BONANZA MINING CORPORATION

Summary of Exploration Work on the MC Project

Effective Date: August 1, 2020



129° 57' 33" longitude west and 56° 03' 27" latitude north

Submitted to:

Bonanza Mining Corp. and Califfi Capital Corp.

August 28th, 2020

Submitted by:

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CERTIFICATE OF QUALIFIED PERSON

I, Sue Bird, P.Eng. am employed as a Geological Engineer with Moose Mountain Technical Services, with an office address of #210 1510 2nd Street North Cranbrook, BC V1C 3L2.

This certificate applies to the technical report titled "BONANZA MINING CORPORATION Summary of Exploration Work on the MC Project" that has an effective date of August 1, 2020 (the "technical report").

I am a member of the self-regulating Association of Professional Engineers and Geoscientists of British Columbia. (#25007). I graduated with a Geologic Engineering degree (B.Sc.) from the Queen's University in 1989 and a M.Sc. in Mining from Queen's University in 1993.

I have worked as an engineering geologist for over 25 years since my graduation from university. I have worked on precious metals, base metals, bauxite, iron ore, and coal mining projects, responsibilities including resource estimation, geotechnical engineering, mine planning and economic evaluations.

As a result of my experience and qualifications, I am a Qualified Person as defined in National Instrument 43–101 Standards of Disclosure for Mineral Projects (NI 43–101).

I visited the property from August 28 to August 31, 2019.

I am responsible for all Sections of the technical report.

I am independent of Bonanza Mining Corp. and Califfi Capital Corp., as independence is described by Section 1.5 of NI 43–101, and not interest in the MC property.

I have not previously co-authored reports on the MC property.

I have read NI 43–101 and the sections of the technical report for which I am responsible have been prepared in compliance with that Instrument.

As of the effective date of the technical report, to the best of my knowledge, information and belief, the sections of the technical report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the technical report not misleading.

Dated: August 28th, 2020

"Signed and sealed"

_____

Signature of Qualified Person

Sue Bird, M.Sc., P.Eng.

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1 Summary

The MC Project is a historic mineral occurrence hosting gold, silver, and base metal elements that is worthy of further exploration. The project is located in the Skeena Mining District of British Columbia, approximately 14km northeast of Stewart. Moose Mountain Technical Services (MMTS) was commissioned by Bonanza Mining Corporation (Bonanza) to complete a technical report for the MC property, reporting on the exploration results over the entire property, and recommending an exploration program to follow up on promising targets.

The MC property comprises two mineral claims covering an aggregate area of 903.31ha. The center of the property is located at 129° 57' 05'' longitude west and 56° 03' 26'' latitude north. The project is located on Bear River Ridge between Silver Creek to the west and Bear River to the east. Elevations range from 20-2,000m from the Bear River to the top of Bear River Ridge. There are old camp sites on the property, though recent exploration has been based out of Stewart with support by helicopter.

Rights to the MC property were acquired by Bonanza Mining Corp. in March 2017. As of December 20, 2019, Bonanza has 100% ownership of the claims that comprise the current MC property extent. This report will be used primarily as a qualifying transaction with a Capital Pool Company (CPC) whereby a reverse merger is completed between the CPC and Bonanza simultaneously with an equity financing.

Mineral exploration in the MC property area was initiated in 1910 and has continued intermittently through to the present. The MC property has been tested by four drillholes, as well as various geophysical techniques and soil, stream, and rock sampling. In 2017 detailed 3D-IP and mag surveys were completed on portions of the property as well as two phases of soil sampling and prospecting. In 2019, exploration targets were sampled and assayed with result presented herein.

The property is underlain by lithologies of the middle Jurassic Hazelton Group. These rocks host significant precious and base metals deposits elsewhere within the Stewart Camp, including the Premier, Big Missouri, Martha Ellen, Silver Coin, and Red Mountain deposits. Further north and along-strike are the KSM, Brucejack, and Eskay Creek deposits of the Skeena Mining Division.

The MC property lies along the eastern edge of the Coast Crystalline Complex within the western boundary of the Bowser Basin. Rocks in the area belong to the Mesozoic Stuhini Group (early Triassic), Hazelton Group (late Triassic to middle Jurassic) and Bowser Lake Group (middle Jurassic to mid Cretaceous) intruded by offshoots of both Mesozoic age and Cenozoic age. The Stuhini Group rocks are either underlying or in fault contact with the Hazelton Group. These Triassic age rocks consist of dark gray, laminated to thickly-bedded silty mudstone, and fine to medium-grained with locally coarse-grained sandstone. Local heterolithic pebble to cobble conglomerate, massive tuffaceous mudstone, and thick-bedded sedimentary breccia and conglomerate also form part of the Stuhini Group.

At the base of the Hazelton Group are the newly defined late Triassic Klastline formation and the Snippaker formation (Nelson et al, 2018). These are composed of volcanic and sedimentary rocks which are coeval with the Red Chris deposit. These are overlain at steep discordant angles by a second, lithologically similar, middle Lower Jurassic volcanic cycle known as the Betty Creek

Formation. In turn the Betty Creek Formation is overlain by an upper Lower Jurassic tuff horizon belonging to the Mt. Dilworth Formation. Middle Jurassic non-marine sediments with minor volcanics of the Salmon River Formation unconformably overlie the above sequence.

Within the Betty Creek Formation, the Unuk River andesite forms a north-northwesterly trending belt extending from Alice Arm to the Iskut River, BC. (Grove, 1971). It is described as being a green, red and purple volcanic breccia, volcanic conglomerate, sandstone and siltstone with minor crystal and lithic tuff, limestone, chert and minor coal. Also included in the sequence are pillow lavas and volcanic flows.

Intrusive activity in the Stewart area has been marked by the Lower and Middle Jurassic Texas Creek granodiorite with which the Big Missouri, Premier, SB, Scottie Gold, Red Mountain and many other mineral deposits in the district are associated. The Texas Creek Plutonic Suite in the Stewart-Unuk-Iskut area is comprised of a group of Early Jurassic granodioritic stocks, dykes, sills and a batholith. Alldrick (1993) believed the suite to be emplaced in a shallow volcanic setting below and within coeval andesitic stratovolcanos. The Premier Porphyry Dykes, dated at 194.8±2 Ma, are characterized by potassium feldspar and plagioclase megacrysts, with a fine-grained to aphanitic hornblende phenocryst groundmass (Alldrick, 1993). Only the lower members of the Unuk River Formation are cut by the dykes, which are thought to be subvolcanic feeders to the extrusive Premier Porphyry Member. The dykes are generally altered to a sericite ± carbonate ± chlorite ± pyrite assemblage and are spatially associated with district-scale mineralization.

Younger intrusions include the Hyder Quartz Monzonite, Bitter Creek granodiorite and many Eocene stocks, dykes and sills that form a large part of the Coast Mountain Plutonic Complex. Mineral deposits such as Kitsault Lime Creek Molybdenum, Porter-Idaho Silver Mine, and a host of other deposits are related to the 48-52 Ma (Eocene) plutons. These intrusives also form the regionally extensive Portland Canal Dyke Swarm. In the Stewart area, the Early to Middle Eocene Hyder Plutonic Suite consists of a batholith with outlying stocks and dykes east of the main Coast Plutonic Complex. The Hyder plutonic rocks are thought to be genetically related to the Coast Plutonic intrusives, having similar mineralogy and textures. The Hyder Dykes form prominent swarms of regional extent with isolated random distribution that is particularly evident in the Portland Canal dyke swarm. Four dyke phases were recognized by Alldrick (1993) that include: granodiorite porphyry, aplite, microdiorite, and lamprophyre dykes.

A gold-copper bearing quartz-sulphide vein system was previously located within the Rock of Ages No 2 Vein Zone defined by rock chip sample MC10AR-204 and supported by Au-Cu in soil geochemical anomalies and total field magnetic anomalies located 100-200m east of the Cu-Au bearing rock sample. These showings occur at an elevation of 775-950m and appear to line up with the northwest trending faults and lineaments of Rock of Ages Creek, exposing the No 3 Vein Zone at 1,180m elevation (No 3 tunnel) where a prominent 30-80m wide gossan with quartz-sericite-pyrite-clay (phyllic alteration) cuts the northwest trend roughly north-northeast. The Dalhousie zone continues south-southwest and future work should be directed towards exploring the combined 500m of strike length of the Dalhousie and Rock of Ages No 2 and No 3 Vein Zones containing gold-enriched copper & iron bearing mineralization, located at 700-1300m elevation.

Malcolm Dorsey of MMTS visited the MC Project from August 25 to 31, 2019. Sue Bird of MMTS visited the property from August 28 to 31, 2019.

Recommendations for further work on the MC Project includes a multiphase program as outlined below:

1.) Line cutting: At least four cut lines will be required, two on the northern part and two on the southern part of the property.

2.) Geophysical surveying: The cut lines will then be geophysically surveyed by 3D IP and magnetics, with the new data being added to the geophysical data obtained in 2017.

3.) Soil, rock sampling and prospecting: Additional rock sampling and prospecting should be conducted at higher elevations above the main multi-element soil anomaly outlined on the southern half of the property in 2017. This anomaly remains open upslope, where terrain becomes more conducive to rock sampling and prospecting as determined during reconnaissance in 2019. As well, at least one new soil sample line needs to be sampled at a lower elevation below the main soil anomaly. Additional rock sampling and prospecting should be done along the main soil anomaly where the showings were sampled in 2017, as well as at both higher and lower elevations along the mineralized trend to build a robust dataset.

4.) Geological mapping: Aa more detailed compilation map should be created that shows all of the important previous exploration data for the property that are located in BC government assessment reports, including rock and soil sample results, locations of mineral showings, and areas that have been geologically mapped. Geological mapping needs to be conducted on both the northern and southern parts of the property as there is presently no modern government geological map or any other geological map that covers the area.

5.) Diamond drilling: A Phase 1 drill program totaling 1,000m of coring is recommended. A follow-up Phase 2 drilling program of 2,000m may also be required, dependent on the results of the Phase 1 program. NQ size diamond drillholes are recommended on both the north and south areas of the property.

    On the northern part of the property at least four additional holes are recommended to be drilled to explore the C1 chargeability anomaly and at least two holes are recommended to be drilled to explore the C2 chargeability anomaly. These six drillholes will average about 350m in length, for a total of at least 2,000m.

    Two shorter 100m drillholes are recommended to explore the Dalhousie showing's potential, for a total of 200m of drilling.

    On the southern part of the property at least four holes are recommended to be drilled to explore the potential of the main soil anomaly and mineral showings along northwest-striking structural trends. These four holes will average about 200m for a total of 800m.

An estimate of the total cost of the recommended the Phase 1 2020 exploration work is $330,730, with the potential for an additional cost of $520,400 should a Phase 2 drilling program be recommended.

2 Introduction

Bonanza Mining Corporation (Bonanza) holds the rights to the MC property in British Columbia.

Moose Mountain Technical Services (MMTS) was retained by Bonanza and Califfi Capital Corp. (Califfi) to complete a technical report compliant with NI 43-101 (the Instrument) and Form 43-101F1 for MC, and to recommend an exploration program for the adjacent targets.

This report will be used primarily as a qualifying transaction with a Capital Pool Company (CPC) whereby a reverse merger is completed between the CPC and Bonanza simultaneously with an equity financing. The CPC is Califfi Capital Corp., incorporated by Certificate of Incorporation issued pursuant to the provisions of the Business Corporation Act (British Columbia). The head office as well as the registered corporate office of the corporation is located at 423 10th Street East, North Vancouver, B.C. V7L 2E5, Vancouver, B.C. Califfi Capital Corp. is listed on the TSX Venture exchange under the symbol CFI.P.

The MC gold/silver/base metal deposit is one of many historic mineral occurrences on the property worthy of further exploration.

The property has been explored almost continuously since 1910 though no large-scale production has taken place. Exploration programs have been completed, including MAG, IP, soil, stream, and rock geochemistry. In addition, four holes have been drilled totaling an approximate 830m. In 2017, detailed MAG and 3D IP surveys were completed on portions of the property, as well as further soil sampling and prospecting.

In conjunction with Califfi's Qualifying Transaction, Califfi and Bonanza have entered into a letter of intent dated June 16, 2020 pursuant to which Califfi has agreed to acquire all of the issued and outstanding shares of Bonanza to form the "Resulting lssuer", expected to be named "Bonanza Mining Corporation". Califfi and Bonanza have agreed to replace the letter of intent with a formal Definitive Agreement, pursuant to which Califfi will issue two common shares in its capital stock for each one share of Bonanza issued and outstanding as of the date of the Definitive Agreement.

In addition, in conjunction with the closing of the Qualifying Transaction, Califfi intends to undertake a financing, to consist of the sale of 3,000,000 common shares at a price of $0.17 per share, for gross proceeds of $510,000, and the sale of 7,500,000 flow-through common shares at a price of $0.20 per share, for gross proceeds of $1,500,000.

Sue Bird, P. Eng of MMTS completed a site visit from August 28 to 31, 2019. During this time, the site was examined, underground openings were located and samples were obtained for assaying in order to validate previous findings. The site is remote, requiring helicopter access and can only be reached during summer months. There was no work done on the property since the site visit in August of 2019, and there has been no material change in the scientific and technical information about the property at the time of filing. From a review of the existing exploration data, it is the opinion of the QP that the current and previous exploration has been conducted in a professional manner and the quality of data and information produced meet acceptable industry standards for a property at this stage of exploration. All of the exploration work has been directed or supervised by individuals who are geologists.

MMTS had no direct involvement or responsibility in the collection of the data and information or any role in the execution or direction of the work programs conducted for the project on the property or elsewhere prior to 2019. Much of the data has undergone thorough scrutiny by project staff as well as certain data verification procedures by MMTS (included in Section 12). MMTS was actively involved in a prospecting and geochemical field program on the property conducted in late August 2019.

Sources of information are listed in the references, Section 27.

3 Reliance on Other Experts

The author of this Report is a Qualified Persons (QP) for the sections of the Report as outlined in the "Certificate of Qualified Person" within this Report. The information relied upon for this report has therefore been stated by the QP to conform to NI 43-101.

The QP has not independently reviewed parts of this report, relating to the legal aspects of the ownership of the mineral claims; rights granted by the Government of British Columbia and environmental and political issues, or the terms of the Bonanza and Califfi transaction, which have been prepared or arranged by Bonanza,. While the contents of those parts have been generally reviewed for reasonableness by the QP of this report, the information and reports on which they are based has not been fully audited by the QP.

4 Property Description and Location

The MC property and adjoining claims are located in the Stewart area of northwest BC as illustrated in Figure 4-1. The property claims listed in Table 4-1 are located on the east side of Bear River Ridge and along the Bear River valley, approximately 14km north of Stewart. Highway 37A runs across the property along the east side of the Bear River valley as illustrated in Figure 4-2.

Bear River Ridge is approximately 20km long and divides the Bear River valley on the east side from the Salmon River valley on the west side. Ascot's Premier project is in the Salmon River valley on the west side of Bear River Ridge, with Bonanza's MC property located on the east side of the ridge.

There are no known environmental liabilities to which the property is subject. William Pfaffenberger, whom Bonanza optioned the MC 1&2 mineral tenures from, holds a 2% NSR Royalty in these 2 claims and Bonanza has the right at any time to purchase 50% of the Royalty, equal to 1% of the NSR, for the sum of a $1,000,000 payment in cash.

Bonanza has an approved Mines Act Permit MX-2-245 allowing Bonanza to cut 4 km of lines, conduct IP surveying along these 4 lines and to construct 2 helicopter pads. I have attached the permit documents below. The permits do not allow any drilling at this time. Bonanza plans to get an amended permit later this year to allow drilling on up to 10 separate drill pads in 2021.

Table 4-1 Bonanza Mining Corp. MC property Claims

Record Number of Claim	Expiry Date	Area (ha)
567077	15 October 2022	867.18
526194	25 January 2023	36.13
Total		903.31

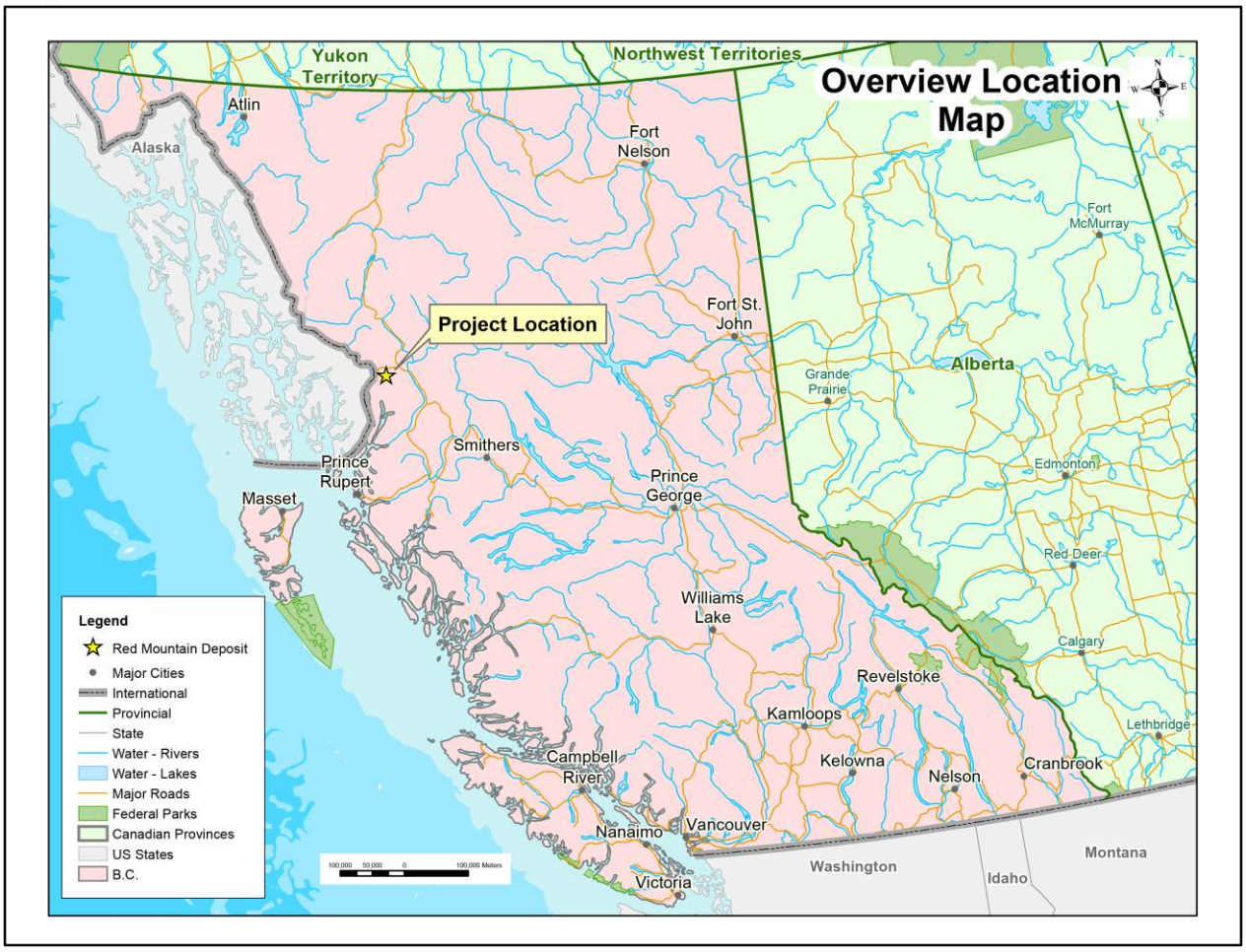


Figure 4-1: Overview Location Map

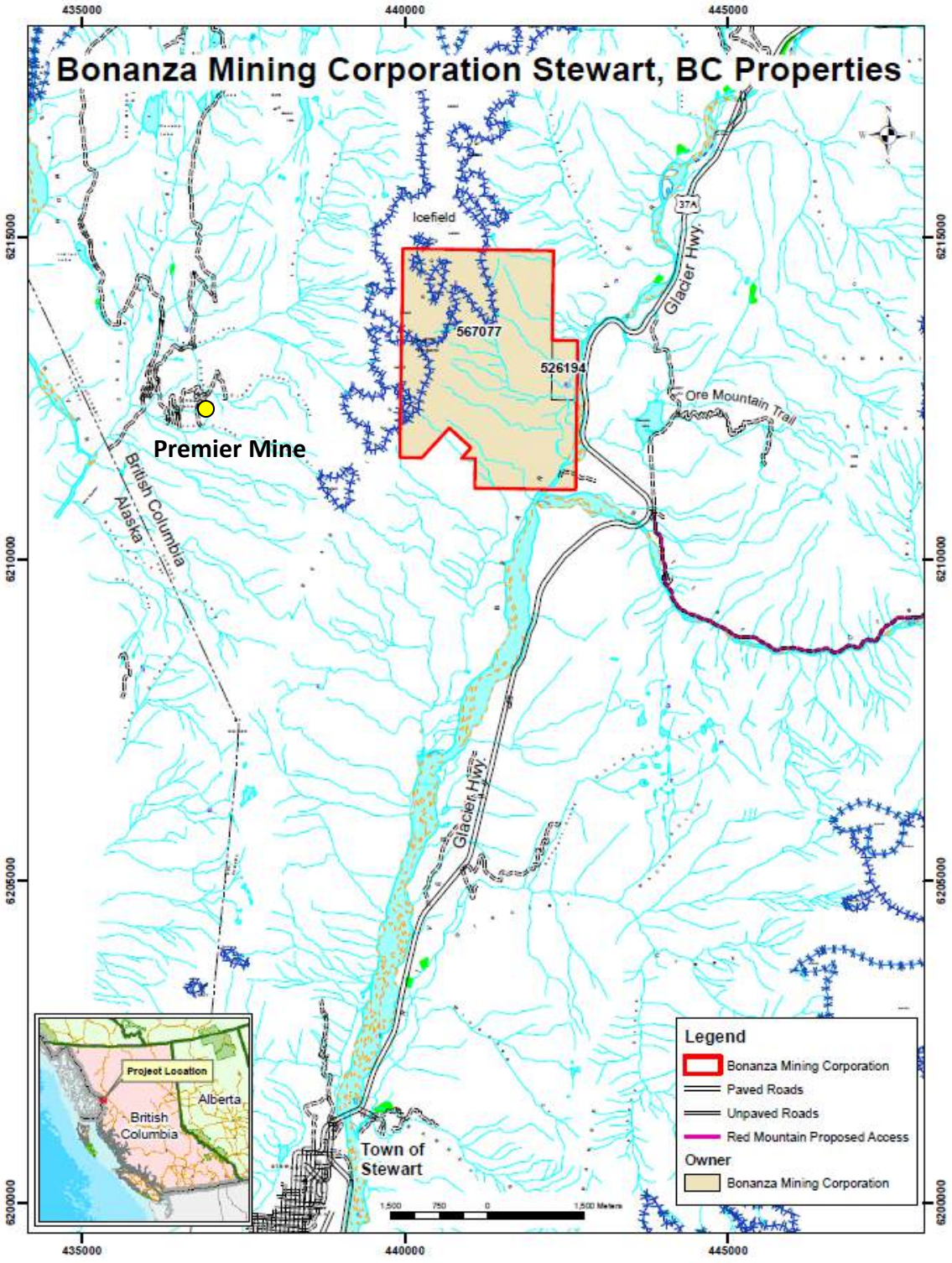


Figure 4-2: MC Claims Detail

5 Accessibility, Climate, Local Resources, Infrastructure and Physiography

5.1 Accessibility

The MC property is in the Skeena Mining Division. Access to the property is restricted to helicopter or walking. Access by helicopter from Stewart, British Columbia is approximately twenty minutes round-trip. The east portions of the claims can also be accessed crossing the Bear River by boat and hiking up steep terrain with exposed sections of cliffs, ledges, and ramps.

5.2 Climate and Physiography

Vegetation varies from slide alder and brush at the lower elevations, to barren rock and ice higher up. The claims are mostly above tree line located at 975m elevation and support sparse growth of mosses and lichens in the higher portions.

The area receives heavy snowfall between the months of October and March, with sporadic and varying degrees of heavy rainfall in the other months. Average precipitation is in the order of 250 centimeters of rainfall and 20m of snow.

In general, due to the large snowfall, the surface exploration in the Stewart area is restricted to summer and early fall months, late August to October.

Elevations on the claim group range from 150-1950m. Slopes are moderate to gentle west of Bear River Ridge and steep to moderate on the east side of the ridge, towards Bear River. Recent recession of glacial ice has exposed extensive rock outcrop areas, especially on the south flanks of Mount Shorty Stevenson.

5.3 Local Resources and Infrastructure

The closest community is Stewart with a population of about 500. Several mining companies, government agencies, and airlines keep offices in Stewart.

Stewart is connected to southern British Columbia by Highway 37A, which continues south as Highway 37. Stewart has an ice-free port that is used to ship mineral concentrate from several mines in northern BC.

6 History

Material for this section is based on previous Minister of Mines Annual Reports and Assessment Reports as referenced. All assay information if taken from these reports, all of which are not NI43-101 compliant reports. The issuer has not done sufficient work to verify the assay results presented in this section.

Mineral claims were originally staked on the MC property in 1910. In 1925, the newly incorporated Dalhousie Mining Company combined both groups of claims into one property.

The following summary of historic work on the property is taken from Kikauka, 2003 and Kikauka, 2010. For the locations of the showings referred to in this section, please see Figure 7-3.

From **1921 to 1924** a diamond drilling and trenching program was carried out on the northwest trending, steeply dipping quartz-carbonate veins on a ridge immediately south of Mount Shorty Stevenson. Mineralization consists of 5-50% sphalerite-galena with minor pyrite, chalcopyrite, and trace sulphosalts, native silver and/or electrum. Mineralization is spatially related to en-echelon west and northwest trending fault structures within or adjacent to quartz-sericite-pyrite (phyllic) alteration (Kikauka, 2010).

The **1927** Ministry of Mines Annual Report stated that underground work was conducted included 33.5m of drift and crosscut on the No. 1 vein. The mineralization is up to 20m wide and grading 12.4g/t Au. Just south of the No. 1 showing, a broad gossan trends northwest. At 975m elevation, a 0.9 meter wide zone of silicified greenstone is well mineralized with pyrite and chalcopyrite. A sample assayed 27.4g/t Au, 41.1g/t Ag, and 2.1% Cu across 0.9m (Minister of Mines, 1927).

In **1968**, trenching and sampling by Erin Exploration Ltd. resulted in several more veins being discovered. The largest of these veins is stated to be about 12m long, 2m wide and estimated to be about 9m in depth. Hand-picked samples were assayed with results summarized in Table 6-1 (Grove, 1971). A shipment of several hundred pounds of this material was shipped to Stewart using a helicopter by "Bonus" Nick Benkovitch (Kikauka, 2010).

Table 6-1 1968 Assay Results (Grove, 1971).

% Cu	% Pb	% Zn	Ag g/t	Au g/t
1.47	35.15	19.18	18,857	5.49

In **1986**, Moche Resources flew an airborne VLF-EM and magnetometer geophysical survey. This survey identified two well-defined 45-64% VLFEM field strength peaks, interpreted as conductive zones, located south and east of Mount Shorty Stevenson. Magnetometer readings varied up to 1,000 gammas, but mag anomalies had little correlation with VLF-EM anomalies.

In **1990**, Navarre Resource Corp. performed diamond drilling, trenching, geological mapping and soil sampling. Work was focused on a 0.5 X 0.2km, northwest trending quartz-sericite-pyrite (phyllic) alteration zone. This QSP alteration is pervasive some 400m south of Mount Shorty Stevenson. A trench sample of highly silicified pyritic material from the QSP altered zone returned a value of 205.6g/t Ag over a width of 80cm (Kikauka, 1990). Twenty soil samples from

a 150 X 300m area returned average values of over 20ppm Ag and 100ppb Au (Kikauka, 1990). A 0.7m wide northwest trending, steeply dipping quartz-sulphide vein is located 100m south of the QSP alteration. Trenching this vein gave an assay value of 1.35% Pb, 7.56% Zn, 896g/t Ag and 2.93g/t Au (Kikauka 1990). A diamond drill was positioned to cut the QSP zone as well as the NW extension of the quartz-sulphide vein, but it was stopped well short of its target depth due to mechanical problems. The 99meter drillhole intersected high-grade sulphides in the final 0.15m which gave results as summarized in Table 6-2.

Table 6-2 1990 Drillhole Assay Results (Kikauka, 1990)

From (m)	To (m)	Width (m)	% Pb	% Zn	Ag g/t	Au g/t
98.85	99.0	0.15	0.37	9.24	343.5	1.78

In **1992**, Navarre Resource Corp. found two new NW trending, steeply dipping mineralized shear zones with the following assays:

Table 6-3 1992 Drillhole Assay Results (Kikauka, 1993)

Width (m)	% Pb	% Zn	Ag g/t	Au g/t
0.5	3.8	9.4	411.4	4.15
0.5	23.1	30.6	438.8	1.44

In **1996**, Navarre Resource Corp. outlined new showings 1.3km ENE of Mount Shorty Stevenson. These showings are adjacent to crown granted claims, which are part of the Dalhousie showings. The Rock of Ages showings are currently within the MC claim and returned the following assay values:

Table 6-4 1996 Assay Results (Kikauka, 2000)

Width	% Cu	% Pb	% Zn	Ag g/t	Au g/t
0.3 m	0.06	3.21	6.54	202.5	11.31
0.4 m	0.05	3.50	5.74	223.4	11.38
0.3 m	0.05	2.66	5.69	262.8	20.47

The Rock of Ages showings consist of 5-15% sphalerite-galena with minor pyrite, chalcopyrite in a gangue of quartz-carbonate. The high silver and gold are accountable by the presence of trace amounts of tetrahedrite and/or sulphosalts/electrum. The mineralization occurs in NNW trending, steeply dipping shear zones hosted in andesite/dacite tuff/flow, volcaniclastic, and volcanic breccia. A post mineralization, 2meter wide quartz monzonite dyke cuts the andesite/dacite along the shear zone which follows the main creek bed. The Rock of Ages showings that contain the higher precious metal are located between 1,500 to 1,575m elevations. The mineralized shears can be traced for 600m to an elevation 1,200m, where a jasper-chalcopyrite-hematite-magnetite-pyrite bearing, high iron (sulphide and oxide) formation which forms a prominent bluff forming scarp features.

Quartz-sericite-pyrite (QSP) alteration is well developed across a 1.0 X 0.3km. Zone, elongated along a northwest trend. This alteration zone is located in the northeast portion of the MC claim between 1,100 to 1,400m elevations. QSP is locally abundant between in the 1,100 to 1,400m elevation. Adjacent to the QSP alteration, a northwest trending mineralized fault zone is located along Rock of Ages Creek, which contains minor jasper and chalcopyrite with 3-5%

disseminated pyrite. Sub-parallel mineralization peripheral to this fault consists of pyrite-chalcopyrite-galena-sphalerite in a gangue of quartz, carbonate, magnetite, and/or jasper. The lower jasper zone, at 1,200-1,300m elevation, contains 3-5% fracture filling pyrite and sparse chalcopyrite.

The following results were obtained from stream sediment sampling on the MC claim in 1999:

Table 6-5 1999 Stream Sediment Sample Results (Kikauka, 2000)

SAMPLE #	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)	Au (ppb)
54431	176	41	477	1.2	85
54432	40	29	306	0.4	70
54433	38	92	443	2.2	110
54434	75	101	557	0.6	15
54435	70	32	206	0.6	35
54436	105	51	351	0.4	29
54437	31	127	366	1.2	9
54438	42	206	483	3.5	20

Stream sediment results show that the three creeks draining the northeast portion of the claim (close to the old Rock of Ages crown grants) have higher Au values as well as the highest Cu value. The central and southern portion of the claim has relatively higher Pb and Ag values which correspond to the elevated silver values obtained from previous rock and soil geochemical analysis from the Mt. Shorty Stevenson area.

Prospecting, trenching, diamond drilling and soil geochemistry from previous work programs have outlined several veins located east and northeast of Mount Shorty Stevenson. These silver and gold bearing veins occur near a major stratigraphic break between Lower Jurassic and Middle Jurassic volcanics and sediments that are proximal to Jurassic Texas Creek granodiorite intrusive rocks. This unconformity and proximity to the Texas Creek granodiorite are important mineralization controls of the nearby Premier deposit which occurs in similar stratigraphy. The strong northwest trending faults east of Mount Shorty Stevenson that form Dundee and Dalhousie Creeks cut Lower Jurassic stratigraphy and the margin of the Texas Creek granodiorite. These faults are a major air photo lineament and related to pervasive quartz-sericite-pyrite alteration.

Geological mapping of Rock of Ages mineral zone on the MC claim, between elevations of 1,300-1,550m, confirms gold-silver bearing quartz-sulphide fissure veins which are characterized by weak chlorite-carbonate alteration with adjacent QSP alteration. The QSP alteration is widest and most intense in Dalhousie Creek, at 1,189melevation, and an area 400m southeast of Mount Shorty Stevenson, at 1,706.8m elevation. The Dalhousie Creek QSP forms a highly visible limonite-rich gossan which hosts two distinct precious metal bearing mineral assemblages:

1) Pyrite-chalcopyrite-jasper in quartz-magnetite gangue
2) Pyrite-chalcopyrite-sphalerite-galena in a gangue of quartz-carbonate

A Tertiary hornblende porphyry dyke system invades most of these mineral zones which are localized along NW trending shear zones. The dykes appear to be post-mineral and quite often split larger veins in two, as an example, 400m southeast of Mt. Shorty Stevenson.

2000 - Geological mapping was carried out by Fundamental Resources Corp. at a scale of 1:5,000 over an area of 1 X 1.5km in the western portion of the MC claim. This area is steep and ranges from 245 to 1,065m in elevation. Geochemical stream sediment sampling was carried out in the east edge of the claim group. Modified contour grids within a 0.1 X 0.75km area were established in the east portion of MC 2 and the southeast portion of MC to take magnetometer readings.

Geological mapping identified the Unuk River Unit andesitic and dacitic tuffs and flows in the west portion of the claim. Numerous quartz-sericite alteration zones occur within the mapped Unuk River volcanics. These 50-200m wide altered zones are bleached, white-grey colored, and occur along northwest trending fault structures.

Quartz-sericite-pyrite-clay (QSP) phyllic alteration is well developed across a 1.0 X 0.3km zone, located in the northeast portion of the MC claims. QSP is locally abundant between 1,300 to 1,400m elevations. Adjacent to the QSP alteration, a northwest trending mineralized fault zone is located along Rock of Ages Creek, which contains minor jasper and chalcopyrite with 3-5% disseminated pyrite. Sub-parallel mineralization peripheral to this fault consists of pyrite-chalcopyrite-galena-sphalerite in a gangue of quartz, carbonate, magnetite, and/or jasper. The lower jasper zone, at 1,200-1,300m elevation, contains 3-5% fracture filling pyrite and sparse chalcopyrite. The southeast extension of the northwest trending mineralized fault system outcrops in a series of cliffs at a lower elevation, 200-800m, on the cliffs above the Bear River, situated in the east portion of MC 2. A northwest trending quartz-sulphide fissure vein that was located about 500m west of the Bear River on the southeast edge of MC gave the following results:

Table 6-6 2000 Assay Results (Kikauka, 2000)

Claim	Width	% Cu	% Pb	% Zn	Ag g/t	Au g/t
MC 2	1.0 m	0.63	1.79	9.99	293.8	58.9

This high-grade Zn-Ag-Au showing has a historic 7m long by 1.5m wide adit, which was driven at a bearing of 310° into the hillside to trace the quartz-sulphide vein.

A total of four stream sediments were taken in the southeast corner of the MC claim group. Average values of the four samples are listed as follows:

Table 6-7 2000 Stream Sediment Sample Results (Kikauka, 2000)

Sample #'s	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
MC 21-24	85	57	298	1.1	53

These samples demonstrate relatively average values of base and precious metals. There does not appear to be any specific follow up targets developed from this survey.

A total of 82 magnetometer readings were taken along two 500m long, 020 trending grid lines. The grid is located at 600-650m elevation near the north end of the claims about 850m west of Bear River. Magnetometer readings range from 56,346 to 58,377 gammas total field. There were several sharp increases and decreases in readings at the north end of both L 1W and L 2W. There is also an increase in steepness of terrain near the north end of both lines suggesting the

anomalies may be enhanced by topography. A NW trend of Tertiary, Portland Canal/Bitter Creek Pluton, related dykes cut the north end of the magnetometer survey, suggesting that the intrusive, tabular shape, magnetite-enriched bedrock feature would produce bell-shaped or inverted bell-shaped anomalies. The sharp 1,100 gamma increase on the north end of L 1W occurs on the crest of a cliff, suggesting the presence of magnetite in a relatively restricted area, for example, a tabular shaped body of magnetite enriched bedrock.

Dacitic tuff/flow and breccia hosted silicification (quartz, minor jasper) and ubiquitous pyrite, phyllic altered, outcrops which occur in the northeast portion of the MC claim. This gossan cliff area is clearly visible from highway 37A. This gossan zone is the where the Dalhousie and Rock of Ages mineral showings occur. Quartz fissure veins consisting of polymetallic (Cu-Pb-Zn-Ag-Au bearing sulphides in a gangue of quartz are emplaced along steeply dipping NW trending fault/fracture zones. Quartz-sulphide veins occur above and below tree line at elevations ranging from 610-1,373m. In the area of the gossan cliffs in the northeast portion of the MC claim, the treelined dips to its lowest elevation, 915m, relative to the Bear River Ridge tree line which typically varies from 915 to 1,525m elevation. The east portion of the MC 2 claim follows the southeast extension of the Dalhousie/Rock of Ages mineral zone.

