NATIONAL INSTRUMENT 43-101

TECHNICAL REPORT

On the

ARLINGTON PROJECT

GREENWOOD MINING DIVISION,
BRITISH COLUMBIA,
CANADA

NTS MAP SHEET
82E/11

Latitude 49°35’13.08” N / Longitude 119°05’3.45” W

Prepared for

1223104 B.C. Ltd.,
488 – 625 Howe Street.,
Vancouver, B.C.,
Canada V6C 2T6

Prepared By

J. Chapman P. Geo.
2705 West 5th Avenue
Vancouver, BC
Canada V6K 1T5

Effective date: December 27, 2019

Contents

1 SUMMARY 3
1.1 Introduction 3
1.2 Location and Ownership 3
1.3 Geology and Mineralization 3
1.4 Historic Exploration and Data 3
1.5 Conclusions and Recommendations 4
2 INTRODUCTION AND TERMS OF REFERENCE 4
2.1 Introduction 4
2.2 Terms of Reference 5
3 RELIANCE ON OTHER EXPERTS 5
4 PROPERTY LOCATION AND DESCRIPTION 6
4.1 Property Location 6
4.2 Property Description 6
5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY 10
5.1 Accessibility 10
5.2 Climate 11
5.3 Local Resources 11
5.4 Infrastructure 11
5.5 Physiography 11
6 HISTORY 11
7 GEOLOGICAL SETTING 24
7.1 Regional Geology 24
7.2 Property Geology 26
7.3 Mineralization 28
8 DEPOSIT TYPE 32
9 EXPLORATION 34
10 DRILLING 34
11 SAMPLE PREPARATION, ANALYSES AND SECURITY 34
12 DATA VERIFICATION 36
13 MINERAL PROCESSING AND METALLURGICAL TESTING 36
14 MINERAL RESOURCE ESTIMATES 36

15 MINERAL RESERVE ESTIMATES 37
16 MINING METHODS 37
17 RECOVERY METHODS 37
18 PROJECT INFRASTRUCTURE 37
19 MARKET STUDIES AND CONTRACTS 37
20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT 37
21 CAPITAL AND OPERATING COSTS 37
22 ECONOMIC ANALYSIS 37
23 ADJACENT PROPERTIES 37
24 OTHER RELEVANT DATA AND INFORMATION 37
25 INTERPRETATION AND CONCLUSIONS 38
26 RECOMMENDATIONS AND BUDGET 39
26.1 Cost Estimate 39
27 REFERENCES 41
28 STATEMENT OF QUALIFICATIONS 43

List of Tables

Table 1: Claim Information 6
Table 2: 2017 Soil Geochemical Statistic 17
Table 3: Significant 2017 Rock Sample Results 17
Table 4: 2018 Rock Sample Results 24
Table 5: Property MINFILE Details 29
Table 6: Phase 1 Exploration Budget 39
Table 7: Phase 2 Exploration Program Budget 40

List of Figures

Figure 1: Property Location Map 7
Figure 2: Property Claim Map 8
Figure 3:2017 Soil and Rock Sample Locations, New Occurrences and VLF-EM Conductors .. 16
Figure 4: 2017 Copper Geochemistry Results 18
Figure 5: 2017 Silver Soil Geochemistry 19
Figure 6: 2017 Magnetic and VLF-EM Survey Results 20
Figure 7: Combined 2017-2018 Copper Soil Geochemistry Results 22
Figure 8: Combined 2017-2018 Silver Soil Geochemistry Results 23
Figure 9: Regional Geology 25
Figure 10: Property Geology 27

1 SUMMARY

1.1 Introduction

This report has been prepared for 1223104 B.C. Ltd ("Spinco"), a registered company in the Province of British Columbia. The author, James Chapman, P.Geo., was requested by Spinco, to provide an independent review and Technical Report. The report discusses the mineral potential of the Arlington Project. The Arlington Property is an exploration level project. There is no current or historical mineral resource, mineral reserve estimate or production on or from the Arlington property.

1.2 Location and Ownership

The Arlington property is located in the Arrow Boundary District of south-central British Columbia, Canada and is 17 kilometers north of the community of Beaverdell and 67 kilometers south of the City of Kelowna. The property consists of three Mineral Title-Online claims covering 649.31 hectares of land. The claims are located on Mineral Titles map sheet 082/11 in the Greenwood Mining Division and are in good standing until June 15, 2022. Explorex Resources Ltd. acquired the property by on-line staking and owns a 100% interest in the claims.

1.3 Geology and Mineralization

The property covers geologically prospective ground just north of the historic Beaverdell Mining camp and the past producing Carmi mine and hosts 13 Minfile Occurrences associated with structurally controlled Polymetallic Ag-Cu-Pb-Zn +/-Au veins. In this deposit style, veins can occur in virtually any host and form steeply dipping, narrow tabular to splayed veins and commonly occur as sets of parallel and offset veins. Individual veins may vary from a few centimeters up to several meters wide and can be traced from a few hundred to more than a kilometer in length. Locally the veins may widen to tens of meters in stockwork zones.

The Jurassic to Cretaceous aged Okanagan Batholith is the most prominent unit in the region, bordering nearly all other rock types. Diorite and quartz diorite of the Nelson Plutonic suite is genetically related to the Okanagan Batholith and is the dominant lithology underlying the claims. The oldest unit in the district belongs to the Carboniferous to Permian aged greenstone and quartz biotite chlorite schist of the Anarchist group which occurs as a narrow north-south trending bands along the west side of the property. The youngest unit on the claim is the Eocene Marron Group. Chalcopyrite, sphalerite, galena and molybdenum mineralization with values in gold and silver are found in shear hosted quartz veins cutting altered diorite and quartz diorite intrusive rocks and Anarchist Group stratigraphy.

1.4 Historic Exploration and Data

Historic work on the property was driven by the early success and discoveries made in the Beaverdell and Carmi Mining Camps located to the south of the property. Historical work can be divided into four periods; an early period of activity in the late 1890's and early 1900's is credited with the discovery of the known zones of mineralization located to date on the property. Three eras of historical exploration work were completed on the property during the early 1970's, 1987 and 1996. More recently, field exploration programs were completed on the property in 2015, 2017

and 2018. It is the author's opinion that the historical data is of sufficient quality and completeness to incorporate into this 43-101 report.

In June 2015, Explorex Resources Inc completed a 6-day field program consisting of a 12-kilometer reconnaissance style magnetometer and VLF-EM geophysical survey. Prospecting located nine historic Minfile Occurrences and collected 14 rock samples from the located showings.

In April 2017, Explorex Resources optioned the Arlington property to Clarmin Exploration Inc. In May 2017 Clarmin completed 30.9km of gridding over which 657 B horizon soil samples were collected and 26.4kilometers of magnetometer and VLF-EM geophysical surveys were completed. The VLF-EM survey identified several east-west to northeast-southwest conductive trends which are closely associated with known zones of mineralization. Prospecting located 11 new historical showings from which 44 rock samples were collected and submitted for analysis. These returned from 0.05ppm to 211.0ppm Ag, 0.07ppm to 6.8ppm Au, 7.5ppm to 3.22% Cu, 0.43ppm to 1,795ppm Mo, 1.4ppm to 2,538ppm Pb and 6.0ppm to 9,268ppm Zn.

In May 2018, Clarmin extended the 2017 field grid over which an additional 268 B horizon soil samples and 7 rock samples were collected and submitted for analysis. The soil sampling program extended anomalous copper and to some extent silver soil results through the sampled area, and also evaluated the area surrounding the Black Minfile occurrence located at the south end of the property. Results of samples collected from the Black showing returned elevated and anomalous results from 2.8ppm to 1.051% Cu, <0.005ppm to 37.65g/t Ag, <0.001ppm to 0.13g/t Au and 1.78ppm to 3,556.44ppm Mo. The soil sample results from the Black showing area returned elevated and anomalous silver soil results as both single point and anomalous clusters.

1.5 Conclusions and Recommendations

The author concludes that the property merits further exploration. A two-phase exploration program is recommended to evaluate the known Minfile occurrences both at depth and along strike. During the first phase program, 17.3km of the pre-existing soil geochemical grid will be re-established by compass, GPS and flagging. The grid lines will be installed at 100m centers while stations will be emplaced at 50m intervals. A 2D Induced Polarization (IP) survey is to be completed over the established grid with 50m dipoles totaling 17.3-line kilometers. A Second Phase program is further recommended and is contingent on the receipt of favorable I.P. results from Phase One. A 400-meter NQ diamond drill program will drill test the favorable IP results. Total expenditure of Phase 1 is $100,000 and Phase 2 total is $194,315.

2 INTRODUCTION AND TERMS OF REFERENCE

2.1 Introduction

The author was retained by 1223104 B.C. Ltd. to complete this report on the Arlington property located in southern British Columbia. The purpose of this report is to make recommendations for further work, and to provide a Technical Report that conforms to the format and content standards of National Instrument 43-101, Companion Policy 43-101CP and Form 43-101F1.

2.2 Terms of Reference

For the preparation of the report the author has relied on information believed to be accurate. The work included reviewing technical reports and data obtained from publicly available sources, specifically that of the ARIS Assessment Reports and B.C. Government Publications listed in Section 27.0 of this report. Data from recent work by Coast Mountain Geological Ltd on the property for Explorex Resources Ltd. (2015) and Clarmin Exploration Inc. (2017/2018) has also been included.

The author is a Qualified Person, as defined by National Instrument 43-101, and is independent of 1223104 B.C. Ltd.. The author has no interest in the Arlington property or in claims in the vicinity of the property. A site visit was carried out by the author on September 12, 2019 in the company of Mr. Rick Kemp, P.Geo. who has overseen the recent exploration programs on the property. While the content of the historic material appears to be accurate, the QP has not validated mineral concentrations data from original laboratory certificates or otherwise confirmed the authenticity, accuracy or completeness of the historic data. As a result, the actual results from current and future programs may be more or less favorable. Throughout this report an effort has been made to use plain language. Metal and mineral abbreviations and acronyms in this report conform to standard industry usage. Some technical terms or abbreviations which may not be familiar to the reader have inevitably been included. In such cases, a reputable geological dictionary should be consulted. Historical exploration and mining data in British Columbia was typically documented in the Imperial system, with units of length expressed in feet and inches, mass in short tons, and precious metal grade in ounces per short ton. More recent exploration and mining data is generally expressed in metric units with length as meters or centimeters, mass in metric tonnes and precious metal grades in grams per tonne, or in parts per million (ppm) or parts per billion (ppb). In this report, all modern measurements and assay results are quoted in metric units. Some historical information is listed in imperial units. Conversion factors between metric and imperial units are listed in Appendix 1. All costs are expressed in Canadian dollars. The author has relied on publicly available information on the Arlington Project; specifically, that of the ARIS Assessment Reports and B.C. Government Publications listed under Section 27, References. The author has reviewed these reports and believes them to be accurate and reliable in their collection, disclosure and analysis of results. The author cannot guarantee the accuracy and comprehensiveness of these reports and reserves the right to revise this report and its conclusions should new information become available after the date of this report.

