NI 43-101 TECHNICAL REPORT ON THE PHOENIX GOLD PROJECT LANDER COUNTRY, NEVADA, USA

Prepared For:

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Table of Contents

List of Figures

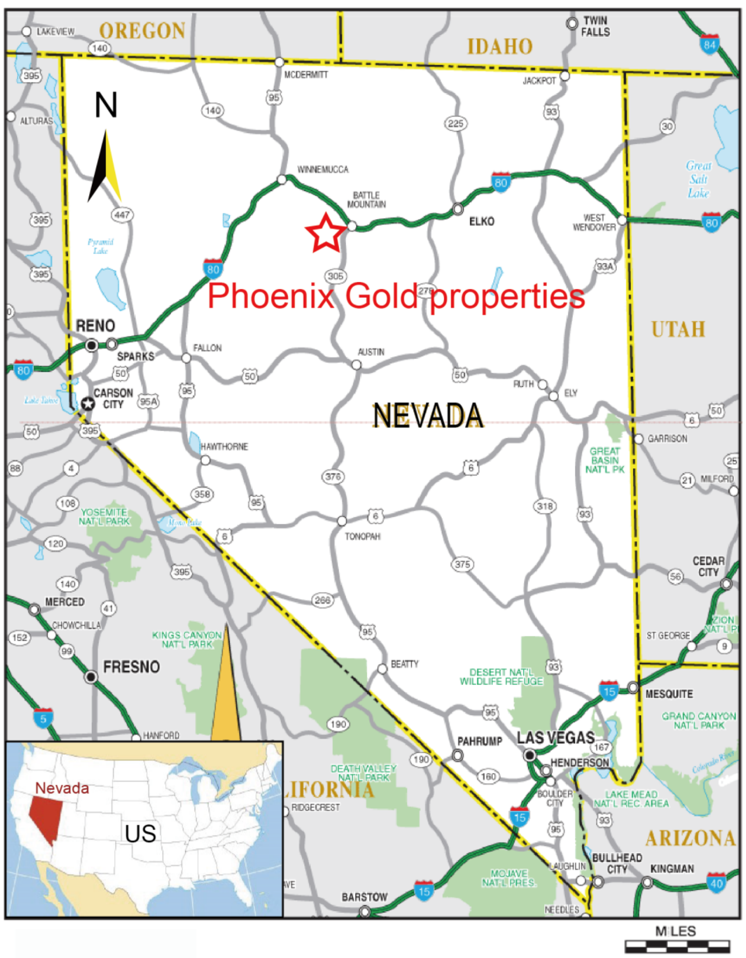
List of Tables

1 Summary

1.1 Introduction

Phoenix Gold Resources Corp. ("**Phoenix Gold**" or the "**Company**") was incorporated on May 2, 2011 under the laws of the province of British Columbia and completed a reverse takeover of Phoenix Gold Resources Ltd. ("**Phoenix Holdings**") on April 23, 2014 by way of a three-cornered amalgamation wherein Phoenix Holdings became Phoenix Gold Resources (Holdings) Ltd. as a British Columbia corporation and wholly-owned subsidiary of Phoenix Gold. Phoenix Gold Resources (USA) Inc. ("**Phoenix Gold USA**") is a Nevada corporation, which is a wholly owned subsidiary of Phoenix Holdings. This report (the "**Report**") was prepared for the Company to provide a current independent technical report in accordance with *National Instrument 43-101—Standards of Disclosure for Mineral Projects* ("**NI 43-101**") in respect of the Plumas Property and the Eldorado Property (both as described below) which are owned or leased by the Company and its subsidiaries (collectively, the "**Phoenix Gold Project**").

The Phoenix Gold Project is located in the Battle Mountain Mining District in Lander County, Nevada, and covers a total area of 24.48 hectares, comprising three (3) patented mining claims and 1 patented mill site claim.



[Source: Nevada Department of Transportation, as annotated by Phoenix Gold Resources Corp.,2020]

Figure 1.1 Location of the Phoenix Gold Project, Battle Mountain, Nevada

The principal author of the Report is Mr. Yingting (Tony) Guo, P.Geo., who is an owner, director and officer of C2 Mining International Corp. ("**C2 Mining**"). Mr. Guo visited the Phoenix Gold Project and checked drill cores from Plumas Property in July 2-3, 2019. During the site visit, the author collected independent verification samples from both drill cores in the core storage and outcrops in the field. In addition to the site visit, the author completed a review of the available literature and documented results relevant to the Phoenix Gold Project. Mr. Guo, P.Geo, is a Qualified Person as defined by the NI 43-101.

1.2 Property Description and Ownership

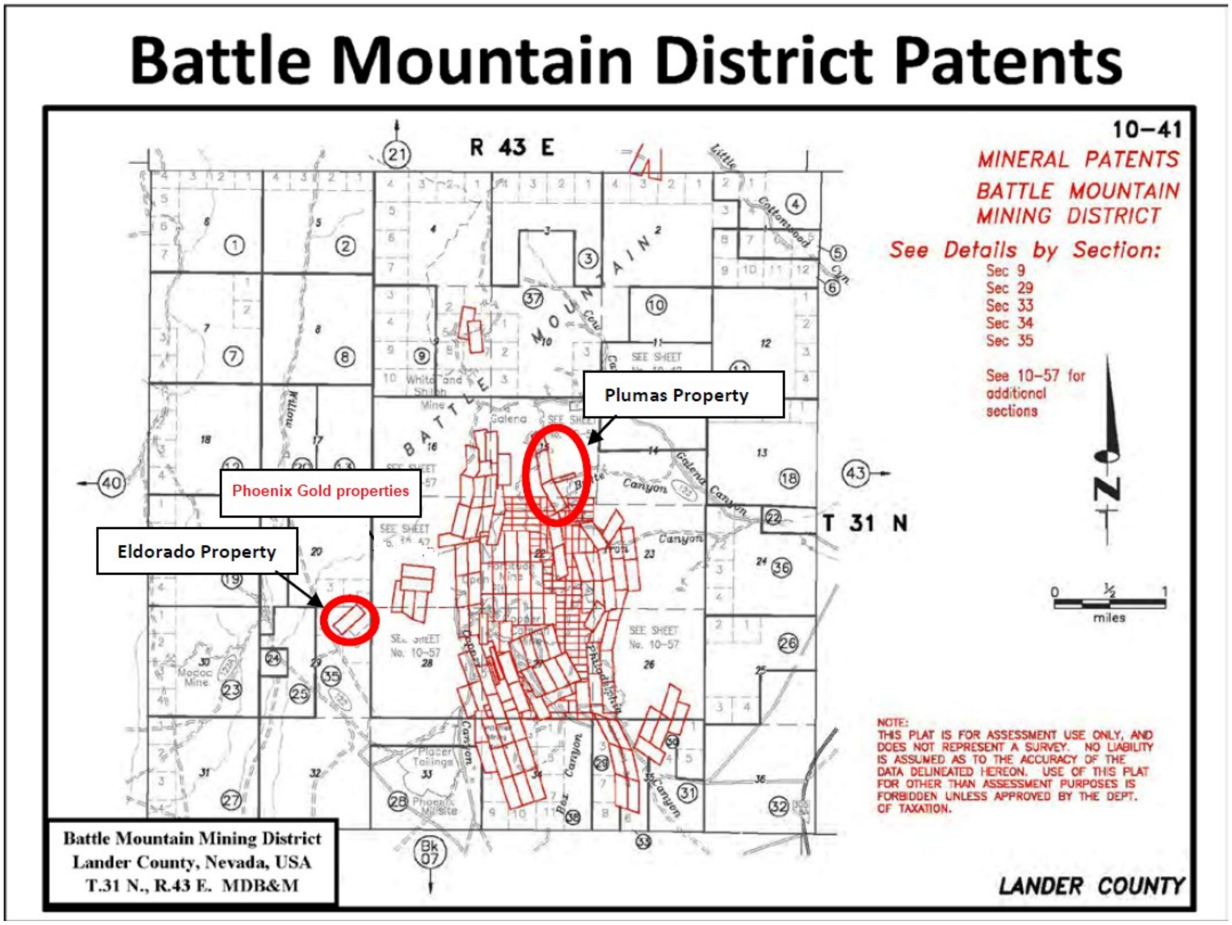
The Phoenix Gold Project is situated approximately 20 kms southwest of the town Battle Mountain, 120 kms of the city Elko, Nevada. The Plumas Property is owned 50% by Phoenix Gold USA, and 50% by William Matlack. Phoenix Gold USA acquired a 50% ownership interest in the Plumas Property from Americas Gold Exploration Inc. ("**AGEI**") in 2012 by issuance 500,000 shares of Phoenix Gold at a price of US$0.10 per share (equal to payment of US$50,000) to AGEI. Phoenix Gold Holdings also entered a 20-year renewable lease agreement with William Matlack to acquire a leasehold interest in his 50% interest of Plumas Property. Under the lease agreement, Phoenix Gold issued 100,000 shares of Phoenix Gold to Matlack at a deemed price of US$0.10 per share. To keep the Plumas lease in good standing, Phoenix Holdings must make annual payments of US$35,000 to Mr. Matlack, but Phoenix Holdings has since failed to pay the annual lease fee to Mr. Matlack. Mr. Matlack and Phoenix Holdings are presently negotiating further steps to rectify the default. The Plumas Property is also subject to 5% net smelter return in favour of Goodwin Plumas Mines Inc, which could be reduced to a 2% NSR by payment of US$1.5 million.

The Eldorado Property is owned 50% by Phoenix Gold USA, and 50% by Nevada Gold Mines LLC (a joint venture between Newmont Goldcorp Corporation and Barrick Gold Corporation). Phoenix Gold USA acquired a 50% ownership interest in the Eldorado Property from AGEI, who assigned his option agreement with Timothy Scott to Phoenix Gold USA. Phoenix Gold USA, AGEI and Mr. Scott entered into an Option Extension and Assignment Acknowledgement Agreement dated October 29, 2013, which was amended on December 16, 2013, January 21, 2014, and February 21, 2014, respectively. The author has not reviewed the option agreement, but is relying upon the comfort letter dated September 11, 2020 from Phoenix Gold's legal counsel, Boughton Law Corporation as to the corporate structure and ownership of the Phoenix Gold Project. In 2014, Phoenix Gold paid US$105,000 on behalf of Phoenix Gold USA to Mr. Scott under that agreement to acquire the 50% ownership of the Eldorado Property from Mr. Scott. The Eldorado Property remains subject to a 2% net smelter return royalty in favour of Timothy Scott.

The mineral tenures comprising the Phoenix Gold Project are set out in Table 1.1 and as shown in Figure 1.2, below.

Table 1.1 Mineral Tenure Summary of the Phoenix Gold Project

MINERAL TENURE SUMMARY							
Property	Claim Name	Mineral Survey	Mineral Patent #	Assessor's Parcel #	District	Property Section of T31N, R43E MDM	Hectares
Plumas	Plumas	47A	6597	098-702-63	Battle Mountain	Section 15	16.39 ha
	Plumas Millsite	47B	6597	098-702-63			
	Goodwin	48	6598	098-702-64	Battle Mountain	Section 29	8.09 ha
Eldorado	Eldorado	3523	3523	098-703-40			



[Source: Lander County Recorder's Office, Battle Mountain, Nevada, August 29, 2013]

Figure 1.2 Location of the Phoenix Gold Properties in the Battle Mountain Mining District

1.3 Background and Status of Exploration and Development

Mining and exploration in the Battle Mountain mining district, one of Nevada's prolific mineral districts, is dated back to 1864 when copper and silver were first discovered in the vicinity of Copper Canyon. Several small copper mines and mills were operated in 1860's to 1880's. Gold was first discovered in the vicinity of the Copper Canyon mine in 1909 (Roberta & Arnold, 1965), and the Copper Canyon mine is approximately 3 km southwest of the Plumas Property, and 2.4 km southeast of Eldorado Property. This discovery resulted in a boom of mining and exploration activities in this district in the twentieth century.

Regionally, two types of mineralization are common: high-grade structure-controlled vein-type and low grade disseminated mineralization, which are present in Copper Canyon copper mine, Copper Basin copper-gold mine, and Fortitude gold-silver mine; and intrusion with associated hydrothermal fluid and fault zones are essential for the mineral mineralization. The chemically reactive host rocks are also favorable for mineralization systems, which results in skarn type mineralization.

Mining activities occurred intermittently at the Plumas Property during approximately 1934 to 1942 with gold and silver production reported by owners of the Goodwin/Plumas mine. Mining and exploration activities ceased on the Plumas property until 2008, when AGEI optioned the Plumas property from Goodwin Plumas Mines Inc. An exploration program was conducted on the Plumas Property by AGEI during 2008 to 2011, including geological mapping and geochemical rock chip sampling. Geochemical rock chip sampling at the Plumas Property defines a trend of gold mineralization along the Plumas fault, extending approximately 3,000 feet (900m).

Phoenix Gold conducted a drilling program on the Plumas Property in 2014, consisting of six drilling holes with a total length of 4,408 feet (1,340m). The drill holes were designed along the Plumas fault, and mainly near the intersection of the north-trending faults and northeast-trending faults. Structure-controlled vein-type mineralization and disseminated sulphide mineralization have been encountered at all six drill holes. According to the assay data, multiple moderate to high-grade zones of gold mineralization have been encountered in the six drill holes.

Exploration on the Eldorado Property is traced back to the late 1880's. Limited information related to exploration were recorded at the Eldorado Property, with the exception of a private mineral report in 1930. Work completed on the Eldorado Property by AGEI during 2012 to 2013 includes geological mapping and rock chip sampling. Some chip samples returned high gold values of up to 22.9 g/t. Phoenix Gold has not yet conducted any exploration program on the Eldorado Property since it acquired the property. However, two drill holes were completed at the Eldorado Property by Newmont, but Newmont has not agreed to share the information about the two drill holes with Phoenix Gold and Phoenix Gold has received no information about those drill holes.

1.4 Geology and Mineralization

Regionally, the tectonic evolution of Battle Mountain is characterised by episodic tension, which causes tensional deformation, rifting, sedimentation and erosion (Ashton and Nunnemaker, 2011). Then, compressional events followed, which resulted in compressional deformation and a series of thrust faults. Many ore deposits at Battle Mountain are structurally controlled by the thrust faults (Theodore and Blake, 1975).

The intersection zone of major northwest-trending faults and north-trending faults are a favourable location for emplacement of magmatism and associated hydrothermal activity, such as at the Virgin Fault at Copper Canyon (Theodore and Blake, 1975). Intrusions, faults and chemically reactive host rocks are three important factors for localizing the mineralization in the Battle Mountain area (Doebrich and Theodore, 1996). The faults serve as conduits for the intrusions and associated mineralized material bearing hydrothermal fluid.

The Tertiary intrusive rocks are present in the Battle Mountain area as small stocks and dikes, and mainly consist of later Ecocene to early Oligocene monzogranite and granodiorite, which intruded into the Paleozoic successions. The recognized Tertiary intrusive centers at the Battle Mountain area include Copper Canyon, Copper Basin, Elder Creek, and Buffalo Valley mines, and these intrusive rocks are related to porphyry type alteration and mineralization. The Copper Canyon mine produced approximately 112 metric tons (3.6 million ounces) of gold and 663 metric tons (21.3 million ounces) of silver (Wotruba et al., 1988).

Sulphide mineralization is present as vertically and concentric zones around the intrusions, and also as veins, replacement and dissemination along northerly trending faults and shear zones.

The zonation around the intrusions could be briefly illustrated as inner copper-gold zone, a middle gold-silver zone, an outer lead-zinc-solver-gold and possibly distal arsenic-antimony zone (Blake et al, 1984; Theodore et at., 1990). Sulphide minerals include Pyrite, pyrrhotite, galena, sphalerite, chalcopyrite, bornite, stibnite, arsenopyrite, and tetrahedrite. The structure-controlled mineralization is confined to the fault conduits and reactive sedimentary wall rocks.

At the Plumas Property, the stratigraphic units consist of sedimentary rocks plus minor scattered Tertiary intrusive rocks. The stratigraphic unit associated with gold mineralization is the Devonian Scott Canyon Formation. The Plumas fault zone is the main structure at the Plumas Property, which is northwest-trending and composed of a series of sub-parallel faults, striking approximately N5W and dipping steeply to the west. The fault zone is approximately 500 feet (150m) in width and 10,000 feet (3,000m) in length. Alteration at the Plumas Property is characterized by intense silicification and minor chloritization. The high gold concentration occurs in the pyrrhotite dominant sulfide zone. The presence of massive pyrrhotite is also the main reason for magnetic anomalies. Sulphide mineralization is mainly present along northerly-trending structure conduits as veins.

Limited exploration has been conducted on the Eldorado Property, but AGEI conducted a geological mapping program and limited rock chip sampling. Strong silicified sedimentary rocks have been outlines on the northeast corner of the Eldorado Property. The dominant sedimentary rock at the Eldorado Property is the Pennsylvanian to Permian Havallah Formation. The Havallah Formation consists of three sub-formations: the lower sub-formation of sandstone, chert, shale and conglomerate, the middle sub-formation of varied colour shale and cert, and the upper sub-formation of quartzite, calcareous sandstone, shale, chert and conglomerate (Maynard, A.J., 2014). The Wilson Independence fault zones, a series of sub-parallel faults and shear zones, are the main structure on the Eldorado Property. The second dominant structure is a series of northeast-trending faults, which are intersected with the Wilson Independence faults. The faults are striking approximately 235E, and dipping steeply to the northwest, and is approximately 300 feet (90m) in width.

1.5 Deposit Types

The Battle Mountain Mining District has been a well-known Cu-Au-Ag producer for decades. The mineralization at Battle Mountain shows distinct characteristic of zonation around Teriary granodiorite stocks, which include a central zone of Cu+Au+Ag mineralization, to an intermediate zone of Au+Ag mineralization, to an outermost zone of Zn+Pb+Ag mineralization (Blake et al., 1984; Theodore, et al., 1990).

Gold mineralization at the Plumas Property occurs in shear zones and sedimentary rocks. The deposit types of interest at the Plumas Property are fracture-controlled vein type Au mineralization and stratabound-disseminated mineralization. The deposit type at the Plumas Property is a large fault/fracture-controlled vein gold deposit. Mineralization is preferentially located along major structural trends, in associated adjacent fracturing and rock foliations, and as dissemination in host lithologies. The gold mineralization is associated and created by magmatic-associated hydrothermal fluid.

Most of the outcrops in the Eldorado Property underwent considerable alteration, and the alteration consists of bleaching and recrystallization and silicification. The altered rocks look like quartzite, but the original rocks are unknown. The northwest and north trending faults were well developed in the Eldorado Property, and structural-controlled gold mineralization was present near surface. In addition, the Eldorado Property has potential for high-grade coper-gold skarn at depth. The favourable host rock for skarn-type mineralization, the Permian Antler Peak Limestone, is found in the vicinity of the Eldorado Property.

