

Broken Evil Prospect Porcupine District, ON, Canada



Drilling program completed

**VMS - Au
mineralization**



Project outline

- Located in a well established mining province in ON
- 40 km from Kidd Creek VMS-Gold mine, 20 km from Alexo nickel mine
- Easy road access
- Proprietary geophysical data
- Availability of government geophysical and historical drilling data
- Unique structural and geophysical interpretation performed by highly qualified professionals

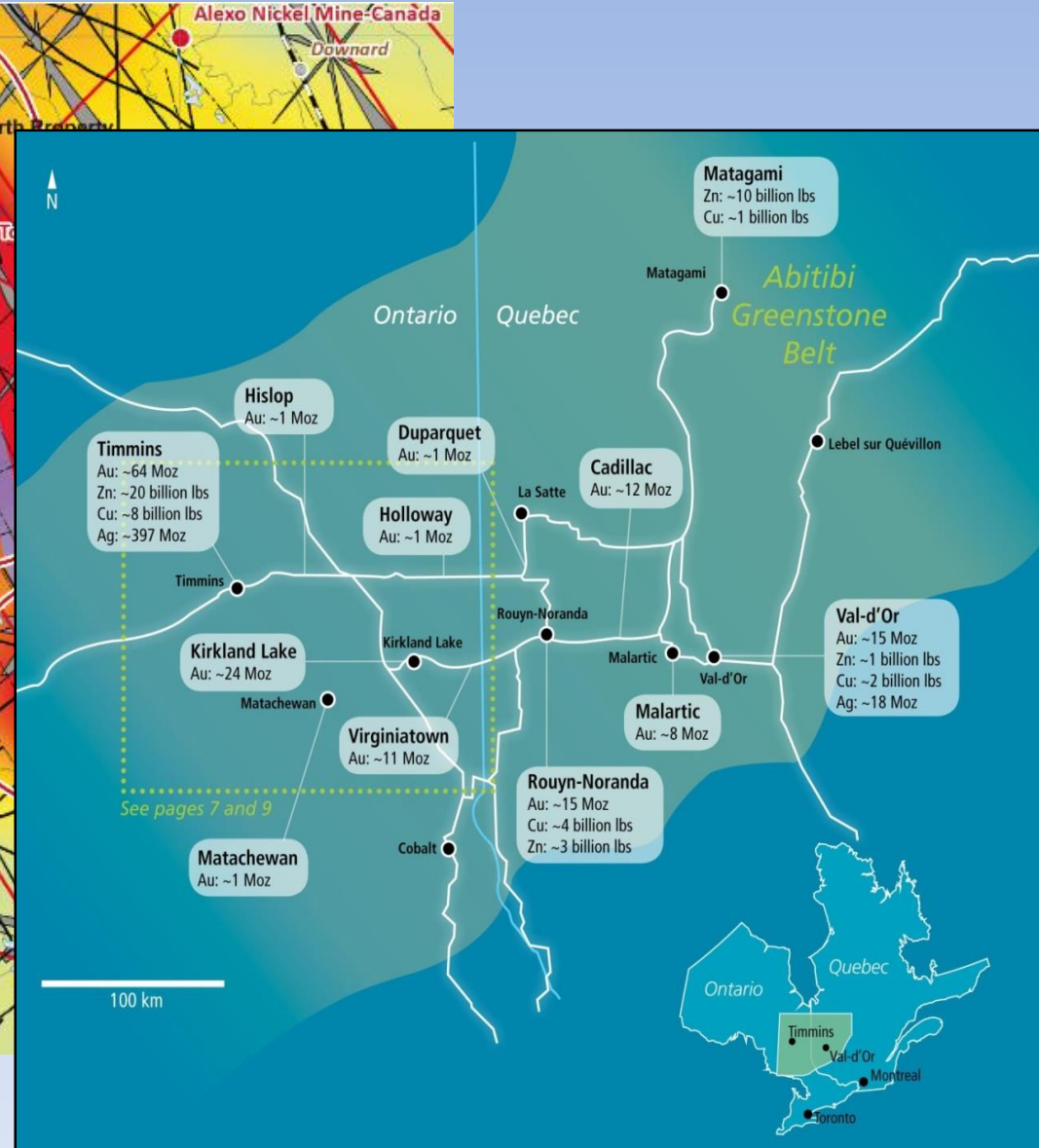
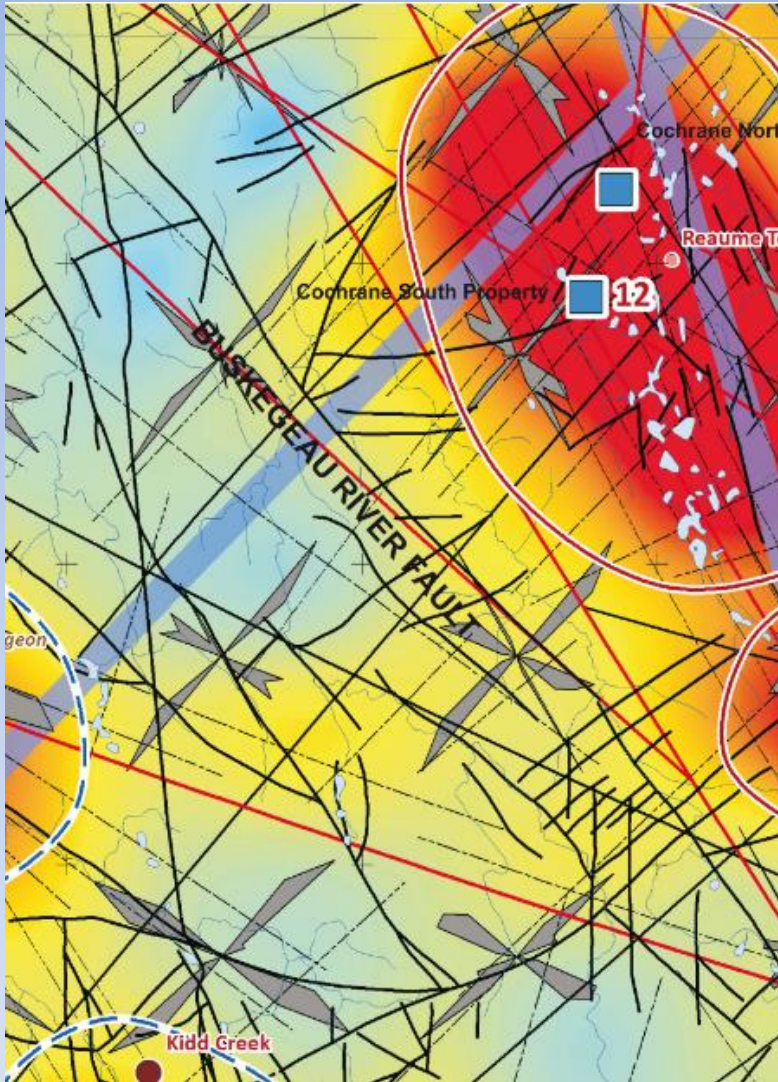


Project milestones

- **May 2010**: Staking of original 2 claims
- **Aug – Sep 2010**: Detailed ground geophysical program EM+Mag
- **Nov – Dec 2010**: State of the art geophysical interpretation using newest robust inversion codes developed at University of British Columbia (UBC-GIF) with drill target selection
- **Mar – Apr 2011**: Drilling program in progress on property
- **April 4, 2011**: Discovery of mineralized zone in DH-02 (22 meters of semi-massive mineralization, 4 types of sulphides, mineralization open at depth)
- **Sep 2011**: The results of geophysical interpretation supported by drilling are presented at SEG annual meeting in San Antonio, TX, followed by a publication (Kaminski and Oldenburg, 2011)
- **Dec 2011**: Structural interpretation completed and delivered, new claims outlined
- **Jan 2012 – Jan 2013**: Staking of new claims in the area
- **Feb 2013**: 43-101 report completed
- **Jun 2013**: VTEM airborne survey flown over new and old claims
- **Jul 2013**: Downhole DC/IP geophysical survey completed using EarthProbe system
- **Sep 2013**: Interpretation of geophysical data completed, 11 drill-holes proposed for the extended 2017-2018 drilling program

