CDN Resource Laboratories Ltd.

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GOLD ORE REFERENCE STANDARD: CDN-GS-3C

Recommended value and the "Between Lab" Two Standard Deviations *Gold concentration:* $3.58 \pm 0.31 \text{ g/t}$

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ORIGIN OF REFERENCE MATERIAL:

Standard CDN-GS-3C was prepared using reject ore material supplied by the Hunter Dickinson Group from the Specogna deposit. The Specogna deposit is a low sulphidation epithermal gold deposit of Miocene age and is localized along the Sandspit fault. Gold bearing breccia, vein and stockwork development occurs along the fault and subsidiary dilational structures extending upward into a thick hanging wall sequence of clastic sediments. Mineralization at Specogna is dominated by pyrite and marcasite which typically comprise 1 to 4% of the host rocks. Gold and silver occur as electrum

METHOD OF PREPARATION:

Reject ore material was dried, crushed, pulverized and then passed through a 200 mesh screen. The +200 material was discarded. The -200 material was mixed for 6 days in a double-cone blender. Splits were taken and sent to 12 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 |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Au g/t |
| GS-3C-1 | 3.36 | 3.69 | 3.69 | 3.66 | 3.49 | 3.40 | 3.62 | 3.59 | 3.60 | 3.54 | 3.27 | 3.73 |
| GS-3C-2 | 3.06 | 3.64 | 3.71 | 3.67 | 3.49 | 3.60 | 3.61 | 3.49 | 3.87 | 3.96 | 3.27 | 3.70 |
| GS-3C-3 | 3.28 | 3.71 | 3.76 | 3.71 | 3.48 | 3.38 | 3.46 | 3.70 | 3.75 | 3.95 | 3.28 | 3.69 |
| GS-3C-4 | 3.17 | 3.77 | 3.80 | 3.75 | 3.49 | 3.42 | 3.42 | 3.55 | 3.75 | 3.63 | 3.37 | 3.11 |
| GS-3C-5 | 3.49 | 3.66 | 3.80 | 3.60 | 3.50 | 3.43 | 3.78 | 3.60 | 3.70 | 3.77 | 3.34 | 3.35 |
| GS-3C-6 | 3.37 | 3.69 | 4.05 | 3.67 | 3.49 | 3.49 | 3.52 | 3.55 | 3.85 | 3.66 | 3.41 | 3.57 |
| GS-3C-7 | 3.17 | 3.53 | 3.79 | 3.71 | 3.48 | 3.64 | 3.55 | 3.49 | 3.79 | 3.42 | 3.33 | 3.69 |
| GS-3C-8 | 3.38 | 3.63 | 3.67 | 3.68 | 3.49 | 3.56 | 3.50 | 3.61 | 3.81 | 3.80 | 3.35 | 3.66 |
| GS-3C-9 | 3.67 | 3.59 | 3.76 | 3.57 | 3.50 | 3.34 | 3.33 | 3.52 | 3.75 | 3.59 | 3.34 | 3.53 |
| GS-3C-10 | 3.32 | 3.66 | 3.96 | 3.49 | 3.48 | 3.50 | 3.97 | 3.61 | 3.73 | 3.83 | 3.44 | 3.66 |
| Mean | 3.33 | 3.66 | 3.80 | 3.65 | 3.49 | 3.48 | 3.58 | 3.57 | 3.76 | 3.72 | 3.34 | 3.57 |
| Std. Dev. | 0.174 | 0.066 | 0.119 | 0.077 | 0.008 | 0.099 | 0.186 | 0.067 | 0.077 | 0.177 | 0.057 | 0.197 |
| %RSD | 5.23 | 1.81 | 3.15 | 2.11 | 0.22 | 2.86 | 5.19 | 1.88 | 2.06 | 4.77 | 1.71 | 5.51 |

Assay Procedure: assays were fire assay, AA or ICP finish on 30g samples.

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| | Percent | | Percent |
|-------|---------|------|---------|
| SiO2 | 61.4 | Na2O | 2.2 |
| Al2O3 | 13.5 | MgO | 1.8 |
| Fe2O3 | 10.5 | K2O | 3.0 |
| CaO | 2.8 | TiO2 | 0.5 |
| MnO | 0.1 | LOI | 3.9 |

APPROXIMATE CHEMICAL COMPOSITION:

Statistical Procedures:

The mean and standard deviation for all data was calculated. Outliers were defined as samples beyond the mean ± 2 Standard Deviations from all data. These outliers were removed from the data and a new mean and standard deviation was determined. 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 Certified Limits published on other standards.

<u>Participating Laboratories</u>: (not in same order as table of assays)

Acme Analytical Laboratories Ltd. Alaska Assay Labs., Alaska, USA Alex Stewart Assayers, Argentina Assayers Canada Ltd., Vancouver ALS Chemex Laboratories, North Vancouver EcoTech Laboratory, Kamloops, Canada Genalysis Laboratory Services Pty. Ltd., Australia GTK Laboratory, (Geological Survey of Finland) OMAC Laboratories Ltd., Ireland Skyline Laboratory, Arizona, USA Teck Cominco (Global Discovery Laboratory), Vancouver TSL Laboratories, Saskatoon

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Certified by

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Duncan Sanderson, Certified Assayer of B.C.

Geochemist

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