NTS 31M07
Lat: 47°23’14” N
Long: 78°34’45” W

TECHNICAL REPORT
on the
LAC GAINSMOOR PROPERTY
Abitibi-Témiscamingue, Quebec, Canada

for

BLUE LAGOON CAPITAL INC
Suite 310 - 318 Homer Street
Vancouver, BC, Canada, V6B 2V2

by

Edward Harrington, B.Sc., P.Geo.

RELIANCE GEOLOGICAL SERVICES INC
7 - 12710 Lagoon Road
Madeira Park, BC, V0N 2H1

31 October 2018

TABLE of CONTENTS – Lac Gainsmoor Technical Report

LIST of FIGURES

LIST of TABLES

LIST OF APPENDICES

1.0 SUMMARY

At the request of Blue Lagoon Capital Inc (the “Company”, “Blue Lagoon”, or “Issuer”), this Technical Report has been prepared on the Lac Gainsmoor Property (the “Property” or “Project”), Abitibi-Témiscamingue, Quebec, Canada, to summarize previous work, appraise the exploration potential of the Property, and make recommendations for future work. The company has also requested the report as supporting documentation for listing on the Canadian Stock Exchange (“CSE”).

The Lac Gainsmoor Property is situated in Guillet Township within the Abitibi-Temiscominque Region of Quebec. The Property is located approximately 11 km east of the village of Belleterre and by air approximately 430 km northwest of the city of Montreal. The Lac Gainsmoor Property consists of one unsurveyed mineral claim of approximately 58.3 hectares (“ha”) and is registered to Kode Mineral Exploration Ltd of British Columbia, Canada (“Kode”). Through an option agreement dated 15 October 2018, Blue Lagoon has an option to acquire a 100% interest in the Lac Gainsmoor Property from Kode.

The Property can be accessed using the well maintained Chemin du Lac Truite gravel road, travelling approximately 11 km east from the village of Belleterre, Quebec, and is situated approximately 500 meters north-east of the Lac Truite road. The Property is on relatively flat to gently rolling terrain with elevations ranging from 345 meters (1,130 feet) to 390 meters (1,280 feet). Exploration work can be performed year-round, however areas of the Property covered in wetlands would be best explored in the fall when groundwater levels are at their lowest, or in the winter months when the ground is frozen.

Exploration in the region began in 1933 with the discovery of quartz vein-hosted free gold at the Loken claims east of the Lac Gainsmoor Property in Halle Township.

In 1934, McIntyre Porcupine Ltd discovered the extensive mineralized vein systems that would become the Belleterre Mine that produced approximately 2.18 million tonnes of ore grading 10.73 g/t gold and 1.37 g/t silver until shut down in 1957.

Regional geology consists of Archean volcano-sedimentary and plutonic rocks as well as Proterozoic north-south- and northeast-southwest-trending diabase dikes. The Lac Gainsmoor Property lies close to the southern limits of the Pontiac Sub-province of the Superior Province of the Canadian Shield, approximately 10 km northwest of the Grenville Front and 100 km south of the regional Cadillac Tectonic Zone ("CTZ").

The property is located in the Pontiac Sub-province of the Abitibi Greenstone Belt, within a band of east-west-trending volcano-sedimentary rocks bounded to the south by the Lac Soufflot monzonite pluton. Lithology consists primarily of Lac DuBois volcanics including basalts, andesites, felsic tuffs, rhyolite, and porphyritic basalts. Rocks are silicified with minor layers (<10cm) of sedimentary schists, argillites, and greywacke sandstone. Contacts are often gradational between volcanics and sediments. Belleterre meta-basalts are abundant, but occur only in the northeast corner of the Property. Sedimentary units occur within all of the volcanic packages and include small (<50cm) diabase intrusions. The Property is bisected by an east-west-trending regional shear zone.

Most anomalous metal values in the region have been found either adjacent to or within deformation structures or at lithological contacts. Mineralization occurs with silicification and quartz veining, or with local clay alteration. Generally, rocks show disseminated pyrite as euhedral crystals. Rocks can be quartz-rich with pyrite ranging from minor disseminations to semi-massive and mixed with pyrrhotite, and weak chalcopyrite-sphalerite. Intergrowths of pyrite and pyrrhotite occur with quartz infill in seams up to 10 cm in thickness.

Historical drilling on the Property has returned 1.5 g/t gold over 1.5 feet (0.46 m) from 110.0 ft to 111.5 feet hosted in siliceous intermediate volcanic rock that showed cherty banding.

Ground VLE-EM, magnetic, and IP geophysical surveys carried out in 2018 showed six anomalous targets, five of which were recommended for further work. Soil results show eight of ninety-seven soil samples returning gold values ranging from 0.005 g/t to 0.014 g/t. Three samples returned silver values of 0.2 g/t. Geochemical results from rock sampling returned values ranging from <0.005 to 0.035 g/t gold and from <0.2 to 3.6 g/t silver.

The Lac Gainsmoor Property is a grassroots property that could justify the following two-phase exploration program. As only the northeastern corner of the Property was covered by the 2018 IP survey, it is recommended that the two erratic IP lines be resurveyed and an IP survey be carried out in the southern portion of the Property. Phase 1 work should consist of an IP geophysical survey, geological mapping, rock sampling, and soil sampling. The estimated Phase 1 program cost is $107,000.

Phase 2 would consist of diamond drilling and is contingent upon positive results from Phase 1. Phase 2 would involve approximately 3,000 m of NQ2-sized diamond drilling and the estimated cost of Phase 2 work is $1,270,000.

2.0 INTRODUCTION

At the request of Blue Lagoon Capital Inc (the "Company", "Blue Lagoon" or "Issuer"), this Technical Report has been prepared on the Lac Gainsmoor Property (the "Property" or "Project"), Abitibi-Témiscamingue, Quebec, Canada, to summarize previous work, appraise the exploration potential of the Property, and make recommendations for future work. The company has also requested the report as supporting documentation for listing on the Canadian Stock Exchange ("CSE"). This report is based upon published and unpublished reports, publicly-available assessment reports, and government maps and publications from cited sources.

The writer carried out a field inspection of the Property on 11 July 2018. Travel days from Vancouver to Val-d'Or and Rouyn-Noranda, Quebec return included 10 and 14 July.

This report is based on a review of data from the 2018 reconnaissance exploration programs, in addition to historical data available on the online databases (SIGÉOM and Examine) of the Ministère de l'Énergie et des Ressources Naturelles du Québec (MERN). The status and details of the claim comprising the subject Property was verified using the MERN's GESTIM database accessed by the writer on 23 October 2018. In 2018, reported exploration expenses on the Lac Gainsmoor Property totaled CDN$99,172.

The writer is a "qualified person" within the meaning of National Instrument 43-101 of the Canadian Securities Administrators.

3.0 RELIANCE on OTHER EXPERTS

Not applicable to this report.

4.0 PROPERTY DESCRIPTION and LOCATION

The mineral claim comprising the Lac Gainsmoor Property is located on National Topographic System (NTS) sheet 31M/07, with a central reference point located at 47°23'14" latitude and 78°38'45" longitude, and 5,251,012mN; 682,682mE UTM NAD 83 Zone 17T (Figures 1 and 2).

The Lac Gainsmoor Property is situated in Guillet Township within the Abitibi-Temiscominque Region of Quebec. The Property is located approximately 11 km east of the village of Belleterre along the well maintained gravel Chemin du Lac a La Truite road, and by air approximately 430 km northwest of the city of Montreal.

Table 1: Claim Data

Claim	Size (ha)	Good to Date	Registered Owner
CDC2507954	58.3	17-Dec-19	Kode Mineral Exploration Ltd

The Lac Gainsmoor Property consists of one unsurveyed mineral claim of approximately 58.3 hectares ("ha"). The claim was established electronically using the Quebec government's MERN registry system. The claim is registered to Kode Mineral Exploration Ltd of British Columbia, Canada ("Kode"). Through an option agreement (the "Agreement") dated 15 October 2018 (the "Execution Date"), Blue Lagoon has an option to acquire a 100% interest in the Lac Gainsmoor Property from Kode by completing the following:

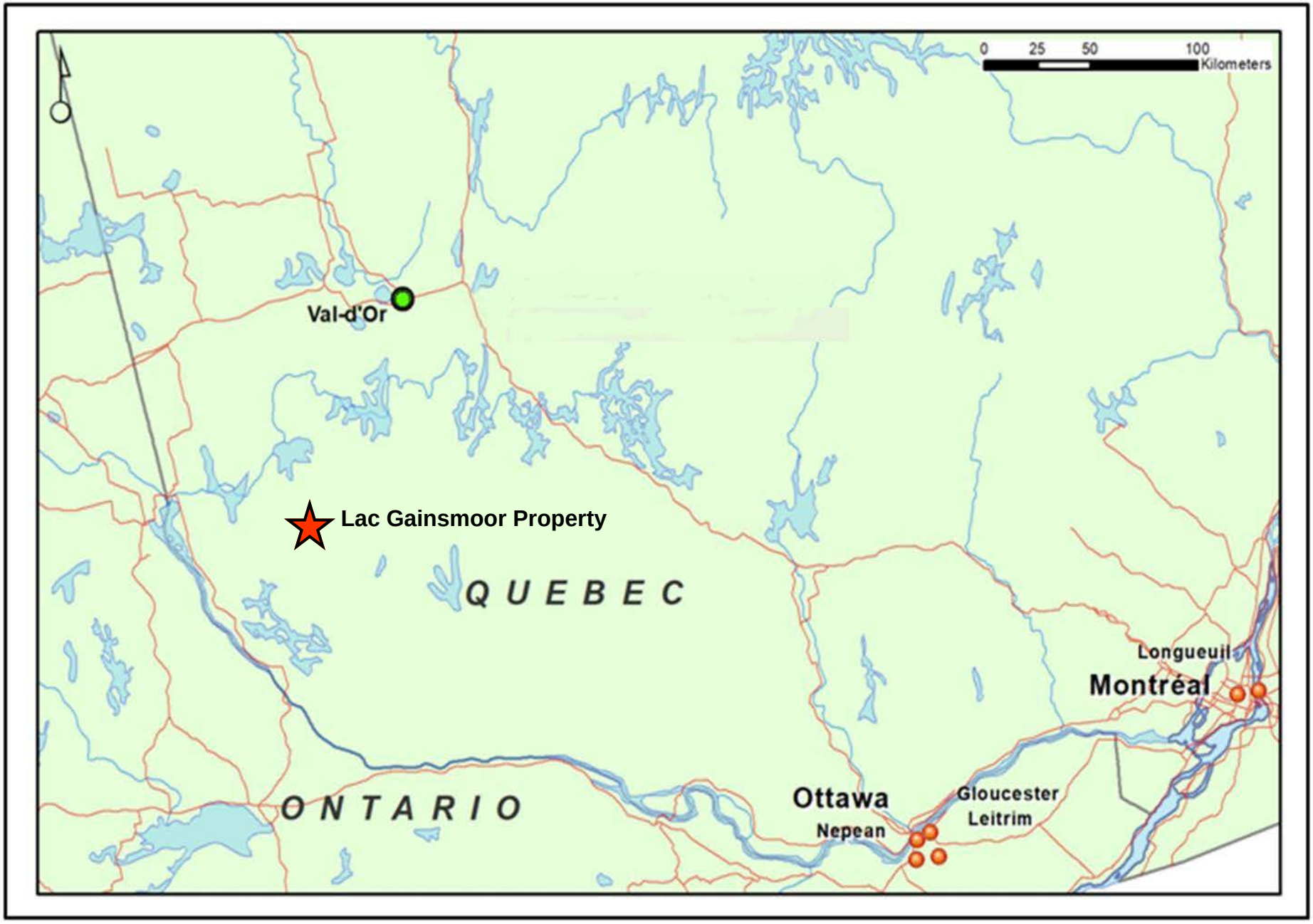
- Pay $25,000 in cash to Kode within 5 (five) business days of the Execution Date;
- Issue 200,000 common shares to Kode within 5 (five) business days of the Effective Date (the Effective Date means the date of the CSE bulletin giving notice that the common shares of Blue Lagoon have been approved for listing on the CSE);

- On or before the date that is 14 (fourteen) months after the Effective Date;
    - Incur Property expenditures of $150,000;
    - Pay an additional $25,000 to Kode; and
    - Issue an additional 500,000 common shares to Kode.
- On or before the date that is 28 (twenty-eight) months after the Effective Date:
    - Incur additional Property expenditures of $700,000;
    - Pay an additional $100,000 to Kode; and
    - Issue an additional 750,000 common shares to Kode.

