# TECHNICAL REPORT ON THE SOUTH CARIBOO PROPERTY, BRITISH COLUMBIA, CANADA

prepared for KORE Mining Ltd. and Karus Gold Corp.

South Cariboo Property, British Columbia, Canada

Effective Date: November 15, 2020
Report Date: December 16, 2020

Ron Voordouw, P.Geo. & Henry Awmack, P.Eng.

Equity Exploration Consultants Ltd.

This page intentionally left blank

## TABLE OF CONTENTS

## LIST OF TABLES



## LIST OF FIGURES

# 1.0 SUMMARY

## 1.1 Introduction

In November 2020, KORE Mining Ltd. ("KORE") retained Equity Exploration Consultants Ltd. ("Equity") to prepare an independent technical report (the "Technical Report") on the South Cariboo Property ("South Cariboo" or the "Property") in central British Columbia for the purposes of KORE, which is listed on the TSX-V Exchange (TSX-V: KORE) and for Karus Gold Corp. ("Karus"), a wholly owned subsidiary of KORE. KORE and Karus propose to enter into an arrangement agreement whereby KORE will transfer all of its interest in the South Cariboo Property to Karus in exchange for common shares of Karus, which will then be distributed to the existing shareholders of KORE ("Spinout Transaction"), such that Karus will become a standalone entity with ownership of the Property. The preparation of this report is led by Equity but includes contributions by another independent consultant.

KORE was formed through a three-cornered amalgamation of a wholly owned subsidiary of Eureka Resources Inc. ("Eureka") and 1184938 BC Ltd (formerly Kore Mining) in October 2018 pursuant to a reverse takeover transaction ("RTO"). The resulting issuer was subsequent re-named KORE Mining Ltd and continued to own the South Cariboo Project, which was owned by Eureka prior to the RTO.

## 1.2 Property Description

The South Cariboo Property consists of 121 mineral claims in two nearby blocks within the Cariboo Mining Division of central British Columbia, which cover 99,778 hectares (998 $km^2$), centred at 52° 23'N latitude and 120° 54' W longitude. The Property's northwestern end is referred to as the Gold Creek area and the southeastern end, including the Frasergold deposit and the Nova zone, as the FG Gold area. KORE Mining Ltd. is the recorded owner of most claims, although a few are held in the name of their optionors.

The Property includes claims acquired directly from MTO by KORE, bought by KORE under the terms of two purchase agreements (Scott and Earl) or held under the terms of four option agreements (Bullion, Hen, Hawk and Tep), one of which (Bullion) has already vested. A 1-3% NSR royalty is applicable to certain of the claims held under purchase or option agreements, subject to variable buydown terms. Pursuant to the proposed Spin-out Transaction, KORE will be granted a 1% NSR on all claims in the Property which are not subject to other royalties.

The authors are otherwise unaware of any other royalties, back-in rights or other agreements and encumbrances to which the Property is subject.

A 298-m adit was constructed between 1987 and 1991 for bulk sampling in the FG Gold area (Campbell and Giroux, 2015). The current condition of this adit and its possible environmental liabilities, such as waste dumps or effluent, are not known to the author.

Permits are required prior to any mechanized exploration in British Columbia. KORE has Multi-Year Permits for the FG Gold and Gold Creek areas that allow for additional drilling until 2024 and 2025.

The Property lies within the traditional territory of the Northern Shuswap Tribal Council which is in active land claim negotiations with the British Columbia Treaty Commission (BCTC, 2018). Land claims have not been settled in this part of British Columbia and their future impact on the Property's access, title or the right and ability to perform work on it remains unclear.

To the author's knowledge, there are no other significant factors and risks that may affect access, title, or the right or ability to perform work on the property.

## 1.3 Location, Access and Ownership

The South Cariboo Property is centred 85 km northeast of Williams Lake (population 11,000) in central British Columbia. Paved highways extend northeasterly to the villages of Likely and Horsefly, situated within and 20 km southwest of the Property boundary, respectively. Logging is extensive within the property and it is accessed by a network of gravel logging roads, some of which are still accessible by truck or ATV. More remote areas are restricted to helicopter access.

Climate and physiography allow for year-round drilling whereas surface exploration is most practical in the months of May to September.

Powerlines at 500 kV and 69 kV pass southeasterly through Williams Lake and a 69 kV powerline extends northeasterly to the Mount Polley mine, located within 5 km of the Property boundary.

Most of the surface rights over the Property are held by the Crown and controlled by the province of British Columbia and should be available to support any eventual mining operations.

Given the early stage of exploration and development on the property, no studies have considered potential waste disposal areas, heap leach pad areas or potential processing plant sites.

## 1.4 History, Exploration and Drilling

The South Cariboo Property contains the Frasergold deposit in the FG Gold area, drilled gold mineralization in the Gold Creek area, and several other showings.

The Frasergold deposit has been tested with at least 402 drill holes for 55,300 metres, mostly in the 1990-91 (20,500 m) and 2008 (10,400 m) campaigns. Several campaigns of metallurgical test work have also been carried out, including work from 1990 that showed 87% to 92% gold recovery on a 1135 kg bulk sample with an average grade of 2.33 g/t Au. Approximately 300 m of underground workings were developed between 1987 and 1991.

In 2009, Gary Giroux calculated a mineral resource for the Frasergold deposit that was then compliant with NI 43-101 reporting standards. Using a cut-off grade of 0.5 g/t Au, Campbell and Giroux (2015) reported Measured + Indicated (M+I) resources of 15.17 million tonnes at 0.776 g/t Au, and Inferred Resources of 27.49 million tonnes at 0.718 g/t Au. A qualified person has not done sufficient work to classify this estimate as a current mineral resource and KORE is, as of this Technical Report, treating it as a historical estimate and not as a current mineral resource. The historical collar, survey, and assay database was previously deemed adequate for purposes of NI 43-101 compliant resource estimation (Campbell and Giroux, 2015) but lacks most types of geological data (e.g. lithology, veining, structure). Uncertainty can be mitigated through compilation of historical geological logs and aggregation of all logs into a single, standardized, drill database.

The Gold Creek area is at an earlier exploration stage than FG Gold and is located just 6 km from the Spanish Mountain orogenic gold deposit, and 5 km from the Mount Polley Cu-Au alkalic porphyry mine. A total of 71 holes for 7,074 m have been drilled into this part of the Property, mostly in the 2008 (1,800 m) and 2011 (2,500 m) campaigns. Results included both broad intersections of low-grade mineralization (such as 77.0 m at 0.316 g/t Au in hole GC11-15) and narrow intersections of higher grade (such as 32.2 g/t Au over 1.5 m in GC-18-39).

Since their reverse take-over of Eureka in October 2018, KORE has completed 1,077 m of drilling at the Nova zone in the FG Gold area and 5,829 m of drilling at the Frasergold deposit, also in the FG Gold area. For the Frasergold drilling, only the eight holes of the Spring program (FG-20-368 to 375) had been publicly released as of the effective date of this report (November 15, 2020), along with one hole from the summer program (FG-20-377).

KORE's drilling and core processing was completed to industry standard but could benefit from obtaining area-based permits, conducting select gyroscopic downhole surveys, completing collar DGPS surveys, and collecting specific gravity data. Overall, however, the data is considered adequate for exploration purposes, geological modelling and should be adequate for future resource estimations.

No ore production has been reported from the Property.

## 1.5 Geology and Mineralization

The South Cariboo Property lies along the tectonic boundary between the Quesnel terrane and the ancestral margin of North America. This deformed suture zone hosts several orogenic-type gold deposits that are collectively referred to as the Cariboo Gold District (CGD), which is part of the larger eastern Cordilleran gold belt (Allan et al., 2017). The CGD includes KORE's Frasergold deposit, the nearby Spanish Mountain deposit, and the prolific Wells-Barkerville Camp 90 km to the north. The Property is also prospective for Cu-Au alkalic porphyry deposits hosted in Quesnel terrane, like the nearby Mount Polley mine.

The Frasergold deposit comprises a near-surface, stratabound, sub-horizontal, northwest-trending, rod-shaped gold-bearing body that extends for at least 3.4 km along strike, with indications of gold mineralization extending a total of 10 km along strike. The cross-sectional dimensions of the deposit are roughly 200-250 m in both thickness and down-dip extent. Gold is hosted in a distinctive unit of "knotted" (carbonate porphyroblastic) phyllite and grade increases with quartz vein density. Veins were emplaced as a conjugate set during the local D1 event, then overprinted by D2 and D3.

The Camp zone in the Gold Creek area is broadly northwest trending, steeply dipping, and hosted in vein stockworks and along lithological contacts. Relogging by the author noted a sericite-altered feldspar porphyry that was missed in historical logging, and that occurred central to the grade.

The setting and character of the gold mineralization in the South Cariboo Property are consistent with other deposits in the Cariboo Gold District (see also Rhys et al., 2009), and fall within the orogenic gold deposit style. More specifically, both the Frasergold deposit and Gold Creek area fall within the subclass of sediment-hosted vein deposits of Klipfel (2005).

The 2020 drilling campaign at Frasergold includes at least four holes (out of the nine reported by 15 November 2020) that extend mineralization at least 20-60 m below the 0.1 g/t Au grade shell. A

fifth hole (FG-20-377) intersected mineralization 30 m down-dip of “upper zone” and 200 m downdip of a “lower zone” intercept in FG-20-369.

The 2018 drilling program on the Nova zone returned intervals of elevated gold and copper over tens of metres, typically in association with one or more 1.5-2 m interval of 10-30% pyrite. Although the Cu-Au association suggests an affiliation to alkalic porphyry systems, a replacement-type origin should be considered given the importance of such mineralization in the Wells-Barkerville Camp.

## 1.6 Metallurgical Testing and Mineral Processing

KORE has not completed mineral processing or metallurgical test work for the South Cariboo Property.

## 1.7 Mineral Resource Estimate

KORE has not completed an estimate of mineral resources for the South Cariboo Property.

## 1.8 Conclusions

KORE’s drilling and core processing was completed to industry standard and the data is considered adequate for the purposes of this report and any future geological modelling. KORE’s analyses were also completed to industry standard but could be improved by adding CRMs to monitor screen assays and using coarse blank instead of powered blanks. KORE should also formalize a systematic method for ranking two or more assay results from the same sample.

The historical collar, survey, and assay database was previously deemed adequate for purposes of NI 43-101 compliant resource estimation (Campbell and Giroux, 2015) but lacks most types of geological data (e.g. lithology, veining, structure) that should be compiled.

Project risk is moderate to high because the South Cariboo Property is an early-stage project with no guarantee that the exploration results to date indicate an economic ore body.

It is the author’s opinion that KORE’s drilling data is adequate for use in exploration targeting and resource estimation. The historical data is likely adequate for resource estimation as well.

## 1.9 Recommendations

We recommend a two-phase C$3.0 million program focussed on the FG Gold area, split into a first phase of desktop work, relogging, camp construction, mapping-prospecting, and drilling of targeted step outs, followed by a 2$^{nd}$ phase of drilling based on targets generated from phase 1.

Phase 1 desktop work includes data compilation and geological modelling for targeting purposes, as well as permitting to improve exploration optionality. Core relogging, with a focus on the relationship between SIS and gold, can be done in Horsefly whereas the prospecting and mapping program would be done out of a fly camp set up on the Property. Construction of a camp is recommended to reduce operational costs and improve safety. Drilling operations would be staged out of the field camp. Total expenditure for phase 1 is C$0.8 M

Phase 2 comprises 8,000 m of diamond drilling done out of the FG Gold field camp, for total expenditure of C$2.2 M.

# 2.0 INTRODUCTION

## 2.1 Terms of Reference

In November 2020, KORE Mining Ltd. ("KORE") retained Equity Exploration Consultants Ltd. ("Equity") to prepare an independent technical report (the "Technical Report") on the South Cariboo Property ("South Cariboo" or the "Property") in central British Columbia for the purposes of KORE, which is listed on the TSX-V Exchange (TSX-V: KORE), and for Karus Gold Corp. ("Karus"), a wholly owned subsidiary of KORE. KORE and Karus propose to enter into an arrangement agreement whereby KORE will transfer all of its interest in the South Cariboo Property to Karus in exchange for common shares of Karus, which will then be distributed to the shareholders of KORE ("Spinout Transaction"), such that Karus will become a standalone entity with ownership of the Property. Preparation of this report is led by Equity but includes contributions by another independent consultant.

KORE was formed through a three-cornered amalgamation of a wholly owned subsidiary of Eureka Resources Inc. ("Eureka") and 1184938 BC Ltd (formerly Kore Mining) in October 2018 pursuant to a reverse takeover transaction ("RTO"). The resulting issuer was subsequent re-named KORE Mining Ltd and continued to own the South Cariboo Project, which was owned by Eureka prior to the RTO.

This report was prepared according to National Instrument 43-101 ("NI 43-101"), Companion Policy 43-101CP and Form 43-101F1 (collectively the "Instruments") to fulfill KORE's and Karus's disclosure requirements. Equity was retained to examine the Property, summarize all available and significant exploration data on it and, if warranted, prepare recommendations for its further exploration.

## 2.2 Units of Measure, Abbreviations and Acronyms

The units of measure used in this report are those of the International System of Units (SI) or "metric", except for Imperial units that are commonly used in industry (e.g., troy ounces for the mass of precious metals). All dollar figures quoted in this report refer to Canadian dollars ("$" or "C$") unless otherwise noted.

All map coordinates used in this Report are based on Universal Transverse Mercator (UTM) Zone 10 Projection in North American Datum 1983 (NAD-83).

Frequently used abbreviations and acronyms can be found in Table 2-2.

## 2.3 Qualified Persons

The Qualified Persons ("QPs"), as defined in NI 43–101, responsible for the preparation of this Report include (Table 2-1):

- Ron Voordouw, P.Geo., Partner, Director Geoscience (Equity)
- Henry Awmack, P.Eng., Independent Consultant (Awmack)

*Table 2-1: List of Qualified Persons, inspections and responsibilities (Source: Equity, 2020)*

| Qualified Person | Company | Certification | Date of Site Visit | Section Responsibilities |
|---|---|---|---|---|
| Ron Voordouw | Equity Exploration | P.Geo. | Nov. 10-13, 2020 | Sections 1, 7-14, 23-27 |
| Henry Awmack | Consultant | P.Eng. | N/A | Sections 2-6 |

*Table 2-2: Table of Abbreviations and units (Source: Equity, 2020)*

| Abbreviations | | Units of measure | |
|---|---|---|---|
| AAS | atomic absorption spectroscopy | °C | degrees Celsius |
| Ag | silver | cm | centimetre |
| APS | azimuth pointing system | C$ | Canadian dollar |
| Au | gold | g/t | grams/tonne |
| BC | British Columbia | ha | hectare |
| CRM | certified reference material | kbar | kilo bars |
| Cu | copper | km | kilometre |
| DDH | diamond drill hole | $km^2$ | square kilometres |
| DGPS | differential GPS | kg | kilogram |
| EM | electromagnetic | koz | kilo ounces |
| FA | fire assay | kV | kilovolts |
| GPS | global positioning system | m | metre |
| ICP-AES | inductively couple plasma atomic emission spectrometry | M | million |
| ICP-MS | inductively coupled plasma mass spectrometry | Mlbs | millions of pounds |
| IP | induced polarization | Mt | millions of tonnes |
| ISO | International Standards Organization | mm | millimetre |
| LAP | laboratory accreditation program | mV/V | millivolt per volt |
| M+I | measured and indicated | nT | nanotesla |
| Ma | million years ago | oz/ton | troy ounce per short ton |
| MTO | Minerals Titles Online | ppb | part per billion |
| N | number of | ppm | part per million |
| NI 43-101 | National Instrument 43-101 | µm | micro metre |
| NSR | net smelter return | | |
| NAD83 Zone 10 | grid system used for South Cariboo Property | | |
| P.Eng. | Professional Engineer | | |
| P.Geo. | Professional Geologist | | |
| QA | quality assurance | | |
| QC | quality control | | |
| QP | Qualified Person | | |
| QZ | quartz | | |
| σ | standard deviation | | |
| RQD | rock quality designation | | |
| µ | mean | | |
| UTM | Universal Transverse Mercator | | |

## 2.4 Site Visits and Scope of Personal Inspection

Ron Voordouw, P.Geo. conducted a site visit to the Property from November 10 to 13, 2020. Henry Awmack, P.Eng. has not examined the Property.

## 2.5 Effective Dates

This Report summarizes exploration information and data available on its Effective Date of November 15, 2020 and makes recommendations as of that date.

## 2.6 Information Sources and References

Equity and Awmack have sourced information from reports, maps, other reference documents and technical data which are either publicly available or provided by KORE. These are cited in the text and summarized in Section 27 of this Report.

### 2.7 Previous Technical Reports

A Technical Report was prepared in 2015 for Eureka Resources Inc. ("Eureka"), a predecessor company of KORE and Karus, covering the FG Gold area of the Property (Campbell and Giroux, 2015). A Technical Report was prepared in 2008 for Tiex Inc. and Bullion Gold Corp., covering the Gold Creek area of the Property (Oswiacki, 2008).

## 3.0 RELIANCE ON OTHER EXPERTS

The author is not relying on a report, opinion, or statement of another expert who is not a qualified person, or on information provided by the issuer, concerning legal, political, environmental or tax matters relevant to the technical report.

## 4.0 PROPERTY DESCRIPTION AND LOCATION

The South Cariboo Property covers most of a 100 km long, northwesterly-trending belt within the Cariboo Mining Division of central British Columbia (Figure 4-1). The Property consists of 121 mineral claims in two nearby blocks which cover 99,778 ha (998 $km^2$), centred at 52° 23'N latitude and 120° 54' W longitude. The Property's northwestern end is referred to as the Gold Creek area and the southeastern end, including the Frasergold deposit and the Nova zone, as the FG Gold area.

Claims are shown in Figure 4-2 and claim data is summarized in Table 4-1. The location of legacy claims (those whose tenure numbers are <500000) were originally based on the actual position of claim posts in the field. Following introduction of Mineral Titles Online ("MTO") in 2005, the locations of legacy claims were fixed at their reported position and the actual position of claim posts is no longer relevant. Claims acquired through MTO (with tenure numbers >500000) are composed of cells defined by latitudes and longitudes, forming a seamless grid. Where valid legacy and/or MTO claims overlap, mineral rights are held by the oldest claim. Most of the Property consists of MTO claims but a few legacy claims remain, mostly over known prospects and deposits. As a result of the Covid-19 pandemic, all claims with expiry dates before December 31, 2021 are protected until then; that is, they will not lapse until that date although assessment work must be filed in the regular fashion to extend their expiry date beyond December 31, 2021. KORE Mining Ltd. is the recorded owner of most claims, although a few are held in the name of their optionors. Claim 1074865 was transferred by James Hynes to KORE after the Effective Date of this report. There are no crown grants within the Property.

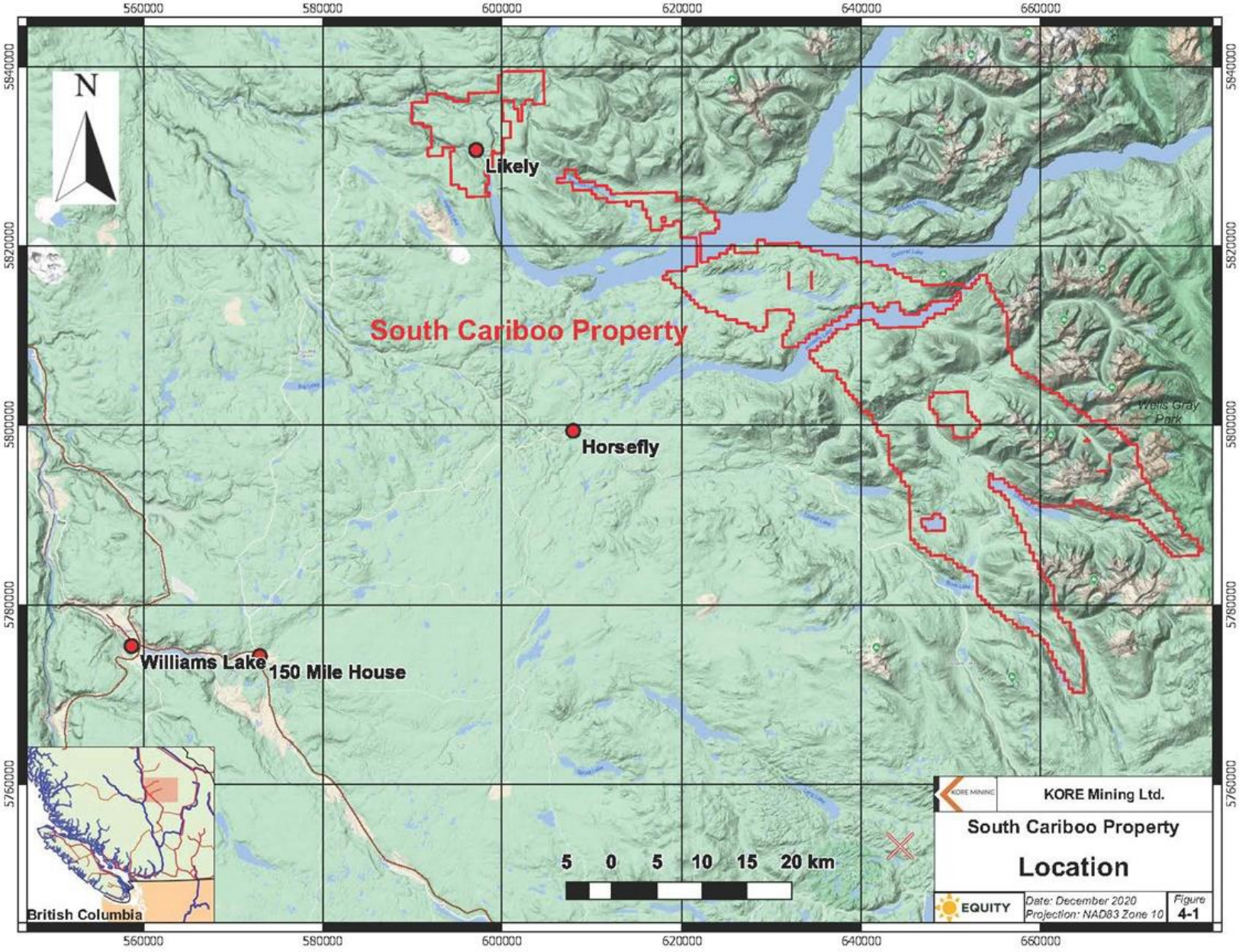


*Figure 4-1: South Cariboo Property location map. Source: Equity Exploration (2020).*

