NI 43-101 TECHNICAL REPORT

on the

MIDAS PROPERTY

Skeena Mining Division, British Columbia

NTS Map 103I08
North Latitude: 54.35°
West Longitude: -128.33°

Prepared for

Ardonblue Ventures Inc.

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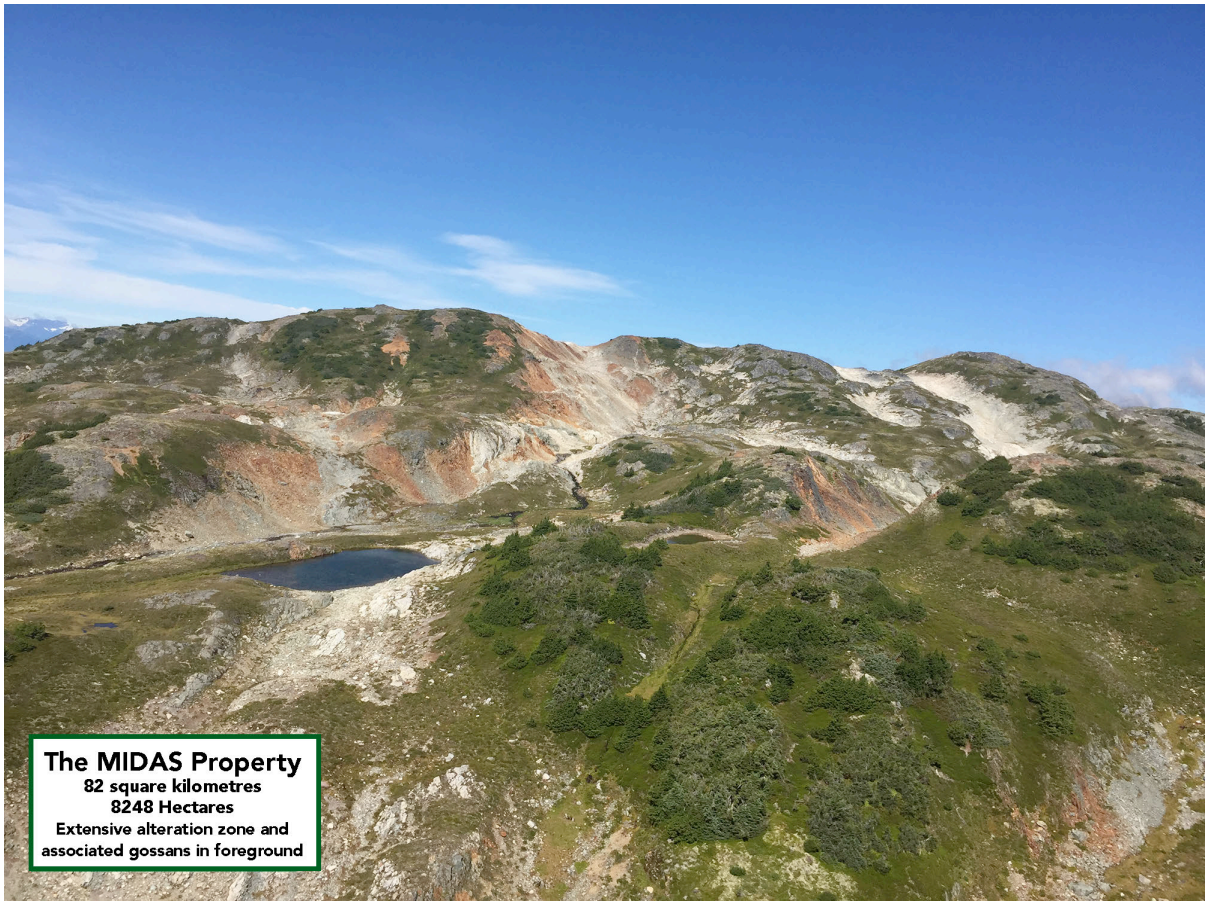

Figure No. 1 VG Zone alteration and gossan. The current area of the Midas Property is 13,447 ha.

Figure No. 2 VG Zone. Outcrop with 34.9 g/t gold in grab sample and 5.4 g/t gold over 25 metres.

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ITEM 1: SUMMARY

1.1 Property Description and Ownership

The mineral claims are located in the Skeena Mining Division in British Columbia. The Property is approximately 23 km southeast of the city of Terrace. The Midas Property covers 13,447 hectares in 26 mineral claims.

J2 Syndicate Holdings Ltd. is the registered owner (100%) of all the claims as bare trustee for The J2 Syndicate, a prospecting syndicate comprised of sixteen individuals and companies. Ardonblue Ventures Inc. ("Ardonblue" or the "Company") has been granted an option to acquire a 100% interest in the Midas Property, subject to a net smelter returns royalty, as described in detail in Item 4.1 - "Ownership".

1.2 Geology and Mineralization

The Midas Property is underlain by the Paleozoic age Mount Attree volcanics and Eocene age Williams Creek granodiorite. The volcanics consist of submarine volcanic rocks comprising greenstone, andesite-rhyolite tuff, and massive andesite. A major fault, trending 10^{O} and dipping 80^{O} to 90^{O} east, cuts the volcanics, and has associated mineralized shear zones and quartz veins.

The area covered by the Midas Property contains a documented 10 km by 18 km area of alteration (McKeown et. al., 2008). An uncommon absence of snow pack on the Midas alpine areas in 2016 (Figure No. 1) exposed extensive new areas of outcrop not previously reported. This allowed for the discovery by the J2 Syndicate of several new gold showings, including several containing visible gold, within a 1.7 km by 1.2 km area. This area remains open and has been subsequently named the Solomon Trend and the gold zones contained within it named the VG, Tut and Sheba Zones.

1.3 Historic and Recent Sampling Results

Historic rock sampling in 2010 reported results of 685.0 g/t gold in a grab sample and 201.0 g/t gold over a 1.5 metre chip sample (see table in ITEM 6.8, this report).

The Midas property was staked in 2016 by the J2 Syndicate following a reconnaissance exploration program which resulted in the discovery of visible gold occurrences at three locations over an area greater than one square kilometer within the Solomon Trend. Chip samples from outcrop in the VG Zone within the Solomon Trend averaged 5.4 g/t gold over 25 meters, including 17.9 g/t gold over 5 meters. Sample No. S023162 in the VG Zone had 34.9 g/t gold. A total of 270 rock samples were taken on the Midas property in 2016. Three types of mineralization are explored for on the property:

- syngenetic VMS-style Cu-Pb-Zn-Ag-Au stringers and stratiform semi-massive sulphides
- epigenetic Cu-Ag-Au quartz veins or orogenic shear-hosted
- skarn-style Fe-Pb rich mineralization associated with a limestone unit.

1.4 Conclusions and Recommendations

The Midas Property is host to an extensive volcanic alteration system in deformed bimodal volcanics similar to significant volcanogenic massive sulphide (VMS) mineral deposits in BC. The 2016 reconnaissance and historical work in the central part of the Midas Property verified the alteration zone hosts significant base and precious metals mineralization.

Many previously hidden showings on the Property were discovered in 2016 by J2 Syndicate personnel during unusually low snowpack. The Midas Property has seen little exploration compared to other VMS prospects in BC. The majority of the Midas Property remains unexplored.

Systematic follow-up of previous exploration is warranted. The next stage of exploration is recommended to consist of an initial phase of detailed geological mapping and intensive rock chip sampling along channels and hand-excavated trenches. It is recommended the targeted sampling and a detailed mapping program be completed to define drill targets. All ground work on the Midas Property would be helicopter-supported.

An airborne magnetic and electromagnetic geophysical survey should be done over the Property to generate additional targets. Follow up prospecting would done over geophysical anomalies.

The recommended exploration budget for exploration on the Midas Property is $350,000.

ITEM 2: INTRODUCTION

This technical report has been prepared at the request of Mr. Clive Brookes, President/Director of Ardonblue, the issuer for whom this report is prepared. The Midas Property was initially staked to cover an area of gossanous altered volcanic rocks where historical assessment reports described the occurrence of high grade gold mineralization in quartz veins. The purpose of the report is to provide the current status of the Property, to review historical geological geochemical and geophysical data available in Ministry of Energy and Mines' mineral claim assessment reports and to report on the examinations of the geology, prospecting and rock sampling done by the J2 Syndicate, the vendor of the Property, during summer and fall of 2016.

This author visited the Midas Property on March 21, 2017 to verify evidence of rock sampling done by the J2 Syndicate in 2016. At J2's sample location S023108 at the Sleeping Giant Zone, I collected a grab sample from a quartz vein there. All other J2's sampled showings were under significant snow at the time of the visit and could not be examined. A further description of the site visit is in ITEM 12 in this report.

The primary sources of information for the historical work are the Ministry of Energy and Mines assessment reports. Results of the 2016 work program are from J2 Syndicate's internal reports. A detailed list of all references cited are in Item 27 of this report.

In this report chemical abbreviations are used for the elements discussed. These abbreviations and others are defined in ITEM 28 – Glossary of Technical Terms and Abbreviations.

ITEM 3: RELIANCE on OTHER EXPERTS

Information regarding the mineral claims making up the Midas Property was obtained from the BC Government Ministry of Energy And Mines, from their website front counter, Map Place (maplace.ca) and from their online mineral claim staking system Mineral Titles Online (mtonline.gov.bc.ca). The mineral claim information is provided in ITEM 4 in this report.

ITEM 4: PROPERTY DESCRIPTION and LOCATION

The Midas Property location in British Columbia is indicated in Figure No. 3, below. The mineral claims are located in the Skeena Mining Division in British Columbia. The Property is approximately 23 km southeast of the city of Terrace.

The geographic coordinates of the Midas Property are:

54.35° North Latitude and -128.33° Longitude or
543460 m E and 6023070 N UTM coordinates (NAD 83).
The relevant map is: N.T.S. Map No. 103I/08.

Figure No. 3 Midas Property Location in British Columbia.

The Midas Property consists of the mineral claim tenures listed in Table No. 1 below, acquired and maintained under Mineral Titles Online (MTO), British Columbia's internet-based mineral titles administration system.

The Property covers 13,447 hectares. Figure No. 4, next page, illustrates the configuration of the Midas Property mineral claims. The table below provides the list of Midas mineral claims. J2 Syndicate Holdings Ltd. (MTO Client ID 283406) is the registered owner (100%) of all the claims.

Tenure No.	Claim Name	Status	Area (ha)
1045029	MIDAS	Good to 2017/jun/29	1866.07
1045030	SLEEPING GIANT	Good to 2017/jun/29	978.88
1045035	SLEEPING GIANT	Good to 2017/jul/01	338.90
1045100	MIDAS	Good to 2017/jul/02	150.90
1045167	MIDAS	Good to 2017/jul/06	75.43
1045236	649	Good to 2017/jul/08	622.84
1045517	MIDAS	Good to 2017/jul/22	1884.63
1046125	SLEEPING GIANT	Good to 2017/aug/19	75.34
1046126	SLEEPING GIANT	Good to 2017/aug/19	94.16
1046127	SLEEPING GIANT	Good to 2017/aug/19	37.64
1046236	MIDAS	Good to 2017/aug/24	94.16
1046457	MIDAS	Good to 2017/sep/03	75.34
1046458	MIDAS	Good to 2017/sep/03	753.61
1046459	MIDAS	Good to 2017/sep/03	132.02
1046460	MIDAS	Good to 2017/sep/03	188.61
1046461	MIDAS	Good to 2017/sep/03	584.87
1046539	MIDAS	Good to 2017/sep/08	301.28
1049510	MIDAS	Good to 2018/jan/26	1886.31
1049511	MIDAS	Good to 2018/jan/26	868.23
1049512	MIDAS	Good to 2018/jan/26	150.68
1049514	MIDAS	Good to 2018/jan/26	56.48
1049789	MIDAS	Good to 2018/feb/03	604.41
1049843	MIDAS	Good to 2018/feb/06	1246.67
1049844	MIDAS	Good to 2018/feb/06	169.98
1049845	MIDAS	Good to 2018/feb/06	37.75
1049847	MIDAS	Good to 2018/jan/26	169.91
		Total Area (ha)	13,447.10

Table No. 1 Midas Property Mineral Claims.

There are no known environmental liabilities to which the Property is subject. There has been no historical production on the Midas Property. This author is not aware of any liabilities that may have potentially resulted from any historical activity, nor any other significant factors or risks that may affect access, title, or the right or ability to perform work on the property. A Notice of Work and Reclamation application is not necessary to acquire a permit for the work program recommended in this report. If positive results are made and future drilling warranted the necessary permits will be required.

The owner of a mineral claim gains the right to sub-surface minerals covered by that mineral claim as defined in the Mineral Tenure Act of British Columbia. Surface rights and placer rights are not included. Subject to the Mineral Tenure Act, a free miner or an agent of a free miner may legally enter mineral lands to explore for minerals. A free miner may be a company or an individual.

Mineral claims are valid for one year after staking. To maintain the mineral claim in good standing the claim holder must, on or before the anniversary date of the claim, pay a prescribed recording fee and record the exploration and development work that was carried out on that claim during the current anniversary year or pay cash in lieu of work.

The value of exploration and development required to maintain a mineral claim for one year is at least:

$5 per hectare for each of the first and second anniversary years,
$10 per hectare for each of the third and fourth anniversary years,
$15 per hectare for each of the fifth and sixth anniversary years, and
$20 per hectare for each subsequent anniversary year.

Only work and associated costs for the current anniversary year of the mineral claim may be applied toward that claim unit. If the value of work performed in any year exceeds the required minimum, the value of the excess work can be applied to future anniversary years to a maximum of ten years.

