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

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

TOTAL COST: $ 7,000.00

AUTHOR(S): Laurence Sookochoff, PEng

SIGNATURE(S): Digitally signed by Laurence Sookochoff
DN: cn=Laurence Sookochoff, o=, ou=, email=lsookochoff@yahoo.ca, c=CA
Date: 2015.05.22 01:42:10 -07'00'

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S): __________________________ YEAR OF WORK: 2014

STATEMENT OF WORK - CASH PAYMENTS EVENT NUMBER(S)/DATE(S): 5513300 July 17, 2014

PROPERTY NAME: Baggins

CLAIM NAME(S) (on which the work was done): 1020172

COMMODITIES SOUGHT: Gold

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN: 104I 063

MINING DIVISION: Liard

NTS/BCGS: 104I.027

LATITUDE: 58° 15' 31.82" LONGITUDE: 128° 40' 1.13" (at centre of work)

OWNER(S):
1) Mr Green Mining and Trading Ltd. 2)

MAILING ADDRESS:
8431 Odlin Crescent
Richmond BC Canada V6X 1E7

OPERATOR(S) [who paid for the work]:
1) Mr Green Mining and Trading Ltd. 2)

MAILING ADDRESS:
8431 Odlin Crescent
Richmond BC Canada V6X 1E7

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):
Cover late Mississippian to Permean Cache Creek complex Teslin Formation of metasediments and metavolcanic rocks which have been intruded by commonly serpentinized ultrabasic rocks. Several lenses of nephrite and numerous nephrite boulders are reported to occur on the BS claims. Major east-west and northeasterly structures are indicated. The density of the nephrite boulders is related to the downward slope from the structure; the density decreasing further from the structure.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS: 5100, 7582, 15,940
<table>
<thead>
<tr>
<th>TYPE OF WORK IN THIS REPORT</th>
<th>EXTENT OF WORK (IN METRIC UNITS)</th>
<th>ON WHICH CLAIMS</th>
<th>PROJECT COSTS APPORTIONED (incl. support)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GEOLOGICAL (scale, area)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ground, mapping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Photo interpretation</td>
<td>102 hectares</td>
<td>1020172</td>
<td>$ 7,000.00</td>
</tr>
<tr>
<td>GEOPHYSICAL (line-kilometres)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ground</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Magnetic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electromagnetic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Induced Polarization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radiometric</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seismic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Airborne</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GEOCHEMICAL (number of samples analysed for...)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soil</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Silt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DRILLING (total metres; number of holes, size)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-core</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RELATED TECHNICAL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sampling/assaying</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Petrographic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mineralographic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metallurgic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROSPECTING (scale, area)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PREPARATORY / PHYSICAL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line/grid (kilometres)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topographic/Photogrammetric (scale, area)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal surveys (scale, area)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Road, local access (kilometres)/trail</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trench (metres)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underground dev. (metres)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL COST: $ 7,000.00
GEOLOGICAL ASSESSMENT REPORT

(Event 5513300)

on a

STRUCTURAL and BURIED CHANNEL ANALYSIS

of

Tenure 1020172

of the four Tenure

Baggins Claim Group

Liard Mining Division

BCGS Map 104L027

Centre of Work

Zone 9V (NAD 83) 6457577N 519542E

Author & Consultant

Laurence Sookochoff, PEng
Sookochoff Consultants Inc.

