



*drilling at Vuinubu Ridge (source: Kalo Gold)*

# INDEPENDENT NI 43-101 TECHNICAL REPORT ON THE VATU AURUM GOLD PROJECT

Vanua Levu  
(North Island)  
Fiji

Report Prepared for:

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**Project Number: 602.20.00**

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The Report, “Independent NI 43-101 Technical Report on the Vatu Aurum Gold Project, Vanua Levu (North Island), Fiji”, originally issued 2 February 2021, amended 9 September 2021, and with an Effective Date of 16 January 2021, was prepared for E36 Capital Corp. and authored by the following:

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Dated: September 9, 2021

## CERTIFICATE OF QUALIFIED PERSON

### Scott Jobin-Bevans (P.Geo.)

I, Scott Jobin-Bevans, P.Geo., do hereby certify that:

1. I am an independent consultant and Principal Geoscientist with Caracle Creek International Consulting Inc. (Caracle) and have an address at Avenida Hacienda Macul 6047, Penalolen, Santiago, Chile.
2. I graduated from the University of Manitoba (Winnipeg, Manitoba) with a B.Sc. Geosciences (Hons) in 1995 and an M.Sc. Geosciences in 1997, and from the University of Western Ontario (London, Ontario) with a Ph.D. (Geology) in 2004.
3. I am a member, in good standing, of Association of Professional Geoscientists of Ontario, License Number 0183 (since June 2002).
4. I have practiced my profession continuously for more than 20 years, having worked mainly in mineral exploration but also having experience in mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting. I have authored, co-authored or contributed to numerous NI-43-101 reports on a multitude of commodities including nickel-copper-platinum group elements, base metals, gold, silver, vanadium, and lithium projects in Canada, the United States, China, Central and South America, Europe, Africa, and Australia.
5. I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “Qualified Person” for the purposes of NI 43-101.
6. I am the Principal Author (co-author) of the Report and responsible for all sections, except Section 2.3, in the technical report titled, “Independent NI 43-101 Technical Report, Vatu Aurum Gold Project, Vanua Levu (North Island), Fiji” (the “Technical Report”), originally issued 2 February 2021, amended 9 September 2021, and with an Effective Date of 16 January 2021.
7. I have not visited the Vatu Aurum Gold Property.
8. I am independent of the Issuer E36 Capital Corp. and of the Property Vendor Kalo Gold Corp., applying all of the tests in Section 1.5 of NI 43-101.
9. I have had no prior involvement with the Property that is the subject of the Technical Report.
10. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
11. As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Santiago, Chile, this 9<sup>th</sup> day September 2021.

*“signed”*

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Scott Jobin-Bevans (Ph.D., PMP, P.Geo.)

## CERTIFICATE OF QUALIFIED PERSON

**Nicholas Rollings (PhD, BSc (hons), MAIG)**

I, Nicholas Rollings, MAIG ID 5146, do hereby certify that:

1. I am an independent consultant of Kalo Gold Corp. (Kalo) and have an address 7a Albert Lee Place, Suva, Fiji.
2. I graduated with a Bachelor's Degree in Geology (B.Sc Hons ) from the University of the Adelaide (Adelaide, Australia), in 1986, Masters of Applied Science (remote Sensing, specialising in geology) in 1988, and a PhD from the University of New England in 1999.
3. I have been a member, in good standing, of the Australasian Institute of Geoscientists (MAIG), Member number 5146, since 2012 and a Senior Member of IEEE since 2019.
4. Since graduating from the university, I have accumulated ten (10) years of experience as an exploration geologist in grassroots mineral exploration programs particularly gold, copper, uranium and industrial mineral deposits with: Metals Exploration Ltd, RIMAC Holdings P/L, Rum Jungle Uranium / Rum Jungle Resources and Auz Minerals/Solar Silicon. I have a further 10 years in the academic sector and I am currently Head of school for the School of Geography, Earth Science and Environment at the University of the South Pacific.
5. I have read the definition of "Qualified Person" set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
6. I am a co-author of the Report and responsible for all sections, including Section 2.3, in the technical report titled, "Independent NI 43-101 Technical Report, Vatu Aurum Gold Project, Vanua Levu (North Island), Fiji" (the "Technical Report"), originally issued 2 February 2021, amended 9 September 2021, and with an Effective Date of 16 January 2021.
7. I have visited the Property over a period of 2 days on the 16 and 17 November 2020.
8. I am independent of the Issuer E36 Capital Corp. and of the Property Vendor Kalo Gold Corp., applying all of the tests in Section 1.5 of NI 43-101.
9. I have had no prior involvement with the Property that is the subject of the Technical Report.
10. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
11. As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Suva, Fiji this 9<sup>th</sup> day of September 2021.

*"signed"*

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## TABLE OF CONTENTS

Table of Contents .....	iv
List of Tables .....	vii
List of Figures.....	viii
1.0 Summary.....	1
1.1 Introduction .....	1
1.1.1 Purpose of Technical Report.....	1
1.1.2 Qualifications of Consultants.....	1
1.1.3 Effective Date.....	1
1.1.4 Previous Technical Reports.....	1
1.2 Details of Personal Inspection.....	2
1.3 Property Description and Location .....	2
1.4 Exploration Approval and Permits .....	2
1.5 History .....	3
1.5.1 Historical Mineral Resource Estimate.....	3
1.5.2 Historical Metallurgical Studies .....	5
1.6 Geological Setting and Mineralization .....	6
1.7 Deposit Types.....	7
1.8 Metallurgical Studies.....	7
1.9 Interpretation and Conclusions .....	8
1.10 Recommendations .....	8
2.0 Introduction.....	10
2.1 Terms of Reference and Purpose of the Report .....	10
2.2 Qualifications of Consultants .....	11
2.3 Details of Personal Inspection (Site Visit) .....	11
2.4 Sources of Information .....	17
2.5 Effective Date.....	17
2.6 Previous Technical Reports.....	17
2.7 Units of Measure.....	17
3.0 Reliance on Other Experts.....	19
4.0 Property Description and Location.....	20
4.1 Qualifying Transaction .....	20
4.2 Land Tenure .....	21
4.2.1 The Mining Act and Special Prospecting Licences .....	23
4.3 Exploration Approvals .....	24
4.4 Permits .....	25
4.5 Royalties, Agreements and Encumbrances.....	25
4.6 Environmental Liabilities.....	25
4.7 Other Significant Factors and Risks.....	26
4.8 Environmental Studies .....	26
4.9 Community Consultation .....	26
5.0 Accessibility, Climate, Local Resources, Infrastructure and Physiography .....	28
5.1 Accessibility.....	28
5.2 Climate .....	28
5.3 Local Resources and Infrastructure .....	29
5.4 Physiography.....	29
5.4.1 Topography.....	30

5.4.2	Water Availability .....	30
5.4.3	Flora and Fauna .....	31
6.0	History .....	32
6.1	Exploration: Late 1960s-Early 1970s .....	32
6.2	Exploration: 1974-1982 .....	37
6.3	Exploration: 1984 to 1993 .....	38
6.4	Exploration: 1991-1999 .....	38
6.5	Exploration: 1999 .....	39
6.6	Historical Mineral Resource Estimates .....	40
6.6.1	Placer Pacific Ltd: 1991 .....	40
6.6.2	Camelot Resources NL: 1994 .....	42
6.6.3	Kalo Exploration Ltd: 2012 .....	42
6.6.4	TVI Pacific Inc – Kalo Exploration Ltd: 2015 .....	44
6.6.5	Kalo Exploration Ltd: 2015 Updated .....	49
6.6.6	Kalo Exploration Limited: 2017 .....	50
6.7	Historical Metallurgical Studies .....	58
6.7.1	Analabs Brisbane .....	59
6.7.2	Metcon Pty Limited .....	59
7.0	Geological Setting and Mineralization .....	60
7.1	Regional Geology .....	60
7.1.1	Geology of Vanua Levu Island .....	61
7.1.2	Mineral Deposits of Fiji .....	63
7.2	Regional Geophysics .....	64
7.3	Property Geology and Mineralization .....	66
7.3.1	Cirianiu Property (SPL 1464) .....	69
7.3.2	Coqeloa Property (SPL 1511) .....	77
8.0	Deposit Types .....	82
8.1	Volcanic-Hosted Epithermal .....	82
8.2	Intrusion-Related Gold Systems .....	85
8.3	Genetic Model: Coqeloa Property .....	86
9.0	Exploration .....	87
9.1	2009-2010 .....	88
9.2	2010-2011 .....	88
9.2.1	Rock Sampling .....	88
9.2.2	Trench Sampling (Geochemistry) .....	88
9.3	2011 .....	89
9.3.1	Trench Sampling (Geochemistry) .....	90
9.4	2012 .....	91
9.4.1	Placer Core Re-Logging .....	91
9.4.2	Trenching .....	91
9.4.3	Geophysical Re-interpretation .....	93
9.5	2013 .....	93
9.5.1	Trench Sampling (Geochemical) .....	93
9.5.2	Rock Sampling .....	95
9.6	2014-2015 .....	95
9.6.1	Rock Sampling .....	96
9.7	2015 .....	96
9.7.1	Soil Auger Sampling .....	96

9.7.2 Trenching .....	101
9.8 2017 .....	103
9.8.1 Soil Auger Sampling .....	103
9.8.2 Trenching .....	104
9.8.3 Rock Sampling.....	106
9.9 2018 .....	107
9.9.1 Outcrop Mapping and Sampling.....	107
9.10 2019 .....	113
9.10.1 Trenching .....	113
9.10.2 Stream Sampling - BLEG Samples .....	115
9.10.3 Rock Sampling.....	118
9.11 2020 .....	118
9.11.1 Grid Based Soil Auger Sampling.....	118
10.0 Drilling .....	121
10.1 Diamond Drilling .....	123
10.1.1 Drill Hole Collar Surveys and Topographic Control.....	124
10.1.2 Drill Hole Surveys.....	126
10.1.3 Drill Hole Identification.....	126
10.2 Diamond Drilling Programs: 2010-2020.....	126
10.2.1 2010 .....	126
10.2.2 2011 .....	129
10.2.3 2013 .....	130
10.2.4 2015 .....	131
10.2.5 2017 .....	134
10.2.6 2019 .....	135
10.2.7 2020 .....	141
11.0 Sample Preparation, Analysis and Security .....	144
11.1 Diamond Drill Core.....	144
11.1.1 Core Logging and Sampling.....	144
11.1.2 Core Sample Transport .....	145
11.1.3 Core Assaying.....	145
11.1.4 Internal QA/QC .....	146
11.2 Drill Core Specific Gravity (Relative Density) .....	147
11.3 Bulk Leach Extractable Gold (BLEG) Sampling .....	148
11.4 Trench Sampling.....	148
12.0 Data Verification.....	149
13.0 Mineral Processing and Metallurgical Testing .....	150
13.1 Kalo Exploration Pte Ltd. (2013-14) .....	150
13.2 TVI Pacific Inc. (2015) .....	151
13.3 Petrological and Mineralogical Studies.....	152
13.3.1 Episodes of Vein and Silicification .....	152
13.3.2 Native Gold .....	152
13.3.3 Gold Mineralization and Primary Enrichment .....	154
13.3.4 Supergene Gold Enrichment.....	154
13.3.5 Petrological Summary.....	155
14.0 Mineral Resource Estimates.....	156
15.0 Mineral Reserve Estimates.....	156
16.0 Mining methods .....	156

17.0 Recovery methods.....	156
18.0 Project infrastructure .....	156
19.0 Market studies and contracts.....	156
20.0 Environmental studies, permitting and social or community impact .....	156
21.0 Capital and operating costs .....	156
22.0 Economic analysis.....	156
23.0 Adjacent Properties .....	157
24.0 Other Relevant Data and Information.....	157
25.0 Interpretation and Conclusions.....	158
25.1 Interpretation.....	158
25.1.1 Cirianiu Property - SPL 1464 .....	158
25.1.2 Coqeloa Property – SPL 1511.....	159
25.1.3 Historical Mineral Resource Estimates .....	160
25.2 Risks and Uncertainties.....	160
25.3 Conclusions .....	160
26.0 Recommendations.....	162
26.1 SPL 1464 (Cirianiu) .....	162
26.2 SPL 1511 (Coqeloa) .....	163
26.3 General Recommendations .....	164
27.0 References.....	165

## LIST OF TABLES

Table 1-1. Grade sensitivity analysis of historical Inferred Mineral Resources, Qiriyaga Hill (Tan and Celis, 2017). .....	4
Table 1-2. Vuinubu Ridge historical Inferred Mineral Resources by grade group, using 0.2 g/t Au cut-off (Tan and Celis, 2017). .....	4
Table 1-3. Budget estimate for recommended exploration program, Vatu Aurum Gold Project, Fiji.....	8
Table 1-4. Summary of eight proposed drill holes on licence SPL 1464 (see Figure 26-1). .....	9
Table 2-1. Personal inspection details: locations visited and features reviewed, November 2020. ....	12
Table 2-2. Commonly used terms and abbreviations in the Report.....	17
Table 4-1. Summary of Mining Lands that comprise the Vatu Aurum Gold Project. ....	22
Table 4-2. Summary of previous licence renewal periods for SPL 1464 (Cirianiu Property). ....	22
Table 4-3. Proposed expenditure and work program at application, Vatu Aurum Gold Project. ....	24
Table 6-1. Historical exploration work completed in the Project area (after Taylor, 2012). .....	33
Table 6-2. Historical exploration work by prospect, 1984-1998 (Nesbitt, 2014).....	34
Table 6-3. Summary of historical drilling within the Project area, 1986 to 1993. ....	36
Table 6-4. Historical mineral resources, Qiriyaga Hill gold deposit (after Tan and Celis, 2017). .....	40
Table 6-5. Historical inferred mineral resources, KEPL 2012, using 0.2 g/t Au cut-off (Tan and Celis, 2017). ....	43
Table 6-6. Qiriyaga Hill Main Zone mineral resource estimates at 0.2 g/t Au cut-off (Lazo et al., 2015a).....	49
Table 6-7. Summary of TVI Pacific updated historical mineral resources using 0.2 g/t Au cut-off, Qiriyaga Hill (Nesbitt et al., 2016). ....	50
Table 6-8. Qiriyaga Hill mineral resources by grade group, using 0.2 g/t Au cut-off (Tan and Celis, 2017). ....	57
Table 6-9. Qiriyaga Hill mineral resources by modelled domain, using 0.2 g/t Au cut-off (Tan and Celis, 2017). ....	57
Table 6-10. Grade sensitivity analysis of historical mineral resources, Qiriyaga Hill (Tan and Celis, 2017). ....	58
Table 6-11. Vuinubu Ridge mineral resources by grade group, using 0.2 g/t Au cut-off (Tan and Celis, 2017). ....	58
Table 7-1: Simplified Volcanic Stratigraphy of Vanua Levu (JICA-MMAJ, 1998).....	62
Table 7-2: Description of Major Rock Groups of Vanua Levu (Colley and Flint, 1995).....	63
Table 7-3. Principal gold prospects within the Cirianiu Property, identified as of 2015 (Lazo et al., 2015b).....	68
Table 7-4: Stratigraphy of the Udu Volcanic Group (modified from Reddy and Flint, 1995). ....	77
Table 9-1. Summary of exploration work completed by KEPL from 2009 to 2020.....	87

Table 9-2. Summary of trench soil samples (from Taylor, 2011b).....	89
Table 9-3. Summary of significant assay results from trench sampling completed in 2011 (from Taylor, 2011a). ....	90
Table 9-4. Summary of 2012 trenching completed at Qiriyaga Hill (see Figure 9-1) (Taylor, 2012).....	92
Table 9-5. Summary of 2013 trenching and assay results. ....	93
Table 9-6. Summary of significant results from 2013 grab rock sampling.....	95
Table 9-7. Summary of assay results from grab rocks samples, Mouta Prospect. ....	96
Table 9-8. Summary of trenching completed in Nov-Dec 2015 (Nesbitt et al., 2016).....	102
Table 9-9. Significant sample assay intercepts from Nov-Dec 2015 trenching (Nesbitt et al., 2016).....	103
Table 9-10. Summary of significant trench sampling intercepts, 2017(Celis and Nesbitt, 2018).....	105
Table 9-11: Significant assay results, 2018 rock sampling program, Coqeloa Property (Celis and Nesbitt, 2019)....	109
Table 10-1. Summary of drilling on the Project since 2010. ....	121
Table 10-2. Drill hole collar locations for drill holes completed by KEPL (2009-2020). ....	125
Table 10-3. Summary of drill core intercepts at Qiriyaga Hill, 2010 drilling (Taylor, 2011b).....	127
Table 10-4. Interpreted styles of mineralization intersected in 2010 drilling (from Taylor, 2011b). ....	129
Table 10-5. Significant 2011 drill hole intercepts, Qiriyaga Hill and Vuinubu Ridge prospects (Taylor, 2011a).....	130
Table 10-6. Significant drill core intercepts from 2013 drilling at Qiriyaga Hill (Taylor, 2013).....	131
Table 10-7. Significant drill core intercepts from TVI Pacific diamond drilling, 2015 (Nesbitt et al., 2016). ....	132
Table 10-8. Summary of 2017 scout diamond drill holes within SPL 1464 (Celis and Nesbitt, 2018). ....	134
Table 10-9. Significant drill core assays, 2017 scout drilling within SPL 1464 (Celis and Nesbitt, 2018).....	135
Table 10-10. Summary of significant intersections of KCD25 and KVD04 (Tan and Nesbitt, 2020) ....	137
Table 10-11. Summary of significant intersections from drill hole KVD05 (Celis, 2020a). ....	141
Table 11-1. Certified Reference Materials from Commercial Laboratories (Lazo et al., 2015a). ....	147
Table 13-1. Metallurgical testwork, Qiriyaga Hill samples, 2014 (Lazo et al., 2015a). ....	150
Table 13-2 Summary of channel samples collected for metallurgical testwork comparing assay results from KCA and ALS Australia (Taylor, 2013).....	151
Table 13-3. Summary of drill core samples collected for metallurgical testwork comparing assay results from KCA and ALS Australia (Taylor, 2013).....	151
Table 13-4. Summary of metallurgical testwork samples collected by TVI, 2014 (Lazo et al., 2015a).....	152
Table 26-1. Budget estimate for the recommended exploration program, Vatu Aurum Gold Project, Fiji. ....	162
Table 26-2. Summary of eight proposed drill holes on licence SPL 1464 (see Figure 26-1). ....	163

## LIST OF FIGURES

Figure 2-1. The Fiji Islands and location of the Vatu Aurum Gold Project (red star) on the island of Vanua Levu (North Island), Fiji (online source: netmaps.es).....	10
Figure 2-2. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) Vuinubu Ridge showing road construction and maintenance, looking toward the south (drone photo taken from above exploration camp). (B) Qiriyaga Hill, looking toward the NNE (drone photo taken from above exploration camp). (C) Exploration camp showing new construction (drone photo).....	13
Figure 2-3. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) View back to Vuinubu Ridge from Qiriyaga Hill taken while verifying drill hole collars (looking SSE). (B) Area off drill hole KVD02 location showing infrastructure on site such as these tracks which are very well maintained. (C) Core storage library located in Labasa. (D) Company’s office in Labasa. (E) Company’s workshop in Labasa. (F) Co-author Dr Rollings inspecting core at the core library and workshop in Labasa. ....	14
Figure 2-4. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) Verified location of drill hole KCD18 with marker showing hole name and elevation. (B) Verified location of KCD25 drill hole collar with labelled cement pad and capped PVC pipe. (C) Verified location of KCD17 drill hole collar with cement pad and labelled PVC pipe. (D) Drill core in trays laid out for inspection at the core library in Labasa. ....	15

Figure 2-5. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) Cross-checking lithologies and breccia textures against drill core logs. Example of Fiamme Breccia (FBX) in hole KCD25. (B) Example of topography taken while verifying location of trenches at the Coqeloa Property, Main Zone. (C) Old labelling of trench TRCQ2007 at the Coqeloa Property, Main Zone. (D) Trench TRCQ2007 exposed at the Coqeloa Property, Main Zone.....16

Figure 4-1. Location of the Vatu Aurum Gold Project along the Pacific “Ring of Fire”, Vanua Levu island, Fiji (source: Kalo Gold, Corporate Presentation, 2020).....20

Figure 4-2. Location of tenements SPL 1464 (Cirianiu) and SPL 1511 (Coqeloa) over regional topography of the North Island of Vanua Levu, Fiji with the locations of primary prospects, Coqeloa (red star) and Qiriyaga Hill (yellow star) (source: after Tan and Nesbitt, 2020).....21

Figure 4-3. Tenement location of Vatu Aurum Gold Project (SPL1464, SPL1511), Vanua Levu island, Fiji (see Table 4-1) (source: Mineral Resources Department, Fiji, March 2020).....23

Figure 4-4. Location of local communities in the area of the Cirianiu Property (SPL 1464), Vatu Aurum Project, Fiji (source: Nesbitt, 2020b).....27

Figure 5-1. Average annual temperature and precipitation from Undu Point, about 77 km from Labasa, Vanua Levu, Fiji (online source: [www.timeanddate.com/weather/fiji/labasa/climate](http://www.timeanddate.com/weather/fiji/labasa/climate)). .....28

Figure 6-1. Example of an interpreted section (Section 00) – Geology and Assay Interpretation (Lazo et al., 2015a).....45

Figure 6-2. Example of level plan (40m RL) – Geology and Assay Interpretation (Lazo et al., 2015a).....45

Figure 6-3. Relationship between block grades and drill holes grades (Looking NE – 01NE) [Blue (<0.2g/t Au), Yellow (0.2-0.5g/t Au), Green (0.5-1.0g/t Au), Red (1.0–5.0g/t Au), Purple (>5.0g/t Au)]. .....47

Figure 6-4. Relationship between block grades and drill holes grades (Looking NE - 00) [Blue (<0.2g/t Au), Yellow (0.2-0.5g/t Au), Green (0.5-1.0g/t Au), Red (1.0–5.0g/t Au), Purple (>5.0g/t Au)]. .....48

Figure 6-5. Drill hole locations and extent of block model (red outline) and geological model (blue outline) at Qiriyaga Hill (Tan and Celis, 2017). .....51

Figure 6-6. Drill hole locations and extent of block models (red outlines) at Vuinubu Ridge (Tan and Celis, 2017). .....52

Figure 6-7. Example of an interpreted cross section (Section 00) – Geology and Assay Interpretation (Tan and Celis, 2017).....53

Figure 6-8. Example of an interpreted level plan (40m RL) – Geological Interpretation (Tan and Celis, 2017). .....53

Figure 6-9. Relationship between block grades and drill holes grades (Looking NE – 01NE) [Blue (<0.2 g/t Au), Yellow (0.2-0.5 g/t Au), Green (0.5-1.0 g/t Au), Red (1.0–5.0 g/t Au), Purple (>5.0 g/t Au)]......55

Figure 6-10. Relationship between block grades and drill holes grades (Looking NE - 00) [Blue (<0.2 g/t Au), Yellow (0.2-0.5 g/t Au), Green (0.5-1.0 g/t Au), Red (1.0–5.0 g/t Au), Purple (>5.0 g/t Au)]......56

Figure 7-1. Metallogeny of Fiji showing the locations of some of the major exploration projects and mines (source: Kalo Gold Presentation, 2020). .....60

Figure 7-2. Location of KEPL’s properties within the theoretical northeast trending gold corridor through the islands of Fiji, showing the locations of prominent mines (Vatukoula and Mt Kasi) and prospects (source: Tan and Nesbitt, 2020 - after <https://geopacific.com.au/fiji-overview/>). .....61

Figure 7-3. Generalized geology of the Fiji Island Group (source: Government of Fiji, 2000).....62

Figure 7-4. Regional Stratigraphy, Vanua Levu. Timing, peak deposition and intrusives (after Colley and Flint, 1995). .....63

Figure 7-5. Airborne magnetic survey over part the Cirianiu Property showing the interpreted faults and structures including a caldera form at Qiriyaga Hill and Vuinubu Ridge (source: Taylor, 2013). .....64

Figure 7-6. Regional airborne radiometrics survey, potassium intensity. The Cirianiu and Coqeloa properties cover a 25 km long northeast-southwest trending, mineralized corridor with prospects that generally share a similar high potassium signature (source: Celis and Nesbitt, 2019).....65

Figure 7-7. Potassium radiometric airborne geophysical map with interpreted structures and prospects known to 2015 on the Cirianiu Property. The Qiriyaga Hill area is characterized by strong to moderate potassium anomalies, as are several of the other less developed prospects (source: Lazo et al., 2015b).....66

Figure 7-8. Location of known prospects (blue stars) including Qiriyaga Hill (yellow star) and Coqeloa (red star), with structures interpreted from airborne geophysical data and geomorphology: thick black

lines = major faults; thick blue lines = extensional faults; thin light-black lines = secondary faults. Brown ticked arcuate features in the southwest (Coqeloa Property) and northeast (Cirianiu Property) are interpreted as caldera features (see Figure 7-5). Two yellow circles are at 3 km and 6 km radii from Qiriyaga Hill (source:Lazo et al., 2015b)..... 67

Figure 7-9. Outline of the Vatu Aurum Gold Project (black) with locations of the main gold prospects (red stars), Qiriyaga Hill Gold Deposit (yellow star) and generalized geology. Traces of three interpreted caldera structures (light grey ticked arcs) are shown along with major regional faults (thick black lines) and an interpreted graben structure (thick blue lines) (source: Celis, 2020a)..... 68

Figure 7-10. Generalized geology of the Qiriyaga Hill, Qiriyaga East, and Vuinubu Ridge prospects and region (source: Lazo et al., 2015b)..... 69

Figure 7-11. Stratigraphic long-section of the Cirianiu Property at Qiriyaga Hill and Vuinubu Ridge (source: Cumming, 2012). Facies discontinuity are noted and units are lens shaped rather than tabular. Stratigraphic units dip 20° toward the south. Shallow marine, sub-aqueous depositional environment (graded bedding, planar laminations)..... 70

Figure 7-12. Geology map of the Coqeloa Prospect showing the locations of the three target zones (source: modified from Solomon Pacific, 1987)..... 78

Figure 7-13. Mapped phyllic zones (solid purple regions) and interpreted caldera outline overlain on results from airborne radiometrics potassium intensity survey, Coqeloa Prospect (source: Celis and Nesbitt, 2019). ..... 79

Figure 7-14. Quartz vein textures present in the Coqeloa Property include: (1) crustiform banded quartz and comb textures; (2) colloform textures in chalcedonic quartz; and, (3) quartz overgrowth within vugs (source: Celis and Nesbitt, 2019). ..... 80

Figure 8-1. Simplified Epithermal Model. Schematic depiction of various processes deduced for volcanic-hydrothermal and geothermal systems and respective environments of high sulphidation and low-sulphidation styles of epithermal ore deposits relative to the intrusive engine (source: Hedenquist, 2000)..... 82

Figure 8-2. Schematic model showing general patterns of alteration and the influence of favourable lithology (*i.e.*, permeable lithology) to the accumulation of disseminated ore within a low-sulphidation system. Important high-level features of the alteration system include a blanket of advanced argillic (AA) steam heated alteration (*i.e.*, lithocap) and water table silicification (source: Hedenquist, 2000)..... 83

Figure 8-3. Simplified stratigraphy and mineralization at the Cirianiu Property, Qiriyaga Hill (source: Celis and Nesbitt, 2018). ..... 84

Figure 8-4. Conceptual geological model for settings of gold mineralization on the Cirianiu Property, Qiriyaga Hill and Qiriyaga East prospects (source: Corbett, 2012). ..... 85

Figure 9-1. Location of the 2012 trenching at Qiriyaga Hill (see Table 9-4) (source: Taylor, 2012). For reference the location of drill hole collar KCD2 is shown (red dot). ..... 92

Figure 9-2. Historical Placer Pacific Ltd. grid auger soil survey with gold in soil (>0.1 ppm Au) outlined in red (source: Nesbitt et al., 2016)..... 97

Figure 9-3. Grid soil auger survey results superimposed on an airborne radiometrics potassium map within the Qiriyaga Hill area (source: Nesbitt et al. 2016)..... 98

Figure 9-4. Grid soil auger survey results over known prospects within SPL 1464 (source: Nesbitt et al. 2016). An interpreted caldera is outlined by the hatched grey semi-circle (lower right)..... 99

Figure 9-5. Sample results from ridge and spur and grid auger soil surveys at the 2K Prospect (source: Nesbitt et al., 2016). ..... 100

Figure 9-6. Sample results from ridge and spur and grid auger soil surveys at the 5K Gold-Somoloicia Prospect (source: Nesbitt et al., 2016). The 5K prospect is to the north and the Somoloicia prospect to the south. .... 101

Figure 9-7. Location of trenches around Qiriyaga Hill with significant gold intercepts (source: Nesbitt et al., 2016). ..... 102

Figure 9-8. Gold in-soil assay results from 2017 soil survey, Wainikoro West (SPL 1464) (source: Celis and Nesbitt, 2018). ..... 104

Figure 9-9. Locations of trenches completed in 2017 at 5K Gold-Somoloicia (source: Celis and Nesbitt, 2018)..... 105

Figure 9-10. Trench sampling details at TR175K05 and TR175K06 with significant Au intercepts (source: Celis and Nesbitt, 2018). .....	106
Figure 9-11. Grab rock sample from Nubu Prospect which assayed 8.97 g/t Au (source: Celis and Nesbitt, 2018). .....	107
Figure 9-12. Gold assay results from 2019 rock sampling, Coqeloa Prospect (source: Celis and Nesbitt, 2019). .....	108
Figure 9-13. Copper assay results from 2019 rock sampling, Coqeloa Prospect (source: Celis and Nesbitt, 2019). .....	108
Figure 9-14. Gold assay results from all rock sampling to date, Coqeloa Prospect (source: Celis and Nesbitt, 2019). .....	110
Figure 9-15. Copper assay results from all rock sampling to date, Coqeloa Prospect (source: Celis and Nesbitt, 2019). .....	110
Figure 9-16. Rock samples collected in the Northern Zone, Coqeloa Prospect. Left: CR0013 - 0.324 g/t Au, 2060 ppm Cu; Right: CR0015 - 0.229 g/t Au and 815 ppm Cu (source: Celis and Nesbitt, 2019). .....	111
Figure 9-17. Rock samples collected in the Main Zone, Coqeloa Prospect. Left: CR0042 - 2.01 g/t Au, 873 ppm Cu; Right: CR0043 - 2.16 g/t Au, 726 ppm Cu (source : Celis and Nesbitt, 2019). .....	111
Figure 9-18. Rock samples collected in the Southern Zone, Coqeloa Prospect. Left: CR0069 - 4,840 ppm Cu, 2.8 g/t Ag and 8,980 ppm Mn; Right CR0064 – 697 ppm Cu and 0.3 g/t Ag (source: Celis and Nesbitt, 2019). .....	112
Figure 9-19. Gold assay results of all rocks samples collected at the Coqeloa Prospect with mapped “phyllitic” alteration zones in purple and radiometric anomalies as dashed areas (source: Celis and Nesbitt, 2019). .....	112
Figure 9-20. Sketch map of 5K Gold Prospect trench with mineralized intersections (source: Tan and Nesbitt, 2020). .....	114
Figure 9-21. A 32 m east-west trending trench at 5K Gold Prospect (source: Tan and Nesbitt, 2020). .....	114
Figure 9-22. Mineralization consists of centimetre to millimetre wide quartz veinlets and stockwork within a highly weathered fiamme volcanic breccia (source: Tan and Nesbitt, 2020). .....	115
Figure 9-23. BLEG sample location and watersheds for the Cirianiu and Coqeloa properties (source: Tan and Nesbitt, 2020). .....	115
Figure 9-24. Exploration crew doing BLEG sampling (source: Tan and Nesbitt, 2020). .....	116
Figure 9-25. The watersheds of the Cirianiu and Coqeloa properties with gold assay results (ppb Au) from BLEG sampling (source: Tan and Nesbitt, 2020). .....	117
Figure 9-26. Watersheds for Cirianiu and Coqeloa properties with target areas outlined in red rectangles. The red rectangles cover areas for secondary follow up based on the presence of mineralized rock float and outcrops on the creeks and ridges (source: Tan and Nesbitt, 2020). .....	117
Figure 9-27. Results from 2020 infill grid soil auger sampling at Vuinubu Ridge and Qiriyaga East (source: Celis, 2020a). .....	119
Figure 9-28. Results from 2020 infill grid based soil auger sampling over the Northern and Main zones, Coqeloa Prospect (source: Celis, 2020a). .....	120
Figure 10-1. Location of diamond drill hole collars and projected traces overlain on topography, at the Qiriyaga Hill, Qiriyaga East, and Vuinubu Ridge prospects (source: Kalo Gold, 2021). .....	122
Figure 10-2. Location of diamond drill hole collars and projected traces overlain on topography, at the Qiriyaga Hill prospect (source: Kalo Gold, 2021). .....	123
Figure 10-3. Location of diamond drill hole collars and projected traces overlain on topography, at the Vuinubu Ridge prospect, Main Zone (source: Kalo Gold, 2021). .....	123
Figure 10-4. Schematic cross section through Qiriyaga Hill at 500N, showing development of high-grade supergene gold overlying feeder structures (source: Corbett, 2012). .....	127
Figure 10-5. Location map showing collars for drill holes TD001 and TD002 (source: Nesbitt et al., 2016). .....	132
Figure 10-6. Summary strip log for drill hole TDD001 (source: Nesbitt et al., 2016). .....	133
Figure 10-7. Summary strip log for drill hole TDD002 (source: Nesbitt et al., 2016). .....	133
Figure 10-8. Locations of drill hole collars (labelled yellow dots) from the 2017 diamond drilling program superimposed on the airborne radiometric potassium map (source: Celis and Nesbitt, 2018). .....	134
Figure 10-9. Drill hole location map of KCD25 at Qiriyaga Hill and KVD04 at Vuinubu Ridge (source: Tan and Nesbitt, 2020). .....	136

Figure 10-10. Drilling KCD25 at Qiriyaga Hill (source: Tan and Nesbitt, 2020).....	136
Figure 10-11. Drill hole KCD25 with gold assays (color coded) and summary of significant zones of intersection (source: Tan and Nesbitt, 2020).....	137
Figure 10-12. Interpreted cross section of drill hole KCD25, Qiriyaga Hill with a planned deeper hole (dark black) proposed to intersect these zones at 75 to 150 m below surface (source: Tan and Nesbitt, 2020).....	138
Figure 10-13. Gold mineralized drill core from drill hole KCD25: 6 m at 3.79 g/t Au from 101 to 107 metres (source: Tan and Nesbitt, 2020).....	138
Figure 10-14. Gold assays (color coded) from drill hole KVD04 (Vuinubu Ridge) with significant intersections (source: Tan and Nesbitt, 2020).....	139
Figure 10-15. Interpreted cross section of drill hole KVD04 (Vuinubu Ridge) showing the gold mineralized zones (source: Tan and Nesbitt, 2020).....	139
Figure 10-16. Gold mineralized drill core from drill hole KVD04: 3 m at 2.39 g/t Au from 68 to 71 metres (source: Tan and Nesbitt, 2020).....	140
Figure 10-17. Plan of Vuinubu Ridge drill holes with gold intersections and interpreted mineralized zones. The main zone has been traced by drilling for at least 250 m along strike length. It is still open to the northeast (source: Tan and Nesbitt, 2020).....	140
Figure 10-18. Collar location of drill hole KVD05 superimposed on results from gold in soil results (source: Celis, 2020a).....	142
Figure 10-19. Interpreted mineralized zone at Vuinubu Ridge and the location of drill hole KVD05 (circled red) in the SW Zone (source: after Celis, 2020).....	143
Figure 13-1: LEFT: Sample from KCD02 (74-75 m assayed 68.9 g/t Au) showing gold (encircled red in left photo) in epithermal silica independent of pyrite. RIGHT: Accessory oxidized pyrite (right photo) has no associated gold (source: Pontifex, 2012).....	153
Figure 13-2. LEFT: Sample from drill hole KCD17 (64-65 m @ 48 g/t Au) showing numerous isolated gold grains not associated with pyrite (x100 magnification) hosted by pervasively silicified volcanics. No pyrite is seen associated or adjacent to the numerous gold grains. A separate oxidized pyrite in the same sample showed no association with gold. RIGHT: Sample from KCD17 core (80-81 m @ 26.6 g/t Au) showing several distinct gold grains (upper left) hosted in pervasive quartz, and an isolated oxidized pyrite grain (lower right) with no associated gold (source: Pontifex, 2012).....	153
Figure 26-1. Collar locations (blue dots) for the eight planned drill holes (see Table 26-2) and locations of historical collars (black dots), Qiriyaga Hill (north area) and Vuinubu Ridge (south area) prospects (SPL 1464) (source: Kalo Gold, 2021).....	163

## 1.0 SUMMARY

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### 1.1 Introduction

Caracle Creek International Consulting Inc. (“Caracle” or the “Consultant”) has prepared this Technical Report (the “Report”) on the Vatu Aurum Gold Project (the “Project” or the “Property”), located on Vanua Levu (North island), Fiji, at the request of E36 Capital Corp. (“E36” or the “Issuer”), which is listed on the TSX Venture Exchange (TSX-V: EUK). The Vatu Aurum Gold Project is located about 214 km northeast of Suva, the capital city of the Republic of Fiji.

On 30 September 2020, E36 and Kalo entered into an agreement whereby E36 has agreed to acquire all the outstanding shares of Kalo, in exchange for common shares of E36 by way of a three-cornered amalgamation. The Transaction is expected to constitute E36’s Qualifying Transaction, as such term is defined under Policy 2.4 of the TSX Venture Exchange Corporate Policy Manual. Following this transaction, the Issuer (E36) will indirectly own Kalo Exploration Pte Limited (“KEPL”) and KEPL will continue to directly own the mining claims comprising the Property.

#### 1.1.1 Purpose of Technical Report

The purpose of the Report is to provide a technical summary of the Project in support of securities exchange reporting requirements. This report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators’ National Instrument 43-101 (“NI 43-101”), Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011).

#### 1.1.2 Qualifications of Consultants

The Report has been completed by Dr. Scott Jobin-Bevans and Dr. Nicholas Rollings (together the “Consultants” or the “Authors”). Dr. Jobin-Bevans (“Principal Author”) is the Principal Geoscientist at Caracle Creek International Consulting Inc. and Dr. Rollings (“Co-Author”) is an Independent Consulting Geologist. Dr. Jobin-Bevans is a professional geoscientist (APGO#0183, P.Geo.) with experience in geology, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, land tenure management, metallurgical testing, mineral processing, capital and operating cost estimation, and mineral economics. Dr. Rollings is a professional geologist (MAIG ID5146) with experience in geology, geochemistry, remote sensing, and mineral exploration.

Dr. Scott Jobin-Bevans and Dr. Nicholas Rollings, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person (“QP”), as that term is defined in NI 43-101, for the Report. Dr. Jobin-Bevans is responsible for all sections of the Report, except for Section 2.3. Dr. Rollings is responsible for all sections of the Report, including Section 2.3.

#### 1.1.3 Effective Date

The Effective Date of the Report is 16 January 2021.

#### 1.1.4 Previous Technical Reports

There are no previous NI 43-101 Technical Reports prepared for the Issuer regarding the Vatu Aurum Gold Project and as such the Report is the current technical report regarding the Project.

## 1.2 Details of Personal Inspection

Dr. Nicholas Rollings (PhD, MAIG), visited the Vatu Aurum Gold Project during the period November 16 and 17, 2020, accompanied by Bete Botonisau (Field Manager, KEPL) and Jekope Duguavou (Geological Technician, KEPL). Dr. Rollings, who resides in Fiji, completed a personal inspection of Qiriyaga, Coqeloa, the exploration camp, and the Kalo Labasa Office and core shed. Dr. Rollings shared information and data with Dr. Jobin-Bevans via email.

## 1.3 Property Description and Location

The Vatu Aurum Gold Project is situated on the island of Vanua Levu (North Island), Macuata and Cakaudrove provinces, Republic of Fiji. The Project consists of two Special Prospecting Licences (“SPL”s), Cirianiu (SPL 1464) and Coqeloa (SPL 1511), which together cover about 36,691 hectares. KEPL holds a 100% interest in the two licences. The Project, located along the Pacific “Ring of Fire”, is on Fiji’s second largest island, Vanua Levu, about 2,800 km east of the eastern coast of Australia, 2,000 km north of New Zealand, and about 2,000 km south of the Equator.

The major population and commercial centre near the Project is the town of Labasa, located in Macuata Province on the North Island of Vanua Levu. Access to the Property is year-round, taking about 20 minutes to reach the Coqeloa licence area and 40 minutes to reach the Cirianiu Property from Labasa.

## 1.4 Exploration Approval and Permits

To proceed with exploration activities on an SPL, the holder of the SPL must provide the MRD with two weeks’ notice that it intends to proceed with its proposed work program and must demonstrate through a Landowner Agreement that the landowners approve of the planned work and compensation plan.

Kalo has two agreements with landowners in SPL 1511. One is with the Mataqali Waitikala covering the Main Zone and Southern Zone prospects. The second is with the Mataqali Bucaisau, covering the Main Zone and Northern Zone prospects. Each of the Landowner Agreements was signed on February 25, 2020 for a period of two years.

Kalo has several agreements signed in SPL 1464. Primarily, it has a 5-year agreement signed with the Mataqali Wawari covering Qiriyaga Hill and its surrounding areas (Vuinubu Ridge, Qiriyaga East, Namalau, Vunikulukulu, Uaua, Drudrusavu) signed April 28, 2020. Additional agreements within the licence include agreement with Mataqali Wainikoro covering Wainikoro Prospect signed February 2, 2020 for a period of two years, Mataqali Vaga covering Vaga Prospect signed February 2, 2020 for a period of two years, Mataqali Tabaraki covering 5K-Somoloicia Prospect, Mataqali Buawaqa covering 5K Prospect signed February 14, 2020 for a period of two years, and Nubutubutu Village covering Nubutubutu and Drudrusavu prospects, signed February 13, 2020 for a period of two years.

With respect to drilling, the SPL holder must submit a drill pad and drill hole locations plan. Typically, KEPL submits a drilling plan to the MRD, outlining their proposed hole locations, depth, azimuth, target/reason for drilling. The plans are flexible and can be changed without having to seek

additional approval, with the final location and information supplied to the MRD in the annual reports, or in a post-exploration report (M. Nesbitt 2020, pers. comm., July 6).

A drilling plan has been submitted by Kalo to the MRD for the current proposed drilling program.

The Exploration Licence (Special Prospecting Licence) is the only permit required to carry out low-impact exploration work such as surface sampling, geological and geophysical surveys, trenching, and diamond drilling.

## **1.5 History**

The two main islands of Fiji, Viti Levu and Vanua Levu, have a long history of mineral exploration and metals production. Historical exploration work within and immediate to the current tenements dates back to the 1950s with the most intense exploration starting in 1984 and continuing intermittently until 1998. In February 2009, Aurum Exploration (Fiji) Limited was granted SPL 1464, referred to initially as the Wainikoro Prospect (Taylor, 2010). In July 2010, SPL 1464 was transferred to KEPL. Exploration work on the licences has continued near continuously since 2010.

As of the Effective Date of the Report, a total of 9,479.60 m of diamond drilling, 14,527.70 m of trenching, 789 grab samples, 3,141 soil samples, and an airborne magnetic-radiometric survey have been completed by KEPL and previous explorers, identifying 14 epithermal precious metal targets. KEPL owns its own drill, a D4-450 track mounted, top-drive rig (6 cylinder Deutz engine) which is custom built by Henry Vox of Radial Drilling (Fiji) Proprietary Ltd.

### **1.5.1 Historical Mineral Resource Estimate**

There are no current mineral resource estimates for the Project. The most recent historical mineral resource estimate was completed by Tan and Celis (2017), who presented historical mineral resource estimates for the Qiriyaga Hill and Vuinubu Ridge prospects. The Main Qiriyaga Hill historical Inferred mineral resources were estimated at 4,271,145 tonnes averaging 0.84 g/t Au, using a cut-off of 0.20 g/t Au. A grade sensitivity analysis for the Main Qiriyaga Hill historical resource is provided in Table 1-1.

The Vuinubu Ridge historical Inferred mineral resources, calculated in two areas separated by about 100 metres, were estimated at 3,129,593 tonnes at an average grade of 0.44 g/t Au, using a cut-off of 0.2 g/t Au. A summary of historical resources by grade group from Vuinubu Ridge is provided in Table 1-2.

The historical mineral resource estimates were reported as JORC Code (2012) and categorized as Inferred Mineral Resources (CIM, 2010).

Table 1-1. Grade sensitivity analysis of historical Inferred Mineral Resources, Qiriyaga Hill (Tan and Celis, 2017).

Cut-Off Grade (g/t Au)	Volume (m3)	Tonnes	SG	Avg Grade (g/t Au)	Contained Au (oz)
0.2	2,192,953	4,271,145	1.95	0.84	114,968
0.5	1,220,125	2,362,903	1.94	1.25	94,662
1	497,047	958,895	1.93	2.03	62,578
2	144,234	280,276	1.94	3.70	33,381
3	74,656	145,528	1.95	4.90	22,910
4	42,781	83,253	1.95	5.97	15,968
5	24,656	47,855	1.94	7.10	10,917

Table 1-2. Vuinubu Ridge historical Inferred Mineral Resources by grade group, using 0.2 g/t Au cut-off (Tan and Celis, 2017).

Grade Group (g/t Au)		Volume (m <sup>3</sup> )	Tonnes	SG	Average Grade (g/t Au)	Contained Metal (oz Au)
From	To					
0.2	0.5	1,183,484	2,279,648	1.93	0.32	23,820
0.5	1.0	406,531	788,975	1.94	0.71	17,934
1.0	2.0	32,109	60,970	1.9	1.08	2,110
<b>Total:</b>		<b>1,622,125</b>	<b>3,129,593</b>	<b>1.93</b>	<b>0.44</b>	<b>43,863</b>

The historical mineral resources presented in Tables 1-1 and 1-2 were prepared by Robert Tan and Roman Celis, as documented in a report titled, “2017 Cirianiu Gold Project Resource Evaluation”, dated 19 February 2017.

The Qiriyaga Hill deposit model was constructed using Micromine software and by modelling four hard boundary domains based on lithology and weathering: Oxide Zone (above base of partial oxidation); Fresh Zone (below base of partial oxidation); HBX (hydrothermal breccia); and LST and AND (limestone and andesite). A block model was constructed using 5 m x 5 m x 5 m parent cells with a sub-blocks of 2 m x 2 m x 2 m. Grade estimation was carried out using linear estimation methods. Three pass estimation plan was used for all estimation domains. Inverse Distance Weighting, using a power of two (IDW2), was used to estimate gold in all four sampled domains. Only drill hole samples were used in the estimation of grades. A minimum of two composites were used to estimate block grades with a maximum of 32 per drill hole. A top cut of 37 g/t Au was used for the HBX while 5 g/t was used for the Oxide Zone. Hard boundaries were used between domains so that a domain was estimated with only the samples within that domain. Search ellipses are oriented to the preferred mineralization trend identified in hydrothermal breccias. Search distances were set to ensure adequate samples were found to make an estimate. A 25 m x 25 m x 5 m search ellipsoid, oriented northeast and parallel to the high-grade gold “HBX” domain and with a steep dip, was used. No plunge was used with the search ellipsoid. Sample data were then composited over down-hole lengths of 1.0 m and back-tagged for rock type from the geologic model. A cut-off grade of 2.0 g/t Au was applied and a specific gravity (density) of 1.95 was used which was an average of the four modelled domains. A total of 71 diamond drill holes totally 8483.85 m were considered in the modelling of the Qiriyaga Hill deposit.

The Vuinubu Ridge deposit model was constructed using Micromine software. A block model was constructed using 5 m x 5 m x 5 m parent cells with a sub-blocks of 2 m x 2 m x 2 m. A cut-off grade

of 2.0 g/t Au was applied and an average specific gravity (density) of 1.93 was used. No other detailed information is known about the parameters used to calculate this historical mineral resource estimate.

The historical estimates were reported using the definitions, categories and classifications consistent with CIM Definition Standards for Mineral Resources and Mineral Reserves (November 27, 2010).

There are no recent estimates or data available to the Company.

Verification of the historical mineral resources would require the twinning of enough of the historical drill holes as to generate a statistically significant number of samples of the historical resources. Furthermore, additional drilling would be required to increase confidence in resource results, and upgrade the resource classification.

Neither the Principal Author nor a qualified person have done sufficient work to classify the historical estimates as current mineral resources and therefore Issuer is not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

### **1.5.2 Historical Metallurgical Studies**

Historical metallurgical testwork was completed on material collected from the Qiriyaga Hill Prospect (Cirianiu Property) in 1993 (Camelot Resources), 2013-2014 (Kalo Exploration), and 2015 (TVI Pacific Inc.).

The 1993 work program included bulk cyanide leach analysis completed at Analabs, Brisbane (now Actlabs) and column leach testing by Metcon Pty Limited on samples from the Qiriyaga Hill gold deposit (Fleming and Taylor, 1994). This preliminary testwork was considered positive and indicated that gold recovery in excess of 80% could be expected by traditional heap leaching.

A limited program of metallurgical testwork was undertaken by Metcon Pty Limited, Metallurgical Consultants of Sydney, Australia. Twenty drill core samples (113 kg) collected from drill holes FCD34 to 37 (Qiriyaga Hill gold deposit) and consisting of oxidized material averaging about 1.8 g/t Au, were composited and tested for their amenability to heap leaching. Results from agitation leach showed 96% gold extraction within 10 hours and column tests showed gold extraction reached 90% in 10 days and 94% in 20 days.

As part of its 2014 to 2016 due diligence review, TVI Pacific Inc. contracted TVIRD Philippines to conduct bench-scale metallurgical testwork on drill core coarse rejects collected from the Qiriyaga Hill gold deposit (TVI Pacific, 2015). The testwork results were to serve as a bases for the assessment of a preliminary process flowsheet and initial financial projections and to support the results from the baseline tests carried out for KEPL by KCA in 2014. Results of the grindability test showed that, on average, the mineralized material is “soft”. Gold and silver were both recoverable by cyanidation. The high consumption of cyanide was attributed to cyanide-consuming clays which could be associated with high aluminium content of the mineralized material. The highest gold extraction was 95% after 72 hours, but after only 36 hours, gold extraction was already at 92

percent. Therefore 36 hours was chosen as the optimum leach time with corresponding cyanide consumption of 1.0 kg/t sodium cyanide.

## 1.6 Geological Setting and Mineralization

The islands that make up the Republic of Fiji are located on the Pacific Ring of Fire (aka Rim of Fire, Circum-Pacific Belt). The islands are dominated by hydrothermal systems that include the low sulphidation epithermal gold prospects being explored by KEPL. The Vatu Aurum Gold Project lies along an apparent northeast trending gold corridor that cuts across the islands of Viti Levu and Vanua Levu and includes the world-class Vatukola Mine, Lion One's Tuvatu prospect, and the historical Mt. Kasi Mine.

Interpretation of a 1997 airborne magnetic-radiometric helicopter-borne geophysical survey suggested the presence of several arcuate features on the Project, interpreted to be caldera structures. In addition, this survey showed a northeast trending magnetic low west and southwest of the Qiriyaga Hill Prospect, interpreted to be a graben structure. The calderas and graben, along with first and second order faults (extensional and normal) appear to be associated with known gold mineralization on the Project.

The Cirianiu and Coqeloa properties cover a 25 km northeast-southwest trending, mineralized corridor containing numerous gold prospects that share the same characteristics as the known epithermal gold system identified at the Qiriyaga Hill Prospect. These include Qiriyaga East, Vuinubu Ridge, Namalau, Uaua, Vunikulukulu, Somoloicia, 5K Gold, 2K Gold, Wainikoro, Wainikoro West, Nadogo, Vaga, Nubu Gossan, Daku and Koroiwa (Celis and Nesbitt, 2019). These prospects on the Cirianiu Property are characterized by high potassium radiometric anomalies whereas the Coqeloa Prospect (Coqeloa Property) is mainly associated with a high potassium radiometric anomaly.

The Qiriyaga Hill Prospect/Deposit (Cirianiu Property – SPL 1464), contains high-grade gold mineralization within a supergene enriched gold cap with underlying carbonate quartz gold base metal veins (Taylor, 2011a). The base of the oxidized cap is irregular and contains troughs bound by limestone which is often faulted. The east-west trending limestone gap hosts the high-grade gold mineralization while the oxidized supergene cap contains extensive thicknesses of lower grade gold mineralization. The base of oxidation is funnel shaped (Taylor, 2011b). Gold mineralization at Qiriyaga Hill occurs within an approximately flat-lying sequence of sediments, epiclastic and pyroclastic tuffs, lapilli tuffs, and agglomerates, with andesitic volcanic sills and dykes cutting the sequence at depth, and overlying limestone and volcanic sequences (Taylor, 2011a and 2011b). At least five high-grade gold hydrothermal breccia bodies ("HBX") have been intersected by drilling within the broad shell of mineralization. Gold grades (apparent width and uncut) from drill core intersections through these HBX bodies include 11 m at 24.77 g/t Au from 75 m; 8.75 m at 24.60 g/t Au from 61 m; 31 m at 4.26 g/t Au from 21 m; and, 7 m at 13.69 g/t Au from 63 metres. Not all HBX bodies are high-grade however, with some intersections having run of the mill gold grades and some intervals in HBX units, being barren (Lazo et al., 2015b).

The Coqeloa Prospect (Coqeloa Property – SPL 1511) is a volcanic-hosted epithermal gold target situated within a prominent arcuate, caldera-like feature (Celis and Nesbitt, 2019). Quartz is

common throughout the area but is most intense within the Main and Northern zones at Coqeloa. Quartz vein textures present in the Coqeloa Property include crustiform banded quartz and fine-grained chalcedony veins. These textures are characteristic of near-surface precipitation and hydrothermal temperatures <300 degrees (Heald et al., 1987). Comb textures are present in quartz veins indicating the material was deposited in an open space. These vein textures are found in deeper parts of epithermal systems (Dowling and Morrison, 1989). Rock sampling by KEPL in 2018, targeted the Northern, Main and Southern zones, reporting one sample which assayed 9.05 g/t Au and 0.11% Cu from the Main Zone (Celis and Nesbitt, 2019).

## 1.7 Deposit Types

Gold mineralization within SPL 1511 (Coqeloa Property) and SPL 1464 (Cirianiu Property) has been interpreted as volcanic-hosted epithermal style, and specifically low sulphidation epithermal (Celis and Nesbitt, 2019; Celis and Nesbitt, 2018). These deposit types are spatially and temporally related to subaerial volcanism along destructive plate margins, and in extensional tectonic settings (Cooke, 1991). Lithology and structure play important roles in the success of economic gold concentration in volcanic-hydrothermal systems and determining “depth in the system” (*i.e.*, the boiling zone) is critical to successful exploration and discovery.

Alternatively, gold mineralization at Qiriyaga Hill and other prospects of primary interest share many (but not all) similarities with the deposit model classification referred to as intrusion-related gold systems (“IRGS”). Progressed by Lang et al. (2000), to reflect the tendency for magmatic-hydrothermal environments to form ores that express multiple styles, metal assemblages and spatial associations with a related intrusive centre, this mineral deposit model offers an explanation for some features which are not associated with the traditional low-sulphidation epithermal model. Largely recognized in Phanerozoic rocks, IRGS consist of distinguishing features that are particular to hydrothermal systems surrounding cooling magmatic bodies and whose features are dissimilar to those described in epithermal systems (*i.e.*, low-sulphidation epithermal deposits).

## 1.8 Metallurgical Studies

In 2013-2014, KEPL undertook metallurgical testwork through Kappes, Cassiday and Associates (“KCA”) on samples collected from Qiriyaga Hill (Lazo et al., 2015b; Taylor, 2013). KCA completed Bottle Roll Leach and Column Leach tests, demonstrating that the gold mineralized material was easily beneficiated with no deleterious minerals or potential pregnant solution robbers. Bottle roll leach tests returned 94% to 97% gold extraction while column leach tests (81 days) showed 96% gold extraction.

Results from mineral processing and metallurgical testwork completed to date offer preliminary information as to the recoverability of the main style of mineralization on the Property. Samples tested thus far are representative of the main style of mineralization at Qiriyaga Hill but further mineralogical and metallurgical testwork is required.

## 1.9 Interpretation and Conclusions

The Vatu Aurum Gold Project presents an excellent opportunity for Kalo Gold Corp. to continue to develop the Qiriyaga Hill Gold Deposit and to advance toward the outlining of mineral resources at Vuinubu Ridge and Qiriyaga East (SPL 1464, Cirianiu Property). In addition, known gold mineralization and a strong alteration system at the Coqeloa Prospect (SPL 1511, Coqeloa Property) deserves further exploration and drilling with the goal to outline additional gold resources.

On the basis of exploration work completed to date, the possibility of other prospects to host “Qiriyaga Hill style” gold mineralization is high. Identifying additional gold resources at the many known prospects (i.e., Qiriyaga East and Vuinubu Ridge) within the Vatu Aurum Gold Project could add substantially to the current known resources at Qiriyaga Hill.

It is the opinion of the Authors that, after reviewing historical results and other publicly available information and data from the Vatu Aurum Gold Project, the Project presents an excellent opportunity for the Issuer and is worthy of additional exploration and development work, targeting volcanic-associated low sulphidation epithermal gold mineralization.

## 1.10 Recommendations

It is the opinion of the Authors that additional exploration expenditures are warranted on the Vatu Aurum Gold Project. The minimum required spend for licences SPL 1464 and SPL 1511 in the current licence year is FJ\$350,000 and FJ\$225,000, respectively, reflecting the amounts submitted to the ministry as part of the past licence renewal applications.

The total recommended budget for exploration programs that cover diamond drilling, grid based soil auger sampling, surface IP geophysical surveys, and trenching over various prospects within licences SPL 1464 and SPL 1511, is approximately C\$1,733,434 (Table 1-3).

Table 1-3. Budget estimate for recommended exploration program, Vatu Aurum Gold Project, Fiji.

Licence and Work Item	USD	CAD	FJD	Work Details
Overhead/Operating Cost	\$241,258	\$337,761	\$539,742	
<b>T1:</b>	<b>\$241,258</b>	<b>\$337,761</b>	<b>\$539,742</b>	
<b>SPL 1464 (Cirianiu)</b>				
Drilling - diamond core	\$664,400	\$930,160	\$1,486,395	1,810 m; 8 holes
Auger -soils	\$65,280	\$91,392	\$146,044	1,574 soil samples
Geophysics - IP (Qiriyaga)	\$146,190	\$204,667	\$327,057	27.50 line-km
Laboratory	\$12,657	\$17,720	\$28,316	petrology, mineralogy, assay
<b>T2:</b>	<b>\$888,527</b>	<b>\$1,243,938</b>	<b>\$1,987,813</b>	
<b>SPL 1511 (Coqeloa)</b>				
Auger - soils	\$45,361	\$63,505	\$101,482	1,112 soil samples
Geophysics - IP (Coqeloa)	\$51,831	\$72,564	\$115,957	9.75 line-km
Trenching	\$11,190	\$15,666	\$25,034	500 m
Laboratory	\$5,200	\$7,280	\$11,633	petrology, mineralogy, assay
<b>T3:</b>	<b>\$108,382</b>	<b>\$151,735</b>	<b>\$242,472</b>	
<b>Grand Total:</b>	<b>\$1,238,167</b>	<b>\$1,733,434</b>	<b>\$2,770,028</b>	

A recommended diamond drilling program, totalling 1,810 m in eight drill holes, comprises six holes designed to test the down-dip and north-northeast strike extension of known mineralization at Qiriyaga Hill, and two holes designed to test the northeast extension of the South Zone and the gap between the SW and NE zones at Vuinubu Ridge (Table 1-4).

Table 1-4. Summary of eight proposed drill holes on licence SPL 1464 (see Figure 26-1).

Drill Hole	UTMX_mE	UTMY_mN	Elev (masl)	Length (m)	Est. Days Drilling	Az	Dip	Prospect	Objective
PDD-01	778930	8194250	88	350	11.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-02	778985	8194108	65	200	6.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-03	779035	8194253	82	200	6.7	142	-50	Qiriyaga Hill	test NNE extension of mineralization
PDD-04	779023	8194229	91	350	11.7	142	-70	Qiriyaga Hill	test down-dip extent of mineralization
PDD-05	778994	8194128	72	200	6.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-06	779013	8194143	86	200	6.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-07	779113	8193488	93	150	5.0	142	-60	Vuinubu Ridge	test NE extension of SW Zone
PDD-08	779198	8193543	95	160	6.0	142	-60	Vuinubu Ridge	test gap between SW and NE zones
			<b>Total:</b>	<b>1,810</b>	<b>61.2</b>				

In future work programs, the Issuer should consider the following general recommendations:

- Drill hole collar surveys: measured to sub-metre accuracy at a minimum, using a Differential Global Positioning System (DGPS) system. All drill holes to be used in future mineral resource estimates should be surveyed to centimetre accuracy.
- Drill core orientation: utilize a tool such as the Reflex ACT II, a digital core orientation system, to obtain oriented drill core and making more accurate structural interpretations.
- Specific gravity (relative density) procedures: KEPL is planning to introduce the "Dry Bulk Density Caliper Method" to take measurements in the field (Qiriyaga core shed) and send representative samples to the lab for verification. A procedure for systematic comparison between field collected SG and laboratory measured SG should be implemented to develop a more accurate SG database.
- Down-hole Imaging: for additional in-situ information, a borehole inspection camera system should be considered on selected drill holes.

## 2.0 INTRODUCTION

Caracle Creek International Consulting Inc. (“Caracle” or the “Consultant”) has prepared this National Instrument 43-101 (“NI 43-101”) Technical Report (the “Report”) on the Vatu Aurum Gold Project (the “Project” or the “Property”), located on Vanua Levu (North island), Fiji, at the request of E36 Capital Corp. (“E36” or the “Issuer”), which is listed on the TSX Venture Exchange (TSX-V: EUK).

The Vatu Aurum Gold Project is located about 214 km northeast of Suva, the capital city of the Republic of Fiji (Figure 2-1).



Figure 2-1. The Fiji Islands and location of the Vatu Aurum Gold Project (red star) on the island of Vanua Levu (North Island), Fiji (online source: netmaps.es).

### 2.1 Terms of Reference and Purpose of the Report

The Report has been prepared as an NI 43-101 Technical Report for E36 Capital Corp. to be used in support of a Reverse Takeover (“RTO”) transaction (the “Transaction”) between E36 (the Issuer) and Kalo Gold Corp. (“Kalo”). E36 is a Capital Pool Company as defined by the policies of the TSX Venture Exchange. Kalo owns a 100% indirect interest in Kalo Exploration Pte Limited (“KEPL”), referred to historically as Kalo Exploration Ltd. The Property is owned directly by Kalo Exploration Pte Limited.

E36 and Kalo have entered into an agreement whereby E36 has agreed to acquire all the outstanding shares of Kalo, in exchange for common shares of E36 by way of a three-cornered

amalgamation. Following this transaction, the Issuer will indirectly own KEPL and KEPL will continue to directly own the mining claims comprising the Property.

The purpose of the Report is to provide a technical summary of the Project in support of securities exchange reporting requirements. This report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101"), Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011).

The quality of information, conclusions, and recommendations contained herein have been determined using information available at the time of Report preparation and data supplied by outside sources as detailed in Section 2.4 of the Report. The information, conclusions and recommendations contained in the Report are qualified by certain assumptions, conditions further detailed herein. The Report is intended for use by Kalo and E36 subject to the terms and conditions of its contract with Caracle and relevant securities legislation.

## **2.2 Qualifications of Consultants**

The Report has been completed by Dr. Scott Jobin-Bevans and Dr. Nicholas Rollings (together the "Consultants" or the "Authors"). Dr. Jobin-Bevans ("Principal Author") is the Principal Geoscientist at Caracle Creek International Consulting Inc. and Dr. Rollings ("Co-Author"), is an Independent Consulting Geologist. Dr. Jobin-Bevans is a professional geoscientist (APGO#0183, P.Geo.) with experience in geology, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, land tenure management, metallurgical testing, mineral processing, capital and operating cost estimation, and mineral economics. Dr. Rollings is a professional geologist (MAIG ID5146) with experience in geology, geochemistry, remote sensing, and mineral exploration.

Dr. Scott Jobin-Bevans and Dr. Nicholas Rollings, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person ("QP"), as that term is defined in NI 43-101, for the Report. Dr. Jobin-Bevans is responsible for all sections of the Report except for Section 2.3. Dr. Rollings is responsible for all sections of the Report, including Section 2.3.

The Consultants employed in the preparation of the Report have no beneficial interest in Kalo and the Consultants are not insiders, associates, or affiliates of Kalo. The results of the Report are not dependent upon any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings between Kalo and the Consultants. The Consultants are being paid a fee for their work in accordance with normal professional consulting practices.

## **2.3 Details of Personal Inspection (Site Visit)**

Dr. Nicholas Rollings (PhD, MAIG), visited the Vatu Aurum Gold Project during the period November 16 and 17, 2020, accompanied by Bete Botonisau (Field Manager, KEPL) and Jekope Duguavou (Geological Technician, KEPL). Dr. Rollings, who resides in Fiji, completed a personal inspection of Qiriyaga, Coqeloa, the exploration camp, and the Kalo Labasa Office and core shed. Dr. Rollings shared information and data with Dr. Jobin-Bevans via email.

The personal inspection was required for the purposes of inspection, ground truthing, procedural review and information data collection and collation. The condition of the general Property and Project access were observed and the location of recent drill hole collars and trenches were verified (Table 2-1). Drill core logging and sampling procedures were also checked and validated.

Table 2-1. Personal inspection details: locations visited and features reviewed, November 2020.

Area	Inspection Details
Qiriyaga Hill	Drill holes KCD02, KCD06, KCD07, KCD13, KCD16, KCD17, KCD18, KCD22, KCD25 .
Vuinubu Ridge	Drill holes KVC01, KVD02, KVD03, KVD04, KVD05.
Exploration Camp	Buildings and new construction.
Coqeloa Property	Trenches inspected: TRCQ005, TRCQ006, TRCQ007.
Labasa Office	Used as base during Personal inspection.
Workshop and Core Shed in Labasa	Core inspected from drill holes KCD14, KCD18, KCD22, KCD35, KVD04, KVD05 .
	Lithologies cross checked against core logs .
	Breccia textures cross checked against core logs for Fiamme Breccia (FBX), Hydrothermal Breccia (HBX), Pebble Breccia (PBX).

The Authors selected a number of mineralized drill core sections to be examined by Dr. Rollings and these sections were reviewed and verified by the QP during the personal inspection. Dr. Rollings also spot checked mineralized intercepts for comparison to reported values.

Lithology and mineralization observed in selected intervals corresponded to and supported the reported results. As there was good correlation with the drill core intervals re-logged during the personal inspection and there is excellent documentation from previous work completed since 2009, including diamond drilling, the Authors determined that no re-sampling of the drill core was necessary for the purposes of the Report. Outcrop is scarce on the Property, so no surface grab samples of target mineralization or lithologies were collected.

Observations from the personal inspection are summarized as follows:

- Kalo Gold is a good example of a small, well run exploration company with a balanced mix of local staff plus highly regarded local and international consultants.
- All properties are well maintained with easy access to facilities, drill collars and trenches via well-constructed and maintained roads. There was evidence of new building at the exploration camp utilizing local traditional owners for the construction. In Fiji, this is important as the traditional owners have a close connect to the “Vanua” which includes land, culture and society. From observation the Vanua under exploration by Kalo is being handled with professionalism and sensitivity.
- Drilling pads are still apparent although well overgrown by the quickly re-established tropical vegetation. Some drill collars had been damaged by bushfire. These had already been repaired with new collars.
- Kalo Gold operates its own well maintained core shed in Labasa so inspection of core was easily facilitated by Kalo staff.

- Sections of core that were cross checked against drill core logs supplied confirmed full agreement in terms of lithology, alteration and breccia type. This suggests the drill core has been carefully logged and is a true representation of those drill cores.

Photographs taken during the site visit, along with related figures and maps, are provided in Figures 2-2, Figure 2-3, Figure 2-4, and Figure 2-5.