2002 - Fundamental Resources carried out a program of geological mapping, rock chip and stream sediment sampling. Geological mapping traced a well-developed quartz-sericite-pyrite-clay (QSP) phyllic alteration across a 0.5 X 0.3km zone, located in the northeast portion of the MC claim. QSP is locally abundant between 900 to 1,400m elevations. Adjacent to the QSP alteration, a northwest trending mineralized fault zone is located along Rock of Ages Creek, which contains minor jasper, chert, and chalcopyrite, with 3-5% disseminated pyrite. Sub-parallel mineralization peripheral to this fault consists of pyrite-chalcopyrite-galena-sphalerite in a gangue of quartz, carbonate, magnetite, and/or jasper. The Rock of Ages adit is characterized by a jasper, chert, pyrite, chalcopyrite mineralization zone located at 1,200-1,300m elevation. This adit features a northwest trending steeply southwest dipping quartz fissure vein network with 3-5% fracture filling pyrite and sparse chalcopyrite. The upper portion of the Rock of Ages mineral zone contains lenses and bands of sphalerite and galena with minor chalcopyrite.

The southeast extension of the NW trending mineralized fault system outcrops in series of cliffs at a lower elevation, approximately 800m, on the cliffs above the Bear River situated in the northeast portion of the MC claim. This area, referred to as the Dalhousie showings, yielded the following significant mineralized rock chip samples:

Table 6-8 2002 Assay Results – Dalhousie Showings (Kikauka, 2003)

Sample #	Width	Cu ppm	Pb ppm	Zn ppm	Ag (g/t)	Au (g/t)
23653	1.0	2079	71	195	15.6	31.8
23654	0.8	1575	126	946	7.3	50.4
23657	1.0	6201	17	211	5.5	4.58

This showing is located near the north edge of the Dalhousie fraction claim and features several localized magnetometer survey anomalies and trench cuts. The high-grade gold-bearing mineral zone is located at 800m elevation and occurs along the axis of a cross-structure and appears to be the southeast extension of the northwest trending Rock of Ages mineralization located at 1,200-1,300m elevation. Parallel northwest trending mineral zones are well exposed as massive

cliffs above the Dalhousie showings and this area corresponds to buff and green schists which contain quartz-sericite-pyrite phyllic alteration. The southeast extension of this extensive QSP alteration zone carries through to the Bear River valley.

A total of six stream sediments were taken in the east portion of the MC claim. A table listing geochemical analysis of the six stream sediment samples is as follows:

Table 6-9 2002 Stream Sediment Sample Results (Kikauka, 2003)

Sample #	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
KS-1	83	360	641	1.8	115
KS-2	22	37	211	0.4	35
KS-3	121	41	380	1.0	110
KS-4	1214	62	94	6.8	10,490
KS-5	321	81	599	1.2	180
KS-6	140	218	3130	2.4	240

These samples demonstrate relatively elevated values of base and precious metals. Stream sediment sample KS-4 contains 10.49g/t Au and 0.12% Cu. These anomalous values are likely due to the presence of an adit and trenches located on the Dalhousie fraction claim situated directed above the small creek from where sample KS-4 was taken. Stream sediment samples KS-1 and KS-6 were both taken from large creeks and both samples contain relatively elevated lead and zinc values. It is possible that these anomalous lead and zinc values are derived from the higher elevation areas of the claim where sphalerite and galena mineralization occur in quartz-sulphide vein networks. In addition to the presence of lead and zinc bearing mineralization occurring in higher elevation zones of quartz-sulphide, there is 1.2m quartz, sulphide vein located at 600m elevation in Dundee Creek which returned a value of 322ppm Pb and 3,045ppm Zn.

2003 - Fundamental Resources Corp. completed rock chip sampling from the southeast extension of the NW trending Rock of Ages Creek mineralized fault system, which crops out in a series of cliffs at a lower elevation, approximately 800m on the cliffs above the Bear River situated in the SE portion of the MC1 claim. This area, referred to as the Dalhousie showings, yielded the following significant mineralized rock chip samples, as follows:

Table 6-10 2003 Assay Results (Kikauka, 2003)

Sample #	Width (m)	Cu ppm	Pb ppm	Zn ppm	Ag (g/t)	Au (g/t)
Dalhousie						
20572	0.5	3,309	27	314	48.6	1.58
20573	0.6	31,397	158	1,712	254.0	1.98
20574	0.3	5,525	30	76	73.3	48.58
Glacier Zone						
20579	0.9	202	315	193	5.1	4.12
20580	0.9	5,555	456	1,052	27.3	1.58
Southeast Zone						
20582	1.0	254	350	50	126.4	0.81

2010 - Geophysical and geochemical fieldwork was carried out on mineral tenure ID # 567077 (Skeena Mining Division) between July 16-22, and Sept 4-10, 2010 by Fundamental Resources for REC Minerals Corp., name changed to Reliant Gold Inc. Fieldwork included geochemical analysis (95 soil, 22 rock samples, 30 element ICP & Au geochemistry), as well as total field magnetometer along a 1.9km north-south oriented grid, for a total of 152 readings at 12.5m spacing. The 1.9km of grid lines were surveyed using GPS and marked with flagging at soil sample stations (Kikauka, 2010).

Geological mapping, geophysical magnetometer surveys and geochemical rock and soil sampling was carried out over a 1.6 X 1.2km area in the east-central portion of the MC1 claim. This area is steep and ranges from 750-1,500m in elevation. The upper portion of the fieldwork area is above treelined which is generally at 1,065m elevation. Rock chip sampling, a total of 22 samples, was carried out in six areas:

1) Dalhousie, No 1 vein zone, rock sample MC10AR-1, elev 758m
2) Rock of Ages, No 3 Vein zone, rock samples MC10AR-51 to 60, elev 1102-1295m
3) Aztec, rock samples MC10AR-101 and 102, elev 1140-1149m
4) Ice 3B, rock sample MC10AR-103, elev 1495m
5) Cairn, AKA Carrin, rock sample MC10AR-151, elev 1505m
6) Rock of Ages, No 2 Vein zone, rock samples MC10AR-201 to 207, elev 822-946m

Quartz-sericite-pyrite-clay, QSP, phyllic alteration, is well developed across a 0.5 X 0.3km zone, located in the east-central portion of the MC1 claim. QSP is locally abundant between 900 to 1,400m elevations. Adjacent to the QSP alteration, a northwest trending mineralized fault zone is located along Rock of Ages Creek, which contains minor jasper, chert and chalcopyrite with 3-5% disseminated pyrite. Sub-parallel mineralization peripheral to this fault consists of pyrite-chalcopyrite-galena-sphalerite-tetrahedrite in a gangue of quartz, carbonate, magnetite, specularite, barite and/or jasper. The mineralization and alteration appear to be localized near the contact of rhyolite flows, overlain by andesitic tuffs. The classification of deposit type includes concordant and stratiform Noranda/Kuroko massive sulphide type (Cu-Pb-Zn-Ag-Au), polymetallic veins and breccia (Ag-Au-Pb-Zn-Cu), and polymetallic manto (Ag-Au-Pb-Zn). The following tables show Cu-Pb-Zn-Ag-Au geochemical analysis results from Eco-tech Labs:

Table 6-11 2010 Assay Results (Kikauka, 2010)

Area / Sample	Sample Width	Cu ppm	Pb ppm	Zn ppm	Ag (g/t)	Au (g/t)
Dalhousie L4924 No 1 Vein						
MC10AR-1	18cm	20030	3	20	26.5	0.235
Rock of Ages L4940 No 2 Vein						
MC10AR-201	sub-crop	30	27	138	0.7	0.045
MC10AR-202	85cm	10,800	432	738	12.8	0.57
MC10AR-203	55cm	24	9	34	0.2	0.40
MC10AR-204	38cm	13,100	3	42	82.3	19.56
MC10AR-205	sub-crop	438	183	30	15.4	0.86
MC10AR-206	85cm	18,600	12	122	36.7	1.54
MC10AR-207	20cm	326	54	34	20.1	1.20
Rock of Ages L4940, L4938 No 3 Vein						
MC10AR-51	sub-crop	50	36	244	1	0.015
MC10AR-52	22cm	464	33900	151000	66.5	0.085
MC10AR-53	55cm	410	936	4696	6.2	0.040
MC10AR-54	20cm	268	4776	6888	4.7	0.010
MC10AR-55	15cm	14	150	248	3.1	0.080
MC10AR-56	55cm	114	2695	7188	9	0.065
MC10AR-57	sub-crop	74	75	5300	2.1	0.015
MC10AR-58	sub-crop	110	11700	8276	24	0.030
MC10AR-59	32cm	990	30	5362	3.3	0.055
MC10AR-60	sub-crop	160	36	460	2.6	0.020
Cairn (AKA Carrin)						
MC10AR-151	20cm	68	208000	94700	228	10.80
Aztec (SE Zone)						
MC10AR-101	20cm	28900	3	226	39.4	0.12
MC10AR-102	38cm	12800	3	192	36.8	0.13
Ice 3B (AKA Mt Shorty Ag gossan)						
MC10AR-103	sub-crop	10	27	262	1.9	0.15

The best gold values were obtained from the Rock of Ages No 2 Vein assays. There was also a strong magnetometer and coincident Au-Cu soil anomaly that coincides with this zone and represents a high order follow-up exploration drill target. Silver values in rock chip samples are highest with elevated Pb-Zn, example MC10AR-151, 52, and 58, or elevated Cu values, example MC10AR-204, 206, 101, and 102.

A gold-copper bearing quartz-sulphide vein system was located in the Rock of Ages No 2 Vein Zone defined by rock chip sample MC10AR-204, and supported by Au-Cu in soil geochemical anomalies and total field magnetic anomalies located 100-200m east of the Cu-Au bearing rock sample. These showings occur at an elevation of 775-950m and appear to line up with the northwest trending faults and lineaments of Rock of Ages Creek that exposes the No 3 Vein Zone at 1,180m elevation, the No 3 tunnel, where a prominent 30-80m wide gossan with quartz-sericite-pyrite-clay, phyllic alteration, cuts the northwest trend roughly north-northeast, generally following the elevation contours. The Dalhousie zone continues south-southwest and future work should be directed towards exploring the combined 500m of strike length of the Dalhousie and Rock of Ages No 2 and No 3 Vein Zones gold-enriched copper and iron-bearing mineralized zones, located at 700-1300m elevation.

2012 - Reliant Gold had an option agreement for these 2 claims with Pfaffenberger that expired in 2012 with a 100% ownership interest in the 2 claims being owned by Pfaffenberger.

William Pfaffenberger staked the MC 1 claim (567077) on September 29, 2007 and the MC2 claim (526194) on January 25, 2006.

Bonanza entered into an option agreement with Pfaffenberger on March 6, 2017 and exercised that agreement and acquired a 100 % ownership of the MC 1 & 2 mineral claims on December 21, 2019.

7 Geological Setting and Mineralization

7.1 Regional Geology

The MC property lies along the eastern edge of the Coast Crystalline Complex within the western boundary of the Bowser Basin. Rocks in the area belong to the Mesozoic Stuhini Group (early Triassic), Hazelton Group (late Triassic to middle Jurassic) and Bowser Lake Group (middle Jurassic to mid Cretaceous) intruded by offshoots of both Mesozoic age and Cenozoic age. The Stuhini Group rocks are either underlying or in fault contact with the Hazelton Group. These Triassic age rocks consist of dark gray, laminated to thickly-bedded silty mudstone, and fine to medium-grained with locally coarse-grained sandstone. Local heterolithic pebble to cobble conglomerate, massive tuffaceous mudstone, and thick-bedded sedimentary breccia and conglomerate also form part of the Stuhini Group.

At the base of the Hazelton Group are the newly defined late Triassic Klastline Formation and the Snippaker Formation (Nelson et al, 2018). These are composed of volcanic and sedimentary rocks which are coeval with the Red Chris deposit. These are overlain at steep discordant angles by a second, lithologically similar, middle Lower Jurassic volcanic cycle known as the Betty Creek Formation. In turn the Betty Creek Formation is overlain by an upper Lower Jurassic tuff horizon belonging to the Mt. Dilworth Formation. Middle Jurassic non-marine sediments with minor volcanics of the Salmon River Formation unconformably overlie the above sequence.

Within the Betty Creek Formation, the Unuk River andesite forms a north-northwesterly trending belt extending from Alice Arm to the Iskut River, BC. (Grove, 1971). It is described as being green, red and purple volcanic breccia, volcanic conglomerate, sandstone and siltstone with minor crystal and lithic tuff, limestone, chert and minor coal. Also included in the sequence are pillow lavas and volcanic flows.

Due to previous distinctions being largely based on colour and not deemed regionally significant Lewis et al., (2001) reassigned the green andesitic volcaniclastic and sedimentary strata of the Unuk River “Formation” to the Betty Creek Formation. Overlying the Betty Creek Formation, units mainly consist of maroon and green epiclastic andesite within the lowermost exposed sections of the Hazelton Group near the Salmon River (Alldrick 1987, 1993).

The Texas Creek Plutonic Suite in the Stewart-Unuk-Iskut area is comprised of a group of Early Jurassic (ca. 195-186 Ma; Anderson, 1993), granodioritic stocks, dykes, sills, and a batholith. Alldrick (1993) believed the suite to be emplaced in a shallow volcanic setting below and within coeval andesitic stratovolcanos. The Premier Porphyry Dykes, dated at 194.8±2 Ma, are characterized by potassium feldspar megacrysts and plagioclase and hornblende phenocrysts in a fine-grained to aphanitic groundmass (AIldrick, 1993). Only the lower members of the Unuk River unit are cut by the dykes, which are thought to be subvolcanic feeders to the extrusive Premier Porphyry Member. The dykes are generally altered to a sericite ± carbonate ± chlorite ± pyrite assemblage and are spatially associated with district mineralization.

In the Stewart area, the Early to Middle Eocene Hyder Plutonic Suite consists of a batholith and satellite stocks and dykes lying east of the main Coast Plutonic Complex. The Hyder plutonic rocks are thought to be genetically related to the Coast Plutonic intrusives having similar mineralogy and textures. The Hyder Dykes form prominent swarms of regional extent and are randomly distributed, isolated dykes, particularly along the Portland Canal dyke swarm. Four

dyke phases were recognized by Alldrick (1993): granodiorite porphyry, aplite, microdiorite, and lamprophyre dykes.

The Hazelton Group has been folded into north-northwest trending, doubly-plunging syncline/anticline pairs with sub-vertical axial planes. Clastics of the Salmon River Formation occupy the cores of the synclines and display disharmonic tight to isoclinal folds at many scales (AIIdrick, 1993).

Faults are abundant at both local and regional scales in the Stewart area. Alldrick (1993) described five groups of major faults:

- regional-scale: north-striking, subvertical, ductile to brittle faults;
- northerly-striking: moderately west-dipping normal and reverse faults;
- southeast to northeast-striking brittle, subvertical "cross" faults with strong but narrow foliation envelopes and up to a kilometer of lateral offset;
- decollement surfaces or bedding plane slips near the base of the Salmon River Formation, due to ductility contrast with underlying dacitic volcanics during folding;
- mylonite bands at various orientations, a few meters wide at most

This belt of Hazelton Group rocks is host to numerous precious and base metal deposits in a variety of geological settings including past producers such as Brucejack, Anyox; Snip; Scotty Gold; Granduc; Premier-Big Missouri mines, as well as the recently closed Eskay Creek Mine. In addition, resources or reserves have been reported from a number of other properties including Silver Coin, Big Missouri, Martha Ellen, Red Mountain, and KSM. Also included are the Homestake Ridge area and Georgia River.

Deposits within the belt have been divided into two main, distinct groups on the basis of metal suites and age. The first group includes the numerous Au-Ag±Cu vein and porphyry deposits that are associated with 195-186 Ma porphyritic intrusives of the Texas Creek Plutonic Suite. The second includes Ag-rich, galena-sphalerite vein systems related to biotite-granodiorite intrusions of Middle Eocene age. Massive sulphide deposits are also present in different ages of the Jurassic volcanic rocks including the Anyox and Granduc deposits which are considered to be Besshi type VMS deposits in the Unuk River unit.

The Eskay Creek Mine is a VMS deposit with epithermal gold-silver over-printing in the Salmon River Formation just at the contact with the Mount Dilworth Formation. The BA project is a Kuroko-type VMS deposit that has been explored in the Salmon River Formation just above felsic rocks analogous with the Mount Dilworth Formation.

Figure 7-1 shows the location of the MC Property relative to the deposits at Premier and other major mineral deposits belonging to this region of Stikinia.

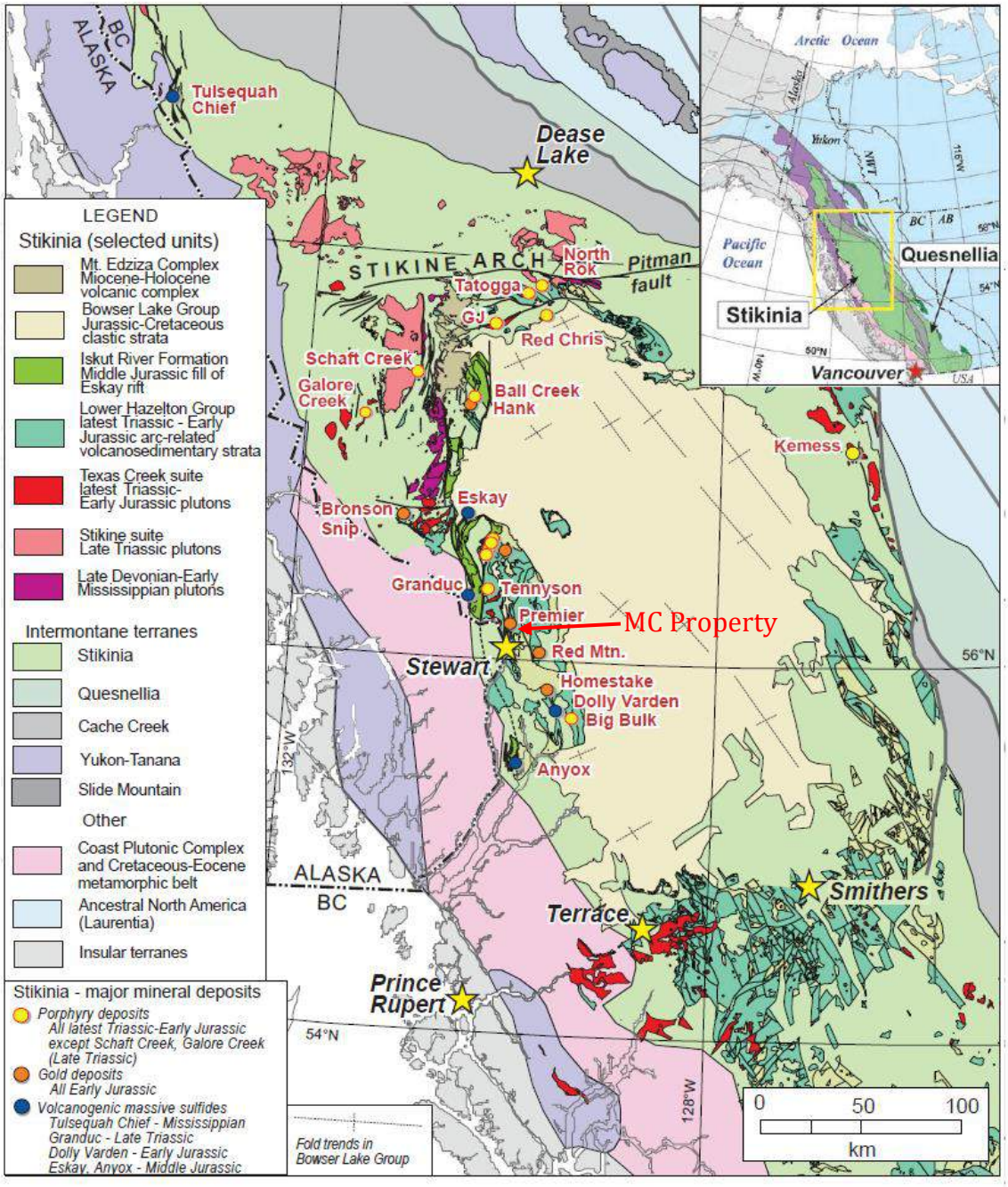


Figure 7-1: Stikinia Major Mineral Deposits

7.2 Property Geology

The majority of the property is underlain by the Lower Jurassic Unuk River unit consisting of green, red, and purple volcanic breccia, conglomerate, crystal and lithic tuffs, sandstone, and siltstone (Figure 7-2). Early Jurassic Texas Creek granodiorite cuts the Unuk River unit on the southeast portion of the claim group. Units of the overlying Middle Jurassic Betty Creek Formation consist of green, red, purple, and black volcanic breccia, hematitic volcaniclastics, andesitic to dacitic tuffs and flows. Mount Dillworth Formation rhyolite, and Salmon River Formation siltstone-sandstone sequence unconformably overlies the Unuk River unit near the summit of Mount Shorty Stevenson. Well preserved primary volcanic textures such as devitrified glass, pumice conglomerates, crystals of feldspar, and broken quartz-jasper fragments with feathery and wispy edges occur within dacitic volcanics located on Bear River Ridge north of Mount Shorty Stevenson. This sequence is cut by several northwest trending Eocene andesite-dacite dykes 1-10 meters in width. Bedrock mapped on the MC consists mainly of the Unuk River volcaniclastics cut by northwest trending mineralized and silicified shear zones (Figure 7-2).

Geological mapping identified Lower Jurassic Unuk River andesitic tuffs and flows within the east portion of the claim in the 600-1,300 meter elevation range. Abundant hematite occurs as 1-20 meter wide bands and lenses intercalated in the volcanic sequence. This hematite occurs with disseminated pyrite and minor chalcopyrite adjacent to northwest trending and southwest dipping quartz-sericite-pyrite (phyllic) alteration. Numerous quartz-sericite alteration zones occur as bands and lenses within the Unuk River volcanics. These 50-200m wide altered zones are bleached white-grey colored and occur along northwest trending fault structure.

A major northwesterly trending shear-fault structure cross-cuts the northern section of the property forming a major structural dislocation where the north-south trend of Bear River Ridge is deflected to the southwest. Extensive zones of quartz-sericite alteration and pyritization parallel the orientation of this major structure throughout the property.

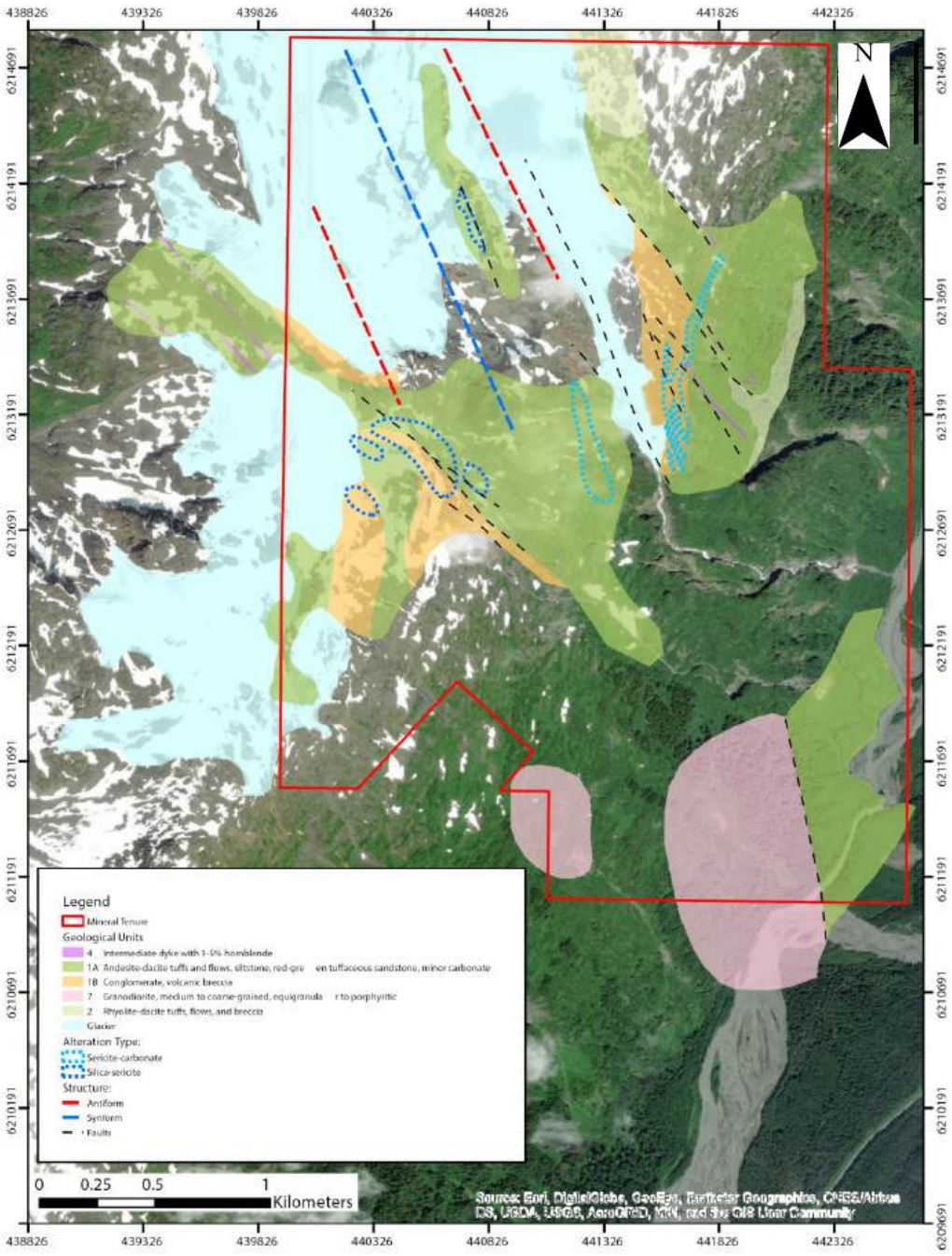


Figure 7-2: Interpreted property geology of the MC property showing approximated lithological contacts of the Unuk River (Units 1), Betty Creek Formation (Unit 2), Portland Canal Dykes (4), Texas Creek Granodiorite (Unit 7). Map data compiled from assessment reports by Kikauka (1990, 2000, 2003). 1:20000 scale.

7.3 Mineralization

There are at least 7 separate areas of mineralization on the MC 1 & 2 claims as illustrated in Figure 7-3.

The **Palmey showings** are located on the southern portion of the property near the inferred northern edge of the Texas Creek intrusive body. The showings occur along a fault zone approximately 150m south of Dundee creek that contains a significant amount of quartz-sulfide mineralization in places (Minister of Mines, 1936). The mineralization consists of three main quartz replacement zones from 0.6-4.6m wide that strike northwesterly and dip southwesterly. The two most northerly zones converge towards each other and possibly junction at 1,463m elevation.

Associated with quartz and pyrite are galena, sphalerite and a minor amount of chalcopyrite that is best exposed over a width of 2.5m in a trench at 1,200m elevation. The lead and zinc mineralization in the trench are fairly high-grade but the zone is cut off by a fault immediately below it and the faulted extension has not been located (Minister of Mines, 1936).

Two float samples (032008 and 032011) were collected east of the Palmey showings during the 2019 field program, assaying 1.4% Pb, 5.36% Zn, 212 g/t Ag, 5.45 g/t Au, and 6.01% Pb, 17.11% Zn, 100 g/t Ag, 0.65 g/t Au.

The **Southeast Zone showings** are also located in the southern area of the property along the east side of the Texas Creek granodiorite intrusive body, at a lower elevation and to the east of the Palmey showings. The showings occur along and near the west side of the major shear zone that trends northwesterly across the property. Several showings are located between 200m to 800m elevations, with the highest gold values being found in a polymetallic quartz-sulfide vein exposed in a 7meter long and 1.5meter wide adit bearing 310 degrees at 336m elevation. A chip sample from the vein within the adit assayed 58.9 g/t Au, 293.8 g/t Ag, 0.63% Cu, 1.79% Pb and 9.99% Zn across 1m (Kikauka, 2010).

The **Ice 3A & 3B and Glacier-PRE showings** occur towards the western side of the property at high elevations along the upper slope of Bear River Ridge. The showings consist of several silver and gold bearing quartz-sulfide veins that are spatially related to en echelon west and northwest trending fault structures within or adjacent to quartz-sericite-pyrite altered areas. Significantly, the Ice 3B showing can be inferred as cogenetic to proximal fault structures on the Palmey showings which exhibit similar orientations.

The **Ice 3B** showing is located 300m southeast of Mt. Shorty Stevenson and hosts significant silver-gold mineralization as associated with galena and sphalerite in quartz-carbonate veins and silicified replacement zones. A drillhole was cored into this mineralized zone in 1990 but failed to reach its target depth due to mechanical difficulties.

The **Alpine and Aztec showings** are in the west-central part of the property below the Ice showings.

Two samples (032014, 032015) were collected in 2019 from a 2m long, 1m wide trench in the vicinity of the Aztec showings, these samples were anomalous for copper assaying up to 3.39% Cu.

The **Cairn, Rock of Ages No. 2 & No.3 and Dalhousie No. 1 showings** occur in the north-central portion of the property along the Rock of Ages fault zone.

The **Dalhousie No. 1 and No. 2 showings** occur in the central area of the property.

Many of these mineral occurrences are shear zone and fault controlled quartz and quartz carbonate veins and breccia zones that contain sulfide minerals, predominantly pyrite, with lesser amounts of chalcopyrite, sphalerite, galena and tetrahedrite. A number of these showings are also associated with larger areas of quartz-sericite-pyrite alteration.

There are several distinct styles of sulfide-quartz mineralization on the property. Some are structurally controlled quartz-sulfide veins occurring along shear zones across widths up to 2m while others are quartz-sulfide replacement zones where silicification and pyrite are developed across widths of 100m - 300m. Many of the showings are associated with areas of bleached country rock with secondary sericite, quartz and pyrite adjacent to zones of structural cataclasis.

As well, there are at least two gold enriched massive pyrite, pyrrhotite, chalcopyrite, magnetite and jasper horizons that occur along or near the contact between andesite and rhyolite flows and have been interpreted to be volcanogenic in origin.

Alternatively, these horizons may have been favourable beds for replacement or skarn mineralization that could have originated from an underlying intrusive source related to the Texas Creek granodiorite or the Bitter Creek diorite. The structurally controlled quartz sulfide vein mineralization may have been remobilized along structures that intersected the previously mineralized horizons.

If this hypothesis is correct it raises the possibility for porphyry copper-gold mineralization to occur in an underlying intrusive body.

The **Glacier Zone** contains numerous northwest trending lenticular quartz-sulfide fissure veins that are from 0.1 - 1.0m wide and are located at the 1,100 - 1,200m elevations along the west side of the major shear zone and along-strike with the Southeast zone showings.

Two samples taken from Glacier zone veins returned analyses with 5.1ppm Ag and 4.12ppm Au across 0.9m, and 27.3ppm Ag and 1.58ppm Au across 0.9m (Kikauka, 2003).

The **Rock of Ages showings** are located at the same elevation as the Glacier showings but along the east side of the major shear zone and in a parallel structure that forms the Rock of Ages Creek fault zone. The showings consist of 5-15% sphalerite-galena with minor pyrite-chalcopyrite in a gangue of quartz-carbonate (Kikauka, 2000). The high silver values are due to tetrahedrite and sulphosalts/electrum. This mineralization is located at the 1,200 - 1,300m elevation and occurs in NNW trending, steeply dipping shear zones located adjacent to the Rock of Ages fault zone.

Two samples taken from these showings assayed 0.06% Cu, 3.21% Pb, 6.54% Zn, 203 g/t Ag, and 11.3 g/t Au across 0.3m, and 0.05% Cu, 2.66% Pb, 5.69% Zn, 263 g/t Ag, 20.5 g/t Au across 0.3m (Kikauka, 2000).

One float sample (032032) collected in 2019 within the Rock of Ages showing assayed 4.91% Cu, 0.06% Pb, 0.16% Zn, 424 g/t Ag, and 0.75 g/t Au.

The **Dalhousie No. 1 showing** is located on one of the volcanogenic, replacement horizons and is 37m long by 7m wide. In 2002 Fundamental Resources Corp. collected three rock chip samples from the Dalhousie showings between 750m to 850m elevation along the southeast extension of the Rock of Ages fault zone. These samples returned assays of 31.80 g/t Au over 1m, 50.40 g/t Au over 0.8m and 4.58 g/t Au over 1.0m (Kikauka, 2003).

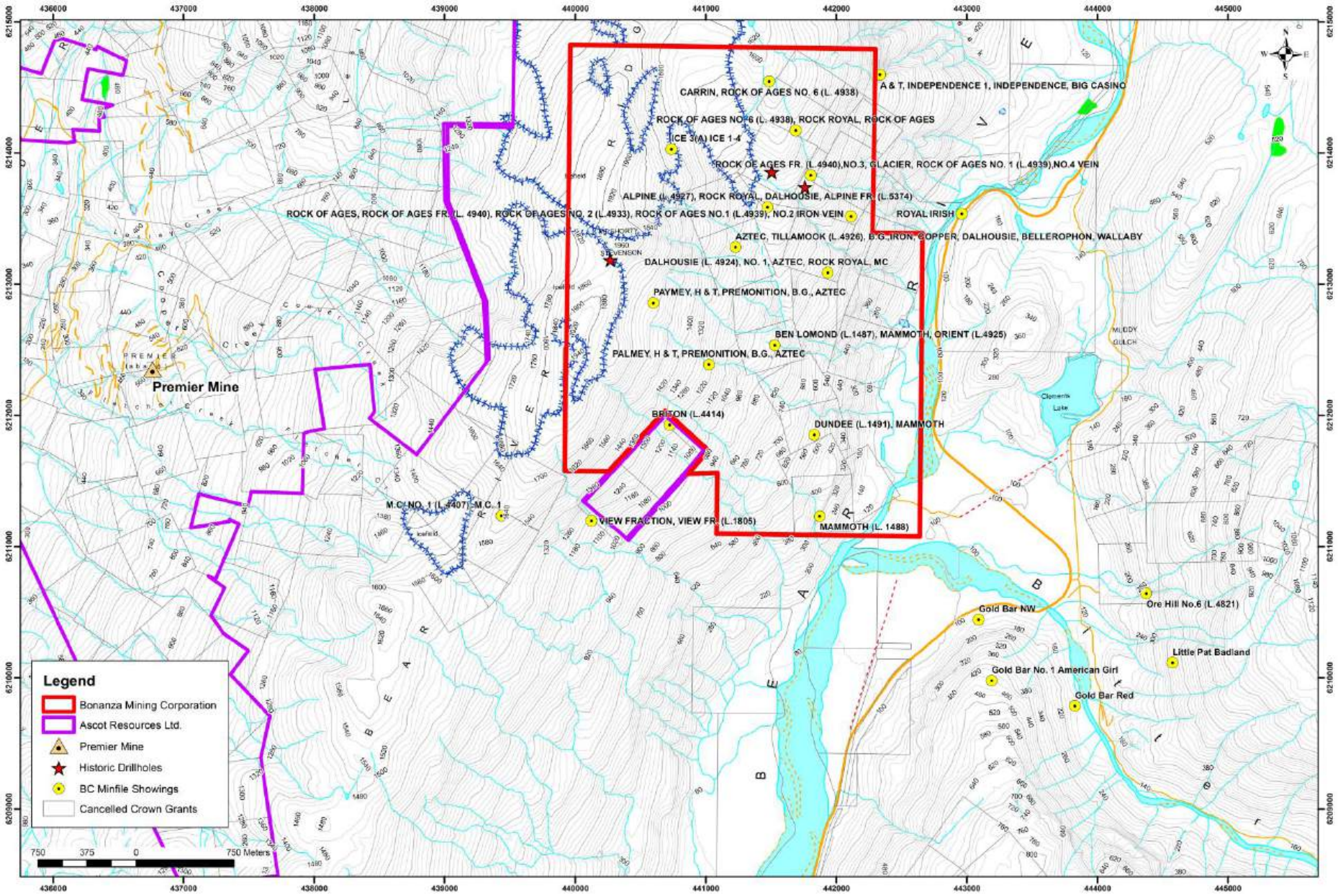


Figure 7-3: Location of Mineral Showings on the MC property marked in yellow dots

8 Deposit Types

The project area is considered prospective for a number of deposit types. The possible deposit types for the MC Property are as follows:

8.1 Intrusion-Related Thermal Aureole Gold-Copper Veins and Stockworks

These intrusion-related deposits are characterized by shear-hosted, quartz-pyrite veins and stockworks within, and marginal to, the Texas Creek intrusions. These intrusions also include pyritic breccias along the intrusive contacts. Mineralization deposition appears to be syn-intrusive in timing and forms along the thermal, brittle-ductile transition envelope surrounding the subvolcanic intrusions. Late magma movement may have generated the locally-observed shearing and fracturing. Convecting hydrothermal fluids may have then precipitated gold-rich iron sulphides and gangue as en-echelon vein sets and stockworks. Metal and alteration patterns are consistent with the distal portions of a porphyry Cu-Au system.

Alteration consists of an inner potassic zone of sericite-pyrite-quartz and an outer potassic zone where pyrite is replaced by pyrrhotite. Anomalous (>0.3g/t Au) gold-silver mineralization develops at the transition from the pyrite to the pyrrhotite-dominant alteration zones. Other local examples of this type of precious minerals depositing environments include the Snip Gold Mine (1.43 Mt @ 21.9 g/t Au) and the Johnny Mountain (203,000 t @ 14.7 g/t Au) (Spirit Bear Minerals, 2005).

8.2 Low Sulphidation Epithermal Gold-Silver Veins and Breccia Veins

Epithermal gold-silver base metal veins and breccia veins are closely linked to structures and intrusions of the Early Jurassic Texas Creek plutonic suite. These deposits are formed from many pulses of mineralizing fluids thought to emanate from the cupola zone above a local dome in the underlying Texas Creek batholith. Mixing of cool, meteoric groundwater with hot, sulphur, chlorine and metal-bearing magmatic fluids is the most likely mechanism for base metal and gold-silver deposition. The deposits form shear hosted, en-echelon sets of quartz-carbonate-chlorite-K-Feldspar+/-sulphide veins developed at the faulted margin of intrusions, as vein stockworks peripheral to breccia zones, and as complex quartz-carbonate+/-sulphide cemented breccia veins.