The author considers that both the Plumas Property and the Eldorado Property may be the distal components of porphyry systems.

1.6 Mineral Resources

There are no current mineral resource estimates for the Phoenix Gold Project that may be disclosed in accordance with NI 43-101.

1.7 Conclusions and Recommendations

The Phoenix Gold Project has potential for discovery of high-grade gold mineralization. Historical work indicates that further work is warranted at the Plumas Property and the Eldorado Property to: (1) further outline and define known mineralization at Plumas Property by additional drilling and sampling program at Plumas Property; and (2) generate drilling targets at the Eldorado Property through additional sampling programs.

An exploration program for the Phoenix Gold Project is recommended, and should include:

(i) detailed geological, alteration and mineralization mapping at both the Plumas Property and the Eldorado Property to develop high-priority targets, and special attention should be paid to the faults while developing the targets;

(ii) four (4) diamond drill holes are suggested to be planned on the north part of the Plumas Property, along the Plumas fault, especially near the intersection with northeast-trending faults; and

(iii) rock chip sampling should also be conducted on the Eldorado Property.

The exploration program is estimated to cost **US$282,150**.

2 Introduction

2.1 Overview

Phoenix Gold was incorporated on May 2, 2011 under the laws of the province of British Columbia and completed a reverse takeover of Phoenix Holdings on April 23, 2014 by way of a three-cornered amalgamation wherein Phoenix Holdings became a wholly-owned subsidiary of Phoenix Gold. Phoenix Gold USA is a Nevada corporation and a wholly owned subsidiary of Phoenix Holdings. This Report was prepared for Phoenix Gold to provide a current independent technical report in accordance with NI 43-101 in respect of the Phoenix Gold Project, which is comprised of the Plumas Property and the Eldorado Property (both as described below), which are owned or leased by the Phoenix Gold and its subsidiaries. The Plumas Property is owned 50% by Phoenix Gold USA and 50% by William Matlack, which was leased to Phoenix Holdings, which lease is presently in default due to failure to make lease payments and Phoenix Holdings and Mr. Matlack are taking steps to rectify the default. The Eldorado Property is owned 50% by Phoenix Gold USA, and 50% by Newmont Goldcorp.

Phoenix Gold is a mineral exploration and development company, which is a reporting issuer in Canada having its common shares listed and posted for trading on the TSX Venture Exchange under the trading symbol "PXA", and has its head office located in Vancouver, British Columbia.

The Phoenix Gold Project is located in the Battle Mountain Mining District in Lander County, Nevada, and covers a total area of 24.48 hectares, comprising three (3) patented mining claims and 1 patented mill site claim.

Universal Transverse Mercator (UTM) coordinates in the report and accompanying illustrations are referenced to the NAD 1927 Zone 11.

2.2 Scope of Work

The scope of work is to provide an updated current independent technical report in accordance with NI 43-101F1 of NI 43-101 pursuant to guidelines from the British Columbia Securities Commission and the Canadian Securities Administrators, and is a technical summary of the available geological, geophysical, and geochemical data relevant to the Phoenix Gold Project. Interpretation and assessment of the information collected on the Phoenix Gold Project in this Report is prepared in accordance with NI 43-101 reporting standards with a view to provide an evaluation of the exploration potential with recommendations for further work.

2.3 Project Team

The author for this Report is Mr. Yingting (Tony), Guo, P.Geo. Additional support and assistance was also provided by Ms. Lily Liu, P.Geo. who also visited the Phoenix Gold Project site in July 2-3, 2019 and assisted in compiling the Report. In addition, able on-site support was provided by local exploration consultant Mr. Donald McDowell, who is a consultant and former director of the Company, and has 'hands on' experience with the Phoenix Gold Project continuously for the past 21 years.

2.4 Basis of Report

Information provided is based on both historical and current work. Sources of information used in this Report included available public documents from several sources, including those by previous workers and other reports made available to the author by AGEI and Phoenix Gold, as well as personal observations made by the author during property visits. Information as to the ownership and encumbrances applicable to the Phoenix Gold Project has been provided by Phoenix Gold and its legal counsel, which C2 Mining believes to be accurate. No other sources of data other than those disclosed in this Report or the "References" have been used to compile this Report.

2.5 Site Visit

This Report was prepared by Mr. Yingting (Tony) Guo, P.Geo., as principal, director and officer of C2 Mining for Phoenix Gold at the request of Mr. Andrew Lee, a director of Phoenix Gold. The principal author of the Report is Mr. Guo, P.Geo., who is a Qualified Person as defined by NI 43-101. Mr. Guo visited the Phoenix Gold Project and checked drill cores from the Plumas Property during July 2-3, 2019. During the site visit, the author collected independent verification samples from both drill cores in the core storage and outcrops in the field. In addition to the site visit, the author completed a review of the available literature and documented results relevant to the Phoenix Gold Project. The author has received confirmation from management of the

Company and based on records from the Battle Mountain Mining District of Lander County, Nevada, that there is no new material scientific or technical information about the Phoenix Gold Project since the personal site visit in July 2-3, 2019.

3 Reliance on other experts

This Report has been prepared solely by Mr. Yingting (Tony) Guo, P.Geo., of C2 Mining for Phoenix Gold. The author has relied upon correspondence to him dated September 11, 2020 from legal counsel for Phoenix Gold, Boughton Law Corporation, regarding information about the corporate structure, ownership and titles of the Phoenix Gold Project, as described in Sections 1, 2, and 4 of this Report.

4 Property description and location

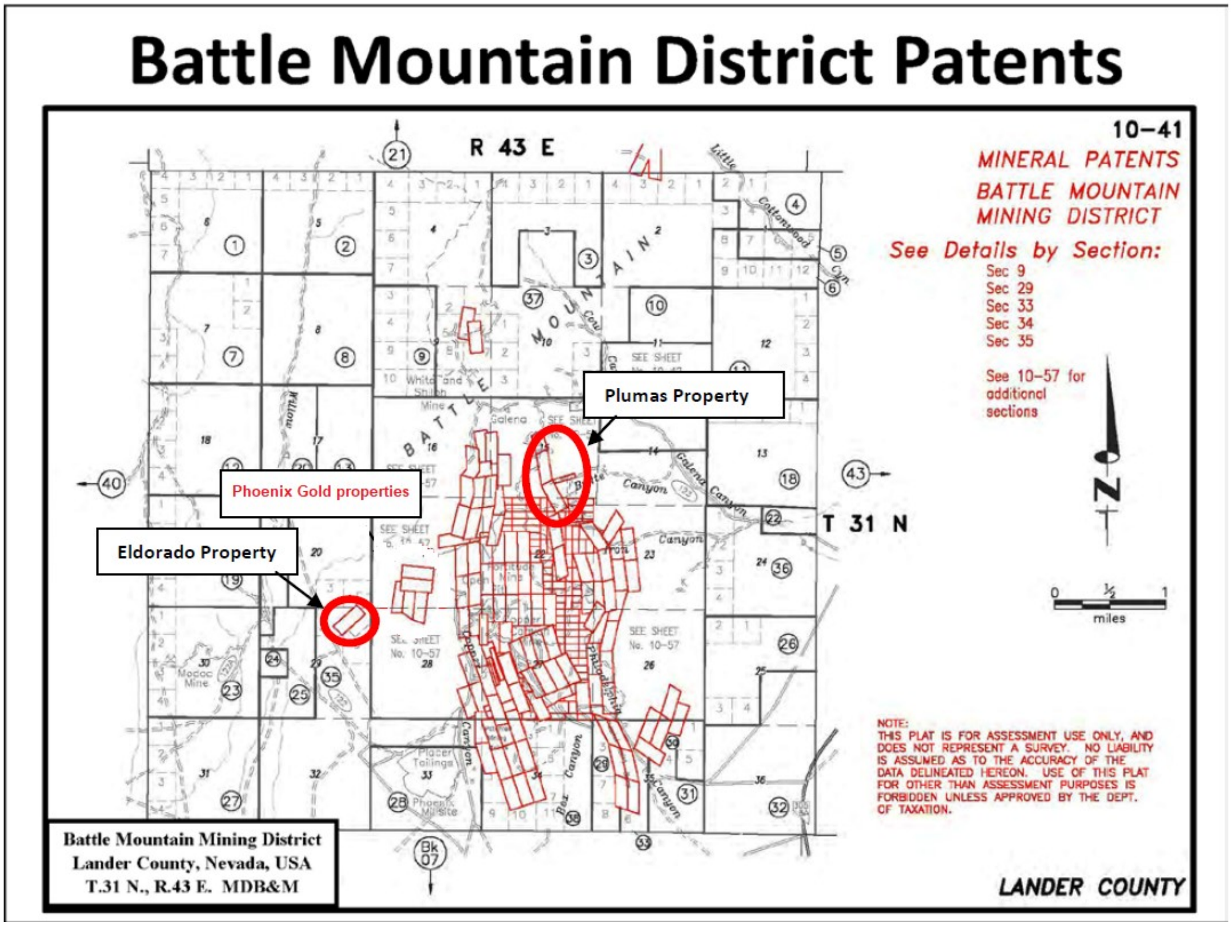
4.1 Location

The Phoenix Gold Project properties are located in Lander County, Nevada. The properties are approximately 15 miles south of Battle Mountain, Nevada, and are adjacent to Newmont's Fortitude gold mine. The approximate UTM Centroid of the project is 4,488,000N and 490,000E (Datum: NAD 1927, UTM Zone 11).

The Phoenix Gold Project consists of Plumas Property and Eldorado Property, including three (3) patented mining claims and 1 patented mill site claim with a total area of 24.48 hectares in Battle Mountain, Nevada. The claims in details are described in Table 4.1. The Plumas Property consists of two patented lode mining claims and one patented millsite claim in Section 15 of T. 31 N., R. 43 E, and the Eldorado Property includes one patented lode mining claim in North East ¼ Section 29, T. 31 N., R. 43 E. Figure 4.1 shows the location of the claims of the Plumas Property and Eldorado Property.

Table 4.1 Mineral Tenure Summary of the Phoenix Gold Project Properties

MINERAL TENURE SUMMARY							
Property	Claim Name	Mineral Survey	Mineral Patent #	Assessor's Parcel #	District	Property Section of T31N, R43E MDM	Hectares
Plumas	Plumas	47A	6597	098-702-63	Battle Mountain	Section 15	16.39 ha
	Plumas Millsite	47B	6597	098-702-63			
	Goodwin	48	6598	098-702-64	Battle Mountain	Section 29	8.09 ha
Eldorado	Eldorado	3523	3523	098-703-40			



[Source: Lander County Recorder's Office, Battle Mountain, Nevada, August 29, 2013]

Figure 4.1 Location of Phoenix Gold Project Properties in the Battle Mountain Mining District

4.2 Mineral Title and Acquisitions

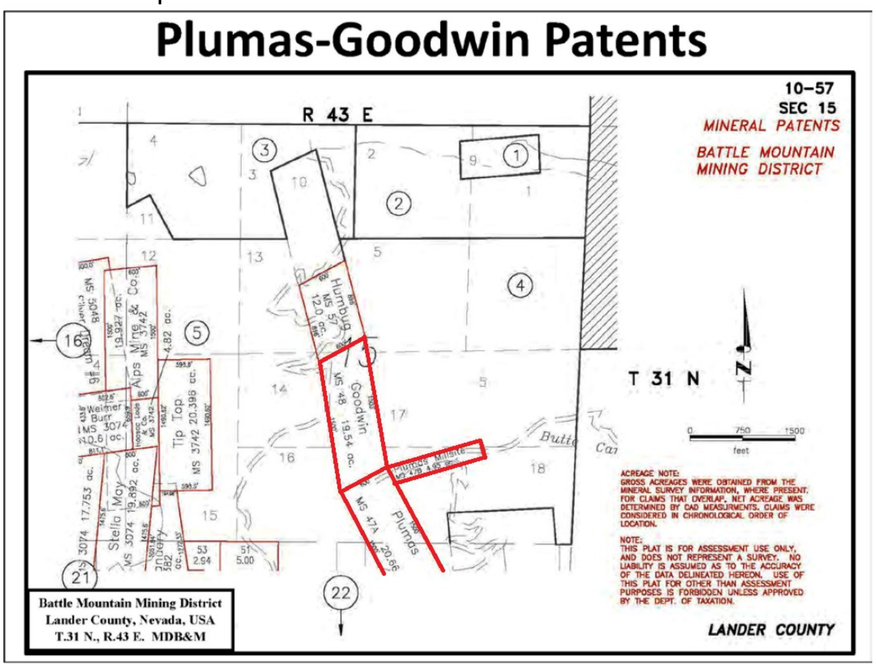
Phoenix Gold acquired, through its subsidiary, Phoenix Gold USA, 50% of the Eldorado Property and 50% of the Plumas Property together with a leasehold interest to Phoenix Holdings for the other 50% of the Plumas Property, all of which together comprise the Phoenix Gold Project pursuant to an acquisition agreement and a lease agreement for the Plumas Property and an option agreement for the Eldorado Property. Phoenix Holdings is in default of the lease for failure to make lease payments and is presently taking steps to rectify the default. The patented mineral claims comprising the properties include surface rights and mineral rights, including the right to explore for, mine, and remove all ores and minerals, and all water rights and improvements, easements, licenses, rights-of-way and other interests appurtenant (Figures 4.2, 4.3).

Plumas Property Acquisitions

The Plumas Property is comprised of two patented mineral claims and one patented millsite claim (see Figure 4.2, below) owned 50% by Phoenix Gold (through its subsidiary, Phoenix Gold USA), and 50% by William Matlack, which was leased to another subsidiary, Phoenix

Holdings. Phoenix Gold acquired its 50% ownership interest in the Plumas Property from AGEI in 2012 by issuance 500,000 shares of Phoenix Gold at a deemed price of US$0.10 per share (equal to payment of US$50,000) to AGEI. Phoenix Gold Holdings also entered a 20-year renewable lease agreement with William Matlack to acquire a leasehold interest in his 50% interest of Plumas Property. Under the lease agreement, Phoenix Gold issued 100,000 shares of Phoenix Gold to Matlack at a deemed price of US$0.10 per share. To keep the Plumas lease in good standing, the Company must make annual payments of US$35,000 to Matlack, but the Company has since failed to pay the annual lease fee to Matlack. Matlack and Phoenix Holdings are presently negotiating further steps to rectify the default. The Plumas Property is also subject to 5% net smelter return in favour of Goodwin Plumas Mines Inc, which could be reduced to a 2% NSR by payment of US$1.5 million. Matlack has the right to convert the lease payment right into a 1% NSR, and Phoenix Holdings would have the right to purchase the NSR for US$1 million.

Phoenix Gold USA entered a two years term easement agreement with Newmont starting in January 1, 2012, which allowed an easement of 20 feet in width across the Plumas Property for an underground water pipeline, including the right to constrict, operate, maintain and access the pipeline. The easement expired at the end of 2013.



[Source: Lander County Recorder's Office, Battle Mountain, Nevada, August 29, 2013]

Figure 4.2 Plumas patented claim (in red)

Eldorado Property Acquisition

The Eldorado Property is a patented mineral claim (see Figure 4.3, below) owned 50% by Phoenix Gold USA, and 50% by Nevada Gold Mines LLC (a joint venture between Newmont Goldcorp Corporation and Barrick Gold Corporation). Phoenix Gold USA acquired a 50% ownership interest in the Eldorado Property from AGEI, who assigned his option agreement with Timothy Scott to Phoenix Gold. Phoenix Gold, AGEI and Mr. Scott entered into an Option Extension and Assignment Acknowledgement Agreement dated October 29, 2013, which was amended on December 16, 2013, January 21, 2014, and February 21, 2014, respectively. In 2014, Phoenix Gold paid US$105,000 to Mr. Scott under that agreement acquire the that 50%

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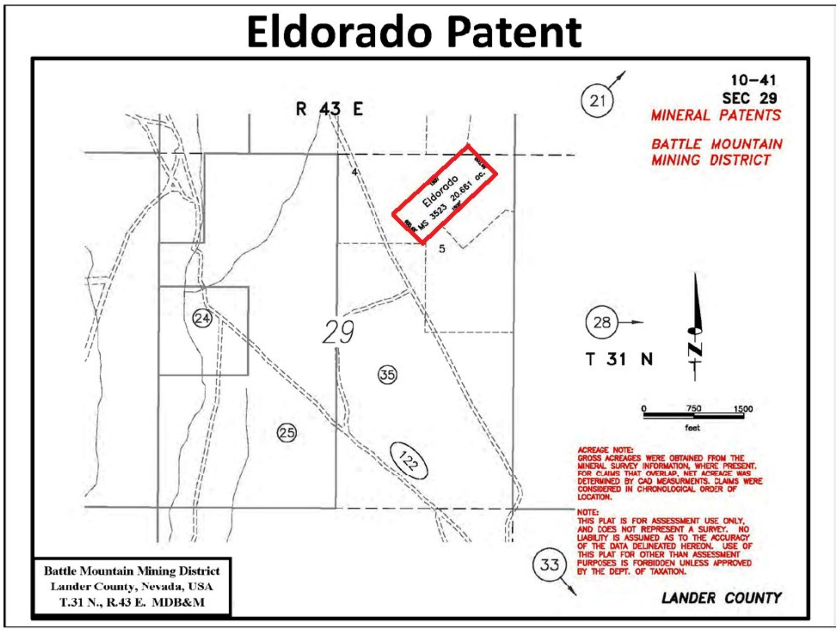


[Source: Lander County Recorder's Office, Battle Mountain, Nevada, August 29, 2013]

Figure 4.3 Eldorado patented claim (in red)

4.3 Permitting and Environmental Considerations

A Notice of Intent from the US Bureau of Land Management is required to conduct exploration drilling, and the permit could be gained within two months. Nevada Department of Environmental Protections (NDP) is located in Carson City, Nevada, which is in charge of all environmental matter. There is no outstanding environmental concerns and issues related to the Phoenix Gold Project properties.

4.4 Other Significant Factors or Risks

To the knowledge of the author, there are no other significant risks or factors that may affect access, title or right to work on the Phoenix Gold Project properties that are not disclosed elsewhere in this Report.

5 Accessibility, Climate, Local Resources, Infrastructure and Physiography

5.1 Accessibility, Local Resources and Infrastructure

The Phoenix Gold Project properties are situated in the Battle Mountain Mining District, Lander County, Nevada. The Plumas Property is located 3.3 km northeast of the Eldorado Property. The Phoenix Gold Project properties are approximately 20 kilometers southwest of Battle Mountain, and 120 km southwest of Elko, Nevada (Figure 5.1). The main supply centre is the city of Battle Mountain, which is an unincorporated town with a population of approximately 3,635 people. The town is located on Interstate 80 between Winnemucca and Elko, and it is also service by Battle Mountain Airport, which provides air access via private or chartered flights.

The primary economic base for the Battle Mountain is gold mining. The construction of the Battle Mountain station of Central Pacific Railroad in 1870 was established this town to serve the local copper and gold mining industry. Now, the Union Pacific Railroad line runs through Battle Mountain. All necessary goods and services can be obtained easily in the town. Due to the long-history of mining activities, the Battel Mountain town also serves a well-developed electrical grid and water supply infrastructure for the mining industry.

The Phoenix Gold Project is adjacent to the world class Fortitude gold-silver mine, which is owned by Newmont Goldcorp. A well-maintained road network provides access to the Battle Mountain towns and adjacent areas of the Phoenix Gold Project. In addition, the roads are the all-weather paved and gravel roads. To access the Phoenix Gold Project, travel south from Battle Mountain on State Highway 305 approximately 13 miles to the turnoff of the Buffalo Valley road, then south on the Buffalo Valley Road 4 miles to the Willow Creek Reservoir Road, then northerly on the Willow Creek Reservoir Road approximately 3 miles past Newmont’s Phoenix Mine Project.

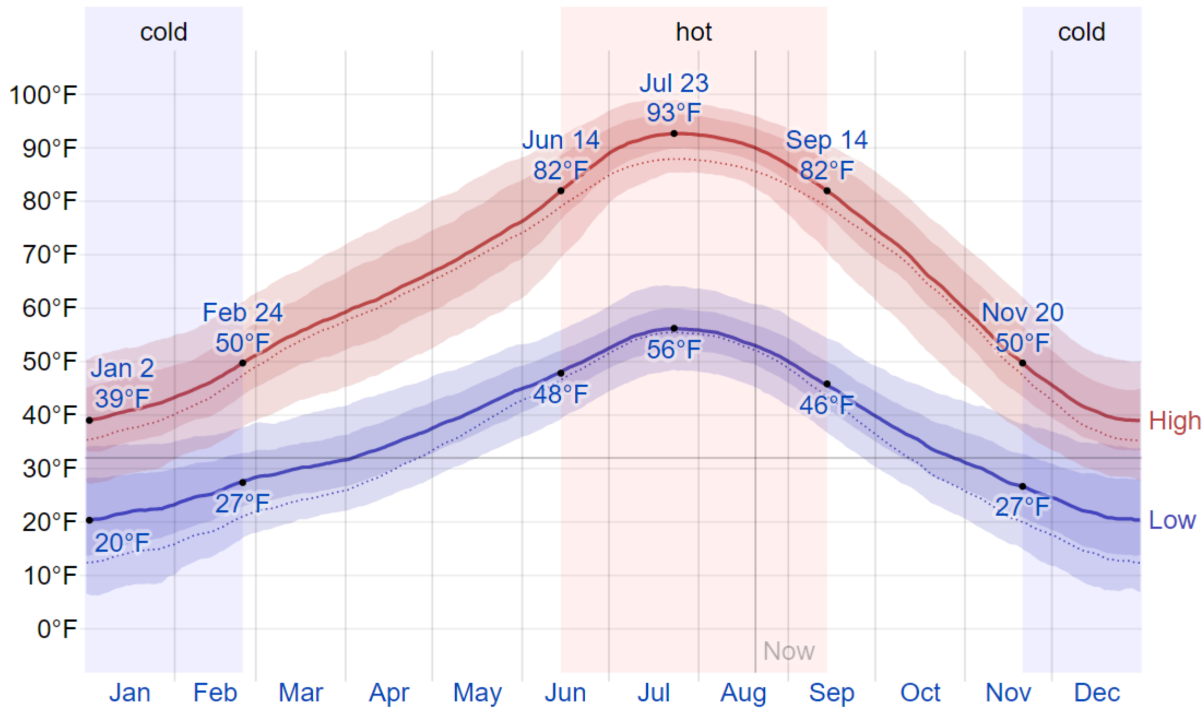
[Source: Nevada Department of Transportation, as annotated by Phoenix Gold Resources Corp.,2020]

Figure 5.1 Location of the Phoenix Gold Project, Battle Mountain, Nevada

5.2 Climate and Physiography

The climate at the Phoenix Gold Project is typical of cool semi-arid weather. The weather is characterized by hot, arid and clear summer, and cold, dry and cloudy winter. Due to aridity and high elevation, the area commonly experiences large diurnal temperature variation. The temperature in the Battle Mountain area varies from 20ºF to 93ºF (-6.7 ºC to 34 ºC) (Figure 5.2). The high temperatures occur from June 14 to September 14 with an average daily high temperature of about 82ºF (28 ºC), while the low temperatures occur from November 20 to February 24 with an average high temperature below 50ºF (10 ºC) (Figure 5.2).

The precipitation at Battle Mountain is just enough to avoid to be classified into arid weather, and average precipitation per year is around 9 inches. The precipitation season lasts around seven months from November to June, and drier season occurs in July to October. The working season is all year round, and operating conditions are usually unaffected by precipitation and extreme weather.



The daily average high (red line) and low (blue line) temperature, with 25th to 75th and 10th to 90th percentile bands. The thin dotted lines are the corresponding average perceived temperatures.

[Source: www.weatherspark.com, 2020]

Figure 5.2 Average high and low temperatures in Battle Mountain

5.3 Topography, Elevation and Vegetation

The Phoenix Gold Project properties are located on the west side of Pumpernickel Ridge with gently rolling hills, and have elevation range of 5,100 to 6,000 feet (1,550 to 1,830 meters). Vegetation consists of mainly low, sparse desert shrubs, forbs and bunch grasses.

Phoenix Gold Project includes three patented mining claims, of which the surface is public domain land administered by the U.S. Bureau of Land Management (the "**BLM**"). For mining construction and process facilities, the properties are adequate.

Mining is one of the pillar industries in the Battle Mountain region, which provide an adequate supply of skilled and experienced workers.

5.4 Local Resources and Infrastructure

The Phoenix Gold Project properties are accessible by car over all-weather county-maintained roads from Battle Mountain, Winnemucca and Elko, Nevada, with populations of approximately 3,635, 7396 and 18,297 respectively. The town of Battle Mountain is the nearest population center, approximately 20 northeast of the property. Battle Mountain Airport provide air access via private or chartered flights. Winnemucca is located 70 km northwest of the properties, and Elko is located 120 km east of the properties on Interstate 80. Skilled labour and equipment are in sufficient supply in the region.

Commercial power is available in the region, and it currently services the adjacent Phoenix Mine operated by Newmont Goldcorp. The Commercial power could be easily extended to the Phoenix Gold Project. Water supply is also sufficient around the Phoenix Gold Project area.

6 History

6.1 Battle Mountain Mining District History

Historically, the Battle Mountain Mining District has been one of the largest producers of gold with mining history over 150 years (Theodore et al., 1991). The Copper Canyon Cu-Pb-Ze mine was the most important producer for Cu in the Battle Mountain Mining District. The Copper Canyon underground mine was operated during 1917-1955, and the Copper Canyon open pit mine began to operate in 1967, which focused on the eastern orebody (Kotlyar, et al., 1995; Kotlyar et al, 2005). The Fortitude Au-Ag mine is the most important Au mine known to date in this district. The details of the Fortitude Au-Ag mine will be introduced in Section 15—Adjacent Properties. Other mines and undeveloped deposits at the Battle Mountain Mining District are numerous during the past 150 years. Table 6.1 summarizes the production history of several mines in the Battle Mountain Mining District.

Table 6.1 Grade and tonnage of large Au-Ag deposits in the Battle Mountain area, Nevada

Deposit no.	Name of deposit	Tonnage (short tons, *10^{-6})	Gold (troy oz per ton)	Silver (troy oz per ton)
1	Lower Fortitude	8.1	0.24	0.93
2	Upper Fortitude	2.8	0.08	0.83
3	Phoenix	42.6	0.046	0.26
4	West Orebody (Copper Canyon)	5	0.012	0.27
5	Northeast Exten (Copper Canyon)	1.2	0.07	0.27
6	East Orebody (Copper Canyon)	14.8	0.012	0.27
7	Reona	8.2	0.031	0.22
8	Minnie	0.7	0.07	0.12
9	Tomboy	2.9	0.07	0.12
10	Midas (Mill)	19.8	0.047	0.372
	Midas (Leach)	8.6	0.029	0.214
11	Sunshine	0.43	0.02	0.15
	Total	115		

*Production data for 1, 2, 4, 5, 6, 8, 9 deposits, and proven and (or) probable resource for 3, 7, 10, 11 deposits (Kotlyar, 2005).

Source: Theodore et al., 1991. The mineral production listed above for several mines in the Battle Mountain Mining District, which are historical estimates intended to provide the reader a sense of the proliferation and order of magnitude of historical mineral production. The key assumptions and parameters to determine the historical estimates are unknown and should not be relied upon as estimated resources or reserves. The "production data" and "probable resources" are not the prescribed categories of resources or reserves defined under NI 43-101. More work would be necessary to upgrade or verify the historical estimates, and a qualified person has not done sufficient work to classify the historical estimates as current mineral resources or current mineral reserves, and the Company is not treating the historical estimates as current mineral resources or mineral reserves.

Silver was first discovered in Galena Canyon area of the Battle Mountain Mining District in 1863, and copper and silver were discovered in the vicinity of Copper Canyon in 1864. The Battle Mountain Mining District was then developed with thirty small mines in operation, several small mills and smelting works. The Central Pacific Railroad that build in 1869 also help the development of the district (Roberts & Arnold, 1965). The mining activity in the district ceased in 1885, when the high-grade near surface mineral bodies exhausted. Copper deposits at Copper Canyon and Copper Basin were mined underground during both World Wars, and mined in large-scale open pit method since 1967. Depressed copper prices resulted in suspended operation in the Battle Mountain Mining District in 1981.

Gold was first discovered at Bannock area of the Battle Mountain Mining District in 1909. Precious metal in skarns were discovered at Tomboy and Minnie deposits in the mid 1970’s, and the Upper and Lower Fortitude deposits were discovered in 1980. The Lower Fortitude deposit produced 2.3 million ounces gold and 10.8 million ounces silver (Doebrich, 1995).

In 1980’s, Hart River Mines conducted drilling program on the Lewis property, which is located west of the Plumas Property and north of the Eldorado Property. Barrick completed several exploration activities on the Lewis Property during 1986 to 1989, including geological mapping, geochemistry, geophysics and drilling. During 1889 to 1994, Lewis conducted exploration activities on the Lewis Property. Santa Fe Pacific Gold Corp optioned the Lewis Property in 1994, and drilled at the Hider target and Trinity occurrence on the Lewis Property. Nighthawk North Exploration and United Tex-Sol optioned the Lewis property in 1996-97, and conducted drilling program at the historic Virgin-Blossom occurrence.

Newmont made a few amalgamation acquisitions in 1990’s, including Battle Mountain Gold, Hemlo and Santa Fe Pacific Gold Corp, which make Newmont the largest gold producer in the Battle Mountain Mining District. In 2000, Newmont optioned the Lewis Property and completed drilling in the Antler Peak area on the Lewis Property.

In 2002, Great American Minerals Inc.(“**GAM**”) entered a lease/option agreement with Lewis, which includes an earn-in joint venture agreement with Madison Minerals Corporation (“**Madison**”). Madison conducted 190 drill holes with spending of more than US$10 million and completed its 60% earn in. GAM was acquired by Golden Predator Corp. (“**Golden Predator**”) in 2008, and Golden Predator Corp transferred the 40% interest in the Lewis Joint Venture to American Bullion Royalty Corporation (“**American Bullion**”). American Bullion sold the 40% ownership interest of Lewis Property to Battle Mountain Gold in 2013.

6.2 Exploration History of the Plumas Property

Limited modern exploration activities have been conducted on the Plumas Property, although the Plumas Property had a mining history by private owner. The production history on Plumas Property could traced back to 1930s, and intermittent production was recorded during 1934 to 1942. Several shallow shafts were excavated along the outcrop of the mineralized fault zone. However, no historic production amounts were recorded by the previous Goodwin / Plumas mine owner.

No exploration activity has been conducted on the Plumas Property during 1942 to 2008. In 2008, AGEI signed a lease/option agreement with Goodwin Plumas Mines Inc. Then AGEI had conducted geologic mapping and surface geochemical rock chip sampling programs on the Plumas Property during 2008 to 2011. AGEI purchased the Plumas Property in November 2011, and subsequently sold a 50% beneficial interest of the Plumas Property to William Matlack. Phoenix Gold acquired a 50% ownership interest in Plumas Property from AGEI in 2012 and acquired a leasehold interest in November 2013 from William Matlack's 50% beneficial interest in the Plumas Property, which is presently in default for failure to pay annual lease payments but the parties are taking steps to rectify the default. There is no historical drilling completed on the Plumas Property.

6.3 Exploration History of the Eldorado Property

The early recorded gold exploration activities occurred in the late 1880’s. A project field review report has been prepared by a geologist, including limited workings, geology and mineralization.

The Eldorado Property is 50% owned by Newmont Goldcorp, and Mr. Scott purchased another 50% interest of the Eldorado Property from Mr.Curtis Taylor. AGEI signed an option agreement to purchase the 50% interest in the Eldorado Property with Mr. Scott. Then AGEI conducted geologic mapping and limited rock chip geochemical sampling on the Eldorado Property.

Newmont Goldcorp completed 2 drill holes in 2013 on the Eldorado Property, of which Newmont has 50% interest. However, Newmont Goldcorp would not share their drill results and Phoenix Gold has no information or data from their drilling.

6.4 Historic Resource and Reserve Estimates

There are no historical resources or reserves for the Phoenix Gold Project referenced in this Report.

6.5 Historical Production

Minerals were extracted from the Plumas Property intermittently from 1934 to 1942. As described above, the historical production came from several shallow shafts along the outcrop of the mineralized fault zone. Reported historic production was completed solely by the Goodwin/Plumas private mine owners and the amounts of production are unknown.

7 Geological setting and Mineralization

7.1 Regional Geology

The tectonic evolution of Battle Mountain is characterised by episodic tension, which caused tensional deformation, rifting, sedimentation and erosion (Ashton and Nunnemaker, 2011). Then compressional events followed, which resulted in compressional deformation and a series of thrust faults. Many mineralized deposits at Battle Mountain are structurally controlled by the thrust faults (Theodore and Blake, 1975).

Tectonically, Battle Mountain includes the Roberts Mountains allochthon, the Dewitt allochthon, the autochthonous Antler Overlap sequence, and the Golconda allochthon (Figure 7.1), which are composed of a set of thrust sheets (Roberts, 1964, Roberts and Arnold, 1965, Stewart, 1977, and Doebrich, 1995). The Paleozoic assemblages were intruded by Cretaceous and

Tertiary intrusions. Battle Mountain is a well-mineralized area, and many deposits formed in the late Eocene and early Oligocene.

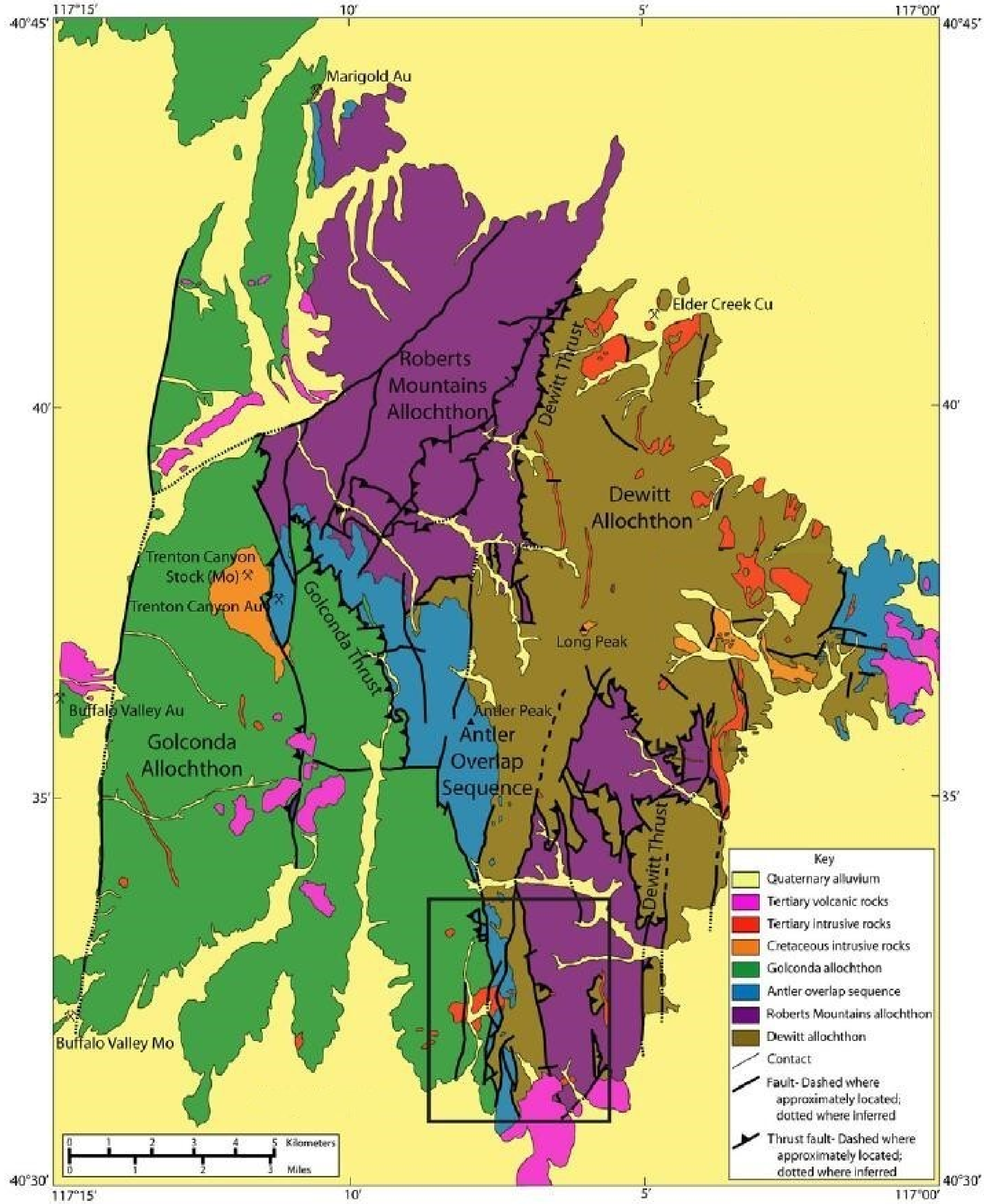


Figure 7.1 Battle Mountain Regional Geological Map (Keeler, 2010)

The Roberts Mountain allochthon consists of Ordovician Valmy Formation and Devonian Scott Canyon Formation (Roberts, 1964, Doebrich and Theodore, 1996, Figure 7.1). The Ordovician Valmy Formation is mainly composed of quartz arenite, chert and greenstone, and the Devonian Scott Canyon Formation mainly contains chert, shale, argillite and greenstone (Roberts, 1964), which were emplaced above the Roberts Mountains thrust during the late Devonian to early Mississippian Antler orogeny.

