CDN Resource Laboratories Ltd.

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REFERENCE MATERIAL: CDN-ME-1601

Recommended values and the "Between Lab" Two Standard Deviations

Gold	***0.613 g/t***	±	***0.046 g/t***	***30 g FA, instrumental***	***Certified value***
Silver	***39.6 ppm***	±	***1.8 ppm***	***4-Acid / ICP***	***Certified value***
Copper	***0.344 %***	±	***0.018 %***	***4 Acid / ICP***	***Certified value***
Lead	***0.219 %***	±	***0.012 %***	***4 Acid / ICP***	***Certified value***
Zinc	***0.942 %***	±	***0.050 %***	***4 Acid / ICP***	***Certified value***

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.

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 commercial laboratories for round robin assaying.

ORIGIN OF REFERENCE MATERIAL:

The ore was supplied by Farallon Resources from their Campo Morado property in Mexico. The Campo Morado precious-metal-bearing, volcanogenic massive sulphide deposits occur in a lower cretaceous bimodal, calc-alkaline volcanic sequence. Most deposits occur in the upper part of a sequence of felsic flows and heterolithic volcanoclastic rocks or at its contact with overlying chert and argillite. Gold, silver, zinc, and lead are associated with pyrite, quartz, ankerite, sphalerite, chalcopyrite and galena, with minor tennanite-freibergite, arsenopyrite, and pyrrhotite.

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

	Percent			**Percent**
SiO2	54.9		K2O	0.7
Al2O3	6.7		TiO2	0.2
Fe2O3	18.3		LOI	11.2
CaO	1.9		S	11.3
Na2O	0.1		C	0.9
MgO	3.8			

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.

Assay Procedures:

Au: Fire assay pre-concentration, AA or ICP finish.
Ag, Cu, Pb, Zn: 4-acid digestion, AA or ICP finish.

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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
	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
ME-1601-1	0.662	0.653	0.600	0.591	0.589	0.714	0.592	0.584	0.635	0.620	0.614	0.616	0.665	0.600	0.644
ME-1601-2	0.619	0.594	0.607	0.582	0.598	0.601	0.601	0.597	0.614	0.648	0.628	0.649	0.630	0.658	0.610
ME-1601-3	0.619	0.584	0.594	0.591	0.613	0.611	0.594	0.600	0.638	0.603	0.581	0.625	0.602	0.638	0.614
ME-1601-4	0.589	0.591	0.605	0.580	0.605	0.668	0.596	0.563	0.623	0.634	0.592	0.674	0.640	0.618	0.659
ME-1601-5	0.578	0.609	0.628	0.596	0.592	0.642	0.589	0.563	0.645	0.614	0.623	0.661	0.646	0.616	0.651
ME-1601-6	0.590	0.603	0.610	0.604	0.613	0.612	0.597	0.565	0.619	0.590	0.629	0.659	0.598	0.632	0.615
ME-1601-7	0.629	0.616	0.624	0.608	0.613	0.672	0.602	0.596	0.642	0.595	0.599	0.636	0.600	0.606	0.649
ME-1601-8	0.580	0.591	0.596	0.599	0.579	0.635	0.592	0.584	0.635	0.620	0.622	0.648	0.599	0.593	0.632
ME-1601-9	0.590	0.615	0.612	0.603	0.594	0.687	0.594	0.593	0.641	0.618	0.609	0.678	0.613	0.618	0.681
ME-1601-10	0.613	0.591	0.611	0.583	0.616	0.629	0.608	0.601	0.643	0.640	0.602	0.648	0.595	0.583	0.633
Mean	0.607	0.605	0.609	0.594	0.601	0.647	0.597	0.585	0.634	0.618	0.610	0.649	0.619	0.616	0.639
Std. Devn.	0.0265	0.0203	0.0110	0.0099	0.0126	0.0369	0.0057	0.0156	0.0109	0.0189	0.0162	0.0198	0.0247	0.0223	0.0225
% RSD	4.36	3.35	1.81	1.67	2.10	5.71	0.96	2.66	1.73	3.05	2.66	3.06	4.00	3.62	3.52
	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
ME-1601-1	39.0	38.0	39.0	37.0	39.6	40.0	41.0	40.1	40.4	38.4	39.0	39.0	40.0	40.0	40.2
ME-1601-2	40.0	41.0	39.0	38.0	39.1	40.0	41.0	41.2	39.4	38.7	39.0	41.0	40.0	37.0	40.4
ME-1601-3	39.0	40.0	37.0	38.0	39.0	39.0	41.0	41.0	39.2	40.1	38.0	40.0	39.0	40.0	40.3
ME-1601-4	40.0	39.0	37.0	38.5	39.0	39.0	41.0	40.8	39.6	38.1	39.0	40.0	40.0	39.0	39.5
ME-1601-5	39.0	39.0	37.0	37.5	39.0	39.0	41.0	38.5	39.3	40.4	39.0	40.0	39.0	39.0	40.2
ME-1601-6	39.0	40.0	39.0	38.5	38.7	40.0	41.0	38.8	39.5	39.3	41.0	40.0	41.0	40.0	41.7
ME-1601-7	39.0	40.0	39.0	37.5	38.4	40.0	42.0	40.1	39.6	38.5	40.0	39.0	40.0	38.0	41.7
ME-1601-8	39.0	41.0	37.0	39.0	38.0	40.0	40.0	40.3	39.5	39.1	39.0	40.0	41.0	39.0	40.6
ME-1601-9	40.0	38.0	38.0	38.0	38.5	40.0	40.0	40.3	40.0	38.3	39.0	39.0	39.0	35.0	41.0
ME-1601-10	40.0	40.0	38.0	39.0	38.1	41.0	41.0	42.0	39.4	39.9	41.0	40.0	41.0	40.0	40.6
Mean	39.4	39.6	38.0	38.1	38.7	39.8	40.9	40.3	39.6	39.1	39.4	39.8	40.0	38.7	40.6
Std. Devn.	0.52	1.07	0.94	0.66	0.49	0.63	0.57	1.05	0.36	0.82	0.97	0.63	0.82	1.64	0.69
% RSD	1.31	2.71	2.48	1.73	1.28	1.59	1.39	2.62	0.90	2.09	2.45	1.59	2.04	4.23	1.69