Amended report submitted

May 22, 2015
TABLE OF CONTENTS

Summary ........................................................................................................... 4.
Introduction ...................................................................................................... 5.
Property Description and Location ................................................................. 5.
Accessibility, Climate, Local Resources, Infrastructure and Physiography .... 6.
History: Property Area .................................................................................... 6.
  104i 064 – NCW ................................................................. 7.
  104i 065 – JADE 6 ............................................................ 7.
  104i 078 – KUTCHO CREEK JADE ........................................ 7.
  104i 079 – LETAIN CREEK JADE ........................................ 7.
  104i 092 – PROVENCHER LAKE ......................................... 8.
History: Property ............................................................................................ 8.
  104i 063 – BS ................................................................. 8.
  104i 073 – BAGGINS ........................................................ 9.
Geology: Regional ........................................................................................... .9.
Geology: Property Area .................................................................................... 9.
  104i 062 – CWA ................................................................. 9.
  104i 064 – NCW ................................................................. 9.
  104i 065 – JADE 6 ............................................................ 9.
  104i 078 – KUTCHO CREEK JADE ........................................ 10.
  104i 079 – LETAIN CREEK JADE ........................................ 10.
  104i 092 – PROVENCHER LAKE ......................................... 11.
Geology: Property ............................................................................................ 11.
  104i 063 – BS ................................................................. 11.
  104i 073 – BAGGINS ........................................................ 12.
Mineralization: Property Area ........................................................................ 12.
  104i 062 – CWA ................................................................. 12.
  104i 064 – NCW ................................................................. 12.
  104i 065 – JADE 6 ............................................................ 12.
  104i 078 – KUTCHO CREEK JADE ........................................ 12.
  104i 079 – LETAIN CREEK JADE ........................................ 13.
  104i 092 – PROVENCHER LAKE ......................................... 13.
  104i 063 – BS ................................................................. 13.
  104i 073 – BAGGINS ........................................................ 13.
Structural Analysis ......................................................................................... 13.
Interpretation and Conclusions ..................................................................... 17.
Recommendations ........................................................................................... 17.
Selected References ....................................................................................... 18.
Statement of Costs .......................................................................................... 19.
Certificate ........................................................................................................ 20.
Table of Contents (cont’d)

ILLUSTRATIONS

Figure 1. Location Map ...................................................... 5.
Figure 2. Claim Location .................................................... 6.
Figure 3. Claim Map .......................................................... 7.
Figure 4. 1978 Exploration Work on the B.S. Showing ............ 8.
Figure 5. Property Geology .................................................. 10.
Figure 6. Indicated Primary Structures .................................. 12.
Figure 7. Rose Diagram from Lineaments of Tenure 1020172 ..... 15.
Figure 8. Cross-Structures and Open-Ended River Channel
          End Points on Tenure 1020172 .................................. 16.

TABLES

Table I. Mineral Tenures of the Baggins Placer Claim Group .... 6.
Table II. Approximate Locations of Figures 6 & 8 Cross-Structures,
          Open-Ended Buried River Channel Points, and Minfile .... 16.
SUMMARY

The Baggins Claim Group is located 400 kilometres north of Smithers, 81 air kilometers east-southeast of Dease Lake, within BCGS 092I.027 of the Liard Mining Division in the Provencher Lakes areas of northern British Columbia.

The Property is located within the Cassiar Mountain physiographic subdivision of the Interior Plateau. The area is characterized by U-shaped valleys and V shaped interior upland valleys. Relief within Tenure 1020172, the subject of the structure analysis, is in the order of 483 metres from elevations of 1,420 metres on the western boundary near the northwest corner to 1,903 metres in the northeast corner.

Nephrite jade is the predominant economic stone found in the area. Located one kilometre west of the Baggins Property, the Provencher Lake property, a past producer of surficial jade between 1976 and 1978, produced 458 tonnes of jade.

The Baggins Property is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics (greenstone), metasediments and tectonically emplaced ultramafic rocks. The upper Mississippian to Permian Cache Creek Complex ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized. In this area nephrite jade is commonly found in association with ultramafic rock.

On the Baggins Property, it was reported (Assessment Report 15940) that mining of the boulders occurred in 1982-83 by Mohawk Oil, yielding B quality jade (Figure 4). Several lenses of nephrite and numerous nephrite boulders are reported to occur on the BS claims. Drilling in 1979 described the major occurrence as about 24.7 tonnes of "B-" nephrite in the "D" lens. In 1979, it was estimated that there was over 60 tonnes of jade ranging from C to B+ grade.

At the Baggins showing a drilling program conducted in 1979 by Primex Explorations Ltd. showed that while a large portion of an exposed nephrite lens consisted of gem-quality jade, the quality decreased as the lens dipped beneath the surface. Numerous boulders broken off the lens are scattered nearby and a large number (153) of these were reportedly drilled.

