NI 43-101 Technical Report
on the

Quebrada Grande Project
Department of Bolivar
Colombia

Prepared for:

RedLion Resources Corporation
1023 – 409 Granville Street
Vancouver, British Columbia, Canada V6C 1T2

and

Bravura Ventures Corp.
551 Howe Street, Suite 200
Vancouver, British Columbia, Canada V6C 2C2

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Prepared by:

Seymour M. Sears, B.A., B.Sc., P.Geo.

Sears, Barry & Associates Limited

International Geological Consultants

201-289 Cedar Street, Sudbury, Ontario, Canada P3B 1M8

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1.0 Summary

1.1 Property Location and Description

The Quebrada Grande Project (Project) is located in northern Colombia in the Municipalities of Montecristo and Santa Rosa del Sur, Department of Bolivar, Region of Medellin. It is located 245 km northeast of the city of Medellin and 370 km north of the city of Bogotá, the capital of Colombia and the country's largest city. The Project consists of one mining concession contract totaling 1,994.30 hectares and six mining concession applications. The area of the applications is not factored into the total hectares as there is a risk that these may not result in the granting, in whole or in part, of concession contracts. RedLion Resources Corporation (RedLion) has the option to acquire 100% of the mining rights in the concession contract and 80% of the mining rights in the six applications subject to certain terms and conditions.

1.2 Geology and Mineralization

The Quebrada Grande Project is located in the north-central part of the Segovia Batholith, an oval shaped intrusive complex that measures approximately 250 km (north-south) by 75 km (east-west). This composite batholith is dominantly tonalite to diorite in composition. It includes large rafts, blocks and regional scale belts of metasedimentary and lesser metavolcanic rocks of Proterozoic to Paleozoic age. It also includes an intermittent northwest trending belt of younger Cretaceous aged sedimentary and volcanic rocks. It is cut on the west side by a swarm of north-south trending transpressional faults including the regional scale Palestina Fault and several parallel major branches or splays. The eastern side of the batholith has been cut by numerous northeast–southwest trending, strike-slip faults that appear to terminate at the Palestina Fault Zone. These north-south faults are considered to be important in the development of most of the known, larger gold deposits in the Segovia area and this corridor on the west part of the batholith forms what is referred to as the Segovia Gold Belt. The eastern half of the Segovia Batholith east of the Palestina Fault is referred to as the Norasi or Oriental Batholith. Many other gold deposits are spatially associated with the northeast trending faults that dominate the Norasi Batholith. Much less information is available on deposits in this area due to limited access and limited government funds for geological studies.

Most of the known gold mineralization in the Quebrada Grande Project area is associated with quartz veins and silicified breccia in granodioritic intrusive rocks and andesitic volcanic rocks.

The veins range from cm scale to in excess of 1.5 m in width. The strike of the veining is highly variable with no preferred orientation confirmed at this early exploration stage. Some of veining associated with the better gold values trends between 060° and 070˚; however, east-west, north-south and northeast-southwest veining has also been observed. The veins are typically rather steeply dipping. The gangue minerals include stockwork veining and mineralization within breccia zones has also been noted. The gangue consists of crystalline, layered and comb quartz with lesser calcite, ankerite and chlorite. Occasionally, the vein zones are associated with fine grained mafic to felsic dykes.

The known gold-bearing breccia zones range from a few meters to >30 meters in width and in excess of 100 meters in length. The actual length has not been determined at this stage. They are accompanied by quartz-diorite dykes and dyke swarms that are thought to be associated with the overlying volcanic rocks that are prevalent in the southeastern part of the Project. Gold mineralization is often associated with sulphides including pyrite, chalcopyrite with rare galena and sphalerite all of which occur as patches, streaks and occasional massive bands within the matrix of the breccia as well as in streaks along the margins of the veins. Analytical data from samples indicates elevated accessory minerals include bismuth and tungsten. Silver occurs with the gold in both vein and silicified breccia in variable amounts, but seldom greater than a 5:1 ratio.

The wallrocks that host the gold bearing veins are extensively fractured and often cut by a network of narrow dyklets and veinlets of various compositions (quartz,-chlorite-manganese-diorite-felsite). Argilllic and pyritic alteration are typically pervasive. Some of the veining and breccia zones that have been discovered to date lie within large areas of argillic and oxidized material with extensive manganese along fractures and in veinlets.

1.3 Exploration

The 2012 work program carried out by RedLion was designed to evaluate the potential for the discovery of an economic gold deposit within the boundaries of the Quebrada Grande Project area. Initially, all available data was acquired and digitally compiled. The field program was focused in Concession Contract JA4-14001 and the applications JA4-14041 and JA4-14081, the most southern concessions within the Quebrada Grande Project. The exploration was carried out by Colombian personnel under contract to RedLion between October and November, 2012 with the bulk of the field-work being completed in November. The field crew consisted of two

geologists (Jaime Alberto Camacho and Fabio Viana) and a support team based out of the town of Santa Rosa del Sur under the supervision of Project Manager Luis Gabriel Correa. The fieldwork was accompanied by consultation and information sessions with the local community as part of a general program aimed at nurturing an ongoing mutual working relationship with the residents of the area.

The reconnaissance scale program included preliminary geological mapping, prospecting, rock sampling and limited stream sampling. The work was concentrated along access roads, trails and streams in the southeastern part of the Project area, with focus on the principal concession contract, JA4-14001. Access was by vehicle between Santa Rosa del Sur and the Project and then by foot, mule or moto-bike within the Project area. Because of the long travel time between Santa Rosa del Sur and the Project area, temporary overnight accommodation was necessary in local ranches within the concessions and in the small village of Villa Flor near the southern boundary of the Project area. The focus was to locate some of the artisanal workings located within or in close proximity to the Project as well as to examine the local geology to assess its overall mineral potential.

1.4 Conclusions and Recommendations

The results from the 2012 work program on the Quebrada Grande Project has demonstrated that the geological setting within the Project area has excellent potential to host economic gold deposits. Gold mineralization observed within the Project area is hosted within structurally controlled lode-type quartz veins as well as in large brecciated, stockwork-like zones that have potential for large-tonnage low-grade deposits. Gold values collected by RedLion and by the author from the Principal Concession (JA4-14001) within the Quebrada Grande Project area, contained gold values ranging from <0.01 to 2.78 g/t. The highest value, 2.78 g/t Au, was from a narrow vein located along the main access road in this area. The host rocks are highly fractured and altered over a large area and this gold occurrence appears to have never been explored.

Samples collected from two mineralized zones – the Osman and Gomez Prospects - located within the Project area but immediately north of the Principal Concession, contained gold values ranging from 0.01 to 28.2 g/t. Both of these zones are located within areas of highly deformed, fractured and oxidized granodiorite and quartz-andesitic rocks that display intense stockwork-like veining and pervasive silicification. The Osman Prospect has been exposed by trenches,

underground tunnels and open cuts over an area of 100 x 30 metres and its outer limits have not yet been defined. A channel sample collected by the author from the wall of a small open pit in the northern half of the prospect area contained 6.26 g/t Au over a length of 3.0 metres.

The best gold values obtained during the 2012 sampling program were from a vein and stockwork-like zone, the Gomez Prospect, located in the south-center of the Project area and 300 m north of the northwest corner of the Principal Concession. Three composite grab samples collected from veins being mine by artisanal miners in this area contained from 10.1 to 28.2 g/t Au. The three Prospects are located along a 700 m long north-trending zone that appears to be associated with a northeast trending regional scale fault structure referred to as the Quebrada Grande Fault Zone.

Gold is being exploited by artisanal workers from at least 13 sites within the boundaries of the Quebrada Grande Project and from numerous other locations in the immediate neighborhood. The very brief exploration program verified the location and confirmed gold mineralization on 4 of these workings as well as identified numerous large, intensive alteration zones. In view of the known gold mineralization and highly prospective geological setting within the Project area and the virtual lack of any systematic exploration in this area, the Quebrada Grande Project is a Property of Merit and should be aggressively explored.

An aggressive exploration program is highly recommended on the Quebrada Grande Project. A two-phased exploration program is required to locate and evaluate all known mineral occurrences within the Project area and to identify favourable areas that might contain undiscovered mineralization. The first phase program would include an airborne geophysical survey followed by ground geophysics, prospecting, stream sediment, soil and rock sampling at an estimated cost of CDN$ 368,025. The second phase, involving detailed follow-up of identified targets followed by stripping and drilling and is contingent on the results of the first phase at an estimated cost of CDN$ 466,000. Additional drilling program would be required at this point to evaluate the mineralized zones defined by the previous phases.

2.0 Introduction

RedLion Resources Corporation (RedLion) has an option to acquire up to 100% of the mining rights in one mining concession contract totaling 1994.30 hectares (ha) and six concession applications located in the Department of Bolivar, Colombia, South America (see details in Section 4.0 and Figures 1, 2 and 3). These properties are collectively referred to as the Quebrada Grande Project (Project). The concessions include favourable geological environments and numerous gold prospects located within the Sur de Bolivar Gold District, which along with the neighboring Segovia Gold District, are the most prospective and historically productive gold districts in Colombia. Sears, Barry & Associates Limited (SBA) has been retained by RedLion and Bravura Ventures Corp. (Bravura) to carry out a technical review and prepare an independent report (Report) on the Project. This Report is prepared in compliance with guidelines prescribed by National Instrument 43-101 (NI 43-101) – Standards of Disclosure for Mineral Projects, Form 43-101F1 and Companion Policy NI 43-101CP of the Canadian Securities Administrators.

Colombia was virtually closed to mining investment for many decades due to civil unrest and as a result is vastly under explored. Its rich gold deposits once fueled the power of the Spanish Empire and until 1937 it was one of the world's largest gold producers. Today, Colombia has a democratic government with modern well defined mining and environmental laws implemented in 2001 and modified in 2010. It has a long established history and understanding of mining and is welcoming new investment in the country.

Colombia has a tropical to semi-tropical climate with high rainfall contributing to extensive deep tropical weathering of the bedrock which has facilitated physical and chemical erosion. The erosion of gold-bearing bedrock is the source of the rich and abundant alluvial-colluvial gold deposits which have been mined in Colombia for centuries.

2.1 Purpose of Report

This Report on the Quebrada Grande Project is to be used by RedLion and Bravura to comply, in part, with TSX Venture Exchange regulatory requirements for a proposed reverse takeover of Bravura by RedLion. RedLion is a private Canadian corporation and Bravura is a TSXV listed company with the trading symbol BVQ. The relationship between both RedLion and Bravura and Sears, Barry & Associates Limited is a professional relationship between two clients and an

independent consultant. This report is prepared in return for fees that are standard commercial rates and the payment of these fees is not contingent on the results or recommendations in this report.

This report is designed to summarize the scientific and technical data available for the Quebrada Grande Project and to make recommendations for a work program to advance the exploration and possible development of the Project.

2.2 Sources of Information

Sources of information are summarized below and include those in the public domain as well as personally acquired data; a more detailed listing of sources can be found in section 27.0 'References'.

- Review of data provided by the client.
- Review of data available from various agencies of the Colombian government including a branch of the Ministry of Mines and Energy referred to as "INGEOMINAS' (the national geological survey).
- The author's personal work experience and information relating to Andean-Cordilleran geology and gold deposits in general.
- Review of field and digital data by the author at the Explore Colombia office in Medellin, Colombia on November 9, 2012. Explore Colombia is providing project management services to RedLion.
- Discussions with Explore Colombia's management and field personnel in particular Luis Correa and Jamie Camacho from November 16 – 19, 2012.
- Visits to the Quebrada Grande Project by S. Sears on November 17, 18 and 19, 2012. The geological environment was examined and rock samples were collected during these visits.

2.3 Units of Measure

All units of measurement used in this report are metric unless otherwise stated. Monetary values used in this report are in Canadian Dollars (CDN$), United States Dollars (US$) and Colombian Pesos (COP$). Location coordinates are expressed in Universal Transverse Mercator (UTM) WGS 1984, Zone 18 North unless otherwise stated. The Colombian government uses a local coordinate projection system based on a Gauss-Kruger system (Gauss). In this system, Colombia is divided into five zones; the Quebrada Grande Project falls within the Bogotá Zone. The Quebrada Grande Project mining concession are applied for and granted by the Colombian government using the Gauss Bogotá coordinates.

A list of abbreviations used in this report is found in Appendix I.

Figure 1 Regional Location Map

Figure 2 Area Location Map

3.0 Reliance on Other Experts

All conclusions, opinions and recommendations concerning the Quebrada Grande Project are based upon the information available to SBA at the time of this report.

Information relating to the titles and ownership of the mining concession contract and applications in the Quebrada Grande Project is based on material supplied by RedLion and information obtained from the Colombian Government INGEOMINAS website.

The author has relied on the following legal documents for concession contract JA4-14001:

- The Colombian Government issued mining concession contract and registration document posted on the INGEOMINAS website: http://www.cmc.gov.co:8080/CmcFrontEnd/consulta/busqueda.cmc
- An executed, notarized shareholder agreement for Minera QG S.A.S. (Minera QC) between Inversiones Mineras JC S.A.S. (Inveriones), (Shareholder # 1) and RedLion Resources Colombia S.A.S., (Shareholder # 2), dated July 13, 2012.
- An executed, notarized option/purchase agreement titled “Agreement in connection with the Transfer of Mining Concession Contract JA4-14001” between Colgems Ltda. C.I. (Colgems) and Minera QG S.A.S. dated July 13, 2012.
- An executed and stamped Certificate of Registration issued by the Grupo de Catastro y Registro Minero Nacional dated July 13, 2012. This document confirms the transfer of title from Colgems Ltda. C.I. to Minera QG S.A.S.
- A Title Opinion dated July 11, 2012 by Sr. Francisco Zapata Ospina (Ospina), Lawyer I.D. No 35.773, Superior Judicature Council of Colombia. Ospina is a Senior Lawyer with Intergral Consultation Center, Medellin, Colombia.

The author has relied on the following legal information for applications (solicitudes) JA4-14041, JA4-14061, JA4-14081, JA4-14111, JA4-14131 and JA4-14161:

- The Colombian Government issued mining concession application information posted on the INGEOMINAS website: http://www.cmc.gov.co:8080/CmcFrontEnd/consulta/busqueda.cmc

Information relating to these documents is detailed in Section 4.0 of this report.

4.0 Property Description and Location

4.1 Project Description

The Quebrada Grande Project consists of one mining concession contract totaling 1,994.30 hectares and six mining concession applications. The area of the applications is not factored into the total hectares as there is a risk that these may not result in the granting, in whole or in part, of concession contracts. As a general rule, the applications would not have been accepted unless the areas or parts thereof were available for acquisition. The concession contract and the six concession applications are contiguous (Figure 3).

Colombia utilizes map staking via an application process. Concession corner points are map located using the local Colombian Gauss coordinate systems and in the Quebrada Grande Project area the Bogotá datum is used. These data points have been incorporated into the concession boundaries illustrated in the figures in this report. There are no physical ground markers outlining the concessions and for practical purposes, field locations are made by use of a GPS. In future, RedLion may choose to survey and landmark the concession boundaries. The boundary concession coordinates for the Project are tabled in Appendix II.

4.2 Location

The Quebrada Grande Project is located in northern Colombia in the Municipalities of Montecristo and Santa Rosa del Sur, Department of Bolivar, Region of Medellin. It is centered at 576 500E and 888 500N (WGS 1984 Zone 18N). See Table 1. It is 245 km northeast of the city of Medellin and 370 km north-northwest of the city of Bogotá, the capital of Colombia and the country's largest city (see Figs. 1 and 2). It can be reached by regular international flights to either Bogotá (BOG) or Medellin (MDE) and by light aircraft to a local airport at Santa Rosa del Sur.

Table 1 Centroid Coordinates - Quebrada Grande Project

Centroid Coordinates – Quebrada Grande Project		
Coordinate System	**Easting**	**Northing**
Gauss, Bogotá (projected)	975,000	1,380,250
WGS 1984 Zone 18N (projected)	576,500	888,500
WGS 1984 Geographic	-74.30°	8.04°

4.3 Project Mining Concession Contracts

Mining concession contracts are registered in the National Mining Registry following the signing of the contract. The contracts expire 30 years after the registration date.

Mining concession contracts in Colombia are mineral specific. The concession contract has been issued for the technical exploration and financial exploitation of gold and silver deposits and their concentrates as well as any minerals found together or alloyed with, or that may be by-products of the mining process. The contract also states that the Licensee may petition that the License extend to certain other minerals by signing an Additional Deed to be entered into the National Mining Registry (NMR). All seven concession applications are for the same gold and silver concentrates as the contract. Details relating to the mining concessions are shown in Table 2. Terms of the purchase agreements are summarized in Section 4.9.

Concession contract JA4-14001 is registered in the name of Minera QG S.A.S and all six of the concession applications are in the name of Colgems Ltda. C.I.

