NI 43-101 Resource Estimation

Sullipek Copper Deposit

Gaspesie, Quebec, Canada

Gespeg Copper Resources

Submitted to:

Gespeg Copper Resources

Prepared by:

GoldMinds Geoservices (GMG)

Effective date: December 30th 2016

Issue date: February 2nd 2017

GoldMinds Geoservices Inc.

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Certificate of Qualified Person

Claude Duplessis, Eng. - GoldMinds Geoservices Inc. 2999 Chemin Sainte-Foy, suite 200, Québec, Qc Canada G1X 1P7

To accompany the Report entitled: "NI 43-101 Resource Estimation – Sullipek Copper Deposit, Gaspesie Quebec Canada dated February 2, 2017 with effective date of December 30, 2016 (the "Technical Report").

I, Claude Duplessis, Eng., do hereby certify that:

a) I am a graduate from the University of Quebec in Chicoutimi, Quebec in 1988 with a B.Sc. in geological engineering and I have practised my profession continuously since that time;
b) I am a registered member of the Ordre des ingénieurs du Québec (Registration Number 45523). I am also a registered engineer in the province of Alberta and Newfoundland & Labrador. I am a Member of the Canadian Institute of Mining, Metallurgy and Petroleum. I am a Senior Engineer and Consultant of GoldMinds Geoservices Inc;
c) I have worked as an engineer for a total of 28 years since my graduation. My relevant experience for the purpose of the Technical Report is over 23 years of consulting in the field of Mineral Resource estimation, ore body modelling, mineral resource auditing and geotechnical engineering;
d) I have prepared, supervised and written all sections of the technical report, I am responsible of all sections of this report.
e) I have personally visited the Sullipek property in 1993 & 1994.
f) I am independent of the issuer as defined in section 1.5 of NI 43-101("The Instrument");
g) I have read the definition of "qualified person" set out in the National Instrument 43-101 and certify that by reason of my education, affiliation with a professional association and past relevant work experience, I fulfil the requirements to be an independent qualified person for the purposes of NI 43-101.
h) I have read NI 43-101 and Form 43-101F1 and have prepared the technical report in compliance with NI 43-101 and Form 43-101F1; and have prepared the report in conformity with generally accepted Canadian mining industry practice, and 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.
i) I have no personal knowledge as of the date of this certificate of any material fact or material change, which is not reflected in this report.

This 2nd day of February 2017.

Original signed and sealed

(Signed) "Claude Duplessis"

Claude Duplessis Eng.

Senior Geological Engineer

GoldMinds Geoservices Inc.

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1. Summary

1.1. General

This technical report prepared by GoldMinds Geoservices Inc. for Gespeg Copper Resources Inc. to support the disclosure of a copper mineral resource estimation according to the guidelines set under "Form 43-101F1 Technical Report" of National Instrument 43-101 Standards and Disclosure for Mineral Projects.

This technical report describes the methodology used for the modeling and estimation of the Sullipek deposit mineral resource using historical data. The report also presents a review of the history, geology, exploration campaigns and data verification.

This report is a resource estimation based on the December 10th, 2016 mineral resource estimation. Furthermore, mineral resources are classified as inferred due to the impossibility at this stage to validate the exact location of surface and underground diamond drill holes and assess quality assurance and quality control on the samples analytical results. The drill hole information is pre NI-43-101 regulation and no witness core is available. However, the Author of this report has compiled the historical information from historical reports in 1992 (which he had prepared for the previous owner of the project) and have carried out verification diamond drilling in 1993 and 1994 which confirmed copper mineralization and showing of molybdenum.

Cautionary note: The mineral resource estimation is preliminary in nature and includes inferred resources, considered too speculative in nature to be categorized as mineral reserves. Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources. There is no certainty that the assumptions and forecasts presented in this mineral resources estimation will be realized.

The mineral resource estimation may be materially affected by mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors that are outside of Gespeg Copper Resources Inc. and GoldMinds Geoservices Inc. control.

The Sullipek deposit mineral resource estimation presented in this report was estimated by GMG for the purpose of the NI-43-101 disclosure of the Sullipek property owned by Gespeg.

1.2. Property Description and Ownership

The Sullipek property is located at approximately 130 km west of Gaspé and less than 40 km west of Murdochville. Sullipek is located on the southern boundary of the Gaspésie national park. The closest major town is Saint-Anne-des-Monts which is located approximately 70 km from the deposit to the northeast.

The property (Sullipek) covers an area of 216.54 ha (2.16 km^2) and is made of 7 contiguous claim forming an L shape. The claims are 100% owned by Gespeg Copper Resources Inc. The Sullipek property is located within the Vortex project which comprises 130 claims covering an area of 68 km^2. The project is divided in 5 blocks, one of them is Sullipek and is the subject of this report.

1.3. Local Resources and Infrastructures

The nearby town of Murdochville was an important copper mining hub before the Noranda copper smelter closure in 2002. Qualified manpower is still available in the region. However, with a population of only 800, it is possible that manpower will need to be hired from elsewhere.

An exploration adit is located on the property. No other infrastructure is present on the property.

1.4. Geology and Mineralization

The bulk of exploration efforts occurred between 1978 and 1980 where 45,300 meters of diamond drilling were completed on the Sullipek and Pekan claim blocks.

The copper mineralisation mostly in form of chalcopyrite is in a skarn type environment where dykes have intruded the calcareous conglomerate of the West point formation.

In 1993 and 1994, an additional 1,235 meters of diamond drillholes and 350 meters of trenching were added to the database. Furthermore, the previous exploration was validated by Claude Duplessis, Eng. A first mineralized material estimation was produced.

In 2012, a heliborne magnetic and spectrometric survey was conducted in the region and covered the Sullipek property.

1.5. Mineral Resource Estimates Data

Goldminds Geoservices inc. has prepared for Gespeg Copper Resources Inc. a maiden mineral resource estimation using the existing drilling data (349 holes, 10212 assays). Other metals have been assayed on irregular basis (zinc, gold, silver, molybdenum) but have not been taken into account in the block model.

A resource block model was produced using block dimensions of 05 m (X) x 05 m (Y) x 05 m (Z). Density to convert volume to tonnage is 2.7.

A total of three envelopes were created in order to identify the zones with high concentrations of copper.

1.6. Mineral resources base case

Cautionary note: Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources. The estimate of mineral resources may be materially affected by mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

Mineralized material of the block model with bodies above set cut-off grades are presented below.

New 2016 Block Model			
Cut-Off Grade %Cu	Tonnes	%Cu	Cu Content (Tonne) In-Situ
0	9,274,000	0,58	53,789
0,5	3,848,000	1,15	44,252
0,75	2,791,000	1,35	37,679
1	1,947,000	1,56	30,373
1,25	1,205,000	1,83	22,052
1,5	747,200	2,11	15,766
2	288,200	2,75	7,926

*Rounded numbers and includes adjacent property portion

Given the fact that the mineral resources have been obtained using pre 43-101 exploration data, all resources are considered to be inferred. The mineral resources for public disclosure representing the studied case which represent a reasonable prospect of economic extraction is herewith defined as:

Optimization Name	Mineral Resources				Waste	Total	
	Classification	Tonnage	Grade Cu	In-Situ Cu Content	Tonnage	Tonnage	Stripping Ratio
		t	%	t	Tonnage	t	
Whole deposit	Inferred	4,295,000	1.04	45,000	49,700,000	53,995,000	11.57
Sullipek side only	**Inferred**	**2,240,000**	**1.09**	**24,400**	**14,870,000**	**17,110,000**	**6.65**
Sullipek claim only	Inferred	895,000	1.24	11,000	6,040,000	6,935,000	6.75

*Rounded numbers

Base Case Sullipek Gespeg portion official mineral resources December 2016.

Cautionary note: Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources. Additional studies are required to convert mineral resources to mineral reserves. There is no certainty that the assumptions and forecasts used in this mineral resource report will be realized. The figure assume an on-site mill with other resources in the region as the project on its own can not actually support the cost of a mill.

The parameters used to define the in-pit resources are as follow:

- Copper price: 2.5 CAN$/lb
- Mining cost: 3 CAN$/$t_{mined}$
- Processing cost + G&A: 20 CAN$/$t_{milled}$
- Processing recovery: 90 %
- Mining recovery: 95 %
- Resource included: Inferred
- Slope angle: 45º
- Optimization 1: Whole deposit
- Optimization 2: Whole deposit Sullipek side (vertical Boundary)
- Optimization 3: Worst case scenario 45 slope all direction
- Cut-off grade: 0.4% Cu

  Note: Current Copper price are in the US2.5$/lb range.

  Provision for concentrate associated costs are considered to be in the exchange rate.

1.7. Mineral Reserves Estimates

There are no NI 43-101 compliant mineral reserves at Gespeg, a Feasibility Study or Preliminary Feasibility Study on indicated and measured resources is required to define mineral reserves.

1.8. Conclusions and Recommendations

The Sullipek property present a copper mineral resources of 2.24 Million tonnes at 1.09% for in situ total copper of 24,400 tonnes.

First recommendation goes to acquisition of the Pekan block to the south so the deposit get considered as a whole.

Verification diamond drilling with metallurgical testing followed by a PEA is recommended.

+ $500,000 in surface diamond drilling with analysis of MoS_2

+ $100,000 in Metallurgical testing

+ $ 35,000 in survey of Underground collars (open the Adit) and surface information with a Lidar surface survey of the property

+ $75,000 Preliminary Environmental and Hydrogeological study

+ $75,000 PEA NI 43-101

This should enable Gespeg to effectively put a preliminary value on the property.

In medium term develop the mineral resources in the region to support the construction of a new mill.

2. Introduction

2.1. Terms of Reference – Scope of Work

Gespeg Copper Resources"Gespeg" mandated GoldMinds Geoservices Inc. "GMG" to prepare this resource report to support the disclosure of National Instrument 43-101 compliant mineral resources on the Sullipek property. This report describes a review of the history, geology, samples preparation and data verification of the Sullipek property and provides recommendations for future works. This report also presents the basis and methodology used for modeling and estimation of the Sullipek resources from historical data.

This report titled: NI 43-101 Resource Estimation – Sullipek Copper deposit, was prepared by Claude Duplessis, Eng with assistance of Simon Fontaine Jr Mining Engineer, Isabelle Hébert Jr. Geological Eng. And Max Deck Leger Jr. Geological Eng.

This technical report was prepared according to the guidelines set under "Form 43-101F1 Technical Report" of National Instrument 43-101 Standards and Disclosure for Mineral Projects. Certificate of qualification signed of the QP responsible for his document have been supplied to Gespeg Copper Resources as separate documents.

2.2. Sources of Information

The information used and presented in this technical report consists of data from a previous report prepared by the same author as this report and other sources of information from a third party. Data from 1993 and 1994 was acquired and supervised by this report's author. No QA/QC program was in place except the one of the laboratories at that time. The data is believed to be sound and trustworthy to prepare a first inferred mineral resource. Additional information and maps were provided by Gespeg personnel, the database was provided by previous owner as well as copy in the archives of the author at SGS Canada (Geostat office), Quebec Ministry of Energy and Natural Resources (MERN), Quebec Ministry of Sustainable Development, Environment and Fight Against Climate Change (MDDELCC), surveyors and other third parties. The witness core were not available as they have been discarded with the closure of the MERN core warehouse in Ste-Anne-des-Monts in the 1990's.

2.3. Personal Inspection of the Property by Qualified Persons

Mr. Claude Duplessis, Eng. visited the property in 1993 and 1994. Mr. Duplessis was responsible for the exploration works done in those years. The only new exploration data available to GMG is an airborne magnetic and spectrometric survey. These visits are still considered current since the NI 43-101 guidelines defines a current inspection as: There has been no material change to the scientific and technical information about the property since that personal inspection. Mr. Duplessis is responsible for the totality of this report.

2.4. Units and Currency

Quantities and measurements are generally stated in the International System of Units, including metric tonnes (tonnes, t), kilometers (km) and meters (m). The reference system of coordinates used is UTM NAD 83 zone 17. Abbreviations used in this report are listed in Table 1.

Table 1: List of abbreviations

Abbreviation	Description
Gespeg	Gespeg Copper Resources Inc.
GMG	GoldMinds Geoservices Inc.
t	Metric tonnes
g	Grams
lb	Pound (453.592 g)
g/t	Grams per tonne
NSR	Net Smelter Return
ha	Hectares
m	Meters
km	Kilometers
m3	Cubic meters
NTS	National Topographic System
UTM NAD83	Universal Transverse Mercator coordinate system - North American Datum of 1983

3. Reliance on Other Experts

The authors of this technical report, Claude Duplessis, Eng. is not qualified to comment on issues related to legal agreements and royalties. The author relied upon the representations and documentations supplied by Gespeg. The author reviewed the mining title, their status and technical data supplied by Gespeg and any other public sources of relevant technical information.

As stated in the Source of Information section, this report was prepared by GMG using the drillhole database containing data from June 18th, 1965 to August 26th, 1993. The airborne survey was used to identify anomalies that could result in exploration targets. Information, conclusions, opinions and estimates contained in this document are based on the information available to GMG at the time of writing this report. The drill hole database is sourced out from the archives of Geostat Systems International Inc – now SGS Geostat.

This report is to be used by Gespeg Copper Resources as a technical report in conformity with the Canadian Securities Regulatory System. Use in whole or any part of this document by any third party for purposes other than those of the Canadian Provincial Securities Act Legislation will be at the risk of the user.

4. Property Description and Location

4.1. Location

The property is located approximately 130 km west of Gaspé and less than 40 km west of Murdochville. Sullipek is located on the southern boundary of the Gaspésie provincial park. The closest major town is Saint-Anne-des-Monts which is located approximately 70 km to the northeast of the deposit.

4.2. Property Description, Ownership and Agreements

Gespeg acquired the Sullipek claims from Ressources Kimpar Inc. in November of 2011. The property covers an area of 216.54 ha (2.16 km^2) and is made of 7 claims in an L shape. The 7 claims are 100% owned by Gespeg Copper Resources. Additional information is available in the table below.

Table 2: Sullipek Copper Deposit claim information, 100% owned by Gespeg Copper Resources

Sheet	Type	Number	Area (Ha)	Required Work ($)	Required Fee ($)	Expiry date
22A13	CDC	2321471	6.42	650.00	30.51	2017-02-18
22A13	CDC	2321472	56.09	1625.00	59.67	2017-02-18
22A13	CDC	2321473	30.71	1625.00	59.67	2017-02-18
22A13	CDC	2321474	30.43	1625.00	59.67	2017-02-18
22A13	CDC	2321475	31.02	1625.00	59.67	2017-02-18
22A13	CDC	2321476	31.99	1625.00	59.67	2017-02-18
22A13	CDC	2321477	29.88	1625.00	59.67	2017-02-18

Modified after GESTIM (Gestion des titres minier – Gouvernement du Québec), downloaded December 1st, 2016.

The claims are in good standing according to MERN's GESTIM claim management system.

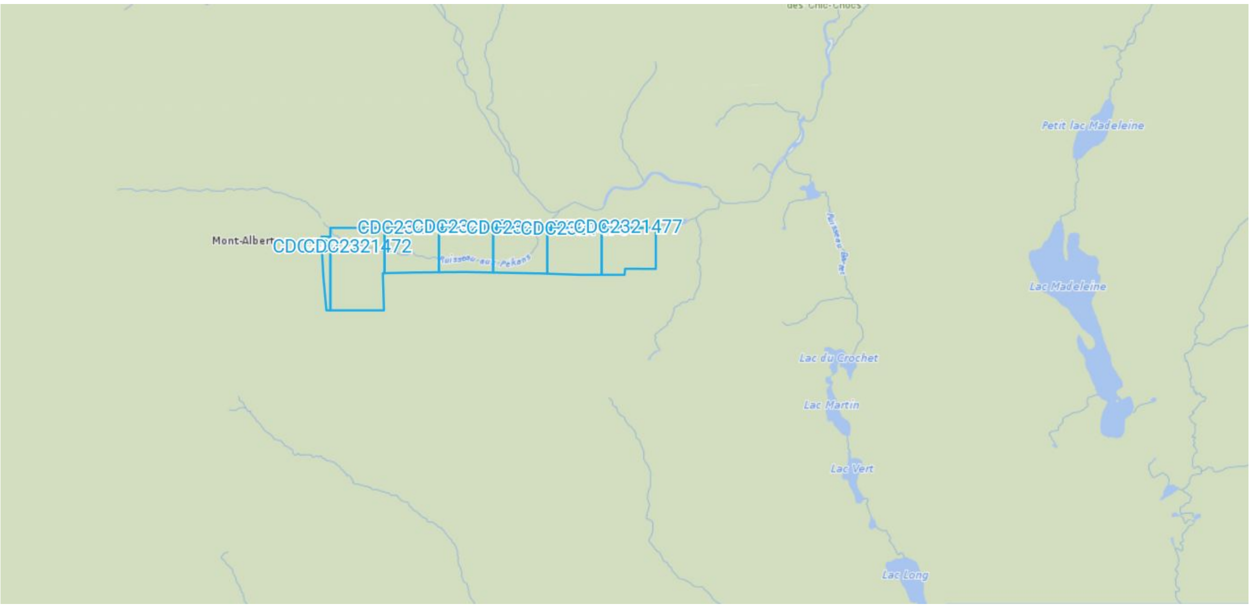

Figure 1: Claims associated with the Gespeg property

Figure 2: Location of claims in the Gaspe Peninsula – Quebec Canada

4.3. Royalty Obligations

In a report prepared by Broad Oak Associates released on December 3rd, 2011, it is stated that Société d'Exploration Ste-Anne Inc. owns a 2% NSR on the Sullipek Property. Capstock has the right to purchase 1% of the NSR of Société d'Exploration Ste-Anne for a total price of 1,500,000 CAD$ to be exercised by Capstock in two separate instalments of 0.5% at any time but not later than one year following the completion of a bankable feasibility.

4.4. Permits and Environmental Liabilities

No mining lease or certificate of authorization were ever granted to the owner of the property. Since the property was never in production, historical waste rock from development left on the property apparently do not present hazard or risk to the environment, therefore GMG does not believe that the property has any environmental liability. The mineralization is in limestone environment and no AMD was observed from the adit in 1993 & 1994.

The claims are located within constrain #43240 Fauna Habitat which is the Caribou. Exploration is permitted under certain conditions.

In order to execute the proposed exploration program in the recommendations, Gespeg will have to seek permits of intervention for the forestry & fauna (MFFP) as well as permit from the natural resources (MERN).

Actually to our knowledge there is no agreement with the MICMAC GESPEG first nation and the company has the duty to inform while the government has the duty to consult.

5. Accessibility, Climate, Local Resources, Infrastructure and Physiography

5.1. Accessibility

The property is accessible by the Transgaspésienne route and by the Lac Saint-Anne Route. Furthermore, the forestry industry developed an extensive network of forest roads in the vicinity of the deposit. The project is located at approximately a three-hour drive from Mont-Joli airport.

5.2. Physiography

The Sullipek property consists of mountains with round-shaped ridges. A number of creeks cross the property and shape the topography. The hillside exploration ramp is located south of the Pekan creek. The site elevation varies between 630 to 800 meters above sea level. The overburden varies from less than one meter to over four meters in certain areas.

Quebec's Appalachian Uplands region is the northern extension of the Appalachian Mountains. The area is covered in forests, plateaus and high plains. This region includes the Anticosti Island, northeast of the Gaspé Peninsula.

5.3. Climate

The climatologic data used to characterize the sector under study comes from the Gaspé meteorological station (lat 48°46'37,000" N, lon: 64°28'41,000" O). Figure 3 presents the minimum, average and maximum monthly temperatures as well as average precipitations per month. Snow is abundant, and usually is earlier in its arrival and later in its departure compared to the cities along the shores of the St-Laurent River.

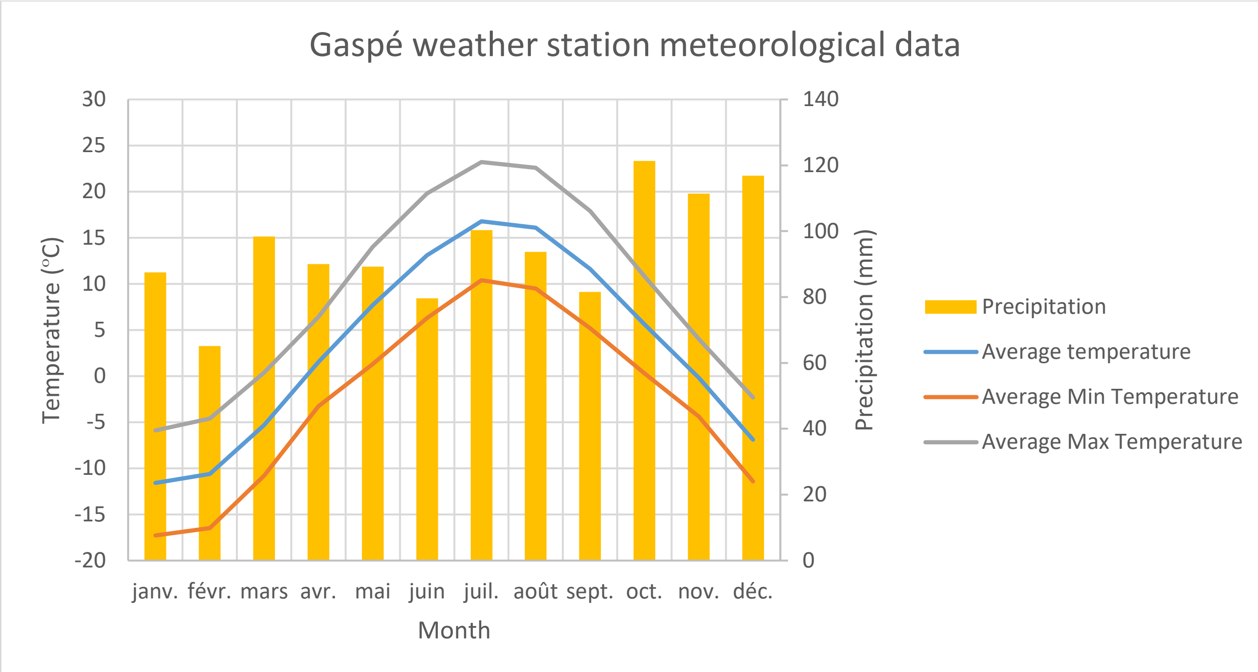

Figure 3: Monthly Average Temperature (°C) and Average Precipitation (mm)

Table 3: Average Monthly Rainfall and Snowfall Data

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Yearly
Rainfall (mm)	16.2	7.8	27.3	50.2	84.1	79.6	100.3	93.7	81.6	116.1	75.8	46.5	779.2
Snowfall (cm)	80.2	63.2	71.8	36.8	4.6	0	0	0	0	4	36.2	75	371.8
Precipitation (mm)	87.5	65.1	98.4	90	89.2	79.6	100.3	93.7	81.6	121.3	111.4	116.9	1135.1

5.4. Local Resources and Infrastructures

The nearby town of Murdochville was an important copper mining hub before the Noranda copper smelter closure in 2002. The population has dropped to less than 800 people since. Little qualified manpower is still available in the region.

An exploration adit is located on the property. No other infrastructure is present on the property.

6. History

6.1. Previous Ownership

From 1960 to 1986, the Sullipek claims belonged to Mines Sullipek Inc. From 1986 to 2011, the claims belonged to Société d'Exploration Minière Ste-Anne-des-Monts. In 2011, Capstock Financial acquired the claims. During the same year, Capstock Financial changed its name to Gespeg Copper Inc.

6.2. Summary of Previous Work

In 1964, Terra Nova conducted the first geochemical and magnetometer survey on the property. The surveys were followed by a diamond drilling campaign which led to the discovery of significant copper mineralization. In 1968, an exploration ramp was drifted and 8,100 meters of diamond drilling was completed. From 1968 to 1970, a total of 45,300 meters of diamond drilling was completed on the Sullipek and Pekan claim blocks.

6.3. 1993 Exploration Campaign

In 1993, under the supervision of this report's author, efforts were made to validate the position of historical diamond drill holes and the position of the exploration ramp. Furthermore, another 605 meters of diamond drilling was completed.

The surveying identified that the historical diamond drillholes and exploration ramp were not exactly in the right positions. Therefore, the geological interpretation had to be modified. Six trenches were dug, but only four reached the bedrock. 350 meters of outcrop were mapped and samples were taken for analysis. The author concluded by stating that Sullipek was in fact a zone of deep faults. Two possibilities existed for the deposit. Either the majority of the deposit has been eroded or a massive deposit could be located at depth.

6.1. 1994 Exploration Campaign

In 1994, 630 meters of diamond drilling were completed on the claims C187059 and C187058. Only a small sector was assayed since there was very little mineralization. Some holes were tested for conductive zones; however, none were identified. Two additional holes were drilled in the northeast, but no mineralization was intersected. The mineralized material inventory was not updated.

6.2. 2012 Airborne Survey

From July 6th to August 6th 2012, Capstock Financial, which had options on certain properties, mandated Prospectair Geosurveys to conduct a magnetic and spectrometric survey. 32 flights were required to survey the whole region. Figure 4 to Figure 7 present the results of the airborne survey.

The total magnetic intensity chart is characterized by smooth variations, which is typical of sedimentary rocks. A few high-frequency anomaly areas were identified and are identified by the black dotted line.

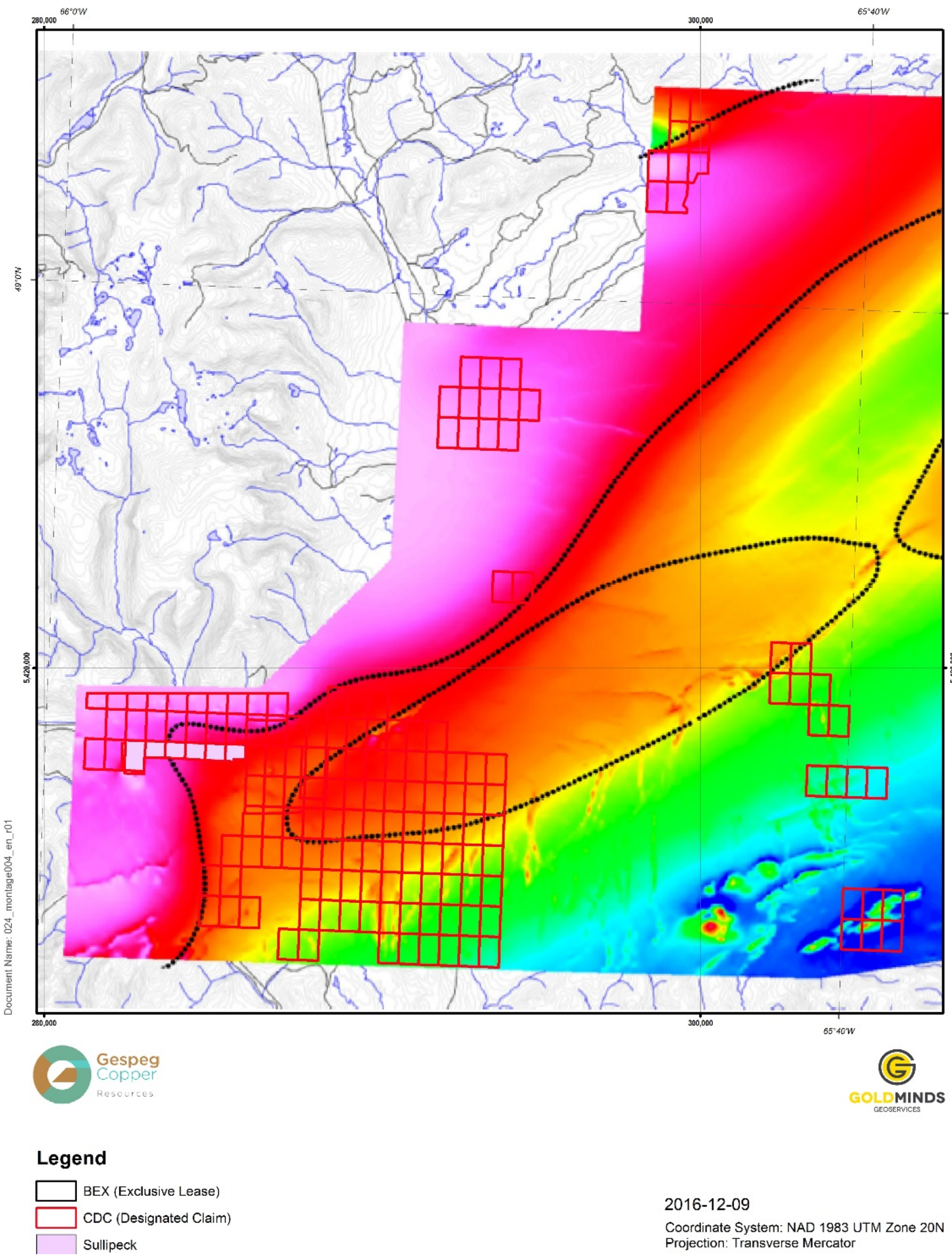

Figure 4: Total Magnetic Intensity

In the First Vertical Derivative of TMI chart, shorter wavelength anomalies were identified. These anomalies could be created by intrusive plugs that come closer to the surface. They are identified by blue dashed lines. Strong anomalies with shorter wavelengths were identified with a black dotted line. Murdochville is located on the eastern part of the survey and the infrastructures can affect the results in that area.

