

CDN Resource Laboratories Ltd.

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REFERENCE MATERIAL: CDN-CM-40

Recommended values and the “Between Lab” Two Standard Deviations

| | | | | | |
|-------------------|-----------------|----------|-----------------|------------------------|---------------------------|
| <i>Gold</i> | <i>1.31 g/t</i> | <i>±</i> | <i>0.12 g/t</i> | <i>Certified value</i> | <i>30g FA / ICP or AA</i> |
| <i>Silver</i> | <i>18 g/t</i> | <i>±</i> | <i>2 g/t</i> | <i>Certified value</i> | <i>4-acid / ICP or AA</i> |
| <i>Copper</i> | <i>0.561 %</i> | <i>±</i> | <i>0.032 %</i> | <i>Certified value</i> | <i>4-acid / ICP or AA</i> |
| <i>Molybdenum</i> | <i>0.060 %</i> | <i>±</i> | <i>0.004 %</i> | <i>Certified value</i> | <i>4-acid / ICP or AA</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.

PREPARED BY: CDN Resource Laboratories Ltd.
CERTIFIED BY: Duncan Sanderson, B.Sc., Licensed Assayer of British Columbia
INDEPENDENT GEOCHEMIST: Dr. Barry Smee., Ph.D., P. Geo.
DATE OF CERTIFICATION: April 2016

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 laboratories for round robin assaying.

ORIGIN OF REFERENCE MATERIAL:

Standard CDN-CM-40 was prepared using a blend of ores and granitic rock.

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

| | Percent | | | Percent |
|--------------------------------|---------|--|------------------|---------|
| SiO ₂ | 55.9 | | MgO | 8.0 |
| Al ₂ O ₃ | 12.9 | | K ₂ O | 1.0 |
| Fe ₂ O ₃ | 8.5 | | MnO | 0.2 |
| CaO | 6.9 | | TiO ₂ | 0.4 |
| Na ₂ O | 2.3 | | LOI | 2.7 |
| S | 1.4 | | C | 0.1 |

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.

Results from round-robin assaying:

