TECHNICAL REPORT, PERTAINING TO:

THE NATIVE COPPER PROJECT

Gaspé Peninsula, Québec

NTS sheet 22 A/11

Effective date of the technical report

April 15, 2021

PREPARED FOR:

1844 Resources Inc.

2580 boul. Industriel
Chambly, QC
J3L 4V2

Prepared by:
Yvan Bussières, P. Eng., OIQ # 31985
April 15, 2021

DATE AND SIGNATURE PAGE - CERTIFICATE

Effective date: April 15, 2021

CERTIFICATE OF QUALIFIED PERSON

Yvan Bussières, P. Eng.

118, 29e Ave, Ste-Marthe, QC, J0N 1P0

I, Yvan Bussières, engineer, do hereby certify that:

1) I graduated with a degree in geological engineering from Laval University in 1978. I have been involved in exploration programs for a period of 42 years, and I have conducted and supervised all phases of exploration throughout Canada and West Africa.

2) I graduated with the degree of B.Sc.A. (Applied Sciences) from Laval University in 1978. I have worked exploring for gold, copper, nickel, chromium, lithium, graphite and uranium during my career in Canada and internationally.

3) "Technical Report" refers to the report titled "Technical Report pertaining to: THE NATIVE COPPER PROJECT" prepared for 1844 Resources Inc., dated April 15, 2021.

4) I am a member (#31985) in good standing of the Ordre des Ingénieurs du Québec.

5) I have worked as a geologist and geophysicist continuously for 42 years since graduation.

6) I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a Qualified Person for the purposes of NI 43-101.

7) I visited the project from July 20 to 24, 2006, in June, July and September 2007, on August 11 and 12, 2008, on September 3 and 4, 2008, and from July 28 to August 1, 2010.

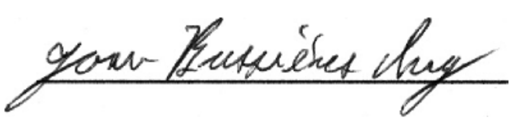
8) I am responsible for all sections of the Technical Report.

9) Other than preparing this NI 43-101 report, I have not performed any services for the company to date, and I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical Report is required, as described in Section 1.5 of NI 43-101. I have no interest in the project.

10) I have read NI 43-101 and Form 43-101F1 and the Technical Report has been prepared in compliance therewith.

11) 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.

Dated this 15th day of April 2021.



(Signed) Yvan Bussières, Ing.

Yvan Bussières, P. Eng.

OIQ Member #31985

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

LIST OF APPENDICES

LIST OF FILES ON DVD

The Native Copper Project Report in PDF

Compilation Map on Topo in JPG

Compilation Map on MAG Gradient in JPG

Compilation Map on Satellite Image in JPG

Compilation Map on Topo in PDF

Compilation Map on MAG Gradient in PDF

Compilation Map on Satellite Image in PDF

Compilation Map on Topo in GEOTIF NAD83 Quebec Lambert Format

Compilation Map on MAG Gradient in GEOTIF NAD83 Quebec Lambert Format

Compilation Map on Satellite Image in GEOTIF NAD83 Quebec Lambert Format

1 SUMMARY

The “Native Copper” project consists of 158 map-designated claims in four sectors: “Native Copper South”, “North-West”, “North-East” and “Central”. These sectors cover an area of 8,987.18 ha. The project is located in the Gaspé Peninsula of Québec, NTS[1] sheet 22A/11, and is centred on UTM coordinates 5383000 N/ 342000 E.[2] The four sectors consist of 32 claims registered in the name of Sylvain Laberge (100%), 40 claims registered in the name of Bernard-Olivier Martel (100%), 20 claims registered in the name of 9228-6202 Québec Inc. (100%) and 66 claims registered in the name of 1844 Resources Inc (100%). The 20 claims registered in the name of 9228-6202 Québec Inc. were subject to a purchase agreement dated August 27, 2019, whereby 1844 Resources Inc agreed to acquire a 100% interest subject to a 2% NSR royalty. As consideration, 1844 Resources Inc was to issue 8,000,000 common shares to 9228-6202 Quebec Inc.

The area is accessible via the Camp 35 road, an all-weather gravel logging road leading north from Highway 132 at Chandler. The centre of the project is approximately 55 km from Chandler along that road. Most parts of the project are accessible by unmaintained logging roads.

The first geological reconnaissance of the area was done in 1936 by I.W. Jones, who was the first to report native copper within volcanics on the southwest slope of Native Copper. H.W. McGerrigle in the 1940s, W.B. Skidmore in 1965 and P.A. Bourque et al. in the 1970s all conducted regional geological surveys for the Quebec Department of Natural Resources.

More recently, in the mid-1980s, more detailed mapping was done by P.A. Bourque, C. Gosselin, M. Simard and R. Morin. Geological compilations were also prepared in 1991 and 1993 by the aforementioned authors and other collaborators.

No significant exploration work was reported on the Native Copper project prior to the mid-1970s. The first comprehensive exploration work on the project dates back to 1976-78, when Noranda Inc. and Mines Gaspé Ltée. carried out detailed mapping, geochemical surveys, basic geophysics and some drilling. The program covered both of the volcanic horizons found on each side of the Mont Alexandre Syncline.

[1] NTS: National topographic system
[2] UTM, NAD83, Zone 20

The next major exploration phase took place between 1989 and 2002. Supported by an assistance program directed at funding prospectors for basic exploration work, a lot of prospecting was done in the central part of the project. The results induced Raudin Exploration Inc., a junior exploration company, to explore the area around the prospectors' findings. Raudin Exploration delineated most of the known mineralized areas of the Mont Alexandre Syncline, which are the Ruisseau Cantin area, the Vondenblue area, the Indice du Dimanche showing, the Triangle d'Argent area, the Fer-à-Cheval area and the Power area. The work done by Raudin Exploration showed that ground magnetometer surveying was effective in outlining the geology, ground very-low-frequency electromagnetic surveying was effective in delineating the fault and induce polarization surveying failed to locate a zone of good chargeability.

In 2006 and 2007, Metco Resources Inc. (Metco) conducted exploration consisting of a compilation of past exploration work, a satellite imagery study, geological reconnaissance, relogging and sampling of the available old drill core, nine diamond drill holes, a study to establish an analytical protocol for native copper samples and a geochemical soil survey over three grids. Metco's compilation showed that the copper mineralization is the same type as the native copper orebodies of the Keweenaw Peninsula. In this context, the faults should be seriously investigated, as they can represent pathways for the circulation of the hydrothermal fluids, mainly where they cross porous horizons, where native copper can be deposited. The faults' importance was proven by the Metco satellite image study, with the known mineralized sites seen as being located at the intersection of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type), as in the Keweenaw district. It was noted that Triangle d'Argent, Fer-à-Cheval and many other showings were located along a longitudinal stratigraphic fault named the "Faille du cuivre natif", which appears to be the most significant metallotect of the project. However, Metco carried out a drilling program focused on the intersection of longitudinal stratigraphic faults and cross faults. The Keweenaw native copper-type mineralization and the structural model defined by the satellite imagery study were confirmed, although no significant mineralized zones were intercepted. Drilling has to be more restrictive, with drill targets being a combination of favourable geology, intersection of a fault and association with geochemical or geophysical anomalies. Previous owners encountered difficulties in sampling and assaying the native copper. Metco obtained a rough analytical protocol during its visit to Michigan Technological University and, in collaboration with SGS Minerals Services processing lab in Lakefield, Ontario, developed a procedure to determine the true grade of the native copper samples with reasonable accuracy. A sample from the geological reconnaissance survey returned a significant copper content of 4,340 ppm Cu. The sample was from an unknown mineralized site located in the southwestern part of the project, in the middle of a mafic volcanic band, underscoring the importance of pursuing prospecting and mapping of new logging roads that provide new access to unexplored areas, as well direct access to the geology. The Metco soil survey identified six copper and silver anomalies over Triangle d'Argent Area, Fer-à-Cheval Area and Power Area.

In 2008, Breakwater Resources Ltd. and Regal Consolidated Venture Ltd. (Breakwater/Regal) conducted exploration work consisting of a prospecting program over the anomalies defined by the geochemical soil survey done by Metco in 2007 and an extensive geochemical soil survey. The prospecting of the Metco 2007 soil anomalies fail to find new showing, probably because the soil anomalies are hidden by the overburden, and must be investigated by trenching and/or drilling. The geochemical soil survey outlined eight copper and silver anomalies in the Ruisseau Cantin and Vondenblue areas and the northwest extension of Triangle d'Argent area (Lac Mourier). The Breakwater/Regal soil anomalies remain unexplored.

In 2010, Breakwater conducted exploration work consisting of five days of geology and prospecting in the area east of Mont Alexandre. This work located nine mineralized grab samples of up to 1.34% copper in a sector where no previous mineralization had been reported.

The significant mineralized sites are:

- In the **Vondenblue Area**, there are **three sites** of significant mineralization:
    - The **Vondenblue showing,** with 0.5% Cu/3.17 m in hole V-1-76 and 1.17% Cu/3.3 m in hole V-4-77.
    - **Hole V-89-01,** located 300 m east with an intercept of 0.11% Cu/15.45 m
    - **Indice du Dimanche,** located 850 m east, with 0.2% Cu and 3.6 g/t Ag/1.4 m in hole V-94-01 and a grab sample of 2.1% Cu and 16.1 g/t Ag.
- In the **Ruisseau Cantin area**, there are **two sites** of significant mineralization:
    - The **Ruisseau Cantin showing,** with 0.32% Cu and 0.8 g/t Ag/40.5 m in trench TR-95-01, including 1.3% Cu and 1.4 g/t Ag/4.0 m.
    - The **RR-1** soil geochemical anomaly, located 3.14 km southwest of the site of grab sample # 62651 grading 4,340 ppm Cu.

- In the **Mont Alexandre Area**, a mineralized outcrop combined with eight Cu-bearing grab samples of 209 to 13,450 ppm outline a Cu-bearing area of 1.5 km long.

All these mineralized sites outline a large mineralized zone in the Vondenblue, Ruisseau Cantin and Mont Alexandre areas.

Geologically speaking, the Native Copper project is located within the southern portion of the east-west trending Gaspe-Connecticut Valley Synclinorium, a 64-kilometre wide tectono-stratigraphic assemblage that encompasses, from base to top, the rocks of the Chaleurs Group (Siluro-Devonian), the Fortin Group (Devonian), the Upper Limestones of Gaspé (Devonian) and the Sandstones of Gaspé (Devonian).

The project is mainly covered by rocks of the Chaleurs Group, with some younger (Silurian) rocks of the Matapedia Group to the south. The rocks of the area underwent Ordovician Acadian Orogeny, responsible for the E-W cylindrical large open folds, the major transcurrent E-W faults and associated secondary NE-SW senestral and NW-SE dextral faults. These structures clearly define the drainage pattern of the area. The rocks on the project show a regional east-west fabric, and the mineral assemblages indicate that metamorphism was very low.

The project is centred on the Mont Alexandre Syncline, a broad open fold plunging 60° to the southwest, hosted by the formations of the Chaleurs Group. The synclinal structure, which is probably of a graben type, is limited to the north by the Grande Rivière Fault and to the southeast by the Ruisseau Bleu Fault. The nose of the Mont Alexandre Syncline closes along the eastern boundary of the project.

On February 2007, Metco’s representatives met with Prof. Theodore J. Bornhorst, Ph.D., Director of Administration of the A.E. Seaman Mineral Museum and Professor at Michigan Technological University in Houghton, Michigan, USA. Dr. Bornhorst is a specialist of the Keweenaw-type copper deposits. After this visit, it became obvious that the right model to apply to exploration of the project is the native copper model of the Keweenaw Peninsula in Michigan.

The main sequence of events leading to the formation of native copper deposits is as follows: after a period of rifting, volcanic activity occurs and basalt is deposited. This is followed by a period of subsidence where sedimentation occurs, forming conglomerate, sandstone, shales, etc. This is followed by a period of compressive orogeny, and at this point faults are produced on the edges of the basin. Hydrothermalism leaches the copper contained in the sulfide-poor basalt. Finally, using the channelways created by faulting, the hydrothermal solutions circulate and deposit native copper in the porous rocks, represented by vesicles, brecciated flow tops, conglomerates, sandstones, etc.

In conclusion, a model for the geology and mineralization of the Native Copper project was developed, being the model of native copper deposits in the Keweenaw Peninsula of Michigan, USA. These deposits have yielded over 6 million tons of copper, and occurred in a belt 40 km long and possibly 5 km wide, with the White Pine deposit lying slightly north of the main trend. Although the volcanic basalt layer of the Native Copper project is only 400 to 600 m thick, except for the section immediately west of Triangle d'Argent, which is up to 3,500 m thick, many kilos of native copper nuggets were taken out of Triangle d'Argent trench, proving the potential for significant mineralization on the project.

The only risk and uncertainties that the author foresees at this point in the exploration of the project is the bias that may be induced by the native copper, which can be compared to the ''nugget effect'' in gold exploration. From past result, the author has observed that the presence of copper nugget generally tends to produce underestimated copper values. The analytical protocol developed for Metco by SGS Minerals Services Lakefield laboratory should be applied if native copper is observed in the sample, except, as recommended by Dr. Theodore J. Bornhorst, "when the area of the largest observed native copper is less than 2 mm^2 (1/2 of the screen size), the samples can be processed using normal analytical methods" (should be at least a "near-total digest method", such as four-acid digestion, in regard to digestion of small native copper specks). This analytical protocol eliminates any potential bias introduced by native copper.

At this stage, the author does not foresee any other risk or uncertainties, either legal, technical or social, that could affect the project's potential economic viability or continued viability.

Further exploration work is recommended on the project, consisting of:

- 900 line-km of airborne magnetic and electromagnetic survey covering all the project at a 100-m line spacing to try to accurately locate the lithological contacts and fault zones
- Two months of geological reconnaissance surveying over the project

- 150 km of regional soil sampling at a 200-m line spacing to complete the coverage of the favourable project host rock unit
- 232 km of detailed soil sampling at a 50-m line spacing to cover 11 geochemical anomalies and mineralized sites already define by previous work.
- 30 days of stripping, trenching and sampling over the subcropping soil anomalies.
- 30 days of detailed mapping of trenches.
- **2,200 m of drilling** on soil anomalies defined by Metco and Breakwater (Target C to Target N).
- **4,600 m of drilling** on soil anomalies and other targets defined by the work recommended in the report.

The proposed budget is shown below.

Budget for Recommended Work

	Quantity	Units	Unit price	Total
Helicopter-borne survey				
Planning and supervision	5	days	$700	$3,500
Mag and EM survey, 900 km on lines 100 m apart, including mob/demob and report				$111,500
			Total	**$115,000**
Regional geological survey				
Planning	5	days	$700	$3,500
Geologists and assistants, including transportation, room and board, etc.	2	months	$60,000	$120,000
Assaying	367	samples	$45	$16,515
			Total	**$140,000**
Regional soil survey				
Planning	5	days	$700	$3,500
Ruisseau Cantin West: 2.25 km oriented 330	2.25	km	1 km=44x$35	$3,465
Ruisseau Cantin East: 30.8 km oriented 330	30.8	km	1 km=44x$35	$47,432
Vondenblue East: 11.48 km oriented N-S.	11.48	km	1 km=44x$35	$17,679
Lac Mourier West: 32.3 km oriented N-S.	32.3	km	1 km=44x$35	$49,742
Ruisseau Mourier: 24.0 km oriented 053	24	km	1 km=44x$35	$36,960
Fer-à-Cheval East: 36.0 km oriented 322	36	km	1 km=44x$35	$55,440
Power West: 11.0 km oriented 028	11	km	1 km=44x$35	$16,940
Power East: 1.4 km oriented 028	1.4	km	1 km=44x$35	$2,156
Assaying, including transportation, etc.	6,570	samples	$45	$295,650
Interpretation by a geochemist	1	report	$21,000	$21,000
			Total	**$550,000**
Detailed soil survey				
Planning	5	days	$700	$3,500
Ruisseau Cantin RR1: 15.0 km oriented 330	15	km	1 km=44x$35	$23,100
Ruisseau Cantin RR2: 25.0 km oriented 330	25	km	1 km=44x$35	$38,500
Ruisseau Cantin RR3 + showing: 29 km oriented 330	29	km	1 km=44x$35	$44,660

	Quantity	Units	Unit price	Total
Vondenblue MM1 + Showing: 26.4 km oriented N-S	26.4	km	1 km=44x$35	$40,656
Vondenblue MM2: 12.0 km oriented N-S	12	km	1 km=44x$35	$18,480
Power PP1 + PP2: 21.0 km oriented 028	21	km	1 km=44x$35	$32,340
Power PP3: 2.4 km oriented 028	2.4	km	1 km=44x$35	$3,696
Assaying including transportation, etc.	10,200	samples	$45	$459,000
Interpretation by a geochemist	1	report	$26,000	$26,000
			Total	**$690,000**
Stripping, trenching and sampling				
Mechanical shovel + pumps and ancillary equipment	30	days	$3,500	$105,000
Sampling	30	days	$1,000	$30,000
Assaying including transportation, etc.	778	samples	$45	$35,010
			Total	**$170,000**
Detailed geological survey of trenches				
Planning	5	days	$700	$3,500
Geologists and assistants, including transportation, room and board, etc.	1	month	$60,000	$60,000
Assaying	145	Samples	$45	$6,500
			Total	**$70,000**
Diamond drilling on Metco/Breakwater soil anomalies				
Program preparation	5	days	$700	$3,500
NQ size drilling at an average price of $170/m, all inclusive	2,200	m	$170	$374,000
			Total	**$377,500**
Diamond drilling on soil anomalies and other targets defined by recommended work				
Program preparation	5	days	$700	$3,500
NQ size drilling at an average price of $170/m, all inclusive	4,600	m	$170	$782,000
			Total	**$785,500**
Report	1	report	$30,000	$30,000
Contingency (10%)				$270,000
			Grand total	**$3,000,000**

2 INTRODUCTION

2.1 Recipient

This technical report, completed in accordance with National Instrument (NI) 43-101 guidelines, has been prepared for the Native Copper project at the request of 1844 Resources Inc. ("Gespeg").

2.2 Objectives

This report provides a summary of the scientific and technical information relating to the exploration activities, both historical and recent, carried out on the Native Copper project. Gespeg may also use this report for the purpose of raising exploration funds, as requested by the regulatory authorities.

2.3 Source of Data and Information

This report is based on the statutory work filed with the MRNFQ[3] and the work done by Metco Resources Inc. (Metco) in 2006[4] and 2007[5] and by Breakwater Resources Ltd. (Breakwater) in 2008[6] and 2010.[7]

2.4 Scope of Personal Inspection by Qualified Persons

Yvan Bussières, Eng., is the author of this technical report. He supervised and was responsible for the exploration work done by Metco and Breakwater. He visited the project from July 20 to 24, 2006, in June, July and September 2007, on August 11 and 12, 2008, on September 3 and 4, 2008, and from July 28 to August 01, 2010. He is the qualified person responsible for all the sections of this report. He is independent from Gespeg, in accordance with NI 43-101.

2.5 Units

This report uses both the Imperial and Metric (or Système International, "SI") systems as systems of measurement. Conversions from the Metric system to the Imperial system are provided below and quoted where practical. Many of the geological publications and more

[3] MRNFQ: Ministère des Ressources Naturelles et de la Faune du Québec
[4] Technical report for The Mont de l'Observation Property, Yvan Bussieres, Donald Théberge, Alain Tremblay, GM-63235, March 05, 2007
[5] Technical report for The Mont de l'Observation Property, Yvan Bussieres, GM-63560, March 27, 2008
[6] Technical report for The Mont de l'Observation Property, Yvan Bussieres, GM-64529, April 30, 2009
[7] Technical report for The Mont de l'Observation Property, Yvan Bussieres, GM-65326, Sept. 30, 2010

recent work assessment files now use the SI system, but older work assessment files almost exclusively refer to the Imperial system. Metals and minerals acronyms in this report conform to mineral industry accepted usage.

Conversion factors utilized in this report include: 1 inch = 2.54 centimetres (cm); 1 pound (lb) = 0.454 kilograms (kg); 1 foot (ft) = 0.3048 metres (m); 1 mile (mi) = 1.609 kilometres (km); 1 acre (ac) = 0.405 hectares (ha); and 1 square mile = 2.59 square kilometres.

Unless otherwise mentioned, all coordinates in this report are provided as UTM NAD83 Zone 20U projection data.

3 RELIANCE ON OTHER EXPERTS

The author did not rely on any other expert in the production of this report.

4 PROJECT DESCRIPTION AND LOCATION

4.1 Area

The Native Copper project consists of 158 map-designated claims divided into four sectors: “Native Copper South”, “North-West”, “North-East” and “Central” (see Figure 2). These sectors covering an area of 8,987.18 ha.

4.2 Location

The project is located in NTS[8] sheet 22A/11 and centred on UTM coordinates 5,383,000 N/ 342,000 E.[9] It covers parts of Vondenvelden, Raudin and Power townships. A location map is shown in Figure 1.

[8] NTS: National topographic system
[9] UTM, NAD83, Zone 20

Figure 1: The Native Copper Project Location Map

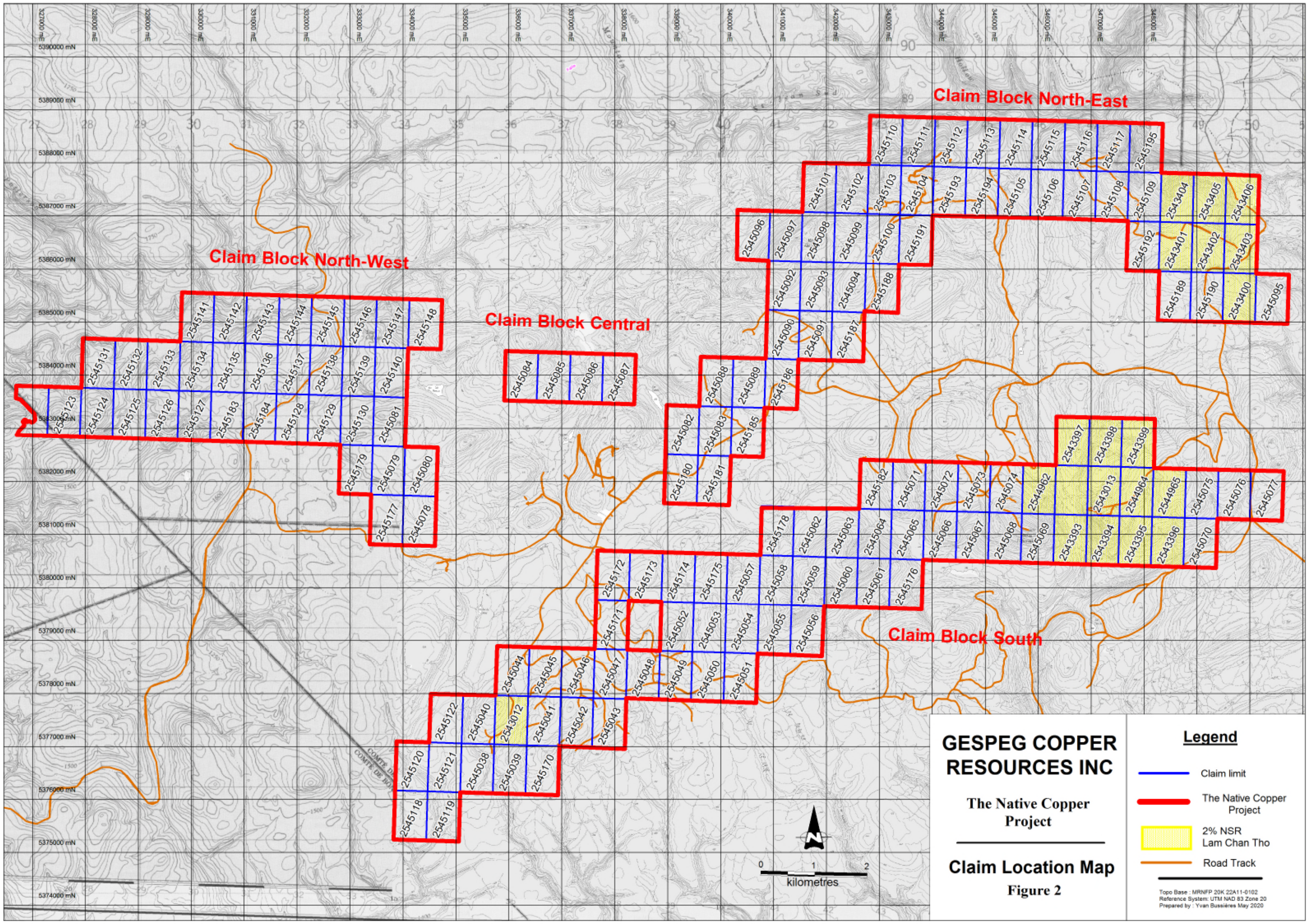
Ressources Gespeg Resources

THE NATIVE COPPER PROJECT

LOCATION MAP

FIGURE 1

Figure 2: Claim Location Map



4.3 Type of Mineral Tenure

In the Province of Quebec, the boundaries of each claim are defined using the MERN's GESTIM claim management system website (https://gestim.mines.gouv.qc.ca). Claims are valid for a period of two years, after which a certain amount of accumulated work credits on the claims is required for renewal.

The current information on the GESTIM website for the claims of Native Copper project, such as work credits required for renewal, credits accumulated from recent work, claim area and expiration date, are listed in Appendix 1. This information was downloaded on April 29, 2020.

The claims of the project are registered with the MRNFQ, as follow:

- 32 claims registered in the name of Sylvain Laberge (100%)
- 40 claims registered in the name of Bernard-Olivier Martel (100%)
- 20 claims registered in the name of 9228-6202 Québec Inc. (100%)
- 66 claims registered in the name of Gespeg (100%)

The claims expire between August 29 and November 26, 2022. An amount of $189,600 is required for the next renewal and no accumulated work is registered on the claims. The mining duties payable on claim renewal amount to $10,468. The claim map is shown on Figure 2 and the full list of claims can be found in Appendix 1 to this report.

4.4 Nature and Extent of Issuer's Titles

The claims registered at Sylvain Laberge, Bernard-Olivier Martel and Gespeg were map-designed on the MERN's GESTIM claim management system website.

Pursuant to an acquisition agreement dated August 27, 2019, Gespeg agreed to acquire a 100% interest, subject to retained royalties, in the 20 claims of 9228-6202 Quebec Inc. In order to effect the acquisition, Gespeg was to issue 8,000,000 common shares to 9228-6202 Quebec Inc.

The author has relied on information provided by Gespeg regarding land tenure, underlying agreements and technical information, and all those sources appear to be of sound quality. The author has not sought a formal legal opinion with regard to the ownership status of the claims comprising the property, and has relied on materials presented on the GESTIM website (https://gestim.mines.gouv.qc.ca) and from Gespeg for all aspects of tenure.

4.5 Royalties

9228-6202 Quebec Inc. has a 2% NSR royalty on the 20 cells sold to Gespeg.

4.6 Environmental Liabilities

To the knowledge of the author, there are no environmental liabilities pertaining to the Native Copper project.

4.7 Required Permits

The project is located on crown land and a permit is not required to access the project. A forest management permit (or “Permis d’intervention forestière en vue d’activités minières” in French) is required from the Ministère des Ressources Naturelles et de la Faune (MRNF) on an annual basis to conduct work on a property where the surface rights are not privately held, for certain types of exploration work, such as trenching or drilling. The company must also respect all the environmental laws applicable to the type of work done.

4.8 Significant factors and risks

To the knowledge of the author, there are no significant factors or risks that might affect access, title or the right or ability to perform work on the project.

5 PHYSIOGRAPHY, ACCESSIBILITY, INFRASTRUCTURE AND CLIMATE

5.1 Topography, Elevation, Vegetation and Drainage

The Native Copper project displays a rugged topography, with Mont de l’Observation and Mont Alexandre peaking at 710 and 715 m, respectively. The area is cut by deep valleys with small rivers and creeks. The vegetation is of the boreal type, with a variety of spruce, pine, alder and birch.

The project is located in NTS sheet 22A/11, within Raudin, Vondenvelden and Power townships, in the south-central part of the Gaspé Peninsula, Québec. It lies about 50 km south-southeast of the old mining town of Murdochville as the crow flies, and 40 km northwest of Chandler.

5.2 Accessibility

The area is accessible via the Camp 35 Road, an all-weather gravel logging road leading north from Highway 132 at Chandler (see Figure 3). The centre of the project is approximately 55 km from Chandler along that road. Most parts of the project are accessible by unmaintained logging roads, shown on the compilation map in Appendix 2. Many parts of the project have been logged in the past, but not the most rugged parts, which are only accessible by foot.

Figure 3: Junction of Camp 35 Road and Pellegrin Road

5.3 Infrastructure

The Gaspé Peninsula has a history of mining with Gaspé Copper in Murdochville. As a result, manpower is available in Murdochville and various other towns along the Gaspé coast, such as Ste-Anne-des-Monts, Gaspé, Chandler and Bonaventure. There is enough water in the immediate area to supply exploration activities and mining operations. A high-tension power line crosses the eastern end of the Native Copper project area.

5.4 Climate

The climate can be described as boreal, with snow covering the ground from early December to mid-April. Snowfall is abundant, and can be up to 2 m deep throughout the winter in places. Temperatures vary widely during the year, ranging from an average of 20° to 22°C in July to -15° to -20°C in January. These are normal conditions that do not hamper either exploration or mining work.

6 HISTORY

6.1 Prior ownership and ownership changes

The first comprehensive exploration work on the project dates back to 1976-78, when Noranda Inc. and Mines Gaspé Ltée completed detailed mapping, geochemical surveys, basic geophysics and some drilling. This program covered both of the volcanic horizons found on each side of the Mont Alexandre Syncline (MAS).

The second major exploration phase took place between 1989 and 2002. Supported by an assistance program directed at funding prospectors for basic exploration work, a lot of prospecting was done in the central part of the project. The results induced Raudin Exploration Inc. (Raudin Exploration), a junior company, to explore around the prospectors' findings. After the assistance program ended, no significant work was done up to 2006.

The third phase of exploration took place between 2006 to 2010. Metco and Breakwater carried out compilation of previous work, geological reconnaissance, relogging of available historical drill holes, diamond drilling and a geochemical soil survey.

No exploration has been done since 2010, and only the Breakwater claims remain active. They are islanded within the Gespeg claims package, along with claims registered in the name of Regal Consolidated Venture Ltd. (Regal). The Regal and Breakwater claims mainly cover the Fer-à-Cheval and Triangle d'Argent area. These areas have been including in the compilation of historical work to provide a complete overview of the geology, geophysics and mineralization of the Mont Alexandre Syncline, but they are not covered in Item 9, Exploration, Item 25, Interpretation and Conclusion, or Item 26, Recommendations.

6.2 Type, amount, quantity and general results of exploration and development work undertaken by previous owners or operators

6.2.1 Regional and local government surveys

The first geological reconnaissance in the area was done in 1936 by I.W. Jones,[10] who was the first to report native copper within volcanics on the southwest slope of Native Copper.

H.W. McGerrigle[11] in the 1940s, W.B. Skidmore[12] in 1965 and P.A. Bourque et al. in the 1970s all completed regional geological surveys for the Quebec Department of Natural Resources.

