NI 43-101 Technical Report for the Mal-Wen Property

Merrit, B.C.
Canada

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Item 1: Summary

The Mal-Wen Property is about 30 km southeast of Merritt, in south central British Columbia. The Property consists of 5 mineral claims with a total area of 2328.96 hectares. The claims are 100% owned by Victory Resources Corporation.

The property is located within the Quesnel Terrane, which is composed of Paleozoic and Mesozoic arcs and is an important metallogenic belt hosting numerous porphyry Cu-Au-Mo deposits. The property is within the eastern Belt of the late Triassic Nicola Group, which is composed of basaltic volcanic rocks and fine grained sediments.

The Dillard Creek Property, about 20 km to the south, hosts an alkalic porphyry system in the same (eastern) belt of the Nicola Group as the property. The alkalic porphyry deposits of the Iron Mask Batholith and the Rabbit North Property also occur within the same belt, about 75 km to the north.

Several types of mineralization occur on the property. The Main (or Adit) Vein at the Wen Prospect is a chalcopyrite bearing quartz vein that is commonly about 1 m in true thickness, but has occasional shoots up to 4.4 m in true thickness. Cu grades are commonly in the 0.5 to 1% range. Au grades are erratic, often under 1 g/t, but ranging up to 16.6 g/t Au over 4.4 m (true width) in DDH 96-1. The Main Vein has been traced for about 100 m laterally and lies along the west edge of a poorly defined zone of altered and erratically mineralized volcanics and intrusives at least 70 m wide and over 450 m long. This zone (the Main Zone) appears to continue to the north and possibly the south. The zone is characterized by ubiquitous epidote alteration with patchy stockworks of quartz – carbonate +/- chalcopyrite and pyrite veinlets. Hydrothermal breccias have been noted at several locations within this zone. The Mal Prospect is a chalcopyrite bearing epidote-garnet-magnetite skarn at or near a contact between the sediments and basaltic volcanics.

There have been six drill programs on the property since 1961, but drilling has been narrowly focused on the immediate Mal and Wen Prospect areas. Various geochemical and geophysical surveys have covered larger areas, but their interpretation has been hampered by a lack of surficial or bedrock mapping. About half of the property has had little or no recorded exploration.

Recent mapping has determined that a significant proportion of altered and mineralized rocks at the Wen Prospect are fine grained gabbroic intrusives. Quartz – feldspar porphyries and a hornblend phyric syenite have also been reported in core. The gabbros are lithogeochemically similar to the intrusives at the Dillard Creek Property. Petrography has identified a number of alteration minerals often associated with alkalic porphyry deposits, including tremolite/actinolite, epidote, k-feldspar, calcite, hematite, pyrite and possible albite.

The Rabbit North alkalic porphyry property, like the nearby New Afton Deposit, is associated with both a regional magnetic high and a regional gravity high. On the Mal-Wen Property, there is a mag high associated with a gravity high on the southern claims. It is within a magnetic domain that is continuous with the Wen mineralization to the north. The Wen mineralization is associated with intrusives and alteration types that are consistent with an alkalic porphyry system. The area of the magnetic high on the southern claims has had no recorded work. The nearest geochemical surveys register Cu anomalies as they approach this area.
For these reasons, the area of the magnetic highs on the southern claims should be the primary exploration target on the property for an alkalic porphyry system.

Several secondary exploration targets are also proposed.

1. The main zone at the Wen Prospect appears to be open to the north and possibly to the south.
2. The adit vein is also open to the north, and possibly to the south.
3. The Mal Prospect area has two geophysical targets that have not been adequately tested. Drilling in the main showing area appears to have been too far to the north and to the west. The IP anomaly to the east of the main showing area has not been followed up on.
4. The Echo Zone features widespread mineralization and at least one soil anomaly of interest that have never been followed up on.

The Mal-Wen is a property of merit that warrants further work. A work program is proposed consisting of geological mapping and prospecting, overburden sampling, geophysical surveys, and diamond drilling. The total cost of this program is estimated to be $235 000.

Item 2: Introduction

Victory Resources Ltd. is a mineral exploration company based in Vancouver, B.C.. Helgi Sigurgeirson, P. Geo. was commissioned by Victory Resources Corporation to provide a summary report on the Mal-Wen Property in accordance with the disclosure requirements of National Instrument 43-101.
This report has relied entirely upon publicly available assessment reports, provincial and federal geological survey releases, and papers from scientific journals.
The author of this report carried out an 8 day exploration program on the property between June and September of 2017.

Item 3: Reliance on Other Experts

The author has not independently verified that there are no legal or financial matters that might affect the property, and has relied on the issuer to determine that this is the case.

Item 4: Property Description and Location

The Mal-Wen Property is about 30 km southeast of Merritt, B.C. In south central British Columbia (Figure 1). The center of the property is at approximately 683000 E, 5535000 N (UTM Zone 10) or 49° 56.5' N, 120° 27' W.

The Mal-Wen Property consists of 5 mineral claims with a total area of 2328.96 hectares (Figure 3). The claim details are given in Table 1. The claims are 100% owned by Victory Resources Corporation. The property is not subject to any agreements or encumbrances.

The author is unaware of any specific environmental issues that would prevent exploration on the property. There is no current permit to do mechanical work on the property. A Notice of Work would need to be acquired from the B.C. Ministry of Energy, Mines and Petroleum Resources before drilling, trenching, or the like could be done. The author is unaware of any First Nations consultation by Victory Resources Corporation regarding exploration on the property. This should be done before an application for a Notice of Work is made.

There is a conditional registration reserve (ID#1006613) over part of the property issued to Sea Breeze Power Corporation (Figure 3). The company has an investigative permit in this area and a done limited development, but this is unlikely to be a significant consideration with respect to exploration permitting or activities.

Claim	Good to Date	Hectares
1053101	2018/JUL/24	727.8
1053102	2018/JUL/24	685.92
1057409	2018/JUL/24	207.91
1057996	2019/JAN/27	332.85
1058745	2019/FEB/20	374.48

Table 1: Claim Details

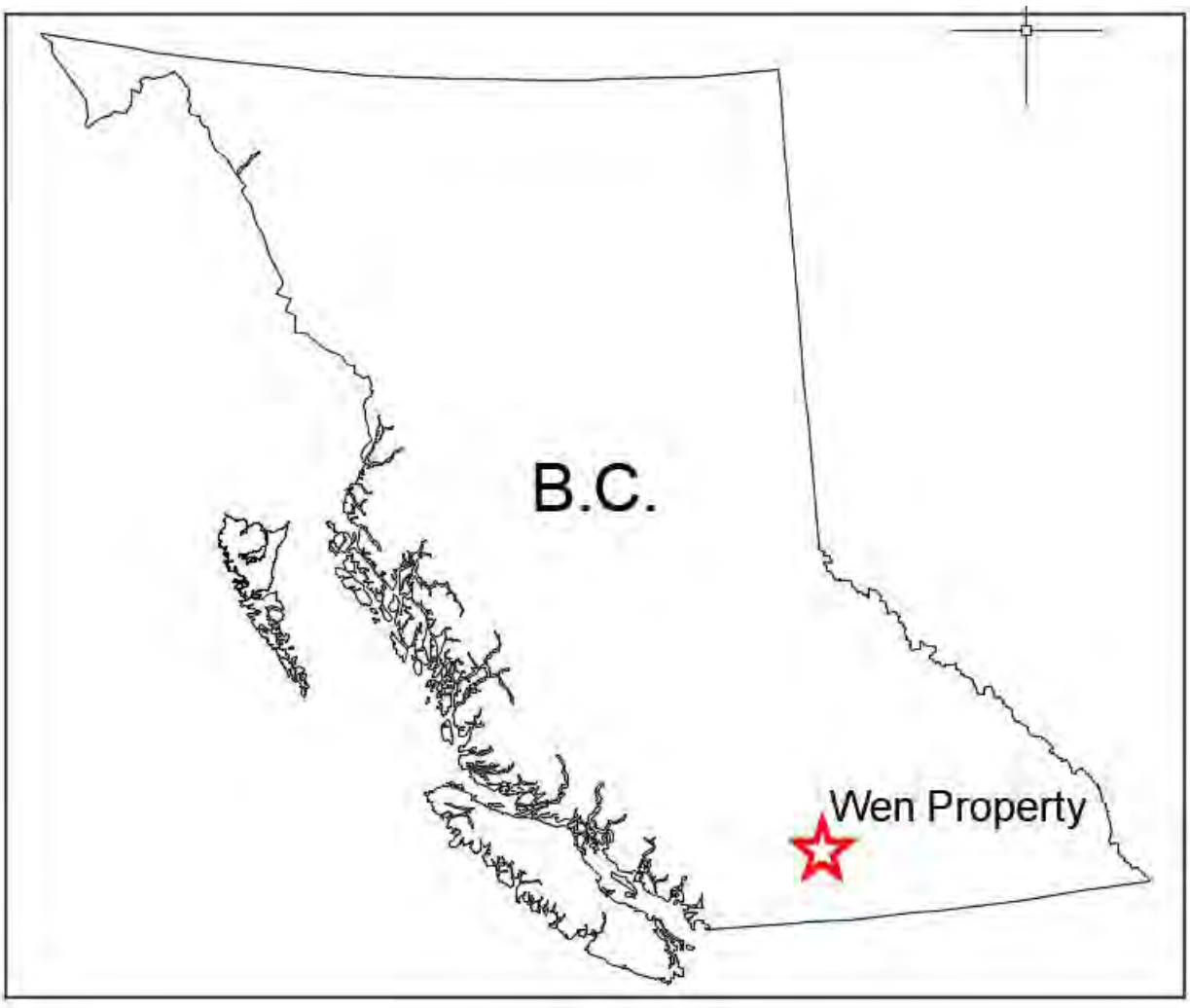

Figure 1: Location Map.

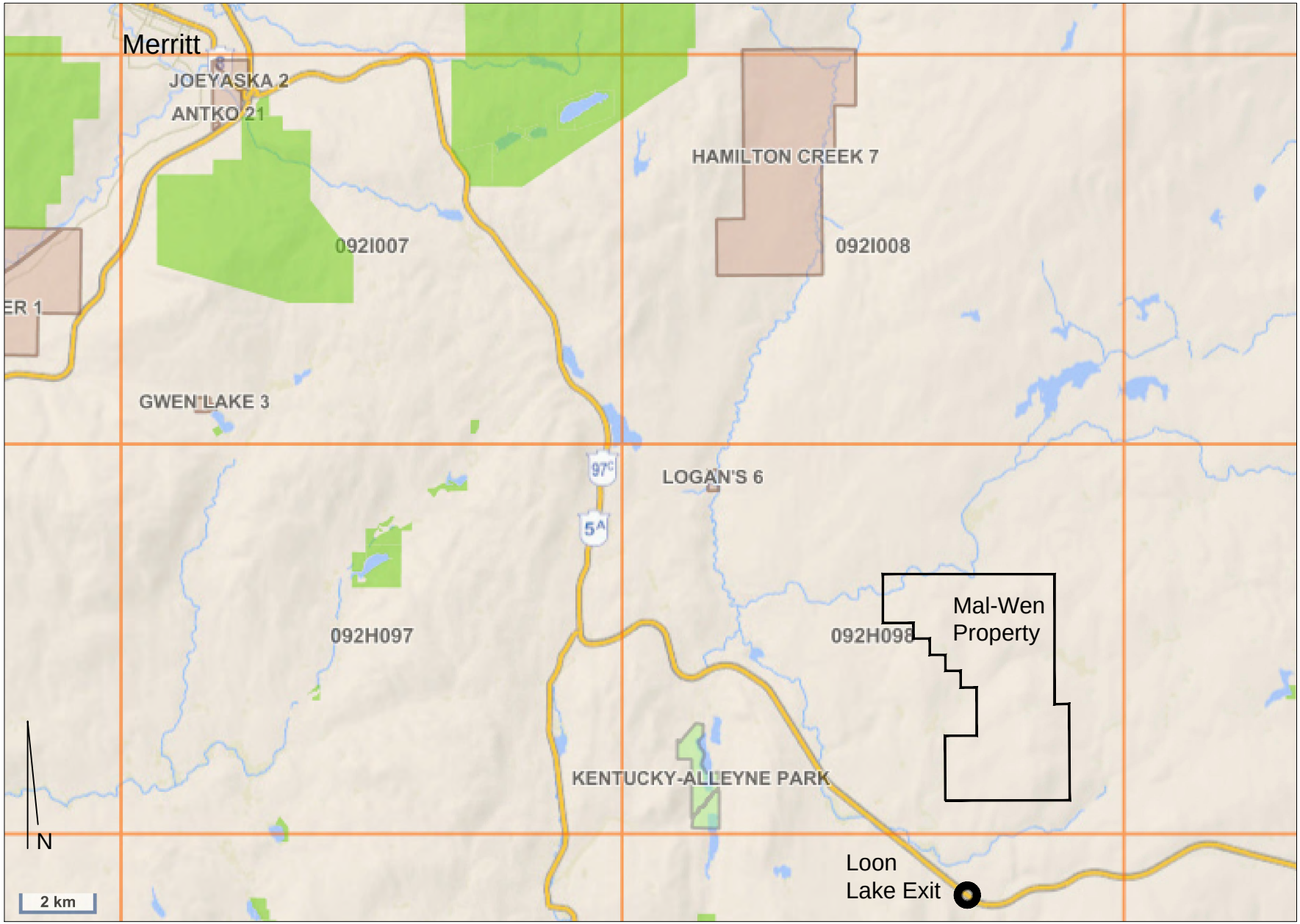

Figure 2: Location and Access Map

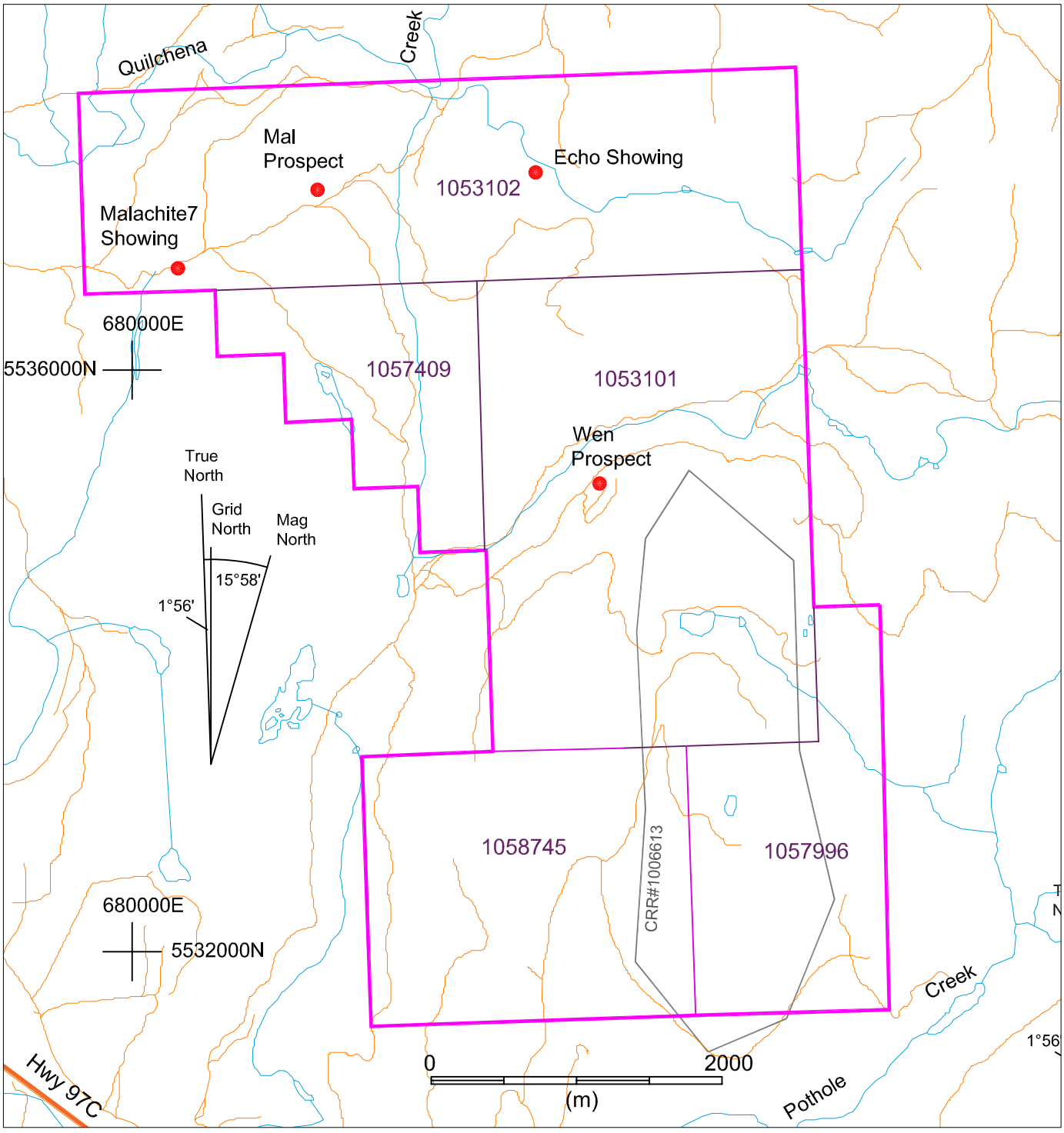

Figure 3: Claim Map

Scale = 1:40 000

Item 5: Accessibility, Climate, Local Resources, Infrastructure and Physiography

Location and Access

The property is about 30 km southeast of Merritt. It is accessed by taking highway 97C to the Loon Lake Road Exit (Figure 2), which connects to the logging road network criss-crossing the property to the north. The property is centred at approximately 685000E, 5535000N (Zone 10).

Climate

In general, the Merritt area lies in a mild weather regime although temperatures in winter can dip to minus 25° Celsius. Snow precipitation is moderate and seldom exceeds 60cm. The weather in summer is generally hot and dry with daytime temperatures occasionally reaching 38° Celsius. Exploration work in the area can ideally be carried out from April to November although an expanded program can be conducted all year round.

Physiography

The topography is moderate and is characterized by rolling hills. It ranges in elevation from over 1520 m in the southeast part of the property to 1040 m in the Quilchena Creek valley in the northwest corner of the property. Most of the property is covered by second growth forest, and cut blocks at various stages of regrowth are common.

Local Resources and Infrastructure

The city of Merritt is a commercial hub. Its major industry is logging and it serves as a base for mineral exploration companies working the Aspen Grove copper camp. Merritt can provide basic supplies and services for an exploration program. It is 270 km by road from Vancouver, 88km by road from Kamloops to the north, and 90 km from Kekowna to the east. Kamloops and Kelowna are regional centres that can provide major services and supplies. Both cities are served by daily commercial jet from Vancouver.

Surface Rights

The property is entirely on crown land.

Item 6: History

Introduction

Old adits at the Wen Prospect and the Echo zone attest to exploration on the property possibly dating back to the early 1900's or earlier. Recorded work on the property begins in 1961 and is summarized in Table 2. Four Minfiles are on the property. Their locations are shown on Figure 3 and the history of each and the property as a whole is discussed in the following sections. No mineral resources have been defined on the property.