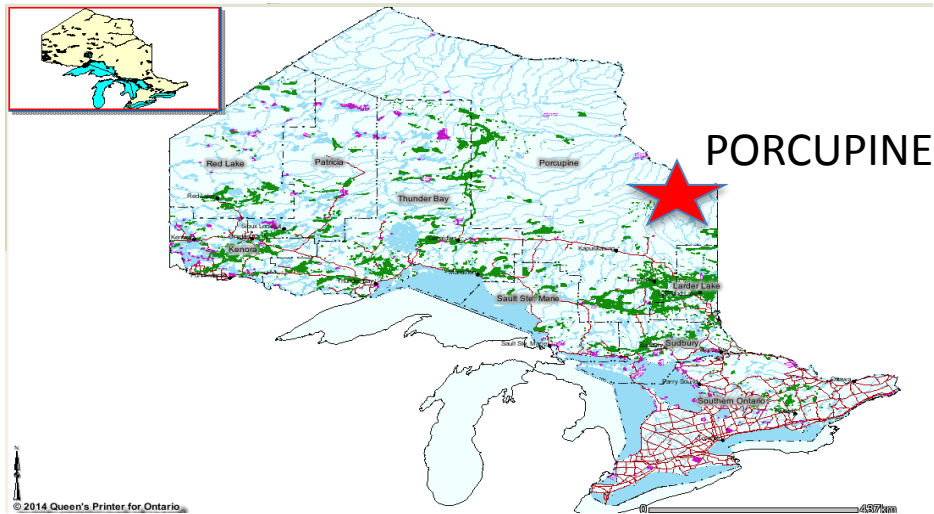


Commodities in the province



Property location

Province of Ontario, Porcupine Mining District

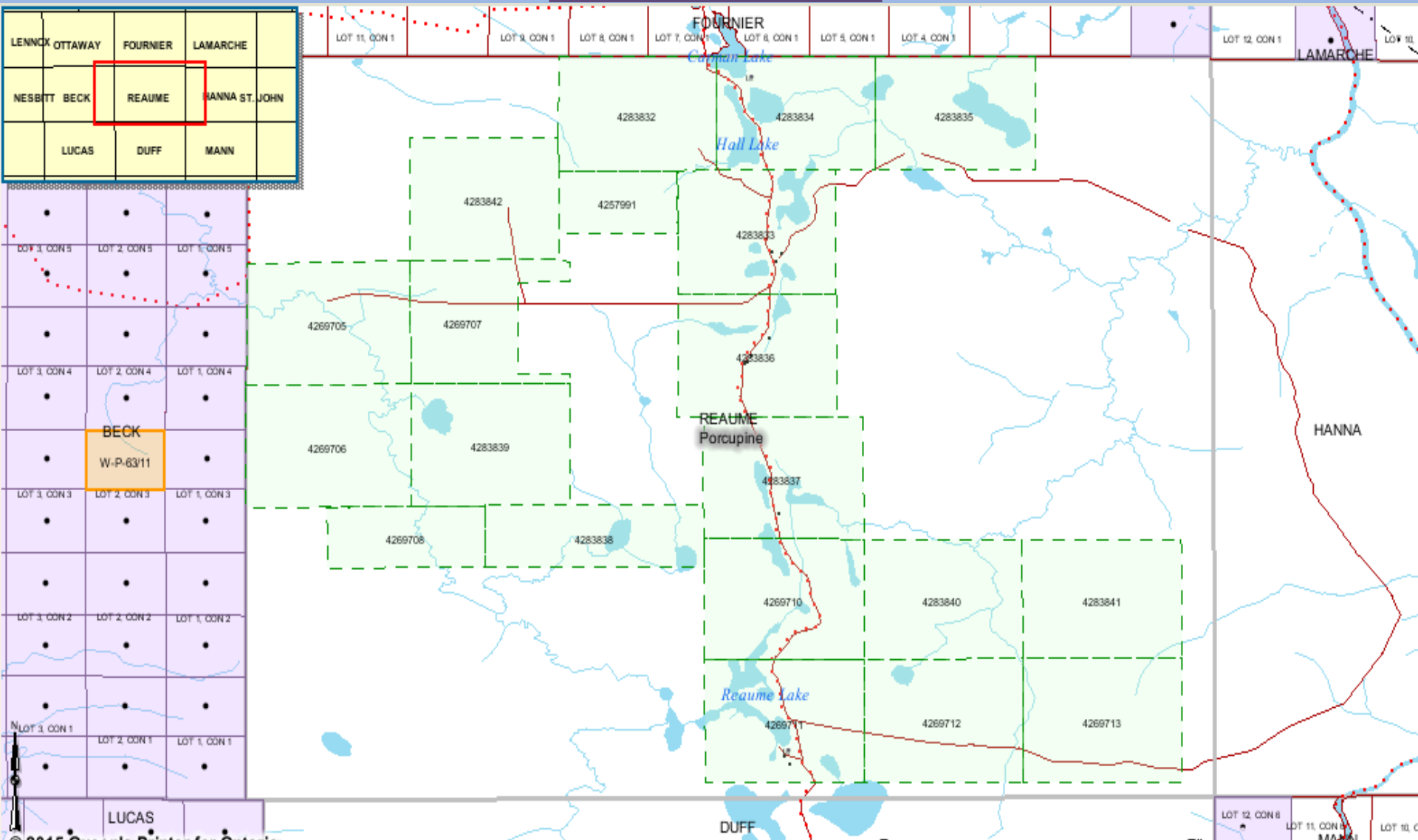


Broken Evil prospect

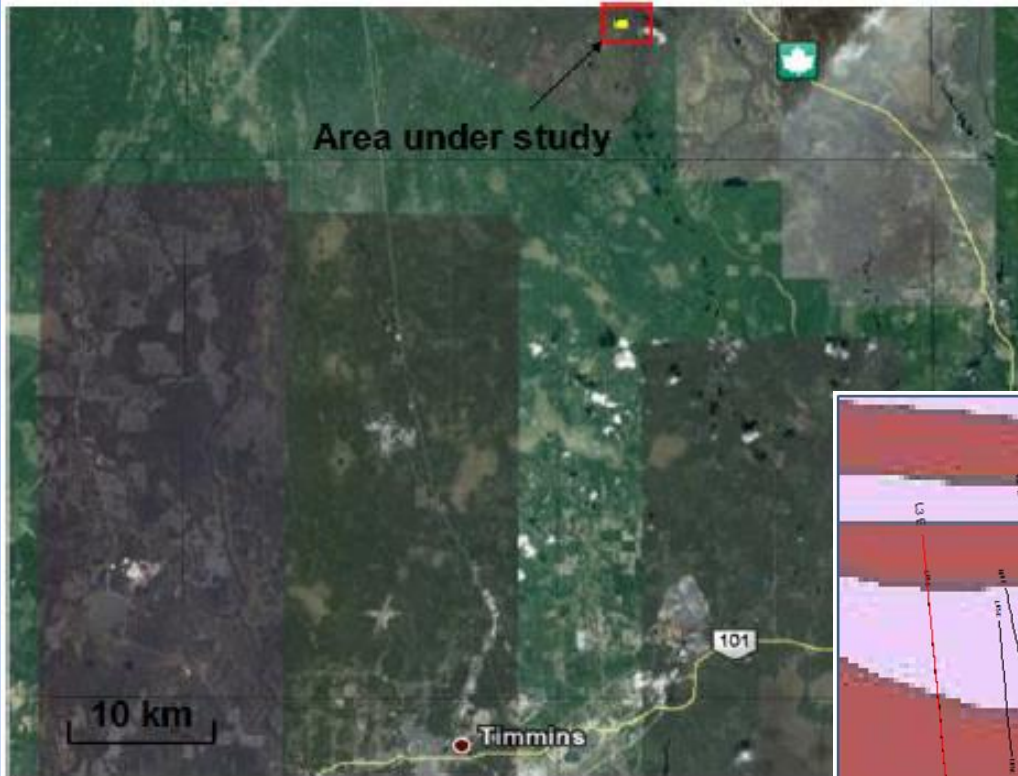


Just north of Kidd Creek Mine, the largest and richest VMS polymetallic massive sulphide mine in Canada, the Company has located on its claims, several significant airborne (VTEM) geophysical targets within the sedimentary-volcanic package that hosts Kidd Creek. The Company geophysicist believes that these geophysical anomalies are strong enough and large enough to indicate a significant copper-zinc-silver gold deposit, similar to the Kidd Creek Mine.