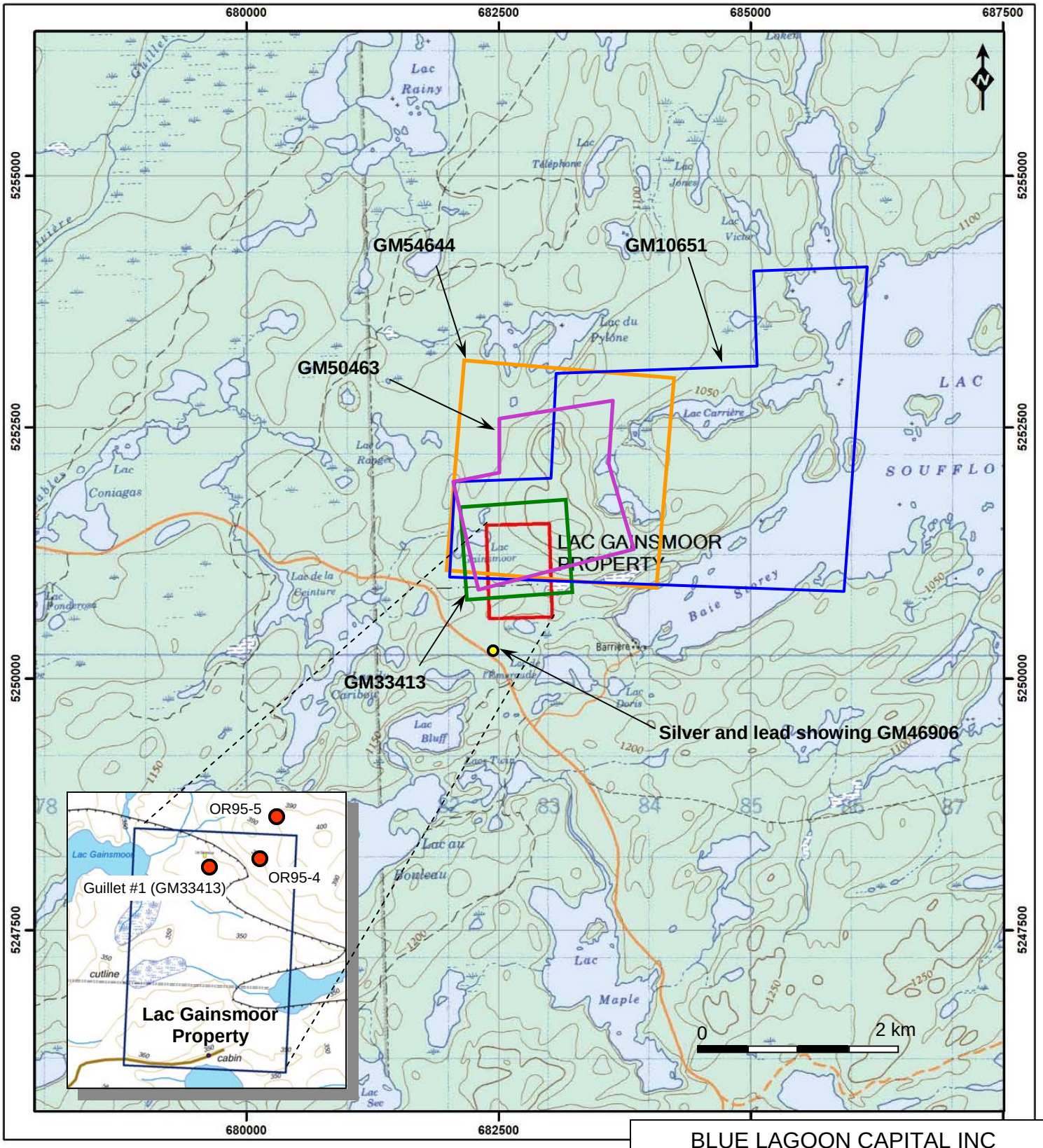
A 1% (one percent) NSR is retained by Kode. At the Company's choosing, all option payments and Property expenditures may be accelerated.

Control of the claim gives the Company the rights to explore and identify resources below the bedrock, but does not include surface rights. To the writer's knowledge there are no land claim issues, ownership disputes, or environmental issues concerning the Property.

The claim must be renewed every two years on the expiration date, at which time a renewal fee must be paid to maintain ownership. The claim also requires a minimum exploration expense over the two-year period, with a report describing the works performed due, sixty (60) days before the renewal date of the claims. If work is not performed, the owner may pay an amount varying between 100% and 200% of the minimum required work expenditure to be able to renew the claim. If an excess has been spent on the claim, the amount can be credited forward over a maximum of six (6) renewal cycles.



Regional Location **Figure 1**



Historical drill hole

GM50463 General location of assessment report

BLUE LAGOON CAPITAL INC		
Lac Gainsmoor Property		
Location, Topography, and Historical Work		
Scale: As shown	NTS: 31M/07	Drawn by: EH
Date: Oct 2018	QP: E. Harrington	Figure: 2
E. Harrington, B.Sc, P.Geo.		

The Québec Government requires that the claim owner consult the Ministère des Forêts, de la Faune et des Parcs (MFFP) as soon as exploration work requires cutting any size or type of tree, or the construction of permanent structures. Line-cutting and diamond drilling would require the acquisition of a permit (Permis d'intervention), as well as First Nations consultations, before any work can begin. A forestry technician must also be engaged to estimate the volume of merchantable timber that will be cut during the work and to assess the proper stumpage fee to be paid.

There are no formally registered land owners on the claims and there is no commercial logging in the area. There are no known restrictions to land-use on the claims. As per Québec law, notice must be provided to the local community 30 days prior to performing any exploration work on the claims. First Nations must be consulted before any type of major work is performed on the claims (construction, diamond drilling, line cutting, stripping, or trenching), and it is possible that breaks in communications between the government and First Nations could result in delays with issuing required work permits. Mine development would generally entail an environmental impact assessment for wildlife and wildlife habitat that is usually done in the following three stages:

- Stage 1: Desk-based study - All relevant data from the government, other agencies, First Nations, and research scientists for the mine tenure area. During this phase, all legally protected and designated areas should be identified;
- Stage 2: Baseline data collection - Normally, two years of data collection is expected to capture inter-annual variation. Baseline data should be collected for important wildlife species identified in Stage 1; and
- Stage 3: Environmental Impact Assessment - EIA will use information from stages 1 and 2, including scientific literature on known impacts to wildlife from similar projects, to predict the disturbance impacts on populations. Mitigation measures should minimize or eliminate these impacts. Where impacts cannot be totally eliminated, compensation and monitoring plans may be required.

To the writer's knowledge, there are no restrictions to exploration or exploitation in regard to surface rights or legal access. No work permits for the Lac Gainsmoor Property have been applied for.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, and PHYSIOGRAPHY

The Property can be accessed using the well maintained Chemin du Lac Truite gravel road, travelling approximately 11 km east from the village of Belleterre, Quebec. The Property is situated approximately 500 meters north-east of the Lac Truite road. Belleterre is located in the western Quebec township of Guillet, and is approximately 170 km by road southeast of the town of Rouyn-Noranda using paved provincial highways 391 and 382.

Rouyn-Noranda is a seven-hour drive or a 90-minute daily flight from Montreal, and is a well-serviced town with a population of approximately 45,000. The village of Belleterre, population approximately 350, provides local gas, restaurants, and limited accommodation.

The Property is on relatively flat to gently rolling terrain with elevations ranging from 345 meters (1,130 feet) to 390 meters (1,280 feet). Topography would not pose any undue problems for construction of exploration and exploitation infrastructure. Vegetation is predominantly boreal forest consisting of jack pine, alder, cedar, and scrub undergrowth. Low areas usually contain standing water and muskeg.

The region experiences a continental climate with average temperatures of -17.2°C in January and 17.2°C in July. Peak rainfall occurs in July with an average of 95.4 mm and a yearly total of 635.2 mm.

Snowfall peaks in December with an average of 61 cm and a total annual snowfall of 300 cm. Annual precipitation is 914 mm. Work can be performed year-round, however areas of the Property covered in wetlands would be best explored in the fall when groundwater levels are at their lowest, or in the winter months when the ground is frozen. As there are no power lines on the Property, power will have to be generated on site.

6.0 HISTORY

6.1 Area History

Exploration in the region began in 1933 with the discovery of quartz vein-hosted free gold at the Loken claims east of the Lac Gainsmoor Property in Halle Township (Retty, 1934). In 1934 the area was heavily staked and J.A. Retty of the Quebec Bureau of Mines mapped both the Guillet and Halle Townships. Rock sampling carried out by Retty verified the occurrence of free gold, but a sample of quartz vein material returned only 0.4 g/t gold. Also in 1934, McIntyre Porcupine Ltd discovered the extensive mineralized vein systems that would become the Belleterre Mine that produced gold until shut down in 1957 (Denis, 1935).

6.2 Historical Property Exploration

In 1944 the claim area was prospected by Terrebonne Mines Limited as part of a larger holding that encompassed terrain stretching from just north of Lac Gainsmoor to south of the Property boundary. The best gold value reported from rock sampling was $0.07/ton or approximately 0.1 g/t gold at $20/oz. Terrebonne conducted a magnetic survey over part of the present claim in 1945 (Lundberg, 1945). From 1945 through 1974, no recorded work was carried out in the Property area.

From 1975 through 1977, Patino Mines conducted ground magnetometer surveys and drilling. Hole Guillet #1, located in the northern portion of the Property (Figure 2) returned 1.37 g/t gold over 1.5 feet (0.46 m) (Gosman 1977). The mineralized interval was from 110.0 ft to 111.5 feet and occurred in siliceous intermediate volcanic rock that showed cherty banding. No true width for the interval was given. The drill log reported the presence of quartz carbonate veins, chlorite alteration, sulfide content (pyrite and pyrrhotite) up to 10%, and graphitic sediments.

In 1988, Mines et Metaux Abitibi discovered a lead-silver showing approximately 500 meters southwest of the present Property (Chavigny, 1988). Sample 3022, taken from a quartz vein hosted in diorite containing 1% to 3% carbonate and 0.5% galena, returned 0.67 ounce per ton ("opt") (23 g/t) silver and 0.75% lead. Sample 3019, taken from vitreous quartz with a similar content of carbonate and disseminated galena, returned 0.64 opt (21.9 g/t) silver and 1.33% lead. Gold values ranged from trace to 0.003 opt (0.103 g/t).

In 1989, Orina Mines carried out a seven-hole core drilling program to the northeast of the Property. In 1994, Orina carried out an IP survey adjacent to the northern Property boundary. A chargeability anomaly, complete with low resistivity, was identified along the southern edge of the grid.

In 1995, Orina carried out a five-hole 1,129-meter drill program (Halle 1995). Hole OR95-4 was located on the Property near the northern border, and OR95-5 was located approximately 50 meters north of the Property (Figure 2). The lithological assemblage encountered included diorite, crystal tuff, quartz porphyry, basalt, andesite, and local graphite. In OR95-4, gold values ranged from 0 to 18 ppb (0.018 g/t) and silver from 0.3 to 1.2 g/t. In OR95-5, gold values ranged from 1 to 35 ppb (0.035 g/t) with no silver values reported. The drill log for OR95-4 reported the presence of felsic porphyries and dikes, graphitic zones, epidote alteration, and breccia textures.