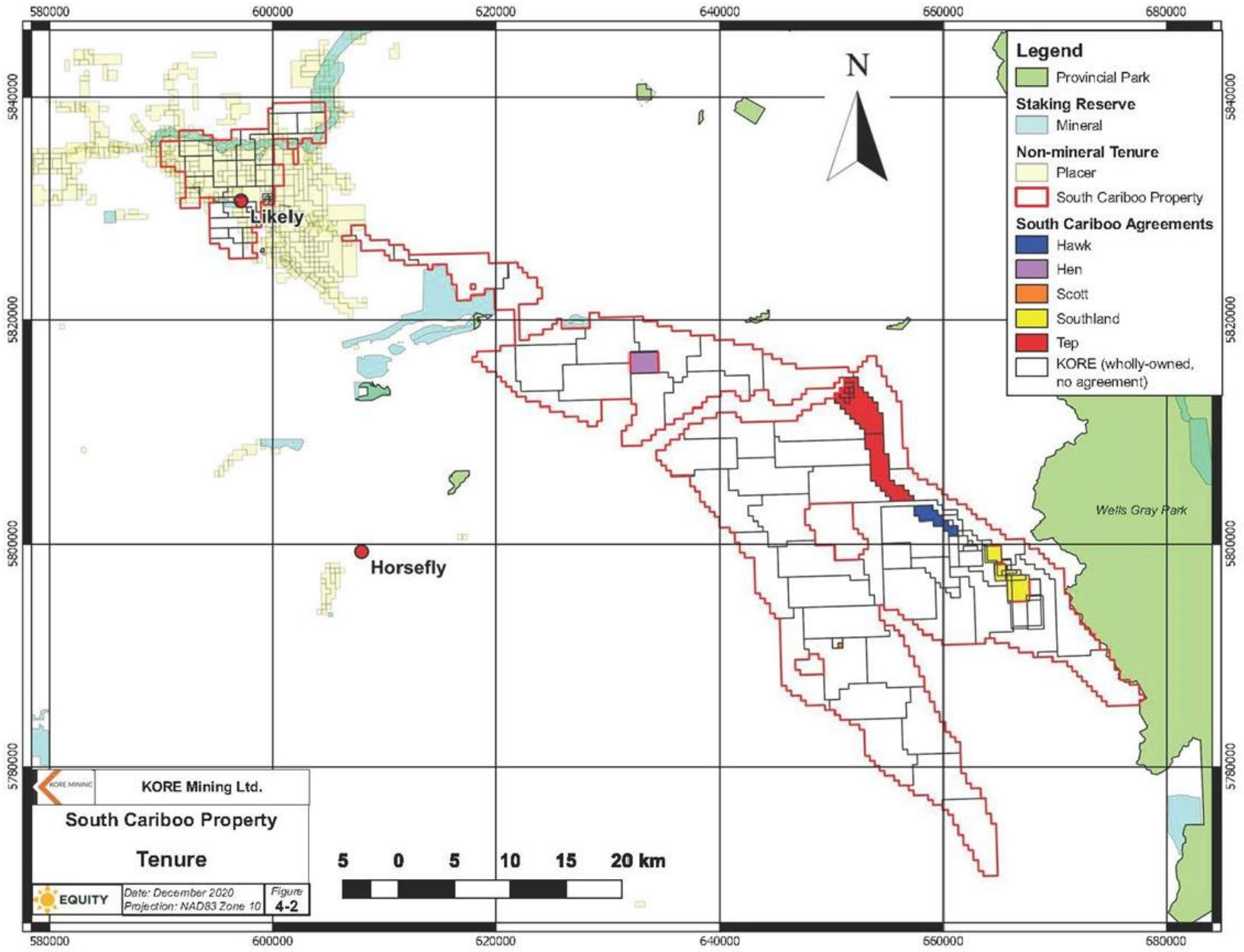


*Figure 4-2: South Cariboo Property tenure map. Source: Equity Exploration (2020).*

*Table 4-1: Tenure Data (Source: Equity, 2020)*

| Title Number | Agreement[1] | Owner | Issue Date | Good to Date | Area (ha) |
|---|---|---|---|---|---|
| 204214 | Southlands | KORE | 1979/OCT/19 | 2022/DEC/13 | 225.00 |
| 204347 | Southlands | KORE | 1980/SEP/25 | 2022/DEC/13 | 150.00 |
| 204348 | Southlands | KORE | 1980/SEP/25 | 2022/DEC/13 | 50.00 |
| 204887 | KORE | KORE | 1984/JUL/16 | 2022/DEC/13 | 25.00 |
| 204896 | KORE | KORE | 1984/JUL/27 | 2022/DEC/13 | 25.00 |
| 378209 | KORE | KORE | 2000/JUN/18 | 2022/DEC/13 | 25.00 |
| 402366 | Southlands | KORE | 2003/MAY/09 | 2022/DEC/13 | 375.00 |
| 402367 | KORE | KORE | 2003/MAY/09 | 2022/DEC/13 | 450.00 |
| 404351 | Hen | Victor Guinet | 2003/JUL/27 | 2020/SEP/15 | 500.00 |
| 405520 | KORE | KORE | 2003/OCT/04 | 2022/DEC/13 | 100.00 |
| 405682 | KORE | KORE | 2003/SEP/26 | 2022/DEC/13 | 500.00 |
| 408756 | Bullion | KORE | 2004/MAR/13 | 2020/DEC/01 | 25.00 |
| 408757 | Bullion | KORE | 2004/MAR/13 | 2020/DEC/01 | 25.00 |
| 408758 | Bullion | KORE | 2004/MAR/13 | 2020/DEC/01 | 25.00 |
| 408759 | Bullion | KORE | 2004/MAR/13 | 2020/DEC/01 | 25.00 |
| 413226 | KORE | KORE | 2004/AUG/17 | 2022/DEC/15 | 150.00 |
| 514859 | Bullion | KORE | 2005/JUN/20 | 2020/DEC/01 | 392.37 |
| 514935 | Bullion | KORE | 2005/JUN/21 | 2020/DEC/01 | 411.75 |
| 517995 | KORE | KORE | 2005/JUL/18 | 2022/DEC/13 | 59.31 |
| 517996 | KORE | KORE | 2005/JUL/18 | 2022/DEC/13 | 494.31 |
| 519042 | Bullion | KORE | 2005/AUG/14 | 2020/DEC/01 | 294.11 |
| 519043 | Bullion | KORE | 2005/AUG/14 | 2020/DEC/01 | 470.45 |
| 519044 | Bullion | KORE | 2005/AUG/14 | 2020/DEC/01 | 470.46 |
| 519056 | Bullion | KORE | 2005/AUG/14 | 2020/DEC/01 | 235.23 |
| 519576 | Bullion | KORE | 2005/AUG/31 | 2020/DEC/01 | 450.73 |
| 519613 | KORE | KORE | 2005/SEP/01 | 2020/DEC/01 | 19.63 |
| 524992 | KORE | KORE | 2006/JAN/10 | 2022/DEC/13 | 296.52 |
| 537740 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 470.87 |
| 537744 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 490.44 |
| 537745 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 490.26 |
| 537746 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 470.73 |
| 537747 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 451.30 |
| 537748 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 470.65 |
| 537749 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 490.21 |
| 537750 | Bullion | KORE | 2006/JUL/24 | 2020/DEC/01 | 451.00 |
| 544520 | Bullion | KORE | 2006/OCT/27 | 2020/DEC/01 | 529.90 |
| 544763 | KORE | KORE | 2006/NOV/01 | 2022/DEC/13 | 98.81 |
| 544765 | KORE | KORE | 2006/NOV/01 | 2022/DEC/13 | 59.29 |
| 544767 | KORE | KORE | 2006/NOV/01 | 2022/DEC/13 | 19.76 |
| 544769 | KORE | KORE | 2006/NOV/01 | 2022/DEC/13 | 19.76 |
| 547367 | KORE | KORE | 2006/DEC/14 | 2022/DEC/13 | 19.77 |
| 547369 | KORE | KORE | 2006/DEC/14 | 2022/DEC/13 | 59.32 |
| 547372 | KORE | KORE | 2006/DEC/14 | 2022/DEC/13 | 79.11 |
| 547374 | KORE | KORE | 2006/DEC/14 | 2022/DEC/13 | 59.34 |
| 548514 | KORE | KORE | 2007/JAN/03 | 2022/DEC/13 | 19.77 |
| 586636 | Bullion | KORE | 2008/JUN/21 | 2020/DEC/01 | 78.44 |
| 586750 | Bullion | KORE | 2008/JUN/23 | 2020/DEC/01 | 58.84 |

| Title Number | Agreement[1] | Owner | Issue Date | Good to Date | Area (ha) |
|---|---|---|---|---|---|
| 587427 | Bullion | KORE | 2008/JUL/05 | 2020/DEC/01 | 196.31 |
| 587428 | Bullion | KORE | 2008/JUL/05 | 2020/DEC/01 | 314.31 |
| 587737 | Bullion | KORE | 2008/JUL/09 | 2020/DEC/01 | 137.52 |
| 587739 | Bullion | KORE | 2008/JUL/09 | 2020/DEC/01 | 157.12 |
| 587741 | Bullion | KORE | 2008/JUL/09 | 2020/DEC/01 | 157.12 |
| 587743 | Bullion | KORE | 2008/JUL/09 | 2020/DEC/01 | 157.12 |
| 587744 | Bullion | KORE | 2008/JUL/09 | 2020/DEC/01 | 255.21 |
| 590114 | Bullion | KORE | 2008/AUG/17 | 2020/DEC/01 | 392.71 |
| 593917 | Bullion | KORE | 2008/NOV/06 | 2020/DEC/01 | 314.08 |
| 593919 | Bullion | KORE | 2008/NOV/06 | 2020/DEC/01 | 19.63 |
| 782663 | Bullion | KORE | 2010/MAY/31 | 2020/DEC/01 | 274.76 |
| 806924 | KORE | KORE | 2010/JUL/02 | 2022/NOV/15 | 58.93 |
| 806963 | KORE | KORE | 2010/JUL/02 | 2022/NOV/15 | 491.17 |
| 807002 | KORE | KORE | 2010/JUL/02 | 2022/NOV/15 | 216.17 |
| 1035771 | KORE | KORE | 2015/APR/29 | 2022/DEC/13 | 138.32 |
| 1035789 | Hawk | Glen J. Prior | 2015/APR/29 | 2020/APR/29 | 434.46 |
| 1035812 | KORE | KORE | 2015/APR/30 | 2022/DEC/13 | 118.50 |
| 1035932 | Tep | John Bernard Kreft | 2015/MAY/06 | 2020/AUG/15 | 19.70 |
| 1035943 | Tep | John Bernard Kreft | 2015/MAY/06 | 2020/AUG/15 | 19.70 |
| 1035962 | Tep | John Bernard Kreft | 2015/MAY/06 | 2020/AUG/15 | 59.11 |
| 1035963 | Tep | John Bernard Kreft | 2015/MAY/06 | 2020/AUG/15 | 39.40 |
| 1035964 | Tep | John Bernard Kreft | 2015/MAY/06 | 2020/AUG/15 | 19.70 |
| 1037119 | KORE | KORE | 2015/JUL/06 | 2022/DEC/13 | 19.75 |
| 1041967 | KORE | KORE | 2016/FEB/11 | 2022/DEC/13 | 237.17 |
| 1041968 | KORE | KORE | 2016/FEB/11 | 2022/DEC/13 | 59.29 |
| 1044575 | KORE | KORE | 2016/JUN/05 | 2022/DEC/13 | 1820.10 |
| 1044576 | KORE | KORE | 2016/JUN/05 | 2022/DEC/13 | 1977.25 |
| 1044577 | KORE | KORE | 2016/JUN/05 | 2022/DEC/13 | 1978.56 |
| 1045754 | KORE | KORE | 2016/AUG/03 | 2022/DEC/13 | 592.71 |
| 1045755 | KORE | KORE | 2016/AUG/03 | 2022/DEC/13 | 98.89 |
| 1060580 | KORE | KORE | 2018/MAY/14 | 2022/DEC/13 | 1935.68 |
| 1060581 | KORE | KORE | 2018/MAY/14 | 2022/DEC/13 | 672.10 |
| 1074865 | Scott | James Hynes | 2020/FEB/27 | 2021/FEB/27 | 19.80 |
| 1074877 | KORE | KORE | 2020/FEB/28 | 2021/FEB/28 | 59.38 |
| 1077066 | KORE | KORE | 2020/JUL/03 | 2021/JUL/03 | 1975.34 |
| 1077084 | Tep | John Bernard Kreft | 2020/JUL/04 | 2021/JUL/04 | 19.71 |
| 1077246 | Tep | John Bernard Kreft | 2020/JUL/16 | 2021/JUL/16 | 1064.33 |
| 1077247 | Tep | John Bernard Kreft | 2020/JUL/16 | 2021/JUL/16 | 1065.49 |
| 1077463 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1978.59 |
| 1077464 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1965.67 |
| 1077465 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1977.21 |
| 1077466 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1966.94 |
| 1077467 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1968.17 |
| 1077468 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1978.35 |
| 1077469 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1969.69 |
| 1077470 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1970.85 |
| 1077471 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1971.10 |
| 1077472 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1969.14 |
| 1077473 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1969.88 |

| Title Number | Agreement[1] | Owner | Issue Date | Good to Date | Area (ha) |
|---|---|---|---|---|---|
| 1077474 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1968.62 |
| 1077475 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1970.30 |
| 1077476 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1955.00 |
| 1077477 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1969.30 |
| 1077478 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1969.98 |
| 1077479 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1971.48 |
| 1077480 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1973.84 |
| 1077481 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1952.93 |
| 1077482 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1976.06 |
| 1077483 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1971.87 |
| 1077484 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1972.41 |
| 1077485 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1974.90 |
| 1077486 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1973.51 |
| 1077487 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1974.03 |
| 1077488 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1978.39 |
| 1077489 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1980.31 |
| 1077490 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1980.40 |
| 1077491 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1976.21 |
| 1077492 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1981.83 |
| 1077493 | KORE | KORE | 2020/JUL/22 | 2021/JUL/22 | 1982.76 |
| 1077494 | KORE | KORE | 2020/JUL/23 | 2021/JUL/23 | 1980.71 |
| 1077495 | KORE | KORE | 2020/JUL/23 | 2021/JUL/23 | 1983.47 |
| 1077496 | KORE | KORE | 2020/JUL/23 | 2021/JUL/23 | 1966.21 |
| 1077497 | KORE | KORE | 2020/JUL/23 | 2021/JUL/23 | 1984.39 |
| 1077498 | KORE | KORE | 2020/JUL/23 | 2021/JUL/23 | 1979.82 |
| | | | | Total | 99778.40 |

*[1]KORE denotes claims wholly owned by KORE without being the subject of another agreement*

Five staking reserves are present in the Gold Creek area of the Property (Figure 4-2). Three of these (342196, 328861 and 368604) cover the Likely garbage dump and a fish hatchery on the Quesnel River near Likely; they total 99.4 ha (1.0 $km^2$) and are excluded from the Property. The other two reserves (326583 and 365871) cover a proposed hydro-electric project on the Cariboo River; claims over these conditional reserves confer mineral rights but these cannot interfere with, obstruct or endanger the construction, operation or maintenance of that project if it comes to fruition.

The Property includes claims acquired directly from MTO by KORE, bought by KORE under the terms of two purchase agreements (Scott and Earl) or held under the terms of four option agreements (Bullion, Hen, Hawk and Tep). The Bullion option agreement has been fulfilled and the claims subject to it are now owned 100% by KORE, subject to their NSR. Additionally, certain claims are subject to a 3% NSR granted to Southlands Mining Corp. (Southlands) in 1989. The claims to which each of these agreements apply is indicated in Table 4-1 and Figure 4-2 and the terms of these agreements are summarized in Table 4-2. Pursuant to the proposed Spin-out Transaction agreement, KORE will be granted a 1% NSR on all claims in the Property which are not subject to other royalties.

The claims confer title to subsurface mineral tenure only and exclude the right to explore for or mine coal, uranium and thorium. Surface rights are almost entirely held by the Crown, as administered by the Province of British Columbia, although there are private landholdings around

Likely and on some lakes. No placer rights are held within most of the Property although the Gold Creek area near Likely is almost blanketed by placer claims (Figure 4-2). The ownership of other rights (timber, water, grazing, guiding, etc.) within the Property has not been investigated by the authors.

British Columbia law requires property expenditures to maintain tenure ownership past the current expiry dates. These required expenditures are:

- C$5.00 per hectare for anniversary years 1 and 2
- C$10.00 per hectare for anniversary years 3 and 4
- C$15.00 per hectare for anniversary years 5 and 6, and
- C$20.00 per hectare for subsequent anniversary years.

There are no fees for filing assessment work in British Columbia.

Other than those summarized in Table 4-2 for the seven purchase, option and NSR agreements, the author is not aware of any other royalties, back-in rights or other agreements and encumbrances to which the Property is subject.

A 298-m adit was completed between 1987 and 1991 for bulk sampling in the FG Gold area (Campbell and Giroux, 2015). The current condition of this adit and its possible environmental liabilities, such as waste dumps or effluent, are not known to the author. No other major underground workings have been reported but there are undoubtedly short exploration adits dating from the early 1900's on the Property; these are also of unknown environmental significance. In addition, placer mining has produced tailings in the Gold Creek area around Likely and there is the normal disturbance associated with mineral exploration.

Permits are required prior to any mechanized exploration in British Columbia. KORE has Multi-Year Permits for the FG Gold and Gold Creek areas that allow for additional drilling until 2024 and 2025. The Multi-Year permit requires KORE to pre-define all drilling locations and is thereby restrictive relative to a Multi-Year Area-Based permit.

*Table 4-2: Terms of property agreements (Source: Equity, 2020)*

| Agreement | Interest Earned | Earn-in Date | Cash | Expenditures | Shares | Royalty |
|---|---|---|---|---|---|---|
| Scott | 100% | 20-Jul-20 | C$ 7,500 | None | 0 | 2% NSR[1] |
| Earl | 100% | 08-Oct-20 | C$ 7,500 | None | 0 | None |
| Hen | 100% | 01-Oct-24 | C$ 410,000 | None | C$ 410,000[2] | 2% NSR[1] |
| Hawk | 100% | 01-Oct-24 | C$ 150,000 | None | 0 | 1% NSR[3] |
| Tep | 100% | 20-Jul-22 | C$ 92,500[4] | C$ 75,000 | 0 | 2% NSR[5,6] |
| Southlands | 100% | 22-Sep-89 | None | None | None | 3% NSR[7] |
| Bullion | 100% | 31-Aug-18 | None | C$ 130,000 | C$ 150,000 | 1% NSR[8] |

*[1]1% NSR can be purchased for C$1,000,000*
*[2]Value of shares to be issued*
*[3]0.5% NSR can be purchased for C$500,000*
*[4]Plus bonus payments totalling C$35,000 plus C$1.50 for each ounce of gold in initial resource*
*[5]1% NSR can be purchased for C$500,000*
*[6]Includes an Area of Interest extending 0.5 km from property boundary, applicable to claims acquired after July 20, 2020*
*[7]3% NSR can be purchased for C$2.6 million in 1989 dollars, adjusted annually for inflation by the Consumer Price Index*
*[8]0.5% NSR can be purchased for C$1,000,000*

The Property lies within the traditional territory of the Northern Shuswap Tribal Council which is in active land claim negotiations with the British Columbia Treaty Commission (BCTC, 2018). Land claims have not been settled in this part of British Columbia and their future impact on the Property's access, title or the right and ability to perform work on it remains unclear.

To the author's knowledge, there are no other significant factors and risks that may affect access, title, or the right or ability to perform work on the property.

# 5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, PHYSIOGRAPHY

## 5.1 Accessibility

The South Cariboo Property is centred 85 km northeast of Williams Lake in central British Columbia. Paved highways extend northeasterly to the villages of Likely and Horsefly, leaving Highway 97 a few kilometres east of Williams Lake (Figure 5-1). Likely is situated within the Gold Creek area of the Property, whereas Horsefly is about 20 km southwest of the Property boundary. The FG Gold area of the Property is about 60 km east of Horsefly (70 km by road). Logging is extensive within the property and it is accessed by a network of gravel logging roads, some of which are still accessible by truck or ATV. More remote areas are restricted to helicopter access.

## 5.2 Climate

The South Cariboo Property is subject to a humid continental climate, characterized by cold winters and warm summers. Mean temperatures in Williams Lake vary between -8°C in January and 18°C in July; annual precipitation averages just 39 cm (GC, 2020), spread throughout the year. Typically, 1-2 m of snow accumulates over winter on the Fraser Plateau and lower elevations of the Property, but more should be expected at higher elevations in the Quesnel Highlands. Surface exploration on the Property will be most practical in the months of May to September but drilling can be conducted year-round. Drilling will, however, be hampered in winter by more difficult access to liquid water, snow removal from access roads and avalanche control in steep terrain and hampered during spring thaw by load restrictions on access roads.

## 5.3 Local Resources

The villages of Horsefly and Likely have populations of a few hundred people and offer basic services like accommodation, restaurants, and fuel.

The city of Williams Lake has a population of 11,000 and provides most services necessary for mineral exploration such as fuel, grocery stores, restaurants, motels, labour, and heavy equipment. In addition, Williams Lake is the nearest city to the Gibraltar and Mount Polley open-pit mines, supporting a range of skilled labour, suppliers, and contractors necessary for mining. Williams Lake is located on Highway 97, a 550 km (6 hours) drive from Vancouver, and on the CN railway (Figure 5-1). It has an airport with daily scheduled flights to Vancouver and other British Columbia cities.

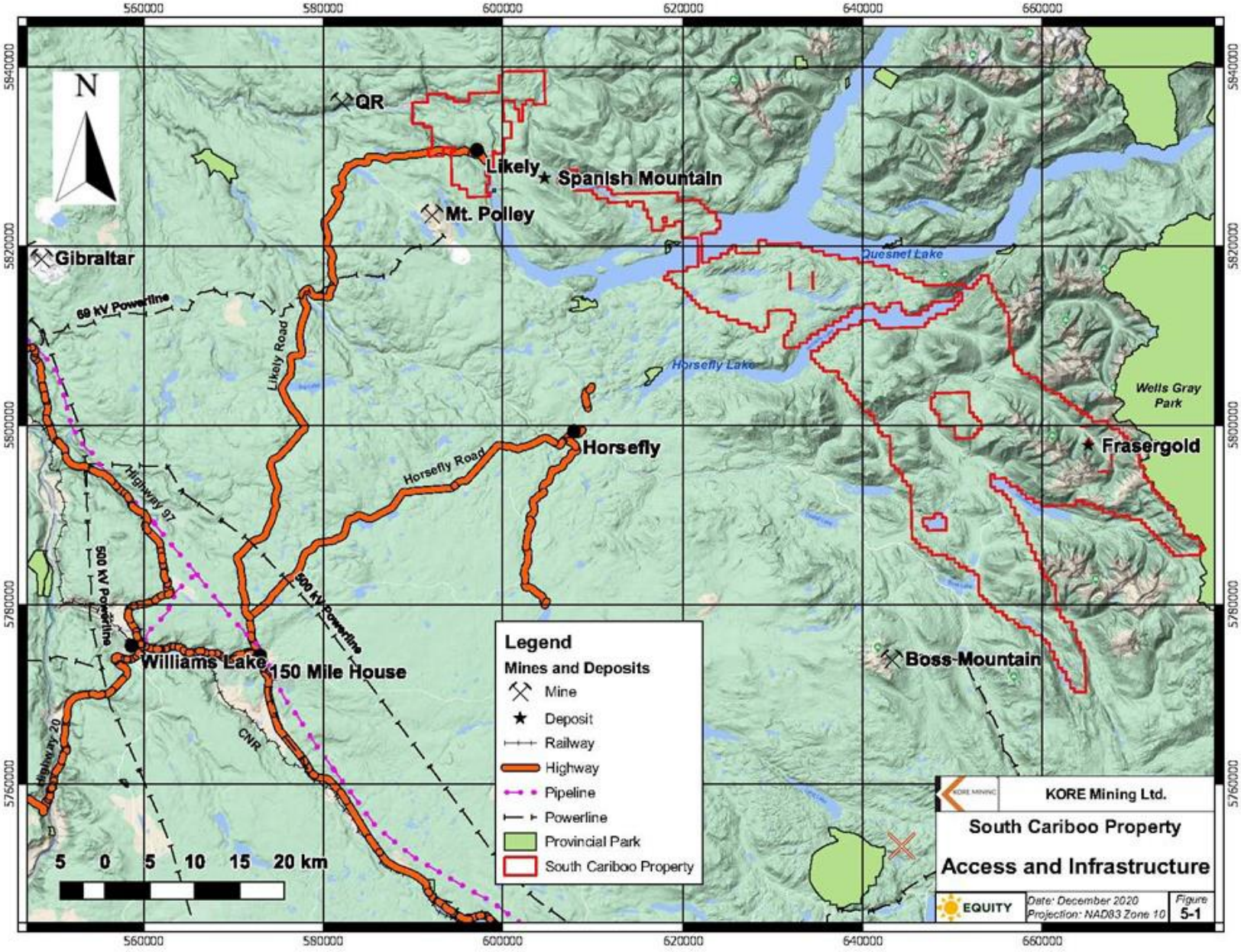


*Figure 5-1: Access and infrastructure. Source: Equity Exploration (2020).*

Powerlines at 500 kV and 69 kV pass southeasterly through Williams Lake and a 69 kV powerline extends northeasterly to the Mount Polley mine, located within 5 km of the Property boundary. The powerline shown on Figure 5-1 extending to the past-producing Boss Mountain mine near the southeastern tip of the Property is probably no longer serviceable.

