Ministry of Energy, Mines & Petroleum Resources
Mining & Minerals Division
BC Geological Survey

TYPE OF REPORT [type of survey(s)]: Airphoto

AUTHOR(S): J. T. Shearer

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): ____________ YEAR OF WORK: 2012

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5430413

PROPERTY NAME: Spire Project

CLAIM NAME(S) (on which the work was done): Spire 1, Spire 2, Spire 3

COMMODITIES SOUGHT: ____________

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: ____________

MINING DIVISION: Kamloops Mining Division

LATITUDE: 51° 08’ 43” LONGITUDE: 120° 47’ 57” (at centre of work)

OWNER(S):
1) J. T. Shearer

MAILING ADDRESS:
Unit 5 - 2330 Tyner Street
Port Coquitlam, BC V3C 2Z1

OPERATOR(S) [who paid for the work]:
1) Same as above

MAILING ADDRESS:
Same as above

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
The claims are underlain by Triassic volcanic and sedimentary rocks of the Nicola Group, overlain by Forecamb Kamloops Group Volcanics + younger rockes - intruded by granite plugs called the Split Rock showing anomalous Hg/Zn/Pb/Ag/Ti/Fe/Mn.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: Assessment Reports
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**TOTAL COST:** $5,300.00
AIRPHOTO INTERPRETATION ASSESSMENT REPORT
ON THE
SPIRE PROJECT
TENURE # 946374, 946386, 946411

KAMLOOPS MINING DIVISION
Lat. 51°08’43”N Long. 120°47’57”W
+ 51°04’59”N/120°52’06”W
N.T.S. 92I-2W (92I.096)
Event #5430413

for:

HOMEGOLD RESOURCES LTD.
Unit 5 – 2330 Tyner Street
Port Coquitlam, British Columbia
V3C 2Z1

by:

J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)
E-mail: jo@HomegoldResourcesLtd.com
Phone: 604-970-6402

March 30, 2013

Fieldwork completed between March 1, 2012 and February 4, 2013
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SUMMARY

The Spire property is located approximately 50 kilometres north of Savona and is accessible on a good-quality public gravel road north from the Trans-Canada Highway, at a point 7.4 kilometres west of Savona. It is about 60km northwest of Kamloops.

The Spire claims are underlain by argillite and andesite of the Upper Triassic Nicola Group that are exposed in a window through the Miocene plateau basalts which blanket most of the surrounding area. The argillite is interbedded with andesitic tuffs, augite porphyry and minor agglomerate (Assessment Report 14101). Nicola Group rocks are intruded by biotite quartz diorite which are probably part of the Triassic to Jurassic Thuya batholith (Geological Survey of Canada Memoir 363).

Geologically, the property is underlain by rhyolite ash of the Miocene Deadman River Formation (Chilcotin Group). This volcanic ash occurs in flat-laying beds and is soft and poorly consolidated. The ash is mainly composed of sandy-pebbly, whitish to buff colored fine to very fine-grained lapilli tuffs.

Nearby, the ash was previously tested for its pozzolanic properties. All chemical and physical results met the American Society for Testing Metals (ASTM) specifications. The ash is proved to be pozzolanic and could be used as a mineral admixture in concrete.

Previous investigation indicated that the ash is a quality absorbent for oil and oil products (Yacoub, 2008).

In 2002, Sherwood Creek Ash was investigated as a Hi-Tech environmental product (Vitrolite). Such a product offers thermal conductivity and hardness value to all plastic products. Vitrolite can significantly reduce the mold cycle times, increase productivity and improve quality. Ultimate cost savings could be enormous in manufacturing plastic products.

Previous work (Yacoub, 2008) indicates that the average glass content of the nearby ash deposit is not high enough to be good source of Vitrolite. The average glass content of the lower unit is 61.1% and the average glass content of the upper unit is 34.7%. However, two layers of pure chalky ash hosted by the lower unit proved to be of top quality glassy ash. The glass content of the chalky ash within these two layers ranges between 85% and 90%, indicating high quality volcanic ash and a top quality source of Vitrolite.