The claims

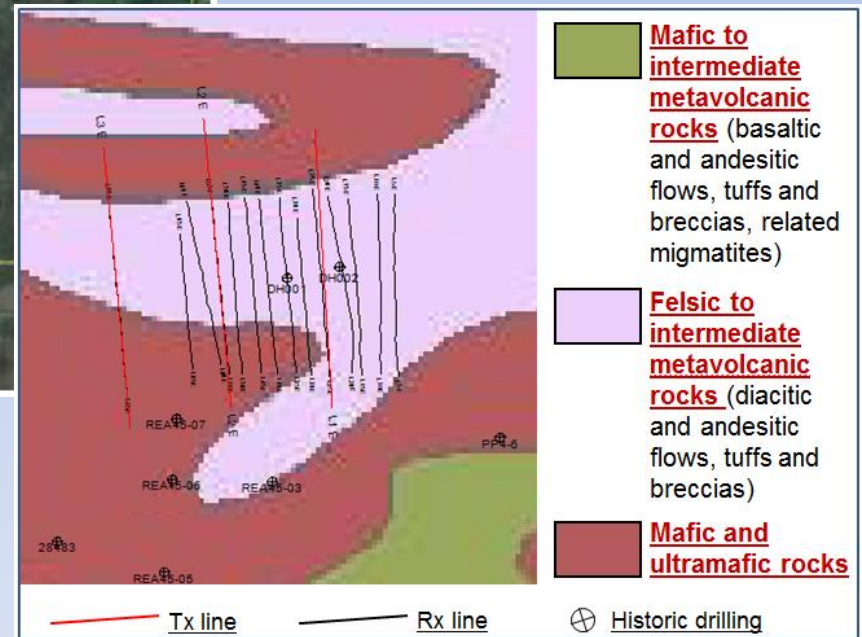


Geological setting



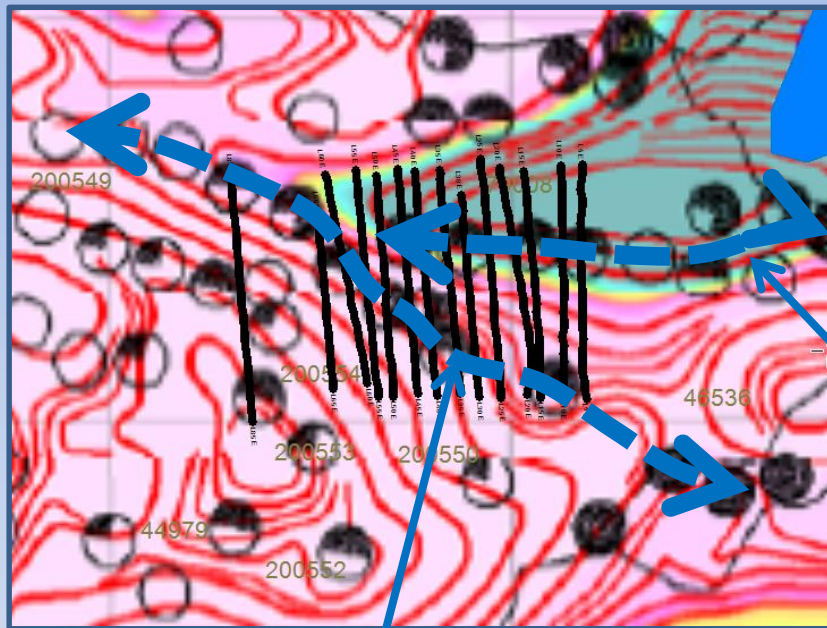
Potential for VMS mineralization

Target bedrock: Felsic to intermediate metavolcanic



Government geophysical data

Very large TMI values (2000 nT and up) mark **Peridotites**



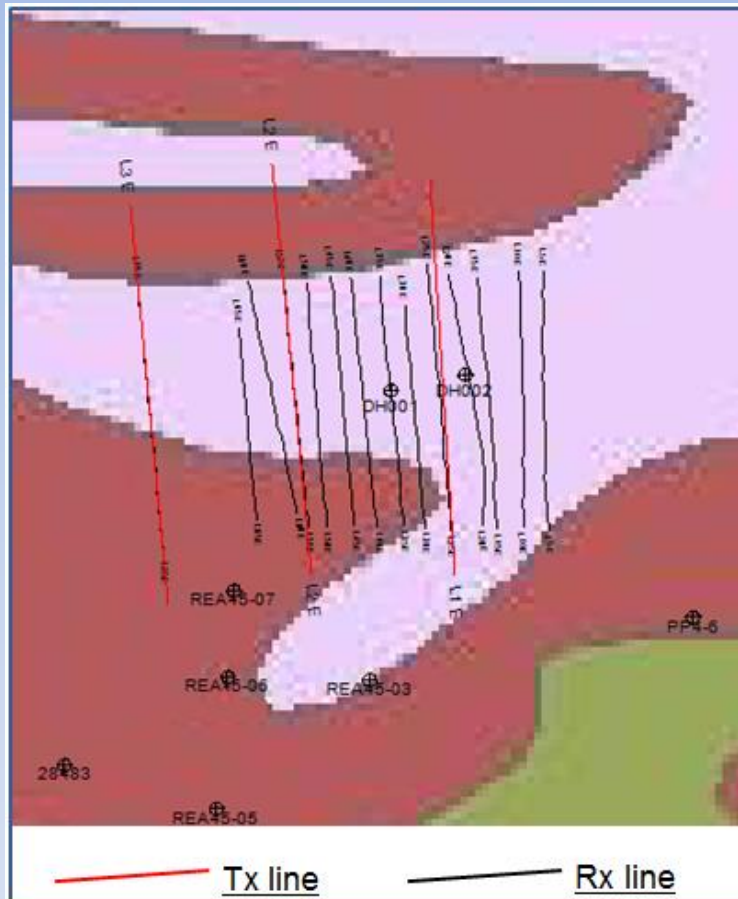
Second EM conductor axis marks a conductive ridge in metavolcanics (**Suspected mineralization**)

First EM conductor axis marks geologic contact (**Peridotites/Metavolcanics**)

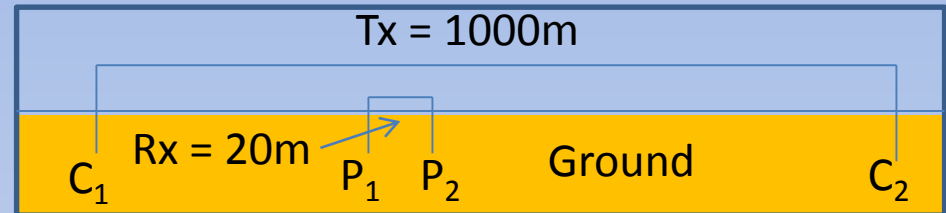


Detailed ground geophysical program

Survey plan



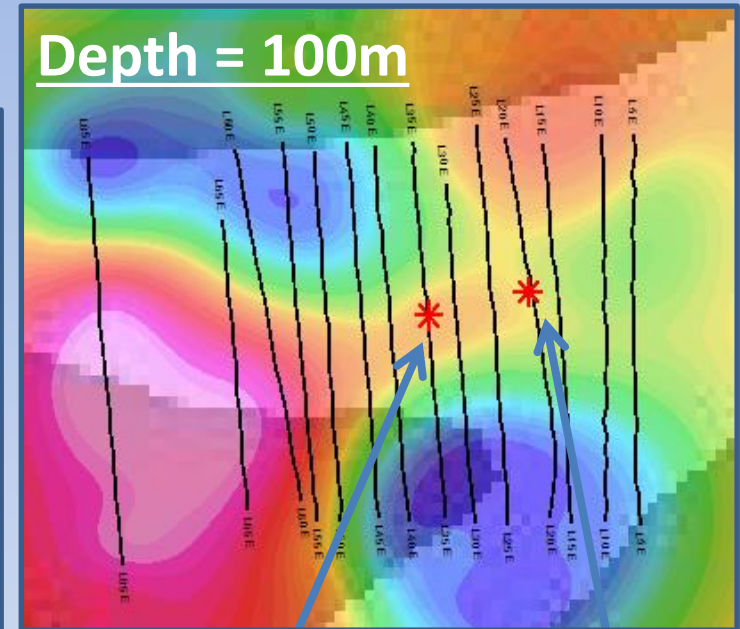
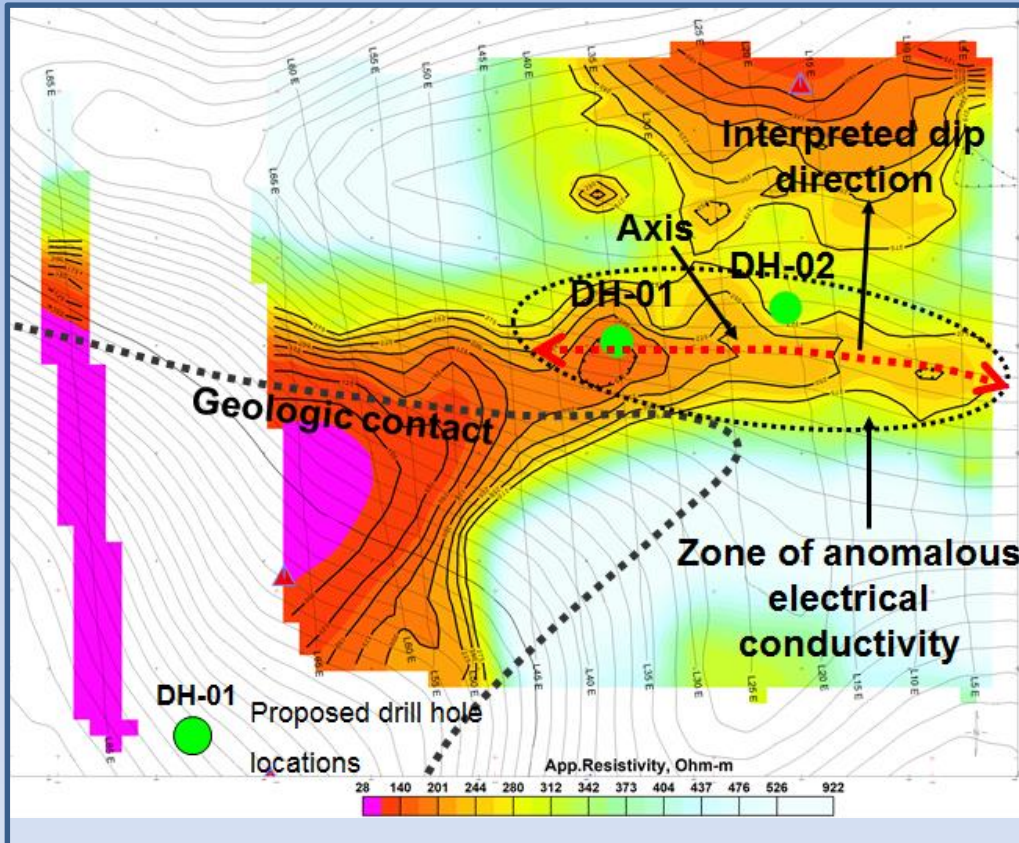
ERA 4 electrode system (C_1 , C_2 , P_1 , P_2)



- Constant **T_x** electrode separation (grounded source): **1000 m**
- Moving **R_x** electrode separation (grounded potentials): **20m**
- Frequency: **4.88 Hz**
- Current: **0.1A**
- Number of Tx: **3**
- Number of data **399**
- Rx line spacing: **50 m**

Selecting drill targets

Interpretation of EM data



DH-01

DH-02

Estimated depth to mineralized zone:

80-100 m

Drilling



- Diamond core drilling
- Thick overburden (>30m)
- Loggable drill holes
- Mineralization discovered in DH-02
- Intervals sampled

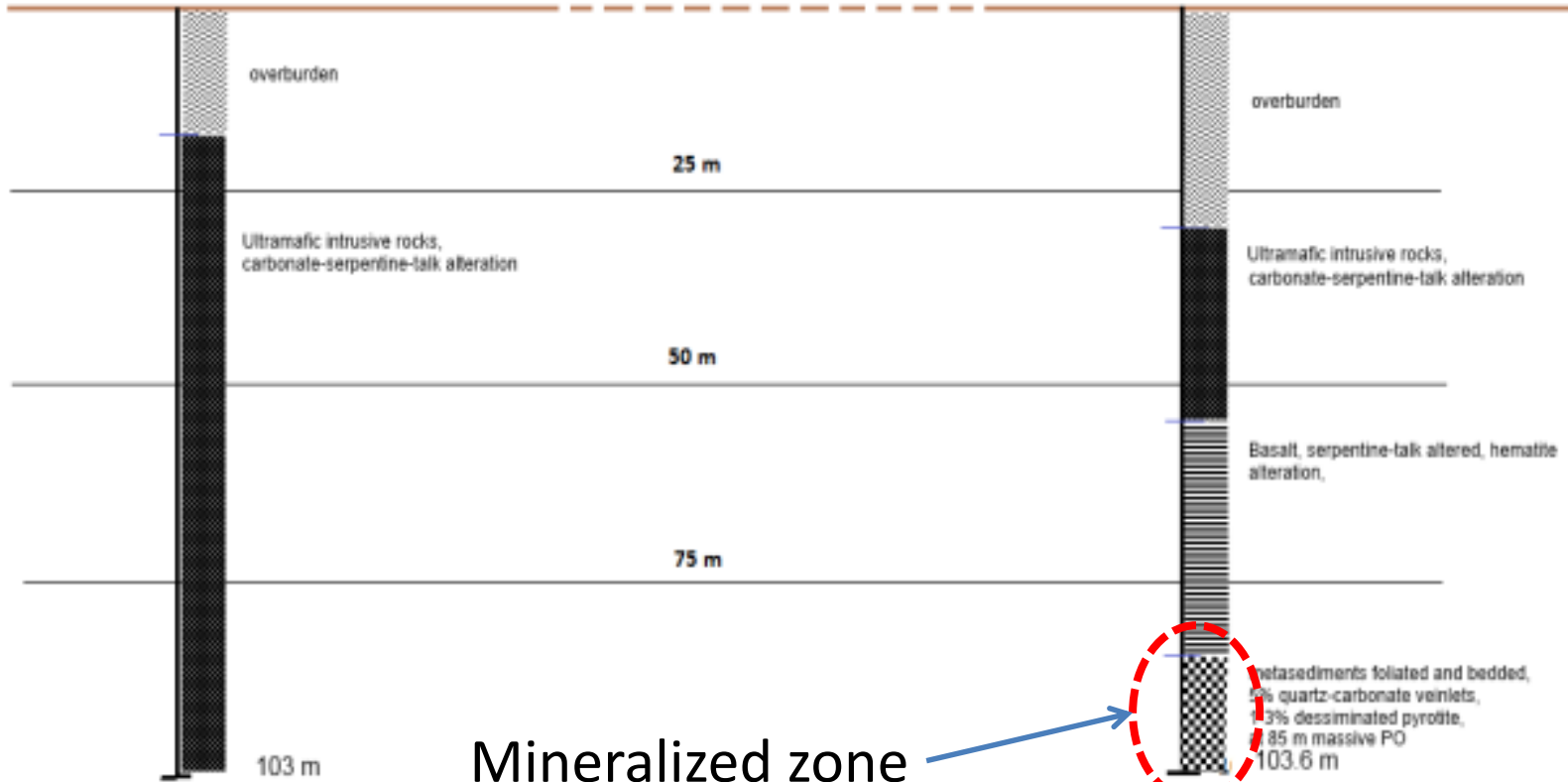
- Samples sent to ActLabs (SK)
- Mineralogical analysis revealed 4 types of sulphides



