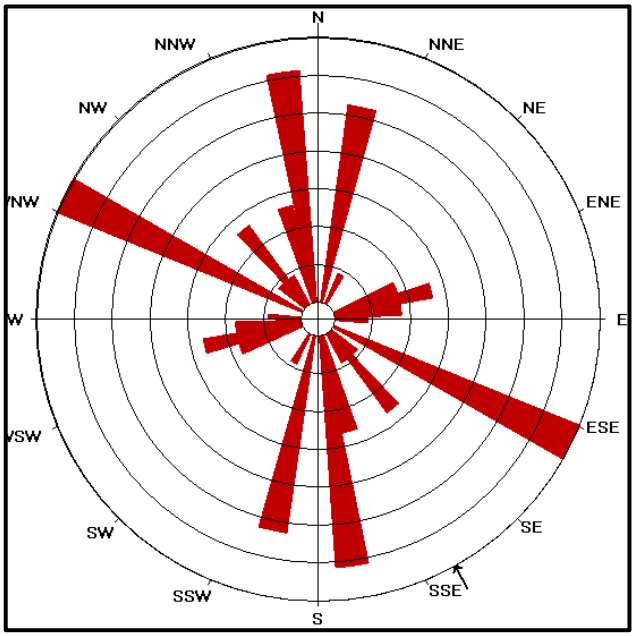


Figure 6. **Rose Diagram from lineaments of Figure 5.**



***Structural Analysis** (cont'd)*

STATISTICS (for Figure 5)

Axial (non-polar) data
No. of Data = 38
Sector angle = 8°
Scale: tick interval = 3% [1.1 data]
Maximum = 21.1% [8 data]
Mean Resultant dir'n = 151-331
[Approx. 95% Confidence interval = ±66.2°]
(valid only for unimodal data)

Mean Resultant dir'n = 151.0 - 331.0
Circ.Median = 137.5 - 317.5
Circ.Mean Dev.about median = 37.5°
Circ. Variance = 0.32
Circular Std.Dev. = 50.32°
Circ. Dispersion = 8.27
Circ.Std Error = 0.4666
Circ.Skewness = 1.06
Circ.Kurtosis = -3.56
kappa = 0.44