The property is in an excellent location in south-central British Columbia, with good road access and is a short distance from the Canadian National Railways.

The most prominent Airphoto linears in the area are the northwest-southeast structures which cross Criss Creek at almost right angles. These northwest structures appear to control tertiary intrusives.

Primary bedrock structures/faults appear to be reflected by east-west linears along major ridges and gullies. These linears appear to be late stage.
The northeast-southwest linears are reflected by the trace of Criss Creek and other parallel structures.

Respectfully submitted,

J. T. Shearer, M.Sc., P.Geo.
Figure 1 Location Map
INTRODUCTION

The Spire claim group consists of three (3) claims (1,508.07) located 47 km northwest of Kamloops, B.C. The claims cover volcanic and minor sedimentary rocks of the Triassic Nicola Group and have been intruded by diorite and granodiorite. Extensive work during the period 1984 through 1986 had found gold values in silicified and brecciated argillites and in quartz veins and alteration envelopes in granodiorite.

Previously, a small exploration program was directed to examine the road access, previously defined gold showings and follow-up of gold in soil results property in an effort to detect new areas of mineralization.

At least two styles of mineralization are present general area to the north. At the Depression and Lake Zones, mineralization consists of a chalcedonic quartz stockwork and calcite veining within an argillite breccia and a quartz vein hosted in andesite tuff (Assessment Report 15143). Locally disseminated pyrite is found in tuff at the Lake zone. At the Bridge zone, a vein system is hosted by quartz diorite (Assessment Report 15987), where Hole 85-4 ran from 30 to 40 feet 4700 ppb gold. A two foot sections assayed 0.729 oz./ton gold. An assay of 1800 ppb gold was obtained in a rock chip sample from a trench on the Lake zone (Assessment Report 14101).

This report presents the results of the Airphoto Interpretation program completed on the Spire property. The main purpose of this report is to study the structure on the property. The report also describes the regional geology and the past exploration in the area and outlines a budget proposal for the next phase exploration program.
Figure 2: Access Map (Google) Spire Project
Assessment Report on the Spire Project
March 30, 2013

FIG. 2  TOPOGRAPHIC MAP SHOWING
(1:100,000)

Spire Project
LOCATION and ACCESS

The Spire properties are located approximately 47 km northwest of Kamloops, B.C., and 15 km southeast of Vidette Lake. Access is via the all-weather Deadman River road which leaves the Trans-Canada Highway at a point 5 km west of the Thompson River Bridge at Savona, B.C. The Deadman River road crosses the southwest corner of the Spire property. Local ranch and logging roads provide access to most parts of the claim group.

The property is situated near the south end of the Fraser Plateau at an elevation of about 1,100 meters. Topographic range on the property is approximately 150 meters. Much of the claim group is gently rolling with low ridges and knolls interspersed with gullies, swampy pothole lakes and sloughs. The general trend to this topography is 160’.

Large sections of the property are covered with open poplar forest and patches of lodgepole pine and spruce. Large firs are scattered about on the higher hills. Much of the forest has been decimated by the mountain pine beetle.

The Spire Property is located in south-central British Columbia, approximately 60 kilometers northeast of the town of Cache Creek.
Figure 3 Claim Map, Spire Project
CLAIM STATUS

The Spire Project consists of nine contiguous mineral claims, totalling 1,508.07ha. The property lies in the Kamloops Mining Division.

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Total ha: 1,508.07

Following revisions to the Mineral Tenures Act on July 1, 2012, claims bear the burden of $5 per hectare for the initial two years, $10 per hectare for year three and four, $15 per hectare for year five and six and $20 per hectare each year thereafter.
HISTORY

Placer mining of Criss Creek occurred during the early 1900’s. B.P.-Selco previously held the ground in the Deadman Valley as the DM claims. The geology and geochemistry of the Hoodoo grid, which covered much of the LC 5 area, is described by D. Gamble in Assessment Report #9729, which describes a complex Tertiary history with sediments, fhyolites, basalts and the mafic breccia pipe known as “Split Rock”.