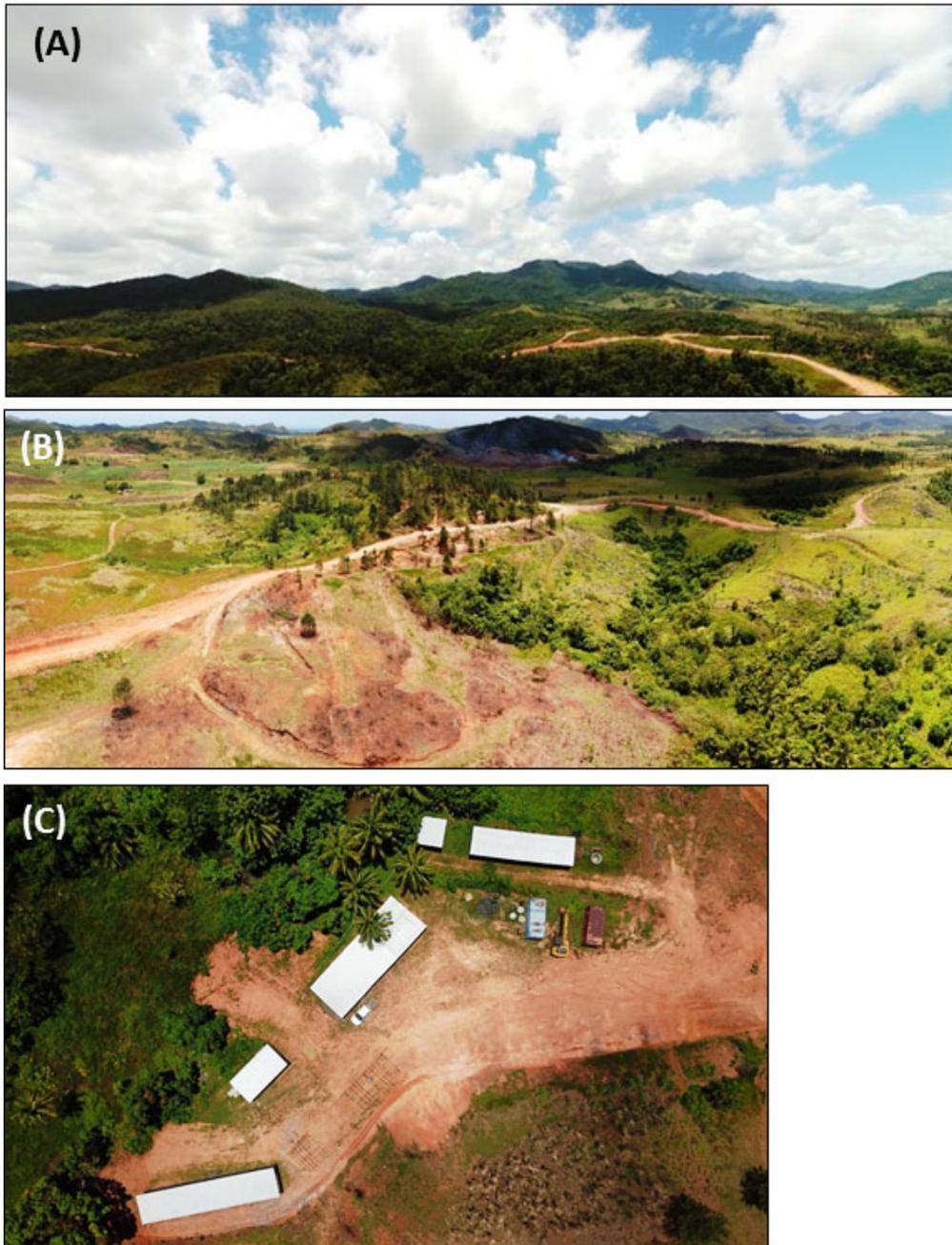


Figure 2-2. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) Vuinubu Ridge showing road construction and maintenance, looking toward the south (drone photo taken from above exploration camp). (B) Qiriyaga Hill, looking toward the NNE (drone photo taken from above exploration camp). (C) Exploration camp showing new construction (drone photo).



Figure 2-3. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) View back to Vuinubu Ridge from Qiriyaga Hill taken while verifying drill hole collars (looking SSE). (B) Area off drill hole KVD02 location showing infrastructure on site such as these tracks which are very well maintained. (C) Core storage library located in Labasa. (D) Company's office in Labasa. (E) Company's workshop in Labasa. (F) Co-author Dr Rollings inspecting core at the core library and workshop in Labasa.

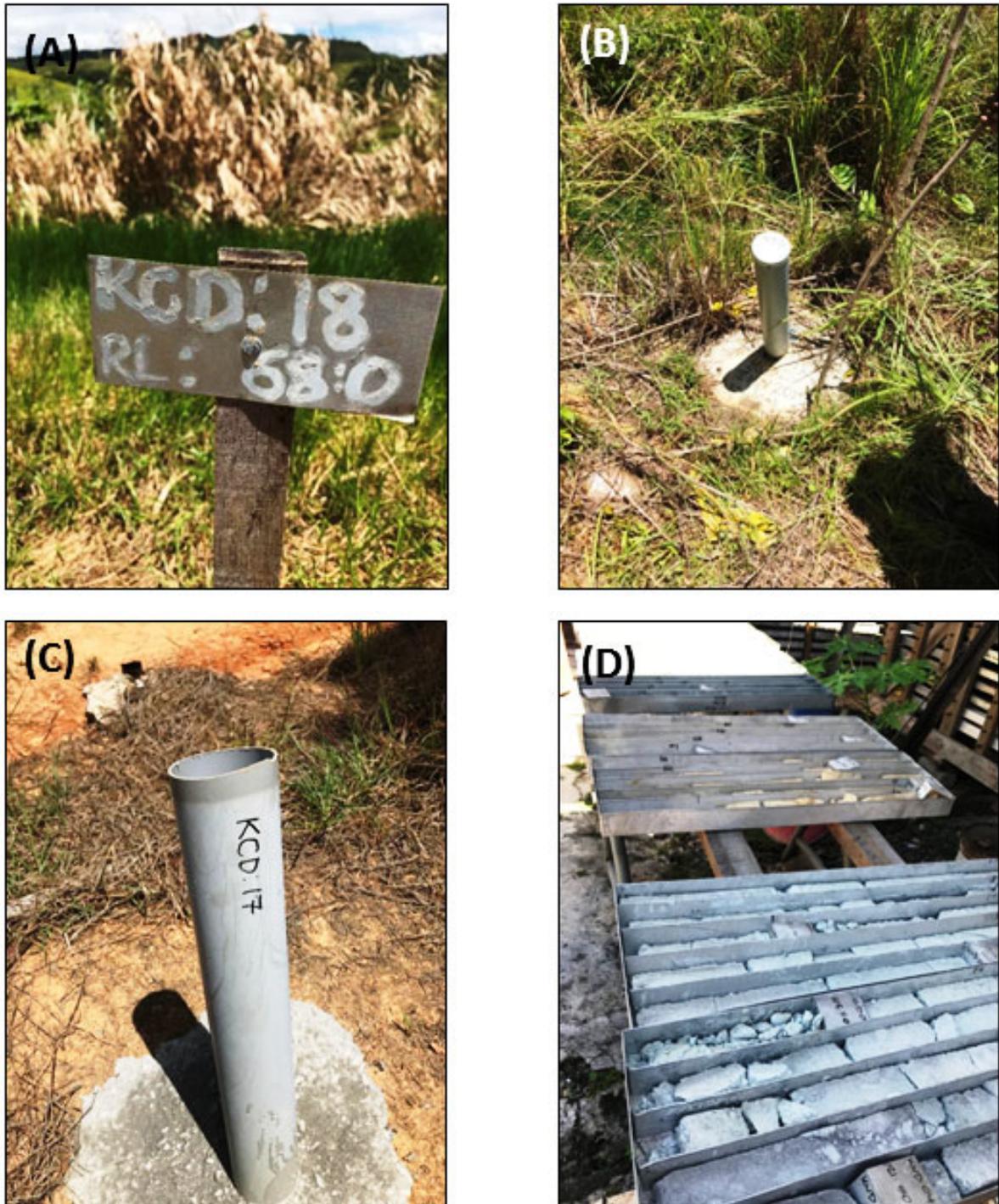


Figure 2-4. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) Verified location of drill hole KCD18 with marker showing hole name and elevation. (B) Verified location of KCD25 drill hole collar with labelled cement pad and capped PVC pipe. (C) Verified location of KCD17 drill hole collar with cement pad and labelled PVC pipe. (D) Drill core in trays laid out for inspection at the core library in Labasa.

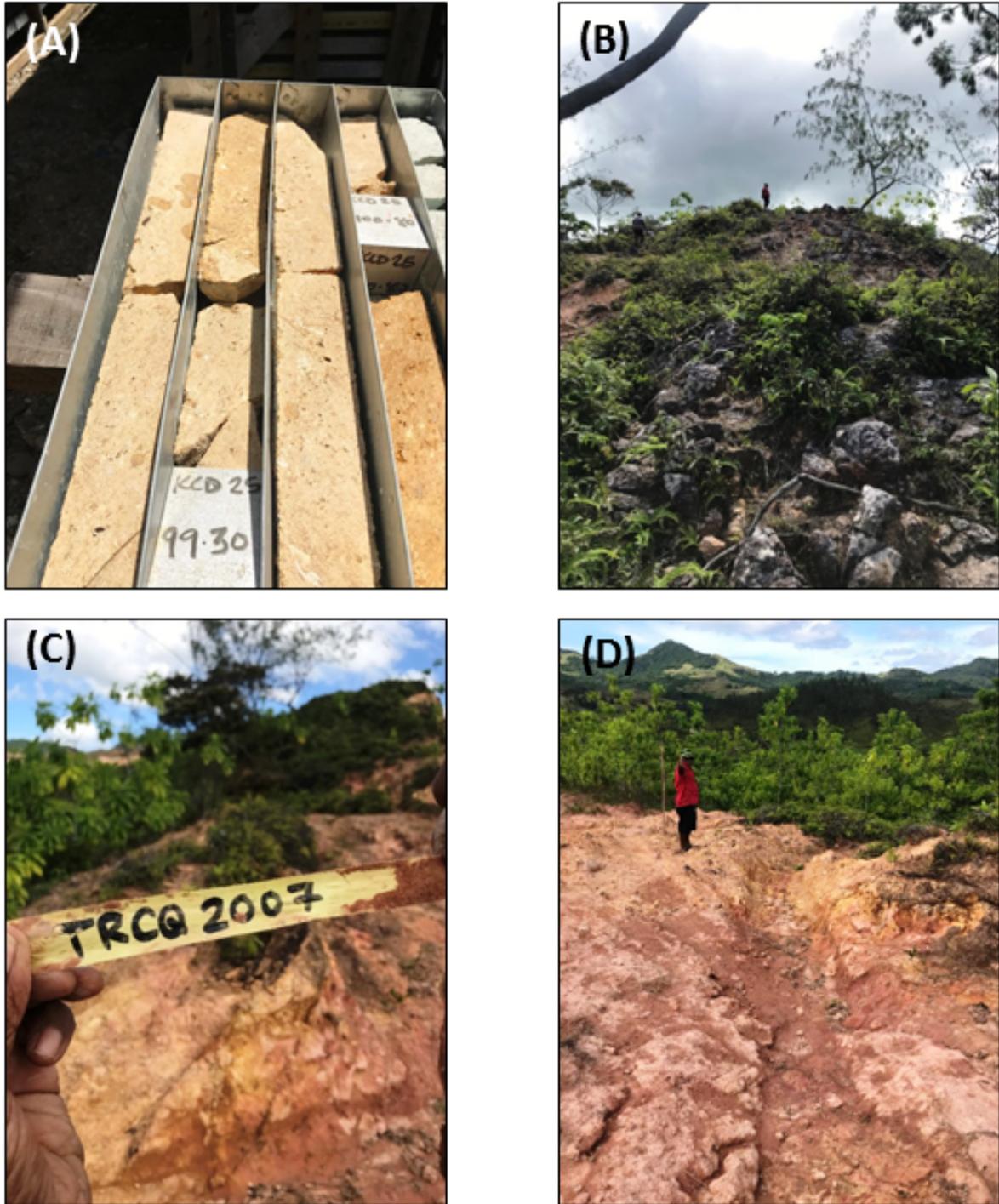


Figure 2-5. Selected photographs taken by Dr. Rollings during his personal inspection of the Property. (A) Cross-checking lithologies and breccia textures against drill core logs. Example of Fiamme Breccia (FBX) in hole KCD25. (B) Example of topography taken while verifying location of trenches at the Coqeloa Property, Main Zone. (C) Old labelling of trench TRCQ2007 at the Coqeloa Property, Main Zone. (D) Trench TRCQ2007 exposed at the Coqeloa Property, Main Zone.

## 2.4 Sources of Information

Standard professional review procedures were used by the Authors in the preparation of the Report. The Consultants reviewed data and information provided by Kalo and conducted a site visit to confirm the Property, infrastructure, data and mineralization as presented.

The Report is based in part on internal Company technical reports, previous studies, maps, published government reports, Company letters, emails and memoranda, and public information as cited throughout the Report and listed in Section 27.

General information on Fiji was accessed through the government of Fiji website. Information on the mining lands system for Fiji was accessed online through the Ministry of Lands and Mineral Resources and digital data and information is available online from the Mineral Resource Department of Fiji. Additional company information was reviewed and acquired through public online sources including SEDAR and various corporate websites.

Company personnel and associates were actively consulted post and during report preparation and during the Property site visit. Company personnel include Michael Nesbitt (President & CEO, KEPL; Director, Kalo), Fred Tejada (Director, Kalo), Roman Celis (Geological Consultant), and Roberto Tan (Geological Consultant).

## 2.5 Effective Date

The Effective Date of the Report is 16 January 2021.

## 2.6 Previous Technical Reports

There are no previous NI 43-101 Technical Reports prepared for the Issuer regarding the Vatu Aurum Gold Project and as such the Report is the current technical report regarding the Project.

## 2.7 Units of Measure

All units in the Report are based on the International System of Units ("SI Units"), except for units that are industry standards, such as troy ounces for the mass of precious metals. Table 2-2 provides a list of commonly used terms and abbreviations.

Unless specified otherwise, the currency used is United States Dollars ("US\$") and coordinates are given in World Geodetic System 84 ("WGS84"), UTM Zone 60S (EPSG:32760; suitable between 174°E and 180°E, southern hemisphere between 80°S and equator, onshore and offshore).

Table 2-2. Commonly used terms and abbreviations in the Report.

Units of Measure		Initialisms	
above mean sea level	AMSL	AA	Atomic Absorption
Australian dollar	AUD\$	AIM	Alternative Investment Market
centimetre	cm	APGO	Association Professional Geoscientists of Ontario
Canadian dollar	C\$	ATV	All-Terrain Vehicle
gram	g	CRM	Certified Reference Material
gram per tonne	g/t	DDH	Diamond Drill Hole
greater than	>	EM	Electromagnetic

Units of Measure		Initialisms	
hectare	ha	EOH	End of Hole
hour	hr	EPSG	European Petroleum Survey Group
inch	in	FA	Fire Assay
kilo (thousand)	K	FAusIMM	Fellow of the Australasian Institute of Mining and Metallurgy
kilogram	kg	ICP	Inductively Coupled Plasma
kilometre	km	Int.	Interval
less than	<	LDL	Lower Detection Limit
litre	L	LLD	Lower Limit of Detection
megawatt	Mw	LOI	Letter of Intent
metre	m	LON	London Stock Exchange
millimetre	mm	MAG	Magnetics or Magnetometer
million	M	MAIG	Member of the Australian Institute of Geoscientists
million years ago	Ma	NAD83	North American Datum 83
nanotesla	nT	NI 43-101	National Instrument 43-101
ounce	oz	NSR	Net Smelter Return Royalty
parts per million	ppm	PEO	Professional Engineers Ontario
parts per billion	ppb	PGE	Platinum Group-Element
percent	%	pop.	Population
pound	lb	PEO	Professional Engineers Ontario
short ton (2,000 lb)	st	PGE	Platinum Group-Element
specific gravity	SG	QA/QC	Quality Assurance / Quality Control
square kilometre	km <sup>2</sup>	QP	Qualified Person
square metre	m <sup>2</sup>	RC	Reverse Circulation
three-dimensional	3D	ROFR	Right of First Refusal
tonne (1,000 kg) (metric tonne)	t	SEM	Scanning Electron Microscope
		SG	Specific Gravity
		SI	International System of Units
		SRM	Standard Reference Material
<b>Elements</b>		TSX-V	Toronto Venture Stock Exchange
copper	Cu	Twp	Township
gold	Au	UTM	Universal Transverse Mercator
galena	ga	VMS	Volcanogenic Massive Sulphide
chalcopyrite	cpy	WGS84	World Geodetic System 84
pyrite	py		
silver	Ag		
antimony	Sb		

### **3.0 RELIANCE ON OTHER EXPERTS**

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The Report has been prepared by Caracle Creek International Consulting Inc. for the Issuer. The Authors have not relied on any 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 Report.

## 4.0 PROPERTY DESCRIPTION AND LOCATION

The Vatu Aurum Gold Project is situated on the island of Vanua Levu (North Island), Macuata and Cakaudrove provinces, Republic of Fiji (see Figure 2-1). The Project consists of Special Prospecting Licence (“SPL”) Cirianiu (SPL 1464) and Coqeloa (SPL 1511), which together cover about 36,691 hectares.

The Vatu Aurum Gold Project, located along the Pacific “Ring of Fire”, is on Fiji’s second largest island, Vanua Levu, about 2,800 km east of the eastern coast of Australia, 2,000 km north of New Zealand, and about 2,000 km south of the Equator (Figures 4-1 and 4-2). The approximate centre of the Property is at UTM coordinates 771959mE, 8189736mS (WGS84, Zone 60S; EPSG:4326) and elevation ranges from about 0 m above mean sea level (“AMSL”) along the shoreline to just over 600 m AMSL in the area of the Qiriyaga Hill Prospect.



Figure 4-1. Location of the Vatu Aurum Gold Project along the Pacific “Ring of Fire”, Vanua Levu island, Fiji (source: Kalo Gold, Corporate Presentation, 2020).

All known mineralization, economic or potentially economic that is the focus of the Report and that of KEPL, is located within the boundary of the two tenements that comprise the Vatu Aurum Gold Project.

### 4.1 Qualifying Transaction

E36, Kalo, and 1266094 B.C. Ltd (“Newco”), a wholly owned subsidiary of E36, have entered into an amalgamation agreement dated September 30, 2020 (as amended November 26, 2020), whereby E36 has agreed to acquire all the outstanding shares of Kalo, in exchange for common shares of E36 by way of a three-cornered amalgamation. Pursuant to the agreement, Kalo and Newco will amalgamate and continue as an amalgamated company. Following the completion of the transaction, Kalo will be a wholly owned subsidiary of E36 (the Resulting Issuer).

Kalo will continue to hold a 100% indirect interest in KEPL. Kalo owns all of the issued and outstanding shares in the capital of Aloki Mining Limited (“Aloki”). Aloki owns all of the issued and outstanding shares in the capital of Tego Mining Limited (“Tego”). Tego owns all of the issued and outstanding shares of KEPL, except for one share held by Aloki. KEPL will continue to own the mining claims comprising the Property.

E36 expects to issue an aggregate of 27,450,000 common shares in the capital of E36 to the existing Kalo shareholders in exchange for the acquisition of all the issued and outstanding common shares of Kalo. There will be no further consideration payable with respect to the transaction. The transaction is expected to constitute E36’s Qualifying Transaction, as such term is defined under Policy 2.4 of the TSX Venture Exchange Corporate Policy Manual.

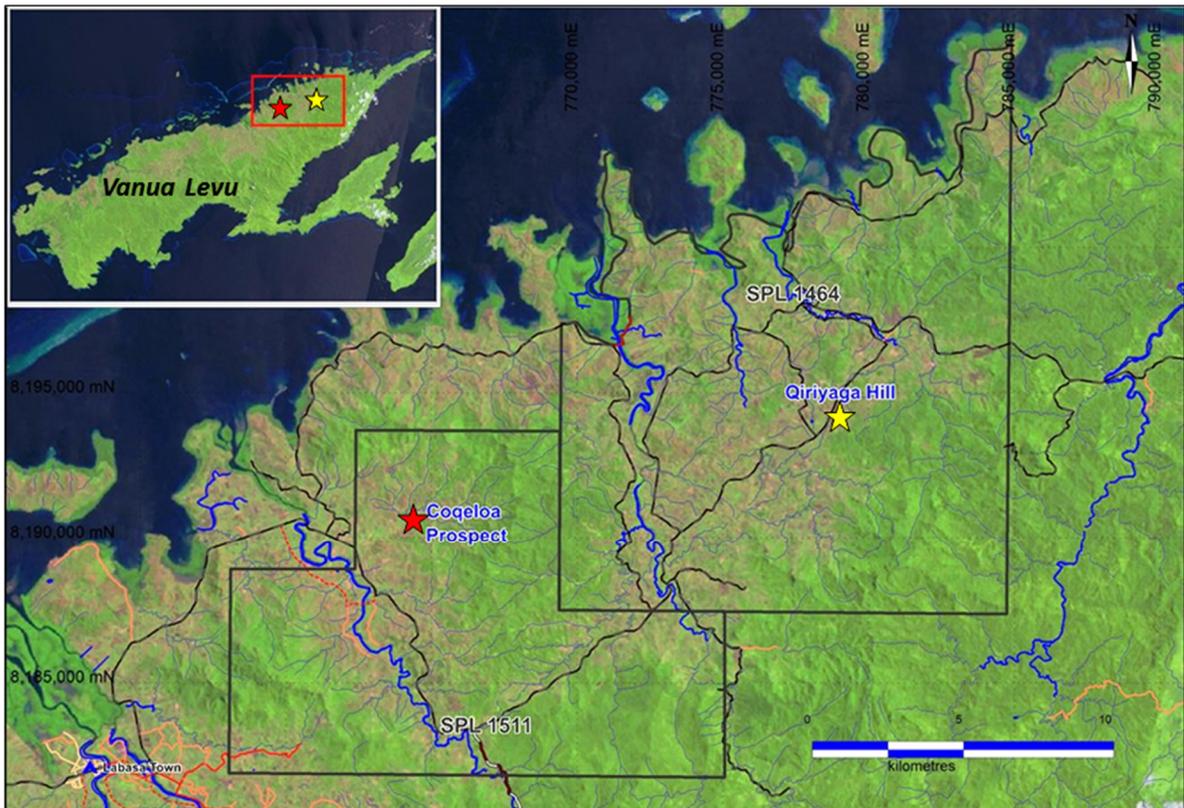


Figure 4-2. Location of tenements SPL 1464 (Cirianiu) and SPL 1511 (Coqeloa) over regional topography of the North Island of Vanua Levu, Fiji with the locations of primary prospects, Coqeloa (red star) and Qiriyaga Hill (yellow star) (source: after Tan and Nesbitt, 2020).

## 4.2 Land Tenure

The Vatu Aurum Gold Project comprises two Special Prospecting Licences (“SPL”s): i) SPL 1464 (“Cirianiu Property”) which encompasses the Qiriyaga Hill and Vuinubu Ridge prospects and covers approximately 221.6 square km; and, ii) SPL 1511 (“Coqeloa Property”), which includes the Coqeloa Prospect and covers approximately 145.31 square km (see Figure 4-2; Figure 4-3; Table 4-1).

Table 4-1. Summary of Mining Lands that comprise the Vatu Aurum Gold Project.

Property	Licence	Area (km <sup>2</sup> )	Area (ha)	Approval	Renewal
Cirianiu	SPL 1464	221.6	22,160	July 10, 2020	July 9, 2023
Coqeloa	SPL 1511	145.3	14,531	April 11, 2018	April 10, 2021

The SPLs are held 100% by KEPL and are, in aggregate, approximately 30 km in length from the southwest to the northeast edges. An SPL can be granted for up to five years (Nesbitt, 2020a) and at the discretion of the Mineral Resources Department (“MRD”).

Special Prospecting Licence 1511 was first granted to KEPL in April 2018 and will require renewal as of April 10, 2021 (see Table 4-1).

Special Prospecting Licence SPL 1464, first granted 9 February 2009 to Aurum Exploration (Fiji) Limited and subsequently transferred to Kalo Exploration Pte Ltd in July 2010, is located in the Wainikoro area and as such was historically referred to as the “Wainikoro Prospect”. The most recent renewal application for SPL 1464 was made in May 2020 and a three year extension was granted to KEPL on July 23, 2020 (see Table 4-1). Historical licence periods (2009-2020) for SPL 1464 are outlined in Table 4-2.

Table 4-2. Summary of previous licence renewal periods for SPL 1464 (Cirianiu Property).

From	To	Comments
February 9, 2009	March 31, 2010	1 Year
July 8, 2010	July 7, 2011	1 Year
July 7, 2011	January 6, 2014	2.5 Years
January 7, 2014	April 12, 2014	Special Condition
April 12, 2014	April 12, 2017	3 Years
April 13, 2017	May 11, 2017	Special Condition
May 12, 2017	May 11, 2020	3 Years
May 12, 2020	July 9, 2020	Special Condition

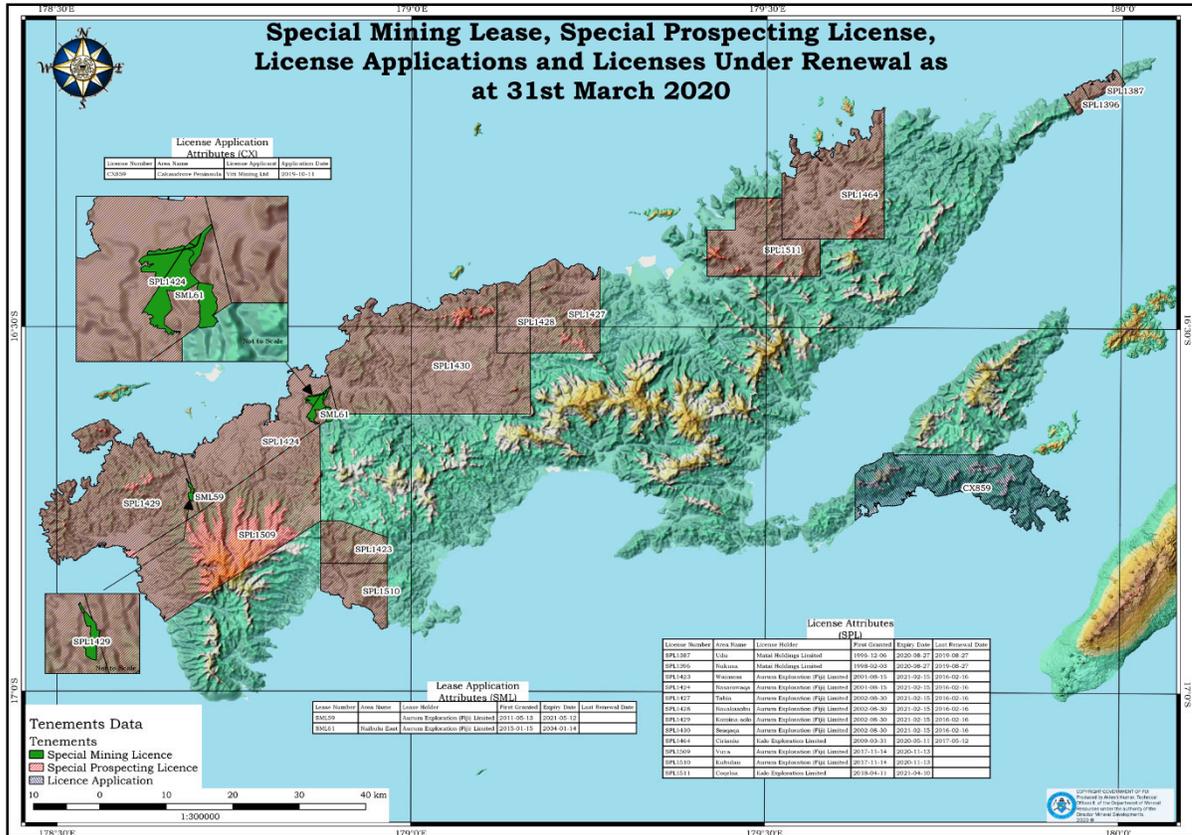


Figure 4-3. Tenement location of Vatu Aurum Gold Project (SPL1464, SPL1511), Vanua Levu island, Fiji (see Table 4-1) (source: Mineral Resources Department, Fiji, March 2020).

Copies of the licences issued by the MRD to KEPL and subsequent extensions and/or renewals have been reviewed by the Authors. A Title Opinion, provided by a Fijian based law firm, was reviewed by the Principal Author (see Section 3).

#### 4.2.1 The Mining Act and Special Prospecting Licences

Fiji’s exploration and mining industry is governed by the Mining Act 1966 (the “Mining Act”). The Mining Act, based on British Law, outlines the regulations that a mineral exploration company must follow while conducting exploration or mining works (www.mrd.gov.fj; Nesbitt, 2020a). Additional acts which relate to mineral exploration work include: (a) Environment Management Act 2005; (b) iTaukei Land Trust Act 1940; (c) Health and Safety Work Act 1996; (d) Local Government Act 1972; and (e) Town Planning Act 1946 (Nesbitt, 2020b).

The Company must prepare a work program and associated expenditure proposal for each year of the relevant term for each SPL. There is no minimum expenditure or work program requirement by law. When the company makes a proposal, it is at the discretion of the MRD to accept that proposal and grant the SPL.

KEPL submitted a general work program and an expenditure associated with that work for each of its licences at the time of application for renewal (Table 4-3). The proposed programs and expenditures were accepted by the MRD during the application process, and became the minimum

expenditure and work requirement associated with each licence in each year of the applicable term. There is no limit to the amount of times that a licence can be renewed, and no requirement to reduce the area of the licence.

Table 4-3. Proposed expenditure and work program at application, Vatu Aurum Gold Project.

Coqeloa 1511 Budget Year	Term	From	To	Expenditure Requirement (FJD)	Performance/ Enviro Bond (FJD)	Bond Outlay (FJD)	Bond & Expenditure (FJD)	Bond & Expenditure (CAD)	Work Requirement
0	1	11-Apr-18	10-Apr-19	FJ\$60,000	FJ\$6,000	FJ\$6,000	FJ\$66,000	\$41,580	acquire digital aeromag, ground truth K-anomaly, ridge and spur auger, reconnaissance rock chip, XRD SWIR analysis
0	2	11-Apr-19	10-Apr-20	FJ\$80,000	FJ\$8,000	FJ\$2,000	FJ\$82,000	\$51,660	infill auger, trenching
1	3	11-Apr-20	10-Apr-21	FJ\$225,000	FJ\$22,500	FJ\$14,500	FJ\$239,500	\$150,885	drilling of targets previously identified
<b>Totals:</b>				<b>FJ\$365,000</b>	<b>FJ\$36,500</b>	<b>FJ\$22,500</b>	<b>FJ\$387,500</b>	<b>\$244,125</b>	
Ciriani 1464 Budget Year	Term	From	To	Expenditure Requirement (FJD)	Performance/ Enviro Bond (FJD)	Bond Outlay	Bond & Expenditure (FJD)	Bond & Expenditure (CAD)	Work Requirement
1	1	10-Jul-20	09-Jul-21	FJ\$350,000	FJ\$35,000	FJ\$35,000	FJ\$385,000	\$242,550	6 drill holes
2	2	10-Jul-21	09-Jul-22	FJ\$600,000	FJ\$60,000	FJ\$25,000	FJ\$625,000	\$393,750	larger definition drilling
3	3	10-Jul-22	09-Jul-23	FJ\$1,100,000	FJ\$110,000	FJ\$50,000	FJ\$1,150,000	\$724,500	resource drilling, resource update, regional drilling
<b>Totals:</b>				<b>FJ\$2,050,000</b>	<b>FJ\$205,000</b>	<b>FJ\$110,000</b>	<b>FJ\$2,160,000</b>	<b>\$1,360,800</b>	

Kalo is required to meet the minimum work requirements and expenditures as it proposed when applying for the licences. However, if Kalo cannot meet these, or wants to reduce the work and program budget, it can submit a new work program and budget to the MRD for review and amendment to the licence.

Based on each year of a licence’s proposed expenditure, there is an associated Environment/Performance Bond amount set by the Fiji Government. This is calculated as 10% of the proposed expenditure amount and must be submitted to the MRD in the form of cash or bank bond; the amount is cumulative.

It is standard practice of the MRD to apply “Special Conditions” to SPLs if there is any period of time between the expiry of an SPL and its renewal. During any such interim periods, ranging from a few weeks to a few months, KEPL has always continued to conduct work on the Property (Nesbitt, 2020a).

The process to renew an SPL is provided by the MRD and it is advisable to submit a renewal application at least one month prior to expiry. With the application, there is an Application Fee of FJ\$150. Once the application has been approved, the associated Annual Licence Fee and Bond can be paid to the MRD (Nesbitt, 2020a).

### 4.3 Exploration Approvals

To proceed with exploration activities on an SPL, the holder of the SPL must provide the MRD with two weeks’ notice that it intends to proceed with its proposed work program and must demonstrate through a Landowner Agreement that the landowners approve of the planned work and compensation plan.

Kalo has two agreements with landowners in SPL 1511. One is with the Mataqali Waitikala covering the Main Zone and Southern Zone prospects. The second is with the Mataqali Bucisau, covering

the Main Zone and Northern Zone prospects. Each of the Landowner Agreements was signed on February 25, 2020 for a period of two years.

Kalo has several agreements signed in SPL 1464. Primarily, it has a 5-year agreement signed with the Mataqali Wawari covering Qiriyaga Hill and its surrounding areas (Vuinubu Ridge, Qiriyaga East, Namalau, Vunikulukulu, Uaua, Drudrusavu) signed April 28, 2020. Additional agreements within the licence include agreement with Mataqali Wainikoro covering Wainikoro Prospect signed February 2, 2020 for a period of two years, Mataqali Vaga covering Vaga Prospect signed February 2, 2020 for a period of two years, Mataqali Tabaraki covering 5K-Somoloicia Prospect, Mataqali Buawaqa covering 5K Prospect signed February 14, 2020 for a period of two years, and Nubutubutu Village covering Nubutubutu and Drudrusavu prospects, signed February 13, 2020 for a period of two years.

With respect to drilling, the SPL holder must submit a drill pad and drill hole locations plan. Typically, KEPL submits a drilling plan to the MRD, outlining their proposed hole locations, depth, azimuth, target/reason for drilling. The plans are flexible and can be changed without having to seek additional approval, with the final location and information supplied to the MRD in the annual reports, or in a post-exploration report (M. Nesbitt 2020, pers. comm., July 6).

A drilling plan has been submitted by Kalo to the MRD for the current proposed drilling program.

#### **4.4 Permits**

The Exploration Licence (Special Prospecting Licence) is the only permit required to carry out low-impact exploration work such as surface sampling, geological and geophysical surveys, trenching, and diamond drilling.

#### **4.5 Royalties, Agreements and Encumbrances**

There are no royalties, mining or otherwise, associated with the Project. A Landowners Agreement (Exploration Compensation Agreement) between KEPL and the Mataqali Wawari and relating to SPL 1464, addresses compensation for land disturbance around Qiriyaga Hill and Vuinubu Ridge for a 5 year period. This agreement was reviewed by the Principal Author.

#### **4.6 Environmental Liabilities**

The Principal Author is not aware of any environmental liabilities on the Property. When applying for a licence, the applicant submits an Environmental Management Plan (“EMP”) for each licence area. The EMPs for SPL 1464 and SPL 1511 have been reviewed by the Principal Author.

As exploration causes relatively minimal impact on the environment, the main concerns from the MRD are that trenches are filled once the work is completed (all of KEPL’s trenches are filled the same day they are excavated), rehabilitation of drill pads, and testing of water prior to and after drilling. The MRD intermittently audits the Project to be sure that best practices by the Company are being followed (M. Nesbitt 2020, pers. comm., July 6).

Based on each licence year's proposed expenditure, there is an associated Environment/Performance Bond amount set by the Fiji Government. This is calculated as 10% of the proposed expenditure amount and must be submitted to the MRD in the form of cash or bank bond; the amount is cumulative (Nesbitt, 2020a).

#### **4.7 Other Significant Factors and Risks**

The requirement to consult landowners and agree to terms under a Landowner Agreement, ahead of accessing the SPL or of being granted renewal of an SPL, represents a possible risk to the Project.

The approval process for the renewal of an SPL is at the discretion of the MRD, representing another potential risk to advancing the Project.

When applying for a new licence area, the applicant is required to consult with the iTaukei Land Trust Board, an organisation that oversees most indigenous Fijian land. In addition the applicant must consult with Department of Environment Fiji, and the Fiji Museum, applicable in cases where there are known areas of archaeological significance (M. Nesbitt 2020, pers. comm., July 6). This level of consultation is only required for new licences and does not apply to licence renewals. The MRD's "Guidelines for Renewal of a Special Prospecting Licence" document has been reviewed by the Principal Author.

The Principal Author is not aware of any other significant factors and risks that may affect access, title, or the right or ability to perform the proposed work program on the Property.

#### **4.8 Environmental Studies**

At the exploration stage, the Government of Fiji does not require any extensive studies related to the environment (*i.e.*, Environmental Impact Assessment) which are required for more advanced stage projects planning for a mining operation. At the time of application for an SPL, an Environmental Management Plan must be submitted which is specific to the proposed work program.

#### **4.9 Community Consultation**

There are several villages in the area of the Qiriyaga Hill Prospect (SPL 1464) and the field camp of KEPL, all which are relatively isolated (Figure 4-4). Nubu village is the largest village in the area, followed by Wainidrua and Nakelikoso. Little work is conducted near these villages. Schools are also located at Nakelikoso and Nubu and a police post, Nadogo secondary school, and Medical Centre are located in Wainikoro, approximately 20 km from KEPL's camp (Nesbitt, 2020b).

The MRD encourages ongoing consultation with landowners and therefore when applying for a licence or licence renewal, an applicant would typically consult with landowners from areas in which there is work planned, and seek a letter of support from the landowner (M. Nesbitt 2020, pers. comm., July 6). However, this is not a legal requirement and currently the applicant is only required to provide notification to the landowner that they are applying for or renewing a licence (see Section 4.3, Exploration Approvals).

Prior to conducting exploration, the licence holder is required to establish a compensation agreement with the relevant landowners. To date, the format of the compensation agreement and the rates are left to the licence holder and the landowner to negotiate. Recently, MRD has proposed a standard set of rates, and has recently sought the Mining and Quarrying Councils feedback on the rates (M. Nesbitt 2020, pers. comm., July 6).

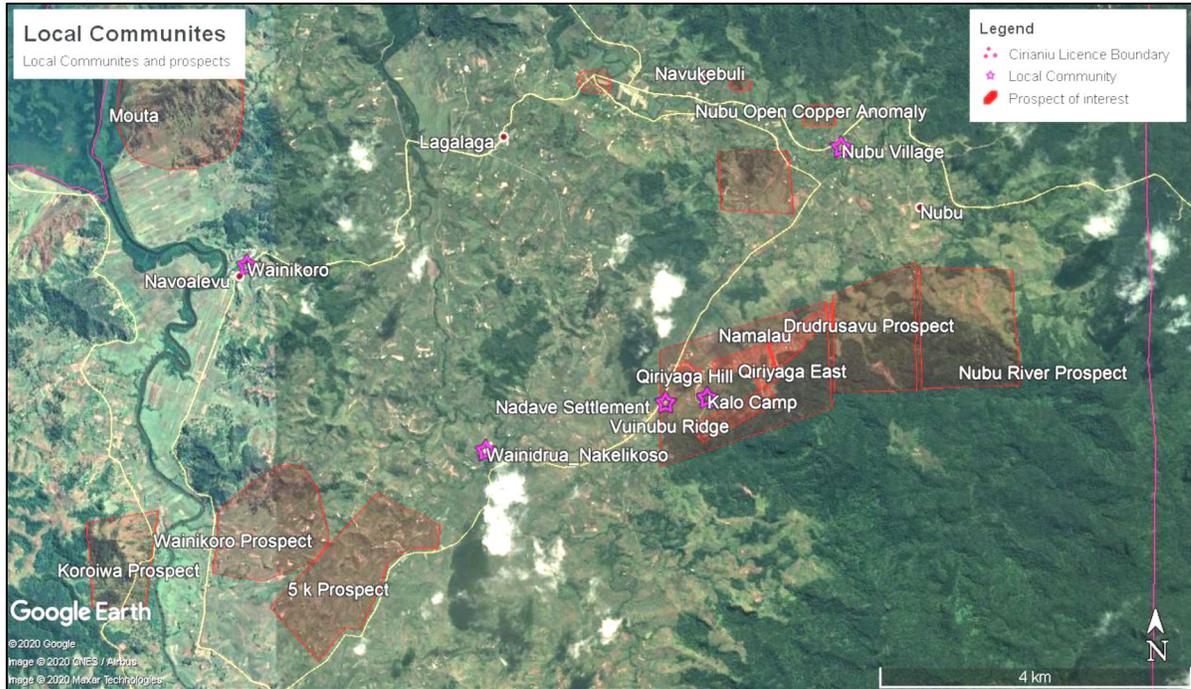


Figure 4-4. Location of local communities in the area of the Cirianiu Property (SPL 1464), Vatu Aurum Project, Fiji (source: Nesbitt, 2020b).

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

### 5.1 Accessibility

The major population and commercial centre near the Project is the town of Labasa, located in Macuata Province on the North Island of Vanua Levu. Entry to Fiji is via air through the international airport at Nadi on the south island, Viti Levu. Flights from Nadi to Labasa take about 45 minutes. Existing roads circle the North Island except for the extreme northeastern part. The majority of main roads are either paved or are all-weather.

Access to the Property is year-round, taking about 20 minutes to reach the Coqeloa licence area and 40 minutes to reach the Cirianiu Property from Labasa. The Project is crosscut by roads, tractor roads, and tracks, providing fair access to most areas. While exploration operations are more challenging during the rainy season (December to March) it is still quite possible to conduct all types of exploration year-round, including drilling programs.

### 5.2 Climate

Fiji’s climate is categorized as Tropical Marine with only slight seasonal temperature variation (Figure 5-1). It has two seasons, dry (April-November) and wet (December-March), is located in the Monsoon Zone, and the South-easterly trade wind is persistent throughout the year (Lazo et al., 2015a). Heavy rains (up to 304 cm annually) fall on the windward (southeastern) side of the islands, covering these sections with dense tropical forest. Lowlands on the western portions of each of the main islands are sheltered by the mountains and have a well-marked dry season.

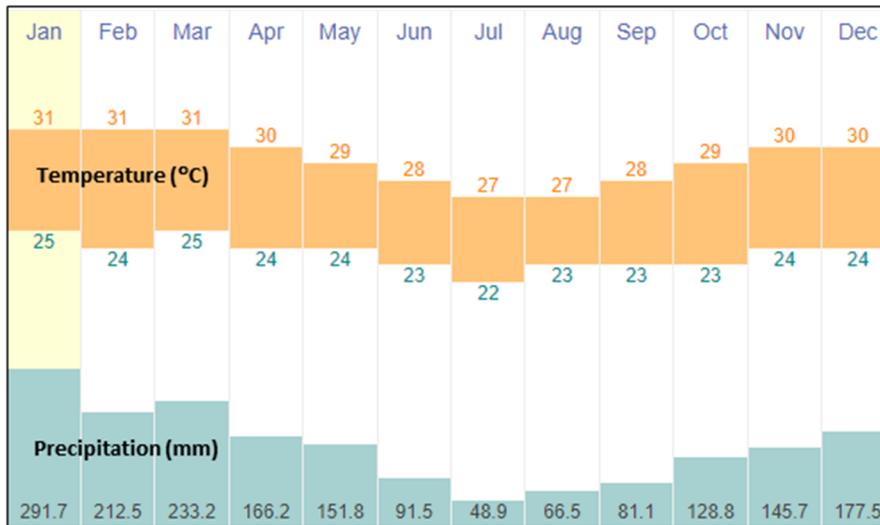


Figure 5-1. Average annual temperature and precipitation from Undu Point, about 77 km from Labasa, Vanua Levu, Fiji (online source: [www.timeanddate.com/weather/fiji/labasa/climate](http://www.timeanddate.com/weather/fiji/labasa/climate)).

### 5.3 Local Resources and Infrastructure

Labasa is the largest town on Vanua Levu, and is the government and business centre for the island. Labasa town has a population of about 27,000 (2007 census) with an additional 38,000 people in the rural area throughout the rest of the Province of Macuata. Labasa has a commercial port but the official port of entry on the island is located on the southeast coast at Savusavu.

All government ministries are represented in Labasa, and it hosts the largest hospital on Vanua Levu. There are a number of hotels, large grocery stores, a market for fresh fruits and vegetables, car and truck dealerships (Toyota, Mazda, Ford, Hino, Mitsubishi), and a number of general hardware and parts stores with general household goods readily available. Items specific to exploration generally need to be purchased overseas and shipped to Labasa via courier (DHL, TNT, FedEx have agents in Labasa). These would be items like GPS units, augers, and drilling supplies and equipment (rods, bits, mud, fluids, hydraulics). Other items such as core trays, core markers, and sample bags can be sourced locally.

The state owned Energy Fiji Limited (“EFL”) is the monopoly provider of grid-based electricity in Fiji. It operates four electricity grids: one on Viti Levu, two on Vanua Levu (Labasa and Savusavu grids) and one on Ovalau. Currently, power at the Qiriyaga Hill camp is provided by diesel generators. However, a 3-phase electricity grid is currently being expanded in the region proximal to Qiriyaga Hill with pole locations having been cleared and the poles delivered. In addition, single-phase power will be available to the Qiriyaga Hill camp. Long term, phase power can be accessed depending on the needs of the Project. There have been discussions to establish a hydro generating station about 50 km northeast of Qiriyaga Hill.

Fiji has a long history of mining with, for example, Vatukoula Gold Mine (largest producing gold mine in Fiji), having been in operation for more than 75 years. Skilled workers and labourers can be sourced from the local community, Labasa, or from Suva/Nadi depending on the skill set required. For highly skilled/specified labour related to mining operations, it may be necessary to source employees from overseas, but it would be expected that local people could eventually be trained to take over these positions. Trade workers such as welders, mechanics, machinists, and boiler makers are generally available locally. A two year certificate program in Geology, Mining and Quarrying is offered by the Fiji National University.

The Project is currently at the exploration stage and surface rights are not obtained until the application for a mining licence is made. The Project area encompasses ample space for supportive areas to a mining operation.

### 5.4 Physiography

The island of Vanua Levu is approximately 180 km from east to west, 35 km from north to south, and about 5,556 square km in areal extent. It is located at approximately latitude 16.12 to 17.02 degrees south and longitude 178.48 to 179.95 degrees east. The mountainous terrane is covered with tropical forests and the weathered rock mantle is very thick and soil cover is typically clayey (Lazo et al., 2015a).

Vanua Levu has a number of rivers, including the Labasa, the Wailevu, and the Qawa. These three form a delta on which the town of Labasa stands. None of the island's rivers are navigable by large vessels. The Wainikoro river is known for its shark attacks and the Dreketi River is the deepest river in Fiji ([https://en.m.wikipedia.org/wiki/Vanua\\_Levu](https://en.m.wikipedia.org/wiki/Vanua_Levu)).

#### **5.4.1 Topography**

Vanua Levu is mountainous, with the topography rising abruptly from the shore. The central mountain range, averaging 600 to 900 m in elevation, divides the island and forms much of the boundary between the provinces of Cakaudrove and Macuata. The highest peaks are Mount Batini, also known as Nasorolevu, with an altitude of 1,111 m and Dikeva (aka Mount Thurston) with an altitude of 1,030 metres. The central mountain range divides the island into wet (southeastern) and dry (northwestern) regions. The cone-shaped volcanoes vary in size such as the large Bua Volcano, and in contrast, the smaller ones east of Viani Bay. Regional topographic data containing contours, roads, creeks and rivers can be sourced from the MRD Fiji (GIS - Mapinfo format).

##### **5.4.1.1 Topographic Survey**

From 2010 to 2012, topographic surveys of Qiriyaga Hill were conducted by Placer Pacific Ltd. (“Placer”), a wholly-owned subsidiary of Placer Dome Inc., using a total station theodolite, and by Wood & Jepsen Consultants using Differential Global Positioning System (“DGPS”). During a validation process conducted by TVI Pacific Inc. (“TVI”) personnel, a systematic difference between the two surveys was noted: 15.83 m for the Easting (X), 4.078 m for the Northing (Y), and 0.705 m for the Elevation (Z). These values were subtracted from the original Place Dome survey and used in exploration work and in the 2017 internal mineral resource estimate completed by KEPL. The topographic data set extends from Qiriyaga Hill up to some parts of Vuinubu Ridge (Tan and Celis, 2017).

#### **5.4.2 Water Availability**

The Nubu River is a major drainage and is located to the northeast of the Cirianiu Property (SPL 1464) and creeks to the south feed the Nubu River. The Wainikoro River is located near the southern boundary of SPL 1464 and is another major drainage. The water used for drilling is sourced from waterways that are proximal to the drill pads and is available year-round. Consultations are carried out prior to drilling to ensure that water sources are not disturbed by drilling. From a mining perspective, water is also available year-round, although a reservoir and piping system would likely need to be established, depending on the water requirements.

Potable water for Qiriyaga Hill camp is shared with a local farmer, is available year-round, and is derived from natural springs on Vuinubu Ridge. The quality of this water is good and abundant, with no health issues recorded to date (Nesbitt, 2020b). There are additional sources of potable water within 1 to 3 km of this site. Water for the Nadave settlement is located on the southern end of Vuinubu Ridge. It has been identified by KEPL, and great care is taken to avoid any works that may disturb these water sources.

### **5.4.3 Flora and Fauna**

The Project is situated in the northeastern portion of Vanua Levu Island which is covered in most part with dense rainforest vegetation except for the rolling hills which had been and still are being cultivated for sugar cane and other cash crops (Lazo et al., 2015a). Parts of the Project area were logged by a local company. The flora of Fiji comprises hardwood trees, mangroves, bamboo, and palms. The fauna is made up of native mammals like bats and mongoose, and geckos and other small reptiles/amphibians.

## 6.0 HISTORY

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The two main islands of Fiji, Viti Levu and Vanua Levu, have a long history of mineral exploration and metals production. Exploration over and proximal to the Project area, which would have covered some of the current licences (SPL 1464 and SPL 1511), dates back to the 1950s and continued intermittently until 1998 (*e.g.*, Celis and Nesbitt, 2019).

A summary of exploration work completed within the area of the Project since the 1950s and up to 1998 is provided in Table 6-1 and a summary of historical exploration work over the Project area from 1984 to 1998 is provided in Table 6-2. A review of historical drilling is covered in the sections that follow and a summary of historical drilling taken from the KEPL database is provided in Table 6-3. KEPL acquired the Property in 2009 (*see* Section 9.0).

A qualified person has not completed sufficient work to verify the historical data and information being disclosed within Section 6.0.

### 6.1 Exploration: Late 1960s-Early 1970s

Ibbotson (1969), Geological Survey of Fiji, described the Mali East (Coqeloa Prospect) area as underlain by members of the Udu Volcanic Group, predominantly dacite and rhyolite lavas with volcanic breccias (Nasavu Dacites). The rhyolites are described as deeply weathered pink to purple, fine grained homogenous rocks, and are extensively weathered east of Buthaisau River.

Banno Brothers, a Japanese base metals group, located a massive sulphide copper deposit near Nukudamu on the Udu Peninsula, and also drilled several holes at the Wainikoro Prospect in 1967-1968. The Wainikoro Prospect was first discovered in 1957 in the search for Kuroko-style Volcanogenic Massive Sulphide mineralization.

Between 1968 and 1972 Barringer Fiji Ltd conducted an extensive stream sediment sampling program over Vanua Levu and Viti Levu, acquiring over 20,000 stream samples collected at half mile intervals and assayed for Cu, Pb and Zn (Langworthy, 1999). This regional survey data was released to the public in the 1970s which led to exploration for porphyry copper deposits by Melven Copper and United States Steel Exploration Limited (Langworthy, 1999).

Table 6-1. Historical exploration work completed in the Project area (after Taylor, 2012).

PROSPECT (PROPERTY)	COMPANY	PERIOD	EXPLORATION METHOD
Ciriani Property	Placer Pacific	1986-1987	Soil sampling and rock chip samples
Drudrusavu/ Nubutubutu	Melven Copper	1974 -1975	Stream sediment sampling
	Placer Pacific	1984-1985	Analysis of regional stream sediment samples
	Placer Pacific	1985-1986	Stream sediment sampling; rock chip samples
	Placer Pacific	1986-1987	Mapping, sampling, geophysics and drilling
	Placer Pacific	1987-1988	Drilling (FDD4)
Koroiwa	Melven Copper	1979	Mapping, sampling
Mouta	Govind	1957	Prospecting discovery
	Geological Survey	1960	Geophysics and drilling
	Banno Bros	1960s	Sampling and mapping
	Melven Copper	1976 -1982	Sampling and drilling
Nubu/Vuinagata	Melven Copper	1978	Mapping, sampling and drilling
	Placer Pacific	1984-1985	Analysis of regional stream sediment samples
	Placer Pacific	1989-1990	Soil sampling, geochemistry, channel sampling
	Placer Pacific	1990-1991	Mapping, sampling, geophysics and drilling
Nubu Manganese	Melven Copper	1979	Mapping, sampling, geophysics
Nubu Open Copper	Melven Copper	1970s	Mapping, sampling, geophysics
Nubu River	U.S.Steel Melven Copper	1975-1978	Mapping, sampling, geophysics and drilling
Qiriyaga East	Placer Pacific	1991-1992	Geochemistry, geophysics
	Placer Pacific	1992-1993	Geochemistry, drilling (FCD-29)
Qiriyaga Hill	Placer Pacific	1988-1989	Soil sampling (in-fill), trenching
	Placer Pacific	1989-1990	Geochemistry, drilling (FCD series), mapping
	Placer Pacific	1990-1991	Geochemistry, geophysics, drilling, resource estimation
	Camelot Resources	1993-1994	Drilling (FCD30-33), resource estimation, metallurgical testing
	Continental Resource	1995	Structural mapping (details not recorded)
Solove	Melven Copper	1979	Mapping, sampling, geophysics and drilling
Vuinubu Ridge	Placer Pacific	1991-1992	Geochemistry, geophysics
	Placer Pacific	1992-1993	Geochemistry, drilling (FCD38-40)
	Camelot Resources	1993-1994	Drilling (FCD38-40)
Wainikoro	Daloga Mine	1956 - 1960	Mining of manganese and copper.
	Banno Mining Company	1967 - 1969	Drilling.
	Melven Copper	1974	Mapping, sampling and drilling.
	Placer Pacific	1984-1985	Analysis of regional stream sediment samples
	Placer Pacific	1985-1986	Stream sediment and rock chip sampling; detailed mapping
	Placer Pacific	1986-1987	Mapping, sampling, geophysics and drilling.
	Placer Pacific	1987-1988	Trenching, soil sampling, geophysics

Table 6-2. Historical exploration work by prospect, 1984-1998 (Nesbitt, 2014).

PERIOD	PROSPECT	WORK	DESCRIPTION
1984-1985	Regional Evaluation	Project initiation analysis of regional stream sediment samples	19 elements analysed, 22 anomalies identified and followed up, 13 anomalies in five major areas across NE Vanua Levu were recommended for further work. Included Nubutubutu, Wainikoro (old VMS target), Nubu gossan
			Samples originally taken in 1968-1972 by Barringer (Fiji) Ltd that had been dry sieved to -80#
1985-1986	Nubutubutu	Geochemistry	Regional bulk stream sediment sampling, stream sediment samples at -80# and -20#. Also panned concentrates split into +80# and -80# and then each of these into magnetic and non-magnetic fractions. Rock chip sampling. Identified headwaters of Drudrusavu Creek and lower order anomaly in Cirianiu Creek
	Wainikoro	Mapping	Detailed mapping of creeks and main prospect
Geochemistry		Regional stream sediment, bulk sediment and rock chip sampling	
1986-1987	Drudrusavu Creek	Geochemistry	660 soil samples on a 1000m x 1500m grid at 100m x 20m spacing
			Ridge and Spur sampling
		Geophysics	IP, ground magnetics, VLF and Scintillometer surveys
		Diamond drilling	3 holes (FDD 1-3) for 434m. One significant result FDD-3: 4m @ 3.78 g/t Au
	Cirianiu	Geochemistry	3 rock chip samples. No Au values, As only. Soil sampling over 1.5km x 500m area at 100m x 25m grid, large areas >500ppb identified
	Wainikoro	Geochemistry	Soil sampling; 2km x 200m area at 50m x 20m sample interval
		Geophysics	Ground magnetics, IP, VLF and Scintillometer surveys
Diamond Drilling		4 holes (FWD 1-4) for 415 m.	
1987-1988	Cirianiu	Geochemistry	100 rock chip samples, values up to 4.29 g/t Au; Trenching (13 trenches) over soil anomalies returned significant low grade intersections of Au over large widths e.g. 34m @ 1.73 g/t Au, 70 m @ 1.48 g/t Au, 76 m @ 0.52 g/t Au
		Geophysics	Magnetics and IP
		Drilling	6 holes (FCD 1-6) for 440 m. Near surface gold enrichment
	Drudrusavu Creek	Drilling	1 hole (FDD 4) for 104.5. Gold-sulphide alteration at 100 ppb level at 60-68 m.
	Wainikoro North	Geochemistry	Trenching, soil sampling over 800m x 200m area on a 50m x 20m grid. No significant results
Geophysics		Magnetics and IP	
1988-1989	Cirianiu West – Qiriyaga Hill	Geochemistry	Trenching: 350m in 8 trenches at SW corner of soil grid (near FCD-6). Sampled at 2m intervals and returned significant values e.g. 54m @ 2.23 g/t Au; 30m @ 1.73 g/t Au; 12m @ 1.62 g/t Au. Limited soil sampling to infill grid.
1989-1990	Regional Evaluation	Aerial Photography and Mapping; stream sediment sampling	Identified regional distribution of volcanics. New stream sediment sampling around Qiriyaga Hill identified Vuinubu prospect to the SE and Namalau prospect to the north

PERIOD	PROSPECT	WORK	DESCRIPTION
	Nubu Gossan – Vuinagata Prospect	Geochemistry	Limited soil sampling returned values up to 1.8 g/t from main ridge. Reanalysis of selected drill core from Melven Copper confirmed earlier high silver values e.g. 31.5 g/t Au over 1.5 m from 17.5m depth, but no significant Au. Channel sampling.
		Geochemistry	Approximately 490 soil samples; 1000 m of trenching in 15 trenches with 440 m of trenching mineralized at between 0.71-3.78 g/t Au
	Qiriyaga Hill	Drilling	1520 m in 17 holes. FCD7-18, 345 m had grades >0.5 g/t Au including 14 m @ 3.64 g/t Au in FCD-8; 6 m @ 5 g/t Au in FCD-10; 18 m @ 3.48 g/t Au on FCD 12. FCD19-23 was disappointing, although FCD-19 mineralized throughout.
		Mapping	Detailed compilation suggested Cirianiu area is a breccia pipe
		Drilling	17 hole (FCD 7-23) for 1676 m
1990-1991	Nubu Gossan – Vuinagata Prospect	Geophysics	4 IP Lines. Identified resistive zone corresponding to surface geochemical anomalism
		Geochemistry	163 soil samples, 130 rock chip/channel samples. Minor anomalism in Au, As, Mo
		Mapping	Detailed mapping at Nubu Gossan Hill
		Drilling	2 holes (FVD1-2) for 367.10m. Minor chalcopyrite. No significant results
	Qiriyaga Hill	Geochemistry	230m of trenching. Significant values returned e.g. 26 m @ 1.77 g/t Au, 18 m @ 2.3 g/t Au; 4 m @ 1.2 g/t Au
		Geophysics	16 line km, ground magnetics/radiometrics; 10.5 km CSAMT; 6km IP
		Drilling	5 holes (FCD24-28; 3 holes deepened) for 1219.6 m. Some mineralization found at depth e.g. 6m @ 1.99 g/t Au from 90 m, 6 m @ 1.03 g/t Au from 128 m but insignificant results in general.
		Resource Estimation	Indicated Resource of 1.3 Mt @ 1.5 g/t Au using cut-off grade of 0.5 g/t Au
1991-1992	Vuinubu Prospect	Geophysics	6 IP Lines; recognized a resistive zone along ridge coincident with soil anomalism
		Geochemistry	353 auger soil samples; 100 m x 20 m grid. Values up to 2.6 g/t Au, open to the north
	Qiriyaga East	Geochemistry	Reinterpretation of soil geochemistry; highlighted 300 m x 100 m anomaly at 100 ppb level
		Geophysics	Reinterpretation of magnetic data. Similar magnetic response to Qiriyaga Hill
1992-1993	Qiriyaga East	Geochemistry	Limited follow-up soil sampling
		Drilling	FCD-29 to test soil anomaly: 2 m @ 1.835 g/t Au from 14m. 148.5 m depth.
	Vuinubu	Geochemistry	Limited follow up soil sampling: 25 grab samples, 38 channel samples: best result 4 m @ 3.165 g/t Au. Extensive petrographic studies suggested may be peripheral to porphyry copper style mineralization
		Drilling	4 diamond holes (FCD30-33) for 746 m. Results included 58 m @ 1.17 g/t Au from 28 m; 6 m @ 1.34 g/t Au from 46 m; 6 m @ 1.38 g/t Au from 88 m
1993-1994	Qiriyaga Hill	Drilling	4 diamond holes (FCD30-33) for 746 m. Results included 4 m @ 1.19 g/t, 4 m @ 1.15 g/t Au, 14 m @ 2.79 g/t Au in broader zones of 30 m @ 0.5-1.7 g/t Au

PERIOD	PROSPECT	WORK	DESCRIPTION
		Resource Estimation	Upgraded resource estimation of 1.5 Mt @ 1.47 g/t Au for approx. 68,500oz
		Metallurgical testing	Mineralized material is amenable to Heap Leaching
	Vuinubu	Drilling	3 diamond holes (FCD 38-40) for 91.70m. Results included 4 m @ 1.2 g/t Au, 2 m @ 0.9 g/t Au in broader zones of 30 m @ 0.3-0.4 g/t Au (all from surface)
1994-1995	Review of pre-existing data		Review of previous work from 1990-1994. Technical review of resource estimations; prospectivity of licence reviewed
1995-1996	Qiriyaga Hill		Structural mapping identified two shear arrays, only one of which is associated with mineralization, and eleven new targets based extensions of known mineralization and untested geochemical anomalies
1996-1997	Review of pre-existing data		Review concluded known resource at Qiriyaga Hill was uneconomic but considerable potential elsewhere on the property. Recommended a detailed airborne magnetic survey
1997-1998	Regional Evaluation		Detailed Airborne Radiometric and Magnetic Survey. Interpretation generated significant number of new target areas and indicated much of area is covered by soils that may not be amenable to standard soil sampling.

The Principal Author and the Issuer are treating the tonnages and grades referred to in Table 6-2 as historical mineral resource estimates. These historical estimates do not use categories that conform to current CIM Definition Standards on Mineral Resources and Mineral Reserves as outlined in NI 43-101, Standards of Disclosure for Mineral Projects and have not been redefined to conform to current CIM Definition Standards (CIM, 2014; CIM 2019).

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

Table 6-3. Summary of historical drilling within the Project area, 1986 to 1993.

Year	Company	Drill Hole	Property	Prospect	Length (m)	Az (mag)	Dip
1993	Placer Pacific	FCD34	Cirianiu	Qiriyaga Hill	30.30	0	-90
1993	Placer Pacific	FCD35	Cirianiu	Qiriyaga Hill	30.20	0	-90
1993	Placer Pacific	FCD36	Cirianiu	Qiriyaga Hill	30.50	0	-90
1993	Placer Pacific	FCD37	Cirianiu	Qiriyaga Hill	30.10	0	-90
1993	Placer Pacific	FCD38	Cirianiu	Vuinubu Ridge	30.00	0	-90
1993	Placer Pacific	FCD39	Cirianiu	Vuinubu Ridge	30.50	0	-90
1993	Placer Pacific	FCD40	Cirianiu	Vuinubu Ridge	31.20	0	-90
1992	Placer Pacific	FCD29	Cirianiu	Qiriyaga East	148.50	290	-60
1992	Placer Pacific	FCD30	Cirianiu	Vuinubu Ridge	213.25	290	-60
1992	Placer Pacific	FCD31	Cirianiu	Vuinubu Ridge	194.70	10	-51
1992	Placer Pacific	FCD32	Cirianiu	Vuinubu Ridge	49.10	322	-50
1992	Placer Pacific	FCD33	Cirianiu	Vuinubu Ridge	140.90	322	-60
1990	Placer Pacific	FCD19	Cirianiu	Qiriyaga Hill	162.20	230	-50
1990	Placer Pacific	FCD20	Cirianiu	Qiriyaga Hill	169.70	50	-50

Year	Company	Drill Hole	Property	Prospect	Length (m)	Az (mag)	Dip
1990	Placer Pacific	FCD21	Cirianiu	Qiriyaga Hill	170.70	50	-50
1990	Placer Pacific	FCD22	Cirianiu	Qiriyaga Hill	87.00	50	-60
1990	Placer Pacific	FCD23	Cirianiu	Qiriyaga Hill	46.80	0	-90
1990	Placer Pacific	FCD24	Cirianiu	Qiriyaga Hill	240.70	5	-70
1990	Placer Pacific	FCD25	Cirianiu	Qiriyaga Hill	181.40	20	-60
1990	Placer Pacific	FCD26	Cirianiu	Qiriyaga Hill	213.00	20	-70
1990	Placer Pacific	FCD27	Cirianiu	Qiriyaga Hill	127.30	360	-50
1990	Placer Pacific	FCD28	Cirianiu	Qiriyaga Hill	180.50	20	-75
1989	Placer Pacific	FCD07	Cirianiu	Qiriyaga Hill	55.50	0	-90
1989	Placer Pacific	FCD08	Cirianiu	Qiriyaga Hill	213.50	0	-90
1989	Placer Pacific	FCD09	Cirianiu	Qiriyaga Hill	92.00	0	-90
1989	Placer Pacific	FCD10	Cirianiu	Qiriyaga Hill	99.00	0	-90
1989	Placer Pacific	FCD11	Cirianiu	Qiriyaga Hill	60.50	0	-90
1989	Placer Pacific	FCD11A	Cirianiu	Qiriyaga Hill	8.70	0	-90
1989	Placer Pacific	FCD12	Cirianiu	Qiriyaga Hill	146.00	0	-90
1989	Placer Pacific	FCD13	Cirianiu	Qiriyaga Hill	84.30	0	-90
1989	Placer Pacific	FCD14	Cirianiu	Qiriyaga Hill	67.70	0	-90
1989	Placer Pacific	FCD15	Cirianiu	Qiriyaga Hill	178.50	0	-90
1989	Placer Pacific	FCD16	Cirianiu	Qiriyaga Hill	68.00	0	-90
1989	Placer Pacific	FCD17	Cirianiu	Qiriyaga Hill	36.00	0	-90
1989	Placer Pacific	FCD18	Cirianiu	Qiriyaga Hill	105.50	0	-90
1987	Placer Pacific	FCD01	Cirianiu	Namalau	123.50	83	-50
1987	Placer Pacific	FCD02	Cirianiu	Namalau	101.00	290	-60
1987	Placer Pacific	FCD03	Cirianiu	Qiriyaga East	13.65	140	-75
1987	Placer Pacific	FCD04	Cirianiu	Qiriyaga East	50.00	235	-40
1987	Placer Pacific	FCD05	Cirianiu	Qiriyaga East	51.00	100	-45
1987	Placer Pacific	FCD06	Cirianiu	Qiriyaga North	101.00	255	-45
1986	Placer Pacific	FDD01	Cirianiu	Drudrusavu Creek	150.40	300	-45
1986	Placer Pacific	FDD02	Cirianiu	Drudrusavu Creek	133.40	300	-45
1986	Placer Pacific	FDD03	Cirianiu	Drudrusavu Creek	150.00	120	-45
1986	Placer Pacific	FDD04	Cirianiu	Drudrusavu Creek	104.50	245	-60

## 6.2 Exploration: 1974-1982

Between 1974 and 1982, Melven Copper Ltd. and Jennings Mining (Fiji) Limited explored the region, mainly for polymetallic base metal deposits. Jennings Mining mapped the Wainikoro Prospect area at a scale of 1:25000 and outlined at zone of moderate to strong propylitization within which zones of pervasive silicification were identified. In 1976, six widely spaced diamond drill holes were completed, four of which were situated in the Wainikoro Prospect; the results were considered disappointing (Langworthy, 1999).

During 1978-1979, the Aquitane/BHP joint venture carried out further work in Coqeloa area. Grid based soil auger sampling and rock chip sampling were carried out in the anomalous areas defined by Jennings Mining. Soil auger sampling results indicated slightly anomalous gold concentrations. Rock chip sampling of the silicified ridge and adjacent float also returned anomalous gold concentrations (Langworthy, 1999).

### **6.3 Exploration: 1984 to 1993**

Placer commenced exploration in the area in 1984, in a search for porphyry-hosted Cu-Au deposits (Taylor, 2010; Langworthy, 1999). Working the region from 1984 to 1993, Placer identified six epithermal precious metals targets. During 1985-1986, Placer carried out mapping, rock chip sampling, and trenching, and assayed some 8,000 Barringer sample residues for a wider range of elements including gold. By the end of 1985, the first phase of follow-up, including systematic soil auger sampling, had been completed on approximately 29 anomalies generated by the Barringer soil sample re-assay program. The area covered by Placer's evaluation was considerably larger than the current Project area, which is totally covered by the previously evaluated area. This work led to the discovery of the Qiriyaga Hill, Cirianiu Hill, Qiriyaga East, Vuinubu Ridge, Drudrusavu, and Namalau prospects.

Covered by historical licence SPL 1214, Placer's work focused on Qiriyaga Hill, Qiriyaga East (5 km northeast of Qiriyaga Hill) and Vuinubu Ridge where they completed 43 diamond drill holes totalling 5,662 m (Taylor, 2010). No Quality Assurance/Quality Control ("QA/QC") reporting is available for the historical sampling and core drilling completed by Placer (1986-1993).

Placer interpreted the Qiriyaga Hill area as a sequence of flat lying volcanoclastics, sediments and limestone and recognized an intrusive body at depth in drilling. They considered no real structural controls on the emplacement of the sequence except at nearby Vuinubu Ridge where they recognized a northeast trending fault control. The majority of Placer drill holes were oriented vertical, in order to test for flat-lying, replacement style gold mineralization with some holes oriented northeast to test an interpreted northwest trending soil geochemical anomaly (Taylor, 2010).

Within the Coqeloa Property area, during most of 1987, Esmeralda Exploration (Fiji) Pty Ltd explored the area, targeting base-metal sulphide related mineralization rather than epithermal gold. Three anomalous areas were scrutinized for their potential; one sample assayed 2.2 g/t Au, 58 g/t Ag and 35% barium. Overall geological assessment proved to be difficult due to lack of outcrop.