Most of the surface rights over the Property are held by the Crown and controlled by the province of British Columbia. However, there are a few small lake-front lots for private cabins and more extensive private landholdings around the village of Likely. The Crown land at least should be available to support any eventual mining operations. Water is plentiful in the area. No studies have addressed potential waste disposal areas, heap leach pad areas or potential processing plant sites, given the early stage of exploration and development on the property.

## 5.4 Infrastructure

The area of the Frasergold deposit has over 400 historical drill holes, all of which were completed by skid-based drilling. This area therefore has an especially high density of historical drill trails and pads. The former Frasergold camp area was partially reclaimed in 2017, with just three buildings left standing.

KORE has a core storage and logging facility in Horsefly, but the logging facility has been used for the past several years by another exploration company in the area and is currently unavailable. Core produced by the current drilling in the Gold Creek area is being processed at a rental site in Likely consisting of a crew accommodation building, several accessory buildings used for logging and storage and two temporary cut-shacks.

## 5.5 Physiography

The northwestern end of the Property is located on the gently undulating Fraser Plateau with elevations between 900 and 1100 m elevation. Further southeast, the Property is within the Quesnel Highlands, characterized by hillier terrain (Figure 5-1 and Figure 5-2) and reaching a maximum elevation of 2,426 m at Eureka Peak.

Topography generally trends northwesterly, but is cut by two large, easterly-trending, low-elevation lakes: Quesnel Lake (728 m elevation) and Horsefly Lake (750 m elevation). Open alpine vegetation is present above treeline at about 1950 m elevation, with lower areas and slopes covered in mixed forests of spruce, pine, and fir. Pine and spruce beetle kill are widespread and much of the Property has been logged and reforested.

Wetlands are limited and there are no glaciers on the Property, although there are some year-round snow fields at higher elevations.

*Figure 5-2: Looking east at hilly terrain from drill site FG-20-380 in the FG Gold area, in November 2020. Source: R. Voordouw (2020).*

# 6.0 HISTORY

Mineral interest in the region dates to the discovery of placer gold in the vicinity of Horsefly in 1859 and in the Wells-Barkerville area, 90 km to the north, in 1861. Gold-bearing quartz-pyrite veins were quickly discovered upstream of the Wells-Barkerville placer deposits, but the finely disseminated gold could not be economically recovered using technology of the day. Little hard-rock exploration or development were undertaken until the 1930s when the Cariboo Gold Quartz and Island Mountain underground gold mines opened in the Wells-Barkerville area (Brown and Ash, 2009).

The South Cariboo Property covers many prospects which have independent ownership and exploration histories. These are described below for the two most significant areas: FG Gold and Gold Creek.

## 6.1 FG Gold Area

Much of the following description is derived from historical summaries in the 2015 NI 43-101 report (Campbell and Giroux, 2015) and assessment report 30397 (Sparling and Petrina, 2008).

The first record of gold exploration conducted near the FG Gold area was in the late 1970s when Clifford E. Gunn began prospecting the area, attracted by historical references to the placer gold potential of the region. In 1979 he staked the original claims in the area to cover a panned gold anomaly discovered in Frasergold Creek. From 1980 to 1982 the ground was optioned by Keron Holdings Ltd. and NCL Resources Ltd. Geological mapping and a preliminary soil and rock geochemical survey revealed a 10 km long zone of anomalous gold-in-soil (Gruenwald, 1980; Belik, 1981).

In 1983 Eureka acquired the Property and optioned it to Amoco Canada Petroleum Co. Ltd. ("Amoco"). During 1983 and 1984 Amoco collected rock and soil geochemical samples, conducted limited EM and magnetic surveys, and drilled 14 diamond drill holes for 4,519 m (Brown, 1983; Brown, 1984). Visible gold was noted in 12 of the 14 drill holes and anomalous intersections had values ranging from 0.79 g/t Au over 7.5 m to 11.7 g/t Au over 1.5 m. Nonetheless, Amoco terminated the option agreement and returned the property to Eureka.

Eureka completed further soil and rock chip geochemical sampling, trenching and bulk sampling, an induced polarization (IP) survey, reverse circulation (RC) and diamond drilling, and metallurgical testing in 1985 and 1986 (Cartwright, 1985; Leishman and Campbell, 1986). Four reverse circulation holes (406.5 m) and 18 diamond drill holes (2,021 m) were completed in three areas. Twelve of the 18 core holes had sections with visible gold and anomalous values ranged from 1.95 g/t Au over 39.0 m (drill hole 86-2) to 44.9 g/t Au over 1.5 m (drill hole 86-18).

A total of 56 bulk samples were collected from eight surface sites in 1985 and fire assayed for gold (Leishman and Campbell, 1986). One sample, 86-12-2A from the Jay Zone, was submitted to Coastech Research Inc. which milled the material and completed cyanidation testing. Results from the cyanidation work were compared to the standard fire assay analyses. The fire assay (FA) values from the 56 samples varied from 2.0 g/t Au to 4.4 g/t Au.

In 1987 Southlands Mining Corporation ("Southlands") optioned the Frasergold property, excavating eight trenches (660 m) and drilling 21 RC holes (1,710 m) (Campbell et al., 1987). Later that year, Southlands optioned a portion of their interest to Sirius Resources Corp. ("Sirius"). Sirius completed 17 diamond drill holes (1,536 m) and 37 RC holes (2,456 m) and blasted 184 m of underground workings to provide 524 tonnes of material for bulk sampling.

In the fall of 1988 Sirius completed work in the Eureka Peak zone, collecting 478 grid soil samples and 27 rock chips from hand trenches, as well as drilling six diamond drill holes (862 m). Several approximately metre-scale intervals returned anomalous assays (Campbell, 1989).

In September 1989, Eureka completed a program of underground channel sampling (284 samples), muck sampling (74 samples) from untested rounds, drill core sampling (297 samples) and re-logging of drill core and geological mapping of underground workings.

In 1990, Eureka entered into a joint venture agreement with Asarco Company of Canada Ltd. (Asarco). In 1990 and 1991, Asarco drilled 25 diamond drill holes (4,687.2 m) and 156 RC holes (15,720 m) (Schatten, 1990). Four 1.25 ton (1135 kg) bulk samples were collected for metallurgical testing, returning a composite grade of 2.33 g/t Au and indicating gold recoveries ranging from 87 to 92%.

The underground workings were lengthened by 114 m in 1991 (Schatten, 1991). These workings produced 1,443 tonnes of material that was divided into nine lots for off-site milling. The estimated average grade of this material was 0.93 g/t Au.

In 2006, Eureka optioned the Frasergold property to Hawthorne Gold Corp. ("Hawthorne"). The following year, Hawthorne carried out airborne geophysics (Sparling and Kovacs, 2008) as well as legal surveys, airborne photogrammetric mapping and generation of colour orthophotos, trench sampling, underground channel sampling, adit rehabilitation, and underground bulk sampling (Sparling and

Petrina, 2008). In addition, 16 core holes (3,615 m) were drilled within the Northwest, Main, Grouse Creek West, Grouse Creek East and Frasergold zones.

In 2008 Hawthorne drilled an additional 58 diamond drill holes (10,414 m), primarily in the Main Zone, along with more property-wide geochemical surface sampling.

In 2011 Teslin River Resources Corp. ("Teslin") collected 565 soil samples, seven rock grab samples and six silt samples over 27 line-km from three gridded areas; the Kusk Grid between Frasergold Creek and the upper MacKay River, Eureka Bowl Grid in the vicinity of the Northwest Zone and the 18ppm Au Grid in the lower section of Eureka Brook (Whitehead and Kerr, 2011).

In 2015 and 2016, Eureka collected soil samples in the area of the 18ppm Au Grid (Whitehead and O'Neill, 2015).

KORE completed its reverse takeover of Eureka in October 2018, by which means it acquired the FG Gold area claims.

## 6.2 Gold Creek Area

The following description is derived from the historical exploration section in Wetherup (2011).

Some of the earliest (circa 1920s and earlier) reported gold placer workings in the Gold Creek area were on Lawless Creek and Rose Gulch, near Quesnel Forks, and on Poquette Creek 2 km east of Likely. These workings were small intermittent operations, and no records exist that detail the quantity of gold recovered. Gold Creek, a small stream (usually dry or a small trickle in summer months) which empties into Poquette Creek about 2.5 km north of Likely, is reported to have been worked some time during the early part of the 1900s. At the point where the creek emerges from a gully to merge with Poquette valley, early prospectors noted a system of quartz stringers in bedrock at, and just above, the creek level. Subsequently these stringers were investigated by an adit now concealed under talus, and later by blasting and cat trenching. In 1977, prospector R. Mickle ("Mickle") staked mineral claims covering the old workings and the showings noted above.

In 1978, Silver Standard Mines Ltd. ("Silver Standard") optioned Mickle's claims and conducted geochemical soil surveys followed by four diamond drill holes in the Gold Creek-Poquette valley area. On the east slope of Poquette valley, geochemical results were as high as 620 ppb and 900 ppb Au. Directly across the valley on the west slope, anomalous values ranged between 120 ppb and 1800 ppb Au. Four widely spaced drill holes tested the geochemical anomalies on either side of the valley and the gold-bearing quartz veins near the old workings. Drill results were poor.

In 1980, Aquarius Resources Ltd. ("Aquarius") acquired most of the claims in the Likely area from Mickle and partnered with Carolin Mines Ltd. ("Carolin"). Work completed between 1980 and 1984 included geochemical soil surveys, and airborne electromagnetic and magnetometer surveys.

In 1984-1986, Mt. Calvery Resources Ltd. ("Mt. Calvery"), in joint venture with Carolin, conducted a comprehensive geochemical exploration program that included backhoe trenching of gold anomalous areas. Eleven backhoe trenches were dug but only four reached bedrock. The old "LK" prospect of Mickle was trenched and chip sampled, with encouraging results including one 4-m chip assaying 535 ppb and a grab sample with 3100 ppb Au. Test pitting of geochemical and IP anomalies showed thick glacial till over weakly silica-pyrite altered basalt.

In 1987, Dome Exploration (Canada) Ltd. conducted a 28 hole, percussion drilling, program on four of the soil anomalies outlined by Mt. Calvery. The holes encountered 6-45 m of overburden and were mostly positioned east of Poquette Lake, along the south side of the Cariboo River and east of Murderer Creek. The most encouraging hole (329-P25) intersected andesite tuff with traces of pyrite, epidote and mariposite and patchy quartz and calcite veining; it included a 7.6 m section with 91-1115 ppb Au.

In 1989, Corona Corporation ("Corona") optioned the ground from Carolin and carried out check sampling of known showings and limited geological mapping before dropping the option. Mickle retained a small block of claims covering Gold Creek but the surrounding ground eventually lapsed and lay dormant for several years. In 2006, with the announcement of favourable drill results on the nearby Spanish Mountain prospect, Bullion Gold Corp. ("Bullion") began acquiring ground in the Likely area and bought Mickle's claims.

In 2008, Bullion and Tiex Inc. ("Tiex") drilled 11 holes on the Gold Creek zone on the west side of the Poquette Valley but they suffered from poor core recovery (Buckle, 2009a). Seven of the holes intersected a significant gold zone. From 2008 to 2010, Bullion and Tiex collected 4,547 reconnaissance MMI soil samples over numerous target areas throughout their Cariboo Goldfields property (which is incorporated in the South Cariboo Property but extends southeast of the Gold Creek area) and twinned two of the 2008 Gold Creek drill holes using a sonic drill to investigate whether zones with poor core recovery were gold-bearing fault zones (Buckle, 2009b; Buckle, 2010; Ostensoe, 2010; Wetherup, 2011). The sonic holes had nearly twice the gold grades of the 2008 holes.

In 2011, Bullion drilled five core holes (1,037 m) and 16 reverse circulation holes (1,464 m) in the Poquette valley to test MMI soil geochemical anomalies and better define the limits of gold mineralization in the area (Wetherup, 2013). Results included both broad intersections of low-grade mineralization (including 77.0 m at 0.316 g/t Au in hole GC11-15) and narrow intersections of higher-grade mineralization (including 1.5 m at 13.4 g/t Au in hole GC11-27).

In November 2016, Eureka optioned the Gold Creek claims from Bullion. As part of their work commitments, Eureka drilled three core holes (331.0 m) in 2017 to corroborate some of Bullion's 2008 and 2011 drilling (Whitehead, 2017) in the Poquette valley ("Camp Zone"). The following year, Eureka drilled another four core holes (940.0 m) on the Camp Zone. These holes demonstrated its continuity and extended it along strike, with both narrow high-grade intersections (e.g. 1.50 m @ 32.2 g/t Au in hole GC18-39) and broader low-grade intersections (e.g. 50.21 m @ 0.7 g/t Au in hole GC18-36) (Hynes, 2018).

Eureka fulfilled the terms of its option agreement with Bullion to acquire 100% of their Gold Creek claims prior to August 31, 2018.

KORE completed its reverse takeover of Eureka in October 2018, by which means it acquired the Gold Creek claims.

### 6.3 Historical Mineral Resource Estimates

In 2009, Gary Giroux calculated mineral resources for the Frasergold deposit compliant with NI 43-101 reporting standards (Campbell and Giroux, 2015). He used data from the 160 diamond drill holes (28,323 m) and 242 reverse circulation holes (21,368 m) drilled at Frasergold between 1983 and 2008 for assays and a geological model. Capped assay data was composited in 5 m lengths and separated into "Vein Style" (averaging 3.686 g/t Au), "Disseminated Style" (averaging 0.272 g/t Au) and "Low-Grade Envelope" (averaging 0.126 g/t Au) composites. Grades for 10 x 10 x 5 m blocks were interpolated by ordinary kriging. The resource presented by Campbell and Giroux (2015) was calculated at a cut-off grade of 0.5 g/t Au (Table 6-1).

This historical resource estimate has not been verified by the authors and should not be relied upon for any use. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources and KORE is not treating the historical estimate as current mineral resources.

No other significant historical mineral resource estimates have been reported for the Property.

*Table 6-1: 2015 resource estimate for the Frasergold deposit (Source: Campbell and Giroux, 2015)*

| Zone | Classification | Tonnage (Mt) | Grade | Contained Metal |
|---|---|---|---|---|
| | | | *Au (g/t)* | *Au (koz)* |
| Main | Measured | 5.60 | 0.812 | 145.0 |
| | Indicated | 9.57 | 0.755 | 231.0 |
| | Measured + Indicated | 15.17 | 0.776 | 376.0 |
| Main | Inferred | 8.27 | 0.670 | 177.0 |
| NW | Inferred | 19.18 | 0.740 | 457.0 |
| SE | Inferred | 0.04 | 0.632 | 0.9 |
| Total | Inferred | 27.49 | 0.718 | 634.9 |

### 6.4 Historical Production

No ore production has been reported from the Property.

## 7.0 GEOLOGICAL SETTING AND MINERALIZATION

The South Cariboo Property is along a major terrane boundary and in close proximity to other orogenic gold and alkalic porphyry deposits. The property-scale geology reflects its proximity to this suture zone. There is one known deposit within the Property (Frasergold) along with several prospects and showings.

### 7.1 Regional and Local Geology

The South Cariboo Property is situated along the terrane boundary between the Quesnel (or "Quesnellia") and Kootenay terranes (Figure 7-1). Quesnellia was a Mesozoic island arc that was emplaced onto the passive margin of ancestral North America, beginning in the Early Jurassic. The terrane boundary is defined by a broad belt of deformed metasedimentary rocks developed in a basin that, prior to obduction, separated ancestral North America from Quesnellia. These sedimentary rocks

belong to the Quesnel and Kootenay terranes, as well as so-called “overlap” assemblages that formed in new basins established after ocean closure. Remnants of oceanic-type crust, which formed the deepest part of this peri-cratonic basin, form the Slide Mountain Terrane that locally occurs between the Quesnel and Kootenay terranes.

Folding- and faulting-related structures, which developed during obduction, are typically recognized as D1 and D2. The D1 structures include penetrative cleavage (S1) that is axial planar to northwest trending F1 folds and shear zones (Rhys et al., 2009). Peak regional metamorphism of upper greenschist facies to lower amphibolite facies (c. 450-600°C, 6-10 kbar) was achieved at c. 180-175 Ma (Andrew et al., 1983; Elsby, 1985; Mortensen et al., 1987) and, in certain parts of the suture zone, appears to be syn-D2 (Allan et al., 2017). D2 structures are defined by a locally dominant crenulation cleavage (S2) that is axial planar to F2 folds. The long axes of several gold deposits, including Frasergold, are parallel to L2 whereas extension veins are generally orthogonal (Rhys et al., 2009). D1 and D2 are likely part of the same progressive deformation event related to obduction of the Quesnel arc onto the North American continent.

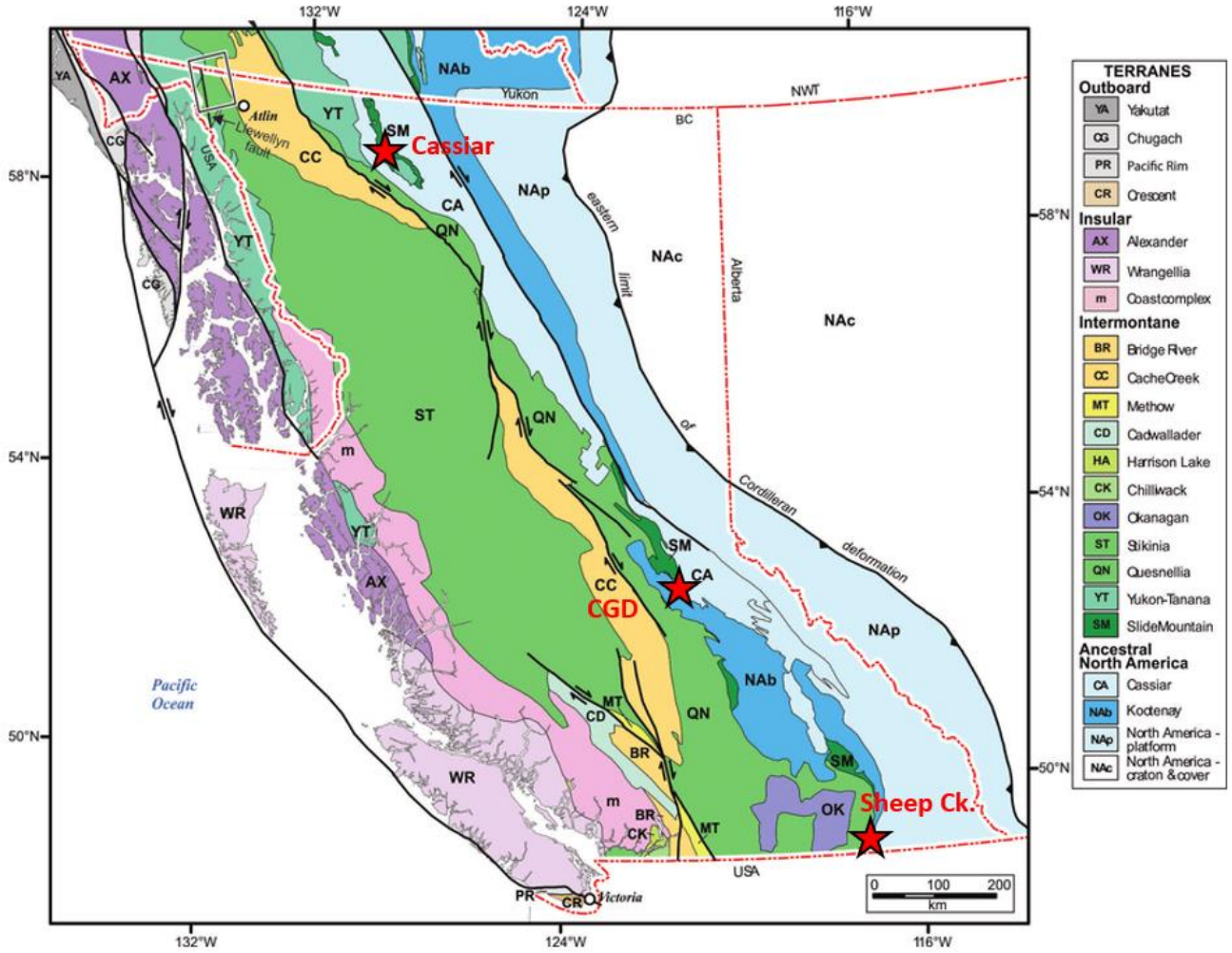


*Figure 7-1: Geological terrane map of British Columbia showing location of the Cariboo Gold District (CGD) as well as the Cassiar and Sheep Creek camps, all of which form part of the eastern Cordilleran gold belt. Source: modified from Ootes et al (2017).*

## 7.2 Regional Metallogeny

The Cariboo Gold District (Figure 7-2) is a part of the eastern Cordilleran gold belt (Allan et al., 2017) that encompasses a 25 x 150 km northwesterly-trending region of orogenic gold mineralization and its derived placer gold deposits. It is hosted within polydeformed, medium grade metamorphic rocks of the Barkerville Terrane's Snowshoe Group to the north in the Wells-Barkerville area and less deformed and less metamorphosed black phyllites of the Quesnel terrane to the south in the South Cariboo Property area.

Cu-Au porphyry deposits occur west of the eastern Cordilleran gold belt within the Quesnel terrane. Historical work has demonstrated potential for both deposit types in the South Cariboo Property, and so they are described below.