In 2004, Aurora Platinum Corporation carried out a regional-scale airborne magnetic survey, geological mapping, and prospecting programs.

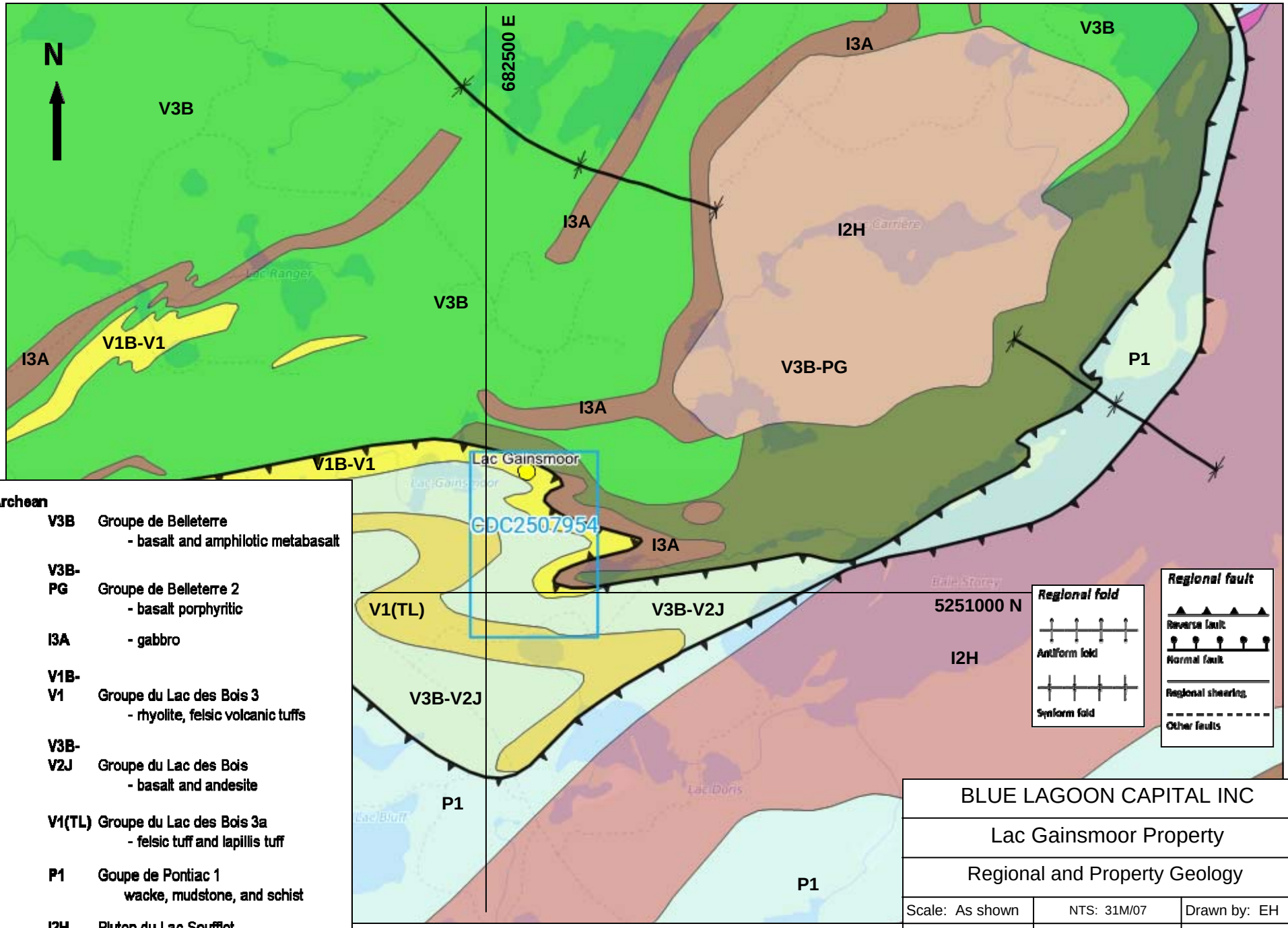
7.0 GEOLOGICAL SETTING and MINERALIZATION

7.1 Regional Geology and Structure

Regional geology consists of Archean volcano-sedimentary and plutonic rocks as well as Proterozoic north-south- and northeast-southwest-trending diabase dikes. Syn- and post-tectonic plutonic granitoid rocks were emplaced during the Kenoran Orogeny, at approximately 2.68 Ga (Lavallée et al 2009).

The Lac Gainsmoor Property lies close to the southern limits of the Pontiac Sub-province of the Superior Province of the Canadian Shield, approximately 10 km northwest of the Grenville Front and 100 km south of the regional Cadillac Tectonic Zone ("CTZ"). The CTZ, also known as the Cadillac-Larder Lake Break, roughly defines the northern contact between the Pontiac and Abitibi sub-provinces. This major tectonic zone is characterized by intense shearing and mechanical deformation that can be traced for over 250 km from Kirkland Lake to Louvicourt in a generally east-west trend (Beauregard et al 2008). The region's geological evolution from sub-aqueous to sub-aerial deposition included three phases of volcanism:

- Phase 1 involved the creation, through sub-aqueous fissure eruptions, of a large sub-marine plain composed of mafic and ultramafic lavas of tholeiitic affinity;
- Phase 2 included island arc volcanism of tholeiitic to calc-alkaline volcanism that was occasionally sub-aerial; and
- Phase 3 was characterized by the emergence of volcanic centers with associated erosion and sediments deposited in basins delimited by associated faulting.



Archean

V3B	Groupe de Belleterre - basalt and amphilotic metabasalt
V3B-PG	Groupe de Belleterre 2 - basalt porphyritic
I3A	- gabbro
V1B-V1	Groupe du Lac des Bois 3 - rhyolite, felsic volcanic tuffs
V3B-V2J	Groupe du Lac des Bois - basalt and andesite
V1(TL)	Groupe du Lac des Bois 3a - felsic tuff and lapillis tuff
P1	Goupe de Pontiac 1 wacke, mudstone, and schist
I2H	Pluton du Lac Soufflot - monzodiorite

BLUE LAGOON CAPITAL INC

Lac Gainsmoor Property

Regional and Property Geology

Scale: As shown	NTS: 31M/07	Drawn by: EH
Date: Oct 2018	QP: E. Harrington	Figure: 3

E. Harrington, B.Sc, P.Geo.

Structural and tectonic evolution can be divided into two major periods: pre-Kenoran and Kenoran. Pre-Kenoran activity created syn-volcanic and syn-sedimentary faults (volcanic and fault activity that was contemporaneous with rock formation). Regional-scale east-west-trending faults developed during syn-sedimentary faulting. The Kenoran orogeny was a multi-phase deformation event that produced the large-scale deformation structures that are characteristic of the region. Metamorphism in the region is predominantly greenschist facies. As the Grenville Front is approached, metamorphism gradually increases from greenschist to amphibolite facies.

7.2 Property Geology

The property is located in the Pontiac Sub-province of the Abitibi Greenstone Belt, within a band of east-west-trending volcano-sedimentary rocks bounded to the south by the Lac Soufflot monzonite pluton. Foliations are sub-vertical and rocks are strongly folded sub-parallel to the overall trend, with individual beds pinched out in folds (Figure 3).

Property lithology consists primarily of Lac DuBois volcanics including basalts, andesites, felsic tuffs, rhyolite, and porphyritic basalts. Rocks are silicified with minor layers (<10cm) of sedimentary schists, argillites, and greywacke sandstone. Contacts are often gradational between volcanics and sediments.

Belleterre meta-basalts are abundant, but occur only in the northeast corner of the Property. Sedimentary units occur within all of the volcanic packages and include small (<50cm) diabase intrusions. The Property is bisected by an east-west-trending regional shear zone. Foliation, bedding, and folding generally trend east-west to northeast-southwest.

7.3 Mineralization

Most anomalous metal values in the region have been found either adjacent to or within deformation structures or at lithological contacts. Some of the most important indicators for gold mineralization in the region include pyrite (iron sulfide), pyrrhotite (magnetic iron sulfide), ankerite (calcium, iron, magnesium, and manganese carbonate), arsenopyrite (arsenic sulfide), graphite and fuchsite (chromium mica).

Mineralization occurs with silicification and quartz veining, or with local clay alteration. Generally, rocks show disseminated pyrite as euhedral crystals. Rocks can be quartz-rich with pyrite ranging from minor disseminations to semi-massive and mixed with pyrrhotite and weak chalcopyrite-sphalerite. Intergrowths of pyrite and pyrrhotite occur with quartz infill in seams up to 10 cm in thickness. Historical drilling has returned 1.5 g/t gold over 1.5 feet (0.46 m) from 110.0 ft to 111.5 feet hosted in siliceous intermediate volcanic rock that showed cherty banding.

8.0 DEPOSIT TYPE

The exploration target on the Property is intrusion-related gold mineralization in quartz carbonate veins containing massive sulfides. Veins are emplaced in en echelon fractures around the periphery of subvolcanic plutons in volcanic arc and continental margin settings (Alldrick 1996). The subvolcanic setting for these deposits is transitional between porphyry copper and epithermal systems. Host rocks are andesitic tuffs, turbidites or early intrusive phases around the periphery of medium- to coarse-grained, locally porphyritic, granodiorite stocks and batholiths.

Structurally controlled mineralization can be hosted in en echelon vein sets, shear veins, extension veins, and tension gashes. Veins vary in width from centimeters to meters and can be traced for hundreds of meters. Veins may be composed of;

- Massive fine-grained pyrrhotite and/or pyrite; or
- Massive bull quartz with minor calcite and minor to accessory disseminations, knots, and crystal aggregates of sulfides.

These two types of mineralization may grade into each other along a single vein or may occur in adjacent, but separate, veins. Some veins have undergone post-ore ductile and brittle shearing that complicates textural and structural interpretations.

The geochemical signature would include values for gold, silver, copper, arsenic, and zinc. The geophysical signature would include anomalous electromagnetic resistivity, IP, VLF-EM, and magnetics.

9.0 EXPLORATION

9.1 Work Program - 2018

In 2018 at the request of Kode, Exploration Facilitation Unlimited Inc, London, Ontario ("EFU") carried out a 14-day exploration program that included line cutting (3.5 line-kilometers), soil sampling, ground geophysics (VLF-EM/Mag, IP, and Beep Mat), geological mapping, rock sampling, and small-diameter backpack core drilling.

The geophysics program consisted of ground VLF-EM and magnetometer surveys, an Induced Polarity (IP) survey, and a Beep Mat survey. Survey lines were oriented north-south at 100 m line spacings with 12.5 m between stations. VLF-EM and mag surveys were carried out using a GSM-19V Overhauser proton magnetometer with a VLF/EM module. The VLF station NAA 24.0 kHz, located in Cutler, Maine provided the VLF signal for the measurements on the Gainsmoor survey. The mag and VLF-EM survey totaled 6.1 line-kilometers of readings and utilized not only the cut grid lines, but also uncut measured and flagged lines. The IP survey was carried out using a GDD Tx III system and covered 1.8 line-kilometers of cut line.

The Beep Mat geophysical unit, a BM-8 model from Instrumentation GDD Inc, Quebec, is frame-mounted and man-portable. The Beep Mat provides data for magnetic susceptibility and relative EM conductivity with GPS positioning. A Beep Mat reading comprises High Frequency ("HFR") and Low Frequency ("LFR") responses that represent relative conductivity. The effective depth of penetration is approximately 10 feet (3 meters).

The Beep Mat program was carried out over a stripped and trenched gossanous area approximately 100 m by 100 m. Due to the open nature of the survey area, Beep Mat lines were often less than 50 cm apart. In all cases, the source of the anomalies was sulfide mineralization consisting of semi-massive to massive pyrrhotite and pyrite, with minor chalcopyrite and sphalerite observed in the drill core.