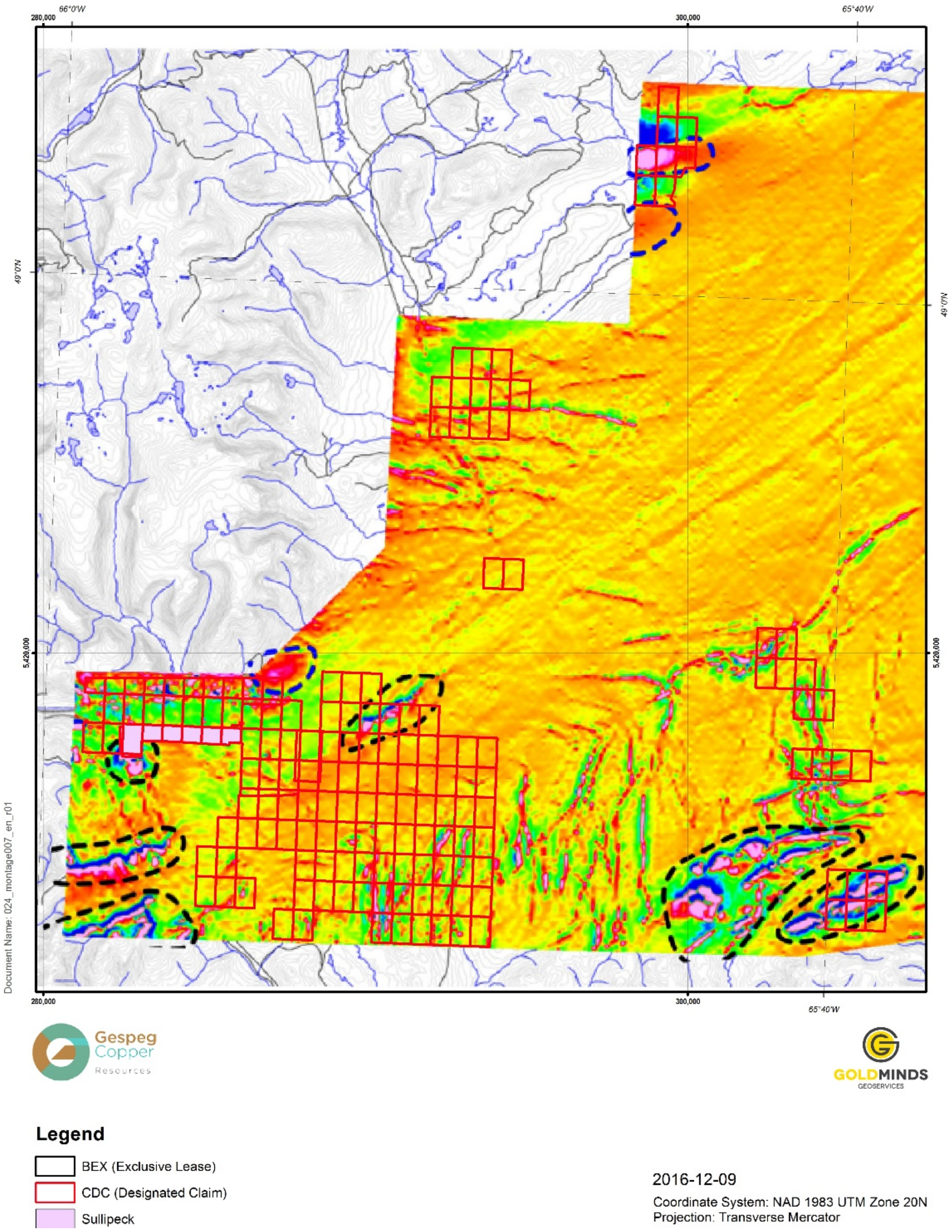

Figure 5: First Vertical Derivative of TMI

Copper mineralization and skarns are associated potassic alterations (Allock, 1982). The potassium spectrometric data is presented below. Strong potassium concentration can correlate with plutons or plugs.

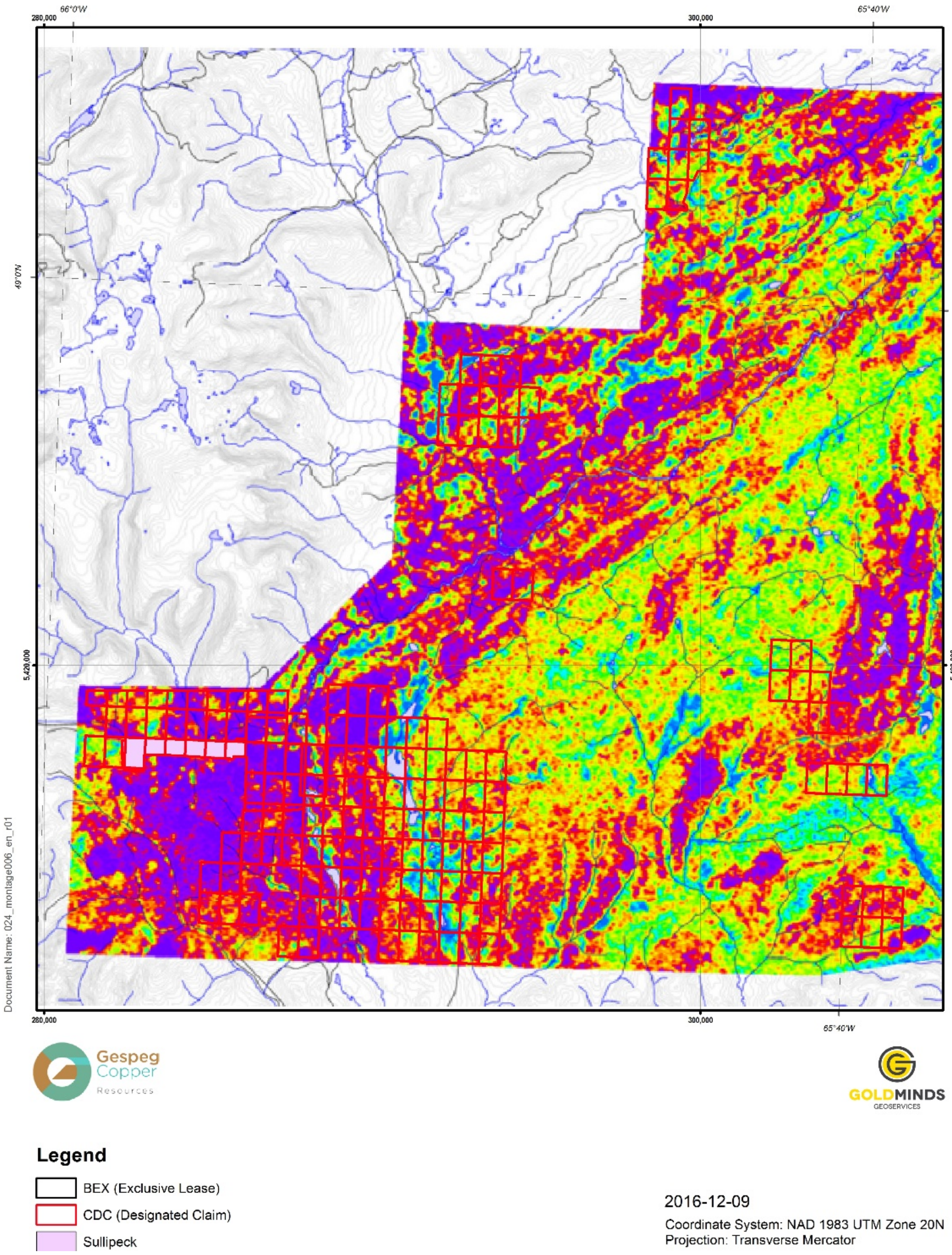

Figure 6: Potassium Concentration

On the spectrometric ternary chart, strong potassium, uranium and thorium concentrations are shown in pink, light blue and yellow, respectively. Uranium-thorium, thorium-potassium and potassium-uranium associations appear in green, red and dark blue, respectively. Areas with strong concentration of all elements are shaded and areas with weak concentrations are shown in light colors to white.

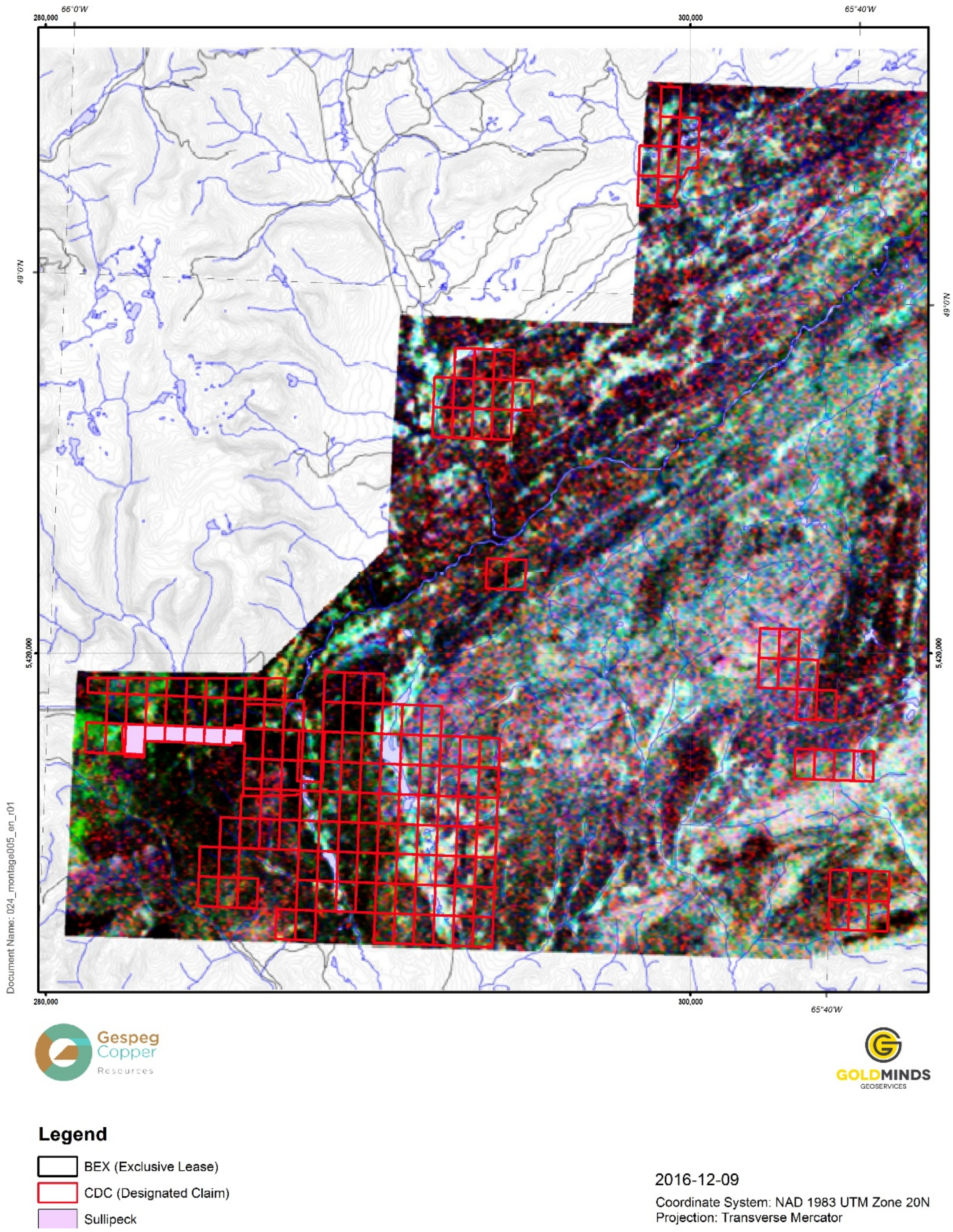

Figure 7: Spectrometric Ternary Image

6.3. Previous Mineralized Material Estimation

A block model was created in 1993 using a database containing 339 historical diamond drillholes and 6 new drillholes for a total of 45,905 meters. The 350 meters of trenches were also added to the database. On every level, the mineralized envelope was reinterpreted with the updated position of historical diamond drillholes and the new information. 1.5m composites were created, capped at 9.64% Cu. The grade distribution follows a log normal distribution. The average composite grade is 0.81% Cu with a standard deviation of 0.91. The created blocks had dimensions of 5m X by 5m Y by 10m Z.

At the time, the mineralized material was classified as "class 2 measured resources". Table 4 presents the result of the historical resource estimation. A specific gravity of 2.7 was applied to the whole deposit.

NOTE: The mineralized material tonnage presented in table Table 4 does not follow the actual national instrument for the Standards of disclosure for mineral projects (NI 43-101).

Table 4: 1993 mineralized material estimation

Cut-off grade	Mineralized Material Tonnage (t)	Average grade % Cu
0	5,906,000	0.82
0.5	4,097,000	1.02
0.75	2,791,000	1.21
1	1,841,000	1.39
1.25	1,065,000	1.6
1.5	537,000	1.84
2	124,200	2.3

In 1994, Systèmes Géostat International produced a preliminary economic analysis of the Sullipek deposit. 8 pit optimizations were made with different mining and processing costs and different copper values. The pit walls were set at 45º. A 70% recovery was applied to the benches near the surface due to the oxidized material and a 90% recovery was applied to the benches underneath. Table 5 presents the results of the study.

Table 5: 1994 historical Economic Analysis not NI 43-101

Optimization number	Total Cost ($)	Copper Value ($/lb)	Mineralized Material Tonnage (t)	Mineralized Material Grade (%)	Waste to Mineralized Material Ratio	Profit ($)
1	30.88	1.40	18,225	2.05	2.50	50,849
2	30.88	1.50	43,057	1.86	2.99	141,071
3	30.88	1.75	82,033	1.65	2.59	587,880
4	30.88	2.00	158,177	1.41	2.06	1,346,261
5	35.60	1.40	-	-	-	-
6	35.60	1.50	12,150	2.12	2.61	30,462
7	35.60	1.75	58,582	1.79	3.32	275,811
8	35.60	2.00	82,708	1.64	2.59	773,756

The conclusion was that the economic viability of the project was highly dependent on the copper price. The author concluded by stating that either an increase of the copper price or a decrease of the mining or processing cost would be necessary in order to justify starting production.

7. Geological Setting and Mineralization

7.1. Regional Geology

The Sullipek deposit is hosted in Silurian and Devonian carbonate and mudstone rocks of the Chaleur Group. A number of base metal deposits were discovered in this type of formation in the Gaspésie area, notably, the Murdochville copper mine which was in operation for close to 50 years. This massive deposit is hosted in the early Devonian Gaspé limestone.

The Sullipek claim block is limited to the north by the Cambro-Ordovician group (Quebec Supergroup) which is transected by the South Chic-Chocs fault. The Quebec Supergroup is composed of heterogeneous sedimentary sequences that are highly deformed, altered and metamorphized. This formation constitutes the bed of the more recent Silurian and Devonian deposits that are found on the property. Reef limestone, conglomerate limestone, banded limestone and siltstone can be found in these formations. The formations described above were deformed and altered to different states by the orogenic intrusive event. It is important to note the presence of the nearby Monts-McGerrigle igneous formation located less than 2 kilometers to the north. The rocks were only subjected to contact metamorphism, the regional metamorphism is near-insignificant.

The Chaleur Group formations located on the property are cut by numerous sub-verticals dykes oriented N340 to N355. The sedimentary units are generally oriented east-south-east and have a dip of 20 degrees towards south-southwest.

Regionally, two sets of faults are recognizable, Chic-Chocs, trending east-west and Sullipek, trending NNW-SSE. Additional information can be found in the Ministère de l'Énergie et des Ressources Naturelles du Québec (MERN) regional synthesis.