Historical interest in mercury and related mineralization is referenced in Dickinson (1973). Work on the adjacent D.M. claims (now lapsed) by Guichon Explorco Ltd. (Gamble, 1981) has included detailed grid work immediately to the northwest of the Spire claim. Anomalous Au zones and coincident Hg and As anomalies are found proximal to Tertiary intrusions but silver is consistently at or below detection limits (0.1 ppm). Some anomalous Mo values were also detected.

Work on the surrounding Jan claims (now lapsed) by Placer Development Ltd. has also resulted in some anomalous Au, Sb, As, Cu and Zn zones, but Mo has been found to be present in only low concentrations and silver not detectable. An Hg-As anomaly directly north of the Spire claim may be the extension of a similar anomaly found on the Spire claim. Dickinson (1973) postulated this elongate Hg-As anomaly to define a fault zone running north-south through the Spire claim.

In 1972, Andex Mines carried out mapping and widespread geochemical work on the Split I-40 claims which are now contained, in part, by the Spire claim (Amendologine, 1972). Substantial Ag anomalies (many greater than 5ppm) were outlined based on auger sampling to a depth of 18 inches (30 cm), as well as a few weak Cu and Zn anomalies. Subsequent B horizon sampling reported by Dickinson (1983) and Medford (1986) did not reproduce the earlier results but frequently indicated the presence of Ag above the detection limit (i.e. 0.2 t 0.6 ppm). In addition, Hg and As proved highly anomalous but Au was below 10 ppb in all soils.

The D.M. claims were restaked as the Goldgiant I claim and additional detailed grid work was carried out in 1988 (Freeze, J.). Similar elevated Hg, As and some gold results were obtained.

A larger sample of volcanic ash was collected for purpose of demonstrating its oleophilic properties to perspective users in the B.C. lower mainland for purpose of odour reduction.

City of Surrey, Harvest Energy, Richmond and Wastech, Cache Creek were contacted and 9 buckets of fine ground volcanic ash were delivered to Surrey November 14 and 15, 2012 c/o Rob Costanza, Deputy Manager, Operations and 4 buckets fine ground to Wastech, Cache Creek, c/o David Barbour, EIT on Nov.22nd. Harvest Canada West’s Regional Vice president, Jeff Leech was apprised of Surrey’s interest in odour reduction efforts and as a recipient of Surrey organic matter collection has a vested interest in Surrey’s progress.

Fine grinding of volcanic ash was done in Abbotsford using a First American mill in early November after SGS, Delta small jaw Sept 11th test bucket amount was deemed insufficient for intimate contact with organic collected material in Surrey and leachate collected at Cache Creek.

Given the weak response to volatile hydrocarbons, the volcanic ash strategy for 2012 changed to concentrating on controlling odours related to collection of residential and commercial waste organic collection. As cities and municipalities implement improved collection and streaming of garbage,
recyclables and organic matter, the derived operating and social benefits are demonstrable in concert with higher technology applications for sorting, compaction, process and recovered value.

Bacteria acts on organic matter during decomposition with odour a prime component of chemical change. The range of application of odour control agent potential stretches from kitchen and yard residential storage to commercial bin collection to central large processing sites designed to produce methane and soils. The relief given to landfill operations is impressive. Bi-production of fuel and soils is good for all concerned.

Previously, buckets of fine ground ash were distributed for individual testing purposes in November. Each recipient was aware of bench test small odour control trials using decaying foods, strong odour items such as smoked salmon and respective positive results subject to an individual’s sensitivity to smell.

The physical attributes of interest are:
1. Lite weight aggregate potential;
2. Usage as industrial absorbent;
3. Odour reduction benefits.

Determination of relative density and absorption values for a variety of ash samples was used as the starting point for forecasting product development promise.

Comparisons were made with some existing market product data to refine product development potential.