3 RELIANCE ON OTHER EXPERTS

For the purpose of this report the author has reviewed the ownership information provided by Explorex Resources Ltd. which to the author's knowledge is correct. A search of tenure data on the British Columbia government's Mineral Title Online (MTO) web site on November 25, 2019 conforms to the data supplied. This dependence only applies to the title information in Section 4. The author is not an expert in environmental or archaeological matters and does not herein provide any comment regarding the same. Assessments regarding these matters may be required as part of the permitting process prior to any work to be authorized. 1223104 B.C. Ltd may be required to hire consultants to carry out these assessments if deemed necessary.

All sources of information for this report are referenced in Section 27 (References). No independent verification of other geological, geochemical or geophysical data was undertaken.

4 PROPERTY LOCATION AND DESCRIPTION

4.1 Property Location

The Arlington property is located in the Arrow Boundary District of south-central British Columbia, Canada and is 17km north of Beaverdell (population ~350) and 67km south of Kelowna, B.C. along British Columbia Provincial Highway 33 (Figure 1). The property is located on NTS map sheet 082E/11 and consists of three contiguous mineral claims covering 649.31ha of land as illustrated in Figure 2. The Arlington claim is centered at 49°35'13.08" N Latitude and 119°05'3.45" W Longitude. It covers the following thirteen Minfile occurrences ie Elk 3 (082ENW038), ELK 2 (082ENW005), DKD 6 (082ENW044), ELK 4 (082ENW006), DKD 4 (082ENW043), DKD 2 (082ENW041), Hall (082ENW065), BRU 21 (082ENW042), BRU 22 (082ENW045), Hall Creek (082ENW033), Wallace (082ENW039), Arlington (082ENW015) and BLACK (082ENW061).

4.2 Property Description

Explorex Resources Inc. holds 100% interest and title to three contiguous Mineral Title Online (MTO) mineral claims with tenure numbers 1033354, 1034388 and 1051497 as listed Table 1. As of the date of this report, Explorex and its wholly owned non public subsidiary 1223104 B.C. Ltd. ("Spinco"), has initiated a proposed plan of arrangement (the "arrangement") to "spin-out" the Arlington property and other mineral property interests into a separate public company, Spinco. Upon completion of the Arrangement, Spinco will acquire all of Explorex's interests in the spinout properties including the Arlington property; the subject of this report. The spinout is subject to the approval of the Canadian Securities Exchange, the B.C. Supreme Court and shareholders of Explorex.

The Arlington claim boundaries are illustrated in Figure 2 along with the locations of the known Minfile occurrences. There are no royalties, back-in rights, payments, or other agreements or encumbrances on the property. There has been no historical production on the Arlington property, and the author is not aware of any environmental liabilities that have potentially accumulated from any historical activity. There are no other known significant factors or risks that may affect access, title to the property or the ability to perform work on the Arlington property. The claims are currently in good standing until June 15, 2022.

Table 1: Claim Information

Tenure Number	Claim Name	Staking Date	Claim Expiry	Area (ha)
1033354	Arlington	January 13, 2015.	June 15, 2022	586.46
1034388	Arlington 2	February 25, 2015.	June 15, 2022	20.94
1051497	Arlington 3	April 20, 2017.	June 15, 2022	41.91
Total Area (ha)				649.31

The Arlington tenure of 586.46ha is in its fifth assessment year @ $15.00/ha and requires an expenditure of $8,796.90 to advance the expiry date by one year. The Arlington 2 tenure of 20.94ha is in its fifth assessment year @ $15.00/ha and requires an expenditure of $314.10 to advance the expiry date by one year. and the Arlington 3 tenure of 41.91ha is in its third assessment year @$10.00/ha and requires an expenditure of $419.10 to advance the expiry date by one year.

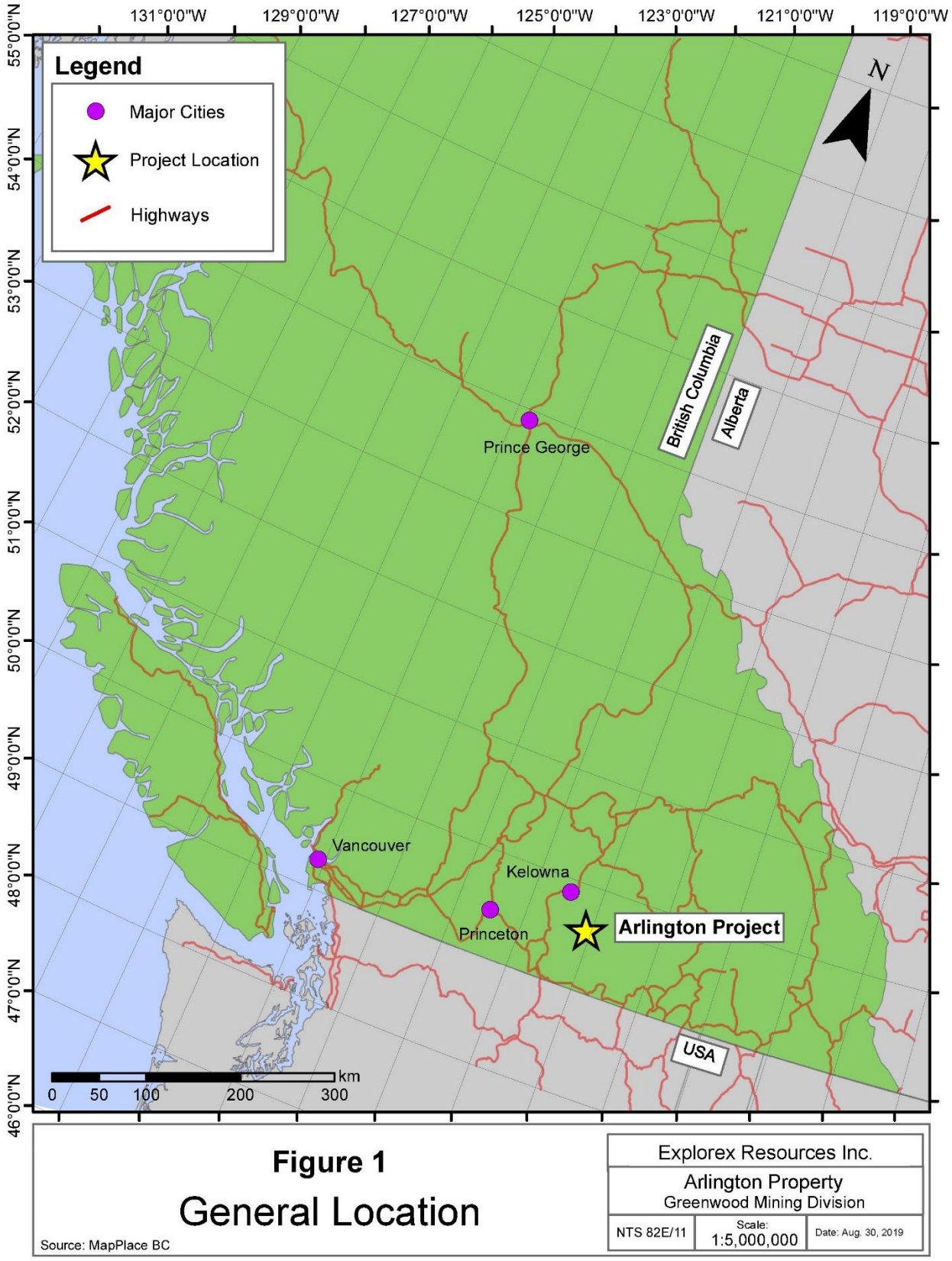

Figure 1: Property Location Map

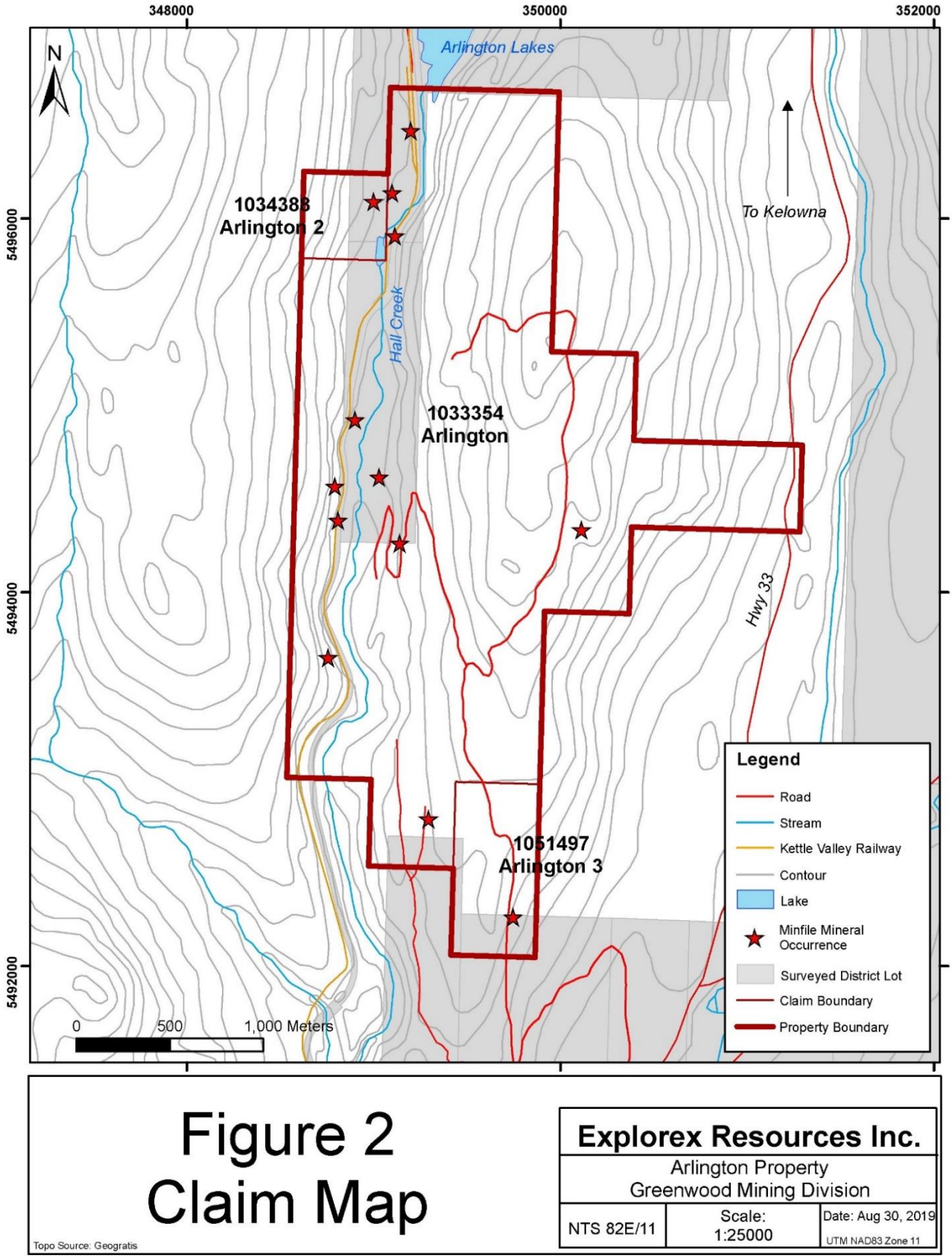

Figure 2: Property Claim Map

Mineral claims within the province of British Columbia require assessment work (such as geological mapping, geochemical, or geophysical surveys, trenching or diamond drilling) be completed each year to maintain title to the claim. New regulations regarding work obligations to maintain tenure came into effect on July 1, 2012. As of that date, annual work requirements are determined as follows:

$5.00 per hectare for anniversary years 1 and 2
$10.00 per hectare for anniversary years 3 and 4
$15.00 per hectare for anniversary years 5 and 6
$20.00 per hectare for subsequent anniversary years

All claims in the province were set back to the year 1 requirement in 2012, regardless of the number of years which has lapsed since the claim acquisition, so that the next time a filing of assessment was made after July 1, 2012, the claim is treated as if it is year one. Thereafter the work commitment increases according to the above schedule. Work in excess of the annual requirement may be credited to future years. In lieu of assessment work, cash payments can be made to maintain title. To encourage exploration work, cash in lieu of requirements have been established at two times the requirement for assessment work.