Alteration is characterized by an inner siliceous zone, followed by an outer potassic (sericite) zone and more distal carbonate and chlorite zones. Examples of this deposit style in the area include the Premier deposit and historic mine with a current Indicated Resource of 1.25 Mt with an average grade of 7.18g/t Au Equivalent, Big Missouri with an Indicted Resource of 539kt at 8.34g/t Au Equivalent and the Silver Coin deposit with an Indicated Resource of 859kt at 8.16g/t Au Equivalent. (Ascot, 2019).

The Brucejack deposit is also an example of this type of mineralization, which has a Measured + Indicated Resource of 18.7Mt with average grades of 14.18 g/t Au and 81.6 g/t Ag (Pretium, 2019). The qualified person has been unable to verify the information and that the information is not necessarily indicative of the mineralization on the property that is the subject of the technical report.

8.3 Polymetallic Silver-Base Metal Epithermal Veins Plus or Minus Gold

Sulphide-rich veins containing sphalerite, galena, silver and sulphosalt minerals occur in carbonate and quartz gangue on the property. These veins can be subdivided into those hosted by meta-sediments and those hosted by volcanic or intrusive rocks. Veins are emplaced along faults and fractures in sedimentary basins dominated by clastic rocks that have been deformed, metamorphosed and intruded by igneous rocks. Galena, sphalerite, tetrahedrite-tennantite, as well as other sulphosalts, native silver, chalcopyrite, pyrite, arsenopyrite, and stibnite are typical minerals within the veins. Some veins contain more chalcopyrite and gold at depth. Principal gangue minerals include quartz, calcite, ankerite, chlorite, and subordinate sericite, rhodochrosite, barite and fluorite.

The Porter-Idaho property in the Stewart area is an example of this type of mineralization with silver-bearing, shear zone-hosted epithermal vein structures. Between 1929 and 1931, 27,123 tonnes of ore were periodically mined from the underground workings of the Prosperity and Porter-Idaho mines. The production came mainly from the Prosperity vein but also included the D and Blind veins, averaging 0.96 g/t gold, 2542 g/t silver, and 4.08% lead (Raimount Energy, 2008).

8.4 Intrusion Related Gold-Silver-Copper Skarns

Skarn and vein-style mineralization occurs along faults within brittle, calcareous rocks adjacent to Eocene biotite granodiorite to biotite-quartz monzonite. High gold and silver ratios and pyrrhotite dominated sulphide assemblages appear to be characteristic of early Jurassic, intrusive-related, Au-pyrrhotite deposits. The Snippaker Creek skarns are examples of this deposit style.

9 Exploration

Exploration fieldwork in 2017 consisted of geophysical surveying as well as collecting soil and rock samples and prospecting. Daily access to the property for all of the fieldwork was by helicopter based in Stewart, BC and the crews were accommodated at the King Edward hotel in Stewart.

The total cost of all the 2017 exploration work programs was $303,000.

Exploration fieldwork in 2019 consisted of prospecting, collecting rock samples, confirming common structures, and identifying spatial alteration patterns on the property. Daily access to the property for all the fieldwork was by helicopter based in Stewart, BC and the crews were accommodated at the King Edward hotel and Ripley Creek Inn in Stewart.

The total cost of all the 2019 exploration work programs was $28,015.

9.1 2017 Geophysical Surveying

SJ Geophysics Ltd., located in Vancouver, BC, was contracted by Bonanza Mining Corporation to conduct a program of Volterra 3D Induced Polarization chargeability and resistivity surveying as well as ground magnetic surveying on the MC 1 claim.

Sixteen Minfile occurrences have been identified on the MC 1 mineral claim. Fourteen are associated with metallic or polymetallic quartz-sulfide veins containing gold-silver-zinc which are hosted within volcanic-sedimentary rocks, and two are recorded as occurrences of Kuroko style massive sulfides. The mineralization is associated with increased quantities of sulfides.

The objective of the geophysical IP and magnetic surveys was to map the electrical and magnetic properties of the area and investigate whether the near surface mineralized showings are related to each other by a deeper mineralized system.

IP surveys provide measurements for two parameters: resistivity and chargeability. Resistivity data can delineate both electrically resistive and conductive trends and is often helpful in mapping general geology, both lithology and structures, whereas chargeability data maps polarizable rocks, hopefully disseminated sulfides.

A five man field crew carried out the survey from July 6, 2017 to July 29, 2017, which consisted of 11.3 line km of 3DIP surveying and 9.3 line km of ground magnetic surveying on 5 survey lines oriented approximately north 20 degrees east along the east slopes of Mount Shorty Stevenson.

The steep slopes and dense vegetation on the property as well as foggy and cloudy weather caused the survey work to progress much slower than was planned; this resulted in more field days being required and consequently higher costs to complete the survey.

A major creek gully runs northwesterly across the MC property that cannot be crossed on foot and separated the area surveyed into a northern portion and a southern portion. When the north side of the grid was surveyed four dipoles were laid out on the south side of the gully and similarly when the south side of the grid was surveyed four dipoles were laid out on the north side of the gully, this ensured that data was collected across the gully leaving no gaps in the data between the north and south sides.

9.2 Results of the 2017 Geophysical Surveys

The following descriptions and discussion of the results of the geophysical surveys are taken directly from the Report on the survey work written by SJ Geophysics for Bonanza Mining.

9.2.1 3D IP Chargeability Results

The chargeability models reflect a shift in the background amplitudes between the northern and southern parts of the grid. The contact between the two separate areas follows the main drainage in the vicinity of station 3600N which is a major fault/shear zone structure that strikes northwesterly across the entire MC 1 claim.

There are two small, near surface and low amplitude chargeability pods immediately southwest of this contact. Both are mapped at the ends of the survey line segments and therefore are poorly constrained. One, located at 2000E/4000N coincides with the Aztec (79918) Minfile occurrence and the second, located near 2600E/3300N, coincides with the Ben Lamond occurrence. There does not appear to be any other chargeability anomalies mapped on the southern section of the survey grid.

The 3D chargeability inversion model illustrated in Figure 9-1, maps two main chargeability anomalies (C1 and C2) below the northern section of the survey grid that could represent disseminated sulfide bodies.

Two of the nearby Minfile showings (Rock of Ages Fr. N (80789) and Dalhousie (80734) are flagged as Kuroko style massive sulfides and a third (Rock of Ages Fr. S (80287) as a mineralized vein system. All three of these Minfile occurrences appear to correlate with narrow pipe-like apophyses that extend up from the large buried chargeability masses.

The **C1** anomaly lies at the southern end of the north section of the survey grid and coincides with very high amplitude magnetic spikes. It appears to be comprised of two buried, possibly connected, lobes.

The southern lobe is smaller and closer to surface. It is located near the Dalhousie mineral showing and immediately south of the Rock of Ages #2 copper-gold bearing quartz sulfide vein system.

The northern lobe is larger and could be a north-northwesterly down dip extension of the southern lobe. It appears to be centered some 500m below ground surface.

At a depth of 400m the **C1** anomaly measures 400m by 700m in size.

The **C2** anomaly is located to the north of C1 and appears to be closer to the ground surface. The anomaly appears to be spread out for about 900m along line 2300E and includes four near surface pods.

The southernmost pod lies directly below the Rock of Ages. N Minfile showing. The next pod to the north is notably larger and deeper than the others. This anomaly lies some 300m southeast and downslope from Minfile showing Rock of Ages 6 (80740) and appears to be centered approximately 300m below ground surface.

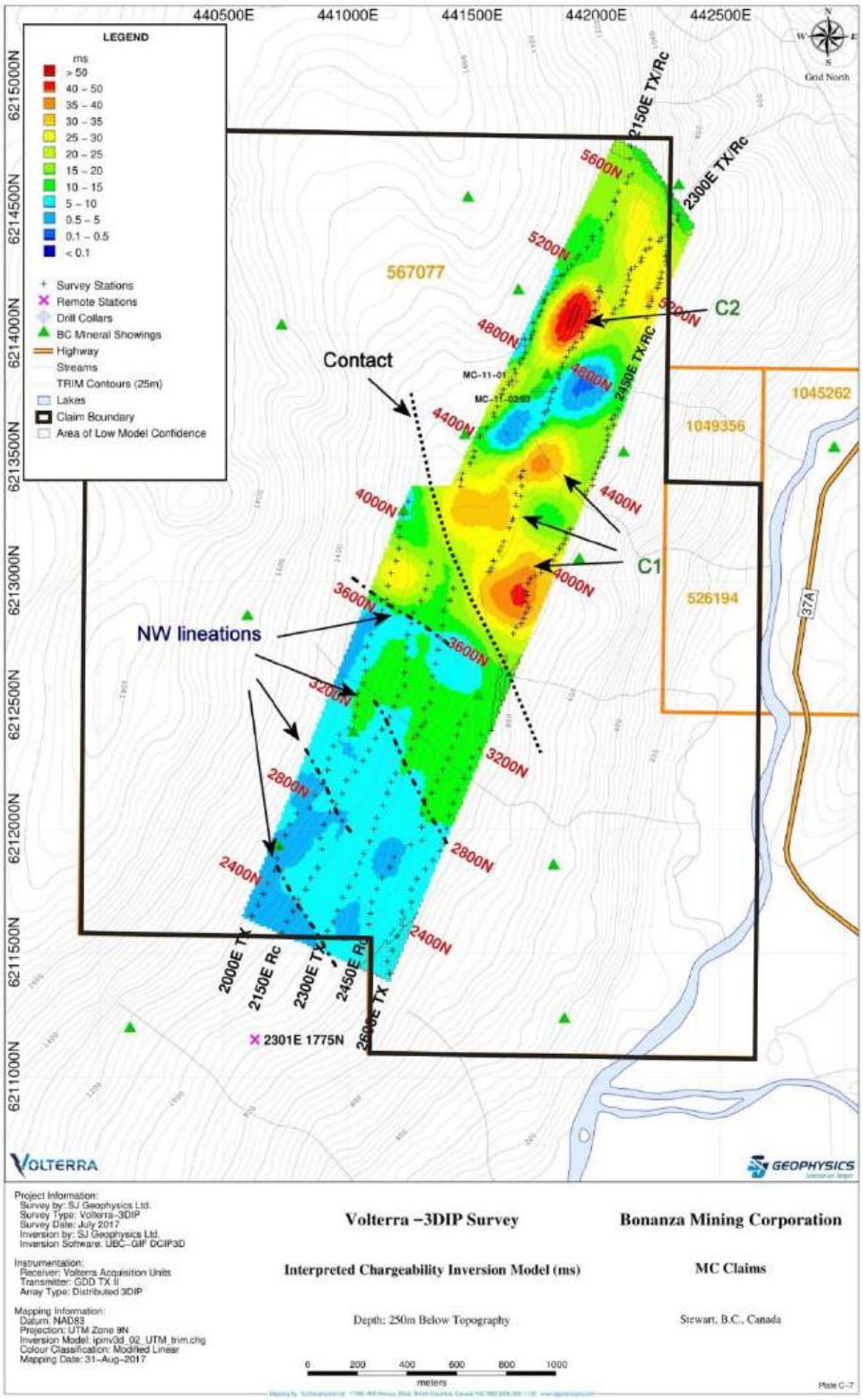


Figure 9-1: Volterra – 3D IP Survey, Anomalies C1 and C2

9.2.2 3D IP Resistivity Results

Four separate resistivity zones, **R1**, **R2**, **R3** & **R4**, were outlined by the survey as illustrated in Figure 9-2.

R1 is a high resistivity zone located at the southern end of the south section of the grid. It is different from other features in the area in that it appears to be dipping at a shallow angle to the northeast.

R2 is a broad zone of moderate resistivity immediately north of R1. It is approximately 1.6km wide and internally appears to be comprised of northwesterly striking bands.

R3 is a narrow (200m wide) zone of low resistivity that strikes approximately N35W and follows a steep sided drainage named Rock of Ages creek. It is associated with a gap in the IP survey due to inaccessible terrain, so it is possible this resistivity response is somewhat questionable. However, several of the Minfile showings and localized magnetic spikes are located near the edges of this zone. This zone could represent a fault zone.

R4 is a very high resistivity zone that covers the northern ends of the survey lines on the north section of the grid.

The R4 zone can be further divided and the inversion model suggests it is comprised of three relatively horizontal or shallow westerly dipping high resistivity (12000 ohm-m) layers **R4a, R4b** and **R4c**, which outcrop at three distinct elevations.

R4a is located along line 2300E, north of station 5400N at elevation 850m. This layer appears to lie directly above the northern lobe of the C2 chargeability anomaly. There are two or more localized resistive zones mapped along this same elevation to the south near grid coordinate 2450E/4500N and 2600E/2400N.

R4b is mapped along line 2150E from station 5200N to the north end of the grid at elevation 1150m. It likely outcrops at surface and extends into the hillside. This zone appears to lie above and to the south of the C2 chargeability anomaly.

R4c is mapped from 2300E/4500N to 2150E/5200N at elevation 1250m. This trend appears to plunge shallowly down to the south and may be comprised of two zones. From 2300E/4500N to 2150E/4900N it appears as a 200m wide zone striking close to north where it abruptly changes strike to N20E. It appears to lie directly above the large C1 chargeability pod.

Examination of the conductivity isosurfaces suggests one significant conductive lineation that roughly parallels a 600m section of the line 2300E from 2500N to 3100N. There are no similar responses observed on the adjacent lines and it is unclear whether this feature is real or an inversion artifact.

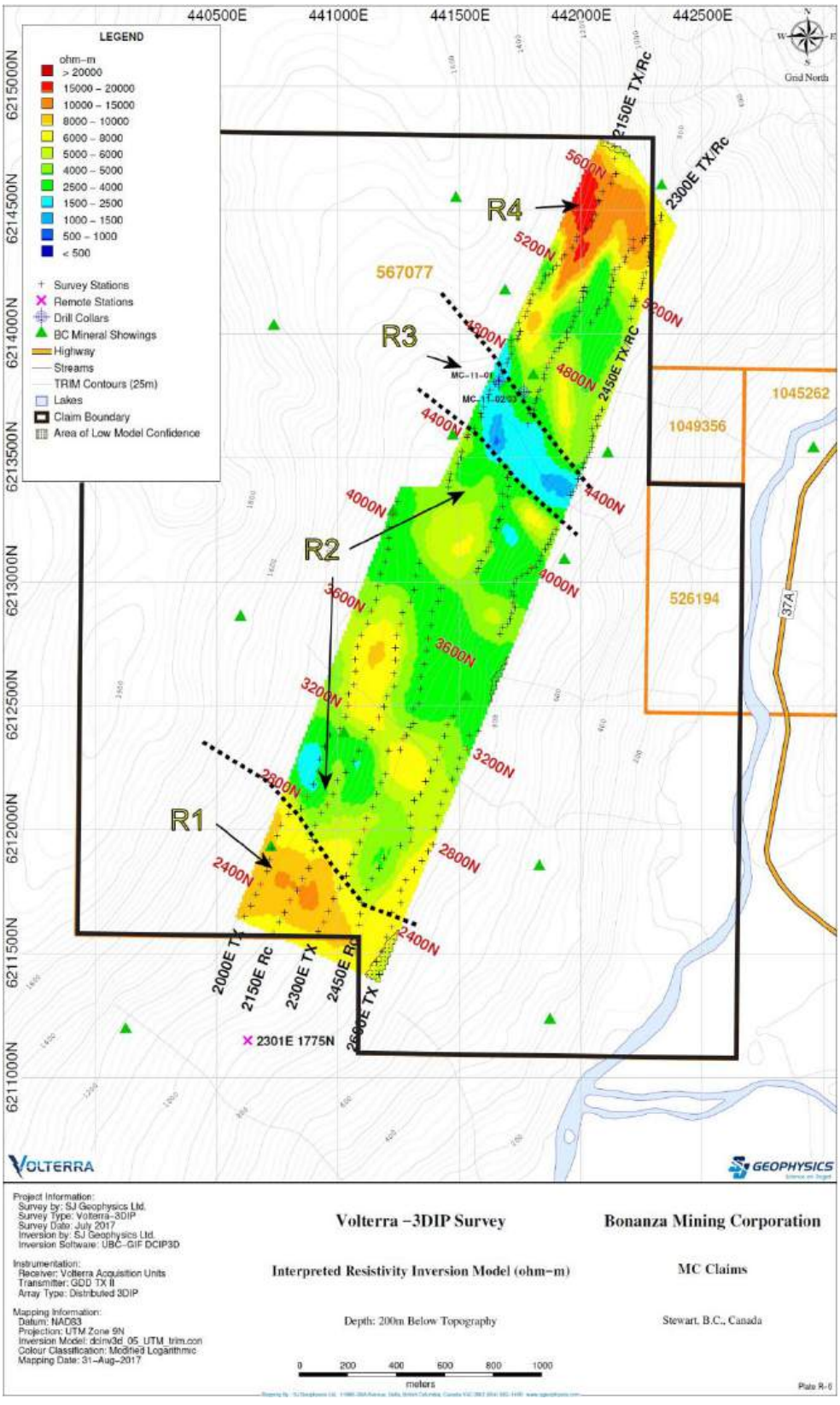


Figure 9-2: Volterra – 3DIP Survey, Anomalies R1-R4

9.2.3 Gravity and Ground Magnetic Results

A regional gravity map of the Stewart area is shown in Figure 9-3. Its' significance is unclear as the data points are quite widespread and the contours are an inexact extrapolation.

From a regional perspective the survey grid is positioned within a northeast elongated magnetic high approximately 15km long and 5km wide as illustrated in figure 9-4 through 9-6.

Total field magnetic intensity data (TFM) was gathered at 10m and 12.5m station intervals along most of the IP survey lines as illustrated in Figure 9-7 and Figure 9-8. The limited size of the survey and gaps due to inaccessible terrain, particularly on the north section of the survey grid, did not provide a large or consistent enough set of magnetic data to analyze with the 3D inversion technique.

The magnetic data is relatively noisy, with high frequency variations mapped along the lines. This response is typical of the volcaniclastic rocks underlying the property. This volatility is more pronounced across the northern section of the survey grid. Although there are numerous high and low amplitude, single station magnetic spikes the data appears to be reliable and of high quality. Unfortunately, the survey lines are too far apart to confidently correlate these high amplitude magnetic spikes across the lines. However, the general appearance of the responses suggests that in the southern half of the survey grid, narrow magnetic trends primarily delineate northwest striking features and a couple of east-west trends. In the northern half of the survey grid, small magnetic lows appear to delineate isolated pods.

The magnetic results on the north half of the survey grid support the conclusions from previous work that high magnetic susceptibility rocks are exposed or lie directly below the ground surface. The previous work discovered that the extreme magnetic highs may be related to cross cutting dikes. More detailed magnetic surveying will be required to properly map these anomalies in order to determine whether they occur as isolated pods or comprise larger structures.

There is a distinct shift in the magnetic intensity from lows of (<55750nT) in the southern half of the survey grid to highs of (>55850nT) on the northern half. The precise location of this contact is not clearly delineated, but it appears to run roughly east-west in the vicinity of station 3600N (UTM northing 6,213,000N).

This implies there may be a lithological contact in this area, which is also the location of the large fault zone, marked by a deeply incised glacier filled gully, which runs across the entire MC 1 claim and separates the survey grid into southern and northern halves.

The southern ends of the survey lines 2600E and 2450E skirt the edge of a mapped occurrence of the Texas Creek intrusion that straddles the southern edge of the MC 1 claim. While there are a couple of small magnetic highs that appear to correlate with this feature, one at the south end of line 2600E and another that crosses three lines (2600E, 2450E and 2300E near station 3200N) insufficient data was acquired in this area to confidently associate these responses with the known intrusion.

The interpretation of the magnetic data is that there are small, localized magnetic highs scattered across the area delineate narrow northwesterly and easterly oriented surface trends.

9.2.3.1 **3D Inversion Results**

A 3D inversion of the magnetic data was subsequently run on the southern half of the survey grid as illustrated in Figure 9-9 through Figure 9-16. These eight drawings are east-west cross-sections through the chargeability and resistivity data and anomalies at 200m intervals from section lines 3800N to 5200N.

This was done because soil sampling in the area had outlined a significant lead, zinc, copper, silver +/- gold anomaly that coincides with the main magnetic anomaly, centered at station 3200N on lines 2300E and 2450E.

The main magnetic anomaly, a 200m diameter 500nT high centered at 445350E/6212375N (Line 2450E, station 3220), models as a small plug of high susceptibility material. The modeling suggests this plug outcrops and has a limited depth extent, on the order of 35-40m. However, the magnetic survey coverage there is limited, and the anomaly is not fully delineated. Additional surveying, to the south and east, is required to define the edges of this anomaly.

This information is critical to determining whether the anomaly reflects the northern edge of the large Texas Creek intrusion that occurs there or is an isolated feature. If it represents an isolated body, the additional data will also help determine the geometry, attitude and depth extent of the source.

A close examination of the magnetic profiles across this anomaly show it is comprised of a number of closely spaced, high amplitude peaks as opposed to a single broad anomaly. This could be indicating the anomaly is due to a concentration of the narrow surface linears seen in the area, and not a separate body as inferred by the inversion model.