An assessment report describing the work done and associated expenditures must be filed, and approved by the BC Ministry of Energy and Mines.

4.1 Ownership

On March 15, 2017 the Company entered into an agreement (the "Option Agreement") with The J2 Syndicate (the "**Syndicate**"), a prospecting syndicate comprised of 16 members (collectively in this part the "**Optionors**"), providing the Company with an option (the "Option") to acquire a 100% interest in the Midas Property, subject to a sliding scale net smelter returns royalty ("**NSR**"). The Option is subject to acceptance by the TSX Venture Exchange (the "**TSXV**").

In order to keep the Option in good standing the Company is required to make cash payments, issue securities and incur exploration expenses as follows:

1. The Company must make an initial cash payment of $300,000 to the Optionors upon receipt of TSXV acceptance, a second year payment of $300,000 by May 1, 2018 and seven subsequent annual payments of $500,000 each, each by May 1 of the relevant year. The first payment is mandatory. Subsequent payments are optional. Each of the $500,000 payments will be credited as an advance royalty payment.

2. The Company must issue 8,200,000 units ("**Units**") to the Optionors upon receipt of TSXV acceptance. Each Unit will be comprised of one share and warrant entitling the holder to purchase one additional share of the Company for $0.08 for a period of five years. All warrants will be subject to provisions prohibiting exercise if, as a result, the holder would hold 10% or more of the Company's outstanding shares post-exercise. The Company must also issue an additional 4,100,000 shares to the Optionors by each of May 1, 2018, 2019 and 2024.

3. The Company must incur exploration expenditures of at least $350,000 on the Midas Property by November 1, 2017. Thereafter, the Company must incur expenditures of $500,000, $1,000,000, $1,500,000, $2,000,000, $3,000,000 and $5,000,000 annually through 2023 and must elect by May 1, 2024 to produce a feasibility report by May 1, 2027. If the Company elects to produce a feasibility report, it will become obligated to produce it by May 1, 2027 failing which, subject to obtaining an extension, the Company will be required to pay $1,000,000 million to the Optionors. The Company may obtain extensions as follows: (a) an extension to December 15, 2027 by paying the Optionors US$1 for every additional equivalent ounce of gold in excess of 2 million equivalent ounces of gold established in accordance with NI 43-101 resource reports ("**Resource Reports**") produced prior to the feasibility report; or (b) by making, until it does produce a feasibility report, annual payments to the Optionors of: (i) US$1,000,000 in each of the first five extension terms; (ii) US$2,000,000 in each of the sixth through the tenth extension terms; and (iii) US$3,000,000 in each succeeding Extension Term.

A 3% NSR will be payable in cash or in kind at the option of the Optionors, subject to a right in favour of the Company to buy-down the NSR on the Midas Property from 3% to 2% for US$2,000,000 until May 1, 2021; provided that if the price of gold increases to US$2,000/oz, the NSR will increase by 1% and (A) if the NSR is 4%, the Company will have the right to buy-down the NSR to 2% for US$4,000,000; and (B) if the NSR is then 3%, the Company will have the right to buy-down the NSR to 2% for US$2,500,000.

Pursuant to the Option Agreement, the Company is required to pay the Optionors a resource bonus of US$1 million and 10 million shares as and when NI 43-101 mineral reserves and mineral resources collectively meet 2 million equivalent ounces of gold on the respective properties and thereafter the Company is required to pay US$1 per additional equivalent ounce of gold based on subsequent Resource Reports. The Company is also required to invest $500,000 in a new exploration syndicate to be known as "The DSM Syndicate" (formerly the "The J2B Syndicate"), to earn a 20% interest in that syndicate.

The Company must have a minimum of $2,400,000 cash on deposit, net of all liabilities, on closing. The Company may not raise more than $3,000,000 at any price below $0.15 before closing.

ITEM 5: ACCESSIBILITY, CLIMATE, INFRASTRUCTURE and PHYSIOGRAPHY

The Midas Property is mountainous with elevations ranging between approximately 500 m and 1,600 m. Much of the Property is alpine where topography is moderate and vegetation consists of low bushes and stunted trees. The climate is west coast rainforest. Lower elevation vegetation is characterized by dense deciduous forest. Precipitation in the region is heavy, as rain in the summer and snow in the winter. The entire property is variably incised by large and small streams; the overall flow is westward. The westward-flowing Chist Creek crosses the southern portion of the Property and Williams Creek flows west across the northern portion of the Property.

The project is close to major infrastructure including roads and hydro-electricity. It is located approximately 23 km southeast of the city of Terrace, BC and 12 km east of a major highway (Highway 37) and power line and 17 km from railway.

Work areas on the Property are accessed by helicopter from the city of Terrace. Old logging roads along Williams and Chist Creeks reach the Sleeping Giant Zone on Tenure No. 1045030 on the northern portion of the Property, and within 1.5 km south of the VG Zone on Tenure No.1045029. Patches of forest have been clear cut adjacent to these roads. The roads have been decommissioned, though are still usable by quad vehicles.

The operating season is during the period of minimum snow cover in the alpine portions of the Midas work area occurs in late summer. Historically, the snowpack remained largely intact year-round, significantly hampering mineral exploration. Thus, extensive areas of the Midas Property remain under-explored.

ITEM 6: HISTORY

This author cannot verify the quality or accuracy of historic geochemical results or descriptions quoted in this History section. The historical recommendations made by others do not necessarily accord with this author's.

The BC Ministry of Energy and Mines' approved mineral exploration Assessment Reports are filed by the exploration and mining industry on completion of an exploration program. These reports provide information on geological, geophysical, geochemical, drilling and other exploration-related activities throughout BC. The reports are scanned and available for viewing or printing from the British Columbia Geological Survey website:

http://www.empr.gov.bc.ca/Mining/Geoscience/ARIS/Pages/default.aspx

Figure No. 6, next page, shows the locations of the various exploration programs conducted by different owners between 1984 and 2011, within the area of the current Midas Property.

6.1 Work Done in 1984

The relevant report is Assessment Report 12717 by D.G. Hooper.

Geochemical sampling was done on the Gazelle Claim by Ryan Exploration Co. Ltd. 316 rock, soil and stream sediment samples were collected and geologic mapping was performed. A quartz float sample on the property's West Creek had 1.76 oz/Ton Au. Soil sampling on the East Creek outlined a multi element (Au, Ag, Cu, Pb, Zn) anomalous area. Mineralization was considered to be primary Kuroko-type massive sulphide with secondary enrichment occurring during silicification by epithermal activity. Quartz veins and lenses of massive sphalerite and galena mineralization occurred in a rhyolite tuff unit, possibly 100 m thick and traced for over half a kilometre. This tuff unit had a strike direction of northwest-southeast and crossed the East Creek at approximately 3,800-3,900 foot elevation. Two major fault structures identified on the property were considered to be the likely primary hydrothermal conduits for the quartz veining system. Silts from East Creek and streams to the east had high Pb, Zn and Au values. In East Creek a quartz vein in andesite had 7.11 g/t Au.

The property was considered to have good economic potential and extensive and intensive follow up work was recommended to include geologic mapping, prospecting, sampling and geophysics.

6.2 Work Done in 1985

The relevant report is Assessment Report 14076 by D.G. Hooper

Geologic mapping was done on the Gazelle Claim by Ryan Exploration Co. Ltd. Approximately 50% of the claim area was mapped geologically at a scale of 1:5,000. Work was concentrated in the East Creek area. A late Paleozoic greenstone tuff package was determined to underlie most of the area, capped by limestone and brecciated andesite. The lithologic units followed a northwesterly trend. Foliation lay north-south. Numerous sub-parallel faults had a north-south and northwest-southeast orientation.

Further geologic mapping was recommended over the areas of the previous year's geochemical anomalies.

6.3 Work Done in 1990

The relevant report is Assessment Report 20678 by H. Smit.

Prospecting work was done on the Hammer and Gun Claims by Pacific Gold Corp. These claims were centred over and twice as large as the former Gazelle Claim. Work was concentrated in the East Creek area. Thirty nine rock samples of altered and mineralized volcanic rocks and quartz veins were collected. Two quartz vein samples had 0.409 oz/Ton Au and 0.124 oz/Ton Au. Several samples also had high values in base metals (Cu, Pb or Zn) and mercury. A widespread altered and mineralized zone, controlled by major faults, was identified. Several lithologic and structural targets were identified. Further prospecting, geologic mapping, soil sampling and a lithogeochemistry sampling survey and hand trenching over showings were recommended.

6.4 Work Done in 1995

The relevant report is Assessment Report 24509 by M. Smith.

Prospecting was done on the Flat Claims by Teck Corp. These claims approximately covered the area of the former Gazelle and Hammer/Gun claims. The claims were staked on the basis of the 1995 Regional Geochemical Survey (RGS) by the BC Geological Survey. The RGS survey showed five stream silt samples anomalous in gold draining all sides of the Flat Peak massif. Thirty five rock and 5 stream silts were collected in 1995. One rock sample had 95 ppb Au. None of the five silts were anomalous. The cause of the RGS gold anomalies was not determined. Several copper showings along and on the north side of the ridge that extends eastward from Flat Peak had over 1% Cu and 10 to 88 g/t Ag.

Further work was planned to define the Cu-Ag mineralization and determine the source of the RGS survey results.

6.5 Work Done in 2007

The relevant report is Assessment Report 29595 by J. Bradford.

Work was done on the Chist Creek Property by Paget Resources Corp. This property was approximately centred over the former Gazelle and other previous properties (and now, J2 Syndicate's Midas Property). Twelve rock samples were collected to validate the locations and style of mineralization as presented by previous workers. Anomalous values of Au, Ag, Cu, Pb and Zn occurred in the known quartz-sericite-pyrite altered zone. This zone had been mapped previously at 1.4 km length, striking north-south. The mineralized zone was observed over a strike length of 900 metres and had characteristics of stratabound volcanogenic massive sulphide systems. 500 metres to the west of this a mineralized shear system contained a semi massive sulphide pod and lenses.

It was deemed by Paget the property covers a large volcanic-hosted alteration system with lithologic, alteration and metal tenor analogous to volcanogenic massive sulphide systems. Comprehensive geological mapping, rock and soil sampling and ground magnetic and electromagnetic geophysical surveys were recommended to be done.

6.6 Work Done in 2007, 2009

The relevant reports are by M McKeown et.al. in Geological Fieldwork 2007, Paper 2008-1, pgs 103-115 and by GS Pignota et.al. in Geoscience BC Summary of Activities 2009, Report 2010-1, pgs 105-113.

The BC Geological Survey conducted geological mapping and rock geochemical sampling in 2007 in order to fully assess the VMS potential over the area of what they called the Gazelle Property, though the area was, by 2007, covered by Paget Resources' Chist Creek Property.
The BC Geological Survey geologists described the area as very strongly altered with prominent gossans. The alteration zone was observed over an 18 km by 10 km area.

6.7 Work Done in 2008

The relevant report is Assessment Report 30634 by T. Barresi.

Work was done on the JLN Property by Pembrook Mining Corp. This property was located on the west side of Paget's Chist Creek property. Ten rock samples were collected. The purpose of the program was to evaluate the discovery in 2007, by BC Geological Survey geologists, of skarn mineralization associated with a limestone unit on the property area. The limestone contact was followed in 2008 over a strike length of 800 metres and a continuous 1 km long zone of Cu-Pb-Ag skarn-type mineralization was reported. A 20m chip grab sample had 67,550 ppm Cu, 892 ppm Zn and 93.4 ppm Ag.

Further geologic mapping and rock sampling was recommended.

6.8 Work Done in 2010

The relevant reports are a news release by Paget Minerals Corp. dated September 29, 2010 and Assessment Report 32031 by J. Young.

The news release is at Paget Minerals' website:

http://www.pagetminerals.com/s/NewsReleases.asp?ReportID=421034&_Type=News-Releases&_Title=Paget-Minerals-Discovers-High-Grade-Gold-Silver-in-Large-VMS-System-at-Chis...

Sixteen rock samples from the Barresi Zone returned the results quoted *in italics* below:

Sample	*Sample Length (metres)*	*Au (g/t)*	*Au (opt)*	*Ag (g/t)*	*Cu (%)*
E924508	*Grab*	*13.65*		*22.7*	*0.69*
E924509	*Grab*	*685.0*	*20.0*	*735.0*	*0.21*
E924547	*Resample of above*	*687.0*	*20.0*	*127.0*	*0.44*
E924510	*Grab*	*1.70*		*2.9*	*0.03*
E924539	*Chip -1.5*	*201.0*	*5.9*	*332.0*	*0.11*
E924540	*Chip - 1.8*	*0.45*		*1.6*	*0.04*
E924541	*Chip -1.8*	*0.38*		*1.2*	*0.01*
E924542	*Grab*	*0.40*		*3.7*	*0.13*
E924543	*Grab*	*0.20*		*1.3*	*0.01*
E924544	*Chip - 1.5*	*0.09*		*0.5*	*0.02*
E924545	*Chip -1.5*	*1.34*		*2.2*	*0.04*
E924548	*Grab*	*1.11*		*1.5*	*0.26*
E924583	*Grab*	*5.27*		*23.7*	*1.05*
E924584	*Grab*	*2.58*		*12.9*	*0.99*
E924585	*Grab*	*2.61*		*1.5*	*0.01*
E924586	*Grab*	*1.32*		*2.7*	*0.01*

Paget's news release had been reviewed and approved by John Bradford, MSc., P.Geo., Paget's Chief Geologist and Qualified Person in the definition of National Instrument 43-101.