To complete work on mineral claims in British Columbia involving tree cutting/removal, Induced Polarization Geophysical Surveys or mechanized disturbance, a Notice of Work and Reclamation Program application (NoW) for mineral and coal exploration activities, placer mines, and smaller-scale industrial minerals mines and aggregate pits/quarries are made online through Front Counter BC. The applications are reviewed by the Ministry of Energy, Mines and Petroleum Resources regional offices or regional Mine Development Review Committees. Once approved, the Ministry of Energy, Mines and Petroleum Resources issues a Mines Act permit which authorizes the exploration and reclamation activities as detailed in the Notice of Work application. The applicant must not deviate from the permitted program without written authorization. The Arlington property does not have a Mines Act permit and in order to complete the work programs proposed in this report, a Notice of Work and Reclamation permit application must be completed and submitted.

The Arlington property is located immediately south of Arlington Lakes with Hall Creek closely bounding the western claim boundary. Arlington Mountain is centered on the eastern side of the property. British Columbia Provincial Highway 33 crosses the most easterly portion of the property. The decommissioned Kettle Valley Railroad (KVR) right-of-way traverses the claim from north to south which closely follows Hall Creek (Figure 2).

The Arlington Property is located on Crown Land, Explorex Resources Ltd. holds the sub surface rights only. There are four separate District Lots which overlap the Arlington property along its southern, western and northern claim boundary. The District Lots are located within the Similkameen Division of the Yale Land District and are referenced as District Lot (DL) 3050S, DL 1497S, DL 1498S and DL 1225S (Figure 2). Interests underlying the District Lots include Licenses' of Occupation for the purpose of Commercial Recreation activities ie tour guiding along the Kettle Valley Railway right-of-way, Permits for forestry roads and bridges along Hall Creek by Interfor Corporation and Reserve/Notation interest over the Kettle Valley Railway corridor for recreation purposes held by the Ministry of Forests, Lands and Natural Resources operations.

A District Lot is a type of primary land division or description, which defines a parcel of land that has been surveyed. Unless otherwise excluded in the property title, the District Lot owner is entitled to the soil and the sand and gravel on the property.

A free miner who is exercising a right under the Mineral Tenure Act, is entitled to enter private lands, provided those lands are mineral lands. The Mining Right of Way Act provides for the right of a recorded holder to use access roads owned by a person or to use existing roads on Crown Land or private land for the purpose of gaining access to a mineral title.

Notwithstanding other surface interests there are no known legal impediments to access. To the best of the authors knowledge there are no other factors limiting access, title or the ability to perform appropriate work.

There are no First Nations reserves, treaty lands, or treaty related lands on or in the vicinity of the property. However, the Province is legally obligated to consult and accommodate (where required) First Nations on land and resource decisions that could impact their Aboriginal Interests. While the Province is responsible for ensuring adequate and appropriate consultation and accommodation, it may involve the proponent in the procedural aspects of consultation. Proponents are encouraged to engage with First Nations as early as possible in the planning stages to build relationships and for information sharing purposes. There are currently five First Nations who may have community interests encompassing the area of the Arlington claims. These First Nation organizations include the Okanagan Indian Band, Penticton Indian Band, the Okanagan Nation Alliance, Lower Similkameen Indian Band and the Upper Nicola Indian Band.

A large area designated as ungulate winter range for mule deer overlaps the property. Special restrictions affect silviculture activities within the winter range area, but these restrictions do not apply to any work (such as mineral exploration and development) that falls under the Mineral Tenure Act.

Historical records document numerous old workings within the claim as evidenced by the presence of overgrown pits, trenches, shafts, open cuts and short adits which may pose a potential public safety hazard. There are no significant waste dumps associated with the historic workings on the property and they do not, in the author's opinion, constitute a significant environmental liability. There are no former mill or tailings sites on the property.

As shown in Figure 2, there are no other mineral claims which adjoin the Arlington property. The economy of the Carmi / Beaverdell area has historically relied largely, or entirely, on the local natural resources. Exploration and mining activities in the region are generally regarded favorably.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

There is excellent road access to the property. From Kelowna, access is south along Highway 33 for 67km to the Arlington Lakes access road. Turn west (right) onto the Arlington Lake road and follow the road for approximately 4km. A semi-open British Columbia Forest Service campsite

is located near the old Kettle Valley Railway station of Lakevale located on the most southerly lake which is located at the northern boundary of the Arlington claim.

5.2 Climate

The climate of the Arlington property area is typical of the mountainous regions of south central and southwestern British Columbia, with warm wet summers and cold snowy winters. Year-round development and mining would be possible. Field exploration seasons are best conducted from May through October as snow accumulations on the property have been reported from October through to May. The mean annual precipitation in the area of the property is approximately 481mm and 153cm of snow, and annual average temperatures range from -12 degrees Celsius to 15.5 degrees Celsius.

5.3 Local Resources

Limited services, including room, board and groceries are available in the community of Beaverdell. Most services needed for exploration are available in either Rock Creek, located 48km to the south of Beaverdell at the junction of BC Provincial Highways 33 and 3 or in Kelowna located 67km to the north of the community of Beaverdell. A small sawmill in Beaverdell provides lumber for local needs. The closest full service international airport is located in Kelowna with regularly scheduled air service to Vancouver, Calgary and USA destinations. There is a small dirt airstrip located in Beaverdell which services both private and charter aircraft. With a recent history of mining in the Greenwood District, there are also ample personnel available with experience in mineral exploration and development. Exploration services such as drilling equipment or equipment rentals that are unavailable in Beaverdell can generally be found in the regional centers of Kelowna and Penticton.

5.4 Infrastructure

Three phase power lines follow Highway 33 through the town of Beaverdell if needed for future mine development. Water sources are locally available within the claim from Hall Creek and bounding tributaries.

5.5 Physiography

Outcrop exposure on the property is variable but generally less than 5%. In general, rock exposure is better in the steeper portions of the property and is scarce on the gentler slopes. Best exposures are located along the Kettle Valley Railway right-of-way. The scarcity of outcrop in the low slope areas hampers prospecting and mapping efforts.

6 HISTORY

Regionally, the area received considerable attention with the discovery of placer gold at Rock Creek during the mid-1850's and again after the establishment of the Canada – Unites States International Boundary and the subsequent discovery of the Fairview Mines and Camp McKinney. Later in the early parts of the 1900's, the West Kettle River area became prominent with prospectors resulting from the general lack of access to areas north of the border and the discovery of high-grade ruby silver on Wallace Mountain in 1889. The majority of the significant properties were staked on Wallace Mountain, Carmi and the Arlington Lakes area from 1896 to 1900. The major producing mines in the Beaverdell silver-lead-zinc vein camp were the Wellington, Sally

and Rob Roy, Beaver and Beaverdell mines, with numerous other small workings throughout the area. The first ore shipment from the Beaverdell camp was in 1896. The Beaverdell Mine was the longest producing mine in the area, almost continuously between 1913 and 1991. During this period 1,198,829 tonnes of ore were mined from which 1,076,005,759 grams of silver, 520,197 grams of gold, 11,598,238 kilograms of lead and 13,900,078 kilograms of zinc were recovered (Minfile 082ESW030). The author has been unable to verify the historical production and the information is not necessarily indicative of the mineralization on the property that is the subject of the technical report.

The Kettle Valley branch of the Canadian Pacific Railway was started in 1910. It traversed the Beaverdell-Carmi area and by 1913, rail steel had been laid as far as Arlington Lakes. With the influx of settlers; wagon roads and trails were established throughout the area and in the next decade many promising mineral discoveries were made in the area.

Historical exploration work in the area of the Arlington property is limited in scope. Work completed to date has located numerous old and overgrown pits, trenches, shafts and short adits. Much of this historical work is centered on the Kettle Valley Railway right-of-way, the timing of this historical work is assumed to be from the early part of the century.

As detailed below, three eras of limited historical exploration activity occurred during the early 1970's, 1987 and 1996. The source of this information is from the British Columbia Geological Survey Branch, Assessment Report Indexing System (ARIS) website as listed in section 27.0 of this report. More recently, Explorex Resources Inc. completed a one-week field program in June 2015. In April 2017, Explorex Resources optioned the Arlington property to Clarmin Exploration Inc who had the right to acquire 100% interest in the property. Clarmin completed field programs in May 2017 and May 2018 and in late 2018, Clarmin returned the property to Explorex Resources Inc including the results of the 2017 and 2018 exploration field programs.

1970 Durocop Mines Ltd. (AR 2804). A 15-day geological survey was completed over the Elk 1-12 claims which covered the central and southern lakes of the Arlington chain of lakes and extended a further 915m to the south of Arlington Lakes. The survey was designed to create a geological map of the property and in the process document mineralization encountered. The report describes samples collected from mineralized outcrop yet none were submitted for analysis. The results of the program determined that mineralization (pyrite, chalcopyrite, molybdenum) is best developed within the Permian-Triassic aged Anarchist Group comprising intercalated volcanics and sediments and the Jurassic aged Nelson Plutonic suite dominantly granodiorite to quartz diorite in composition. Mineralization is associated with shear zones which typically contain irregular veins of white quartz and are variably mineralized with pyrite, chalcopyrite, molybdenum and lesser pyrrhotite, magnetite with copper and iron carbonates and oxides. The location of the Elk 3 Minfile showing resulted from this work.

1971 D. Ellison (AR 3352). A seven-day field program was completed on the DKD 1 to 6 mineral claims owned by D. Ellison of Kelowna, B.C. The claims are roughly centered on the KVR right-of-way and Hall Creek and are located approximately 1.6 kilometers south of Arlington Lakes. In October 1971 a pace and compass grid was established over which a magnetometer survey was completed using a McPhar M700 magnetometer. Approximately 6.8 miles of magnetic surveys

were completed over lines established at 400-foot intervals with readings taken at 100 foot intervals and tightened to 25 foot station intervals in anomalous areas. The survey lines were oriented in a northwest-southeast direction and aided in mapping geological contacts. During the course of the survey, outcrop areas were identified while sites with chalcopyrite mineralization were noted. The results of this work identified the location of the DKD 2, DKD 4 and DKD 6 Minfile showings. No samples were submitted for analysis. The results of the magnetometer survey identified a north-south trending magnetic anomaly up to 50,000 gammas in strength. Located showings of chalcopyrite mineralization are coincident with the anomaly. The geological contact between the gneissic diorite and mafic diorite was established, in part, on the basis of the magnetic anomaly.