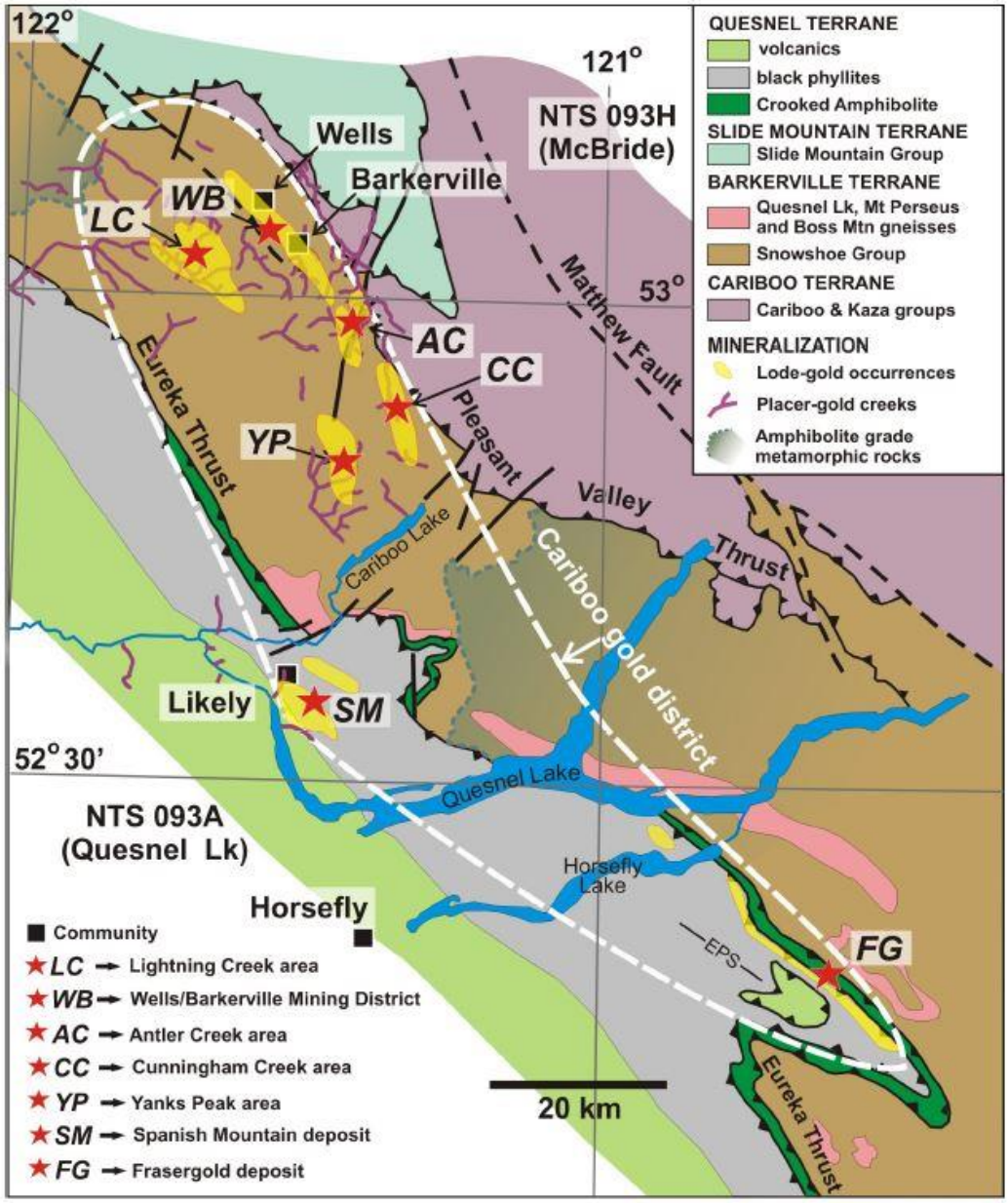


*Figure 7-2: Cariboo Gold District. Source: Figure 1 in Mortenson et al (2011).*

### 7.2.1 Orogenic Gold in the Eastern Cordilleran Gold Belt

Orogenic gold deposits in the Cariboo Gold District include the Wells-Barkerville Camp, hosted within North American sedimentary rocks, as well as the Spanish Mountain and Frasergold deposits at its southern end, within black phyllite of the Quesnel terrane.

The **Wells-Barkerville Camp**, located 90 km north of the South Cariboo Property, consists of quartz-carbonate-pyrite veins and pyrite replacement-style deposits hosted in more competent metasedimentary rock units. $^{40}Ar/^{39}Ar$ ages indicate emplacement of early quartz veins between 155-147 Ma followed by Au-bearing replacement zones and extensional veins from 148-139 Ma, most likely during the waning stages of D2 (Rhys et al., 2009). Approximately 2/3 of the gold was produced from vein deposits and the remainder from replacement style (Allan et al., 2017).

At least two stages of quartz veining are present in the Wells-Barkerville camp: early poorly mineralized and deformed veins, which are cut by later gold-bearing, late tectonic quartz-carbonate-pyrite veins. The early veins contain only background or low (<2 g/t) gold concentrations. The younger, auriferous quartz veins form complex vein arrays at two or more orientations. Where the quartz veins occur together with replacement style mineralization, the veins typically cut across it (Mortensen et al., 2011).

Replacement ore forms multiple small (500–40,000 tonne), manto-like, folded, northwest-plunging, rod-shaped bodies of massive, fine-grained pyrite > (Fe-carbonate + quartz) that replace limestone bands. Mineralization is commonly banded, with alternating pyrite- and carbonate-dominant bands. Highest Au grades are associated with fine-grained pyrite within which Au occurs as grains along crystal boundaries and fractures.

Recent exploration work by Barkerville Gold Mines and then Osisko Gold Royalties Ltd has demonstrated Measured + Indicated resources of 21.4 million tonnes grading 4.6 g/t Au, for 3.2 million ounces of gold (Beausoleil and Pelletier, 2020) (Table 7-1). The authors have not verified the resources at Wells-Barkerville and the mineralization there is not necessarily indicative of mineralization on the South Cariboo Property.

*Table 7-1: Summary of historical production, and current resources of the Wells-Barkerville Camp (Source: Allan et al., 2017; Beausoleil and Pelletier, 2020)*

| Area | Deposit | Mineralization Style | Historical Production | Resources (M+I)[1] |
|---|---|---|---|---|
| Cow Mountain | Cariboo Gold Quartz Mine | vein | 621 koz @ 11.5 g/t Au | |
| | Valley | | | 251 koz @ 4.5 g/t |
| | Cow | | | 838 koz @ 4.5 g/t |
| | Lowhee | | | 46 koz @ 3.7 g/t |
| Barkerville Mountain | Bonanza Ledge | replacement and vein | 13 koz @ 6.3 g/t Au | 50 koz @ 4.8 g/t |
| | B.C. vein | | | 179 koz @ 4.7 g/t |
| | KL | | | 42 koz @ 3.3 g/t |
| Island Mountain | Aurum | replacement > vein | 604 koz @ 14 g/t Au | |
| | Mosquito Creek | | 35 koz @ 11.7 g/t Au | 150 koz @ 6.0 g/t |
| | Shaft | | | 1,644 koz @ 4.7 g/t |
| Cariboo Hudson | Hudson vein | vein > replacement | 6.2 koz @ 14.9 g/t Au | |
| | Shasta vein | | | |

*[1]: from Beausoleil and Pelletier (2020)*

The **Spanish Mountain deposit** occurs on the other side of the terrane boundary from Wells-Barkerville, within carbonaceous argillite, siltstone, and greywacke of the Quesnel terrane. The deposit lies 6 km east of the South Cariboo Property (see also Section 23.1) and is a bulk tonnage gold deposit that also includes local higher-grade gold-bearing quartz. The most economically significant gold mineralization (>1 g/t Au) occurs in wide zones (10–135 m), hosted mainly within the black argillite unit as a set of stacked and lensoidal bodies. At least two periods of mineralization are recognized within these mineralized bodies; an earlier phase of disseminated pyrite and pyrite-quartz veinlets, and a later phase of fault-related quartz veining. The highest gold grades in the Spanish Mountain deposit are typically associated with quartz veins, particularly in association with mineralized faults (Mortensen et al., 2011). Mineralization is syn- to post-D2 and likely occurred between 161-150 Ma, broadly overlapping with the onset of pre-mineral brittle deformation in the Wells-Barkerville Camp (Allan et al., 2017). Additional information on this deposit is provided in Section 23.1.

The **Frasergold deposit** is described in Section 7.4.1 and comprises stratabound sets of white quartz veins hosted in a distinct, “knotted”, Fe-carbonate porphyroblastic, carbonaceous phyllite. The veins form complex sets that are developed in concentrated zones several metres to tens of metres wide, which collectively dip to the southwest and form a bulk tonnage low-grade gold deposit (Mortensen et al., 2011).

### 7.2.2 Cu-Au Porphyry Deposits

**Mount Polley** is an open pit and underground Cu-Au-Ag porphyry mine located 5 km west of the South Cariboo Property. The deposit is hosted in a high level, northwest-trending, alkalic stock (“Mount Polley Complex”) that was emplaced into metasedimentary and metavolcanic rocks of the Nicola Group at c. 205 ± 3 Ma (Mortensen et al., 1995). Mineralization occurs mostly within magmatic-hydrothermal breccias, with lesser amounts hosted within veins, disseminations, and skarn (Pass et al., 2014). The silica-undersaturated nature of mineralization and associated magmatic rocks is somewhat unusual, with alteration and vein minerals consisting mostly of carbonate and garnet. The mine is currently on care-and-maintenance with reserves of 73.6 million tonnes at 0.274% Cu, 0.293 g/t Au, and 0.563 g/t Ag, as well as measured and indicated resources of 247 million tonnes at 0.2665% Cu, 0.262 g/t Au and 0.667 g/t Ag (Brown et al., 2016). The author has not verified the resources at Mount Polley and the mineralization there is not necessarily indicative of mineralization on the South Cariboo Property.

## 7.3 Property Geology

The South Cariboo Property is almost entirely (~90%) underlain by metasedimentary rocks of the Quesnel terrane, with the eastern-most part of the Property underlain by the Slide Mountain and Kootenay terranes (Figure 7-3). Slide Mountain Terrane (SMT) is wedged between Quesnel and Kootenay rocks across much of the Property area, with the eastern side of the SMT demarcated by the Eureka thrust. Post-accretionary igneous rocks occur in the central part of the property between Quesnel and Horsefly lakes. Key units are further described below.

*Table 7-2: Stratigraphy of the South Cariboo Property (Source: Equity, 2020)*

| Terrane | Groups | Age | | Lithology |
|---|---|---|---|---|
| Post-accretionary | | Holocene to Pleistocene | 3-0 Ma | Olivine basalt |
| | | Jurassic and Cretaceous | ~200-65 Ma | Granite, granodiorite, monzonite, syenodiorite, diorite |
| Quesnel | Ashcroft | Early Jurassic | ~200-175 Ma | Sedimentary rocks |
| | Nicola | Middle to Late Triassic | ~250-200 Ma | Andesite-basalt volcanic/clastic, marine sedimentary |
| | Slocan | | | Slate, phyllite |
| Slide Mountain | Crooked Amphibolite | Carboniferous to Permian | ~350-250 Ma | Amphibolite, chlorite ± epidote schist |
| Kootenay | Quesnel Lake gneiss | Devonian to Carboniferous | ~420-320 Ma | Metasedimentary QZ mica schists and gneisses |
| | Snowshoe | Hadrynian to early Paleozoic | ~850-400? Ma | Siliciclastic, minor carbonate and metavolcanic |

### 7.3.1 Kootenay Terrane

The Kootenay Terrane comprises part of the North American basinal strata (Massey et al., 2005), which in the project area consists mostly of Late Proterozoic to early Paleozoic Snowshoe Group and ~420-320 Ma Quesnel Lake gneiss. The Snowshoe Group consists of siliciclastic rocks with minor carbonate and metavolcanic rocks that most likely formed at the distal edge of a passive margin (Ferri and Schiarizza, 2006). Quesnel River gneiss consists of deformed granitoid rocks, the precursors of which were emplaced into the Snowshoe Group prior to collision of Quesnel with North America. These rocks do not host mineral deposits within the Property area.

### 7.3.2 Slide Mountain Terrane

Slide Mountain Terrane consists mostly of Carboniferous to Permian (~350-250 Ma) ultramafic and mafic rocks most likely derived from oceanic-type crust developed in a marginal basin (Roback et al., 1994). Some of this crust directly underlying the Quesnel terrane was obducted, together with Quesnel rocks, onto the passive margin of ancestral North America.

### 7.3.1 Quesnel Terrane

Sub-units of Quesnel Terrane exposed in the South Cariboo Property include the Slocan and Nicola groups, as well as the Ashcroft Formation.

The Slocan Group forms the lower-most part of the Quesnel terrane in the Property area and consists mostly of slate and phyllite (Schiarizza, 2016). These rocks are most abundant in the southern part of the Property and host the Frasergold deposit. Within the deposit area, Slocan Group consists of a ~200 m thick phyllite with Fe-carbonate porphyroblasts (“knotted”) bound by non-porphyroblastic phyllite, siltstone, and silty limestone (e.g. Campbell and Giroux, 2015). The knotted phyllite is strongly carbonate-altered and associated with gold-bearing quartz-carbonate-sulphide veins.

The Nicola Group underlies 55-60% of the Property and is host to the Gold Creek prospects and Nova zone, as well as the nearby Spanish Mountain gold and Mount Polley Cu-Au-Ag deposits. Schiarizza (2016) subdivided the Nicola Group into four assemblages that show a gradation from metasedimentary rocks at the base through volcaniclastic, volcanic flow, and then conglomerate at the top. Most of the Nicola Group underlying the Property consist of rocks of assemblages 1 and 2, with the Gold Creek area occurring within and near the transitional contact between them.

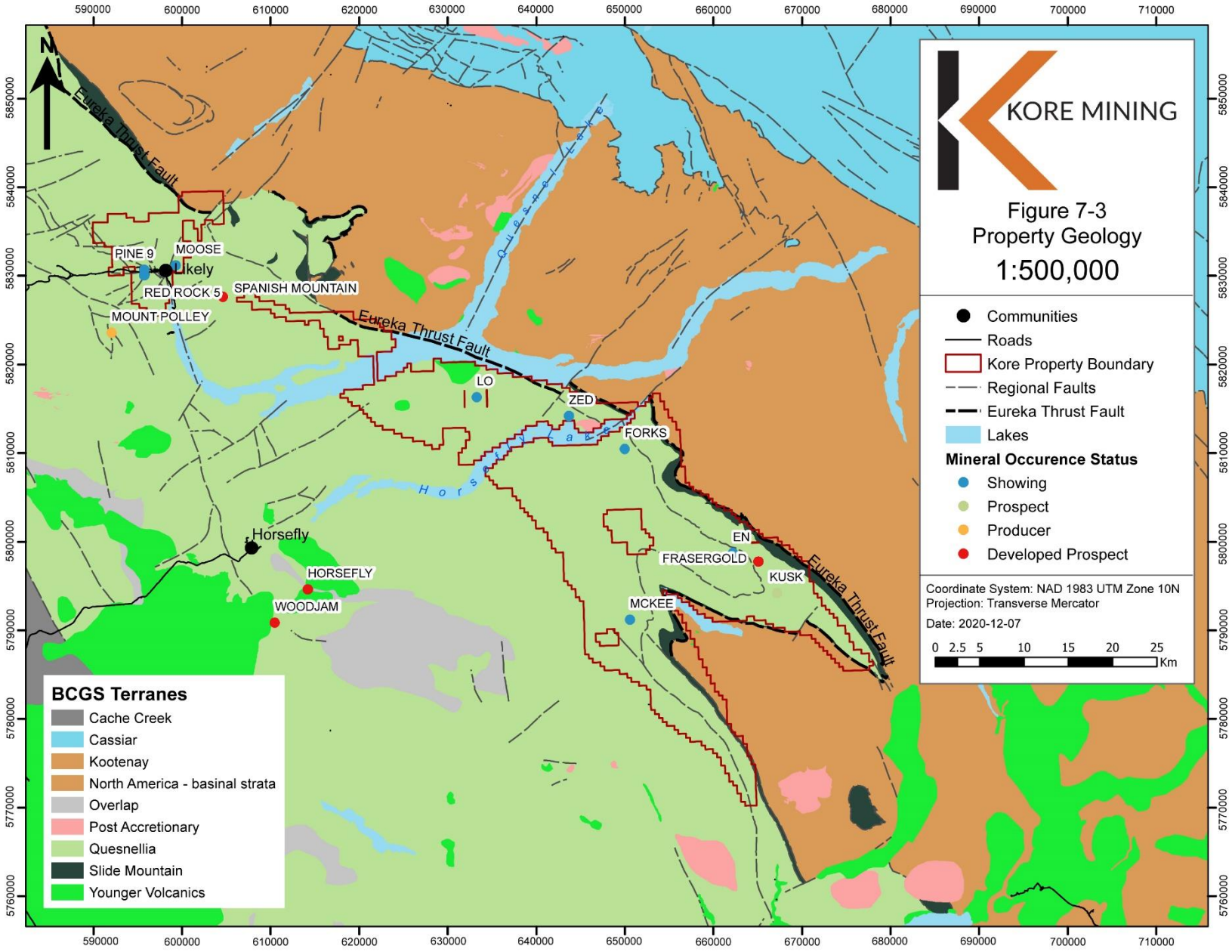


*Figure 7-3: Plan map showing the geology and MINFILE mineral occurrences of the South Cariboo Property area. Source: KORE (2020).*

The ~200-175 Ma Ashcroft Formation is the uppermost part of the Quesnel terrane in this area, and consists of greywacke, argillite, and conglomerate. Within the Property, this Formation occurs west of the Gold Creek area.

### 7.3.2 Post-accretionary igneous rocks

Lower to Middle Eocene volcanic rocks of the Kamloops Group underly the Property south of Quesnel Lake. They are not associated with any mineral showings and references describing these rocks were not found.

### 7.3.3 Structure and Metamorphism

The Kootenay, Slide Mountain, and Quesnel rocks were all affected by two significant phases of deformation (D1, D2) are related to the same tectonic event that produced the regional-scale D1 and D2 fabrics, though their exact correlation remains to be resolved (Rhys et al., 2009).

On the South Cariboo Property, D1 produced penetrative slaty to phyllitic cleavage (S1) that dips southwest and is axial planar to tight, generally northwest trending, F1 folds and shear zones (Campbell and Giroux, 2015). The Eureka thrust, which forms the basal thrust to the Slide Mountain and Quesnel terranes, is the most prominent D1 structure in the Property area (Struik, 1986).

The D2 event produced the Eureka syncline, which openly refolded S1 as well as D1 structures like the Eureka thrust. The Frasergold deposit occurs on the northeast limb of this syncline. Associated foliation (S2) is axial planar to the syncline.

A late north to northeast trending crenulation cleavage (S3) and kink bands overprint both D1 and D2 fabrics (Campbell and Giroux, 2015).

## 7.4 Property Mineralization

BC MINFILE records 10 mineral occurrences within the South Cariboo Property (Figure 7-3), broadly distributed in four areas (Table 7-3): FG Gold, Gold Creek, the lowlands between the Quesnel and Horsefly lakes, and west of Crooked Lake.

*Table 7-3: MINFILE occurrences within the South Cariboo Property (Source: Equity, 2020)*

| Area | MINFILE | Type | Commodities | Deposit descriptors |
|---|---|---|---|---|
| FG Gold | Frasergold | Developed prospect | Au, Ag, Cu, Zn, Pb | Epigenetic stratabound vein |
| | Kusk | Prospect | Au, Ag, Zn, Pb, Cu | Epigenetic stratabound vein |
| | Nova (MINFILE = EN) | Showing | Cu, Au | Porphyry vein stockwork |
| Gold Creek | Camp Zone (MINFILE = Moose) | Showing | Au, Ag, Cu, Zn, Pb | Epigenetic stockwork |
| | Pine 9 | Showing | Cu | Porphyry along igneous contact, disseminated |
| | Red Rock 5 | Showing | Cu | Porphyry along igneous contact, disseminated |
| Quesnel-Horsefly lakes | LO | Showing | Au, Cu | Epigenetic disseminated |
| | ZED | Showing | Cu | Epigenetic vein |
| | Forks | Showing | Au | Porphyry vein stockwork |
| Crooked Lake | McKee | Showing | Au, Cu | Epigenetic vein |

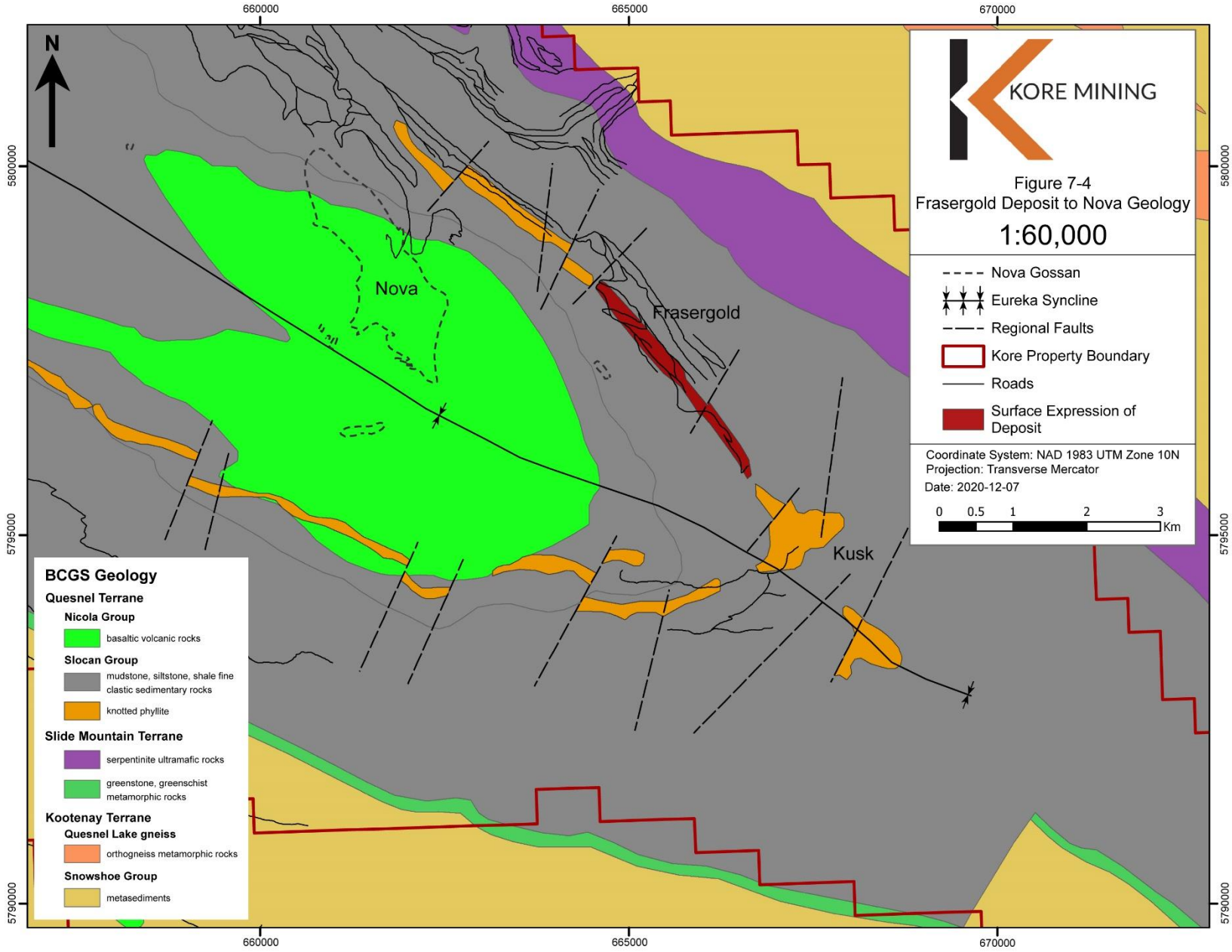


*Figure 7-4: Geology of the FG Gold area, showing the Frasergold deposit, Kusk prospect, and Nova zone. Source: KORE (2020)*

### 7.4.1 FG Gold

The **Frasergold deposit** is hosted by Slocan Group rocks on the northeast limb of the Eureka syncline whereas the **Kusk prospect** is located 2.5 km southeast within the nose of the same syncline (Figure 7-4). The Kusk prospect shares many similarities with Frasergold (Rhys et al., 2009) and is likely part of the same system.