This author cannot assess the quality of the above historic rock samples or verify the accuracy of the reported assay results.

Some geophysical abbreviations are defined below:

IP induced polarization, equivalent to chargeability
TDEM time domain electromagnetics, a measure of conductivity

This was the first year substantial exploration work was done in the area. Previous work programs consisted of geologic mapping and prospecting. Paget's Assessment Report for work done in 2010 was for geophysical work and did not include the above rock sampling. Paget Minerals conducted ground time domain electromagnetic (TDEM), induced polarization (IP)/resistivity and magnetic surveys on the Chist Creek Property. Weak TDEM anomalies

were detected; these did not preclude the possible existence of non-conductive, sphalerite dominated, massive sulphides or disseminated sulphides. The strongest TDEM anomaly was due to a long continuous conductor. This conductor was considered to likely be a major geologic structure or shear zone. Whether or not this structure had associated sulphide mineralization could not be determined from the TDEM survey results. The conductor got stronger and more pronounced toward the north.

High chargeability/low resistivity zones were detected and some were recommended to be drilled. High and low magnetic anomalies were considered to be generally related to lithologic variations between volcanics and granitic intrusions. Multiple irregular magnetic anomalies were attributed to possible dikes and alteration zones.

It was recommended to drill chargeability targets discovered in 2010 and to expand the area of the IP/resistivity survey.

6.9 Work Done in 2011

The relevant report is Assessment Report 32563 by D. Volkert.

Diamond drilling and geologic mapping was done on the slightly enlarged Chist Creek Property of Paget Resources Corp. By that time Paget was exploring for three types of mineralization on the property. These were:

- syngenetic VMS-style Cu-Pb-Zn-Ag-Au stringers and stratiform semi-massive sulphides
- epigenetic Cu-Ag-Au quartz veins or orogenic shear hosted
- skarn-style Fe-Pb rich mineralization associated with a limestone unit.

A diamond drill program comprising 729 metres in four holes was conducted. The drill holes were separated by 400-500 metres and oriented westward with a dip of about -50^{O}. Their lengths ranged between 137m and 256m. All four holes intersected anomalous gold at dispersed intervals. The locations of the first three holes are in the VG Zone and the fourth hole is in the Sheba Zone of the present Midas Property.

The intention of the first hole (CH-11-01) was to intersect known sulphide-rich quartz veins at depth. The expected mineralization, which returned a chip sample of 201 ppm Au 332 ppm Ag over 1.5m at surface, was not encountered at depth. The second hole (CH-11-02) at 19.1m had intersected 2.25 ppm Au in a quartz vein over one metre. The intention of the third hole (CH-11-03) was to intersect at depth a quartz vein that had at surface 2.69 ppm Au in a sample. Copper and gold mineralization occurred in felsic volcanics or at a contact between felsic and mafic rocks. The fourth hole (CH-11-04) tested a siliceous zone that, at surface, had a sample of >2 ppm Au. Gold in felsic volcanic averaged 0.31 ppm Au in the first 5.9m of the hole. Farther down, at 21.5m depth in mafic volcanic, a 1.4m interval returned 4.35 ppm Au. This was deemed the best result of the drill program.

Despite the mostly sub-economic grades achieved in the small drill program it was recommended that intensive and extensive geologic mapping and rock and soil sampling be done over the entire property, with priority focused on volcanic and silicified units and quartz

veins. Comprehensive surveys had been recommended in the past to guide subsequent drilling but, to date, this has not been done.

It was stated the property merited a >1,000 m drill program, though after more adequate mapping and sampling had been done. Recommendations stated the main drill direction should be as perpendicular as possible to the regional schistosity, meaning holes inclined relatively shallowly towards the west, since schistosity was observed to be generally steep, north-striking and east-dipping.

Widespread snow pack significantly hampered the 2011 mapping and drilling program. The heavy snow cover is illustrated in the photo, below, taken in late July 2011 by the geological mapping team which shows approximately 90% snow cover.

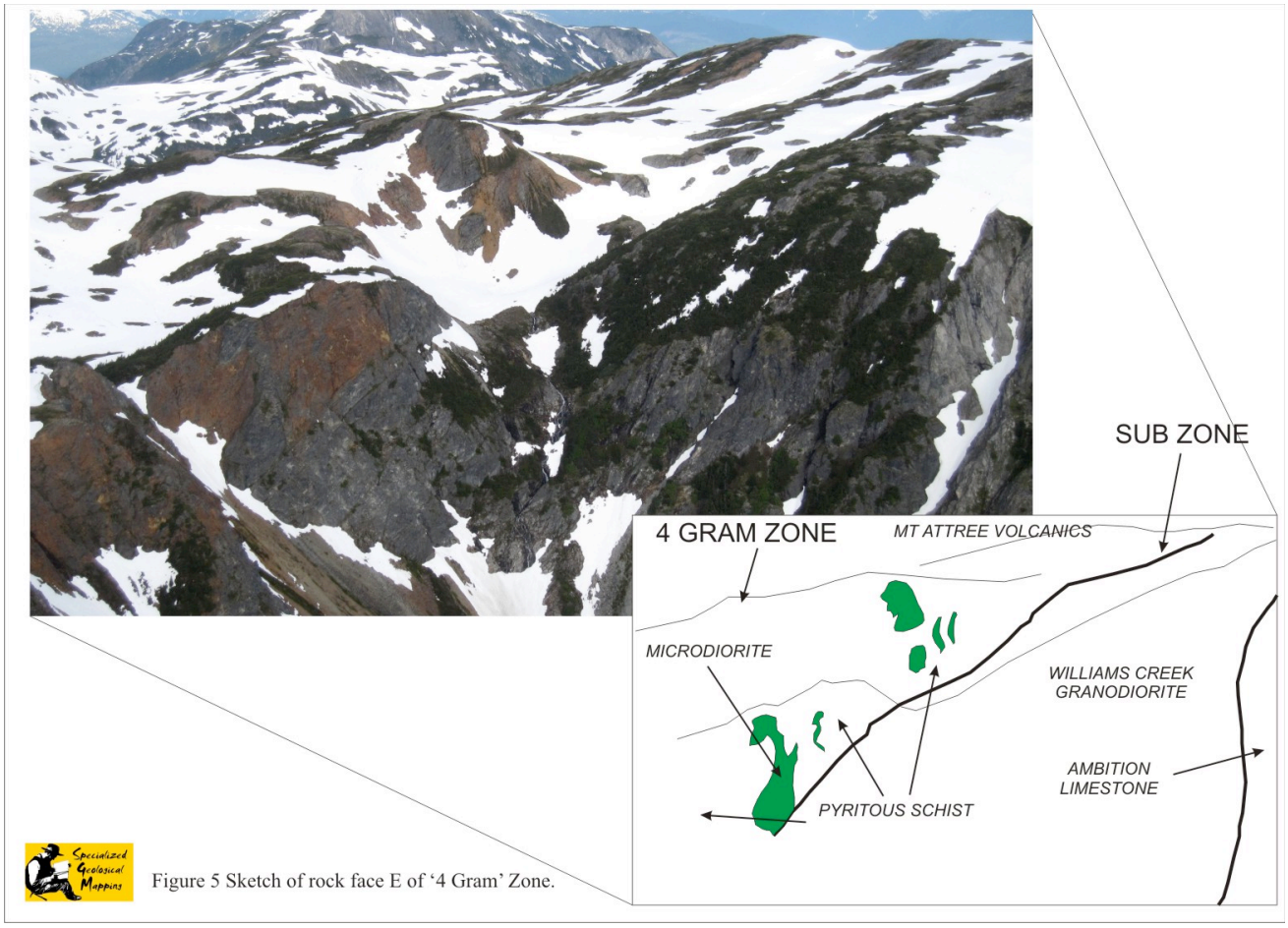


Figure No. 7 Snow cover during late July 2011, from Assessment Report 32563 by D. Volkert. Volkert stated the mapping that occurred when there was still significant snow cover and many lithological contacts had to be inferred.

Astute summaries and recommendations for the area of the Chist Creek Property (now Midas Property) are provided by authors of Assessment Report 32563, D. Volkert and W.T. Pratt, for work done in July 2011 (Volkert, D., 2011).

Volkert stated: *The property should not be discarded yet…Prospecting and mapping in the southern portion of the Chist Creek Property verified that the alteration system is host to significant amounts of base and precious metals. Stringer style mineralization occurs throughout the property and stratiform lenses of massive to semi-massive sulfides occur in at least three locations. As well, lenses of massive barite, silicified zones enriched in Au, and horizons rich in jasper and hematite, are all predictive of a fossilized sea-floor hydrothermal mineralizing system. Unlike other strongly altered and mineralized VMS prospective areas in BC, the Chist Creek property has seen very little exploration. The discovery of high grade Au-Ag enriched epigenetic veins on the Chist Creek property is further incentive to proceed with a thorough exploration program. These epigenetic veins provide an exploration target in themselves, but they might also speak to the overall potential of the property to host Au-Ag-Cu-Pb-Zn massive sulfides as depth*.

The geological mapping performed by Paget Minerals in 2011 was conducted by consultant Warren T. Pratt, PhD, CGeol, of Special Geological Mapping Ltd. Below, from the Appendix to Assessment Report 32563, quoted *in italics*, are his summary and recommendations.

Executive Summary
Considering the size of the concession (several km^2), there is relatively limited sampling, much of it is 'grab' style, with no channel samples…Gold (>600 g/t) samples are reported from the Barresi Zone [VG Zone on Midas in 2016]*, but the relevant exposures were snow-covered. The new mapping improves the level of detail, and has better defined the range of igneous intrusions, but the map remains reconnaissance in style. Heavy snow cover also makes it unreliable, since many contacts had to be extrapolated beneath snow.*

The geological map shows the distribution of pyritous schist, interpreted as metamorphosed argillic or phyllic alteration, and gives a more detailed volcanic stratigraphy. The property is of ' merit ', fully deserving a >l000 m drill program. The Barresi Zone merits drilling, without further surface sampling. However, much of the property is grassroots and should have much more surface sampling before drilling. The danger is that Paget rushes into drilling targets, based on limited unrepresentative grab samples. Many more targets, as good as the current ones, may exist on the property. The concession is large and my new mapping found several 'new' Cu/Zn/Au targets in only 6 days. These include the Bo and South Sub Zones.

The property is very unusual because it seems to include at least 3 styles of mineralization: skarn, VMS and orogenic/shear zone hosted…[the latter] *is very promising…There is likely to be strong structural control on gold distribution. For example, gold may occur as linear oreshoots that are parallel to the local stretching direction and fold axes (which plunge moderately north). There is evidence the contacts are an important control on sulphide and gold distribution, a common feature in orogenic gold deposits . Therefore, care needs to be taken to understand the structural controls on gold distribution. This means carefully targeted sampling at Barresi.*

Great care also needs to be taken to minimize the risk of drilling along post -mineral dykes. If this happens, holes should be abandoned and moved elsewhere, or switched to a different azimuth and inclination. This means daily monitoring by geologist in charge.

Pratt's recommendations were:

-The property requires further exploration before another round of drilling should take place.
- Detailed mapping to confirm geological contacts that were inferred under snow cover.
- An extensive rock and soil sampling program over the entire property, with priority focussed on the volcanic units and any silicified units and quartz veins.
- Most of the high grade Au mineralization occurs in quartz veins, so the distribution and mode of occurrence of these veins should be priority.

ITEM 7: GEOLOGICAL SETTING and MINERALIZATION

7.1 Regional Geology

The Midas Property is situated in the Stikinia orogenic accreted terrane. Stikinia hosts many precious and base metal ore deposits. Gold deposits in Stikinia are hosted in porphyries, VMS, veins and skarns.

"*Northerly and westerly fault and lineament sets...are characteristic of, and are apparently confined to, Stikinia. They appear to have exerted strong spatial and, in many cases, genetic control on mineral deposits, by creating conduits for magmas and hydrothermal fluids....Long-lived recurrent uplift of the Stikine and Skeena arches was triggered by differential movement across these deep crustal discontinuities. These discontinuities also likely provided conduits at times of high magmatic flux....Early Jurassic intrusions are interpreted as having evolved...in a structurally controlled permeability corridor corresponding to the Skeena Arch*" (Nelson, 2017).