1973 K.F. Brunning (AR 4461). A seven-day field program was completed in May 1973 over the Lakevale property which included a soil geochemical and geological survey to determine the potential of the property and to delineate areas of interest. The property included the DKD 1-6 and the BRU 15-23 claims. This extended the coverage to the north and east of the original DKD claim group. Mapping located several areas with old workings and outcrop exposures with quartz veining, shearing and sulphide enrichment.

The results of the surveys determined that the altered Jurassic aged diorite to quartz diorite is the best host for shear-controlled quartz veins with chalcopyrite, pyrite +/- molybdenum, sphalerite and galena mineralization. The geological survey concluded that mineralization on the property occurs as chalcopyrite, sphalerite, galena and molybdenum mineralization in quartz veins cutting altered diorite; disseminations and replacements of chalcopyrite, pyrite and specular hematite in and around shear zones within altered diorite and greenstone. This type of mineralization is the most common on the property and assays up to 2% copper have been encountered over narrow widths. Mineralization occurs less frequently as disseminations of magnetite, pyrite and chalcopyrite in highly altered basic rocks. A soil geochemical survey covered the property along east-west oriented survey lines established at 750 foot intervals. Samples were collected along the lines at 200-foot intervals. The samples were analyzed in a field laboratory utilizing the “Bloom test” for exchangeable heavy metals. The analysis is neither quantitative nor qualitative but is a fast and inexpensive method for indicating the presence of heavy metals. The result of the survey are not conclusive but indicates one major zone of metal concentration in the soils trending north-south through the center of the DKD claims measuring 4000 feet long by 1000 feet wide at its widest point. The results of this work identified the location of the DKD 2, DKD 4 and DKD 6 Minfile showings. No rock samples were submitted for analysis.

1973 D.C. Mitchell (AR 4720). An eight-day geological mapping and soil geochemical survey was completed over the Cu claims the same year as the geological/geochemical surveys on the adjoining BRU and DKD claims to the west. The soil geochemical survey covered the entire claim block with compass and chain grid lines oriented in an east-west direction and established at 750-foot intervals. Soil samples were collected from the B horizon at 200-foot intervals. Soil analysis was completed in the field utilizing the Bloom test for exchangeable heavy metals. The geochemical survey did not indicate any trends of anomalous heavy metal results and failed to identify the known locations of chalcopyrite enrichment. The mapping program identified three styles of mineralization on the property. Replacement of highly altered dyke rock or greenstone by massive and near massive chalcopyrite and pyrite carrying values in silver. Quartz veins along

greenstone or dyke contacts usually associated with shearing carrying blebs and disseminations of chalcopyrite and pyrite and as minor disseminated chalcopyrite, magnetite and pyrite in dyke rocks. The results of this program identified numerous locations of historical surface work ie trenching, shafts and adits with quartz veining, shearing and chalcopyrite mineralization, the location of the Arlington Minfile showing resulted from this work. Results from the sampling program reports 0.92% Cu and 63.0g/t Ag over a 0.6 meter chip sample.

1987 Edward Carson and Associates (AR 17,030). During the period from June 18 to October 31, 1987, a program of geological mapping, prospecting and rock geochemistry was completed on the Black claim group. During the course of the prospecting and geological mapping program several areas of historical exploration activity in the form of surface trenching and test pits were located. The historical work dates back to the early parts of the century. A total of 23 rock samples and two stream silt samples were submitted to ACME Analytical Labs in Vancouver for analysis. Best results are reported from two rock samples collected along the northern boundary of the Black 2 claim returning up to 1.08% Cu and 65.4ppm Ag in sample 7851 and 1.61% Cu, 85.3ppm Ag and 12ppb Au in sample 7853. In the north central portion of the Black claim, seven rock samples were collected of which six are considered anomalous with analysis of up to 1.19% Mo, 1.74% Cu, 1.54opt Ag and 0.02 opt Au. All of the anomalous samples are described as being hosted by the Nelson Plutonic suite of rocks.

1996 Madman Mining Co. Ltd. (AR 24,921). A brief prospecting, soil sampling and a VLF-EM geophysical survey was completed on the companies Arlington property. The aim of the program was to locate and sample historic showings and conduct reconnaissance soil geochemical test lines across prospective bedrock units. VLF-EM data was collected long the soil lines. The prospecting and sampling program were centered along the KVR right-of-way. A total of six rock grab samples from six historical occurrences were submitted for analysis. Grab sample ARL04-L returned 0.16% Cu from mafic schist with chalcopyrite stringers, associated quartz stringers in clasts or xenoliths in granitoid rock from Minfile showing DKD-6. Grab sample ARL02-G is from minfile showing DKD-2 returning 0.21% Cu and 11.8gm/tonne Ag from a malachite and azurite stained, highly oxidized vein from a railway rock cut. Grab sample ARL01-G is from a malachite and azurite stained boulder broken off from a KVR rail cut from a highly oxidized vein which appears to strike E-W and dip vertically. Analytical results returned 6.1gm/tonne Au, 8.7gm/tonne Ag and 0.18% Cu. The reconnaissance soil survey consisted of three east-west lines, each 400m long and established 500m apart on the west slope of Arlington Mountain. Soil samples were collected 25m apart. Anomalous Cu-Zn soil results are reported on the east side of the centre soil line which may extend to the eastern end of the southernmost line. The overall trend of the anomaly is north-south with anomalous results up to 150m wide. The anomaly in part coincides with outcroppings of mafic schist. The VLF-EM survey utilized Seattle as the transmitting station. The survey lines were established to far apart to correlate readings from line to line.

2015 Explorex Resources Inc (AR 36,026). A four-man field program was completed from June 1 to June 6, 2015 on the Arlington property. The program consisted of both magnetic and VLF-EM geophysical surveys and a prospecting and sampling program. A total of 12.0km of magnetic and VLF-EM geophysical surveys were completed covering 300ha of land. The geophysical surveys were completed along pre-existing bush road access trails oriented near north-south. The VLF-EM survey demonstrated its effectiveness in detecting and delineating the shear structures at

each of the located Minfile showings. Several of the VLF-EM anomalies show on-trend anomalies in regions with no known showings nor outcrop exposure, thus presenting good targets for further exploration. The Total Field Magnetic results from the Magnetometer survey varied significantly. Two distinct magnetic domains were delineated, a low domain ranging from 51,000 nT to 54,000 nT, and a high domain, ranging from 55,000 nT to 58,000 nT. The high magnetic domain reflects the close proximity of the Carboniferous to Permian aged Anarchist Group while the lower magnetic domain reflects the Middle Jurassic aged Nelson Plutonic Rocks.

All of the located Minfile showings are noted to occur on or near the contact between the high and low magnetic domains, or the interpreted contact between the Anarchist and Nelson units. A total of nine out of thirteen Minfile occurrences were located in the field during the program. A total of 14 grab samples were collected from the various Minfile occurrences returning elevated and anomalous base and precious metal results from 19.0ppm to 1,490.3ppm Pb, 1,005.7ppm to 2.557% Cu and 4.1ppm to 131gm/t Ag from the Arlington showing, 1,095.3ppm Mo from the Elk 4 showing, 85.7ppb to 10,891.5ppb Au from the BRU 22 Minfile showing and 0.9ppb to 2,336.3ppb Au from the ELK 2 Minfile showing. The attitude of the mineralized structures generally varies from 072° to 108° with dips varying from 62° north to 66° south. Quartz veins typically occupy the structural zones and have been noted up to 1m in width (Elk 4). The reader is cautioned that grab samples by nature are selective and therefore may not be representative of the mineralization being evaluated.

Further work was recommended consisting of two compass and GPS flagged soil geochemical grids oriented north-south with grid lines spaced at 100m intervals and sample stations established at 25 to 50m intervals. Magnetic and VLF-EM geophysical surveys will be completed over the grid to aid in mapping and to identify conductive trends associated with known MINFILE occurrences and newly located showings.

2017 Clarmin Exploration Inc. (AR 36,956). From May 8 to May 23, 2017, a six-man field crew from Coast Mountain Geological Ltd collected 657 B horizon soil samples, 44 rock samples and surveyed 26.4-line kilometers of ground magnetic and VLF-EM data on behalf of Clarmin Exploration Inc. The 2017 field program was funded by Clarmin Exploration Inc. totaling $105,893.17. Two separate grids were established with the aid of hand held GPS and compass. Grid lines were oriented in a north – south direction with a line spacing of 100m. Survey stations along the lines were identified with flagging at 25m to 50m intervals. The north grid consists of eight survey lines totaling 6.95km and the southern grid consists of 17 survey lines totaling 23.95km, both grids collectively cover 304.4ha of land as shown on Figure 3.

The soil sampling grids covered both the Middle Jurassic aged Nelson Plutonic Suite and the Carboniferous to Permian aged Anarchist group greenstones and encompasses all of the known MINFILE occurrences located on the property to date. The contact between these two geological units is ill defined and masked by glacial till draping the south and western slopes of Arlington Mountain. Based on 657 B horizon soil samples, statistical analysis of the results determined weakly anomalous, moderately anomalous and strongly anomalous levels for Cu, Pb, Zn and Ag as shown in Table 2. Dot plots for copper and silver soil geochemical results are shown in Figures 4 and 5 respectively.