The Frasergold deposit is a sub-horizontal rod-shaped deposit trending northwest-southeast, with anomalous gold (>0.1 g/t Au) continuous along strike for 3.4 km and showing broadly sub-equal thickness and down-dip extent of 200-250 m. Surface sampling and prospecting shows that this 3.4 km long zone may extend for up to 10 km along strike (Rhys et al., 2009). Various work refers to an upper and lower zone (e.g. Campbell and Giroux, 2015; KORE, 2020c), with most historical drilling just testing the upper zone and the near-surface part of the lower zone.

Gold is associated with quartz-carbonate-pyrite-pyrrhotite veins and carbonate alteration, the latter forming ankerite porphyroblasts that are referred to as “knots”. Most quartz-carbonate-sulphide veins trend concordant to S0/S1 and occur as stringers and lenses that are up to 30 cm wide and continuous for up to several metres along strike. These veins consist of massive white quartz with minor Fe-carbonate and, locally, muscovite selvages.

Veins that trend oblique to S0/S1 contain the same massive white quartz as the S1-concordant veins, and intersect the S1-parallel veins without crosscutting relationships (Rhys et al., 2009). For these reasons, the S1-parallel and -discordant vein sets are interpreted to be part of the same veining event. The S1-oblique veins are generally thicker (15-50 cm), contain more Fe-carbonate and disseminated sulphide, and are generally higher grade (Campbell et al., 1991). The entire vein set was possibly emplaced within, or adjacent to, a concordant or semiconcordant D1 shear zone (Rhys et al., 2009) that was then deformed in the latter stages of D1, as well as D2 and D3.

**Nova zone** is a copper-gold porphyry-style target located 5 km west-northwest of the Frasergold deposit and is equivalent to the EN showing registered in MINFILE. The target is described as a 3.5 x 1 km oxidized sulphide zone with elevated Au-in-soil centred on a monzonitic porphyry complex.

Intrusive rocks consist of pyroxene- and hornblende-phyric monzonite as well as quartz monzonite breccia, microdiorite, and augite-phyric diorite (Leroux, 2019a). All intrusive phases host disseminated sulphide and replacement-style stringers, consisting mostly of pyrrhotite with lesser chalcopyrite and pyrite. Microdiorite contains “massive sulphide style mineralization” (Leroux, 2019a).

### 7.4.2 Gold Creek Area

The Gold Creek area (Figure 7-5) comprises a zone of bedrock gold occurrences and anomalous soil geochemistry. Some of the higher-grade occurrences occur in a northwest trending belt referred to as the “Camp zone”, which is centred just 2 km east-northeast of Likely. The Camp zone is equivalent to the Moose showing in MINFILE and is named after its proximity to the Spanish Mountain Gold Ltd exploration camp.

MINFILE describes the Camp zone as gold-bearing quartz and poly-metallic veins whereas Owsiacki (2008) describe quartz stringers within limonite-, pyrite- and silica-altered greywacke.

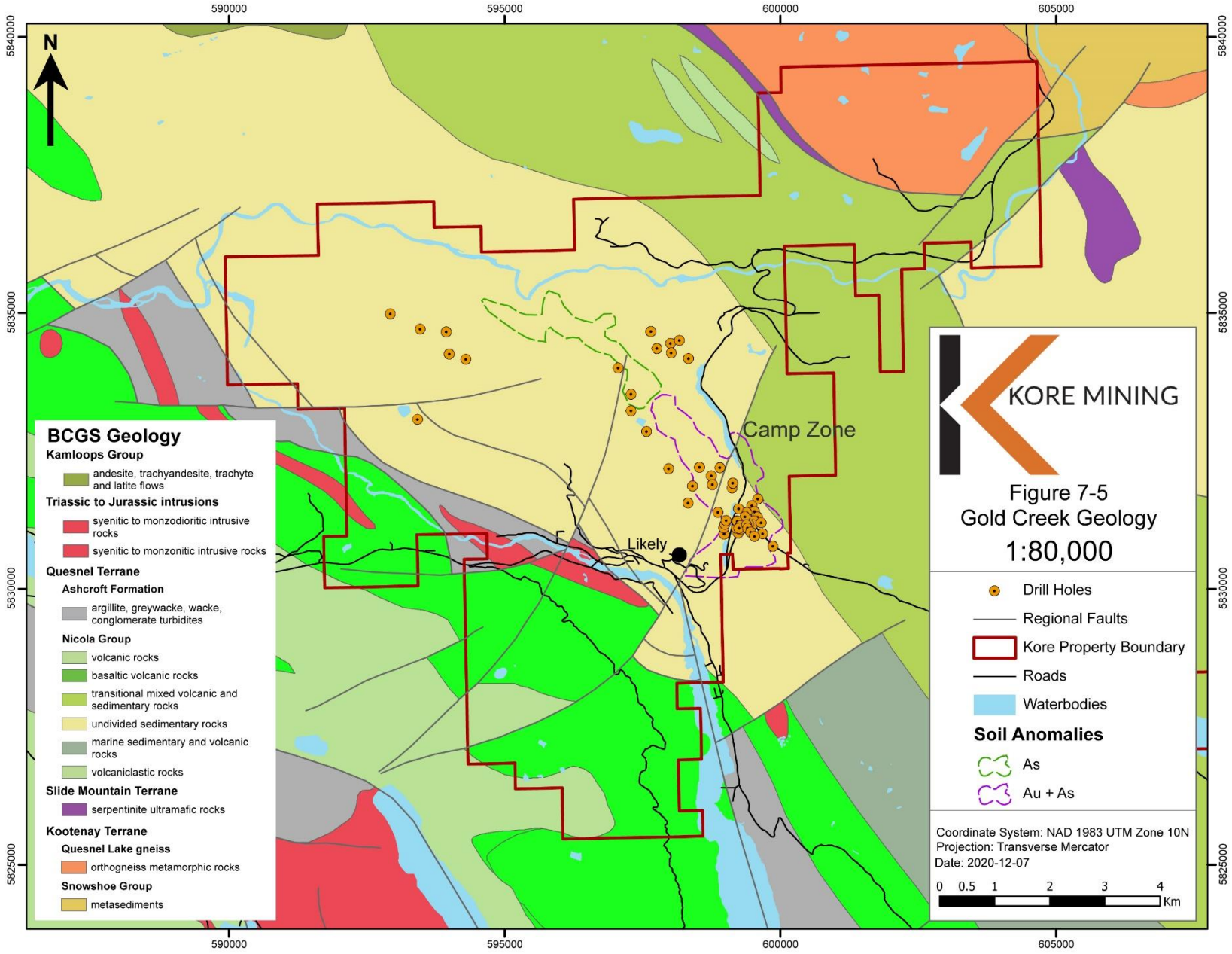


*Figure 7-5: Plan map showing geology of the Gold Creek area. Source: KORE (2020).*

More recent work by Leroux (2019b) describes the Camp Zone as gold-bearing quartz-carbonate sheeted vein sets that are preferentially developed within more competent wacke, siltstone/sandstone, and andesite tuff. These vein sets are west of northwest to northwest striking moderately dipping to subvertical, <1 metre to several metres in width, and occur either within or near carbonate-, silica-, pyrite-, sericite-altered fault zones. Individual veins also host pyrite with minor arsenopyrite, galena, sphalerite, chalcopyrite, tetrahedrite and visible gold (KORE, 2019).

Contact-controlled mineralization occurs in alteration zones developed at lithological contacts between siltstone and volcanic rocks, as well as shale with argillite or greywacke. Gold is associated with pyrite as well as strong Fe-carbonate, sericite, and silica alteration (KORE, 2019).

Approximately 50 drill holes have been drilled in the Gold Creek area, with the most recent drilling in 2017 and 2018. This work returned several 15 m to 85 m intervals with composite grades between 0.4 g/t Au to 1.0 g/t Au, some of which contained higher-grade intercepts of 32.2 g/t Au over 1.5 m (GC-18-39), 33.2 g/t over 1.25 m (GC-17-35), and 8.6 g/t Au over 3.1 m (GC-18-36) (Hynes, 2018).

### 7.4.3 Other showings

The McKee showing consists of epigenetic-type gold-bearing veins within the lower-most assemblage of the Nicola Group, comprising metasedimentary rocks. The showing appears to be localized on a northwest-trending fold axis

There are two Cu alkalic porphyry-style showings (Pine 9, Red Rock 5) approximately 3-4 km west-southwest of the Gold Creek area.

The contact between Kootenay and Quesnel terranes bends from northwest to east-west in the vicinity of Horsefly and Quesnel lakes. Two gold and a copper showing (Forks, LO, ZED) occur within 3-6 km of this contact and are described as epigenetic vein- and porphyry vein-style occurrences.

# 8.0 DEPOSIT TYPES

The main deposit types that occur within the South Cariboo Property are orogenic gold and Cu-Au alkalic porphyry copper-gold deposits. Each is summarized below.

## 8.1 Orogenic Gold Deposits

Orogenic gold deposits form many of the most significant gold-producing belts in the world (e.g. Kalgoorlie in Australia, Timmins in Ontario, and Ashanti in Ghana). Their name reflects a temporal and spatial association with late stages of orogenesis (Groves et al., 1998; Goldfarb et al., 2001; Goldfarb et al., 2005; Dubé and Gosselin, 2007) with many deposits developing between 2.8 to 2.55 Ga (Archean), 2.1 to 1.8 Ga (Early Proterozoic) and 600 to 50 Ma (Phanerozoic). Orogenic-style mineralization within the eastern Cordilleran gold belt, including the Cariboo Gold District, was deposited between 180-140 Ma.

The Phanerozoic deposits include a relatively high number that are hosted in sedimentary rocks (the “sedimentary hosted vein (SHV)” deposits of Klipfel, 2005) that were developed on passive margins and then deformed and metamorphosed in regional-scale fold-and-thrust belts. Hydrothermal fluids generated during this fold-and-thrust event ascended along related faults to deposit gold.

Orogenic gold systems, including SHV deposits, are typically associated with deep-crustal fault zones like those marking terrane boundaries. Large gold camps are commonly associated with curvatures, flexures and jogs along these deep fault zones, with gold typically concentrated in dilational structures, at intersections of multiple structures, and/or competent or reactive lithological units. The relative timing of mineralization is typically syn- to late-kinematic and syn- to post-peak metamorphism.

Gold in all orogenic deposits occurs in structurally controlled vein systems that include shear and related extension veins, as well as hydrothermal breccias. Individual veins range anywhere from <1 cm to 10 m in width and form sets with continuity of up to 5 km along strike, 3 km in depth, and 1 km in width. In SHV deposits, gold is sporadically associated with As, Sb, and/or W (Klipfel, 2005).

The main economic mineral is native gold, which in SHV deposits either lacks correlation with sulphide or occurs with arsenopyrite. Sulphide minerals typically comprise less than 5% of the volume of any orogenic deposit. The main gangue minerals are quartz and carbonate with variable abundance of white mica.

## 8.2 Cu-Au Alkali Porphyry Deposits

The South Cariboo Property lies 5 km east of the Mount Polley Cu-Au alkalic porphyry mine and hosts several alkalic porphyry-type showings. These deposit types commonly formed in oceanic volcanic island arcs at convergent plate boundaries, analogous to the paleo-arc Stikine and Quesnel terranes.

Alkalic porphyries are derived from magmatic fluids (mostly water, $CO_2$) that form disseminated, vein and/or breccia deposits, typically in close association with the parental (or "mineralizing") intrusion. Intrusions range from syenitic to gabbroic in composition and typically comprise part of a high-level intrusive complex emplaced into coeval and cogenetic volcanic rocks. Potassic alteration assemblages (potassic feldspar, biotite, magnetite) typically define the hottest and most strongly mineralized parts of these hydrothermal systems, with principal sulphide minerals including chalcopyrite and pyrite, as well as significant bornite in some deposits (Panteleyev, 1995).

The potassic core passes outwards into irregular zones of phyllic (quartz-sericite-pyrite) and propylitic (chlorite-epidote) alteration assemblages that generally have a larger footprint than the core and can therefore be used as vectors towards economic mineralization.

# 9.0 EXPLORATION

Since completing the reverse takeover of Eureka on October 30, 2018, KORE has completed a surface sampling program over the Nova zone and Gold Creek area in 2019, and a small soil sampling program in the FG Gold area in 2020. These programs are summarized below whereas KORE's drilling activities are described in section 10.0.

## 9.1 2019 Surface Sampling

KORE collected 32 rock samples from the Nova zone and 37 from the Gold Creek area during the 2019 season (Leroux, 2019b). Sampling methods varied from selective (i.e. select grab samples) to less selective (e.g. 1-4 m chips, 1 x 1 m panel, representative grabs) on prospective features that include veins, faults, and gossan.

All samples were submitted to ALS Limited in North Vancouver, BC, ("ALS") for gold and multi-element analysis. This facility is accredited by both the Standards Council of Canada and the International Organization for Standardization, as described further in Section 11.2.1.

Analyses for the 2018 rock samples included fire assay with an ICP-AES finish for gold (Au-ICP21), and four acid digestion with an ICP-MS finish for all other elements (ME-MS61).

The FG Gold rock samples were mostly collected within the Nova zone, from a cirque located immediately northeast of Eureka Peak. The purpose of the sampling was to investigate the Cu-Au porphyry potential of the area. Three of the 32 samples collected returned between 0.1-0.2 g/t Au whereas four other samples returned between 0.1-0.4% Cu.

No significant results were returned from the Gold Creek area, with all 37 rock samples returning <0.1 g/t Au (Leroux, 2019b). One sample returned 48 g/t silver from a quartz stockwork.

## 9.2 2020 Surface Sampling

KORE conducted two small soil sampling programs in 2020, the first over 3 days in July (77 samples) and a second in the autumn (26 samples) before snowfall made the work impractical. Results provided to the authors as of 15 November 2020 include only the samples collected in July.

The summer sampling program targeted the northwest extension of the knotted phyllite unit on the southwestern arm of the Eureka syncline. Results indicate weak (25-50 ppb) enrichment of Au-in-soil located approximately 1,000 m along strike of the northwestern-most mapped occurrence of knotted phyllite on this part of the Property. Another line of samples, located another 1,200 m further northwest, failed to capture gold enrichment but may have been run too far to the south.

The autumn sampling attempted to infill a gap in sampling on the southwestern arm of the Eureka syncline closer to the fold axis but may have been located too far north. Results were outstanding as of the effective date of this report.

# 10.0 DRILLING

KORE completed a drilling program started by Eureka, in autumn 2018, and conducted drilling campaigns in the FG Gold and Gold Creek areas in 2020. All three of these programs are summarized below although the Fall 2020 campaign had only just started as of 15 November 2020, the effective date of this report.

KORE has up-to-date Standard Operating Procedures for core logging (De Bruyckere, 2020a), core sampling (De Bruyckere, 2020d), geotechnical logging (De Bruyckere, 2020b), and collecting oriented core data (De Bruyckere, 2020c), and appeared to use a similar set of procedures for its 2018 drilling program.

## 10.1 2018 Nova Drilling

The 2018 autumn diamond drilling program utilized contractor J.T. Thomas Diamond Drilling Ltd of Smithers, BC, over 21 days beginning October 1, 2018 (Leroux, 2019a). The aim of the program was to test the Nova zone for porphyry-style mineralization (Leroux, 2019a). Collar details for these holes are provided in Table 10-1.

*Table 10-1: Collar details for 2018 drilling on Nova zone (Source: Equity, 2020)*

| Drill Hole ID | Grid | Easting (m) | Northing (m) | Elevation (m) | Azimuth (°) | Dip (°) | Depth (m) |
|---|---|---|---|---|---|---|---|
| DDH-18-001 | NAD83 Zone 10 | 660925 | 5799090 | 1913 | 135 | -60 | 288.7 |
| DDH-18-002 | NAD83 Zone 10 | 660925 | 5799090 | 1913 | 180 | -60 | 468.5 |
| DDH-18-003 | NAD83 Zone 10 | 660925 | 5799090 | 1913 | 225 | -60 | 319.8 |

The drill program comprised three skid-based holes (DDH-18-001 to 003) for 1,077 m, with hole depths ranging from 289 m to 469 m. The three holes were drilled from the same set-up in a fan-like configuration (Figure 10-1). All drilling was done as NQ-sized core in 10-foot runs (3.05 m). Core was transported by truck from the drill site to the core logging facility in Likely, BC, an approximate 3-hour drive. Recovery averaged 100% for all three holes whereas rock quality designation (RQD) was not measured.

Geologists recorded lithology, alteration, mineralization, veins, and structure during core logging (Leroux, 2019a). Logs are detailed and complete but were never integrated into a single database. Alteration is mostly logged as moderately intense silica, with or without K-feldspar and sericite, and is not clearly relatable to standard alkalic porphyry models.

Core was split and packed for shipment in Likely, BC, then submitted to ALS Limited in North Vancouver, BC, for analysis. Further description of assay methods and QAQC are provided in Section 11.0. Reference core was transported back to a secure storage facility in Horsefly, BC.

The best assay intervals from the drilling program are shown in Table 10-2. Higher grades in both holes show an association with semi-massive sulphide, porphyry dykes, and, in some cases, country rock volcanic and/or sedimentary rocks. Intervals of semi-massive sulphide range from 0.5 m to 2.2 m in core width, and typically contain 10-30% sulphide. Geological logs indicate mineralized veins have alpha angles of 30°-40°, suggesting the true widths are around 50% of the core widths in Table 10-2.

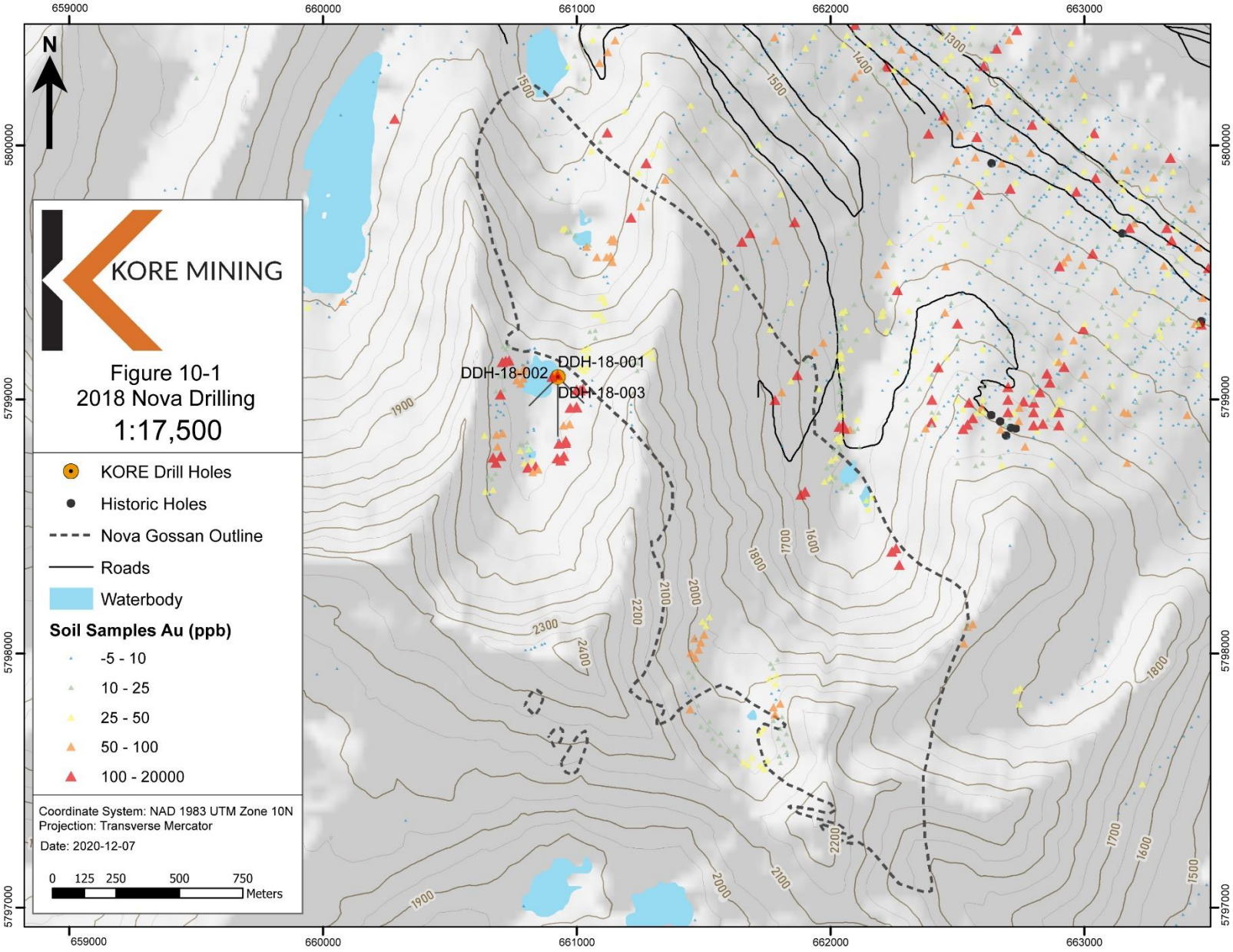


*Figure 10-1: Plan map of the Nova zone showing the location of 2018 drill holes completed by KORE , as well as the outline of the Nova gossan and historical gold-in-soil data. Source: KORE (2020).*

*Table 10-2: Significant intercepts from the 2018 drilling program at Nova zone (Source: Equity, 2020)*

| Hole ID | | From (m) | To (m) | Interval (m) | Gold (g/t) | Cu (%) | Ag (g/t) | Zone |
|---|---|---|---|---|---|---|---|---|
| DDH-18-001 | Intercept | 16.2 | 28 | 11.8 | 0.21 | 0.07 | 0.4 | Nova |
| | Intercept | 58 | 71.1 | 13.1 | 0.10 | 0.15 | 0.8 | Nova |
| | Intercept | 117.5 | 134.1 | 16.6 | 0.12 | 0.06 | 0.2 | Nova |
| DDH-18-002 | Intercept | 82.5 | 115.2 | 32.7 | 0.59 | 0.14 | 0.6 | Nova |
| | including | 106.5 | 115.2 | 8.7 | 1.52 | 0.15 | 0.7 | Nova |
| DDH-18-003 | Intercept | 10.39 | 14.32 | 3.9 | 0.32 | 0.11 | 0.4 | Nova |

## 10.2 2020 Frasergold Drilling

The 2020 drill program on the Frasergold deposit was completed in two campaigns; Spring campaign in March and April followed by a Summer campaign from July to October (Figure 10-2). All drilling was done as HQ3-sized core by Paycore Drilling of Valemount, BC, ("Paycore") using a skid-mounted diamond drill. The drill program was managed by KORE and their subcontractors.

Collar details are provided in Table 10-3. The Spring program comprised eight holes (FG-20-368 to 375) for 1,583 m, with holes ranging from 175 m to 250 m in depth. All holes were drilled in the northwestern half of the Frasergold deposit, along approximately 200 m of strike length.