Notes: Ag data from lab 3 was removed for failing the t-test

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	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu	% Cu
ME-1601-1	0.386	0.344	0.345	0.347	0.357	0.357	0.340	0.353	0.340	0.338	0.346	0.339	0.338	0.330	0.356
ME-1601-2	0.365	0.342	0.345	0.347	0.355	0.356	0.340	0.353	0.340	0.340	0.333	0.346	0.338	0.340	0.354
ME-1601-3	0.356	0.337	0.344	0.343	0.343	0.355	0.340	0.355	0.340	0.335	0.344	0.353	0.335	0.340	0.356
ME-1601-4	0.362	0.340	0.340	0.345	0.349	0.356	0.330	0.359	0.330	0.330	0.343	0.345	0.335	0.340	0.359
ME-1601-5	0.357	0.339	0.340	0.350	0.357	0.353	0.340	0.362	0.340	0.334	0.343	0.342	0.337	0.340	0.357
ME-1601-6	0.349	0.345	0.352	0.340	0.355	0.352	0.340	0.350	0.340	0.332	0.339	0.348	0.336	0.340	0.351
ME-1601-7	0.354	0.347	0.347	0.350	0.346	0.356	0.340	0.353	0.330	0.330	0.349	0.343	0.327	0.330	0.350
ME-1601-8	0.349	0.346	0.344	0.347	0.343	0.353	0.340	0.358	0.330	0.329	0.344	0.347	0.341	0.340	0.356
ME-1601-9	0.354	0.333	0.343	0.342	0.346	0.358	0.340	0.363	0.330	0.333	0.345	0.337	0.327	0.340	0.355
ME-1601-10	0.353	0.333	0.353	0.339	0.350	0.355	0.340	0.369	0.340	0.327	0.344	0.339	0.330	0.340	0.359
Mean	0.359	0.341	0.345	0.345	0.350	0.355	0.339	0.358	0.336	0.333	0.343	0.344	0.334	0.338	0.355
Std. Devn.	0.0109	0.0051	0.0045	0.0039	0.0056	0.0019	0.0032	0.0059	0.0052	0.0041	0.0043	0.0049	0.0048	0.0042	0.0030
% RSD	3.04	1.50	1.29	1.13	1.60	0.54	0.93	1.64	1.54	1.23	1.26	1.42	1.44	1.25	0.84
	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
	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb	% Pb
ME-1601-1	0.221	0.215	0.215	0.217	0.231	0.240	0.220	0.221	0.210	0.209	0.221	0.217	0.225	0.220	0.238
ME-1601-2	0.220	0.218	0.219	0.219	0.228	0.220	0.230	0.225	0.210	0.211	0.217	0.222	0.219	0.210	0.240
ME-1601-3	0.218	0.215	0.217	0.218	0.227	0.220	0.220	0.211	0.210	0.209	0.217	0.222	0.221	0.220	0.227
ME-1601-4	0.223	0.215	0.215	0.216	0.225	0.220	0.220	0.217	0.210	0.204	0.220	0.220	0.225	0.230	0.218
ME-1601-5	0.220	0.211	0.215	0.215	0.229	0.200	0.220	0.215	0.210	0.210	0.220	0.219	0.221	0.230	0.220
ME-1601-6	0.216	0.214	0.218	0.215	0.227	0.210	0.220	0.216	0.210	0.210	0.230	0.223	0.227	0.230	0.214
ME-1601-7	0.218	0.219	0.213	0.219	0.223	0.230	0.220	0.219	0.210	0.208	0.221	0.217	0.221	0.210	0.227
ME-1601-8	0.217	0.217	0.216	0.220	0.222	0.230	0.220	0.222	0.210	0.207	0.217	0.217	0.229	0.230	0.228
ME-1601-9	0.217	0.212	0.214	0.213	0.222	0.230	0.220	0.224	0.210	0.210	0.223	0.218	0.220	0.210	0.230
