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NI 43-101 TECHNICAL REPORT ON THE
BRUNER GOLD PROJECT
UPDATED PRELIMINARY ECONOMIC ASSESSMENT
NYE COUNTY, NEVADA, USA



Prepared for
Canamex Gold Corp.

Report Date: January 22, 2018
Effective Date: December 26, 2017

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This Report entitled NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA, dated January 22, 2018, Effective Date December 26, 2017 was prepared and signed by the following qualified persons (as such term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects):

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ACRONYMS AND ABBREVIATIONS

AA: atomic absorption
ADR: adsorption-desorption-recovery
AIVN: American International Ventures, Inc.
Au: gold
Ag: silver
ATF: Bureau of Alcohol, Tobacco, Firearms and Explosives
AuEq: gold equivalent
BAPC: Bureau of Air Pollution Control
BLM: United States Bureau of Land Management
BMRR: Bureau of Mining Regulation and Reclamation
BWPC: Bureau of Water Pollution Control
CAA: Clean Air Act
CFR: Code of Federal Regulations
CIC: Carbon-in-Column
C.P.G.: Certified Professional Geologist
CIM: Canadian Institute of Mining, Metallurgy and Petroleum
EA: Environmental Assessment
EIS: Environmental Impact Statement
EPA: Environmental Protection Agency
EPCM: Engineering, Procurement and Construction Management
ESA: Endangered Species Act
FONSI: Finding of No Significant Impact
ft: imperial foot
G & A: general and administrative
gpm: gallons per minute
gpt: grams per tonne
GPS: Global Positioning System
HRA: Historic Resource Area
HRC: Hard Rock Consulting, LLC
IRR: Internal Rate of Return
KCA: Kappes, Cassiday and Associates
NAC: Nevada Administrative Code
NDEP: Nevada Division of Environmental Protection
NDWR: Nevada Division of Water Resources
NEPA: National Environmental Policy Act of 1969
NHPA: National Historic Preservation Act
NI 43-101: Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects
NOI: Notice of Intent
NPDES: National Pollutant Discharge Elimination System
NPV: Net Present Value
NRS: Nevada Revised Statutes
NSR: Net Smelter Royalty
opt, oz/ton : troy ounces per short ton
oz: troy ounces
P.E.: Professional Engineer
PEA: Preliminary Economic Assessment

PLS: Pregnant Leach Solution
PoO: Plan of Operations
ROD: Record of Decision
ppm: parts per million
QA/QC: Quality Assurance/Quality Control
QP: Qualified Person, as defined in NI 43-101
RC: reverse circulation
ROM: Run-of-Mine
SME-RM: Society for Mining, Metallurgy and Exploration-Registered Member
SUP: Special Use Permit
SWPPP: Storm Water Pollution Prevention Plan
t: metric ton = tonne = 1,000 kg
ton: dry short ton of 2,000 pounds
US$: United States Dollar Currency
UTM: Universal Transverse Mercator
WHA: Welsh Hagen Associates

1 SUMMARY

1.1 Introduction

At the request of the issuer, Canamex Gold Corp. (herein after referred to as “Canamex” or the “Company”), this NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment (“PEA”, or the “Report”) has been prepared by Welsh Hagen Associates (“WHA”).

The purpose of this Report is to provide Canamex and its investors with an independent opinion on the technical and economic aspects and mineral resources at Bruner. This PEA conforms to the standards specified in Canadian Securities Administrators’ National Instrument NI 43-101, Companion Policy 43-101CP and Form 43-101F. This report presents the results of the PEA based on all available technical data and information as of December 26, 2017.

The Bruner Gold Project is comprised of three gold resource zones, the Paymaster zone, Historic Resource Area (HRA) and the Penelas zone.

1.2 Property Description and Location

The Bruner property is located in central Nevada at the northern end of the Paradise Range about 110 air-miles east-southeast of Reno and 15 air-miles north-northeast of Gabbs in Nye County. The property is currently comprised of 183 unpatented and 27 patented mining claims covering a total of approximately 3,600 acres. The patented and unpatented claims form mostly a contiguous block.

The Project is located within the Basin and Range Physiographic Province near the northern margin of the Walker Lane, a regional dextral shear zone associated with many significant precious metal producing mines.

The Bruner area, at an elevation of 5,000 to 7,000 feet, has a climate characterized by warm, dry summers with intermittent thunderstorms and cold relatively dry winters. Ranges are variably covered with snow during parts of the winter, and occasional heavy storms can deposit as much as two feet of snow on the property. Precipitation generally averages around 7-inches per year. Surface water drainage is via typically seasonal streams and creeks to the nearest basin.

Very basic services are available most of the time in Gabbs. Hawthorne is 60 miles to the southwest and Fallon is 65 miles to the northwest, and both of these towns can provide a full range of services. Because of the number of past and currently operating mines within 100 miles of the Project, there is a pool of trained mining personnel in the region. Mining and exploration work is a significant economic factor in the region, and new projects are generally favorably received.

The closest electric transmission lines are in Gabbs, and water would be obtained through wells to be developed on the property.

1.3 Property Ownership

The property is held by virtue of several underlying agreements. On May 28, 2010, Canamex entered into a property option agreement with Provex Resources Inc. (Provex), a wholly owned subsidiary of Patriot Gold Corporation (Patriot), a Nevada Corporation and Public U.S. junior exploration company registered on the Over the Counter (OTC) Bulletin Board Exchange, in which the Company was granted an exclusive right and option to acquire up to a 75% interest in certain mineral claims in Nye County, Nevada. In September 2015 Canamex advised Provex Resources that it has earned an initial 70% interest in the property by completing the earn-in expenditure requirement. In April 2017 the Company entered into a purchase and sale agreement with Provex whereby the Company purchased Provex's remaining 30% interest in the property and obtained title to all of the property free and clear of any residual claims by Provex, other than Provex retains a 2% NSR royalty. The Company now owns 100% of the Bruner property.

A core group of 26 patented mining claims are controlled originally under an option to purchase agreement dated April 2009 between Patriot Gold and American International Ventures, Inc. (AIVN). In March 2014 Canamex purchased a single inlier patented claim, and in November 2015 Canamex purchased the underlying 26 patented claims directly from AIVN. The latest acquisition brought the total patented claims count to 27.

Following agreed and anticipated buyouts, the Royalty on the property will be 3.5% NSR on the unpatented claims and 2.5% for the patented claims. These royalties are applied to the precious metals in the cash flow model for the project.

1.4 History

Gold was initially discovered in the Bruner District in 1906 when surface showings of what was believed to be gold telluride were found in the area that became the Paymaster mine. Total production from the district between 1906 and 1949 is estimated to be approximately 55,587 gold-equivalent ounces from 99,625 short tons of ore grading 0.56 oz Au-equivalent/ton, most of which came from the Penelas mine from 1931 to 1942. The bulk of the remainder came from various small mines located in the Historic Resource Area. Additional small scale mining occurred intermittently from the period 1948 through 1998. Exploration activities by previous operators prior to Canamex's involvement, including mapping, drilling, sampling and geophysical surveys, occurred during the period 1983 through 2009.

1.5 Geological Setting and Mineralization

The mineralization at Bruner is characterized as being of the low-sulfidation epithermal gold-silver type and is hosted within Tertiary volcanic rocks associated with bimodal volcanism. Alteration associated with mineralization consists primarily of potassic alteration with varying degrees of silicification, with outlying and adjacent barren argillic alteration occurring locally.

Structural controls on mineralization are very strong and the structural orientations exhibit both north-south Basin and Range extensional and northwest-southeast Walker Lane dextral shear features, similar to those documented at the Denton-Rawhide Mine 43 kilometers to the west of Bruner.

1.6 Exploration and Drilling History

Modern exploration of the Bruner property commenced in the late 1970s when the underlying land owner brought in Morrison Knudsen on a contract basis in 1979. They did no surface exploration prior to drilling nine core holes, eight of which were vertical.

Kennecott Exploration did limited exploration work on the property in 1983 and drilled 15 reverse-circulation holes. Kennecott was negotiating to acquire the property while they were conducting the drill program. When negotiations broke down, they abandoned the property and no further information was passed on to the underlying owner.

In 1987, Inspiration Gold, Inc. and Callahan Mining Corp. entered into a joint venture to explore the western portion of the property and conducted limited geologic mapping, limited surface sampling and eleven reverse-circulation (RC) drill holes.

Miramar Mining Corporation entered into a lease in 1988 and purchased the property from the underlying owner in 1991. They entered into a series of joint ventures with other companies as listed below for the exploration and development of the property.

Glamis Gold Exploration drilled 29 air-track blast holes. Eighteen holes were on Paymaster hill, and eleven holes were over the July and Duluth workings. The holes were vertical and averaged less than 70 feet deep each.

In 1988, Newmont Exploration Limited signed an agreement with Miramar to explore the Bruner property. Newmont conducted an extensive exploration program which included geologic mapping, soil and rock chip sampling, geophysical surveying, and drilling. In 1989, Newmont drilled 13 RC holes on the property. Most of these holes were drilled on patented claims and targeted the extensions of the north-trending structures in the Duluth mine area. The 1990 drill program comprised 61 RC holes.

Viceroy Precious Metals Inc. and subsidiary Olympic Mining Company entered into a joint venture agreement with Miramar in 1992. Their 1993 exploration program included property-wide reconnaissance and assaying of the drill samples from Miramar's 1992 drilling program. The Viceroy-Miramar 1992 drilling program consisted of 15 RC drill holes.

In 1992, Miramar drilled 17 RC holes to comply with assessment work requirements for the claims, but did not assay the samples. In 1995, 13 RC holes were drilled in a phase-two program on the pediment area east of the Bruner property. Four (4) RC holes were drilled in the Penelas area during the phase-two program.

In 2004, American International Ventures, Inc. conducted a six-hole core drilling program to test some of Newmont's high-grade intercepts in the Duluth area. This was only the second core drilling program for the property, and it provided a detailed look at some of the high-grade mineralized features, such as veins and fracture coatings, which would be hard to detect in RC cuttings.

In 2006, Cougar Gold LLC drilled a total of nine core holes in the HRA, Paymaster and Penelas areas. Only selected intervals from these holes were assayed and only skeletal remnants of these core holes survived.

Patriot Gold Corporation entered into an option on the unpatented claims portion of the property in 2004 drilled a total of 21 RC holes between 2005 and 2009. All of these holes were drilled in the pediment in the southeast quadrant of the property.

In 2010 Canamex did limited surface exploration prior to commencing its own drilling program on the property in 2011, relying heavily upon the comprehensive work completed by Newmont Exploration Limited. After discovery of significant gold intercepts in the Penelas East area in 2012, which were located beneath shallow alluvium and not completely covered by Newmont's surface exploration work, Canamex commissioned detailed ground magnetic and VLF-EM EM surveys respectively over the new Penelas East discovery area to assess the ability to detect controls on mineralization intersected in drilling with these two geophysical methods. Canamex has subsequently continued drilling at the Property.

A total of 59,258 meters/194,416 feet of drilling has been completed at Bruner from 1983 to the present. Of this total, 57,367 meters/188,212 feet are available in the database and consist of 3,326 meters of core and 54,041 meters of reverse circulation ("RC") drilling. In addition, there are a total of 682 meters of underground channel samples collected and assayed by Newmont from accessible underground workings at each of the three areas.

The Canamex drilling component of the database consists of 186 RC drill holes totaling 29,835 meters/97,885 feet and 17 core holes totaling 3,091 meters/10,142 feet. The pre-Canamex drilling data consists of 174 drill holes totaling 24,441 meters/80,186 feet.

Of the pre-Canamex drilling, 53% was completed by Kennecott and Newmont and pre-dates the development of National Instrument 43-101 ("NI 43-101") guidelines; 16% was drilled by Miramar, and the remaining 31% more recently by a number of junior companies, either in joint venture with Miramar or afterwards. Standards of quality assurance/quality control ("QA/QC") are undocumented for all drilling prior to 2013.

1.7 QA/QC and Data Verification

The electronic database consists of data from 377 drill holes and 103 continuous channel sample strings for a total of 62,691 available gold and silver assay values. The Canamex drill hole assay data represents 67% of the total assay database.

Verification of assay data acquired prior to 2015 has been accomplished in previously filed technical reports. Because the vast majority of drill hole data has been verified in the Tanaka (2015) and WHA (2016) technical reports, the main focus of the data verification measures employed in this PEA is a thorough data verification program focused on new drilling data received subsequent to the effective date of the WHA (2016) report.

The 2016 and 2017 drilling programs consists of data from 43 RC drill holes for a total of 3,780 assay values for gold and silver, accounting to 12% of the total assay values in the Bruner database and 18% of all assay values from drilling completed during this period by Canamex at the Project.

A comprehensive program of data entry and data verification was undertaken by WHA. Original electronic assay certificates were compared line by line to the electronic database provided by Canamex to ensure that the transcription of gold and silver assay data was accurate. A total of 17 errors were found during the process of database checking representing a 0.2% error rate for the 2016-2017 Canamex drilling data. All errors in the database were corrected.

Canamex drilling included a program of QA/QC consisting of blind submission of rig duplicates, standards for gold and silver, and blanks for gold and silver. The results of the QA/QC analyses present reasonable confirmation of the reproducibility of assay results with no indication of bias in the analysis of either gold or silver or significant contamination problems at the laboratory.

The WHA QP concludes that the drill hole database is of a standard acceptable for public reporting of resources according to NI 43-101 guidelines.

1.8 Mineral Resource Estimate

Mineral resource estimates have been previously estimated for the Paymaster, HRA, and Penelas zones. These estimates have been reported in the previous technical reports entitled *Technical Report and Resource Estimate for the Bruner Gold Project, Nye County, Nevada*, dated February 27, 2015, prepared by William F. Tanaka (Tanaka, 2015) and *Amended NI 43-101 Technical Report on the Preliminary Economic Assessment, Nye County, Nevada, USA* dated September 27, 2016, prepared by Welsh Hagen Associates (WHA, 2016).

Subsequent to WHA (2016), additional drilling has been performed at all three zones of the Project. At the request of Canamex, WHA has generated new mineral resource models for all three resource zones. These models were prepared by mineral modeler Randy Martin and reviewed by geologist Doug Willis. WHA believes these models are suitable for a PEA level analysis.

For consistency, the new resources have been calculated using the same modelling method (PACK) that was first incorporated by Tanaka.

A Summary Table of Mineral Resource by resource zone is presented in **Table 1.1**. The Mineral Resource estimate uses a cutoff grade of 0.192 gpt Au, which is the external breakeven cutoff for crushed material and 0.117 gpt Au which is the internal cutoff grade for crushed material. The Resource estimates for all zones are based on engineered designed pits.

Table 1.1: Resource Statement for the Bruner Gold Project, Effective December 26, 2017

RESOURCE ABOVE EXTERNAL BREAKEVEN CUTOFF										
	Indicated > 0.192 gpt Au Equiv					Inferred > 0.192 gpt Au Equiv				
Zone	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
Paymaster	600	1.01	4.4	19	85	200	0.54	1.12	3	7
HRA	4,550	0.61	7.76	89	1,135	250	0.36	5.37	3	43
Penelas	12,350	0.59	4.70	234	1,866	1,650	0.59	4.43	31	235
Sub Total	**17,500**	**0.61**	**5.49**	**342**	**3,086**	**2,100**	**0.56**	**4.23**	**37**	**285**
RESOURCE ABOVE INTERNAL BREAKEVEN CUTOFF AND BELOW EXTERNAL CUTOFF										
	Indicated between 0.117 and .192 gpt Au Equiv					Inferred between 0.117 and 0.192 gpt Au Equiv				
Zone	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
Paymaster	0	0	0	0	0	0	0	0	0	0
HRA	1,150	0.16	4.43	6	164	50	0.17	3.6	0	6
Penelas	900	0.16	3.17	5	92	100	0.16	2.59	1	8
Sub Total	**2,050**	**0.16**	**3.88**	**11**	**256**	**150**	**0.16**	**2.93**	**1**	**14**
TOTAL RESOURCE ABOVE INTERNAL BREAKEVEN CUTOFF										
	Indicated > 0.117 gpt Au Equiv					Inferred > 0.117 gpt Au Equiv				
	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
Total	**19,550**	**0.56**	**5.32**	**353**	**3,342**	**2,250**	**0.53**	**4.14**	**38**	**299**

Notes:

- The Mineral Resource estimates were prepared in conformity with CIM “Estimation of Mineral Resource and Mineral Reserves Best Practices” guidelines and are reported in accordance with the Canadian Securities Administrators NI 43-101.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- Resources stated as contained within a potentially economic minable open pit design with engineered ramps and smoothed walls; economic cutoff grade parameters are: $1,250/oz Au and $15/oz Ag, 90% gold recovery for crushed material, 10% silver recovery, $2.70/tonne unit mining cost $4.23/tonne processing + G&A+ reclamation cost, 55 degree inter-ramp pit slopes. Resources are reported using a 0.006 oz/t (0.192 gpt Au equiv.) gold cut-off grade for crush material, and a 0.004 oz/t (0.117 gpt Au equiv.) gold cut-off grade for crush material above internal breakeven but below external breakeven cutoff.
- Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding. Tonnages have been rounded to nearest 50 k-tonnes. Grades have been rounded to nearest 0.01 gpt. Contained ounces have been rounded to nearest K-oz.
- HRA Resource is based on designed pit for $1350/oz Au Price Cone Shell.
- Penelas Resource is based on designed pit for $1350/oz Au Price Cone Shell.
- Paymaster Resource is based on designed pit for $1350/oz Au Price Cone Shell.
- External Breakeven Cutoff is the cutoff where value of metal recovered equals the cost of mining and processing.
- Internal Breakeven Cutoff is the cutoff where value of metal recovered equals the cost of processing.
- Paymaster has minimal Indicated Resource between 0.117 and 0.192 gpt Au, and no inferred in this range.

The Bruner Gold Project mineral resources are reported at cutoff grades that are reasonable for similar deposits in the region. They are based on metallurgical recovery tests, anticipated mining and processing methods, operating and general administrative costs, while also considering economic conditions. These are in accordance with the regulatory requirement that a resource exists "in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction."

1.9 Metallurgy and Recovery Estimates

From April 2012 through October 2015, five (5) separate metallurgical testing programs were conducted on samples from the Bruner Project. Samples of whole rocks from drifts and channels from underground within the HRA deposit were collected, blended and crushed to two nominal sizes: 3-inch and 0.75-inch maximum sized material. Kappes Cassiday & Associates (KCA) of Reno, Nevada was the contract laboratory for the metallurgical testing; Phillips Enterprises, LLC (PE) in Golden, CO was provided samples to determine the crusher work index for the HRA rock (20.2 kW/tonne). KCA conducted standard 83-day column leaching to determine the heap leach recovery of gold and silver, and reagent consumption of the ores. The results showed that the 3-inch material had nearly the same net recovery of gold and silver as the 0.75-inch material (>85%) which indicated that the gold was amenable to cyanidation, and suggested that finer crushing was not necessary to get gold to dissolve from the ores. Bottle roll experiments were conducted on a series of RC drill cuttings and other drill holes from all of the deposits (Paymaster, HRA and Penelas). These tests show that all of the ores are amenable to cyanidation (well over 80% Au recovery) and had relatively low cyanide consumptions (<1.3 lbs NaCN/ton), meaning they were not refractory ores. Au recoveries from 88-99% were consistently reported for each of the three types of ores, which indicated similar metallurgical behavior for all of the deposits. Low silver recoveries in column leach tests (<10%) indicate that the best process for treating the ores would be heap leaching of a coarse ore followed by activated carbon adsorption to recover the precious metals. The Merrill-Crowe Process (aka zinc precipitation) is the typical process of choice for ores that have excess Ag; however, the Bruner ores will not produce high levels of Ag in the leach solutions, so the activated carbon recovery process will be the preferred means of recovering the precious metals (Au and Ag) from the leach solutions, with high recoveries expected.

The summary of the results suggests that even coarser ore (such as “run-of-mine”) could still be amenable to cyanide heap leaching. It is recommended that additional column testing on coarser ores of all of the deposits should be completed to verify the leachability of gold and silver from all of the deposits on the Bruner Project property.

The reader is cautioned that the term “ore” generally implies that sufficient technical feasibility and economic viability studies have been completed to classify the material as mineral reserve. A Qualified Person has not done sufficient work to classify the mineral resource at the Bruner Gold Project as current mineral reserve and the issuer is not treating the mineral resource as mineral reserve. The term “ore” is used to maintain the integrity of the previous metallurgical investigations quoted in this report.

1.10 Mining and Processing Methodology

The mineral resources have gold and silver grades that could support an open pit mining heap leach processing operation. Heap leaching is an economically viable processing method in the current metal price environment. This mining approach is the basis of the analysis and evaluation developed for the PEA.

Designed pits were generated for the Paymaster, HRA and Penelas resource zones. These designs were based on US$1350/oz gold and US$15/oz silver floating cone shell limits. A summary of the potential processed material within the conceptual designed pits is presented in **Table 1.2**.

In order to simulate a heap leach environment approximately 10% to 15% of the total recovered ounces placed on the leach pad remain in heap leach inventory each year. These inventoried ounces are recovered over a two year period of time following cessation of mining.

Table 1.2: Conceptual Production and Process Summary

Year	1	2	3	4	5	6	7	8	9	10	Total
Total Leach Material Mined (ktonnes)	3,224	3,279	2,444	2,877	2,852	2,839	2,822	1,417	-	-	21,755
gpt Au	0.501	0.601	0.445	0.475	0.549	0.465	0.645	0.975	-	-	0.558
cont oz Au	51,936	63,341	34,948	43,943	50,339	42,471	58,563	44,414	-	-	389,955
rec oz Au	39,350	50,850	35,120	41,110	43,720	38,230	51,850	39,810	5,260	4,000	349,300
gpt Ag	4.867	8.188	3.552	3.895	5.045	5.909	4.681	4.381	-	-	0.324
cont oz Ag	504,538	863,161	279,084	360,307	462,604	539,441	424,741	199,635	-	-	3,633,511
rec oz Ag	42,920	73,400	31,290	43,500	43,540	51,210	43,070	25,090	6,380	3,000	363,400

Notes:

1. The reader is cautioned that the quantities and grade estimates in this table should not be misconstrued with a Mineral Resource Statement.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
3. There is no certainty that all or any part of the mineral resource will be converted to mineral reserves.
4. Design pits are based on $1350/oz Au and $15/oz silver floating cone shells.
5. Rounding may cause apparent inconsistencies.
6. The PEA includes inferred mineral resources which are considered too geologically speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that preliminary economic assessment will be realized.

The mine production schedule was based on an average of 7,500 Tonnes/day delivered to the crusher and lower grade ores being placed directly on the heap leach pad as run of mine (ROM) ore. WHA opted to take the mineralized material between 0.117 and 0.192 gold equivalent and treat it as run of mine material, that is, not crush it prior to stacking on the pads. The pits will be mined sequentially beginning at the Paymaster pit and progressing southeasterly to the HRA and Penelas pits. The production schedule was constrained to produce a constant feed of mineralized material to the crusher and conveyor loading onto the heap leach pad. ROM ores will be stacked on the heap leach pad without crushing. The ratio of ROM ore to crushed ore may vary due to gold price, gold grade, crushing costs, and recovery projections. Based on the high leachability of the mineral deposits, it is probable that a high percentage of the ore will be placed as ROM ore.

1.11 Environmental Studies and Permitting

The project includes proposed exploration and potential future mining on patented mining claims (i.e. private land) and adjacent lode mining claims on U.S. Bureau of Land Management (BLM) lands. Proposed exploration and production would include the development of deposits on both private and public (BLM) lands; thus, permitting and environmental compliance would have to address requirements for development on both private and public lands.

In order to develop, operate, and close a mining operation, Canamex will be required to obtain a number of environmental and other permits from the BLM, the State of Nevada, and Nye County. Environmental baseline studies will need to be conducted at the Project area to meet federal and state requirements.

The issuance of a permit to either mine on or cross for access public lands administered by the BLM will be a federal action. Thus, the permitting process will require the preparation of an Environmental Assessment (EA) or Environmental Impact Statement (EIS) under the National Environmental Policy Act (NEPA), Council of Environmental Quality (CEQ) regulations, and BLM guidelines and procedures.

Currently Canamex holds a Notice of Intent with the BLM for exploration drilling on up to 2.87 acres of disturbance on unpatented mining claims. The Notice of Intent permit covers disturbance created to establish drill road access and drill sites at the Penelas resource area, including the drilling of a water well on BLM land, and is valid through October 18, 2019. Canamex can disturb up to 5 acres under a Notice of Intent.

Canamex acquired water rights from the Nevada Division of Water Resources to pump groundwater up to 350 gallons per minute. This is in addition to 4 gallons per minute annual water rights and well location that came with the patented claims on the property. Together, the combined 354 gallons per minute water rights should be sufficient for supporting up to 10,000 tons per day heap leach and processing operation. The water rights for 350 gallons per minute were granted on December 30, 2014, and are valid until December 31, 2030. These water rights were extended in December 2016 in order for Canamex to have time to complete a water well in order to perfect this water right. The BLM has approved an Amendment to the Notice of Intent to allow Canamex to drill this well.

1.12 Project Economics

A gold price of US$1280 and a silver price of US$17 were chosen as the base case economic evaluation. The base case economic results for the metal price assumptions are as follows:

Table 1.3: Cash Flow Summary for Entire Project

	Pre-Tax	After-Tax
IRR	31.6%	31.0%
NPV @ 5% Discount Rate	$ 71.5 million	$ 69.6 million
Average Annual Cash Flow	$ 14.6 million	$ 14.4 million
Average Operating Margin	$ 484 /oz	$484 /oz
Payback Period	~1.53 years	~1.55 years

The conceptual mine plan designed in this study allows for the Bruner project to be developed in two phases: a Phase 1 that mines only the Paymaster and HRA resources, which are contained primarily on patented mining claims, and which has a pre-tax NPV@5% of $37.1 million and a pre-tax IRR of 47.0%, and an after tax NPV@5% and IRR of $31.0 million and 41.3% respectively, before a decision is made on whether to develop the deeper Penelas resource in Phase 2, which has a high pre-stripping requirement and a significantly higher cash cost of production, which resides entirely on BLM unpatented mining claims, and which has a stand-alone pre-tax NPV@5% and IRR of $32.8 million and 13.6% respectively, and an after-tax NPV@5% of $28.4 million and IRR of 12.7%. If metal prices are depressed, one would not develop the Penelas resource: if they are robust, one would presumably proceed with permitting and development of the Penelas resource.

WHA cautions that the PEA is preliminary in nature and includes inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be characterized as mineral reserves, and there is no certainty that the PEA will be realized. The current basis of project information is not sufficient to convert the in-situ mineral resources to Mineral Reserves, and mineral resources that are not mineral reserves do not have demonstrated economic viability.

1.13 Conclusions

The Bruner Gold Project has been interpreted as a structurally controlled low-sulfidation gold-silver deposit hosted within Tertiary volcanic rocks. The structural controls on mineralization exhibit orientations that reflect both N-S Basin and Range extensional faulting and NW-SE Walker Lane dextral shear, similar to the structural features documented at the Denton-Rawhide Mine 43 kilometers to the west.

Three zones of gold-silver mineralization have been outlined by drilling: the Historic Resource Area, and the Paymaster zone, which are located on patented mining claims, and the Penelas zone, including both the historic Penelas Mine and the relatively newly discovered Penelas East area, which are located entirely on unpatented mining claims. All three areas have seen limited mining activity and production in the past, largely by selective underground methods.

The geometry of mineralization and proximity to the existing topographic surface indicated that bulk mining by open pit methods would be a reasonable choice for mining method.

Preliminary metallurgical test work indicates that the mineralization at Bruner will be amenable to heap leach recovery methods. This process route would be most suitable for the average grades estimated in the resource.

Despite a 110-year history of exploration and development, including activity by major companies such as Kennecott and Newmont in the recent past, the district remains significantly under-explored. The Penelas East area is the best example of a significant new discovery in the district in recent years.

1.14 Recommendations

Exploration and Development Drilling

Continued exploration of the Bruner Gold Project is warranted, and a nominal 10,000m drilling program is recommended for 2018. The recommended drilling by zone is:

- 3,300m of drilling is recommended peripheral to the HRA zone, largely focused on testing open extensions to the northwest of the current resource to potentially increase resources;
- A total of 6,000 meters of drilling is recommended in the Penelas zone, in the open extensions to the resource area and in the core of the Penelas zone, including in the deeper portions of the deposit.
- The Paymaster zone remains open in at least two directions. A total of 500 meters of drilling is recommended to pursue these open extensions. An additional 500 meters is recommended to increase drilling density relative to underground channel assay density.

The proposed distribution of this drilling would be approximately 30% core and 70% RC drilling. At that distribution the cost of the drilling program would be approximately US$1,720,000 exclusive of associated supervision and administration costs.

An abandoned water supply well located at the east end of the property should also be re-drilled so as to provide water for exploration and possible future development activities. The cost for the water supply well is estimated to be US$75,000.

Engineering and Metallurgical Testing

Commissioning of a Feasibility Study on the Project is recommended to establish the feasibility for development of the Project. A budget of US$250,000 is suggested to be planned for the study.

Additional metallurgical studies should be commissioned in all three resource areas to further quantify metallurgical behavior of the three resource areas. A budget of US$350,000 is recommended for obtaining large diameter core and continued cyanidation bottle roll tests on drill cuttings and column leach tests of drill core.

Although a structural analysis of the Bruner Project (Dering, 2014) has increased the understanding of pit slope stabilities and conceptual pit design, continued pit slope design analysis should be conducted. A budget of US$75,000 is recommended for the pit slope stability analysis.

Environmental Studies and Permitting

Commencement of baseline environmental studies and continuation of basic engineering and mineralized and waste rock characterization is recommended in order to establish downstream environmental permitting constraints associated with the future possible development of the resources outlined in this technical report. The baseline environmental studies will be required for any future development of an environmental assessment or environmental impact study. A budget of US$630,000 is recommended for this purpose.

2 INTRODUCTION

At the request of the issuer, Canamex Gold Corp. (herein after referred to as “Canamex” or the “Company”), this Updated Preliminary Economic Assessment (PEA) has been prepared by Welsh Hagen Associates (WHA) on the Bruner Gold Project (Bruner, or the Project), Nye County, Nevada, USA. This PEA conforms to the standards specified in Canadian Securities Administrators’ National Instrument NI 43-101, Companion Policy 43-101CP and Form 43-101F.

This Report is based, in part, on the previously filed *Amended NI 43-101 Technical Report on the Bruner Gold Project Preliminary Economic Assessment, Nye County, Nevada*, prepared for Canamex by WHA, dated September 27, 2016 (WHA, 2016), which is publically available at www.sedar.com. WHA has included all material information documented in the previously filed technical report, to the extent that this information is still current and relevant. The qualified persons that have prepared this Report take responsibility for the entire report, including any information referenced or summarized from the previous technical report.

A PEA provides a basis to estimate project operating and capital costs and establish a projection of conceptually extractable resources including indicated and inferred resource categories as permitted under NI 43-101. A PEA is preliminary in nature, and there is no certainty that the economic results within the PEA will be realized. This PEA includes inferred mineral resources which are too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Historical documentation including public and non-public reports, analytical reports, work completed by Canamex and the authors’ experience with exploration and mining projects in the Great Basin were all utilized during the preparation of this report. The authors have been provided documents, maps, reports and analytical results by Canamex. No restrictions of data, information or access were placed on the authors in the preparation of this Report.

2.1 Purpose of Report

The purpose of this Report is to provide Canamex and its investors with an independent opinion on the technical and economic aspects and mineral resources at Bruner.

2.2 Corporate Relationships

Canamex Gold Corp. (Canamex) is a British Columbia Corporation, and Canamex Resources U.S., Inc. (Canamex US) is a Nevada Corporation. Canamex US is the U.S. operating subsidiary of Canamex.

2.3 Terms of Reference

Welsh Hagen Associates is independent of Canamex Gold Corp. as defined under NI 43-101 Standards of Disclosure for Mineral Projects.

This Report summarizes Mineral Resource as defined by Canadian Institute of Mining, Metallurgy and Petroleum (CIM, 2014).

2.3.1 Units of Measure

Unless stated otherwise, all measurements reported here are in metric units and currencies are expressed in US dollars.

Unit Conversion Factors

1 ounce (oz) [troy] = 31.1034768 grams (g)

1 short ton = 0.90718474 metric tonnes (tonnes)

1 troy ounce per short ton = 34.2857 grams per metric tonne = 34.2857 ppm

1 gram per metric tonne = 0.0292 troy ounces per short ton

1 foot (ft) = 0.3048 meters (m)

1 mile (mi) = 5280 feet = 1.6093 kilometers (km)

1 meter (m) = 39.370 inches (in) = 3.28083 feet (ft)

1 kilometer = 0.621371 miles = 3280 feet

1 acre (ac) = 0.4047 hectares

1 square kilometer (sq km) = 247.1 acres = 100 hectares = 0.3861 square miles

1 square miles (sq mi) = 640 acres = 258.99 hectares = 2.59 square kilometers

Degrees Fahrenheit (^oF) – 32 x 5/9 = Degrees Celsius (^oC)

2.4 Qualified Persons, Site Visits and Scope of Personal Inspection

The persons involved in the preparation of this PEA, by virtue of their education, experience and professional association, are considered Qualified Persons (QPs), as defined in NI 43-101 Standards of Disclosure for Mineral Properties, and are members in good standing of appropriate professional institutions. Listed in **Table 2.1** are details of the Qualified Persons' site visits and the Report sections for which each is responsible.

Table 2.1: Dates of Site Visits and Areas of Responsibility

QP Name	Site Visit Date	Area of Responsibility
John Welsh, P.E. Welsh Hagen Associates	November 22, 2017	Sections 1.10, 1.14, 16, 18, 19, 24, 25, 26.
Douglas Willis, C.P.G. Welsh Hagen Associates	November 12, 2015	Sections 1.1 through 1.7, 1.11, 1.13, 2 through 12, 20, 23, 27 and relevant portions of Sections 1.14 and 26 pertaining to drilling and environmental studies and permitting.
Randall Martin, SME-RM Hard Rock Consulting, LLC	November 12, 2015	Sections 1.8, 14 and 15 and relevant portions of Section 25 pertaining to mineral resource estimation.
Carl Nesbitt, SME-RM Welsh Hagen Associates	November 12, 2015	Section 1.9, 13 and 17 and relevant portions of Sections 1, 1.14 and 26 pertaining to metallurgical testing.
Russel Hufford, P.E. Independent Consultant	Has not visited the site.	Sections 1.12, 21 and 22 and relevant portions of Section 25 pertaining to project economics.

2.5 Effective Dates

The effective date of the Report is December 26, 2017, which represents the most recent scientific and technical information used in the preparation of the Report

- The Project drilling data cutoff date for mineral resource estimation of the Bruner Gold Project was September 26, 2017. There have been no additional drill holes completed at Bruner between the drilling cutoff date and the Effective Date of the Report.

2.6 Information Sources and References

WHA reviewed all available documentation of work carried out on the Project by previous operators, consultants, and by Canamex.

Much of the background information on the Project, such as the history, location, climate, accessibility, etc. has been reported by others. This past information has been updated only when it was relevant to do so and/or when it was clear that additional information was required.

3 RELIANCE ON OTHER EXPERTS

The authors of the Report are Qualified Persons for those areas identified in the "Certificate of Qualified Person" included at the end of this Report. The authors have utilized sections from Canamex's previously filed technical report to provide information about the property, but do not rely on such reports. Information was also taken from other reports pertaining to Property Agreements, Mineral Tenure, Surface Rights, and Environmental and Permitting. Those reports were prepared by acknowledged experts in their field.

3.1 Tenure/Ownership, Property, Surface Rights

The QPs have not reviewed the mineral tenure, nor independently verified the legal status, ownership of the Project area or underlying property agreements. The QPs have fully relied on information provided by Canamex for such details.

WHA has not been provided a current title report or title opinion on the Bruner property. Title to the Bruner property claims has been reviewed by management of Canamex who takes responsibility for the claims and any liabilities, encumbrances or lien's on those claims.

Claim status information was provided by G.I.S. Land Services to Canamex who forwarded such information to WHA. G.I.S. Land Services, located in Reno, Nevada, is a well-known and respected firm that specializes in mineral claim services.

3.2 Previous Technical Reports

Canamex has filed the following technical reports on the Property:

- Tanaka, William F., 2015, *Technical Report and Resource Estimate for the Bruner Gold Project, Nye County Nevada*, Effective Date: 27 February 2015.
- Welsh et al., 2016, *Amended NI 43-101 Technical Report on the Bruner Gold Project Preliminary Economic Assessment, Nye County, Nevada*, dated September 27, 2016, Effective Date: February 29, 2016 (WHA, 2016).

WHA has sourced information from these reports and other reference documents as cited in the text and summarized in Section 27 of this Report supplemented with current information supplied by Canamex.

4 PROPERTY DESCRIPTION AND LOCATION

The property description and location was modified from Tanaka (2015) and WHA (2016).

4.1 Introduction

The Bruner property is located in central Nevada at the northern end of the Paradise Range about 130 miles east-southeast of Reno and 25 miles north-northeast of Gabbs in Nye, Lander and Churchill Counties. The Project is centered at approximately 39° 04' North latitude and 117° 46' West longitude. The Project location is shown on **Figure 4.1.**

The property is currently comprised of 183 unpatented and 27 patented mining claims covering a total of approximately 3,600 acres in sections 1, 2, 11, 12, 13, 14, 21, 22, 23, 24, 25, 26, 27, and 28 of T.14 N., R. 37 E., and sections 19 and 30 of T. 14 N., R. 38 E. M.D.B.& M. The patented and unpatented claims form mostly a contiguous block. A complete listing of the claims is included in **Appendix A**. An annual filing of a "Notice of Intent to Hold" along with payments to the Bureau of Land Management and annual payments to Churchill, Lander and Nye counties must be made for each claim to keep the claims in good standing. The patented claims require the annual payment of property taxes to Nye County. The Bruner Gold Project vicinity map is presented as **Figure 4.2**.

According to a report titled *Bruner Property Tenure Summary, Churchill, Lander and Nye Counties, Nevada,* prepared for Canamex Resources US Inc. by GIS Land Services, dated December 25, 2017, the 183 unpatented claims comprising the Bruner Property are in *"Active"* status according to BLM Serial Register pages for each claim, BLM LR2000 reports and BLM Maintenance Fee documents. BLM and State of Nevada filings have been timely filed. According to Nye County Secured Tax Inquiry Details, property taxes on all 27 patented claims have been timely paid and no taxes are owed as of August 21, 2017.

Figure 4.1: Location Map of the Bruner Gold Project

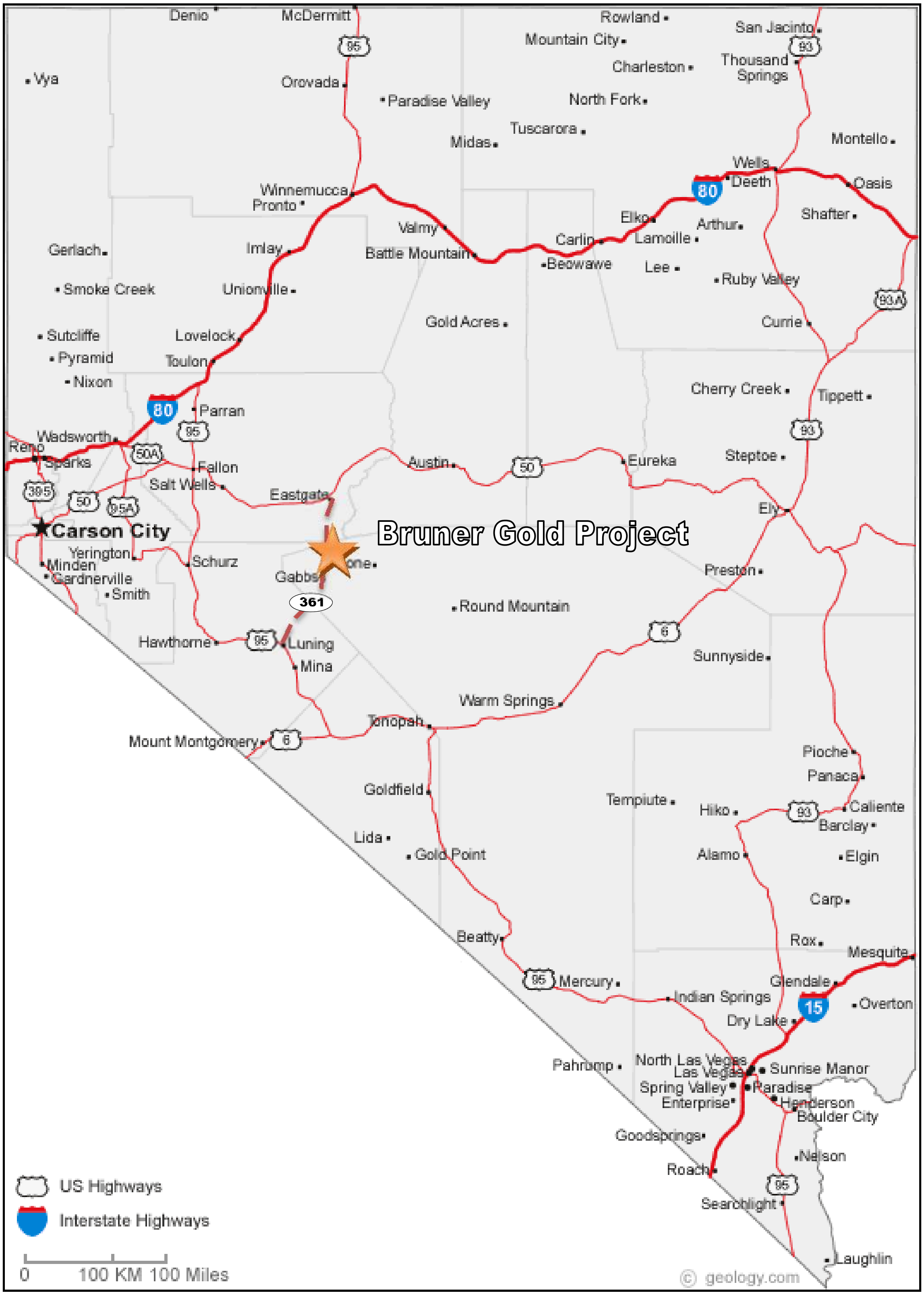
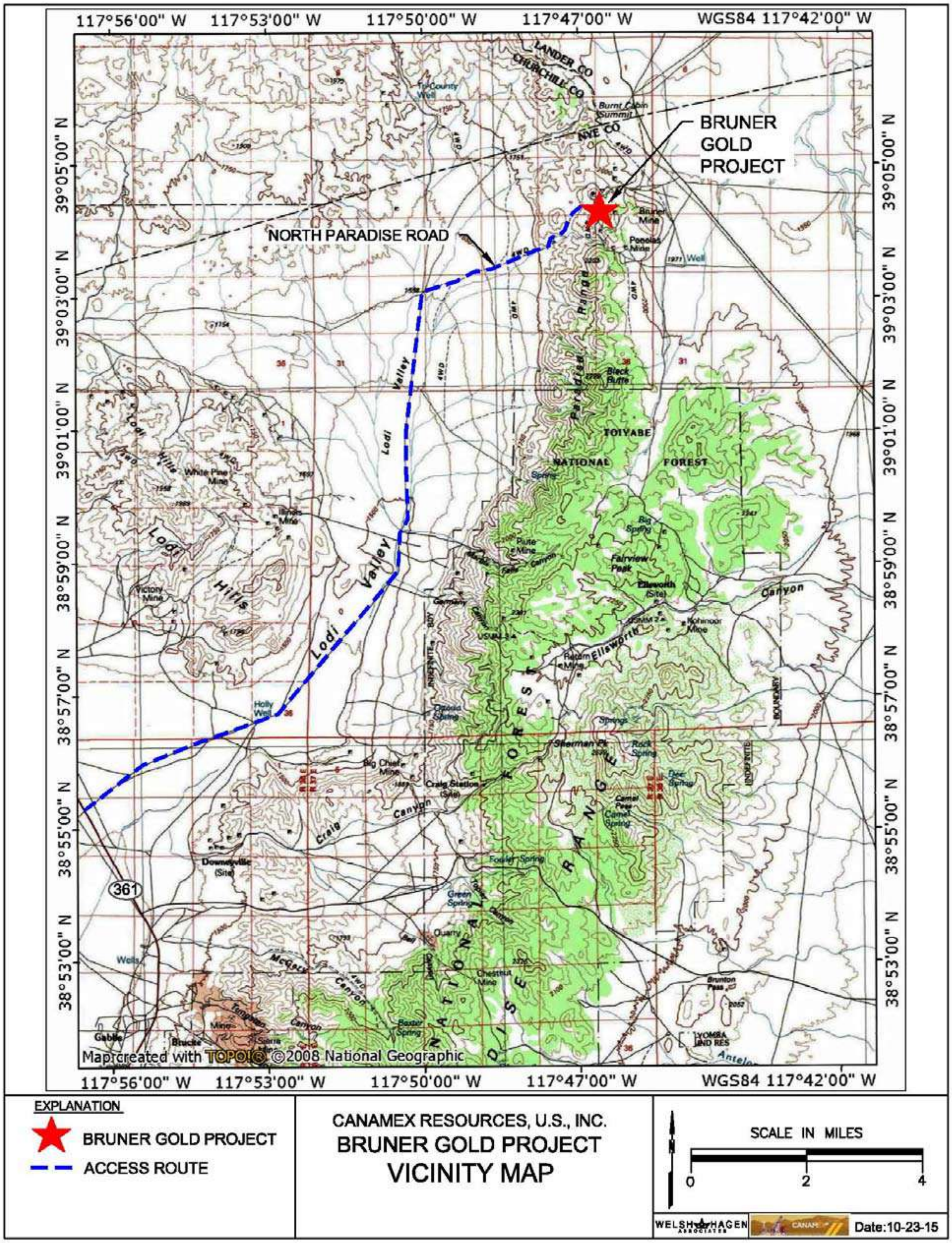


Figure 4.2: Bruner Gold Project Vicinity Map



4.2 Ownership

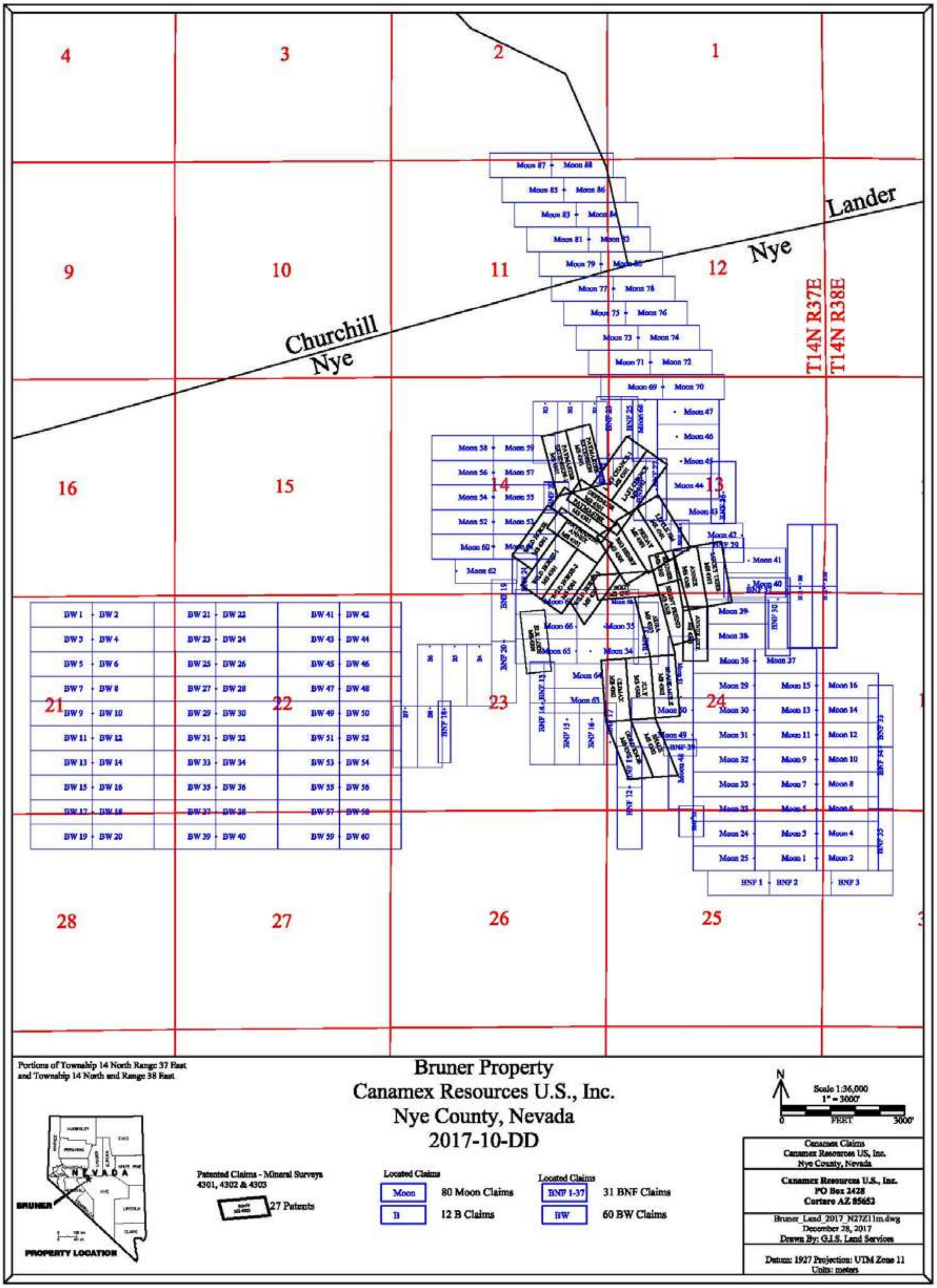
The property is held by virtue of several underlying agreements. On May 28, 2010, Canamex entered into a property option agreement with Provex Resources Inc., (Provex) a wholly owned subsidiary of Patriot Gold Corporation (Patriot), a Nevada Corporation and Public U.S. junior exploration company registered on the OTC Bulletin Board Exchange, in which the Company was granted an exclusive right and option to acquire up to a 75% interest in certain mineral claims in Churchill, Lander and Nye Counties, Nevada (the “Bruner Property”). The property is currently comprised of 183 unpatented and 27 patented mining claims covering a total of approximately 3,600 acres, as detailed below and shown on **Figure 4.3**. In September 2015 Canamex advised Provex Resources that it has earned an initial 70% interest in the property by completing the earn-in expenditure requirement. In April 2017 the Company entered into a purchase and sale agreement with Provex whereby the Company purchased Provex’s remaining 30% interest in the property and obtained title to all of the property free and clear of any residual claims by Provex, other than Provex retains a 2% NSR royalty. The Company now owns 100% of the Bruner property.

Patriot initially acquired sixteen unpatented mining claims from MinQuest Inc., a private Nevada Corporation, under an agreement dated July 2003. Patriot staked an additional 43 unpatented lode mining claims between 2004 and 2009. A core group of 26 patented mining claims are controlled under an option to purchase agreement dated April 2009 between Patriot Gold and American International Ventures, Inc. (AIVN). In March 2014 Canamex purchased a single inlier patented claim, and in November 2015 Canamex purchased the underlying 26 patented claims directly from AIVN. The latest acquisition brought the total patented claims count to 27.

Between 2013 and 2015 Canamex acquired an additional 124 unpatented claims by staking open ground.

Figure 4.3: Bruner Gold Project Mining Claims Map

Source: GIS Land Services, Reno, NV



To earn its initial interest in the property, Canamex has completed the following expenditures over a seven year period (**Table 4.1**).

Table 4.1: Schedule of Exploration Expenditure Commitments by Canamex

Exploration expenditures to be incurred during 12 months ended		**Expenditures**
May 28, 2011 (completed)	Required	$ 200,000
May 28, 2012 (completed)	Optional	$ 400,000
May 28, 2013 (completed)	Optional	$ 600,000
May 28, 2014 (completed)	Optional	$ 800,000
May 28, 2015 (completed)	Optional	$1,000,000
May 28, 2016 (completed)	Optional	$1,500,000
May 28, 2017 (completed)	Optional	$1,500,000
Total expenditures completed		**US$ 6,000,000**

Under the terms of the underlying option agreement between Patriot and MinQuest, MInQuest retains a 3% NSR royalty on the unpatented claims. Two thirds of the retained royalty (2%) can be purchased for $2 million USD upon or before the completion of a bankable feasibility study. This buy-down will not occur until construction is started and is included in the capex for construction.

The 26 lode patented claims acquired from AIVN are subject to two underlying royalties, most of which can be bought out. 1) Orcana Resources Inc. retains a 2% NSR on the patented claims, which can be purchased for US$250,000 in either cash or marketable securities, at Canamex's option, upon completion of a feasibility study. In addition, Orcana is due a payment of US$250,000, in either cash or marketable securities, upon Bruner achieving commercial production, and 2) AIVN retains a 1.5% NSR royalty, of which 2/3rd (1% NSR) can be purchased for US$500,000 up to any time prior to 30 days after commencement of mine construction, leaving a 0.5% NSR royalty due after said buyout. These royalty buyouts and the payment to Orcana are included in the Capital estimate for the project.

In April 2017 the Company entered into a purchase and sale agreement with Provex whereby the Company purchased Provex's remaining 30% interest in the property and obtained title to all of the property free and clear of any residual claims by Provex, other than Provex retains a 2% NSR royalty on all of the property. The Company now owns 100% of the Bruner property.

Following the agreed and anticipated buyouts, the Royalty on the property will be 3.5% NSR on the unpatented claims and 2.5% for the patented claims. These royalties are applied to the precious metals in the cash flow model for the project.

The unpatented claims occur on Federal Government land administered by the Department of Interior's Bureau of Land Management (BLM). Any exploration work, which creates surface disturbance on unpatented claims, is subject to BLM rules and regulations. A “Notice of Intent to Operate” and the required reclamation bond must be filed with the BLM for surface disturbances under five acres. BLM approval of the Notice must be obtained before any surface disturbance takes place. Surface disturbances on private land (patented claims) are regulated by the State of Nevada through its Nevada Department of Environmental Protection (NDEP). As with the BLM, NDEP allows up to 5 acres of disturbance under a minimal 'notice' and reclamation bond. Exploration and mining disturbances on private land which exceed 5 acres require an 'Exploration and Reclamation Plan' as well as a reclamation bond. There is an extensive system of access roads and close spaced drilling roads on the resource area of the patented claims. These roads existed before NDEP passed stricter regulations regarding reclamation on private land. These roads can remain unreclaimed indefinitely.

Canamex’s exploration program on unpatented claims to date operates under a Notice of Intent filed with the BLM. The reclamation bond for these activities in the amount of US$21,744 has been posted by Canamex. The Notice of Intent was amended to include the drilling of a water well on BLM land, and renewed in September, 2017, and is active until October 18, 2019. Exploration on patented claims has been done from pre-existing disturbance.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The description of accessibility, climate, local resources, infrastructure and physiography was modified from Tanaka (2015).

The property occurs in the Basin and Range physiographic province comprising a series of northerly-trending, broad, flat basins divided by steep, fault-bounded mountain ranges. Surface water drainage is via typically seasonal streams and creeks to the nearest basin.

The property is accessed from Gabbs by traveling north on Nevada State Highway 361 for approximately 3.5 miles, turning right onto the Lodi Valley County Road, a county-maintained gravel road, and traveling northeast about 12 miles and turning right onto an unmaintained two-track county road which leads 3.5 miles into the property (**Figure 4.2**). The unmaintained road crosses the Paradise Range where it connects on the east side of the range with the county-maintained gravel road going from Austin to Ione.

The Bruner area, at an elevation of 5,000 to 7,000 feet, has a climate characterized by warm, dry summers with intermittent thunderstorms and cold relatively dry winters. Ranges are variably covered with snow during parts of the winter, and occasional heavy storms can deposit as much as two feet of snow on the property. Precipitation generally averages around 8-inches per year.

There is only minor vegetation consisting of sagebrush and other shrubs and grasses native to the high desert environment on most of the lower and western side of the property. In the higher elevations and on the east side of the property there are locally dense groves of pinion and juniper trees.

Very basic services are available most of the time in Gabbs. Hawthorne is 60 miles to the southwest and Fallon is 65 miles to the northwest, and both of these towns can provide a full range of services. Mining and exploration can be accomplished virtually year-round with only occasional interruptions due to snow in the winter and muddy roads in the spring. An open-pit, magnesium mine in Gabbs operates 365 days a year. The closest electric transmission lines are in Gabbs, and water would be obtained through wells to be developed on the property. Because of the number of past and currently operating mines within 100 miles of the project, there is a pool of trained mining personnel in the region. Mining and exploration work is a significant economic factor in the region, and new projects are generally favorably received.

6 HISTORY

This description of the discovery and production history of the district is modified from Tanaka (2015).

Gold was initially discovered in the Bruner District in 1906 when surface showings of what was considered to be gold telluride, but was more likely electrum, were found in the vicinity of what became the Paymaster mine (Kral, 1951). Total production from the district is approximately 55,587 gold-equivalent ounces from 99,625 tons of ore grading 0.56 oz Au-equivalent/ton (Kleinhampl and Ziony, 1984). The history of the district's development is summarized from Schilling (1991) and Nolan (2010) below:

- 1906 - 1915 discovery and numerous small mines operating;
- 1915 - 1925 district consolidated by Kansas City - Nevada Cons. Mines Co
- 1926 - 1942 period of major production;
- 1948 - 1949 small scale mining by lessors;
- 1978 - 1998 open pit mining and in-situ leaching by J. Wilson
- 1983 - 2004 mapping, sampling, drilling, geophysical surveys by various mining companies;
- 2005 - 2009 mapping, drilling, geophysical surveys and sampling (surface and UG) by Patriot Gold.

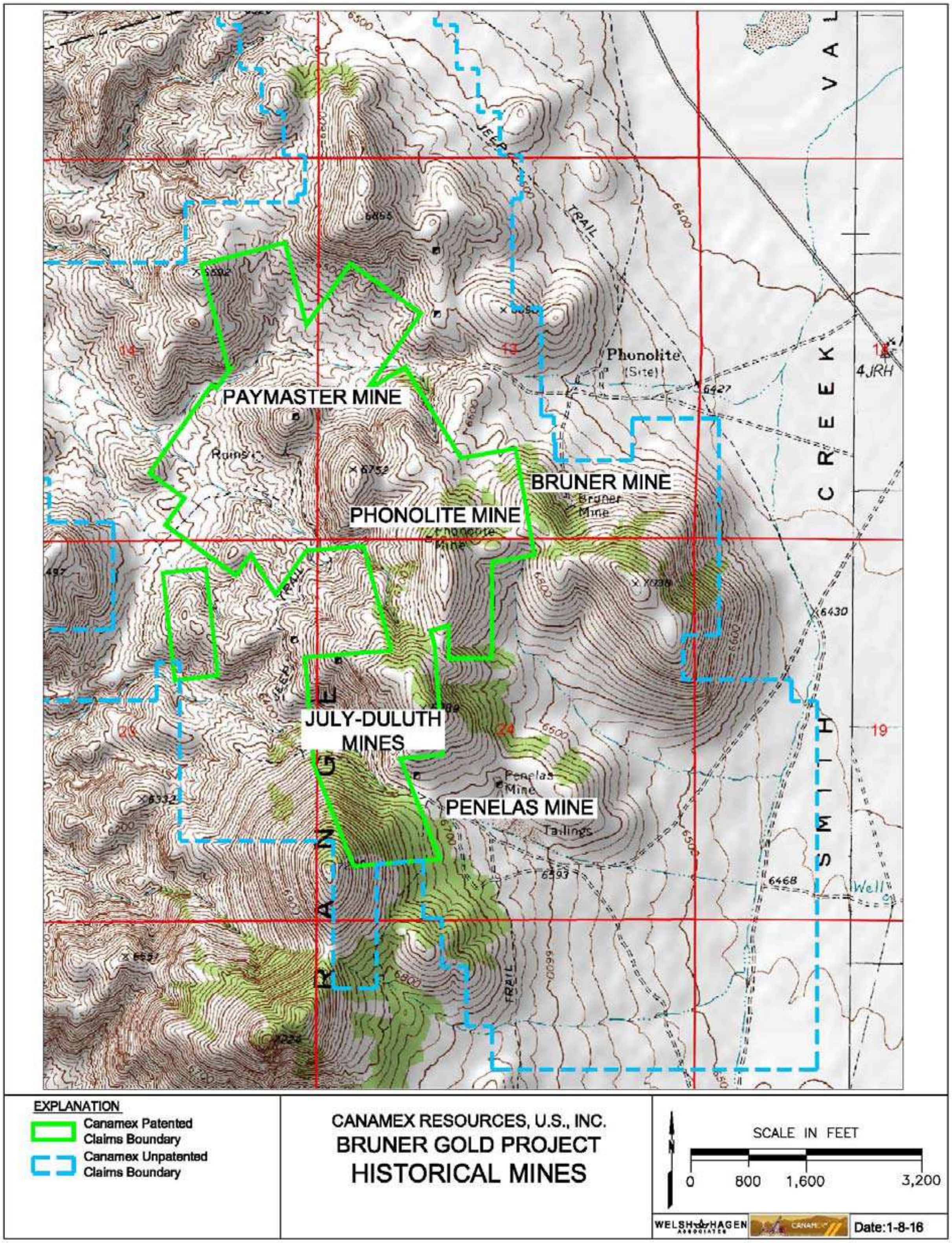
Figure 6.1 presents the areas of historical mining at the Bruner property.

6.1 Paymaster

The Paymaster mine was first developed in 1906, and was purchased by the Kansas City – Nevada Consolidated Mines Co. in 1915. The mine is developed by a 375-foot shaft with 2,000 feet of workings on three levels.

In 1978, Jesse R. Wilson purchased much of the district, and developed Paymaster hill into an in-situ, cyanide-leach operation, capable of producing 2 oz gold/day. Wilson also assembled a 300-ton cyanide mill which from 1980 to 1986 was used to treat open-pit ore from the Paymaster as well as ore from the "Amethyst Pit" (HRA area). Only incomplete production records exist for the in situ operation and open-pit mining.

Figure 6.1: Historical Mines in the Bruner Gold Project Area



In 1988 Miramar Mining Corporation leased the district from Mr. Wilson and entered into a series of joint ventures with other mining companies to explore the district. In 2003, Miramar received recognition from the state of Nevada's Division of Environmental Protection for its work in cleaning up the Paymaster site. Environmental consultants hired by Newmont Exploration have examined the Paymaster workings and found no detectable traces of cyanide in the air and acceptable levels in the water. No activities with the potential for environmental degradation have been carried out at the Paymaster since these studies were conducted.

6.2 Duluth et al (Historic Resource Area)

The Duluth, Black Mule, Ole Peterson, Golden Eagle, July Lode workings are south-southwest of the Phonolite adit on the west flank and crest of the range. Exploration and development began in about 1906 by the Golden Eagle Mining and Milling Company. From 1936 - 1944, the mine yielded $70,000 in gold and some silver. From 1980 to 1986, Jesse Wilson mined the July vein; mostly by open pit methods at the Amethyst pit, but also to a limited extent underground; the ore was milled at his mill on the Paymaster. No production records were kept. The mine is developed by the Lower and Upper adits and has over 1,000 feet of workings, stopes, and three (Hagarth, Crag, and White) shafts. The main ore zone occurs in a chimney-like, 8 x 14 foot ore shoot which has been mined from the main workings up to the surface.

6.3 Penelas

The Penelas Mine is in the southeast part of the district on the east flank of the range. Initial discovery of the ore shoot was reported in 1923, but significant production did not begin until 1935.

From 1931 to 1942 the mine was operated by the Penelas Mining Co., and the ore was deemed exhausted by 1941. According to U.S. Bureau of Mines statistics the Penelas has produced a total of 26,000 oz gold and 120,000 oz silver from 80,100 short tons of ore.

