

**TECHNICAL REPORT ON THE  
GOLDSTORM PROJECT**

**SNOWSTORM CREEK, ELKO COUNTY, NEVADA, USA**

*Prepared For*

**STAKEHOLDER GOLD CORPORATION**

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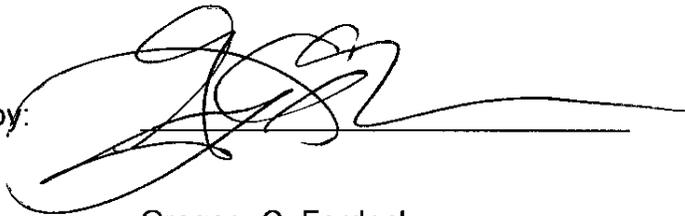
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***April 30, 2017***

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## **1.0 SUMMARY**

This technical report on the Goldstorm Project was prepared at the request of the issuer Stakeholder Gold Corporation (“Stakeholder”), a public corporation, listed on the TSX Venture Exchange under the symbol “SRC”, whose registered office address is 1612-25 Adelaide Street East, Toronto, ON M5C 1Y2 Canada. The report was written in compliance with disclosure and reporting requirements set forth in the newly revised (30 June, 2011) Canadian Securities Administrators’ National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1. It does not include a resource estimate.

The Goldstorm Property is located near Snowstorm Creek in the Snowstorm Mountains Mining District, in extreme western Elko County, Nevada on the east flank of the Snowstorm Mountains on the Snowstorm Mountain USGS 7.5’ topographic quadrangle. It is located 114 km west-northwest of Elko, Nevada or 77 km northeast of Winnemucca, Nevada (Figure 1.1). It comprises approximately 2,747 acres (1,112 ha) in 133 unpatented lode claims. The center of the property is approximately 16 km northwest of the town of Midas, and the location of the Klondex Mines Ltd.’s Midas underground gold mine and approximately 18 km east-northeast of Newmont’s multi-million ounce Twin Creeks, gold mine.

The property is situated 40 kilometers from the nearest paved highway and is accessed via all-weather gravel roads to within 17.5 km north of the property and thence south on unimproved roads. Several springs feed stock ponds located on or near the property and provide a year-round supply of water. Chimney Creek Reservoir lies 15 km to the northwest, and power lines are located within 17 km of the property.

The geology consists of a gently northeast dipping, bi-modal volcanic pile overprinted, in areas, by low sulfidation hydrothermal alteration, expressed as bleaching, kaolinization, iron oxides and silicification. Drilling intercepts along with surface mapping indicates that the property contains low sulfidation precious metals-bearing epithermal veins of unknown extent. A west-northwest to east-southeast, steeply southwest dipping vein swarm, associated with an apparent left-stepping, sinistral “Clayton” structure is exposed at the surface near the center of the area of hydrothermal alteration; it has been intersected at depth by drilling in several locations on the property. Precious metal mineralization encountered includes electrum and naumannite; both of which form ore minerals in the nearby Midas Mine located at Midas, 17 km to the southeast.

Surface geochemistry, in the form of soil and rock chip sampling, has been conducted at Goldstorm by a number of companies; surface samples locally returned gold values in excess of 39 ppm Au. Detailed geophysical surveys have been completed over portions of the property. There have been at least 10,732 meters of drilling in 53 holes for which data is available at the property; drilling includes air-track, reverse circulation and three core holes; all but nine were drilled to depths of less than 300 meters (m) (average drilled depth is 202 m). The best grades of mineralization were intercepted in core hole WG-1001, drilled in 2010 (WG-1001, 9.02 ppm and 9.29 ppm Au @ 66-67m; with a 72.6 ppm Ag assay in this interval).



**Figure 1.1** – Location of the Goldstorm Project within the Great Basin Province of the western United States; it is located north of the currently identified Carlin Gold Trend. Major gold deposits are identified by crossed picks symbols.

Two types of gold mineralization are hosted within hydrothermally altered volcanics and basalts. The first is hosted within quartz veins of white bull quartz which are up to 15 cm wide and have had reported gold values of up to 39.05 ppm and silver to 118.62 ppm (Crown

Resources sample # 15970). Veins are often in the center of silicified zones up to one meter wide; they are often found within highly altered wall rocks developed in basalt and silicic fragmental volcanic suites. Quartz veining is usually rare on a macroscopic scale at the elevation levels explored to date; on a smaller scale, quartz veining is often stockwork and less than a few millimeters wide. Thinner veins may be found with narrow selvages of alteration, often less than 1 cm wide. Quartz veins may have associated calcite, are locally vuggy and may contain colorless to weakly amethystine crystalline quartz and quartz crystals as partial infill.

Banded microcrystalline quartz veins were identified on the south-western flank of Hill 7323. These banded veins are hosted by silicified basalt. Banded quartz veins, with and without boxwork textures have been intercepted in recent core drilling. These veins are interpreted to be striking west-northwest to northwest and dipping nearly vertically. Banding is resultant from brassy pyrite interlaminated with grey marcasite. In areas of elevated gold and silver values, these iron sulfides locally host micro-granular electrum, while larger grains of electrum and naumannite locally are found situated on the outer edges of the sulfides.

## **1.1 INTRODUCTION**

The Goldstorm Project is located in Elko County, Nevada, 114 air km northwest of Elko, Nevada or 314 air km northwest of Reno, Nevada. The nearest settlement is Midas, located along Nevada State Route 18, 15 km southeast. The center of the project is located at a latitude/longitude of 41° 20.309' North and 116° 57.074' West, WGS84.

## **1.2 GEOLOGY AND MINERALIZATION**

The surface geology at the Goldstorm project and the surrounding area comprises middle to late Miocene bi-modal volcanic rocks. Rocks known to underlie the property vary from basalt, though rhyolite and rhyodacite flows and intrusive dikes and local interbedded sedimentary rocks. Much of the altered area is composed of silicic pyroclastic and tuffaceous sedimentary rocks, reported as lateral equivalents of pyroclastic and sedimentary units exposed in the Midas mining district (Wallace, 1993).

Gold and subsidiary silver mineralization is present at Goldstorm mainly in silicified vein-like zones and in white quartz veins, carrying up to 39 grams per tonne ("g/t") gold at the surface (Shannon, 1996). These zones and veins are all high angle and strike variably east-west, northwest-southeast and north-northwest to south-southeast. Precious metal mineralization is often hosted within quartz-sericite-pyrite alteration which is widespread on much of the surface; elsewhere mineralization is hosted wholly within silicified veins.

## **1.3 EXPLORATION AND MINING HISTORY**

The property contains numerous historic prospects with no obvious production, with the earliest known exploration dating to 1907. There was no reported activity on the property between the 1930's and 1980. An aeromagnetic survey along with trenching was conducted in

the 1980's. Drilling exploration commenced in 1989 and was conducted by various companies through 2000. Geologic mapping was published in 1993. Mexivada Mining Corp. (Mexivada) acquired the property in 2007. West Kirkland Mining leased the property in 2010 and drilled two core holes. Beginning 24 January, 2017, Mountain View Gold Corporation acquired the Goldstorm Project via transfer of 45 lode claims in the vicinity of Snowstorm Creek from Richard R. Redfern and Mexivada.

Thorough discussion of historic exploration and mining is found in Section 6 of this report.

#### **1.4 DRILLING AND SAMPLING**

Fifty three exploration holes have been drilled into the property by third party companies, with only three core hole drilled to date. No gold / silver resource estimates have been made based on these holes. Complete verification of the database has not been conducted by the author.

Since Mexivada's acquisition of the project, all sampling data, along with chain of custody protocols have been documented and are within established industry norms. There have been at least eight different periods of drilling and sampling that have reported assays.

#### **1.5 METALLURGICAL TESTING**

There has been no metallurgical testing conducted on samples from the property.

#### **1.6 MINERAL RESOURCE ESTIMATE**

Sufficient drilling and sampling has yet to be completed in order to develop a mineral resource estimate for the project at this time.

#### **1.7 INTERPRETATION AND CONCLUSIONS**

The author considers that the data provided by Mountain View Gold Inc. affords an accurate representation of work completed on the Goldstorm project. The most recent drilling encountered precious metal-bearing minerals (naumannite and electrum) within banded silica veins; similar to that found in quartz veins hosted at the closest operating mine (Midas). The geology and controls of mineralization are reasonably understood for the amount of surface geochemical sampling conducted, as well as the drilling that has been completed.

The limits of precious metal mineralization have yet to be determined and volumes, tonnages and grades are yet to be defined. The area of the project exceeds 20 km<sup>2</sup> and contains many untested geochemical, geophysical and structural targets; all areas have yet to be adequately drill tested.

Unpatented lode claims cover all of the project area likely to be impacted by the identification of a mineable ore body that could be extracted by surface mining methods. The project is currently in need of further drill testing to delineate economic mineralization.

## **1.8 RECOMMENDATIONS**

Complete surface geological mapping and geochemical sampling will be required for proper assessment of the Goldstorm project area. Drilling will be needed to establish volume, tonnage and grade of any mineralization, as well as to provide samples for metallurgical work. Three dimensional computer modeling of historical drilling and geological interpretation will aid immensely in future target delineation and potential resource determinations.

## **2.0 INTRODUCTION AND TERMS OF REFERENCE**

### **2.1 ISSUER**

This Technical Report for the Goldstorm project has been prepared at the request of Stakeholder Gold Corporation, the Issuer. It is a summation of current knowledge of the project, its geologic, exploration and mining activities. It does not include a new resource estimate.

Beginning 24 January, 2017, Mountain View Gold Corporation acquired the Goldstorm Project via transfer of the 45 lode claims covering approximately 900 acres (364 hectares) in the vicinity of Snowstorm Creek from Richard R. Redfern and Mexivada Mining Corp. Mountain View Gold Corporation owns the Goldstorm Project, located in northeast Nevada.

### **2.2 TERMS OF REFERENCE AND PURPOSE OF THE REPORT**

The purpose of this report is to detail the current understanding of the technical aspects of the Goldstorm Project located at Snowstorm Creek, Snowstorm Mountains, Elko County, Nevada. No resource or reserve estimates have been completed to date.

This report is written in compliance with disclosure and reporting requirements set forth in the Canadian Securities Administrators' National Instrument 43-101, Companion Policy 43-101CP and Form 43-101, revised June 2011. Prior work on the property by Mexivada after 2010 and before the winter of 2016 included due diligence, data compilation, local geologic mapping, and geochemical sampling.

#### **2.2.1 Terms Commonly Used in This Report**

Units of measure, conversion factors and currency in this report are as follows:

##### **Linear Measure**

1 inch	= 2.54 centimeters	= 25.4 millimeters
1 foot	= 0.3048 meter	
1 mile	= 1.6093 kilometer	= 1,609.3 meters

##### **Area Measure**

1 acre	= 0.4047 hectare	
1 square mile	= 640 acres	= 259 hectares

##### **Capacity Measure (liquid)**

1 US Gallon	= 4 quarts	= 3.785411784 liters
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##### **Weight**

1 short ton	= 2,000 pounds	= 0.90718474 metric tonne (T)
1 pound	= 0.45359237 kg	= 14.5833 troy ounces

## Analytical Values

	Percent	Grams per Metric Tonne	Troy Ounces per Short Ton
1%	1%	10,000	291.667
1 gram/tonne	0.0001%	1	0.0291667
1 troy oz/short ton	0.003429%	34.2857	1
100 ppb	0.00001%	0.1	0.0029
100 ppm	0.01%	100	2.917

## Commonly used abbreviations and acronyms

AA	Atomic Absorption Spectrometry
Ag	Silver
AMSL	Above Mean Sea Level
Au	Gold
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
Core	Diamond drilling method producing a cylinder of rock
EDX	Energy-dispersive X-ray spectroscopy
FA-AA	Fire assay with atomic absorption finish
g	Grams
g/T	Grams per Metric Tonne
ha	Hectares
m	Meters
mm	Millimeters
km	Kilometers
opt	ounces (troy)/ton (short)
ppb	Parts per billion
ppm	Parts per million
RC	Reverse Circulation drilling method producing cuttings as a sample
SEM	Scanning Electron Microscope
Tpd	Tonnes (metric) per day

All monetary figures in this report are in U.S. Dollars (USD).

## 2.3 SOURCES OF INFORMATION AND DATA

The author reviewed all documents and data available relative to the regional and property geology, land status, history of the district and project, past exploration and development work and the accompanying results, methodology, interpretations, and other data necessary to the understanding of the project, sufficient to produce this report. Mr. Ferdock carried out such independent investigations of the data and of the property in the field, as has been deemed necessary in the professional opinion of the author, so that he might reasonably rely on this information.

The sources of this information are primarily from the public domain, namely U.S. Geological Survey and Nevada Bureau of Mines and Geology reports and files. Additional internal documentation has been provided by Mexivada and Mountain View Gold Corporation personnel and has been verified by site investigation or conversation with independent third parties. Further information has been obtained from public records available on the World Wide Web and data repositories such as county recorders (Elko) and BLM offices.

#### **2.4 DETAILS OF PERSONAL INSPECTION OF PROPERTY BY QUALIFIED PERSON (QP)**

The property was last visited by the author on 29 April, 2017 and on numerous previous occasions as part of ongoing mapping and exploration efforts. The current exploration programs are being carried out in a thorough and professional manner and the author has no reason to doubt the validity of results of this program.

The author has worked on numerous gold and other mining and exploration projects in Nevada, Alaska, Peru, Mexico, Dominican Republic, Canada and elsewhere in the United States and world. He has worked on mining projects in Nevada since 1988 to include the Snowstorm Mountain region since 1988 and is familiar with the regional and local geology.

The historic drilling, assay and geologic data required to produce this report were generated in several phases over many years from 1982 to 2013. The historic data has passed into the possession of Mexivada and Mountain View Gold Corporation, with additional data being sought. Recently acquired data, from prior work, from the work of West Kirkland Mining Inc. (2010) and drill hole re-logging and mineralogical work by the author (2012-2013), have been incorporated in this report, as well as more recent work by Mexivada and Mr. Redfern.

As mandated by NI 43-101 requirements, the observations, conclusions and recommendations of the author in this report are derived from comprehensive reviews of the Goldstorm project database and on-site inspections through 29 April, 2017. These site inspections were designed to confirm geologic relationships and existing infrastructure.

The author believes that the data presented to him by Mountain View Gold Corporation are a reasonable and accurate representation of the Goldstorm project.

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

The authors' principal task was to review and compile the historic data made available by Mexivada Mining Corporation, Mountain View Gold Corporation and that available in the public domain, as well as data from ongoing exploration program. This report has relied strongly on the historical work and studies in the following areas:

Land Status	Due diligence was completed by R. Redfern and Carlin Trend Mining Supplies and Services was completed in 2007, completed on behalf of Mexivada Mining Corporation, and by Gerber Law Offices, LLP in 2017.
Geology	In addition to published reports (i.e. Wallace, 1993); mapping and reports were conducted and written by J.E. Worthington (1988), V. Hollister (1989), J. Shannon (1996), T. Eng (1999), D.E. Wells (2008), Wright Geophysics (2008, 2009), by the author dated October 2009 and June, 2013.
Current Program	Bob Cuffney (Consultant) and Richard R. Redfern, a Director of Mountain View Gold Corp.
Metallurgy	No metallurgical work has been completed to date. Mineralogical work was completed by the author and Mr. Salt Anderson of American Assay Inc., Sparks, Nevada.
Environmental	WK Mining (USA) Ltd. (WKM) completed sufficient archeological surveys and environmental work to acquire a Notice of Intent ("NOI") from the U.S. BLM, and similar environmental work likely was completed by Crown Resources, Romarco, and Newmont to support their completed NOIs for their drilling programs completed on the property. WKM's study was completed by Enviroscientists of Reno and Elko, Nevada.
Geophysics	Touchstone Resources completed a limited scope aeromagnetic survey, as reported by Hollister (1989). A survey by J.R. Anzman provided interpretation of a limited scope IP survey in 1996. Ground gravity and magnetic surveys were completed for Mexivada on the property by Magee Geophysics in 2008. Zonge Engineering completed a gradient IP/resistivity survey in 1998 for Romarco Minerals, and an Induced Polarization/Resistivity survey for Mexivada in 2009. All Mexivada geophysical work and reports were provided to the issuer by J.L. Wright Geophysics and/or C. McGee at the behest of Mexivada in 2008-2009.

### **3.1 NON-QP REPORTS – REPORTS PROVIDED BY ISSUER**

#### **3.1.1 Source of Information**

The issuer has not provided any reports regarding this property.

The majority of reports were provided by a previous owner, Mexivada, which provided a number of unpublished reports produced by previous operators on the project. These include reports from J.V. Tingley field examinations for the Nevada Bureau of Mines and Geology (1982), J. E. Worthington private report (1988), Cornucopia Resources (1989), Touchstone Resources (1990), Crown Resources (1996), Romarco Minerals (1997-1999), D.E. Wells for Mexivada (2008).

#### **3.1.2 Extent of Reliance**

All reports were reviewed with expert eye as the author has spent several weeks on the project conducting surface mapping and geochemical sampling as well as preparing sub-surface interpretive work, and the re-logging work completed on West Kirkland core drilled in 2010 that allowed for some re-interpretation of earlier drill logs.

Reliance on geophysical interpretations is extensive as the author is familiar with the individuals who completed the work, they are well established experts in their fields and the quality of the work meets or exceeds industry norms.

#### **3.1.3 Where Disclaimer Applies**

It is unknown how sampling was completed prior to Mexivada acquisition of the Goldstorm project. The data from these programs have not been verified and no twinned drilling has been completed.

### **3.2 NON-QP REPORTS ON PRICING OF COMMODITIES**

#### **3.2.1 Report References**

No reports concerning pricing of commodities were reviewed for this report. Daily spot gold and silver prices are available and frequently referenced from kitco.com.

#### **3.2.2 Qualifications of Non-QP Report Author**

Kitco.com is a widely referenced metals spot price site and is accepted as an industry source of up-to-the-minute information.

#### **3.2.3 Risks**

After this review, it is the opinion of the author that the data provided by Mexivada were collected in accordance with standard industry practices, and there is no reason to doubt their validity. Receipts from the U. S. Bureau of Land Management and Elko County demonstrated the unpatented claims are current and valid and that the taxes have been paid for patented claims.

### **3.2.4 Verification**

No assay data verification has been undertaken by the author. The author is reasonably assured that the assays represent the intervals from which they were taken. The author is familiar with the geology in the project area and sees no reason to doubt the published references regarding same.

Conclusions regarding the Goldstorm Project and the recommendations presented in this report are those of the author alone, based on a review of the data and extensive personal experience as a geologist in the mining industry, particularly in Nevada, and do not necessarily reflect those of the issuer, Stakeholder Gold Corporation, nor of Mountain View Gold Inc. or Mexivada Mining Corp.

## **4.0 PROPERTY DESCRIPTION AND LOCATION**

### **4.1 AREA (SIZE) OF PROPERTY**

The Project is comprised of 133 unpatented totaling approximately 2,747 acres (1,111 ha) (Figure 4.1; Table 4.1). These claims are located within the Mount Diablo Baseline and Meridian (MDBM) in all or parts of:

Sections 18, 19, 20, 29, and 30 of Township 40 North, Range 45 East;  
Sections 12, 13, 14, 23 and 24 of Township 40 North, Range 44 East.

### **4.2 LOCATION**

The Mountain View Gold Corporation (“MVG”) Snowstorm Project is located in Elko County, Nevada, 114 air km northwest of Elko, Nevada or 314 air km northwest of Reno, Nevada. The nearest settlement is the town of Midas, located along Nevada State Route 18, 15 km southeast of the project in Elko County, Nevada, as shown on the Location Map in Figure 4.2.

The geographic center of the property has UTM coordinates of 4,559,445m North and 535,465m East (NAD 27, Zone 11); Latitude 41° 20.309' and Longitude 116° 57.074' (WGS 84).

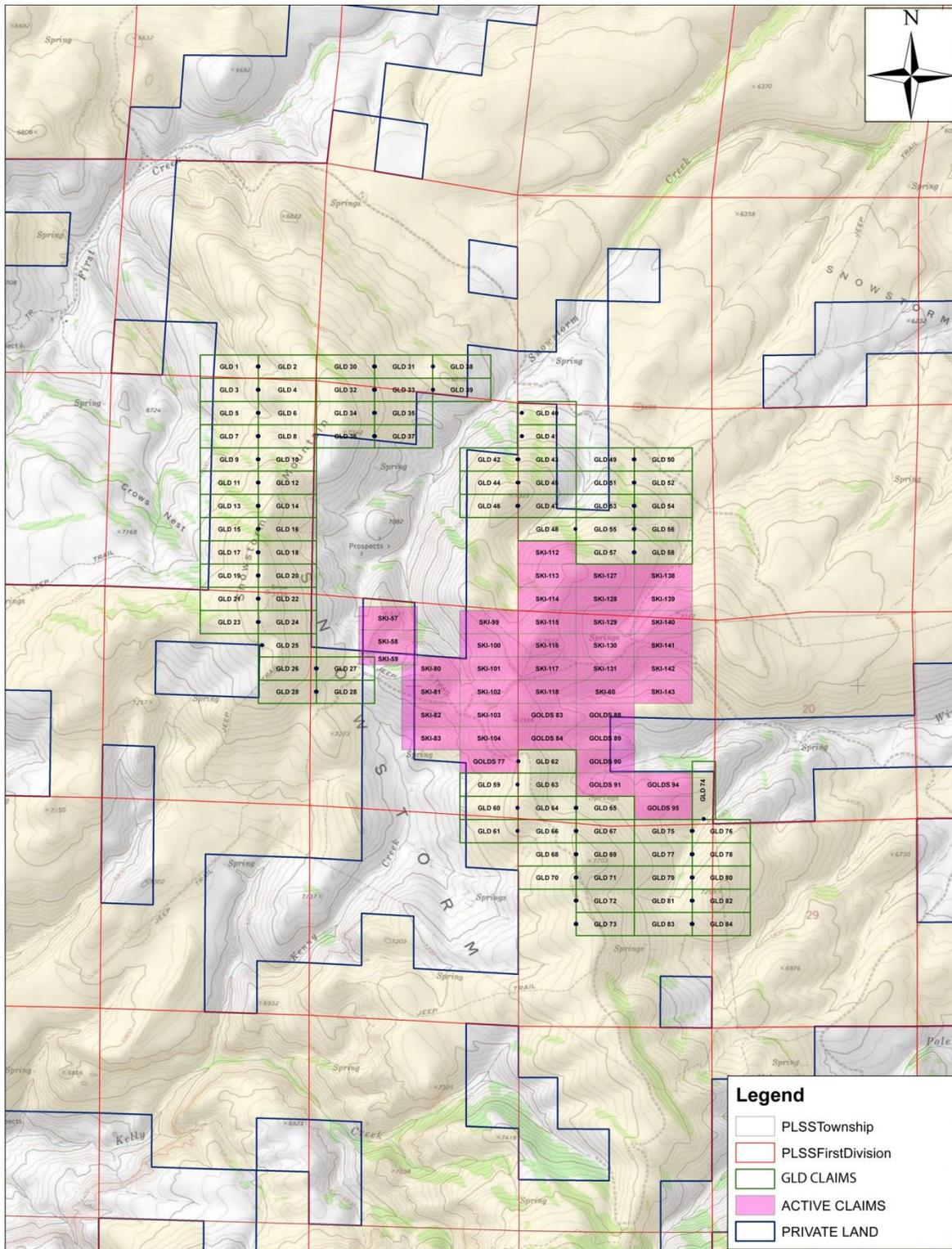
### **4.3 TYPE OF MINERAL TENURE (CLAIM, LICENSE, LEASE)**

MVG owns and controls 133 unpatented lode mining claims from the BLM, shown in Figure 4.1 as the pink “Active” claims and the “GLD” claims on the map.

The mining law of 1872 established a process, through which a claimant may bring a claim to patent. When patented, ownership of the land and mineral rights transfer from the Federal Government to the claimant. The U.S. Bureau of Land Management (BLM) manages the lands covered by these unpatented claims, under which title remains with the U.S. Federal Government.

Each standard unpatented claim is typically 600 feet x 1,500 feet (183 m x 457 m) in size covering approximately 20.66 acres (8 ha) of surface area, though a number of smaller, fractional claims may cover land fractions between patented claims and irregular, often unpatented claims. Claim corners are typically marked in the field with 2 inches (5 cm) by 2 inches (5 cm) by 4 feet (1.2 m) wooden posts.

Claim location notices for each claim are filed with the BLM and at the courthouse in the County in which the claims are located. Copies of the individual claim notices and the detailed map showing their locations are on file with the central BLM office in Reno, Nevada, and with the Elko County Recorder’s office in Elko, Nevada. The map and claim notices on file constitute the legal surveys for the property.



**Figure 4.1** – Mountain View Gold Corp. unpatented lode claims at the Goldstorm Project, Snowstorm Mountains, Elko County, Nevada.

**Table 4.1 – Mt. View Gold Corp. Goldstorm Lode Claims Held for the 2016-2017 assessment year.**

#	Claim Name	Owner ship	BLM #	#	Claim Name	Owner ship	BLM #
1	SKI - 57	100%	997799	68	GLD-23	100%	1140913
2	SKI - 58	100%	997800	69	GLD-24	100%	1140914
3	SKI - 59	100%	997801	70	GLD-25	100%	1140915
4	SKI - 60	100%	997802	71	GLD-26	100%	1140916
5	SKI - 80	100%	997803	72	GLD-27	100%	1140917
6	SKI - 81	100%	997804	73	GLD-28	100%	1140918
7	SKI - 82	100%	997805	74	GLD-29	100%	1140919
8	SKI - 83	100%	997806	75	GLD-30	100%	1140920
9	SKI - 95	100%	997810	76	GLD-31	100%	1140921
10	SKI - 96	100%	997811	77	GLD-32	100%	1140922
11	SKI - 97	100%	997812	78	GLD-33	100%	1140923
12	SKI - 98	100%	997813	79	GLD-34	100%	1140924
13	SKI - 99	100%	997814	80	GLD-35	100%	1140925
14	SKI - 100	100%	997815	81	GLD-36	100%	1140926
15	SKI - 101	100%	997816	82	GLD-37	100%	1140927
16	SKI - 102	100%	997817	83	GLD-38	100%	1140928
17	SKI - 103	100%	997818	84	GLD-39	100%	1140929
18	SKI - 104	100%	997819	85	GLD-40	100%	1140930
19	SKI - 112	100%	997825	86	GLD-41	100%	1140931
20	SKI - 113	100%	997826	87	GLD-42	100%	1140932
21	SKI - 114	100%	997827	88	GLD-43	100%	1140933
22	SKI - 115	100%	997828	89	GLD-44	100%	1140934
23	SKI - 116	100%	997829	90	GLD-45	100%	1140935
24	SKI - 117	100%	997830	91	GLD-46	100%	1140936
25	SKI - 118	100%	997831	92	GLD-47	100%	1140937
26	SKI - 127	100%	997836	93	GLD-48	100%	1140938
27	SKI - 128	100%	997837	94	GLD-49	100%	1140939
28	SKI - 129	100%	997838	95	GLD-50	100%	1140940
29	SKI - 130	100%	997839	96	GLD-51	100%	1140941
30	SKI - 131	100%	997840	97	GLD-52	100%	1140942
31	SKI - 138	100%	997845	98	GLD-53	100%	1140943
32	SKI - 139	100%	997846	99	GLD-54	100%	1140944
33	SKI - 140	100%	997847	100	GLD-55	100%	1140945
34	SKI - 141	100%	997848	101	GLD-56	100%	1140946
35	SKI - 142	100%	997849	102	GLD-57	100%	1140947
36	SKI - 143	100%	997850	103	GLD-58	100%	1140948
37	GOLDS # 77	100%	1115894	104	GLD-59	100%	1140949
38	GOLDS # 83	100%	997785	105	GLD-60	100%	1140950
39	GOLDS # 84	100%	997785	106	GLD-61	100%	1140951
40	GOLDS # 88	100%	997790	107	GLD-62	100%	1140952
41	GOLDS # 89	100%	997791	108	GLD-63	100%	1140953
42	GOLDS # 90	100%	997792	109	GLD-64	100%	1140954

43	GOLDS # 91	100%	997793	110	GLD-65	100%	1140955
44	GOLDS # 94	100%	1115895	111	GLD-66	100%	1140956
45	GOLDS # 95	100%	1115896	112	GLD-67	100%	1140957
46	GLD-1	100%	1140891	113	GLD-68	100%	1140958
47	GLD-2	100%	1140892	114	GLD-69	100%	1140959
48	GLD-3	100%	1140893	115	GLD-70	100%	1140960
49	GLD-4	100%	1140894	116	GLD-71	100%	1140961
50	GLD-5	100%	1140895	117	GLD-72	100%	1140962
51	GLD-6	100%	1140896	118	GLD-73	100%	1140963
52	GLD-7	100%	1140897	119	GLD-74	100%	1140964
53	GLD-8	100%	1140898	120	GLD-75	100%	1140965
54	GLD-9	100%	1140899	121	GLD-76	100%	1140966
55	GLD-10	100%	1140900	122	GLD-77	100%	1140967
56	GLD-11	100%	1140901	123	GLD-78	100%	1140968
57	GLD-12	100%	1140902	124	GLD-79	100%	1140969
58	GLD-13	100%	1140903	125	GLD-80	100%	1140970
59	GLD-14	100%	1140904	126	GLD-81	100%	1140971
60	GLD-15	100%	1140905	127	GLD-82	100%	1140972
61	GLD-16	100%	1140906	128	GLD-83	100%	1140973
62	GLD-17	100%	1140907	129	GLD-84	100%	1140974
63	GLD-18	100%	1140908	130	GLD-85	100%	1140975
64	GLD-19	100%	1140909	131	GLD-86	100%	1140976
65	GLD-20	100%	1140910	132	GLD-87	100%	1140977
66	GLD-21	100%	1140911	133	GLD-88	100%	1140978
67	GLD-22	100%	1140912				

To maintain mining claims in good standing, a claim holder must make annual maintenance fee payments to the BLM of \$155 per claim, plus a \$12.50 per claim Elko County fee totaling \$167.50 per claim. Fees are payable in Elko County, in which the claims are located. Published BLM records indicate that all claim filings are current and that the claims are valid until 11:59 AM on 1 September, 2017, when the next annual maintenance fee payments and filings are due.

The author did not verify any claim posts in the field, nor has he verified the validity of the mining claims or their ownership.

All claims were physically staked with wooden posts at the corners and at the discovery monuments. Annual maintenance fees payable to the Bureau of Land Management are required to keep the unpatented mining claims in good standing, and were paid on time in August, 2016. Property taxes are required on the patented mining claims and fee lands; Mountain View Gold Corp. does not control any patented lands, and thus is not subject to such fees and taxes. BLM and Elko County maintenance fees have been paid through 1 September, 2017.

Detailed claim information is listed in Appendix 1.

Stakeholder entered into a property option agreement with Mountain View Gold Inc. (MVG) and Mountain View Gold Corp., a wholly owned subsidiary of MVG on March 8, 2017 for an option to earn up to a 100-per-cent interest in Mountain View's Goldstorm property, located in Elko County, Nevada. The transactions contemplated by the agreement are conditional upon and subject to the approval of the TSX Venture Exchange.

The agreement stipulates a First Option, whereby under the terms of the agreement, Stakeholder has the sole exclusive right and option to earn an initial 40-per-cent interest in the property by: (i) paying to Mountain View cash consideration in the amount of \$40,000, (ii) issuing to Mountain View 1.25 million common shares in the capital of the corporation, (iii) issuing to MVG an additional 1.25 million common shares on the nine-month anniversary of the date of the agreement, and (iv) incurring certain exploration expenditures on the property of not less than \$750,000 within 12 months of the effective date of the agreement or by paying to MVG the balance of such amount not incurred by the corporation prior to that date.

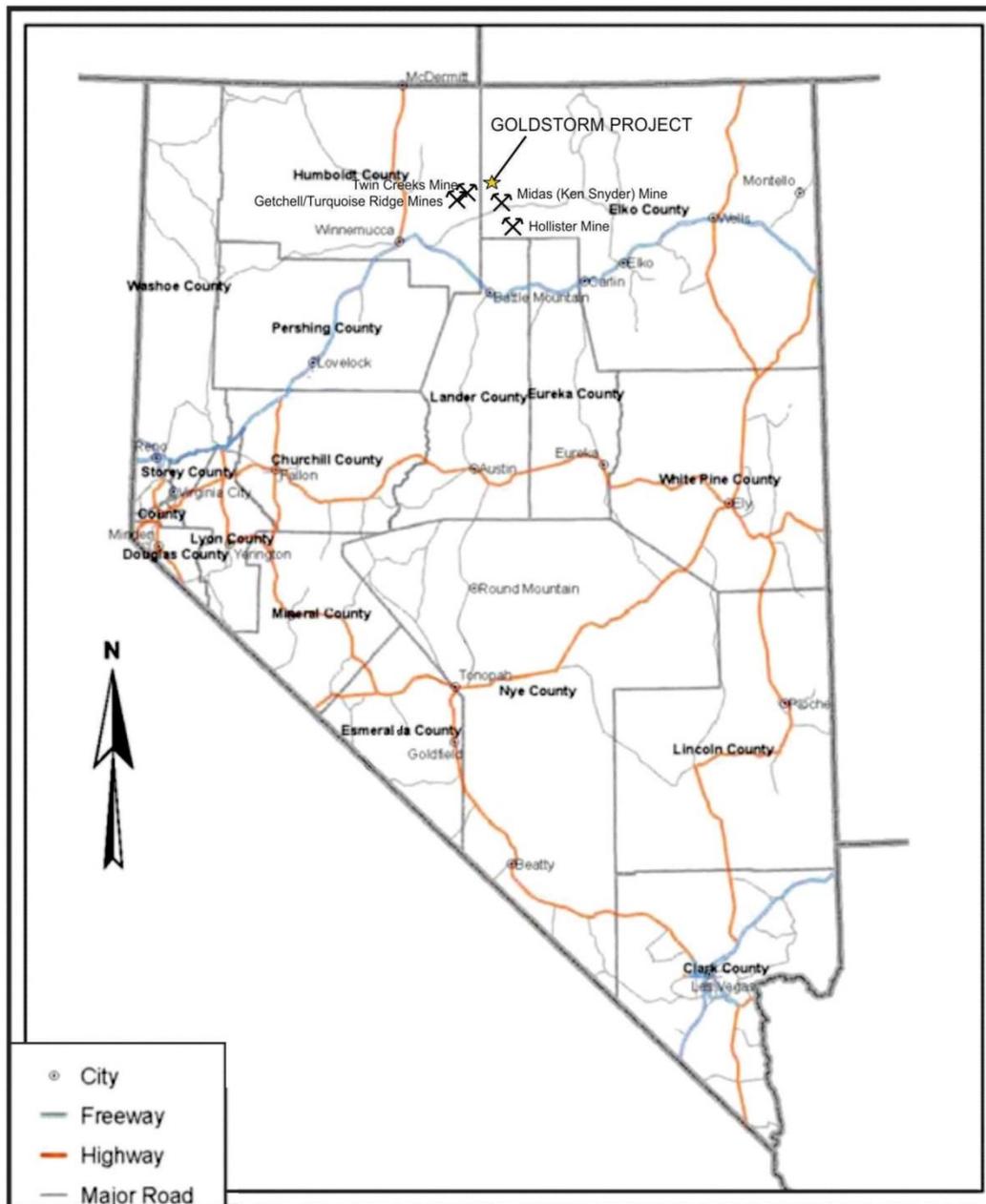
The agreement also stipulates a Second Option, whereby following the completion of the first option, the corporation has the option to earn a further 40-per-cent interest in the property by: (i) issuing to Mountain View 1.75 million common shares upon the date of exercise, (ii) issuing to MVG an additional 1.75 million common shares on the three-month anniversary of the second option exercise date, (iii) incurring certain exploration expenditures on the property of not less than \$750,000 within nine months of the second option exercise date or by paying to Mountain View the balance of such amount not incurred by the corporation prior to that date, and (iv) delivering a technical report relating to the property.

The agreement also stipulates a Third Option, whereby following the completion of the second option, whereby Stakeholder has the option to earn a further 20-per-cent interest in the property by allowing MVG to select either of: (i) paying to MVG a cash consideration equal to \$20 per ounce of gold or gold equivalent multiplied by the total ounces of gold or gold equivalent (measured, indicated and inferred) on the property as set out in a technical report, to be dated no later than 60 days prior to the exercise date of the third option, or (ii) issuing to MVG three million common shares. MVG shall have the right to select either of these two options, at its sole discretion.

#### **4.4 NATURE AND EXTENT OF ISSUER'S TITLE**

The 133 mining claims at Goldstorm listed in Table 4.1 above are 100% owned by Mountain View Gold Corp. There are no encumbrances on the nine "GOLDS" claims or the 88 "GLD" claims that are 100% owned by Mountain View Gold Corporation. There are two royalties that apply to each and all of the thirty-six "SKI" unpatented mining claims, as discussed in greater detail in section 4.5.

In reporting the recorded title, the author has relied entirely on information provided by the United States Bureau of Land Management and MVG.



**Figure 4.2** – Project location map and some nearby operating mines.

The comments in this section do not represent a legal opinion and only preliminary investigations into the actual recorded title have been made by the author. There are no placer claims located on the property.

#### 4.5 ROYALTIES AND ENCUMBRANCES

There are no encumbrances on the nine “GOLDS” claims or the 88 GLD claims that are 100% owned by MVG. Each and all of the thirty-six “SKI” unpatented mining claims are encumbered

by a 1.5% Net Smelter Return (NSR) royalty owned by Clover Nevada LLC, a subsidiary of Waterton Global Mining; this royalty is on all production. Additionally Mr. Richard R. Redfern owns a 1% NSR on gold, silver and copper from the same 36 “SKI” claims, for a net of 2.5% NSR on gold, silver and copper. Mr. Redfern’s royalty may be re-purchased by Mountain View Gold Inc. at any time for the sum of US\$1,500,000. There is no provision for repurchase of the NSR royalty owned by Clover Nevada LLC. All are straight percentage royalties, with no sliding scales. There are no caps on royalties.

West Kirkland Mining, doing business in the USA as WK Mining (USA) Ltd. (hereafter “WKM”) applied for and received a Notice of Intent to Conduct Exploration (NOI) on the SKI claims from the United States Bureau of Land Management (BLM), which was transferred to Mexivada Corporation, with a reclamation bond in the amount of \$16,449, held for and all in the name of Mexivada Mining Corporation by the Nevada Division of Minerals. The NOI and bond may be purchased by Mountain View Gold Corporation from Mexivada for the sum of \$1,500, and then transferred to Mountain View upon payment of the bond fee of \$16,449 to the Nevada Division of Minerals in Carson City, Nevada. Reclamation of the past exploration land disturbances has been completed and approved by the BLM, and no further reclamation work is required. The BLM must approve and proposed future changes to the accepted NOI.

#### **4.6 ENVIRONMENTAL LIABILITIES**

All Federal EPA, MSHA, OSHA and state regulations are adhered to during on-going exploration activities. There are no environmental liabilities to Mountain View Gold Inc. presently accompanying the project.