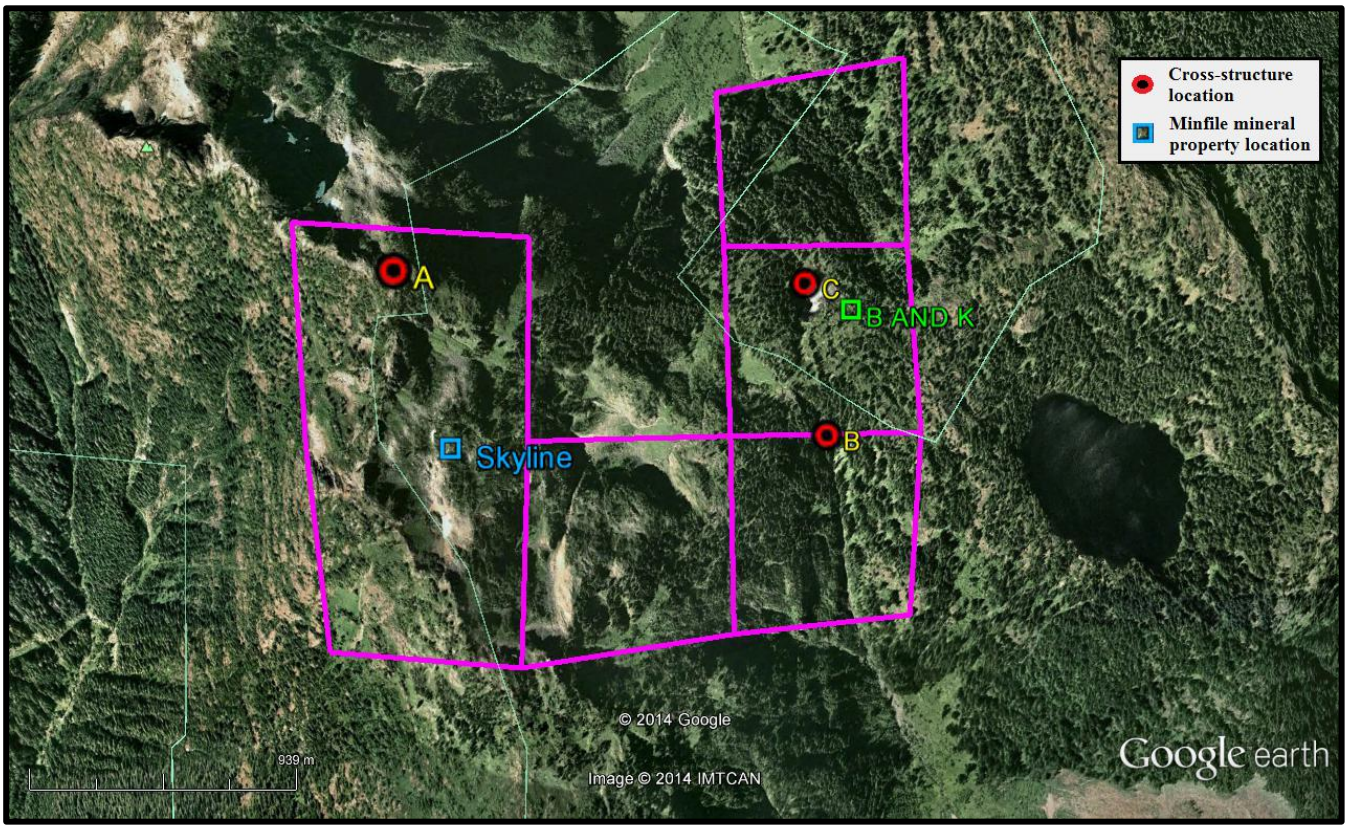
(von Mises concentration param. estimate)

Resultant length = 8.12
Mean Resultant length = 0.2138

'Mean' Moments: Cbar = 0.1131; Sbar = -0.1814
'Full' trig. sums: SumCos = 4.2971; Sbar = -6.8944
Mean resultant of doubled angles = 0.2437
Mean direction of doubled angles = 006

(Usage references: Mardia & Jupp, 'Directional Statistics', 1999, Wiley; Fisher, 'Statistical Analysis of Circular Data', 1993, Cambridge University Press)
Note: The 95% confidence calculation uses Fisher's (1993) 'large-sample method'

Figure 7. **Cross-structural and Minfile locations on Google Earth**



Structural Analysis *(cont'd)*

Table II. **Approximate location of Figure 5 & 7cross-structures & Minfile locations** (UTM-NAD 83)

CROSS-STRUCTURE	UTM East	UTM North	Elevation (metres)
A	384,236	5,440,597	1,049
B	384,277	5,440,225	1,028
C	383,343	5,440,606	1,509
MINFILE			
B AND K	384,339	5,440,597	1,049
Skyline	383,420	5,440,233	1,400

Figure 8. **Showing the location of the Skyline Claim Group and the conductive trend within the 2011 ZTEM survey area**
(Base map from Fraser 2013 AR 33,739 Figure 2)