The Summer to Fall program comprised 15 holes (FG-20-376 to 390) for 5,829 m, with holes ranging from 275 m to 507 m in depth. These holes were likewise all drilled on the Frasergold deposit, with 11 collared along ~600 m of strike length within the Main Zone of the deposit, and four holes testing along-strike potential 500 m to the southeast and 650 m to the northwest.

Holes were spotted with a handheld GPS and the drill was aligned with either an azimuth pointing system (APS) or compass. Offsets between the aligned azimuth (depth = 0 m) and the first downhole survey (usually at ~30 m depth) for non-vertical holes ranges mostly between ±5°, indicating reasonable alignment of the drill prior to drilling.

Fifteen of 18 non-vertical holes drilled in the Spring and Summer programs were started at azimuths between 220°-230°, which is in the opposite direction to most of the historical drilling. This was required to meet permit restrictions on allowable drill sites and test the down-dip extent of the "lower zone". Starting dips ranged from -55° to -75°.

All downhole surveys were done with a Reflex EZ-Shot, which is most effective in non-magnetic rock. The authors review of downhole survey data indicates reasonable variance in the magnetic susceptibility measured by the EZ-Shot tool, as well as realistic and smooth deviation in azimuth and dip. However, there are no handheld magnetic susceptibility measurements for comparison to EZ-Shot results. Two holes (FG-20-372, 390), for example, contain 2% to 2.5% pyrrhotite over 20-50% of the hole length which may possibly have compromising downhole surveys.

Core was oriented with a Reflex ACT II tool or equivalent with the quality of orientation marks recorded in the structure table and as a separate run-by-run table in logs FG-20-378 to 389. Over half (55%) of structural measurements have an orientation quality of 3, meaning that the marks line up on three consecutive runs. However, the database contains several instances of orientation quality = 3 that are significantly outside acceptable lock angle ranges of ±10° (Holcombe, 2017).

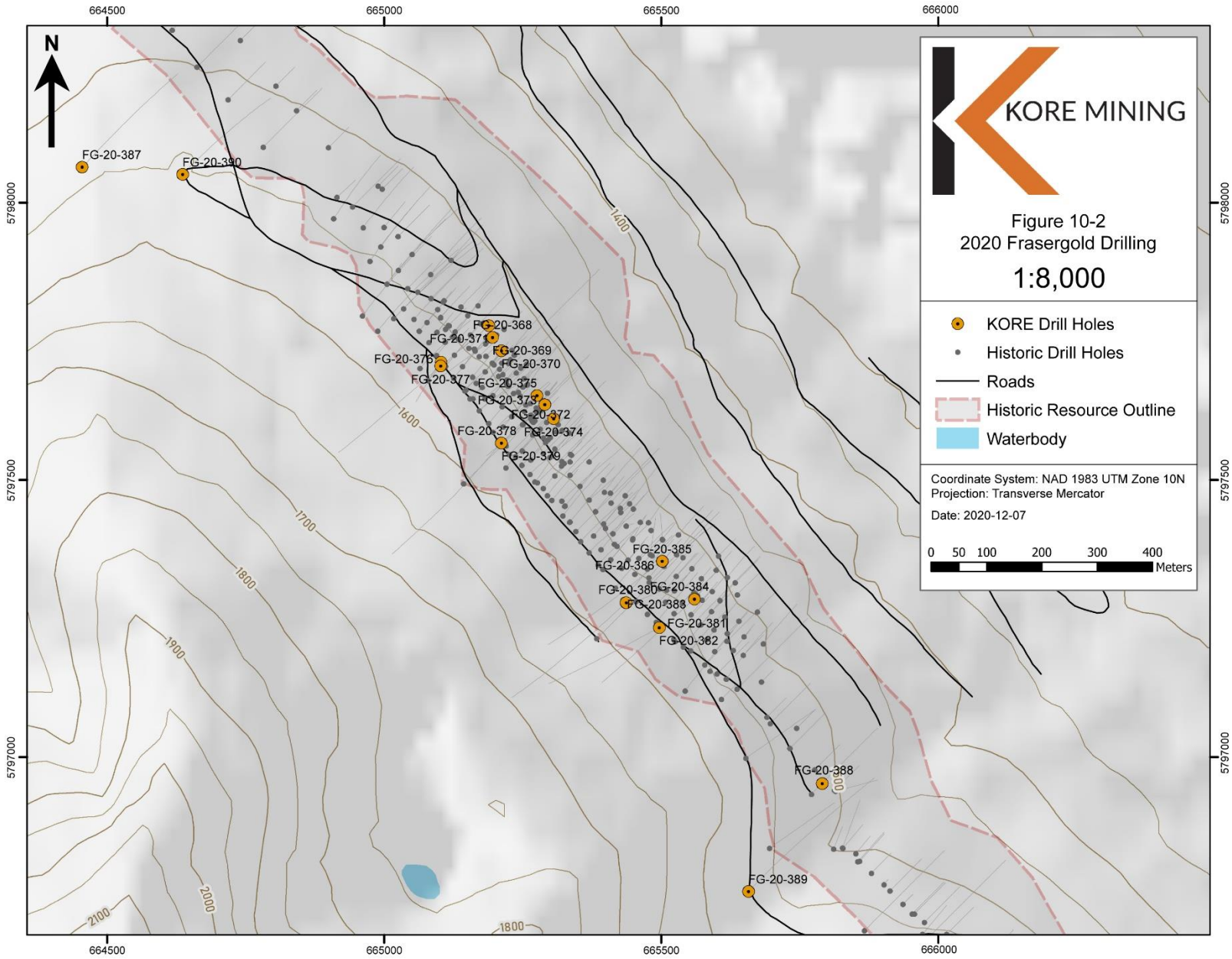


*Figure 10-2: Plan map of the Frasergold deposit showing the location of drill holes completed in 2020 as well as historical drilling. All 2020 holes were completed by KORE. Source: KORE (2020).*

*Table 10-3: Collar details for 2020 drilling on Frasergold deposit (Source: Equity, 2020)*

| Drill Hole ID | Easting (m)* | Northing (m)* | Elevation (m) | Azimuth (°) | Dip (°) | Depth (m) | Assays as of Nov 15 |
|---|---|---|---|---|---|---|---|
| FG-20-368 | 665196 | 5797758 | 1525 | 227 | -70 | 196.0 | Reported |
| FG-20-369 | 665196 | 5797758 | 1525 | 227 | -55 | 250.0 | Reported |
| FG-20-370 | 665212 | 5797734 | 1525 | 220 | -75 | 187.0 | Reported |
| FG-20-371 | 665189 | 5797779 | 1525 | 230 | -70 | 181.0 | Reported |
| FG-20-372 | 665290 | 5797637 | 1526 | 225 | -75 | 178.0 | Reported |
| FG-20-373 | 665290 | 5797637 | 1526 | 227 | -55 | 235.0 | Reported |
| FG-20-374 | 665306 | 5797611 | 1526 | 225 | -60 | 181.0 | Reported |
| FG-20-375 | 665276 | 5797653 | 1526 | 225 | -60 | 175.0 | Reported |
| FG-20-376 | 665103 | 5797713 | 1563 | 225 | -75 | 361.5 | Pending |
| FG-20-377 | 665102 | 5797706 | 1561 | 229 | -55 | 439.5 | Reported |
| FG-20-378 | 665212 | 5797567 | 1546 | 220 | -80 | 331.5 | Pending |
| FG-20-379 | 665212 | 5797567 | 1546 | 225 | -55 | 507.0 | Pending |
| FG-20-380 | 665437 | 5797279 | 1555 | 227 | -55 | 503.0 | Pending |
| FG-20-381 | 665497 | 5797234 | 1561 | 245 | -55 | 406.5 | Pending |
| FG-20-382 | 665497 | 5797234 | 1566 | 242 | -55 | 300.0 | Pending |
| FG-20-383 | 665560 | 5797286 | 1519 | 228 | -53 | 394.5 | Pending |
| FG-20-384 | 665560 | 5797286 | 1519 | 225 | -90 | 321.0 | Pending |
| FG-20-385 | 665502 | 5797354 | 1555 | 225 | -55 | 439.5 | Pending |
| FG-20-386 | 665502 | 5797354 | 1555 | 225 | -90 | 274.5 | Pending |
| FG-20-387 | 664455 | 5798065 | 1537 | 45 | -50 | 433.5 | Pending |
| FG-20-388 | 665791 | 5796953 | 1496 | 0 | -90 | 282.0 | Pending |
| FG-20-389 | 665658 | 5796758 | 1571 | 45 | -50 | 448.5 | Pending |
| FG-20-390 | 664636 | 5798052 | 1525 | 45 | -60 | 387.0 | Pending |

All eight of the Spring holes were drilled with industry standard 3 m runs whereas the Summer drilling was completed with 1.5 m runs to double the number of core orientation marks. Average recovery (98%) is high by industry standards whereas RQD is on average good (79%) across a range from poor to excellent (36-95%).

Collars were located with hand-held GPS. Post-drilling differential GPS (DGPS) surveys were not done so that final hole positions may have location errors of up to 10 m. This is insignificant for the scale of drilling done by KORE but should be resolved prior to any future resource estimation.

Logged features include lithology, alteration, mineralization, structures, and veins. Alteration is recorded as assemblages (e.g. sericite-carbonate-pyrite) or as individual minerals. There is some inconsistency in the use of logging codes (particularly lithology codes “QVV” and “SIS”) that could probably be fixed by aggregating all logs into a single database.

Over 99% of drill core was sampled at an average sample length of 1.2 m, for a total of 6,165 core samples. An additional 767 QAQC samples were inserted (60% CRM, 20% blanks, 20% duplicates) for an insertion rate of 11% that meets industry best practice (e.g. Abzalov, 2008).

No specific gravity data was collected.

As of the effective date of this report assays had been publicly released for all the Spring holes (FG-20-368 to 375) and summer hole FG-20-377. The composites reported in Table 10-4 cover the same downhole intervals as those reported by KORE (KORE, 2020c; KORE, 2020b) but with average grades that are 5-15% lower. The discrepancy in grade calculation is discussed in Section 12.1.

All the Spring holes and FG-20-377 were drilled within the defined extent of the deposit ("Upper Zone" in Table 10-4) along two northeast-trending sections spaced at 160 m. All drilling intersected an intercalated sequence of knotted phyllite and more massive layers with 15-30% quartz veins, logged as quartz-veined rock (QVV) in the Spring program and as sandstone/siltstone (SIS)in the Summer.

*Table 10-4: Significant intercepts (>5 g/t Au*m) from 2020 Frasergold Spring drilling (Source: Equity, 2020)*

| Hole ID | Interval | From (m) | To (m) | Interval (m) | Gold (g/t) | g/t*m | Zone |
|---|---|---|---|---|---|---|---|
| FG-20-368 | Interval | 5.5 | 82 | 76.5 | 1.0 | 77.4 | Upper |
| | *including* | 5.5 | 18 | 12.5 | 1.1 | 13.1 | |
| | *and* | 27 | 35 | 8.0 | 1.6 | 13.1 | |
| | *and* | 56 | 82 | 26.0 | 1.9 | 49.4 | |
| | *which includes* | 81 | 82 | 1.0 | 28.1 | 28.1 | |
| | Interval | 185 | 195 | 10.0 | 0.8 | 7.8 | Lower |
| FG-20-369 | Interval | 22 | 240 | 218.0 | 0.8 | 179.0 | Upper and Lower |
| | *including* | 22 | 54 | 32 | 2.8 | 88.7 | Upper |
| | *which includes* | 29 | 30 | 1 | 42.5 | 42.5 | |
| | *and* | 102.5 | 118 | 15.5 | 0.7 | 10.5 | |
| | *and* | 192.5 | 213.5 | 21 | 0.6 | 13.1 | Lower |
| | *and* | 237 | 247 | 10 | 2.3 | 23.0 | |
| | *which includes* | 239 | 240 | 1 | 19.1 | 19.1 | |
| FG-20-370 | Interval | 19 | 70 | 51.0 | 1.3 | 68.1 | Upper |
| | *including* | 34 | 35 | 1 | 23.7 | 23.7 | |
| | *and* | 58 | 59 | 1 | 16.0 | 16.0 | |
| | Interval | 128 | 145 | 17 | 0.8 | 12.9 | Lower |
| | Interval | 173 | 183 | 10.0 | 1.5 | 15.4 | |
| FG-20-371 | Interval | 91 | 116 | 25.0 | 0.5 | 12.0 | Upper (± Lower?) |
| FG-20-372 | Interval | 24 | 122 | 98.0 | 0.8 | 80.1 | Upper (± Lower?) |
| | *including* | 25 | 30 | 5 | 5.7 | 28.6 | |
| | *and* | 28 | 29 | 1 | 22.5 | 22.5 | |
| | *and* | 61 | 62 | 1 | 14.2 | 14.2 | |
| FG-20-373 | Interval | 43 | 54 | 11.0 | 9.9 | 108.5 | Upper |
| | *including* | 44 | 45 | 1 | 24.3 | 24.3 | |
| | *and* | 52 | 53 | 1 | 72.4 | 72.4 | |
| | Interval | 180 | 193 | 13.0 | 0.6 | 8.2 | Lower |
| | Interval | 226 | 235 | 8.7 | 1.1 | 9.8 | |
| FG-20-374 | Interval | 8 | 46 | 38.0 | 0.9 | 35.6 | Upper |
| | *including* | 43 | 44 | 1 | 25.3 | 25.3 | |
| | Interval | 112 | 133 | 21.0 | 0.7 | 14.7 | Lower |
| FG-20-375 | Interval | 26.5 | 52 | 25.5 | 0.6 | 16.1 | Upper |
| | Interval | 122.5 | 175 | 52.5 | 0.8 | 40.7 | Lower |
| FG-20-377 | Interval | 130.36 | 143.17 | 12.8 | 0.3 | 3.8 | Upper |
| | Interval | 369 | 400.35 | 31.4 | 3.0 | 94.4 | Lower |
| | *including* | 387 | 388 | 1 | 61.2 | 61.2 | |
| | *including* | 394 | 399.75 | 5.75 | 3.5 | 20.1 | |

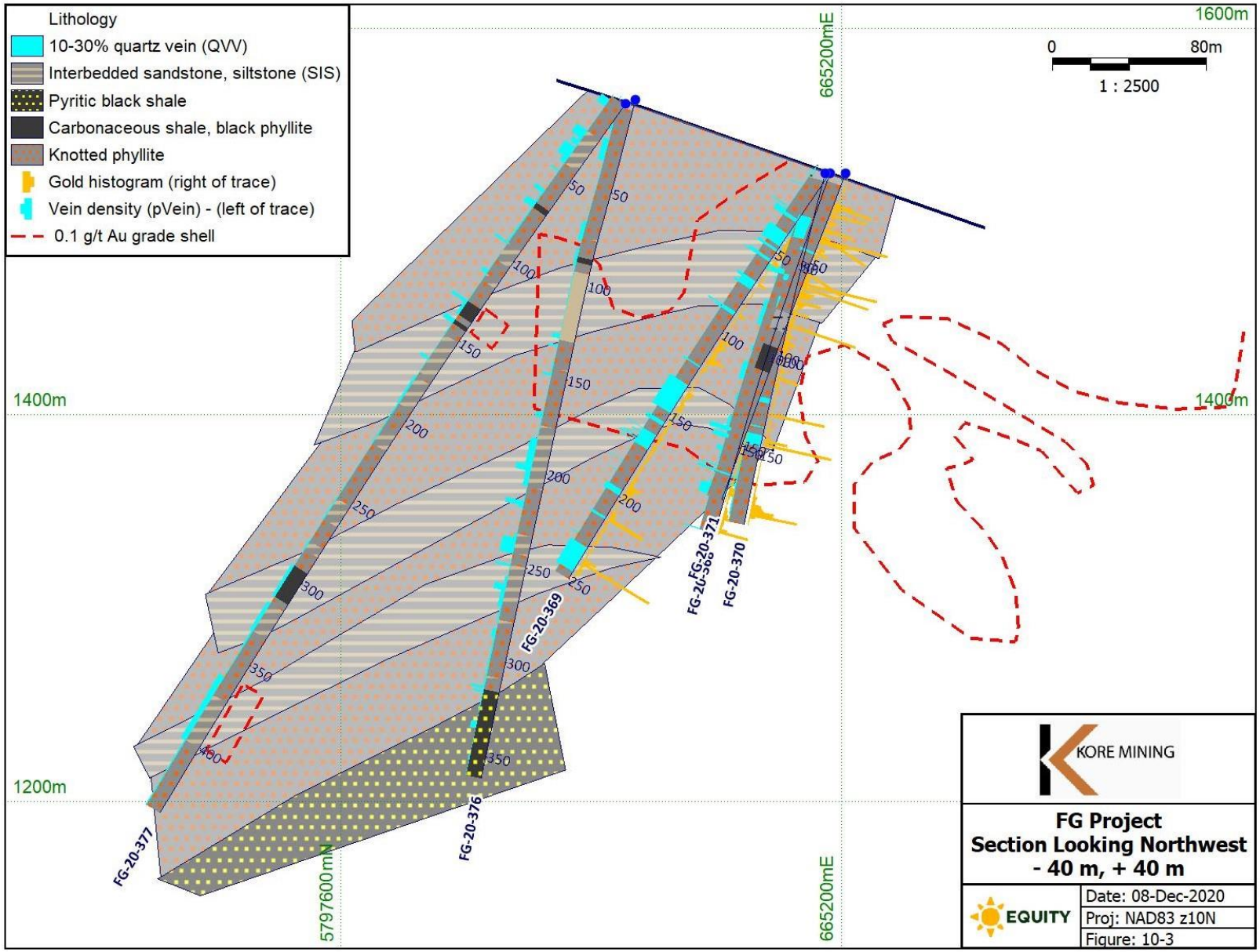


*Figure 10-3: Vertical cross section through the Frasergold deposit, looking to the northwest. Section width is ±40 m. Note how quartz vein density (pVein) correlates with the sand/siltstone unit. Source: Equity Exploration (2020).*

Assays define several 10-100 m intercepts grading mostly 0.5 g/t, typically with one or more metre-scale intercept that returned >1 to 100 g/t Au (Table 10-4). Four of the nine holes extend mineralization 20-60 m below the 0.1 g/t Au grade shell, with intercepts including 23.0 m of 2.30 g/t Au and 10.0 m of 1.54 g/t Au (Table 10-4). One of these holes (FG-20-373) was stopped in mineralization. True widths are estimated to range from 50% to 100% of downhole widths.

Hole FG-20-377 intersected mineralization 30 m down-dip of the 0.1 g/t Au grade shell, from 130.4 to 143.6 m core depth, and additional mineralization 226 m of core depth below that. This "lower zone" is associated with a siltstone/sandstone unit that hosts a high percentage of quartz veins and occurs 200 m downdip of the lower zone in FG-20-369.

### 10.3 2020 Gold Creek Drilling

The 2020 Gold Creek drilling program was partway through the first hole (GC-20-40) as of 15 November 2020, the effective date of this report.

Drilling was subcontracted to Paycore, using the same drill that was used on the 2020 Summer Frasergold program. Hole spotting, downhole surveys, and core processing were mostly completed along the same procedures established for the 2020 FG Gold area (see Section 10.2).

## 11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

Core sample preparation, shipment security and analytical methods are summarized below for the 2018 Fall and 2020 drill programs done by KORE.

### 11.1 Sample Preparation and Security

Samples were laid out by the core logging geologist with lengths of 50 cm to 200 cm for the 2018 drilling on Nova zone, and between 50 cm to 150 cm for the 2020 Frasergold drilling (De Bruyckere, 2020d), Average sample lengths are 1.6 m for 2018 drilling and 1.2 m for 2020 drilling. Core samples were sawn in half, along the apical line, with an electrical core saw, with half the sample submitted for analysis and the other half left in the core box for reference. Cut samples were placed in a poly-ethylene bag along with a barcoded sample tag, then zip-tied, bundled into rice bags, sealed with a numbered security tag, and shipped to the analytical lab by Cariboo Trucking Services out of Williams Lake, BC.

Certified reference materials (CRMs) and blanks were inserted at a rate of 1 for every 10 samples, at a ratio of two CRMs for every blank in the 2018 program and 3:1 for the 2020 work. The 2018 program mostly used two different multi-element CRMs (CDN-ME-1403, 1414) and a powdered blank (CDN-BL-10), all provided by CDN Resource Laboratories of Langley, BC, ("CDN Resource Labs"). Both CRMs have gold certified by fire assay with an atomic absorption spectrometer (AAS) or inductively coupled plasma (ICP) finish, as well as Ag, Cu, Pb and Zn certified through a four-acid digest and AAS or ICP finish.

The 2020 program used four gold (CDN-GS-1W, 1Z, 4E, P1A) and two multi-element (CDN-ME-1308, 1708) CRMs, all provided by CDN Resource Labs, as well as the same powdered blank (CDN-BL-10). The gold CRMs are all certified for fire assay with an AAS finish and contain between 0.143 g/t to 4.19 g/t Au. The multi-element CRMs have gold certified by fire assay with an AAS or ICP finish, as well as Ag, Cu, Pb and Zn certified through a four-acid digest and AAS or ICP finish.

None of the CRMs used by KORE are certified for gravimetric or screen analyses, even though a significant number of these assays are typically done. For example, in the 2020 Spring drilling program 677 of 1336 core samples were also analysed by the screen metallic method.

Field duplicate pairs were quartered with the two quarters submitted for analysis, leaving half of the core in the core box.

## 11.2 Sample Analyses

Core and QAQC samples from the 2018 drill program were sent to ALS Limited of North Vancouver, BC, whereas those for the 2020 work were analysed at Bureau Veritas Commodities Canada Ltd of Vancouver, BC, ("BV"). Details on these labs and methods used are provided below.

### 11.2.1 2018 Fall Program

ALS is independent of KORE, accredited under the Standards Council of Canada testing and calibration laboratory accreditation program (LAP, lab no. 579), and meets the General Requirements for the Competence of Testing and Calibration Laboratories (ISO/IEC 17025:2017) as defined by the International Organization for Standardization (ISO). Under LAP, ALS is certified to complete the analytical methods requested by KORE, including the determination of gold by lead collection fire assay and absorption spectrometry (Au-AA), gold and silver by lead collection fire assay and gravimetric finish (Au/Ag-GRA), and multiple elements by four-acid digestion and ICP-AES finish (ME-ICP61).

Samples received at ALS were logged in, crushed to 70% passing <2 mm (ALS code CRU-31), split with a riffle splitter, and then pulverized to 85% passing <75 µm (PUL-31).

Gold analyses were completed by fire assay and atomic absorption spectrometry (AAS) on a 30 g aliquot (Au-AA23). One sample that returned >10 g/t Au for fire assay was re-assayed by gravimetric methods (Au-GRA21).

Multi-element analyses were done with a four acid digestion and ICP-MS (ME-MS61), with ore grade analyses done for samples that returned >100 ppm Ag, >1% Cu, >1% Pb and/or >1% Zn. Ore grade analyses utilized four acid digestion and ICP-AES finish (Ag-OG62, Cu-OG62, Pb-OG62, Zn-OG62).