Table 2 Quebrada Grande Concession Data

Quebrada Grande Concession Data				
Concession Number	**Status**	**Size in Hectares**	**Registration Date**	**Expiry Date**
JA4-14001	Concession Contract	1,994.30	26/09/2008	26/09/2038
JA4-14041	Concession Application	(1,994.34)	---	30 years after registration
JA4-14061	Concession Application	(1,994.30)	---	30 years after registration
JA4-14081	Concession Application	(1,997.10)	---	30 years after registration
JA4-14111	Concession Application	(1,991.90)	---	30 years after registration
JA4-14131	Concession Application	(1.194.00)	---	30 years after registration
JA4-14161	Concession Application	(1,997.00)	---	30 years after registration
TOTAL*		**1,994.30**		

* the area of the applications is not factored in the total

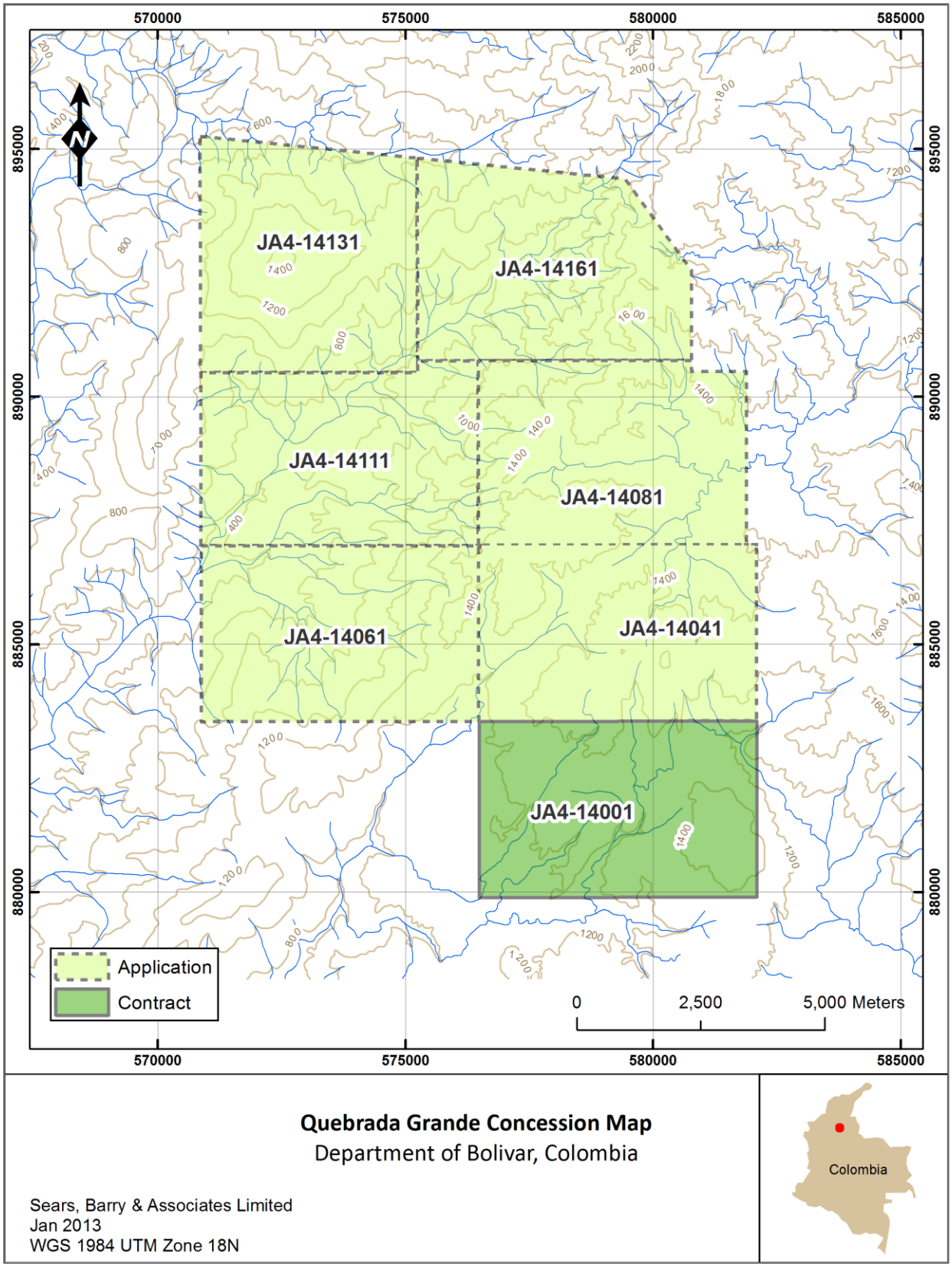

Figure 3 Quebrada Grande Concession Map

4.4 Colombian Mineral Tenure

All mineral resources in Colombia are the property of the state and are governed by the Colombian Mining Code. The mining and energy sector falls under the Ministerio de Minas y Energía (MME) which is the highest mining authority in Colombia and is responsible for the management and regulation of all non-renewable resources in the country. The MME has delegated the administration of mineral resources to the Instituto Colombiano de Geología y Minería (INGEOMINAS). In the most active mining districts, the Gobernaciones Delegadas (departmental mining delegations) may administer the mining contracts. The Registro Minero Nacional, the national mining registration, is maintained by INGEOMINAS.

Mining legislation in Colombia is governed by Law 685 of 2001 which was modified by Law 1382 of 2010. All of the concessions within the Quebrada Grande Project are governed by both of these laws. Law 685 replaced and superseded all previous mining legislation however; mining contracts obtained under previous legislation are honored as to the terms of those agreements.

Colombian mineral concession contracts are mineral specific and other parties can hold tenure to all or part of a particular concession for other minerals.

Mineral concession contracts consist of three phases: exploration, construction and exploitation. The exploration phase is valid for three years and can be extended up to a total of eleven years. A concession enters the construction phase once the exploration phase is completed and is valid for a period of three years and can be extended up to a total of four years after which it enters the exploitation phase. The Quebrada Grande Project concession contract is currently in the exploration phase (the exploration phase has been extension).

The concession can proceed from the exploration to exploitation phase under one concession contract covering all three phases. These contracts are valid for 30 years in total and can be renewed for another 20 years.

There is a minor level of uncertainty in Colombia with respect to a temporary staking moratorium imposed by the government. One of the RedLion concessions is already a mining contract and the remaining six are under the application process. It is unlikely that these concession

applications will be affected however; there is a risk in delay and uncertainty that these concession applications will result in the granting, in whole or in part, of concession contracts.

4.5 Surface Tax

Surface Taxes are due annually and are based on Colombia's annual minimum daily wage per hectare. Surface taxes must be paid in advance during the exploration and construction phases. The Quebrada Grande concession contract is in its 5th year of exploration and all surface taxes have been paid to date. The annual payments shown in Table 3 are based on the 2013 Colombian minimum daily wage.

Table 3 Annual Surface Tax Payments

Annual Surface Tax Payments			
Year/Phase	**Rate**	**Tax in COP$*/ha**	**Tax in CDN$**/ha**
1 - 5	1 x annual minimum daily wage/ha	18,464	$10.34
6 - 7	1.25 x annual minimum daily wage/ha	23,080	$12.92
8 - 11	1.5 x annual minimum daily wage/ha	27,695	$15.51
construction	1.5 x annual minimum daily wage/ha	27,695	$15.51

* based on 2013 Colombian minimum daily wage

** COP$ 1 = CDN$ 0.000560

4.6 Royalties

Once a concession enters the exploitation phase the surface tax is replaced by a royalty. Royalties are based on gross production and calculated on 80% of the average closing price of a given metal on the London Metal Exchange for the previous month. The royalty for non-alluvial gold is 4% which is an effective rate of 3.2%. The royalty for alluvial gold is 6% resulting in an effective rate of 4.8%. Royalties vary depending on the metal. Royalties are paid to the Colombian Fondo Nacional de Regalias and are governed by Law 141 of 1994 and modified by Law 756 of 2002.

There are no additional royalties associated with the underlying property agreements.

4.7 Environmental Regulations

An annual Environmental Mining Insurance Policy (EMIP) is mandatory for the duration of the concession contract (Law 685, Article 280). Within 10 days following the signing of the contract, the licensee "shall establish a bond to guarantee the compliance with all the mining and environmental obligations, the payment of any fines and termination". The bond rates are as follows:

- **Exploration phase**: a policy of 5% of the value of the expected annual expenditure.
- **Construction phase**: a policy of 5% of the value of the expected annual expenditure.
- **Exploitation phase**: a policy of 10% of the estimated gross annual production times the metal price (a rate set annually by the Colombian Government).

An Environmental Impact Study (EIA) is required at the end of the exploration phase if the concession is to continue into the construction phase. Prior to the commencement of the exploitation phase, the EIA must be approved and an Environmental License issued.

There are no identified issues that would have any negative environmental impact within the Quebrada Grande Project area. There are numerous sites within the concession where alluvial mining or small scale underground mining has been carried out or is being carried out at the present time. Once abandoned, these sites rapidly become part of the landscape as a result of heavy rainfall and lush growing conditions. The small scale miners use primitive gravity methods to extract gold and other heavy metals from the mined material. They then extract the gold by amalgamation using mercury and, in some cases, using small cyanide leach ponds. Some of the mercury is lost in the process and eventually ends up in the water system. This contamination should not be the responsibility of RedLion.

The Quebrada Grande Project concession lies within the Magdalena Forestry Reserve. The Forestry Reserve was established by Law 2 in 1959 and covers a 1.5 million hectare strip running north-south through central-west Colombia and passes through 10 departments. The basic premise of this law was to protect the ecosystems and biodiversity of the virgin forest while respecting the need for industrial development. Most of the area within the Quebrada Grande Project has already lost its original forest due to past and current forestry and agricultural activities. There are hundreds of small, artisanal gold mining operations in this part

of Colombia and it is unlikely that there would be any serious obstacles that would affect the development of a new mining operation. In order to carry out exploration activities that involve land disturbance such as drilling, stripping and new road construction, an application to temporarily extract these areas from the reserve has to be submitted to and approved by the Ministry of Mines. In addition, a water use permit from the Ministry of the Environment is required to carry out drilling in these areas. These processes have sometimes created delays in planning and executing exploration programs in Colombia. There is a risk of delay and uncertainty related to these issues. These issues may be addressed by regulation changes that are currently being considered by the Colombian Government.

As part of the approval process for modifying land use classification within a forest reserve, the proposed area of disturbance can be offset by reforesting an area in need of rehabilitation in exchange for land used for development. Parts of Canada as well as other countries have similar policies. There are vast numbers of operating mines and exploration projects within the Forest Reserve in Colombia.

The Quebrada Grande Project is located in an area that is not covered by national parks or any currently known black reserves, indigenous reserves, restricted zones or zones of special minerals. The altitude on the Project ranges between 350 – 1800 m which places it well below the Paramo (moorland) altitude limit of 3,000 m, above which mining is banned in Colombia.

4.8 Permits

During the exploration phase, permits are not required for most non-invasive work programs. Permits may be required for use of springs, extensive water use and discharge, river course occupation, emissions, forestry and invasive land access including new roads. As described earlier, work that will cause a surface disturbance within a forestry reserve will require an application to temporarily extract these lands from the reserve. A plan must be in place to replace such areas by reforesting an equal area that is in need of rehabilitation. The work performed to date by RedLion has not required any permits.

The mining laws of Colombia provide access to the concession holder however; compensation may have to be paid to surface owners for access and other land use disturbances. Surface rights within the forest reserve are technically the property of the Colombian government but much of the area within the RedLion concessions has been cleared and occupied by farmers and ranchers. Under the mining laws of 2008, the right of access to mining concessions is

guaranteed by the government of Colombia. However, these regulations have been challenged successfully in court by farmers and other interest groups and the laws are currently being revised to accommodate the rights of other stakeholders. The best approach to accessing surface rights is to assume that they are owned by the local farmers. For this reason, and in the spirit of good community relations, it is recommended that an access agreement is in place prior to any work program that may disturb surface owners' property. Mining concessions cover the mineral rights within their boundaries but the legal right of access, which has to be negotiated with the land owner.

The Ministerio del Medioambiente is Colombia's highest Government authority with responsibility for environmental matters.

4.9 Terms of Acquisition Agreement

4.9.1 Mining Concession Contract JA4-14001

RedLion Resources Corporation, a company incorporated under the laws of Canada, through its wholly owned subsidiary, RedLion Resources Colombia S.A.S. (RedLion Colombia), a company incorporated under the laws of Colombia, have a purchase agreement to acquire an interest of up to 100% in Mining Concession Contract, JA4-14001, located in the southern part of the Department of Bolivar, Colombia, S.A. The interest in the concession contract will be purchased from the current owners, Minera QG S.A.S. by making the payments outlined in Table 4. In addition to these payments, RedLion must complete a work program totaling US$500,000 within two years of the signing of the agreement. RedLion is independent of the owners of the Colgems Concession.

Table 4 Terms of Purchase Agreement for Concession Contract

Terms of Purchase Agreement for Concession Contract JA4-14001			
% Interest	**Payment Schedule**	**Payment**	**Cumulative Interest**
50%	Paid upon signing of agreement	US$ 200,000 plus payment of surface taxes	50%
15%	Upon listing of RedLion on a recognized stock exchange	US$ 200,000 less the payment of surface taxes paid upon signing	65%
15%	Within 12 months of RedLion listing	US$ 225,000	80%
20%	Following the definition of Proven & Probable Reserves on JA4-14001 (NI 43-101 compliant)	US$ 10/ounce of the Proven and Probable Gold Reserves or negotiated fair market price.	100%

4.9.2 Mining Concession Applications (Solicitudes)

RedLion through its wholly owned Colombian affiliate, RedLion Colombia, has also obtained an option to acquire an interest of up to 80% in six (6) additional mining concessions that are contiguous to the north of the mining concession contract, JA4-14001, described above in Section 4.9.1. These applications for mining concessions have been made with the Colombian Government and are in the process of being evaluated for the purpose of issuing Concession Contracts. The approval and granting process is extremely backlogged at the present time and it is unclear when or if ever the applications will be approved and Contracts issued. The applications numbered JA4-14041, JA4-14061, JA4-14081, JA4-14111, JA4-14131 and JA4-14161 are securely registered as applications with the Colombian mining registry. All six of these applications were registered on January 01, 2008. It is expected that a decision on these application will be made before mid-October 2014. As of the effective date of this report, RedLion Colombia has not paid the initial payment of US$ 35,000. This payment will give RedLion the right to acquire any or all six of the concession "solicitudes" once they have been approved and the Concession Contracts issued. The interest in these concessions will be purchased from the current applicants, Colgems, by making the payments through a Joint Venture company that will be formed to hold the Concession Contracts. These payments are outlined in Table 5. RedLion must complete a work program totaling US$ 500,000 over the life of the option for each of these six concessions that is converted to a mining contract.

Table 5 Terms of Purchase Agreement – Colgems Applications

Terms of Purchase Agreement for Concession Applications (Solicitudes)			
% Interest	**Payment Schedule**	**Payment**	**Cumulative Interest**
Right to acquire up to 80%	Paid upon signing of agreement	US$ 35,000	n/a
Right to maintain interest	Upon listing of RedLion on a recognized stock exchange	US$ 35,000	n/a
50%	Within 30 days of registration as Concession Contracts	US$ 50,000 per Concession Contract	50%
Maintain 50%	Within 12 months of Registration as Concession Contracts	US$ 150,000 per Concession Contract	50%
Maintain 50%	Within 24 months of Registration as Concession Contracts	US$ 150,000 per Concession Contract	50%

Terms of Purchase Agreement for Concession Applications (Solicitudes)			
% Interest	**Payment Schedule**	**Payment**	**Cumulative Interest**
30%	Within 36 months of the Registration as a Concession Contract	US$ 275,000 per Concession Contract	80%

4.10 Risk Factors

The Quebrada Grande Project is located 22 km west of Santa Rosa del Sur in the department of Bolivar (Figure 4). There is a permanent military base located in Santa Rosa del Sur which provides a reasonable degree of security to the surrounding area that includes the Project. Further to the north in the department of Bolivar where there is minimal military presence, the area is less secure due to the presence of small leftist rebel groups. As an added precaution, RedLion employs security personnel to accompany its field crews.

RedLion has setup a Community Relations Program and has informed the local residents of their exploration work. The Quebrada Grande Project is at a very early stage of exploration and to date there have not been any objections to their work. There is a risk that, in the future, the area residents may object to ongoing exploration and development on the Project.5.0 Accessibility, Climate, Local Resources, Infrastructure and Physiography

5.1 Accessibility

The Quebrada Grande Project area is accessible by means of a dirt road that leads westward from, the town of Santa Rosa del Sur in the southern part of the Department of Bolivar. This road is in rough condition and requires approximately 1.5 – 2.0 hours in a 4-wheel drive vehicle. The small village of Villa Flor lies within 0.5 hours drive of the Project. Santa Rosa del Sur has a small airfield that can be used by small aircraft. For the purpose of the property visit, the author travelled by chartered aircraft from Medellin to Santa Rosa del Sur. Santa Rosa del Sur can also be accessed by vehicle and boat from the town of Bucaramanga (45 minutes by air from Bogotá or Medellin). This route involves a 3 hour drive to Agreachica, then 30 minutes to Gamarra (both along paved roads), then a 1.2 hour boat trip across the Magdalena River to the village of Cerro Burgos and 20 minutes by dirt road to Santa Rosa del Sur. There are regular,

scheduled flights to Bucaramanga and it can also be reached by road from Medellin (10 hour drive). See Figure 4.

Under the mining laws of Colombia, right of access is provided to concession holders. RedLion has, out of curtsey, communicated with all of the farm and ranch owners in the area of the current field work and has been granted permission to access and work on the Project.

5.2 Climate

The climate in the southern part of the Department of Bolivar is classified as “tierra templada” which loosely translates as temperate land. The average temperatures range from a low of 19°C to a high of 30°C throughout most of the year. In the Project area, there is a fair amount of fluctuation from these averages due to differences in elevation. The average temperatures for the Santa Rosa del Sur area are shown in Table 6.

The average annual rainfall is 1182 mm. There are two rainy seasons, April to June and September to November. Monthly statistics for precipitation in Santa Rosa del Sur are shown in Table 7.

Table 6 Temperature Statistics for Santa Rosa del Sur

Temperature Statistics for Santa Rosa del Sur (°C)												
	Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Average high	30.0	31.0	30.0	30.0	30.0	29.0	29.0	29.0	29.0	28.0	28.0	29.0
Average low	19.0	21.0	21.0	21.0	20.0	19.0	19.0	19.0	19.0	19.0	20.0	20.0
Average	28.5	28.7	28.5	28.0	27.8	27.9	28.2	28.0	27.7	27.1	27.3	27.9

Table 7 Precipitation Statistics for Santa Rosa del Sur

Precipitation Statistics for Santa Rosa del Sur (mm)													
	Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Total**
Monthly Precipitation	27	60	57	93	150	99	84	123	156	162	111	60	**1182**
Average Rainfall Days	4	7	9	15	17	14	15	16	16	17	14	8	**152**

5.3 Local Infrastructure and Resources

There is very little in the way of infrastructure in the immediate Project area. The population is very sparse, consisting mainly of farmers and artisanal miners. The farms are linked by very poor, dirt roads and horse and walking trails. Several small schools serve the area's children, but these are widely spaced. The nearest communities are Villa Flor with a population of less than 200 and located approximately 4 km southeast of the Project and San Pedro Frio, slightly larger and located 6 km north of the Project. These villages offer only bare essentials. Santa Rosa del Sur is the nearest larger community, population 9,000, located 22 km to the east. This town has an airfield, hospital, hotels, restaurants and basic services, adequate for exploration phase activities. There is a power line within 10 km the Project which supplies electricity to Santa Rosa del Sur. This would require upgrading to be useful in mine development.

There is a reasonably good supply of labour in the area, particularly skilled in artisanal mining and related industries. There is a military base in Santa Rosa del Sur which provides limited security and rule of law for the area.