Archeological resources are locally present on the property and have been identified for the BLM for preservation and avoidance in areas of proposed operations. These sites will be monitored during exploration operations and will have to be mitigated upon initiation of any mining operations.

#### **4.7 PERMITS**

A Notice of Intent (NOI) has been filed, permitted, and accepted by the BLM, and is bonded with the Nevada Division of Minerals. The permit is currently issued to Mexivada, which may continue significant earth disturbing exploration activities as permitted by the NOI, the BLM, and the reclamation bond.

About 2.1 km of roads developed during the previous drilling campaigns and at least one historic prospect have been reclaimed (Figure 4.3), and this reclamation was accepted as completed by the BLM. Permits are required from the Bureau of Land Management prior to conducting exploration programs on BLM land, i.e. the unpatented mining claims. No obvious hindrances to the permitting process are extant on the property.

#### **4.8 RISKS**

Nevada Crawford Recovery LLC controls private land holdings adjoining Mountain View's unpatented mining claims; the access road to the property crosses in part this land and permission to pass may be required from the land owner. Barrick Gold Corporation also owns smaller lots of patented land bounding and near the Goldstorm Project.

The property is adjacent to the Little Humboldt River Wilderness Study Area.

The property is within a BLM designated sage-grouse Priority Area of Conservation.



**Figure 4.3 –**  
*Reclaimed  
switchback drill  
road in the  
south slope of  
Snowstorm  
Creek canyon  
(right) and  
north slope  
(right,  
foreground,  
yellow colored  
grasses).  
About 5.1 km  
of reclaimed  
roads are  
extant on the  
Goldstorm  
property.*

A full EIS has not been conducted; further identification of additional cultural resources may impact scheduling and financial resources dedicated to the project.

Precious metals futures prices are currently in flux, further downward pressure on this sector would adversely affect property economics.

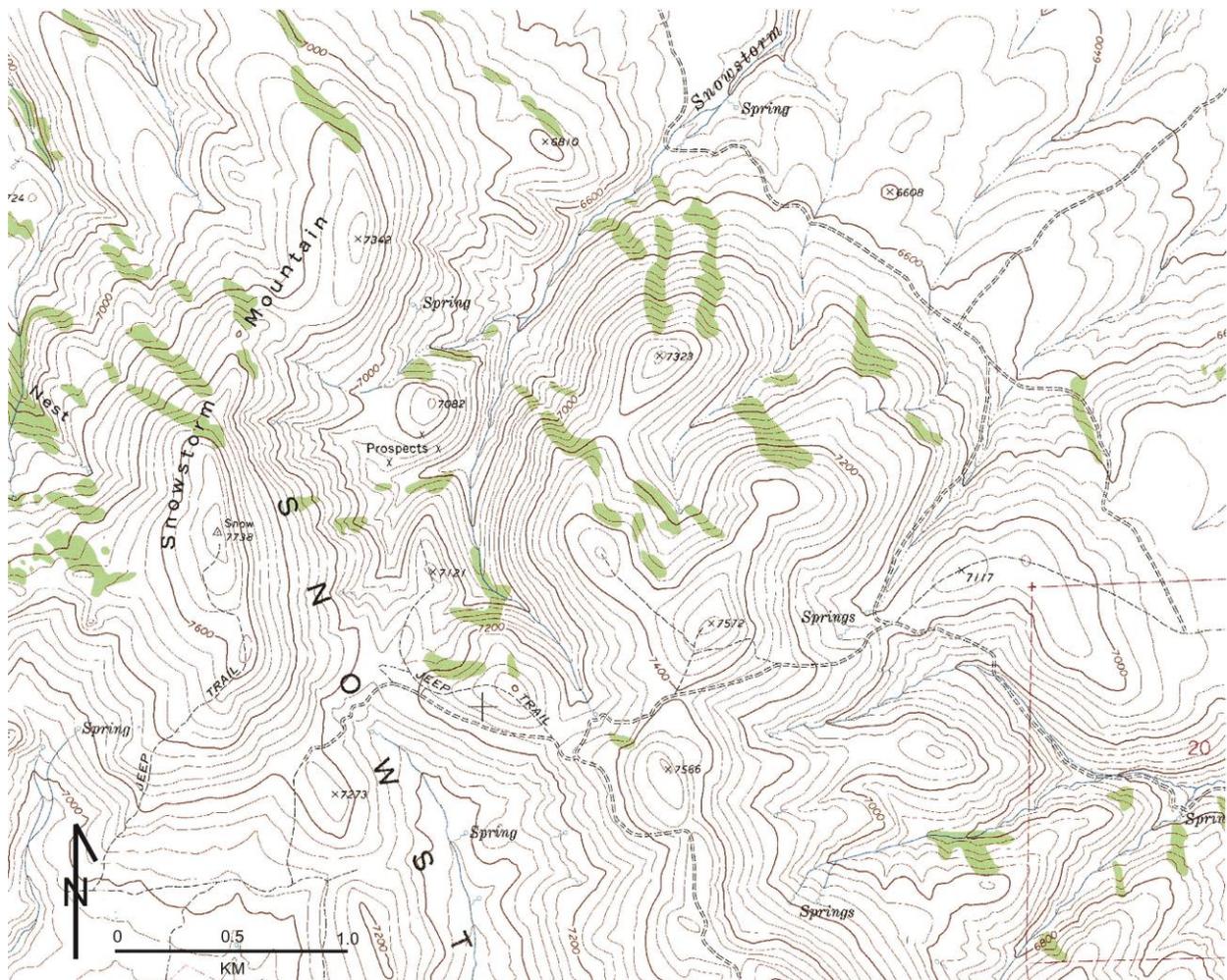
There are no mine dumps or previous mining operations on the property; save a small dump from one caved adit on adjoining, private ranch land property, and a few small non-productive prospects. There are no known mining hazards on this property, to include drilling fluids, drill waste or debris.

To the extent known, there are no other significant factors and risks, besides noted in this technical report that may affect access, title, or the right or ability to perform work on the property.

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

### 5.1 TOPOGRAPHY, ELEVATION, AND VEGETATION

The property is situated in the Snowstorm Mountains, which lie in the north-central part of the Basin and Range province and forms the southwestern boundary of the Owyhee Desert of the western United States. These are ranges which rise steeply above relatively flat to gently sloping basins. Snowstorm Mountain, which lies on the western edge of the Goldstorm property, reaches 2,359 meters (m) (7,738 feet) above mean sea level (MSL) and is the highest elevation on the property; the lowest elevation is approximately 1,900 m (6,230 feet). The property is hilly with steep sided gullies cutting rounded hills and ridges. The greatest elevation change is 259 m (850 feet) over 775 m (2,543 feet), grades locally approach 35° but grades in excess of 20° are common (Figure 5.1).



**Figure 5.1** – Topography of the Goldstorm project area. Green areas indicate clusters of dense, stunted willow and birch and cottonwood tree growth. Contour intervals are 12 m (40 feet).

The property is generally covered with grasses and short (less than 1 m tall) sagebrush. There are local areas heavily covered in thick stunted growths of quaking aspen and willows making traversing these small thickets very difficult (Figure 5.2). Stands of taller aspens are found in clumps in the valleys of some of the ephemeral stream drainages. There are numerous small springs and seeps on the property or nearby private land that provide water to the local deer, antelope and ranch bovine populations.



**Figure 5.2** – Photograph of Goldstorm Project area. Note flora is typical of the Snowstorm Mountain area consisting of second growth open areas covered in sagebrush and grasses with thick growths of stunted willows, birch and cottonwood trees.

Smaller populations of mule deer, antelope and coyotes roam the region. Burrowing animals such as badgers and ground squirrels are common. Pack rats commonly have nests in rock outcroppings. Rabbits are very common. Raptors, although few, are present frequently in the summer months; other birds include chukar and a number of small sized species drawn to the number of springs in the area. Sage grouse have not been seen on the property by the author or by Mr. Redfern, both of whom have, independently, over the course of years, spent many weeks through several seasons roaming the property. During the warmer months, stinging

insects are locally common in the guise of yellow jackets, wasps, and hornets due to the proximity of water.

Goldstorm is encompassed by the Little Humboldt Valley hydrographic sub-basin number 67, part of the Humboldt River Basin, regional basin number 4.

## **5.2 MEANS OF ACCESS**

The Goldstorm property is located in the northwestern part of Elko County, Nevada, approximately 16 km northwest of Midas, Nevada, 50 km east-southeast of Paradise Valley, Nevada and 80 km north of Battle Mountain, Nevada. It is on the northeast flank of the Snowstorm Mountains. Access to the site is via all-weather paved highways (US 95 and Nevada 290) to Paradise Valley and then via gravel roads to Little Humboldt Ranch, from there a fair weather two-track dirt road leads south to the property; drive time from Winnemucca is about 2.5 hours. During wet periods, the latter part of this road may be impassible to vehicles, save ATV's, and is occasionally washed out after heavy storms. Most of the streams and ridge lines are easily traversable by ATV. Many hillsides are difficult to traverse by walking and locally are impossible to traverse by wheeled vehicles without road building.

The project area is moderately rugged with steep topography between ridge lines and stream bottoms with elevations ranging from 1,890m to 2,358.5m. The property is generally accessible between 15 April and 15 December.

## **5.3 PROXIMITY TO POPULATION CENTERS AND NATURE OF TRANSPORT**

Winnemucca, 78 air km southwest, or Elko, 113 air km southeast, have regional airports and all the necessary services and skilled work forces to maintain exploration and development programs. There are a number of large operating mines in the region centered on Winnemucca and Elko which maintain a well-trained surface and underground mining oriented workforce. Heavy equipment, repairs, supplies and vendors are all found in both towns. Retail outlets, restaurants and lodging are all available in quantity as well. Additional resources are available in Reno, 315 air kilometers southwest; this city houses many additional mining related vendors, to include assay laboratories and vendors catering to the exploration industry.

The nearest railheads are located at Winnemucca and Battle Mountain, part of the main Union Pacific transcontinental route. An all-weather road would have to be constructed from the site to connect to the all-weather Midas (14 km south), Kelly Creek (12 km west) or Little Humboldt River Ranch (18 km north) roads to allow mining truck traffic to and from the site. The closest air service is located at Battle Mountain and the closest scheduled passenger service is available in Elko or Reno, Nevada. Additionally Amtrak maintains passenger service at Winnemucca and Elko, Nevada.

## **5.4 CLIMATE AND LENGTH OF OPERATING SEASON**

The climate at Goldstorm is typical of the high desert regions of Nevada; generally dry and warm in the summer months and cold and snowy during the winter. Average conditions reported at Paradise Valley, 50 km west-northwest of Goldstorm, at an elevation of 1,670 m, are 0° C in January and 24° C in August; extremes range from -18° C to 34° C. Similar conditions are reported from Golconda Summit, located along Interstate-80, 58 km southwest of the project area. Temperatures in the project area are likely a few degrees cooler. Annual precipitation is approximately 33 cm about evenly divided between summer thunderstorms and winter snows; precipitation is likely greater in the uplands. Exploration is generally limited to the months between April and December due to mud and heavy snows which occasionally exceed 1 meter, with deeper drifts, in depth per event; mining operations would be hampered by occasional heavy snows in the winter months. Winds are nearly constant from the west at 2-10 kph; diurnal thermal variances create moderate breezes in the east facing canyons in evenings, usually dying off an hour after sunset.

## **5.5 INFRASTRUCTURE (POWER, WATER, ETC.) AND AVAILABILITY OF LAND AND RESOURCES**

Everything required for exploration and mining activities can be acquired from nearby towns and cities to include Elko and Reno, Nevada. Electricity is available at Midas (15 km southeast) and the Twin Creeks Mine (16.5 km west). Water for exploration activities is available at the various privately owned springs on the property or from access to the little Humboldt River and Chimney Creek Reservoir 13 km northwest of the property.

The infrastructure and political climate strongly support mining; there are a number of currently operating gold mines, including the Ken Snyder Mine at Midas, the Turquoise Ridge mine at Getchell and the Twin Creeks Mine north east of Getchell. Exploration activity and prospecting in the area is very active, including Seabridge Gold, a Canadian company that is acquiring a large land position immediately north and northwest of the Goldstorm property. Newmont, Barrick and Klondex Mines Ltd. are the large mine operators in this area.

Cell phone service is available where there is a direct line of sight to a tower, generally on the tops and sides of the hills facing the Twin Creeks and Getchell/Turquoise Mines. Service is unavailable on the lower reaches of the valleys.

There are no buildings or other types of infrastructure located on the property. Land currently controlled by Mountain View Gold Corporation is adequate to operate a surface or underground mine and mill complex on the Goldstorm property.

## **6.0 HISTORY**

This report has analyzed the historic exploration conducted on the Goldstorm property which targeted vein and disseminated gold mineralization. Zones of gold mineralization (>30 ppb) were identified in a number of angled exploration drill holes. Drilling exploration commenced in 1989; the most recent drilling was conducted in 2010 by West Kirkland Mining. Presently there is little to no information available on additional drilling conducted by companies other than Battle Mountain Gold, Crown Resources, Prochnau Syndicate, Touchstone Resources, Romarco and Newmont Mining Corp.

Portions on the area history and previous work have been largely extracted from Shannon (1996), Eng (1999), and Wells (2008). Only a moderate amount of published or stored private data is available from previous exploration efforts. The available information is:

- An aeromagnetic survey conducted by Cornucopia Resources in the 1980's;
- A summary report of Cornucopia's exploration in the area (Hollister, 1989);
- A summary of the trenching and drilling results of Battle Mountain Gold (1989);
- Maps and geochemical data from Crown Resources (1989-1990);
- Maps, geological sections and geochemical data from Romarco (1989-1990);
- A modified geological map (after Wallace, 1993) by Mr. Richard Redfern;
- Approximate locations of the drill holes completed by Battle Mountain Gold, Touchstone, Crown Resources, Prochnau Syndicate, Romarco Minerals, and Newmont Mining Corporation.

### **6.1 PRIOR OWNERSHIP AND OWNERSHIP CHANGES**

#### **6.1.1 Early History (1907 – 1979)**

The earliest exploration activity in the area dates to 1907 when unpatented mining claims along Snowstorm Creek were filed (Wallace et al., 1988). A few small prospects were developed in the 1920's and 1930's (LaPointe et al., 1991), but there was no mine production. There is no evidence of exploration activity taking place between this period of prospecting and 1980. A detailed search of mining claims and claim holders during this period of time has not been conducted; no claims were active at the time of staking of the first modern claims on the project.

#### **6.1.2 1980 – 1989**

The Snowstorm Creek area underwent its first significant pulse of exploration activity during the mid-1980's to early 1990's. Battle Mountain Exploration concentrated on private land, Touchstone Minerals and the group headed by Priority Minerals Ltd. concentrated on separate, adjacent unpatented claim blocks.

In 1980 the “SNOW” unpatented lode claims were filed by Mr. Fred Barnes; these happened to be located on private land and were invalid.

The area was claimed by numerous entities and individuals and underwent active exploration during the period from 1982 to 1989.

In June, 1985 Callaghan Mining Corp. staked a new set of “SNOW” claims. Apparently little, if any work was completed on this ground at this time. These claims remained valid until 1988.

Freeport-McMoRan located large areas on the northeast flank of the Snowstorm Mountains in 1985 (Wallace et al., 1988).

Between 1986 and 1991, Priority Minerals Ltd. along with the WX Syndicate/Bow Valley and J. Prochnau & Co., Inc., held part of the area with the twelve “Seri” lode claims.

During the late 1980’s Cornucopia Resources claimed and prospected the area (Worthington, 1988; Hollister, 1989).

Through the period of 1986-1989, Battle Mountain Gold held leases in the Goldstorm area from Nevada First Corporation LLC and held mining claims in the area.

### **6.1.3 1990 – 1999**

Touchstone (Cornucopia) Resources Company located 286 “ZEK” unpatented lode claims in November, 1987. They conducted exploration work on the property between 1987 and 1992.

In late 1995 and early 1996, Crown Resources staked 878 hectares in 117 unpatented lode claims, the “STORM” claims. In 1996 Crown Resources leased 1,214 hectares of fee land from Nevada First Corporation. They picked up the ground as an area of “excellent potential for a quartz-adularia type epithermal Au-Ag deposit” (Shannon, 1996).

Blue Desert Mining Inc. staked 106 unpatented lode claims adjacent to the southeast boundary of Crown Resources property in early 1996. It is unknown what, if any, work was completed by this company.

In the late spring of 1996, Oro Nevada Resources leased the remainder of the fee lands controlled by Nevada First Corporation and staked an additional 1,200 unpatented lode claims, the “ST” claims, in the northern Snowstorm Mountains. Crown Resources staked lode claims in the property are in 1995 and 1996. Crown drilled seven holes on the property in 1996.

In 1997, Romarco entered into a joint venture with Crown Resources. The agreement called for the expenditure of \$2 million over a 5 year period for Romarco to earn a 60% interest in the property. At the time the property consisted of 2,266 hectares and included 1,214 hectares of fee lands and 131 unpatented lode claims. Romarco found that BLM and private land

boundaries are approximate because of poor survey control and projections established by the BLM. Between 1997 and 1998, Romarco conducted a 27 hole reverse-circulation drilling program and expended more than USD \$611,000 on the project.

#### **6.1.4 2000 – Early, 2017**

Newmont, Touchstone and Oro-Nevada held claims in an area of strong WNW- and NNW-trending faulting about 4.8 and 6.4 km to the east and south of the property.

Reconnaissance prospecting visits and brief examinations were performed between 2002 and 2007 by Messrs. Redfern and Pescio, as individual geologists. Mr. Redfern staked the SKI claims in the names of Redfern (51%) and Pescio (49%). The Pescio's later transferred their interest in the claims to Allied Nevada Corporation. Mexivada staked 96 additional claims, the Golds, in September 2008. In addition to the unpatented Ski lode claims, Mexivada leased the private Ranch lands within the project area from NFC Land and Cattle, LLC (NFC) in December, 2007; this lease was terminated in 2013.

In 2009 West Kirkland Mining Company leased the property from Mexivada, lode claims and fee ground, encompassing the whole of the Goldstorm project at the time. They held the property until 20 December, 2011, when they dropped the lease and it reverted back to Mexivada control. Additional lode claims were staked by Mexivada and West Kirkland in early 2010. Mexivada staked an additional 21 lode claims in June, 2011. In the process of the lease with West Kirkland Mining Company, it was found that NFC was not in whole title of the mineral rights to the Ranch ground; the lease of this ground was subsequently dropped on 3 April, 2013.

Allied Nevada Corporation interest was acquired in 2015 by Clover Resources, a division of Waterton Global Mining. Mr. Redfern acquired a 100% interest in the property from Clover Nevada LLC in 2015. The Ski claims were sold to Mountain View Gold Inc. in 2017, which then optioned the property to Stakeholder Gold Corp. in 2017, which continues to control this lease.

## **6.2 HISTORICAL EXPLORATION AND DEVELOPMENT WORK**

### **6.2.1 Early History (1907 – 1979)**

The earliest exploration activity in the area dates to 1907 when unpatented mining claims along Snowstorm Creek were filed (Wallace et al., 1988). A few small prospects were developed in the 1920's and 1930's (LaPointe et al., 1991), but there was no mine production. There are a number of small prospects on the property, mainly small pits to perhaps 3 meters deep and 4 meters in diameter, most are on the order of 1 meter deep and wide. A collapsed adit developed at Prospect Hill in a 15 cm wide quartz vein is likely, based on the size of the dump, less than 15 meters long in total extent. No exploration activity took place between 1941 and 1980.

### 6.2.2 1980 – 1989

The Snowstorm Creek area underwent its first significant pulse of exploration activity during the mid-1980's to early 1990's. Battle Mountain Exploration concentrated on private land, Touchstone Minerals and the group headed by Priority Minerals Ltd. concentrated on separate, adjacent unpatented claim blocks.

The Nevada Bureau of Mines and Geology investigated the area during the period of 1982-1983 (LaPointe, 1991), at which time they collected rock and stream samples with anomalous amounts of gold. They reported an occurrence of iron and manganese oxides and calcite veining in a vertical fracture zone that contained traces of lead and gold.

In June, 1985 Callaghan Mining Corp. staked a new set of "SNOW" claims. Apparently little, if any work was completed on this ground at this time. These claims remained valid until 1988.

Freeport-McMoRan located lode claims over "large areas" on the northeast flank of the Snowstorm Mountains in 1985 (Wallace et al., 1988).

Regional geology was mapped between 1985 and 1986 by Alan R. Wallace, assisted by Mike Leussen and N. Gorczyca and published in 1993 as "Geologic Map of the Snowstorm Mountains and Vicinity, Elko and Humboldt Counties", U.S. Geological Survey Miscellaneous Investigations Series Map I-2394; the map was published at a scale of 1:50,000. Figure 6.1 is an abstract of this work; it is the most recent and most detailed published geologic map available of the area, save the detailed mapping completed by Mexivada contractors in 2008-2009.

In 1986, a U.S. Bureau of Mines team collected a sample about 1.6 km below the First Creek prospects (denoted on the Snowstorm Mountains U.S.G.S. 7.5' topographic quadrangle) in silicified volcanic rock that assayed 0.049 ppm gold ("Au") (Gabby, 1987). Along Snowstorm Creek they reported an area of brecciated, hydrothermally-altered rhyolite with thin quartz veins and quartz-breccia zones with partially oxidized, disseminated pyrite. These samples reported to contain zero to 5.6 ppm Au and up to 119 ppm Ag. Placer concentrates were found to contain traces of scheelite (Gabby, 1987).

In 1986 a group of entities comprised of Priority Minerals Ltd., WX Syndicate/ Bow Valley, and J. Prochnau & Co., Inc., filed twelve unpatented lode claims, the "SERI" group. They collected and assayed 60 rock chip and 57 soil samples; soil samples were collected on a 30.5 x 61 meter grid. This group filed plans for three trenches and about 610 m of access roads; apparently none of this work was completed. They drilled six shallow air track holes (SER89-1 to SER89-6) in 1989. All of these holes were vertical and to a maximum depth of 39.6 m. This drilling yielded low to anomalous gold values up to 29 ppb Au and 1 ppm Ag. They also conducted surface soil and rock chip geochemical sampling programs in which they collected 60 rock and 57 soil samples. They produced a geologic sketch map, developed on a 1:6,000 topographic base (Eliopoulos, 1997). This group and Touchstone Resources Company worked on separate, adjacent unpatented claim blocks until 1991 when the claims were dropped.

During the late 1980's, Cornucopia Resources claimed and prospected the area, conducted aerial magnetic surveys, which showed a substantial magnetic high at Snowstorm Mountain in the project area, an unknown amount of geologic mapping, and outcrop and soil geochemistry (Worthington, 1988; Hollister, 1989). Hollister (1989) concluded that the data accumulated by Cornucopia Resources encouraged further exploration, and that the magnetics "suggest the presence of a large intrusive" below Snowstorm Mountain.

During the period of 1986-1989, Battle Mountain Gold held leased the Goldstorm area from Nevada First Corporation LLC and held mining claims in the area. They conducted a regional rock sampling and mapping program and ran an aeromagnetic survey. This work outlined a favorable altered and mineralized area on a small hill (Prospect Hill – Hill 7082 on the USGS 7.5' Snowstorm Mountain Quadrangle) along Snowstorm Creek. A detailed geochemical survey was followed by a trenching program when they constructed two trenches and drilled six reverse-circulation drill holes. They reported a 3 meter wide trench sample at Prospect Hill with an assay value of 0.263 ounce per ton (opt) gold, or 9.01 grams per tonne (g/T) gold. Drilling on the property intersected two five foot (1.52 meters) long intervals of 0.053 and 0.060 opt (1.817 and 2.057 g/t) gold mineralization (Wells, 2008).

### **6.2.3 1990 – 1999**

Touchstone (Cornucopia) Resources Company conducted exploration work on their 286 claims between 1987 and 1992. They completed geological, geochemical and geophysical (including IP) investigations. The company permitted four holes in the area but drilled only one, core hole ZK90001 (ZEK-1) in 1990. This hole was assayed for gold as well as an ICP 31 element package. Pyritic mineralization was intersected in this drill hole (Shannon, 1996).

Crown Resources geologists first visited the Snowstorm Creek area in the fall of 1995 and collected rock samples from the large area of alteration exposed there. In 1996 they leased 1,214 hectares of fee land from Nevada First Corporation and staked 878 hectares via lode claims. They picked up the ground as an area of "excellent potential for a quartz-adularia type epithermal Au-Ag deposit" (Shannon, 1996). Crown acquired and compiled much of the previous exploration data; they conducted geologic mapping, soil and rock chip geochemical sampling. The company employed a contractor to run test induced polarization lines over a small part of the property, using equipment insufficient to test the targets. Crown noted the presence of high-grade "float boulder trains" of quartz-rich rocks, that carried up to 39 g/t gold in the "Bowl Zone" (Shannon, 1996). By 1996, Crown drilled seven reverse-circulation drill holes at Goldstorm (SCN-1 through SCN-7), to depths of 71.6 to 256 meters. No high grade gold intercepts were found in this drilling program although they intersected several zones with gold values in excess of 100 ppb. The "source" of the high-grade boulder train was not found; only two holes, SCN-2 and -3 were drilled in the vicinity of the "train". The highest gold value returned was 261 ppb between 188.9 m and 190.5 m in a vertical drill hole, 96-SN-7.

In 1996, Blue Desert Mining Inc. staked 53 unpatented “Reg” lode claims adjacent to the southeast boundary of Crown Resources property in early 1996, exploring an area with outcropping silica sinter (as they interpreted them). Blue Desert conducted geologic mapping and took soil, silt, and rock chip samples on the property in 1997. Their soil samples yielded locally anomalous gold assay values to 40 ppb Au, silt samples containing up to 16 ppb Au, and rock samples containing up to 37 ppb Au.

In the late spring of 1996, Oro Nevada Resources leased the remainder of the fee lands controlled by Nevada First Corporation and staked an additional 1,200 unpatented lode claims, the “ST” claims, in the northern Snowstorm Mountains. There is no information regarding exploration activities conducted by this company.

In 1997, Romarco entered into a joint venture with Crown Resources. The agreement called for the expenditure of \$2 million over a 5 year period to earn a 60% interest in the property. At the time the property consisted of 2,266 hectares and included 1,214 hectares of fee lands and 131 unpatented lode claims. They conducted geological mapping, ran a gradient array IP/ resistivity and mag/VLF geophysical surveys, collected 175 rock chips and at least 24 soil samples for geochemical analyses. They completed some reconnaissance geologic mapping at scales of 1:6,000 and sketch mapping at 1:2,400 and 1:1,200 in order to refine drill targets. Romarco established a 121.9 m by 121.9 m grid for its geological investigations; in the process of doing so they found that BLM and private land boundaries are approximate because of poor survey control and projections established by the BLM. Petrographic studies were also undertaken on surface samples and drill cuttings in an effort to further define rock types and stratigraphic units; this work was completed by Reno based consultant Don Hudson in 1998. Romarco acquired and re-logged the drill cuttings from Crown Resources drilling program. They drilled 10 reverse circulation holes (SRM-1 through SRM-10 for 2,335 meters) in September, 1997 (Eng, 1998). Another 4,188 meters of reverse circulation drilling was completed in an additional 18 holes in 1998 (SRM-11 through SRM-28). No high grade gold intercepts were found in this drilling program; although a number of +300 ppb gold intercepts were made in the area beneath the “high-grade boulder train”. All drill roads built for the 1998 drill program were reclaimed in October, 1998 and reseeded. Between 1997 and 1998, Romarco expended more than USD \$611,000 on the project.

#### **6.2.4 2000 – Early 2017**

Newmont, Touchstone and Oro-Nevada held claims in an area of strong NNW-trending faulting about 4.8 and 6.4 km to the east and south of the property. In 2000, Newmont Mining drilled three reverse-circulation drill holes (SKI-1 through SKI-3); for a total of 3,580 feet (1,091 m) as part of their Osgood exploration project, discovering the “Range Front Target”. Holes SKI-2 and -3 both discovered anomalous gold mineralization, up to 880 ppb gold over a 3.05 m drill length in hole SKI-2.

Reconnaissance prospecting visits and brief examinations were performed between 2002 and 2007 by Messrs. Redfern and Pescio, as individual geologists. Mexivada Mining Corp. acquired

the property in 2007 and added to it in 2008. They started renewed exploration at Goldstorm, as described in Section 10 below.

In 2009, West Kirkland Mining (WKM) leased the property from Mexivada and drilled two core holes, for a total of 828.9 meters (2,719.4 feet) of new drilling, in 2010. WKM completed no other exploration work, and released the property back to Mexivada in 2011.

Since reacquiring the property, in 2013 Mexivada commissioned a relogging of the core drilled by West Kirkland Mining and subsequent petrographic study of the veins and the associated metallic minerals by the author. This led to the discovery of the primary precious metals-bearing phases naumannite and electrum.

Mr. Redfern conducted additional field checking, prospecting and geochemical sampling of rocks on the property between 2013 and 2016, particularly along the Clayton and Prochnau fault zones and mineralization, finding the 10 cm wide “Rick Vein” float on the surface east of drillhole WG1001, and chalcedonic mineralization along the fault zone to the west of this discovery drillhole. An additional vein structure was also found along the Clayton structure, at the collar of drillhole WG1001, here termed the “Collar Vein”, which has not yet been tested by drilling. Surface prospecting on the GOLDS claims led to the discovery of quartz vein chip float and thick jasperoid vein mineralization in the new area to the southeast of drillhole WG1001, termed the “J Vein”; no drillholes have been put into this target area. Prospecting of the Prochnau Vein outcrop target area determined this structure contains chalcedonic to vein quartz mineralization that is locally up to 6 to 9 meters wide, and has not yet been tested at depth by drilling. The samples taken did not show anomalous gold but did show locally anomalous arsenic contents.

### **6.3 HISTORICAL MINERAL RESOURCES / RESERVES**

There are no NI 43-101 compliant historical resource estimates for the Goldstorm Project, nor has there been any attempt to formulate any to date.

### **6.4 HISTORICAL PRODUCTION**

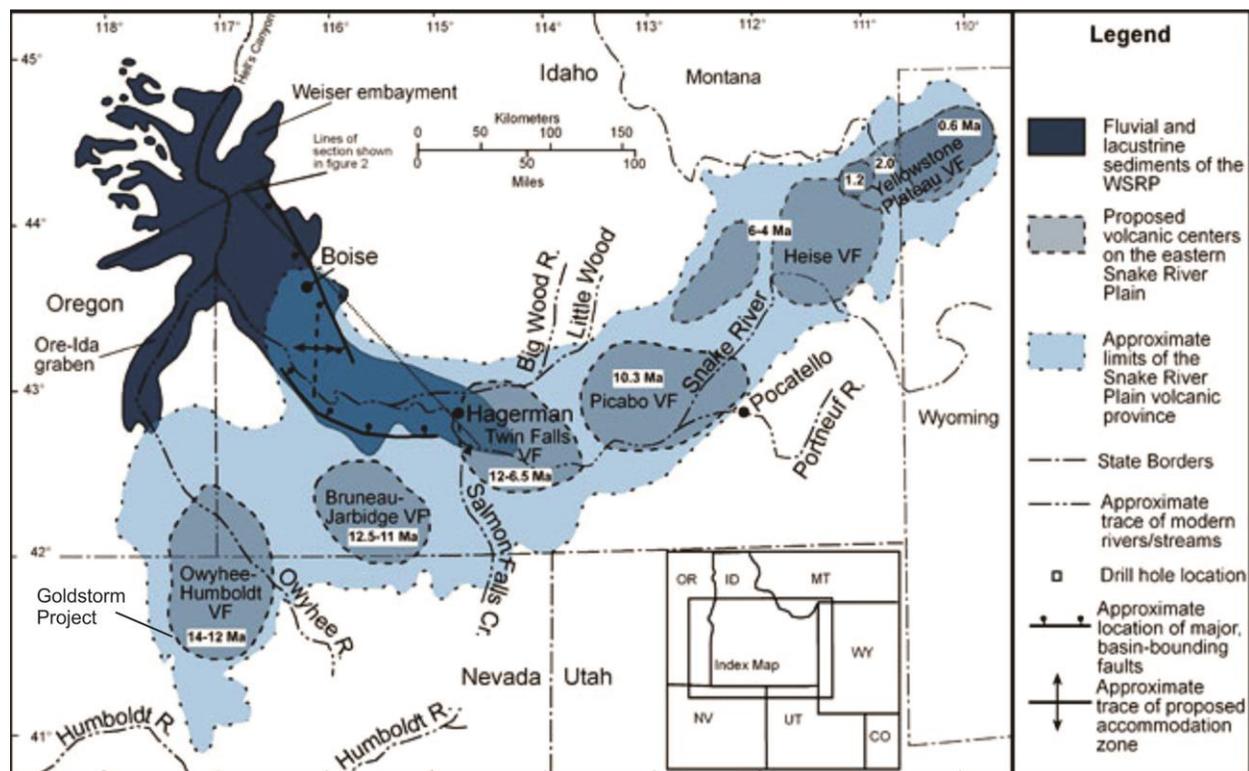
The Goldstorm Property has no history of production. Only one small adit is located in Snowstorm Creek on private property, and a few prospect pits evidence historic exploration. Based on evidence remaining at the sites, it is likely there never was any production on the Goldstorm property.

## 7.0 GEOLOGIC SETTING AND MINERALIZATION

### 7.1 REGIONAL, LOCAL AND PROPERTY GEOLOGY

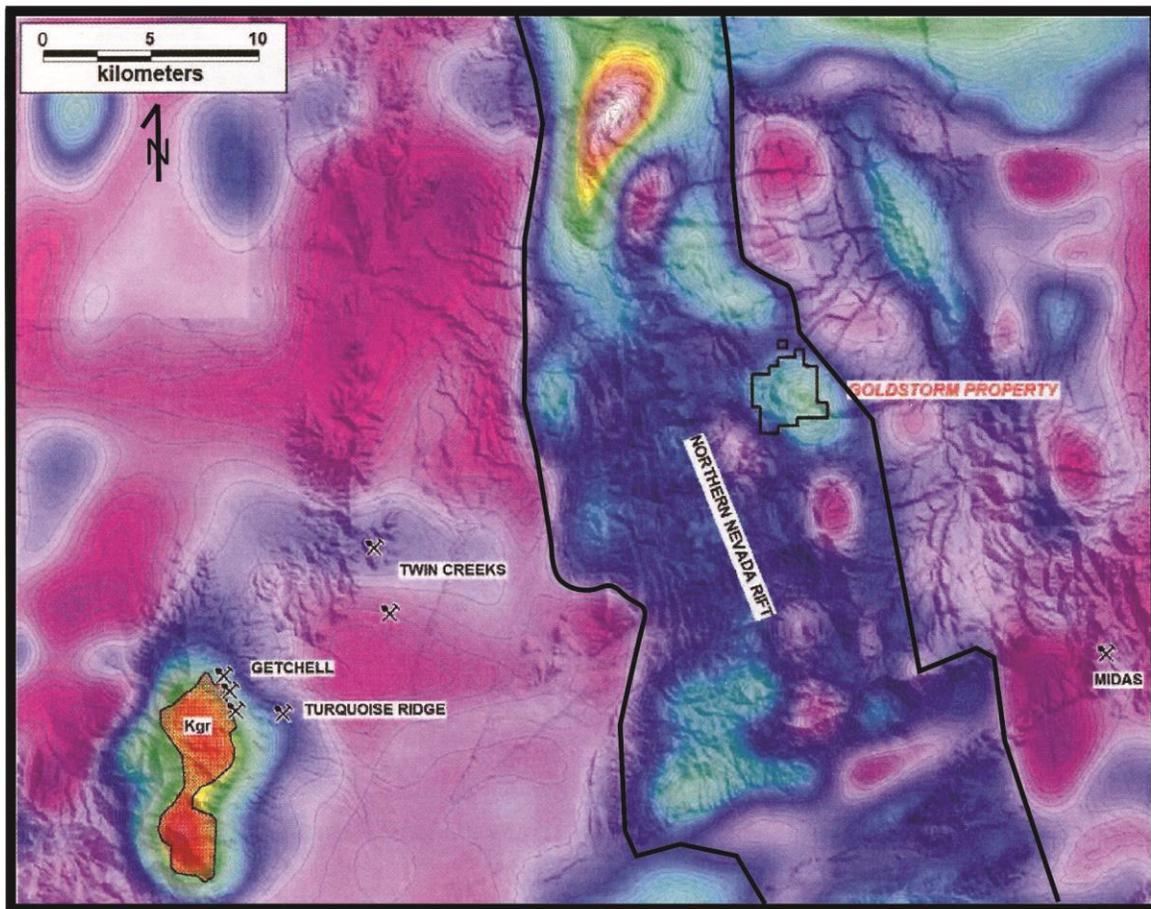
#### 7.1.1 Regional and Local Geology

The Goldstorm property is located on the western slope of the Little Humboldt River which transects the southern edge of the Owyhee-Humboldt volcanic field (12-14 Ma), the second oldest volcanic field located at the southwestern end of the Yellowstone Hotspot Trend (Figure 7.1). This region is dominated by a series of volcanic deposits interlayered between flows and explosive events; typical of the bi-modal volcanism associated with the trace of the Yellowstone Hotspot.