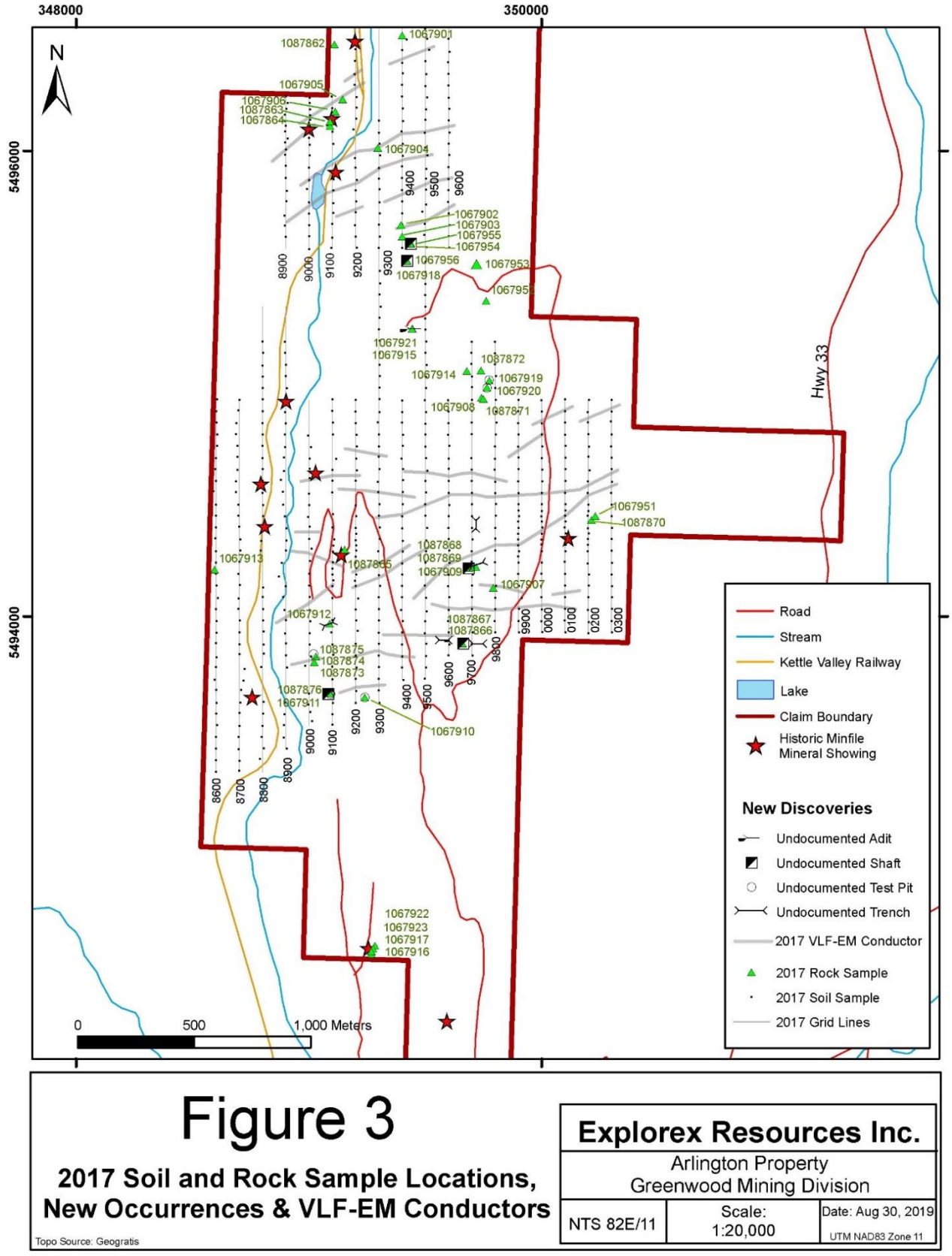

Figure 3:2017 Soil and Rock Sample Locations, New Occurrences and VLF-EM Conductors.

Table 2: 2017 Soil Geochemical Statistic

Element	Minimum Value (ppm)	Maximum Value (ppm)	Weakly Anomalous	Moderately Anomalous	Strongly Anomalous
Cu	2.4	990.5	24.9-37.5ppm	37.6-72.0ppm	>72.0ppm
Pb	2.5	268.8	11.2-14.0ppm	14.1-20.8ppm	>20.8ppm
Zn	18.0	517.0	137.0-169.6ppm	169.7-242.4ppm	>242.4ppm
Ag	0.01	3.9	0.2-0.3ppm	0.30-0.4ppm	>0.4ppm

A total of 44 rock grab samples were collected from newly located historical workings uncovered during the 2017 field program. The locations of these rock samples are shown in Figure 3 which highlights the relationship between the showings and the VLF-EM conductor trends. A total of 20 rock samples are deemed significant and are listed in Table 3. A total of 5 samples returned elevated and anomalous gold results from 1.3ppm to 11.67ppm Au (#1087876). All five samples elevated in gold are located at the southern end of the southern grid which suggests the identified structures trending east-west in this area are enriched in Au, Ag and Cu.

Table 3: Significant 2017 Rock Sample Results

Sample Number	**Type**	**Ag (ppm)**	**Au (ppm)**	**Cu (ppm)**	**Mo (ppm)**	**Pb (ppm)**	**Zn (ppm)**
1067904	Grab*	4.7		3,304.4			
1067906	Grab*	5.4					9,268.0
1067907	Grab*	8.5				252.8	
1067909	Grab*	19.3		4,603.0		254.9	
1067911	Grab*	30.9	1.3	1.22%			
1067912	Grab*	17.3				2,538.1	
1067914	Grab*	3.6		1,653.4			
1067915	Grab*	5.2		1,482.4			
1067920	Grab*		1.9				
1067921	Grab*	4.8		1,614.6			
1067922	Grab*				1,224.0		
1067951	Grab*	5.5		3,144.4			
1067954	Grab*	22.7		1.071%			
1067956	Grab*	2.8					
1087862	Grab*	5.9		3,125.3			
1087866	Grab*	2.0	6.8				
1087873	Grab*	30.4	3.5	6,595.4	1,203.5		
1087874	40cm chip	4.14			1,784.9		
1087875	Grab*	3.4		1,218.4	1,795.7		
1087876	Grab*	211.0	11.7	3.22%			

*****Grab samples by nature are selective and therefore may not be representative of the mineralization being evaluated.

The magnetic and VLF-EM survey results are illustrated in Figure 6. In the southern grid, copper and silver soil geochemical results show east–west to northeast-southwest linear trends which closely approximate the structural trends identified by the VLF-EM survey suggesting the VLF-EM structures may be the host to sulphide enrichment. Also noted are scattered isolated anomalous