Drilling logs

DH-01 (UTM, Zone 17; X: 488298 Y: 5422601)

DH-02 (UTM, Zone 17; X: 489004; Y 5422601)

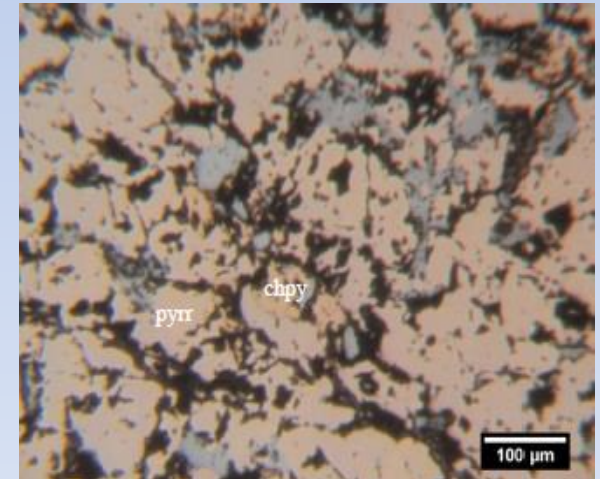
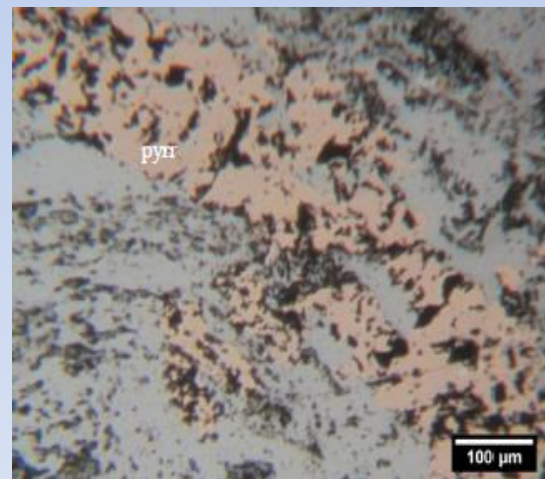
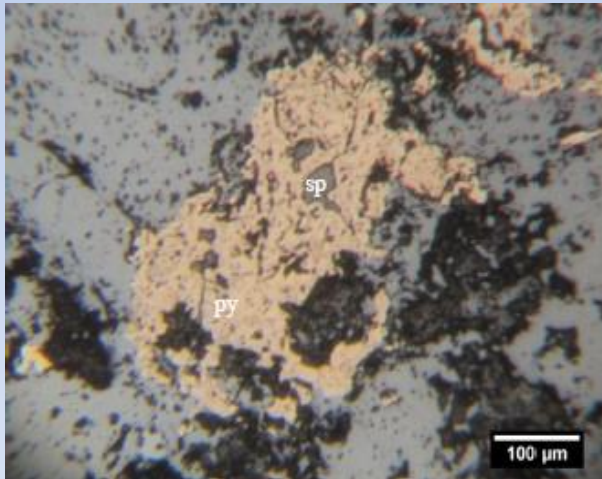


Mineralized zone

Mineralogical analyses

4 types of sulphides:

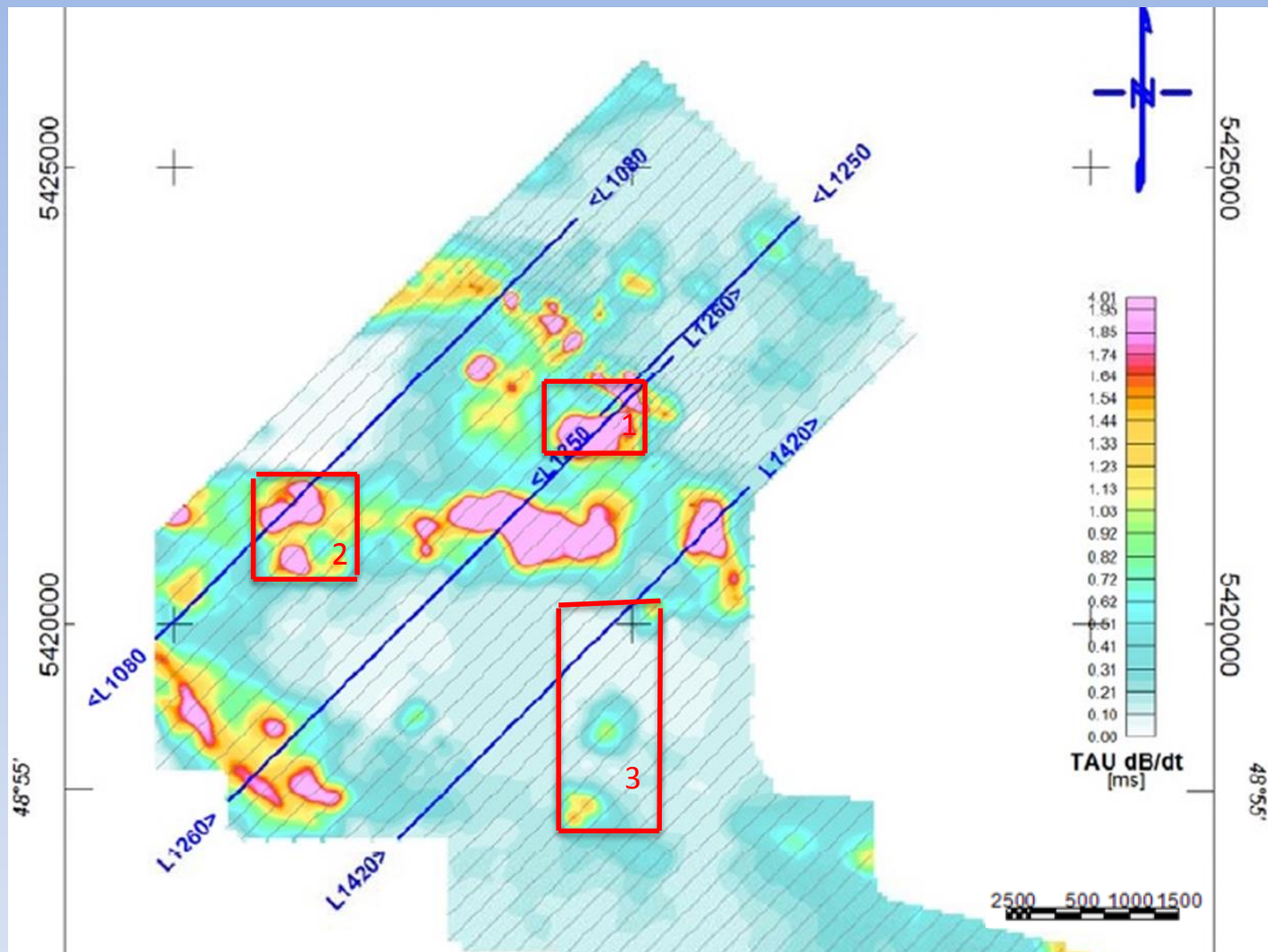
- Pyrite
- Pyrrhotite
- Chalcopyrite
- Sphalerite



VTEM airborne survey (2013)

2013 VTEM Survey
(Gridded Time
Constant and selected
profiles over
anomalous zones)

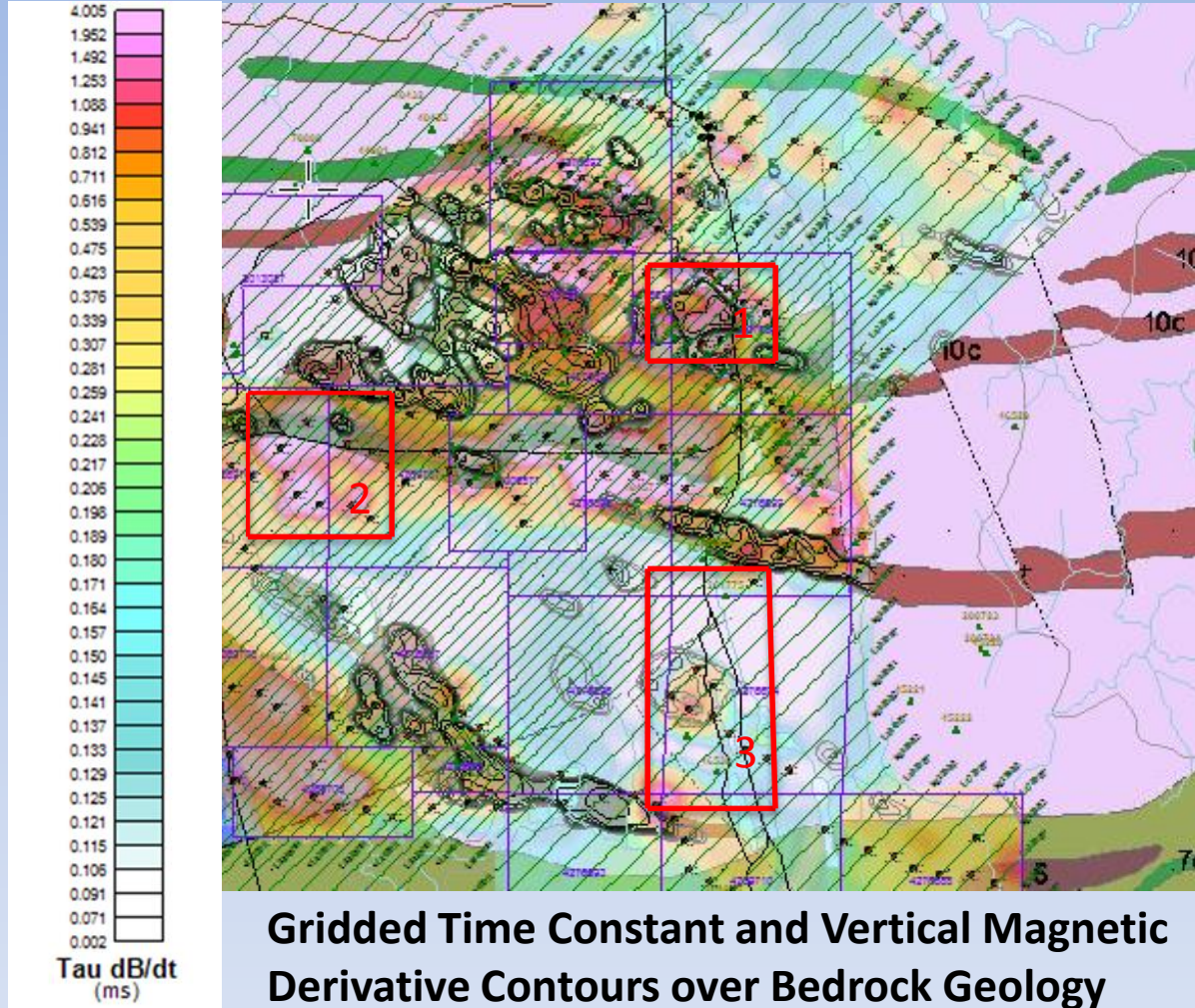
Red squares show
the three primary
target areas