6.4 Phonolite (Bruner)

The Phonolite (Bruner) mine is located about a half mile southeast of the Paymaster on the east slope of the range. The workings include the 1,000-ft, east-west Phonolite adit, several shafts, and other workings. In some reports and maps the Bruner and Phonolite mines are listed as separate adjacent mines. Quin (1990) calls it the “Bruner Prospect” and Garside (1981) states that production was “probably none” for both “mines” (Shilling 1991).

7 GEOLOGICAL SETTING AND MINERALIZATION

This description of the geological setting and mineralization was modified from Tanaka (2015).

7.1 Regional Setting

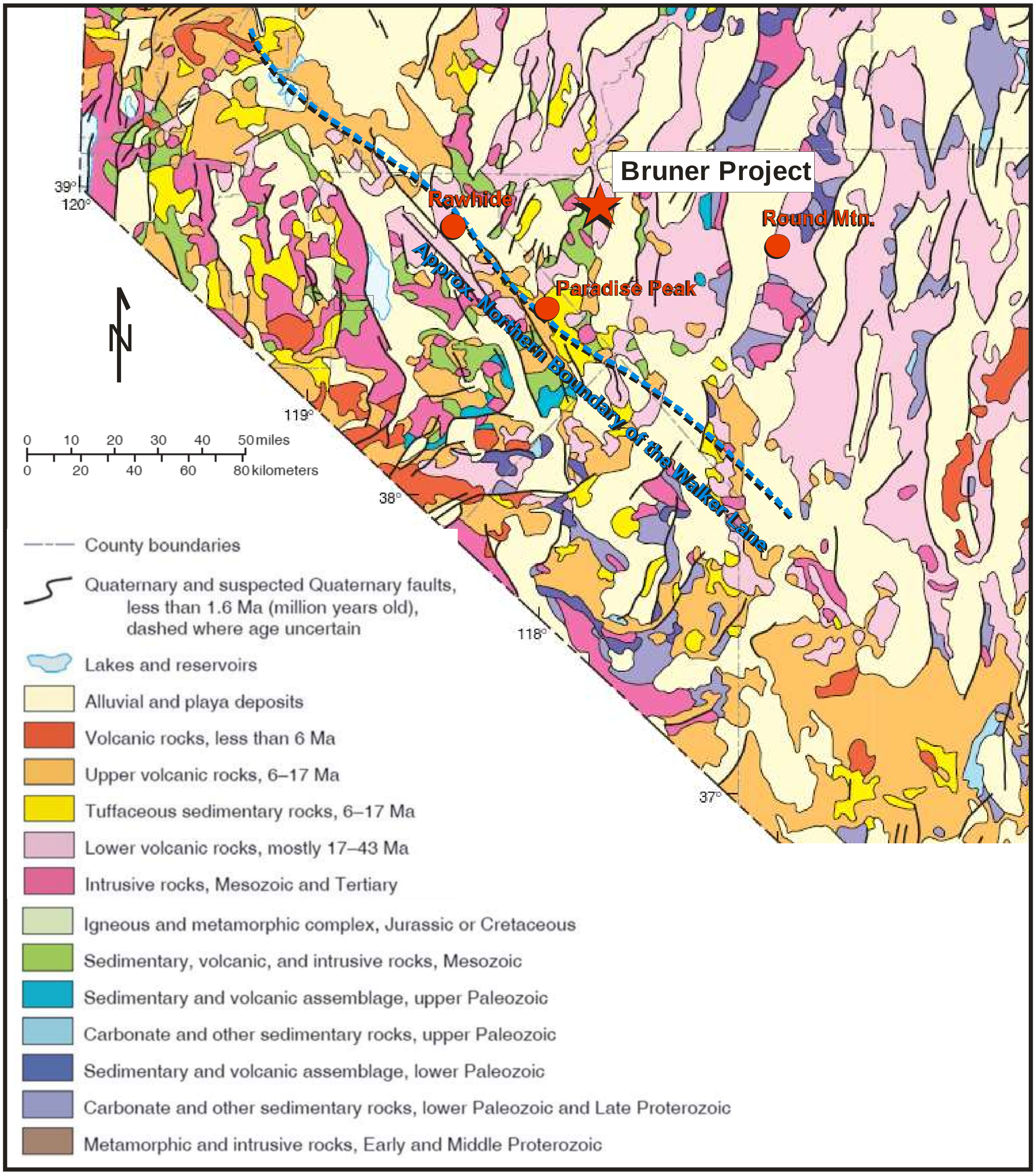
The Bruner Gold Project lies at the north end of the Paradise Range within the western part of the central Basin and Range Province (**Figure 7.1**). The stratigraphy of this region consists of Paleozoic to Mesozoic intrusive, sedimentary, and metamorphic units overlain by Cenozoic age rhyolitic to andesitic volcanic rocks (John et al., 1989). Mid to Late Tertiary age calderas formed throughout the Great Basin province with associated intermediate to felsic volcanism and regionally extensive silicic ash-flow tuff units deposited from 35-19 Ma (Henry and John, 2013). This was followed by a period of intermediate to felsic volcanic intrusions and flows that continued until the onset of Basin and Range extension at ~15 Ma (John et al., 1989). Intermediate to mafic volcanic units represent the most recent period of igneous activity in the area and were emplaced between 12-10 Ma (John, 1989).

The Basin and Range Province has been a focus of extensional and trans-tensional strain since at least the Oligocene (Hardyman and Oldow, 1991). Since ~15 Ma, extension in west-central Nevada has been episodic and the magnitude of strain spatially heterogeneous. Basin and Range tectonism has formed a generally north- and north-northeast-trending structural fabric in the region surrounding the Bruner property. From ~10 Ma to present regional strain has been in part accommodated by the Walker Lane, a northwest-trending dextral shear zone in western Nevada (Atwater, 1970; Faulds and Henry, 2008). The Bruner property lies approximately 40 km northeast of the boundary between the Walker Lane and Basin and Range structural domains and displays evidence of Ancestral Walker Lane type tectonism.

Epithermal precious metal deposits throughout west-central Nevada are hosted in Tertiary age volcanic rocks and typically display a close spatial and temporal relationship with the ancestral arc volcanism and the structural evolution of the region (Gray, 1996; du Bray et al., 2014). This portion of west-central Nevada is host to numerous historic and active mines, most notably the Rawhide, Paradise Peak, and Round Mountain mines (**Figure 7.1**).

Figure 7.1: Regional Geology of West Central Nevada (Source: Tanaka (2015)

Modified from Nevada Bureau of Mines and Geology Map 57, Million-Scale Geologic Map of Nevada by John H. Stewart and John E. Carlson, 1977; and fault maps by Craig M. dePolo, 1998



7.2 Local and Property Geology

The Paradise Range is comprised of intermediate-felsic flows, domes, and tuffs with K-Ar ages of 19.3-23.1 Ma (Kleinhampl and Ziony, 1984). The eruptive centers in the Bruner area are part of the southern segment of the ancestral cascades arc and were active in western Nevada and eastern California between 30-3 Ma. Ancestral arc volcanism is attributed to asthenospheric upwelling following rollback of the subducting Farallon slab (du Bray et al., 2014).

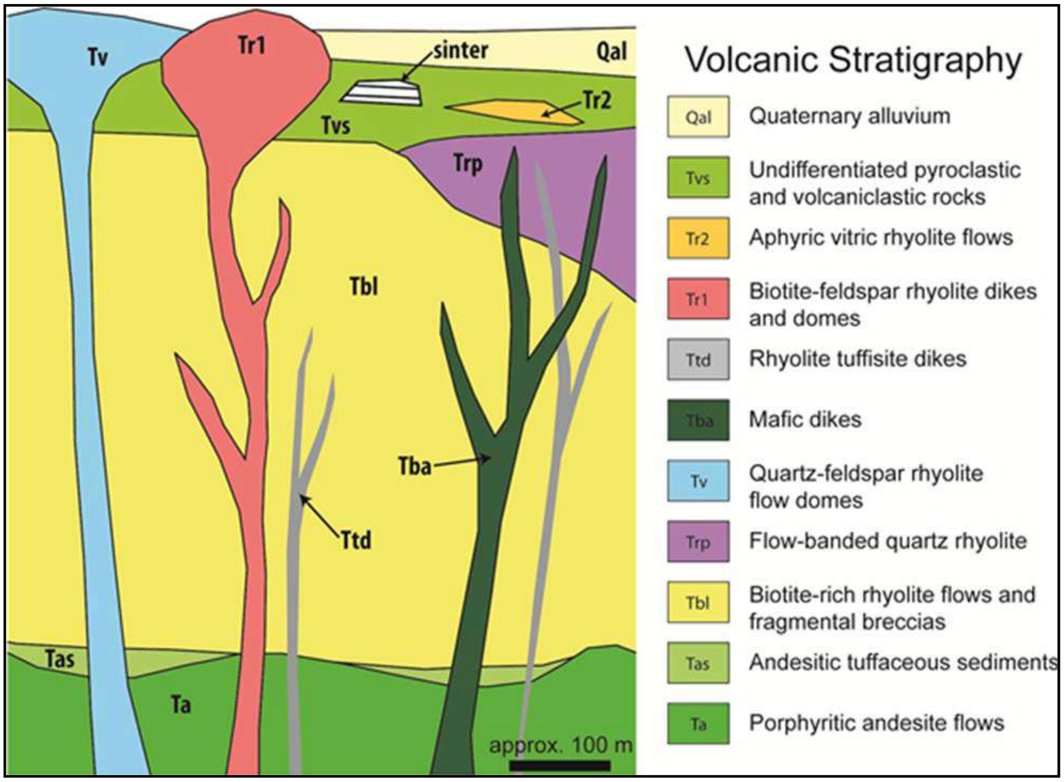
The general stratigraphy at the Bruner property is graphically represented in **Figure 7.2**. The oldest unit found at the Bruner property is a dark grey-green porphyritic andesite unit (Ta) with plagioclase and orthopyroxene phenocrysts. This unit was irregularly eroded forming an uneven paleosurface on which a light grey-white tuffaceous, ashy sediment unit (Tas) was subsequently deposited. These tuffaceous sedimentary rocks (Tas) are only preserved at some locations in the Bruner area. The ages of the Ta and Tas units at the Bruner property are unknown.

A tan-buff colored, biotite- and feldspar-rich rhyolitic flow and fragmental breccia unit (Tbl) with a few intercalated tuffaceous intervals overlays Ta and Tas rocks. This unit is heavily oxidized and contains some glassy lenses, abundant liesegang banding, and ubiquitous lenses of silica + iron oxide cemented microbreccia (SMB). The age of the Tbl unit is 20.8-23.8 Ma (Baldwin, 2014). This unit is the main host rock in the Historic Resource Area at Bruner. The Tbl unit is overlain by white and light purple colored flow-banded quartz rhyolite rocks (Trp) with intercalated vitrophyric layers. The contact between Tbl and Trp is irregular and sometimes steeply dipping. The Trp unit is the main host rock in the Penelas Area at Bruner. Lastly, a younger rhyolite flow dome (Tv), basaltic (Tba, Tba-bx) and rhyolitic (Ttd, Tr1, Tr2) intrusive units, and undifferentiated pyroclastic and volcaniclastic (Tvs) units were emplaced or deposited in the Bruner area.

Bruner lies in a region where normal faulting, characteristic of the Basin and Range Province, interacts with and/or overprints strike-slip and oblique-slip faults of the ancestral Walker Lane (~26-15 Ma; Gray, 1996). The resulting rocks display a high degree of brittle deformation from the overprinting of these northwest-, north-, and north-northeast-trending structural regimes. The northwest-trending structural assemblage at Bruner is offset by the younger north- and north-northeast-trending faults. This structural paragenesis is observed in other parts of the Paradise Range area (John et al., 1989; Dering, 2014).

Present-day topography and juxtaposition of the local stratigraphy, alteration assemblages, and vein textures indicates that relatively late vertical displacement of the rocks at Bruner has occurred.

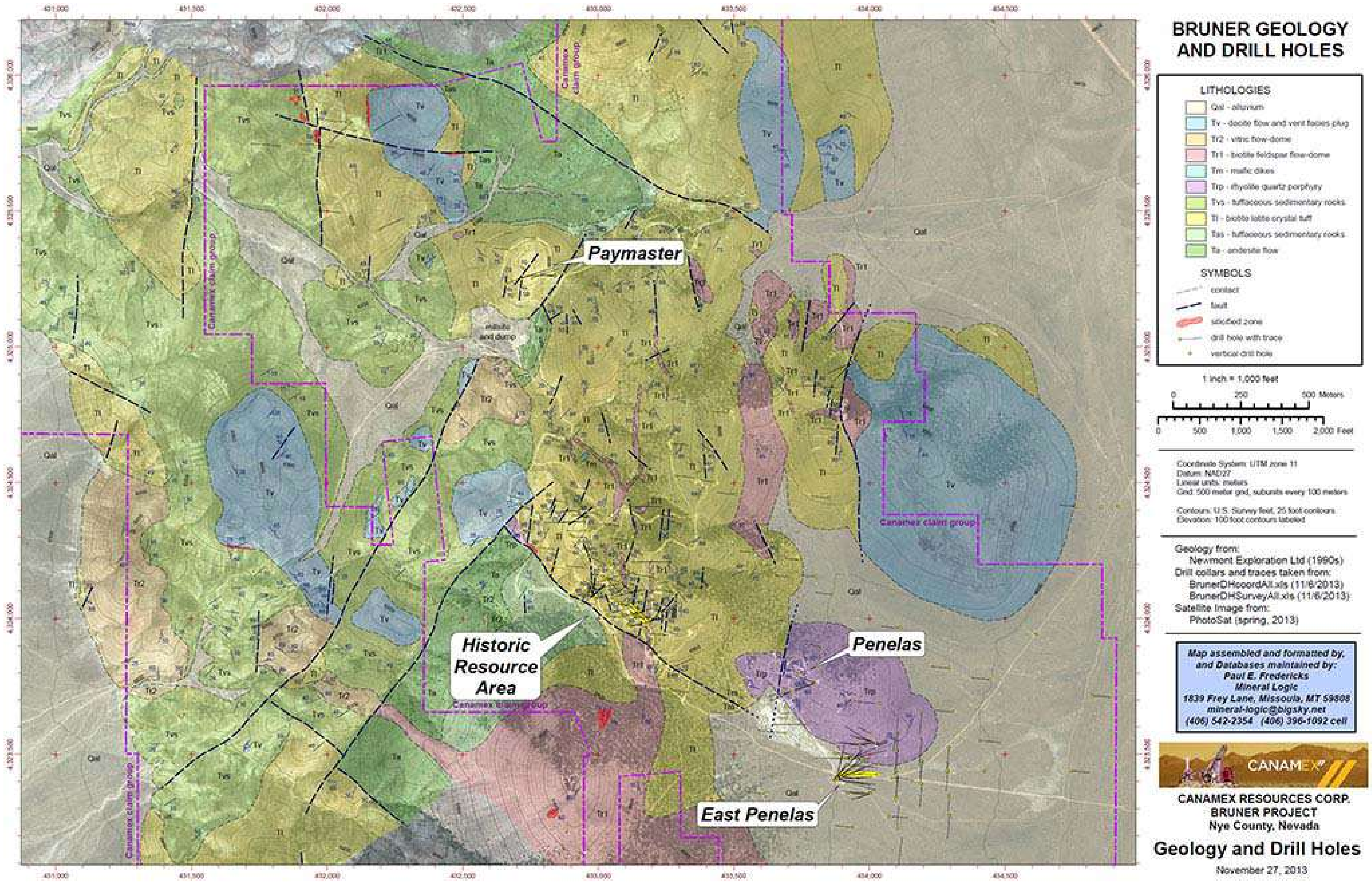
Figure 7.2: Bruner Stratigraphy and Unit Descriptions
(modified from Baldwin, 2014)



The Tbl and Trp units display early-stage fine-grained, potassium-rich alteration assemblages of adularia ± illite and zones of silicification with matrix flooding and quartz veinlets throughout the property. Alteration proximal to mineralized zones formed pervasive dark grey quartz and coarse-grained adularia assemblages. Alteration distal to mineralized zones produced propylitic and argillic assemblages. Propylitically altered rocks contain chlorite + calcite + pyrite, but have been pervasively oxidized in most areas. Illite-rich argillically altered rocks occur proximal to mineralized zones and change to lower temperature smectite-rich assemblages distal to mineralized areas. **Figure 7.3** presents the local geology compiled by Newmont Exploration.

Mineralized material minerals at Bruner include electrum (Au, Ag) and acanthite (Ag_2S) in addition to trace quantities of uytenbogaardtite (Ag_3AuS_2) and embolite (Ag(Br,Cl)). Acanthite is typically fine-grained and disseminated hosted in quartz + adularia veinlets and veins. Electrum is found in two size populations at Bruner; the relatively coarse-grained (25-250 µm) electrum appears to have formed first followed by a finer-grained (1-20 µm) electrum type. $^{40}K/^{40}Ar$ age dating indicates primary mineralization occurred at ~16.4 Ma at Bruner (Baldwin, 2014). Mineralized rocks at Bruner do not contain appreciable amounts of base metals (typically <20 ppm; Baldwin, 2014), or the epithermal suite of elements (arsenic, antimony, or mercury).

Figure 7.3: Local and Property Geology of the Bruner Gold Project (from Newmont Exploration)



7.2.1 Historic Resource Area

The Historic Resource Area surrounds the historic July-Duluth Mine and includes most of the west-facing hillside in this part of the Bruner property (**Figure 7.3**). Outcrop in the Historic Resource Area is dominated by moderately (30-55°) north-dipping biotite-rich Tbl rocks with intruding rhyolite dikes (Tr1) and rare occurrences of rhyolite tuffisite dikes (Ttd) and mafic intrusive rocks (Tba).

Rhyolite dikes (Tr1) appear to post-date mineralization in this area and no direct relationship between Ttd/Tba and mineralization has been observed in surface or underground exposures. At Bruner the Tbl unit consists of two main textures; a fragmental breccia (Tbl-bx) with abundant cobble-sized cognate clasts and minor gravel-sized lithic clasts and a finer-textured flow unit (Tbl-f) containing coarse-grained biotite and feldspar phenocrysts and fine-grained quartz in a silica-rich matrix. Throughout the Historic Resource Area outcrop of the Tbl-bx subunit is discernable from Tbl-f by the presence of weathered cobble-sized pockets that once contained cognate clasts.

Structural measurements from the Historic Resource Area show that veins, faults, and joints are consistently north-trending and steeply-dipping and display normal and dextral-normal slip (Dering, 2014). Surface and underground mapping highlight older northwest-trending faults that are offset by these north-trending structures. The weak surface expression of these structures suggests slip on the north-striking structures has been tens of meters or less.

The Historic Resource Area contains distinctive spires up to 15 meters in height that are dispersed along the west-facing hillside. These spires are formed by adularized and silicified Tbl rocks and represent the earliest alteration assemblage in this area. The spires are not mineralized, though they do designate fluid up-flow pathways and it appears that later mineralizing fluids were concentrated along these same permeable conduits and mineralized the adjacent rocks. The Tbl rocks peripheral to mineralized zones in the Historic Resource Area display a smectite-rich argillic alteration assemblage and have a pale grey to white color. Argillized rocks proximal to mineralized areas contain more illite-rich assemblages with ubiquitous manganese oxide.

Mineralized Tbl rocks are often pervasively adularized and display grey to dark grey matrix silicification and dark grey quartz veinlets and veins with fine-grained electrum and acanthite. Altered and mineralized intervals occupy north-striking high-angle structures (**Figure 7.4**) and were the focus of historic mining operations at the July-Duluth Mine, yet these faults and veins only display subtle surface expressions. Intersections of veins and pre-existing structures, such as northwest-striking faults, seem to be particularly favorable sites to target high-grade mineralization in the Historic Resource Area. For example, the Crag Fissure is a northwest-striking structure located within the July-Duluth Mine and contains high-grade electrum- and acanthite-bearing dark grey quartz vein fragments with bladed quartz after calcite (indicative of boiling). A pre-tilt orientation of the Bruner geology suggests that mineralized structures in the Historic Resource Area had a near-vertical dip during the time of mineralization. The mineralized zones, as presently identified, display a weak association with the lithological contact between the Tbl-bx and Tbl-f subunits possibly due to permeability or kinematic variations in these rocks (**Figure 7.5**).

Figure 7.4: Historic Resource Area Surface Geology

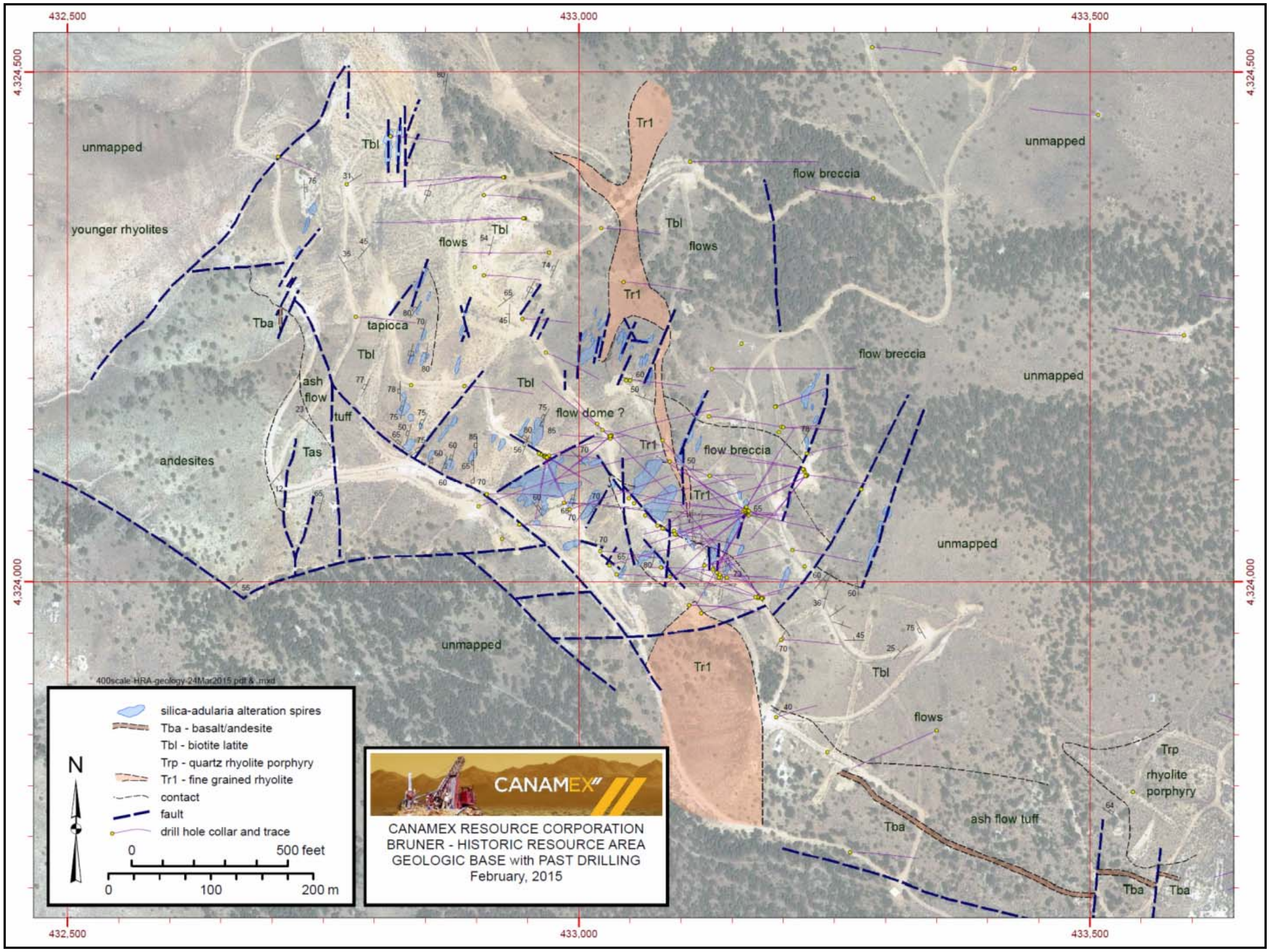
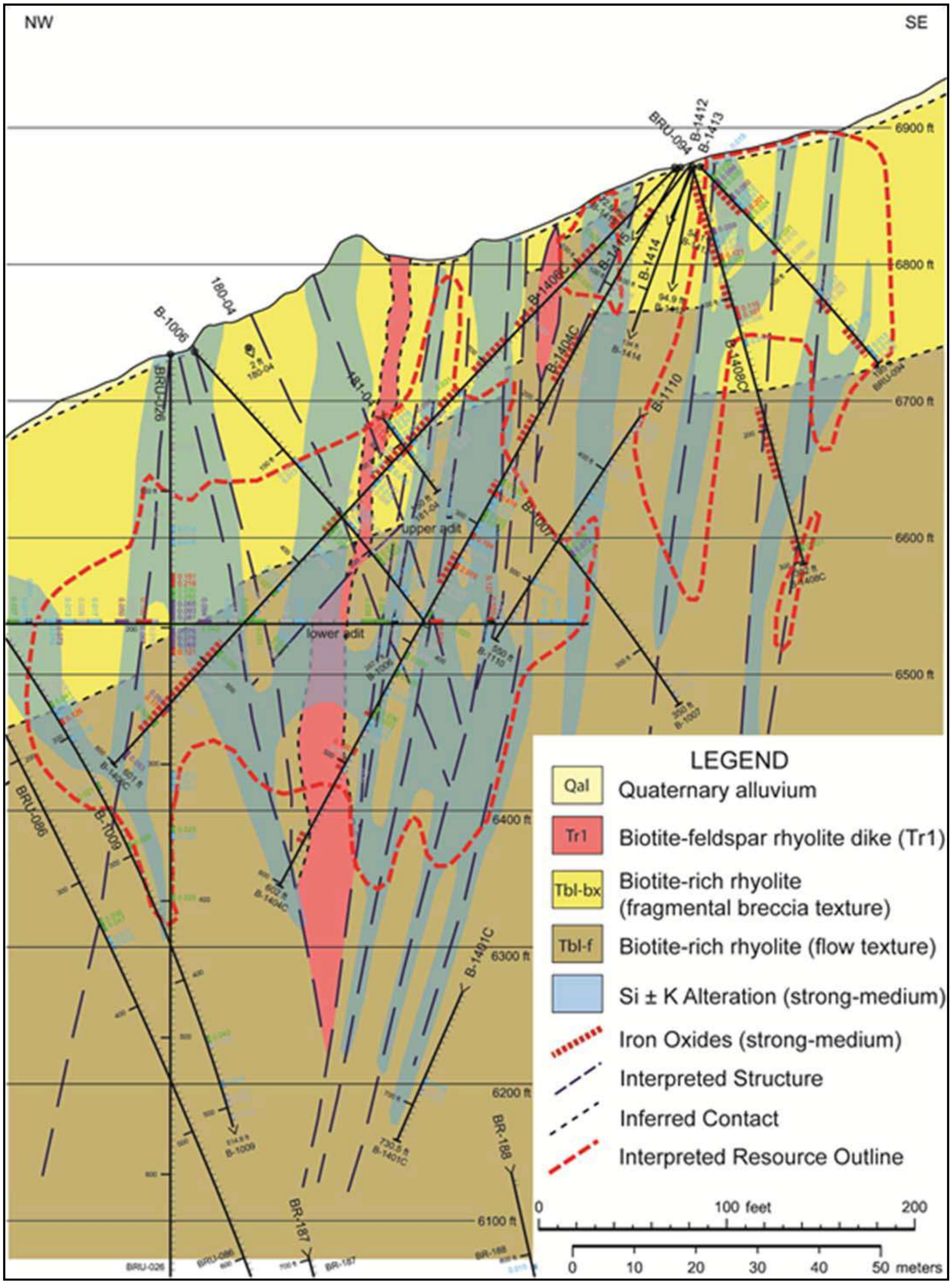


Figure 7.5: Historic Resource Area Geologic Cross-Section

(Canamex Resources Corp)



Textural evidence suggests that acanthite was partially leached out of primary electrum + acanthite assemblages in the Historic Resource Area. Although gold is typically hosted within and adjacent to high-angle structures the morphology of a widespread halo of lower-grade gold-bearing rock subparallel to the current topography is present in the Historic Resource Area. The Ag:Au ratio is highly variable throughout the Bruner property and pervasive oxidation of the host rocks in the Historic Resource Area is extensive, all indicating that supergene remobilization of silver ± gold likely occurred.

7.2.2 Paymaster Area

The Paymaster Area forms a topographic high covered by cobble- to boulder-sized waste rock from the historic Paymaster Mine. The hill is composed of Tbl rocks overlying Tas and Ta rocks (**Figure 7.6**). Biotite-rich Tbl rocks are typically tan colored with moderate iron oxide staining and silica + iron oxide cemented microbreccia lenses similar to Tbl rocks found throughout the Historic Resource Area. Tuffaceous sediments (Tas) are irregularly preserved underneath the Tbl unit and display a pale white color. Porphyritic andesite rocks (Ta) underlie the Tas and Tbl units. Additionally, traces of biotite-feldspar dikes (Tr1) are found in underground exposures.

Underground mapping at the Paymaster Mine revealed moderately-dipping (50-75°) north- to northeast-trending structures, and a series of shallow-dipping (30-40°) listric faults. Historic workings follow moderately-dipping north-trending faults to structural intersections with northeast-striking structures (**Figure 7.7**). It is unclear whether the shallow-dipping structures influence, or offset, mineralized rocks.

The Tbl and Tas rocks peripheral to the mineralized zones at Paymaster are weakly to moderately propylitically altered (light green color) and argillically altered (light tan color). Tbl and Tas rocks contain moderate amounts of disseminated, oxidized fine-grained pyrite. Altered rocks located within mineralized zones contain lenses, veinlets, and veins of dark grey quartz ± adularia similar to mineralized intervals in the Historic Resource Area.

At Paymaster the host rocks are similar to those in the Historic Resource Area, where mineralized zones are concentrated in fractured, silicified, and adularized biotite-rich Tbl rocks. Rocks mined from the Paymaster Vein in the historic Paymaster Mine are described as fragmented vein material, analogous to some ore material mined at July-Duluth in the Historic Resource Area. Mineralized rocks at Paymaster are located just above the Tbl/Ta contact and appear to be confined by the underlying Ta unit. Based on recent and historic drilling this contact appears to be shallow-dipping and moderately offset structurally, creating a relatively flat-lying mineralized zone compared to other areas of the Bruner property.

Figure 7.6: Paymaster Area Geologic Cross-Section

(Canamex Gold Corp.)

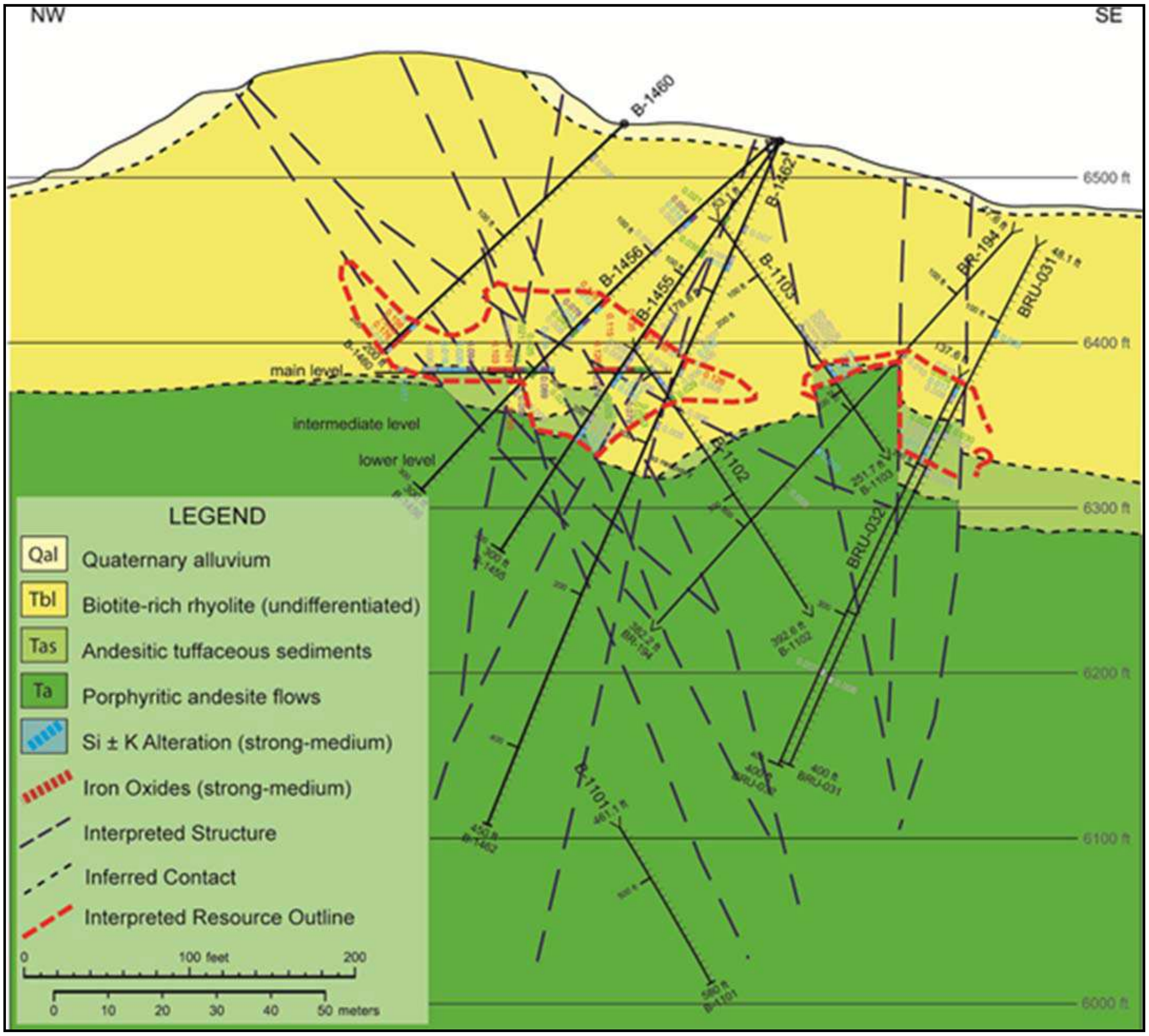
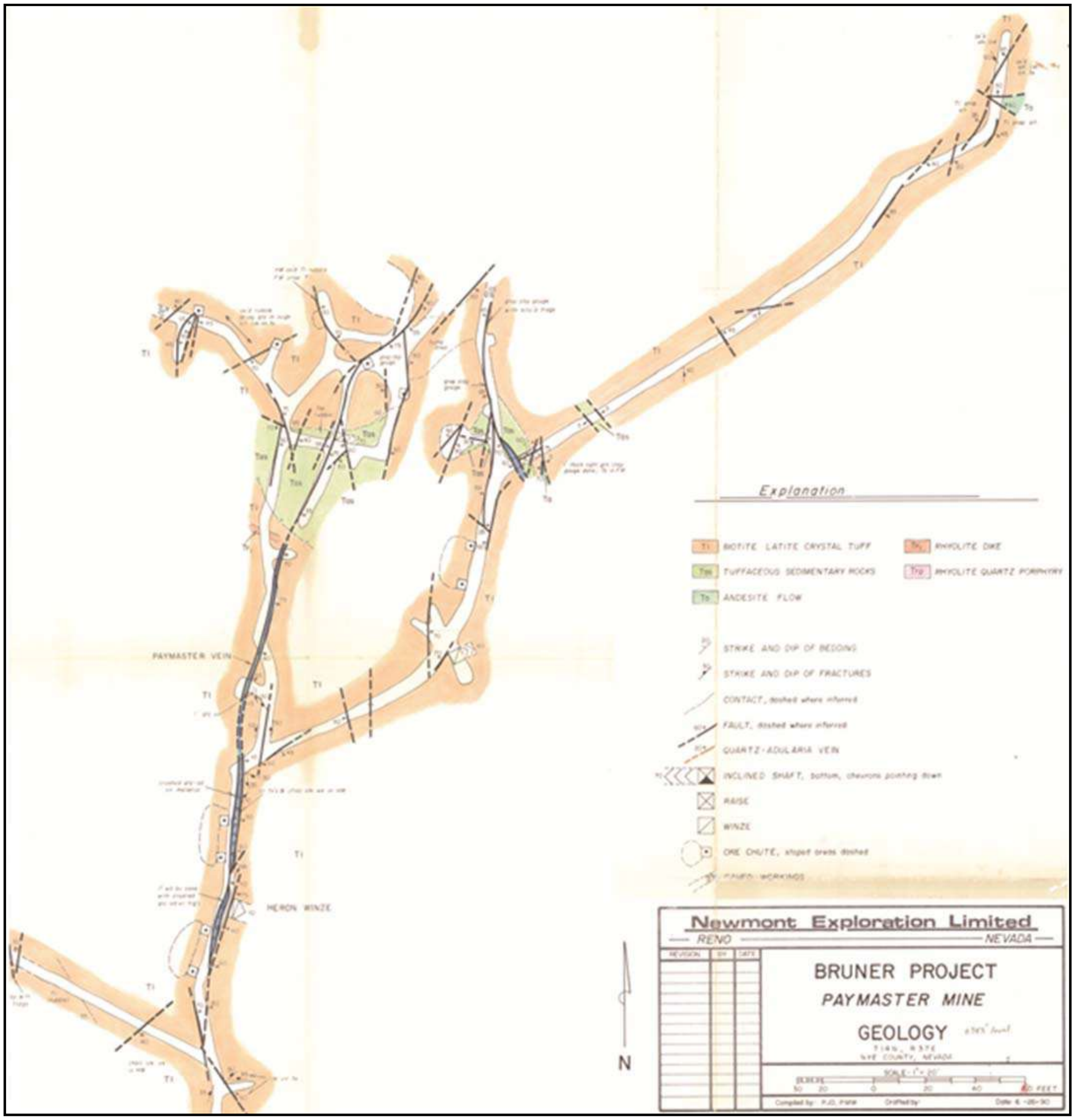


Figure 7.7: Underground Geology of the Paymaster Area

(Newmont Exploration, 1990)



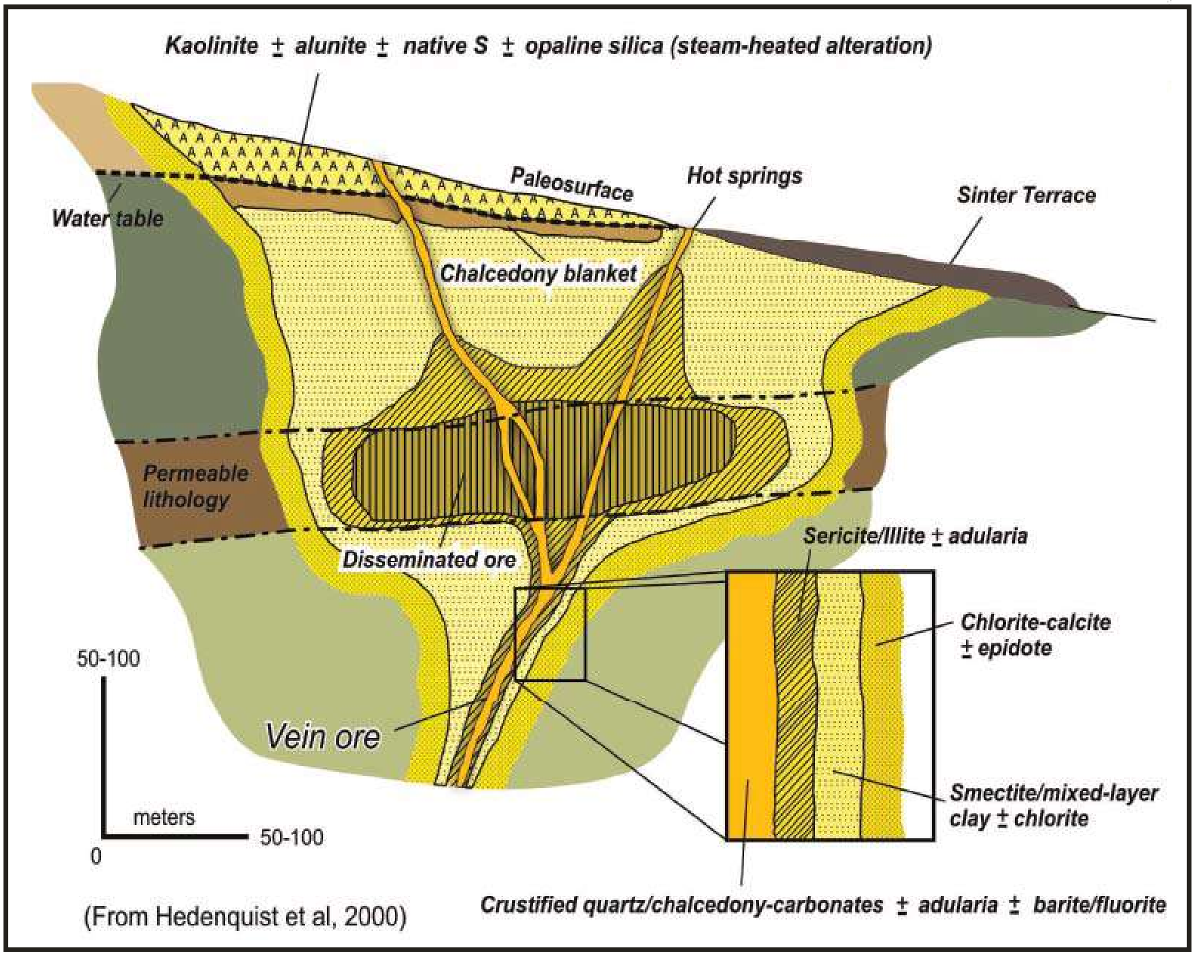
7.2.3 Penelas and Penelas East

The Penelas Area hosts the Penelas Mine, which is historically the most productive mine in the Bruner district. Flow-banded porphyritic rhyolite rocks (Trp) overlie the biotite-rich Tbl rocks and outcrop throughout this area. The Penelas Area contains a series of north-trending structures that offset older northwest-trending faults. The north- and northwest-trending structures sometimes contain mafic dike (Tba) swarms. The age of the Tba unit is ~16.4 Ma, roughly congruent with the timing of mineralization at Bruner.

The Penelas East Area is a newly discovered zone approximately 400 meters east of the historic Penelas Mine. The host rocks at Penelas East are similar to those found at the Penelas Mine. Recent drilling has identified numerous Tba dikes and bi-lithic volcanic breccia (Tba-bx) zones containing rhyolite and mafic clasts in a basaltic matrix. Tba and Tba-bx rocks are concentrated along steeply-dipping north- and northwest-trending faults.

Altered and mineralized rock assemblages in this area are most similar to currently accepted low-sulfidation epithermal models (**Figure 7.8**; Hedenquist et al., 2000; Simmons et al., 2005 among others) compared to the rest of the Bruner property.

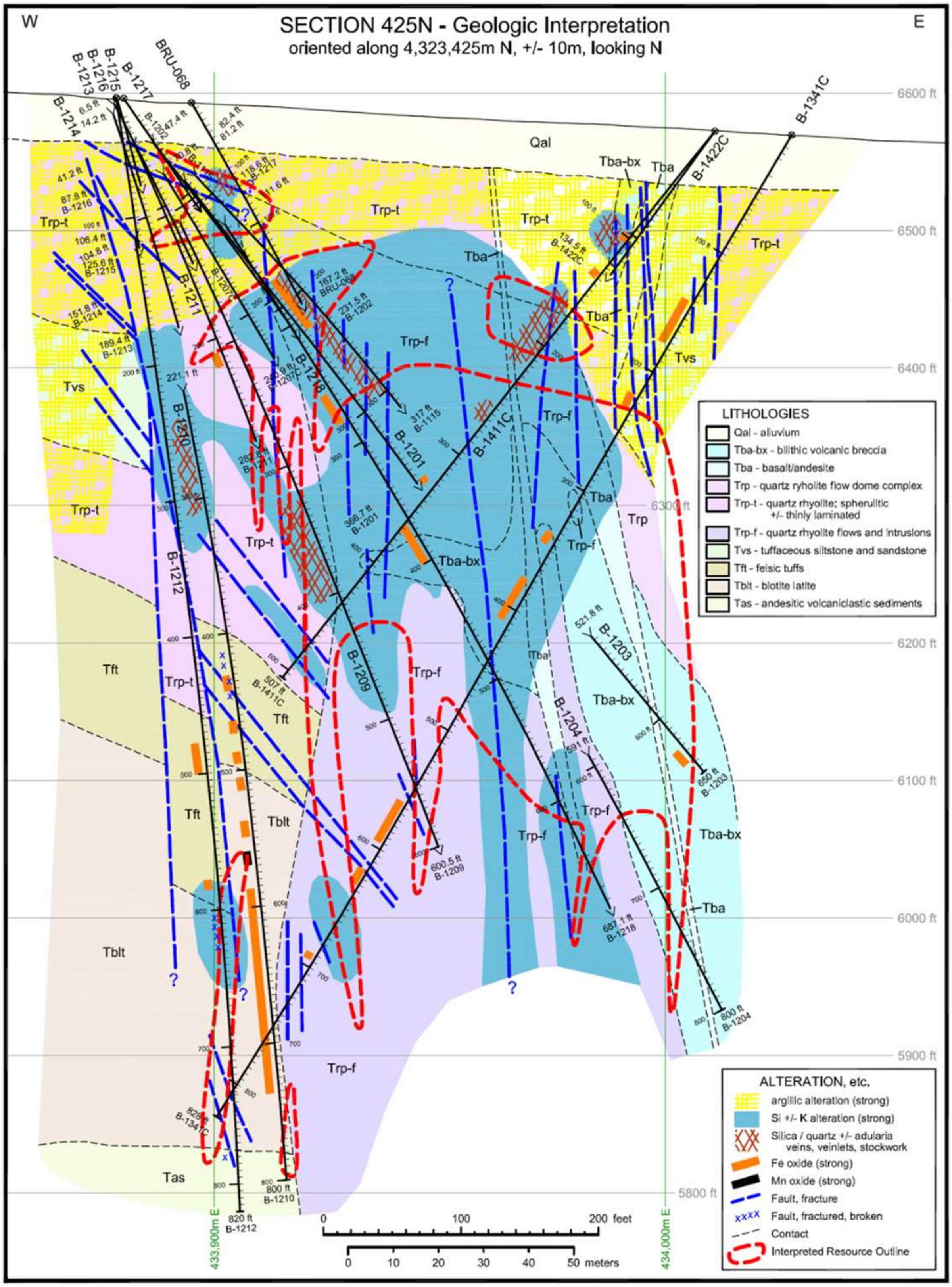
Figure 7.8: Schematic Section Showing Typical Low-Sulfidation Type Mineralization



Distal alteration signatures of the mineralizing system include smectite-rich argillized areas which become increasingly illite-rich closer to mineralized zones. In addition to increasing illite content, argillized rocks proximal to mineralized veins include crystalline kaolinite and display more pervasive silicified and adularized matrices and silica + adularia veinlets (**Figure 7.9**).

Figure 7.9: Penelas East Area Geologic Cross-Section

(Canamex Gold Corp.)



Gold- and silver-bearing veins and veinlets in the Penelas Mine Area occur along a north-striking, moderately east-dipping fault in Trp rocks forming the Penelas Vein. The Penelas Vein is 1-2 meters wide and has a strike length of at least 500 meters. Historic workings followed this vein to at least 300 meters depth in the Penelas Mine. Mineralized intervals contain electrum- and acanthite-bearing quartz + adularia (up to 50%) veinlets and veins with lesser illite, montmorillonite, amethyst quartz, and iron-rich micas. Mineralized structures display textures indicative of open-space filling and boiling including colloform banding, bladed quartz and adularia after calcite, and vugs. Some structures contain fault breccias with mineralized vein fragments similar to parts of the Historic Resource Area (e.g. the Crag Fissure). Importantly, gold- and silver-bearing veins are not commonly found away from the Penelas Vein in the Penelas Mine Area.

Mineralized zones in the Penelas East Area are hosted in Trp rocks similar to the Penelas Mine. At the Penelas Mine gold-bearing veins occur in a discrete vein zone (i.e. the Penelas Vein), though at Penelas East gold-bearing veins form stockwork zones of 1-10 mm quartz + adularia + iron oxide (± illite ± montmorillonite ± amethyst quartz ± iron-rich micas) veinlets. Iron oxide minerals include hematite, goethite, and limonite and are interpreted to have formed, in part, by oxidation of vein-hosted pyrite. In the Penelas East Area these stockwork vein intervals have been intersected at multiple levels in the stratigraphy, unlike at the Penelas Mine, along a series of steeply-dipping structures (**Figure 7.9**). The Penelas Mine and Penelas East Areas are cutoff to the south by a major northwest-trending down-to-the-northeast structure that continues to the south of the Historic Resource Area.

8 DEPOSIT TYPES

The description of Deposit Types is sourced from Tanaka (2015).

Gold and silver at the Bruner property occur within narrow quartz + adularia +/- pyrite veins and veinlets, along fractures, and in disseminations that are manifested as sheeted/stockwork zones, vein swarms, and rare 0.3-2 meter wide veins, hosted by high-silica rhyolite flow domes and encasing and surrounding volcaniclastic units that overlie a mostly unaltered andesite base. The mineralization style is classified as low-sulfidation epithermal (LSE) with occasionally high-grade gold+quartz+adularia veins occurring within broad zones of hydrothermal alteration containing low-grade gold and silver.

Structural controls are dominant with northerly striking faults and fractures representing the primary controls on precious metal mineralized veins and fractures. NW-trending faults and fractures represent a subordinate structural control on mineralization. Gold and silver bearing veins and veinlets have robust boiling indications (high adularia content, bladed quartz after calcite, recrystallized colloform quartz bands), lack rhythmic banding and contain 1-2 stages of precious metal introduction; these precious metal-bearing veins occur separately from an earlier population of barren to weakly mineralized rhythmically banded quartz-only veins. Basaltic to basaltic-andesite dikes are commonly present in proximity or immediately adjacent to high-grade gold veins or veinlets, and are considered an integral part of the gold-bearing environment at Bruner.

Most low-sulfidation epithermal deposits, which include a majority of the world's bonanza-grade veins, are associated with bimodal (basalt-rhyolite) volcanic rocks in a variety of extensional tectonic settings, and syn-mineral mafic dikes are common in these deposits (Sillitoe and Hedenquist, 2003). Low sulfidation epithermal deposits are genetically linked to bimodal volcanism and are believed to be formed from dilute fluids which are spatially associated with magmas and where economic gold deposition can occur several kilometers above the level of the causative magma intrusion. Calc-alkalic LSE deposits have restricted vertical continuity, generally <300 meters, whereas alkali LSE deposits can extend in excess of 1000 meters. Mineralized sub-alkalic systems generally have high Ag:Au ratios (>1:1) and low base metal content. Gold is generally associated with pyrite (Robert and others, 2007).

Textures of gold-silver mineralization can include open space filling, symmetrical layering, comb structures, colloform banding, and multiple episodes of brecciation (Panteleyev, 1996). Mineralized zones at Bruner contain all of the above textures. Gold occurs primarily as electrum. Electrum can be accompanied by acanthite and pyrite, and rarely base metal sulfides (Heald, 1987).

Regional- scale fracture systems relating to extension or translational movement and emplacement of flow dome complexes are typical of the host geologic environment. Extensional structures such as normal faults, fault splays, ladder veins, and cymoid loops are common. High-level subvolcanic intrusions, dikes, locally derived coarse clastic rocks, and pebble diatremes are common (Panteleyev, 1996).

Alteration minerals in LSE systems generally show lateral zoning from proximal quartz-adularia in and adjacent to mineralized veins and structures through smectite-illite-pyrite to distal propylitic alteration containing chlorite-calcite (Hedenquist, et.al., 2000). The Bruner mineral system displays a similar alteration zoning pattern surrounding gold-silver mineralized zones. **Figure 7.8** above presents a generalized model for low-sulfidation systems.

Bonanza-grade veins, as occur at the Sleeper and Midas deposit in northern Nevada, are a common component of LSE deposits. The historical production from the Bruner property was from the Penelas Mine, a well-defined high-grade vein that demonstrates strong similarities to typical bonanza vein type deposits within typical LSE environments.

Examples of LSE deposits in the general vicinity of the Bruner property include the Denton-Rawhide and Round Mountain deposits (John, 2001) and the Castle Mountain deposit (Capps and Moore, 1991).

9 EXPLORATION

The description of Exploration is modified from Tanaka (2015).

9.1 Historic Exploration

Very little surface exploration was undertaken before Newmont Exploration Limited acquired an option on the property from Miramar Mining Corporation in 1988.

In December 1988, Newmont Exploration Limited signed an agreement with Miramar to explore the Bruner property: Newmont conducted an extensive exploration program which included geologic mapping, soil and rock chip sampling, geophysical surveying, and drilling, as described in detail below and presented by Noland (2010). The geology across the entire property was mapped at 1 inch equals 500 feet. A separate alteration overlay map was prepared which confirmed that gold anomalies detected in the soil survey correspond to areas of pervasive potassic alteration.

- Geophysics: A helicopter-borne magnetic survey was made of the district (Noland 2010). Later, detailed ground-magnetic surveys were done in areas of specific interest. The results of the survey showed major north and northwest structural trends were distinguishable in a contoured plot of the total field data. The mineralized north-trending structural zone that hosts the Penelas and HRA deposits is readily identifiable as a linear magnetic low. Several other and similar magnetic linear features were also found on the property. A ground radiometric survey was also completed that emphasizes the relationship between areas of potassic alteration and gold mineralization.

- Geochemistry: A grid soil survey was completed on 100 foot centers and 400 foot line-spacing across the heart of the Bruner property. Results show a 2,000' by 800', northwest-trending gold anomaly with values greater than 100 ppb. This anomaly occurs over the Duluth mine and extends northward to the Paymaster Mine area and southeastwards towards the Penelas mine area. Maps showing Au in rock and soil samples and analytical results for Ag, As, Sb and Hg were presented in Noland (2010).

- Underground mapping and sampling: The 1,600 feet of workings in both levels of the Duluth mine were mapped and sampled by Newmont in 1989. One hundred sixty four chip samples, one to ten feet in length, were taken along the back, perpendicular to the structural grain. Of these samples 85 returned assays greater than 0.010 Au oz/ton, and 24 samples returned assays greater than 0.050 Au oz/ton. Duluth geology and sample maps are presented in Noland (2010). Mapping and sampling was completed in the Penelas mine, but due to poor ground conditions, only a small portion of the first and second level workings near the shaft were accessible. On the first two levels production was along a north-trending structure dipping 70^{o} to the east. The Paymaster Mine was mapped, and the areas around the stopes were sampled. The predominant rock type encountered in the mine is latite, and some of the volcaniclastic sediments at the base of the latite tuff section are found in the central part of the workings. Paymaster geology and sample maps are included in Noland (2010).

Many of the completed drill holes intersected zones of low-grade gold mineralization with occasional short intervals of 0.1 to 1 Au oz/ton in silicified breccia zones in rhyolite.

All surface, underground and drill hole sample preparation and analytical work was completed by Newmont at their in-house laboratory in Elko, Nevada, and is believed to have been done to industry standards prevalent at the time.

A size fraction analysis and sampling tree study of four types of mineralization encountered in the 1989 drilling program detected a significant particulate gold content associated with samples containing quartz-adularia veining. The study suggested that acceptable accuracy and reproducibility could be achieved through larger initial sample size for crushing and grinding of the pulp to 80% minus 200 mesh.

Figure 9.1 is a compilation map showing relevant Newmont radiometric survey data, contoured soil geochemical data, and drill hole locations that serve to highlight the primary exploration target areas on the Bruner property.

Newmont relinquished the property to Miramar Mining Corporation in 1991.

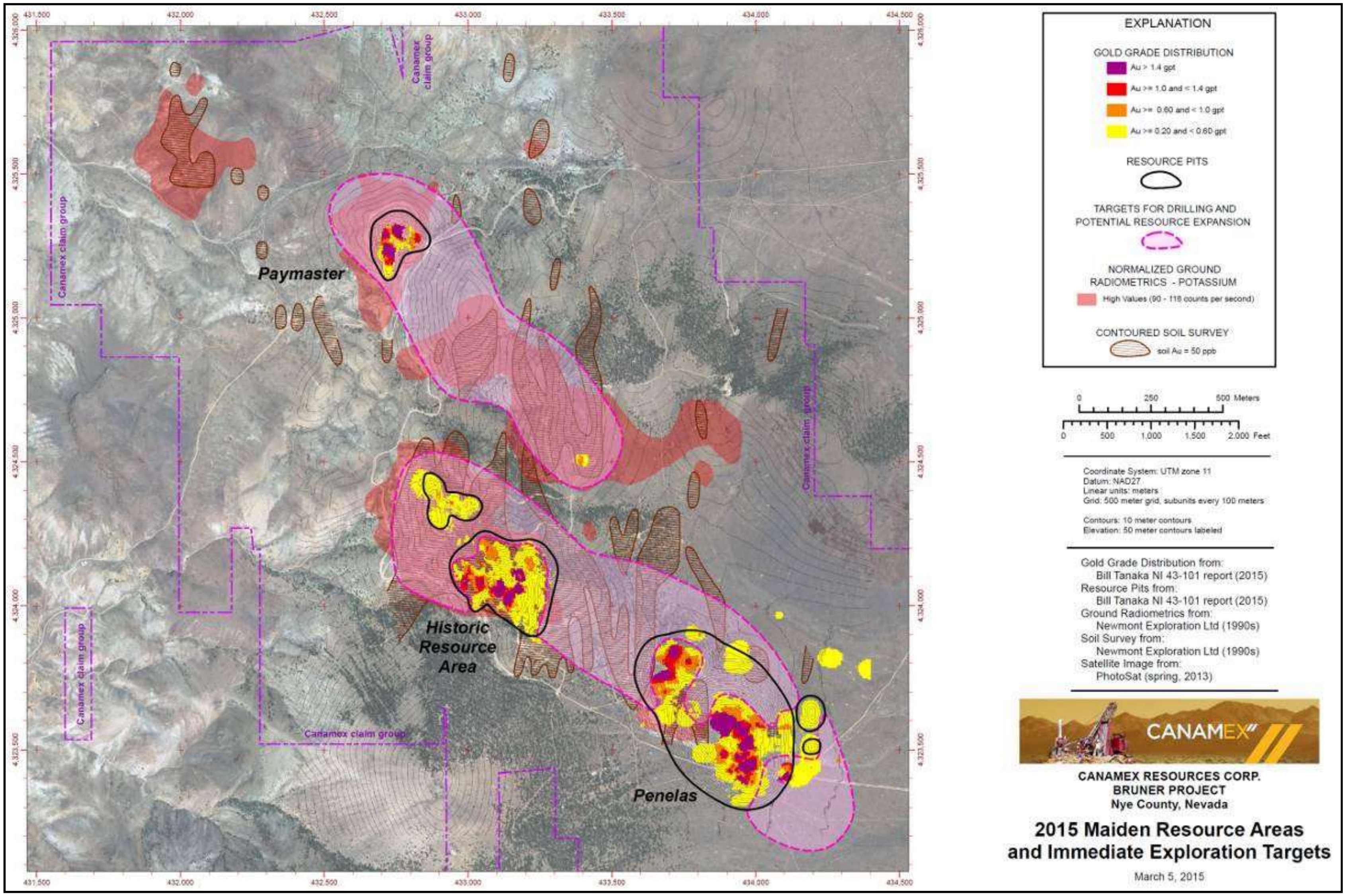
In 1991 Miramar commissioned an independent resource estimate by John Schilling.

In 1994, Miramar retained consulting geologist Don White to review the results of exploration activities and to propose additional work if warranted. Don White reviewed the nature of mineralization at Bruner and compared it to the host geology for the gold deposit at the Denton Rawhide mine located 30 miles to the west, and recommended a reconnaissance sampling program which extended well beyond the previously explored area on the Bruner property. The results of that program are not relevant to this report. In 1995 Michael Dennis, a Reno-based consultant, undertook a compilation of all of the data generated to date on the project and generated the following:

- Revised cross sections with all drill holes included;
- Consolidation of all geochemical data onto a topographic base map;
- An accurate topographic base map for the project;
- Conversion of drill hole locations based on the Newmont 20,000N/20,000E local grid to UTM coordinates (there is still considerable variation in stated coordinates and actual drill hole locations in the field).

In 1998, Miramar retained Nevada Gold Exploration Inc. to review the existing project data, further digitize existing data and to seek high grade targets on the project, (Tullar, 1999).

Figure 9.1: Bruner Gold Project Primary Exploration Target Areas



In July of 2002, American International Ventures, Inc. (AIVN) purchased the property from Miramar. Miramar was closing down its Reno operation and a tremendous amount of project data was discarded. AIVN did obtain most of the basic geology maps and assay data for the project, but none of the chip trays or core survived.

In 2004, AIVN conducted a six-hole core drilling program under the supervision of Ken Brook to test some of Newmont's high-grade intercepts in the Duluth area. This was only the second core drilling program for the property, and it provided a detailed look at some of the high-grade mineralized features, such as veins and fracture coatings, which would be hard to detect in RC cuttings.

The holes were drilled on the road above the Duluth workings and defined the complexity of the host lithologies encountered, including a sequence of Miocene rhyolitic volcanic rocks comprising welded tuffs, agglomerates, flows/domes, intrusive breccias and hydrothermal breccias. All of the rocks showed moderate to intense clay alteration, moderate to heavy iron-oxide staining and local silicification around veins and intrusive breccias. The rocks were strongly fractured, and younger faults usually had abundant tan clay gouge. Mineralized fractures were coated with manganese oxide, drusy quartz crystals mixed with adularia and often showed up to three generations of quartz crystals. This is the first detailed description of the nature of gold mineralization at the property.

Unfortunately the core from AIVN's drilling program was discarded and is no longer available for inspection and re-evaluation.

Patriot Gold Corporation entered into an option on the unpatented claims portion of the property in 2004 and completed ground magnetic geophysical surveys and CSMAT surveys on the eastern portion of the property, which guided their drilling campaign. The drilling results suggest the anomalies detected were reflecting argillic alteration which we now know lies peripheral to the silica + adularia alteration that accompanies gold-silver mineralization on the property.

Ken Brook (2004) reviewed all of the available data on previous activity and compiled a list of the exploration work done and an estimate of its cost. Brook estimated that total exploration and development expenditures prior to AIVN to be $2,700,000. AIVN spent an estimated $125,000 on the project. After AIVN, Patriot Gold spent a total of approximately $500,000 at the Bruner property. Most of this expenditure was for drilling. Total historic expenditures at Bruner now exceed $3.3 million.

9.2 Canamex Exploration

Canamex did limited surface exploration prior to commencing its own drilling program on the property in 2011, relying heavily upon the comprehensive work completed by Newmont Exploration Limited, described above.

After discovery of significant gold intercepts in the Penelas East area in 2012, which was not completely covered by Newmont's surface exploration work, Canamex commissioned Magee Geophysics and International Geophysical Services LLC to complete a detailed ground magnetic and VLF-EM EM surveys respectively over the new Penelas East discovery area to assess the ability to detect controls on mineralization intersected in drilling with these two geophysical methods.

Ground magnetics re-processed by International Geophysical Services LLC was useful in distinguishing andesitic from rhyolitic host rocks, including a significant basaltic-andesite dike which cuts across the rhyolite, but was not useful in identifying the location of gold-bearing drill hole intercepts (**Figure 9.2**). Surface contamination from old metal trash around old mine workings potentially masks the possible signature from bedrock sources in the Penelas Mine area.

Processed data from VLF-EM surveying, particularly color-contoured current density data in plan view, appears to very closely identify the location of gold-bearing drill hole intercepts, and is anticipated to be a very useful exploration guide going forward (**Figure 9.3**).