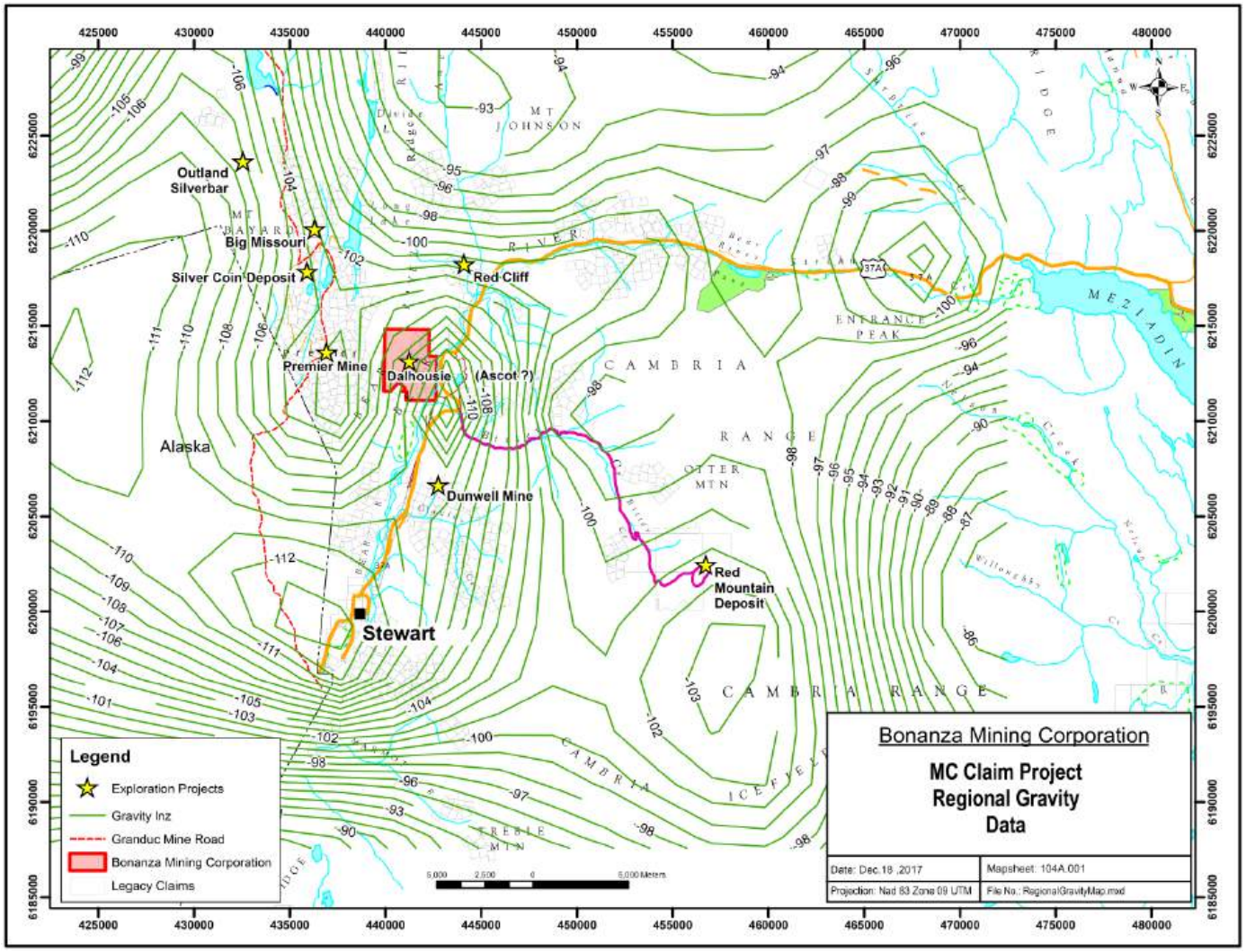


Figure 9-3: Regional Gravity Data

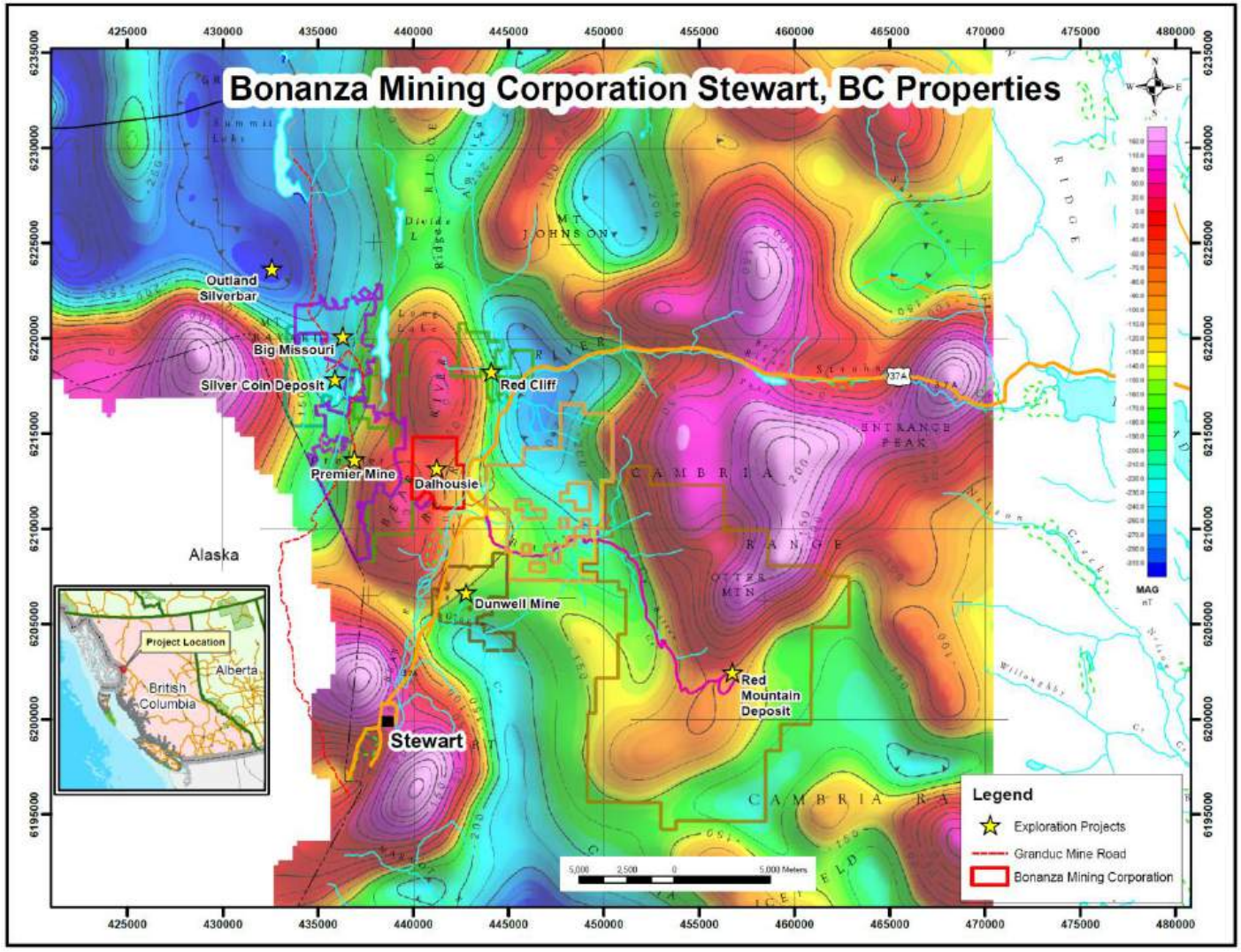


Figure 9-4: Regional Magnetics Data

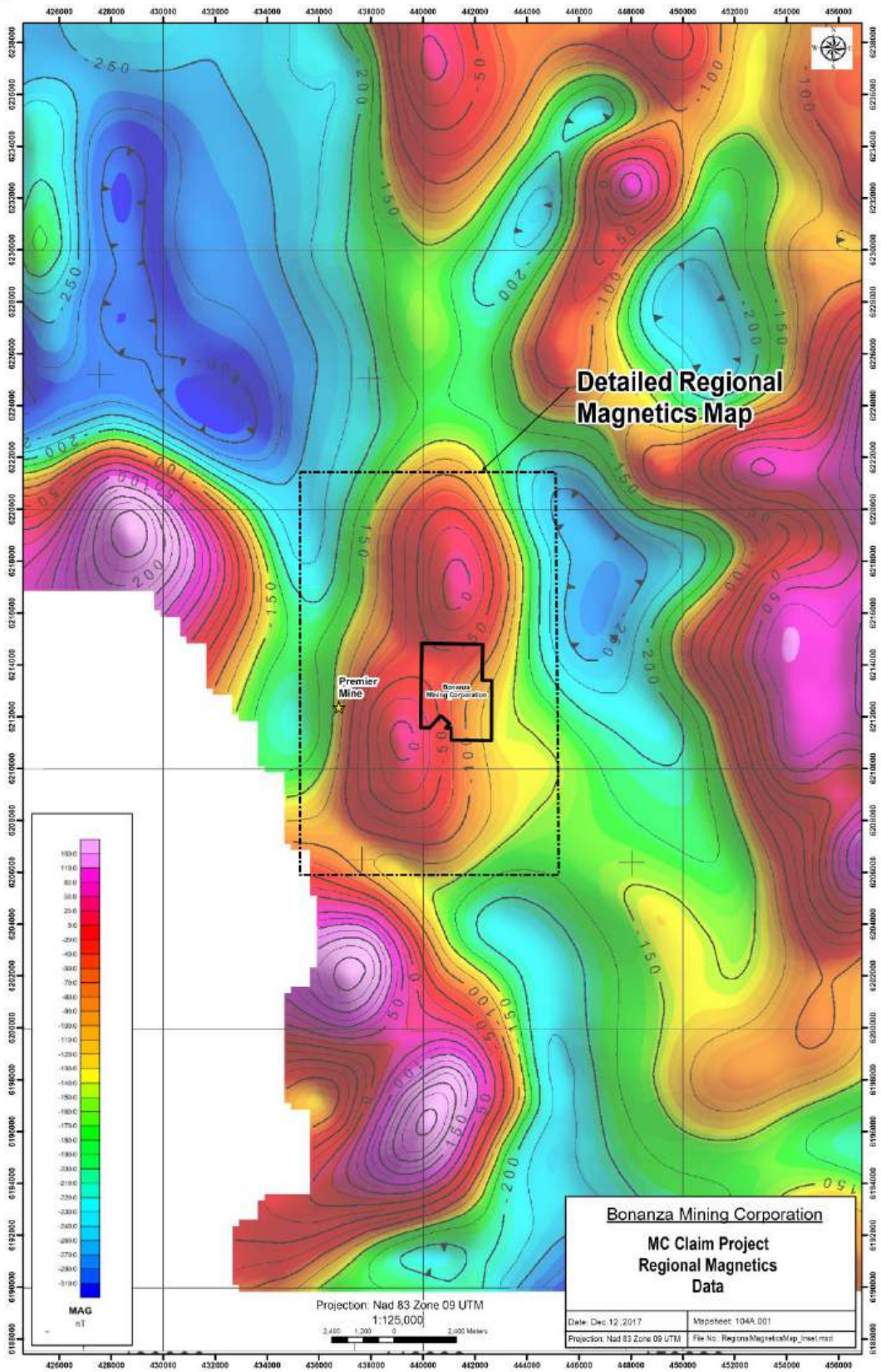


Figure 9-5: Detailed Magnetics Data

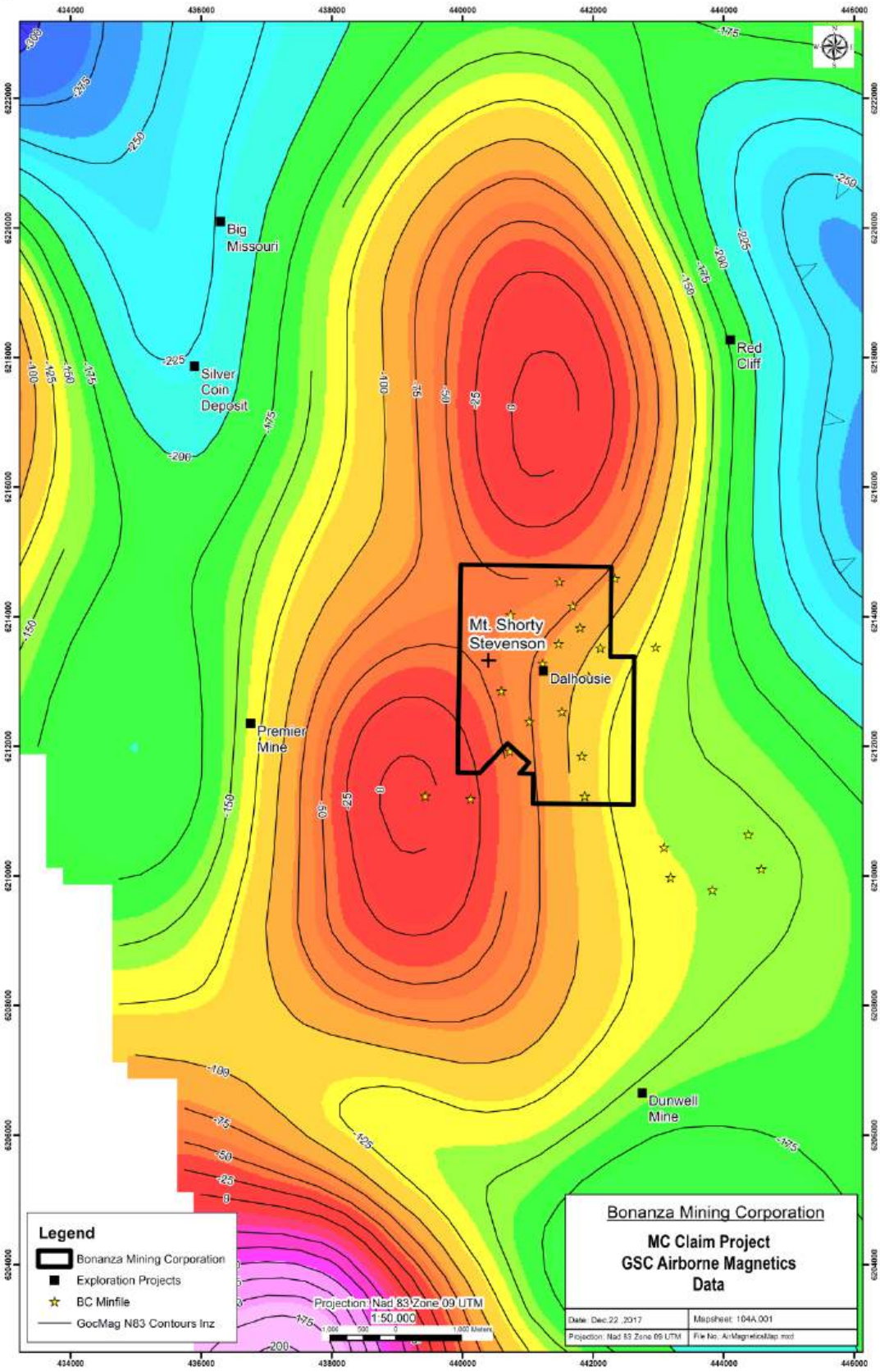


Figure 9-6: GSC Airborne Magnetics Data

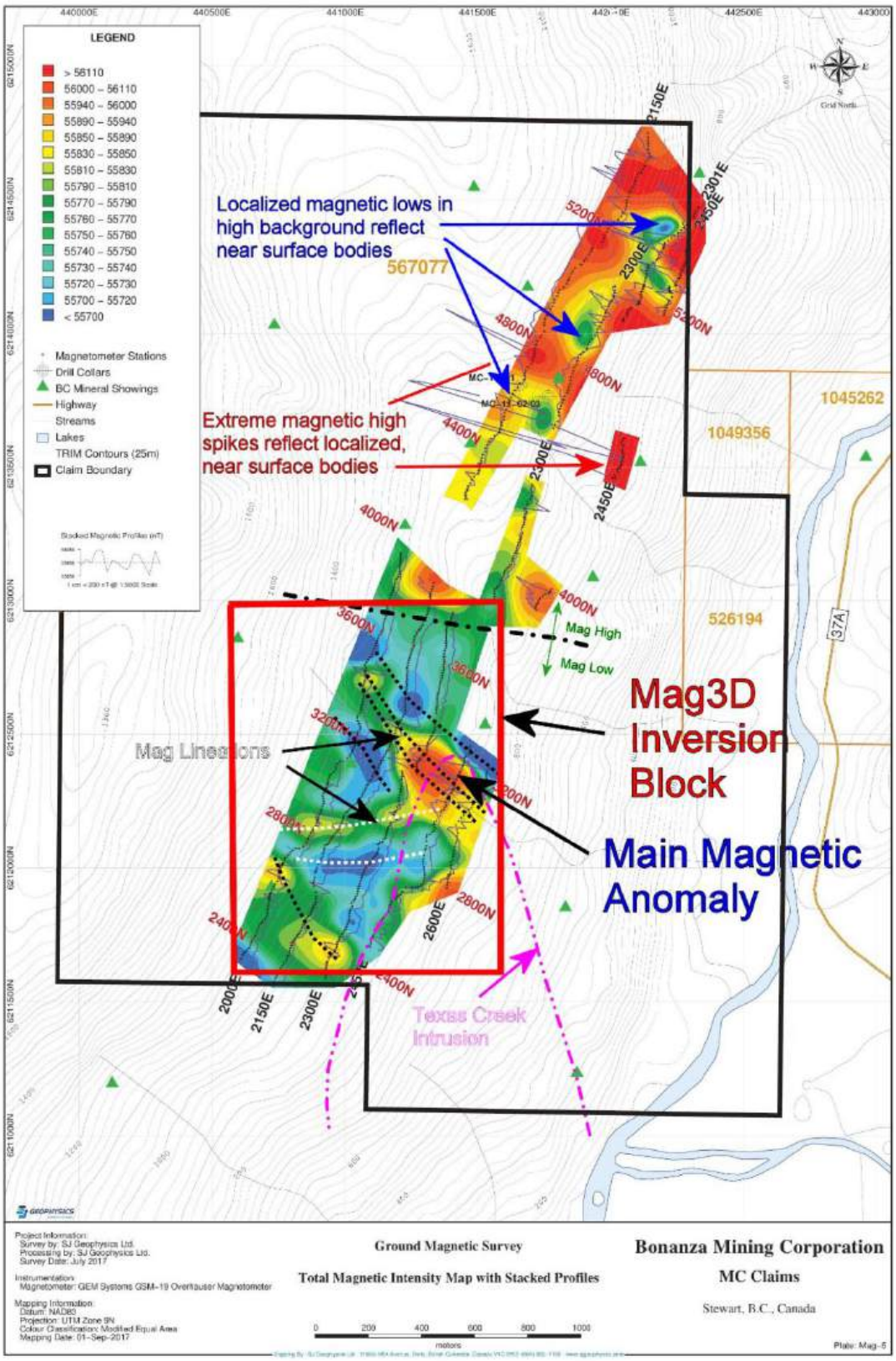


Figure 9-7: Total Magnetic Intensity, A

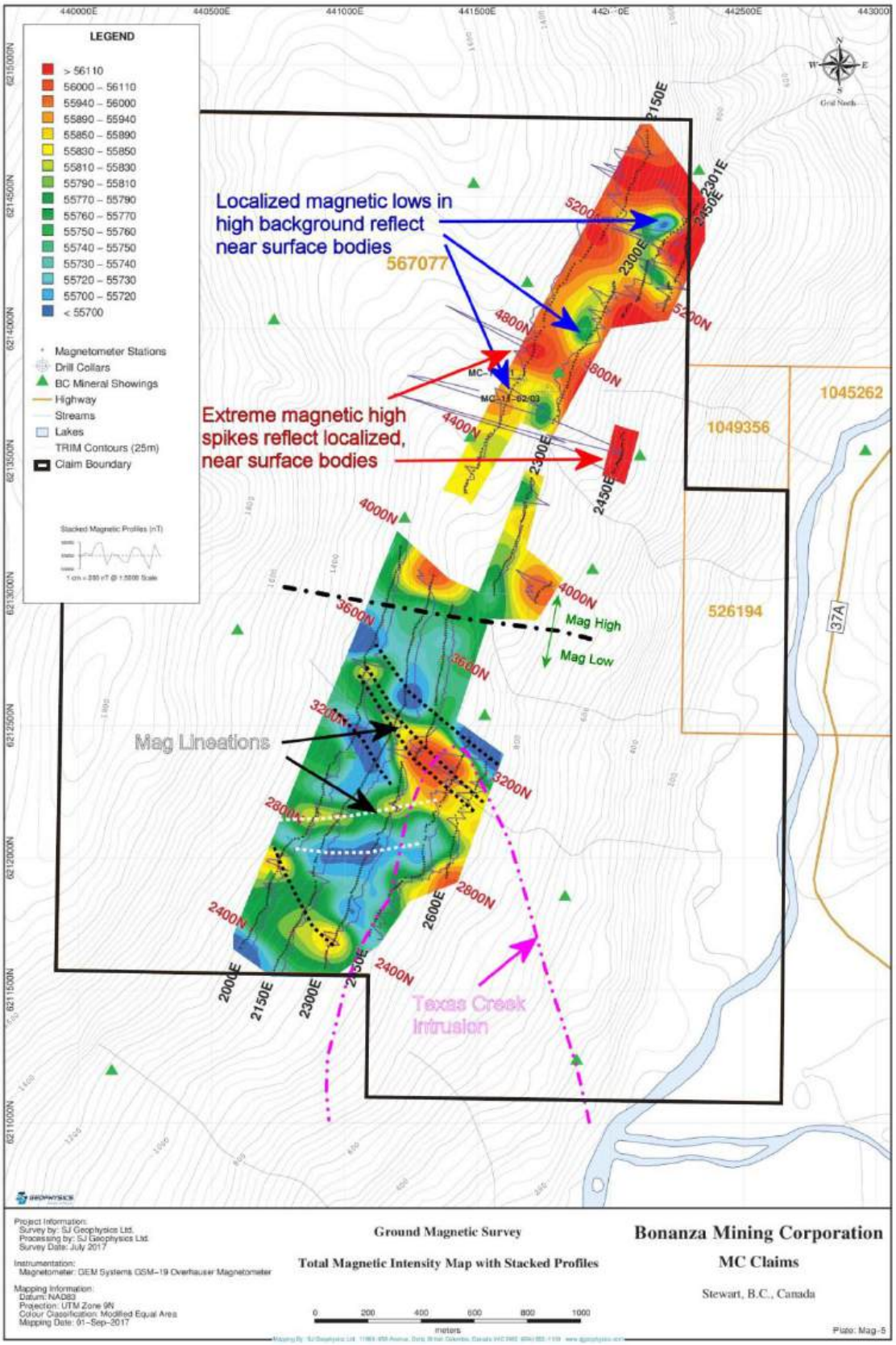


Figure 9-8: Total Magnetic Intensity, B

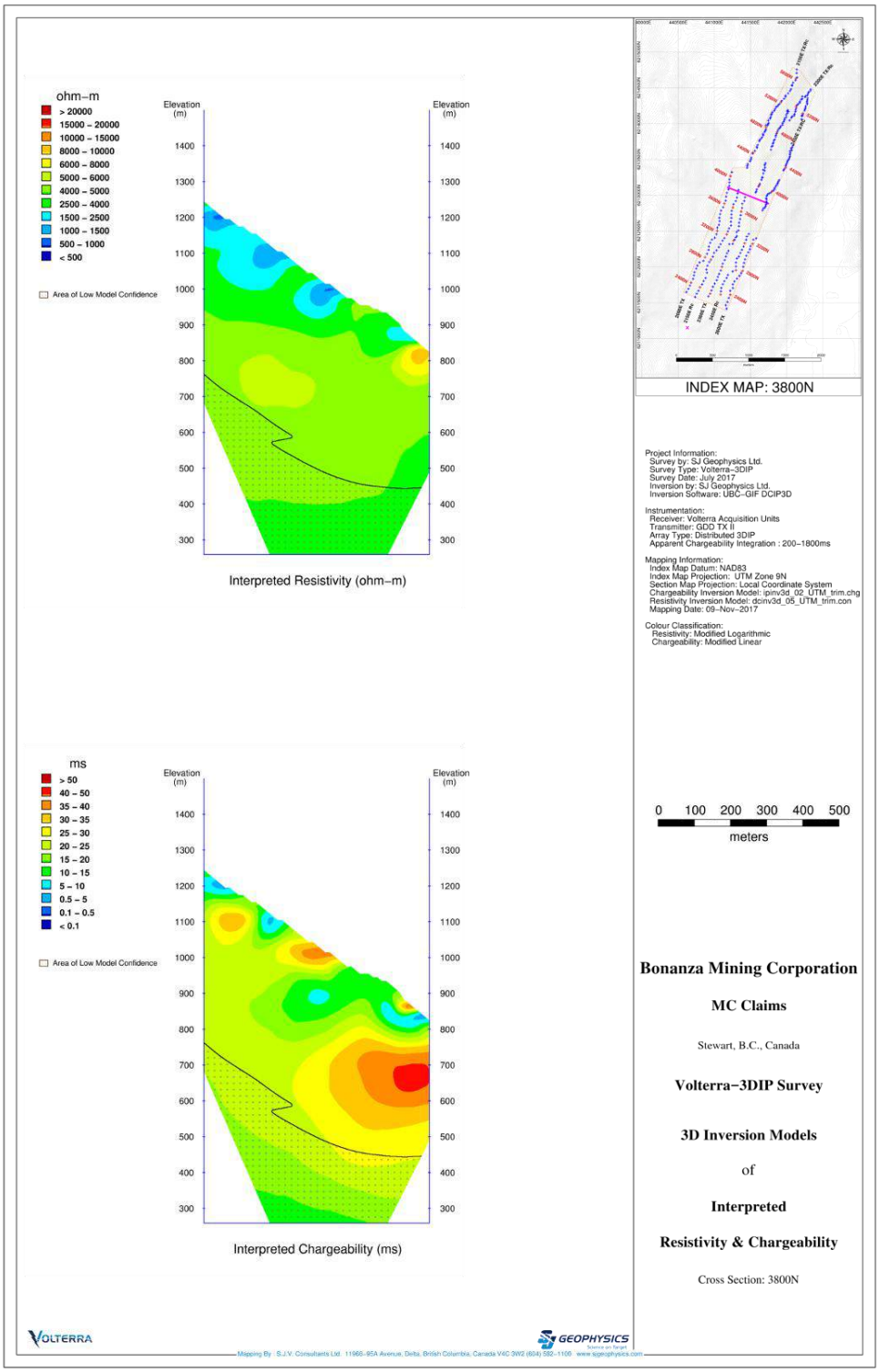


Figure 9-9: 3D Inversion Models at 3800N

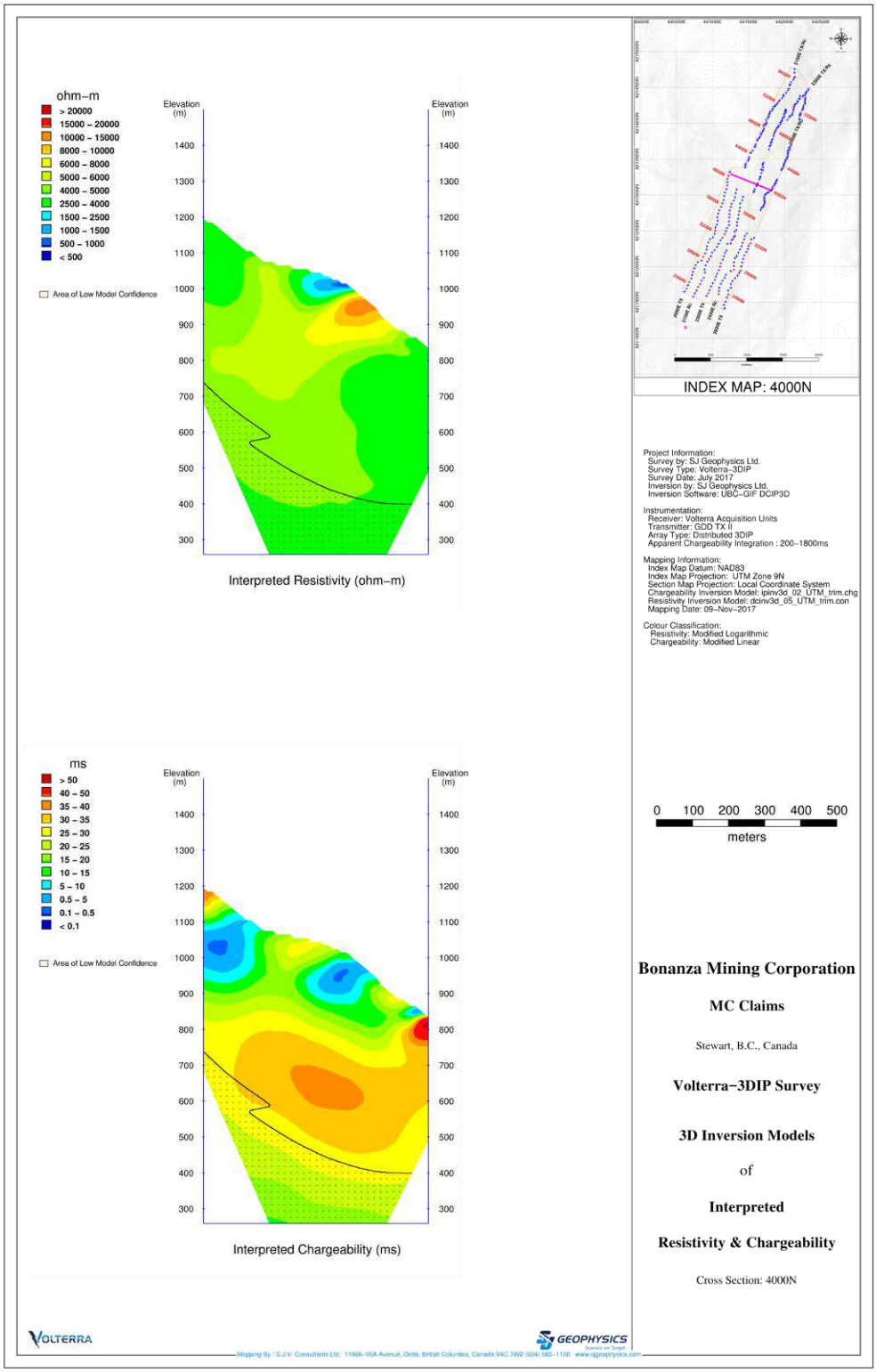


Figure 9-10: 3D Inversion Models at 4000N

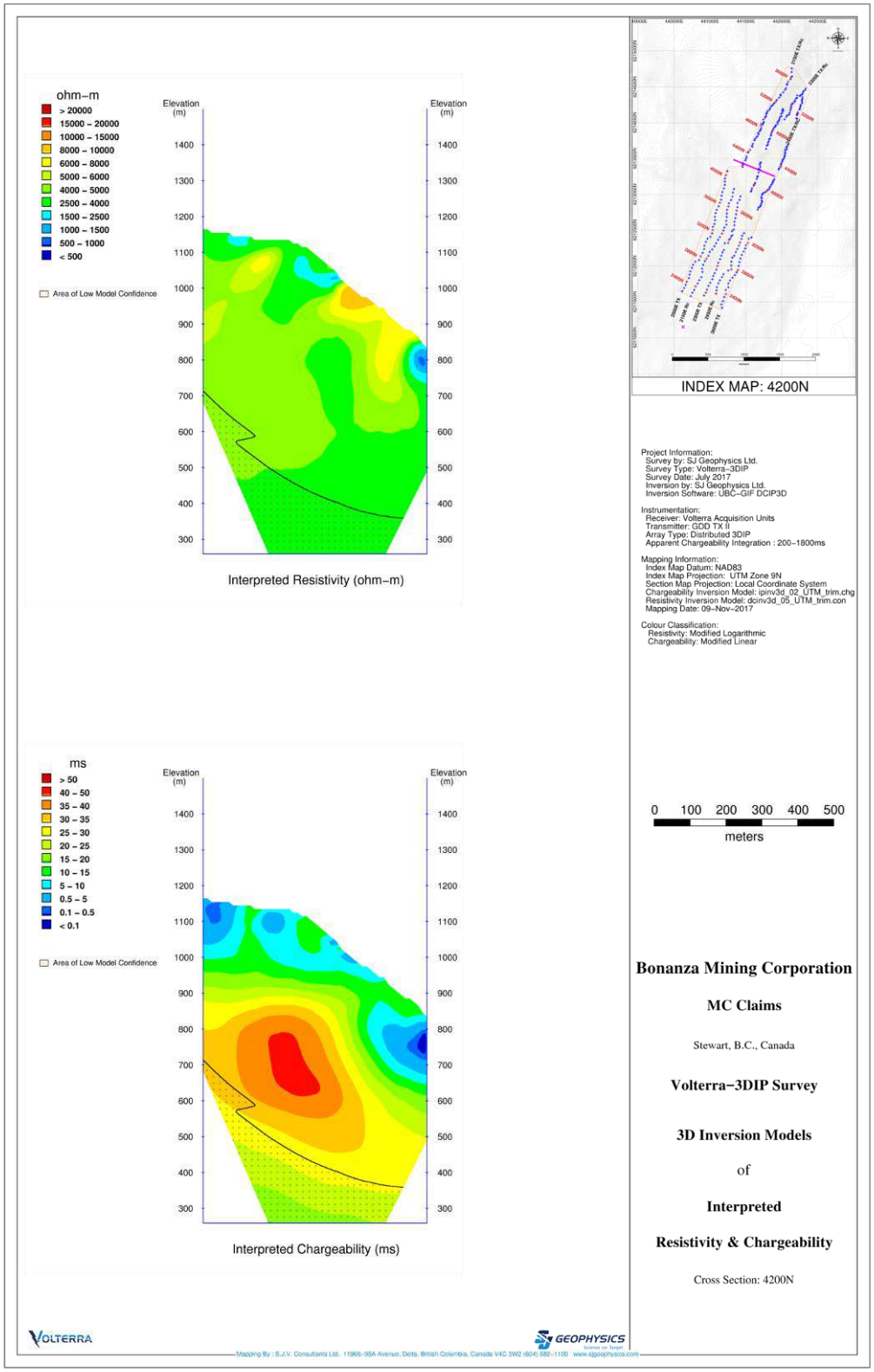


Figure 9-11: 3D Inversion Models at 4200N

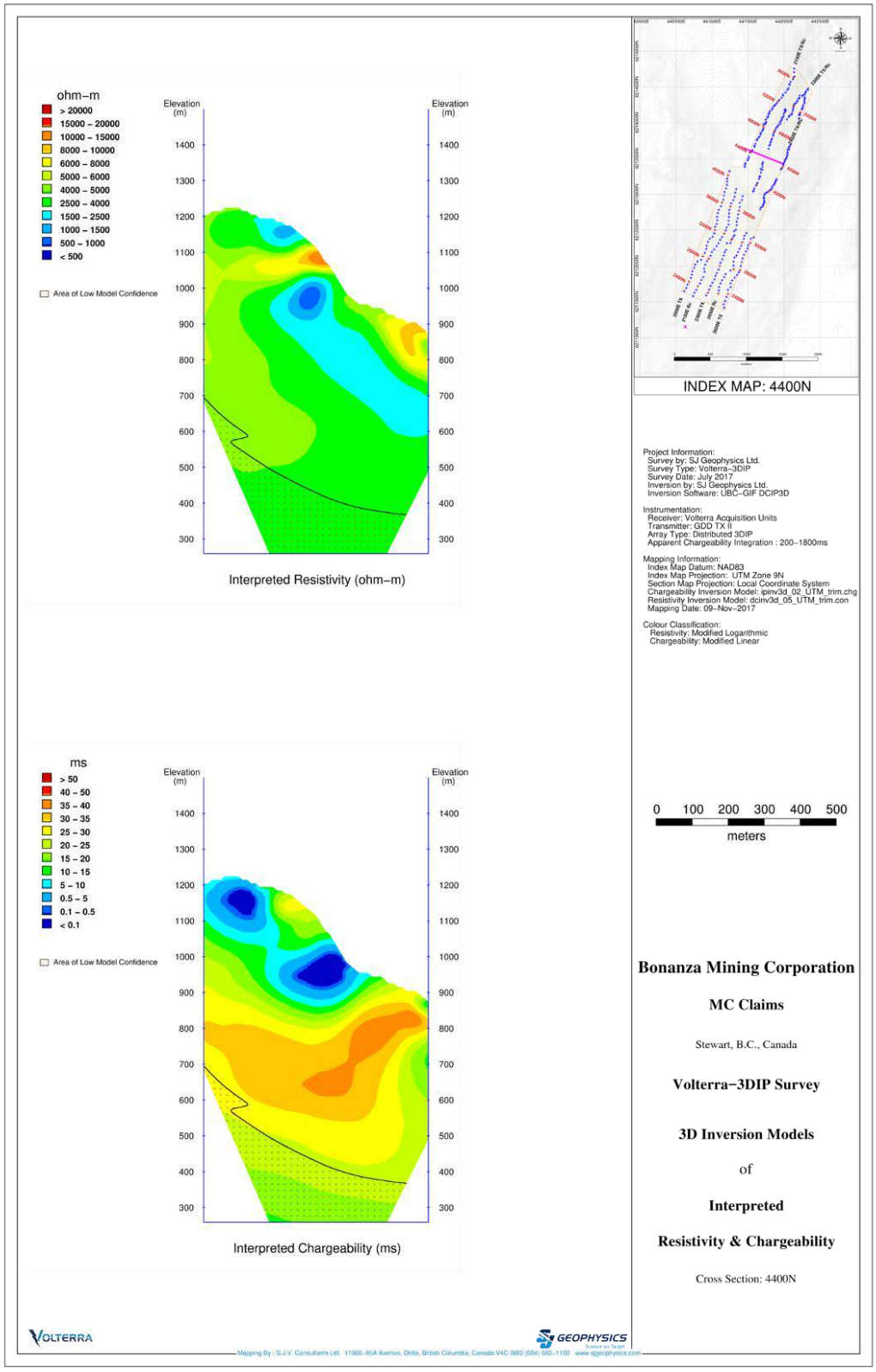


Figure 9-12: 3D Inversion Models at 4400N

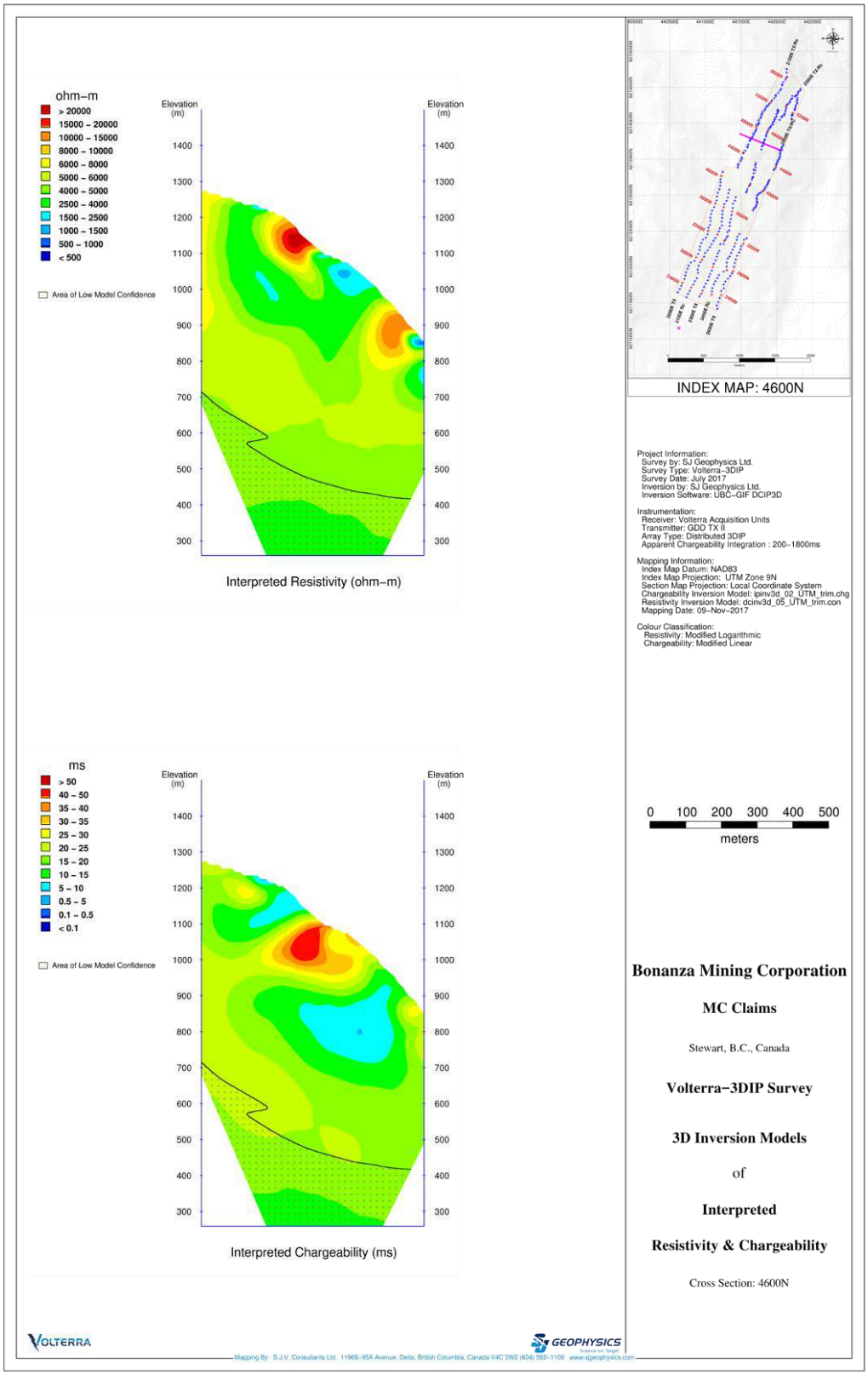


Figure 9-13: 3D Inversion Models at 4600N

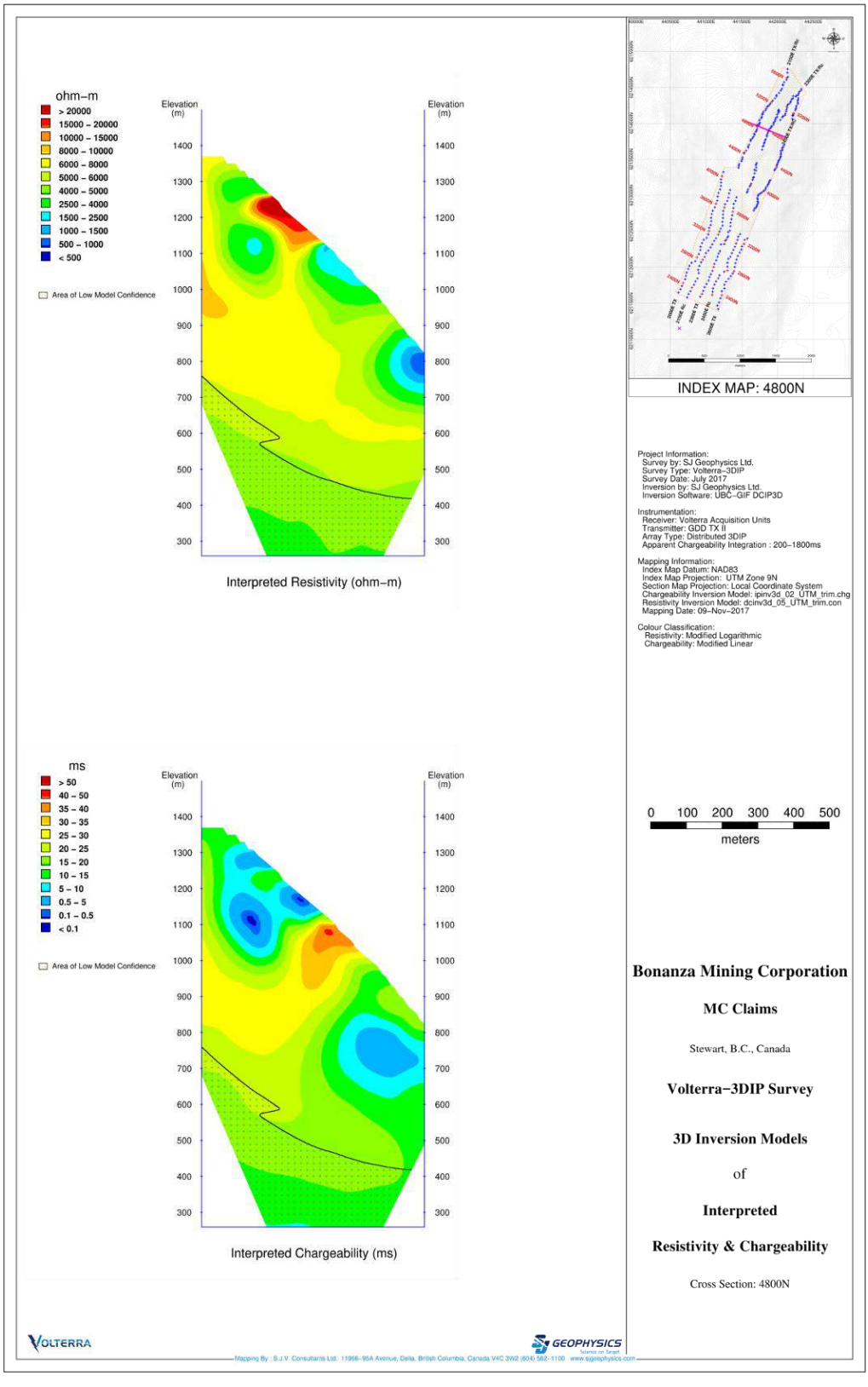


Figure 9-14: 3D Inversion Models at 4800N

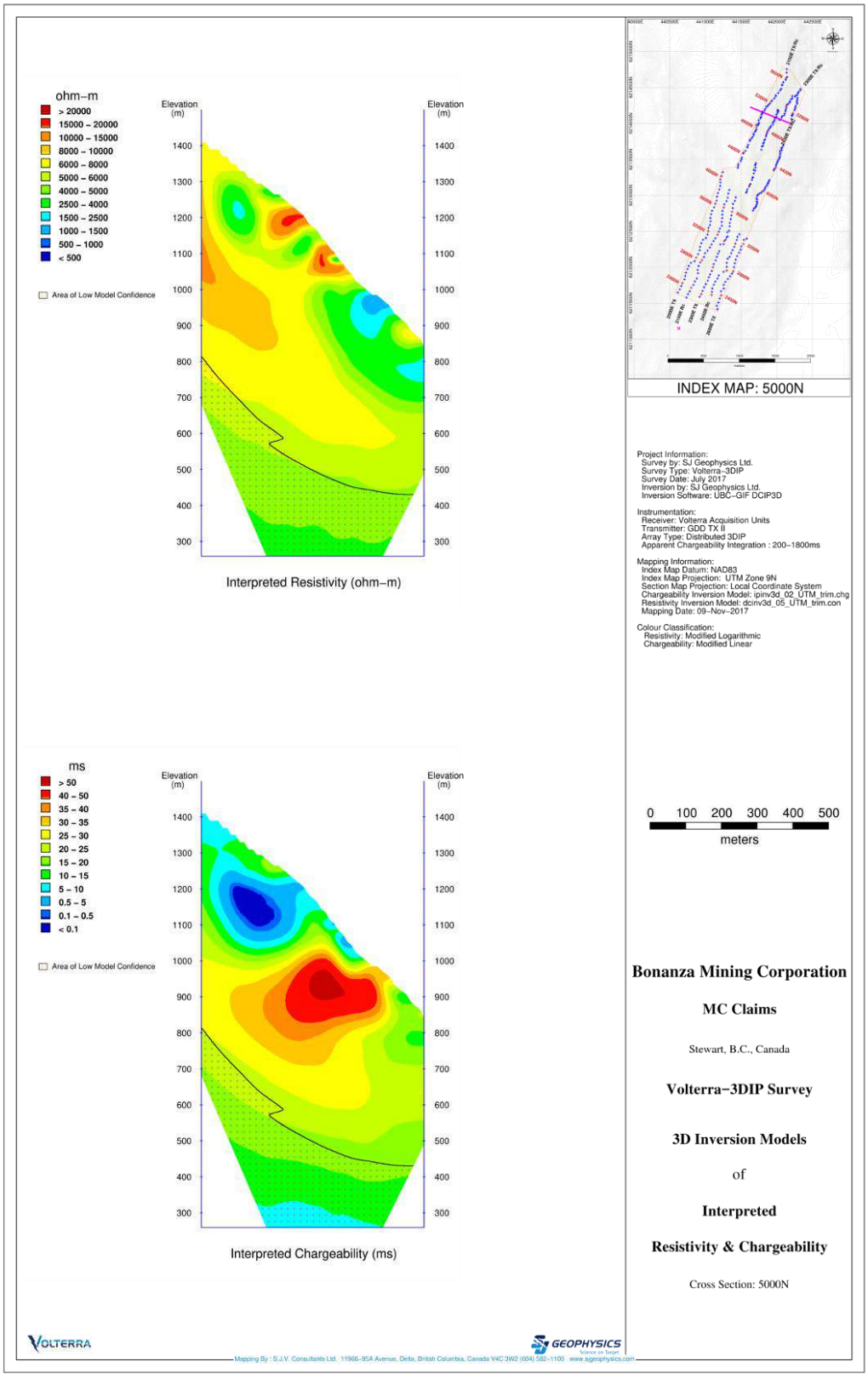


Figure 9-15: 3D Inversion Models at 5000N

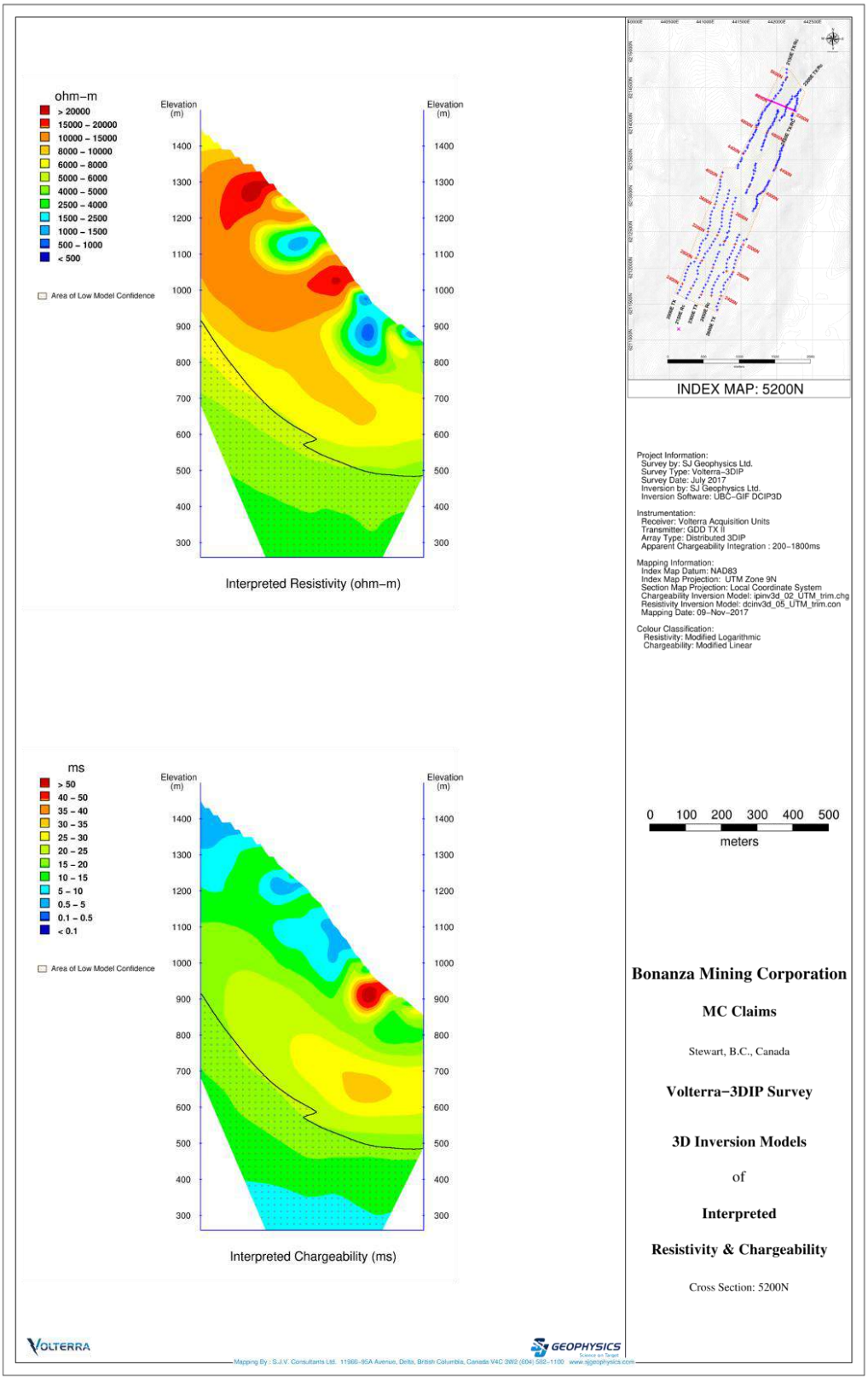


Figure 9-16: 3D Inversion Models at 5200N

9.3 2017 Soil and Rock sampling surveys

Hendex Exploration Services Ltd, located in Prince George, BC was contracted by Bonanza Mining Corporation to conduct a soil sampling program on the southern half of the survey grid, roughly along the geophysical survey lines. No soil sampling was conducted on the northern half of the geophysical survey grid due to the very steep slopes and consequently little soil development.

A three-man crew carried out this work from July18-21, 2017 and collected a total of 126 soil samples but no rock samples. All of the soil samples had their GPS coordinates recorded but were not flagged.

Subsequently a second soil sampling/prospecting crew was contracted by Bonanza from CJL Enterprises Ltd. in Smithers, BC to collect soil samples along a line on the northern half of the geophysical survey grid as well as along two new lines at higher elevations on the southern half of the survey grid. This crew also carried out prospecting and rock sampling, mainly on the southern half of the grid.

A two-man crew carried out this work from September 3-8, 2017 and collected a total of 126 soil samples and 21 rock samples. All of the samples had their GPS coordinates recorded but were not flagged.