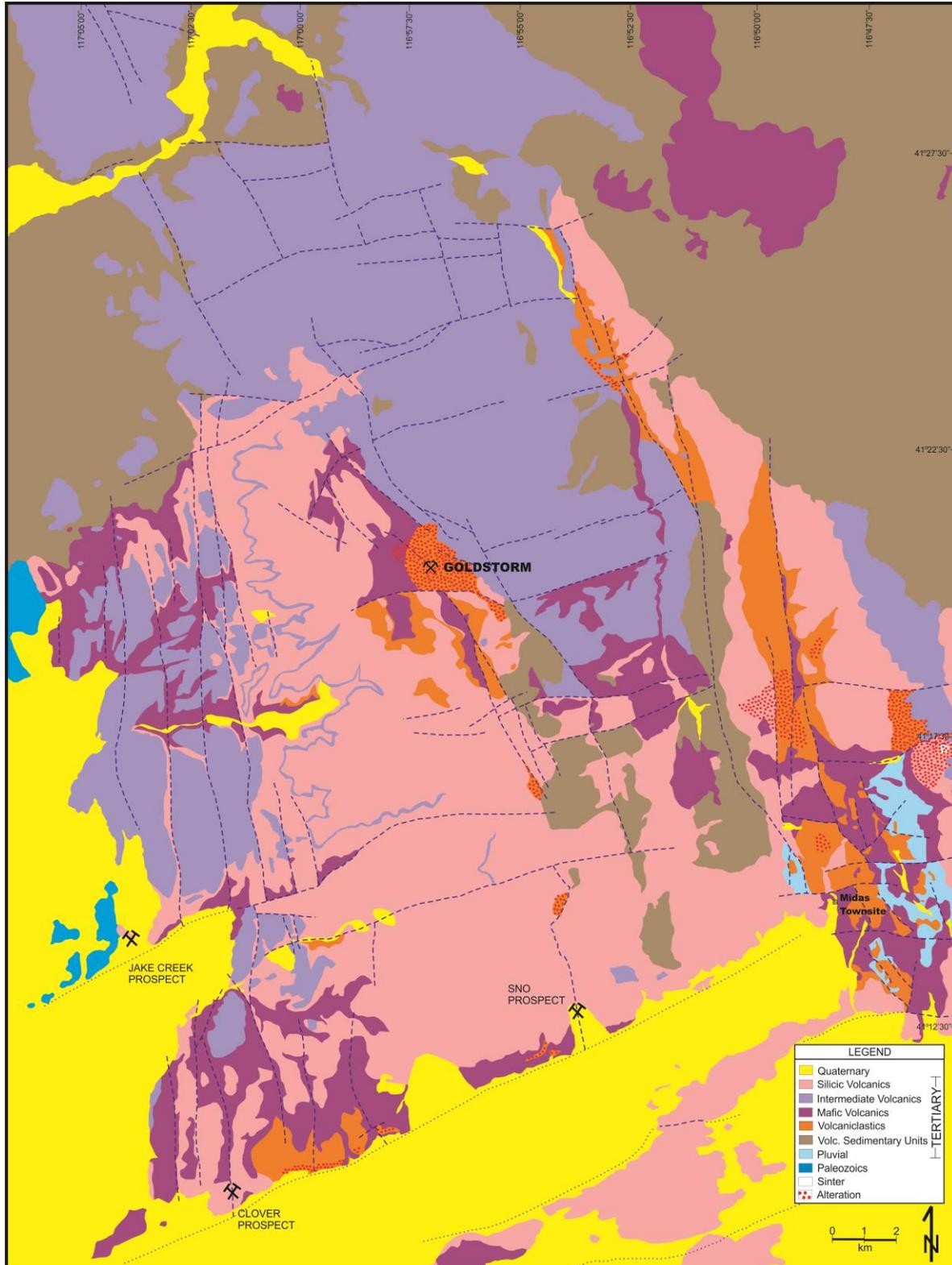
**Figure 7.1** – Trace of Yellowstone Hotspot, the Goldstorm Project is located at the southwestern end of this trend near the south end of the Owyhee-Humboldt Caldera / Volcanic Field. Image modified from Link and Phoenix (1996) and Pierce and Morgan (1992). Note Northern Nevada Rift defined by western edge of the Owyhee-Humboldt Volcanic Field.

In addition the Northern Nevada Rift immediately underlies the property, faulting associated with the rift is identified in surface exposures (Figure 7.2).



**Figure 7.2** – Regional magnetic map indicating the location of Northern Nevada Rift and Goldstorm Project. Active gold mines in the area located by pick and shovel symbol.

The entire project area is underlain by a complex sequence of unnamed Tertiary age bi-modal volcanic and minor sedimentary rocks. The Snowstorm Mountains have been mapped at a scale of 1:50,000 by Wallace (1993). Exposed rocks range in composition from basalt through rhyolite; ages lie between somewhat older than  $16.0 \pm 1.6$  Ma to slightly younger than  $13.0 \pm 1.7$  Ma. The exposed sequence has a nominal stratigraphic thickness of approximately 650 meters; the best exposures are along the northern rim of the Midas Trough, south of Goldstorm. Figure 7.3 outlines the regional geology of the Snowstorm Mountains and is abstracted from Wallace (1993). Regionally, the area displays about 15% bedrock/ outcrop exposures. In contrast, altered areas display less than 2% bedrock/ outcrop exposures and are characterized by steep, rounded slopes with thick (30+ centimeters) colluvial cover.



**Figure 7.3 – Regional geology of the Snowstorm Mountains (after Wallace, 1993).**

Miocene volcanic rocks in the Snowstorm Mountains and vicinity reflect two successive stages of bimodal volcanism: early activity starting at about  $16.8 \pm 0.5$  Ma (e.g. McDermitt Caldera) that produced mafic flows and lesser amounts of felsic pyroclastic rocks. The younger phase is between 15 and 9 Ma and generated voluminous felsic lavas and pyroclastics and a relatively thin veneer of late basalt.

### 7.1.2 Regional and Local Stratigraphy

At Goldstorm the gross breakout of exposed units in this complex system is, from youngest to oldest: rhyolite, basalt, rhyolite (mainly as pyroclastics), and, the oldest, basalt. Felsic tuffaceous rocks may underlie the lower basalts, as at the Midas Mine located 15 km to the southeast, but no drillholes at Goldstorm have been deep enough to test the stratigraphy beneath the basalts. However, units vary greatly in thickness and are locally absent. The nearest Paleozoic basement rocks are exposed near Kelly Creek Spring, approximately 8 km west of the Snowstorm Project area. Here the lowest basalt unit is underlain by Paleozoic meta-sedimentary and volcanic rocks variously interpreted as the Pennsylvanian and Permian Antler sequence (Stewart and Carlson, 1978) or the Mississippian to Permian Farrel Canyon Formation (Wallace, 1993). The Ordovician Valmy Formation is also present in this area. 15 km to the southeast, the oldest basalt is underlain by a thick sequence of Eocene and Oligocene volcanic rocks.

Stratigraphy of the project area is upright and relatively flat lying; it is outlined below:

The youngest rocks in the project area are leucocratic tuffaceous sedimentary rocks which lie above the rhyolite and rhyodacite of the Little Humboldt River.

The eastern part of the project area is composed of younger Miocene age rhyolite and rhyodacite flows of the Little Humboldt River caldera. These rocks contain 1-4 mm long phenocrysts (10-20% of the rock) which are euhedral, variously unbroken to broken and commonly glomeroporphyritic. Phenocrysts consist of sanidine (30-60%), plagioclase ( $An_{35}$ ; 34-56%), quartz (2-14%), clinopyroxene (pigeonite and lesser augite; 1-15%), magnetite (1-9%), and minor fayalite (1%). This assemblage is suggestive of a mildly peralkaline composition. The matrix is partially to completely devitrified to reddish spherulites 1 mm in diameter. Flow top breccias and basal vitrophyres are locally evident. These rocks may be younger than the age of gold mineralization in the property area.

Basalt flows underlie the rhyolite and rhyodacite flows listed above. These rocks are exposed in some of the deeper ravines and canyons just east of the project boundary. They are composed of mesoscopic flow convolutions and small, distinctive rounded quartz phenocrysts, but are otherwise similar to basalt flows which overly the rhyolite on the eastern side of the Little Humboldt River canyon (about 6 km east of the project).

The uppermost Miocene rock unit exposed on the Goldstorm claims area is Paleotalus deposits, which are monolithic breccias composed of altered fragments and blocks derived from local sources. This unit, according to Wallace (1993), “likely represents a Miocene talus or mesobreccia deposit along a paleoslope” and has not been verified in the project area although it appears on his map. Recent mapping has shown that modification of the Wallace (1993) map is warranted, as well as some of the interpretations. These units are lumped with the volcanoclastic unit in Figure 7.3 as they are often associated with hydrothermal alteration similar to lithologic units exposed on the Goldstorm property, suggesting that this rock unit is older than gold mineralization in the property area.

The next lower rock unit exposed is composed of red flows and tuffs composed of massive lavas, generally intermediate (?) in composition (locally composed of agglutinate), and weakly to strongly welded, ash-rich tuffs of various compositions. Virtually all rocks have been pervasively stained red and maroon by hematite; fresh surfaces are red to olive black. Commonly aphyric; sparse phenocrysts include 1-mm-long euhedral plagioclase ( $An_{51}$ ) phenocrysts and smaller augite and magnetite phenocrysts in a microlitic groundmass; there are local sparse sanidine phenocrysts. Mesoscopic flow folds and convolutions are common and flow tops are locally highly vesicular. Locally abundant accretionary lapilli and devitrification of some flows have formed distinctive spheroidal mottling in the groundmass. This rock unit is approximately 15.6 Ma old according to Wallace (1993), older than gold mineralization on the property.

Red rhyolite flows and welded tuffs are thinly banded to massive, brittle, red to variegated white and red. Phenocrysts are unbroken and include sanidine (85-92% of all phenocrysts), plagioclase (0-8%), pyroxene (0-17%), and quartz (0-4%) and constitute 11-23% of the rock. The microcrystalline matrix is composed of large amounts of potassium feldspar. Lavas form a series of 2-3 meter thick flows. Lithophysal flow tops are common and lithophysae are extremely flattened. A few dikes of this lithotype have been mapped on the property by Wallace (1993).

Rhyolite, pyroclastic, intrusive and tuffaceous sedimentary rocks consist of leucocratic poorly welded pyroclastic rocks, flow-banded rhyolite, and poorly consolidated tuffaceous and lacustrine sedimentary rocks. These are locally pumiceous, and there are local interbeds of vitrophyres and beds containing abundant subangular pebbles to boulders of siliceous, phenocryst-poor rhyolite, which may represent mud flows or lahars. These rocks are pervasively bleached, sericitized and silicified near mineralizing centers. This is the principal rock unit at Goldstorm that hosts gold mineralization.

Basalt and basaltic andesite lavas and tuffaceous sedimentary rocks are greenish-black, vesicular to non-vesicular lava flows interbedded with variegated olive-grey, tan and brown, poorly consolidated tuffs and tuffaceous sedimentary rocks of similar composition. Individual flows are up to 2 meters thick and contain sparse 1-mm-long

plagioclase (An65-75), olivine, orthopyroxene, and clinopyroxene phenocrysts in an aphanitic matrix. Drillhole WG-1002 intersected a very thick sequence of these basaltic rocks, comprising the entire lower part of the drillhole down to an elevation of approximately 1600 m AMSL.

### 7.1.3 Cover Materials

Colluvium covers most of the bedrock in the area. It is thickest on steep rounded slopes attaining thicknesses in excess of one meter in places; on ridges and spurs it is seldom more than a few centimeters thick. Landslide deposits are relatively common throughout the Snowstorm Mountains covering bedrock in many areas with debris meters thick. On the Goldstorm property, landslides cover parts of the area east of the main alteration zone.

Alluvium is principally found in the stream bottoms and locally forms fanglomerates where valleys empty onto the flats at the edge of the steep terrain.

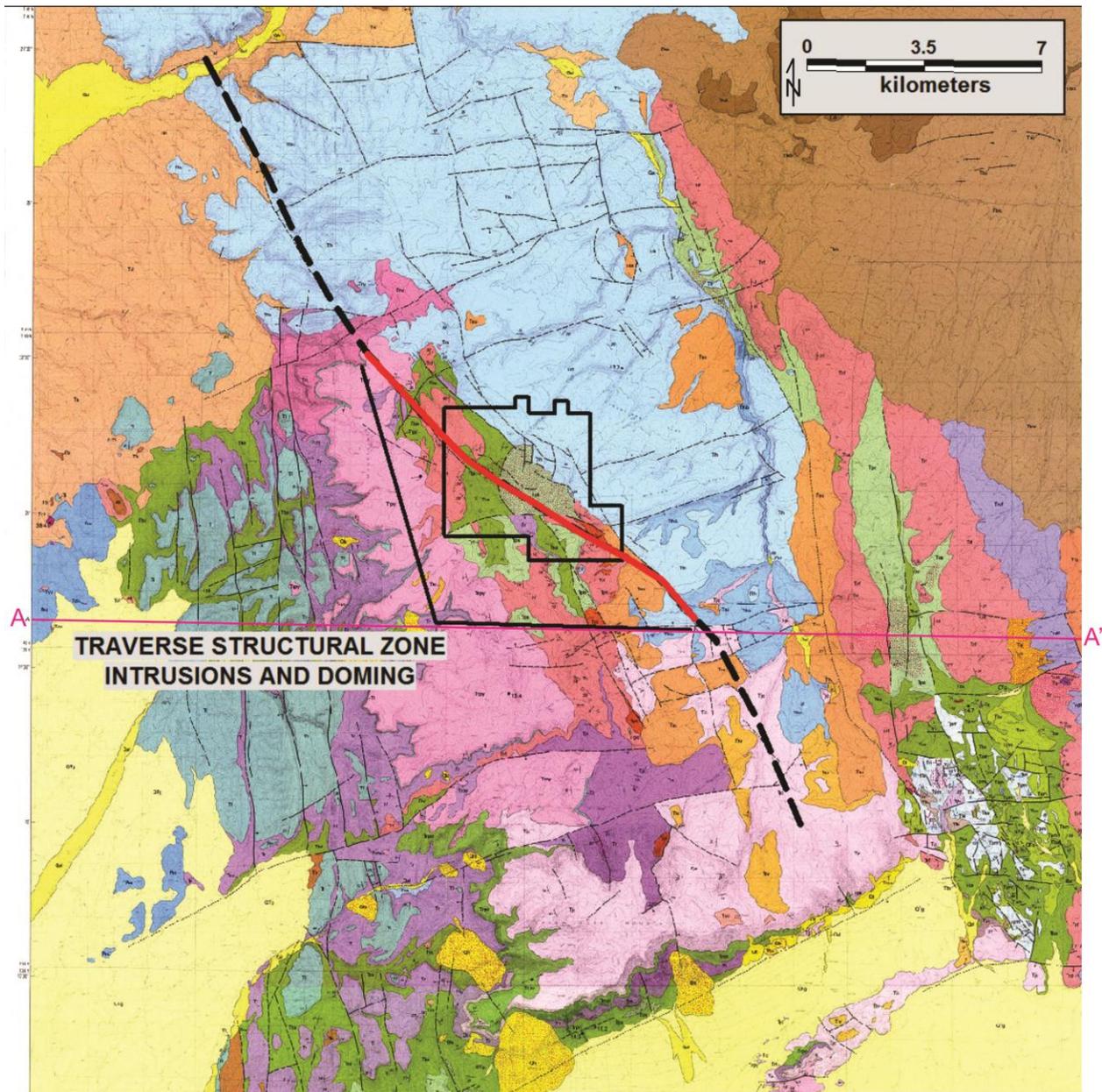
### 7.1.4 Structure

Regional structural kinematics are dominated by normal faulting which form an orthogonal pattern between pre-volcanic west-northwest (WNW) and north-northwest (NNW) trending faults and post volcanic structures of the Midas Trough, which trend west-southwest. The important WNW-trending fault set at Goldstorm, exemplified by the gold-mineralized Clayton fault system, is also found at the Midas Mine, typified by the ore-hosting Gold Crown Fault. Other similar west- to west-northwest trending faults are found at the Hollister Mine, located 40 km southeast of Goldstorm, and also near the Cortez Silver Mine, where they host lamprophyre dikes of Jurassic age (C. Weakly, pers. comm. to R. Redfern, 2016). The NNW-trending structural set is generally parallel to the trend of the Oregon-Nevada lineament which was produced by west-southwest directed crustal extension. Later south-southwest (SSW) faults generally cut the north-northwest striking features.

The Snowstorm Mountains are interpreted (J. Wright, 2009) to lie on a west-northwest trending paleo-horst, with the Goldstorm part of the range also situated on a younger volcanic graben, here termed the "Snowstorm Graben", whose western boundary is a major fault with the above-described Paleozoic rocks (azure blue unit shown on the western edge of Figure 7.4) lying on the west side of this fault. The older Miocene flow basalts are the principal component rock type that filled this volcanic graben, similar to the evolutionary graben forming sequence described for the Midas gold mining camp by Leavitt and others (2004). Exposures to the southeast, approximately 40 km away, suggest this uplift may have allowed for the erosion of the older volcanic sequence prior to the emplacement of the Miocene volcanic sequence in the Snowstorm Mountains.

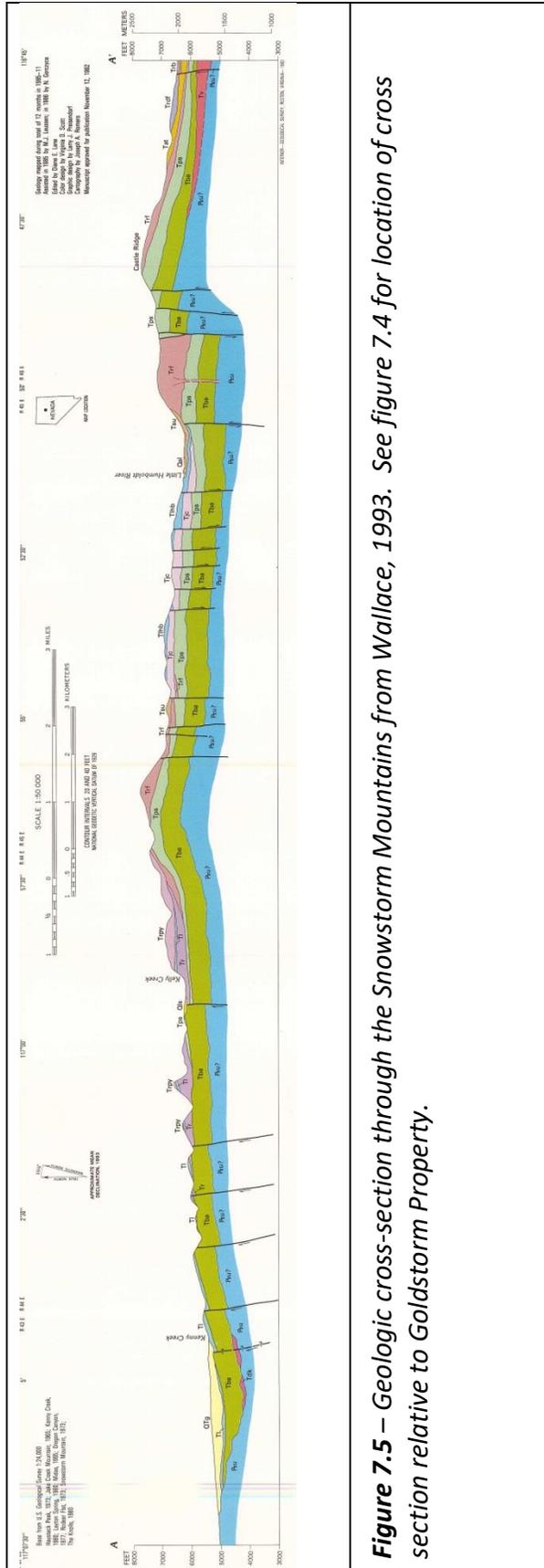
The sinuous pattern crossing the center of the Goldstorm Project outlined in Figure 7.4 is resultant from sinistral strike slip structure displaying translational motion along north-northwest oriented, steeply dipping structural grain which transects most of this region of

Nevada. Cross section A-A' shows the Snowstorm Graben and passes just south of the Goldstorm project area (Figure 7.5). This regional structural orientation is resultant from structural weaknesses developed in the Paleozoic and subsequently reactivated during tectonic events in the Jurassic Era and most recently along the Northern Nevada Rift. The same structural trend is manifested in the Carlin Trend located 55 km southeast of the project.



**Figure 7.4** – Sinistral flexural curve traversing the center of the Goldstorm Property. This flexure resulted in dilation and development of precious metals veining observed on the property.

Some early workers suggested a semi-circular fault zone existed in the area of Snowstorm Creek. Work by Crown Resources and subsequent mapping by Mexivada have given no support to this early assertion. Much of this semi-circular “fault” is likely based on alteration exposed in



**Figure 7.5 – Geologic cross-section through the Snowstorm Mountains from Wallace, 1993. See figure 7.4 for location of cross section relative to Goldstorm Property.**

the area, which transgresses lithologic contacts displaying no significant, if any, offset. Faults bounding the Snowstorm Creek area are largely orthogonal, oriented fundamentally as outlined in the paragraph above.

## 7.2 PROPERTY GEOLOGY AND MINERALIZATION

Rocks in the project area are uplifted and dip gently to the west and south-west. The project area is a complex of horst and graben blocks bounded by normal faults on all four sides. These bounding structures are oriented west-southwest to east-northeast and north-northwest by south-southeast. The west-northwest structures lie internally to and in part form the eastern edge of this uplifted block. Transecting structures are generally oriented northwest-southeast and west-northwest by east-southeast. Other structures are oriented north-south. All are sub-vertical; only one structural-silicified zone was observed with a dip angle  $<80^\circ$ . Part of the property was mapped in detail by the author in 2009 and an outcrop map completed (Figure 7.6).

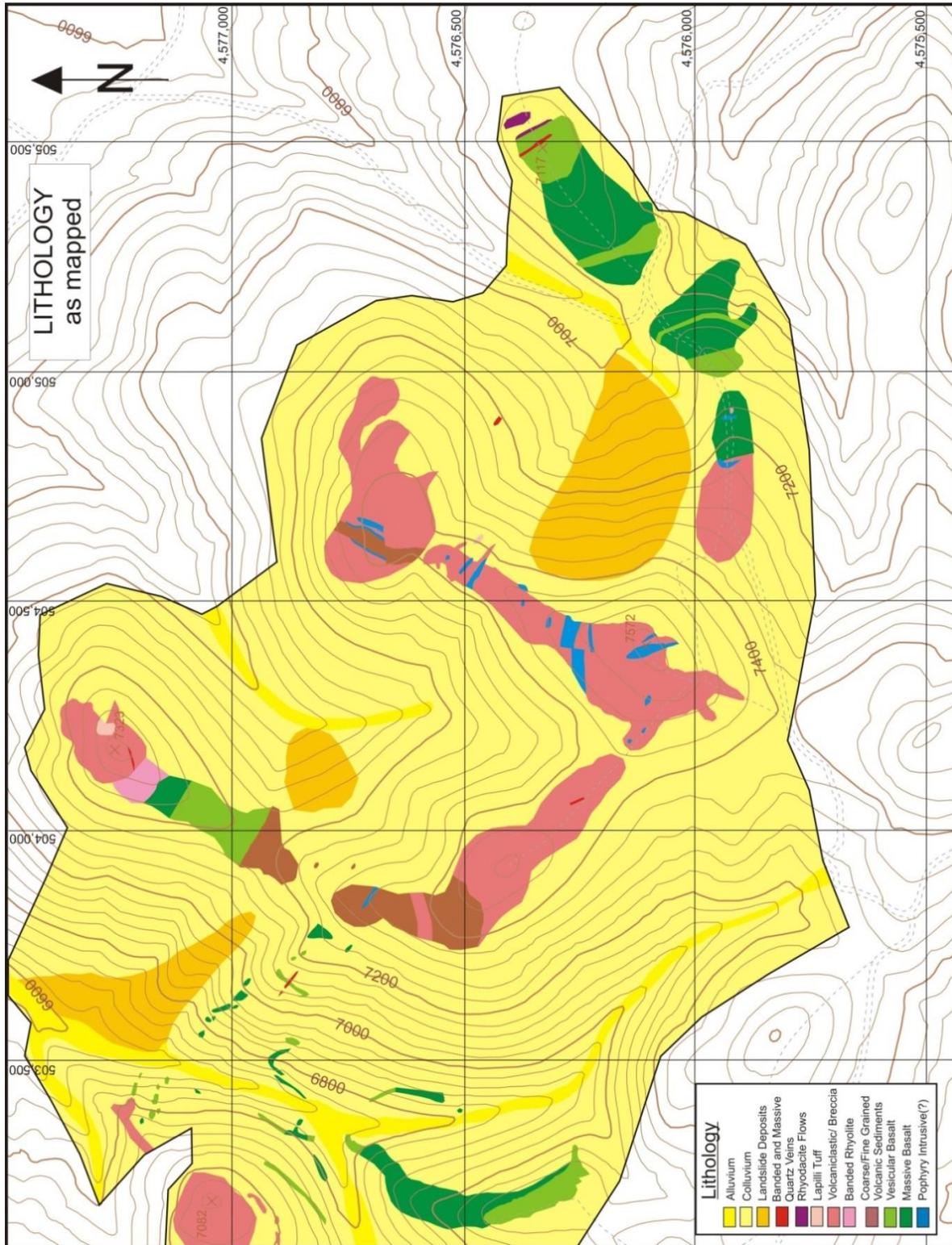
Pre- or syn-mineral rhyolitic dikes are present in the property area (Wallace, 1993), and post-mineral basalt dikes are reported as cross-cutting mineralized structures and alteration zones. These dikes are locally abundant. Similar geology is found in the Midas (Gold Circle) gold district to the southeast.

Alteration at Goldstorm is most pronounced by varying themes of quartz + sericite (illite/kaolinite) + pyrite (oxidized to goethite  $\pm$  hematite  $\pm$  jarosite) (QSP) mineralization (Figure 7.7). This imparts a light tan, through orange and red colorization to the affected units. Variations in the amounts of quartz, sericite and pyrite affect how the rock appears on the current erosional surface. Local areas of intense silicification have resulted in more resistant areas forming small inselbergs to 15 meters in height.

Argillic alteration is developed within the basalts, generally as illite or kaolinite, and is otherwise propylitic. Argillic alteration occurs as bleaching and clay mineral development, generally on selvages in massive basalt flows and as swaths, such as that exposed in the road climbing to the saddle between hills 7572 and 7566 (USGS Snowstorm Mountain 7.5' Topographic map). No smectitic clays have been found on the property to date. Propylitic alteration is commonly found in the greenish tinted basalt flows and calcite development in rock matrix.

Calc-silicate (?) alteration was reportedly identified in the core of Touchstone Resources' ZEK-1 drill hole; but the drill core is not available for inspection. Similar appearing rock was found in small areas on Hill 7572 where it occurs in all volcanic units identified elsewhere on the property. These rocks are generally light green-grey, hard, brittle and siliceous. Silication is obvious but no calc-silicate minerals, such as epidote, were identified in the field.

The most pronounced alteration is variations of quartz-sericite-pyrite (QSP), identified by widespread bleaching, illite/kaolinite replacement of the original feldspar and mica content,



**Figure 7.6** – Outcrop geologic map of the central portion of the Goldstorm Property, completed in 2009.

yellow, orange and red staining of jarosite, goethite and hematite resultant from oxidation of pyrite and marcasite and microcrystalline quartz replacement and quartz veining. Varying content of these minerals produces variations in exposure, coloration, and slope angles. Most

alteration is developed within the silicic volcanoclastic unit, although it is locally well developed in the basalts, particularly the vesicular units. Porosity is likely the key to disbursement of hydrothermal fluids and mineralization.



**Figure 7.7** – Image of typical exposures of quartz-sericite-pyrite (now iron oxides; QSP) altered rocks (foreground (silicic breccias) and middle ground (basalts); unaltered basalts beyond). In the valley in the distance are the dumps and open pit of the Twin Creeks Mine; at the base of the Range in the far distance are the mill and infrastructure of the Turquoise Ridge and Getchell Mines. Photo taken from the vicinity of the ZEK-1 drill hole (Hill 7572) (see Figure 9.1), looking to the southwest.

Sericite alteration has resulted in bleaching, imparting a white coloration to all rocks affected, both silicic and mafic. The mineral(s) involved are illite or kaolinite/ dickite or a combination of the three. Kaolinite / dickite is common in similarly altered volcanic rocks at the Rock Creek and Clover gold prospects, located in the Sheep Creek Range and southeastern part of the Snowstorm Mountains, respectively. This portion of the alteration mineralogy creates softer material, usually clasts, within silicified matrix. This may lead to erroneous argillic alteration interpretations.

Argillic alteration, in its truest form, is rare on this property. The best exposure of argillized material is found in the steep road cut located in the saddle between Hills 7572 and 7117. Here mafic minerals in basalt have been replaced by clay minerals, likely illite, along a north-northwest trend. The originally dark rock is now a light brown/ tan color; is relatively soft and grades into weakly propylitically altered basalt on either side of the argillized zone.

Silica content determines the amount of silicification and erosive resistivity any unit of rock has in this area; the higher the silica content the greater the exposure of rock, usually producing small inselbergs.

Propylitic alteration has been identified at depth in some of the historic drilling and in some of the exposed mafic rocks beneath the silicic package.

The contact with less altered rocks is often abrupt and varies in thickness from the core of the zone. In places QSP alteration extends upwards of 10 meters on either side of the core. This limited extent of alteration is best developed in the basalt.

It has been noted that a number of previous investigators attempted to define the lithologies observed on the property based on their alteration mineralogy rather than their pre-alteration petrography. More than one reference discusses the lower units as “amygdaloidal rhyolite” and “fine-grained rhyolite”; these units contain microlites of plagioclase, not potassium feldspar.

Sedimentary rocks are typically light and dark grey, interlaminated, “banded” extremely fine grained, varve-like deposits. They are usually associated with fine grained massive to bedded tuffaceous deposits and more rarely intercalated within the sequence of basalt flows (Figure 7.8), similar to that observed at the Clover prospect. These rocks are almost always thoroughly silicified.

### **7.3 SIGNIFICANT MINERALIZATION AND GEOLOGICAL CONTROLS**

Mineralization found to date on the Goldstorm property consists of quartz-adularia type epithermal quartz veins along high angle fault structures. Due to lack of outcrop, the surface expression of the veins is poor and their presence may only be known from nearby quartz vein float. Based on numerous drill hole intersections and limited surface exposures, the veins generally occur in individual zones 1.5-4.5 meters wide, with vein percentages in the range of ~15-25% within the zone. Veins consist of fine to medium-grained white quartz, with some platy quartz after calcite precursor textures; fine drusy quartz is also present and some banded, chalcedonic quartz is present. The veins are commonly “vuggy” or “spongy” probably due to volume loss during dissolution of early calcite; some manganese oxides also occur within the quartz veins. Strong vein banding typical in high-grade veins, such as observed at Midas, was seen only from dump rocks at the Prospect Hill adit (Redfern, 2009, pers. comm.). The Clayton structural zone, from the exposed “Collar Vein” structure on the west to the easternmost mineralized structure seen by the author on the east, is approximately 50 meters wide. The

western side of this Clayton zone has not yet been tested by drilling to prove the overall width of the Clayton structural zone.



**Figure 7.8** – Light and dark grey interlaminated sedimentary rocks in contact with tuffaceous (light green) rocks. Drill hole WG-1001 at 192.8 m (632.5 ft).

The Snowstorm Creek alteration zone is roughly a 2,134 m in diameter immediately east of Snowstorm Mountain between Snowstorm Creek and Winters Creek. It is generally defined by its bleached nature and orange coloration due to goethite mineralization resultant from oxidation of disseminated pyrite grains. Most of this area is underlain by silicic volcanoclastics which lie on top of massive and vesiculated basalt.

Two types of gold mineralization are hosted within hydrothermally altered volcanoclastics and basalts. The first is hosted within quartz veins of white bull quartz which are up to 15 cm wide and have had reported gold values of up to 39.05 ppm and silver to 118.62 ppm (Crown Resources sample # 15970). Veins are often in the center of silicified zones up to one meter wide; they are often found within highly altered wall rocks developed in basalt and silicic fragmental volcanic suites. Intensely altered rock is usually much more limited in extent within the basalt host, to about 10 meters on either side of the vein and then where it is vesiculated. Quartz veining is usually rare on a macroscopic scale; on a smaller scale, quartz veining is often stockwork and less than a few millimeters wide. Thinner veins may be found with narrow selvages of alteration, often less than 1 cm wide. Quartz veins may have associated calcite, are locally vuggy and may contain colorless to weakly amethystine crystalline quartz and quartz crystals as partial infill.

Quartz veins are usually massive to crystalline were observed in silicified zones. Gold-bearing veins are distinctively fine grained, with a saccharoidal texture. A single, 10+ cm wide, white, saccharoidal textured quartz vein was mapped on the south flank of Hill 7323. Quartz veins are

locally vuggy and occasionally “sponge-textured” with quartz crystals to 1 cm lining the cavities. Exsolution of calcite is locally apparent. Casts of bladed calcite were noted locally in silicified and silicic (calc-silicate) zones (Figure 7.9). Eliopoulos (1997) reported some amethystine quartz present on the property; Shannon (1996) noted weakly amethystine veins occur in the “Bowl Zone” and “SW Zone” anomalies. A 10 cm wide piece of orange stained white vein quartz, designated as the “Rick Vein”, was found as float in the Clayton zone to the east of drillhole WG-1001 by R. Redfern (pers. comm., 2014) and jasperoid veining and thin quartz vein float in the “J Vein” area in 2015.



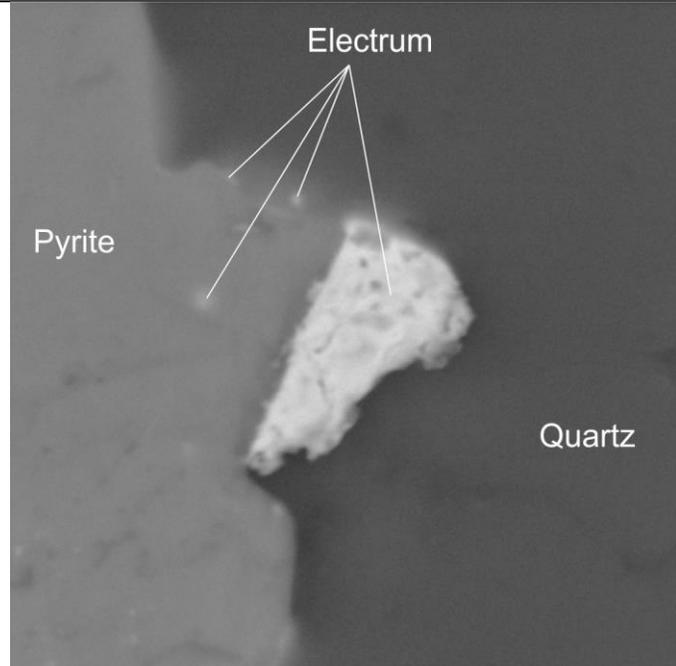
**Figure 7.9** – Casts of calcite crystals interior to banded quartz veins in drill hole WG-1001 at 66.7 m (218.8 ft). The interval 66m to 67m assayed 9.02 and 9.29 ppm Au; 72.6 ppm Ag.

Quartz veining is usually rare on the surface, that largest single vein observed (15 cm) is located on the dump of the small adit located near the bifurcation of the headwaters of Snowstorm Creek. On a micro scale, quartz veining is often stockwork and less than a few millimeters wide.

Banded microcrystalline quartz veins were identified on the south-western flank of Hill 7323. These banded veins are hosted by silicified basalt. Banded quartz veins, with and without boxwork textures (Figure 7.9) have been intercepted in recent core drilling. These veins are interpreted to be striking northwest and dipping nearly vertically. Banding is resultant from brassy pyrite interlaminated with grey marcasite (Figure 7.10). In areas of elevated gold and silver values, these iron sulfides host micro-granular electrum (Figure 7.11), while larger grains of electrum and naumannite are found associated with the outer edges of the sulfides (Figure 7.12). Rare chalcopyrite is also found associated with this assemblage (Figure 7.13). Gangue within the veins is typically quartz and illite with minor apatite.

Reported nugget effects are seen in resampling of high grade samples and of the several samples taken from the vein on the dump of the caved adit on the southeast flank of Hill 7082. The lack of geochemical signature in some samples with elevated gold and silver values indicates metals are held in disseminated, fine grained electrum particles in at least some of the veins. Petrographic work has now verified these observations.

	<p>WG-1001 - 117.5'                  Au - 57 ppb                  Ag - 34.9 ppm</p>	<p><b>Figure 7.10</b> – Polished thin sections prepared through banded veins where brassy pyrite is interlaminated with grey marcasite. Naumannite and electrum were identified in section WG-1001 – 218.0' (66.4 m). Also see Figures 7.9, 7.11, 7.12, and 7.13. Gold and silver assays for interval from which each section was made.</p>
	<p>WG-1001 - 176.3'                  Au - 18 ppb                  Ag - 1.11 ppm</p>	
	<p>WG-1001 - 218.0'                  Au - 9290 ppb                  Ag - 72.6 ppm</p>	

	<p><b>Figure 7.11</b> – Grains of electrum in and outside of pyrite crystal; largest grains are found bounding the outer edges or separate from iron sulfides. Light grey grains interior to pyrite are electrum to 0.4 μm in diameter. SEM image polished thin section WG-1001 218.0' (66.4 m); assay: 9.29 ppm Au and 72.6 ppm Ag. Image is approximately 10 μm across. The following image illustrates chemistry and scales.</p>
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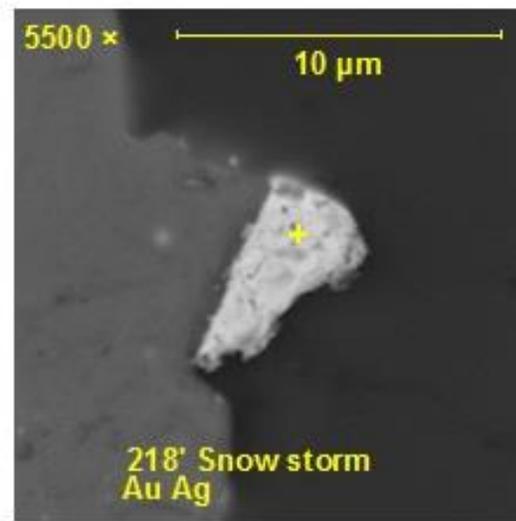
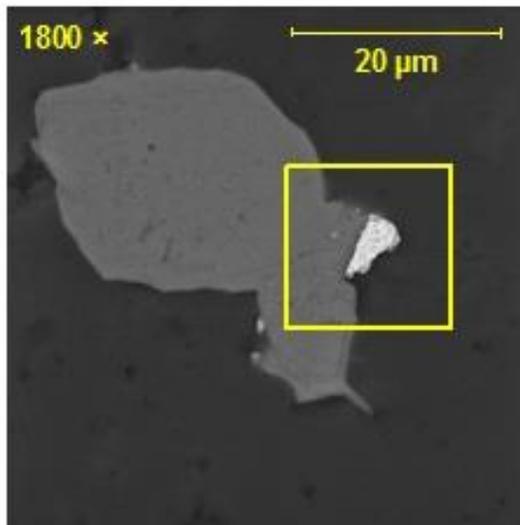
E-mail: info@aalabs.com

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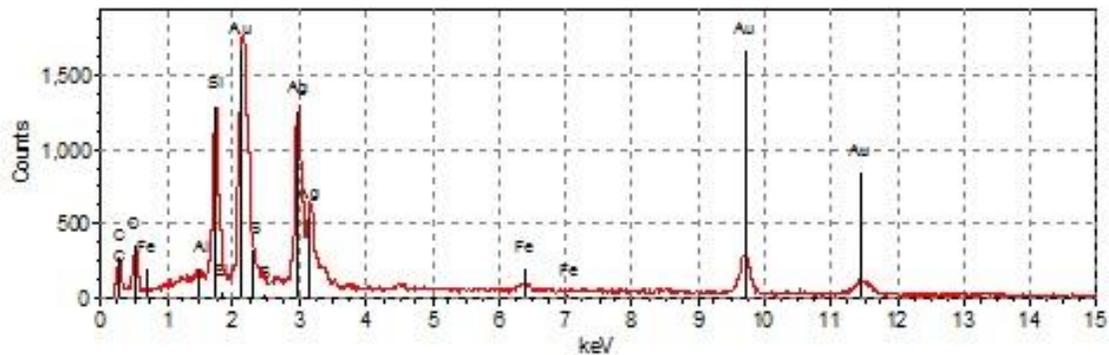
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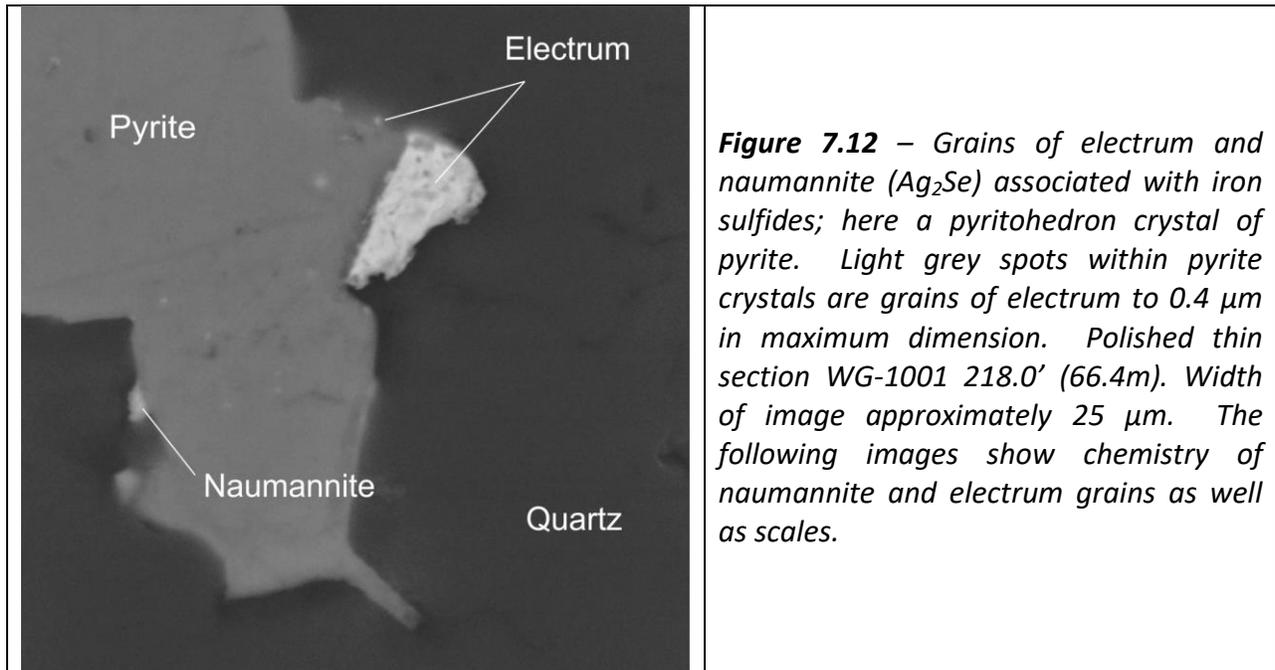
working distance = 15.5 mm

spot size = 12.5%



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**Figure 7.11 (continued)** – Chemistry and scales of electrum grains within pyrite for polished thin section WG-1001 218.0' (66.4 m).