Samples were made available to a major lower mainland cement/ready mix producer for testing of the pozzalanic capacity of the coarser ash. Preliminary tests indicate that there is a large amount of cementaceous “activity” to warrant further testing. Strength tests are still pending.

Test Results:

For lite weight aggregate application:
- Sherwood fine ash dry basis specific gravity of <1% corresponds to commercial pumice sold into B.C. Lower Mainland market;
- Sherwood coarser ash dry basis specific gravity appears to range >1.0 and <1.5%;
- Sherwood clastic volcanic material needs further sampling to define presence of segregated pumice phase.

Absorption test results for ash samples and commercial cat litter product:
- Levelton Technical Reports for 3 Sherwood ash samples and brand name cat litter results of common hydro carbon product fluids give similar absorption results.

Odour beneficition:
- Levelton reported minor decrease in odour for brand cat litter while no apparent amount of odour decrease observed with test samples exposed to same common hydro carbon fluids;
- Other counter top testing using closed vessels such as jars and zip lock bag, for a simple example, where ash addition to creosote treated wood suggested a marked odour elimination;
• Producers of soils, handlers of manure, alternate lite weight aggregate sourcing and alternative kiln fuel providers have added their anecdotal support for bulk testing.
GEOLOGY

REGIONAL GEOLOGY

The regional geology according to Cockfield, G.S.C. Memoir 249, 1948, shows the Spire Claims area to overlie, in part, Triassic volcanic and sedimentary rocks of the Nicola Group, which in turn have been overlain by early Tertiary Volcanics of the Kamloops Group (Eocene). Overlying the Kamloops Group volcanics is a small wedge of thin bedded Tertiary sedimentary rocks known locally as the Tranquille Beds (Eocene – Oligocene).

After P.B. Read and Yacoub

Basalts of the Miocene Chasm Formation (Chilcotin Group) are the most abundant rocks in the region. However, the massive rhyolite ash of the Miocene Deadman River Formation is exposed beneath the basalts as outcrops and cliffs on the east side of the Deadman Valley for a length of 6.5 kilometers.

The Miocene succession consists of up to 350 meters of fluviatile rhyolite ash and fine clastic sediments underlying a minimum thickness of 500 meters of olivine basalt flows. These rocks belong to the Chilcotin Group.

Rocks of the Deadman River Formation underlie parts of the valley walls of Deadman River. White to buff-weathering of massive rhyolite ash dominates and white tuffaceous sandstone and shale occur near the top of the sequence. In the Deadman River valley, Campbell and Tipper (1971) suggested that diatomaceous layers up to 4 meters thick occur near the bottom of the succession.

Cross-section of the Miocene Deadman channel (Mio-Deadman) is two kilometers wide and 380 meters deep with the lower 200 meters filled mainly with rhyolite ash of Deadman River Formation (Read, 1988).

Bevier (1983) noted that the present courses of the Fraser and Chilcotin Rivers were established during the late Miocene. The near coincidence of the Mio-Bonaparte channel and present Bonaparte River, Mio Deadman, present Deadman, and Mio-Snohoosh with Snohoosh Lake may have the same implication of the Late Miocene development.

The Spire Project is located on a window in the Miocene basalts which form the extensive plateau covering large areas of the southern central interior of British Columbia. The olivine basalts found locally essentially form the western and southern boundaries of the claims. The property is underlain by the Triassic Nicola Group; represented by augite andesite flows and breccia, tuff, argillite, greywacke and grey limestone.

Intrusives mapped in the general area are described as quartz monzonite and granodiorite.
LOCAL GEOLOGY

The oldest rocks in the Spire claim area belong to the Upper Triassic Nicola Group and include andesitic volcanics and calcareous to non-calcareous cherty sediments.

The volcanic assemblage consists of flows, dikes, tuffs and breccias of andesitic composition. The flows and dike rocks are fine to medium grained and exhibit medium to dark green colouration. Locally, some exposures reveal a feldspar porphyritic texture in which cream-white weathered feldspar crystal (1-2mm) occur in an aphanitic groundmass. The unaltered equivalent exhibit clear glassy feldspar laths.