### **6.4 Exploration: 1991-1999**

From 1991 to 1999, Camelot Resources NL, as Project Manager in a joint-venture with Placer, completed an interpretive study, heliborne magnetic-radiometric geophysical survey, prospecting, geological mapping, ground geophysics (IP, CSAMT, radiometrics), and diamond drilling (Fleming and Taylor, 1994; Langworthy, 1999; Taylor, 2010).

A heliborne magnetic-radiometric survey was completed in September 1997 by Geo Instruments over approximately 100 square kilometres (approximately 1,550 line kilometres), covering what was at that time licence SPL 1214. This survey was undertaken in conjunction with the National Airborne Geophysical Survey of Fiji being conducted by the Australian Agency for International Development (Langworthy, 1999).

Southern Geoscience Consultants of Perth, Australia were contracted to complete imaging and interpretation of both the magnetic and radiometric data. The interpretation from this survey led to a number of conclusions:

- Arcuate structures associated with magnetic lows are interpreted to represent caldera margins that range in diameter from two to 10 kilometres;
- Magnetic high anomalies were interpreted to be outcropping and/or buried intrusive bodies;
- Mineralized areas characterized by zones of potassic alteration (radiometric highs) and in some cases associated with arcuate caldera structures;
- The recognition that many of the principal prospects (*i.e.*, Qiriyaga Hill, East Qiriyaga, Vuinubu Ridge, and Namalau) have a close association to major faults, arcuate structures, magnetic lows, and strong potassic alteration (radiometric highs) but that some prospects are associated with magnetic highs (e.g., Wainikoro and Nubutubutu); and,
- A large-scale east-northeast trending graben-like structure that is central to the Project and appears to have some influence on gold mineralization.

Work in 1995 comprised literature reviews, digitizing of previous exploration data, re-logging of old drill core and the interpretation of SPOT (Satellite Pour l'Observation de la Terre) satellite imagery. A program of selective mapping and selective rock chip sampling was conducted over the silicified and hematitic ridges in the Coqeloa area in May-June 1995. A student from the Centre for Ore Deposit and Exploration Studies ("CODES") at the University of Tasmania completed an honours thesis studying the type of volcanic terrain that occurs at Coqeloa, the controlling factors specific to the location of alteration and mineralization, and to derive conceptual models for possible mineralization styles applicable at Coqeloa. Petrological, geochemical, XRD, sulfur isotope, Pb-isotope and fluid inclusion studies were conducted as a component of this thesis.

During late 1992-1993, CRA Exploration Pty Ltd completed a first pass regional stream geochemistry at a sampling density of one per three square kilometres. Second and third pass follow-up was conducted over several prospects with two areas delineated as being prospective. The presence of the "Labasa Caldera" in SPL 1511, an arcuate feature reflected as a magnetic low (aeromagnetic survey), was the original encouragement for exploration in this area.

## 6.5 Exploration: 1999

In 1999, PacMin Mining Corporation Ltd. (previously Camelot Resources NL) took control of 100% of SPL 1214 from Placer Pacific. Exploration to 1999 by the Camelot Resources-Placer Pacific joint-venture had included 5,662.1 m of diamond drilling of which 3,262.6 m was at Qiriyaga Hill (formerly Cirianiu West) and the balance at Qiriyaga East, Vuinubu Ridge, Vuinagata (Nubu Hill Gossan), and Drudrusavu prospects (Langworthy, 1999).

## 6.6 Historical Mineral Resource Estimates

Various exploration companies have completed historical mineral resource estimations on the Qiriyaga Hill gold deposit since 1991 (Table 6-4). Additional drilling and trenching by KEPL Exploration Ltd has increased potential mineral resources to nearly twice their original size. The Issuer is treating all mineral resource estimates completed on the Project as historical.

Table 6-4. Historical mineral resources, Qiriyaga Hill gold deposit (after Tan and Celis, 2017).

Deposit	Company/Year	Tonnes	Avg. Grade Au (g/t)	Contained Au (oz)	Au Cut-off Grade (g/t)
Qiriyaga Main	KEPL / 2017	4,271,145	0.84	114,968	0.2
Qiriyaga Main	TVI / 2015	2,396,909	1.48	113,828	0.2
Qiriyaga Main	TVI / 2015	3,214,000	1.02	105,000	0.2
Qiriyaga Main	KEPL / 2012	2,704,728	1.17	101,457	0.2
Qiriyaga Main	Camelot / 1993	1,491,319	1.47	68,500	0.5
Qiriyaga Main	Placer / 1991	1,301,554	1.53	64,000	0.5

The Principal Author and the Issuer are treating the tonnages and grades reported in Table 6-4 as historical mineral resource estimates. These historical estimates do not use categories set out in sections 1.2 and 1.3 of NI 43-101, Standards of Disclosure for Mineral Projects and do not conform to the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum’s CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000, and amended in 2014.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

### 6.6.1 Placer Pacific Ltd: 1991

At the end of 1991, the Placer Pacific Ltd.-Camelot Resources NL. joint venture completed 43 diamond drill holes at four prospects for a total of 5,449.05 metres. Placer outlined a mineral resource at Qiriyaga Hill of 1.3Mt averaging about 1.53 g/t Au and at a cut off of 0.50 g/t Au. This resource estimation was done through manual method and the criteria used are summarized by Lazo et al. (2015a) and Tan and Celis (2017).

The Principal Author and the Issuer are treating these tonnages and grades as historical mineral resource estimates. These historical estimates do not use categories set out in sections 1.2 and 1.3 of NI 43-101, Standards of Disclosure for Mineral Projects and do not conform to the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum’s CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000, and amended in 2014.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are

not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

#### **6.6.1.1 Mineralized Intersections**

A lower cut-off grade of 0.50 g/t Au was used to define mineralized intersections and no top cut value was used. A mineralized intersection was defined as a distinct interval, bounded above and below by grades of less than 0.50 g/t Au, which has no more than two adjacent internal two metre intervals of less than 0.50 g/t Au. The intersection must also have an average grade of 0.50 g/t Au or greater. Separate mineralized intersections are defined where more than two adjacent assays of less than 0.50 g/t Au occur together within a zone of higher grade.

#### **6.6.1.2 Block Selection**

The extent of each block was judged by the level of the continuity of the mineralized intersections between the drill holes and/or from the surface. In many cases this judgment was intuitive due to the wide spacing of the drill holes but confidence is held in the model of the mineralized zones being reasonably correct. Where good continuity between the holes appeared to be the case, the blocks were taken to the half-way point. The grade of the drill hole intersection was assigned to the whole block.

#### **6.6.1.3 Surface Blocks**

Depth extensions of gold mineralized zones outlined at the surface by trench assays were also interpreted. A grade was assigned to the section where it cut the surface zone. This grade was calculated by averaging trench assays from within a reasonable distance along strike and generally within a half section width either side of the section line. As the trenches occurred at various angles and orientations to the sections, this method is open to some error but is the best approximation given the data available.

Where a drill hole intersection occurs at or near the surface and is correlated with a surface zone then the drill hole grade was used in preference to the surface value as the former is considered to be more reliable. Where zones at depth in a drill hole were correlated with surface zones, the block boundaries were taken at the halfway point between the drill hole and the surface.

#### **6.6.1.4 Dilution**

The effect of dilution was accounted for in the treatment of assays which are below cut-off grade within mineralized zones and by using a lower SG to account for dilution from waste material.

#### **6.6.1.5 Specific Gravity (Tonnage Factor)**

Specific gravity (“SG”) measurements were taken on 87 samples which were considered to be reasonably representative of the lithologies, alteration and mineralization types present. Barren host rock was found to have an average SG of 1.95 in fresh rock and 1.7 in oxidized rock. Mineralized sections had an average SG of 2.0 in fresh (altered) rock and an SG of 1.80 in oxidized (altered) rock.

Mineralized rocks are generally denser than the non-mineralized equivalent, possibly due to a greater degree of pervasive silicification or sealing. The oxidized rocks are less dense than the non-oxidized equivalent.

For the resource calculation, an SG factor of 1.95 was used for fresh mineralized rock to account for probable waste dilution effects. A value of 1.80 was used for the oxidized mineralized rock.

To determine the SG, samples were weighed in air and water to the nearest 0.1 gram using an electronic balance. No sealing material (*e.g.*, wax or plastic film) was used and therefore some variation can be expected due to the differential absorption of water between some samples. Measurements were taken as quickly as possible to prevent the excessive absorption of water and to preserve the samples.

### **6.6.2 Camelot Resources NL: 1994**

Using four additional diamond drill holes completed to 1993, mineral resources at Qiriyaga Hill were re-estimated by Camelot Resources. Estimations were done manually on the same basis as the original 1991 Placer resource calculation, with the estimation relying on subjective judgments for parameters such as continuity of mineralization.

The results of the overall resource estimate (at 0.5 g/t Au cut off) were 1.49 Mt at an average grade of 1.47 g/t Au (to 180 m below surface), totalling 68,500 oz of gold, including 469,822 tonnes averaging 1.41 g/t Au (to 30 m below surface), totalling 20,701 oz of gold (Fleming and Taylor, 1994; Tan and Celis, 2017; Taylor, 2010).

The Principal Author and the Issuer are treating these tonnages and grades as historical mineral resource estimates. These historical estimates do not use categories set out in sections 1.2 and 1.3 of NI 43-101, Standards of Disclosure for Mineral Projects and do not conform to the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum's CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000, and amended in 2014.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

### **6.6.3 Kalo Exploration Ltd: 2012**

In 2012, KEPL contracted Dennis Johnson, of Szach Cost Management Inc. ("Szach"), to assist in a review of the Cirianiu Property, and provide the company with a three-dimensional conceptual model of the mineralization and geological structures that had been previously identified by drilling (Lazo et al., 2015a).

Inferred mineral resource estimates, using Surpac software, were completed for Qiriyaga Hill (Main and North) and Vuinubu Ridge (Table 6-5).

Table 6-5. Historical inferred mineral resources, KEPL 2012, using 0.2 g/t Au cut-off (Tan and Celis, 2017).

Resource Area	Volume (m3)	Tonnes	Avg Grade (g/t Au)	Contained Au (oz)
Qiriyaga Main	1,454,448	2,704,728	1.17	101,457
Qiriyaga North	171,875	319,688	0.88	9,014
Vuinubu	1,152,500	2,143,653	0.51	35,338
<b>Totals:</b>	<b>2,778,823</b>	<b>5,168,069</b>	<b>0.88</b>	<b>145,809</b>

The Principal Author and the Issuer are treating these tonnages and grades as historical mineral resource estimates. These historical estimates do not use categories set out in sections 1.2 and 1.3 of NI 43-101, Standards of Disclosure for Mineral Projects and do not conform to the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum’s CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000, and amended in 2014.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

#### 6.6.3.1 Methodology

Szach created two separate three-dimensional block models using Surpac software; one for the Qiriyaga Hill zone and one for the Vuinubu Ridge zone. The areas were split into two block models to maintain a workable size to each. The Qiriyaga block model contained nearly 30,000 blocks to capture all of the identified mineralization within the Qiriyaga coordinates. In both cases, the same attributes were used and a block size of 5 m x 5 m x 5 m was selected. This block size was thought to be suitable given the average widths of principal mineralized solids, and potential future minimum mining widths (Lazo et al., 2015a).

The resource grade block models were estimated by inverse distance squared, using a combination of lithological and structural controls together with composited assay grades outlined by geological interpretation. Although some graphing of distance versus gold grades were performed in an attempt to determine the zone of influence about each structure, no strong correlation between gold grades and their proximity to the control structural surfaces could be identified with the current data set.

Four geologic rock types were modelled to provide the geologic characteristics of the deposits, and were selected based on their influence on the mineralization. Contact relationships were examined and directed the treatment of contacts as ‘hard’ by rock type outside and between the mineralized structural solids (although hard against dacite). Consequently, a 100 m (along structure) x 100 m (down structure) x 15 m (right angle to structure) variable oriented (*i.e.*, best-fit plane of control surfaces) search ellipsoid was oriented within the structural solid wireframes.

Sample data were composited over down-hole lengths of 2 m and back-tagged for rock type from the geologic model. For all of the mineralized structures, a minimum of three composites were used

to estimate block grades with a maximum of fifteen and no more than six composites per drill hole or trench (*i.e.*, which act as a horizontal drill hole in the modelling process) (Lazo et al., 2015a).

#### **6.6.4 TVI Pacific Inc – Kalo Exploration Ltd: 2015**

In 2015, TVI conducted an extensive due diligence review of the Cirianiu Property, focusing on the Qiriyaga Hill Prospect, but with some work at Vuinubu Ridge (Lazo et al., 2015a). As part of this review TVI calculated mineral resource estimates for Qiriyaga Hill Main zone and Vuinubu Ridge zone. The description of resource estimation methodology that follows is from Lazo et al. (2015a).

##### **6.6.4.1 Data Validation**

Data supplied to TVX by KEPL consisted of collar locations, down hole surveys, assays and a range of geologic data. TVI performed basic data validations and then imported the data into Micromine.

##### **6.6.4.2 Dimensions**

The mineralized envelop at the main Qiriyaga Hill was determined to have an area of 160 m x 150 m containing hydrothermal breccias bodies with shorter strike lengths, ranging from 50 to 90 metres.

##### **6.6.4.3 Geologic Data**

The primary geologic data that were used for estimating mineral resources were a series of two dimensional cross-sections and level plans that were constructed by TVI personnel based on the re-logging program. Level plans and cross sections were assembled with both logged lithology and assay results. The section interpretation was initially completed on a 118Az and using a spacing of 20 metres. All assay results were validated and verified against all original data files before being used for the modelling process.

Figures 6-1 and 6-2 show an example of a geology and assay cross section and a level plan interpretations, respectively, used as a guide for digitizing each section to form 3D wireframe solids using Micromine.

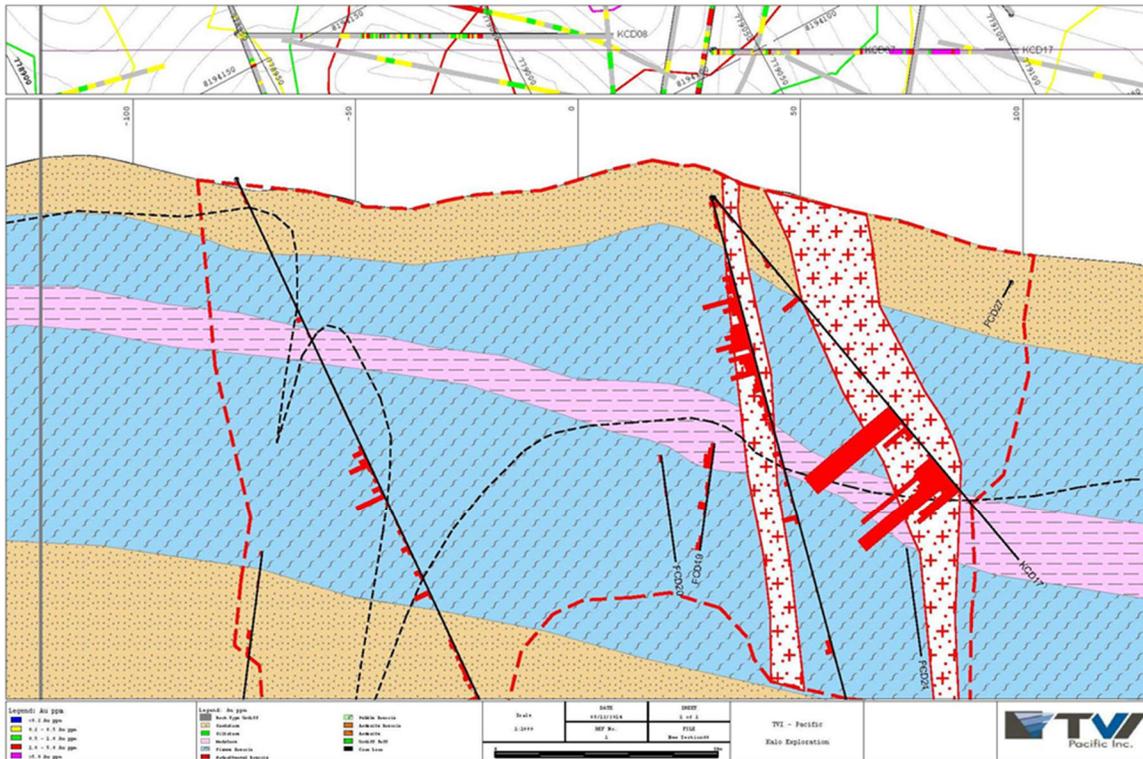


Figure 6-1. Example of an interpreted section (Section 00) – Geology and Assay Interpretation (Lazo et al., 2015a).

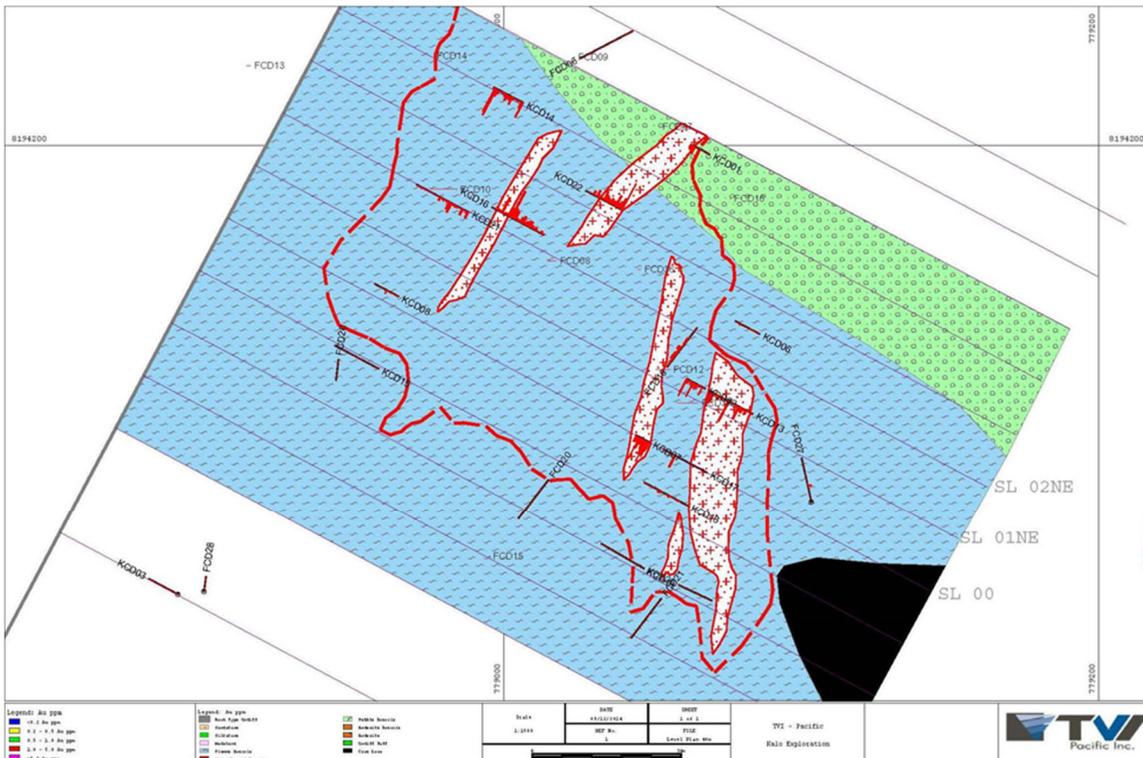


Figure 6-2. Example of level plan (40m RL) – Geology and Assay Interpretation (Lazo et al., 2015a).

Five different geology solids were modelled for main Qiriyaga Hill: limestone, andesite, hydrothermal breccia, Upper Qiriyaga Sequence (UQS) and Lower Qiriyaga Sequence (LQS). The mineralization zones and mineralized envelope for the area was also modelled.

Three different geology solids were modelled for the Vuinubu Ridge area: andesite, Upper Qiriyaga Sequence and Lower Qiriyaga Sequence. The mineralized zones and mineralized envelopes were also modelled for this area.

Various validations were performed in the 3D wireframes in Micromine. The wireframes were compared with the re-logged lithology and assay results and any minor differences were manually re-digitized. The wireframes were ultimately found to be mathematically correct with no opening or intersecting triangles.

#### **6.6.4.4 Topography**

TVI used the topographic surface created by Whippy in 2010-2012. The XYZ coordinates were extracted from the data and these were adjusted based on the systematic shift found between Whippy and Jepsen surveys. The topography extends from Qiriyaga Hill to Vuinubu Ridge.

#### **6.6.4.5 Compositing**

All drill hole assays were treated as string data and composited into one metre long fixed intervals. About 54% of the original assay intervals were in the range of one metre, while 44% were in the range of two metres in length. Only 2% of the original samples were not in the one to two metre range. Using a one metre composite ensured that most of the intervals remained unaltered. The raw assays were merged and the coordinates for the start of each one metre long composite were calculated and later imported for deployment in the creation of the block model.

#### **6.6.4.6 Block Modelling**

TVI created two separate 3D block models using Gems, Micromine and Surpac softwares; one for the Qiriyaga Hill Main zone (“QH”) and one for the Vuinubu Ridge zone (“VR”). The areas were split into two block models to maintain a workable size to each. The modelled QH mineralized envelope and VR mineralized envelope were used as a wireframe constraint for the creation of the block model. The QH block model contains nearly 75,958 blocks to capture all the identified mineralization with the Qiriyaga area. In both areas, the same attributes were used, and a block size of 4 m x 4 m x 2 m was selected.

#### **6.6.4.7 Grade Estimation/Interpolation**

Grade interpolation was created using Gems software. The estimation area was constrained by the modelled Mineralized Envelope. The resource grade block models were estimated by inverse distance weighting (“IDW”), using lithological controls together with composited assay grades outlined by geological interpretation. Although some graphing of distance versus gold grades were performed in an attempt to determine the zone of influence about each structure, no strong correlation between gold grades and their proximity to the control structural surfaces could be identified with the current data set. As more information is gathered, increasing correlation will occur.

A 25 m x 25 m x 5 m search ellipsoid oriented north-northeast, parallel to the high grade “HBX” was used, with a steep dip. No plunge was used with the search ellipsoid. Sample data were then composited over down-hole lengths of 1 m and back-tagged for rock type from the geologic model. For all of the mineralized structures, a minimum of three composites were used to estimate block grades with a maximum of 32 per drill hole.

**6.6.4.8 Cut-Off Grade**

Using statistical analysis, a grade value of 0.2 g/t Au was determined to be a natural cut-off grade with two distinct populations above and below 0.2 g/t Au.

**6.6.4.9 Grade Capping**

Top cut was selected at the 97.5 percentile via histogram logs and cumulative frequency curves. A top cut of 12 g/t Au was used, considering all the data as one population.

**6.6.4.10 Block Model Validation**

Block models were validated visually and by statistical comparison through grade-tonnage analysis. Initial comparisons occurred visually on screen, using extracted composite samples and block models (Figures 6-3 and 6-4).

The relationship between block grades and drill hole grades were inspected. Although interpolation smooths the distribution of grades with the model blocks, known trends were still present (i.e., high-grade gold drill core intervals were near the high-grade blocks).

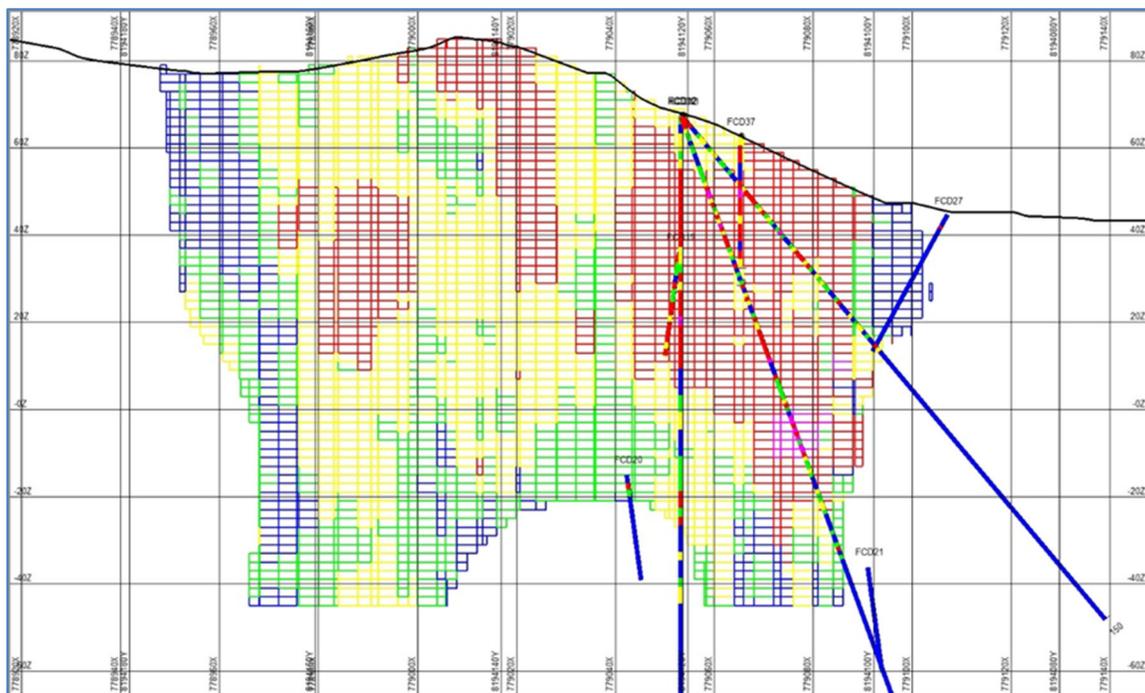


Figure 6-3. Relationship between block grades and drill holes grades (Looking NE – 01NE) [Blue (<0.2g/t Au), Yellow (0.2-0.5g/t Au), Green (0.5-1.0g/t Au), Red (1.0-5.0g/t Au), Purple (>5.0g/t Au)].



**6.6.4.12 Resource Estimate and Classification**

Due to non-systematic drill spacing and limited drilling in the Qiriyaga Hill and Vuinubu Ridge areas, the mineralized solids delineated were classified as Inferred Resources. Additional drilling is required to increase confidence in resource results, and upgrade the resource classification to a higher confidence category such as Indicated.

The delineated mineralization for the QH and VR areas are classified as mineral resources according to the definitions from CIM (2010). The Inferred Resources calculated using three softwares are given in Table 6-6.

The main software used in the final mineral resource estimate was Gems. Other softwares like Micromine and Surpac, were used to check the resource estimate created by Gems. Difference in the resource estimate between the three softwares were due to the algorithm of each software’s search ellipsoid. The Inferred Resource calculated in Gems was used as the main resource estimate value. The simulation, resource extensions and incremental analysis were conducted using Micromine and the Gems calculations were used in all succeeding financial modelling and trial mining models.

Table 6-6. Qiriyaga Hill Main Zone mineral resource estimates at 0.2 g/t Au cut-off (Lazo et al., 2015a).

Software	Volume	Tonnes	Avg Grade (g/t Au)	Contained Au (oz)
GEMS	1,346,389	2,396,909	1.48	113,828
Surpac	1,363,036	2,431,164	1.16	90,655
Micromine	1,604,296	2,876,349	1.11	102,457
<b>Top cut 12 g/t applied</b>				
Software	Volume	Tonnes	Avg Grade (g/t Au)	Contained Au (oz)
GEMS	1,338,282	2,382,641	0.88	67,232
Micromine	1,590,056	2,850,512	0.85	77,651

The mineral resource estimates presented by TVI used definitions and categories that conformed to CIM Definition Standards on Mineral Resources and Mineral Reserves (CIM, 2010), used at the time of the historical resource calculation.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are treating the tonnages and grades reported in Table 6-6 as historical mineral resource estimates. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

**6.6.5 Kalo Exploration Ltd: 2015 Updated**

In 2015, an updated mineral resource estimate was completed using the two new holes (TDD001 and TDD002) completed by TVI in 2015 (Nesbitt et al., 2016).

A validated database was used to develop and interpret sample assays and geological sections and level plans. These interpreted sections and level plans were digitized and wire framed, and were

used in the 3D modelling process. Conceptual block model of the interpreted mineralized areas was created and analyzed using Micromine software.

Sample data were composited over down-hole lengths of 1 m and back-tagged for rock and weathering type from the geologic model. The dataset was divided into three domains: high grade hydrothermal breccia (HBX), Oxide Zone and the Primary Zone. A top cut of 5 g/t Au were used for the Oxide Zone and 37 g/t Au for the HBX. No top cut was applied for the primary mineralized zone.

The Qiriyaga Hill Main block model contained nearly 74,337 blocks to capture all the identified mineralization with the Qiriyaga area. A block size of 4 m x 4 m x 2 m, with a sub-block size of 2 m x 2 m x 1 m were used. The resource grade block models were estimated by anisotropic inverse distance weighting, using lithological controls together with composited assay grades outlined by geological interpretation. A 25 m x 2 5m x 5 m search ellipsoid oriented north-northeast, parallel to the high grade “HBX”, was used, with a steep dip. No plunge was used with the search ellipsoid. For all of the mineralized structures, a minimum of two composites were used to estimate block grades with a maximum of 32 per drill hole.

The preliminary Inferred Mineral Resource of Qiriyaga Hill, based on the updated and validated data, is presented in Table 6-7. A cut-off grade of 0.2 g/t Au was used for the resource estimation.

Table 6-7. Summary of TVI Pacific updated historical mineral resources using 0.2 g/t Au cut-off, Qiriyaga Hill (Nesbitt et al., 2016).

Grade Range (g/t Au)		Volume (m3)	Tonnes	SG	Avg Grade (g/t Au)	Contained Au (oz)
From (m)	To (m)					
0.2	0.5	677,328	1,337,294	1.97	0.33	14,000
0.5	1	567,734	1,090,036	1.92	0.70	25,000
1	5	362,641	698,858	1.93	2.00	45,000
5	9999	44,984	87,024	1.93	7.50	21,000
<b>Totals:</b>		<b>1,653,000</b>	<b>3,214,000</b>	<b>1.94</b>	<b>1.02</b>	<b>105,000</b>

The historical mineral resource estimate reported by Nesbitt et al. (2016) uses categories that conform to CIM Definition Standards on Mineral Resources and Mineral Reserves (CIM, 2010), used at the time of the resource calculation.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are treating the tonnages and grades reported in Table 6-7 as historical mineral resource estimates. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

### 6.6.6 Kalo Exploration Limited: 2017

In early 2017, consultants Roberto Tan and Roman Celis Jr., were commissioned by KEPL to complete a mineral resource estimation, for internal purposes, on the Qiriyaga Hill Deposit (Tan and Celis, 2017). The two consultants were also part of the team that validated the previous historical mineral resources in 2015 (*i.e.*, Nesbitt et al., 2016).

### 6.6.6.1 Data Validation

Drill hole data consisting of collar locations, down hole surveys, and other geologic data and information were validated against the hand-written logs. Assay results were compared to the certificates provided by the assay laboratories. The drill hole database was considered to be robust.

### 6.6.6.2 Data Preparation

Drill hole elevation survey locations did not exactly coincide with the topographic surface, with a difference of a few metres being common. For modelling purposes, the drill hole collars were draped onto the topographic surface and the resulting elevation was applied to the drill hole database. The drill hole database was imported into Micromine software.

### 6.6.6.3 Topography

The topographic surface (XYZ coordinates) was extracted from the topographic surface survey data (2010-2012 PDC Whippy survey and 2014 Jepsen survey) and adjusted based on the systematic shift found between the PDC Whippy and Jepsen surveys. The topography extends from Qiriyaga Hill to Vuinubu Ridge.

### 6.6.6.4 Dimensions

The block model and geological model extents were determined at Qiriyaga Hill (Figure 6-5) and Vuinubu Ridge (Figure 6-6).

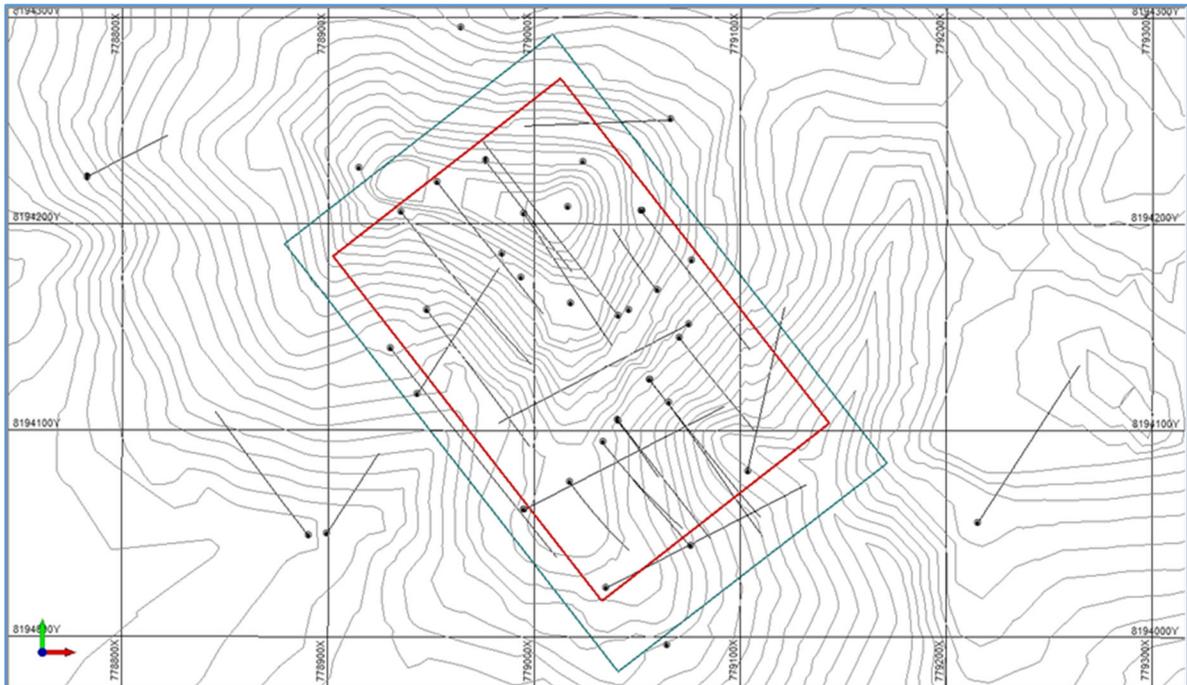


Figure 6-5. Drill hole locations and extent of block model (red outline) and geological model (blue outline) at Qiriyaga Hill (Tan and Celis, 2017).

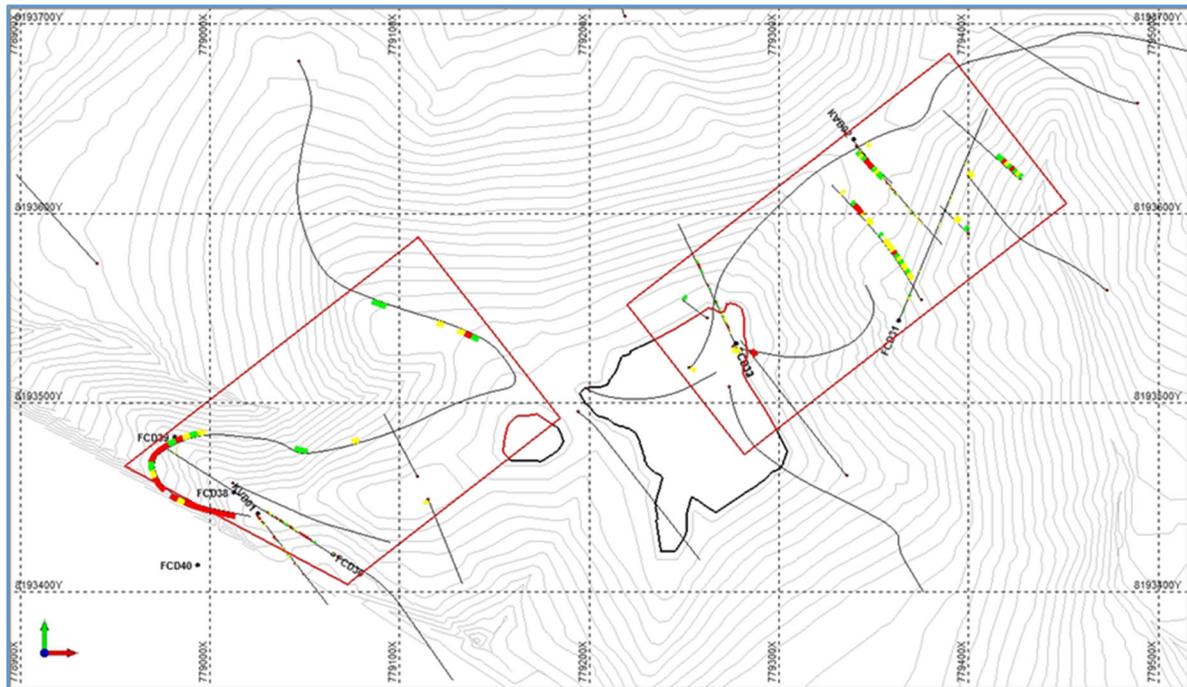


Figure 6-6. Drill hole locations and extent of block models (red outlines) at Vuinubu Ridge (Tan and Celis, 2017).

#### 6.6.6.5 *Geologic Data*

The primary geologic data used for estimating mineral resources were a series of two dimensional cross-sections and level plans previously constructed by TVI and based on their drill core re-logging program. Level plans and cross sections were assembled with both logged lithology and assay results. The section interpretation was initially completed on a 142Az and used a spacing of 20 metres. All assay results were validated and verified against all original data before being used for the modelling process using Micromine software. Figures 6-7 and 6-8 show an example of an interpreted geology and assay cross section and an interpreted level plan that were used as a guide for digitizing each section to form 3D wireframe solids using Micromine software.

Five different geology solids were modelled for Qiriyaga Hill Main: (1) limestone, (2) andesite, (3) hydrothermal breccia, (4) Upper Qiriyaga Sequence (UQS), and (5) Lower Qiriyaga Sequence (LQS).

Various validations were performed in the 3D wireframes in Micromine. The wireframes were ultimately found to be mathematically correct with no opening or intersecting triangles. The wireframes were compared with the re-logged lithology and assay results and any minor differences were manually re-digitized.

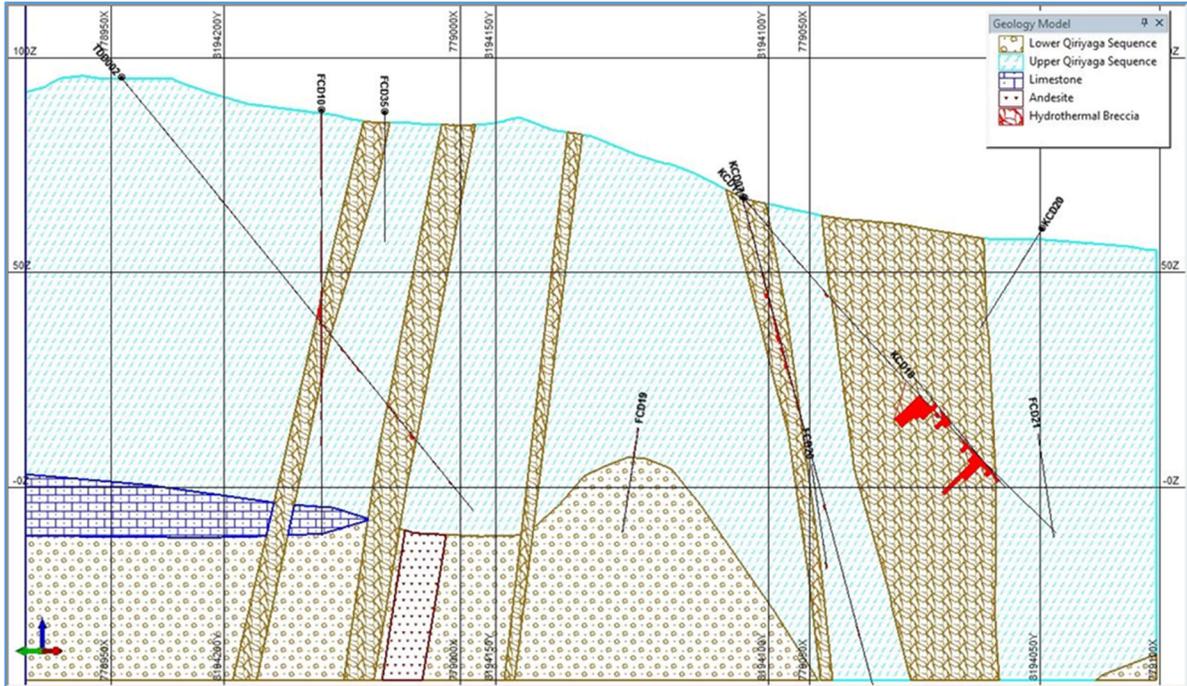


Figure 6-7. Example of an interpreted cross section (Section 00) – Geology and Assay Interpretation (Tan and Celis, 2017).

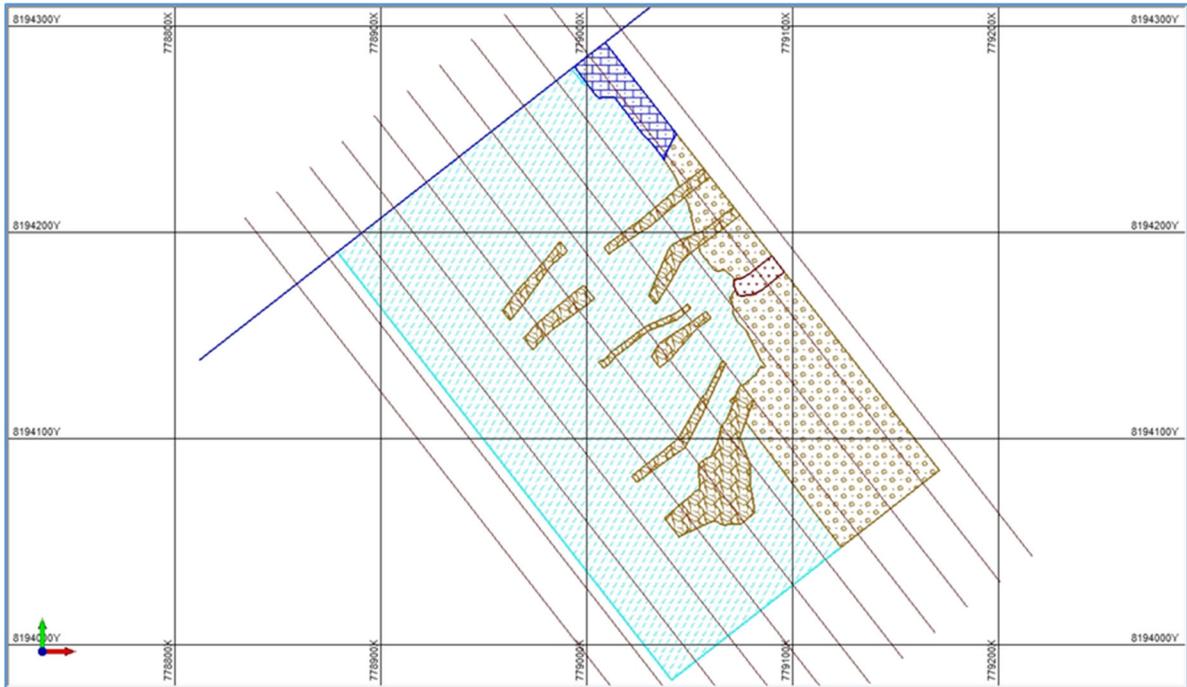


Figure 6-8. Example of an interpreted level plan (40m RL) – Geological Interpretation (Tan and Celis, 2017).

**6.6.6.6 Domains**

Within the Qiriyaga Hill Deposit, lithology and weathering were used to define the domain. Based on the current drill database, the main bulk of gold resource is contained from the surface (80 to 100m RL) down to 0m RL within the fiamme breccia unit and above the base of partial oxidation

although lower grade gold mineralization occurs in all rock units aside from the andesite dikes and limestone blocks, although mineralization is sometimes present at or near the contact with other rock units. The dataset was divided into four coded domains: Oxide Zone (20), Fresh Zone (40), HBX (11), and LST and AND (12).

#### **6.6.6.7 Compositing**

All drill hole assays were composited into one metre long fixed intervals and back-tagged for rock and weathering type from the geologic model. Only 2% of the original samples were not in the one to two metre range and using a one metre composite ensured that most of the intervals remained unaltered. The raw assays were merged and the coordinates for the start of each one metre long composite were generated and imported for deployment in the creation of the block model.

#### **6.6.6.8 Descriptive Statistics**

Descriptive statistics were generated for Au ppm including composite statistics for all samples in the database and composite statistics by domain. Probability plots were generated for all four domains.

#### **6.6.6.9 Grade Capping**

A top cut was selected at the 97.5 percentile via histogram logs and cumulative frequency curves. A top cut of 37 g/t Au was used for the high-grade hydrothermal breccia (HBX), while a 5 g/t Au top cut was used for the Oxide Zone. No top cut was applied to the Fresh Zone.

#### **6.6.6.10 Block Modelling**

The Qiriyaga Hill block model contains nearly 44,928 blocks to capture all the identified mineralization within the area. A block size of 5 m x 5 m x 5 m, with a sub-block size of 2 m x 2 m x 2 m were selected. The Vuinubu Ridge block model was separated into two blocks due to the limited level of drilling and exploration in the area. It contains 52,379 blocks to capture the identified mineralization in the area. A block size of 5 m x 5 m x 5 m, with a sub-block size of 2 m x 2 m x 2 m were selected.

#### **6.6.6.11 Grade Estimation/Interpolation**

Grade interpolation was created using Micromine software. The resource grade block models were estimated by inverse distance weighting using a power of two (“IDW2”), using lithological controls together with composited assay grades outlined by geological interpretation. Although some graphing of distance versus gold grades were performed in an attempt to determine the zone of influence about each structure, no strong correlation between gold grades and their proximity to the control structural surfaces could be identified with the current data set. As more information is gathered, increasing correlation will occur.

The relatively high coefficient of variation indicates that a recoverable Multiple Indicator Kriging (“MIK”) may produce more reliable results. Recoverable MIK estimation is more complicated and takes significantly longer and produces block models in an unfamiliar format. At this early stage, it was considered more efficient to run an IDW2 to have an estimate on how much gold resource the deposit have.

A 25 m x 25 m x 5 m search ellipsoid oriented northeast, parallel to the high grade “HBX” was used, with a steep dip. No plunge was used with the search ellipsoid. Sample data were then composited



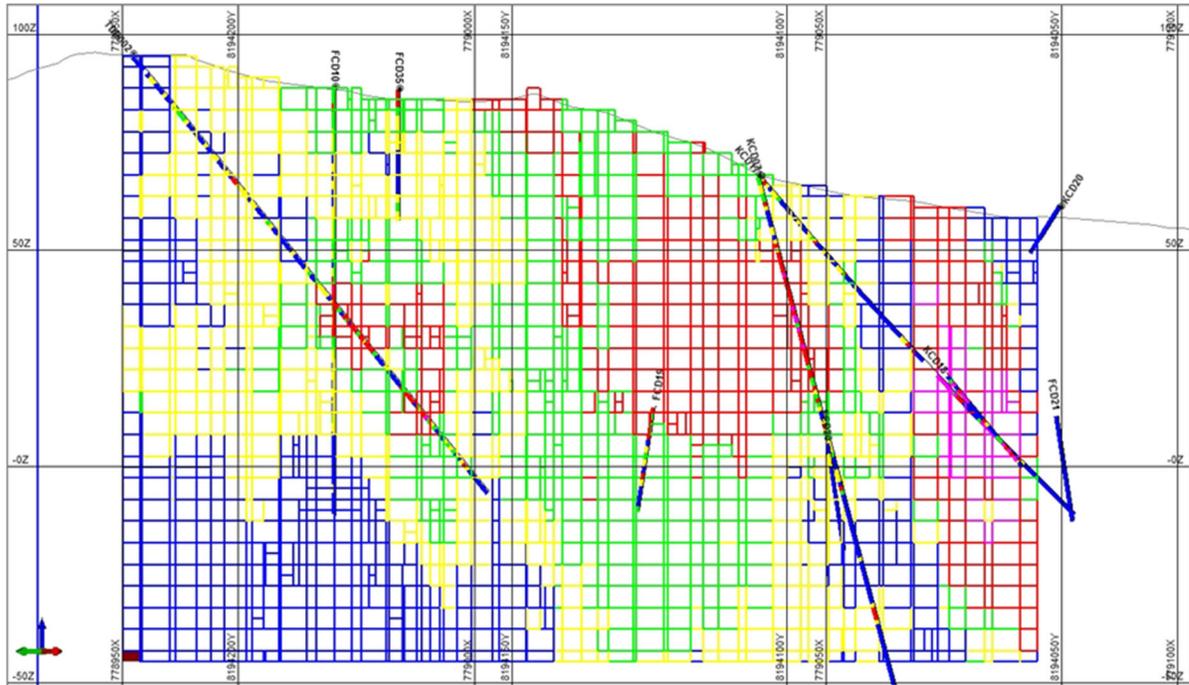


Figure 6-10. Relationship between block grades and drill holes grades (Looking NE - 00) [Blue (<0.2 g/t Au), Yellow (0.2-0.5 g/t Au), Green (0.5-1.0 g/t Au), Red (1.0–5.0 g/t Au), Purple (>5.0 g/t Au)].

The Qiriyaga Hill and Vuinubu Ridge block models were sliced at regularly spaced intervals in sections and in plan and compared to the modelled wireframe.

The block model was verified for:

- Prioritization of wireframes during the block construction.
- Blocks correctly flagged when compared with wireframes.
- Any unassigned blocks within the block model.
- Blocks above the topography and outside the boundaries of wireframe were not included.

No inconsistencies were found from the designed block model.

Relationship between block grades and drill hole grades were also inspected. Although the interpolation smoothens the distribution of grades with the model blocks, the known trend was still present (*i.e.*, high-grade drill intervals were along the high-grade blocks).

Inspection of the orientation and continuity of the interpolated mineralization were also conducted. The size, shape, orientation and continuity of grade zones in the block nearly matches the original mineralization and geological interpretation. It also shows a good correlation with the drilling data. Some drill holes may be off the section plane, thus appearing incorrectly positioned.

#### 6.6.6.14 Bulk Density

Density measurements were conducted on 50 whole core samples collected from two drill holes at different depths and on different lithologies and sections of mineralization. An average density for

each domain was then calculated: Oxide Zone = 1.89; Primary Zone = 2.01; Oxidized HBX = 2.04; and Fresh HBX = 1.87.

Ten drill core samples were sent to ALS Laboratory for density measurements. These were then compared to density measurements taken at the core shed. Close agreement was found between the two sample sets.

**6.6.6.15 Resource Estimate and Classification**

The delineated mineralization for the QH and VR areas were defined and classified as Inferred Mineral Resources according to the definitions and categories from CIM (2010), used at the time of calculating the historical resources. Due to non-systematic drill spacing and limited drilling in the Qiriyaga Hill and Vuinubu Ridge areas, the mineralized solids delineated were classified as Inferred Resources. Additional drilling would be required to increase confidence in resource results, and upgrade the resource classification to a higher confidence category such as Indicated.

For Qiriyaga Hill, a breakdown of inferred mineral resources by grade groups is provided in Table 6-8, by domains in Table 6-9, and a grade sensitivity analysis in Table 6-10. Calculated inferred mineral resources by grade group for Vuinubu Ridge are provided in Table 6-11.

Table 6-8. Qiriyaga Hill mineral resources by grade group, using 0.2 g/t Au cut-off (Tan and Celis, 2017).

Grade Group (g/t Au)		Volume	Tonnes	SG	Avg Grade	Contained
From	To	(m3)			(g/t Au)	(oz Au)
0.2	0.5	972,828	1,908,242	1.96	0.33	20,306
0.5	1	723,078	1,404,008	1.94	0.71	32,085
1	2	352,813	678,619	1.92	1.34	29,197
2	3	69,578	134,749	1.94	2.42	10,471
3	4	31,875	62,275	1.95	3.47	6,942
4	5	18,125	35,398	1.95	4.44	5,051
5	999	24,656	47,855	1.94	7.10	10,917
<b>Totals:</b>		<b>2,192,953</b>	<b>4,271,145</b>	<b>1.95</b>	<b>0.84</b>	<b>114,968</b>

Table 6-9. Qiriyaga Hill mineral resources by modelled domain, using 0.2 g/t Au cut-off (Tan and Celis, 2017).

Domain	Volume	Tonnes	SG	Avg Grade (g/t Au)	Contained Au (oz)
HBX	286,969	555,114	1.93	1.58	28,249
Oxide	958,219	1,811,033	1.89	0.80	46,460
Fresh	921,203	1,851,618	2.01	0.67	39,626
LST and AND	26,563	53,379	2.00	0.37	633
<b>Totals:</b>	<b>2,192,953</b>	<b>4,271,145</b>	<b>1.95</b>	<b>0.84</b>	<b>114,968</b>

Table 6-10. Grade sensitivity analysis of historical mineral resources, Qiriyaga Hill (Tan and Celis, 2017).

Cut-Off Grade (g/t Au)	Volume (m3)	Tonnes	SG	Avg Grade (g/t Au)	Contained Au (oz)
0.2	2,192,953	4,271,145	1.95	0.84	114,968
0.5	1,220,125	2,362,903	1.94	1.25	94,662
1	497,047	958,895	1.93	2.03	62,578
2	144,234	280,276	1.94	3.70	33,381
3	74,656	145,528	1.95	4.90	22,910
4	42,781	83,253	1.95	5.97	15,968
5	24,656	47,855	1.94	7.10	10,917

Table 6-11. Vuinubu Ridge mineral resources by grade group, using 0.2 g/t Au cut-off (Tan and Celis, 2017).

Grade Group (g/t Au)		Volume (m <sup>3</sup> )	Tonnes	SG	Average Grade (g/t Au)	Contained Metal (oz Au)
From	To					
0.2	0.5	1,183,484	2,279,648	1.93	0.32	23,820
0.5	1.0	406,531	788,975	1.94	0.71	17,934
1.0	2.0	32,109	60,970	1.9	1.08	2,110
<b>Total:</b>		<b>1,622,125</b>	<b>3,129,593</b>	<b>1.93</b>	<b>0.44</b>	<b>43,863</b>

The historical resources presented in Tables 6-8, 6-9, 6-10, and 6-11 were prepared by Robert Tan and Roman Celis, as documented in a report titled, “2017 Cirianiu Gold Project Resource Evaluation”, dated 19 February 2017 (Tan and Celis, 2017), using definitions, categories and classifications consistent with CIM Definition Standards on Mineral Resources and Mineral Reserves (November 27, 2010) at the time of completion of the estimate.

The Principal Author and the Issuer are treating these tonnages and grades as historical mineral resource estimates. These historical estimates do not use categories set out in sections 1.2 and 1.3 of NI 43-101, Standards of Disclosure for Mineral Projects and do not conform to the guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum’s CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000, and amended in 2014.

Verification of the historical drill core results and the historical mineral resources would require the twinning of a selected number of historical drill holes used in the historical resource estimates such that a statistically significant number of core sample assay results from the region of the historical resource estimates could be generated.

Neither the Principal Author nor a qualified person have done sufficient work to classify any of the historical estimates as current mineral resources and as such the Principal Author and the Issuer are not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

## 6.7 Historical Metallurgical Studies

Historical metallurgical testwork was completed on material collected from the Qiriyaga Hill Prospect (Cirianiu Property) in 1993 by Camelot Resources Ltd. The 1993 work program included

bulk cyanide leach analysis completed at Analabs, Brisbane (now Actlabs) and column leach testing by Metcon Pty Limited on samples from the Qiriyaga Hill gold deposit (Fleming and Taylor, 1994).

### **6.7.1 Analabs Brisbane**

In 1993, bulk cyanide leach analysis was carried out at Analabs, Brisbane (Australia), on two sample sets, Batch 1 and Batch 2, comprising material from drill core and trench channels. The samples were of oxidized material, collected from no more than 30 m depth, and using a cut off of 0.5 g/t Au. Batch 1, a composite of 29 samples, consisted of coarse rejects (13 samples) and pulp material (16 samples) which had been stored at Analabs Fiji (Actlabs until 2017). Batch 2, a composite of 57 samples, comprised re-assayed quartered drill core and material from re-sampled trench channels (Fleming and Taylor, 1994).

Using method code GG340 which had a 24 hour leach time, Batch 1 resulted in a leach grade of 1.53 g/t Au from a head grade of 2.14 g/t Au, and Batch 2 resulted in a leach grade of 2.37 g/t Au (drill core samples) and 1.36 g/t Au (trench samples) compared with a head grade of 2.14 g/t Au; the higher grade of gold in leached drill core samples was attributed to the presence of coarse-grained gold. The average grade from all 86 bulk cyanide leach analyses was 1.85 g/t Au. This preliminary testwork was considered positive and indicated that gold recovery in excess of 80% could be expected by traditional heap leaching (Fleming and Taylor, 1994).

### **6.7.2 Metcon Pty Limited**

In 1993, a limited program of metallurgical testwork was undertaken by Metcon Pty Limited, Metallurgical Consultants of Sydney, Australia. Twenty drill core samples (113 kg total), collected from drill holes FCD34 to 37 (Qiriyaga Hill gold deposit) and consisting of oxidized material averaging about 1.8 g/t Au, were composited and tested for their amenability to heap leaching.

A 50 kg sample derived from the original 113 kg of material was crushed and blended into a composite with a nominal -7 mm size. A portion of this sample (6 kg) was further crushed to -1.7 mm, blended and divided into six, 1 kg portions. A 1 kg sample was then subjected to an agitation leach which resulted in 96% gold extraction within 10 hours and tailings reduced to 0.05 g/t Au, evidence suggesting that this mineralized material is amenable to heap leaching.

A 15 kg sample was pre-blended dry with 20 kg/t of cement and then sprayed with 1 kg/t sodium cyanide solution whilst being tumbled in a rolling drum. The agglomerated material was then added to a 100 mm diameter x 2 m high column and the column test run for 20 days. Gold extraction reached 90% in 10 days and 94% over the 20 days with tailings reduced to 0.10 g/t Au.

Metcon Pty Limited concluded that the material tested to be suited to heap leaching provided the amount of cement required was not prohibitive and sufficient care was taken to prepare and prevent breakage of the agglomerates. There were portions of the mineralized material that indicated they may be amenable to leaching without agglomeration and could be incorporated in design calculations, reducing the average cement requirement.

## 7.0 GEOLOGICAL SETTING AND MINERALIZATION

### 7.1 Regional Geology

The islands that make up the Republic of Fiji are located on the Pacific Ring of Fire (aka Rim of Fire, Circum-Pacific Belt), a large 40,000 km long horseshoe-shaped feature defined by a series of near-continuous oceanic trenches, volcanic arcs and belts that contains more than 450 active and dormant volcanoes, a direct result of activity related to plate tectonics (Masum and Akbar, 2019).

The islands are dominated by hydrothermal systems that include porphyry (Namosi, Tuvatu), epithermal (Fraddy’s, Vatukoula, Mt Kasi, Ono Island), and volcanogenic massive sulphide (Wainivesi, Undu) (Figure 7-1). Fiji’s significant hydrothermal systems are spatially and temporally associated with distinct periods of Alkalic Volcanism related to slab-rollback from the middle Miocene through Pliocene epochs.

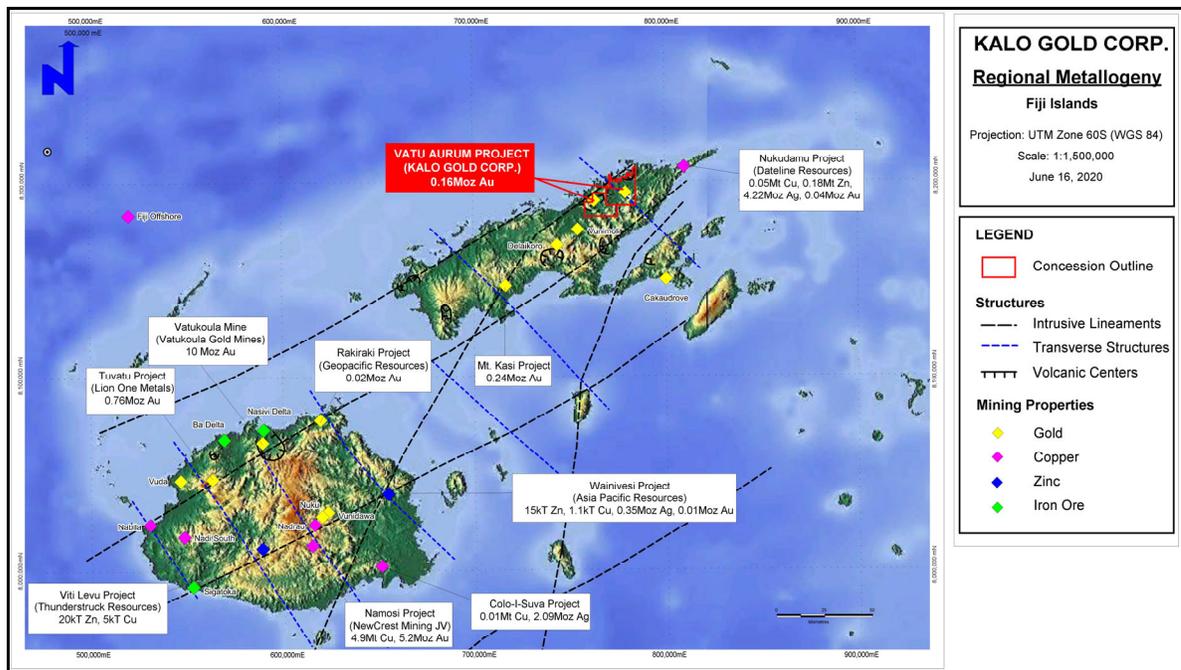


Figure 7-1. Metallogeny of Fiji showing the locations of some of the major exploration projects and mines (source: Kalo Gold Presentation, 2020).

The Vatu Aurum Gold Project lies along an apparent northeast trending gold corridor that cuts across the islands of Viti Levu and Vanua Levu. This gold corridor includes Vatukoula Gold Mine’s Vatukoula mine, Lion One Metals’ Tuvatu prospect, and the Mount Kasi gold mine (Figure 7-2). Although very intriguing, this northeast trending gold corridor may be fortuitous and has yet to be proven geologically.

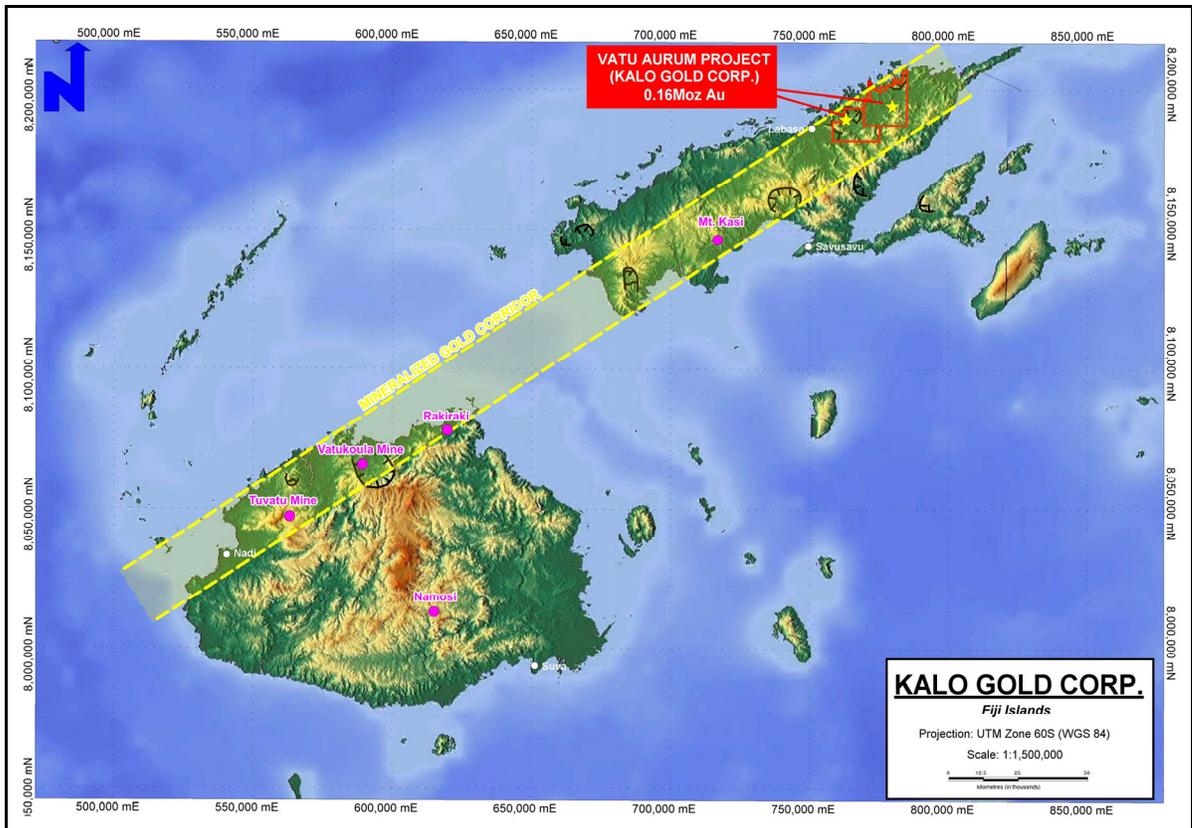


Figure 7-2. Location of KEPL’s properties within the theoretical northeast trending gold corridor through the islands of Fiji, showing the locations of prominent mines (Vatukoula and Mt Kasi) and prospects (source: Tan and Nesbitt, 2020 - after <https://geopacific.com.au/fiji-overview/>).

### 7.1.1 Geology of Vanua Levu Island

A simplified geological map of the Fiji islands is provided in Figure 7-3. The island of Vanua Levu consists largely of coalesced erosion products of several volcanic centres and four distinct petrological subdivisions (Celis and Nesbitt, 2019). The south and southwest is underlain predominantly by basalt. The central region contains basic andesite while the northeast section is underlain by dacite. The older basalt flowed southwest, while the dacite flowed northeast with the central basic andesite in the middle. These volcanisms appeared to have been emplaced simultaneously and have coalesced and complicated the stratigraphy (Rickard, 1966).

During the Pliocene, Vanua Levu underwent an anti-clockwise rotation of up to 90 degrees in response to the collision of the Otong Java Plateau northeast of Papua New Guinea-Solomon Islands, and so these structures originally formed in a northwest trend, to the southwest of the southwest-dipping subduction zone, now partly defined by the Tonga Trench (Hathway, 1993).

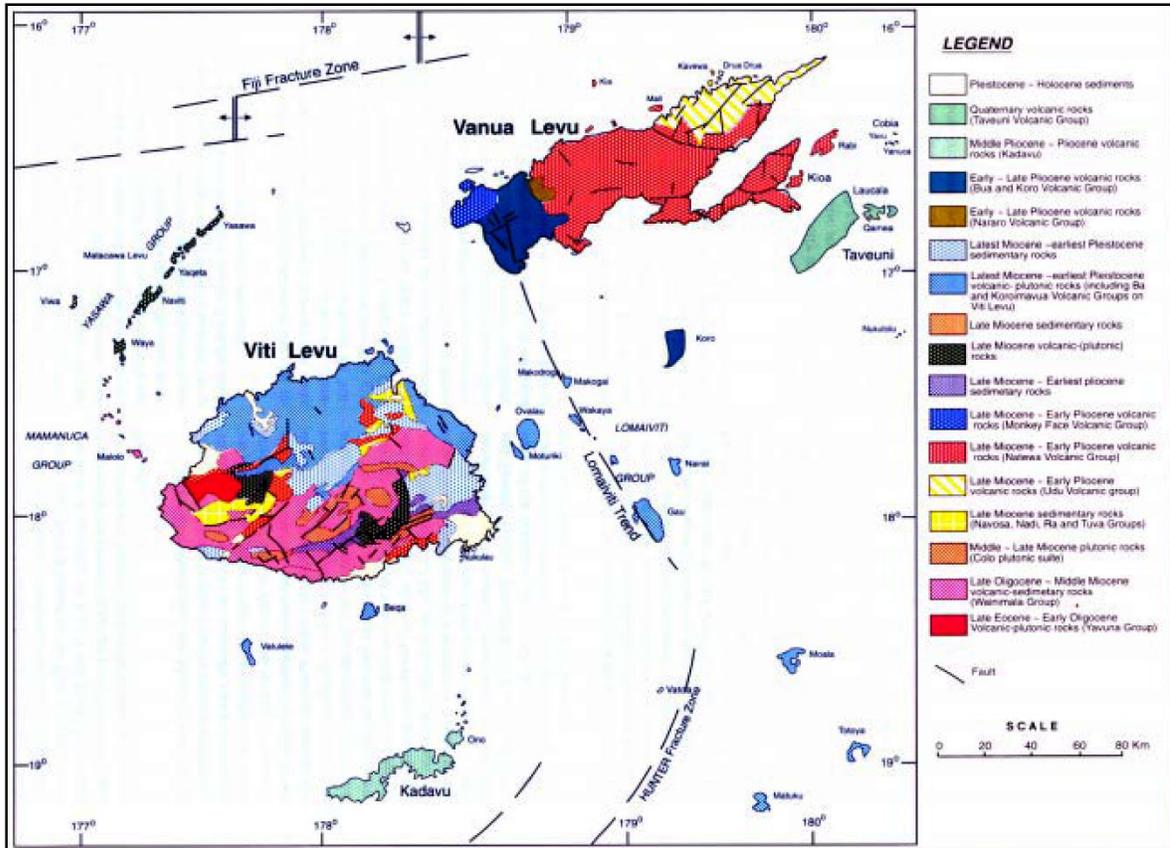


Figure 7-3. Generalized geology of the Fiji Island Group (source: Government of Fiji, 2000).