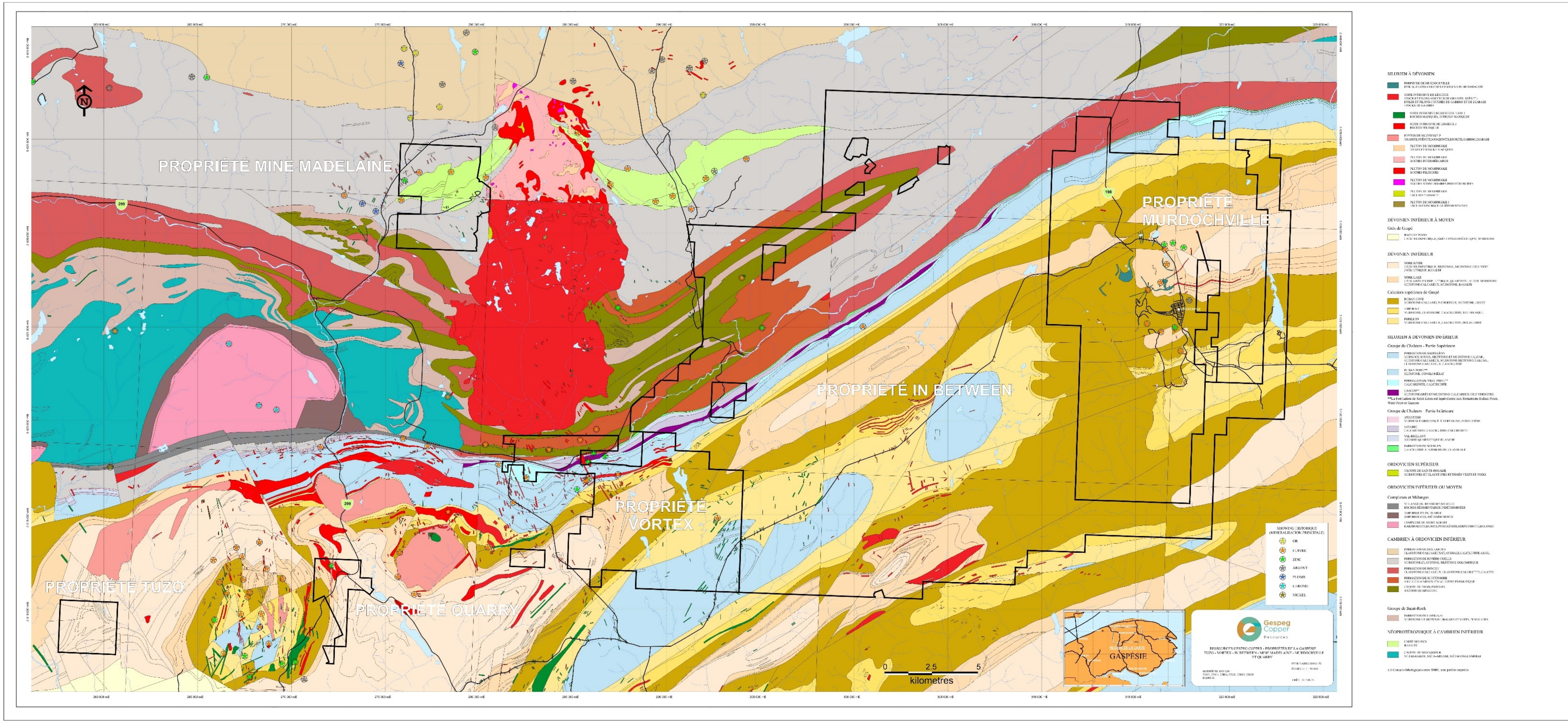

Figure 8: Regional Geology source Gespeg

7.2. Property Geology and Mineralization

The local geology was described by Robert Ware in 1982-1983. This section will summarize his study. Sullipek mineralization can be found as skarn and is composed of alteration and metasomatism (chemical transformation of the composition by addition or replacement of specific compounds) of the St-Léon impure Limestone the intrusive felsic contacts. The principal zone's thickness is controlled by the topography and the direction and dip of the receptor units. The reef environment also had a role in the implementation because the homogeneous sedimentary sequence was modified by Limestone conglomerate and Calcareous Silstone (West Point formation).

The mineralized zones (blocks of altered sedimentary sandstone) can be represented as elongated cones and floating filiform flakes in felsic dyke swarms. The highest-grade mineralization is located at the contact of specific porphyry that are lightly mineralized. Figure 9 presents a transversal view of the deposit with Mr. R. Ware's interpretation (Source: Ware 1982-83 doc #ET 86-08). It is important to note that the geological interpretation was slightly modified based on additional information that were not available to Mr. Ware at the time.

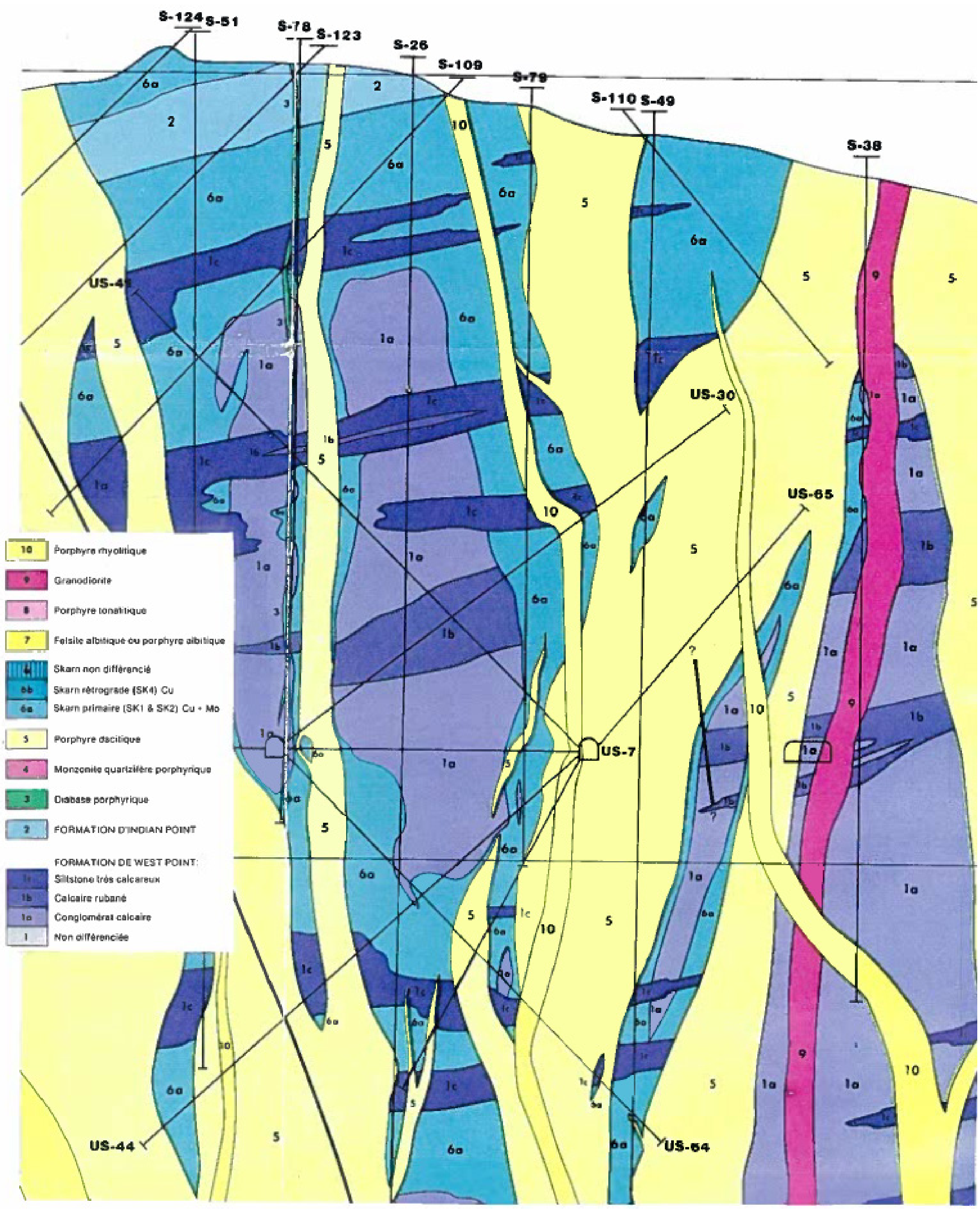

Figure 9: Transversal view of the deposit (source R. Wares- MER# ET 86-08)

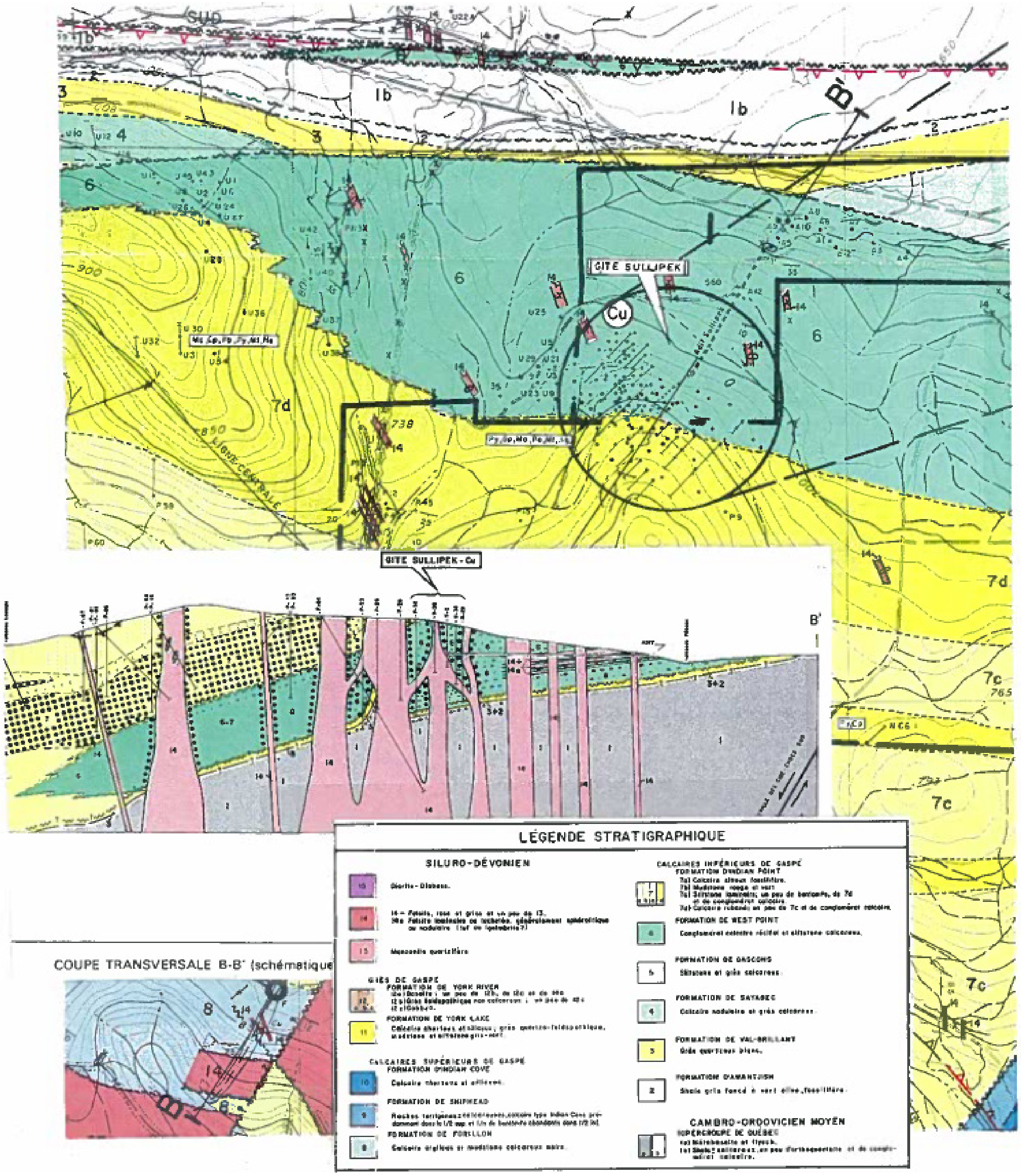

Figure 10: Property geology (Source: Duquette, Lachance, Morin, 1984)

8. Deposit Model

Two types of deposit can host significant copper mineralization on the Vortex property:

8.1. Skarn-Cu and porphyry-Cu (Sullipek)

Copper, silver and molybdenum mineralization are associated with skarn horizons and potassic porcelanite located at the felsic porphyry intrusion periphery. They are also associated with the region's porphyry. Those types of deposits are located near porphyry systems, whether they are plutons or dykes. The soda intrusion and/or dacitic porphyry dykes intersections with carbonates horizons are most likely to host significant mineralization.

8.2. Mantos-Cu

Carbonates horizons located within 1 to 2 km of copper porphyry systems can be replaced by copper sulphides.

This type of deposit is located within carbonate horizons. Mineralization is present as replacement structures with abundant sulphides. This type of deposit is associated with gravimetric and electromagnetic anomalies. It is located with 1 km of a porphyry system.

It is important to remember that fluids only ascend and have a tendency to go through conducts or ascending stratum trapped by impermeable units. It implies that the primary stratum structures hold a key role in the metasomatic fluids migration as well as the mineralization.

9. Exploration

No additional or new exploration was conducted to prepare this report.

10. Recent drilling works

No diamond drilling exploration was conducted prior to the preparation of this report.

The latest drilling occurred in 1993-1994 by the author of this report.

11. Sample Preparation, Analyses and Security

No samples were taken from the property prior to the preparation of this report.

In the 1990's the core was logged and split in Ste-Anne des Monts. The samples were sent to Chimitec in Quebec city, now ALS. There is no reason to believe the historical data (before 1993) is not reliable as it has been done by serious professional of the time and drill results of the 1990's confirmed the presence of copper mineralization with core assayed at independent laboratory.

12. Data verification

Exploration data dating prior to 1994 has been verified and acquired under the supervision of this report's author. The 1993 report prepared by Claude Duplessis, Eng. dealt with verifying the quality of the historical data. The drill hole database supplied by Gespeg Copper Resources Inc. match the main final database archived of the Author elaborated in 1994 as per data transmitted by SGS Canada to Goldminds for verification.

13. Mineral Processing and Metallurgical Testing

There are no testing for this report.

14. Mineral Resources Estimates

14.1. Previous Mineral Resource Estimate

Previous mineral resource estimates are not NI 43-101 compliant, and therefore the mineralized material cannot be considered a resource.

In 1993, Geostat calculated measured resources class II, geological reserves of 5.9 million tonnes at 0.82% copper without a cut-off grade. The mineral inventory at 0.75% copper cut-off grade was estimated at 279.1 Mt with an average grade of 1.39% copper (Table 6). The new block model data shows similar tonnage at a cut-off grade of 0.75% Cu, but with a higher average % copper (1.35 instead of 1.21)

Geophysical tests indicated that there is no extension in depth of the conductive mineralized zones in a radius of 100 meters. The conclusion of the 1994 report was that the deposit was marginal, and that a slight increase in the price of copper could allow small-scale production of a part of the deposit.

Table 6: in-situ Mineralized material from the new block model and the 1994 block model-comparison

New block model 2016 Not rounded		
cut-off grade	tonnes	%Copper
0	9273825	0,58
0,5	3847836	1,15
0,75	2790793	1,35
1	1946700	1,56
1,25	1204538	1,83
1,5	747226	2,11
2	288225	2,75

1994 data report		
cut-off grade	tonnes	%Copper
0	5906000	0,82
0,5	4097000	1,02
0,75	2791000	1,21
1	1841000	1,39
1,25	1065000	1,6
1,5	537000	1,84
2	124200	2,3

14.2. Exploration Database

The database in Prolog format has been recovered from 3.5 inch floppy disk. The exploration database is comprised of drillhole data from 349 holes. There is a total of 1559 surveys and 10212 assays. All drillholes have been completed prior to 1993, and thus are not NI 43-101 compliant. The surface used in this resource calculation was obtained by linking collars together and making a surface.