The soil samples were delivered to the Bureau Veritas Mineral Laboratories analytical lab in Vancouver, BC where they were analyzed by ICP-ES/ICP-MS for 34 elements including lead, zinc, copper silver, arsenic and mercury, gold was analyzed by ICP-ES fire assay fusion.

The rock samples were also sent to the Bureau Veritas lab in Vancouver where they were analyzed by ICP-MS for 34 elements and gold by ICP-MS fire assay fusion.

9.3.1 **Results of the Soil Sampling Surveys**

One significant and two smaller lead, zinc, copper, silver and gold soil anomalies were outlined on the southern half of the survey grid from analysis of the soil samples Hendex had collected.

The most significant anomaly is defined by the coincident >300ppm Pb, >300ppm Zn, >50ppm Cu, >3ppm Ag, > 50 ppb Au, > 4000ppm Mn and >4% Fe contours. It extends in an east-west direction across all of the soil survey lines for a distance of 500m and is not closed off. It measures from 100m - 300m in the north-south direction and is closed off.

When these analytical results were plotted on maps and the anomaly was shown to be open upslope to the west, Bonanza contracted CJL Enterprises to conduct a follow up soil and rock sampling program, primarily to collect soil samples along two lines across the western projection of the anomaly above the previous sampling lines. As well one soil sample line was conducted on the northern part of the survey grid, roughly along the 1,200m topographical contour.

A total of 126 soil samples and 27 rock grab and chip samples were collected during the CJL program and submitted to the Bureau Veritas laboratory for 34 elements plus gold ICP_MS analysis. Results are illustrated in the plan maps of Figures 9-17 through 9-21.

The CJL soil sample analytical results from the two lines they ran upslope of the multi-element anomaly, outlined by the Hendex sampling, were also highly anomalous and show the anomaly is still open and continues further upslope of the highest CJL soil line.

The location of the soil anomaly is coincident with the main magnetic anomaly and therefore may be the source of the mineralization.

SJ Geophysics was then requested to run a 3D inversion of the magnetic data to create a better interpretation and model for the magnetic anomaly and the results of the 3D inversion are discussed in the Ground Magnetic Results section of this report.

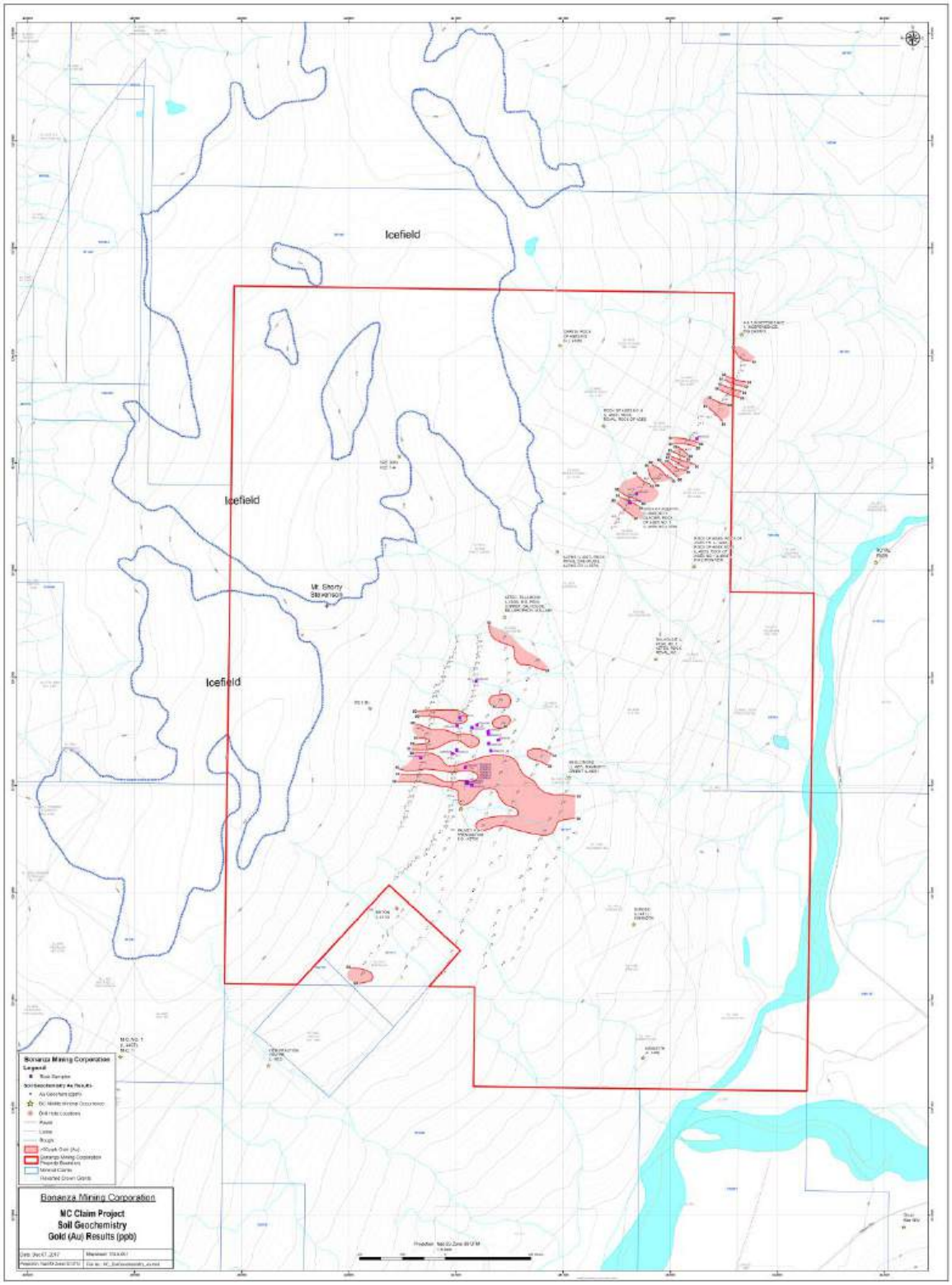


Figure 9-17 Gold in Soils

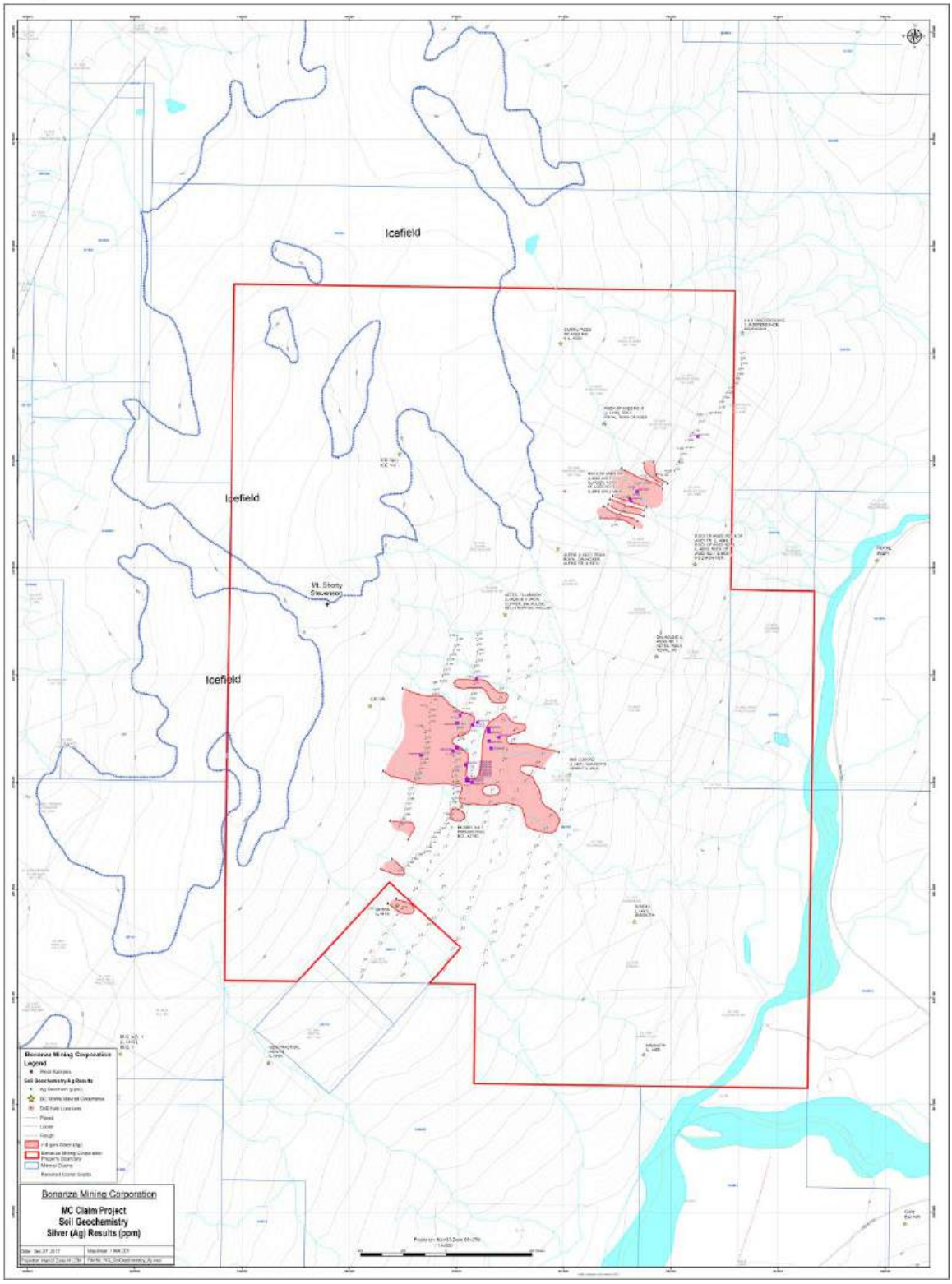


Figure 9-18 Silver in Soils

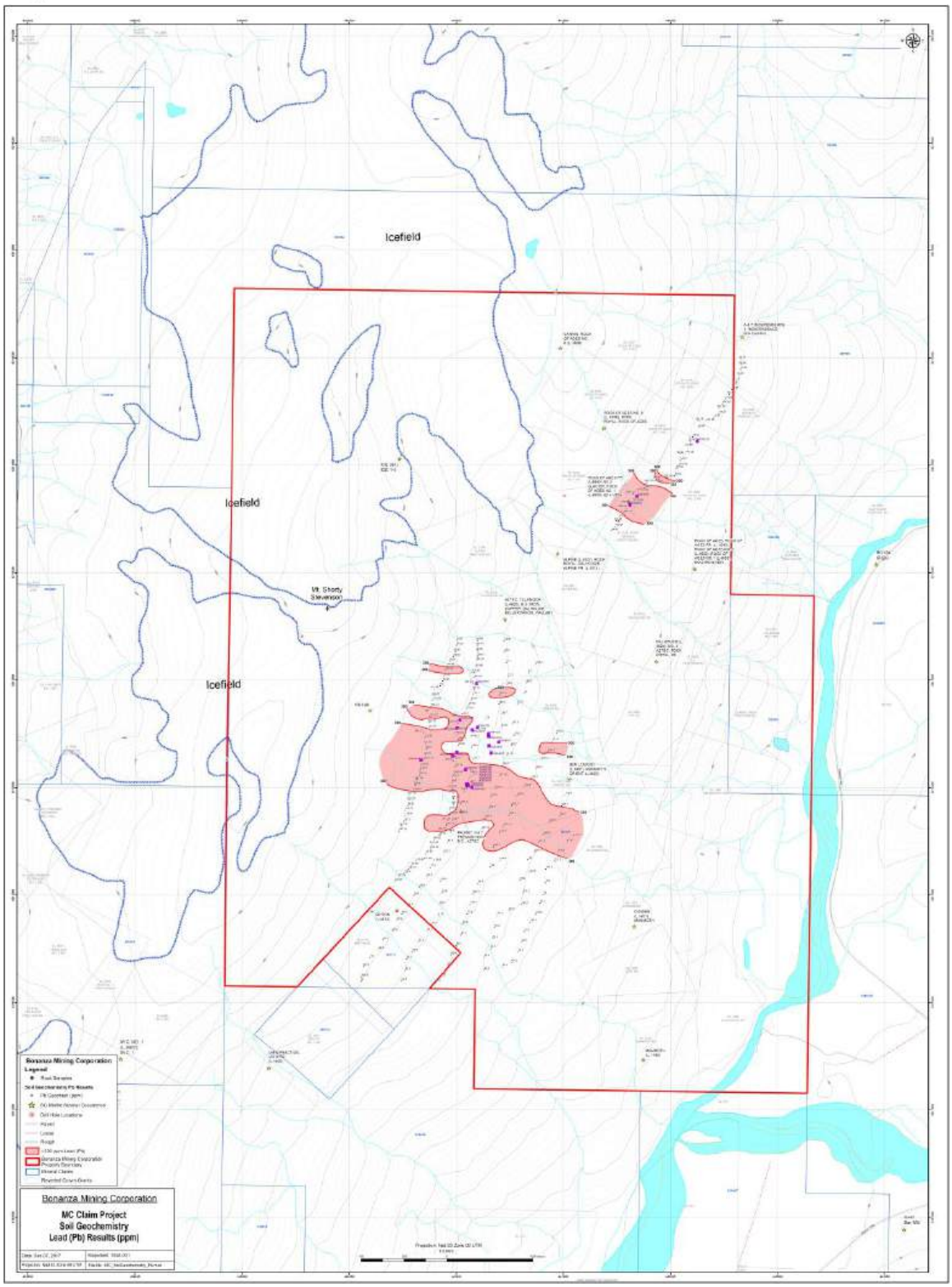


Figure 9-19 Lead in Soils

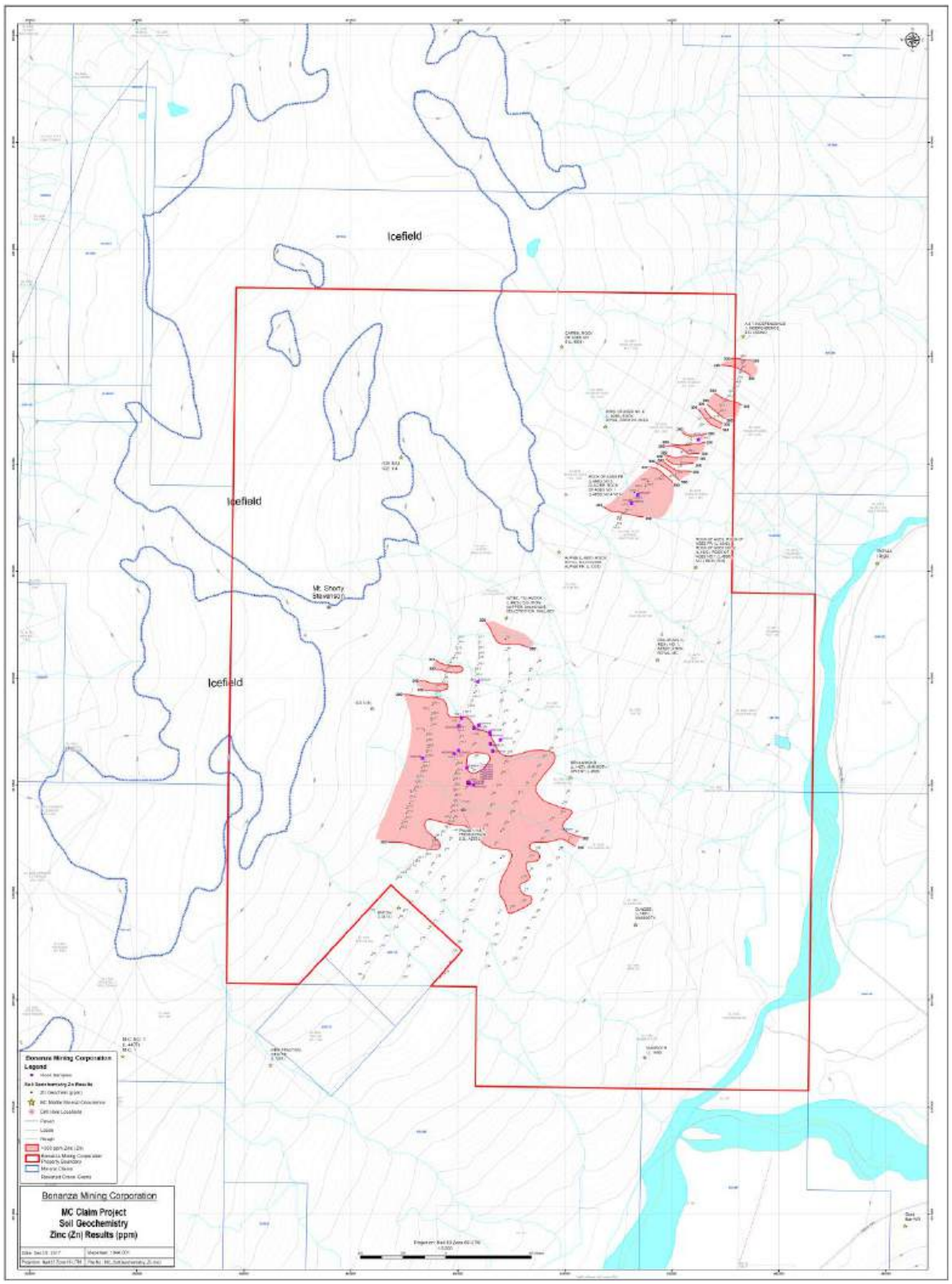


Figure 9-20 Zinc in Soils

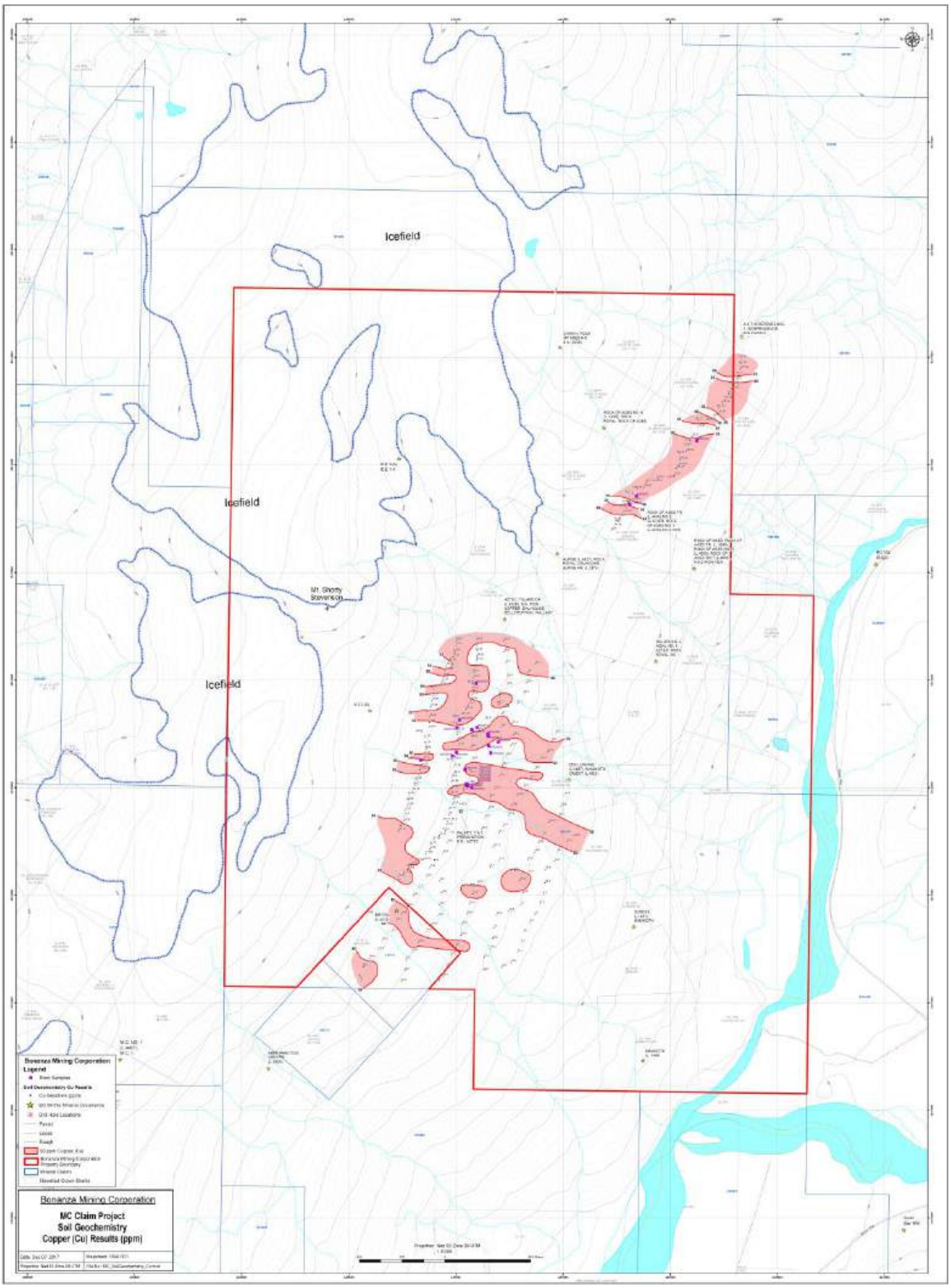


Figure 9-21 Copper in Soils

9.3.2 **Results of 2017 Prospecting and Rock Sampling**

Prospecting work during the CJL Enterprises program located numerous quartz-carbonate polymetallic sulfide veins within the anomaly, several of which had been previously trenched by earlier exploration work.

The analytical/assay results from the 27 rock samples returned values up to 10.5g/t Au, 1,503g/t Ag, 5.31% Pb, 5.72% Zn and 6,693ppm (0.67%) Cu. Descriptions of these rock samples are in Table 9-1 with the locations of the rock samples shown in Figures 9-22 and 9-23.

There were six separate samples that contained > 1.0g/t Au and fifteen separate samples that contained > 20g/t Ag, all of these samples were collected from mineralized zones on the southern part of the property.

Table 9-1 2017 Assay Results, High-Grade Samples

Sample	Gold (g/t)	Silver (g/t)	Description
A0004533	10.5	36	Collected from a large gossan, 75m long by 20m wide, in siliceously altered gray volcanics with very fine disseminated pyrite
A0004549[1]	8.72	78.6	Collected from an area that contains at least three major quartz veins up to 30cm wide with numerous smaller cross cutting quartz veins from 10-15cm wide. The sample was collected from the center vein that is 30cm wide and contains a 15cm wide horizon containing high-grade coarse galena and trace chalcopyrite. The veins exhibit massive, brecciated, wispy and colloform textures. Minor quartz-carbonate veins are present as well and the zone is possibly the continuation of the zone that contains some old workings
A0004539	4.04	21.3	A 1.0m chip sample from an old hand trench 2.1m long and 2m deep at the southeastern part of an area of old workings. This trench cuts through a very siliceous volcanic gossan with numerous quartz veins carrying variable amounts of very fine grained galena and possible sphalerite to massive coarse grained galena, chalcopyrite and trace sphalerite. The zone pinches to the southeast to about 45cm and flares out to the northwest. The weathered surface is very rusty and contains large pockets of limonite with decomposing pyrite
A0004542	2.86	34.0	A grab sample collected from an outcrop of a galena, chalcopyrite and sphalerite rich zone with brecciated fragments of country rock
A0004543	1.4	27.8	A 1.0m chip sample from a zone that siliceous gray volcanics, basalt flows, bleached volcanic horizons and intermingled quartz veins and siliceously altered zones with massive to disseminated galena, chalcopyrite and sphalerite
A0004532	1.2	1,503	Only 369ppm copper, 68ppm antimony, 0.44% lead and 1.27% zinc [2]

1) The samples containing the second to fifth highest gold values and the sample containing 1,503g/t silver were collected along what appears to be the same mineralized system over a strike length of about 300m and it strikes northwesterly at approximately 310°.

2) The low copper-lead-zinc results are indicating there are not a lot of copper-lead-zinc sulfide minerals such as chalcopyrite, galena, sphalerite or tetrahedrite in the sample that could host the silver. Similarly, the relatively low to moderate antimony content does not indicate the silver is contained in silver-antimony minerals such as pyrargyrite or stephanite. It is therefore most likely the silver is contained in argentite, which is a silver sulfide mineral, or is present as native silver.

Table 9-2 2017 - Geology and Assay Results

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
A0004523	442124	6214113	1000	Outcrop 320°/84° rusty weathered surface, grey volcanics with 2-3% disseminated pyrite and possible chalcopyrite
A0004524	441811	6213815	1109	Large angular float boulder of siliceous, grey volcanic, 2-3% pyrite as small veins and 1cm wide blebs. The cut sample shows a very interesting texture, with the siliceously altered mudstone horizons slightly folded then broken and offset. The fractured clasts were then cemented with fine grained, grey sulphides, primarily pyrite
A0004525	441842	6213856	1099	Outcrop, very rusty irregular zone of very fine grained, grey volcanics with 3-5% disseminated pyrite
A0004526	441152	6212694	1180	Outcrop trend 336° center of quartz swarm with up to nine veins over an area of 50m wide and 90m in length. The individual veins are cross-cut by smaller veins and vein sets with irregular strikes. The system is hosted in siliceous, fine grained, grey volcanics. Veins pinch and swell with locally high-grade galena and chalcopyrite with lesser bornite and possible sphalerite occurring as contact selvages and pods within barren quartz. The sample is from a 50cm wide vein with a 20cm wide high-grade core containing 5% coarse grained galena, chalcopyrite and bornite
A0004527	441150	6212739	1206	Outcrop trend 360°, 40cm wide quartz vein with 1-2% very coarse grained galena. A 15cm wide quartz vein trending at 15° appears to have been cut by 40cm wide vein trending 360°
A0004528	441149	6212749	1217	Outcrop 10m north of previous sample along same 40cm wide quartz vein. The zone is marked by a heavy rust stained, weathered surface, with minor intense zones of malachite and azurite. Fresh face contains 5% coarse grained galena and chalcopyrite. Veins are buried to the north by scree slope
A0004529	441094	6212984	1283	Rusty sheared volcanic horizon 15m wide. Siliceous, fine-grained, volcanic unit with localized limonitic patches. Weathering penetrates to 15cm with fractures weathered to 5cm. Fresh volcanic rock contains 1-2% very fine-grained disseminated pyrite with limonite within the weathered sections. The hill contains numerous pods and horizons identical to this unit
A0004530	440983	6212648	1287	Outcrop 116°/64°, a 12cm wide quartz vein in a large spine within a steeply dipping creek draw. The spine contains two such veins that are locally mineralized and pinch and swell along strike
A0004531	441002	6212664	1274	Float, cobble sized float of fine-grained, grey, volcanic host with 85% quartz-carbonate veins. Vein contains small vugs that are infilled with calcite and coarse grained galena. Two small pods to 1cm diameter consisting of coarse to very fine-grained galena within the outer margins of the vein. A 1cm wide vein within the volcanic unit is surrounded by a sericite alteration halo that extended 1cm on either side of the vein
A0004532	441004	6212777	1283	Float, cobble of quartz-carbonate vein with 5% chalcopyrite-pyrite-galena. Weathered surface is vuggy and moderately rusty. The area has a number of mineralized float samples, but prospecting above this zone shows no indications of mineralization in place. The area is 95% lichen covered outcrop, and the mineralized zone should be nearby due to the angular condition of the outcrop
A0004533	441017	6212814	1281	Outcrop Trend 343°, large gossan, 75m long by 20m wide trending north-northwest. Siliceously altered gray volcanics with very fine-grained disseminated pyrite. Locally limonitic along weathered edges and fracture plains and also within unaltered volcanic rock as elongated blebs
A0004534	441198	6212711	1172	Outcrop 345°/90°, 45cm wide quartz vein with a 10cm wide horizon with rusty weathered surface containing 5% coarse-grained galena with angular limonitic

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
A0004535	441162	6212661	1160	Outcrop trend 296°, 15cm wide quartz vein with minor chalcopyrite. Sample is the lowermost section of the veining system before the scree slope masks all the outcrop
A0004536	441099	6212780	1224	Outcrop Trend 322°, 35cm wide quartz vein with just a slight rusty weathered surface. Large rusty/limonitic pockets in fresh rock with zones of coarse-grained chalcopyrite and galena
A0004537	441074	6212768	1228	Outcrop on a small ridge in scree slope that is a siliceous zone in northwest trending gossan. Chloritic volcanics with small quartz veinlets. Sample contains 1-2% disseminate pyrite and possible chalcopyrite
A0004538	441043	6212583	1190	Outcrop 160°/52°, 25cm wide quartz vein that appears to be a swell within the system. Sample of quartz with small (2mm wide) veinlets of fine grained pyrite and disseminated fine grained chalcopyrite. Small patches of coarse-grained chalcopyrite and galena are also present
A0004539	441072	6212501	1203	1.0m chip 130°/72°, lowest (southeastern) part of old workings. The sample is from an old hand trench 2.1m wide and 1.8m deep. The trench cuts through a very siliceous, volcanic gossan with numerous quartz veins carrying variable amounts of very fine-grained galena and possible sphalerite to massive, coarse-grained galena, chalcopyrite and trace sphalerite. The zone pinches to the southeast to about 45cm and flares out to the northwest. The weathered surface is very rusty and contains large pockets of limonite with decomposing pyrite
A0004540	441055	6212510	1203	1.5m chip, 20m uphill at 297° a 2nd hand trench was discovered. This trench cut through 3m of siliceous, fine-grained, grey volcanics with quartz veins and replacement zones containing trace to massive zones of fine to coarse grained galena, chalcopyrite, pyrite and sphalerite. A subtle zonation of pyrite grading to galena was noticed in this sample
A0004541	441054	6212510	1203	1.5m chip, continuation from previous sample. The zone becomes more siliceous with an increase in galena. Sample includes zones of fine to coarse-grained galena, chalcopyrite, sphalerite and possible bornite
A0004542	441048	6212514	1206	Outcrop trend 317°, 8m uphill at 300° from previous chip samples the zone flares out to 6m wide with larger zones of siliceous volcanics between the mineralized quartz veins. This sample was a grab from outcrop of a galena, chalcopyrite and sphalerite rich zone with brecciated fragments of country rock. The zone appears to truncate to the north but mineralized float samples above zone were located
A0004543	441048	6212513	1207	1.0m chip sample starting from southwestern extent of mineralized zone sampling to the northeast. Zone contains siliceous grey volcanics, basaltic flows, bleached volcanic horizons and intermingled quartz veins and siliceously altered zones with massive to disseminated galena, chalcopyrite and sphalerite
A0004544	441049	6212513	1206	1.0m chip sample continuation from previous sample. Zone contains siliceous grey volcanics, basaltic flows, bleached volcanic horizons and intermingled quartz veins and siliceously altered zones with massive to disseminated galena, chalcopyrite and sphalerite
A0004545	441050	6212514	1206	1.0m chip sample continuation from previous sample. Zone contains siliceous grey volcanics, basaltic flows, bleached volcanic horizons and intermingled quartz veins and siliceous zones with massive to disseminated galena, chalcopyrite and sphalerite
A0004546	441050	6212515	1205	1.0m chip sample continuation from previous sample. Zone contains siliceous grey volcanics, basaltic flows, bleached volcanic horizons and intermingled quartz veins and siliceously altered zones with massive to disseminated galena, chalcopyrite and sphalerite

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
A0004547	441051	6212515	1205	1.0m chip sample continuation from previous sample. Zone contains siliceous grey volcanics, basaltic flows, bleached volcanic horizons and intermingled quartz veins and siliceously altered zones with massive to disseminated galena, chalcopyrite and sphalerite
A0004548	441052	6212516	1205	1.0m chip sample continuation from previous sample. Zone contains siliceous grey volcanics, basaltic flows, bleached volcanic horizons and intermingled quartz veins and siliceously altered zones with massive to disseminated galena, chalcopyrite and sphalerite
A0004549	440835	6212627	1420	Outcropping veins oriented at 130°/38° within scree. Area contains at least three major quartz veins to 30cm with numerous smaller (10-15cm wide), cross-cutting quartz veins. The veins appear to be following the fracture sets within the host volcanic unit. The main vein sets are 130° and 86°. Sample from center vein that is 30cm wide within which is a 15cm wide horizon containing high grade, coarse galena and trace chalcopyrite. The veins exhibit massive, brecciated, wispy and colloform textures. Minor quartz carbonate veins are present as well. This is possibly the continuation of the zone containing the old workings

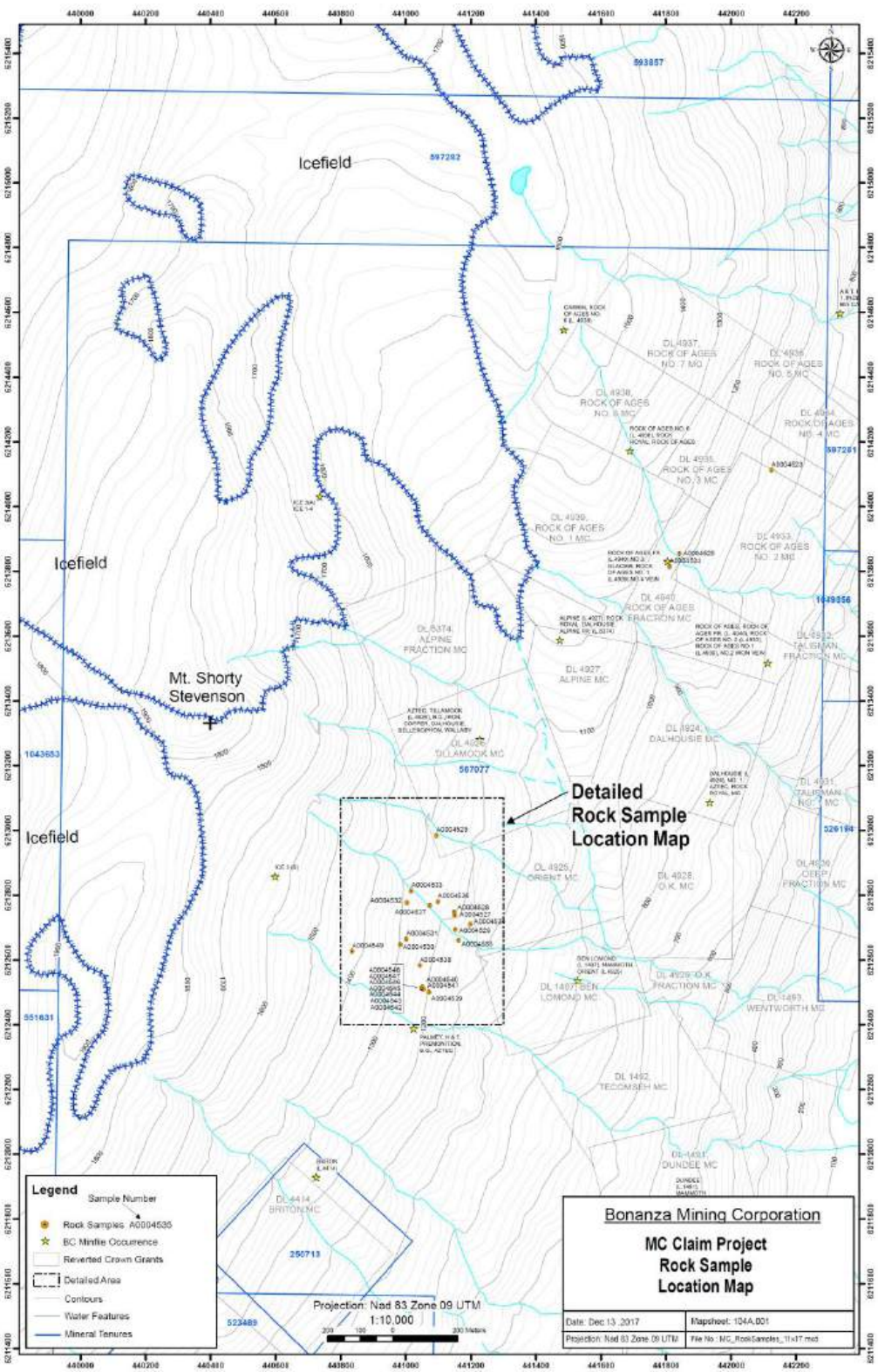


Figure 9-22 2017 Rock Sample Location Map

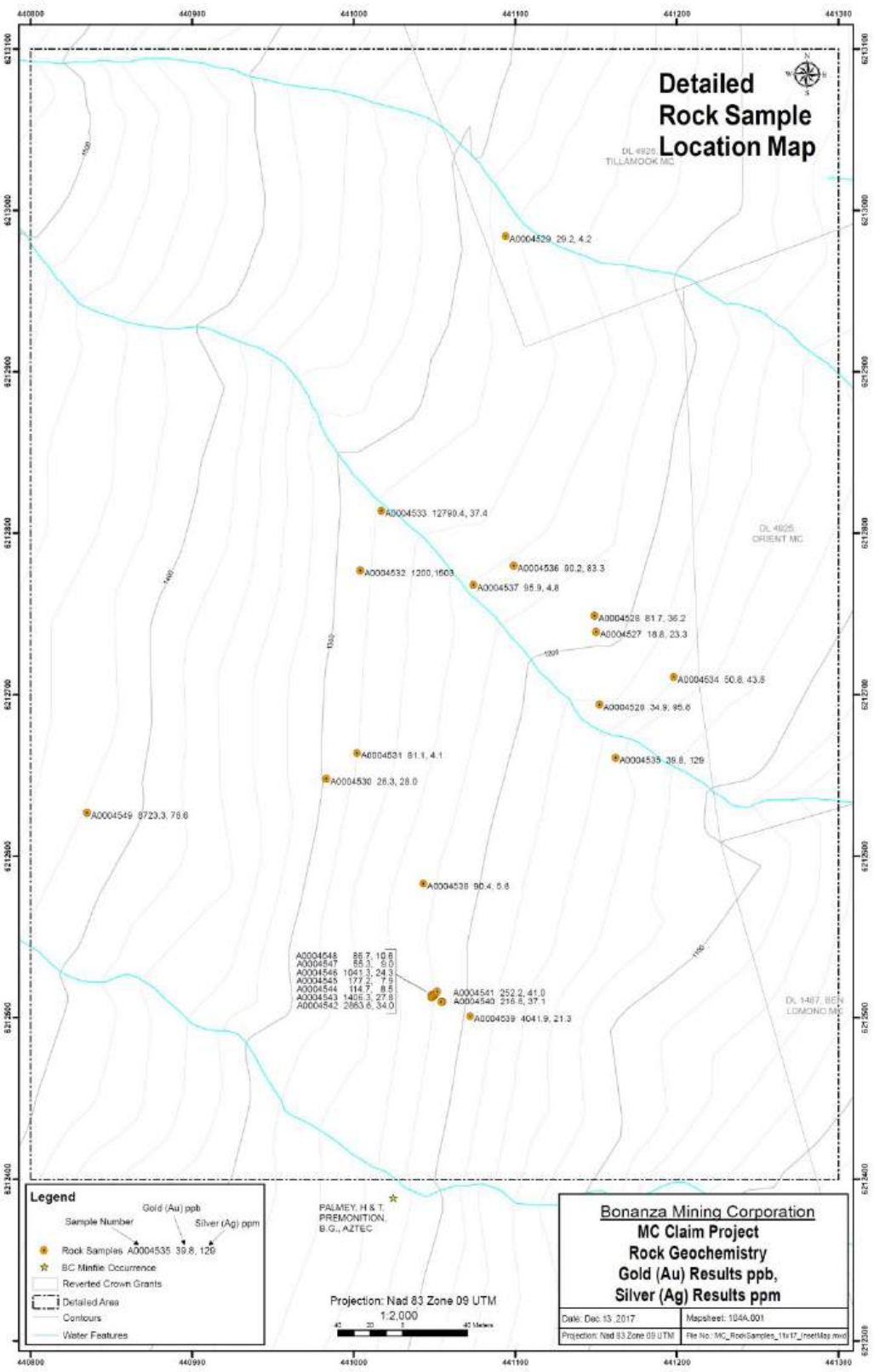


Figure 9-23 2017 Detailed Rock Sample Location Map

9.4 Recommendations from 2017 Geophysical Survey

All three parameters, magnetics, chargeability and resistivity suggest a lithological change between the southern and northern halves of the survey grid. The southern half is characterized by lower resistivity, lower chargeability and lower magnetic intensity than the northern half. The boundary between these two areas coincides with a major fault structure that runs northwesterly across the entire MC 1 claim and is a deeply incised gully that hosts a small glacier.