**Figure 7.12** – Grains of electrum and naumannite ( $Ag_2Se$ ) associated with iron sulfides; here a pyritohedron crystal of pyrite. Light grey spots within pyrite crystals are grains of electrum to  $0.4 \mu m$  in maximum dimension. Polished thin section WG-1001 218.0' (66.4m). Width of image approximately  $25 \mu m$ . The following images show chemistry of naumannite and electrum grains as well as scales.

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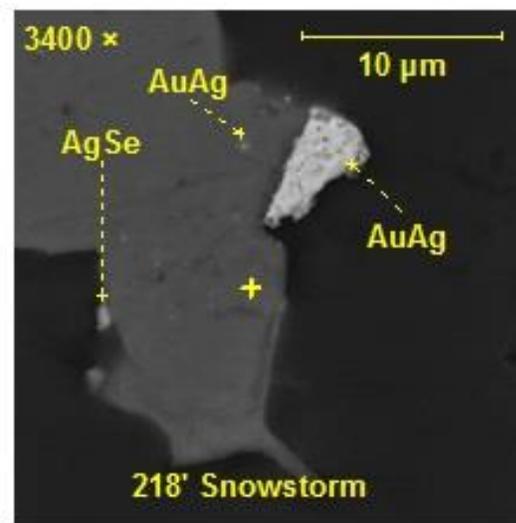
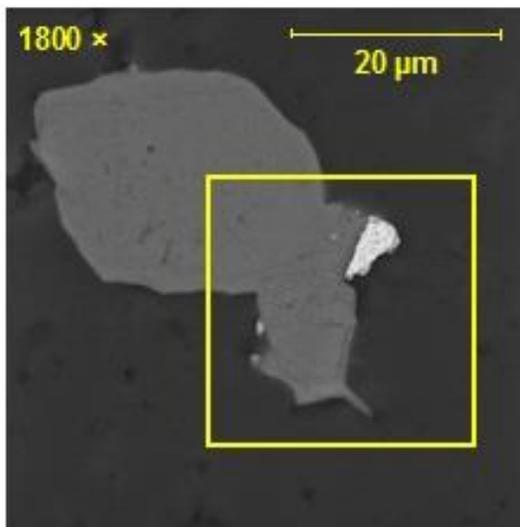
Telephone (776) 368-0808  
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client name = Greg Ferdock

sample number = SP103689

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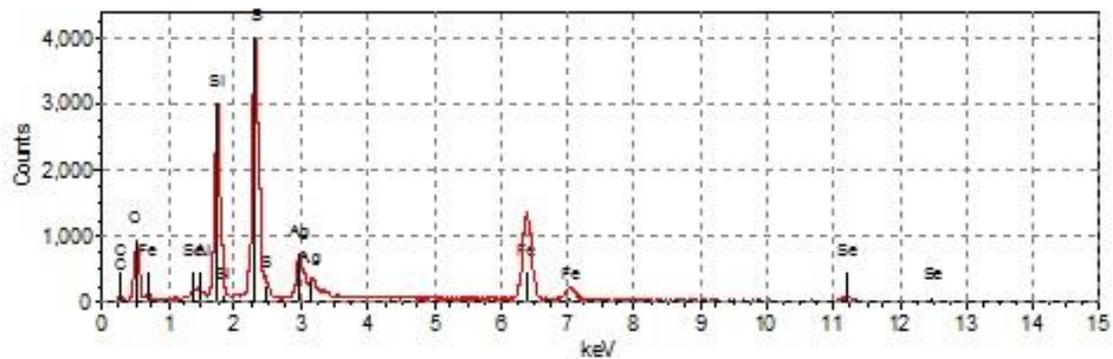
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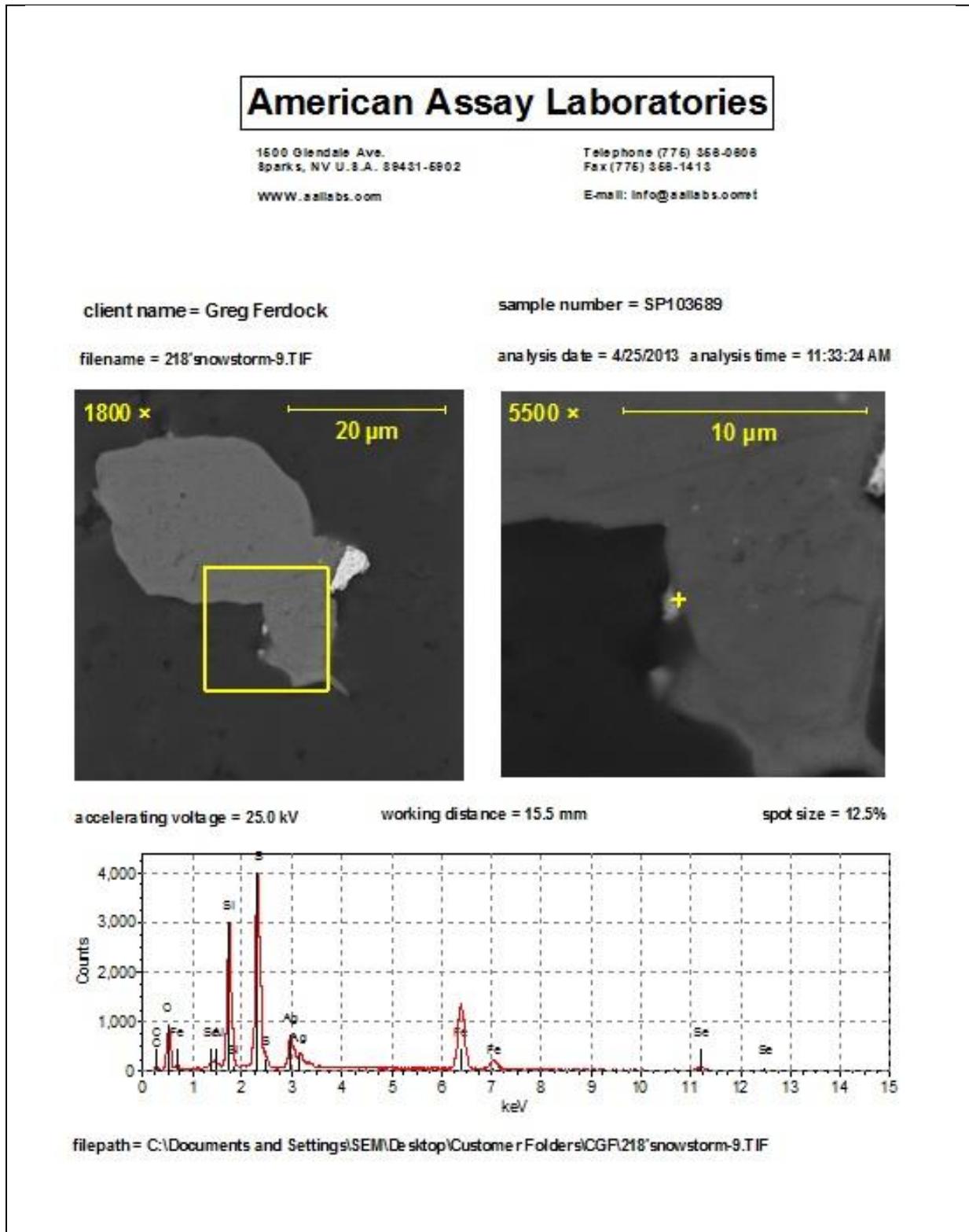
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spot size = 12.5%

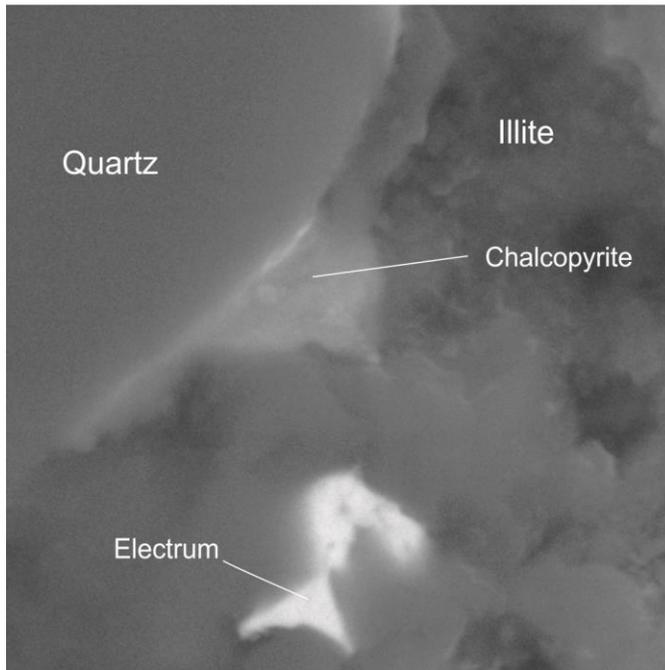


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**Figure 7.12 (continued)** – Chemistry of naumannite grains (lower left, light grey) associated with electrum in pyrite; sample polished thin section WG-1001 218.0' (66.4 m).



**Figure 7.12 (continued)** – Chemistry of naumannite grains (lower left, light grey) associated with electrum in pyrite; sample polished thin section WG-1001 218.0' (66.4 m).



**Figure 7.13** – Grains of electrum in quartz and illite gangue matrix; associated with anhedral grains of chalcopyrite. Width of image is approximately 20 µm. Polished thin section WG-1001 218.0’ (66.4m).

Gossanous siliceous rocks were encountered in local areas in some of the drilling. Traces of fine grained disseminated pyrite were also locally intercepted (Eliopoulos, 1997).

The most significant assay intervals encountered within the most recent core drilling as listed in Table 7.1.

**Table 7.1** – Significant assay intervals recovered from the 2010 drill campaign.

Hole	Sample #	From (m)	To (m)	Interval (m)	Au (ppm – ICP21)	Au (ppm – GRA21)	Ag (ppm – ME-MS61)
WG-1001	656062	65.0	66.0	1.0	1.61	1.73	13.75
WG-1001	656063	66.0	67.0	1.0	9.02	9.29	72.60
WG-1001	656083	86.7	87.7	1.0	4.29	4.53	3.71
WG-1001	656084	87.7	88.7	1.0	1.92	2.05	2.91
WG-1001	656088	92.0	93.0	1.0	3.28	3.29	6.04
WG-1001	656089	93.0	94.0	1.0	1.02	0.96	1.65
WG-1001	656101	103.0	104.0	1.0	1.53	1.56	1.65
WG-1001	656113	116.4	117.4	1.0	2.31	2.34	2.34
WG-1001	656114	117.4	118.4	1.0	1.54	1.55	2.09

Gold mineralization is also found disseminated, as indicated by historical drilling results, within quartz-sericite-pyrite altered volcanic host rocks. These mineralized zones occur somewhat continuously over a strike length of nearly 2.0 km. This mineralization is generally low grade

(50-100 ppb Au) with smaller intervals grading 100-300 ppb Au and limited zones, the thickest intersected zone is reported at 10.67 m grading 1,378 ppb Au (1.378 g/t) in Romarco drill hole SRM-10 (Figure 7.14).

The main vein zone at “Prospect Hill” trends about 290° and usually dips 60°-90° south. The zone can be traced discontinuously for about 243.8-304.8 meters of strike length and appears as much as 1.52-3.04 meters wide, with individual veins as thick as 30 cm wide. The strike extensions of the zone are covered by colluvium. Surface sampling indicates the veins usually assay 0.5-2.0 ppm Au and 5-15 ppm Ag; however, the Battle Mountain Gold trench contained 6.1 meters which averaged about 4.11 grams per tonne (g/t) gold. The maximum value in their two holes which successfully tested the zone was 2.05 g/t gold and 6.85 g/t silver over 1.5 meters. Other mineralized structures are present on “Prospect Hill”, as indicated by the lone intercept in drill hole SBM-5 which contained 1.81 g/t gold over 1.5 meters. This hole was drilled about 213 meters south of the main vein zone, and the mineralization appears associated with a more northerly trending structure.

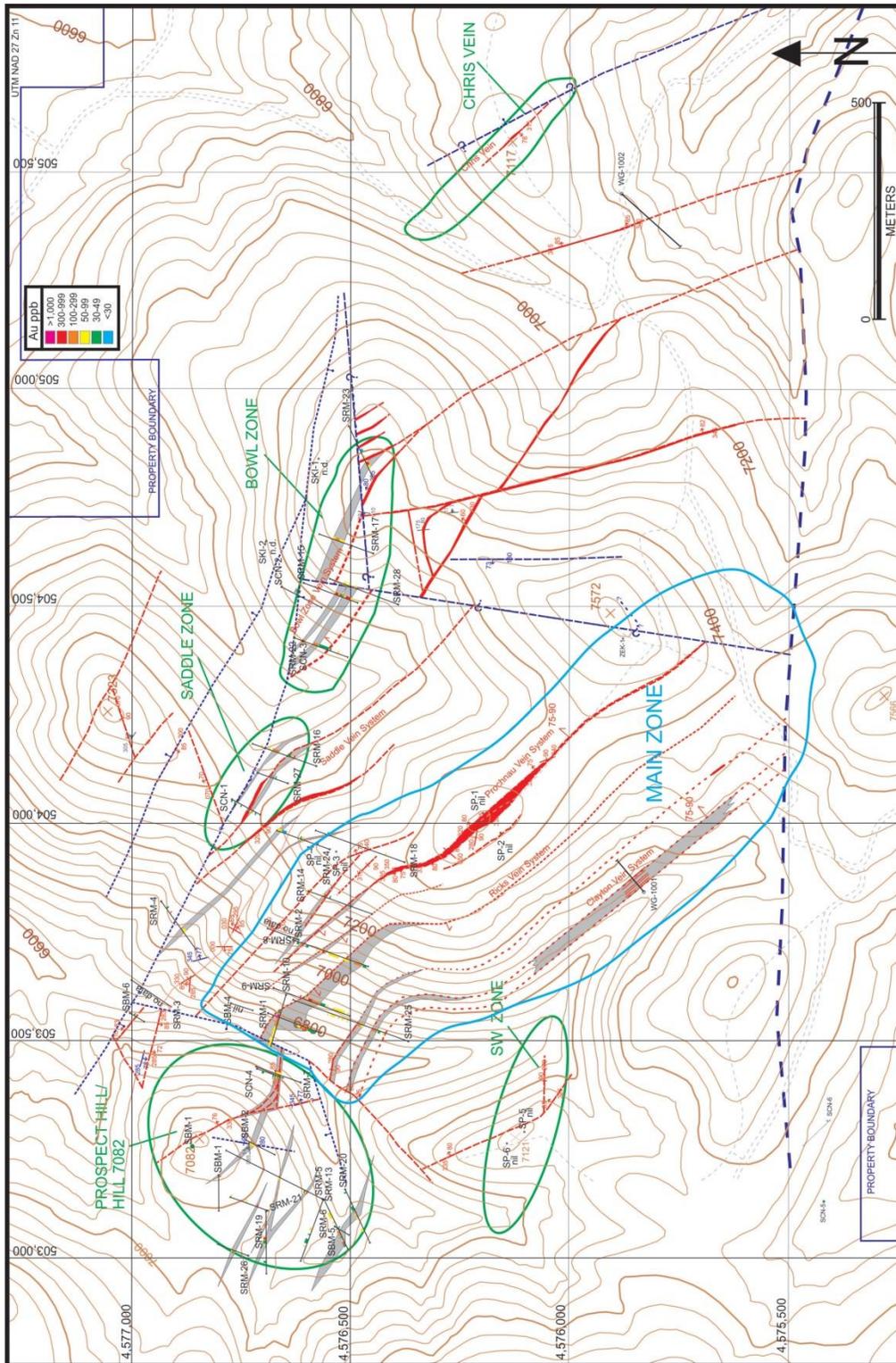
At the “Bowl Zone”, pieces of quartz veins were found by Crown Resources in a talus boulder train, similar in character to those at Prospect Hill, although the quartz is white and generally lacks platy or bladed textures; the veins are also somewhat vuggy. Discrete quartz veins are as much as 30 cm wide. Based on drilling results, the “Bowl Zone” vein strikes 290° sub-parallel to the Clayton zone, and is close to vertical. Crown’s sampling indicates that these boulders often contain 6.85-37.7 g/t gold, with Ag:Au ratios in the range of 3:1 to 10:1. Trace element geochemistry is generally un-elevated save for several higher grade samples which contain elevated Hg (2-4 ppm).

Romarco located a sub-cropping vein zone 335 meters east-southeast of the “Bowl Zone” boulder train. In this area there are white quartz and chalcedonic quartz veins exposed over a width of 1.5-3.0 meters; individual veins are as much as 15-30 cm wide; zones trend 325° and dip steeply to the northeast. This narrow zone of veining contains lower Au values (90-170 ppb), but higher Ag (to a maximum of 99.4 g/t) and Se (8.0 ppm).

Romarco drilled five angle holes (SRM-15, -17, -22, -23, and -28) into the “Bowl Zone” and all holes had at least three 1.5 m intercepts exceeding 100 ppb gold and all holes save one had a minimum of one 1.5 m intercept grading in excess of 0.4 g/t. The best intercept was found in drill hole SRM-15, drilled at a -45° angle southwest through the vein zone; the intercept ran from 108.2 m to 115.82 m with an average grade of 0.974 g/t gold, and had a single 1.52 m interval grading 2.48 g/t gold. This same hole intersected a 10.67 m interval between 146.30 m and 156.97 m grading 0.331 g/t gold. Drill hole SRM-23 intersected a 9.14 m interval between 129.54 m through 138.68 m grading 0.365 g/t gold.

The “Saddle Zone” consists of poorly exposed veins along a strike length of approximately 182 meters and trends mainly west-northwest. The veins consist of white quartz vein breccias fillings in zones as much as 30-91 cm wide; local discrete veins may be up to 7.6 cm wide. Several vein zones occur over a width of 30.5-45.7 meters in one area. In the south end of this

area occur a sub-cropping west-northwest-trending zone of veinlets and lesser veins in highly silicified tuffaceous sediments that contain as much as 485 ppb Au, 198.8 g/t Ag, and 5.2 ppm



**Figure 7.14** – Target zones defined by Romarco Minerals and this report; gold mineralized zones (>100 ppb, light grey) interpreted from geology, veins (red) and drilling intercepts, Goldstorm, Elko, Co., Nevada.

Se (selenium) on the surface. Drilling in this area by Crown Resources (SCN-1) and Romarco (SRM-16 and -27) showed spotty 1.5 m to 3.0 m intervals with intercepts exceeding 100 ppb gold. The best intercept in this zone was 1.5 m at 0.540 g/t gold.

The “Southwest Zone” was defined by earlier exploration companies. There are currently no drilling data for this zone.

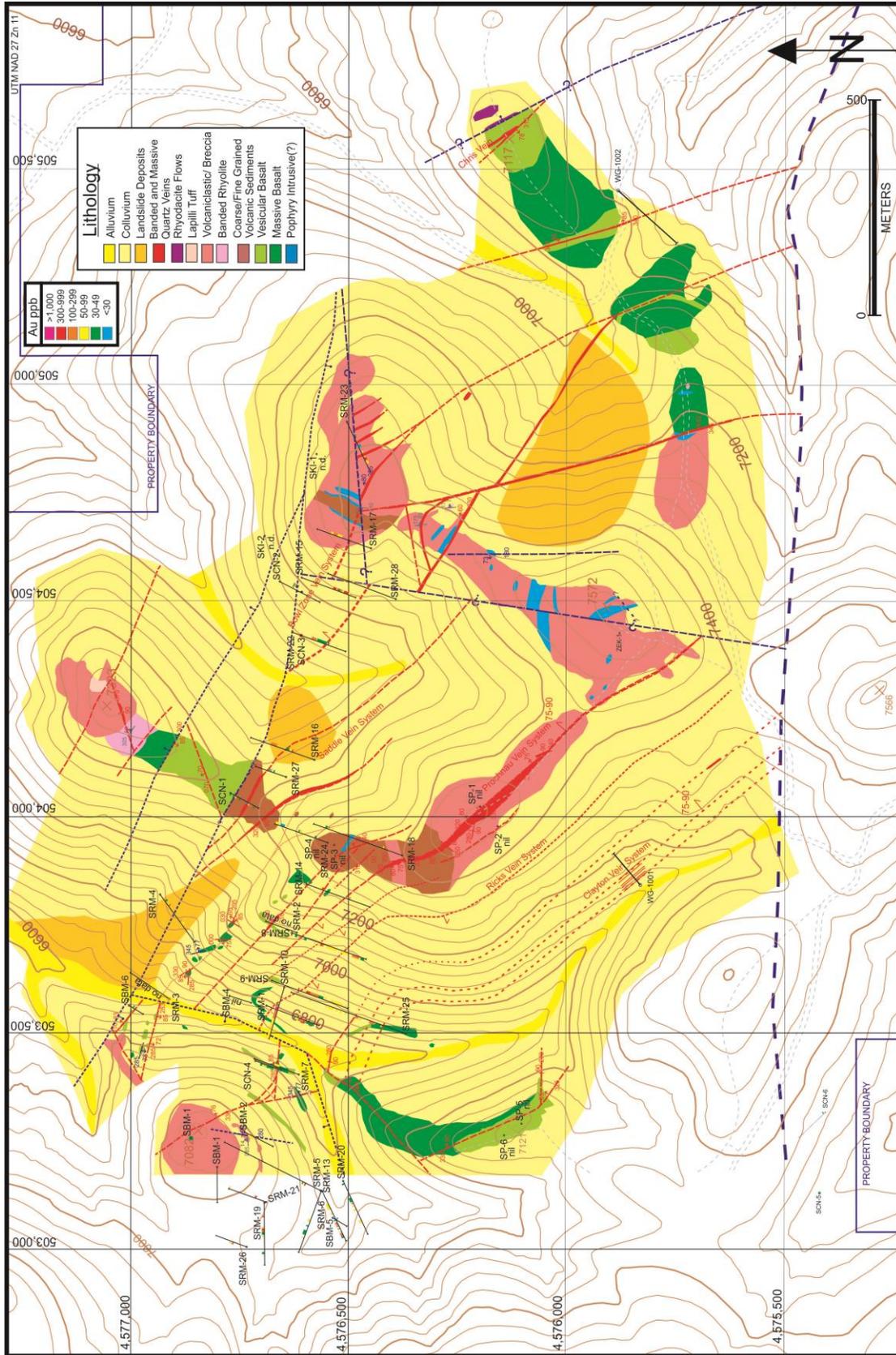
The best intercept of historic drilling, per the data available, was found in drill hole SRM-10, drilled west-northwest at  $-60^{\circ}$  and roughly parallel to veins exposed on the surface; this intercept is 10.67 m, between 99.06 m and 109.73 m grading 1.378 g/t Au. The hole was drilled in the Main Zone (hereby defined as a 600 by 1,500 meters region consisting of the principal Prochnau and Clayton Vein system; it is outlined in blue on Figure 7.14), an area between the Saddle and Prospect Hill zones and is part of an eight hole package drilled in this area (Figure 7.14).

Weakly banded chalcedony veins and chalcedonic quartz veins occur in several areas of the property which are barren of any precious metals. Most of these low temperature chalcedony veins occur in the younger rhyolite unit. However, the Snowstorm Creek volcanics also contain some barren chalcedony and chalcedonic quartz veins as much as 30 cm wide. Coarse comb and drusy quartz are also locally developed in vugs and cavities in the Snowstorm Creek volcanics. Quartz of this habit may be related to the formation of the “amygdules” and devitrification, and similarly are not associated with elevated precious metal values.

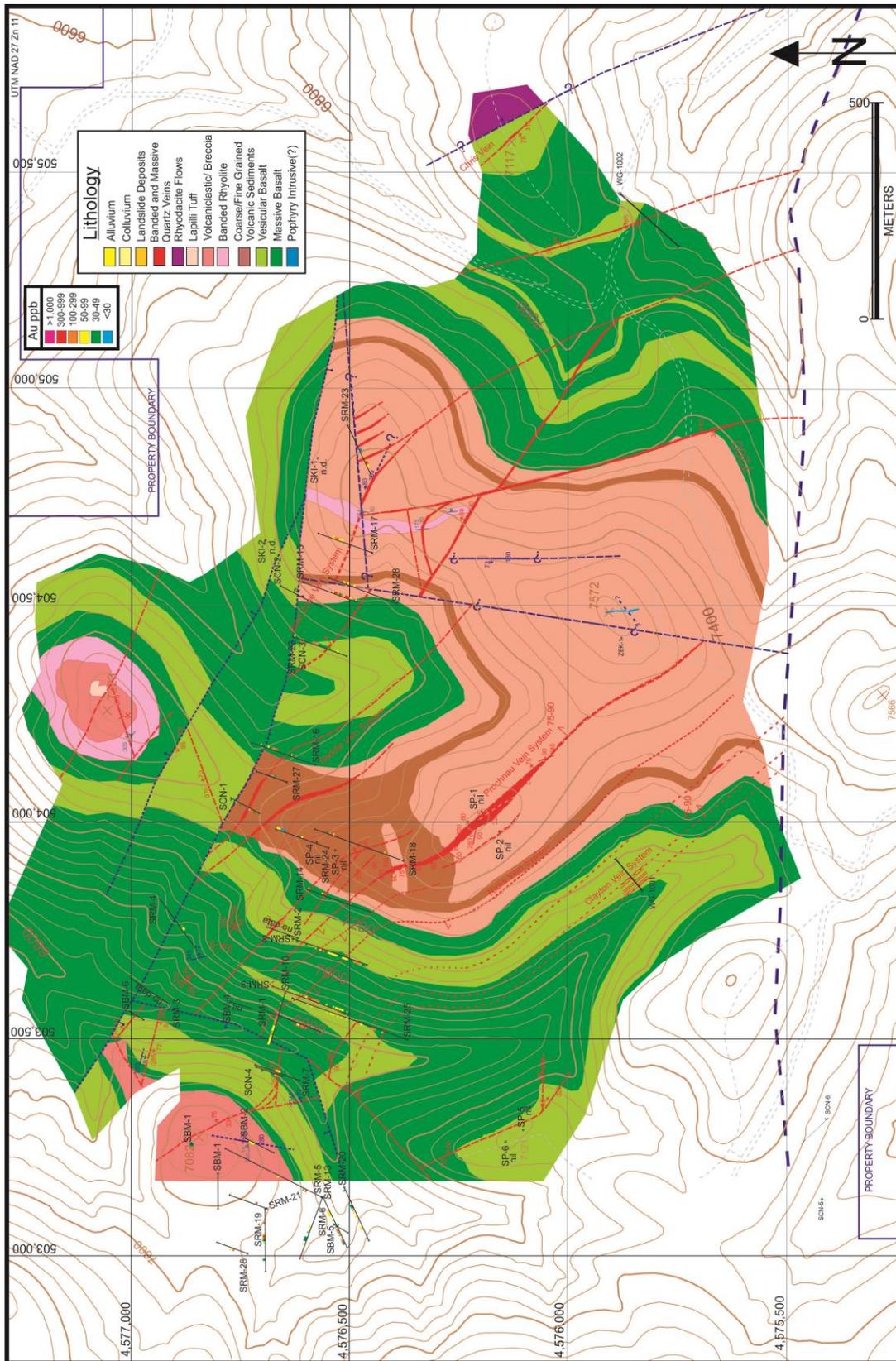
Gold and silver generally have positive correlation. Silver-gold ratios in most of the veins tested by drilling are generally in the range of 5:1 to 15:1; in some of the areas as mentioned above, ratios exceed 100:1. Gold-associated trace element values are generally low in both veins and in adjacent wall rocks (As <50-100 ppm; Sb <5-10 ppm; Hg <1-3 ppm). Base metal values are very low; selenium values are also generally low (<1-3 ppm), except in a few samples with higher silver.

Surface and sub-surface data are as of yet insufficient to determine how continuous mineralization may be. Known mineralization, grading 0.300 g/t or greater, ranges from surface to at least 111 meters below the surface; continuity is unknown, nor is strike length. However, drill intercepts indicate mineralization in excess of 30 ppb has a minimum strike length of 1900 meters (Figure 7.13). Width of gold mineralization, grading 0.300 g/t or better, varies from less than one meter to up to 10.67 meters as discussed above.

The Clayton Vein zone was identified by drill hole WG-1001, it likely trends parallel to earlier identified vein trends. The Prochnau vein system outcrops on the ridge line extending northwesterly from ZEK Hill (Figures 7.15 and 7.16) and the Rick vein either lies in between or is an eastern extension of the Clayton vein.



**Figure 7.15 – Outcrop map completed over the central portion of the Goldstorm Property. Vein systems identified across the Goldstorm Project superposed on geologic base. Compare with Figure 7.13. Clayton Vein identified by drilling in 2010 is located on the southwest side of the property. Drill traces with mineralized (gold) intercepts included for reference.**



**Figure 7.16** – Interpreted geologic map showing drill hole traces and gold intercepts at depth. Vein traces dashed where concealed beneath colluvium which can be up to three meters deep on hill slopes.

## **8.0 DEPOSIT TYPES**

There are two deposit types targeted at the Goldstorm property:

- Low-sulfidation epithermal vein-hosted gold-silver “bonanza” deposits found within regional scale structural systems, like Midas-style gold-silver veins of the northwest-trending Northern Nevada Rift;
- Tabular Carlin-type gold deposits, with finely disseminated gold in carbonate and silty Paleozoic rocks.

### **8.1 EPITHERMAL, LOW SULPHIDATION VEIN-STYLE DEPOSITS**

The deposits identified to date at Goldstorm are epigenetic, low to medium temperature, low sulfidation, epithermal, volcanic rock hosted, precious metals vein and disseminated mineralization. Additional exploration is aimed at defining mineralization may exist at depth, to include Carlin-like systems which are moderate to low temperature, low sulfidation, sedimentary rock hosted disseminated gold systems.

The mineralization found to date at Goldstorm is typical of low to moderate temperature low sulfidation, epithermal vein mineralization, often referred to as quartz-adularia fissure veins. Banded microcrystalline quartz veins are found in at least four locations on the property. Alteration and mineralization is reported as similar to upper level expressions of deeper metalliferous veins in the Midas area (Wells, 2008).

Most of the alteration is quartz-sericite-pyrite (oxidized to goethite and locally hematite). Sericite has yet to be speciated as either muscovite or illite. Locally silicification is intensely developed forming “jasperoidal” type alteration. Carbonate is rare, however casts of bladed calcite have been observed in some of the silicified material. Propylitic alteration has been identified at depth in some of the historic drilling completed on the property.

Mexivada reported the occurrence of naumannite ( $\text{Ag}_2\text{Se}$ ), a black material in gold enriched quartz veins on the southeast flank of Hill 7082 (“Prospect Hill”) east of Snowstorm Mountain (K. Thompson, pers. comm. with R. Redfern, 2009). Naumannite, along with electrum, also has been verified in the drilling completed in 2010 at Goldstorm (Ferdock, 2013). Pathfinder elements (As, Sb, Hg, and Se) were shown by Ferdock (2013) to be generally low and lack significant dispersion; this supports a structurally hosted hydrothermal vein system interpretation.

Drilling results have not been verified, but intercepts reported from historic data and literature indicates there is potential for low-grade, bulk tonnage gold in certain Midas-style deposits, such as the West Wood deposit in the Sleeper Mine area (SRK, 2015). Mineralization in these areas at Goldstorm is both hosted within silicified, locally quartz veined zones, and surface observation, drilling data from core holes ZEK-1, WG-1001 and WG-1002 along with induced polarization geophysical surveys are indicative of low-sulfidation quartz vein and associated mineralization being present on the property.

The Goldstorm property is covered by Miocene-age volcanics interpreted to be of the Midas Mine rock sequence (Wallace, 1993; Leavitt and others, 2004), which at Midas is a thick, steeply east dipping half-graben section (W. Thompson, oral presentation, 2017) of variably welded rhyolitic tuffaceous rocks with an intercalated unit of flows, dikes, and sills of basaltic composition, very similar to that present at Goldstorm. The gold-silver ore at the Midas (Ken Snyder) Mine is typified by epithermal low sulfidation quartz veins contained within high-angle fault zones that are typically 2.4 meters wide on the main Colorado Grande Fault, but locally are up to 3 to 4 meters wide. More than one phase of quartz-gold-silver veins is typically present in the Midas (Ken Snyder) Mine, with an intermediate phase of banded quartz-naumannite-electrum veining containing most of the gold-silver in the system.

## **8.2 CARLIN STYLE SEDIMENTARY ROCK HOSTED DISSEMINATED GOLD DEPOSITS**

Granitic and Paleozoic sedimentary rocks are interpreted to possibly be present at Goldstorm at depths of probably at least 450 meters. The close proximity of the Goldstorm property to crustal scale structures controlling multi-million ounce Carlin-style gold deposits along the Carlin Gold trend several kilometers to the southeast suggests that Carlin-style sediment hosted gold deposits of Eocene age in Paleozoic sedimentary rocks could also be present on the Goldstorm property. Evidence of a Miocene pulse of hydrothermal activity and mineralization is in evidence at the Goldstrike Mine (59 km to the southeast) and is similar in age to that identified at Ivanhoe (40 km to the southeast) and Midas (16 km to the southeast). The primary structural trend that persists throughout the Carlin Trend is an older crustal scale structure that has been repeatedly offset, left stepping, proceeding northward from the Rain Mine, and most proximally from the south to north sides of the Midas Trough, located between the Midas and Ivanhoe (Hollister Mine) Gold districts.

These deposits are typified by large volumes of rock containing moderate- to low- grade disseminated gold mineralization with local high-grade, fault-controlled feeder zones. Although these deposits have been found to be hosted by most rock types, they are most frequently encountered in silty calcareous limestones and debris flows, and in high angle faults (W. Weiner, pers. comm. with R. Redfern, 2017) that may contain lamprophyre dikes of probable Jurassic age. They are most easily identified by their mineralogy and geochemistry; gold is bonded almost entirely within arsenian pyrite with strong geochemical affinities to arsenic, antimony, mercury and to lesser degrees thallium, tellurium, barium and other elements. Many of these deposits contain grades commensurate with underground mining (i.e. Meikle Mine, Turquoise Ridge) and are thus amenable for exploration targeting at depths in excess of 300 meters.

## **9.0 EXPLORATION**

Although some historic data are available to the current operators, much of it is incomplete or poorly documented. As such it is noted herein as a point of reference only.

Only the data procured by Mexivada Mining Corp. and lessees since 2007 have been detailed below.

### **9.1 HISTORIC EXPLORATION**

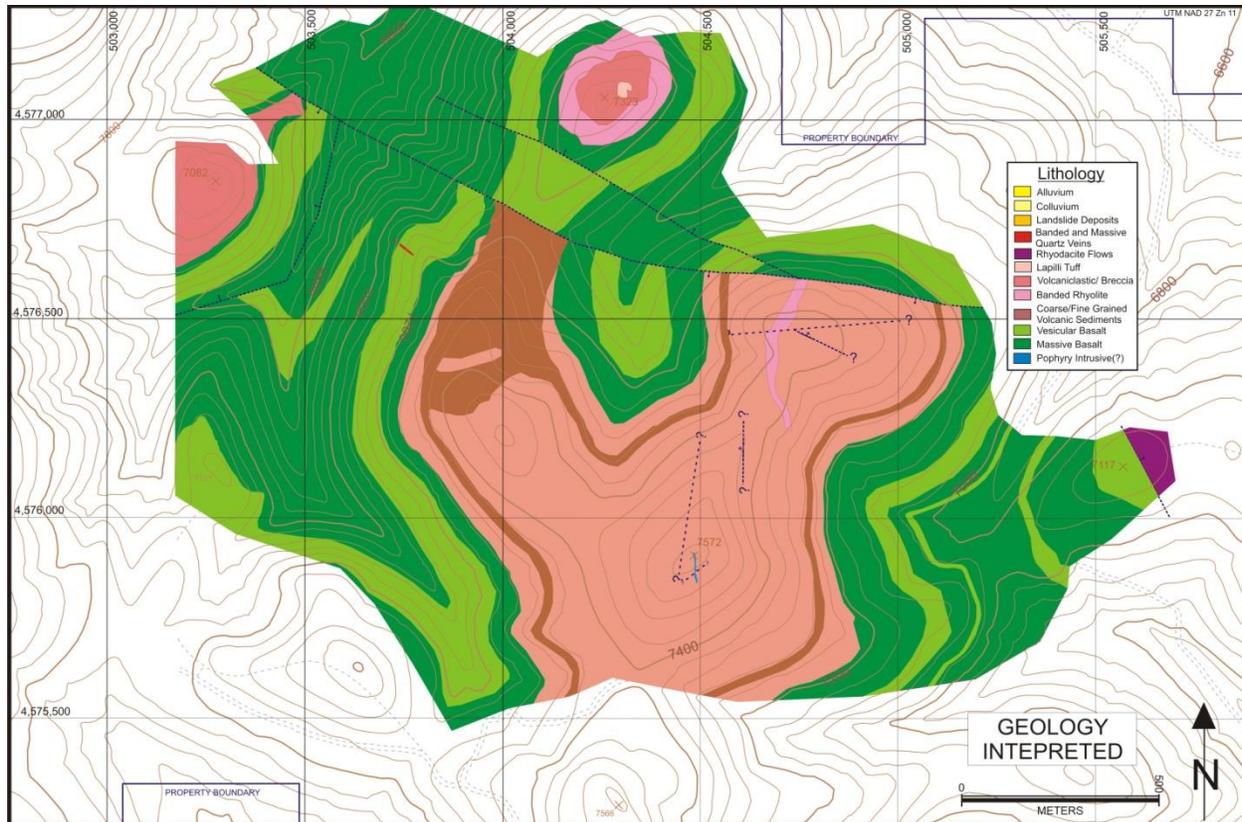
Historical rock chip sampling data is in various states of functionality and completeness. Although locality data is available for nearly 200 samples, there are neither descriptions of the samples themselves nor are there any written records pertaining to how samples were taken. Many other data are incomplete with regard to sample description, location coordinates or laboratory methodology and quality/ name of the laboratory used. Thus only the 17 samples taken by Mexivada in 2009 are 43-101 reportable.