### 11.2.2 2020 Frasergold and Gold Creek

BV is independent of KORE, accredited under the Standards Council of Canada testing and calibration laboratory accreditation program (LAP, lab no. 720), and meets the General Requirements as defined by the International Organization for Standardization (ISO/IEC 17025:2017). Under LAP, BV is certified to complete gold by lead collection fire assay and absorption spectrometry (FA430/450), gold by lead collection fire assay and gravimetric finish (FA530/550), and screen metallic fire assay (FS552).

Samples received at BV were crushed, split, and pulverized to 250 g passing 200 mesh (BV code PRP70-250).

Gold in all samples was determined by fire assay and AAS on a 50 g aliquot (FA450). Samples that returned >10 g/t Au were re-assayed by gravimetric methods (FA550). Silver assays were determined through 4-acid digestion and an AAS finish (MA401).

Screen metallic assays were done on all mineralized intervals as there is evidence at Frasergold that suggests these assays are generally higher than fire assay with an AAS finish (Campbell and Giroux, 2015). A compilation of Spring 2020 assays suggests this may be true for samples grading >3 g/t Au by the screen method, which average 4.8 g/t Au by fire assay and 5.3 g/t Au by screen metallic method. Screen assays are done by first sieving 1 kg to 150 mesh (MS150 1kg), pulverizing to 85% passing 200 mesh (PUL85), and then metallic fire assaying for Au and/or Ag (FS552).

## 11.3 Quality Control Quality Assurance Program

The sections below summarize quality control and quality assurance (QAQC) results for the 2018 drilling program on the Nova zone and the 2020 drilling on Frasergold. QAQC "failures" are here defined as comprising:

- Single CRMs with Z-scores >+3 or <-3;
- Two or more consecutive CRMs with Z-scores >+2 to +3 or <-2 to -3;
- Blank returning >10 x the detection limit for Au, Ag.

Z-scores represent the number of standard deviations (σ) that an observed value (*x*) is from the certified mean (μ), and is calculated by subtracting μ from *x* and dividing the difference by σ.

### 11.3.1 2018 Program

CRM analyses for the 2018 Fall program show one failure for gold, comprising an analysis of CDN-ME-1414 that returned 0.467 g/t Au against a certified mean of 0.284 g/t Au and standard deviation of 0.013 g/t (Figure 11-1). Re-analysis of this standard, along with six pulps, was proposed (Leroux, 2019a) but does not appear to have been completed. The CRM is associated with core samples that mostly returned <5 ppb Au so the failure is here not considered significant.

The very high Z-score (14.1) returned by this sample has a significant effect on the 10-sample moving average, suggesting a strong positive bias in gold analyses in the latter half of the 2018 program (Figure 11-1). Removing this anomalously high value, however, indicates that the bias is closer to a Z-score of +1 than +2, which is reasonable.

Copper analyses returned two failures, one comprising two consecutive Z-scores between +2 and +3 and a second failure comprising a Z-score of 3.4. All three CRMs are associated with core samples that mostly returned <500 ppm Cu, with two samples returning ~0.1%. The failures are therefore not considered significant.

All blanks returned <5 ppb Au along with 0.06-0.10 ppm Ag and 89-107 ppm Cu. The results suggest no cross-contamination in analyses. Contamination of the crushing and pulverizing stages was not evaluated as the blank samples submitted consist of powder.

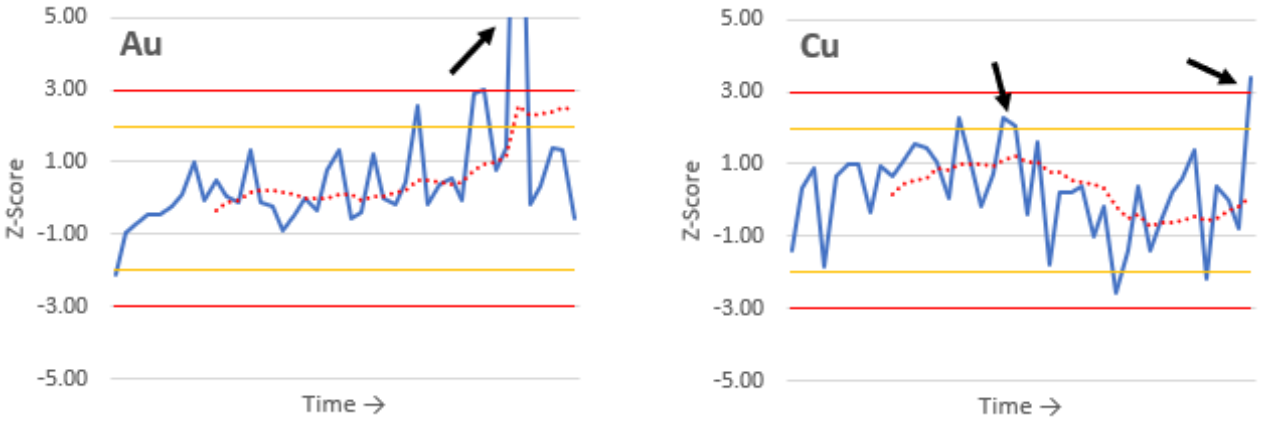


*Figure 11-1: Shewhart charts for the 2018 drilling program showing (left) gold and (right) copper in certified reference materials (CRMs). The dashed red line shows Z-scores for a 10-sample moving average. Black arrows point to QAQC failures relative to the Z-score failure (red horizontal line) and warning limits (orange horizonal line). Source: Equity (2020).*

Field duplicates returned mostly low gold values, with 14 of 19 pairs reporting at least one of the two assays below detection. One duplicate pair, however, returned 0.008 g/t and 1.35 g/t, indicating erratic distribution of gold. Otherwise, however, it is not possible to evaluate the reproducibility of assays at values so close to the detection limit. Copper values, on the other hand, are somewhat higher than detection and show reasonable reproducibility.

### 11.3.2 2020 Program

CRM analyses for the 2020 Spring program (N = 96) show three QAQC failures for gold, all comprising Z-scores of >+3 or <-3. Each standard is linked to eight core assays, with between 4 to 8 of these core samples reporting >0.1 g/t Au. Given their location within mineralized zones the 24 total samples associated with these CRMs should have been reanalysed. On the other hand, KORE's procedures include a very high insertion rate for CRMs, the overall trend of which indicates accurate assays. The CRM failure rate of 3% is reasonable.

All blanks returned ≤7 ppb Au, suggesting no cross-contamination. However, contamination during the sample preparation stage was not evaluated as the blank samples submitted consist of powder.

Quarter core duplicate results returned an $R^2$ of 0.97 for all parent and daughter samples, and $R^2$ = 0.74 for duplicate pairs that returned <1 g/t Au. The average coefficient of variance for these 38 duplicate pairs is 16%, which falls within the best practice threshold of <20% for coarse- to medium-grained gold deposits (Abzalov, 2008).

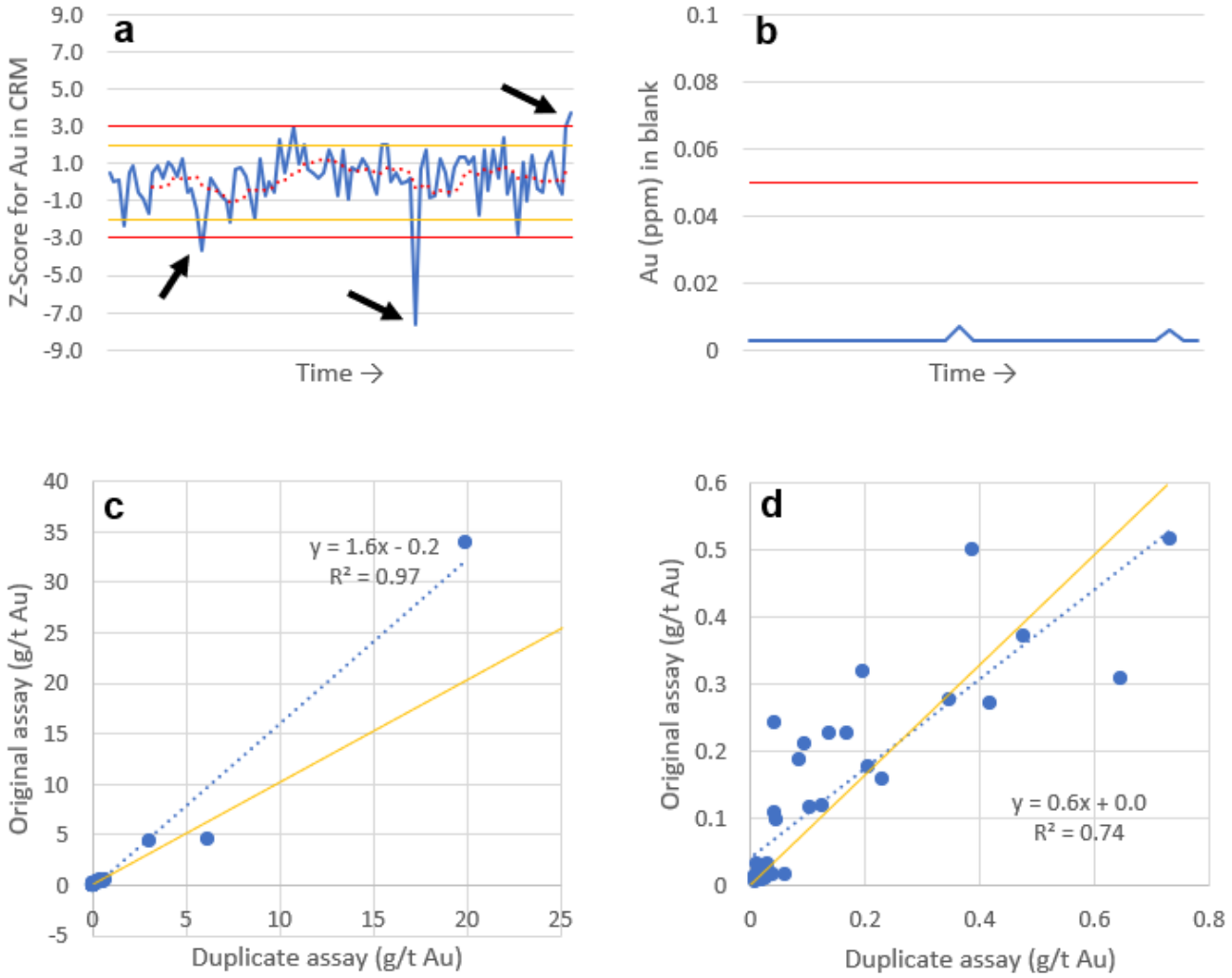


*Figure* 11-2*: Quality control plots for the 2020 Frasergold drilling done by KORE showing (a) Z-score values from all CRM gold assays with failures indicated by black arrows, (b) g/t Au in blanks compared to the 10 x detection limit threshold for failure (red horizontal line at 0.05 ppm Au), (c) g/t Au in original and field duplicate assays for all samples and (d) only those <1 g/t Au. Orange line shows indicates 1:1 results for original and duplicate analyses. Source: Equity (2020)*

## 11.4 Analytical Adequacy

Core samples are prepared and shipped at an industry standard level and analyses are done in certified laboratories. Quality control failure rates are acceptable and precision meets best practice thresholds as defined by Abzalov (2008).

Gaps within KORE's sampling and analytical programs include a lack of CRMs that monitor metallic screen assays and the use of a powdered blank that fails to monitor contamination in the crushing and pulverizing stages. Besides these deficiencies, the analytical data collected by KORE is adequate for the purposes of this report and resource estimation in line with NI 43-101 requirements.

# 12.0 DATA VERIFICATION

Author Voordouw reviewed the digital data for the South Cariboo Property during preparation of this report and conducted a personal inspection of the Property from 10 to 13 November 2020.

## 12.1 Digital Data

KORE provided the authors with their digital database for the South Cariboo Property, which was reviewed for completeness and quality. This database included shapefiles, a surface geochemistry database, and a drill hole (DH) database.

The DH database is fragmented, consisting of non-standardized campaign compilations and, in some cases, individual logs. The DH database for all campaigns up to 2011 includes only collar, DH survey, and assay data with no geological detail (i.e. lithology, structure, veining, alteration, mineralization). Programs completed by KORE (Fall 2018, 2020) are adequate in terms of geological detail and include a high number of oriented structure measurements (N = 3559) from the 2020 program. A selection of assays from the 2018 (N = 30) and 2020 (N = 200) programs was compared against the original certificate of analysis (COA) and found to be accurately transcribed.

Composites presented in Section 0 are 5-15% lower than those released by KORE (KORE, 2020c; KORE, 2020b; KORE, 2020a). The difference is mostly related to input values for samples with two or more assay results (i.e. fire assay, gravimetric, screen). Composites calculated by Equity (i.e., Table 10-4) prioritized:

1. Screen over gravimetric
2. Screen assays >3 g/t over fire assay
3. Fire assay for all screen results <3 g/t

KORE did not publish their method for integrating assays into composites, as recommended for best practise (CIM, 2019), but may have used the highest assay per sample as input for their composites. This method introduces a positive bias to compositing.

Intervals of 50-200 m that grade around 1 g/t Au typically consist of mostly 0.5 g/t Au with one or more 1-metre long intercepts with 10-70 g/t Au.

The soil database is split between the FG Gold (N = 10,696 samples) and Gold Creek (N = 3,692) areas for a total of 14,388 samples, with little to no data for the claims that stretch between the FG Gold and Gold Creek area. Filed assessment reports include data not currently in the soil compilation (e.g. O'Donnell and Mudry, 1984; Medford, 1989; Mark, 2009).

There is no 3D geological model for the Frasergold deposit.


*Figure 12-1: Photographs taken during the November 2020 site visit showing (a) metal picket for FG-20-380, (b) outcrop of crenulated, knotted, and veined phyllite at drill site FG-20-381/384, (c) Paycore drill set up at GC-20-40, (d) pump setup and access trail leading to the next 2020 Gold Creek drill set up, (e) CB-QZ-PY-PO breccia on QZ vein margin at 39.7 m depth in FG-20-369, (f) folded quartz vein with pyrite-pyrrhotite concentrations circled in red, at 382.8 m depth in FG-20-377, (g) straight-walled QZ-CB vein in carbonaceous greywacke at 18.1 m in GC-17-33, and (h) quartz-carbonate vein cutting a sericite-altered feldspar porphyry at 21.8 m in GC-17-33. Source: Equity (2020)*

## 12.2 Drill Sites and Core Storage Area

The FG Gold and Gold Creek drilling areas were visited by author Voordouw on 11 and 13 November, respectively. He visited the core storage area in Horsefly, BC on 11 and 12 November.

Seven drill pads were visited at Frasergold, from which nine of the 2020 holes were drilled. Each drill site was snow-covered but marked by a metal stake (Figure 12-1a) on which a handheld GPS measurement was taken. These data were compared to the collar coordinate in KORE's DH database, returning offsets averaging 4.1 m within a range of 1-10 m. This is within the measurement error range of a handheld GPS so that the collar locations are considered adequate for the purposes of this report.

Two outcrops were observed in subvertical, 1-2 m high, road cuts (Figure 12-1b). Both localities comprised crenulated (D3) knotted phyllite with numerous quartz pods and stringers lying within the S0/1 foliation plane, which dips moderately to the southwest.

At Gold Creek, author Voordouw visited the site of current drilling (Figure 12-1c) and the proposed site of the next hole (Figure 12-1d). Drilling and pad construction methods are industry standard. Discussions with the onsite geology crew suggests that KORE's standard operating procedures are being followed.

At the Horsefly core storage yard, author Voordouw re-logged approximately 40 m in three different holes (FG-20-369, 377, GC-17-33), for a total of ~120 m. There were no notable differences with company logs for the two Frasergold holes. In the opinion of Voordouw, the prevalence of sulphide-rich breccia along the deformed margins (Figure 12-1e), boudin necks, and fold cores (Figure 12-1f) of quartz veins suggests that gold-sulphide mineralization may post-date syn-D1 quartz veins.

GC-17-33 consists mostly of carbonaceous greywacke with extensional-type quartz veins (Figure 12-1g). Greywacke is cut by a green sericite-altered feldspar porphyry dyke (Figure 12-1h), from 22 to 23.5 m depth, that historical logging included with the greywacke. This porphyry lies central to the two highest assays within a broader interval of 0.66 g.t Au over 16.3 m, with 2.2 g/t Au in the 0.8 m immediately above the dyke and 3.1 g/t Au in the 1.35 m immediately below.

## 12.3 Assay Verification

Nine samples of quarter core were collected from three drill holes (Table 12-1) by quartering the half core that was in the box, submitting ¼ for assay and retaining ¼ in the box for reference. Samples were split with a core saw, packed into poly-ethylene bags with a unique sample tag, bundled into a single rice bag secured with a unique security tag, and then hand delivered to ALS Limited in North Vancouver by Equity.

At ALS, samples were logged in, crushed to 70% passing 2 mm (CRU-31), split (SPL-21), and then pulverized to 85% passing 75 µm (PUL-31). Gold analyses were done by fire assay collection with an AAS finish (Au-AA23).

Results of re-analyses show a strong correlation with fire assay results for the original samples (Figure 12-2), although the Equity duplicates do include significantly higher grades for three samples (Table 12-1). Grade differences fall within the realm of expected grade variance for vein gold deposits (e.g. Abzalov, 2008).

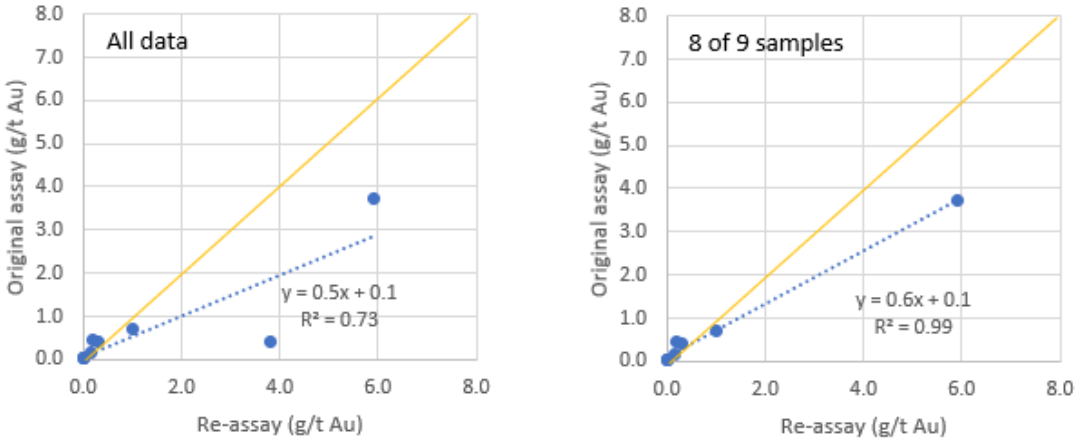


*Figure* 12-2*: Scatterplots showing original and re-assay data for (left) all nine samples and (right) eight of nine samples, the latter excluding Equity sample 3635558 (3.8 g/t Au) which is paired with original sample V569708 (0.4 g/t Au). Source: Equity (2020).*

*Table 12-1: Comparison of 2020 re-assay with original assay data (Source: Equity, 2020)*

| Drill Hole | From (m) | To (m) | Length (m) | Original Sampling | | Equity Sampling | |
|---|---|---|---|---|---|---|---|
| | | | | *ID* | *Au (g/t)* | *ID* | *Au (g/t)* |
| FG-20-369 | 13.0 | 14.4 | 1.5 | B0175191 | 0.02 | 3635552 | 0.01 |
| FG-20-369 | 20.5 | 22.0 | 1.5 | B0175197 | 0.42 | 3635553 | 0.30 |
| FG-20-369 | 30.0 | 31.0 | 1.0 | B0175206 | 3.74 | 3635554 | 5.93 |
| FG-20-369 | 36.0 | 37.0 | 1.0 | B0175213 | 0.69 | 3635555 | 1.01 |
| FG-20-377 | 403.0 | 404.0 | 1.0 | B0176872 | 0.02 | 3635556 | 0.01 |
| FG-20-377 | 405.0 | 406.0 | 1.0 | B0176874 | 0.03 | 3635557 | 0.02 |
| GC-07-33 | 13.0 | 14.5 | 1.5 | V569708 | 0.42 | 3635558 | 3.81 |
| GC-07-33 | 18.2 | 19.9 | 1.7 | V569713 | 0.18 | 3635559 | 0.14 |
| GC-07-33 | 25.0 | 26.8 | 1.8 | V569719 | 0.44 | 3635560 | 0.18 |

## 12.4 Data Adequacy

The results of the data verification demonstrate the data is adequate for use in exploration targeting. The data collected by KORE is adequate for mineral resource estimation and preparation of mineral reserves.

Pre-KORE data was not reviewed by the authors as it was not readily available for review. Previous QPs (e.g. Campbell and Giroux, 2015) found this data adequate for mineral resource estimation.

# 13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

KORE has not completed mineral processing or metallurgical test work for the South Cariboo Property.

# 14.0 MINERAL RESOURCE ESTIMATES

KORE has not completed an estimate of mineral resources for the South Cariboo Property. For completeness, significant historical resource estimates are disclosed under Item 6 (History) above.

# 23.0 ADJACENT PROPERTIES

The South Cariboo Property occurs within 5-6 km of the Spanish Mountain deposit and the Mount Polley mine.

The information for the Spanish Mountain deposit has been summarized from the 2019 NI 43-101 report on the project (Schulte et al., 2019). The QP has not verified this information which is not necessarily indicative of the mineralization at South Cariboo Property.

The information for the Mount Polley mine has been summarized from Brown et al (2016). The QP has not verified this information which is not necessarily indicative of the mineralization at South Cariboo Property.

## 23.1 Spanish Mountain Deposit

The Spanish Mountain gold deposit is located 6 km east of the Gold Creek area of the South Cariboo Property, between the two claim blocks of the South Cariboo Property. The deposit is 100% owned by Spanish Mountain Gold Limited. A geological description of Spanish Mountain has been provided in Section 7.2.1. Gold mineralization is associated with quartz veins and related carbonate-muscovite (sericite) ± pyrite alteration. Mineral Resources (Figure 23-1) for the Spanish Mountain deposit have been calculated at a cut-off grade of 0.15 g/t Au and disclosed publicly by Spanish Mountain Gold Ltd in the 2019 Preliminary Economic Assessment (Schulte et al., 2019). The qualified person has been unable to verify this information.

*Figure 23-1 Mineral resource estimate for the Spanish Mountain deposit (Source: Schulte et al., 2019)*

| Classification | Tonnage (Mt) | Grade | | Contained Metal | |
|---|---|---|---|---|---|
| | | *Au (g/t)* | *Ag (g/t)* | *Au (koz)* | *Ag (koz)* |
| Measured | 29.6 | 0.60 | 0.83 | 569 | 791 |
| Indicated | 243.6 | 0.46 | 0.69 | 3,566 | 5,413 |
| Measured + Indicated | 273.2 | 0.47 | 0.71 | 4,135 | 6,204 |
| Inferred | 52.4 | 0.37 | 0.67 | 619 | 1,128 |

- *Mineral Resources have an effective date of October 10, 2019 and are prepared in accordance with CIM Definition Standards and NI 43-101. The qualified person for the estimate is Sue Bird, P.Eng.*
- *Silver value is not considered in the cut-off grade estimation.*
- *Considerations for the Lerchs-Grossman algorithm used to define the "reasonable prospects of eventual economic extraction" open pit shell are the same as those listed above for the cut-off grade determination, as well as a C$2.20/t mining cost. Overall pit slope angles range from 20 degrees to 43 degrees and are estimated based on geotechnical analysis of various zones in the deposit.*

### 23.2 Mount Polley Mine

The Mount Polley Cu-Au porphyry mine is located 5 km southwest of the Gold Creek area of the South Cariboo Property. The mine is owned and operated by the Mount Polley Mining Corporation (MPMC), a wholly owned subsidiary of Imperial Metals Corporation. The deposit is hosted in a high level, northwest-trending, alkalic stock ("Mount Polley Complex") with mineralization hosted mainly within several magmatic-hydrothermal breccias, with lesser amounts hosted in veins, disseminations, and skarn (Pass et al., 2014). Mineral Resources (Figure 23-2) for the Mount Polley deposit have been calculated at a cut-off grade of 0.15 g/t Au and disclosed publicly by MPMC in the 2016 technical report (Brown et al., 2016). The qualified person has been unable to verify this information.