In the mid-1980s, more detailed mapping was done by P.A. Bourque, C. Gosselin, M. Simard and R. Morin.[13] Geological compilations were also prepared in 1991 and 1993 by the aforementioned authors and other collaborators.[14]

In the 2000s, airborne geophysical surveys and various studies have been done by the MRNFQ[15] to enhance the mineral potential of Gaspe Peninsula.

Table 1 lists the various reports available on the regional and local government surveys in the area.

[10] Preliminary Report, Mont Alexander Area, MRN, I.W. Jones, RP 116-B, 1936.
[11] RP 153(A) (1940), RG 035 (1950) and CARTE 1000 (1953), H.W. McGerrigle, MRN.
[12] Gastonguay-Mourier Area, MRN, W.B. Skidmore, RG 105(A), 1965.
[13] ES 030, DP 83-36, MB 86-34 and ET 86-06, 1980-1987.
[14] DV 91-21 and MB 93-25, 1991 and 1993.
[15] MRNFQ: Ministère des Ressources Naturelles et de la Faune du Québec

Table 1: Regional and Local Government Surveys

Year	Report No.	Author	Title/Subject
GEOLOGY			
1936	RP-116	Jones, I.W.	Mont Alexandre – Geology
1938	RASM 1936-D1	Jones, I.W.	Mont Alexandre – Geology
1940	RP 153	McGerrigle, H.W.	Advanced report on the Power-Joncas area – Geology
1950	RG 035	McGerrigle, H.W.	The geology of eastern Gaspe
1953	Map 1000	McGerrigle, H.W.	Geological map of the Gaspe peninsula
1965	RG 105	Skidmore, W.B.	Gastonguay-Mourier area – Geology
1971	DP 193	Bourque, P.A.	Stratigraphy of the Silurian and basal Devonian in eastern Gaspesia, Mont Alexandre and Raudin Synclines
1980	ES 030	Bourque, P.A. and Lachambre, G.	Stratigraphy of the Silurian and basal Devonian in southern Gaspesia
1983	DP 83-36	Gosselin, C.	Mineral potential of Power and Joncas townships, Gaspesia
1986	MB 86-34	Bourque, P.A. and Gosselin, C.	Stratigraphy of the Silurian and basal Devonian in Gaspesia
1987	ET 86-06	Morin, Rand Simard, M.	Geology of Sirois and Raudin townships, Gaspesia
1991	DV 91-21	Brisebois, D. and Lachambre, G.	Geological map, Gaspesian peninsula
1993	MB 93-25	Bourque, P.A. Gosselin C., Kirkwood, D., Malo, M., St-Julien, P.	The Appalachian Silurian in the Matapedia-Temiscouata-Gaspesia area: Stratigraphy, Structural Geology and Paleogeography
2006	GM 62903	Cabral, A.R. Beaudoin, G.	Red-Bed Copper Deposits of the Quebec Appalachians
GEOPHYSICS			
1980	DP 736	Les Relevés Géophysiques	Airborne EM and Mag survey for the QDNR (helicopter survey)
2004	DP-2004-04	MRNFQ	Nouvelles données gravimetriques dans la portion EST de la Gaspésie
2006	DP-2006-05	MRNFQ	Levé aéromagnétique du Nord-Est de la partie centrale de la péninsule de la Gaspésie
2009	2008YC010-01	TerraWRX	Processing and Interpretation of the Chandler Seismic 2D
GEOCHEMISTRY			
1984	MM 84-01	Choinière, J.	Geochemical synthesis of the stream sediments in Gaspesia
1984	DV 84-05	Choinière, J.	Raw data of the Murdochville-Gaspe stream sediment Sampling
1994	MB 94-59	Choinière, J., Leduc, M., Kirouac, F.	Heavy mineral geochemical maps - Northern part of Gaspesia
COMPILATION			
1998	GM 59450	Berger, J. and Wares, R.	Geoscientific compilation of the entire Gaspesia (for the FRAPM)
2002	GM 59451	Berger, J.	Gold and silver in stream sediments of the entire Gaspesia (for the FRAPM)
2005	GM 62899	Malo, M. et al.	L'or de type Carlin dans les appalaches de la Gaspésie
2006	GM 62903	Cabral, A.R. Beaudoin, G.	Red-bed copper deposits of the Quebec Appalachians
2008	MB 2008-12	Longuépée, H.	Stratégie d'exploration pour le zinc dans les Appalaches
2009	MB-2009-18	Faure, S.	Modélisation des paléopressions tectoniques dans la péninsule de la Gaspésie

6.2.2 Exploration sequence up to 2005

Before the mid-1970s, no significant exploration work was reported on the Native Copper project. The first comprehensive exploration work on the project dates back to 1976-78, when Noranda Inc. and Mines Gaspé Ltée completed detailed mapping, geochemical surveys, basic geophysics and some drilling. This program covered both of the volcanic horizons found on each side of the MAS.

The second major exploration phase took place between 1989 and 2002. Supported by an assistance program directed at funding prospectors for basic exploration work, a lot of prospecting was done in the central part of the project. The results induced Raudin Exploration, a junior company, to explore around the prospectors' findings. After the assistance program ended, no significant work was done up to 2006.

Over the years, various areas of the project were gradually explored. The main mineralized areas are known as Vondenblue, Power, Ruisseau Cantin, Fer-à-Cheval and Triangle d'Argent (see Figure 4, Location of significant mineralized areas).

Table 2 presents the exploration sequence for each main mineralized area and the best results obtained.

Table 3 shows other minor exploration programs carried out on other parts of the project.

Table 2: Exploration Sequence up to 2005 for Each Area and Best Results Obtained

Year	GM	Company	Type of work	Significant results
		POWER		
1969	26327	Sunny Bank	Prospecting Geochemical survey Mag survey	Malachite stain in limestone above volcanic
1976-77	33329	Noranda	Geological mapping Trenching (6) Drilling (5 / 1,501 ft)	Hole P5-76: 0.28% Cu/1.0 m (core length)
1995-96	53825 53826	Raudin Exploration Inc.	VLF, IP, Mag Line cutting Soil geochemistry Trenching (3) Drilling (2 / 163.5 m)	No significant results
		FER-À-CHEVAL		
1976	33943	Noranda	Soil geochemistry	No significant results
1995	56982	Raudin Exploration Inc.	Line cutting VLF, IP, Mag Trenching (6) Geological mapping Soil geochemistry	TR 95-02: 0.63% Cu/11.0m TR 95-04: 4.5%Cu, 42 g/t Ag/6.0 m (channel sample length)

Year	GM	Company	Type of work	Significant results
1996	54454	Raudin Exploration Inc.	VLF, IP, Mag Trenching (5) Drilling (18 / 3,298 m)	No significant results
1997	56835	Raudin Exploration Inc.	Trenching (5) Drilling (3/1,530 ft)	No significant results
		RUISSEAU CANTIN		
1994	53762	Vital Arsenault & Ass.	Line cutting Geological mapping VLF, IP, Mag Soil geochemistry Trenching Reinterpretation of Noranda surveys	No significant results
1995	53761 53760 53759	Vital Arsenault & Ass.	Line cutting Geological mapping VLF, IP, Mag Soil geochemistry Trenching	TR 95-01: 0.32% Cu and 0.8 g/t Ag/40.5 m Including 1.3% Cu and 1.4 g/t Ag/4.0 m (channel sample length)
1996	56235 56236	Raudin Exploration Inc.	VLF, IP, Mag Drilling (3 / 392 m)	No significant results
		VONDENBLUE		
1936		I.W. Jones (RP 116)	Geological mapping	Native copper in volcanics Native Copper
1976-77	33958	Gaspé Mines	Stream geochemistry Geological mapping Geophysics Drilling (4 / 1,750 ft)	Hole V-4-77:1.17% Cu/10.8 ft (core length)
1978	34254	Noranda	Soil geochemistry Geological mapping	No significant results
1989	49398 49399	Vital Arsenault	Prospecting Trenching Drilling (2 / 366 ft)	Hole V89-01: 0.11% Cu/51ft (core length)
1990 1991	50590 53221	Vital Arsenault	IP survey Mag survey Geological mapping	Indice du Dimanche showing: Copper into a recifal limestone
1993	53879	Raudin Exploration Inc.	VLF, IP, Mag Drilling (2 / 377.6 m)	No significant results
1994	52375	Raudin Exploration Inc.	VLF, IP, Mag Soil geochemistry Stripping Drilling (3 / 250 m)	Hole V94-01: 1.2% Cu, 3.6 g/t Ag/1.4m (core length)
1995	53878 53877 53825	Raudin Exploration Inc.	Drilling (2 / 250 m) IP survey	No significant results
		TRIANGLE D'ARGENT		
1997	55716	Beaudin, Leblanc	Prospecting VLF, Mag Soil geochemistry Trenches	Grab sample 2.01% Native copper and bornite in volcanic rocks
1998	59532	Beaudin, Leblanc	Line cutting VLF, Mag Trenching (5)	Native copper in volcanic vesicles Native Cu and chalcocite in 240 deg veins
1999	57820	Beaudin, Leblanc	Prospecting Trenching (4) Stripping	Main showing: 5.4% Cu, 2.8 g/t Ag over 11 .6m

Year	GM	Company	Type of work	Significant results
2000	59588	Beaudin, Leblanc	Trenching (8)	TR 2000-02: 4.14% Cu, 7 g/t Ag/1.0 m TR 2000-04: 10.3% Cu, 21.3 g/t Ag/9.0 m Numerous Cu nuggets in volcanic rocks (all drill hole intercepts are core length)
2002	61139	Beaudin, Leblanc	Drilling (8 / 500.4 m)	No significant results

Table 3: Minor Exploration Programs Conducted up to 2005 on the Project

Project	Year	GM	Company	Type of work	Significant results/comments
Yves95	1995	56979	Yves Morin	Prospecting	East of Mont Alexandre
Power Nord	1995	56954	Pierre Grenier	Prospecting	East of Mont Alexandre
Ruisseau Bleu	1997	57244	Beaudin, Duguay	Prospecting	South of Mont de l'Observation
Vandan	1996	54513	ASPM Inc.	Prospecting	No significant results
	1998	56511		Prospecting	No significant results
Vilain	1996	56709	Henry Arsenault	Prospecting	East of Lake Mourier
Guegen	1998	59553	Pierre Grenier	Prospecting	SW of Ruisseau Cantin
Mont Alexandre	1998	56300	Raudin Exploration Inc.	Line cutting Soil geochemistry Mag, VLF Road building Trenching	Centred on Mont Alexandre NSV
Mont Christelle	1998	56299	Raudin Exploration Inc.	Line cutting Soil geochemistry Mag, VLF Road building	No significant results
Kiki	2002	59746	Vital Arsenault	Prospecting	Fossiliferous limestone

6.2.3 Exploration sequence of Metco and Breakwater from 2006 to 2010

The third phase of exploration work took place between 2006 to 2010.

Metco carried out compilation of previous work, geological reconnaissance with 13 grab samples, re-logging of 28 available historical drill holes with 240 core samples taken, drilling of 9 diamond drill holes on Triangle d'Argent area and a geochemical soil survey with 1,071 samples taken on three grids covering the Triangle d'Argent, Fer à Cheval, Power and Vondenblue areas.

Breakwater carried out a 23-day prospecting program on the anomalies defined by the geochemical soil survey done Metco in 2007 during which 65 grab samples were taken and a geochemical soil survey with 6,748 samples taken on three grids covering the Mont Observation, Lac Mourier and Ruisseau Cantin areas, followed by a limited five-day prospecting program within the Fer-à-Cheval area.

Table 4 shows the exploration programs carried out by Metco and Breakwater on the project.

Table 4: Exploration from 2006 to 2010 by Metco and Breakwater

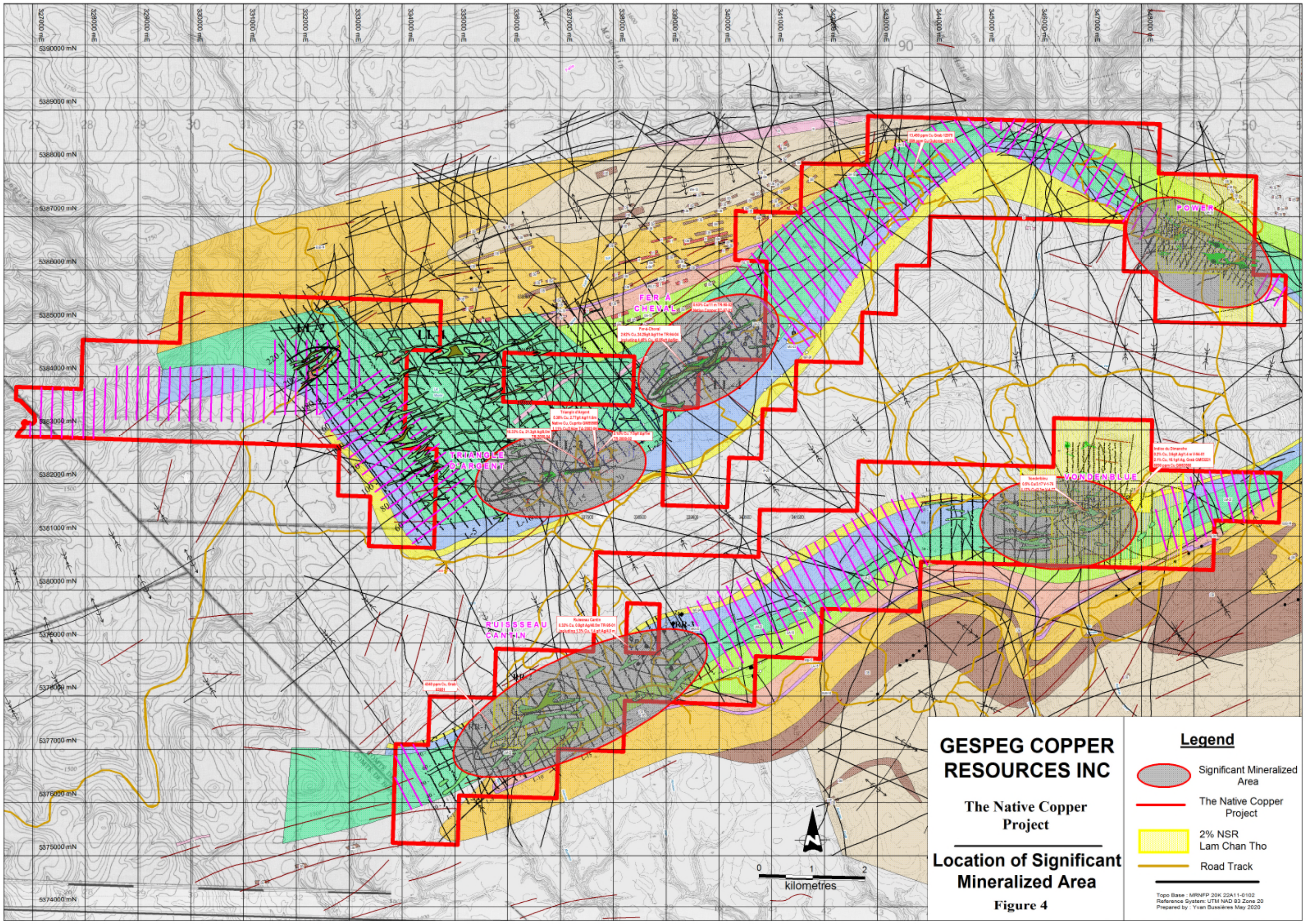
Year	GM	Company	Type of work	Significant results
2006	63235	Metco Resources Inc	Compilation of previous work Reconnaissance survey	Reconnaissance survey: - 0.43% Cu grab sample from an unknown zone - 0.61% Cu grab sample from Indice du Dimanche
2007	63356	Technologies EarthMetrix Inc.	Satellite imagery study	-Drainage pattern defined by major E-W faults and secondary NE-SW senestral and NW-SE dextral faults -Known mineralized sites are located at the intersections of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type) -The “Faille du cuivre natif” is the most significant metallotect on the project
2007	63560	Metco Resources Inc.	Relogging historical DDH Drilling (9 holes) Soil survey	Relogging historical DDH: -In hole V-97-30 0.48% Cu/1.5 m at 191.6 m 0.32% Cu/1.5 m at 197.6 m -In hole V-97-35 0.12% Cu/1.5 m at 224.0 m Drilling of 9 holes: -Holes OBS-07-01 to 06 targeted faults, with holes OBS-07-02, 03, 05 and 06 intersecting faults without significant mineralized zones. -Hole OBS-07-07, located 300m NE of Triangle d’Argent, intersected three faults and native Cu from 13.3 to 13.7 m. -Hole OBS-07-09, located below Triangle d’Argent, intersected four zones of native Cu, with the second zone returning 0.44% Cu over 0.15 m at 135.55 m. The soil survey outlined six anomalies, four of which correspond to known mineralized zones. The extensions of these anomalies should be tested by drilling.

Year	GM	Company	Type of work	Significant results
2008	64529	Breakwater Resources Regal Con. Ventures	Prospecting survey Soil survey	Prospecting survey: Only one sample of 1.38% Cu within an old trench in the Fer-à-Cheval area The soil survey outline nine anomalies, two of which correspond to known mineralized zones. Except for anomaly MM-1 corresponding to the Vondenblue zone, the other anomalies should be tested by drilling.
2010	65326	Breakwater Resources Regal Con. Ventures	Prospecting survey	1 outcrop mineralized in Cu 5 grab samples over 0.1% Cu

6.3 Mineral resources and mineral production from the project

Mineral resources have never been estimated and no production has ever taken place on the Native Copper project.

Figure 4: Location of significant mineralized areas



7 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional and Local Geology

The Native Copper project is located within the southern portion of the east-west trending Gaspe-Connecticut Valley Synclinorium (Figure 5), a 64-kilometre wide tectono-stratigraphic assemblage that encompasses, from base to top, the rocks of the Chaleurs Group (Siluro-Devonian), the Fortin Group (Devonian), the Upper Limestones of Gaspé (Devonian) and the Sandstones of Gaspé (Devonian).

The project is principally covered by rocks of the Chaleurs Group, with some younger (Silurian) rocks of the Matapedia Group to the south.

Older rocks are of early Silurian age and consist of limy mudstone that now forms the White Head Formation, and the upper part of the Matapedia Group, which occupies the southeastern corner of the project.

At the bottom of the Chaleurs Group, Landoverian marine transgression brought an increased amount of clayish material, forming the Burnt Jam Brook mudstones.

Later, the beginning of a marine regression resulted in the deposition of the Laforce and Ruisseau Bleu Formations, characterized by the introduction of limy material within the sediments. The marine regression continued and the Gascons sandstones were deposited (mid-Silurian).

At that time, an intense period of volcanism was taking place. The Lake McKay Member, immediately overlying the Gascons sandstones, is composed of mafic volcanics, with some minor interbedded sandstones and conglomerates. Material of the magmatic chamber intruded the Gascons sandstones, as evidenced by numerous gabbroic sills, some of which extend many kilometres along strike. These sills are not seen elsewhere.

The end of the volcanism cycle is marked by the formation of the Native Copper Member, a thick sequence of epiclastic rocks and sediments. As a new marine transgression slowly progressed, the volcaniclastic material was gradually covered by recifal limestones of the upper West Point Formation.

Finally, at the end of the Silurian and Early Devonian, the marine transgression increased significantly and thick sequences of mudstones, siltstones and sandstones forming the Indian Point Formation were deposited.

The rocks of the area were subject to the Ordovician Acadian Orogeny, responsible for the E-W cylindrical large open folds, the major transcurrent E-W faults and associated secondary NE-SW senestral and NW-SE dextral faults. These structures define clearly the drainage pattern of the area. The rocks on the project show a regional east-west fabric and mineral assemblages indicate that the metamorphism was very low.

7.2 Project Geology

The project is centred on the MAS, a broad open fold plunging 60° to the southwest, hosted by the formations of the Chaleurs Group. The synclinal structure, which is probably of a graben type, is limited to the north by the Grande Rivière Fault and to the southeast by the Ruisseau Bleu Fault. The nose of the MAS closes along the eastern boundary of the project (see compilation maps in Appendix 2).

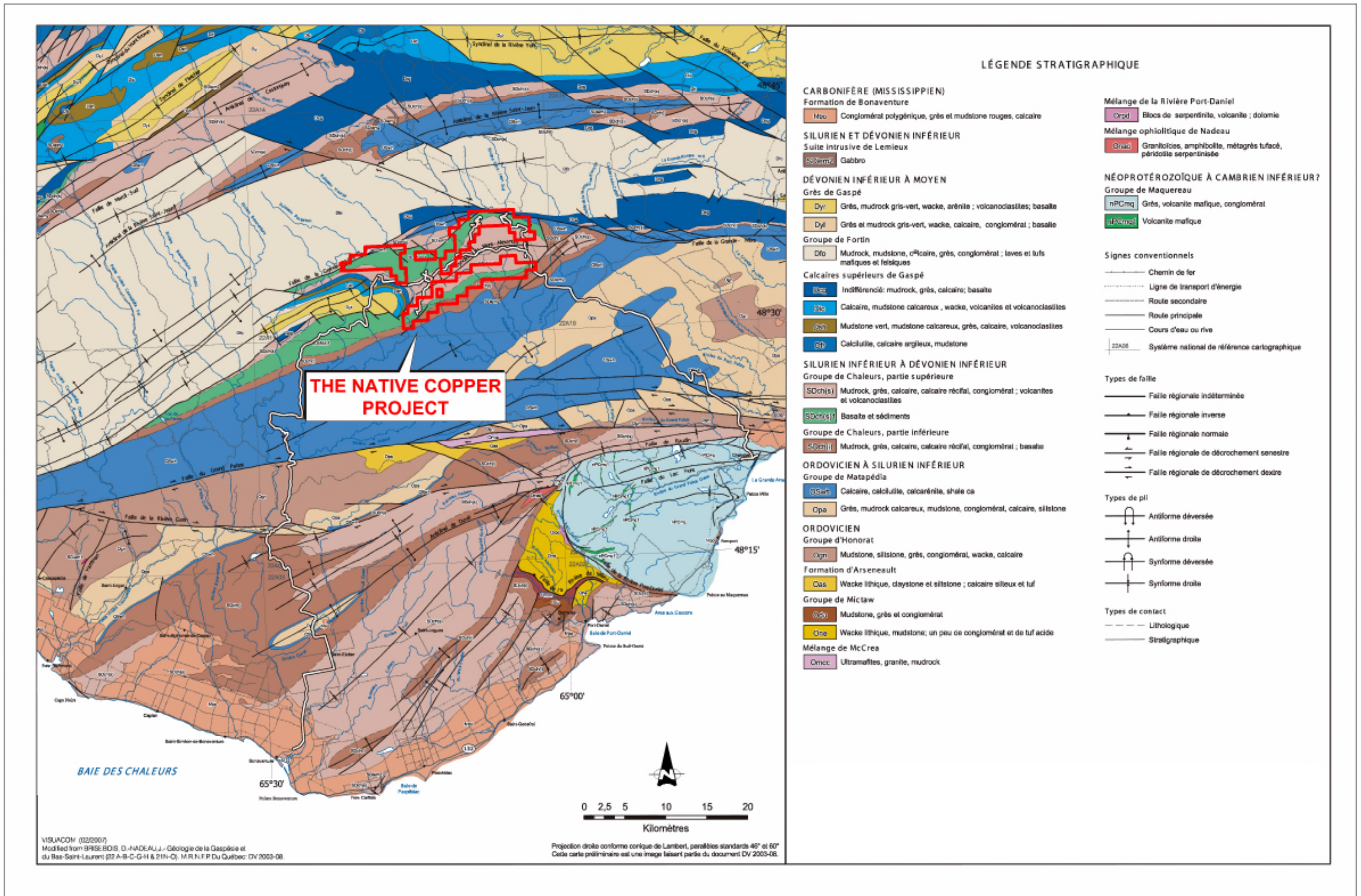
On the south limb of the syncline, geological units strike north-east and dip moderately (45° to 55°) to the northwest, while on the north limb, the dip of the formations appears to be slightly steeper, in a 55° to 65° range, to the southeast. Minor secondary flexures are present on both sides of the MAS axis, forming some local anticlines.

As mentioned earlier, most of the project is covered by geological formations of the Chaleurs Group, which includes the Burnt Jam Brook, Laforce, Ruisseau Bleu and Gascons formations. These are various successions of mudstones, claystones, sandstones and limestones.

These formations are overlain by the West Point Formation, which contains an important metallotect, a mafic volcanic horizon known as the Lake McKay Member. Volcanics of this member extend all across the project and outcrop along two topographic high axes, Mont Alexandre and Native Copper, on both sides of the MAS trace.

Overlying the Lake McKay Member and still part of the West Point Formation is the Native Copper Member, an assemblage of volcaniclastic material, conglomerates and sandstones with some minor interbedded lavas. The West Point Formation ends with the presence of a narrow, lenticular horizon of coral reef limestones and limy conglomerates.

Figure 5: Regional Geology Map



THE NATIVE COPPER PROJECT

REGIONAL GEOLOGY MAP

FIGURE 5

The West Point Formation is overlain by the Indian Point Formation, an extensive unit comprising mudstones, siltstones and sandstones that form the core of the MAS.

7.2.1 Metallotect Formation

The main geological feature of the project is the mafic volcanics of the Lake McKay Member, situated at the bottom of the West Point Formation. These lava flows and sills are primarily mafic but also include some intermediate units (andesitic to dacitic). The mafic and intermediate volcanics represent 75% and 25% of the volcanic pile, respectively. Two main facies are observed.

The dominant facies is the porphyritic grey-green basalts, containing up to 30% phenocrysts of labradorite and bytownite. These flows are mostly hematized, taking a reddish-brown colour. Porphyritic basalts become gradually more abundant relative to other facies approaching the upper part of the volcanic sequence.

Locally, the porphyritic basalts exhibit local high densities of vesicules and amygdules filled with calcite, chlorite, hematite and malachite. More intense hematization of the lavas has been noted in numerous places around volcanic breccia pipes or fissures.

The other important facies is the aphanitic basalts. They exhibit an aphanitic, equigranular texture. These flows are interbedded within the porphyritic lavas. An important difference is the relative absence of hematization. It is believed that this facies might be less porous than the porphyritic facies and consequently less affected by hydrothermalism.

Furthermore, interbedded horizons in those lavas are frequently tuff, lapillis, sandstone and conglomerate. Sediment proportion and thickness increase toward the top of the volcanic pile. Conglomerates often exhibit large fragments of stromatolitic and coral reef material. No pillow lavas are recorded, indicating a sub-aerial volcanic environment. It is believed that the geology at that time was a continental tension rift with volcanic islands in a shallow recifal basin.

The true thickness of the McKay member varies from 400 to 600 metres in the south limb of the MAS to probably 2,000 metres on the north limb. Thicker sequences are located in the northwestern part of the project. The lavas contain magnetite and respond well to magnetic surveys.

The Native Copper member conformably overlies the lavas. It is composed of volcaniclastic and sedimentary material that accumulated on the slope of a rift valley as it was eroded. The volcaniclastics consist of red-brown ash tuffs, lapillis tuffs, agglomerates and blocky tuffs, often containing coral reef fragments. The interbedded sediments are: reddish-brown conglomerates containing volcanic clasts in a calcite matrix, fine basaltic material, clay and ferrous oxide, calcareous mudstones and calcareous feldspathic greywackes.

Finally, the youngest horizon of the West Point Formation is represented by a recifal limestone identified on both limbs of the MAS. This relatively thin horizon (some 50 metres) is lenticular, discontinuous but seemingly thicker on the northern limb of the MAS. It has proved to be the site of many copper mineralized showings.

7.2.2 Structures

Four main fault patterns have been identified from the study of aerial photographs (Morin et al, UQAM 1997). An additional NE-SW fault pattern was identified by the study of aerial imagery (Morin, A., 2007).[16]

- NNW-SSE: the most significant clearly dissects the topography (e.g., Lake Camille fault) and shows the best extensions.
- NW-SE: another fairly important network that appears to cause senestral displacement.
- NE-SW: a network that appears to cause dextral displacement.
- N-S: a less continuous network. A good example is located just south of Native Copper. It is younger and displaced by NNW-SSE features.
- E-W to WNW-ESE: the main structures on both sides of the project.

It is quite remarkable that the known mineralized sites are located at the intersections of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type), as they are in the Keweenaw district (see the compilation map). The Triangle d’Argent, Fer-à-Cheval and many other showings are also found along one of these longitudinal stratigraphic faults, the “Faille du cuivre natif”. This fault appears to be the most significant metallotect of the property.

[16] Interprétation structurale, Mont de l’Observation, Earthmetrix Inc., Alain Moreau, GM 63356, 2007.

7.2.3 Alteration Types

Previous exploration conducted on various parts of the project converges w the following main alteration types:

7.2.3.1 Hematization

Hematization is the most predominant type of alteration. All the units of the MAS are hematized at various levels. In the lavas, hematization gives the rock a diffuse reddish-brown-to-grey colour. As mentioned earlier, porphyritic lavas are preferentially susceptible to hematization than the aphanitic lavas. In the sedimentary units, conglomerates and tuffs are preferentially altered. Intense hematization also occurs along fracture zones and along dykes crosscutting the stratigraphy. This evidence suggests that the degree of permeability directly controls this type of alteration.

The hematization process converts the original mineralogy to a hematite, quartz and carbonate assemblage. As this process converts magnetite into hematite, the direct result of the alteration is the lavas' decreased susceptibility to magnetic surveys.

Chemical analysis by Morin et al (1997) showed that hematization also leaches approximately 25% of the original copper content of the lava. This is of primary importance in the genesis of copper deposits on the project.

Various observations on the lavas and sediments within or overlying the volcanic pile indicate that hematization is an alteration process that starts very early after the emplacement of the rocks, and continues as long as meteoritic waters circulate, so it may also be a late alteration process.

7.2.3.2 Chloritization

Chloritization is mostly observed in the aphanitic basalts with chlorite present in the matrix and sometimes in vesicle-filling material. It invades the host rock via very fine fractures and along flow contacts. It is often associated with calcite. The presence of chlorite indicates a relatively fresh rock.

7.2.3.3 Epidotization

Epidotization is an alteration phenomenon concentrated within the mafic volcanics. It either replaces the plagioclase phenocrysts or forms intense and diffuse green lenses within the lavas.

It is also present along joints, fractures and breccias, suggesting that it is a relatively late process that took advantage of the existing porosity. Epidote is also present with chlorite and quartz, filling the vesicules. Epidotization is associated with the alteration pattern leading to native copper deposition.

7.3 Geology of the Significant Mineralized Areas

There are five mineralized copper areas: Ruisseau Cantin, Vondenblue, Power, Fer-à-Cheval and Triangle d’Argent. These areas are shown on the compilation map in Appendix 2. They are all associated with the mafic volcanics of the Native Copper member of the West Point Formation.