ME-1601-10	0.220	0.212	0.218	0.216	0.225	0.220	0.230	0.223	0.210	0.207	0.222	0.213	0.217	0.220	0.223
Mean	0.219	0.215	0.216	0.217	0.226	0.222	0.222	0.219	0.210	0.209	0.221	0.219	0.223	0.221	0.227
Std. Devn.	0.0022	0.0027	0.0019	0.0022	0.0032	0.0114	0.0042	0.0045	0.0000	0.0021	0.0039	0.0030	0.0038	0.0088	0.0083
% RSD	0.99	1.24	0.90	1.02	1.41	5.11	1.90	2.05	0.00	0.99	1.76	1.39	1.71	3.96	3.65
	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn	% Zn
ME-1601-1	0.944	0.918	0.911	0.914	0.995	0.980	0.92	0.957	0.910	0.957	0.936	0.927	0.957	0.930	0.978
ME-1601-2	0.954	0.918	0.922	0.924	0.984	0.980	0.92	0.964	0.910	0.953	0.933	0.946	0.948	0.900	0.986
ME-1601-3	0.941	0.914	0.923	0.928	0.983	0.980	0.93	0.976	0.910	0.969	0.939	0.966	0.912	0.940	0.985
ME-1601-4	0.955	0.918	0.935	0.922	0.971	0.980	0.93	0.982	0.900	0.955	0.932	0.945	0.939	0.930	0.979
ME-1601-5	0.943	0.903	0.922	0.928	0.979	0.970	0.93	0.968	0.920	0.975	0.929	0.937	0.922	0.950	0.981
ME-1601-6	0.930	0.920	0.931	0.907	0.971	0.970	0.92	0.956	0.910	0.963	0.927	0.948	0.960	0.930	0.979
ME-1601-7	0.939	0.930	0.923	0.924	0.961	0.980	0.92	0.981	0.910	0.971	0.952	0.932	0.928	0.930	0.984
ME-1601-8	0.926	0.930	0.910	0.932	0.962	0.970	0.93	0.991	0.910	0.969	0.935	0.950	0.962	0.930	0.985
ME-1601-9	0.938	0.896	0.918	0.927	0.958	0.980	0.92	0.996	0.910	0.957	0.941	0.921	0.910	0.900	0.981
ME-1601-10	0.942	0.903	0.916	0.907	0.967	0.980	0.92	0.980	0.910	0.968	0.938	0.925	0.954	0.940	0.983
Mean	0.941	0.915	0.921	0.921	0.973	0.977	0.924	0.975	0.910	0.964	0.936	0.940	0.939	0.928	0.982
Std. Devn.	0.0091	0.0113	0.0079	0.0089	0.0119	0.0048	0.0052	0.0136	0.0047	0.0077	0.0071	0.0139	0.0199	0.0162	0.0029
% RSD	0.96	1.24	0.85	0.97	1.23	0.49	0.56	1.39	0.52	0.80	0.75	1.47	2.12	1.74	0.29

Participating Laboratories:
(not in same order as listed in table of results)

Activation Laboratories, Ancaster, Ontario Canada
Activation Laboratories, Thunder Bay, Ontario, Canada
AGAT, Mississauga, Ontario, Canada
ALS Canada, Vancouver, BC, Canada
ALS South America, Lima Peru
ALS Loughrea (Omac), Ireland
Argetest, Ankara, Turkey
Bureau Veritas (Ultra Trace), Perth Australia
Bureau Veritas (Acme), Vancouver, BC, Canada
Certimin, Lima, Peru
Met-Solve Analytical Services, Langley, BC, Canada
SGS, Lima, Peru
SGS, Vancouver, BC, Canada
Skyline, Tucson, Arizona, USA
TSL Laboratories Ltd., Saskatoon, SK, Canada

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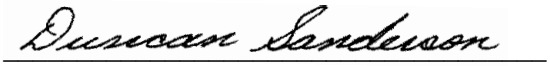
Certified by 
Duncan Sanderson, Certified Assayer of B.C.

Geochemist 
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