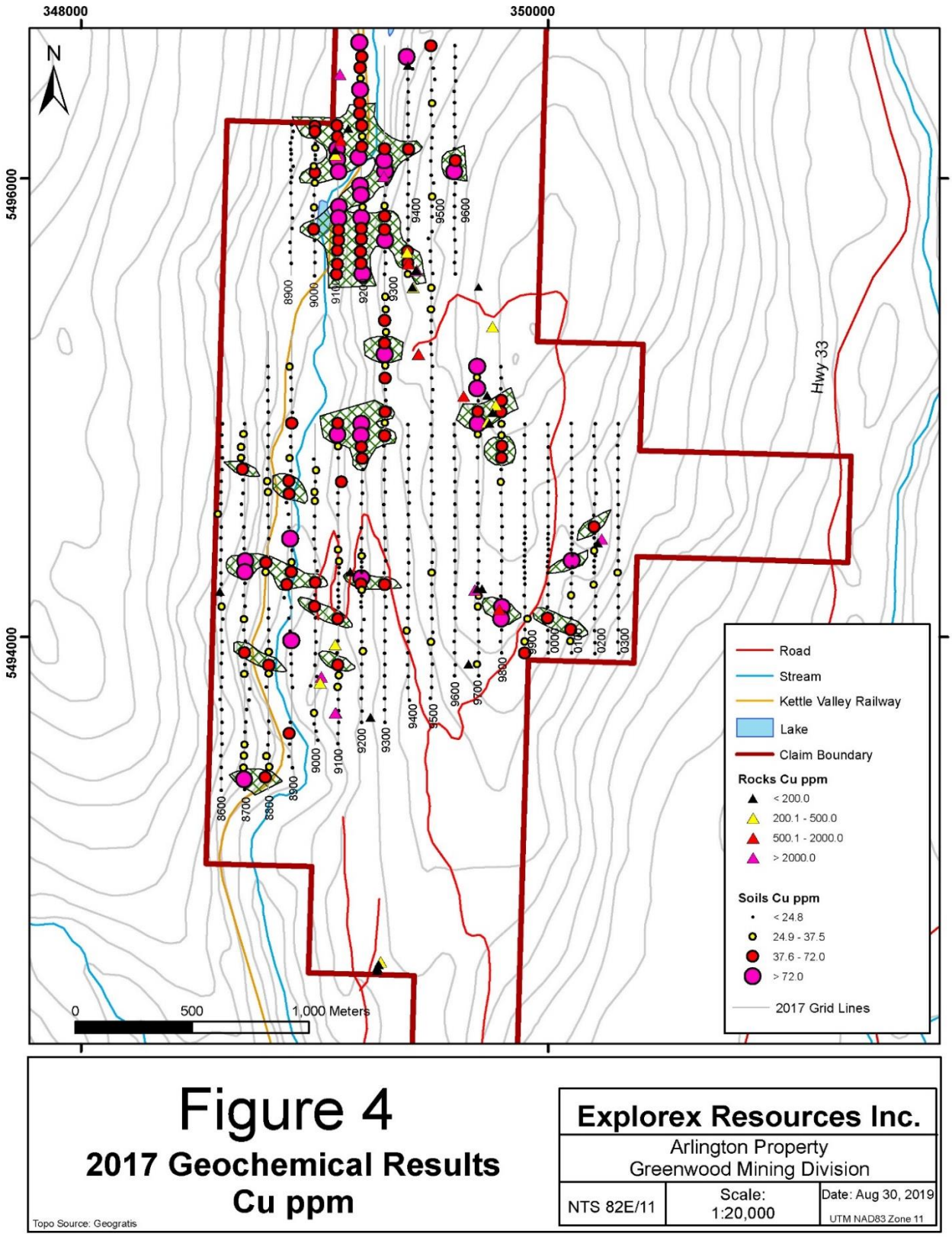

Figure 4: 2017 Copper Geochemistry Results

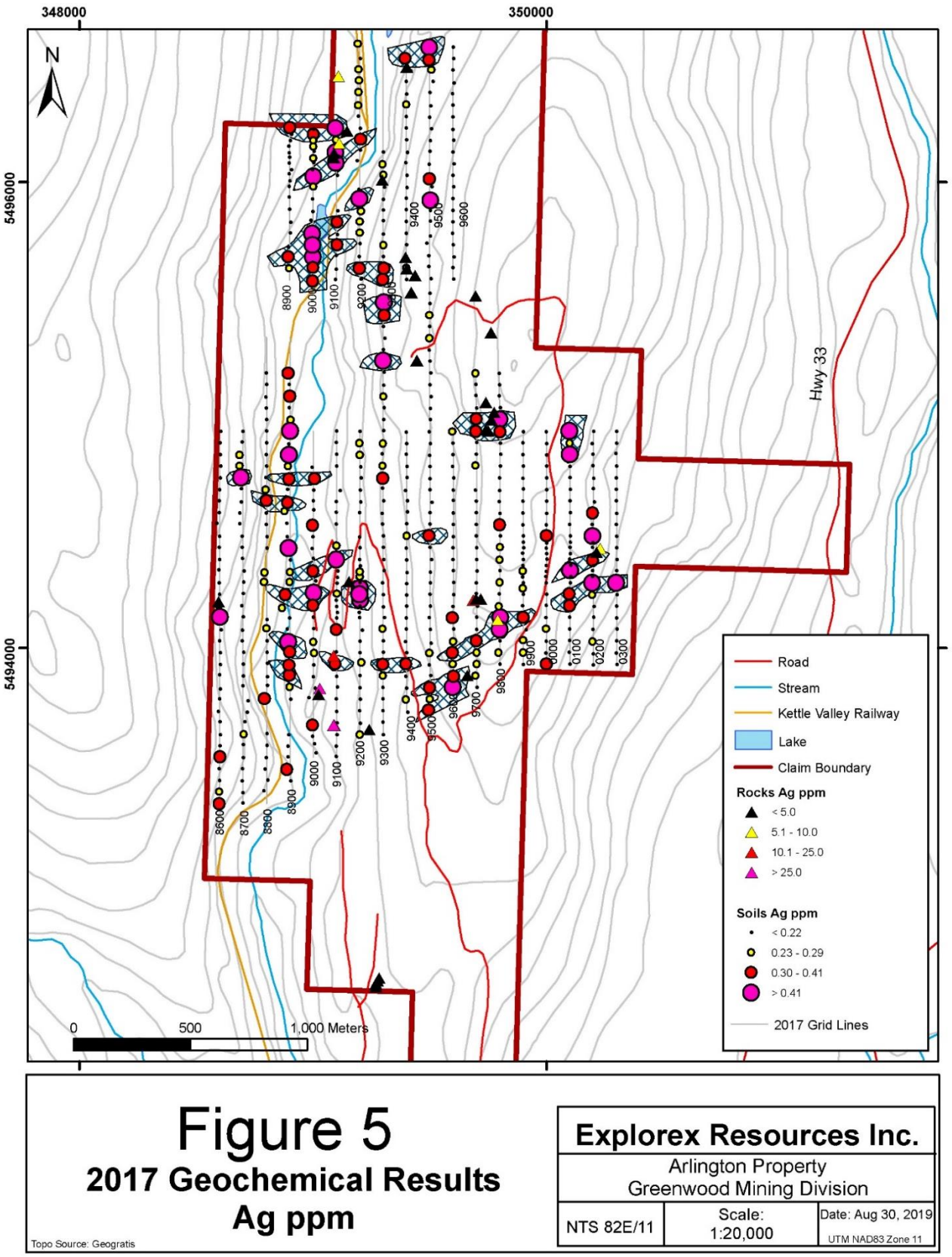

Figure 5: 2017 Silver Soil Geochemistry

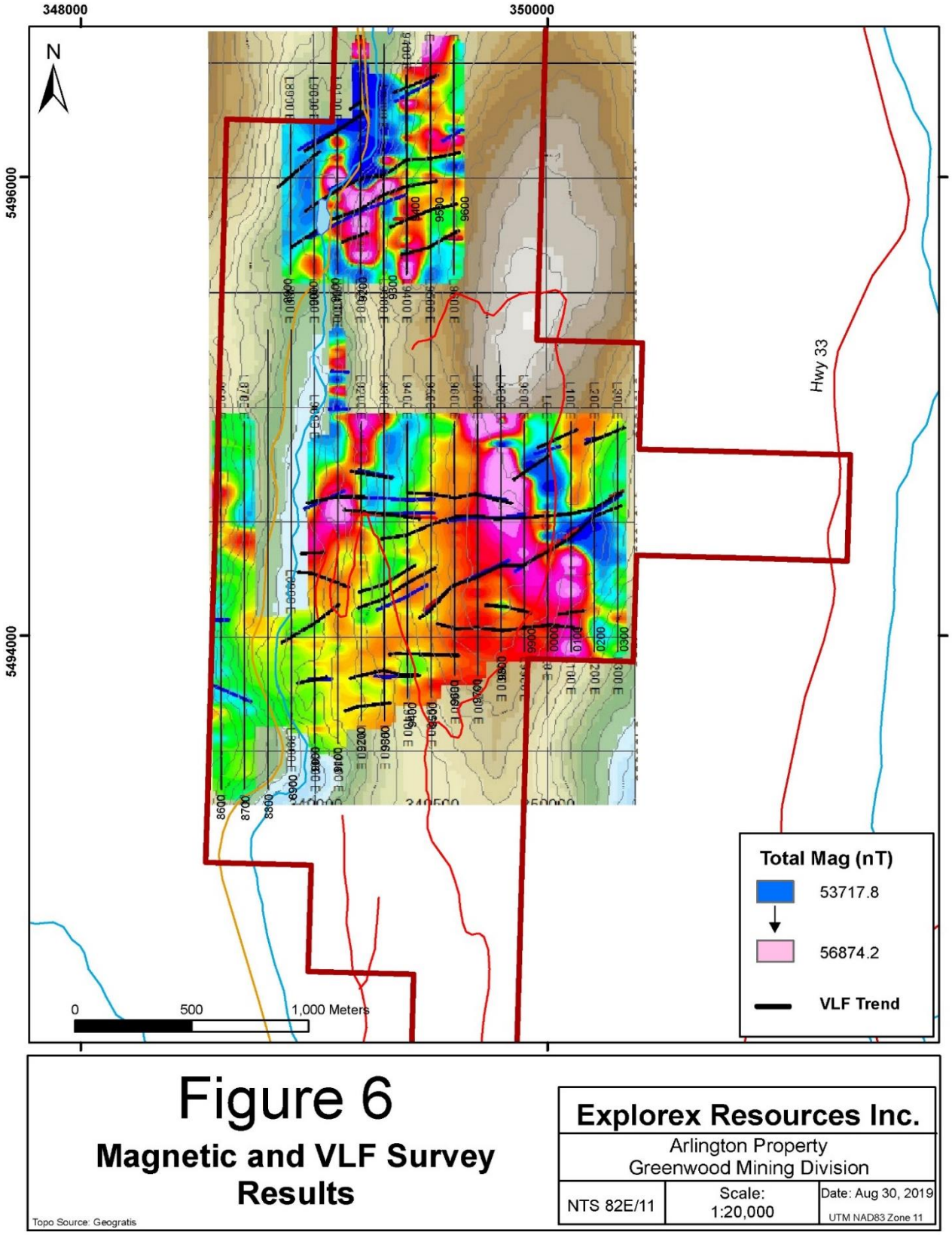

Figure 6: 2017 Magnetic and VLF-EM Survey Results

geochemical responses which may in fact reflect the narrow nature of the VLF-EM structures (<2m) and the sample density of 25m to 50m sample intervals. A closer sample spacing in these areas may better define potential mineralized trends. In the northern grid area anomalous Cu-Ag geochemical results are concentrated along the break in slope and primarily overlie the Anarchist Group volcanics along its contact with the Middle Jurassic aged Nelson Plutonic rocks. As noted at several mineralized occurrences, Anarchist rocks are often located in close proximity to mineralization and as such enrichment in the Cu-Ag soil geochemical results in the northern grid may in fact be due to the proximity of this contact with NE-SW trending VLF-EM conductors located in this area. The broadly elevated copper soil results may also in part suggest enrichment is due to down slope migration with a concentration of elements occurring at the break in slope. Single and multi-line anomalous results for both copper and silver are noted at the end of lines between the two grids and along soil line 9200. Open ended anomalous results suggest additional mineralized zones may occur between the two grids which will require in fill sampling to better define any trends.

2018 Clarmin Exploration Inc. The 2018 field program at the Arlington Project was completed over a 7-day period from May 24 to May 30, 2018. A field crew consisting of a four-man soil sampling team and a two-man prospecting team completed the program resulting in the collection of 7 rock grab samples and 268 B horizon soil samples covering 109.0ha of land. The 2018 exploration field program was funded by Clarmin Exploration Inc. totaling $47,379.46.

The soil sampling program was designed to follow up on anomalous soil and rock geochemical results received in 2017 from both the north and south soil grids. Infill soil sample lines have now completed the coverage between the two grids east of the Kettle Valley Railroad. Additional grid lines were emplaced to the south of the southern grid. The southern extension of the soil lines were completed along the east side of the claim group to the southern claim boundary to locate the Black showing. Following the location and examination of the Black showing, it was noted that the trend of the mineralized structure was oriented in a near north-south direction so a series of east-west trending soil lines were established and soil sampled to evaluate the on-strike potential of the Black Minfile occurrence.

The results of the 2018 soil sampling program expanded the area of anomalous copper and silver soil results through the sampled area between the two grids (Figure 7, Figure 8). Much of the anomalous copper in soil results located along the west side of the northern grid reflects the presence of the underlying Anarchist Group volcanics. A sample of Anarchist hosting a small cm scale quartz vein with rare pyrite and malachite stain returned 414.4ppm Cu, 1.68g/t Ag (Sample #1750355).

At the Black Minfile Occurrence a series of trench's and small test pits exposed a 20cm wide quartz vein trending at 153° dipping 53° to the south west. A grab sample of the quartz vein hosting chalcopyrite, molybdenite and pyrite returned anomalous results of 1.051% Cu, 37.65g/t Ag, 0.13g/t Au and 3,556.44ppm Mo (Sample #1750352).