*Figure 23-2 Mineral resource estimate for the Mount Polley mine (Source: Brown et al., 2016)*

| Classification | Tonnage (Mt) | Grade | | | Contained Metal | | |
|---|---|---|---|---|---|---|---|
| | | *Cu (%)* | *Au (g/t)* | *Ag (g/t)* | *Cu (Mlbs)* | *Au (koz)* | *Ag (koz)* |
| Measured | 138.3 | 0.439 | 0.276 | 0.722 | 859 | 1,226 | 3,211 |
| Indicated | 109.1 | 0.385 | 0.245 | 0.597 | 591 | 861 | 2,095 |
| Measured + Indicated | 247.3 | 0.415 | 0.262 | 0.667 | 1,451 | 2,087 | 5,306 |
| Inferred | 14.0 | 0.257 | 0.170 | 0.347 | 50 | 77 | 157 |

- *Mineral Resource statement is inclusive of Mineral Reserves*
- *Ore tonnes are rounded to the nearest 100,000 tonnes for open pit sources, and the nearest 1000 tonnes for underground sources*
- *Contained metals are rounded to the nearest 1,000,000 lbs Cu, 1000 oz Au, 1000 oz Ag*
- *Totals may not sum exactly due to rounding*

## 24.0 OTHER RELEVANT DATA AND INFORMATION

No other information or explanation is necessary to make this technical report understandable and not misleading.

## 25.0 INTERPRETATION AND CONCLUSIONS

KORE is the recorded owner of most claims comprising the South Cariboo Property, with all others held in the name of their optionors. To the author's knowledge, there are no other significant factors and risks that may affect access, title, or the right or ability to perform work on the property.

Both the FG Gold and Gold Creek areas are road accessible and mostly suitable for year-round skid-based drilling. Exploration in remote parts of the Property is more seasonal and may require helicopter support.

The South Cariboo Property lies along the tectonic boundary between the Quesnel terrane and the ancestral margin of North America. This deformed suture zone hosts several orogenic-type gold deposits within the Cariboo Gold District (CGD), which is part of the greater eastern Cordilleran gold belt. The CGD includes KORE's Frasergold deposit, the nearby Spanish Mountain deposit, and the Wells-Barkerville Camp 90 km to the north. The Property is also prospective for Cu-Au alkalic porphyry deposits hosted in Quesnel terrane, like the nearby Mount Polley mine.

The Frasergold deposit comprises a near-surface, sub-horizontal, northwest-trending, rod with approximate dimensions of 3400 x 200 x 200 m. The long axis of this rod lies within, and parallel to, a

10 km long zone of anomalous gold. The deposit is currently interpreted as stratabound but could also comprise a semi-discordant shear zone that is concordant at the scale of the Frasergold deposit. Gold is hosted in a distinctive unit of “knotted” (carbonate porphyroblastic) phyllite and increases with quartz vein density. Veins were emplaced as a conjugate set during the local D1 event, then overprinted by D2 and D3.

The Gold Creek area is at an earlier exploration stage than Frasergold. Results included both broad intersections of low-grade gold mineralization and metre-scale intersections of higher grade. Gold enrichment appears to be broadly northwest trending, steeply dipping, and hosted in structurally controlled, sheeted vein sets. Relogging by the author noted a sericite-altered feldspar porphyry that was missed in historical logging, and that occurred central to grade.

The 2020 drilling program at Frasergold returned several long intercepts of low-grade gold mineralization along with narrow intervals of higher-grade gold that carries most of the grade. Higher-grade gold correlates with increased vein densities that, in turn, appear to correlate with silty sandstone (SIS) units from the 2020 Summer program. This unit may represent a more favorable host to gold mineralization than the knotted phyllite.

Of the nine Frasergold holes reported before the effective date of this report, four extend mineralization at least 20-60 m below the 0.1 g/t Au grade shell. In addition, hole FG-20-377 intersected the “upper zone” approximately 30 m down-dip of the 0.1 g/t Au grade shell and a “lower zone” 200 m downdip of the “lower zone” in FG-20-369.

Nova zone is interpreted as an alkalic porphyry-style target (Leroux, 2019a) and returned several intervals of gold and copper enrichment an association with 1.5-2 m thick layers of 10-30% pyrite. Although the copper-gold association suggests an affiliation to alkalic porphyry systems, a replacement-type origin should be considered given the importance of such mineralization in the Wells-Barkerville Camp.

KORE’s drilling and core processing was completed to industry standard but could be improved by obtaining area-based permits, implementation of gyroscopic down-hole survey tools, using post-drilling DGPS surveys for collar locations, and collection of specific gravity data on drill core. The data is considered adequate for the purposes of this report and any future geological modelling. The historical collar, survey, and assay database was previously deemed adequate for purposes of NI 43-101 compliant resource estimation (Campbell and Giroux, 2015) but lacks most types of geological data (e.g. lithology, veining, structure) that should be compiled.

KORE’s analyses were also completed to industry standard but could be improved by adding CRMs to monitor screen assays and using coarse blank instead of powered blanks. KORE should also formalize a systematic method for ranking two or more assay results from the same sample.

Project risk is moderate to high because the South Cariboo Property is still an early-stage exploration project with no guarantee that the exploration results to date indicate an economic ore body. Risk can be somewhat mitigated by additional work as recommended in section 26.1.

# 26.0 RECOMMENDATIONS

The section provides recommendations for a two-phase program focussed on the FG Gold area, collectively comprising desktop work, permitting, relogging, camp construction, geological mapping, prospecting, DGPS surveys, and 10,000 m of diamond drilling. Phase 2 is not contingent on results from Phase 1, with Phase 1 and 2 estimated to cost C$770,000 and C$2.2 million respectively.

## 26.1 Program

### 26.1.1 Phase 1

Phase 1 work includes desktop work, permitting, core relogging, prospecting, geological mapping, camp construction, DGPS surveys, and drilling of 2,000 m, for total expenditure of C$770,000.

Desktop work should include compiling, standardizing, and integrating all drilling data from the South Cariboo Property into a single drill database. Oriented core collected as part of the 2020 program should be validated and analyzed. Historical geological, surface geochemical, and ground geophysical data should also be compiled, standardized, and integrated into project-scale databases. Compiled data can be used to generate preliminary geological models for the Property as well as the Frasergold deposit and the Camp zone (Gold Creek area), to serve as frameworks for future exploration.

KORE should obtain Multi-Year Area-Based permits to replace the Multi-Year (specific site) permits that it is currently operating under. Area-based permits allow more flexibility and less amendments than the site-specific permits.

Core relogging should focus on the relationship between SIS and structural controls on gold mineralization and could be done out of Horsefly.

Construction of a drill camp is recommended to reduce operational costs and improve safety. Drilling operations would be staged out of the field camp.

Geological mapping and rock sampling are proposed to validate deposit- and prospect-scale geology and develop geological and structural maps.

Historical differential GPS (DGPS) surveys should be sourced or, if these do not exist, organized by KORE, for historical drilling, KORE's recent drilling in 2018 and 2020, and any holes that KORE drills in 2021.

A 2,000 m drilling program is recommended for this first phase of work, comprising 5-10 holes focussed on following up positive results from the 2020 drilling, or drilling of the highest priority targets as defined by the phase 1 desktop work.

Several modifications to KORE's drilling procedures are recommended for future drill programs. These include taking of magnetic susceptibility measurements, completing post-campaign DGPS collar surveys, increasing the number of specific gravity measurements, and completing a select number of Gyro surveys to validate the EZ-Shot tool.

Sampling procedures should be modified to include CRMs that monitor screen assays and the use of coarse blanks to evaluate contamination in the preparation stage. KORE should formalize a

procedure for ranking multiple assays for the same sample by its analytical method and/or the order in which they passed QAQC.

### 26.1.2 Phase 2

Phase 2 comprises 8,000 m of diamond drilling to be done out of the FG Gold field camp, for a total of C$2.2 M (Table 26-1).

Drilling in the FG Gold area could include infill holes to support an updated resource calculation for the Frasergold deposit defined by Campbell and Giroux (2015), deeper holes below the historical 0.1 g/t Au grade shell, up-dip and lateral step-out holes to expand deeper intersections like FG-20-377, and holes to test modelled orientations of high-grade shoots. If possible, drilling should extend through to the pyritic black shale unit to see if it forms a reliable footwall marker for the mineralized zone.

## 26.2 Budget

We estimate that the program described above can be executed within a budget of C$3M (Table 26-1).

*Table 26-1: Proposed budget for program outlined in Section 26.1 (Source: Equity, 2020)*

| Phase | Item | Cost |
|---|---|---|
| Phase 1 | Desktop work | C$ 55,000 |
| | Permitting | C$ 10,000 |
| | Relogging | C$ 10,000 |
| | Camp construction | C$ 80,000 |
| | Geological mapping, prospecting | C$ 50,000 |
| | DGPS survey | C$ 15,000 |
| | 2,000 m of drilling @ $275/m | C$ 550,000 |
| Phase 2 | 8,000 m of drilling @ $275/m | C$ 2,200,000 |
| Subtotals | **Phase 1** | **C$ 770,000** |
| | **Phase 2** | **C$ 2,200,000** |
| TOTAL | | **C$ 2,970,000** |

Respectfully submitted,

_____

Ron Voordouw, P.Geo. and Henry Awmack, P.Eng.

EQUITY EXPLORATION CONSULTANTS LTD.

Vancouver, British Columbia

Effective Date: November 15, 2020

Signed Date: : December 16, 2020

# 27.0 REFERENCES


Abzalov, M., 2008, Quality control of assay data: A review of procedures for measuring and monitoring precision and accuracy: Exploration and Mining Geology, v. 17, p. 131–144.

Allan, M. M., Rhys, D. A., and Hart, C. J. R., 2017, Orogenic gold mineralization of the eastern Cordilleran gold belt, British Columbia: Structural ore controls in the Cariboo (093A/H), Cassiar (104P) and Sheep Creek (082F) mining districts: Geoscience BC Report 2017-15, 110 p.

Andrew, A., Godwin, C. I., and Sinclair, A. J., 1983, Age and genesis of Cariboo gold mineralization determined from isotopic methods, in Geological Fieldwork 1982: BC Ministry of Energy, Mines and Petroleum Resources, paper 1983-1, p. 305–313.

BCTC, 2018, BC Treaty Commission website, www.bctreaty.ca/map.

Beausoleil, C., and Pelletier, C., 2020, NI 43-101 technical report and mineral resource estimate for the Cariboo gold project, British Columbia, Canada: Technical report for Osisko Gold Royalties Ltd, 222 p.

Belik, G. D., 1981, Geological and geochemical report on the Frasergold Property: BCMEM assessment report ARIS 09751, 138 p.

Brown, A., and Ash, C., 2009, Great Mining Camps of Canada 3. The History and Geology of the Cariboo Goldfield, Barkerville and Wells, BC: Geoscience Canada, v. 36, p. 1–31.

Brown, P., 1983, Diamond drilling and geochemical report on the MAC 1-9, KAY 1-12 and ALPHA 2 claims: BCMEM assessment report ARIS 11833, 125 p.

Brown, P., 1984, Diamond drilling report on the MAC 1, MAC 2, MAC 7, MAC 8, MAC 9, MAC 9Fr, MAC 12Fr, KAY 10 and ALPHA 2 claims: BCMEM assessment report ARIS 12880, 63 p.

Brown, R., Roste, G., Baron, J., and Rees, C., 2016, Mount Polley mine 2016 technical report: Technical report for Imperial Metals Corp, 205 p.

Buckle, J., 2009a, Diamond drilling program within the Gold Creek property, Cariboo Goldfields project, Likely area: BCMEM assessment report ARIS 31105, 236 p.

Buckle, J., 2009b, Exploration report on mobile metal ion (MMI) sampling program within the Gold Creek property: BCMEM assessment report ARIS 31294, 81 p.

Buckle, J., 2010, Exploration report on diamond drilling program within the Gold Creek property Cariboo Goldfields project, Likely area: BCMEM assessment report ARIS 31562, 63 p.

Campbell, K. V., and Giroux, G. H., 2015, NI 43-101 technical report, Frasergold exploration project, Cariboo Mining Division, B.C.: Technical report for Eureka Resources Inc, 178 p.

Campbell, K. V., MacKean, B. E., and Leishman, D. A., 1987, Report on the geology and results of the 1987 exploration on the Frasergold property: BCMEM assessment report ARIS 16765, 210 p.

Campbell, K. V., Gruenwald, W., Walters, L., and Schatten, M., 1991, Results of the 1991 exploration program: Internal report for Asarco Inc and Eureka Resources Inc.

Cartwright, P., 1985, Report on the induced polarization and resistivity survey on the Frasergold property: BCMEM assessment report ARIS 14022, 31 p.

CIM, 2019, CIM estimation of mineral resources and mineral reserves best practice guidelines: Adopted by CIM Council on November 29, 2019, 75 p.

De Bruyckere, J., 2020a, Frasergold core logging manual: SOP for KORE Mining, 16 p.

De Bruyckere, J., 2020b, Frasergold geoteching manual: SOP for KORE Mining, 10 p.

De Bruyckere, J., 2020c, Frasergold oriented core SOP: SOP for KORE Mining, 12 p.

De Bruyckere, J., 2020d, Frasergold sampling QAQC: SOP for KORE Mining, 7 p.

Dubé, B., and Gosselin, P., 2007, Greenstone-hosted quartz-carbonate vein deposits, in Goodfellow, W. D. ed., Mineral deposits of Canada: A synthesis of major deposit-types, district metallogeny, the evolution of geological provinces, and exploration methods: Special Publication 5, Mineral Deposits Division, Geological Association of Canada, p. 49–73.

Elsby, D. C., 1985,Structure and deformation across the Quesnellia-Omineca terrane boundary, Mt. Perseus area, east-central British Columbia.Unpublished M.Sc. thesis: The University of British Columbia: 194 p.

Ferri, F., and Schiarizza, P., 2006, Re-interpretation of Snowshoe Group stratigraphy across a southwest-verging nappe structure and its implications for regional correlations within the Kootenay Terrane, in Colpron, M. and Nelson J. L eds., Paleozoic evolution and metallogeny of pericratonic terranes at the ancient margin of North America, Canadian and Alaskan Cordillera: St John's, Geological Association of Canada, p. 415–432.

GC, 2020, Canadian climate normals, https://climate.weather.gc.ca/climate_normals/.

Goldfarb, R. J., Groves, D. I., and Gardoll, S. J., 2001, Orogenic gold and geologic time: a global synthesis: Ore Geology Reviews, v. 18, p. 1–75.

Goldfarb, R. J., Baker, T., Dubé, B., Groves, D. I., Hart, C. J. R., Robert, F., and Gosselin, P., 2005, World distribution, productivity, character, and genesis of gold deposits in metamorphic terranes: Economic Geology, v. 100th Anniversary Volume, p. 407–450.

Groves, D. J., Goldfarb, R. J., Gebre-Mariam, M., Hagemann, S. G., and Robert, F., 1998, Orogenic gold deposits: A proposed classification in the context of their crustal distribution and relationships to other gold deposit types: Ore Geology Reviews, v. 13, p. 7–27.

Gruenwald, W., 1980, Geochemical and geological report on the Kay #1 - #9 claims: BCMEM assessment report ARIS 08325, 47 p.

Holcombe, R., 2017, Oriented drillcore: Measurement, conversion, and QA/QC procedures for structural and exploration geologists: Report by HCOV Global, downloaded from https://www.hcovglobal.com/downloads, 38 p.

Hynes, J., 2018, Diamond drill program technical assessment report for summer 2018, Gold Creek property, British Columbia: Unpublished BCMEM assessment report, 53 p.

Klipfel, P., 2005, Carlin and sediment hosted vein deposits - an intriguing case of common characteristics, in Symposium 2005, Geological Society of Nevada – Geological Society of Nevada, p. 79–91.

KORE, 2019, Gold Creek, https://www.koremining.com/gold-creek.

KORE, 2020a, KORE Mining Continues to Discover New Mineralization Down Dip and on Strike at FG Gold and Extends Drill Program in South Cariboo Gold District: KORE Mining news release 22 October 2020.

KORE, 2020b, KORE Mining Drills 11.0 Meters of 10.0 g/t Gold Near Surface and Extends Lower Zone Discovery with 52.5 Meters of 1.1 g/t Gold at FG Gold Project: KORE Mining news release 23 July 2020.

KORE, 2020c, KORE Mining Drills 31.3 Meters of 3.2 g/t Gold Including 14.3 Meters of 6.4 g/t Gold in Large 215 Meter Step-Out at FG Gold Project: KORE Mining news release 11 November 2020.

Leishman, D. A., and Campbell, K. V., 1986, Results of the 1986 trenching and drilling program on the Frasergold property: BCMEM assessment report ARIS 15715, 305 p.

Leroux, G., 2019a, Diamond drill program report for 2018, Frasergold property, Williams Lake area, British Columbia: Unpublished assessment report for BCMEM, 71 p.

Leroux, G., 2019b, Field report for summer 2019, Gold Creek Property, Likely, British Columbia: Internal report for Kore Mining Ltd, 28 p.

Mark, D. G., 2009, Exploration report on reconnaissance MMI soil geochemistry sampling within the Keno Lake area, Cariboo Goldfields project, Keno Lake, Horsefly area: BCMEM assessment report ARIS 31572, 266 p.

Massey, N. W. D., MacIntyre, D. G., Desjardins, P. J., and Cooney, R. T., 2005, Digital geology map of British Columbia: whole province: BC Ministry of Energy, Mines and Petroleum Resources, p. 2005–1.

Medford, G., 1989, Geological, geochemical and geophysical survey of the Hen claim group: BCMEM assessment report ARIS 18941, 121 p.

Mortensen, J. K., Montgomery, J. R., and Fillipone, J., 1987, U–Pb zircon, monazite, and sphene ages for granitic orthogneiss of the Barkerville terrane, east-central British Columbia: Canadian Journal of Earth Sciences, v. 24, p. 1261–1266.

Mortensen, J. K., Ghosh, D. K., and Ferri, F., 1995, U-Pb geochronology of intrusive rocks associated with copper-gold porphyry deposits in the Canadian Cordillera., in Special Volume: Canadian Institute of Mining and Metallurgy, p. 142–158.

Mortensen, J. K., D. A. Rhys, and K. Ross, 2011, Investigations of Orogenic Gold Deposits in the Cariboo Gold District, East-Central British Columbia (Parts of NTS 093A, H): Final Report, in Geoscience BC Report 2011-1:, p. 97–107.

O'Donnell, M. A., and Mudry, M. P., 1984, Geological and geochemical evaluation of the Horsefly Lake area properties: BCMEM assessment report ARIS 13392, 53 p.

Ootes, L., Elliott, J., and Rowins, S., 2017, Testing the relationship between the Llewellyn fault, gold mineralization, and Eocene volcanism in northwest British Columbia: A preliminary report, in Geological Fieldwork 2016: British Columbia Ministry of Energy and Mines, p. 49–59.

Ostensoe, E., 2010, Report of drilling program, Gold Creek property, Likely area: BCMEM assessment report ARIS 31630, 33 p.

Oswiacki, G., 2008, Technical Report - Geological Summary, Cariboo Goldfields Property, British Columbia: NI 43-101 Report for Tiex Inc. and Bullion Gold Corp., 72 p.

Panteleyev, A., 1995, Porphyry Cu +/- Mo +/- Au in selected British Columbia mineral deposit profiles, in Lefebvre, D. V. and Ray, G. E. eds., Volume 1 – Metallics and Coal:, p. 87–92.

Pass, H. E., Cooke, D. R., Davidson, G., Maas, R., Dipple, G., Rees, C., Ferreira, L., Taylor, C., and Deyell, C. L., 2014, Isotope Geochemistry of the Northeast Zone, Mount Polley Alkalic Cu-Au-Ag Porphyry Deposit, British Columbia: A Case for Carbonate Assimilation: Economic Geology, v. 109, p. 859–890.

Rhys, D. A., Mortensen, J. K., and Ross, K., 2009, Investigations of orogenic gold deposits in the Cariboo Gold District, east-central British Columbia (parts of NTS 093A, H): progress report, in Geoscience BC Summary of Activities 2008: Geoscience BC, p. 49–74.

Roback, R. C., Sevigny, J. H., and Walker, N. W., 1994, Tectonic setting of the Slide Mountain terrane, southern British Columbia: Tectonics, v. 13, p. 1242–1258.

Schatten, M., 1990, Assessment report on the Frasergold 1990 drill programme: BCMEM assessment report ARIS 20547, 904 p.

Schatten, M., 1991, Assessment report on the Frasergold 1991 drill programme: BCMEM assessment report ARIS 21819, 337 p.

Schiarizza, P., 2016, Toward a regional stratigraphic framework for the Nicola Group: Preliminary results from the Bridge Lake – Quesnel River area, in Geological Fieldwork 2015: British Columbia Ministry of Energy and Mines, p. 13–30.

Schulte, M., Gilmour, W., Bird, S., Galbraith, L., and Meintjes, T., 2019, Spanish Mountain gold NI 43-101 technical report based on 2019 preliminary economic assessment: Technical report for Spanish Mountain Gold Ltd, 228 p.

Sparling, J., and Kovacs, A., 2008, Airborne geophysical assessment report for 2007 Frasergold property, Williams Lake area, British Columbia: BCMEM assessment report ARIS 29750, 71 p.

Sparling, J., and Petrina, M., 2008, Geochemical sampling, trenching and diamond drilling assessment report for 2007 Frasergold property, Williams Lake area, British Columbia: BCMEM assessment report ARIS 30397, 911 p.

Struik, L., 1986, Imbricated terranes of the Cariboo gold belt with correlations and implications for tectonics in southeastern British Columbia: Canadian Journal of Earth Sciences, v. 23, p. 1047–1061.

Wetherup, S., 2011, Geochemical soil sampling, Cariboo Goldfields property: BCMEM assessment report ARIS 32208, 456 p.

Wetherup, S., 2013, Drilling report, Cariboo property: BCMEM assessment report ARIS 33698, 482 p.

Whitehead, K., 2017, Diamond Drill Program Technical Assessment Report for Spring 2017, Gold Creek Property, Likely, British Columbia: BCMEM assessment report ARIS 38863 36863, 120 p.

Whitehead, K., and Kerr, J., 2011, Regional geochemical sampling program assessment report for 2011 Frasergold property, Williams Lake area, British Columbia: Unpublished internal report for Eureka Resources Inc, 34 p.

Whitehead, K., and O'Neill, L., 2015, Regional geochemical sampling program assessment report for Spring 2015, Frasergold Property, Williams Lake area, British Columbia: BCMEM assessment report ARIS 35521, 55 p.