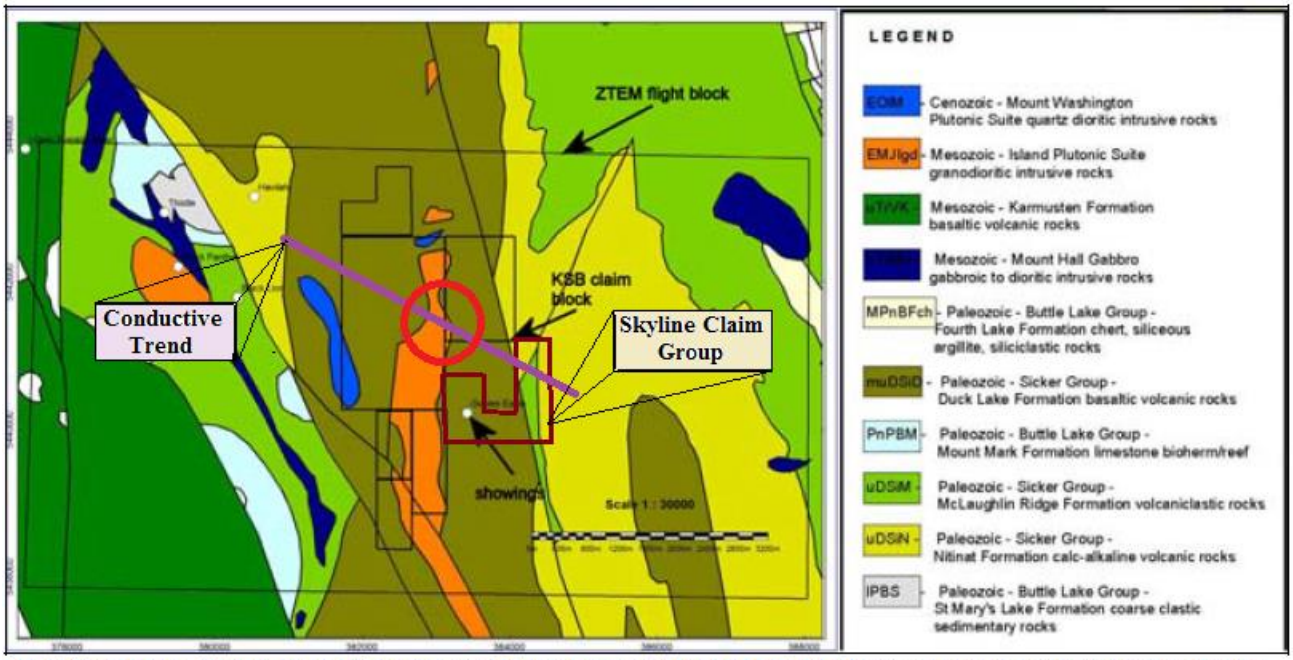


Figure 2: Property geology (from BC Geological Survey); ZTEM flight block and historic showings indicated.

Figure 9. **Showing the location of the Skyline Claim Group, the conductive trend, the geology outline, and the magnetics, within the 2011 ZTEM survey area**
(Base map from Fraser 2013 AR 33,739 Figure 6)