During the 2018 exploration program 97 soil samples were collected at 100 m intervals on lines spaced 100 m apart (Figure 4). Samples were taken from an average depth of 37 cm and targeted C horizon soil. Samples taken in swampy areas targeted more clay-rich horizons.

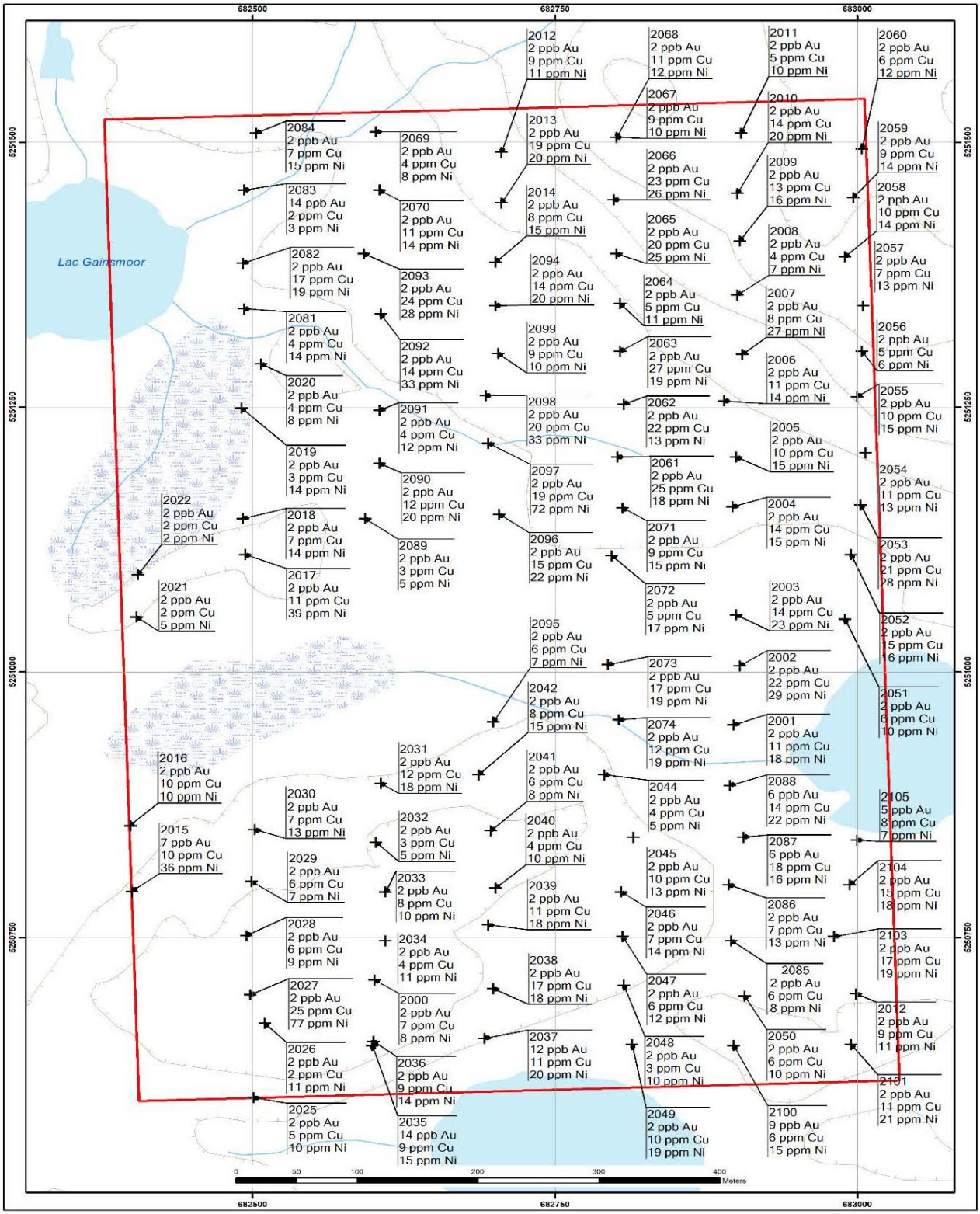
Anomalous conductive sites from the Beep Mat survey and areas of interest identified during mapping were investigated with a gas-powered, man-portable "Shaw" backpack-style diamond drill. The Shaw prospecting drill produces AQ sized core (18 mm), and has an effective penetration depth of approximately 10 meters. The shallow depth penetration was considered adequate as near-surface mineralization was targeted. All drill holes were logged, photographed, and sampled in the field. Eight holes totaling 4.10 m of core were completed and nine core samples were collected from the eight drill holes for analysis (Figure 5). All eight drill holes tested targets in the gossanous stripped and trenched area.

Geological mapping and rock sampling were limited to the stripped and trenched gossanous area. Three of the four trenches located in the stripped area were mapped and six select rock samples taken.

9.2 Results

9.2.1 Geophysics

J. M. Hubert P.Eng (Geophysics) carried out an interpretation of the combined Beep Mat magnetic and VLF-EM, and IP data from the 2018 work program. A total of six anomalous areas designated targets A to F were interpreted (Figure 6), but only five of targets A to E are recommended for further work. During the IP survey, electrical disturbance occurred on lines L682800 and L682900 occurred. Despite these disturbances, the IP survey data was included in the interpretation. Redoing the IP survey was recommended.



Soil Sample Location (n=97)

Sample id
Au ppb
Cu ppm
Ni ppm

Lac Gainsmoor Claims
Contour
Watercourse
Waterbody

Drawn by: Exploration Facilitation Unlimited, Inc.

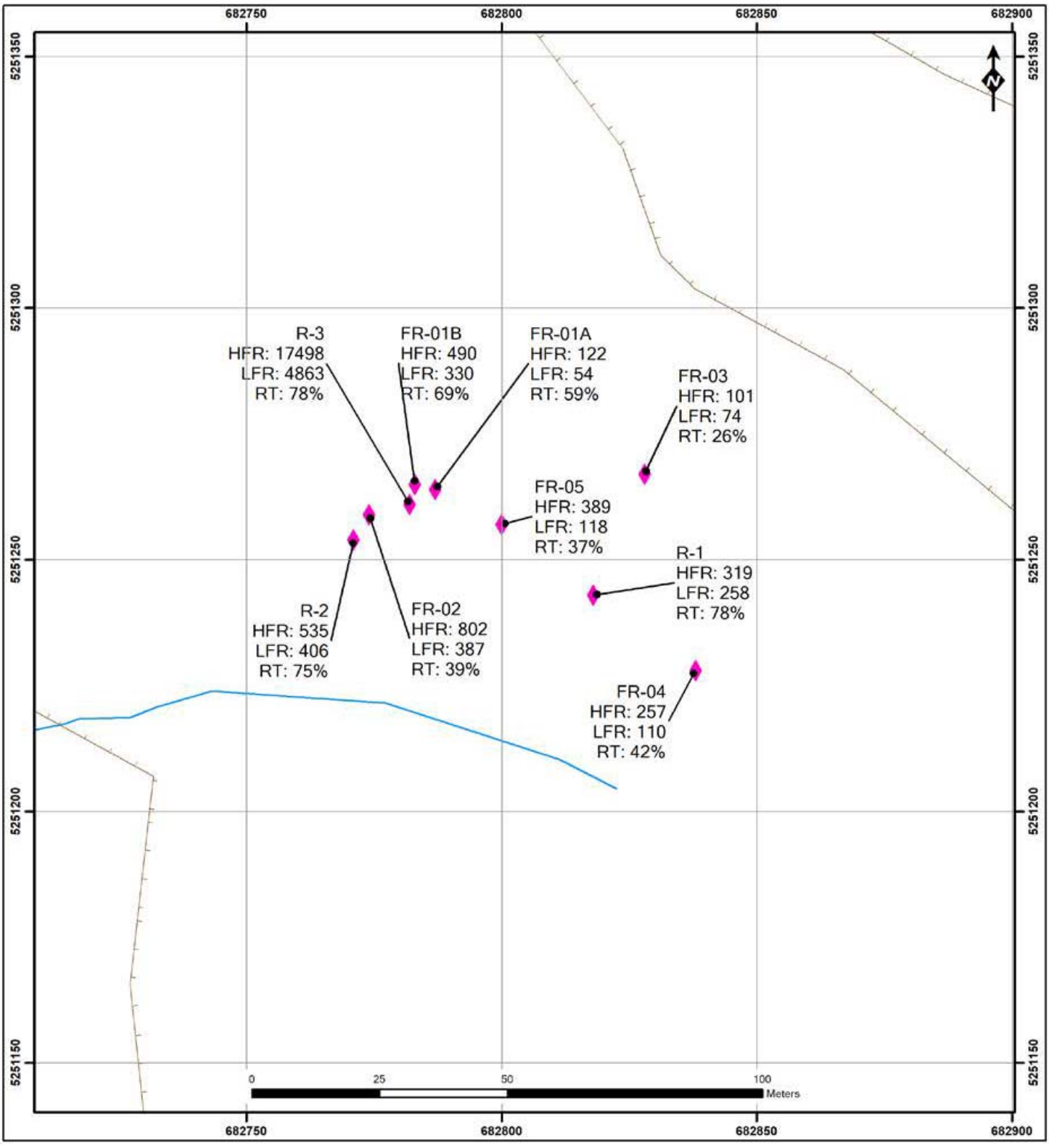
BLUE LAGOON CAPITAL INC

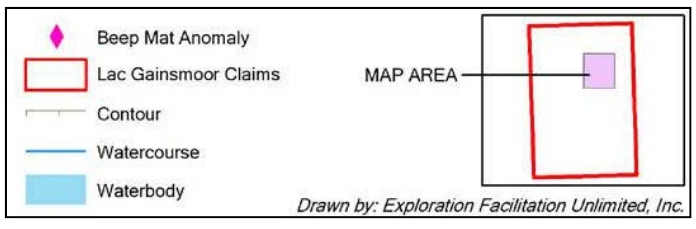
Lac Gainsmoor Property

Soil Sample Locations with AU, Cu, and Ni Results

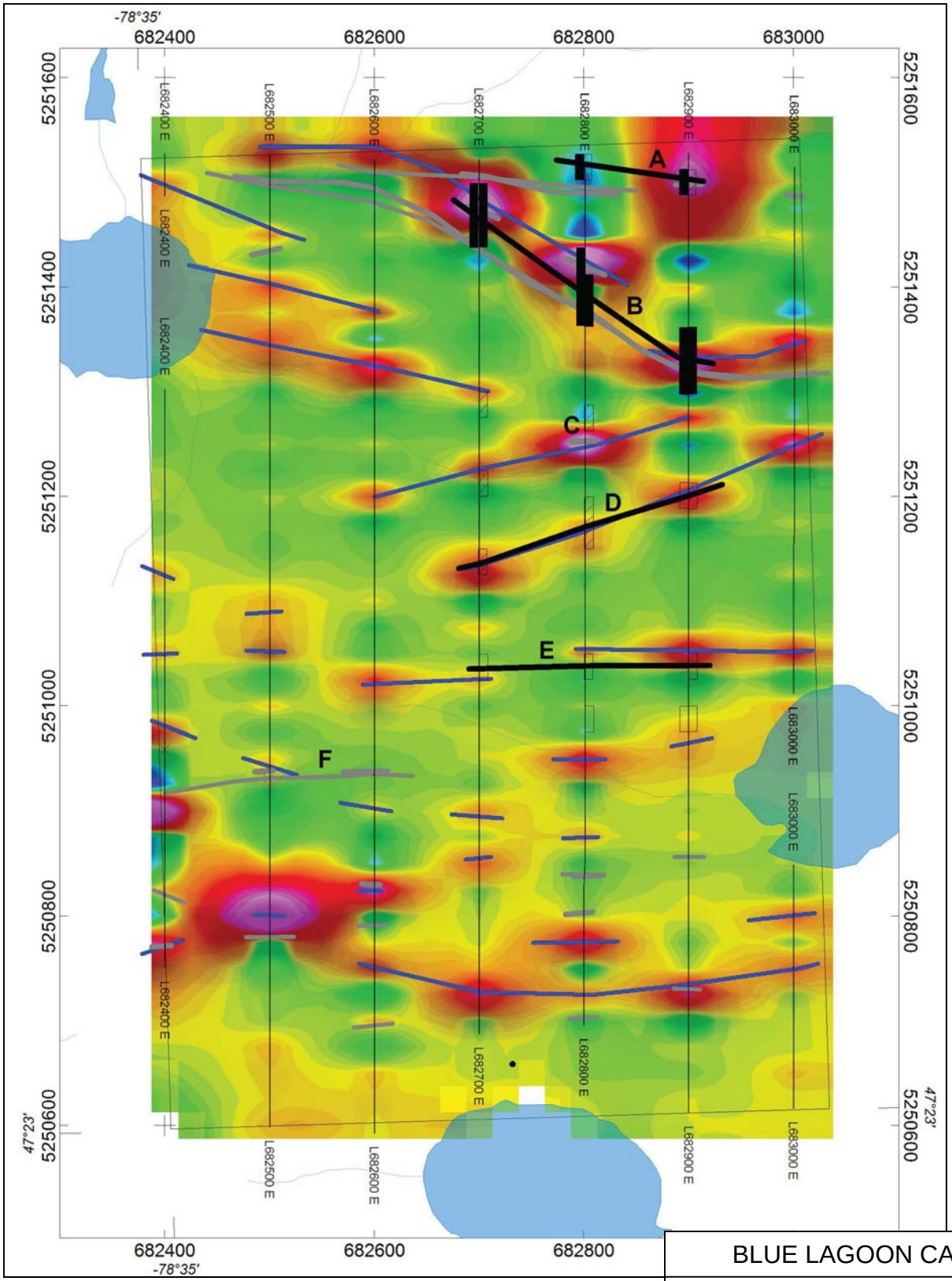
Scale: As shown	NTS: 31M/07	Drawn by:
Date: Oct 2018	QP: E. Harrington	Figure: 4