A structural analysis of Tenure 1020172 of the four claim Baggins Claim Group resulted in the delineation of three cross-structures and two indicated buried river channels. The structures are primarily related to the creation and the deposition of placer jade. As the property is underlain by a complex of Cache Creek rocks including greenstones, metasediments, and tectonically emplaced ultramafic rocks of peridotite, dunite, and pyroxenite which are generally serpentinized, nephrite jade is commonly found in association with ultramafic rock. The ultramafic country rock contact between serpentine and limestone locally hosts nephrite jade lenses.

Although ultramafic boulders are strewn throughout the property, the density of the boulders should be related to the downward slope from the structure; the density decreasing further from the structure.

In the prospecting for potentially C+ or better grade nephrite jade which is appropriate for carvings and jewelry:

1. The structures AC, GH, and JK, should be located and prospected;
2. The cross-structures at locations A, B, C, and D, would be the prime prospective areas;
3. The buried river channels EF and GH should be traced and prospected on the down slope;
4. The area of Location D, the indicated intersection between a structure and a buried river channel should be initially investigated on the downslope, or to the northwest.

The UTM coordinates of most locations are shown on Figures 6 & 8 and reported in Table II.
INTRODUCTION

In July 2014 a Structural Analysis was completed on Tenure 1020172 of the four claim Baggins Placer Claim Group ("Property"). The purpose of the program was to delineate cross-structures which may be integral in the creation of potentially economic placer related jade that may occur on Tenure 1020172, or other placer claims of the Property.

Information for this report was obtained from sources as cited under Selected References and from the structural analysis of Tenure 1020172.

Figure 1. Location Map

PROPERTY LOCATION AND DESCRIPTION

Location

The claims are located 400 kilometres north of Smithers, 81 air kilometers east-southeast of Dease Lake, within BCGS 092I.027 of the Liard Mining Division in the Provencher Lakes areas of northern British Columbia.

Description

The Property is comprised of four claims covering an area of 238.419 hectares. Particulars are as follows.

Table 1. Placer Tenures of the Baggins Placer Claim Group

<table>
<thead>
<tr>
<th>Tenure Number</th>
<th>Type</th>
<th>Claim Name</th>
<th>Good Until</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1020172</td>
<td>Placer</td>
<td>MR. GREEN</td>
<td>20161024</td>
<td>102.1794</td>
</tr>
<tr>
<td>1021095</td>
<td>Placer</td>
<td>BAGGINS PLACER</td>
<td>20161024</td>
<td>51.079</td>
</tr>
<tr>
<td>1021591</td>
<td>Placer</td>
<td>MR GREEN EAST</td>
<td>20161024</td>
<td>51.0909</td>
</tr>
<tr>
<td>1021592</td>
<td>Placer</td>
<td>MR GREEN WEST</td>
<td>20161024</td>
<td>34.0636</td>
</tr>
</tbody>
</table>
ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, AND PHYSIOGRAPHY

Access
Access to the Property is via secondary roads, by float plane to Provencher Lake, or by helicopter from Dease Lake (Figure 2). Alternatively, fixed wing aircraft can be taken to the Kutcho Creek airstrip and then by helicopter to the Property, some 15 kilometres distant.

Climate
Moderate annual precipitation prevails in the Property area with cool summers and cold winters.

Local Resources
There are not any local resources available near the Baggins Claim Group and exploration facilities would have to be established on the Property with materials and supplies brought in from Dease Lake.

Physiography
The Property is located within the Cassiar Mountain physiographic subdivision of the Interior Plateau. The area is characterized by U-shaped valleys and V shaped interior upland valleys. Relief within Tenure 1020172, the subject of the structure analysis is in the order of 483 metres from elevations of 1,420 metres on the western boundary near the northwest corner to 1,903 metres in the northeast corner.

HISTORY: PROPERTY AREA

The history on some of the more significant jade MINFILE reported showings, prospects, and past producers peripheral to the Baggins Claim Group is reported as follows. The distance is relative to Tenure 1020172, the subject of the structure analysis.