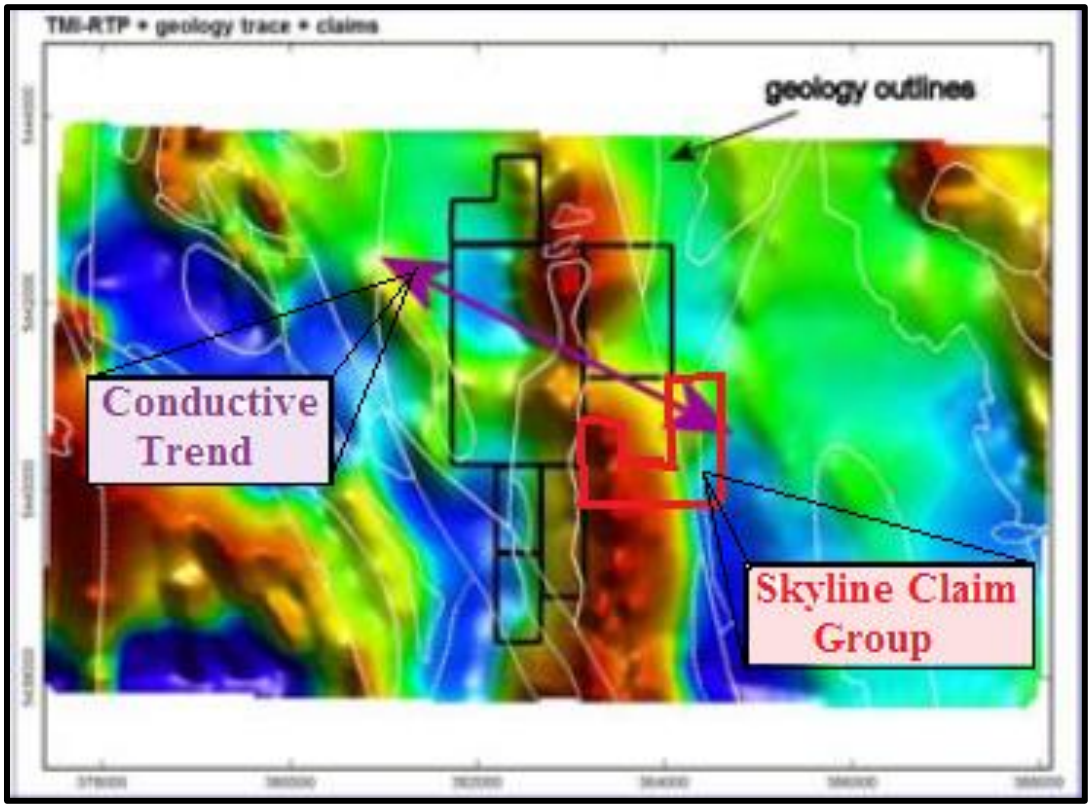


Figure 10. **Showing the location of the possible conductive zones on the Skyline Claim Group within the 2011 ZTEM survey area**

(Base map from Fraser 2013 AR 33,739 Figure 13)

