

CDN Resource Laboratories Ltd.

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REFERENCE MATERIAL: CDN-GS-P6A

Recommended values and the “Between Lab” Two Standard Deviations

| | | | | | |
|---------------|------------------|-------|------------------|------------------------------|------------------------|
| <i>Gold</i> | <i>0.738 g/t</i> | \pm | <i>0.056 g/t</i> | <i>30 g FA, instrumental</i> | <i>Certified value</i> |
| <i>Silver</i> | <i>81</i> | \pm | <i>7</i> | <i>4 acid, instrumental</i> | <i>Certified value</i> |

Note: Standards with an RSD of near or less than 5% are certified; RSD's of between 5% and 15% are Provisional; RSD's over 15% are Indicated. Provisional and Indicated values cannot be used to monitor accuracy with a high degree of certainty. The certified value and between lab 2SD calculated for each element are based on specific analytical procedures. It is inappropriate to apply them to other techniques.

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CERTIFIED BY: Duncan Sanderson, B.Sc., Licensed Assayer of British Columbia
INDEPENDENT GEOCHEMIST: Dr. Barry Smee., Ph.D., P. Geo.
DATE OF CERTIFICATION: July 28, 2016

ORIGIN OF REFERENCE MATERIAL:

Standard CDN-GS-P6A was prepared using ore supplied by Silvercrest Mines Inc. from their Santa Elena property in Mexico. The primary rock types are early Tertiary andesite and rhyolite flows which exhibit propylitic to silicic alteration. Alteration is widespread and pervasive with significant silicification, kaolinization and chloritization. Gangue minerals consist of quartz, calcite, chlorite and fluorite. The Santa Elena deposit is considered to be high calcium, low-sulfidation type with replacements, stockworks and hydrothermal breccias similar to other high level low-sulfidation deposits found in Mexico, Chile and Nevada and Arizona in the United States.

METHOD OF PREPARATION:

Reject ore material was dried, crushed, pulverized and then passed through a 270 mesh screen. The +270 material was discarded. The -270 material was mixed for 5 days in a double-cone mixer. Splits were taken and sent to 15 commercial laboratories for round robin assaying. Round robin results are displayed below.

| | Lab 1 | Lab 2 | Lab 3 | Lab 4 | Lab 5 | Lab 6 | Lab 7 | Lab 8 | Lab 9 | Lab 10 | Lab 11 | Lab 12 | Lab 13 | Lab 14 | Lab 15 |
|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t | Au g/t |
| GS-P6A-1 | 0.695 | 0.722 | 0.755 | 0.730 | 0.731 | 0.732 | 0.741 | 0.750 | 0.739 | 0.752 | 0.716 | 0.738 | 0.797 | 0.737 | 0.735 |
| GS-P6A-2 | 0.769 | 0.706 | 0.709 | 0.714 | 0.693 | 0.723 | 0.748 | 0.734 | 0.715 | 0.709 | 0.740 | 0.719 | 0.746 | 0.769 | 0.717 |
| GS-P6A-3 | 0.788 | 0.684 | 0.734 | 0.785 | 0.730 | 0.728 | 0.769 | 0.777 | 0.775 | 0.793 | 0.678 | 0.709 | 0.774 | 0.738 | 0.807 |
| GS-P6A-4 | 0.757 | 0.722 | 0.741 | 0.738 | 0.715 | 0.739 | 0.698 | 0.772 | 0.723 | 0.733 | 0.741 | 0.681 | 0.723 | 0.729 | 0.747 |
| GS-P6A-5 | 0.742 | 0.716 | 0.768 | 0.756 | 0.723 | 0.724 | 0.742 | 0.777 | 0.715 | 0.765 | 0.802 | 0.735 | 0.810 | 0.753 | 0.791 |
| GS-P6A-6 | 0.748 | 0.720 | 0.736 | 0.737 | 0.722 | 0.727 | 0.733 | 0.777 | 0.778 | 0.733 | 0.752 | 0.667 | 0.810 | 0.723 | 0.717 |
| GS-P6A-7 | 0.796 | 0.711 | 0.697 | 0.737 | 0.702 | 0.737 | 0.760 | 0.752 | 0.777 | 0.731 | 0.698 | 0.736 | 0.849 | 0.724 | 0.809 |
| GS-P6A-8 | 0.746 | 0.694 | 0.714 | 0.746 | 0.719 | 0.720 | 0.732 | 0.778 | 0.712 | 0.757 | 0.718 | 0.713 | 0.735 | 0.819 | 0.773 |
| GS-P6A-9 | 0.706 | 0.692 | 0.719 | 0.790 | 0.702 | 0.739 | 0.742 | 0.769 | 0.725 | 0.800 | 0.669 | 0.769 | 0.726 | 0.747 | 0.761 |
| GS-P6A-10 | 0.693 | 0.697 | 0.740 | 0.727 | 0.702 | 0.729 | 0.792 | 0.735 | 0.759 | 0.731 | 0.674 | 0.718 | 0.779 | 0.672 | 0.741 |
| Mean | 0.744 | 0.706 | 0.731 | 0.746 | 0.714 | 0.730 | 0.746 | 0.762 | 0.742 | 0.750 | 0.719 | 0.719 | 0.775 | 0.741 | 0.760 |
| Std. Dev'n | 0.0364 | 0.0139 | 0.0217 | 0.0245 | 0.0133 | 0.0068 | 0.0249 | 0.0178 | 0.0277 | 0.0291 | 0.0416 | 0.0292 | 0.0421 | 0.0374 | 0.0343 |
| %RSD | 4.89 | 1.97 | 2.97 | 3.29 | 1.86 | 0.93 | 3.34 | 2.33 | 3.74 | 3.87 | 5.78 | 4.07 | 5.44 | 5.05 | 4.52 |
| | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t | Ag g/t |
| GS-P6A-1 | 82 | 75 | 82 | 76 | 79 | 76 | 86 | 83 | 84 | 77 | 84 | 86 | 81 | 76 | 89 |
| GS-P6A-2 | 77 | 78 | 85 | 79 | 80 | 76 | 90 | 81 | 82 | 78 | 81 | 91 | 90 | 76 | 96 |
| GS-P6A-3 | 76 | 77 | 87 | 80 | 84 | 76 | 83 | 82 | 84 | 80 | 84 | 82 | 82 | 83 | 98 |
| GS-P6A-4 | 79 | 77 | 86 | 75 | 88 | 76 | 84 | 81 | 84 | 76 | 83 | 83 | 84 | 89 | 93 |
| GS-P6A-5 | 85 | 81 | 80 | 76 | 80 | 76 | 87 | 81 | 83 | 76 | 84 | 82 | 88 | 80 | 90 |
| GS-P6A-6 | 80 | 80 | 81 | 79 | 76 | 77 | 85 | 84 | 82 | 79 | 83 | 84 | 82 | 87 | 93 |
| GS-P6A-7 | 83 | 80 | 80 | 78 | 81 | 76 | 85 | 81 | 82 | 79 | 86 | 83 | 88 | 82 | 88 |
| GS-P6A-8 | 75 | 74 | 82 | 84 | 82 | 76 | 89 | 82 | 83 | 80 | 84 | 86 | 86 | 86 | 91 |
| GS-P6A-9 | 79 | 78 | 80 | 79 | 86 | 76 | 91 | 84 | 85 | 77 | 84 | 86 | 82 | 89 | 83 |
| GS-P6A-10 | 79 | 80 | 82 | 83 | 83 | 76 | 86 | 81 | 84 | 82 | 84 | 93 | 88 | 86 | 91 |
| Mean | 80 | 78 | 83 | 79 | 82 | 76 | 87 | 82 | 83 | 78 | 83 | 86 | 85 | 83 | 91 |
| Std. Dev'n | 3.14 | 2.28 | 2.59 | 2.92 | 3.51 | 0.39 | 2.60 | 1.25 | 0.97 | 1.94 | 1.21 | 3.75 | 3.28 | 4.90 | 4.21 |
| %RSD | 3.94 | 2.92 | 3.14 | 3.70 | 4.29 | 0.51 | 3.01 | 1.52 | 1.16 | 2.48 | 1.45 | 4.38 | 3.86 | 5.88 | 4.62 |