**CWA showing** (Jade)
MINFILE 1041 062
One kilometre west

*The CWA occurrence is located just east of Provencher Lake about 90 kilometres east-southeast of Dease Lake.*

*The property was mapped by Frobex Ltd. in 1972 and by Nephro-Jade Canada in 1973.*
History: Property Area (cont’d)

![Claim Map](image)

**Figure 3. Claim Map**
(Base map from MapPlace)

**NCW showing** (Jade)
MINFILE 104I 064
Three kilometres northwest

*In 1972, Frobex Ltd. mapped the property and Delphi Resources and Nephro-Jade Canada did the same in 1973.*

**JADE 6 showing** (Jade)
MINFILE 104I 065
Three kilometres north

*These showings were first reported in 1973 by Nephro-Jade Canada Limited. Two short drillholes totalling 1.3 metres were drilled into one of the jade bands in 1975. Both holes reportedly intersected poor quality jade.*

**KUTCHO CREEK JADE** producer (Jade: Surficial placers)
MINFILE 104I 078
Four kilometres east

*The Kutcho Creek Jade occurrence is located 6 kilometres southeast of Provencher Lake, near a small northern tributary of a major west tributary to Kutcho Creek, 86 kilometres east of Dease Lake.*

**LETAIN CREEK JADE** producer (Jade: Surficial placers)
MINFILE 104I 079
Six kilometres north-northeast

*Between 1975 and 1978, Nephro-Jade Canada Limited drilled numerous nephrite-jade placer boulders along Letain Creek, south of Wolverine Lake and upstream toward the confluence of the Provencher Lake stream tributary. Nephro-Jade also worked leases to the immediate northwest of Wolverine Lake along Blick Creek. Assessment Reports 6959 and 7258 identify a number of placer mining leases along these stretches and also around Provencher Lake which were worked at the same time.*
History: Property Area (cont’d)

Letain Creek Jade (cont’d)

Subsequent mining of the marketable jade boulders occurred in 1977 and 1978, apparently mainly in the Provencher Lake area but probably also along Letain Creek. Please refer to the Provencher Lake jade occurrence (104I 092) located about 6 kilometres south-southwest for further details.

PROVENCHER LAKE past producer (Surficial placers; Jade)
MINFILE 104I 092

One kilometre west

Hundreds of nephrite jade boulders occur in the valley area surrounding Provencher Lake. Considerable drilling of these boulders by Nephro-Jade Canada occurred on numerous placer mining leases between 1976 and 1978. A total of 458 tonnes of jade was produced in the last two years (Assessment Reports 6959 and 7258). These boulders weigh up to 16 tonnes. The property was mapped by Frobex Ltd. in 1972 and by Nephro-Jade Canada in 1973.

HISTORY: PROPERTY

The history of the jade MINFILE reported showings and past producers on the Baggins Claim Group is reported as follows

**BS** Past Producer (Jade)
MINFILE 104I 063
Within Tenure 1020172

The BS occurrence is located a few kilometres southeast of Provencher Lake and about 90 kilometres east-southeast of Dease Lake.

It was reported (Assessment Report 15940) that mining of the boulders occurred in 1982-83 by Mohawk Oil, yielding B quality jade. Further exploration occurred in 1986.

**Figure 4. 1978 Exploration Work on the B.S. Showing located on the Baggins Property**
showing trenched, drilled, and mined area
(From AR 15,940 Figure 4)
History: Property (cont’d)

**BAGGINS** showing (Jade)
MINFILE 104I 073
Within Tenure 1020195

The Baggins showing is located a few kilometres southeast of Provencher Lake, about 90 kilometres east-southeast of Dease Lake.

**GEOLOGY: REGIONAL** (after Wardner, 1987)

“...a northwest trending belt of Mississippian to Permian Cache Creek Group, Teslin Formation metasediments and metavolcanic rocks which have been intruded by commonly serpentinized ultrabasic rocks. These rocks are in fault contact with Upper Triassic to Lower Jurassic granitic, volcanic and sedimentary rocks of the Inklin, Stikine and Kutcho Formations. The Nahlin Thrust Fault is the southern boundary between the older Teslin Formation (Cache Creek Group) and the younger rocks; at least part of the northern boundary between the Cache Creek and younger rocks is also suspected to be a fault contact.