7.3.1 Geology of the Vondenblue Area

The Vondenblue area is located along the eastern part of the volcanic rocks on the MAS south limb, where Jones reported native copper in 1936 (RP 116-B). In 1976-77, some diamond drill holes intercepted 0.5% Cu over 3.17 m (Hole V-1-76) in a sandstone and/or conglomerate and 1.17% Cu over 3.5 m, also in a sandstone (Hole V-4-77, GM 33958). The stratigraphy was described as follows:

> *“This claim group covers approximately six miles along the south limb of the Mount Alexander volcanics. The volcanics along this strike length vary in width from a few hundred feet in the eastern portion up to four thousand feet further west.*
>
> *Within the volcanics a number of volcanic derived sediment beds have been outlined. The magnetometer results confirm field evidence that many of these beds pinch and swell and are discontinuous. The grain size of the beds varies from clay to silt to sand to cobbles and this variation can be seen along the strike, dip and width of any given bed. Within some of the sediment beds narrow units of limestone, often with fossils, have been identified. The number of sediment beds along with the volcanic flow top breccias would suggest that the area was very active, with a number of volcanic cycles occurring. It was in these volcanically derived sediments that the copper mineralization can be found.*
>
> *Above and below the volcanics, the sediments are very similar, predominantly consisting of grey to dark grey shales and siltstones. The sediments below the volcanics appear, from local folding, to have been more deformed than those above. A distinct fossiliferous conglomeratic limestone bed varying from 200 to 400 feet above the volcanics was useful as a marker bed.”*

Between 1989 and 1991, prospecting, soil geochemistry, mapping, trenching and drilling (GM 49398 and 49399) outlined an anomalous copper horizon located in the sediments lying immediately on top of the volcanic flows. A visit report by André Liboiron, geologist, describe the showing as follows:

> *"The host rock of the showing consists of a polymictic conglomerate coming from volcanics sometime hematized. The rock is constituted of 70 to 80% sub-rounded fragments of vesicular mafic lava and some possible siltstone up to 10 cm. The matrix represents 20 to 30% of the rock.*
> *The stratification is oriented N290° et the dip is 55° to north. The mineralization is very fine, constitute of chalcocite and malachite disseminated within the conglomerate matrix and sometimes within small veins with some quartz.*
> *In general, all the central part of the property consists of an alternance of silt-sandstone-conglomerate horizons of 10 to 30 m with mafic volcanic horizons of 40 to 150 m. Occurrence of malachite is frequently observe within the meta-sediments and the cross-cutting NNE small veins."*

A new showing, called the Indice du Dimanche, was identified in 1991 (GM 50590 and 53221). This time, it is located within a recifal limestone lens, at the contact between the volcaniclastics/sediments sequence and the Indian Point sandstones.

Additional exploration was carried out from 1993 to 1995 (GM 52375, 53825 53877, 53878 and 53879), without much success.

The exploration work tended to indicate that the copper mineralization is of a supergene type, located along specific porous (sandstone/conglomerate) and/or reductive horizons (recifal limestone lens) lying immediately on top of the volcanic flows.

7.3.2 Geology of the Ruisseau Cantin Area

This Ruisseau Cantin area is located in the northwest corner of Raudin Township, some five kilometres along the southwest extension of the Vondenblue area.

In 1994 and 1995, different parts of the area were explored by applying the same approach as at Vondenblue (very-low-frequency (VLF), magnetometer (Mag), induced polarization (IP), geochemistry, trenching) (GM 53759, 53760, 53761 and 53762). Mineralization consists of fine disseminated chalcocite and some bornite in the cement of a conglomerate and volcanic fragments within the conglomerate. This sedimentary unit is located stratigraphically immediately above the mafic volcanic (McKay Member).

7.3.3 Geology of the Power Area

The Power area is located some six kilometres north-northeast of the Vondenblue area. It covers the McKay volcanics, on the northern limb of the MAS.

In 1969, H.T. Nelson of Sunny Bank found malachite stain in the fossiliferous limestone immediately above the volcanics (reported in GM 33329, p. 3).

In 1976-77, during work by Noranda (GM 33329), three distinct sedimentary horizons hosted within the volcanics were found to contain traces of disseminated chalcocite. Some were traced over almost 100 metres.

In 1996, Raudin Exploration drilled two holes (GM 53825 and 53826). The best copper mineralization was not related to the Noranda showings, but was located within a recifal conglomerate immediately overlying the volcanics. Thus, the geological setting and mineralization of the Power area are very similar to those of the Vondenblue area.

7.3.4 Geology of the Fer-à-Cheval Area

The Fer-à-Cheval area is located along the volcanic horizon on the northern limb of the MAS, in the northwest quarter of the Native Copper project.

In 1995, Raudin Exploration staked a northeast trending claim block extending some 3.5 kilometres from Lake Camille. The first phase of the exploration program included geophysics (VLF, Mag, IP), soil geochemistry and trenching (GM 56982). The best results came from two trenches. Trench 95-04 exposed hematized porphyritic basalt containing chalcocite, cuprite, bornite and malachite, channel sampling returned 4.5% Cu and 42 g/t Ag over 6.0 metres.

Approximately one kilometre to the northeast along the same stratigraphic unit, similar mineralization in trench TR 95-02 returned 0.63% Cu over 11.0 metres (GM 56982).

These encouraging results were followed in 1996 by complementary geophysics, trenching and 18 drill holes (GM 54454). The trenches show some mineralization of bornite-chalcocite and malachite within vacuolar and porphyroblastic volcanics. Drill targets were the possible extensions of the mineralization found in the trenches and various IP responses. The drilling program failed to identify any extension of the mineralization. In many holes, the IP anomaly was not explained.

Some additional work was completed in 1996 (GM 56835) by more trenching and the drilling of three holes. This time the drill holes intercept horizons with very fine disseminated native copper within chloritized basalt and major structural features (faults) thought to be the source of the mineralization. This major structural feature corresponds to the fault “Faille du Cuivre Natif”.

7.3.5 Geology of the Triangle d’Argent Area

The Triangle d’Argent area is located immediately southwest of the Fer-à-Cheval area. Prospecting started in 1996, when the area became easily accessible by the development of numerous forestry roads. The discovery of many copper occurrences (malachite) incited two prospectors, Messrs. Beaudin and Leblanc, to stake the area.

In 1997, more detailed prospecting, basic geophysics and geochemical surveys were completed (GM 55716). A grab sample returned 2.01% Cu, and native copper with bornite was identified in volcanic boulders.

In 1998, additional trenching was done on surface copper occurrences and on some geophysical anomalies (GM 59532). The best results were obtained in trenches TR 98-01 and 02, which exposed a porphyroblastic and hematized mafic volcanic striking at 240°, in which sub-parallel fractures are filled with chalcocite, bornite, native copper and malachite. Secondary cross-cutting veins striking 330° are also present. These are filled with a core of native copper, surrounded by bornite, chalcocite and malachite. Quartz and calcite are associated to these veins and tend to indicate a hydrothermal origin. The main showing returned 5.4% Cu and 2.8 g/t Ag over 11.6 metres. Native copper was found in nuggets that can weigh many kilograms.

In 1998 also, a geological map was produced (GM 59532). The property lies on the north limb of the Mont Alexandre synclinal, a graben plunging west limited to north by the fault Grande Rivière and to south by the Ruisseau Bleu fault. The northern part consists of massive flows lava, somewhat hematized, with large porphyroblast of labradorite and bytownite and/or with vacuoles of quartz-carbonate-chlorite or quartz-hematite-cuprite. That is conformity overlying by a horizon of conglomerates and lapilli tuffs. More south, that is overlying by an alternance of thin lava flows of 20 to 50 m with layers of somewhat hematized conglomerates and 50 to 100 m reef of coral and stromatolites. These conglomerates are sometime mineralized in chalcocite and malachite. The southern part is overlain by a wide horizon of conglomerates of big pebbles with lapilli, ash and calcite matrix. Finally, that is overlain by the heart of Mont Alexandre synclinal which is the Indian Point Formation consisting of sandstones and grey to greenish siltstones. All these lithologies conformity lies at 240^0 dipping 55^0 to south with lava flows and sedimentary ripple-mark are oriented to south. This sequence of lithologies and the orientation features indicate the Triangle d'Argent area was lying on the south side of an aerial volcano surrounded by a lagoon and reef of coral and algae.

In 1999 and 2000, the emphasis was on the main zone, with extensive trenching and stripping in its immediate vicinity (GM 57820 and 59588). The best results came from trenches TR 2000-02 and 2000-04, which returned 4.14% Cu over 1.0 metre and 10.3% Cu over 9.0 metres respectively. These trenches investigated the western and southern extensions of the main zone.

The main zone is now exposed over some 80 metres along a strike of 060º. It terminates abruptly to the east on an intense shear zone striking 330º. To the west, it is truncated by a 1.5 to 25-metre-thick feldspar porphyry dyke also striking 330º. Within this main zone, many tons of native copper (estimate between 6 to 10 tons) were pulled out and sold as copper at the scrap yard.

In 2002, eight holes were drilled in the main zone area (GM 61139). In many cases, the fractured zone, with quartz-calcite veinlets, was encountered, but only traces of copper were present.

The features of the main zone are:

- Located on graben type fault (Faille du Cuivre Natif) and is truncated by cross-cutting structural features (at the east by an intense shear zone striking 330º and to the west by a feldspar porphyry dyke).
- The mineralization consists of native copper filling sub-parallel fractures to the stratigraphy and by cross-cutting veins filled with native copper.
- Contains native copper nuggets of many kilograms.

These features of the main zone represent the better example of the Keweenaw Peninsula native copper model of the Native Copper project.

8 DEPOSIT TYPES

From what the author have observed on the Native Copper project, namely native copper as vesicle- and crack-filling and chalcocite,[17] it appears that the obvious model for these types of mineralization is the Keweenaw Peninsula native copper model.

On February 2007, Metco representatives consulted with Prof. Theodore J. Bornhorst, Ph.D., Director of Administration of the A.E. Seaman Mineral Museum and Professor at Michigan Technological University in Houghton, Michigan, USA. Dr. Bornhorst is a specialist in Keweenaw-type copper deposits.

Dr. Bornhorst gave a presentation on the main characteristics of Keweenaw-type ore bodies, along with exploration guidelines. Two main models are seen in the Keweenaw Peninsula. The first consists of native copper in vesicles and in brecciated basaltic flow tops, and the second of native copper and chalcocite, mainly in sediment (conglomerate, sandstone, etc.). In both models, mineralization is due to the same phenomenon, as summarized below.

After a period of rifting, volcanic activity arises and basalt is deposited. This is followed by a period of subsidence where sedimentation occurs, forming conglomerate, sandstone, shales, etc. This is followed by a period of compressive orogeny, where at this point, faults are produced on the edges of the basin. Hydrothermalism leaches the copper contained in the sulfide-poor basalt. Finally, using the channelways created by faulting, the hydrothermal solutions circulate and deposit native copper in the porous rocks, represented by vesicles, brecciated flow tops, conglomerate, sandstones, etc.

Mineralization will deposit out in a porous horizon, located in basaltic flow tops in the volcanics with vesicles and brecciation, and in the sediments by the porosity of the conglomerates and sandstones. A porosity barrier is also required under the form of thinning of the porous horizon, pre-mineral fault gauge, thick impermeable horizon, etc.

As the mineralization deposits out in a low pressure and low temperature environment, the mineralogy in close proximity to the mineralization will be characterized by a strong epidotization,[18] and the presence of prehnite[19] and also datolite.[20] On the Native Copper project, and particularly on Triangle d'Argent, basalt with vesicle and cracks filled with native copper have been observed in a trench close to a fault zone. Nuggets of native

[17] Chalcocite: Cu_2S
[18] Epidote: $Ca_2(Al, Fe)_3(SiO_4)_3(OH)$, Calcium Aluminum Iron Silicate Hydroxide.
[19] Prehnite: $Ca_2Al_2Si_3O_{10}(OH)_2$, Calcium Aluminum Silicate Hydroxide.
[20] Datolite: $CaBSiO_4(OH)$, Calcium Boron Silicate Hydroxide.

copper up to several kilograms were found. On other parts of the property, conglomerate with some malachite in the matrix has been observed. Native copper and chalcocite are also reported in old trenches and drill holes.

In this context, the faults should be seriously investigated, as they can represent pathways for the circulation of the hydrothermal fluids, mainly where they cross porous horizons where native copper can be deposited.

Megascopic samples from basaltic flows, conglomerate and sandstone from previously producing mines were seen at the mineral museum at Michigan Technological University. Samples from the Mont de l'Observation property were also available for direct comparison. The similarities between the two sets of samples were quite stunning.

The results of previous work and studies done on behalf of the MRNFQ are also consistent with a Keweenaw type of mineralization, as described in the work of Morin and Beaudoin, as follows:

> Morin et al (UQUAM 1977) states: *"The first hematization phase takes place with deuteric hydrothermalism and leaches rapidly a part of the copper contained in the mafic volcanics. The mobilized copper is transported and precipitated within favourable locus such as vesicles, existing joints, fractures, breccias, lithological contacts or permeable units such as interbedded conglomerates. Any reducing environment or barrier will incite copper to precipitate immediately, under the form of native copper. The best examples of this type of mineralization is the Triangle d'Argent main area, where precipitated native copper at joints intersections formed nuggets weighting many kilograms. Native copper in volcanics is also reported in other areas. The first trace of copper mineralization found in the area in 1936 was of that nature with native copper in lavas at Native Copper (Jones, I W).*[21] *Chronologically, mostly native copper and whitneyite are the first copper minerals to form. They are deposited very early after the emplacement of the lava flows.*
>
> *During later erosion, alteration and hydrothermalism, native copper will gradually be oxidized and transformed into cuprite, while pyrrhotite will be replaced by bornite. Bornite under oxidized conditions will gradually expulse irons and successively form digenite, chalcocite, covellite and malachite, with a halo of specularite surrounding the copper minerals.*

[21] Preliminary Report, Mont Alexander Area, MRN, I.W. Jones, RP 116-B, 1936.

> *The above copper evolution will generate secondary enrichments or supergene copper occurrences such as the ones found on the Vondenblue, Ruisseau Cantin and Power areas. On Vondenblue and Ruisseau Cantin, disseminated chalcocite with some other copper minerals was found within sandstones and conglomerates. On Power and also on Vondenblue (Indice du Dimanche), copper minerals are located within a coral reef conglomerate. In this particular case, it is suggested that the conglomerate was probably a reducing environment, with organic material associated with the coral reefs."*

The study by Georges Beaudoin, Ph.D., Professor at Laval University, Quebec City, indicates:

> *"The albitization, chloritization and hematitic alteration of the Mont Alexandre basaltic rocks are better understood as a consequence of hydrothermal activity related to sea water infiltration, i.e., spilitization. Spilitization provides an explanation for the normative albite (Morin & Simard 1987)*[22] *and the copper depletion (Dostal et al. 1993)*[23] *in the Late Silurian-Early Devonian basalts of the Gaspé Peninsula. The alteration and cupriferous mineralization observed at the Triangle d'Argent quarry is analogous to the epigenetic native copper hosted by spilitized basaltic flows from La Désirade, Lesser Antilles (Nagle et al. 1973).*[24] *There, the mineralization is associated with secondary calcite and hematite in chloritized basalt that was oxidized by heated, oxygenated sea water."* [25]
>
> In conclusion:
>
> - *"Basaltic lava contains magmatic native copper included in plagioclase.*
> - *Oxidation of basaltic flows is not related to sub aerial environment, but to spilitization.*
> - *Copper and silver were leached from basalts during spilitization and ultimately deposited as argentiferous native copper.*"[26]

Either mineralization process leads to the following types of copper deposits that could be present in an economic quantity in the geological setting found on the project:

1) Native copper filling vesicles on the summital part of the lava flows;

---

[22] Géologie des régions de Sirois et de Raudin, Gaspésie, MRN, Morin, R., Simard, M., ET 86-06, 1987.

[23] Late Silurian-Early Devonian rifting during dextral transgression in the southern Gaspé Peninsula, Canadian Journal of Earth Sciences 30, 2283-2294, Dostal, J., Laurent, R., Keppie, J.D., 1993.

[24] Copper in pillow basalts from La Désirade, Lesser Antilles island arc, Earth and Planetary Science Letters 19, 193-197, Nagle, F., Fink, L.K., Bostrom, K., Stipp, J.J., 1973.

[25] Red-Bed Copper Deposits of the Quebec Appalachians, DIVEX SC13, Cabral, A.R., Beaudoin, G., GM 62903, 2006, p. 12.

[26] Red-Bed Copper Deposits of the Quebec Appalachians, DIVEX SC13, Cabral, A.R., Beaudoin, G., GM 62903, 2006, p. 12.

2) Native copper filling early joints systems, breccias or interbedded conglomerates and other porous sedimentary units;

3) Black shales and/or reducing sediments (recifal conglomerate included) enriched by bornite and associated copper minerals.

In the opinion of the author, the similarities of the mineralization, the geological lithologies and the tectonic setting indicate that the Keweenaw-type mineralization is a model to consider for the exploration of the Native Copper project, although there may be differences in the mineralization process.

9 EXPLORATION

Gespeg has not yet conducted any exploration work over the Native Copper project. However, as this project will be its qualifying project for the purpose of the initial public offering, exploration work done by Metco, Regal and Breakwater is described below. Table 5 shows the expenditures incurred by Metco and Breakwater.

Table 5: Compilation of Expenses incurred by Metco and Breakwater

Period	Description of work	Cost
July 2006	Field reconnaissance & previous work compilation	$63,079
January 2007	Re-logging core	$15,328
January 2007	289 samples from core reclogging and 20 litho	$18,540
May 2007	Analytical protocol study	$48,600
June 2007	Field reconnaissance and satellite imagery study	$82,134
July to Sept 2007	9 DDH for 1266 m	$225,918
August 2007	2071 samples of soil survey	$128,087
June 2008	2 weeks of prospecting	$26,746
July to Sept 2008	6748 samples of soil survey	$378,325
July 2010	1 week of prospecting	$15,073
	Total	**$1,001,830**

9.1 Exploration of the main copper areas

The project is centred on the MAS, a broad open fold plunging 60° to the southwest, hosted by the formations of the Chaleurs Group. There are five mineralized copper areas known as Ruisseau Cantin, Vondenblue, Power, Fer-à-Cheval and Triangle d’Argent. These mineralized areas are shown on the attached compilation map. All these areas are associated with the mafic volcanics of the Native Copper member of the West Point Formation.

However, the mineralized copper Fer-à-Cheval and Triangle d’Argent areas are on the Breakwater/Regal claims and therefore are not covered in this section of the report.

9.1.1 Vondenblue Exploration Work

The Vondenblue area is located along the eastern part of the volcanic rocks on the MAS south limb, where I.W. Jones reported native copper in 1936 (RP 116-B).

In 1976-77, Mines Gaspé carried out prospecting and geological mapping, line cutting, magnetometer survey, stream geochemistry and drilling (GM 33958). Four holes were drilled in late 1976 and early 1977. The best results were in Hole V-1-76 (0.5% Cu over 3.17 m in a sandstone/conglomerate) and Hole V-4-77 (1.17% Cu over 3.3 m, also in a sandstone). In 1978, Noranda Exploration Company Ltd. carried out follow-up exploration with soil geochemistry and geological mapping. No significant results were obtained.

Between 1989 and 1991, prospector Vital Arsenault carried out prospecting, lithogeochemistry, trenching, an IP survey and drilling (GM 49398, 50590 and 49399). Many grab samples collected along the Gaspe copper horizon returned an anomalous copper content of in the range of 0.4% Cu over one-metre lengths. Hole V89-01, drilled some 250 metres east of Mines Gaspé hole V-4-77, returned 0.11% Cu and 3.6 g/t Ag over 1.4 metres. This anomalous copper horizon is located in the sediments lying immediately on top of the volcanic flows.

A new showing, called Indice du Dimanche, was identified in 1991 (GM 53221). This time, the anomaly is located within a recifal limestone lens, at the contact between the volcaniclastics/sediments sequence and the Indian Point sandstones. A grab sample from the limestone returned 2.1% Cu and 16.1 g/t Ag.

From 1993 to 1995, Raudin Exploration (GM 52375, 53825, 53877, 53878 and 53879) carried out systematic IP, Mag and VLF surveys, as well as soil geochemistry, stripping and mapping. Two or three holes were drilled every year, without much success. The best result came from Hole V94-01, drilled under the main showing, which returned 1.2% Cu and 3.6 g/t Ag over 1.4 m.

In 2006-07, Metco (GM 63235, 63356 and 63560) carried out a **compilation of previous exploration work**, **geological reconnaissance**, **core relogging and sampling** of available previous DDH, a study to establish an **analytical protocol** for native copper samples, a **satellite imagery study** and a **geochemical soil survey** on the Vondenblue area:

- The **compilation of previous exploration work** generated a compilation map (see Appendix 2) that delineated five copper-bearing sectors known as Vondenblue, Power, Ruisseau Cantin, Fer-à-Cheval and Triangle d'Argent. This compilation indicated that the mineralization of the area corresponded to the model for the formation of native copper orebodies of the Keweenaw Peninsula. With the established model, the key features indicating mineralization are along the faults, as they can represent pathways for the circulation of the hydrothermal fluids, mainly where they cross porous horizons where native copper can be deposited.

- During the **geological reconnaissance** several outcrops were examined to check the main rocks units. That confirmed the geological setting in the compilation map. A grab sample (62663) taken from the Indice du Dimanche showing located east of Vondenblue sector, which returned 6,090 ppm Cu (see compilation map).
- The **core relogging and sampling** was done for the 12 previous holes drilled in the Vondenblue area. The density and length of samples was dictated by the geology and mineralization observed. All the mineralized units not already sampled were sampled, and the favourable geology (top of the basalt flow, sediments, etc.) was also sampled, even if no mineralization was seen; in fact, chalcocite is sometimes quite difficult to observe in the rocks and can easily be missed. In order to develop an analytical protocol specifically for native copper, 49 samples were selected from the relogged core for processing according to the protocol described in Section 11.2.2, Sample Preparation and Analysis for Rock Samples with Native Copper, below. The remaining samples were assayed with ALS Chemex Laboratory's ME-ICP61 four-acid "near-total" digestion method. As is reported in old logs, no major mineralized zone was observed. The best assay obtained was 4,830 ppm Cu over 5 m in Hole V-97-30 at 190.1 m. That is a good example of the presence of copper with no visual expression. In the relog, the lithology is described as a conglomerate. The conglomerate was sampled because it has favourable geology, even though no mineralization was seen. This hole is not located on the compilation map as it is one of a group of holes not reported to the MRNFQ.[27] However, the hole number signifies that it is a hole drilled in the Vondenblue area in 1997. The author was told that the hole was drilled during a program under the supervision of geologist Jack D. Charlton.
- The study to establish an **analytical protocol** for native copper samples was initiated based on complaints of earlier explorers indicating that it is almost impossible to assay native copper using the usual preparation method. An analytical protocol had to be developed specifically for this kind of mineralization. During the

[27] MRNFQ: Ministère des Ressources Naturelles et de la Faune du Québec

visit to Michigan Technological University, Dr. Bornhorst[28] provided an outline of the method used by past producers, as described in the literature. This outline was used by Metco and the SGS laboratory in Lakefield, Ontario, retained for assaying as a basis for establishing an effective laboratory protocol. The process is described in Section 11.2.2, Sample Preparation and Analysis for Rock Samples with Native Copper, below. This protocol is very costly, at around $150/sample. During Dr. Bornhorst's field visit, he recommended that: "*a quantitative native copper grain size cut-off be used to divide samples into those that require special treatment and those that do not. The geologist logging the core should measure the 2-D size of the largest native copper mass observed in the sample. As I recall, the first screen size was 2 or 4 mm^2 in the Metco procedure. I recommend that when the area of the largest observed native copper is less than 2 mm^2 (1/2 of the screen size), the samples can be processed using normal analytical methods*." However, with regard to digestion of small native copper specks, the "normal analytical method" should be at least a "near-total digest method", such as four-acid digestion.

- The **satellite imagery study** was initiated in relation to the consultation with Dr. Theodore J. Bornhorst, the main exploration guideline being to locate the main faults, as they represent potential pathways for the circulation of hydrothermal fluids, especially where they cross porous horizons where native copper can be deposited. The first step in locating faults is to study aerial imagery. Alain Moreau, Geol., M.Sc., of EarthMetrix Inc., a specialist in that field, was mandated to delineate the fault pathways on the property.[29] The drainage pattern of the area (see Figure 6, which is Figure 2 in the EarthMetrix report) is defined by the major transcurrent E-W faults and associated secondary NE-SW senestral and NW-SE dextral faults (see Figure 7, which is Figure 3 in the EarthMetrix report). A detailed structural map was produced for the Vondenblue area (see Figure 8, which is Structural Map Zone D in the EarthMetrix report). This delineation of fault pathways was added to the compilation map. It is quite remarkable that the known mineralized sites are located at the intersections of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type), as they are in the Keweenaw district (see the compilation map). The Triangle d'Argent, Fer-à-Cheval, Vondenblue and many other showings are also found along one of these longitudinal stratigraphic faults and perpendicular faults.

[28] Prof. Theodore J. Bornhorst, Ph.D., Director of Administration of the A.E. Seaman Mineral Museum and Professor at Michigan Technological University in Houghton, Michigan, USA. Dr. Bornhorst is a specialist of the Keweenaw-type copper deposits

[29] Interprétation structurale, Mont de l'Observation, Earthmetrix Inc., Alain Moreau, GM 63356, 2007.

Figure 6: Drainage Pattern of the Property Area (Figure 2 in the EarthMetrix Report)

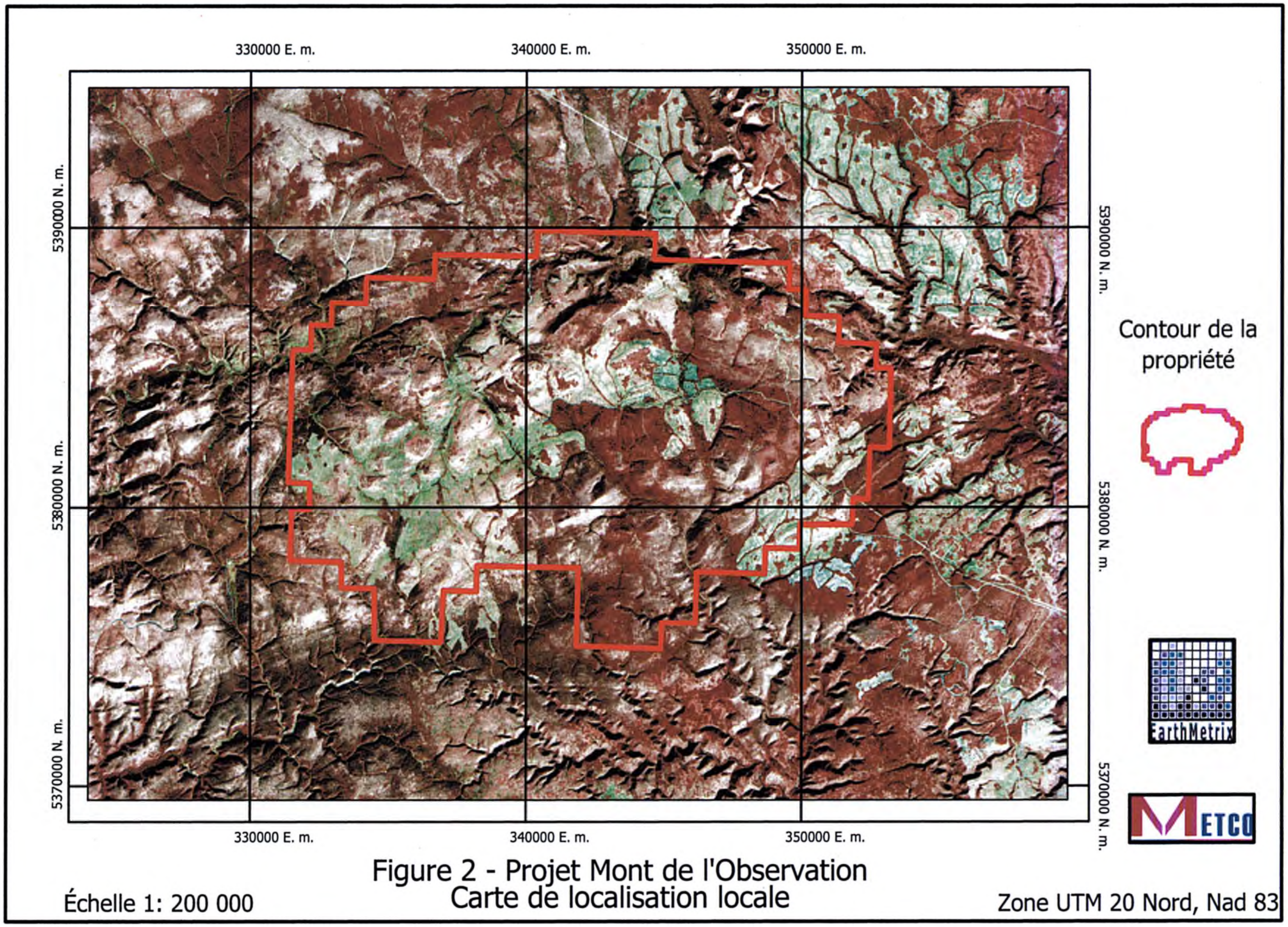


Figure 7: Fault Pattern in the Property Area (Figure 3 in the EarthMetrix Report)

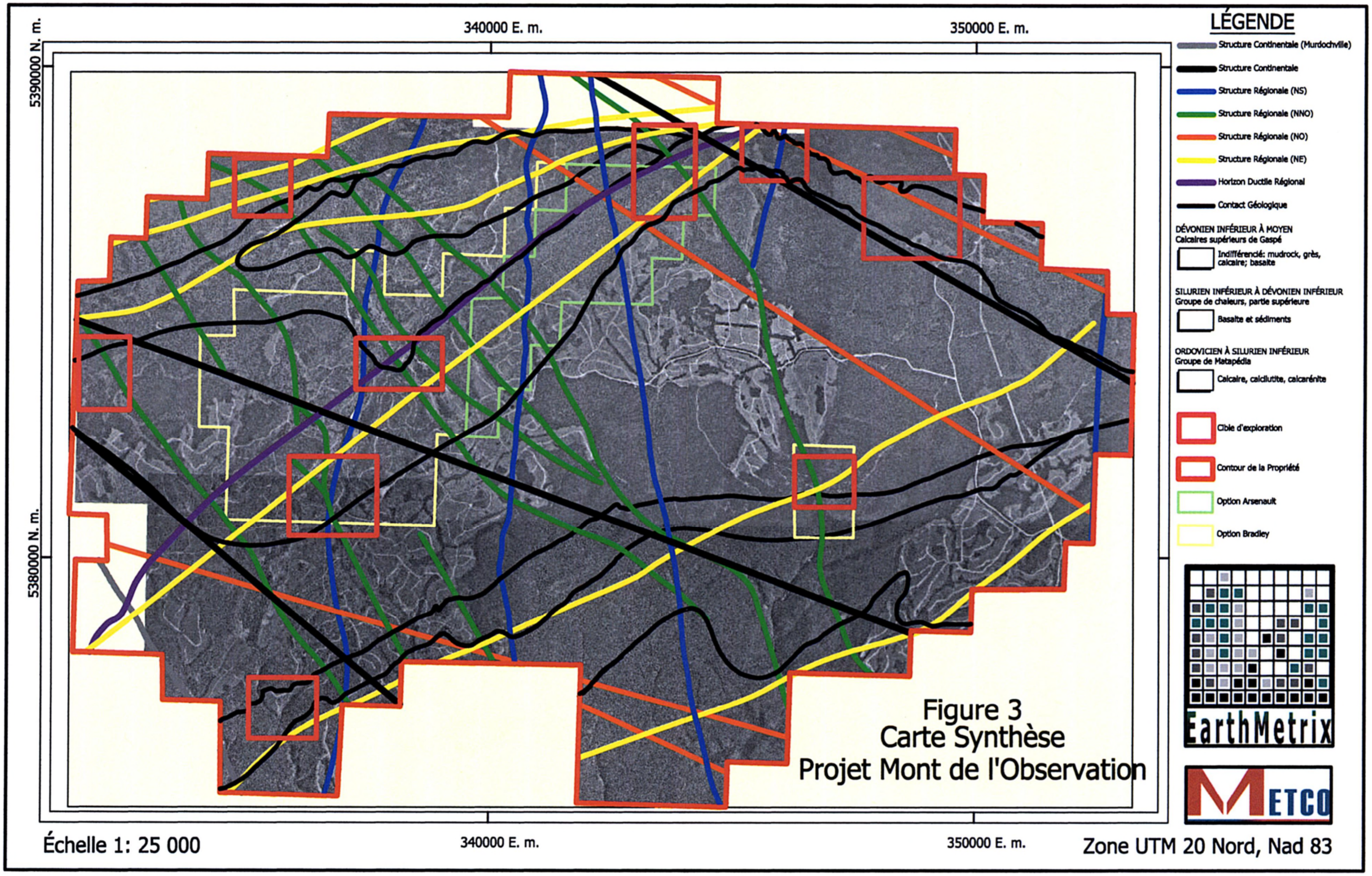
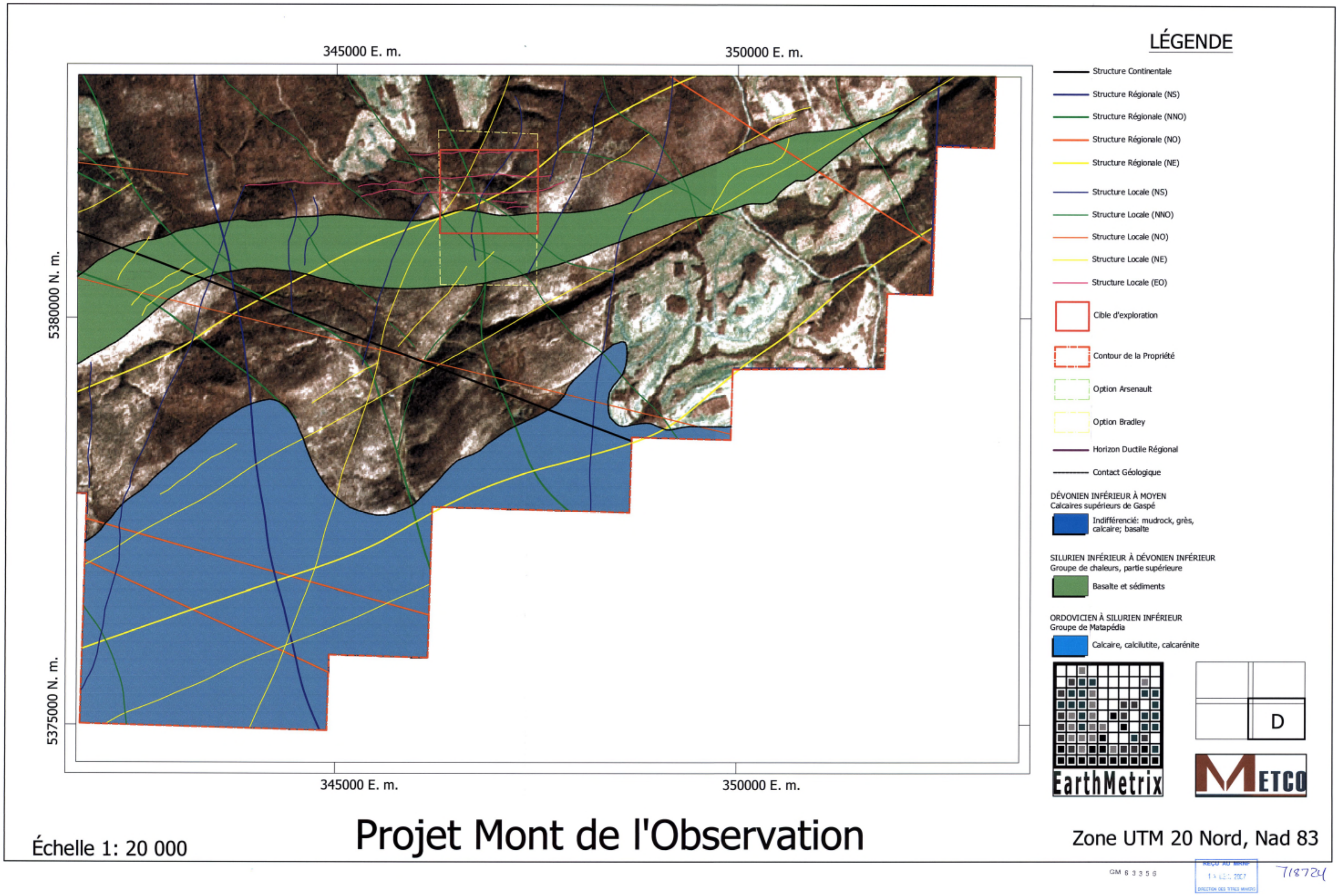
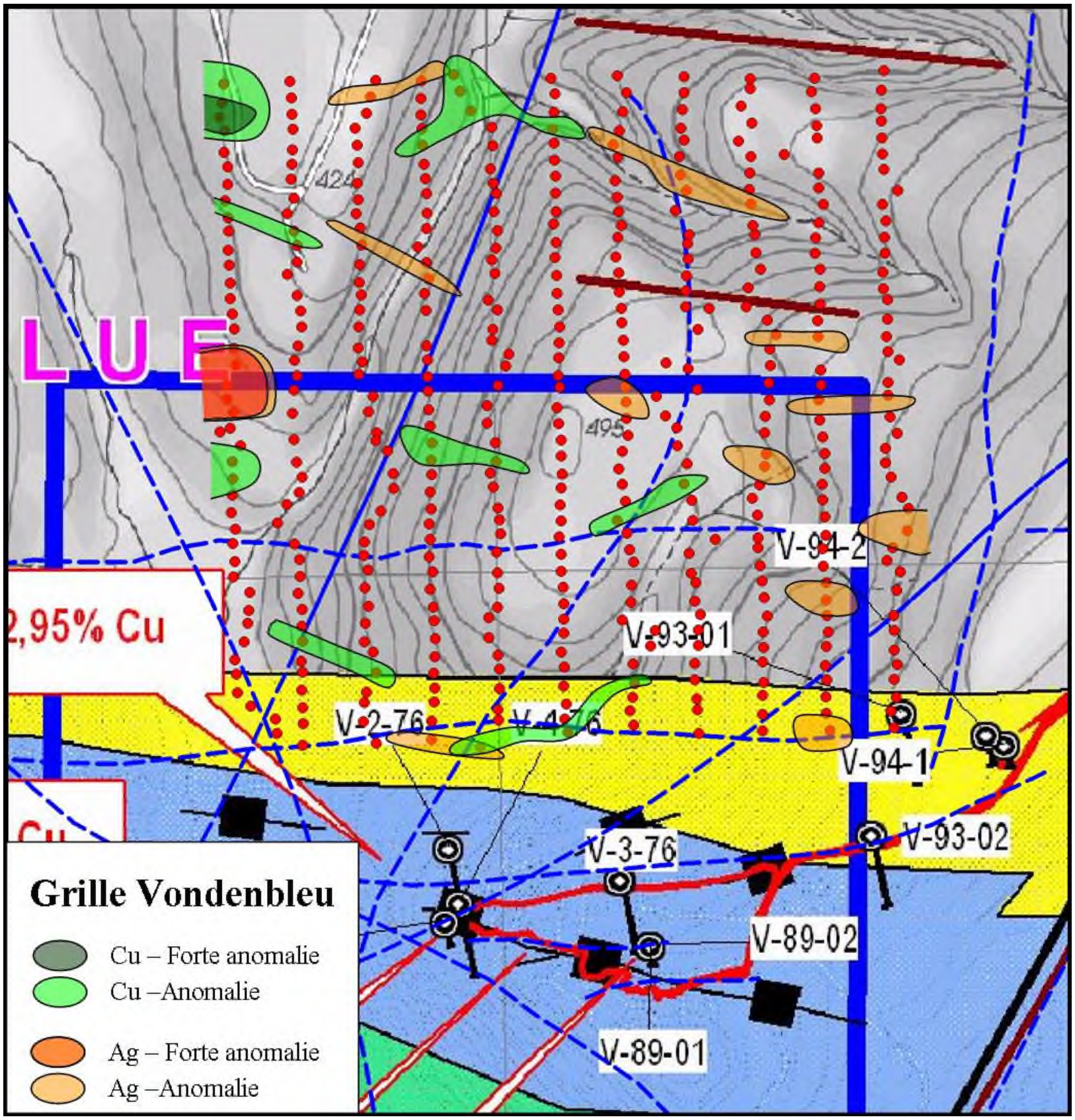


Figure 8: Detailed Fault Pattern in the Vondenblue Area (Structural Map Zone D in the EarthMetrix Report)



- The **geochemical soil survey** on the Vondenblue area was carried out north of the mineralized area. It is stated that the GPS increments were reversed during the planning stage and the survey was therefore conducted over the unfavourable limestone above the basalt sequence (see Figure 9, which is the map of Cu and Ag anomalies on the Vondenblue grid, from Pelletier's report[30]). No significant anomalies were detected.

Figure 9: Map of Cu and Ag Anomalies on the 2007 Vondenblue Grid, from Pelletier's Report



[30] Géochimie des sols, Mont de l'Observation, Pelletier, M., GM 63560, Appendix 5, 2007.

In 2008, Breakwater and Regal (GM 64529) carried out, on Vondenblue area, a geochemical soil survey of 22 N-S lines, 1.3 km long, line spaced at 200 m, with five infill lines at 100-m line spacing in the area of the Vondenblue showing. Thus, the survey covered a rectangular area 1.3 km wide by 4.2 km long, for a total of 1,342 soil samples (see compilation map in Appendix 2). The soil survey outlined two anomalous zones, **MM1** and **MM2** (see Figures 10 and 11, which are the maps of Cu and Ag anomalies on the Vondenblue grid, from Pelletier's report[31]).

- Zone **MM1** is mainly ascribable to the high silver and copper concentrations. It is on the northwestern side of a relatively large hill of the sampling grid, between lines 15 and 20 and chaining 52 and 63. This zone of interest contains the highest copper concentrations of the sampling campaign of the grounds of 2008, with values ranging from 58.2 to 629.0 ppm (see Figure 10). These high concentrations suggest that the source of the anomalies is relatively close or that the thickness of the covering is very small. High silver concentrations were found on lines 16 and 17, ranging between 0.56 and 1.01 ppm (Figure 11).

Sample	Cu (ppm)	Sample	Cu (ppm)
MM15-58	102.0	MM17-59	629.0
MM15-60	58.2	MM18-54	76.7
MM15-62	96.5	MM19-55	89.9
MM16-61	201.0	MM20-55	435.0
MM16-62	63.5	MM20-56	98.2
MM16-63	124.0	MM20-57	309.0
MM17-52	65.4	MM20-65	103.5

Sample	Ag (ppm)
MM16-63	0.56
MM17-59	0.58
MM16-61	1.01

This zone of interest is also located in a zone Cu-Ag ore and close to a northeast–southwest fault system. The interest of this zone is mainly the high copper concentrations and the presence of Cu-Ag ores. However, the zone is open to the south because there are no soil samples (see question marks on the Figure 10 map). According to the drainage of the hill, which is towards the northwest, in the direction of the Vondenblue showing, and based on the shape of the high Cu-Co-

[31] Soil Geochemisty, Mont de l'Observation, Pelletier, M., GM 64529, Appendix 2, 2008.

Sc zone (see Figure 12), it is probable that the source of this anomaly is located to the south of the Vondenblue showing. Moreover, with the high concentrations of Cr-Ni (see Figure 13), these two elements seem to indicate a limit or boundary of the copper anomalies, further suggesting that the source is south of the Vondenblue showing. Some trenching and/or drilling is recommended to investigate the source of soil anomaly MM1, which is located immediately south of Vondenblue showing.

- Zone **MM2** is defined by high concentrations of copper and Cu-Co-Sc (see Figures 10 and 12). Although secondary, this zone is located on the southern high hill of the sampling grid. It is of interest because of its shape and its 800-m length. This copper anomaly is probably a leakage anomaly and the source is possibly several tens of metres upstream. A drill hole (Target K) is recommended to investigate the source of soil anomaly MM2 (see compilation map in Appendix 2).

All this exploration work suggests that the copper mineralization of the Vondenblue area is of a supergene type, located along specific porous (sandstone/conglomerate) and/or reductive horizons (recifal limestone lens) and lying immediately on top of the volcanic flows.

To pursue exploration of the Vondenblue area, the source of MM1 soil anomaly, located immediately south of Vondenblue showing, should be investigated. A detailed soil survey is recommended, following by trenching of soil anomalies with detailed geological mapping, which should lead to the identification of drill targets. The same thing is recommended for the MM2 soil anomaly, where a drill hole is recommended (Target K). Furthermore, for the Vondenblue and Indice du Dimanche showings, a detailed soil survey is recommended, following by trenching of soil anomalies with detailed geological mapping, which should lead to the identification of drill targets. Additional lines of regional geochemical soil surveying are also recommended to investigate in eastern extension of the Vondenblue area.

Figure 10: Map of Cu Anomalies on the 2008 Vondenblue Grid, from Pelletier's Report

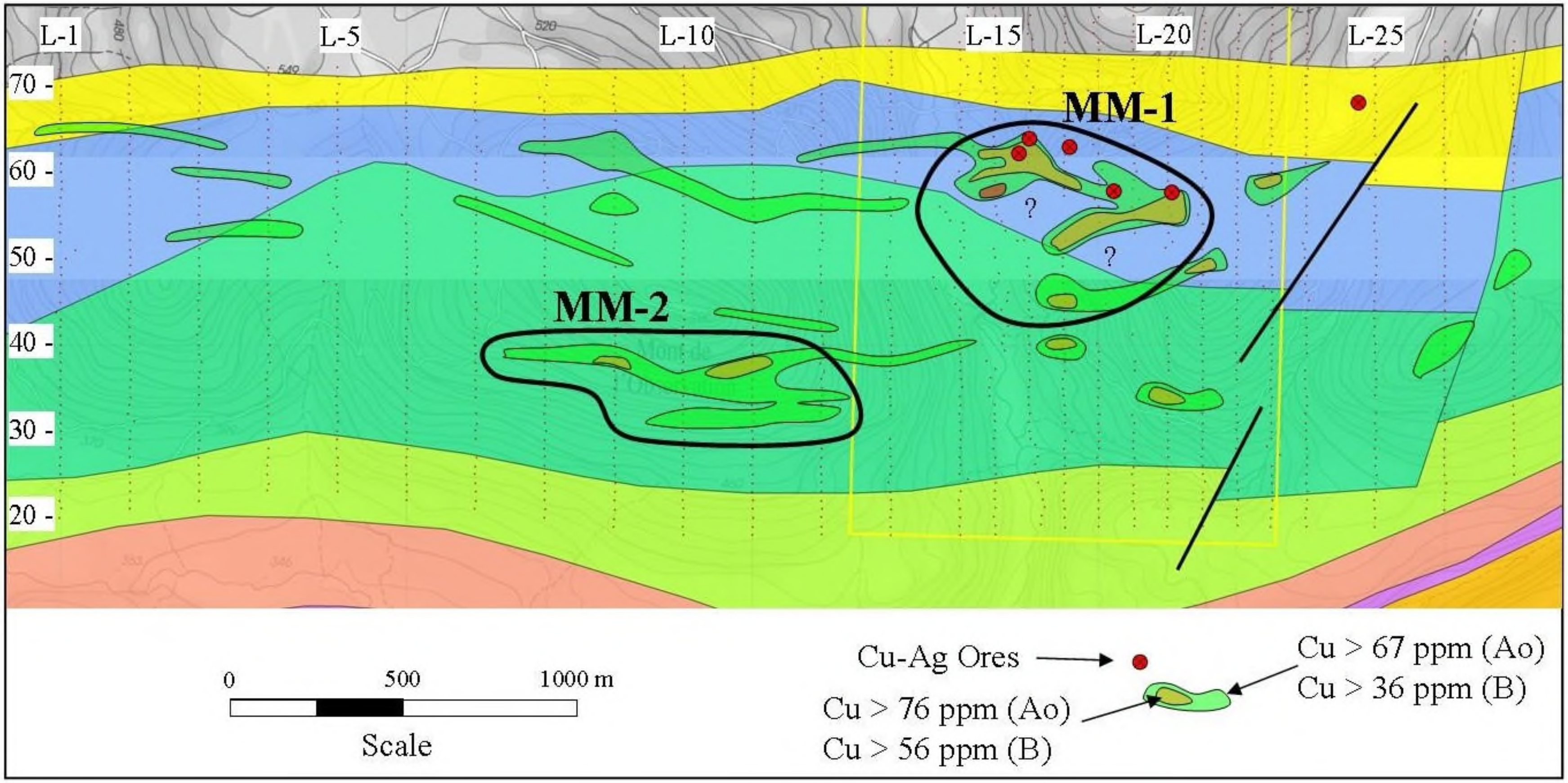


Figure 11: Map of Ag Anomalies on the 2008 Vondenblue Grid, from Pelletier's Report

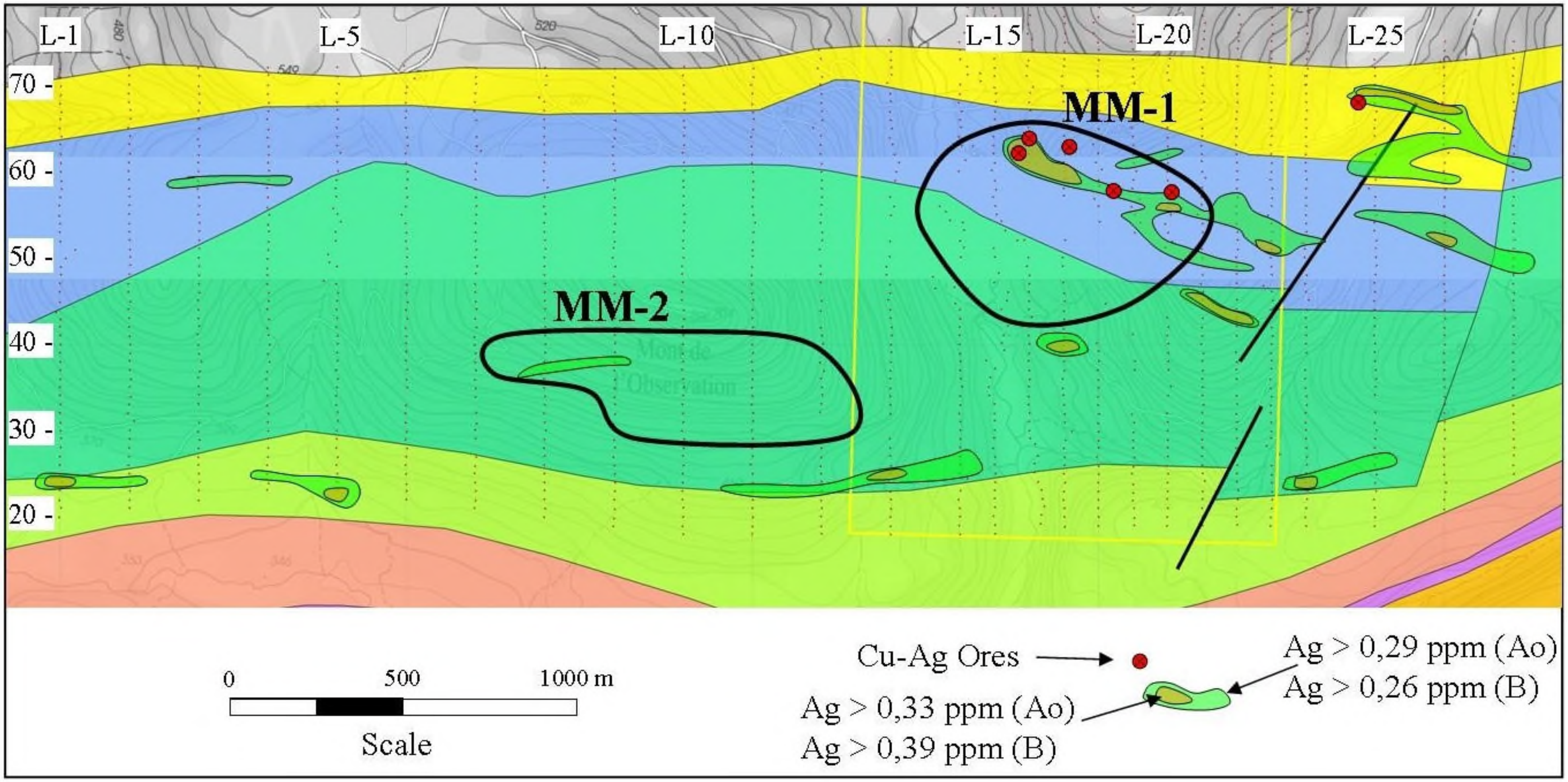


Figure 12: Map of Cu-Co-Sc Anomalies on the 2008 Vondenblue Grid, from Pelletier's Report

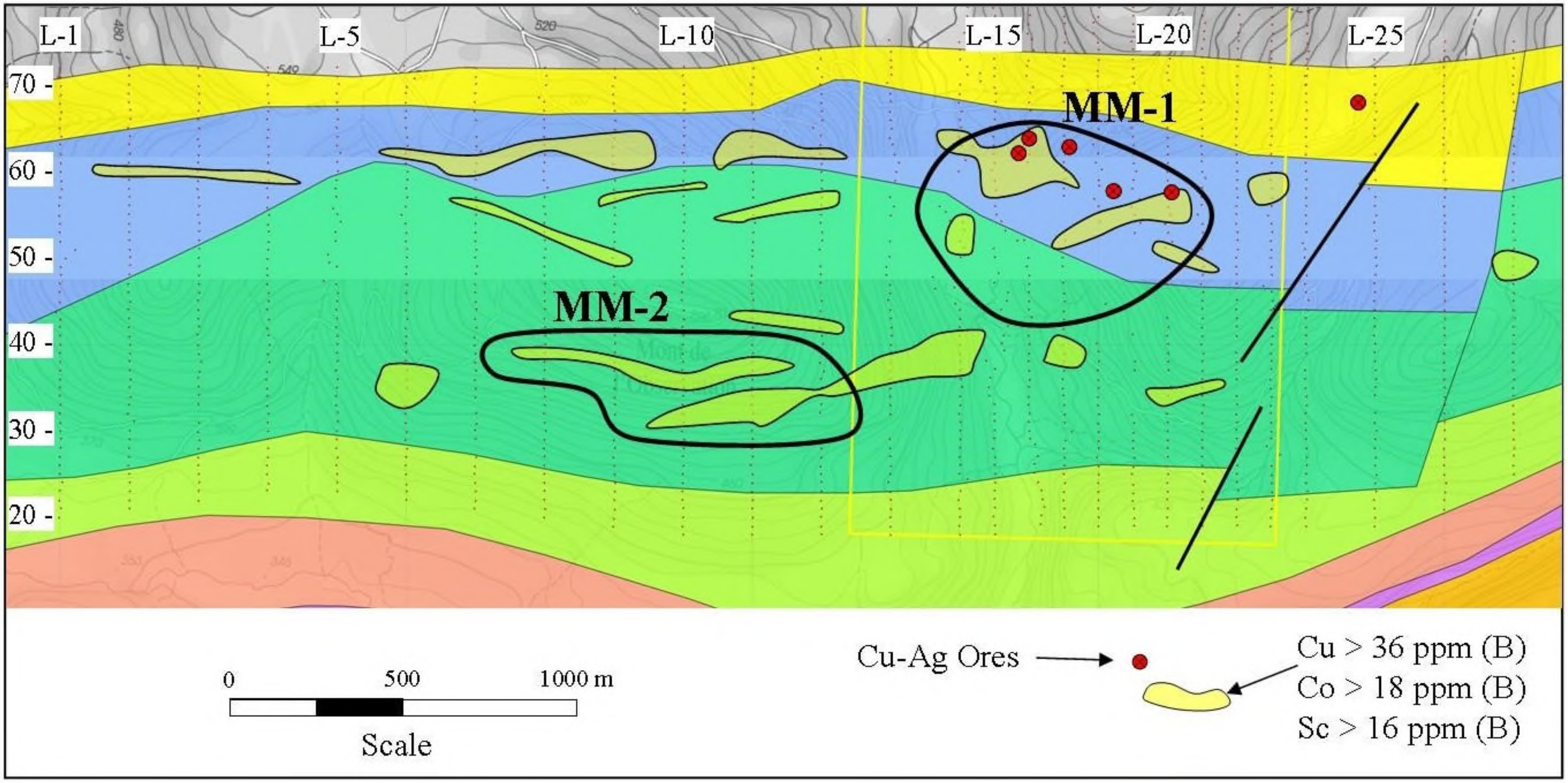
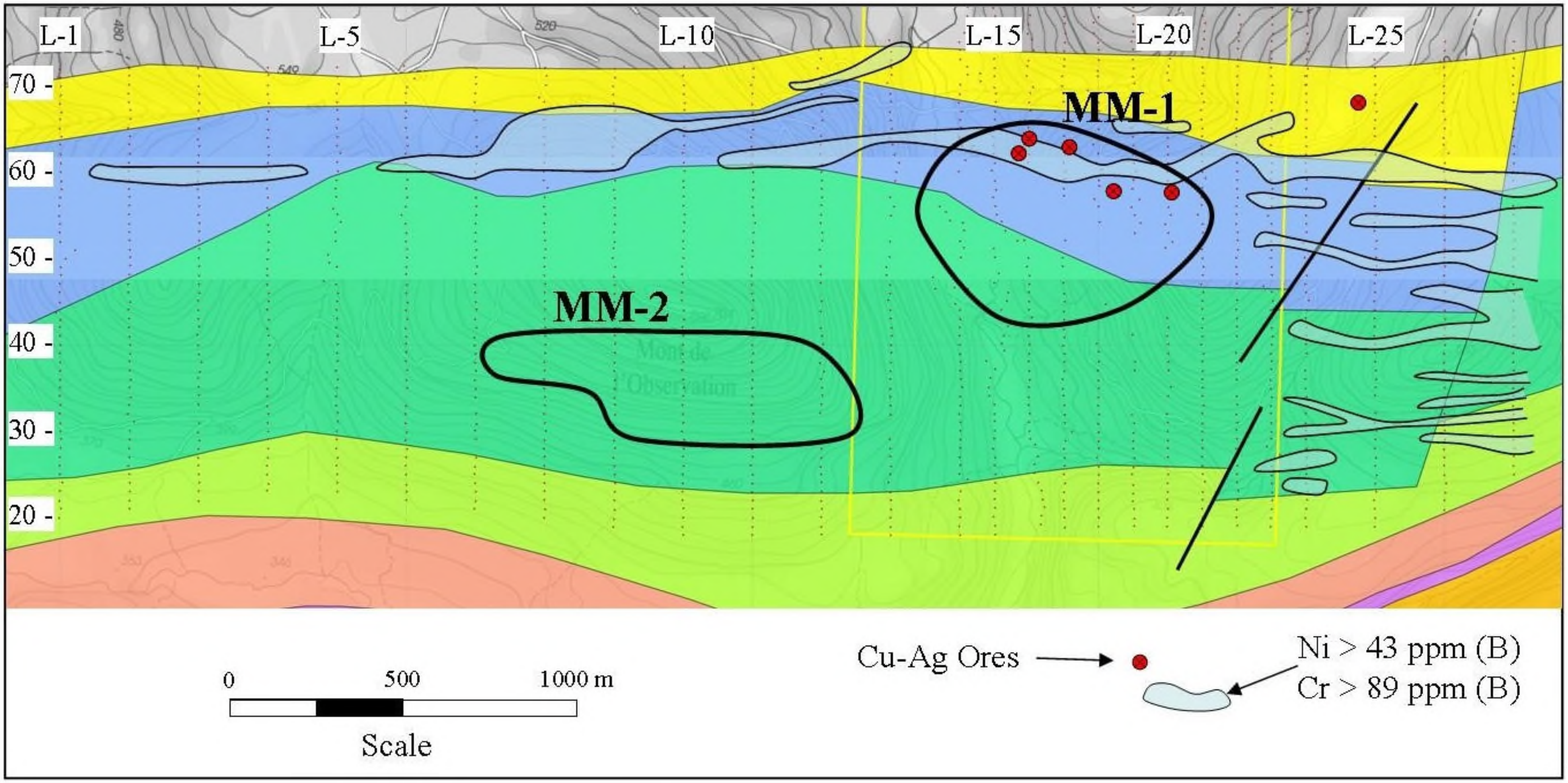


Figure 13: Map of Ni-Cr Anomalies on the 2008 Vondenblue Grid, from Pelletier's Report



9.1.2 Ruisseau Cantin Exploration Work

The Ruisseau Cantin area is located in the northwest corner of Raudin Township, some five kilometres along the southwest extension of the Vondenblue area.

No exploration work was reported for the Ruisseau Cantin area before 1994 and no sign of previous was observed during the 1994-95 program by Vital Arsenault et Associées (GM 53759, 53760, 53761 and 53762). The exploration program consisted of prospecting, soil geochemistry, trenching and VLF, IP and Mag geophysical surveying. The most interesting results came from Trench 95-01, with 0.32% Cu and 0.8 g/t Ag over 40.5 m, including 1.3% Cu and 1.4 g/t Ag over 4.0 metres. Mineralization consists of finely disseminated chalcocite and some bornite in the cement of a conglomerate and volcanic fragments within the conglomerate. This sedimentary unit is located stratigraphically immediately above the mafic volcanics (McKay Member).

In 1996, Raudin Exploration carried out Mag, VLF and IP geophysical surveying followed by drilling. Hole RC-96-01 under Trench 95-01 intercept only 497 ppm Cu over 2 m from 35 to 37 m and 523 ppm Cu over 2 m from 62 to 64 m. But drill hole sampling was limited to visual occurrence of malachite, whereas Metco core relogging has shown that they should have sampled all sections of favourable geology, even if no mineralization was observed.

In 2006-07, Metco (GM 63235, 63356 AND 63560) carried out a **compilation of previous exploration work**, a **geological reconnaissance** and **satellite imagery study** for the Ruisseau Cantin area:

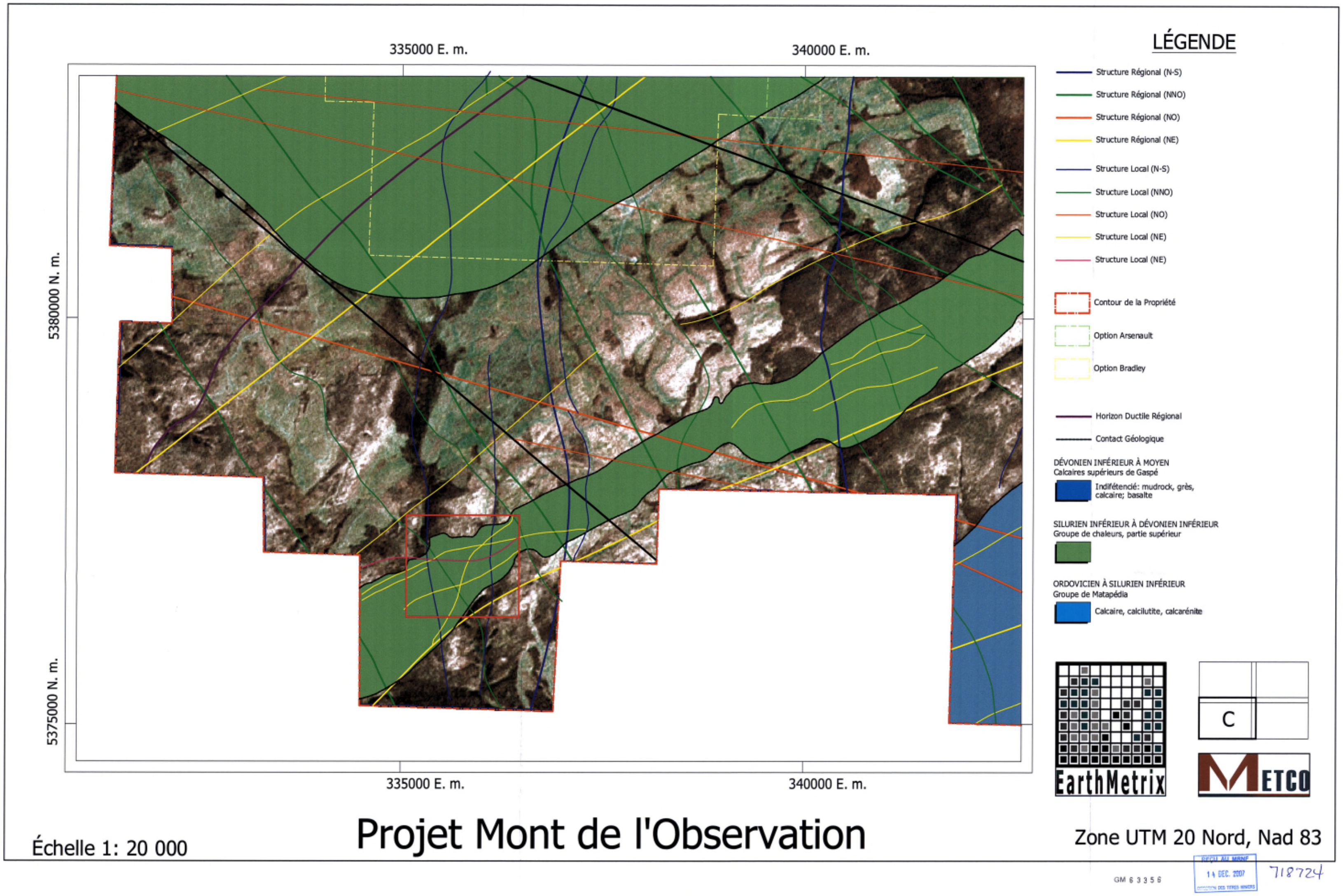
- The **compilation of previous exploration work** generated a compilation map (see Appendix 2) and delineated five copper-bearing sectors known as Vondenblue, Power, Ruisseau Cantin, Fer-à-Cheval and Triangle d'Argent. This compilation indicated that the mineralization of the area corresponded to the model for the formation of native copper orebodies of the Keweenaw Peninsula. With the established model, the key features indicating mineralization are along the faults, as the faults represent potential pathways for the circulation of the hydrothermal fluids, mainly where they cross porous horizons where native copper can be deposited.
- During the **geological reconnaissance,** several outcrops were examined to check the main rocks units. This confirmed the geological layout of the compilation map. A grab sample (62651) taken 3.4 km along the southwest extension of the Ruisseau Cantin work site of Arsenault and Raudin Exploration returned 4,340 ppm Cu (see

compilation map in Appendix 2), underscoring the strong potential for finding new mineralized showings in the area of the Native Cooper project.

- Although there were **no previous core hole available to relog** from Ruisseau Cantin, during the compilation of previous exploration results, specifically those from the Raudin Exploration drilling program (GM 56235), it became clear that sampling of the drill core had been limited to sections with visible copper mineralization. The core relogging and sampling done over the Vondenblue area demonstrated that it is quite difficult to observe the mineralization in drill core and it can easily be missed. A conglomerate without visual mineralization in the Hole V-97-30 was sampled as it is a favourable geological environment for the Keweenaw mineralization (this hole is not located on the compilation map as it is one of a group of holes not reported to the MRNFQ). On assaying, this conglomerate graded 0.48% Cu over 5 m. Furthermore, digesting small native copper specks mineralization has to be assayed with an aggressive digestion method, a “near-total digest method”, such as four-acid digestion, which was not the assaying method used by Raudin Exploration. It is therefore quite possible that the copper mineralization of the Raudin Exploration work site was underestimated.
- The **satellite imagery study** was initiated in relation to the consultation with Dr. Theodore J. Bornhorst, the main exploration guideline being to locate the main faults, as they represent potential pathways for the circulation of hydrothermal fluids, especially where they cross porous horizons where native copper can be deposited. The first step in locating faults is to study aerial imagery. Alain Moreau, Geol., M.Sc., of EarthMetrix Inc., a specialist in that field, was mandated to delineate the fault pathways on the property.[32] The drainage pattern of the area (see Figure 6, which is Figure 2 in the EarthMetrix report) is defined by the major transcurrent E-W faults and associated secondary NE-SW senestral and NW-SE dextral faults (see Figure 7, which is Figure 3 in the EarthMetrix report). A detailed structural map was produced for the Ruisseau Cantin area (see Figure 14, which is Structural Map Zone C in the EarthMetrix report). This delineation of fault pathways was added to the compilation map. It is quite remarkable that the known mineralized sites are located at the intersections of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type), as they are in the Keweenaw district (see the compilation map). The Triangle d’Argent, Fer-à-Cheval, Vondenblue and many other showings, as well the Raudin Exploration work site and the Metco reconnaissance sample in the Ruisseau Cantin area, are also found along one of these longitudinal stratigraphic faults and perpendicular faults.

[32] Interprétation structurale, Mont de l’Observation, Earthmetrix Inc., Alain Moreau, GM 63356, 2007.

Figure 14: Detailed Fault Pattern in the Ruisseau Cantin Area (Structural Map Zone C in the EarthMetrix Report)



In 2008, Breakwater and Regal (GM 64529) carried out a geochemical soil survey on the Vondenblue area, consisting of 29 lines oriented at 330°, generally 1.4 km long, spaced at 200 m. The survey therefore covered a rectangular area 1.4 km width by 5.6 km long, for a total of 1,588 soil samples (see compilation map in Appendix 2). The soil survey outline three anomalous zones, named **RR1**, **RR2** and **RR3** (see Figures 15 and 16, which are the maps of Cu and Ag anomalies on the Ruisseau Cantin grid, from Pelletier's report[33]).

- Zones **RR1** and **RR2** are mainly ascribable to the high copper concentrations. These zones lie on lines 7 to 10, respectively, between lines 12 and 15 and chainings 48 and 57 and 53 and 68. The copper concentrations range between 38.4 ppm and 79.6 ppm. These zones are not supported by high silver concentrations (see Figure 16) but are well defined by high concentrations of Fe-Ti-V (see Figure 17) and Cu-Co-Sc (see Figure 18). These two zones are possibly related to the geological horizon and seem to belong to the same geochemical assembly over nearly 2 km. Southeast of these two zones, a Fe-Ti-V assembly (see Figure 17) and Cu-Co-Sc assembly (see Figure 19) can be seen, with the same surface and shape but containing weaker Cu concentrations. The shape of these assemblies suggests possibly structural folds (anticline - synclinal) in relation to the anticline observed in the south (see Figure 20). These two zones belong to the same drainage basin (see Figure 20) and should be treated in priority.

RR1 Zone Samples	Cu (ppm)	RR2 Zone Samples	Cu (ppm)	RR2 Zone Samples	Cu (ppm)
RR07-49	64.7	RR12-53	38.4	RR15-55	40.0
RR07-52	44.2	RR13-53	39.8	RR15-61	50.0
RR08-48	39.8	RR13-59	63.8	RR15-67	70.8
RR08-55	79.6	RR14-58	46.0	RR15-68	41.2
RR09-56	44.4	RR14-63	44.4		
RR10-57	45.5				

- Zone **RR3** is mainly ascribable to high silver concentrations. This zone is located completely at the east of the grid of sampling on lines 26 to 28 between chaining 31 and 48. The highest silver concentrations vary between 0,39 and 0,78 ppm. This silver anomaly is slightly supported by some high copper concentrations. The main interest of this zone is the relatively high number of samples with silver

[33] Soil Geochemistry, Mont de l'Observation, Pelletier, M., GM 64529, Appendix 2, 2008.

concentrations. The zone is located on the southeastern side of a hill, and its source could lie a little farther northwest.

Samples	Ag (ppm)	Samples	Ag (ppm)
RR26-31	0.39	RR27-39	0.45
RR26-34	0.49	RR27-40	0.47
RR28-45	0.39	RR27-41	0.66
RR28-47	0.39	RR28-48	0.74
		RR27-44	0.78

Exploration on the Ruisseau Cantin mineralized site suggests that the copper mineralization consists of finely disseminated chalcocite and some bornite in the cement of a conglomerate and volcanic fragments within the conglomerate. This sedimentary unit is located stratigraphically immediately above the mafic volcanics (McKay Member).

To pursue exploration in Ruisseau Cantin area, sampling should be done along the ditch of the crossing road and above the Cu soil anomalies. A detailed soil survey covering RR1, RR2, RR3 and Ruisseau Cantin showing is recommended, followed by trenching of soil anomalies with detailed geological mapping, which should lead to the identification of drill targets in addition to the three drill holes recommended on soil anomalies RR1, RR2, RR3 (see targets L, M and N on the compilation map in Appendix 2). Additional lines of regional geochemical soil surveying are also recommended to investigate the east and west extension of the Ruisseau Cantin area.

Figure 15: Map of Cu Anomalies on the 2008 Ruisseau Cantin Grid, from Pelletier's Report

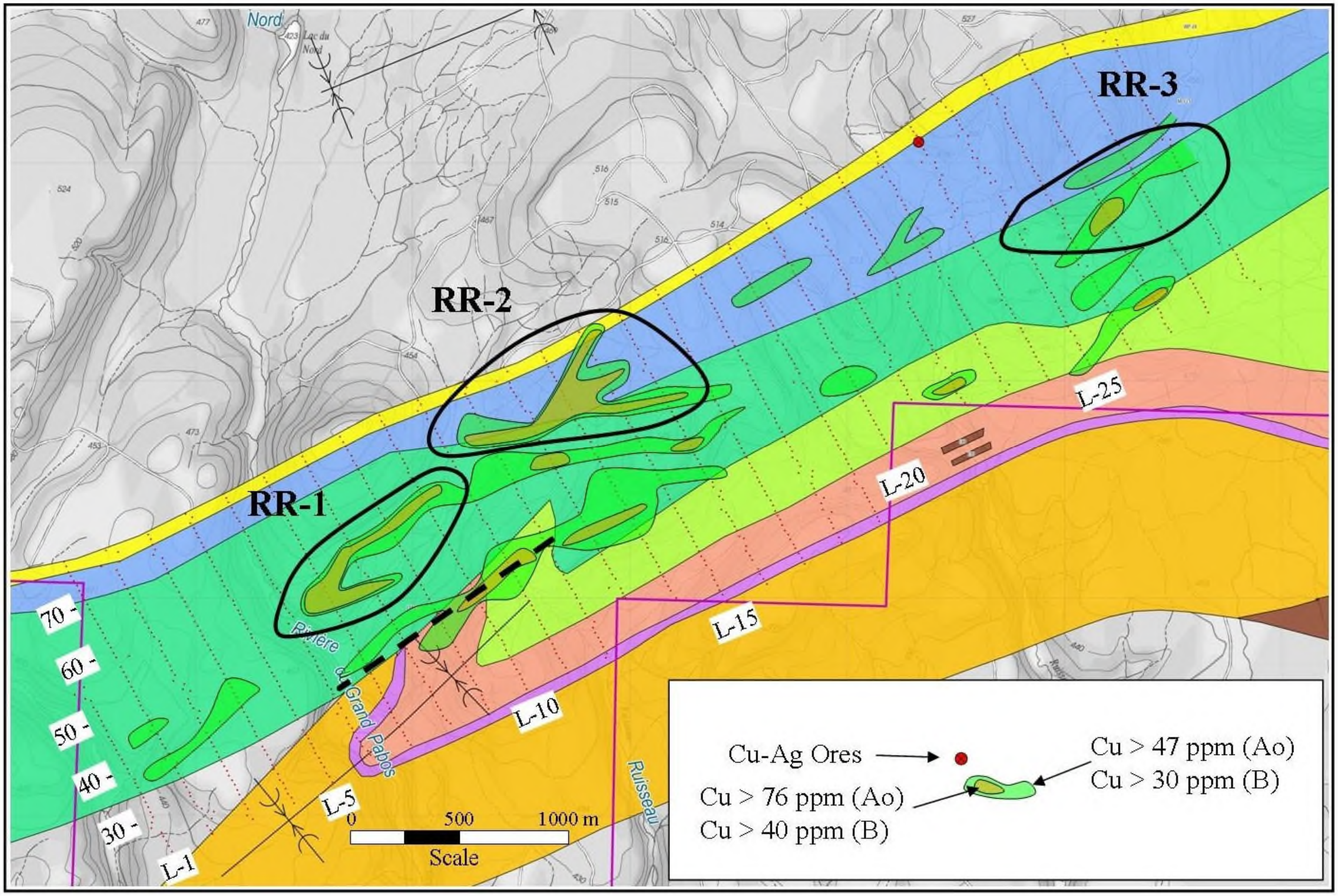


Figure 16: Map of Ag Anomalies on the 2008 Ruisseau Cantin Grid, from Pelletier's Report

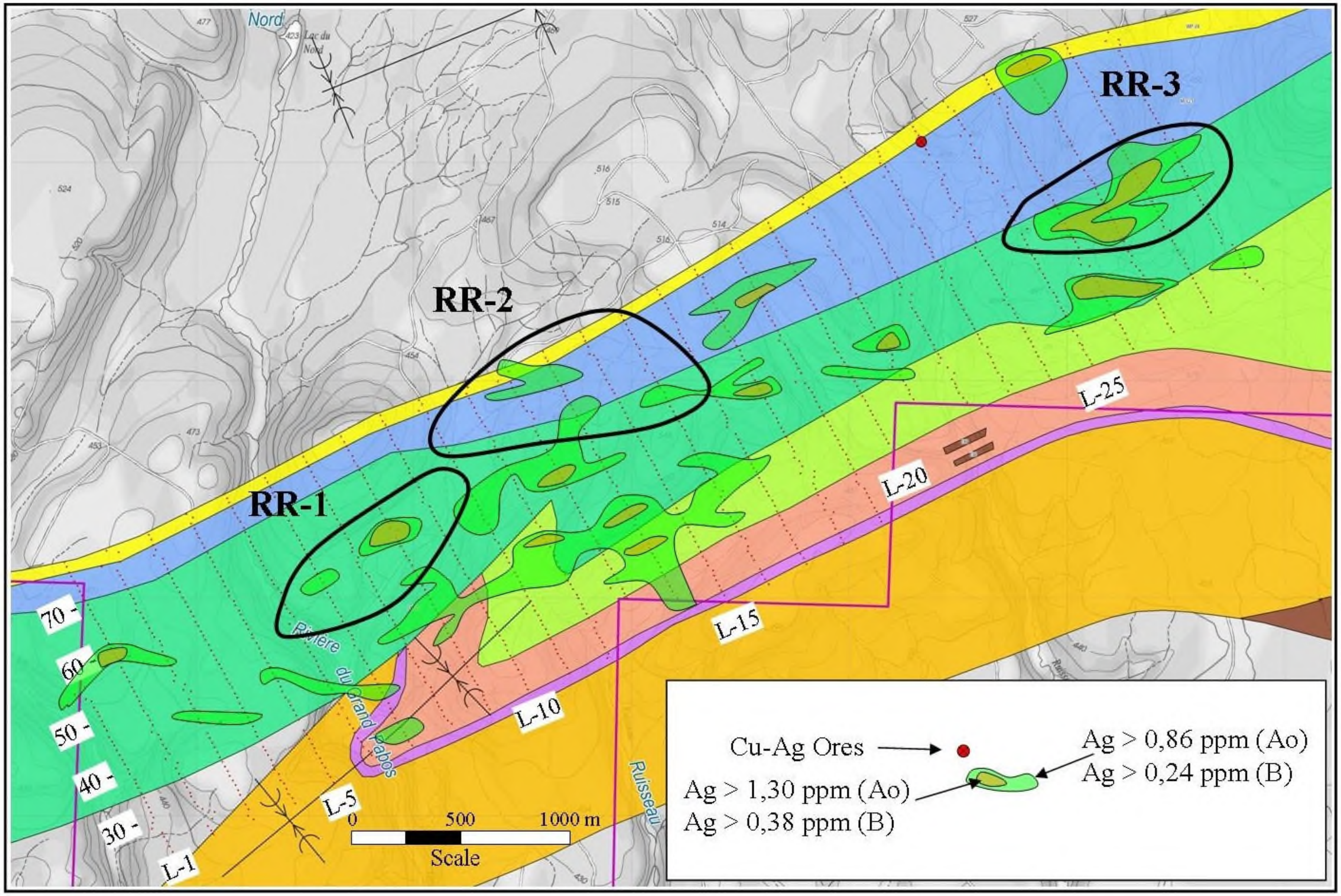


Figure 17: Map of Fe-Ti-V Anomalies on the 2008 Ruisseau Cantin Grid, from Pelletier's Report

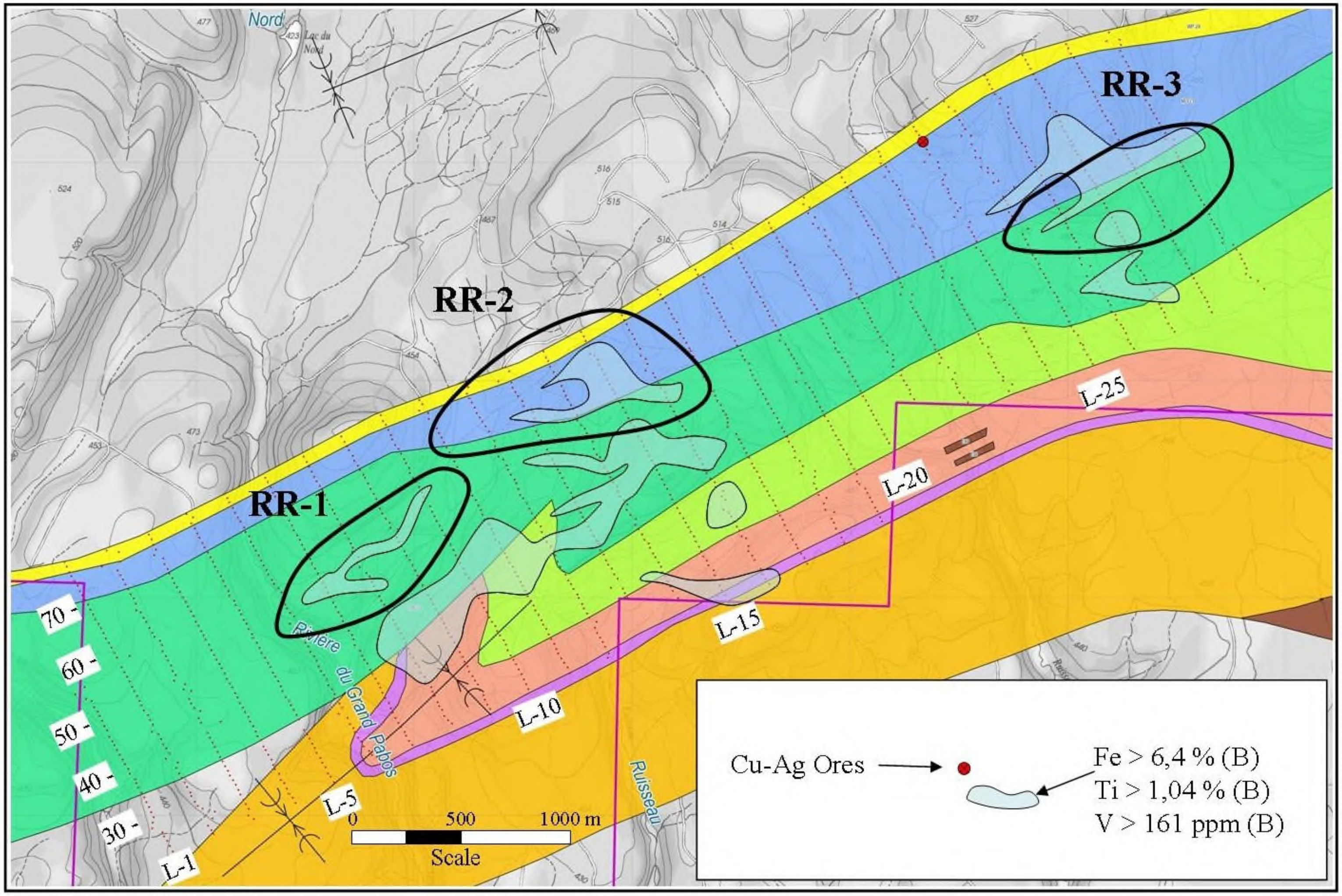


Figure 18: Map of Cu-Co-Sc Anomalies on the 2008 Ruisseau Cantin Grid, from Pelletier's Report

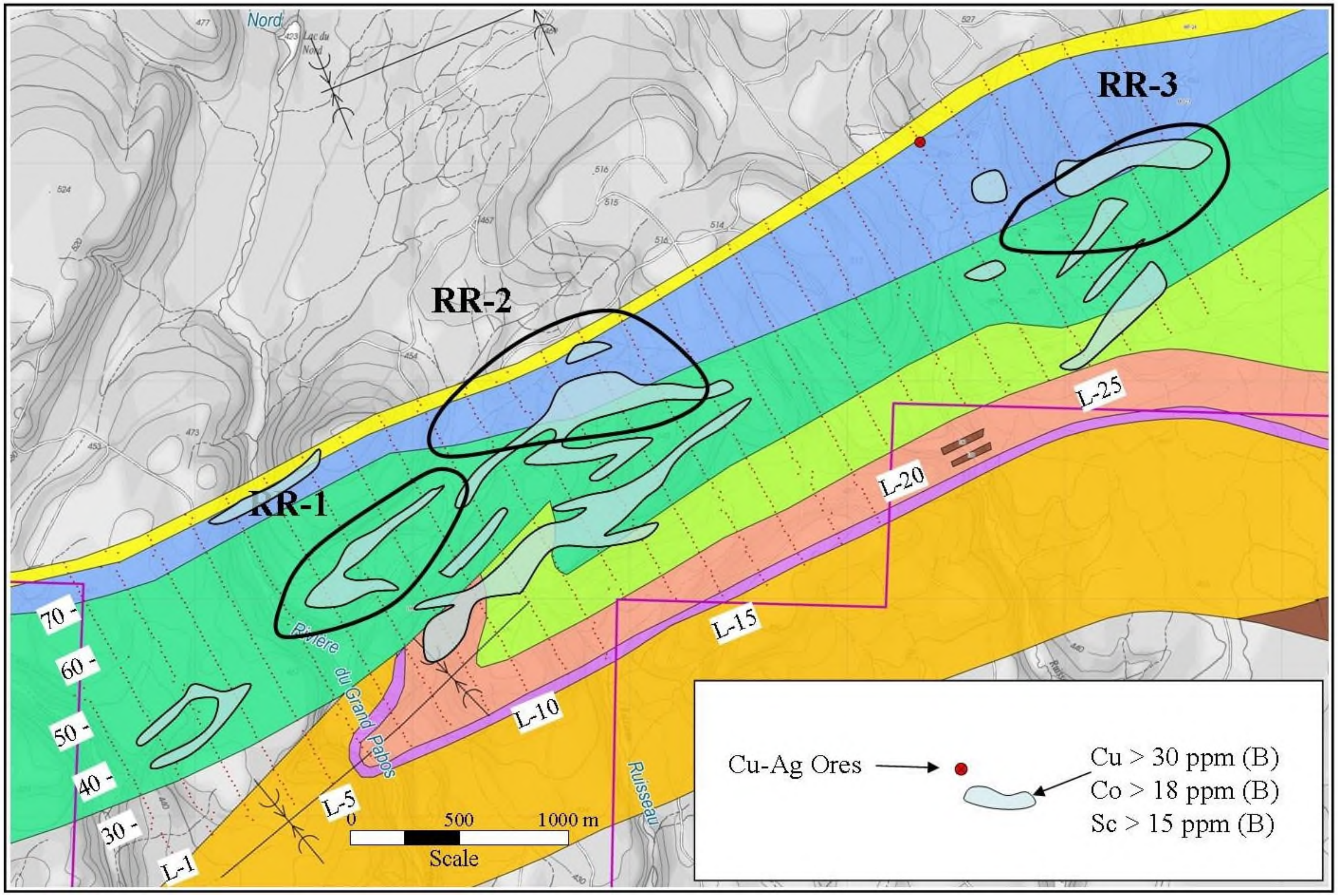
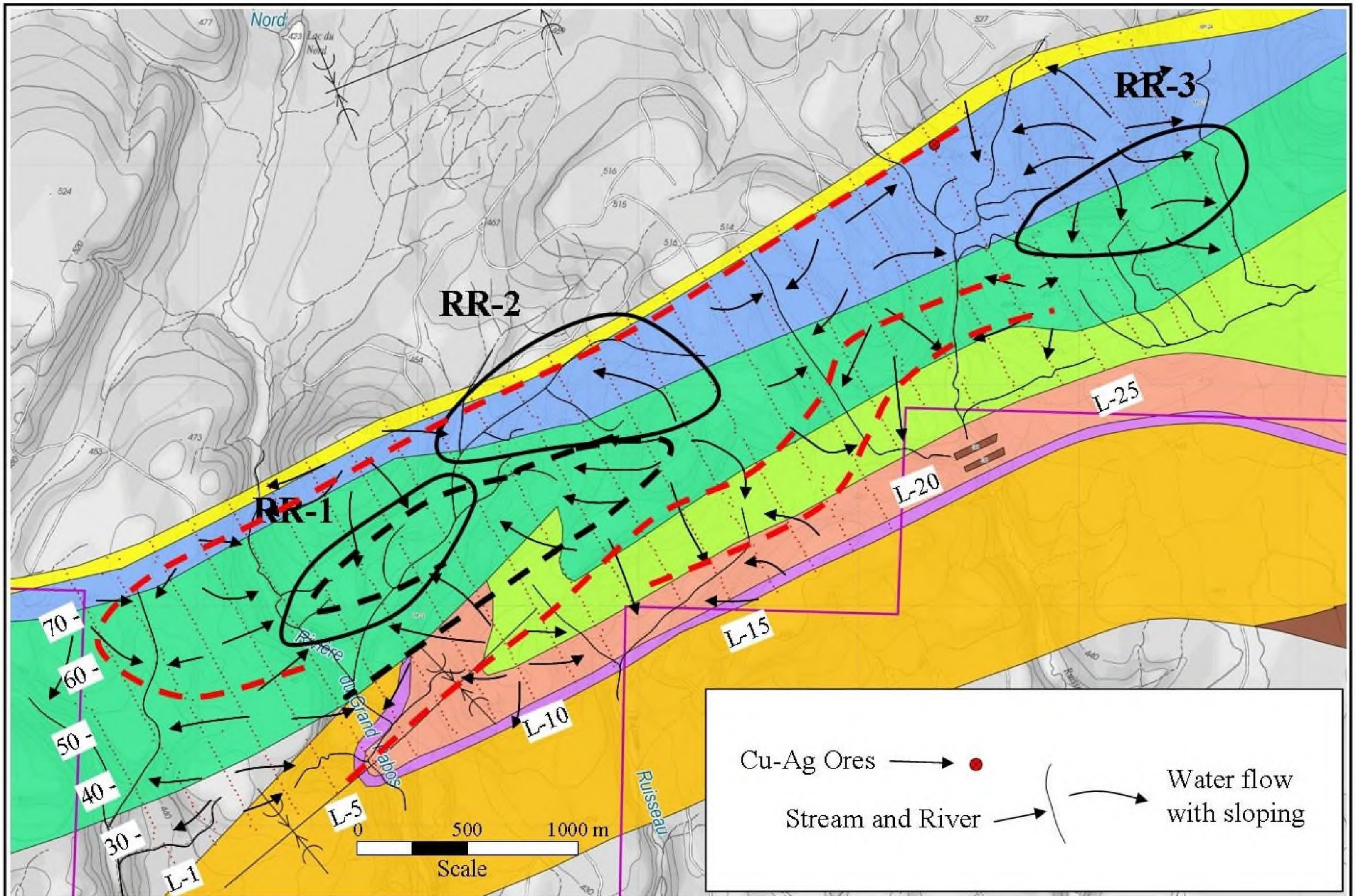


Figure 19: Drainage Pattern on the 2008 Ruisseau Cantin Grid, from Pelletier's Report



9.1.3 Power Exploration Work

The Power area is located some six kilometres north-northeast of the Vondenblue area. It covers the McKay volcanics, on the northern limb of the MAS.

In 1969, H.T. Nelson of Sunny Bank found malachite stain in the fossiliferous limestone immediately above the volcanics and staked the ground. The only reported documents are small maps of a geochemical and a magnetometer survey, with no significant features (GM 26327).

In 1970, Noranda Exploration Co. Ltd. carried out an exploration program but did not file a program report with the MRNQ.

In 1976-77, Gaspe Copper Mines Ltd. (GM 33329) carried out prospecting, geological mapping, a magnetometer survey, trenching and drilling. Three distinct sedimentary horizons hosted within the volcanics were found to contain traces of disseminated chalcocite. Some were traced over a distance of almost 100 metres. Five holes were drilled on the target horizons. Hole P5-76 returned the best result, with 0.28% Cu over 1.0 metre.

In 1996, Raudin Exploration carried out **Mag**, **VLF** and **IP geophysical surveying**, **soil geochemistry** (GM 53825 and 53826), **trenching** and **drilling**:

- The **Mag geophysical survey** established that:
  - The low magnetic band oriented at 315° on the southern part of the Raudin Exploration property corresponds to some sedimentary rock horizons of coral limestones, sandstones and mudstones of the Indian Point Formation.
  - The medium magnetic band immediately to the north corresponds to pyroclastic rocks alternating with thin conglomerate horizons. This alternance of NW-oriented rock forms a horizon around 100 m wide.
  - The following magnetic-high band with strong magnetic variation to the north corresponds to massive-to-porphyroblastic volcanic horizons of Mont Alexandre. These lavas form flows of irregular thickness, alternating with pyroclastic rocks spread out over 2,200 m, with a general thickness of 200 m.

  - The magnetic-low band in the northern part of the Raudin Exploration property corresponds to coral and algal limestones. These limestones are marbled and skarnified.
  - In terms of structural features, no fold was interpreted, although in the NW extension the lava flows are interrupt or curved to the north.
  - The lava flows lose their magnetism with hematization alteration.
- The **VLF geophysical survey** established that:
  - There are four conductive zones, qualifying as weak-to-medium.
  - The southern conductor qualified as medium is lightly magnetic. This conductor corresponds to the contact of volcanoclastic rocks and recifal limestone.
  - The next conductor to the north is weaker and follows the contact between the lavas and limestone. This conductor is associated with a magnetic low that corresponds to lapilli tuffs and limestones. This very thin conductor is possibly mineralized shears of chalcocite or a weak concentration of sulfides within the sediment matrix.
  - The next conductor to the north is sporadic and corresponds to the contact between the lavas and conglomerates.
  - The most northerly conductor, also the largest, corresponds to the contact between the conglomerates and coral limestone. At the strongest, widest part of the conductor, Cu showings were found along the logging road. The mineralization consists of disseminated, small veins and veins of chalcocite, bornite and malachite within weakly hematized lavas. This conductor corresponds to an IP anomaly.
- The **IP geophysical survey** established that:
  - The low resistivity zones correspond to VLF conductors.
  - The low resistivity zones do not correspond to the chargeability zones, and therefore do not contain sulfides.
  - The low resistivity zones correspond to highly sheared zones.
  - The IP survey did not detect some significative chargeability zones, either because there are no sulfide concentrations or because the chalcocite and bornite are only weakly polarizable.
- The **soil geochemistry** survey resulted in the following:
  - Cu anomalies were outlined in the southeast part of the property. The northern one is 80 m width by 900 m long and strikes 275°, while the southern one has CU values that are weaker but correspond to Ag values.

- Cu anomalies were outlined in northwest part of the property, with three narrow bands of isolated Cu values.
- The Cu anomalies correspond to lava flows with blocky or lapilli tuffs and conglomerates.
- Ag anomalous values are low and do not outline defined zones but generally correspond to Cu anomalies.
- Au anomalous values were reported on the southeast border of the property.
- A Ca anomaly was outlined at the southeast border of the property, corresponding to a coral limestone.
- Ca anomalies were outlined in the northwestern part of the property, which corresponds to a limestone area visible on the magnetic map.

- The **trenching program** consisted of three trenches:
  - Trench TR-95-01 was dug over conglomerate horizons. The conglomerate pebbles have a diameter of 30 to 40 cm and consist mainly of andesite. These conglomerates are sheared in places at 295° subvertical and alternate with hard, light green andesitic lava flows 1 to 2 m wide. The sheared zones are hematized and contain some clay. The geology along the trench from south to north is:
    - 0 to 20 m: Shear zone with hematite and clay.
    - 20 to 25 m: Andesite.
    - 25 to 35 m: Shear zone with hematite and clay.
    - 35 to 40 m: Andesite.
    - 40 to 50 m: Shear zone with hematite and clay.
    - 50 to 55 m: Sandstones and lapilli tuffs with traces of malachite.
    - 55 to 120 m: Alternance of sandstones, lapilli tuffs and thin lava flows.
  - Trench TR-95-02 is only 3 m long over a massive volcanic. A grab sample graded 1.47% Cu and 9 g/t Ag.
  - Trench TR-95-03 was dug over marbled coral limestone. No mineralization was observed.
- The **drilling program** consisted of two holes drilled to intersect two weak IP anomalies located on lines 0+00 and 1+00E near the baseline:
  - Hole P-95-01, planned to be 125 m long, was stopped at 85 m due to mechanical problems, and therefore did not reach the target zone of chargeability, nor did it intersect any Cu mineralization along the way. The geology along the hole is:

    - 3.0 to 57.1 m: Alternance of fine sandstones and dark grey to black graphitic shale dipping 80° southeast.
    - 57.1 to 61.7 m: Magnetic and hematized lapilli tuffs dipping at 70° southwest.
    - 61.7 to 68.4 m: Alternating coral breccia and fine mudstone.
    - 68.4 to 72.7 m: Conglomerate/arkose and lapilli tuff.
    - 72.7 to 85.0 m: Alternating layers of arkose/mudstone/brecciated reef material.
  - Hole P-95-02, planned to be 125 m long, was stopped at 78.5 m due to mechanical problems, and therefore did not reach the target zone of chargeability, nor did it encounter any Cu mineralization along the way. The geology in the hole is similar to that in hole P-95-01.

In summary, the work done by Raudin Exploration in 1996 established that:

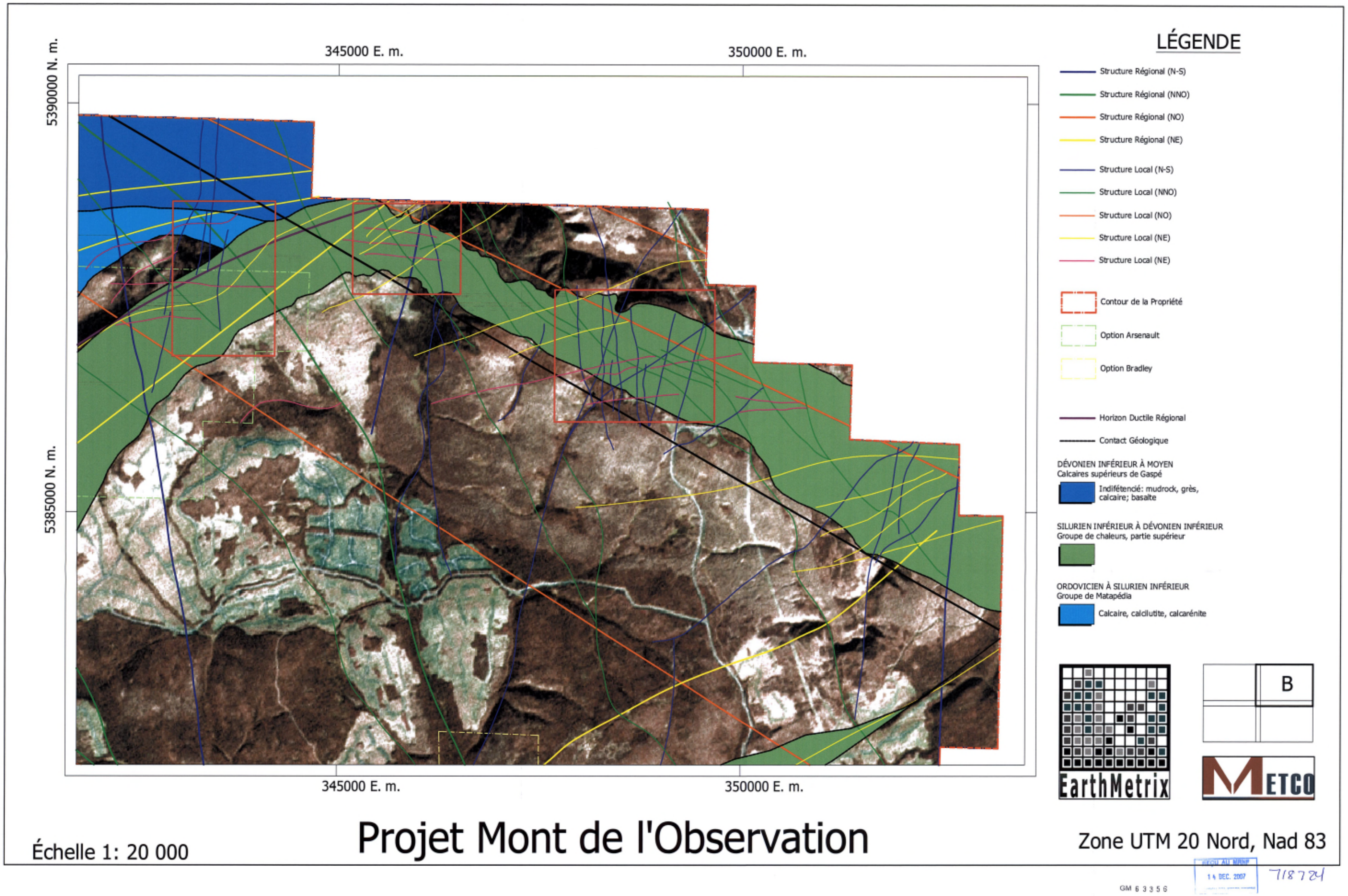
- Magnetometer surveys can associate magnetic banding to a specific geological horizon because of the specific susceptibility of the rock type.
- The magnetometer survey indicated that there are no folds in the geological horizons.
- The magnetometer survey indicated that the lava flows lose their magnetism with hematization alteration.
- VLF surveys can outline the contacts between geological formation because these contacts are generally sheared.
- The IP survey demonstrated that the conductive zones are not associated with chargeability zones and therefore do not contain sulfides.
- The IP survey did not detect some significant chargeability zones, either because they had no sulfide concentrations or because the chalcocite and bornite are only weakly polarizable.
- The soil geochemistry survey outlined five Cu anomalies and yielded two samples with gold content. These anomalies remain to be explored.
- The trenching program did not encounter significant mineralization except for a grab sample of 1.47% Cu and 9 g/t Ag.
- The holes drilled did not reach the chargeability zone due to mechanical problems. The holes did not encounter any Cu mineralization along the way.
- The best copper mineralization was not related to the Noranda showings, but was located within a coral breccia immediately overlying the volcanics.

In 2006-07, Metco (GM 63235, 63356 and 63560) carried out a **compilation of previous exploration work**, a **satellite imagery study** and a **geochemical soil survey** in the Power area:

- The **compilation of previous exploration work** generated a compilation map (see Appendix 2) and delineated five copper-bearing sectors known as Vondenblue, Power, Ruisseau Cantin, Fer-à-Cheval and Triangle d'Argent. It indicated that the mineralization of the area fit the model for the formation of native copper ore bodies of the Keweenaw Peninsula. The established model indicates that the key indicting features for mineralization are along the faults, as these can represent pathways for the circulation of the hydrothermal fluids, mainly where they cross porous horizons where native copper can be deposited.
- The **satellite imagery study** was initiated in relation to the consultation with Dr. Theodore J. Bornhorst, the main exploration guideline being to locate the main faults, as they represent potential pathways for the circulation of hydrothermal fluids, especially where they cross porous horizons where native copper can be deposited. The first step in locating faults is to study aerial imagery. Alain Moreau, Geol., M.Sc., of EarthMetrix Inc., a specialist in that field, was mandated to delineate the fault pathways on the property.[34] The drainage pattern of the area (see Figure 6, which is Figure 2 in the EarthMetrix report) is defined by the major transcurrent E-W faults and associated secondary NE-SW senestral and NW-SE dextral faults (see Figure 7, which is Figure 3 of EarthMetrix report). A detailed structural map was produced for the Power area (see Figure 20, which is Structural Map Zone B in the EarthMetrix report). This delineation of fault pathways was added to the compilation map. It is quite remarkable that the known mineralized sites are located at the intersections of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type), as they are in the Keweenaw district (see compilation map). The Triangle d'Argent, Fer-à-Cheval, Vondenblue and many other showings, as well as the Power area, are also found along one of these longitudinal stratigraphic faults and perpendicular faults.

[34] Interprétation structurale, Mont de l'Observation, Earthmetrix Inc., Alain Moreau, GM 63356, 2007.

Figure 20: Detailed Fault Pattern in the Power Area (Structural Map Zone B in the EarthMetrix Report)



- The **geochemical soil survey** in the Power area consisted of 21 lines oriented at 030°, generally 750 m long, spaced at 100 m. Thus, the survey covered a rectangular area 0.75 km wide by 2.0 km long for a total of 613 soil samples (see compilation map in Appendix 2). The soil survey outlined three anomalous zones named **PP1**, **PP2** and **PP3** (see Figures 21 and 22, which are the maps of Cu and Ag anomalies on the Power Grid, from Pelletier's report[35]).
    - Zone PP1 is the main anomaly of the Power Grid and extends over 700 m (see Figure 21). It is mainly ascribable to the high copper and silver concentrations (see Figure 22) in western part of the grid. High lead and arsenic concentrations are also found in the western part of the grid (not illustrated). This zone ranges from lines 10 to 19 and chainings 06 and 20. The copper concentrations range between 60 ppm and 261 ppm. The zone corresponds to the contact between conglomerates and volcanics. The eastern part is characterized by an elongated Ca anomaly (see Figure 23) that corresponds to the contact of conglomerates and volcanics. Furthermore, the Ca zone is supported by a Co-Cr-Ni zone (not illustrated) that may represent a carbonated zone of volcanic rocks.
    - Zone PP2 and PP3 look linked because they are associated with a conductor or its extension (see Figure 21). These zones are ascribable to the high copper and silver concentrations (see Figure 22). They lie on lines 01 to 04, respectively, between lines 10 and 20, and chainings 27 and 30 for the western part and 21 and 23 for the eastern part. The copper concentrations range from 60 ppm to 170 ppm. These zones are supported by Ca concentrations (see Figure 23).

[35] Géochimie des sols, Mont de l'Observation, Pelletier, M., GM 63560, Appendix 5, 2007.

Figure 21: Map of Cu Anomalies on the 2007 Power Grid, from Pelletier's Report

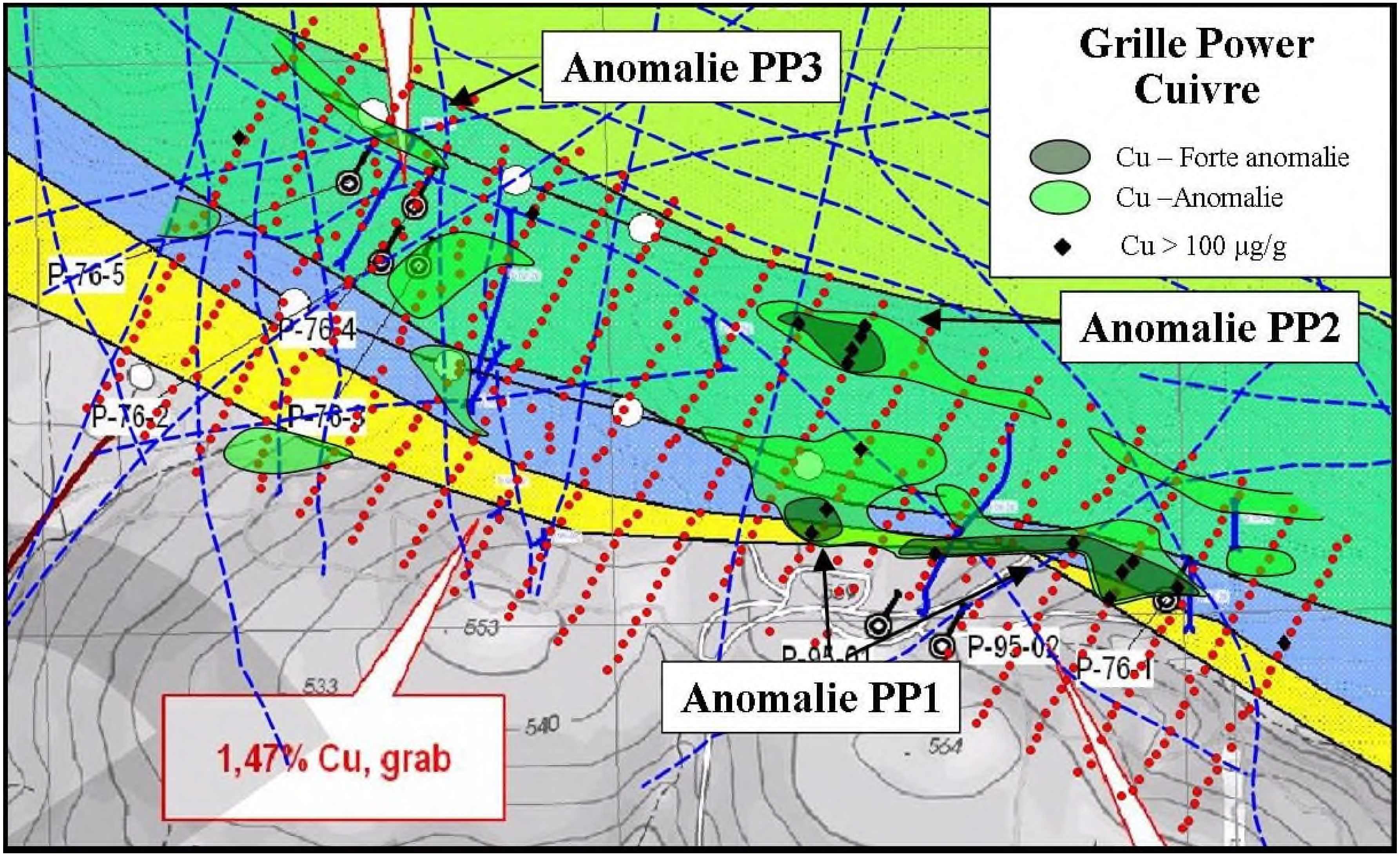


Figure 22: Map of Ag Anomalies on the 2007 Power Grid, from Pelletier's Report

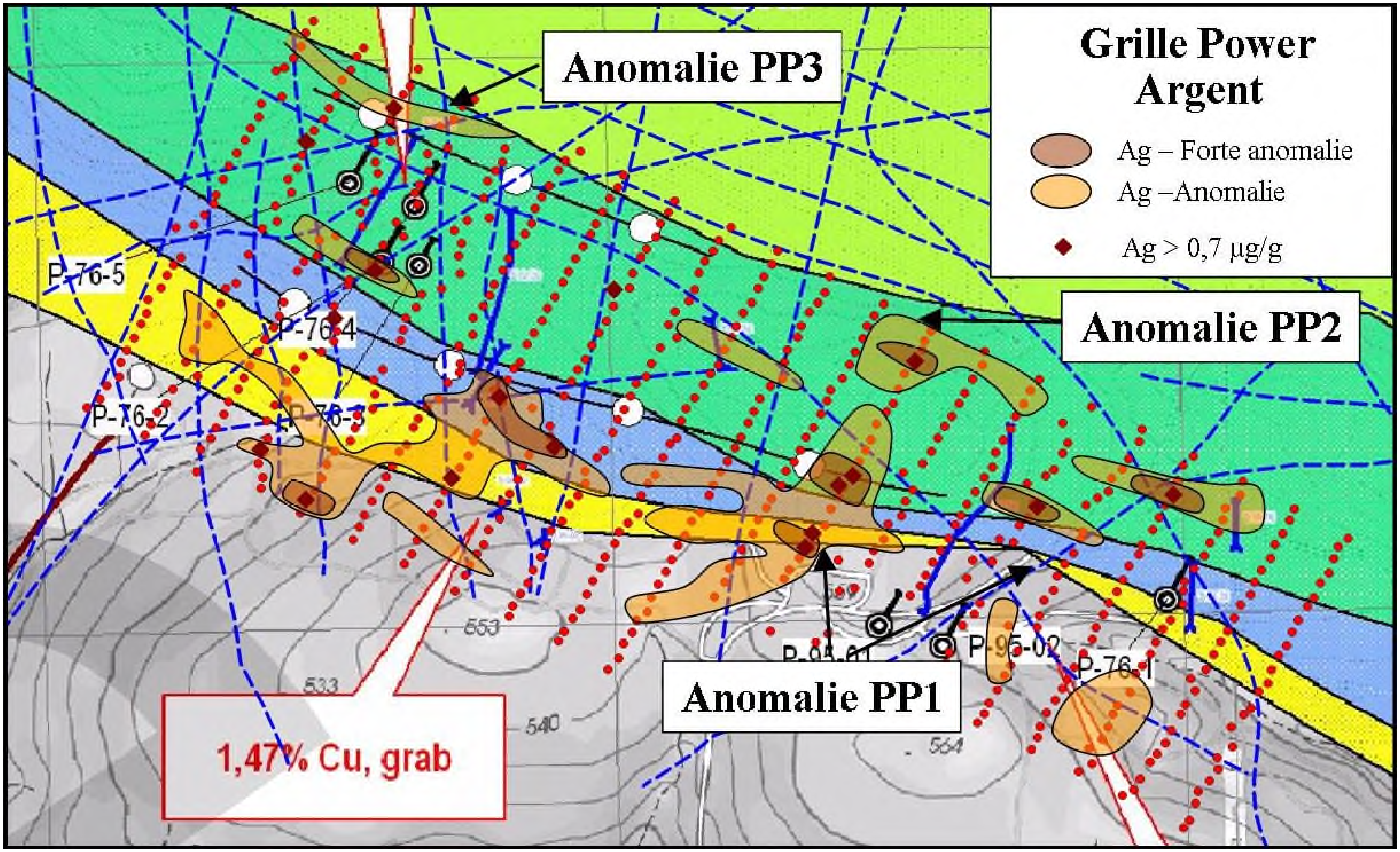
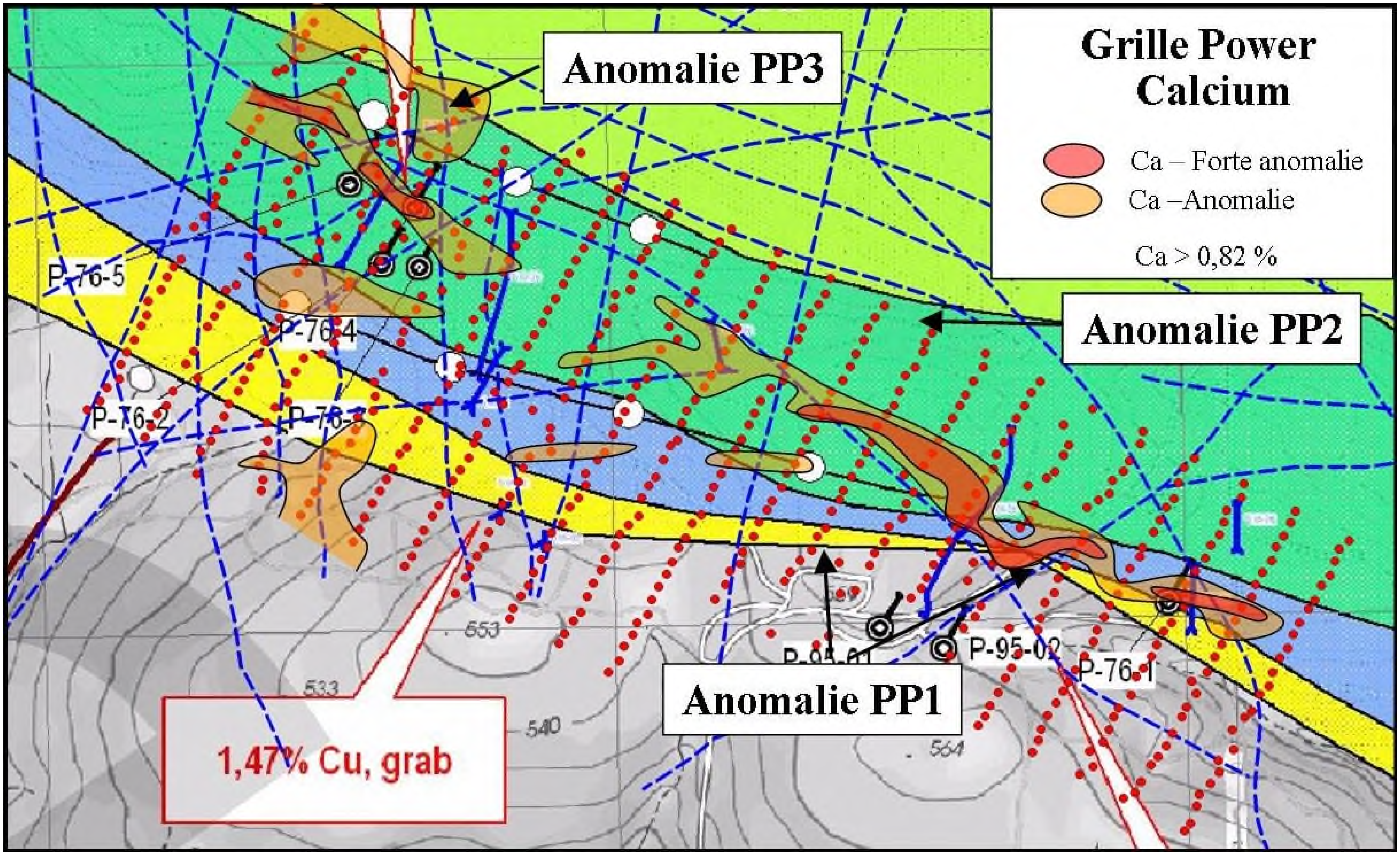


Figure 23: Map of Ca Anomalies on the 2007 Power Grid, from Pelletier's Report



In 2008, Breakwater and Regal (GM 64529) carried out a prospecting program in the Power area, over the anomalies defined by the geochemical soil survey done by Metco in 2007. During the program, 18 grab samples were taken across the Power area. None returned a significant Cu content. The prospecting failed to find any new showings. One explanation is that no other showings exist around the previous finds, where the 2007 soil surveys were done. A second explanation is whatever caused the soil anomalies is hidden by the overburden. A third explanation is that what they were looking for, namely native copper in the porous rocks, represented by vesicles, brecciated flow tops, conglomerate and sandstone, is very difficult to see, and the prospector missed it. For both the second and third explanations, drilling the soil anomalies is the alternative approach for defining the associated mineralized zones.

The exploration work in the Power area tends to indicate that the copper mineralization is of a supergene type, located within a recifal conglomerate immediately overlying the volcanics. The geological setting and mineralization of the Power area are therefore very similar to those of the Vondenblue area.

To pursue exploration in the Power area, a detailed soil survey covering PP1, PP2 and PP3 is recommended, followed by trenching of soil anomalies with detailed geological mapping, with the goal of identifying drill targets in addition to the three drill holes recommended on soil anomalies PP1 and PP2 (see targets H, I and J on the compilation map in Appendix 2). Additional lines of regional geochemical soil survey are also recommended to investigate the west extension of the Power area.

9.1.4 Northeastern extension of Fer-à-Cheval Exploration Work

The Fer-à-Cheval area is located along the volcanic horizon on the northern limb of the MAS, in the northwest quarter of the Native Copper project

In 2010, Breakwater and Regal (GM 65326) carried out a limited prospecting program of 5 days totalling 31 grab samples over the northeastern extension of Fer-à-Cheval area, a region of The Native Cooper Project which no previous work is reported. The prospecting program targeting a region of a combination of favourable geology with favourable fault system. The geology confirmed the layout of mineralized favourable host rock for this part of the Native Copper project which is the porphyritic grey-green basalts containing up to 30% phenocrysts of labradorite and bytownite (see the Compilation Map in Appendix 2). These flows are mostly hematized, taking a reddish-brown colour. The prospecting found one copper mineralized outcrop and 8 mineralized boulders. The mineralized grab sample from the outcrop yields 559 ppm of copper (see Figure 24, Mineralized outcrop). The mineralized grab samples from boulders yield between 209 to 13,450 ppm of copper (see the location on the compilation map in Appendix 2 and the photos on Figures 25 to 27). This copper mineralization was discovered within an area where no previous mineralization was reported. That confirms it is possible to discover new showing within the favourable host rock unit.

The exploration work done in the Fer-à-Cheval area tends to indicate that the copper mineralization is of a supergene type, consisting of bornite-chalcocite and malachite within vacuolar and porphyroblastic volcanics.

To pursue exploration of northeastern extension of the Fer-à-Cheval area, a regional geochemical soil surveying is recommended to investigate the eastern extension of the Fer-à-Cheval area.

Figure 24: Mineralized outcrop, sample 12974, 559 ppm Cu, UTMZ20 342790E-5387140N

Figure 25: Sample 12961, 1,870 ppm Cu

Hematized basalt with epidotized feldspar phenocryst

Figure 26: Sample 12975, 13,450 ppm Cu

Amygdular basalt, 1% chalcocite and malachite

Figure 27: Sample 12979, 2,900 ppm Cu

Feldspar phenocryst basalt, chalcopyrite seams

9.1.5 Northwest Extension of Triangle d'Argent Exploration Work

The Triangle d'Argent area is located about 3.5 km southwest of the Fer-à-Cheval area, along the volcanic horizon on the northern limb of the MAS, in the northwest quarter of the Native Copper project.

In 2008, Breakwater and Regal (GM 64529) carried out an extensive **geochemical soil survey** in the northwest extension of Triangle d'Argent area. It consisted of 28 lines 1.8 to 5.1 km long, spaced at 200 m and oriented at 320°. Thus, the survey covered a more or less triangular shaped area 5.2 km by 5.1 km for a total surface of 18.65 square kilometres. A total of 3,820 soil samples were taken (see compilation map in Appendix 2). The soil survey outlined four anomalous zones named LL1 to LL4 but only the zone **LL2** is located within the Gespeg claims (see the compilation map in Appendix 2).

The zone **LL2** is mainly ascribable to high copper concentrations. It is located at the western edge of the sampling grid, on lines 1 to 4 between chaining 191 and 206 (see Figure 28, which is the map of Cu anomalies on the Lac Mourier Grid of Pelletier's report[36]). The zone remains open towards the west and contains copper concentrations ranging from 59.1 ppm to 99.6 ppm. This copper anomaly is supported by high silver values (see Figure 29), Fe-Ti-V values (see Figure 31) and Co and Sc values (see Figure 32).

Sample	Cu (ppm)
LL12-147	63.5
LL13-142	75.9
LL14-139	74.8
LL14-141	57.9
LL14-144	68.4
LL14-145	65.3
LL15-125	59.0
LL15-132	57.0
LL16-126	55.2
LL16-127	65.4

This anomaly of more than 600 m in length is at the west of a huge sector enriched in Ni-Cr (see Figure 30), possibly limited by a fault. This zone appears to have good copper potential because it contains 12 copper-rich samples and is well supported by the other geochemical elements.

[36] Soil Geochemistry, Mont de l'Observation, Pelletier, M., GM 64529, Appendix 2, 2008.

However, the soil survey lines are not oriented entirely parallel to the stratigraphy as indicated by the 2008 airborne Mag gradient (see “Compilation Map on MAG Gradient” in Appendix 2). It is therefore recommended that a detailed soil survey covering LL2 be conducted, followed by trenching of soil anomalies with detailed geological mapping, which should lead to the identification of drill targets. Additional lines of regional geochemical soil survey are also recommended to investigate the western part of Lac Mourier, where the geology was subparallel to the line orientation of the 2008 Breakwater soil survey.