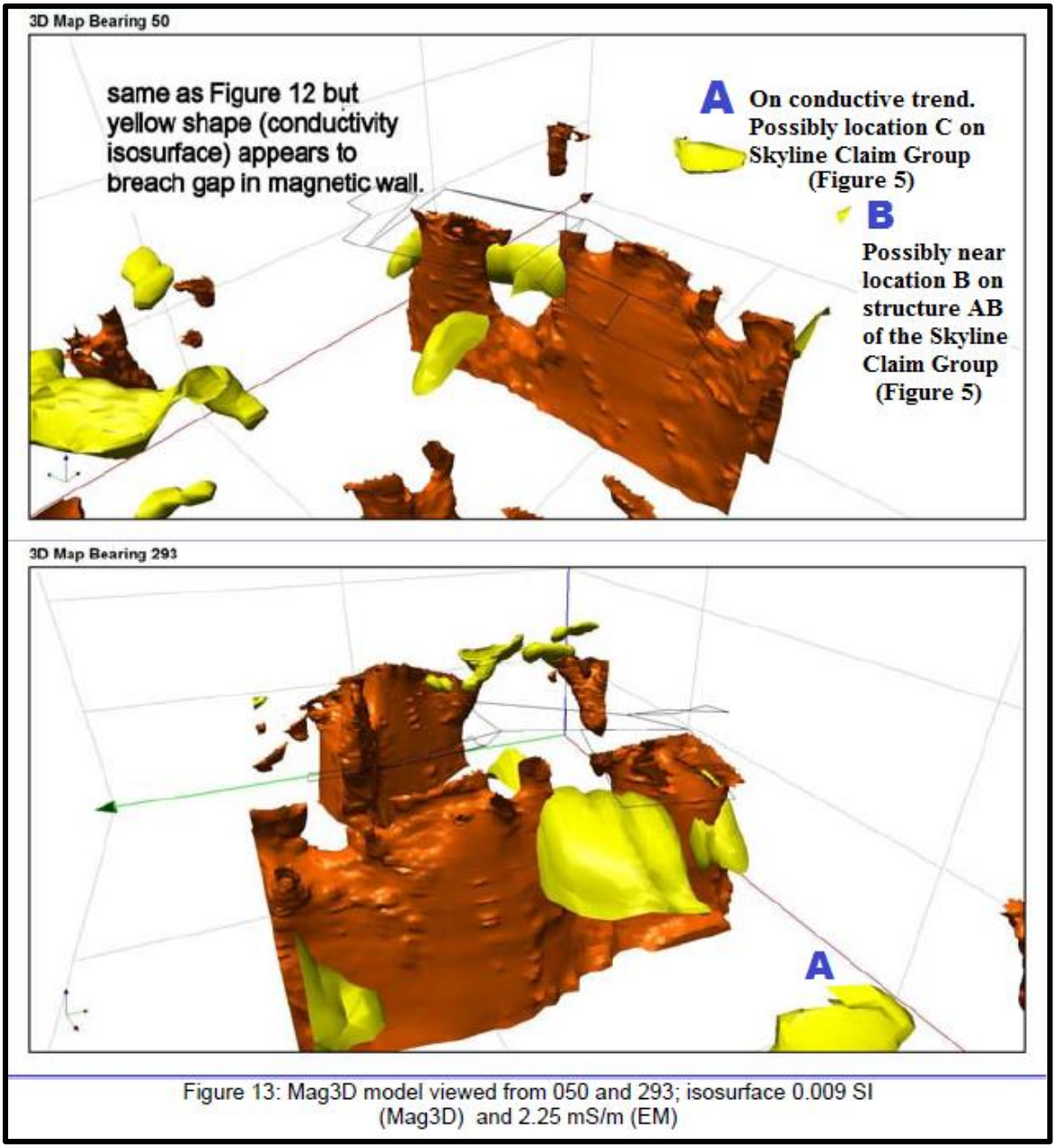


Figure 13: Mag3D model viewed from 050 and 293; isosurface 0.009 SI (Mag3D) and 2.25 mS/m (EM)

INTERPRETATION & CONCLUSIONS

The structural analysis on the Skyline Claim Group resulted in the delineation of three cross structural locations between two primary northwest and one north-south trending structure.

Either of the two northwesterly structures can be a reflection of a paralleling surface topographical structure determined as the 2011 ZTEM survey conductive trend at depth. This conductive trend suggests"…an area favorable for alteration and mineralization." (Geotech Ltd. 2011).

The conductive trend is shown in Figure 8 in association with the geology, in Figures 9 & 10 shown in association with the magnetics (in brown), and in Figure 10 shows the associated conductive zones (in yellow).

The obvious surficially indicated AB structure is indicated as being a parallel structure to the ZTEM determined conductive trend which is surficially revealed in an obscure paralleling structure on which cross-structure C is located (Figure 5). The location of cross-structure C and the closely related B AND K Minfile mineral showing is indicated to be directly associated with the location of the conductive trend which may well suggest that the B AND K mineral zone originated from the routing of depth accessed mineral fluids via the favorable conduit created by the structural intensity at cross-structure C.

The conductive zones on the conductive trend are shown in yellow on Figure 10. The most significant conductive zone long the lineal conductive trend is shown on to be closely associated with the north-south intrusive indicated as a brown colored magnetic high.

A conductive zone, designated as **A** on Figure 10, is shown on the conductive trend to the southwest of the significant conductive zone and may possibly be located on the Skyline Claim Group (Figure 10). The conductive zone, designated as **B** on Figure 10, also may possibly be located on the Skyline Claim Group and associated with structure AB.

The conductive trend structure and the AB structure are both substantiated as a breach in the magnetic wall (Figure 10).

It is concluded that two of the three cross structures as determined by the structural analysis of the Skyline Claim Group are prime exploration targets as indicated from the cross-structures, the association with one Minfile mineral location, and the two conductive zones indicated as mineralization and/or alteration may possibly be located on the Property.