The Dewitt allochthon, composed of Late Cambrian Harmony Formation, was emplaced above the Dewitt thrust, a major splay of the Roberts Mountains thrust (Doebrich, 1995). The Harmony Formation consists of feldspathic to micaceous sandstone, calcareous shale and limestone (Doebrich and Theodore, 1996), which underlies the Devonian Scott Canyon Formation.

The Antler Overlap sequence is conformably overlying the Roberts Mountains allochthon, and mainly consists of middle Pennsylvanian Battle Formation, Antler Peak Limestone, and the Permian Edna Mountain Formation, which were eroded from the Antler highlands during the Antler orogeny (Roberts, 1964). The Battle Formation consists of conglomerate, sandstone, siltstone and limestone, Antler Peak Limestone is bioclastic and sandy limestone, and Permian Edna Mountain Formation contain pebble conglomerate, sandstone and siltstone. The Antler Peak Limestone is main host for skarn mineralization of the world-class Copper Canyon copper deposit and Fortitude gold-silver deposit.

Golconda allochthon were emplaced above the Golconda thrust, and they are the final succession of Paleozoic rocks within the Battle Mountain Mining District. The Golconda allochthon consists of interleaved chert, argillite, shale, siltstone, sandstone, conglomerate, limestone and greenstone of the Mississippian to Permian Havallah sequence (Roberts, 1964).

Northwest-striking faults were well developed in the Battle Mountain Mining District during the Mesozoic, and many Late Cretaceous granodioritic to monzogranitic stocks emplaced along the faults. Many porphyry copper-molybdenum deposits are specially and genetically associated with the Late Cretaceous intrusive stocks (Doebrich and Theodore, 1996). The faults are trending N 30° to 40° W. Regional alignment of the intrusive rocks and related orebodies also manifest the existence of the northwest-striking faults.

Cenozoic structural events are characterized by well development of North-striking normal faults, and a large number of late Eocene to early Oligocene granodioritic stocks and dikes emplaced along the faults. The faults are roughly trending N 20° W to N 20° E.

The intersection zone of major northwest-trending faults and north-trending faults are favorable location for emplacement of magmatism and associated hydrothermal activity, such as Virgin Fault at Copper Canyon (Theodore & Blake, 1975). Intrusions, faults, and chemically reactive host rocks are three important factors for localizing the mineralization in the Battle Mountain area (Doebrich and Theodore, 1996). The faults served as conduits for the intrusions and associated mineralized material-bearing hydrothermal fluid.

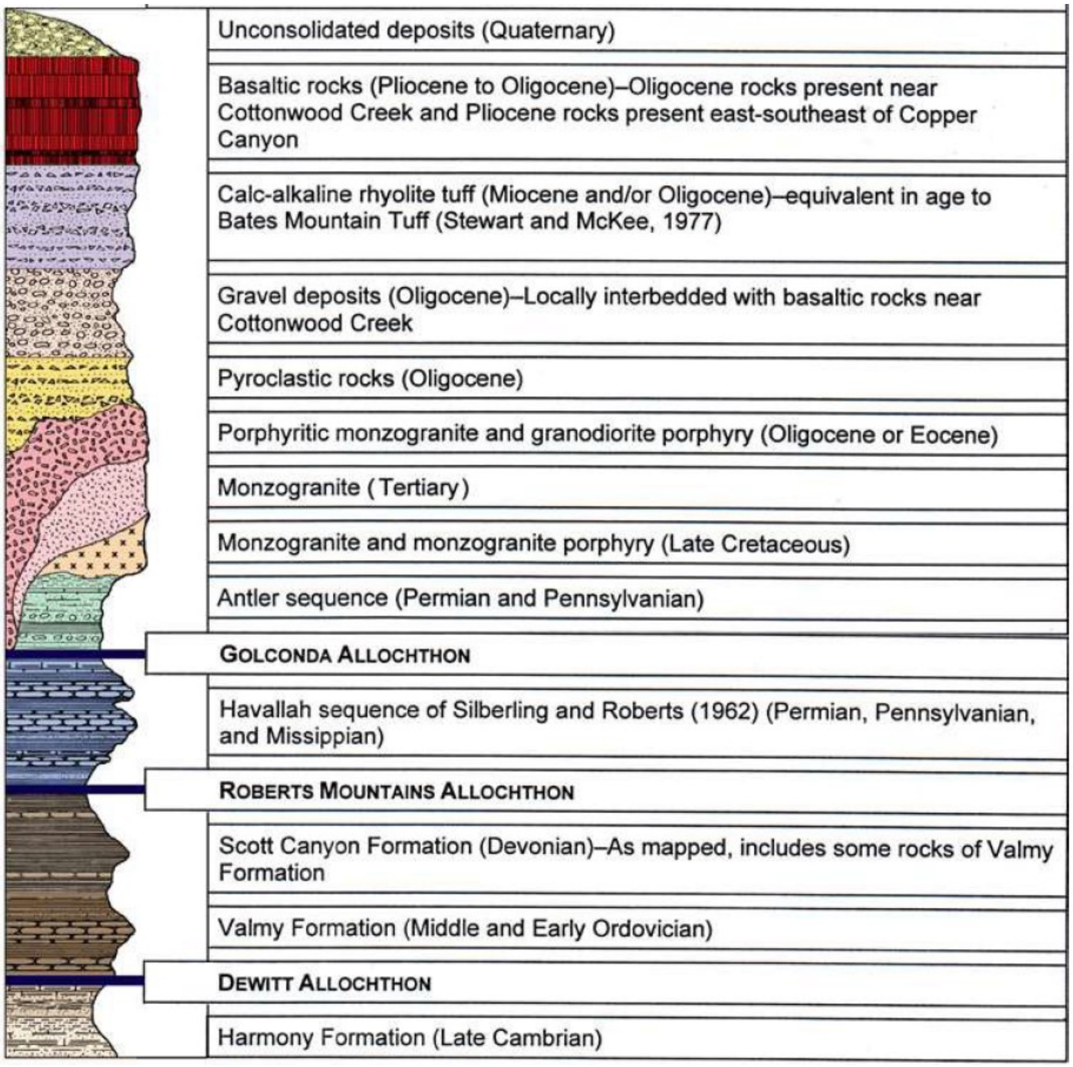


Figure 7.2 Battle Mountain Regional Stratigraphy (Doebrich and Theodore, 1996)

The Tertiary intrusive rocks are present in the Battle Mountain area as small stocks and dikes, and mainly consist of late Eocene to early Oligocene monzogranite and granodiorite, which intruded into the Paleozoic successions. The recognized Tertiary intrusive centers at Battle Mountain area include Copper Canyon, Copper Basin, Elder Creek and Buffalo Valley mine, and these intrusive rocks are genetically related to porphyry type alteration and mineralization. The Copper Canyon has produced about 112 metric tons (3.6 million ounces) of gold and 663 metric tons (21.3 million ounces) of silver (Wotruba et al, 1988).

Sulphide mineralization is present as vertically and concentrically zones around the intrusions, and also as veins, replacement and dissemination along northerly-trending faults and shear zones. The zonation around the intrusions could be briefly illustrated as inner copper-gold zone, a middle gold-silver zone, an outer lead-zinc-silver-gold and possible distal arsenic-antimony zone (Blake et al., 1984; Theodore, et al., 1990). Sulphide minerals include pyrite, pyrrhotite, galena, sphalerite, chalcopyrite, bornite, stibnite, arsenopyrite, and tetrahedrite. The structure-controlled mineralization is confined to the fault conduits, and reactive sedimentary wall rocks.

7.2 Local Geology

7.2.1 Local Geology of Plumas Property

The stratigraphic units in the Plumas Property consist of sedimentary rocks plus minor scattered Tertiary intrusive rocks. The stratigraphic unit associated with Au mineralization is the Devonian Scott Canyon Formation.

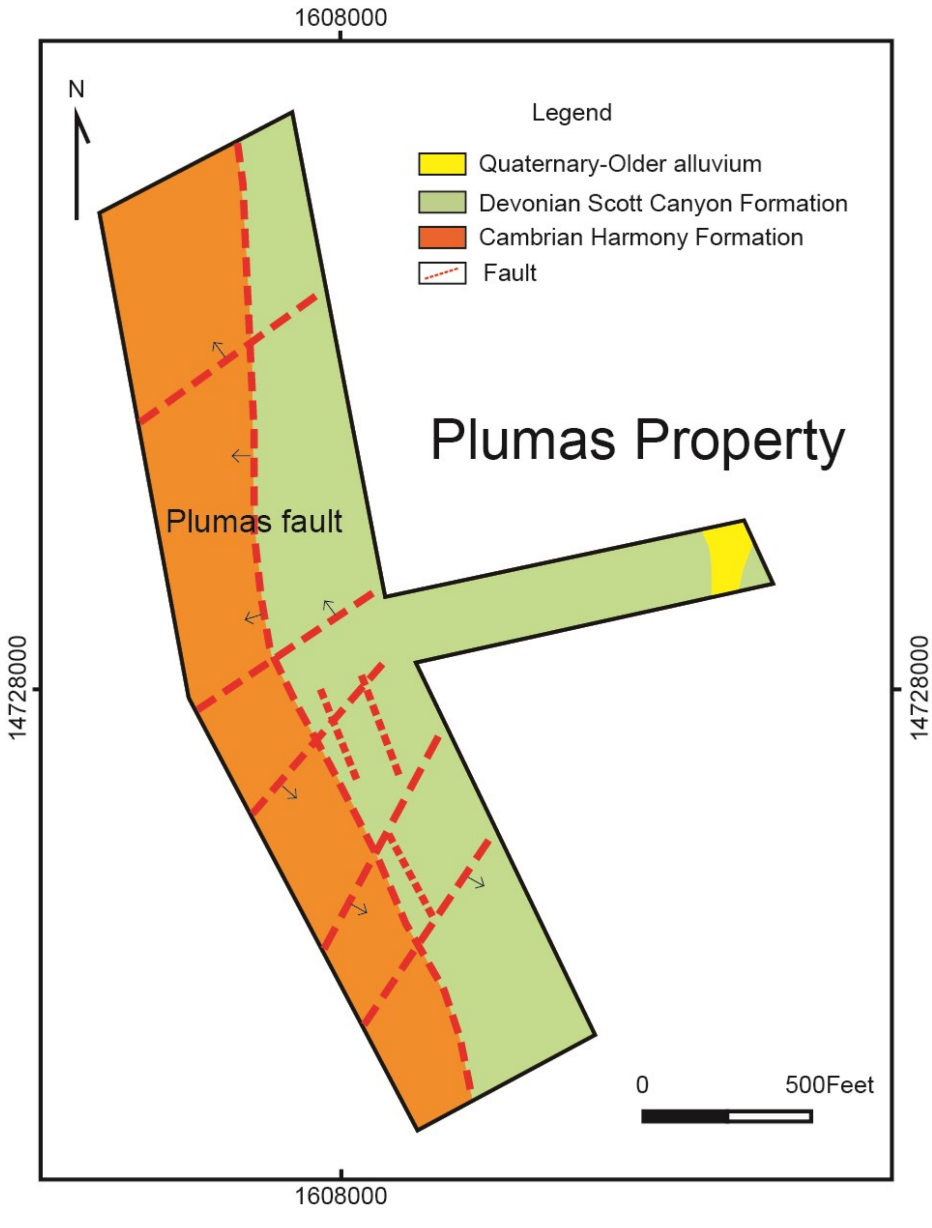


Figure 7.3 Geological Map of Plumas Property

Sedimentary rocks

The Late Cambrian Harmony Formation and Devonian Scott Canyon Formation are dominantly sedimentary rocks on the Plumas Property (Figure 7.2). The Late Cambrian Harmony Formation is composed of quartz-feldspathic sandstone with minor shale, limestone and volcanic rocks (Maynard, 2014), which is structurally underlying the Devonian Scott Canyon Formation. Calcareous units in the Harmony Formation were metamorphosed into hornfels near the contact zone with intrusive rocks.

The Devonian Scott Canyon Formation mainly consists of chert, argillite and volcanic rocks with lesser limestone, quartzite and sandstone. The Devonian Scott Canyon Formation is the main host rock for disseminated gold mineralization.

Tertiary Intrusive rock

Late Eocene to Early Oligocene intrusive rocks are scattered throughout the Battle Mountain area as small stocks and dikes, and the intrusions are monzogranite to granodioritic in compositions. Small Tertiary stocks intruded into the sedimentary rocks, which were observed in the drill cores.

Fault

The Plumas fault zone is the main structure at Plumas Property (Figure 7.3). The northwest-trending Plumas fault zone is composed of a series of sub-parallel faults, which are striking approximately N5W and dipping steeply to the west. The fault zone is around 500 feet (152m) in width, and 10,000 feet (3,000m) in length.

Alteration

Alteration at Plumas Property is characterized by intense silicification and minor chloritization. The silicified sedimentary rocks are hardened. The structural intersection zones provide the conduit for hydrothermal fluid, and the rocks around faults are strongly silicified. Locally, fine grained sandstone and argillite are altered to hornfels at the contact zone with Tertiary intrusion. Chlorite is only locally present.

Mineralization

The sulfide includes pyrrhotite, arsenopyrite, pyrite, bismuthinite, marcasite, sphalerite, galena, chalcopyrite (Doebrich, 1995). Arsenopyrite is locally massive, and bismuthinite is locally visible in hand specimens. Native gold is most often associated with arsenopyrite, bismuthinite, and several tellurides. The high gold concentration occurs in the pyrrhotite dominant sulfide zone. The presence of massive pyrrhotite is the also main reason for magnetic anomalies. Sulphide mineralization is mainly present along northerly-trending structure conduits as veins.

7.2.2 Local Geology of Eldorado Property

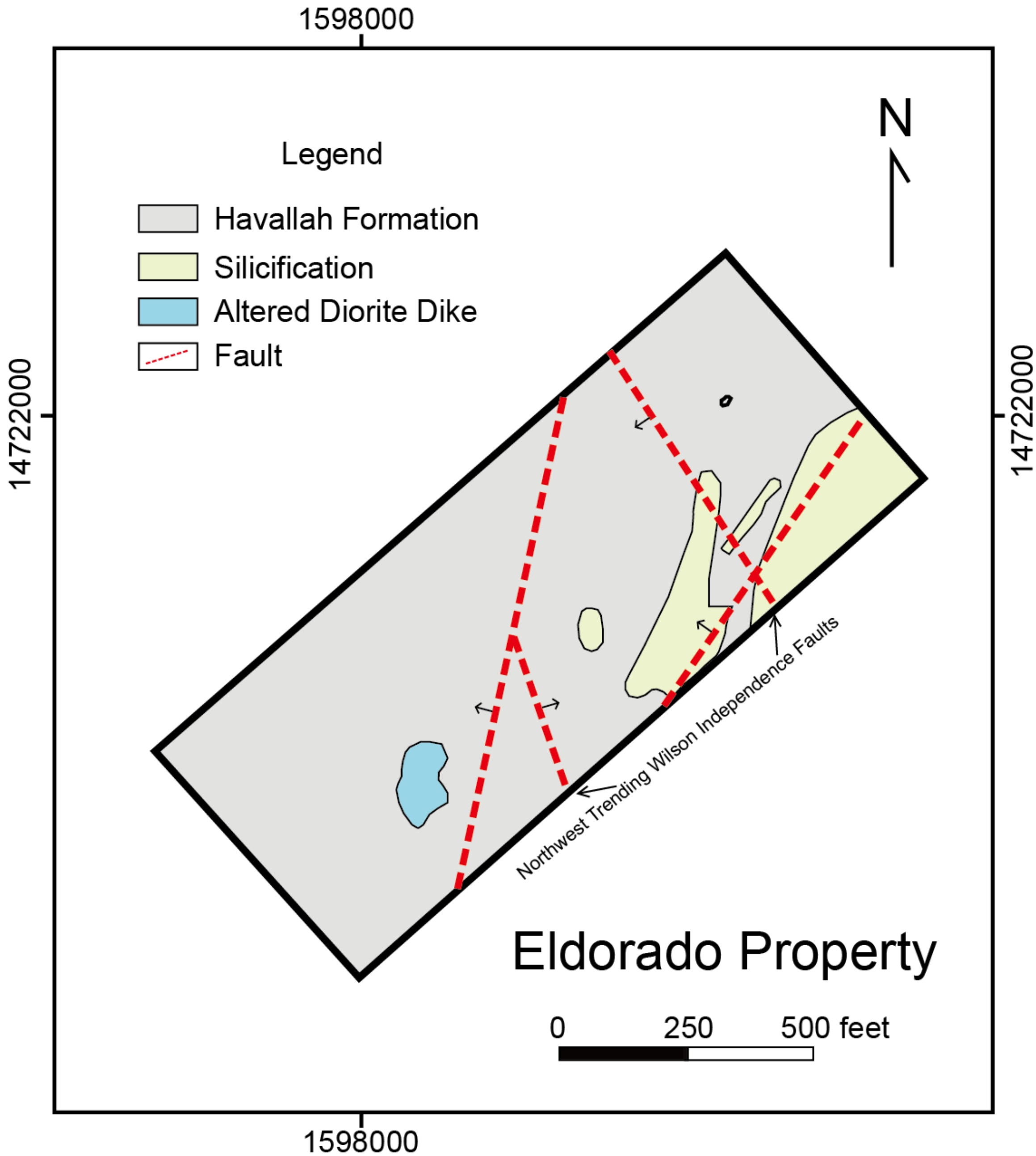


Figure 7.4 Geological Map of the Eldorado Property

Stratigraphy, Lithology and Alteration

Limited exploration work had been conducted on the Eldorado Property. AGEI conducted a geological mapping program and limited chip rock sampling program on the Eldorado Property (Figure 7.4). Strong silicified sedimentary rocks have been outlined on northeast corner of the Eldorado Property. However, the original rock is beyond recognition due to strong alteration. In addition, a dacite stocks also occurred on the Eldorado Property (Figure 7.4). However, no further information has been found related to the dacite porphyry stock. The dominant sedimentary rock at the Eldorado Property is the Pennsylvanian to Permian Havallah Formation. The Havallah Formation consists of three sub-formations: the lower sub-formation of sandstone, chert, shale and conglomerate, the middle sub-formation of varied colour shale and chert, and the upper sub-formation of quartzite, calcareous sandstone, shale, chert and conglomerate (Maynard, A.J., 2014).

Fault

Wilson Independence fault zones, a series of sub-parallel faults and shear zones, are the main structure on the Eldorado Property. Regionally, the Wilson Independence fault zone is 400 feet (122m) in width, and 15,000 feet (4,570m) in length. The faults are striking approximately N5W, dipping steeply to the west, and offsetting up to several hundred feet (Ashton, J and Nunnemarker, S.G., 2011)).

The second dominant structure is a series of northeast-trending faults, which are intersected with the Wilson Independence faults. The faults are striking approximately N35E, and dipping steeply to the northwest. This fault zone is around 300 feet (91m) in width.

8 Deposit Types

The Battle Mountain Mining District has been a well-known Cu-Au-Ag producer for decades. The mineral mineralization at Battle Mountain Mining District shows characteristic of zonation around Tertiary granodiorite stocks, which include a central zone of Cu+Au+Ag mineralization, to an intermediate zone of Au+Ag mineralization, to outermost zone of Zn+Pb+Ag mineralization (Blake et al., 1984; Theodore, et al., 1990).

Several different deposit types have been identified in the Battle Mountain area, and the main types include stratabound disseminated skarn type, structural controlled vein type, and porphyry type. The Fortitude gold-silver mine, the largest producer in the Battle Mountain area, is the typical stratabound disseminated skarn type. The calc-silicate hornfels of the Antler Peak Limestone is the main host rock for the stratiform Lower Fortitude ore body at the Fortitude gold-silver mine (Wotruba et al, 1986; Theodore et al, 1990). This type mineralization is the dominant mineralization type at Fortitude deposit, containing the bulk of mineable reserves. Structural controlled vein type mineralization also occurred in the Upper Fortitude ore body at the Fortitude Au-Ag mine. The gold-bearing skarn and share zones at Fortitude Au mine are associated with Tertiary-age intrusions, and the gold mineralization is distal products of magmatic-hydrothermal systems. The Copper Canyon mine, a historical producer, is a typical porphyry Cu+Au+Ag mine.

Plumas Property

Gold mineralization at the Plumas Property occurs in shear zones and sedimentary rocks. The deposit types of interest at the Plumas Property are fracture-controlled vein type Au mineralization and stratabound-disseminated mineralization. The fracture-controlled mineralization is the dominant type of gold mineralization. The fracture and shear zone along the Plumas Fault are the main space for structure-controlled vein type mineralization at the Plumas Property, especially at the intersection of steeply dipping northeast-trending faults with north-trending faults. Mineralized material-bearing hydrothermal fluid filled in fractures and deposited in sulfides.

The host rock of disseminated mineralization is primarily sandstone of Devonian Scott Canyon Formation, which is not a favorable host rock for mineralization compared with carbonaceous sedimentary rocks. However, the Devonian Scott Canyon Formation also contains some calcareous grains.

The deposit type at the Plumas Property is a large fault/fracture-controlled vein gold deposit. Mineralization is preferentially located along major structural trends, in associated adjacent fracturing and rock foliations, and as dissemination in favorable host lithologies. The gold mineralization is associated and created by magmatic-associated hydrothermal fluid.

Eldorado Property

Most of the outcrops in the Eldorado Property underwent considerable alteration, and the alteration consists of bleaching and recrystallization plus silicification. The altered rocks look like quartzite, but the original rocks are unknown.

The northwest and north-trending faults were well developed in the Eldorado Property, and structural-controlled gold mineralization was present near-surface. In addition, the Eldorado Property also has potential for high-grade copper-gold skarn at depth. The favorable host rock for skarn-type mineralization, the Permian Antler Peak Limestone, is found in the vicinity of the Eldorado Property.

The author considers that both Plumas Property and the Eldorado Property may be the distal components of porphyry systems.

9 Exploration

Exploration work at the Phoenix Gold Project properties has been carried out by several different operators over the years. The exploration work includes diamond drilling, geophysical and geochemical surveys, and geological mapping. This section briefly summarized the results from the geological mapping and geochemistry programs completed by AGEI during 2012 to 2013.

9.1 Plumas Property Exploration

The Plumas Property has a production history between 1934 to 1942, and a few historical shafts and adits would be seen on the surface (Figure 9.1). No prospecting activities at Plumas Property were recorded from 1942 to 2008. AGEI completed geologic mapping and surface geochemical rock chip sampling during 2009 to 2011 (Figure 9.2), and a drilling program had been completed on the Plumas Property in 2014 by Phoenix Gold. In addition, magnetic survey had been conducted on the Battle Mountain area, which covers the Plumas Property (Figure 9.3).

The Plumas Property claims cover approximately 3,300 feet (north-south) by 600 feet (east-west). A total of 164 rock samples were collected by AGEI during multiple sampling campaigns from 2009 to 2014, including chip samples, adit samples, dump samples, and trench samples. Significant Au results are listed in Table 9.1, and the samples return up to 39.8 g/t Au. A few gold (Au) anomalies were outlined at the Plumas Property, and gold anomalies are generally correlated with silver (Ag), arsenic (As), and Bisimuth (Bi). Generally, the Au anomalies form a north linear trend spatially associated with the main fault structure of the Plumas fault (Figure 9.2).

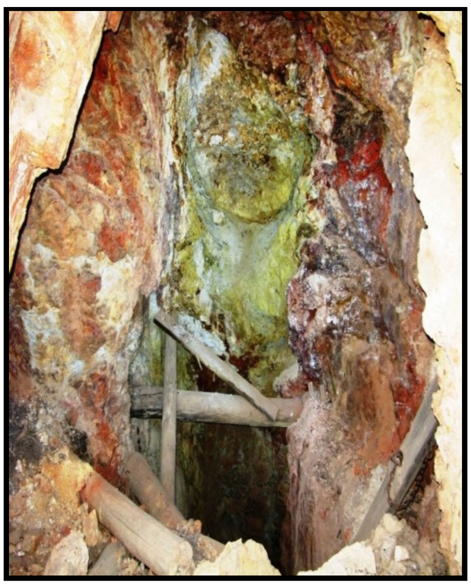


Figure 9.1 Historical Shaft at the Plumas Property

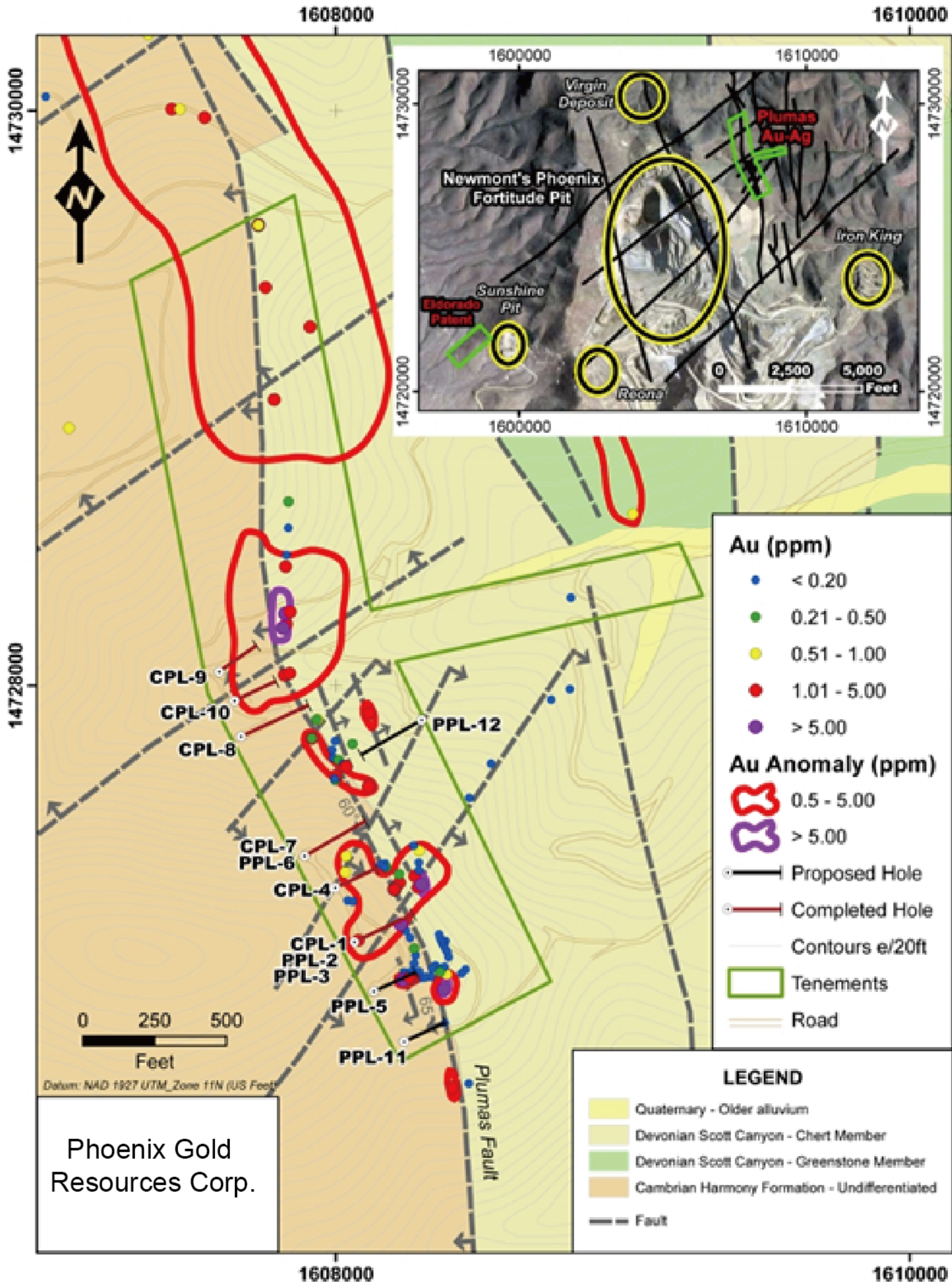


Figure 9.2 Geological mapping and Au geochemistry results of chip samples on the Plumas Property (Phoenix Gold, 2020)

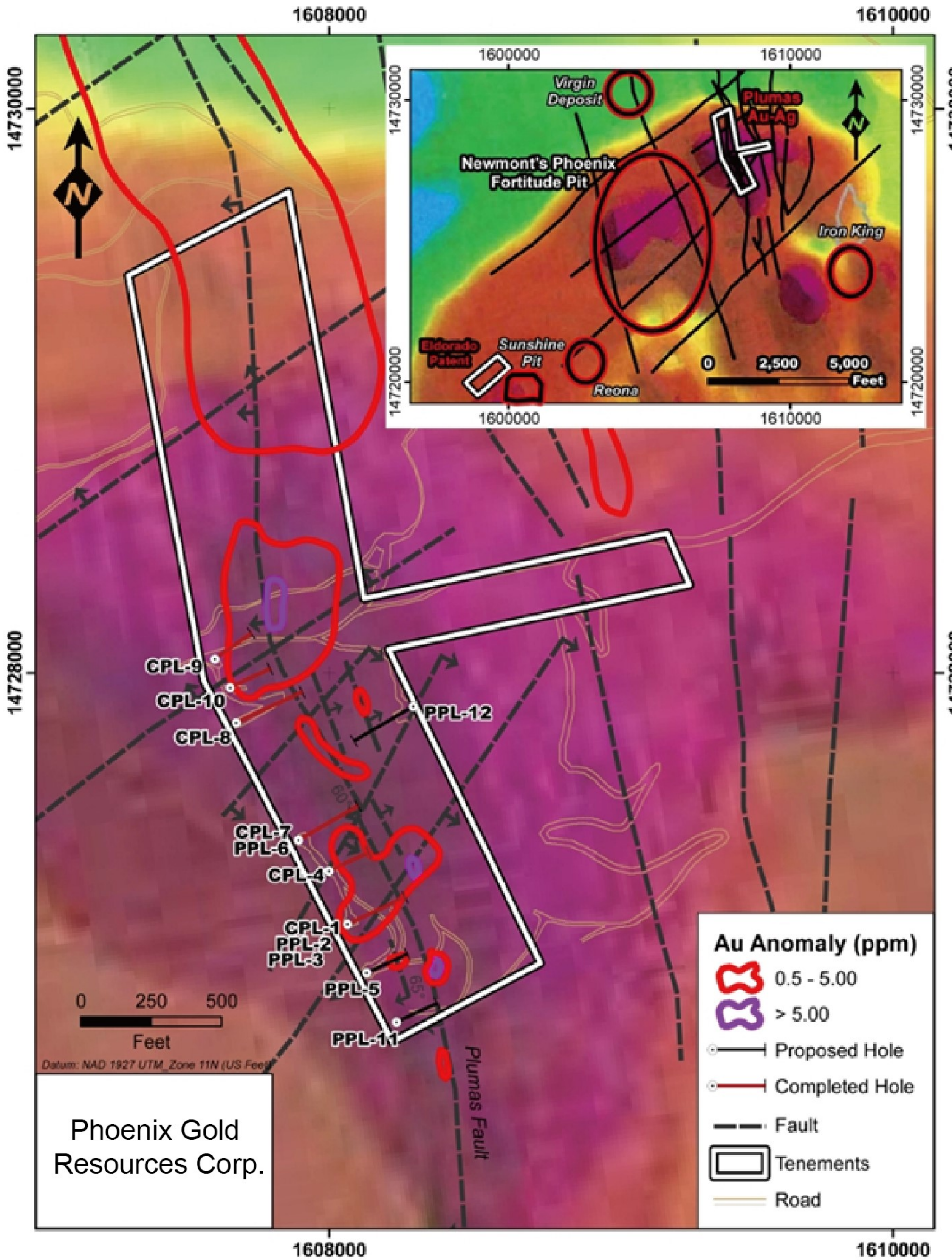


Figure 9.3 Magnetic anomalies on the Plumas Property (Phoenix Gold, 2020)

Table 9.1 Assay results of rock chip samples in Plumas Property

Method	Project	Au-AA23	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
Analyte	Area	Au	Ag	As	Sb	Hg	Cu	Pb	Zn	Mo	Bi
		ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
PP- 19	Plumas	39.815	26	1305	37	0.31	194	1655	137	0	477
PP- 4	Plumas	28.100	155	4620	157	0.05	170	2240	318	1	153
PP - 30	Plumas	16.300	54	1985	75	0.18	138	1920	13	2.84	106
TOP-1	Plumas	12.900	510	>10000	94	1.32	459	2990	621	20	555
TOP-3	Plumas	10.700	29	>10000	43	0.28	949	4710	439	11	772
PP- 9	Plumas	9.460	158	5800	466	0.56	246	1.65%	60	5	334
TOP-4	Plumas	7.830	19	>10000	27	0.06	630	1445	271	7	66
TOP-2	Plumas	7.410	33	>10000	51	0.20	891	2540	724	5	331
PP- 5	Plumas	7.170	80	5290	164	0.19	66	1880	348	2	66
PP- 1	Plumas	6.970	46	2110	21	0.08	117	634	74	1	59
PP - 49	Plumas	6.810	66	4810	21	0.24	292	9070	271	0.61	126
PP-27	Plumas	6.690	110	>10000	26	0.6	143	5160	112	0.14	246
PT-2_Dump	Plumas	6.050	63	2320	38	0.42	66	1340	40	2.4	129
NPL-D2	Plumas	5.740	81	2630	283	0.27	128	1315	21	4	128
P-14	Plumas	5.480	33	4270	60	0.12	224	872	138	11	49
PP - 32	Plumas	5.440	181	>10000	474	0.19	307	3510	44	5.79	345
P-05	Plumas	5.180	21	2550	75	0.13	133	357	122	9	8
P-07	Plumas	4.920	59	4900	17	0.16	150	625	66	<1	64
PP - 29	Plumas	4.510	48	2230	12	0.12	81	994	38	4.25	92
PP - 33	Plumas	4.460	305	>10000	231	0.17	251	1205	22	3.45	211
PP - 53	Plumas	4.310	85	>10000	54	<0.01	135	1625	62	8.89	722
PP- 11	Plumas	4.070	43	1665	15	0.10	344	308	55	4	51
NPL-D4	Plumas	3.900	166	2490	366	0.16	129	1025	39	4	68
PT-6_Dump	Plumas	3.690	252	3740	294	0.85	80	4950	97	2.69	378
PP - 47	Plumas	3.650	58	1495	23	0.04	72	1985	74	1.41	322
PT-5_Dump	Plumas	3.530	275	4740	100	0.30	101	2980	66	3.43	198
P-21	Plumas	3.490	55	3150	166	0.31	129	1065	23	14	66
PP - 54	Plumas	3.440	4	1225	39	0.05	99	684	99	3.84	263
PP - 48	Plumas	3.350	132	>10000	28	0.26	64	0	883	0.15	215
PT-10_Dump	Plumas	2.970	104	8270	58	0.20	147	826	130	3.87	175
PP - 34	Plumas	2.960	115	>10000	268	0.59	188	3330	119	4.76	317
TOP-5 N.E.	Plumas	2.920	158	>10000	89	0.87	389	4.94%	2280	20	8
Fort-NE-1	Plumas	2.720	10	813	78	1.81	408	2.47%	1570	23	6
P-17	Plumas	2.720	39	>10000	77	0.32	37	2470	16	1	54
NPL-D1	Plumas	2.680	36	3420	19	0.30	43	1755	137	1	27
PP- 2	Plumas	2.370	16	2230	6	0.05	55	346	17	1	17
PT-11_Dump	Plumas	2.140	307	1095	77	0.94	32	1415	23	0.97	102
PT-8_Dump	Plumas	2.070	86	2120	99	0.85	41	2740	22	3.04	125
P-20	Plumas	2.040	109	3520	389	0.26	43	2980	23	3	151

Strong magnetic anomalies are shown on the Plumas Property, and the strong magnetic anomalies are also present on the adjacent Newmont Fortitude Au mine (Figure 9.2), which indicates that the Plumas Property has high potential for Fortitude-style high-grade gold mineralization.

Exploration work at the Plumas Property had identified some prospects and anomalous areas. The main prospects of interest are the intersection of the north-trending faults and northeast-trending faults.

9.2 Eldorado Property Exploration

Early prospecting in the Eldorado Property occurred in the late 1880's. In 1930, a geologist finished a project field review and a private mineral report was completed based on the limited workings, geology and mineralization. AGEI conducted geologic mapping and rock chip geochemical sampling during April 2012 to July 2013. The rock chip samples include quartz-gossan material and siliceous veinlets hosted along the mineralized fault and shear contacts, and a total of 24 rock samples were collected at the Eldorado Property. Some anomalous gold values were returned, and rock chip sample assay results are listed in Table 9.2. The selective sampling of the Eldorado Property returns up to 22.9 g/t Au. The geological map and location of the rock chips from the Eldorado Property are also shown in Figure 9.4.

Table 9.2 Assay results of rock chip samples in Eldorado Property

		Au-AA23	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
Sample	Project	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
Name	Area	Au	Ag	As	Sb	Hg	Cu	Pb	Zn	Mo	Bi
REL-1	Eldorado	0.664	32	4690	71	0.1	87	166	30	15	5
REL-2	Eldorado	1.640	47	>10000	168	0.2	337	634	597	4	4
REL-3	Eldorado	0.808	55	5710	127	0.1	112	309	74	4	7
REL-4	Eldorado	7.370	37	>10000	331	0.1	1775	1415	103	13	85
REL-5	Eldorado	10.950	92	2100	111	10.0	488	1370	89	16	828
REL-6	Eldorado	6.260	211	6000	1270	<1	1885	2720	3320	55	86
REL-7	Eldorado	0.311	3	588	15	<1	103	171	14	29	13
REL-8	Eldorado	0.079	6	199	16	<1	58	188	4	8	12
REL-9	Eldorado	0.015	1	76	<2	<1	343	16	3	10	2
REL-10	Eldorado	0.135	2	170	<2	<1	23	36	2	23	6
REL-11	Eldorado	0.065	1	298	2	<1	35	20	6	9	2
REL-12	Eldorado	0.181	5	353	14	<1	340	97	11	10	3
REL-13	Eldorado	7.850	133	>10000	711	1.0	3680	>10000	1985	6	66
JR-44	Eldorado	0.521	1	25	<2	<1	22	7	24	2	3
JR-45	Eldorado	0.623	8	210	<2	<1	401	19	179	14	9
JR-46	Eldorado	0.562	2	2160	24	<1	417	194	118	12	4
JR-47	Eldorado	0.702	29	749	60	<1	234	4350	91	14	7
JR-48	Eldorado	2.350	23	2400	710	<1	73	1290	96	14	84
JR-49	Eldorado	0.705	23	922	43	1.0	3610	105	202	15	17
JR-50	Eldorado	0.272	7	158	4	<1	62	39	10	75	3

		Au-AA23	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
Sample	Project	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
Name	Area	Au	Ag	As	Sb	Hg	Cu	Pb	Zn	Mo	Bi
JR-51	Eldorado	6.930	160	7100	791	<1	1820	1845	1930	47	74
JR-52	Eldorado	0.047	1	422	6	<1	171	21	10	27	9
JR-53	Eldorado	15.900	188	6210	176	<1	1570	728	256	28	739
JR-54	Eldorado	22.900	53	>10000	320	1.0	911	1950	171	11	79

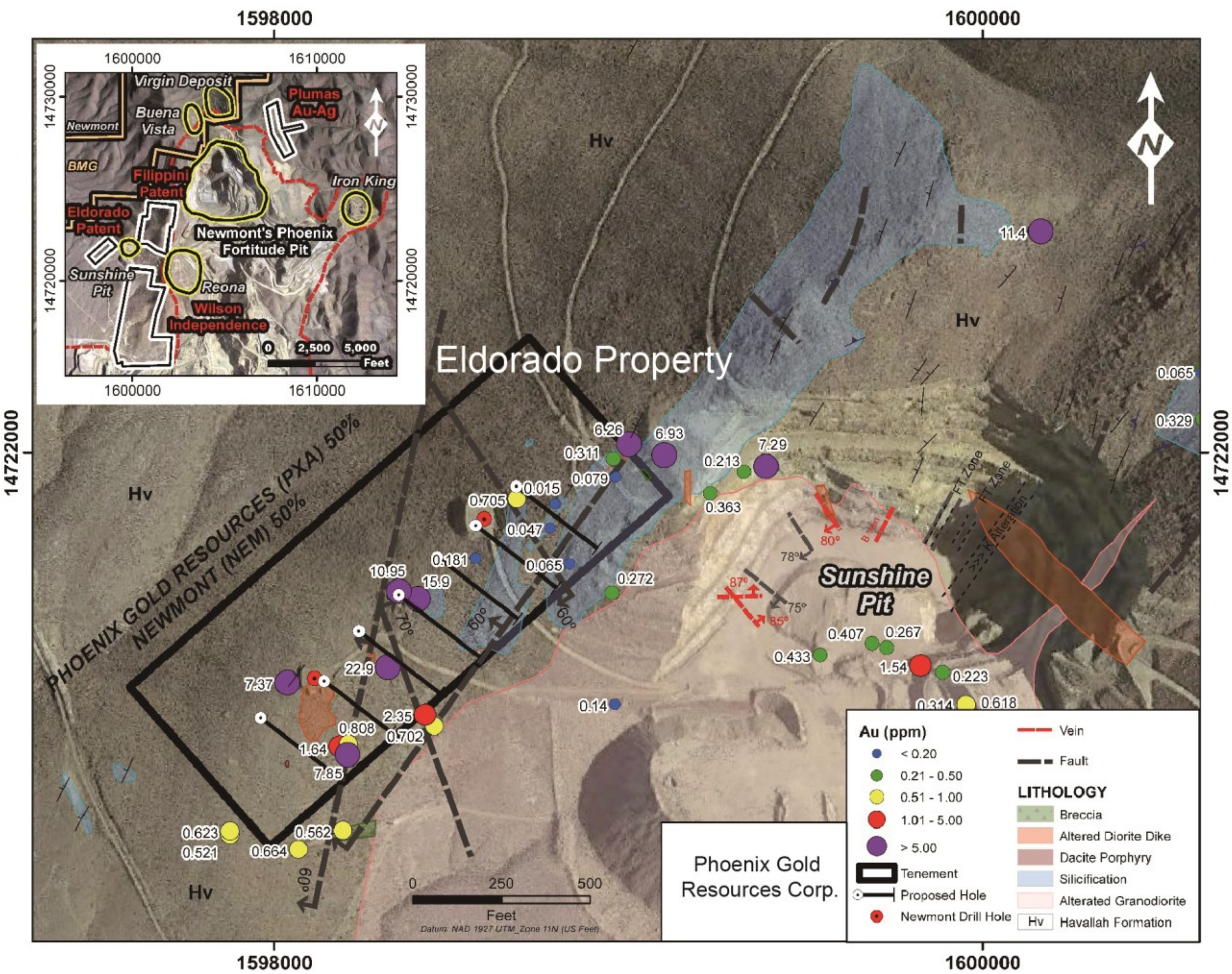


Figure 9.4 Chip & Grab Sample Geochemistry (Phoenix Gold, 2020)

In addition to the structurally controlled gold mineralization found near surface, the Eldorado Property also has potential for high-grade copper-gold skarn at depth. The deeper skarn target consists of a gold-rich zone hosted by the gently south-dipping Permian Antler Peak Limestone, which is found in the vicinity of the mineral claims ranging from 40 to 150 feet thick. In addition, as it borders the existing "Sunshine Pit", it is very possible that the mineralized porphyry may also lie beneath the property.

10 Drilling

There are no records of drilling activities on the Phoenix Gold Project properties prior to 2013. Phoenix Gold completed six diamond drilling holes with a total length of 4,408 feet (1,343 meters) on the Plumas Property in 2014. The details of the six drill holes, CPL-1, CPL-4, CPL-7, CPL-8, CPL-9 and CPL-10A, are listed on the Table 10.1, and the locations of the six drill holes are shown on the Figure 10.1 and Figure 10.2. The assay data of the drill cores from the six drill holes were also illustrated on the Figure 10.1 and Figure 10.2.

Table 10.1 Six drill holes on the Plumas Property

Hole ID	Northing (feet)	Easting (feet)	Elevation (feet)	Total depth (feet)
CPL-1	14727112	1608069	6507	447
CPL-4	14727300	1607999	6486	588
CPL-7	14727395	1607884	6461	923
CPL-8	14727805	1607679	6214	987
CPL-9	14728041	1607581	6146	966
CPL-10A	14727947	1607680	6164	497

For most of the drill cores, brief logs were recorded capturing the lithology (rock type). Parts of some drill cores were briefly described with alteration, structure, and mineralization characteristics. Important drill cores were photographed and the images stores electronically on computer. The typical mineralized drill cores are the sulfide-quartz veins filled in the fractures and minor disseminated sulfide mineralization. The drill cores were split in half, and half of the drill cores were sent to ALS Laboratories in Reno, Nevada for analysis. The six drill holes intersected multiple high-grade Au intercepts, and significant Au grades of the drill cores at the Plumas Property are summarized in Table 10.2.

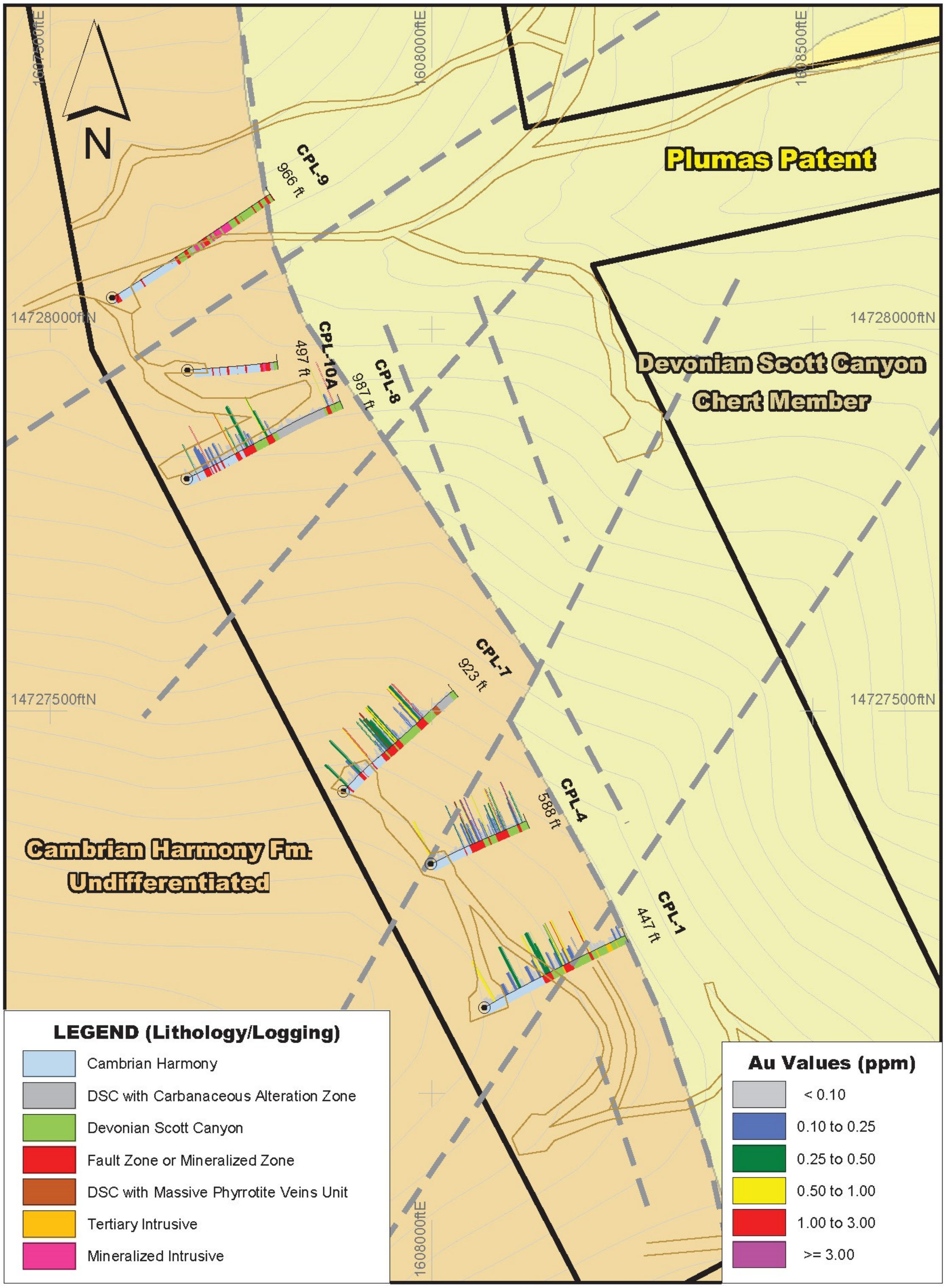


Figure 10.1 Drill hole location and assay results of drill cores (Phoenix Gold, 2020)

Parts of the mineralized drill cores are stored in a garage in Reno, Nevada owned by Donald McDowell, a consultant and former director of Phoenix Gold (Figure 10.3). No other particular information as to the drilling procedure, collar survey, or core recovery was provided to the author.

Spectral analysis was conducted on selected core from drill hole CPL-1 (Figure 10.4), and Illite, chlorite, and quartz were identified. Kaolinite appear to locally overprint illite-quartz. Calcite, siderite, quartz-Fe, quartz, and chlorite appear to be associated with veins and fractures.

The structure-controlled vein-type and disseminated sulfide mineralization were both encountered in all 6 drill holes, along with the coincident magnetic anomaly centered beneath the Plumas Property, which suggests the potential for a significant sulphide mineralized system both near surface and at depth. It is important to further evaluate the significance of the magnetic anomaly and the potential linkage between the anomaly and such occurrence of sulphide mineralization.

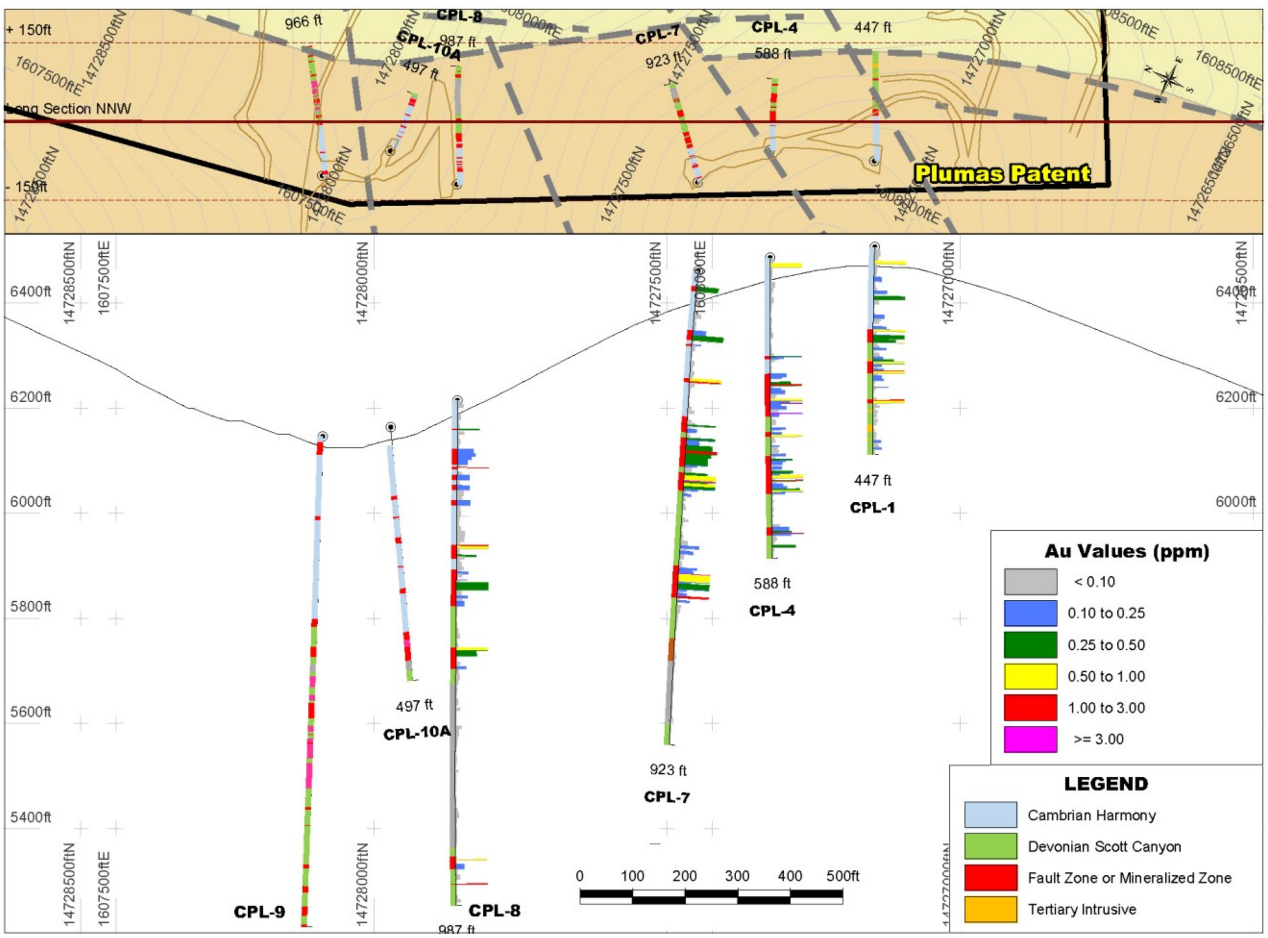


Figure 10.2 Section map of the six drill holes at the Plumas Property (Phoenix Gold, 2020)

Figure 10.3 The drill cores stored at a garage owned in Reno, Nevada owned by Donald McDowell

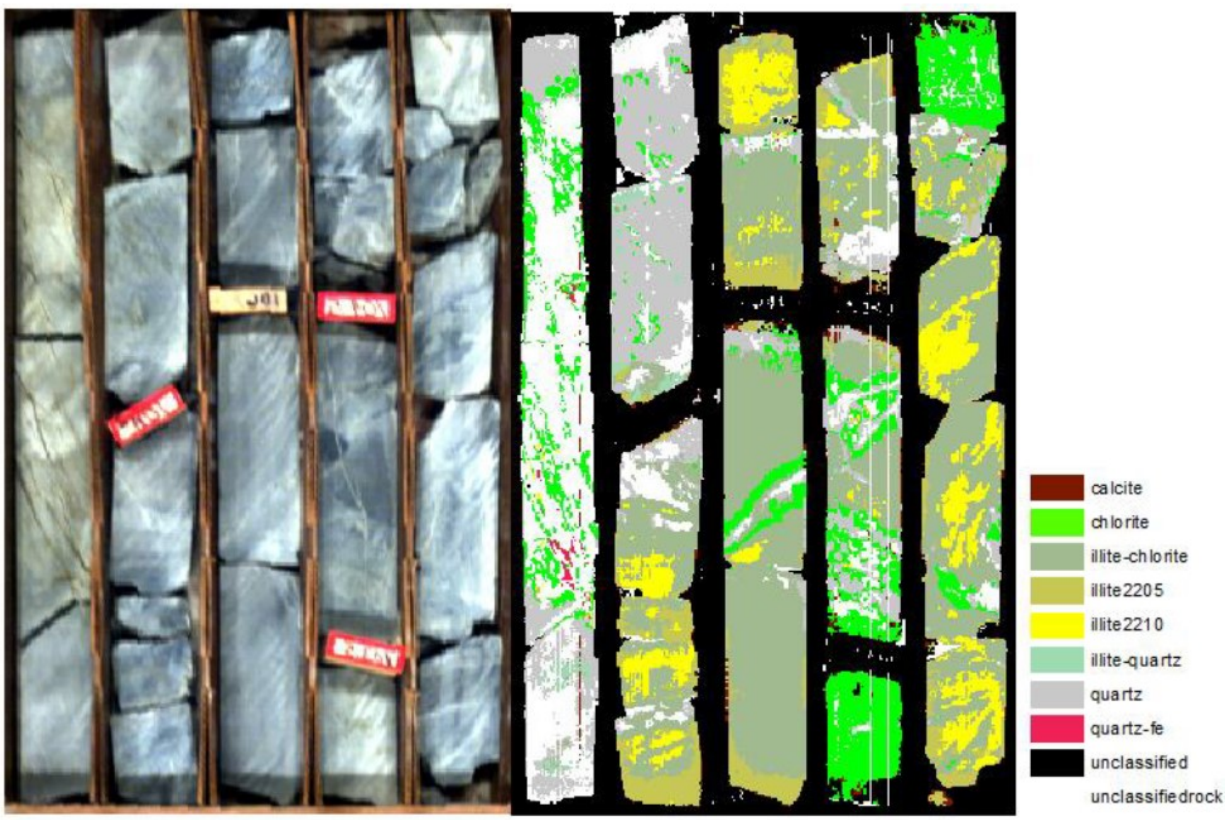


Figure 10.4 Spectral analysis on CPL-1_12-101-111 (Phoenix Gold, 2020)