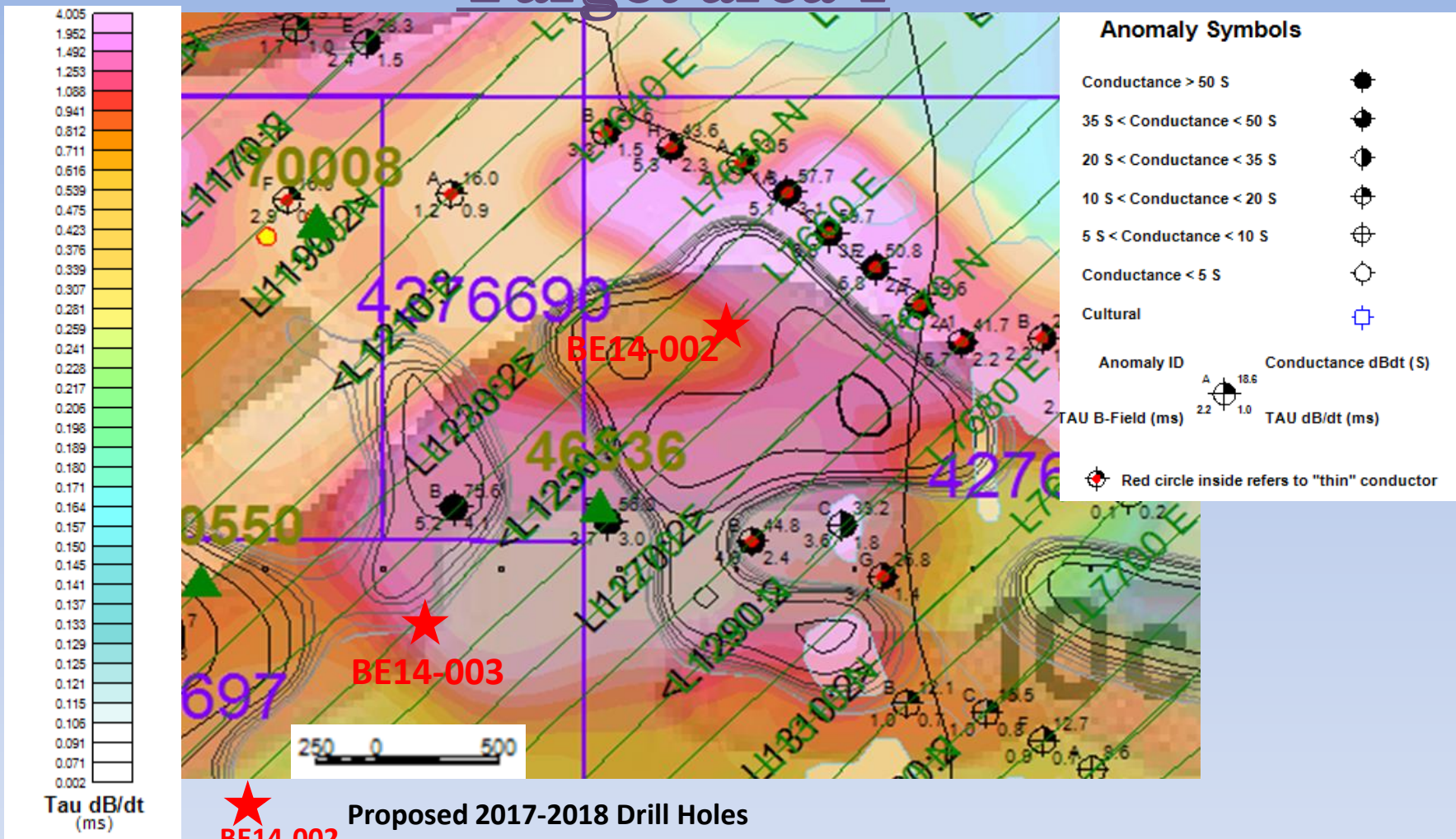
Target areas over geology

Red squares show the three primary target areas

All of the proposed drill targets lie within intermediate to felsic volcanics.

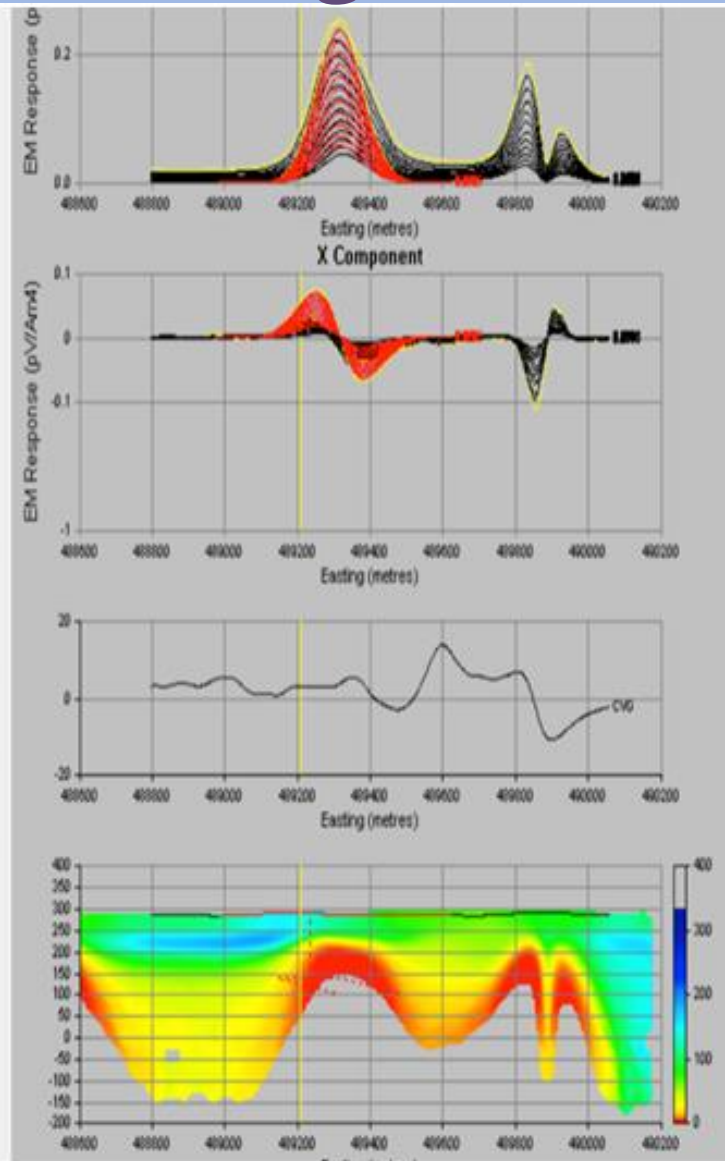
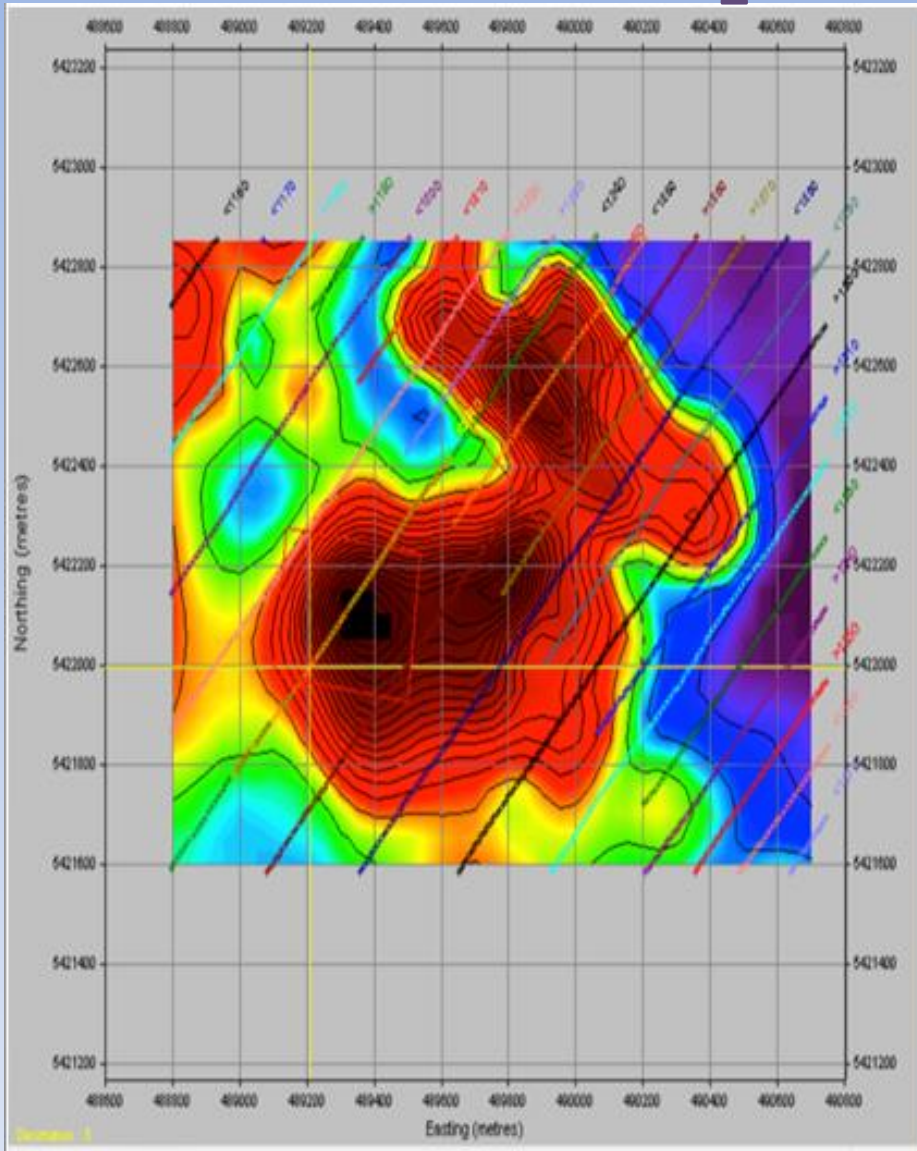