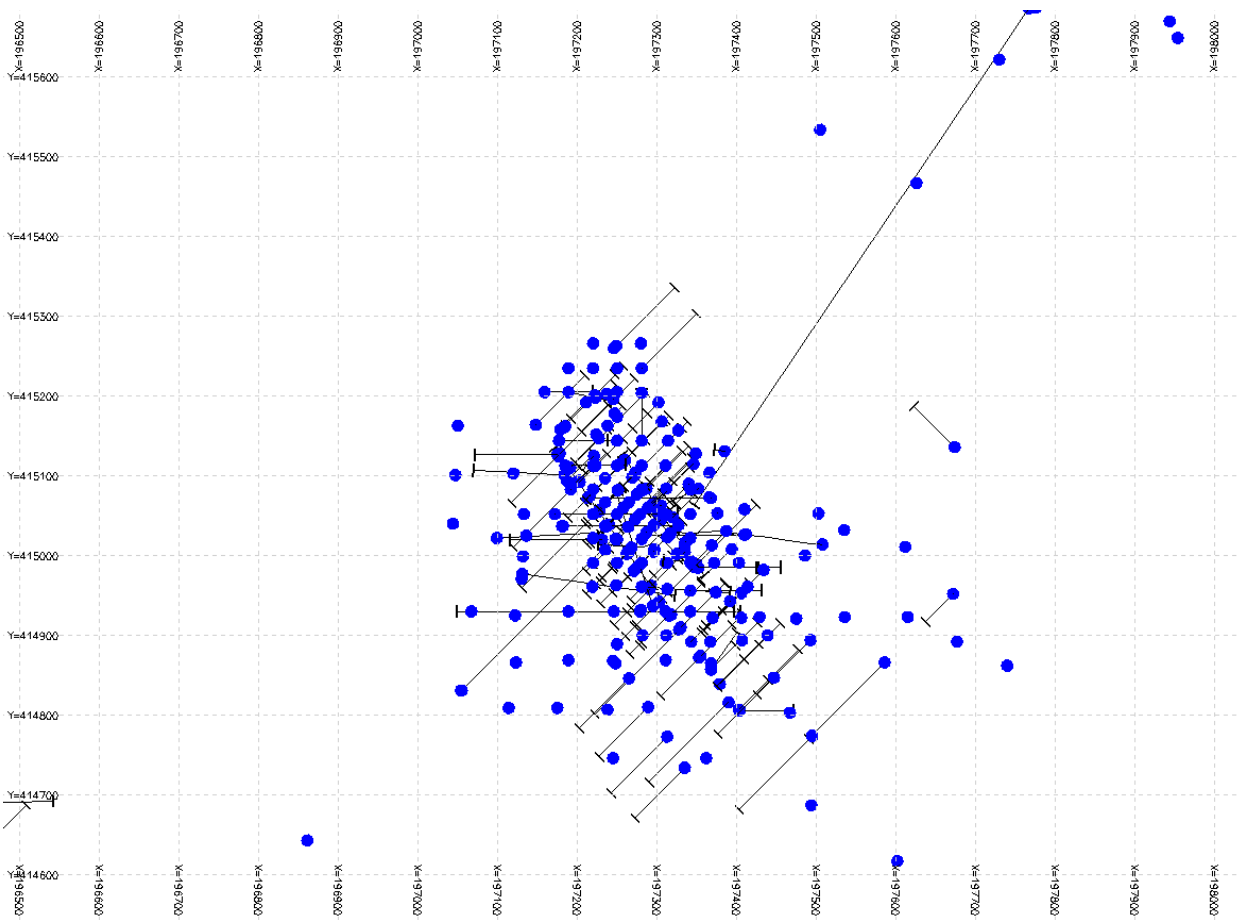

Figure 11: Localization of drillholes and sampling channels collars on the Sullipek property

The long North-Est line above represent the position of the drift.

14.3. Specific Gravity Data

The specific gravity used to convert volume to tonnage is 2.7, the same as in the 1993 estimation. Additional work is require to verify and change this information in relation to sulfides content.

14.4. Resource Model

The model corresponds to a mass model including low grade material using block dimensions of 5(E) x 5 (N) x 5 (Z) m. The envelopes were built around mineralized intervals of grade higher than 0.3% Cu.

After verification/validation of the Sullipek database, Goldminds Geoservices conducted mineralization interpretation and modeling of the 3D wireframe envelopes of the copper mineralization Limbs of mineralized limestone Skarn in the dykes. The first step was to create the mass envelopes. Several sections (23 sections, azimuth 315, facing northwest) were created using all drilling results within the property (Figure 12). The interpretation was first completed on sections to define mineralized vertical projection contours called prisms (polygon interpretation on cross sections) in Genesis© software using mineralized intervals (Figure 13)

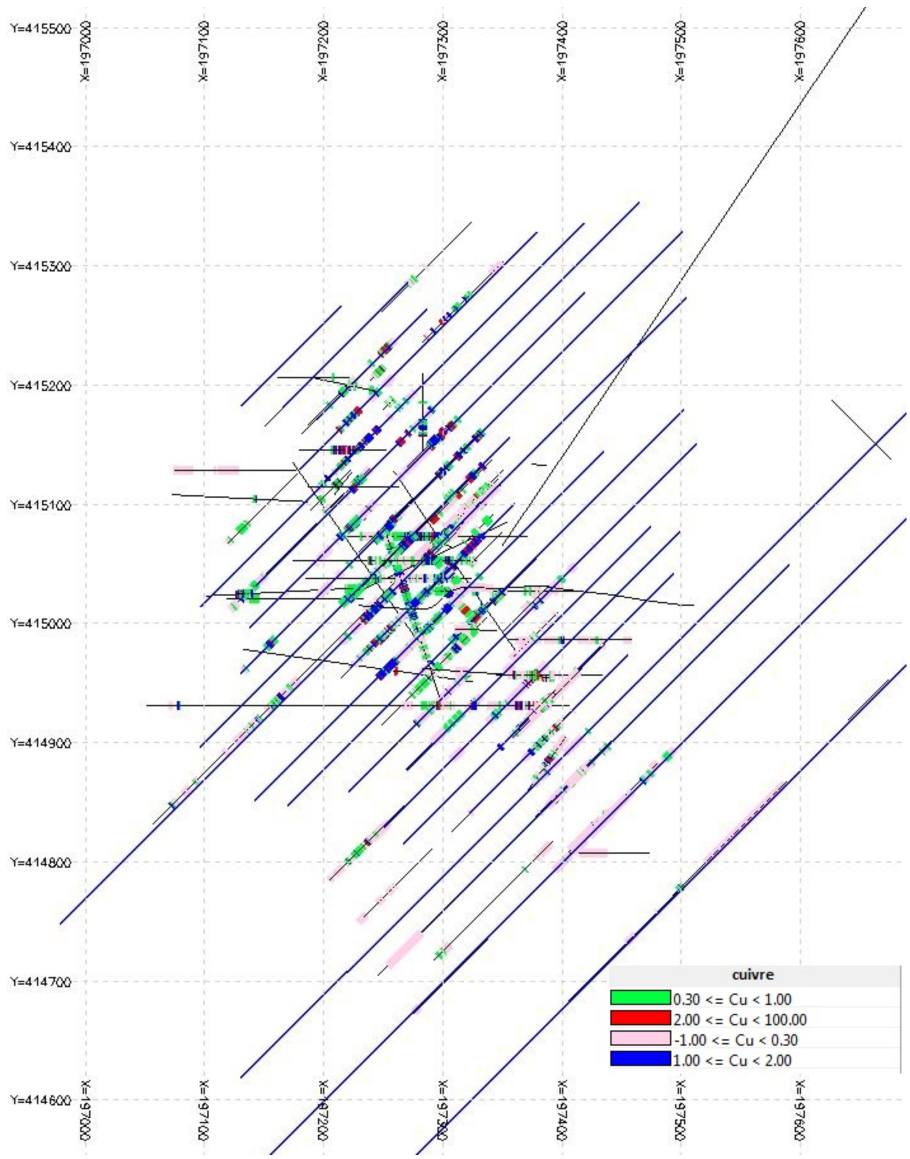

Figure 12: Plane view of the sections and localization of prisms and collars, Sullipek property (color coded by Cu %)

A total of three envelopes were created following three mineralized zones. These envelopes were constructed by connected mineralized interval prisms from each section (Figure 14). The envelopes were then cut off by the topography.

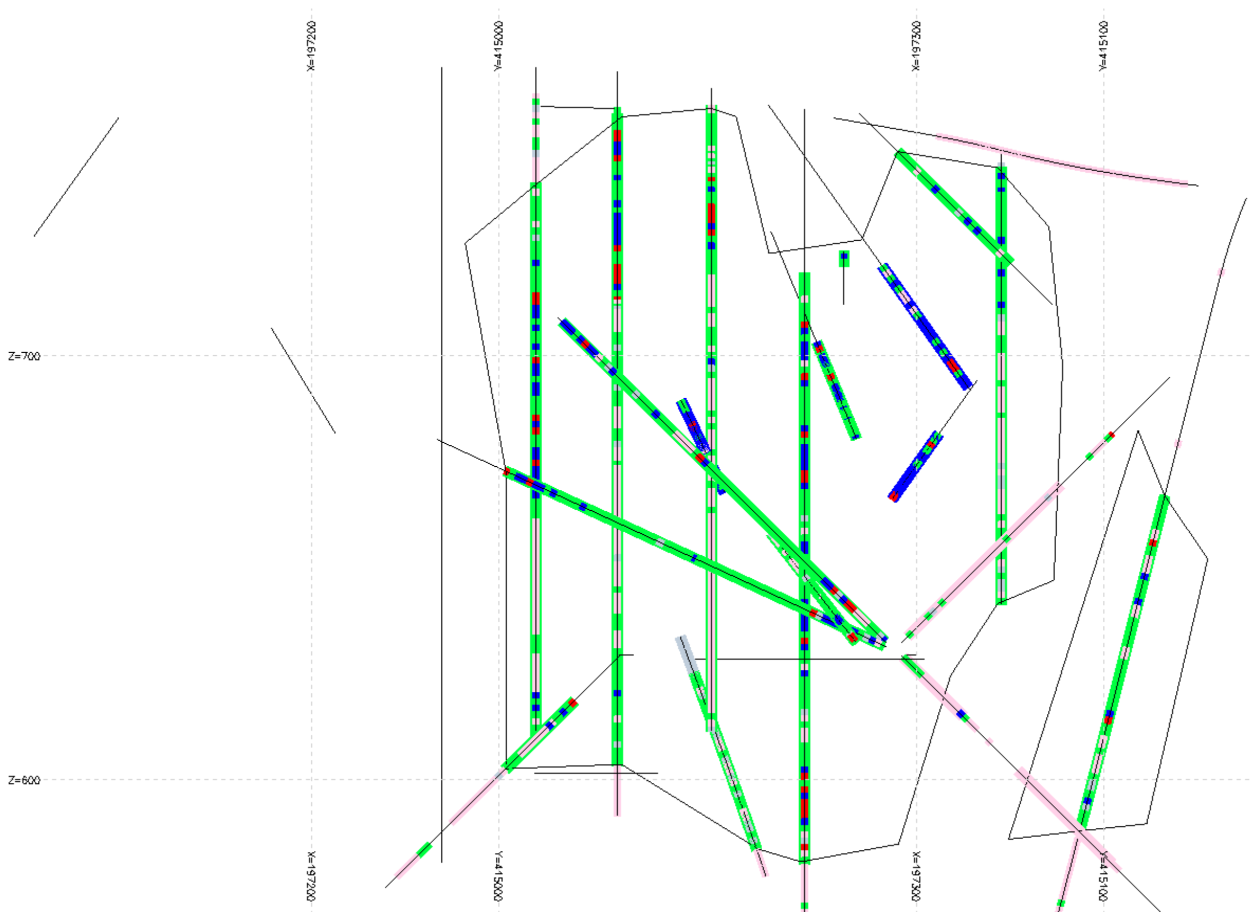

Figure 13: Section 14, showing two prisms built around mineralized intervals

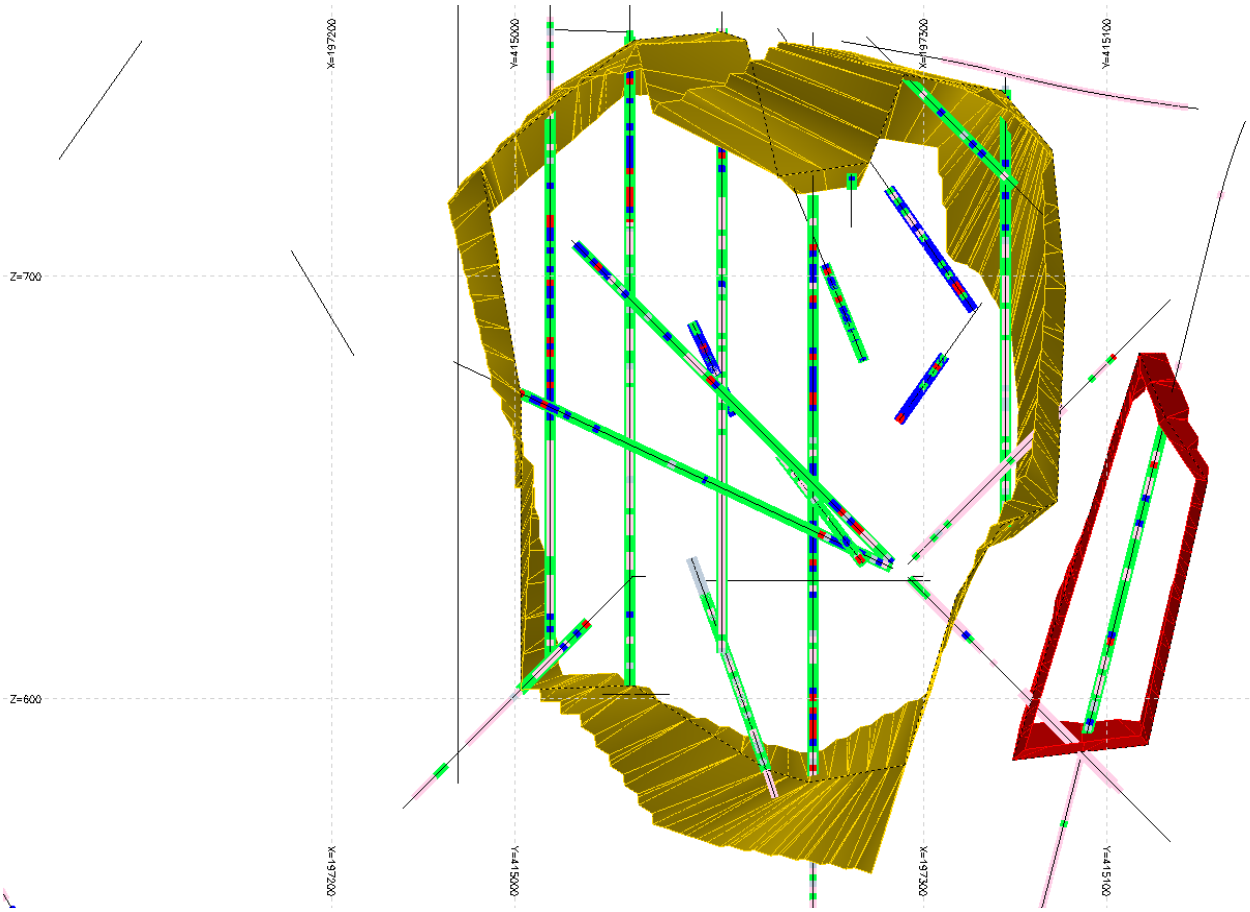

Figure 14: Section 14, showing prism and envelope built around mineralized intervals

Before assigning grades to the dimensionless points in the 3D space (the composite centers) in the block grade interpolation, it is necessary to standardize the length of the grade "support" through numerical compositing.