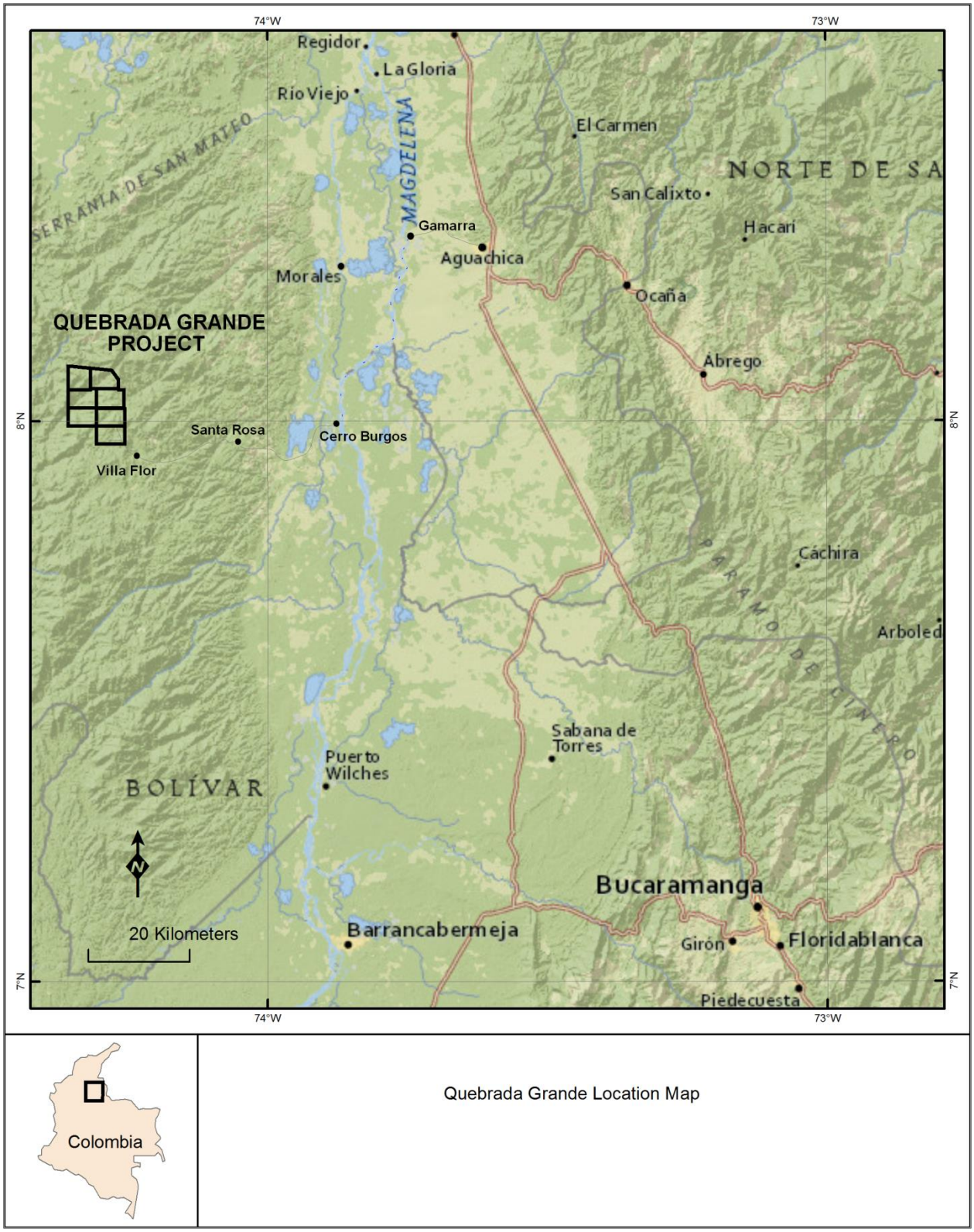

Figure 4 Quebrada Grande Local Access Map

5.4 Physiography

The Quebrada Grande Project lies within the Serrania de San Lucas, a low mountainous region that is the extreme northern end of the Central Cordillera of Colombia. Elevations range from 350 to 1800 metres. The lowest elevations are in the valleys formed by northeast and southeast trending rivers and streams cutting weathered bedrock. The original forest would be considered rain forest, characterized by a tall canopy of evergreen forest, with a dense undergrowth of shrubs, vines and ferns. However, most of the valleys in the area have been deforested, making way for farms and grazing land. The overburden, mostly weathered rock (saprolite), is typically quite thick and mudslides are common on the steep hills. The common farm crops in the area include bananas, plantains, cocoa beans, yucca and sugar cane. Farm animals include cattle, horses, goats, pigs and fowl.

6.0 History

Gold mining in Colombia dates back to pre-colonial times, but there is very little information relating to gold production in this part of the country. Santa Rosa del Sur was founded in 1941 by settlers who started to clear the forest for agriculture and cattle. During the 1980s, there was an influx of artisanal miners along with timber harvesters and ranchers in nearby areas, but very little activity in the immediate vicinity of the Property. Between 1990 and 2002, the area was plagued by illegal narcotics growers and related guerrilla groups, and most of the artisanal workings and farms were abandoned. Since 2002, farmers have been clearing the rainforest and re-settling in the district, often followed by artisanal miners. The area is very isolated with only a small network of barely drivable access roads and a limited amount of mule trails. From a mineral exploration perspective, this area should be considered a new frontier.

6.1 Regional Exploration History

The only evidence of exploration activity within the region is the multitude of small scale miners who have infiltrated the area over the years. Many of the estimated 50,000 small miners in the Department of Bolivar are mining illegally, but in some areas groups have organized themselves into working cooperatives or “mina unions” and with government support are gaining legal title to their particular gold operations. As part of the government’s involvement, numerous evaluation reports have been generated for local areas on behalf of the workers. The reports are site specific and not particularly useful for regional exploration. They rely upon old and antiquated geological mapping, often based upon aerial photo interpretation. One of these entities, referred to as the ”Federación” Cooperative, lies approximately 2 km north of the Quebrada Grande Project near the small mining community of San Pedro Frio.

6.2 Project Exploration History

There is no recorded history of exploration or mining activity within the Quebrada Grande Project area prior to 2010. The original vendor of the concession contract and concession applications (Colgems Ltda. C.I. and it’s wholly owned subsidiary, Minera QG, herin referred to as Colgems in this section), had carried out a reconnaissance scale examination of the Project area, consisting of locating and character sampling of known artisanal mines within and

immediately adjacent to the Project area. During 2010 Colgems collected and assayed 83 rock samples from the known artisanal sites. The general results from this work were assembled into a brief private company report (Camacho, 2010) however, the site locations were not accurately recorded and the information has not been verified.

Colgems work program between 2010 – 2012 was carried out in three stages utilizing 3-man local crews including a supervising geologist. The first program involved both regional and local scale examination of the geological features in the area and resulted in the discovery of numerous artisanal gold workings. Some of these workings were thought to lie within the Concession Contract area (JA4-14001). During this first program, contact was initiated with the local surface rights owners and municipal officials as part of an engagement process with the resident community. The second program included site visits to many of the local artisanal workings and geological mapping of the principal access roads within the Concession Contract area. The third program was designed to study, in more detail, some of the known mineralized zones and to relate this information to the favourable structural features observed along the access roads and elsewhere within the Concession Contract. This third program was also designed to lay the groundwork for a more extensive follow-up field program.

6.3 Ownership History

There is no indication that any formal ownership of the mineral rights within the Project area have previously been granted. The mineral rights within the Quebrada Project are held or applied for by Colgems Ltda. C.I and Minera QG S.A.S. for the contract and by Colgems Ltda. C.I. for all of the applications as described previously in Section 4.0 of this report.

There are numerous artisanal miners who have carried out small mining operations within the Project area and some that are currently active. These operations are not legally registered with the government and there are no available historical records of their production history.

7.0 Geological Setting and Mineralization

7.1 Geological Setting

7.1.1 Regional Geology

The Andean fold belt in the western part of Colombia comprises three north-northeastward trending, arcuate mountain ranges, the Western, Central and Eastern Cordilleras separated by two tectonic depressions and related regional scale fault zones (Figures 1, 5 and 6). The Quebrada Grande Project is located at the extreme northern end of the Central Cordillera where it is referred to as the Serranía de San Lucas (San Lucas Mountain Range). It is flanked on the east by the Magdalena River Valley and on the west by the Cauca River Valley. These ranges were formed as a result of tectonics associated with the convergence of the Nazca, South American and Caribbean plates (Figure 5). This “triple point” convergence along with an oblique collision direction between the Nazca and South American plates resulted in a very complex geological setting that is best described by referring to structural realms as opposed to simple geological lithologies (Cediel, et al, 2003). Using this approach, the Quebrada Grande Project lies within the Central Continental Sub-plate Realm (CCSR), a “realm” formed by accretion of large, older geological terranes upon younger basement rocks and subsequently intruded by large igneous bodies (Figure 5).

This part of the CCSR was formed from two geological terranes (Cediel, et al, 2003), the Proterozoic aged Chicamocha Terrane (granulite, gneiss – labeled CR, EC, sl & lb on Figure 5) on the east and the Paleozoic aged Cajamarca-Valdivia Terrain (pelitic & graphitic schists, ampibolites, intrusive rocks, ophiolite labeled CA-VA on Figure 5) on the west. The two terranes are juxtaposed along the Palestina Fault Zone, a major north-south trending structure that has been active since Proterozoic times. This fault is a long-lived and deep-seated structure that is part of a fault system that extends from northern Colombia to southern Ecuador. A number of large, intrusive bodies have been emplaced along the Palestina Fault system. These intrusive bodies have been dated as Triassic to Jurassic in age and are thought to be genetically related to the subduction of the Nazca plate (formerly part of the Pacific oceanic plate). They are all of calc-alkaline affinity, metaluminous and of the magnetite series (Sillitoe, 2008). The most significant feature of these batholiths as well as the intruded Proterozoic and Paleozoic complexes is that they all have a strong affinity to host significant gold mineralization. These batholiths include the Zamora Batholith in southern Ecuador, the Ibaque Batholith in central

Colombia and the Segovia Batholith in north-central Colombia. All of these batholiths have historically produced significant amounts of gold.

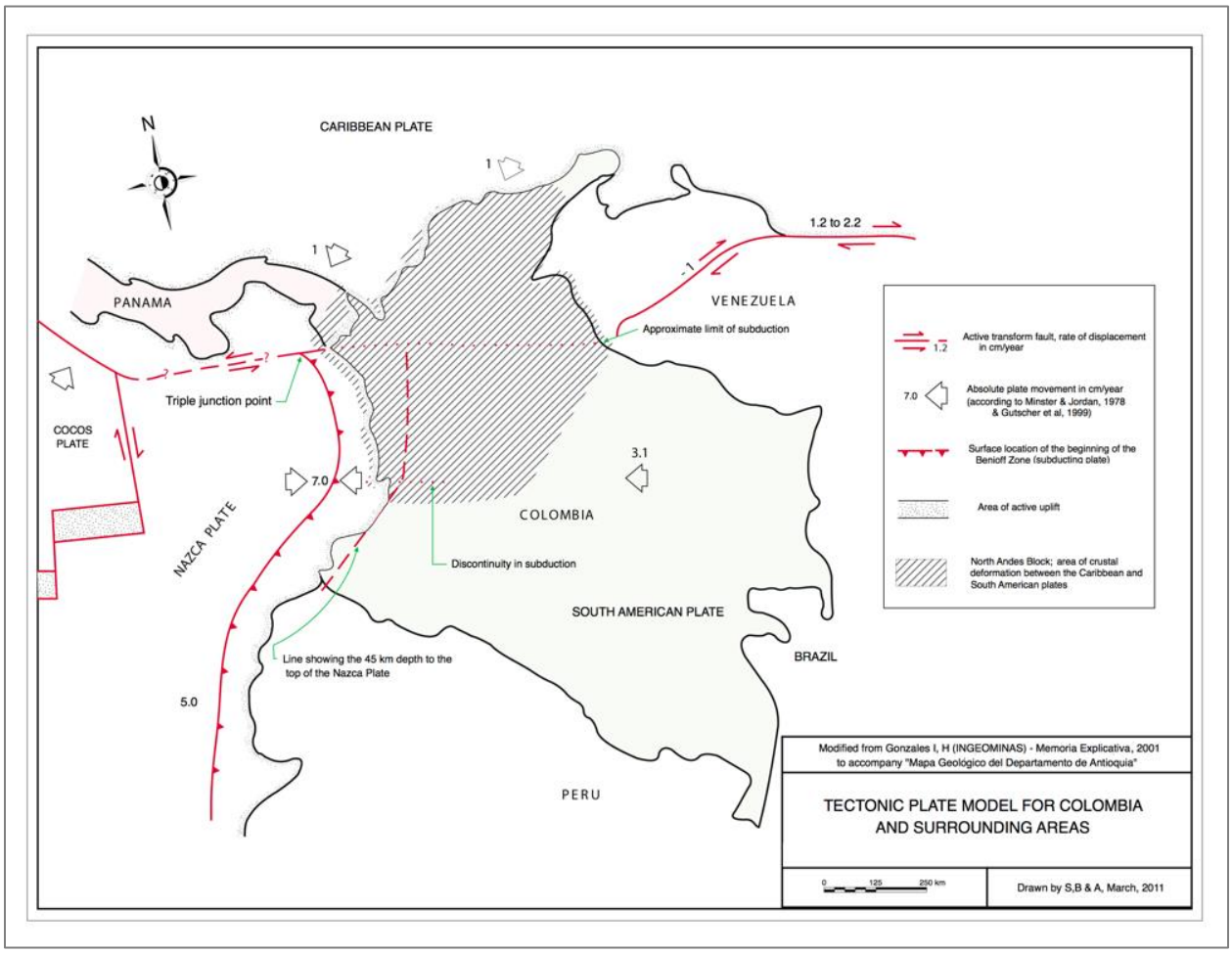

Figure 5 Tectonic Plates of the Northern Andes

The Quebrada Grande Project is located in the north-central part of the Segovia Batholith, an oval shaped intrusive complex that measures approximately 250 km (north-south) by 75 km (east-west) as shown in Figures 7 and 8. This composite batholith is dominantly tonalite to diorite in composition. It includes large rafts, blocks and regional scale belts of metasedimentary and lesser metavolcanic rocks of Proterozoic to Paleozoic age. It also includes an intermittent northwest trending belt of younger Cretaceous aged sedimentary and volcanic rocks. It is cut on the west side by a swarm of north-south trending transpressional faults including the regional scale Palestina Fault and several parallel major branches or splays. The eastern side of the batholith has been cut by numerous northeast – southwest trending, right-lateral, strike-slip faults that appear to terminate at the Palestina Fault Zone. The north-

south faults are considered to be important in the development of most of the known, larger gold deposits in the Segovia area and this corridor on the west part of the batholith forms what is referred to as the Segovia Gold Belt. The eastern half of the Segovia Batholith east of the Palestina Fault is referred to as the Norosi or Oriental Batholith. Many other gold deposits are spatially associated with the northeast trending faults that dominate the Norasi Batholith. Much less information is available on deposits in this area because of limited access and the limited government funding for geological studies in Colombia.

Individual deposits within the Segovia Gold Belt are hosted by quartz veining that is typically associated with 2nd and 3rd order fault zones and other structures (dykes, fracture zones) that have developed between the major north-south trending faults. The best known historic gold production within the batholith comes from the Segovia gold deposits (Segovia Operations), a cluster of five major deposits and twenty six lesser deposits that have collectively produced in excess of 5.5 million ounces of gold since production commenced in 1852 (see section 23.1, Adjacent Properties for details). These deposits are hosted by quartz veins that are located between the Otú and Nus Fault Zones (Figure 16), two north-south trending faults that are related to the Palestina Fault. Most of these mineralized zones are developed along structures that are northeast to east-west trending, or at least oblique to the north-south trending faults. In the eastern half of the Segovia Batholith, i.e. in the Norosi Batholith, known gold mineralization, also appears to be associated with major northeast trending fault zones. These fault zones are thought to be coincident with northeast trending drainage systems such as the Quebrada Grande and Quebrada Santa Maria which cross the Quebrada Grande Project.

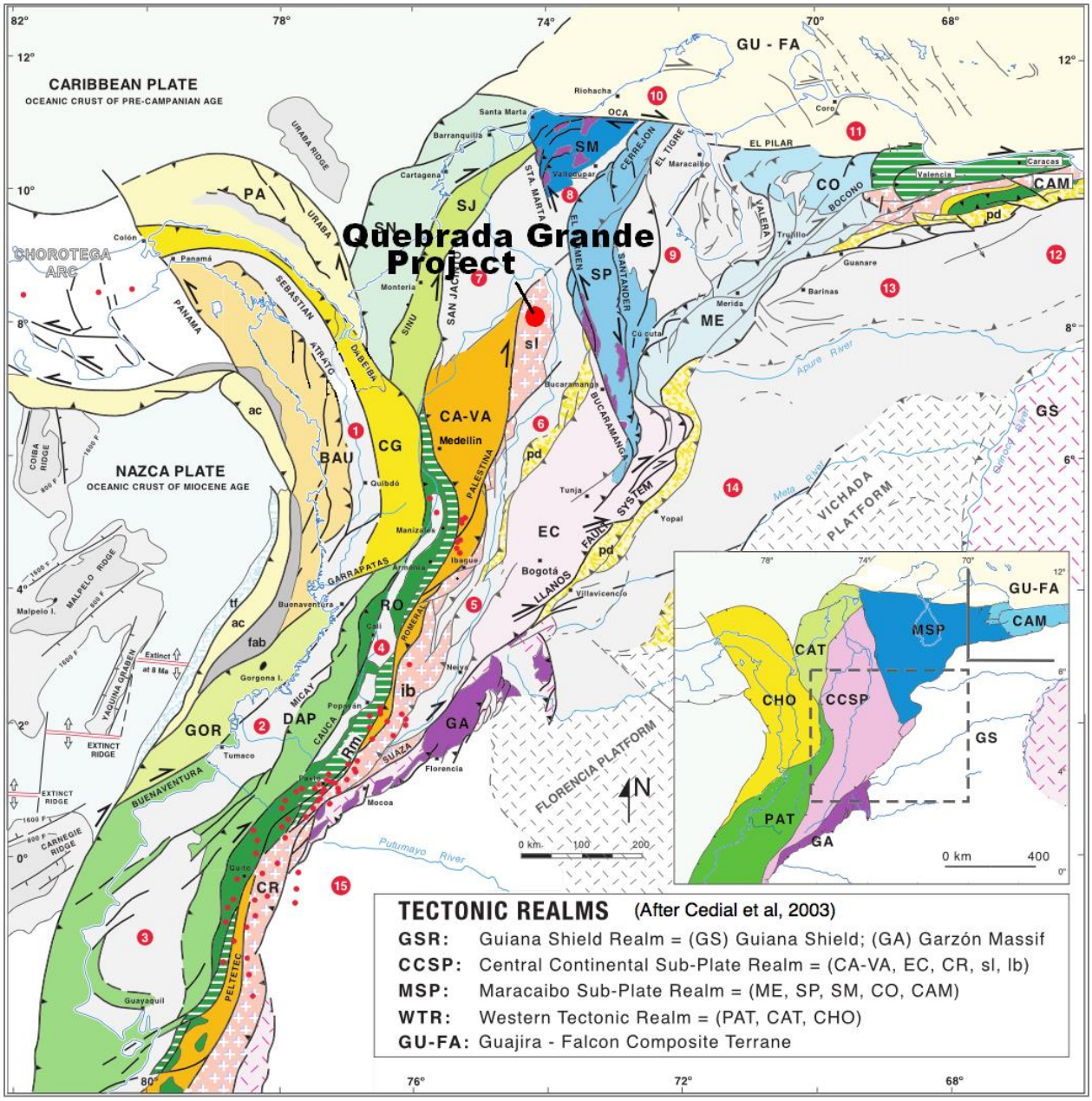

Figure 6 Tectonic Realms Map

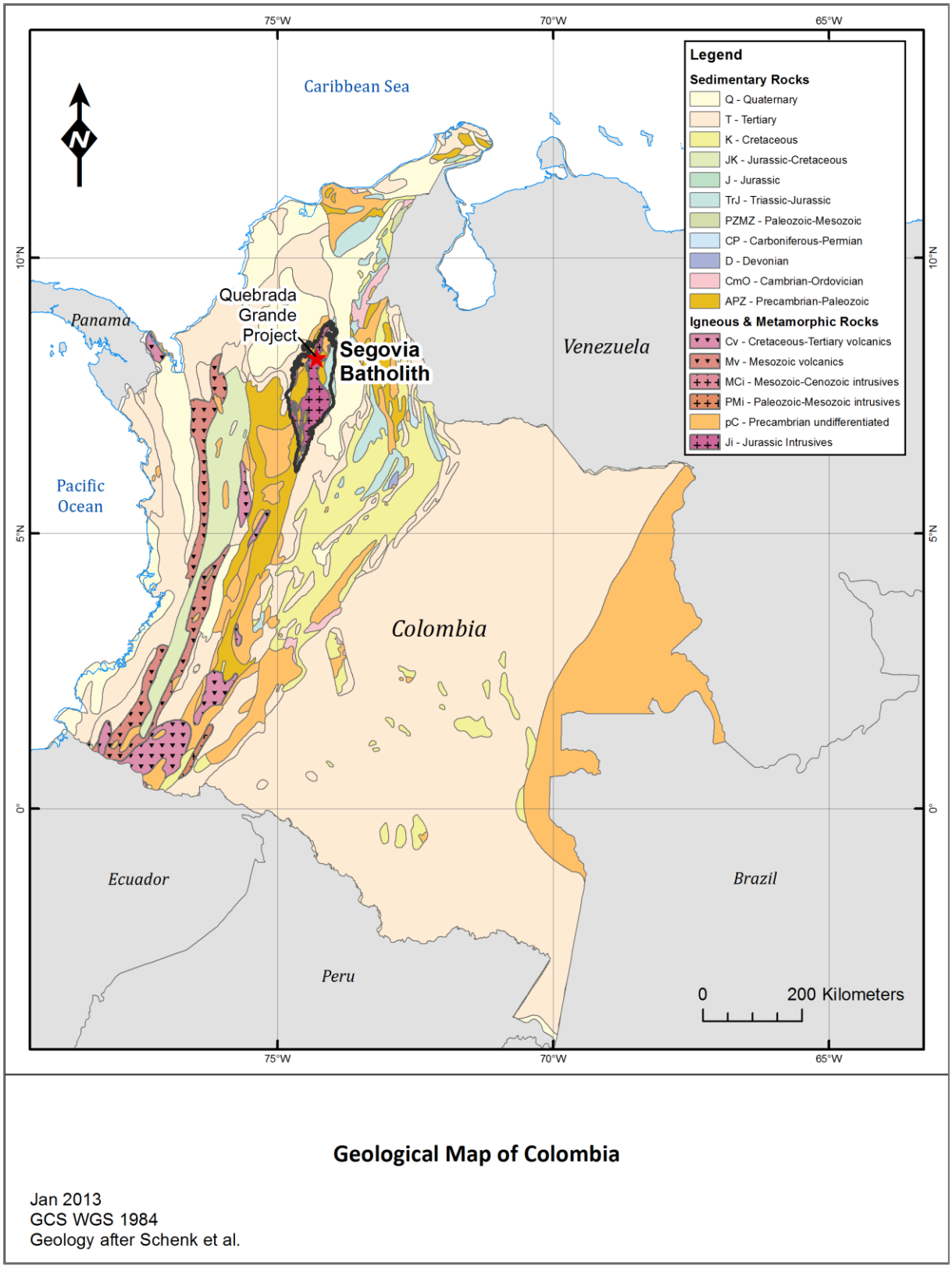

Figure 7 Geological Map of Colombia

7.1.2 Local Geology

The most detailed published geological information that includes the Project area is a 1:000,000 scale geological map of the Department of Bolivar produced by INGEOMINAS for the Colombian Government (Ballesteros, 1983). The geological units from this map have been superimposed, with slight modification, on a shuttle radar topographic basemap of this area (Figure 8). This map shows that the Segovia Batholith is divided by the north-south trending Palestina fault system. Major north-south lineaments, which are coincident with the Palestina fault system, very clearly dominate the western half of the Batholith. The Quebrada Grande Project lies entirely within the eastern half of the Batholith where the dominant lineament trend is northeast. In this area, the bedrock is composed mainly of Jurassic aged diorite, granodiorite and other related igneous rocks as well as isolated lenses of Paleozoic aged metamorphic rocks. Along its eastern contact, the batholith is overlain by slightly younger, Jurassic aged andesitic volcanic rocks. The andesite also occurs as local outliers and the granodioritic rocks locally occur as inliers within the shallow andesitic cover rocks. In the Project area there are also many smaller northwest and east-west trending lineaments identifiable on the shuttle radar basemap. These lineaments appear to represent secondary faults and shear structures that may have developed as a result of movement along the regional scale Palestina Fault system. This movement along with other tectonic activity had the potential of creating extensional openings and channel ways for mineralizing fluids as well as structural hosts into which the mineralization, including gold, may have been deposited (Figure 8 and 10).

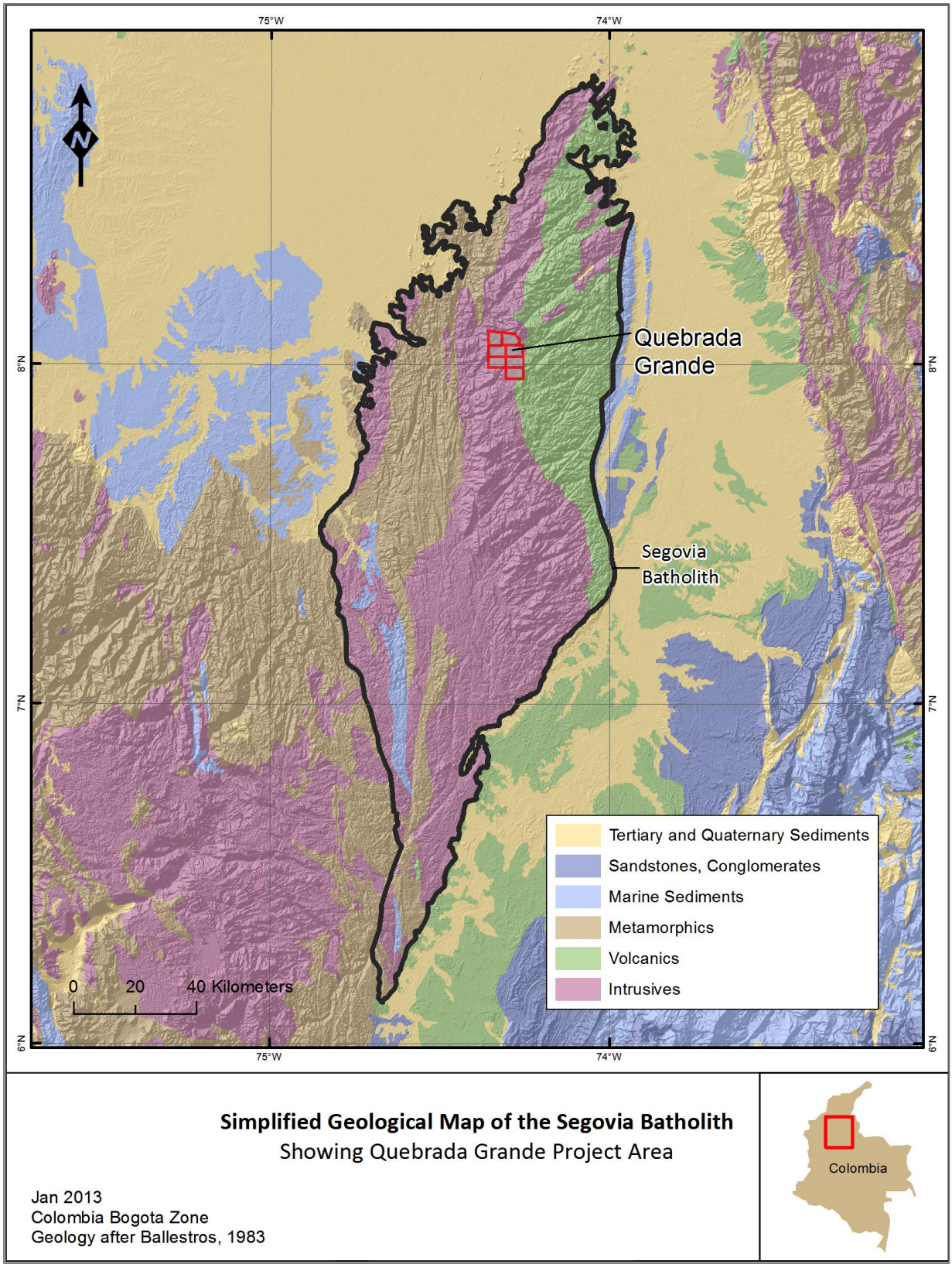

Figure 8 Simplified Geological Map of the Segovia Batholith

7.1.3 Quebrada Grande Project Geology

Sears, Barry & Associates Limited is not aware of any published detailed geology or lithologic descriptions covering the Quebrada Grande Project area. According to the most recent geological map published by INGEOMINAS, (Ballesteros, 1983), most of the Project area is underlain by batholithic rocks dominated by diorite and quartz diorite with local granitic phases. These rocks are overlain on the east side, and locally, by a shallow cover of andesitic volcanic rocks. Dykes and small bodies of andesitic composition occur locally within the batholith. Many of these are assumed to be feeders for the eastern band of andesitic rocks. These cap rocks may have been more extensive within the Project but have been eroded off. Other dykes that are more felsic in composition occur locally.

The available geological maps are very generalized, mostly based upon interpretation of aerial photography. Observations from the current work program in the southeastern part of the Quebrada Grande Project area, indicates that most of the rocks that make up the batholith have been deformed, fractured, intruded by dykes and veinlets and extensively altered. These features are widespread and locally affect the andesitic volcanics that cover the eastern part of the batholith. It is obvious that there has been an igneous event that postdates the Jurassic aged volcanic rocks or at least an event that occurred towards the end of the volcanic episode. It is highly probable that this area, like the younger Antioquia Batholith to the west of the Segovia Batholith, contains local igneous centers that had the potential for generating large hydrothermal systems and associated mineralization.

The dominant structural features within the Quebrada Grande Project are the northeast trending faults. These appear to be expressed physiographically as major drainage systems. Quebrada Grande and Quebrada Santa Maria are the major drainages of this type although there are several others that are less obvious, particularly in the southern part of the Quebrada Grande Project area. In addition, at least two east-southeast trending linear features represented by Quebrada San Vicente in the north part of the Project and by Quebrada Salto in the south, may represent fault structures in bedrock. Figure 9 presents the only available published geology of the Quebrada Grande Project. The gold occurrences (artisanal mine sites) shown on this figure have been obtained from information supplied by the vendors (Colgems). The precise locations of these have not yet been verified by the author or RedLion and therefore should not be relied upon.

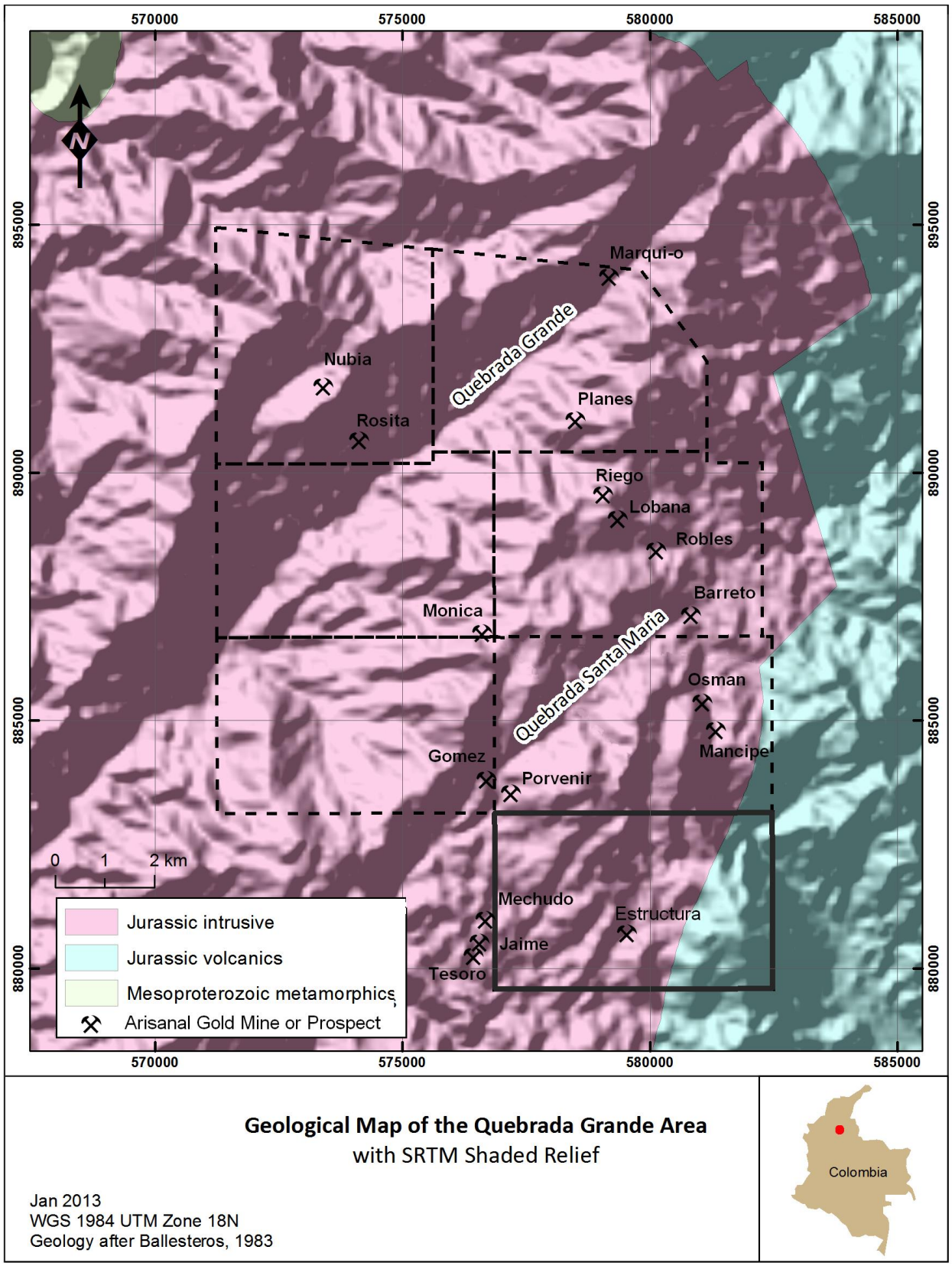

Figure 9 Geological Map of the Quebrada Grande Area

7.2 Mineralization

Most of the known gold mineralization in the Quebrada Grande Project area is associated with quartz veins and silicified breccia in granodioritic intrusive rocks and andesitic volcanic rocks. The veins range from cm scale to in excess of 1.5 m in width. The strike of the veining is highly variable with no preferred orientation confirmed at this early exploration stage. Some of veining associated with the better gold values trends between 060° and 070˚; however, east-west, north-south and northeast-southwest veining has also been observed. The veins are typically rather steeply dipping. Gold is also associated with stockwork veining and occurs within the matrix of large breccia zones. The gangue consists of crystalline, layered and comb quartz with lesser calcite, ankerite and chlorite. Occasionally, the vein zones are associated with fine grained mafic to felsic dykes.

The known gold bearing breccia zones range from a few meters to >30 meters in width and in excess of 100 meters in length. The actual length has not been determined at this stage. They are accompanied by quartz-diorite dykes and dyke swarms that are thought to be associated with the overlying volcanic rocks that are prevalent in the southeastern part of the Project. Gold mineralization is often associated with sulphides including pyrite, chalcopyrite with rare galena and sphalerite all of which occur as patches, streaks and occasional massive bands within the matrix of the breccia as well as in streaks along the margins of the veins. Analytical data from samples indicates elevated accessory minerals include bismuth and tungsten. Silver occurs with the gold in both vein and silicified breccia in variable amounts, but seldom greater than a 5:1 ratio.

The wallrocks that host the gold bearing veins are extensively fractured and often cut by a network of narrow dyklets and veinlets of various compositions (quartz-chlorite-manganese-diorite-felsite). Argillic and pyritic alteration are typically pervasive. Some of the veining and breccia zones that have been discovered to date lie within large areas of argillic, sericitic and oxidized material with extensive manganese and tourmaline along fractures and in veinlets.

8.0 Deposit Types

Most of the Quebrada Grande Project is underlain by a granitic batholithic and local overlying andesitic to rhyolitic volcanic rocks. The volcanic rocks are likely to have their origin from a late stage and highly evolved igneous body that is associated with but slightly younger than the batholith. This intrusive body appears to have generated a strong hydrothermal system in the Project area. The observed mineralization consists of various styles including veins, stockwork and hydrothermal and tectonic breccia, often associated with fault structures and locally felsic to intermediate intrusive bodies (sills and dykes). Alteration of the wall rocks is primarily argillic in nature. Epithermal textures are rare in the veins observed. The mineralized breccia that was observed has a very vuggy matrix. The Au mineralization is accompanied by elevated Ag, Cu, W, Bi and Fe, the latter in the form of pyrite when in the breccia and oxides when in the surrounding rocks.