Target area 1

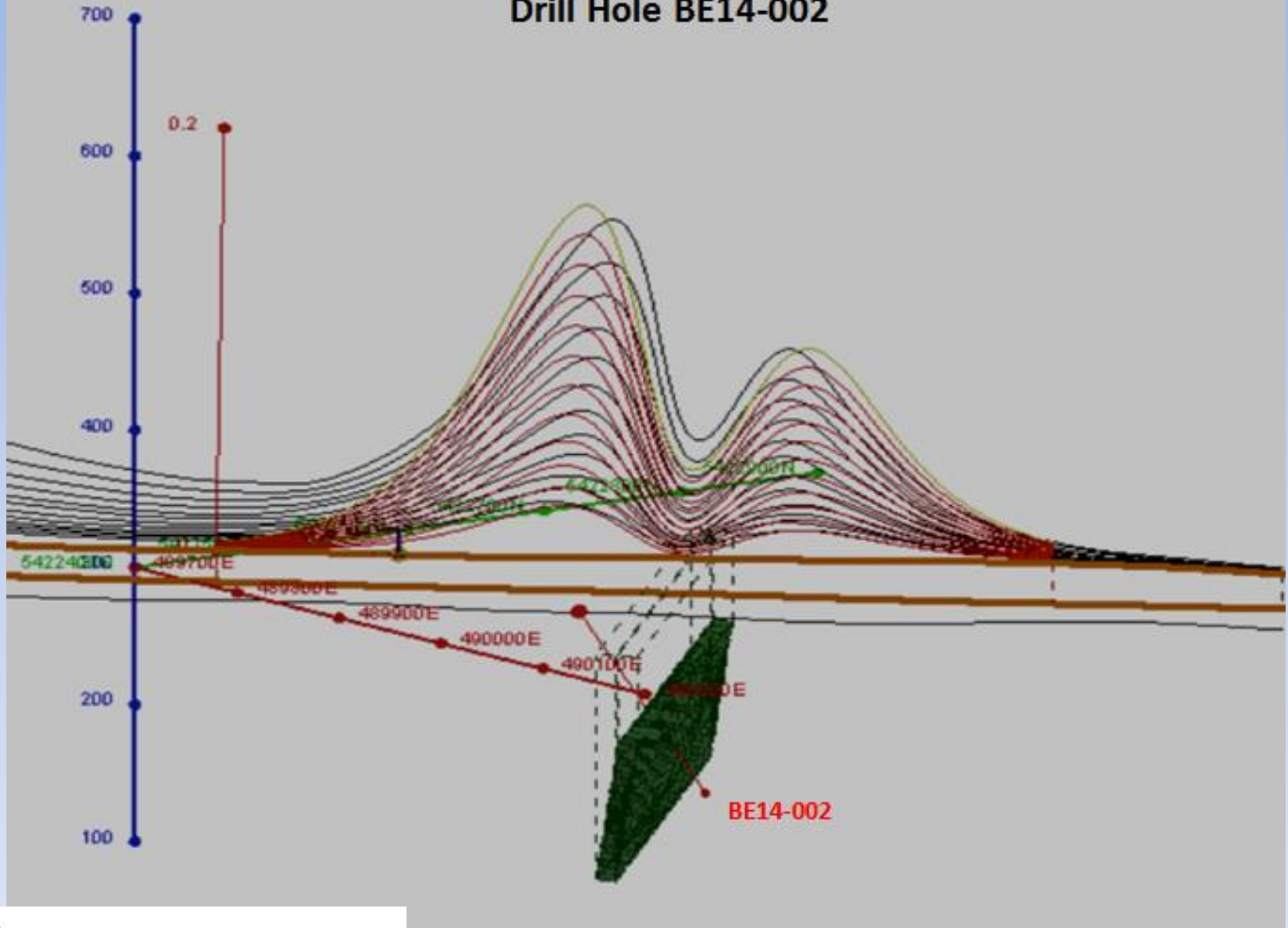


Plan map of Anomaly Group 1 showing a strong double anomaly, 2,000 x 2000 metres in size, East anomaly is narrow and steep dipping, West anomaly is broad and shallow dipping. These two anomalies appear to be connected with the steep anomaly reflecting a feeder zone for the shallow dipping anomaly which may be main body. Proposed drill holes to test the conductors are shown