Soil sampling programs by Romarco and Crown Resources conducted prior to Mexivada's involvement with the property, are not well documented with regard to sampling procedures and security; at the very least documentation regarding these programs has not been located. What data is available came from the library of Metallic Ventures.

A geophysical and target data synopsis for the property was written by Mr. James Wright of Wright Geophysics of Spring Creek, Nevada in January, 2008 in which he noted the position of the property over a strong aeromagnetic anomaly. A ground gravity survey with 523 new stations was completed in June, 2008, and a ground magnetics survey also was completed. These surveys showed that the property lies on a local magnetic high and along the edge of locally-strong west-northwest and north-northwest trending gravity highs, as discussed further below. Detailed geologic mapping and additional rock chip sampling were conducted in late 2009. A soil sampling program was completed by Mexivada in late 2009, in which 160 soil geochemical samples were taken in the "Horst" target in the southeastern area the property, in a search for sub-volcanic, sedimentary rock hosted Carlin-style gold mineralization at depth. Mexivada has spent in excess of \$196,681 on the property from 2006 through 31 March, 2012, conducting geological and geophysical work on the Goldstorm property.

#### **9.1.1 Surface Mapping**

In September 2009 the author mapped the main portion of the alteration zones at scales of 1:5,000 and 1:10,000 for Mexivada. Geological mapping included lithology, alteration, structure and veins. The 2009 mapping covered an area of approximately 4 km<sup>2</sup> (Figure 9.1).



**Figure 9.1** – Interpreted geologic map of the main altered area of the Goldstorm Property. NNE-SSW trending ZEK Hill in the middle of the map. Mapping completed by author in Fall, 2009.

## 9.2 GEOCHEMICAL EXPLORATION

The database concerning surface geochemistry at Goldstorm is incomplete; detail discussion is limited to that work conducted since 2006.

### 9.2.1 Rock Chip / Bedrock Sampling

Over 430 surface samples have been taken over the Goldstorm property, 218 by Crown Resources and 199 by Romarco, the remaining by Mexivada and a few others.

A precursory rock chip campaign has been conducted by Mexivada, focused on veins and strongly altered volcanic rocks. Three samples were collected in August, 2008, six in early 2009 and another 17 samples were taken in November, 2009. Samples were selected on potential for containing gold; banded and massive quartz veins, zones of heavy hematitic mineralization or gossanous material and areas of intense silicification. A few samples were selected of moderately to strongly altered material to obtain a general geochemical signature of the alteration zones. These samples were submitted to independent ISO 9001 certified laboratories (Inspectorate and SGS Laboratories) for multi-element analyses. Samples were

collected in the field by professional geologists and delivered securely to the laboratories by the samplers.

Where gold is anomalous (values ranged from below detection to 2.5 ppm), silver and mercury are also strongly anomalous. Arsenic is generally anomalous throughout the alteration zone. Base metals are very low; tellurium and selenium are also generally below 10 ppm. Barium generally reports at greater than 1,000 ppm.

17 rock chip samples were taken in November, 2009 by the author from highly altered volcanic rocks, silicified inselberg outcrops and veins. The highest grade rock chip, taken from the caved adit on the southeast flank of Hill 7082, the same "Prospect Hill" area that returned the high grade gold and silver values for Crown Resources, ran 701 ppb Au and 11.0 ppm Ag.

Rock chips were collected from surface exposures by Mexivada personnel (Mr. Redfern) or contractors representing Mexivada. All samples were collected according to industry norms and security was maintained by the sampler through the process of collection and delivery to an ISO 9001 certified laboratory. These samples were collected in areas where precious metals mineralization was most likely to occur, inferring sampling bias towards gold-silver mineralization.

### **9.2.2 Soil Geochemical Sampling**

Mexivada's soil sampling program was contracted to Mineral Explorations Services of Reno Nevada. A two man crew collected all samples in November of 2009. Samples were collected on three lines (Figure 9.2) at varying intervals, 15m and 30m, using the below described methodology.

Sample sites were located using backpack differential sub-meter GPS on a pre-established grid. The surface of the site was cleared of all debris and a hole hand dug using clean equipment to the second color change, usually in the C horizon or subcrop. The material was screened using a 12 mesh screen to remove larger materials and rocks until a 0.45 to 0.70 kg (1.0 to 1.5 pound) sample remained. The sample was then placed in a previously unused sample bag and a unique identification number was written on the bag. A sample book was filled out annotating the sample quality, soil depth, color, what horizon the sample was taken from and the amount of clay in the sample.

Sample location was then marked with a wooden stake with an attached aluminum tag indicating the unique sample identification number and UTM coordinate. Duplicates were taken every 30<sup>th</sup> sample, which was the same material split evenly into two uniquely identified sample bags, and a standard added every 50<sup>th</sup> sample. Sample holes were then filled and the tools were cleaned before moving on to the next sample site.

Samples remained with the samplers either on their person or locked securely in a company vehicle or a rented, locked storage shed in Winnemucca, Nevada. Samples were then

transported to Inspectorate America Laboratory in Sparks, Nevada where they were relinquished into the custody of Inspectorate personnel and where they remained until after processing and analyses.

Soil samples were collected in November, 2009 by contractors working for Mexivada; 259 closely spaced (15 to 30 meter intervals) samples were collected from the top of the “C” horizon on four lines located southeast of the main alteration zone. These were analyzed by Inspectorate Geochemical Labs, located in Sparks, Nevada. They were sieved to -80 mesh and analyzed for gold (FA/ICP) and a 49 element (ICPMS) suite. Samples were collected along four transects totaling 6,120 meters in length. The area covered is roughly four square kilometers. Three transects were oriented northwest to southeast and one, which linked the other three, was oriented northeast to southwest. The program was designed to identify leakage along high angle structures of hydrothermal fluids and distal geochemical signatures of deeper mineralization.

These samples were collected by independent professional geotechnicians (Mineral Exploration Services (“MES”) of Reno, Nevada). The author has worked with this company numerous times in the past and is satisfied that they were collected in the top of the “C” horizon by experienced personnel and that they are representative of the material in this area. The author is satisfied that sample quality control meets industry standards. The author is satisfied that there was no sample bias introduced to this program; the samplers nor the parent company (MES) have no vested interest in this project.

### **9.2.3 Sampling Area**

The area covered is roughly four square kilometers. Three transects were oriented northwest to southeast and one, which linked the other three, was oriented northeast to southwest (Figure 9.2). The program was designed to identify leakage along high angle structures of hydrothermal fluids and distal geochemical signatures of deeper mineralization.

### **9.2.4 Sampling Methods and Sample Quality**

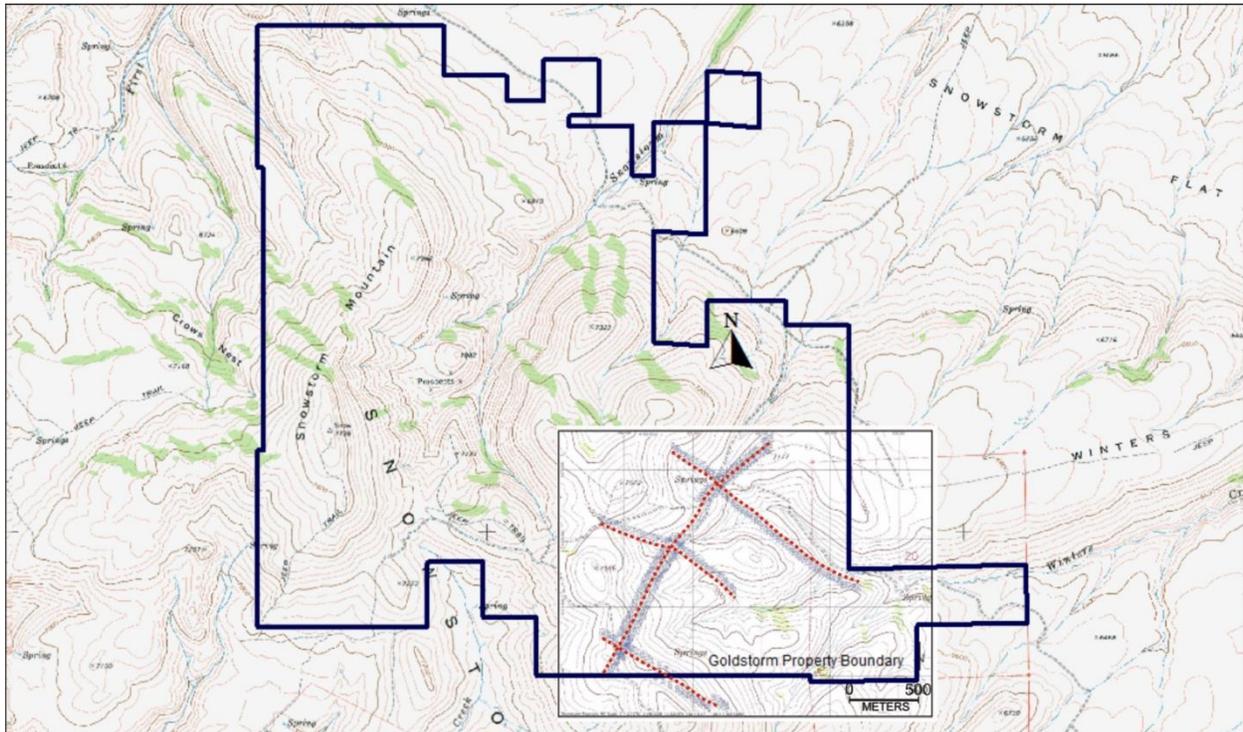
The Mexivada sample program quality is within industry norms and samples were representative of the material sampled. The area rock ship sampled encompassed the majority of the core of the project, although these samples are widely distributed in this area. The soil sampling program was concentrated in the southeast corner of the main Goldstorm area.

Sample quality from the previous programs is unknown, but as both companies were well established and run by very experienced exploration and mining professionals it is assumed that quality on at least most of the program was up to industry standards.

However, casual observations of the orthogonal soils sampling program conducted by Crown Resources suggests that at least one of the samplers involved in the project may have not

produced quality product as many of the north-south lines transecting east-west lines, which contained significant gold values, were all assayed below detection.

As such, some of the historical data is suspect and should be re-collected to prove the anomalies identified by these older surveys.



**Figure 9.2** – Location of MES soil samples, area in box southeast corner of property. Property outline approximate.

#### 9.2.4.1 Rock Sampling

Surface rock chip samples were taken within industry norms; being acquired by exploration professionals, describing each sample, denoting its UTM coordinates, placing each sample in an individual bag, each annotated with unique alpha-numeric identification. Each sample was collected either by chipping pieces from an existing exposure or float samples. Area samples were taken in places to determine a “bulk” value for the rock, alteration or area. Samples remained in possession of the collector until delivered to the laboratory for processing.

#### 9.2.4.2 Soil Sampling

Soil samples were collected in November, 2009 by contractors working for Mexivada; a total of 259 soil samples were collected from the top of the “C” horizon in an area southeast of Hill 7572 (Figure 9.1). Samples were collected at 15 m and 30 m intervals along four transects totaling 6,120 meters in length. These were analyzed by Inspectorate Geochemical Labs, an

independent, ISO-certified laboratory located in Sparks, Nevada. The samples were sieved to -80 mesh and analyzed for gold (FA/ICP) and a 49 element (ICPMS) suite.

### **9.3 GEOPHYSICAL SURVEYS**

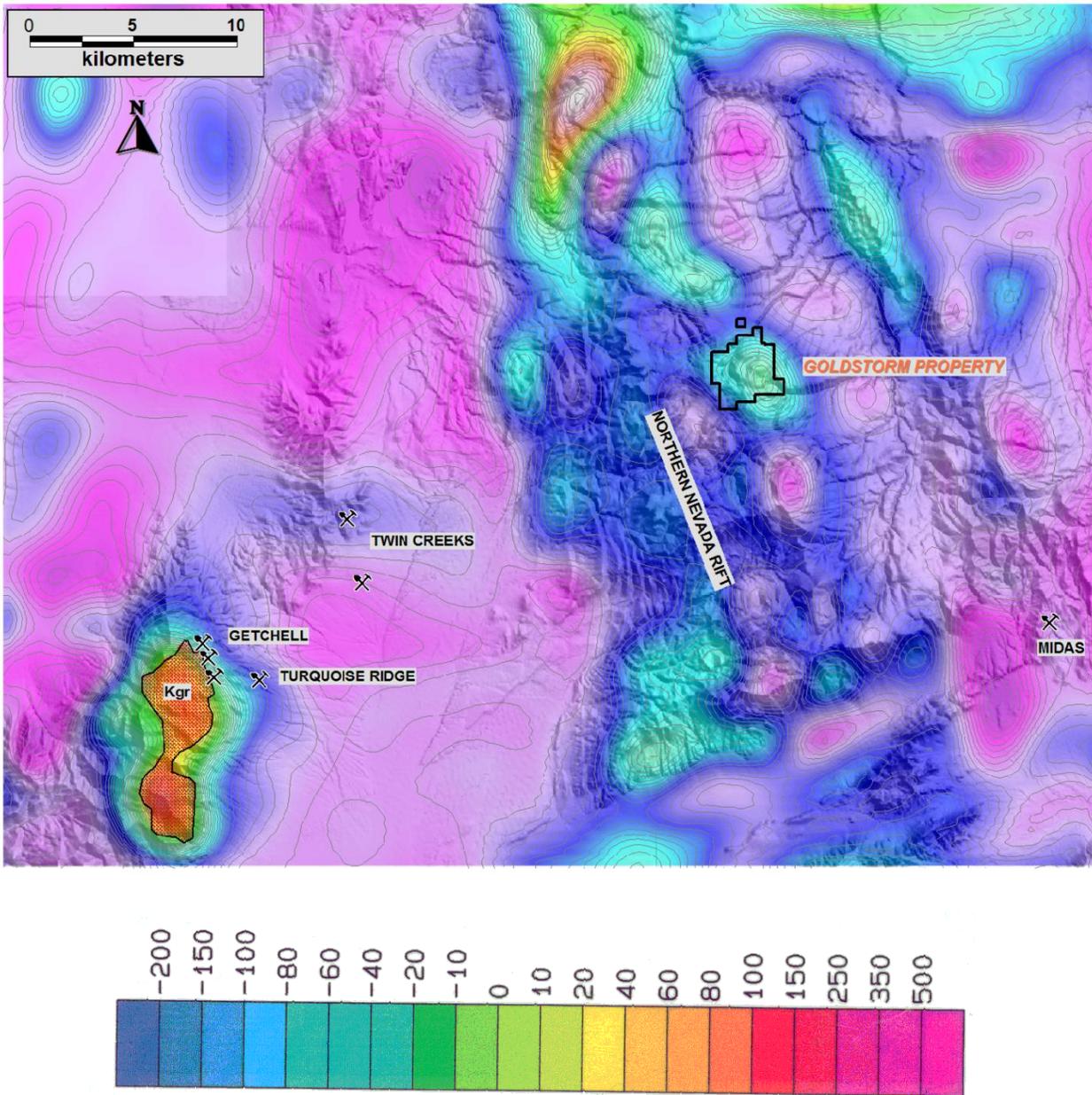
The greatest portion of the Mexivada exploration budget was been committed to geophysical exploration and acquisition and compilation of geophysical data. First, the public geophysical data of the U.S. Geological Survey was acquired and plotted by Wright Geophysics. Then, two geophysical surveys were run over the Goldstorm property by independent professional contractors, the first in June, 2008 and the second in November, 2009.

Mexivada contracted with J.R. Wright Geophysics, Magee Geophysics, and Zonge Geosciences, Inc. to conduct gravity, magnetic, and induced polarization chargeability/ resistivity surveys over the property in 2008 and 2009. These surveys identified a number of anomalies on the property, principally strong west-northwest, northwest-southeast and north-south orientations and less pronounced north-northwest and northeast-southwest trending features. These orientations tend to agree with the recent detailed surface geological mapping.

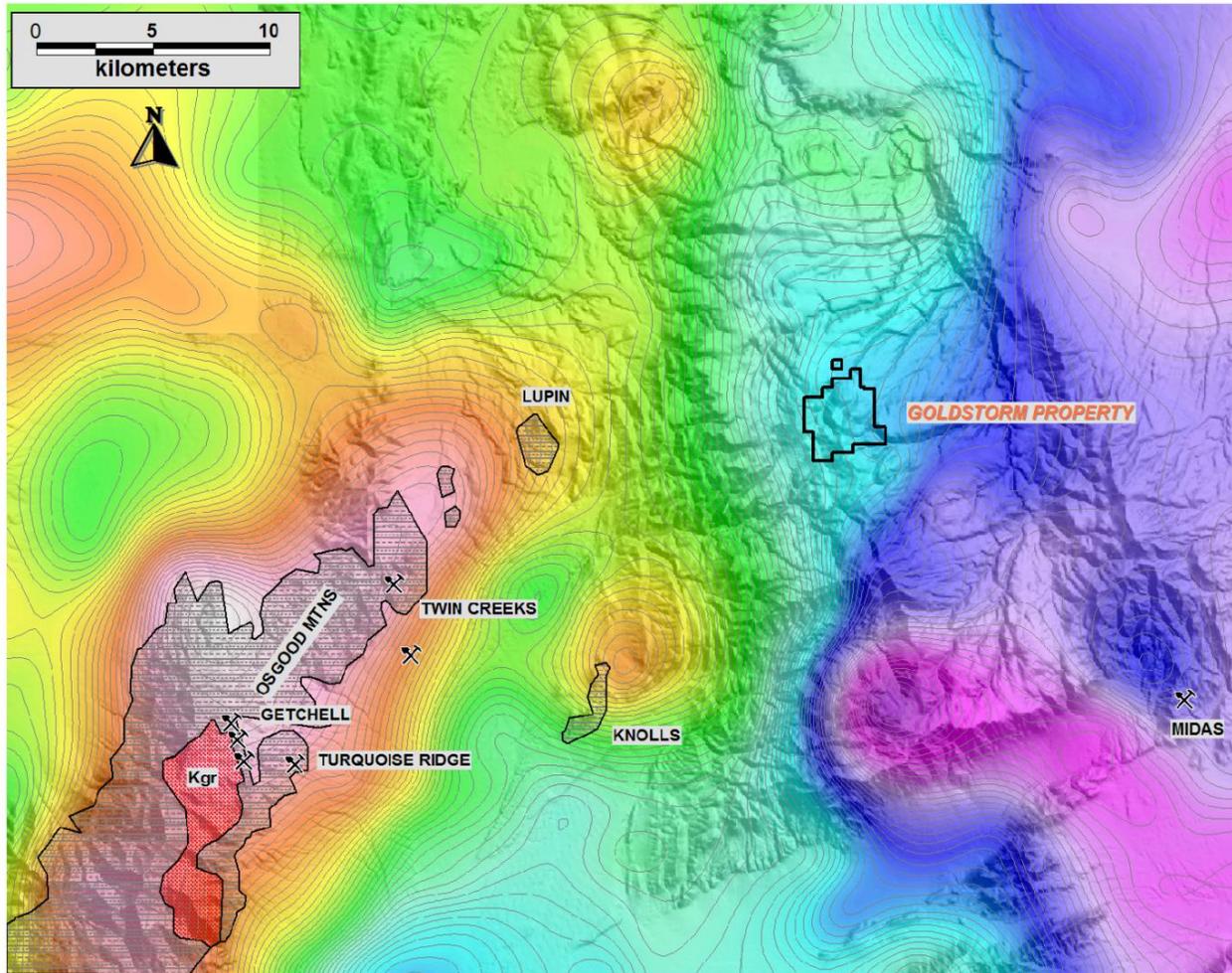
#### **9.3.1 Regional Geophysics**

The U.S. Geological Survey ran regional airborne magnetic surveys which are data in the public domain. Wright Geophysics (2008) utilized these public data to construct the regional magnetic and gravity maps shown in Figures 9.3 and 9.4 below. The Goldstorm property lies on a regional magnetic high (Figure 9.3). Wright (2008) discusses the Goldstorm Project as an area at the juncture of three regional lineaments, to include the Northern Nevada Rift, the Carlin gold trend, and the Getchell gold trend.

U.S. Geological Survey regional Bouguer gravity data indicate that Paleozoic bedrock extends nearly to the Goldstorm property. On a larger scale, the project area lies in the area between Paleozoic platform rocks to the east and submarine abyssal rocks to the west (Figure 9.4).



**Figure 9.3 – Regional Aeromagnetic Data.** Data has been reduced to pole. Note the Goldstorm property lies astride a magnetic high. Other gold deposits in the region are noted. Airborne magnetic survey color bar beneath map.

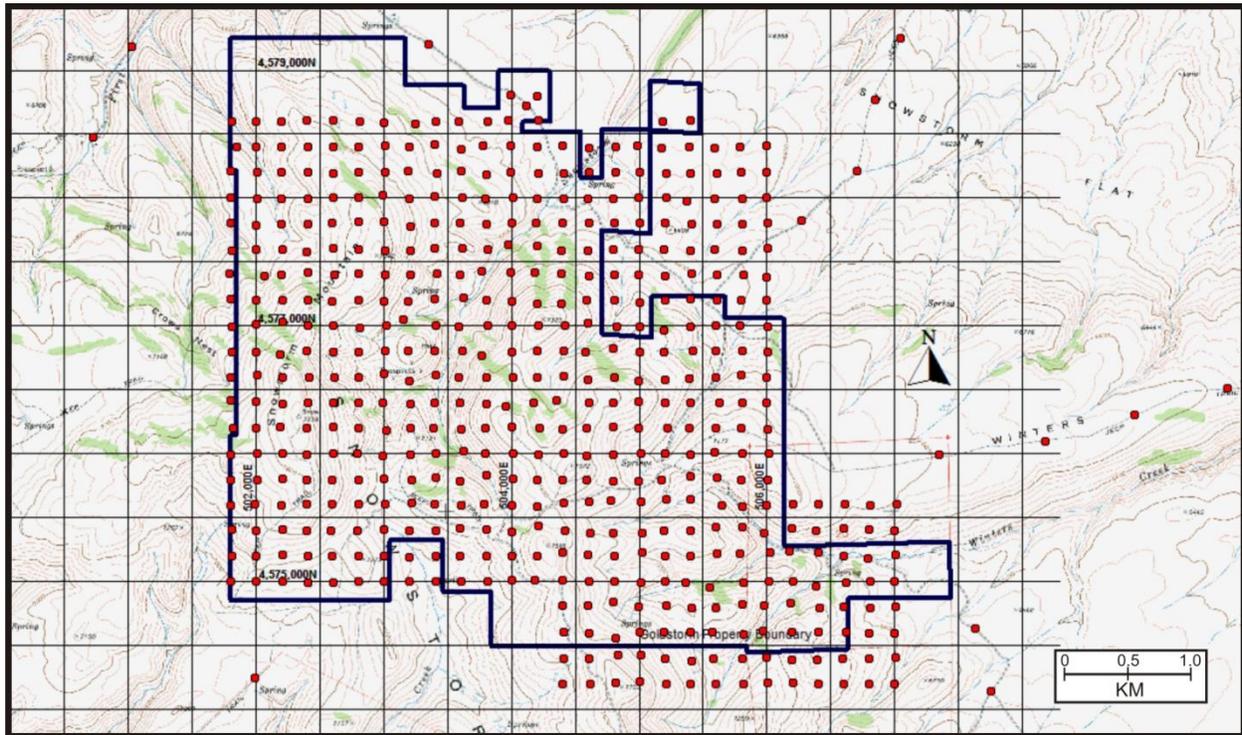


**Figure 9.4** – Regional gravity of the Snowstorm Mountains Area. Note the Goldstorm property is located in an area interpreted to lie between platform rocks to the east and oceanic rocks to the west and north. Other gold deposits in the region are also noted. Gravity survey color ranges from hot colors (red and orange = high gravity) to cool colors (blues and violets = low gravity).

### 9.3.2 Gravity Survey

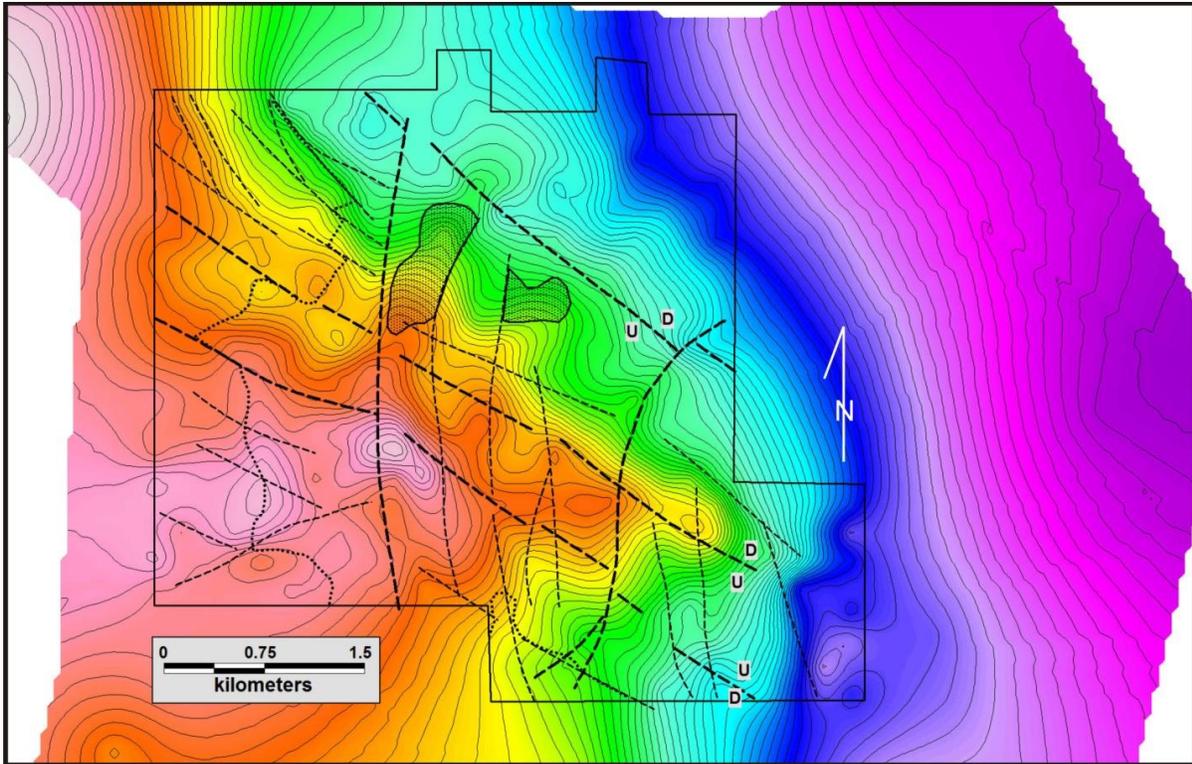
The first geophysical survey conducted for Mexivada was a ground gravity survey conducted by Magee Geophysical Services LLC. A total of 523 new gravity stations were surveyed on a 200 m by 200 m grid over the property itself, and wider spaced stations (approximately 500 m) outside of the property boundary (Figure 9.5). Relative gravity measurements were made with LaCoste and Romberg Model-G gravity meters. Topographic surveying was performed with Trimble Real-Time Kinematic and Fast-Static Global Positioning System (GPS). Gravity data were processed to Complete Bouguer Gravity (CBA), and further processed by Wright Geophysics. Interpretations of the June 2008 gravity survey were made by James L. Wright of J.L. Wright

Geophysics are shown in Figures 9.6 and 9.7. Mr. Wright is an independent consulting geophysicist with a Master's degree in geophysics and over forty years' experience in this field.

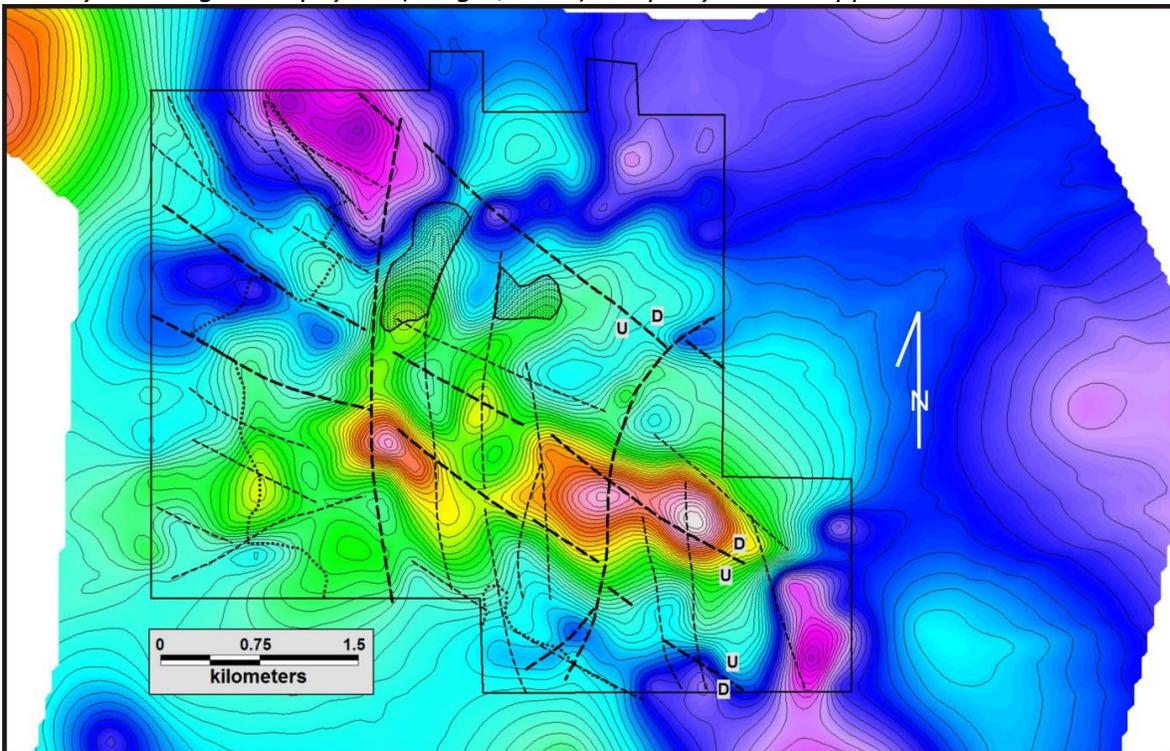


**Figure 9.5** – Gravity and stations by Magee Geophysics, June 2008.

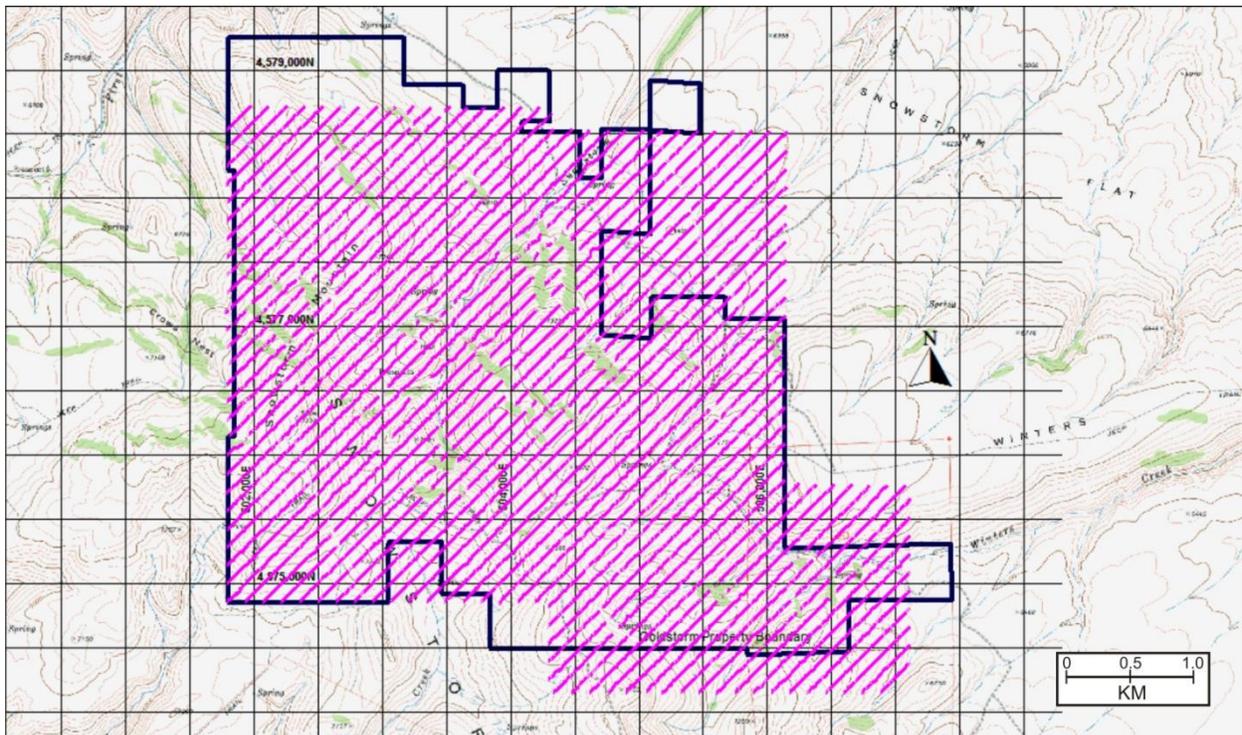
Figure 9.8 shows the property scale gravity survey by Wright (2008). The Complete Bouguer Anomaly (CBA) is illustrated in Figure 9.6, and the residual of the CBA in Figure 9.7. Overlying both is the interpretation based upon the magnetics. Good agreement is noted between the magnetic interpretation and gravity. The northwest structures dropping rocks into the basin to the northeast agree with gravity gradients and the overall reduction in gravity with the subdued magnetics. A prominent gravity protrusion correlates with the southeast portion of the interpreted horst. This protrusion is enhanced considerably in the residual. Interestingly, the strong gravity residuals within the horst correlate with a number of the negative magnetic responses inferred to indicate shallow Tertiary basalt (Tba). Wallace (1993) places the Tba directly over the Paleozoic basement, thus the elevated gravity would logically be indicative of shallow basement. The north-south structures also facet the features in the gravity indicating offsets. It appears the two set of structures offset the rock package into a series of structurally bounded blocks. Magnetic highs bounding the central horst, and inferred to be possible intrusions, correlate with generally flat gravity.



**Figure 9.6** – CBA gravity from 2008 survey with structural and other geological interpretations made by J.L. Wright Geophysics (Wright, 2008). Property outline approximate.



**Figure 9.7** – Residual Gravity from 2008 survey with structural and other geological interpretations made by J.L. Wright Geophysics (Wright, 2008). Property outline approximate.



**Figure 9.8** - August, 2008 magnetic survey station posting, topography and property boundary (approximate).

### 9.3.3 Ground Magnetics Survey

The first geophysical survey conducted for Mexivada was a ground magnetics survey conducted 3 through 13 August, 2008 by Magee Geophysical Services LLC. A total of 193 new line kilometers of magnetic data were acquired using Geometrics Model G-858 magnetometers (Figure 9.8). Real-time differentially-corrected GPS was used for positioning. Measurements of the total magnetic intensity were taken in continuous mode at two-second intervals along lines spaced 100 meters apart and oriented  $N45^{\circ}E$ . A base magnetometer was operated during all periods of data acquisition and recorded readings every two seconds, resulting in a sample spacing of two to three meters or less. All location data were collected in NAD27 UTM Zone 11 North coordinates for the entire project. Geometrics G-858 Cesium Vapor magnetometers were used on this project, sensor height of about 2.9 meters above the ground. Coordinates for the base station are 503,471.970m E and 4,579,197.480m N with a NAVD88 elevation of 1992.720 m. An International Geomagnetic Reference Field (IGRF) 2005 value of 52304 nT was assigned to the base magnetometer location using a latitude of  $41.36619^{\circ}$ , a longitude of  $-116.95849^{\circ}$  and an elevation of 1992.720m on 8 August, 2008. The IGRF model gives this location an IGRF value of 52303.78 nT, a magnetic inclination of  $65.55^{\circ}$  and a magnetic declination of  $14.44^{\circ}$  True North (TN).

The diurnally corrected total field data were gridded with a kriging algorithm at a spacing of 25m or 25% of the line spacing. The resulting grid was then filtered with a nine point Gaussian filter to yield the final total field (TF) product. This product was reduced to the pole (RTP) with a USGS algorithm. From the RTP grid a residual (RES) was extracted by repeated Gaussian filtering to produce a regional which subtracted from the RTP produced the RES. In addition, a total horizontal gradient (HG) was computed directly from the RTP. The four (4) grids (i.e. TF, RTP, RES and HG) were mask to the data limits and imaged / contoured for import into MAPINFO / ARCGIS as separate file sets for the images and corresponding contours. Color bars follow arranged as TF, RTP, RES and HG from top to bottom, left to right (Figure 9.9).