Two high chargeability zones are mapped in the northern part of the survey grid near 300m depth. These may be reflecting disseminated or semi-massive sulfide bodies and could be related to the vein systems mapped at the surface. Inversion modeling suggests narrow apophyses may extend up from these bodies and approach the ground surface.

The R3 resistivity anomaly is a 200-300m wide zone of anomalously low resistivity that crosses the grid in the vicinity of station 4400N. This anomaly may be reflecting a fault zone that is associated with several of the known mineralized vein systems. If this relationship can be confirmed it may provide a tool for directing further exploration along strike both to the northwest and southeast.

Follow-up to the geophysical surveys include:

1.) Geological mapping is recommended to identify the source of the high resistivity layers R4a, R4b and R4c. This information will help determine whether these features are in some manner related to the target mineralization. From previous mapping it is most likely these layers are three separate, siliceous volcanic beds.

2.) Chargeability anomalies C1 and C2 are both comprised of a large and deep body with small, apophyses extending to the surface. One possible interpretation is that the deep anomalies represent large buried masses of disseminated to semi-massive sulfides and the surface features are representing small, localized zones that originated from them. No evidence has been found that suggests these deep bodies have already been tested. It is likely that drilling will be required.

Considering the steep terrain, finding suitable sites to access and construct drilling platforms will play a major role in determining the most efficient way to drill. A preferred scenario to help minimize the length of the holes would be to collar them downslope to the southeast of the targets and angle their azimuths to the northwest to intersect the interpreted targets.

Initial holes should target the center of the high chargeability bodies, but multiple holes will likely be required in order to identify and delineate them. If these targets reflect sulfide mineralization, it is possible that the highest chargeability zones may be associated with high pyrite concentrations and economic mineralization may be found around the periphery of chargeability anomalies.

Two targets have been selected that represent the interpreted centers of the large, buried chargeability anomalies.

The C1 anomaly center is located at UTM grid coordinates 441590E / 6213390N / 710m, this point is approximately 400m below ground surface of 1120m.

The C2 anomaly center is located at UTM grid coordinates 441895E / 6214027N / 900m, this point is approximately 265m below the ground surface of 1165m.

The drillhole azimuths, dips and lengths will need to be calculated to intersect these targets once suitable drill collar locations have been established.

3.) The main magnetic anomaly on the southern half of the survey grid is located at the northern edge of a body of Texas Creek granodiorite and appears to have several northwest striking dykes emanating from it that run through the multi-element soil and rock sample anomalous area.

This is potentially significant as gold-silver mineralization at the Premier mine occurs adjacent to bodies of Texas Creek granodiorite and associated dykes.

The main mineralized copper-pyrite-gold bearing showings at the Dalhousie area in the northern half of the survey grid also contain a considerable amount of magnetite and a ground magnetic survey conducted by a previous explorers traced the magnetite mineralization for at least 1km.

It is possible that the C 1 chargeability anomaly is due to magnetite which may be significant as the main Dalhousie showing assayed 21.77 g/t Au across 6m.

9.5 Recommendation from 2017 Soil and Rock Sampling

The soil and rock sampling surveys have outlined a significant zone of gold and silver mineralization and lead, zinc and copper sulfides associated with quartz-carbonate veining and brecciation on the southern half of the survey area.

The soil anomaly is over 300m long in a northwest trend and is open along strike. Significantly this soil anomaly is coincident with a ground magnetic anomaly that follows the strike of the mineralized zone and the magnetic anomaly is situated at the northern edge of an intrusive body of Texas Creek granodiorite which is a setting similar to the location of gold-silver mineralization at the Premier mine.

9.6 2019 Rock sampling surveys

Moose Mountain Technical Services, BC was contracted by Bonanza Mining Corporation to conduct a prospecting and rock sampling program investigating mineralization held along the eastern slopes of Bear River Ridge.

A two person crew mobilized and carried out this work from August 25-31, 2019, collecting a total 34 rock samples. Rock sample locations and descriptions for high-grade samples and assay results are provided in Tables 9-3 and 9-4.

Rock sampling target locations were designed to test and constrain magnetic anomalies and mineralized structures identified during the 2017 exploration program.

9.6.1 **Results of 2019 Prospecting and Rock Sampling**

Prospecting work during the Moose Mountain Technical Services program located numerous quartz-carbonate polymetallic sulfide veins within an anomalous zone directly southwest and east of the Mount Shorty Stevenson peak. Historic trenching exposing quartz-carbonate polymetallic sulfide veins was also identified further downslope to the southeast of Mount Shorty Stevenson corresponding to samples 032014 and 032015. Samples 032014 and 032015 overly a magnetic anomaly identified by the 2017 geophysical surveys. Rock sample locations for the 2019 field program are provided in Figures 9-24 and 9-25, with corresponding assays illustrated in Figures 9-26 to 9-35.

The analytical/assay results from the 34 rock samples collected in 2019 returned values up to 5.45 g/t Au, 424 g/t Ag, 6.01% Pb, 17.11% Zn, and 4.91% Cu. Details of high-grade samples are provided in Table 9-3. Table 9-4 summarizes the location and gives a description for each of the 2019 samples.

Table 9-3 2019 Assay Results, High-Grade Samples

Sample	Gold (g/t)	Silver (g/t)	Description
032008	5.45	212	**Tuffaceous Sandstone:** Dark-green andesitic litharenite, host brecciated by mm-cm scale irregular milky-white quartz vein with branching veinlets, dark-green chlorite alteration on vein margins hosting majority of sulphides, 2% fine-grained disseminated pyrite, 1% fine-grained disseminated chalcopyrite, <1% mm-cubic galena, 2% coarse-grained dark-brown sphalerite, weathers light-beige, subrounded to subangular dm-scale float, assayed 1.40% Pb, 5.36% Zn
032011	0.65	>100	**Tuffaceous Sandstone:** Dark grey-black-green andesitic litharenite host, 1-2cm milky-white quartz veins moderately boudinaged, moderate to strong medium-green-yellow epidote alteration proximal to veining, 20-30% fine-grained massive galena, 10-15% medium-grained dark-brown sphalerite, sulphides are generally massive occurring as 1-2cm veins adjacent to and within quartz-carbonate veining, abundant vuggy weathering, weathers medium to dark-red, and light-brown-yellow-white, angular dm-scale float
032032	0.75	424	**Argillaceous Siltstone:** Dark-grey-black-green, chloritized argillite interbedded (cm-scale) with fine-grained purple-green silicified litharenite, mm-scale angular jasper nodules distributed along bedding margins parallel to argillaceous foliation, up to 20% fine-grained massive pyrite, 2% fine-grained massive chalcopyrite with malachite staining, strongly oxidized with dark purple-red-yellow weathering, 0.5m angular float, assayed 4.91% Cu

Table 9-4 2019 - Geology and Assay Results

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
032002	441230	6212448	1045	**Tuff:** Dark grey tuffaceous rock, fine grained, non-silicified, 3% fine-grained disseminated pyrite, fracture controlled oxidation is predominantly rusty red with some black/purple and lesser pale yellow alteration is constrained to moderate to strong foliation, foliation of rock: 120°/60°, alteration contact 132°/66°, appears constrained by foliation, outcrop
032003	441429	6212292	884	**Tuff:** Brecciated cm-scale milky-white to dark grey quartz vein, moderately siliceous weakly-green tuff, abundant tuff selvedges within veining, approximately 20% 1-2cm fine-grained and mm-cubic pyrite vein, trace mm-galena stringers along vein margins, weathers dark brown-red-beige, float
032004	441398	6212311	904	**Tuff:** Dark-green andesitic tuff, moderate to strong pervasive chlorite, non-magnetic, 10% mm-cubic pyrite concentrated in mm-scale quartz veinlets parallel to strong foliation, weathers dark red-purple and medium brown within fractures, float
032005	441438	6212304	893	**Tuff:** Medium tone grey tuff, 3-5% pyrite occurs in small, mm-scale blebs and as fine grained disseminated grains with minor cubic pyrite, pyrite blebs are more abundant within altered portions, <1mm scale quartz veinlets, weathers rusty red-orange, float
032006	441450	6212281	878	**Tuff:** Medium-green tuff, brecciated cm-scale milky-white massive quartz vein, dark green to black chlorite on margins of the vein hosting majority of sulphides, 1% mm-cubic galena, 2-3% fine disseminated pyrite, trace chalcopyrite with light-green malachite staining, weathers dark-red to light yellow-brown, angular dm-scale float, float
032007	441451	6212296	885	**Tuff:** Chloritic tuff, dark grey with greenish tinge, rock contains 1-3 cm selvedges that are dark greenish to black in color--they look as though they are more heavily chloritized, minor discontinuous quartz veining, minor pyrite blebs typically ~2-4 mm and variably strung out, up to 1-2 cm long, pyrite is typically localized within blebs but also fine grained and disseminated, possible galena primarily within chloritized selvedges, weathers rusty red-orange with lesser pale yellow, float
032008	441454	6212270	875	**Tuffaceous Sandstone:** Dark-green andesitic litharenite, host brecciated by mm-cm scale irregular milky-white quartz vein with branching veinlets, dark-green chlorite alteration on vein margins hosting majority of sulphides, 2% fine-grained disseminated pyrite, 1% fine-grained disseminated chalcopyrite, <1% mm-cubic galena, 2% coarse-grained dark-brown sphalerite, weathers light-beige, subrounded to subangular dm-scale float
032009	441444	6212276	877	**Tuffaceous Sandstone:** Medium tone grey with greenish tinge, some darker grey nodes, possible selvedges no greater than 2 cm, pyrite occurs in ~2mm blebs, and some stringers (up to 5cm long), variable galena but always as blebs and typically localized to darker, grey-black less weathered portions of rock, weathers rusty red to orange-brown, no quartz veining in rock but moderate to strong silicification, float

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
032010	441460	6212263	871	**Dacitic Tuff:** Brecciated irregular and discontinuous milky-white quartz vein cm-scale within off-white volcanic host, host contains variable moderate to strongly pervasive silica-alteration, <1% finely-disseminated chalcopyrite, <1% fine-grained disseminated pyrite, up to 20% massive fine-grained galena concentrated within vein proximal to strongly chloritized selvedges of brecciated host rock, minor medium-cubic galena, weathers light to medium brown, angular float near outcrop
032011	441454	6212197	860	**Tuffaceous Sandstone:** Dark grey-black-green andesitic litharenite host, 1-2cm milky-white quartz veins moderately boudinaged, moderate to strong medium-green-yellow epidote alteration proximal to veining, 20-30% fine-grained massive galena, 10-15% medium-grained dark-brown sphalerite, sulphides are generally massive occurring as 1-2cm veins adjacent to and within quartz-carbonate veining, abundant vuggy weathering, weathers medium to dark-red, and light-brown-yellow-white, angular dm-scale float
032012	440996	6213049	1357	**Tuffaceous Sandstone:** Light-grey, strongly silicified, possibly tuffaceous, 1-2% fine-grained disseminated pyrite with minor fine-grained mm-scale blebs, outcrop strongly sheared within SE striking fault zone, weathers rusty-red-purple to light beige, outcrop
032013	441303	6213298	1170	**Tuff:** Medium tone grey tuff, fine grained disseminated pyrite scattered throughout rock ~2%, 2 orientations of veins/veinlets: (1) subparallel to foliation-- pyrite/oxidation concentrated around the margins mm scale; (2) wider, 1cm roughly perpendicular to foliation, weathers reddish with some patches of darker-into purple/black and lesser yellow/beige, outcrop
032014	441333	6213057	1141	**Tuffaceous Sandstone:** Dark grey-green volcanic litharenite, mm-scale discontinuous and irregular quartz veinlets associated with mineralization, minor clear to white coarse cubic soft mineral parallel and on vein margins (potentially gypsum?), 3% variably strongly magnetic fine-disseminated pyrrhotite, 2% fine-massive chalcopyrite, 5% fine-massive pyrite, all sulphides appear to occur as continuous and discontinuous mm-stringers, weathers dark-green-grey-orange, outcrop
032015	441329	6213058	1145	**Tuffaceous Sandstone:** Weakly foliated, dark grey with greenish tinge, volcaniclastic litharenite, minor quartz veinlets ~mm to cm scale, larger veinlets contain nodules of a transparent mineral on margins (possible gypsum-soft and has cleavage), typically weathers reddish orange. Rock is weakly siliceous, altered surfaces are oxidized, most typically rusty red/orange into purple/black, abundant fine grained disseminated cubic pyrite (up to 10%) in dark matrix of rock, stringers range in size but typically ~1-2 cm in the longest orientation, mineralized blebs/stringers contain 3% p77 pyrrhotite, 4% chalcopyrite, ~3% pyrite, dump float
032016	0441396	6212935	1094	**Tuff:** Grey/greenish lapilli tuff speckled with mm-scale feldspar, ~1mm wide quartz veins cutting through rock, veins have two orientations but both are roughly the same width, veins are white but variably oxidized from minor along margins to pervasive rusty orange, non-magnetic, mainly pyrite varying from fine grained disseminated to blebs and lesser stringers--blebs and stringers are disseminated within less weathered host, mineralization comprises 5-7% of rock, surface weathering rusty red into deep red/purple and lesser orange, float

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
032017	441395	6212988	1093	**Tuff:** Light-green-yellow to dark-green lapilli tuff with mm-subangular white feldspar clasts, mottled coloring, strongly sheared by multiple foliation planes, 10% fine disseminated pyrite with minor massive mm-blebs, weathers dark orange-purple to medium-brown in fractures and medium-grey in subcrop, float is meter-scale and angular, float
032018	0440273	6212704	1833	**Volcanic Breccia:** Medium grey, weakly siliceous, variable amounts of massive, fine grained pyrite within blebs, mm to cm scale with lesser disseminated grains 1-2% only, surface weathering varies from bleached pale yellow into deeper red/purple/black, float
032019	440276	6212704	1838	**Volcanic Breccia:** Medium to dark-grey-green fine-grained volcanic lithic breccia with mm-cm quartz-carbonate veins/veinlets, minor fine-grained 7% massive pyrite blebs with locally up to 10% fine-grained pyrite concentrated as mm-stringers within veining, weathers dark red-purple, outcrop
032020	440274	6212805	1852	**Tuffaceous Sandstone:** Interbedded white bleached volcanic in contact with unbleached volcaniclastic litharenite, 2% fine-grained disseminate pyrite with up to 20% mm-cm blebs of massive and disseminated fine-grained pyrite, strongly siliceous, possible minor sericite, dissolved weathered appearance, weathers dark-purple-red-orange-yellow on unbleached section, float
032021	440272	6212805	1815	**Volcanic Breccia:** Medium grey, strongly silicified, pyrite is disseminated and in mm scale stringers, variable abundance but overall 5-7%, pyrite is locally clustered within mm scale quartz veinlets and along fractured surfaces, surface weathering is bleached pale yellow to rusty red/orange and minor purple, float
032022	440271	6212853	1857	**Tuff:** Light-grey strongly silicified tuff, interbedded, light-green weakly pervasive epidote alteration, sample taken from margins of glaciated 10cm -wide milky-white vein trending 156° degrees (NW-SE), branching quartz-carbonate veinlets with similar orientation to vein, 10-15% fine-massive pyrite concentrated along vein margins and mm-scale quartz-pyrite veinlets, veinlets occur in NW-SE and E-W orientations with localized bleaching (4a alteration) on vein margins, weathers light-yellow to dark-red, outcrop
032023	440270	6212857	1815	**Volcanic Breccia:** Just west, along strike from crosscutting mineralized veinlets, entire outcrop is bleached--limonite staining with lesser hematite, rough orientation of bleached zone ~156° degrees, up to 1 cm wide vugs, mm scale quartz veinlets are present but minor, cm to mm scale brecciation parallels the margins of the bleached zone, veining is accompanied by brecciation, minor mineralization within the brecciated zone but predominantly concentrated within the more strongly bleached sections of rock. Mineralization within brecciated portion is localized to quartz veinlets, fracture controlled, sample is medium grey, massive tuffaceous litharenite, strongly silicified. Massive fine to medium cm-scale pyrite stringers irregularly branch, pyrite comprises 10% (locally up to 25% of rock), and is disseminated when not in stringers, weathers pale yellow into orange and rusty red, outcrop

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
032024	440297	6213041	1852	**Tuffaceous Sandstone:** Pyrite-quartz dm-scale vein, quartz is clear-white, host rock appears to be bleached proximal to contact with non-bleached tuffaceous litharenite, moderate to locally strong silicification, fine to coarse-grained cubic pyrite encompasses 80-90% of vein with minor interstitial remnants of quartz veining, strongly acidified with pyrite weathering, occurs on SW margins of a 2 meter-wide trench trending 350° degrees, vein appears to strike/dip 156°/62° degrees, weathers black-red-yellow, outcrop
032025	440295	6213061	1832	**Volcanic Breccia:** Within major bleached zone, host rock clasts are roughly between 5 and 20 cm across. Brecciated pyrite-rich quartz veins (up to 90% pyrite). Abundant purple/black oxidation within pyrite rich veins, zones vary between 2-10 cm wide. Brecciated clasts are composed of medium tone lithic arenite-tuff, strongly silicified, clasts contain fine grained disseminated pyrite ~1%, also contains massive fine to medium-grained <1% pyrite concentrated within mm-scale quartz veinlets, strongly oxidized, float
032026	440337	6213122	1845	**Volcanic Breccia:** Pyrite-quartz brecciated vein up to 0.5m wide, moderate to strongly acidified with pyrite weathering, occurs along contact between white-grey bleached rock (1D) and tuffaceous green litharenite (1A), mm-cm angular brecciated clasts of host rock with mm-cm scale quartz veins/veinlets containing up to 90% fine to medium-grained cubic massive pyrite, strongly foliated E-W orientation of 116°/88° appears to overprint and converge with vein trending 350° degrees (potential riedel shear development), weathers light-grey-red-yellow, outcrop
032027	441832	6213901	1140	**Tuff:** Strong red-yellow-white oxidation along sheared section of strongly silicified bleached volcanic, adjacent light grey-green unbleached tuff only moderately siliceous with moderate dark-green chlorite alteration, 1% fine-grained with rare medium-grained cubic pyrite, possible fine-grained massive mm-blebs of sphalerite, foliation striking approximately 230° with sub-vertical dip, weathers dark-red-orange, outcrop
032028	441820	6213765	1107	**Tuffaceous Sandstone:** Dark-grey-green, strongly siliceous litharenite, abundant irregular and branching pistachio-green mm-epidote veinlets, up to 10% fine-grained massive pyrite concentrated along epidote margins, dm-scale angular float, weathers dark-red-orange-yellow, float
032029	441871	6213809	1085	**Argillaceous Siltstone:** Dark-purple-green, strongly siliceous grey-green litharenite in contact with dark-black-green strongly foliated argillite, host appears to mainly consist of interlaminated argillite and siliceous litharenite, mm-cm milky-white brecciated carbonate veins/veinlets sub-parallel to the foliation with minor pyrite on margins, 2cm bed of massive fine-grained pyrite parallel and bounded by argillaceous foliation (appears to be stratabound), minor mm-scale red jasper nodules occur along bed margin, 70% fine massive pyrite mainly concentrated within apparent bedding foliation, 1% medium-grained veinlets of dark-brown sphalerite concentrated along bed margins, possible chalcopyrite intermixed with pyrite bed but difficult to tell, dm-scale angular float, weathers dark-brown-black-red

Sample	Easting (m)	Northing (m)	Elev. (m)	Description
032030	441869	6213806	1085	**Tuffaceous Sandstone:** Medium to dark grey litharenite, moderate to strong silica alteration, linear and branching mm up to 1cm milky-white quartz-carbonate veins and veinlets, 5% medium to coarse-grained dark-brown sphalerite occurs as discontinuous stringers within veins/veinlets that compose 10% of the sample, dm-scale angular float, weathers dark-brown
032031	441869	6213806	1085	**Tuffaceous Sandstone:** Medium to dark grey litharenite, moderate to strong silica alteration, linear and branching mm up to 1cm milky-white quartz-carbonate veins and veinlets, 5% medium to coarse-grained dark-brown sphalerite occurs as discontinuous stringers within veins/veinlets that compose 10% of the sample, dm-scale angular float, weathers dark-brown, duplicate of 032030
032032	441841	6213813	1099	**Argillaceous Siltstone:** Dark-grey-black-green, chloritized argillite interbedded (cm-scale) with fine-grained purple-green litharenite, mm-scale angular jasper nodules distributed along bedding margins parallel to argillaceous foliation, up to 20% fine-grained massive pyrite, 2% fine-grained massive chalcopyrite with malachite staining, 0.5m angular float, strongly oxidized with dark purple-red-yellow weathering
032033	441841	6213813	1097	**Argillaceous Siltstone:** Dark grey with greenish tinge, weakly to moderately foliated argillite with minor interlaminated feldspathic litharenite, mm-scale massive fine-grained pyrite banding that runs subparallel to foliation, minor undulations in banding, surface weathering is predominantly rusty red into brown and orange with minor yellow limonite staining
032034	440274	6212805	1852	**Tuffaceous Sandstone:** Interbedded white bleached volcanic in contact with unbleached volcaniclastic litharenite, 2% fine-grained disseminate pyrite with up to 20% mm-cm blebs of massive and disseminated fine-grained pyrite, strongly siliceous, possible minor sericite, dissolved weathered appearance, weathers dark-purple-red-orange-yellow on unbleached section, float, duplicate of 032020
032035	441460	6212263	871	**Dacitic Tuff:** Brecciated irregular and discontinuous milky-white quartz vein cm-scale within off-white volcanic host, host contains variable moderate to strongly pervasive silica-alteration, <1% finely-disseminated chalcopyrite, <1% fine-grained disseminated pyrite, up to 20% massive fine-grained galena concentrated within vein proximal to strongly chloritized selvedges of brecciated host rock, minor medium-cubic galena, weathers light to medium brown, angular float, duplicate of 032010

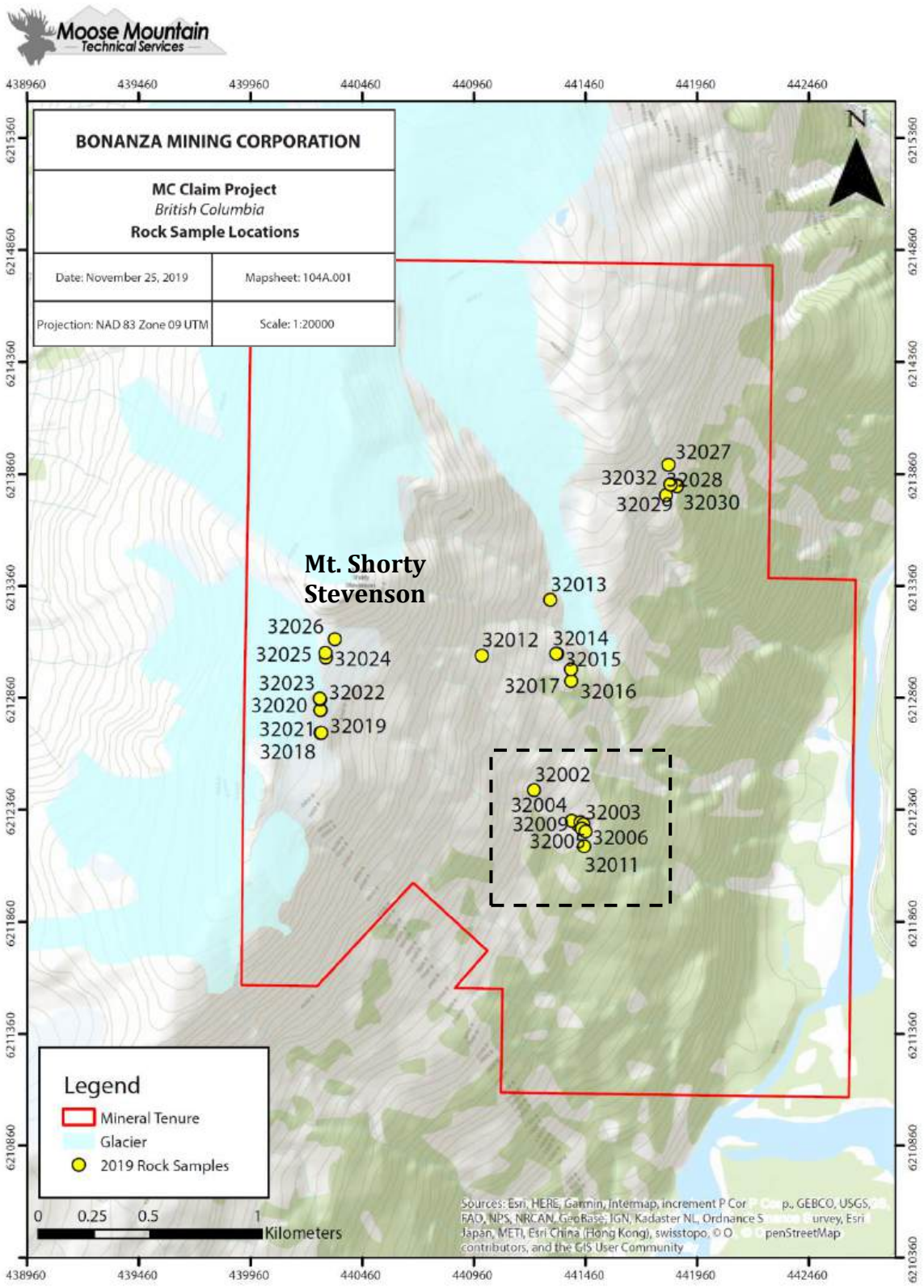


Figure 9-24 2019 Rock Sample Location Map A, black dashed box refers to Figure 9-25

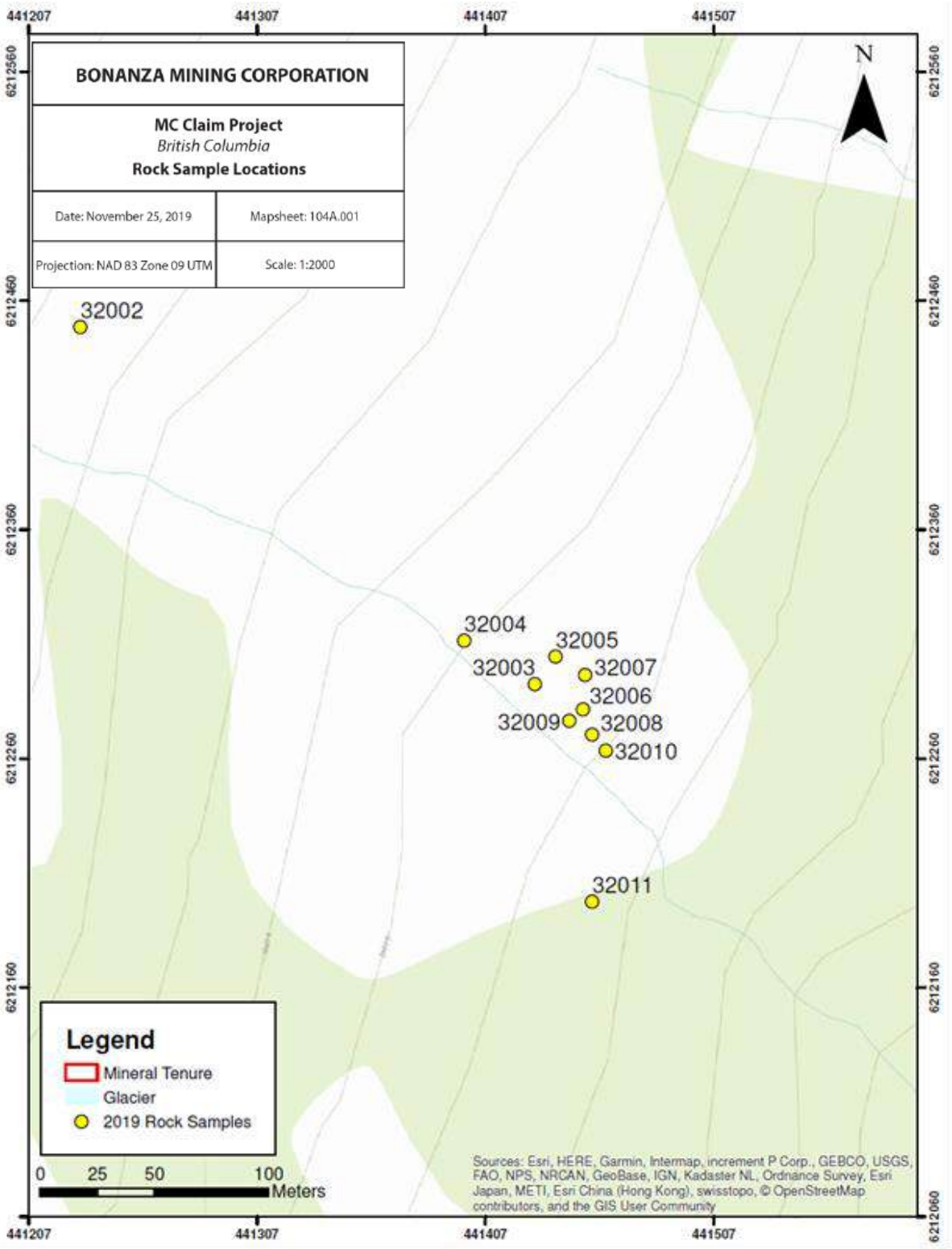


Figure 9-25 2019 Rock Sample Location Map B, detailed rock sample locations

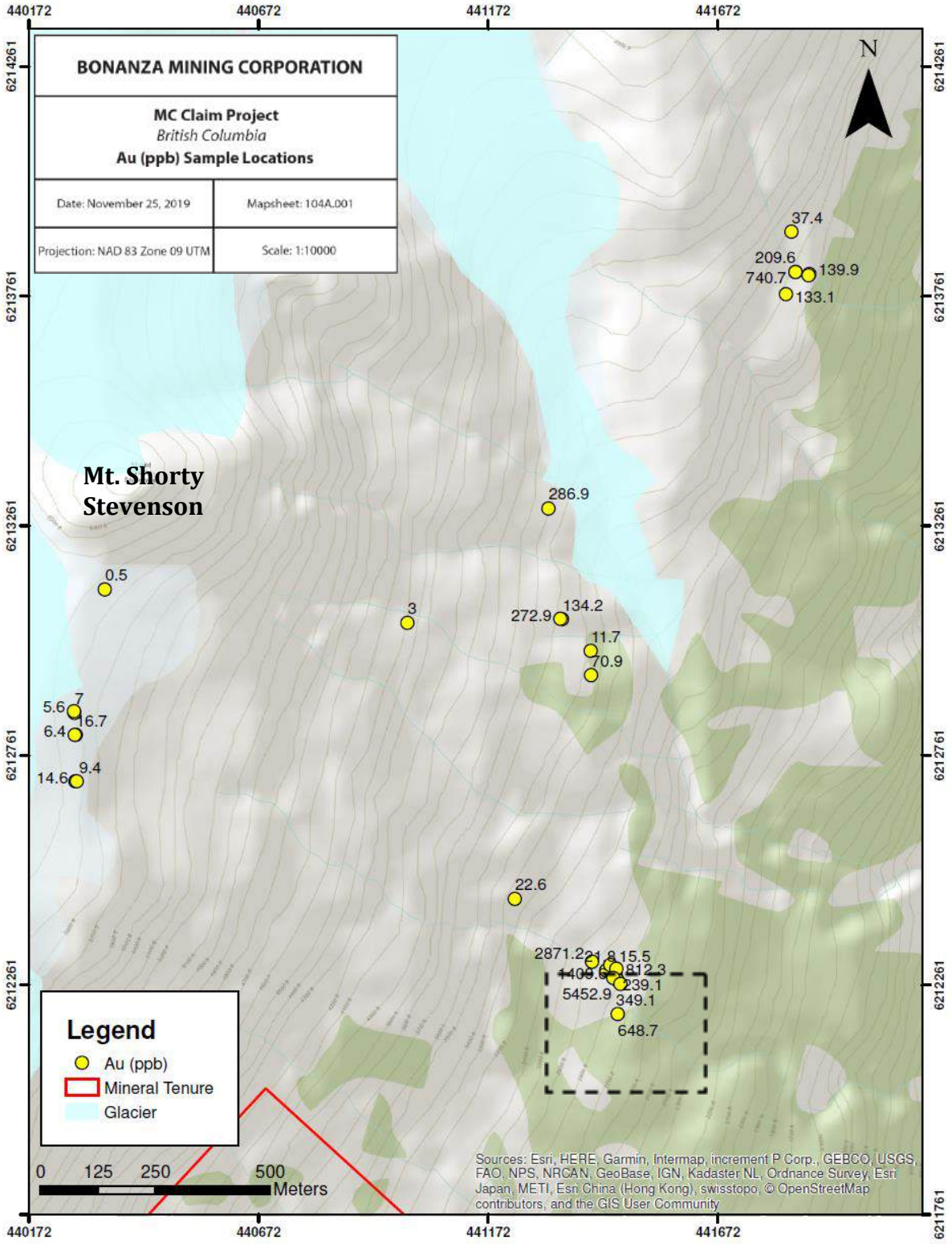


Figure 9-26 Gold (ppb) in 2019 Rock Samples, Figure 9-27 outlined by black dashed box