The regional structural geology is dominated by the northwest striking Nahlin Fault. Bedding planes near the Fault, within the Cache Creek rocks generally strike northwesterly and dip southwesterly at a high angle. The Cache Creek rocks on the northeast side of the Nahlin Fault are interpreted to be within the upthrust block.”

**GEOLOGY: PROPERTY AREA**

The geology on some of the more significant jade MINFILE reported showings, prospects, and past producers on and peripheral to the Baggins Claim Group is reported as follows. The distance is relative to Tenure 1020172, the subject of the structure analysis.

**CWA** showing (Jade)
MINFILE 104I 062
One kilometre west

The area is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including volcanic, metavolcanics (greenstone), metasediments, gabbro and tectonically emplaced ultramafic rocks. The upper Mississippian to Permian Cache Creek Complex ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized.

Several serpentine bands and associated jade lenses are shown on the geology map included with Assessment Report 5100. These bands occur over a distance of at least 1.6 kilometres and were once covered by the CWL and CWA claims.

**NCW** showing (Jade)
MINFILE 104I 064
Three kilometres northwest

The area is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics (greenstone), metasediments and tectonically emplaced ultramafic rocks. The upper Mississippian to Permian Cache Creek Complex ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized.

**JADE 6** showing (Jade)
MINFILE 104I 065
Three kilometres north
Geology: Property Area (cont’d)

Jade 6 (cont’d)

The area is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics (greenstone), metasediments and tectonically emplaced ultramafic rocks. The upper Mississippian to Permian Cache Creek Complex ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized.

KUTCHO CREEK JADE producer (Jade: Surficial placers)
MINFILE 104I 078
Four kilometres east

The Kutcho Creek Jade (Jadex) area is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics (greenstone), metasediments and tectonically emplaced ultramafic rocks. Locally, the area is underlain by upper Mississippian to Permian serpentinitized peridotite, dunite and pyroxenite bodies, in faulted contact with Cache Creek Complex chert, slate, argillite, limestone and mafic volcanic rocks. The metasediments exhibit a well-developed northwest striking foliation that dips moderately to steeply southwest. Thrust faulting is the dominant fault style; a secondary direction of faulting, striking southeast, is also important locally. Minor skarnification is observed where serpentinite is in contact with limestone. The ultramafic-country rock contact locally hosts nephrite jade lenses (Barb Lens).

PROVENCHER LAKE past producer (Surficial placers; Jade)
MINFILE 104I 092
One kilometre west

The Provencher Lake area is underlain by northwest trending upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics, metasediments and tectonically emplaced ultramafic rocks of upper Mississippian to Permian age. The Cache Creek ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized.

Figure 5. Property Geology
(Base map from MapPlace)
**GEOLOGY MAP LEGEND for Figure 5.**

**Late Mississippian to Perman**

LMPCN
Cache Creek Complex; Nakina Formation
Gabbroic to dioritic intrusive rocks

**upper Mississippian to Perman**

uMPCN
Cache Creek Complex; Nakina Formation
Basaltic volcanic rocks

**Mississippian to Triassic**

MTrCKelm
Cache Creek Complex
Kedahda Formation
Chert, marble, calcareous sedimentary rocks

**Mississippian to Triassic**

MTrCKech
Cache Creek Complex
Kedahda Formation
Chert, siliceous argillite, siliclastic rocks

**Geology: Property area (cont’d)**

**LETAIN CREEK JADE producer** (Jade: Surficial placers)

MINFILE 104I 079
Six kilometres north-northeast

The Letain Creek Jade area is underlain by northwest trending upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics, metasediments and tectonically emplaced ultramafic rocks of upper Mississippian to Permian age. The Cache Creek ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized.

**GEOLOGY: PROPERTY**

As indicated by the BC government supported MapPlace geological maps (Figure 5), the Baggins Claim Group is entirely underlain by the late Mississippian to Perman Cache Creek complex Teslin Formation of metasediments and metavolcanic rocks which have been intruded by commonly serpentinized ultrabasic rocks.

The geology of the jade MINFILE reported showings and past producers on the Baggins Claim Group is reported as follows

**BS past producer (Jade)**

MINFILE 104I 063
Within Tenure 1020172

The area is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics (greenstone), metasediments and tectonically emplaced ultramafic rocks. The upper Mississippian to Permian Cache Creek Complex ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized.
Geology: Property (cont’d)

**BAGGINS** showing (Jade)

MINFILE 104I 073

Within Tenure 1020195

The showing area is underlain by upper Permian to Lower Triassic Cache Creek Complex rocks including metavolcanics (greenstone), metasediments and tectonically emplaced ultramafic rocks. The upper Mississipppian to Permian Cache Creek Complex ultramafic rocks consist of peridotite, dunite and pyroxenite which are generally serpentinized. In this area nephrite jade is commonly found in association with ultramafic rock.

MINERALIZATION: PROPERTY AREA

The mineralization on some of the more significant jade MINFILE reported showings, prospects, and past producers on and peripheral to the Baggins Claim Group is reported as follows. The distance is relative to Tenure 1020172, the subject of the structure analysis.

**CWA** showing (Jade)

MINFILE 104I 062

One kilometre west

The main serpentinite showings is described as a band, about 60 metres wide, trending east and sandwiched between two steeply dipping zones of greenstone, schist and metasedimentary rocks. The central portion of the serpentinite is bright green antigorite but the margins are dense and dark green. A thin limestone band occurs on the north side between the two types of serpentinite. At the northern contact of serpentinite and metasediments, a narrow (30 to 60 centimetres) band of poor quality black jade is present. At the southern contact, a 90-centimetre thick lens of jade was observed. Farther north on the same ridge, a serpentinite band of about the same width is strongly sheared and altered to talc. A poor quality lens of jade occurs at its northern contact with greenstone.

**NCW** showing (Jade)

MINFILE 104I 064

Three kilometres northwest

The NCW nephrite jade showing occurs halfway between the ridge top and the valley floor, on a steep east-facing slope. The jade occurs at the margin of metamorphosed sedimentary rock and serpentinite. The lens trends 125 degrees and dips steeply southwest. Alteration at the contact is intense with much diopside present.

**JADE 6** showing (Jade)

MINFILE 104I 065

Three kilometres north

A narrow band of altered greenstone, sediments and jade occur on a small creek draining northeasterly into the west side of Provencher Lake. A narrow band of schistose jade up to 30 centimetres occurs at the contact of tremolite-veined serpentinite and altered metasediments. To the northwest, about 150 metres, are two more jade bands up to 1 metre wide located at serpentinite-chlorite schist contacts.

**KUTCHO CREEK JADE** producer (Jade: Surficial placers)

MINFILE 104I 078

Four kilometres east

The property is mainly known for its nephrite jade boulders which are partially or completely buried in overburden. In 1986, ten nephrite jade boulders were drilled to determine quality prior to excavation.
Mineralization: Property Area (cont’d)

Kutcho Creek Jade (cont’d)

Exploration and drilling yielded several boulders of which 16.52 tonnes were mined and shipped to the Kutcho Airstrip for processing (Assessment Report 15940). Some boulders graded C+ in quality which is appropriate for carvings and jewelry, and varied to B grade. Boulders grading C- to D grade are not saleable.

Inferred reserves are 2500 tonnes of nephrite jade of unspecified grade (Open File 1992-1). Operators of the property are Jade West Resources Ltd. of Vancouver.

LETAIN CREEK JADE producer (Jade: Surficial placers)
MINFILE 104I 079
Six kilometres north-northeast

Subsequent mining of the marketable jade boulders occurred in 1977 and 1978, apparently mainly in the Provencher Lake area but probably also along Letain Creek.

PROVENCHER LAKE past producer (Surficial placers; Jade)
MINFILE 104I 092
One kilometre west

Hundreds of nephrite jade boulders occur in the valley area surrounding Provencher Lake.

MINERALIZATION: PROPERTY

The mineralization of the jade MINFILE reported showings and past producers on the Baggins Claim Group is reported as follows

BS Past Producer (Jade)
MINFILE 104I 063
Within Tenure 1020172

Several lenses of nephrite and numerous nephrite boulders are reported to occur on the BS claims. Drilling in 1979 described the major occurrence as about 24.7 tonnes of “B-” nephrite in the "D" lens. In 1979, it was estimated that there was over 60 tonnes of jade ranging from C to B+ grade.