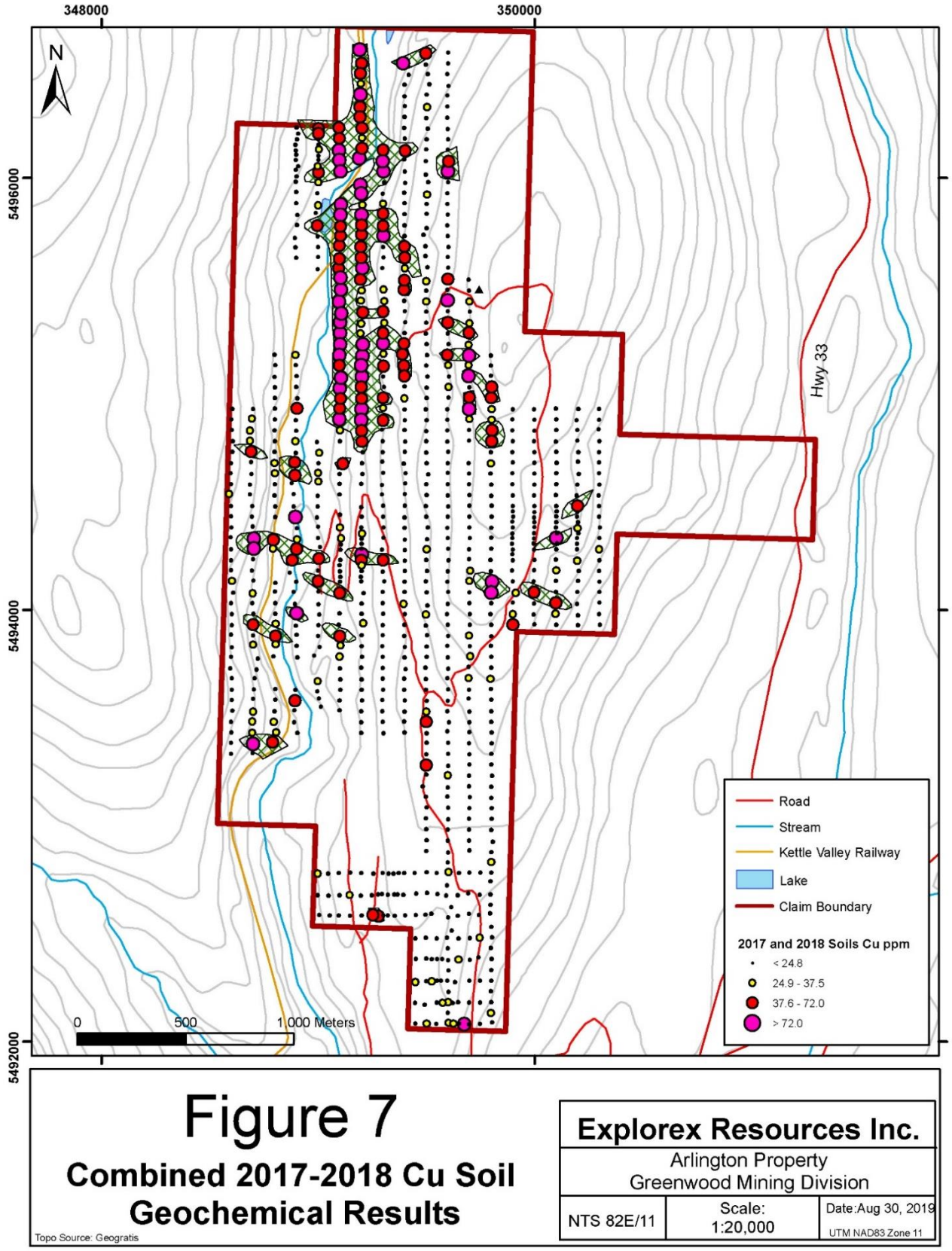

Figure 7: Combined 2017-2018 Copper Soil Geochemistry Results

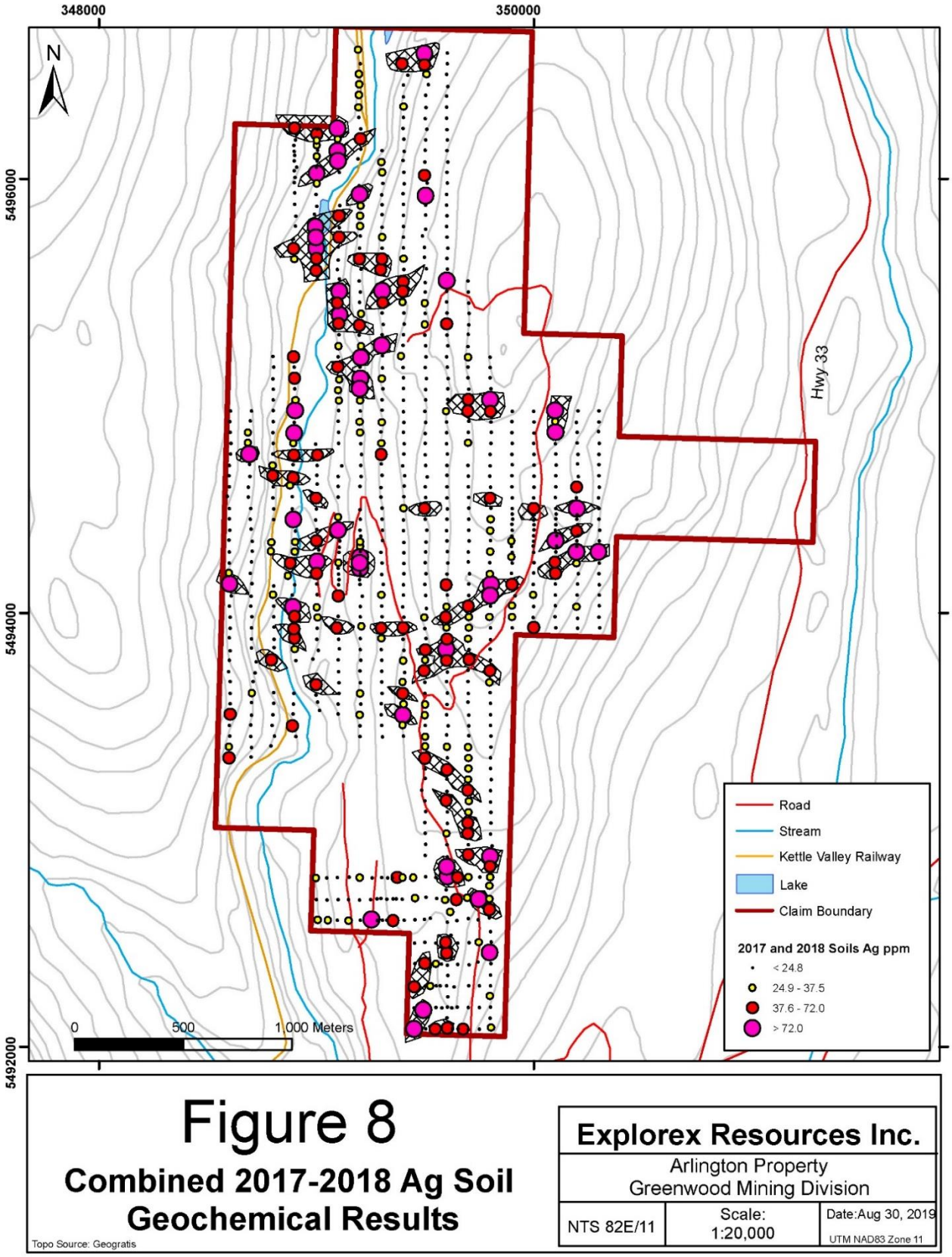

Figure 8: Combined 2017-2018 Silver Soil Geochemistry Results

Approximately 45m to the south along strike of the Black showing is a historical trench where a grab sample of quartz vein material containing pyrite, chalcopyrite and molybdenite mineralization returned 4,358ppm Cu, 16.72g/t Ag, 0.117gm Au and 9,348.75ppm Mo (Sample #1750354). A second trench was located 41m further to the south of Sample #1750354 where heavy red iron oxide and malachite staining was associated with narrow cm scale quartz veining. A sample of the altered quartz vein material retuned 2013.1ppm Cu, 3.32g/t Ag and 3,829.9ppm Mo (Sample #1750353). An east-west oriented soil grid covering the Black showing and its extension failed to return any significant copper soil results with elevated and anomalous silver soil results occurring only as scattered single point anomalies. Significant 2018 rock sample results are highlighted in Table 4.

Table 4: 2018 Rock Sample Results

Sample No	Sample Type	Copper (ppm, %)	Silver (ppm)	Au (ppm)	Molybdenum (ppm)	Lead (ppm)	Zinc (ppm)
1750351	Grab*	9.3	0.13	0.001	8.76	3.3	18
1750352	Grab*	1.051%	37.65	0.13	3556.44	3.5	37
1750353	Grab*	2013.1	3.32	0.027	3829.19	3.7	53
1750354	Grab*	4538.0	16.72	0.117	9348.75	7.8	136
1750355	Grab*	414.4	1.68	0.001	12.92	6.9	12
1750356	Grab*	89.9	0.23	0.001	6.31	9.1	87
1750357	Grab*	2.8	<0.005	<0.001	1.78	1.0	37

* Grab samples by nature are selective and therefore may not be representative of the mineralization being evaluated.

7 GEOLOGICAL SETTING

7.1 Regional Geology

The regional geology of the Penticton map sheet (NTS 82E) was mapped and compiled by D. Templeman-Kluit and published in 1989 as GSC Open File 1969. Kluit has mapped four dominant rock types in the surrounding area of the Arlington property (Figure 9). The oldest rocks in the district belong to the Paleozoic Anarchist Group which is Carboniferous to Permian in age and has been correlated with the Wallace Formation in the Beaverdell Camp. The Anarchist Group consists of metamorphosed mafic volcanics with lesser amounts of sediments. The unit weathers to a dense dark green color and is typically recessive occurring as amphibolite, greenstone, quartz chlorite schist, quartz biotite schist and minor serpentinized peridotite. The Mesozoic Nelson Plutonic Rocks are middle Jurassic in age and have been correlated with granodiorite of the Westkettle Batholith which underlies the Beaverdell

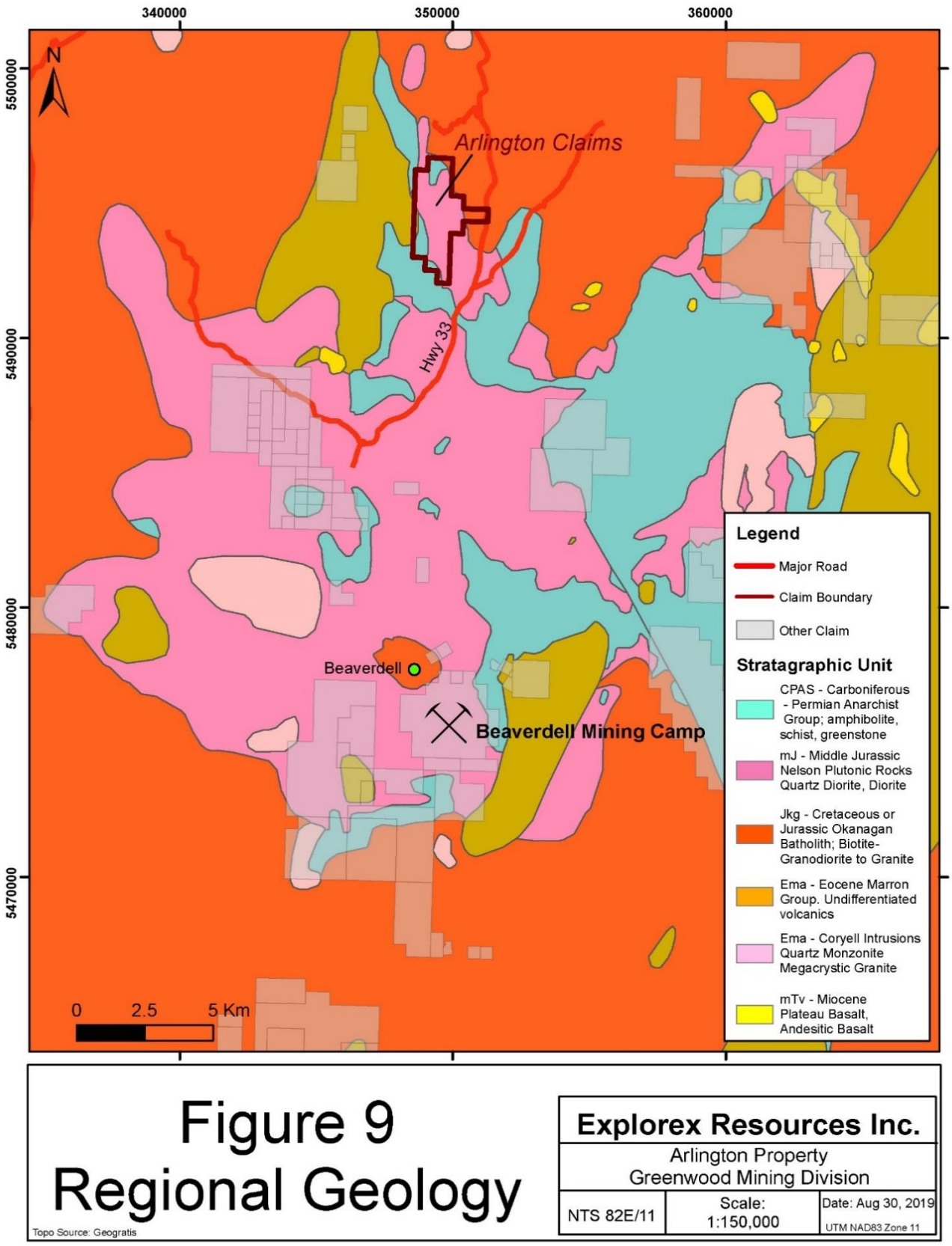

Figure 9: Regional Geology

Mining Camp and is host to vein type Ag-Pb-Zn mineralization. The rocks are massive to moderately foliated and medium grey in color occurring as medium to coarse grained equigranular hornblende biotite granodiorite, quartz diorite, diorite and granite. The Nelson Plutonic Rocks are likely genetically related to the Okanagan Batholith. The Okanagan Batholith is the most prominent rock in the region, bordering nearly all other rock types. The Middle to Early Mesozoic Okanagan Batholith is Cretaceous and/or Jurassic in age and occurs as a massive, light grey weathered, medium to coarse grained, equigranular to porphyritic and weakly to non-foliated biotite granodiorite to granite and includes undifferentiated granodiorite of the Nelson Plutonic Suite, age is poorly constrained. The Eocene Marron Group, located to the west of the property, is the youngest unit in the area and is described as an undifferentiated andesite, dacite and trachyte.