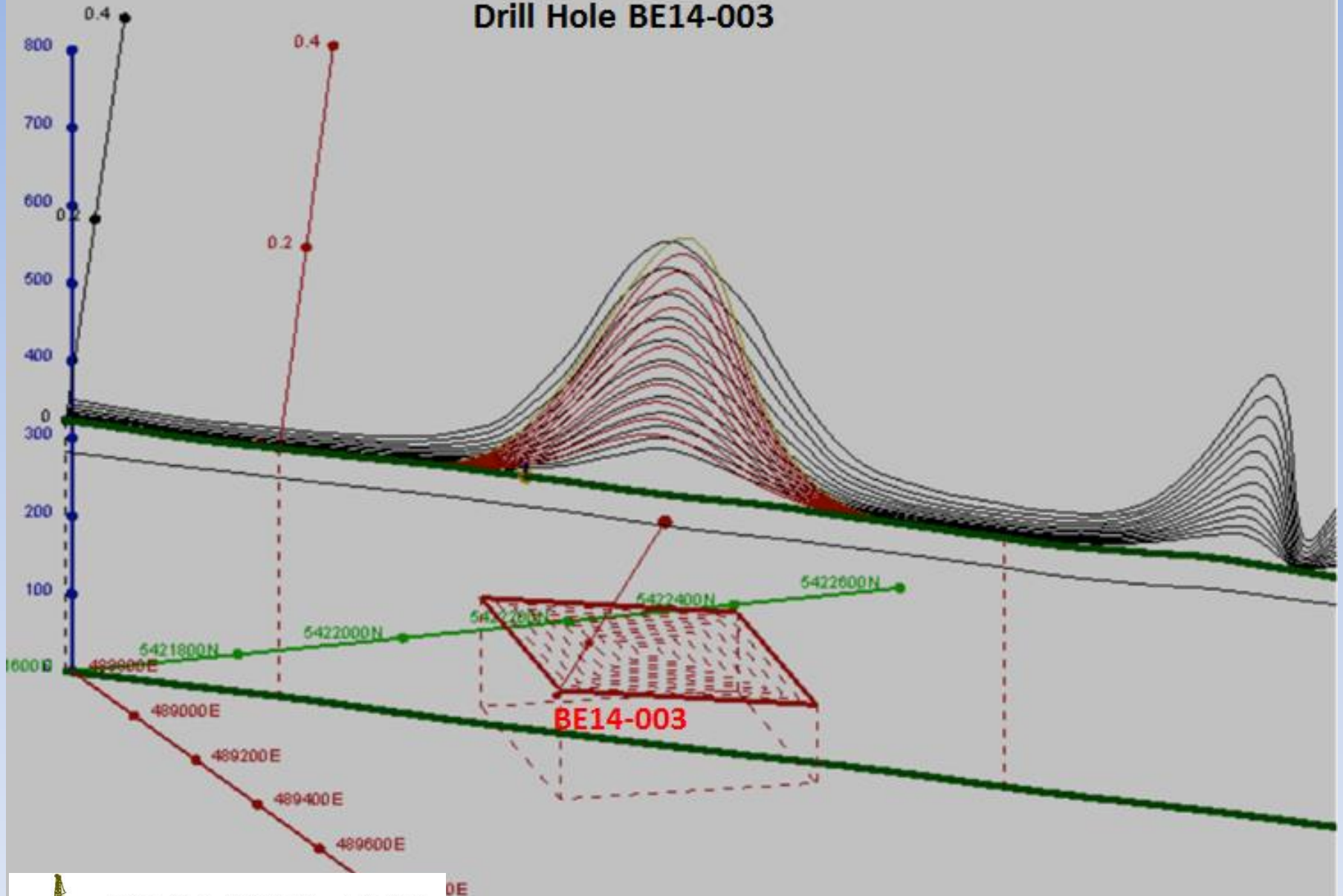
Maxwell plate modeling



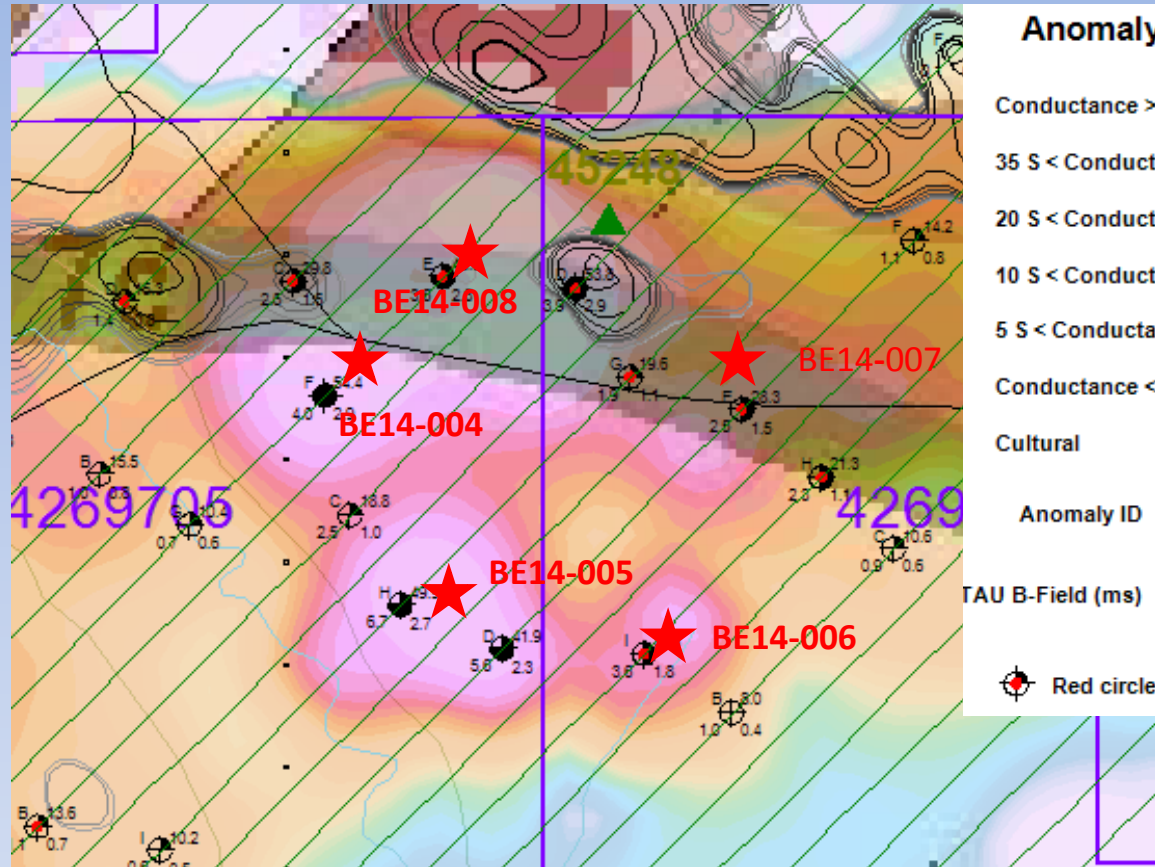
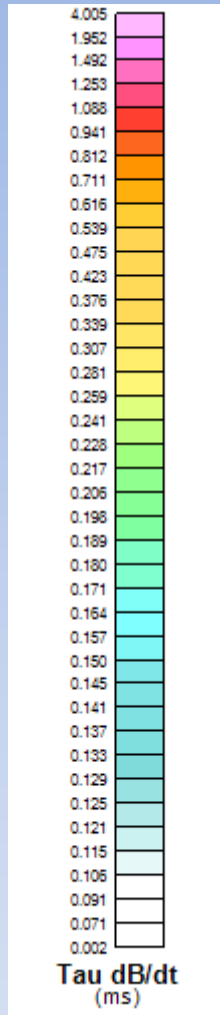
Maxwell Model Drill Hole BE14-002



Maxwell model Drill Hole BE14-003



Target area 2



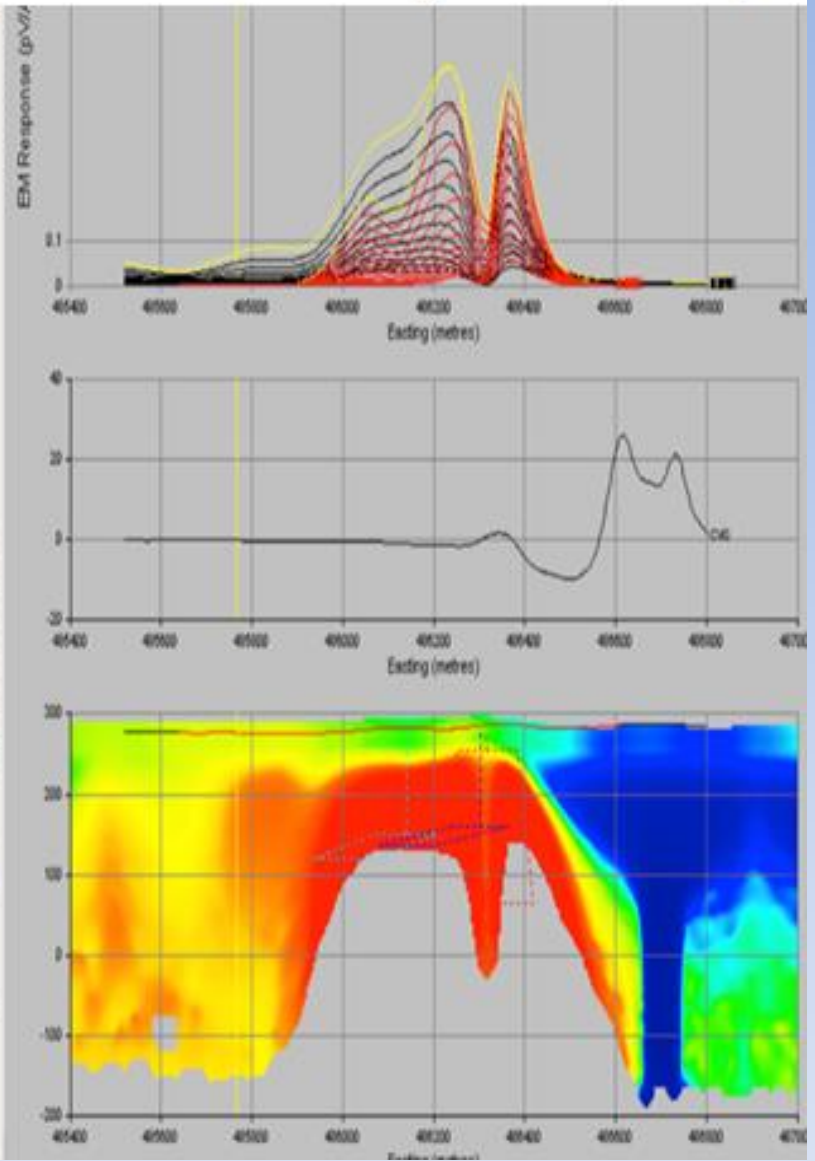
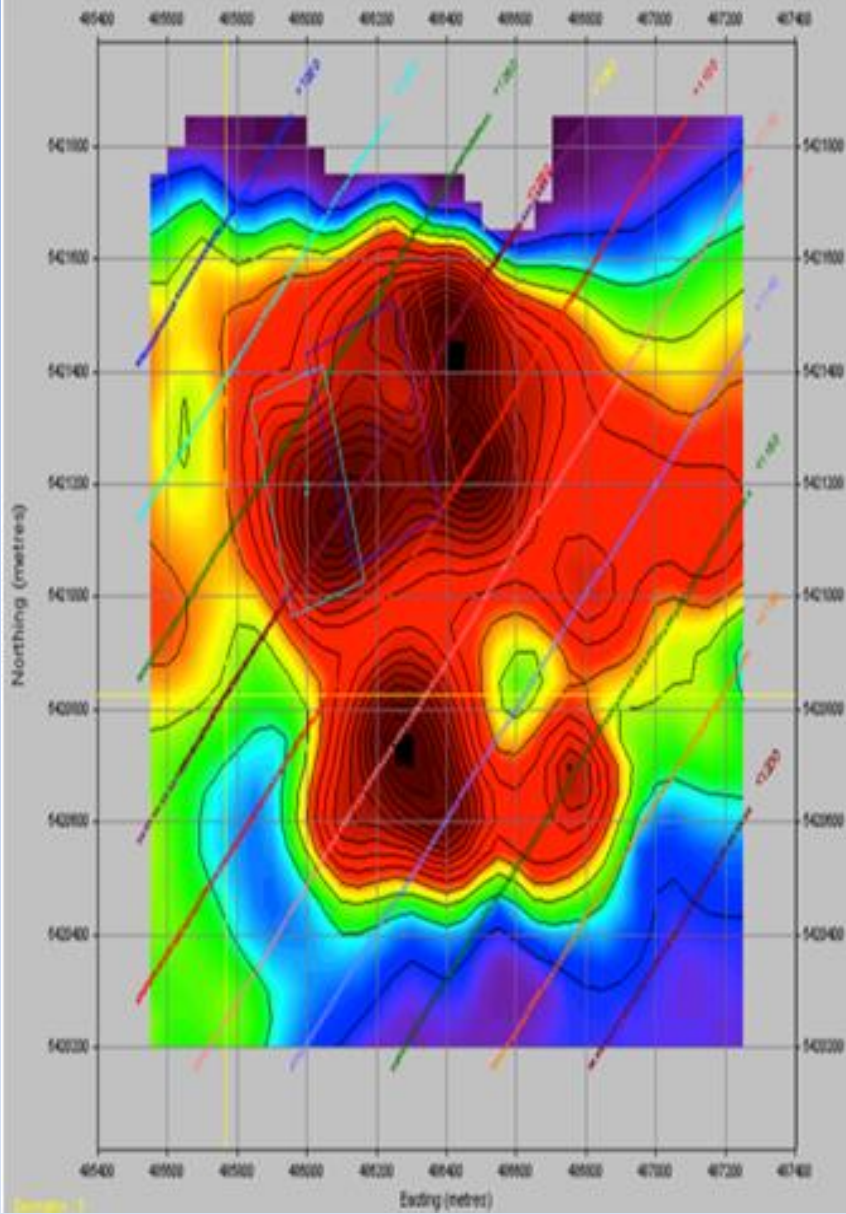
Anomaly Symbols

- Conductance > 50 S
 - 35 S < Conductance < 50 S
 - 20 S < Conductance < 35 S
 - 10 S < Conductance < 20 S
 - 5 S < Conductance < 10 S
 - Conductance < 5 S
 - Cultural
- Anomaly ID Conductance dBdt (S)
- TAU B-Field (ms) TAU dB/dt (ms)
- Red circle inside refers to "thin" conductor