Side Looking Aperture Radar (“SLAR”) images and aeromagnetic data show a number of arcuate features, which have been interpreted as calderas. Within these arcuate features, 60 to 70 degree linear features are present which are consistent with the regional northeast-southwest trends.

A simplified stratigraphy of Vanua Levu and description of major rock groups are provided in Tables 7-1 and 7-2 and in Figure 7-4.

Table 7-1: Simplified Volcanic Stratigraphy of Vanua Levu (JICA-MMAJ, 1998).

Geologic Unit Name	Main Lithology	Thickness	K-Ar Age
Bua Volcanic Group	Basalt	More than 900 m	(3.3 – 2.8 Ma)
(Ulukamali Formation)	Basalt-andesite	At most 200m	(4.7 – 4.4 Ma)
Nararo Volcanic Group	Acidic Andesite		
Udu Volcanic Group	Dacite	More than 300 m	(7.0 – 6.8 Ma)
	Rhyolite		
Monkey Face Volcanic Group	Andesite	More than 1500 m	(7.5 – 3.5 Ma)
Natewa Volcanic Group			

Table 7-2: Description of Major Rock Groups of Vanua Levu (Colley and Flint, 1995).

GROUP	LOCATION	THICKNESS (m)	PETROLOGY	REMARKS
<b>Bua Volcanic Group</b>	SW Vanua Levu	900+	Oceanic basalt-trachyte	Subaerial and minor submarine olivine-basalt flows and pyroclastics and their differentiates
<b>Nararo Volcanic Group</b>	Vanua Levu		Tholeiitic Calc-alkaline	Mainly acid-andesite plugs with associated breccia sheets. Possibly ignimbritic in places
<b>Natewa and Monkey Face Volcanic Group</b>	Vanua Levu	1500+	Tholeiitic	Predominantly submarine flows, breccias and volcanoclastic sediments of basic-andesite composition
<b>Udu Volcanic Group</b>	NE Vanua Levu	Approx. 300		Mainly submarine flows, pyroclastics, and volcanoclastic sediments of andesitic to rhyodacitic composition

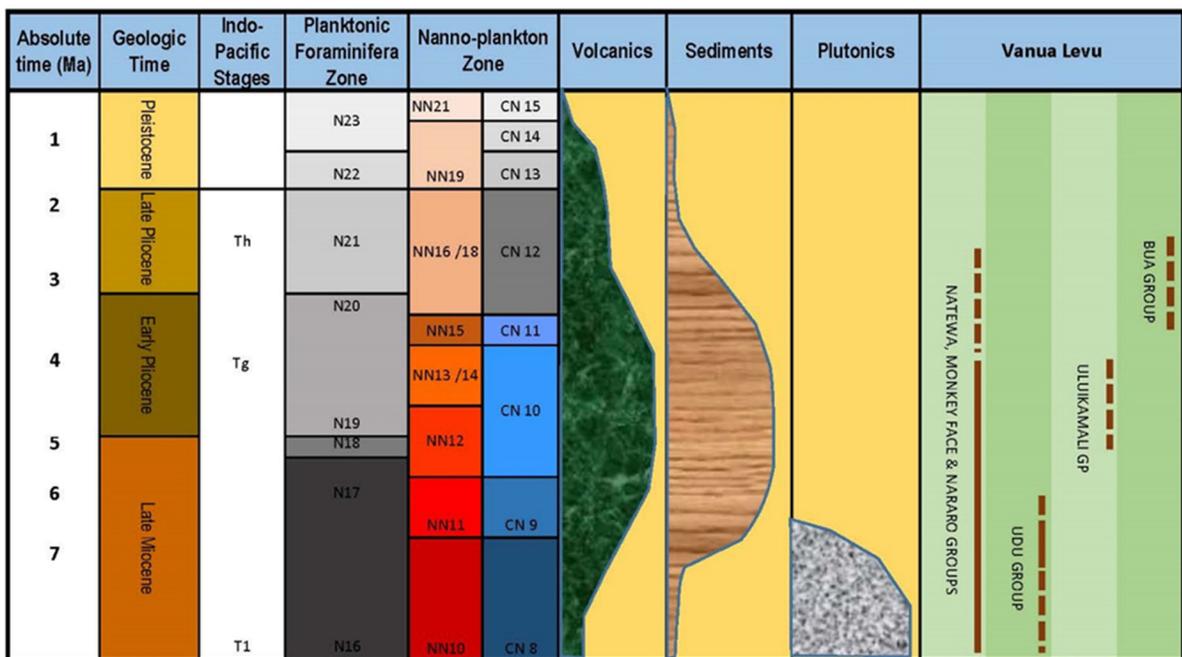


Figure 7-4: Regional Stratigraphy, Vanua Levu. Timing, peak deposition and intrusives (after Colley and Flint, 1995).

### 7.1.2 Mineral Deposits of Fiji

Colley and Flint (1995), provide a comprehensive overview of the metallic mineral deposits of Fiji and classify them into Gold Deposits, Polymetallic Veins, Skarns and Massive Sulphide Deposits and Disseminated Deposits (porphyry style).

Gold production in Fiji is dominated by the Emperor Gold Mine, owned Vatu Aurum Gold Mines, which has been in near continuous production since 1935, with a past production of over 7 Moz of gold. Newcrest Mining Limited, manages and owns 69.94% of the Namosi JV, which is considered to be one of the world’s largest undeveloped Cu-Au deposits. Other Fijian deposits of significance include the Mount Kasi gold mine, which is subject to plans to recommence production, the Tuvatu gold mine, and the Cirianui and Dakunimba gold deposits, currently under exploration.

With respect to mineralization not on the Property, the qualified persons have been unable to verify the information and this information and mineralization described therein is not necessarily indicative of the mineralization on the Property that is the subject of the Report.

## 7.2 Regional Geophysics

An airborne magnetic-radiometric helicopter-borne geophysical survey (50 m flight line spacing and 40 m flying height) was flown over approximately 100 square kilometres (~1,550 line-km) by Kevron Geophysics/Geoinstruments (“Kevron”) in September 1997. The survey was flown in conjunction with country-wide surveys being completed by the National Airborne Geophysical Survey of Fiji and the Australian Geological Survey Organisation, with their work supported by the Australian Agency for International Development (AusAID). The government surveys were put up for sale in mid-1998.

After initial processing by Kevron the magnetic data was processed and imaged by Southern Geoscience Consultants Pty Ltd. (“SGC”) and various images suitable for interpretation at 1:20000 scale (WGS84 Z60S) were selected (Langworthy, 1999; Lazo et al., 2015b). The aeromagnetic data shows a northeast trending magnetic low interpreted to be graben structure and a large, arcuate magnetic low, interpreted to represent a caldera structure underlying the area of Qiriyaga Hill, Vuinubu Ridge, and Qiriyaga East (Figure 7-5). Western Mining Corporation Resources Limited (“WMC”) also processed and interpreted the geophysical data and highlighted the similarities of Qiriyaga Hill with the Vatukoula Mine to the southwest (Lazo et al., 2015b).

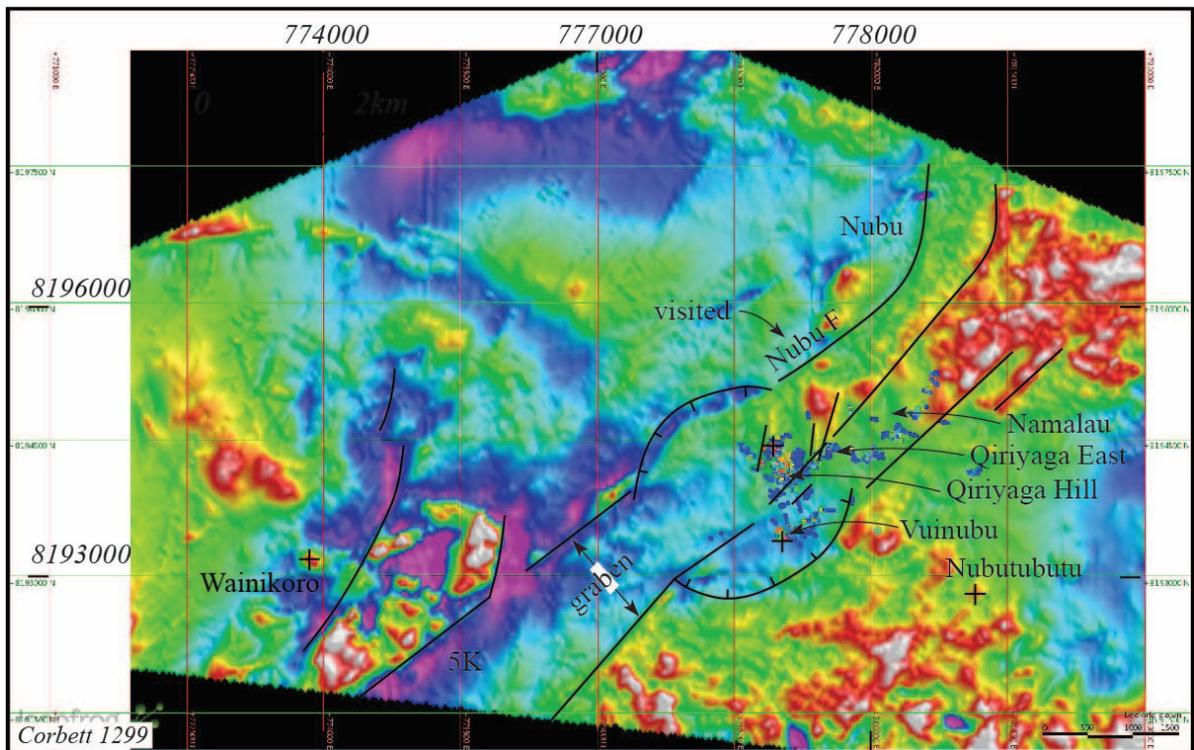


Figure 7-5. Airborne magnetic survey over part the Ciraniu Property showing the interpreted faults and structures including a caldera form at Qiriyaga Hill and Vuinubu Ridge (source: Taylor, 2013).

The Cirianiu and Coqeloa properties cover a 25 km northeast to southwest trending, mineralized corridor containing numerous gold prospects that share the same characteristics as the known epithermal gold system identified at the Qiriyaga Hill Prospect (see Figures 7-2 and 7-5). These include Qiriyaga East, Vuinubu Ridge, Namalau, Uaua, Vunikulukulu, Somoloicia, 5K Gold, 2K Gold, Wainikoro, Wainikoro West, Nadogo, Vaga, Nubu Gossan, Daku and Koroiwa (Celis and Nesbitt, 2019). These prospects and gold deposits on the Cirianiu Property are characterized by high potassium radiometric anomalies whereas the Coqeloa Prospect (Coqeloa Property) occurs within a potassium low surrounded by several potassium highs (Figure 7-6). Known historical prospects within the SPLs are overlain on the airborne radiometric survey results with the structures interpreted from the geophysical data (Figure 7-7).

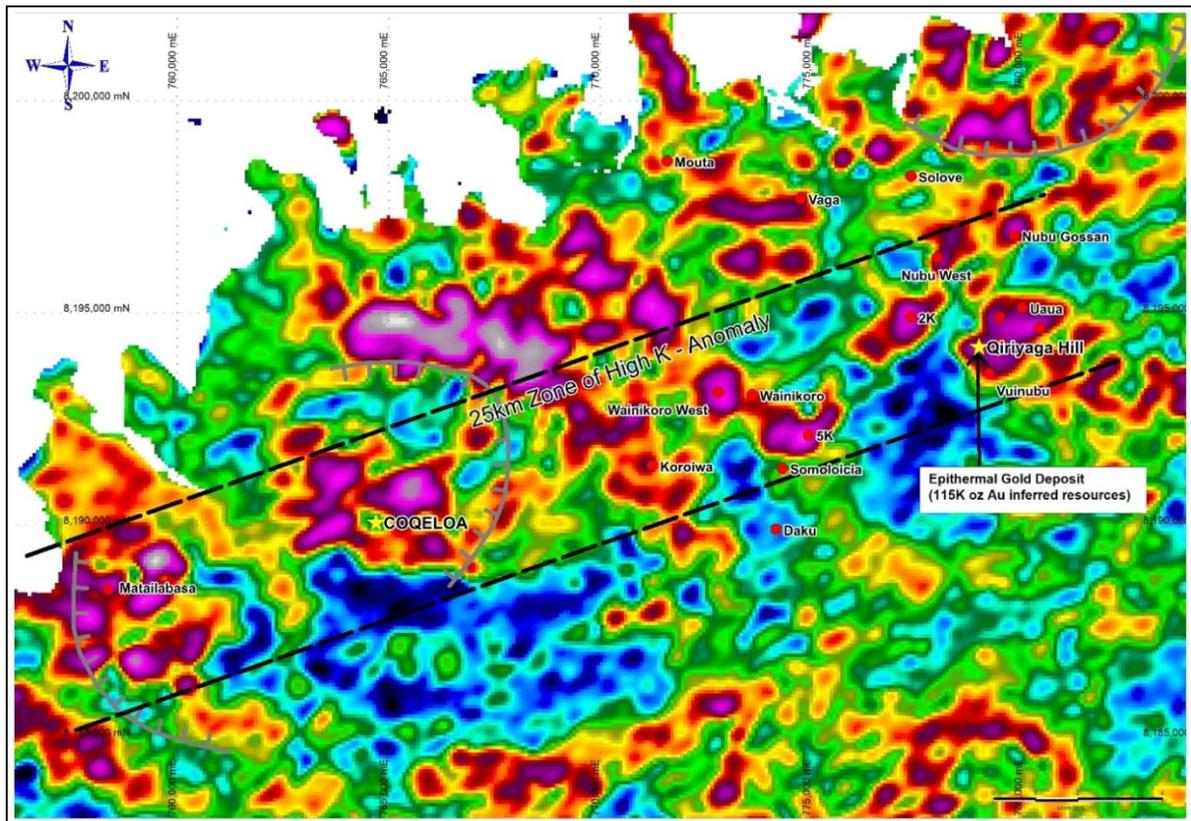


Figure 7-6. Regional airborne radiometrics survey, potassium intensity. The Cirianiu and Coqeloa properties cover a 25 km long northeast-southwest trending, mineralized corridor with prospects that generally share a similar high potassium signature (source: Celis and Nesbitt, 2019).

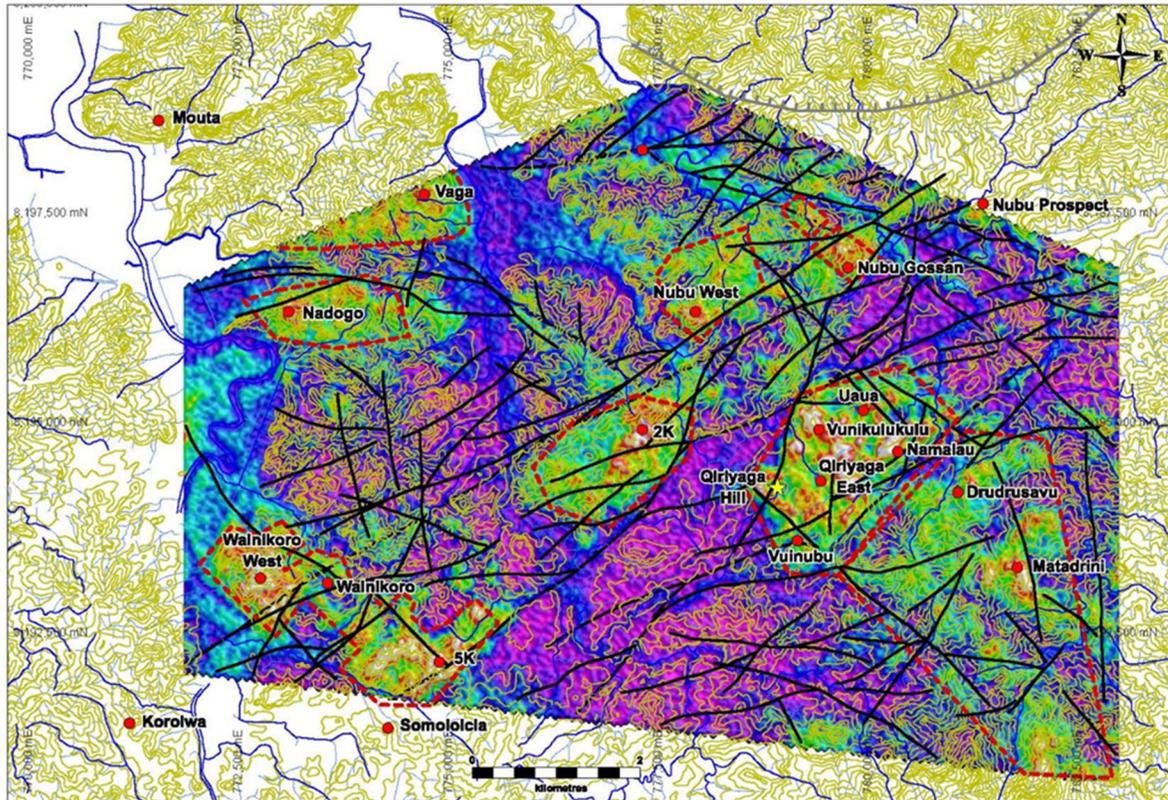


Figure 7-7. Potassium radiometric airborne geophysical map with interpreted structures and prospects known to 2015 on the Ciraniu Property. The Qiriyaga Hill area is characterized by strong to moderate potassium anomalies, as are several of the other less developed prospects (source: Lazo et al., 2015b).

### 7.3 Property Geology and Mineralization

The Vatu Aurum Gold Project covers a northeast trending mineralized corridor that is approximately 25 km long and contains 20 prospects identified to date, with many sharing similar geological characteristics (see Figure 7-7; Figures 7-8, and 7-9) (Lazo et al., 2015b). Relative to Qiriyaga Hill, the known prospects within SPL 1464 include:

- Vuinubu Ridge – southeast
- Matadrini - southeast
- Qiriyaga East – east
- Drudrusava - east
- Namalau – northeast
- Uaua – northeast
- Vunikulukulu – northeast
- Nubu Gossan – northeast
- Nubu Prospect - northeast
- 5K Gold - southwest
- Somoloicia – southwest
- Wainikoro – southwest
- Wainikoro West – southwest
- Koroiwa – southwest

- 2K Gold – northwest
- Nadogo – northwest
- Vaga – northwest
- Nubu West – northwest
- Mouta - northwest

At the Coqeloa Property, the principal gold target is the Coqeloa Prospect (Figure 7-8).

Most of the prospects within the Project have been visited and located using a hand-held Garmin 60CSx GPS. Exploration highlights for 12 of these prospects, outside of Qiriyaga Hill, are summarized in Table 7-3 (Lazo et al., 2015b).

Major faults (extensional and normal) and secondary structures appear to play a significant role in the location and character of gold mineralization across the Project (Figures 7-8 and 7-9). A prominent northeast structure cuts across the Project area (Nubu Fault) and a large graben feature is interpreted within the central portion of licence SPL 1464, the Cirianiu Property (Figure 7-9).

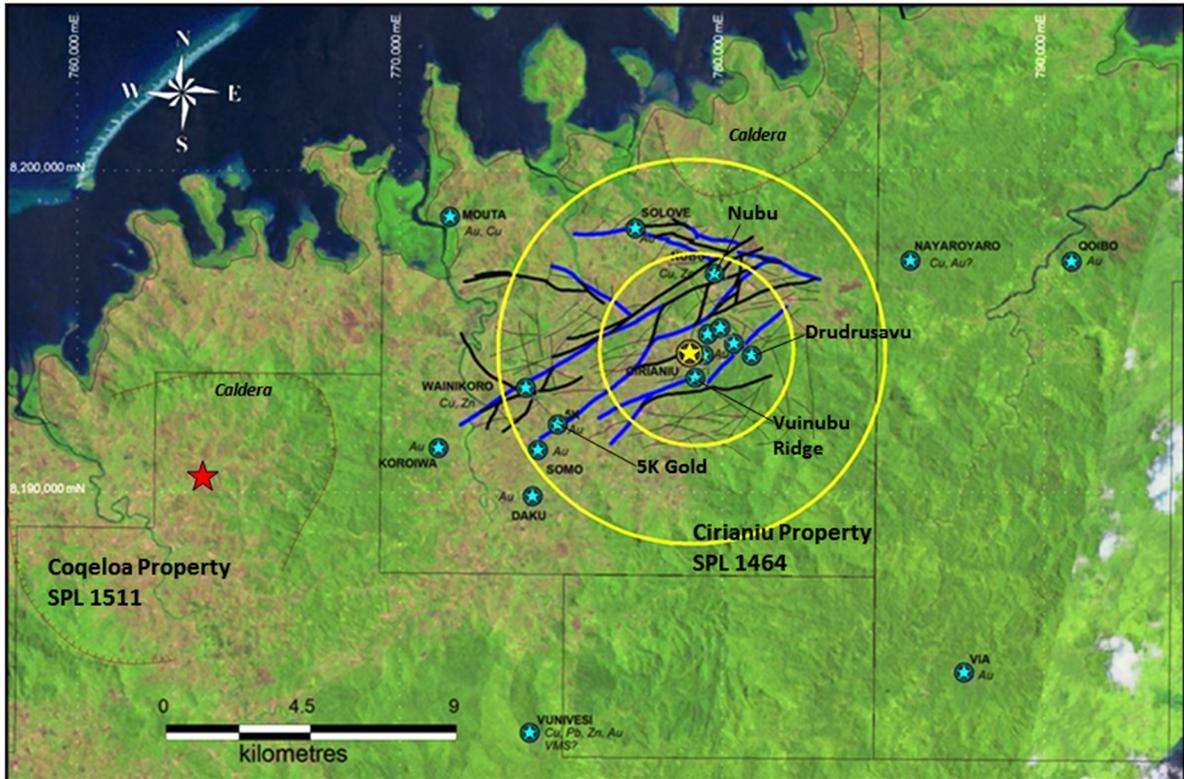


Figure 7-8. Location of known prospects (blue stars) including Qiriyaga Hill (yellow star) and Coqeloa (red star), with structures interpreted from airborne geophysical data and geomorphology: thick black lines = major faults; thick blue lines = extensional faults; thin light-black lines = secondary faults. Brown ticked arcuate features in the southwest (Coqeloa Property) and northeast (Cirianiu Property) are interpreted as caldera features (see Figure 7-5). Two yellow circles are at 3 km and 6 km radii from Qiriyaga Hill (source:Lazo et al., 2015b).

Table 7-3. Principal gold prospects within the Cirianiu Property, identified as of 2015 (Lazo et al., 2015b).

Prospect Name	Distance to Qiriyaga Hill	Exploration highlights
5K Gold	5 km SW	Outcropping veinlets with peak value at 2.49 g/t Au; trenching exposed Au mineralized zones (4 m @ 0.65 g/t Au and 2 m @ 0.97 g/t Au); No drilling to date
Somoloicia	6 km SW	Exposed quartz veinlets 10 cm to 30 m wide, peak value of 2.71 g/t Au, Trenches exposed Au mineralization (24 m @ 1.0 g/t Au, including 2 m @ 3.41 g/t Au; No drilling to date
Namalau	1.5 km NE	Significant trench intercepts: 36 m @ 0.59 g/t Au and 12 m @ 0.72 g/t Au; 2 holes drilled, best intercept 4 m @ 0.35 g/t
Qiriyaga East	0.5 km NE	Trenches exposed Au mineralization: 16 m @ 0.81 g/t Au, 26 m @ 0.53 g/t Au
Drudrusavu	2.2 km E	4 Diamond holes (Placer); 4 m @ 3.78 g/t Au returned from one hole (FDD 03)
Vunikulukulu	0.95 km NE	Silicified reef limestone breccia; initial grab sample with <0.2 g/t Au
Wainikoro West	6.3 km W	Outcropping silicified and quartz stockwork zone. Best rock chip sample 0.2 g/t Au
Vaga	5.5 km NW	Multiple quartz veins, vein swarm. Best rock chip of 0.5 g/t Au
Nubu West	2.3 km NW	Elevated Mo in silicified breccia
Nubu	4.2 km NE	Visible alteration along road cut. High Au assays (4.89 and 7.24 g/t Au) from gossanous silicified breccia developed in laminated shale siltstone (upper Qiriyaga) sequence.
Nadogo	6.2 km NW	Spotty K-anomaly. Moderate to weak and narrow quartz stockwork zones developed in pebbly breccia.
Matadrini	3 km SE	Large K-anomaly. Field validation identified wide alteration zone (dominantly chloritic with patchy argillic and silicification). Notable abundant pyrite.

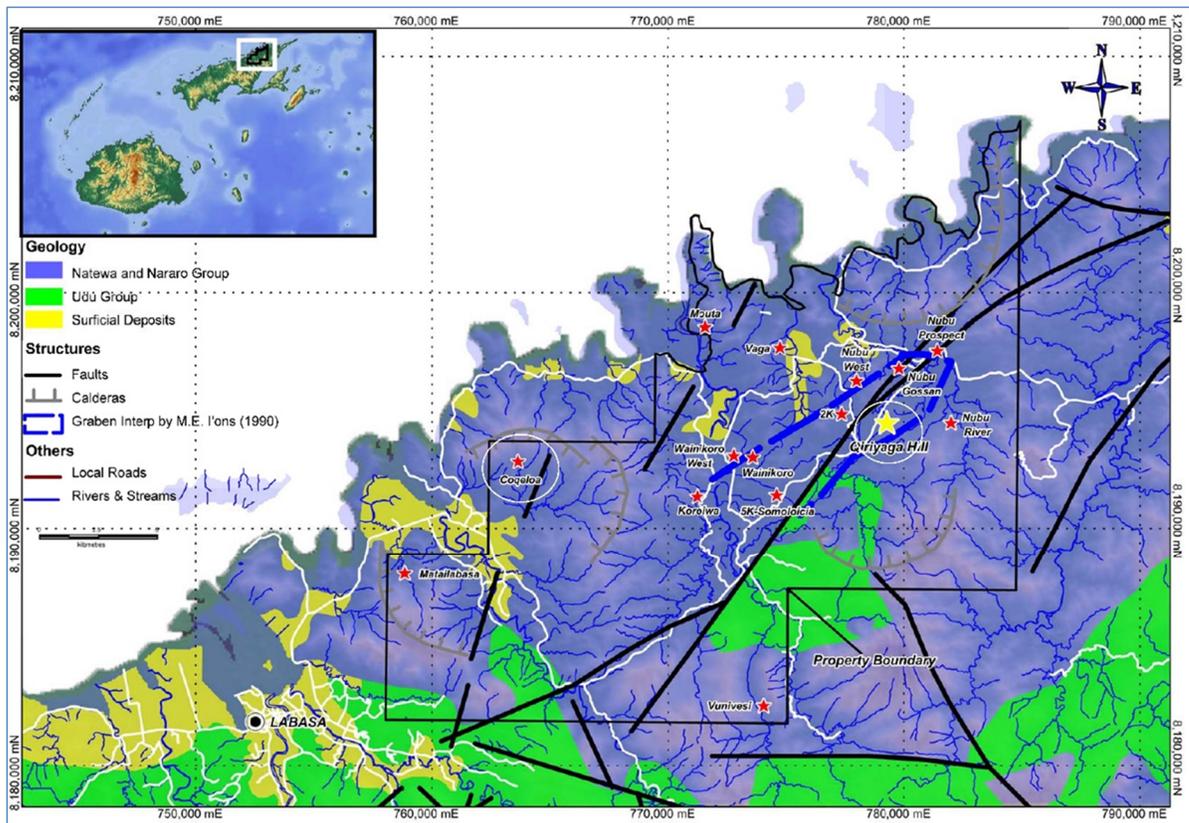


Figure 7-9. Outline of the Vatu Aurum Gold Project (black) with locations of the main gold prospects (red stars), Qiriyaga Hill Gold Deposit (yellow star) and generalized geology. Traces of three interpreted caldera structures (light grey ticked arcs) are shown along with major regional faults (thick black lines) and an interpreted graben structure (thick blue lines) (source: Celis, 2020a).

### 7.3.1 Cirianiu Property (SPL 1464)

Target rock sequences on the Cirianiu Property are constrained within a 15 km-long interpreted graben, which is thought to have formed by extension of the northeast trending Nubu Fault (see Figure 7-5) (Taylor, 2012). A simplified geological map with drill hole collar locations and generalized structures for the Qiriyaga Hill, Qiriyaga East, and Vuinubu Ridge prospect areas is provided in Figure 7-10.

The region around Qiriyaga Hill is underlain by two main stratigraphic units, namely, the Upper Qiriyaga Sequence (“UQS”), and the Lower Qiriyaga Sequence (“LQS”) (Cummings, 2012). The UQS consists of intercalating beds of siltstone, mudstone and fiamme breccias, while the LQS consists of polymictic breccia and monomictic andesite breccias units (Figures 7-10 and 7-11). Cumming (2012), suggests the upper unit, which is dominated by many graded beds, was deposited as turbidity flows from a submarine eruption, while the lower coarse-grained breccias are interpreted as a mass flow, possibly developed as a result of the collapse of a volcanic edifice (Lazo et al., 2015b).

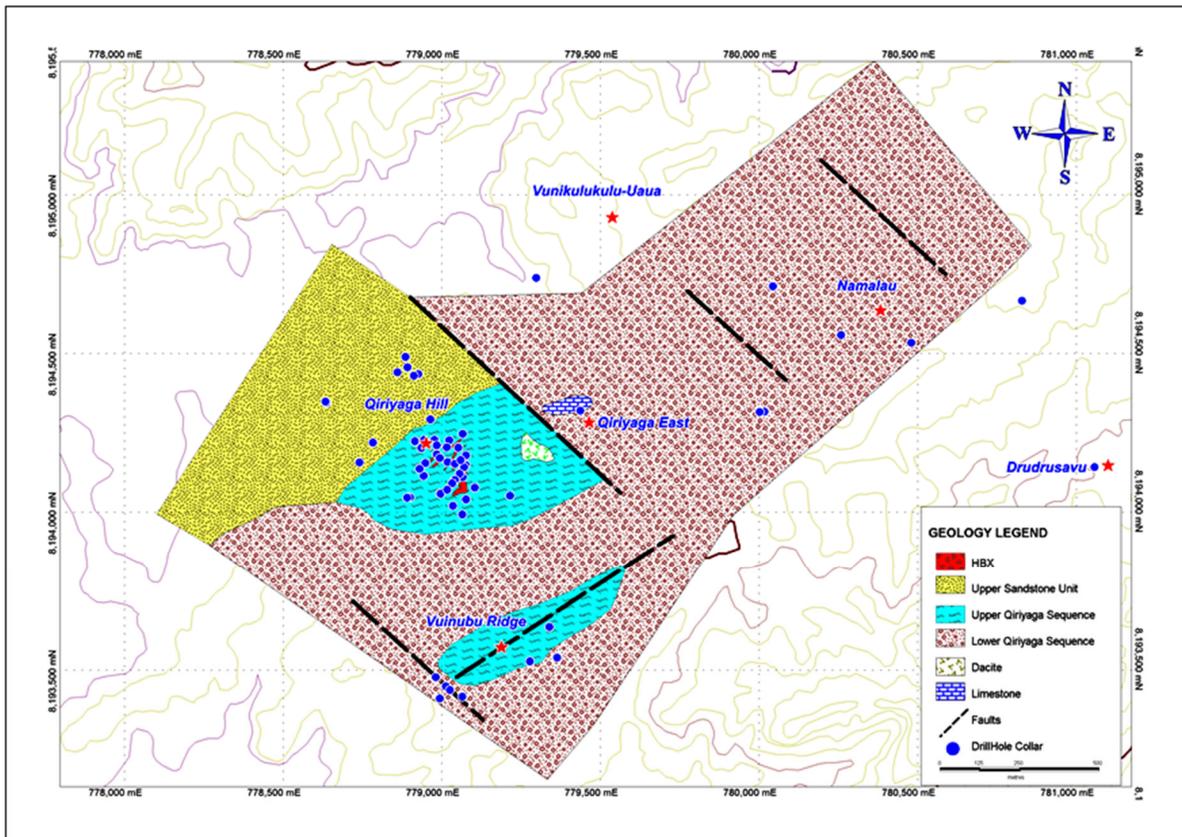


Figure 7-10. Generalized geology of the Qiriyaga Hill, Qiriyaga East, and Vuinubu Ridge prospects and region (source: Lazo et al., 2015b).

The contact between the two stratigraphic units appears to be an irregular unconformity. There seems to be a shallowing of the LQS at the northern part and the southernmost end of Main Qiriyaga Hill. The geometry of the contact looks to be an irregular bowl shape from north-south and possibly from east-west as well (Lazo et al., 2015b).

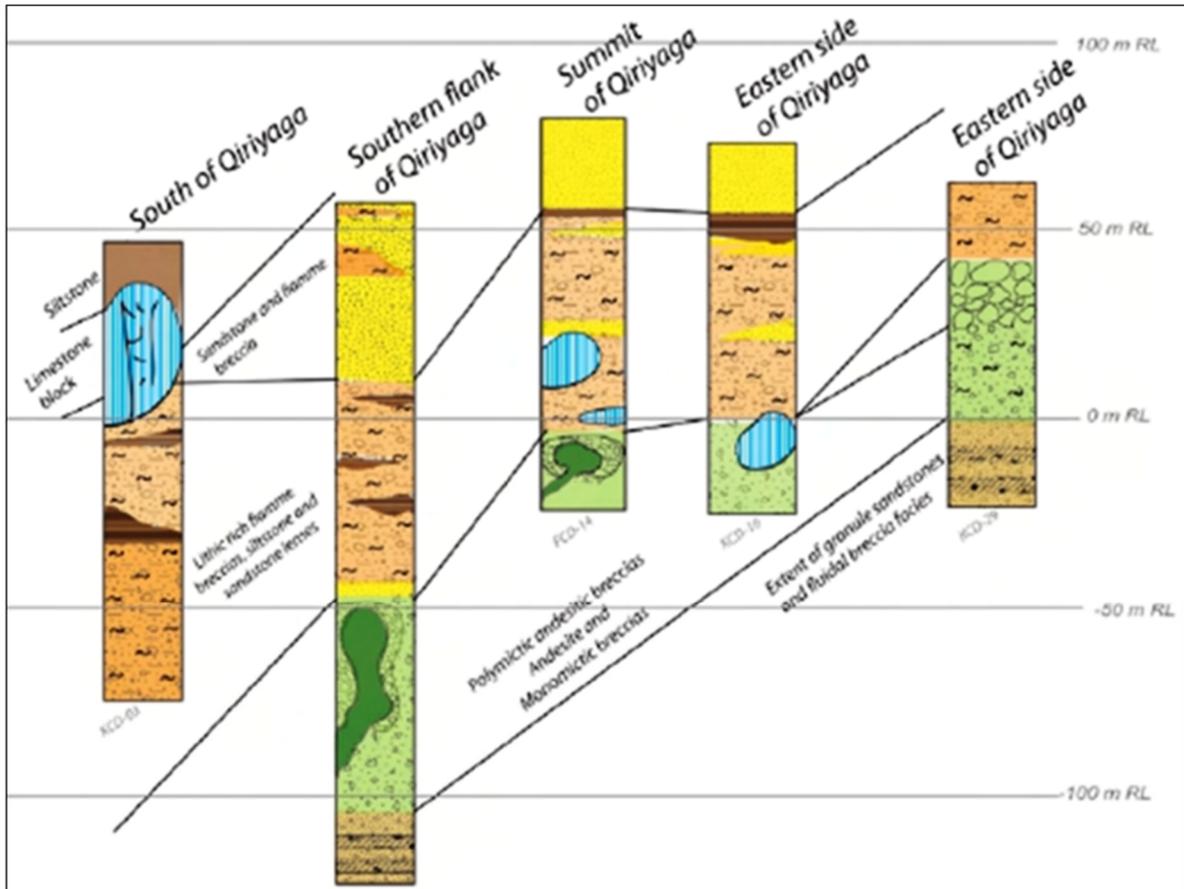


Figure 7-11. Stratigraphic long-section of the Cirianiu Property at Qiriyaga Hill and Vuinubu Ridge (source: Cumming, 2012). Facies discontinuity are noted and units are lens shaped rather than tabular. Stratigraphic units dip 20° toward the south. Shallow marine, sub-aqueous depositional environment (graded bedding, planar laminations).

Fine-grained andesite dikes intrude the LQS but these dikes have not been observed penetrating through the UQS. Allochthonous limestone blocks can be found within the UQS and LQS but these blocks are bigger and more numerous between the contact of these two stratigraphic units (Lazo et al., 2015b).

A major east-west fault separates Qiriyaga Hill from the Vuinubu Ridge Prospect and is located immediately south of drill pad KCD08 and KCD07, trending east to the saddle on Vuinubu Ridge near drill holes FCD-32 and 33. At Qiriyaga Hill there are at least five northeast trending faults cutting the rock sequences. The valley in between Qiriyaga Hill and Vuinubu Ridge hosts a number of areas of manganiferous sands and silt, interpreted to be related to the waning stages of submarine fumarolic activity (Taylor, 2011b).

**7.3.1.1 Qiriyaga Hill Prospect**

The Qiriyaga Hill gold deposit is hosted by both the UQS and LQS, occurring within an approximately flat-lying sequence of variably oxidized sediments, epiclastic and pyroclastic tuffs, lapilli tuffs, and agglomerates, with andesitic volcanic sills and dykes cutting the sequence at depth, that overly limestone and volcanic sequences (Taylor, 2011a and 2011b). Gold mineralization is associated with

millimetre-wide, sub-parallel quartz veinlets to quartz stockwork in moderately to strongly silicified host rocks (Lazo et al., 2015b). The outcropping sequence is intensely clay silica altered containing skeletal sugary silica clay veins, leached vugs and abundant manganese coatings.

Gold mineralization is interpreted to have taken place in a shallow marine environment within an overlying limestone. Taylor (2011a), described the gold mineralization as occurring within a supergene enriched gold cap with high-grade gold mineralization occurring in major, northeast structures migrating laterally along favorable mudstone and tuff horizons. Subsequent work (e.g., Lazo et al., 2015b; Pontifex, 2012) interpreted the gold to be primary and not related to supergene enrichment, suggesting the “supergene enriched zone” is better referred to as an “oxidation zone”.

The shape of the base of complete oxidation (“BOCO”) is irregular, reflecting the presence of deep – penetrating structures which probably acted as plumbing for the downwards penetration of meteoric waters. At its deepest, the BCO has been observed down to -20 m RL or about 90 to 100 m vertical from surface with the average range of the depth of the BOCO from 40 to 60 m from surface (Lazo et al., 2015b).

Gold in the oxidation zone consists of sugary leached silica clay, vuggy silica, silica veinlets and clay with abundant manganese. The gold is very fine-grained, occurring with anomalous Mn, Ba, Sb, Zn, Cu and Pb (Taylor, 2011a). Outside of gold in the main oxidized zone, a number of mineralization types have been recognized and classified. Black, high-grade sulphide beds and silicified leached breccias show affinities to possible fossilized gold-bearing sea floor massive sulphide deposits (“SMS”). Gold in mudstones occur as replacement and high-grade silicified breccias that are structurally controlled and parallel to the base of the oxidized zone. The deeper high-grade gold, associated with high base metal concentrations (coarse-grained galena and yellow sphalerite), occurs in fault controlled quartz-carbonate veins (Taylor, 2011a).

At Qiriyaga Hill, high gold grades are associated with strongly silicified and oxidized hydrothermal breccias. At least five high-grade gold hydrothermal breccia bodies (“HBX”) have been intersected by drilling within the broad shell of mineralization. Gold grades (apparent width and uncut) from drill core intersections through these HBX bodies include 11 m at 24.77 g/t Au from 75 m; 8.75 m at 24.60 g/t Au from 61 m; 31 m at 4.26 g/t Au from 21 m; and, 7 m at 13.69 g/t Au from 63 metres. Not all HBX bodies are high-grade however, with some intersections having run of the mill gold grades and some intervals in HBX units, being barren (Lazo et al., 2015b). The HBX bodies appear to trend north-northeast to northeast and have steep dips. Their projected strike lengths range from 50 to 90 m. These high-grade bodies have been intersected by drill holes down to -20 m RL for a vertical depth of approximately 100 metres. The bulk of high-grade intersections are between zero and 50 m RL (Lazo et al., 2015b).

The bulk of the lower to moderate grade gold mineralization occurs within the fiamme breccia horizon of the Upper Qiriyaga Sequence. The polyimictic pebble breccia at the Lower Qiriyaga Sequence is also gold mineralized but in more restricted or narrower widths. Narrow gold mineralization also occurs at the contact of the limestone blocks with the volcanics. The limestone itself however is generally barren. Gold mineralization seems to be associated with the silicified hydrothermal breccias and in zones of mm wide quartz veinlets with rare veins >3 cm in width

(Lazo, 2014; Lazo et al., 2015b). Quartz ranges from milky-translucent, to greyish (with sulphides) and transparent, and several events (up to 3 episodes) have been interpreted. Some clasts appear to have silicified outer rim with an inner core of clay-chlorite alteration. Fine cubic pyrite is the common associated sulphide in both veinlets and matrix with minor to rare sphalerite, galena and chalcopryrite, with the latter three minerals associated with mineralization of a limestone clast in the volcanic units (Lazo, 2014; Lazo et al., 2015b).

### **7.3.1.2 Vuinubu Ridge Prospect**

Vuinubu Ridge is located approximately 750 m south-southeast of Qiriyaga Hill (see Figures 7-7, 7-9, and 7-10) and was originally defined by two discrete gold in soil anomalies. The aggregate area of these two separate soil anomalies is broadly the same size as the Qiriyaga Hill Prospect (Lazo et al., 2015b).

Vuinubu Ridge is a fault controlled northeast trending ridge, containing an oxidized sequence of volcanoclastics with quartz clay veins as seen at Qiriyaga Hill. The ridge trends northeast for approximately 600 m and consists of volcanoclastics tuffs, lapilli tuffs and agglomerates. No limestone is observed and so it is interpreted that Vuinubu Ridge represents a separate hydrothermal cell occurring closer to the main centre of volcanic activity (Taylor, 2011b).

As of 2011, wide intervals of moderate grade gold mineralization had been intersected over a 600 m strike length (Taylor, 2011a). Northeast trending faults cut Vuinubu Ridge and drilling intersected thick sequences of oxidized supergene enriched lower grade gold mineralization of similar thickness and grade to Qiriyaga Hill (e.g., 88.0 m @ 1.58 g/t Au). Sulphide rich material at the base of oxidation records higher gold grades and it is likely that a separate gold system exists at Vuinubu Ridge, similar to Qiriyaga Hill (Taylor, 2011b).

In 1991, Placer and KEPL drilled several wide-spaced shallow scout drill holes on this broad area. At least four mineralized zones were intersected by five drill holes (Lazo et al., 2015b).

Vuinubu Ridge is geologically similar to Qiriyaga Hill with the stratigraphy consisting of the UQS and LQS (see Figure 7-9). The UQS consists of intercalating siltstone, mudstone and fiamme breccias, while the LQS consists of a polymictic breccia unit. A fine-grained andesite dike was intersected by a drill hole in the northeast area and no limestone has been intersected by drilling. High-grade gold hosting HBX bodies found at Qiriyaga Hill have not yet been found at the Vuinubu Ridge (Lazo et al., 2015b).

Two KEPL drill holes intersected several broad zones of low grade gold mineralization. KVD01 intersected 14.0 m at 1.35 g/t Au from 0.0 m, and 6.0 m at 1.72 g/t Au from 28 metres. KVD02 meanwhile, intersected 3.0 m at 1.55 g/t Au from 56 m and 14.0 m at 0.87 g/t Au from 64 metres (Lazo et al., 2015b).

Gold mineralization is associated with the presence of millimetre- to centimetre-wide quartz veinlets. There is a paucity of sulphides even in the primary mineralization. The only sulphides observed was <1% disseminated pyrite in a 3.0 m drill core interval. The depth of the BOCO at Vuinubu Ridge ranges from 40 to 60 m below surface, however, the drill holes in the area are too few to be able to clearly define the BOCO (Lazo et al., 2015b).

### **7.3.1.3 Qiriyaga East and Namalau Prospects**

Qiriyaga East, a major quartz vein system with anomalous gold soil geochemistry was discovered about 500 m northeast of Qiriyaga Hill (see Figures 7-7, 7-9, and 7-10) (Taylor, 2011a). The Qiriyaga East vein sets trend northeast to the Namalau Prospect for at least 2 km northeast of Qiriyaga Hill and are offset at least three times as a parallel set of veins. These quartz-rich vein systems contain high-grade gold (Celis and Nesbitt, 2019).

### **7.3.1.4 5K Gold-Somoloicia Prospect**

The 5K Gold and Somoloicia prospects (aka 5K-Somoloicia Prospect) are located about 5 km and 6 km southwest of Qiriyaga Hill, respectively, and cover about two square kilometres (see Figures 7-7 and 7-9). The prospects occur at the southwest end of the Cirianiu graben sequence which contains basal conglomerate with distinctive silicified limestone cobbles. The area occurs immediately east of the Nubu Fault in a similar structural setting to Qiriyaga Hill and Qiriyaga East, representing a breccia pipe containing pervasive propylitic alteration overprinted by argillic alteration and silicification (Celis, 2020b).

Regional geological mapping and sampling located a large area of clay silica alteration with outcropping quartz veins and silicified breccia float. The alteration and mineralized system appear to be similar to that observed at the Qiriyaga Hill Prospect (Taylor, 2011b). The prospects appear to be one continuous northeast trending system characterized by two prominent gold in soil anomalies (>30 ppb Au).

At 5K Gold, outcropping veinlets with peak value at 2.49 g/t Au were found. Previous trenching exposed gold mineralized zones within the area (4 m @ 0.65 g/t Au, 2 m @ 0.97 g/t Au, and 32 m @ 0.56 g/t Au, including 12 m @ 1.00 g/t Au). At Somoloicia, a grab sample from 10 to 30 cm wide quartz veinlet assayed 2.71 g/t Au. Previous trenching exposed gold mineralization within the area (24 m @ 1.0 g/t Au, including 2 m @ 3.41 g/t Au). Kalo drilled one hole (total 120.30 m) in 2017 but did not intersect significant mineralization. This hole is believed to had been drilled parallel to the trend of mineralization (Celis, 2020a).

### **7.3.1.5 2K Gold Prospect**

The 2K Gold Prospect is located about 2 km west-northwest of Qiriyaga Hill (see Figures 7-7 and 7-9). The area is defined by a large, discrete potassium-anomaly, similar to that at Qiriyaga Hill, and is characterized by the presence of a 100 by 250 m northeast trending gold in soil anomaly (>30 ppb Au) with lead association. The distinct potassium anomaly has not been explained. There is no significant quartz veining found in the area. A hill with prominent argillic alteration has weak patchy silicification with sulphide voids after pyrite being fairly common. The pebbly breccia/tuff contains distinct quartz eyes and is identified as dacitic in composition (Celis, 2020b).

### **7.3.1.6 Wainikoro Prospect**

The Wainikoro Prospect, located about 5.5 km southwest of the Qiriyaga Hill Prospect (see Figures 7-7 and 7-9), is underlain by a sequence of shallow-dipping volcanic (tuff, agglomerate) and volcanoclastic rocks (sandstone, agglomerate) intruded by domal dacite bodies. Three knobs consisting of silicified and brecciated volcanics form a distinct ridgeline (intrusive dacite-rhyolite dome sequence) referred to as the Wainikoro Ridge (Logan, 1987; Celis, 2020b). Surface mapping of

the ridgeline noted moderate to strong silicification with brecciation and minor quartz veins, particularly on the eastern knob and the most intense zones of silicification tend to coincide with elevated gold values.

The Wainikoro Prospect, formerly known as the Daloga Mine, saw early exploration and mining between 1956 and 1960 with early recorded production of some 70 tonne of manganese ore and 50 tonne of copper ore. Between 1967 and 1969, Banno Mining Company Ltd completed 42 drill holes totalling 4,630 metres but did not assay for gold. No detailed reports are available (Celis, 2020b). Melven Copper later conducted sampling and geophysical work, interpreting a model for mineralization that included hot spring and exhalative activity along an inferred, steeply dipping, multi-fracture system resulted in the epigenetic emplacement of disseminated copper mineralization in a gently dipping rhyolitic breccia and andesite sequence. Alteration trends 350 degrees over 400 m, with widths varying from 20 to 100 metres. Subsequent to Melven Copper, Placer completed additional sampling, gridding, and geophysics, and drilled four diamond drill holes (FWD1 to 4) totalling 415 metres. One trench (FWT-1) yielded 5 m of 0.4 g/t Au and 5.0 g/t Ag, and a selected outcrop sample ran 1.15 g/t Au and 99.4 g/t Ag (Celis, 2020b).

#### **7.3.1.7 Wainikoro West Prospect**

The Wainikoro West Prospect is located about 6 km to the southwest of the Qiriyaga Hill Prospect, and immediately west of the historical base metal prospect, Wainikoro (see Figures 7-7 and 7-9). The prospect is defined by a large potassium high from airborne radiometrics and a north-south trending gold in soil anomaly. Rock chip samples (total of 21) were taken in the area and a sample from silicified and quartz stock-worked zone returned an assay of 0.23 g/t Au (Celis, 2020b).

#### **7.3.1.8 Nubu Prospect**

The Nubu Prospect is located about 4.2 km northeast of the Qiriyaga Hill Prospect (see Figures 7-7 and 7-9). It is characterized by alteration, best observed along a road cut. Rock samples taken from a 5 to 15 cm wide, steeply dipping, northwest trending, gossanous silicified breccia assayed 4.89, 7.24, and 8.97 g/t Au (Celis, 2020b).

#### **7.3.1.9 Nubu Gossan Prospect**

The Nubu Gossan Prospect, located about 2.75 km northeast of the Qiriyaga Hill Prospect (see Figures 7-7 and 7-9), is described as an extensive zone of low grade copper mineralization, trending northerly and with a sub-vertical dip (Celis, 2020b). It is considered to be of high level sub-volcanic exhalative origin, lying within an open-ended alteration system through brecciated dacitic and rhyolitic pumice. Placer described the lithology as interbedded dacitic flows, agglomerates, lapilli tuffs, and tuffs, that overlay a sequence of heterolithic volcanoclastic conglomerates. Placer suggested that the dacitic flows were sourced from the nearby volcanic centre located between the Nubu Gossan and Qiriyaga Hill prospects (Celis, 2020b).

Melven Copper drilled two holes (M1-4 and M9) around the Nubu Gossan and Placer completed follow-up sampling and IP geophysical survey. A chargeability response, tested by drilling, intersected 2 to 10% pyrite in the target zone. Placer drilled two holes (FVD-1 and 2), with both holes intersecting a major fault zone that returned 1.78% Cu and 0.56% Zn over 0.5 m (FVD-1). Hole FVD-2 intersected gold concentrations from 0.05 to 0.18 g/t over the first 70 metres (Celis, 2020b).

#### **7.3.1.10 Nubu West Prospect**

The Nubu West Prospect is located 2 km west of the Nubu Gossan Prospect and about 2.3 km northwest of the Qiriyaga Hill Prospect (see Figures 7-7 and 7-9). Silicified and argillized altered breccia outcrops are noted in the area (Celis, 2020b). Disseminated iron oxide stained voids after pyrite are common and quartz veins were noted. A strong brecciated and silicified structure trends west-northwest.

#### **7.3.1.11 Vaga Prospect**

The Vaga Prospect is located about 5.5 km northwest of the Qiriyaga Hill Prospect and about 3.2 km southeast of the Mouta Prospect (see Figures 7-7 and 7-9). The steeply dipping veins trend northwest and cut the bedding and lamination of the host volcanic rocks. The vein array, ranging in thickness from 0.5 to 1.0 m sticks out prominently on the surface as the softer argillized envelope is easily eroded (Celis, 2020b). Multiple quartz veins (vein swarms) were noted within the area, with the highest gold concentration of 0.5 g/t Au from rock chip sampling (17 samples total).

#### **7.3.1.12 Koroiva Prospect**

The Koroiva Prospect is located about 8.5 km southwest of the Qiriyaga Hill Prospect, on the western banks of the Wainikoro River (see Figures 7-7 and 7-9) (Celis, 2020b). Melven Copper (Lee, 1982) described it as a baritic, manganese oxide exhalative style of mineralization, trending 295 degrees, between two outcrops, areas A and B, about 250 m apart. Trenching in Area A located two sub parallel discontinuous veins of barite, each less than a metre thick, sub vertically dipping within an exposed width of about 15 m of manganese highly weathered andesite. In Area B, trenches have been mined for manganese oxides. Manganese oxide veins up to 20 cm wide were found to dip sub-vertically within kaolinized andesite.

Historical average assay values reported by Melven Copper are 265 g/t Ag and 1.4 g/t Au. One rock sample, recently collected, yielded 20.4 g/t Ag. Soils anomalous in Ba, Mn, Pb, Sr and Zn were noted with peak values of more than 10,000 ppm Ba, >50,000 ppm Mn, 152 ppm Pb, 2910 ppm Sr, and 1130 ppm Zn. Melven Copper recommended an auger geochemical program over the interpreted trend, and the use of Ba, As, Ag, Zn as pathfinder elements to gold (Celis, 2020b).

#### **7.3.1.13 Mouta Prospect**

The Mouta Prospect is situated near the northeast coast, about 25 km northeast of Labasa and about 3 km north of the main feeder road linking Labasa with settlements of the Nubu area (see Figures 7-7 and 7-9). It was discovered by a local prospector, R.L. Govind, in 1957 after a landslide exposed part of the area of mineralization (Celis, 2020b).

The prospect occurs in rocks of the upper part of the Udu Volcanic Group and appears to be at a stratigraphic horizon comparable to that of the Udu Deposit at Nukudamu (Celis, 2020b). The succession exposed at the prospect consists of:

1. Finely-bedded pumice breccia.
2. Quartz-bearing dacite flow.
3. Coarse pumice breccia with dacite blocks.

The finely bedded pumice breccia and dacite flow are unaltered; the latter seems to be of limited extent, because a short distance from the workings, fine pumice breccia rests directly on massive, coarse pumice breccia. The latter shows alteration and main orebody is located at the top of this unit just below the dacite flow and finely bedded pumice breccia. Dips for the whole sequence are 15 to 25 degrees to the west, and a number of small faults and andesitic dykes cut the sequence with the faults striking northeast. Alteration generally consists of minor silicification and argillization, but locally argillization can be intense (Celis, 2020b).

Mineralization takes two forms: disseminated and massive. The principal minerals are pyrite and sphalerite, and there are minor occurrences of chalcopyrite, chalcocite and barite. Mineralization at the surface takes the form of a small sheet of massive barite exposed over an area of 140 square metres. The massive barite mineralization is commonly gossanous in appearance and is roughly layered, with layers of barite and siliceous rock containing pyrite, chalcopyrite, chalcocite, malachite and limonite. The barite mineralization is covered by a dark brown, ferruginous cherty carapace, and boulders of chert and jasperoidal limonitic gossan are scattered to the north (Celis, 2020b).

Soon after its discovery in 1957, investigations were carried out by the Fijian Geological Survey, and during 1960 a self-potential survey was followed by the drilling of seven shallow drill holes (Celis, 2020b). This work suggested the mineralization to be of very limited extent, and workings at the prospect were quickly abandoned. Minor prospecting was carried out by Banno Mining Company Ltd and geochemical sampling indicated copper, zinc and lead anomalies in stream sediments (Baker 1966). In 1976 and 1980-82, detailed work, including the drilling of seven holes, was completed by Melven Copper Ltd. A bulk sample (47 tonnes) of the massive oxidized mineralization assayed 14% Cu, and one grab sample contained 30% Cu and 490 g/t Ag (Celis, 2020b).

#### **7.3.1.14 Drudrusavu Prospect**

The Drudrusavu Prospect, located about 2.25 km east of Qiriyaga Hill and to the west of the Nubu River Prospect, is situated within the more general area Nubutubutu (see Figures 7-7 and 7-9) (Celis, 2020b). Placer (1988), described the geology of the Drudrusavu area as reworked submarine volcanic rocks with interbedded limestone, overlain by basalt flows and cut by basalt dikes (Celis, 2020b). Volcanoclastic rocks consist of poorly sorted conglomerates containing dacite, andesite and basalt fragments with pumice (fiamme) and fossil coral clasts (phreatomagmatic breccias). Two breccia units contain large angular dacite lava fragments indicating the presence of high level dacite domes. The rocks were formed in a shallow marine environment near a partially emergent volcanic edifice. The Nubu Fault occurs to the west, and the Drudrusavu area is likely located on a splay of the Nubu Fault within the Cirianiu graben (Celis, 2020b).

Taylor (2012), in the re-logging of the Drudrusavu drill core (FDD01, 02, 03, and 04) recognized both the Upper Qiriyaga Sequence of fiamme tuffs and lapilli tuffs and the Lower Qiriyaga Sequence of agglomerates. Both sequences were intruded by fine grained dacite and the coarser porphyritic dacite (Celis, 2020b).

Early exploration in this area dates back to the mid-1970s with geological mapping, ridge and spur soil sampling. Placer (1988) completed further soil sampling, trenching, geological mapping, and ground magnetic and IP resistivity/chargeability surveys. Four diamond drill holes (FDD01 to 04)

tested two of the five outlined gold soil anomalies on the Drudrusavu grid. Drudrusavu drill hole FDD03 showed characteristics of porphyry copper gold mineralization with a supergene enriched gold cap (Geoff Taylor, 2012). This area has significant potential for low sulphidation quartz, carbonate gold mineralization and porphyry copper gold mineralization (Celis, 2020b).

**7.3.1.15 Nubu River Prospect**

The Nubu River Prospect, located about 2.5 km east of the Qiriyaga Hill Prospect, is considered to be the eastern extension of the Drudrusavu Prospect (see Figure 7-9) (Taylor, 2012). In 1975, geological mapping was undertaken by United States Steel International in conjunction with Melven Copper, focusing on creek sampling, with samples collected from outcrops, pits, float, pan concentrate. The area is marked by anomalous copper, zinc, and manganese, with many occurrences of chalcopyrite noted. Gold has not been explored for in this area (Celis, 2020b).

**7.3.2 Coqeloa Property (SPL 1511)**

The region comprises Miocene-Pliocene volcanism (Udu Volcanic Sequence) partly controlled by a set of now northeast- to east-northeast trending structures formed parallel (arc-parallel) to the off shore subduction zone (Celis and Nesbitt, 2019). Outcrops in the Coqeloa area consist mainly of Nasavu Dacite, within the Udu Volcanic Sequence (Table 7-4). The Nasavu Dacites occur in northeast Vanua Levu and are dominated by a sequence of lava with minor tuff and breccias of mainly dacitic composition (Rickard, 1966).

Table 7-4: Stratigraphy of the Udu Volcanic Group (modified from Reddy and Flint, 1995).

Formation	Location	Form	Composition
Matailabasa Novaculite	Matailabasa	fine grained, siliceous rock	95% silica
Nasasa Pitchstone	SW Vanua Levu	pitchstone breccia	dacite
Nailoca Breccia	Bucaisau	pumice breccia	dacite-andesite
Malau Formation	NE Vanua Levu	breccia	dacite-rhyolite
Vunivia Breccia	Udu Peninsula	breccia	dacite-minor andesite
Nasavu Dacites	NE Vanua Levu	lavas, minor tuff breccias	dacite

**7.3.2.1 Coqeloa Prospect**

The Coqeloa Prospect and the priority Main Zone target area is located within the Coqeloa Property (SPL 1511), immediately southwest of SPL 1464. At the Coqeloa Prospect, the volcanic rocks are basaltic to dacitic in composition and include volcanic breccias and coherent lavas (Figure 7-12). The prospect is interpreted as a volcanic-hosted epithermal occurrence which is situated within a prominent caldera-like, arcuate feature interpreted from an airborne magnetic low (Celis and Nesbitt, 2019) (Figure 7-13). In the past, it has been explored as a Kuruko-type volcanogenic massive sulphide (“VMS”) deposit (Colley, 1976a).

**Alteration**

Hydrothermal alteration is widespread on the Coqeloa Prospect (Celis and Nesbitt, 2019). Accurate identification of alteration minerals, textures, zonation and chemistry is critical for evaluation of the style of mineralization in the region. Thin section petrography, X-Ray Diffraction (“XRD”) and whole rock geochemical analyses were used by previous companies that worked in the Project area. These

analyses combined with field mapping were used to characterize the mineralogy and geochemistry of the various alteration assemblages.

Three alteration assemblages have been recognized within the prospect. The most abundant is phyllic assemblage (quartz, muscovite ± pyrite), which is commonly associated with gossanous material (Figure 7-13). An argillic alteration (kaolinite ± goethite ± hematite) is spatially associated with the phyllic zone. Propylitic alteration (epidote, chlorite, quartz ± pyrite ± calcite) envelopes the other assemblages and has been overprinted by later possibly supergene clays.

Other alteration minerals that were observed include alunite, diaspore, gypsum, anatase, and mordenite. Mordenite is a temperature sensitive zeolite which is deposited in the range of 100 to 150 degrees Celsius (White and Hedenquist, 1995).

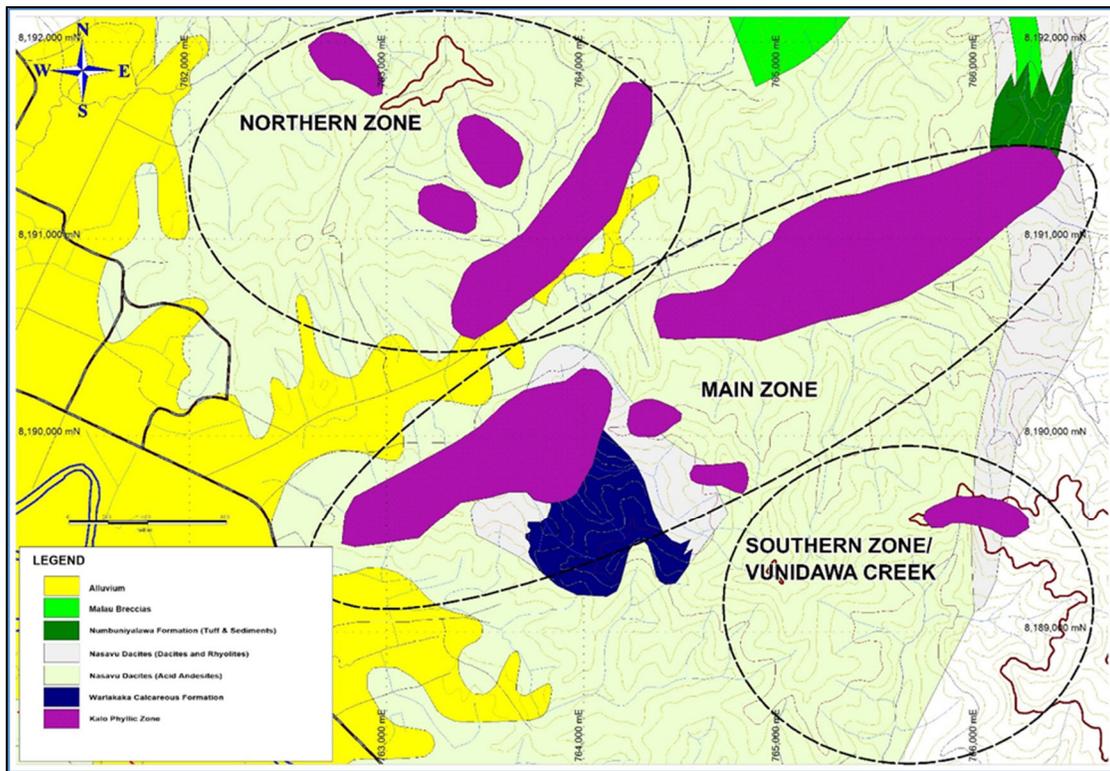


Figure 7-12. Geology map of the Coqeloa Prospect showing the locations of the three target zones (source: modified from Solomon Pacific, 1987).

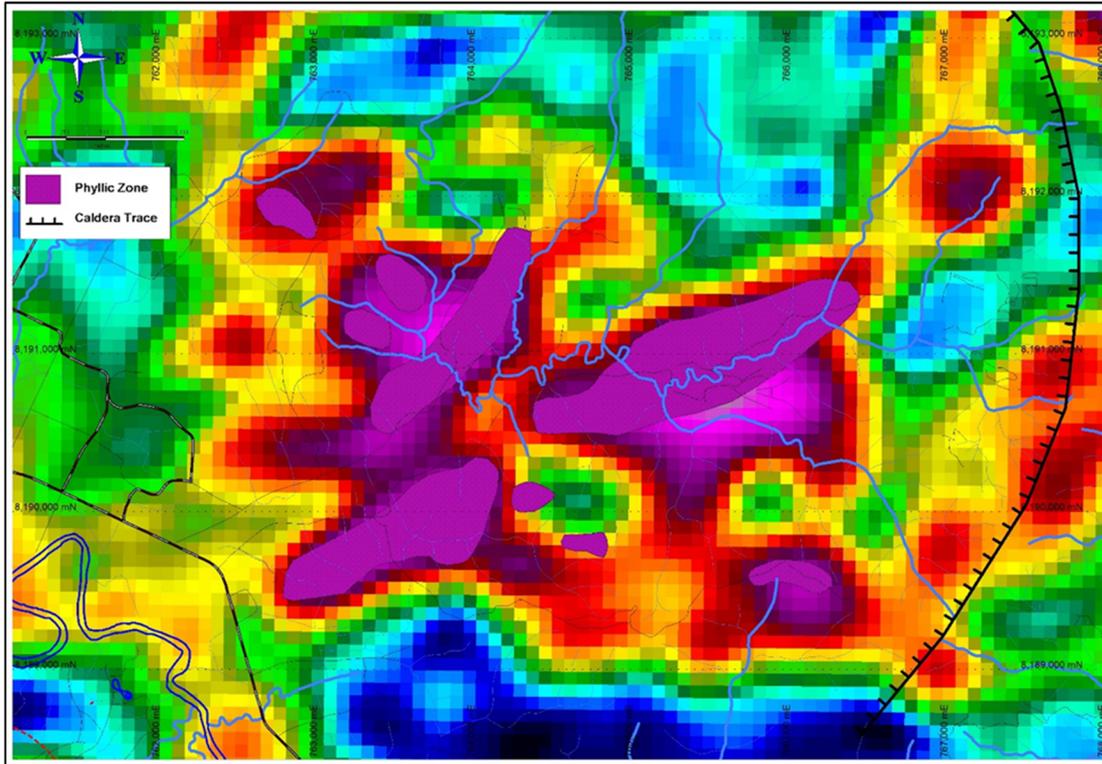


Figure 7-13. Mapped phyllic zones (solid purple regions) and interpreted caldera outline overlain on results from airborne radiometrics potassium intensity survey, Coqeloa Prospect (source: Celis and Nesbitt, 2019).

The presence of mordenite indicates that the fluids in the system were CO<sub>2</sub> deficient (Simmons, 1994). The presence of alunite and diaspore, which are distinctive clay alteration minerals of high sulphidation epithermal gold systems have been detected through XRD and petrography. Their presence suggests that there might an overprinting of low and high sulphidation epithermal gold systems in the area.

### **Structure**

The “phyllic” alteration assemblage is located within intensely silicified areas interpreted to be fault zones which have two dominant orientations, the main structures striking 70 to 80 degrees, with sub-vertical dip and smaller cross structures striking 100 degrees. The fault zones have a distinctly different geochemistry from the surrounding lithologies indicating extensive, highly focused alteration.

These structures are manifested on the ground as narrow, silicified ridges. These ridges are generally less than one-meter-wide and are continuous for strike lengths of 30 to 80m, with some extending over hundreds of metres.

### **Mineralization**

Quartz vein textures present in the Coqeloa Property include crustiform banded quartz and fine grained chalcedony veins (Figures 7-14). These textures are characteristics of near-surface precipitation and temperatures lower than 300 degrees Celsius (Heald et al., 1987). Comb textures are also present in quartz veins indicating the material was deposited in an open space (Figure 7-

14). These vein textures are found in deeper parts of epithermal systems (Dowling and Morrison, 1989).

Metallic minerals identified megascopically and through microscopy are pyrite, specular hematite, chalcopyrite and covellite. Pyrite is the most abundant primary sulfide. It is present in two forms: euhedral crystals and appear unaffected by alteration and anhedral crystals strongly altered by sericite and quartz. Chalcopyrite was only observed in thin section due to its fine grained nature. It commonly occurs as disseminations. Fine covellite grains are found surrounding chalcopyrite.

The development of gossans is common within the quartz, muscovite ± pyrite zone with a wide variety of anomalous values including Au, Ag, Cu, Pb, Mo, Te, As, and Sb. Gossans, each exhibiting different geochemistries, occur at three localities in the Coqeloa region. The hematite – quartz gossan contains anomalous concentrations of Au, Ag, Cu, Pb, Mo, Te, As and Sb. The quartz-limonite-hematite gossan has anomalous concentrations of Cu, Au, Ag, Mo, and Te. The magnetite-hematite gossan is associated with anomalous concentrations of Zn, Cu, As, Sb, Ba and Mn. These variations occur over a limited area within the Coqeloa Property and suggest a complex mineralizing system, with a high degree of internal variation (Pollington, 1995).

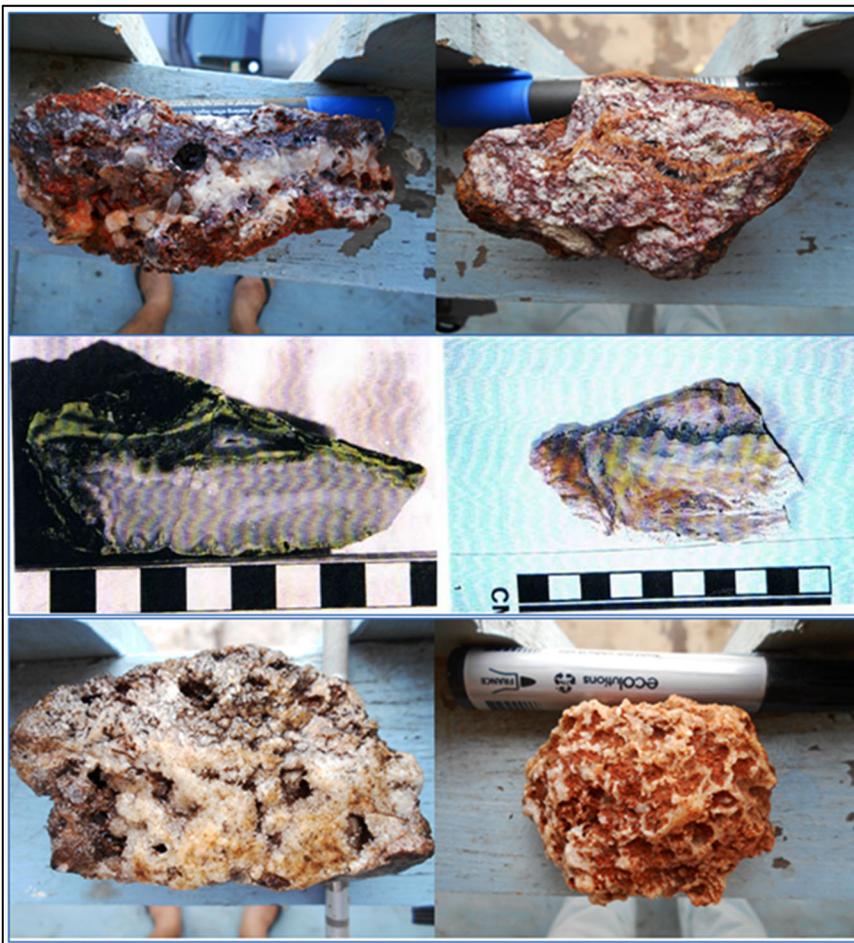


Figure 7-14. Quartz vein textures present in the Coqeloa Property include: (1) crustiform banded quartz and comb textures; (2) colloform textures in chalcedonic quartz; and, (3) quartz overgrowth within vugs (source: Celis and Nesbitt, 2019).

At Coqeloa, four main zones of alteration with gossan occurrences were identified and selectively rock chip sampled by CRA Exploration in 1995. Three of these zones are located within the current prospect area (see Figure 7-12):

1. **Northern Zone:** 1.3 km x 200 m zone of quartz-hematite altered volcanics with pods of hematitic gossan forming numerous silicified ridges striking at 70 to 80 degrees with almost sub-vertical dip (70 to 85 degrees) was identified. These structures are manifested on the ground as narrow, silicified ridges. These ridges are around one to five meter-wide and are continuous for strike lengths of 30 to 80 m, with some extending over hundreds of meters. Other gossan pods occur parallel to the main body. The gossans contain fresh pyrite, boxworks after pyrite, hematite, limonite and goethite.
2. **Main Zone:** two zones, 1.2 km x 500 m and 2.0 km x 300 m, of discontinuous resistant ridges with quartz-hematite gossanous volcanics (mostly rhyodacites) were identified. Gossanous material within the main zone is not common as the northern zone. It contains boxworks after pyrite, hematite and limonite. Quartz veining is common in these ridges.
3. **Southern Zone (includes Vunidawa Creek):** the least gossanous in the Coqeloa Property and only contains sparse outcrop. Silica rich gossans with abundant specular hematite and pyrite are the most common. Moderately siliceous gossans containing abundant primary magnetite crystals are also found in this area. Samples taken from the area yielded anomalous copper values.

## 8.0 DEPOSIT TYPES

Gold mineralization of primary interest within the Vatu Aurum Gold Project (*i.e.*, Qiriyaga Hill, Qiriyaga East and Vuinubu Ridge) has been recognized by previous exploration geologists to be an example of volcanic-hosted epithermal gold deposit (Celis and Nesbitt, 2019; Celis and Nesbitt, 2018). Alternatively, mineralization could be classified as intrusion-related, a relatively new classification of gold deposits and a product of nomenclature evolution, introduced by Lang et al. (2000). Given that the precise classification of the style of gold mineralization is uncertain, both models are presented for consideration.

### 8.1 Volcanic-Hosted Epithermal

Main elements of the epithermal deposit model are presented in Figure 8-1. Epithermal deposits form over a temperature range of <150 to 300 degrees Celsius, from the surface to depths of 1 to 2 km (Berger and Eimon, 1983). They are spatially and temporally related to subaerial volcanism along destructive plate margins, and in extensional tectonic settings (Cooke, 1991).

This deposit model presents two principal styles of epithermal mineralizing systems which may be of economic interest: low sulphidation and high sulphidation (White and Hedenquist, 1995). The chemistry of the ore forming fluids determines which of these styles of mineralization occurs. Low sulphidation systems are precipitated from near neutral pH, reduced fluids (Barton and Skinner, 1979) whereas high sulphidation systems are related to acidic, oxidized fluids (*e.g.*, Hedenquist et al., 1994; Hedenquist and Lowenstern, 1994).

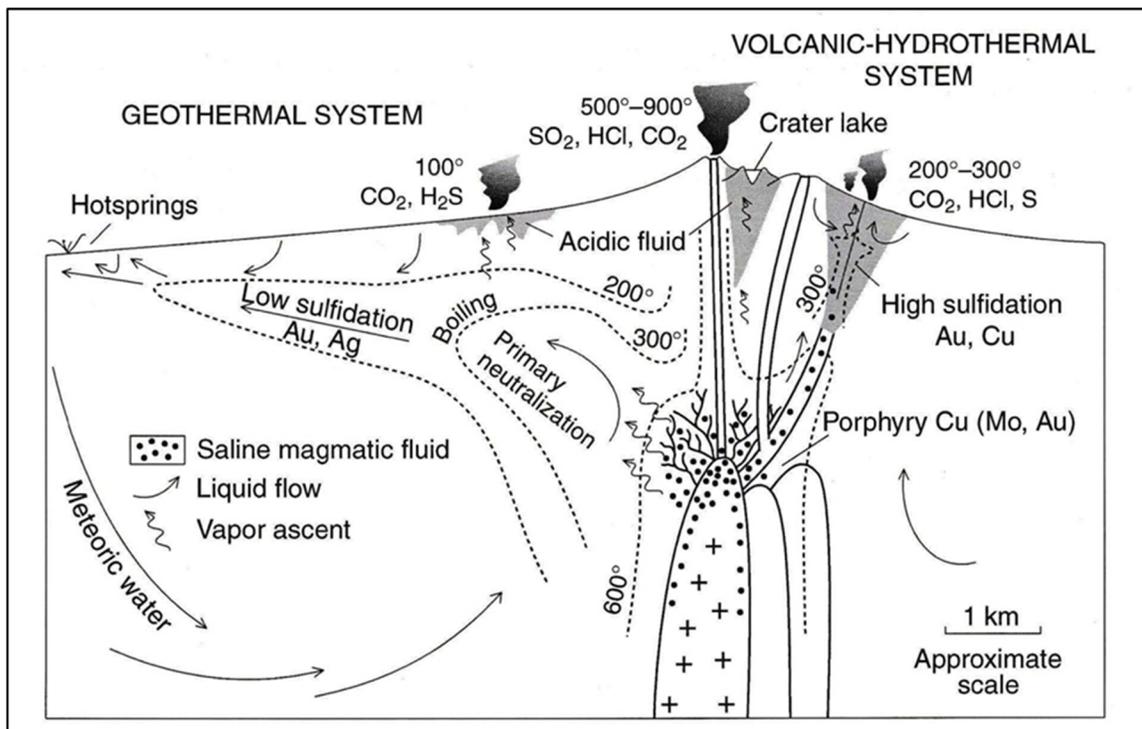


Figure 8-1. Simplified Epithermal Model. Schematic depiction of various processes deduced for volcanic-hydrothermal and geothermal systems and respective environments of high sulphidation and low-sulphidation styles of epithermal ore deposits relative to the intrusive engine (source: Hedenquist, 2000).

Favourable alteration, structure, and lithology also play important roles in the success of economic gold concentration in volcanic-hydrothermal systems and determining “depth in the system” (*i.e.*, the boiling zone) is critical to exploration success. A schematic model outlining typical alteration zonation within a low-sulphidation epithermal system is provided in Figure 8-2 and a schematic cross-section asserting the importance of the Upper Qiriyaga Sequence to gold mineralization at Qiriyaga Hill is provided in Figure 8-3.

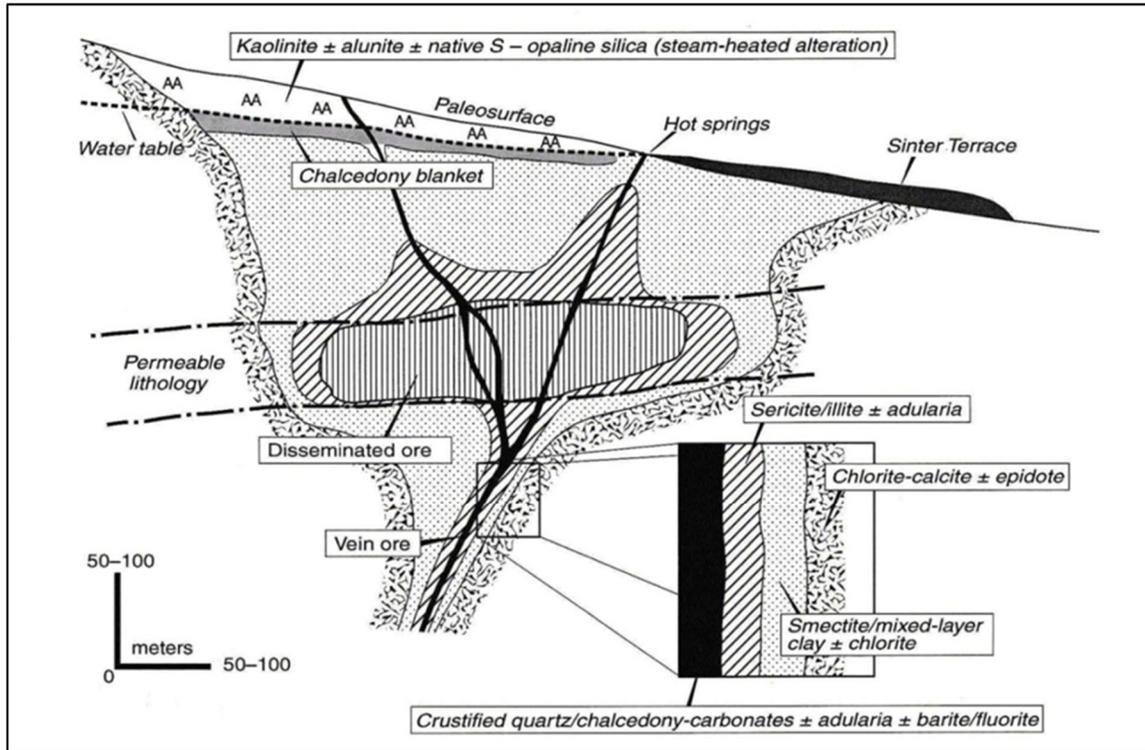


Figure 8-2. Schematic model showing general patterns of alteration and the influence of favourable lithology (*i.e.*, permeable lithology) to the accumulation of disseminated ore within a low-sulphidation system. Important high-level features of the alteration system include a blanket of advanced argillic (AA) steam heated alteration (*i.e.*, lithocap) and water table silicification (source: Hedenquist, 2000).

Corbett (2012), presented a schematic cross section and model for mineralization at the Qiriyaga Hill and Qiriyaga East prospects, outlining the lithic-rich fiamme breccia of the Upper Qiriyaga Sequence as the target lithology for gold mineralization (Figure 8-4). Qiriyaga Hill, a small rounded hill rising gently from the undulating floor of the central graben structure, contains northeast trending hydrothermal breccia structures which are thought to have acted as conduits to ascending mineralizing fluids, resulting in a fine, hairline silica-quartz stockwork with patchy replacement features and hosted by a clay-chlorite altered volcanoclastic sequence (Lazo et al., 2015b). At least five, sub-parallel and sub-vertical, hydrothermal breccia bodies have been drill tested to date, returning high concentrations of gold, along with minor amounts of silver, lead, zinc and copper.

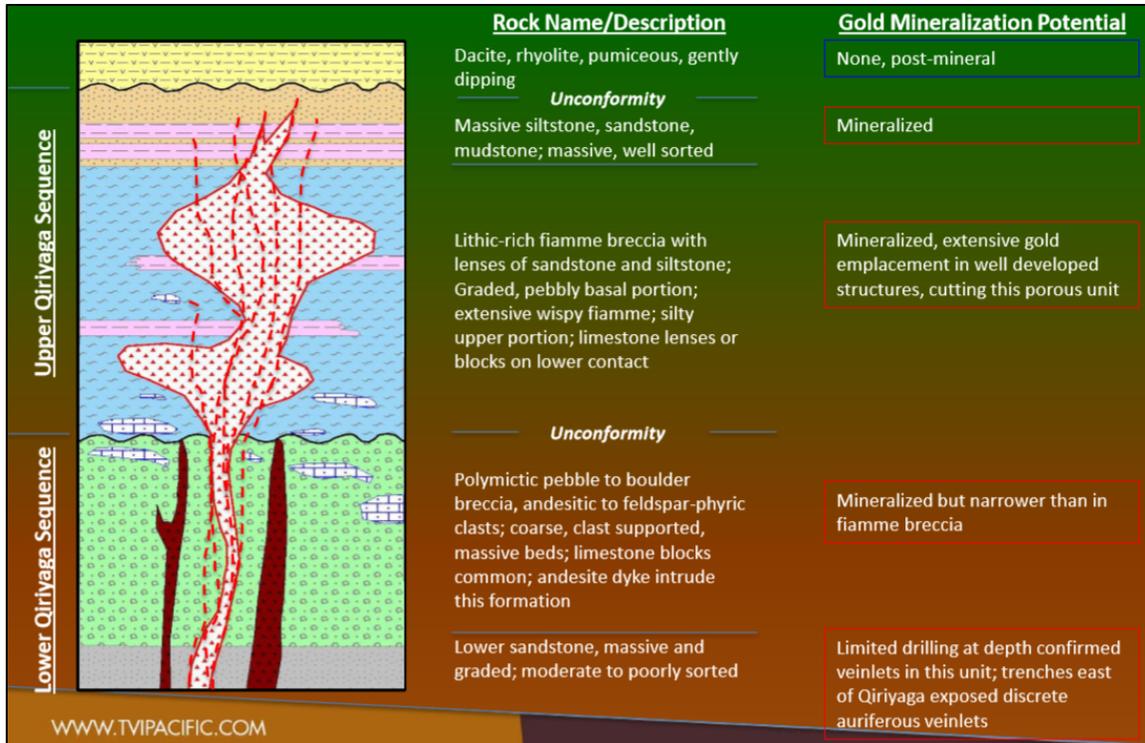


Figure 8-3. Simplified stratigraphy and mineralization at the Cirianiu Property, Qiriyaga Hill (source: Celis and Nesbitt, 2018).

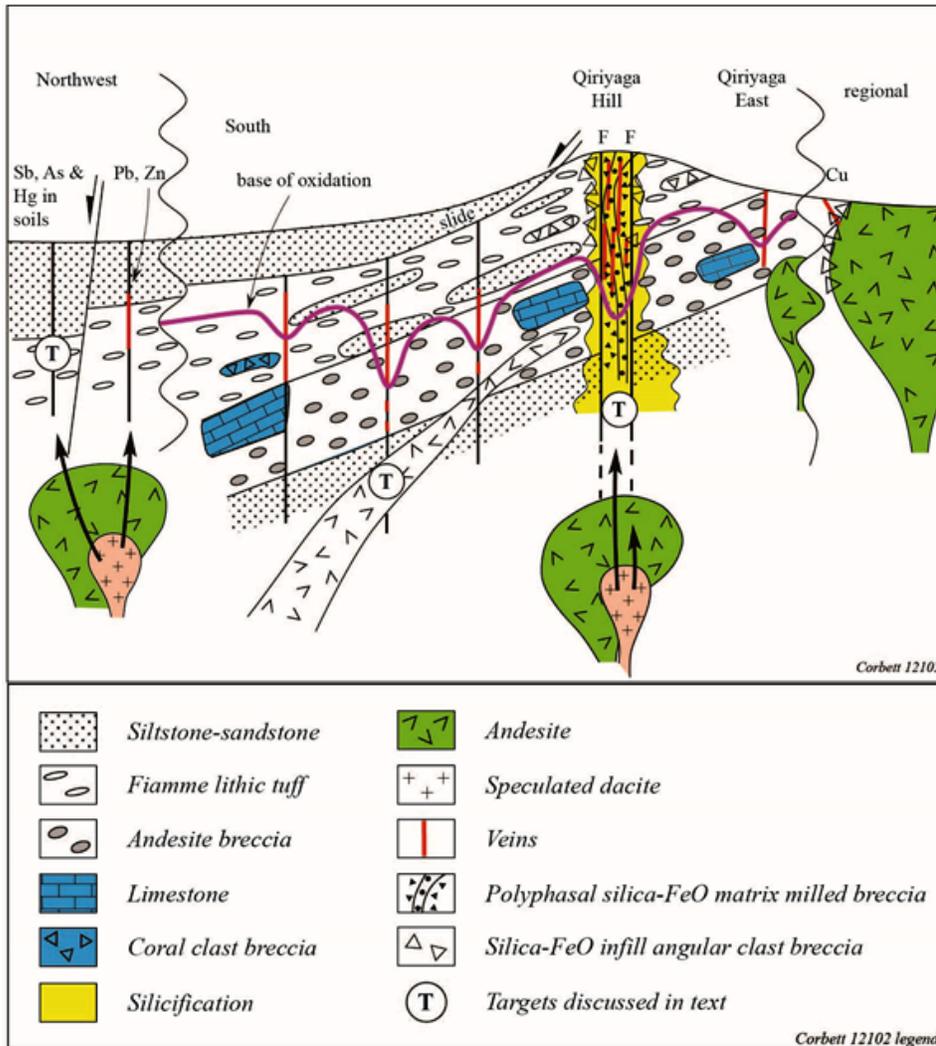


Figure 8-4. Conceptual geological model for settings of gold mineralization on the Cirianiu Property, Qiriyaga Hill and Qiriyaga East prospects (source: Corbett, 2012).

## 8.2 Intrusion-Related Gold Systems

Gold mineralization at Qiriyaga Hill and other prospects of primary interest within the Project area share many (but not all) similarities with the deposit model classification referred to as intrusion-related gold systems (“IRGS”). First introduced by Thompson et al. (1999) for tungsten-tin systems with a low primary oxidation state, it was progressed by Lang et al. (2000), to reflect the tendency for magmatic-hydrothermal environments to form ores that express multiple styles, metal assemblages and spatial associations with a related intrusive centre. Thompson and Newberry (2000) modified the term to “reduced IRGS” to emphasize the importance of the reduced state of the associated granitoids (Hart and Goldfarb, 2005).

Intrusion-related gold systems, largely recognized in Phanerozoic rocks, consist of distinguishing features that are particular to hydrothermal systems surrounding cooling magmatic bodies and whose features are dissimilar to those described in traditional epithermal systems (in this case, low-

sulphidation epithermal deposits). Lang and Baker (2001) present a summary of the notable features common to many intrusion-related gold deposits and provinces, including:

- 1) Metaluminous, subalkalic intrusions of intermediate to felsic composition that span the boundary between ilmenite- and magnetite-series;
- 2) Carbonic hydrothermal fluids;
- 3) Metal assemblage which variably combines Au with elevated Bi, W, As, Mo, Te and/or Sb and low concentrations of base metals;
- 4) a low sulphide content (<5% by volume) with a reduced ore mineral assemblage that typically comprises arsenopyrite, pyrrhotite and pyrite, and which lacks magnetite or hematite;
- 5) areally restricted, commonly weak hydrothermal alteration, except in systems formed at the shallowest depths spanned by these deposits;
- 6) a tectonic setting of continental magmatism well-inboard of inferred or recognized convergent plate boundaries, and which commonly contains coeval intrusions of alkalic, metaluminous calc-alkalic and peraluminous compositions; and,
- 7) a location in magmatic provinces best or formerly known for W and/or Sn deposits.

Intrusion-related gold deposits in shallow crustal settings are associated with stocks, sills, dikes, and volcanic domes and include epithermal-style veins to breccia and stockwork veins, more characteristic of porphyry-type settings. Alteration assemblages vary with depth with clay and quartz-carbonate-sericite alteration most abundant in shallow systems, whereas early feldspathization, with albite greater than K-feldspar, common in deeper deposits. Metals such as antimony, arsenic, silver, and mercury are more common in shallow settings, whereas tungsten, molybdenum, bismuth, and tellurium are principal in deeper systems. Copper, lead, and zinc typically have low concentrations and copper appears to be more abundant in shallow systems. Lead and zinc are most common in more distal environments (Baker, 2002).

### **8.3 Genetic Model: Coqeloa Property**

Alteration and mineralization at the Coqeloa Prospect on the Coqeloa Property (SPL 1511) is interpreted to be related to an epithermal system associated with subaerial volcanism in near-surface conditions. Groundwater convection, involving low carbon dioxide fluids produced by hot, alkali chloride waters, mixing with low pH, cold oxidizing groundwater, and not seawater convection through submarine volcanism, is understood to be responsible for the alteration and mineralization (Celis and Nesbit, 2019).

## 9.0 EXPLORATION

On 9 February 2009, Aurum Exploration (Fiji) Limited was granted SPL 1464, referred to initially as the Wainikoro Prospect (Taylor, 2010), and on 9 July 2010, SPL 1464 was transferred to KEPL. On 11 April 2018, SPL 1511 was granted to KEPL.

KEPL began its exploration of the Project in 2009, with detailed geological mapping and site visits to the numerous gold occurrences found by previous explorers (Taylor, 2010). A summary of exploration work completed by KEPL from 2009 to 2020 is provided in Table 9-1. Details of drilling programs completed by KEPL are provided in Section 10.

As of the Effective Date of the Report, a total of 9,479.60 m of diamond drilling, 14,527.70 m of trenching, 789 grab samples, 3,141 soil samples, and an airborne magnetic-radiometric survey have been completed by KEPL and previous explorers, identifying a minimum of 14 epithermal precious metal targets.

Table 9-1. Summary of exploration work completed by KEPL from 2009 to 2020.

PROSPECT (PROPERTY)	PERIOD	EXPLORATION METHOD
5K Gold-Somoloicia	2010 - 2012	Reconnaissance mapping and rock sampling
	2013	Mapping, rock chip sampling, geochemistry, trenching
	2017	Drilling (K5D01)
Cirianiu Property	2009	Historical data review, drilling
	2010	Reconnaissance rock sampling, mapping
	2012	Compilation and review
	2013	Regional geochemistry, mapping, trenching
	2014-2016	Metallurgical testwork
Coqeloa Property	2009	Historical data review
	2019	Geochemistry (BLEG), rock chip sampling
	2018	Mapping, rock chip sampling
Drudrusavu/Nubutubutu	2012	Mapping and rock sampling
Mouta	2009	Rock sampling
Namalau	2017	Drilling (KCD24)
Nubu/Vuinagata	2012	Mapping and rock sampling
Qiriyaga Hill	2009	Drilling (KCD01-02)
	2010	Drilling (KCD03-12), mapping, trenching
	2011	Drilling (KCD13-17), trenching
	2012	Trenching
	2013	Drilling (KCD18-22)
	2014-2016	TVI-Pacific: Geochemistry, drilling (TDD01-02), 3D modelling, resource estimation
	2019	Geochemistry, rock chip sampling, trenching drilling (KCD25)
	2020	Drilling (KCD26)
Qiriyaga North	2017	Drilling (KCD23)
Vuinubu Ridge	2010	Mapping, trenching
	2011	Drilling (KVD01-02), trenching
	2017	Drilling (KVD03)
	2019	Drilling (KVD04)

## 9.1 2009-2010

From November 2009 to March 2010 (end of annual reporting period), KEPL completed detailed geological mapping along trenches and road cuts at Qiriyaga Hill, a site visit to the Vuinubu Prospect, and 1:2500 scale interpreted geological compilation (Taylor, 2010). In addition to surface mapping, two diamond drill holes, KCD-01 and KCD-02 (totalling 341.55 m), were drilled at Qiriyaga Hill, designed to test an interpreted breccia/diatreme feature and a northeast trending structure (see Section 10) (Taylor, 2010).

Placer interpreted the Qiriyaga Hill area as a sequence of flat lying volcanoclastics, sediments and limestone, and recognized an intrusive body at depth in drilling. They considered no real structural controls on the emplacement of the sequence except at nearby Vuinubu Ridge where Placer recognized northeast trending fault control on gold mineralization. Detailed geological mapping at Qiriyaga Hill revealed at least four major northeast trending faults, possibly offset to the west by a major east-west trending fault. The faults are strongly brecciated and at surface are often overlain by leached silica caps. KEPL's initial work in 2009-2010 followed up on these interpretations.

Taylor (2010), does not contain any further details of the surface work and indicates that the reporting for detailed geological mapping and compilation work had yet to be completed.

## 9.2 2010-2011

Between April 2010 and March 2011 (end of annual reporting period), KEPL completed detailed geological mapping and sampling along new drill access roads at Qiriyaga Hill and on roads and nine trenches at Vuinubu Ridge, and reconnaissance sampling and geological mapping of outlying prospects within SPL 1464 (Taylor, 2011b). Regional geological mapping and rock and trench soil sampling was completed at nine locations in SPL 1464. An aerial survey of SPL 1464 was flown by a chartered Pacific Sun flight and photos compiled. By March 2011, KEPL had completed 2,049.15 m of diamond drilling in 12 holes (see Section 10).

### 9.2.1 Rock Sampling

Regional geological mapping and outcrop and float rock sampling delineated a large area of clay silica alteration and mineralized siliceous float five kilometres southwest of Qiriyaga Hill. Covering about 2.0 square km and referred to as the 5K Gold Prospect (immediately next to Somoloicia Prospect), six outcrop and float samples averaged 0.59 g/t Au and ranged from 0.08 g/t to 2.71 g/t Au (Taylor, 2011b).

### 9.2.2 Trench Sampling (Geochemistry)

A total of 877 trench soil samples were collected at Qiriyaga Hill (334 samples) and Vuinubu Ridge (484 samples), and at regional prospects (59 samples). Highlights from the trench sampling are provided in Table 9-2.

Table 9-2. Summary of trench soil samples (from Taylor, 2011b).

Prospect	Description	From (m)	To (m)	Int (m)	Au (g/t)	Mn (ppm)
Qiriyaga	drill access road to KCD08	14.00	30.00	16.00	0.41	-
	drill access road to KCD08	44.00	64.00	20.00	1.15	-
	drill access road to KCD08	92.00	104.00	12.00	0.51	-
	Trench 11a	2.00	6.00	4.00	0.19	-
	Trench TSP2	22.00	34.00	12.00	0.35	-
	Trench SW1	0.00	18.00	18.00	0.38	-
	Trench SW2	54.00	60.00	6.00	0.30	-
	BT2 Baba Trench	6.00	12.00	6.00	-	2300
	Trench NT2	10.00	34.00	24.00	-	2270
	Trench NT4	0.00	8.00	8.00	-	5548
	Trench NT4	38.00	44.00	6.00	-	6483
Vuinubu Ridge	Phils Road	140.00	160.00	20.00	0.34	-
	Phils Road	172.00	200.00	28.00	0.19	-
	Phils Road	200.00	208.00	8.00	0.92	-
	Phils Road	356.00	364.00	8.00	0.70	-
	Phils Road	412.00	500.00	88.00	1.58	-
	including	472.00	500.00	28.00	2.64	-
	Drill site 31 road	0.00	4.00	4.00	0.23	-
	Trench VT3	2.00	22.00	20.00	0.91	-
	Trench VT4	0.00	6.00	6.00	0.07	-
	Trench VT6	0.00	4.00	4.00	0.25	-
	Trench VT7	30.00	32.00	2.00	0.18	-
	Trench VT7	38.00	40.00	2.00	0.11	-
	Trench VT8	14.00	16.00	2.00	0.09	-
	Trench VT8	54.00	58.00	4.00	0.12	-
	Trench VT9	16.00	18.00	2.00	0.13	-
1K Prospect	Trench T1K2	6.00	14.00	8.00	-	1508

### 9.3 2011

From January to December 2011, KEPL completed mechanical trenching in 41 trenches at “The Gap”, an area located between Qiriyaga Hill and Vuinubu Ridge, at Qiriyaga East (northeast of Qiriyaga Hill) and Namalau, and at Qiriyaga Hill. In addition, KEPL completed 1,042.9 m of diamond drilling in seven holes at Qiriyaga Hill (5 holes, 772.2 m) and Vuinubu Ridge (2 holes, 270.7 m) (see Section 10).

By 2011, KEPL recognized the importance of the northeast trending faults in hosting high-grade gold mineralization and recorded significant gold intersections on the three major faults near the base of oxidation. A number of mineralization types were recognized and classified: (1) black, high-grade gold in sulphide beds and silicified leached breccias show affinities to possible fossilized gold-bearing sea floor massive sulphide deposits; (2) gold in mudstones occurs as structurally controlled replacement and high-grade silicified breccias; and, (3) carbonate-quartz gold, base metal veins represent low sulphidation deposition of gold (Taylor, 2011a).

### 9.3.1 Trench Sampling (Geochemistry)

A total of 1,772 trench soil and rock samples were collected for assay from 41 trenches (Taylor, 2011a). Detailed geological mapping was undertaken in all of the trenches and 2.0 m soil sample intervals were collected from horizontal channels. A summary of significant assay results from 2011 trenching is provided in Table 9-3.

Table 9-3. Summary of significant assay results from trench sampling completed in 2011 (from Taylor, 2011a).

Prospect	Trench	-	From (m)	To (m)	Int (m)	Au (g/t)
Qiriyaga East	QET 1		8.00	12.00	4.00	0.73
	QET 1	and	18.00	32.00	14.00	0.89
	QET 1	including	30.00	32.00	2.00	2.04
	QET 1	and	44.00	62.00	18.00	0.53
	QET 2		50.00	84.00	34.00	0.43
	QET 2	and	88.00	92.00	4.00	0.33
	QET 3		84.00	86.00	2.00	1.82
	QET 3	and	90.00	124.00	34.00	0.28
	QET 4		16.00	22.00	6.00	1.24
	QET 4	including	18.00	20.00	2.00	2.57
	QET 4	and	64.00	74.00	10.00	0.62
	QET 5		22.00	32.00	10.00	0.35
	QET 5	and	34.00	54.00	20.00	0.14
	QET 6		24.00	68.00	44.00	0.14
	QET 7		12.00	22.00	10.00	0.21
	QET 7	and	30.00	34.00	4.00	0.28
	QET 8		0.00	16.00	16.00	0.13
	QET 8	and	26.00	50.00	24.00	0.15
	QET 9		16.00	22.00	6.00	0.74
	QET 9	and	30.00	78.00	48.00	0.49
QET 10		78.00	96.00	18.00	0.27	
QET 12		12.00	16.00	4.00	0.29	
QET 12	and	84.00	90.00	6.00	1.57	
QET 12	and	116.00	120.00	4.00	0.20	
QET 14		62.00	66.00	4.00	0.13	
QET 15		50.00	66.00	16.00	0.25	
QET 16		24.00	40.00	16.00	0.58	
QET 16	and	44.00	56.00	12.00	0.41	
Namolau	NAT 1		26.00	62.00	36.00	0.43
	NAT 1	including	46.00	56.00	10.00	0.83
	NAT 1	including	46.00	48.00	2.00	1.14
	NAT 2		0.00	40.00	40.00	0.16
	NAT 2	including	14.00	26.00	12.00	0.27
	NAT 2	and	70.00	74.00	4.00	2.91
	NAT 2	including	72.00	74.00	2.00	4.53
	NAT 2E		12.00	28.00	16.00	0.60
	NAT3		0.00	30.00	30.00	0.19
	NAT3	and	62.00	68.00	6.00	0.26
NAT 5		4.00	8.00	4.00	0.67	
NAT 5	and	20.00	46.00	26.00	0.53	

Prospect	Trench	-	From (m)	To (m)	Int (m)	Au (g/t)
	NAT 5	and	54.00	70.00	16.00	0.28
	NAT 6		34.00	40.00	6.00	1.77
	NAT 6	including	36.00	38.00	2.00	4.82
	NAT 7		2.00	4.00	2.00	0.43
	NAT 7	and	14.00	18.00	4.00	0.43
	NAT 9		24.00	30.00	6.00	0.37
	NAT 10		88.00	90.00	2.00	0.14

## 9.4 2012

In 2012, KEPL undertook major exercises to compile and understand the geological setting and the controls on the formation of potentially economic mineralization on SPL 1464 (Taylor, 2012). No diamond drilling took place in 2012. Work included a regional historical data compilation for all prospects within SPL 1464, re-logging of historical Placer drill holes, detailed petrological studies and interpretation (see Section 13.3), and third party consultation with site visits by consulting geologists Dr. Greg Corbett (Corbett Geological Services Pty Ltd), Grace Cumming (Consultant Volcanologist), and David Jones (Vidoro Pty Ltd).

The volcanic stratigraphy of the Cirianiu Prospect area was compiled and a preliminary interpretation of the depositional environment and emplacement mechanisms for the volcanics was undertaken by Volcanologist Grace Cumming.

### 9.4.1 Placer Core Re-Logging

Placer drill holes FCD1 to FCD33 (Qiriyaga Hill, Qiriyaga East and Vuinubu Ridge), FDD1 to FDD4 (Drudrusavu), FWD2 and FWD3 (Wainikoro), and FVD1 and FVD2 (Vuinagata/Nubu Gossan) were re-logged and interpreted. The Placer core was poorly preserved and missing in a number of drill holes (Taylor, 2012).

The re-logging of the Placer drill core along with earlier logging of the KEPL core, enabled geological and gold assay sections to be compiled and interpreted. The understanding of the geology controls on mineralization formation and interpreted sections enabled Dennis Johnson (Szach Cost Management) to complete a preliminary evaluation of the Cirianiu Property (Taylor, 2012).

### 9.4.2 Trenching

A total of seven trenches were mechanically excavated at Qiriyaga Hill (Figure 9-1). Three trenches (QNT 1 to QNT 3) were to the north of Qiriyaga Hill to test possible continuation of the F1 fault system to the north and four trenches (QST 1 to QST 4) were mechanically excavated on the south side of Qiriyaga Hill to test possible continuation of the F1 fault system to the south (Taylor, 2012). All the trenches were channel sampled horizontally at 2 m sample intervals and geologically mapped in detail. A summary of the trenching is provided in Table 9-4.

Table 9-4. Summary of 2012 trenching completed at Qiriyaga Hill (see Figure 9-1) (Taylor, 2012).

Trench	Comments	UTM_mN	UTM_mE	Az (mag)	Length (m)	Significant Results
QNT1	north of Qiriyaga Hill	161859.0	1793647.8	288	98.00	all samples <0.1 g/t Au
QNT2	north of Qiriyaga Hill	161857.9	1793648.4	288	100.00	2 m @ 0.02 g/t Au
QNT3	north of Qiriyaga Hill	161856.9	1793648.8	288	94.00	2 m @ 0.07 g/t Au
QST1	south of Qiriyaga Hill	161907.7	1793642.3	288	38.00	2 m @ 0.38 g/t Au
QST2	south of Qiriyaga Hill	161911.4	1793641.1	288	90.00	2 m @ 0.09 g/t Au
QST3	south of Qiriyaga Hill	161912.2	1793639.1	288	120.00	2 m @ 0.2 g/t Au
QST4	south of Qiriyaga Hill	161913.4	1793638.6	288	72.00	2 m @ 0.02 g/t Au
QPT5	south of Qiriyaga Hill	-	-	-	-	22 m @ 0.57 g/t Au
QPT8	southwest of Qiriyaga Hill	-	-	-	-	6 m @ 0.29 g/t Au
CT46	historical Placer trench	-	-	-	-	18 m @ 0.45 g/t Au

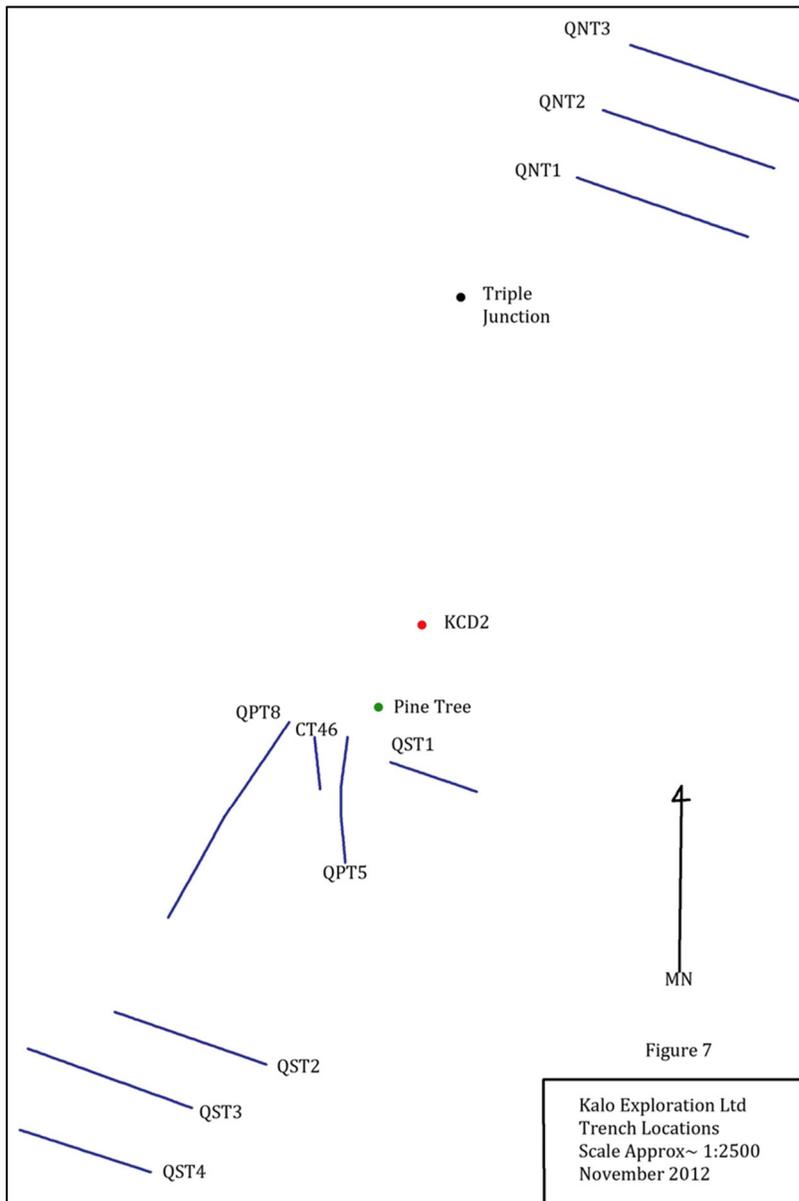


Figure 9-1. Location of the 2012 trenching at Qiriyaga Hill (see Table 9-4) (source: Taylor, 2012). For reference the location of drill hole collar KCD2 is shown (red dot).

KEPL reported good evidence for the gold bearing F1 fault extending south for 25.0 m from the high-grade gold intersection in drill hole KCD2 to trench QST1. The F1 fault does not appear to extend to the north of Qiriyaga Hill but may be displaced further west. Anomalous gold values in trenches QPT5, CT46 and QPT8 may be displaced to the west or be trending east-west. The F2 fault may extend south along the ridge beneath the Upper Sandstone Unit mapped in trenches QST2 and QST3 (see Figure 9-1) (Taylor, 2012).

### 9.4.3 Geophysical Re-interpretation

Placer’s Controlled-Source Audio-frequency Magnetotellurics (“CSAMT”) and Induced Polarization (“IP”) geophysical surveys at Qiriyaga Hill and Vuinubu Ridge were re-interpreted and further IP and ground magnetic surveys were planned for 2013, to be used to guide future drilling.

## 9.5 2013

During 2013, KEPL undertook reconnaissance geological mapping and sampling at eight prospects outside of Qiriyaga Hill (5K Gold-Somoloicia, Mouta, Wainikoro, Nubu Gossan, Lagalaga, Vudamanu, Deadwood, and Narusa Hill prospects), and mechanical trenching (41 trenches), mapping and sampling at four of the prospects (Qiriyaga Hill, Vuinubu Ridge, Namalau, 5K Gold-Somoloicia). Geological mapping, rock and soil sampling, and trenching was completed at the 5K Gold-Somoloicia Prospect (Taylor, 2013). In addition, KEPL completed five diamond drill holes at Qiriyaga Hill using core from three of the five holes (KCD18 to KCD20) for metallurgical testwork.

The 5K Gold-Somoloicia Prospect, located 5 km south of Qiriyaga Hill, occurs in a similar geological and structural setting to Qiriyaga Hill (Taylor, 2013). Four north trending faults occur at this prospect and two of the faults, 5KF1 and 5KF2, contain anomalous gold (Table 9-5). The F1 fault is strongly mineralized over a strike length of about 1.2 kilometres (Taylor, 2013).

### 9.5.1 Trench Sampling (Geochemical)

A total of 41 trenches were mechanically excavated, mapped and sampled (Table 9-5). Twenty trenches at Qiriyaga Hill (11 trenches), Namalau (5 trenches), and Vuinubu Ridge (4 trenches) and 14 trenches at 5K Gold (10 trenches) and Somoloicia (4 trenches).

Table 9-5. Summary of 2013 trenching and assay results.

Prospect	Trench	Comments	Target	From (m)	To (m)	Int (m)	Au (g/t)
Qiriyaga Hill	K13/01	SW of Qiriyaga Hill	offset of F1 fault to the west	no significant intervals			
	K13/02	SW of Qiriyaga Hill	offset of F1 fault to the west	no significant intervals			
	K13/03	N of Qiriyaga Hill	possible offset of F1 fault to the west	20.00	90.00	70.00	1.16
	including			32.00	44.00	12.00	3.18
	including			34.00	38.00	4.00	5.40
	K13/04	N of Qiriyaga Hill	north extension of F1 fault	no significant intervals			
	K13/05	N of Qiriyaga Hill	north extension of F1 fault	14.00	34.00	20.00	0.83
	and			34.00	44.00	10.00	1.46

Prospect	Trench	Comments	Target	From (m)	To (m)	Int (m)	Au (g/t)
	and			44.00	62.00	18.00	0.78
	and			164.00	210.00	46.00	1.54
	K13/06	W of Qiriyaga Hill	locate further faults west of F3	no significant intervals			
	K13/07	W of Qiriyaga Hill	locate further faults west of F3	no significant intervals			
	K13/08	SW of Qiriyaga Hill	-	no significant intervals			
	K13/09	29 m west of KCD8	check Au-bearing intercept in KCD21	16.00	30.00	14.00	0.35
	and			38.00	42.00	4.00	0.27
	K13/10	north of trench K13/05	check northern continuation of anomaly	no significant intervals			
	K13/11	-	possible SE offset of F1 fault	no significant intervals			
Vuinubu Ridge	Pisi Road	120 m NE of drill hole KVD2	check geology and alteration in area	no significant intervals			
	VT 9	at Placer drill hole FCD32/33	-	80.00	84.00	4.00	2.42
	VT 10	westward continuation of VT 9	-	16.00	18.00	2.00	0.68
	VT 11	31 m SW of KVD2	-	12.00	42.00	30.00	0.47
	and		-	56.00	64.00	8.00	1.15
	VT 12	37 m NE of drill hole KVD2	-	0.00	18.00	18.00	0.95
Namalau	NAT 12	east of trench NAT 5	-	no significant intervals			
	NAT 13	107 m NE of trench NAT 12	-	no significant intervals			
	NAT 14	west side of road opposite NAT 13	-	no significant intervals			
	NAT 15	36 m NE of trench NAT 14	-	no significant intervals			
	NAT 16	west side of road opposite NAT 15	-	no significant intervals			
5K Gold-Somoilocia	135K T1	40 m long	-	30.00	32.00	2.00	0.40
	135K T2	33 m long	-	24.00	26.00	2.00	0.65
	135K T3	32 m long	-	no significant intervals			
	135K T4	46 m long	5KF1 fault	0.00	28.00	28.00	0.94
	including			4.00	12.00	8.00	1.78
	135K T5	86 m long	-	42.00	46.00	4.00	0.45
	and			62.00	64.00	2.00	0.26
	135K T6	28 m long	-	8.00	14.00	6.00	0.41
	including	Ridge Road 2	-	8.00	10.00	2.00	0.53
	135K T7	50 m long	5KF2 fault	10.00	14.00	4.00	0.65
	including	Kope Road	5KF2 fault	12.00	14.00	2.00	0.79
135K T8	26 m long	-	no significant intervals				
135K T9	46 m long	-	no significant intervals				
135K T10	26 m long	-	no significant intervals				

## 9.5.2 Rock Sampling

Geological mapping and rock sampling (outcrop and float grab samples) was completed at the 5K Gold-Somoloicia Prospect (Taylor, 2013). A total of 64 rock samples were collected from the Mouta (15 samples), Wainikoro (12 samples), Nubu Gossan (3 samples), Lagalaga (16 samples), Vudamanu (7 samples), and Deadwood (11 samples) prospects. Significant results from the grab rock sampling program are provided in Table 9-6.

Table 9-6. Summary of significant results from 2013 grab rock sampling.

Location	Sample	UTM_mE	UTM_mN	Description	Type	Au (g/t)
<b>Somolicia</b>	135K 37/Sam E	774324	8191237	Sil brecc mudstone	Outcrop	0.64
	135K 36/Sam E	774347	8191302	Sil lt qtz veins	Outcrop	1.80
	135K 48/Sam E	774330	819246	Sil bleached tuff	Float	0.23
	SO 7/Som E	-	-	Flat lying Quartz veins	Outcrop	2.71
<b>5K Gold</b>	135K 12/Voliyaki Rd	775082	8192153	Silicified weakly leached.	Float	0.28
	135K 17/Hill Rd	774988	8192135	Sil clasts at mudstone contact	Outcrop	0.35
	135K 20/Hill Rd	775071	8192049	Sugary leached quartz v'lts	Float	0.51
	135K 22/Hill Rd	775044	8192051	Leached sugary quartz v'lts	Float	0.38
	135K 23/Hill Rd	774991	8192083	Quartz vein pyritic	Outcrop	1.73
	135K 24/Hill Rd	774971	8192087	0.5m wide quartz vein	Outcrop	0.26
	135K 65/Bua Rd	774359	8192169	0.5m wide quartz vein	Outcrop	0.28
	135K 76/Kope Rd	774438	8192177	Red cherty sil veins	Outcrop	2.49
	135K 77/Kope Rd	774481	8192110	Abundant quartz veins	Float	2.44
	135K 85/Ridge Rd 2	774516	8191831	0.5m wide quartz vein	Outcrop	0.64
<b>Mouta</b>	13M2	771876	8198696	Barite, silicified tuff	Float	2.16
	13M5	771554	8198622	Leached, barite vein	Float stockpile	0.45
	13M6	771554	8198662	Leached barite malachite vein	Float stockpile	3.87
	13M7	771554	8198662	Malachite azurite vein	Float stockpile	9.75
	13M8	771565	8198570	Barite Pb/Zn Cu vein	Outcrop	3.68
<b>Wainikoro</b>	13 WNK 08	-	-	Fe rich gossan at workings	Outcrop	0.60
	13 WNK 10	-	-	Qtz v'lts on ridge	Outcrop	0.29

## 9.6 2014-2015

In 2014, KEPL completed metallurgical testwork (see Section 6.4) through Kappes Cassidy and Associates (“KCA”) Reno Nevada, a regional work program that identified new areas of interest, and held joint venture discussions with TVI, who subsequently carried out extensive due diligence (Lazo et al., 2015a).

In October 2014, KEPL and TVI signed an agreement that allowed TVI to conduct a six month Due Diligence period on the Cirianiu Property. This agreement was extended in April 2015, first for an additional six months until October 2015, and then for another six months to April 2016 (Nesbitt et al., 2016).

From November 2014 to March 2015, TVI conducted an extensive due diligence program which focused on the Cirianiu Property and specifically the Qiriyaga Hill Prospect, with a limited amount of regional exploration work (Lazo et al., 2015a, 2015b).

The due diligence program included drill core re-logging (geology, alteration, and mineralization), re-sampling of drill core for assay (see Section 11), core sampling for petrography (determine type

of alteration), drill core density measurements, drill hole collar resurveys, validation of all completed drill holes in Cirianiu, metallurgical analysis (see Section 13), regional exploration, diamond drilling (2 holes), 3D geological modelling, and a mineral resource estimation (see Section 6) (Lazo et al., 2015a, 2015b).

This program also included the setting-up of an updated database that captured all the new generated data from the re-log and re-assay and the encoding and validation of archived data and maps. The re-logging activity required the establishment of logging protocols and forms that captured, updated and simplified the geological evaluation, minimizing data discrepancy and inconsistencies. The new updated data were used for the current interpreted geology sections and level plans to better understand the mineralization controls and emplacement of gold in the Cirianiu Property (Lazo et al., 2015a; Nesbitt et al., 2016).

### 9.6.1 Rock Sampling

Appearing as separate mineralization style and trend are the two prospects of Mouta and Koroiwa. The wide (9 m apparent width) northwest trending barite-quartz vein in Mouta contains base metal sulphides (Cu and Zn in percent levels) as well as significant Ag and Au concentrations (Table 9-7).

Table 9-7. Summary of assay results from grab rocks samples, Mouta Prospect.

Sample	Type	Description	Ag (g/t)	As (ppm)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)
500001	Float*	Vuggy silica vein with malachite staining	1060	745	0.15	0.95	0.07	1.94
500002	Outcrop	9 m-wide outcrop, vuggy silica vein cut by later barite veinlets; covellite, malachite and azurite; 330M/65; vuggy and bladed texture	311	699	3.50	0.13	0.42	2.61
500003	Float*	Vuggy and bladed texture silica/barite vein; chalcocite, covellite, malachite and azurite	652	1745	2.00	0.70	7.30	1.80

\*Float is sourced from exposed wide vein

The north-south vein zones in Koroiwa contain barite with prominent patches both massive (psilomelane) and earthy (pyrolusite) phases of manganese. Grab samples from Koroiwa by TVI yielded significant Au and Ag.

## 9.7 2015

During 2015, KEPL completed soil auger sampling (864 samples) and trenching (31 trenches totalling 1,455 m) in the Qiriyaga Hill area, SPL 1464 (Nesbitt et al., 2016). All samples were sent to ALS Laboratory for gold, silver and multi-element analysis.

### 9.7.1 Soil Auger Sampling

Previous auger soil geochemical surveys by Placer in the 1980s and trenching by both Placer and KEPL 'discovered' several gold prospects within 2 km from the main Qiriyaga Hill (*i.e.*, Qiriyaga East, Namalau, Vunikulukulu, Vuinubu Ridge and Drudrusavu) (Figure 9-2). In 2015, KEPL established a new grid auger soil survey over much the same area, covering about 3 km x 2 km, in order to rectify

some of the short falls of the Placer survey (*i.e.*, not all samples were analyzed for gold and multi-element) (Nesbitt et al., 2016).

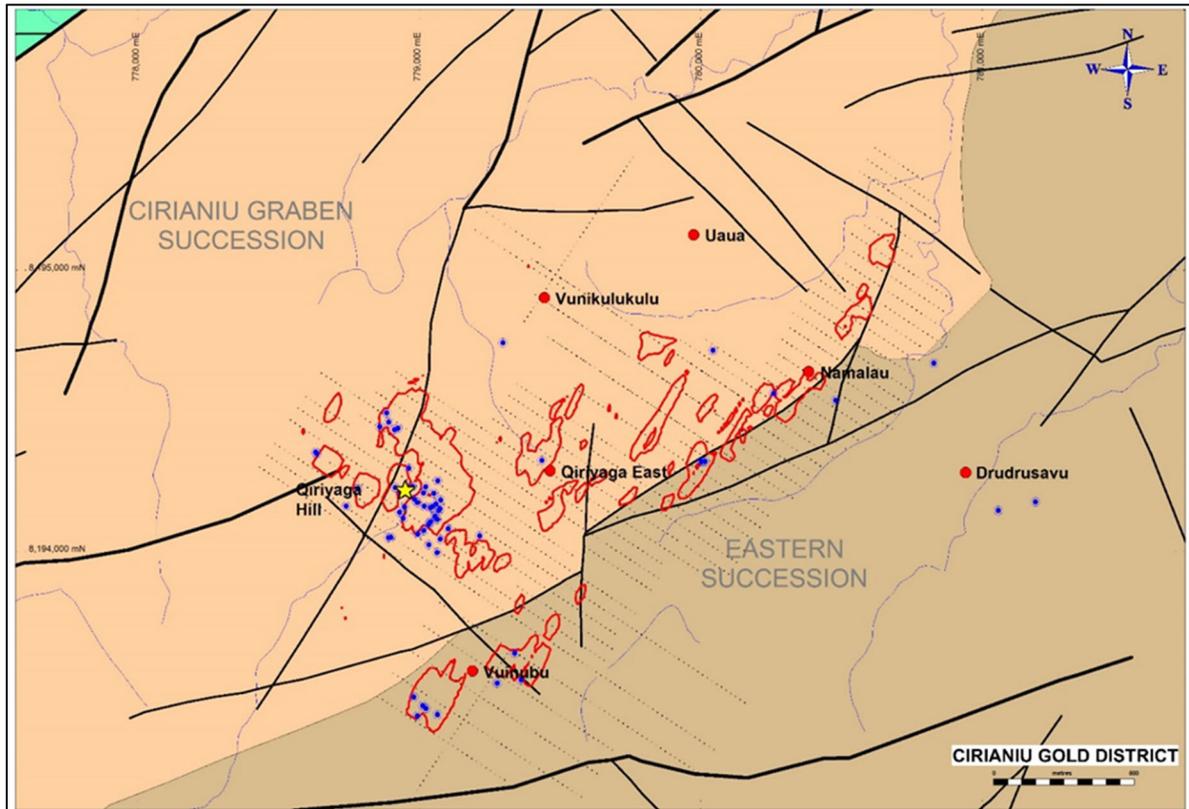


Figure 9-2. Historical Placer Pacific Ltd. grid auger soil survey with gold in soil (>0.1 ppm Au) outlined in red (source: Nesbitt et al., 2016).

The initial survey cell size was 50 m x 200 m with lines oriented in an east-west direction to capture the important north-south, north-northeast and northeast structures. Follow-up 50 m x 100 m auger soil survey was also conducted on the delineated anomalous areas. The survey sampled the saprolite or D soil horizon which is generally at <2 m depth. A total of 864 samples were collected and sent to the ALS Laboratory in Suva for gold, silver and multi-element analysis (Nesbitt et al., 2016).

By combining the TVI and Placer soil surveys, a 2.5 km x 1.5 km northeast-trending in-soil gold anomaly within the 3 km x 2 km Qiriyaga Hill area was delineated (Figure 9-3).

As of 2015, six significant gold anomaly zones were delineated using auger soil surveys (Figure 9-4):

- Uua – 800 m x 250 m NE – trending Au anomalism in soil.
- Vunikulukulu – 750 m x 250 m NE-trending Au anomalism in soil.
- Drudrusavu – 750 m x 150 m NS-trending Au anomalism in soil. It has a potential to extend 400 m southwards once the complete results are received.
- Vuinubu East – 1000 m x 300 m NE-trending Au anomalism in soil.
- Vuinubu SW – extends the Vuinubu deposit 200 m to the SW

- Qiriyaga NW – replicates the Au soil anomalism first delineated by Placer northwest of Qiriyaga Hill

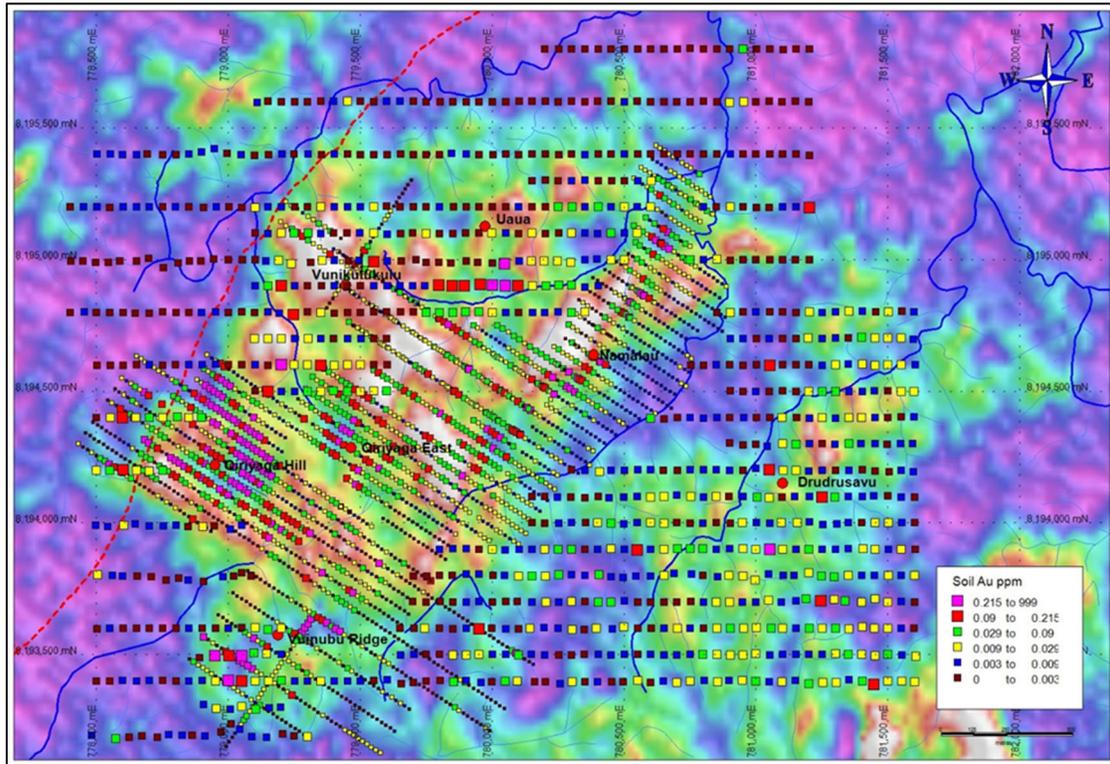


Figure 9-3. Grid soil auger survey results superimposed on an airborne radiometrics potassium map within the Qiriyaga Hill area (source: Nesbitt et al. 2016).

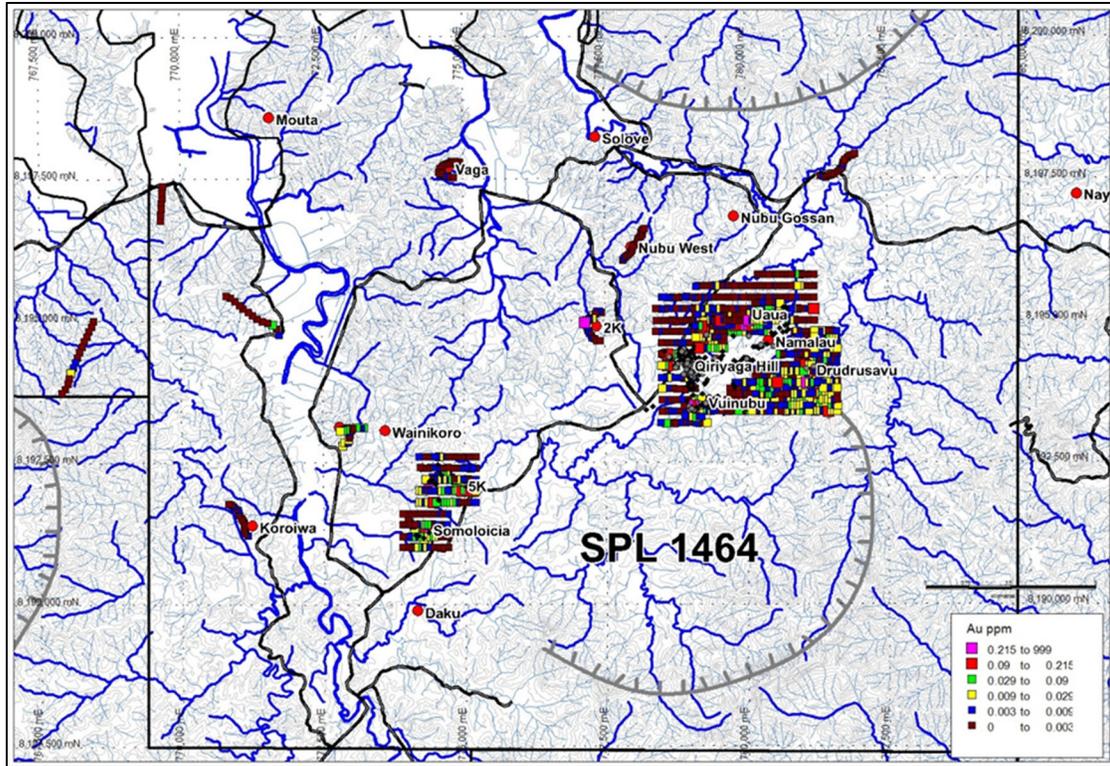


Figure 9-4. Grid soil auger survey results over known prospects within SPL 1464 (source: Nesbitt et al. 2016). An interpreted caldera is outlined by the hatched grey semi-circle (lower right).

At the 2K Prospect, located about 2 km west of Qiriyaga Hill and covering a large, discrete potassium radiometric anomaly similar to Qiriyaga Hill, initial ridge and spur auger soil sampling was completed prior to conducting a 200 m x 50 m grid auger soil survey. A total of 103 soil samples were collected and sent to ALS Laboratory in Suva for gold, silver and multi-element analysis (Nesbitt et al., 2016).

The survey results defined a 250 m x 300 m, northeast trending zone of anomalous gold in soil with an anomalous Pb association (Figure 9-5).

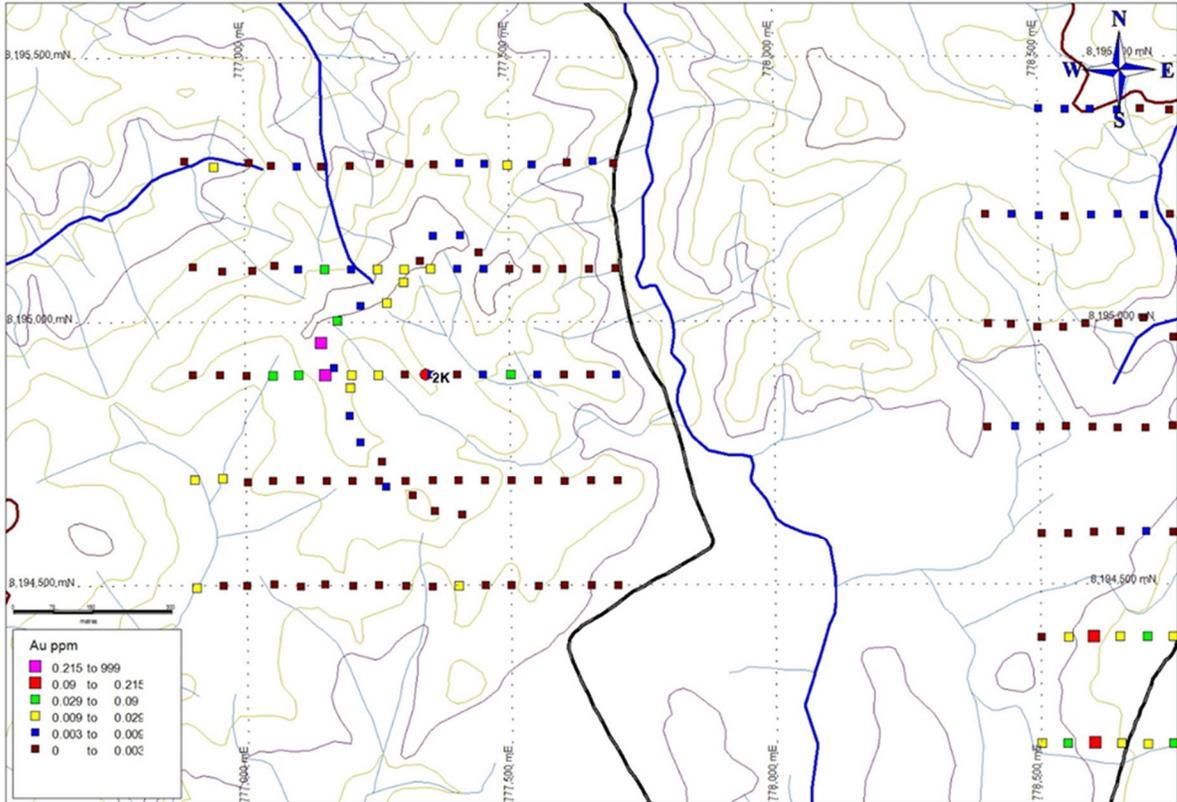


Figure 9-5. Sample results from ridge and spur and grid auger soil surveys at the 2K Prospect (source: Nesbitt et al., 2016).

The 5K Gold-Somoloicia Prospect (aka the 5K and Somoloicia prospects) is located about 5 km southwest of Qiriyaga Hill. Previous outcrop sampling at 5K returned 2.49 g/t Au and trenching exposed Au mineralized zones that included channel sample assays of 4 m @ 0.65 g/t Au and 2 m @ 0.97 g/t Au. At Somoloicia, individual quartz veinlets sampled 2.71g/t Au and previous trenching exposed Au mineralization that included channel sample assays of 24 m @ 1.0 g/t Au, including 2 m @ 3.41 g/t Au (Nesbitt et al., 2016).

Initial ridge and spur auger soil survey was done on the area before conducting the 200 m x 50 m grid auger soil sampling. A total of 206 soil samples were collected (124 at 5K and 82 at Somoloicia) and submitted to ALS Laboratory in Suva for gold, silver and multi-element analysis (Nesbitt et al., 2016).

Two prominent gold in-soil anomalies were seen from the initial ridge and spur survey suggesting that the 5K and Somoloicia prospects could be one continuous northeast trending system (Figure 9-6). A prominent Au anomaly (>0.03 ppm Au) lies south of the hill at 5K and indicates a general northeast trend with an 800 m strike-length and potential width of 500 m. In the southern survey area, Somoloicia, a 400 m x 400 m Au anomaly was noted, following a northeast trend toward the 5K prospect.

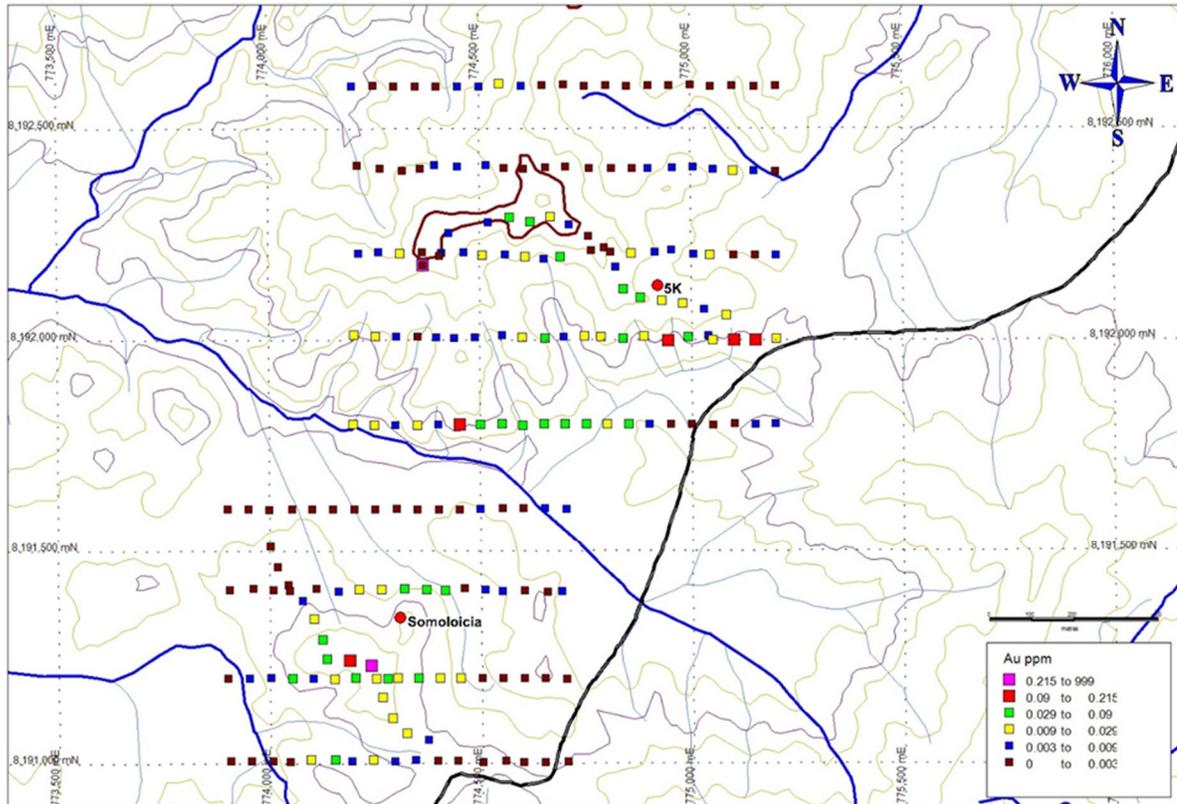


Figure 9-6. Sample results from ridge and spur and grid auger soil surveys at the 5K Gold-Somoloicia Prospect (source: Nesbitt et al., 2016). The 5K prospect is to the north and the Somoloicia prospect to the south.

In May 2015, initial ridge and spur surveys were conducted within areas that have the same K-anomaly signature as Qiriyaga Hill (Nesbitt et al., 2016):

- Wainikoro West: located 6.3 km west-southwest of Qiriyaga Hill; 18 soil samples were collected with nil Au.
- Koroiwa: located 8.5 km southwest of Qiriyaga Hill; 15 soil samples were collected with nil Au.
- Nubu West: located 2.3 km northwest of Qiriyaga Hill; 16 soil samples were collected with nil Au.
- Vaga: located 5.5 km northwest of Qiriyaga Hill; 16 soil samples were collected with nil Au.
- Nubu Prospect: located 4.2 km northeast of Qiriyaga Hill; 16 soil samples were collected with nil Au.

### 9.7.2 Trenching

Two trenching programs were completed by KEPL (TVI) in 2015 (Nesbitt et al., 2016). In May 2015, a trenching program was completed at Qiriyaga Hill in order to validate near surface mineralization previously exposed by KEPL, targeting a distinct zone of quartz stockwork and veining (Figure 9-7). Mineralization known from drilling was also correlated with the trenching.

A total of seven trenches were excavated with a total length of 406 metres. A total of 213 samples, taken at 2 m intervals (1 m over mineralized sections), were collected and submitted to ALS Laboratory in Suva for gold, silver and multi-element analysis (Nesbitt et al., 2016).

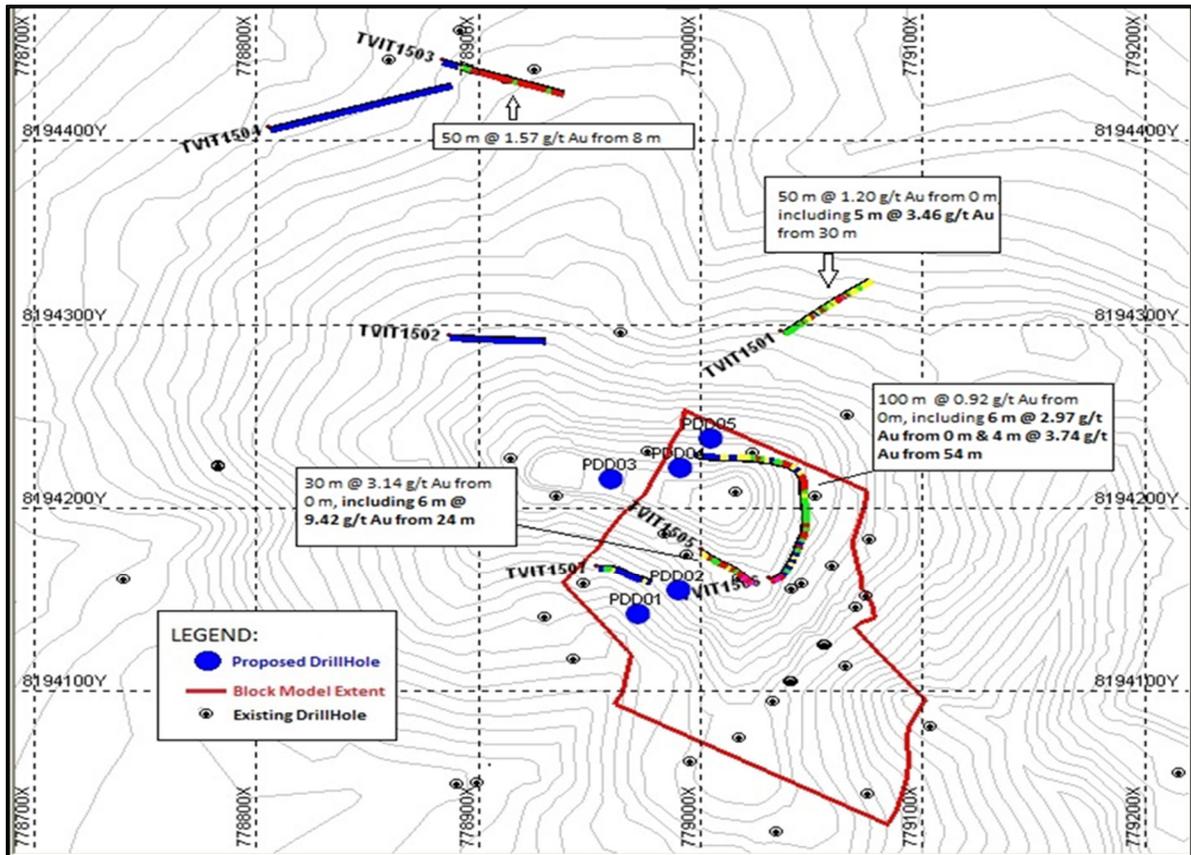


Figure 9-7. Location of trenches around Qiriyaga Hill with significant gold intercepts (source: Nesbitt et al., 2016).

In November-December 2015, KEPL (TVI) completed a total of 24 trenches totalling 1,049 metres (Table 9-8). A total of 697 samples were collected, generally every 2 m but reduced to 1 m over sections with potential mineralization (Nesbitt et al., 2016). Significant intercepts from the trench sample assays are provided in Table 9-9.

Table 9-8. Summary of trenching completed in Nov-Dec 2015 (Nesbitt et al., 2016).

Prospect	No. Trenches	Length (m)	No. Samples
Qiriyaga Hill (Cross Trenches)	5	116	116
Qiriyaga Hill NE	2	100	68
Qiriyaga Hill SE	1	44	31
Vuinubu	4	194	102
Uaua	4	195	137
Qiriyaga East	3	149	81
Vunikulukulu	3	153	92
Namalau	2	98	70
<b>TOTAL:</b>	<b>24</b>	<b>1049</b>	<b>697</b>

Table 9-9. Significant sample assay intercepts from Nov-Dec 2015 trenching (Nesbitt et al., 2016).

Location	Significant Intercepts
QH North	TVIT1509: 6 m @ 0.31 g/t Au from 20 m
QH North	TVIT1509: 12 m @ 0.29 g/t Au from 32 m
QH North	TVIT1510: 8 m @ 0.37 g/t Au from 10 m
QH North	TVIT1510: 8 m @ 0.68 g/t Au from 24 m
QH East	TVIT1511: 34 m @ 0.26 g/t Au from 0 m
QH East	TVIT1512: 6 m @ 0.87 g/t Au from 0 m, including 2 m @ 1.73 g/t Au from 0 m
QH East	TVIT1512: 6 m @ 0.61 g/t Au from 44 m
QH East	TVIT1513: 8 m @ 0.25 g/t Au from 35 m
Vunikulukulu	TVIT1515: 10 m @ 0.39 g/t Au from 0 m
Vunikulukulu	TVIT1515: 21 m @ 0.27 g/t Au from 15 m
Uaua	TVIT1516: 15 m @ 0.27 g/t Au from 19 m
Uaua	TVIT1516: 13 m @ 0.31 g/t Au from 64 m, including 1 m @ 1.43 g/t Au from 64 m
Uaua	TVIT1516: 2 m @ 0.31 g/t Au from 84 m
Uaua	TVIT1516B: 3 m @ 0.97 g/t Au from 0 m, including 1 m @ 2.23 g/t Au from 0 m
Namalau	TVIT1519: 10 m @ 0.40 g/t Au from 22 m
Namalau	TVIT1520: 4 m @ 0.86 g/t Au from 0 m, including 2 m @ 1.33 g/t Au from 0 m
Namalau	TVIT1520: 14 m @ 0.21 g/t Au from 8 m
Vuinubu Ridge	TVIT1521: 4 m @ 0.24 g/t Au from 44 m
Vuinubu Ridge	TVIT1522: 2 m @ 0.33 g/t Au from 39 m
Vuinubu Ridge	TVIT1523: 10 m @ 0.31 g/t Au from 0 m
Vuinubu Ridge	TVIT1523: 14 m @ 0.66 g/t Au from 18 m, including 6 m @ 1.00 g/t Au from 20 m
Vuinubu Ridge	TVIT1523: 6 m @ 1.10 g/t Au from 42 m
QH CrossCut	TVIT1526: 35 m @ 0.56 g/t Au from 0 m, including 4 m @ 1.64 g/t Au from 13 m
QH CrossCut	TVIT1527: 36 m @ 1.84 g/t Au from 0 m, including 8 m @ 2.88 g/t Au from 25 m
QH CrossCut	TVIT1528: 13 m @ 2.32 g/t Au from 0 m, including 5 m @ 5.29 g/t Au from 0 m
QH CrossCut	TVIT1529: 13 m @ 1.13 g/t Au from 0 m
QH CrossCut	TVIT1529B: 5 m @ 0.72 g/t Au from 0 m

All four trenches excavated in Qiriyaga Hill contains wide zones of Au mineralization, indicating presence of favorable host lithologies (Table 9-9). Qiriyaga Hill Far North displays segments of narrow Au mineralization and not defined at this stage whether these indicate continuity along a northeast trend. Vuinubu Ridge indicates patchy surface Au mineralization based from recently completed trenches and former Kalo excavations. Vunikulukulu contains a long segment (32 m) of >0.2 ppm Au. This prospect continues to Uaua. In Namalau, two trenches were noted to have spotty narrow moderate grade zones in weak silicified breccia zones (Nesbitt et al., 2016).

## 9.8 2017

From November to December 2017, KEPL conducted exploration work within SPL 1464 (Cirianiu Property). The work included soil auger sampling, trenching, rock sampling, regional exploration, and four scout diamond drill holes (Celis and Nesbitt, 2018).

### 9.8.1 Soil Auger Sampling

Grid soil auger sampling was completed at Wainikoro West, about 6 km west of the Qiriyaga Hill deposit (Celis and Nesbitt, 2018). The target area is defined by a large radiometric potassium high

and is immediately west of the historical Wainikoro base metal prospect. Outcroppings of silicified and quartz stockwork occur in this area with one rock chip sample assaying 0.2 g/t Au (Celis and Nesbitt, 2018).

Initial ridge and spur soil auger sampling yielded positive results and so a follow up program of 100 m x 50 m grid soil sampling covering 700 m x 600 m area was conducted. A total of 78 soil samples were collected and submitted to ALS Laboratory gold, silver and multi-element analysis. Results from the soil sampling program outline two areas of anomalous Au (Figure 9-8).

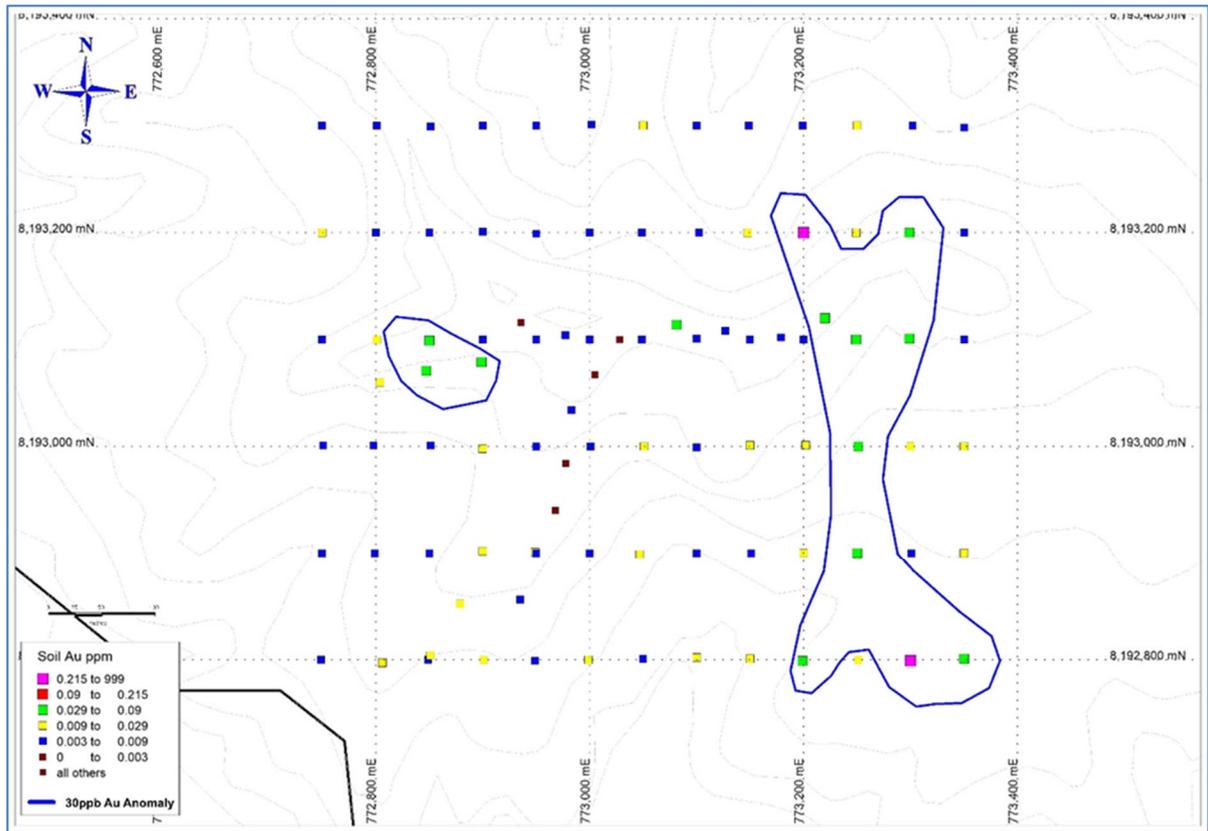


Figure 9-8. Gold in-soil assay results from 2017 soil survey, Wainikoro West (SPL 1464) (source: Celis and Nesbitt, 2018).

### 9.8.2 Trenching

A trenching program was completed by KEPL to test the near surface mineralization delineated from the 2015 soil auger sampling program, aided in targeting by results from previous trenching. Six trenches totalling 336 m were completed at 5K Gold-Somoloicia Prospect and one in Qiriyaga North (Figure 9-9). A total of 168 samples were collected from trench channel sampling, generally taken at 2 m intervals but at 1 m intervals through mineralization (Celis and Nesbitt, 2018).

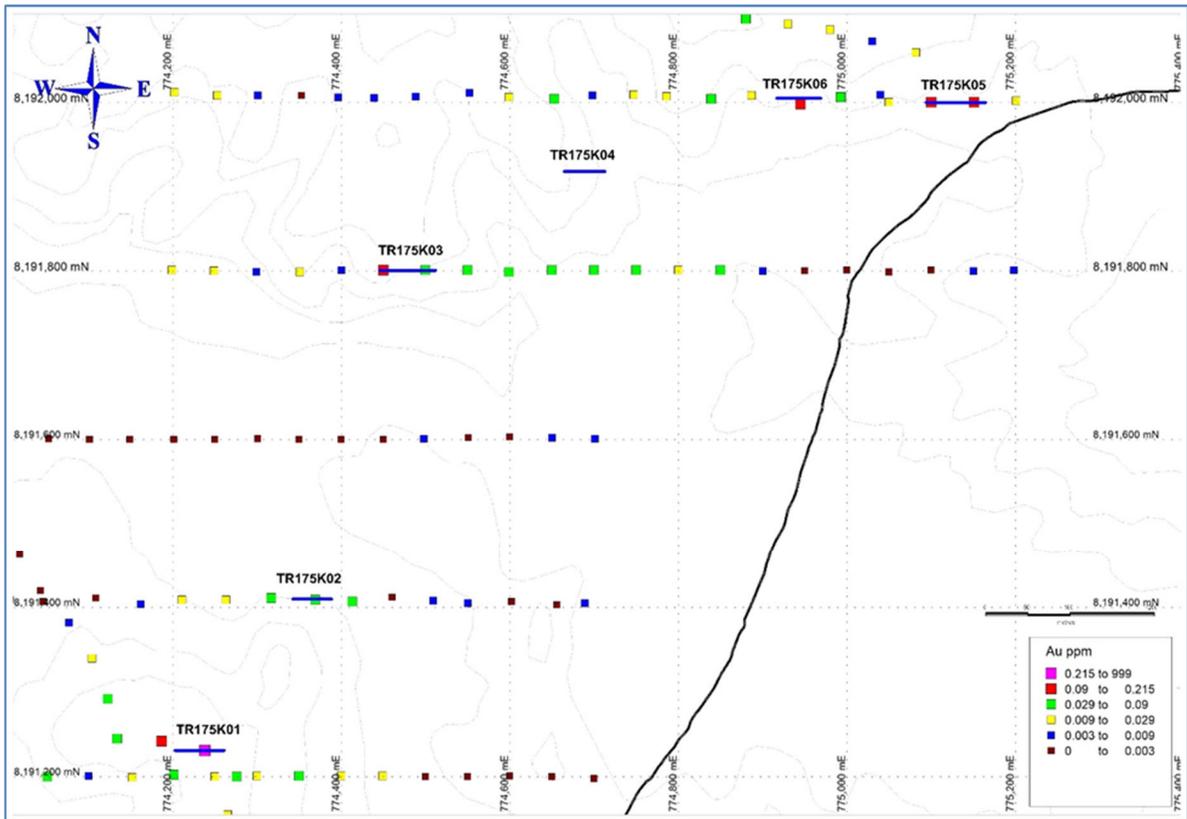


Figure 9-9. Locations of trenches completed in 2017 at 5K Gold-Somoloicia (source: Celis and Nesbitt, 2018).

All six trenches returned assays of narrow, low-grade Au mineralization (Table 9-10), with the exception of TR175K05, which assayed 32 m @ 0.56 g/t Au (from 8 m), including 12 m @ 1.00 g/t Au (from 14 m) (Figure 9-10). These trench channel intervals are hosted by greyish brown to grey clay with weak silica-clay alteration and localized manganese oxide stains (Celis and Nesbitt, 2018).

Table 9-10. Summary of significant trench sampling intercepts, 2017 (Celis and Nesbitt, 2018).

Trench	From (m)	To (m)	Int (m)	Significant Intercept
TR175K01	40.00	48.00	8.00	TR175K01: 8m @ 0.31 g/t Au, from 40m
TR175K01	32.00	36.00	4.00	TR175K01: 4m @ 0.47 g/t Au from 32m
TR175K02	22.00	28.00	6.00	TR175K02: 6m @ 0.36 g/t Au from 22m
TR175K02	44.00	46.00	2.00	TR175K02: 2m @ 0.34 g/t Au from 44m
TR175K03	32.00	34.00	2.00	TR175K03: 2m @ 0.31 g/t Au from 32m
TR175K03	36.00	40.00	4.00	TR175K03: 4m @ 0.25 g/t Au from 36m
TR175K03	46.00	48.00	2.00	TR175K03: 2m @ 0.26 g/t Au from 46m
TR175K03	58.00	66.00	8.00	TR175K03: 8m @ 0.15 g/t Au from 58m
TR175K04	18.00	22.00	4.00	TR175K04: 8m @ 0.19 g/t Au from 18m
TR175K05	8.00	40.00	32.00	TR175K05: 32m @ 0.56g/t Au, from 8m, including 12m @ 1.00 g/t Au from 14m
TR175K06	12.00	14.00	2.00	TR175K06: 2m @ 0.20 g/t Au from 12m

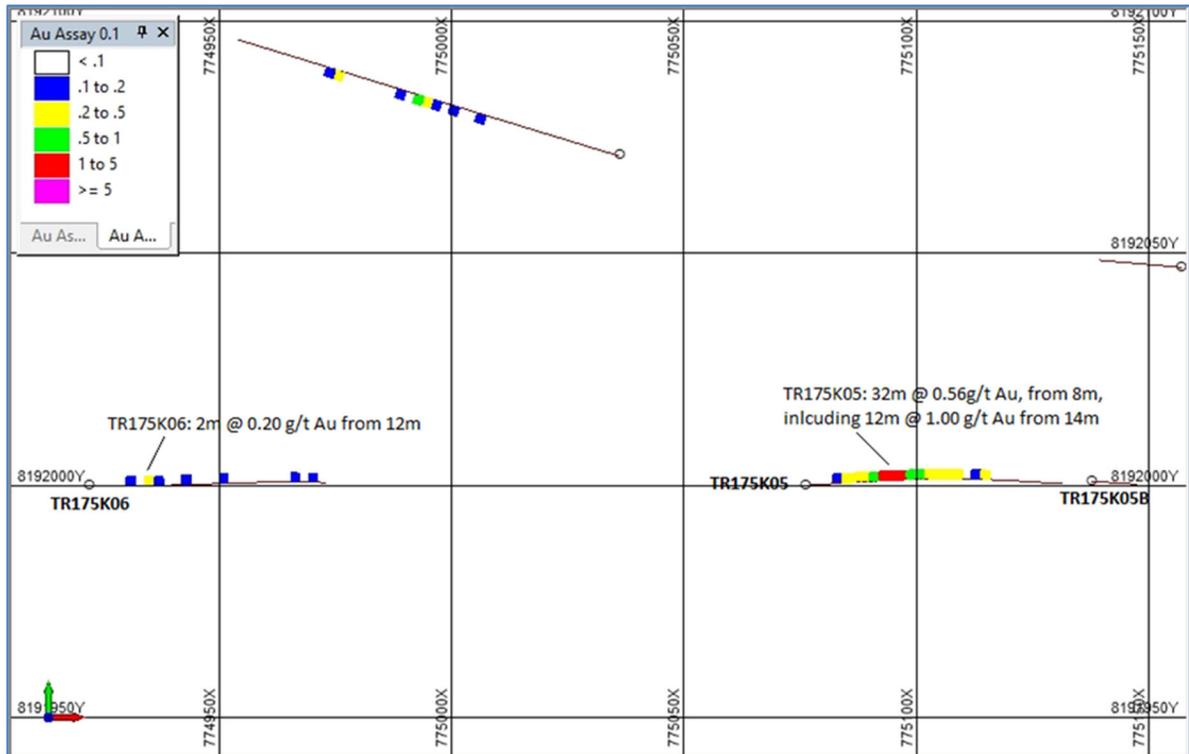


Figure 9-10. Trench sampling details at TR175K05 and TR175K06 with significant Au intercepts (source: Celis and Nesbitt, 2018).

### 9.8.3 Rock Sampling

In late 2017, a number of grab rock samples were collected from the Nubu, Wainikoro West, and Koroiwa prospects, which all have a similar radiometrics potassium anomaly signature as seen at Qiriyaga Hill (Celis and Nesbitt, 2016).

At the Nubu Prospect, located 4.2 km northeast of Qiriyaga Hill, three rock samples were collected with one sample assaying 8.97 g/t Au (Figure 9-11). This sample was collected from a steeply dipping, north-northwest trending, gossanous silicified breccia that developed in a laminated shale siltstone sequence (Upper Qiriyaga). At Wainikoro West, located 6.3 km west-southwest of Qiriyaga Hill, four rock samples were collected with the highest gold concentration at 0.1 g/t Au. At Koroiwa, located 8.5 km southwest of Qiriyaga Hill, four rock samples contained nil Au but one sample contained 20.4 g/t Ag. Anomalous Ba, Mn, Pb, Sr and Zn concentrations were noted; these elements can be used as pathfinders (Celis and Nesbitt, 2018).



Figure 9-11. Grab rock sample from Nubu Prospect which assayed 8.97 g/t Au (source: Celis and Nesbitt, 2018).

## 9.9 2018

From October to November 2018, a four-week exploration program was conducted by KEPL, at the Coqeloa Prospect within the Coqeloa Property (SPL1511). The Coqeloa work area covered a 4.5 x 4.5 km area over the settlements and cane fields of Coqeloa and Naleba. The field work areas are located within a sugar cane framing region allowing for excellent access along many existing walking tracks, bulldozer cuttings and 4WD roads throughout (Celis and Nesbitt, 2019).

Work activity consisted mainly of rock grab sampling, and the locating, mapping and evaluating of outcrops plotted on old maps by previous companies, and ground truthing of airborne high potassium anomalies.

### 9.9.1 Outcrop Mapping and Sampling

Due to farming, a large proportion of the area is covered and outcrop is obscured. Also due to farming and domestic use, the river and creeks have been silted up and hence no outcrop is visible within them. Intense tropical weathering has strongly affected most of the areas resulting in much of the outcrop being converted to clays. Very resistant rocks remain, outcropping mostly along topographically higher ridges. Most geologic features are related to texturally destructive alteration or weathering, making hand specimen identification of the original rock types difficult.

A total of 91 rock samples were collected in the 2018 program from the three known alteration zones in the Coqeloa Prospect: (1) Northern Zone, (2) Main Zone, and (3) Southern Zone/Vunidawa Creek. Samples were submitted to ALS Laboratory for gold, silver and multi-element analysis. Locations for gold and copper assay results from the 2018 rock sampling program are shown in Figures 9-12 and 9-13 and assay results summarized in Table 9-11.

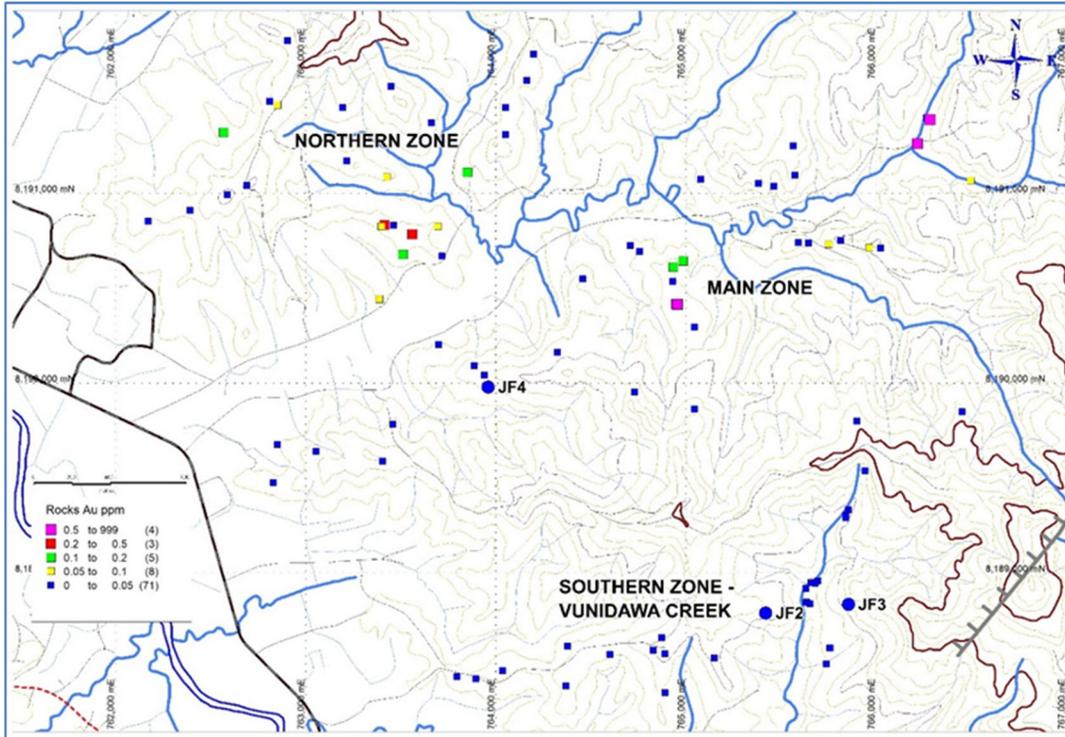


Figure 9-12. Gold assay results from 2019 rock sampling, Coqeloa Prospect (source: Celis and Nesbitt, 2019).

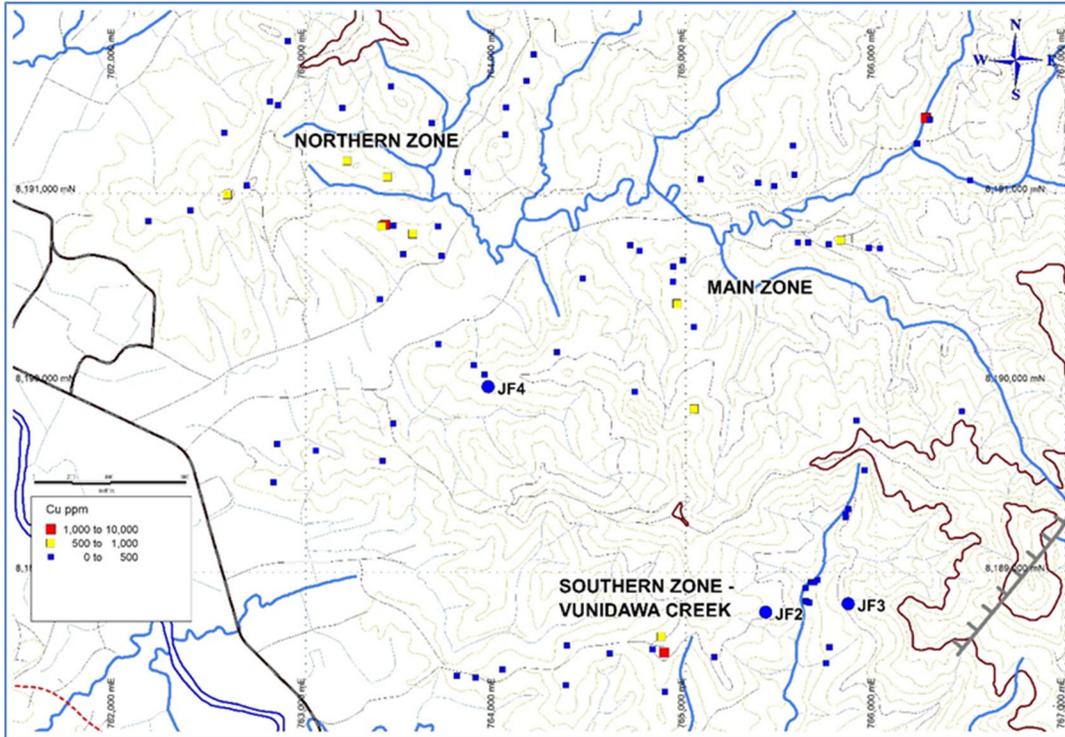


Figure 9-13. Copper assay results from 2019 rock sampling, Coqeloa Prospect (source: Celis and Nesbitt, 2019).

Table 9-11: Significant assay results, 2018 rock sampling program, Coqeloa Property (Celis and Nesbitt, 2019).

Zone	East	South	Elev (m)	Sample	Au (ppm)	Ag (ppm)	Cu (ppm)	As (ppm)	Mn (ppm)	Pb (ppm)	Zn (ppm)
Northern	762588	8190992	112	CR0002	0.031	0.6	777	16	482	18	532
Northern	762570	8191320	65	CR0005	0.132	0.1	15	5	148	45	24
Northern	762853	8191464	93	CR0008	0.084	1.4	429	98	125	60	111
Northern	763389	8190442	24	CR0009	0.094	2.3	455	105	1375	190	123
Northern	763512	8190678	49	CR0011	0.161	0.4	219	63	7	15	49
Northern	763462	8190830	55	CR0012	0.008	2.0	70	3	1545	91	335
Northern	763416	8190835	57	CR0013	0.324	2.0	2060	27	1340	270	123
Northern	763399	8190826	58	CR0014	0.095	0.2	586	14	59	16	68
Northern	763562	8190785	58	CR0015	0.229	1.4	815	15	3	22	76
Northern	763695	8190826	45	CR0016	0.063	0.4	155	11	1410	109	110
Northern	763216	8191171	48	CR0017	0.016	0.3	684	1	3	8	157
Northern	763428	8191086	55	CR0018	0.070	1.4	602	6	40	183	198
Northern	763852	8191110	36	CR0022	0.180	0.3	309	6	3	4	3
Main	763885	8190093	66	CR0033	0.003	1.4	50	1	34	10	108
Main	764952	8190418	82	CR0042	2.010	0.8	873	103	122	104	41
Main	764955	8190415	82	CR0043	2.160	3.3	726	29	982	287	52
Main	765044	8190295	90	CR0044	0.003	1.2	72	2	4990	11	52
Main	765044	8189863	143	CR0045	0.024	0.4	902	7	102	6	106
Main	764935	8190612	84	CR0046	0.112	0.3	89	4	60	1	1
Main	764986	8190645	80	CR0047	0.156	0.2	412	19	14	17	18
Main	765752	8190732	78	CR0050	0.066	0.6	200	14	76	3	78
Main	765813	8190752	89	CR0051	0.023	0.4	676	11	18	29	45
Main	765965	8190713	107	CR0052	0.062	0.5	157	9	19	7	7
Main	766022	8190710	113	CR0053	0.019	1.7	280	4	31	5	15
Main	766216	8191262	54	CR0087	0.389	0.4	127	7	44	5	9
Main	766217	8191261	55	CR0088	0.594	0.7	273	15	52	5	23
Main	766263	8191397	54	CR0089	0.017	0.1	1100	3	152	1	81
Main	766283	8191388	57	CR0090	9.050	1.4	239	26	36	21	53
Main	766498	8191068	64	CR0091	0.059	0.1	12	2	1290	4	62
Southern Vunidawa Creek	764871	8188662	103	CR0064	0.003	0.3	697	4	824	2	45
Southern Vunidawa Creek	764888	8188577	116	CR0069	0.003	2.8	4840	1	8980	49	96
Southern Vunidawa Creek	765629	8188918	55	CR0073	0.030	1.6	11	114	641	8	13

Locations for all gold and copper assay results from all rock sampling to date are shown in Figures 9-14 and 9-15.

### 9.9.1.1 Northern Zone

The Northern Zone, an approximately 1.3 km x 200 m zone, is characterized by quartz-hematite altered volcanics with pods of hematitic gossan forming numerous silicified ridges striking at 70 to 80 degrees and with sub-vertical dips (70 to 85 degrees). The ridges are around one to five metres wide and are continuous for strike lengths of 30 to 80m, with some extending over hundreds of metres. Other gossan pods occur parallel to the main body. The gossans contain fresh pyrite, boxworks after pyrite, hematite, limonite and goethite. A total of 28 rock samples were collected in this area, with assays ranging from 0.008 to 0.324 g/t Au and from 15 to 2060 ppm Cu (Table 9-11; see Figures 9-12 and 9-13). Photos of rock samples collected in the Northern Zone are provided in Figure 9-16.

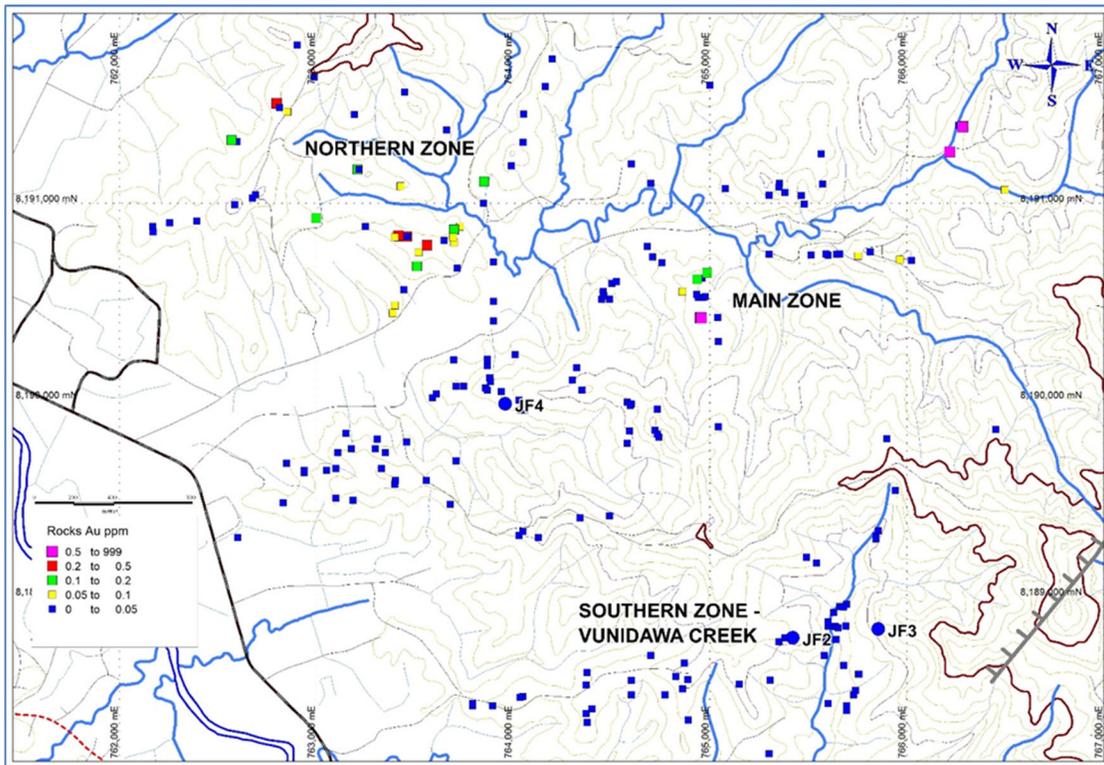


Figure 9-14. Gold assay results from all rock sampling to date, Coqeloa Prospect (source: Celis and Nesbitt, 2019).

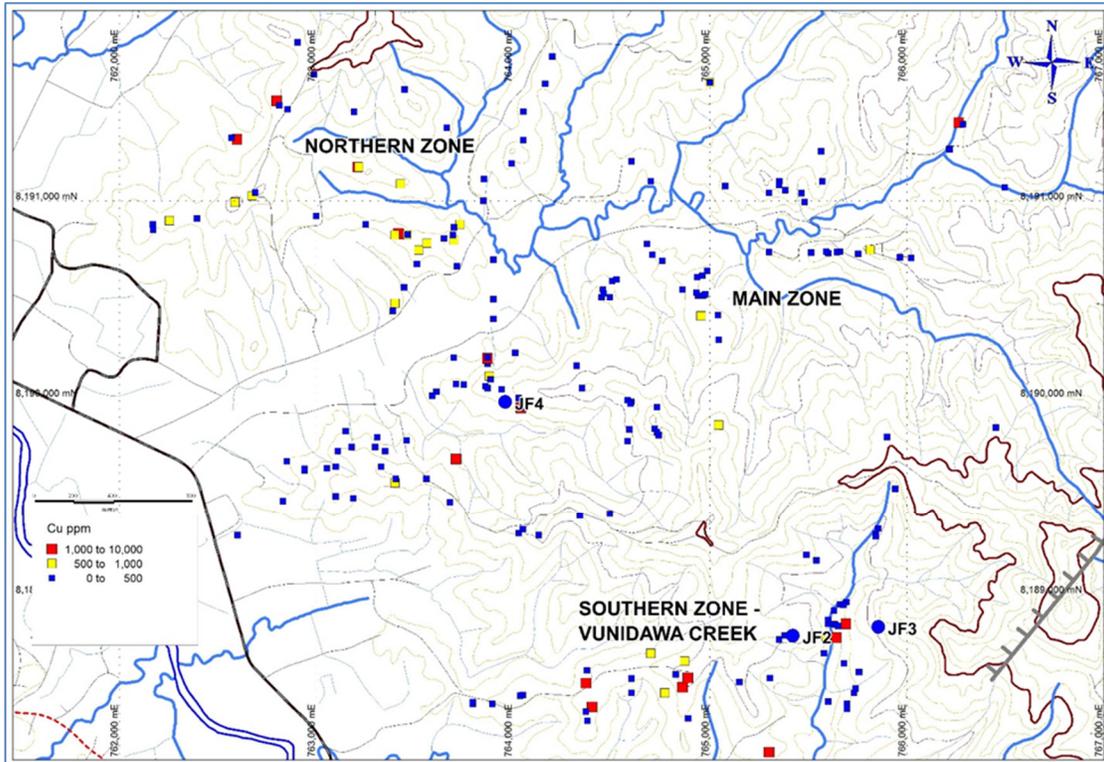


Figure 9-15. Copper assay results from all rock sampling to date, Coqeloa Prospect (source: Celis and Nesbitt, 2019).



Figure 9-16. Rock samples collected in the Northern Zone, Coqeloa Prospect. Left: CR0013 - 0.324 g/t Au, 2060 ppm Cu; Right: CR0015 - 0.229 g/t Au and 815 ppm Cu (source: Celis and Nesbitt, 2019).

### 9.9.1.2 Main Zone

The Main Zone comprises two alteration zones covering approximately 1.2 km x 500 m and 2.0 km x 300 m, overlying discontinuous erosion resistant siliceous ridges with quartz-hematite gossanous volcanics (mostly rhyodacites). Gossanous material within the Main Zone is not as common as the Northern Zone. It contains boxworks after pyrite, hematite and limonite. Quartz veining is common in these ridges. A total of 36 rock samples were collected in this area, with assays averaging 0.922 ppm Au and ranging from below detection (0.003 ppm Au) to 9.05 g/t Au and from 50 to 1100 ppm Cu (Table 9-11; see Figures 9-12 and 9-13). Photos of rock samples collected in the Northern Zone are provided in Figure 9-17.



Figure 9-17. Rock samples collected in the Main Zone, Coqeloa Prospect. Left: CR0042 - 2.01 g/t Au, 873 ppm Cu; Right: CR0043 - 2.16 g/t Au, 726 ppm Cu (source : Celis and Nesbitt, 2019).

### 9.9.1.3 Southern Zone

The Southern Zone, which includes Vunidawa Creek, is the least gossanous in the Coqeloa Prospect and only contains sparse outcrop. Silica rich gossans with abundant specular hematite and pyrite are the most common. Moderately siliceous gossans containing abundant primary magnetite crystals are also found in this area. Historical rock chip sampling resulted to anomalous Copper values. A total of 27 rock samples were collected in this area, ranging from below detection (0.003 ppm Au) to 0.03 g/t Au and from 11 to 4840 ppm Cu. Photos of rock samples collected in the Southern Zone are provided in Figure 9-18.



Figure 9-18. Rock samples collected in the Southern Zone, Coqeloa Prospect. Left: CR0069 - 4,840 ppm Cu, 2.8 g/t Ag and 8,980 ppm Mn; Right CR0064 – 697 ppm Cu and 0.3 g/t Ag (source: Celis and Nesbitt, 2019).

**9.9.1.4 Phyllic Alteration**

The anomalous areas of gold and copper approximate the locations of mapped phyllic alteration zones and high potassium anomaly in the radiometrics (Figure 9-19), suggesting that the alteration zones are likely sources for rock and soil geochemical anomalies.

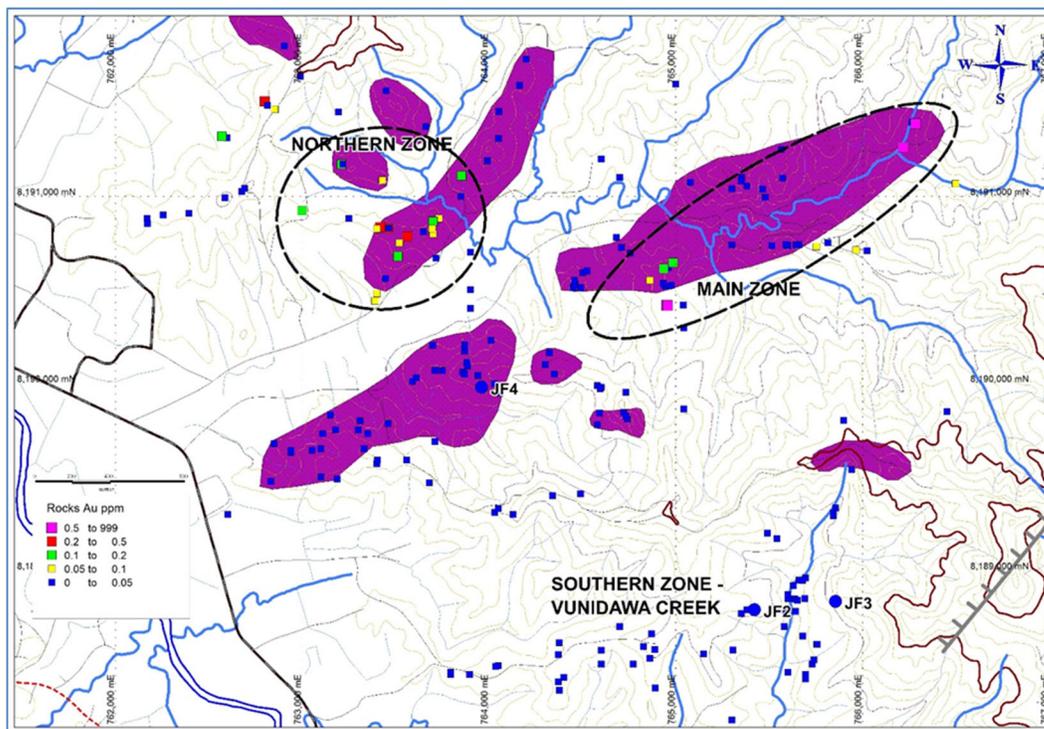


Figure 9-19. Gold assay results of all rocks samples collected at the Coqeloa Prospect with mapped “phyllic” alteration zones in purple and radiometric anomalies as dashed areas (source: Celis and Nesbitt, 2019).

The most prospective sections of the Coqeloa Prospect for Au mineralization, based on 2018 mapping and sampling, are the 2.0 km x 300 m section along the north-northeast side of the Main Zone and the 1.0 x 1.0 km section at the Northern Zone (Figures 9-14, 9-15 and 9-19). The Southern

Zone, including the Vunidawa Creek area, is more of a copper prospect as opposed to gold, as it yielded anomalous copper and manganese concentrations and nil gold (see Figure 9-15).

## 9.10 2019

From October to November 2019, a six-week exploration program was undertaken by KEPL within SPL 1464 (Cirianiu) and SPL 1511 (Coqeloa). The activities consisted of rock grab sampling in conjunction with BLEG geochemical sampling covering both Cirianiu and Coqeloa, trenching at Cirianiu, and two diamond drill holes at Qiriyaga Hill and Vuinubu Ridge (Tan and Nesbitt, 2020).

Specifics of the 2019 program included:

1. Trenching: a 32 m east-west trending trench at the 5K Gold Prospect – 16 samples.
2. Stream sampling (BLEG): Cirianiu and Coqeloa – 22 samples.
3. Reconnaissance rock sampling: done in conjunction with the BLEG work – 26 samples.
4. Drilling: KCD25 (250.80 m), Qiriyaga Hill and KVD04 (130.50 m), Vuinubu Ridge.
5. Site visit to the Coqeloa Prospect.

The 64 samples from trenching, BLEG and rock sampling were submitted to ALS Laboratory for gold, silver and multi-element analysis.

### 9.10.1 Trenching

A 32 m long trench (5KTR2019) was excavated at the 5K Gold Prospect within the Cirianiu Property (Figures 9-20 and 9-21). The objectives of the trench were to test for the presence of gold and to map in detail, mineralized structures, in preparation for possible drill testing.

Mineralization consists of centimetre- to millimetre-wide quartz veinlets and quartz stockwork hosted within a highly weathered fiamme volcanic breccia (Figure 9-22). Mapping of the trench indicated that the structures are predominantly striking northwest to north-northeast and dipping to the west.

The 16 samples were collected at 2 m intervals and assays ranged 0.024 to 0.336 g/t Au, defining a broad zone of 24.0 m @ 0.22 g/t Au (Figure 9-20).

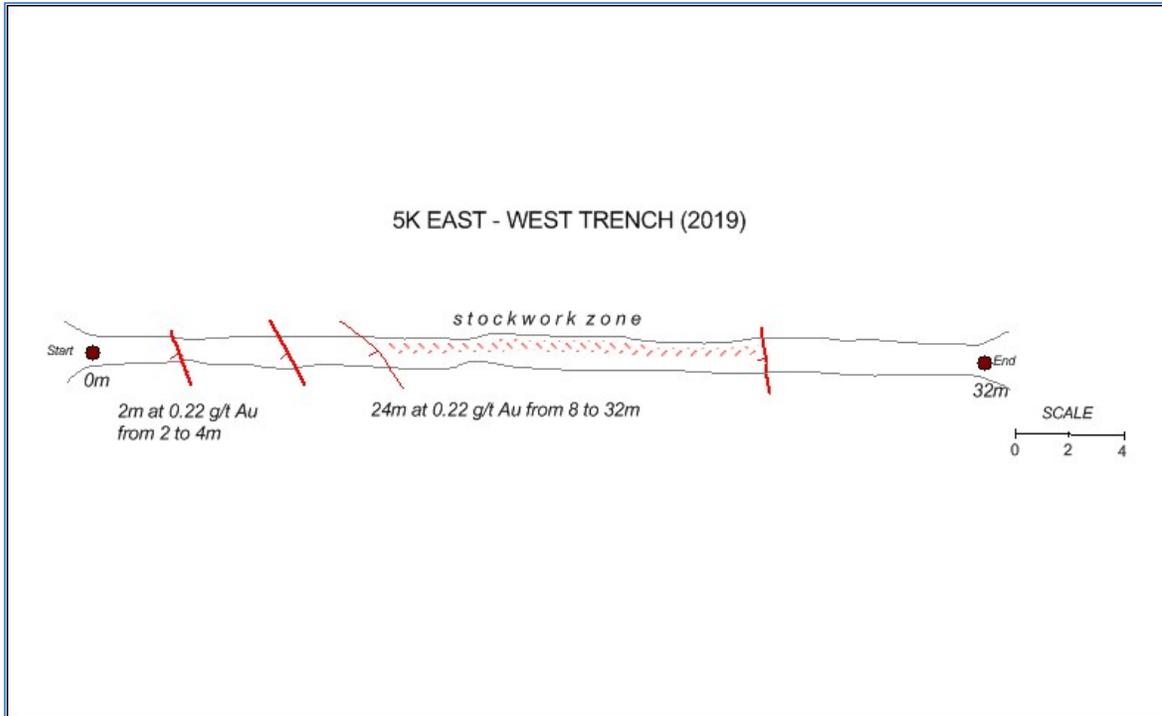


Figure 9-20. Sketch map of 5K Gold Prospect trench with mineralized intersections (source: Tan and Nesbitt, 2020).



Figure 9-21. A 32 m east-west trending trench at 5K Gold Prospect (source: Tan and Nesbitt, 2020).



Figure 9-22. Mineralization consists of centimetre to millimetre wide quartz veinlets and stockwork within a highly weathered fiamme volcanic breccia (source: Tan and Nesbitt, 2020).

### 9.10.2 Stream Sampling - BLEG Samples

A BLEG geochemical sampling program covering the Cirianiu and Coqeloa properties was completed in October 2019 (Figures 9-23 and 9-24). A total of 28 stream samples were collected for BLEG analyses and submitted to ALS Laboratory gold, silver and multi-element analysis.

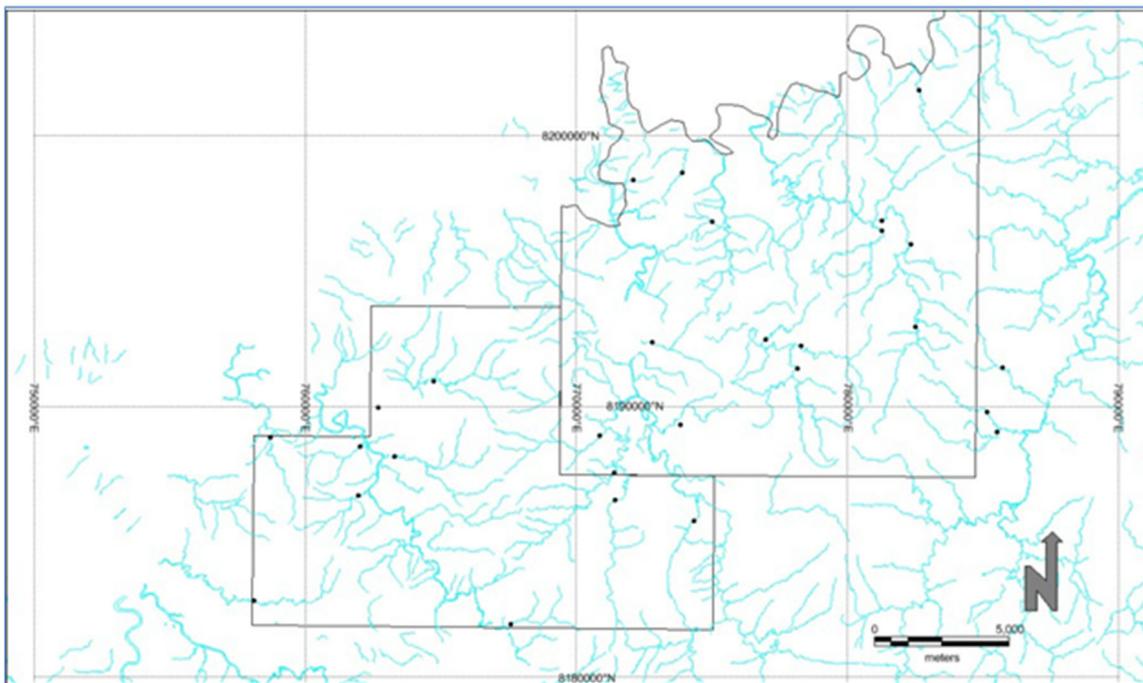


Figure 9-23. BLEG sample location and watersheds for the Cirianiu and Coqeloa properties (source: Tan and Nesbitt, 2020).



Figure 9-24. Exploration crew doing BLEG sampling (source: Tan and Nesbitt, 2020).

Watersheds and locations of BLEG samples are provided in Figure 9-23 and interpreted results in Figure 9-25. Sample assays  $>10$  ppb Au are considered anomalous while concentrations of 1 to 10 ppb Au are considered weakly anomalous;  $<1$  ppb Au is background. Gold assay results from the BLEG samples range from  $<1$  to 184.6 ppb Au. Seven of the 28 samples returned  $>10$  ppb Au comprising five from Cirianiu and two from Coqeloa.

Two significant structural controls of gold mineralization are fairly evident on the two properties (Tan and Nesbitt, 2020):

- a) Cirianiu (SPL 1464): a 10 km northeast structural corridor interpreted from aeromagnetic and Landsat imagery Wainikoro West, 5K Gold-Somoloicia, Qiriyaga and Nubu.
- b) Coqeloa (SPL 1511): a 10 x 5 km interpreted caldera-like feature.

These structurally-defined areas with anomalous BLEG results were considered first priority targets and the focus of future exploration activities. It is probably not a coincidence that several historically identified gold prospects are situated within these areas of anomalous gold (Tan and Nesbitt, 2020).

Several targets (*i.e.*, Vaga and Jacob's Creek) were also recommended for follow up based on the presence of mineralized rock (float) and outcrops on the creeks. Red rectangles indicate areas for possible follow up based on the presence of quartz veins and silicified rocks on the creeks and ridges (Figure 9-26).

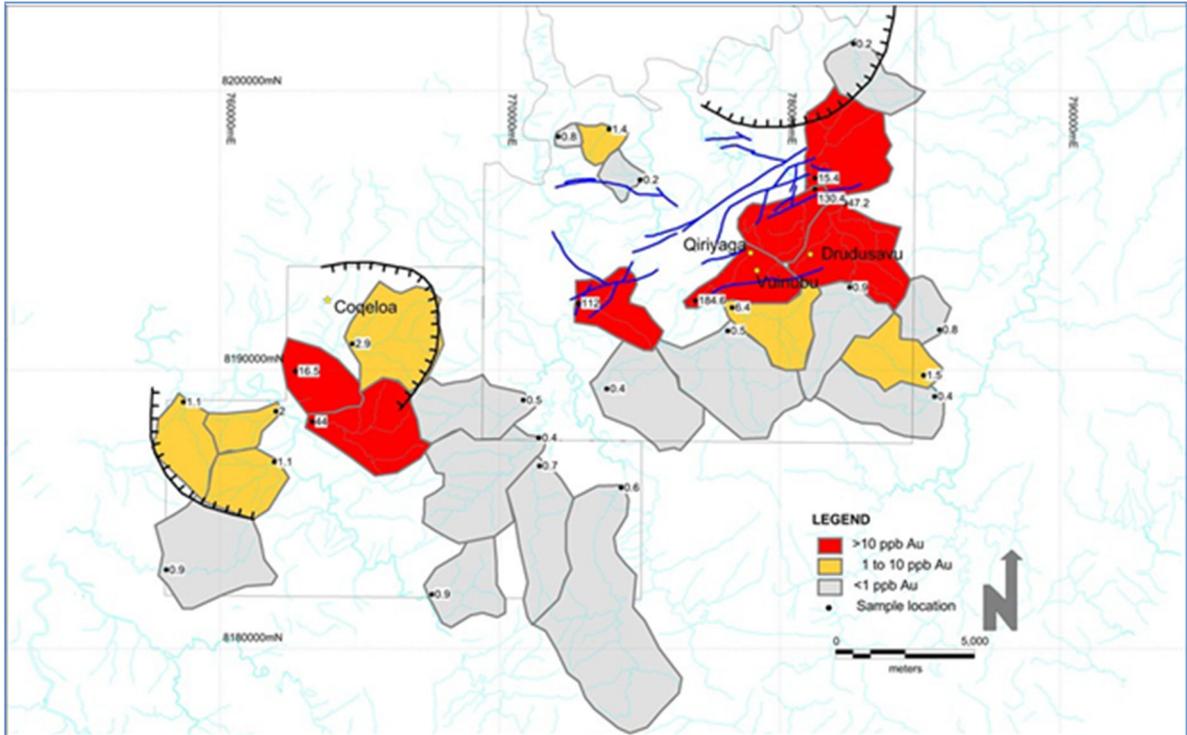


Figure 9-25. The watersheds of the Cirianiu and Coqeloa properties with gold assay results (ppb Au) from BLEG sampling (source: Tan and Nesbitt, 2020).

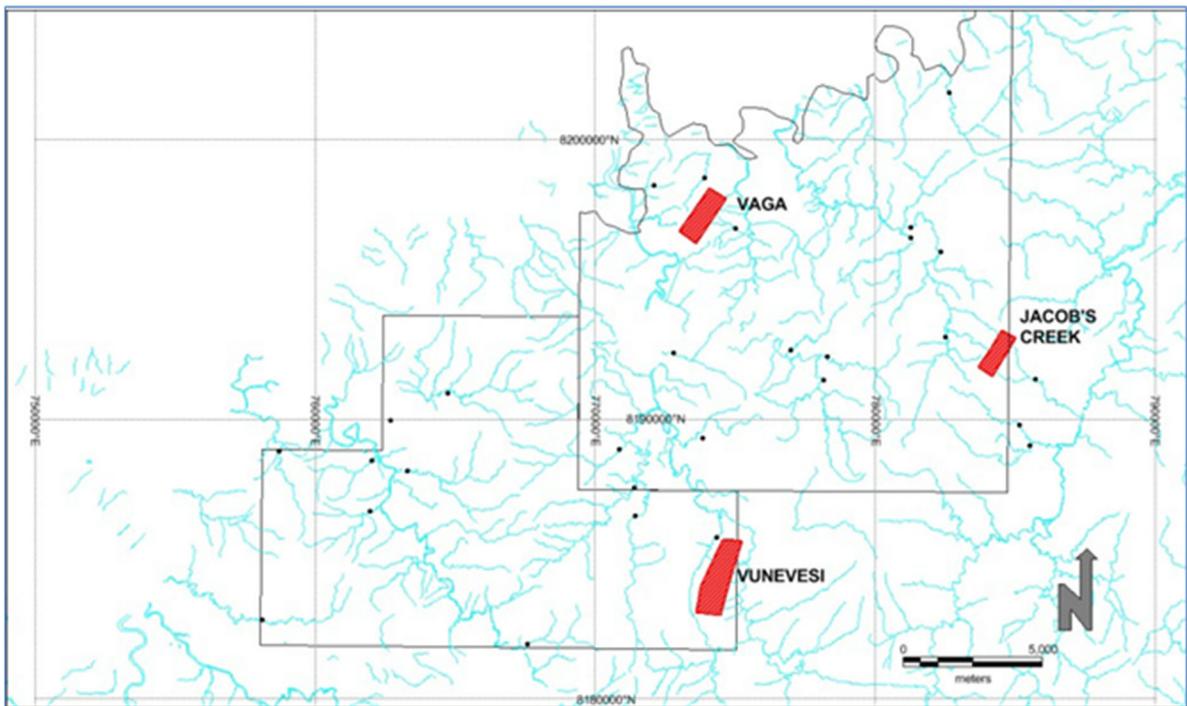


Figure 9-26. Watersheds for Cirianiu and Coqeloa properties with target areas outlined in red rectangles. The red rectangles cover areas for secondary follow up based on the presence of mineralized rock float and outcrops on the creeks and ridges (source: Tan and Nesbitt, 2020).

### 9.10.3 Rock Sampling

A total of 22 grab rock samples were collected during reconnaissance rock sampling, done in conjunction with the BLEG sampling, with 15 from SPL 1464 (2 from Vaga, 2 from Mouta, 2 from Daku, and 5 from Nubu River) and seven from SPL 1511 (2 from Coqeloa Prospect). Assay results ranged from below detection (<.01 ppm Au) to 0.059 g/t Au and copper ranged from below detection (<1 ppm Cu) to 1170 ppm Cu.

## 9.11 2020

Due to the challenges related to the worldwide COVID-19 pandemic, KEPL has had to reduce its planned 2020 exploration program. The objective for 2020 is to complete enough work to meet the annual expenditure requirements on the licences. As of the Effective Date, KEPL completed work on both SPL 1511 and SPL 1464, consisting of grid based soil auger sampling at Qiriyaga East, Vuinubu Ridge and Coqeloa and diamond drilling (one hole) at Vuinubu Ridge.

### 9.11.1 Grid Based Soil Auger Sampling

An infill soil auger sampling program over a 50 x 20 m grid, covering Vuinubu Ridge, Qiriyaga East and the area between Qiriyaga Hill and Qiriyaga East, was completed in 2020 (Figure 9-27). The survey was designed to test the continuity of gold mineralization delineated from a previous 100 x 20 m grid soil sampling program (Placer Pacific). A total of 351 soil samples were collected and submitted to ALS Laboratory for gold, silver and multi-element analysis.

Results from the infill soil sampling are shown in Figure 9-27. Soil sampling extended the SW Zone at Vuinubu Ridge at least 50 m to the southwest and the mineralized zone at Qiriyaga East was also extended up to 100 m to the south (Celis, 2020a).

A soil auger sampling program, over a 100 x 100 m grid, was completed at the Coqeloa Prospect (Figure 9-28), designed to test for gold mineralization in the Northern and Main zones (Celis, 2020a). A total of 987 samples were collected and submitted to ALS Laboratory for gold, silver and multi-element analysis. In addition, a ridge and spur sampling program was completed along the silicified ridges, outside of the main soil auger survey area. A total of 190 soil samples from the ridge and spur survey were submitted to ALS Laboratory for gold, silver and multi-element analysis (Celis, 2020a).

Based on statistical analysis (natural breaks), 5-10 ppb Au is weakly anomalous, 10-30 ppb Au is moderately anomalous, and >30 ppb Au is considered highly anomalous (Celis, 2020a). Five areas anomalous in gold were identified at the Coqeloa Prospect (Figure 9-28). Most of the anomalous areas coincide with the mapped phyllic and silicified zones (see Figure 9-19).

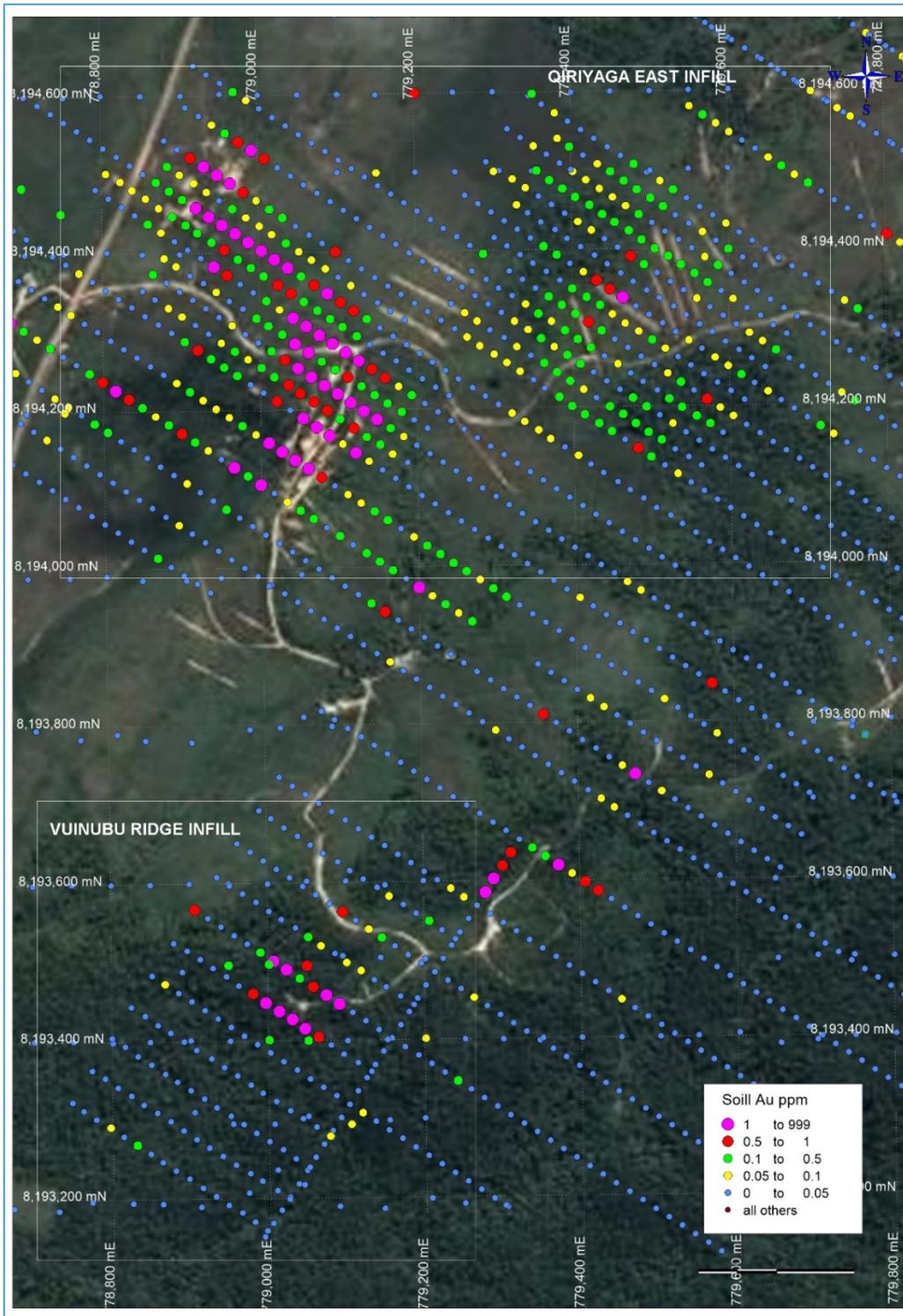


Figure 9-27. Results from 2020 infill grid soil auger sampling at Vuinubu Ridge and Qiriyaga East (source: Celis, 2020a).

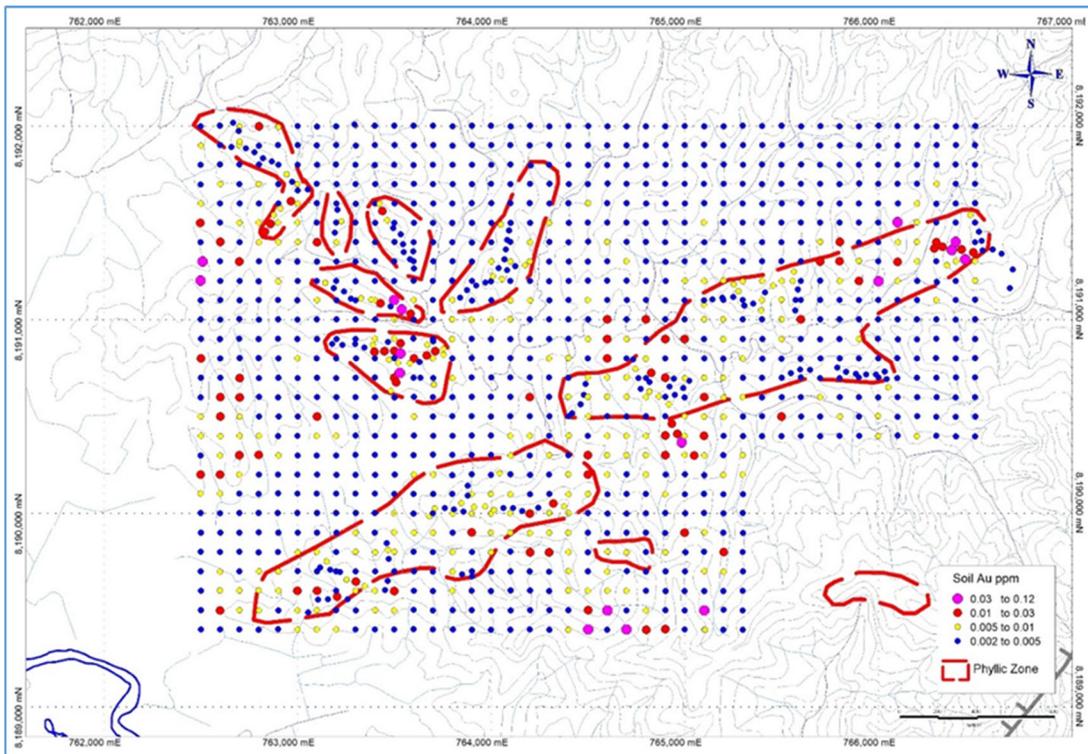


Figure 9-28. Results from 2020 infill grid based soil auger sampling over the Northern and Main zones, Coqeloa Prospect (source: Celis, 2020a).

## 10.0 DRILLING

Drilling procedures followed by KEPL and their exploration partners (*e.g.*, TVI Pacific) are well documented (*e.g.*, Tan and Celis, 2017). A summary of all drilling within the Project as of the Effective Date of the Report is provided in Table 10-1 and plan maps showing the locations of the drill holes in Figure 10-1, Figure 10-2, and Figure 10-3.

KEPL owns its own drill, a D4-450 track mounted, top-drive rig (6 cylinder Deutz engine) which is custom built by Henry Vox of Radial Drilling (Fiji) Proprietary Ltd.

The Authors have reviewed the database provided by KEPL and consider it to be an accurate reflection of the historical exploration work completed on the Project to date as reported by KEPL. The Authors see no significant issues with respect to the drilling (collar locations, surveys, logging etc.), sampling procedures, or other factors that could materially impact the accuracy and reliability of the drilling results.

In the Principal Author's opinion, the historical drill hole information and data is adequate for the purpose of verification of the drill core assays, for future calculations of mineral resource estimations and for the purpose of the Report.

Table 10-1. Summary of drilling on the Project since 2010.

Year	Company	Drill Hole	Property	Prospect	Length (m)	Az (mag)	Dip
2020	Kalo Exploration	KVD05	Cirianiu	Vuinubu Ridge	150.00	130	-50
2019	Kalo Exploration	KCD25	Cirianiu	Qiriyaga Hill	250.80	130	-50
2019	Kalo Exploration	KVD04	Cirianiu	Vuinubu Ridge	131.50	130	-60
2017	Kalo Exploration	KCD23	Cirianiu	Qiriyaga North	81.35	130	-60
2017	Kalo Exploration	KVD03	Cirianiu	Vuinubu Ridge	141.30	130	-60
2017	Kalo Exploration	K5D01	Cirianiu	5K Gold (Somoloicia)	120.60	130	-60
2017	Kalo Exploration	KCD24	Cirianiu	Namalau	121.20	130	-50
2015	TVI-Pacific	TDD001	Cirianiu	Qiriyaga Hill	120.30	130	-50
2015	TVI-Pacific	TDD002	Cirianiu	Qiriyaga Hill	130.00	130	-50
2013	Kalo Exploration	KCD18	Cirianiu	Qiriyaga Hill	89.45	130	-50
2013	Kalo Exploration	KCD19	Cirianiu	Qiriyaga Hill	68.40	130	-50
2013	Kalo Exploration	KCD20	Cirianiu	Qiriyaga Hill	60.00	310	-60
2013	Kalo Exploration	KCD21	Cirianiu	Qiriyaga Hill	90.00	310	-45
2013	Kalo Exploration	KCD22	Cirianiu	Qiriyaga Hill	78.00	310	-50
2011	Kalo Exploration	KCD13	Cirianiu	Qiriyaga Hill	150.35	130	-50
2011	Kalo Exploration	KCD14	Cirianiu	Qiriyaga Hill	141.10	130	-60
2011	Kalo Exploration	KCD15	Cirianiu	Qiriyaga Hill	201.05	130	-50
2011	Kalo Exploration	KCD16	Cirianiu	Qiriyaga Hill	150.00	310	-45
2011	Kalo Exploration	KCD17	Cirianiu	Qiriyaga Hill	106.45	130	-50
2011	Kalo Exploration	KVD01	Cirianiu	Vuinubu Ridge	120.70	130	-60
2011	Kalo Exploration	KVD02	Cirianiu	Vuinubu Ridge	150.00	130	-60
2010	Kalo Exploration	KCD01	Cirianiu	Qiriyaga Hill	250.52	130	-70

Year	Company	Drill Hole	Property	Prospect	Length (m)	Az (mag)	Dip
2010	Kalo Exploration	KCD02	Cirianiu	Qiriyaga Hill	250.15	130	-70
2010	Kalo Exploration	KCD03	Cirianiu	Qiriyaga Hill	151.30	130	-60
2010	Kalo Exploration	KCD04	Cirianiu	Qiriyaga Hill	113.55	310	-60
2010	Kalo Exploration	KCD05	Cirianiu	Qiriyaga Hill	207.70	130	-60
2010	Kalo Exploration	KCD06	Cirianiu	Qiriyaga Hill	139.75	130	-65
2010	Kalo Exploration	KCD07	Cirianiu	Qiriyaga Hill	129.70	130	-75
2010	Kalo Exploration	KCD08	Cirianiu	Qiriyaga Hill	200.15	130	-65
2010	Kalo Exploration	KCD09	Cirianiu	Qiriyaga Hill	111.35	130	-60
2010	Kalo Exploration	KCD10	Cirianiu	Qiriyaga Hill	194.05	130	-60
2010	Kalo Exploration	KCD11	Cirianiu	Qiriyaga Hill	150.55	130	-60
2010	Kalo Exploration	KCD12	Cirianiu	Qiriyaga Hill	150.65	310	-60

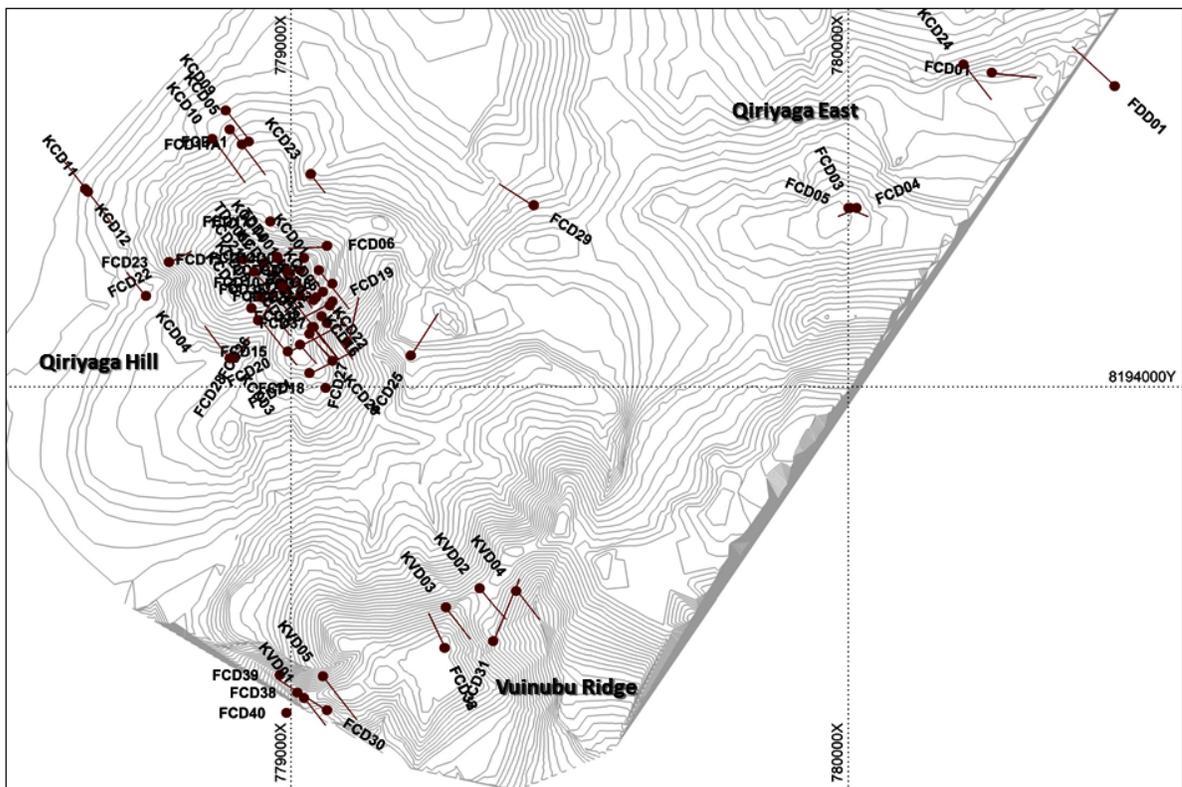


Figure 10-1. Location of diamond drill hole collars and projected traces overlain on topography, at the Qiriyaga Hill, Qiriyaga East, and Vuinubu Ridge prospects (source: Kalo Gold, 2021).

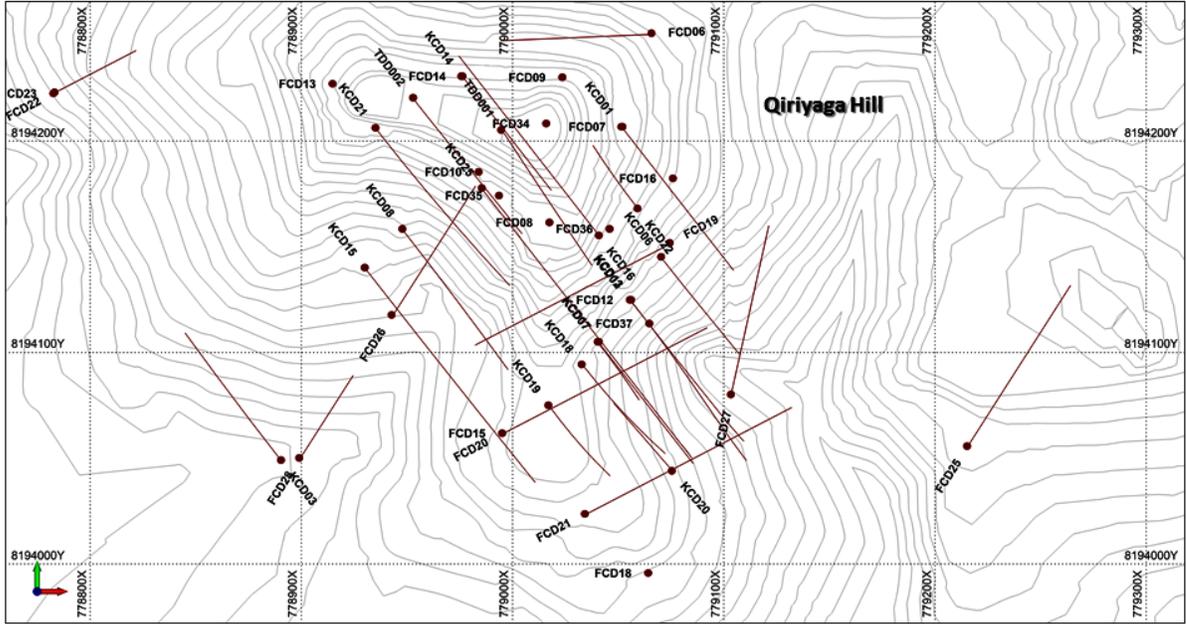


Figure 10-2. Location of diamond drill hole collars and projected traces overlain on topography, at the Qiriyaga Hill prospect (source: Kalo Gold, 2021).

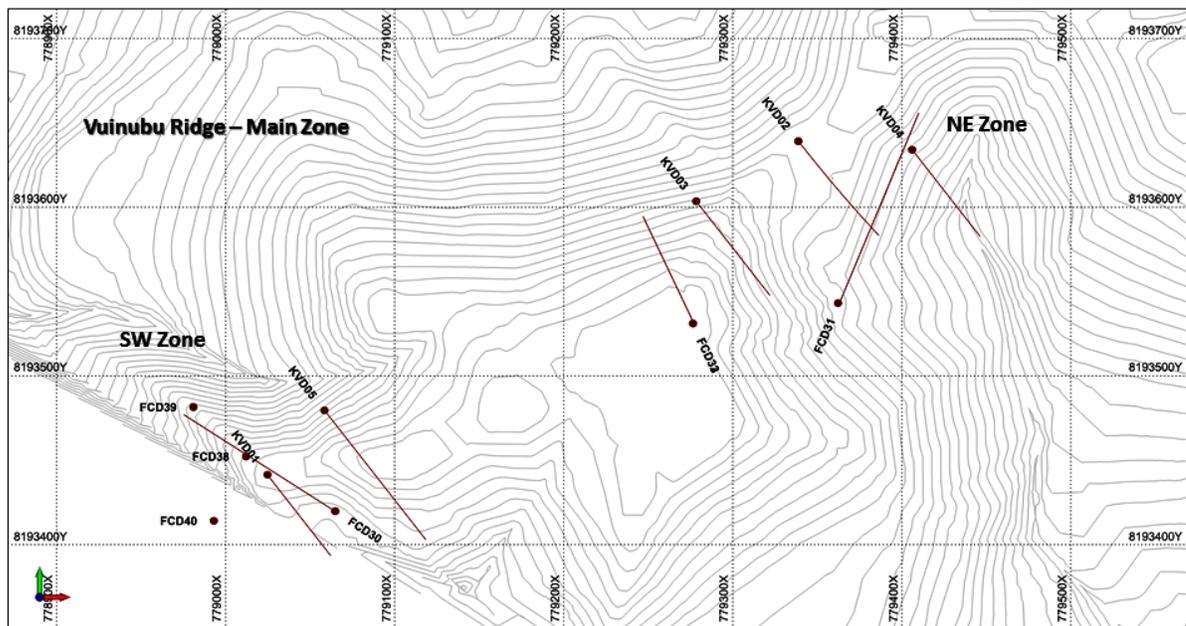


Figure 10-3. Location of diamond drill hole collars and projected traces overlain on topography, at the Vuinubu Ridge prospect, Main Zone (source: Kalo Gold, 2021).

### 10.1 Diamond Drilling

Geologists closely monitored the drilling activity, with the help of the field technicians. Geologists were tasked to:

- Coordinate with the drill contractor.
- Geologically and geotechnically log the hole.

- Ensure that all drill cores have been photographed properly.
- Record the sample intervals.
- Validate the sample-bag labelling.
- Monitor drilling to identify the end of a hole.
- Arrange the daily pick-up of the samples and delivery to assay laboratories.
- Ensure the drill site is left clean and the drill hole is plugged and marked.

Prospects within the Vatu Aurum Project been historically tested using a diamond drill rig to collect PQ3 (~83 mm core diameter), HQ3 (~61 mm core diameter), and NQ3 (~45 mm core diameter) size core samples. Placer Pacific used a Longyear Hydracore 28 diamond drill rig for the FCD series holes, with HQ coring to approximately 70 m and then NQ coring for the remainder. TVI used a track-mounted D4-450 top drive drill rig, drilling PQ3 and HQ3 size core and KEPL's "K" series holes (PQ3, HQ3 and NQ3) were completed using the same D4-450 drill rig. The track-mounted design of the D4-450 makes moving between holes easier and less impactful on the environment.

The triple tube method has been used for the entire length of the hole and the driller takes time to ensure that maximum recovery is attained. The splits are pumped from the tube by the driller to remove the core. Any core remaining in the lifter is removed with care, preferably without the use of a hammer. The core was removed carefully from the splits, minimizing breakage or disturbance of the core.

The core is placed in an aluminium core tray, which has been pre-marked with "START" and the name of the drill hole on the bottom left hand corner, and the tray number in the top right hand corner using a permanent marker. A core block is placed at the end of the run, with the hole number, depth of the hole, the core run length and the core recovery as measured and recorded by the driller. The "From" and "To" depth information were also written on the front of the core tray. Any drill-induced breaks are marked by a permanent marker either across the break or either side of the break by the drill helper (aka "offsider").

### **10.1.1 Drill Hole Collar Surveys and Topographic Control**

Since 2015, all drill hole collars have been located using a hand held GPS (generally +/-3m accuracy) but KEPL plans to survey all holes since 2015 using a Differential GPS ("DGPS") unit. A list of collar locations for drill holes completed by KEPL is provided in Table 10-2.

Placer drill hole collars were planned and surveyed in a local grid format. When KEPL acquired the Property in 2009, they also planned their drill holes in a local grid. In 2010-2012, KEPL contracted Whippy to create a topographic map and survey the collar locations using a traditional Total Station Theodolite. Whippy surveyed drill hole collars KCD01 - KCD17 and converted the earlier Placer drill hole collars into WGS84 UTM Zone 60S coordinates. In 2014, KEPL contracted Jepsen to resurvey all of KEPL drill hole collars and some of the old Placer drill hole collars. Validation of the collar surveys used the 2014 survey as the basis for triangulation or recalculation of the location of the un-located Placer drill holes. After comparing the survey data collected by Jepsen and Whippy, KEPL (TVI Pacific) reported a discrepancy in the two coordinates and noted a systematic difference between the two-survey series: 15.83 m for the Easting, 4.078 m for the Northing and 0.705 m for the

elevation. These values were subtracted in the Whippy survey series. A review of the methodology used by TVI to develop a topographic model is provided by Lazo et al. (2015a and 2015b).

Project topographic data is based on the work completed by KEPL in 2010-2010 (Whippy and Jepsen surveys), providing an adequate topographic model, although varying by several metres. For the 2017 mineral resource estimate (Tan and Celis, 2017) the drill holes were registered to this topographic surface.

Table 10-2. Drill hole collar locations for drill holes completed by KEPL (2009-2020).

DDH	Prospect	UTM_mE	UTM_mN	Elev (masl)	Year
KCD01	Qiriyaga Hill	779051.95	8194206.28	84.02	2010
KCD02	Qiriyaga Hill	779055.80	8194124.59	67.35	2010
KCD03	Qiriyaga Hill	778890.51	8194048.80	49.21	2010
KCD04	Qiriyaga Hill	778740.42	8194160.32	41.40	2010
KCD05	Qiriyaga Hill	778892.04	8194459.80	50.52	2010
KCD06	Qiriyaga Hill	779070.39	8194144.91	68.11	2010
KCD07	Qiriyaga Hill	779040.36	8194104.76	67.14	2010
KCD08	Qiriyaga Hill	778947.89	8194158.16	71.20	2010
KCD09	Qiriyaga Hill	778885.24	8194492.99	47.29	2010
KCD10	Qiriyaga Hill	778859.99	8194443.52	48.14	2010
KCD11	Qiriyaga Hill	778637.07	8194347.48	36.03	2010
KCD12	Qiriyaga Hill	778633.14	8194352.23	36.15	2010
KCD13	Qiriyaga Hill	779056.18	8194124.39	67.31	2011
KCD14	Qiriyaga Hill	778976.27	8194230.52	89.84	2011
KCD15	Qiriyaga Hill	778930.29	8194139.68	67.54	2011
KCD16	Qiriyaga Hill	779040.97	8194155.26	80.97	2011
KCD17	Qiriyaga Hill	779040.92	8194104.59	67.16	2011
KCD18	Qiriyaga Hill	779033.20	8194094.11	68.83	2013
KCD19	Qiriyaga Hill	779017.43	8194074.68	71.10	2013
KCD20	Qiriyaga Hill	779075.79	8194043.97	60.16	2013
KCD21	Qiriyaga Hill	778935.37	8194205.77	90.07	2013
KCD22	Qiriyaga Hill	779059.52	8194167.79	76.43	2013
KVD01	Vuinubu Ridge	779025.09	8193440.94	90.73	2011
KVD02	Vuinubu Ridge	779339.33	8193638.48	78.91	2011
TDD001	Qiriyaga Hill	778995.00	8194205.00	119.00	2015
TDD002	Qiriyaga Hill	778953.00	8194220.00	111.00	2015
KCD23	Qiriyaga North	779036.28	8194379.07	54.01	2017
KVD03	Vuinubu Ridge	779278.49	8193603.38	79.61	2017
K5D01	5K Gold	774347.32	8191293.88	55.72	2017
KCD24	Namalau	780208.65	8194575.73	54.11	2017
KCD25	Qiriyaga Hill	778985.52	8194177.33	80.14	2019
KVD04	Vuinubu Ridge	779406.17	8193633.99	89.43	2019
KVD05	Vuinubu Ridge	779059.00	8193479.00	94.00	2020

### **10.1.2 Drill Hole Surveys**

In general, KEPL's drill holes were surveyed at least every 30 m interval using a Reflex EZ Shot, single shot instrument, a survey instrument commonly used in drilling programs. An attempt was made in 2017 to obtain oriented drill core (traditional spear method) but was unsuccessful due to the broken nature of the core. The Company is looking at other technologies which could be used in future drilling programs.

### **10.1.3 Drill Hole Identification**

Drill holes were given a temporary ID during planning. As the drilling proceeded, drill holes were assigned a permanent ID. Placer used "FCD" for their drill holes at Qiriyaga Hill and KEPL used "K" series, while TVI used "TDD" series for their drill holes.

Once a drill hole had been completed and the drill rig had moved off the hole, a collar plug was used to seal the hole. The hole number, depth and date of completion were written on the side and the top of the hole plug and the collar casing with a permanent marker and in the cement base that secures the collar casing.

## **10.2 Diamond Drilling Programs: 2010-2020**

### **10.2.1 2010**

In early 2010, in order to test the possibility for northeast trending structural control on earlier recognized epithermal gold mineralization and an interpreted breccia/diatreme structure, KEPL completed 341.55 m of core drilling in two drill holes, KCD01 (130Az, -70 dip) and KCD02 (310Az, -70 dip). The drill holes were sampled at 1.0 m intervals and drill core recovery was recorded at 93.2% (KCD01) and 94.0% (KCD-02).

Drilling intersected silicified, leached mineralized breccias associated with northeast trending faults at depth and near to surface. The faults mapped at surface were confirmed by drilling and appeared to be the main controls on both high- and low-sulphidation epithermal style gold mineralization (Taylor, 2010). A schematic cross section through Qiriyaga Hill, based on drill hole and surface mapping to 2011, is provided in Figure 10-4.

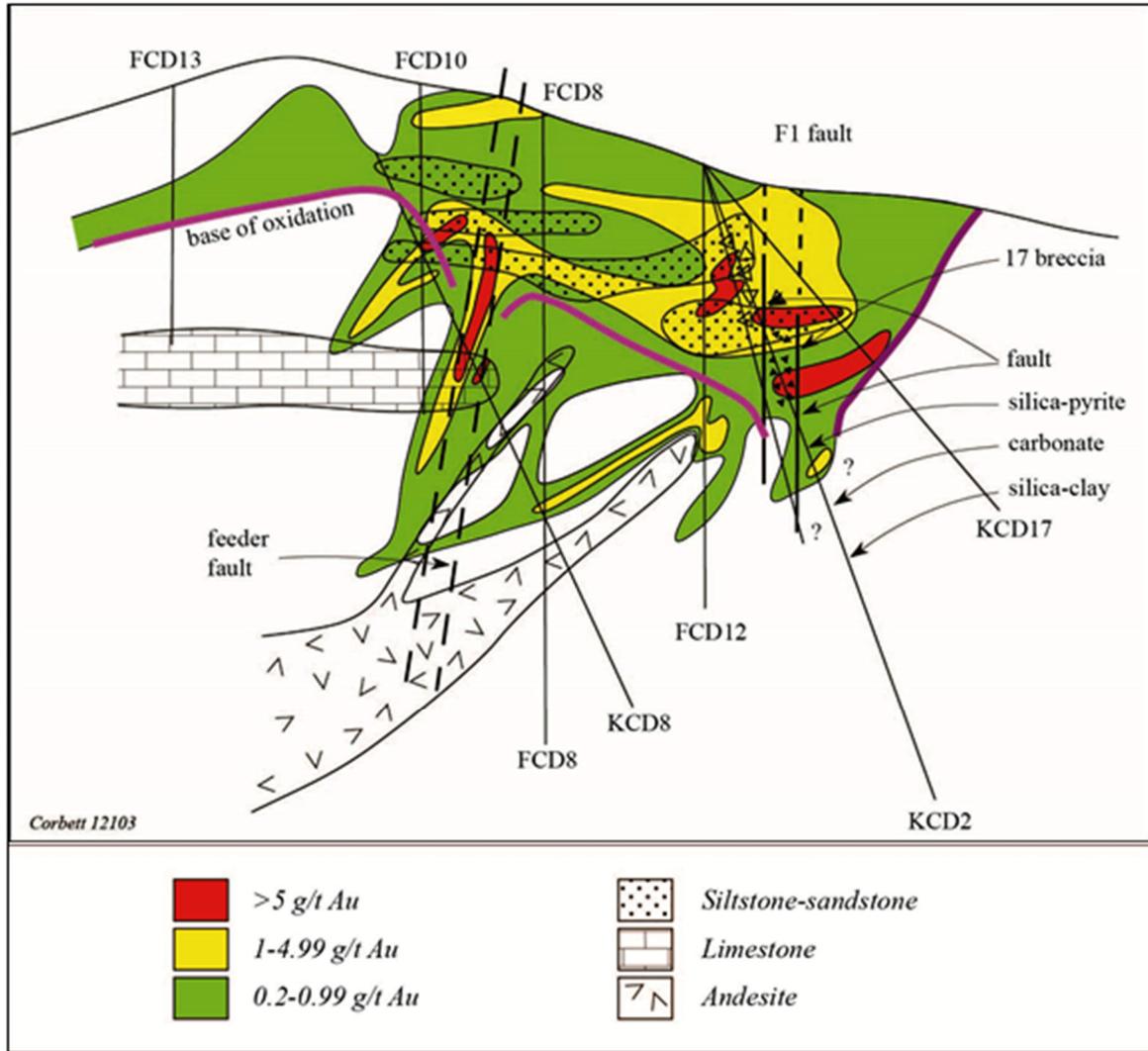


Figure 10-4. Schematic cross section through Qiriyaga Hill at 500N, showing development of high-grade supergene gold overlying feeder structures (source: Corbett, 2012).

Later in 2010, KEPL finished drill hole KCD02 and completed an additional 10 diamond drill holes (KCD03 to KCD12) totalling 1,548.75 m, at Qiriyaga Hill (Cirianiu Property). Significant intersections are listed in Table 10-3 and interpreted styles of mineralization in Table 10-4 (Taylor, 2011b). Samples were collected at 1.0 m intervals and 1,496 drill core samples were analyzed for Au, Ag and 34 elements.

Table 10-3. Summary of drill core intercepts at Qiriyaga Hill, 2010 drilling (Taylor, 2011b).

Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Core Recovery (%)
KCD01	29.00	42.00	13.00	2.23	94.00
incl.	31.00	42.00	11.00	2.82	
KCD02	0.00	97.00	97.00	2.75	99.70
incl.	62.00	88.00	25.00	6.52	
incl.	69.00	87.00	18.00	8.85	
incl.	73.00	82.00	9.00	16.80	

Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Core Recovery (%)
KCD03	107.00	109.00	2.00	1.41	99.00
and	121.00	122.00	1.00	0.39	
and	147.00	148.00	1.00	0.59	
KCD04	53.00	54.00	1.00	0.56	99.00
and	66.00	67.00	1.00	0.64	
and	92.00	96.00	4.00	0.63	
and	101.00	105.00	4.00	0.53	
and	111.00	113.55	2.55	0.58	
KCD05	62.00	66.00	4.00	1.29	98.00
incl.	62.00	63.00	1.00	2.17	
KCD06	1.00	4.00	3.00	0.58	99.25
KCD07	0.00	62.00	62.00	1.62	98.00
incl.	12.00	62.00	50.00	1.92	
incl.	23.00	41.00	18.00	3.69	
and	62.00	76.00	14.00	0.61	
incl.	62.00	67.00	5.00	0.55	
incl.	74.00	76.00	2.00	2.11	
KCD08	1.00	6.00	6.00	0.38	98.00
and	34.00	39.00	5.00	0.36	
and	65.00	94.00	29.00	1.04	
incl.	66.00	79.00	13.00	1.86	
and	87.00	93.00	6.00	0.65	
and	97.00	104.00	7.00	0.93	
incl.	102.00	104.00	2.00	2.09	
and	113.00	131.00	18.00	1.16	
and	129.00	131.00	3.00	2.43	
KCD09	no significant intercepts				99.19
KCD10	71.00	72.00	1.00	0.57	95.40
KCD11	no significant intercepts				97.00
KCD12	no significant intercepts				95.00

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

Table 10-4. Interpreted styles of mineralization intersected in 2010 drilling (from Taylor, 2011b).

Ore Type	Example Location DDH/depth/width/grade	Characteristics	Potential	Exploration Concepts
1. Fumaroles/chimney High grades.	KCD02: 70.4 to 78.6m, 8.2m @ 14.2 g/t Au. Max 1m @ 68.9 g/t Au.	Vuggy, leached and brecciated. Possible bivalve fossils? Structurally controlled.	Clusters of chimneys on volcanic vents.	Magnetic highs locate the vents. Structural control (N.E. trending faults)
2. Sulphide muds. High grades.	KCD02: 78.6 to 78.8m, 1m @ 17.65 g/t Au. 80.9 to 82.3m, 1m @ 28.9 g/t Au.	Fine grained black sulphide lenses. 30% sulphide.	Located on side of chimneys (steep dip) and in adjacent basins (pools)	Seafloor troughs where limestone is absent. Probable electromagnetic (E.M.) geophysical
3. Manganiferous quartz veins.	KCD02: 66.1 to 70.4m, 5m @ 0.7 g/t Au.	Leached manganiferous fractured quartz veins.	Located on oxidised, fractured faults (NE)	Mapping deeply oxidised faults and associated
4. Base metal rich quartz veins.	KCD05: 61.95 to 66.2m, 4m @ 1.29g/t Au	Robust very hard quartz veins. Open fractures with galena, sphalerite, arsenopyrite and gold.	Located on major north east trending faults.	Mapping faults and quartz float. Associated soil geochemical anomalies.
5. Bulk low grade "outflow" zones. 6. Large tonnage oxides Acid leached zones.	FCD12: 4.0 to 58.0m, 54m @ 2.59 g/t Au. FCD08: 0 to 60.0m, 60m @ 1.62 g/t Au. KCD02: 0 to 60.0m, 60m @ 1.67 g/t Au.	Leached clay silica altered sediments and volcanoclastics (relatively little limestone) Colloform quartz veins. Leached silica cap. Oxidised structures. On topographic highs.	Bulk low grade near surface gold.	Mapping to locate structures and alteration. Soil geochemical anomalies.

### 10.2.2 2011

In 2011, KEPL completed five drill holes (KCD13 to 17) at Qiriyaga Hill, totalling 772.2 metres. KEPL also completed two drill holes (KVD01 and 02) at Vuinubu Ridge, totalling 270.7 metres. Drilling at Vuinubu Ridge confirmed a similar geological setting to Qiriyaga Hill but with wide, moderate grade gold intersections (Table 10-5) (Taylor, 2011a). Drill hole cores were sampled at 1.0 m intervals and a total of 915 drill core samples were analyzed for gold, silver and 34 elements.

Table 10-5. Significant 2011 drill hole intercepts, Qiriyaga Hill and Vuinubu Ridge prospects (Taylor, 2011a).

Prospect	Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Core Recovery (%)
Qiriyaga Hill	KCD13	0.00	71.00	71.00	0.98	98.00
	incl.	19.00	36.00	17.00	2.80	
	incl.	22.00	26.00	4.00	4.18	
	incl.	40.00	44.00	4.00	2.48	
	incl.	68.00	71.00	3.00	1.28	
Qiriyaga Hill	KCD14	0.00	6.00	6.00	0.74	98.00
	and	12.00	17.00	5.00	0.70	
	and	47.00	51.00	4.00	9.92	
	and	55.00	61.00	6.00	2.08	
	and	67.00	72.00	5.00	2.91	
Qiriyaga Hill	KCD15	no significant intersections				96.00
Qiriyaga Hill	KCD16	0.00	72.00	72.00	-	97.40
	incl.	0.00	12.00	12.00	1.04	
	incl.	13.00	18.00	5.00	2.26	
	incl.	35.00	42.00	7.00	0.41	
	incl.	47.00	70.00	23.00	2.17	
	incl.	59.00	63.00	4.00	5.89	
	and	74.00	78.00	4.00	0.97	
	Qiriyaga Hill	KCD17	61.25	70.00	8.75	36.02
incl.	61.25	66.00	4.75	64.12		
and	76.00	86.00	10.00	27.18		
incl.	80.00	83.00	3.00	69.03		
incl.	81.00	82.00	1.00	120.00		
Vuinubu Ridge	KVD01	0.00	14.00	14.00	1.34	98.00
	and	28.00	38.00	10.00	0.57	
	and	52.00	58.00	6.00	0.39	
	and	64.00	68.00	4.00	0.67	
Vuinubu Ridge	KVD02	12.00	18.00	6.00	0.61	96.00
	and	55.00	59.00	4.00	1.50	
	and	62.00	76.00	14.00	0.96	

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

### 10.2.3 2013

KEPL completed five drill holes (KCD18 to KCD22, totalling 432 m) at Qiriyaga Hill with holes KCD18 to 20 designed to further evaluate the gold resource and provide high- and lower-grade gold mineralized material for metallurgical testwork. High-grade gold mineralization was intersected at Qiriyaga Hill on all the major north trending faults, F1, F2, F3 and F4. High-grade gold mineralization occurs close to surface on the F2 fault on the north end of Qiriyaga Hill (Taylor, 2013).

Significant drill hole intersections are provided in Table 10-6. Drill core was sampled at 1.0 metre intervals and 432 samples were submitted for gold, silver and 34 element analyses.

Table 10-6. Significant drill core intercepts from 2013 drilling at Qiriyaga Hill (Taylor, 2013).

Drill Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Core Recovery (%)
KCD18*	64.00	70.00	6.00	20.27	94.00
and	82.00	86.00	4.00	16.13	
KCD19*	no significant intersections				90.00
KCD20*	50.00	57.00	7.00	10.13	99.00
KCD21	69.00	127.00	58.00	1.07	94.40
KCD22	0.00	52.00	52.00	10.38	91.00

\*for metallurgical testwork

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

#### 10.2.4 2015

As part of the 2014 KEPL-TVI agreement, TVI completed a 250 m drilling program in July 2015, designed to probe the internal consistency of gold mineralization within the defined broad mineralization envelop, both laterally and vertically, and to intersect new high-grade hydrothermal breccias bodies aimed at improving the economic viability. The drilling was also designed to assist in delineating near-surface, bulk mineable gold resources amenable to open pit mining (Nesbitt et al., 2016).

Two drill holes were completed (TDD001 and TDD002) in the Qiriyaga Hill area (Figure 10-5). A summary of significant intersections from drill core assays is provided in Table 10-7. A total of 301 samples (core samples and QA/QC standards and blanks) were submitted to ALS Laboratory for gold, silver and multi-element analysis.

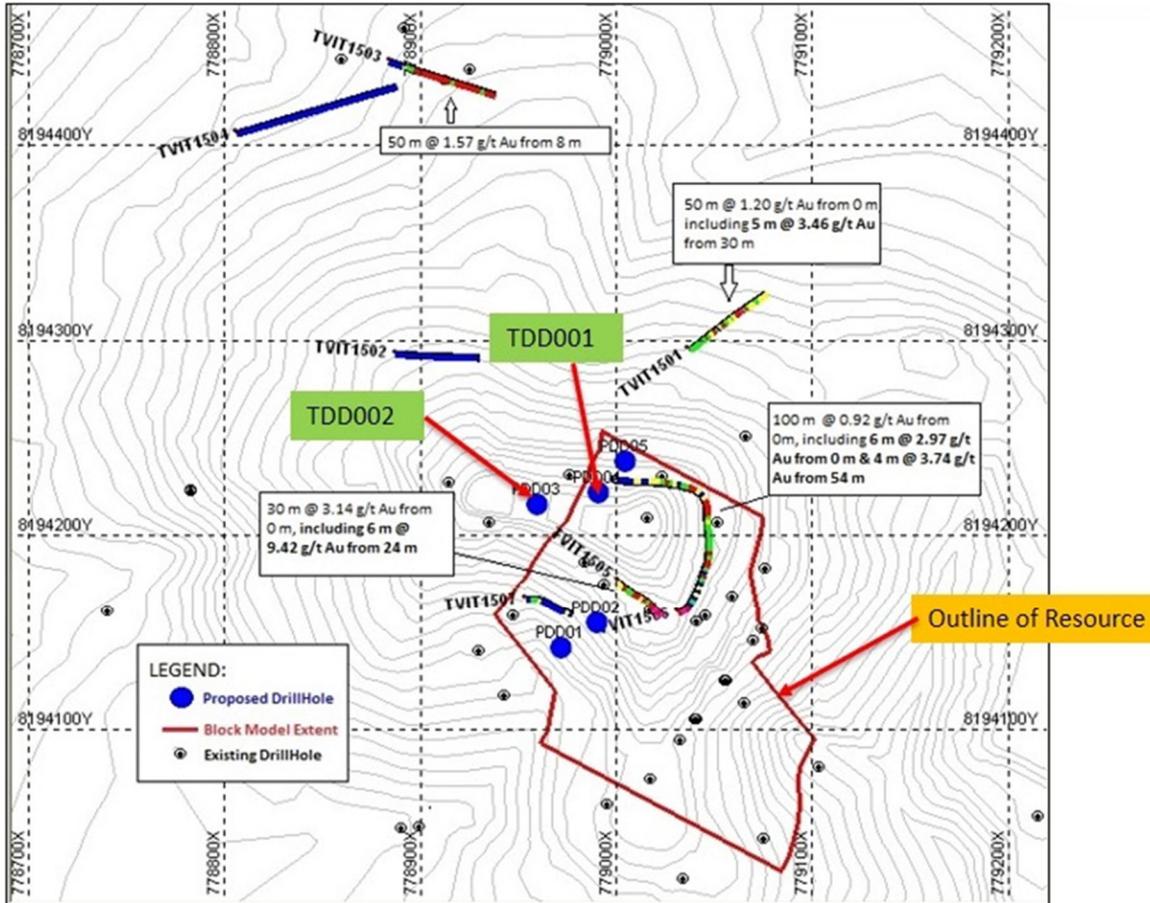


Figure 10-5. Location map showing collars for drill holes TDD001 and TDD002 (source: Nesbitt et al., 2016).

Table 10-7. Significant drill core intercepts from TVI Pacific diamond drilling, 2015 (Nesbitt et al., 2016).

Drill Hole	Significant Intercept
TDD001	4.0 m @ 0.57 g/t Au from 24 m
TDD001	14.0 m @ 0.65 g/t Au from 35 m, including 2.0 m @ 3.02 g/t Au from 37 m
TDD001	6.0 m @ 0.67 g/t Au from 52 m
TDD001	23.0 m @ 0.97 g/t Au from 79 m including 2.0 m @ 4.02 g/t Au from 95 m
TDD001	11.3 m @ 1.87 g/t Au from 109 m
TDD002	6.0 m @ 0.58 g/t Au from 14 m
TDD002	11.0 m @ 0.45 g/t Au from 34 m including 2.0 m @ 1.37 g/t Au from 36 m
TDD002	26.0 m @ 0.90 g/t Au from 63 m
TDD002	13.0 m @ 1.46 g/t Au from 98 m, including 2m @ 4.48 g/t Au from 107 m
TDD002	9.0 m @ 0.55 g/t Au from 114 m

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

Summary strip logs for drill holes TDD001 and TDD002 are provided in Figures 10-6 and 10-7.

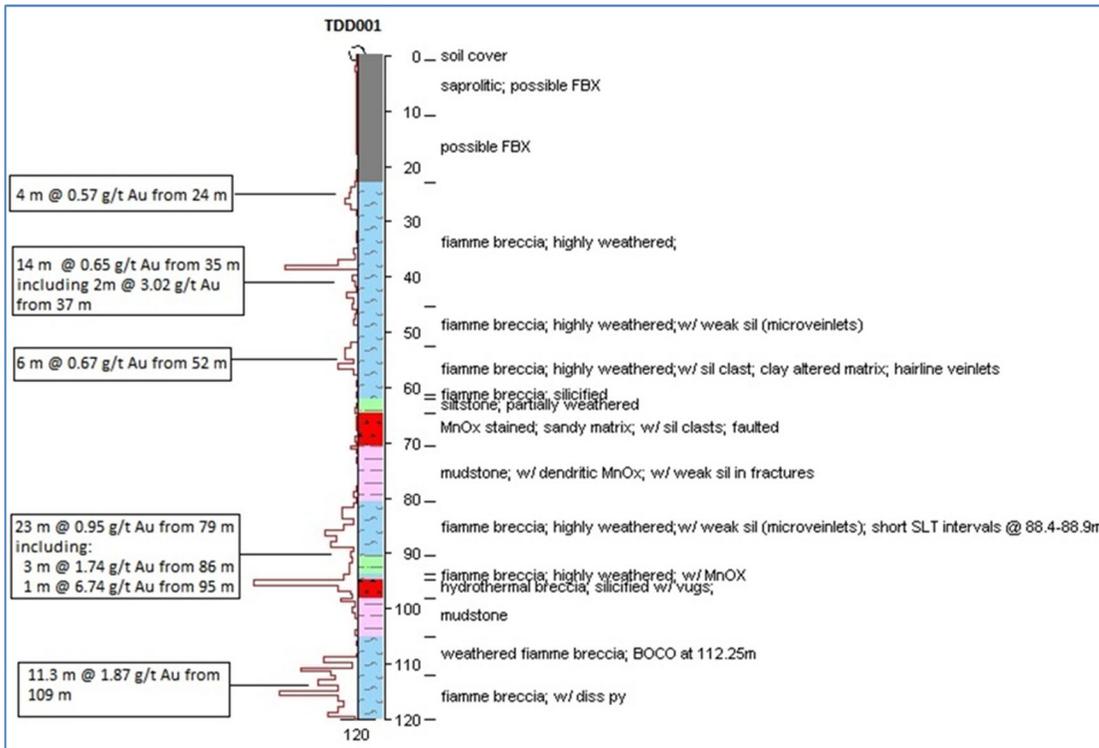


Figure 10-6. Summary strip log for drill hole TDD001 (source: Nesbitt et al., 2016).

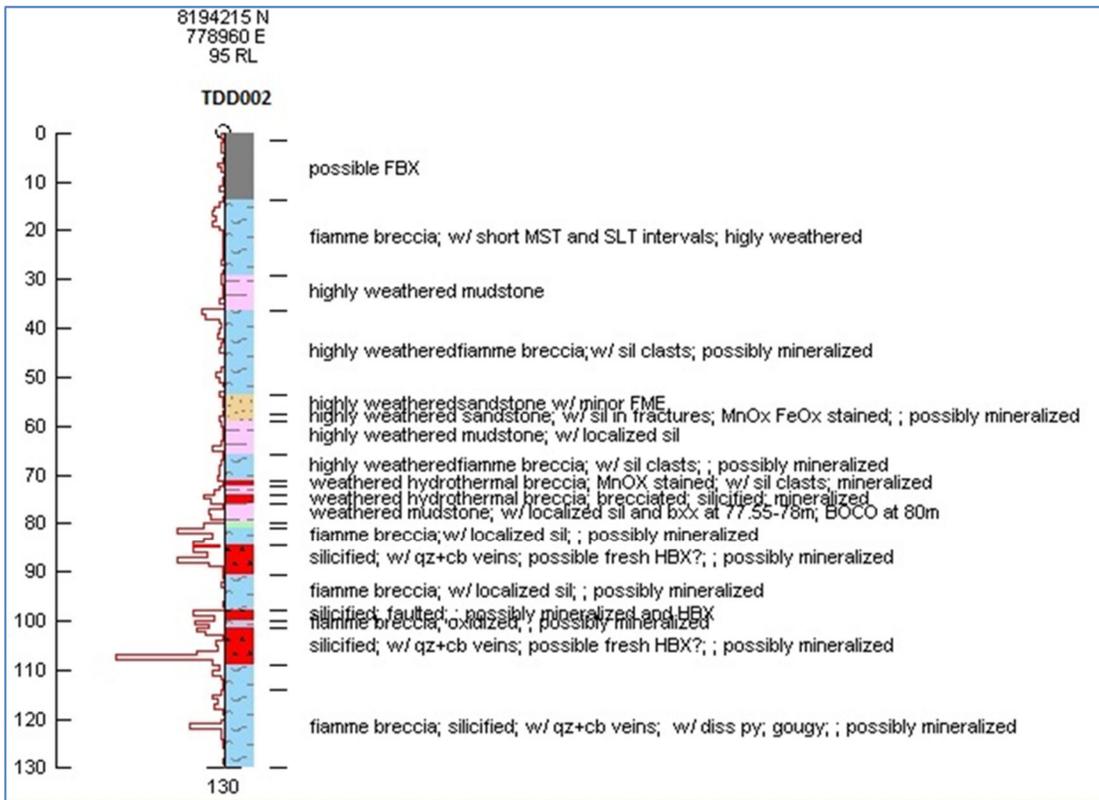


Figure 10-7. Summary strip log for drill hole TDD002 (source: Nesbitt et al., 2016).

This drilling confirmed the predictability of host unit and controls to mineralization with respect to the steeply dipping hydrothermal breccia bodies. It also provided insight into the oxidation zone and potential effects on gold grade (Nesbitt et al., 2016).

**10.2.5 2017**

In 2017, KEPL completed four scout diamond drill holes totalling 464.45 m, designed to test for gold mineralization at depth, at the 5K Gold (aka 5K-Somoloicia), Vuinubu Ridge, Qiriyaga North, and Namalau prospects (Celis and Nesbitt, 2018). Table 10-8 provides a summary of the drill hole parameters, location, and rationale.

A total of 423 core samples were taken and submitted to ALS Global’s ALS Minerals laboratory in Brisbane, Australia for gold, silver and multi-element analysis. Samples were collected mostly at 1.0 m intervals but with some as short as 0.6 m and as long as 3.35 metres.

Table 10-8. Summary of 2017 scout diamond drill holes within SPL 1464 (Celis and Nesbitt, 2018).

Drill Hole	Prospect	East	South	Elev (m)	Depth (m)	Az (true N)	Dip	Rationale
KCD23	Qiriyaga North	779036	8194379	54	81	142	-60	trench TRK1305: 48 m @ 0.94 g/t Au
KVD03	Vuinubu Ridge	779278	8193603	80	141	142	-60	trench TVIT1523: 6 m @ 1.01 g/t Au
K5D01	5K Gold	774347	8191294	56	121	142	-60	trench TR135KT04: 28 m @ 0.94 g/t Au
KCD24	Namalau	780209	8194576	54	121	142	-50	trench TRNAT01: 36 m @ 0.43 g/t Au

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

The locations of the four 2017 drill hole collars are shown in Figure 10-8 and a summary of significant drill core intercepts in Table 10-9.

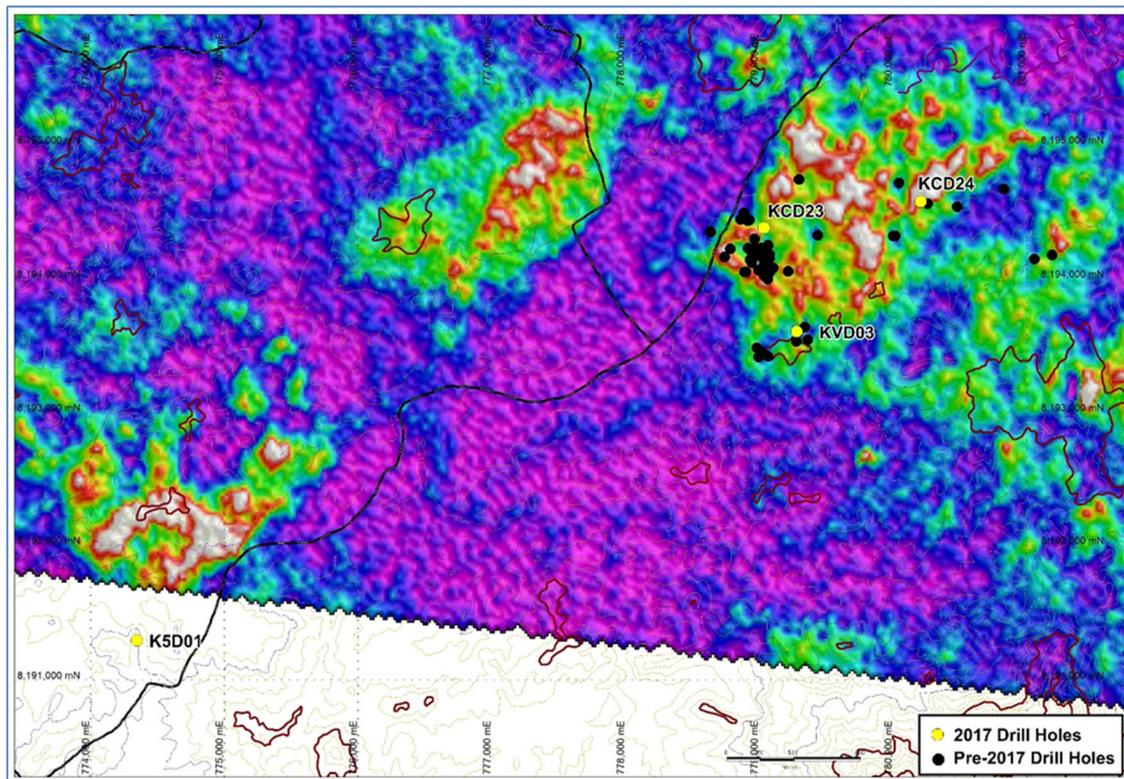


Figure 10-8. Locations of drill hole collars (labelled yellow dots) from the 2017 diamond drilling program superimposed on the airborne radiometric potassium map (source: Celis and Nesbitt, 2018).

Table 10-9. Significant drill core assays, 2017 scout drilling within SPL 1464 (Celis and Nesbitt, 2018).

Drill Hole	From (m)	To (m)	Interval (m)	Significant Intercept
KCD23	0.0	3.0	3.0	3.0 m @ 0.74 g/t Au from 0 m
KCD23	7.0	17.3	10.3	10.3 m @ 0.28 g/t Au from 7 m
KVD03	18.0	21.0	3.0	3.0 m @ 2.24 g/t Au from 18 m; including 1.0 m @ 6.34 g/t Au from 20 m
KVD03	28.0	35.0	7.0	7.0 m @ 0.33 g/t Au from 28 m
KVD03	40.0	72.0	32.0	32.0 m @ 0.82 g/t Au from 40 m
KVD03	76.0	80.0	4.0	4.0 m @ 0.62 g/t Au from 76 m
KVD03	88.0	96.0	8.0	8.0 m @ 0.22 g/t Au from 88 m
K5D01	0.0	2.0	2.0	2.0 m @ 0.13 g/t Au from 0 m
K5D01	23.0	24.0	1.0	1.0 m @ 0.24 g/t Au from 23 m
K5D01	30.6	33.0	2.4	2.4 m @ 0.38 g/t Au from 30.6 m

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

The 2017 drilling program confirmed the presence of long intercepts of relatively low grade gold (e.g., 32.0 m @ 0.82 g/t Au at Vuinubu Ridge) and the potential for higher grade gold but over shorter intercepts (e.g., 1.0 m @ 6.34 g/t Au at Qiriyaga North). All four holes intersected lengths and grades similar to what was sampled in surface trenches.

## 10.2.6 2019

In 2019, two diamond drill holes were completed, totalling 381.30 m, with one hole (KCD25) at Qiriyaga Hill, and the other (KVD04) at Vuinubu Ridge (Figures 10-9 and 10-10). Core was sampled at 1 m intervals. A total of 377 core samples were submitted to ALS Global’s ALS Minerals laboratory in Brisbane, Australia for gold, silver and multi-element analysis. A summary of significant drilling results is provided in Table 10-10.

KCD25 (250.80 m): intersected several zones of mineralization, terminating in unmineralized basalt (223.20-250.80 m). Mineralization consists of centimetre to millimetre wide quartz veinlets and quartz stockwork hosted within a highly sheared, moderately to weakly silicified and argillaceous fiamme volcanic breccia. Cross sections for KCD25 are provided in Figures 10-11 and 10-12, and a photo of mineralized drill core in Figure 10-13. A deeper drill hole is proposed to intersect these zones at 75 to 150 m below surface (Figure 10-12).

KVD04 (131.50 m): three mineralized zones were intersected, terminating in fresh, unmineralized basalt (121.15-131.50 m). A near-surface, 41 m broad mineralized zone could be the zone uncovered in the trench at surface and another deeper zone occurs near the shear contact with the basaltic unit. Mineralization is hosted within a highly argillic and weakly silicified fiamme volcanic breccia. It consists of centimetre- to millimetre-wide quartz and calcite veinlets. Fine pyrite was also observed. Cross sections for KVD04 are provided in Figures 10-14 and 10-15, and a photo of mineralized drill core in Figure 10-16. Drill hole KVD04 extended gold mineralization at Vuinubu Ridge along strike to the northeast by at least 50 metres. The Main Zone at Vuinubu Ridge has been traced by drilling at least 250 m along strike and it is open further to the northeast (Figure 10-17).

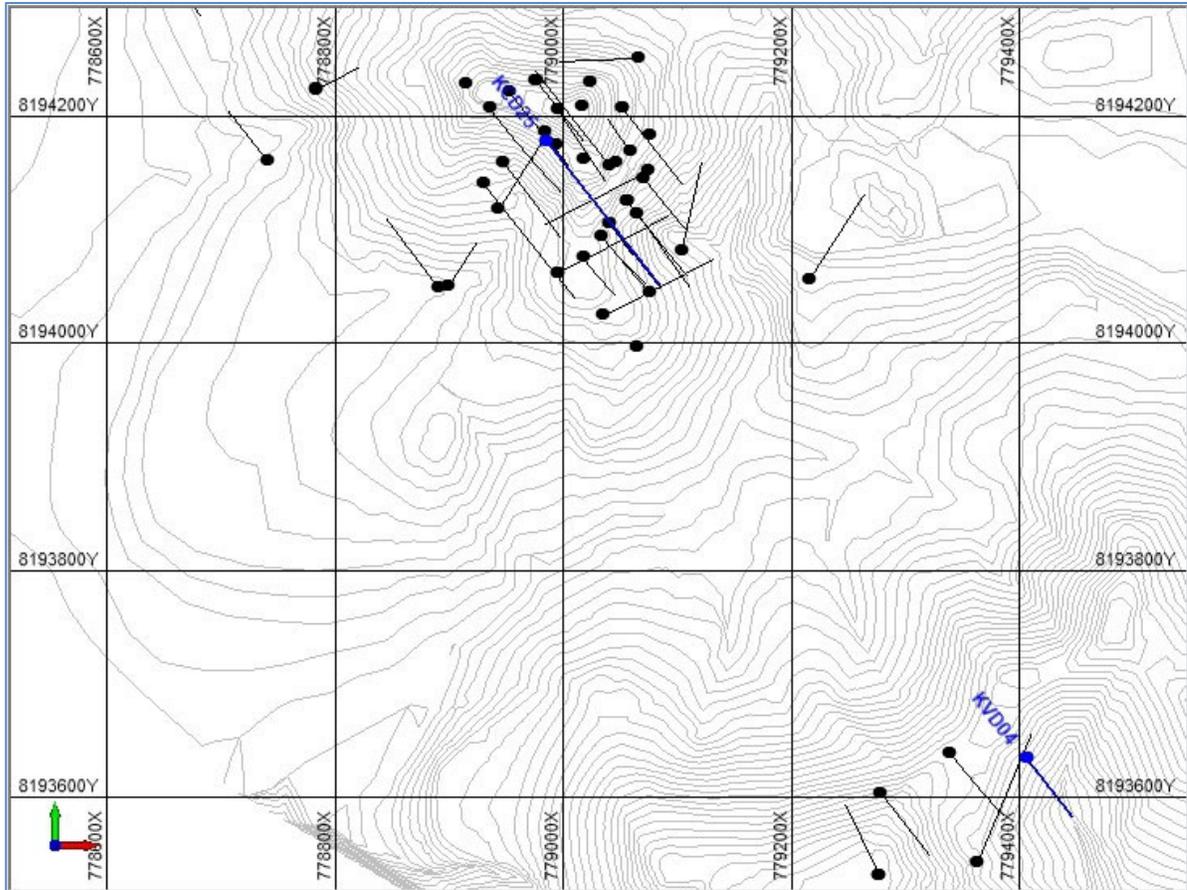


Figure 10-9. Drill hole location map of KCD25 at Qiriyaga Hill and KVD04 at Vuinubu Ridge (source: Tan and Nesbitt, 2020).



Figure 10-10. Drilling KCD25 at Qiriyaga Hill (source: Tan and Nesbitt, 2020).

Table 10-10. Summary of significant intersections of KCD25 and KVD04 (Tan and Nesbitt, 2020)

Drill Hole	Prospect	From (m)	To (m)	Interval (m)	Au (g/t)
KCD25	Qiriyaga Hill	0.00	9.00	9.00	0.33
KCD25	Qiriyaga Hill	13.00	31.00	18.00	0.41
KCD25	Qiriyaga Hill	94.00	95.00	1.00	1.18
KCD25	Qiriyaga Hill	97.00	112.00	15.00	2.36
KCD25	Qiriyaga Hill	101.00	107.00	6.00	3.79
KCD25	Qiriyaga Hill	118.00	137.00	19.00	0.75
KCD25	Qiriyaga Hill	122.00	133.00	11.00	1.05
KCD25	Qiriyaga Hill	159.00	161.00	2.00	1.31
KVD04	Vuinubu Ridge	15.00	16.00	1.00	1.92
KVD04	Vuinubu Ridge	24.00	65.00	41.00	0.74
KVD04	Vuinubu Ridge	32.00	36.00	4.00	2.09
KVD04	Vuinubu Ridge	41.00	44.00	3.00	1.03
KVD04	Vuinubu Ridge	47.00	56.00	9.00	1.13
KVD04	Vuinubu Ridge	68.00	71.00	3.00	2.39
KVD04	Vuinubu Ridge	115.00	117.00	2.00	1.13

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

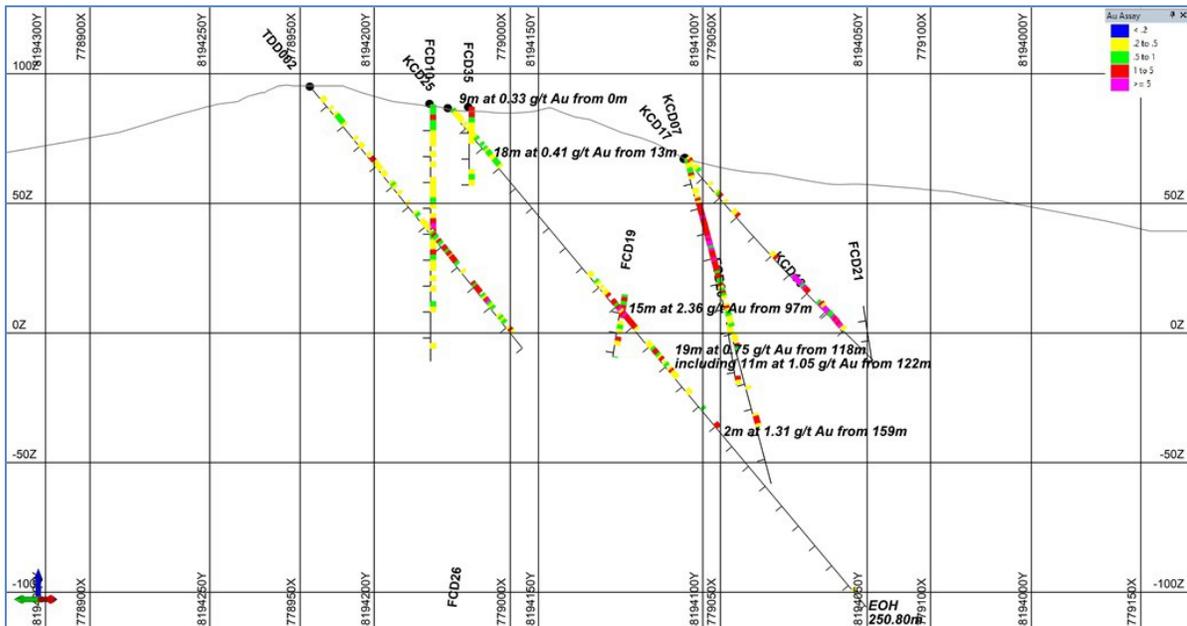


Figure 10-11. Drill hole KCD25 with gold assays (color coded) and summary of significant zones of intersection (source: Tan and Nesbitt, 2020).

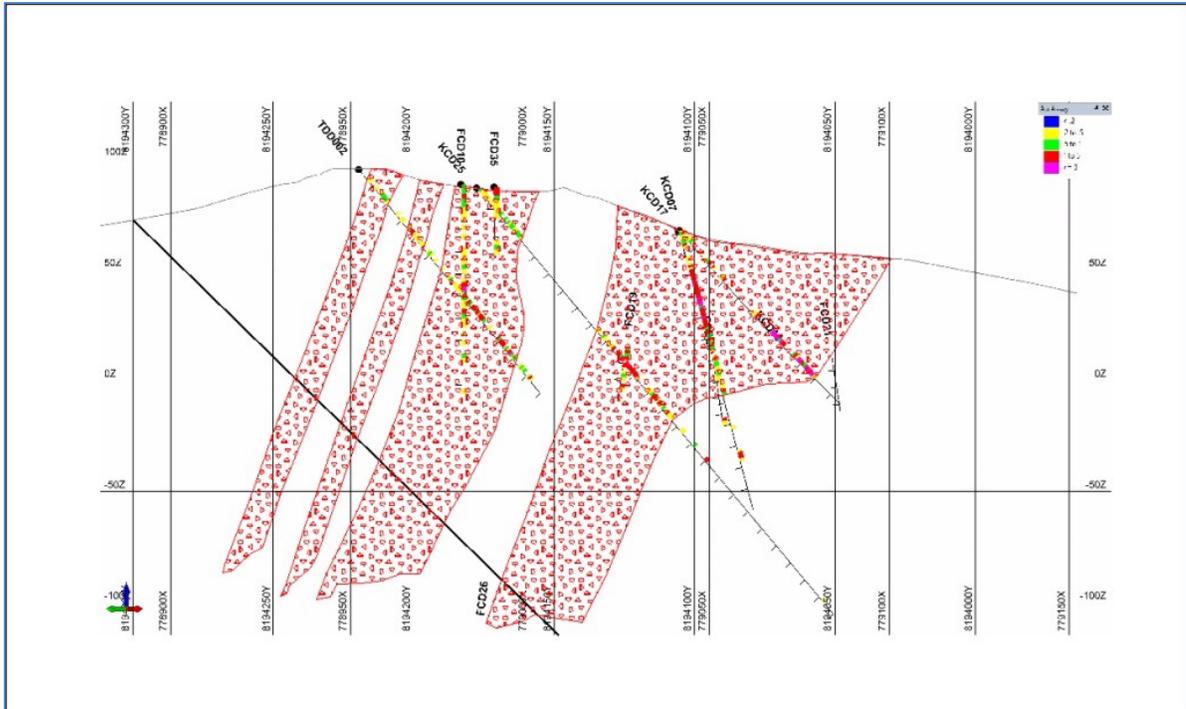


Figure 10-12. Interpreted cross section of drill hole KCD25, Qiriyaga Hill with a planned deeper hole (dark black) proposed to intersect these zones at 75 to 150 m below surface (source: Tan and Nesbitt, 2020).

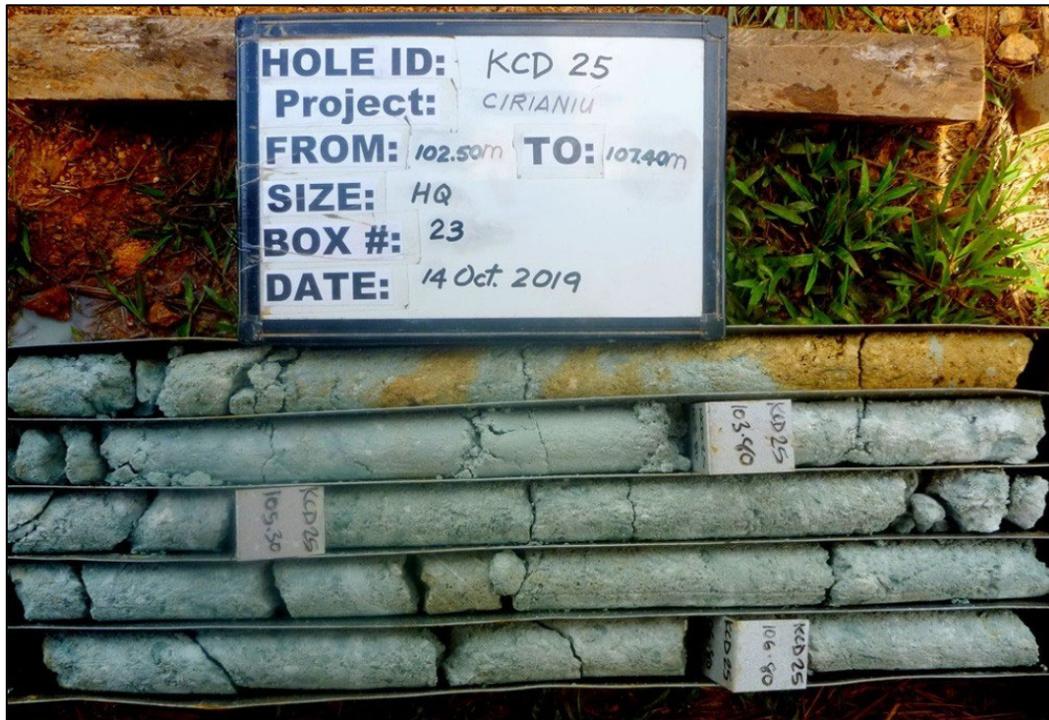


Figure 10-13. Gold mineralized drill core from drill hole KCD25: 6 m at 3.79 g/t Au from 101 to 107 metres (source: Tan and Nesbitt, 2020).

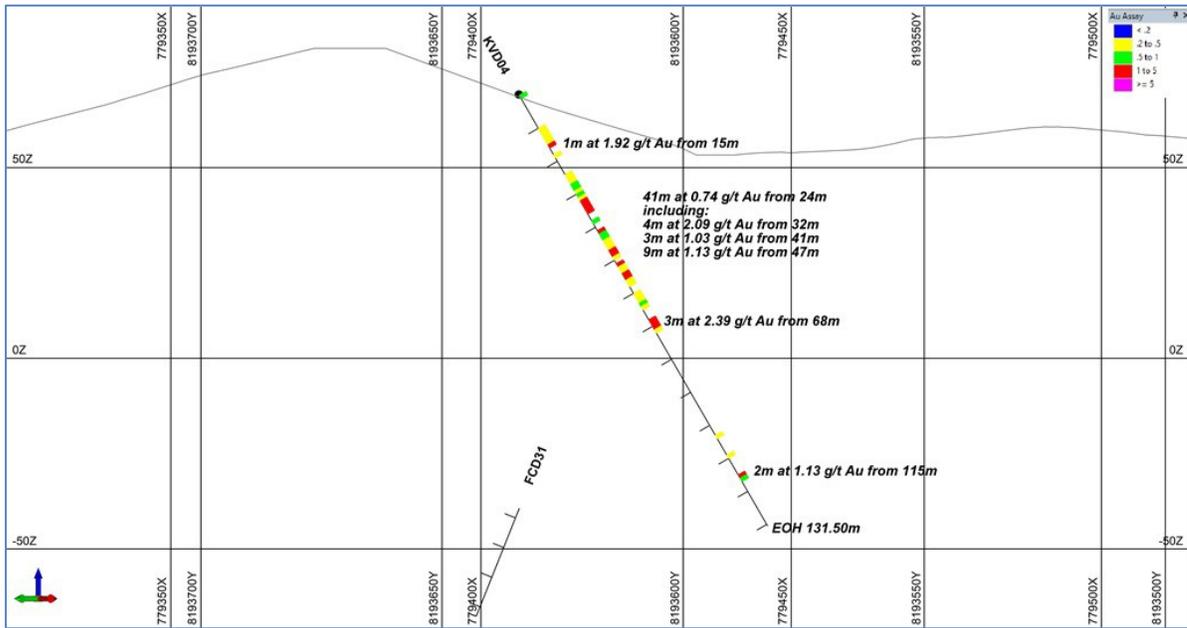


Figure 10-14. Gold assays (color coded) from drill hole KVD04 (Vuinubu Ridge) with significant intersections (source: Tan and Nesbitt, 2020).