7.2 Property Geology

The Arlington claim is underlain by four distinct units; variations within these units are due to the degree of alteration present. The local geology is illustrated in Figure 10. Diorite and quartz diorite of the Nelson Plutonic suite are the most common units underlying the claim; variations within these units are largely due to the intensity of alteration. The Diorite is grey-pink in color and fine grained containing approximately 85% plagioclase feldspar, +/- 5% quartz and +/- 10% mafic minerals as biotite or hornblende. The diorite is most commonly gneissic; the degree of the gneissic banding is variable from quite tight to fairly broad. Alteration of the diorite becomes more apparent as one approaches the contact with the Carboniferous to Permian aged Anarchist group rocks and close to major zones of shearing. With increased proximity to the contact, the gneissic banding becomes tighter along with an increase in the intensity of shearing and fracturing. The diorite is chloritized, silicified and locally serpentinized close to the contact. Fractures and shears are developed and healed by quartz, K feldspar and epidote. The altered diorite is noted as a favorable host for quartz veining and chalcopyrite +/- galena, sphalerite, molybdenum, silver, gold mineralization.

Along the western side of the property, roughly parallel to the trace of Hall Creek, is a north-south trending horizon of at least two bodies of intensely altered basic rock belonging to the Carboniferous to Permian aged Anarchist Group greenstone. The unit is generally a dense, dark green flaky chlorite biotite hornblende schist, frequently containing magnetite, pyrite and chalcopyrite as accessory minerals. Wherever this unit was encountered, the rock was strongly fractured, quite magnetic and locally brecciated with quartz, K feldspar and epidote breccia-fracture filling and veining. The contact between the Anarchist Group rocks and the Nelson Plutonic suite is sinuous, trending north northwest.

In the north east and eastern portion of the property is porphyritic granite of the Okanagan Batholith. The contact between the granite and diorite is irregular and in places fingers of the porphyritic granite are noted to invade the bounding diorite as long dyke like bodies. Rocks of the Okanagan Batholith are light grey in color with sub centimeter scale quartz eyes set in a fine grained groundmass of quartz and feldspar. Where encountered, the granite is very uniform and equigranular with little to no alteration.

The Eocene aged Marron Group is the youngest stratigraphic unit on the property consisting of undifferentiated andesite, dacite and trachytic volcanic rocks located along the western claim boundary.

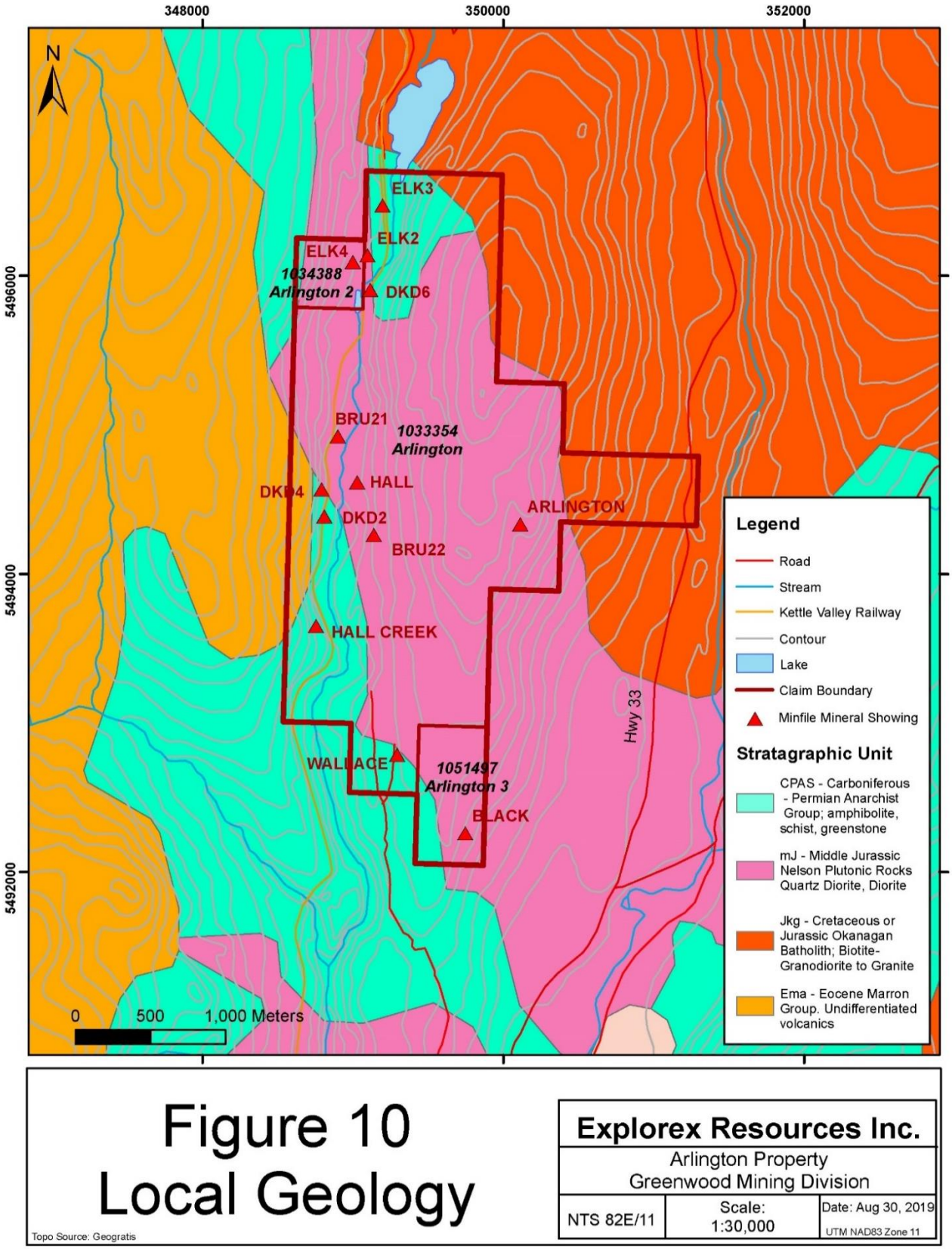

Figure 10: Property Geology

Structurally, the stratigraphy underlying the Arlington claim vary in strike from northwesterly in the south part of the claim to northeasterly in the northern part of the property with an apparent warp in the stratigraphy in the central portion of the claim. The stratigraphy generally dips steeply to the east or is vertically inclined. Best outcrop exposures are located along the Kettle Valley Railroad right-of-way. Here zones of shearing and fracturing are noted which generally trend at approximately 130 degrees. Many of these structural zones were found to host chalcopyrite mineralization in both quartz veins and fractured wallrock.

7.3 Mineralization

There are thirteen (13) BC Minfile showings located within the Arlington property boundary as illustrated in Figure 10. From north to south these Minfile occurrences are the ELK 3, ELK 2, ELK 4, DKD 6, DKD 4, DKD 2, ARLINGTON, HALL, BRU 21, BRU 22, HALL CREEK, WALLACE and the BLACK showings. All of these showings were first discovered and worked on during the early part of the 1900's. More recent assessment work completed on the Arlington property located, described and sampled the historical workings. Mineralization on the Arlington property is noted to occur in three general forms.

1) Chalcopyrite, sphalerite, galena and molybdenum are hosted in quartz veins which cut altered diorite intrusive rocks (Minfile 082ENW043).

2) Disseminations and replacements of chalcopyrite, pyrite and specular hematite in and around shear zones within a strongly jointed and altered gneissic diorite to quartz diorite intrusive hosting frequent quartz feldspar veining and greenstone rock units. The diorites to quartz diorite host are generally strongly chloritic and silicified. This style of mineralization is perhaps the most common on the property (Minfile 082ENW045).

3) Disseminations of magnetite, pyrite and chalcopyrite in highly altered basic rocks. This style of mineralization is confined to a north-south trending zone which parallels Hall Creek and the KVR right-of-way. Mapping by the G.S.C. identifies this unit as a greenstone belonging to the Anarchist Group. Previous claim holders describe this unit as a dense dark green flaky chlorite biotite hornblende schist, thought to be a dyke or sill like body (Minfile 082ENW015).

A summary of the Minfile occurrences located within the Arlington property are contained in Table 2. The source of the information listed in Table 2 is from historical Assessment Reports (AR) gained from the British Columbia Geological Survey Branch, Assessment Report Indexing System (ARIS) website as listed in Section 27.0 of this report.

Table 5: Property MINFILE Details

Minfile Name	Minfile Number	Status	Mineralization	Details
ELK 3	082ENW038	Showing	Cpy, Py, Magnetite	No analysis
DKD 6	082ENW044	Showing	Cpy, Py, Magnetite	Grab: 0.16% Cu Assessment Report(AR) 24,921
ELK 2	082ENW005	Showing	Mo, Cu, Zn	Grab: 2,336.3ppb Au, 243.8ppm Ag, AR 36,026
ELK 4	082ENW006	Showing	Cpy	Grab: 6.9ppb Au, 1,095ppm Mo. AR 36,026.
DKD 4	082ENW043	Showing	Cpy	Grab: 6.1g/t Au, 8.7g/tAg,0.18% Cu AR 24,921
DKD 2	082ENW041	Showing	Cpy	Grab: 0.21% Cu, 11.8g/t Ag. AR 24,921
Arlington	082ENW015	Showing	Cpy, Py	Chip: 0.92%Cu, 63g/tAg over 0.6m AR 4,720 Grab: 38.6ppb Au, 131gm/t Ag, 2.557% Cu, 1168.9ppm Pb. AR 36,026
Hall	082ENW065	Showing	Cpy	Grab: 14.2ppb Au, 1,854.1ppm Cu. AR 36,026
Bru 21	082ENW042	Showing	Cpy	No Analysis
Bru 22	082ENW045	Showing	Cpy, Py, Hematite	Grab: 10,891.5ppb Au, 6.5ppm Ag, 614.8ppm Cu. AR 36,026
Hall Creek	082ENW033	Showing	Asbestos	Grab: 4.6ppb Au. AR 36,026
Wallace	082ENW039	Showing	Scheelite, