# Technical Report On the Clark's Brook Property Central Newfoundland and Labrador

Prepared for CellStop Systems Inc. 1558 West Hastings Street Vancouver, BC V6G 3J4

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UTM	Universal Transverse Mercator	in	Inch(es)
Au	gold	Kg	Kilogram(s)
%	Percent	m	Metre(s)
<	Less than	Ma	Million years ago
>	Greater than	m <sup>2</sup>	Square metres
cm	Centimetre	mm	Millimetre(s)
g	Gram	NI 43-101	Canadian National Instrument 43-101
DDH / ddh	Diamond drill hole	P.Geo.	Professional Geoscientist
g/t	Grams per metric tonne	ppb	Parts per billion
GPS	Global positioning system	ppm	Parts per million
ha	Hectare(s)	QA	Quality Assurance
ft	Foot	QC	Quality Control
oz	Ounce	QP	Qualified Person

## Abbreviations and Units of Measurement

#### DATE and SIGNATURE PAGE

This report titled "Technical Report on the Clark's Brook Property, Newfoundland", and dated May 5th, 2020 was prepared and signed by the following authors:

Dated at Thunder Bay, Ontario May 5th, 2020

"Desmond Cullen"

"Michael Regular"

Desmond Cullen, P.Geo.

Michael Regular, P.Geo.

#### Item 1: Summary

Clark Exploration Consulting of Thunder Bay, Ontario was contracted by CellStop Systems Inc. ("Cellstop"), to review historic data for the Clark's Brook Property (the "Property"), identify its merits, propose an appropriate exploration program and budget for gold exploration on the Property, and prepare a Technical Report (the "Report") compliant with NI 43-101 and suitable for filing on SEDAR by CellStop.

The Clark's Brook Property consists of 31 claim units in one license (026731M) for a total of 7.7 sq. km (770 hectares). The license is held by Metals Creek Resources ("MEK"). The claims were staked in 2016, to cover two auriferous showings discovered in 2003. The license is in good standing to August 1<sup>st</sup>, 2028 with annual renewal payments due each August 1 starting in 2021.

The Clark's Brook Property is located in central Newfoundland near Northwest Gander River, approximately 25 kilometers west of the town of Glenwood. It is situated on NTS map sheet 02D/14. The Property is centered on UTM coordinates 614,950mE/5,407,000mN (NAD27 Zone 21) on NTS 02D/14. Access to the Property is via Salmon Pond Forest Access Road located on the Trans-Canada Highway located 2 kilometers west of the community of Glenwood. The Salmon Pond Forest Access Road provides excellent access to all sectors of the Property.

Very little work has been done historically in the claim area. The Property itself was subject to limited prospecting carried out by Altius Resources Inc. ("Altius") from 2003 through 2009. Additional prospecting was carried out by MEK in 2016 after the acquisition of the claims.

**2003 (Altius):** As part of a large 1:10,000 geological mapping and prospecting program of the area, both the Clark's Brook East ("CBE") and West ("CBW") gold discoveries were made.

On the CBE gold zone, seven representative grab samples were attained, each comprised of material from several mineralized boulders that assayed between 2.98g/t and 24.5g/t gold with an average of 7.93g/t gold (Figure 3). A sample of underlying bedrock on the northern edge of the boulder distribution pattern returned 1.25g/t gold. An additional outcrop exposure some 25m upstream cut by a narrow quartz vein and associated iron-carbonate alteration was sampled in two representative grab samples and returned 0.15g/t and 0.62g/t Au.

The CBW gold zone discovery was first made in mineralized boulders returning 8.9g/t and 9.28g/t gold. The site was revisited and found one of the auriferous boulders to fit on an adjacent outcrop. An additional eight samples of brecciated

and altered siltstone were collected from boulder and outcrop, returning anomalous gold values to 0.335g/t Au.

**2017-2019 (Sokoman Minerals Corp.):** In September 2017, Metals Creek optioned the Property to Sokoman Iron Corp. (now Sokoman Minerals Corp. ("Sokoman")) who immediately completed a Phase 1 drill program (515 meters) in an effort to locate in situ mineralization similar in tenor to the surface sampling at the Clark's Brook East Zone (Figure 5). The program was a success in that all holes intersected gold mineralization similar in style and tenor to the surface float. In February 2018, Sokoman completed a second, three-hole (594 meter) phase of diamond drilling. This program was also successful in that it expanded the extent of gold mineralization identified by the initial phase of drilling. A third and final, three-hole (1,209 meter) drill program was conducted in August 2019 where the drilling was conducted at a different orientation to drill the center of a magnetic low in an attempt to cut deeper mineralization. All three programs were successful in cutting intervals of vuggy, chalcedonic, quartz veining with 1-3% disseminated pyrite, minor arsenopyrite and very minor stibnite. Intercepts of 3.74g/t Au over 3.20m have been attained.

The Property is underlain by wedge of limestone breccias and calcareous siltstones that are bound to the west by younger, feldspar-rich granite and to the east by thrust up conglomerate, sandstone, siltstone and shales of the Gander Lake Subzone. Two gold showings have been identified in the Property to date: Clark's Brook East (East) and Clark's Brook West (West).

The gold mineralization on the Clark's Brook East area occurs in moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. Boulders at the site, ranging from 0.5 to  $2m^3$  in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold.

At the Clark's Brook West zone, grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.

The original gold mineralization was located in 2003 in large blocks of silicified and quartz veined sandstone/siltstone, with trace to 2% disseminated pyrite +/arsenopyrite, in the bed of Clark's Brook. The original seven samples assayed 2.98 and 24.5 g/t gold. Metals Creek staked the area in 2016 and completed sampling that verified the gold values in the boulders. Metals Creek then optioned the Property to Sokoman Minerals Corp. who completed three phases of diamond drilling between 2017 and 2019. All drilling intersected gold values similar in style and tenor to the original boulders.

The focus of the exploration to date has been on two small areas of the Property, Clark's Brook West and East. The diamond drilling was only completed on the Clark's Brook East showing.

It is the Authors' opinion that the Clark's Brook Property is still a grassroots Property, with little previous exploration, and as such there is always a substantial risk that the work proposed may not result in advancing the Property under current market conditions.

A \$100,400 exploration program of mapping, prospecting coupled with rock and soil sampling is recommended for the Property. The program will focus on evaluating the on entire Property to define new areas of the gold mineralization. The mapping program will focus on interpret the relationships of the pyrite/arsenopyrite mineralization to structural or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings.

#### Item 2: Introduction

Clark Exploration Consulting of Thunder Bay, Ontario was contracted by CellStop Capital Inc. ("CellStop"), to review historic data for the Clark's Brook Property (the "Property"), identify its merits, propose an appropriate exploration program and budget for gold exploration on the Property, and prepare a Technical Report (the "Report") compliant with NI 43-101 and suitable for on Sedar by CellStop. The report and recommendations are based on:

- 1. Public data archived with the Newfoundland and Labrador Department of Natural Resources.
- 2. Exploration records provided by CellStop and Metals Creek Resources (Vendor).
- 3. A personal site visit by Michael Regular, P.Geo. on February 15, 2020. The Author traversed the area of the previous diamond drilling. Clark's Brook was noted to be flowing and in general everything was snow covered.

#### Item 3: Reliance on Other Experts

The title and option information were provided by CellStop and relied upon to describe the ownership of the Property, claim summary and summary of the option agreement in Section 4. The authors have relied upon the government of Newfoundland and Labrador's online database at the following link (<u>https://gis.geosurv.gov.nl.ca/mrinquiry/License.asp?License=026731M</u>) with respect to claim ownership and status, and find that the status of the mineral rights appear to be in good standing as of April 25, 2020.

#### Item 4: Property Description and Location

The Clark's Brook Property consists of 31 claim units in one license (026731M) for a total of 7.7 sq. km (770 hectares) (Figure 1+2). The license is held by Metals Creek Resources ("MEK"). The claims were staked in 2016, to cover two auriferous showings discovered in 2003. The license is in good standing to August 1<sup>st</sup>, 2028.

MEK entered into an agreement with a private company Deep Blue Trading Inc. (DBT) to earn a 100% interest in the Clarks Brook property. DBT is obliged to make certain cash payments totaling \$195,000 over three years (\$20,000 on signing) and issue a total of 1,500,000 common shares over three years. MEK will retain a 2% NSR, one half (1%) which can be purchased by DBT for \$1,000,000. DBT must also complete a 43-101 report on the property by the first anniversary.

Subsequently an assignment of the entire agreement was made to CellStop by DBT. All three parties executed the Assignment and Amending agreement.

The Clark's Brook licenses are situated in east-central Newfoundland located 36 km southwest of the town of Gander and within 6 km of the western end of Gander Lake. The project is centered on UTM coordinates 614,950mE/5,407,000mN (NAD27 Zone 21) on NTS 02D/14. The claims are bisected by an all-season gravel road extending southwest from the town of Glenwood.

Mineral Rights within the province of Newfoundland and Labrador are obtained by online claim staking at the following link (https://www.claimstaking.gov.nl.ca/). Once a mineral license is issued by the government of Newfoundland and Labrador, the license holder is required to make escalating expenditures on the mineral license each year in order to maintain the license in "good standing" by submitting annual assessment reports on each anniversary date of the license to the government describing what work has completed and what expenditures were incurred on the license. In year one \$200 is required per claim and increases by \$50 per year for each year of the five-year term. For years six to ten inclusive the amount is \$600 per claim; years eleven to fifteen inclusive \$900 per claim; years sixteen to twenty inclusive \$1200 per claim; years twenty-one to twenty-five inclusive \$2000 per claim; and years twenty-six to thirty inclusive \$2500 per claim. If the government deems that insufficient expenditures have been incurred on the license, the license owner is required to post a bond equal to the amount of the deficiency in order to maintain the license in good standing, or risk forfeiting the license to the crown. If there are excess expenditures incurred on a license in any given year, then the excess expenditures are credited to the license to offset future expenditure requirements on the license. Mineral license 026731M has such excess credits and hence, no work

expenditures are required to maintain the license in good standing until August 1<sup>st</sup>, 2028 (Table 1).

A Mineral License is a permit to carry out mineral exploration on mineral claims on which someone holds mineral rights. A mineral license can consist of 1 up to a maximum of 256 claims; this grouping of claims must be contiguous. The mineral license gives you exclusive rights to explore for minerals within its boundaries and to apply for a mining lease if you are successful in finding economic mineralization. If there is existing private land ownership within the license boundary that the license owner wished to utilize to access the mineral license, they must first obtain permission from the private property owner to gain access over their private property. The Clark's Brook Property is accessible via forestry access roads that are not on private property.

Once a mining lease is issued, you must also apply for a surface lease in order to construct the required infrastructure to conduct the mining operation. The mining lease is subject to an annual renewal fee based on the number of hectares within the mining lease, and the surface lease is subject to a five-year renewal term.

There are no known environmental liabilities relating to the Clark's Brook Property.

Prior to conducting exploration work on a mineral license, the license holder must first obtain an Exploration Permit from the government that outlines what work is to be completed, where exactly the work will be completed within the license, who will be the operators of the work, what contractors are to be used, what type of equipment will we utilized, what water sources (if any) will be accessed and the estimated daily volume of water to be used, and when the proposed work will be starting and the expected completion date. If water sources are to be utilized, the license owner is also required to get a Water Use License from the government, and if cutting of trees is required, a cutting permit is needed.

To date, no permits have been applied for or received for the proposed exploration program outlined in this report. Such permitting is normally received within 3-4 weeks of submission.

License #	Ownership	Location	No. of Claims	Issued	Renewal Date	Expenditures Due
	Metals Creek	Northwest				
026731M	Resources	Gander River,	31	2016/08/01	2021/08/02	\$2,661.19 by 2028/08/01
	Corp.	Central NL				-

No mineral resources, reserves or mines existing prior to the mineralization described in this report are known by the Authors to occur on the Property. There are no known environmental liabilities associated with the Property, and there are

no other known factors or risks that may affect access, title, or the right or ability to perform work on the Property.

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

The Clark's Brook Property is located in central Newfoundland near Northwest Gander River, approximately 25 kilometers west of the town of Glenwood. It is situated on NTS map sheet 02D/14. Access to the Property is via Salmon Pond Forest Access Road located on the Trans-Canada Highway located 2 kilometers west of the community of Glenwood. The Salmon Pond Forest Access Road provides excellent access to all sectors of the Property.

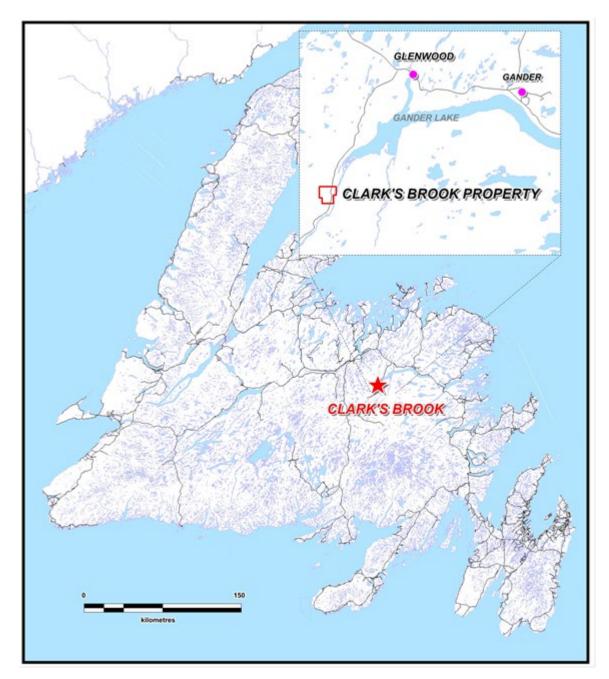
The Property is located adjacent to the Northwest Gander River where two valleys: Clark's Brook and Northwest Gander River converge on the northern portion of the claims. The eastern portion of the Property is of relatively shallow relief with wet swampy terrain and significant overburden. Steeper elevations are present on the southern and western ends of the Property with elevations varying from 100 to 150m above sea level. Vegetation consists of varying amounts of birch, spruce, fir, Alder and aspen. Regionally, drainage is to the northeast. Within the Property much of the drainage is to the south.

The town of Glenwood has a population of approximately 800 people, while Gander (36 km to the northeast) has an estimated population of 12,000 and is serviced by an international airport. Gander offers all of the conveniences of a major centre, including two malls, major Canadian banks, a hospital, and various government offices (Wikipedia, 2019).

With the Property encompassing 770 hectares of land, there should be sufficient surface rights to support adequate mining operations, including access to ample water supplies from nearby ponds and streams, as well as room for potential tailings ponds, waste disposal areas, heap leach pads if required, and potential processing plant sites within the mineral licence boundary.

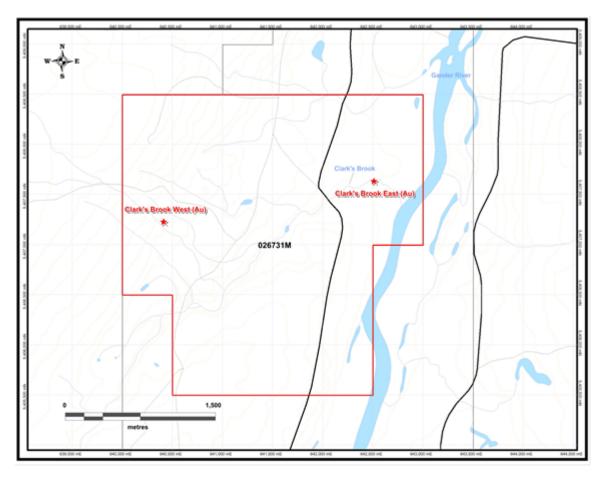
The area has a cool to cold humid continental climate (Köppen climate classification (Dfb)). It combines moderately warm and rainy summers with cold and very snowy winters.

No mineral resources, reserves or mines existing prior to the mineralization described in this report, are known by the Authors to occur on the Property. There are no known environmental liabilities associated with the Property, and there are no other known factors or risks that may affect access, title, or the right or ability to perform work on the Property.



# Figure 1. Property Location





#### Item 6: History

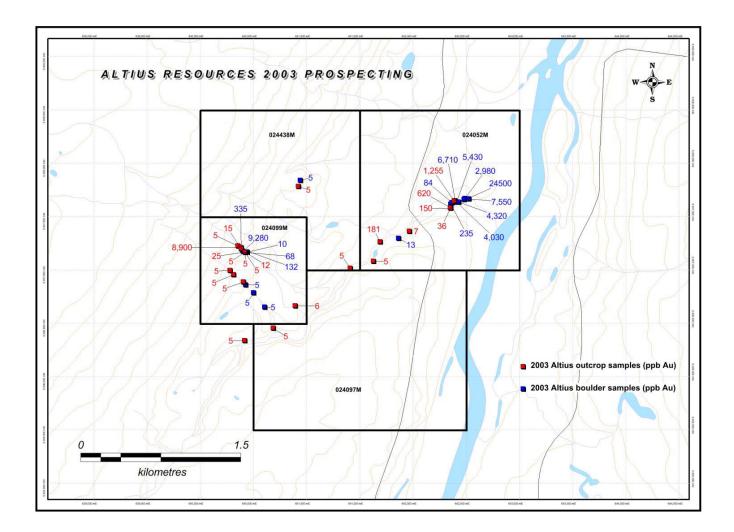
Very little work has been done historically in the claim area. The Property itself was subject to limited prospecting carried out by Altius Resources Inc. ("Altius") from 2003 through 2009. Additional prospecting was carried out by MEK in 2016 after the acquisition of the claims.

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On the CBE gold zone, seven representative grab samples were attained, each comprised of material from several mineralized boulders that assayed between 2.98g/t and 24.5g/t gold with an average of 7.93g/t gold (Figure 3). A sample of underlying bedrock on the northern edge of the boulder distribution pattern returned 1.25g/t gold. An additional outcrop exposure some 25m upstream cut by a narrow quartz vein and associated iron-carbonate alteration was sampled in two representative grab samples and returned 0.15g/t and 0.62g/t Au.

The CBW gold zone discovery was first made in mineralized boulders returning 8.9g/t and 9.28g/t gold. The site was revisited and found one of the auriferous boulders to fit on an adjacent outcrop. An additional eight samples of brecciated and altered siltstone were collected from boulder and outcrop, returning anomalous gold values to 0.335g/t Au.

## Figure 3. Clark's Brook Altius Samples

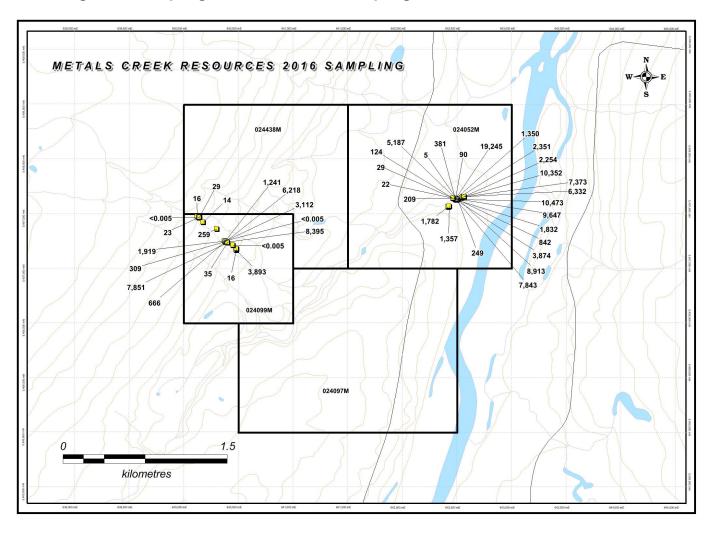


**2004 – 2007 (Altius):** Grids were established on both zones for the purpose of conducting soil sampling. The west zone grid was established with a 600m baseline oriented at 030° and 500m long wing-lines at 100m spacings. A total of 165 stations were visited resulting in the collection of 71 B-horizon soil samples. The average sample depth was 15-20cm. The east zone grid was established with a 600m baseline at 060° with 600m wing-lines spaced 100m apart but was not soil sampled as it was considered unbeneficial due to the close proximity to rivers and brooks as well as the till-type overburden underlying the grid. The 71 Clark' Brook West soils that were collected in 2004 were sent to Eastern Analytical in 2007 for Au fire assay as well as a 30 element ICP-MS geochemical package. No gold anomalies were generated but exhibited weak lead and molybdenum enrichment.

**2009 (Altius):** Utilizing the 2004 Clark's Brook East grid and adding additional lines to the grid, geophysical surveys consisting of 8.125km of induced polarization/resistivity and 8.325 kilometers of magnetics were conducted in May. The IP/resistivity data appears to have an anomalous zone characterized by high chargeability and resistivity trending northeast-southwest dipping southeast. The trend coincides well with the location of the Clark's Brook East showing and plunges northeast, therefore if the anomaly represents mineralization then there is high probability that the mineralized boulders are of local derivation. The magnetics show a prominent low magnetic signature in a north-south fashion. Many of the gold bearing samples to date appear to have an association with the magnetic signature.

**2012 (L. Quinlan):** In 2012 L. Quinlan conducted prospecting and soil sampling. A total of 13 rock samples and 22 soil samples were collected, from the Clark's Brook East showing and float samples discovered upstream from the showing. Samples from the outcrop at the showing returned values of 6172, 4658, 4639 and 1997 ppb gold. Sampling the boulders returned values of 3168 and 2724 ppb gold. Float boulders up 40 cm square discovered up to 100 meters upstream from the showing returned 4737, 1254 and 102 ppb gold.

**2016 (Metals Creek):** Following the 2016 staking of the present Clark's Brook claims, prospecting and evaluation of the mineralized boulders and surrounding outcrops resulted in the collection of 44 samples; 25 from the East and 19 from the West (Figure 4). Gold assays ranged from 0.005g/t to 19.25g/t sampled from boulders and bedrock with an average grade of 4.08g/t from the east. Sampling on the west resulted in an average gold grade of 0.80g/t from boulders and outcrop ranging in grade from 0.005g/t to 8.39g/t from chalcedonic veining within granite. A narrow massive sulfide vein of approx. 10cm in width was located in outcrop in the vicinity of CBW returning 86.1% lead, 0.78% zinc, 25.6g/t silver and 117.5ppm cadmium.



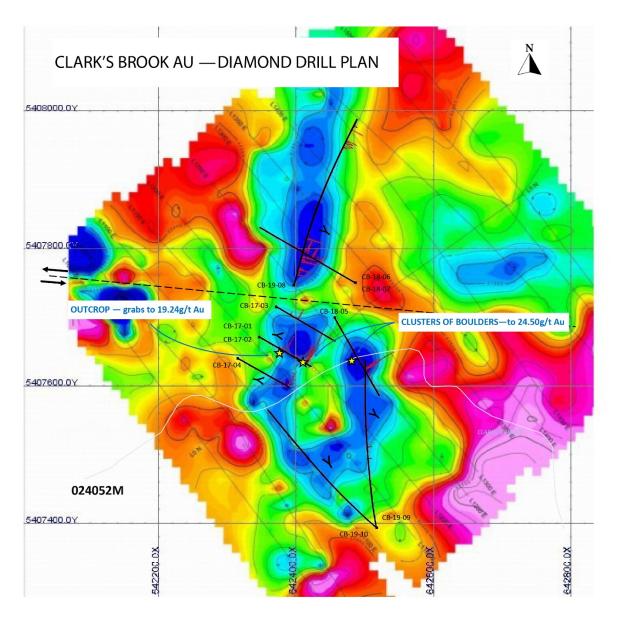


2017-2019 (Sokoman Minerals Corp.): In September 2017, Metals Creek optioned the Property to Sokoman Iron Corp. (now Sokoman Minerals Corp. ("Sokoman")) who immediately completed a Phase 1 drill program (515 meters) in an effort to locate in situ mineralization similar in tenor to the surface sampling at the Clark's Brook East Zone (Figure 5). The program was a success in that all holes intersected gold mineralization similar in style and tenor to the surface float. In February 2018, Sokoman completed a second, three-hole (594 meter) phase of diamond drilling. This program was also successful in that it expanded the extent of gold mineralization identified by the initial phase of drilling. A third and final, three-hole (1,209 meter) drill program was conducted in August 2019 where the drilling was conducted at a different orientation to drill the center of a magnetic low in an attempt to cut deeper mineralization. All three programs were successful in cutting intervals of vuggy, chalcedonic, guartz veining with 1-3% disseminated pyrite, minor arsenopyrite and very minor stibnite. Intercepts of 3.74q/t Au over 3.20m have been attained. Below is a table of intercepts from drilling to date (Table 2).

Hole	From	То	Length	Au g/t
CB-17-				
01	99.20	99.50	0.30	5.583
and	100.85	102.40	1.55	2.372
CB-17-				
02	127.75	130.75	3.00	3.369
incl	127.75	128.00	0.25	26.878
CB-17- 03	33.40	34.15	0.75	1.252
and	51.40	51.90	0.50	3.364
CB-17- 04	107.35	108.05	0.70	1.546
and	117.00	118.55	1.55	2.339
CB-18-				
05	113.20	116.30	3.10	3.744
incl	113.20	113.80	0.60	14.735
and	125.75	126.50	0.75	1.113
CB-18- 06	85.00	85.50	0.50	1.36
and	106.60	123.10	16.50	0.942
incl	106.60	110.90	4.30	2.453
CB-18- 07	97.15	97.65	0.50	1.936

Table 2. Significant	Intercepts from	Sokoman's Drilling

Hole	From	То	Length	Au g/t
and	118.25	120.65	2.40	1.354
and	161.35	162.65	1.30	0.77
CB-19-				
08	33.00	33.60	0.60	3.319
and	46.65	53.30	6.65	1.186
and	63.80	89.60	25.80	1.004
incl	73.60	80.00	6.40	2.045
	85.80	88.80	3.00	2.263
and	110.05	110.45	0.40	1.946
and	142.00	145.00	3.00	2.614
and	435.50	437.40	1.90	1.512
and	441.80	442.55	0.75	2.326
and	446.80	447.40	0.60	3.312
and	491.95	493.00	1.05	1.03
CB-19-				
09	151.70	156.00	4.30	0.396
and	176.35	176.75	0.40	1.397
and	254.45	257.35	2.90	0.299
CB-19-				
10	209.25	210.65	1.40	0.529
and	254.15	257.65	3.50	0.343
and	318.45	319.40	0.95	0.564



## Figure 5. Drill Plan on Magnetic From Sokoman 2020 Assessment Report

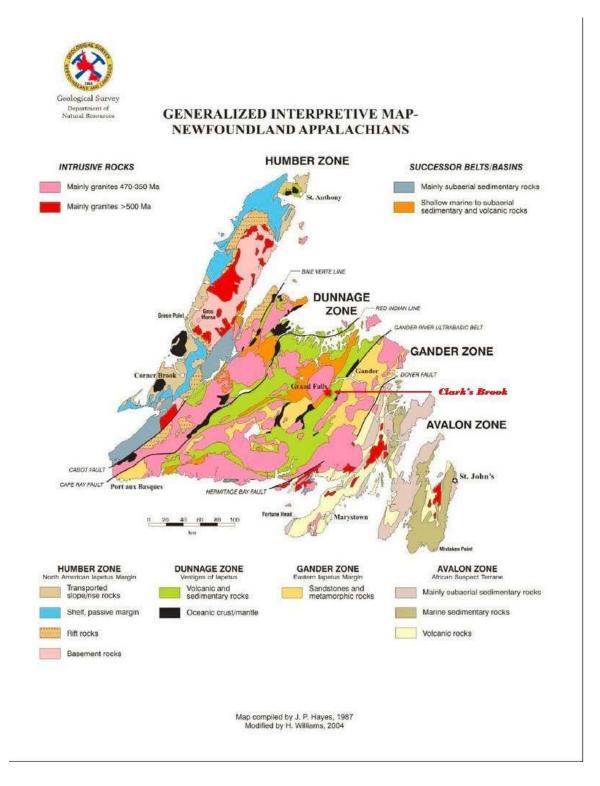
#### ITEM 7: GEOLOGICAL SETTING AND MINERALIZATION

#### **Regional Geology**

The Clark's Brook Property claims are hosted in the Dunnage Zone, a tectonostratigraphic zone that represents the opening, closing and subsequent destruction of the lapetus Ocean in the late Precambrian and early to mid-Paleozoic (Williams et al., 1988) (Figure 6).

The Dunnage Zone is characterized by a broad zone of middle Ordovician, island-arc and back-arc volcanic rocks and distal turbidites that have been covered by later black shales. The Dunnage Zone has been divided into two subzones, the Notre Dame and Exploits Subzones. The Clark's Brook Property lies within the latter subzone along with the Beaver Brook Antimony Mine some 15 kilometers southwest of the Property and other auriferous zones such as the O'Reilly and Jasperitic occurrences.

## Figure 6. Regional Geology



## Property Geology

The Property is underlain by wedge of limestone breccias and calcareous siltstones that are bound to the west by younger, feldspar-rich granite and to the east by thrust up conglomerate, sandstone, siltstone and shales of the Gander Lake Subzone (Figure 7). Two gold showings have been identified in the Property to date: Clark's Brook East (East) and Clark's Brook West (West).

Very little outcrop exists in the Clark's Brook East area, so much of the geology has been interpreted by the presence of numerous angular boulders; mainly within brook beds. The boulders appear to be very close to their source due to their size, shape, alteration/veining similar to underlying bedrock and the boulder distribution pattern. The boulders consist of moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. The boulders, ranging from 0.5 to  $2m^3$  in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold. A second outcrop some 25m upstream consists of sandstone cut by a continuous, narrow, east striking quartz vein with anomalous gold values of 0.15g/t and 0.62g/t Au.

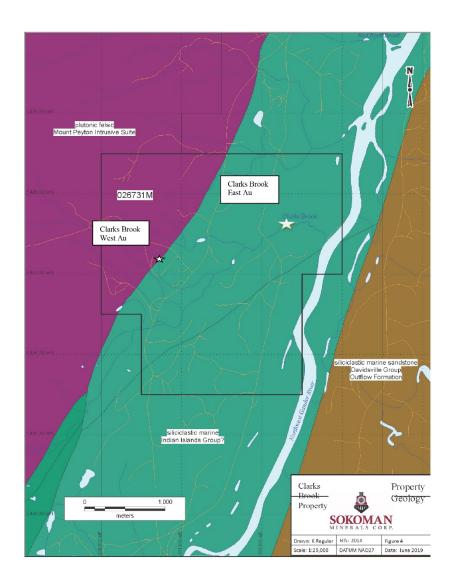
Clark's Brook West zone is located in very close proximity to the sheared contact between the Mount Peyton granite and sediments. The zone is identified in outcrop as finely brecciated siltstone with dark chlorite and less silica forming the matrix. Altius grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.

## Mineralization

As described in "Property Geology" above, the gold mineralization on the Clark's Brook East area occurs in moderately to strongly silicified siltstones brecciated by a network of thin, commonly vuggy quartz veins. Boulders at the site, ranging from 0.5 to 2m<sup>3</sup> in size, host 15-25% vein material with trace to minor pyrite and arsenopyrite. Grab samples of the material from Altius range between 0.25g/t and 24.5g/t, averaging approximately 6.8g/t gold with elevated silver, molybdenum, arsenic and antimony. The underlying bedrock contains less mineralization and silicification with smaller and less concentrated vein material but still carries gold mineralization to 1.3g/t gold.

At the Clark's Brook West zone, grab samples of outcrop and boulders returned assays ranging from anomalous to 9.28g/t gold with anomalous values in silver, lead, zinc and cadmium.

## Figure 7. Property Geology from Sokoman 2020 Assessment Report



## Item 8: Deposit Types

The deposit types that CellStop will be exploring for on their Property are lowsulphidation epithermal gold mineralization.

Low-sulphidation epithermal deposits are precious metal-bearing quartz veins, stockworks and breccias which formed from boiling of volcanic-related hydrothermal to geothermal systems. Emplacement of mineralization takes place at depths ranging from near surface hotspring environments to ~1 km, from near neutral pH chloride waters with metal deposition through boiling and fluid mixing. Gangue mineralogy is dominated by quartz and/or chalcedony, accompanied by lesser and variable amounts of adularia, calcite, pyrite, illite, chlorite and rhodochrosite. This gangue mineral assemblage can host a spectrum of Au- to Ag-rich ores, as well as the Au-Ag±Te ores associated with alkaline rocks and the Ag-Pb-Zn ores of northern Mexico.

Vein mineralogy in low-sulphidation epithermal systems is characterized by gold, silver, electrum and argentite with variable amounts of pyrite, sphalerite, chalcopyrite, galena, tellurides, and rare tetrahedrite and sulphosalt minerals. Crustiform banded quartz veining is common, typically with interbanded layers of sulphide minerals, adularia and/or illite. At relatively shallow depths, the bands are colloform in texture and millimetre-scale, whereas at greater depths, the quartz becomes more coarsely crystalline. Lattice textures, composed of platey calcite and its quartz pseudomorphs, indicate boiling. Breccias in veins and subvertical pipes commonly show evidence of multiple episodes of formation. Quartz, adularia, illite and pyrite alteration commonly surround ores; envelope width depends on host rock permeability. Propylitic alteration dominates at depth and peripherally.

Regional structural control is important in localization of low-sulphidation epithermal deposits. Brittle extensional structures (normal faults, fault splays, ladder veins, cymoid loops, etc.) are common. Veins typically have strike lengths in the range of 100's to 1000's of metres; productive vertical extent is seldom more than a few hundred metres and closely related to elevation of paleo-boiling. Vein widths vary from a few centimetres to metres or tens of metres. High-grade ores are commonly found in dilational zones in faults at flexures, splays and in cymoid loops (Awmack and Giroux 2012).

## Item 9: Exploration

CellStop has not yet performed any exploration of its own. For a summary of previous exploration on the Property, see "Item 6: History".

## Item 10: Drilling

CellStop has not yet performed any drilling of its own. For a summary of previous drilling on the Property, see "Item 6: History".

### Item 11: Sample Preparation, Analysis and Security

CellStop has not yet conducted any sampling on the Clark's Brook Property.