Although the 2011 Geotech ZTEM survey covered an extensive area centred by the Northaven Resources claims (Figure 8) it appears that the interpretation of the 2011 ZTEM survey results were only completed for the specific ground covered by the Northaven Resources claims with limited overage.

RECOMMENDATIONS

It is recommended that:

1. The three cross-structural locations be prospected for surficial indications of potentially depth related economic mineral zones;
2. Priority should be on cross-structural location C which is on a structure correlative with the 2011 ZTEM conductive trend;
3. If the data of the ZTEM survey are available for the Skyline Claim Group area, an interpretation of the results should be done to determine the potential for localized conductors along the southwest extension of the known conductive zone or in association with any other structures on or adjacent to the Skyline Claim Group;
4. Follow-up any area that has a common structural/mineral association, especially in a cross-structural location, with an IP-resistivity survey to assess the potential for an economic sub-surface mineral resource;
5. Prior to the initiation of any of the recommended exploration, the 2011 assessment report (AR 33,739) should be studied for a familiarization with the ZTEM procedures and from case studies of ZTEM airborne EM results from other resource properties.

Respectfully submitted
Sookochoff Consultants Inc.

Laurence Sookochoff, P.Eng

SELECTED REFERENCES

Adamec, J.D. – Assessment Report on the King Property for Mandalay Resources Corporation. November 30, 2000. *AR 26,392*.

Fraser, M.B. – Report on Helicopter-Borne Z-Axis Tipper Electromagnetic (ZTEM) and Aeromagnetic Geophysical Survey and Separate Interpretation Report King Solomon Basin (KSB) Property for Northaven Resources Corporation. March 23, 2013. *AR 33,739*.

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Hawkins, P.A., Jurcic, P. – Report on Geological Mapping, Prospecting, Geophysical and Geochemical Surveys for Axiom Explorations Ltd. December, 1987. *AR 17,235*

Muller, J.E.,-Carson, D.J.T., - Geology and Mineral Deposits of Alberni map-area, British Columbia. Geological Survey of Canada Paper 68-50. 1969.

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MapPlace – Map Data downloads

MtOnline - MINFILE downloads.

092F 080 – GOLDEN EAGLE
092F 082 – GILLESPIE
092F 082 – THISTLE
092F 084 – BLACK PANTHER
092F 085 – BLACK LION
092F 181 – B and K
092F 398 – TAN
092F 437 – HAVILAH
092F 438 – SKYLINE

Neale, T., Hawkins, T.G.E. – Report on Reconnaissance Geological Mapping and Rock Sampling, McQuillan Claim, Alberni Mining Division, British Columbia, for Nexus Resources Corporation. July 25, 1984

Stevenson, J.S. – Geology and Ore Deposits of the China Creek Area, Vancouver Island, British Columbia. Annual Report of the Minister of Mines, British Columbia. 1945.

Witherly, K.E. - Report on Processing and Analysis of ZTEM EM and Magnetics Data for the KSB Property, Located near Port Alberni, British Columbia, for Northaven Resources Corporation. Condor Consulting Inc. November 28, 2012. Schedule B in *AR 33,739*.

STATEMENT OF COSTS

The structural analysis of the Skyline Claim Group was carried out from June 20, 2014 to June 24, 2014 to the value as follows.

Structural Analysis	
Laurence Sookochoff, PEng; 3 days @ $1,000.00 ----------	$ 3,000.00
Maps ----------	500.00
Report ----------	4,000.00
	$ 7,500.00

CERTIFICATE

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify:

That I am a Consulting Geologist and principal of Sookochoff Consultants Inc. with an address at 120 125A-1030 Denman Street, Vancouver, BC V6G 2M6.

I, Laurence Sookochoff, further certify that:

1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.

2) I have been practicing my profession for the past forty-eight years.

3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.

4) The information for this report is based on information as itemized in the Selected Reference section of this report and from the structural analysis performed on the Skyline Claim Group.

5) I have no interest in the Property as described herein.

Laurence Sookochoff, P. Eng.