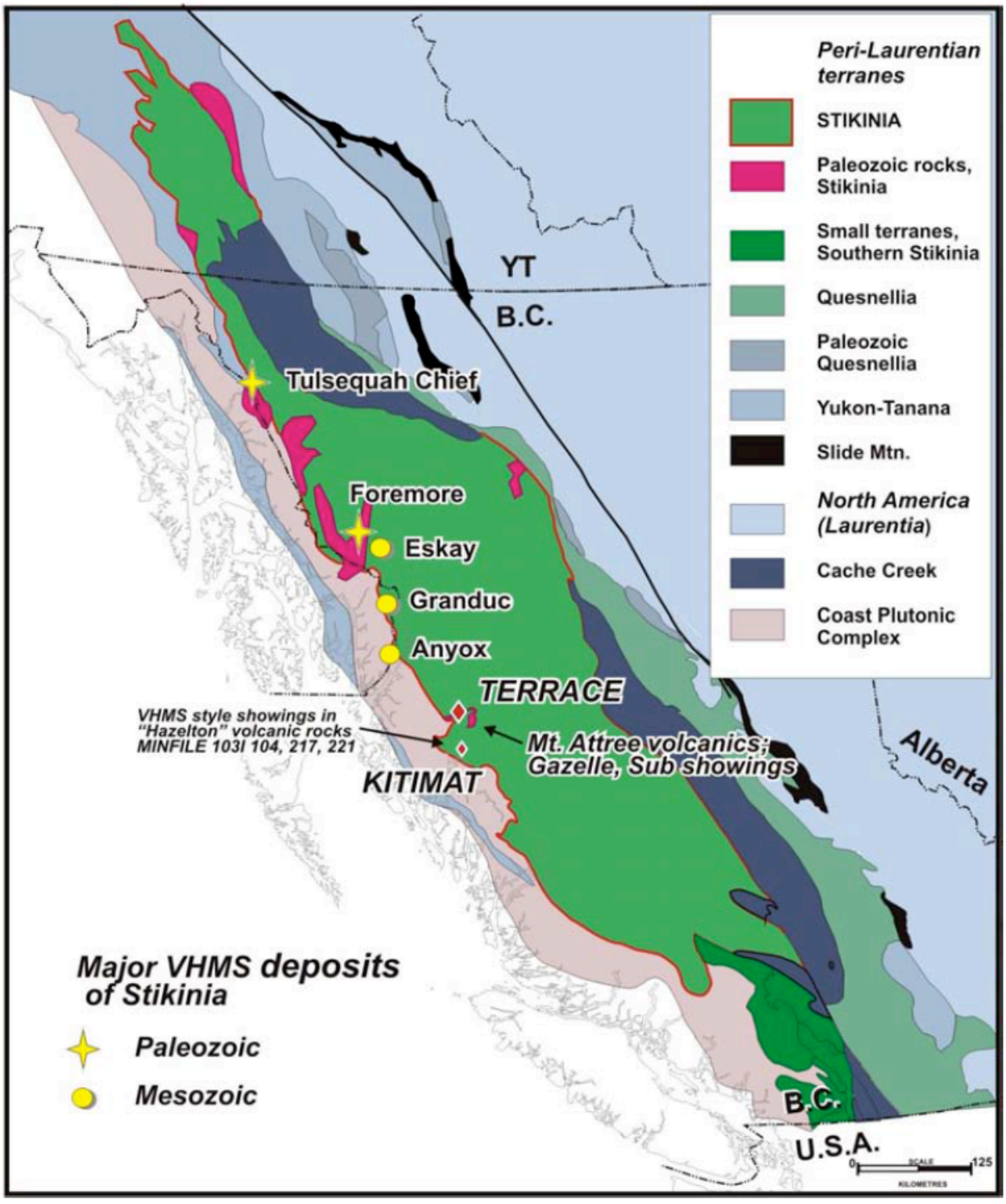


Figure No. 8 Midas Property in Stikinia. The location of the 1984-85 Gazelle (now Midas Property) is shown relative to several major volcanogenic-hosted massive sulphide (VHMS) in Stikinia. (from McKeown et al, 2008).

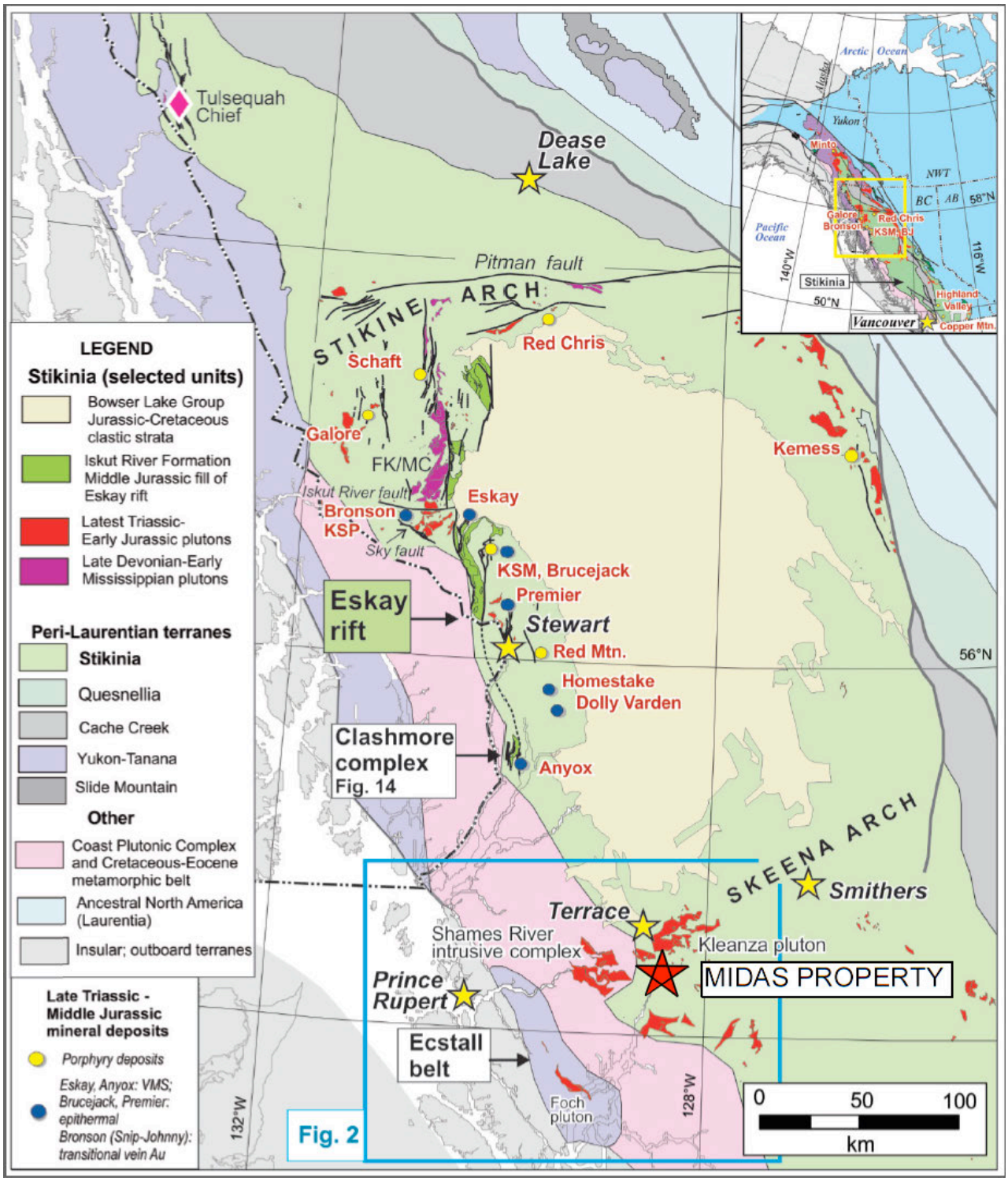


Figure No. 9 BCGS Regional Geology of the Gazelle area (now Midas Property). The location of the location of J2 Syndicate's Midas Property, shown as a red star added to the map, in central Stikinia. The Midas Property is well placed in Stikinia relative to the Skeena Arch, the Eskay Rift and several well known volcanogenic massive sulphide (VMS) and epithermal mines and deposits. (after Nelson, 2017)

7.2 Local and Property Geology

The Midas Property is underlain by the Paleozoic age Mount Attree volcanics and Eocene age Williams Creek granodiorite. The volcanics consist of submarine volcanic rocks comprising greenstone, andesite-rhyolite tuff, and massive andesite. These units are extensively altered and gossanous. The volcanics are weakly to intensely foliated, striking north-northwest and dipping 70^{O} to 80^{O} east. A major fault, trending 10^{O} and dipping 80^{O} to 90^{O} east, cuts the volcanics, and has associated mineralized shear zones and quartz veins.

It has only been relatively recently established by the BC Geological Survey mapping (McKeown et. al., 2008) that Mount Attree rocks are of Paleozoic age and occur as part of the Paleozoic to Mesozoic Stikine assemblage of Stikinia. Stikinia's lower Jurassic Telkwa Formation andesites and rhyolites occur extensively east of the Property. The Property is on Stikinia's western boundary with the Cretaceous to Tertiary age Coast Plutonic Complex. There are multiple stages of intrusions, including Triassic quartz-feldspar-rhyolite porphyry and extensive Eocene granodiorite of the Williams Creek pluton.

In 1984-85 the area of the present Midas Property was covered by the Gazelle mineral claim. In 2007, the British Columbia Geological Survey did a detailed study (McKeown et al, 2008) of the Gazelle area and geology in order to fully assess the Kuroko-type massive sulphide (VHMS) potential. Detailed mapping established the Gazelle area was underlain by Mount Attree volcanic rocks belonging to the Paleozoic to Mesozoic age Stikine assemblage (Stikinia) which hosts multiple VHMS deposits in BC.

7.3 Mineralization

Mineralization on the Midas Property can be directly observed in the alpine regions of the Solomon Trend in bedrock exposures between 1500m and 1050m elevation. An extensive gossan produced from quartz-sericite-pyrite alteration has been prospected with bedrock sampling in 2016 and outlined a 1.4 km x 1.2 km area with strongly anomalous base and precious metal assays. Alteration is restricted to a metamorphosed package of bimodal volcanics of the Paleozoic Mount Attree formation; previous exploration and BCGS work has identified alteration to be consistent with VHMS-style mineralization. Within quartz-sericite-pyrite alteration zone are horizons and lenses of semi-massive pyrite-chalcopyrite-sphalerite-galena and epigenetic pyrite-chalcopyrite+/-galena-sphalerite bearing quartz veins that overprint alteration and parallel foliation. The Midas Property is an early stage exploration project, the extent and continuity of mineralization is displayed by numerous anomalous base and precious assays from bedrock grabs over a 1.4 km x 1.2 km area, yet further work is required to define boundaries of mineralization. In addition, mineralization is obscured by metamorphism during regional orogenesis and latter deformation from intrusive activity. Several magnetite+/-chalcopyrite-bornite skarns occur in the northeast portion of the Solomon Trend. Skarns are restricted to marble and limestone units of the Permian Ambition formation and metamorphosed calcareous horizons within the quartz-sericite-pyrite alteration zone.

ITEM 8: DEPOSIT TYPES

Three types of mineralization are explored for on the property:
- syngenetic VMS-style Cu-Pb-Zn-Ag-Au stringers and stratiform semi-massive sulphides
- epigenetic Cu-Ag-Au quartz veins or orogenic shear hosted
- skarn-style Fe-Pb rich mineralization associated with a limestone unit.

8.1 Orogenic Epigenetic Veins

The orogenic class of gold deposit is defined here as syn-tectonic quartz-carbonate veins and wallrock replacement associated with regional-scale faults. Orogenic ores form at convergent plate margins in accretionary and collisional orogens. Orebodies are surrounded by carbonate-sericite-pyrite alteration. Au, Ag, Sb and As are enriched in the ore fluids. W, B, Te, Se and Bi may also be enriched in the ores.

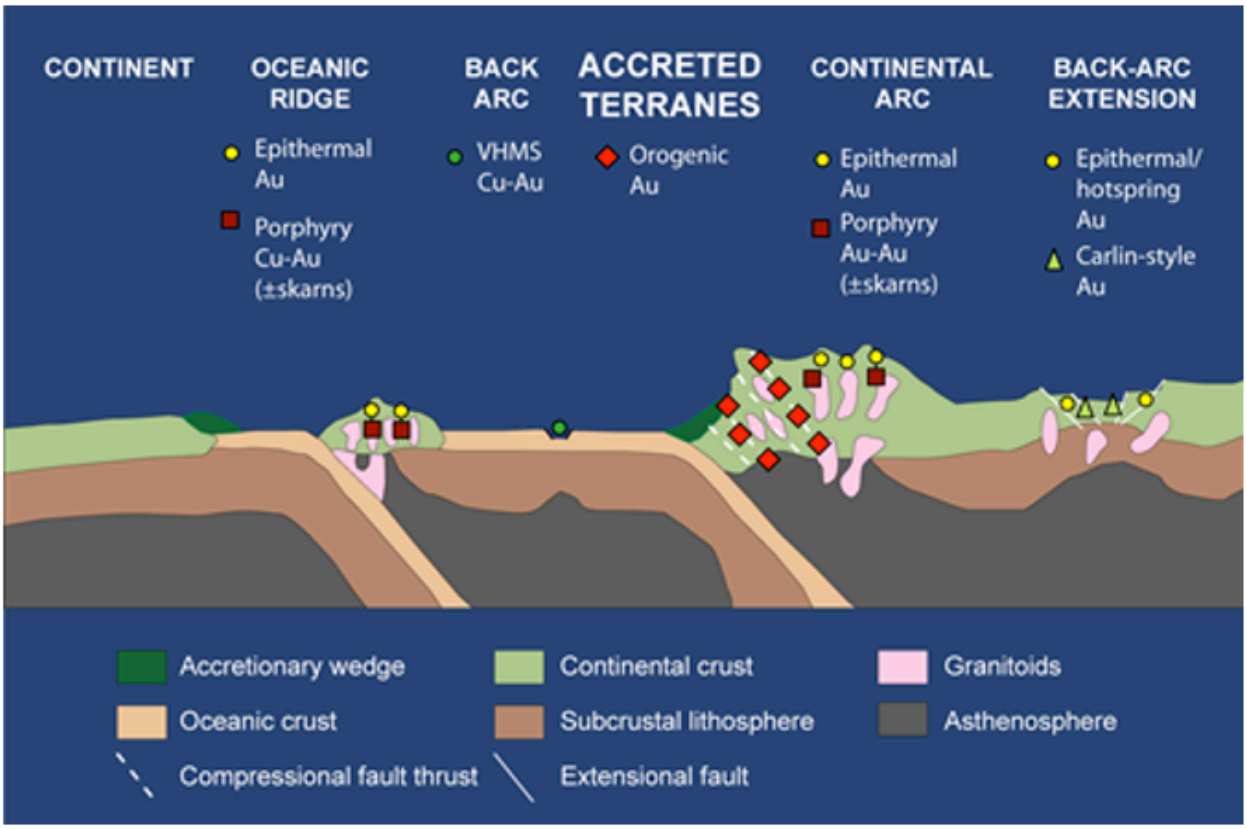


Figure No. 13 Tectonic settings of locations of epigenetic gold deposits. Orogenic Au deposits (red symbols in above illustration) occur in accretionary tectonic terranes in the western North American Cordillera.

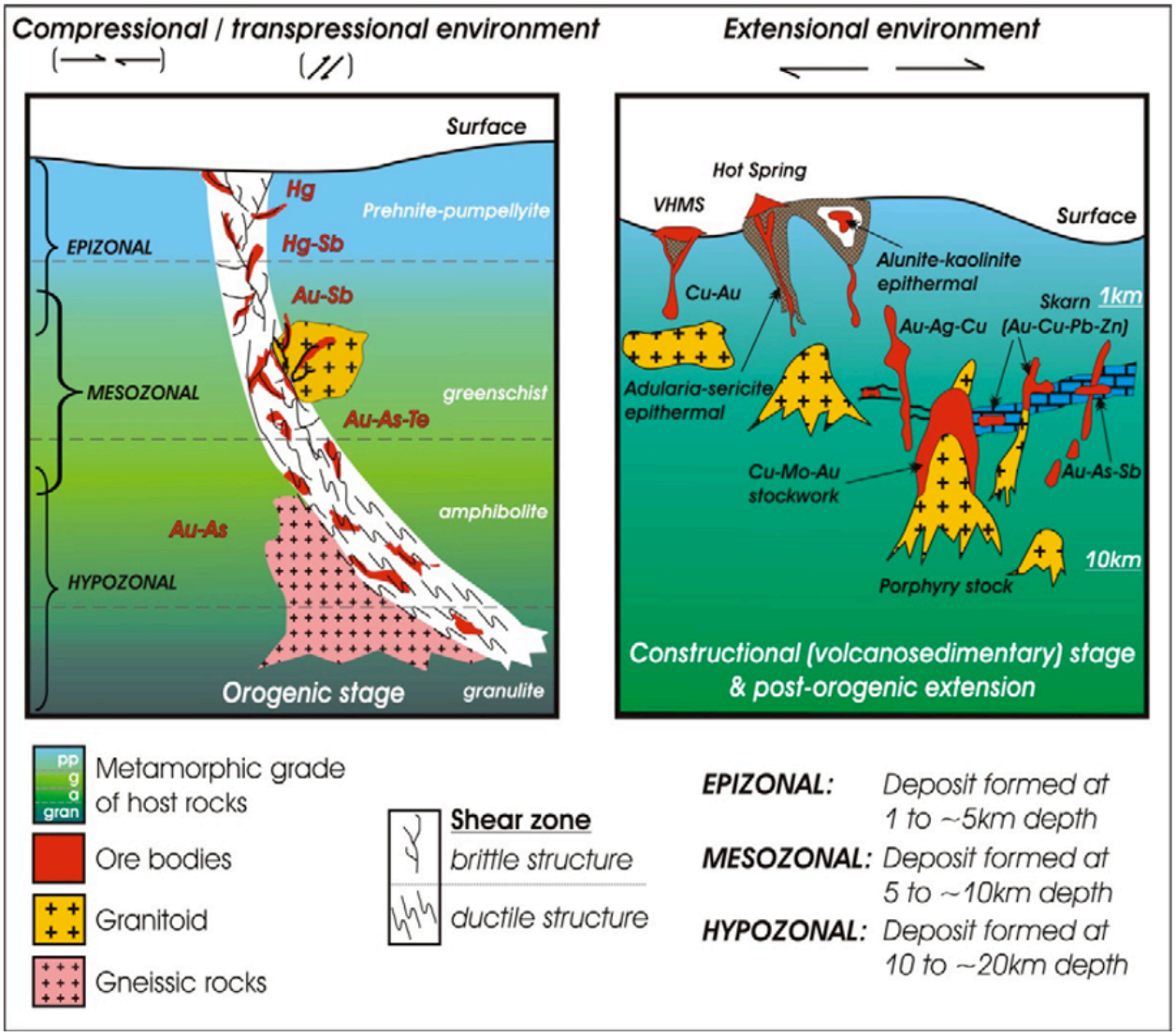


Figure No. 14 Orogenic gold deposits had previously mainly been called epithermal gold deposits. The newer concept is that these and related ore bodies occur throughout the middle to upper crust and are related to major shear zones. "Orogenic" is now somewhat an umbrella term for different depth-related gold deposits from intrusion-related, mesothermal, shear zone hosted to epithermal. As such, orogenic gold deposits include volcanogenic massive sulphide, epithermal and other sub-classes, potentially large deposits which include gold.

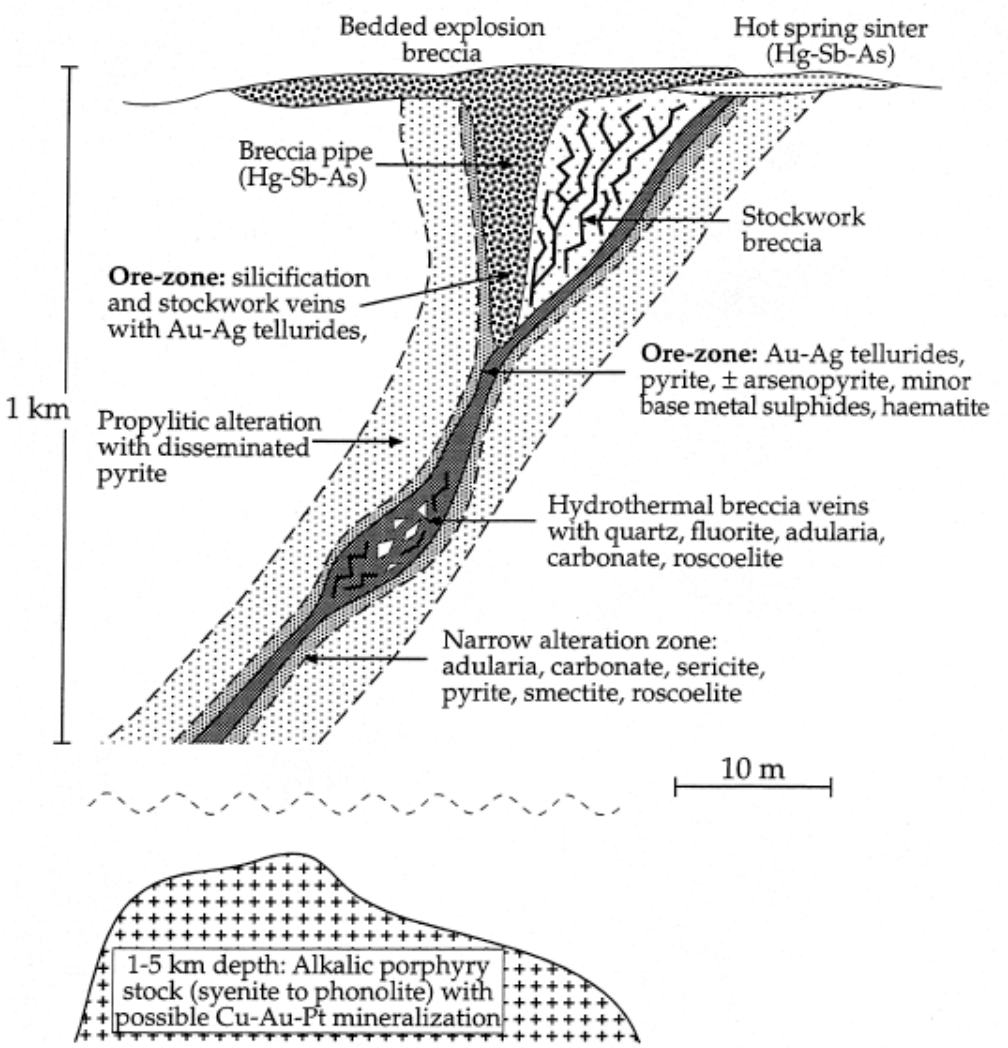


Figure No. 15 Schematic model of an alkalic-type epithermal epigenetic gold system. As suggested above, the gold mineralized veins observed on the Midas Property are often also highly anomalous in tellurium or tellurides.

8.2 Skarn

Skarns are formed through metasomatic replacement of carbonate protolith by generally calc-silicate minerals such as garnet and pyroxene. Majority of skarns are found in carbonate-rich lithologies, they can form in almost any rock type during regional or contact metamorphism and from a variety of metasomatic processes involving fluids of magmatic, metamorphic, meteoric, and/or marine origin. Most Skarns often show close genetic relationship with adjacent plutons, they also can occur along faults and major shear zones, in shallow geothermal systems, on the sea floor, and at lower crustal depths in deeply buried metamorphic terranes. Most skarn deposits are zoned, and generally form proximal garnet, distal pyroxene, and minerals like wollastonite, vesuvianite, or massive sulfides and/or oxides near the marble front. Skarns can form economic deposits of Au, Cu, Fe, Mo, W, Pb, Zn and Sn examples of skarn deposits include Whitehorse Copper in the Yukon Territory and Cantung in Northwest Territories.

8.3 VHMS Potential

The British Columbia Geological Survey publication, Geological Fieldwork 2007, Paper 2008-1 contains an important article: Newly Discovered Volcanic-Hosted Massive Sulphide Potential within Paleozoic Volcanic Rocks of the Stikine Assemblage, Terrace Area, Northwestern British Columbia (NTS 103I/08) by M. McKeown, J. Nelson and R. Friedman (McKeown et al, 2008). The article provides an extensive description of the geology, mineral style and economic potential of the Gazelle Property area (now Midas Property). The British Columbia Geological Survey did a detailed study, in 2007, of the Gazelle Property area and geology in order to fully assess the Kuroko-type massive sulphide (VHMS) potential. The authors concluded "*the results of this investigation indicate there is strong potential for Kuroko- type VHMS deposits in the area*." (McKeown et al, 2008).

The full article is provided in ITEM 29.
Quotes from (from McKeown et al, 2008) are *in italics* below:

The discovery of Kuroko-type mineralization within the Paleozoic age volcanic rocks is significant as it opens up a newly defined exposure of the Stikine assemblage to exploration in an area that was previously not considered prospective for VHMS deposits…...the hostrock age, lithology, alteration and mineralization styles on the Gazelle property are characteristic of other VHMS deposits within Stikinia.

INTRODUCTION

Mineralization and alteration consistent with a distal, Kuroko-type volcanic-hosted massive sulphide (VHMS) system were discovered within a package of highly altered, Paleozoic volcanic rocks 23 km southeast of Terrace, British Columbia…Key to this discovery was the recognition of a group of Palaeozoic, submarine volcanic rocks, named the Mount Attree volcanics…Paleozoic volcanic rocks are correlative with the Stikine assemblage which is host to multiple, significant VHMS deposits within BC…In order to fully assess the VHMS potential of the prospective area, known as the Gazelle property, 1:10,000 scale mapping delimiting alteration zones and mineralization was conducted.

Mineral exploration in the Terrace area has historically focused on copper and gold vein, skarn and porphyry deposits. The discovery of Kuroko-type mineralization within the Paleozoic volcanic rocks is significant as it opens up a newly defined exposure of the Stikine assemblage to exploration, in an area that was previously not considered prospective for VHMS deposits.

PREVIOUS WORK

The Gazelle showing was discovered [in 1984] *(Hooper, 1984, 1985)…The showing consists of multiple lenses of semi-massive to massive sulphides that were identified by D. Hooper. He noted that the style of mineralization and extensive quartz-sericite alteration of the hostrocks are consistent with a VHMS system. Despite the potential of the property, there has been no follow-up to this work in over 20 years.*

GEOLOGY OF GAZELLE AREA

The Gazelle property… is an area of very strong alteration, with prominent gossans.

Alteration
The property features extensive, intense gossans…They are prominent, linear alteration zones oriented perpendicular to each other in northeast and northwest directions.

Figure No. 16 Mountain-scale gossan, quartz-sericite schist, Gazelle area. View from the ridge looking southeast towards Nifty Creek.

Mineralization
There are two unrelated types of mineralization within the Gazelle property: syngenetic, VHMS-related, and that related to later intrusions.

Volcanic-hosted massive sulphide style mineralization includes small lenses of semi-massive to massive (>50%) chalcopyrite and sphalerite that were identified by previous assessment work in the East Creek Fault Zone. During the 2007 field season, minor disseminated chalcopyrite±galena was found within the sheared quartz-sericite schist, near the Gazelle showing along East Creek. More importantly, the Sub showing, a new zone of silicification with base-metal sulphide deposits as well as barite, was discovered during 2007 mapping.

SUB SHOWING

Mineralization indicative of a VHMS deposit has been discovered in an intensely-altered body within the Mt Attree volcanics. The body is approximately 250 by 50 m.

Interpretation
The styles of mineralization and alteration at the Sub showing, as throughout the Gazelle area, most likely represent a VHMS feeder zone below the seafloor…The low copper values, as well as the moderate zinc and high lead values, indicate the showing is part of a distal VHMS system…High gold values represent the enrichment of precious metals which is common for a VHMS deposit.

EXPLORATION POTENTIAL

Alteration and mineralization discovered in the Gazelle map area likely represent that of a distal VHMS system. The Mt Attree volcanics correlate with the pre-Permian volcanic hostrocks of the Stikine Assemblage, which host the Tulsequah Chief deposit and Foremore prospect.

The extent of the alteration identified [in the Gazelle map area] *thus far is approximately 18 kilometres along strike and up to 10 kilometres in width. However, it is likely that more could be identified with further mapping and exploration…An immediate target for exploration are the intense gossans…Their northeasterly strikes are parallel to the transposed layering of the Mt Attree volcanics.*

In 2009, Geoscience BC examined six targeted areas over an approximately 30x50 km area southeast and southwest of Terrace. That report described "t*he Gazelle area is a primary target*" and concluded "*the Gazelle area has shown the most economic-mineral potential*." (Pignotta, GS. et al, 2010).

This author cannot verify the quality or accuracy of the BCGS geologists' descriptions of geology and mineralization quoted in this geological sub-section.

ITEM 9: EXPLORATION

9.1 Economic Target and Work Done

There is a widespread altered and mineralized zone, controlled by major faults. Veins, stockworks, breccias and silicified zones are seen across 2.5 square kilometers. Lenses of massive to semi-massive sulfides occur in several sites within an extensive quartz-sericite-pyrite and quartz-chlorite-epidote-pyrite alteration zone. The alteration is consistent with Kuroko-style volcanogenic massive sulphide mineralization and occurs in favorable submarine bimodal volcanics and tuffaceous units. A limestone contact was followed in 2008 over a strike length of 800 metres and a continuous 1 km long zone of Cu-Pb-Ag skarn-type mineralization was reported (see Item 6.7 in this report).

The Midas Property area was surveyed by J2 Syndicate during the summer and fall of 2016. A total of 270 rock grab and channel chip samples were collected. Mineralization observed on the Midas property by J2 Syndicate geologists occur within the northwest-striking Solomon Trend, a gossanous alteration zone covering over 2.5 square kilometers. Multiple gold and base metal mineralized outcrops were discovered over approximately 2 kilometers. The Solomon Trend remains open in both strike directions.

Grab-type rock samples are selective by nature, and are unlikely to represent average grades on the property. There may also be a coarse gold “nugget effect” where gold assay results may be either too high or too low to be representative of the average value over any given area. Though high grade results in rocks were achieved in the 2016 and previous sampling surveys, the main mineral showings are dispersed over a one square kilometre area and may not occur in economic concentrations. More extensive and intensive rock sampling over defined lengths would tend to suggest what the average grade may be in an area or a rock type.

9.2 New Mineral Showings in 2016

Historic snowpack levels made historic exploration and mapping efforts difficult and in some locations impossible. Work in 2011 comprised mapping and a small drill program despite significant snow cover. The absence of snow cover in summer 2016 (Figure No. 1) allowed the discovery new gold showings, subsequently named the Solomon Trend with the gold zones contained within it named the VG, Tut and Sheba Zones.

Though these showings occur in the Paget Minerals’ 2011 work area, they were buried under extensive snow that year. These new showings were not previously found as they likely remained buried under snow pack during previous historic exploration efforts.

9.3 Sampling Results in 2016

VG Zone

Visible gold was identified at three locations over an area greater than one square kilometer in the Solomon Trend. Two of these sites are located in the VG Zone, an area measuring 250 by 300 meters within the west central and southern portion of the Solomon Trend. The VG Zone

is associated with a mineralized mafic-felsic volcanic contact that can be traced for over 1,500 meters along strike within a quartz-sericite-pyrite alteration zone. The highest bedrock grab samples and chip samples collected in 2016 for Au, Ag, Cu, Pb, and Zn are listed in the table below.

Highest Grabs - VG Zone

Sample ID	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
S023162	34.9	39.3	0.836	0.0095	0.0145
S022987	9.15	140	0.0108	0.0146	0.0138
S323961	2.62	21.4	3.02	0.0007	0.116
S323967	0.374	11.9	0.482	0.488	1.69
S022988	1.265	11.5	0.329	0.381	3.3

Highest Chip Samples - VG Zone

Sample ID	Chip Sample Interval	Au (g/t)
S323089	5 metres	0.189
S323090	5 metres	17.9
S323091	5 metres	0.388
S323092	5 metres	3.18
S323093	5 metres	5.48

Rock sampling in the current VG zone by Paget Minerals Corp. in 2010 reported bedrock grab samples with high grades of 687 ppm gold and 735 ppm silver as well as a 1.5-meter chip sample which returned 201 ppm gold and 332 ppm silver (Paget Minerals news release, see Item 6.8 in this report). Further, Paget Minerals' 2010 geophysical survey identified a strong chargeability high measuring over 200m across in the footwall of the contact.

The BCGS survey (McKeown 2008) took several rock samples in the area. One, 1.1 km west of the VG Zone, had 2.98 ppm Au.

Sheba Zone

The Sheba Zone, located in the northwest portion of the Solomon Trend, is approximately 500 by 200 meters. Rock sampling in 2016 in the Sheba zone identified strong Au and Ag values from quartz stockworks and stringers, with visible gold also observed in one grab sample. This Zone also produced anomalous base metal values in outcrop grabs from quartz stockworks and from disseminated pyrite in mafic volcanics. The highest bedrock grab samples collected in 2016 for Au, Ag, Cu, Pb, and Zn are listed in the table below.

Highest Grabs - Sheba Zone

Sample ID	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
S321584	19.55	38.9	0.0539	1.95	0.0614
S322487	4.55	68.5	0.024	0.408	0.1275
S022816	1.36	10.2	0.27	0.0017	0.0176
S321856	0.074	2.4	0.0565	0.0423	0.252

Pillowed basalt with jasper infillings and mafic volcanics with lenses of massive barite suggest a marine environment typical for volcanogenic massive sulphides. Mafic and intermediate rocks display propylitic quartz-chlorite-epidote+/-pyrite alteration possibly part of larger aureole distal to an underlying volcanogenic massive sulphide.

Paget Minerals' 2011 exploration program in the northern region of the Solomon Trend in the Sheba Zone returned "greater than 2 ppm gold" from surface grabs and shallow drilling which intersected 1.4 meters of 4.35 ppm Au at 21.5m depth in mafic volcanic (see Item 6.9 in this report).

Tut Zone

The Tut Zone, located in the east and southeast portion of the Solomon Trend, measures approximately 400 meters by 1100 meters. The area returned strongly anomalous gold and base metal values which coincide with time domain electromagnetic (TDEM) conductors and magnetic lows from historic geophysical surveys.

The Tut Zone is along the eastern extent of a large quartz-sericite-pyrite alteration zone. Mineralization is observed in the Tut zone as outcropping stringer sulphide veins and silicified zones. The highest bedrock grab samples collected in 2016 for Au, Ag, Cu, Pb, and Zn are listed in the table below.

Highest Grabs - Tut Zone

Sample ID	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
S323950	3.58	19.8	0.891	0.0936	1.29
S322004	1.625	45.4	0.0633	0.0779	0.258
S322003	0.178	12	0.918	0.0016	0.0716
S023112	0.745	18.8	0.153	1.63	1.46
S321000	0.252	4.4	0.19	0.0142	4.34

Historic work identified a mineralized area in the Tut Zone measuring approximately 500 by 100 meters and containing lenses and disseminations of sphalerite, galena, pyrite, chalcopyrite and pyrrhotite.

The recorded mineralized zone also known as the Gazelle showing was also part of a BCGS government study (McKeown, 2008) which confirmed mineralization, alteration and geological setting has strong potential for Kuroko-style VMS mineralization, and correlated the Mount Attree volcanic-complex that hosts mineralization on the Midas Property to the Paleozoic and Mesozoic volcanic rocks that host significant VMS deposits Eskay Creek, Tulsequah Chief and Granduc along strike to the north. The brief 2016 exploration program was successful in significantly expanding the recorded area of mineralization which remains open.

Sleeping Giant Zone

The Sleeping Giant Zone was discovered in 2016 at a road cut approximately 5 kilometers north east of the Solomon Trend. There, mineralization, geology and alteration similar to the

Solomon Trend were observed. The best assays from the Sleeping Giant Zone from bedrock grab samples for Au, Ag, Cu, Pb and Zn are listed in the table below.
Highest Grabs - Sleeping Giant

Sample ID	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
S023108	2.52	128	8.11	0.0002	0.0884
S022808	0.368	5.2	1440	0.1025	0.307

649 Claim Block
Outcrops of altered volcanic rock with quartz-carbonate veins returned strong Cu and Ag values. A small north-flowing stream draining the J2 sampling area has 248 ppb gold in silt collected during a BCGS geochemical survey. The highest bedrock grab samples collected in 2016 for Au, Ag, Cu, Pb, and Zn are listed in the table below.

Sample ID	Au (ppm)	Ag (ppm)	Cu (%)	Pb (%)	Zn (%)
S022867	0.126	1.8	0.0008	0.0074	0.008
S023170	0.003	76.9	3.22	0.0031	0.0342
S023171	0.041	352	13	0.0007	0.0166
S023173	0.012	126	2.13	0.0344	0.0505

Tellurium as a pathfinder for Alteration and Mineralization at Midas
Gold tellurides are a minor ore of gold. Tellurium is a rare and immobile metal and thus a good indicator of proximity to a hydrothermal system. Values greater than 1.00 ppm Te are considered anomalous. Several rock samples at VG, Sheba and Tut Zones with high values in gold and other metals were re-analysed for tellurium; their results are shown on Figure No. 44.

ITEM 10: DRILLING

The only drilling done in the area of the Midas Property is the historic drilling described in Section 6.9 in this report for work done on the Chist Property in 2011. J2 Syndicate had not performed drilling on the Midas Property to date.

ITEM 11: SAMPLE PREPARATION, ANALYSIS and SECURITY

All the samples, collected by J2 Syndicate during the 2016 field season, were selected, sealed, shipped and analysed at ALS Environmental Laboratories in Vancouver, BC. It is not known whether Ardonblue, the Issuer, has any relationship with ALS Laboratories.

The quality control measures used by J2 Syndicate are on the Property are adequate at the present stage of exploration. This author has relied on the internal quality control procedures of ALS Laboratories. The author has examined the results of the geochemical analysis certificates to ensure the values presented in this Report are consistent with the laboratory certificates.

Three exploration sampling techniques were employed on the Midas Property including: stream sediment samples, rock samples and chip-channel samples. The emphasis of the collection techniques was to collect geological material using standarized sample procedures. ALS Laboratories in Vancouver, BC is ISO accredited for ISO 14001, ISO 17025 and ISO 9001. These accreditations mandate the principles and disciplines that are accepted and recognized worldwide as a sound basis for quality management systems, environmental management systems, as well as testing and calibration laboratory activities. A rigorous quality assurance/quality control (QA/QC) program including blanks, standards and duplicates was not conducted for the 2016 sampling program due to the reconnaissance nature of the exploration program.

In the author's opinion, the samples appear to be representative of their locations and are considered to be representative of the dominant mineralization type expected on the Midas Property.

11.1 Security

Individual rock, chip-channel and silt samples were placed in labeled polythene (rock and chip-channel) or Kraft (silt) sample bags, sealed with a cable tie and stored on-site before transport. On-site samples were monitored by the site geologist but not stored in a locked facility due to the remoteness of the camp location. Groups of rock, chip-channel or silt samples were then placed into sturdy, labeled, woven-polyethylene bags, sealed with a cable tie and stored for shipping to a secure location in Terrace, BC or directly to an ALS Labs facility in Terrace, BC. All sample packaging for transport was overseen by the site geologist and documented with sample names, sample type, assay type, shipping date, shipping ID, and the number of woven-polyethylene bags. Upon receipt at the laboratory, the chain of custody passes to the assayer. Samples received at the ALS Lab in Terrace were transported to the ALS Laboratory in Vancouver, BC for analytical analyses. Following assay, the remaining material is stored under secure conditions at the laboratory facilities. In general, industry best practices with respect to chain of custody procedures are followed on site, however, the weakest point in any chain of custody is during transport.

The absence of tamper proof fastenings on the samples has been noted, but due to the remote nature of the camp, the author considers the security protocols adequate.

11.2 Assay Procedures

All rock and channel samples were crushed, pulverized and the resulting sample pulps were analyzed by ALS Environmental Laboratories in Vancouver, BC (see Table 1) by crushing to 70% less than 2mm, riffle split off 250 g, pulverize split to better than 85% passing 75 microns. The soil samples were dried at <60°C/140°F, sieved to -180 micron (80 mesh) and both fractions were retained. The remaining coarse reject portions of the samples remain in storage at the ALS Labs storage facility in Vancouver, BC and are scheduled for return to a secure facility in Terrace, BC.

All the samples were analyzed using the ALS Labs assay procedure ME-ICP41, an aqua regia digestion with an inductively-coupled plasma mass spectroscopy (ICP-MS) finish and Au-

ICP21 30g lead-collection fire assay (FA) fusion procedure with an inductively-coupled plasma atomic emission spectroscopy (ICP-AES) finish or Au-AA23 30 g FA fusion with and atomic absorption spectroscopy (AAS) finish. For the ME-ICP41 method, a prepared sample is digested with aqua regia in a graphite heating block. After cooling, the resulting solution is diluted to 12.5 mL with deionized water, mixed and analyzed by ICP-AES. The analytical results are then corrected for inter-element spectral interferences. Selected samples were also analysed by Te-MS42 which is an additional analysis of the processed sample by ICP-MS for Te. In the FA methods, a prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven, 0.5 mL concentrated hydrochloric acid is added and the bead is further digested in the microwave at lower power. The digested solution is cooled, diluted to a total volume of 4 mL with de-mineralized water, and analyzed by AAS or ICP-AES against matrix-matched standards. Over limit samples for Au were analyzed by Au-GRA21 30 g FA-Gravimetric finish. During the Au-GRA21 procedure, a prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents in order to produce a lead button. The lead button containing precious metals is cupelled to remove the lead. The remaining gold and silver bead is parted in dilute nitric acid, annealed and weighed as gold. If the Ag weight is requested, the difference in weights is used to determine the Ag content. Samples with over-limit values for Ag, Cu, Pb and Zn were analysed by an OG46 method where the sample is digested in 75% Aqua regia for 120 minutes. After cooling, the resulting solution is diluted to volume (100 mL) with de-ionized water, mixed and then analyzed by ICP-AES or by AAS at the lab's discretion.

This author considers that the sampling and storage methods by J2 Syndicate have been in accordance with normal practice in the mineral exploration industry and have been done in an ethical manner. In the author's opinion, all samples were prepared and assayed using appropriate techniques at the laboratories.

11.3 Rock Grab and Chip-Channel Sampling Protocol

All rock samples were selected by J2 Syndicate site geologists, photographed in situ and collected as a hand sample of approximately 0.5 to 2.0 kg prior to sealing in a sample bag. Representative rock samples were also selected by the site geologist for future reference.
Rock and chip samples are collected by foot with helicopter assistance. The rock sampling locations are chosen by geologists based on the potential source areas of MINFILE locations, placer creek occurrences and regional silt anomalies. The tops of ridges are typically chosen for the easier location of rock outcrops, subcrops, felsenmeer and float. The sample sites are chosen in the field by a geologist or prospector based on changes in lithology and/or the potential for mineralization.

The rock grab and chip-channel samples are selective in nature and extracted using a rock hammer to expose fresh surfaces and to liberate a sample of approximately 0.5 to 2.0 kg. The chip-channel samples consist of a number of small contiguous rock chips broken from the rock along an approximate straight line, or channel, across the zone of interest. The chips are composited into one sample representing the width of the mineralized zone and do not cover more than 5 meters of channel length. All sample sites are flagged with biodegradable flagging

tape and marked with the sample number. All sample sites are recorded using hand-held GPS units (accuracy 1-10 m) and the following information is recorded on all-weather paper: sample ID, easting, northing, elevation, type of sample (outcrop, subcrop, float), and a brief description.

11.4 Silt Sampling Protocol

Silt samples are collected by foot with helicopter assistance. The silt sampling locations are chosen by geologists and prospectors based on the potential source areas of MINFILE locations, placer creek occurrences and regional silt anomalies. Rusty-coloured streams with a well-developed bed are typically chosen for silt sample collection sites.

The silt samples are extracted to ensure the largest amount of silt is collected, based on the sampler's desired method: pan-heavy mineral concentrate, moss-sediment or grab. All sample sites are flagged with biodegradable flagging tape and marked with the sample number. All sample sites are recorded using hand-held GPS units (accuracy 1-10 m) and the following information is recorded on all-weather paper: sample ID, easting, northing, elevation, sampling method, sample site description and sample characteristics.

ITEM 12: DATA VERIFICATION

This author has compared the analytical results from the 2016 exploration program as presented by the J2 Syndicate on the geochemical maps in this Technical Report accord with the ALS certified laboratory analytical results.

This author visited the Midas Property on March 21, 2017 to verify evidence of rock sampling done by the J2 Syndicate ("J2") in 2016. At J2's sample location S023108 on the Midas property on the road accessible Sleeping Giant Zone, I observed J2's sample tag and rock saw cuts in the outcrop and collected a grab sample from a quartz vein there. All other J2's sampled showings are located in the alpine at much higher elevations and are only accessible by helicopter. These were under significant snow at the time of the visit and could not be examined.

Figure No. 45. Site visit March 21, 2017.
Re-sampling of location "S023108" at Sleeping Giant Zone. New sample, tag number S323851, returned 0.191 g/t Au, 72.9 g/t Ag and 4.87% Cu.

The results of the new sample are adequate to confirm the presence of highly anomalous gold, silver and copper mineralization in quartz veins in volcanics at that location. Both the original and new samples were grab samples, with no sample length associated.

ITEM 13: MINERAL PROCESSING and METALLURGICAL TESTING

This Item is not applicable.

ITEM 14: MINERAL RESOURCE ESTIMATES

This Item is not applicable.

ITEMS 15 to 22:

These Items are not applicable.

ITEM 23: ADJACENT PROPERTIES

The Midas Property is essentially isolated with no important mineral properties adjacent. There are two small mineral claims on the north and west sides adjacent to the Midas Property. There is no recorded work on those claims.

ITEM 24: OTHER RELEVANT DATA and INFORMATION

24.1 Geophysical Analysis of Historic or Available Data

Magnetics First Vertical Derivative, (Geoscience BC geophysical survey)

The Magnetics First Vertical Derivative map, Figure No. 46, previous page, shows NW-SE magnetic trends possibly parallel with the Solomon Trend. These trends are likely related to lithologic strike direction, intrusive contacts and shear zones. A more detailed geophysical survey will be necessary in order to allow more detailed interpretation. (Geophysical information derived from Geoscience BC geophysical survey).

Re-analysis of the 2010 geophysical survey by Paget Minerals

A partial re-analysis, by this author, of the 2010 geophysical survey by Paget Minerals Corp. is presented below. The following maps (Figure Nos. 47 and 48) are from the geophysical survey reported in Assessment Report 32031.

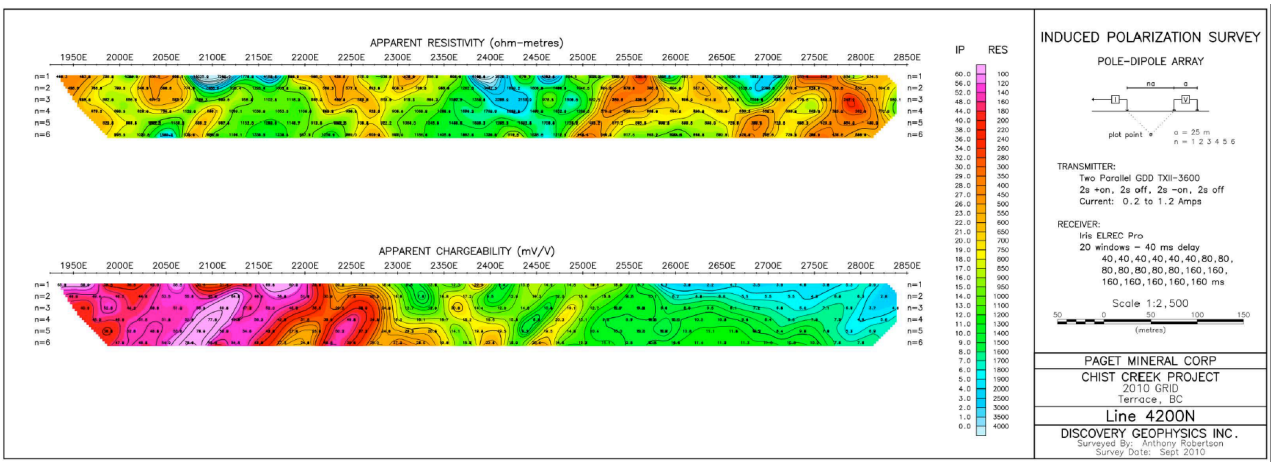


Figure No. 47 IP Pseudo-Section of Line 4200. 200m wide chargeability zone at the west (left) end has a 30m wide centre of highest values.

The chargeability pseudo-section in Figure No. 47, above, shows a 200 m wide chargeability high at the west end of Line 4200N. This location corresponds with Midas Property VG Zone where chip sampling over 25.0 m averaged 5.4 g/t Au, including 17.9 g/t Au over 5.0 m. The red area on the IP pseudo-section represents chargeability high possibly due to disseminated sulphides or magnetite.

Figure No. 48 shows Paget Minerals' 2010 magnetic survey with overlain TDEM results. Magnetic trends are highlighted by added blue and red lines. The southwestern-most coincident magnetic and TDEM anomaly, with blue line over, occurs within a 200 m wide chargeability high, shown on IP pseudo-section, previous page.

The red areas on the Magnetic Survey map (Figure No. 48) represent magnetic high locations. The BC Geological Survey has mapped a granodiorite batholith nearby to the west. It's contact with volcanics to the west is mapped approximately but crosses the western portion of the Midas Property. The large magnetic anomaly on the west side of the 2010 geophysical survey may represent this intrusive or a skarnified contact zone.

The red magnetic anomaly on Line 4200N on the map needn't coincide exactly with the red chargeability high on the pseudo-section, though they occur in the same 200m space.

The southwest corner of the Magnetic Survey (Figure No. 48) map has a narrow red magnetic high anomaly crossing Lines 4200N and 4300N at about 2050E. This is highlighted by a blue line drawn on the map. The chargeabilty high, on the IP pseudo section (Figure No. 47), is at approximately the same location.

The TDEM data, represented by black lines along the survey Lines on the Magnetic Survey map show a pronounced conductor anomaly on Line 4200N on the east side of the magnetic anomaly. The TDEM and magnetic anomalies are open to the southeast and thus the IP survey should be extended in that direction.

ASTER in mineral Exploration

ASTER (Advanced Spaceborne Thermal Emission and Thermal Radiation Radiometer) geophysical data can be used to delineate alteration minerals known to surround ore minerals. It can show areas of possible silica enrichment in rocks and discriminate varieties of quartz and broad silicate groups. For example, kaolinite is a common alteration product associated with gold and other types of deposits. Mapping concentrations of kaolinite, using ASTER, can indicate the presence of these ores. The ASTER data set contains visible, shortwave infrared and thermal bands. The proper combination of these bands can produce relative mineral alteration distributions such as iron oxides, siliceous rocks, carbonates, sericite, illite, alunite, and kaolinite.

Figure 49, next page, is an example of an ASTER Silica Intensity map. It demonstrates the high sensitivity of ASTER to silica variation and possibly provide targets for reconnaissance prospecting. Some ASTER anomalies are easily identifiable as road beds or clear cut logged areas. It is important not to look at ASTER images in isolation from other datasets. Geology and structural maps, geochemistry, geochemistry, ground truthing and other available data

must be used in conjunction with ASTER for best results. ASTER is most useful in areas of little or no vegetation cover, as in the extensive alpine areas of Midas.

ITEM 25: INTERPRETATION and CONCLUSIONS

The Midas property is host to an extensive volcanic alteration system in deformed bimodal volcanics similar to significant volcanogenic massive sulphide (VMS) mineral deposits in BC. The 2016 reconnaissance and historical work in the central part of the Midas Property verified the alteration zone hosts significant base and precious metals mineralization.

Pillowed basalt, lenses of massive barite and horizons containing jasper and hematite, observed on the Midas property, are suggestive of a sea-floor hydrothermal mineralizing system. Semi-conformable zones of hydrothermal alteration have been observed. Stringer style mineralization occurs extensively on the property and stratabound lenses of massive to semi-massive sulfides occur in several locations.

Rock sampling on the Property produced significant Au, Ag, Cu, Pb and Zn values from mineralized bedrock as well as elevated pathfinders including As, Sb, Ba, Cd and Te.

This author has examined the digital geophysical data related to the 2010 geophysical survey, acquired from Paget Minerals, and consider it to be of excellent quality. The geophysical data will be helpful in determining new drill targets.

The Midas Property has seen little exploration compared to other VMS prospects in BC. The majority of the Midas Property remains unexplored.

Based on field observations in 2016 the historic drill collars in the VG Zone appear to have drilled down foliation and off trend rather than perpendicular to the foliation. This may explain why the expected gold mineralization was not intersected by the 2011 historic drilling at this location. The excessive depth of snow in 2010-11 hampered geologic mapping of potential mineralized structures and hid or prevented access to outcrops containing high grade gold mineralization. Many previously hidden showings were discovered in 2016 by J2 Syndicate personnel during very low snowpack.

Grab-type rock samples are selective by nature, and are unlikely to represent average grades on the property. There may also be a coarse gold “nugget effect” where gold assay results may be either too high or too low to be representative of the average value over any given area. Though high grade results in rocks were achieved in the 2016 and previous sampling surveys, the main mineral showings are dispersed over a one square kilometre area and may not occur in economic concentrations. More extensive and intensive rock sampling over defined lengths would tend to suggest what the average grade may be in an area or a rock type.

All ground work on the Midas Property would be helicopter-supported.

ITEM 26: RECOMMENDATIONS

Systematic follow-up of previous exploration is warranted. The next stage of exploration is recommended to consist of an initial phase of detailed geological mapping and intensive rock chip sampling along channels and hand-excavated trenches. Several targets on this Property are ready to be drill tested. The targets include the known gold and polymetallic showings and the historic 200 m wide IP (chargeability) anomaly discussed below.

It is recommended the targeted sampling and a detailed mapping program be completed to define drill targets. The new phase of drilling is recommended to be closely guided by observed structural directions.

The recommended Midas Property exploration program will focus on delineating drill targets and advancing known mineralization in the Solomon Trend through comprehensive detailed mapping, chip and channel sampling, prospecting, and hand trenching to delineate and extend mineralization in the VG, Sheba and Tut zones. The chip sampling line in the VG zone which averaged 5.4 g/t gold over twenty five meters is an example of one J2 showing that requires comprehensive follow up, including drilling.

The exploration objective is to conduct extensive thorough surface exploration by detailed structural mapping and sampling to delineate drill targets and confirm described gold-bearing VMS-style mineralization, and high grade epigenetic veins. This includes detailed work where historic work in the VG zone identified a 200m wide IP (chargeability) anomaly and where prospecting in 2016 discovered visible gold and polymetallic mineralization in an extensive quartz-sericite-pyrite alteration zone.

An airborne magnetic and electromagnetic geophysical survey should be done over the Property to generate additional targets. Follow up prospecting would done over geophysical anomalies. This and further prospecting needs to be done across the 18 by 10 kilometer alteration system that occurs on the Midas property, described by McKeown et al, 2008 (see Item 8.2 in this report) as having gold-bearing VMS-style mineralization.

Historical maps and data, especially from the 2010-11 work by Paget Minerals, should be merged and used altogether in new digital maps. The mapped alteration zones and magnetic TDEM and IP data from those years, and gold showings discovered in 2016 will guide the necessary comprehensive exploration of Midas.

The insights and recommendations by Dr. Pratt (2011) should also be taken into account (see item 6.9 in this report and Volkert, D., Assessment Report 32563).

26.1 Recommended Budget

The recommended exploration budget for exploration on the Midas Property is $350,000. The budget incorporates; pre-season preparation, helicopter and analytical costs, wages, field supplies/equipment rentals, post-season data compilation and a suitable contingency fund. The projected expenditures are in Table No. 2, next page.

Midas Property Recommended Budget	
Description	**Total**
Field Personnel	
Task	**Total**
Personnel to include Project Geologist, Mapping Geologist, GIS Tech., prospectors, labourers	**$165,000**
Personnel (Pre- and Post-season)	
Description	**Sub Total**
Pre-season planning and GIS drafting and compilation	$20,000
Post-season data compilation, GIS drafting and report writing	$20,000
Total:	**$40,000**
Gear and Transportation	
Task	**Sub Total**
Helicopter	$35,000
Expeditor	$5,000
Rentals, camp, food, and field supplies	$40,000
Total:	**$80,000**
Analytical Costs	
Description	**Total**
Assays for rock, talus fines, soil and silt samples	**$35,000**
Contingency	**$30,000**
Total Costs	**Sub Total**
Personnel (Field)	$165,000
Personnel (Pre and Post-Season)	$40,000
Gear and Transportation	$80,000
Analytical	$35,000
Contingency	$30,000
Total:	**$350,000**

Table No. 2 Midas Property Projected Expenditures.

ITEM 27: REFERENCES

All Assessment Reports listed below are available for free download at the Ministry of Energy, Mines and Petroleum Resources' website for the Assessment Report Indexing System (ARIS). http://www.empr.gov.bc.ca/Mining/Geoscience/ARIS/Pages/default.aspx

Barresi ,T., Geology and Geochemistry of the JLN Property, (Assessment Report 30634).

Bradford, J., Rock Geochemistry and Geological Mapping on the Chist Creek Property, January, 2008, (Assessment Report 29595).

Hooper, DG., Geological Report on the Gazelle Claim, September 14, 1984, (Assessment Report 12717).

Hooper, DG., Gazelle Claim Geological Report, October 31, 1985 (Assessment Report 14076).

McKeown, M. et al, Newly Discovered Volcanic-Hosted Massive Sulphide Potential within Paleozoic Volcanic Rocks of the Stikine Assemblage, Terrace Area, Northwestern British Columbia (NTS 103I/08), in BC Geological Survey, Geological Fieldwork 2007, Paper 2008-1, pgs. 103-116.

Nelson, J., Composite pericratonic basement of west-central Stikinia and its influence on Jurassic magma conduits: Examples from the Terrace-Ecstall and Anyox areas, from Geological Fieldwork 2016, BCGS Paper 2017-1.

Pignotta, GS. et al, Volcanic Facies, Deformation and Economic Mineralization in Paleozoic Strata of the Terrace-Kitimat Area, British Columbia (NTS 103I), Geoscience BC Report 2010-1, pgs 105-114.

Smit, H., Prospecting Report on the Hammer and Gun Claims, October 30, 1990, (Assessment Report 20678).

Smith, M., Geological and Geochemical Assessment Report on the Flat 1 and 2 Claims, July, 1996, (Assessment Report 24509).

Volkert, D., Diamond Drilling and Geological Mapping on the Chist Creek Property, November, 2011, (Assessment Report 32563). An Appendix to this report includes a report on geological mapping by WT Pratt from which an extensive quotation is provided in Section 10.0 in the present report.

Volkert, D., Paget Minerals Discovers High-Grade Gold-Silver in Large VMS System at Chist Creek, Paget Minerals Corp. News Release, September 29, 2010. On Paget Mineral' website:

http://www.pagetminerals.com/s/NewsReleases.asp?ReportID=421034&_Type=News-Releases&_Title=Paget-Minerals-Discovers-High-Grade-Gold-Silver-in-Large-VMS-System-at-Chis

Young, J., Geophysical Survey on the Chist Creek Property, February, 2011, (Assessment Report 32031).

Additional References:

BC Ministry of Energy Mines and Petroleum Resources, Mineral Deposit Models:

Deposit Type G06 – Noranda/Kuroko Massive Sulphide Cu-Pb-Zn
Deposit Type I01 - Au-quartz veins
Deposit Type K04 – Au skarn
Deposit Type K02 – Pb-Zn skarn
Deposit Type I05 – Polymetallic veins

BC Ministry of Energy Mines and Petroleum Resources, Minfile Mineral Inventory:

Minfile No. 103I 131 (Copper Queen)
Minfile No. 103I 185 (Gazelle)
Minfile No. 103I 240 (SUB)
Minfile No. 103I 231 (JLN)

ITEM 28: GLOSSARY OF TECHNICAL TERMS AND ABBREVIATIONS

Ag	Silver.
Anomalous increase	Chemical and mineralogical changes and higher than typical background values in elements in a rock resulting from reaction with hydrothermal fluids or in pressure or temperature.
Anomaly geophysical	The geographical area corresponding to anomalous geochemical or values.
As	Arsenic.
Au	Gold.
Background values are	The typical concentration of an element or geophysical response in an area, generally referring to values below some threshold level, above which designated as anomalous.
BCGS	British Columbia Geological Survey
Bi	Bismuth
Cd	Cadmium.
Channel chip sample	Rock pieces taken from a rock outcrop continuously over a measured distance. As such, it provides more information than a grab or spot rock sample.
cm	Centimetre
Co	Cobalt
Craton	A thick, stable portion of the continental crust, in contrast with orogenic regions that are more geologically active.
Cu	Copper.
DDH	Diamond drill hole.
EM	Electromagnetic.
Float	Loose rocks or boulders; the location of the bedrock source is not known.
Grab sample	A sample of a single rock or collected from within a restricted area of interest and may not be representative of any larger area or different location. Sometimes called a “spot” sample.
g/t	Grams per tonne (metric tonne). 34.286 g/t (grams per metric tonne) = 1.00 oz/T (Troy oz per short ton)
Ha	Hectare - an area totalling 10,000 square metres, e.g., an area 100 metres by 100 metres.
Heavy mineral concentrate	A 10 kg sample is sieved and submitted to heavy liquid separation. The resultant heaviest concentrate is then separated into magnetic and non-magnetic portions. These are then examined under microscope or assayed.
Hectare	An area of 10,000 square metres.
HLEM	Horizontal loop electromagnetic.
Intrusive	A magmatic rock that cuts into and alters older rocks and may be the source of minerals deposited into the rocks intruded, creating skarn or porphyry type mineral deposits.
IP	Induced polarization geophysical survey.
kg	Kilogram.
km	Kilometre.
Mag/vlf	Magnetic and VLF-EM geophysical surveys.

Max-min	An HLEM technique to test for resistivity and conductivity of rocks.
μm	micron, micro-metre, one millionth of a metre.
Mn	Manganese
Mo	Molybdenum.
NW-SE	Northwest - southeast.
Orogen	The physical manifestations of the process of mountain building. Orogens are usually long, thin, arcuate tracts of rock that are geologically active and have a pronounced linear structure resulting in terranes.
oz/T	ounces per short ton (Imperial measurement). 34.286 g/t (grams per metric tonne) = 1.00 oz/T (Troy oz per short ton)
oz/st	ounces per short ton (Imperial measurement, same as oz/T). 34.286 g/t (grams per metric tonne) = 1.00 oz/T (Troy oz per short ton)
Pathfinder	Elements that occur in anomalous amounts together with the economic element being explored for.
Pb	Lead.
Porphyry	A deposit where primarily Cu-bearing minerals occur in disseminated grains or veinlets through a large volume of rock within or in close association with intrusive igneous rocks. Au and Mo are also important products of porphyry deposits.
Propylitic alteration	Alteration of rocks due to hot fluids that have a high sodium ion composition. It typically results in epidote–chlorite- albite alteration with pyrite.
Potassic alteration of or	Typical of porphyry copper and lode gold deposits, results in production micaceous, potassic minerals such as biotite in iron-rich rocks, muscovite mica sericite in felsic rocks, and orthoclase (adularia) alteration, often quite pervasive and producing distinct salmon-pink alteration zones.
ppb	Parts per billion.
ppm	Parts per million (1 ppm = 1,000 ppb = 1 g/t)
Skarn	Forms by chemical metasomatism of rocks in the contact zone of intrusive rocks with rocks often containing carbonate minerals. Skarns in the igneous environment are associated with hornfels and wider zones of calc-silicate rocks. Skarns are often hosts for copper, lead, zinc, iron, gold, molybdenum, tin, and tungsten ore deposits.
Sb	Antimony.
TDEM	Time domain electomagnetic
Te	Tellurium
Terrain	An arbitrarily defined geographic location.
Terrane	A major crustal block with a particular geologic history.
VLF-EM	Very low frequency electromagnetic.
VMS	Volcanogenic massive sulphide.
VHMS	Volcanic-hosted massive sulphide. Same as VMS.
Zn	Zinc

ITEM 29: BCGS Publication

Newly Discovered Volcanic-Hosted Massive Sulphide Potential within Paleozoic Volcanic Rocks of the Stikine Assemblage, Terrace Area, Northwestern British Columbia (NTS 103I/08)
by M. McKeown, J. Nelson and R. Friedman

Presented within this ITEM is the full article from Geological Field work 2007, Paper 2008-1, pgs 103-115.

The article represents an independent unbiased opinion of BC government geologists of Gazelle showing and geology and 10 km 18 km surrounding area, now located entirely within the Midas property.

Certificate of Qualified Person

To accompany the report titled: "Technical Report on the Midas Property, Skeena Mining Division, British Columbia" dated effective May 1, 2017 (the "Technical Report").

I, Rein Turna, B.Sc., P.Geo. do hereby certify that:

1. I am a geological consultant, independent of the issuer, Ardonblue Ventures Ltd. as described in section 1.5 of National Instrument 43-101. I am also independent of the optionors of the Midas Property, collectively carrying on business as The J2 Syndicate ("J2").

2. My address, telephone and email are:

   5818 Falcon Road
   West Vancouver, B.C., Canada, V7W 1S3
   Telephone: (604) 921-8908 Email: geocon002@shaw.ca

3. I graduated with a degree Bachelor of Sciences in Geological Sciences from the University of British Columbia in 1975.

4. I am a registered member of the Association of Professional Engineers and Geoscientists of British Columbia.

5. I have worked as a geologist, in field and office, over 40 years since graduation from university. I worked primarily in British Columbia, Yukon and Ontario and also in Saskatchewan, Northwest Territories and Arizona. The work involved exploration for precious and base metals in epithermal, sedimentary exhalative, volcanogenic massive sulphide, skarn, porphyry and shear zone-hosted deposits.

6. I am a "Qualified Person" as defined in Part 1.1 of National Instrument 43-101.

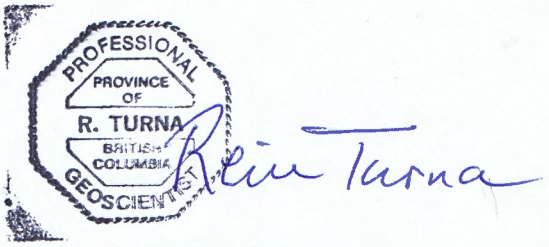
7. I have had no prior involvement with the property that is the subject of the Technical Report. I visited the Midas Property on March 21, 2017 to verify evidence of rock sampling done by the J2 in 2016. At J2's sample location S023108 on the road accessible Sleeping Giant Zone, I observed J2's sample tag and rock saw cuts in the outcrop. All other J2's sampled showings are located in the alpine at much higher elevations and are only accessible by helicopter and were under significant snow at the time of the visit and could not be examined.

8. I am responsible for all Items of the Technical Report.

9. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

10. At the effective date of the Technical Report, to the best of my knowledge, information, and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

-- Signed and Stamped -- Dated this 24th Day of May, 2017



Signature: Rein Turna, B.Sc., P.Geo.

Consent of Author

Rein Turna, B.Sc., P.Geo.
5818 Falcon Road, West Vancouver, B.C., Canada, V7W 1S3
Telephone: (604) 921-8908
Email: geocon002@shaw.ca

To:___Securities Regulatory Authorities:
_____TSX Venture Exchange

I, Rein Turna, P.Geo., do hereby consent to the public filing of the Technical Report titled "NI 43-101 Technical Report on the Midas Property, Skeena Mining Division, British Columbia" and dated May 1, 2017 (the "Technical Report") by Ardonblue Ventures Inc. in connection with the Options Agreement between Ardonblue Ventures Inc. and The J2 Syndicate, dated March 15, 2017.

I acknowledge that the Technical Report will become part of the Issuer's public record.

-- Signed and Stamped -- Dated this 24th Day of May, 2017

Signature: **Rein Turna, B.Sc., P.Geo.**