| | 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 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Instrumental | 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 |
| CM-40-1 | 1.34 | 1.26 | 1.22 | 1.32 | 1.35 | 1.25 | 1.24 | 1.30 | 1.38 | 1.33 | 1.28 | 1.50 | 1.34 | 1.40 | 1.36 |
| CM-40-2 | 1.42 | 1.30 | 1.30 | 1.27 | 1.28 | 1.39 | 1.27 | 1.32 | 1.26 | 1.37 | 1.37 | 1.33 | 1.27 | 1.37 | 1.32 |
| CM-40-3 | 1.34 | 1.28 | 1.26 | 1.27 | 1.38 | 1.34 | 1.22 | 1.23 | 1.41 | 1.46 | 1.39 | 1.38 | 1.39 | 1.28 | 1.37 |
| CM-40-4 | 1.28 | 1.25 | 1.30 | 1.20 | 1.33 | 1.24 | 1.27 | 1.27 | 1.27 | 1.39 | 1.26 | 1.44 | 1.33 | 1.28 | 1.30 |
| CM-40-5 | 1.32 | 1.29 | 1.30 | 1.20 | 1.30 | 1.31 | 1.20 | 1.27 | 1.27 | 1.34 | 1.35 | 1.45 | 1.31 | 1.31 | 1.29 |
| CM-40-6 | 1.26 | 1.41 | 1.21 | 1.30 | 1.37 | 1.36 | 1.22 | 1.30 | 1.23 | 1.37 | 1.27 | 1.31 | 1.36 | 1.40 | 1.20 |
| CM-40-7 | 1.19 | 1.47 | 1.31 | 1.30 | 1.32 | 1.32 | 1.22 | 1.23 | 1.32 | 1.41 | 1.28 | 1.36 | 1.33 | 1.42 | 1.32 |
| CM-40-8 | 1.34 | 1.27 | 1.25 | 1.26 | 1.29 | 1.35 | 1.29 | 1.18 | 1.37 | 1.43 | 1.33 | 1.37 | 1.28 | 1.33 | 1.23 |
| CM-40-9 | 1.23 | 1.37 | 1.33 | 1.24 | 1.33 | 1.38 | 1.28 | 1.24 | 1.30 | 1.35 | 1.28 | 1.44 | 1.33 | 1.39 | 1.40 |
| CM-40-10 | 1.40 | 1.31 | 1.25 | 1.24 | 1.30 | 1.30 | 1.21 | 1.26 | 1.23 | 1.35 | 1.38 | 1.35 | 1.30 | 1.39 | 1.31 |
| Mean | 1.31 | 1.32 | 1.27 | 1.26 | 1.33 | 1.32 | 1.24 | 1.26 | 1.30 | 1.38 | 1.32 | 1.39 | 1.32 | 1.36 | 1.31 |
| Std. Devn. | 0.0727 | 0.0723 | 0.0419 | 0.0408 | 0.0342 | 0.0519 | 0.0322 | 0.0416 | 0.0644 | 0.0416 | 0.0496 | 0.0598 | 0.0349 | 0.0525 | 0.0609 |
| % RSD | 5.55 | 5.48 | 3.29 | 3.24 | 2.58 | 3.92 | 2.59 | 3.30 | 4.94 | 3.01 | 3.76 | 4.30 | 2.63 | 3.87 | 4.65 |
| 4-acid | 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 |
| CM-40-1 | 20 | 16 | 16 | 17.0 | 18 | 18.5 | 19 | 19.1 | 19.1 | 16.8 | 19 | 19 | 18.4 | 17 | 17 |
| CM-40-2 | 19 | 16 | 16 | 17.0 | 17 | 16.7 | 19 | 18.9 | 18.4 | 17.1 | 18 | 19 | 17.4 | 18 | 16 |
| CM-40-3 | 19 | 18 | 16 | 16.5 | 18 | 17.6 | 19 | 19.1 | 20.0 | 17.4 | 17 | 19 | 18.2 | 18 | 17 |
| CM-40-4 | 18 | 18 | 15 | 17.0 | 19 | 17.3 | 19 | 18.1 | 18.2 | 17.8 | 18 | 19 | 18.9 | 18 | 17 |
| CM-40-5 | 19 | 17 | 16 | 18.5 | 18 | 17.5 | 19 | 19.4 | 18.5 | 17.1 | 18 | 18 | 18.6 | 17 | 17 |
| CM-40-6 | 18 | 16 | 17 | 17.0 | 18 | 16.9 | 18 | 18.9 | 18.1 | 16.9 | 17 | 20 | 18.1 | 17 | 17 |
| CM-40-7 | 20 | 17 | 16 | 17.5 | 18 | 17.3 | 18 | 19.0 | 18.1 | 17.1 | 18 | 20 | 17.8 | 18 | 18 |
| CM-40-8 | 20 | 17 | 18 | 17.0 | 20 | 17.1 | 18 | 19.1 | 18.0 | 17.0 | 17 | 19 | 19.6 | 17 | 18 |
| CM-40-9 | 19 | 17 | 17 | 18.0 | 19 | 16.6 | 19 | 18.7 | 18.0 | 16.9 | 17 | 21 | 20.0 | 18 | 17 |
| CM-40-10 | 19 | 18 | 16 | 17.5 | 17 | 17.0 | 19 | 19.1 | 18.3 | 17.0 | 17 | 19 | 17.4 | 18 | 19 |
| Mean | 19 | 17 | 16 | 17.3 | 18 | 17.3 | 19 | 18.9 | 18.5 | 17.1 | 18 | 19 | 18.4 | 18 | 17 |
| Std. Devn. | 0.738 | 0.816 | 0.823 | 0.587 | 0.919 | 0.546 | 0.483 | 0.347 | 0.629 | 0.292 | 0.699 | 0.823 | 0.867 | 0.516 | 0.823 |
| % RSD | 3.86 | 4.80 | 5.05 | 3.39 | 5.05 | 3.17 | 2.58 | 1.83 | 3.41 | 1.71 | 3.97 | 4.27 | 4.70 | 2.93 | 4.76 |
| | 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 |
| 4-acid | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu | % Cu |
| CM-40-1 | 0.610 | 0.599 | 0.532 | 0.550 | 0.564 | 0.612 | 0.590 | 0.590 | 0.550 | 0.594 | 0.544 | 0.711 | 0.559 | 0.554 | 0.556 |
| CM-40-2 | 0.558 | 0.589 | 0.549 | 0.560 | 0.551 | 0.560 | 0.560 | 0.596 | 0.520 | 0.564 | 0.558 | 0.656 | 0.556 | 0.552 | 0.587 |
| CM-40-3 | 0.614 | 0.532 | 0.555 | 0.552 | 0.550 | 0.556 | 0.560 | 0.619 | 0.520 | 0.584 | 0.558 | 0.594 | 0.554 | 0.550 | 0.557 |
| CM-40-4 | 0.570 | 0.549 | 0.540 | 0.555 | 0.561 | 0.565 | 0.560 | 0.588 | 0.530 | 0.578 | 0.564 | 0.623 | 0.557 | 0.548 | 0.553 |
| CM-40-5 | 0.550 | 0.567 | 0.542 | 0.560 | 0.560 | 0.632 | 0.590 | 0.580 | 0.520 | 0.567 | 0.543 | 0.664 | 0.555 | 0.553 | 0.545 |
| CM-40-6 | 0.565 | 0.545 | 0.550 | 0.556 | 0.562 | 0.568 | 0.560 | 0.589 | 0.610 | 0.561 | 0.559 | 0.742 | 0.567 | 0.540 | 0.543 |
| CM-40-7 | 0.550 | 0.530 | 0.537 | 0.564 | 0.563 | 0.613 | 0.580 | 0.579 | 0.520 | 0.558 | 0.555 | 0.740 | 0.559 | 0.550 | 0.542 |
| CM-40-8 | 0.561 | 0.536 | 0.555 | 0.553 | 0.569 | 0.623 | 0.580 | 0.582 | 0.520 | 0.599 | 0.563 | 0.653 | 0.571 | 0.545 | 0.586 |
| CM-40-9 | 0.546 | 0.561 | 0.539 | 0.569 | 0.559 | 0.551 | 0.570 | 0.602 | 0.520 | 0.569 | 0.562 | 0.635 | 0.559 | 0.556 | 0.538 |
| CM-40-10 | 0.542 | 0.552 | 0.556 | 0.565 | 0.568 | 0.574 | 0.570 | 0.585 | 0.520 | 0.587 | 0.587 | 0.564 | 0.564 | 0.560 | 0.540 |
| Mean | 0.567 | 0.556 | 0.545 | 0.558 | 0.561 | 0.586 | 0.572 | 0.591 | 0.533 | 0.576 | 0.559 | 0.658 | 0.560 | 0.551 | 0.555 |
| Std. Devn. | 0.0255 | 0.0234 | 0.0086 | 0.0062 | 0.0063 | 0.0307 | 0.0123 | 0.0121 | 0.0287 | 0.0144 | 0.0122 | 0.0590 | 0.0055 | 0.0057 | 0.0180 |
| % RSD | 4.49 | 4.21 | 1.57 | 1.12 | 1.12 | 5.25 | 2.15 | 2.05 | 5.38 | 2.50 | 2.18 | 8.97 | 0.99 | 1.03 | 3.25 |
| 4-acid | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo | % Mo |
| CM-40-1 | 0.065 | 0.054 | 0.059 | 0.061 | 0.062 | 0.061 | 0.060 | 0.061 | 0.058 | 0.054 | 0.058 | 0.06 | 0.06 | 0.06 | 0.058 |
| CM-40-2 | 0.068 | 0.054 | 0.059 | 0.063 | 0.060 | 0.060 | 0.060 | 0.062 | 0.058 | 0.053 | 0.064 | 0.06 | 0.06 | 0.06 | 0.061 |
| CM-40-3 | 0.059 | 0.053 | 0.061 | 0.062 | 0.060 | 0.058 | 0.060 | 0.062 | 0.058 | 0.056 | 0.058 | 0.06 | 0.06 | 0.06 | 0.06 |
| CM-40-4 | 0.060 | 0.055 | 0.058 | 0.061 | 0.061 | 0.058 | 0.060 | 0.058 | 0.057 | 0.057 | 0.059 | 0.06 | 0.06 | 0.06 | 0.059 |
| CM-40-5 | 0.060 | 0.052 | 0.061 | 0.064 | 0.061 | 0.062 | 0.060 | 0.061 | 0.057 | 0.055 | 0.058 | 0.06 | 0.06 | 0.06 | 0.059 |
| CM-40-6 | 0.060 | 0.053 | 0.060 | 0.061 | 0.061 | 0.059 | 0.060 | 0.060 | 0.059 | 0.055 | 0.058 | 0.06 | 0.06 | 0.06 | 0.059 |
| CM-40-7 | 0.062 | 0.052 | 0.059 | 0.064 | 0.060 | 0.058 | 0.060 | 0.061 | 0.056 | 0.054 | 0.059 | 0.07 | 0.06 | 0.06 | 0.058 |
| CM-40-8 | 0.059 | 0.052 | 0.059 | 0.064 | 0.062 | 0.059 | 0.060 | 0.060 | 0.058 | 0.057 | 0.059 | 0.06 | 0.06 | 0.06 | 0.059 |
| CM-40-9 | 0.059 | 0.055 | 0.061 | 0.064 | 0.062 | 0.057 | 0.060 | 0.057 | 0.058 | 0.057 | 0.060 | 0.07 | 0.06 | 0.06 | 0.058 |
| CM-40-10 | 0.061 | 0.056 | 0.060 | 0.063 | 0.062 | 0.058 | 0.060 | 0.060 | 0.058 | 0.055 | 0.063 | 0.06 | 0.06 | 0.06 | 0.059 |
| Mean | 0.061 | 0.054 | 0.060 | 0.063 | 0.061 | 0.059 | 0.060 | 0.060 | 0.058 | 0.055 | 0.060 | 0.062 | 0.061 | 0.059 | 0.059 |
| Std. Devn. | 0.0030 | 0.0014 | 0.0009 | 0.0012 | 0.0009 | 0.0017 | 0.0000 | 0.0016 | 0.0008 | 0.0014 | 0.0022 | 0.0030 | 0.0013 | 0.0014 | 0.0009 |
| % RSD | 4.87 | 2.67 | 1.47 | 1.95 | 1.43 | 2.80 | 0.00 | 2.64 | 1.43 | 2.56 | 3.64 | 4.78 | 2.15 | 2.44 | 1.60 |

Notes: Four acid Cu results from lab 9 and lab 12 were removed for failing the t-test.
 Four acid Mo results from lab 2 were removed for failing the t-test.

Participating Laboratories:

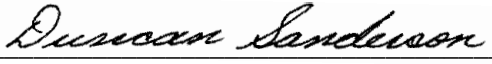
(not in same order as listed in table of results)

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AGAT, Mississauga, Ontario, Canada
ALS Canada, North Vancouver, B.C., Canada
ALS OMAC, Loughrea, Ireland
ALS South America, Lima, Peru
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Certified by


Duncan Sanderson, Certified Assayer of B.C.

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