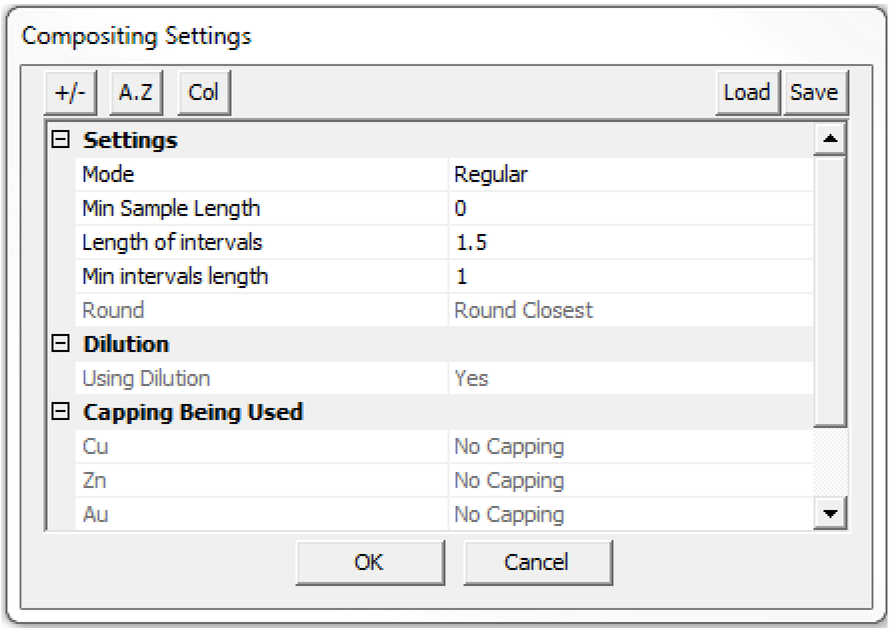

Figure 15: compositing parameters

Each composite has a length of 1.5 meters (Figure 15) Compositing is done downhole from the start of the mineralized intersection. Missing assays and unsampled lengths are assumed to be zero grade. Only composites within the mineralized envelopes have been used to estimate the mineral resources. No capping has been used.

Estimations of block grades were performed with the software Genesis for the modeling and interpolation.

The origin of the block model is located in the southwest corner (197000 E, 414700 N, 500 Z). The block size has been defined in order to encompass all three envelopes. The mineral resource estimate was carried out with a block size of 125 cubic meters (05 m (EW) x 05 m (NS) x 05 m (Z)), (Figure 16).

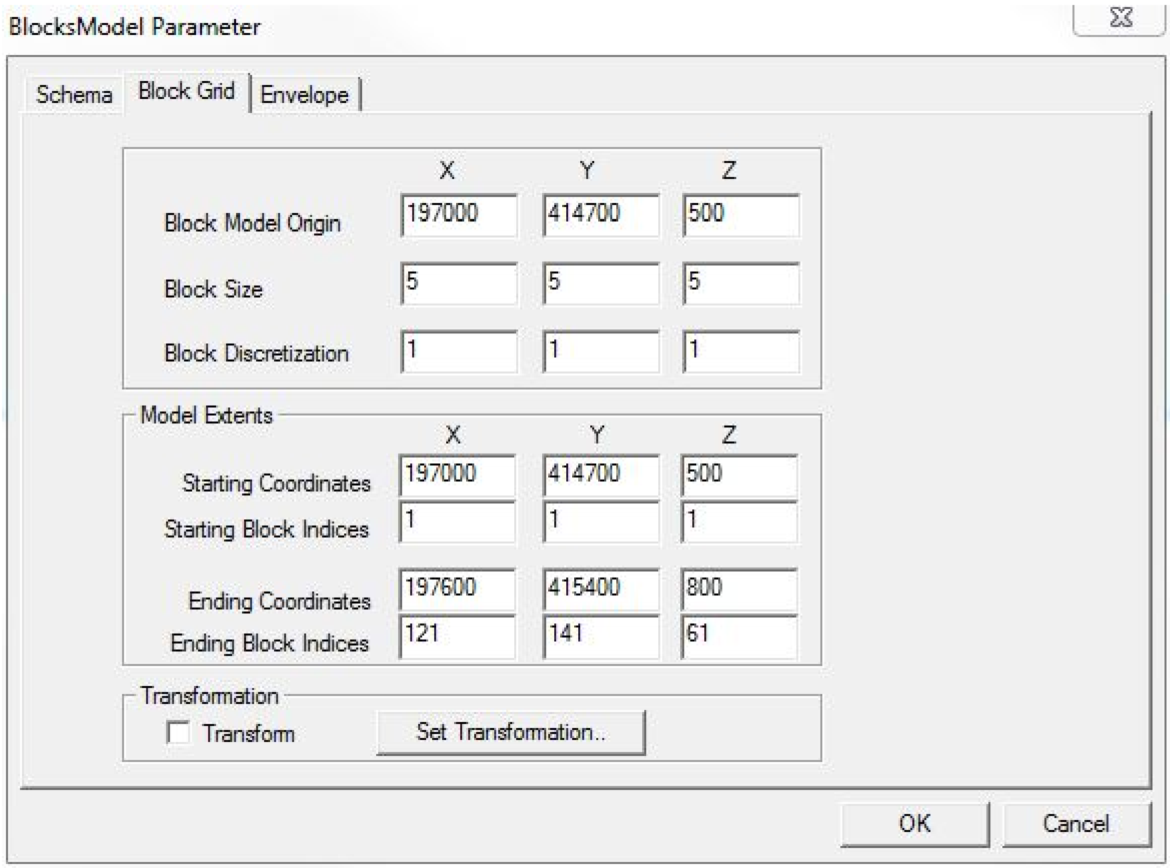

Figure 16: Block model settings

A total of 7350 composites were created. The average Cu % is computed for each block using interpolation according to the inverse of the distance of the nearest composites within the search ellipsoid.

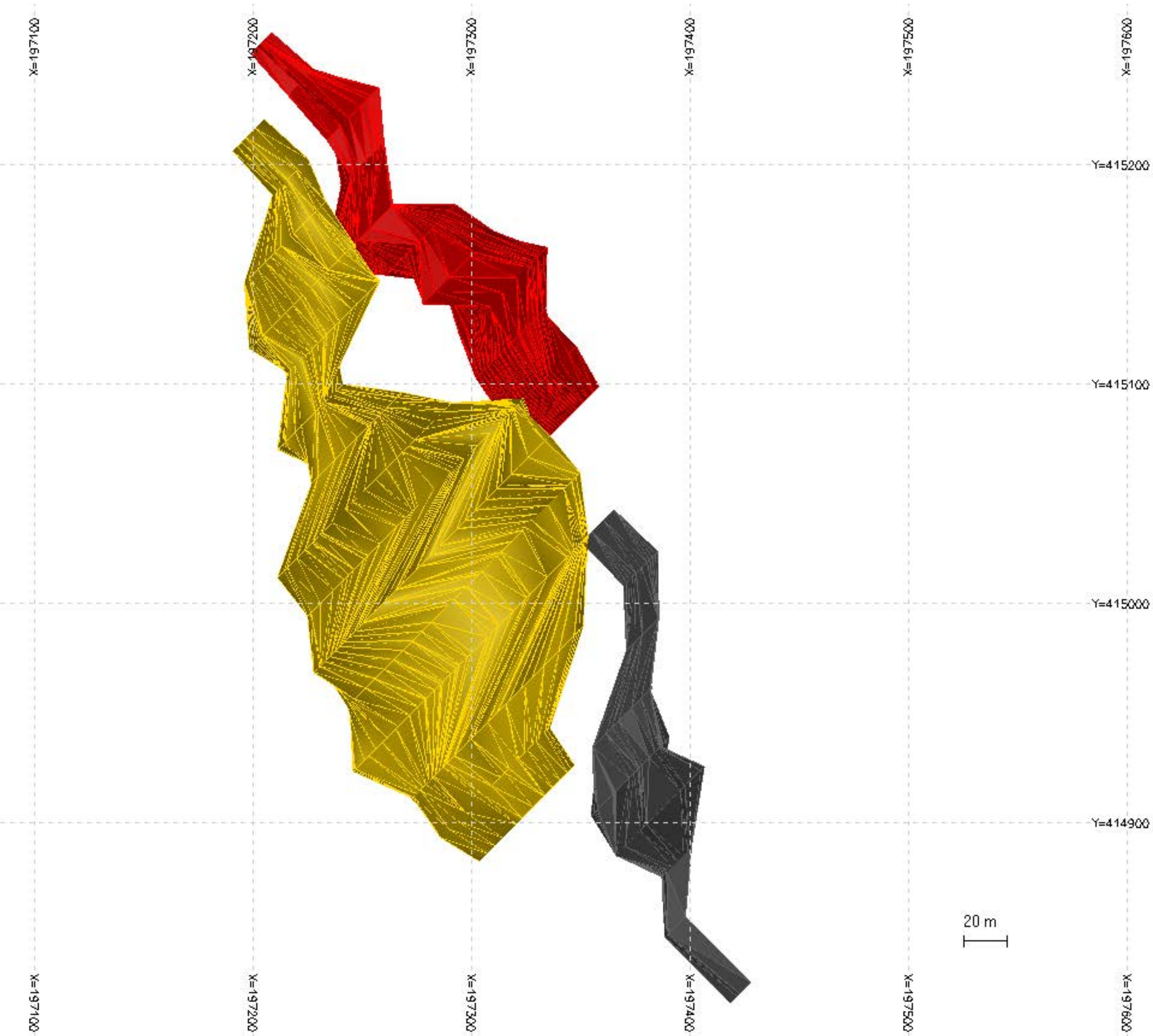

Figure 17: Envelopes, Sullipek property

Figure 18: Block model (5m x 5m x 5m)

Ellipsoid parameters and interpolation

Given the fact that the available data is not NI 43-101 compliant, all resources were considered inferred. Therefore, only one ellipsoid was used to define inferred resources. The ellipsoid's dimensions are 60m x 40m x 10m, and was oriented along the main mineralisation axis (NNW-SSE) (Figure 19).

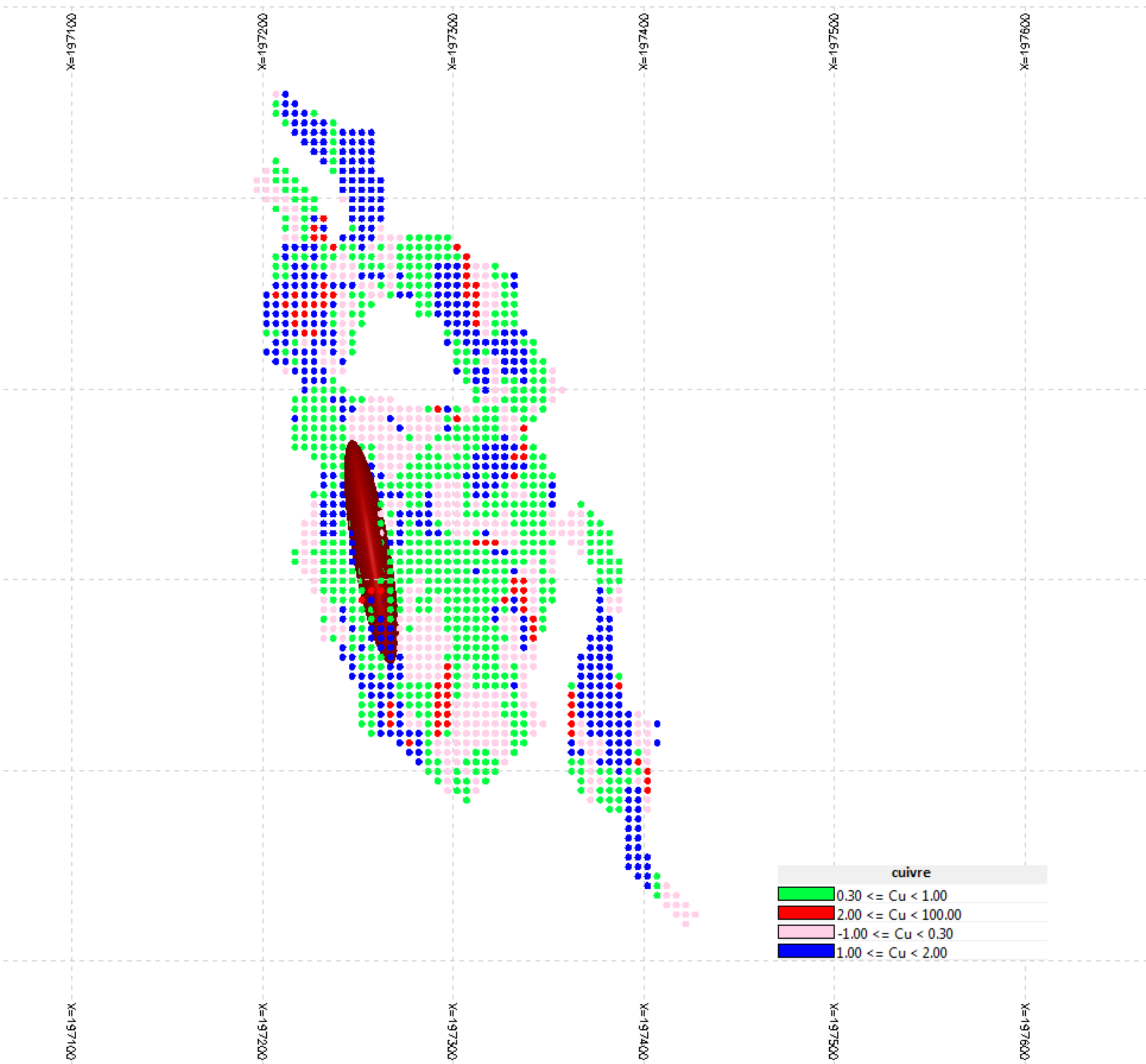

Figure 19: Ellipsoid used in the mineral resource estimate

A number of composites limited to five with a minimum of three, with no limits to the number of composites per drill hole with Inverse Square of the distance interpolation.

14.5. Pit Optimization Procedure and Parameters

This section presents the mineral resources contained in a preliminary pit optimisation shell. The shells represent the material that could potentially be mined based on different inputs (copper price, mineralized material mining cost, waste mining cost, processing cost and geometric parameters). The parameters were estimated by GoldMinds Geoservices based on knowledge of similar operations. No economic study was produced for this project. Therefore, the resources presented below have not proven economic viability but present a reasonable prospect of economic extraction as per CIM definition. Only mineralized material within a pit shell are presented as mineral resources in the context of open-pit mining.

Different scenarios were produced in order to observe the effect of limiting the optimisation to different types of resource classes. The pit optimizations were produced with the pseudoflow procedure of MineSight software. Parameters used in the optimizations are presented below:

- Copper price: 2.5 CAN$/lb
- Mining cost: 3 CAN$/$t_{mined}$
- Processing cost + G&A: 20 CAN$/$t_{milled}$
- Processing recovery: 90 %
- Mining recovery: 95 %
- Resource included: Inferred
- Slope angle: 45°
- Optimization 1: Whole deposit
- Optimization 2: Whole deposit Sullipek side
- Optimization 3: Worst case scenario
- Cut-off grade: 0.4% Cu

To produce optimization #1, the whole deposit was considered resulting in a pit covering an area on both Gespeg's and Glencore's claims. Optimization #2 consists of the same pit but presents only the resources on Gespeg side of the claim boundary. Finally, optimization #3 presents the worst case scenario which is a pit that does not cross over to Glencore side of the boundary. Table 7 presents the results the three optimizations produced by GMG.

Table 7: In-pit resources sensitivity direct numbers

Optimization Name	Mineral Resources				Waste	Total	
	Classification	Tonnage	Grade Cu	In-Situ Cu Content	Tonnage	Tonnage	Stripping Ratio
		t	%	t	Tonnage	t	
Whole deposit	Inferred	4,293,805	1.04	44,836	49,700,187	53,993,993	11.57
Sullipek side only	**Inferred**	**2,237,926**	**1.09**	**24,437**	**14,871,777**	**17,109,703**	**6.65**
Sullipek claim only	Inferred	895,501	1.24	11,141	6,041,603	6,937,104	6.75

Cautionary note: Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources. Additional studies are required to convert mineral resources to mineral reserves. There is no certainty that the assumptions and forecasts used in this mineral resource estimation report will be realized.

Base case mineral resources in bold.