E. Harrington, B.Sc, P.Geo.





BLUE LAGOON CAPITAL INC		
Lac Gainsmoor Property		
Beep Mat Anomaly Locations		
Scale: As shown	NTS: 31M/07	Drawn by:
Date: Oct 2018	QP: E. Harrington	Figure: 5
E. Harrington, B.Sc, P.Geo.		



(After Hubert 2018)

BLUE LAGOON CAPITAL INC

Lac Gainsmoor Property

Geophysical Interpretation

Scale: As shown	NTS: 31M/07	Drawn by: EH
Date: Oct 2018	QP: E. Harrington	Figure: 6

E. Harrington, B.Sc, P.Geo.

Target A

Target A is located at the end of IP survey lines and is characterized by high chargeability, and very low resistivity. A VLF-EM conductor is present nearby. A magnetic anomaly coincides on line L682900, but erratic readings were observed on L682800. Graphite and/or massive sulfides are likely the sources of the anomalies.

Target B

Target B shows the strongest chargeability and the lowest resistivity values of any of the target areas. A strong VLF conductor is present along the south side and a weaker VLF conductor is associated with a magnetic anomaly on the north side. Graphite is suspected as the source of the strong VLF conductor and lower values of resistivity. Massive sulfides, with an appreciable amount of pyrrhotite, may also be present.

Target C

Target C is characterized by a weak VLF anomaly associated with a magnetic high. The anomaly is present only on line L682800, but the magnetic readings suggest that it could extend to adjacent lines. High chargeability values are observed nearby and the interpreted anomaly may have been misplaced due to the disturbance in the induced polarization data. It is recommended to resurvey this line.

Target D

Target D comprises high chargeability and magnetic anomalies. There is no significant decrease in resistivity and no associated VLF conductor. Disseminated sulfides including pyrrhotite may be present.

Target E

Target E comprises a weak chargeability anomaly with a nearby weak magnetic high and could be significant with associated geochemical anomalies.

Target F

Target F comprises a weak VLF anomaly without magnetic association. The target is located on the side of a hill and is attributed to conductive overburden.

There are also several weak isolated anomalies in the southern part of the survey. It is strongly recommended to redo the Induced Polarization survey. Geophysical anomalies should also be reevaluated in conjunction with available geochemical or geological data.

9.2.2 Soil Survey

Eight of ninety-seven soil samples returned gold values ranging from 0.005 g/t to 0.014 g/t (Figure 7). The anomalous threshold value for gold is calculated as >0.007 ppm (Standard Deviation 0.0027 x 2.5 = 0.007). Three samples returned silver values of 0.2 g/t. Copper values ranged from 2.0 to 27 ppm, with twenty samples returning values > 14 ppm.

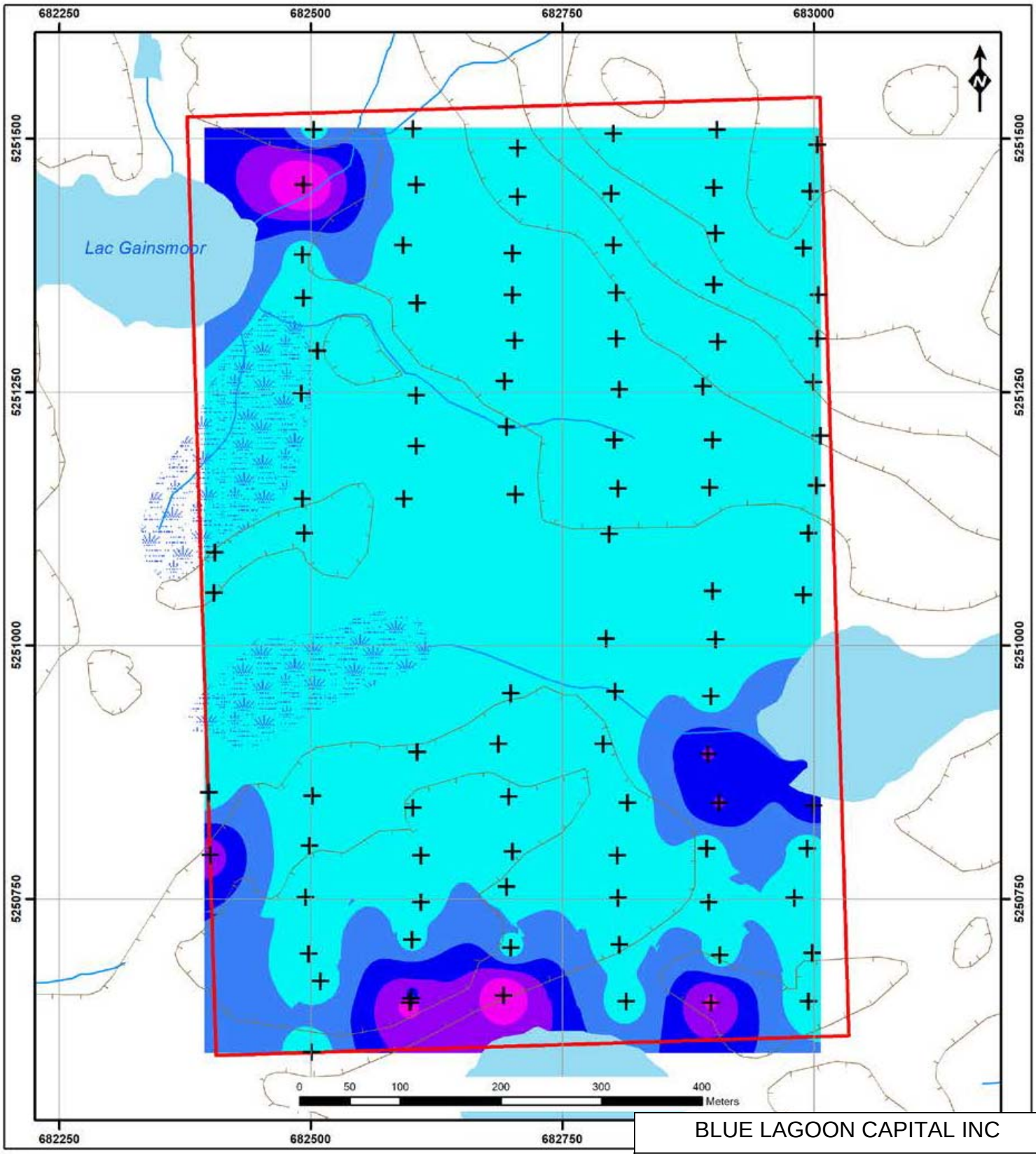
Table 2: Element Correlations - Soil

	Gold	Silver	Chrome	Copper	Nickel	Zinc
Gold	1					
Silver	0.27	1				
Chrome	0.00	0.02	1			
Copper	-0.06	-0.06	0.50	1		
Nickel	0.00	-0.03	0.92	0.63	1	
Zinc	-0.07	0.23	0.61	0.36	0.64	1

Soil results show no correlation between gold and chrome, copper, nickel, or zinc, and only a very weak correlation with silver. Nickel and chrome show the strongest correlation, suggesting a mafic rock source for soil formation.

9.2.3 Mapping and Rock Sampling

Geological mapping of the stripped and trenched area shows stratigraphy is folded and refolded, with many units pinched out by the folding.



+ Soil Sample Location (n=97)
Lac Gainsmoor Claims
Contour
Watercourse
Waterbody

Inverse Distance Weighted Interpolation (IDW) Au ppb
2 - 2.6
2.6 - 3.9
3.9 - 5.9
5.9 - 8.7
8.7 - 14

Drawn by: Exploration Facilitation Unlimited, Inc.

BLUE LAGOON CAPITAL INC

Lac Gainsmoor Property

Contoured Soil Values - Au

Scale: As shown	NTS: 31M/07	Drawn by:
Date: Oct 2018	QP: E. Harrington	Figure: 7

E. Harrington, B.Sc, P.Geo.

Lithology consists predominantly of felsic to mafic volcanics interbedded with schistose and sandy sedimentary interbeds, cut by a single 35 cm mafic dike (Figures 8, and 9).

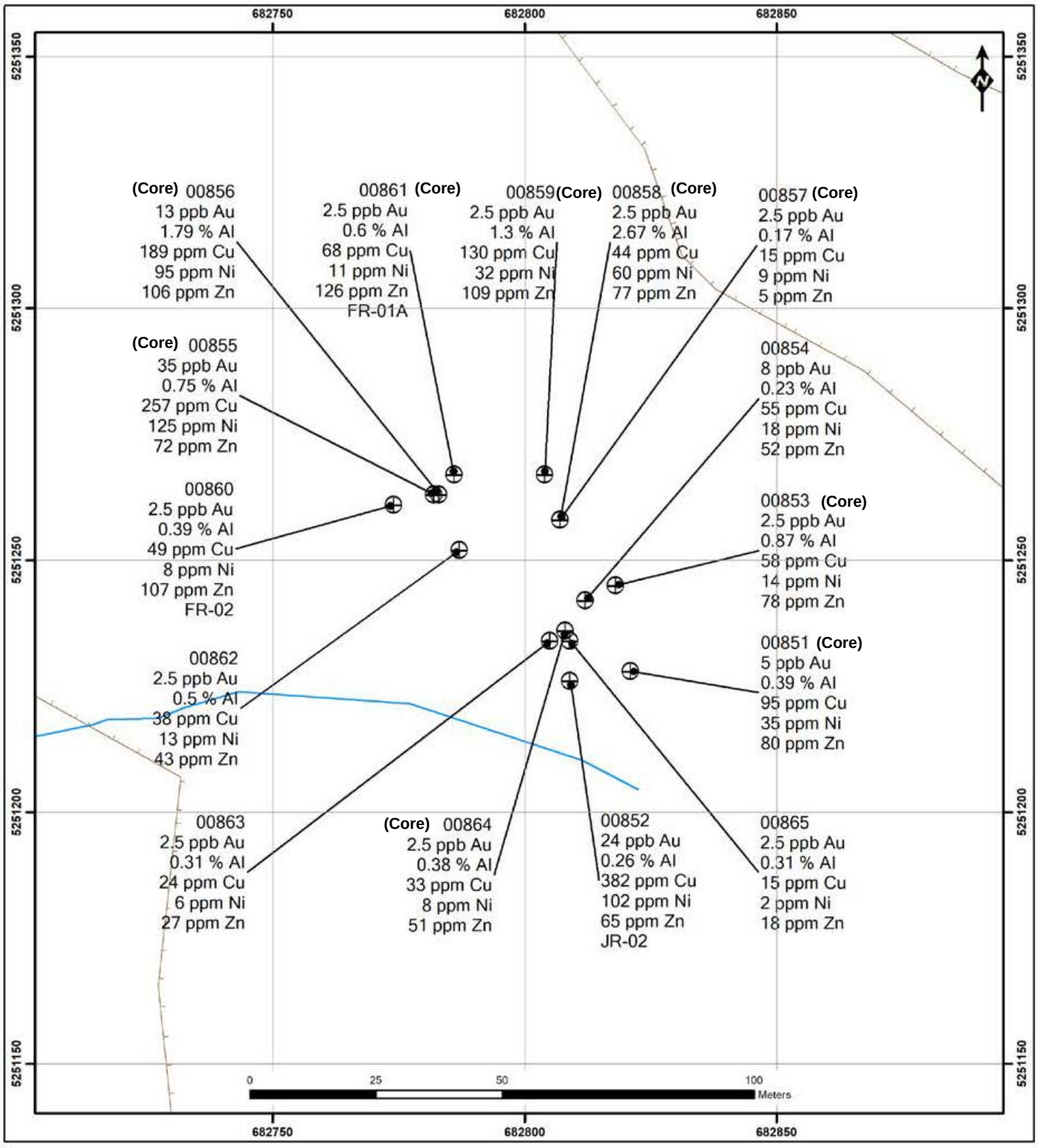
Table 3: Selected Assay Results - Rock and Core

Sample	Type	Assay Results (ppm)						
		Gold	Silver	Cobalt	Copper	Nickel	Lead	Zinc
00851	Core	0.005	0.7	15	95	35	5	80
00852	Select	0.024	3.6	7	382	102	14	65
00853	Core	<0.005	1.3	4	58	14	10	78
00854	Select	0.008	1	15	55	18	3	52
00855	Core	0.035	2.9	127	257	125	7	72
00856	Core	0.013	2.2	47	189	95	6	106
00857	Core	<0.005	<0.2	4	15	9	<0.2	5
00858	Core	<0.005	<0.2	25	44	60	<0.2	77
00859	Core	<0.005	0.4	17	130	32	15	109
00860	Select	<0.005	0.2	7	49	8	3	107
00861	Core	<0.005	0.3	6	68	11	3	126
00862	Select	<0.005	0.5	8	38	13	4	43
00863	Select	<0.005	0.4	9	24	6	4	27
00864	Core	<0.005	0.3	7	33	8	3	51
00865	Select	<0.005	0.6	4	15	2	7	18

Table 4: Element Correlations - Rock and Core

	Gold	Silver	Cobalt	Copper	Nickel	Lead	Zinc
Gold	1						
Silver	0.89	1					
Cobalt	0.79	0.53	1				
Copper	0.86	0.92	0.49	1			
Nickel	0.89	0.81	0.76	0.87	1		
Lead	0.35	0.59	0.08	0.63	0.35	1	
Zinc	0.10	0.15	0.17	0.30	0.28	0.27	1

Based on rock and core sample results, the anomalous threshold value for gold is calculated as >0.027 ppm (Standard Deviation 0.0106 x 2.5 = 0.007). Correlation analysis shows that gold values, while generally low, are strongly associated with silver and the tri-element grouping of cobalt, copper, and nickel that are common constituents of pyrite, pyrrhotite, and chalcopyrite sulfides observed in mapping.



Sample Id
Au ppb
Al %
Cu ppm
Ni ppm
Zn ppm
BM Anomaly ID

Rock Sample Location (n = 15)

Lac Gainsmoor Claims

Contour

Watercourse

MAP AREA

Drawn by: Exploration Facilitation Unlimited, Inc.

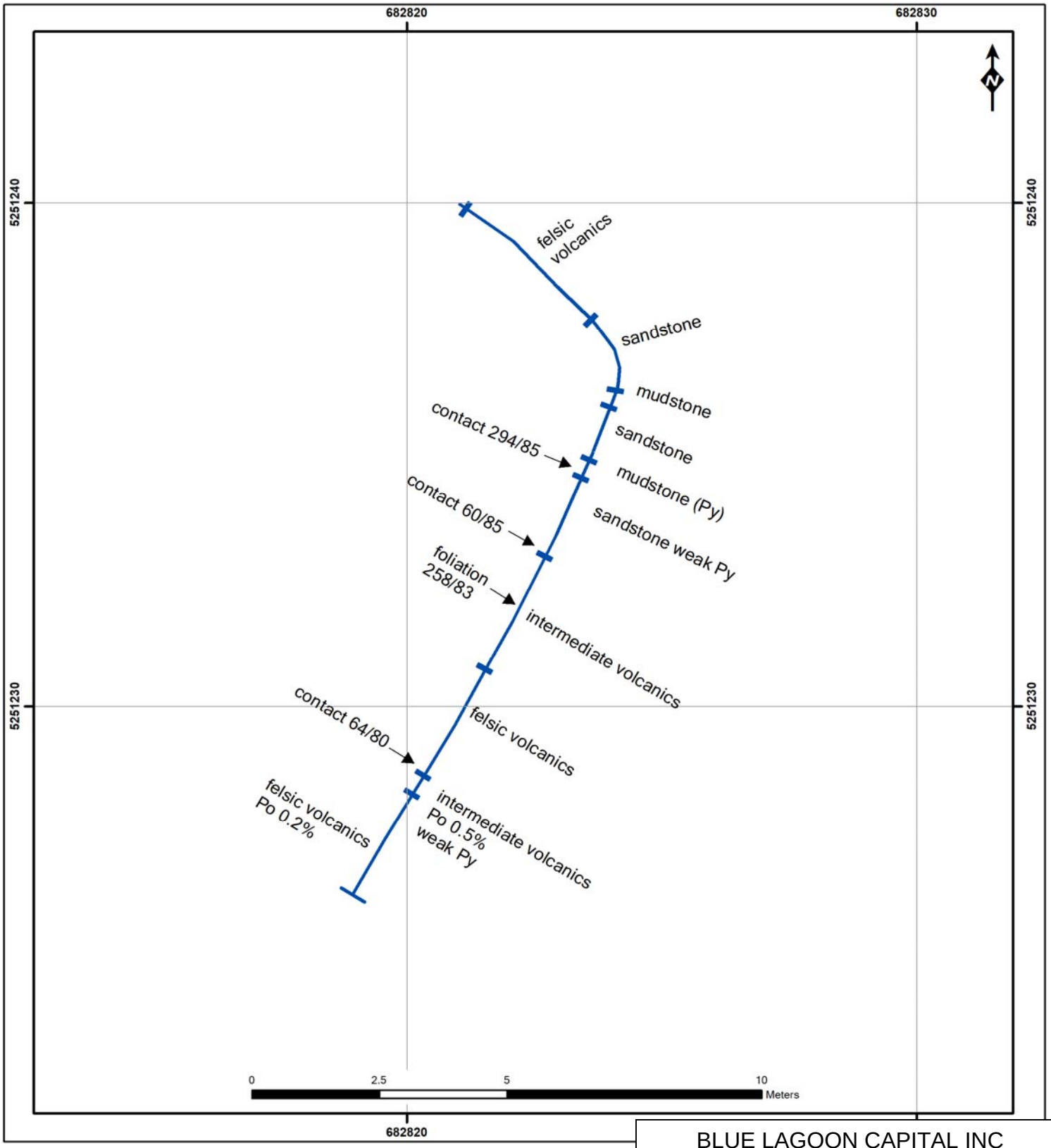
BLUE LAGOON CAPITAL INC

Lac Gainsmoor Property

Rock and Core Locations with Selected Values

Scale: As shown	NTS: 31M/07	Drawn by:
Date: Oct 2018	QP: E. Harrington	Figure: 8

E. Harrington, B.Sc, P.Geo.



Trench

Lac Gainsmoor Claims

MAP AREA

Drawn by: Exploration Facilitation Unlimited, Inc.

BLUE LAGOON CAPITAL INC

Lac Gainsmoor Property

Geology - Trench 1

Scale: As shown	NTS: 31M/07	Drawn by:
Date: Oct 2018	QP: E. Harrington	Figure: 9

E. Harrington, B.Sc, P.Geo.

10.0 DRILLING

Not applicable to this report.

11.0 SAMPLE PREPARATION, ANALYSIS, and SECURITY

For the 2018 reconnaissance program, samples collected in the field were described in detail and GPS-derived UTM co-ordinates were recorded for each individual sample. Samples were placed into plastic sample bags with a unique sample tag inserted into the bag and the corresponding number written in black permanent marker on the outside of the bag. Sample bags were then sealed using plastic zip ties before being removed from the field. All samples collected were maintained in locked storage until transported to the lab. Samples were reviewed to ensure proper identification prior to transport. The author has deemed the sample preparation and security procedures employed by EFU employees to be adequate. Soil and rock samples were delivered to ALS Labs, Val-d'Or, Quebec by EFU personnel and all samples were subsequently processed at ALS labs in Sudbury, Ontario and Vancouver, BC. Samples underwent the following analyses:

- Gold 50 g fire assay with AA finish using method Au-AA24; and
- 35 element aqua regia digestion using method ME-ICP41.

ALS's quality management systems operate in accordance with ISO/IEC 17025:2005 (CAN-P-4E) and are also compliant with CAN-P-1579 Guidelines for Mineral Analysis Testing Laboratories. The management system and methods are accredited by the Standards Council of Canada. ALS uses comprehensive quality control programs to monitor sample preparation and analysis. Quality control measures include the use of barren material to clean sample equipment in between batches.

Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference materials, and replicate samples. Bar coding and scanning technology provide complete chain of custody records for sample preparation and analytical process. The writer considers ALS to have adequate sample preparation, security, and analytical procedures, and to operate at industry standards. Blue Lagoon and Kode have no relationship with ALS other than as clients.

12.0 DATA VERIFICATION

On 11 July 2018, the writer carried out a field inspection of the Property. The status and details of the claim comprising the subject Property was verified using the MERN's GESTIM database accessed by the writer on 23 October 2018. The writer reviewed selected assay certificates and report maps to check for transposition errors. No value errors were noted. The writer did not attempt to verify other Property information as the accuracy of information provided by the cited sources is considered by the writer to be sufficient.

13.0 MINERAL PROCESSING and METALLURGICAL TESTING

Not applicable to this report.

14.0 MINERAL RESOURCE ESTIMATES

Not applicable to this report.

15.0 MINERAL RESERVE ESTIMATES

Not applicable to this report.

16.0 MINING METHODS

Not applicable to this report.

17.0 RECOVERY METHODS

Not applicable to this report.

18.0 PROJECT INFRASTRUCTURE

Not applicable to this report.

19.0 MARKET STUDIES and CONTRACTS

Not applicable to this report.

20.0 ENVIRONMENTAL STUDIES, PERMITTING, and SOCIAL or COMMUNITY IMPACT

Not applicable to this report.

21.0 CAPITAL and OPERATING COSTS

Not applicable to this report.

22.0 ECONOMIC ANALYSIS

Not applicable to this report.

23.0 ADJACENT PROPERTIES

No properties relevant to this report are adjacent to the subject Property. The following nearby properties are considered by the writer to be relevant. The Lac de la Ceinture showing is located approximately 3 km east of the Property, the Loken showing 5.5 km north-northeast, and the past-producing Belleterre gold mine 8 km west-northwest. Information contained within this section is taken from historical reports found on the Government of Quebec SIGEOM website and has not been verified by the writer.

23.1 Lac de la Ceinture

The showing was discovered in 1990 and has had little reported exploration work. Mineralization consists of disseminated pyrite in tuffs and intermediate to mafic volcanic rocks. Two trenched rock samples returned 1.02 g/t and 1.20 g/t gold (Cote 1990).

23.2 Loken

The showing was discovered in 1933 and consists or structurally controlled disseminated native gold, chalcopyrite, pyrite, pyrrhotite, and galena in quartz veins. The mineralized area is approximately 90 meters long and 5 meters wide, with north-south trends and generally vertical dips (GM10706). The quartz veins are hosted in mafic tuffs associated with felsic porphyry dikes and show remobilization and re-deposition. Alteration comprises carbonatization and silicification.

23.3 Belleterre

The past-producing Belleterre gold mine was discovered in 1936. When production ended in 1956, the mine had produced approximately 2.18 million tonnes of ore grading 10.73 g/t gold and 1.37 g/t silver.

In 1987, reserves were estimated at 467,000 tonnes averaging 6.17 g/t gold (Tourigny et al 1991). The reserve estimate prepared for the Belleterre deposit is considered relevant, but is historical, does not meet NI 43-101 standards, and therefore should not be relied upon. The writer has not verified the reserve calculations or the assay results supporting them.

The generally northeast-southwest-trending, west-dipping, structurally controlled deposit has an irregular tabular form approximately 900 meters long, 400 meters deep, and from centimeters up to 3 meters wide. Mineralization consists of gold, silver, copper, zinc, lead, and antimony in sulfides that comprise approximately 5% of the rock. Mineralization is hosted by a series of grey quartz veins in a lithological package consisting of Archean-age basalt, lamprophyre dikes, volcanic tuff, and schist. The sulfide assemblage includes chalcopyrite, pyrrhotite, sphalerite, galena, and pyrite, and is associated with carbonate, chlorite, muscovite, and epidote gangue material. Original mineralization emplacement was contemporaneous the hosting volcanics, with subsequent remobilization by late-stage volcanism and shearing.

While mineralization found at Lac de la Ceinture, Loken, and Belleterre is not necessarily indicative of mineralization on the Lac Gainsmoor Property, similarities in lithological type, age, and structure demonstrate exploration potential on the Property.

24.0 OTHER RELEVANT DATA and INFORMATION

No other relevant data and information is available on the Property.

25.0 INTERPRETATIONS and CONCLUSIONS

25.1 Interpretations

The Lac Gainsmoor Property is situated within an environment favorable for gold deposits. The Property is situated at the contact between the Groupe de Belleterre basalts and gabbros, and the Groupe du Lac des Bois rhyolites, felsic tuffs, and basalts. The Groupe de Belleterre hosts numerous gold showings and deposits including the past producing Belleterre gold mine, as well as some minor zinc showings. The Groupe du Lac des Bois hosts three reported gold showings, as well as one silver-zinc showing south of the Property.

Rocks on the Property have been subjected to greenschist metamorphism as well as hydrothermal activity, as shown by the often strong silicification and sulfide content of lithologies and structures. Regional-scale faulting cuts through the area.

The 2018 reconnaissance geophysics program identified six anomalous geophysical targets. Rock sampling returned gold values to 0.035 g/t and silver to 3.6 g/t, with weak enrichment in copper, nickel, and zinc. Historical drilling in the northern portion of the Property returned 1.37 g/t gold over a drilled interval of 1.5 feet (0.46 m).

A possible risk associated with exploration work at the current stage involves the consultations with First Nations that are required as part of the permit application process. Part of this permitting process includes consultation with First Nations and assumes that relations between the government and First Nations are positive and moving forward. Any break in communications between the two parties could result in delays, as any work related to the permit cannot begin until work permits have been issued.

25.2 Conclusions

The Lac Gainsmoor Property is classified as a grassroots prospect that could be considered to have potential to host gold mineralization.

The Lac Gainsmoor Property is situated in a region that hosts numerous gold and zinc showings and deposits that are generally associated with complex lithological, structural, and geochemical controls on mineralization.

Mineralization in the region occurs either adjacent to or within deformation structures or at lithological contacts. Regionally, important indicators for sulfide and gold mineralization include pyrite, pyrrhotite, and graphite. Historical drilling on the Lac Gainsmoor Property has encountered;

- Weak gold values;
- Pyrite and pyrrhotite mineralization;
- Quartz carbonate veining;
- Porphyries;
- Intrusive dikes;
- Chlorite and epidote alteration; and
- Breccia textures.

The combination of these factors may suggest a possibly suitable environment for gold mineralization at Lac Gainsmoor.

26.0 RECOMMENDATIONS

The Lac Gainsmoor Property is a grassroots property that could justify the following two-phase exploration program.

The ground geophysical portion of the 2018 work program detailed six anomalous targets, five of which (Targets A to E) were recommended for further work. Target F, located in the southern portion of the Property, along with several other isolated anomalies, returned weak VLF response with no magnetic association. Target F was attributed to conductive overburden.

The geophysical interpretation also strongly recommended that at least two IP lines, L682800 and L682900, be repeated due to erratic readings. As well, the interpretation suggested that the geophysical anomalies be reevaluated in light of the geochemical results from the 2018 soil and rock sampling programs.

Contoured soil values show weakly anomalous zones in the area of Target F and in northwestern portion of the Property. As only the northeastern corner of the Property was covered by the 2018 IP survey, it is recommended that the two erratic IP lines be resurveyed and an IP survey be carried out in the southern portion of the Property. The northwestern soil anomaly consists of a single value and should be prospected in greater detail, but no IP is recommended due to the small size.

In conjunction with the IP survey, geological mapping, rock sampling, and soil sampling should be carried out. Soil sampling should be carried out between lines already surveyed for greater detail.

The estimated Phase 1 program cost is $107,000.

Phase 2

Phase 2 would consist of diamond drilling and is contingent upon positive results from Phase 1. Phase 2 would involve approximately 3,000m of NQ2-sized diamond drilling. The project would require a project manager, a core logging geologist assisted by a technician and possibly up to two core cutters. The cost of sampling will be based on continuous sampling throughout the drilling as controls for mineralization are still poorly understood and selective sampling is not recommended at this stage. The cost of using a bulldozer for site prep has been included. The estimated cost of Phase 2 work is $1,270,000.

Proposed Budgets: Phase 1 and Phase 2 Work

PROPOSED BUDGET, Phase 1 Exploration Program **Lac Gainsmoor Property, Quebec.**						**ALL CAN$**
Project preparation				$		2,500
Mobe/Demobe (incl freight, transportation and wages)						3,000
First Nations /Forestry Consultation						2,000
Field Crew:		Rate	Days	$	Totals	
Project Geologist	$	700	23			16,100
Field Costs:						
Food & Accommodation	$	850	23		19,550	
Communications		10	23		2,300	
Shipping					2,000	
Supplies		100	23		2,300	
Vehicle Rental		150	23		3,450	
Other Rentals		100	23		2,300	31,900
Assays & Analyses:		Rate	Units			
Soil/Rock Samples	$	40	150			6,000
Contracts:						
IP Survey		2,500	6 km			15,000
Geophysical Interp						5,000
Soil Sampling		1,200	8 days			9,600
Line Cutting		800	6 km			4,800
Report:						
Technical report [NI 43-101]						4,500
Admin, incl Contractor Overhead and Profit (5%)						5,000
			Total	$		106,680
			Rounded up to	**$**		**107,000**

PROPOSED BUDGET, Phase 2 Drilling Program
Lac Villebon Property, Quebec **ALL CAN$**

Project preparation				$	10,000
Mobe/Demobe (incl freight, transportation and wages)					16,000
First Nations/Forestry Consultation					5,000
Field Crew:		Rate	Units	Totals	
Project Geologist	$	800	40 days	32,000	
Core Logger		600	40 days	24,000	
Core Splitters x 2		950	40 days	38,000	
Geotechnician		500	40 days	20,000	114,000
Field Costs:					
Communications	$	150	40 days	6,000	
Shipping				10,000	
Supplies		250	40 days	10,000	
Vehicle Rental		250	40 days	10,000	
Vehicle Gas		50	40 days	2,000	
Food and accommodation		1,100	40 days	44,000	
Other Rentals		250	40 days	10,000	92,000
Assays & Analyses:		Rate	Units		
Core samples	$	55	3,000		165,000
Contracts:					
Bulldozer				10,000	
Core drilling	$	250	3,000	750,000	
Mobe, demobe, field cost				40,000	800,000
43-101-compliant report					7,500
Admin, incl Contractor Overhead and Profit (5%)					60,475
			Total		1,269,975
			Rounded up to	**$**	**1,270,000**

27.0 REFERENCES

Alldrick, D.J. (1996):
Intrusion-related Au Pyrrhotite Veins, in Selected British Columbia Mineral Deposit Profiles, Volume 2 - Metallic Deposits, Lefebure, D.V. and Hõy, T., Editors, British Columbia Ministry of Employment and Investment, Open File 1996-13, pages 57-58.

Beauregard, A-J., Gaudreault, D. (2008):
NI 43-101 Technical report on the Cadillac Break properties, Geologica Groupe-Conseil, Inc. for Alexandria Minerals.

Chavigny,M.P., 1988:
Indice de Plomb-Argent Propriete Guillet; GM46906.

Cote, G., 1990:
Analysis Results and Mapping, for Ressources Audrey Inc, GM49845.

GM10706, 1944:
Report and map for Consolidated Mining and Smelting.

Gosman, D.H., 1977:
Patino Mines Drill Log; GM33413.

Halle, L., 1995:
Propriete de Guillet Campagne de Forage 1995; GM54644.

Halle, L., 2005:
Donnees Relatives aux Travaux de Prospection de 2005.; GM62456, 190 pages and 5 maps.

Hubert, J.M., 2018:
Report of Geophysical Surveys on the Lac Gainsmoor Property, for CanExplor Management Ltd.

Karvinen, W.O., 1987:
Vertical Component Magnetic Survey, Arcajo Property; GM45168.

Lavallée, J-S. and Cloutier, M-A. (2009):
National Instrument Technical Report 43-101 for St-Georges Minerals Inc. and Litewave Corp.

Lundberg, H., 1945:
Report on the Magnetic Survey of the Terrebonne Mines Limited Guillet and No.71 Townships, Temiscamingue Quebec, GM10651.

McFarlane, R.L., 1983:
Diamond Drill Core Log Jolette-Guillet Property, GM41452.

Murdy, A., 1977:
Diamond Drill Program, Guillet #1 Property, for Patino Mines Quebec Ltd, GM33413.

Rensby, J., 20018:
Assessment Report on Exploration Activities, Lac Gainsmoor Property, May 2018, for Kode Metal Corp.

Tourigny, G., Schwerdtner, W.M., Thibert, F., Trudel, P., Hubert, C., 1991:
Geologie descriptive des indices aurifers de la region de Belleterre, Cantons de Blondeau, Guillet et Halle, Temiscaminque, MB9118

ALS Labs: www.alsglobal.com

Government of Quebec SIGEOM website:
http://sigeom.mines.gouv.qc.ca/signet/classes/I1108_afchCarteIntr

GLOSSARY

Conversion Factors

To Convert From	To	Multiply By
% U_3O_8	% U	0.848
% U	% U_30_8	1.179
Feet	Meters	0.305
Meters	Feet	3.281
Miles	Kilometers ("km")	1.609
Kilometers	Miles	0.6214
Acres	Hectares ("ha")	0.405
Hectares	Acres	2.471
Grams	Ounces (Troy)	0.03215
Grams/Tonne	Ounces (Troy)/Short Ton	0.02917
Ounces (Troy)/Short Ton	Grams/tonne	34.2857
Tonnes (metric)	Short Tons	1.1023

Alteration: Any change in the mineralogical composition of a rock that is brought about by physical or chemical means.

Anomaly: A geochemical or geophysical character deviating from regularity.