Many of the known gold deposits that are hosted within the Segovia Batholith have been classified as Orogenic Type Gold Deposits as described by Groves et al (1998) and shown in Figures 10 and 11. As exploration increases in the area, new geological understanding and new mineral deposit discoveries suggests that this model does not apply to all deposits. Some mineralization styles may be explained by a combination of Orogenic Type Gold and Intrusion Related Gold Deposits, the latter described by various authors including Baker (2003) and Sillitoe (1991). Together these models reflect the orogenic or back-arc depositional environment that appears to fit the geology of the Quebrada Grande Project as well as account for the relatively deep depositional style and the association with a composite, granitic pluton.

Some of the vein textures and breccia style mineralization observed on the Quebrada Grande Project are more indicative of the Epithermal Environment, with mineralogy that is suggestive of Intermediate Sulphidation subclass (Hedenquist et al, 2000; Corbett, 2008; Heald et al, 1987). There is strong evidence in this area for the existence of buried porphyry systems which may have been the drivers for the gold mineralizing system. There is likely to have been considerable overprinting of mineralization in this environment, leading to the possibility of a diversity of related deposit types (Leach & Corbett, 2008). These include fault related lode-vein-type as well as breccia and alteration-zone type gold that might be associated with porphyry type hydrothermal systems. The wide topographic gradient in the Project Area (1400 to 1500 meters range) allows for exposure of a wide range of mineralization styles.

There are considerable differences of opinion amongst geologists as to the classification of the various styles of mineralization into one distinct geological model. The Quebrada Grande Project is at a very early stage of exploration and there is very little available mineralogical data or geological information for this part of Colombia. For this reason, it is premature to propose one definitive deposit type for the mineralization found within the project area.

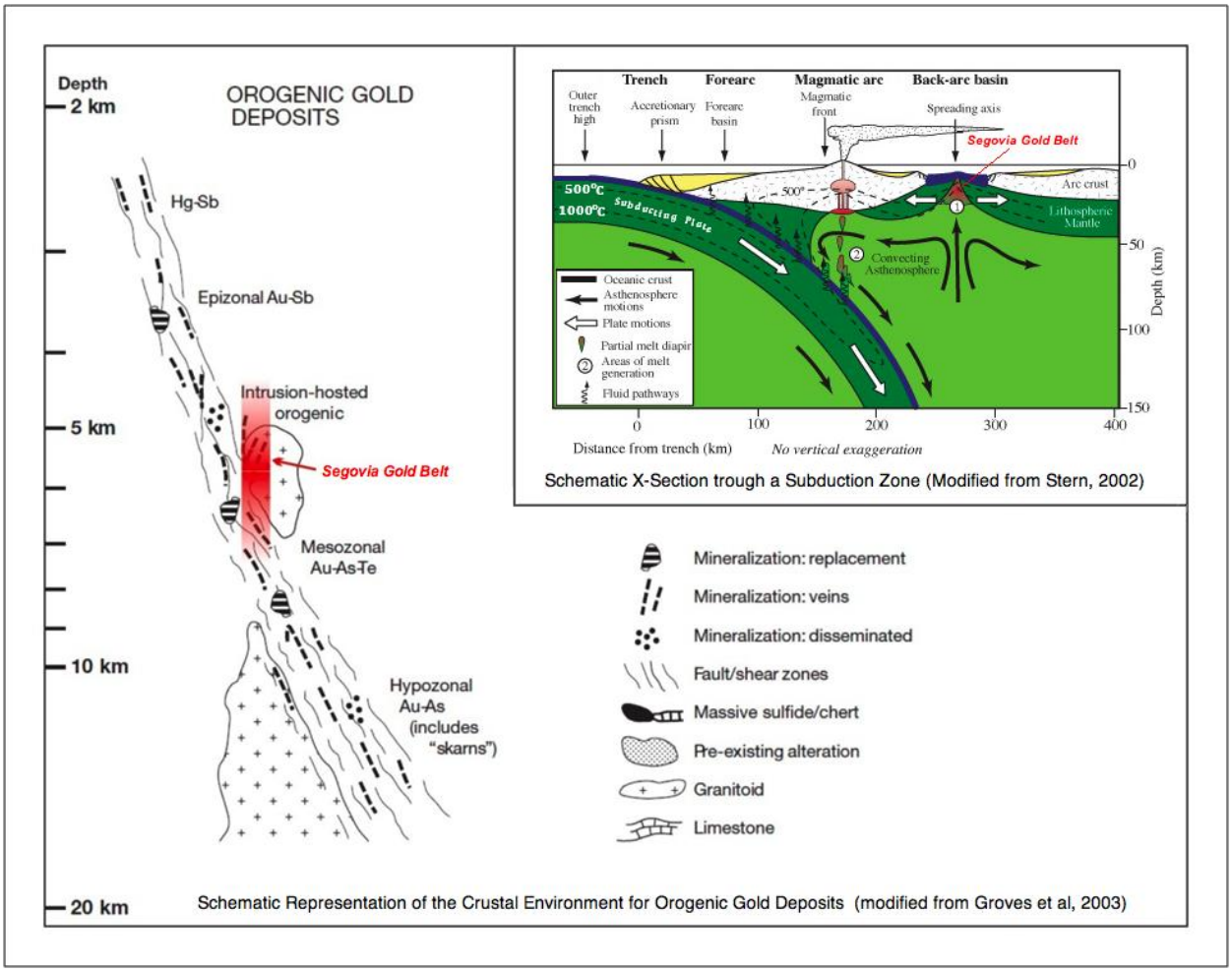

Figure 10 Crustal Environments for Hydrothermal and Orogenic Gold Deposits

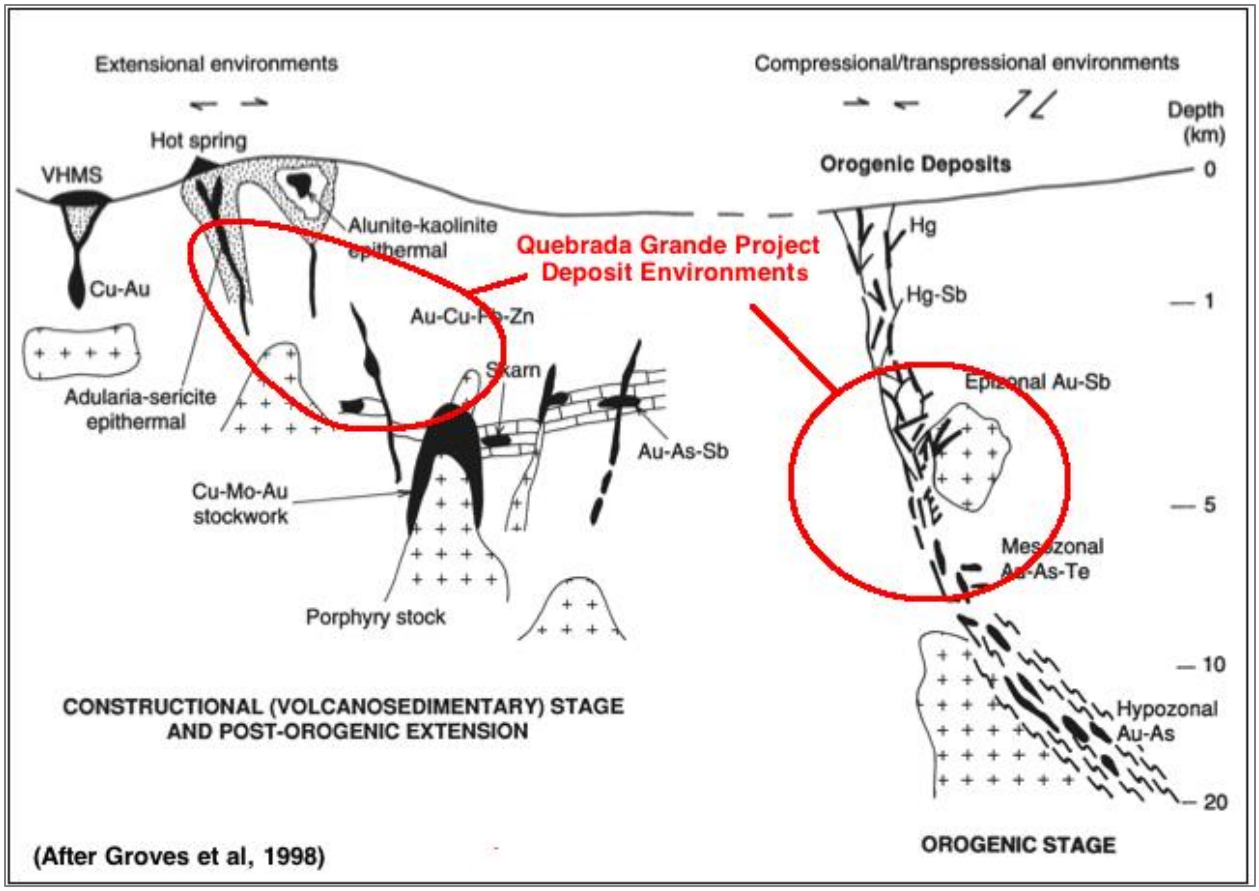

Figure 11 Crustal Environments for Hydrothermal Gold Deposits

The known mineralization on the Quebrada Grande Project has attributes that are typical of both vein and stockwork-type deposits and is possibly related to a nearby porphyry system. The zones share some of the features associated with lode-type vein deposits and some features that are more commonly associated with intrusion related structures. As a result they have a broad range of attributes, some of which are shared by both deposit types (Groves et al, 2008; Baker, 2003; Sillito, 1991; Rowlands and Simmons, 2012). These include:

- Occur as moderately to steeply dipping, fault controlled permeable structures in an extensional and/or extensional shear environment (or at least locally extensional).
- Range in strike length from 300 to over 8,000 metres.
- Range in width from 0.5 to over 50 metres.
- Vertical range from 300 – 1,500 metres.

- Typically form at temperatures > 200˚C.
- Typically form at depths of from 1,000 to 8,000 metres
- Low to moderate grade mineralization.
- Associated metals include Cu, W, Sb, Bi, As, Ag.

9.0 Exploration

The 2012 work program carried out by RedLion was designed to evaluate the potential for the discovery of an economic gold deposit within the boundaries of the Quebrada Project area. Initially, all available data was acquired and digitally compiled. The field program was focused on the southeastern concessions within the Quebrada Grande Project, Concession Contract JA4-14001 and the applications JA4-14041 and JA4-14081. The exploration was carried out by Colombian personnel under contract to RedLion between October and November, 2012 with the bulk of the field-work being completed in November. The field crew consisted of two geologists, Jaime Alberto Camacho and Fabio Viana, and a support team based out of the town of Santa Rosa del Sur under the supervision of Project Manager Luis Gabriel Correa. The fieldwork was accompanied by consultation and information sessions with the local community as part of a general program aimed at nurturing an ongoing mutual working relationship with the residents of the area.

The reconnaissance scale program included preliminary geological mapping, prospecting, rock sampling and limited stream sediment sampling. The work was concentrated along access roads, trails and streams. Access was by vehicle between Santa Rosa del Sur and the Project and then by foot, mule or moto-bike within the Project area. Due to the long travel time between Santa Rosa del Sur and the Project area, temporary overnight accommodation was necessary in local ranches within the concessions and in the small village of Villa Flor near the southern boundary of the Project area. The focus was to locate some of the artisanal workings located within or in close proximity to the Project as well as to examine the local geology to assess its overall mineral potential.

9.1 Reconnaissance Geological Mapping

The geological mapping was strictly reconnaissance in nature, involving 30 traverses along roads, trails and streams. The dominant rock types in the area examined are granodiorite and andesite. These are described, in summary, below.

- **Granodiorite**: Medium to coarse grained, phaneritic, grey to pinkish grey, containing biotite and hornblende, locally quartz-rich, often highly fractured and cut by dykelets and

veinlets of various compositions (quartz diorite, limonite, argillic material, quartz); considered to be Lower Jurassic in age.

- **Andesite**: Mainly composed of lavas and tuffs; dark green to gray, aphanitic to coarse grained, locally fragmental; unconformably overlying the granodiorite, locally magnetic, hard and compact; considered to be Lower Jurassic in aged, but younger than the batholith.
- **Andesitic hypabyssal rocks**: Porphyritic texture, aphanitic matrix with plagioclase and locally anhedral to rounded quartz (quartz eyes), light gray to dark green to black, occurs as dykes and veins, compact, magnetic; assumed to be same age as volcanic andesite but may be slightly younger in some instances, Lower Jurassic.

A preliminary geological map of the area examined is shown as Figure 12 (Camacho, 2012). Based upon very minimal data, the area is underlain by granodiorite with the exception of the extreme southeast corner, which has a shallow cover of andesite. Because of the reconnaissance scale of the mapping, local, narrow andesitic dykes are not presented on this scale of map. The granodioritic rocks are described as being highly fractured and thought to be intensely affected by a subvolcanic intrusive body that was likely the source of the andesitic feeder dykes and overlying volcanic rocks.

During the work program, four active artisanal workings were examined along with several abandoned workings and other areas of alteration and intense veining. Two of the active workings, Osman and Robles-Mancipe and the abandoned Ramiro are contained within the Quebrada Project area. The other two, Mechudo and Tesoro are immediately adjacent to the Project area on the southwest side. Brief excerpts from the descriptions of the Osman and Ramiro, translated from Spanish, are below:

- **Osman:** Tunnels can be seen in bodies of porphyritic andesite. Locally, the andesite is discordantly resting on granodiorite of the Norosi Batholith. The andesite reaches thicknesses of tens of meters. Dykes of andesite are also observed cutting the granodiorite. Structurally there is a strong jointing of the rock mass with intense fracturing (strike 60°, dip 70° SE; conjugate set at 120°-150°, dip 80° SW). The zone may be considered as a "stockwork like" type epithermal deposit; mineralization includes pyrite and chalcopyrite with associated gold and silver. Alteration includes quartz-sericite, iron oxides, manganese and tourmaline. The mineralized area is observed at

least 80 m long and 40 m wide, but the limits are unknown since the surrounding areas are covered with vegetation and soil.

- **Robles**: The geological setting in this area is similar to the Osman. Tunnels are driven into porphyritic andesite as well as oquerosa silica (vuggy textured); mineralization includes pyrite, chalcopyrite; alteration is quartz-sericite, oxides and manganese; the material as well as surface weathered rock are being mined with water hoses and traditional gravity/amalgam/cyanide treatment.
- **Gomez**: Although abandoned, exploitation at Gomez appears recent; water pressure washed workings are on a broad mound of rock where is exposed a zone of stockwork veinlets with quartz, iron and manganese oxides, encased in breccia-textured, saprolitic, granodiorite rocks and intense argillic and silicic alteration. There are at least two tunnels with sericite and quartz veins and narrow andesitic dikes, with joints filled with iron and manganese oxides; there is also a well-developed stockwork in the host rock, mainly filled with manganese oxides. The main direction of jointing and veinlets is 090°/vertical, with satellite joints at 300°/70°, 060°/ 067°.
- **Mechudo and Tesoro**: Both of these artisanal mines are located off the Project to the west. In the Tesoro mine area was found alluvial mining adjacent to several abandoned tunnels which could not be entered due to cave-ins. The rocks that lay piled outside tunnels and ready to grind and process for gold are sericitic quartz veins and silicified porphyritic andesites with nearly 10% sulphides, iron crusty andesites (iron oxide coated) and cryptocrystalline quartz. The surrounding geology was only briefly examined in road cuts, where it is primarily unaltered, saprolitic granodiorite. The Mechudo mine, adjacent to the El Tesoro mine has the same geology and mineralization.

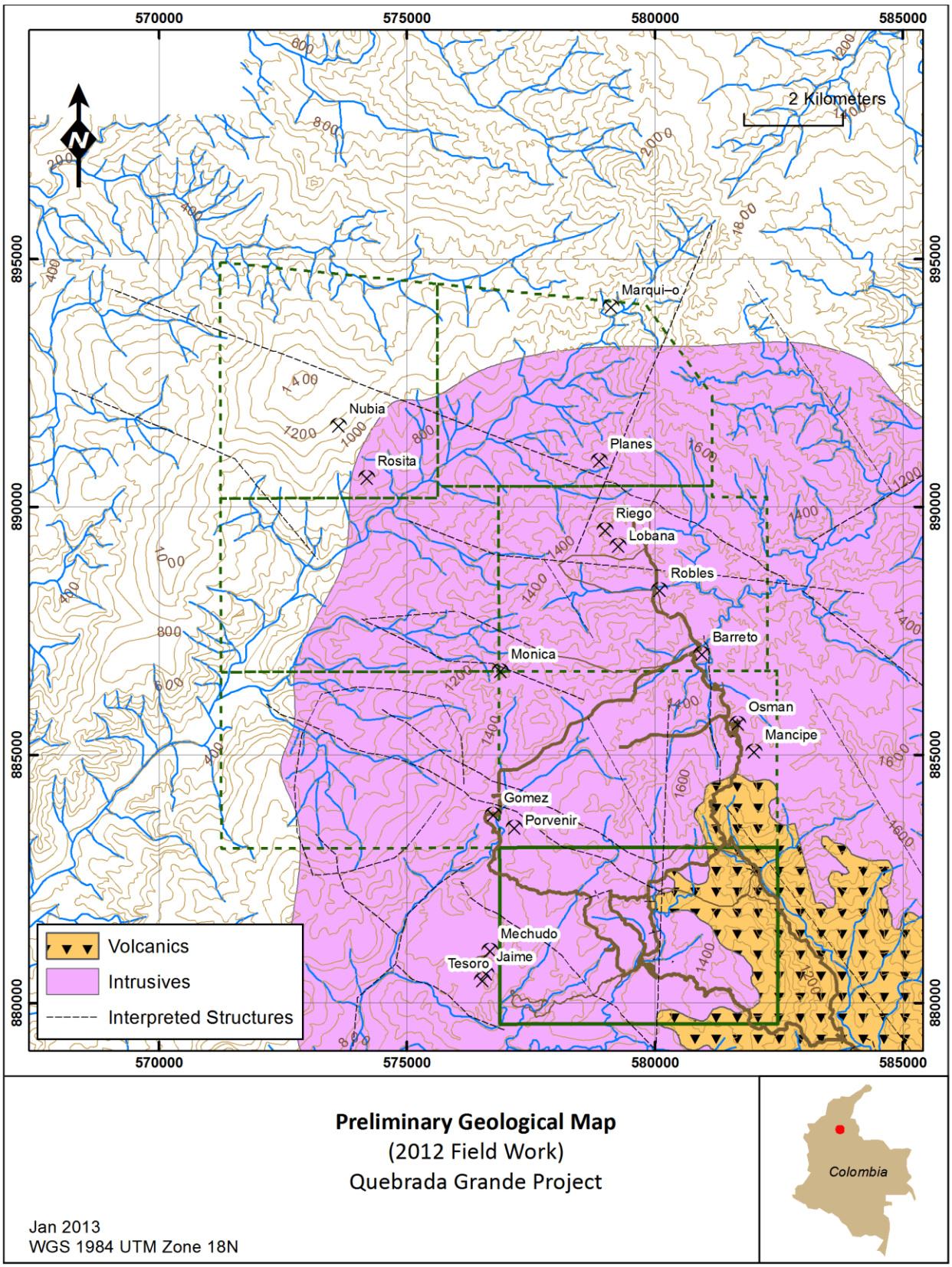

Figure 12 Preliminary Geological Map (2012 Work Program)

9.2 Prospecting and Rock Sampling

The reconnaissance scale program included prospecting, preliminary geological mapping and rock sampling. The work was concentrated along access roads, trails and streams and was designed to obtain a preliminary evaluation of the Quebrada Grande Project area potential to host economic gold deposits. Access to the Project area was by vehicle from a base in the town of Santa Rosa del Sur and then on foot or mule to the more remote parts of the Project. A total of 25 rock samples, were collected and have been analyzed using fire assay for Au and a multi-element ICP package. The rock samples are either grab (point source) or channel samples and are considered representative for the small areas that they represent. See Table 8.

Assay results for gold in the rock samples ranged from <0.05 ppb to 28.2 g/t. Figure 13 shows the location of the rock samples collected along with some of the better assay results. The following descriptions are summaries of some of the more significant targets identified to date.

For more details on collection and analytical procedures, please see Section 11.0.

Table 8 Rock Sampling - Red Lion 2012 Work Program

Rock Sampling - RedLion 2012 Work Program							
Samp. No.	**Easting**	**Northing**	**Elevation (m)**	**Au ppm**	**Ag ppm**	**Area/Prospect**	**Description**
R-01351	581,651	885,578	1,397	4.93	5.1	Osman	1.0 m Channel chip, UG; Bx, andesite
R-01352	581,651	885,578	1,397	0.78	0.8	Osman	Composite grab, UG, Bx, andesite
R-01353	581,651	885,578	1,397	0.38	<0.2	Osman	Composite grab, UG, Bx, andesite
R-01354	581,676	885,656	1,408	0.51	<0.2	Osman	Composite grab, surface pit, Bx, andesite
R-01355	581,663	885,644	1,409	1.99	0.7	Osman	Composite grab, surface pit, Bx, andesite
R-01356	581,663	885,644	1,409	2.45	0.7	Osman	Composite grab, surface pit, Bx, andesite
R-01357	581,544	885,394	1,437	0.01	<0.2	Osman	Composite grab, granodiorite, oxidized
R-01358	581,985	882,663	1,222	0.02	<0.2	Powerplant	Grab, silicified, fine grained, andesite dike
R-01359	581,985	882,663	1,222	0.02	<0.2	Powerplant	Grab, andesite volcanic
R-01360	579,115	882,259	1,362	0.02	<0.2	Barreto Breccia	1.0 m chip,brecciated, granodiorite, oxides
R-01361	579,875	882,066	1,322	0.01	<0.2	Barreto Breccia	Grab, andesitic volcanic or dike
R-01363	580,012	881,418	1,304	0.01	<0.2	Barreto Breccia	Grab, brecciated granodiorite, veinlets
R-01364	576,734	883,437	1,187	25.5	11.7	Gomez	Grab, silicified granodiorite, muck pile
R-01365	576,740	884,171	1,256	28.2	4.9	Gomez	Composite grabs, stockwork qtz, granodiorite
R-01366	waste pile sample					Gomez	Waste pile sample
R-01367	576,867	884,165	1,235	0.21	0.4	Gomez	Grab, muckpile, 60 cm qtz vein
R-01369	576,703	883,826	1,190	0.17	0.3	Gomez	1.0 m channel, stockwork, granodiorite
R-01370	580,341	880,837	1,272	0.01	<0.2	Center of Claim	0.8 m channel, granodiorite with qtz veinets
R-01371	579,975	880,890	1,275	0.01	<0.2	Center of Claim	Composite grabs, dacite, silicified
R-01372	576,519	880,468	1,152	8.11	4.2	Mechudo	0.7m channel, qtz in silicified andesite
R-01374	576,674	881,059	1,148	7.49	4	Tesoro	1.0 m channel, qtz in silicified andesite
R-01375	580,130	881,019	1,213	0.02	<0.2	Center of Claim	Grabs, silicified veinlets, oxides, dacite
R-01376	576,703	883,834	1,190	10.1	14.4	Gomez	Grabs, 30 cm qtz vein in granodiorite
R-01377	unknown location			0.02	<0.2	unknown	May be located outside of Project
R-01378	580,135	881,088	1,237	0.01	<0.2	Center of claim	Grabs, oxidized granodiorite with qtz veinlets
R-01379	582,300	882,194	1,136	0.07	0.8	Northeast	Chips over 0.7 m, silicified granodiorite
R-01362	Duplicate Sample			0.45	<0.2	R-01354	Duplicate of Sample R-01354
R-01368	Blank			0.03	<0.2		Blank
R-01373	Standard OREAS 152a			0.12	0.6		Certified value 116 ppb Au

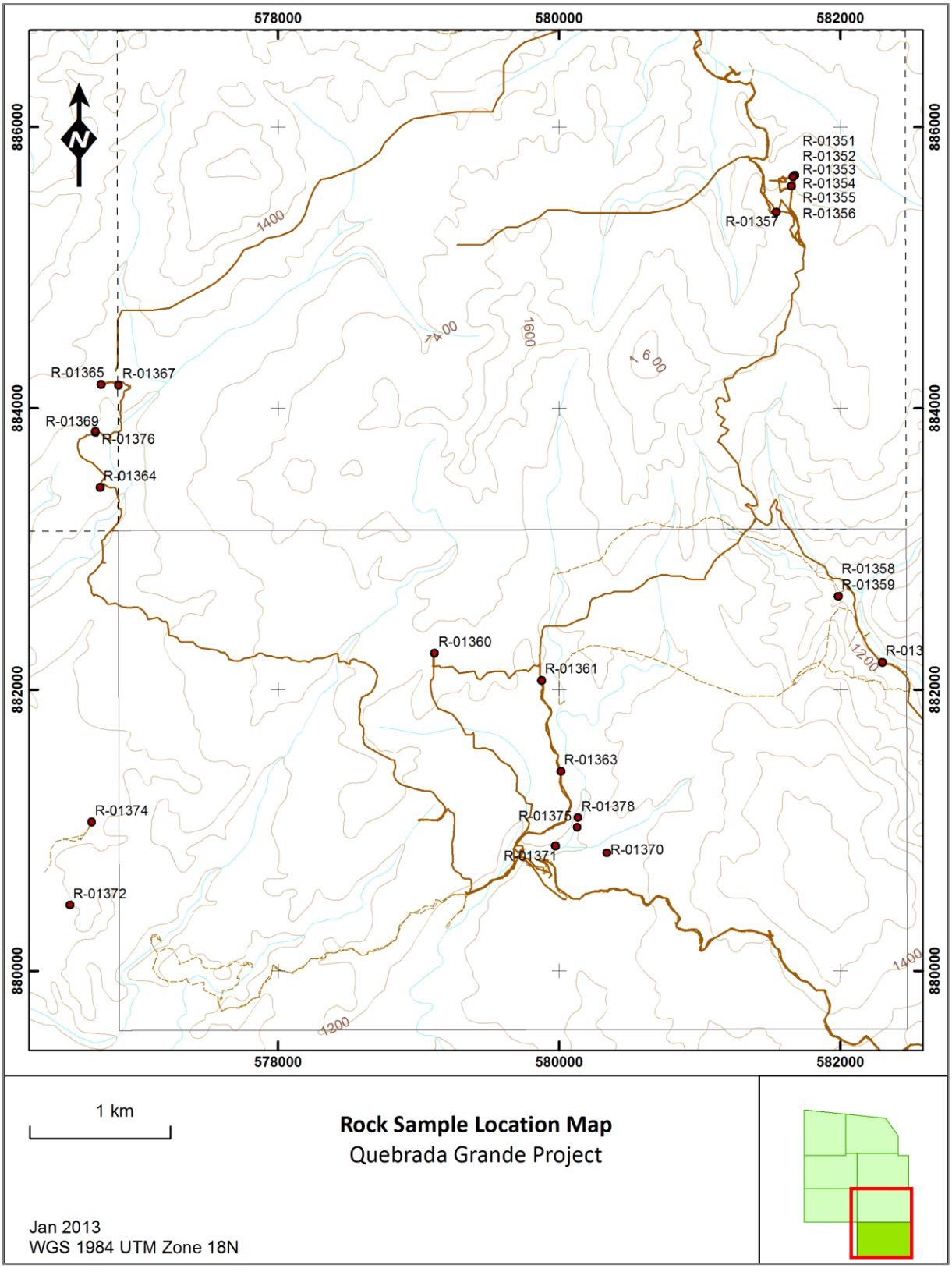

Figure 13 Rock sample Location Map

9.3 Stream Sediment Sampling

A total of 15 stream sediment samples were collected and submitted, along with 2 quality control samples for analysis for gold by fire assay as well as a 35 element ICP analysis. The samples were collected from accessible streams draining areas considered to be geologically favourable for hosting gold mineralization. Assay results for gold in the stream sediment samples ranged from <0.1 ppm to 0.49 ppm (ppm is equal to g/t). Table 9 presents the UTM Grid locations and the assay results for Au and Figure 14 shows the location of the stream sediment samples collected along with some of the better assay results. For more details on collection and analytical procedures, please see Section 11.0.

The most significant results from the stream sediment sampling within the principal concession are 3 samples that align along a northeast direction (40 ppb in the south-center of the concession; 60 ppb in the north-center and 40 ppb in the northeast). These indicate that there is a strong probability of undiscovered gold mineralization within the northeast rending corridor, and further work should be carried out. Two other highly anomalous gold samples (490 and 250 ppb Au) occur further to the north in the Project area.

Table 9 Stream Sediment Samples - Red Lion 2012 Work Program

Stream Sediment Samples - Red Lion 2012 Work Program					
Sample No.	**Easting**	**Northing**	**Elevation (m)**	**Au ppb**	**Ag ppm**
SS-0251	580,003	882,876	1,312	20	<0.2
SS-0252	580,071	881,941	1,250	60	<0.2
SS-0253	579,967	880,905	1,262	10	<0.2
SS-0254	577,863	881,207	1,172	10	<0.2
SS-0255	581,356	886,455	1,325	250	<0.2
SS-0257	580,823	888,827	1,330	490	<0.2
SS-0258	581,706	888,125	1,318	20	<0.2
SS-0259	578,988	888,279	1,332	10	<0.2
SS-0260	580,676	888,478	1,322	14	<0.2
SS-0261	581,269	886,370	1,317	<10	<0.2
SS-0262	579,202	880,309	1,193	40	<0.2
SS-0264	577,821	880,029	1,132	<10	<0.2
SS-0265	577,177	880,205	1,147	<10	<0.2
SS-0266	582,176	882,713	1,170	10	<0.2
SS-0267	582,006	822,683	1,212	40	<0.2

Stream Sediment Samples - Red Lion 2012 Work Program					
Sample No.	**Easting**	**Northing**	**Elevation (m)**	**Au ppb**	**Ag ppm**
SS-0256	Blank			<10	<0.2
SS-0263	CRM / OREAS 152a (cert. value 116 ppb Au)			120	0.5

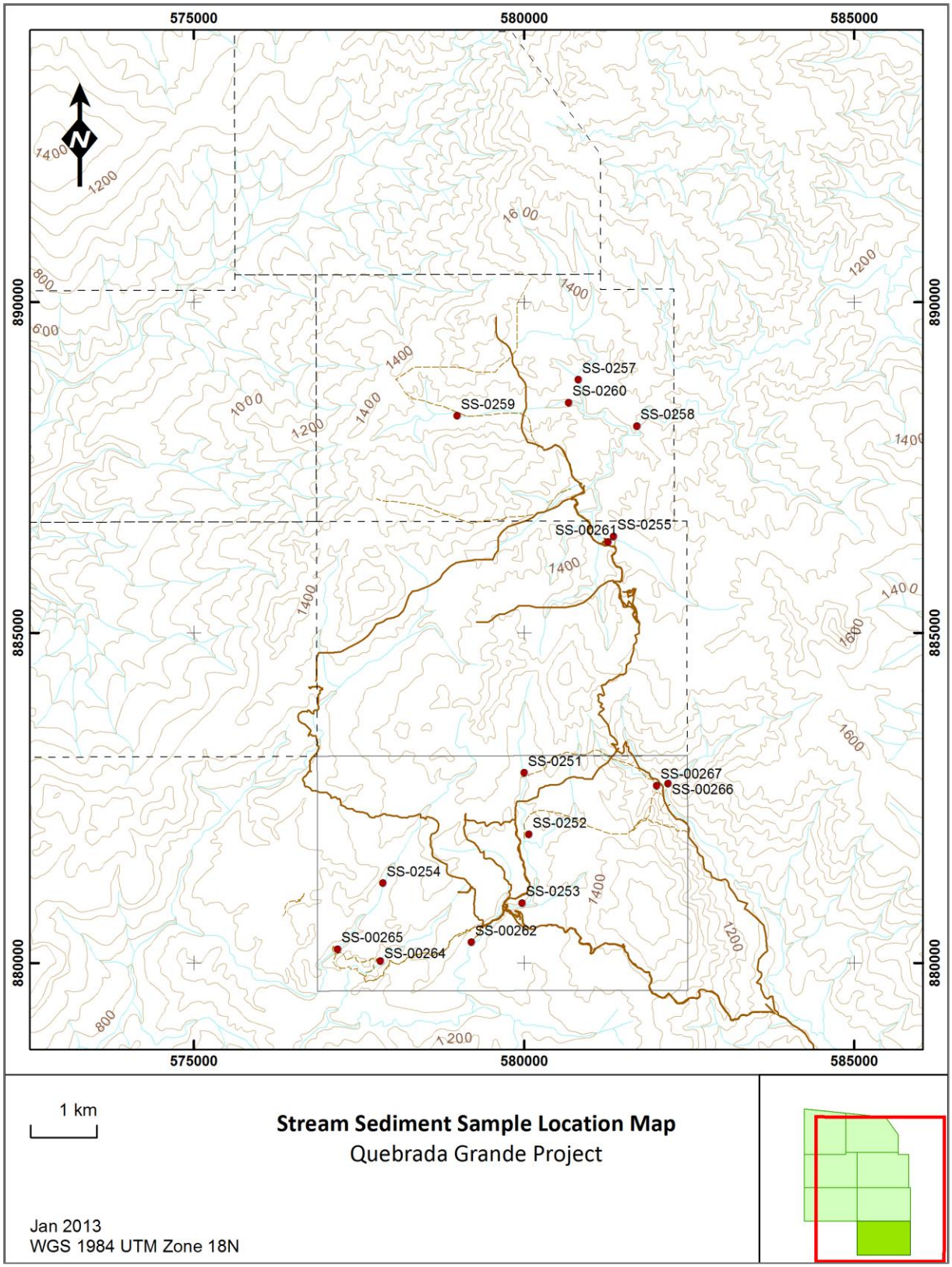

Figure 14 Stream Sediment Sample Location Map

10.0 Drilling

Red Lion has not carried out any drilling on the Quebrada Grande Project to date.

11.0 Sample Preparation, Analyses and Security

The exploration program on the Quebrada Grande Project was carried out by Colombian-based, contracted field personnel under the supervision of geologist, Luis Correa.

11.1 General Sampling Procedures

The field personnel follow a rigorous sampling protocol regarding the sample collection process, documentation, handling, storage security and chain of custody prior to delivery to the analytical laboratory. Field crews are trained, well supervised and diligent in the prevention of mixing or contamination of samples.

All field samples collected during the 2012 work program underwent the following procedures: At each field sample site the field sample number was recorded in a note book along with the GPS coordinates and elevation, sample description and a photograph of some of the samples was taken. All data was later entered into a digital database. All sample numbers were also inscribed with a felt tipped, waterproof marker on the outside of each sample bag near the top. All samples were secured with cable ties or tape. All samples were stored in a locked storage in a hotel room in Santa Rosa del Sur until delivery by company personnel to a Laboratory in Medellin, Colombia. The batch of 29 rock samples included one standard, one duplicate and one blank. The batch of 17 stream sediment samples included one standard and one blank.

The rock samples were delivered to SGS Mineral Services (SGS) analytical facilities in Medellin, Colombia for prep and analysis. The Medellin, SGS Laboratory is an ISO 9001:2008 accredited laboratory. The details of laboratory procedures can be found on the SGS website: http://www.geochem.sgs.com/geochemistry-analysis-guide.htm.

The stream sediment samples were delivered to ALS Minerals (ALS) Prep Lab in Medellin, Colombia for preparation and then sent by bonded courier to ALS Minerals, Lima, Peru for analysis. The ALS Minerals Lab in Lima is ISO 9001:2008 and 17025:2005 accredited. The details of laboratory procedures can be found on the ALS website: www.alsglobal.com.

Both SGS and ALS are independent of RedLion and Bravura.

11.2 Laboratory Procedures

11.2.1 Rock Samples

A total of 25 rock samples were collected during this work program. The rock samples were sent to SGS and analyzed using Multi Element – Inductively Coupled Plasma 41 (ME-ICP41), 35 element aqua regia method, Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP-AES) and Au by Atomic Absorption 25 (AA25), an ore grade Au 30g Fire Assay (FA) with Atomic Absorption (AA) finish. The samples were crushed to at least 70% < 2 mm, riffle split and pulverized to at least 85% < 75 µm.

11.2.2 Stream Sediment Samples

A total of 15 stream sediment samples were collected during this work program. The stream sediment samples were sent to ALS Minerals for prep in Medellin, Colombia and analysis in Lima, Peru. In Medellin, the samples were dried, screened to 180 µm and riffle split. The split was pulverized to 85% < 75 µm and shipped to the ALS Lima facility. In Lima, the samples were analyzed using ME-ICP41 35 element aqua regia ICP-AES and Au-AA25 ore grade Au 30g, FA with AA finish. This method of gold analyses has a detection limit of 10 ppb Au, which is considered high for stream sediments. Future stream samples should be analyzed by a more appropriate analytical method that is capable of detecting lower gold values. Ore grade gold assays are not appropriate for stream sediments.

11.3 Comments on Quality Control and Quality Assurance

The author is satisfied that the sample and data collection, data entry and security of samples is acceptable for a project at this early stage of exploration. The Project could benefit from written protocols for the sampling and sample labeling process. The actual analytical results for the control samples – standards (CRM), duplicates and blanks - were reasonably close to the expected results and no corrective action was required nor taken. The results for the standards were within one standard deviation of the expected values.

In future work programs, QA/QC protocols for all work including sampling methodology, sample handling and data management should be established, written and followed. More than one standard reference sample should be utilized representing the anticipated range of Au grades (low, medium high). Blanks and duplicates should also be included as part of the QA/QC

program. The results received from the laboratory for the control samples should be carefully monitored immediately upon receipt and corrective action taken if required.

12.0 Data Verification

S. Sears carried out a property visit on the Quebrada Grande Project between November 15th and 22nd, 2012. November 17th to 19th were spent on the Project and in Santa Rosa del Sur. November 16th and November 20th to 22nd were spent reviewing company data and gathering geological and other available information in Medellin. The visit included a tour of the SGS analytical laboratory in Medellin. The purpose of the Project visit included:

- To confirm the geological setting of the Project area and assess its potential to host gold and and/or other economic mineralization.
- To review the extent of and results from the RedLion exploration program to date and discuss these result with the management and field personnel.
- To review the sample collection, storage and handling of field samples as well as the overall exploration methodology.
- To collect samples from some of the known mineralized zones in the area and verify the gold mineralization on the Project.
- To assess logistical and political/social/environmental issues that might affect the future of the Project.

Fourteen samples were collected during the field visit and submitted for assay. The samples were retained in the possession of S. Sears until delivery to SGS Minerals Limited assay laboratory in Medellin, Colombia which is ISO 9001:2008 certified. The samples were prepped by method PRP93 where by the samples were crushed to >90% passing the No. 10 mesh, divided to obtain a 250 g sample, pulverized to >95% passing the No. 140 mesh. The samples were analyzed for Au (30 g sample) by Fire Assay with an Atomic Absorption finish (FAA313) and overlimits (>5000 ppb) were analyzed by Fire Assay with a Gravity finish (FAG303). The samples were also analyzed by a 36 mulit element package (1MS12B) in which the samples were subjected to a 0.25/15 ml aqua regia digestion with an Inductively Coupled Plasma – Mass Spectrometry (ICP-MS) finish. SGS is independent of SBA, RedLion and Bravura.

Seven of the 14 samples were field duplicates of samples collected and assayed by RedLion for the purpose of checking the quality of sampling and the repeatability of analytical results. Table 9 is a description of the samples collected along with locations and analytical results for Au and Ag. The approximate sample locations are shown on Figure 15.

The results from the 7 samples collected from the same locations as previously collected field samples were reasonably close. One of these, a chip sample from an old underground workings – S. Sears # SC-1 – assayed 5.9 g/t Au compared to the original field sample – R-01351 which assayed 4.93 g/t Au. Results from samples containing low amounts of gold were less similar due to the use of different analytical methods, particularly since the samples analyzed by SBA utilized a method that has a lower detection limit and generally better accuracy in the lower part of the analytical range. The results from both SBA and RedLion sampling are shown in Table 10.

Table 10 SBA Check Sampling - Quebrada Grande Project

SBA Check Sampling - Quebrada Grande Project Area (UTM WGS 1984)						
Sample #	**SBA Samples g/t Au**	**Easting**	**Northing**	**Sample Description**	**RedLion Sample Duplicate**	**RedLion Assay g/t Au**
SC-1	5.29	581666	885584	Composite chip from underground, level 1, Osman; silicified, oxidized, brecciated, fine to medium grained, diorite-andesite	R-01351	4.93
SC-2	3.34	581680	885697	Fines from primitive mill, ready for cyanide treatment, coarse Au already extracted by gravity; Osman "plant".	n/a	n/a
SC-3	3.76	581674	885630	Composite chip from wall over width of 1 m above old shaft in wall of open pit; silicified, vuggy, sugary quartz veinlets and cavities & fractures with oxide and unrecognizable, brecciated wall rock (felsic); copper oxide minerals.	n/a	n/a
SC-4	6.26	581662	885632	Composite chip over 3 m width from wall;, same altered breccia as SC-3; oxidized matrix, vuggy with quartz lenses	n/a	n/a
SC-5	0.05	581968	882654	Quartz-feldspar porphyry dyke, 3-4m wide, 346° trend; cutting diorite or andesitic wall rocks; 5 to 10% pyrite as disseminated patches and blebs; very dense rock; multiple dykes in area; old waterwheel here.	R-01358	0.02
SC-6	1.51	581672	885658	Typical ore at Osman, breccia with quartz crusts, oxidized veinlets; from open pit muck.	n/a	n/a
SC-7	6.85			Certified Reference Material, OREAS 10c (cert. value 6.60 ppm Au)	n/a	n/a
SC-8	0.01	580130	881059	Granodiorite, coarse grained, vuggy, oxidized, limonitic brown, coarse quartz, (duplicate R0089)	R-01375	0.02
SC-9	0.01	581985	882663	Andesitic rock, amphibolitized, silicified locally, dark grey to black, fine grained (duplicate R0075).	R-01359	0.02
SC-10	0.01	581985	882663	Felsite dyke or sill, may be andesitic feeder dyke, fine vugs (duplicate R0074) pyritic (<5%); from creek by waterwheel.	R-01358	0.02
SC-11	0.06	580130	881059	Diorite-andesite, fine grained, mottled grey-green colour, trace pyrite (duplicate R0089 site).	R-01375	0.02
SC-12	<0.005	580135	881088	Felsite dyke, probably silicified andesite but could be granodioritic intrusive; (duplicate R0101).	R-01378	0.01

SBA Check Sampling - Quebrada Grande Project Area (UTM WGS 1984)						
Sample #	**SBA Samples g/t Au**	**Easting**	**Northing**	**Sample Description**	**RedLion Sample Duplicate**	**RedLion Assay g/t Au**
SC-13	0.02	579115	882259	Breccia, highly oxidized matrix; reminiscent of the Osman breccia; rocks in general area are intensely fractured and altered and cut by boxwork/stockwork like dykes of afinitic black material (manganese and andesite with quartz patches & veinlets.(duplicate R0076),	R-01360	0.02
SC-14	0.01	579567	881529	Composite collection, quartz veinlets, black mineral, black dike, ilmenite, swarms of black vein/dikes and limonitic veinlets; on road to reach north-center of claim.	n/a	n/a
SC-15	2.78	579789	880746	Narrow (10 cm) oxidized vein structure on road, 070°, dip 80°S. Much coxcomb texture, veinlets along road of oxidized material, minor quartz; red-green-black, abundant magnetite.	n/a	n/a
DUP SC-9	0.01	581985	882663	Internal lab duplicate	n/a	n/a

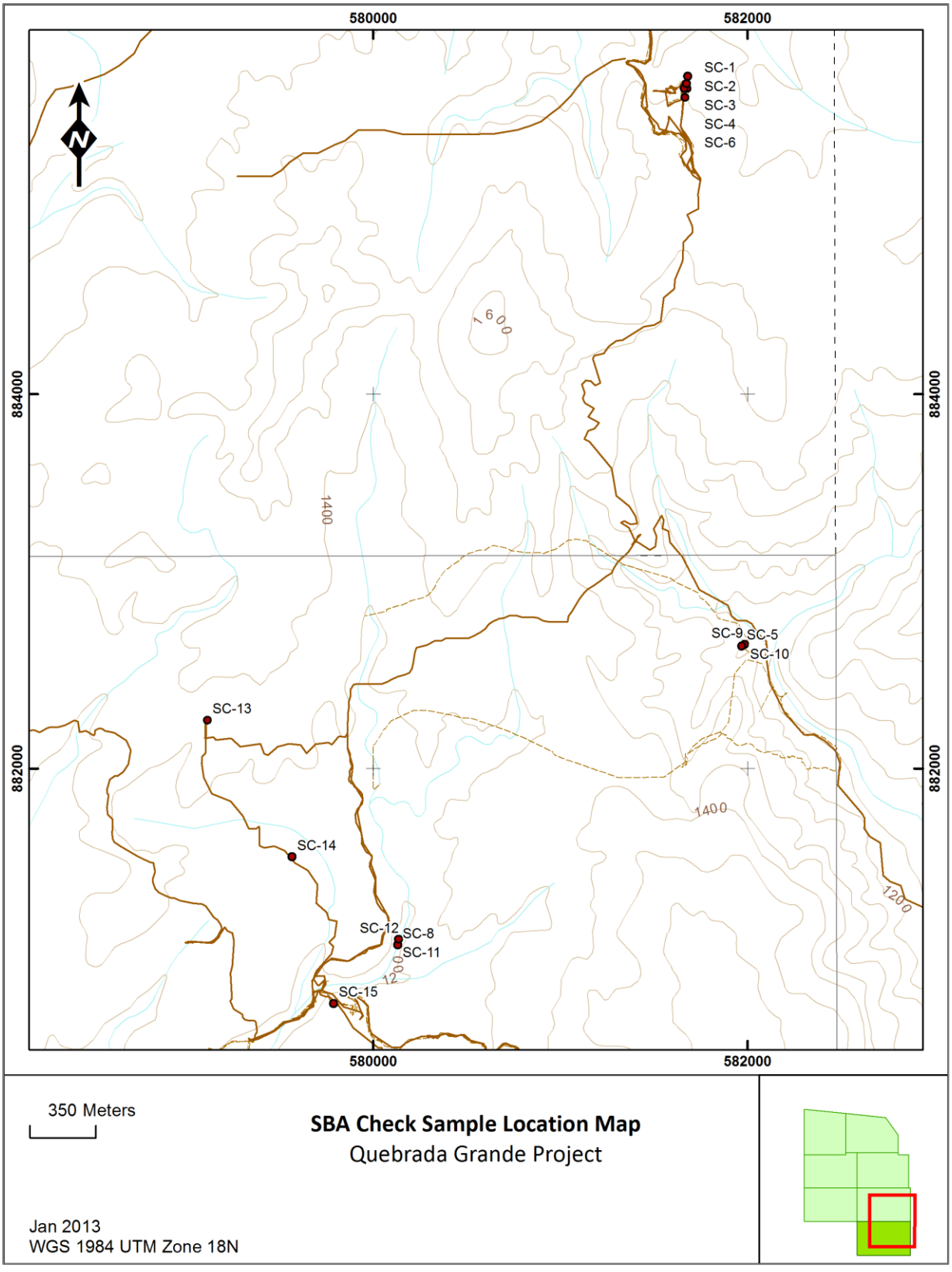

Figure 15 SBA Check Sample Location Map

The check sampling confirms that gold mineralization occurs within the Quebrada Grande Project area. Some of the samples were taken from rocks exposed in an abandoned tunnel and in a small open pit being worked by local miners (the Osman Zone). The other samples were collected from wall rock or from outcrop in which no visible mineralization other than pyrite or magnetite was observed.

Not all of the zones identified by the field crew were visited by the author due to difficult access and time constraints. However, the author examined field notes, photographs, representative samples and held discussions with the field personnel. In the authors opinion, the data collection, documentation and sampling procedures are consistent with internationally recognized CIM 'best practice guidelines' and the data is adequate for the purposes of this technical report.

Photo 1 Property visit, RedLion field crew November 17, 2012

12.1 Data Collection, Storage and Management

The company utilizes a digital system of data management. All field data is well documented, including digital sample descriptions (Excel based), photographs and GPS locations. There is room for improvement in the sample numbering process. Currently samples are given a field number and later assigned a second number for assaying purposes. There is less possibility for confusion and mislabeling if the sample assay number was assigned in the field at the time of collection and the sample is sealed at that point. A representative sample is retained for each sample.

12.2 Check Sampling

The project is at a very early stage of exploration and all samples have been submitted to one laboratory. As the program progresses, a small percentage of duplicate samples are to be sent to a secondary check laboratory.

12.3 Adequacy of Data for this Report

The Project is at an early stage of exploration. The data is adequate for the purposes of this report.

13.0 Mineral Processing and Metallurgical Testing

RedLion has not done any mineral processing or metallurgical testing on the Quebrada Grande Project to date.

14.0 Mineral Resource Estimates

There is no mineral resource defined on the Quebrada Grande Project to date.

15.0 – 22.0 Sections not relevant to this report

23.0 Adjacent Properties

Most of the area immediately surrounding the Quebrada Grande Project is held under some form of concession contract or by applications to acquire concession contracts. There are numerous artisanal mining operations immediately adjacent as well as within the Project area. In addition, there are several active projects and operating mines that lie within the Segovia Batholith in a geological setting that is similar in many respects to that which underlies the Quebrada Grande Project. These operations are considered significant by the author because the gold mineralization found on these properties represent deposit types that may exist within the Project area. Although gold mineralization is present in these adjacent properties, it is not necessarily indicative of the mineralization on the Quebrada Grande Project. Table 11 presents some of the significant Adjacent Properties. The locations of these projects are shown on Figure 16.

Table 11 Adjacent Gold Properties within the Segovia Batholith

Adjacent Gold Properties within the Segovia Batholith			
Name	**WGS 84, Zone 18N**		**Owner**
	Easting	**Northing**	
Snow Mine	585 000	930 000	Braeval Mining Corp.
Federation	579 500	920 700	Fedederacion Agromisbo
Segovia Operations	532 500	781 500	Gran Colombia Cold Corp.
Santa Rosa	570 000	873 000	Touchstone Gold Limited
San Lucas	560 000	840 000	Quia Resources Inc.
Avion	570 000	915 000	Hudbay Minerals Inc.
El Golfo	574 000	875 000	Informalies
Mina Gato	582 640	889 500	Informalies
Mechudo	576 674	881 059	Informalies
Tesoro	576 519	880 468	Informalies

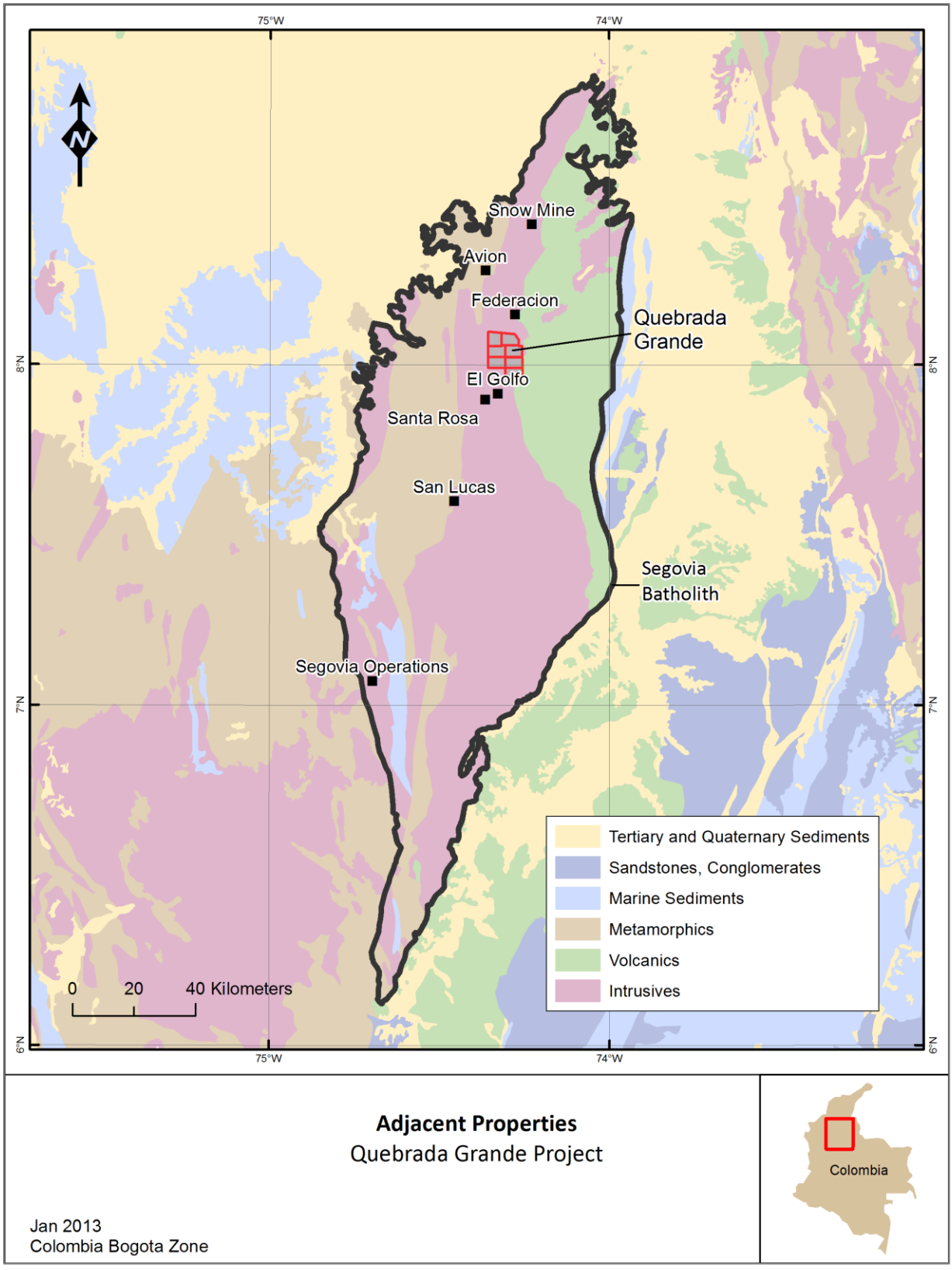

Figure 16 Adjacent Properties Map

23.1 Federation Properties (AGROMISBO)

The Federation gold properties are located immediately to the north of the Quebrada Grande Project and immediately south of the mining village of San Pedro Frio. In this area, there are approximately 50 artisanal mining operations that have been consolidated by means of a co-operative entity that has been granted legal title to their mining properties. The group is called the Federación Agrominera del Sur de Bolivar (AGROMISBO), translated as the Southern Bolivar Agricultural-Mining Federation (Federation). The objective of the co-operative is to construct and operate a 500 tonne-per-day mill which would process ore from their mining concessions. Approximately 2,000 miners are reportedly working in this area. A government sponsored geological evaluation of the Federation properties was completed in 2006 (Turizo, 2007). This evaluation included an estimate of resources within the more advanced operations. The resources were estimated after carrying out an extensive sampling program in two areas identified as Union 1 and Union 2. The estimates used an extraction factor of 65%; dilution of the mined material of 20%, and a specific gravity of 2.7. Tables 12 and 13 present the results from these estimates (note: cut-off grades are not available).

Table 12 Federation - High Grade Resource Estimates

Federation - High Grade Resource Estimates			
Area	**Classification**	**Tonnes**	**Au Grade (g/t)**
Union 1	Measured	203,495	20.3
	Indicated	556,445	20.3
	Inferred	671,022	20.3

Table 13 Federation - Low Grade Resource Estimates

Federation - Low Grade Resource Estimates			
Area	**Classification**	**Tonnes**	**Au Grade (g/t)**
Union 2	Measured	231,264	7.0
	Indicated	388,680	7.0
	Inferred	466,416	7.0

These estimates have not been verified by a Qualified Person and as such, they cannot be considered NI 43-101 compliant resources. The author was not able to verify the resources on

the Federation Property and these are not necessarily indicative of the mineralization on the Quebrada Grande Project.

23.2 Snow Mine (Braeval Mining Corp.)

The Snow Mine Properties of Braeval Mining Corp. is located in geological terrain that is similar to the Quebrada Grande Project and is centered approximately 30 km to the northeast (Smith and Gorman, 2012) in a gold camp referred to as Tiquisio. The report by Smith and Gorman, 2012 is a NI 43-101 report. The project consists of an assemblage of numerous small properties acquired from the local owners. Approximately 200 artisanal miners are located in this area. The targets on this property consist of high-grade (>10 g/t) quartz veins with widths up to 5 metres that are contained within gold-bearing alteration zones that reach widths up to 20 metres. The zones are developed along northeast trending fault zones although the strike of the individual veins often ranges from 030° to 060°.

The author was not able to verify the mineralization on the Snow Mine Property and it is not necessarily indicative of the mineralization on the Quebrada Grande Project.

23.3 Segovia Operations (Gran Colombia Gold Corp.)

The Segovia Operations of Gran Colombia Gold Corp. is located near the town of Segovia approximately 100 km south-southwest of the Quebrada Grande Project. Segovia is one of the most historically important gold producers within all of Colombia. Historical gold production at Segovia has been reported to be 5.5 million ounces since the start of operations in 1852 although with the inclusion of missing production records and illegal mining operations, it is estimated to have been between 6 and 7 million ounces (Wilson & Redwood, 2010). The Segovia deposits are currently in production at a rate in excess of 500 tonnes per day and a major mine and mill expansion is underway. The most current NI 43-101 compliant resource estimates at Segovia have been obtained from two recent NI 43-101 Technical Reports (Parsons, 2012; Parsons and Gilbertson, 2012) and (http://www.grancolombiagold.com/) are presented in Table 14.

Table 14 Total Resources - Segovia Operations (including Carla)

Total Resources - Segovia Operations (including Carla) – cut-off grade 3.0 g/t Au			
Category	**Ore**	**Gold**	
	tonnes	**grade g/t**	**ounces**
measured	263,000	16.1	136,000
indicated	490,000	9.9	156,000
inferred	2,599,000	13.6	1,138,000

Most of the gold to date has been from 5 of 31 known vein zones on the Segovia Properties. The veins are developed within north-south to east-west trending secondary fault structures that are related to the Palestina Fault Zone. The Palestina Fault cuts through the center of the Segovia Batholith and passes within 12 km to the west of the Quebrada Grande Project. Large northeast trending faults that cross the Quebrada Grande Project area originate within the Palestina Fault Zone.

Although the geology of the Segovia Operations is similar to that at the Quebrada Grande Project, it is not necessarily indicative of the mineralization on the Quebrada Grande Project and the author has been unable to verify this information.

23.4 Adjacent Artisanal Mining

Numerous small miners are actively exploiting high grade underground and placer gold mines within and near the Quebrada Grande Project area. These range from small family-run operations to multiple workings with up to 200 miners. There is very little information and the author is not aware of any published public information relating to these specific properties. The following locations and descriptions were provided by the local geologists and area residents. The author was unable to verify the information and the information is not necessarily indicative of the mineralization on the Quebrada Grande Project. Most are illegal operations. They include the following:

- **El Golfo** – located approximately 6.0 km to the south of the Project area; 150 miners, high grade vein type with some stockwork mineralization.
- **Mina Gato** – located approximately 500 m east of the center of the Project area; small operation; vein and altered breccia zones.

- **Mechudo** – located 300 m to the west of the southern concession of the Project area; number of miners unknown; hi-grade vein type with stockwork in margins.
- **Tesoro** – located 400 m to the west of the southern concession of the Project area and 600 m south-southwest of Mechudo; number of miners unknown; hi-grade vein type with stockwork in margins.

23.5 Other Adjacent Projects

There are numerous other international junior and senior mining companies with active projects in the immediate area of the Quebrada Grande Project. The most significant include:

- **Santa Rosa Project** – Touchstone Gold; consists of several properties located within 4 to 10 km southwest of the Quebrada Grande Project's southwest corner; activity and targets unknown (Christopher, 2012).
- **San Lucas Project** – Quia Resources; located 45 km southwest of the Quebrada Grande Project area; target is vein, alteration zone and porphyry style gold deposits; initial drilling program completed (Kikauka, 2012).
- **Avion Project**: Hudbay Minerals; located 20 km north of the Quebrada Grande Project area; target is gold deposits, activity unknown (Hudbay Minerals website).

The author has been unable to verify the information on these properties and the information is not necessarily indicative of the mineralization on the Quebrada Grande Project.

24.0 Other Relevant Data and Information

There is no other relevant information to report at this time.

25.0 Interpretation and Conclusions

The reconnaissance scale work program has demonstrated that the geological setting within the lands covered by the Quebrada Grande Project have excellent potential to host economic gold deposits. The Project area has had very little previous exploration, partly because it is relatively remote and has limited access roads, but also because the geology has been interpreted to be less favourable than in other known areas in Colombia. The area is becoming more accessible as domestic migrants establish farms, artisanal mining and settlements and roads are gradually being driven into the interior. The geological setting, previously thought to be a large, relatively uniform granodioritic intrusive body, is in fact much more complex and it has been deformed and intruded by somewhat younger igneous rocks. These igneous rocks, mainly quartz-andesitic in composition, are thought to be the source for andesitic volcanic rocks that occupy the eastern part of the batholith and locally cover the batholithic rocks. The result of these younger sub-volcanic and volcanic rocks has been the generation of extensive hydrothermal systems in the Project area, all of which have potential for the deposition of precious metal and other metallic mineral deposits.

Gold mineralization observed within the Project area is hosted within structurally controlled lode-type quartz veins as well as in large, stockwork-like zones that have potential for large tonnage-lower grade deposits. The high grade veins being mined at an artisanal scale (Mechudo and Tesoro) immediately west of the southwest corner of the Project area are typical of the quartz veins that are being exploited in the south part of the Department of Bolivar. The gold mineralization at the Osman and Robles area occurs in breccia zones associated with quartz-andesitic dykes and overlying andesitic volcanic rocks. Gold values ranging from 0.01to 4.93 g/t were obtained from sampling in these areas, and one composite channel sample collected by the author from the wall of a small open-pit that assayed 6.26 g/t Au over a length of 3.0 m. The best gold values obtained during the 2012 sampling program were from the Gomez Prospect a vein and stockwork-like zone located in the south-center of the Project area. Three composite grab samples collected from veining being mined by artisanal workers in this area contained from 10.1 to 28.2 g/t Au. These samples were taken from 3 locations along a strike-length of 700 meters. The higher grade samples came from quartz veining and silicified zones within a broad zone of highly fractured stockwork-like material that appears to be associated with a northeast trending regional scale fault structure referred to here as the Quebrada Grande Fault Zone.

Gold is being exploited by artisanal workers from at least 13 sites within the boundaries of the Quebrada Grande Project and from numerous other locations in the immediate neighborhood. The very brief exploration program verified the location and confirmed gold mineralization on 4 of these workings as well as identified numerous large, intensive alteration zones. In view of the known gold mineralization and highly prospective geological setting within the Project area and the virtual lack of any systematic exploration in this area, the Quebrada Grande Project is a Property of Merit and should be aggressively explored.

25.1 Significant Risks and Uncertainties

The mineral potential on the Quebrada Grande Project is based upon information obtained from a very limited, reconnaissance scale exploration program and from very limited, published regional scale geological data. The principal risks involved in exploration of known mineral occurrences at this early stage of development include continuity of the mineralized zones along strike and at depth. The risks can be mitigated by carrying out systematic, property-scale geochemical, geophysical and geological surveys early in the exploration cycle and defining targets prior to more advanced exploration such as diamond drilling.

The Canadian Department of Foreign Affairs has not issued a nationwide travel advisory for Colombia. However, a high degree of caution is recommended in certain regions of the country due to unpredictable security situations. This situation can be eased by establishing and maintaining a relationship with the Colombian military and by adhering to recommendations and suggestions made by this department. There is a permanent military base in Santa Rosa del Sur 22 km east of the Project which offers a reasonable level of security to the area and RedLion employs security personnel to accompany its field crews.

RedLion has setup a Community Relations Program and has informed the local residents of their exploration work. The Quebrada Grande Project is at a very early stage of exploration and to date there have not been any objections to their work. There is a risk that, in the future, the area residents may object to ongoing exploration and development on the Project.

There is a minor level of uncertainty in Colombia with respect to a temporary staking moratorium imposed by the government. One of the RedLion concessions is already a mining contract and the remaining six are under the application process. It is unlikely that these concession applications will be affected however; there is a risk in delay and uncertainty that these concession applications will result in the granting, in whole or in part, of concession contracts.

All of the Project area lies within a Forestry Reserve. This classification requires a stricter permitting regiment for purposes other than forestry. However, much of the area is already cleared for farming operations and it is highly unlikely that mining activities would be prohibited in any serious way.

26.0 Recommendations

An aggressive exploration program is highly recommended on the Quebrada Grande Project. A two-phased exploration program is required to locate and evaluate all known mineral occurrences within the Project area and to identify favourable areas that may contain undiscovered mineralization. The first phase should be focused on the Concession Contract JA4-14001, in the southern part of the Project area and should consist of:

- Continued prospecting, sampling and reconnaissance geological mapping; An airborne and follow-up ground geophysical surveys (magnetic and radiometric) of the Contract area;
- A systematic, stream sediment and soil sampling program on the Contract.

The cost estimates for Phase I is CDN$ 368,025 and is detailed in Table 15.

Table 15 Phase I Budget - Quebrada Grand Project

PHASE I - BUDGET (Concession JA4-14001)				
Description	**Unit Value**		**CDN$**	**CDN$**
	# Units	**Unit Costs**		
Airborne Geophysical Survey				
Magnetic and Radiometric Survey	500 line km	120	48,000	
Interpretation and Report	1	10,000	10,000	
Subtotal - Geophysical Survey			***$58,000***	***$58,000***
Stream Sediment, Soil and Rock Sampling, Geological Mapping				
4-man crew (90 crew-days)	90 crew days	500	45,000	
Logistics (support, security, social contract)	90 days	400	36,000	
Assaying (200 stream sed, 1500 soil, 150 rock)	1850 samples	50	92,500	
Subtotal - Surface Geochemistry and Geology			***$173,500***	***$173,500***
Ground Geophysical Surveys				
Linecutting	40 km	500	20,000	
Ground Magnetometer Survey	40 km	300	12,000	
IP Survey	20 km	2,000	40,000	
Subtotal - Geological, Prospecting etc.			***$72,000***	***$72,000***
Field Support Costs				
Vehicles, consumables, accommodations, travel			32,000	
Data management, drafting, supervision			15,000	
Subtotal Field Support Costs			***$47,000***	***$47,000***
Subtotal - Phase I				***$350,500***
Contingency and Overhead	@ 5%			***$17,525***
TOTAL PHASE I				**$368,025**

The second phase is contingent upon encouraging results from the Phase 1 Program. It should consist of detailed examination of all high-priority gold targets identified by the Phase I work program. This will involve:

- Manual stripping and channel sampling of selected high-priority targets. This work is expected to identify numerous targets and bring these to a drilling stage.
- Preliminary drill testing of three high-priority targets (2 holes each)

The cost estimate for Phase II is CDN$ 466,000 and is detailed in Table 16.

Table 16 Phase II Budget - Quebrada Grande Project

PHASE I I - BUDGET (Concession JA4-14001)				
Description	**Unit Value**		**CDN$**	**CDN$**
	# Units	**Unit Costs**		
Stripping (Manual, Hydraulic, Excavator)				
4-man labour crew (60 crew-days)	60 crew-days	400	24,000	
Sampling, Assaying	200	60	12,000	
Excavator for roads & stripping (30 days)	300 hrs	100	30,000	
Saws, Pump, Equipment Rentals, Consumables	estimate	30,000	30,000	
Subtotal - Stripping			***$96,000***	***$96,000***
Drilling				
Drilling (6 holes)	1000 metres	200	200,000	
Logging and spotting holes	60 days	600	36,000	
Sampling, Assaying	200 samples	60	12,000	
Subtotal - Drilling			***$248,000***	***$248,000***
Field Support Costs				
Vehicles, consumables, accommodation, travel			70,000	
Field office (all inclusive)			30,000	
Subtotal Field Support Costs			***$100,000***	***$100,000***
Subtotal - Phase II				***$444,000***
Contingency and Overhead	@ 5%			***$22,000***
TOTAL PHASE II				**$466,000**

Additional funding will be required to evaluate the lands covered by the Concession Applications following the conversion of the six Concession Applications into Concession Contracts.

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28.0 Certificate of Qualifications

28.1 Seymour M. Sears

To accompany the report entitled: *"NI 43-101 Technical Report on the Quebrada Grande Project, Department of Bolivar, Colombia", effective date,* March 18, 2013.

I, Seymour M. Sears, do hereby certify that:

1. I reside at 840 Hillsdale Crescent, Sudbury, Ontario, Canada, P3E 3S9.
2. I am a graduate of Mount Allison University in Sackville, New Brunswick with a B.A. in Psychology and a B.Sc. in Geology.
3. I have been practicing my profession continuously since 1972.
4. I am a member of the Association of Professional Geoscientists of Ontario (APGO # 0413).
5. I am a partner of Sears, Barry & Associates Limited (APGO Certificate of Authorization # 90150), a firm of consulting geologists based in Sudbury, Ontario.
6. I have extensive work experience in the exploration and evaluation of all types of gold deposits over the past 40 years and of particular relevance: experience with gold deposits in the South American Andes of Colombia, Ecuador, Peru and Chile over the past 17 years.
7. I am a "Qualified Person" as defined by National Instrument 43-101 by virtue of my education, qualifications, work experience and membership in the professional association of the Professional Geoscientists of Ontario, Canada.
8. I visited the Quebrada Grande Project on November 17, 18 and 19, 2012.
9. I am responsible for all sections of this report.
10. I am independent of both RedLion and Bravura applying all of the tests in section 1.5 of National Instrument 43-101.
11. I have not previously worked for RedLion or Bravura and have not had any prior involvement with property that makes up the Quebrada Grande Project. I have read the NI 43-101 – standards of disclosure for mineral projects, Form 43-101F1 and Companion Policy NI 43-101CP of the Canadian Securities Administrators and have prepared this report in compliance with these documents and with generally accepted Canadian mining industry standards.
12. As of the effective date of this technical report, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make this report not misleading.

    Dated this 12th of June, 2013.

    [Original signed by]

    Seymour M. Sears, P.Geo. (APGO # 0413)

    Sears, Barry & Associates Limited

29.0 Date and Signature Pages

29.1 Seymour M. Sears

This report entitled: '*NI 43-101 Technical Report on the Quebrada Grande Project, Department of Bolivar, Colombia'* with an effective date of March 18, 2013 was prepared and signed by the following author:

[Original signed by]

Dated
June 12, 2013

Seymour M. Sears, P.Geo. (APGO # 0413)
President and Consulting Geologist
Sears, Barry & Associates Limited

APPENDIX 1: Abbreviations and Symbols

Abbreviations and Symbols	
Description	**Abbreviation / Symbol**
above mean sea level	amsl
antimony	Sb
arsenic	As
bismuth	Bi
Bogota International Airport code	BOG
boron	B
Bravura Ventures Corp.	Bravura
by / times	x
Canadian dollar	CDN$
Canadian National Instrument 43-101	NI 43-101
carbon	C
Certified Standard Reference Material	CSRM
Colombian peso	COP$
degree(s)	˚
degree(s) Celsius	˚C
dollar (Canadian)	$
Environmental Mining Insurance Policy	EMIP
Global Positioning System	GPS
gold	Au
gram(s)	g
gram(s) per tonne	g/t
greater than	>
hectare(s)	ha
hydrogen	H
Instituto Colombiano de Geología y Minería	INGEOMINAS
kilometre(s)	km
less than	<
Medellin International Airport code	MDE
metre(s)	m
millimetre(s)	mm
million year(s)	Ma
million(s)	M
Ministerio de Minas y Energía	MME
National Mining Registry	NMR
Net Smelter Revenue (Net Smelter Return)	NSR
nitrogen	N
number	#
oxygen	O
parts per billion	ppb

Abbreviations and Symbols	
Description	**Abbreviation / Symbol**
parts per million	ppm
percent	%
punto arcifinio (starting point)	PA
Quality Assurance /Quality Control	QA/QC
RedLion Resources Corporation	RedLion
Sears, Barry & Associates Limited	SBA
silver	Ag
tellurium	Te
tonne(s)	t
tonnes per day	t/d
tungsten	W
United States dollar	US$
Universal Transverse Mercator	UTM
World Geodetic System 1984	WGS 84

APPENDIX 2 Mining Concession Coordinates

Quebrada Grande Project Concession Coordinates			
Concession #	**Punto**	**Bogota Gauss**	
		Easting	**Northing**
JA4-14131	1	969580.00	1387025.24
	2	973961.78	1386576.50
	3	973961.78	1382250.00
	4	969580.00	1382250.00
JA4-14161	1	973961.78	1386576.50
	2	978167.08	1386145.84
	3	979500.00	1384294.72
	4	979500.00	1382480.56
	5	973961.78	1382480.56
JA4-14111	punto arcifinio	969481.69	1377633.30
	1	969580.00	1378748.52
	2	969580.00	1382250.00
	3	973961.78	1382250.00
	4	973961.78	1382480.56
	5	975188.14	1382480.56
	6	975188.14	1378748.52
JA4-14081	1	975188.14	1378748.52
	2	975188.14	1382480.56
	3	979500.00	1382480.56
	4	979500.00	1382250.00
	5	980608.02	1382250.00
	6	980608.02	1378748.52
JA4-14061	1	969580.00	1378748.52
	2	975188.14	1378748.52
	3	975188.14	1375192.36
	4	969580.00	1375192.36
JA4-14041	1	975188.14	1378748.52
	2	980796.27	1378192.36
	3	980796.27	1375192.36
	4	979188.14	1375192.36
JA4-14001	1	975188.14	1375192.36
	2	980796.27	1375192.36
	3	980796.27	1371636.21

Quebrada Grande Project Concession Coordinates			
Concession #	Punto	Bogota Gauss	
		Easting	Northing
	4	975188.14	1371636.21