BAGGINS showing (Jade)
MINFILE 104I 073
Within Tenure 1020195

In this area nephrite jade is commonly found in association with ultramafic rock.

A drilling program conducted in 1979 by Primex Explorations Ltd. showed that while a large portion of an exposed nephrite lens consisted of gem-quality jade, the quality decreased as the lens dipped beneath the surface. Numerous boulders broken off the lens are scattered nearby and a large number (153) of these were reportedly drilled.

STRUCTURAL ANALYSIS

The Structural Analysis of Tenure 1020172 was accomplished marking the observed lineaments on a DEM Image Hillshade map. A total of 66 lineaments were indicated as shown on Figure 6. A Georient 32v9 software program was used to create a Rose Diagram reflecting the grouping of the 66 lineaments into an individual 10° class sector angle interval as shown on Figure 7.
Figure 6. Indicated primary structures, open-ended buried river channels and Minfile on Tenure 1020172
(Base map: MapPlace & Google)
**Structural Analysis (cont’d)**

*Figure 7. Rose Diagram from Lineaments of Tenure 1020172*

![Rose Diagram from Lineaments of Tenure 1020172](image)

**STATISTICS** (for Figure 14)

Axial (non-polar) data
No. of Data = 66
Sector angle = 8°
Scale: tick interval = 2% [1.3 data]
Maximum = 18.2% [12 data]
Mean Resultant dir’n = 103-283
[Approx. 95% Confidence interval = ±16.9°]
(valid only for unimodal data)

Mean Resultant dir’n = 103.3 - 283.3
Circ.Median = 004.0 - 184.0
Circ.Mean Dev.about median = 64.0°
Circ. Variance = 0.14
Circular Std.Dev. = 30.9°
Circ. Dispersion = 1.46
Circ.Std Error = 0.1485
Circ.Skewness = 0.04

Circ.Kurtosis = -25.62
kappa = 1.35
(von Mises concentration param. estimate)
Resultant length = 36.90
Mean Resultant length = 0.559
'Mean' Moments: Cbar = -0.4996; Sbar = -0.2508
'Full' trig. sums: SumCos = -32.9759; Sbar = -16.551
Mean resultant of doubled angles = 0.09
Mean direction of doubled angles = 027
(Usage references: Mardia & Jupp,
'Directional Statistics', 1999, Wiley;
Fisher, 'Statistical Analysis of Circular Data',
Note: The 95% confidence calculation uses
Fisher’s (1993) 'large-sample method'
Figure 8. Cross-structure locations and buried river channel end points on Tenure 1020172*
(Base Map from Google Earth)

*see Figure 5 for indicated lineal structures and buried river channels

Table II. Approximate location of Figure 6 & 8 cross-structures, open-ended buried river channel points, and Minfile
(UTM-NAD 83 Zone 7)

<table>
<thead>
<tr>
<th>Cross-structures</th>
<th>UTM East</th>
<th>UTM North</th>
<th>Elevation (metres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>519,957</td>
<td>6,457,685</td>
<td>1,823</td>
</tr>
<tr>
<td>B</td>
<td>519,327</td>
<td>6,457,241</td>
<td>1,518</td>
</tr>
<tr>
<td>C</td>
<td>519,069</td>
<td>6,457,690</td>
<td>1,451</td>
</tr>
<tr>
<td>D</td>
<td>519,549</td>
<td>6,457,393</td>
<td>1,642</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Buried river channel</th>
<th>UTM East</th>
<th>UTM North</th>
<th>Elevation (metres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>520,010</td>
<td>6,457,157</td>
<td>1,679</td>
</tr>
<tr>
<td>F</td>
<td>519,022</td>
<td>6,457,725</td>
<td>1,436</td>
</tr>
<tr>
<td>G</td>
<td>520,000</td>
<td>6,457,900</td>
<td>1,872</td>
</tr>
<tr>
<td>H</td>
<td>519,038</td>
<td>6,457,867</td>
<td>1,447</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minfile</th>
<th>UTM East</th>
<th>UTM North</th>
<th>Elevation (metres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.S.</td>
<td>519,398</td>
<td>6,457,365</td>
<td>1,700</td>
</tr>
</tbody>
</table>
INTERPRETATION and CONCLUSIONS