The fine grained tuffs and coarse fragmental breccias of Unit 1 are similar in composition and colour to the flows and dikes. Fragment size in the breccia is variable, with subangular to rounded clasts of Nicola volcanic flow material, attaining 10cm in long axis dimension. Occasionally some siliceous sedimentary clasts were observed.

Primary structures, such as bedding, are generally poorly expressed in the exposures.

Alteration features, that are all present to varying degrees, include epidote veinlets and mottled patches, interstitial and veinlet carbonate and occasional erratic quartz veinlets. Minor hematite tends to occur along most fractures.

The sedimentary rocks of the Nicola Group (Unit 2) consist of two distinct lithologies. Unit 2a is a grey bedded limestone sequence, with bedding contacts marked by thin grey siltstone to shale beds. Occasionally lapilli sized siliceous clasts, lying in a carbonate matrix, occur as thin beds in the predominantly grey limestone sequence. Secondary white carbonate fills numerous micro-fractures locally.

Unit 2b consists of a fine grained, buff yellow coloured, siliceous (cherty) siltstone with a variable calcareous component. Some sections exhibit up to 50% carbonate within the matrix and as fillings in micro-fractures. Other sections exhibit little to no carbonate present. Primary features include bedding and rhythmic chert layering.

The structural fabric of the Nicola assemblages, Units 1 and 2, is complex owing to a high degree of fracturing and block faulting. This is strongly demonstrated in the north part of the grid geology where, overall the lithologies appear to be producing a north to northwest striking fabric. In sharp contrast here, northeast and east striking sedimentary beds with variable dips occur locally, thus presenting a complex structural history. In addition, faults striking westerly, northerly and northeasterly were observed in the limited exposures in this north part of the grid.

The spotty Nicola exposures in the south part of the grid appear to produce a northwest to northeast striking fabric. Faulting here has also produced a complicated structural history, as demonstrated by the variable strike and dips of the Nicola volcanics on the accompanying geology map.

Unconformably overlying the Nicola Group are Tertiary (Kamloops Group) volcanics (Units 3 and 6) and Tertiary (Tranquille Beds) sediments (Unit 5). These rocks form the cliff exposures and the occasional Hoodoo structures within the grid area.
Figure 6 Local Geology
The Kamloops Group, Unit 3, is predominantly a mixed sequence of subaerial andesitic volcanic rocks consisting of breccias, tuffs and flows, in descending abundance (subunits 3c, 3b and 3a respectively). In addition, rhyolitic tuff and breccia (subunits 3d and 3e respectively) occur locally. The above sequence generally strikes north and dips shallow to moderately west. Faulting and extensive fracturing, with hematite up to 1cm thick lining the fractures, occurs throughout this section. Subsequent surface oxidation has produced scarlet-red, brown and ochre coloured soils as well as gossanous outcrop exposures.

The andesite flows, 3a, are fine grained, brick-red in colour, with variable vesiculation. The andesite tuffs, 3b, are brick-red to brown, fine grained and have a varying degree of induration. The andesite breccia, 3c, is a laharic breccia. Angular brick-red to brown andesite flow block, up to 1 metre in size are found in a brick-red to brown sandy mud matrix. Occasional rounded Tertiary volcanic boulders lying in a cross bedded, moderately sorted sand matrix indicating a fluviatile reworking process or sedimentary facies, was locally present in the volcanic pile.

The fine grained tuff and coarse grained volcaniclastic breccia of dacite to rhyolite composition, 3d and 3e, occur locally within the andesite volcanic sequence. The tuff takes on the appearance and morphology of a rounded mound or knob and may possibly represent a hydrothermal sinter deposit at several locations. The breccia fragments of 3e are similar to the fine grained material of 3d. The breccia matrix is generally composed of fine grained, brick-red andesitic material however, locally felsic material can form the matrix. An overall change of fragment composition from rhyolite to andesite appears to occur as a function of distance from the source.