## Item 12: Data Verification

The data presented in this report has come primarily from the assessment files available at the Newfoundland and Labrador Department of Natural Resources. The authors compared the data from various assessment files and the government published geological materials to verify the data descriptions. The authors can verify that the information has been presented accurately as reported in those files and reports.

There were no limitations placed on the Authors in conducting the verification of the data or the Property visit. Some of the data relied upon predates National Instrument 43-101 and was therefore not completed by qualified persons. The author is of the opinion that these data sets were adequate for the completion of the technical report.

#### Item 13: Mineral Processing and Metallurgical Testing

CellStop has not yet done any mineral processing studies or metallurgical testing on the Property.

#### Item 14: Mineral Resource

There is no mineral resource defined on the Property.

Items 15 to 22 are for use on Advanced Properties, and since CellStop's Clark's Brook Property does not meet the criteria for Advanced Properties, these items are not included in this Report.

## Item 23: Adjacent Properties

CellStop's Clark's Brook Property is surrounded to the north, east and south by New Found Gold Corp.'s ("NFGC") Linear Project. The following points are taken from New Found Gold's website: <u>https://newfoundgold.ca/projects/linear/</u>.

- Initially explored and successfully drilled by Noranda (1980's) and later drilled by Rubicon (2000's)
- NFGC covers over 85 Km of strike length on the JBP and Appleton linears
- By owning district plays there is discovery potential to identify several mines
- Superb infrastructure and accessibility (Trans-Canada Hwy cross-cuts project)
- Recently discovered 2 additional gold zones, ready to be drilled
- NFGC controls the most advanced historic projects in the belt as well as the southern strike extension
- Historic drilling on the Property has had significant success in intersecting gold mineralization
- Project carries low NSR after buy backs of 0 2.1% with a large portion of the project carrying no current royalties
- Between 1985 and 2012 there were 196 drill holes totaling over 21,000 m drilled on the northern linear project by Noranda, Rubicon and various operators
- In 2016 NFGC undertook a till sampling program along the JBP linear identifying several gold in till anomalies up to a maximum gold grain count of 1,744
- In 2017 NFGC conducted a HELITEM multipulse system survey covering 821 Km2 over the linear project
- A historic resource was established at the Knob Deposit along the Appleton linear by Noranda showing ~78,000 oz @ 10.3 g/t from surface to 100m vertical depth
- 60 Km strike length within the southern portion of the Property contains almost no exploration and wide open for discovery

The Authors have not been able to verify this information, and it is not necessarily indicative of the mineralization on CellStop's Clark's Brook Property.

## Item 24: Other Relevant Data and Information

The authors are unaware of any further data or relevant information that could be considered of any practical use in this report. The author is not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

## Item 25: Interpretation and Conclusions

The original gold mineralization was located in 2003 in large blocks of silicified and quartz veined sandstone/siltstone, with trace to 2% disseminated pyrite +/- arsenopyrite, in the bed of Clark's Brook. The original seven samples assayed 2.98 and 24.5 g/t gold. Metals Creek staked the area in 2016 and completed sampling that verified the gold values in the boulders. Metals Creek then optioned the Property to Sokoman Minerals Corp. who completed three phases of diamond drilling between 2017 and 2019. All drilling intersected gold values similar in style and tenor to the original boulders.

The focus of the exploration to date has been on two small areas of the Property, Clark's Brook West and East. The diamond drilling was only completed on the Clark's Brook East showing.

It is the Authors' opinion that the Clark's Brook Property is still a grassroots Property, with little previous exploration, and as such there is always a substantial risk that the work proposed may not result in advancing the Property under current market conditions.

## Item 26: Recommendations

A \$100,400 exploration program of mapping, prospecting coupled with rock and soil sampling is recommended for the Property. The program will focus on evaluating the on entire Property to define new areas of the gold mineralization. The mapping program will focus on interpret the relationships of the pyrite/arsenopyrite mineralization to structural or alteration. Soil sampling orientation surveys using various soil sampling techniques and analysis will be completed in the areas of known gold mineralization and new showings.

# 26.1: Proposed Budget

Mapping, Prospecting and Rock and Soil Sampling	
2 Geologists for 16 days @ \$700/day each	
2 Technicians/helpers for 16 days @ \$400/day each	
16 days room and board for 4 @ 600/day	
Transportation	
2 trucks, gas	
16 days @ \$250/day	4,000
Interpretation of Results	
4 days @ \$1200/day	4,800
Assays 600 @ \$35/sample	21,500
Reports and Maps	
Contingencies	<u>12,000</u>

# **Total Proposed Budget**

\$100,400

## Item 27: References

- Awmack, H.J., and Giroux, G.H., 2012. 2012 NI 43-101 Report on the Prospect Valley Project; *prepared for* Berkwood Resources Ltd.
- Barbour, D., & Churchill, R.A., 2004. Second, Third and Sixth Year Assessment Report on Prospecting, Mapping and Geochemical Sampling for the Mustang Trend Properties, Map Staked Licenses 8252M, 8253M, 8254M, 6101M, 7677M, 8255M, 9649M, 9650M and 9788M; NTS Sheets 02E02, 02E07, 02D05, 02D06, 02D11, 02D12, 02D13, 02D14 & 02D15, Botwood Basin, Central Newfoundland, Altius Resources Inc., unpublished report.
- Froude, T., 2020. Assessment Report on Phase 3 Diamond drilling, Clark's Brook Property, NTS 02D/14, Mineral License: 026731M, Expenditures \$162,778.00
- Heerema, D., 2017. First Year Compilation and Prospecting Report, Clark's Brook Property, Metals Creek Resources Ltd., NTS 02D/14; First Year Licenses: 024097M, 024099M, 024438M and 024052M.