Note: Ag data from lab 15 was removed for failing the t-test.

Approximate chemical composition (from whole rock analysis) is as follows:

| | Percent | | | Percent |
|--------------------------------|---------|--|------------------|---------|
| SiO ₂ | 69.7 | | MgO | 0.2 |
| Al ₂ O ₃ | 3.9 | | K ₂ O | 2.0 |
| Fe ₂ O ₃ | 1.7 | | TiO ₂ | <0.1 |
| CaO | 12.4 | | LOI | 9.9 |
| MnO | 0.2 | | Total S | 0.2 |
| Na ₂ O | 0.1 | | Total C | 2.7 |

Statistical Procedures:

The final limits were calculated after first determining if all data was compatible within a spread normally expected for similar analytical methods done by reputable laboratories. Data from any one laboratory was removed from further calculations when the mean of all analyses from that laboratory failed a t test of the global means of the other laboratories. The means and standard deviations were calculated using all remaining data. Any analysis that fell outside of the mean ±2 standard deviations was removed from the ensuing data base. The mean and standard deviations were again calculated using the remaining data. This method is different from that used by Government agencies in that the actual “between-laboratory” standard deviation is used in the calculations. This produces upper and lower limits that reflect actual individual analyses rather than a grouped set of analyses. The limits can therefore be used to monitor accuracy from individual analyses, unlike the Confidence Limits published on other standards.

Participating Laboratories:


(not in same order as listed in table of results)

- Activation Laboratories, Ancaster, Ontario, Canada
- Activation Laboratories, Thunder Bay, Ontario, Canada
- AGAT Laboratories, Mississauga, Ontario, Canada
- ALS Lima, Peru
- ALS Loughrea (Omac), Ireland
- ALS Canada, North Vancouver, British Columbia, Canada
- Argetest, Ankara, Turkey
- Bureau Veritas (Ultra Trace), Perth, Australia
- Bureau Veritas (Acme), Vancouver, BC, Canada
- Certimin, Lima, Peru
- Labtium, Espoo, Finland
- Met-Solve Analytical Services, Langley, BC, Canada
- SGS, Lakefield, Ontario, Canada
- SGS, Lima, Peru
- SGS, Vancouver, BC, Canada


Legal Notice:

This certificate and the reference material described in it have been prepared with due care and attention. However CDN Resource Laboratories Ltd. or Barry Smee accept no liability for any decisions or actions taken following the use of the reference material. Our liability is limited solely to the cost of the reference material.

Certified by


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