The Tranquille Beds, Unit 5, overlie the Kamloops Group volcanics with the contact being a local unconformity. The assemblage becomes progressively well sorted up sequence, commencing with a basal white granite cobble conglomerate, gradng into white sandstone and caped by a resistant cross bedded white sandstone. Trace carbonaceous fossil plant material can be found as a minor constituent. The matrix of both the sandstone and conglomerate has a slight to moderate carbonate component, as well as fine white chalky ash. The sediments of Unit 5 generally strike N20° to north and dip westerly 15° to 30°.

Dark green basalt flows and interflow breccia, Unit 6, at station LO/ON, are flat lying and occur at a higher elevation relative to the preceding Kamloops Group. These basalts also occur at a lower elevation, at L14N/3 + 50W and lie on the apparent down-thrown side of a major NW trending fault. The strata of Unit 6, lying on the west side of the fault, strikes northwest and dips 15° northeast. In contrast, the strata of Units 3 and 5 lying on the east side of the fault strike northwest and dip southeast. The evidence therefore suggests that Unit 6 basalts, lie stratigraphically above the Kamloops Group volcanics (Unit 3) and above the Tranquille Beds (Unit 5). Unit 6 may be part of a younger Tertiary sequence. The major NW trending fault appears to represent the eastern limit of a large grabben structure trending northerly through the Deadman Valley.

The basalt flows are magnetite bearing, and show colour variation from dark green to grey green to purple. Some flows are feldspar porphyries (± pyroxene), while other flow units in this sequence are fine grained and vesiculated. In the vesicular basalt flows, some amygdules are found to contain quartz and zeolite minerals. The interflow rubble, or flow top breccias, are of similar composition to the preceding underlying flows, but tend to contain less magnetite. The flow breccias vary in thickness locally.
Intrusive activity in the grid area is represented by two small felsic stocks, or dike-like bodies (Unit 4). The intrusion in the north part of the grid cuts into the Nicola volcanic and sedimentary assemblage. It is a medium grained, pale pink to buff coloured, quartzo-feldspathic rock, possibly a granodiorite. It has a buff to salmon coloured weathered appearance, and is found to contain trace pyrite, molybdenite and malachite.

The southern intrusion is not easily recognized owing to the high degree of oxidation in the vicinity. It appears dike-like in configuration and intrudes Tertiary Kamloops Group volcanics. The composition is syenitic as little to no free quartz was noted.

Both intrusions lie in zones that show strong Hg and moderate Au and As geochemical signatures. In addition, both zones have returned erratic Cu and Mo values in the north intrusion and in the surrounding host rocks of the southern intrusion. Cinnabar was also noted in the fractured host proximal to the intrusions.

The area of the property is underlain by massive rhyolite ash of the Miocene Deadman River Formation (Chilcotin Group). The Miocene volcanic ash occurs in flat-laying beds and is soft, poorly consolidated and composed of a sandy-pebbly, white-light gray to buff colored very fine to fine grained lapilli tuffs with varies size cavities.

Exposures can be seen in an easterly direction for at least 400 meters and up to 1,500m. In some places the weathering of the tuffs has left isolated pinnacles 10 to 15 meters high. Within these tuffs are three horizontal beds of pure white, highly siliceous material, three to four meters thick and separated from one another by 10 to 30 meters of tuffs. The finest material, at the bottom of the section, is located along the old bulldozer road cut and has the appearance of pure white chalk.

The volcanic ash is capped by olivine basalts of the Chasm Formation. The ash is typically tan-brown on both fresh and weathered surfaces. Although, two layers of white, friable ash is found within the exposed section. The ash forms steep slopes (inclination of 50°) that are covered by loose soil, small bushes, and scattered pine trees.

Very light gray massive fine-grained, soft, poorly consolidated volcanic ash. The visual examination of the ash indicates an extensive alteration to clay and amorphous material account for well over 50% of the ash. Samples contain quartz and feldspar. The overall glass content of the ash exposed by the road cuts (glassy ash layer) ranges between 85-90%. However samples collected from several other locations within the ash deposit have visual glass content that is generally lower than those of the glassy unit.