New Found Gold Corp. website, 2019. https://newfoundgold.ca/projects/linear/

- O'Reilly, D., O'Driscoll, J., Winter, L., & Churchill, R.A., 2008. First Year Assessment Report on Mineral Exploration on the Mustang Trend Project, Map Staked Licenses 13256M, 13257M, 13258M & 13259M. Botwood Basin, Central Newfoundland, NTS Sheets 02D11, 02D14 & 02D15. Altius Resources Inc., unpublished report.
- O'Reilly, D., & Churchill, R.A., 2004. Third Year Assessment Report on Linecutting & Soil Sampling for Map Staked Licenses 8252M (Glenwood Fault), 10408M (Clark's Brook North) & 10409M (Clark's Brook South), Mustang Trend Project; Botwood Basin, Central Newfoundland, NTS Sheets 02D11, 02D14 & 02D15. Altius Resources Inc., unpublished report.
- O'Reilly, D., O'Driscoll, J., Devereaux, A., & Churchill, R., 2010. First, Second & Third Year Assessment Report Regarding Prospecting, Mapping, Trenching & Ground Geophysics, Mineral Licenses 013256M, 13259M, 015198M, 015925M & 015926M, Mustang Trend Project, Botwood Basin, Central Newfoundland, NTS Sheets 2D/11, 14 & 15. Altius Resources Inc., unpublished report.
- Smith, R., Butler, R., Churchill, R.A., 2003. First, Second and Fifth Year Assessment Report on Prospecting, Mapping, Trenching and Geochemical Sampling on the Mustang Trend, Botwood Basin, Central Newfoundland. Altius Resources Inc., unpublished report.

#### Wikipedia, 2019.

https://en.wikipedia.org/wiki/Gander, Newfoundland and Labrador

- Williams, H., Colman-Sadd, S.P., and Swinden, H.S., 1988. Tectonicstratigraphic subdivisions of central Newfoundland. In Current Research, Part B, Geological Survey of Canada, Paper 88-1B, pages 91-98.
- Quinlan, L., 2013. First Year Assessment Report: Report on Prospecting, Rock and Soil Sampling, Carried Out from September/2012 to December/2012, on the Clarkes Pond Property, License 020334M, Northwest Gander River, Central Newfoundland, NTS 02D/14 – NAD 27, Zone 21

### Item 28: Certificate of Qualifications

#### **Desmond Cullen**

49 Husu Rd., R.R. #2 Kaministiquia, Ontario Canada, P0T 1X0 Telephone: 807-633-6960, Fax: 807-622-4156 Email: desmond63@hotmail.com

#### **CERTIFICATE OF QUALIFIED PERSON**

- I, Desmond Cullen, P.Geo. (#0164) do hereby certify that:
  - 1. I am a consulting Professional Geologist living at 49 Husu Rd., R.R.#2, Kaministiquia, Ontario
  - 2. I graduated with the degree of Honours Bachelor of Science (Geology) from Lakehead University, Thunder Bay, in 1988
  - 3. "Technical Report" refers to the report titled "Technical Report on the Clark's Brook Property, Newfoundland" dated May 5<sup>th</sup>, 2020."
  - 4. I am a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario (#0164) and a member Ontario Prospectors Association.
  - 5. I have worked as a Geologist for 30 years since my graduation from university.
  - 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 my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements as a Qualified Person for the purposes of NI 43-101.
  - 7. I have worked extensively in Northwestern Ontario, and also Indonesia, China and Mongolia since graduating University.
  - 8. I have not visited the Clark's Brook Property.
  - 9. I have completed all Items of the report except Items 1 and 4, jointly authored Items 25 and 26 and edited the entire Technical Report.
  - 10. I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical Report is required, other than providing consulting services, and in the application of all of the tests in section 1.5 of NI 43-101.
  - 11. I have had no prior involvement with the mineral Property that forms 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 that Instrument and Form.

13. As of the date of this certificate, and 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.

Dated this 5<sup>th</sup> day of May, 2020.

#### SIGNED

"Desmond Cullen"

Desmond Cullen, P.Geo.

#### Michael B. Regular

3 Memorial Ave, P.O. Box 820 Botwood, Newfoundland and Labrador Canada, A0H 1E0 Telephone: 709-257-2463, Mobile: 709-486-7705 Email: killickstone@gmail.com

#### **CERTIFICATE OF QUALIFIED PERSON**

I, Michael B. Regular, P.Geo. (#0164) do hereby certify that:

- 1. I am a consulting Professional Geologist living at 3 Memorial Ave., Botwood, Newfoundland and Labrador.
  - 2. I graduated with the degree of Bachelor of Science (Earth Science/Geology) from Memorial University of Newfoundland, St. John's, in 1992.
  - 3. "Technical Report" refers to the report titled "Technical Report on the Clark's Brook Property, Newfoundland" dated Mayr 5th, 2020.
  - 4. I am a registered Professional Geoscientist with the Professional Engineers and Geoscientists of Newfoundland and Labrador (#0164) and a member of the Newfoundland and Labrador Prospectors Association.
  - 5. I have worked as a Geologist for 30 years since my graduation from university.
  - 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 my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements as a Qualified Person for the purposes of NI 43-101.
  - 7. I have worked extensively throughput Newfoundland and Labrador, and also the Northwest Territories and Manitoba since graduating University.
  - 8. I have visited the Clark's Brook Property and area on several occasions over my career and most recently on February 15, 2020.
  - 9. I have reviewed all Items of the report and jointly authored Items 25 and 26 and edited the entire Technical Report.
  - 10. I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical Report is required, other than providing consulting services, and in the application of all of the tests in section 1.5 of NI 43-101.
  - 11. I have had no prior involvement with the mineral Property that forms 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 that Instrument and Form.

13. As of the date of this certificate, and 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.

Dated this 5<sup>th</sup> day of May, 2020.

#### SIGNED

"Michael B. Regular"

Michael B. Regular, P.Geo.