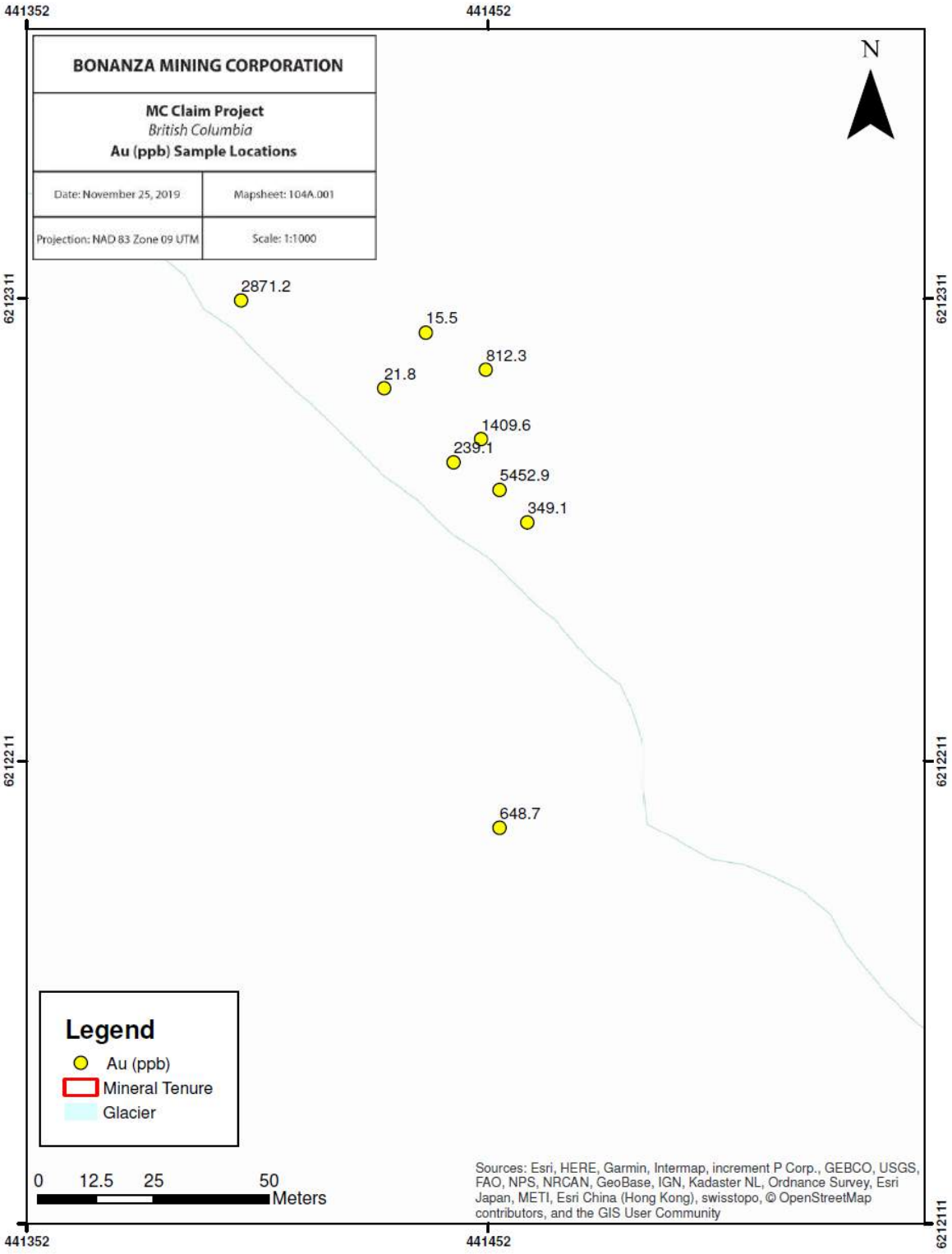


Figure 9-27 Gold (ppb) in Detailed 2019 Rock Samples

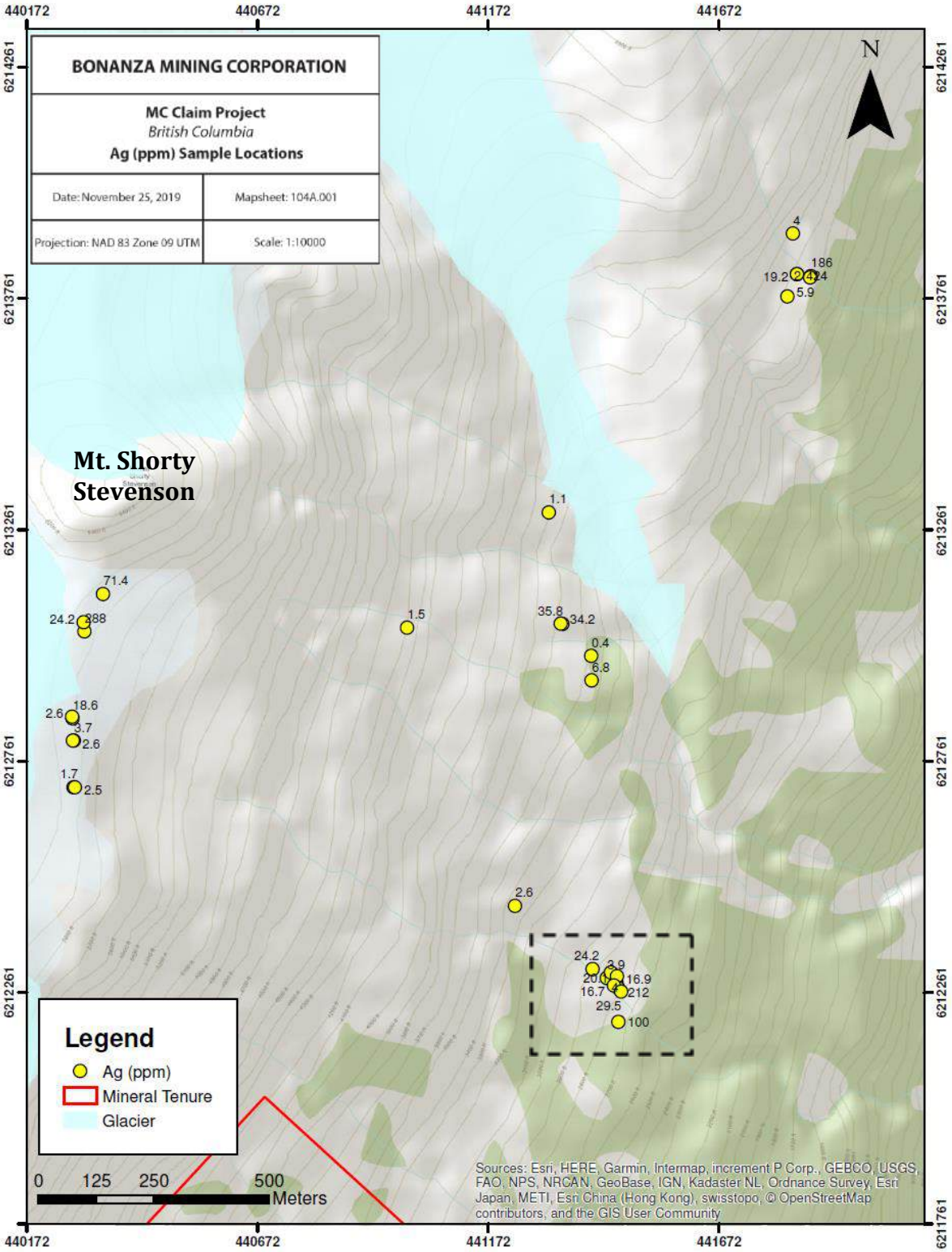


Figure 9-28 Silver (ppm) in 2019 Rock Samples, Figure 9-29 outlined by black dashed box

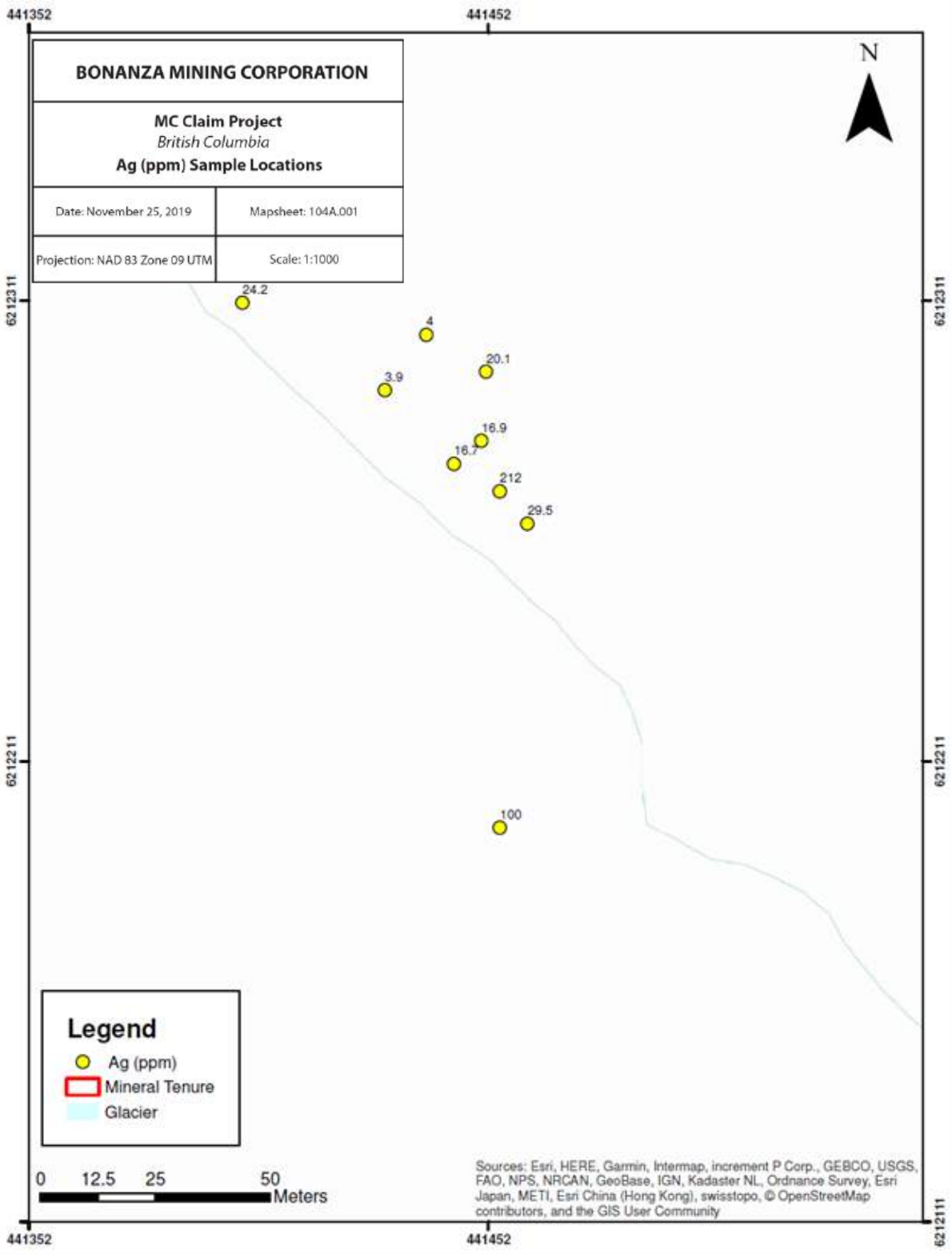


Figure 9-29 Silver (ppm) in Detailed 2019 Rock Samples

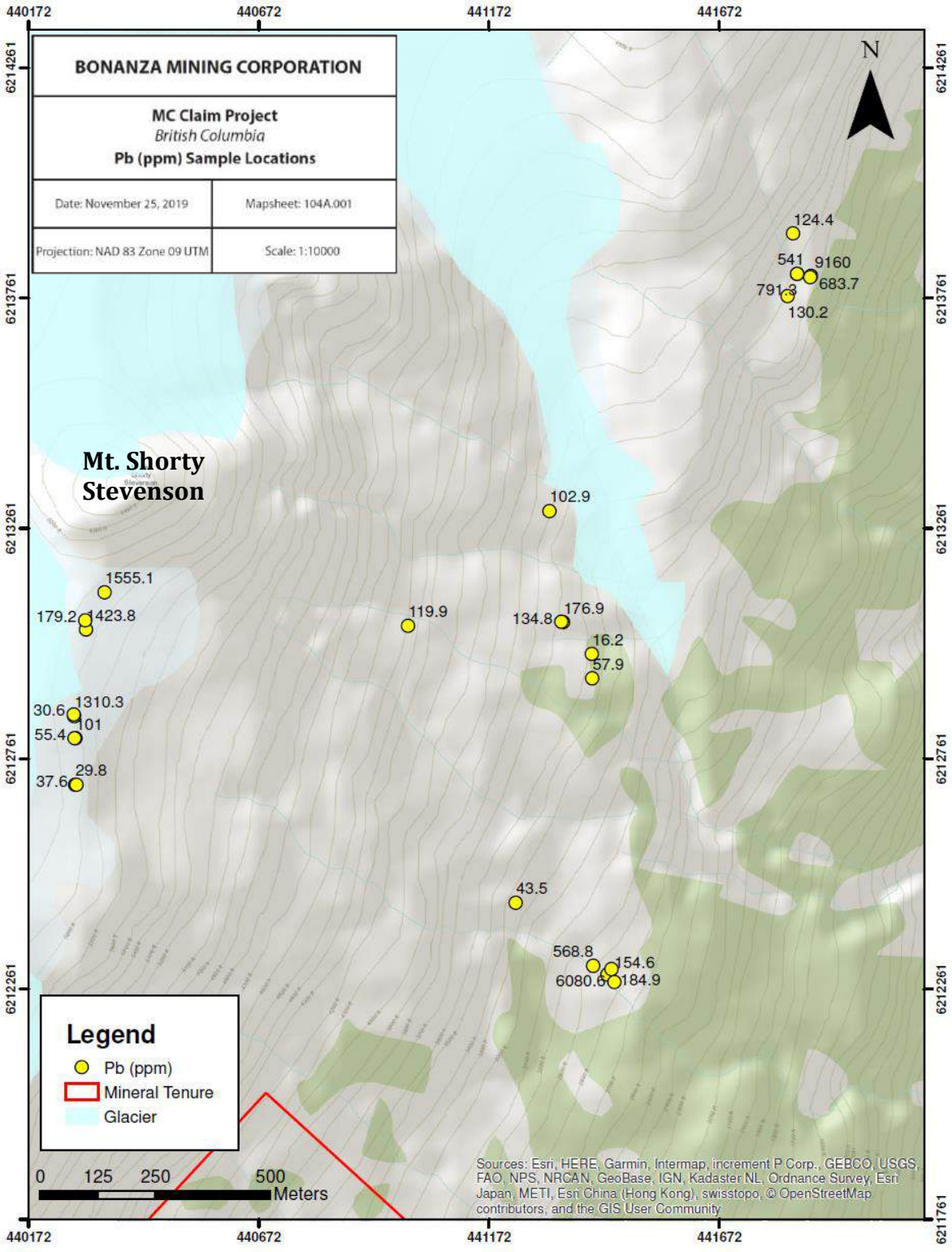


Figure 9-30 Lead (ppm) in 2019 Rock Samples

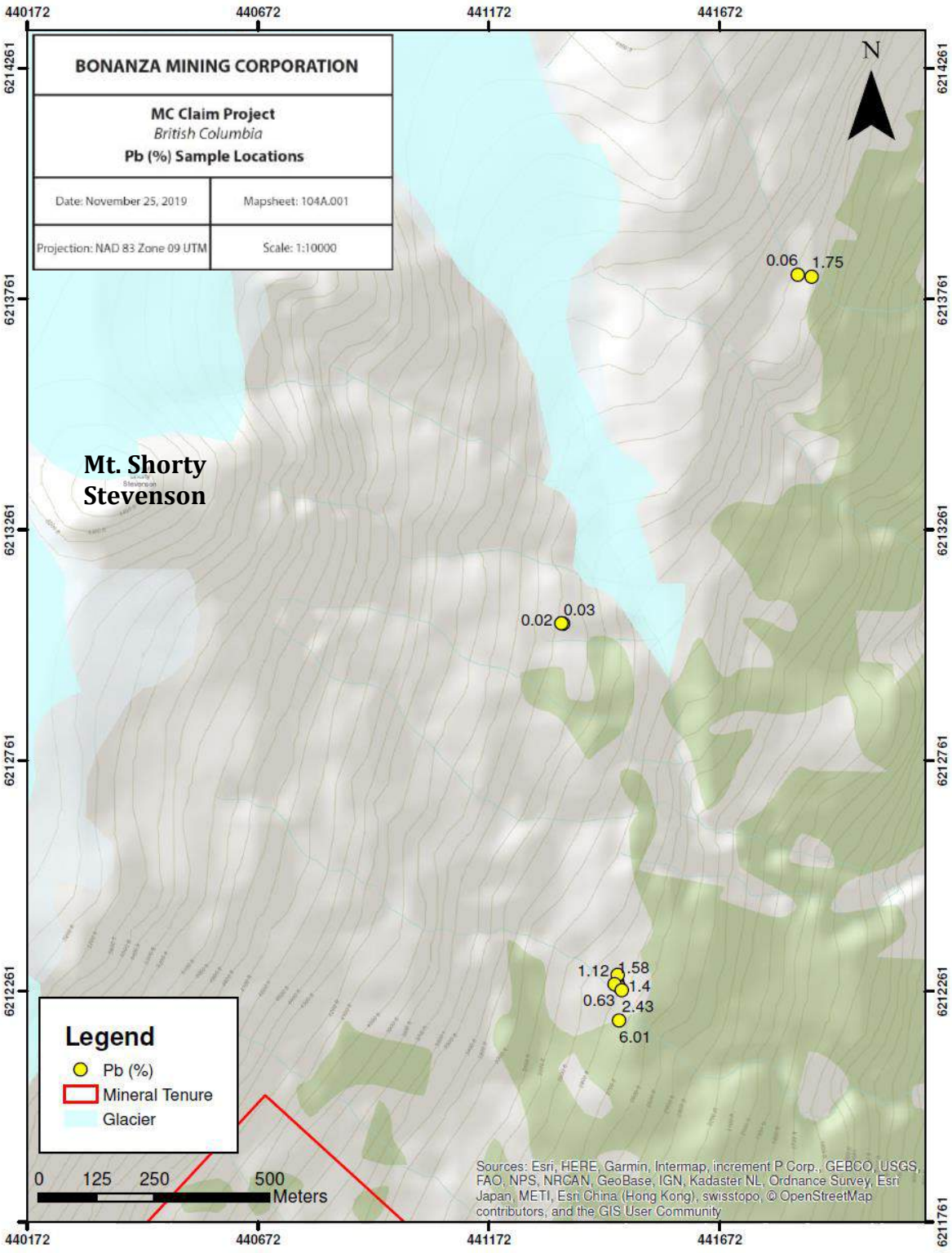


Figure 9-31 Lead (%) in 2019 Rock Samples

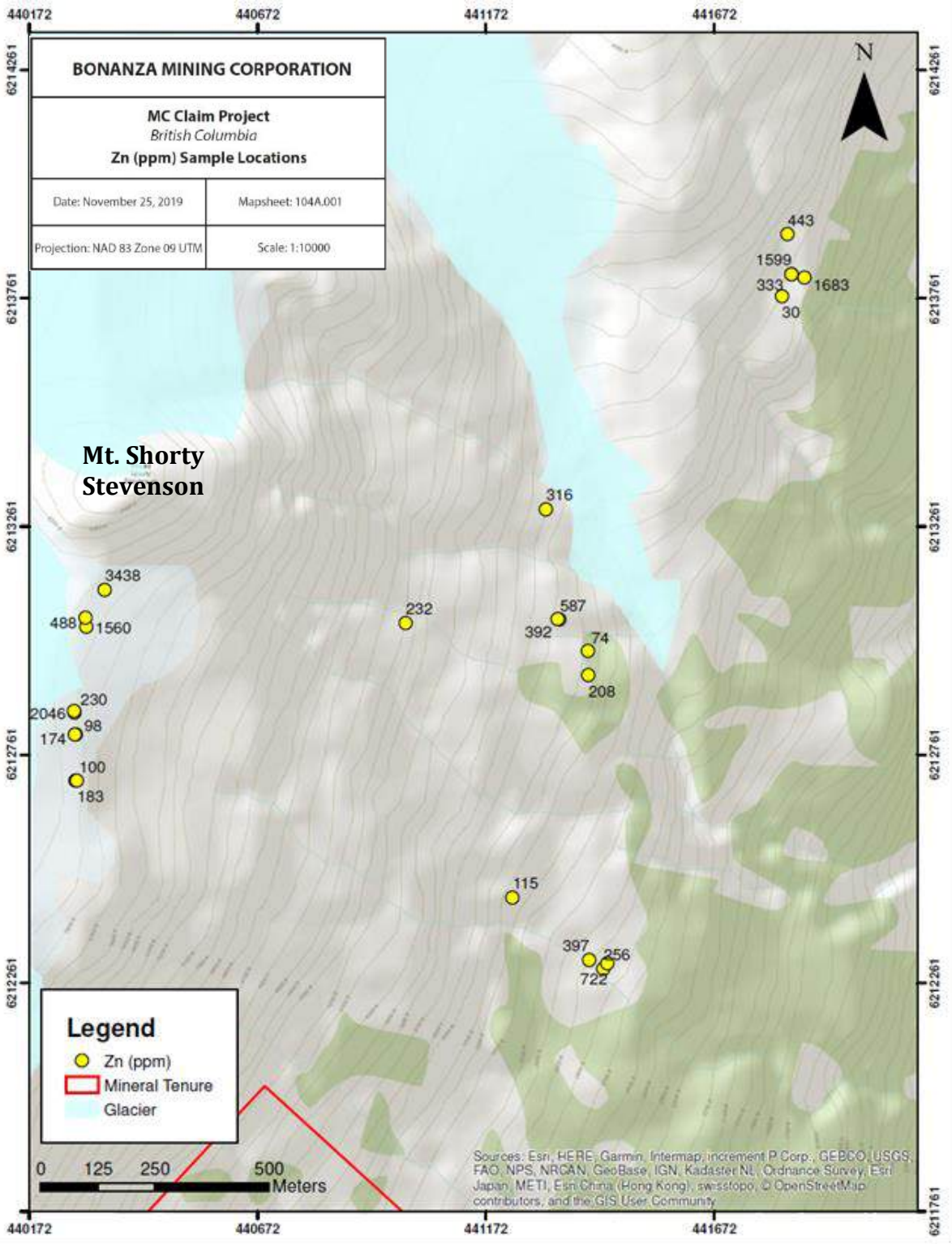


Figure 9-32 Zinc (ppm) in 2019 Rock Samples

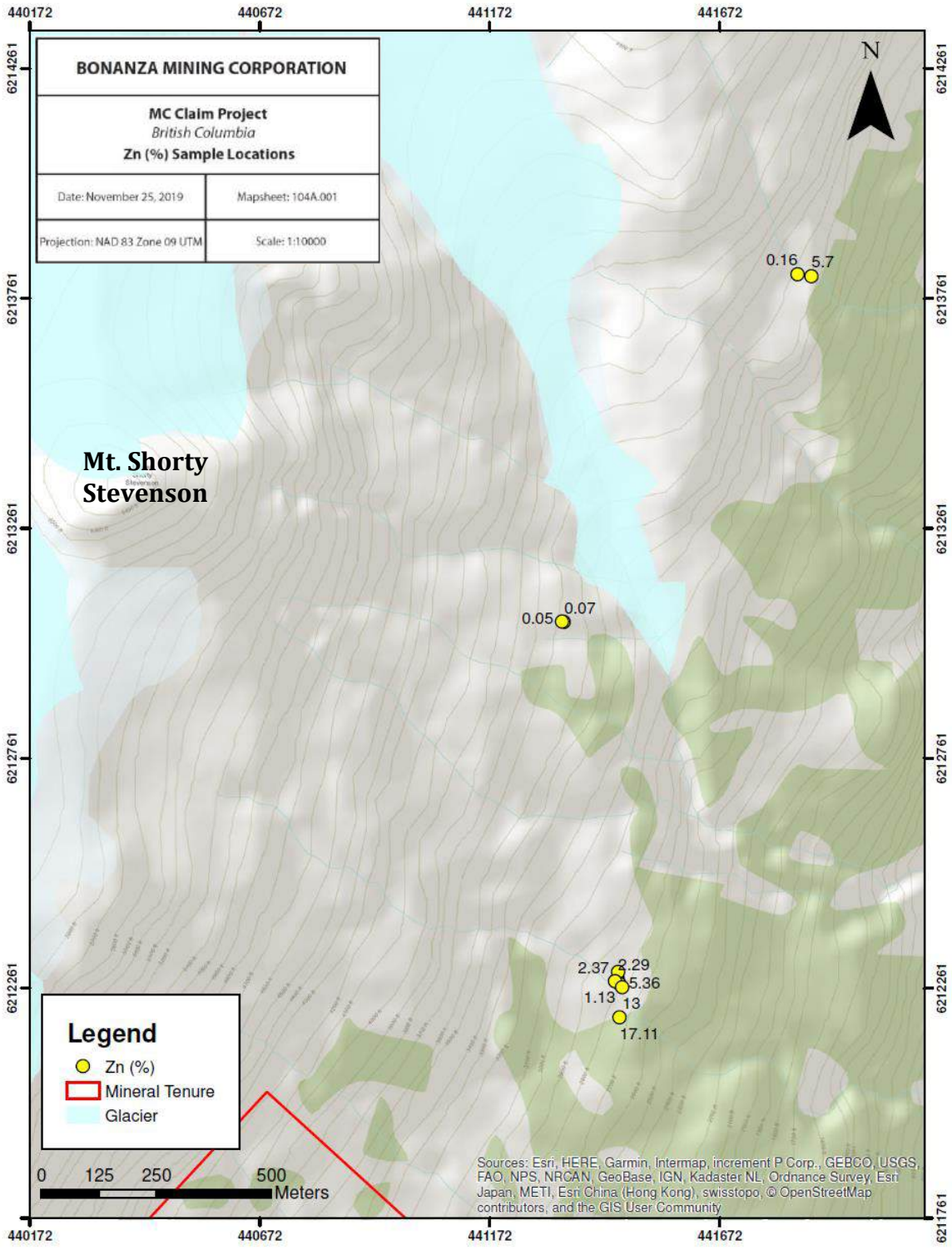


Figure 9-33 **Zinc (%) in 2019 Rock Samples**

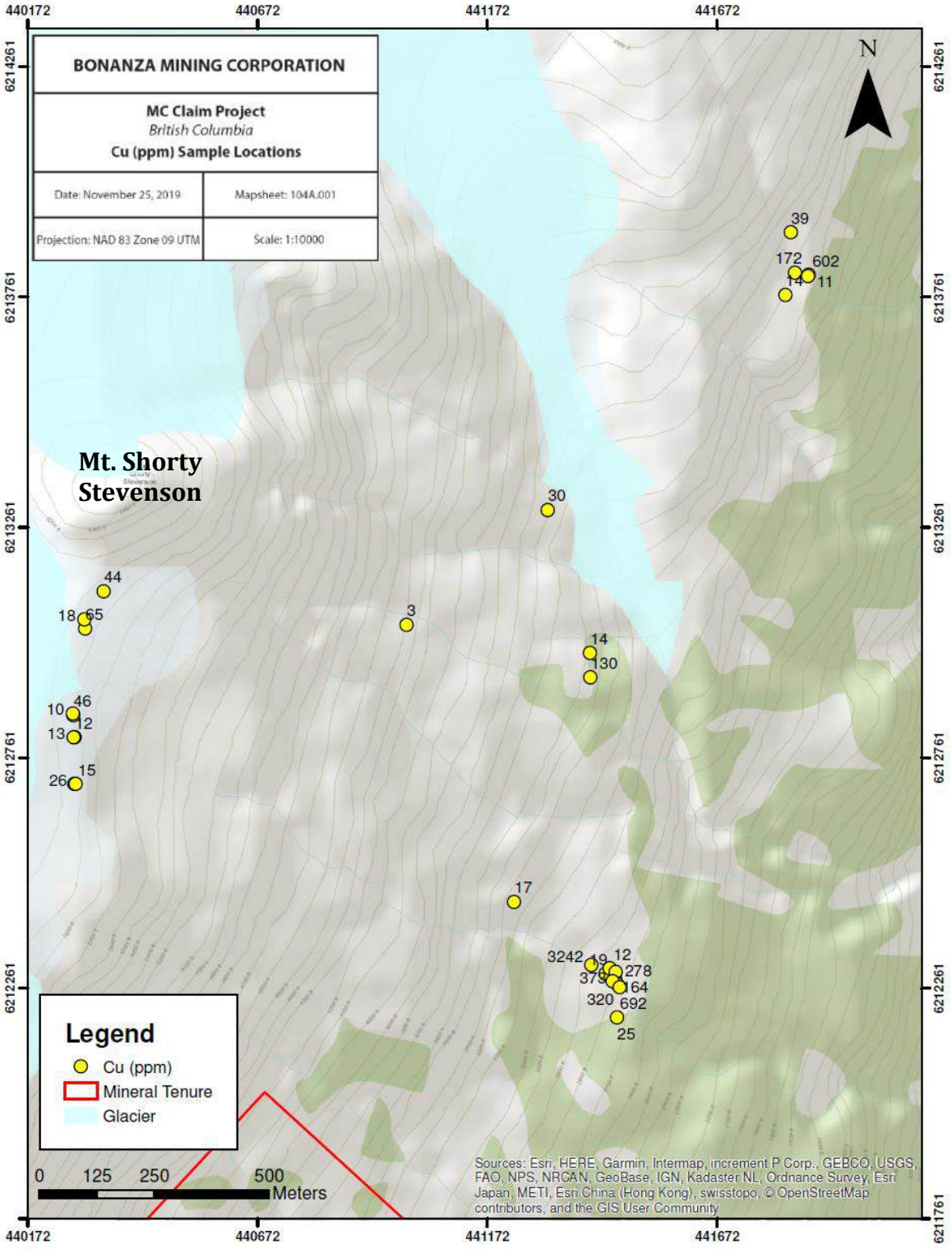


Figure 9-34 **Cu (ppm) in 2019 Rock Samples**

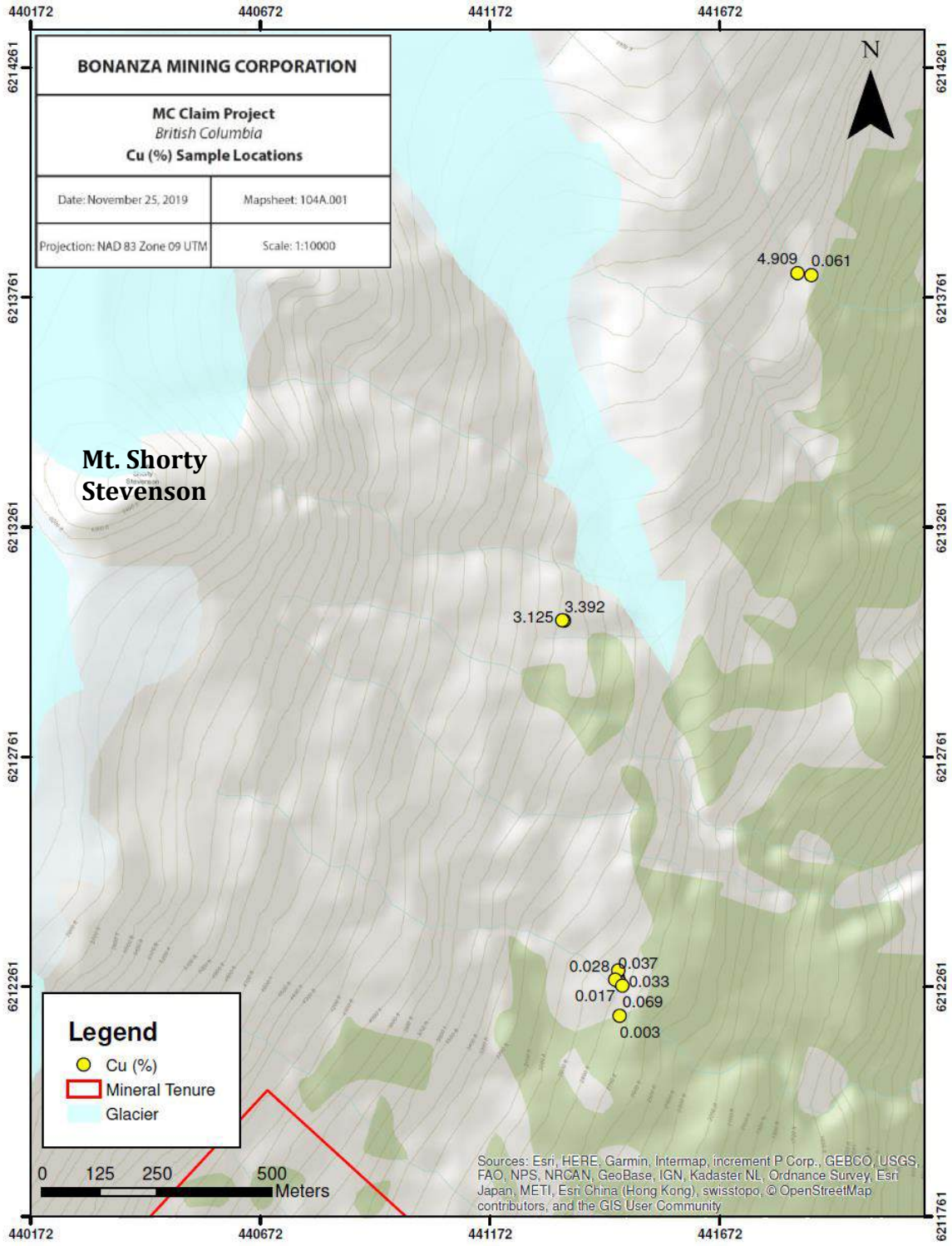


Figure 9-35 Cu (%) in 2019 Rock Samples

9.7 Recommendation from 2019 Rock Sampling and Prospecting

The rock sampling survey in 2019 has continued to outline a significant zone of gold, silver, lead, zinc, and copper sulfide mineralization associated with quartz-carbonate veining and brecciation on the southern half of the MC property.

The 2019 rock sampling survey collected samples that demonstrate continued northwest-trending mineralization along-strike to the northwest and southeast of rock samples collected in 2017 (Figures 9-36, 9-37). This suggests a mineralized trend extending approximately 1.75km that is coincident with northwest-trending soil and magnetic anomalies identified in 2017. Significantly, float and outcrop samples collected in 2019 suggest a positive correlation between high magnetic intensity anomalies and polymetallic mineralization, with multiple high magnetic anomalies underlying up to 5.45 g/t Au, 212 g/t Ag, 6.01% Pb, 17.11% Zn, and 3.39% Cu. Furthermore, on the southern portion of the MC property a high-magnetic anomaly is situated proximal to the northern margins of an intrusive body of historically mapped Texas Creek granodiorite, which is a setting similar to the location of gold-silver mineralization at the Premier mine to the west.

A major shear system separating the north and south sections of the MC property appears to strike approximately 350° with a steep dip to the northeast, accompanied by broad sericite-carbonate and localized silica-sericite alteration. Within this section of the MC property gold-silver-copper mineralization appears to be spatially and structurally associated with the northwest-trending major shear orientation, which is similar in zone geometry to the Silver Coin deposit located to the northwest. Copper mineralization is also more abundant northeast of Mount Shorty Stevenson, suggesting differing mineralizing systems and structural controls than is occurring to the south (Figure 9-38).

Quartz-carbonate polymetallic sulfide veins and associated brecciation appear to parallel shear orientations, indicative of progressive development of a Riedel shear system within the Unuk River Formation on the south flank of Mount Shorty Stevenson. Where Riedel synthetic shears intersect there also appears to be proximal brecciation and subsequent mineralization of the host Unuk River Formation. This would suggest mineralization may concentrate where synthetic and antithetic en échelon P and P'-shears intersect through progressive development of a Riedel shear system (Figures 9-36, 9-37).

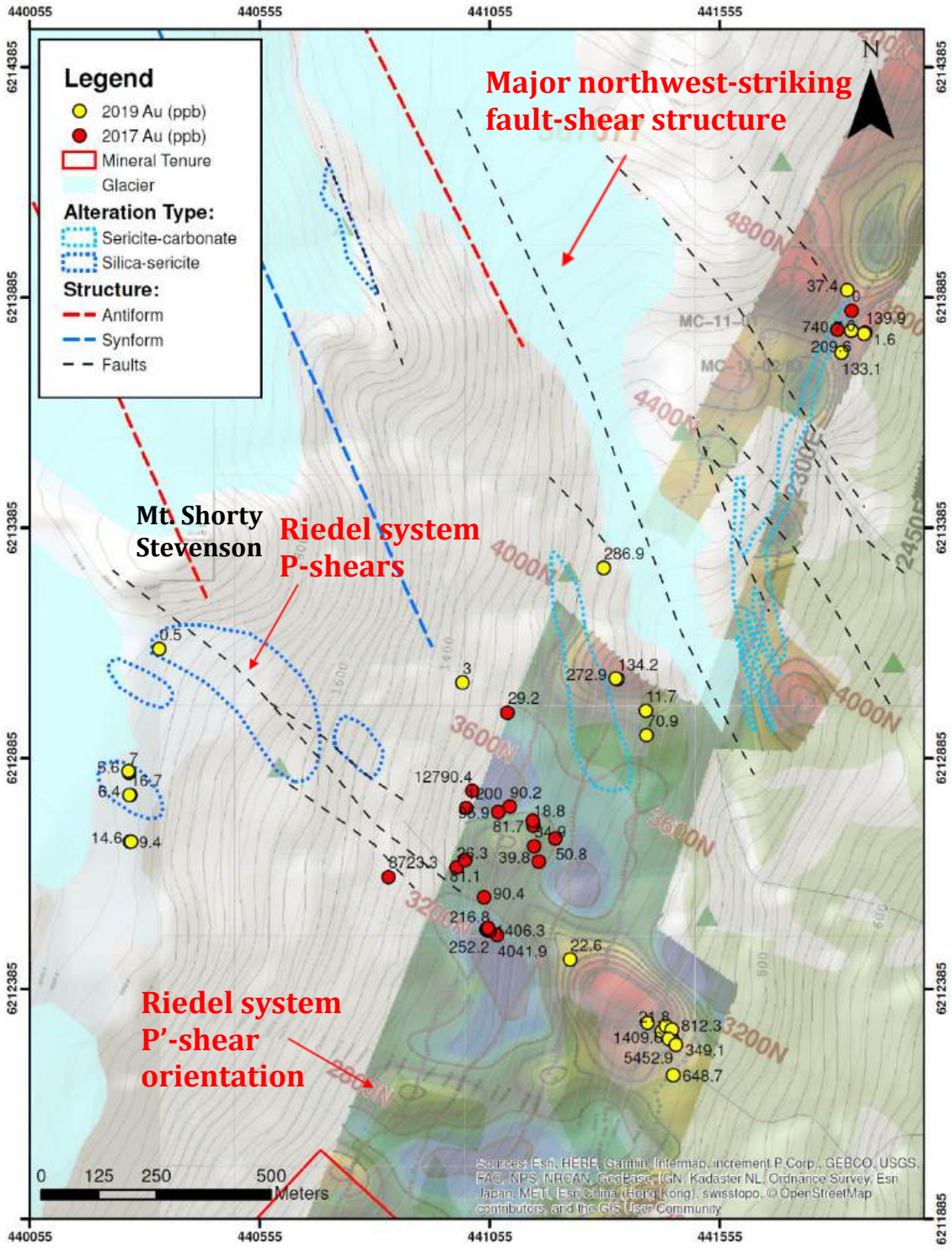


Figure 9-36 Au (ppb) 2017 and 2019 rock samples along northwest-striking P-fault shears within the southern section of the MC property.