Year	AR#	Author(s)	Company	Zone	Geological	Geochemical	Geophysical	Drilling	Other
1961	403	Rutherford	Skeena Silver Mines Ltd.	Wen			e.m. (40 km)		
1962	MMPRAR1961	Smith	Noranda Exploration	Wen					2195 m of stripping
1963	MMPRAR1962	Smith	Skeena Silver Mines Ltd.	Mal				19 DDHs (1216 m)	Limited trenching
1962	449	Sirola	Kerr-Addison Gold Mines Ltd.	Mal	Prospect area (~345 ha.)	~560 soil samples (rubeanic)	SP (39 km), mag (34 km)		
1967	1049	Sharp	Consolidated Skeena Mines Ltd.	Mal, Echo		c.300? Preliminary soil samples			
1967	1089	Sharp	Consolidated Skeena Mines Ltd.	Wen, Echo, Mal			Airborne mag, e.m. & radioactivity (~530 km)		
1968	1586	Sharp	Consolidated Skeena Mines Ltd.	Mal	Reconnaissance	~1000 soil samples	Mag (~25 km)		
1968	1718	Boniwell	Consolidated Skeena Mines Ltd.	Mal			IP (37.4 km)		
1972	3556	Vollo	Royal Canadian Ventures Ltd.	SE		~650 soil samples (11 on property)			
1972	4082	Lewis	Balfour Mines Ltd.	SW			Airborne mag (500 ha.)		
1972	4230	Kierans	Nitracell Canada Ltd.	Wen	Prospect area	1367 soil samples 5 rock samples	IP, mag (26 km)	5 DDHs (884.7 m)	
1972	(4230)	Walcott	Nitracell Canada Ltd.	Wen			IP (amount unknown)		
1980	8453	Tully	Abaton Resources Ltd.	Mal		1 rock sample	VLF, mag (29.6 km)		Trenching (123 m)
1981	9078	Mark	Omineca Resources Ltd.	Mal (south)			e.m. (6.5 km)		
1981	9194	Mark	Core Energy Corporation	Echo			e.m. (4.8 km)		
1981	9195	Mark	Kastle Energy Corporation	Echo			e.m. (4.8 km)		
1981	9590	Tully	Abaton Resources Ltd.	Mal				7 DDHs (616.18 m)	
1997	24800	Verley	George Resource Company Ltd.	Wen				16 DDHs (1636.8 m)	
2001	26469	Dahrouge	Commerce Resources Corporation	Au, Mal, Wen	Reconnaissance	19 rock samples (& 2 silt?)			
2000	(27039)	Walcott	Commerce Resources Corporation	Mal, Wen			IP (amount unknown)		
2003	27039	Verzosa	Lateegra Resources Corporation	Mal, Wen		430 soil samples	VLF (5.8 km), mag (26.1 km)	6 DDHs (702.5 m)	
2005		Verzosa	Victory Resources	Au, Mal, Wen					43-101 Report
2007	28905	Sookochoff	Victory Resources	Wen		47 MMI soil samples			
2008	30405	Sookochoff	Victory Resources	Wen				1 DDH (88.39 m)	
2009	30728	Sookochoff	Victory Resources	Wen				4 DDHs (183.43 m)	
2010	31129	*Sookochoff*	*Victory Resources*	*SE*					*Lineament study (520 ha.)*
2009	31194	*Sookochoff*	*Victory Resources*	*Mal (south)*					*Lineament study (509 ha.)*
2011	32160	Sookochoff	Victory Resources	Wen				6 DDHs (702.5 m)	
2012	33166	Sookochoff	Victory Resources	SW					*Lineament study (690 ha.)*
2015	35449	Sookochoff	Victory Resources	Mal (south)			IP (3.3 km)		
2016	*35487*	*Sookochoff*	*Victory Resources*	*Wen*			*Mag (1.8 km)*		*Lineament study (960 ha.)*
2018		*Sigurgeirson*	*Victory Resources*	*Wen*	Wen Prospect (3.5 ha.)				*Petrography (1 sample)*
2018		*Sigurgeirson*	*Victory Resources*	*Wen, Mal , Echo*	Mal Prospect (8 ha.), Wen area (4 ha.)	11 overburden samples & 22 rock samples			*Prospecting (40 ha.), petrography (3 samples)*

Table 2: Property History (results discussed in the text)

Property ownership

Commerce Resources Corporation held most of the ground covered by the current property previous to it's acquisition by Victory Resources Corporation. A summary report on that property was written by R. Verzosa in 2005. Victory Resources entered into an option agreement with Commerce to acquire a 50% interest in the Au-Wen Property in January of 2005 (Verzosa, 2005). The claims over the Mal and Wen Prospects expired on October 3, 2005.

The Wen claim (520757) was staked by David Heyman on October 4, 2005 and acquired by Victory on January 12, 2007. The first work done by Victory Resources was an MMI survey in 2006 (Sookochoff, 2007).

Claim 542552 was staked by Wayne Kress over the Mal Prospect on October 5, 2006. Richard Billingsly staked claim 542554 around claim 543552 on the same day, then acquired claim 542552 from Mr. Kress and amalgamated the claims. The new claim (567126) was then sold to Victory Resources on August 13, 2008.

By fall 2008, the Au-Wen East (567126) and the Wen (520757) claims were part of the much larger Toni Property owned by Victory. Most of the Toni Property has been allowed to lapse, but the claims over the Mal and Wen have been maintained since their acquisition by Victory, though the claims have been subdivided and amalgamated since then. Two claims (1057996 & 1058745) have recently been staked and added to the property to the south of claim 1053101. The current claims and the location of the prospects within them are shown on Figure 3.

Wen Prospect

Skeena Silver Mines Ltd. Carried out an e.m. Survey over the area of the Wen Prospect (Figure 4) in 1961 (Rutherford, 1961). No significant conductors were noted.

A magnetometer, e.m. and radiometric airborne survey was done for Consolidated Skeena Mines Ltd. over the north part of the property in 1967 and covered all all the known showings (Sharp, 1967a). It was a low resolution survey with poor ground control. The magnetometer results agreed somewhat with the regional mag in the area of the Wen Prospect, particularly with the volcanic – sediment contact west of the prospect., but less well to the north. Radiometrics and e.m. gave little information of use.

In 1967 and 1968 Consolidated Skeena Mines Ltd. carried out reconnaissance mapping and sampling (Figure 4) in the area of the Wen Prospect (Sharp, 1968). They mapped the contact between the mudstones to the west and the volcanics to the east, as well as some areas of diorite. Old workings and occurrences of chalcopyrite were also noted. Soil sampling in the Wen area consisted of a few isolated reconnaissance lines. The locations of anomalous (Cu) stations agree well with later soil surveys. The sampling traverse to the southeast returned 2 anomalous samples out of 6, and is the only sampling that has been done in that area.

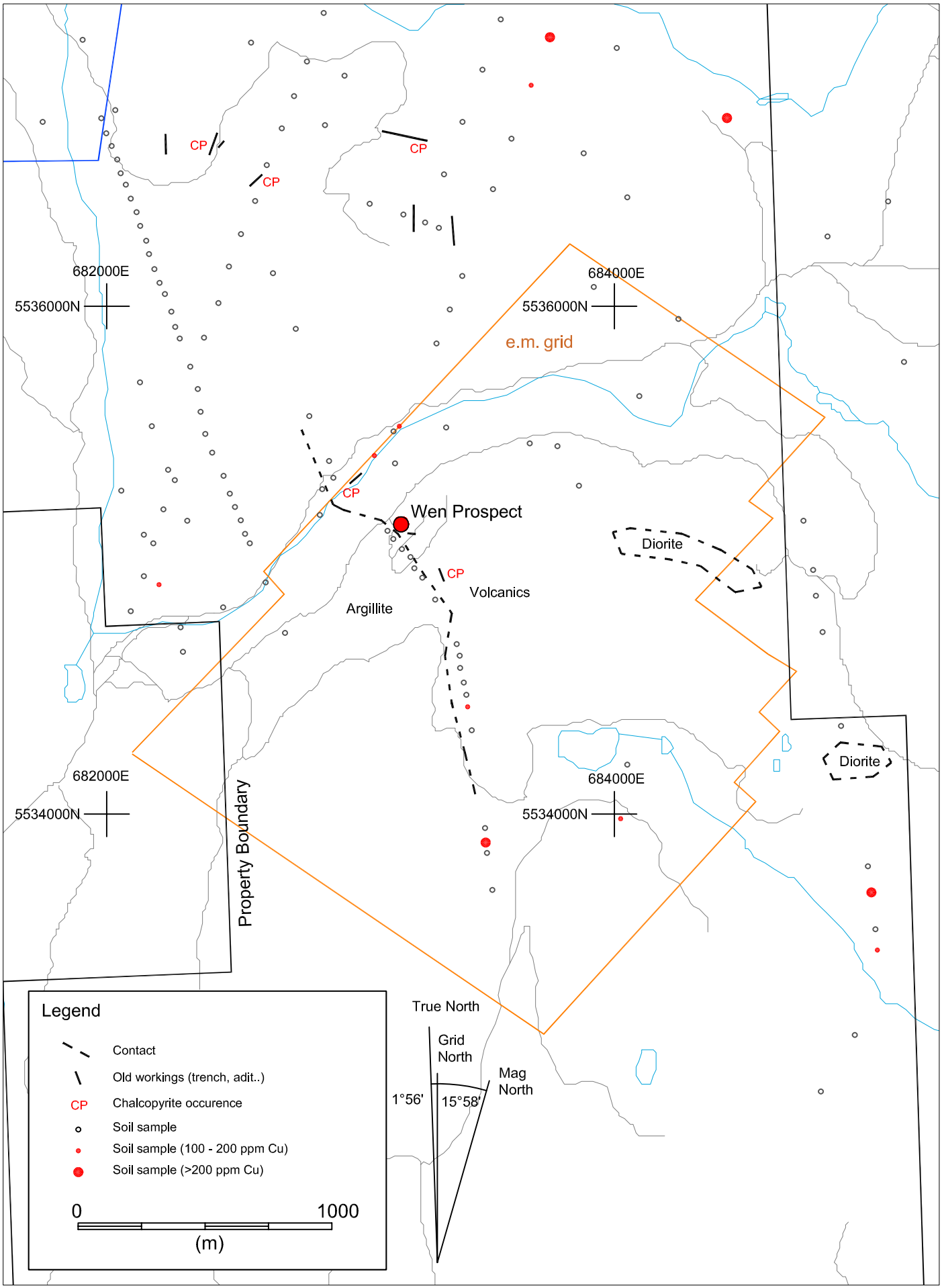

Figure 4: Skeena Silver Mines Ltd. / Consolidated Skeens Mines Ltd. Surveys (1962 & 1967-8) Scale = 1:20 000

In 1972, Nitralcell Canada Ltd. carried out a program on the Wen Prospect (Kierans, 1972) which included:

- A lineament study
- 31 km of line cutting
- 1367 soil samples collected and analyzed for Cu
- 26 km of IP and mag
- 5 diamond drill holes (885 m)

The lineament study indicated strong N – S lineaments, some NW and NE trending lineaments, and numerous smaller lineaments to the east which approximately parallel to the trend of the Wen mineralization (~160°). The Wen mineralized zone itself was not marked by a lineament.
Two e.m. units were tested over the main zone, but found to be ineffective.

The northwest part of the grid was geologically mapped, but unfortunately the available scan is almost completely illegible. Kierans reports the main rock type mapped to be andesitic and basaltic volcanics, erratically intruded by lenses of a dioritic intrusive that is locally a diabase in texture. Along the west edge of the mapped area is a dark grey to black shale. According to Kieran, a zone of alteration (epidote, carbonate, silica and moderate chlorite) and erratic mineralization (chalcopyrite) was mapped over about 90 m x 750 m and trends about 130° (Figure 5). The extents of the zone could not be verified due to the illegibility of the map The zone may continue to the northwest and/or the southeast.

The magnetometer survey was effective in mapping the shale – volcanic contact. Five IP anomalies were defined near the west side of the grid in the area of the prospect. One of these zones corresponded closely to the mineralized zone, while the other four were felt to be due to pyritic shale. The IP anomalies were briefly summarized and located on the magnetometer map. No detailed IP report is available.

A well defined soil anomaly (>100 ppm Cu) coincides fairly well with the mineralized zone and is open to the northwest (Figure 5). A somewhat less well defined group of anomalous soil samples occurs along the south west part of the grid as well. Five diamond drill holes were drilled to test the mineralized zone (Figure 6) and determined that the overall grade of the zone is low (Kieran estimated an average 0.08% Cu).

George Resource Company Ltd. drilled 16 diamond drill holes totalling 1636.8 m (Figure 6) on the Wen Prospect in 1996 (Verley, 1997). Drilling tested both the lower adit Cu + Au bearing quartz vein, and the altered and erratically mineralized main zone. Drilling on the adit (or main) vein traced the vein for nearly 100 m laterally, at least 60 m down dip, and determined that it dipped steeply (78°) to the west. DDH 96-1 intersected 6.55 m that ran 16.6 g/t Au, 12.9 g/t Ag and 0.75% Cu. Using Verley's vein dip gives a true width of 4.4 m. The other vein intersections averaged 1.5 m (not true width), and ranged from 0.2 to 4.4 g/t Au and 0.2 to 1.2% Cu. Drilling in the main zone returned similar results to those obtained by Nitracell Canada Ltd., though the extents of the zone were better defined. Verley comments that “copper mineralization is wide spread and locally high grade (3. 6% over 1.68 metres in W96-3) and carries significant gold and silver locally.”

Commerce Resources Corporation carried out a program in 2000 (Dahrouge, 2001). Scattered rock sampling of little significance was done across the property. Geological mapping was reported, but no geological map appears to have been produced. There may be some mapping on the Property Map, but it is nearly illegible, though the western part of the property uses Preto's geology (Preto, 1979).

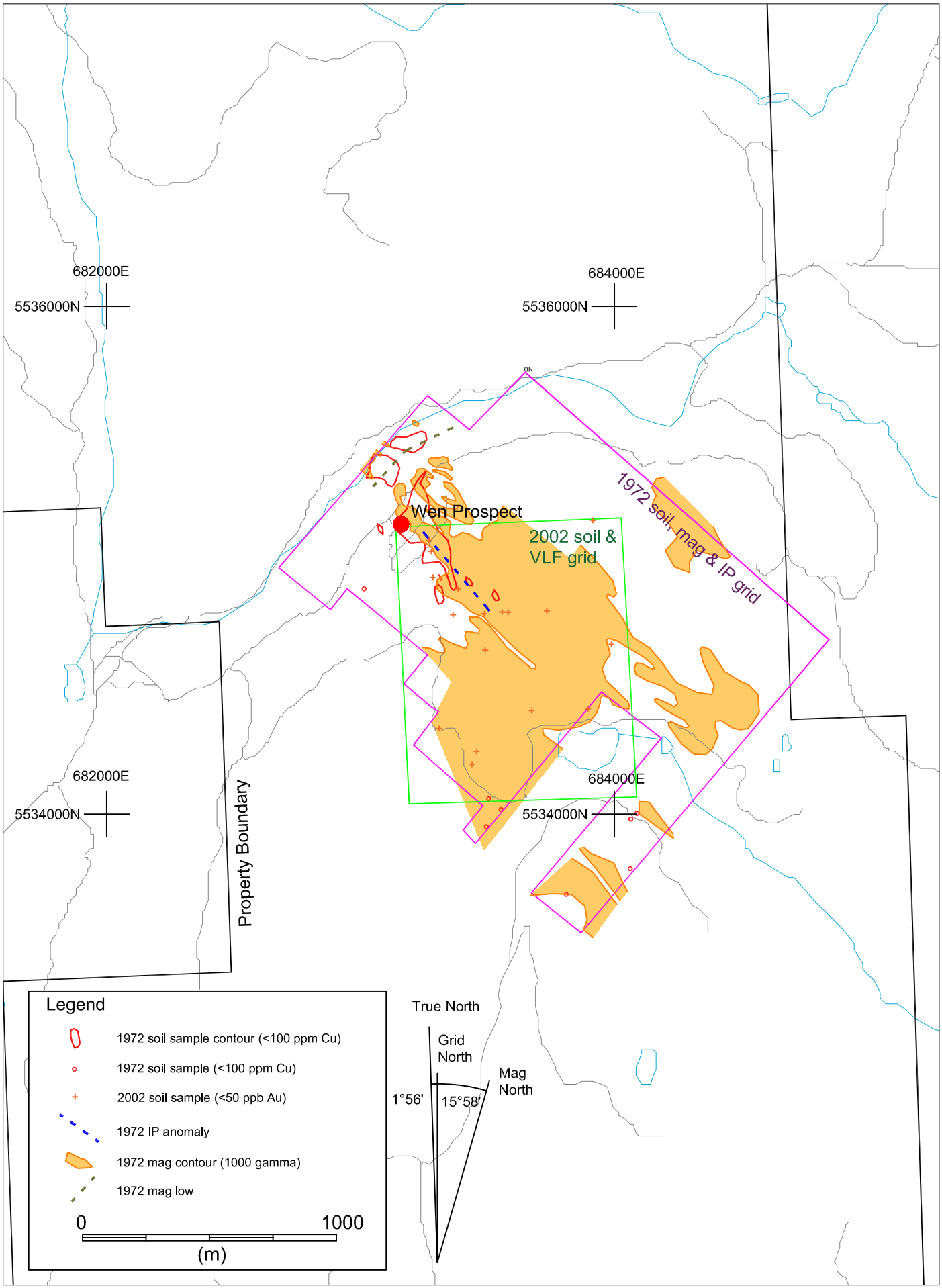

Figure 5: Nitracell Canada Ltd & Lateegra Resources Corporation Surveys (1972 & 2002) Scale = 1:20 000

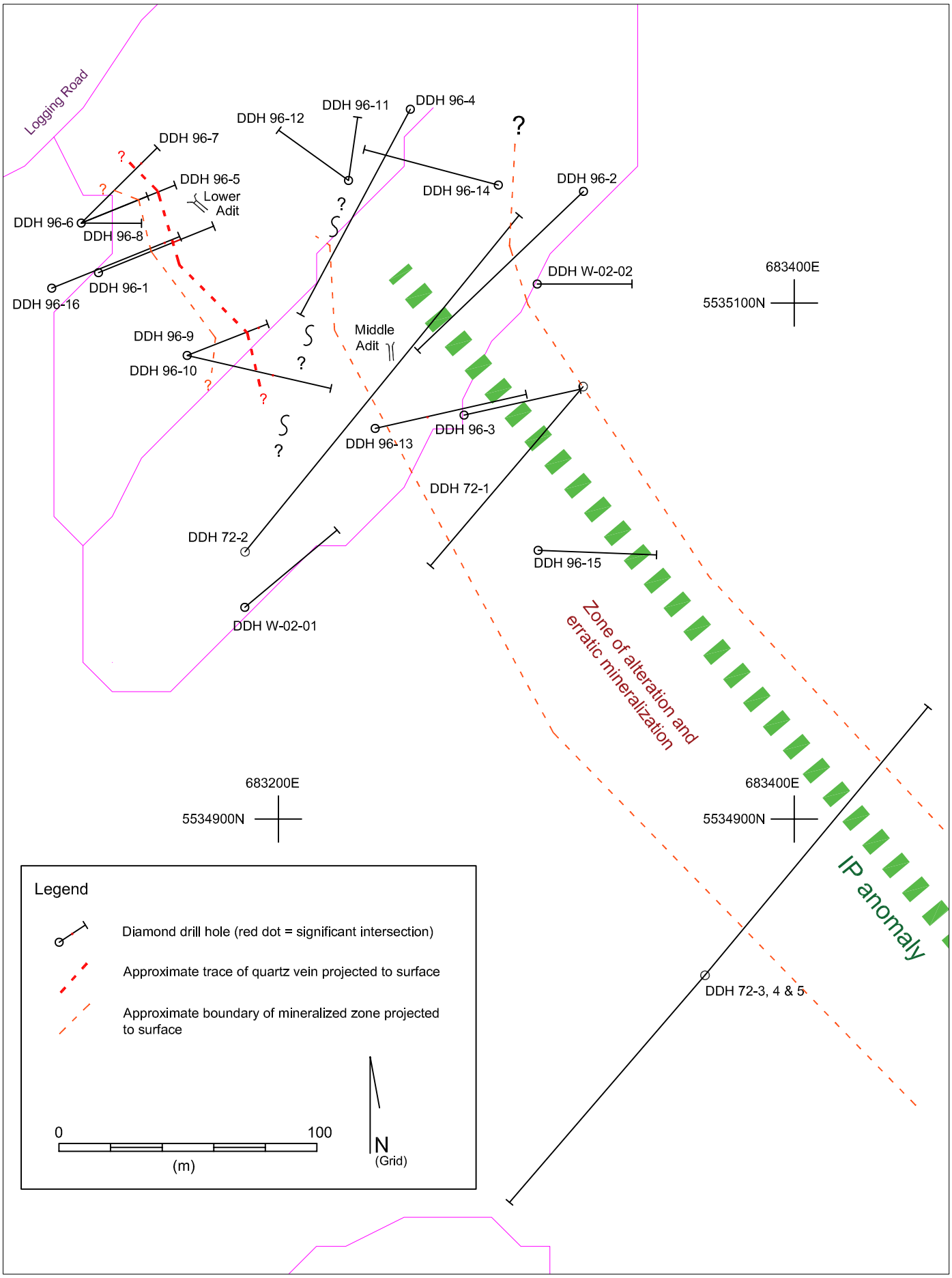

Figure 6: Wen Prospect historical drilling compilation map (1972 & 1996) Scale = 1:2000

In 2002, Lateegra Resources Corporation conducted work in the Wen Prospect area (Verzosa, 2003) that included a VLF survey, soil sampling (Figure 5) and diamond drilling (Figure 6). the VLF survey identified 2 conductors in the southwest part of the grid. The soil survey found Cu and Au anomalies in similar areas as the Nitracell survey found Cu anomalies. The VLF / soil sampling grid was incorrectly placed on the index map and could only be approximately located. The drilling encountered nothing of significance.

The drill holes appear to have been placed placed outside the mineralized zone (Figure 6). There is some uncertainty as to the drill hole positions, as the map from the summary report (Verzosa, 2005) shows W-02-1 at the co-ordinates given for W-02-2 in the drill logs (Verzosa, 2003). The map shows W-02-1 as being about 200 m ESE of the co-ordinates given in the drill logs. Unfortunately there is no drill plan in the drill report, though Figure 2 (the Claim Map) from the drill report shows the drill holes in the same position as the summary report does. These positions have been used in Figure 6.

Apersonal communication by Verley regarding an orientation? IP survey over the known showings on the property is included by Verzosa in his summary report (2005). It indicates that “Anomalous chargeability readings were obtained over the trenches on the Wen prospect. However, these readings carried over across the contact into the sediments where their causative sources were suspected to be of a different nature." These readings likely reflect the IP anomalies outlined in the Nitracell report (Kierans, 1972). Areport by Peter Walcott is referenced, but is not publicly available.

Mal Prospect

The earliest recorded work in the area of the Mal Prospect was done in 1961 (Smith, 1962), when Skeena Silver Mines Ltd. did limited trenching and drilled 19 holes totalling 1216 m (Smith, 1963). Some of these hole locations are shown on the Composite Plan inAssessment Report no.1586 (Sharp, 1968). The approximate locations are shown on Figure 7. The best intersection was 1.62% Cu over 6 m (Sirola, 1962). No other results were given.

In the fall of 1961, Kerr_Addison Gold Mines (Sirola, 1962) did geological, geochemical and geophysical surveys over the area of the Mal Prospect. The areas of these surveys are shown on Figure 8. The SP survey and rubeanic soil survey returned no significant results. The magnetometer survey partly detected the larger anomalies, but these were better defined in later surveys. The geological mapping should be considered preliminary in nature as it didn't map most of the outcrops in the area or give much information beyond lithology. The host rock to the skarn showings is mapped as andesite. Some quartz diorite was mapped in the northeast part of the study area, and some argillites in the southwest.

Amagnetometer, e.m. and radiometric airborne survey was done for Consolidated Skeena Mines Ltd. over the north part of the property in 1967 and covered all the known showings (Sharp, 1967a). It was a low resolution survey with poor ground control. The magnetometer results did not agree well with the regional mag or ground mag in the Mal area. Radiometrics and e.m. gave little information of use.

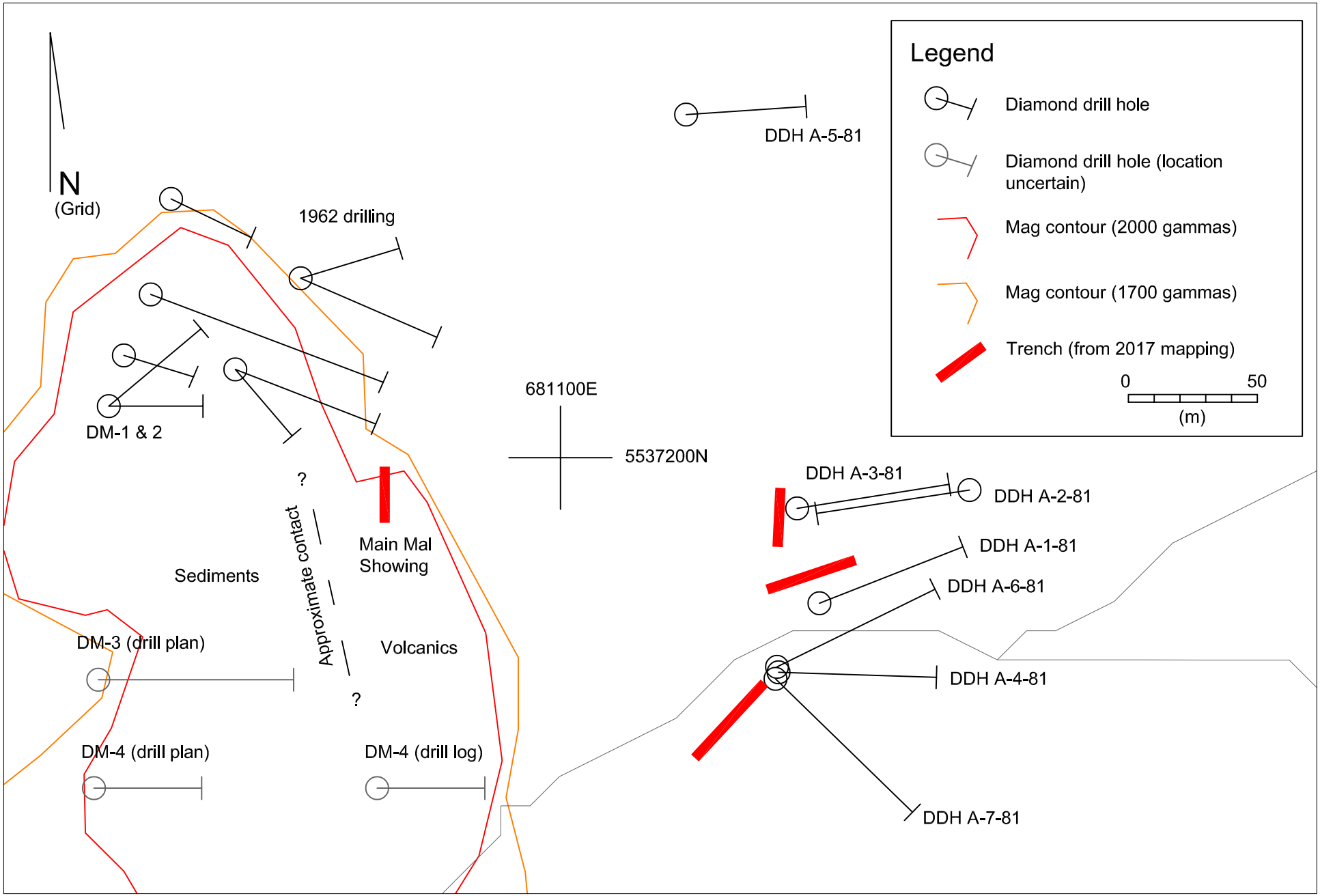

Figure 7: Mal Prospect historical drilling compilation map (1961, 1981 & 2002) Scale = 1:2000

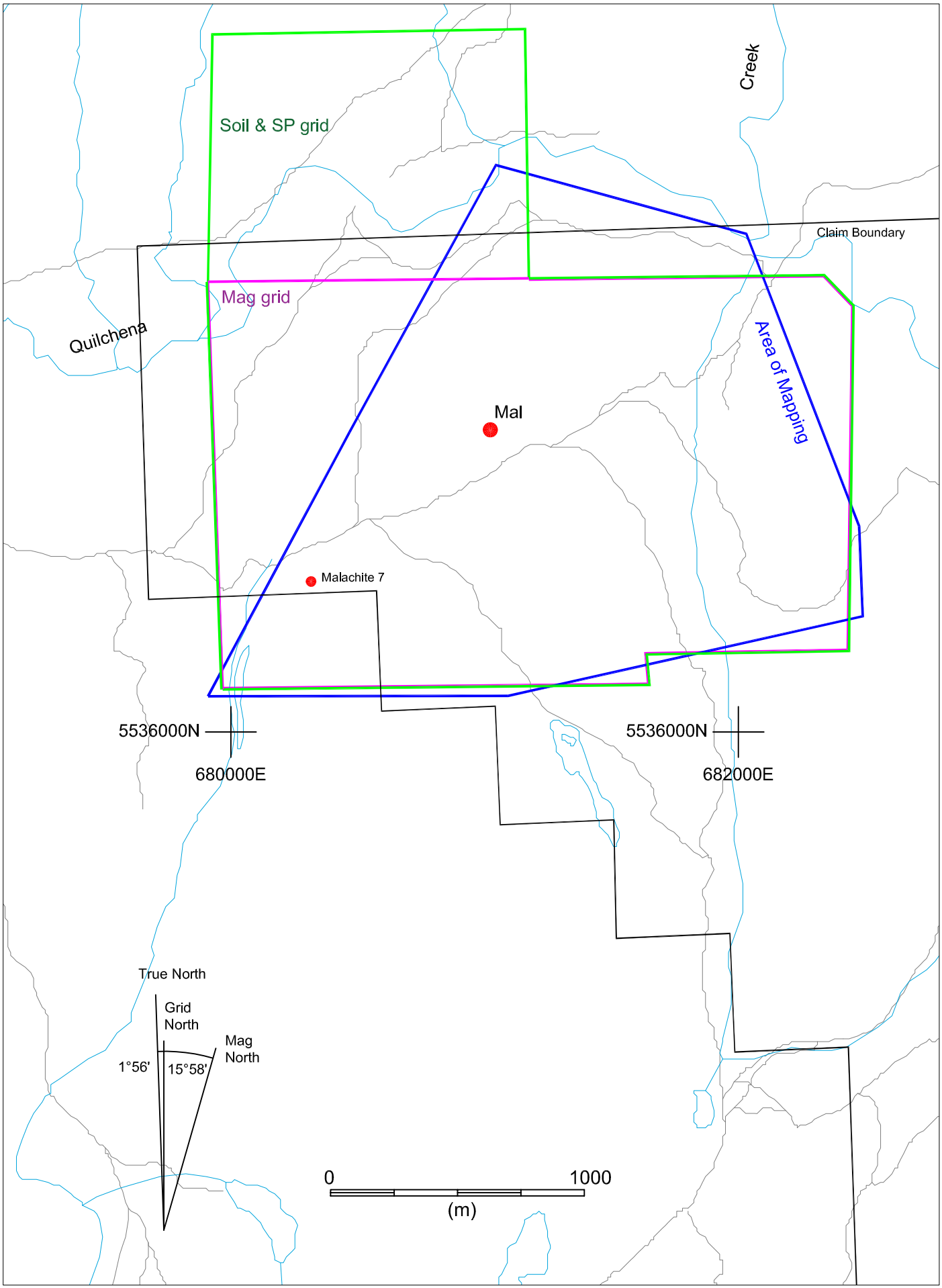

Figure 8: Kerr-Addison Gold Mines Ltd. Surveys (1962) Scale = 1:20 000

In 1967 and 1968 Consolidated Skeena Mines Ltd. (Sharp, 1968) did soil and magnetometer surveys over the Mal Prospect area (Figure 9). The soil survey in the Mal area indicated a number of fairly large, moderate soil (40 – 100 ppm Cu) anomalies mainly along the northwest slopes to the south of the showings and spottily to the south. Relatively few stations were over 100 ppm Cu. To the north of the showings the results were generally low. The magnetometer grid over the Mal area outlined several magnetic anomalies. The most significant was centered on the main showing.
The compilation map in the assessment report (Sharp, 1968) shows chalcopyrite at the Malachite 7 showing, though no further information is given. The brief report was intended as an interim report, but never followed up with a final report.

In the fall of 1968 an IP survey was done for Consolidated Skeena Mines Ltd. over the area shown on Figure 9 (Bonniwell, 1968). Two anomalous areas were defined. A large anomaly to the south was interpreted to be caused by pyritic and carbonaceous sediments. Another anomaly about 300 m east of the main Mal showing was thought to be of interest, but has not been followed up on.

Abaton Resources Ltd. carried out VLF and magnetometer surveys over the Mal Prospect area (Figure 10) in 1980 (Tully, 1980). Bulldozer trenching was done as well, and a single rock sample was taken. The magnetometer survey gave similar results to the consolidated work. The VLF survey indicated two conductive zones.
Later in the season, an e.m. survey was done (Mark, 1981a) with the purpose of following up on the VLF conductors documented in report 08453, but the report indicates the survey was done on the claim to the south (Figure 10) instead (?). Two small areas were surveyed. The survey outlined several conductors (faults?).
Seven diamond drill holes were drilled in the area of the trenching done in 1980 (Tully, 1981; Figure 7). Tully considered this the area drilled by Consolidated Skeena in 1962, though the Consolidated Skeena Report (Sharp, 1968) shows drill holes further to the west. Assay results from the drill core were consistently low, except for a 0.9 m section that returned 0.37% Cu in DDH A-7-81. Hole A-1-81 cut 13.2 m of massive pyrite.

Commerce Resources Corporation carried out a program in 2000 (Dahrouge, 2001). Scattered rock sampling of little significance was done across the property. Geological mapping was reported, but no geological map appears to have been produced. There may be some mapping on the Property Map, but it is nearly illegible, though the western part of the property uses Preto's geology (Preto, 1979).

In 2002, Lateegra Resources Corporation conducted work in the Mal Prospect area (Verzosa, 2003) that included a magnetometer survey (Figure 10) and diamond drilling (Figure 7). The magnetometer survey returned similar results to the previous 2 surveys. The best intersection in the diamond drilling was about 7 m of 0.6% Cu in DM-1. The holes intersected sections of variably Cu bearing epidote-garnet-magnetite skarn in siltstone and tuffaceous sediments. Drilling did not reach the sediment – volcanic contact.

A personal communication by Verley regarding an orientation? IP survey over the known showings on the property is included by Verzosa in his summary report (2005). It indicates “anomalous conditions” to the east of the Mal showing, presumably in the same area as was indicated by the IP survey Consolidated Skeena Mines Ltd. did in 1968. A report by Peter Walcott is referenced, but is not publicly available.

Note that the location of the main showing and other trenches on the drill plan were derived from the 2017 mapping by the author (Sigurgeirson, 2018).

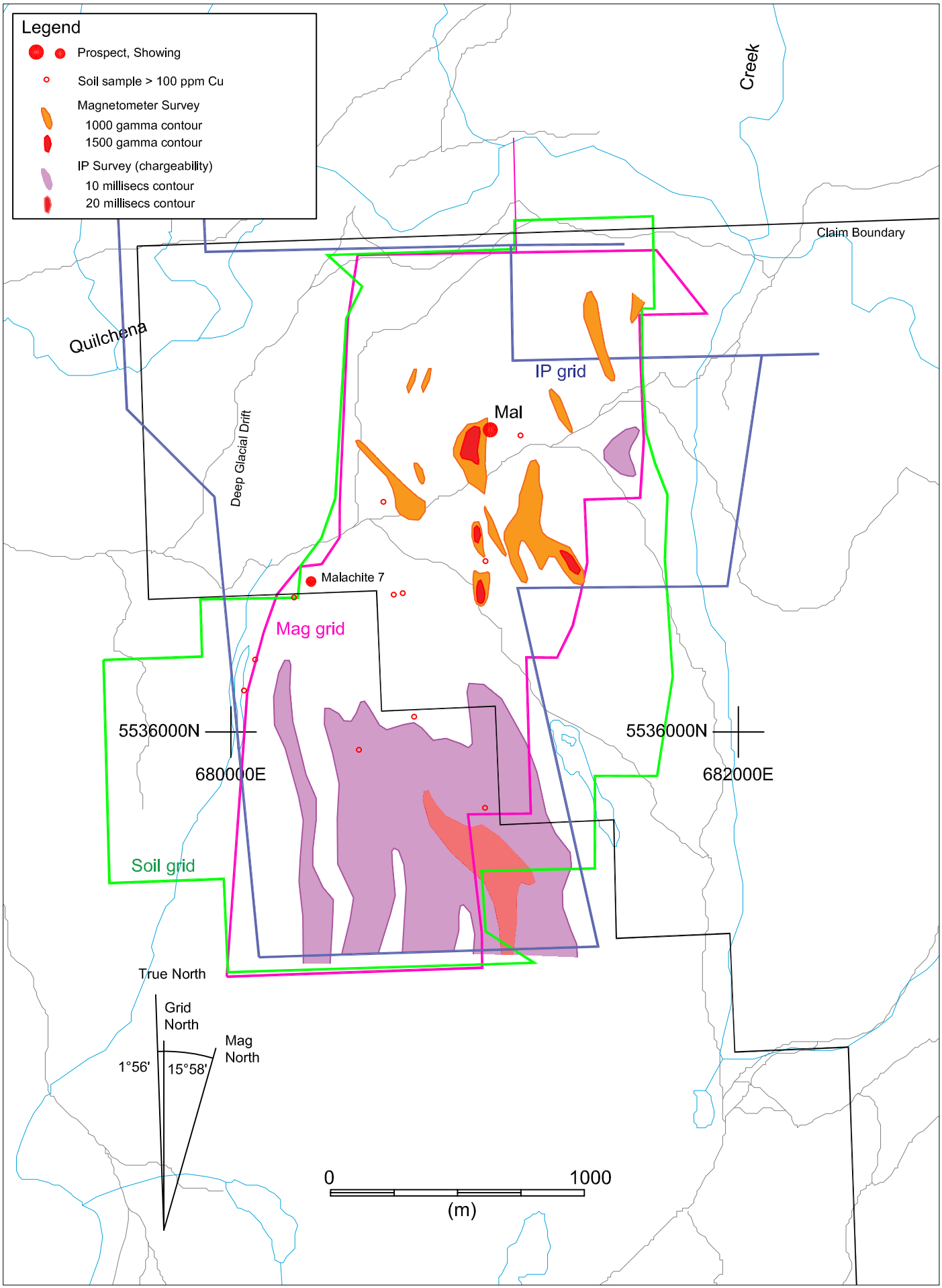

Figure 9: Consolidated Skeena Mines Ltd. Surveys (1968) Scale = 1:20 000

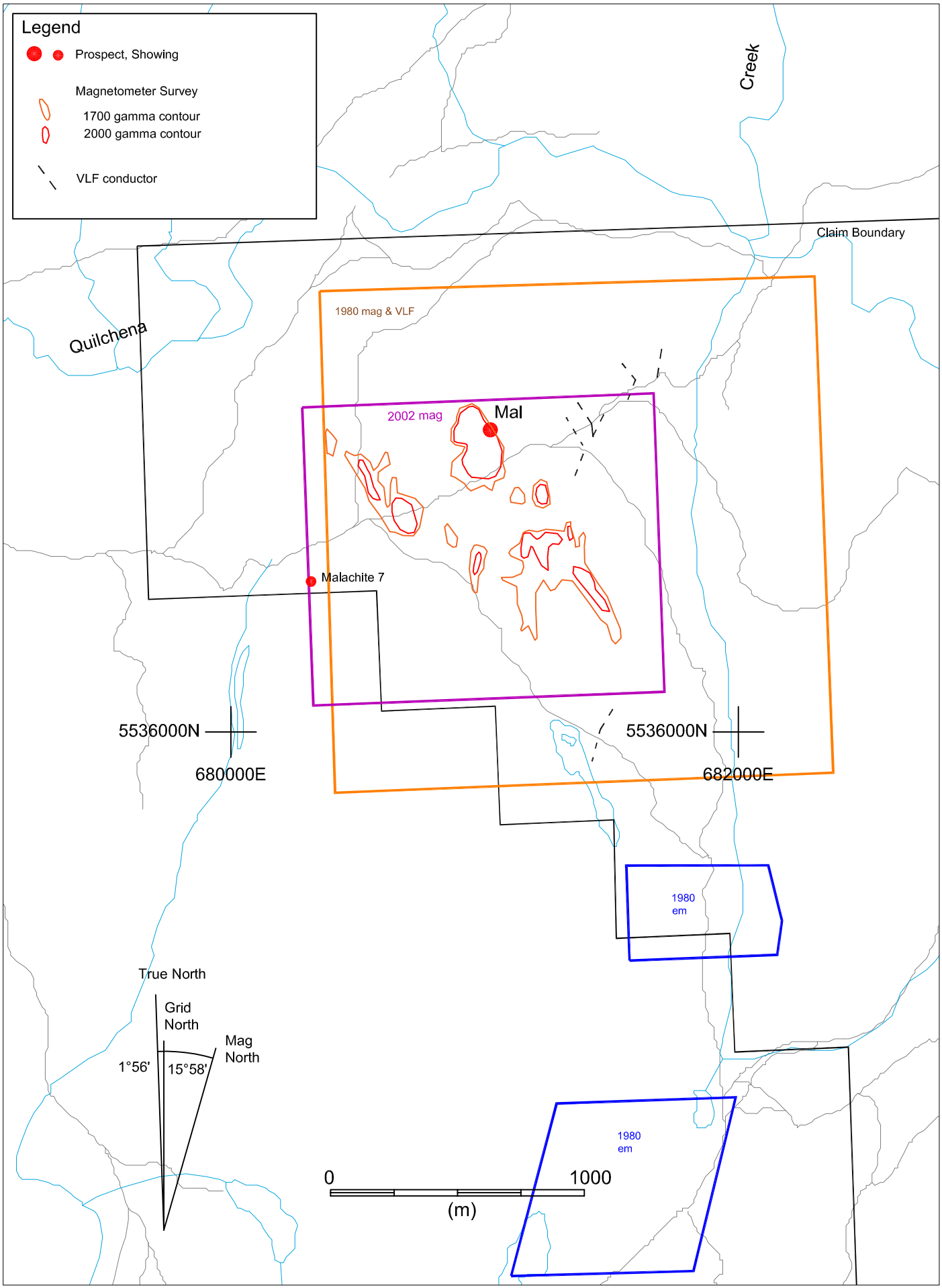

Figure 10: Mal Prospect geophysical surveys (1980 to 2002) Scale = 1:20 000

Echo Showing

A magnetometer, e.m. and radiometric airborne survey was done for Consolidated Skeena Mines Ltd. over the north part of the property in 1967 and covered all all the known showings (Sharp, 1967a). It was a low resolution survey with poor ground control. The magnetometer results agreed poorly with the regional mag in the Echo Prospect area. Radiometrics and e.m. gave little information of use.

In 1967 and 1968 Consolidated Skeena Mines Ltd. carried out reconnaissance mapping and sampling in the area of the Echo Showing (Sharp, 1968). The contact between the volcanics underlying most of the Echo Zone and the body of granitic to dioritic rocks to the north were noted (Figure 11), as were old workings and occurrences of chalcopyrite. A preliminary soil survey was done over parts of the Echo Zone in 1967 (Sharp, 1967b). About half the samples were assayed using the rubeanic method. The results were superceded by another soil survey done later in the year. This survey (Sharp, 1968) survey featured widely spaced samples on widely spaced lines. It revealed a possibly significant area of anomalous soils (Cu) about 1200 m east-south-east of the Echo showing. The widely spaced nature of the sampling makes it difficult to assess the continuity of the anomaly. Note that the Echo Showing has no information available on it beyond the notation that chalcopyrite and malachite occur in the area of an old adit.

Kastle Energy Corporation (Mark, 1981c) and Core Energy Corporation (Mark, 1981b) each carried out an e.m. survey on parts of the northeast corner of the claim block in 1980 (Figure 11). Conductors were noted, but there is no geological context to aid interpretation.

Commerce Resources Corporation carried out a program in 2000 (Dahrouge, 2001). Scattered rock sampling of little significance was done across the property. Geological mapping was reported, but no geological map appears to have been produced. There may be some mapping on the Property Map, but it is nearly illegible, though the western part of the property uses Preto's geology (Preto, 1979).

Southern Claims

In 1967 and 1968 Consolidated Skeena Mines Ltd. carried out reconnaissance sampling to the south of the Wen Prospect (Sharp, 1968). One sampling traverse, along the eastern boundary of the claims, reached the southern claims. It returned returned 2 anomalous samples out of 6 (Figure 12).

A large soil survey was carried out, mainly to the south of the property by Royal Canadian Ventures Ltd. in 1971 (Vollo, 1972). This survey collected about 650 soil samples and took VLF readings on a 48 line km grid. Lines were spaced about 425 m apart and samples were collected at 120 m intervals. The results were generally low, but the highest value on the grid (230 ppm Cu) was obtained from the last sample at northeast corner of the grid, just on the Mal-Wen Property (Figure 12). The adjacent two samples were also elevated to anomalous (40 and 70 ppm Cu).

An airborne mag survey covered about 500 hectares (the south west corner of the property – Figure 12) as part of a larger survey to the southwest in 1972 (Lewis, 1972). The line spacing was about 200 m and the survey was flown at a height of about 120 m. The resolution and ground control were good and the survey provides a detailed look at the regional magnetic high shown in this area on the regional aeromag (MapPlace, 2017). Lewis interpreted the mag highs to be derived from flat lying basic volcanics. The airborne study also clearly outlined what appear to be south striking bands of probable sedimentary rocks that are folded and offset. These lie to the west of the property, but give some useful information regarding the local structural regime.

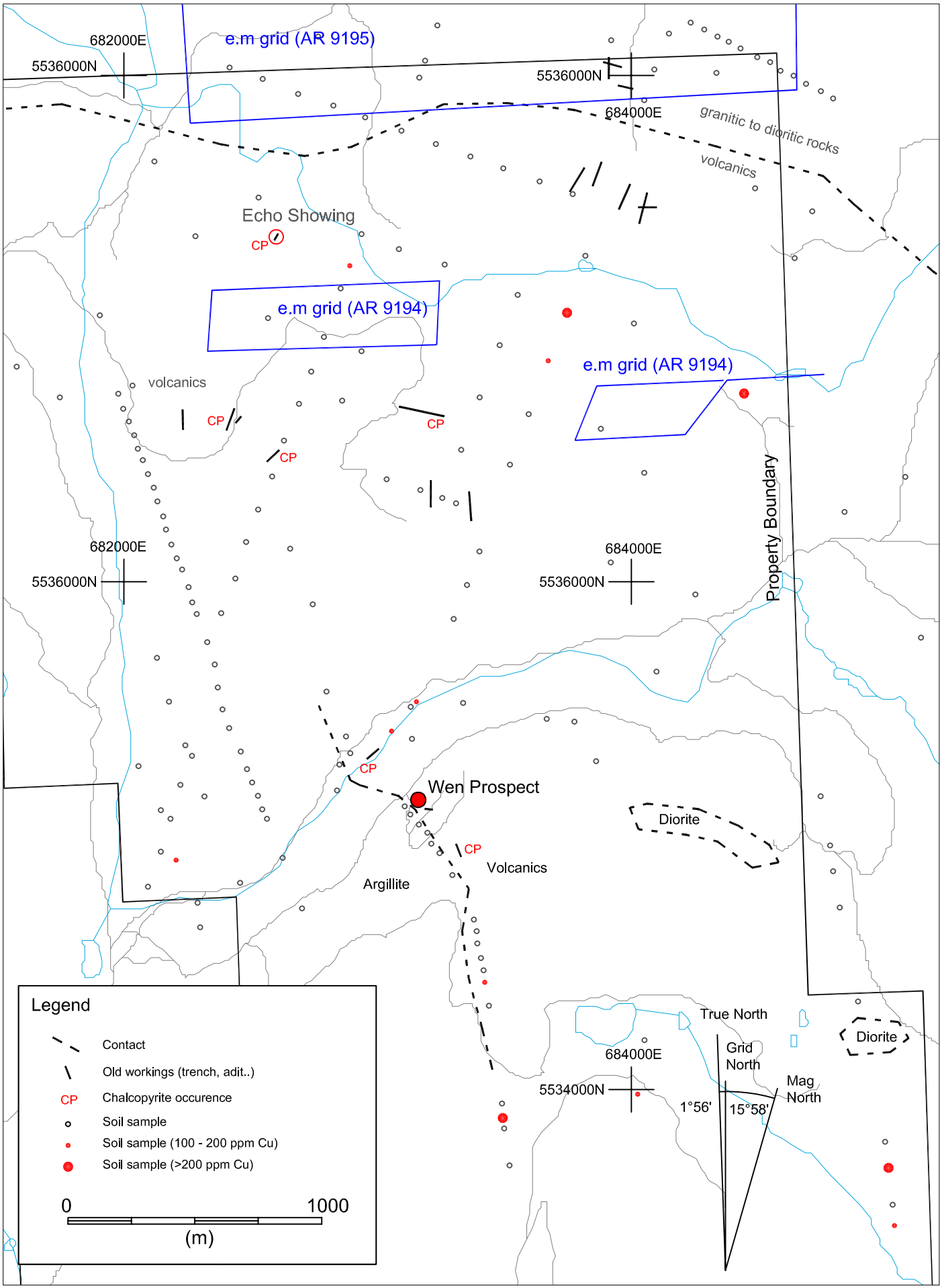

Figure 11: Echo Zone survey compilation

Scale = 1:20 000

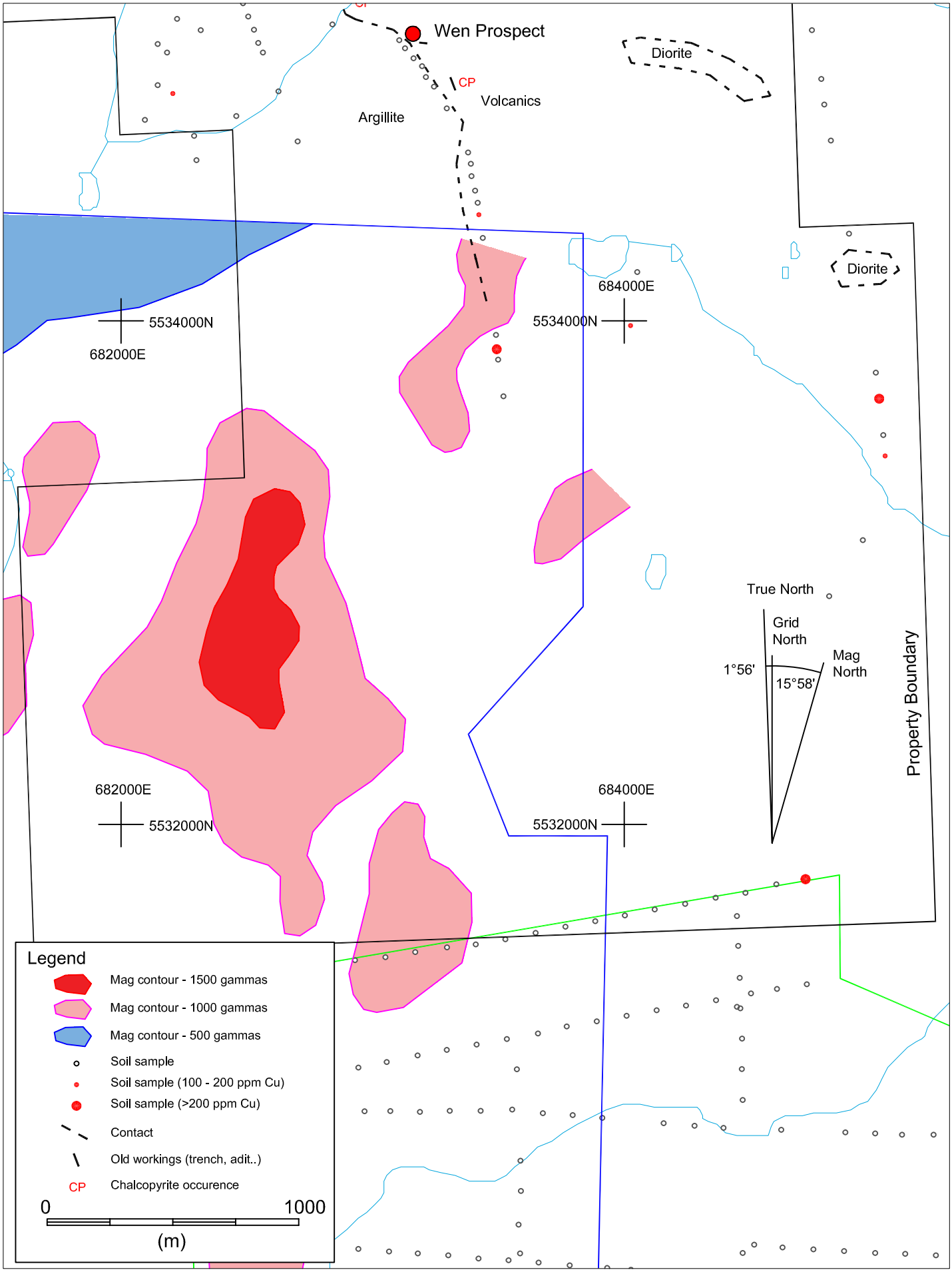

Figure 12: Southern claims survey compilation Scale = 1:20 000

Item 7: Geological Setting and Mineralization

Regional Geology

The property is located within the Quesnel Terrane, which is composed of Paleozoic and Mesozoic arcs and is an important metallogenic belt hosting numerous porphyry Cu-Au-Mo deposits. The property is within the eastern Belt of the late Triassic Nicola Group (Figure 13), which is composed of basaltic volcanic rocks and fine grained sediments. The Nicola Group rocks are intruded by granodiorites and quartz diorites of the early Jurassic Pennask Batholith (Preto, 1979; Monger, 1989). Major north-south trending faults, such as the Kentucky-Alleyne Fault immediately west of the property, are the dominant structural feature in the area. The metamorphic grade of the Nicola group rocks is commonly prehnite-pumpellyite.

The Dillard Creek Property, about 20 km to the south, hosts an alkalic porphyry system in the same (eastern) belt of the Nicola Group (Mihalynuk & Logan, 2013) as the property. The alkalic porphyry deposits of the Iron Mask Batholith also occur within Nicola Group volcanics, about 75 km to the north (Logan & Mihalynuk, 2006). In addition, Logan et al (2011) consider the Pennask Batholith to be part of the Takomkane/Wildhorse Suite, one of the three main mesozoic magmatic suites that displays Cu Porphyry mineralization. The Brenda Deposit, about 20 km to the east is an example of a porphyry deposit associated with this suite.

Local and Property Geology

Recent mapping by the BC Geological Survey (Mihalynuk et al, 2015) shows the property to be underlain by 5 units (Figure 14), four of which are part of the eastern belt of the Nicola Group. The property is dominated by augite phyric mafic volcanic rocks, mapped as augite porphyry breccia. Both the Mal and Wen prospects are within this unit. The southern part of the property is partly underlain by Paradise conglomerate. It is composed of medium grained pyroxene-phyric mafic volcanic rocks interfingering with conglomerate derived from augite-feldspar-rich mafic volcanic porphyries, and lesser monzonite sourced conglomerate. The Pennask Batholith cuts across the northern edge of the property. This appears to be mainly a white, hornblende granodiorite in those exposures east of the property seen by the author. The western part of the property is mainly underlain by rocks of the eastern siliciclastic succession, mainly siltstone and sandstone. The rocks are generally unfoliated. Bedding is commonly west dipping.

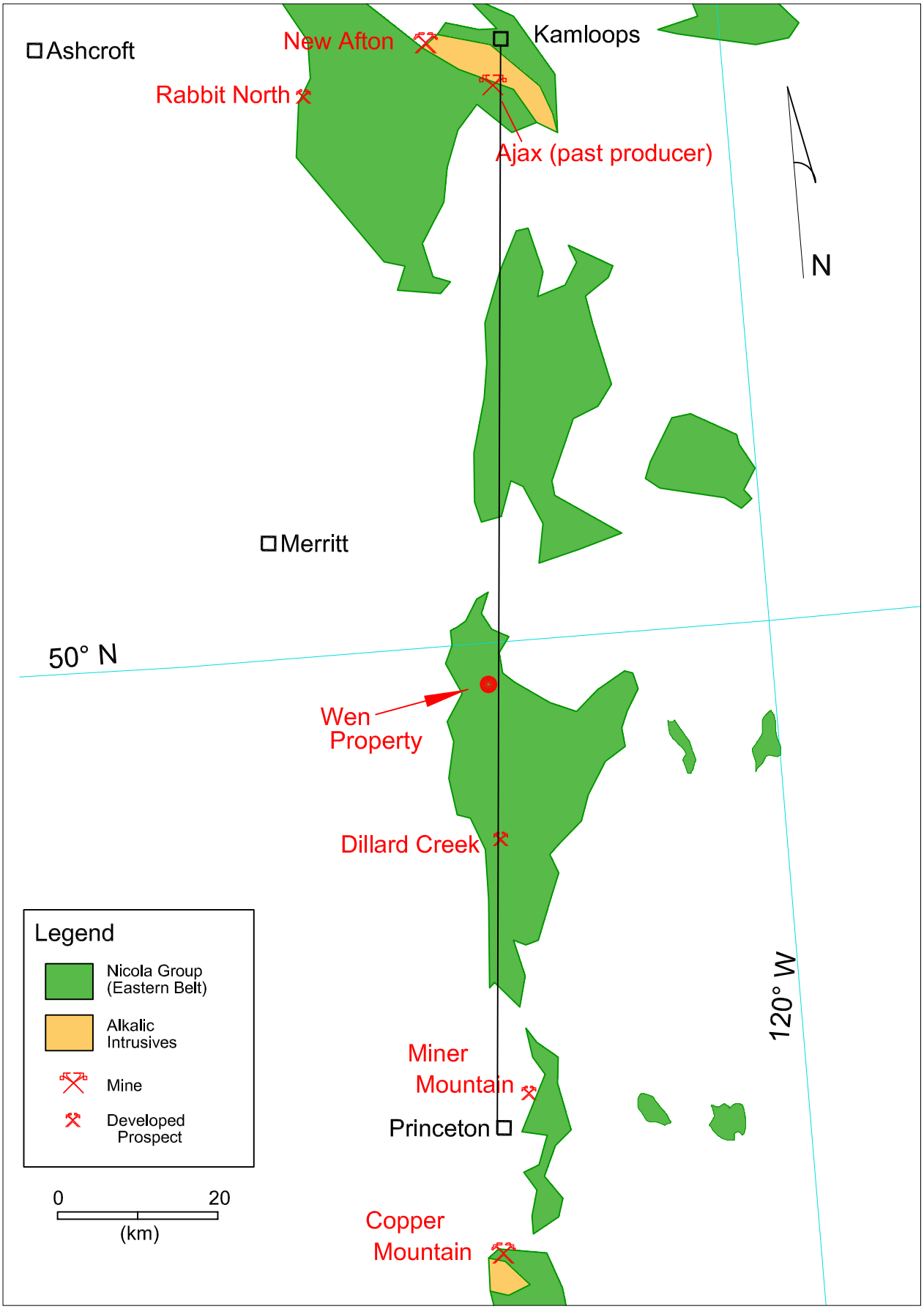

Figure 13: Alkalic Porphyry Mines and Prospects associated with the eastern belt of the southern Nicola Group.

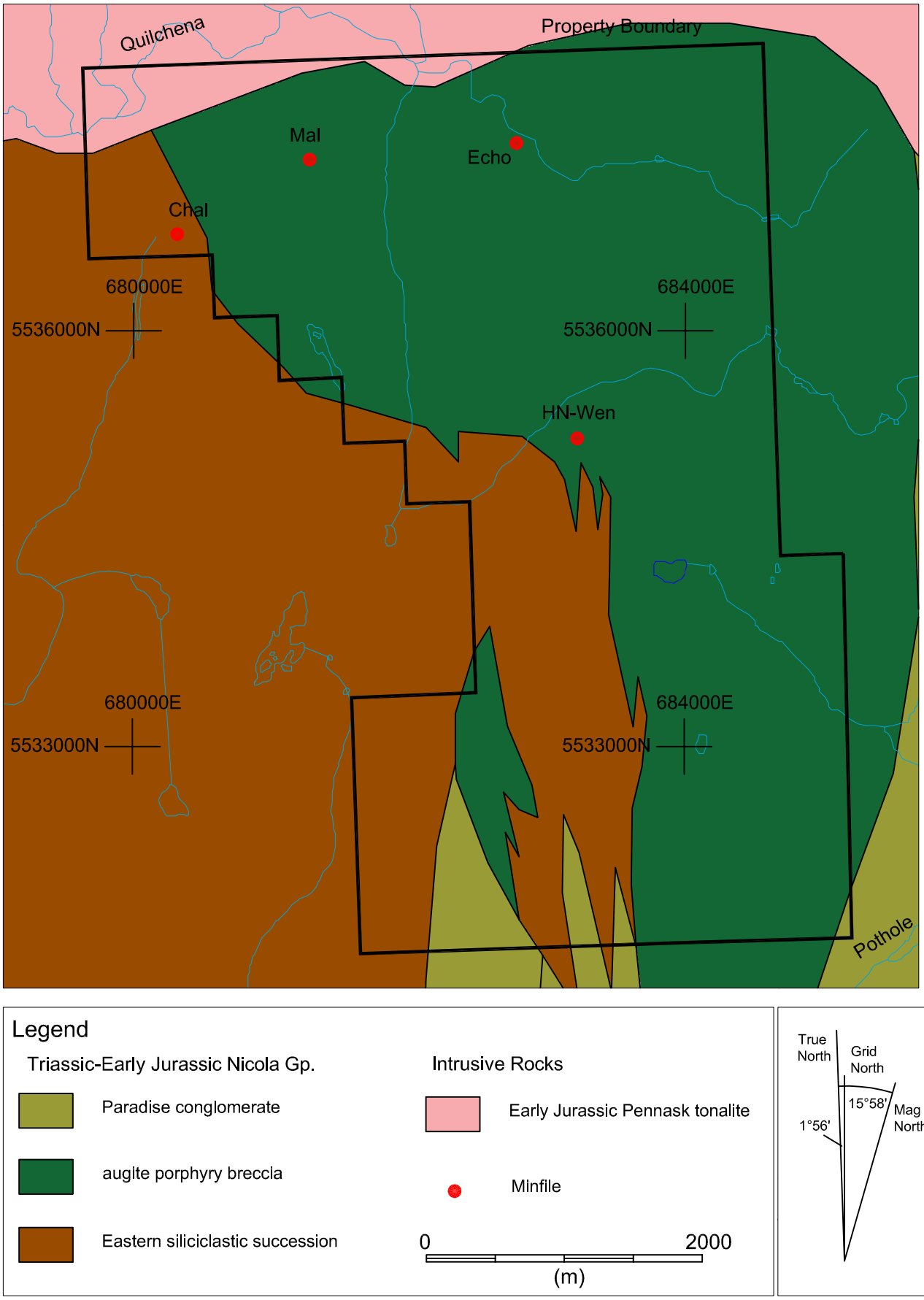

Figure 14: Property Geology Map Scale = 1:40 000

Mineralization

The Main (or Adit) Vein at the Wen Prospect is a chalcopyrite bearing quartz vein that is commonly about 1 m in true thickness, but has occasional shoots up to 4.4 m in true thickness (Verley, 1996; Sookochoff, 2008, 2009 & 2011). Cu grades in the various drill intersects were commonly in the 0.5 to 1% range. Au grades were more erratic, with half of the vein intersections being under 1 g/t, but ranging up to 16.6 g/t Au over 4.4 m (true width) in DDH 96-1. It was traced about 100 m laterally and at least 60 m down dip. It remains open at depth, to the north and possibly to the south. It runs along the west edge of a poorly defined zone of alteration and erratic mineralization at least 70 m wide and over 450 m in length (Kierans, 1972, Verley, 1996 & Sigurgeirson, 2018). It has been traced at least 180 m down dip and is open to depth. Chalcopyrite and/or pyrite bearing quartz-carbonate veinlets form crude stockwork zones. Epidote alteration is ubiquitous and often strong. Hematite (sometimes specular) alteration is common. Grades are generally low, but occasional high grade interesects are reported (3.6% Cu over 1.6 m in DDH 96-3). Mineralization, anomalous soils, magnetometer highs, and a weak IP anomaly suggest the zone continues to the north. Anomalous soils, mag highs and observed alteration suggest there may be a continuation to the south as well.

The Mal Prospect is a chalcopyrite bearing epidote-garnet-magnetite skarn (Verzosa, 2003) at or near near a contact between the sediments and basaltic volcanics. Within the volcanics are areas of finer grained skarn with spotty Cu mineralization. There is no description available for the Malachite 7 mineralization, except that chalcopyrite is present within volcanic rocks.

The Echo Showing is a chalcopyrite and malachite showing associated with an old adit (Sharp, 1968). To the south of the Echo Showing are a number of other old workings and copper showings.

Item 8: Deposit Types

The primary exploration target is an Cu-Au alkalic porphyry deposit. Secondary exploration targets include Cu-Au Skarn and Cu-Au vein deposits.
The exploration model considers the mineralization at the Mal Prospect (skarn) and the Wen Prospect (base metal vein and disseminated Cu) to be distal and peripheral expressions of a larger porphyry system. Some other alkalic porphyry deposits in the region are marked by coincident regional magnetic and gravity highs (MapPlace, 2017). Regionally significant magnetic and gravity highs occur on the southern part of the property (Figure 15) in an area with no recorded exploration on the ground.

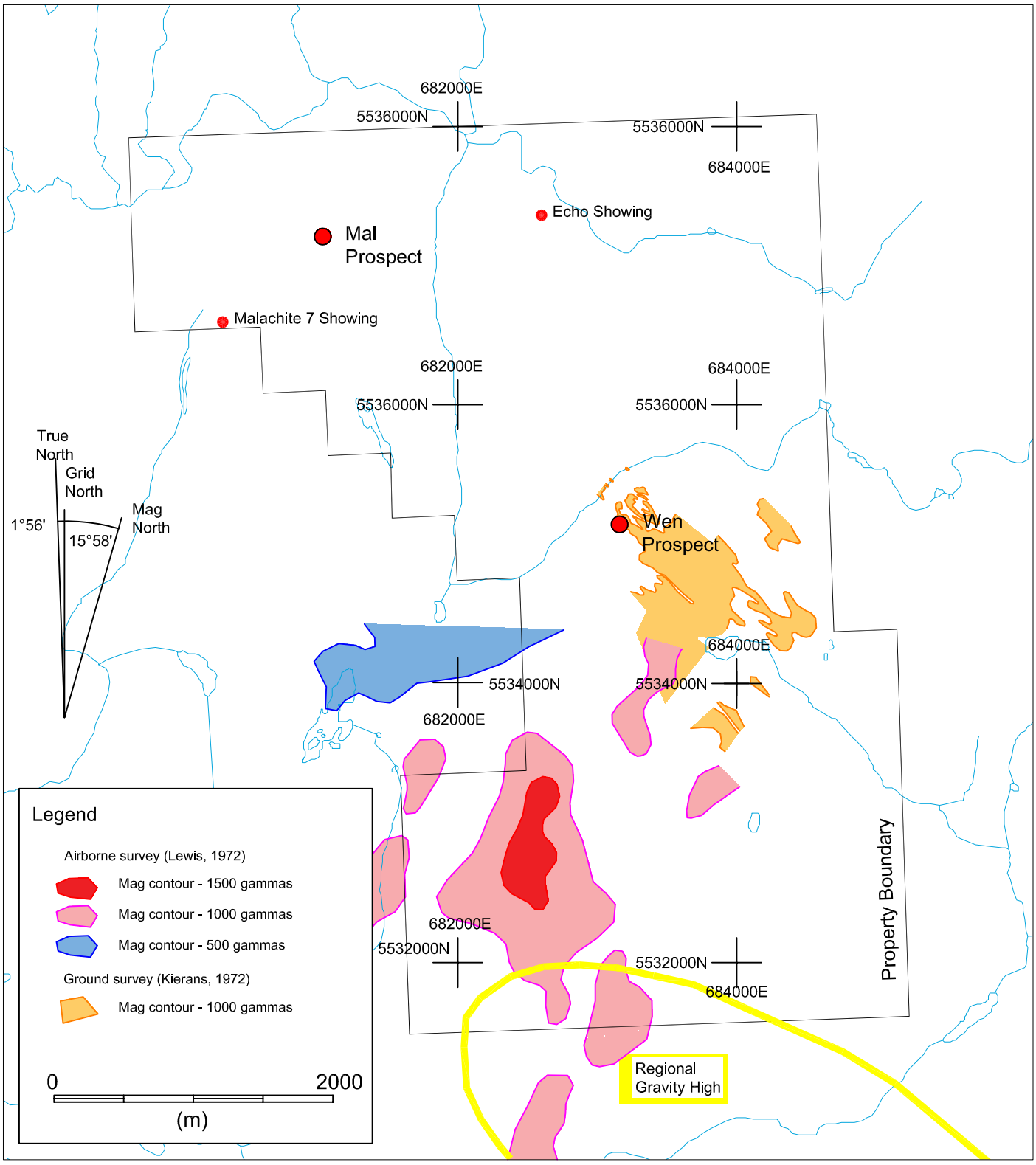

Figure 15: Mag - gravity compilation map Scale = 1:40 000

Item 9: Exploration

Since the acquisition of the property, Victory Resources Corporation has carried out the following exploration programs:

1. An MMI survey in the area of the Wen Prospect (Sookochoff, 2007)
2. 974 m of diamond drilling (11 holes) at the Wen prospect (Sookochoff, 2008, 2009 & 2011)
3. A small mag survey south of the Wen Prospect (Sookochoff, 2016)
4. Four lineament studies (Sookochoff, 2010a, 2010b, 2012 & 2016)
5. A single IP line south of the Mal Prospect area (Sookochoff, 2015)
6. Mapping, geochemistry, lithogeochemistry and petrography at various locations on the Property (Sigurgeirson, 2017 & 2018)

2006 to 2015 programs

These programs are summarized in Table 2. The drilling is discussed in the following section. A summary report was commissioned by Victory Resources on the Au-Wen Property, which included the northern 3 claims and all the known prospects and showings on the current property (Verzosa, 2005). This report provided a brief review of exploration on the property. It mainly focused on work done by Lateegra Resources Corporation and to a lesser extent by George Resource Company Ltd.

A small MMI sample grid was placed in the Wen Prospect area (Figure 16). The location map in Assessment Report 28905 (Sookochoff, 2007) shows the grid as being over the lower adit, but the map co-ordinates place the grid about 210 m to the south east. As the co-ordinates appear to correspond to the UTM co-ordinates used while sampling, it seems that the grid missed the target area. However, it still fell over the west edge of the main altered and mineralized zone.

The MMI survey was carried out during the 2006 exploration season by Geotronics Surveys Ltd. under the supervision of Mr. D. G. Mark, P.Geo. The survey consisted of 47 samples done over three grid lines. The lines were 100 m apart and samples were taken every 25 m along the lines. The samples were bagged and sent to SGS Laboratories in Toronto, Ontario for analysis where they were tested for 44 elements. The results for eight of these, namely, gold, silver, copper, lead, zinc, cobalt, cerenium, and nickel, were divided by their respected mean background values to obtain a response ratio. Two stacked histograms were then made for each survey line. In addition, a gold contour plan map was produced.

The results indicate that the altered and mineralized zone is anomalous for Au. The area that is anomalous for Au is indicated on Figure 16. While the results are not useful for specific exploration targeting (especially considering the uncertainty regarding the grid location), they could be considered a successful orientation survey for the MMI method in this area. The area of the MMI anomaly also coincided fairly well with the anomaly generated by the traditional soil survey done by Nitracell Canada Ltd. (Kierans, 1972). The west boundary of the MMI anomaly diverges to the south from the inferred boundary of the mineralized zone. This could indicate mineralization at depth or below cover, though DDH 72-3 drilled beneath this area and encountered no mineralization (Figure 16).

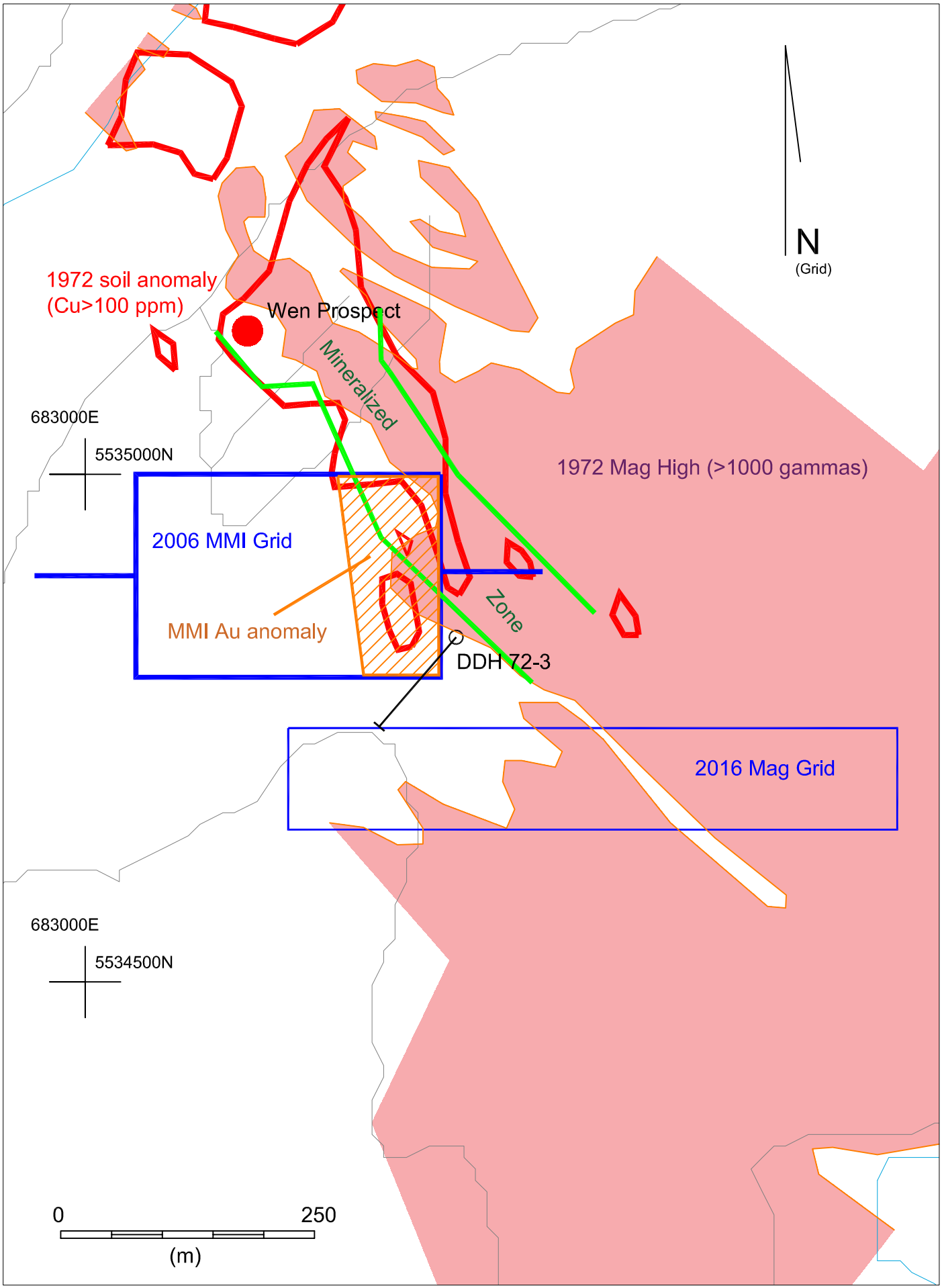

Figure 16: Wen Prospect surveys by Victory Resources Corporation (2006 to 2016) Scale = 1: 5000

A single IP line was run (Sookochoff, 2015) over the area of the southern IP anomaly noted in the Barringer Research Ltd. report (Caven, 1968). 3.4 km of IP line were run (Figure 17), with time domain, pole-dipole reading taken every 100 m. The survey was done by Marc Beaupré of Prospec MB Inc. The IP anomaly defined in 2014 is stronger but otherwise matches the IP anomaly defined by Barringer Research Ltd. Caven considered the anomaly to most likely represent pyritic and carbonaceous sediments. The high chargeability and low magnetometer readings are comparable to the geophysical response of the sedimentary rocks to the west of the Wen Prospect (Kierans, 1972). A prospecting traverse by Sigurgeirson (2017) reached the western portion of the anomaly and found occasionally pyritic, but otherwise unaltered volcanics and intrusives. However, the main chargeability high defined by Barringer Research Ltd. was further east than the area visited by Sigurgeirson, so the cause of the anomaly remains unresolved. Note that the prospecting traverse and the anomaly are off the current property.
In the 2014 report Sookochoff notes that diamond drilling in the late 60's at the Queen Zone (Mal Prospect?) returned values of up to 0.39% Cu over 30 m. The author is unaware of any documentation of these results and Sookochoff provides no references.

A number of lineament studies were done from 2009 to 2015 (Sookochoff, 2010a, 2010b, 2012 & 2016). Each lineament study consists of a hillshade DEM map copied from MapPlace (2017) with lines drawn on the visible lineaments. The resolution of hillshade DEM map from MapPlace is low, which limits their utility for a lineament study. No attempt was made to differentiate between the possible types of lineament observed (ie. faults, contacts, surficial features, etc.). No attempt was made to incorporate available geophysical, geological or surficial information into the analyses. When compiled and compared to the earlier lineament study of the area done by Kierans (1972) there is only partial agreement.
Each report highlights the larger lineaments and circles the intersections (Figure 18), except Assessment Report 31129 which reached no specific conclusions. Sookochoff considers these intersections indicators of potential subsurface mineralization. Each lineament map is accompanied by a page of irrelevant statistics, which is followed by some surprisingly confident interpretation.
Assessment report 35487 includes a small magnetometer survey (Figure 16), apparently included to satisfy assessment work requirements. The results of this survey do not agree well with the larger Nitracell (Kierans, 1972) magnetometer survey.
Overall, these reports present brief, simplistic analyses, with results of dubious value.

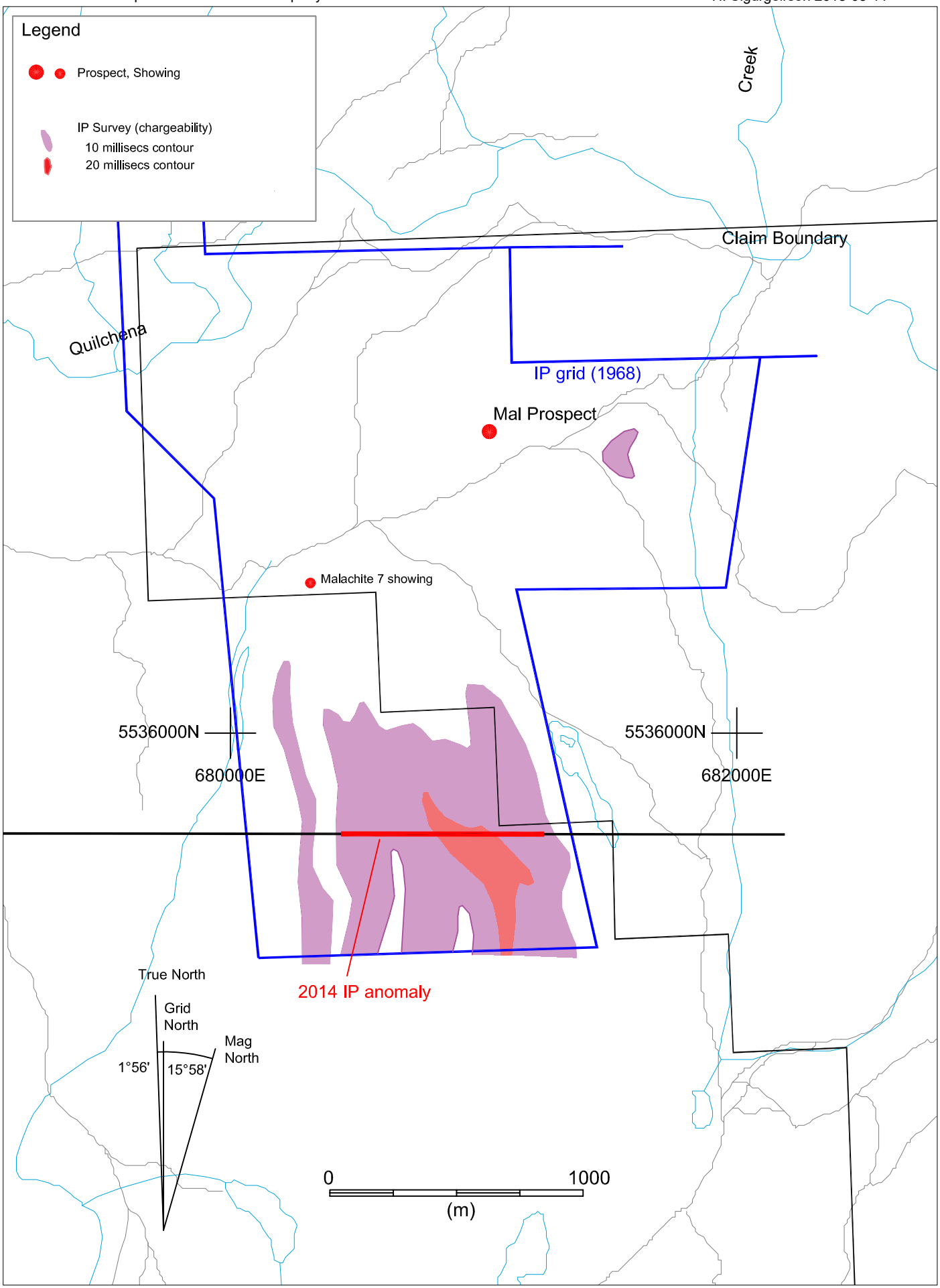

Figure 17: 2014 IP survey

Scale = 1:20 000

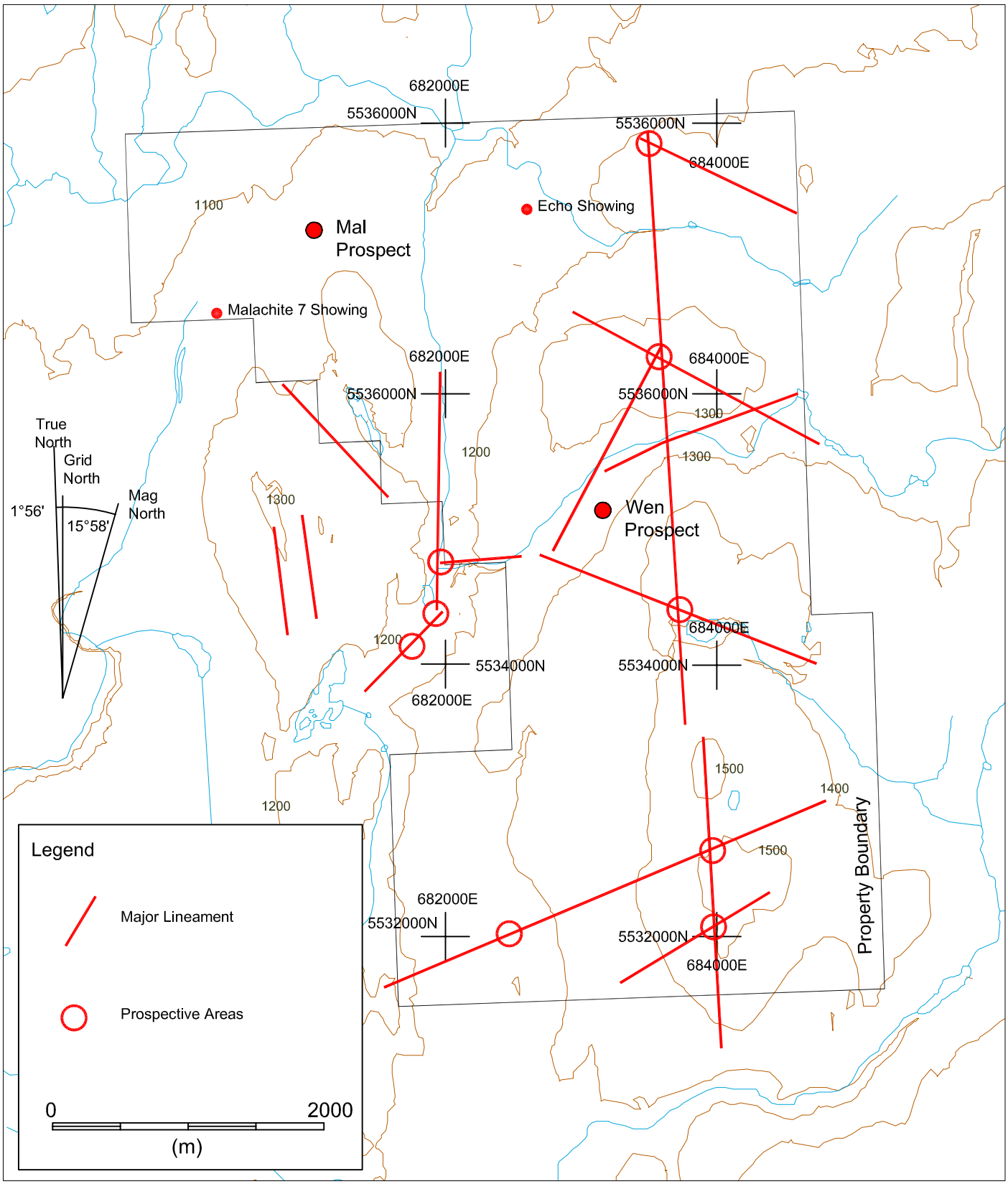

Figure 18: Lineament study compilation Scale = 1:40 000

2017 program

In 2017, the author did 8 days of field work on the property. Work done included:

1. Mapping
2. A core exam
3. Petrography
4. Geochemical rock sampling
5. Lithogeochemical rock sampling
6. Overburden exam and geochemical sampling
7. Prospecting

Fieldwork was done between June 7 and September 2, 2017 (Sigurgeirson, 2017 & 2018). Eleven rock samples and 7 overburden samples were collected submitted for geochemical analysis. Fifteen rock samples were submitted for lithogeochemical analysis. Four samples were submitted for petrography. About 8 hectares were mapped at the Mal Prospect at a 1:2500 scale. Approximately 3.5 hectares were mapped at a 1:1000 scale at the Wen Prospect in July, followed by an additional 4 additional hectares at a 1:2500 scale in August. Prospecting was done over a 40 hectare area.

Mapping

Geological mapping was done over the areas of the Wen and Mal Prospects. The only previous geological mapping available on the property, aside from regional mapping, was the preliminary mapping done Skeena Silver Mines Ltd. Around the Mal Prospect in 1961 (Sirola, 1962) and limited reconnaissance mapping by Consolidated Skeena Mines in 1968 (Sharp, 1968). A map was produced by Nitracell of the Wen Prospect during the 1972 program (Kierans, 1972), but is not legible.
The purpose of the mapping was to accurately locate and describe the main showings and begin to map the surrounding geology.

The Wen Prospect workings and the surrounding outcrops were mapped, as well as scattered outcrops to the north and south (Figure 19). The main purpose of the mapping was to determine whether intrusives and other manifestations of porphyry style mineralization occur in the prospect area. Fine grained, greenish grey pyroxene-plagioclase gabbros were mapped to the west and northwest of the lower adit, as well as further south. Dark greyish green, very fine grained basalts were mapped to the southeast. Grey green tuffs and lapilli tuffs are found to the west, east and south of the basalts. Black and grey mudstone and siltstone occur to the west of the volcanics. It is expected that there will be further revision of the lithologies as more mapping, petrography and lithogeochemistry is done. For this reason, no contacts have been drawn aside from the main contact between the mudstones and the volcanics. Even the nature of this contact is uncertain, as there appears to be a transitional zone of fine grained, tuffaceous sediments in this area. Previous drill programs paid little attention to lithology and cast little light on the volcanic-intrusive relationships.

Several types of mineralization were observed during mapping and sampling. Quartz carbonate veinlets that may contain chalcopyrite, pyrite or specular hematite are common in the main mineralized zone. Epidote alteration is common and often strong in the mineralized zone, which is a poorly defined, southeast trending zone or zones of alteration and spotty mineralization up 70 m wide and 450 m long. This extent is less than Keiran's (Kieran, 1972), and reflects the smaller area that was mapped in 2014. This zone is open to the north and south, and poorly constrained to the east. The main adit vein occurs along the west margin of this zone. This vein was only observed in drill core, and is a white quartz vein with erratic pyrite and/or chalcopyrite content. A carbonate and lesser epidote matrix

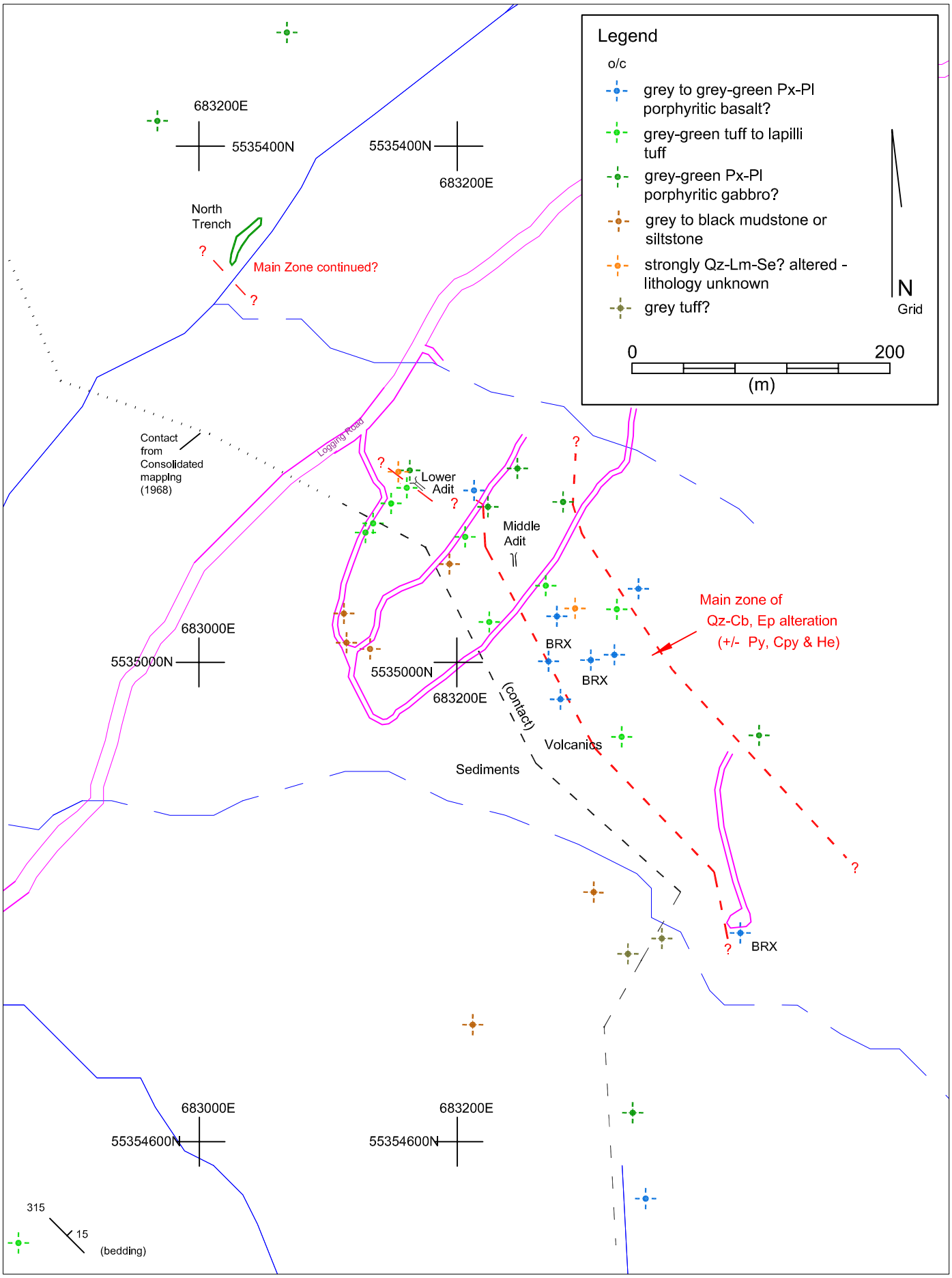

Figure 19: Wen Prospect geology map

Scale = 1:4000

breccia with volcanic clasts and sparse chalcopyrite occurs in a southeast trending band in the southern part of the map area. Another hydrothermal breccia found in trench float in the north part of the map area featured jigsaw fit clasts of variably altered gabbro (patches of potassic, sodic? and epidote or actinolite) with a matrix of quartz and a dark green mineral, along with clots of chalcopyrite.

Limited observations were made regarding the location of till at the Wen Prospect. However, the till plots immediately outside of and adjacent to the main soil anomaly defined by Nitracell Canada Ltd. (Kierans, 1972), suggesting that the extent of the anomaly may be controlled by the distribution of surficial materials as well as mineralized bedrock.

A secondary goal of the mapping was to accurately locate features such as the roads and adits. This allowed the 1972 grid to be located. Though the 1972 map is illegible as a geology map, some of the main features could be identified and used to locate the grid, which in turn allowed the locating of the drill holes and the main zone of mineralization described by Kierans. The nature and location of this zone corresponds well with the location and nature of the main zone of alteration and mineralization mapped in 2017.

The most significant result of the 2017 mapping at the Wen Prospect was the recognition that intrusives make up a significant portion of the altered and mineralized rock at the Wen prospect. Other significant results include the identification of at least 2 areas of hydrothermal breccia, the accurate location of the adits and trenches, and the extension of the area of known alteration and/or mineralization to the north and south.

One day of mapping was done at the Mal Prospect. The main showings were located and described (Figure 7) along with some of the nearby outcrops. Epidote dominant skarn containing erratic chalcopyrite mineralization occurs within basalts over a 200 m area. The main showing is a 15 m x 20 m stripped area of subcrop and float mainly composed of massive green epidote with frequent malachite staining. Historical drilling indicates that there is a contact between the volcanics and sediments (Figure 7) a short distance to the west (Verzosa, 2003). Significant trenching exposes more skarn east of the main showing, both to the north and south of the road. About 250 m to the east northeast is an outcrop of diorite or gabbro.

The main result of the mapping was the accurate location of the main showing and the observation that the mineralization is in contact with a basaltic volcanic. Further west, in the area of the 1968 IP anomaly, pyrite and/or pyrrhotite bearing altered basalts and a probable gabbro were noted. Epidote, magnetite and possible garnet were also noted. Very little time was spent in this area, which should be thoroughly mapped and sampled.

Geochemical Sampling

Eleven rock samples were collected and submitted for geochemical analysis (Sigurgeirson, 2018). All samples were grab samples and geochemical sampling was not directed to methodically defining mineralized zones, rather it was done as an adjunct to other surveys. Several samples taken from old workings at the Wen and Mal Prospect were highly anomalous for Cu (Sigurgeirson, 2018).

Seven overburden samples were collected and analyzed in 2017. Sampling was opportunistic in nature and directed towards reaching general conclusions on the nature of the surficial materials in the area, rather than seeking to collect representative samples over a defined area. Basal till samples were sieved to -230 mesh to allow direct comparison to the regional till sampling (Jackman, 2010). A basal till sample about 2 kilometers directly down ice (Bobrowski et al, 2002) from the Mal Prospect returned 135 ppm Cu. The 90th percentile for Cu from the regional sampling is 140.10 ppm, therefore the sample is fairly anomalous. At two sample sites, one near the Mal Prospect and one near the Wen Prospect, a probable basal till was sampled as well as a soil sample from the overlying material (probably derived from supraglacial till). In each case, the basal till was weakly anomalous, while the soil samples reported low Cu values (Sigurgeirson, 2018). This suggests that past soil surveys were often sampling supraglacial tills that were geochemically unrelated to the bedrock.

The highest value for copper obtained in an overburden sample, and the only significant soil sample, was taken from colluvium forming the wall of an old trench in the area of the Echo showing. It returned 250 ppm Cu which is highly anomalous relative to historic soil surveys. This sample was taken from an area that had some reconnaissance mapping and sampling in the 1960's which reported frequent old workings, chalcopyrite, and a soil anomaly. Virtually no work has been reported in the area since.

A large area to the east and southeast of the Mal prospect approximately corresponding to the lower elevations of the valley there, was noted to be underlain by silt. A significant proportion of the reconnaissance soil sampling done by Consolidated Skeena Mines Ltd. (Sharp, 1968) was in this area, which may explain the consistently low results returned there.

15 samples were collected and submitted for lithogeochemical analysis. The purpose of the sampling was to determine:

1. whether rocks identified in the field as intrusives were geochemically distinct from the volcanics.
2. how the intrusives compare to rocks hosting alkalic porphyries elsewhere.

On a TAS plot (Figure 20) the intrusives mostly fall in the alkaline field and in the silica saturated alkalic field of Lang et al. (1995) (Figure 21). A REE plot (Figure 22) shows the rocks classified as intrusive in the field plotting as a distinct group, with enriched LREE values relative to the basalts. On a Zr/TiO2 vs Nb/Y plot, the intrusives generally plot (Figure 12) in a distinct cluster, though the pattern is less clear here (Figure 23). The REE profiles of the intrusives are similar to those of the intrusives at Dillard Creek and Miner Mountain (Mihalynuk et al, 2013). These results indicate that the intrusives are geochemically as well as texturally distinct from the volcanics, though related.

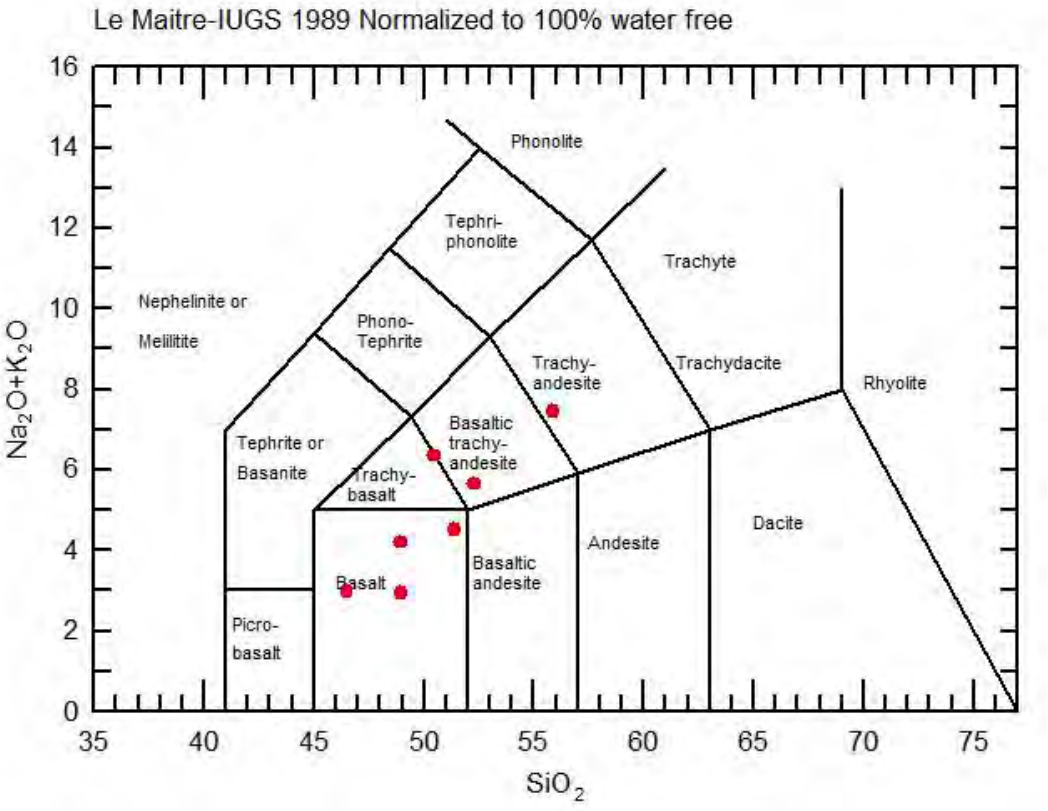

Figure 20: TAS plot of mafic intrusives.

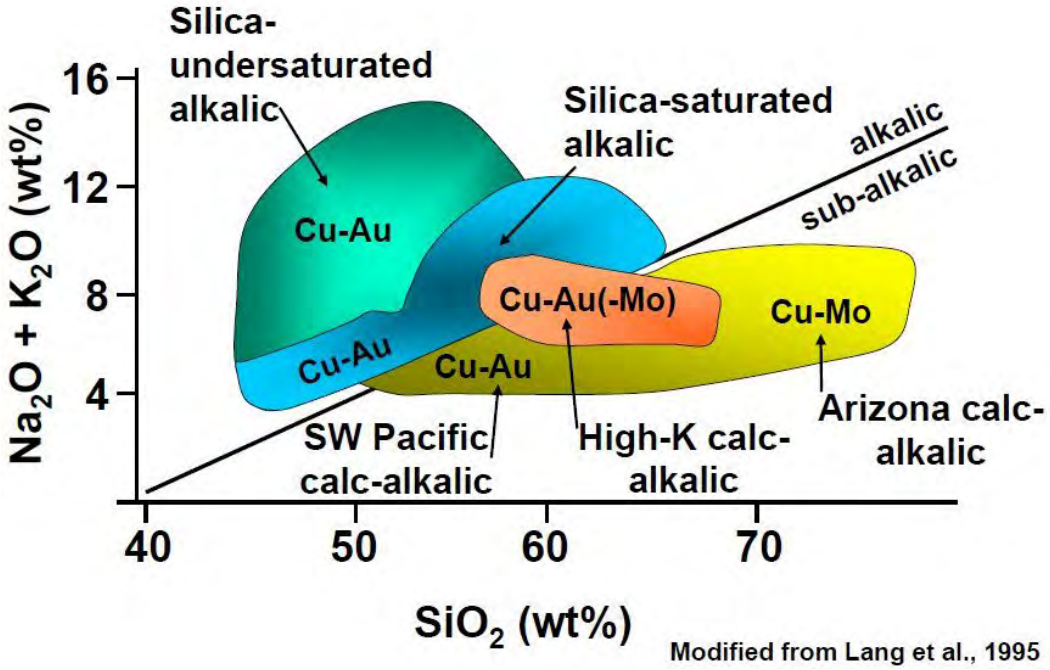

Figure 21: Porphyry Cu-Au-Mo Deposit Classification.

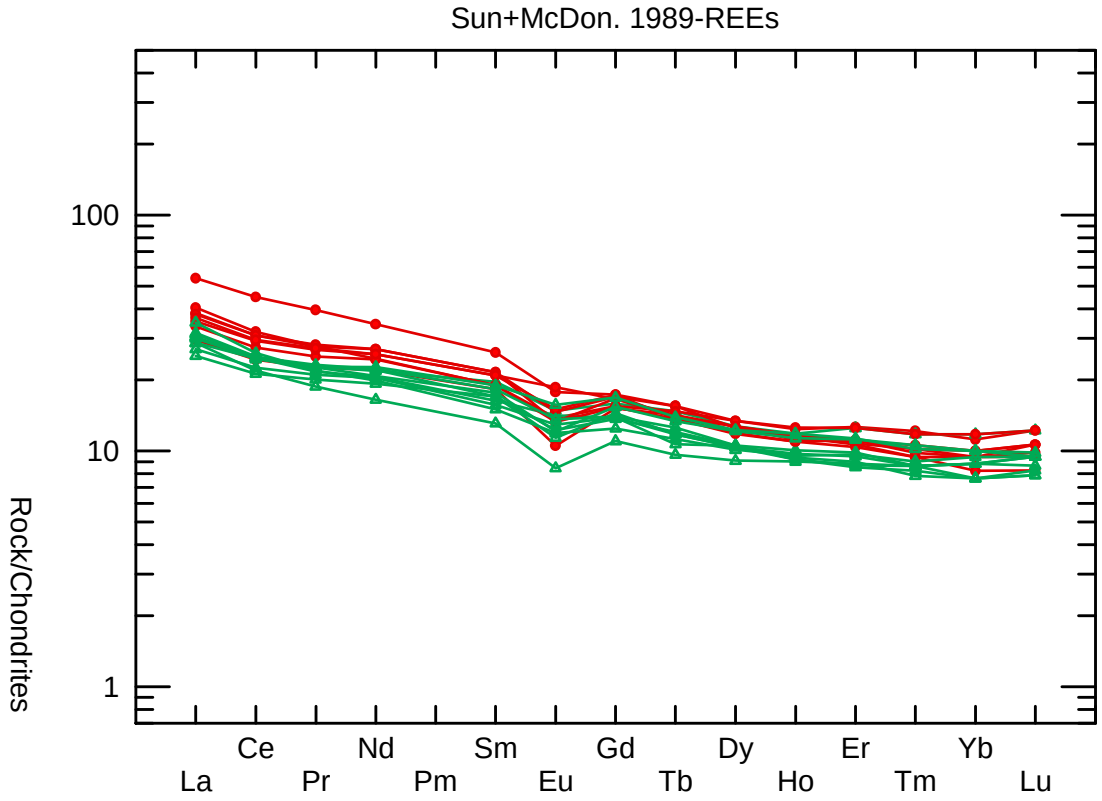

Figure 22: REE plot (intrusives = red circles, volcanics = green triangles)

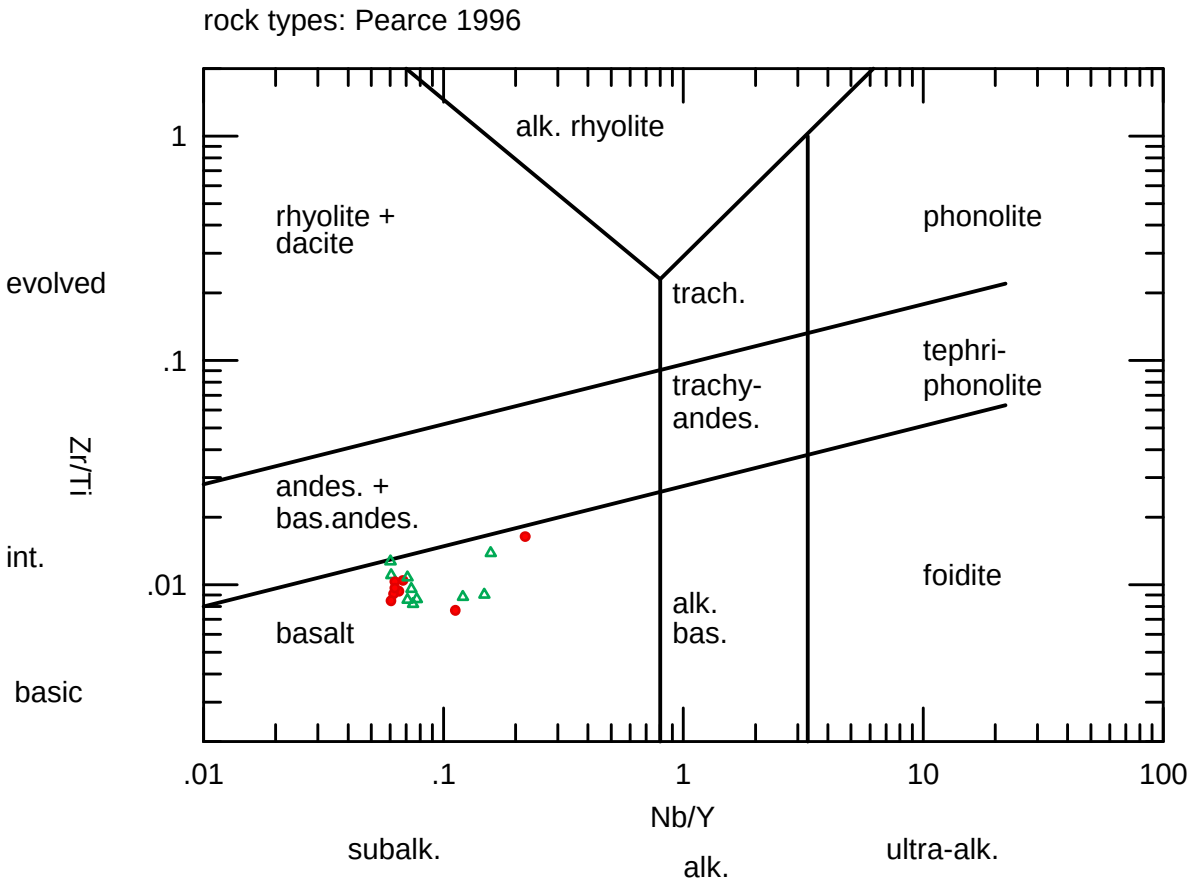

Figure 23: Trace element discriminant plot .

Prospecting

A prospecting traverse was made in the area of the Echo Prospect (Sigurgeirson, 2018). The purpose of the traverse was to follow up on geological and geochemical reconnaissance done in the 1960's (Sharp, 1968). The traverse passed over a significant area covered by silt, located 2 old trenches and collected 3 rock samples and a soil sample.

Petrography

Petrography done in 2017 indicates that altered and mineralized, fine grained, plagioclase and pyroxenephyric gabbros, and a hornblende phyric syenite? occur within the mineralized zone at the Wen Prospect. Verley (1997) reports quartz feldspar porphyry dikes in the vicinity of the Wen mineralization, though none has been mapped on surface.
A number of alteration minerals were identified in the petrographic samples, including tremolite/actinolite, epidote, k-feldspar, calcite, hematite, pyrite and possible albite. All of these minerals are commonly found in alkalic porphyry deposits.

Item 10 - Drilling

From 2008 to 2010 Victory Resources Corporation drilled 11 diamond drill holes at the Wen prospect totalling 974 m (Sookochoff, 2008, 2009 & 2011). A summary of the drill hole information is provided in Table 3. Significant intervals are given in Table 4.

In 2008 the drilling was done by Delorme Drilling and the core was NQ. No other details regarding the procedures followed were provided in the drill reports. No QA/QC program is recorded.

In 2010 Beaudoin Diamond Drilling Ltd. of Courtenay, BC was the drill contractor. A skid mounted JKS Super-300 drill tooled for drilling BTW core was used. The drill and ancillary equipment were mobilized to the site by tractor-trailer. A D-6 bulldozer was on-site for drill-pad preparation, drill moves, and for rehabilitation of the drill sites. Upon completion of the drill program, the sites were seeded with the prescribed seed mixture. No other details regarding the procedures followed were provided in the drill reports. No QA/QC program is recorded.

Sampling during the drill program was generally done only over areas of obvious mineralization, though a highly mineralized section at the top of hole 2010-5 was not assayed (though it was sawn).

The purpose of the drilling appears to have been to twin DDH 96-1, which averaged 16.578 gm/t Au, 18.185 gm/t Ag, and 0.75% Cu over a 6.55 metre interval (Verley, 1997). Unfortunately, DDH 08-1 was located approximately 35 m west of DDH 96-01 (Figure 24) and did not reach the vein as is shown on Figure 25. Verley intersected the vein a number of times during the 1996 drill program and defined it's dip and approximate strike fairly well. Unfortunately, he did not produce any sections with his report, and his drill plan is not referenced to an absolute co-ordinate or recognizable physical feature other than the road, which is only sketched on. However, using the dip of the vein and the hole provided by Verley, the map provided by Verley, the elevations provided by Verley, and surveying by the author in 2017, the location of DDH 96-1 can be closely constrained. Assuming the dip given for the vein is correct, then DDH 96-1 should be within a few meters of the position shown on Figure 24.

Four more holes were drilled in 2008. These holes were drilled close to the adit, and three of them intersected the vein (Figure 24). However, Sookochoff concluded that this must be a different vein than the vein Verley drilled, and that the vein Verley drilled is 40 m to the west of the adit (Sookochoff, 2009). This conclusion is not supported by either the Victory drilling, or Verley, who states clearly that the main vein he was drilling is exposed in the adit. DDH 2008-4 was drilled vertically, further away from the adit (Figure 24 & 25), and stopped before reaching the vein.

Six more holes were drilled in 2010. The confusion regarding the location of the main vein resulted in DDH 2010-1 being sited about 20 m west of the location of DDH 96-1, and again the vein was not reached. DDH 2010-2 was drilled about 12 m west of DDH 96-1, but with a steeper dip. The hole was stopped approximately where it should have intersected the vein. However, only a slight deviation by the hole or the vein at this point could explain the vein not being reached. Poor recovery at the end of the hole may also have been a factor. Hole 2010-3 was drilled from the same set up as 2010-2, but at a shallower angle. The drill logs report quartz flooding and broken core throughout the general area the intersection would would have been expected. Hole 2010-4 was drilled from further up slope and intersected the vein in approximately where it would be expected.

Table 3: Drill Hole Summary

Drill Hole	Easting	Northing	Elevation	Azimuth	Dip	Length
DDH 08-1	683106	5535088	not recorded	75	-60	88.4
DDH 08-2	683150	5535140	not recorded	79	-55	38.7
DDH 08-3	683148	5535133	not recorded	72	-55	24.9
DDH 08-4	683148	5535133	not recorded	-	-90	50.3
DDH 08-5	683139	5535107	not recorded	30	-55	69.2
DDH 10-1	683118	5535113	1263	35	-55	66.8
DDH 10-2	683118	5535113	1263	35	-70	134.1
DDH 10-3	683118	5535113	1263	62	-55	133
DDH 10-4	683146	5535059	1275	20	-55	113.2
DDH 10-5	**683144***	**5535131***	1270	35	-90	133.5
DDH 10-6	683185	5535084	1284	0	-55	121.9

* The drill hole plan places DDH 10-5 at approximately 683132, 5535146

Table 4: Significant Intervals

Drill Hole	Intersection (m)	Sample width (m)	True width (m)	Au (g/t)	Cu (%)
DDH 08-2	7.6 – 8.6	1	0.7	8.6	0.24
DDH 08-2	10.8 – 11.8	1	0.7	1.1	0.09
DDH 08-3	19.8 – 21.1	1.3	1	0.1	>1
DDH 08-4	28.9 – 31.7	2.8	0.6	1.3	
DDH 08-5	62.1 – 62.8	0.8	0.6	4.6	
DDH 10-4	70.1 – 71.3	1.2	0.9		1.85
DDH 10-5	18.6 – 27.7	9.2	2.1		1.76
DDH 10-6	22.9 – 24.7	1.8	1.3	0.4	0.55

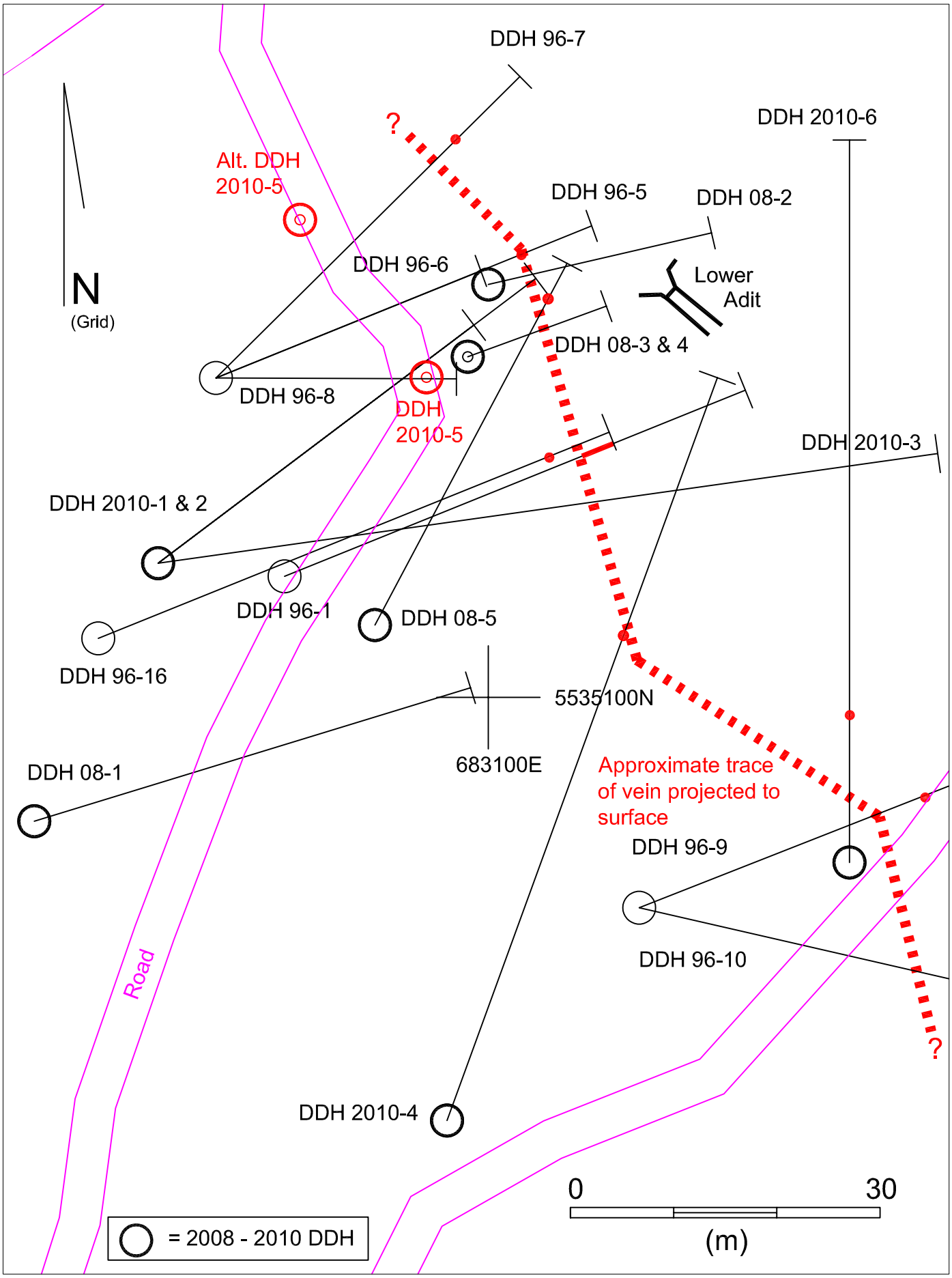

Figure 24: Wen 2008 - 2010 drilling compilation map (including 1996 holes) Scale = 1:500

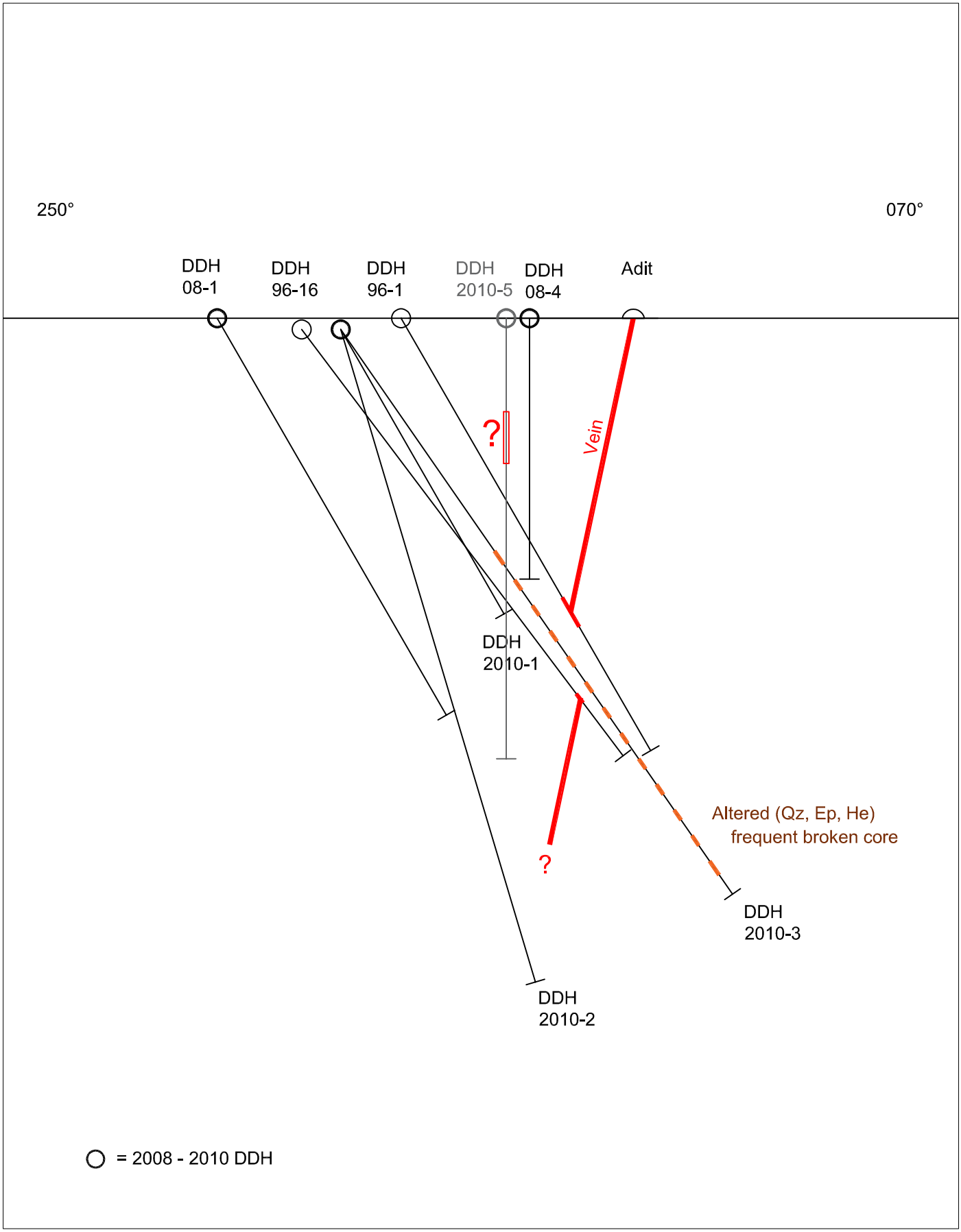

Figure 25: DDH 96-1 Section (with nearby holes) Scale = 1:1000

DDH 2010-5 intersected a quartz vein averaging 1.76% Cu over 9.15 m. The true width of the intersection, assuming Verley's vein dip is correct, would be about 2.1 m. Unfortunately, the location of this hole is not clear. The co-ordinates given in the drill logs indicate it would be at the location shown on Figure 24 and 25, which places it about 4 meters east of 2008-4 (also a vertical hole). It is difficult to reconcile the significant intersection in 2010-5 with the lack of similar mineralization in any of the surrounding holes. However, the drill plan places 2010-5 about 20 m to the northwest, approximately at the alternate location shown on Figure 24. This location is still difficult to reconcile with DDH 96-7, but a fault offset of the vein to the west could be evoked in this case.
DDH 2010-6 was drilled to the south into the main zone. It encountered a 1.8 m interval of 0.51% Cu in approximately the area the main vein would be expected (Figure 24). No quartz vein material was noted, though broken core and poor recovery were also reported.

If DDH 2010-5 is to the north of DDH 96-7, then the drill program revealed an offset and continuation of the main vein to the north of the previous drilling. Aside from this, the main accomplishment of the 2008 to 2010 drill program seems to have been to underline the importance of producing complete sections with topography, surface geological information, and other drill holes when planning and recording drill programs.

Item 11: Sample Preparation, Analyses and Security

MMI Survey (2006)

For the MMI sampling program (Sookochoff, 2007) the following was reported:
(a) Sampling Procedure
The survey lines were established in conjunction with the sampling by blazing trees and by blaze orange flagging. The samples were picked up every 25 meters along east-west lines with a line separation of 100 meters. The sample locations were marked on an aluminum tag with grid coordinates marked thereon and stapled to a 60 cm wooden picket. One grid line was extended to enable the background to be determined. The sampling procedure was to first remove the organic material from the sample site (& layer) and then a pit was dug to over 25 cm deep with a shovel. Sample material was then scraped from the sides of the pit over the measured depth interval of 10 centimeters to 25 centimeters. About 250 grams of sample material was collected and then placed into a plastic Zip-loc sandwich bag with the sample location marked thereon. The 47 samples were then packaged and sent to SGS Minerals located at 1885 Leslie Street, Toronto, Ontario.
(b) Analytical Methods
At SGS Minerals, the testing procedure is initiated with the weighmg of a 50 gram sample into a plastic vial fitted with a screw cap. Next is added 50 ml of the MMI-M solution to the sample, which is then placed in trays and put into a shaker for 20 minutes. (The MMI-M solution is a neutrd mixture of reagents that are used to detach loosely bound ions of any of the 44 elements fiom the soil substrate and formulated to keep the ions in solution.) These are allowed to sit overnight and subsequently are centrifuged for 10 minutes. The solution is then diluted 20 times for a total dilution factor of 200 times and then transferred into plastic test tubes, which are then analyzed on ICP-MS instruments.
No QA/QC program was reported for the MMI program.

SGS Minerals (Toronto Ontario) is independant of Victory Resources Corporation. SGS Canada Inc. - SGS Mineral Services – Toronto Laboratory currently has a 'voluntary withdrawal' status with the Standards Council of Canada.

Drill Programs (2008 - 2010)

There is no record of the sample preparation and handling methods or of a QA/QC program employed during the 2008 to 2010 drill programs (Sookochoff, 2008, 2009, 2011). No assay certificate was included for assays in the drill report documenting holes DDH 08-2 to DDH 08-5. During the 2008 drill program, Acme Analytical Laboratories Ltd. were used to process and analyse the samples, though no information is available other that the method was coded 1DX (Aqua regia digestion with ICP-MS analysis).
Assay certificates were included in the 2011 report. They indicate that 250 g of drill core was crushed, split and pulverized to pass 200 mesh. It was then subjected to aqua regia digestion with ICP-MS analysis.

Acme Analytical Laboratories Ltd., at 1020 Cordova St., Vancouver, BC, is independant of Victory Resources Corporation. The assay certificate bears a British Columbia Certified Assayers stamp.

2017 Program

Rock and overburden samples taken by the author in 2017 were placed in heavy ziploc bags and stored in a locked room until they were delivered directly to SGS Minerals in Burnaby, BC (Sigurgeirson, 2017 & 2018). Rock samples collected for lithogeochemical analysis were crushed to 75% less than 2 mm, then 250 g were split off and pulverized to 85% passing 75 microns. The samples were subjected to a sodium peroxide fusion followed by ICP-AES and ICP-MS analysis for major and trace elements. They were then submitted to ore grade borate fusion and xrf analysis for the major elements under reported or not reported by the main analysis (ie. Si and Na). Rocks samples collected for geochemical analysis (ie. precious and base metals) underwent the same preparation, but for analysis were subjected to fire assay for Au, Pt and Pd with ICP-AES finish. They were also subjected to aqua regia digestion and ICP-AES analysis. Basal till samples were screened to -230 mesh and soil or silt samples were screened to -180 mesh. A 25 gram split was then subjected to aqua regia digestion followed by ICP-MS analysis for 49 elements including Au.
SGS Canada Inc. - Minerals, at Suite E - 3260 Production Way, Burnaby, BC, is independant of Victory Resources Corporation. SGS Minerals (Burnaby) is an accredited lab which conforms with requirements of CAN-P-1579 , CAN-P-1587 , CAN-P-4E (ISO/IEC 17025:2005).
Due to the relatively small number of samples and the preliminary nature of the surveys, little QA/QC was done during the 2017 program (Sigurgeirson, 2018). A field duplicate of a till sample was taken, which involved a single split of a large sample. The values were within 10% which is (just) acceptable. The whole rock samples were analyzed for major elements by both ICP and XRF, which allowed the comparison between the methods. TiO_2 and K_2O were compared. TiO_2 values given by the two methods were within 5%, but more than half the K_2O values were between 5 – 9%. Standards should be inserted in the future if these analysis methods are used again, and consideration should be given to switching to a lab that does lithium metaborate fusion and ICP-MS analyses for whole rock determinations.

Conclusion

Sample preparation, security, and analytical procedures to date have not been adequate. Standard QA/QC programs (ie. standards, blanks and duplicates) should be instituted for all future drill programs and geochemical surveys.

Item 12: Data Verification

The data available in the assessment reports were reviewed for completeness, consistency and errors. A number of data verification issues were encountered during the review. These included:

- Legibility
- Location uncertainty (maps not referenced to an absolute location or recognizable physical feature)
- Location inconsistency (contradictions between map locations and stated co-ordinates or target)
- A lack of assay certificates
- Referenced reports unavailable

These issues have generally been discussed in the text. Only the significant issues will be briefly reviewed here.

Poor legibility in the publicly available pdf file was a significant issue in the Nitracell Canada Ltd. report (Kierans, 1972). The geological map was illegible. The magnetometer map was difficult to read, resulting in a loss of information. The text was often illegible. The Consolidated Skeena Mines Ltd. (Sharp, 1968) presents much of the data on a difficult tot read small scale map. Legibility was also a significant issue in the 2000 report by Commerce Resources Corp.

The drill hole locations for the 1996 program (Verley, 1997) are plotted on a map with no absolute co-ordinates (which is not surprising for the time period) or an accurately drawn physical feature (the road is only sketched on). This led to considerable confusion in later drill programs which did not attempt to reconstruct the location of the holes by other methods.

In a number of cases there were contradictions between the plotted location and the location given in the text. This was an issue in the Lateegra Resources Corporation and the Victory Resources Corporation drill programs. The Abaton Resources Ltd. drill report (Tully, 1981) states that the drilling was done on the same target drilled by Consolidated Skeena Mines Ltd., but the plotted locations (and the existing trenches) are about 150 m apart.

Assay certificates were generally not provided or were incomplete in the older reports. The first complete assay certificates were provided by Abaton Resources Ltd. in the 1980 and 1981 reports by Tully. No assay certificates were provided in the 1997 drill report by Verley. No assay certificates were provided in the 2007 MMI report by Sookochoff. No actual assay certificates are provided in the 2008 and 2009 drill reports by Sookochoff. Only the xls file provided by the lab was included in the reports.

In several instances, work from an earlier program or a survey by a contractor is alluded to, but the original data is unavailable. The drilling by Skeena Silver Mines Ltd. Is only documented on a small scale map in the 1968 Consolidated skeena Mines Ltd. report (Sharp, 1968) and brief summaries in the 1961 and 1962 Ministry Mines Annual Reports (Smith, 1962 & 1963). The IP data that is summarized in the Nitracell Canada Ltd. report (Kierans, 1972) is from a report by P. E. Walcott and Associates Ltd. that is unavailable. An orientation survey by P. E. Walcott and Associates Ltd. was conducted in 2000, but is only referenced in a verbal communication included in the summary report by Verzosa (2005). It may be possible to obtain this report from the contractor's records.

In spite of these issues, the author considers the data available to be of sufficient quality for the purposes of this report.

Item 13: Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing analyses have been carried out in any of the past or present programs on the property.

Item 14: Mineral Resource Estimates

No mineral resource has been defined on the property.

Item 15 to 22: (Omitted)

Item 23: Adjacent Properties

No information has been included in this report regarding adjacent properties, except indirectly when discussing those parts of past programs that have overlapped onto the property.

Item 24 - Other Relevant Data and Information

No other data or information than that covered in the previous sections is included in this report.

Item 25 - Interpretation and Conclusions

The lack of detailed bedrock or surficial geological information on the property has repeatedly prevented more than speculative interpretation of the geophysical and geochemical surveys. Large parts of the property have had little or no exploration.

Interpretation

The Wen soil anomaly defined by Nitracell Canada Ltd. is open and widens to the northeast (Kierans, 1972). A weak IP anomaly and some small mag highs were noted to the north as well. The altered and mineralized zone also appears to widen to the northeast according to the drill logs of the 1972 and 1996 programs (Kierans, 1972 & Verley, 1996). Finally, altered and mineralized intrusives were mapped and sampled to the north of the creek by the author in 2017 (Sigurgeirson, 2018). These factors suggest that the Wen mineralization may continue to the north. Similarly, the southwest corner of the Nitracell Canada Ltd. soil grid features a cluster of anomalous stations. The broad mag high associated with the Wen mineralization continues in this direction as well, suggesting again the possiblity that the system continues in this direction.

The results of the 2017 mapping and petrography indicate that fine grained porphyritic gabbros are spatially associated with mineralization, and are themselves altered and mineralized. A quartz-feldspar porphyry (Verley, 1997) and an altered and mineralized hornblende syenite (Sigurgeirson, 2018) have also been reported in drillcore. However, more mapping is needed to aid in determining whether these intrusives are essentially synvolcanic and are simply part of the volcanic pile that was later mineralized, or whether they are part of a later intrusive event that is directly related to the mineralization. Two types of hydrothermal breccia were identified in float and outcrop in the Wen Prospect area. Both occur within a larger erratically mineralized, low grade stockwork zone. Tremolite/actinolite, epidote, k-feldspar, calcite, hematite, pyrite and possible albite alteration have been identified in thin section. Lithogeochemical plots show the gabbros to be geochemically distinct from the volcanics, though related. A TAS plot puts the intrusives in or near the alkaline field and mainly in the same field as silica saturated alkalic porphyries. The REE profiles of the intrusives sampled in the Wen area are similar to the REE profiles of the intrusives associated with the Dillard Creek alkalic porphyry prospect (Mihalynuk et al, 2015).
Taken together, the above factors support the hypothesis that the Wen Prospect mineralization is part of a porphyry system.

The Mal area magnetometer surveys (Sharp, 1968; Tully, 1980 & Verzosa, 2003) indicate two belts of magnetic highs extending for about a kilometer in a northwesterly direction with a width of about 500 m. The Malachite 7 chalcopyrite showing and most of the soil sample stations that were over 100 ppm Cu are to the southwest of this belt. Previous to the limited 2017 program, the area had only seen one episode of incomplete, preliminary mapping (Sirola, 1962). An IP anomaly associated with an area of moderate mag highs and VLF conductors occurs about 400 m east of the showing area. Only a small part of this area has been explored by trenching or drilling.

Drilling at the Mal Prospect has been plagued by difficulties relating to location. Little documentation of the Skeena Silver Mines Ltd. drilling exists pasts some locations marked on a small scale map and a brief note in the Ministry of Mines annual Report (Smith, 1963). The Abaton Resources Ltd. drilling appears to have been done in the wrong place. The drilling by Lateegra Resources Corporation can only be partially located with confidence. The best mineralization exposed on surface (at the main showing) is immediately adjacent to basaltic volcanics. The geology of the best mineralization intersected by

Skeena is unknown, but appears to have been closer to the sediment – volcanic contact then Lateegra Resource Corporation's drilling, but north of the main magnetic anomaly. All the drilling by Lateegra was within the sediments and did not reach the contact. The area of the contact within the main part of the magnetic anomaly does not appear to have been tested by drilling.

The Echo Zone has had little exploration past reconnaisance mapping and sampling on widely spaced lines by Consolidated Skeena Mines Ltd. (Sharp, 1968) in 1967-8. Old workings, chalcopyrite showing, and anomalous soil stations occur over a wide area and have not been followed up on.

The 1972 soil survey that just reached the south edge of the property by Royal Canadian Ventures Ltd. (Vollo, 1972) is interesting in that it features a coherent Cu in soil anomaly that is open to the north. Considering the wide spacing of the sample stations, this represents a significant anomaly in an area with virtually no other geochemical information available.

Lewis's (1972) interpretation of the airborne magnetics in the southwest portion of the property appears solid overall, but the zones of mag highs could be interpreted as mafic intrusives as well as basic volcanics, especially the large zone shown on Figure 12 and the smaller zones to the east. They trend to the northwest rather than the north, possibly indicating a cross cutting relationship with the units to the west.. These zones also have a steeper magnetic gradient compared to the magnetic high to the west, part of which can be seen on the west side of Figure 12.
The magnetic domains and the regional mapping (Mihalynuk et al, 2015) do not correlate very well, except for the area over 1500 gammas on Figure 12 .This area corresponds closely with a isolated polygon of pyroxene phyric mafic volcanics on the Property Geology Map (Figure 14). As these rocks could be texturally ambiguous intrusives, and they are magnetically distinct from the other polygons of this unit, it is possible that they have been assigned to the wrong unit. This group of magnetic highs trends to the northwest and joins with the mag high outlined by Nitracell Canada Ltd. (Kierans, 1972) in 1972 (Figure 15).

Conclusions

The Rabbit North alkalic porphyry property, like the nearby New Afton Deposit, is associated with both a regional magnetic high and a regional gravity high (MapPlace, 2018). On the Mal-Wen Property, there is a mag high associated with a gravity high on the southern claims (Figure 15). It is within a magnetic domain that is continuous with the Wen mineralization to the north. The Wen mineralization is associated with intrusives and alteration types that are consistent with an alkalic porphyry system. The area of the magnetic high on the southern claims has had no recorded work. The nearest geochemical surveys register Cu anomalies as they approach this area.
For these reasons, the area of the magnetic highs on the southern claims should be the primary exploration target on the property for an alkalic porphyry system.

Several secondary exploration targets are also proposed.

1. The main zone at the Wen Prospect appears to be open to the north and possibly to the south.
2. The main (adit) vein is also open to the north, and possibly to the south.
3. The Mal Prospect area has two geophysical targets that have not been adequately tested. Drilling on the main zone appears to have been too far to the north and to the west. The IP anomaly to the east of the main showing area has not been followed up on.
4. The Echo Zone features widespread mineralization and at least one soil anomaly of interest that have not been followed up on.

Item 26 – Recommendations

The Mal-Wen is a property of merit that warrants further work. A work program is proposed consisting of geological mapping and prospecting, overburden sampling, geophysical surveys, and diamond drilling. Phase 2 would be contingent upon the results of Phase 1. The estimated total cost of both phases is $235 000.

Phase 1:	
Airborne mag	= $15 000
Mapping, sampling and prospecting	= $50 000
Reporting	= $5000
Phase 2 :	
IP 26 km @ $1500/km	= $40 000
Drilling 400 m @ $150/m	= $60 000
Helicopter	= $15 000
Core logging and sampling	= $35 000
Project management & reporting	= $15 000
Total Cost	**= $235 000**

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I, Helgi Sigurgeirson, certify the following:

1. I am an independent Consulting Geologist with office and residence at 47312 Schooner Way, Pender Island, British Columbia.

2. I graduated in 1995 from the University of British Columbia with a B.Sc. in the Geological Sciences.

2. I have worked in mining and mineral exploration continuously since graduation.

3. I have worked on VMS, porphyry, epithermal and mesothermal Au vein, anorthosite hosted Ti and other exploration programs in Canada, Mexico and China.

4. I am a professional geoscientist in the Association of Professional Engineers and Geoscientists of British Columbia, and have been a member in good standing (member #28920) since 2004.

5. I am the author of the report "NI 43-101 Technical Report for the Mal-Wen Property" the effective date of which is March 11, 2018.

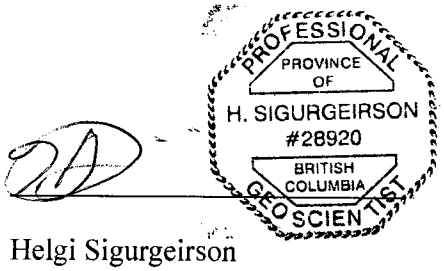
6. I am a qualified person for the purposes of National Instrument 43-101 and am independent of the issuer as described in Section 1.5 of the Instrument.

7. In 2017 I conducted an 8 day exploration program on the Mal-Wen Property.

8. I have read National Instrument 43-101 and the technical report has been prepared in compliance with this Instrument.

9. At the effective date of the technical report, to the best of my knowledge, information, and belief, the technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

10. I consent to this report being used by Victory Resources Corporation for disclosure purposes.



Helgi Sigurgeirson

MARCH 11, 2018

Date

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