This glassy tuffs are typically a very fine-grained massive to diffusely laminated crystal-bearing vitric tuff comprising a dominantly glassy groundmass and approximately 10% angular fragments of quartz and feldspar crystals, platy muscovite, carbonate aggregate and other indeterminate phases. In detail, the groundmass consists of undeformed curved or elongate glass shards with pale brown very fine ash between the shards. Locally microlites are likely, alkali feldspar (identification based on stained offcut) (Yacoub, 2002 and 2008) occur within the very fine ash. Diffuse planar lamination is defined by irregular fine discontinuous lenses of aphanitic dark brown material (possibly former pumice fragments) and alternating ratios of glass shards to crystals (some more crystal-bearing, shard-poor layers). The X-ray diffraction powder method is recommended to identify aphanitic and indeterminate phases in this sample.
MAJOR MINERALS
Mineral % Distribution & Characteristics Optical

Volcanic glass 50 fine curved, cuspat e and rod-shaped clear shards, undeformed isotropic. Pale brown ash 30 aphanitic fine ash, fills the interstices between glass shards isotropic. Dark brown material 7 aphanitic material, occurs as irregular aggregates, possible former pumice fragments, defines diffuse lamination (Yacoub, 2008).

Mineral % Distribution & Characteristics Optical
Alkali feldspar microcrystalline, occurs in groundmass as microlites (identification based on stained offcut)

Quartz: very fine-grained, angular grains, occurs as broken crystal fragments

Feldspar: very fine-grained, tabular forms, occurs as broken crystal fragments. Indeterminate "crystal fragments."

Vitrolite is an inert off-white material used to improve the physical properties of all plastic polymers. It is produced by a proprietary process from a natural amorphous aluminosilicate glass (high quality volcanic ash with high glass content).

The advantages of using Vitrolite in plastics are unmatched by any other single processing aid on the market today.

Vitrolite
• Reduces costs by reducing cycle time and often reduces operating temperature.
• Achieves increased impact strength and other physical properties for higher quality products.
• Increased production throughout by 20% based upon the application.
• Lower viscosity for better mold fill, fewer short shots, and less rejects.
• Enhanced dispersion, increases effectiveness of additives and possibly reduces pigment load.
• Temperature and molding pressure are often lower, creating less energy consumption and more durable products.

Vitrolite is also a new product that contains special reinforcements which permit very rigid and light material widely used by the leading manufacturer of motorhomes in the USA with high success.

The market price for quality Vitrolite ranges from $7 to $8 per pound (Yacoub, 2008).
Figure 7 Airphoto Key Map
AIRPHOTO INTERPRETATION

A total of 18 colour airphotos were received on digital DC format (consisting of 5 CD’s). Each photo was greater than 1 GB of data. A selection of low digital scans of the printed product are contained in Appendix III. Each photo was plotted on standard airphoto size as to 9 inch by 9 inch and grouped to the flight lines.

The most important series are:
   (1) Flight line 15BCC04028 No. 106, 107, 108, 109
   (2) Flight line 15BCC04028 No. 147, 146, 145
   (3) Flight line 15BCC04028 No. 186, 187, 188, 189
   (4) Flight line 15BCC04028 No. 224, 223, 222
   (5) Flight line 15BCC04028 No. 13, 14, 15, 16

A transparent overlay was attached and the prominent geological features as mapped were noted. Each stereo pair was examined in detail using a Gordon stereoscope type F-71 serial #9466. Detailed attention was given to the mapped location of the known alteration and mineralized zones.

The most prominent Airphoto linears in the area are the northwest-southeast structures which cross Criss Creek at almost right angles. These northwest structures appear to control tertiary intrusives.

Primary bedrock structures/faults appear to be reflected by east-west linears along major ridges and gullies. These linears appear to be late stage.