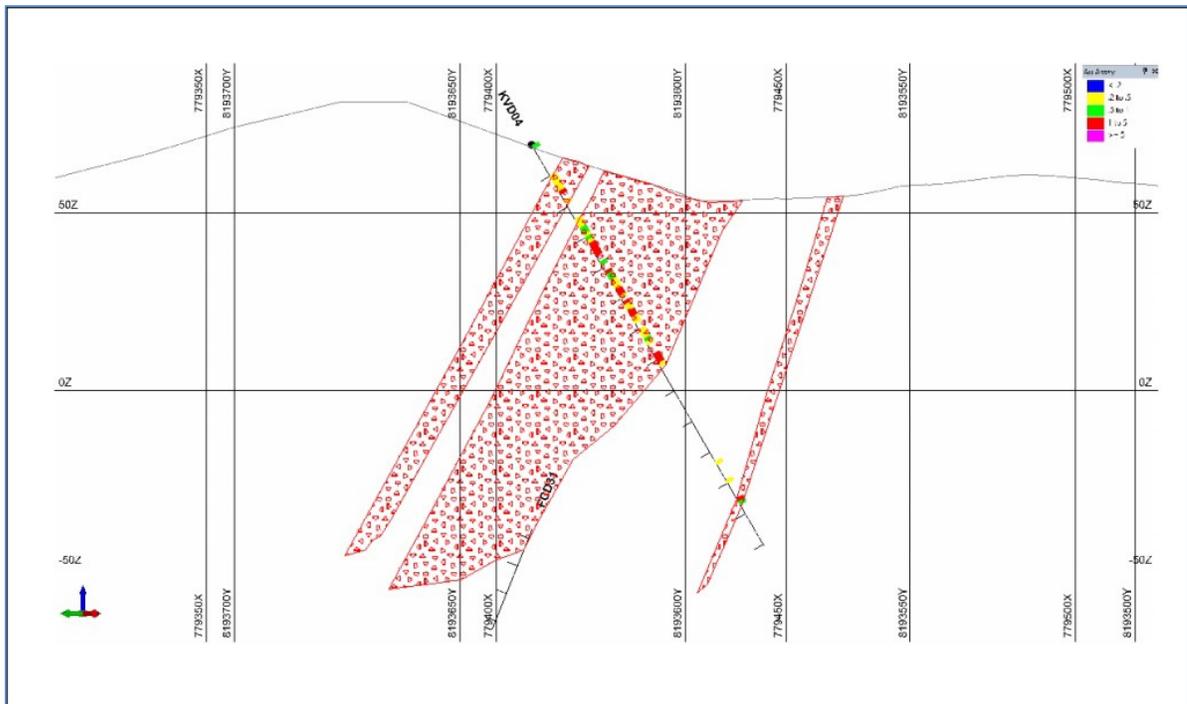


Figure 10-15. Interpreted cross section of drill hole KVD04 (Vuinubu Ridge) showing the gold mineralized zones (source: Tan and Nesbitt, 2020).

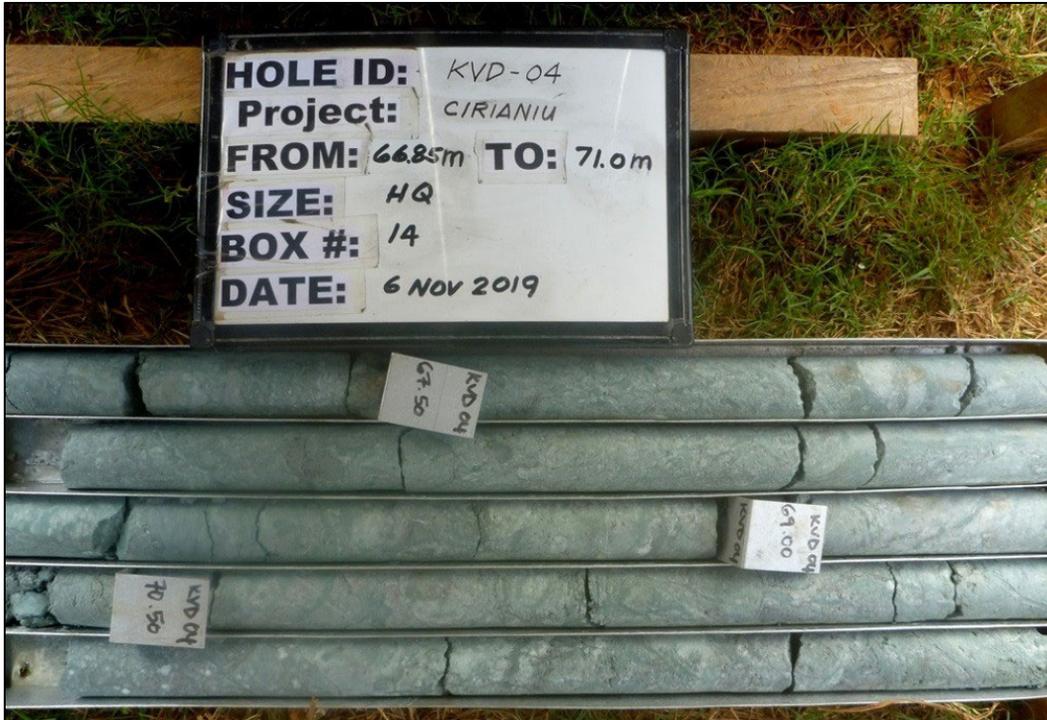


Figure 10-16. Gold mineralized drill core from drill hole KVD04: 3 m at 2.39 g/t Au from 68 to 71 metres (source: Tan and Nesbitt, 2020).

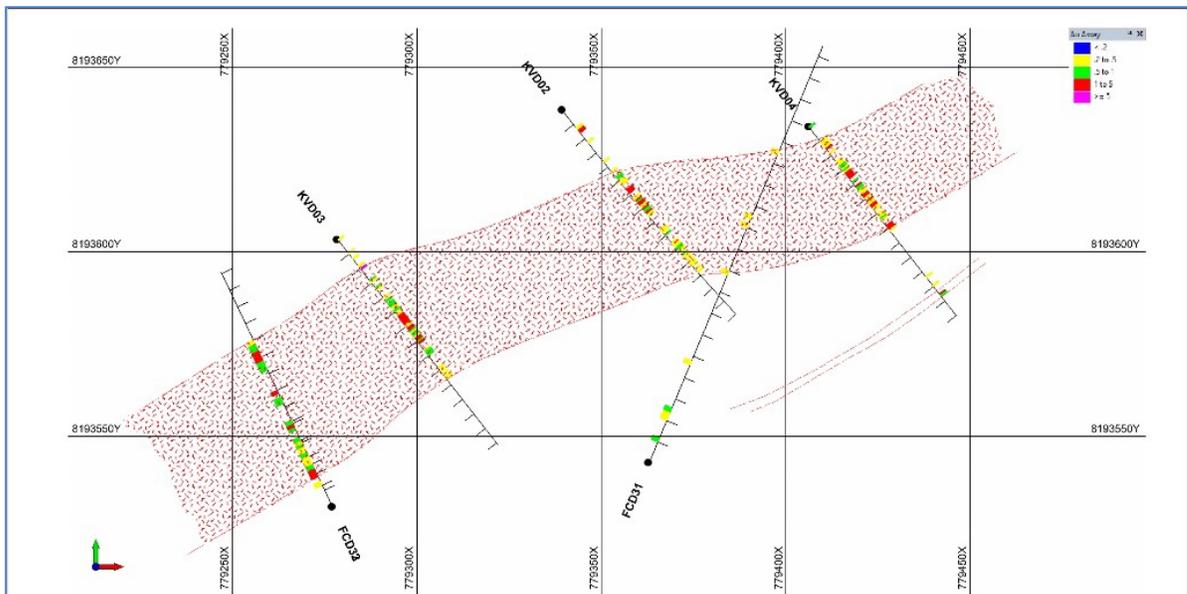


Figure 10-17. Plan of Vuinubu Ridge drill holes with gold intersections and interpreted mineralized zones. The main zone has been traced by drilling for at least 250 m along strike length. It is still open to the northeast (source: Tan and Nesbitt, 2020).

### 10.2.7 2020

One drill hole (KVD05) was completed to 150 m at Vuinubu Ridge (SPL 1464) in June 2020. Drill hole KVD05 was designed to test the northeast extension of mineralization intersected in KVD01 and FCD30 (Figures 10-18 and 10-19).

Core was mainly sampled at 1 m intervals except when there was poor recovery (sample intervals up to 4 m). A total of 139 core samples were submitted to ALS Global’s ALS Minerals laboratory in Brisbane, Australia and summary results from drill hole KVD05 are provided in Table 10-11.

Table 10-11. Summary of significant intersections from drill hole KVD05 (Celis, 2020a).

Zone	From (m)	To (m)	Interval (m)	Au (ppm)
1	6.0	14.0	8.0	2.71
including	12.0	14.0	2.0	9.73
2	20.0	52.0	32.0	0.53
including	34.5	36.5	2.0	2.22
3	56.0	64.0	8.0	0.59
4	68.0	79.0	11.0	0.77
including	75.0	76.0	1.0	2.96
5	83.0	96.0	13.0	0.91
including	91.0	92.0	1.0	2.74
	93.0	94.0	1.0	2.20

Note: intervals do not represent true widths of mineralization and as such are core lengths only.

The drill hole intersected five zones of mineralization until 100 metres. Mineralization consisted of hairline to centimetre-wide quartz ± carbonate veinlets, hosted within a weak to moderately silicified and argillized fiamme breccia (“FBX”). Increase in the concentration of gold was noted within the shear/fault zone and along its flanks. Rare fine pyrite and an increase in silicification were also noted within these structures (Celis, 2020a).

To date, two separate mineralized zones have been defined at Vuinubu Ridge, one in the northeast (NE Zone) and the other is in the southwest (SW Zone). Drill hole KVD05 extends gold mineralization of the SW Zone along strike by at least 50 metres (Figure 10-19). The SW Zone has been traced by drilling for at least 100 m and is open to the northeast and southwest. The NE Zone has been traced for at least 200 m and is open to the northeast and southwest.

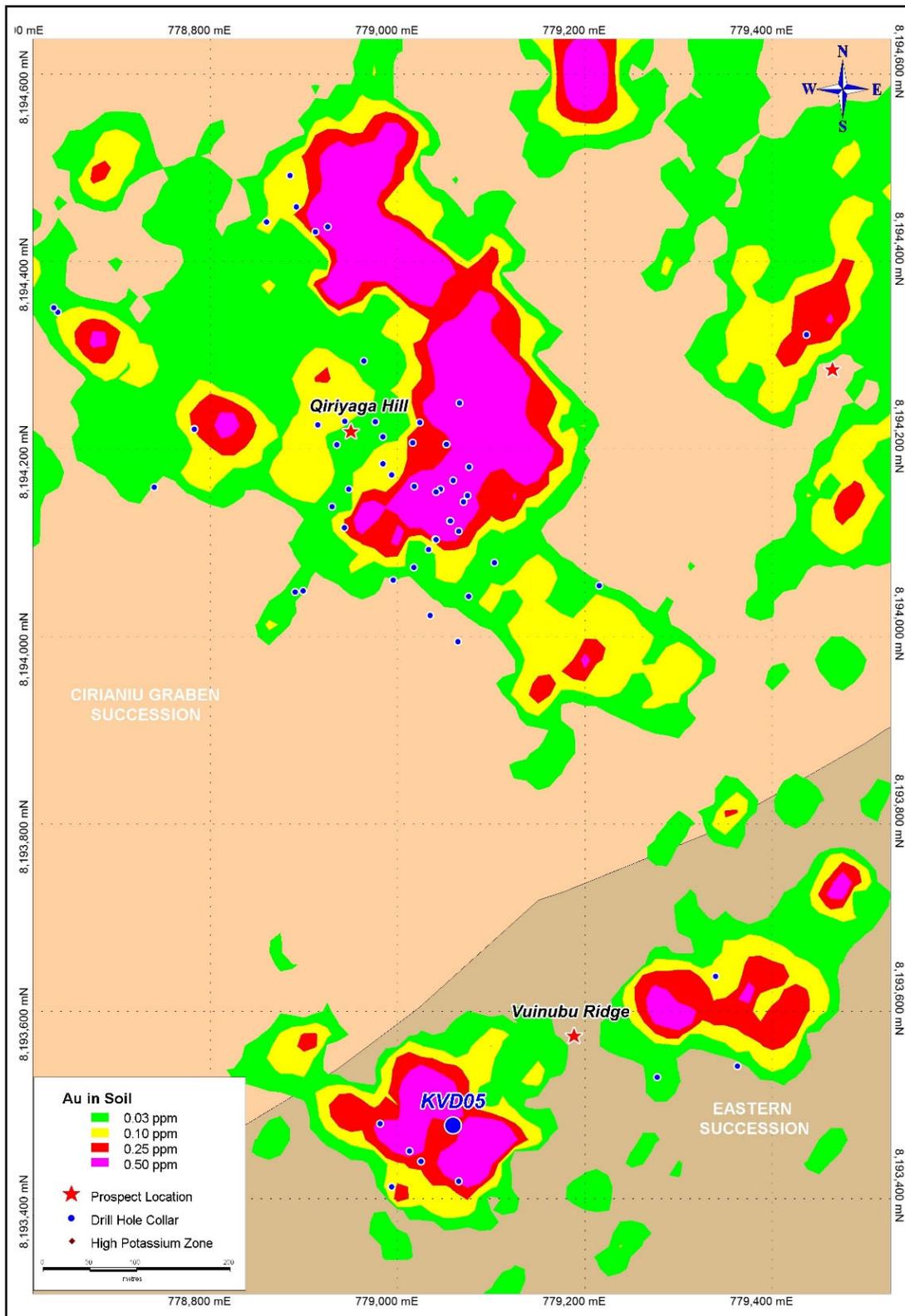


Figure 10-18. Collar location of drill hole KVD05 superimposed on results from gold in soil results (source: Celis, 2020a).

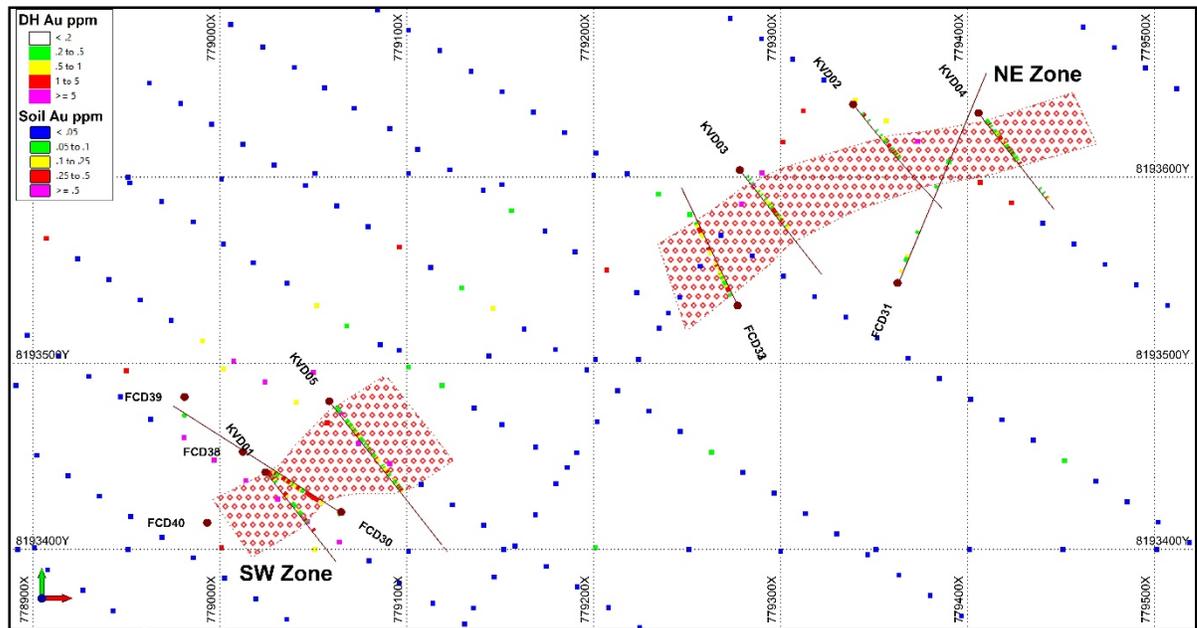


Figure 10-19. Interpreted mineralized zone at Vainubu Ridge and the location of drill hole KVD05 (circled red) in the SW Zone (source: after Celis, 2020).

## 11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

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Information in this section has been largely taken from Tan and Celis (2017), Lazo et al. (2015a), and from communications with Mr. Roman Celis (Consultant to KEPL). Quality assurance (QA) and quality control (QC) procedures, together QA/QC, followed by KEPL since 2009 and their exploration partners (*i.e.*, TVI Pacific, 2014) are summarized in the following sections.

In the Author's opinion, KEPL's sample preparation, security and analytical procedures are adequate for the purpose of verification of KEPL's database including soil, rock and core assays. Furthermore, KEPL's internal system for QA/QC (collection and processing) is of sufficient quality to provide adequate confidence in the database. The Issuer and its related companies are all independent of all laboratories mentioned below in Section 11.

### 11.1 Diamond Drill Core

#### 11.1.1 Core Logging and Sampling

The Qiriyaga core shed, located at the Qiriyaga Hill exploration camp, consists of a large covered area with racks to lay out the core sequentially for logging. Once the core boxes arrive at the logging facility, the boxes are laid out in order and the lids removed. The drill core is washed free of grease and other drilling fluids or lubricants. Core is stored sequentially, hole by hole, in racks for logging.

The core is marked at every metre on the top of the core, in a permanent marker, so that the marks can be seen in the core photography. The length of each drill core run is measured for the recovery with "Recovery %" determined by dividing the measured core length over the nominated run. Sample loss from null returns (*e.g.*, cavities or faults) is recorded on the logging sheet. The core is marked at every metre interval on top of the core and on the side of the core box.

All samples are geologically and geotechnically logged by a geologist or geologists on site and all drill core is photographed. The core logging geologist undertakes all lithological, alteration, mineralization and structural logging. Core logging is completed on geological intervals, which are divided on the basis of lithological boundaries, structural or deformation boundaries, alteration haloes, vein packages or mineralization styles. Depending on the Recovery %, sample intervals range from 1.0 to 2.0 m and were never less than 0.45 metres (Placer sampled down to 0.20 m and TVI to 0.60 m). Logging data/information was recorded on paper log sheets in the field using a standard set of codes. The paper logs were scanned and then transcribed to an electronic log at base camp.

Before cutting with a diamond saw, a cutting line is marked on the core to ensure that the core is cut evenly and consistently. Drill core sampling is completed as half core unless a field duplicate is required. In the case of field duplicate, quarter core for the nominated interval is taken.

Once cut, the half core is placed into a pre-numbered calico sample bag in the intervals specified by the geologist. If available, sample numbers are derived from pre-numbered sample ticket books. The sample ticket is placed in the sample bag, and the remainder left as a stub in the sample book

with all the interval details. The core trays containing the remaining half core are transported from the Qiriyaga core shed to a secure core storage facility in Labasa.

### **11.1.2 Core Sample Transport**

The geologist supervises the transport of drill core from the field to the core shed. The core is usually picked up from the drill site in the morning or after a drill hole is completed, and after properly securing the core boxes on the back of the truck, it is transported to the core shed at the Qiriyaga Hill camp. After the core is sampled at the core shed, the bagged core samples (inside the polyweave or “rice bags”) are lined up in order and carefully loaded onto the back of a truck for transport to the Labasa office warehouse where they are offloaded should short term storage be required. When the bagged core samples are ready to be shipped to Australia, the samples are lined up and accounted for against the laboratory submission form and courier form, prior to being loaded on a courier truck and dispatched to ALS using DHL or TNT for courier service. At this time the geologist also makes sure there are no tears in the rice bags and has the courier sign the release form acknowledging the number of sample bags.

Until 2017, the rice bags were sent to the ALS Global prep lab located in Suva, Fiji’s capital. Following sample prep, the laboratory in Suva would then ship the samples direct to ALS in Australia. Following 2017, samples were shipped directly to ALS in Brisbane using TNT or DHL courier.

### **11.1.3 Core Assaying**

Drill core samples were submitted to ALS Global’s laboratory, ALS Minerals Brisbane, located in Queensland, Australia. The ALS Minerals Brisbane (Townsville) facility is independent of KEPL and Kalo and is accredited to ISO/IEC 17025-2017 for specific analytical procedures. The ALS quality program includes quality control steps through sample preparation and analysis, inter-laboratory test programs, and regular internal audits. It is an integral part of day-to-day activities, involves all levels of ALS staff and is monitored at top management levels.

Until 2017, samples were prepared at ALS Global’s prep lab in Suva, Fiji, prior to being sent to ALS in Brisbane for analysis. At the prep lab in Suva, samples were finely crushed using a Boyd Crusher to nominal 70% passing through -2 mm, and a 1 kg split was then pulverized to nominal 85% passing through 75 microns.

At ALS, samples were analyzed for gold and multi-elements using Au-AA26 method code (ore grade Au 50g Fire Assay with AA Finish) and ME-ICP41 method code (35 Element Aqua Regia ICP-AES), respectively. These analytical techniques are industry standard and considered appropriate for the Project. Assay results are reported electronically by the lab directly to KEPL management.

#### **11.1.3.1 ALS Laboratory Control Samples**

ALS inserted internal Certified Reference Material (“CRM”) standards and blanks into the sample stream and also carried out duplicate and replicate (“preparation split”) analyses within each sample batch as part of their own internal monitoring of quality control. The control sample results are reported on each of the assay certificates provided by ALS.

#### 11.1.4 Internal QA/QC

No internal QA/QC program was in place for the 2010, 2011 and 2013 drilling programs conducted by KEPL. For these drilling programs KEPL relied on the QA/QC protocol conducted by ALS Laboratory. Laboratory certificates reflecting these internal blanks, standards and duplicates are readily available.

Since 2014, KEPL's QA/QC programs included the use of certified standards (testing for accuracy), blanks (testing for contamination), and field duplicates (testing for precision and bias). Umpire samples (testing lab quality) were submitted to third party laboratories as part of some of the historical exploration sampling programs (*e.g.*, Lazo et al., 2015a).

KEPL used four types of QA/QC samples in the core sampling stream (3 CRM standards and 1 CRM blank), inserted within each 50 metres of sampling. Usually, the CRM sample was inserted in the first 16 m, then the blank from between 16 m and 32 m, and finally a duplicate from between the 32 m and 50 m sampling interval. KEPL cycled through the CRM standards OREAS 61f (high-grade Au), OREAS 60d (medium-grade Au), and OREAS 606 (low-grade Au) and the silica sand blank (OREAS 22d).. Information for the CRMs used on the Project are summarized in Table 11-1.

In the Principal Author's opinion, KEPL's sample preparation, security and analytical procedures are adequate for the purpose of verification of the drill core assay database and for future calculations of mineral resource estimations. Furthermore, KEPL's internal system for QA/QC (collection and processing) is of sufficient quality to provide adequate confidence in the database.

##### 11.1.4.1 TVI Pacific Drill Core Re-Assay 2014

The following summary of QA/QC was reported by Lazo et al. (2015a) and reflects the work completed by TVI during its 2014 due diligence program on data and information relating to SPL 1464. During the 2014 TVI assay validation program, each sample batch contained a total of 60 samples with 53 core pulp samples from KEPL, 4 CRM samples, 2 duplicates of pre-determined samples, and 1 certified blank sample (Table 11-1). The process of inserting certified standards follows the industry accepted practice for QA/QC control. The certified standards were all purchased from commercial laboratories in New Zealand and Australia.

##### **Sampling**

All selected drill sections from KEPL's drilling undertaken in 2010, 2011, and 2013 were identified and corresponding pulps were retrieved from the company's core shed. The majority of these samples contained sufficient pulp material (80-100 g) required by the assay laboratory. The samples were sent direct to ALS Minerals in Brisbane, Australia. A few sample sections though were found to have used-up all their pulps and the coarse rejects were selected instead for the re-sampling. A separate batch of 400 g portions of coarse reject was forwarded to ALS (Lazo et al., 2015a).

##### **Re-Assay**

A total of seven dispatches corresponding to seven 12 batches of samples were forwarded to the ALS Global prep lab in Suva, Fiji, in November 2014. Most of the samples were already in pulp form but the minority coarse rejects underwent pulverization in Suva prior to shipping to ALS for analysis (Lazo et al., 2015a).

The procedure for gold and multi-element analysis was the same as what KEPL has requested before so as to prevent a data disparity/shift owing to the change in the analytical procedure. Gold was analyzed using ALS’s Au-AA26 (ore grade Au 50g Fire Assay with AAS finish) and 35 multi-element suite was analyzed by ME-ICP41 Aqua Regia and ICP AES (Lazo et al., 2015a).

During TVI assay validation program, each sample batches (Batch 1521-1531) contains a total of 60 samples with 53 true core pulp samples from KEPL, four certified reference materials, two duplicates of pre-determined samples, and one certified blank or barren sample. The process of inserting certified standards follows the industry accepted practice for QA/QC control. The certified standards were all purchased from Rocklabs Ltd, New Zealand and Ore research and Exploration Pty Ltd, Australia (Table 11-1). The certified reference materials were placed in a paper bag and given a number in sequence with the real samples, after inserting in the batch.

Table 11-1. Certified Reference Materials from Commercial Laboratories (Lazo et al., 2015a).

Quantity	CRM Label	Remarks	Manufacturer
2 kg	Oreas 201	Au: 0.514 ppm	Ore Research and Exploration, Australia
2 kg	Oreas 15d	Au: 1.56 ppm	Ore Research and Exploration, Australia
1 kg	Oreas 60c	Au: 2.47 ppm; Ag:4.87 ppm	Ore Research and Exploration, Australia
1 kg	Oreas 61e	Au: 4.43 ppm; Ag: 5.27ppm	Ore Research and Exploration, Australia
2 kg	Oreas 22d	Blank/Barren	Ore Research and Exploration, Australia
2.5 kg	OxC129	Au: 0.205 ppm	Rocklabs, New Zealand
2.5 kg	OxG103	Au: 1.019 ppm	Rocklabs, New Zealand
2.5 kg	OxJ120	Au: 2.365 ppm	Rocklabs, New Zealand
2.5 kg	OxL118	Au: 5.828 ppm	Rocklabs, New Zealand

Details of the quality control program, including results of the standards (testing for accuracy), field blanks (testing for contamination), field duplicates (testing for precision and bias), and umpire samples (testing lab quality) are covered by Lazo et al. (2015a).

It is the Principal Author’s opinion that the sample preparation, QA/QC, and analytical procedures followed by TVI are of sufficient quality to provide adequate confidence in the data presented.

## 11.2 Drill Core Specific Gravity (Relative Density)

No bulk density measurements were made prior to 2014. TVI (2014) used a simple set up to determine the bulk density by getting the weight of the core in air versus its weight in water and sent selected samples to the lab to verify the in-field measurements.

Tan and Celis (2017), state that density measurements were conducted on 50 whole core samples collected from two drill holes at different depths, lithologies and mineralization type; average density for each domain was then calculated.

For future drilling programs, KEPL is planning to introduce the "Dry Bulk density Caliper Method" to take measurements at the Qiriyaga core shed and also send representative samples to the lab for verification.

### **11.3 Bulk Leach Extractable Gold (BLEG) Sampling**

Regional exploration based on BLEG stream sediment sampling is a time and cost efficient method for identifying anomalous areas in the initial stages of prospecting for undiscovered outcropping or concealed mineralization. Stream sediments remain as the predominant sampling media in regional greenfield geochemical exploration in areas where moderately rugged topography has developed distinct drainage systems.

A major issue for gold exploration is a representative sample and analytical reproducibility due to the nugget effect. Sampling theory suggest that the issue could be addressed by collecting larger samples and using a sensitive method for gold detection and an “ultrafine” gold fraction. The BLEG sampling method has previously shown to be effective with respect to improving sample representativity and the very low detection limits. It has been proven to be particularly successful in reconnaissance sampling programs requiring extremely low detection limits for gold.

Stream sediment sample locations for BLEG analysis are defined from published topographic maps to reach a sample density on as much as practicable approximately one sample per 5 to 10 square kilometres. However, a homogeneous distribution of samples is not feasible due to poor access in many parts of the area and other factors. Each sampling site is selected so that, if applicable, it is far enough upstream from any higher-order stream to minimize the influx of sediment from the larger stream. Sampling is not carried out within 50 to 100 m of human habitation. Active silt to sand size, generally wet stream sediments is collected at least two kilograms of -40 mesh fraction for BLEG analysis after sieving.

Several sample sites are located at creeks draining from known or identified gold prospects. The results from these locations provide a baseline for what assay results might look like from existing gold occurrences.

Stream sediment BLEG samples were submitted to ALS Global’s laboratory, ALS Minerals Brisbane, located in Queensland, Australia.

### **11.4 Trench Sampling**

Trenches were sampled by establishing horizontal channels, perpendicular to the target structure or trend, and sampling at 1.0 or 2.0 m intervals (generally at 2 m intervals but at 1 m over mineralized sections). Collected geochemical samples, either trench soils or rock chips, were submitted to ALS Global’s Laboratory, ALS Minerals Brisbane (Queensland, Australia), for gold, silver and multi-element analysis.

It is the Principal Author’s opinion that the sample collection, preparation, and analytical procedures followed by KEPL are of sufficient quality to provide adequate confidence in the data presented.

## 12.0 DATA VERIFICATION

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The data verification process included a review of drill core logs, drill hole database, analytical database, analytical certificates, core handling, logging, sampling, QAQC procedures and analytical protocols, geophysical survey reports, soil sampling reports, and a personal inspection (site visit). A review of the QAQC programs and results is provided in Section 11.

The Authors have reviewed data and information regarding historical exploration work (*see* Section 6) and current exploration work (*see* Section 9) that has been completed on the Project. Work completed between 2009 and 2020 (current work) has robust and complete databases and documentation. Historical records (*i.e.*, 1986-2008) are not as complete and so the Authors do not know all of the project details such as original assay certificates, original data (including any QAQC data), and the sampling methodologies used in the collection of the historical data and information.

Co-Author Dr. Nicholas Rollings (PhD, MAIG), visited the Vatu Aurum Gold Project during the period November 16 and 17, 2020 (*see* Section 2.3). Dr. Rollings resides in Fiji, and was in a position to complete a personal inspection of Qiriyaga, Coqeloa, the exploration camp, and the Kalo Labasa Office and core shed.

The visit was required for the purposes of inspection, ground truthing, procedural review and information data collection and collation. The condition of the general Property and Project access were observed and the location of recent drill hole collars and trenches were verified. Several prospect areas within the Project area were visited.

The Authors selected a number of mineralized drill core sections to be examined by Dr. Rollings and these sections were reviewed and verified by the QP during the personal inspection. Dr. Rollings also spot checked mineralized intercepts for comparison to reported values. Lithology and mineralization observed in selected intervals corresponded to and supported the reported results. Logging and sampling procedures were also checked and validated. As there was good correlation with the drill core intervals re-logged during the personal inspection and there is excellent documentation from previous work completed since 2009, including diamond drilling, the Authors determined that no re-sampling of the drill core was necessary for the purposes of the Report. Outcrop is scarce on the Property, so no surface grab samples of target mineralization or lithologies were collected.

There was no activity on the Project at the time of the personal inspection, therefore a review of active drill core handling, drill core chain-of-custody procedures, and QAQC methodologies could not be completed.

The writer is confident that the data and results are valid based on the personal inspection (site visit) and inspection of all aspects of the Project, including the methods and procedures used. The verification program determined that the data and information from the 2009 to 2020 exploration programs is considered to be most reliable and appropriate for the purposes used in the Report. Historical data (1986-2008), compiled from hard-copy and electronic data and information, is less complete but is still adequate to provide a technical framework upon which future exploration programs can be developed and for the purposes used in the Report.

## 13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Metallurgical testwork was completed on material collected from the Qiriyaga Hill Prospect (Cirianiu Property) in 2013-2014 by KEPL and in 2015 by TVI Pacific on behalf of KEPL.

Results from mineral processing and metallurgical testwork completed to date offer preliminary information as to the recoverability of the main style of mineralization on the Property. Samples tested thus far are representative of the main style of mineralization at Qiriyaga Hill but further mineralogical and metallurgical testwork is required.

### 13.1 Kalo Exploration Pte Ltd. (2013-14)

In 2013-2014, KEPL undertook metallurgical testwork through KCA on samples collected from Qiriyaga Hill (Lazo et al., 2015a; Taylor, 2013). KCA completed Bottle Roll Leach and Column Leach tests with high gold recoveries high from both methods (Table 13-1). The mineralized material was shown to be easily beneficiated with no deleterious minerals or potential pregnant solution robbers (Lazo et al., 2015a).

Table 13-1. Metallurgical testwork, Qiriyaga Hill samples, 2014 (Lazo et al., 2015a).

Method	Gold Extraction Results	Sodium Cyanide consumption
Bottle Roll Leach Test	94-97% (based on calc heads from 0.561 – 1.299 g/t Au)	2.09 to 2.51 kg/t blended with 2.5 to 5 kg/t of hydrated lime
Column Leach Test (81 days)	96% (based on calc head of 0.771 g/t Au)	0.90 kg/t, material agglomerated with 14.72 kg/t of cement
<i>Detoxification of column took place over 29 day period, WAD (weak acid dissociable) cyanide level reduced from 186.39 mg/l to 0.021 mg/l by adding 27.35 gm of 35% hydrogen peroxide and 1.70 g of copper sulfate over the entire detoxification period.</i>		

Samples were collected from four trenches on Qiriyaga Hill, MT 1-4, as well as from drill holes drilled specifically for metallurgical testing, and drill core remaining from previous drilling campaigns (Tables 13-2 and 13-3). Additionally, samples of limestone and waste rock were included in the testing to see what useful properties they may have (Lazo et al., 2015a).

Table 13-2 Summary of channel samples collected for metallurgical testwork comparing assay results from KCA and ALS Australia (Taylor, 2013).

Sample	KCA (g/t Au)	ALS (g/t Au)	Variance
MT BULK 01	0.80	1.79	0.99
MT BULK 02	0.78	0.66	0.12
MT BULK 03	0.51	0.50	0.01
MT BULK 04	1.61	2.12	0.51
MT 1 32-34m	0.86	1.31	0.45
MT 1 36-38	0.79	0.69	0.10
MT 2 4-6m	0.17	0.07	0.10
MT 2 18-20	1.38	1.09	0.29
MT 2 42-44	0.97	1.12	0.15
MT 3 2-4m	1.01	0.17	0.84
MT 3 22-24m	0.11	0.12	0.01
Mt 3 26-28m	0.91	0.91	0.00
MT 4 4-6m	3.54	3.57	0.03
MT 4 8-10m	1.76	1.53	0.23
MT 4 10-12	0.67	1.47	0.80

Table 13-3. Summary of drill core samples collected for metallurgical testwork comparing assay results from KCA and ALS Australia (Taylor, 2013).

Drill Hole	KCA (g/t Au)	ALS (g/t Au)	Variance
KCD08	0.027	0.01	0.017
KCD14	0.103	0.071	0.032
KCD15	0.018	0.013	0.005
KCD16	0.062	0.051	0.011

### 13.2 TVI Pacific Inc. (2015)

As part of its 2014 to 2016 due diligence review, TVI contracted TVIRD Philippines to conduct bench-scale metallurgical testwork on drill core coarse rejects collected from the Qiriyaga Hill gold deposit (TVI Pacific, 2015). The testwork results were to serve as a bases for the assessment of a preliminary process flowsheet and initial financial projections and to support the results from the baseline tests carried out for KEPL by KCA in 2014. TVIRD Philippines used the services of Mines and Geosciences Bureau (“MGB”) in Quezon City for metallurgical testing and Intertek Testing Services Philippines (Intertek) in Muntinlupa City, Philippines for elemental analyses.

The main scopes of work undertaken for the bench-scale metallurgical test were:

1. Bottle roll cyanide test works at 6 mesh and 200 mesh.
2. Bond ball mill work index (grindability) determination.
3. Ore apparent density determination.
4. Screening of leach tailings for gold occurrence determination.

The five samples provided to the lab at the MGB are summarized in Table 13-4. Two sets of cyanide leaching tests at two varying particle sizes were conducted. The first test using unground mineralized material was carried out to somehow simulate a heap leach process while the second

test was to perform the standard tank leach process. MGB carried out their standard procedure for bottle roll tests for gold mineralized material which included grinding, feed pulp preparation, initial pH measurement, lime addition, cyanide addition, bottle rolling, monitoring and sampling, and final harvest.

Table 13-4. Summary of metallurgical testwork samples collected by TVI, 2014 (Lazo et al., 2015a).

Drill Hole	Sampling Interval (m)	Ore Type, elevation information	Sample Name
KCD17	75-80	Hydrothermal breccia, 0- +20 RL	KCD17
	85-86		
KCD22	28-33	Fiamme breccia, +50 RL	KCD22A
KCD22	33-46	Hydrothermal breccia and mudstone, +50 RL	KCD22B
KCD08	125-130	Mineralized unweathered sandstone, -40 RL	KCD08
KCD14	55-61	Fiamme breccia above base of oxidation, +40RL	KCD14

Results of the grindability test showed that, on average, the mineralized material is “soft”. Gold and silver were both recoverable by cyanidation. The high consumption of cyanide was attributed to cyanide-consuming clays which could be associated with high aluminium content of the mineralized material. The highest gold extraction of 95% occurred after 72 hours, but after only 36 hours the resulting gold extraction was already 92 percent. Therefore, 36 hours was chosen as the optimum leach time with corresponding cyanide consumption of 1.0 kg/t sodium cyanide. From this testwork TVI Pacific was able to provide commentary on a process flowsheet and cost estimates including cost models for a conventional CIL plant, CAPEX and OPEX (TVI Pacific, 2015).

### 13.3 Petrological and Mineralogical Studies

The following is a review of petrological and mineralogical studies completed by Pontifex & Associates Pty Ltd (Pontifex,2012) and Sagragao et al. (2015), completed to 2015 and summarized by Lazo et al. (2015a).

#### 13.3.1 Episodes of Vein and Silicification

In a 2015 petrographic analysis done by the Mines and Geosciences Bureau (Sagragao et al., 2015), a quartz veinlet was observed to be cutting a silicified matrix of an altered clastic rock in drill hole KCD18, at 69.71 m, indicating that the quartz veining episode occurred after pervasive silicification. Although no cross-cutting relationship of veinlets was observed in the petrographic samples (Pontifex, 2012), megascopic analysis of some core sections noted at least three episodes of quartz veining (Lazo et al., 2015a).

#### 13.3.2 Native Gold

In examining cores from drill hole KCD17 (64-65 m), Pontifex (2012) reported that gold grains (trace to 20 grains) in general ranged from 2 to 70 µm in five of the 12 samples. These gold grains mostly occur within pervasive silicification, and occasionally close to, but not actually in, oxidized pyrite. High-grade gold intersections in KCD02 (68.9 g/t Au, from 74 to 75 m) noted gold (20 to 40 µm) grains contained solely in silica (Figure 13-1). It was noted in a sample from KCD14 (9.13 g/t Au,

from 47 to 48 m) that gold grains occurred near an oxidized pyrite aggregate. In KCD17 (120 g/t Au, from 81 to 82 m and 48 g/t Au from 64 to 65 m), several grains of gold (2 to 50  $\mu\text{m}$ ) were noted in the pervasive epithermal quartz mineralization hosted in tuff/volcanic breccia (Figure 13-2) (Lazo et al., 2015a).

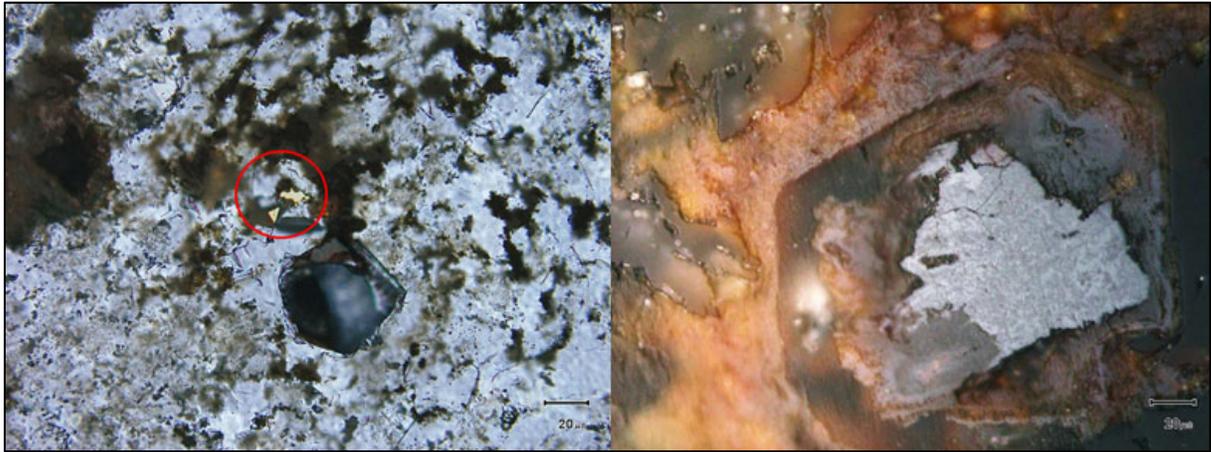


Figure 13-1: LEFT: Sample from KCD02 (74-75 m assayed 68.9 g/t Au) showing gold (encircled red in left photo) in epithermal silica independent of pyrite. RIGHT: Accessory oxidized pyrite (right photo) has no associated gold (source: Pontifex, 2012).

Detailed scanning of the gold containing samples revealed that gold occurs independently (Figures 13-29 and 13-30) and randomly within epithermal quartz, without any specific association with pyrite (Pontifex, 2012). Likewise, several detailed scanning of oxidized pyrite crystals in the auriferous drill sections failed to identify any gold in them. The implication of the known occurrence of gold to date from petrological studies either restricts or eliminates supergene enrichment of gold by weathering. Moreover, mineralized sections with no weathering effects were recognized during the core re-logging phase of work (Lazo et al., 2015a).

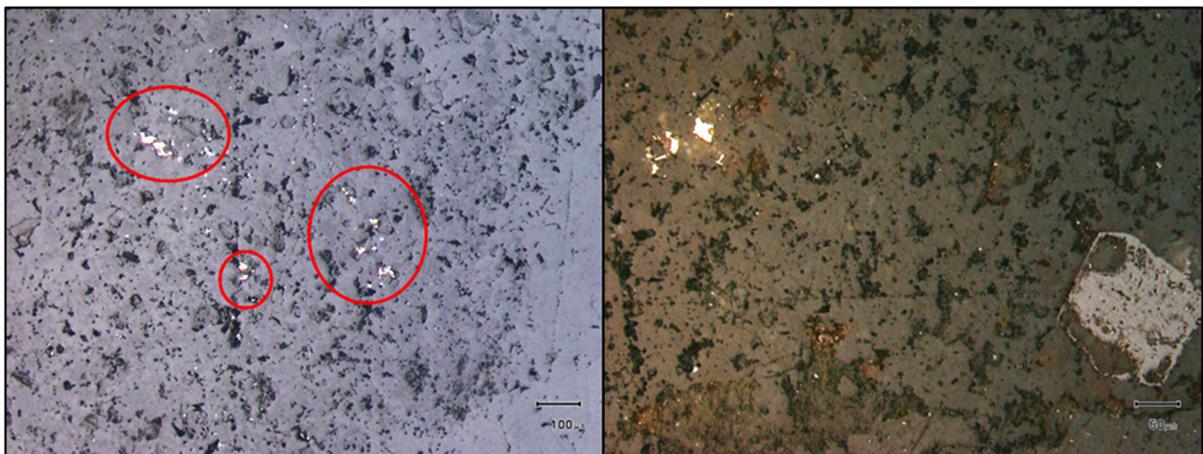


Figure 13-2. LEFT: Sample from drill hole KCD17 (64-65 m @ 48 g/t Au) showing numerous isolated gold grains not associated with pyrite (x100 magnification) hosted by pervasively silicified volcanics. No pyrite is seen associated or adjacent to the numerous gold grains. A separate oxidized pyrite in the same sample showed no association with gold. RIGHT: Sample from KCD17 core (80-81 m @ 26.6 g/t Au) showing several distinct gold grains (upper left) hosted in pervasive quartz, and an isolated oxidized pyrite grain (lower right) with no associated gold (source: Pontifex, 2012).

### 13.3.3 Gold Mineralization and Primary Enrichment

Several gold mineralized drill core samples, analysed by petrography (Pontifex, 2012), indicated that primary gold grains occur independently within pervasive silicification and not in or associated with oxidized pyrite. The gold grains are described as primary and not interpreted to be remobilized. Most of the identified gold grains are either proximal to or far from oxidized pyrite grains. Since gold is not associated with pyrite, the oxidation of the latter, though producing acid in the zone of weathering, would not result in the direct dissolution, re-deposition or enrichment of gold.

It appears that free gold observed in the analysed samples are the major contributors in the assay results and that the occurrence of this gold is primary. It is inferred that the high-grade zone associated with hydrothermal brecciation probably represents the boiling level of the epithermal system and several pulses of mineralization, related to quartz micro-veinlet formation, stockwork and silicification, resulted in the development of high-grade primary gold mineralized shoots (Lazo, 2014). In addition, the better developed widths of mineralization are largely observed to be within the fiamme breccia (Lazo et al., 2015a). It was surmised that the observed extent of the depth of oxidation observed to have affected the Upper Qiriyaga sequence is purely coincidental with gold grades and did not affect the deportment of gold, at least in the sections assayed and studied (Lazo et al., 2015a).

### 13.3.4 Supergene Gold Enrichment

Potentially economic concentrations of gold are contained within the Upper Qiriyaga sequence which coincides with the zone of oxidation. Several high-grade sections appear to have lateral continuity and appear to be clipped, with the bottom of mineralization coinciding with the base of oxidation. However petrographic studies (*i.e.*, Pontifex, 2012), suggest that the correlation of the inferred base of mineralization to the inferred base of oxidation is merely a coincidence. That gold is observed to occur independently in silica, separate from pyrite, implies that the oxidation of pyrite would not have caused the remobilization or supergene enrichment of gold (Lazo 2014; Lazo et al., 2015a).

Hedenquist (2000), noted that supergene oxidation, and in places enrichment, have affected large replacement-type high sulphidation deposits and disseminated low-sulphidation deposits in arid and semi-arid climates with relatively few epithermal deposits equally affected in the tropics where water is much more closer to surface. It was also observed that supergene modification of low-sulphidation veins, particularly those with low sulphide content, is limited in regions of rapid uplift, found commonly in most of the prospective arcs of the Circum-Pacific. Hedenquist (2000), also indicated that supergene minerals are rare and low in abundance in epithermal deposits of the tropical southwestern Pacific (Lazo et al., 2015a). This implies that some other mechanism for supergene enrichment of the gold within the oxidation zone is at work.

A number of researchers have noted that the dissolution of primary gold occurs in the presence of humic or fulvic acid, typically in arid to semi-arid regions, where gold is transported as a chloride complex in the acid, with saline groundwater present in the near surface, iron-rich laterite profile (Webster and Mann, 1984). In tropical climates, Webster and Mann (1984) considered that intense

rainfall causes repeated flushing and dilution of groundwater, preventing anion concentration or the formation of an acid solution at a regional scale (Lazo et al., 2015a).

The Cirianiu Property is situated in the tropics with episodes of heavy rains, especially during monsoon season. The amount of organic matter on the top soil portion is quite thin and limited as noted in a lot of the trenches excavated. There is no iron-rich laterite profile typical of arid conditions, thus eliminating any possibility of gold being dissolved by organic acids and transported in solution (Lazo et al., 2015a).

The relatively gold-rich and shallower portions of the stockwork and veinlets point to preferential deposition of primary gold likely aided by a favourable lithological horizon (Upper Qiriyaga sequence) which may have been further aided by pressure and temperature changes as well. The evidence of multi-episodes of vein/veinlet generation could probably have resulted in higher gold grades, with each pulse adding to the gold content of the earlier vein generation. It is highly likely that the pockets of high-grade gold mineralization correspond to the depth of boiling (the boiling zone) in the paleo-epithermal regime (Lazo et al., 2015a).

### 13.3.5 Petrological Summary

Petrological findings which characterized the gold mineralization at Qiriyaga Hill, albeit from a small sample size, suggests that the previously accepted concept of gold enrichment from the weathering of “auriferous pyrite” through supergene process is not the case (Corbett, 2012; Cumming, 2012). Petrological evidence of independent gold grains locked in quartz implies that the gold enrichment is probably a primary feature or may have been brought about by multiple episodes of epithermal quartz deposition which was noted in some of the cores with probably two to three visible crosscutting features (noted in drill hole KCD02). Since the higher-grade gold domains occur in the upper/shallower zones (*i.e.*, <100 m depth) it is possible that the prospective level corresponds to a favourable level in the Upper Qiriyaga Sequence where boiling might have occurred, as reflected in the observed hydrothermal breccia. The interpretation that gold is primary and not associated with the weathering of pyrite, also supports the concept that the fiamme breccia, which was inferred by Corbett (2012) as expansive breccia despite the lack of true vein formation, appears to be a favourable host for gold mineralization (Lazo et al., 2015a).

Although weathering has masked the original feature of the host rock, the presence of a true hydrothermal breccia in the fiamme breccia has been recognized. The new mineralization model makes the Cirianiu Prospect even more favourable for developing gold resources, as the potential extension of gold ores, is not delimited by weathering effects and pyrite oxidation. Potential extensions of the mineralization in several directions was predicted during the 2015 mineral resource estimation block modelling (Lazo et al., 2015a, 2015b).

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## **14.0 MINERAL RESOURCE ESTIMATES**

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The Project has no current NI 43-101 Mineral Resources.

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## **15.0 MINERAL RESERVE ESTIMATES**

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The Project has no current NI 43-101 Mineral Reserves.

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## **16.0 MINING METHODS**

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This section does not apply to the current stage of the Project.

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## **17.0 RECOVERY METHODS**

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This section does not apply to the current stage of the Project.

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## **18.0 PROJECT INFRASTRUCTURE**

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This section does not apply to the current stage of the Project.

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## **19.0 MARKET STUDIES AND CONTRACTS**

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This section does not apply to the current stage of the Project.

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## **20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT**

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This section does not apply to the current stage of the Project.

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## **21.0 CAPITAL AND OPERATING COSTS**

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This section does not apply to the current stage of the Project.

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## **22.0 ECONOMIC ANALYSIS**

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This section does not apply to the current stage of the Project.

## **23.0 ADJACENT PROPERTIES**

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There are no adjacent properties which impact the Project which is the subject of the Report.

## **24.0 OTHER RELEVANT DATA AND INFORMATION**

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There is no other relevant data or information to disclose which would make the Report more understandable and not misleading.

## 25.0 INTERPRETATION AND CONCLUSIONS

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The objective of the Report was to prepare an independent NI 43-101 Technical Report capturing historical information available for the Vatu Aurum Gold Project and to evaluate this information with respect to the prospectivity of the Project, and present recommendations for future exploration and development on the Project.

The two main islands of Fiji, Viti Levu and Vanua Levu, have a long history of mineral exploration and metals production and are dominated by hydrothermal systems that include porphyry, epithermal, and volcanogenic massive sulphide deposits. The 367 square km Vatu Aurum Gold Project is located in the northeast region of Vanua Levu (North Island), is easily accessible, and work can continue on the Project year-round.

The Vatu Aurum Gold Project (Coqeloa and Cirianiu properties), about 30 km in length from the southwest to the northeast edges, covers an approximately 25 km long, northeast trending mineralized corridor (see Figure 7-2) that contains several prospects (including Qiriyaga Hill) sharing similar geological and model characteristics (low sulphidation epithermal gold). The main targets on the Project, Qiriyaga Hill and Vuinubu Ridge prospects, are located on the Cirianiu Property and offer excellent opportunities for low sulphidation, volcanic-associated, epithermal gold deposits. Other prospects, relative to Qiriyaga Hill and Vuinubu Ridge, include Qiriyaga East, Namalau, Uaua, and Vunikulukulu to the east, Somoloicia, 5K Gold, 2K Gold, Wainikoro, Wainikoro West, Nadogo, and Vaga to the west, and Nubu Gossan to the north (see Table 7-3).

Historical exploration work within and immediate to the current tenements dates back to the 1950s with the most intense exploration starting in 1984 and continuing intermittently until 1998 (see Tables 6-1 and 6-2). In February 2009, Aurum Exploration (Fiji) Limited was granted SPL 1464, referred to initially as the Wainikoro Prospect (Taylor, 2010). In July 2010, SPL 1464 was transferred to KEPL.

### 25.1 Interpretation

Based on information and data provided to the Authors and available from public sources such as the Mineral Resource Department of Fiji and other government websites, there are a number of interpretations that can be made with respect to the licences that comprise the Vatu Aurum Gold Project.

#### 25.1.1 Cirianiu Property - SPL 1464

Outside of the Qiriyaga Hill and Vuinubu Ridge prospects, there are more than a dozen additional prospective areas that have been identified on the Cirianiu Property over the past plus 30 years (see Table 7-3). Of these prospects, most of the focus has been on Qiriyaga East and 5K Gold-Somoloicia.

##### 25.1.1.1 Qiriyaga Hill and Vuinubu Ridge Prospects

The Qiriyaga Hill Prospect, the flagship of the Project, remains the focus of drilling aimed at expanding historical mineral resources along strike and at depth. Located about 750 m to the south-southeast of Qiriyaga Hill, the Vuinubu Ridge Prospect remains a high priority target for exploration.

At Vuinubu Ridge, recent drilling (June 2020) has extended mineralization in the SW Zone toward the NE Zone by +50 metres. Additional drilling in the gap between the SW and NE zones is required to test the continuity between the two zones.

Grid based soil auger sampling in 2020 extended the SW Zone at Vuinubu Ridge at least 50 m to the southwest (Celis, 2020a). Trenching is recommended to test this gold anomalous zone.

#### **25.1.1.2 Qiriyaga East Prospect**

The Qiriyaga Prospect, located about 500 m northeast and along trend from the Qiriyaga Hill Prospect, shares many of the same characteristics with Qiriyaga Hill, and overlies a major quartz vein system. Given the similarities and proximity to Qiriyaga Hill, and the positive results to date, this prospect should be advanced to a large-scale drilling program. The most recent (2020) grid based soil auger sampling program extended the mineralized zone at Qiriyaga East by as much as 100 m to the south (Celis, 2020a). Trenching is recommended to test this gold anomalous zone.

#### **25.1.1.3 5K Gold-Somoloicia Prospect**

Located about 5.5 km southwest of Qiriyaga Hill, this area consists of a large area of clay silica alteration with outcropping quartz veins and silicified breccia float which was initially outlined as an aeromagnetic anomaly. The 5K Gold and Somoloicia prospects appear to be one continuous northeast trending system, characterized by two prominent gold in soil anomalies (>30 ppb Au). At 5K Gold, outcropping veinlets with peak values of 2.49 g/t Au were sampled and historical trenching exposed gold mineralized zones which returned 4 m @ 0.65 g/t Au, 2 m @ 0.97 g/t Au, and 32 m @ 0.56 g/t Au that included 12 m @ 1.00 g/t Au (Celis, 2020a).

At Somoloicia, a grab sample from 10 to 30 cm wide quartz veinlets assayed 2.71 g/t Au. Historical trenching exposed broad intervals of gold mineralization, such as 24 m@1.0 g/t Au, including 2 m@3.41 g/t Au (Celis, 2020a). KEPL drilled one hole to 120.30 m in 2017 but did not intersect significant gold mineralization. It is believed that this hole had been drilled parallel to the trend of mineralization (Celis, 2020a).

This prospect is an excellent high priority target outside of the Qiriyaga Hill and Vuinubu Ridge prospects. Additional exploration work is required to better understand the 5K Gold-Somoloicia prospects and to advance it toward a large-scale diamond drilling program.

### **25.1.2 Coqeloa Property – SPL 1511**

The Coqeloa Prospect remains the principal focus of exploration on the Coqeloa Property, consisting of the Northern Zone, the Main Zone, and the Southern Zone (Vunidawa Creek) which together cover an area of about nine square kilometres (see Figure 7-5).

#### **25.1.2.1 Coqeloa Prospect**

Coqeloa Prospect is similarly an epithermal gold prospect situated within a prominent caldera-like, arcuate feature. It is also characterized by a high potassium anomaly in the airborne radiometric data analogous to the gold deposits and prospects within the adjoining license SPL 1464 to the northeast.

Historical rock sampling by KEPL on the Main Zone, considered to be the most prospective area on SPL 1511, had one sample assay 9.05 g/t Au and previous historical rock sampling reported one rock sample that assayed 33 g/t Au. Mapping and sampling done by Kalo in 2018 identified a prospective 2.0 km x 300 m region in the northeast area of the Main Zone. A 2020 grid based soil auger sampling program was successful in delineating new targets for follow up in the Northern and Main zones.

### **25.1.3 Historical Mineral Resource Estimates**

The most recent historical mineral resource estimate is that of Tan and Celis (2017). The Main Qiriyaga Hill inferred mineral resource was estimated at 4,271,145 tonnes averaging 0.84 g/t Au, using a cut-off grade of 0.2 g/t Au. This equates to approximately 114,968 contained ounces of gold. At Vuinubu Ridge, located 700 m southeast of Qiriyaga Hill, an inferred mineral resource was estimated at 3,129,593 tonnes averaging 0.44 g/t Au, using a cut-off of 0.2 g/t Au. This equates to approximately 43,863 contained ounces of gold.

The historical resource estimates prepared by Tan and Celis (2017) using definitions, categories and classifications consistent with CIM Definition Standards on Mineral Resources and Mineral Reserves (November 27, 2010) at the time of completion of the estimate, as outlined in National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Neither the Principal Author nor a qualified person have done sufficient work to classify the historical estimates as current mineral resources and therefore Issuer is not treating the historical estimates as current mineral resources. Investors are cautioned that the historical estimates do not mean or imply that economic deposits exist on the Property.

## **25.2 Risks and Uncertainties**

Risks and uncertainties which may reasonably affect reliability or confidence in future work on the Project relate mainly to the reproducibility of exploration results (*i.e.*, exploration risk) in a future production environment. The Principal Author believes the exploration risk to be low due to the high quality of exploration work completed on the Property by Kalo.

Although there is very low risk in terms of access, title or ability to perform future exploration and development work, the Authors do recognize that the requirement to consult landowners and agree to terms under a Landowner Agreement, ahead of accessing the SPL or of being granted renewal of an SPL, represents a possible risk to the Project. In addition, the approval process for the renewal of an SPL is at the discretion of the MRD, representing another potential risk to advancing the Project.

## **25.3 Conclusions**

The Vatu Aurum Gold Project presents an excellent opportunity for Kalo Gold Corp. to continue to develop the Qiriyaga Hill Gold Deposit and to advance toward the outlining of mineral resources at Vuinubu Ridge and Qiriyaga East (SPL 1464, Cirianiu Property). In addition, known gold

mineralization and a strong alteration system at the Coqeloa Prospect (SPL 1511, Coqeloa Property) deserves further exploration and drilling with the goal to outline additional gold resources.

At Qiriyaga Hill, the relatively gold-rich and shallower portions of the stockwork and veinlets point to preferential deposition of primary gold within a favourable (porous) lithological horizon (Upper Qiriyaga sequence), which may have been further aided by pressure and temperature changes. Evidence of multi-episodes of vein/veinlet generation would have likely resulted in higher gold grades, with each pulse adding to the gold content of the earlier vein generation. It is highly likely that the pockets of high-grade gold mineralization correspond to the boiling zone in the paleo-epithermal regime (Lazo et al., 2015a, 2015b).

At the Qiriyaga Hill Gold Deposit, it appears that free gold is the major contributor to assay results and that the occurrence of this gold is primary. Petrological evidence shows independent gold grains locked in quartz, implying that at least a portion of gold enrichment is likely a primary feature and/or was brought about by multiple episodes of epithermal quartz deposition. It is inferred that the high-grade zones associated with hydrothermal brecciation probably represent the boiling level of an epithermal system with several pulses of mineralization, related to quartz micro-veinlet formation, stockwork and silicification, resulting in the development of high-grade primary gold mineralized shoots (Lazo, 2014).

Based on the alteration, mineralization and the location of the Coqeloa Prospect with respect to the structures and geophysical anomalies, the Project area shows very good exploration potential to find a sizeable economic deposit (Celis and Nesbitt, 2019).

The main Qiriyaga Hill resource is open for expansion with the possibly to be extended to the northeast, southeast and southwest, based on the soil anomaly and trench results. Future drilling programs should target probable extensions of the main Qiriyaga Hill deposit, the “satellite body” at Vuinubu Ridge, and “The Gap” between the two areas.

The higher grade gold zones hosted by hydrothermal breccia bodies (HBX) should continue to be a primary target for future drilling. Further drilling and trenching should be done to target for the discovery of more of the higher grade hydrothermal breccias and to trace their continuity laterally and vertically.

On the basis of exploration work completed to date, the possibility of other prospects to host “Qiriyaga Hill style” gold mineralization is high. Identifying additional gold resources at the many known prospects (*i.e.*, Qiriyaga East and Vuinubu Ridge) within the Vatu Aurum Gold Project could add substantially to the current known historical mineral resources at Qiriyaga Hill.

It is the opinion of the Authors that, after reviewing historical results and other publicly available information and data from the Vatu Aurum Gold Project, the Project presents an excellent opportunity for the Issuer and is worthy of additional exploration and development work, targeting epithermal gold mineralization.

## 26.0 RECOMMENDATIONS

It is the opinion of the Authors that additional exploration expenditures are warranted on the Vatu Aurum Gold Project. A number of recommendations, arising through the preparation of the Report and consultation with the Company, and a suggested work program are provided below, with a cost estimate summarized in Table 26-1.

The minimum required spend for licences SPL 1464 and SPL 1511 1511 in the current licence year is FJ\$350,000 and FJ\$225,000, respectively, reflecting the amounts submitted to the ministry as part of the past licence renewal applications.

The total recommended budget for exploration programs that cover diamond drilling, grid based soil auger sampling, surface IP geophysical surveys, and trenching over various prospects within licences SPL 1464 and SPL 1511, is approximately C\$1,733,434 (Table 26-1). The collar locations for the eight proposed drill holes at Qiriyaga Hill and Vuinubu Ridge are provided in Figure 26-1.

Table 26-1. Budget estimate for the recommended exploration program, Vatu Aurum Gold Project, Fiji.

Licence and Work Item	USD	CAD	FJD	Work Details
Overhead/Operating Cost	\$241,258	\$337,761	\$539,742	
<b>T1:</b>	<b>\$241,258</b>	<b>\$337,761</b>	<b>\$539,742</b>	
<b>SPL 1464 (Cirianiu)</b>				
Drilling - diamond core	\$664,400	\$930,160	\$1,486,395	1,810 m; 8 holes
Auger -soils	\$65,280	\$91,392	\$146,044	1,574 soil samples
Geophysics - IP (Qiriyaga)	\$146,190	\$204,667	\$327,057	27.50 line-km
Laboratory	\$12,657	\$17,720	\$28,316	petrology, mineralogy, assay
<b>T2:</b>	<b>\$888,527</b>	<b>\$1,243,938</b>	<b>\$1,987,813</b>	
<b>SPL 1511 (Coqeloa)</b>				
Auger - soils	\$45,361	\$63,505	\$101,482	1,112 soil samples
Geophysics - IP (Coqeloa)	\$51,831	\$72,564	\$115,957	9.75 line-km
Trenching	\$11,190	\$15,666	\$25,034	500 m
Laboratory	\$5,200	\$7,280	\$11,633	petrology, mineralogy, assay
<b>T3:</b>	<b>\$108,382</b>	<b>\$151,735</b>	<b>\$242,472</b>	
<b>Grand Total:</b>	<b>\$1,238,167</b>	<b>\$1,733,434</b>	<b>\$2,770,028</b>	

### 26.1 SPL 1464 (Cirianiu)

A recommended diamond drilling program, totalling 1,810 m in eight drill holes, comprises six holes designed to test the down-dip and north-northeast strike extension of known mineralization at Qiriyaga Hill, and two holes designed to test the northeast extension of the South Zone and “The Gap” between the two mineralized zones at Vuinubu Ridge (Table 26-2; Figure 26-1).

In-fill, grid based soil auger sampling (100 x 50 m grid; 1,574 samples) is recommended over the Qiriyaga Hill, Qiriyaga east, 5K-Somolocia, Wainikoro, and Mouta prospects, along with 27.5 line-km of surface IP-chargeability/resistivity geophysical surveys (see Table 26-1).

Contingent on the current recommended program, follow up trenching on any priority targets generated from the IP or soil surveys should also be considered as part of any future exploration programs.

Table 26-2. Summary of eight proposed drill holes on licence SPL 1464 (see Figure 26-1).

Drill Hole	UTMX_mE	UTMY_mN	Elev (masl)	Length (m)	Est. Days Drilling	Az	Dip	Prospect	Objective
PDD-01	778930	8194250	88	350	11.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-02	778985	8194108	65	200	6.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-03	779035	8194253	82	200	6.7	142	-50	Qiriyaga Hill	test NNE extension of mineralization
PDD-04	779023	8194229	91	350	11.7	142	-70	Qiriyaga Hill	test down-dip extent of mineralization
PDD-05	778994	8194128	72	200	6.7	142	-50	Qiriyaga Hill	test down-dip extent of mineralization
PDD-06	779013	8194143	86	200	6.7	142 <td -50	Qiriyaga Hill	test down-dip extent of mineralization	
PDD-07	779113	8193488	93	150	5.0	142	-60	Vuinubu Ridge	test NE extension of SW Zone
PDD-08	779198	8193543	95	160	6.0	142	-60	Vuinubu Ridge	test gap between SW and NE zones
<b>Total:</b>				<b>1,810</b>	<b>61.2</b>				

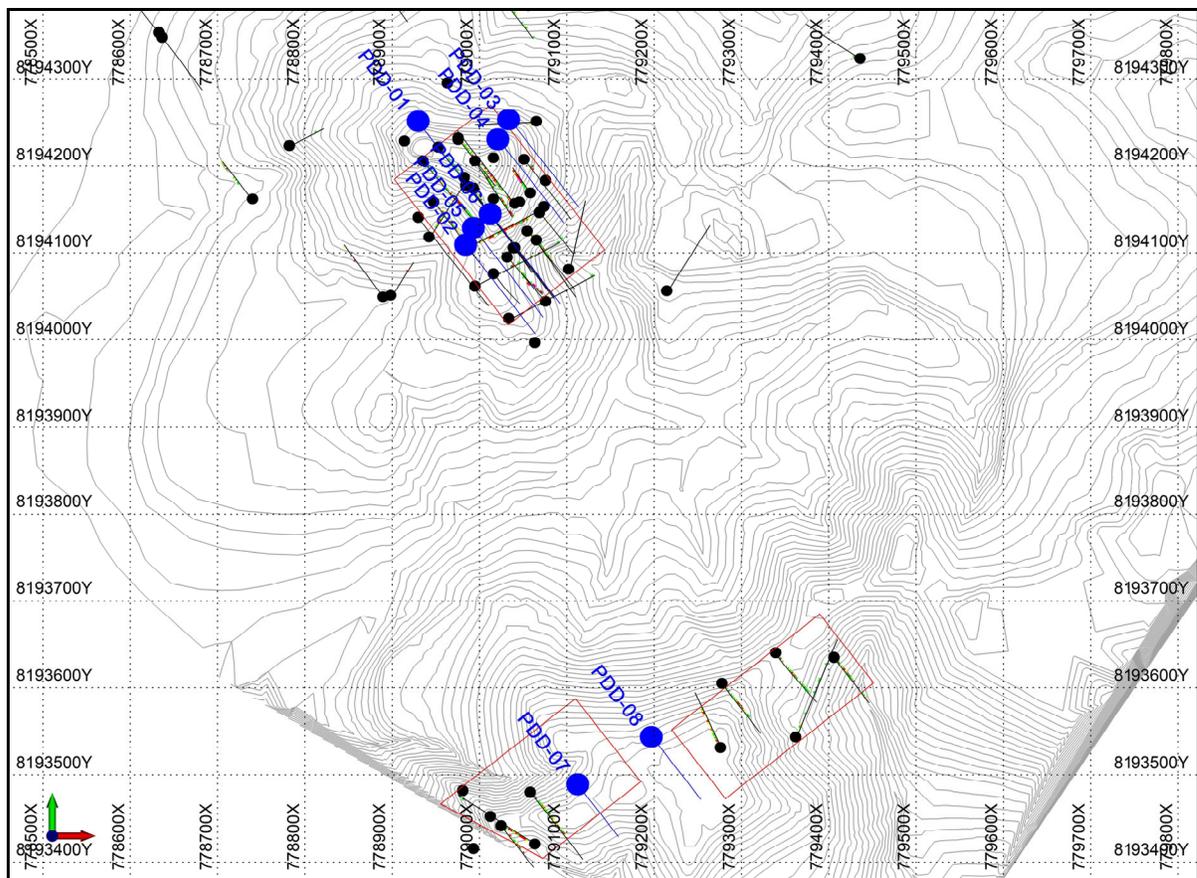


Figure 26-1. Collar locations (blue dots) for the eight planned drill holes (see Table 26-2) and locations of historical collars (black dots), Qiriyaga Hill (north area) and Vuinubu Ridge (south area) prospects (SPL 1464) (source: Kalo Gold, 2021).

## 26.2 SPL 1511 (Coqeloa)

Additional exploration work is required to better understand the Coqeloa Prospect (Main Zone focused) and to advance it toward a large-scale diamond drilling program. The recommended work program on SPL 1511 consists of in-fill grid based soil auger sampling (100 x 50 m grid; 1,112

samples) and surface IP-chargeability/resistivity survey (9.75 line-km). Any priority targets generated from the IP or soil surveys should follow up on through trenching (500 m) (see Table 26-1).

Contingent on the current recommended program, future programs should consider soil sampling over recently identified anomalous zones and an extension of the soil grid to the south at Vunidawa Creek (Celis, 2020a) and targeted diamond drilling.

### **26.3 General Recommendations**

In future work programs, the Issuer should consider the following general recommendations:

- Drill hole collar surveys: measured to sub-metre accuracy at a minimum, using a Differential Global Positioning System (DGPS) system. All drill holes to be used in future mineral resource estimates should be surveyed to centimetre accuracy.
- Drill core orientation: utilize a tool such as the Reflex ACT II, a digital core orientation system, to obtain oriented drill core and making more accurate structural interpretations.
- Specific gravity (relative density) procedures: KEPL is planning to introduce the "Dry Bulk Density Caliper Method" to take measurements in the field (Qiriyaga core shed) and send representative samples to the lab for verification. A procedure for systematic comparison between field collected SG and laboratory measured SG should be implemented to develop a more accurate SG database.
- Down-hole Imaging: for additional in-situ information, a borehole inspection camera system should be considered on selected drill holes.

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