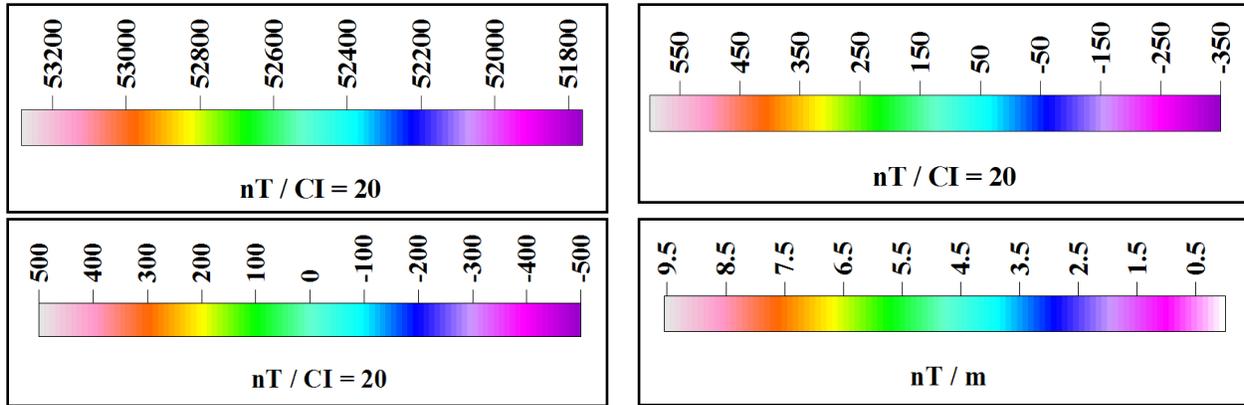
Figure 9.10 illustrates the basic interpretive product, RTP magnetics, over the topography. A prominent northwest grain is evident in the data along with a number of strong negative responses suggestive of reversed magnetization. Finally, the northeast corner of the survey is clearly underlain by contrasting material to the rest of the survey coverage.

The ground magnetic survey reveals a structural picture dominated by northwest directed structures cut by a subordinate north-south set. Northwest structures down-drop rocks into the northeast bounding basin and form the bounding structures to a horst, which extends the length of the property. Two areas of hydrothermal alteration, two possible intrusions, and an area of shallow basement are identified.

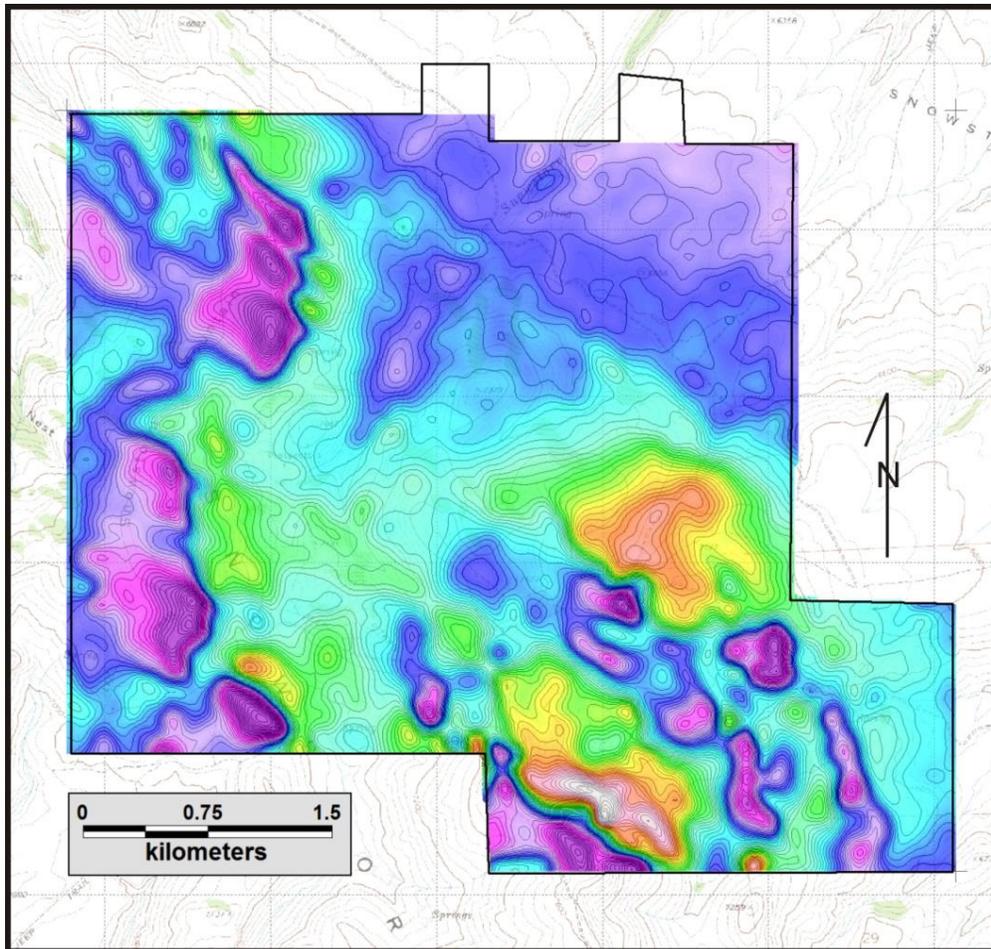
#### **9.3.4 Induced Polarization Survey**

Mexivada contracted with Zonge Geosciences in fall 2009 to run an induced polarization survey. Between October 26 and 11 November, 2009 a dipole-dipole ground induced polarization (IP) survey was completed over the Goldstorm Property. Then objective was to delineate sulfide concentrations via the chargeability and lithologies via the resistivity. The survey was conducted over the main areas of QSP alteration near the center of the property (Figure 9.11). Zonge Geosciences, Inc. based in Reno, Nevada acquired the data in eight lines using a dipole-dipole electrode array with a 150 m dipole length. Instrumentation consisted of a Zonge model GDP-32 multiple purpose receiver. The electric-field signal was measured at the receiver site using non-polarizing ceramic porous-pot electrodes connected to the receiver with installed 14-gauge wire. The transmitter was a Zonge GGT-30, constant-current 30 kW transmitter, which was controlled by a XMT-32 transmitter controller. Power for the transmitter was provided by a Zonge ZMG-30 generator equipped with a Zonge VR-1 voltage regulator. Further details of the survey are outlined in Wright, November 23, 2009.

Numerical data for the IP survey included apparent resistivities in ohm-meters (ohm-m) and chargeabilities as Newmont standard values in milliseconds (msec). Data were provided in two text files (.avg and .stn); the AVG files contained the averaged and edited data, and the STN file contains the station survey locations in UTM 11N/ NAD 27 coordinates. "Data quality for the entire survey is excellent and required minimal data editing" (Wright, 2009).



**Figure 9.9** - Ground Magnetic Survey Color Scale Bars: TF (upper left), RTP (upper right), RES (lower left), HG (lower right).

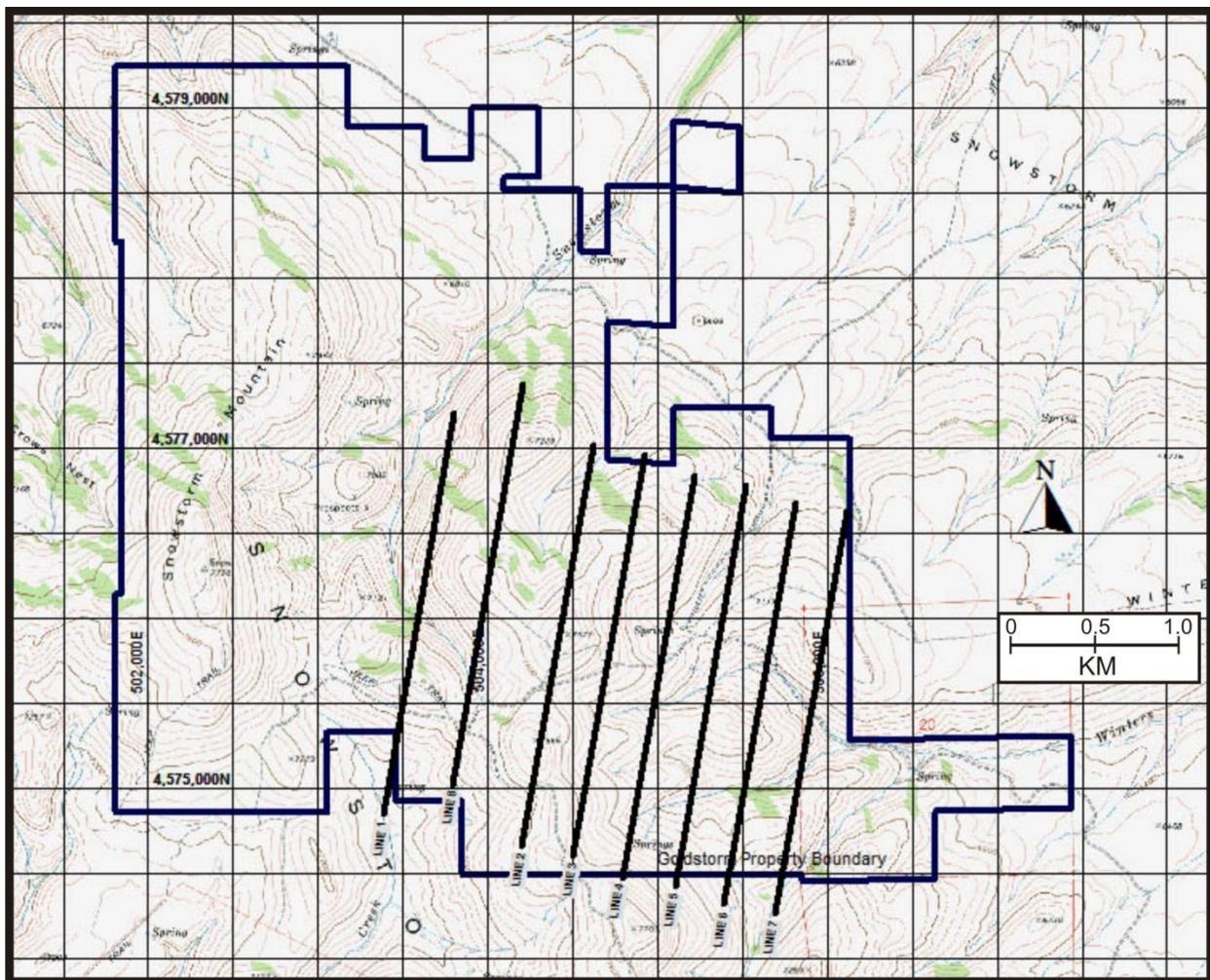


**Figure 9.10** - RTP Magnetics, Topography and Property outline (approximate), August 2008 survey.

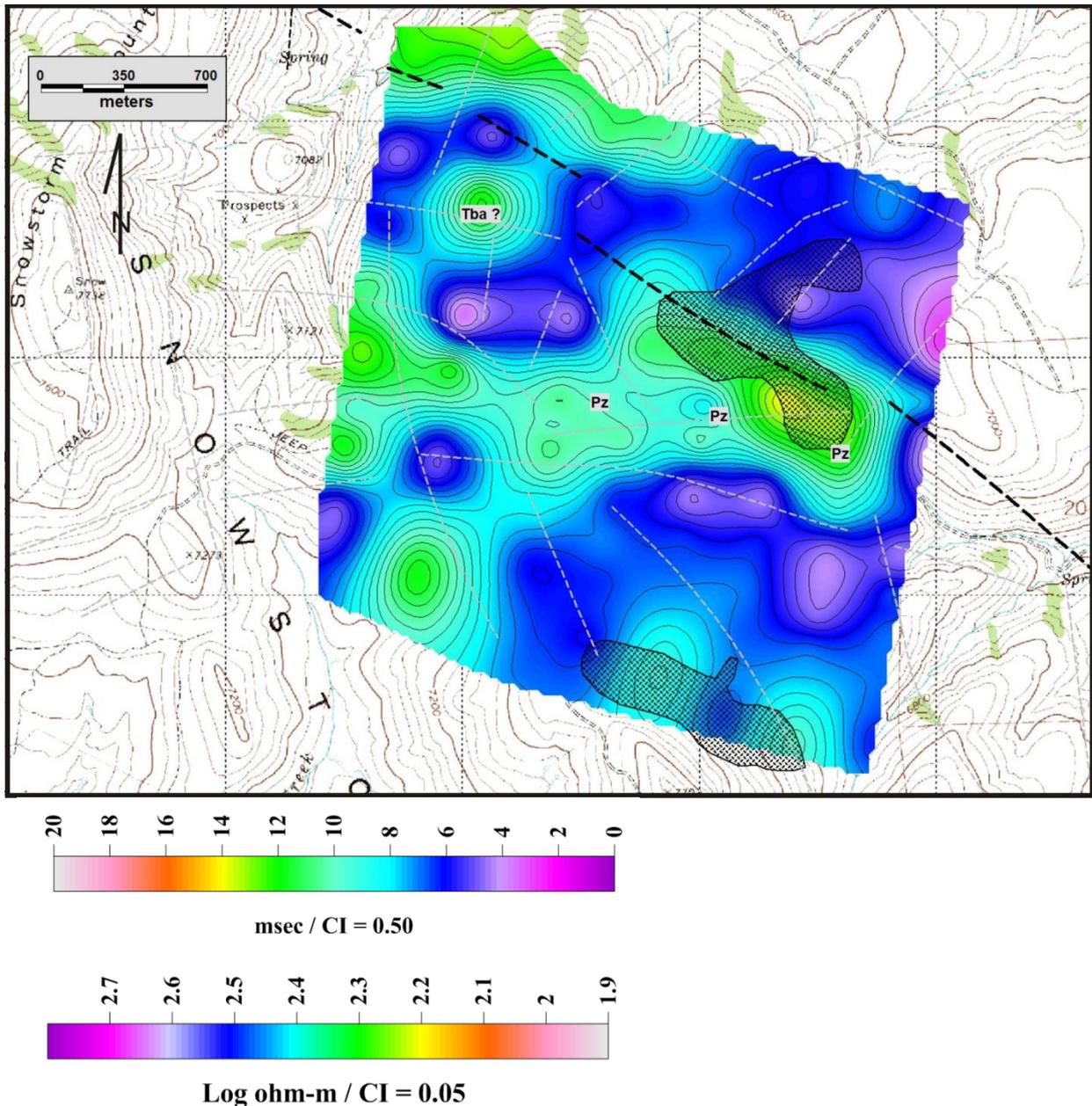
Results of the chargeability surveys indicate a number of inverted chargeability highs and resistive zones exist from surface to depth (Figures 9.12 through 9.13). It is interpreted that the west-northwest zones represent an uplifted "horst" (elevated) block, located south of the previously-drilled Midas-style target areas. Two or more of these fault blocks may be present,

on the south side of the Goldstorm property. The upper surfaces of these horst blocks may be as shallow as 300 meters from the ground surface. J.L. Wright geophysics interpreted that the first horst block and adjoining rocks may comprise Paleozoic sedimentary rocks and granitic rocks. The intervening west-northwest trending fault zones would ostensibly be feeder zones for gold deposits that could be present on the property, as well as the northerly-trending cross faults between the chargeability isosurfaces shown on the figures below.

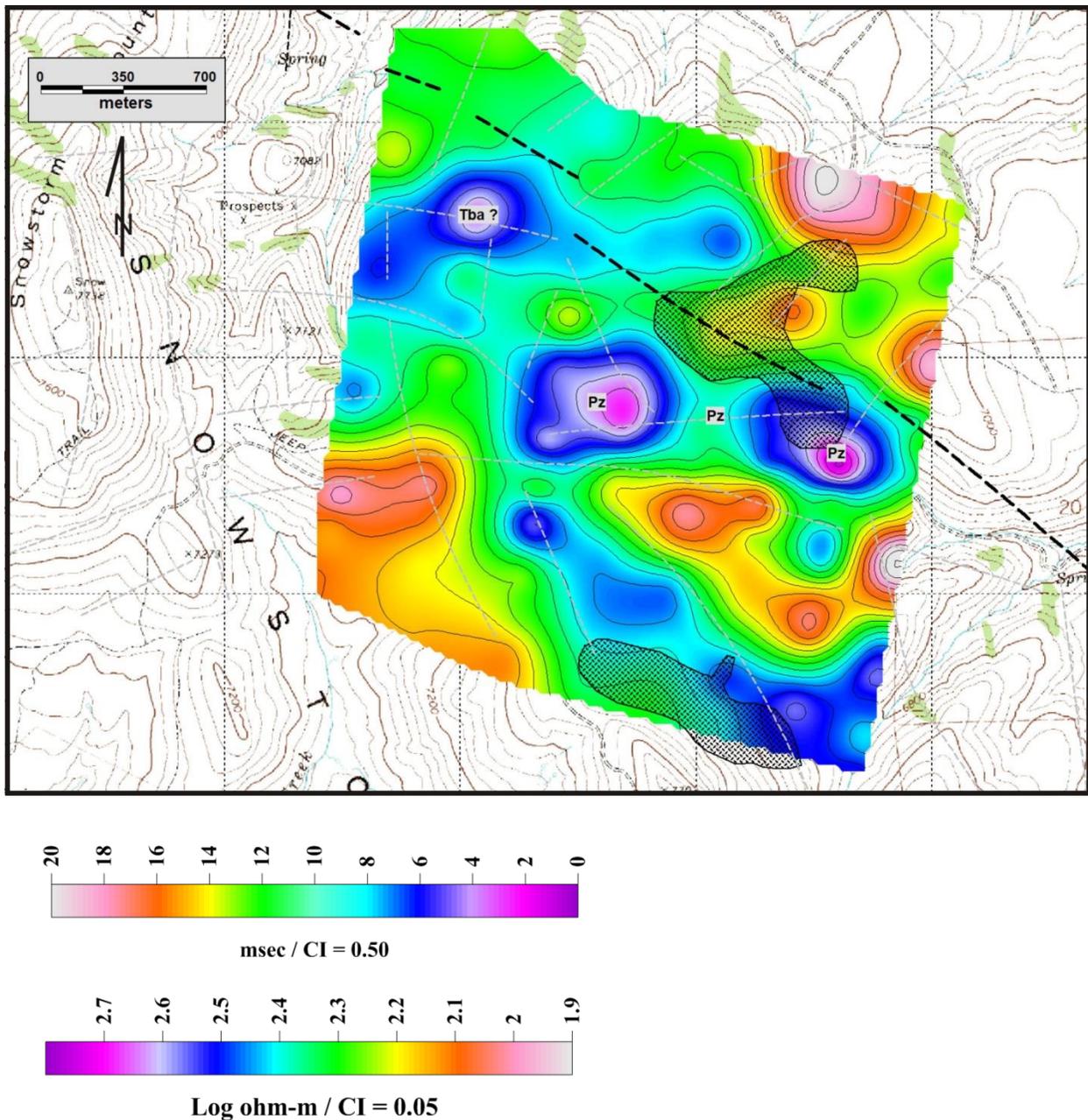
In the depth slice from 0 to 50 m this survey shows strong resistivity linear zones oriented north-northwest to south-southeast. Strong chargeability is found on the southwest flank of Hill 7572. At deeper levels (150 m to 300 m) chargeability shifts west and north (Figure 9.12) and resistivity weakens and shifts to the south, indicating a southwest dip on this zone (Figure 9.13).



**Figure 9.11** – Location of the IP lines on the Goldstorm Property (approximate). Lines are numbered 1 through 7 left to right (west to east).



**Figure 9.12** – Chargeability in the depth slice from 150 m to 300 m. Survey is centered over the strong QSP altered area of the property area. Stippled areas outline intrusive rocks interpreted to be present by Wright (2009). Reference approximate property boundary in Figure 9.11. Color scale bars beneath.



**Figure 9.13** - Resistivity in the depth slice from 150 m to 300 m. Survey is centered over the strong QSP altered area of the property. Stippled areas outline intrusive rocks interpreted to be present by Wright (2009). Reference approximately property boundary in Figure 9.11. Color scale bars beneath.

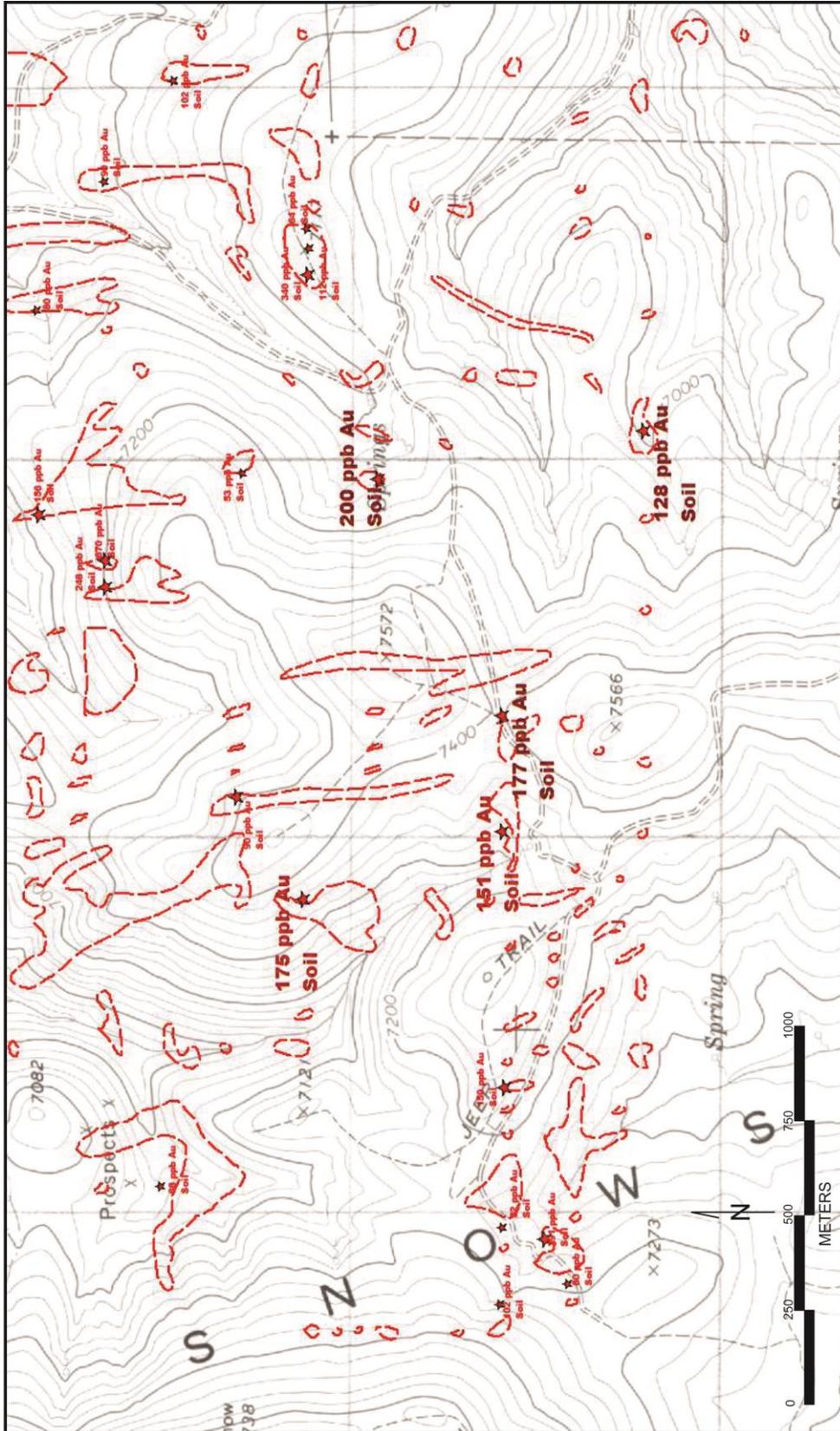
#### 9.4 Significant Results and Interpretation

Soil sampling exposed a number of gold and silver anomalous areas across the Goldstorm property with numerous +50 ppb gold analyses, and a high of 670 ppb (Figure 9.14). Hand contoured maps acquired by Mexivada through third parties illustrate a general north-south

pattern to precious metals anomalies. There are neither copies of laboratory certificates nor any documented discussions pertaining to the Crown Resources soils sampling program. More recent surface sampling in these areas of rock exposures and float tend to corroborate the higher gold-silver anomalies and are the only documented evidence of their existence. As such, none of the Crown Resources data are 43-101 compliant and are here referenced for historical purposes only and should not be relied upon for evaluation purposes.

The Mexivada soils sampling program in the southeast corner of the property did not return any values greater than 9 ppb gold and most were below detection of 2 ppb. The survey did show anomalous values of calcium and strontium, which could be interpreted to support the possible presence of carbonate sedimentary rocks at depth. This program did not overlap any of the previous soils sampling completed by Crown Resources.

Historical rock chip sampling reported values in excess of 100 ppm silver and 10 ppm gold; samples collected by Mexivada personnel and assays by independent ISO-certified professional laboratories via four acid digestions retrieved a high of 0.701 ppm gold. However, save for the veins on the Prospect Hill dump of the old adit in Snowstorm Creek, duplicates of the historic high grade geochemical samples have not been taken. Surface rock chip geochemical sampling should be re-conducted in compliance with current industry standards and a comprehensive database developed. Some of the older samples, where their localities are known, should be duplicated to verify the historic database. Because of the lack of duplication of assays, no interpretations can be made at this point, other than gold and silver are associated with veins and silicified rocks exposed on the property.



**Figure 9.14** – Gold anomalies defined by Crown Resources soils sampling program. Note apparent north-south alignment of anomalies and compare to gold anomalies defined by drilling, Figure 7.13. Values presented are non-43-101 compliant and presented for historical reference only.

## **10.0 DRILLING**

Drilling in the Goldstorm area targeted vein and disseminated precious metal mineralization amenable to either open pit mining or underground mining methods. Drilling commenced in 1989 when two companies holding adjacent ground drilled a total of fourteen holes.

Table 10.1 summarizes the drilling that has taken place in the area. Minor differences in collar coordinates were noted between those provided by various sources and those provided by Mexivada. Mexivada checked certain collars on the ground and from aerial photographs.

**Table 10.1 – Drill Hole Summary by Year; Total Drilled and Average TD.**

<b>Year</b>	<b># Holes</b>	<b>Company</b>	<b>Type</b>	<b>Total (m)</b>	<b>Ave. TD (m)</b>
1989	6	Priority/Prochnau/Bow Valley/WX Syndicate	Air Track	184.1	30.68
1989	6	Battle Mountain Exploration	RC	630.9	105.15
1990	1	Touchstone Resources Co.	Core	184.1	184.10
1996	7	Crown Resources	RC	1,290.8	184.40
1997	10	Romarco	RC	2,334.7	233.47
1998	18	Romarco	RC	4,187.9	232.66
2000	3	Newmont	RC	1,091.4	363.80
2010	2	West Kirkland Mining	Core	828.9	414.45
<b>Total</b>	<b>53</b>			<b>10,732.8</b>	<b>202.50</b>

### **10.1 TYPE, EXTENT AND RESULTS OF DRILLING**

#### **10.1.1 Historic Drilling - 1980's**

Drilling started in the late 1980's when both Priority Minerals (and others) and Battle Mountain Exploration were actively exploring the area.

##### **10.1.1.1 Priority Minerals Ltd. / WX Syndicate/ Bow Valley/ J. Prochnau & Co., Inc. – 1989**

In 1989 the Priority Minerals Ltd. / WX Syndicate/ Bow Valley/ J. Prochnau & Co., Inc. group of companies drilled six shallow, vertical, air track holes, for a total of 184.1 meters; designated SER89-1 through SER89-6. Samples were prepared on 3.048 m intervals and submitted to Bondar-Clegg located in Sparks, Nevada. They analyzed samples for gold and silver and the data were presented in Bondar-Clegg report R89-02670.0. The highest gold value returned was 29 ppb; the highest silver value was 1.0 ppm. Hole SER89-5 returned the best values and was drilled just north of Crown Resources SW Zone anomaly. Drill cuttings from these holes have not been made available to the current operators and it is unknown if they still exist.

##### **10.1.1.2 Battle Mountain Exploration – 1989**

Battle Mountain Exploration drilled six reverse circulation holes in the Prospect Hill/ Hill 7082 target area (see Figure 7.13), for a total of 631 meters. The first three of these holes targeted down-dip extensions of gold enriched quartz veins exposed in their trenching program. The best intersect in this drilling was a silicified zone beneath the exposed quartz veins that had a 1.52 m interval grading 2.045 ppm Au and 6.7 ppm Ag.

The best intersects in this drilling program identified two 1.52 meter (m) intervals grading 2.04 and 1.80 ppm gold in holes SBM-1 (drilled at  $-50^{\circ}$  from the horizontal) at an as drilled depth from 114.3 m to 115.8 m and SBM-5 (drilled at  $-60^{\circ}$  from the horizontal) at an as drilled depth from 27.4 m to 28.9 m. “Weakly anomalous arsenic and mercury (to 70 ppm As and 850 ppb Hg) are associated with the zones of elevated precious metals” (Shannon, 1996).

Samples were composited every 1.52 m and submitted for analyses of Au, Ag, As, Sb, Hg, Tl, Mo, Cu, Pb, and Zn; original assay certificates are not available for review. Logging was completed on the rig and copies of hand written logs are available in the Shannon (1996) report. However, chip trays containing drill cuttings from this drilling have not been made available to the current operators.

### **10.1.2 Historic Drilling 1990’s**

#### **10.1.2.1 Touchstone Resources Company – 1990**

Touchstone (Cornucopia) Resources Company permitted four holes but only drilled one, ZEK-1. This was a core hole, the diameter of which is unreported. It was drilled vertically to 184.1 meters near the top of Hill 7572. The hole was sampled nominally on 1.524 m intervals with local samples extracted on intervals as small as 0.305 meter. Samples were analyzed for gold and a 31 element ICP suite at the Bondar-Clegg laboratory in Sparks, Nevada. The highest gold value obtained was 100 ppb in a single 1.524 m interval between 36.6 m and 38.1 m. Elevated barium was noted from 57.9 m to 74.6 m. Zinc and manganese were found elevated in the basalt underneath the silicic volcanoclastic unit. Basalts in the hole were logged as Tertiary sedimentary rocks; copies of hand written logs and assay reports are available in the Shannon (1996) report. Up to 10% sulfide was found in a strongly altered zone between 112 and 123 meters, this interval contained minor elevated gold (to 17 ppb). Core from this drill hole is unavailable to the current operators.

#### **10.1.2.2 Crown Resources – 1996**

Crown Resources drilled six reverse circulation (RC) holes in the Snowstorm Creek area (96-SN-1 through 96-SN-6) and a seventh in the First Creek area, north of the project. The six holes drilled in the Snowstorm Creek area aggregated 1,047 m of drilling. All holes were sampled on 1.52 m intervals and analyzed for gold, silver, arsenic, mercury and selenium. Four of the six holes were drilled at angles of  $-60^{\circ}$  (one hole) and  $-70^{\circ}$ . The other two were vertical. Cuttings were logged in the field and copies of the hand written logs are available in the Shannon (1996)

report. Cuttings from this round of drilling have not been made available to the current operators and may no longer exist.

Of note, Crown completed hole 96-SN-4 which targeted the gold-bearing quartz vein sampled on the dumps of the caved adit located near the southeast base of Prospect Hill 7082. This vein strikes  $285^{\circ}$  and dips steeply ( $76^{\circ}$ ) north. Samples taken from this vein returned high gold and silver values of 1,420 ppb and 12.7 ppm respectively. The hole was drilled on a  $200^{\circ}$  azimuth and  $-70^{\circ}$  dip and had a total depth of 189 meters. It intersected six fault zones and five quartz  $\pm$  calcite vein zones. In one of these vein zones (from 155.4 m to 160.0 m) an interval 4.57 meters thick grading 201 ppb gold was intersected.

Holes 96-SN-5 and 96-SN-6 were drilled in the “SW Zone” as defined by soil and rock chip geochemistry (see Figure 9.1). These holes intersected relatively high concentrations of pyrite, but low gold values (9 to 37 ppb). Both holes were drilled vertically and intersected significant water-bearing strata which caused both holes to be terminated prematurely, the deepest being 103.6 meters. These holes intersected structurally complex zones, as well as zones containing amethystine quartz-calcite veins.

#### **10.1.2.3 Romarco Minerals – 1997-1998**

Romarco Minerals entered into a joint venture with Crown Resources in 1997. After conducting an integrated exploration program, they drilled ten reverse circulation holes in 1997 and another eighteen reverse circulation holes in 1998. Many of the holes contained narrow (1.52 m to 4.57 m) intercepts in the 0.34 to 1.02 g/t Au range. In one target area an intercept of 10.67 m averaging 1.37 g/t gold was encountered in a hole that was drilled down a mineralized structure. The best single interval returned from this drilling campaign was 1.52 meters grading 2.91 grams per tonne. Deeper drilling, to approximately 300 meters vertical depths, beneath better mineralized holes were attempted to discern vein grades and width.

In 1997, drilling was conducted using an Eklund MPD-1500 track rig; in 1998 an Explorer 1500 buggy rig was employed. Direct drilling costs averaged \$8.08/ft in 1997 and \$8.26/ft in 1998. Little if any “bad ground” was encountered, although some of the vein zones required more careful drilling due to some lost circulation and intervals of low sample return. Most holes were hammer drilled to vertical depths of approximately 183-244 meters, where ground water increased to >95-190 liters per minute. Several of the deeper holes required tri-cone drilling.

Several holes, about one-quarter of those drilled, were gyroscopically surveyed for down-hole deviation; only one of the holes drilled in 1997 showed any significant deviation and steepening. Wet samples were split with a rotary wet splitter and placed in spun-bound sample bags measuring 28 cm by 43 cm (11” x 17”) or 50.8 cm by 50.8 cm (20” x 20”). Samples averaged approximately 6.8 kg and were analyzed on 1.52 m intervals for gold and silver by Chemex Labs, with 5 ppb gold and 0.2 ppm silver detection limits. A 30 gram sample charge was used for gold which was determined by FA-AA methods. Some trace element analytical

packages were run on the 1997 drill holes. Detailed analyses of targeting and results of Romarco's drilling program are available report dated January, 1999.

No permitting was required in 1997 as all disturbances were limited to fee lands, however all road building on these lands prior to 1997 were reclaimed. Road building and drilling was permitted without difficulties under a new Notice of Intent (NOI) filed with the BLM's office in Elko, Nevada. All drill roads, pads and sumps were reclaimed in October, 1998 and reseeded. Closure of the NOI was then completed.

### **10.1.3 Historic Drilling – 2000 to Present**

In 2000, Newmont drilled three holes targeting the eastern high grade vein system on the northern nose of the ZEK ridgeline identified by surface sampling (SKI-1 and SKI-2, drilled at 200° azimuth and -45° dip angle; TD 1165 ft (354.1 m) and 1200 ft (364.7 m) respectively) and the eastern boundary fault to the exposed alteration zone (SKI-3 drilled at 228°, -45°; TD at 1215 ft (369.3 m)). SKI-1 failed to intercept significant mineralization; SKI-2 intercepted 3 m grading 0.515 g (341.9 – 344.9 m) and SKI-3 identified two minor zones of elevated (>100 ppb) gold.

The first verifiable drilling to be completed since 2000 were two core holes drilled by West Kirkland Mining in late 2010. The total depth of these holes is 2,719 ft (829.9m). They were drilled to test a chargeability anomaly (west) explored by drill hole WG-1001 (drilled at -70° and azimuth of 050° to True North (TN)) completed to 284.8 m (934.5 ft), and a gravity anomaly (east) tested by core hole WG-1002 (drilled at -70° and azimuth of 230° to TN), terminated at 544.0 m (1,784.9 ft).

Hole WG-1001 intercepted numerous silicified and veined zones, including ones which were decidedly anomalous in gold and silver values, to a high of 9.02-9.29 g Au and 72.6 g Ag over a 1 meter interval (66.0 – 67.0 m drill depth), representing the highest grades ever intersected in drilling on the Goldstorm project. Drill hole WG-1002 did not intersect anomalous gold.

### **10.1.4 Drilling Procedures**

There are no detailed records available, with the exception of Romarco, discussing any of the historic drilling procedures, types of rigs involved or sampling procedures. However, since almost all of the companies involved in drilling on the property, with the lone exception of the WX Syndicate of companies, were established mining and exploration companies with mid- to high level capitalization. Drilling on the property was accomplished by reverse circulation, core and air track methods. Since the work was conducted by professional mining companies, it is assumed that standard practices and controls were implemented.

In 1997 drilling by Romarco Minerals was conducted by an Eklund MPD-1500 track rig; in 1998 an Explorer 1500 buggy rig was employed. Direct drilling costs averaged \$8.08/ft in 1997 and \$8.26/ft in 1998. Little if any "bad ground" was encountered, although some of the vein zones

required more careful drilling due to some lost circulation and intervals of low sample return. Most holes were hammer drilled to vertical depths of approximately 183-244 meters, where ground water increased to >95-190 liters per minute. Several of the deeper holes required tri-cone drilling. Several holes were surveyed gyroscopically for down-hole deviation; only one of the holes drilled in 1997 showed any significant deviation and steepening. Wet samples were split with a rotary wet splitter and placed in spun-bound sample bags measuring 28 by 43 cm or 50.8 by 50.8 cm. Samples averaged approximately 6.8 kg and were analyzed on 1.52 m intervals for gold and silver by Chemex Labs, with 5 ppb gold and 0.2 ppm silver detection limits. A 30 gram sample charge was used for gold which was determined by FA-AA methods. Some trace element analytical packages were run on the 1997 drill holes.

The 2010 program, conducted by West Kirkland Mining, was drilled using a LF70 track mounted core rig owned and operated by Boart Longyear. Core was drilled using HQ (63.5 mm) diameter core, WG-1002 was reduced to NQ (47.6 mm) diameter at 350.4 m; core was collected in 3 m cardboard core boxes in five equal 0.6 m intervals. Core was handled by drillers, site geologist, and core splitters after it had been washed, photographed and logged. Split core was labeled with a unique alpha numeric identification and given to ALS Chemex laboratories for assaying. The author has not found documentation pertaining to handling and security measurements taken during this program; the above comments are made based on observations of core and data presently in possession of Mexivada.

#### **10.1.4.1 Historic Reverse Circulation Drilling**

All drilling on the project, with the exception of the three core holes and six air-track holes, has been conducted by reverse circulation (RC) methods. Table 10.2 lists collar coordinates angle and azimuth of all RC drilling conducted on Goldstorm.

#### **10.1.4.2 Historic Core Drilling**

Three core holes have been drilled into the Goldstorm Property to date; these are listed in Table 10.3. Total length of core from all holes is 1,013 m. The core from ZK-90001 (a.k.a. ZEK-1) has not been obtained for inspection and only a handwritten log is available for record. Core hole WH-1001 has been re-logged in detail by the author and WG-1002 has been quick re-logged by same.

**Table 10.2** – Table listing all Air Track and Reverse Circulation holes drilled at Goldstorm. Collar coordinates are in UTM NAD 27, Zone 11. Azimuth is given in degrees to True North. Dip in degrees to the horizontal and collar elevation to Mean Sea Level (MSL), nominally that determined by NOS/NOAA used on the date the aerial photographs were taken to develop photogrammetric topography, in this area, 1973. The SERI group of holes was drilled by air-track methods.

ID	Drilled By	Year	UTM N NAD 27	UTM E NAD 27	Elev. (m)	TD (m)	Az (TN)	Dip
89-SS-1	Battle Mtn. Gold	1989	4,576,801	503,188	2,146	128.0	180	-50
89-SS-2	Battle Mtn. Gold	1989	4,576,738	503,269	2,129	91.4	208	-45
89-SS-3	Battle Mtn. Gold	1989	4,576,860	503,254	2,156	152.4	--	-90
89-SS-4	Battle Mtn. Gold	1989	4,576,774	503,583	2,069	76.2	198	-45
89-SS-5	Battle Mtn. Gold	1989	4,576,535	503,071	2,088	91.4	241	-60
89-SS-6	Battle Mtn. Gold	1989	4,577,005	503,559	2,024	91.4	211	-65
SERI-1	WX Syndicate/ Priority	1989	4,576,202	504,016	2,280	39.6	--	-90
SERI-2	WX Syndicate/ Priority	1989	4,576,161	503,975	2,272	39.6	--	-90
SERI-3	WX Syndicate/ Priority	1989	4,576,533	503,932	2,173	24.4	--	-90
SERI-4	WX Syndicate/ Priority	1989	4,576,573	503,951	2,169	30.5	--	-90
SERI-5	WX Syndicate/ Priority	1989	4,576,105	503,283	2,167	25.6	--	-90
SERI-6	WX Syndicate/ Priority	1989	4,576,148	503,260	2,163	24.4	--	-90
96-SN-1	Crown	1996	4,576,771	504,053	2,192	219.5	208	-70
96-SN-2	Crown	1996	4,576,659	504,540	2,183	207.3	208	-60
96-SN-3	Crown	1996	4,576,610	504,417	2,169	256.0	--	-90
96-SN-4	Crown	1996	4,576,715	503,432	2,063	189.0	200	-70
96-SN-5	Crown	1996	4,575,419	503,126	2,150	71.6	--	-90
96-SN-6	Crown	1996	4,575,406	503,313	2,172	103.6	310	-70
96-SN-7	Crown	1996	4,579,704	501,933	1,926	243.8	--	-90
SRM-01	Romarco	1997	4,576,688	503,561	2,075	184.4	200	-45
SRM-02	Romarco	1997	4,576,619	503,729	2,161	153.9	020	-60
SRM-03	Romarco	1997	4,576,911	503,574	2,000	153.9	035	-45
SRM-04	Romarco	1997	4,576,930	503,819	2,095	269.7	235	-60
SRM-05	Romarco	1997	4,576,564	503,134	2,053	376.4	027	-49
SRM-06	Romarco	1997	4,576,562	503,133	2,083	263.7	290	-55
SRM-07	Romarco	1997	4,576,614	503,401	2,023	153.9	020	-45
SRM-08	Romarco	1997	4,576,632	503,728	2,160	263.7	200	-45
SRM-09	Romarco	1997	4,576,677	503,618	2,108	263.7	200	-45
SRM-10	Romarco	1997	4,576,647	503,603	2,102	251.5	196	-60
SRM-11	Romarco	1998	4,579,908	502,005	1,898	182.9	045	-45
SRM-12	Romarco	1998	4,579,660	502,026	1,929	152.4	045	-45
SRM-13	Romarco	1998	4,576,559	503,132	2,084	304.8	245	-65
SRM-14	Romarco	1998	4,576,596	503,842	2,206	221.0	200	-45
SRM-15	Romarco	1998	4,576,607	504,550	2,204	184.4	200	-45
SRM-16	Romarco	1998	4,576,580	504,127	2,188	219.5	020	-45
SRM-17	Romarco	1998	4,576,449	504,617	2,241	184.4	020	-45
SRM-18	Romarco	1998	4,576,377	503,908	2,262	306.3	020	-45
SRM-19	Romarco	1998	4,576,692	503,105	2,121	291.1	270	-60
SRM-20	Romarco	1998	4,576,512	503,156	2,079	272.8	245	-60
SRM-21	Romarco	1998	4,576,688	503,106	2,121	184.4	020	-60
SRM-22	Romarco	1998	4,576,629	504,423	2,167	184.4	200	-45

SRM-23	Romarco	1998	4,576,505	504,911	2,244	178.3	245	-45
SRM-24	Romarco	1998	4,576,547	503,938	2,239	181.4	020	-45
SRM-25	Romarco	1998	4,576,369	503,496	2,095	435.9	020	-50
SRM-26	Romarco	1998	4,576,732	503,003	2,120	153.9	020	-60
SRM-27	Romarco	1998	4,576,644	504,088	2,191	213.4	020	-70
SRM-28	Romarco	1998	4,576,392	504,500	2,210	336.8	020	-60
SKI-1	Newmont	2000	4,576,654	504,934	2,188	354.1	200	-45
SKI-2	Newmont	2000	4,576,700	504,632	2,170	364.7	200	-45
SKI-3	Newmont	2000	4,576,704	505,613	2,042	369.3	228	-45

## 10.2 ACCURACY AND RELIABILITY

There is a general lack of documentation regarding actual procedures pertaining to drilling, sampling and assaying of historical drilling. It is unknown how collars were located (i.e. surveying methodology), but some collars were located in the field by the author in the general, within 5 meters, vicinity of those listed in the database. It is assumed geologists and project managers were competent and able to accurately measure angle and azimuth of drill strings at collar and that sampling was carried out to industry norms. There was some down-hole survey work conducted on deeper holes but not all holes were surveyed and deviation is unknown.

**Table 10.3** - Table listing all Core holes drilled at Goldstorm. Collar coordinates are in UTM NAD 27, Zone 11. Azimuth is given in degrees to True North. Dip in degrees to the horizontal and collar elevation to Mean Sea Level (MSL), nominally that determined by NOS/NOAA used at the date of aerial photographs taken to develop photogrammetric topography, in this area, 1973.

ID	Drilled By	Year	UTM N NAD 27	UTM E NAD 27	Elev. (m)	TD (m)	Az (TN)	Dip
ZK-90001	Touchstone	1990	4,575,883	504,417	2,181	184.1	--	-90
WG-1001	West Kirkland Mining	2010	4,575,822	503,846	2,177	284.8	050	-70
WG-1002	West Kirkland Mining	2010	4,575,874	505,468	2,118	544.0	230	-70

Based upon the intercepts made by the recent core drilling and the subsequent petrographic study completed by Mexivada, one can be reasonably assured that assays reported from RC drilling represents thin, high grade veins smeared out over the down-hole intervals. As RC samples often only collect a small portion of the actual material drilled, veins on the order of a few centimeters wide may have been missed entirely and the propensity of precious metals in this system to occur in as sub-10 $\mu$ m electrum particles which, due to density, would be less likely to be in the return from the interval the were drilled.

Drilling in the future should include twinned or offset core holes from previously drilled core and RC holes; most likely those core hole WG-1001 and RC holes showing the longest and highest grades of gold-silver mineralization.

### 10.2.1 Verification of Previous Drilling

The author has verified the existence or location of some of the historic drill collars in the field. No historic holes have been twinned by more modern drilling to date. No samples have been taken for assay verification by the author as none of the material, other than the WG core holes, were available for further evaluation. Samples taken from the WG-1001 core hole were petrographically examined by the author and gold and silver mineralization was verified in the high grade, banded veins in the form of electrum and naumannite (see Section 7.2 and Figures 7.9 to 7.12).

### **10.2.2 Step-Out Drilling**

Step-out drilling has not been completed on any gold anomalies intercepted to date.

### **10.2.3 Delineation of the Gold-Silver Mineralization**

All investigation of the property has been of an exploratory nature to date. No drilling has been completed to delineate continuity of gold-silver mineralization between known intercepts.

## **10.3 DRILLING DETAILS**

No documentation pertaining to drilling procedures has been found to date on any of the historic programs. Only the WG holes are available for review of geology and vein intercepts.

### **10.3.1 Drill Hole Location, Setup and Relevant Sample Intervals**

Drill-hole location was developed by professional mining personnel based on surface data obtained via sampling and mapping and sub-surface geophysical data.

No documentation pertaining to drilling procedures has been found to date on any of the historic programs.

Sampling was completed on 1.5 or 3.0 (air-track drilling) meters intervals in all known drilling, save the West Kirkland drilling which was based on geological observations and varied from 0.5 m to 2.08 m.

### **10.3.2 Sample Length and True Thickness (if Known)**

Length and true thickness of gold and silver zones intersected in historic (pre-2010) drilling is unknown. Twin core drilling will be required to determine these factors in the older drilling.

Veins and mineralized intervals can be measured in the WG drilling. WG-1001 intersected a number of narrow, banded gold and silver mineralized veins. Assays were taken over 1 meter intervals where a 1-3 cm banded vein crossed the core at 15° to the core axis. Samples have not been taken of vein and wall-rock separates.

### 10.3.3 Significant High Grade in Lower Grade Intervals

Using the WG core holes, specifically WG-1001, high grade (+1 g gold and / or +10 g silver) intercepts are generally sharply defined with little, if any, lower grade material immediately bounding these intervals.

Historic RC holes often display a “high-grade” intercept with long, lower grade tails below the intercept which is indicative of smearing of a high grade interval. These holes were all assayed in 5 ft (1.5 m) intervals. RC drill hole SRM-1 succinctly illustrates this assay issue (Table 10.4).

**Table 10.4** – Assay data from Romarco Minerals Inc. reverse circulation drill hole SRM-1. Note >500 ppb intercepts (**bold**) are generally followed by a long down-hole train of lower grade assays (*italics*). All intervals are five feet (1.5 m).

Interval	Au ppb	Interval	Au ppb
SRM-1 335-340	5	SRM-1 405-410	<i>255</i>
SRM-1 340-345	10	SRM-1 410-415	<i>215</i>
SRM-1 345-350	25	SRM-1 415-420	<i>95</i>
SRM-1 350-355	45	SRM-1 420-425	<b>1470</b>
SRM-1 355-360	75	SRM-1 425-430	<i>300</i>
SRM-1 360-365	40	SRM-1 430-435	<i>270</i>
SRM-1 365-370	215	SRM-1 435-440	<i>155</i>
SRM-1 370-375	35	SRM-1 440-445	<i>145</i>
SRM-1 375-380	<b>505</b>	SRM-1 445-450	<i>135</i>
SRM-1 380-385	<b>540</b>	SRM-1 450-455	<i>35</i>
SRM-1 385-390	<i>275</i>	SRM-1 455-460	<i>40</i>
SRM-1 390-395	<i>150</i>	SRM-1 460-465	<i>30</i>
SRM-1 395-400	<i>110</i>	SRM-1 465-470	<i>40</i>
SRM-1 400-405	<i>100</i>	SRM-1 470-475	<i>15</i>

## 10.4 INTERPRETATION OF DRILL RESULTS

As observed in other high grade veins drilled by reverse circulation (RC) methods there is a significant “train” of mineralization tracking down-hole from the initial intercept. Goldstorm is no exception; this phenomenon is discussed above. The issue is further defined as a problem with recovery of micro-particles of electrum and naumannite, the primary precious metals-bearing mineral phases, identified via petrographic and micro analytical investigations. The density of these phases and that of the hosting pyrite prevents full and efficient recovery via RC drilling methods. Further, reverse circulation sampling, typically 1.5 meter intervals, does not allow for accurate recovery and quantifiable identification of vein volume and thickness. Grades are smeared over the entire interval regardless of the actual thickness of the vein.

Core intercepts of the Clayton vein system indicate, at least at the level intersected, mineralized quartz veins are typically up to 1.5 cm thick, locally to 8 cm including core zone of exsolved

bladed calcite crystals. They display epithermal banded textures and local quartz replacement of bladed calcite crystals, typical of epithermal mineralization.

As of this writing, little of the known Clayton-Prochnau veins system has been tested across the known width as exposed on the surface. Depth of intercepts are largely shallow, the nature and tenor of deeper mineralized zones are yet untested.

## **11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY**

### **11.1 SAMPLE PREPARATION, HANDLING AND SECURITY**

Discussions pertaining to sample preparation, handling and security are outlined below.

Regarding laboratory procedures, historic (pre-Mexivada) data available, whether gold and silver or multi-element, are reported from reputable independent geochemical laboratories (American Assay Labs, Sparks, Nevada; Bondar-Clegg and Co., Ltd. of Vancouver, British Columbia; ALS Chemex Labs, Sparks, Nevada; and Inspectorate Labs, Sparks, Nevada). All of these well-established labs are noted for their high industry standard of quality control. Based upon the reputation of the laboratories, it is assumed standard Fire Assay/AA and ICP multi-element analyses procedures were used at the time of sample submittal.

Tours of the ALS Chemex and Inspectorate Lab facilities were undertaken in 2009. Both labs adhere to strict, documented, analytical procedures. ALS Chemex and Inspectorate Labs are both ISO 9001 certified.

#### **11.1.1 Reverse Circulation Drill Sampling**

For historic, pre-Mexivada drilling programs, little information is available concerning the quality control, preparation, security and analyses of historic samples, save some Romarco samples discussed below. Analyses were performed by established laboratories that adhere to strict, written, analytical SOP's.

Drilling assays indicate samples were composited on 1.5 meter intervals, save the air track drill program of the Prochnau/WX Syndicate group of companies, which were composited on 3.0 meter intervals.

The Battle Mountain Gold assays dated 20 September, 1989, are reported in the James R. Shannon report dated September, 1996; results report gold, silver and multi-element values; assay laboratory and methodologies are unknown.

The Prochnau / WX Syndicate air-track samples were analyzed for gold and silver at Bondar-Clegg, Inc. Sparks, Nevada in 1989; Report # R89-02670.0; Project: SERI, lower limits were 5 ppb gold and 0.1 ppm silver (Eliopoulos, 1997). There is no discussion pertaining to sample security, collection methodology, nor laboratory procedures used.

The 1996 Crown Resources program obtained geochemical results from Bondar-Clegg; reports V96-13320.0, V96-13329.0, V96-13324.0, V96-13339.0, V96-13343.0, V96-13362.0, V96-13373.0, V96-13374.0, and V96-13381.0. Results report gold, silver and multi-element results. Sampling, security and laboratory procedures are unknown.

In 1997, drilling by Romarco Minerals was conducted using an Eklund MPD-1500 track rig; in 1998 an Explorer 1500 buggy rig was employed. Wet samples were split with a rotary wet splitter and placed in spun-bound sample bags measuring 28 by 43 cm or 50.8 by 50.8 cm. Samples averaged approximately 6.8 kg and were analyzed on 1.52 m intervals for gold and silver by Chemex Labs, with 5 ppb gold and 0.2 ppm silver detection limits. A 30 gram sample charge was used for gold which was determined by FA-AA methods. Some trace element analytical packages were run on the 1997 drill holes. These data are available on a number of certified Chemex results.

In 1997, Romarco collected the pulps from Crown's drill holes and ran 85, 1.5 meter gold and silver check assay samples with Chemex Labs. These analyses agreed very closely with those obtained by Crown from Bondar Clegg laboratory, save three samples obtained from a drill-hole drilled north of the Goldstorm property. Most of the pulps checked were weakly to moderately anomalous in gold (20-260 ppb); some pulps below detection (<5 ppb) were also checked.

The companies involved with historic evaluation of the Goldstorm property are/were professional exploration/mining entities. There are no written records regarding sample security; however security was likely performed to industry standards, such as they were at the time of their involvement on the property. Quality controls were largely limited to those reported above. Other measures may have been taken, but were not recorded.

### **11.1.2 Core Sampling**

Touchstone Resources drilled a single core hole in August, 1990, ZEK-1 (also reported as ZK90001). Samples were taken on 1.5 m intervals and assayed at American Assay Laboratory in Sparks, Nevada; assay certificate # SP008559; gold and ICP 31 multi-element analyses were reported. There are no written data pertaining to core handling, security, sampling and assay procedures. Touchstone was then run by competent, experienced mining professionals and it is assumed reasonable handling and security practices were used at the time.

West Kirkland Mining contracted with Boart Longyear, who used a LF70 track rig to drill two core holes. Core was logged and sampling intervals marked by the site geologist. Sample intervals were sampled via sawing in half; it is unknown if the saw used one pass or re-circulated fluids for cooling. Samples were analyzed at ALS Chemex laboratory for gold and silver plus 48 other elements using Chemex method ME-MS61m methods using 4-acid digestion; gold was analyzed by AU-ICP21 and Au-GRA21 fire assay methods. Blanks and standards were added to each of the sample sets and duplicates were run on approximately every 25<sup>th</sup> sample. Roughly 10% of samples were duplicates, standards and blanks. Electronic copies of the laboratory certificates are in the possession of Mexivada. It is unknown how core was handled or secured during drilling and processing; no documentation pertaining to handling and security by West Kirkland has been located by the author.

### **11.1.3 Rock Chip Sampling**

Methodology pertaining to rock chip sampling, handling and security prior to Mexivada's involvement on the property is unknown. Data from Romarco is in the form of ALS comma delineated; laboratory certified spreadsheets and as original printed assay reports from ALS. However non-editable PDF certificates are not on hand.

Samples collected by Mexivada and submitted for analytical analyses in 2009 included 17 rock chip samples and 259 soil samples. These were submitted by the samplers to Inspectorate America Corporation, an ISO 9001 certified laboratory (certificate #30406 – Oil, Petroleum, Chemicals, Metals, Minerals and Commercial Inspection, Testing and Verification Services), located at Suite 101, East Boxington Way, Sparks, Nevada, USA for gold and silver fire and multi-element analyses. At no time were any employees, directors, officers, or associates of Mexivada or West Kirkland Mining in contact with samples collected by contractors and/or the author. All samples were retained by field samplers until turned over directly to lab personnel in Sparks, Nevada.

Rock chips were prepared by sample crushing to >80% -10 mesh, split to approximately 250 g and pulverized to >90% -150 mesh (Inspectorate code 1-SP-01). Each sample was analyzed for gold via FA/AAS with a lower detection limit of 5 ppb (Inspectorate Lab Code 2-FA-01); 50 element, multi-element analyses were conducted via Mass Spectrometry after preparation via four acid digestion (Inspectorate Lab Code 4-MI-02 and 4-MI-04). Mercury was analyzed via cold vapor fusion (Inspectorate Lab Code 5-SE-57). All samples were retained by the sampling person from the field site, until released to the lab in Sparks, Nevada. Electronic copies of the Certificates of Analyses for this work are on hand in the authors' files.

No standards were inserted for rock chip analyses as these were intended solely for identifying geochemical signatures and whether or not there is any precious metals content on the property. The rock chip samples are not intended to be included in any resource/reserve analyses.

#### **11.1.4 Soil Sampling**

Methodology pertaining to most soil sampling, handling and security prior to Mexivada's involvement on the property is unknown. The companies involved with historic evaluation of the Goldstorm property are/were professional exploration/mining entities. Quality control is largely limited to that reported. Other measures may have been taken but were not recorded. There is no evidence of comparative analyses of standards and submitted samples. Since this work was done largely by professional mining and exploration companies, it is assumed that standard industry practices were followed. During the period of 1986-1989, security procedures were not commonly followed.

Between 1997 and 1998, Romarco completed a small orientation soil survey over the best exposed and mineralized area on "Prospect Hill" to determine if different size fractions would provide better anomalies. These samples were sieved to -80; -30 to +80; -10 to +30; and +10; the coarser fractions analyzed in the 24 samples collected showed no enhancement of

anomalies when compared to the normal -80 mesh fraction. Most soil samples were taken from the B horizon or “upper C horizon” and sieved to -80 mesh. Samples were sent to Chemex Labs (ISO 9001 certified) which used Chemex method 3993 (FA-Ext/AA) had a detection limit of 1 ppb gold. The coarser samples were pulverized.

No information is available concerning quality control, check and duplicate samples, save the noted duplicate samples of “high grade” gold soils taken by Crown Resources.

Mexivada conducted a soils sampling program in 2009, collecting 259 samples. Soil samples were collected by contractors working for Mexivada; rock chip samples were collected by the author. All samples were transported to the laboratory according to industry standards of security. Samples, once at the laboratory, were secured, prepared and analyzed to established internal protocols and subjected to ISO 9001 inspection and certification. In the authors opinion these standards are adequate and within industry norms.

One standard was inserted every 50 soil samples. Standards used were Rocklabs OXC58 Jar # 130561. Soil samples were prepared by drying at 60°C, sieved up to 100 grams to -80 mesh (Inspectorate lab code 1-SP-02). Sieved fractions were prepared by a two acid digestion and analyzed for gold (FA/ICP) with a lower detection limit of 2 ppb (Inspectorate Lab Code 2FA-05) and 50 element ICPMS (Inspectorate Lab Code 4-MI-02).

#### **11.1.5 Mine Dump and Tailings Sampling**

There are no significant mine dumps and no tailings on the property. Rock chip samples were taken from small prospects by Mexivada personnel in 2009 and are included in the collective rock chip data for the project.

### **11.2 LABORATORY INFORMATION**

Not all assays are available from historical activities on Goldstorm. But what are available shows that all work was completed by industry recognized independent professional laboratories principally Bondar-Clegg, ALS (Chemex) and American Assay (of Sparks, Nevada).

Samples collected by West Kirkland Mining were submitted to the Winnemucca ALS Chemex laboratory where they were processed for analyses in their Reno, Nevada and Vancouver British Columbia facilities. ALS Chemex is an ISO certified laboratory doing business internationally with facilities located throughout the globe. Richard Redfern has control of all of the sample pulps from the West Kirkland Mining drilling program.

Mexivada soil and rock samples were submitted by the samplers to Inspectorate America Corporation, an ISO 9001 certified laboratory (certificate #30406 – Oil, Petroleum, Chemicals, Metals, Minerals and Commercial Inspection, Testing and Verification Services), located at Suite 101, East Boxington Way, Sparks, Nevada, USA for gold and silver fire and multi-element analyses.

All of these laboratories are independent of all of the entities involved in the generation of this report.

### **11.3 QUALITY CONTROL / QUALITY ASSURANCE**

#### **11.3.1 Historical Work**

There are no references in any of the documents supplied to the author pertaining to sample preparation, analysis or security during any of the drilling programs. During the 1980's and 1990's it was not a standard component of project reporting to document these routines of project operation. Industry and corporate standards have always been to use reputable and reliable laboratories for these procedures. The drill cuttings are typically dried, then split with a rifle splitter, the split sample is then pulverized and the remaining sample becomes a reject split. The pulverized material would likely have been analyzed by either fire assay or atomic absorption analysis for gold and silver content.

#### **11.3.2 Mexivada Sampling**

Mexivada sampling procedures follow standard industry norms. Standards and blanks are inserted where required, security procedures are followed and ISO laboratories with established, written protocols are used.

### **11.4 AUTHOR'S OPINION REGARDING SAMPLE PROCEDURES**

The author is not aware that any QA/QC procedures were employed during the historic drilling, sampling or analysis programs prior to initiation of Mexivada's Goldstorm Project. Pending further details of the sampling and analysis procedures, the author is of the opinion that the early historical exploration drill sampling on the Goldstorm Project will not support any potential 43-101 resource estimation, except for the 2010 drill sampling by West Kirkland Mining, which may support any future 43-101 resource estimation.

Mexivada's and West Kirkland Mining's sampling procedures for 2009 through present are within industry standards for initial surface sampling of tailings and stockpiles. These later companies security and analytical procedures are within industry norms.

## **12.0 DATA VERIFICATION**

### **12.1 DATA VERIFICATION PROCEDURES APPLIED BY QP**

The data concerning historical exploration comes partly from a personal file of notes on data examination compiled by one of MVG's directors (Mr. Richard Redfern) at the office of a private property owner during the winter of 2008. Considering the age and the limited amount of data and reliable source, no attempt has been made to confirm all of the information. Field examinations and rock sampling were completed in two separate trips to the site in September and November, 2009, and a third trip on 29 April, 2017. All data derived from historic drilling has been relied upon from sources provided by Mexivada and Mr. Richard Redfern.

### **12.2 VERIFICATION LIMITATIONS**

No sample assays were checked as these materials are not available to the author, all data derived from historic drilling has been relied upon from sources provided by Mexivada. Assay certificates are available as a primary source, but in a number of instances there are no certificates, the records were compared to those in drill logs. There are assay certificates for most historic drilling except for Battle Mountain Gold drill holes. These certificates are from Chemex, Bondar Clegg and American Assay, all independent certified laboratories. A precursory check of assays in the Mexivada database versus assay certificates show much more work in regard to compilation is needed before a complete interpretation can be made of these data.

In 1997, Mr. Tony Eng reported that Romarco obtained pulps from Crown's seven drill holes, and a total of eighty-five 1.5 meter intervals were submitted to Chemex for Au and Ag check assays. The Chemex values agreed very closely with the original values reported by Bondar Clegg, and only three of the pulps (all from hole SN-7, drilled off property) returned significantly different gold values. Most of the pulps checked were weakly to moderately anomalous in gold (20-260 ppb); some pulps at or below detection (5 ppb) were also checked. No samples from the historic drilling programs were available to the author for validation work, all data derived from historic drilling has been relied upon from sources provided by Mexivada.

Collar positions that could readily be identified in the field were collected via hand-held Garmin GPS with a  $\pm 4$  meter error. Only two collars were checked as all others were reclaimed to the point where it is unknown where they were actually drilled. Both of these collars are within 10 meters of the coordinates provided by Mexivada in the historic data, which is within error distance of multiple hand-held GPS surveys. All data derived from historic drilling has been relied upon from sources provided by Mexivada, who field checked some of the collars as well.

Drilling by Romarco Minerals was conducted in 1997 using an Eklund MPD-1500 track rig; in 1998 an Explorer 1500 buggy rig was employed. Several holes were surveyed gyroscopically for down-hole deviation; only one of the holes drilled in 1997-98 showed any significant deviation and steepening. Holes on which downhole surveys are available are: SRM-5, 9, 10, 19, 24 and

25. All data derived from historic drilling has been relied upon from sources provided by Mexivada.

Aside from the 2010 West Kirkland Mining drill core, no core or drill cuttings were available to the author of this report or to Mexivada, and all data derived from historic drilling has been relied upon from sources provided by Mexivada. Drill logs were reviewed with respect to the geology as mapped on the surface; numerous discrepancies between what is written on the drill logs and what is observed on the surface are apparent. Reinterpretation of descriptions is warranted for proper interpretation of the property geology.

Samples collected from West Kirkland Mining hole WG-1001 were examined by the author petrographically using a scanning electron microscope (SEM) with energy-dispersive X-ray spectroscopy (element identification capabilities), using the SEM facilities located at American Assay Laboratories in Sparks, Nevada. Samples collected from a high grade gold and silver interval reveal the presence of electrum and silver selenides verifying the existence of gold and silver within the interval.

### **12.3 QUALIFIED PERSON'S OPINION ON ADEQUACY OF DATA**

No drilling samples were available for validation of historic assays, all data derived from historic drilling has been relied upon from sources provided by Mexivada. As most data was procured from reputable, independent laboratories by reputable mining and exploration companies the data is assumed to be valid. However, the drilling methods and sampling procedures used indicate that veins narrower than the assay interval and the tenor of gold and silver mineralization will tend to over-estimate tonnage and the occurrence of low grade mineralization and under-estimate grades of high grade zones. Since mineralization is principally confined to veins, all future drill exploration will have to be completed using core.

The current data package will be valuable for developing an initial three-dimensional model of the Goldstorm system, without 43-101 validated resource numbers.

## **13.0 MINERAL PROCESSING AND METALLURGICAL TESTING**

### **13.1 NATURE AND EXTENT OF TESTING, ANALYTICAL PROCEDURES AND SUMMARY OF RELEVANT RESULTS**

#### **13.1.1 Nature and Extent of Metallurgical Testing**

Save for the initial SEM/EDX mineralogical analyses performed in April, 2013 at the American Assay Laboratory facilities in Sparks, Nevada, no metallurgical testing has been conducted on Goldstorm materials.

#### **13.1.2 Analytical Procedures**

No metallurgical testing has been conducted on Goldstorm to date.

#### **13.1.3 Relevant Results**

No metallurgical testing has been conducted on Goldstorm to date. The presence of electrum and silver selenides indicate the mineralization is akin to that recovered at the nearby Midas Mine and metallurgical procedures similar to those employed at Midas will likely be considered.

### **13.2 BASIS FOR ASSUMPTIONS OR PREDICTIONS REGARDING RECOVERY ESTIMATES**

No metallurgical testing has been conducted on Goldstorm to date.

### **13.3 REPRESENTATIVE NATURE OF METALLURGICAL TEST SAMPLES TO MINERAL DEPOSIT**

No metallurgical testing has been conducted on Goldstorm to date.

### **13.4 DELETERIOUS PROCESSING OR ELEMENTS EFFECTING ECONOMIC EXTRACTION**

No metallurgical testing has been conducted on Goldstorm to date.

## **14.0 MINERAL RESOURCE ESTIMATES**

### **14.1 DISCUSSION OF KEY ASSUMPTIONS, PARAMETERS AND METHODS USED FOR ESTIMATION**

The project has yet to undergo sufficient exploration via drilling, trenching and sampling to produce and 43-101 compliant resource estimates.

### **14.2 DISCLOSURE REQUIREMENTS**

The project has yet to undergo sufficient exploration via drilling, trenching and sampling to produce and 43-101 compliant resource estimates.

### **14.3 CONVERSION FACTORS FOR MULTI COMMODITY METAL EQUIVALENCY**

Project is not discussed in terms of multi-commodity equivalency. Gold and silver are the only planned products and are discussed individually in terms of their specific values.

### **14.4 IMPACTS ON MINERAL RESOURCES ESTIMATES**

The key impact to any relevant resource estimate will be the results of a drilling program.

## **15.0 MINERAL RESERVE ESTIMATES**

### **15.1 DISCUSSION REGARDING CONVERTING RESOURCES TO RESERVES**

No estimates on contained mineralization have been made for this property.

### **15.2 DISCLOSURE REQUIREMENTS FOR MINERAL RESERVES**

No estimates on contained mineralization have been made for this property.

### **15.3 CONVERSION FACTORS FOR MULTI-COMMODITY MINERAL RESERVES**

Project is not discussed in terms of multi-commodity equivalency. Gold and silver are the only planned products and are discussed individually in terms of their specific values.

### **15.4 IMPACTS ON MINERAL RESERVE ESTIMATES**

The key impact to any relevant reserve estimate will be the results of future drilling and trenching programs conducted on the property.

## **16.0 MINING METHODS**

Mining and processing of materials of economic significance will likely be similar to that employed at the nearby Midas Mine of Klondex Mines Ltd. Mineralization and tenor of the geologic system are similar to that identified at Midas. However, the final arbiter will be determined by the geologic and material engineering characteristics identified upon drilling.

### **16.1 GEOTECHNICAL, HYDROLOGICAL AND OTHER PARAMETERS RELEVANT TO MINE DESIGN**

Geotechnical studies have yet to be undertaken to define the materials subject to mining. Since the majority of the material subject to mining is likely to be contained within narrow veins, mine design will be defined around underground excavation, again, akin to that employed at the Midas Mine.

Hydrologic studies have yet to be conducted on the proposed mined materials. Hydrologic parameters will have to be defined and incorporated into the mine design. Based on the number of springs in the area and their foci along identified structural lineaments, hydrologic influences will likely be compartmentalized.

### **16.2 PRODUCTION RATES, MINE LIFE, MINING DIMENSIONS, DILUTION FACTORS**

There is not enough information to make these types of determinations.

### **16.3 MINING REQUIREMENTS: STRIPPING, DEVELOPMENT, BACKFILLING**

At this time it is unknown what mining requirements there will be. However, barring any unforeseen geotechnical issues, the planned operation will be similar to that employed at Midas.

### **16.4 REQUIRED MINE EQUIPMENT**

All of these requirements are yet to be determined.

## **17.0 RECOVERY METHODS**

### **17.1 DESCRIPTION, FLOW SHEET OF PROCESSING PLANT**

The project is in the exploration phase and these parameters have yet to be determined.

### **17.2 PLANT DESIGN, CHARACTERISTICS AND SPECIFICATIONS**

The project is in the exploration phase and these parameters have yet to be determined.

### **17.3 REQUIREMENTS FOR ENERGY, WATER AND PROCESS MATERIALS**

The project is in the exploration phase and these parameters have yet to be determined.

## **18.0 PROJECT INFRASTRUCTURE REQUIREMENTS**

The project is in the exploration phase and these parameters have yet to be determined.

A camp may have to be established should a period of intense drilling become warranted.

## **19.0 MARKET STUDIES AND CONTRACTS**

### **19.1 SUMMARY CONCERNING MARKETS**

These strategic metals are important for the World and USA economies in general. The market demand for strategic metals is high for industry, manufacturing, space, medical and computer technologies and so on.

Nevada currently produces approximately 5.3 million ounces (164.8 tonnes) of gold per year and accounts for over 78.8% of the USA's total production. The USA is currently ranked 4<sup>th</sup> in the world for gold production behind China, Australia and Russia.

No formal market study has been undertaken by the Issuer regarding the Goldstorm Property to date.

### **19.2 CONTRACTS REQUIRED FOR PROPERTY DEVELOPMENT**

No contracts are currently in place.

Contracts with drilling, mining, environmental, and other support personnel will have to be established to begin planning for property development on the site.

## **20.0 ENVIRONMENTAL STUDIES, PERMITTING, and SOCIAL COMMUNITY IMPACT**

The project area is currently located entirely on U.S. Government land, administered by the U.S. Department of the Interior, Bureau of Land Management (BLM). The unpatented lode mining claims (old and new) are all filed with the BLM and annual maintenance fees are paid. The current exploration program is being operated under the existing BLM Notice of Intent (NOI) permit (permit number: N-88897), controlled by Mexivada, which allows surface disturbance (access roads, drill sites, etc.) up to a maximum of 5 acres (2.02 ha), and is guaranteed by a reclamation bond whose amount (\$16,449) is calculated by the BLM. This has been adequate for all work completed thus far. All previous work had been reclaimed, and the successful completion of this reclamation has been accepted by the BLM.

Additional work in excess of the 5 acre limit will require the filing for the next level of disturbance called a Plan of Operations (“POO”). This POO permit would require more detailed planning, environmental and archaeological/cultural reviews of proposed areas of surface disturbance and additional reclamation bonding. The bond amount will be related to the amount of proposed disturbance. The granting of such permits is normally a foregone conclusion if all the required procedures are followed and fees paid. It is possible, but unlikely, that some unforeseen environmental problem, endangered species or important archaeological feature will be discovered. This could potentially delay the exploration program. Such obstacles can nearly always be overcome through cooperation with the regulatory agency, for example by re-routing a proposed road to avoid an archeological site.

### **20.1 RESULTS OF ENVIRONMENTAL STUDIES, DISCUSSION OF ISSUES**

No formal environmental studies apart than for the Notice of Intent (“NOI”) have been undertaken to date. There are currently no known environmental liabilities on the property. The controversial proposed sage grouse habitat restricted areas are located to the north and east of the project area. There is significant opposition to this planned withdrawal of public lands based on lack of hard evidence and data provided by the proponents of such a plan and the large negative economic impact it will have to the local economies in the rural counties it impacts.

### **20.2 WASTE AND TAILINGS DISPOSAL, SITE MONITORING, WATER MANAGEMENT**

A Nevada Spill Prevention Control and Countermeasure Plan (SPCC) and Storm Water Pollution Prevention Plan (SWPPP) have yet to be asked for or prepared for the project site area.

A study concerning the water wells and springs in the area and ground water quality data has yet to be asked for or prepared.

### **20.3 PERMITTING REQUIREMENTS**

The current exploration program is being operated under the Notice of Intent (NOI) permit, which allows surface disturbance (access roads, drill sites, etc.) up to a maximum of 5 acres (2.02 ha), and is guaranteed by a reclamation bond (\$16,449) whose amount is calculated by the BLM. This has been adequate for all work conducted and or completed thus far.

Additional work in excess of the 5 acre limit will require the filing for the next level of disturbance called a Plan of Operations (POO). This POO permit will necessitate more detailed planning, environmental and archaeological/cultural reviews of proposed areas of surface disturbance and additional reclamation bonding. The bond amount will be related to the amount of proposed disturbance. The granting of such permits is normally a foregone conclusion if all the required procedures are followed and fees paid. It is possible, but unlikely, that some unforeseen environmental problem, endangered species or important archaeological feature will be discovered. This could potentially delay the exploration program. Such obstacles can nearly always be overcome through cooperation with the regulatory agency, for example by re-routing a proposed road to avoid an archeological site.

#### **20.4 SOCIAL AND COMMUNITY REQUIREMENTS**

The Goldstorm Project is remote from the nearest inhabited community at Midas (population approximately 462 persons), 16.5 km southeast and the nearest ranch, the Little Humboldt Ranch, 18.1 km northeast of the project center. Most personnel will have to be transported to the site overland from the main commercial center at Winnemucca, 77 air km west-southwest of the site. It is likely roads will have to be improved or constructed to develop the site beyond an exploration project.

The economic impact may be significant; operations would employ dozens of people, some of whom will come from the local communities. A mine also generates a significant amount of cash influx to the community from payroll, taxes and local purchases. Winnemucca and Battle Mountain (due south of the project) are mining towns, so the ideas of an operating mine and mill complex would be perceived as a positive economic impact on the region. There have been no agreements or negotiations with the local community at this time. It is important to maintain a positive relationship.

#### **20.5 MINE CLOSURE REQUIREMENTS**

There are no mines or mine plans in place at this time; as such this section does not apply. However, should future results warrant, then planning and further bonding will be required.

Mine closure requirements will have to be prepared using the Standard Reclamation Cost Estimator (SRCE) available on line from the State of Nevada Department of Environmental Protection (NDEP). These will have to be prepared to post a reclamation bond with the state of Nevada. There are no inordinately restrictive mine closure regulations in place. No currently in place underground or surface mines are to be affected.

## **21.0 CAPITAL AND OPERATING COSTS**

Preliminary capital and operating costs will have to be determined based on results of future exploration. There are currently no capital and/or operating costs involving this project.

## **22.0 ECONOMIC ANALYSES**

The Goldstorm property is an early stage property and does not contain any identified mineral resources at this time. As such there are currently no resource or mineral reserve estimates for this property. Drilling and geological modeling are insufficient to produce estimates at this time.

### **22.1 JUSTIFICATION FOR PRINCIPAL ASSUMPTIONS**

Does not apply as this project is still undergoing initial exploration.

### **22.2 CASH FLOW FORECASTS**

Does not apply as this project is still undergoing initial exploration.

### **22.3 NET PRESENT VALUE (NPV)**

Does not apply as this project is still undergoing initial exploration.

### **22.4 TAXES, ROYALTIES AND LEVIES**

Does not apply as this project is still undergoing initial exploration.

### **22.5 SENSITIVITY ANALYSES**

Does not apply as this project is still undergoing initial exploration.

## **23.0 ADJACENT PROPERTIES**

### **23.1 OWNER(S) OF ADJACENT PROPERTIES**

Two nearby gold-silver mining operations are currently operating in volcanic hosted gold systems which lie along the eastern edge of the Northern Nevada Rift (NNR). These are the Midas Mine and the Ivanhoe-Hollister property of Klondex Mines Ltd. The Midas Mine and the Ivanhoe-Hollister project lie 15 km and 38.6 km, to the south-southeast of the Goldstorm Property, respectively. Both of these deposits are epithermal, low-sulfidation gold-silver vein-type deposits. Both occur along large structural lineations and are hosted in a mid-Miocene volcanic suite of rocks similar to those observed at Goldstorm.

Both occur in thick sections of Miocene airfall- to variably welded rhyolitic tuffaceous rocks. The Midas Mine rock sequence has an intercalated unit of flows, dikes, and sills of basaltic composition, very similar to that present at Goldstorm. The gold-silver ores at both the Midas and Hollister Mines are found within epithermal low sulfidation quartz veins contained within high-angle fault zones that are characteristically 3 to 4 or more meters wide. More than one phase of quartz-gold-silver veins is normally present. The Midas Mine has an intermediate phase of banded quartz-naumannite-electrum veining containing most of the gold-silver in the system.

The Clover Prospect, located 19.7 km south-southwest of Goldstorm, is located in the same volcanic sequence as Goldstorm and is currently controlled by Waterton Nevada Splitter, Ltd. Alteration is similar, but higher temperature than that observed at Goldstorm. Clover is a more deeply eroded system than Goldstorm, but shows similarities in stratigraphy and structure. Dynasty Gold Corp.'s Golden Repeat prospect lies adjacent to Clover to the northwest.

Jake Creek is a project located in the southwest corner of the Snowstorm Mountains, approximately 9 km east of the Twin Creeks Mine, and is controlled by Kinetic Gold Corporation. Jake Creek lies to the northwest of Golden Repeat and west of Goldstorm. Recent drilling at Jake Creek intersected tabular pyritic gold mineralization hosted within volcanics at the shallowly-dipping contact with the underlying Paleozoic sedimentary rocks.

A number of large Carlin-style sedimentary rock hosted disseminated gold deposits lie to the southwest of Goldstorm. The largest of these are the Twin Creeks (21 km), Turquoise Ridge (26.5 km) and Getchell (29.5 km) mines. These deposits are hosted variously in Ordovician through Permian age sedimentary and deep-sea mafic volcanic rocks.

The author of this report has been unable to verify the information from adjacent properties, and the information is not necessarily indicative of the type and grades and quantity of mineralization at Goldstorm that is the main subject of this technical report.

### **23.2 SOURCE OF INFORMATION**

Information described in this section is readily available on the world-wide-web and from other public sources. Additionally, the author has worked on other projects in the region and is familiar with many of these projects, having personally visited many of them.

### **23.3 VERIFICATION OF INFORMATION**

Production data for these Adjacent Properties are regularly audited and accepted as valid. Production and exploration data, including those for non-producing projects, are released to the public through Qualified Persons in compliance with NI 43-101 regulations, and to the general public on [www.sedar.com](http://www.sedar.com).

### **23.4 DISTINCTION OF INFORMATION**

Production data for these properties are regularly audited and accepted as valid. Production and exploration data, including those for non-producing projects, are released to the public through Qualified Persons in compliance with NI 43-101 regulations.

### **23.5 HISTORICAL ESTIMATES OF MINERAL RESOURCES**

Historical estimates of mineral resources are released through Qualified Persons on company websites, press releases and other data, including reports filed on SEDAR. These data are regularly audited and verified through production, sales, and ISO-certified laboratory results on drilling.

## **24.0 OTHER RELEVANT DATA AND INFORMATION**

The author is unaware of additional information concerning the Goldstorm Project that is pertinent to this technical report.

## **25.0 INTERPRETATIONS AND CONCLUSIONS**

The Goldstorm property lies on or near west-northwest and north-northwest trending structural zones on the eastern side of the Snowstorm Mountains. The system exposed at the surface is epithermal low sulfidation quartz vein hosted gold-silver and is in a similar geologic setting to the Midas Mine located 15 km to the south-southeast. The property lies near the projected intersection of the “Carlin” and “Getchell” gold “trends” and the large Northern Nevada Rift volcanic-structural zone.

Regional airborne magnetic compilation shows the property occurs on a moderate to strong magnetic high. Regional gravity finds the property in the intermediate area between shallow platform rocks to the east and oceanic-derived rocks to the west and north.

The property is in an early stage of exploration and detailed geological, geochemical and geophysical information from earlier exploration efforts are not generally available in fully reportable formats. The available work indicates a north-northwest structural regime crosses the property near its eastern and western boundaries. West-northwest, gold and silver-bearing veins cross the main alteration areas between these structural trends. A magnetic high approximately coincides with the approximately 1.5 km by 2.0 km zone of hydrothermal alteration exposed near the center of the property. A west-northwest trending, uplifted block of rocks is interpreted from geophysics to occur in the south central part of the property that may have lifted Paleozoic rocks and intrusive rocks to within 300 meters from the surface (Fig. 25.1).

Exposed alteration is almost entirely quartz-sericite-pyrite, with almost all pyrite altered to the iron oxides goethite, hematite and jarosite, in declining abundance. Concentrations of the three principal minerals in this alteration assemblage vary from place to place, forming variously intensely silicified zones, i.e. silicified inselbergs observed throughout the property and areas where there is less silica the rocks are relatively soft and “punk” in appearance. Argillic alteration is relatively rare, but where it is observed, is more highly concentrated in the mafic rock assemblage.

Previous trench sampling and drilling resulted in scattered anomalous gold grades and rare “economic grades” of gold in the 1-12 ppm range. Dr. James Shannon, a geological consultant for Mexivada who worked for Crown Resources on the property in the 1980’s, reported 39 ppm gold mineralization in banded silica float rocks from a “boulder train” at the surface on the property; two of the veins in this area were observed and sampled by the author and neither returned gold values above detection (<5 ppb).

Mexivada collected 23 surface rock samples and had them analyzed at ISO 9001 certified laboratories. Of these samples gold values range from below detection to a high of 2.5 ppm; silver values range from a low of 0.089 ppm to a high of 11.25 ppm.

264 soils samples were collected and analyzed for gold plus 49 elements via three acid digestion and ICPMS at Inspectorate Laboratories. Silver ranged from below detection (<0.1 ppm) to a high of 0.2 ppm. Gold ranged from below detection (<2 ppb) to a high of 9 ppb.

A gravity survey was completed over the property in 2008 by Wright Geophysics, when a total of 523 new gravity stations were surveyed on a 200 m by 200 m grid on the property and along roads and tracks outside the property boundaries at approximately 500 m intervals. Wright interpreted these data to indicate the presence of a series of west-northwest trending faults and shallow basement rocks and intrusive rocks being present along certain of these fault boundaries, presenting favorable gold targets at depth (Figures 19.1, 19.2).

Detailed mapping was completed over approximately four square kilometers in the main area of alteration. This mapping identified stratigraphic, lithologic, structural and vein systems which carried rock altering hydrothermal fluids.

Core drilling was conducted by West Kirkland Mining in 2010; the western-most hole (WG-1001) targeted a plus 50 meter wide IP conductivity anomaly surmised to be resultant from concentrations of sulfides. It intersected several banded veins and elevated gold and silver values to 9.29 ppm and 72.6 ppm respectively (from the same interval). This mineralization was found to be contained in electrum and silver selenide particles associated and partially inter-grown with iron sulfides (pyrite and marcasite). West Kirkland's second hole (WG-1002) targeted a gravity high, interpreted to be a relatively shallow, from surface, contact with Paleozoic bedrock. The latter hole was drilled to true depth of 511.0 m (1676.5 ft) without intersecting Paleozoic material. This hole crossed through a structure and alteration zone and deflected nearly vertically downward into a thick sequence of basaltic rocks.

THE AUTHOR OF THIS REPORT HERE CONCLUDES THAT: The northern part of the Goldstorm area has been drilled in the past by a number of mining and exploration companies; this drilling delineated a number of anomalous gold zones and a very few zones that contain potentially economic grades of gold. Gold values encountered at depth are often far lower than those identified on the surface, indicating that gold could be enriched in the supergene zone. Geochemical pathfinder elements are weakly elevated to non-existent where gold is found, indicating gold and silver occur in the system as electrum; verified by petrographic study of gold and silver intercepts from the West Kirkland core hole WG-1001. Based on more recent core drilling, it is also presumed, reverse circulation drilling through sub- 1.5 m thick electrum-bearing veins and vein zones will cause assays to reflect an interval of relatively high grade(s) followed by a long tail of lower grade material, all originating from the initial intersection of the high grade vein. Q.E.D. it is unknown what types of grades were actually intersected by the early RC drilling.

The local occurrence of bladed calcite in silicified zones of QSP altered volcanoclastics indicates some boiling did occur in the system. The level and extent of boiling has yet to be determined and multiple, episodic hydrothermal episodes may be responsible for overprinting Midas-age gold-silver mineralization. Minerals present at Goldstorm occur at slightly lower temperatures

than those exposed at the similar occurrence, the near-by Clover prospect, south of the property. At Clover, alteration mineralogy is indicative of high temperature epithermal to low temperature mesothermal regimes indicating it, Clover, was emplaced at deeper depths than that at Goldstorm. Clover crops out at approximately 5,200 feet (1585 m) elevation, much lower than the 7,000 feet (2128 m) elevation of the mineralized zone intersected in Goldstorm drillhole WG-1001. The Midas Mine ore zone lies approximately between 4200 and 6000 feet (1277 and 1824 m) elevation. Significant gold mineralization, multiple ounces per tonne, has been identified at the Clover prospect. Goldstorm appears to have higher-level exposures than at Clover (and at the Midas Mine), indicating there is a possibility for better grades at depth at Goldstorm. This would be in accord with the interpretation that the mineralization at Goldstorm may be similar to the upper, discontinuous "poddy" zone at Midas. The depth to the base of the massive basalt unit and the top of the Cover Rhyolite or Paleozoic rocks at Goldstorm (or the Prospect Hill target area) is not known, due to the lack of drilling to sufficient depths, but it could also be a gold target, at stratigraphic discontinuities similar to that identified at the Jake Creek prospect, west of Goldstorm.

Mineralogically and petrographically, the area exhibits similar alteration assemblages to those of other hydrothermally altered volcanic areas in northeastern Nevada. These regions often contain mineral assemblages indicative of higher temperature epithermal to lower temperature mesothermal systems; mineral assemblages are often indicative of temperatures of formation around 230°C. The occurrence of scheelite in steam sediment concentrations of heavy minerals in the Goldstorm area, is not necessarily an indicator of metamorphism. Large scheelite crystals have been identified with intergrown wire electrum in "epithermal" veins at the Olinghouse deposits in Washoe County, Nevada. Highly anomalous tungsten geochemical values have also been found in rocks at the Hollister Mine (J. Munteen, pers. comm. to R. Redfern (2014)) and just to the north on Refern's Ivanhoe Creek prospect in a shallow hole drilled into Paleozoic quartzites in 2007 by Kent Exploration Inc. XRD mineralogical speciation would aid in identification of alteration types and temperatures of formation of the alteration assemblages.

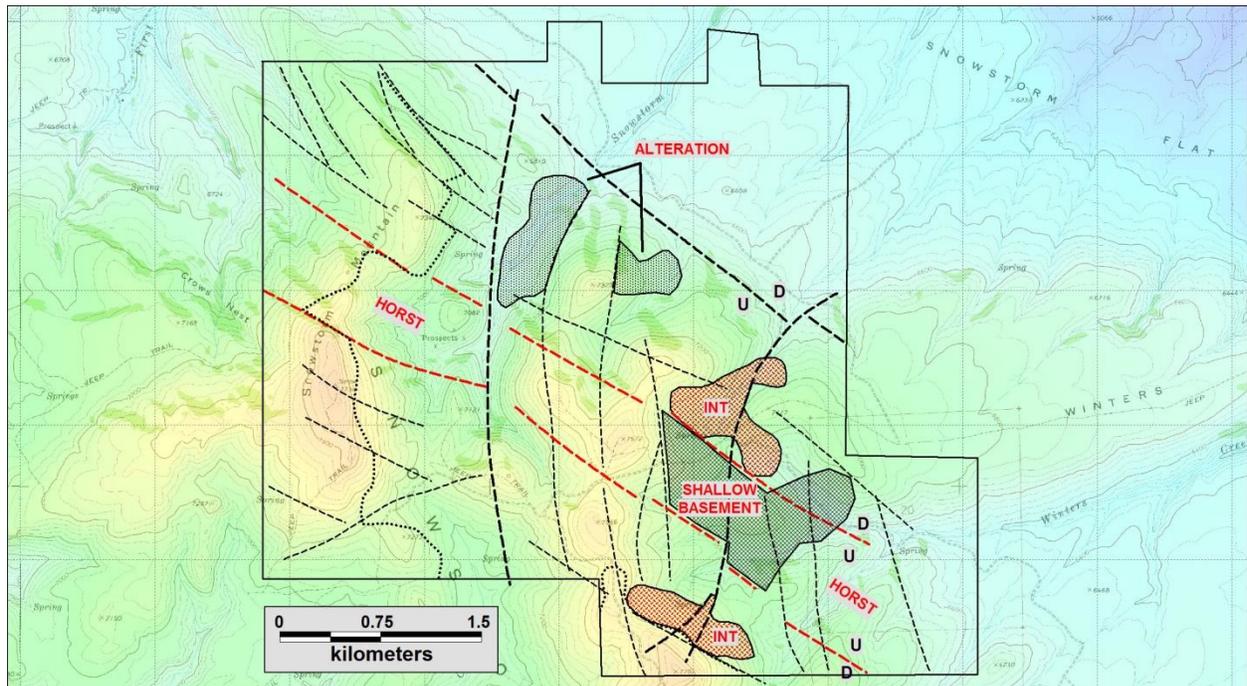
The property is likely a dilation zone between or at the ends of north-northwest oriented regional structural zones. The west-northwest orientation of gold-silver enriched quartz veins could be a primary, older possibly Jurassic-age structural trend in the Snowstorm Mountains, but also may just be resultant from local stresses. Dilatational zones can be sites of economic concentrations of mineralization. Although the edges of this system are similar in trait to that identified further southeast at Midas, the center of the alteration appears to be in the center of the Goldstorm dilatational kinematics and it should be the focus of deeper drilling exploration.

Midas-age volcanics cover the entire project area, and the possibility exists that older Carlin-age gold mineralization may be present at depth. Geophysics run by Mexivada, particularly from the induced polarization survey, indicate basement rocks may have been uplifted to within 300 meters below the current surface. There is a possibility that these rocks could have been mineralized by a Carlin-age gold system or one similar to that observed at Ivanhoe or Twin Creeks-Getchell-Turquoise Ridge. Certain of these Carlin-age gold systems, such as Turquoise

Ridge and Twin Creeks, are giant multi-million ounce gold producers and are generally far larger than the Midas-age gold systems such as at the Midas Mine.

Many of the drilling targets were derived from geophysical investigations and interpretation (Figure 25.1) by Jim Wright of JL Wright Geophysics, including the siting of hole WG-1001. These targets are being further substantiated by surface geological mapping, geochemical sampling, and historic drilling.

To summarize, work completed on the Goldstorm Property is of sufficient density and reliability to identify areas of precious metals mineralization hosted principally by quartz and silicified veins. Precious metals mineralization generally occurs in sub-economic quantities and has not been shown to be continuous; however the strike of precious metals mineralization intersected by historic drilling and identified by surface sampling, exceeds two kilometers. Surface mapping and geophysical interpretations indicate that a number of fault structures transect the property. These structures locally focus mineralization and may have acted as feeders which may trace into deeper mineralization; all areas untested by drilling remain areas of uncertainty. Objectives of this project were to identify areas of potential economic precious metals mineralization. These targets have been developed as a result of the data gathered by this project.



**Figure 25.1** – Interpretation of geological features based gravity data obtained by Mexivada and interpreted by JL Wright Geophysics. Precious metals drill targets are in areas of structural intersections, alteration and inferred shallow basement. Property boundary is approximate.

## **26.0 RECOMMENDATIONS**

### **26.1 GENERAL RECOMMENDATIONS**

Offset drilling of identified precious metals-bearing veins, in WG-1001, should be conducted to define lateral continuity and down-dip extensions and continuity of the vein systems at Goldstorm. Drill exploration of the Prochnau through Clayton vein system is warranted. Exploration of previously discovered gold mineralization should be continued through core drilling to define the size and extent of these zones.

The historic drilling and geologic database must be organized, digitized and consolidated in order to become useful for future modeling applications. Upon completion of this project, detailed surface work must be merged with sub-surface data to develop a three dimensional model of the project, in particular the modeling of gold and silver-bearing vein systems, their orientations, size, grade and additional targets for drill testing.

Surface sampling should be redone in areas of previously identified gold and silver mineralization to better define the area influenced by the anomalies and verify their existence. In addition, high grade rock chip samples should be recollected for verification assays.

Soil grids should be completed in prospective areas where historical data is lacking or was not collected. This program should cover the remaining areas of the Goldstorm property. A soil gas program should be considered for areas covered by post mineral volcanic cover, namely those areas on the eastern side of the property.

Trenches should be constructed in areas of identified geochemical anomalies in order to define the size and tenor of hidden veins and geology. Areas of importance for new trenching should include the hidden veins in the vicinity of the historic 39 ppm gold surface sample taken on the northwest side of ZEK Hill and the area along the front range in the vicinity of Newmont's drill hole SKI-3 should be trenched down to bedrock to determine the nature and extent (width) of the structural zone they intercepted in that hole.

Detailed mapping and sampling should be completed over the southwest corner, western edge and southeastern portions of the property and in areas of identified alteration to the south.

Core hole WG-1002 should be re-logged in detail, using the photographic core database still extant for both holes, and its data incorporated into sub-surface cross sections through the property. Most of the core was discarded, but a small amount of critical core from hole WG-1001 is still available for inspection.

Cross-sections containing surface geological data in combination with historic down-hole drilling where drill logs are available and interpretable; these sections are necessary to identify important stratigraphic and structural features. If feasible, fence sections and level plans should be built and a preliminary geological block model should be developed.

Core drill testing could include twinning of one or more historic RC drill holes to determine existence of veins, true grades and any lower grade haloes indicated by this earlier drilling. New holes testing the WG-1001 area should be sited southwest of the collar of WG-1001, to test fault and vein systems situated at the old drill collar and that could exist further to the southwest.

Sampling protocols designed for a drill program should be written, established to modern QA/QC and security procedures. Once drilling is finalized, a resource level NI 43-101 compliant Technical Report should then be completed.

## 26.2 PROPOSED EXPLORATION PROGRAM

In the writer's opinion, the Goldstorm property is of sufficient merit to justify the following exploration program. Sufficient geological and geophysical evidence is in hand by the companies to warrant immediate drilling of existing gold-silver targets, not dependent on further compilation and interpretation of data.

The proposed work should comprise drilling exploration of targets already defined by geophysics and previous geological and geochemical exploration and past drilling work. Due to the large size of the property, additional compilation and three-dimensional modeling of certain existing data, grid location, geological mapping, geochemical surveys, and further geophysical surveys also are proposed. This program is estimated to cost approximately USD \$1,000,000. The proposed drilling exploration work comprises a combination of reverse circulation and diamond drilling of targets defined by previous work. As drill holes are expected to reach vertical depths of 250 to 1,000 meters, it is estimated a minimum of ten holes, with a combined length of 3,000 meters may be necessary.

A geological consultant should be engaged to review property geology and determine what additional compilation and three-dimensional modeling of data should be undertaken, complete the work necessary and make recommendations regarding placement of drillholes. Any portions of the property that have not been studied should be geologically mapped, sampled, interpreted and incorporated into the updated property database. If new prospective target areas are found, they should be sampled geochemically, and then these areas prioritized for further work.

## 26.3 PROPOSED BUDGET

Database Development and Organization –

Database Project Oversight – 2.5 days @ \$600/day	\$ 1,500.00	
Database Manager – 14 days @ \$150/day	\$ 2,100.00	
Consumables – (approx.)	<u>\$ 100.00</u>	\$ 3,700.00

Field Mapping and Sampling – ~15 km<sup>2</sup> @ 0.5 km<sup>2</sup>/day –

Sr. Geologist – 30 days @ \$600/day	\$ 18,000.00	
Per Diem – 30 days @ \$35/day	\$ 1,050.00	
Lodging – 30 days @ \$75/day	\$ 2,250.00	
Vehicle – 150 miles/day x 30 days @ \$0.50/mi	\$ 2,250.00	
Mobilization / demobilization – fixed	\$ 300.00	
Expendables (mylar, batteries, etc.) - \$5/day	\$ 150.00	
Contingency – 10% fixed	<u>\$ 2,400.00</u>	\$ 26,400.00

Rock Sampling (100 samples) -

Gold and Trace Elements - \$38/ sample	\$ 3,800.00	
Mercury cold vapor analyses - \$4/ sample	\$ 400.00	
DB Entry and GIS plot – 2 days @ \$150/day	<u>\$ 300.00</u>	\$ 4,500.00

Map Compilation, Drafting, Interpretation, Target Generation, Report -

Map Compilation, GIS Work – 10 Days @ \$300/day	\$ 3,000.00	
Interpretation, Cross-section Work, Drill Target		
Development – 10 Days @ \$600/day	\$ 6,000.00	
Report Preparation – 10 days @ \$600/day	<u>\$ 6,000.00</u>	\$ 15,000.00

Soil Orientation Surveys –

Survey Preparation – 3 days @ \$600/day	\$ 1,800.00	
Sample Collection (300 samples) - \$22/ ea.	\$ 6,600.00	
Gold and Multi-element Assay - \$38/ sample	\$ 11,400.00	
Mercury Vapor Survey (100 samples) - \$25/sample	\$ 2,500.00	
Analyses of Mercury Vapor Samples - \$12/sample	\$ 1,200.00	
Data Compilation, GIS Work – 5 days @ \$150/day	\$ 750.00	
Interpretation, report Generation – 3 Days @ \$600/day	<u>\$ 1,800.00</u>	\$ 26,050.00

Permitting –

Site Surveys – Environmental and Archaeological	\$ 40,920.00	
Preparation of maps and written permits –		
3 days @ \$600/day	\$ 1,800.00	
Bonding	<u>\$ 25,000.00</u>	\$ 67,720.00

Drill Site Preparation/ Reclamation –

Site Surveys, Oversight of Prep Work - 2 d. @ \$600/d.	\$ 1,200.00	
Site Preparation: Road, Drill Pad & Sump Building	\$ 15,000.00	

Reclamation of Roads, Drill Pads and Sumps	\$ 25,000.00	
Mobilization / Demobilization - 2x @ \$1,500/	<u>\$ 3,000.00</u>	\$ 44,200.00
Drilling (3,000 m Program) –		
Diamond Core - \$186/ m (2,400 m)	\$446,400.00	
Water	\$ 15,000.00	
Drill Mobilization / Demobilization	\$ 20,000.00	
Weather / Contingency / Standby	<u>\$ 18,600.00</u>	\$500,000.00
Drill Support Staff –		
Geotechnician – 112 days @ \$200/ day	\$ 22,400.00	
Senior Geologist (project oversight, core and cutting logging, daily reporting) – 112 days @ \$600/ day	\$ 67,200.00	
Lodging and Per Diem @ \$110/ day @ 224 days	\$ 24,640.00	
Vehicle Charge @ \$0.55/mi @ 150mi/day @ 224 days	<u>\$ 18,480.00</u>	\$132,720.00
Sample Prep & Assay –		
Supplies –		
Sample Bags – 800 @ \$0.80/	\$ 640.00	
Core Boxes – 950 @ \$4.50/	\$ 4,275.00	
Run Blocks, Markers, Flagging, etc.	\$ 175.00	
Digital Field Camera	\$ 300.00	
Rental Saw/ Core Splitter @ \$50/day @ 90 days	\$ 4,500.00	
Gold & Multi-element Assay @ \$38/ x 2240 samples	\$ 85,120.00	
Data Management 10 days @ \$150/ day	\$ 1,500.00	
Interpretation and Project Report 15 days @ \$600/day	<u>\$ 9,000.00</u>	\$105,510.00
8% contingency management, overrun, General and Administrative expenses		<u>\$ 74,200.00</u>
<b>TOTAL BUDGET:</b>		<b>\$1,000,000.00</b>

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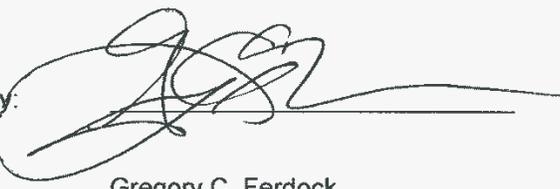
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## **28.0 CERTIFICATE OF AUTHOR**

**A.** I, **Gregory C. Ferdock**, do hereby certify that:

1. I am a Consulting Economic Geologist whose principal contact is P.O. Box 769, Virginia City, Nevada 89440.
2. I graduated with a Bachelor of Science degree in Geology from Bloomsburg University of Pennsylvania in 1984. In addition, I obtained a Master's Degree in Geology from the Idaho State University in 1987. I attended Mackay School of Mines, on the campus of the University of Nevada Reno to work on a Ph.D. in Economic Geology after completing all classwork, several iterations of the dissertation and requisite testing, re-entered industry prior to attaining the degree.
3. I am a member of the American Institute of Professional Geologists (CPG #11060).
4. I have worked as a geologist for a total of 33 years since my graduation from university. My career has focused on the exploration and exploitation of economic mineral deposits varying from precious to base metals and industrial minerals. I have worked extensively in Nevada including assignments as both an exploration and mine geologist throughout Nevada. I have completed NI 43-101 Technical Reports for projects in Nevada.
5. I have read the definition of "qualified person" in National Instrument 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 authored this Technical Report, and as a "Qualified Person" reviewed the ongoing exploration program of Mountain View Gold Inc. managed by Mr. Christopher C. Dundas. I am responsible for the preparation of the technical report titled "Technical Report, Goldstorm Project, Snowstorm Creek, Snowstorm Mining District, Elko County, Nevada, USA" – dated 30 April, 2017 - for Stakeholder Gold Corporation, the Issuer, based upon my critical review of current and historical technical information and association to the project as a contract geologist.
7. I visited the property on 29 April, 2017 and previously from 14 to 29 September, 2009 and on 6 November, 2009. During these previous visits, the principal alteration area was inspected and mapped, seventeen samples were taken from areas of intense alteration and quartz veins, and I was able to interview personnel who were working on the property. I also re-logged core hole WG-1001 in detail and conducted mineralogical/ petrographic studies of gold and silver-bearing banded quartz veins extracted from this hole. I have contributed to prior Mexivada Mining Corporation technical reports.
8. I am responsible for this report and the opinions expressed therein.
9. As of the date of this certificate, 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.
10. I am independent in all respects of Stakeholder Gold Corporation, the issuer, as well as Mountain View Gold Inc. and Mountain View Gold Corp., the vendor, applying all of the tests in Section 1.5 of NI 43-101.
11. I have read National Instrument 43-101 and Form 43-101F1, updated June 30, 2011, and the Technical Report has been prepared in compliance with that instrument and form.

12. I consent to the use and public filing of this Technical Report prepared for Stakeholder Gold Corporation and to the filing of extracts from or a summary of the Technical Report in the written disclosure of Stakeholder Gold Corporation as required, and confirm that it fairly represents the data of the Goldstorm project.

Written and Submitted by: 



Gregory C. Ferdock  
Certified Professional Geologist #11060  
American Institute of Professional Geologists  
CGF Geological Consultants  
P.O. Box 769  
Virginia City, Nevada 89440  
USA

Dated this 30th day of April, 2017.

“Gregory C. Ferdock”

## 29.0 GLOSSARY AND ABBREVIATIONS

\$	United States Dollar	Mod.	modified
#	Number	MSL	Mean Sea Level
µm	Micrometer(s)	MWMP	Meteoritic Water Mobility Procedure
°C	Degree Celsius	N	North
°F	Degree Fahrenheit	NA	Not Available/No Assay
2WD	Two Wheel Drive	NAD27	North American Datum 1927
4WD	Four Wheel Drive	NAD83	North American Datum 1983
AA	Atomic Absorption	NBMG	Nevada Bureau of Mines and Geology
ABA	Acid-Base Accounting	NDEP	Nevada Department of Environmental Protection
AEC	Atomic Energy Commission	NEPA	National Environmental Policy Act
Ag	Silver	NNP	Net Neutralization Potential
AGP	Acid Generating Potential	NOAA	National Oceanic and Atmospheric Association
a.k.a.	also known as	NOI	Notice of Intent
AMSL	Above Mean Sea Level	NOS	National Ocean Service
ANP	Acid Neutralizing Potential	NP	Neutralizing Potential
AP	Acid Potential	NPR	Neutralization Potential Ratio
APP	Acid Production Potential	opt	Ounces (troy) per (short) ton
ARD	Acid Rock Drainage	oz/st	Troy ounces per short ton
Au	Gold	POO	Plan of Operations
AZ	Azimuth	ppb	Parts Per Billion
BLM	U.S. Bureau of Land Management	ppm	Parts Per Million
Comp(s)	Composite(s)	QA/QC	Quality Assurance / Quality Control
ea.	Each	Q.E.D.	Quod Erat Demonstrandum (which was to be demonstrated)
EDX	Energy-dispersive X-ray spectroscopy	QSP	Quartz-Sericite-Pyrite
Elev.	Elevation	S	South
EPA	Environmental Protection Agency	SEM	Scanning Electron Microscope
Ft (or ft)	Feet or Foot (measurement)	SOP	Standard Operation Procedure
ft <sup>2</sup>	Square Feet	SPCC	Spill Prevention Control and Countermeasures Plan
ft <sup>3</sup>	Cubic Feet	SRCE	Standard Reclamation Cost Estimator
g	Grams	st	Short Ton
g/t (or g/T)	Grams per (Metric) Tonne	SWPPP	Storm Water Pollution Prevention Plan
GIS	Geographical Information Services	T	(Metric) Tonne
GPS	Global Positioning System	TD	Total Depth (drill holes)
ha	Hectare(s)	Toz	Troy Ounces
ICP	Inductively Coupled Plasma	T/d	Tonnes per Day
ID	Identification	Tr	Trace
in	inches	UPS	United Parcel Service
JV	Joint Venture	U.S.(US)	United States of America
kg	Kilogram	USBM	United States Bureau of Mines

lb	Pound	USD	United States Dollars
m	Meter(s)	USFS	United States Forest Service
M	Million or Mega	USGS	United States Geological Survey
Ma	Mega Annum (million years)	UTM	Universal Transverse Mercator
MDBM	Mount Diablo Base and Meridian	WCGMC	White Caps Gold Mining Company
mg/L	milligrams per liter	WGS84	World Geodetic Survey 1984
mi	mile(s)	WWII	World War II (1939-1945)

**APPENDIX I – MOUNTAIN VIEW GOLD CORPORATION CLAIMS DATA LISTS**

**Exhibit A**  
**Description of Claims**  
**Elko County, Nevada**

**Mountain View Gold Corporation Claims**

**Unpatented Mining Claims –**

<b>Claim Name</b>	<b>County #</b>	<b>BLM #</b>	<b>Quadrant</b>	<b>Section</b>	<b>Township</b>	<b>Range</b>
GOLDS # 77	603597	1115894	SE	24	40N	44E
GOLDS # 83	603603	997785	SW,NW	19	40N	45E
GOLDS # 84	603604	997785	SW	19	40N	45E
GOLDS # 85	603605	997787	SW	19	40N	45E
GOLDS # 88	603608	997790	NW,NE,SW,SE	19	40N	45E
GOLDS # 89	603609	997791	SW,SE	19	40N	45E
GOLDS # 90	603610	997792	SW,SE	19	40N	45E
GOLDS # 91	603611	997793	SW,SE	19	40N	45E
GOLDS # 94	603614	1115895	SE	19	40N	45E
GOLDS # 95	603615	1115896	SE	19	40N	45E
SKI - 57	603468	997799	SE,SW,NE,NW	13,24	40N	44E
SKI - 58	603469	997800	NE,NW	24	40N	44E
SKI - 59	603470	997801	NE,NW	24	40N	44E
SKI - 60	603471	997802	NE,NW	19	40N	45E
SKI - 80	603472	997803	NE,NW	24	40N	44E
SKI - 81	603473	997804	NE,NW	24	40N	44E
SKI - 82	603474	997805	NE,NW,SE,SW	24	40N	44E
SKI - 83	603475	997806	SE,SW	24	40N	44E
SKI - 95	603479	997810	SE	13	40N	44E
SKI - 96	603480	997811	SE	13	40N	44E
SKI - 97	603481	997812	SE	13	40N	44E
SKI - 98	603482	997813	SE	13	40N	44E
SKI - 99	603483	997814	NE	24	40N	44E
SKI - 100	603484	997815	NE	24	40N	44E
SKI - 101	603485	997816	NE	24	40N	44E
SKI - 102	603486	997817	NE	24	40N	44E
SKI - 103	603487	997818	NE,SE	24	40N	44E
SKI - 104	603488	997819	SE	24	40N	44E
SKI - 112	603494	997825	SW	18	40N	45E
SKI - 113	603495	997826	SW	18	40N	45E
SKI - 114	603496	997827	SW	18	40N	45E
SKI - 115	603497	997828	SW,NW	18,19	40N	45E
SKI - 116	603498	997829	NW	19	40N	45E
SKI - 117	603499	997830	NW	19	40N	45E
SKI - 118	603500	997831	NW	19	40N	45E
SKI - 127	603505	997836	SW,SE	18	40N	45E
SKI - 128	603506	997837	SW,SE	18	40N	45E

SKI - 129	603507	997838	SW,SE,NW,NE	18,19	40N	45E
SKI - 130	603508	997839	NW,NE	19	40N	45E
SKI - 131	603509	997840	NW,NE	19	40N	45E
SKI - 138	603514	997845	SE	18	40N	45E
SKI - 139	603515	997846	SE	18	40N	45E
SKI - 140	603516	997847	SE,NE	18,19	40N	45E
SKI - 141	603517	997848	NE	19	40N	45E
SKI - 142	603518	997849	NE	19	40N	45E
SKI - 143	603519	997850	NE	19	40N	45E
GLD-1	724245	1140891	SW,SE,NW,NE	11,14	40N	44E
GLD-2	724246	1140892	SE	11	40N	44E
GLD-3	724247	1140893	NW, NE	14	40N	44E
GLD-4	724248	1140894	SE,NW,NE	11,13,14	40N	44E
GLD-5	724249	1140895	NW, NE	14	40N	44E
GLD-6	724250	1140896	NW,NE	13,14	40N	44E
GLD-7	724251	1140897	NW,NE	14	40N	44E
GLD-8	724252	1140898	NW,NE	13,14	40N	44E
GLD-9	724253	1140899	NW,NE	14	40N	44E
GLD-10	724254	1140900	NW,NE	13,14	40N	44E
GLD-11	724255	1140901	NW,NE,SE,SW	14	40N	44E
GLD-12	724256	1140902	NW,SW,NE,SE	13,14	40N	44E
GLD-13	724257	1140903	SW,SE	14	40N	44E
GLD-14	724258	1140904	SW,SE	13,14	40N	44E
GLD-15	724259	1140905	SW,SE	14	40N	44E
GLD-16	724260	1140906	SW,SE	13,14	40N	44E
GLD-17	724261	1140907	SW,SE	14	40N	44E
GLD-18	724262	1140908	SW,SE	13,14	40N	44E
GLD-19	724263	1140909	SW,SE	14	40N	44E
GLD-20	724264	1140910	SW,SE	13,14	40N	44E
GLD-21	724265	1140911	SW,SE,NW,NE	14,23	40N	44E
GLD-22	724266	1140912	SW,SE,NE,NW	13,14,23,24	40N	44E
GLD-23	724267	1140913	NW,NE	23	40N	44E
GLD-24	724268	1140914	NE,NW	23,24	40N	44E
GLD-25	724269	1140915	NE,NW	23,24	40N	44E
GLD-26	724270	1140916	NE,NW	23,24	40N	44E
GLD-27	724271	1140917	NW	24	40N	44E
GLD-28	724272	1140918	NE,SE,NW,SW	23,24	40N	44E
GLD-29	724273	1140919	NW,SW	24	40N	44E
GLD-30	724274	1140920	SE,SW	11,12	40N	44E
GLD-31	724275	1140921	SW,SE	12	40N	44E
GLD-32	724276	1140922	SW,NW	12,13	40N	44E
GLD-33	724277	1140923	SW,SE,NE,NW	12,13	40N	44E
GLD-34	724278	1140924	NW	13	40N	44E
GLD-35	724279	1140925	NW,NE	13	40N	44E
GLD-36	724280	1140926	NW	13	40N	44E
GLD-37	724281	1140927	NW,NE	13	40N	44E
GLD-38	724282	1140928	SE	12	40N	44E
GLD-39	724283	1140929	SE,NE	12,13	40N	44E
GLD-40	724284	1140930	SW,NW	7,18	40N	45E
GLD-41	724285	1140931	NW	18	40N	45E
GLD-42	724286	1140932	NE	13	40N	44E
GLD-43	724287	1140933	NW	18	40N	45E
GLD-44	724288	1140934	NE	13	40N	44E

GLD-45	724289	1140935	NW	18	40N	45E
GLD-46	724290	1140936	NE,SE	13	40N	44E
GLD-47	724291	1140937	NW,SW	18	40N	45E
GLD-48	724292	1140938	SW	18	40N	45E
GLD-49	724293	1140939	NW,NE	18	40N	45E
GLD-50	724294	1140940	NE	18	40N	45E
GLD-51	724295	1140941	NW,NE	18	40N	45E
GLD-52	724296	1140942	NE	18	40N	45E
GLD-53	724297	1140943	NW,NE,SE,SW	18	40N	45E
GLD-54	724298	1140944	NE,SE	18	40N	45E
GLD-55	724299	1140945	SW,SE	18	40N	45E
GLD-56	724300	1140946	SE	18	40N	45E
GLD-57	724301	1140947	SW,SE	18	40N	45E
GLD-58	724302	1140948	SE	18	40N	45E
GLD-59	724303	1140949	SE	24	40N	44E
GLD-60	724304	1140950	SE,NE	24,25	40N	44E
GLD-61	724305	1140951	NE	25	40N	44E
GLD-62	724306	1140952	SW	19	40N	45E
GLD-63	724307	1140953	SW	19	40N	45E
GLD-64	724308	1140954	SW,NW	19,30	40N	45E
GLD-65	724309	1140955	SW,SE	19	40N	45E
GLD-66	724310	1140956	SW,NW	19,30	40N	45E
GLD-67	724311	1140957	SW,SE,NE,NW	19,30	40N	45E
GLD-68	724312	1140958	NW	30	40N	45E
GLD-69	724313	1140959	NW,NE	30	40N	45E
GLD-70	724314	1140960	NW	30	40N	45E
GLD-71	724315	1140961	NW,NE	30	40N	45E
GLD-72	724316	1140962	NW,NE	30	40N	45E
GLD-73	724317	1140963	NW,NE,SE,SW	30	40N	45E
GLD-74	724318	1140964	SE,SW	19,20	40N	45E
GLD-75	724319	1140965	SE,NE	19,30	40N	45E
GLD-76	724320	1140966	SE,SW,NW,NE	19,20,29,30	40N	45E
GLD-77	724321	1140967	NE	30	40N	45E
GLD-78	724322	1140968	NW,NE	29,30	40N	45E
GLD-79	724323	1140969	NE	30	40N	45E
GLD-80	724324	1140970	NW,NE	29,30	40N	45E
GLD-81	724325	1140971	NE	30	40N	45E
GLD-82	724326	1140972	NW,NE	29,30	40N	45E
GLD-83	724327	1140973	NE,SE	30	40N	45E
GLD-84	724328	1140974	NW,SW,SE,NE	29,30	40N	45E
GLD-85	724329	1140975	SE	13	40N	44E
GLD-86	724330	1140976	SE	13	40N	44E
GLD-87	724331	1140977	SE	13	40N	44E
GLD-88	724332	1140978	SE,NE	13,24	40N	44E