Table 10.2 Plumas Property significant drill intercepts

CPL-1,4,7,8,9,10A	Au-AA23	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
CORE SAMPLE	**Au**	**Ag**	**Cu**	**Pb**	**Zn**
INTERVAL IN FEET	**ppm**	**ppm**	**ppm**	**ppm**	**ppm**
CPL-1-031-037	0.706	8	835	47	25
CPL-1-180-184	0.910	13	153	1470	2630
CPL-1-208-208.5	0.902	0	242	7	37
CPL-1-250.5-254.5	0.599	16	463	3770	4320
CPL-1-269-269.5	2.510	>100	1710	9300	1510
CPL-1-269.5-274.5	0.663	45			
CPL-1-330.5-332.1	1.670	84	770	3300	4360
CPL-1-332.1-332.6	6.470	>100	1295	2220	83
CPL-1-332.6-333.0	13.400	30	1005		
CPL-1-333.0-337.5	0.619	3	242	59	113
CPL-4-010.5-019.5	0.854	1	64	9	35
CPL-4-248.5-251.5	2.390	7	126	613	1360
CPL-4-277.5-281.5	0.802	21	443	3450	7960
CPL-4-285.5-286.5	1.560	28	1075	83	37
CPL-4-305.0-306.5	3.370	45	1130	3850	919
CPL-4-348.0-351.5	0.973	1	260	15	61
CPL-4-426.5-427.5	0.744	0	23	7	4
CPL-4-427.5-432.0	0.526	1	10	16	2
CPL-4-436.0-437.5	2.440	1	25	16	1
CPL-4-456.0-459.0	0.968	1	36	4	<0.5
CPL-4-539.5-541.0	1.490	18	1555	54	36
CPL-7-211.5-217	0.648	3	363	22	17
CPL-7-217-219.5	2.210	17	380	81	46
CPL-7-352-357	1.035	15	630	2740	7200
CPL-7-400-405	0.806	20	388	1085	544
CPL-7-410.0-412.0	15.850	938	4990	1.33%	318
CPL-7-415.0-421.0	0.604	2	288	12	3
CPL-7-591.0-592.0	3.710	99	667	1895	1590
CPL-7-592.0-597.0	0.842	19	293	166	12
CPL-7-597.0-600.5	0.596	16	391	182	3
CPL-7-600.5-607	0.601	3	65	27	3
CPL-7-635-639	2.680	3	117	13	14
CPL-8-131.5-133	1.07	24	935	157	29
CPL-8-284-286	2.95	39	1890	477	100
CPL-8-286-291	0.858	2	154	96	179

CPL-1,4,7,8,9,10A	Au-AA23	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
CORE SAMPLE	**Au**	**Ag**	**Cu**	**Pb**	**Zn**
INTERVAL IN FEET	**ppm**	**ppm**	**ppm**	**ppm**	**ppm**
CPL-8-485-489.5	0.516	6	80	134	54
CPL-8-897-899	0.601	170	6500	480	144
CPL-8-945-947	1.135	68	1050	945	58
CPL-9 365-365.7	4.43	37	304	3850	2.81%
CPL-9-365.7-367	3.4	8	107	693	1970
CPL-9 374	0.937	1	261	29	122
CPL-9-382-384	0.942	15	698	492	1210
CPL-9-427-429	0.509	12	189	1685	2320
CPL-9 845.5-846	0.559	20	1070	124	15
CPL-10A-137.5-138.5	2.42	20	1050	327	248
CPL-10A-178.5-179.5	3.91	24	996	414	64
CPL-10A-322-323	3.95	12	548	1045	4450
CPL-10A-417-418	0.597	13	128	452	184
CPL-10A-418.5-420	0.753	4	341	80	54
CPL-10A-424.5-425	1.42	4			
CPL-10A-427-431	0.568	13	183	1230	2070

In addition, Newmont (now, Newmont Goldcorp, which owns 50% of the Eldorado Property through its joint venture company, Nevada Gold Mines LLC) conducted two drill holes in the spring of 2013 on the Eldorado Property. However, Newmont would not release its drill results and Phoenix Gold was unable to obtain the drill data.

11 Sample Preparation, Analysis and Security

11.1 Sample Preparation and Analysis

A total of 188 rock chip samples were collected at the Plumas Property and the Eldorado Property. The samples were sent to ALS Laboratory in Reno, Nevada for analysis. However, no standards, blanks, and duplicates were found along with the rock chip samples.

A total of 720 drill core samples with a length of 4,193 feet were collected at Plumas Property. The drill cores are split in half, and the half were collected and sent out for analysis. Almost entire holes are sampled, and the length of core samples ranged from 0.5 feet to 10 feet. The samples with abundant sulfides are short in length, while the samples with less sulfides are long in length. Some, but not all, of the mineralized cores from the other half of the drill core samples are stored at a garage in Reno, Nevada owned by Mr. Donald McDowell.

The drill core samples were collected by Phoenix Gold, and one blank and one standard were inserted roughly every 20 samples. All the samples were analyzed at the ALS Minerals Laboratory in Reno, Nevada. ALS is an International Standards Organization (ISO) 9001:2008 and ISO 17025-2005 certified geochemical analysis and assaying laboratory. One blank and one standard are inserted around every 20 samples.

Once received by ALS, the samples were logged into the ALS tracking system, assigned bar code labels and weighed. The samples were then dried and crushed to pass a 2 mm screen (70% minimum pass). A 500 g split was taken and pulverized to pass a 75-micron screen (85% minimum pass).

The prepared samples were analyzed by ALS Geochemistry methods Au-AA23 (Gold by Fire Assay 30 g), ME-ICP41 (35 Element Aqua Regia ICP-AES)). For method Au-AA23, a prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 ml dilute nitric acid in the microwave oven, 0.5 ml concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 4 ml with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards.

For ME-ICP41 analysis, a prepared sample (0.50 grams) is digested with aqua regia for at least one hour in a graphite heating block. After cooling, the resulting solution is diluted to 12.5 ml with demineralized water, mixed and analyzed by inductively coupled plasmaatomic emission spectrometry. The analytical results are corrected for inter-element spectral interferences.

11.2 Quality Assurance and Quality Control

A quality management system (QMS) was designed by ALS Minerals Laboratories to ensure the production of consistently reliable data. The system covers all laboratory activities and takes into consideration the requirements of ISO standards. ALS maintains ISO registrations and accreditations. ISO registration and accreditation provides independent verification that a QMS is in operation at the location in question. All ALS laboratories are either certified to ISO 9001:2008 or accredited to ISO 17025:2005.

The QA/QC measures employed by Phoenix Gold for the drill core sampling programs comprised inserting analytical standards and blanks into the sample stream at a rate of approximately 1 per 20 samples. Four standards and one blank were selected for the 2014 drill core sampling program: MEG-AU.11.13, MEG-AU.11.15, MEG-AU.11.19, MEG-AU.12.25, MEG-BLANK.12.03 certified reference materials. The standards and blank were purchased from Shea Clark Smith / MEG, Inc. based in Reno, Nevada. QA/QC summary charts for MEG-AU.11.13, MEG-AU.11.15, MEG-AU.11.19, MEG-AU.12.25 are present in Figure 11.1, 11.2, 11.3, 11.4. The figures indicate the measured value for each standard, in addition to the certified value, and the 2SD values for gold (Au). The standard data points should fall within the +/- two standard deviations from the certified value, which is considered great quality. QA/QC samples that fall outside of the established limits are flagged and subject to review.

A total of 44 analytical standards (MEG-AU.11.13, MEG-AU.11.15, MEG-AU.11.19, MEG-AU.12.25) were inserted into the sample stream of 720 drill core samples. However, assay results of 22 standard samples were not labelled with the specific standards name so only 22 standard samples could be compared with the certified value, which include seven of standard MEG-AU.11.13, five of standard MEG-AU.11.15, four of standard MEG-AU.11.19, six of standard MEG-AU.12.25. All standards data points fall within the +/- two standard deviation for MEG-AU.11.13, MEG-AU.11.19, MEG-AU.12.25. Only two out of five MEG-AU.11.15 return Au results greater than the certified value plus 2 standard deviation. In the opinion of the author, an acceptable number of standards were submitted and the standards demonstrate an acceptable level of analytical accuracy at ALS Laboratories.

A total of 44 blank samples were inserted into the sample stream of 720 drill core samples, and only 22 blank samples were labelled as MEG-BLANK.12.03. The mean value of MEG-BLANK.12.03 is -0.0001ppm, and standard deviation is 0.0003ppm. All 22 blank samples return results less than 0.005 ppm (mean + 2sd). All results indicate no contamination present at the analytical level. In the opinion of the author, an acceptable number of blanks were submitted and the blanks demonstrate an acceptable level of analytical accuracy at ALS Laboratories.

Regarding the rock chip samples, standards, blanks, and duplicates information was not provided to the author, but rock chip samples and drill core samples were analyzed in the same lab, so the author has reasonable belief that the accuracy and contamination level, like drill samples, are acceptable for the rock chip samples.

It is the author's opinion that the sample collection, preparation, security, analytical and QA/QC measures used during the 2014 rock drill core sampling programs were adequate for the exploration program. However, limited information as to sample collection, preparation, security, analytical and QA/QC measures used for rock chip samples leads the author to recommend that for future sampling work, field duplicates be inserted into the sample stream along with the analytical standards and blanks to create a more robust QA/QC program.

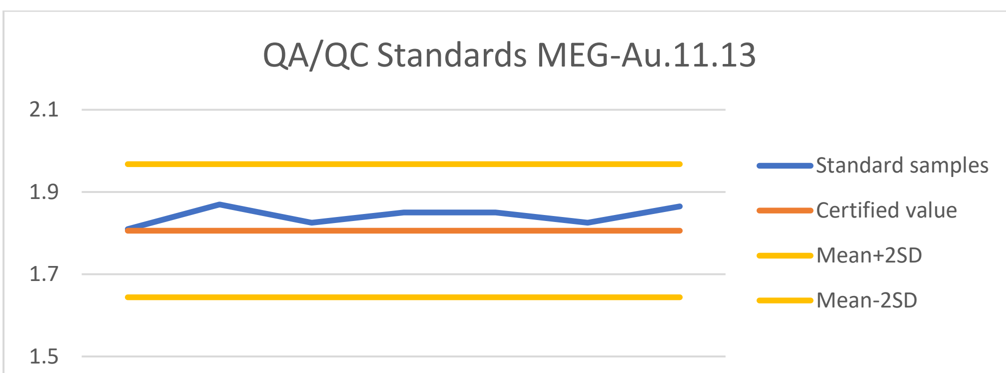


Figure 11.1 QA/QC Analytical Standard MEG-Au.11.13

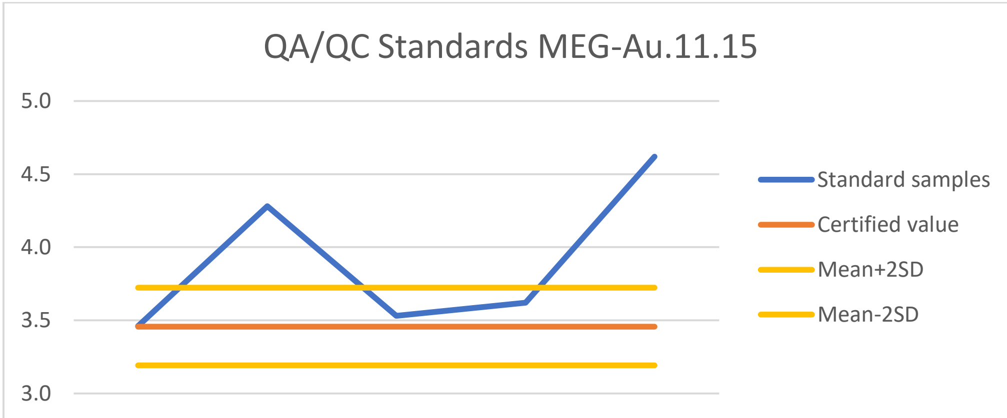


Figure 11.2 QA/QC Analytical Standard MEG-Au.11.15

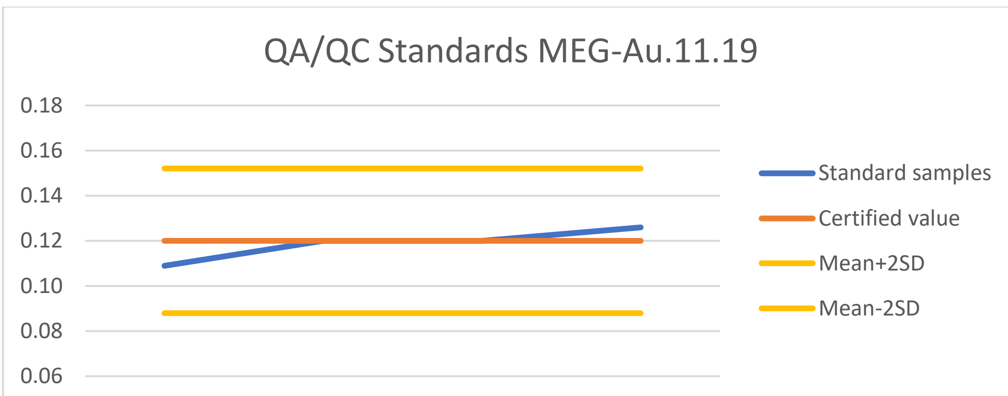


Figure 11.3 QA/QC Analytical Standard MEG-Au.11.19

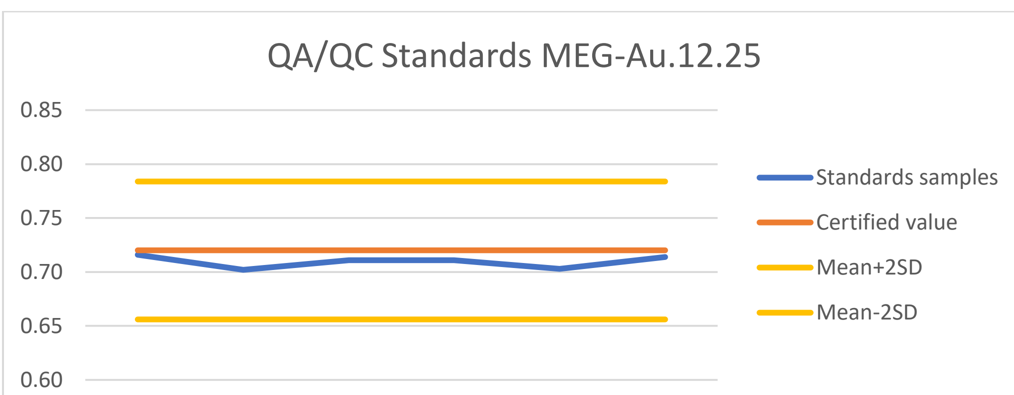


Figure 11.4 QA/QC Analytical Standard MEG-Au.12.25

12 Data Verification

The author of the Report, Mr. Tony Guo, P.Geo, a principal, director and officer of of C2 Mining, conducted a site visit of the Phoenix Gold Project properties during July 2 - 3, 2019 to verify the reported exploration results. Tony Guo is a Qualified Person as defined by the NI 43-101. The author collected a total of four samples from the Plumas Property, including two drill core samples, one chip sample in a total length of 1m, and one grab sample. The sample photos are shown in Figure 12.1, and locations and descriptions of the verification samples are presented in Table 12.1.

Figure 12.1 Four samples collected by the author at Plumas Property

Table 12.1 Details of four samples

Sample ID	E	N	Length	Description	Note
C201			10 cm	Highly fractured sandstone with sulfide and quartz veins filled in the fractures, and the sandstone is strongly silicified	Drill core sample from DH CPL1 at the depth of 100 m
C202			15 cm	Highly fractured sandstone with sulfide and quartz veins filled in the fractures, and the sandstone is strongly silicified	Drill core sample from DH CPL 4 at the depth of 133 m
C203	491446	4491889		Clay - Chlorite alteration overprint on early stage mineralization.	Grab sample
C204	490132	4489016	10 cm	Strongly silicified rocks, and the original rock is unknown	Chip sample

Table 12.2 Author's Verification Sample Assay Data vs Original Assay Data

Verification Sample Assay Data			Original Assay Data	
Sample ID	Au (g/t)	Ag (ppm)	Au (g/t)	Ag (ppm)
C201	2.95	38	1.67	84
C202	5.07	46	2.44	1
C203	0.34	6	NA	NA
C204	5.53	5	6.64	14.5

During the site visit, the outcrop rocks at the Eldorado Property are strongly silicified, and the original rocks are unknown. Most of the outcrops observed by author are unmineralized, so no sample was collected on the Eldorado Property.

Each sample was placed into a labelled plastic sample bag along with a sample tag inscribed with the unique sample number. Stapler was used to close each bag. Sample locations were recorded with a handheld GPS and written on a notebook bearing the matching sample number, location, date and a geological description of the sample.

The author transported the samples from Battle Mountain to the C2 Mining office in Vancouver, British Columbia. From there, the samples were couriered to the Bureau Veritas Commodities Canada Ltd. in Richmond, British Columbia for gold and silver analysis. Values for gold, silver are presented in Table 12.2.

During the visit, the author completed traverses at the Plumas Property and part of Eldorado Property, and carefully observed the drill cores to verify historically reported alteration and mineralization (Figure 12.2). The author also conducted a review of the available literature and documented results relevant to the Phoenix Gold Project properties.

Figure 12.2 Site visits at the Plumas Property

The site visit samples confirm the existence of structural controlled vein style mineralization, disseminated mineralization on sedimentary rocks, and medium-strong silicification alteration at Plumas Property. Two verification samples, C201 and C202, were taken to replicate historical core samples from the Plumas property (Figure 12.1). The original drill cores were split in half in 2014. Half of the drill cores were sent to lab for analysis, and another half were stored by Phoenix Gold. Two verification samples were selected from drill holes CPL01 at 331 feet and CPL04 at 437 feet, and one feet of the remaining half drill cores were smashed into big pieces. The author collected some pieces from drill holes CPL01 and CPL04 respectively, which were labelled as samples C201 and C202. The replicate drill core samples returned anomalous gold values from silicified, fractured sandstone units exhibiting quartz-sulfide veining. The Au grade of sample C201 is 2.95 g/t, and sample C202 returns a gold value of 5.07g/t. The verification core samples returned higher assay data than the original samples (Au 1.67 g/t and Au 2.44 g/t, Table 12.2), because the core samples collected by author contain more sulfides than the remaining pieces.

The sample C203 was collected from an abandoned adit/shaft, where clay-chlorite alteration overprinted on the early stage disseminated mineralization. It was taken to test the value of late stage mineralization. This sample returned low grade Au content.

The sample C204 was taken to replicate a historical chip samples from the Plumas Property (Figure 12.1). The sample was collected at strong silicified rocks with sulfides, and this sample returned a value of 5.53 g/t. The original sample has a gold value of 6.64 g/t, which is slightly higher than the verification sample. The replicate sample result confirms the existence of disseminated Au mineralization at the Plumas Property.

The site visit also confirms the strong silicification alteration at Eldorado Property. However, due to time limitations, the author did not find the outcrops with abundant sulfides. Therefore, no samples were collected at Eldorado Property.

Based on the property visit and a review of the literature and historical data, the author has no reason to doubt the validity of the historical exploration results.

13 Mineral Processing and Metallurgical Testing

No known metallurgical tests have been completed on the Phoenix Gold Project properties.

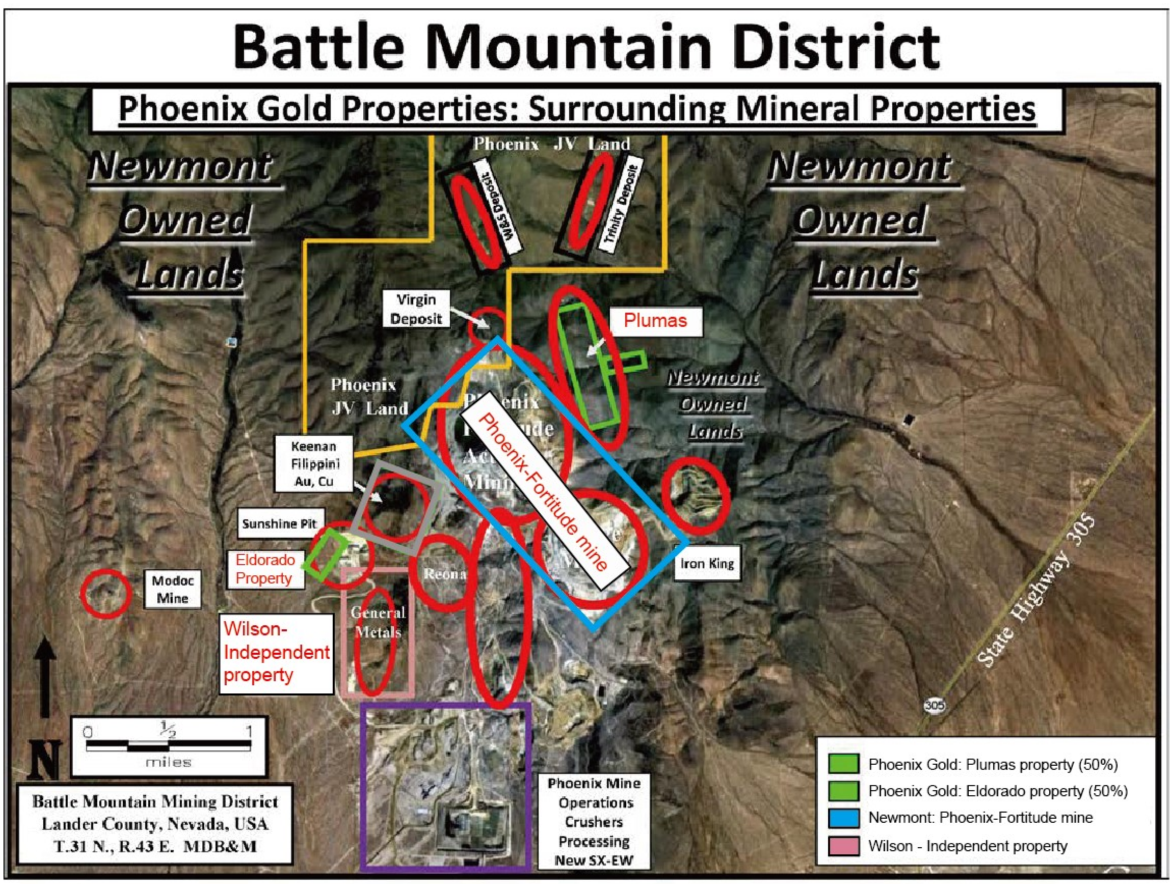
14 Mineral Resource Estimates

There are no current mineral resource estimates for the Phoenix Gold Project.

15 Adjacent Properties

The Battle Mountain Mining District has more than 150 years history of mining, and the well-known deposits in this district include Copper Canyon coper-gold-silver deposit, Tomboy-Minnie deposit, Fortitude gold-silver deposit (Robert, 1964; Theodore and Blake, 1978; Wotruba et al, 1986; Theodore et al., 1990).

Numerous deposits occur adjacent to the Phoenix Gold Project properties, and the Phoenix Gold Project properties and adjacent deposits are illustrated on Figure 15.1. The precious and base metal deposits in the adjacent area are genetically and spatially related to Tertiary granodiorite porphyry intrusions, which intruded into the sequence of Paleozoic sedimentary and volcanic rocks (Theodore, 1991a, 1991b, 2000). Most deposits are associated with disseminated sulfide mineralization hosted by Paleozoic sedimentary rocks (Theodore, 1994, 2000). The most significant adjacent property is the Newmont's Fortitude gold-silver property, and Wilson-Independence property also attract some attentions.



[Source: Phoenix Gold Resources Corp.,2020]

Figure 15.1 Phoenix Gold Project properties and adjacent deposits

15.1 Newmont's Fortitude Gold-Silver Mine.

The Fortitude gold deposit is a world-class gold skarn mine (Orris et al., 1978, Theodore et al., 1990). The Fortitude deposit was discovered in late 1980, and it consists of upper Fortitude mineralized material zone and larger, higher-grade lower Fortitude ore zone (Myers, 1990; Myers and Meinert, 1991). The Upper Fortitude mineralized material zone was put on pre-production striping and mining in 1981, the Lower Fortitude mineralized material zone was put on production in late 1984 (Myers, 1990; Myers and Meinert, 1991). The Fortitude gold-silver deposit has been one of the most economically successful producers in the Battle Mountain mining district, and produced 2.3 M ounces Au and 10.8 M ounces of silver by 1995 (Doebrich, 1995). The Fortitude mine is still in production now, but the authors could find any recent reserve and production information.

The Virgin Fault is the most important fault in the Fortitude deposit, which spatially control the mineralisation (Theodore, et al., 1991). The mineralization at Fortitude deposit is genetically related to the granodiorite intrusions at Copper Canyon area, and the Virgin fault provided the conduit for ore-bearing hydrothermal fluid (Theodore, et al., 1991). The Virgin Fault is north-striking and west-dipping. The Upper Fortitude ore zone is located on the right side, and in the footwall of the Virgin fault, while the Lower Fortitude ore body occurs on the left side, and in the hanging wall of the Virgin Fault (Wotruba et al., 1986, 1987a, 1987b).

The Upper Fortitude mineralized material body was host by calcareous siltstone and conglomerate of the Battle Formation. The Upper Fortitude mineralized material body is discontinuous, which results from the relative unfriendly host rock (Wotruba et al, 1988). The Lower Fortitude mineralized material body was host by Antler Peak Limestone, and the mineralization is continuous, stratiform, and stratabound (Wotruba et al., 1986). The Lower Fortitude mineralized material body is 600 m in length, 150 m in width, and 25-30 m in thickness (Doebrich, 1995).

The classic rich sedimentary rocks were altered into biotite/skarn hornfel. The alteration is characterized by a retrograde actinolite-chlorite-epidote assemblage, which overprinted on prograde clinopyroxene-garnet assemblage (Doebrich, 1995). Native gold is present, and the common sulfides associated with gold include arsenopyrite, native bismuth, and tellurides. The pyrrhotite dominate sulfide zones have the high gold grade.

The Plumas Property shares several similarities with the Upper Fortitude deposit. The similarities include the host rock of siltstone, richness of pyrrhotite, arsenopyrite and bismuth assemblage. The Plumas Property has potential for Au mineralization

15.2 Wilson-Independence property

Wilson-Independence property is close to the Eldorado Property (Figure 23.1), and was a historical producer in 20th century. The Wilson-Independence property was acquired in 2006 by Cibolan Gold Corporation ("**Cibolan Gold**"), which is a junior mining exploration and development company, based in Reno, Nevada. Cibolan Gold relogged and modeled 131 drill holes, and the estimated resource was reported as approximately 1 million oz. of gold and 4 million oz. of silver (Cioban, September 2020).

A shallow near surface mineralization system defined by Cibolan Gold has a strike length of more than 3,000 feet and a depth of 400 feet. A deeper, high grade underground target has not been explored. The shallow mineralization has characteristics of epithermal type deposit, which is regarded as a leakage halo of the deep gold skarn type deposit (Ashton, and Nunnemaker, 2011).

The main structure on the Wilson-Independence property is the Wilson-Independence fault zone, which is N5ºW striking and sub-vertical westerly dipping. The main zone of shallow near surface Au-Ag mineralization occurs along the fault zone, and the Au-Ag mineralization is hosted by bedded to semi-massive chert units (Ashton and Nunnemaker, 2011). The sulfide minerals at the shallow zone include goethite, hematite, cerargerite, argentiferous plumbojarosite, scorodite, very fine-grained native gold and rare native silver and precious metal (Ashton and Nunnemaker, 2011).

Cibolan Gold actively pursued the re-opening of the Independence gold and silver mine, and prepared a Preliminary Economic Assessment (PEA) report for the Wilson-Independence property. However, no news is updated on the Cibolan Gold website since April 2015.

16 Other Relevant Data and Information

The author is not aware of any other relevant information with respect to the Plumas Property and Eldorado Property comprising the Phoenix Gold Project that is not disclosed in the Report.

17 Interpretation and Conclusions

17.1 Interpretation and Conclusions

The Plumas Property and Eldorado Property are situated in favourable tectonic and depositional environments in the Battle Mountain Mining District, which are spatially associated with Newmont Fortitude gold-silver mine, Copper Canyon copper mine, and Copper Basin copper-gold mine. Sampling and drilling in the Plumas Property has confirmed the presence of both structure-controlled vein-type mineralization and disseminated sedimentary host mineralization. The mineralization events are genetically related to the Tertiary intrusive rocks and associated hydrothermal fluids, and faults provide the conduit.

The central part of Plumas Property has been moderately explored through geochemistry chip rock sampling and drilling programs, which defines a trend of gold mineralization along the Plumas fault. Gold mineralization at the Plumas Property occurs adjacent to the Plumas fault. This area is characterized by fracture zones, which host structure-controlled vein type Au mineralization and minor disseminated Au mineralization in Devonian Scott Canyon formation. The depth of mineralization ranges from 100 feet to 300 feet. Future drilling at the Plumas Property should target the north part of Plumas fault, and especially the high magnetic anomalies area.

Exploration activities conducted in the Eldorado Property have been limited to surface geochemical, and geophysical surveys. Limited rock chip sampling has confirmed the surface Au mineralization. The major part of the Eldorado Property is largely unexplored. Additional chip rocks sampling should be conducted on the unexplored area, especially the fracture zone.

As of the effective date of this Report, no mineral resources have been defined. Further exploration programs are required in order to determine whether or not mineralization present within the project is of economic significance.

17.2 Risks

<u>Exploration Information</u>

The reliability or confidence in the exploration information and mineral resources estimates contained in this Technical Report may be affected by variances in sub-surface mineralization, ground conditions and sampling QA/QC procedures and protocols.

Occasionally, projects yield higher than actual results regarding the grades of precious metal minerals when exploring and assessing sub-surface mineralization such as the mineralization in the Phoenix Gold Project. Likewise, there can be no assurance that the exploration results will continue to exhibit good results due to natural variation of ground conditions where sometimes there is much less mineralization than expected and at other times there is more.

In addition, much of the information about the Phoenix Gold Project is based upon historical information from third party sources or limited exploration. If such information is not completely accurate of complete, then it could lead to incorrect analysis and conclusions about the Phoenix Gold Project.

In particular, the Phoenix Gold Project's potential economic viability would be overstated if the variances in sub-surface mineralization, ground conditions and/or sampling led to conclusions of a higher quality than representative mineralization. However, it is the author's opinion that the variances are in the acceptable range for the determination of potential economic viability, which warrants our recommendations of further exploration as described below in the "Recommendations" section.

In addition to the foregoing, additional more general risks are also discussed below.

<u>Exploration and Mining Risks</u>

The business of exploring for minerals and mining involves a high degree of risk due in some cases to factors that cannot be foreseen. Only a small proportion of the properties that are explored worldwide are ultimately developed into producing mines.

At the present, the Phoenix Gold Project does not have resources or reserves and the proposed programs are an exploratory search for resources. Substantial expenditures are required to establish reserves through further drilling and surveys of the existing underground mining areas.

No assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis.

The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations of the grade of mineralization mined, fluctuations in the price of minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to environmental protection. In addition, the grade of mineralization ultimately mined may differ from that estimated by drilling results and such differences could be material.

Financing Risks

Further exploration and development of one of Phoenix Gold Project will be dependent upon the Company's ability to obtain financing through joint venturing, equity or debt financing or other means. There can be no assurance that Phoenix Gold will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable.

Mineral Prices

Metal and mineral prices have fluctuated widely, particularly in recent years. The feasible development of such properties is highly dependent upon the price of metals. A sustained and substantial decline in these commodity prices could result in the termination of exploration work or loss of its interests in identified resource properties.

Environment and Other Regulatory Requirements

Companies engaged in exploration activities generally experience increased costs and delays as a result of the need to comply with applicable laws, regulations, and permits.

There can be no assurance that all permits which Phoenix Gold may require in the future for exploration and development of its properties will be obtainable or on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project that Phoenix Gold may undertake.

Parties engaged in exploration operations may be required to compensate those suffering loss or damage by reason of the exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

18 Recommendations

The Phoenix Gold Project properties have potential for discovery of high-grade gold mineralization. Historical work indicate that further work is warranted at the Plumas Property and the Eldorado Property to: (1) Further outline, define known mineralization at Plumas Property by additional drilling and sampling program at Plumas Property; and (2) generate drilling targets at Eldorado Property through additional sampling programs.

An exploration program is recommended, and the exploration program should include but not be limited to:

- Detailed geological, alteration and mineralization mapping should be completed at both the Plumas Property and the Eldorado Property. High-priority targets should be developed. During the targeting, special attention should be paid to the faults.

- Four diamond drill holes are suggested to be planned on the north part of the Plumas Property along strike of the mineralized structural zones, especially near the intersection with northeast-trending faults.

- Additional chip rock sampling should be conducted on the Eldorado Property.

The exploration program is estimated to cost **US$282,150** (Table 18.1).

Table 18.1 Estimated cost to complete the exploration program

Item	Units	Unit Cost	Quantity	Subtotal
Geological, alteration and mineralization mapping	Person days	$500	10	$5,000
Geological personnel	Person days	$500	16	$8,000
Transportation	Fixed	$5,000	1	$5,000
Food& accommodations	Fixed	$6,000	1	$6,000
Field supplies	Fixed	$4,000	1	$4,000
Drilling (includes all drilling costs)	Feet	$65	2800	$182,000
Analytical (drill cores, rocks)	Sample	$50	930	$46,500
Contingency		~10%		$25,650
Total				**$282,150**

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CERTIFICATE OF QUALIFIED PERSON

To accompany the report entitled, "NI 43-101 Technical Report on the Phoenix Gold Project, Lander County, Nevada, USA" dated effective September15, 2020 (the "**Report**").

I, **Yingting (Tony) Guo, P.Geo.**, as principal, director and officer of C2 Mining International Corp. ("**C2 Mining**") having an address at 890 – 580 Hornby Street, Vancouver, British Columbia, Canada, V6C 3B6, do hereby certify that:

1. I am an owner, director and officer of C2 Mining, and I prepared this Report on behalf of C2 Mining for Phoenix Gold Resources Corp. (the "**Issuer**");
2. I hold the following academic qualifications:
   - Bachelor of Science Degree in Geology from Nanjing University, Nanjing, China, 1982; and
   - Ph.D in Geology and Exploration Engineering from China University of Mining and Technology, Beijing, China, 1988
3. I am a registered member (P.Geo License # 31257) of the Association of the Professional Engineers and Geoscientists of the Province of British Columbia (APEGBC), Canada since 2007;
4. I have over 30 years continuous experience as a geologist in mineral exploration, resource modelling and mineral project evaluation for a range of commodities including precious and base metals such as Au, Cu, Ag-Pb-Zn, Mo and Fe, industrial minerals and coal, as well as technical valuation of mineral properties in North America, Africa, South America, Central & Southeast Asia and China.
5. My most recent inspections of the Phoenix Gold Project were on July 2-3, 2019;
6. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101;
7. I am independent of Phoenix Gold Resources Corp. for which this Report was prepared, as defined in Section 1.5 of NI 43-101;
8. I have prepared the Report and take responsibility for all sections of the Report;
9. I have no prior involvement with the properties that are the subject of this Report.
10. I have read NI 43-101, and the Report has been prepared in compliance with NI 43-101 and Form 43-101F1;
11. To the best of my knowledge, information and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading; and

12. I consent to the filing of the Report with any applicable securities regulatory authorities, stock exchange, and other regulatory authorities, as the case may be, and any publication for regulatory purposes, including electronic publication in the public company files and websites for stock exchanges and applicable regulatory authorities, including on SEDAR and accessible to the public for all or any extracts from this Report.

Dated this 15th day of September, 2020.

"Yingting (Tony) Guo" (signed)

Yingting (Tony) Guo, P.Geo.
C2 Mining International Corp.