Figure 28: Map of Cu Anomalies on the 2008 Triangle d'Argent Grid, from Pelletier's Report

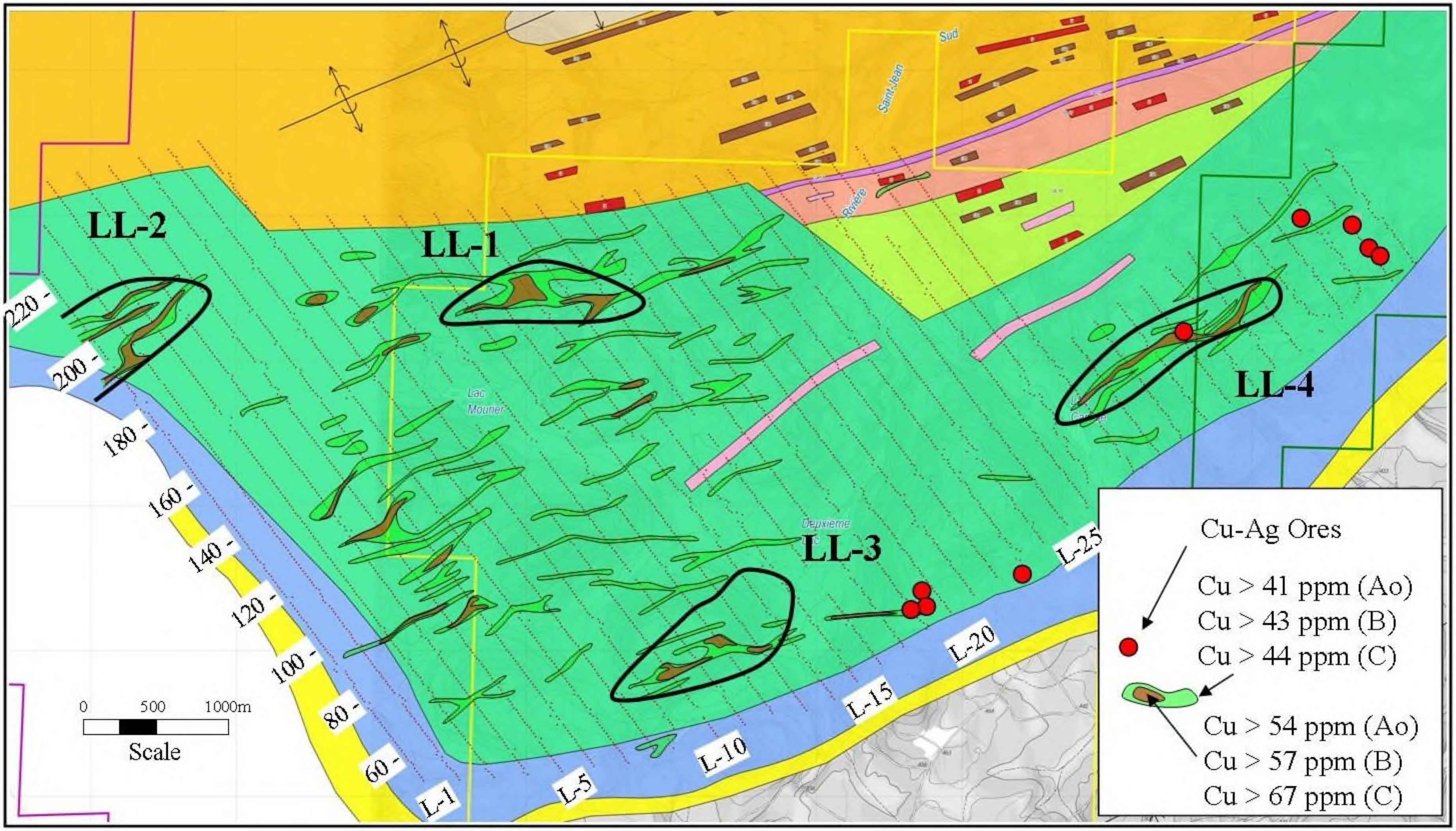


Figure 29: Map of Ag Anomalies on the 2008 Triangle d'Argent Grid, from Pelletier's Report

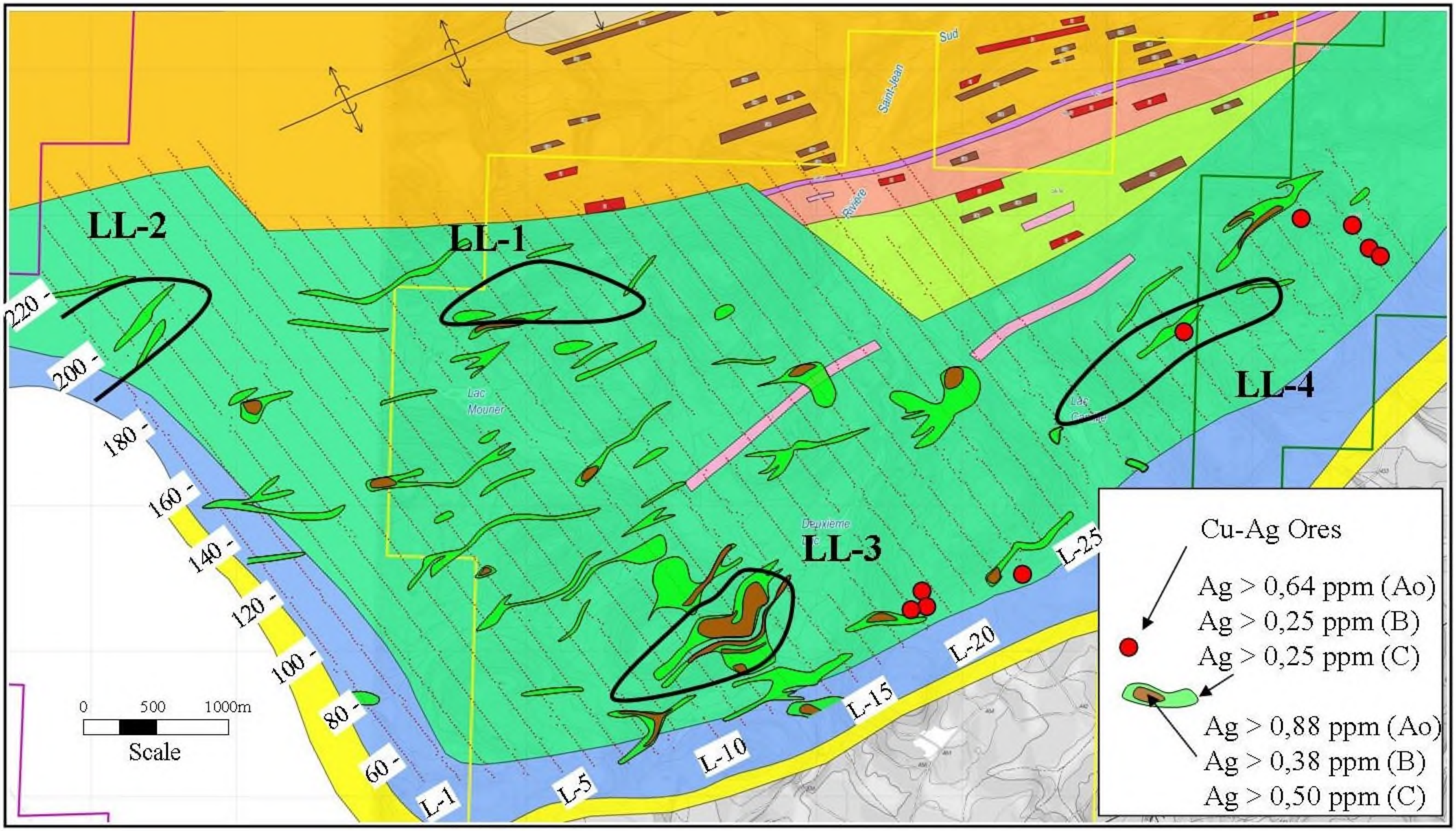


Figure 30: Map of Ni-Cr anomalies on the 2008 Triangle d'Argent Grid, from Pelletier's Report

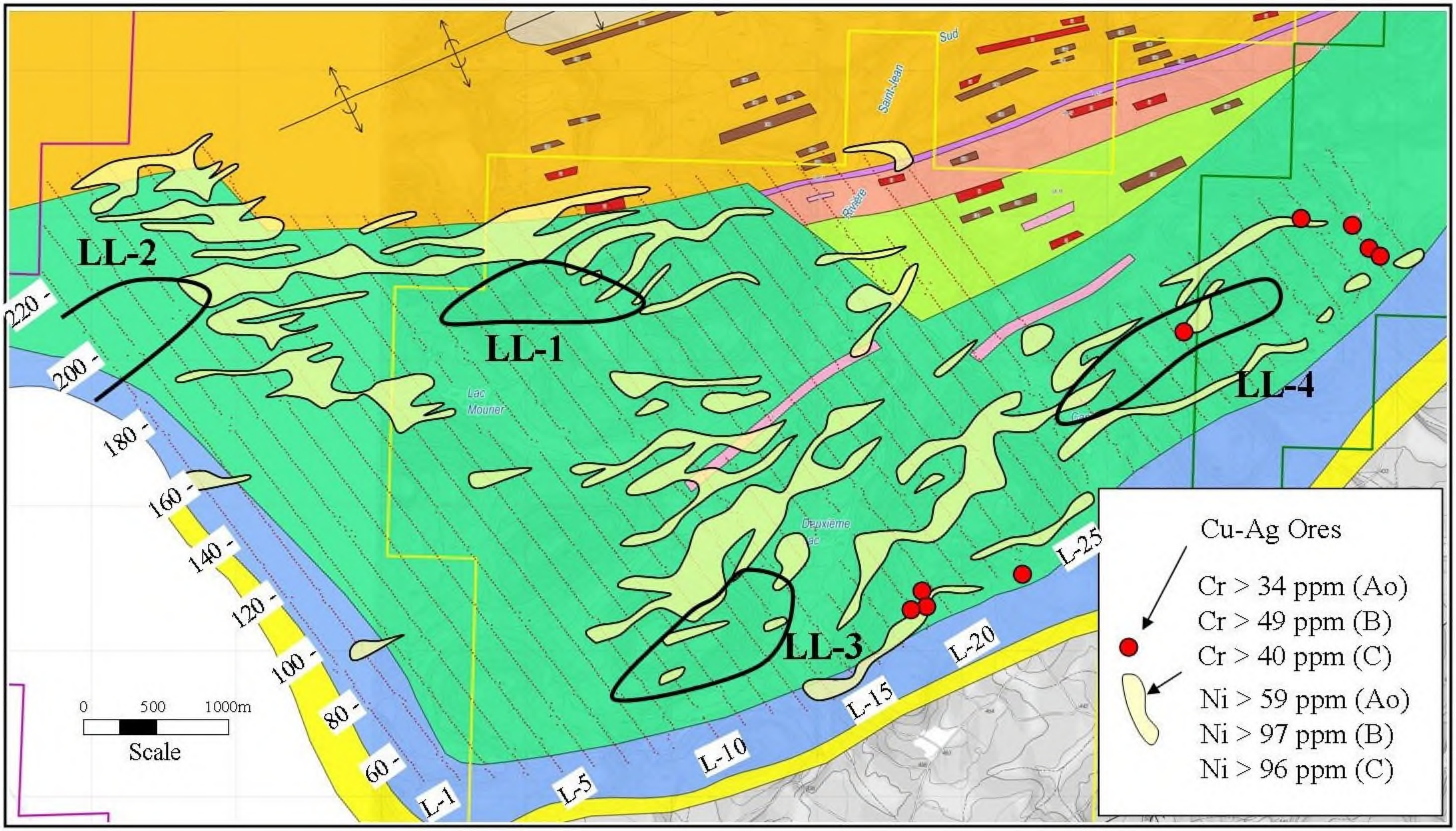


Figure 31: Map of Fe-Ti-V anomalies on the 2008 Triangle d'Argent Grid, from Pelletier's Report

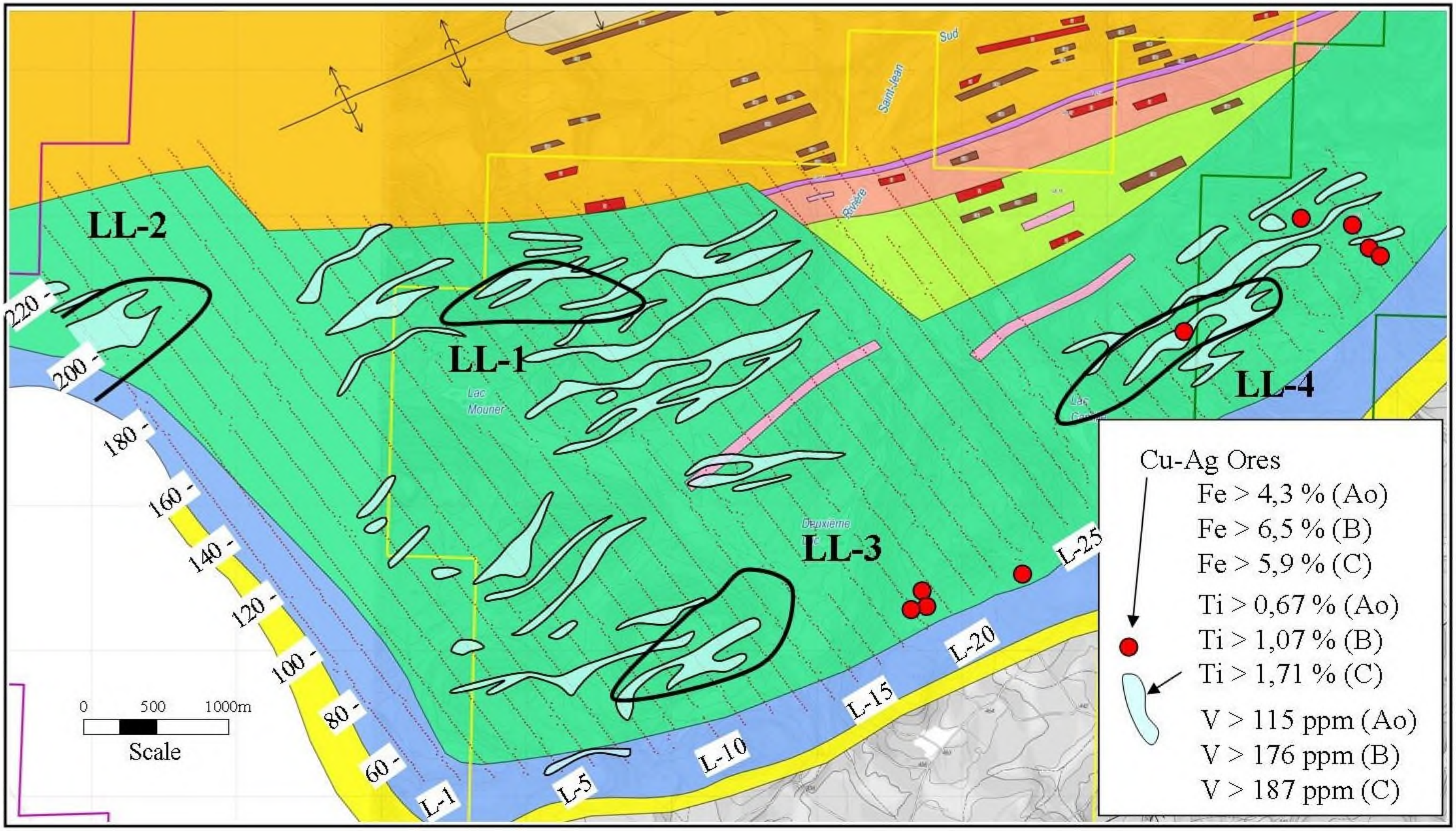


Figure 32: Map of Cu-Co-Sc anomalies on the 2008 Triangle d'Argent Grid, from Pelletier's Report

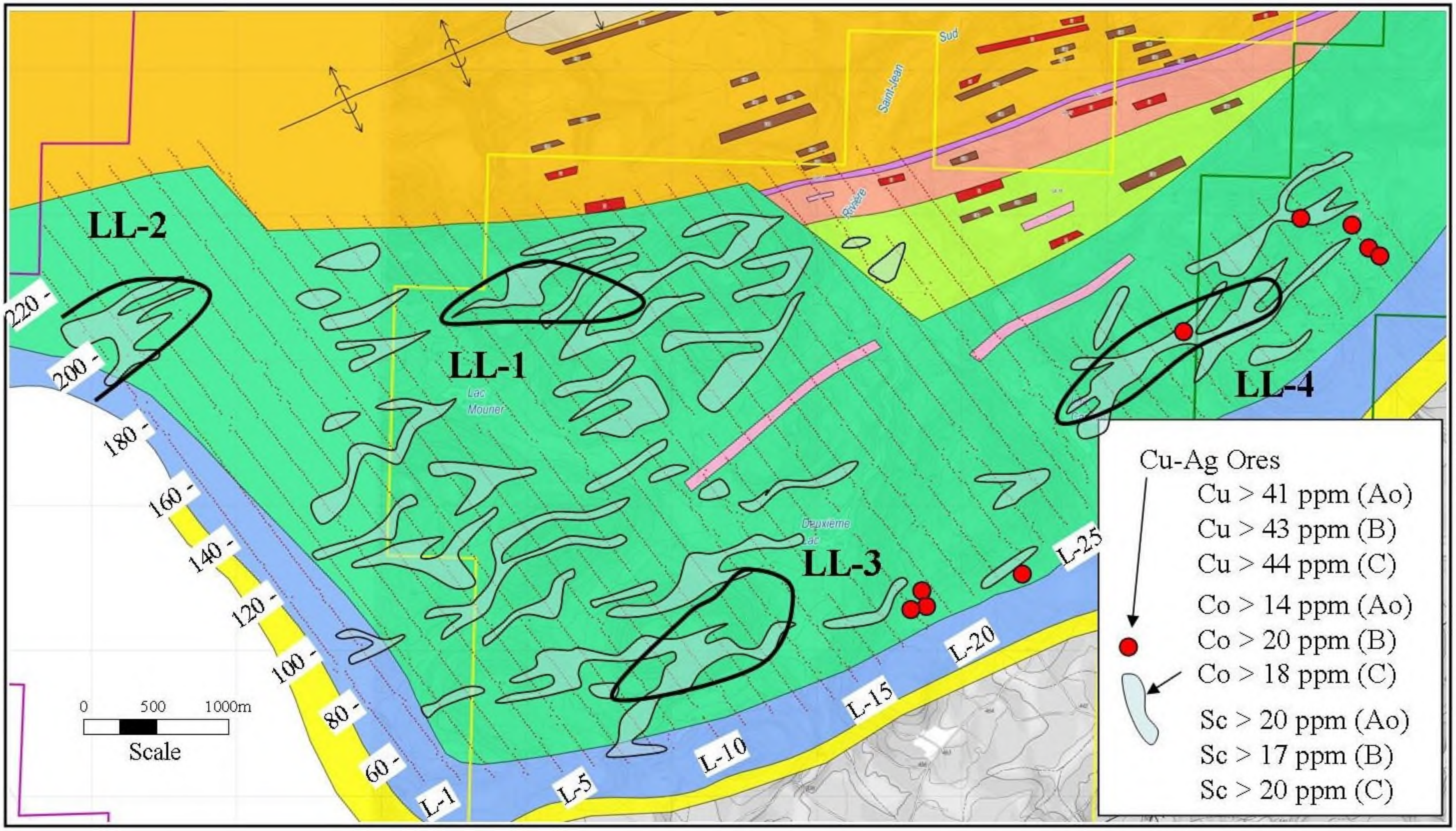
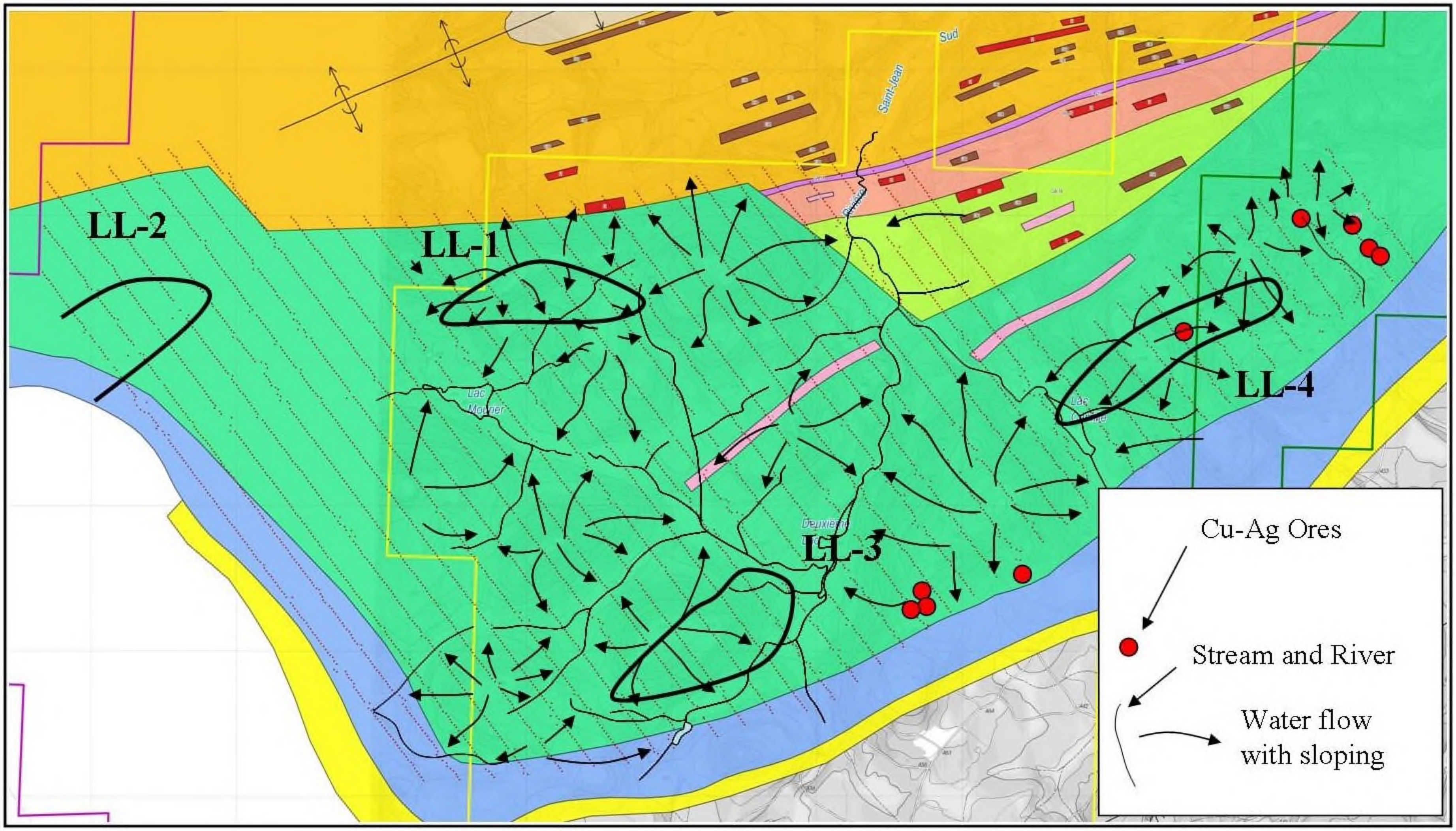


Figure 33: Drainage Pattern for the 2008 Triangle d'Argent Grid, from Pelletier's Report



10 DRILLING

No recent drilling has been conducted on behalf of Gespeg.

11 SAMPLE PREPARATION, ANALYSIS AND SECURITY

11.1 Description of the Sampling Method

11.1.1 Sample Preparation

Grab samples collected during geological reconnaissance were taken with a hammer and put in sample plastic bags with sample tags into each bag. This sampling was done under the supervision of Yvan Bussieres, Eng.

The drill core samples taken from re-examination of recovered drill core boxes and from the drilling program were split in two, with one half staying in the core box and the other half going into the sample bag. The plastic bag contained a sample tag to ensure correct sample identification. This handling was done under the supervision of Yvan Bussieres, Eng.

Soil samples were taken with a small shovel, using the following method. First, the sampler cuts a piece of soil with the shovel and reverses this piece of soil. Second, the sampler puts a plastic bag over his hand and selects horizon B from the piece of soil. The sampler takes care to select soil that was not in contact with the shovel. Third, the sampler puts around 0.5 kg of the selected soil in a soil paper bag. The soil paper bag is numbered on both sides with a red marker in order to be able to read the sample number even when wet and darkened with soil. Fourth, the sampler wraps the soil paper bag with the plastic bag in order to avoid contamination during transport in the backpack and to the laboratory. Fifth, the sampler ties a numbered ribbon at the sampled site. Finally, the sampler takes a GPS reading of the location of the sampled site. This sampling was done under the supervision of Hugues Laforest, tech.

The author cannot comment on the preparation, analyses and security of samples taken by owners prior to Metco and Breakwater, as this is now impossible to verify. However, assaying of native copper was seen to be almost impossible using the usual preparation method, and an analytical protocol specifically adapted for this kind of mineralization had to be developed. During a visit to Michigan Technological University by representatives of Metco, Dr. Bornhorst[37] provided an outline of the method used by past producers, as described in the literature. This outline was used by Metco and SGS Mineral Services in Lakefield Ontario as a basis for establishing an effective laboratory protocol.

11.1.2 Sample Type

The sampling done during geological reconnaissance consisted strictly of grab samples collected to evaluate or verify the metal (Cu and Ag) content.

During re-logging, the density and length of samples were dictated by the geology and mineralization observed. All the mineralized units not already sampled were sampled, and the favourable geology (top of the basalt flow, sediments, etc.) was sampled even if no mineralization was seen; in fact, chalcocite is sometimes quite difficult to see in the rocks and can easily be missed. The same approach was used for the Metco 2007 drilling program.

The only thing the author can say about sampling by owners prior to Metco and Breakwater is that sampling was based on mineralization and reported as grade over core length.

On the recommendation of Magella Pelletier, Geoch., M.Sc., horizon B was selected for the soil survey. When horizon B was not available, horizon Ao or C was sampled, and that was recorded during the survey.

11.1.3 Characteristics of Drill Core Samples

Examination of the recovered core boxes and the core boxes of the drill campaign showed that core recovery was good. Since core recovery was good and only half the drill core was sampled, the reliability of the drill core can be assumed to be acceptable.

11.1.4 Characteristics of Grab Samples

Grab samples collected during geological reconnaissance were taken from outcrops and selected to verify the presence of copper.

[37] Prof. Theodore J. Bornhorst, Ph.D., Director of Administration of the A.E. Seaman Mineral Museum and Professor at Michigan Technological University in Houghton, Michigan, USA. Dr. Bornhorst is a specialist of the Keweenaw-type copper deposits

11.1.5 Description of Lithologies and Geological Controls

The grab samples from outcrops were taken from the mineralized zones, mainly represented by basalt and sediments. The drill core samples vary in length, depending on geology and mineralization.

11.2 Sample Preparation and Analysis

The complaints of earlier explorers and study of historical data indicate that it is almost impossible to assay native copper using the usual sample preparation method. An analytical protocol had to be developed specifically for this kind of mineralization. During the visit by Metco representatives to Michigan Technological University, Dr. Bornhorst provided an outline of the method used by past producers, as described in the literature. The outline was used by Metco and the SGS laboratory in Lakefield, Ontario, retained for assaying, as a basis for establishing an effective laboratory protocol.

The protocol is very expensive, approximately $150/sample. To minimize the assaying cost, Dr. Bornhorst's recommendation was adopted, which was to use: "*a quantitative native copper grain size cut-off [...] to divide samples into those that require special treatment and those that do not. The sampler should measure the 2-D size of the largest native copper mass observed in the sample. As I recall, the first screen size was 2 or 4 mm^2 in the Metco procedure. I recommend that when the area of the largest observed native copper is less than 2 mm^2 (1/2 of the screen size), the samples be processed using normal analytical methods.*"

In the author's opinion, for samples with native copper grain smaller than 2 mm^2, for the digestion of small native copper specks, the analytical method should be at least a "near-total digest method", such as four-acid digestion.

11.2.1 Sample Preparation and Analysis for Rock Samples without Native Copper

At the laboratory, rock samples were entirely crushed to less than 2 mm. A 250-gram representative portion of the sample is crushed to less than 75 microns.

The grab samples from the geological survey were assayed by ALS Minerals Laboratory of Val-d'Or using their ME-ICP61 four-acid "near-total" digestion method.

In order to develop the analytical protocol specifically for native copper, 49 samples from the re-logged core were processed using the analytical protocol developed by SGS Minerals Services. The remaining samples were assayed using the ME-ICP61 four-acid “near-total” digestion method.

Eleven drill core samples from the two mineralized sections with the most native copper were assayed using the native copper analytical protocol. The remaining samples were assayed using the SGS Minerals Services, ICP40B four-acid “near-total” digestion method located at Lakefield, Ontario.

11.2.2 Sample Preparation and Analysis for Rock Samples with Native Copper

In the order to minimize the assaying cost, rock samples with native copper grains smaller than 2 mm^2 are processed using the same sample preparation and analysis methods as for samples without native copper.

For rock samples with native copper grain larger than 2 mm^2, sample preparation and analysis is as follows:

1- Record the initial sample weight (up to 10kg). Crush, pick large metallic flakes out after first pass and pass the sample 2 more times through the jaw crusher (3x total).

2- Screen on 2 mm mesh.

3- Pulverize the +2-mm fraction from step 2 in one long pass.

4- Screen on 106 µm mesh.

5- Add large metallic flakes from 1 to +106 µm fraction from step 4. Submit the sample for assaying (should be <10 g), identified as Coarse Met Cu, and record its weight.

6- Combine the -106 µm mesh fraction from step 4 and the -2 mm fraction from step 2. Riffle or rotary split out one 250-g subsample. Retain the reject material.

7- Pulverize the 250-g subsample from step 6 in one long pass.

8- Screen on 106 µm mesh.

9- Submit the entire +106 µm fraction from step 8 for assaying, identified as Fine Met Cu, and record its weight.

10- Submit the -106µm fraction from step 8 for assaying, identified as Non Met Cu.

11- Three Cu assays by acid digestion, AAS

11.2.3 Sample Preparation and Analysis for Soil Samples

For the soil samples, the soil paper bags were taken out of the plastic bags at the reception of the laboratory and hung for drying. Once dried, the soil was screened with a 180-micron sieve. The small fraction was entirely crushed to less than 2 mm. A 250-gram representative portion of the sample was crushed to less than 75 microns. The soil samples were assayed using ALS Minerals ME-MS61 four-acid "near-total" digestion method in Val-d'Or, Quebec.

11.3 Quality Control of Sample Analysis

ALS Chemex's standard quality control for each batch of 36 samples consists of:

- an assay of a blank sample;
- an assay of a standard sample; and
- two re-assays of samples from the batch.

The results of this quality control met ALS Chemex standards.

SGS Minerals' standard quality control is:

- a re-assay of one sample for each 10 samples assayed.

Verification of the re-assayed samples duplicated the results of the original samples well.

Both laboratories are independent of Metco, Breakwater and Regal and certified ISO 9001 / IEC 17025. ALS Minerals is located at 1322 Harricana, Val-d'Or (Que) Canada, J9P 3X6, and SGS Mineral Services is situated at 185 Concession Street, Lakefield (Ont) Canada, K0L 2H0.

11.4 Author's Opinion on Quality Analysis

The author considers that the assay results are representative of the mineralization on the Native Copper project for the work done by Metco, Breakwater and Regal.

12 DATA VERIFICATION

12.1 Controls and Verification Measures

All the data was collected for Metco and Breakwater by the author and has thus been verified. The geological and prospecting survey data assays were also compiled by the author.

12.2 Limitations of Data Verification

The data reported from old trenches where native copper was observed and several holes drilled by previous owners were impossible to verify.

The compilation of past exploration work was revised by the author of the report.

12.3 Author's Opinion on the Adequacy of the Data

The author is of the opinion that the data is representative of the mineralization on the Native Copper project.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

The project is still at an early stage of investigation. No mineral processing or metallurgical testing has been done in the past.

14 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

The project is still at an early stage of investigation. No resource estimates have been done in the past.

15 ITEMS 15 TO 22 DO NOT APPLY TO THIS REPORT

23 ADJACENT PROPERTIES

A package of claims belonging to Regal and Breakwater are islanded within the claims package of Gespeg. These claims mainly cover the Fer-à-Cheval and Triangle d'Argent areas. These areas have been including in the compilation of historical work to provide a complete overview of the geology, geophysics and mineralization of the Mont Alexandre Syncline, but they are not covered in Item 10, Exploration, Item 25, Interpretation and Conclusion, or Item 26, Recommendations.

24 OTHER RELEVANT DATA AND INFORMATION

The author considers that all the relevant data and information have been included in this report.

25 INTERPRETATION AND CONCLUSION

Observation of the mineralization on the Native Copper project indicates that it is the same type as the native copper orebodies of the Keweenaw Peninsula. In this context, the faults should be seriously investigated, as they represent potential pathways for the circulation of the hydrothermal fluids, mainly where they cross porous horizons where native copper can be deposited.

The fault pathways on the project were delineated by a satellite imagery study. The results were quite remarkable, with the known mineralized sites shown to be located at the intersection of longitudinal stratigraphic faults (graben-type) and perpendicular faults (cross-type), as in the Keweenaw district (see compilation map). It was noted that Triangle d'Argent, Fer-à-Cheval and many other showings were located along a longitudinal stratigraphic fault named the "Faille du cuivre natif", which appears to be the most significant metallotect of the project.

The Metco 2007 drilling program was focused on the intersection of longitudinal stratigraphic faults and cross faults. The Keweenaw native copper-type mineralization and the structural model defined by the satellite imagery study were confirmed, although no significant mineralized zones were intercepted. Drilling has to be more restrictive, with drill targets being a combination of favourable geology, fault intersections and associations with geochemical or geophysical anomalies.

The soil surveys conducted in 2007 and 2008 were successful in detecting copper mineralization. They confirmed that copper is found in native copper form without sulfide association. They also indicated that copper mineralization is associated with calcite veins or carbonated zones. The soil survey of 2007 delineated four anomalies, and the soil survey of 2008 delineated eight anomalies. Detailed soil sampling at 50 m spacing is recommended to cover the 11 geochemical anomalies, as well mineralized sites already define by previous work, followed by trenching of the soil anomalies and detailed geological mapping, which should lead to the identification of drill targets.

Ground Mag surveying was successful in outlining the geology. Because a specific geology horizon has its specific magnetic susceptibility, it is possible to outline the horizon. Furthermore, the lava flows are magnetic, but when they are altered by hematization, they lose their magnetism, indicating alteration fluids coming from some faults.

Ground VLF electromagnetic surveying was successful in outlining the faults. Generally, these faults are subparallel to the stratigraphy along the contact between different units. However, they generally correspond to fractures filled with water and clay.

IP surveying fail to identify a zone of good chargeability, either because no good sulfide concentrations were encountered or because chalcocite and bornite are only weakly polarizable.

Five days of geology and prospecting by Breakwater in 2010, within an area where no previous mineralization had been reported, located nine grab samples containing up to 1.34% copper, confirming the potential for the discovery of new showings within the favourable host rock unit. The author recommends that the regional soil survey coverage of the favourable host rock unit (porphyritic grey-green basalts) of the project be completed.

Some of the mineralized sites discovered during previous exploration work remain unexplored:

- In the **Vondenblue Area**, there are **three sites** of significant mineralization:
    - **The Vondenblue showing,** with 0.5% Cu/3.17 m in hole V-1-76 and 1.17% Cu/3.3 m in hole V-4-77.
    - **Hole V-89-01,** located 300 m to the east, with an intercept of 0.11% Cu/15.45 m.
    - **Indice du Dimanche,** located 850 m to the east, with 0.2% Cu and 3.6 g/t Ag/1.4 m in hole V-94-01 and a grab sample of 2.1% Cu and 16.1 g/t Ag.
- In the **Ruisseau Cantin Area**, there are **two sites** of significant mineralization:
    - **The Ruisseau Cantin showing,** with 0.32% Cu and 0.8 g/t Ag/40.5 m in trench TR-95-01, including 1.3% Cu and 1.4 g/t Ag/4.0 m.

    - **The RR-1** geochemical anomaly, located 3.14 km to the southwest, where grab sample No. 62651 graded 4,340 ppm Cu.
- In the **Mont Alexandre area**, a mineralized outcrop combined with eight Cu-bearing grab samples of 209 to 13,450 ppm outline a Cu-bearing area of 1.5 km long.

All these mineralized sites outline a large mineralized zone in the Vondenblue, Ruisseau Cantin and Mont Alexandre areas. To proceed with the investigation of this mineralized zone, a detailed soil survey followed by trenching of soil anomalies with detailed geological mapping should be done to identify drill targets in addition to the seven drill holes recommended on the soil anomalies already define by Metco and Breakwater.

In conclusion, a model for the geology and mineralization of the Native Copper project has been developed, being the model of native copper deposits in the Keweenaw Peninsula of Michigan, USA. These deposits have yielded over 6 million tons of copper and occurred in a belt 40 km long and perhaps 5 km wide, with the White Pine deposit lying slightly north of the main trend. Although the volcanic basalt layer of the Native Copper project is only 400 to 600 m thick (except for the section immediately west of Triangle d'Argent, which is up to 3,500 m thick), many kilograms of native copper nuggets were taken out of Triangle d'Argent trench, proving the potential for significant mineralization on the project.

The only risk and uncertainties that the author foresees at this point in the exploration of the project is the bias that may be induced by the native copper, which can be compared to the ''nugget effect'' in gold exploration. From the past result, the author observes that the presence of copper nugget tends to produce underestimated copper values. The analytical protocol developed for Metco by the SGS Minerals Services Lakefield laboratory should be applied if native copper exceeding 2 mm^2 in size is observed in the sample, as recommended by Dr. Theodore J. Bornhorst.[38] Furthermore, with regard to digestion of small native copper specks, the analytical method should be at least a "near-total digest method", such as four-acid digestion.

[38] Prof. Theodore J. Bornhorst, Ph.D., Director of Administration of the A.E. Seaman Mineral Museum and Professor at Michigan Technological University in Houghton, Michigan, USA. Dr. Bornhorst is a specialist of the Keweenaw-type copper deposits

At this stage the author does not foresee any other risk or uncertainties, either legal, technical or social, that could affect the project potential economic viability or continued viability.

26 RECOMMENDATIONS

To assess the project's potential, the author recommends a airborne magnetic and electromagnetic survey, a geological reconnaissance survey, regional soil sampling at a 200-m line spacing to complete the coverage of the favourable host rock unit of the project, detailed soil sampling at a 50-m line spacing to cover 11 geochemical anomalies and the mineralized sites already define by previous work, trenching of the soil anomalies and detailed geological mapping, which should lead to the identification of drill targets in addition to the seven drill holes recommended on the soil anomalies already define by Metco and Breakwater (see Table 7, Recommended Diamond Drilling on Metco/Breakwater Soil Anomalies). A more detailed description of the recommended exploration work is provided below, along with the associated budget.

- **A helicopter-borne magnetic** (total field and gradient) **and electromagnetic survey** covering all the project at a 100-m line spacing for an approximate 900 km of fly lines to try to accurately locate the lithological contacts and fault zones.
- **Two months of geological reconnaissance** on the project. With the knowledge acquired from the previous exploration work (definition of a geological and mineralization model, delineation of fault patterns, geochemical soil surveys), the project has reached the point where it would be useful to redefine the geology of the area and evaluate the prospective sectors. Furthermore, with the recent logging activities in the area, the many logging roads provide good coverage and some new accesses, as well as direct access to the geology.
- **150 km of regional soil surveying** at a 200-m line spacing by a 25-m sample spacing to complete the coverage of the favourable project host rock unit (see Figure 34, Recommended Regional Soil Survey and the compilation map in Appendix 2), with details as follows:
    - Ruisseau Cantin West: 2.25 km oriented 330°.
    - Ruisseau Cantin East: 30.8 km oriented 330°.
    - Vondenblue East: 11.48 km oriented N-S.

  - Lac Mourier West: 32.3 km oriented N-S.
  - Ruisseau Mourier: 24.0 km oriented 053°.
  - Fer-à-Cheval East: 36.0 km oriented 322°.
  - Power West: 11.0 km oriented 028°.
  - Power East: 1.4 km oriented 028°.
- **232 km of detailed soil surveying** at a 50-m line spacing by 25-m sample spacing to cover 11 geochemical anomalies, as well mineralized sites already define by previous work (see Figure 35, Recommended Detailed Soil Survey), with details as follows:
  - Ruisseau Cantin RR1 soil anomaly: 15.0 km oriented 330°.
  - Ruisseau Cantin RR2 soil anomaly: 25.0 km oriented 330°.
  - Ruisseau Cantin RR3 soil anomaly + Ruisseau Cantin Showing: 29.0 km oriented 330°.
  - Vondenblue MM1 soil anomaly + Vondenblue Showing + Indice du Dimanche Showing: 26.4 km oriented N-S.
  - Vondenblue MM2 soil anomaly: 12.0 km oriented N-S.
  - Power PP1 + PP2: 21.0 km oriented 028°.
  - Power PP3: 2.4 km oriented 028°.
- **30 days of stripping and trenching** over the subcropping soil anomalies.
- **30 days of detailed mapping of trenches.**
- **2,200 m of drilling** on soil anomalies defined by Metco and Breakwater (Target H to Target N).
- **4,600 m of drilling** on soil anomalies and other targets defined by the work recommended in the report.

The budget for the proposed work is shown in Table 6, below.

Table 6: Budget for Recommended Work

	Quantity	Units	Unit price	Total
Helicopter-borne survey				
Planning and supervision	5	days	$700	$3,500
Mag and EM survey, 900 km on lines 100 m apart, including mob/demob and report				$111,500
			Total	**$115,000**
Regional geological survey				
Planning	5	days	$700	$3,500
Geologists and assistants, including transportation, room and board, etc.	2	months	$60,000	$120,000
Assaying	367	samples	$45	$16,515
			Total	**$140,000**
Regional soil survey				
Planning	5	days	$700	$3,500
Ruisseau Cantin West: 2.25 km oriented 330	2.25	km	1 km=44x$35	$3,465
Ruisseau Cantin East: 30.8 km oriented 330	30.8	km	1 km=44x$35	$47,432
Vondenblue East: 11.48 km oriented N-S.	11.48	km	1 km=44x$35	$17,679
Lac Mourier West: 32.3 km oriented N-S.	32.3	km	1 km=44x$35	$49,742
Ruisseau Mourier: 24.0 km oriented 053	24	km	1 km=44x$35	$36,960
Fer-à-Cheval East: 36.0 km oriented 322	36	km	1 km=44x$35	$55,440
Power West: 11.0 km oriented 028	11	km	1 km=44x$35	$16,940
Power East: 1.4 km oriented 028	1.4	km	1 km=44x$35	$2,156
Assaying, including transportation, etc.	6,570	samples	$45	$295,650
Interpretation by a geochemist	1	report	$21,000	$21,000
			Total	**$550,000**
Detailed soil survey				
Planning	5	days	$700	$3,500
Ruisseau Cantin RR1: 15.0 km oriented 330	15	km	1 km=44x$35	$23,100
Ruisseau Cantin RR2: 25.0 km oriented 330	25	km	1 km=44x$35	$38,500
Ruisseau Cantin RR3 + showing: 29 km oriented 330	29	km	1 km=44x$35	$44,660
Vondenblue MM1 + Showing: 26.4 km oriented N-S	26.4	km	1 km=44x$35	$40,656
Vondenblue MM2: 12.0 km oriented N-S	12	km	1 km=44x$35	$18,480
Power PP1 + PP2: 21.0 km oriented 028	21	km	1 km=44x$35	$32,340
Power PP3: 2.4 km oriented 028	2.4	km	1 km=44x$35	$3,696
Assaying including transportation, etc.	10,200	samples	$45	$459,000
Interpretation by a geochemist	1	report	$26,000	$26,000
			Total	**$690,000**
Stripping, trenching and sampling				
Mechanical shovel + pumps and ancillary equipment	30	days	$3,500	$105,000
Sampling	30	days	$1,000	$30,000
Assaying including transportation, etc.	778	samples	$45	$35,010
			Total	**$170,000**
Detailed geological survey of trenches				
Planning	5	days	$700	$3,500
Geologists and assistants, including transportation, room and board, etc.	1	month	$60,000	$60,000
Assay	145	Samples	$45	$6,500
			Total	**$70,000**

	Quantity	Units	Unit price	Total
Diamond drilling on Metco/Breakwater soil anomalies				
Program preparation	5	days	$700	$3,500
NQ size drilling at an average price of $170/m, all inclusive	2,200	m	$170	$374,000
			Total	**$377,500**
Diamond drilling of soil anomalies and other targets defined by recommended works				
Program preparation	5	days	$700	$3,500
NQ size drilling at an average price of $170/m, all inclusive	4,600	m	$170	$782,000
			Total	**$785,500**
Report	1	report	$30,000	$30,000
Contingency (10%)				$270,000
			Grand total	**$3,000,000**

The parameters of the recommended drill holes are given in table 7:

Table 7: Recommended Diamond Drilling on Metco/Breakwater Soil Anomalies

Target	Easting[39]	Northing	Azimuth	Dip	Length (m)
H	339380	5386380	030	-45	300
I	349300	5386070	030	-45	300
J	349845	5385975	030	-45	300
K	345845	5381080	180	-45	400
L	339145	5378850	150	-45	300
M	336665	5378015	150	-45	300
N	335545	5377130	150	-45	300
Total 7 holes					2,200

[39] UTM NAD83 Zone 20

Figure 34: Recommended Regional Soil Survey

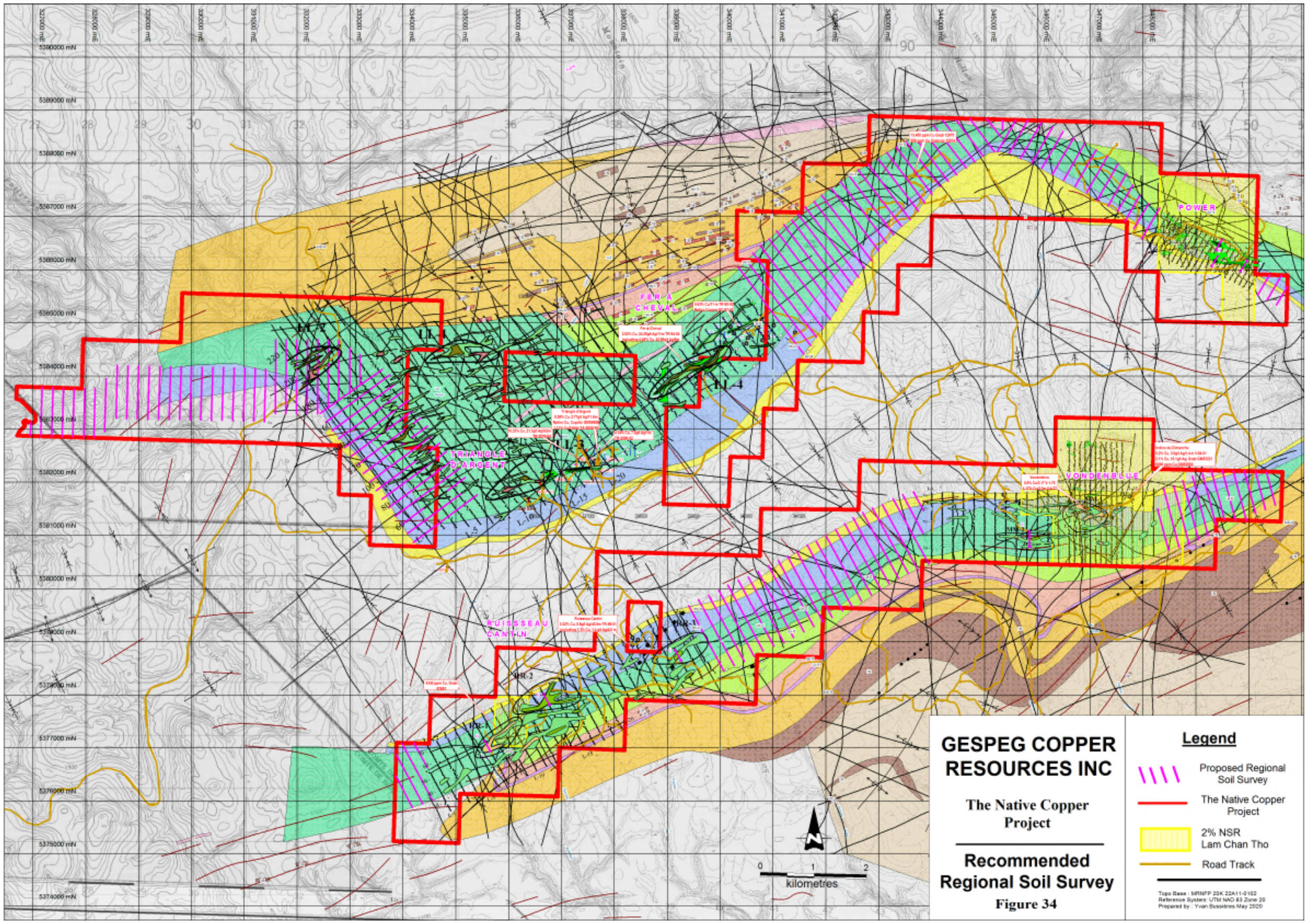
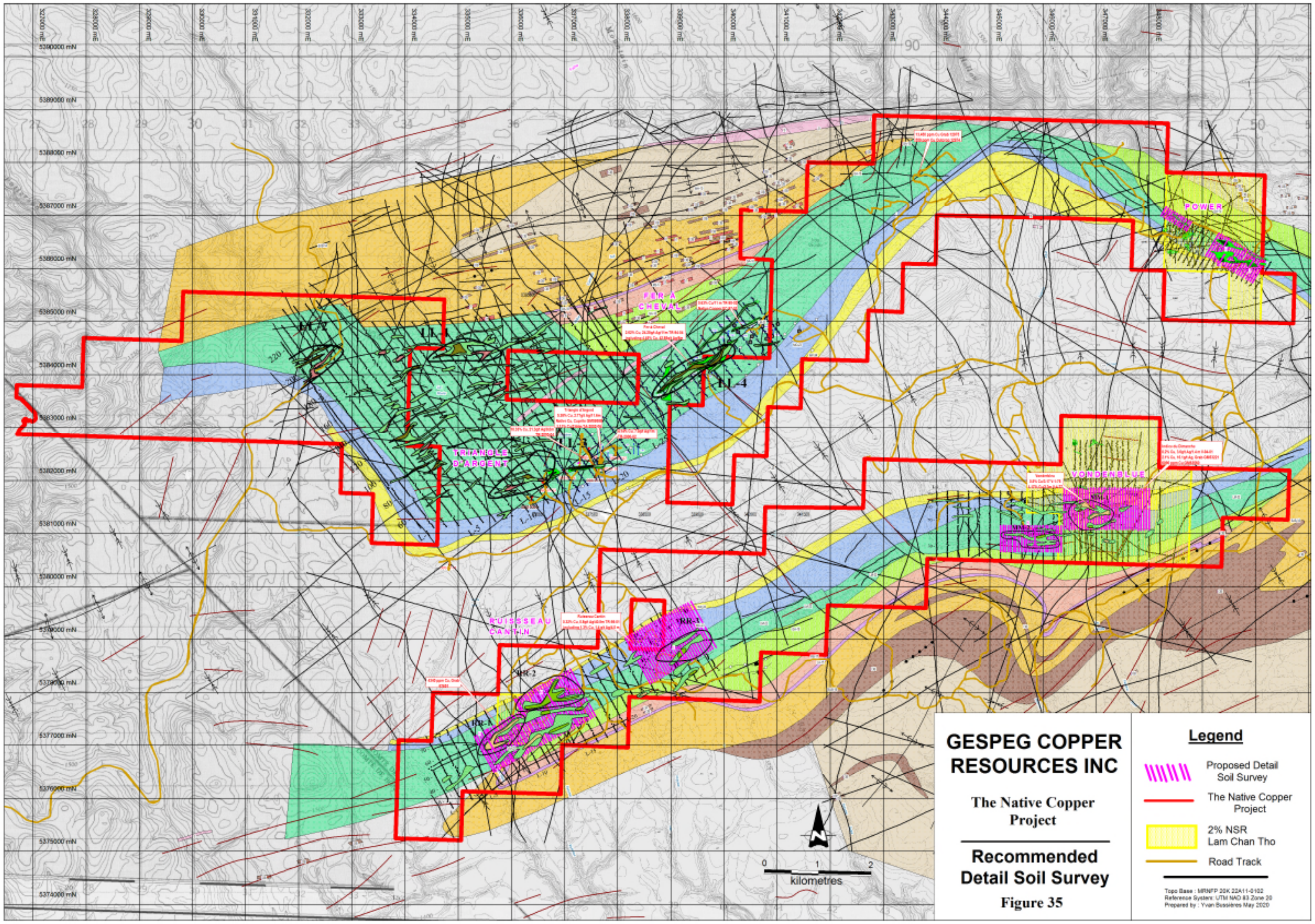


Figure 35: Recommended Detailed Soil Survey



27 REFERENCES

Bourque, P.A. — Stratigraphie du Silurien et du Dévonien basal de l'Est de la Gaspésie, MRN, DP 193, 1972.

Bourque, P.A.
Lachambre, G. — Stratigraphie du Silurien et du Dévonien basal de l'Est de la Gaspésie, MRN, ES 030, 1980.

Bourque, P.A.
Gosselin, C. — Stratigraphie du Silurien et du Dévonien basal de la Gaspésie, MRN, MB 86-34, 1986.

Bourque, P.A.
Gosselin, C.
Kirkwood, D.
Malo, M., St-Julien, P. — Le Silurien du Segment Appalachien Gaspésie-Matapédia-Témiscouata, GIRGAB, MB 93-25, 1993.

Bornhorst, T., Woodruff, L., and Nicholson. S. — Stratigraphy, Structure, and Ore Deposits of the Southern Limb of the Midcontinent Rift System. From website: www.geo.mtu.edu/great_lakes/MCRS

Brisebois, D.
Lachambre, G.
Piché, G. — Carte Géologique, Péninsule de la Gaspésie, MRN, DV 91-21, 1992.

Brouillette, P., Pinet, N., Keating, P., Lavoie, D., Dion, D.J., Boivin, R. — The Gaspé Peninsula: New Gravity and Aeromagnetic Datasets and their Enhancement. Geological Survey of Canada, Open File 5021, 2006.

Brown. A.C. — Stratiform Copper Deposits – Evidence for their Post-sedimentary Origin. Minerals Sci. Engng, Vol. 10, No. 3. July 1978.

Brown. A.C. — The Timing of the Mineralization in Stratiform Copper Deposits. In Handbook of Strata-bound and Stratiform Ore Deposits, V.9, K.H. Wolf, ed., Elsevier Sci. Publ. Co., 1981.

Bussieres, Y.
Théberge, D.
Tremblay, A. — Mont de l'Observation Property, Gaspé Peninsula, NI 43-101 Technical Report, Ressources Metco inc, GM 63235, March 5, 2007.

Bussieres, Y. — Mont de l'Observation Property, Gaspé Peninsula, NI 43-101 Technical Report, Res Metco inc, GM 63560, March 27, 2008.

Bussieres, Y. — Mont de l'Observation Property, Gaspé Peninsula, NI 43-101 Technical Report, Breakwater Res, GM 64529, April 30, 2009.

Bussieres, Y. — Mont de l'Observation Property, Gaspé Peninsula, NI 43-101 Technical Report, Breakwater Res, GM 65326, Sept 30, 2010.

Cabral, A.R.
Beaudoin, G. — Red-Bed Copper Deposits of the Quebec Appalachians, DIVEX SC13, GM 62903, 2006.

Dostal, J., Laurent, R. and Keppie, J.D. — Late Silurian-Early Devonian rifting during dextral transgression in the southern Gaspé Peninsula, Canadian Journal of Earth

	Sciences 30, 2283-2294, 1993.
Gosselin, C.	Évaluation du Potentiel Minéral des cantons de Power et de Joncas, MRN, DP 83-36, 1983.
Gustafson, L.G., and Williams, N.	Sediment-Hosted Stratiform Deposit of Copper, Lead, and Zinc. In Economic Geology, 1981.
Johnson, K.S.	Permian Copper Shales of Southwestern Oklahoma. Oklahoma Geological Survey Circular 77.
Jones, I.W.	Preliminary Report, Mont Alexander Area, Gaspe County, MRN, RP 116-B, 1936.
Lefebvre, D.V. and Church, B.N.	Volcanic Redbed Cu, in Selected British Columbia Mineral Deposits Profiles, Volume 1 – Metallic Deposits, Lefebvre, D.V. and Hoy, T, Editors, British Columbia Ministry of Employment and Investment, Open File 1996-13, pages 5-7
McGerrigle, H.W.	Advance Report on the Power-Joncas Area, Gaspe County, MNR, RP 153(A), 1940.
McGerrigle, H.W.	The Geology of Eastern Gaspe, RG 035, MRN, 1950.
McGerrigle, H.W.	Carte Géologique de la Péninsule de Gaspé, MRN, CARTE 1000, 1953.
Moreau, B. Moreau, A.	Interprétation structurale, Projet Mont de l'Observation, Earthmetrix inc, GM 63356, 2007
Morin, R. and Simard, M.	Géologie des régions de Sirois et de Raudin, Gaspésie. ET-86-06, p. 69, 1987.
Nagle, F., Fink, L.K., Bostrom, K. and Stipp, J.J.	Copper in pillow basalts from La Désirade, Lesser Antilles island arc. Earth and Planetary Science Letters 19, 193-197, 1973.
Rosemeyer, T.	The Copper-Bearing Lodes of the Michigan Copper Country. Rocks and Minerals, May 2001.
Skidmore, W.B.	Gastonguay-Mourier Area, Gaspe-North, Gaspe-South, and Bonaventure counties, MRN, RG 105(A), 1965.

APPENDIX 1

DESCRIPTION OF CLAIMS

As of April 29, 2020

NTS Sheet	Title No	Expired Date	Area (Ha)	Accumulated Work	Required Work	Mining Duties	Claim Holder
22A11	2543393	15-Sep-22	56.99	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543394	15-Sep-22	56.99	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543395	15-Sep-22	56.99	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543396	15-Sep-22	56.99	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543397	15-Sep-22	56.97	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543398	15-Sep-22	56.97	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543399	15-Sep-22	56.97	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543400	15-Sep-22	56.94	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543401	15-Sep-22	56.93	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543402	15-Sep-22	56.93	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543403	15-Sep-22	56.93	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543404	15-Sep-22	56.92	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543405	15-Sep-22	56.92	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543406	15-Sep-22	56.92	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2544962	16-Oct-22	56.98	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2544963	16-Oct-22	56.98	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2544964	16-Oct-22	56.98	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2544965	16-Oct-22	56.98	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2547373	26-Nov-22	42.68	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545038	17-Oct-22	57.04	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545039	17-Oct-22	57.04	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545040	17-Oct-22	57.03	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545041	17-Oct-22	57.03	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545042	17-Oct-22	57.03	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545043	17-Oct-22	57.03	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545044	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545045	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545046	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545047	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545048	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545049	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545050	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545051	17-Oct-22	57.02	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545052	17-Oct-22	57.01	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545053	17-Oct-22	57.01	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545054	17-Oct-22	57.01	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545055	17-Oct-22	57.01	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545056	17-Oct-22	57.01	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545057	17-Oct-22	57	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545058	17-Oct-22	57	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545059	17-Oct-22	57	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545060	17-Oct-22	57	$0	$1,200	$66.25	Bernard-Olivier Martel

NTS Sheet	Title No	Expired Date	Area (Ha)	Accumulated Work	Required Work	Mining Duties	Claim Holder
22A11	2545061	17-Oct-22	57	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545062	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545063	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545064	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545065	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545066	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545067	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545068	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545069	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545070	17-Oct-22	56.99	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545071	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545072	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545073	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545074	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545075	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545076	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545077	17-Oct-22	56.98	$0	$1,200	$66.25	Bernard-Olivier Martel
22A11	2545078	17-Oct-22	56.99	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545079	17-Oct-22	56.98	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545080	17-Oct-22	56.98	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545081	17-Oct-22	56.97	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545082	17-Oct-22	56.97	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545083	17-Oct-22	56.97	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545084	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545085	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545086	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545087	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545088	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545089	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545090	17-Oct-22	56.95	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545091	17-Oct-22	56.95	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545092	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545093	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545094	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545095	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545096	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545097	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545098	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545099	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545100	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545101	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545102	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545103	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.

NTS Sheet	Title No	Expired Date	Area (Ha)	Accumulated Work	Required Work	Mining Duties	Claim Holder
22A11	2545104	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545105	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545106	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545107	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545108	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545109	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545110	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545111	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545112	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545113	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545114	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545115	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545116	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545117	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545118	17-Oct-22	57.05	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545119	17-Oct-22	57.05	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545120	17-Oct-22	57.04	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545121	17-Oct-22	57.04	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545122	17-Oct-22	57.03	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545123	17-Oct-22	56.98	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545124	17-Oct-22	56.98	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545125	17-Oct-22	56.98	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545126	17-Oct-22	56.98	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545127	17-Oct-22	56.98	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545128	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545129	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545130	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545131	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545132	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545133	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545134	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545135	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545136	17-Oct-22	56.97	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545137	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545138	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545139	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545140	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545141	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545142	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545143	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545144	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545145	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545146	17-Oct-22	56.96	$0	$1,200	$66.25	Sylvain Laberge

NTS Sheet	Title No	Expired Date	Area (Ha)	Accumulated Work	Required Work	Mining Duties	Claim Holder
22A11	2545147	17-Oct-22	56.95	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545148	17-Oct-22	56.95	$0	$1,200	$66.25	Sylvain Laberge
22A11	2545170	17-Oct-22	57.04	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545171	17-Oct-22	57.01	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545172	17-Oct-22	57	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545173	17-Oct-22	57	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545174	17-Oct-22	57	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545175	17-Oct-22	57	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545176	17-Oct-22	57	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545177	17-Oct-22	56.99	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545178	17-Oct-22	56.99	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545179	17-Oct-22	56.98	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545180	17-Oct-22	56.98	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545181	17-Oct-22	56.98	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545182	17-Oct-22	56.98	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545183	17-Oct-22	56.97	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545184	17-Oct-22	56.97	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545185	17-Oct-22	56.97	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545186	17-Oct-22	56.96	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545187	17-Oct-22	56.95	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545188	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545189	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545190	17-Oct-22	56.94	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545191	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545192	17-Oct-22	56.93	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545193	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545194	17-Oct-22	56.92	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2545195	17-Oct-22	56.91	$0	$1,200	$66.25	Gespeg Resources Ltd.
22A11	2543012	29-Aug-22	57.03	$0	$1,200	$66.25	9228-6202 Québec inc
22A11	2543013	29-Aug-22	56.98	$0	$1,200	$66.25	9228-6202 Québec inc
Total	158 claims		8987.18	$0	$189,600	$10,468	

APPENDIX 2

COMPILATION MAP ON TOPO
COMPILATION MAP ON MAG GRADIENT
COMPILATION MAP ON SATELLITE IMAGE