The northeast-southwest linears are reflected by the trace of Criss Creek and other parallel structures.
Figure 9 Airphoto 15BCC04028 No. 187
Figure 10 Airphoto 15BCC04028 No. 223
CONCLUSIONS and RECOMMENDATIONS

The Spire claim is situated between the eastern edge of the Deadman River fault and the Sabiston Creek fault further east. Indications of an epithermal system and hydrothermal activity exist in the form of a large (500mx500m) homogeneous breccia pipe containing chalcedonic veining and chalcedonic breccia infillings, extreme argillic alteration extending for several kilometres northward along the eastern side of the Deadman River valley, and localised areas of prophyllitic and carbonate alteration.

Despite evidence for an epithermal system, precious metal mineralization on the claim remains elusive. Soil sampling of the SR grid failed to produce any significant geochemical trends or anomalous results traceable to a source area. Two possibilities exist to explain this. The current erosional level exposed may be in the upper levels of the system. The presence of Miocene plateau basalts nearby suggest the erosional level may be close to the Miocene paleosurface. Mafic Dykes cutting the Split Rock breccia pipe may have been feeders for the overlying basalts. A possible mineralized system may therefore exist at a deeper level and soil geochemical response may be masked by the extent of argillic (clay) alteration. An alternate possibility is the breccia pipe may be a volcanic vent with the intense argillic alteration of the surrounding area resulting from flashing of surface waters to steam, rather than from the presence of a hydrothermal system.

Two anomalous gold zones occur with values to 80ppb Au and lie within strong, extensive mercury alteration haloes with values exceeding 10,000ppb Hg. Isolated arsenic anomalies occur within the mercury haloes.

A detail rock sampling program should be completed over the Split Rock breccia pipe and surrounding area. Emphasis should be placed on the mapping of alteration assemblages to determine any alteration anomalies in the area of the pipe, and areas proximal to the pipe. If any significant anomalies are outlined, a short drilling program of two or three holes is recommended.
**PROPOSED BUDGET**

Phase I: 200 METERS OF DIAMOND DRILLING (Four vertical holes 50 meters each)

(Project geologist and two geotecnicians-10 days).

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<td>Project Preparation</td>
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<td>Mob/Demob</td>
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<td>Field Crew</td>
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<tr>
<td>200 meters of shallow diamond drilling (four holes 50 meters each)</td>
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<td>Lab and x ray Analysis</td>
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<td>Data compilation and report</td>
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Phase II: Bulk Sampling

5,000 tonne bulk sample

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Total $240,000 + Taxes

Respectfully submitted,

J. T. Shearer, M.Sc., P.Geo. (BC & Ontario)
REFERENCES

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STATEMENT of QUALIFICATIONS

I, Johan T. Shearer of Unit 5 – 2330 Tyner Street, in the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I graduated in Honours Geology (B.Sc., 1973) from the University of British Columbia and the University of London, Imperial College, (M.Sc. 1977).

2. I have practiced my profession as an Exploration Geologist continuously since graduation and have been employed by such mining companies as McIntyre Mines Ltd., J.C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd. I am presently employed by Homegold Resources Ltd.

3. I am a fellow of the Geological Association of Canada (Fellow No. F439). I am also a member of the Canadian Institute of Mining and Metallurgy, the Geological Society of London and the Mineralogical Association of Canada. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (P.Geo., Member Number 19,279).

4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. At Unit #5 2330 Tyner Street, Port Coquitlam, British Columbia.


6. I have visited the property and supervised the crew on April 29 and 30, 2012. I have carried out mapping and sample collection and am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Spire Project by examining in detail the available reports and maps and have discussed previous work with persons knowledgeable of the area.

Dated at Port Coquitlam, British Columbia, this 30th day of March, 2013.

J.T. Shearer, M.Sc., P. Geo.
APPENDIX II

STATEMENT of Costs

March 30, 2013
## Statement of Costs 2013

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<td>R. Savelieff</td>
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**Event #** 5430413  
**Date Filed** February 5, 2013  
**Amount Filed** $5,300.00  
**PAC Filed** $2,240.33  
**Total Filed** $7,540.33