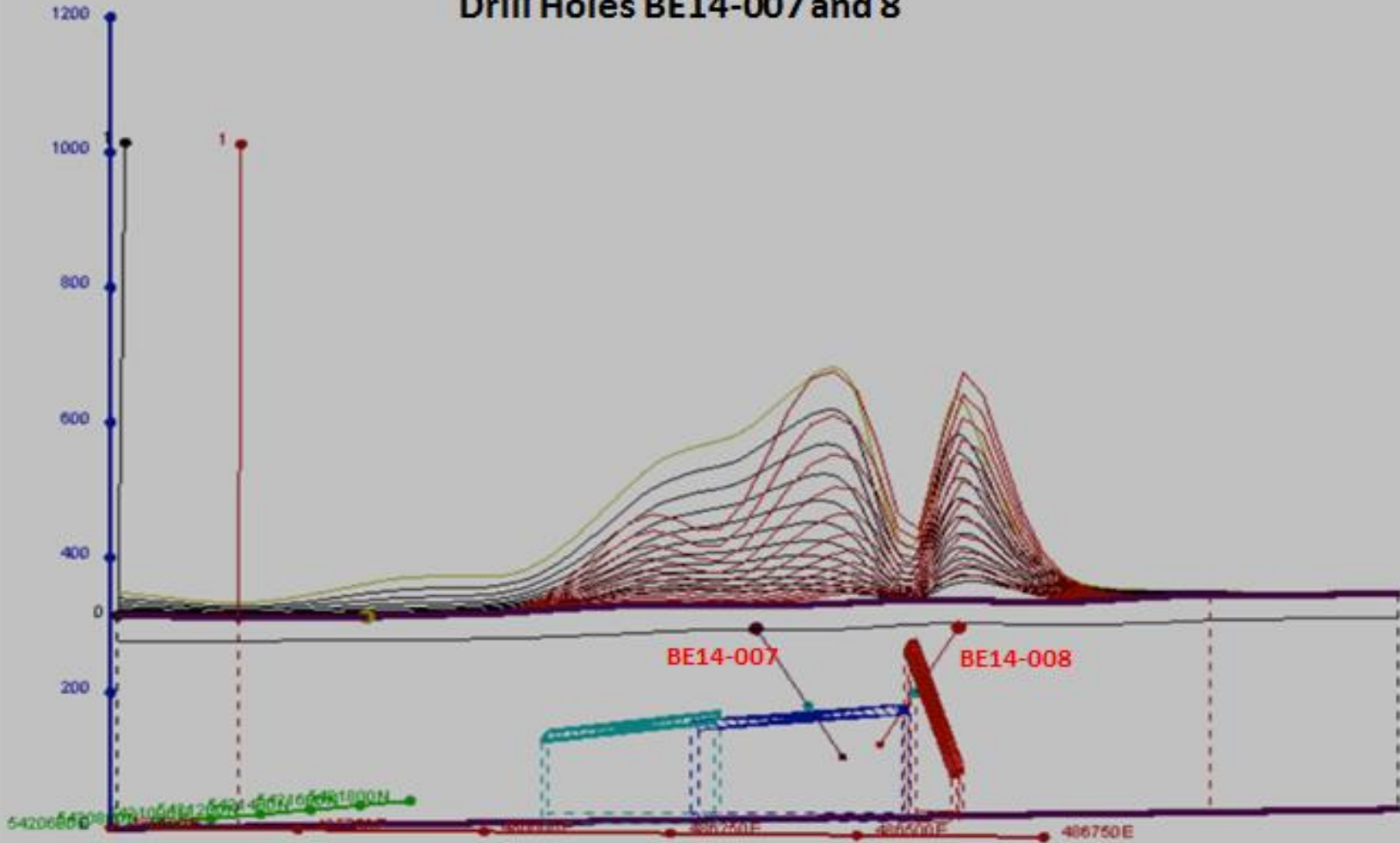
Proposed 2017-2018 Drill Holes
BE14-004

Plan map of target area 2 showing a patch of 5 conductors with proposed drill holes. This anomalous area has 4 shallow dipping anomalies and one steeply dipping anomaly

Maxwell Plate Modeling Anomaly Group 2

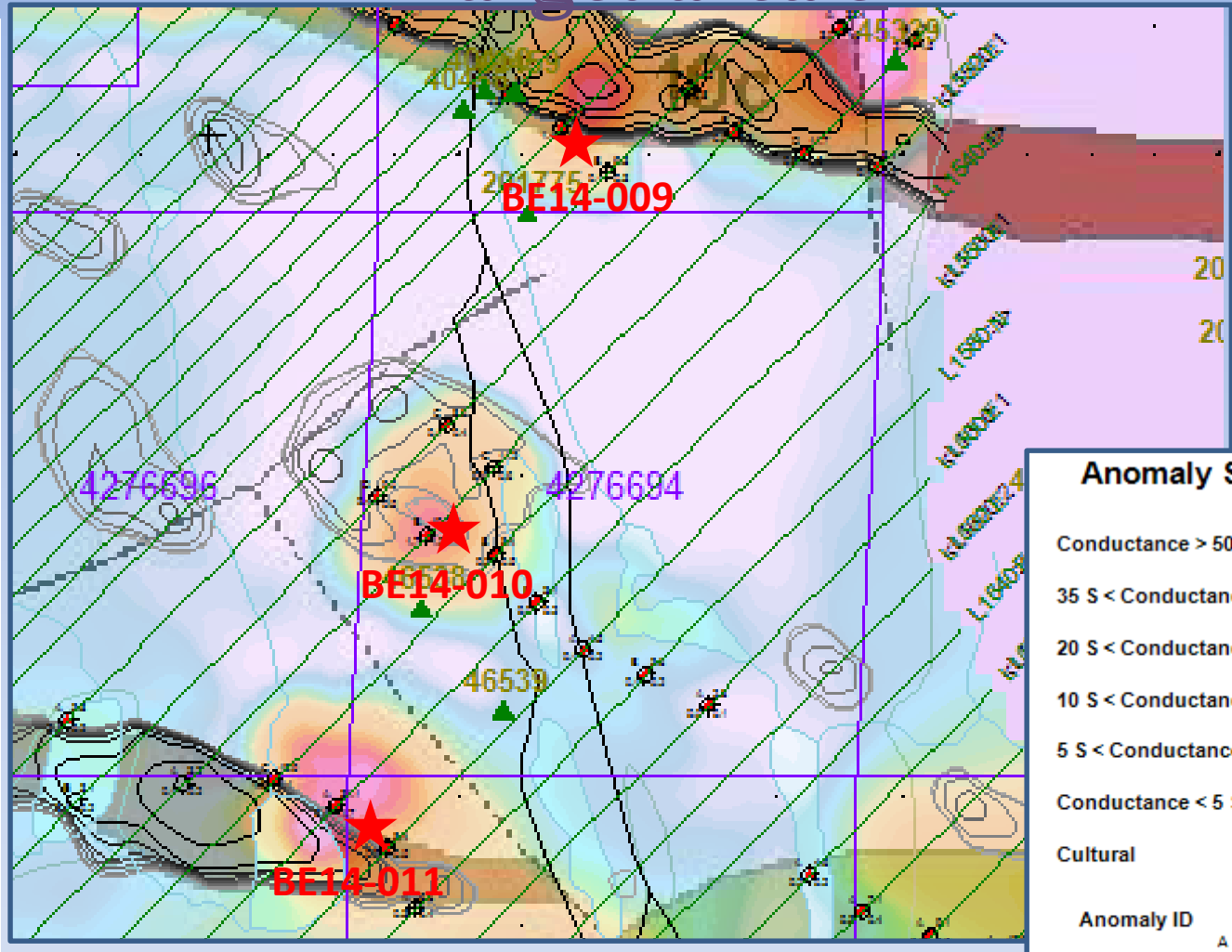
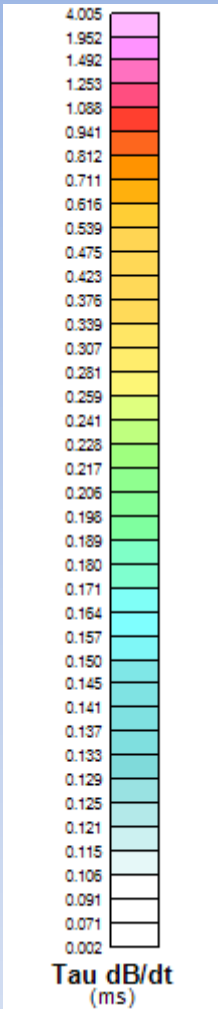


Maxwell Model Drill Holes BE14-007 and 8



Target area 3

Plan map showing three small conductors along a north south structure. The southern two conductors appear to be distinct narrow sheets running parallel to the steeply dipping sheets in the other two target areas. These targets all lie within a felsic volcanic package



Anomaly Symbols

Conductance > 50 S	
35 S < Conductance < 50 S	
20 S < Conductance < 35 S	
10 S < Conductance < 20 S	
5 S < Conductance < 10 S	
Conductance < 5 S	
Cultural	

Anomaly ID Conductance dBdt (S)

AU B-Field (ms) TAU dB/dt (ms)

Red circle inside refers to "thin" conductor

Proposed 2017 - 2018 Drill Holes

BE14-009



Proposed future work

- Summer 2017: follow up ground geophysical program (DC/IP and magnetic survey) must be carried out over anomalies in target area 3 in order to properly design drill holes
- Proper interpretation and modeling of geophysical data (based on inversions) must be carried out
- Winter 2017 – 2018: drilling must be carried out (11 new objects) in order to test VTEM anomalies over target areas 1 and 2 and ground geophysical anomalies/VTEM anomalies over target area 3
- Depending on the results new mining claims must be staked

Proposed 2017-2018 budget

HARD DOLLARS

CATEGORY	ESTIMATED COSTS	DETAILS
Administration	120,000	Office, filing fees, permits etc.
Purchase of Geophysical Data	130,000	Work completed by Vendor in 2013, to be refunded.
Staking Costs	50,000	Purchase of extra claims held by another company, includes \$50,000 for cost of staking plus shares plus 1% NSR
TOTAL HARD DOLLARS	\$300,000	
FLOW THROUGH DOLLARS		
CATEGORY	ESTIMATED COSTS	DETAILS
General		
Help (general labour)	10,000	Helping with line cutting and logistics (if necessary)
Communication	1,000	Phone, fax, cellular, internet, etc
Tools and equipment	2,000	Chain saw, jerry cans, tools, maintenance/rental
Hotel/food	7,000	Includes hotel stay + per diem
Consulting Salaries	80,000	Project Management and Geological and Geophysical Consulting
Transportation		
Airlines	10,000	
Ground transportation	3,000	Car/truck/ATV rental, taxi, airport transfer, etc
Drilling		
10 holes	300,000	Approximately 200m each @ \$150/meter
Core sampling, handling and analysis	10,000	Description, storage, handling, analysing (certified lab)
Report	10,000	Interpretation and writing of report
CONTINGENCY	67,000	
TOTAL FLOW THROUGH	\$500,000	