Figure 20 to Figure 25 presents the optimizations generated by MineSight. Figure 20 shows the outline of the two pits generated on the original topography. The topography was created by using the positions of the diamond drillhole collars. Figure 21 and Figure 22 presents the A-A' vertical section looking East. Figure 23 to Figure 25 presents the topography and actual ultimate pit optimizations.

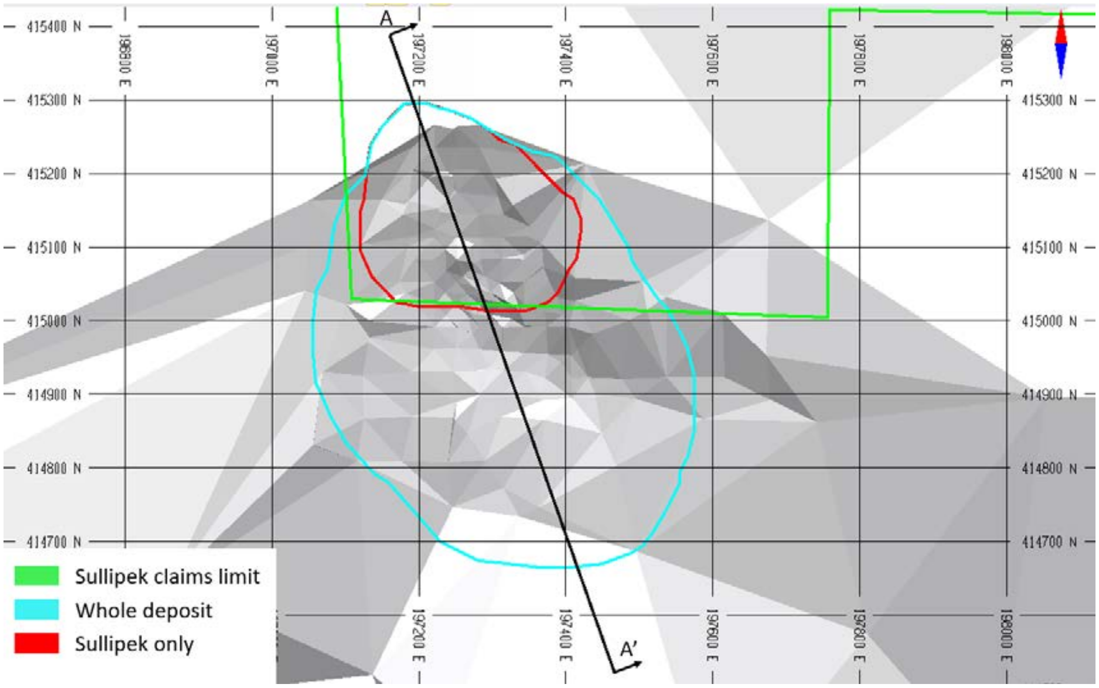

Figure 20: Optimizations outline

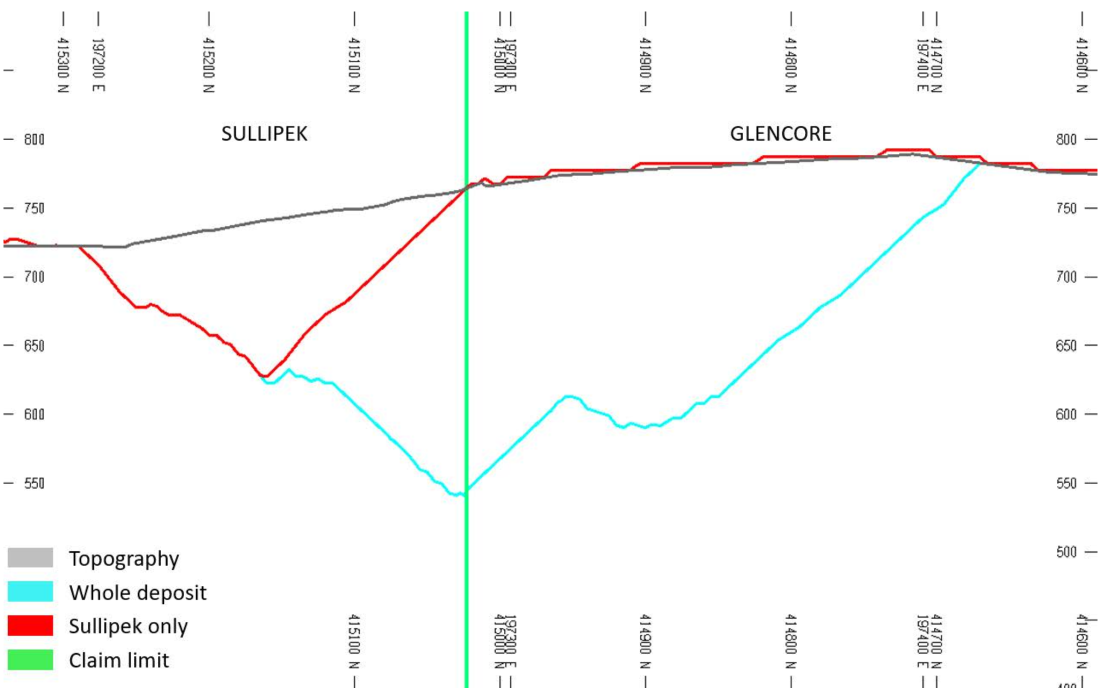

Figure 21: A-A' looking east

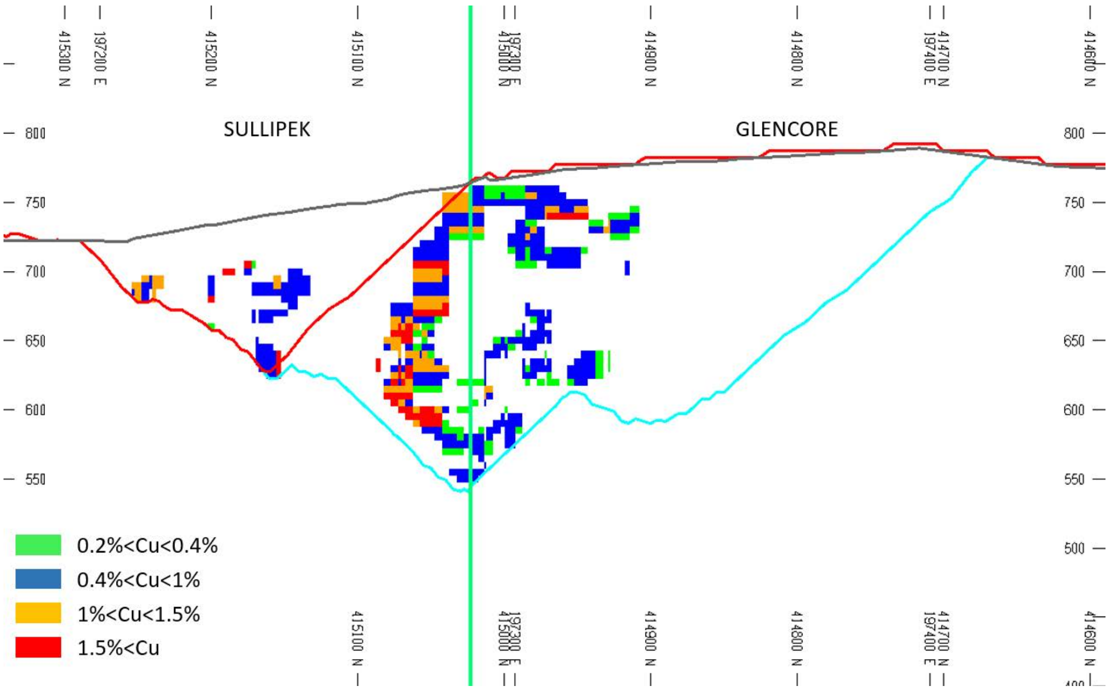

Figure 22: A-A' looking East with blocks model (Cu %)

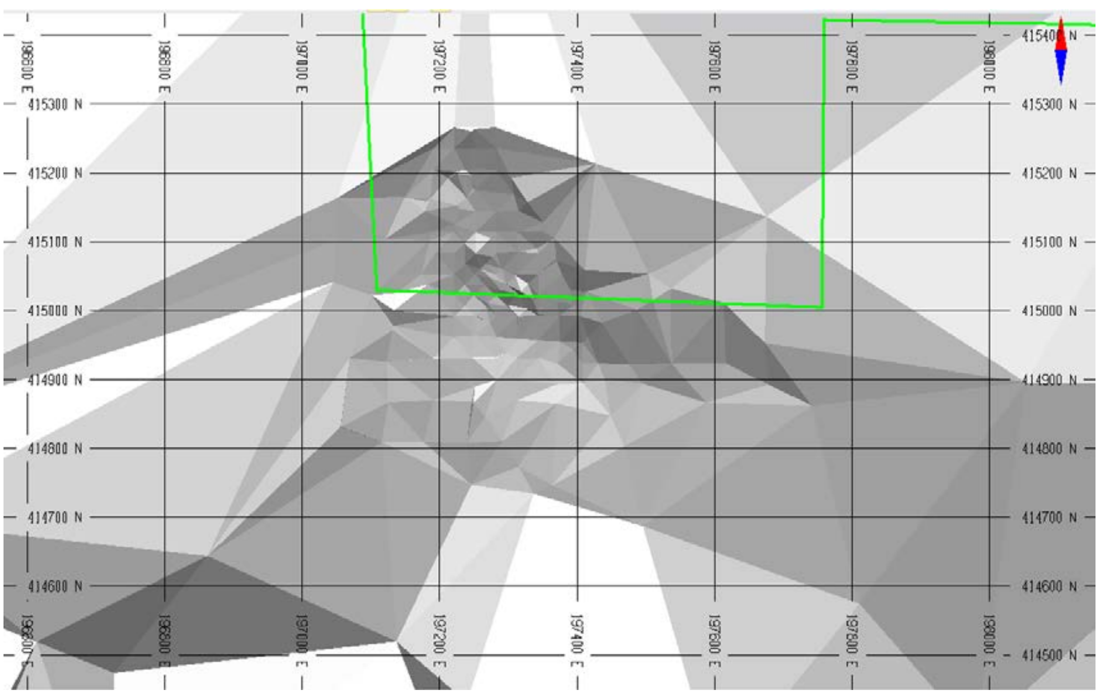

Figure 23: Topography

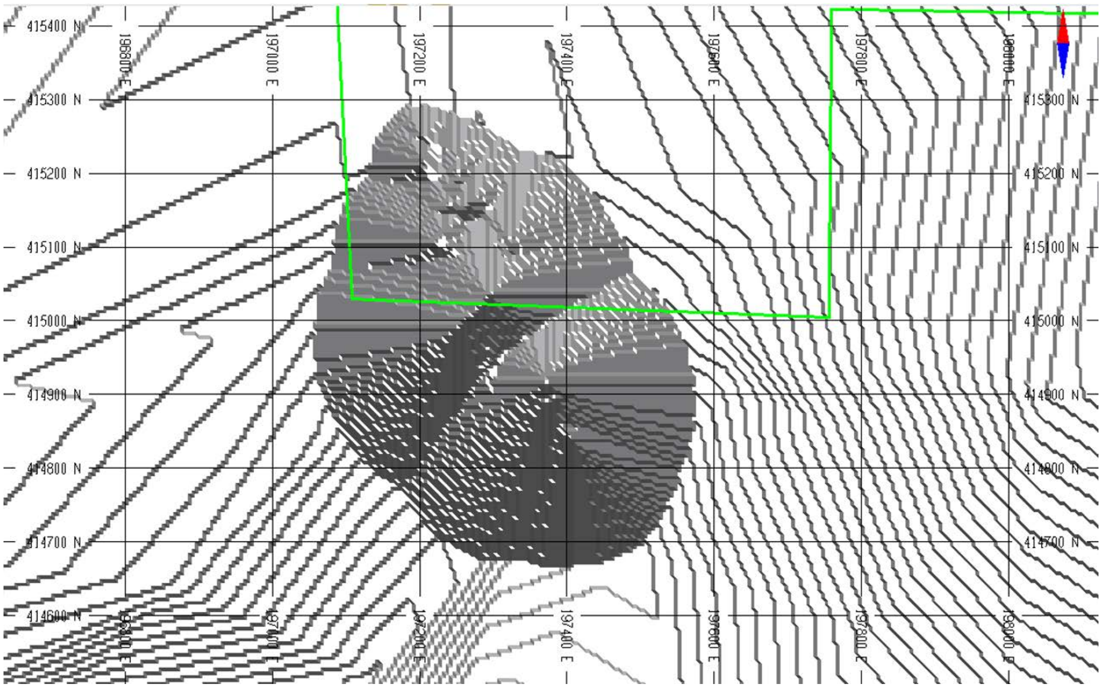

Figure 24: Optimizations #1

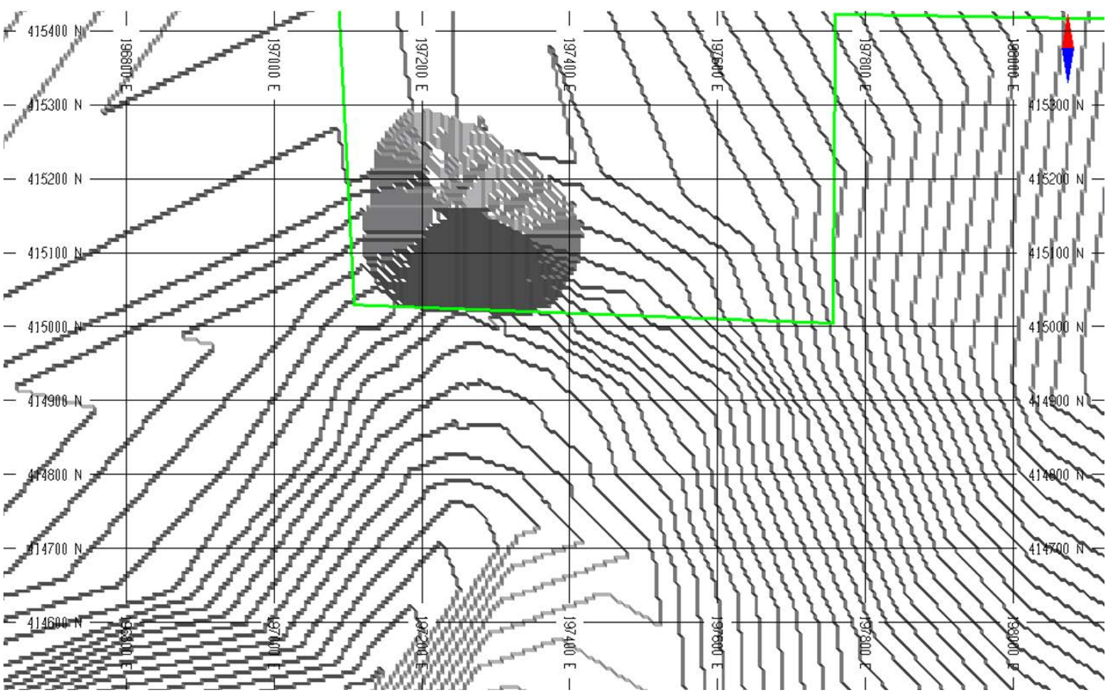

Figure 25: Optimizations #2

15. Mineral Reserve Estimates

Since this report is not a feasibility of prefeasibility study, no reserves can be defined. A comprehensive mine plan is needed to define open-pit mineral reserves on indicated and measured mineral resources.

Cautionary note: Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources. Additional studies are required to convert mineral resources to mineral reserves. There is no certainty that the assumptions and forecasts used in this mineral resource estimation report will be realized.

16. Mining Methods

This section is not included in this report.