The structural analysis resulted in the delineation of:

1. Two cross-structures at location A & B caused by the intersection two indicated primary structures (AC & JK) with one indicated northeasterly (AB) trending primary structure;
2. One cross-structure at location D caused by the intersection of the indicated northeasterly structure AB and an indicated north-northwesterly trending buried river channel;
3. One cross-structure at location C caused by the intersection of indicated structure AC and indicated buried river channel EF;
4. A second westerly trending buried river channel GH with no associated cross-structure.

The three indicated cross structures are significant for the mineral controls created for;

1. Depth penetration to access potentially mineralized hydrothermal fluids;
2. Providing a conduit for the fluids to surface;
3. Providing an increased area of breccia/fractures for the deposition of the mineralized fluids;
4. Providing surficial geological indications of the mineralized fluids.

More importantly, on the Baggins Placer Property, the structures are primarily related to the creation and the deposition of placer jade. As the property is underlain by a complex of Cache Creek rocks including greenstones, metasediments, and tectonically emplaced ultramafic rocks of peridotite, dunite, and pyroxenite which are generally serpentinized, nephrite jade is commonly found in association with ultramafic rock. The ultramafic country rock contact between serpentine and limestone locally hosts nephrite jade lenses.

RECOMMENDATIONS

Although ultramafic boulders are strewn throughout the property, the density of the boulders should be related to the downward slope from the structure; the density decreasing further from the structure.

In the prospecting for potentially C+ or better grade nephrite jade which is appropriate for carvings and jewelry:

5. The structures AC, GH, and JK, should be located and prospected;
6. The cross-structures at locations A, B, C, and D, would be the prime prospective areas;
7. The buried river channels EF and GH should be traced and prospected on the down slope;
8. The area of Location D, the indicated intersection between a structure and a buried river channel should be initially investigated on the downslope, or to the northwest.

The UTM coordinates of most locations are shown on Figures 6 & 8 and reported in Table II.

Respectfully submitted

Sookochoff Consultants Inc.

Laurence Sookochoff, PEng
SELECTED REFERENCES


Homenuke A.M. – Geology and Drilling B.S. Group (B.S. 1&2) for Cry Lake Jade Mines Ltd. November 15, 1979. AR 7,582.

MapPlace – Map Data downloads


MtOnline - MINFILE downloads.
   104i 063 – BS
   104i 064 – NCW
   104i 065 – JADE 6
   104i 073 – BAGGINS
   104i 078 – KUTCHO CREEK JADE
   104i 079 – LETAIN CREEK JAD
   104i 092 – PROVENCHER LAKE


Shearer, J.T. – Air photo Interpretation Report on the PW1 Project for Homegold Resources Ltd. April 15, 2013. AR 34,106..


STATEMENT OF COSTS

Work on Tenure 1020172 of the Baggins Claim Group was done from July 10, 2014 to July 14, 2014 to the value as follows:

<table>
<thead>
<tr>
<th>Structural Analysis</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Laurence Sookochoff, PEng. 3 days @ $1,000.00/day</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Maps</td>
<td>500.00</td>
</tr>
<tr>
<td>Report</td>
<td>3,500.00</td>
</tr>
<tr>
<td></td>
<td>$7,000.00</td>
</tr>
</tbody>
</table>

TOTAL: $7,000.00
CERTIFICATE

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify:

That I am a Consulting Geologist and principal of Sookochoff Consultants Inc. with an address at 120 125A-1030 Denman Street, Vancouver, BC V6G 2M6.

I, Laurence Sookochoff, further certify that:

1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.
2) I have been practicing on profession for the past forty-eight years.
3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.
4) The information for this report is based on information as itemized in the Selected Reference section of this report.
5) I have no interest in the Property as described herein.

Laurence Sookochoff, P. Eng.