Figure 9.2: Color Coded Ground Magnetics Contours

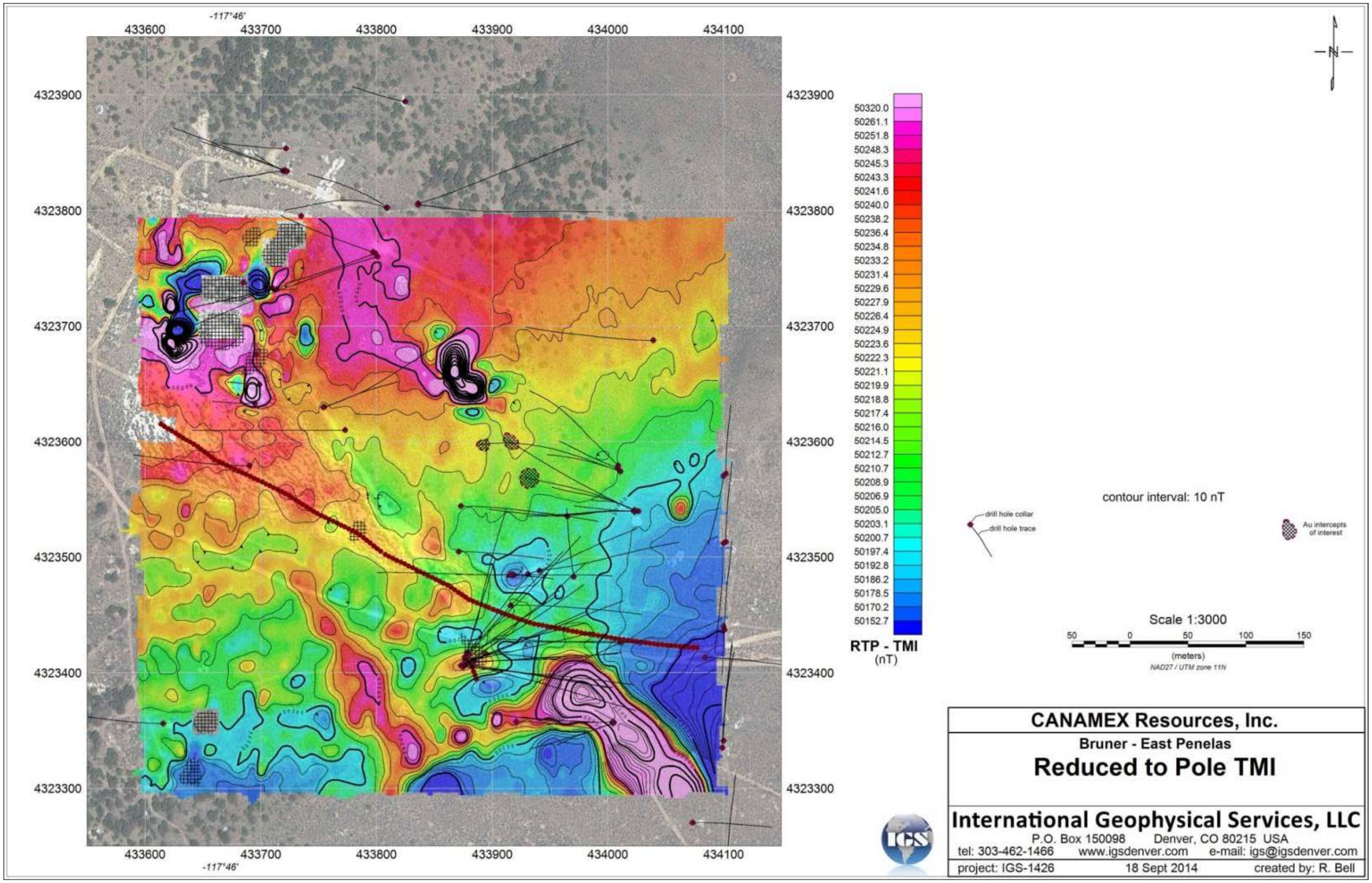
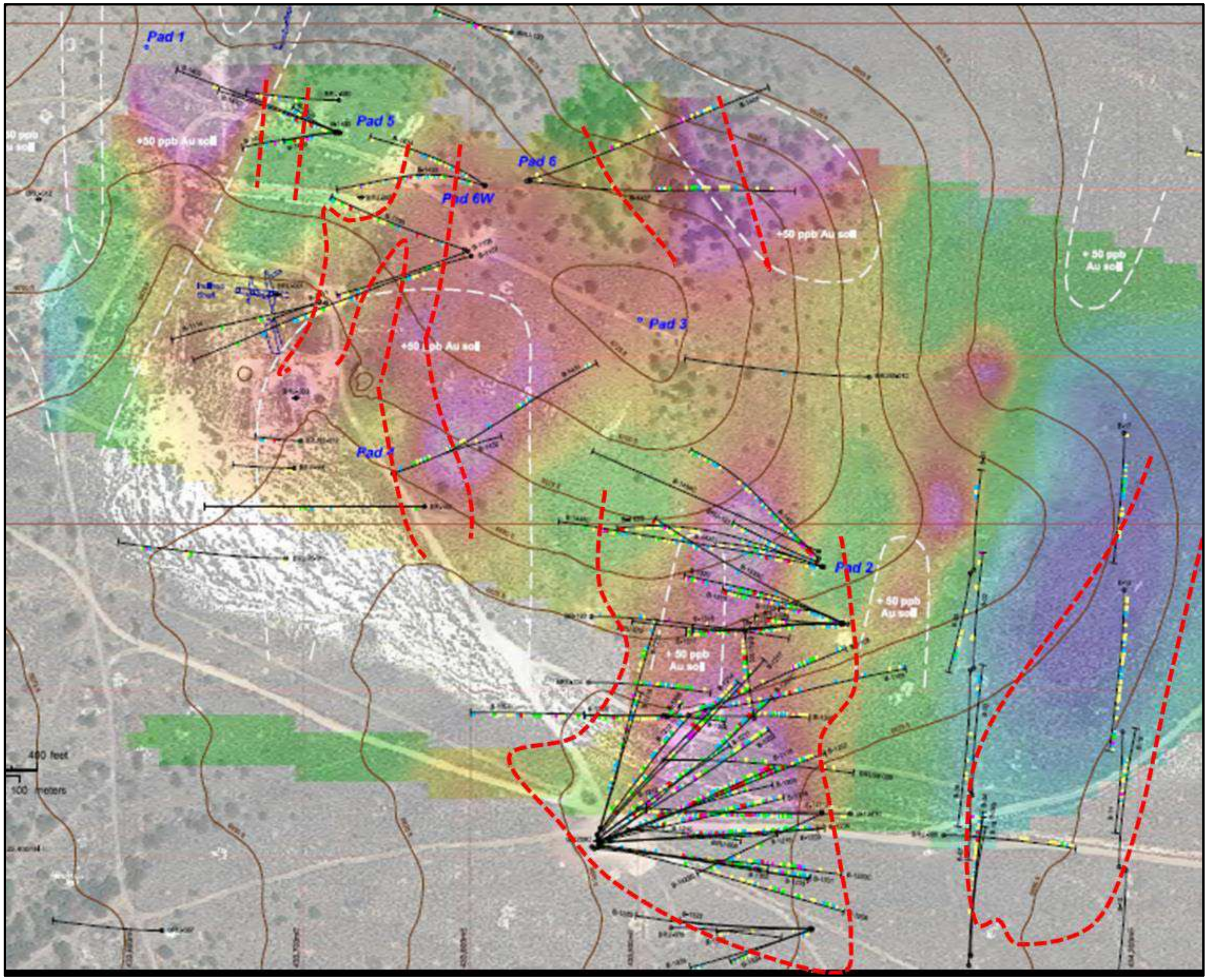


Figure 9.3: Color Coded VLF-EM Survey Data



10 DRILLING

The description of Drilling is modified from Tanaka (2015) and WHA (2016).

10.1 Historical Drilling

Modern exploration of the Bruner property commenced in the late 1970s when the underlying land owner brought in Morrison Knudsen on a contract basis in 1979. They did no surface exploration prior to drilling nine core holes, seven of which were vertical. Five of the core holes were “not analyzed”. Two of the core holes reported intercepts greater than 0.01 oz/ton Au. Drilling assay data from the Morrison Knudsen drilling program has not been located and as such, is not included in the Bruner database.

Kennecott Corporation

Kennecott did limited exploration work on the property in 1983 and drilled 15 reverse-circulation holes totaling 6,630 feet/2,021 meters. Kennecott was negotiating to acquire the property while they were conducting the drill program. When negotiations broke down, they abandoned the property and no further information was passed on to the underlying owner.

Inspiration Gold

In 1987, Inspiration Gold, Inc. and Callahan Mining Corp. entered into a joint venture to explore the western portion of the property (Bruno prospect) and conducted limited geologic mapping at a scale of 1 in. = 200 ft., limited surface sampling (83 rock chip & 10 soil) and eleven reverse-circulation drill holes totaling 2,960 feet/902 meters. Inspiration Gold drilling data has not been located and is not included in the Bruner drilling database.

Miramar Mining Corporation

Miramar entered into a lease in 1988 and purchased the property from the underlying owner in 1991. They entered into a series of joint ventures with other companies as listed below for the exploration and development of the property.

Glamis Gold Exploration

Glamis drilled 29 air-track blast holes totaling 1,733 feet/528 meters. Eighteen holes PM-l to 18 were on Paymaster hill, and eleven holes, Jul-1 to 11 were over the July and Duluth workings. The holes were vertical and averaged less than 70 feet deep each. Nearly vertical, mineralized, shear zones up to 70 feet wide were encountered which contained narrow, high-grade, 0.1 to 0.2 Au oz/ton, brecciated zones within the wider zones of 0.01 Au oz/ton, but the individual drill hole assays were never located (Noland 2010). Data from the Glamis drilling program has not been located. Therefore, is not included in the Bruner drilling database.

Newmont Exploration Limited

In 1988, Newmont signed an agreement with Miramar to explore the Bruner property: Newmont conducted an extensive exploration program which included geologic mapping, soil and rock chip sampling, geophysical surveying, and drilling, as described in detail below.

- Assay Kennecott Drill Holes: Newmont re-assayed and re-logged all the available cuttings left on site by Kennecott from their 15-hole drill program in 1983. Assay results were very similar to those obtained by Kennecott. Newmont re-numbered the holes as BRU #1 - BRU #15.

- Drilling: In 1989, Newmont drilled 13 reverse-circulation holes on the property, BRU16 - 28 totaling 7,245 feet/2,208 meters. Most of these holes were drilled on patented claims and targeted the extensions of the north-trending structures in the Duluth mine area. The 1990 drill program comprised 61 holes totaling 28,698 feet/8,747 meters.

Many of the completed drill holes intersected zones of low-grade gold mineralization with occasional short intervals of 0.1 to 1 Au oz/ton in silicified breccia zones in rhyolite.

All drill hole sample preparation and analytical work was completed by Newmont at their in-house laboratory in Elko, Nevada, and is believed to have been done to industry standards prevalent at the time.

Newmont relinquished the property to Miramar Mining Corporation in 1991.

Viceroy Precious Metals Inc. / Miramar

In 1992, Miramar drilled 17 RC holes totaling 3,995 feet/1,218 meters to comply with assessment work requirements for the claims, but did not assay the samples.

Viceroy and subsidiary Olympic Mining Company entered into a joint venture agreement with Miramar in November, 1992. They became interested in the property because of its volcanic host rock and other similarities to their Castle Mountain mine south of Las Vegas. Their 1993 exploration program included property-wide reconnaissance and assaying of the drill samples from Miramar's 1992 drilling program.

The Viceroy-Miramar 1992 drilling program consisted of 15 RC drill holes totaling 6,220 feet/1,895 meters. Viceroy withdrew from the joint venture after the 1993 field season.

In 1995, 13 RC holes, totaling 6,790 feet/2,070 meters, were drilled in a phase-two program on the pediment area east of the Bruner property. Four (4) RC holes totaling 2,230 feet/680 meters were drilled in the Penelas area during the phase-two program.

American International Ventures, Inc. (AIVN)

In 2004, AIVN conducted a six-hole core drilling program consisting of 770 feet/235 meters under the supervision of Ken Brook to test some of Newmont's high-grade intercepts in the Duluth area. This was only the second core drilling program for the property, and it provided a detailed look at some of the high-grade mineralized features, such as veins and fracture coatings, which would be hard to detect in RC cuttings. The holes were drilled on the road above the Duluth workings and defined the complexity of the host lithologies encountered, including a sequence of Miocene rhyolitic volcanic rocks comprising welded tuffs, agglomerates, flows/domes, intrusive breccias and hydrothermal breccias. All of the rocks showed moderate to intense clay alteration, moderate to heavy iron-oxide staining and local silicification around veins and intrusive breccias. The rocks were strongly fractured, and younger faults usually had abundant tan clay gouge. Mineralized fractures were coated with manganese oxide and drusy quartz crystals mixed with adularia and often showed up to three generations of quartz crystals. This is the first detailed description of the nature of gold mineralization at the property.

Unfortunately the core from AIVN's drilling program was discarded and is no longer available for inspection and re-evaluation.

Cougar Gold, LLC

In 2006, Cougar drilled a total of nine core holes in the HRA, Paymaster and Penelas areas totaling 6,963 feet/2,122 meters, mostly well outside of known resource areas.

Patriot Gold Corporation

Patriot entered into an option on the unpatented claims portion of the property in 2004 drilled a total of 21 RC holes totaling 10,645 feet/3,245 meters between 2005 and 2009. All of these holes were drilled in the pediment in the southeast quadrant of the property. Until recently, this was the only ground controlled by Patriot.

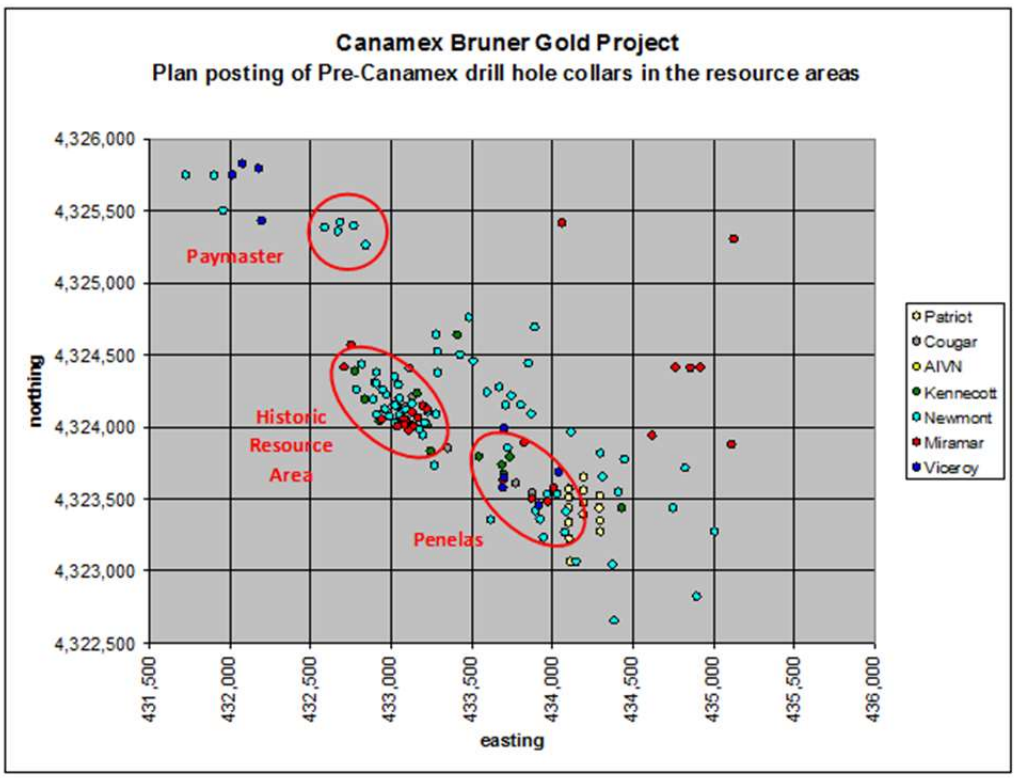
The following **Table 10.1** summarizes the historic drilling completed prior to Canamex's presence on the Bruner property and the data available from those drilling campaigns with which Canamex geologists can work.

Table 10.1: List of All Pre-Canamex Drill Holes for which Data Exists

Bruner Gold Project Historic Drill Hole Summary						
Company	**No. of Holes**	**Total Feet**	**Total Meters**	**Assay Data**	**Geology Logs**	**Cuttings/ Core**
Morrison-Knudsen	9	1,509	460	no	no	no
Kennecott	15	6,630	2,021	yes	yes	no
Inspiration Gold	11	2,960	902	no	no	no
Glamis Gold	29	1,733	528	no	no	no
Newmont	74	35,943	10,955	yes	yes	no
Miramar Mining	34	13,015	3,967	yes	yes	no
Viceroy Gold	15	6,220	1,896	yes	yes	no
AIVN	6	770	235	yes	yes	no
Cougar Gold	9	6,963	2,122	yes	yes	skeletal
Patriot Gold	21	10,645	3,245	yes	yes	yes
Total	**223**	**86,388**	**26,331**			

The drill hole collar locations in the table above for which data exist are shown in **Figure 10.1**.

Figure 10.1: Map of Pre-Canamex Drill Holes for which Data Exists
(Tanaka, 2015)



10.2 Canamex Exploration Drilling

Drilling from 2010-2015 was completed primarily by Harris Exploration Drilling and AK Drilling, Inc., the drill contractors, which operated on a one 10-hour shift basis. Drilling during the 2016-2017 programs was completed by New Frontier Drilling of Fallon, Nevada. The holes were surveyed by means of a gyroscopic survey instrument. Drill collars were located in the field with a Garmin GPS and a marker was placed in the approximate collar location prior to reclamation of the drill sites. All field phases of the program were conducted under the supervision of Canamex's Chief Geologist.

2010 Drilling

Canamex entered into an option agreement on the property with Patriot Gold in 2010 and drilled 11 RC holes totaling 5,000 feet/1,524 meters late in 2010 as an initial obligation under the option agreement. These holes were drilled in the historic resource area to confirm the gold intercepts encountered in historic drilling in the area predominantly by Newmont.

2011 Drilling

In 2011 Canamex drilled 13 RC holes totaling 8,010 feet/2,441 meters. Holes were drilled across the property, in order to evaluate the potential for resources outside of the historic resource area. Three holes were drilled south of the Paymaster hill, two holes were drilled outside of the historic resource area, five holes were drilled in the old Penelas Mine area, and three holes were drilled to the east of the Penelas Mine area. Most of the holes drilled in the historic resource area and the old Penelas mine area were terminated prematurely when they encountered voids or timber in old underground workings. The three holes drilled to the east of the Penelas mine area encountered significant gold and silver mineralization that warranted additional drilling.

2012 Drilling

Drilling in 2012 consisted of 17 RC holes totaling 13,400 feet/4,084 meters and two core holes totaling 1,306 feet/398 meters, all drilled about 1,000 feet/300 meters southeast of the old Penelas mine workings and where significant gold intercepts were encountered in the last hole in the 2011 drilling program. Hole B-1201, the first hole in 2012, intersected 360 feet (110 meters) grading 0.119 opt Au (4.08 gm/tonne), and the remainder of the 2012 drill holes focused on drilling around this intercept in B-1201. The geology in the vicinity of hole B-1201 is mostly covered by 30-50 feet (10-15 meters) of alluvium, and the geology and geometry of the mineralized zone cannot be gleaned by surface mapping or sampling, requiring close-spaced drilling to ascertain the orientation of the significant gold intercepts encountered in 2012.

2013 Drilling

Further drilling of the new discovery area at Penelas East continued in 2013, when 39 RC holes totaling 23,590 feet/7,190 meters and 3 core holes totaling 2,380 feet/725 meters were drilled between January and November. Of the total, seven RC holes were drilled at the north end of the Bruner vein target with disappointing results, although sufficient gold was encountered with increasing depth to indicate further drilling is warranted to chase this vein system to greater depths. Of the 35 holes drilled at the Penelas East discovery area, all but 5 holes intersected significant gold intercepts that help define the gold mineral system there. The 5 holes that failed to intersect significant gold intervals were drilled south of all other holes completed to date, encountered intense clay alteration which is generally indicative of being outside of the precious metal and proximal alteration of silica + adularia, and may be located on the opposite side of a fault that terminates or truncates the gold-silver mineral system at the Penelas East discovery area.

The last hole of 2013 was drilled in the historic resource area to test a concept that high-grade gold was ponded beneath prominent silica + adularia spires that were mapped in detail during the summer of 2013. Hole B-1340 intersected 190 feet (57.9 meters) grading 0.155 opt Au (5.2 gm/tonne Au) beginning immediately beneath the two prominent alteration spires and confirmed that high-grade gold is associated with these alteration spires, most of which have not been drilled to date.

2014 Drilling

The 2014 drilling program was designed to follow up on the success of hole B-1340 at the historic resource area reported above, and to continue drilling of the open northern extension of the Penelas East discovery area. A total of 52 RC holes were drilled totaling 25,410 feet/7,745 meters and 12 core holes totaling 6,456 feet/1,968 meters were completed in 2014.

Ten (10) RC holes totaling 2,870 feet/875 meters were drilled at the Paymaster area where previous sampling of old underground workings, currently inaccessible, indicated the presence of high-grade gold associated with the intersection of steeply dipping structures a generally flat lying volcaniclastic sediments immediately overlying a basement of unaltered andesite flows. These holes were very successful and additional drilling at the Paymaster area was subsequently conducted in 2015.

Twelve (12) RC holes totaling 7,885 feet/2,403 meters were drilled to test VLF-EM current density anomalies detected north and northwest of the Penelas East discovery area. Sufficient gold was intersected in these holes to suggest the VLF-EM method may be seeing mineralized structures and thus deserve further drilling to assess this apparent correlation further.

Three (3) RC holes totaling 1,925 feet/587 meters and 2 core holes totaling 1,865 feet/568 meters were drilled at the northern open extension of the Penelas East discovery area to test deep high-grade intercepts encountered there in 2013. All of these holes intersected significant gold intercepts both near the surface and at depth to warrant additional drilling of the open northern extension to the Penelas East discovery area. Additionally, 2 core holes totaling 943 feet/287 meters were drilled to test the main core of the Penelas East zone in 2014.

The majority of the drilling in 2014 was concentrated in the historic resource area in order to provide sufficient modern geologic and controlled assay data for this area to be able to prepare this report. A total of 27 RC holes totaling 12,730 feet/3,880 meters and 8 core holes totaling

3,648 feet/1,112 meters were completed in the historic resource area. The data from these holes flesh out the core mineralized zone of the historic resource area and provide the detailed understanding of the host geology and the distribution of grade to be able to properly model the deposit and the entire assay set.

2015 Drilling

The 2015 drilling program was designed to follow up on the success of the 2014 drilling at the Paymaster area and to assess the potential for a northern extension of the Paymaster resource. A possible northern extension was inferred from the excellent drill results that concluded the fall drilling program in 2014, which remained open to the north, northerly trending structures and breccias mapped on the surface and portrayed in underground geologic maps of the area, and from VLF-EM geophysics. Two fences of holes were drilled north of the resource area to test the possibility of a northern extension.

A total of 11 RC holes were drilled totaling 2,645 feet/806 meters were completed in the Paymaster area 2015. The assay results indicate that two thin low-grade “layers” of mineralization appear to be present north of the resource area, but that the thickness and grade are likely insufficient to add significantly to the resource present at Paymaster.

2016 Drilling

In 2016, Canamex drilled 23 RC holes totaling 6,060 feet/1,847 meters in the Paymaster zone to provide infill drilling data and increase drilling density in the zone. The drilling was relatively shallow with an average drill hole depth of 263 feet/80 meters.

The drilling campaign was focused on in-fill drilling at the Paymaster resource area to provide drill data to potentially upgrade inferred mineral resources to indicated mineral resources and to re-examine the capping grade used in the previous resource estimations contained in the WHA (2016) technical report.

Canamex also completed 3 groundwater test holes to a depth of 500 feet each, totaling 1,500 feet/457 meters, in the conceptual leach pad and processing areas on patented claims. No groundwater was encountered. The information from the groundwater test holes may be incorporated into future permitting, if warranted.

2017 Drilling

The 2017 Canamex drilling program consisted of 17 RC drill holes for a total of 12,270 feet/ 3,740 meters. Nine (9) RC holes totaling 8,270 feet/2,521 meters were drilled in the Penelas area to test for extensions to the deep higher grade intercepts encountered at the end of the 2014 drilling program. The drilling was focused primarily in breccias at a depth of 600-800 feet below the surface and to test a gap of drilling data identified in the previous technical report (WHA 2016) between the higher grade deeper Penelas zone and mineralization to the northwest of the higher grade deep zone. The drilling in the gap was successful in connecting the two zones.

In the HRA area, 8 RC holes totaling 4,000 feet/1,219 meters were completed to test beneath the largest silica-adularia alteration spire located at the north end of the area.

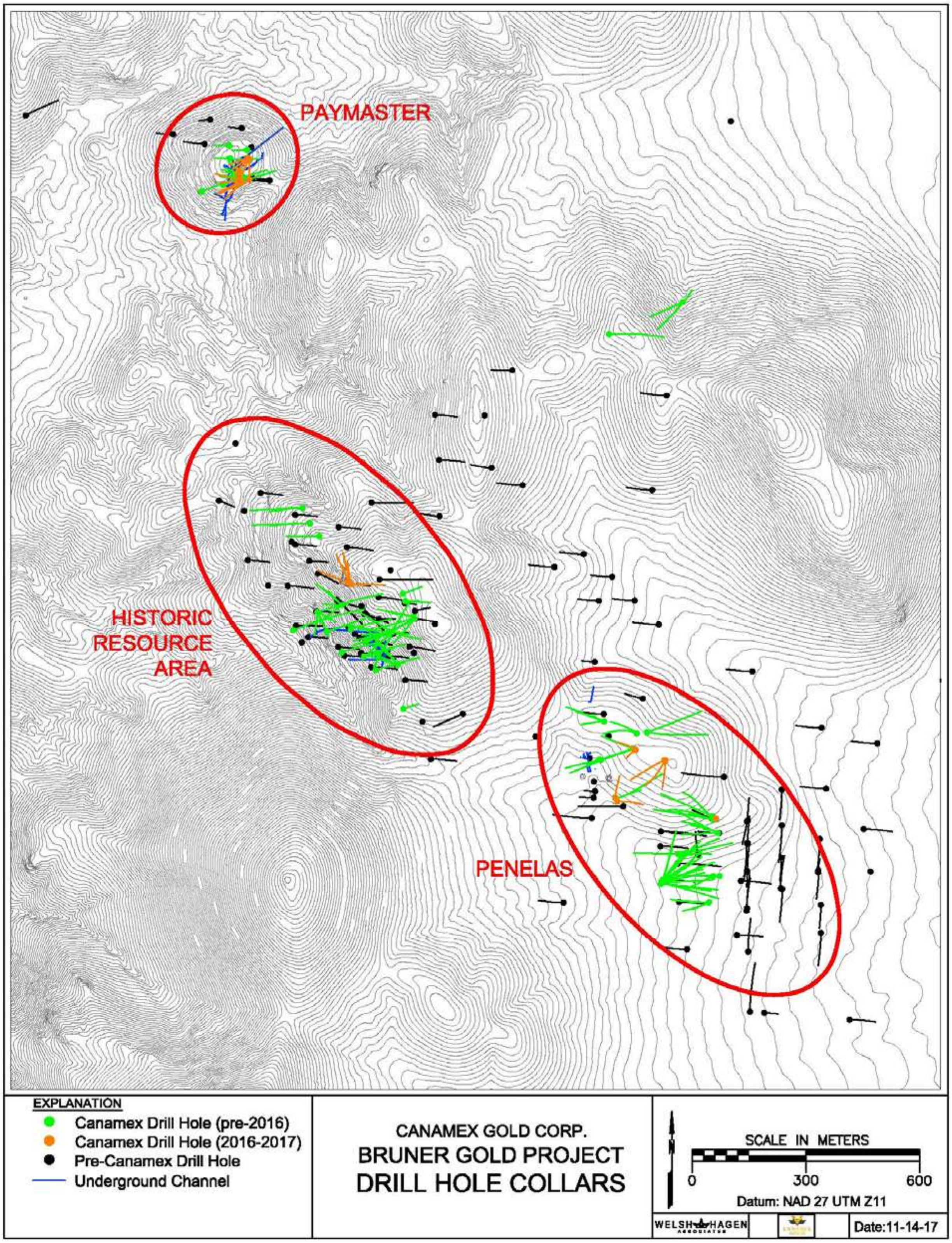
Table 10.2 lists all drilling completed by Canamex at Bruner.

Table 10.2: List of Canamex's Exploration Drilling at the Bruner Gold Project to Date.

YEAR	NO. OF HOLES	TOTAL FEET	TOTAL METERS	CORE FEET	CORE METERS	RC FEET	RC METERS
2010	11	5,000	1,524	0	0	5,000	1,524
2011	13	8,010	2,441	0	0	8,010	2,441
2012	19	14,706	4,482	1,306	398	13,400	4,084
2013	42	25,970	7,916	2,380	725	23,590	7,190
2014	64	31,867	9,713	6,456	1,968	25,410	7,745
2015	11	2,645	806	0	0	2,645	806
2016	26	7,560	2,304	0	0	7,560	2,304
2017	17	12,270	3,740	0	0	12,270	3,740
Totals	**203**	**108,028**	**32,927**	**10,142**	**3,091**	**97,885**	**29,835**

The collar locations and traces of all drill holes in the vicinity of the resource model areas are shown on **Figure 10.2**; the Canamex drilling collars are depicted in green.

Figure 10.2: Bruner Drill Hole Locations



10.3 Proportion of Drilling Completed by Canamex at Bruner

Canamex drilling represents approximately 57% of all drilling and underground channel sampling completed at the Property. Within the resource zones, Canamex drilling accounts for 66% of the total drilling and channel sampling. Modern QA/QC protocols, including submissions of standards, duplicates and blanks, were initiated by Canamex in 2013. A total of 49% of all drilling and channel sampling in the resource zones were completed using the modern QA/QC protocols. The distribution of drilling and channel sampling within the database is presented in **Table 10.3**.

Table 10.3: Distribution of Drill Hole and Underground Sample Data

Bruner Gold Project Proportions of drilling by each operator at the Project Area								
Source of DH Data	**HRA**		**Paymaster**		**Penelas**		**Outside Area**	
	Meters	**% of total**	**Meters**	**% of total**	**Meters**	**% of total**	**Meters**	**% of total**
Total	**19,026**		**4,993**		**24,898**		**9,133**	
Canamex (no QA/QC)	2,000	10.5%	512	10.3%	5,936	23.8%	0	0.0%
Canamex (w/ QA/QC)	8,470	44.5%	3,528	70.7%	12,024	48.3%	457	5.0%
Kennecott	1,225	6.4%	0	0.0%	567	2.3%	229	2.5%
Newmont	4,285	22.5%	593	11.9%	1,215	4.9%	4,863	53.2%
Miramar	951	5.0%	0	0.0%	946	3.8%	2,070	22.7%
Viceroy	0	0.0%	0	0.0%	381	1.5%	1,514	16.6%
AIVN	235	1.2%	0	0.0%	0	0.0%	0	0.0%
Cougar	1,430	7.5%	143	2.9%	549	2.2%	0	0.0%
Patriot	0	0.0%	0	0.0%	3,245	13.0%	0	0.0%
UG Sampling	430	2.3%	217	4.3%	35	0.1%	0	0.0%

11 SAMPLE PREPARATION, ANALYSIS AND SECURITY

The description of Sample Preparation, Analysis and Security is modified from Tanaka (2015).

The sampling done prior to Canamex involvement was completed largely by geologic employees of large, professional international mining/exploration companies: Kennecott, Newmont Exploration and Miramar. The QP is prepared to assume that professional sampling techniques were used. No reports or data detailing the sampling methods, analyses, quality control measures or security procedures used in earlier drill campaigns were available to the QP for review and verification during the time of preparing this report.

Since Canamex began drilling at Bruner in 2010, drill sampling methods, sample preparation and analytical procedures, and security of samples and chain of custody have been executed to current industry standards.

11.1 Canamex Sampling Methods at the Drill Rig

11.1.1 Reverse Circulation Drilling

Reverse circulation drilling is performed by injecting a small volume of water with compressed air down the annulus of a dual-tube drill rod setup, to eliminate dust and threats to human health at the drill rig and provide enough water to circulate the cuttings up the center tube of the dual-tubed rods. Returned cuttings are delivered to a rotary splitter where a 1/8th split is taken out the discharge of the rotary splitter. The sample interval is a uniform 5 feet. For duplicate sampling a "Y" fitting is attached to the discharge of the splitter and a second 1/8th split sample is taken from both discharge orifices of the "Y" every hundred feet, or more often as desired or recommended by the nature of the material encountered in drilling.

The samples are stored at the drill site to dry (generally within 24 hours), and picked up at the drill site by an independent contractor who delivers the samples directly to ALS Minerals' sample preparation facility in Sparks, NV. ALS Minerals is independent of Canamex and holds ISO/IEC 17025:2005 Certification for testing laboratories.

11.1.2 Core Drilling

Core is collected in split tube inner tubes and carefully transferred to waxed cardboard core boxes. The core is examined by the site geologist while still in the split tube to get a sense for the in-place structural complexity, and then logged at the drill site for general geology and structural information, and marked for sawing and sampling by the site geologist. The sample interval is a uniform 5 feet, except where marked changes in lithology, alteration or mineralization are observed. Once the core has been logged and marked for sampling it is stored in a locked trailer facility from where it is retrieved by an independent contractor and delivered directly to ALS Minerals' sample preparation facility in Sparks, NV.

The core is photographed by ALS Minerals staff and photographs are geo-rectified and loading into CoreViewer software before it is sawn for sampling and analyses. Once the core has been photographed, it is sawn by ALS Minerals staff, following the sawing instructions provided by the site geologist, and one half of the sawn core is sampled in accordance with the sampling intervals provided by the site geologist. The sample splits are delivered to the sample preparation room at ALS Minerals.

11.2 Canamex Sample Preparation and Analytical Procedures

Both reverse circulation samples and core samples are first dried in an oven to eliminate residual moisture in the samples. Once dried, all drill samples are prepared by crushing the entire sample to 70% passing 2mm size, splitting out 250 grams of sample and pulverizing this split to 85% passing -75 microns in size. From the 250 gram pulp 30 grams is split out for fusion and fire assay with an atomic absorption (AA) finish.

If results return 3 g/tonne Au or greater, ALS Minerals laboratory performs a 30 gram fire assay with a gravimetric finish from the same pulp. In addition, a second sample is prepared by crushing the entire coarse reject sample down to 90% passing 10 mesh and proceeding to a rotary split of 1 kg that is pulverized to 85% passing 200 mesh. From the 1 kilogram pulp 30 grams is split out for a second fire assay with gravimetric finish.

If results from the two separate fire assay/gravimetric determinations above indicate significant discrepancies between results, a metallic screen analysis is performed on a third split from the coarse reject, where the sample is screened at -150 mesh and the gold content of the oversize and undersize fractions are determined separately from a 30-gram split and fire assay with gravimetric finish to assess the degree to which coarse gold may be present and influencing the analytical variance encountered.

Duplicate samples are submitted every one hundred feet (every 20 samples). Commercial standards are submitted every two hundred feet (every 40 samples) and blanks are submitted every 200 feet (every 40 samples). In addition ALS Minerals laboratory insert an independent selection of standards for internal quality control.

11.3 Statement of Adequacy of Sample Preparation, Security and Analytical Procedures

The Qualified Person considers the sample preparation, security and analytical procedures appropriate for the recent drilling completed by Canamex.

The Qualified Person cannot evaluate the sample preparation, security and analytical procedures employed for the pre-Canamex drilling, however given the prominence of the companies involved in the majority of pre-Canamex drilling, is prepared to accept the assay values produced.

12 DATA VERIFICATION

The Bruner database was provided to WHA by Canamex in electronic form that included drill hole collar coordinates, drill hole alignment, down-hole interval, and gold and silver assay data. Original assay certificates from all Canamex drilling were provided in the form of write-protected assay certificates and electronic spreadsheets provided by the assay laboratory.

The electronic database consists of data from 377 drill holes and 103 continuous channel sample strings for a total of 62,691 available gold and silver assay values. Canamex drill hole assay data represents 67% of the total assay database.

Data verification of drill hole data up to the 2014 drilling program has been accomplished in the technical report entitled *Technical Report and Resource Estimate for the Bruner Gold Project, Nye County, Nevada*, dated February 27, 2015, prepared by William F. Tanaka (Tanaka, 2015). At the effective date of the Tanaka (2015) report there had been a total of 149 drill holes in the drill hole database.

Subsequent to the effective date of the Tanaka (2015) report, Canamex completed 11 additional RC drill holes in the Paymaster area. This portion of the drill hole database has been previously verified in the technical report entitled *Amended NI 43-101 Technical Report on the Bruner Gold Project Preliminary Economic Assessment, Nye County, Nevada*, dated September 27, 2016, effective date February 29, 2016 (WHA, 2016). The data verification procedures employed by Tanaka (2015) was also validated in WHA (2016).

Because the majority of drill hole data has been verified in the Tanaka (2015) and WHA (2016) technical reports, the main focus of the data verification measures employed in this PEA is a thorough data verification program focused on new drilling data received subsequent to the effective date of the WHA (2016) report.

12.1 2015 Data Verification Program

The content in this section was excerpted from the Tanaka Technical Report (Tanaka, 2015). Select content was deleted from excerpted text in order to condense the information for the purpose of this report.

The data verification program contained in the Tanaka (2015) report consisted of verification of data available up to February 27, 2015, the effective date of that report. The effort represented the first time the drill hole database had been rigorously checked for errors.

The WHA QP thoroughly reviewed the data verification procedures documented in the Tanaka (2015) report and is confident the verification procedures employed were done to industry standards. The WHA QP has done background work and validation of the results documented in Tanaka (2015) report and takes responsibility for the data verification results reported herein.

The reader is directed to the 2015 Technical Report (Tanaka, 2015) for details on the topic.

12.1.1 2015 Conclusions

The results presented by the field duplicate program, blind and laboratory standards and blind blanks present reasonable confirmation of the reproducibility of assay results with no indication of bias in the analysis of either gold or silver or significant contamination problems at the laboratory.

Of the three duplicate analysis programs possible: field; sample preparation; and pulp, the field duplicates are the most comprehensive and demanding in demonstrating reproducibility of results, and hence of the greatest value. That said, the prep duplicate and pulp duplicate programs permit a fuller understanding of the inherent variability in results at each significant stage in the process.

On the basis that:

- the results presented by the field duplicate program of very high correlation between original and field duplicate assays (> 98% for both gold and silver); half absolute relative differences of 20% within 80% of samples for gold and 9% within 80% of samples for silver; and lack of any indication of grade-based bias;
- the results presented of blind gold standard submissions and blank submissions for both gold and silver indicative of acceptable analytical procedure with few and minor indications of contamination;
- the results of internal laboratory standard submissions for silver;
- the concentration of Canamex drilling within the three zones identified for grade tonnage estimation;
- the significant proportion of non-Canamex and pre-NI 43-101 drilling undertaken by the arguably reputable companies Kennecott, Newmont, and Miramar;

The Author [Tanaka, 2015] concluded that the drill hole database is of a standard acceptable for public reporting of resources according to NI 43-101 guidelines.

The QA/QC program instituted by Canamex Resources and exercised in conjunction with ALS should be considered a work in progress, however the results presented by the field duplicate program, blind and laboratory standards and blanks present reasonable confirmation of the reproducibility of assay results with no indication of bias in the analysis of either gold or silver or significant contamination problems at the laboratory.

12.2 2016 Data Verification Program

The content in this Report section was excerpted from the previous Technical Report (WHA, 2016). Select content was deleted from excerpted text in order to condense the information for the purpose of this report. The reader is directed to the 2016 Technical Report (WHA, 2016) for details on the topic.

A comprehensive program of data entry and data verification was undertaken by WHA prior to importing the data into the resource model. Original electronic assay certificates were compared line by line to the electronic database provided by Canamex to ensure that the transcription of the data was accurate. No errors were found during the process of database checking representing a 0% error rate for the 2015 Canamex drilling data.

12.2.1 2015 QA/QC Conclusions

The 2015 drilling program consists of data from 11 RC drill holes for a total of 525 assay values for gold and 525 assay values for silver. The results presented by the field duplicate program, blind standards and blind blanks present reasonable confirmation of the reproducibility of assay results with no indication of bias in the analysis of either gold or silver or significant contamination problems at the laboratory.

Data verification of the 2015 drilling has been accomplished by:

1. Review of all electronic assay certificates from ALS that confirm the presence of gold mineralization and the values in the Canamex electronic assay database.
2. Statistical evaluation of field duplicates, certified standard reference material and blanks submitted for analyses by Canamex.
3. Detailed inspection of all cross-sections to compare drill hole collar elevations to recent digital topography.
4. Visual inspection of alteration, rock types, and structure in outcrops and underground workings at the property.
5. Review of all pertinent historical documents related to the project area.
6. Review of all geologic, geochemical, and underground maps of the property.
7. Review of all available pertinent reports previously prepared pertaining to the property.

The results show the field duplicate program to have very high correlation (> 96%) between original and field duplicate assays for gold. The correlation between original and field duplicate results for silver are relatively poor at 67%. The presence of one poor correlation outlier and the paucity of sample submissions render the overall silver correlation relatively inconclusive.

The results presented of blind gold standard submissions and blank submissions for both gold and silver indicate an acceptable analytical procedure with few and minor indications of contamination.

The WHA QP concludes that the 2015 drill hole database is of a standard acceptable and suitable for addition to the Bruner drill hole assay database and suitable for public reporting of resources according to NI 43-101 guidelines.

12.3 2016-2017 Data Verification Program

The 2016 and 2017 drilling programs consist of data from 43 RC drill holes for a total of 3,780 assay values for gold and 3,780 assay values for silver, accounting to 12% of the total assay values in the Bruner database and 18% of all assay values from drilling completed by Canamex at the Project. Original assay certificates in the form of electronic spreadsheets and write protected pdf documents issued by ALS have been provided to WHA by Canamex.

Data verification of the 2016-2017 drilling data has been accomplished by:

1. Review of all electronic assay certificates from ALS that confirm the presence of gold mineralization and the values in the Canamex electronic assay database.
2. Statistical evaluation of field duplicates certified standard reference material and blanks submitted for analyses by Canamex.
3. Detailed inspection of all cross-sections to compare drill hole collar elevations to recent digital topography.
4. Visual inspection of alteration, rock types, and structure in outcrops and underground workings at the property.
5. Review of all available geologic, geochemical, and underground maps of the property.
6. Review of all available pertinent previously prepared reports pertaining to the property.

12.3.1 Electronic Database Verification

A comprehensive program of data entry and data verification was undertaken by WHA prior to importing the data into the resource model. Original electronic assay certificates were compared line by line to the electronic database provided by Canamex to ensure that the transcription of gold and silver assay data was accurate. A total of 17 errors were found during the process of database checking representing a 0.2% error rate for the 2016-2017 Canamex drilling data. All errors in the database were corrected.

12.3.2 2016-2017 QA/QC programs

Canamex conducted a QA/QC program during the 2016-2017 drilling programs including insertion of certified standard reference material, insertion of blanks, and duplicate sampling of RC drill hole samples by splitting at the drill rig. A total of 43 drill holes comprising 6,044 meters/19,830 feet of drilling were completed in the 2016-2017 programs. The drill hole samples for 2016-2017 were processed by ALS Reno 4977 Energy way, Reno, NV, USA, and by ALS Vancouver at 2103 Dollarton Hwy, North Vancouver, BC, Canada, depending on the analysis required. ALS is accredited with ISO/IEC 17025 certification.

A summary of the field duplicates, standards and blanks submitted by Canamex during the 2015 drilling program is presented below:

- A total of 181 field duplicates representing separate splits collected at the drill rig were submitted for gold and silver assays.

- A total of 97 blind insertions of 11 commercial standard reference materials representing high-, mid- and low-grade mineralized material were submitted for gold, 55 of which were submitted for silver.
- A total of 104 blind insertions of blank materials were submitted for gold and silver.

The total submissions of field duplicates, standards and blanks was 382 or 10% of the samples assayed for gold and silver.

12.3.3 Analysis of Field (rig) Duplicates

Field Duplicates for Gold and Silver

A total of 181 field duplicates representing separate splits taken at the drill rig were available and submitted for gold and silver. The field duplicates were compared against the original assay values and an acceptable degree of correspondence was demonstrated that may be regarded as characteristic of low-sulfidation precious metal deposits. The results of the comparison are presented graphically below in **Figure 12.1** for gold and **Figure 12.2** for silver.

Figure 12.1: Field Duplicate Gold Assay Results

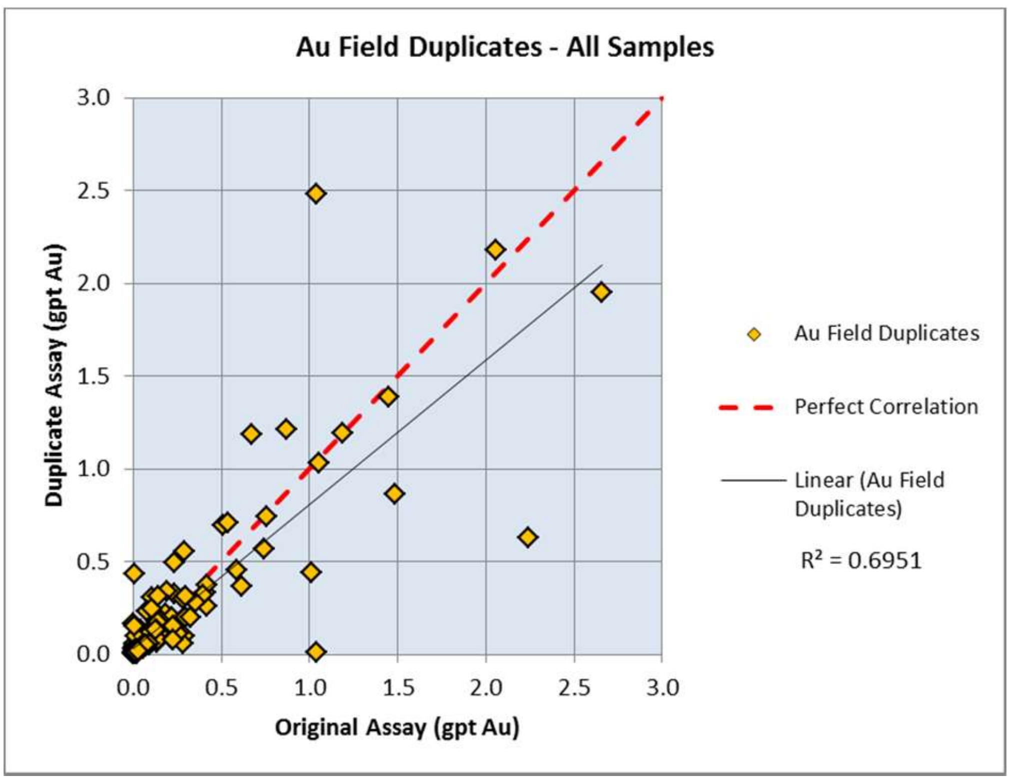
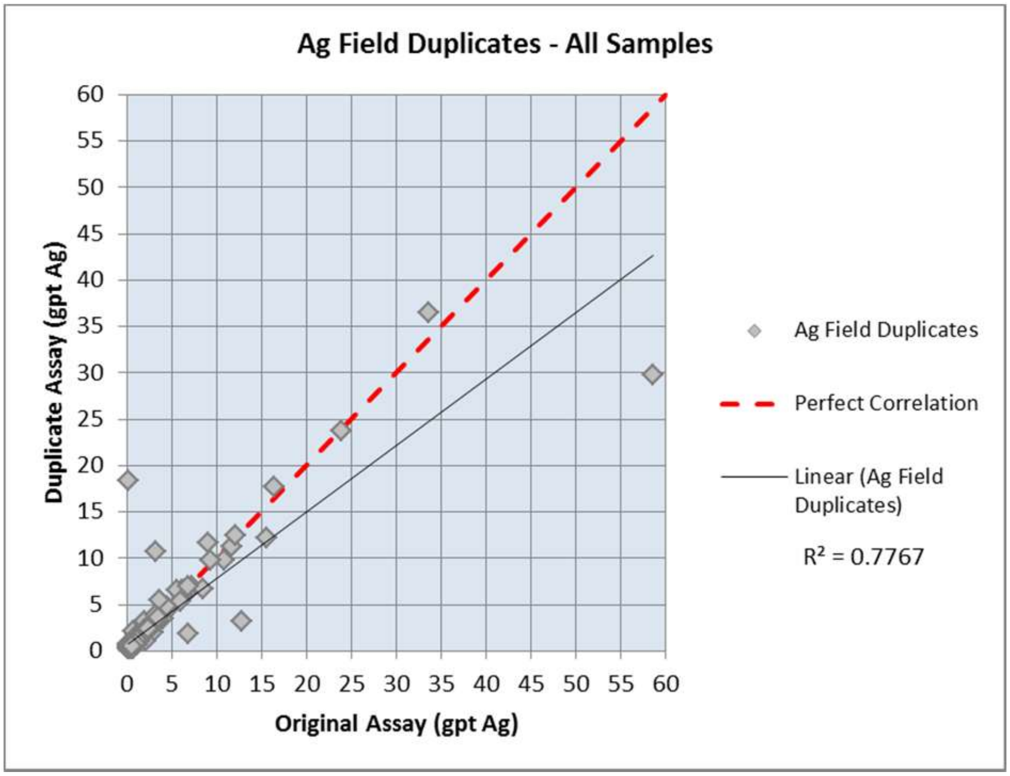


Figure 12.2: Field Duplicate Silver Assay Results



Discussion of Field Duplicate Results of Gold:

The correlation between original and duplicates for gold is fair at 70%. On average, the second split duplicates returned higher assay values. In general the field duplicates represent results consistent with epithermal Au-Ag deposits.

There does not appear to be a grade-based bias in the relationship between original and duplicate sample results.

Discussion of Field Duplicate Results of Silver:

The correlation between original and duplicates for silver is good at 78%.

12.3.3.1 Standard Reference Material Analyses

WHA has reviewed the analyses of a total of 97 gold and 55 silver standard reference material pulps that were inserted into the sample stream by Canamex during the time of drilling. For the 2016-2017 QA/QC programs, Canamex used eleven commercially prepared references standards, three of which were prepared by Geostats PTY Ltd. of 10A Marsh Close, O'Connor, Western Australia 6163, and eight were prepared by Shea Clark Smith/MEG, Inc. of Reno, Nevada. The accepted values and standard deviations for gold and silver standards are shown on **Tables 12.1** and **12.2,** respectively:

Table 12.1: Summary of Standard Reference Material Performance - Gold

Standard	Origin	Certified Value (gpt Au)	Std Dev (gpt Au)	No. of Assays	Mean Assay (gpt Au)	Percent Difference	Min (gpt Au)	Max (gpt Au)	Below 2 Std Dev	Above 2 Std Dev	Percent Outside 2 Std Dev
MEG-Au.13.01	SCS/ MEG	0.308	0.014	7	0.322	4.4	0.302	0.328	0	0	0%
G912-8	Geostats	0.53	0.02	15	0.531	0.2	0.489	0.569	0	0	0%
MEG Au.12.25	SCS/ MEG	0.719	0.032	7	0.738	2.7	0.705	0.767	0	0	0%
MEG-Au.11.13	SCS/ MEG	1.806	0.081	7	1.924	6.5	1.885	1.950	0	0	0%
MEG-Au.13.03	SCS/ MEG	1.823	0.107	5	1.898	4.1	1.855	4.700	0	0	0%
MEG LWA-34	SCS/ MEG	2.263	0.123	7	2.078	-8.2	1.045	2.560	2	1	43%
MEG-Au.11.15	SCS / MEG	3.445	0.133	7	3.817	10.793	3.610	4.720	0	3	43%
MEG-Au.11.29	SCS/ MEG	3.651	0.319	6	3.872	6.1	3.570	4.620	0	1	17%
G907-4	Geostats	3.84	0.15	14	3.897	1.5	3.770	4.030	0	0	0%
MEG LWA-25	SCS/ MEG	6.887	0.370	7	7.015	1.9	6.660	7.400	0	0	0%
G306-3	Geostats	8.66	0.33	15	8.620	-0.5	8.380	8.970	0	0	0%

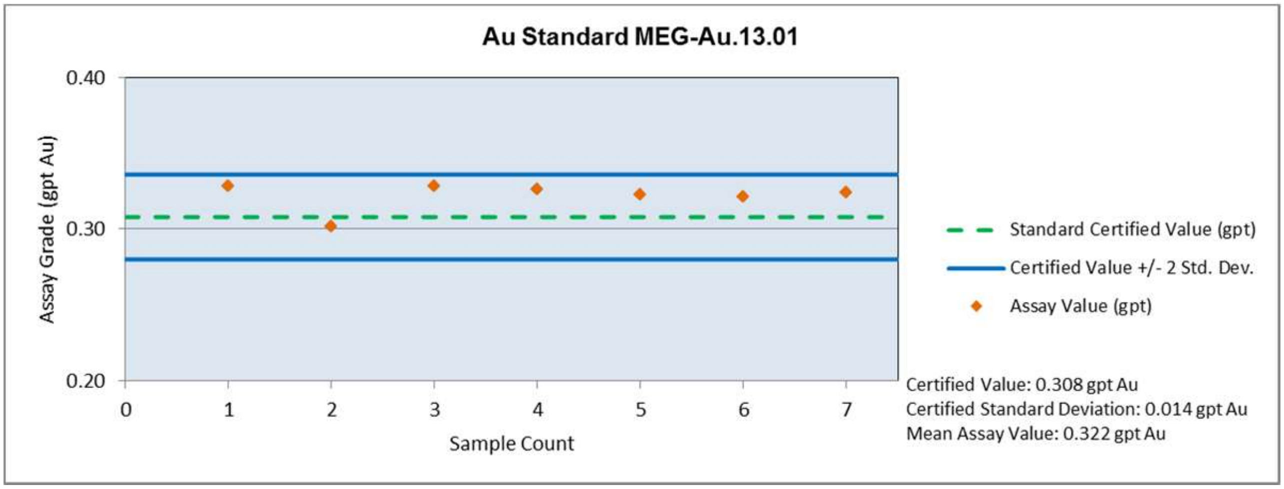
Table 12.2: Summary of Standard Reference Material Performance - Silver

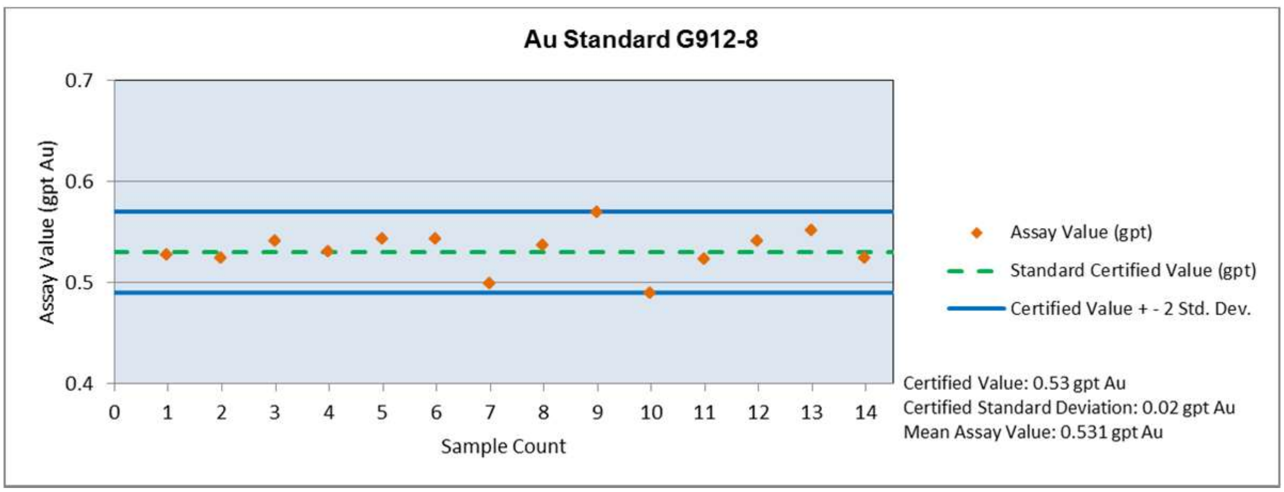
Standard	Origin	Certified Value (gpt Ag)	Std Dev (gpt Au)	No. of Assays	Mean Assay (gpt Ag)	Percent Difference	Min (gpt Ag)	Max (gpt Ag)	Below 2 Std Dev	Above 2 Std Dev	Percent Outside 2 Std Dev
MEG-Au.13.01	SCS/ MEG	0.833	0.181	7	0.46	-44.6	0.25	1.9	4	0	57%
MEG LWA-34	SCS/ MEG	1.854	0.419	7	0.97	-47.7	0.5	1.8	3	0	43%
MEG LWA-25	SCS/ MEG	3.149	0.276	7	2.55	-19.1	2.2	2.8	4	0	57%
MEG Au.12.25	SCS/ MEG	4.4	0.5	7	4.06	-7.6	3.3	4.5	0	0	0%
MEG-Au.13.03	SCS/ MEG	4.476	0.560	6	4.17	-6.8	3.7	4.7	0	0	0%
MEG-Au.11.29	SCS/ MEG	13.4	0.9	7	10.68	-20.3	1.9	14.7	1	0	14%
MEG-Au.11.13	SCS/ MEG	20.5	1.3	7	19.50	-4.9	17.8	21.7	1	0	14%
MEG-Au.11.15	SCS / MEG	52.15	3.42	7	53.50	2.6	49.4	56.8	0	0	0%

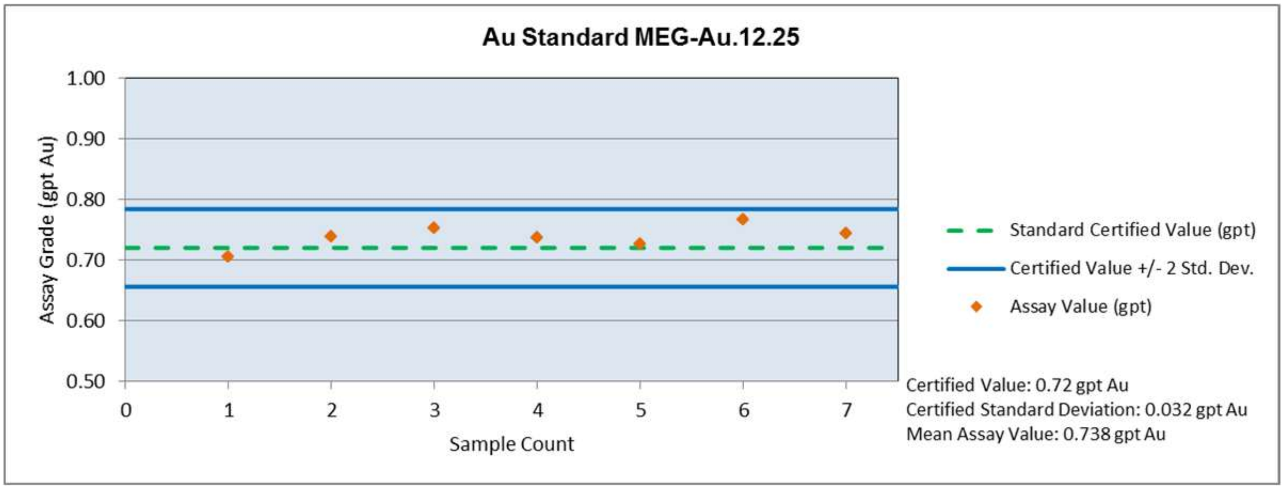
Gold Standard Reference Material Results

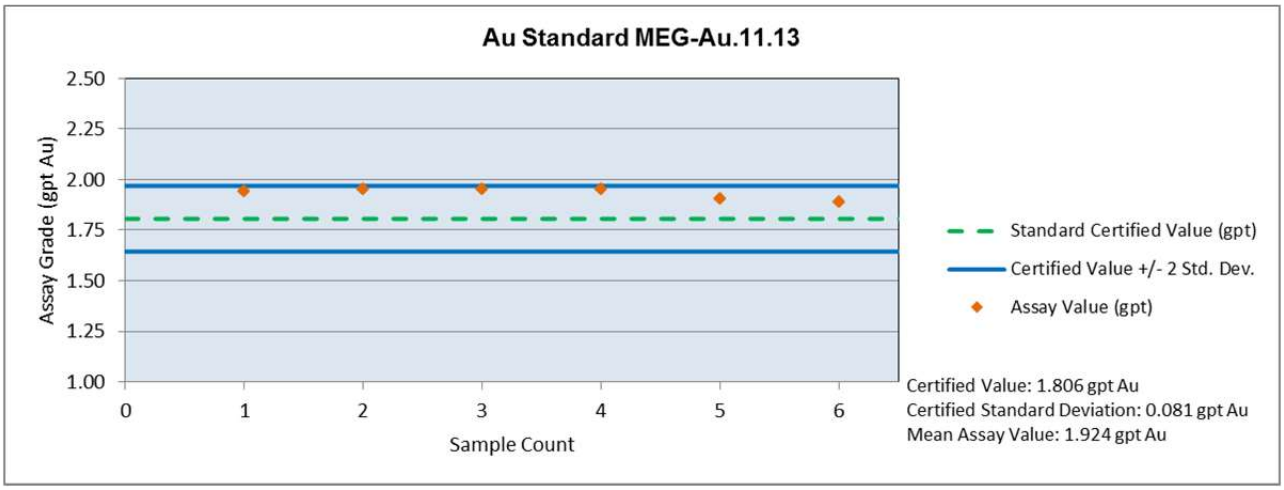
Figure 12.3 represents the results of the 2016-2017 Canamex gold standard reference material analyses.

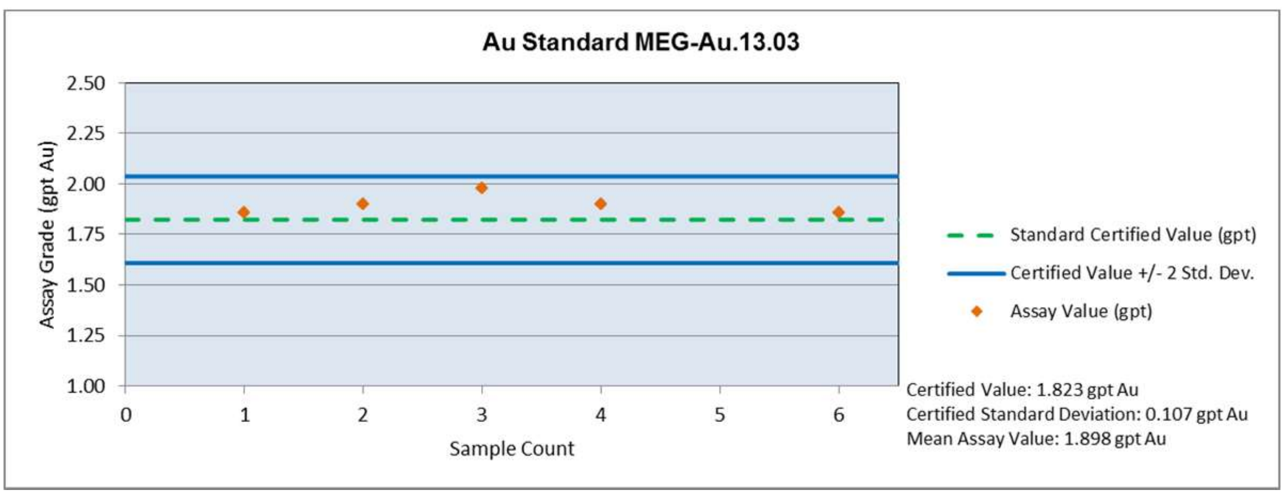
Figure 12.3: Gold Standard Reference Material Results

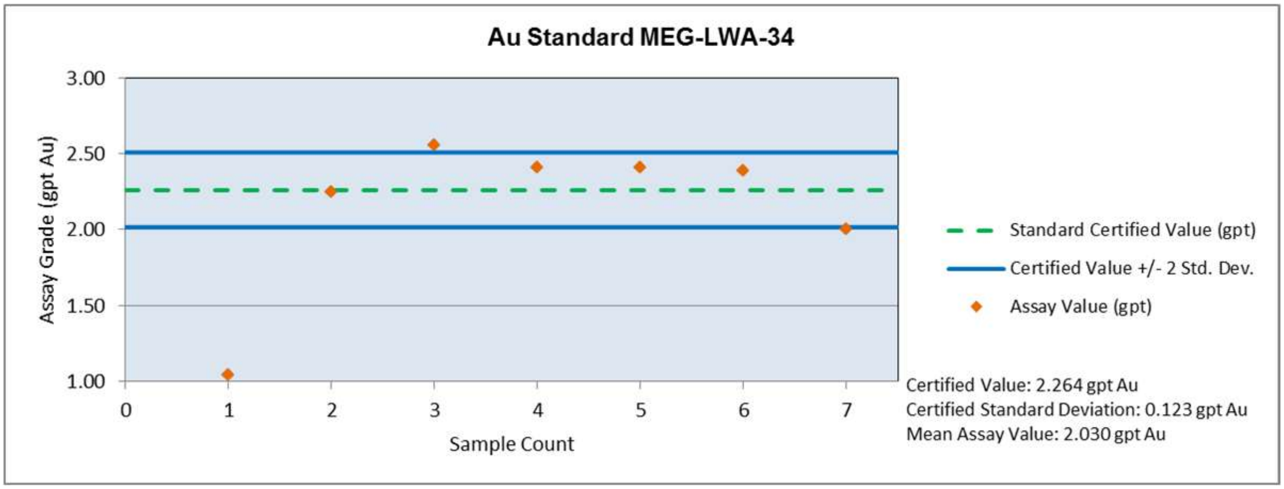


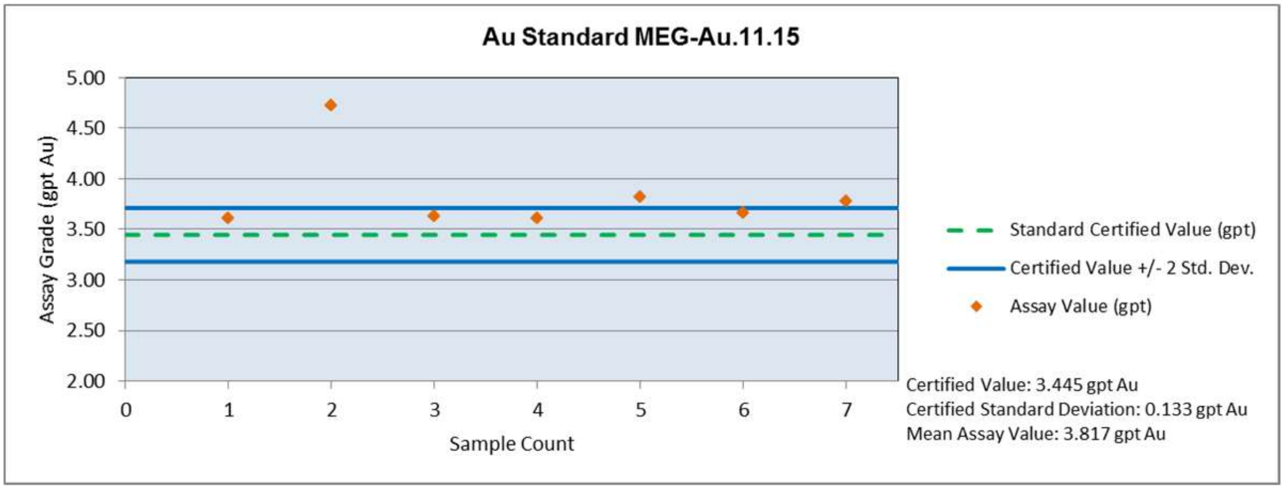


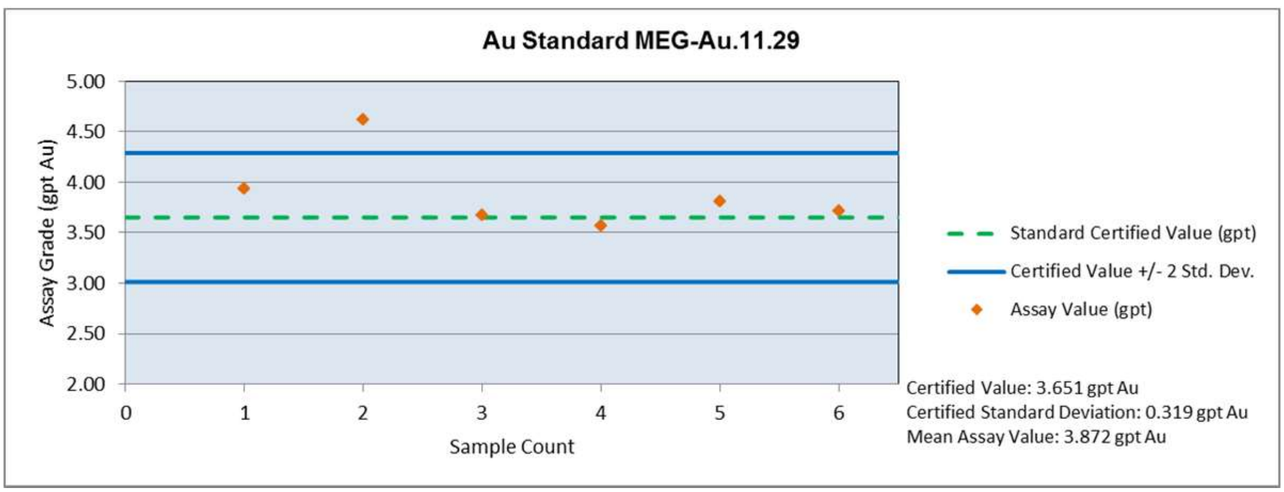

Au Standard MEG-Au.12.25
Assay Grade (gpt Au)
1.00
0.90
0.80
0.70
0.60
0.50
0
1
2
3
4
5
6
7
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 0.72 gpt Au
Certified Standard Deviation: 0.032 gpt Au
Mean Assay Value: 0.738 gpt Au

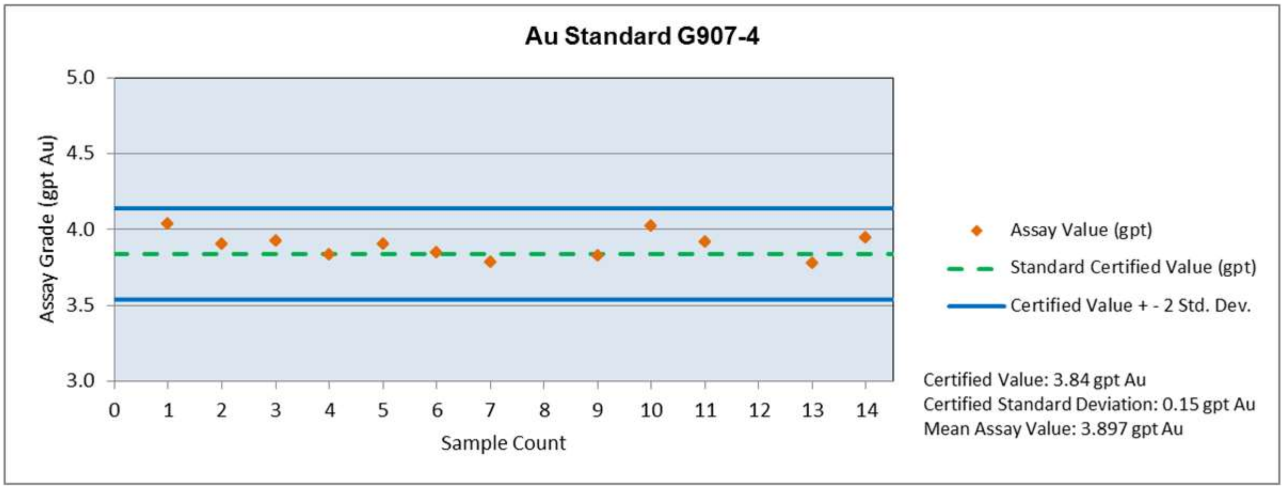

Au Standard MEG-Au.11.13
Assay Grade (gpt Au)
2.50
2.25
2.00
1.75
1.50
1.25
1.00
0
1
2
3
4
5
6
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 1.806 gpt Au
Certified Standard Deviation: 0.081 gpt Au
Mean Assay Value: 1.924 gpt Au

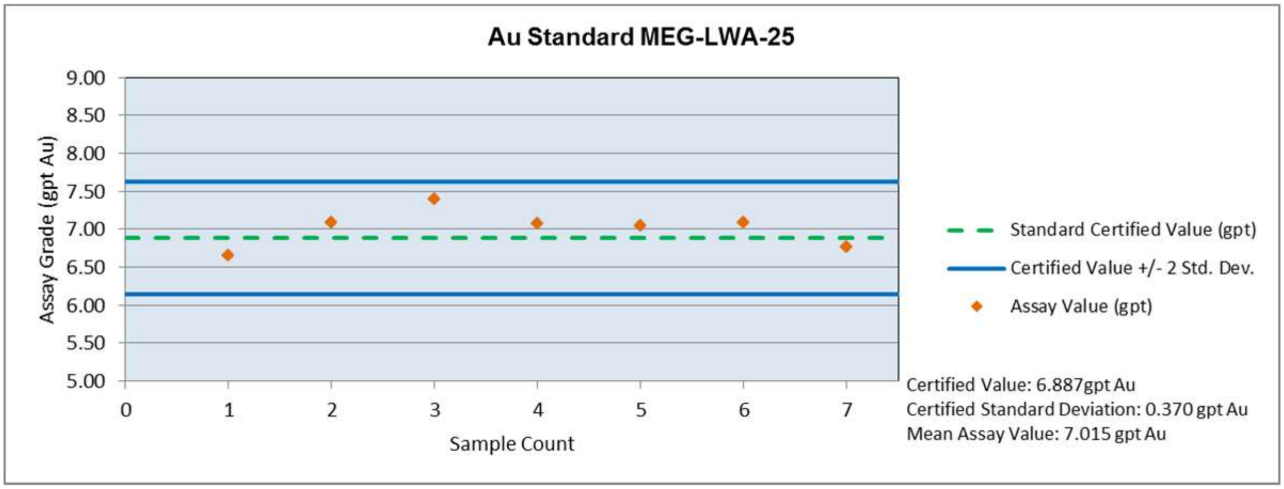

Au Standard MEG-Au.13.03
Assay Grade (gpt Au)
2.50
2.25
2.00
1.75
1.50
1.25
1.00
0
1
2
3
4
5
6
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 1.823 gpt Au
Certified Standard Deviation: 0.107 gpt Au
Mean Assay Value: 1.898 gpt Au

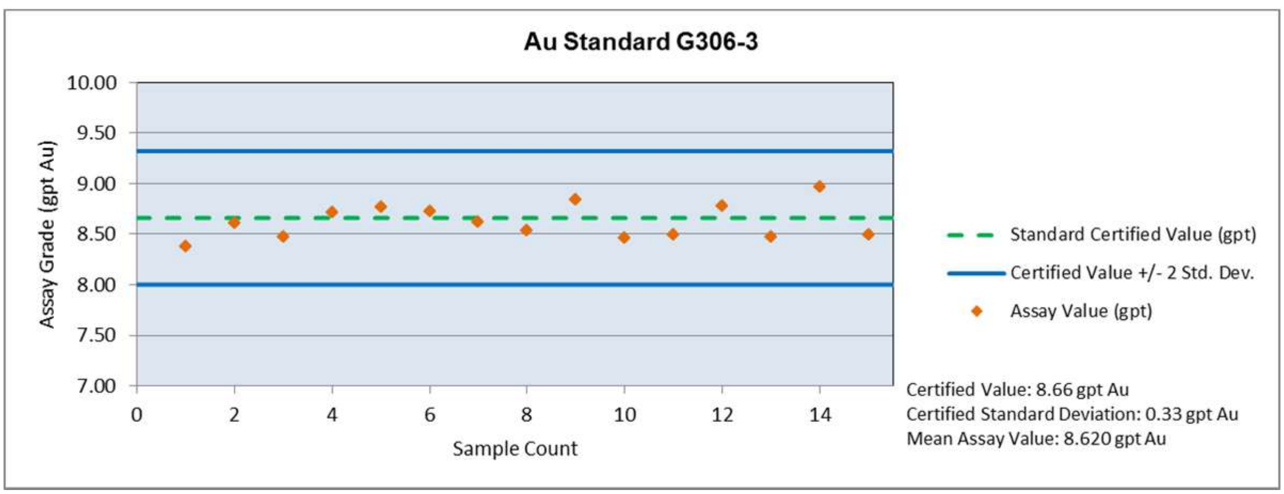

Au Standard MEG-LWA-34
Assay Grade (gpt Au)
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 2.264 gpt Au
Certified Standard Deviation: 0.123 gpt Au
Mean Assay Value: 2.030 gpt Au


Au Standard MEG-Au.11.15
Assay Grade (gpt Au)
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 3.445 gpt Au
Certified Standard Deviation: 0.133 gpt Au
Mean Assay Value: 3.817 gpt Au


Au Standard MEG-Au.11.29
Assay Grade (gpt Au)
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 3.651 gpt Au
Certified Standard Deviation: 0.319 gpt Au
Mean Assay Value: 3.872 gpt Au


Au Standard G907-4
Assay Grade (gpt Au)
Sample Count
Assay Value (gpt)
Standard Certified Value (gpt)
Certified Value + - 2 Std. Dev.
Certified Value: 3.84 gpt Au
Certified Standard Deviation: 0.15 gpt Au
Mean Assay Value: 3.897 gpt Au


Au Standard MEG-LWA-25
Assay Grade (gpt Au)
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 6.887gpt Au
Certified Standard Deviation: 0.370 gpt Au
Mean Assay Value: 7.015 gpt Au


Au Standard G306-3
Assay Grade (gpt Au)
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 8.66 gpt Au
Certified Standard Deviation: 0.33 gpt Au
Mean Assay Value: 8.620 gpt Au

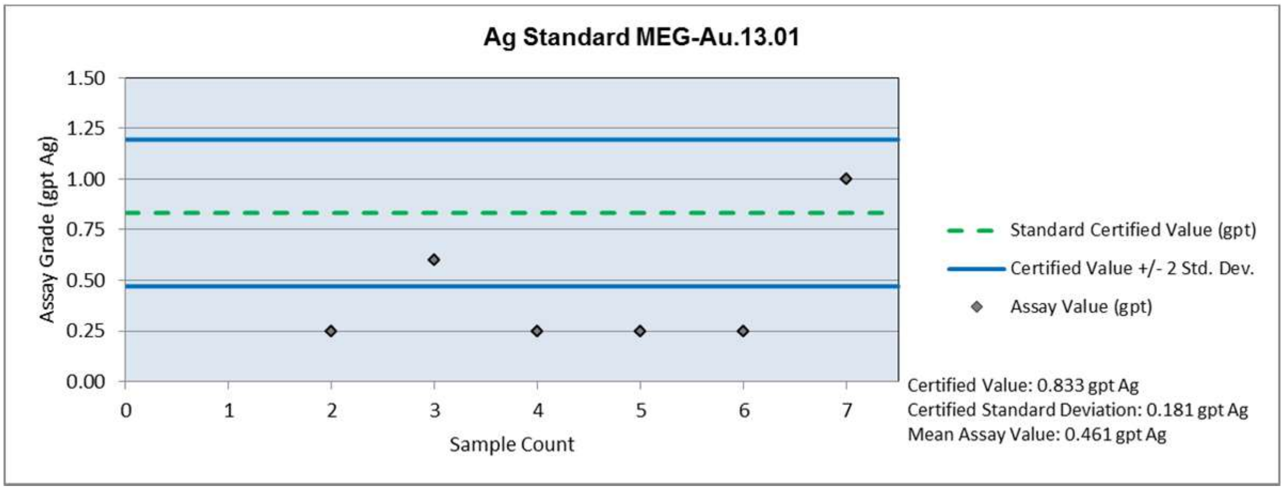
Discussion of Gold Standards Performance

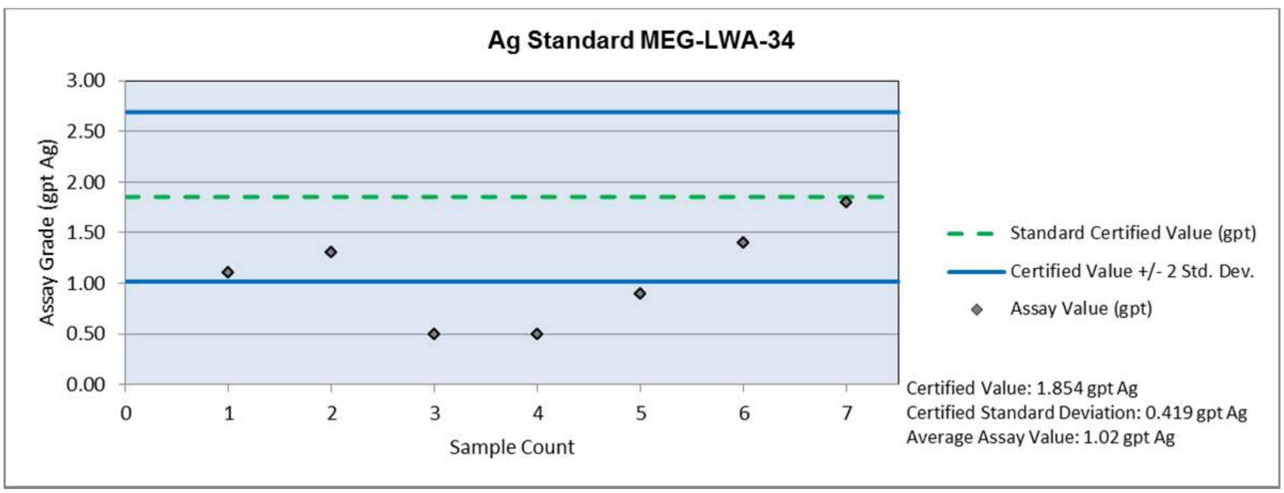
The performance of assay analyses of standard reference materials with respect to: occurrences above or below two standard deviations; and indicated possible bias was very good. Review of the standard analyses indicates that 93% of all standards are within 2 standard deviations of the certified gold standard value.

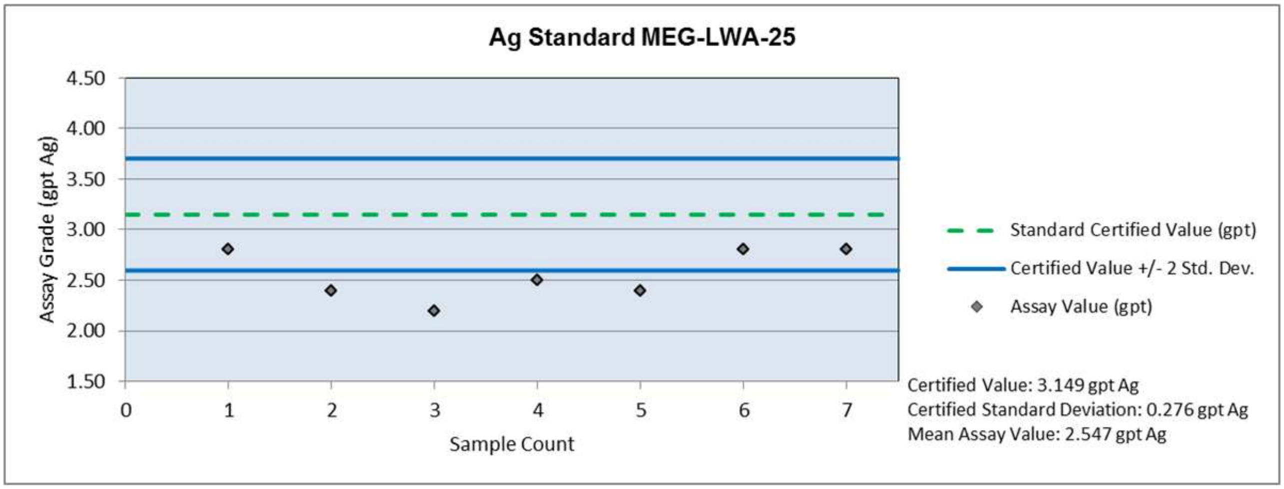
Silver Standard Reference Material Results

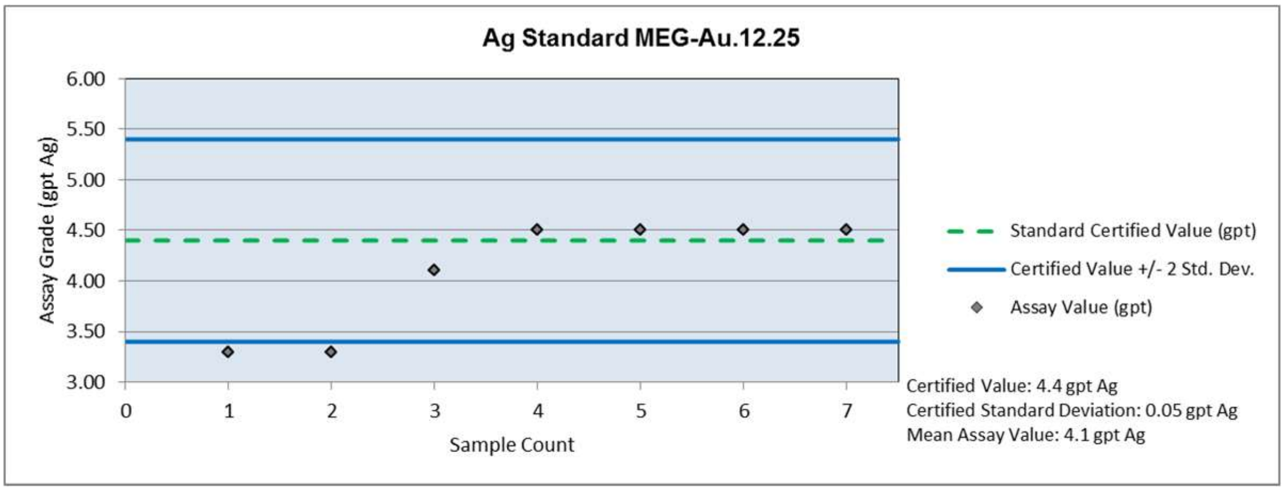
Figure 12.4 represents the results of the 2016-2017 Canamex silver standard reference material analyses.

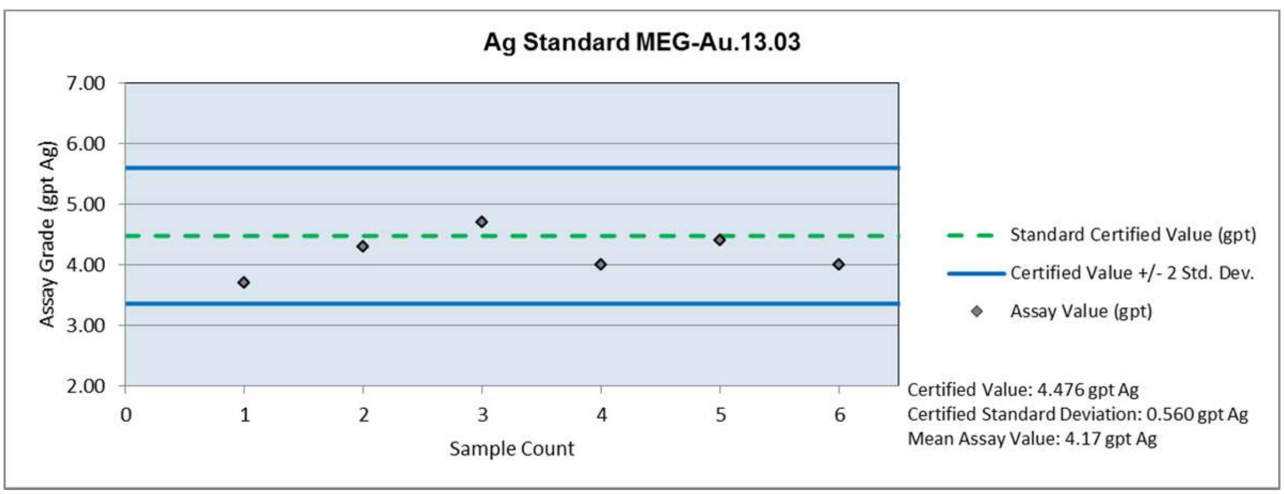
Figure 12.4: Silver Standard Reference Material Results

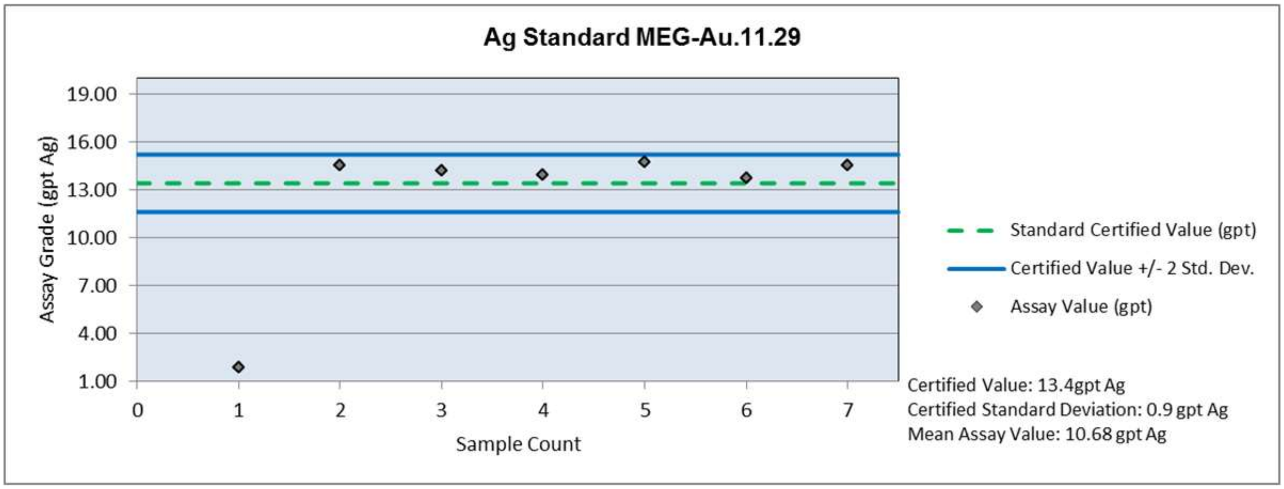


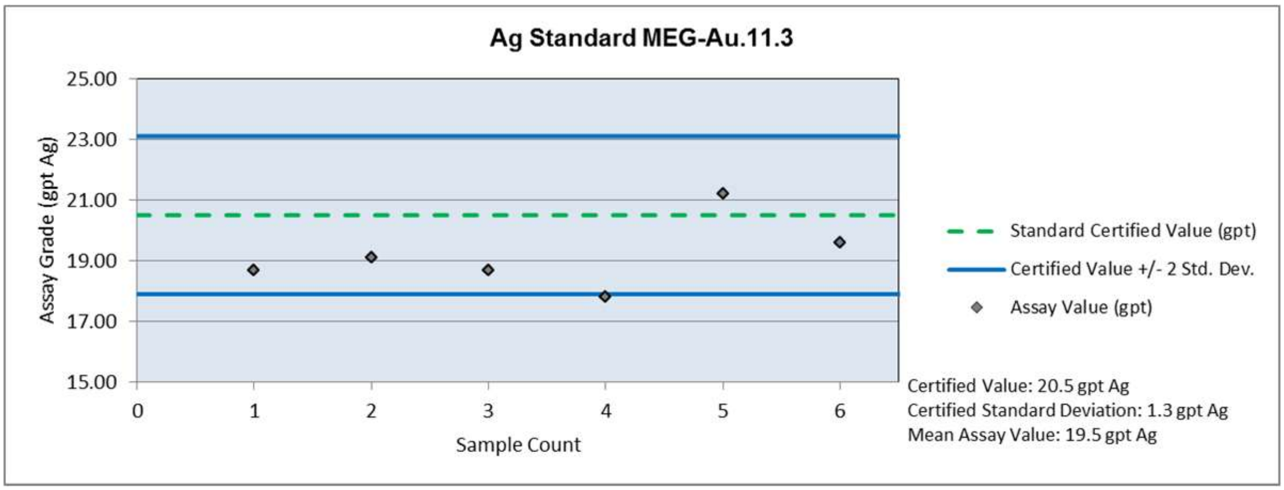


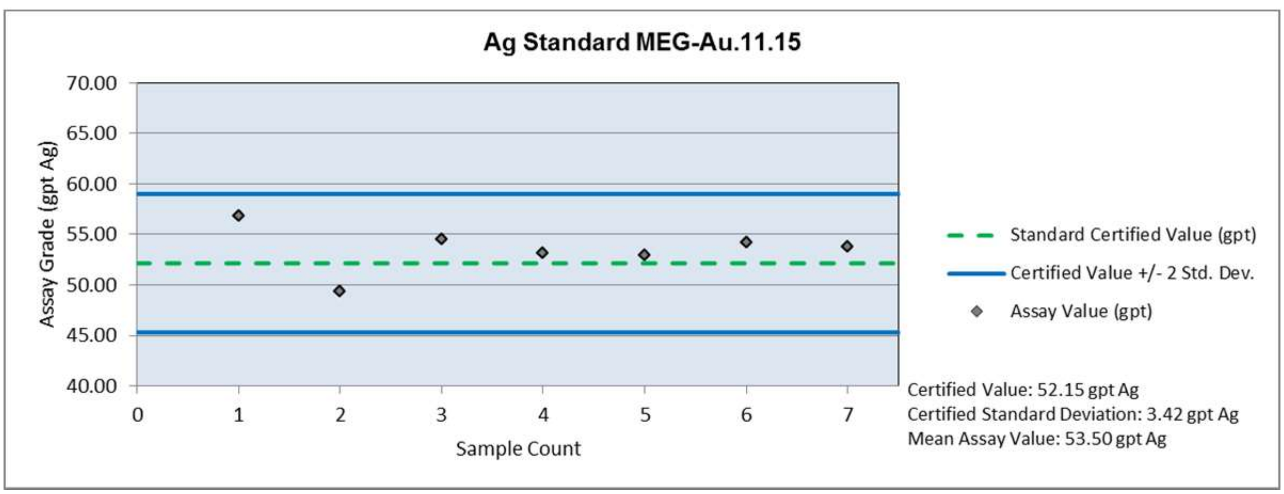

Ag Standard MEG-LWA-25
Assay Grade (gpt Ag)
4.50
4.00
3.50
3.00
2.50
2.00
1.50
0
1
2
3
4
5
6
7
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 3.149 gpt Ag
Certified Standard Deviation: 0.276 gpt Ag
Mean Assay Value: 2.547 gpt Ag


Ag Standard MEG-Au.12.25
Assay Grade (gpt Ag)
6.00
5.50
5.00
4.50
4.00
3.50
3.00
0
1
2
3
4
5
6
7
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 4.4 gpt Ag
Certified Standard Deviation: 0.05 gpt Ag
Mean Assay Value: 4.1 gpt Ag


Ag Standard MEG-Au.13.03
Assay Grade (gpt Ag)
7.00
6.00
5.00
4.00
3.00
2.00
0
1
2
3
4
5
6
Sample Count
Standard Certified Value (gpt)
Certified Value +/- 2 Std. Dev.
Assay Value (gpt)
Certified Value: 4.476 gpt Ag
Certified Standard Deviation: 0.560 gpt Ag
Mean Assay Value: 4.17 gpt Ag







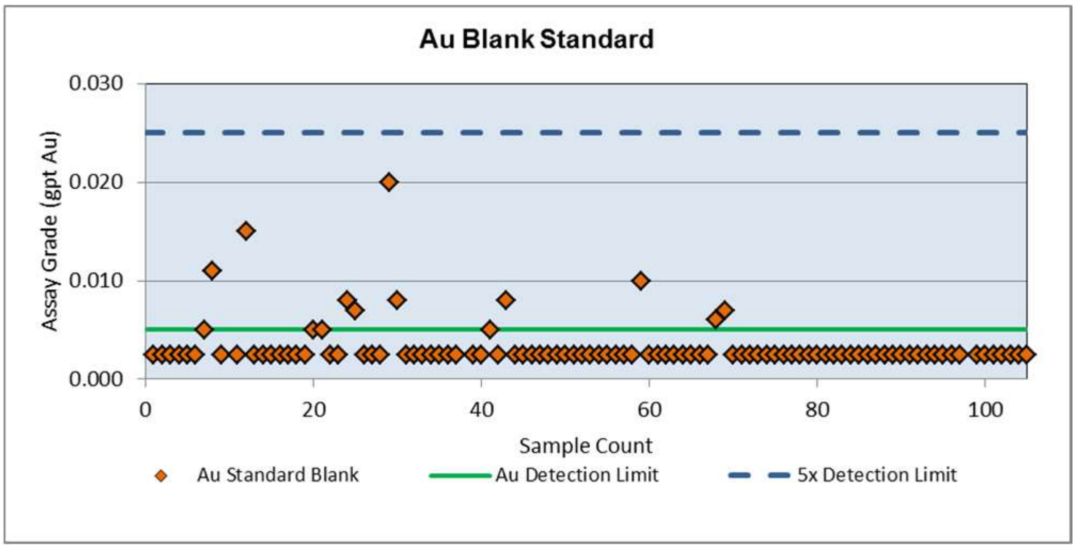
Discussion of Silver Standards Performance

The performance of assay analyses of standard reference materials with respect to: occurrences above or below two standard deviations; and indicated possible bias, was fair. Review of the standard analyses indicates that 72% of the silver standards are within 2 standard deviations of the certified silver standard value. All analyses outside of 2 standard deviations were below the 2 standard deviation threshold indicating a grade bias of lower than expect silver assay values.

12.3.3.2 Analyses of Gold Blank Standards

WHA has reviewed the analyses of a total of 104 gold blank standards (commercially prepared pulps) that were inserted into the sample stream by Canamex during the time of drilling. **Figure 12.5** shows the results of the Canamex gold blank sample assay analyses.

Figure 12.5: Gold Blank Standard Results



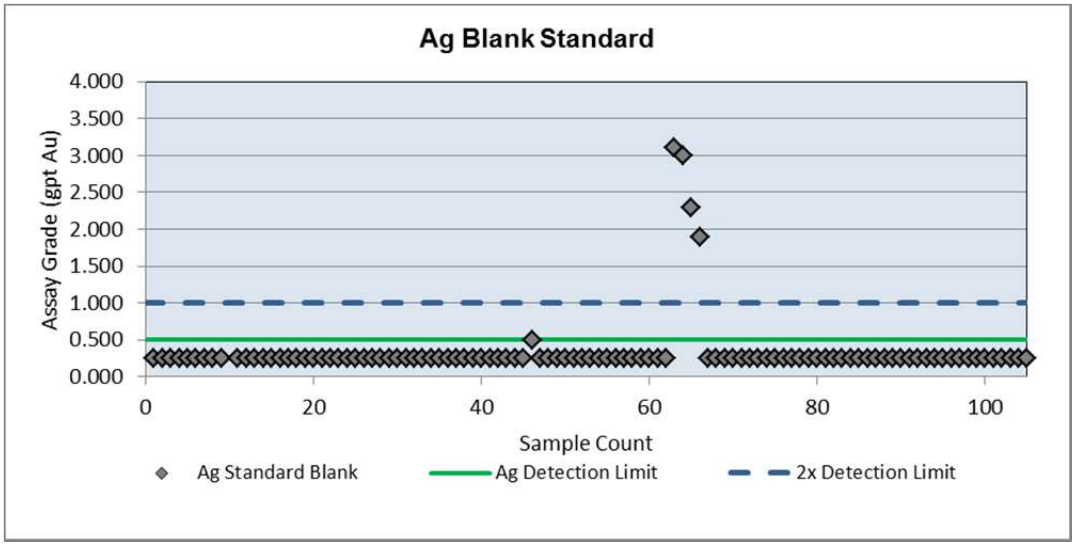
Discussion of Blank Standard Results for Gold

All gold blank standard samples returned assay values below five times the detection limit for gold, which is within industry blank standard tolerances.

12.3.3.3 Analyses of Silver Blank Standards

A total of 104 silver blank standards were submitted for analysis. **Figure 12.6** shows the results of the silver blank sample assay analyses.

Figure 12.6: Silver Blank Standard Results



Discussion of Blank Standard Results for Silver

Four (4) silver blank standard samples comprising 4% of blank assays returned assay values above two times the detection limit for silver, which is within industry blank standard tolerances. However, the results indicate possible minor contamination during the preparation of the higher than expected assay value samples at the lab.

12.3.4 2015-2016 QA/QC Conclusions

The 2016 and 2017 drilling programs consist of data from 43 RC drill holes for a total of 3,780 assay values for gold and 3,780 assay values for silver, accounting to 12% of the total assay values in the Bruner database and 18% of all assay values from drilling completed by Canamex at the Project.

The results presented by the field duplicate program, blind standards and blind blank standards present reasonable confirmation of the reproducibility of assay results with no indication of bias in the analysis of either gold or silver or significant contamination problems at the laboratory.

The results show the field duplicate program to have fair correlation (70%) between original and field duplicate assays for gold. The correlation between original and field duplicate results for silver are good at 78%.

The results presented of blind gold and silver standard submissions and blank submissions for both gold and silver indicate an acceptable analytical procedure with few and minor indications of contamination.

12.4 Statement of Data Adequacy

The WHA QP thoroughly reviewed the data verification procedures documented in the Tanaka (2015) report during the WHA 2016 data verification program and is confident the verification procedures employed were done to industry standards. The WHA QP did background work and validation of the results documented in Tanaka (2015) report and takes responsibility for the data verification results reported herein. It is therefore the WHA QP's conclusion that the pre-2015 drill hole database is of a standard acceptable and suitable for public reporting of resources according to NI 43-101 guidelines.

The WHA QP previously verified the 2015 drill hole database (WHA, 2016) and concluded that the 2015 drill hole database is of a standard acceptable and suitable for addition to the Bruner drill hole assay database and suitable for public reporting of resources according to NI 43-101 guidelines.

Based upon following, the QP concludes that the 2016-2017 database is suitable for informing the mineral resource estimate contained herein:

- field verification of mineralization and drill hole collars;
- review of drill hole cross-sections to verify the digital topography relative to drill hole collar elevations
- review and verification of 100 percent of the assay database for gold and 70 percent for silver by cross-checking database assay values with certified independent lab assay certificates;
- error rates for gold and silver assay data checked in the database were very low indicating the database is reliable and within industry standard tolerances; all errors were corrected in the database;
- the results of gold standard submissions and blank submissions for both gold and silver during the 2016-2017 Canamex drilling programs are indicative of acceptable analytical procedure with few and minor indications of contamination;
- the concentration of modern QA/QC protocols employed by Canamex drilling programs within the three zones identified for resource estimation;
- the significant proportion of historical and pre-NI 43-101 drilling undertaken by reasonably reputable companies.

The QP has independently checked the data for internal consistency and it is the opinion of the QP that the data has been generated using best practices and industry standards as required by NI 43-101, has been accurately transcribed from the original source, and is suitable for use in the preparation of the mineral resource estimate contained herein.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

Canamex collected and submitted a total of five samples from different locations for preliminary metallurgical testing. Two were bulk samples for small diameter column testing and three were samples composed of drill hole sample intervals from both RC and core drilling for bottle roll testing. The following section summarizes the test programs and their results.

The term “ore” has been used in previous metallurgical investigations and reports that are referenced in this Report section. The term “ore” generally implies that sufficient technical feasibility and economic viability studies have been completed to classify the material as mineral reserve. A Qualified Person has not done sufficient work to classify the mineral resource at the Bruner Gold Project as current mineral reserve and the issuer is not treating the mineral resource as mineral reserve. The term “ore” is used to maintain the integrity of the previous metallurgical investigations quoted in this report.

The reader is reminded that the PEA is based on the Project resource model which consists of material in Indicated and Inferred classifications. Inferred mineral resources are considered too speculative geologically to have technical and economic considerations applied to them. The current basis of project information is not sufficient to convert the mineral resources to Mineral Reserves, and mineral resources that are not mineral reserves do not have demonstrated economic viability.

13.1 Description of Sampling and Test Work Done

13.1.1 First Metallurgical Tests

Approximately 1-tonne of sample was collected by Canamex on 02 April 2012. Thirty (30) large sample bags were filled from channel samples within the July (upper) adit at the HRA and were transported to the laboratory facility of Kappes, Cassiday & Associates (KCA) in Reno, Nevada from the Bruner Property. All of this material is oxidized and was comprised of samples that were minus 10-inch rock material.

Representative rock samples were taken from 25 of the 30 bags. The rocks were characterized, photographed, and then submitted to Phillips Enterprises, LLC in Golden, Colorado for comminution tests. Phillips reported that the crusher work index value was 20.18 kW per tonne with an abrasion index of 0.269.

The remaining material was blended and crushed to a 3-inch nominal size (denoted “original crush” by KCA), and then combined into a single bulk sample. Two (2) samples were split from this bulk sample and used make both an original crush 3-inch crushed sample and a 0.75-inch crushed sample. The average head assay for each sample was 0.0519 opt Au and 0.583 opt Ag for the “original crush” sample, and 0.0338 opt Au and 0.422 opt Ag for the 0.75-inch crushed sample.

These samples were used for preliminary metallurgical testing: bottle roll tests, gravity separation tests and column leaching tests. Both of the crushed ore samples yielded similar recoveries in the 83-day column tests. The 3-inch crush size sample was leached to an 89%

gold recovery, and the 0.75-inch crushed material yielded an 87% gold recovery. The silver recoveries in the ores were 9% and 7% for the 3-inch and 0.75-inch crushed material, respectively. Cyanide consumption was reported to be 1.24 lbs/short ton for the 3-inch crushed tests, and 1.23 lbs/short ton for the 0.75-inch crushed material respectively.

13.1.2 Second Metallurgical Tests

In February 2013, Canamex submitted twenty one (21) bags of previously composited, crushed and assayed RC coarse reject material from the Penelas deposit to the laboratory facility of Kappes, Cassiday & Associates (KCA) in Reno, Nevada. The samples were used in bottle roll testing to determine the cyanide soluble gold and silver. The samples were selected with the intent of having varying grades and varying depths from two (2) different alteration types, silicified and argillized, from two (2) different drill holes. The average head grade of the drill hole composite was 0.092 opt Au and 0.18 opt Ag (the drill hole grade in all of the individual depths ranged from 0.010 opt Au to 0.554 opt Au and from 0.02 to 0.753 opt Ag). All samples were reported as being oxide in nature.

The bottle roll tests used 1 kg of pulverized samples mixed with 1.5-liters of cyanide solution (the NaCN concentration was maintained at 1 g/L throughout the leaching test). Each test ran for 96 hours total with solution sampling in increasing time increments. The solutions were tested for Au and Ag concentration, and NaCN content. The gold extraction for the 21 experiments was 97% (the extractions varied from 88% >99%. Silver extraction ranged from 66% to 92% with an average extraction of 79% for the 21 tests. The cyanide consumption was measured by the amount of NaCN required to maintain the 1 g/L concentration. The calculated cyanide consumption ranged from the lowest value of 0.05 lbs/short ton to 0.39 lbs per short ton. KCA reported no difference in metallurgical recoveries or property between the two ore types (silicified and argillized).

The KCA report concluded that the material was quite amenable to cyanide leaching and the grade, rock type, depth or location did not affect the leachability.

13.1.3 Third Metallurgical Tests

On 04 December 2013, the laboratory facility of Kappes, Cassiday & Associates (KCA) in Reno, Nevada received thirty-six (36) large rice bags that contained bulk material collected from channel samples from within the Duluth (lower) adit within the HRA at the Bruner Project. The bulk material represented a single channel cut across the entire mineralized zone exposed in the adit. The sample material was combined and utilized for metallurgical test work. The purpose of this program was to expand on the column leach test work done previously and to assess heap leach attributes and extractions at or near an estimated cut-off grade for open pit development.

The material was crushed and combined into a single bulk sample. The sample was split into two (2) fractions to be used to make two crush sizes: 3-inch and 0.75 inch. The 3-inch material had a head assay of 0.0138 opt Au and 0.126 opt Ag; the 0.75-inch material was reported to contain 0.015 opt Au and 0.110 opt Ag. These samples were loaded into columns and subjected to cyanide solution leaching at a rate of 0.004-5 gallons per minute per ft2 (the industry standard) for 83 days. The solutions were passed through activated carbon to collect the precious metals. The carbon analysis was used to determine the net recovery over time, while a final assay of the leached material was used to calculate the cumulative recovery.

The 83-day column test work determined that 72% of the gold was recovered from the 3-inch crush-size sample, and 81% from the 0.75-inch crush-size sample. The 3-inch material had silver recoveries of 8%, and 20% from the 0.75 inch crush-size sample. Cyanide consumption for the 3-inch material was 0.84 lbs/short ton and 1.34 lbs/short ton for the 0.75-inch material. KCA noted that there is often variability in recoveries in samples with relatively low metal content. This ore (at less than 0.02 opt Au) qualifies for possible discrepancies.

13.1.4 Fourth Metallurgical Tests

On 12 December 2013, the laboratory facility of Kappes, Cassiday & Associates (KCA) in Reno, Nevada received twenty-nine (29) small cloth bags of sample material from the Bruner Project. The smaller bags were in two larger bags, and were composited RC drill cuttings composited from drill hole B-1340 from the HRA deposit and crushed core from drill hole B-1341C from the Penelas deposit. All of the material contained was a nominal size of 10 mesh Tyler. The bagged samples were composite samples that came from 20-ft depths of the holes. Each sample was individually assayed and used for bottle roll leach tests to determine the cyanide soluble Au and Ag contained.

As with the February 2013 tests, one (1) kg of the solid was mixed with 1.5-L of cyanide solution for 96 hours. Solution sampling for assays of Au, Ag and NaCN were taken in increasing time increments, and NaCN was added to maintain a 1-g/L concentration throughout the test. The head assays for the material from hole B-1340 varied from 0.011 to 0.571 opt Au and 0.053 to 0.677 opt Ag. The net gold extraction uses calculated heads from the test results, which KCA reported ranged from 0.001 opt Au to 0.5671 opt Au and 0.003 opt Ag to 0.665 opt Ag. The reported gold extraction averaged approximately 95% for both the HRA deposit and the Penelas deposit. The reported gold extractions ranged between 93- >99% for the HRA samples, and between 76-99% from samples for the Penelas deposit. Silver extractions varied from 15 to 81% for the HRA samples and between 23-85% for the Penelas samples—the net average silver recovery was 53% for both ores. The cyanide consumption varied between 0.01 to 0.39 lbs NaCN per short ton.

13.1.5 Fifth Tests

In 2014, the laboratory facility of Kappes, Cassiday & Associates (KCA) in Reno, Nevada received drill cuttings from the 2014 RC drill campaign on the Paymaster resource. The drilling samples were composited into mostly 2-ft (6.1-m) length intervals, and had head grades ranging from 0.005 to 1.040 opt gold. The average grade of the 20 samples was 0.1011 opt Au and 0.297 opt Ag. Average extractions from a 96-hour bottle roll experiments on -200 mesh material were 95.1% for gold and 41.2% for silver. These results were similar to the cyanide leach test results from the HRA and Penelas tests. The reagent consumption averaged 0.08 pounds cyanide per ton and 2.75 pounds lime per ton, which are comparable to the HRA and Penelas test results.

13.2 Discussion of Metallurgical Test Results

In summary, the five (5) series of tests were conducted to give preliminary metallurgical recovery information on the mineralized material from the HRA, Penelas and Paymaster deposits on the Bruner Project. All of the test results were very positive, indicating a reasonable and predictable gold and silver recovery for all of the mineralized material on the property. All of the leaching results showed that each of the deposits had reasonable gold recoveries (> 85%) for coarse (3-inch nominal) and for medium crushed (0.75-inch nominal) ores, as confirmed by the column studies performed by KCA on coarse and medium crushed ores. The ores showed similar recovery profiles whether the ore was crushed to 3-inch or 0.75-inch maximum size. It could be concluded that a 3-inch size for the ore would be sufficient for a heap leach process.

Bottle roll experiments were conducted to show the cyanide soluble gold and silver in the ores. All three deposits were shown to have similar gold recovery (88->99%) and similar silver recovery (65-92%). This would indicate that all of the ores have similar leachability.

Based on the similarity of leaching results for all of the ores, it has been suggested that a "run-of-mine" heap could be operated at the site with some success. The similarity of results for coarse and medium crushed ores would suggest that an "as-mined" ore could achieve a 70-75% recovery over an 83-day leach cycle. Further testing of coarse run-of-mine material would be suggested by the author to further verify this approximation.

The author suggests further testing of even coarser samples. For example, column studies using 6-inch rock (as could be achieved by a primary crusher) and "run-of-mine" rock to determine a more complete rock-size to recovery profile for the mineralized material at Bruner.

14 MINERAL RESOURCE ESTIMATES

Randall K. Martin, SME-RM, a Senior Mineral Modeler/Mine Planner with Hard Rock Consulting, LLC (“HRC”), is responsible for the mineral resource estimate presented herein. Mr. Martin is a Qualified Person as defined by NI 43-101, and is independent of Canamex Gold Corp. (Canamex).

The mineral resources reported here are classified as Indicated and Inferred in accordance with standards defined by Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) “CIM Definition Standards - For Mineral Resources and Mineral Reserves”, prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council on May 10, 2014. Classification of the resources reflects the relative confidence of the grade estimates.

The Bruner Gold Project mineral resources are reported at cutoff grades that are reasonable for similar deposits in the region. They are based on metallurgical recovery tests, anticipated mining and processing methods, operating and general administrative costs, while also considering economic conditions. These are in accordance with the regulatory requirement that a resource exists "in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction."

14.1 Introduction

Mineral resource estimates have been previously estimated for the Paymaster, HRA, and Penelas zones. These estimates have been reported in the technical reports: Tanaka (2015) and WHA (2016).

Subsequent to WHA (2016), additional drilling has been completed at all three zones. WHA used the same methodology used in the previous resource models to generate updated resource models for all three zones. These models were generated by mineral modeler Randy Martin and reviewed by WHA geologist Doug Willis. WHA believes these models are suitable for a PEA level analysis.

A Summary Table of Mineral Resource by resource zone is presented in **Table 14.1**. The Mineral Resource estimate uses a cutoff grade of 0.192 gpt Au, which is the external breakeven cutoff grade for crush material and 0.117 gpt Au which is the internal cutoff grade for crush material. The Paymaster, HRA and Penelas Resource values are all based on conceptual designed pits.

Table 14.1: Resource Statement for the Bruner Gold Project, Effective December 26, 2017

RESOURCE ABOVE EXTERNAL BREAKEVEN CUTOFF										
	Indicated > 0.192 gpt Au Equiv					Inferred > 0.192 gpt Au Equiv				
Zone	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
Paymaster	600	1.01	4.4	19	85	200	0.54	1.12	3	7
HRA	4,550	0.61	7.76	89	1,135	250	0.36	5.37	3	43
Penelas	12,350	0.59	4.70	234	1,866	1,650	0.59	4.43	31	235
Sub Total	**17,500**	**0.61**	**5.49**	**342**	**3,086**	**2,100**	**0.56**	**4.23**	**37**	**285**
RESOURCE ABOVE INTERNAL BREAKEVEN CUTOFF AND BELOW EXTERNAL CUTOFF										
	Indicated between 0.117 and .192 gpt Au Equiv					Inferred between 0.117 and 0.192 gpt Au Equiv				
Zone	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
Paymaster	0	0	0	0	0	0	0	0	0	0
HRA	1,150	0.16	4.43	6	164	50	0.17	3.6	0	6
Penelas	900	0.16	3.17	5	92	100	0.16	2.59	1	8
Sub Total	**2,050**	**0.16**	**3.88**	**11**	**256**	**150**	**0.16**	**2.93**	**1**	**14**
TOTAL RESOURCE ABOVE INTERNAL BREAKEVEN CUTOFF										
	Indicated > 0.117 gpt Au Equiv					Inferred > 0.117 gpt Au Equiv				
	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz	K-tonnes	Au grade gpt	Ag grade gpt	Cont'd Au k oz	Cont'd Ag k oz
Total	**19,550**	**0.56**	**5.32**	**353**	**3,342**	**2,250**	**0.53**	**4.14**	**38**	**299**

Notes:

- The Mineral Resource estimates were prepared in conformity with CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with the Canadian Securities Administrators NI 43-101.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- Resources stated as contained within a potentially economic minable open pit design with engineered ramps and smoothed walls; economic cutoff grade parameters are: $1,250/oz Au and $15/oz Ag, 90% gold recovery for crushed material, 10% silver recovery, $2.70/tonne unit mining cost $4.23/tonne processing + G&A+ reclamation cost, 55 degree inter-ramp pit slopes. Resources are reported using a 0.006 oz/t (0.192 gpt Au equiv.) gold cut-off grade for crush material, and a 0.004 oz/t (0.117 gpt Au equiv.) gold cut-off grade for crush material above internal breakeven but below external breakeven cutoff.
- Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding. Tonnages have been rounded to nearest 50 k-tonnes. Grades have been rounded to nearest 0.01 gpt. Contained ounces have been rounded to nearest K-oz.
- HRA Resource is based on designed pit for $1350/oz Au Price Cone Shell.
- Penelas Resource is based on designed pit for $1350/oz Au Price Cone Shell.
- Paymaster Resource is based on designed pit for $1350/oz Au Price Cone Shell.
- External Breakeven Cutoff is the cutoff where value of metal recovered equals the cost of mining and processing.
- Internal Breakeven Cutoff is the cutoff where value of metal recovered equals the cost of processing.
- Paymaster has minimal Indicated Resource between 0.117 and 0.192 gpt Au, and no inferred in this range.

14.2 New Drilling Information

A complete set of the latest drill hole data for the Bruner Gold Project was provided by Canamex. This new set of data included twenty-three Paymaster zone drill holes that were completed during the 2016 exploration campaign. It also includes nine HRA zone drill holes and eight Penelas Zone drill holes that were completed during the 2017 exploration campaign. These new holes were extracted from the master database and appended to the prior set of drill hole data which was used for the WHA (2016) report. This was done to insure that no changes had occurred to prior drill hole information which WHA had already vetted. The new drill hole information was thoroughly vetted by Doug Willis, CPG (see Section 12). There are a total of 377 drill holes and 103 continuous channel sample strings contained in the Bruner drill hole database. Of these, a total of 54 drill holes and 39 continuous channel sample strings were used for the Paymaster model. A total of 138 drill holes and 56 continuous channel sample strings were used for the HRA model, and 131 drill holes and 8 continuous channel sample strings were used for the Penelas model. The remaining drill holes and channel samples are located outside of the limits established for each resource area. For the purpose of resource modeling, the drill holes and continuous channel sample strings are all considered “drill holes”. Summary statistics for the drill hole data are shown in **Table 14.12** through **14.4**.

Table 14.2: Summary Statistics for Paymaster Drill Hole Data

Item	Non-Missing	Average	Standard Deviation	Minimum	Maximum	Missing
Interval	3119	1.61	1.26	0.3	46.94	0
Au_ppm	3063	0.28	1.96	0.0	58.50	56
Ag_ppm	2654	2.26	6.07	0.0	125.3	465

Table 14.3: Summary Statistics for HRA Drill Hole Data

Item	Non-Missing	Average	Standard Deviation	Minimum	Maximum	Missing
Interval	11856	1.66	1.37	0.15	70.71	0
Au_ppm	11573	0.27	2.08	0.0	118.5	283
Ag_ppm	9337	4.94	19.68	0.0	952.0	2519

Table 14.4: Summary Statistics for Penelas Drill Hole Data

Item	Non-Missing	Average	Standard Deviation	Minimum	Maximum	Missing
Interval	15797	1.60	0.73	0.09	49.07	0
Au_ppm	15648	0.22	1.80	0.0	132.3	149
Ag_ppm	13845	2.75	8.40	0.0	328.0	1952

14.3 Generation of Downhole Composites

The drill hole assay intervals were composited downhole on 5 meter intervals, using the standard MicroMODEL downhole compositing method. Basic statistics were run on the composited values and are shown in **Tables 14.5 through 14.7**.

Table 14.5: Basic Statistics for Paymaster Drill Hole Composites

Item	Non-Missing	Average	Standard Deviation	Minimum	Maximum	Missing
Interval	1042	4.72	0.98	0.1	5.00	0
Au_ppm	995	0.33	1.85	0.0	35.72	47
Ag_ppm	866	2.53	7.02	0.0	125.3	176

Table 14.6: Basic Statistics for HRA Drill Hole Composites

Item	Non-Missing	Average	Standard Deviation	Minimum	Maximum	Missing
Interval	3969	4.86	0.69	0.1	5.00	0
Au_ppm	3773	0.28	1.26	0.0	39.1	196
Ag_ppm	3083	5.06	14.9	0.0	380.5	886

Table 14.7: Basic Statistics for Penelas Drill Hole Composites

Item	Non-Missing	Average	Standard Deviation	Minimum	Maximum	Missing
Interval	5036	4.93	0.43	0.1	5.00	0
Au_ppm	4965	0.22	1.14	0.0	45.1	71
Ag_ppm	4408	2.78	7.14	0.0	234.7	628

14.4 Description of PACK Method

WHA used a modeling method called PACK, which Tanaka had implemented for all three of the Bruner models, and which WHA had used previously on the Paymaster. The PACK method allows for the generation of a mathematical grade shell. Gold grade modeling is then limited to the volume within these mathematical shells.

WHA generated 0.1 ppm gold grade shells for all three deposits. A second inner 0.3 ppm gold grade shell was generated for HRA. This was previously done by Tanaka, in order to more accurately represent a supergene enrichment zone in the upper areas of HRA.

The following is a description of the PACK method from the Tanaka (2015) report:

The PACK approach produces block estimates for the indicators that consist of numbers between 0 and 1 that are analogous to the decimal probability that the block is above or below the selected threshold grade upon which the indicator assignments are based. Selection of the *appropriate indicator estimate value to use to constrain the estimate varies, but is most commonly based on examination of the results against the original drill hole data in section. In the case of all three deposits the highly variable orientation of drill holes precludes accurate assessment of the appropriate value visually and an alternative approach was used.*

The block indicator estimates were back-estimated to the composites using a nearest neighbor assignment with the identical anisotropic search used in the original indicator estimate. This assigns the nearest (in anisotropic space) block indicator value to the composites. The composite table is then brought into a spreadsheet for analysis.

The analysis consists of comparing the original "1''s and 0's" assigned on the basis of the threshold selection to the indicator estimates and testing which value for the estimates most closely balances the errors of below-threshold composites included against errors of above-threshold composites excluded. The resulting number is then selected as the value that best defines both the volume to receive the estimate and the data to inform the estimate. In addition to offering an objective means of optimizing the indicator estimate value to define the eligible blocks, this approach also obviates the need to create a solid for locating eligible composites.

14.5 3-D Rock Model

14.5.1 Generation of 3-D Rock Model

For each of the three models, a 3-D Rock Model was created as required by the MicroMODEL software. The rock model is usually a representation of the deposit geology. In the Bruner models, it is actually a mix of lithology and grade shell domains.

There is not yet a complete 3-D model of lithology available for any of the Bruner deposits, although some progress has been made in this regard.

The rock codes that were used in the Bruner models are as follows:

0 = Air Blocks
1 = 0.1 g/tonne Gold Grade Shell Domain
3 = 0.3 g/tonne Gold Grade Shell Domain
10 = Alluvium
9999 = Default Rock Code
Table 14.8 gives a summary of the counts for each rock code in each of the zones.

Table 14.8: Bruner 3-D Rock Model Counts

Zone	Code 0 (Air)	Code 1 (0.1Au)	Code 3 (0.3Au)	Code 10 (Alluvium)	Code 9999 (Default)	Total Count
Paymaster	573,356	5,985	n/a	2,133	589,806	1,171,280
HRA	476,363	80,850	14,146	0	1,502,321	2,073,680
Penelas	545,571	194,547	n/a	61,149	1,464,003	2,265,270

14.5.2 Lithology Type Statistics

Canamex provided WHA with a geological database which assigns lithological rock type codes to each interval of drilling and channel sampling contained within the assay database. The geological database was assembled by Canamex geologists by reviewing drilling logs prepared by geologists responsible for the interpretation of lithology and alteration encountered in each drill hole and channel sample interval. Although alteration characteristics of each interval are coded in the database, no attempt was made to incorporate the information into a statistical analysis. A description of the lithological rock codes assigned in the geological database in shown in **Table 14.9**.

Table 14.9: Lithology Type Rock Codes

Lithology Code	Description
Qal	alluvium
Tl	latite
Trhy	rhyolite
Tas	andesitic volcaniclastic sediments
Ta	andesite
Void/Workings	void/underground workings
No Sample	no Sample
Tvs	tuffaceous siltstone and sandstone
no descr	no description

A statistical analysis of the lithologic data was conducted to ascertain gold content in each of the rock types. Based on the statistical analysis, it is clear that the most prominent lithological units in terms of frequency count and gold mineralization at Bruner are the latite and rhyolite units. Although the andesitic volcaniclastic sediments and tuffaceous sediments units represent a lower frequency count, both units display amenability to gold mineralization. The alluvium lithology type does display a minor gold content, but the distribution of gold in alluvium cannot be quantified and therefore, for the purpose of resource modeling, alluvium is considered barren. Two phases of andesite occur at Bruner: basal andesite occurs as a massive unit underlying the felsic (rhyolite and latite) section and is considered barren, and andesite dikes which appear to be younger basaltic andesite dikes that are coeval with gold mineralization and can be mineralized. The majority of andesite intercepted in drilling at Bruner occurs in the Penelas zone and is primarily the andesite dike phase. The statistical analysis of gold content within each rock type is presented as **Table 14.10**.

Table 14.10: Gold Content by Lithology Type (Weighted by Interval Length)

Lith. Code	Lith. Type	Count	Min (g/t)	Max (g/t)	Mean (g/t)	Var. (g/t)	Std. Dev. (g/t)	Coef. of Var.	Raw Count*Mean	% of Gold Contained (footage factored)
10	QAL	1,627	0.000	1.678	0.034	0.004	0.064	1.872	55.8	0.8
20	TA	1,696	0.000	29.547	0.100	1.088	1.043	10.453	169.2	2.3
21	TAS	1,209	0.000	1.027	0.039	0.007	0.081	2.085	47.0	0.6
30	TL	13,168	0.000	118.500	0.240	4.226	2.056	8.583	3154.0	43.0
40	TRHY	12,022	0.000	132.350	0.245	3.782	1.945	7.932	2947.3	40.2
50	TVS	1,904	0.000	33.400	0.141	0.815	0.903	6.406	268.4	3.7
90	VOID/WKG	3	0.151	0.867	0.425	0.149	0.386	0.908	1.3	0.0
99	NO SAMP	14	0.000	9.505	0.870	6.246	2.499	2.874	12.2	0.2
9999	UNKNWN	1,809	0.000	35.719	0.373	3.337	1.827	4.904	673.9	9.2
								TOTAL	7329.0	100

As shown on the above table, codes *VOID/WKG* and *NO SAMP* both returned mineralized assay results. In the case of voids and workings, it is assumed that during drilling the geologist preparing the geologic logs recorded the interval as being void or workings when in fact there was minor return of sample prior to or after the drilling encountered the void. In the case of the no sample descriptions, it is assumed that poor drilling conditions caused by loss of circulation limited the sample return and the decision to forego the collection of geologist samples was made to ensure enough sample volume for assays.

14.5.3 Lithological Boundaries Modeling

14.5.3.1 Qal Modeling

Gridded surface models of the base of alluvium for both the Paymaster and Penelas zones were provided to WHA by Canamex personnel. The HRA zone has insignificant alluvial cover, so no surface was provided for HRA.

The gridded surfaces were imported into MicroMODEL. Any 3-D rock model blocks falling between current topo and the bottom of the alluvium were recoded to 10. Blocks coded as alluvium were not allowed to be part of the 0.1 g/tonne gold indicator shell.

Surfaces were also checked by plotting sections showing the Qal intervals in drill holes overlain by a profile of the alluvium surface. There appeared to be reasonable correlation between the drill hole information and the imported surface.

14.5.3.2 Basal Andesite Modeling

Gridded surface models for the top of the Basal Andesite unit were provided to WHA by Canamex personnel. These surfaces were imported to MicroMODEL and then displayed as a 3-D surface in conjunction with the cone surface generated at a $1550 gold price (this is the highest gold price which was evaluated, and it generates the largest and deepest pit). From this display, it was concluded that the basal andesite unit is always below the pit shells, and as such, has no effect on the resource calculations.

14.6 Swath Plots

14.6.1 Swath Plots for Gold

WHA generated swath plots showing tonnes above a 0.192 AuEq cutoff grade, 5-mtr composite gold grade, and block gold grade for each zone. Swath plots are a visual tool used by some to evaluate grade models. Example swath plots for each zone are shown in the **Figures 14.1** through **14.3**.

Figure 14.1: Paymaster Gold Swath Plot

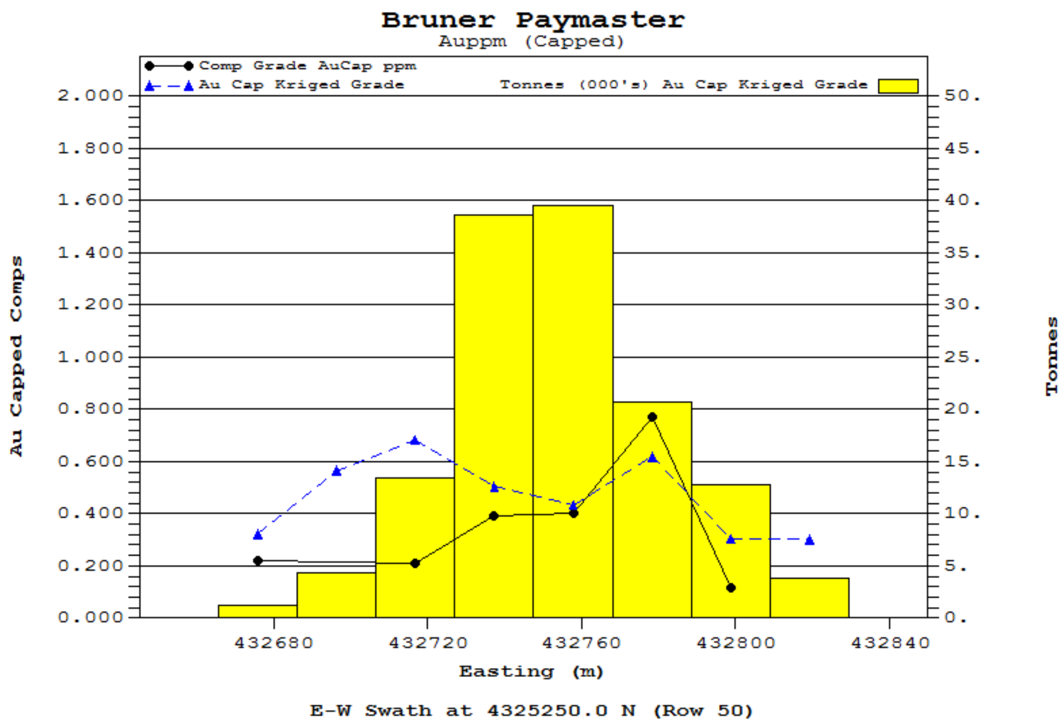


Figure 14.2: HRA Gold Swath Plot

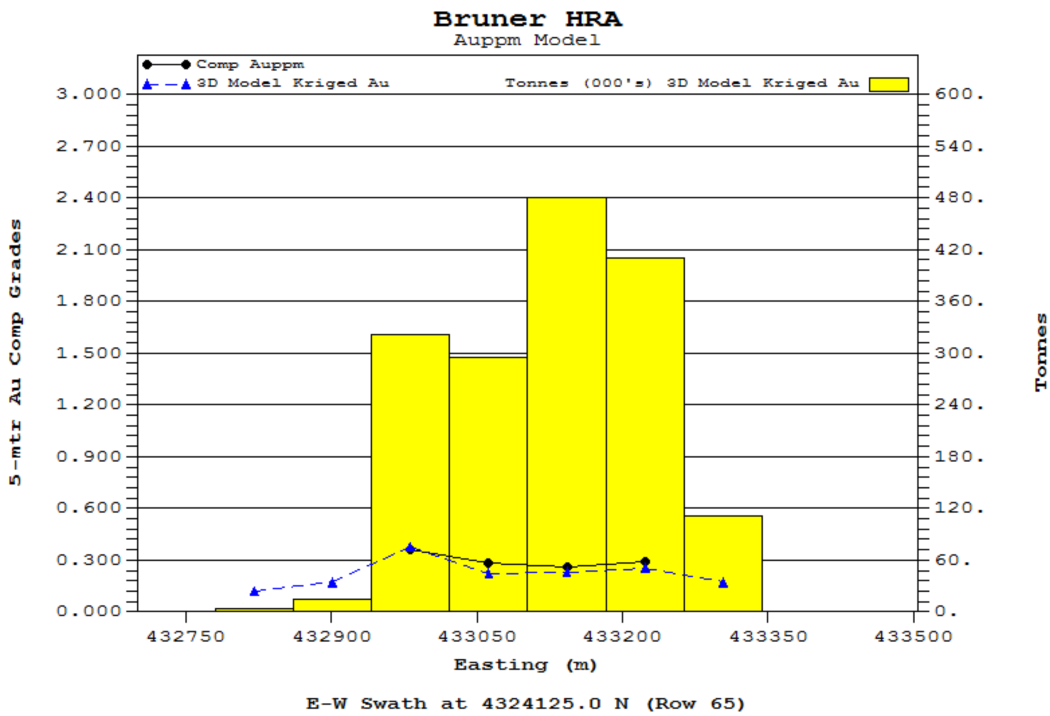
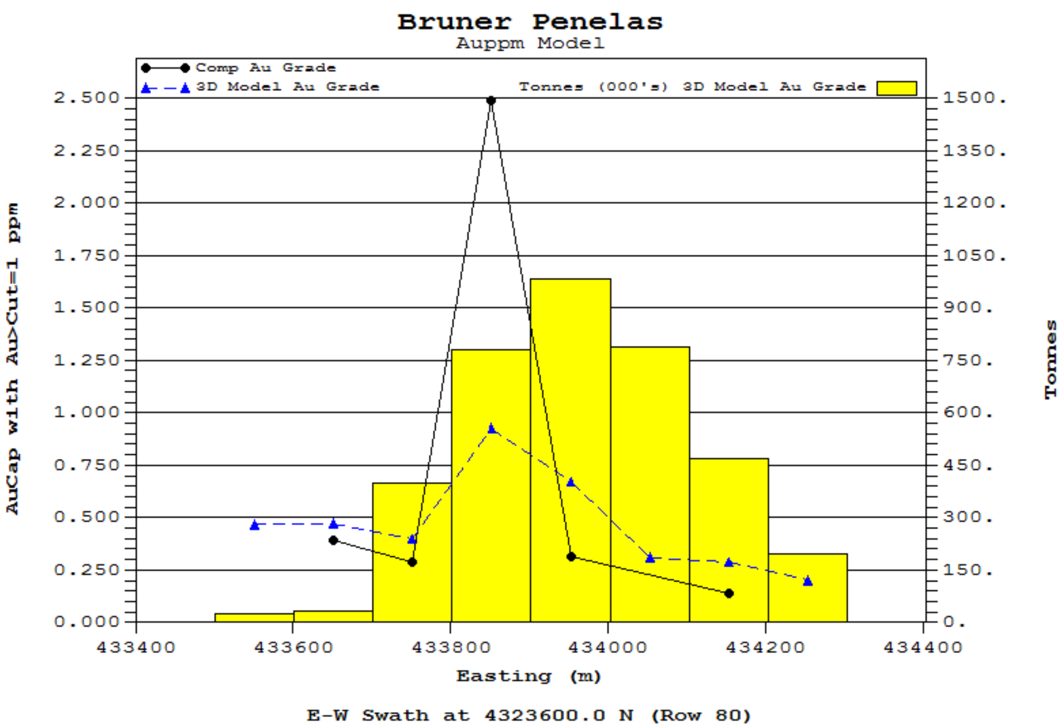


Figure 14.3: Penelas Gold Swath Plot



14.6.2 Swath Plots for Silver

WHA generated swath plots showing tonnes above a 0.192 AuEq cutoff grade, 5-mtr composite silver grade, and block silver grade for each zone. Example swath plots for each zone are shown in the **Figures 14.4** through **14.6**.

Figure 14.4: Paymaster Silver Swath Plot

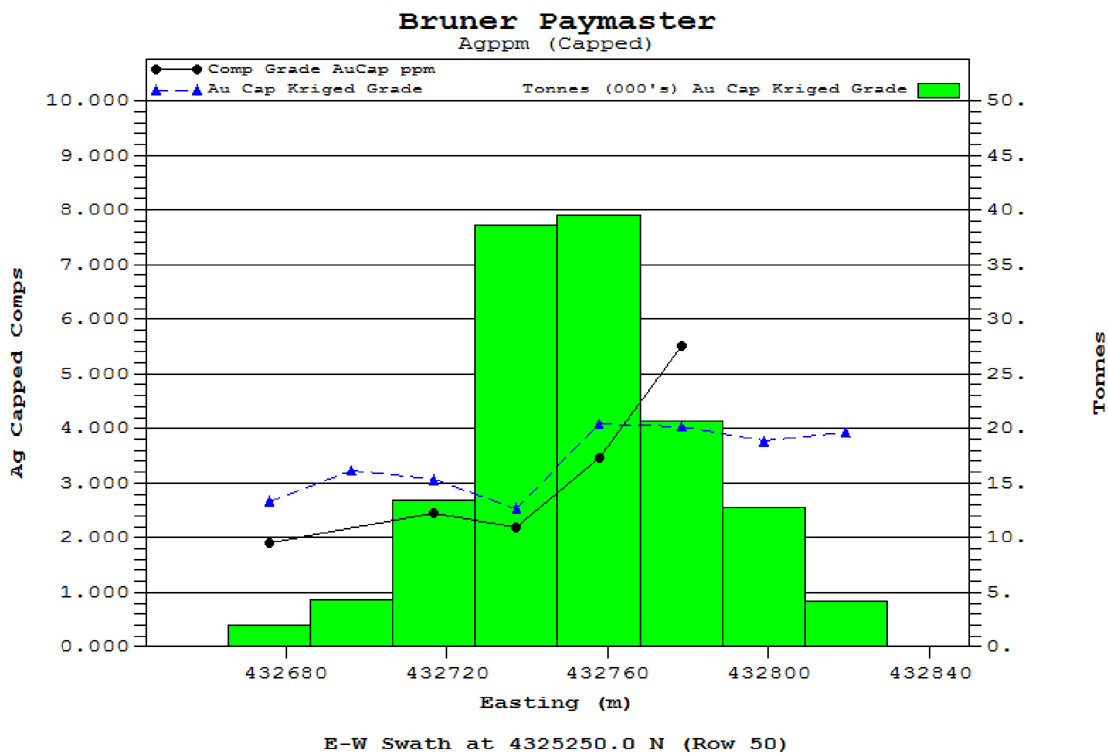


Figure 14.5: HRA Silver Swath Plot

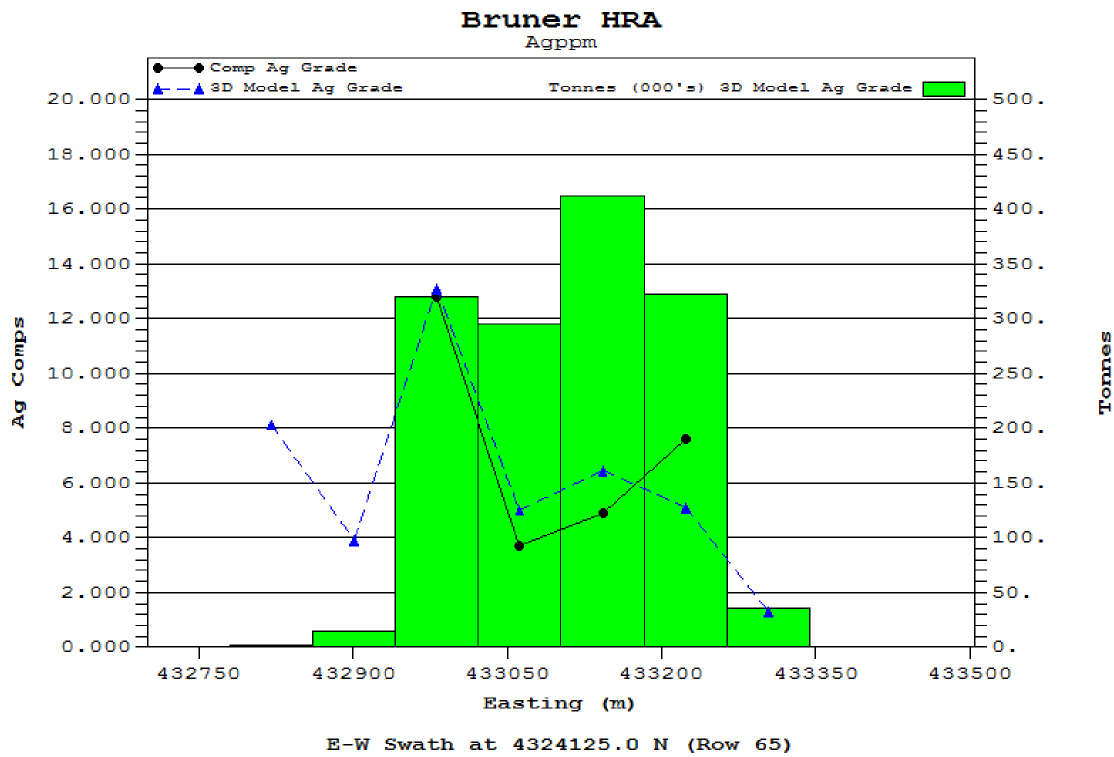
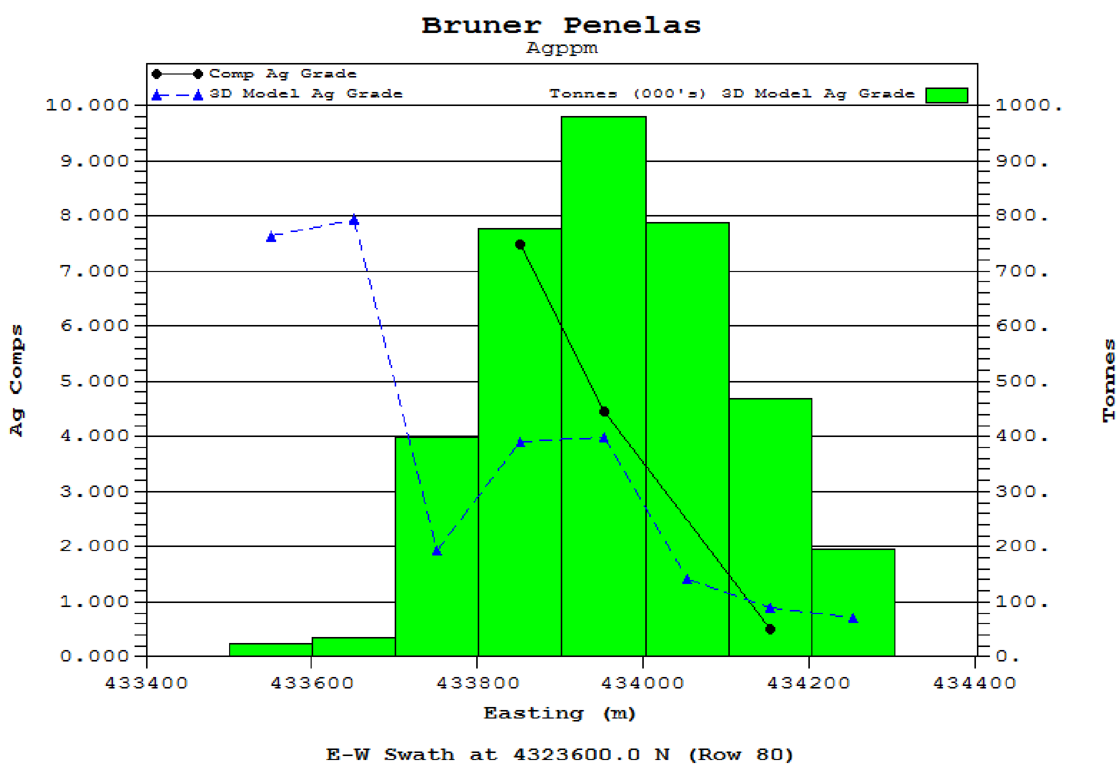


Figure 14.6: Penelas Silver Swath Plot



14.7 Gold Capping

A gold capping study was performed for each resource zone, using the latest set of composite data. Calculations were based on the same methods that were used in the previous Tanaka (2015) report. With this method, the need for capping is assessed by studying the population of informing composites which are above the external cutoff grade (0.192 ppm Au) for each modeled indicator zone. A capping cutoff is chosen above which there are roughly one percent of these composites. If the excess metal content (that which is between the capping cutoff and the composite grade) of these chosen composites exceeds ten percent of the total metal content of all composites in the study, then capping is warranted. Results of this study are presented in **Table 14.11**. Note that a capping value for silver is also reported. The silver cap is chosen visually, at a point in the silver cumulative frequency curve where composites begin to deviate from the overall trend.

Table 14.11: Gold Capping Study Results

Zone	Indicator Cutoff (ppm Au)	Cap Threshold (ppm Au)	Total Informing Comps > 0.192 ppm Au	Total Informing Comps > Cap Threshold	% of Au Comps > Threshold (%)	Percent of Au Metal (%)	Visual Inspection Ag Cap (ppm Ag)	Cap? Yes/No
Paymaster	0.1	15.0	184	2	1.1	14.1	26.0	Yes
HRA	0.1	12.0	853	9	1.1	9.4	75.0	No
HRA	0.3	16.5	513	5	1.0	7.0	75.0	No
Penelas	0.1	10.2	962	9	0.9	9.9	50.0	No

Based on these results, the Paymaster Zone is reported using a capped model as the base case, while the HRA and Penelas continue to be reported using an uncapped model as the base case. It should be noted that both HRA and Penelas are near the ten percent decision limit suggested by Tanaka. WHA continues to use the Tanaka method for assessing whether capping is appropriate or not, in order to provide continuity in the method by which resource models have been generated to this point.

Gold values were capped using the same formula as Tanaka (2015), for the sake of consistency. (Reduce the component of grade value above the selected cap value (CV) by a factor of ten):

AuCap = Auppm + 0.1*(Auppm-CV)

Silver values were capped using the same type of formula. (Reduce the component of grade value above the selected cap value (CV) by a factor of ten):

AgCap = Agppm + 0.1*(Agppm-CV)

14.8 Topography Data

Current topography encompassing the Bruner Project was imported for each zone from the topography grid file (pay_topo.txt) used in the previous reports by Tanaka (2015) and WHA (2016)

14.9 Paymaster Zone Resource Modeling

New gold and silver grade models were generated for the Paymaster zone. The 3-D block model limits for the Paymaster zone is shown in the following table:

Table 14.12: Paymaster Zone Model Limits and Block Model Parameters

Item	Value	Units
Lower Left Corner Easting	432,400	meters
Lower Left Corner Northing	4,325,000	meters
Lower Left Corner Elevation	1745	meters
Model Rotation Angle	0	degrees
Column Width	5	meters
Row Width	5	meters
Bench Height	5	meters
Number of Columns	121	-
Number of Rows	121	-
Number of Benches	80	-

14.9.1 Indicator Variograms

Experimental Indicator variograms were run for gold at an 0.1 g/tonne cutoff. Inspection of the results including the new 2016-2017 drilling data for the directions that were identified by Tanaka as the primary, secondary, and tertiary directions showed that the Tanaka models could be reused. That is, the indicator variography did not change significantly with the new drilling. Similar findings were made for HRA and Penelas. **Figures 14.7** through **14.9** present the indicator variograms for the Paymaster zone.

Figure 14.7: Paymaster Primary Direction Indicator Variogram

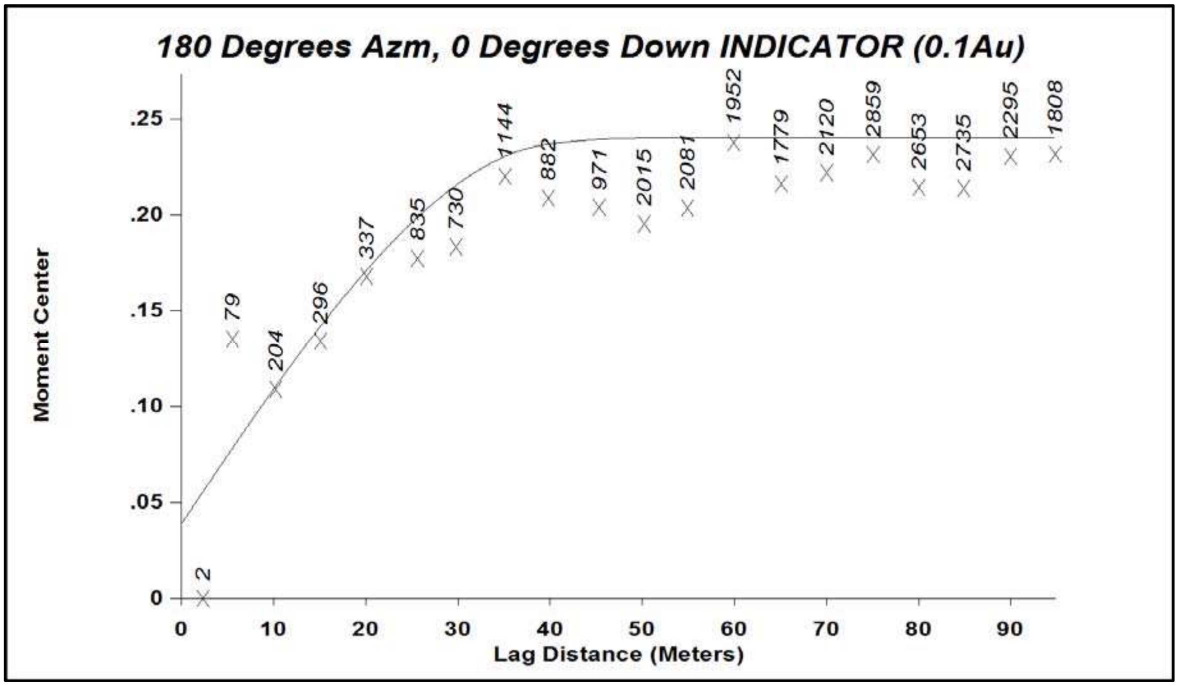


Figure 14.8: Paymaster Secondary Direction Indicator Variogram

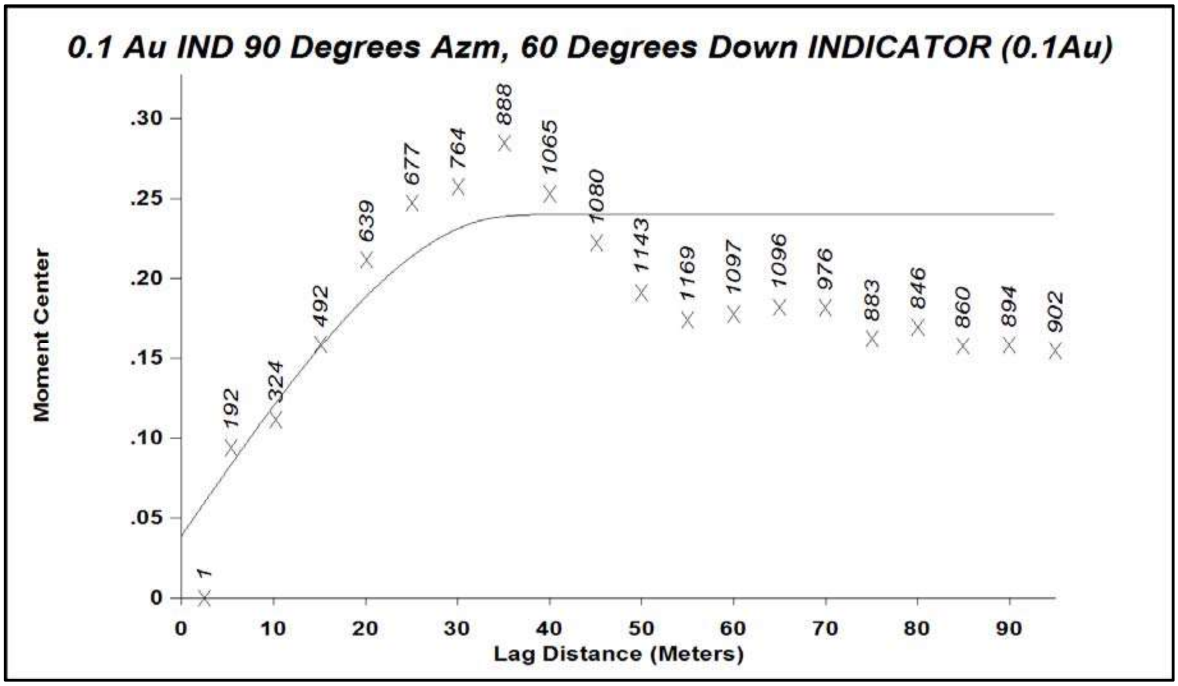
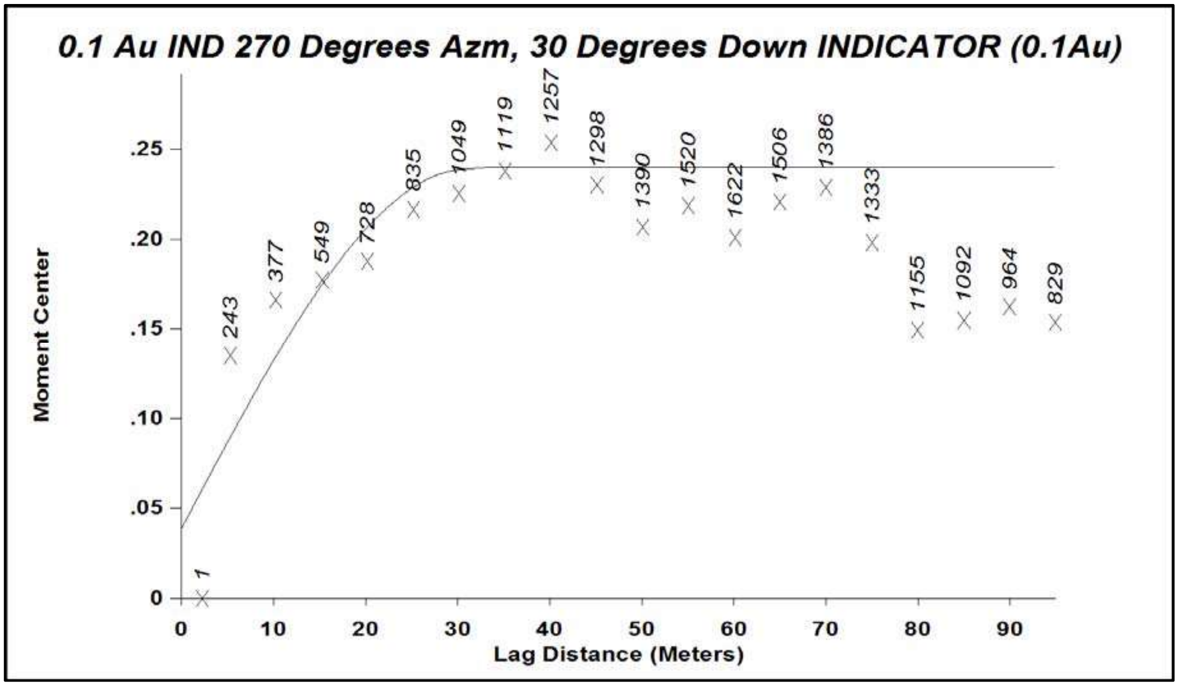


Figure 14.9: Paymaster Tertiary Direction Indicator Variogram



An indicator model was generated using the parameters listed in **Table 14.13**:

Table 14.13: Paymaster 0.1 Gold Indicator Modeling Parameters

MODEL DESCRIPTION	**Paymaster Auppm 0.1 Indicator**					
	Informing Composite Statistics (0.1Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	995	0	1	0.307	0.46	1.51
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	40					
Secondary Axis Length:	50					
Tertiary Axis Length:	35					
First MM Rotation Angle:	90					
Second MM Rotation Angle:	60					
Third Rotation Angle (Rake):	0					
Match Composite Code:	ROCK	(All)				
Match 3-D Model Code:	ROCK	(All)				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	3					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	35	40	30		
Anisotropy Number:	2	40	50	35		
Variogram Nugget:	0.163	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.612	35	1		
Variogram Model:	Spherical	0.224	40	2		
	Model Statistics (KRIGED Au_Ind)					
	Count	Minimum Auppm	Maximum Auppm*	Mean Auppm	Std. Dev.	Coefficient of Variance
	59188	0	1	0.188	0.25	1.33

14.9.2 Paymaster Indicator Model Cutoff Selection

The five meter composites were backmarked from the 3-D indicator model. A file containing Au grade, and backmarked indicator value was generated. This file was analyzed to find the optimal indicator estimate cutoff value. **Table 14.14** summarizes the selection:

Table 14.14: Paymaster 0.1 g/Tonne Au Indicator Estimate Cutoff Value

	Paymaster 0.1 Au Indicator			
	0.1 ppm Au Zone	0.1 ppm Au percent error	Avg. Grade of Errors Au ppm	Avg. Grade Selected Au ppm
Selected Indicator Cutoff:	0.4725			0.974
Total Positive Errors:	35	3.52	0.053	
Total Negative Errors:	35	3.52	0.247	
Total Net Error:	0	0.00		

Selecting an indicator cutoff value of 0.4725 gives an average grade of composites within the envelope of 0.974 gpt gold. A total of 35 composites (3.5% of the total) are included in that envelope that are below the threshold (0.1 gpt Au) and have an average grade of 0.053 gpt gold. A total of 35 composites above the threshold (0.1 gpt Au) are excluded from the envelope and have an average grade of 0.247 gpt gold.

In order to prepare for the ordinary kriging of gold grades within the zone that was defined using the PACK method, all composites with a back marked indicator value of 0.4725 or greater were assigned a ROCK code of 1. All other composites were assigned a ROCK code of 9999. In addition, a 3-D ROCK model was created based on the Au indicator model. If the indicator value is greater than or equal to 0.4725, then the ROCK was set to 1. Otherwise, ROCK was set to 9999. Then, model blocks that are of ROCK code 1 were modeled using composites that were of ROCK code 1.

14.9.3 Paymaster Capped Gold Model

WHA was unable to generate meaningful directional variograms for the capped Au composites. The gold variogram from the Tanaka report was re-used to create the Capped Gold Model. This variogram was based on the downhole gold variogram nugget and also incorporated sills and ranges from the indicator variogram.

The capping study for Paymaster shows that the gold should be capped (see **Table 14.11**). This capped gold model was generated using the parameters listed in **Table 14.15**.

Table 14.15: Paymaster Capped Gold Modeling Parameters

MODEL DESCRIPTION	**Paymaster AuCap**					
	Informing Composite Statistics (AuCap)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	305	0.009	17.07	0.856	2.15	2.52
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	40					
Secondary Axis Length:	50					
Tertiary Axis Length:	35					
First MM Rotation Angle:	90					
Second MM Rotation Angle:	60					
Third Rotation Angle (Rake):	0					
Match Composite Code:	Au>Cut	1				
Match 3-D Model Code:	ROCK	1				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	4					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	35	40	30		
Anisotropy Number:	2	40	50	35		
Variogram Nugget:	0.341	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.318	35	1		
Variogram Model:	Spherical	0.341	40	2		
	Model Statistics (KRIGED AuCap)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	4577	0	7.85	0.714	0.81	1.14

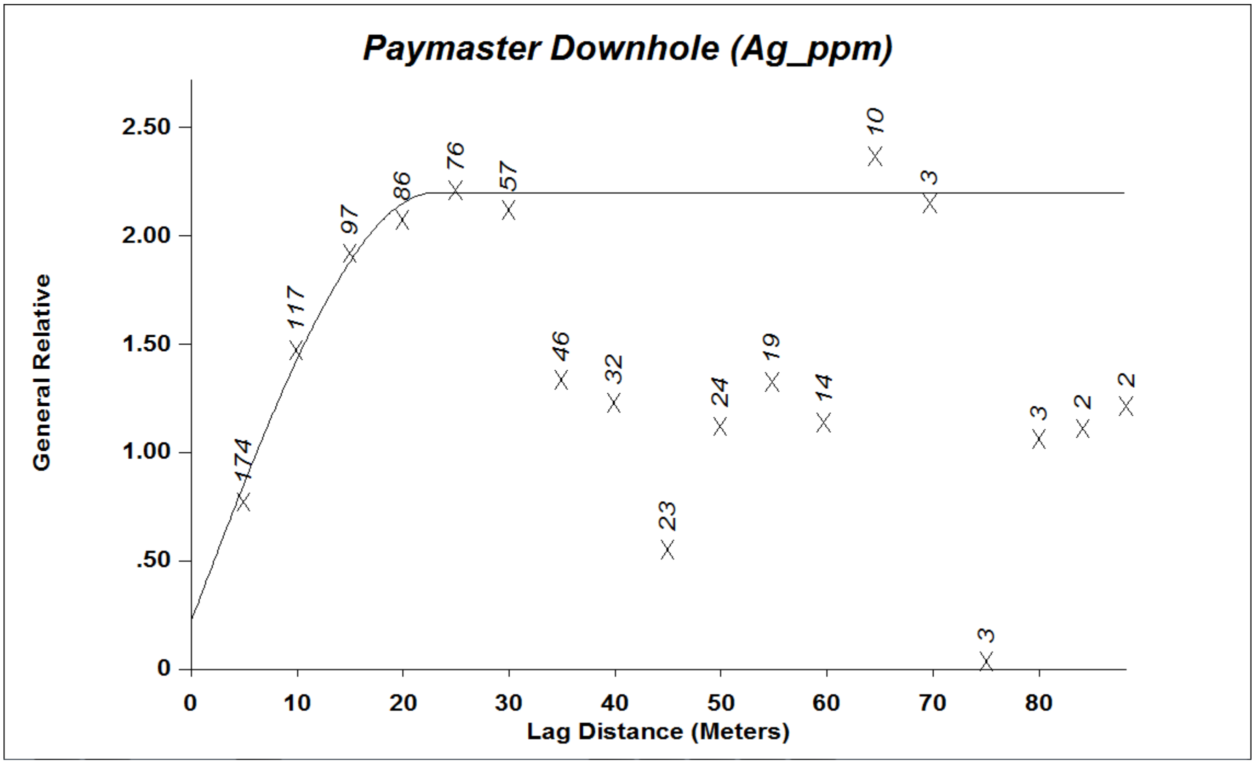
14.9.4 Paymaster Capped Silver model

A kriged model was generated for silver in the new Paymaster resource model, based on the silver composites found within the mineralized zone defined by the gold indicator model. The downhole variogram model for silver within the mineralized zone was used. Modeling parameters for the capped silver model are listed in **Table 14.16**. The downhole variogram for Paymaster silver ppm is shown in **Figure 14.10**

Table 14.16: Paymaster Capped Silver Model Parameters

MODEL DESCRIPTION	Paymaster AgCap					
	Informing Composite Statistics (AgCap)					
	Count	Minimum Agppm	Maximum Agppm	Mean Agppm	Std. Dev.	Coefficient of Variance
	285	0	35.93	5.010	6.36	1.27
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	50					
Primary Axis Length:	50					
Secondary Axis Length:	50					
Tertiary Axis Length:	50					
First MM Rotation Angle:	0					
Second MM Rotation Angle:	0					
Third Rotation Angle (Rake):	0					
Match Composite Code:	Au>Cut	1				
Match 3-D Model Code:	ROCK	1				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	4					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	n/a	n/a	n/a		
Anisotropy Number:	2	n/a	n/a	n/a		
Variogram Nugget:	0.10	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.90	23	n/a		
Variogram Model:	Spherical	n/a	n/a	n/a		
	Model Statistics (KRIGED Ag)					
	Count	Minimum Agppm	Maximum Agppm	Mean Agppm	Std. Dev.	Coefficient of Variance
	4455	0	22.65	3.68	2.88	0.78

Figure 14.10: Paymaster Downhole Silver Variogram



14.10 HRA Zone Resource Modeling

New gold and silver grade models were generated for the HRA zone. The 3-D block model limits for the HRA zone are shown in the following table:

Table 14.17: HRA Zone Model Limits and Block Model Parameters

Item	Value	Units
Lower Left Corner Easting	432,700	meters
Lower Left Corner Northing	4,323,800	meters
Lower Left Corner Elevation	1745	meters
Model Rotation Angle	0	degrees
Column Width	5	meters
Row Width	5	meters
Bench Height	5	meters
Number of Columns	161	-
Number of Rows	161	-
Number of Benches	80	-

14.10.1 Indicator Variograms

For the HRA zone, interpretation of a pronounced supergene zone led to definition of two gold domains: a low-grade supergene halo surrounding a higher-grade “core”. HRA was modeled using two grade shells based on a lower 0.1 g/tonne cutoff, as used in the other deposits, plus a higher 0.3 g/tonne cutoff. Experimental Indicator variograms were run for gold at a 0.1 g/tonne cutoff, and at a 0.3 g/tonne cutoff. Inspection of the results including the new 2016-2017 drilling data for the directions that were identified by Tanaka as the primary, secondary, and tertiary directions showed that the Tanaka models could be reused. That is, the indicator variography did not change significantly with the new drilling. **Figures 14.11** and **14.12** show the HRA 0.1 Au and 0.3 Au indicator variograms for the Tanaka primary direction, respectively.

Figure 14.11: HRA 0.1 Au Indicator Variogram for the Tanaka Primary Direction.

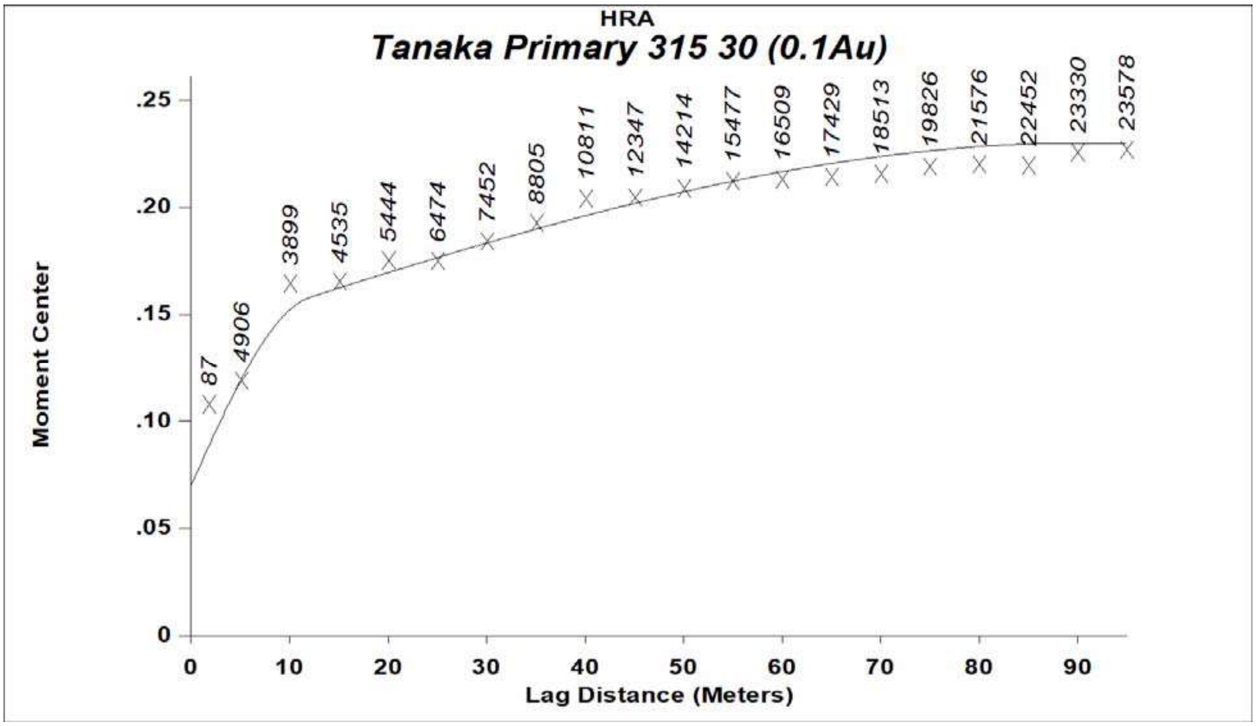
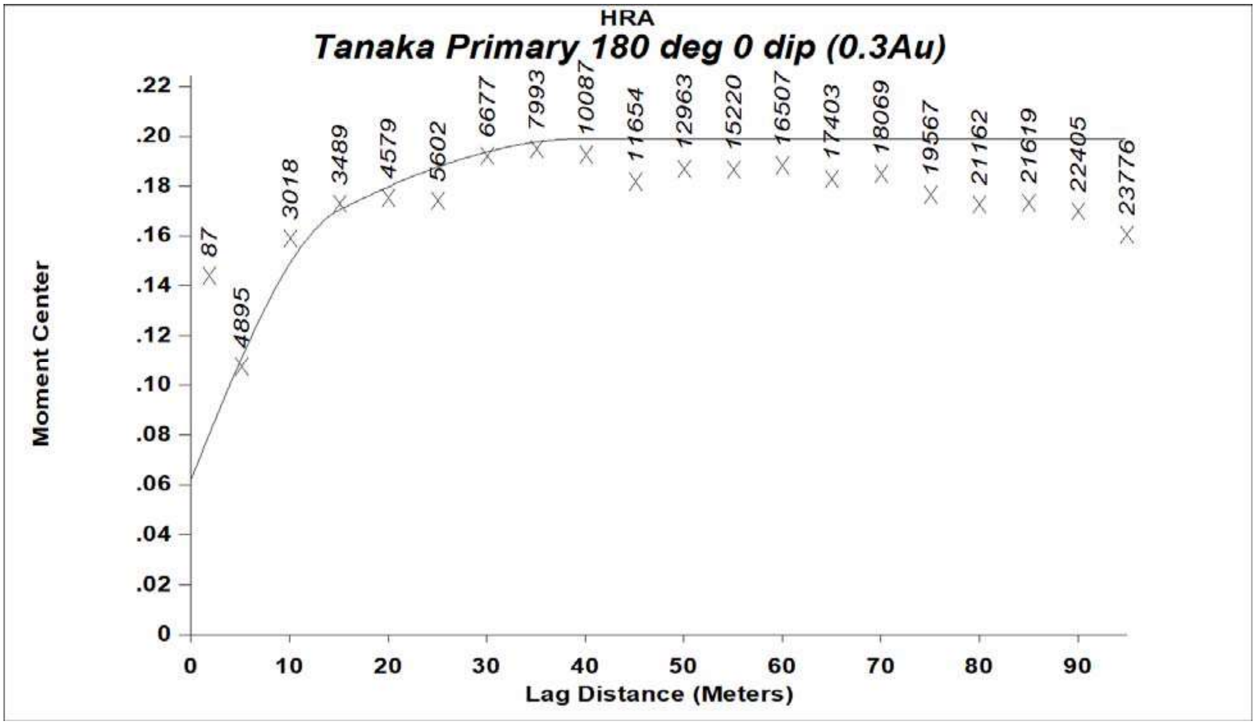


Figure 14.12: HRA 0.3 Au Indicator Variogram for the Tanaka Primary Direction.



An indicator model for the 0.1 g/tonne cutoff was generated using the parameters listed in **Table 14.18**.

Table 14.18: HRA 0.1 Indicator Model Parameters

MODEL DESCRIPTION	HRA Auppm 0.1 Indicator					
	Informing Composite Statistics (0.1Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	3773	0	1	0.397	0.49	1.23
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	90					
Secondary Axis Length:	60					
Tertiary Axis Length:	70					
First MM Rotation Angle:	315					
Second MM Rotation Angle:	30					
Third Rotation Angle (Rake):	0					
Match Composite Code:	ROCK	(All)				
Match 3-D Model Code:	ROCK	(All)				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	3					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	12	15	20		
Anisotropy Number:	2	90	60	70		
Variogram Nugget:	0.367	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.224	12	1		
Variogram Model:	Spherical	0.408	90	2		
	Model Statistics (KRIGED Au_Ind)					
	Count	Minimum Auppm	Maximum Auppm*	Mean Auppm	Std. Dev.	Coefficient of Variance
	558150	0	1	0.236	0.26	1.08

An indicator model for the 0.3 g/tonne cutoff was generated using the parameters listed in **Table 14.19**.

Table 14.19: HRA 0.3 Indicator Model Parameters

MODEL DESCRIPTION	**HRA Auppm 0.3 Indicator**					
	Informing Composite Statistics (0.3Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	3773	0	1	0.16	0.36	2.29
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	40					
Secondary Axis Length:	30					
Tertiary Axis Length:	70					
First MM Rotation Angle:	180					
Second MM Rotation Angle:	0					
Third Rotation Angle (Rake):	0					
Match Composite Code:	ROCK	(All)				
Match 3-D Model Code:	ROCK	(All)				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	3					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	15	10	40		
Anisotropy Number:	2	40	30	70		
Variogram Nugget:	0.383	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.290	15	1		
Variogram Model:	Spherical	0.328	40	2		
	Model Statistics (KRIGED Au_Ind)					
	Count	Minimum Auppm	Maximum Auppm*	Mean Auppm	Std. Dev.	Coefficient of Variance
	301371	0	1	0.079	0.15	1.88

14.10.2 HRA Indicator Model Cutoff Selection

The five meter composites were backmarked from each of the two 3-D indicator models. A file containing Au grade, and backmarked indicator value was generated. This file was analyzed to find the optimal indicator estimate cutoff value for that zone. The tables below summarize the selections:

Table 14.20: HRA 0.1 g/Tonne Au Indicator Estimate Cutoff Value

	HRA 0.1 Au Indicator			
	0.1 ppm Au Zone	0.1 ppm Au percent error	Avg. Grade of Errors Au ppm	Avg. Grade Selected Au ppm
Selected Indicator Cutoff:	0.4915			0.614
Total Positive Errors:	186	4.73	0.065	
Total Negative Errors:	186	4.73	0.285	
Total Net Error:	0	0.00		

Table 14.21: HRA 0.3 g/Tonne Au indicator Estimate Cutoff Value

	HRA 0.3 Au Indicator			
	0.1 ppm Au Zone	0.1 ppm Au percent error	Avg. Grade of Errors Au ppm	Avg. Grade Selected Au ppm
Selected Indicator Cutoff:	0.4105			1.22
Total Positive Errors:	157	3.99	0.165	
Total Negative Errors:	157	3.99	0.633	
Total Net Error:	0	0.00		

14.10.3 Generation of HRA Gold Model

Uncapped gold models were generated for the HRA 0.1 and 0.3 g/tonne indicator domains. Details are given in **Tables 14.22** and **14.23**.

Table 14.22: HRA 0.1 Au Zone Gold Model Parameters

MODEL DESCRIPTION	**HRA Auppm1**					
	Informing Composite Statistics (Au_ppm)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	911	0	5.73	0.220	0.31	1.4
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	90					
Secondary Axis Length:	90					
Tertiary Axis Length:	60					
First MM Rotation Angle:	70					
Second MM Rotation Angle:	315					
Third Rotation Angle (Rake):	30					
Match Composite Code:	1Only	1				
Match 3-D Model Code:	ROCK	1				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	4					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	12	15	20		
Anisotropy Number:	2	90	60	70		
Variogram Nugget:	0.293	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.293	12	1		
Variogram Model:	Spherical	0.415	90	2		
	Model Statistics (KRIGED Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	71369	0.064	2.017	0.223	0.09	0.41

Table 14.23: HRA 0.3 Au Zone Gold Model Parameters

MODEL DESCRIPTION	**HRA Auppm3**					
	Informing Composite Statistics (Au_ppm)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	602	0.003	39.06	1.220	2.96	2.42
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	40					
Secondary Axis Length:	40					
Tertiary Axis Length:	30					
First MM Rotation Angle:	70					
Second MM Rotation Angle:	180					
Third Rotation Angle (Rake):	0					
Match Composite Code:	Au>Ct3	1				
Match 3-D Model Code:	ROCK	3				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	4					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	15	10	40		
Anisotropy Number:	2	40	30	70		
Variogram Nugget:	0.328	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.344	15	1		
Variogram Model:	Spherical	0.328	40	2		
	Model Statistics (KRIGED Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	10751	0.207	11.3	0.959	0.80	0.83

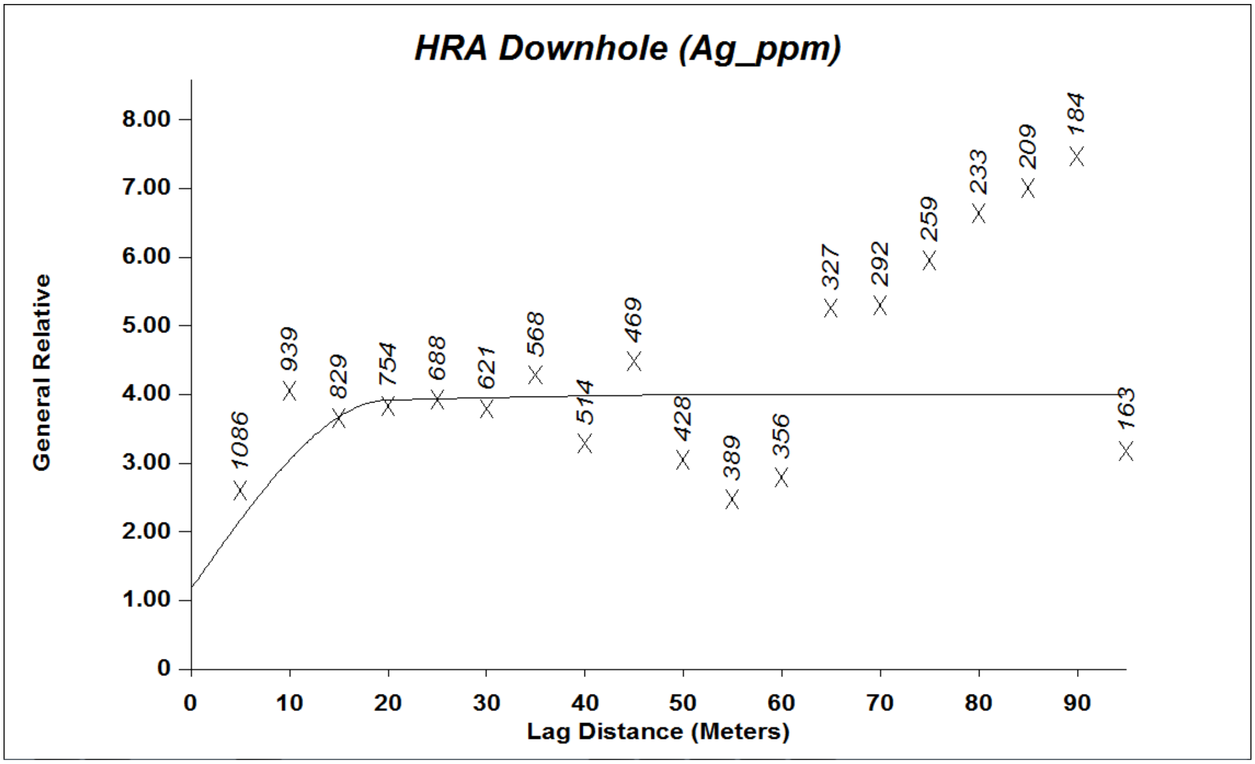
14.10.4 Generation of HRA Silver Model

An uncapped silver model was generated for HRA using the parameters listed in **Table 14.24**. The downhole variogram for HRA silver ppm is shown in **Figure 14.13**.

Table 14.24: HRA Silver Model Parameters

MODEL DESCRIPTION	**HRA Agppm**					
	Informing Composite Statistics (Ag_ppm)					
	Count	Minimum Agppm	Maximum Agppm	Mean Agppm	Std. Dev.	Coefficient of Variance
	1319	0	380.5	8.731	19.91	2.28
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	60					
Primary Axis Length:	60					
Secondary Axis Length:	60					
Tertiary Axis Length:	60					
First MM Rotation Angle:	0					
Second MM Rotation Angle:	0					
Third Rotation Angle (Rake):	0					
Match Composite Code:	Au>Ct1	1				
Match 3-D Model Code:	ROCK	1,3				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	3					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	n/a	n/a	n/a		
Anisotropy Number:	2	n/a	n/a	n/a		
Variogram Nugget:	0.292	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.667	20	n/a		
Variogram Model:	Spherical	0.041	60	n/a		
	Model Statistics (KRIGED Ag)					
	Count	Minimum Agppm	Maximum Agppm	Mean Agppm	Std. Dev.	Coefficient of Variance
	62861	0	147.3	6.559	6.62	1.01

Figure 14.13: HRA Downhole Silver Variogram



14.11 Penelas Zone Resource Modeling

New gold and silver grade models were generated for the Penelas zone. The 3-D block model limits for the Penelas zone are shown in the following table:

Table 14.25: Penelas Zone Model Limits and Block Model Parameters

Item	Value	Units
Lower Left Corner Easting	433,400	meters
Lower Left Corner Northing	4,323,200	meters
Lower Left Corner Elevation	1755	meters
Model Rotation Angle	0	degrees
Column Width	5	meters
Row Width	5	meters
Bench Height	5	meters
Number of Columns	201	-
Number of Rows	161	-
Number of Benches	70	-

14.11.1 Indicator Variograms

Penelas was modeled using a grade shell based on a 0.1 g/tonne cutoff. Experimental Indicator variograms were run for gold at the 0.1 g/tonne cutoff. Inspection of the results including the new 2017 drilling data for the directions that were identified by Tanaka as the primary, secondary, and tertiary directions showed that the Tanaka models could be reused. That is, the indicator variography did not change significantly with the new drilling. **Figures 14.14** through **14.16** show the Penelas 0.1 Auppm gold indicator experimental variograms along with the variogram model parameters that were used in the Tanaka report.

Figure 14.14: Penelas 0.1 g/tonne Gold Indicator Variogram Primary Direction

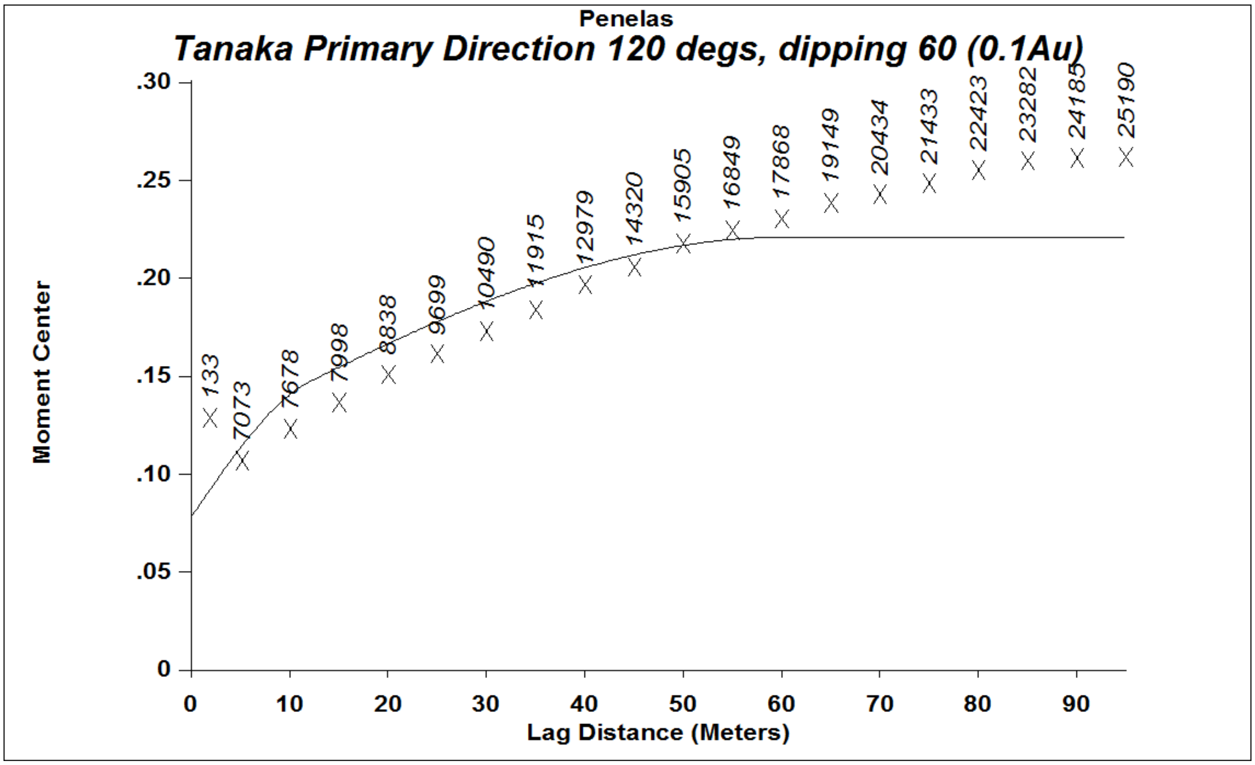


Figure 14.15: Penelas 0.1 g/tonne Gold Indicator Variogram Secondary Direction

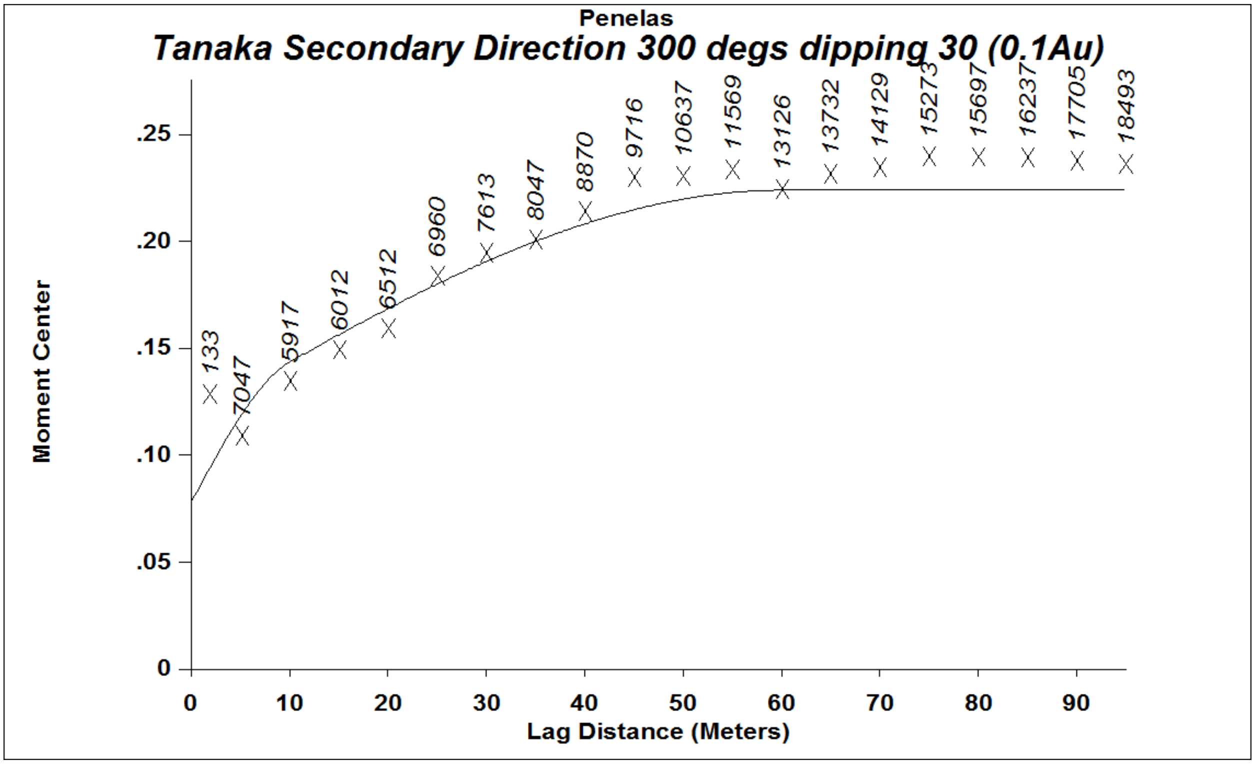
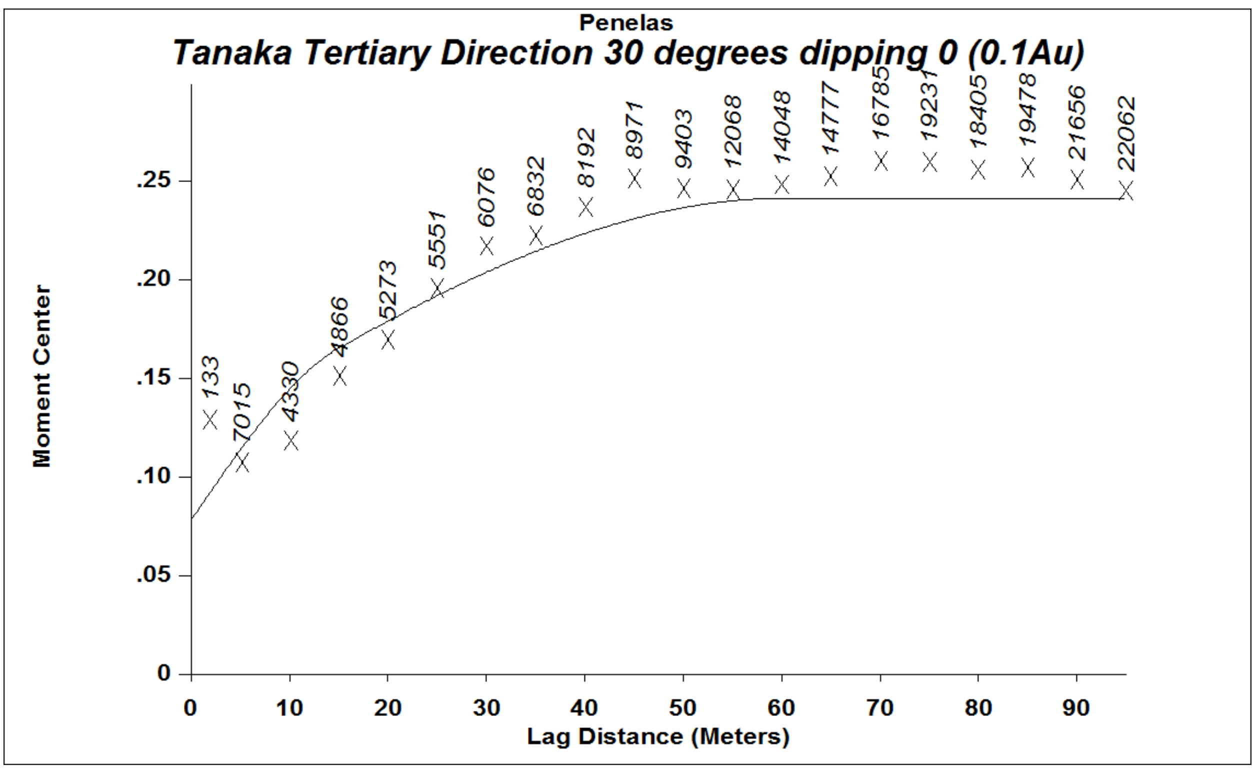


Figure 14.16: Penelas 0.1 g/tonne Gold Indicator Variogram Tertiary Direction



An indicator model for the 0.1 g/tonne cutoff Penelas zone was generated using the parameters listed in **Table 14.26**.

Table 14.26: Penelas 0.1 g/Tonne Gold Indicator Model Parameters

MODEL DESCRIPTION	Penelas Auppm 0.1 Indicator					
	Informing Composite Statistics (0.1Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	4965	0	1	0.360	0.48	1.33
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	60					
Secondary Axis Length:	60					
Tertiary Axis Length:	60					
First MM Rotation Angle:	120					
Second MM Rotation Angle:	60					
Third Rotation Angle (Rake):	0					
Match Composite Code:	ROCK	(All)				
Match 3-D Model Code:	ROCK	9999				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	3					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	12	15	10		
Anisotropy Number:	2	60	60	60		
Variogram Nugget:	0.348	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.174	12	1		
Variogram Model:	Spherical	0.478	60	2		
	Model Statistics (KRIGED Au_Ind)					
	Count	Minimum Auppm	Maximum Auppm*	Mean Auppm	Std. Dev.	Coefficient of Variance
	650822	0	1	0.311	0.93	0.98

14.11.2 Indicator Model Cutoff Selection

The five meter composites were backmarked from the 0.1 Au indicator model. A file containing Au grade, and backmarked indicator value was generated. This file was analyzed to find the optimal indicator estimate cutoff value. **Table 14.27** summarizes the selection:

Table 14.27: Penelas 0.1 g/Tonne Au Indicator Estimate Cutoff Value

	Penelas 0.1 Au Indicator			
	0.1 ppm Au Zone	0.1 ppm Au percent error	Avg. Grade of Errors Au ppm	Avg. Grade Selected Au ppm
Selected Indicator Cutoff:	0.4795			0.534
Total Positive Errors:	199	4.21	0.066	
Total Negative Errors:	200	4.23	0.289	
Total Net Error:	-1	-0.02		

14.11.3 Generation of Penelas Gold Model

An uncapped gold model was generated for the Penelas 0.1 g/tonne indicator domain. Details are listed in **Table 14.28**.

Table 14.28: Penelas Uncapped Gold Model Parameters

MODEL DESCRIPTION	**Penelas Auppm**					
	Informing Composite Statistics (Auppm)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	1769	0.005	45.06	0.534	1.86	3.49
SEARCH PARAMETERS						
Search Type:	15 Closest Points					
Maximum pts from single DH:	5					
Isotropic Search Range:	N/A					
Primary Axis Length:	60					
Secondary Axis Length:	60					
Tertiary Axis Length:	60					
First MM Rotation Angle:	120					
Second MM Rotation Angle:	60					
Third Rotation Angle (Rake):	0					
Match Composite Code:	Au>Cut	1				
Match 3-D Model Code:	ROCK	1				
MODEL PARAMETERS						
Block Estimation Detail:	3	(4x4 grid)				
Minimum Number of Pts Req:	4					
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len		
Anisotropy Number:	1	12	15	10		
Anisotropy Number:	2	60	60	60		
Variogram Nugget:	0.286	Sill Value	Range	Anisotropy #		
Variogram Model:	Spherical	0.286	12	1		
Variogram Model:	Spherical	0.429	60	2		
	Model Statistics (KRIGED Au)					
	Count	Minimum Auppm	Maximum Auppm	Mean Auppm	Std. Dev.	Coefficient of Variance
	184341	0.078	15.63	0.408	0.44	1.07

14.11.4 Generation of Penelas Silver Model

An uncapped silver model was generated for Penelas using the parameters listed in **Table 14.29**.

Table 14.29: Penelas Uncapped Silver Model Parameters

MODEL DESCRIPTION	Penelas Agppm					
	Informing Composite Statistics (Ag_ppm)					
	Count	Minimum Agppm	Maximum Agppm	Mean Agppm	Std. Dev.	Coefficient of Variance
	1683	0	234.7	5.170	9.56	1.85

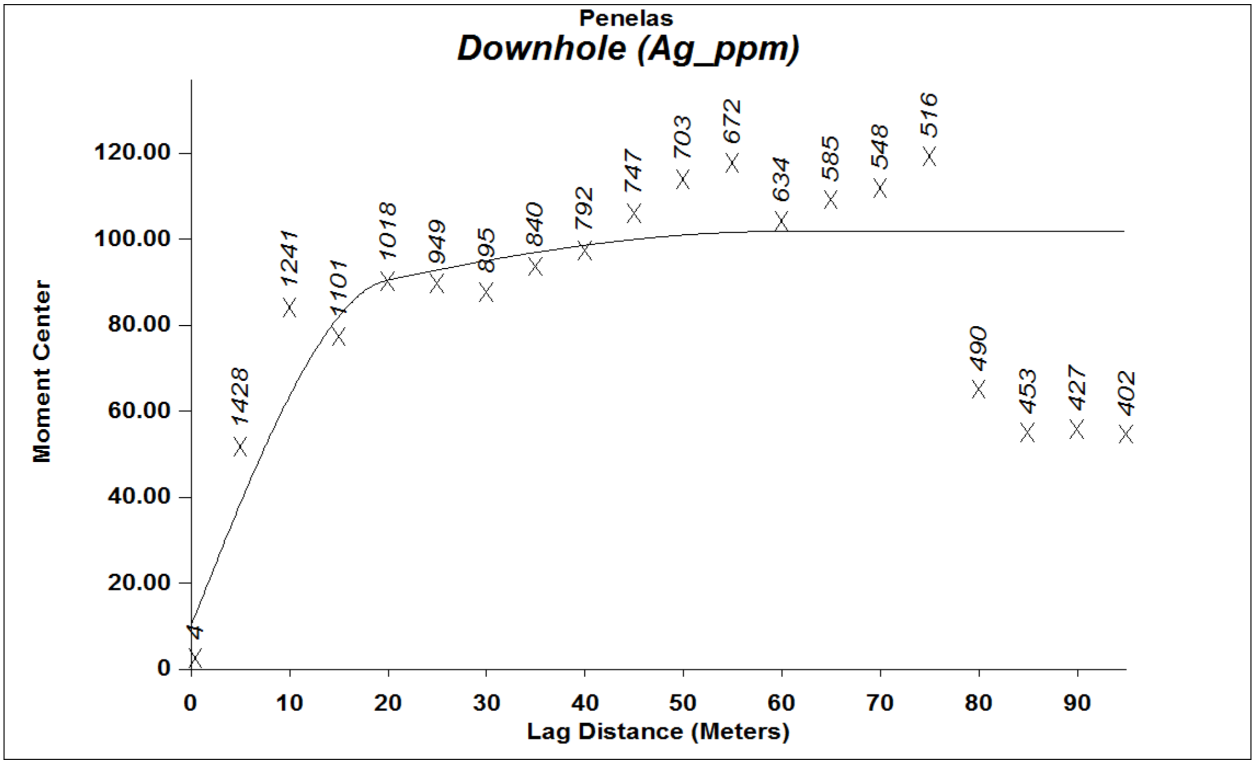
SEARCH PARAMETERS		
Search Type:	15 Closest Points	
Maximum pts from single DH:	5	
Isotropic Search Range:	60	
Primary Axis Length:	60	
Secondary Axis Length:	60	
Tertiary Axis Length:	60	
First MM Rotation Angle:	0	
Second MM Rotation Angle:	0	
Third Rotation Angle (Rake):	0	
Match Composite Code:	Au>Cut	1
Match 3-D Model Code:	ROCK	1

MODEL PARAMETERS				
Block Estimation Detail:	3	(4x4 grid)		
Minimum Number of Pts Req:	4			
		Prim. Axis Len	Secon. Axis Len	Tert. Axis Len
Anisotropy Number:	1	n/a	n/a	n/a
Anisotropy Number:	2	n/a	n/a	n/a
Variogram Nugget:	0.091	Sill Value	Range	Anisotropy #
Variogram Model:	Spherical	0.636	20	n/a
Variogram Model:	Spherical	0.273	60	n/a

	Model Statistics (KRIGED Ag)					
	Count	Minimum Agppm	Maximum Agppm	Mean Agppm	Std. Dev.	Coefficient of Variance
	166498	0	136.23	4.27	3.76	0.88

The downhole variogram for Agppm for Penelas is shown as **Figure 14.17**.

Figure 14.17: Penelas Downhole Agppm Variogram



14.12 Final Grade Models

14.12.1 Cone Shell Generation

The mined shells were designed based on the following models:

- Capped Au and Ag Models for Paymaster, with deduction applied for underground workings;
- Uncapped Au and Ag Models for HRA, with deduction applied for underground workings;
- Uncapped Au and Ag Models for Penelas, underground workings considered insignificant.

A series of open pit shells were generated, using the MicroMODEL floating cone module. Cone designs were based on the following economic and physical assumptions:

Table 14.30: Pit Shell Generation Assumptions

WHA Economic Parameters	
Mining Cost	$2.70/tonne mined
Process + G&A Cost	$4.23/tonne Ore
Au Recovery	90%
Ag Recovery	10%
Au Price Range	$950 to $1550/tr oz
Ag Price (constant)	$15/tr oz
Mining Recovery	100%
Dilution	0%
Slope	55 degrees

14.12.2 Resource Classification Parameters

WHA opted to use a different method for assigning resource classification that was used in previous resource estimates. This method takes into account whether multiple drill holes contribute to the assignment of grade for each block. Although the method used in the previous two reports, (Tanaka, 2015) and (WHA, 2016), is an industry accepted method, WHA used a method which is based on the distance to a block from nearest informing sample along with the number of unique drill holes that informed the block. WHA calibrated the classification parameters by applying them to the 2016 Penelas model and comparing the two classification models. Based on this work, the following guidelines have been used for resources reported in this report:

Indicated: Closest sample is within 28 meters of the block. At least two unique drill holes contributed informing samples.

Inferred: Closest sample is within 32 meters of the block.

14.12.3 Handling of Underground Channel Sample Block Model Influence

The previous report had classified the Paymaster Zone as being no more than inferred in resource class, due to the high reliance on channel sampling in that zone. WHA took a look at this and, based on the following studies, concluded that the channel composites do not appear to be significantly different in terms of grade distribution than the drill hole composites.

Underground channel sample data collected by Newmont Exploration Ltd. during their exploration activities at Bruner is included in the resource model database for all three of the resource zones. Underground assay composites account for 32 percent of the total composites used to inform the mineral resource grade blocks within the Paymaster model, 13 percent within the HRA model and 1.5 percent within the Penelas model. The influence of underground channel sample assays is significant in the Paymaster zone and, to a lesser degree, in the HRA zone. Penelas channel samples have minimal impact on the resource. In order to investigate the reliability of the channel samples, WHA conducted three separate analyses to quantify the influence of the channel sample assays on the grade model blocks. The first study was accomplished by analysis of histograms of blocks informed by a certain percentage of channel sample assay values, based on the drill hole count and search distance criteria, Secondly, cumulative frequency analyses of channel vs. non-channel (drill holes) assay composites were performed. Finally, visual inspection of drill hole sections were made, comparing channel samples to drill hole samples.

14.12.3.1 Histograms of Model Blocks Informed by Channel Sample Influence

Tables 14.31 and **14.32** show the influence of the channel sample assay composites on the block grades in the Paymaster and HRA resource models. The left column in each table lists a range of channel sample metal contribution to the modeled block grade, and the right columns list the results of percent of blocks influence. For example, in the Paymaster model, 14.4 percent of the blocks are informed by a greater than 90 percent contribution of total metal from channel sample composites; 40.6 percent of the Paymaster blocks are informed by a less than 10 percent contribution of total metal from channel sample composites. In the HRA, only 0.3 percent of the blocks are informed by a greater than 90 percent contribution of total metal from channel sample composites, while 90.5 percent of the blocks are informed by a less than 10 percent contribution of total metal from channel sample composites. Based on these numbers, it is apparent that the Paymaster block model relies much more heavily on channel samples than does the HRA model.

Table 14.31: Blocks Influenced by Channel Sample Composites in Paymaster

Paymaster Zone	
Percent Metal Contribution from Channel Samples to Block Grade	**Percentage of Blocks**
0-10%	40.6%
10-20%	8.4%
20-30%	5.7%
30-40%	3.4%
40-50%	3.6%
50-60%	4.8%
60-70%	5.4%
70-80%	5.2%
80-90%	8.3%
>90%	14.4%

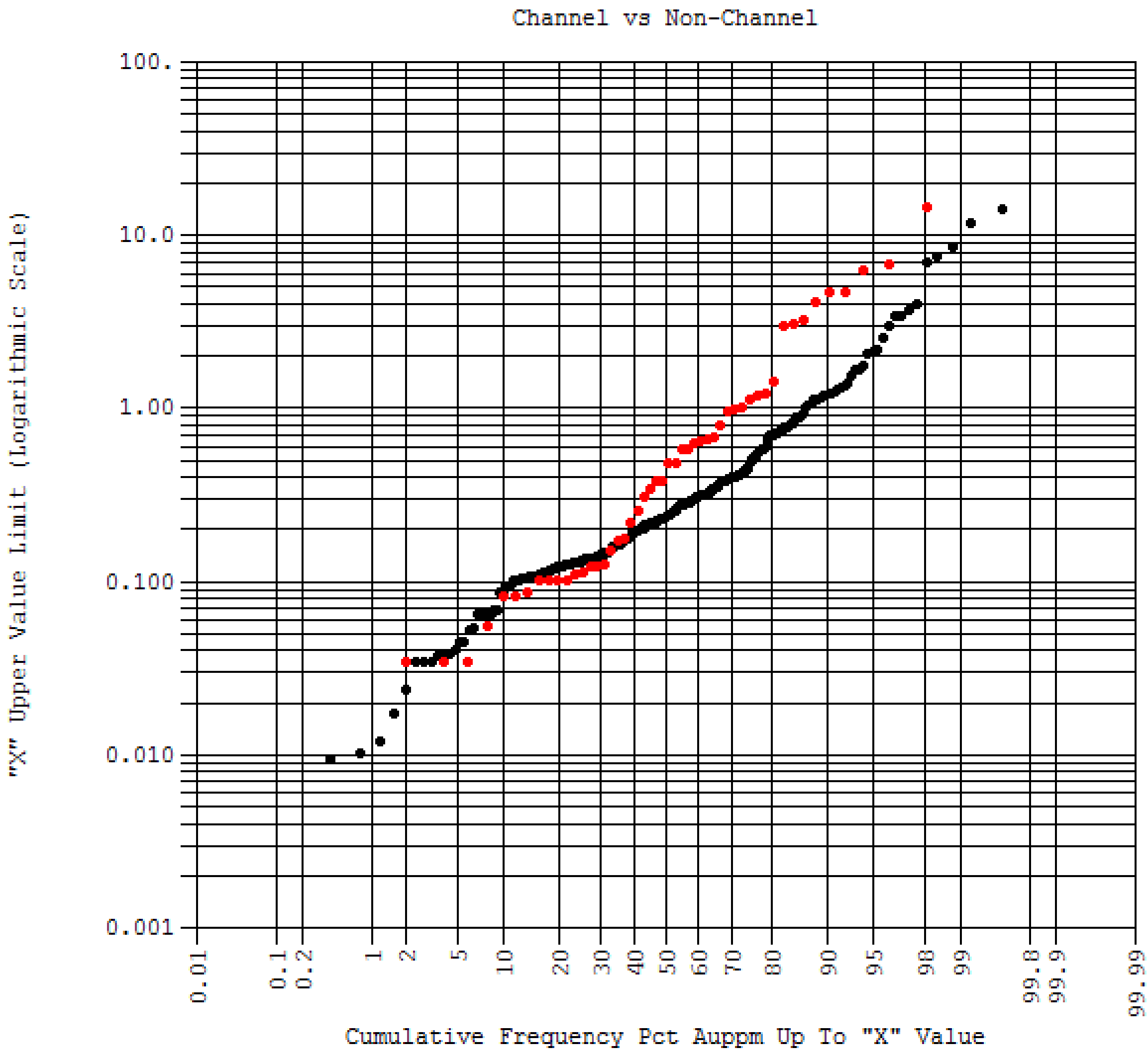
Table 14.32: Blocks Influenced by Channel Sample Composites in HRA

HRA Zone	
Percent Metal Contribution from Channel Samples to Block Grade	Percentage of Blocks
0-10%	90.5%
10-20%	2.0%
20-30%	1.4%
30-40%	0.9%
40-50%	1.0%
50-60%	1.0%
60-70%	1.2%
70-80%	1.0%
80-90%	0.7%
>90%	0.3%

14.12.3.2 Cumulative Frequencies of Channel Composite vs. Non-Channel Composites

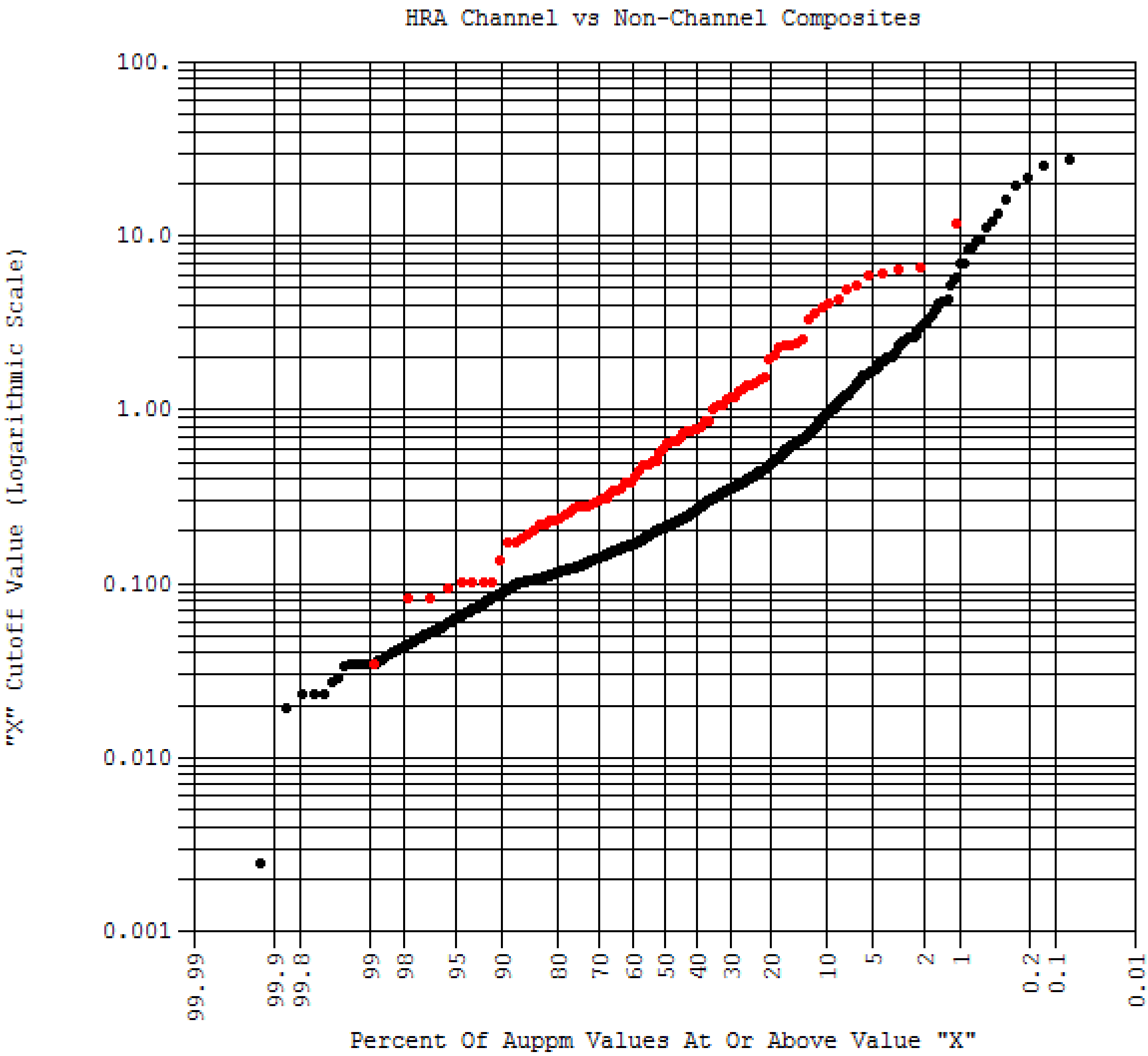
Cumulative frequency analyses of channel vs. non-channel sample composites for the Paymaster and HRA zones are both similar in shape. The channel samples have roughly the same variability, but are on average higher in grade. This is to be expected as the channel samples were collected along the mineralized structures that were being mined by underground methods, whereas the drill hole samples were collected from zones that include the high grade mineralized structures but also cover surrounding zones which contain on average lower grades of mineralized material. Cumulative frequency plots are presented as **Figures 14.18** and **14.19**.

Figure 14.18: Channel vs. Non-Channel Cumulative Frequency at Paymaster



	NON_CHAN	CHANNEL
Number of Samples:	269	53
Number Missing:	15	2
Number Below Limits:	0	0
Number Above Limits:	0	0
Number in Range:	254	51
Minimum Value:	0.009	0.034
Maximum Value:	16.918	17.072
Mean Value:	0.696	1.654
Median Value:	0.237	0.479
Variance:	3.263	10.917
Standard Deviation:	1.806	3.304

Figure 14.19: Channel vs. Non-Channel Cumulative Frequency at HRA



	NONCHAN	CHANNEL
Number of Samples:	1481	100
Number Missing:	61	7
Number Below Limits:	2	0
Number Above Limits:	0	0
Number in Range:	1418	93
Minimum Value:	0.002	0.034
Maximum Value:	39.059	13.938
Mean Value:	0.564	1.465
Median Value:	0.211	0.651
Variance:	3.644	5.301
Standard Deviation:	1.909	2.302

14.12.3.3 Combined Cumulative Frequency Plots

In addition to the separate cumulative frequency curves, combined cumulative frequency curves which are color coded (red dots) for channel composites and (black dots) for drill hole composites were generated for both Paymaster and HRA. These more clearly show the makeup of the higher grade portion of the composite gold distribution.

Figures 14.20 and **14.21** show that HRA has proportionally more high grade zone drill hole composites compared to Paymaster. The six highest grade gold composites for HRA are in drill holes. For Paymaster, two of the eight highest gold composites are channel samples.

The earlier tables show that Paymaster relies more heavily on channel samples to inform block grades than does HRA. But, there is no clear evidence which would preclude the use of the channels in determining the block grades.

14.12.3.4 Visual Inspection of Drill hole vs. Channel Sample Composites

WHA geologist Doug Willis, CPG, visually inspected four representative drill hole sections in each of the Paymaster and HRA zones. His findings were as follows:

Paymaster:

Row 45: No drilling to check UG grades, drilling missed high grade UG intercept

Row 50: Good low grade correlation, drilling is lower grade than UG toward the west

Row 55: Drilling correlates with UG, drilling grades compare with highest UG grades

Row 60: Drilling grades correlate with UG grades

HRA:

Row 40: Drilling surrounding UG generally lower in grade, but comparable to UG higher on section

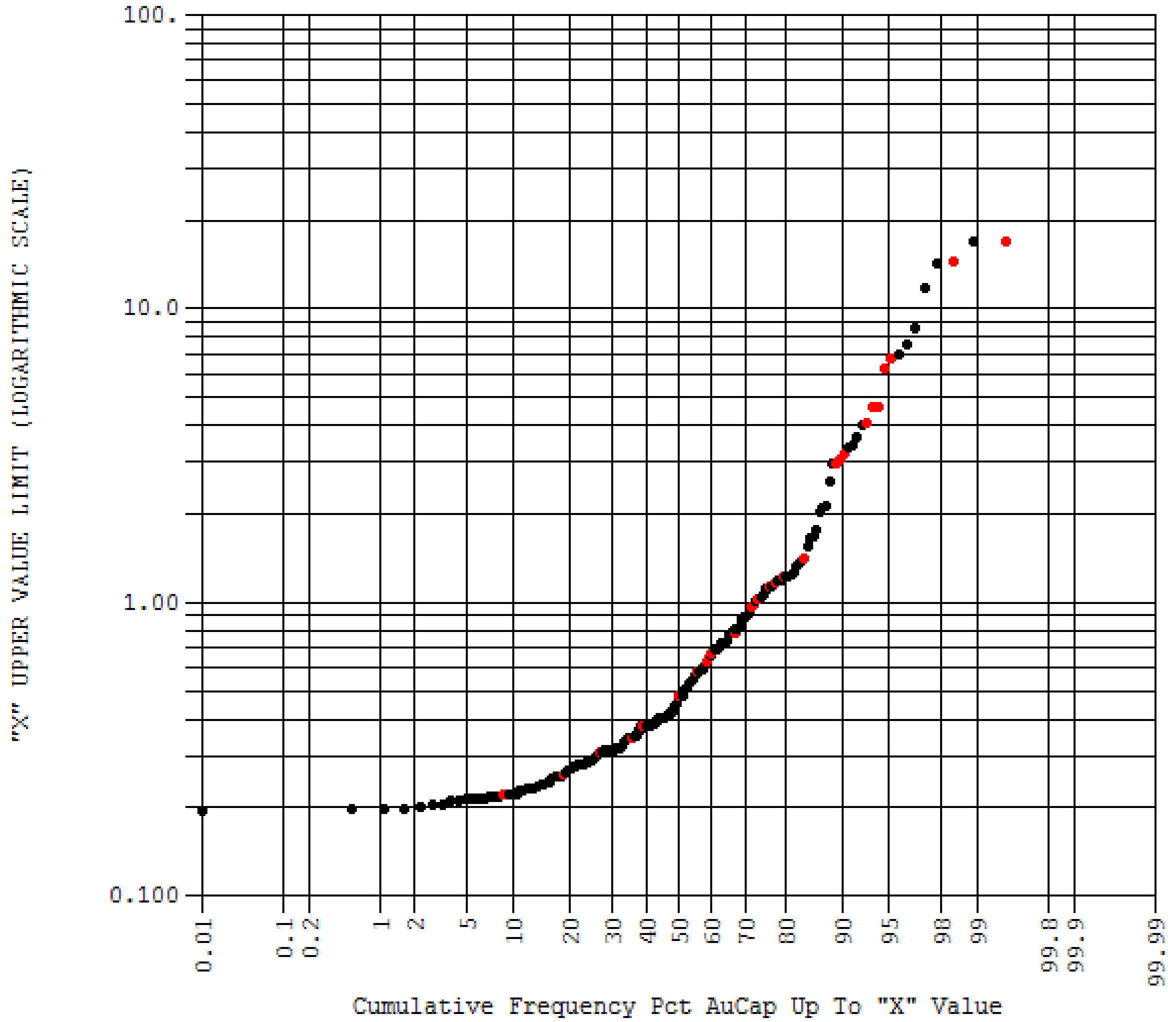
Row 45: Drilling grade exceed UG grades

Row 50: Drilling grades correlate well with UG

Row 55: Drilling grades correlate with UG except to the west, where some drilling is higher grade than UG

Generally, drilling on an empirical basis, correlates well with the UG sampling in both deposits. There does not appear to be any egregious bias.

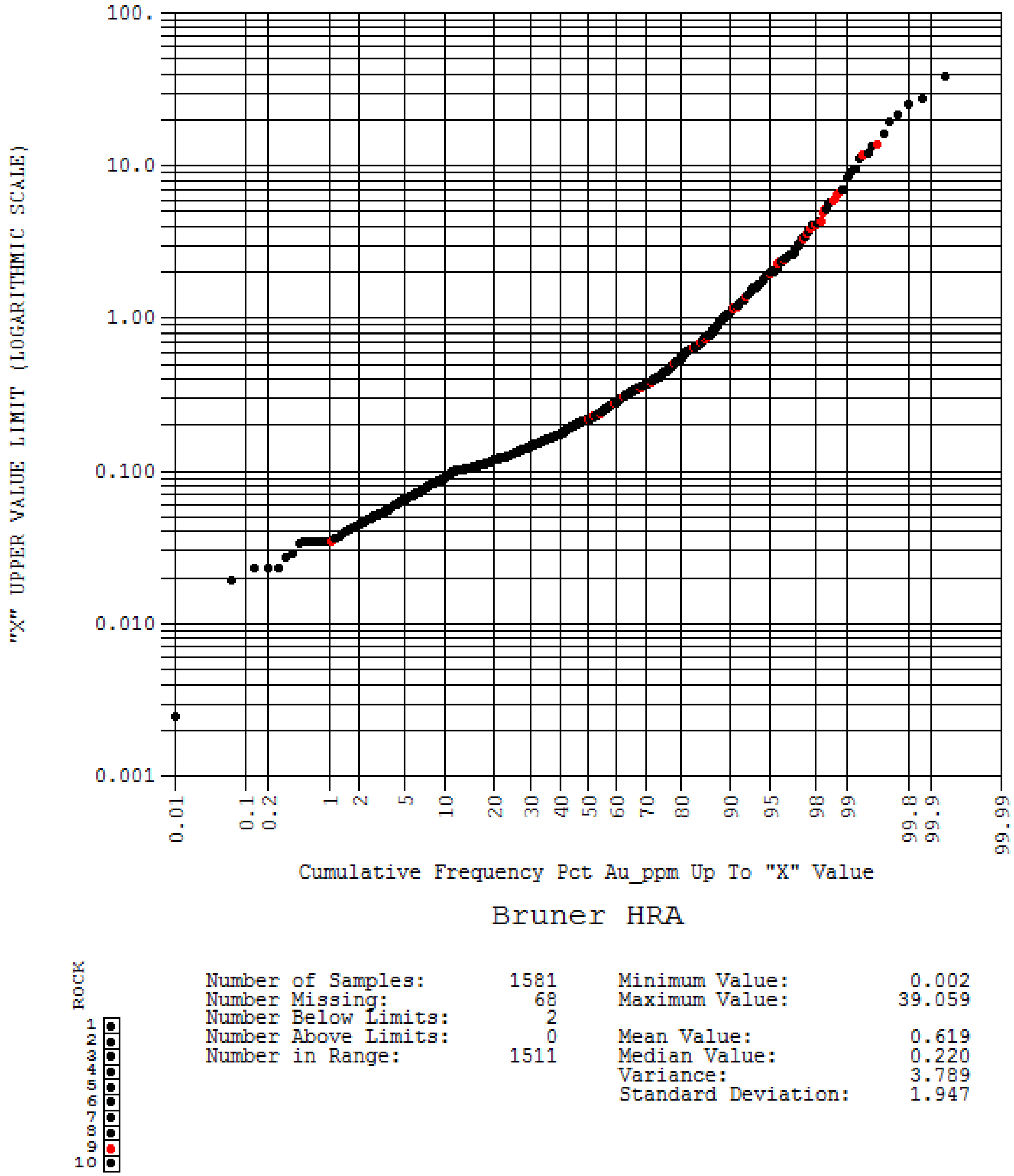
Figure 14.20: Combined Cumulative Frequency at Paymaster



ROCK
1
2
3
4
5
6

Number of Samples:	322	Minimum Value:	0.196
Number Missing:	17	Maximum Value:	17.072
Number Below Limits:	121		
Number Above Limits:	0	Mean Value:	1.345
Number in Range:	184	Median Value:	0.465
		Variance:	7.098
		Standard Deviation:	2.664

Figure 14.21: Combined Cumulative Frequency at HRA



Number of Samples:	1581	Minimum Value:	0.002
Number Missing:	68	Maximum Value:	39.059
Number Below Limits:	2		
Number Above Limits:	0	Mean Value:	0.619
Number in Range:	1511	Median Value:	0.220
		Variance:	3.789
		Standard Deviation:	1.947

14.12.3.5 Conclusions of Underground Channel Sample Validation

Results from the histogram analysis of model blocks influenced by underground channel composite assays reveal that the Paymaster zone is significantly influenced by the channel sample assays. Influence of the channel composites at the HRA zone is much less significant due to the higher drilling density in the zone. The Penelas zone is insignificantly influenced by channel samples.

Cumulative frequency analyses for the Paymaster and HRA show that channel samples have same variability, but are, on average, higher in grade due to the channel samples locations being located along mineralized structures.

Additionally, the underground channel samples were collected by Newmont Exploration during their exploration activities at Bruner. Newmont is a highly respected mining company and it is assumed that they conducted the channel sampling program to the highest of standards. The qualified person has no reason to doubt that the underground channel samples were collected in a non-biased manner to ensure the samples were representative of the material along the sampling strings.

Based on the channel sample validation studies that were performed and the perceived integrity of the company collecting the samples, it is concluded that channel sample assay values are reasonably comparable with the non-channel (drill hole) samples. Based on the results of the studies, no additional constraints on resource classification were applied to underground channel sample influence within the grade block models for all three resource zones.

The resource for Paymaster does remain heavily dependent on a small number of high grade gold composites. WHA recommends additional drilling in the vicinity immediately surrounding these high grade composites in order to confirm the existence of these zones.

14.12.4 Cutoff Values by Gold Price

The net value files (money matrices) that are required for pit shell generation are created based on a gold equivalent cutoff. **Table 14.33** summarizes the gold equivalent factor and cutoff values for each gold price that was analyzed. Gold equivalent is calculated as the sum of gold grade plus silver grade/factor. Design and reporting cutoff was the External Au Cutoff Grade (ecog) in each case. The $1250/oz gold price results are presented as the base case for this mineral resource estimate. The economic calculations that were performed in subsequent chapters are based on using the $1250 gold equivalent cutoffs of 0.117 and 0.192 oz/tonne.

Table 14.33: Bruner Cutoff Calculation

Bruner Cutoff Calculation							
Item	Au 950	Au 1050	Au 1150	Au 1250	Au 1350	Au 1450	Au 1550
Mining Cost	2.7	2.70	2.70	2.70	2.70	2.70	2.70
Milling Cost	4.23	4.23	4.23	4.23	4.23	4.23	4.23
Recovery	0.9	0.90	0.90	0.90	0.90	0.90	0.90
Gold Price (tr oz)	950	1050	1150	1250	1350	1450	1550
Silver Price (tr oz)	15	15	15	15	15	15	15
Silver Price (gm)	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Gold Price (gm)	30.54	33.76	36.97	40.19	43.40	46.62	49.83
NSR+Royalty	0	0	0	0	0	0	0
Net Gold Pay	30.54	33.76	36.97	40.19	43.40	46.62	49.83
External Au Cutoff Grade g/t	0.252	0.228	0.208	0.192	0.177	0.165	0.155
Internal Au Cutoff Grade g/t	0.154	0.139	0.127	0.117	0.108	0.101	0.094
Au Equivalency Factor	570	630	690	750	810	870	930

14.12.4.1 Deduction for Known Underground Workings

There are known underground workings in the HRA, Penelas and Paymaster zones. WHA attempted to quantify the volume of underground workings, even though no wireframe models of these workings are available. For Penelas, there was so little information for underground workings that WHA opted to ignore them. The amount of underground working data at HRA and Paymaster was more pronounced, so WHA created a simple mined out model based on tagging the closest blocks to the surveyed projection lines of the known underground workings. Then, for each block, WHA deducted 25% of the block volume to account for prior mining. The 25% figure is based on the ratio of approximate cross sectional area of the underground tunnels to the area of a model block face (5 x 5 meters).

For the Paymaster area, 253 blocks were tagged, for a total volume deduction of 7,900 cubic meters. For the HRA area, 108 blocks were tagged, for a total volume deduction of 3,375 cubic meters. These deductions have a slight impact on the resource totals. For example, the Paymaster $1350 shell reports 759 K-tonnes of indicated at a grade of 0.93Au. Without the underground deduction, the resource would be 767 K-tonnes at 0.93 Au. So, at Paymaster, the deduction removes 8 K-tonnes, or 1.0 percent of the resource in the $1350 shell. The underground deduction does not affect the inferred portion of the resource.

The effect is less noticeable for HRA. The HRA $1350 shell contains 5,037 tonnes of indicated resource at 0.57 gpt Au. Without the underground deduction, the indicated resource would be 5,043 tonnes at 0.57 gpt Au. At HRA the deduction removes 6 K-tonnes, or just 0.12 percent of the indicated resource in the $1350 shell. The underground deduction does not affect the inferred portion of the resource.

14.13 Cone Shell Results

14.13.1 Paymaster Shell Results

The following tables summarize the Paymaster Shell Results for Indicated and Inferred material. Results for the $1350/oz Au shell from which the pit designs were based are highlighted. The values presented in the tables below are not to be misconstrued as a mineral resource as they are intended for the sole purpose of demonstrating the sensitivity of the resource estimate with respect to pit size.

Table 14.34: Shell Results for the Paymaster Zone – Indicated Resource

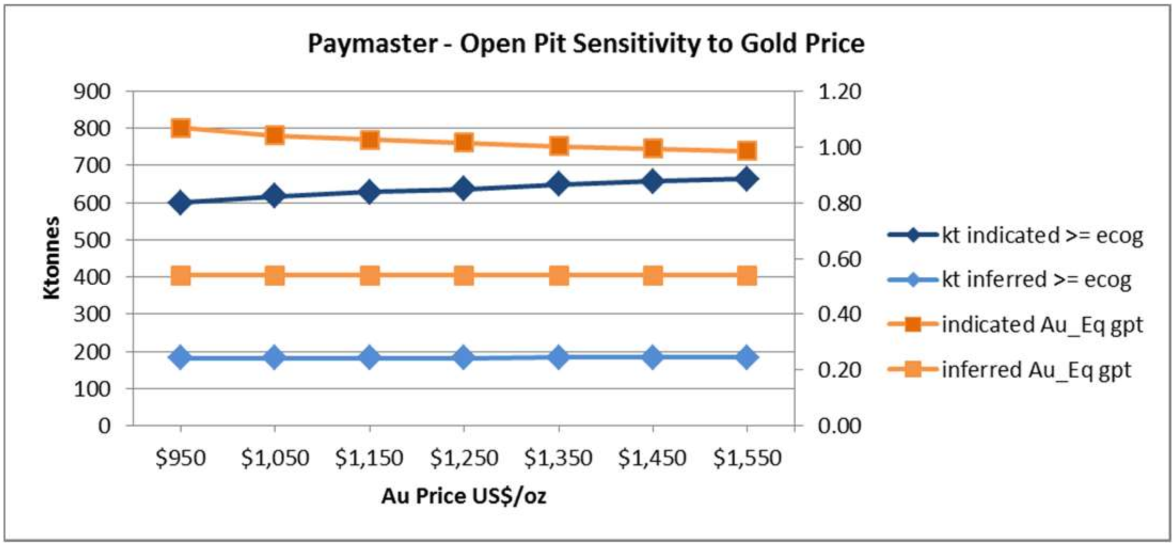
PAYMASTER INDICATED						
Gold Price US$/oz	Au_Eq cutoff grade	K-Tonnes	Au_Capped Grade gpt	Ag_Capped Grade gpt	Contained Au K-Ounces	Contained Ag K-Ounces
950	0.252	600	1.061	4.427	20	85
1050	0.228	618	1.033	4.405	21	88
1150	0.208	629	1.019	4.388	21	89
1250	0.192	637	1.009	4.366	21	89
1350	0.177	650	0.996	4.354	21	91
1450	0.165	657	0.988	4.360	21	92
1550	0.155	663	0.980	4.352	21	93

Table 14.35: Shell Results for the Paymaster Zone – Inferred Resource

PAYMASTER INFERRED						
Gold Price US$/oz	**Au_Eq cutoff grade**	**K-Tonnes**	**Au_Capped Grade gpt**	**Ag_Capped Grade gpt**	**Contained Au K-Ounces**	**Contained Ag K-Ounces**
950	0.252	182	0.538	1.153	3	7
1050	0.228	182	0.538	1.155	3	7
1150	0.208	182	0.538	1.158	3	7
1250	0.192	182	0.538	1.158	3	7
1350	0.177	183	0.538	1.171	3	7
1450	0.165	183	0.538	1.171	3	7
1550	0.155	183	0.538	1.171	3	7

Figure 14.22 shows the Paymaster zone sensitivity to gold price.

Figure 14.22: Sensitivity to Gold Price for the Paymaster Zone



14.13.2 HRA Shell Results

The following tables summarize the HRA Shell Results for Indicated and Inferred material. Results for the $1350/oz Au shell upon which the pit designs were based are highlighted.

Table 14.36: Shell Results for the HRA Zone – Indicated Resource

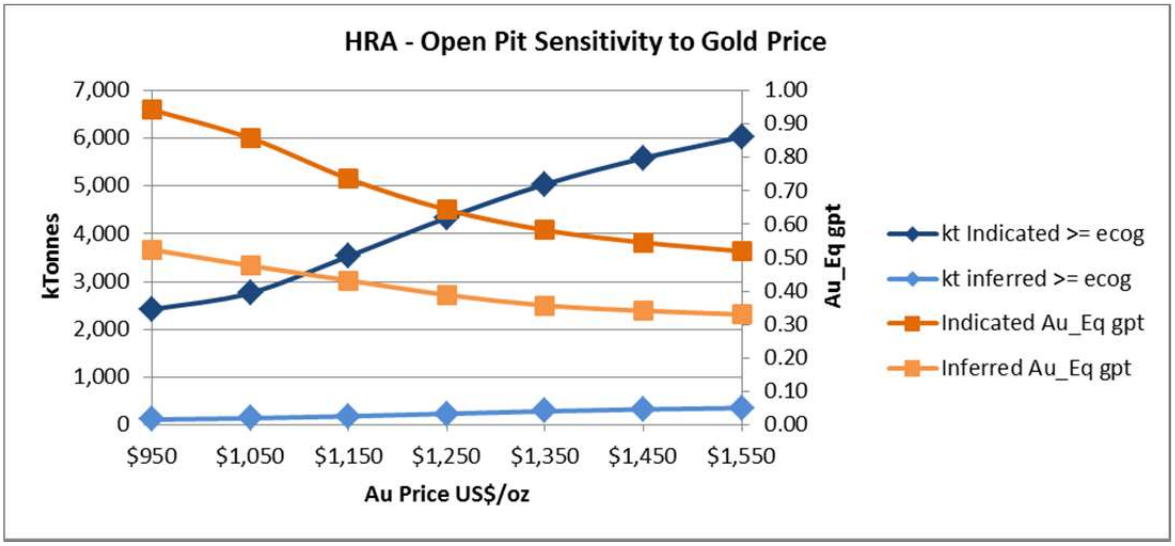
HRA INDICATED						
Gold Price US$/oz	Au_Eq cutoff grade	K-Tonnes	Au Grade gpt	Ag Grade gpt	Contained Au K-Ounces	Contained Ag K-Ounces
950	0.252	2,422	0.925	9.730	72	758
1050	0.228	2,763	0.843	9.232	75	820
1150	0.208	3,533	0.724	8.367	82	950
1250	0.192	4,335	0.633	7.906	88	1,102
1350	0.177	5,037	0.573	7.600	93	1,231
1450	0.165	5,585	0.537	7.329	96	1,316
1550	0.155	6,028	0.512	7.211	99	1,398

Table 14.37: Shell Results for the HRA Zone – Inferred Resource

HRA INFERRED						
Gold Price US$/oz	Au_Eq cutoff grade	K-Tonnes	Au Grade gpt	Ag Grade gpt	Contained Au K-Ounces	Contained Ag K-Ounces
950	0.252	116	0.514	5.803	2	22
1050	0.228	144	0.468	5.198	2	24
1150	0.208	185	0.425	4.953	3	29
1250	0.192	238	0.382	5.210	3	40
1350	0.177	290	0.351	5.176	3	48
1450	0.165	329	0.336	5.024	4	53
1550	0.155	357	0.325	5.155	4	59

Figure 14.23 shows the HRA zone sensitivity to gold price.

Figure 14.23: Sensitivity to Gold Price for the HRA Zone



14.13.3 Penelas Shell Results

The following tables summarize the Penelas Shell Results for Indicated and Inferred material. Results for the $1350/oz Au shell upon which the pit designs were based are highlighted.

Table 14.38: Shell Results for the Penelas Zone – Indicated Resource

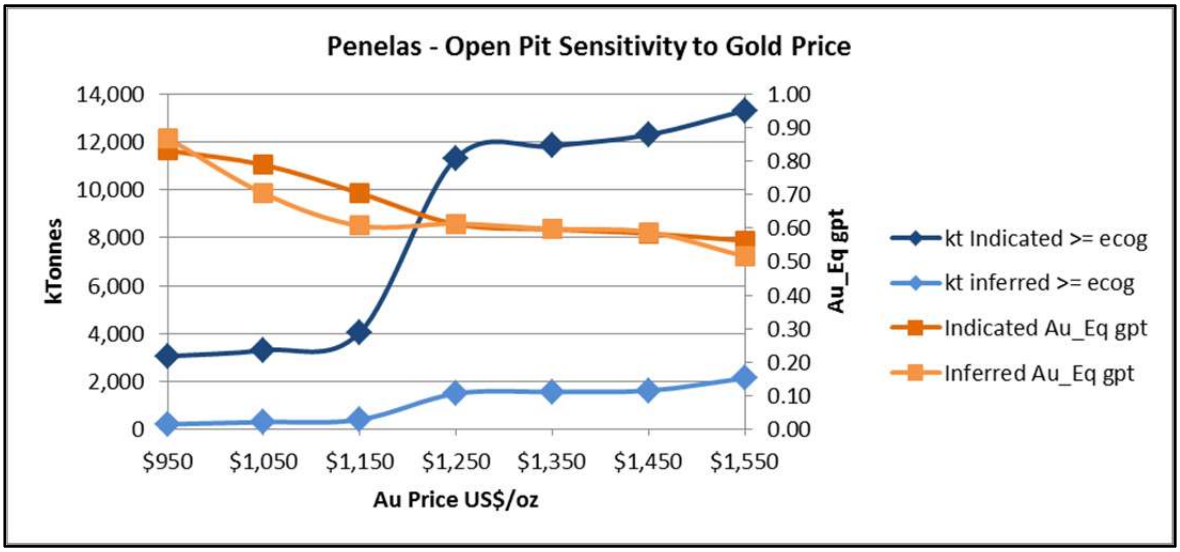
PENELAS INDICATED						
Gold Price US$/oz	**Au_Eq cutoff grade**	**K-Tonnes**	**Au Grade gpt**	**Ag Grade gpt**	**Contained Au K-Ounces**	**Contained Ag K-Ounces**
950	0.252	3,055	0.821	5.947	81	584
1050	0.228	3,307	0.780	5.720	83	608
1150	0.208	4,054	0.697	5.249	91	684
1250	0.192	11,328	0.606	4.645	221	1,692
1350	0.177	11,830	0.591	4.597	225	1,748
1450	0.165	12,298	0.579	4.581	229	1,811
1550	0.155	13,313	0.558	4.434	239	1,898

Table 14.39: Shell Results for the Penelas Zone – Inferred Resource

PENELAS INFERRED						
Gold Price US$/oz	**Au_Eq cutoff grade**	**K-Tonnes**	**Au Grade gpt**	**Ag Grade gpt**	**Contained Au K-Ounces**	**Contained Ag K-Ounces**
950	0.252	214	0.862	4.395	6	30
1050	0.228	306	0.698	3.454	7	34
1150	0.208	409	0.603	3.023	8	40
1250	0.192	1,494	0.608	4.053	29	195
1350	0.177	1,570	0.593	3.969	30	200
1450	0.165	1,617	0.584	3.955	30	206
1550	0.155	2,140	0.512	3.372	35	232

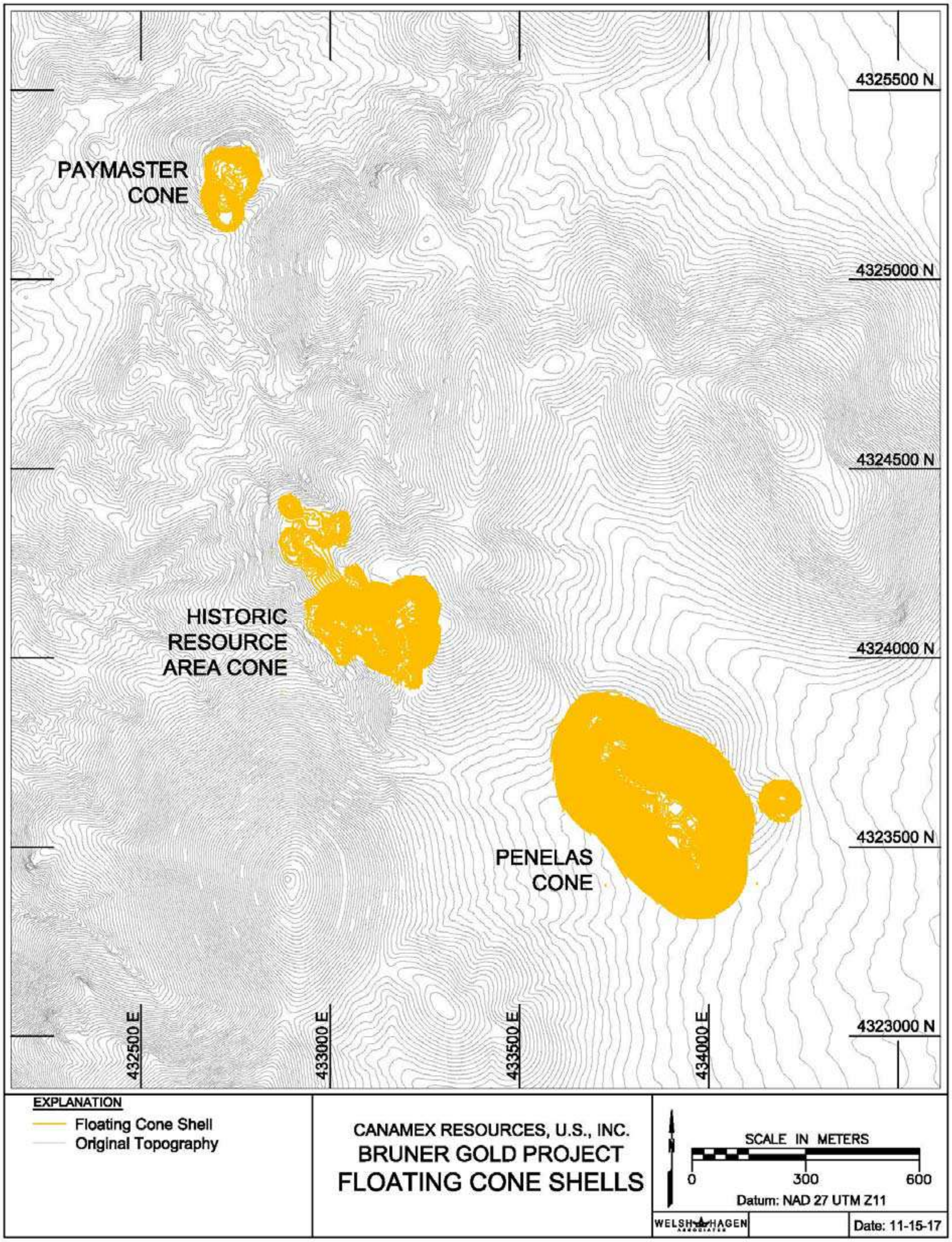
The following figure shows the Penelas area sensitivity to gold price.

Figure 14.24: Sensitivity to Gold Price for the Penelas Zone



Floating cone shells on plan view for the Bruner Gold Project are shown on **Figure 14.25**.

Figure 14.25: Bruner Floating Cone Shells at $1350/oz Gold



14.14 Conceptual Design Pits

At the request of Canamex, designed pits were constructed for all three resource zones. These designs were based on the $1350/oz Au floating cone shell limits.

Pit design parameters are as follows:

Table 14.40: Pit Design Parameters

Parameter	Value
Bench Height	5 meters
Catch Bench Width	5.5 meters
Quadruple Benching. Catch Bench Every	20 meters
Highwall Face Angle	67 degrees
Average Slope (Excluding Ramps)	55 degrees
Ramp Width - Two Way Traffic	25 meters
Ramp Grade - Two Way Traffic	10 percent
Ramp Width - Single Lane Traffic	18 meters
Ramp Grade - Single Lane Traffic	12 percent

The ramp out of the bottom of the HRA pit is 18 meters wide (single lane traffic, 12 percent grade). It ascends seven benches vertically (35 meters) and is approximately 290 meters long.

The ramp out of the bottom of the Penelas pit is 18 meters wide for the first four benches (single lane traffic, 12 percent grade). It then widens to 25 meters for the remaining benches (two-way traffic, 10 percent grade). It is approximately 2,000 meters long and ascends 42 benches (210 meters). Conceptual design pits on plan view are presented as **Figure 14.26**. Grade model cross sections of the Paymaster, HRA and Penelas zones within $1350/oz Au conceptual design pits are presented as **Figure 14.27**, **Figure 14.28** and **Figure 14.29**, respectively.

For additional details on these designs, refer to Section 16.

Figure 14.26: Bruner Conceptual Design Pits at $1350/oz Gold

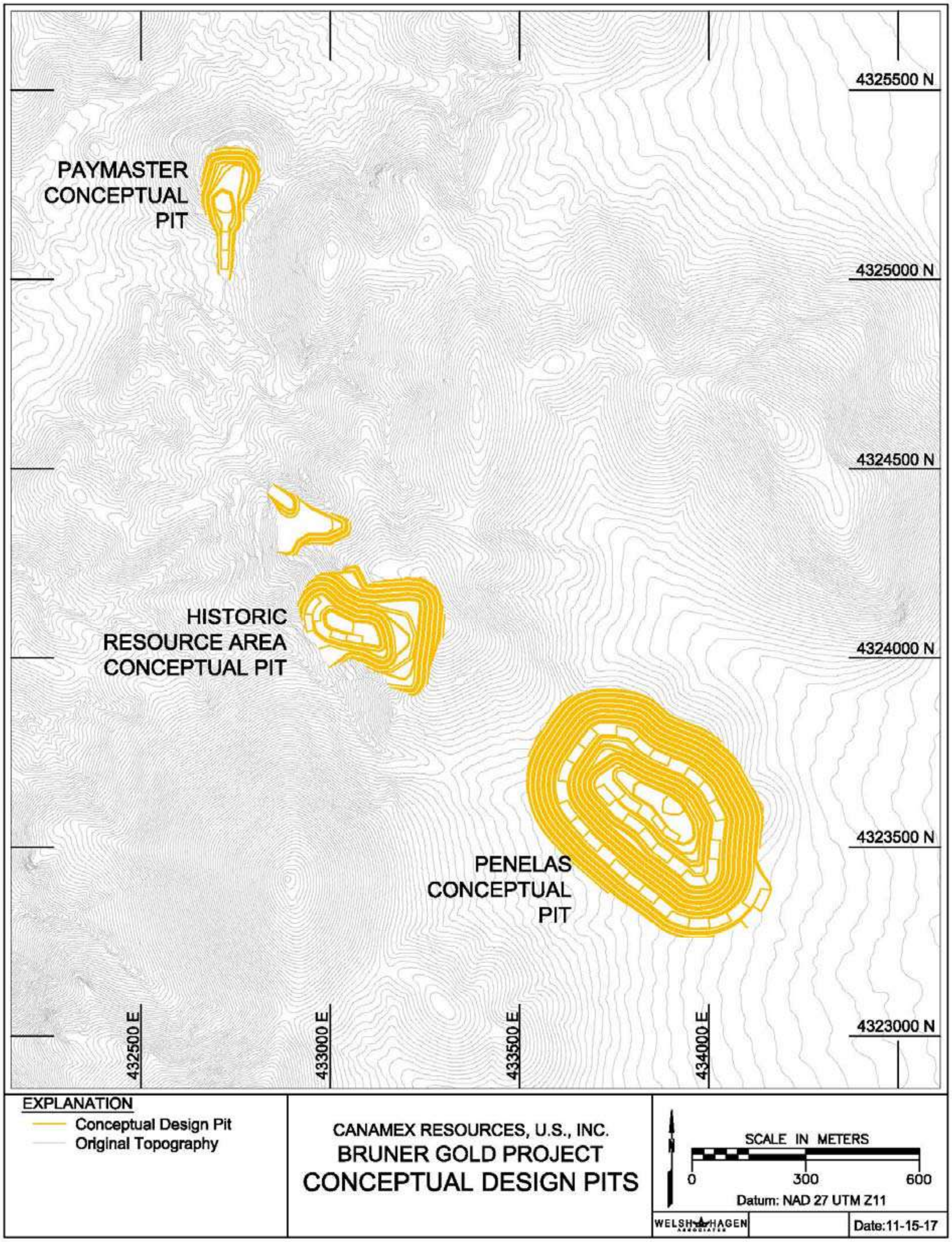


Figure 14.27: Grade Model Cross Section of the Paymaster Zone

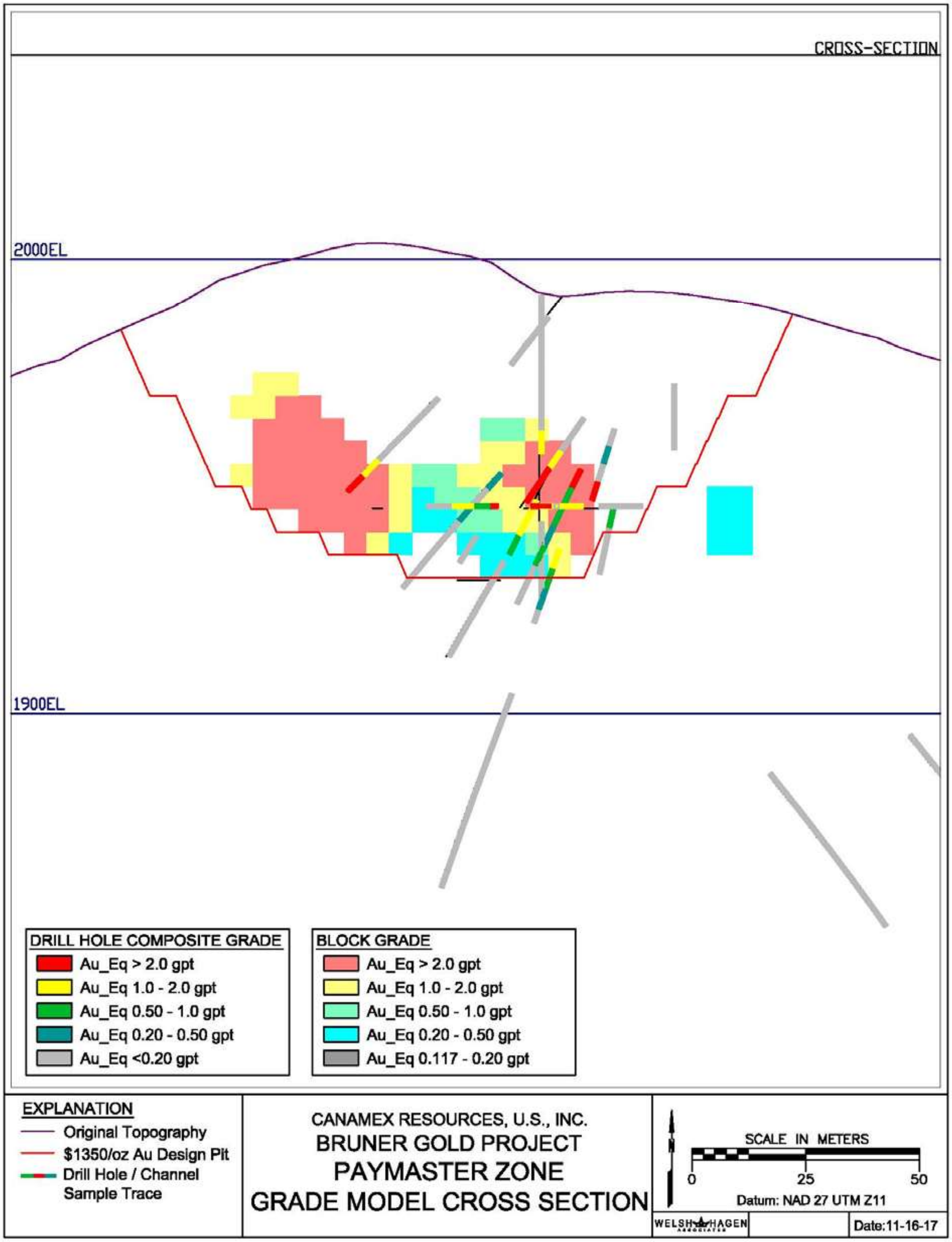


Figure 14.28: Grade Model Cross Section of the HRA

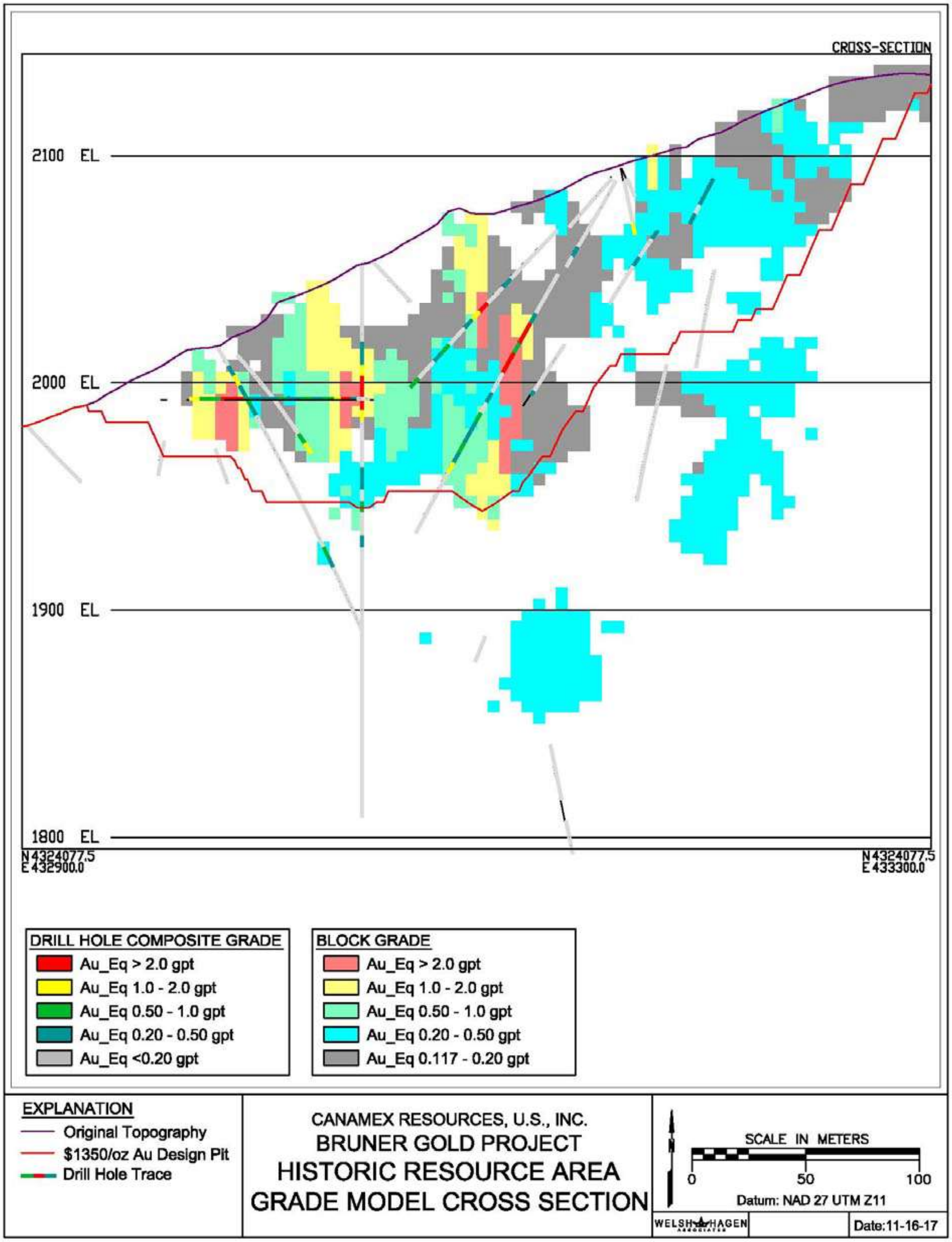
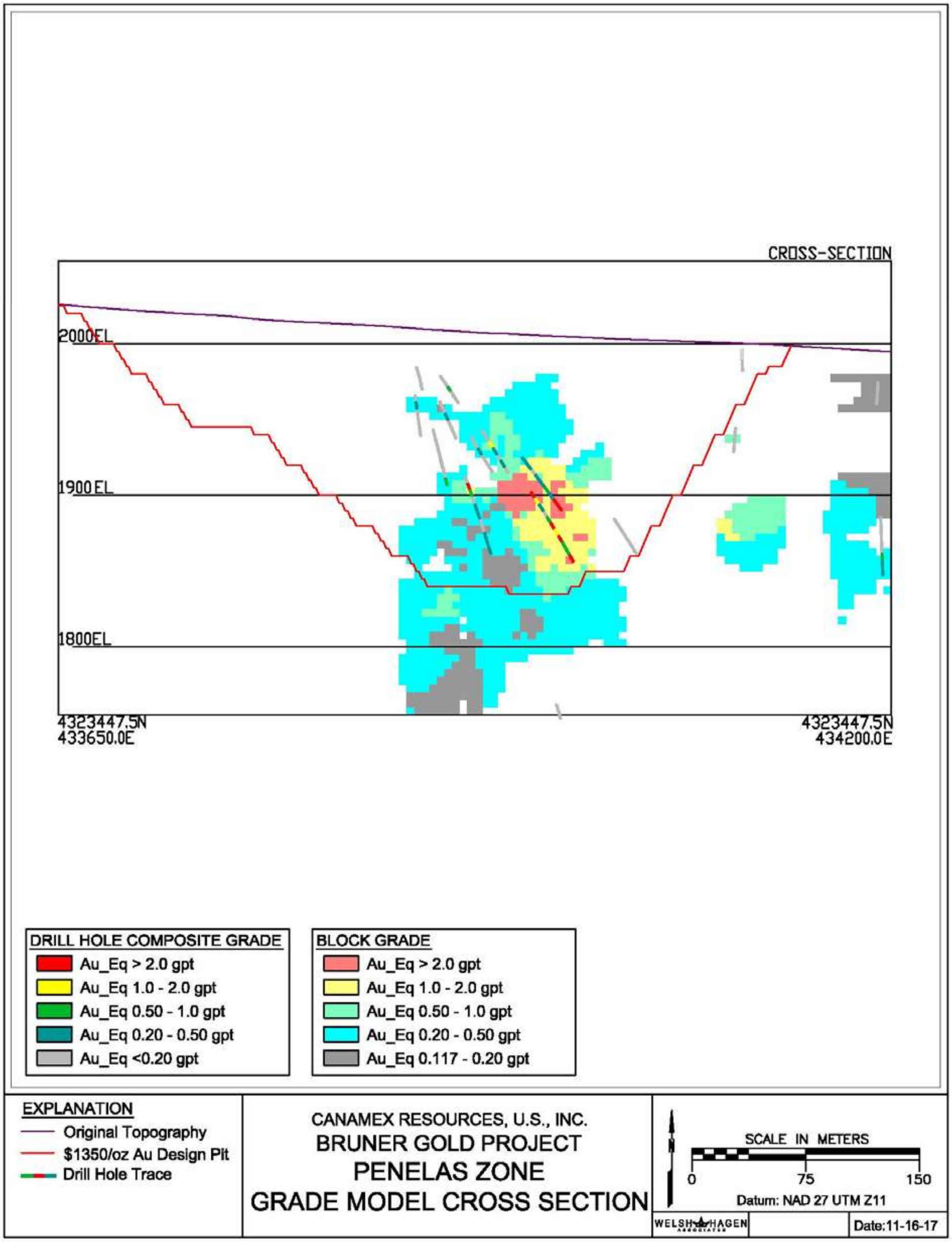


Figure 14.29: Grade Model Cross Section of the Penelas Zone



14.15 General Comments and Suggestions

The models that have been created for Bruner are mathematical in nature and as such, do not incorporate structural or geologic controls. The models use the PACK method (indicator kriging) to construct a + 0.1 g/tonne Au zone. Then, the composite values that are contained within the zone are used to model block grades within that zone. The grade modeling treats the zone as one homogenous unit, with preferential directions of continuity being taken into account. As such, the model is providing an unbiased picture of the overall average grade within the PACK defined grade zone. However, it may not be providing the best representation of gold grades on a more localized basis.

When additional infill drilling is available, an effort should be made to define structural and geologic domains within the deposit. This is especially important with respect to the high grade assays that exist. Based on the underground workings that were viewed in the HRA zone, it appears that there are narrow zones of more highly fractured material that carry the higher grade gold values. If possible, these zones should be identified and the influence of high grade composites within these structures should be limited to the structures themselves. Taking these steps should allow a better model of gold grade to be constructed on a local basis.

WHA recommends additional infill holes be drilled in the Penelas zone to increase drill density throughout the deposit, including into the deeper Penelas zone, surrounding the two holes (B-1446C and B-1436) which currently define this zone. Additional drilling is also needed in the Paymaster zone, specifically near the current underground workings.

15 MINERAL RESERVE ESTIMATES

No mineral reserves are reported herein.

16 MINING METHODS

The mining operation is assumed to be a conventional open pit mine, with drill and blast rock breakage and truck and loader materials handling.

The global resource model described in Section 14 was the basis for developing three separate mined envelopes (pits) using the floating cone module in the MicroMODEL software package. The mine production schedule was based on an average of 7,500 tonnes/day delivered to the crusher and lower grade ores being placed directly on the heap leach pad as run of mine (ROM) ore. WHA opted to take the mineralized material between 0.117 and 0.192 gold equivalent and treat it as run of mine material, that is, not crush it prior to stacking on the pads. The pits will be mined sequentially beginning at the Paymaster pit and progressing southeasterly to the HRA and Penelas pits. The production schedule was constrained to produce a constant feed of mineralized material to the crusher and conveyor loading onto the heap leach pad. ROM ores will be stacked on the heap leach pad without crushing. The ratio of ROM ore to crushed ore may vary due to gold price, ore grade, crushing costs, and recovery projections. Based on the high leachability of the mineral deposits, it is probable that a high percentage of the ore will be placed as ROM ore. Some stockpiling of higher grade material may be required to balance the crusher feed rate.

The term “ore” generally implies that sufficient technical feasibility and economic viability studies have been completed to classify the material as mineral reserve. A Qualified Person has not done sufficient work to classify the mineral resource at the Bruner Gold Project as current mineral reserve and the issuer is not treating the mineral resource as mineral reserve. The term “ore” is used in this report section to describe mining methods in standard mining terms.

16.1 Pit Design

No site specific geotechnical studies have been undertaken to date, other than the kinematic structural analysis completed by Dering (2014), and therefore pit slopes were based on reasonable assumptions and observation of nearby operating surface mines. An overall pit slope of 55° was used for pit optimization. This is typically an attainable pit slope in volcanic rocks for open pit mines in Nevada unless there are unfavorable faults, fracturing, or weak zones of alteration. Dering’s 2014 study supports a 55 degree pit slope for the Bruner property.

16.2 Pit Shape Determinations

Designed pits were generated for the Paymaster, HRA and Penelas resource zones. These designs were based on the $1350/oz Au floating cone shell limits. Pit design parameters are shown on **Table 14.40**.

The conceptual pit resources and schedule for Bruner are presented in **Table 16.1**. Mineral resources within the pit volume were evaluated and scheduled out using an Excel spreadsheet. The average cutoff grade for the mine life of the potential mining project was 0.192 Au g/t for crushed ore and 0.117 g/t for ROM ore.

Table 16.1: Conceptual Production Schedule

Year	1	2	3	4	5	6	7	8	Total
kTonnes Mined									
Crusher Material (Indicated)	2,320	2,565	1,918	2,362	2,398	2,412	2,340	1,189	**17,504**
gpt Au	0.59	0.71	0.47	0.50	0.59	0.50	0.66	0.99	0.61
cont oz Au	44,158	58,804	29,202	38,094	45,423	38,387	49,793	37,671	**341,532**
gpt Ag	5.71	8.85	3.73	4.06	5.29	6.02	4.65	4.39	5.48
cont oz Ag	425,683	729,472	230,052	308,179	407,882	466,790	349,743	167,996	**3,085,797**
ROM Material (Indicated)	527	595	222	188	163	163	152	24	**2,034**
gpt Au	0.16	0.16	0.16	0.17	0.17	0.16	0.17	0.18	**0.16**
cont oz Au	2,767	3,136	1,171	1,009	888	832	807	137	**10,747**
gpt Ag	2.96	5.61	2.53	2.37	3.52	4.16	3.82	4.96	**3.86**
cont oz Ag	50,180	107,347	18,082	14,340	18,460	21,821	18,686	3,831	**252,747**
Crusher Material (Inferred)	343	97	295	300	264	251	322	203	**2,075**
gpt Au	0.44	0.41	0.48	0.49	0.46	0.39	0.77	1.01	0.55
cont oz Au	4,821	1,285	4,527	4,703	3,881	3,183	7,920	6,603	**36,923**
gpt Ag	2.39	7.07	3.20	3.74	4.04	6.08	5.34	4.24	4.22
cont oz Ag	26,382	22,036	30,363	36,103	34,331	49,104	55,306	27,692	**281,317**
ROM Material (Inferred)	35	22	9	26	27	14	8	1	**142**
gpt Au	0.17	0.16	0.17	0.16	0.17	0.15	0.17	0.12	**0.17**
cont oz Au	191	116	48	137	146	69	44	4	**755**
gpt Ag	2.04	6.09	2.03	2.02	2.22	3.83	3.92	3.61	**2.99**
cont oz Ag	2,294	4,307	588	1,685	1,931	1,726	1,007	116	**13,654**
Total Leach Material Mined	3,250	3,300	2,450	2,900	2,850	2,850	2,800	1,400	**21,800**
gpt Au	0.50	0.60	0.44	0.47	0.55	0.46	0.65	0.99	**0.56**
cont oz Au	52,000	63,500	35,000	44,000	50,500	42,500	58,500	44,500	**391,000**
gpt Ag	4.84	8.15	3.55	3.88	5.06	5.90	4.73	4.47	**5.20**
cont oz Ag	506,000	865,000	280,000	362,000	464,000	541,000	426,000	201,000	**3,645,000**
Waste	3,650	2,350	23,950	14,550	13,000	4,950	2,100	650	**65,200**
Total Mined	6,900	5,650	26,400	17,450	15,850	7,800	4,900	2,050	**87,000**

The material conceptually considered for extraction in the PEA contains both indicated and inferred resources. The reader is cautioned that inferred mineral resources are considered too speculative geologically to have technical and economic considerations applied to them and mineral resources that are not mineral reserves do not have demonstrated economic viability.

16.3 Mining Equipment

This PEA assumes that mining operations at Bruner will be performed by a contractor. There are several companies in Nevada that perform contract mining. Typically, a contract miner will provide drilling, blasting, loading, hauling and ancillary equipment to support the mining operation. Capital to purchase the mining equipment is not included in the capital cost estimates in **Section 21**; however these costs are reflected in higher operating costs as the mining is performed. The relatively short mine makes contract mining an economic and lower risk choice.

The contract haulage fleet will need to move approximately 7,500 tonnes per day of ore and approximately 30,000 tonnes per day of waste. This will likely be done with trucks in the 80 to 90 tonne range and appropriately sized wheel loaders. Ancillary equipment will include water trucks, dozer(s), grader(s), blast hole drills, a service truck, and a fuel/lube truck.

At the crusher, the Owner will provide a front-end loader to feed the crusher from the coarse ore stockpile when trucks are not direct dumping. A D-6 size dozer will also be needed on the heap leach pad to spread ROM ore and level the surface of the crushed ore for leaching.

16.4 Mining above Underground Workings

Historic underground mining has occurred in the mineralized areas considered in this PEA. This mining was generally performed manually by excavating drifts (tunnels) underneath the ore zones and selectively extracting the mineralized rock from underneath – creating an open man-made cave (stope). Sometimes, mine timbers were used to brace the sides of the drifts and stopes, but after several decades the timbers are no longer effective support. The unsupported openings often have no surface expression and may cave in if mining equipment gets too close.

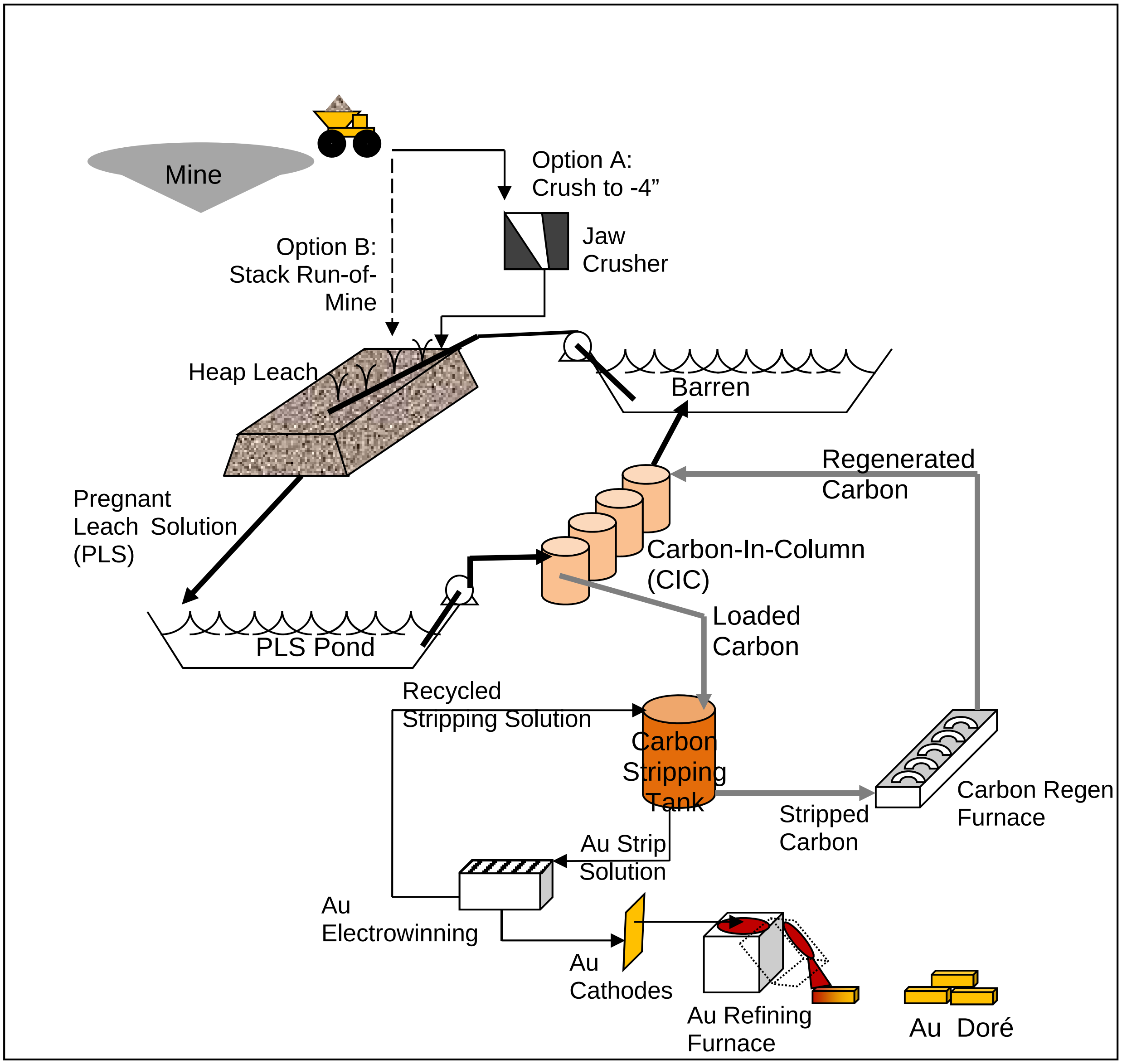
Experience at numerous open pit mines in Nevada has shown that mining over historic underground mines can be performed safely without significantly disrupting the mining schedule; however the presence of underground workings requires additional safety precautions to avoid ground collapse under men or equipment. Typically, a blast hole drill is used to advance probe holes to a depth of 20 meters below a mining level to determine the presence of a mining cavity. When a cavity is located, additional probe holes are drilled to determine the extent of the cavity. Then a blasting plan is developed to fill the void with blasted rock prior to mining over the area. Mining usually be performed with a track excavator loading the haul trucks. If additional voids are exposed during mining, additional probing, drilling and blasting will be performed until the previous cavities are mined out and normal mining sequences can be resumed.

17 RECOVERY METHODS

Based on proximity to surface, average grade and the results from preliminary metallurgical test work, the recovery methods anticipated to be most appropriate for the Bruner Gold Project are cyanide heap leach with carbon adsorption. A zinc precipitation (Merrill-Crowe) recovery process was not deemed to be needed due to the low silver recovery observed in the metallurgical testing results.

The process flow being considered for the Bruner property has been sketched in **Figure 17.1**. The process will use heap leaching with a standard “adsorption-desorption-recovery” (ADR) process for recovering the solubilized gold (and silver) from the leach solutions. As shown in **Figure 17.1**, option A would be to install a jaw crusher to crush the ore to a nominal 4-inch size prior to loading it onto the heap pad; option B would be to haul “run-of-mine” ore directly to the heap. The cyanide solution from the Barren Pond is percolated through the heap to create the Pregnant Leach Solution (PLS) that is collected at the bottom of the heap. The PLS is then pumped through activated carbon in a series of Carbon-in-Column (CIC) tanks to adsorb the cyanide soluble precious metal from the PLS. The solution from the CIC will report to the barren pond to be recycled back to the heap. The loaded carbon is sent to a Carbon Stripping Tank so that the gold (and silver) can be extracted from the carbon into the gold Strip Solution. The stripped carbon is regenerated in a furnace and recycled back to the CIC circuit; the Au Strip Solution is sent through an electrowinning cell to plate the precious metals on cathodes. These cathodes (typically made of steel wool) are then melted in a refining furnace, and the doré is cast into molds for shipping off-property.

Figure 17.1: Process Flow Sheet for the Recovery of Au and Ag



18 PROJECT INFRASTRUCTURE

The Bruner project is located with good access to roads, power, pro-mining communities and is topographically suitable for building heap leach pads and support facilities.

18.1 Access

The Bruner property is located approximately 19 miles by road from Gabbs, Nevada on State and County Roads. The most prominent access is by travelling northwest from Gabbs 3.5 miles on Nevada Route 361 and turning northeast onto the Lodi Valley County Road. This is an improved gravel road that turns northerly after about 4 miles and should be followed north an additional 8 miles to an unimproved County road, the North Paradise Road (# 991940). The North Paradise Road is accessed by turning to the east/northeast and travelling 3.5 miles to the mine property. The existing road is a legacy access road to the mines at the north end of the Paradise Mountains and will be upgraded to provide all-weather access to the mine.

Alternative access routes are available to the Bruner mine property from the Ione Valley to the east, from Eastgate to the north, and via the Quartz Mountain road to the west. These roads are intermittently maintained by the counties and will not be maintained as normal access routes to the Bruner property.

18.2 Power

High voltage grid power is available near the Premier Magnesite Mine facility at Gabbs – approximately 18 miles from the project. A new power line is planned for the Bruner mine. A Kva rating for the power line will be selected by NV Energy based on the results of a power study that is being conducted prior to determine energy availability from existing sources. The right-of-way alignment for the power line will also be selected by the NV Energy but is expected to generally follow the access roads to the property. A standby generator will be provided at the mine site to operate pumps in the case of power supply interruptions.

18.3 Water Supply

Water for processing and dust control will be supplied from a new well in the Lodi valley and an existing well in the Ione Valley. Water rights have been granted by Nevada State Engineer for the existing well and the new well which is scheduled to be completed in early 2017. The combined water rights will total 354 gallons per minute on an annual basis which will be sufficient for the size of operation contemplated at Bruner.

18.4 Personnel

The Bruner property is located in an area with that has historically supported multiple open pit mining operations providing access to skilled personnel. The closest community to the project is Gabbs which has a population of 600 people. Within 70 miles the largest communities are:

- Fallon, NV. - a 70-mile drive northwest with a population of 8,000 people.
- Hawthorne, NV. – a 65-mile drive southwest with a population of 3,400 people.
- Austin, NV. - a 50-mile drive northeast with a population of 50 people

Between the towns, numerous small villages support families who work at mining and ranching. As mines come and go in Nevada, miners move or commute to the work. An average miner in Nevada makes in excess of $75,000/year which provides incentive to travel to the more remote job locations.

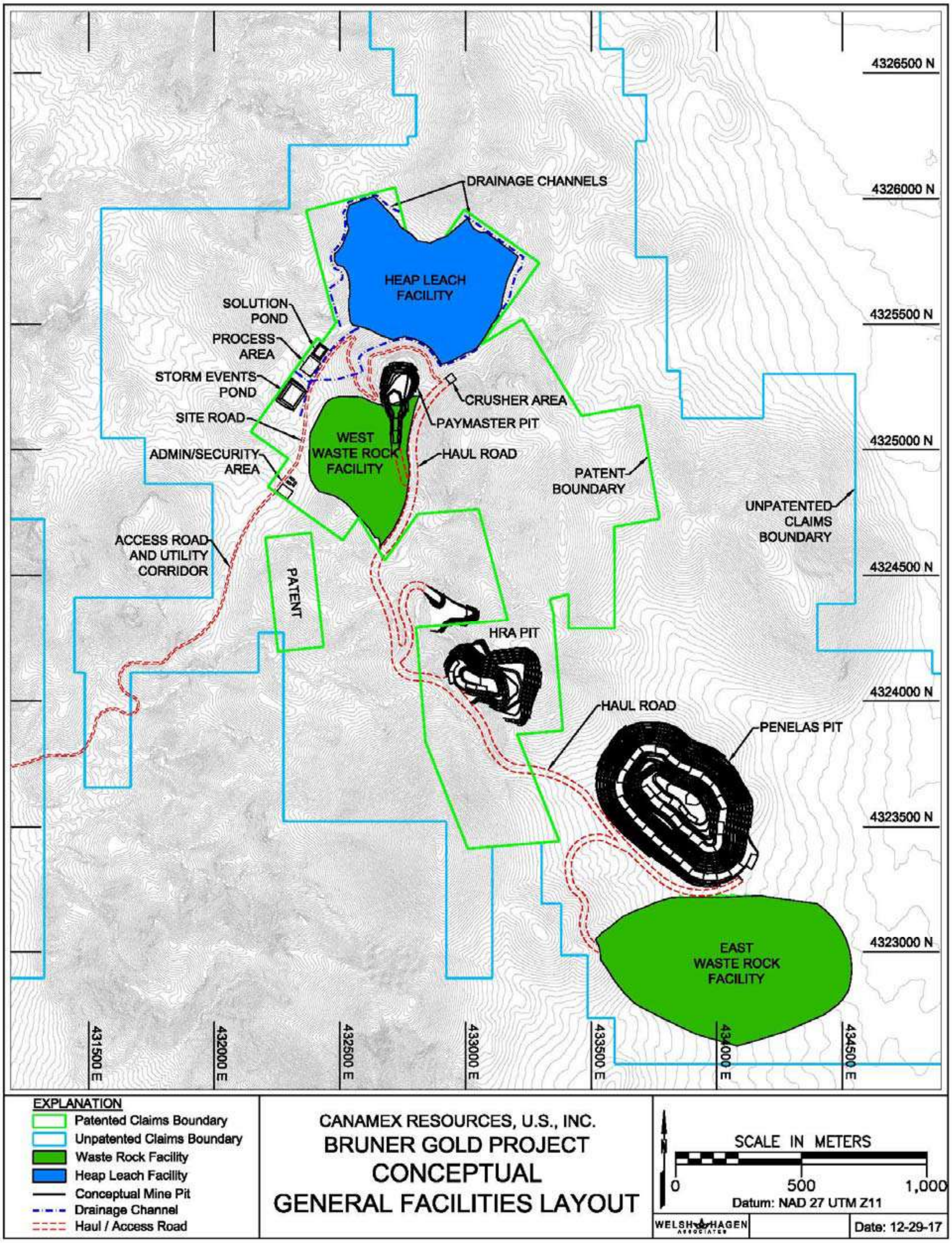
18.5 Heap Leach Pad

The heap leach facility will consist of a synthetically lined pad for stacking ore and lined ponds for solution containment located on patented land. Initially a 1.2 million square foot leach pad will be constructed on patented claims immediately north of the Paymaster open pit. The leach pad will be a valley-fill pad which will utilize the side slopes of the valley to contain the ore. After the second year of operation the pad will be expanded up the slopes to provide additional capacity. The total capacity of the heap leach pad site is in excess of 22 million tonnes of mineralized material (**Figure 18.1**).

18.6 Waste Rock Storage

Waste rock will be stored in two disposal facilities. The initial waste rock facility will be in a valley immediately south of the Paymaster pit and approximately 0.5 miles north of the HRA pit on patented land. A portion of the overburden from the HRA pit will be used to construct a haul road to the crusher site. Overburden and mine waste rock from the Penelas pit will be placed in a second disposal facility immediately south of that pit. These facilities will be constructed with an overall slope angle of 2.5:1 with internal benches at 40^{o}. The conceptual layout of the waste rock disposal sites is shown in **Figure 18.1**.

Figure 18.1: Conceptual General Facilities Layout



19 MARKET STUDIES AND CONTRACTS

19.1 Market Studies

This report assumes that gold and silver bearing doré will be produced on site at Bruner and then shipped to a refinery such as Johnson Matthey’s refining facility in Salt Lake City, Utah, where it will be refined into saleable gold and silver bullion. Carbon stripping and refining charges have been considered in the economic analysis set out in Section 22.

Prices for precious metals fluctuate due to changes in perceived values relative to a specific currency. An assumed price of US$1280/ounce of gold and $17/ounce of silver in the economic analyses presented in this document as the average sales price over the life of the mine. Spot prices may be higher or lower at the time of sale. Silver price fluctuations have negligible impact on this project due to the minor amount of silver that is leachable in the rock tested from Bruner samples.

19.2 Contracts

No contracts are finalized or in place at this time.

Canamex would most likely utilize contractors during the construction phase of the project and a mining contractor for overburden removal and ore mining.

Equipment supply contracts will include the processing facility, crusher, laboratory, and Owner-supplied mobile equipment for use at the crusher and leach pad. A standby generator will be leased or purchased by the mine.

Additional contracts may include those for transporting the doré to the refinery and a contract with the refinery.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

The description of Environmental Studies, Permitting and Social or Community Impact has been modified from Tanaka (2015) and WHA (2016). WHA has updated the description to include new material information on the subject.

The project includes proposed exploration and potential future mining initially on patented mining claims (i.e. private land) and subsequently on adjacent lode mining claims on public U.S. Bureau of Land Management (BLM) lands. Proposed exploration and production would include the development of deposits on both private and public BLM lands; thus, discussion herein related to permitting and environmental compliance reflects the requirements for development on both private and BLM lands. The following describe the major permits that would be required prior to initiation of mining operations at Bruner.

20.1 State of Nevada Required Permits and Statutes

Development on the project patented claims is regulated by the State of Nevada. The regulatory permitting requirements of the State are primarily administered by several bureaus of the Nevada Division of Environmental Protection (NDEP). The NDEP bureaus likely to have regulatory oversight of the project include the Bureau of Mining Regulation and Reclamation (BMRR), the Bureau of Water Pollution Control (BWPC), and the Bureau of Air Pollution Control (BAPC). These bureaus work cooperatively to ensure mining activities in Nevada are compliant with the Clean Water Act (CWA), the Clean Air Act (CAA), and several other federal and state statutes. The potential permits and plans that each NDEP bureau will potentially require and the statute mandating each permit are listed below and shown on **Table 20.1**. The potential permits are based on the activities envisioned by Canamex at this time.

Bureau of Mining Regulation and Reclamation (BMRR)

- Water Pollution Control Permit – required by Sections 445A.300 through 445A.730 of the Nevada Revised Statutes (NRS) and Sections 445A.350 through 445A.447 of the Nevada Administrative Code (NAC);
- Notice of Intent (NOI) for exploration (disturbance less than 5 acres) – required by Sections 519A.160 of the NRS and 519A.410 of the NAC;
- Reclamation Permit (disturbance more than 5 acres) – required by Sections 519A.010 through 519A.405 of the NRS and Sections 519A.120 through 519A.345 of the NAC.

Bureau of Water Pollution Control (BWPC)

- Notice of Intent for Storm Water Discharges under a National Pollutant Discharge Elimination System (NPDES) General Permit (Storm Water Permit) and associated Storm Water Pollution Prevention Plan (SWPPP) – required by the CWA and Sections 445A.300 through 445A.730 of the NRS;

- Spill Prevention, Control and Countermeasures Plan (SPCC Plan) – required by the CWA.

Bureau of Air Pollution Control (BAPC)

- Facilities Operating Permit (Air Quality Permit) – required by the CAA (42 USC §7401 et seq.) and by Nevada air quality rules and regulations (Chapters 445B of the NRS and 445B of the NAC);
- Surface Area Disturbance Permit and Dust Control Plan – required by the CAA and by Nevada air quality rules and regulations.

Nevada Department of Wildlife (NDOW)

- Industrial Artificial Pond Permit – required under NRS 502.390 regulations.

Nevada Division of Water Resources

- Permit to Appropriate Water – required under NRS Chapter 533 and 534.

Reclamation Bonding

In accordance with state law, Canamex must post reclamation surety with NDEP before development on the project patented claims would be authorized. A reclamation cost estimate must be prepared and submitted to the NDEP in order to quantify the amount of the surety bond required. Once a cost is calculated and a reclamation surety is posted, the amount of the surety must be reviewed at least once every three years thereafter to determine if it is still adequate for reclamation costs with inflation considered. The NDEP accepts several instruments for reclamation surety, including surety bonds, cash, certified checks or bank drafts, irrevocable letters of credit, and certificates of deposit.

20.2 County Required Permits

Development of the project patented claims must also comply with Nye County regulations which require a Special Use Permit (SUP) for mining activities at the Project area. In accordance with the requirement, Canamex must apply for and obtain a SUP before mining could commence on the project patented claims. Under normal conditions, issuance of a SUP may require up to 180 days from the date the application is filed.

20.2.1 Federal Authorizations and Permits

- Bureau of Land Management Plan of Operation – required under 43 CRF 3809 regulations. A Finding of No Significant Impact, through review of an environmental assessment, or a Record of Decision, through review of an environmental impact statement, are required prior to initiation of mining operations.
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) – authorization to store and use explosives.

- Environmental Protection Agency (EPA) – registration as a small-quantity generator of wastes regulated as hazardous is required for all operations that generate regulated hazardous wastes such as lab wastes, etc.

The BLM authorizes mining on public or mixed public/private land as required by the 43 Code of Federal Regulations (CFR) Subpart 3809. In accordance with 43 CFR Subpart 3809, future mining on the project unpatented claims would require Canamex to submit a Plan of Operations (PoO) for review by the BLM, Stillwater Field Office of the Carson City District and the NDEP-BMRR. The PoO will include the activities proposed on the unpatented and patented claims, and will serve as an overall plan for the entire project. Following their review, the BLM will determine whether an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) is required for compliance with the National Environmental Policy Act of 1969 (NEPA). The EA or EIS will be prepared in accordance with BLM guidelines, NEPA, and the Council on Environmental Quality (CEQ) regulations (40 CFR 1500-1508) for implementing NEPA. Since the EA or EIS will analyze the activities proposed in the PoO, the NEPA analysis will include the activities proposed on the unpatented claims and the activities occurring or proposed on the patented claims. Federal authorizations that will be required for development on public lands are listed on **Table 20.1**.

Table 20.1: Summary of Major Permits Required

Agency	Permit Name	Permit Number
Nevada Division of Environmental Protection		
Bureau of Mining Regulation and Reclamation	Water Pollution Control Permit Reclamation Permit (Mining and Exploration)	Not submitted or received
Bureau of Air Pollution Control	Air Quality Operating Permit	Not submitted or received
Nevada Division of Water Resources		
State Engineer	Permit to Appropriate Water	Nos. 83723
Nevada Department of Wildlife		
	Industrial Artificial Pond Permit	Not submitted or received
Federal Authorizations		
Bureau of Land Management – Stillwater Field Office	Plan of Operations Decision Record/Finding of No Significant Impact	Not submitted or received
Bureau of Alcohol, Tobacco, Firearms, and Explosives	Federal Explosives License/Permit	Would be held by contractor
Environmental Protection Agency	Hazardous Waste ID No. (large quantity generator)	Not submitted or received

The anticipated timeline for completion of an EA is 9 to 12 months and an EIS may take 2 to 4-years after development of the PoO; however, several operational specifications are yet to be determined for the proposed project operations. Once currently undetermined operational specifications are decided upon, the impacts of the project may become larger or affect additional lands administered by the BLM. In such an event, the EA or EIS may require a lengthier period to complete. The pertinent regulatory agencies, regulations, and permits that will ultimately be required for construction and operation of the proposed project will be identified when all operational procedures and specifications have been determined by Canamex. A limited amount of exploration may occur prior to an EA, with appropriate notification and assessment, and with the approval of the BLM.

In addition to NEPA, the BLM must also ensure the project is compliant with other federal statutes, including the Endangered Species Act (ESA), the National Historic Preservation Act (NHPA) and all applicable federal orders, directives, and regulations pertaining to the development of BLM lands. Compliance with the applicable federal statutes and regulations must be considered in the NEPA analysis. Wildlife and plant surveys will need to be completed in the unpatented portions of the project area.

A Class III Cultural Resource Assessment will need to be conducted within the project area boundary and findings submitted to the Nevada State Historic Preservation Office (SHPO) for concurrence. Any resources determined to be significant by SHPO will be managed through avoidance or approved mitigation during development.

The culmination of the EA process, following other federal agency and public review and comment, may result in a Finding of No Significant Impact (FONSI) and subsequent approval of the Plan of Operations by the BLM. If the BLM determines that there would be a significant impact due to the proposed mining operation Canamex will be required to complete an EIS. The culmination of the EIS process would most likely result in a Record of Decision (ROD) and subsequent approval of the Plan of Operations by the BLM.

A reclamation surety that is adequate for the reclamation of the entire project, which includes development of the patented and unpatented claims, must be posted before Canamex would be authorized to proceed with mining activities.

20.3 Environmental Permitting Status

The Bruner Gold Project is still in the exploration stage, and with the exception of Canamex's acquisition of water rights, the only permitting activity that has been undertaken to date is for exploration drilling.

The Company submitted a Notice of Intent (NOI) to the BLM in 2011 to perform exploration drilling on unpatented lode mining claims that lie on BLM-administered federal lands. The NOI was approved in November 2011, for a 2-year period of time, and covers planned disturbances associated with drill holes from 18 proposed drill hole locations, covering an initial estimated disturbance of 2.53 acres. The Company has amended the NOI three times since it was approved, primarily by swapping certain proposed locations for new locations. Disturbance created to date remains at approximately 2 acres, well below the 5-acre disturbance limit of the Notice of Intent level of activity.

On October 18, 2017 Canamex received a 2-year extension to its Notice of Intent with the Bureau of Land Management ("BLM") for exploration drilling on unpatented mining claims covering the Penelas resource area extending the Notice of Intent permit through October 18, 2019, including the drilling of a water well on BLM land. The Notice of Intent permit with the BLM covers disturbance created to establish drill road access and drill sites at the Penelas resource area. The Company has a cash bond in place in the amount of US$21,744 to cover reclamation for up to 2.87 acres of permitted disturbance. To date the company has built sixteen (16) out of nineteen (19) permitted drill sites and re-contoured and re-seeded sixteen (16) of those sites, leaving a balance of 3 sites available to be built under the existing bond amount, not including the site for drilling of a water well. The Company can re-occupy any of the previously disturbed sites for additional drilling without any additional permitting, and can submit amendments for additional disturbances up to a maximum of 5 acres before the Company exceeds the limitations of a Notice of Intent and would have to submit a Plan of Operations for disturbances exceeding 5 acres.

The Company limits the amount of surface disturbance associated with access road and drill site preparation by drilling multiple holes in radiating fans from individual drill pads. The Company can likely continue to drill up to another 50 holes on unpatented lode mining claims on BLM-administered federal land under the Notice of Intent before it will exceed the 5–acre limitation on disturbance, at which time it will need to prepare and submit a Plan of Operations. Meanwhile the Company reclaims drill sites as they are completed, in anticipation of getting credit for this reclamation in reducing the amount of outstanding disturbed acreage.

Drilling is performed on patented lode mining claims (fee land) by utilizing existing disturbances (roads and pads) and not increasing the amount of disturbance on fee lands. Proposed drill hole locations are submitted to the State of Nevada prior to commencement of drilling. A State of Nevada mines inspector occasionally visits the property to make sure the Company is complying with all State of Nevada safety practices and procedures.

20.3.1 Water Supply Permits

Canamex has permitted with the State of Nevada Division of Water Resources and the BLM for re-drilling of an abandoned water supply well located at the east end of the property and for which it has water rights via the option to purchase the patented claims portion of the Bruner property. The Company has posted an additional bond amount of $8,335 for pad disturbance and drill hole reclamation and abandonment for this well. There are no immediate plans to drill this well in 2018.

In April 2014, the Company acquired from the Nevada Division of Water Resources rights to 350 gallons per minute water for mineral processing and dust suppression. This is in addition to 4 gallons per minute annual water rights and well location that come with the patented claims on the property. Together, the combined 354 gallons per minute water rights should be sufficient for supporting up to 10,000 tons per day heap leach and processing operation. The water rights for 350 gallons per minute were granted on December 30, 2014, and are valid until December 31, 2030. These water rights were extended in December 2016 in order for the Company to have time to complete a water well in order to perfect this water right. The BLM has approved an Amendment to the Notice of Intent to allow Canamex to drill this well, a bond rider in the amount of $8,335 has been submitted to cover the reclamation of the disturbance involved in drilling this well, and the plan is to drill this well prior to year-end 2017 in order to perfect this water right. At the effective date of this report the well has not yet been completed.

20.4 Community Impact

The Bruner property is located at the northern end of the Paradise Range, and is remote from local communities, ranches, or residences. The town of Gabbs is located about 19 miles (30 kilometers) to the southwest, and is the nearest community. Gabbs is the local support center for the Premier Magnesium open pit mine and processing facility, which is located immediately outside of the town of Gabbs. The town of Gabbs relies on the economic benefits derived from employment at the Premier Magnesium operation and supports mining. Gabbs would be the closest community to support development of the Bruner property. Canamex utilizes service providers from the town of Gabbs and purchases water to support exploration drilling operations from the town of Gabbs, and has a good working relationship with the community. The next nearest community is Middlegate Station, located approximately 40 miles from the Bruner property, where Canamex maintains an office trailer and seasonal residences in the local motel, and maintains a good working relationship with the owners and patrons of Middlegate Station.

21 CAPITAL AND OPERATING COSTS

Capital and operating costs have been estimated for the Bruner Gold Project. These costs were developed to support a projected cash flow for the operation, which assesses the Project's economic viability. Capital cost estimates are based on the PEA scenario developed and address the engineering, procurement, construction and start-up of the mine and processing facilities, as well as ongoing sustaining capital costs. Operating cost estimates include the cost of mining, processing, waste management, reclamation, and related general and administrative (G&A) services.

The capital and operating cost estimates were developed for a conventional open pit mine, heap leach process facility using adsorption-desorption-recovery (ADR) recovery, and supporting infrastructure.

Cost accuracy is estimated to be + or – 35%. All costs are estimated in United States dollars (US$) as of Q4 2017, without escalation for inflation and, unless otherwise stated, are referred to as "$".

21.1 Capital Costs

The construction capital cost consists of costs associated with project construction which is assumed to begin in year -1, prior to production. Sunk costs associated with Feasibility Studies, permitting and finance is not included in the evaluation. The construction capital costs include direct costs, indirect costs, Owner's costs and contingency. Direct capital cost includes the initial heap leach pad construction, ADR plant and refinery, infrastructure buildings and services, site roads, and any mobile equipment. Indirect costs included Engineering, Procurement and Construction Management (EPCM). Owner's cost includes an allowance for property maintenance and development of management team and workforce, and the training of the workforce. Capital costs were developed based on scaling costs from similar facilities for production rates and from design basis assumptions including a contractor operated mining fleet. The estimated life of mine capital costs for the base case is summarized in **Table 21.1**.

Table 21.1: Estimated Life of Mine Capital Costs

Cost	US$		Initial	Sustaining
Mining				
	Waste Rock Disposal		$ 4,208,000	$ 11,167,000
	Haul Roads		$ 1,500,000	
Process				
	ADR Plant		$ 2,292,000	
	Leach Pad		$ 3,293,000	$ 1,745,000
	Crusher, Lime Silo		$ 2,390,000	
	Conveyor, Stacking		$ 2,856,000	
	Mobile Equipment		$ 2,140,000	
	Process Facilities		$ 1,576,000	
Indirect				
	EPCM		$ 2,207,000	
	Owner Costs		$ 1,000,000	
	Royalty buy out		$ 3,000,000	
	Site and Facility		$ 6,565,000	
	Contingency		$ 4,786,000	$ 2,732,000
Salvage				$ (1,700,000)
Total			$ 37,813,000	$ 13,944,000

21.2 Operating Costs

Operating cost assumptions were based on similar scale surface mining operations using heap leach processing in northern Nevada, and process cost estimates for key consumables based on the available metallurgical test data, power consumption data and prevailing costs for key materials in similar Nevada mining operations. Reclamation cost is consistent with the projected scale of the mining operation. More definitive estimates will require detail design of the facilities Operating cost assumptions per tonne of material processed are summarized as follows:

Table 21.2: Estimated Operating Costs

Category	US$ per metric tonne processed
Mining	$ 2.33
Crushing/Conveying	$ 1.10
Leaching	$ 1.59
G&A	$ 0.95
Reclamation	$ 0.37
Total	$ 6.34

22 ECONOMIC ANALYSIS

The PEA is preliminary in nature and includes inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be characterized as mineral reserves, and there is no certainty that the PEA will be realized. The current basis of project information is not sufficient to convert the in-situ mineral resources to mineral reserves, and mineral resources that are not mineral reserves do not have demonstrated economic viability.

22.1 Economic Performance

A gold price of $1,280/oz and a silver price of $17/oz were chosen for the base case economic evaluation based roughly on the 3-year trailing London Gold Fix prices in combination with the current gold and silver prices at the effective date of this Report. The economic evaluation base case is considered realistic and meets the test of reasonable prospect for eventual economic extraction.

Mining physicals in the production schedule were used with unit operating cost assumptions from Section 21 to calculate annual operating costs. Capital costs were input on an annual basis using a conceptual schedule for construction in year -1, followed by sustaining capital over the eight year mine life plus two more years of leaching. In order to simulate a heap leach environment approximately 10% to 15% of the total recovered ounces placed on the leach pad remain in heap leach inventory each year. These inventoried ounces are recovered over a two year period of time following cessation of mining. Cash flow assumptions are listed in **Table 22.1**.

Table 22.1: Cash Flow Assumptions

Cash Flow Assumptions		
Metal Prices		
Gold	US$/oz	$ 1,280
Silver	US$/oz	$ 17
Capital		
Initial	US$ (M)	$ 37.1
Sustaining	US$ (M)	$ 14.7
Crushing rate	tonnes/day	7,500
Recovery		
Gold	Crush / ROM	90% / 75%
Silver	Crush & ROM	10%

At a gold price of US$1280 per ounce and a silver price of $17 per ounce, the base case has a US$108.9 million pre-tax net cash flow, a US$71.5 million net present value (NPV) at a 5% discount rate, and an internal rate of return (IRR) of 31.6%. The base case has a US$106.5 million after-tax net cash flow, a US$69.6 million NPV at a 5% discount rate, and IRR of 31.0%. Cash flow is shown on **Table 22.2**.

Table 22.2: Cash Flow of Entire Project

		Year	-1	1	2	3	4	5	6	7	8	9	10
	Unit	Total											
Ore Production													
Produced Au	oz	349,300		39,350	50,850	35,120	41,110	43,720	38,230	51,850	39,810	5,260	4,000
Produced Ag	oz	363,400		42,920	73,400	31,290	43,500	43,540	51,210	43,070	25,090	6,380	3,000
Au Sales	US$m	$ 447.1		$ 50.4	$ 65.1	$ 45.0	$ 52.6	$ 56.0	$ 48.9	$ 66.4	$ 51.0	$ 6.7	$ 5.1
Ag Sales	US$m	$ 6.2		$ 0.7	$ 1.2	$ 0.5	$ 0.7	$ 0.7	$ 0.9	$ 0.7	$ 0.4	$ 0.1	$ 0.1
Royalty	US$m	$ 14.7		$ 1.3	$ 1.7	$ 1.6	$ 1.9	$ 2.0	$ 1.7	$ 2.3	$ 1.8	$ 0.2	$ 0.2
Cash Costs													
Pit Waste Mining	US$m	$ 140.7	$ -	$ 7.8	$ 5.5	$ 45.1	$ 34.0	$ 30.3	$ 11.6	$ 5.0	$ 1.6	$ -	$ -
Pit Ore Mining	US$m	$ 50.7	$ -	$ 7.5	$ 7.6	$ 5.7	$ 6.7	$ 6.6	$ 6.6	$ 6.6	$ 3.3	$ -	$ -
Leach Pad Processing	US$m	$ 35.6	$ -	$ 5.1	$ 5.2	$ 3.9	$ 4.6	$ 4.5	$ 4.5	$ 4.5	$ 2.3	$ 0.6	$ 0.5
Crush Processing	US$m	$ 21.5	$ -	$ 2.9	$ 2.9	$ 2.4	$ 2.9	$ 2.9	$ 2.9	$ 2.9	$ 1.5	$ -	$ -
G&A	US$m	$ 21.3	$ -	$ 3.1	$ 3.1	$ 2.3	$ 2.7	$ 2.7	$ 2.7	$ 2.7	$ 1.3	$ 0.4	$ 0.3
Enviromental & Reclamation	US$m	$ 8.1	$ -	$ 0.7	$ 0.6	$ 2.6	$ 1.7	$ 1.6	$ 0.8	$ 0.1	$ 0.1	$ -	$ -
Total Cash Cost	US$m	$ 278.0	$ -	$ 27.1	$ 24.9	$ 62.1	$ 52.6	$ 48.7	$ 29.1	$ 21.7	$ 10.1	$ 0.9	$ 0.7
Cash Cost per Au Ounce	$/oz	$ 796	$ -	$ 689	$ 491	$ 1,767	$ 1,281	$ 1,114	$ 761	$ 418	$ 253	$ 180	$ 180
Capital Expenditure													
Initial	US$m	$ 33.0	$ 32.3	$ -	$ -	$ 0.8	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sustaining Capital	US$m	$ 12.9	$ -	$ -	$ -	$ 12.7	$ -	$ 0.2	$ -	$ -	$ -	$ -	$ -
Contingency	US$m	$ 7.5	$ 4.8	$ -	$ -	$ 2.7	$ -	$ 0.0	$ -	$ -	$ -	$ -	$ -
Working Capital	US$m	$ 6.8		$ 6.8									
Salvage	US$m	$ (1.7)											$ (1.7)
Working Capital Recovery	US$m	$ (6.8)									$ (6.8)		
Total Capital Cost	US$m	$ 51.8	$ 37.1	$ 6.8	$ -	$ 16.1	$ -	$ 0.3	$ -	$ -	$ (6.8)	$ -	$ (1.7)
PROFIT & LOSS SUMMARY													
Sales revenue	US$m	$ 438.6	$ -	$ 49.8	$ 64.7	$ 43.9	$ 51.5	$ 54.7	$ 48.1	$ 64.8	$ 49.6	$ 6.6	$ 5.0
Operating costs	US$m	$ 278.0	$ -	$ 27.1	$ 24.9	$ 62.1	$ 52.6	$ 48.7	$ 29.1	$ 21.7	$ 10.1	$ 0.9	$ 0.7
Taxes	US$m	$ (1.3)	$ -	$ -	$ (1.3)	$ -	$ -	$ -	$ -	$ -	$ -	$ (0.5)	$ (0.7)
Net Cash Flow Before Tax	US$m	$ 108.9	$ (37.1)	$ 15.9	$ 39.7	$ (34.3)	$ (1.1)	$ 5.8	$ 19.0	$ 43.1	$ 46.3	$ 5.7	$ 6.0
Cumulative Cash Flow	US$m		$ (37.1)	$ (21.1)	$ 18.6	$ (15.7)	$ (16.9)	$ (11.1)	$ 7.9	$ 50.9	$ 97.2	$ 102.9	$ 108.9
Net Cash Flow After Tax	US$m	$ 106.5	$ (37.1)	$ 15.9	$ 38.4	$ (34.3)	$ (1.1)	$ 5.8	$ 19.0	$ 43.1	$ 46.3	$ 5.2	$ 5.3
Cumulative Cash Flow	US$m		$ (37.1)	$ (21.2)	$ 17.2	$ (17.1)	$ (18.2)	$ (12.4)	$ 6.6	$ 49.7	$ 96.0	$ 101.2	$ 106.5
Before Tax					After Tax								
NPV	US$m	5.0%	$71.5		NPV	US$m	5.0%	$69.6					
IRR			31.6%		IRR			31.0%					

22.2 Sensitivities for Entire Project

Graphical presentations of the pre-tax sensitivity are shown in **Figure 22.1** which show the change in IRR for proportional changes of operating cost, capital cost and gold price assumptions around the base case (100%), and in **Figure 22.2** which show the change in NPV @ 5% for proportional changes in operating cost, capital cost and gold price assumptions around the base case (100%). The sensitivity analysis indicates that the project economic performance is most sensitive to gold price over the range of 75% to 125% in gold price.

The pre-tax sensitivity of projected economic performance has been evaluated over a range of gold price assumptions between US$960 – US$1,600 per ounce (silver price constant – US$17.00 per ounce) and the results are listed in **Table 22.3**. Pre-tax sensitivity to operating cost and capital cost were investigated over a range of 75% - 125% of the base case assumptions, and are listed in **Tables 22.4**, **22.5,** respectively.

Figure 22.1: IRR Pre-tax Sensitivities for Entire Project

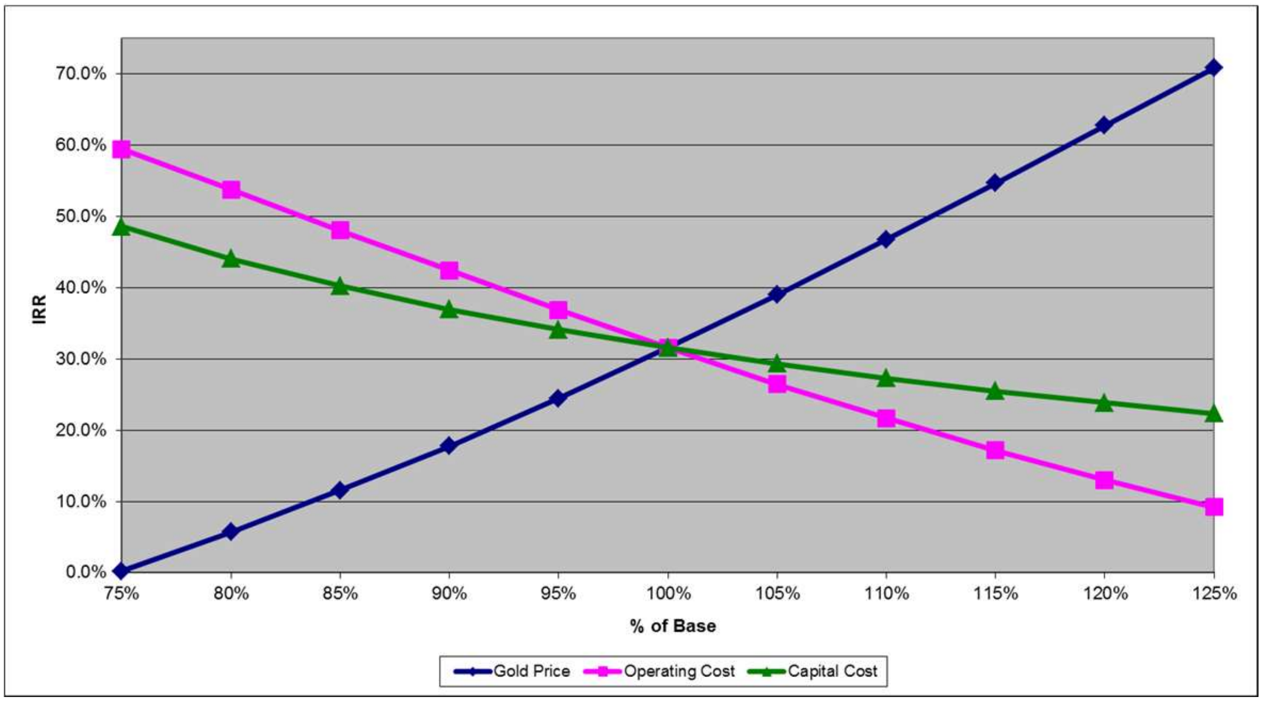


Figure 22.2: NPV Pre-tax Sensitivities for Entire Project

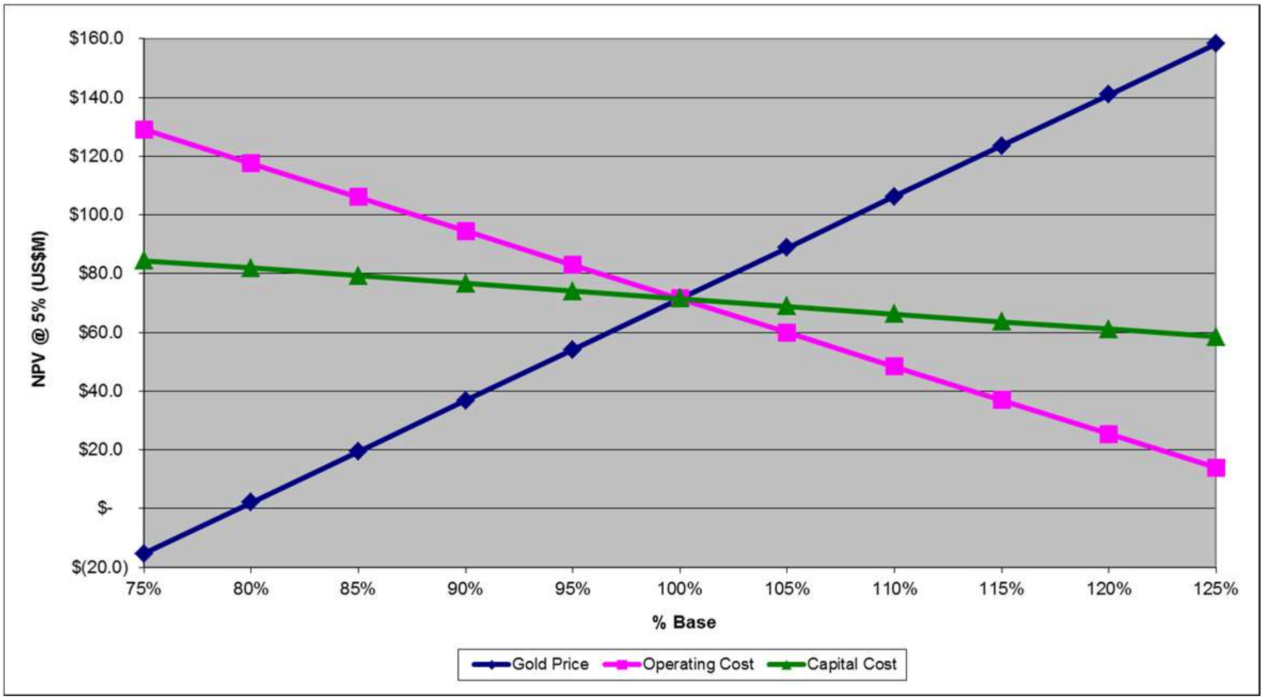


Table 22.3: Pre-tax Sensitivity to Gold Price for Entire Project

Gold Price		NPV (US$M)				IRR (%)
US$/oz.	Factor	10%	7.50%	5%	0%	
$1,600.00	125%	$ 117.6	$ 136.2	$ 158.3	$ 217.0	70.8%
$1,536.00	120%	$ 103.4	$ 120.5	$ 140.9	$ 195.4	62.7%
$1,472.00	115%	$ 89.1	$ 104.8	$ 123.6	$ 173.7	54.7%
$1,408.00	110%	$ 74.9	$ 89.1	$ 106.2	$ 152.1	46.8%
$1,344.00	105%	$ 60.6	$ 73.4	$ 88.8	$ 130.5	39.0%
$1,280.00	100%	$ 46.4	$ 57.7	$ 71.5	$ 108.9	31.6%
$1,216.00	95%	$ 32.1	$ 42.0	$ 54.1	$ 87.2	24.5%
$1,152.00	90%	$ 17.9	$ 26.4	$ 36.8	$ 65.6	17.8%
$1,088.00	85%	$ 3.6	$ 10.7	$ 19.4	$ 44.0	11.5%
$1,024.00	80%	$ (10.6)	$ (5.0)	$ 2.1	$ 22.3	5.7%
$ 960.00	75%	$ (24.9)	$ (20.7)	$ (15.3)	$ 0.7	0.2%

Table 22.4: Pre-tax Sensitivity to Operating Cost for Entire Project

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ (2.1)	$ 5.0	$ 13.9	$ 39.4	9.2%
120%	$ 7.6	$ 15.5	$ 25.4	$ 53.3	13.0%
115%	$ 17.3	$ 26.1	$ 36.9	$ 67.2	17.2%
110%	$ 27.0	$ 36.6	$ 48.4	$ 81.1	21.7%
105%	$ 36.7	$ 47.2	$ 60.0	$ 95.0	26.5%
100%	$ 46.4	$ 57.7	$ 71.5	$ 108.9	31.6%
95%	$ 56.1	$ 68.3	$ 83.0	$ 122.8	36.9%
90%	$ 65.8	$ 78.8	$ 94.5	$ 136.7	42.4%
85%	$ 75.5	$ 89.4	$ 106.0	$ 150.6	48.1%
80%	$ 85.2	$ 99.9	$ 117.6	$ 164.5	53.7%
75%	$ 94.9	$ 110.5	$ 129.1	$ 178.4	59.5%

Table 22.5: Pre-tax Sensitivity to Capital Cost for Entire Project

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ 33.4	$ 44.7	$ 58.5	$ 95.9	22.3%
120%	$ 36.0	$ 47.3	$ 61.1	$ 98.5	23.8%
115%	$ 38.6	$ 49.9	$ 63.7	$ 101.1	25.5%
110%	$ 41.2	$ 52.5	$ 66.3	$ 103.7	27.3%
105%	$ 43.8	$ 55.1	$ 68.9	$ 106.3	29.3%
100%	$ 46.4	$ 57.7	$ 71.5	$ 108.9	31.6%
95%	$ 49.0	$ 60.3	$ 74.1	$ 111.4	34.1%
90%	$ 51.5	$ 62.9	$ 76.7	$ 114.0	37.0%
85%	$ 54.1	$ 65.5	$ 79.3	$ 116.6	40.3%
80%	$ 56.7	$ 68.1	$ 81.9	$ 119.2	44.1%
75%	$ 59.3	$ 70.7	$ 84.5	$ 121.8	48.6%

Graphical presentations of the after tax sensitivity are shown in **Figure 22.3** which show the change in IRR for proportional changes of operating cost, capital cost and gold price assumptions around the base case (100%), and in **Figure 22.4** which show the change in NPV @ 5% for proportional changes in operating cost, capital cost and gold price assumptions around the base case (100%). The sensitivity analysis indicates that the project economic performance is most sensitive to gold price over the range of 75% to 125% in gold price.

The after tax sensitivity of projected economic performance has been evaluated over a range of gold price assumptions between US$960 – US$ 1,600 per ounce (silver price constant – US$17.00 per ounce) and the results are listed in **Table 22.6**. After tax sensitivity to operating cost and capital cost were investigated over a range of 75% - 125% of the base case assumptions, and are listed in **Tables 22.7**, **22.8,** respectively.

Figure 22.3: IRR After tax Sensitivities for Entire Project

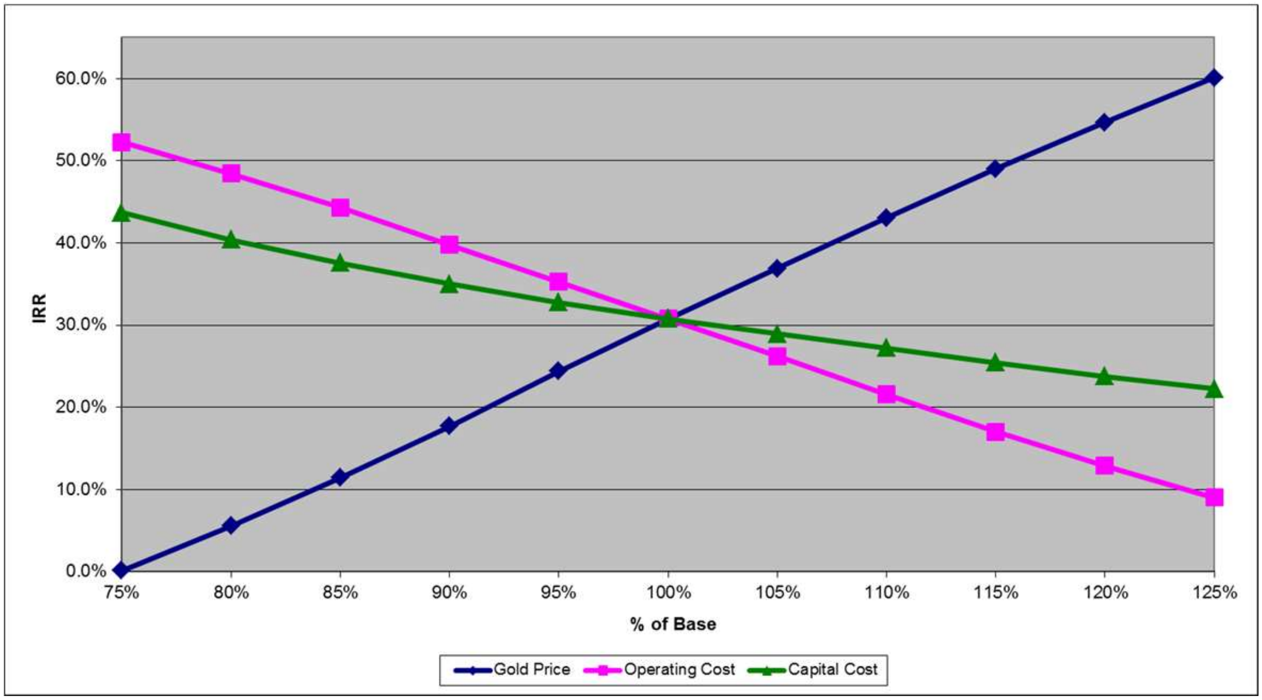


Figure 22.4: NPV After tax Sensitivities for Entire Project

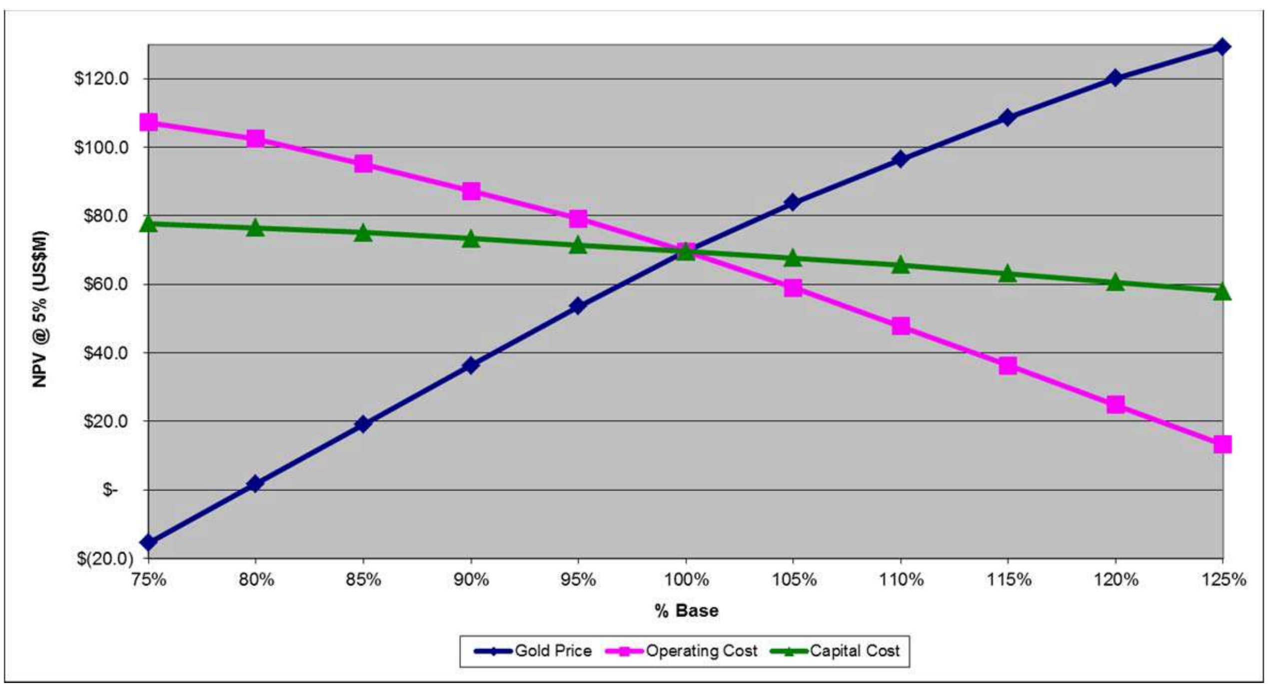


Table 22.6: After tax Sensitivity to Gold Price for Entire Project

Gold Price		NPV (US$M)				IRR (%)
US$/oz.	Factor	10%	7.50%	5%	0%	
$ 1,600.00	125%	$ 95.2	$ 110.8	$ 129.4	$ 178.5	60.1%
$ 1,536.00	120%	$ 87.2	$ 102.2	$ 120.2	$ 167.9	54.7%
$ 1,472.00	115%	$ 77.5	$ 91.7	$ 108.6	$ 154.0	49.0%
$ 1,408.00	110%	$ 67.3	$ 80.5	$ 96.5	$ 139.2	43.1%
$ 1,344.00	105%	$ 56.6	$ 69.0	$ 83.9	$ 124.0	36.9%
$ 1,280.00	100%	$ 44.8	$ 56.0	$ 69.6	$ 106.4	31.0%
$ 1,216.00	95%	$ 31.7	$ 41.6	$ 53.5	$ 86.3	24.4%
$ 1,152.00	90%	$ 17.6	$ 26.0	$ 36.3	$ 64.8	17.7%
$ 1,088.00	85%	$ 3.4	$ 10.4	$ 19.0	$ 43.4	11.4%
$ 1,024.00	80%	$ (10.8)	$ (5.2)	$ 1.8	$ 21.9	5.6%
$ 960.00	75%	$ (25.0)	$ (20.8)	$ (15.5)	$ 0.4	0.1%

Table 22.7: After tax Sensitivity to Operating Cost for Entire Project

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ (2.5)	$ 4.5	$ 13.3	$ 38.4	9.0%
120%	$ 7.2	$ 15.0	$ 24.8	$ 52.3	12.9%
115%	$ 16.9	$ 25.6	$ 36.3	$ 66.1	17.0%
110%	$ 26.5	$ 36.1	$ 47.8	$ 80.0	21.5%
105%	$ 36.0	$ 46.4	$ 59.0	$ 93.6	26.2%
100%	$ 44.8	$ 56.0	$ 69.6	$ 106.4	31.0%
95%	$ 53.0	$ 64.9	$ 79.2	$ 117.9	35.3%
90%	$ 60.1	$ 72.4	$ 87.2	$ 126.9	39.8%
85%	$ 67.1	$ 79.9	$ 95.1	$ 135.9	44.3%
80%	$ 73.6	$ 86.7	$ 102.5	$ 144.2	48.4%
75%	$ 78.2	$ 91.4	$ 107.2	$ 148.9	52.3%

Table 22.8: After tax Sensitivity to Capital Cost for Entire Project

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ 33.2	$ 44.4	$ 58.0	$ 95.2	22.3%
120%	$ 35.7	$ 47.0	$ 60.6	$ 97.7	23.8%
115%	$ 38.3	$ 49.5	$ 63.1	$ 100.2	25.4%
110%	$ 40.8	$ 52.1	$ 65.7	$ 102.7	27.2%
105%	$ 42.9	$ 54.1	$ 67.7	$ 104.6	28.9%
100%	$ 44.8	$ 56.0	$ 69.6	$ 106.4	31.0%
95%	$ 46.8	$ 57.9	$ 71.5	$ 108.2	32.8%
90%	$ 48.7	$ 59.9	$ 73.4	$ 110.0	35.0%
85%	$ 50.6	$ 61.7	$ 75.2	$ 111.6	37.6%
80%	$ 52.2	$ 63.2	$ 76.5	$ 112.6	40.4%
75%	$ 53.7	$ 64.6	$ 77.8	$ 113.4	43.7%

22.3 Phased Development

The conceptual mine plan designed in this study allows for the Bruner project to be developed in two phases: a Phase 1 that mines only the Paymaster and HRA resources, which are contained primarily on patented mining claims, and which has a pre-tax NPV@5% of $37.1 million and a pre-tax IRR of 47.0%, and an after tax NPV@5% and IRR of $31.0 million and 41.3% respectively, before a decision is made on whether to develop the deeper Penelas resource in Phase 2, which has a high pre-stripping requirement and a significantly higher cash cost of production, which resides entirely on BLM unpatented mining claims, and which has a stand-alone pre-tax NPV@5% and IRR of $32.8 million and 13.6% respectively, and an after-tax NPV@5% of $28.4 million and IRR of 12.7%. If metal prices are depressed, one would not develop the Penelas resource: if they are robust, one would presumably proceed with permitting and development of the Penelas resource. Cash flow for Paymaster and HRA is shown in **Table 22.9**. Pre-tax sensitivities are shown on **Figure 22.5**, **Figure 22.6** and **Table 22.10** through **Table 22.12**. After tax sensitivities are shown on **Figure 22.7**, **Figure 22.8** and **Table 22.13** through **Table 22.15**.

Table 22.9: Cash Flow for Paymaster and HRA

		Year	-1	1	2	3	4	5	6	7	8	9	10
	Unit	Total											
Ore Production													
Produced Au	oz	108,530		39,350	50,850	12,107	5,650	573					
Produced Ag	oz	143,900		42,920	73,400	13,610	12,900	1,070					
Au Sales	US$m	$ 138.9		$ 50.4	$ 65.1	$ 15.5	$ 7.2	$ 0.7	$ -	$ -	$ -	$ -	$ -
Ag Sales	US$m	$ 2.4		$ 0.7	$ 1.2	$ 0.2	$ 0.2	$ 0.0	$ -	$ -	$ -	$ -	$ -
Royalty	US$m	$ 3.8		$ 1.3	$ 1.7	$ 0.6	$ 0.3	$ 0.0	$ -	$ -	$ -	$ -	$ -
Cash Costs													
Pit Waste Mining	US$m	$ 13.6	$ -	$ 7.8	$ 5.5	$ 0.3	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pit Ore Mining	US$m	$ 15.9	$ -	$ 7.5	$ 7.6	$ 0.7	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Leach Pad Processing	US$m	$ 11.5	$ -	$ 5.1	$ 5.2	$ 0.5	$ 0.6	$ 0.1	$ -	$ -	$ -	$ -	$ -
Crush Processing	US$m	$ 6.2	$ -	$ 2.9	$ 2.9	$ 0.3	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G&A	US$m	$ 6.9	$ -	$ 3.1	$ 3.1	$ 0.3	$ 0.3	$ 0.0	$ -	$ -	$ -	$ -	$ -
Enviromental & Reclamation	US$m	$ 1.3	$ -	$ 0.7	$ 0.6	$ 0.0	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Cash Cost	US$m	$ 55.2	$ -	$ 27.1	$ 24.9	$ 2.2	$ 0.9	$ 0.1	$ -	$ -	$ -	$ -	$ -
Cash Cost per Au Ounce	$/oz	$ 509	$ -	$ 689	$ 491	$ 178	$ 164	$ 164	$ -	$ -	$ -	$ -	$ -
Capital Expenditure													
Initial	US$m	$ 32.1	$ 32.1	$ -	$ -	$ -	$ -	$ -					
Sustaining Capital	US$m	$ -	$ -	$ -	$ -	$ -	$ -	$ -					
Contingency	US$m	$ 4.8	$ 4.8	$ -	$ -	$ -	$ -	$ -					
Working Capital	US$m	$ 6.8		$ 6.8									
Salvage	US$m	$ -											
Working Capital Recovery	US$m	$ (6.8)				$ (6.8)							
Total Capital Cost	US$m	$ 36.9	$ 36.9	$ 6.8	$ -	$ (6.8)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PROFIT & LOSS SUMMARY													
Sales revenue	US$m	$ 137.6	$ -	$ 49.8	$ 64.7	$ 15.2	$ 7.2	$ 0.7	$ -	$ -	$ -	$ -	$ -
Operating costs	US$m	$ 55.2	$ -	$ 27.1	$ 24.9	$ 2.2	$ 0.9	$ 0.1	$ -	$ -	$ -	$ -	$ -
Taxes	US$m	$ (6.7)	$ -	$ -	$ (4.0)	$ (2.7)	$ -	$ -					
Net Cash Flow Before Tax	US$m	$ 45.5	$ (36.9)	$ 15.9	$ 39.7	$ 19.8	$ 6.3	$ 0.6	$ -	$ -	$ -	$ -	$ -
Cumulative Cash Flow	US$m		$ (36.9)	$ (20.9)	$ 18.8	$ 38.6	$ 44.9	$ 45.5	$ 45.5	$ 45.5	$ 45.5	$ 45.5	$ 45.5
Net Cash Flow After Tax	US$m	$ 38.7	$ (36.9)	$ 15.9	$ 35.7	$ 17.1	$ 6.3	$ 0.6	$ -	$ -	$ -	$ -	$ -
Cumulative Cash Flow	US$m		$ (36.9)	$ (21.0)	$ 14.7	$ 31.8	$ 38.1	$ 38.7	$ 38.7	$ 38.7	$ 38.7	$ 38.7	$ 38.7
Before Tax					After Tax								
NPV	US$m	5.0%	$37.1		NPV	US$m	5.0%	$31.0					
IRR			47.0%		IRR			41.3%					

Figure 22.5: IRR Pre-tax Sensitivities for Paymaster and HRA

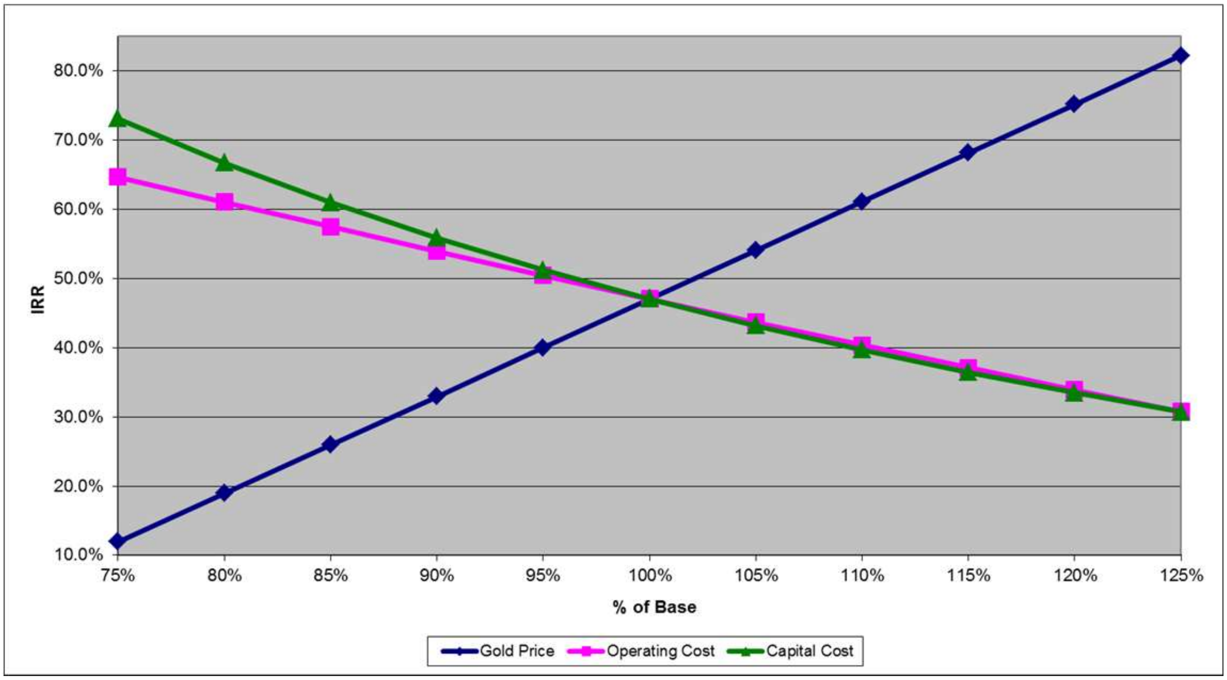


Figure 22.6: NPV Pre-tax Sensitivities for Paymaster and HRA

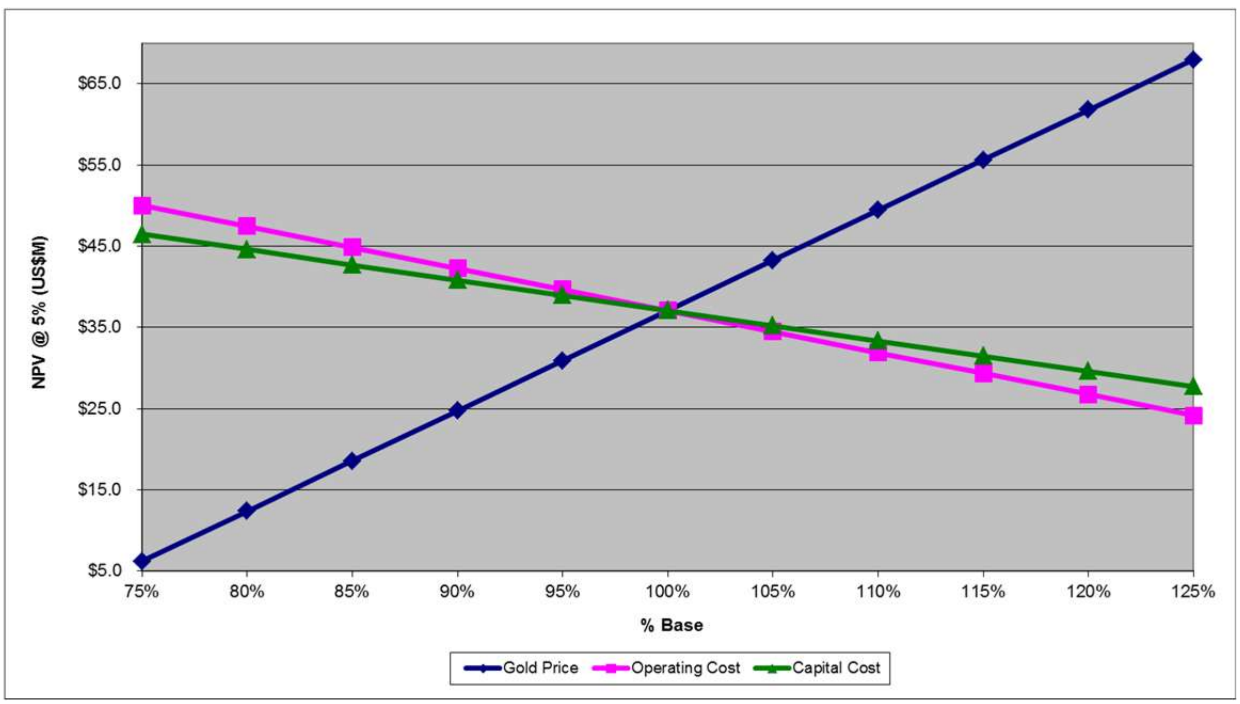


Table 22.10: Pre-tax Sensitivity to Gold Price for Paymaster and HRA

Gold Price		NPV (US$M)				IRR (%)
US$/oz.	Factor	10%	7.50%	5%	0%	
$ 1,600.00	125%	$ 58.4	$ 63.0	$ 68.0	$ 79.3	82.2%
$ 1,536.00	120%	$ 52.7	$ 57.1	$ 61.8	$ 72.5	75.2%
$ 1,472.00	115%	$ 47.0	$ 51.2	$ 55.6	$ 65.8	68.2%
$ 1,408.00	110%	$ 41.3	$ 45.2	$ 49.4	$ 59.0	61.1%
$ 1,344.00	105%	$ 35.7	$ 39.3	$ 43.3	$ 52.2	54.1%
$ 1,280.00	100%	$ 30.0	$ 33.4	$ 37.1	$ 45.5	47.0%
$ 1,216.00	95%	$ 24.3	$ 27.5	$ 30.9	$ 38.7	40.0%
$ 1,152.00	90%	$ 18.6	$ 21.6	$ 24.7	$ 32.0	33.0%
$ 1,088.00	85%	$ 13.0	$ 15.6	$ 18.6	$ 25.2	25.9%
$ 1,024.00	80%	$ 7.3	$ 9.7	$ 12.4	$ 18.4	18.9%
$ 960.00	75%	$ 1.6	$ 3.8	$ 6.2	$ 11.7	12.0%

Table 22.11: Pre-tax Sensitivity to Operating Cost for Paymaster and HRA

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ 17.8	$ 20.9	$ 24.2	$ 31.7	30.8%
120%	$ 20.3	$ 23.4	$ 26.7	$ 34.4	33.9%
115%	$ 22.7	$ 25.9	$ 29.3	$ 37.2	37.1%
110%	$ 25.1	$ 28.4	$ 31.9	$ 40.0	40.4%
105%	$ 27.6	$ 30.9	$ 34.5	$ 42.7	43.7%
100%	$ 30.0	$ 33.4	$ 37.1	$ 45.5	47.0%
95%	$ 32.4	$ 35.9	$ 39.7	$ 48.2	50.5%
90%	$ 34.9	$ 38.4	$ 42.3	$ 51.0	53.9%
85%	$ 37.3	$ 40.9	$ 44.9	$ 53.8	57.5%
80%	$ 39.7	$ 43.4	$ 47.4	$ 56.5	61.1%
75%	$ 42.2	$ 45.9	$ 50.0	$ 59.3	64.7%

Table 22.12: Pre-tax Sensitivity to Capital Cost for Paymaster and HRA

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ 20.5	$ 24.0	$ 27.7	$ 36.3	30.7%
120%	$ 22.4	$ 25.9	$ 29.6	$ 38.1	33.5%
115%	$ 24.3	$ 27.7	$ 31.5	$ 40.0	36.5%
110%	$ 26.2	$ 29.6	$ 33.3	$ 41.8	39.7%
105%	$ 28.1	$ 31.5	$ 35.2	$ 43.6	43.2%
100%	$ 30.0	$ 33.4	$ 37.1	$ 45.5	47.0%
95%	$ 31.9	$ 35.3	$ 39.0	$ 47.3	51.2%
90%	$ 33.8	$ 37.2	$ 40.8	$ 49.2	55.9%
85%	$ 35.7	$ 39.1	$ 42.7	$ 51.0	61.0%
80%	$ 37.6	$ 40.9	$ 44.6	$ 52.9	66.7%
75%	$ 39.5	$ 42.8	$ 46.5	$ 54.7	73.2%

Figure 22.7: IRR After tax Sensitivities for Paymaster and HRA

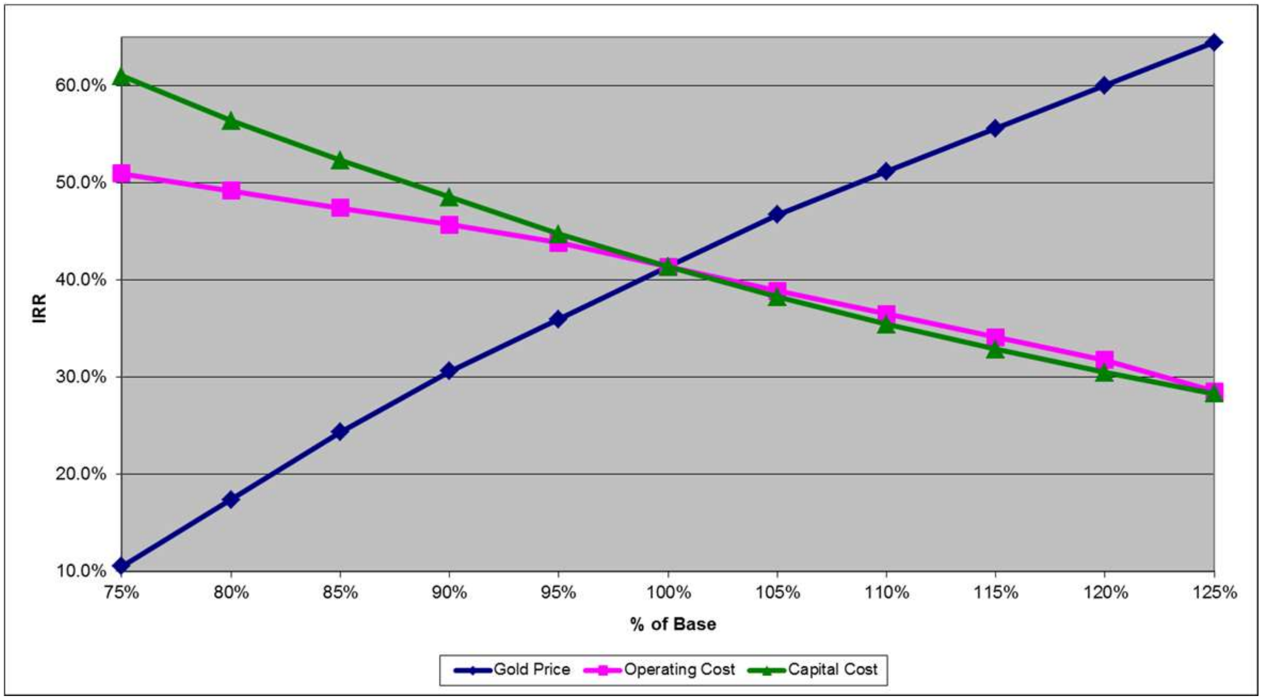


Figure 22.8: NPV After tax Sensitivities for Paymaster and HRA

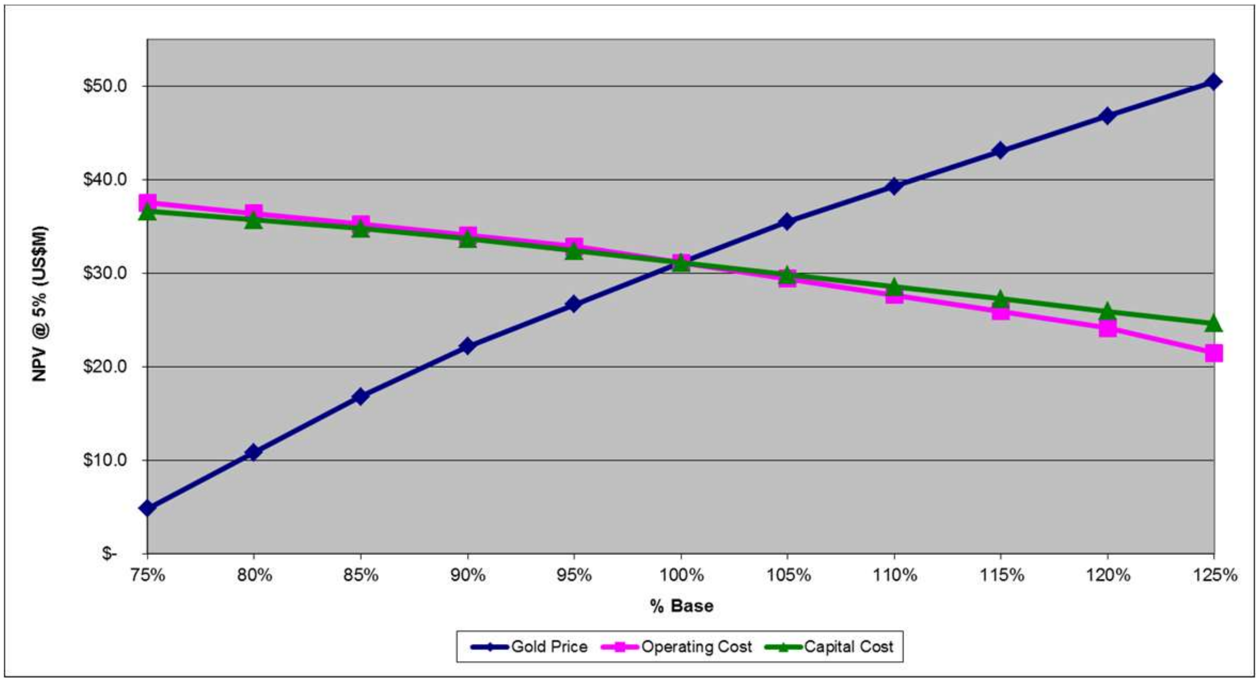


Table 22.13: After tax Sensitivity to Gold Price for Paymaster and HRA

Gold Price		NPV (US$M)				IRR (%)
US$/oz.	Factor	10%	7.50%	5%	0%	
$ 1,600.00	125%	$ 42.5	$ 46.3	$ 50.5	$ 60.0	64.5%
$ 1,536.00	120%	$ 39.1	$ 42.8	$ 46.8	$ 55.9	60.1%
$ 1,472.00	115%	$ 35.6	$ 39.2	$ 43.1	$ 51.8	55.6%
$ 1,408.00	110%	$ 32.2	$ 35.6	$ 39.3	$ 47.7	51.2%
$ 1,344.00	105%	$ 28.7	$ 32.0	$ 35.5	$ 43.6	46.7%
$ 1,280.00	100%	$ 24.6	$ 27.7	$ 31.0	$ 38.8	41.3%
$ 1,216.00	95%	$ 20.5	$ 23.5	$ 26.7	$ 33.9	36.0%
$ 1,152.00	90%	$ 16.4	$ 19.2	$ 22.2	$ 29.0	30.6%
$ 1,088.00	85%	$ 11.4	$ 14.0	$ 16.8	$ 23.2	24.3%
$ 1,024.00	80%	$ 5.9	$ 8.3	$ 10.8	$ 16.6	17.4%
$ 960.00	75%	$ 0.4	$ 2.5	$ 4.8	$ 10.1	10.5%

Table 22.14: After tax Sensitivity to Operating Cost for Paymaster and HRA

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ 15.5	$ 18.4	$ 21.5	$ 28.6	28.5%
120%	$ 18.0	$ 20.9	$ 24.1	$ 31.4	31.8%
115%	$ 19.7	$ 22.7	$ 25.9	$ 33.3	34.1%
110%	$ 21.4	$ 24.4	$ 27.7	$ 35.1	36.5%
105%	$ 23.0	$ 26.1	$ 29.4	$ 37.0	38.9%
100%	$ 24.6	$ 27.7	$ 31.0	$ 38.8	41.3%
95%	$ 26.3	$ 29.4	$ 32.8	$ 40.6	43.9%
90%	$ 27.5	$ 30.6	$ 34.1	$ 41.9	45.7%
85%	$ 28.6	$ 31.8	$ 35.2	$ 43.1	47.4%
80%	$ 29.7	$ 32.9	$ 36.4	$ 44.3	49.2%
75%	$ 30.8	$ 34.0	$ 37.5	$ 45.5	51.0%

Table 22.15: After tax Sensitivity to Capital Cost for Paymaster and HRA

Sensitivity	NPV (US$M)				IRR (%)
Value	10%	7.50%	5%	0%	
125%	$ 17.8	$ 21.1	$ 24.7	$ 32.8	28.3%
120%	$ 19.2	$ 22.4	$ 26.0	$ 34.0	30.5%
115%	$ 20.5	$ 23.8	$ 27.2	$ 35.2	32.9%
110%	$ 21.9	$ 25.1	$ 28.5	$ 36.4	35.5%
105%	$ 23.3	$ 26.4	$ 29.8	$ 37.6	38.3%
100%	$ 24.6	$ 27.7	$ 31.0	$ 38.8	41.3%
95%	$ 26.0	$ 29.1	$ 32.4	$ 40.0	44.8%
90%	$ 27.4	$ 30.4	$ 33.7	$ 41.2	48.5%
85%	$ 28.5	$ 31.5	$ 34.8	$ 42.1	52.3%
80%	$ 29.6	$ 32.5	$ 35.7	$ 43.0	56.4%
75%	$ 30.6	$ 33.5	$ 36.6	$ 43.8	61.0%

23 ADJACENT PROPERTIES

The description of Adjacent Properties was modified from Tanaka (2015).

The Qualified Person has not verified the information contained in the following reports and the information in the reports is not necessarily indicative of the mineralization on the Bruner property.

There are no significant mineral properties immediately contiguous with the Bruner property. There are several speculative play properties that surround or are adjacent to the Canamex claim group, but none of them have seen any exploration activity since Canamex has been exploring the Bruner property.

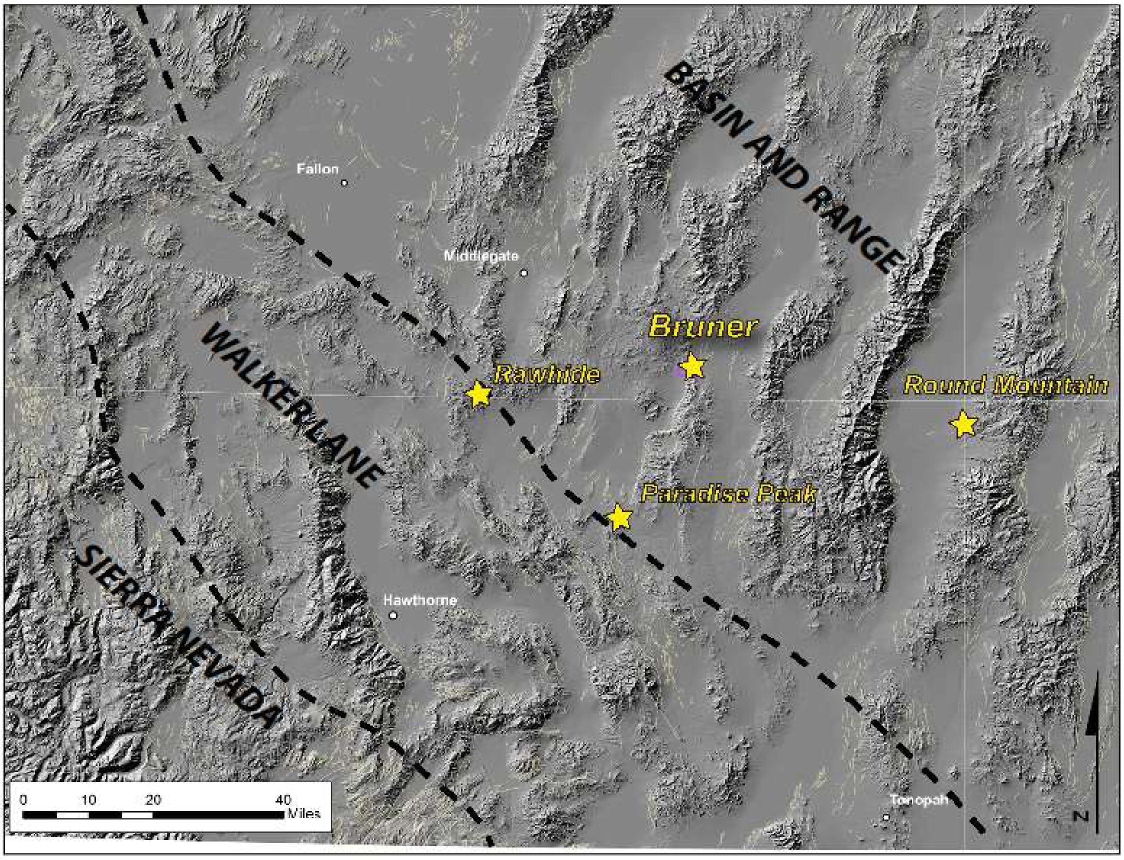
23.1 Regional Properties

There are several significant past-producing gold-silver mines in the geographic vicinity of the Bruner property, namely the Rawhide (Denton-Rawhide), Paradise Peak, and Round Mountain mines (**Figure 23.1**). All of these produced more than 1 million ounces of gold and the Rawhide and Paradise Peak mines produced tens of millions of ounces of silver. They will be discussed briefly below. Of them, the Rawhide deposit is most similar to the Bruner Gold Project in host rocks (rhyolite and tuffs), alteration style (low sulfidation quartz-adularia veins and veinlets), and structural controls on gold-silver mineralization.

23.1.1 Rawhide (Denton-Rawhide) Mine

The Rawhide deposit is located approximately 43 kilometers (30 miles) west of the Bruner property. It is described by Gray (1996) and Black and others (1991). Host rocks to precious metal mineralization are mostly andesites and intercalated volcanic sediments and breccias. Bulk mineable zones of gold and silver occur in sheeted to stockwork quartz-adularia veins, mostly in fractured andesite adjacent to altered rhyolite intrusions. Gold zones are characterized by the hydrothermal assemblage of quartz-adularia-illite-pyrite (now oxidized). Oxidation occurs to depths of up to 215 meters (700 feet). Gold occurs primarily in electrum. Silver occurs in electrum, embolite, and cyrargyrite in oxide ores. The ratio of Ag:Au averages 10:1, and generally increases with distance from the ore zones. Minor supergene silver enrichment is present locally (Black and others, 1991).

Figure 23.1: Shaded Relief Map of Central Portion of the Walker Lane



Gold and silver deposits at the Rawhide mine are profoundly influenced by complex structural disruption of the host geologic environment related to the northeast margin of the Walker Lane. North-south oriented right lateral strike slip faults and northeast oriented extensional dip-slip faults are related to and a result of northwest oriented right lateral strike slip faults. This pattern is repeated in an en-echelon fashion and in a northwest direction across the Rawhide property. North-south faults are dominant, and occasionally reflect dramatic offset of volcanic lithologies (Gray, 1995). Intersections of the major fault structures coincide well with the bulk-mineable precious metal deposits. The faults are steep and played a significant role in the emplacement of dikes, hydrothermal breccias, and precious metal bearing veins. The near vertical orientation of the faults that influenced the deposition of precious metals is reflected in the variography discerned from the gold assay database (Gray, 1995).

Anisotropic continuity of gold and silver distribution is reflected in the orientation of the major axis of ellipsoidal search parameters used to calculate ore reserve estimates. The major axis coincides with the north-south right lateral displacement direction. The control is evident on the scale of close-spaced blast-hole patterns to district-wide structural patterns. Structure is the key to mineralization at Rawhide(Gray, 1996).

Mining of gold and silver by Kennecott -Rawhide Mining Co. began at the Denton-Rawhide Mine in 1990. Mineable reserves at the commencement of production were 29.4 million tons at an average grade of 0.040 opt gold (1,176,000 ounces of gold) and 0.36 opt silver (10,584,000 ounces of silver), not including an additional 29.9 million tons of low grade material with an average grade of 0.015 opt gold (448,500 ounces of gold) and 0.23 opt silver (6,877,000 ounces of silver) (Black and others, 1991).

23.1.2 Round Mountain Mine

The Round Mountain deposit is located about 72 kilometers (45 miles) east-southeast of the Bruner property. The Round Mountain deposit was described by Fifarek and Gerike (1991) and by Sander and Einaudi (1990). Essentially all of the gold mined at Round Mountain has come from veinlets of quartz+adularia+pyrite formed along northwest trending fractures within a variably welded rhyolite tuff sequence within which hydrothermal sulfide minerals have been oxidized to goethite, hematite, and jarosite as a result of weathering.

Most of the gold is hosted within a potassic-alteration assemblage consisting of quartz-adularia-calcite-white mica (illite) and pyrite. This broad zone of alteration is surrounded by a mostly barren propylitic alteration zone containing a similar mineral assemblage to that in the potassic alteration zone but also containing albite and chlorite.

The oxidation of sulfide minerals generated acid which leached silicate minerals within the rhyolite and altered feldspars to clay, dissolved calcite, and filled fractures with a mixture of iron and manganese oxides, kaolinite, alunite, and chalcedony. , Gold occurs in electrum in these oxidized mineralized fractures.

Ore zones within the pit trend northwest to west-northwest and dip moderately to steeply. Gold in these zones is contained mostly in sheeted quartz-adularia-pyrite (now oxidized) veinlets of the same orientation. Ore zones formed by sheeted veins in the welded portion of the ash-flow tuff sequence transition downward into a non-welded tuff unit where they blossom outward into a broad zone of up to 150 meters thick and where the majority of the bulk mineable reserves were found.

Pyrite is the dominant sulfide mineral, and gold occurs in electrum both as free particles and as inclusions in pyrite. Oxidation has occurred to a fairly uniform depth of 250-300 meters (800-1000 feet) below the surface (Sander and Einaudi, 1990).

The Round Mountain deposit has produced more than 277,000,000 tons of ore at an average grade of 0.035 opt gold, containing over 10 million ounces of gold (Sander and Einaudi, 1990). The mine is still in operation and at the end of 2013 had remaining reserves plus resources of 104,778,000 tonnes grading 0.67 gpt gold for an additional gold content of 2 million ounces (Kinross Gold Corp., 2014).

23.1.3 Paradise Peak Mine

The Paradise Peak deposit is located roughly 43 kilometers (30 miles) south-southwest of the Bruner property. It is described by John and others (1991). The Paradise Peak deposit is a shallow-level volcanic-hosted high-sulfidation gold-silver-mercury deposit. Host rocks consist of a basal older Miocene andesite assemblage, overlain by silicic ash flow tuffs, which are in turn overlain by a younger andesite sequence. Gold-silver mineralization is hosted primarily within hydrothermally brecciated silicified tuffaceous unit of the ash flow tuff sequence. Alteration is dominated by an alunite-jarosite cap in the upper portion of the deposit, dense silicification coincident with the majority of gold-silver deposition, and a lower argillic alteration zone that also surrounds the dense silica alteration zone. Structures are not as important in the control of the distribution of gold and silver as it is at the Rawhide deposit. Gold occurs as native gold in particles generally smaller than 20 microns in size. Silver is not alloyed with the gold in electrum. Silver occurs as cyrargyrite, embolite, acanthite, native silver, and iodyrite. Visible gold is generally present in partially oxidized rocks as a supergene (?) fracture coating associated with jarosite, cinnabar, and native sulfur. High-grade gold and silver is generally associated with strongly leached sugary textured quartz and intense iron oxide, and may be supergene in origin (John and others, 1991). Oxidation occurs to depths of 50-150 meters (160-500 feet). Gold occurs in unoxidized pyrite rich silicified rock beneath the limits of open pit mining.

The Paradise Peak deposit was discovered in 1983 and brought into production in 1985 with a total reserve of 13.4 million tons averaging 0.097 opt gold (1,300,000 ounces Au), 3.24 opt silver (43,400,000 ounces Ag), and >50 ppm Hg (John and others,1991).

24 OTHER RELEVANT DATA AND INFORMATION

The QP's responsible for this Report know of no other data or information which is relevant or material to the Bruner Gold Project.

25 INTERPRETATION AND CONCLUSIONS

A PEA open pit mine plan has been developed for the Bruner Gold Project deposit using the Resource Estimate contained in this report. The PEA mine plan shows the strong economic viability of the Bruner Gold Project deposit and WHA recommends that Canamex proceed with a feasibility study (FS).

The authors conclude that the Bruner property is well suited for proceeding to a FS based on the following:

- The Bruner property is well suited for open pit mining with higher grade material near surface, easy access to infrastructure and close access to the regional power grid.
- Mineral resources based on design pits for $1350/oz Au price cone shell are estimated to be:
  - An Indicated Mineral Resource of 19,550,000 tonnes at an internal cutoff grade of 0.117 gpt Au_Eq, an average grade of 0.56 gpt Au containing 353,000 gold ounces.
  - An Inferred Mineral Resource of 2,250,000 tonnes at an internal cutoff grade of 0.117 gpt Au_Eq, an average grade of 0.53 gpt Au containing 38,000 gold ounces.
- The Project demonstrates strong economic viability at a variety of metal prices with a significant upside potential.
- At the PEA base case of $1,280/oz Au the Project has strong economics with a pre-tax payback of nominally 1.53 years, pre-tax IRR of 31.6%, and an after-tax IRR of 31.0%.
- The PEA estimates initial capital expenditures to be US$37.1 million.

26 RECOMMENDATIONS

Continued exploration and pre-development work on the Bruner Gold Project is recommended as follows:

26.1 Drilling

26.1.1 Paymaster Resource Area

The Paymaster resource area remains open in at least two directions, although the apparent structural controls appear to suggest a dominantly north-south alignment to the core of the mineralized zone. A total of 500 meters of additional drilling is recommended to pursue these open extensions, comprised of a mix of core and RC drilling.

The current Paymaster resource model is based on a significant portion of underground channel sample assay data. In order to further confirm the results of the underground channel assays, infill drilling in the core of the deposit should be done to increase drilling density relative to channel density. A total of 500 meters of additional core and RC drilling is recommended for this purpose.

Table 26.1 provides an approximate cost summary of recommended exploration and pre-development work at the Bruner property.

26.1.1 Historic Resource Area (HRA)

Drilling in 2014 demonstrated the close spatial relationship between silica-adularia alteration spires, which appear to be structurally controlled, and high-grade gold mineralization, which appears to have accumulated beneath and around the silica-adularia spires. Many of these spires remain un-drilled. The HRA resource remains open in several directions, and open extensions need to be explored for the possibility of continued mineralization. A total of 3,300 meters of drilling is recommended to test beneath these spires. All drill holes should be roughly 150 meters in length, for a total of nominally 22 drill holes. An appropriate mix of core and RC drilling to test for additional mineralization and to strengthen the understanding of geologic controls to mineralization is recommended.

26.1.2 Penelas Resource Area

The previous technical report (WHA, 2016) identified a gap within the constraining pit at Penelas. Drilling in this gap in 2017 confirmed the continuation of gold mineralization within the gap. Additional drilling is recommended to increase drill density within the gap and core of the Penelas zone, upgrade any inferred resources identified in this Report, and to continue to explore open extensions, primarily to the north, of the Penelas resource area. WHA also recommends additional infill holes be drilled into the deeper Penelas zone, surrounding the two holes (B-1446C and B-1436) which currently define the deepest portion of the zone. A total of 6,000 meters of drilling is recommended at Penelas. All drill holes should be roughly 230 meters in length, for a total of nominally 26 drill holes. A mix of roughly 50% core holes and 50% RC holes would be appropriate.

All totaled the recommended drilling program is projected to cost US$1,720,000, not including field office support or supervision.

26.2 Water Supply Well Drilling

An abandoned water supply well located at the east end of the property and which Canamex has water rights should be re-drilled in order to supply water for exploration activities. The estimated cost for re-drilling of the abandoned water supply well is US$75,000.

26.3 Engineering

Commissioning of a Feasibility Study on the Project is recommended to establish the feasibility for development of the Project. Initial discussions with and quotes from engineering firms who have recently completed Feasibility Studies on projects of similar size and technical attributes suggests a budget of US$250,000 be planned for the study.

Continued metallurgical testing of drill samples from all three resource areas is recommended to further quantify metallurgical behavior of the three resource areas. A budget of $350,000 is recommended for continued cyanidation bottle roll tests and column leach tests of drill cuttings. Specifically, the recommended metallurgical test work should include:

- Conduct column leach tests on coarser ores (6-inch nominal and run-of-mine) to determine the gold and silver recovery and to confirm that all of the ores are amenable to leaching in these states;
- Conduct additional column leach tests on Paymaster of (0.75-inch, 3-inch and coarser) to confirm the similar leaching of this resource area to the others at the Bruner Gold Project.

Although a structural analysis of the Bruner Gold Project (Dering, 2014) has increased the understanding of pit slope stabilities and conceptual pit design, continued pit slope design analysis should be conducted. A budget of US$75,000 is recommended for the pit slope stability analysis.

26.4 Environmental Baseline Studies and Permitting

Commencement of baseline environmental studies and continuation of basic engineering and waste rock characterization is recommended in order to establish downstream environmental permitting constraints associated with the future possible development of the resources outlined in this technical report. Baseline studies should include archaeological, biological and waste and mineralized material characterization studies. A budget of US$130,000 is recommended for this purpose.

Mine and processing facilities engineering that will be required for any future state and federal permitting is recommended. The development of an environmental assessment would be focused on the results of the environmental baseline studies and engineering design. A budget of US$500,000 is recommended for this purpose.

26.5 Field Office, Support, Sample Management and Supervision

None of the above can proceed without field office support, sample and data management and storage, and proper supervision. A total of US$400,000 is recommended for this purpose.

Table 26.1: Estimated Costs of Recommended Work

Component	Estimated Cost (US$)
Exploration/Development Drilling	
RC 23,000 feet (7000 meters)	$575,000
Core 10,000 feet (3300 meters)	$820,000
Assaying 6000 samples	$210,000
Water Haulage	$90,000
Core Photography/Sawing	$20,000
Trailer Space/storage	$5,000
Sub-Total	**$1,720,000**
Water Well Development	
Water Well Replacement – East Side of Property	$75,000
Sub-Total	**$75,000**
Engineering	
Feasibility Study	$250,000
Metallurgy - Column tests	$100,000
Metallurgy - Core Samples	$250,000
Pit Slope Analysis and Design	$75,000
Sub-Total	**$675,000**
Environmental Baseline Studies / Permitting	
Biological / Archaeological Field Studies	$100,000
Waste Rock Characterization	$30,000
Facility Engineering for Permits	$150,000
Permit Coordination	$200,000
Environmental Assessment	$150,000
Sub-Total	**$630,000**
Management, Personnel and Support	
Management	$115,000
Geologist, and Support Personnel	$170,000
Data Management and Office Support	$115,000
Sub-Total	**$400,000**
Total	**$3,500,000**

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CERTIFICATE OF QUALIFIED PERSON

John D. Welsh, P.E.
Civil Engineer
Welsh Hagen Associates
250 S. Rock Blvd., Suite 118
Reno, NV 89502
Telephone: 775.853.7666
Fax: 775.853.9191
Email: jwelsh@welshhagen.com

I, John D. Welsh, do hereby certify that:

1. I am an independent consultant working as president of Welsh Hagen Associates, an engineering firm located in Reno, Nevada, USA.
2. This certificate is part of the report titled "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018.
3. I graduated from University of Missouri Rolla with a Bachelor of Science Degree in Civil Engineering in 1970 and a Master of Science in Civil (Geotechnical) Engineering in 1978 from Colorado State University.
4. I have practiced my profession as a civil engineer in mining continuously since graduation for a total of 42 years. I have worked in open pit and underground mines designing and constructing crushing, milling, and heap leach facilities and mine infrastructure. My experience also includes equipment selection, capital and operating cost estimates and involvement in feasibility studies at all levels.
5. I am a Registered Professional Engineer in the states of Nevada (License No. 6296) and California (License No. 35861).
6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that I do fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
7. I last visited the property on November 22, 2017 for the duration of one day total.
8. I am responsible for the following sections of the report entitled, "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018, and prepared for Canamex Gold Corp., (the "Technical Report"): Sections 1.10, 1.14, 16, 18, 19, 24, 25 and 26.
9. The effective date of the Technical Report is December 26, 2017.
10. I am independent of Canamex Gold Corp., applying all of the tests in section 1.5 of NI 43-101.
11. I have had no prior involvement with the property that is the subject of this Technical Report.
12. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with the instrument.
13. As of the date of this certificate, 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.
14. I consent to the public filing of this Technical Report, only in its entirety, in connection with a prospectus or any similar offering document, for presentation to any stock exchange or other regulatory authority, and for publication, including electronic publication accessible by the public. This consent extends as well to all other forms of written disclosure.

Dated this 22nd day of January, 2018

"Original document signed and sealed by
John D. Welsh"

John D. Welsh, PE

CERTIFICATE OF QUALIFIED PERSON

Douglas W. Willis
Senior Geologist
Welsh Hagen Associates
250 S. Rock Blvd., Suite 118
Reno, NV 89502
Telephone: 775.853.7666
Fax: 775.853.9191
Email: dwillis@welshhagen.com

I, Douglas W. Willis, C.P.G., hereby certify that:

1. I am a senior geologist working for Welsh Hagen Associates, an engineering firm located in Reno, Nevada, USA.
2. This certificate is part of the report titled "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018.
3. I graduated from California State University, Chico with a Bachelor of Science degree in Geology in 1987.
4. I have practiced my profession as a geologist for 16 years primarily focusing on gold exploration in Nevada, USA. I have managed numerous drill programs, overseen drill sampling programs and conducted geological investigations for numerous precious metals projects in the western United States.
5. I am a Certified Professional Geologist (#11371) in good standing with the American Institute of Professional Geologists (AIPG).
6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of education, certification as a professional geologist and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
7. I visited the property on November 12, 2015 for the duration of 1 day total.
8. I am responsible for the following sections of the report entitled, "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018, and prepared for Canamex Gold Corp., (the "Technical Report"): Sections 1.1 through 1.7, 1.11, 1.13, 2 through 12, 20, 23, 27 and relevant portions of Sections 1.14 and 26 pertaining to drilling and environmental studies and permitting.
9. The effective date of the Technical Report is December 26, 2017.
10. I am independent of the issuer, applying all of the tests in section 1.5 of NI 43-101.
11. I have had no prior involvement with the property that is the subject of this Technical Report.
12. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with the instrument.
13. As of the date of this certificate, 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.
14. I consent to the public filing of this Technical Report, only in its entirety, in connection with a prospectus or any similar offering document, for presentation to any stock exchange or other regulatory authority, and for publication, including electronic publication accessible by the public. This consent extends as well to all other forms of written disclosure.

Dated this 22nd day of January, 2018

"Original document signed and sealed by
Douglas W. Willis"
Douglas W. Willis, CPG

CERTIFICATE OF QUALIFIED PERSON

Randall K. Martin
Mineral Modeler/Mine Planner
Hard Rock Consulting, LLC
7114 W Jefferson Ave., Suite 308
Lakewood, CO 80235
Telephone: 303-974-7946
Email: rkmassoc@comcast.net

I, Randall K. Martin, do hereby certify that:

1. I am an independent consultant working with Hard Rock Consulting, LLC, an engineering firm located in Lakewood, Colorado, USA.
2. This certificate is part of the report titled "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018.
3. I graduated from Colorado School of Mines with a Bachelor of Science Degree in Metallurgical Engineering in 1977, and a Master of Science Degree in Mineral Economics in 1978.
4. I have practiced my profession as a mineral modeler and mine planner continuously since graduation for a total of 35 years. Although my BS degree is in Metallurgical Engineering, I have spent my entire career as a resource modeler, mine planner, and computer software engineer. My first ten years of employment were with the exploration division of a major mining company. I have also worked a total of 14 years as a full-time employee for three major consulting companies. In addition, I am president and owner of a software company that specializes in mineral modeling and mine planning software.
5. I am a Registered Member (# 4063888RM) in good standing with the Society of Mining, Metallurgy and Exploration (SME).
6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that I do fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
7. I visited the property on November 12, 2015 for the duration of one day total.
8. I am responsible for the following sections of the report entitled, "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018, and prepared for Canamex Gold Corp., (the "Technical Report"): Sections 1.8, 14, 15 and relevant portions of Section 25 relating to mineral resource estimation.
9. The effective date of the Technical Report is December 26, 2017.
10. I am independent of the issuer, applying all of the tests in section 1.5 of NI 43-101.
11. I have had no prior involvement with the property that is the subject of this Technical Report.
12. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with the instrument.
13. As of the date of this certificate, 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.
14. I consent to the public filing of this Technical Report, only in its entirety, in connection with a prospectus or any similar offering document, for presentation to any stock exchange or other regulatory authority, and for publication, including electronic publication accessible by the public. This consent extends as well to all other forms of written disclosure.

Dated this 22nd day of January, 2018

"Original document signed and sealed by
Randall K. Martin"
Randall K. Martin, SME-RM

CERTIFICATE OF QUALIFIED PERSON

Carl Nesbitt
Principal Metallurgist
Welsh Hagen Associates
250 S. Rock Blvd., Suite 118
Reno, NV 89502
Telephone: 775.853.7666
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Email: cnesbitt@welshhagen.com

I, Carl C. Nesbitt, do hereby certify that:

1. I am an independent consultant working with Welsh Hagen Associates, an engineering firm located in Reno, Nevada, USA.
2. This certificate is part of the report titled “NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA”, dated January 22, 2018.
3. I graduated from the University of Nevada, Reno with a Bachelor of Science degree in chemical engineering in 1980. I also graduated from the University of Nevada, Reno with a Master of Science degree in metallurgical engineering in 1985 and a doctorate in metallurgical engineering in 1990. In addition, I graduated in 1989 from the University of Michigan with a Bachelor of Science degree in chemical engineering.
4. I have practiced my profession as a metallurgical engineer continuously since graduation in 1980 for a total of 35 years. I was a metallurgical engineer for the Nevada Moly Operation in Tonopah, Nevada from 1980-1983; however, for most of my career (from 1990 to the present) I have taught metallurgical engineering, managed research and consulted while at Michigan Technological University and the University of Nevada, Reno. More recently I have been the Principal Metallurgist for Welsh Hagen since January, 2013.
5. I am a Registered Member (#2353800RM) in good standing with the Society of Mining, Metallurgy and Exploration (SME).
6. I have read the definition of “Qualified Person” set out in National Instrument 43-101 (“NI 43-101”) and certify that I do fulfill the requirements to be a “Qualified Person” for the purposes of NI 43-101.
7. I visited the property on November 12, 2015 for the duration of one day total.
8. I am responsible for the following sections of the report entitled, “NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA”, dated January 22, 2018, and prepared for Canamex Gold Corp., (the “Technical Report”): Sections 1.9, 13, 17 and relevant portions of Sections 1.14 and 26 pertaining to metallurgical testing.
9. The effective date of the Technical Report is December 26, 2017.
10. I am independent of the issuer, applying all of the tests in section 1.5 of NI 43-101.
11. I have had no prior involvement with the property that is the subject of this Technical Report.
12. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with the instrument.
13. As of the date of this certificate, 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.
14. I consent to the public filing of this Technical Report, only in its entirety, in connection with a prospectus or any similar offering document, for presentation to any stock exchange or other regulatory authority, and for publication, including electronic publication accessible by the public. This consent extends as well to all other forms of written disclosure.

Dated this 22nd day of January, 2018

“Original document signed and sealed by
Carl C. Nesbitt”
Carl C. Nesbitt, SME-RM

CERTIFICATE OF QUALIFIED PERSON

Russel D. Hufford, PE
Senior Mining Engineer
Independent Consultant working for
Welsh Hagen Associates
250 South Rock Blvd. Suite 118
Reno, Nevada 89502
Telephone: 775.853.7666
Fax: 775.853.9191
Email: rhufford@gmail.com

I, Russel D. Hufford, PE, hereby certify that:

1. I am an independent consultant working with Welsh Hagen Associates, an engineering firm located in Reno, Nevada, USA.
2. This certificate is part of the report titled " NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018.
3. I graduated from Montana Tech of the University of Montana with a Bachelor of Science degree in Mining Engineering in 1997.
4. I have practiced my profession as a mining engineer for 20 years primarily in hard rock mining in Nevada, USA. My experiences includes work in open pit and underground gold, silver, and copper operations and have managed engineering design for pits, dumps, leach pads, and ore blocks. I have led the planning of short and long-range mine operations, conducted surveying to locate and stake out designs, led MSHA citation mitigation, and have experience in refinery work. I also have experience using multiple mine software packages.
5. I am a licensed Professional Engineer in the State of Nevada (#23410) and a Registered Member (#4100052RM) of the Society for Mining, Metallurgy and Exploration, Inc.
6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of education, certification as a professional geologist and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
7. I have not visited the property.
8. I am responsible for the following sections of the report entitled, "NI 43-101 Technical Report on the Bruner Gold Project Updated Preliminary Economic Assessment, Nye County, Nevada, USA", dated January 22, 2018: Sections 1.12, 21, 22 and relevant portions of Section 25 pertaining to project economics.
9. The effective date of the Technical Report is December 26, 2017.
10. I am independent of the issuer, applying all of the tests in section 1.5 of NI 43-101.
11. I have had no prior involvement with the property that is the subject of this Technical Report.
12. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with the instrument.
13. As of the date of this certificate, 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.
14. I consent to the public filing of this Technical Report, only in its entirety, in connection with a prospectus or any similar offering document, for presentation to any stock exchange or other regulatory authority, and for publication, including electronic publication accessible by the public. This consent extends as well to all other forms of written disclosure.

Dated this 22nd day of January, 2018

"Original document signed and sealed by

Russel D. Hufford"
Russel D. Hufford, PE

Appendix A

Bruner Gold Project

Patented and Unpatented Lode Mining Claims

BRUNER GOLD PROJECT PATENTED LODE MINING CLAIMS

CLAIM NAME	OWNER	MINERAL SURVEY NO.	NMC NO.
Paymaster	Canamex	4301	616421
Paymaster Ext 1	Canamex	4301	616421
Paymaster Ext	Canamex	4301	616421
Paymaster Annex	Canamex	4301	616421
Defender	Canamex	4301	616421
Last Chance	Canamex	4301	616421
Last Chance # 1	Canamex	4301	616421
Wild Horse	Canamex	4301	616421
Wild Horse 1	Canamex	4301	616421
Wild Horse 2	Canamex	4301	616421
Wild Horse 3	Canamex	4301	616421
Big Henry	Canamex	4301	616421
Friday	Canamex	4301	616421
Little Jim	Canamex	4301	616422
Sooy	Canamex	4303	616422
Bruner Lode	Canamex	4303	616422
Annex	Canamex	4303	616422
Lucky Tiger	Canamex	4303	616422
Aura	Canamex	4303	616422
Silent Friend	Canamex	4303	616422
Annex Extension	Canamex	4303	616422
Climax	Canamex	4302A	616422
July	Canamex	4302A	756224
Black Mule	Canamex	4302A	756224
Shale Lode	Canamex	4302A	756224
Gold Knob	Canamex	4302A	756224
Elk	Canamex	4298	669265

BRUNER GOLD PROJECT UNPATENTED LODE MINING CLAIMS

Name	NMC Serial No	Nye County No.	Churchill County No.	Lander County No.
Moon 1	849694	566571		
Moon 2	849695	566572		
Moon 3	997688	716661		
Moon 4	849697	566574		
Moon 5	997689	716662		
Moon 6	849699	566576		
Moon 7	997690	716663		
Moon 8	849700	566577		
Moon 9	997691	716664		
Moon 10	842236	553420		
Moon 11	997692	716665		
Moon 12	842238	553422		
Moon 13	997693	716666		
Moon 14	849702	566579		
Moon 15	997694	716667		
Moon 16	849704	566581		
Moon 23	997695	716668		
Moon 24	997696	716669		
Moon 25	997697	716670		
Moon 29	997698	716671		
Moon 30	997699	716672		
Moon 31	997700	716673		
Moon 32	997701	716674		
Moon 33	997702	716675		
Moon 34	1000646	719733		
Moon 35	1000647	719734		
Moon 36	1000648	719735		
Moon 37	1000649	719736		
Moon 38	1000650	719737		
Moon 39	1000651	719738		
Moon 40	1000652	719739		
Moon 41	1000653	719740		
Moon 42	1000654	719741		

Name	NMC Serial No	Nye County No.	Churchill County No.	Lander County No.
Moon 43	1000655	719742		
Moon 44	1000656	719743		
Moon 45	1000657	719744		
Moon 46	1000658	719745		
Moon 47	1000659	719746		
Moon 48	1000660	719747		
Moon 49	1000661	719748		
Moon 50	1000662	719749		
Moon 51	1000663	719750		
Moon 52	1005643	726615		
Moon 53	1005644	726616		
Moon 54	1005645	726617		
Moon 55	1005646	726618		
Moon 56	1005647	726619		
Moon 57	1005648	726620		
Moon 58	1005649	726621		
Moon 59	1005650	726622		
Moon 60	1007416	729100		
Moon 61	1007417	729101		
Moon 62	1007418	729102		
Moon 63	1007419	729103		
Moon 64	1007420	729104		
Moon 65	1007421	729105		
Moon 66	1007422	729106		
Moon 67	1007423	729107		
Moon 68**	1007424	729108		
Moon 68**	1054694	774274		
Moon 69	1054695	774275		
Moon 70	1054696	774276		
Moon 71	1054697	774277		
Moon 72	1054698	774278		
Moon 73	1054699	774279		
Moon 74	1054700	774280		
Moon 75	1054701	774281		

Name	NMC Serial No	Nye County No.	Churchill County No.	Lander County No.
Moon 76	1054702	774282		
Moon 77	1054703	774283	423832	
Moon 78	1054704	774284		
Moon 79	1054705	774285	423833	
Moon 80	1054706	774286	423834	262353
Moon 81	1054707		423835	
Moon 82	1054708		423836	262354
Moon 83	1054709		423837	
Moon 84	1054710		423838	262355
Moon 85	1054711		423839	
Moon 86	1054712		423840	262356
Moon 87	1054713		423841	
Moon 88	1054714		423842	262357

Claim Name/Number	NMC Serial No.	Nye County No.
BW 1	NMC1090128	801455
BW 2	NMC1090129	801456
BW 3	NMC1090130	801457
BW 4	NMC1090131	801458
BW 5	NMC1090132	801459
BW 6	NMC1090133	801460
BW 7	NMC1090134	801461
BW 8	NMC1090135	801462
BW 9	NMC1090136	801463
BW 10	NMC1090137	801464
BW 11	NMC1090138	801465
BW 12	NMC1090139	801466
BW 13	NMC1090140	801467
BW 14	NMC1090141	801468
BW 15	NMC1090142	801469
BW 16	NMC1090143	801470
BW 17	NMC1090144	801471
BW 18	NMC1090145	801472

Claim Name/Number	NMC Serial No.	Nye County No.
BW 19	NMC1090146	801473
BW 20	NMC1090147	801474
BW 21	NMC1090148	801475
BW 22	NMC1090149	801476
BW 23	NMC1090150	801477
BW 24	NMC1090151	801478
BW 25	NMC1090152	801479
BW 26	NMC1090153	801480
BW 27	NMC1090154	801481
BW 28	NMC1090155	801482
BW 29	NMC1090156	801483
BW 30	NMC1090157	801484
BW 31	NMC1090158	801485
BW 32	NMC1090159	801486
BW 33	NMC1090160	801487
BW 34	NMC1090161	801488
BW 35	NMC1090162	801489
BW 36	NMC1090163	801490
BW 37	NMC1090164	801491
BW 38	NMC1090165	801492
BW 39	NMC1090166	801493
BW 40	NMC1090167	801494
BW 41	NMC1090168	801495
BW 42	NMC1090169	801496
BW 43	NMC1090170	801497
BW 44	NMC1090171	801498
BW 45	NMC1090172	801499
BW 46	NMC1090173	801500
BW 47	NMC1090174	801501
BW 48	NMC1090175	801502
BW 49	NMC1090176	801503
BW 50	NMC1090177	801504
BW 51	NMC1090178	801505
BW 52	NMC1090179	801506

Claim Name/Number	NMC Serial No.	Nye County No.
BW 53	NMC1090180	801507
BW 54	NMC1090181	801508
BW 55	NMC1090182	801509
BW 56	NMC1090183	801510
BW 57	NMC1090184	801511
BW 58	NMC1090185	801512
BW 59	NMC1090186	801513
BW 60	NMC1090187	801514
BNF 1	NMC1093162	804444
BNF 2	NMC1093163	804445
BNF 3	NMC1093164	804446
BNF 11	NMC1093165	804447
BNF 12	NMC1093166	804448
BNF 13	NMC1093167	804449
BNF 14	NMC1093168	804450
BNF 15	NMC1093169	804451
BNF 16	NMC1093170	804452
BNF 17	NMC1093171	804453
BNF 18	NMC1093172	804454
BNF 19	NMC1093173	804455
BNF 20	NMC1093174	804456
BNF 21	NMC1093175	804457
BNF 22	NMC1093176	804458
BNF 23	NMC1093177	804459
BNF 24	NMC1093178	804460
BNF 25	NMC1093179	804461
BNF 26	NMC1093180	804462
BNF 27	NMC1093181	804463
BNF 28	NMC1093182	804464
BNF 29	NMC1093183	804465
BNF 30	NMC1093184	804466
BNF 31	NMC1093185	804467
BNF 32	NMC1093186	804468
BNF 33	NMC1093187	804469

Claim Name/Number	NMC Serial No.	Nye County No.
BNF 34	NMC1093188	804470
BNF 35	NMC1093189	804471
BNF 36	NMC1093190	804472
BNF 37	NMC1093191	804473
BNF 39	NMC1101690	815530
B-1	NMC1112402	837774
B-2	NMC1112403	837775
B-3	NMC1112404	837776
B-4	NMC1112405	837777
B-5	NMC1112406	837778
B-6	NMC1112407	837779
B-7	NMC1112408	837780
B-8	NMC1112409	837781
B-9	NMC1112410	837782
B-10	NMC1112411	837783
B-11	NMC1112412	837784
B-12	NMC1112413	837785