17. Recovery Methods

This section is not included in this report.

18. Project Infrastructure

This section is not included in this report.

19. Market Studies and Contracts

Copper is usually trade at the London Metal Exchange as well as other metal markets and the market spot price can be assessed. However, for the purpose of this report, the 3-year spot price trailing-average is considered a suitable estimate. The author is not aware of any selling contract by Gespeg Copper Resources Inc. The copper price used in this report is the price of futures contract obtained from www.investing.com and were converted in CAD by using the monthly average exchange rate of the Bank of Canada, resulting in a copper price of 3.18 $/lb. Average monthly copper prices in CAD and USD are shown in Figure 26.

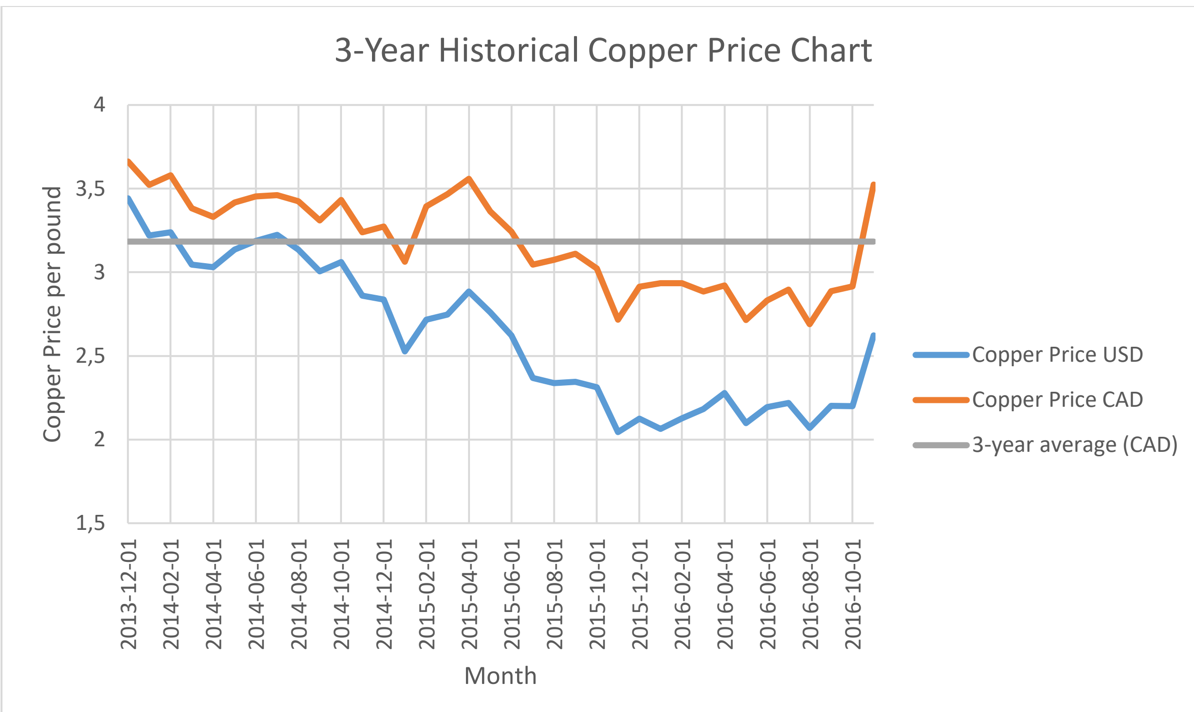

Figure 26: 3-Year Historical Copper Price Chart

Despite the above a conservative 2.5$Can/lb was used in the definition of the mineral resources in-pit leaving room for costs associated with concentrate.

20. Environmental Studies, Permitting and Social or Community Impact

This section is not included in this report.

21. Capital and Operating Costs

This section is not included in this report.

22. Economic Analysis

This section is not included in this report.

23. Adjacent Properties

A number of companies own claims located to the west of the Vertex block of properties which contain the Sullipek property.

- To the east of Sullipek deposit, Gespeg also owns Sullipek east. In 2012, the DDH 11-V-04 diamond drillhole intersected 29 m of mineralized material grading 0.94% Cu located at 5.20 m from the surface (Figure 27). Note that Sullipek Tonnage and grade is from historical report not NI 43-101 on the following figure.

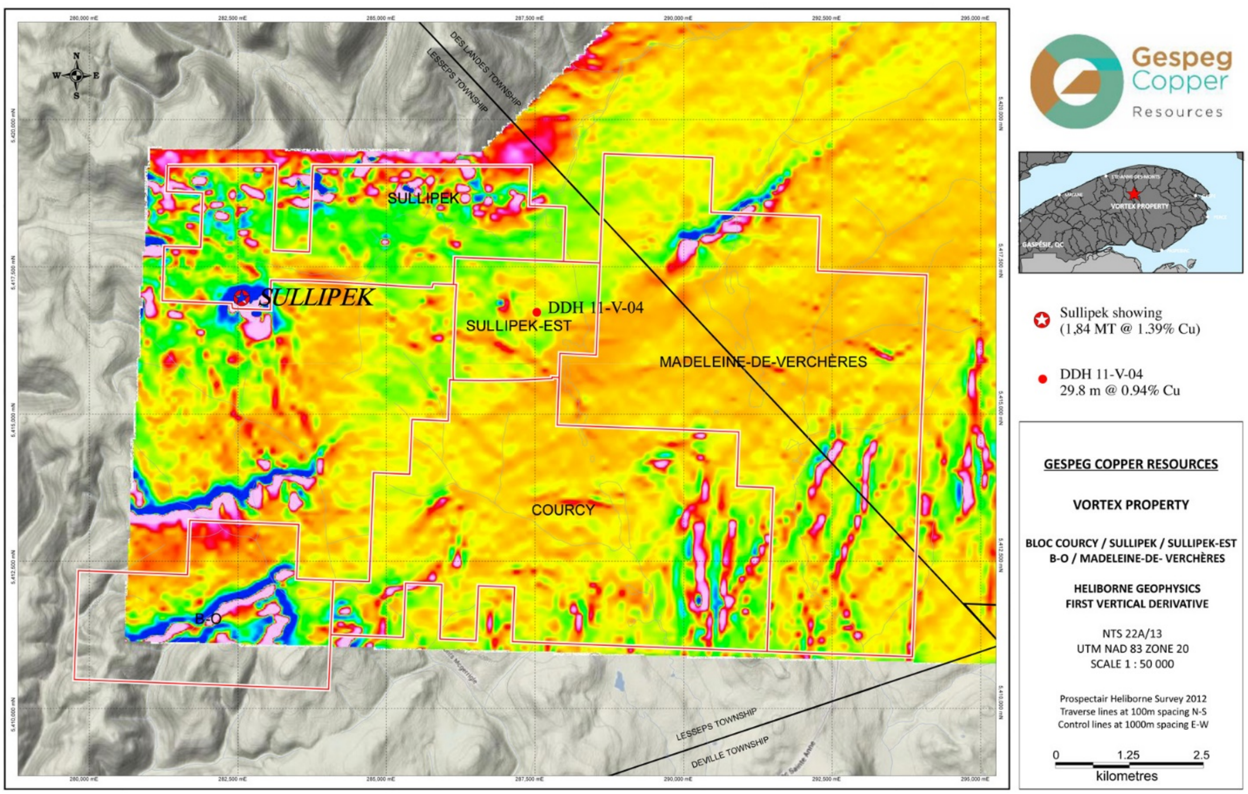

Figure 27: Sullipek east

- Directly to the south west, Glencore Canada Corporation and Soquem own a large block of claims. The claims block consists of 73 claims.
- Yves Gasse owns a block of claims to the west which borders the southern boundary of the Gaspésie national park. The claims block consists of 29 claims.

- Vital Arsenault owns a number of non-contiguous claims on every side of Gespeg's properties.

The region has not been the focus of significant exploration works for a number of years due to the decreasing price of copper. Figure 28 presents the claims owners neighboring Gespeg Copper Resources Inc. properties.

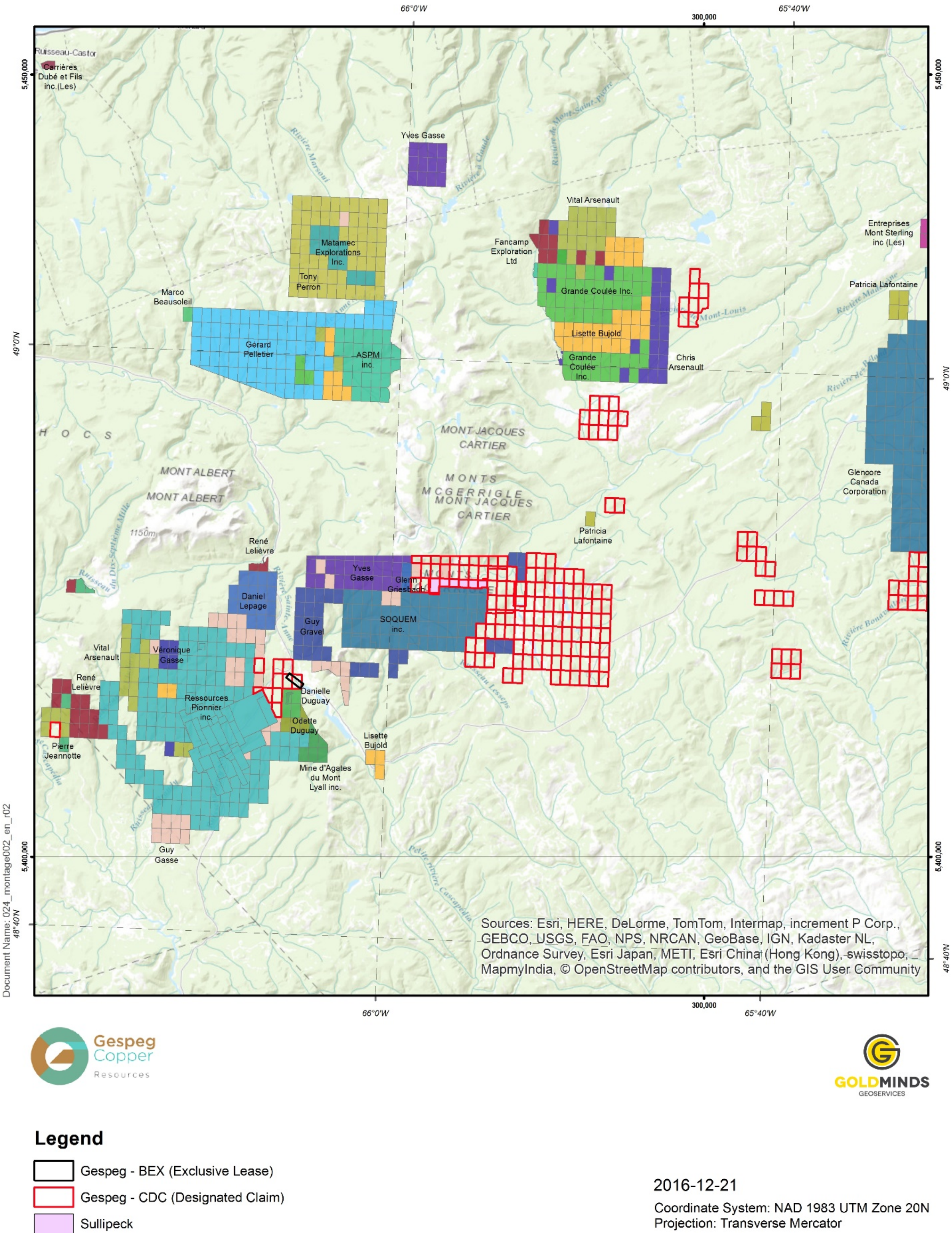

Figure 28: Adjacent properties

24. Other Relevant Data and Information

There are no other relevant data or information at this stage.

25. Interpretation and Conclusions

The Sullipek property present a copper mineral resources of 2.24 Million tonnes at 1.09% for in situ total copper of 24,400 tonnes.

Mineralized material above set cut-off grades are presented below.

New 2016 Block Model Data			
Cut-Off Grade %Cu	Tonnes	%Cu	Cu Content (Tonne)
0	9,274,000	0,58	53,789
0,5	3,848,000	1,15	44,252
0,75	2,791,000	1,35	37,679
1	1,947,000	1,56	30,373
1,25	1,205,000	1,83	22,052
1,5	747,200	2,11	15,766
2	288,200	2,75	7,926

*Rounded numbers

Given the fact that the mineral resources have been obtained using old exploration data, all resources are considered to be inferred. The mineral resources for public disclosure representing the studied case which represent a reasonable prospect of economic extraction is herewith defined as:

Optimization Name	Mineral Resources				Waste	Total	
	Classification	Tonnage	Grade Cu	In-Situ Cu Content	Tonnage	Tonnage	Stripping Ratio
		t	%	t	Tonnage	t	
Whole deposit	Inferred	4,295,000	1.04	45,000	49,700,000	53,995,000	11.57
Sullipek side only	**Inferred**	**2,240,000**	**1.09**	**24,400**	**14,870,000**	**17,110,000**	**6.65**
Sullipek claim only	Inferred	895,000	1.24	11,000	6,040,000	6,935,000	6.75

*Rounded numbers

Base Case Sullipek Gespeg portion official mineral resources December 2016.

Cautionary note: Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources. Additional studies are required to convert mineral resources to mineral reserves. There is no certainty that the assumptions and forecasts used in this mineral resource report will be realized.

The parameters used to define the in-pit resources are as follow:

- Copper price: 2.5 CAN$/lb
- Mining cost: 3 CAN$/$t_{mined}$
- Processing cost + G&A: 20 CAN$/$t_{milled}$
- Processing recovery: 90 %
- Mining recovery: 95 %
- Resource included: Inferred
- Slope angle: 45º
- Optimization 1: Whole deposit
- Optimization 2: Whole deposit Sullipek side (vertical Boundary)
- Optimization 3: Worst case scenario 45 slope all direction
- Cut-off grade: 0.4% Cu

  Note: Current Copper price is US2.5$/lb

26. Recommendations

First recommendation goes to acquisition of the Pekan block to the south so the deposit get considered as a whole.

Verification diamond drilling with metallurgical testing followed by a PEA is recommended.

+ $500,000 in surface diamond drilling with analysis of MoS_2

+ $100,000 in Metallurgical testing

+ $ 35,000 in survey of Underground collars (open the Adit) and surface information with a Lidar surface survey of the property

+ $75,000 Preliminary Environmental and Hydrogeological study

+ $75,000 PEA NI 43-101

This should enable Gespeg to effectively put a value on the property.

Develop mineral resources at the property and around to enable critical mass to justify construction of a mill.

<u>Surveying</u>

Drillhole collars location are presented in local coordinate system (approximative UTM NAD 27 as not connected to the UTM system) which needs to be connected to current UTM system. The claim limit location presented in this report is approximative. Surveying would be necessary to identify the precise location of diamond drillhole collars in a relevant coordinate system like UTM NAD 83. Gespeg does not have to survey every collar, it is only necessary to find the relation between the local coordinate system and the new one to modify the collar coordinates. This effort would reduce the risk of mistakes especially when dealing with third parties, contractors and even employees of the company.

27. References

- 10 Décembre 1993 Geostat Systems International reports by Claude Duplessis for Exploration Minière Ste-Anne des Monts Enr. Rapport des Travaux 1993 projet de cuivre Sullipek

- 23 Septembre 1994 Geostat Systems International reports by Claude Duplessis for Exploration Minière Ste-Anne des Monts Enr. Rapport des Travaux 1994 projet de cuivre Sullipek

- Disquette d'archives Geostat Systems International 1994 - SGS Geostat (SGS Canada Inc.)