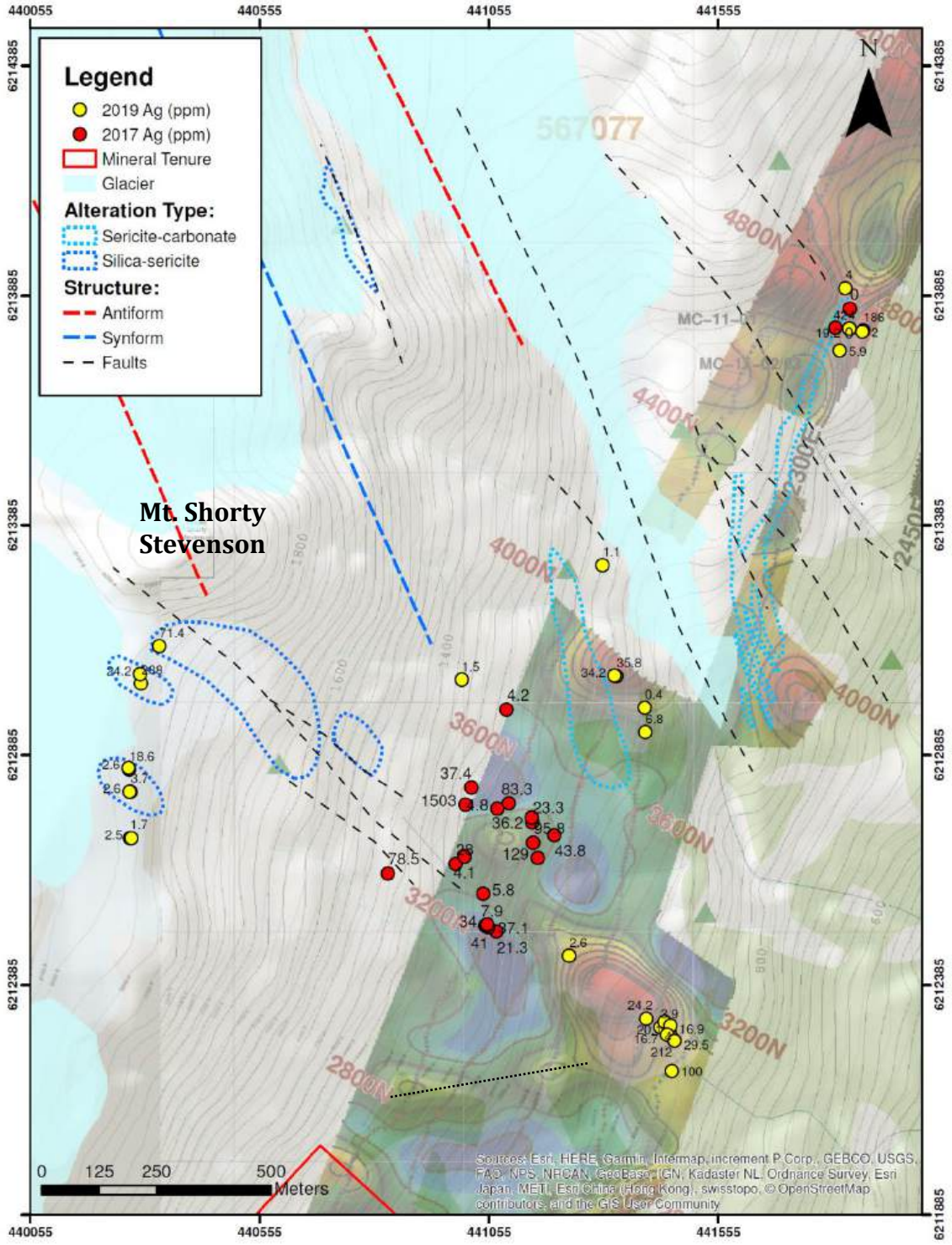


Figure 9-37 Ag (ppm) 2017 and 2019 rock samples along northwest-striking P-fault shears within the southern section of the MC property.

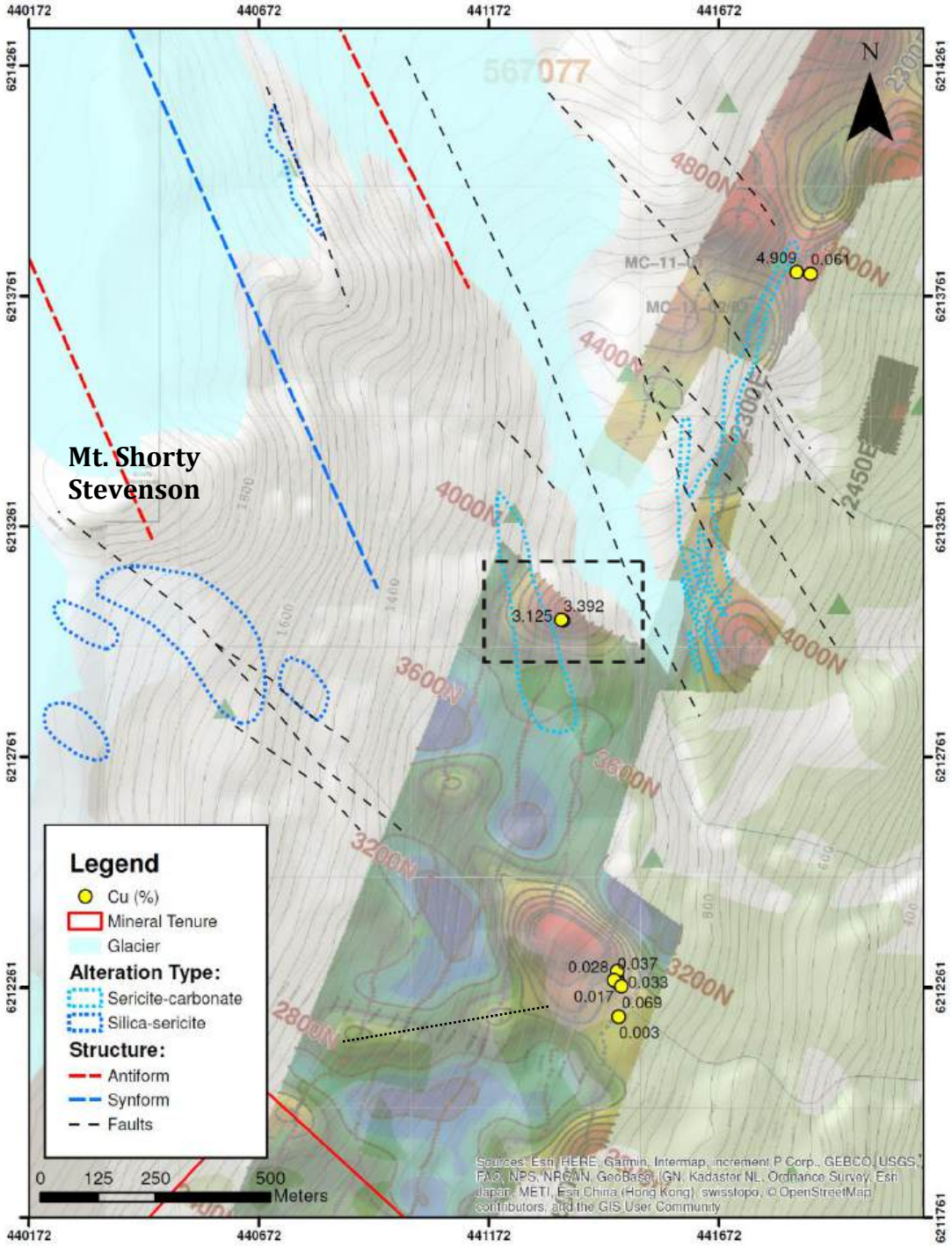


Figure 9-38 Rock samples (2019) indicating positive correlation between high-magnetic anomalies and Cu (%) within the footwall of a northwest-striking major fault-shear orientation. Copper values appear to increase to the northeast, suggesting a different mineralizing system than is identified in intersecting P and P' shears south of Mount Shorty Stevenson. Elevated Cu (%) outlined within black dashed box.

Results from the 2019 field program suggest characteristics of a progressive Riedel shear system that controls quartz-carbonate polymetallic sulfide-vein orientation on the MC property, likely a result of oblique strike-slip along a major northwest-trending fault-shear system northeast of Mount Shorty Stevenson. Major shear orientations measured within the northern sections of the MC property suggests northwest-striking right-lateral reverse motion, which would support an oblique strike-slip model (Figure 9-39). This type of motion together with a local jog in the major strike-slip fault system could indicate the potential for formation of a positive flower structure located within the MC property.

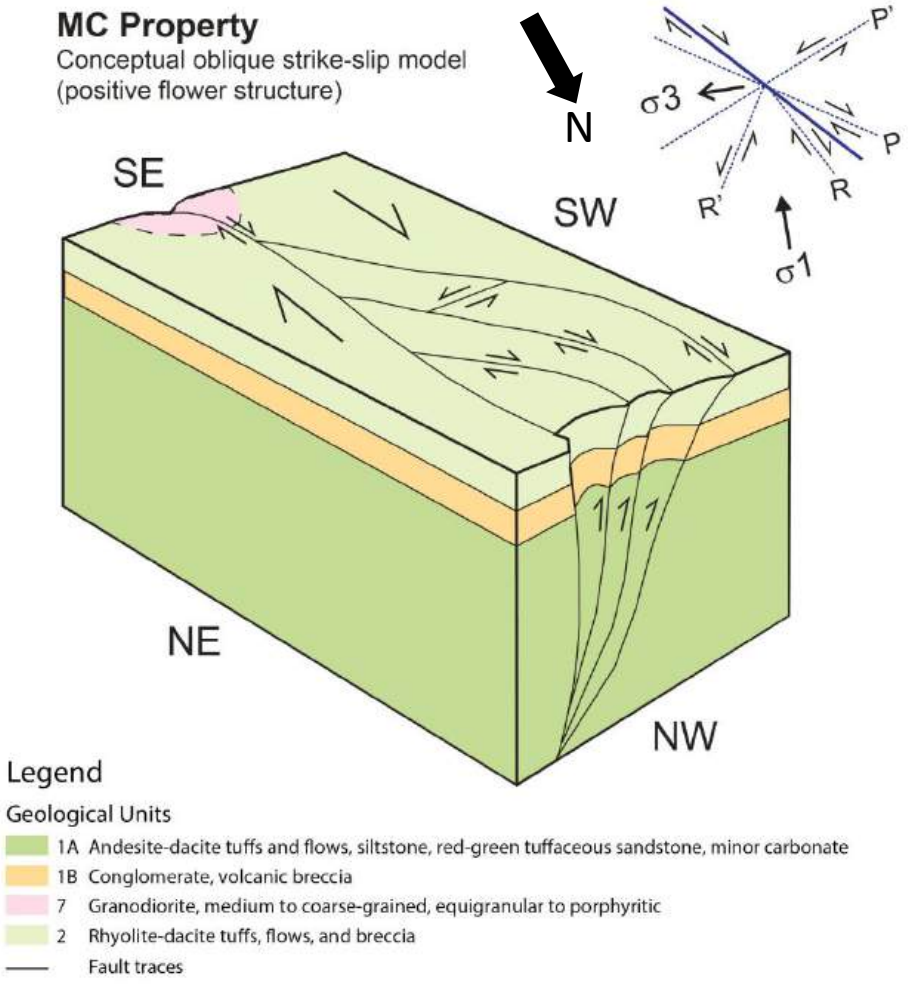


Figure 9-39 Conceptual oblique-strike slip tectonic model of the MC property forming a positive flower structure. Interpreted Unuk River (Units 1), Betty Creek Formation (Unit 2), Texas Creek Granodiorite (Unit 7). Note the potential location of a historically mapped granodiorite intrusion proximal to the inferred convergence of flower structure fault-shear to the southeast (SE) on the southern portion of the MC property south of Mount Shorty Stevenson. Also note orientations of major NW-striking shear with synthetic P and antithetic P' orientations demonstrated on the flower structure diagram.

Measurement of structures on the MC property suggest the formation of right-lateral en échelon synthetic shears (P) that generally strike 320° to 340° with a steep to subvertical dip to the northeast. Silica-sericite alteration appears to parallel this orientation along with polymetallic sulfide-vein mineralization within the southern sections of the MC property. Intermediate dykes associated with the Portland Canal Dyke swarm also parallel P-shear orientation (Figure 9-40).

Further development of a Riedel shear system through movement along the major northwest-trending shear zone has also produced antithetic P'-shears that strike 60° to 90°, with mineral lineations suggesting left-lateral movement and a moderate to steep dip. Mineralization is also associated with P' orientation, but in less abundance than found in the earlier stage of Riedel P-shearing (Figure 9-40).

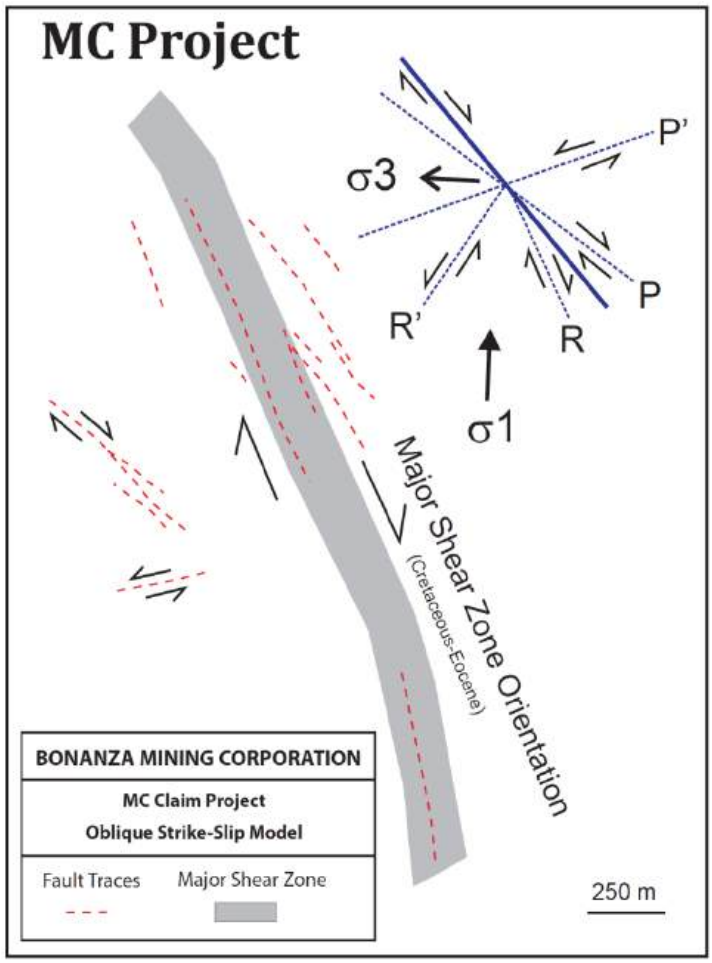


Figure 9-40 Conceptual model of Riedel shearing on the MC property. Note orientation of major regional shear striking ~350°, synthetic P-shear striking 320° to 340°, and antithetic P'-shear striking 60° to 90°.

Further structural field mapping is necessary to confirm controls on mineralizing systems in the southern and northern sections of the MC property. The extent and character of the structural systems on the property must also be confirmed to better understand the structural correlations between sulfide mineralization and high-magnetic anomalies. It is also necessary to better constrain field relationships and lithological contacts within the northern section of the MC property, as evidence suggests stratabound massive sulphides that differ from the mineralized polymetallic vein-systems identified in the south. If these relationships can be better understood with more robust datasets it would provide a useful tool for directing further exploration and targeting of structurally-controlled mineralizing systems on the MC property.

10 Drilling

A total of four drillholes have been completed on the MC Property. A diamond drill was completed in 1990 in an attempt to cut the QSP zone as well as the NW extension of the quartz-sulphide vein. The hole was stopped well short of its target depth due to mechanical problems. The 99m drillhole intersected high-grade sulphides in the final 0.15m with the following results:

Table 10-1 1990 Drillhole Sample Results (Kikauka, 1990)

From (m)	To (m)	Width (m)	% Pb	% Zn	Ag g/t	Au g/t
98.85	99.0	0.2	0.37	9.24	311.7	1.62

The 1990 drillhole location was identified during the 2019 field season and marked with GPS coordinates approximately 180m southwest of Mount Shorty Stevenson.

Drillhole	Collars NAD 83 UTM coords Elev. (m)	Orientation (Az / Dip)
• I-90-1	440267E, 6213170N, 1845	120 / -55

A gold-silver-zinc bearing quartz-sulphide vein system hosted in volcanic-sedimentary rocks was drill tested in the Rock of Ages #3 Vein Zone and was found to define wide sections of moderately elevated polymetallic values. Sulphides consist of near totally of disseminated pyrite ranging from 2 up to 20% with minor <2% sphalerite and trace chalcopyrite. The showing is aligned along a prospective northwesterly trend for approximately 1,200m which includes the Rock of Ages #2, Dalhousie, and Cairn showings. The drilling encountered hydrothermally altered sericite-chlorite-carbonate-sulphide rich volcanic and sedimentary rocks throughout most of the core and specifically in multiple sections varying in down-hole lengths ranging from 25 up to 210m. Multiple narrow sections consisting of feldspar-quartz porphyry intrusive were also identified in the core associated with the altered rocks and an increase in the sulphide concentration. The zone continues south-southwest and future work should be expanded and directed towards exploring the Dalhousie and Rock of Ages No 2 and Cairn showings along the favourable trend.

Diamond drilling was carried out in 2011 for Reliant Gold Corp., with three holes from two set-ups were completed for 710m of drilling. The drilling focused on the Rock of Ages No.3 Showing, and testing surface geochemical rock and soil Au-Ag-Zn-Pb-Cu anomalies supported by favourable magnetic signatures from a surface exploration program completed in 2010.

Drillhole	Collars NAD 83 UTM coords Elev. (m)	Orientation (Az / Dip)
• MC-11-01	441455E, 6213817N, 1251	050 / -44
• MC-11-02	441764E, 6213765N, 1144	025 / -35
• MC-11-03	441764E, 6213765N, 1144	045 / -45

Analysis of 461 core samples returned multiple sections of anomalous gold, silver and zinc values of up to 0.9m of 1.03g/t Au in Hole MC-11-02, and 1.8m of 1.2% Zn and 2.4m of 7.3g/t Ag in Hole MC-11-01. The deepest hole tested the target area to a maximum depth of approximately 140m. The results were encouraging because they indicate the possibility of a large hydrothermal mineralizing system to be followed up with additional exploration starting with the completion of borehole geophysical surveys in the three holes (Reliant Gold Corp., 2011).

11 Sample Preparation, Analyses and Security

The core samples from the 2011 diamond drilling were split in half using a diamond saw, sealed in secure packages and submitted directly by the project geologist to Eco Tech Laboratories in Stewart and Kamloops, British Columbia, where they were analyzed using method Au2-30 gold by fire assay and multi-element ICP-AES following aqua regia digestion. High grade analyses (greater than 10,000ppm, 1%) for copper, zinc, lead and (greater than 30ppm) silver underwent AA analysis. Polymetallic standards and blanks, unknown to the laboratories, were included with each submission of samples. In 2011 Eco Tech was registered for ISO 9001 compliance by KIWA International for the "provision of assay, geochemical and environmental analytical services," fulfilling standard QA/QC protocols (Boyd, 2011).

Soil and rock samples from the 2017 and 2019 field programs were tested by Bureau Veritas in Vancouver. Soil samples from 2017 were dried; a 100g sample was extracted at -80 mesh and digested in a 1:1:1 Aqua Regia digestion. ICP-ES/ICP-MS analysis was completed along with fire assay fusion for Au by ICP-ES on a 30g sample. Rock samples from 2017 and 2019 were crushed, split and pulverized to obtain a 250g sample at -200 mesh. The 250g sample was digested in a 1:1:1 Aqua Regia digestion. ICP-MS analysis was completed (15g samples). Lead collection fire assay fusion with a gravimetric finish for Au on a 30g sample was completed on two samples in 2017 and four samples in 2019.

During the 2019 field program rock samples were placed in polybags and locations were marked in the field with labelled pink flagging tape. The sample number with corresponding notes was recorded in a field notebook and sample tag booklet. The sample number was then recorded on the polybag and a tag with the correct sample number was placed in the polybag with the sample. Bags were then sealed with a zip-tie. GPS locations were recorded using handheld Garmin devices during the 2017 and 2019 field seasons.

During the 2019 field program quality control consisted of one duplicate sample collected for every 10 samples, totaling 3 duplicate rock samples out of the 34 rock samples collected. Duplicate samples and corresponding sample numbers are displayed in Table 12-1.

Table 11-1: 2019 Duplicate Sample Results

Sample Set	Sample #	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
1	032010	691.6	24,300	130,000	29.5	349.1
	032035 (DUP)	610.9	14,400	83,100	21	426.3
2	032020	11.9	101	98	3.7	16.7
	032034 (DUP)	32.6	104.2	101	3.3	13
3	032030	11.2	683.7	4220	3.6	4
	032031 (DUP)	24.8	1780.1	1683	2	1.6

Note: DUP=Corresponding duplicate sample per sample set.

All of the rock samples had their GPS coordinates recorded and were flagged. Samples were sent to Bureau Veritas lab in Vancouver, British Columbia, where they were analyzed by ICP-MS for 34 elements. Appropriate overlimits were set for Ag, Pb, Zn, and Cu to determine base and precious metal content. Overlimits were specifically set at >100 ppm Ag analyzed by fusion Fire Assay, and >10,000 ppm Pb, Zn, Cu using ICP-ES analysis.

In the opinion of the QP, the data verification taken in 2019 is adequate for a technical report at this stage of study.

12 Data Verification

The site visit included verification of the location of the three drillholes, drilled in 2011 and the one hole drilled in 1990, with the UTM coordinates verified by handheld GPS. Previous underground workings were also noted within the claims area.

The assay certificates from Bureau Veritas from the 2017 exploration program (Morris, R.J., 2017) have been reviewed and checked for discrepancies. No material discrepancies have been found, after checking aall relevant data. In the QP's opinion, the data Verification is appropriate for a report at this stage of exploration.

13 Mineral Processing and Metallurgical Testing

The MC Project is an early stage exploration project; no metallurgical studies have been performed to date.

14 Mineral Resource Estimates

The MC Project is an early stage exploration project; no resource estimate has been performed to date.

15 Mineral Reserve Estimates

NA

16 Mining Methods

NA

17 Recovery Methods

NA

18 Project Infrastructure

NA

19 Market Studies and Contracts

NA

20 Environmental Studies, Permitting and Social or Community Impact

The MC Project is currently assessing future work permitting.

21 Capital and Operating Costs

NA

22 Economic Analysis

NA

23 Adjacent Properties

The Stewart Complex contains numerous mineral deposits that cover an area over 150km in length and 20-40km in width extending from Alice Arm (Kitsault) to the lower Iskut River valley. This area is collectively referred to as the "Golden Triangle" or "Stikine Arch" (Nelson et. al, 2017). This mineral belt has been recently active because of the discovery of precious and base metal deposits such as: Premier, Granduc, Anyox, Porter-Idaho, Dunwell, Eskay Creek, Snip, Brucejack Lake, Red Mountain, Doc, Big Missouri, Johnny Mountain, Silver Butte, Scottie Gold, Kerr, Rock 'n Roll, Red Bluff, Golden Wedge, Bear Pass, and Georgie River. All of these properties have been the subject of major exploration and/or development for precious and base metals in the past 20 years.

The Stewart area has been exploited for minerals since 1900 when the Red Cliff deposit on Lydden Creek was mined (Groves, 1971). Since then, approximately 120 base and precious metal deposits within the Stewart mining district have been developed. Figure 23-1 illustrates the location of the major deposits immediately in the area of the MC property.

The Premier deposit and historic mine has a current Indicated Resource of 1.25 Mt with an average grade of 7.18g/t Au Equivalent. Just north of Premier is the Big Missouri deposit with an Indicted Resource of 539kt at 8.34g/t Au Equivalent and the Silver Coin deposit with an Indicated Resource of 859kt at 8.16g/t Au Equivalent. (Ascot, 2019).

The Red Mountain deposit at the headwaters of Bitter Creek consists of gold bearing sulphides (pyrite, arsenopyrite, chalcopyrite) localized in a quartz-poor, major shear zone near a Texas Creek plutonic complex feldspar porphyry and Unuk River Fm. volcanic contact. The current Measured+Indicted Resource is 3.19Mt at a grade of 7.63g/t Au and 21.02g/t Ag (Ascot, 2019).

Numerous small-scale workings near the MC claims include the Silver Crown, Monitor, Spider, Lois, Sebwacke, Hyder Gold, Dalhousie, Prince John, Big Casino, Independence, Dunwell and Ben Ali. Precious and base metal values occur as veins, and/or replacement, breccia, stockwork in quartz-sulphide gangue. Mineralization consists of sphalerite, galena, chalcopyrite, pyrite, tetrahedrite, arsenopyrite, native gold, and/or various sulphosalts in a gangue of quartz, carbonate, barite, and/or chlorite. Historic work on these showings includes underground development, drilling, geological evaluations and prospecting.

The qualified person has been unable to verify the above information and the information is not necessarily indicative of the mineralization on the property that is the subject of this technical report.

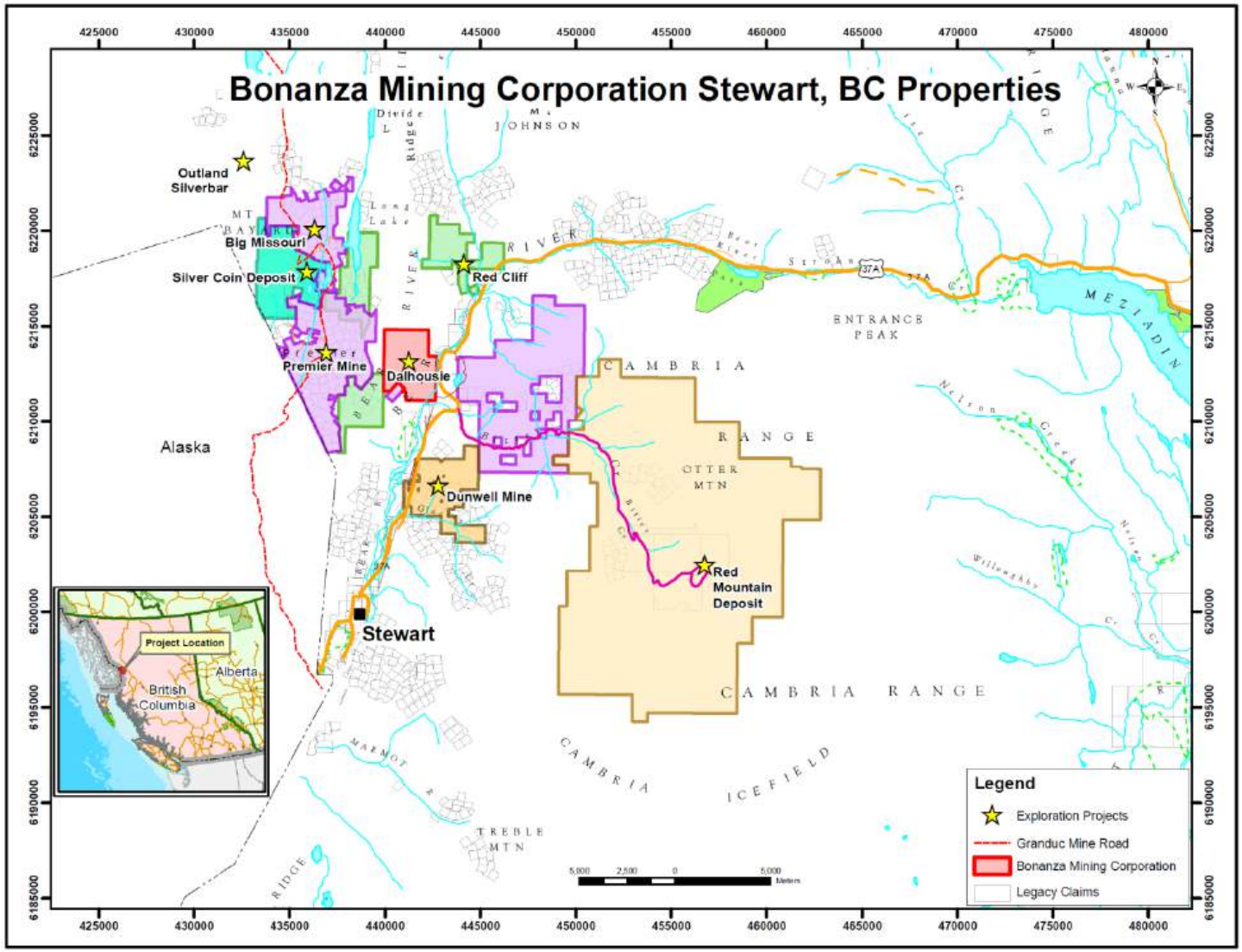


Figure 23-1 Properties Adjacent to MC Property

24 Other Relevant Data and Information

All relevant information has been presented in this report; there is no additional relevant material to present.

25 Interpretation and Conclusions

The MC Project is a mineral occurrence hosting gold, silver, and base metals that is worthy of further exploration.

Mineral exploration in the MC area was initiated in 1910 and has continued intermittently through to the present. During this period, the MC property has been tested by four drillholes, as well as various geophysical techniques and soil, stream, and rock sampling. In 2017 a detailed 3D-IP and mag survey was completed on portions of the property, as well as two phases of soil sampling and prospecting. In 2019 a program of rock sampling and structural reconnaissance was conducted to better constrain mineralization with 3D-IP and mag survey targets and structures identified in 2017.

- The property is underlain by lithologies of the middle Jurassic Hazelton Group. These rocks host significant precious and base metals deposits elsewhere in the Stewart Camp including the Premier, Big Missouri, Martha Ellen, Silver Coin, and Red Mountain deposits. Further north and along-strike are the KSM, Brucejack, and Eskay Creek deposits of the Skeena Mining Division.

- The MC property lies along the eastern edge of the Coast Crystalline Complex within the western boundary of the Bowser Basin. Rocks in the area belong to the Mesozoic Stuhini Group, Hazelton Group and Bowser Lake Group that have been intruded by offshoots of both Mesozoic and Cenozoic age. Portions of the Stewart area are underlain by the Triassic age Stuhini Group. The Stuhini Group rocks are either underlying or in fault contact with the Hazelton Group. These Triassic age rocks consist of dark gray, laminated to thickly-bedded silty mudstone, and fine- to medium-grained and locally coarse-grained sandstone. Local heterolithic pebble to cobble conglomerate, massive tuffaceous mudstone and thick-bedded sedimentary breccia and conglomerate also form part of the Stuhini Group.

- Intrusive activity in the Stewart area has been marked by the Lower and Middle Jurassic Texas Creek granodiorite with which the Big Missouri, Premier, SB, Scottie Gold, Red Mountain and other mineral deposits in the district are associated. Younger intrusions include the Hyder Quartz Monzonite, Bitter Creek granodiorite and many Eocene stocks, dykes and sills which form a large part of the Coast Mountain Plutonic Complex. Mineral deposits such as Kitsault Lime Creek Molybdenum, Porter-Idaho Silver Mine, and a host of other deposits are related to the 48-52 Ma (Eocene) plutons. These intrusives also form the regionally extensive Portland Canal Dyke Swarm.

- A gold-copper bearing quartz-sulphide vein system has been located in the Rock of Ages No 2 Vein Zone defined by rock chip sample MC10AR-204, and is supported by Au-Cu in soil geochemical anomalies and total field magnetic anomalies located 100-200 m east of the Cu-Au bearing rock sample. These showings occur at an elevation of 775-950 meters and appear to line up with the northwest trending faults and lineaments of Rock of Ages Creek that exposes the No 3 Vein Zone at 1,180 meters elevation (No 3 tunnel) where a prominent 30-80 m wide gossan with quartz-sericite-pyrite-clay (phyllic alteration) cuts the northwest trend roughly north-northeast, following the contour lines. The Dalhousie zone continues south-southwest and future work should be

directed towards exploring the combined 500 meters of strike length of the Dalhousie and Rock of Ages No 2 and No 3 Vein Zones gold-enriched copper & iron bearing mineralized zones, located at 700-1300 m elevation.

The soil and rock sampling and the geophysical fieldwork from 2017 together with evidence collected in 2019 supports the idea that the MC property requires further testing. The property is in the early stages of exploration and is worthy of a comprehensive exploration program to determine its economic mineral potential. A well-designed exploration program has been proposed which builds on the existing data and will test the known anomalous areas.

26 Recommendations

26.1 Line Cutting

The 2017 exploration work was hampered by the dense vegetation cover over the lower elevations of the property. In order to provide access to these lower elevations, below the areas surveyed in 2017, a number of cut lines need to be established at the start of the 2020 fieldwork.

At least four cut lines will be required, two on the northern part and two on the southern part of the property.

26.2 Geophysical Surveying

Geophysical, 3D IP and magnetic surveys over these lower elevation lines are recommended to extend the geophysical data obtained in 2017. The extension of the surveys is important as the 2017 magnetic data did not cover a broad enough area to do 3D inversion analysis of the anomalous areas that were found. The proposed 3D IP survey on lines below the 2017 lines is required to cover the Dalhousie and Rock of Ages North mineral showings.

26.3 Soil and Rock Sampling and Prospecting

Additional soil sample lines need to be identified and sampled where practicable at higher elevations above the main multi-element soil anomaly outlined on the southern half of the property in 2017, as this anomaly is open upslope. As well, at least one new soil sample line needs to be sampled at a lower elevation below the main soil anomaly.

Additional rock sampling and prospecting need to be completed along the main soil anomaly where the showings were sampled in 2017, as well as at both higher and lower elevations along the mineralized trend. This will create a more robust dataset built off the 2017 and 2019 field programs that is essential for future exploration development. The historic Ice 3B showing is located at a higher elevation directly above the strike of the soil anomaly and this showing area needs to be further prospected and rock sampled.

The main magnetic anomaly that occurs within the lower part of the soil anomaly needs to be further prospected for Texas Creek granodiorite.

Prospecting needs to be carried out along the cut lines on the northern part of the property in order to locate the Dalhousie and Rock of Ages showings and these showings need to be rock sampled.

One or two soil lines need to be sampled on the northern part of the property along the cut lines in order to investigate the potential of the Dalhousie-Rock of Ages North mineralized area.

26.4 Geological Mapping

A more detailed compilation map needs to be created that shows all of the important previous exploration data for the property that are located in BC government assessment reports, including rock and soil sample results, locations of mineral showings and areas that have been geologically mapped.

Geological mapping needs to be conducted on both the northern and southern parts of the property as there presently is no modern government geological map or any other geological map that covers the area.

The mapping needs to be directed towards correlating the volcanic stratigraphy on the property, which lies along the top and east side of Bear River Ridge, with members of the Hazelton Group and particularly with the detailed stratigraphy mapped at the Premier mine area on the west side of Bear River Ridge.

One key aspect of the mapping will be to investigate whether the "Premier Porphyry" volcanic marker formation, that is intimately associated with mineralization at the Premier mine, occurs on the property.

As well, previous workers have found several thin limestone layers near the Dalhousie showings area and along the lowest rock outcrops at the base of Bear River Ridge, that need to be relocated and sampled for fossils.

The geophysical data suggests that there is a geological difference between the rocks on the north part of the property and those on the south part. The geological mapping needs to be directed towards attempting to correlate the stratigraphy between the northern and southern parts of the property.

The boundary between these two areas is the large fault structure that contains a small glacier, this area needs to be investigated to better define the geology.

A geological map included in BC Ministry of Mines Bulletin 58 "Geology and Mineral Deposits of the Stewart Area, BC" shows a body of intrusive Texas Creek granodiorite outcropping on the southern part of the property. Geological mapping needs to be conducted to confirm that the rocks truly are a body of the Texas Creek rocks. This mapping priority also needs to investigate the geology of the main magnetic anomaly that occurs at the northern edge of the Texas Creek body.

26.5 Diamond Drilling; Phases One and Two

A phase one drill program totaling 1,000m of core is recommended. A phase two drill program of 2,000m is also recommended to follow-up on results of the phase one program. A number of NQ size diamond drillholes are recommended on both the north and south parts of the property.

On the northern part of the property at least four holes are recommended to be drilled to explore the C1 chargeability anomaly and at least two holes need to be drilled to explore the C 2 chargeability anomaly. These six drillholes will have to average about 350m long, for a total of

at least 2,000m of drilling. In addition, at least two shorter 100m drillholes are recommended at the Dalhousie showing to test its potential, for an additional 200m of drilling.

On the southern part of the property at least four holes need to be drilled to explore the potential of the main soil anomaly and mineral showings. These four holes will only need to average about 200m long, for a total of about 800m of drilling.

A very preliminary rough estimate of the total cost of all recommended 2020 and follow-up exploration work is approximately $851,130 and is detailed in Table 26-1 below.

Table 26-1 MC Claims Project Mineral Exploration Cost Estimates

Exploration Program Estimates	**Costs**
2020 Phase One Program	
Reclamation Bond	$15,000
Wildlife Management Plan	$1,500
Line Cutting	$10,000
Geological Mapping $675/day X 14 days	$9,450
Prospecting and Rock Sampling $800/day X 6 days	$4,800
Analysis and assaying of soil and rock samples	$3,000
Geophysical Surveys 2 line km Mag @ $ 5,000/day	$10,000
Data Compilation 6 days @ $500/day	$3,300
Diamond Drilling 1,000 meters @ $250/meter all in (includes drilling, accommodations, helicopter and assaying costs)	$250,000
Drilling Pad Building 12 drill pads @ $1,000/pad	$12,000
Drill core logging/sampling geologist & splitter @$1,200/day for 8 days	$9600
Drafting @ $1040 for 2 days	$2,080
Total Phase One Cost Estimate	**$330,730**
Follow-up Phase Two Drilling Program	
Diamond Drilling 2,000 meters @ $250/meter all in (includes drilling, accommodations, helicopter and assaying costs)	$500,000
Drill core logging/sampling geologist & splitter @$1,200/day for 17 days	$20,400
Total Phase Two Cost Estimate	**$520,400**
Total Exploration Work Costs	**$851,130**

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