Archean: Early Precambrian time, generally >2.5 billion years.

Batholith: An intrusive igneous body with boundaries that cut across surfaces of layering or foliation in rocks into which it has intruded. The intrusive body increases in size downward, has no determinable floor, and shows an area of surface exposure exceeding 100 km^2.

Boreal: Northern regions characterized by forests of birch, poplar, and conifers.

Craton: A relatively immobile part of the earth such as the large central portion of a continent.

En echelon: A formation in which its units are arranged diagonally. Each unit is stationed behind and to the right (a "right echelon"), or behind and to the left ("left echelon"), of the unit ahead.

Gangue: Commercially valueless material remaining after ore-mineral extraction from rock.

Grenville Front: The Grenville Front Tectonic Zone is a geological feature in Eastern Canada that separates the Superior craton from rocks of the Grenville orogeny. It is a large tectonic zone of the Canadian Shield, extending from the northern shore of Lake Huron through Ontario and Quebec to Labrador, a distance of about 1,900 km (1,200 mi)

Orogeny: The process by which structures within fold-belt mountainous areas were formed, including thrusting, folding, and faulting in the outer and higher layers, and plastic folding, metamorphism, and plutonism in the inner and deeper layers.

Pluton: Igneous rock formed beneath the surface by consolidation from magma.

Silicification: The introduction of, or replacement by, silica, generally resulting in the formation of fine-grained quartz, chalcedony, or opal, which may fill pores and replace existing minerals.

Stock: A chimney-like body.

Syn- : A prefix used to show geological events that are synonymous (happen at relatively the same time).

Tholeiite: A group of basalts primarily composed of plagioclase, pyroxene, and iron oxides as phenocrysts in glassy groundmass of quartz and alkali feldspar; little or no olivine present.

Turbidite: A sediment or rock deposited from, or inferred to have been deposited from turbid or muddy water that moves relative to surrounding water because of current's greater density. Characterized by graded bedding, moderate sorting, and well-developed primary structures.

Vitreous: In minerals, a pearly or resinous luster.

Wacke: A dirty sandstone that consists of a mixed variety of angular and unsorted or poorly sorted mineral and rock fragments, and of an abundant matrix of clay and fine silt

Edward Harrington, B.Sc., P.Geo.
7 - 12710 Lagoon Road, Madeira Park, BC, V0N 2H1
Tel: (604) 437-9538 Email: ed.harrington.geo@gmail.com

CERTIFICATE OF AUTHOR

I, Edward D. Harrington, do hereby certify that:

1. I graduated with a B.Sc. degree in Geology from Acadia University, Wolfville, Nova Scotia in 1971.

2. I am a Member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia, License #23328.

3. I have pursued my career as a geologist for over forty years in Canada, the United States, the Sultanate of Oman, Argentina, Australia, Greenland, and Mexico. Relevant work experience includes numerous base metal exploration and drilling programs in Alaska, the Sultanate of Oman, Greenland, and Canada.

4. I have read the definition of “qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association as defined in NI 43-101, and past relevant work experience, I fulfill the requirements to be a “qualified person”.

5. I am responsible for all of the report titled “Technical Report on the Lac Gainsmoor Property, Abitibi-Témiscamingue, Quebec, Canada” and dated 31 October 2018 (the “Technical Report”). I carried out a property inspection on 11 July 2018. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

6. I am independent of Blue Lagoon Capital Inc and Kode Mineral Exploration Ltd applying all of the tests in section 1.5 of National Instrument 43-101. I have had no previous involvement with the Lac Gainsmoor Property.

7. As of the date of this certificate, to the best of my knowledge, information, and belief, this Technical Report contains all scientific and technical information required to be disclosed to make the Technical Report not misleading. This report is based on geological assessment reports, fieldwork, and published and unpublished literature researched by me.

Effectively dated this 31st day of October 2018

Signed this 31st day of October 2018

Edward D. Harrington, B.Sc., P.Geo.

APPENDIX A

Rock Sampling - 2018

Rock and Core Sampling

Sample	Easting	Northing	B/S/O	Description
00851	682821	5251228	DDH	GAIN-001 0.0-0.49m
00852	682809	5251226	S	7cm x 7cm rock buried 15cm. 50% semi-massive to massive sulphides with xfg xtals of Py 40%-Po 5%-Cpy 2%-(Bor). Other sulphides too fie to identify in vfg mass. 50% not sulphides is smoky Qz.
00853	682818	5251245	DDH	GAIN-002 0.0-0.31m
00854	682812	5251242	O	Light grey, intensely Sil (80%) altered with smoky Qz-Py veins and eyes. Py 10% as a solid 5mm band at vein margin and as blebs and xtals to 4mm within vein. Taken at edge of historic channel-- part of previous sample 110725.
00855	682782	5251263	DDH	GAIN18-003 0.0-0.89m
00856	682783	5251263	DDH	GAIN18-004 0.0-0.78m
00857	682807	5251258	DDH	GAIN18-005 0.0-0.18m
00858	682807	5251258	DDH	GAIN18-005 0.18-0.36m
00859	682804	5251267	DDH	GAIN18-006 0.0-0.37m
00860	682774	5251261	O	Beepmt anomaly. Rusty felsic volcanic with weak gossan throughout. Py 3%- Po 0.5% disseminated throughout as vfg to seams to 5mm x 1mm.
00861	682786	5251267	DDH	GAIN18-007 0.0-0.51m
00862	682787	5251252	O	On wall of trench. Strongly Sil-Clay altered felsic volcanics. Gossan on surfaces. Kspar 20% altertion. Po 2%-Py 1% as specks to mg xtals.
00863	682805	5251234	O	Side of trench 2. Sil-Clay-Py-Po altered intermediate volcanic. Local gossan and bleaching. Py 5% as specks to xtals to 4mm disseminated and along foliations. Po 0.5% as disseminated specks to blebs to 2mm. Possible (Asp) as vfg xtals.
00864	682808	5251236	DDH	GAIN18-008 0.0-0.21m
00865	682809	5251234	O	Qz-Py altered felsic volcanic with gossan and weak Clay 1% alteration throughout. Py 3% as specks to mg xtals.

APPENDIX B

Soil Sampling - 2018

Soil Sampling

Sample	UTM		Sample Interval (m)		Description
	Easting	Northing	From	To	
2000	682601	5250710	0.25	0.50	clay loam
2001	682898	5250950	0.20	0.40	loamy sand
2002	682903	5251006	0.55	0.75	silt
2003	682900	5251054	0.15	0.25	sand
2004	682897	5251156	0.45	0.60	silt loam
2005	682900	5251203	0.25	0.50	loam
2006	682890	5251256	0.25	0.50	loamy sand
2007	682905	5251300	0.25	0.45	sand
2008	682901	5251356	0.10	0.20	silt
2009	682903	5251407	0.30	0.50	silty clay loam
2010	682901	5251452	0.15	0.25	silty loam
2011	682904	5251509	0.40	0.65	sandy clay loam
2012	682999	5250697	0.15	0.35	loamy sand
2012	682706	5251491	0.25	0.47	sand
2013	682706	5251443	0.20	0.45	silty clay loam
2014	682701	5251387	0.25	0.45	sand
2015	682397	5250792	0.05	0.20	loam
2016	682395	5250855	0.75	1.00	clay
2017	682494	5251111	0.05	0.15	loamy sand
2018	682492	5251145	0.15	0.25	sandy loam
2019	682491	5251249	0.30	0.50	loam
2020	682507	5251291	0.30	0.40	clay loam
2021	682404	5251052	0.15	0.45	sandy loam
2022	682405	5251092	0.30	0.50	sandy clay loam
2025	682501	5250599	0.20	0.40	sandy loam
2026	682510	5250669	0.10	0.30	clay loam
2027	682498	5250696	0.10	0.30	sandy loam
2028	682495	5250752	0.10	0.35	clay loam
2029	682499	5250803	0.10	0.40	clay loam
2030	682502	5250852	0.30	0.60	sandy loam
2031	682606	5250895	0.10	0.30	clay loam
2032	682602	5250840	0.20	0.45	clay loam
2033	682610	5250793	0.25	0.45	sandy loam
2034	682610	5250747	0.25	0.45	clay loam
2035	682599	5250648	0.20	0.40	sandy clay loam
2036	682600	5250652	0.20	0.40	sandy clay loam
2037	682692	5250655	0.15	0.35	sandy loam
2038	682699	5250702	0.10	0.30	sandy loam
2039	682695	5250762	0.15	0.35	loam
2040	682701	5250797	0.15	0.35	silt loam
2041	682697	5250851	0.20	0.40	silty clay loam
2042	682687	5250903	0.20	0.40	silty clay loam
2044	682791	5250903	0.10	0.30	sandy loam

Soil Sampling

Sample	UTM		Sample Interval (m)		Description
	Easting	Northing	From	To	
2045	682815	5250845	0.20	0.40	sandy clay loam
2046	682805	5250793	0.20	0.40	loam
2047	682806	5250751	0.20	0.40	loam
2048	682807	5250705	0.20	0.40	sandy loam
2049	682814	5250649	0.15	0.40	sand
2050	682907	5250695	0.20	0.40	loam
2051	682990	5251050	0.15	0.25	silt loam
2052	682995	5251111	0.75	1.00	silt
2053	683003	5251158	0.15	0.25	loam
2054	683007	5251207	0.20	0.30	loamy sand
2055	683000	5251260	0.30	0.45	sandy loam
2056	683004	5251303	0.10	0.20	silt
2057	683005	5251346	0.20	0.30	loam
2058	682990	5251392	0.30	0.40	loam
2059	682997	5251448	0.50	0.65	sandy loam
2060	683004	5251494	0.45	0.55	silt
2061	682802	5251203	0.00	0.10	loamy sand
2062	682807	5251253	0.00	0.05	sandy loam
2063	682804	5251303	0.00	0.10	loamy sand
2064	682804	5251348	0.15	0.25	loam
2065	682801	5251395	0.25	0.45	sandy loam
2066	682799	5251446	0.25	0.45	loam
2067	682801	5251505	0.20	0.30	silt loam
2068	682801	5251505	0.15	0.25	silt loam
2069	682602	5251510	0.30	0.40	silt loam
2070	682605	5251455	0.30	0.45	sandy clay loam
2071	682806	5251155	0.20	0.45	clay loam
2072	682797	5251110	0.10	0.30	sandy loam
2073	682794	5251007	0.10	0.25	sandy clay loam
2074	682803	5250955	0.40	0.60	clay loam
2081	682493	5251343	0.20	0.30	silty clay loam
2082	682492	5251386	0.08	0.15	silty clay loam
2083	682493	5251455	0.05	0.16	silty clay loam
2084	682503	5251509	0.12	0.25	sandy loam
2085	682896	5250747	0.06	0.15	sandy clay loam
2086	682894	5250800	0.12	0.20	silty clay loam
2087	682906	5250845	0.15	0.30	silty clay loam
2088	682895	5250893	0.10	0.20	silt loam
2089	682593	5251145	0.20	0.35	loamy sand
2090	682605	5251197	0.06	0.05	loamy sand
2091	682605	5251247	0.12	0.20	silt loam
2092	682606	5251338	0.06	0.15	loamy sand
2093	682592	5251395	0.15	0.25	loamy sand

Soil Sampling

Sample	UTM		Sample Interval (m)		Description
	Easting	Northing	From	To	
2094	682701	5251346	0.15	0.25	loam
2095	682699	5250953	0.30	0.50	silty clay loam
2096	682704	5251149	0.50	0.65	silty clay loam
2097	682695	5251216	0.10	0.25	sandy loam
2098	682693	5251261	0.15	0.30	silty loam
2099	682703	5851301	0.10	0.20	silty loam
2100	682898	5250648	0.20	0.40	sandy loam
2101	682995	5250649	0.20	0.40	loamy sand
2103	682981	5250751	0.25	0.50	loam
2104	682994	5250800	0.20	0.40	loamy sand
2105	683000	5250842	0.20	0.40	loam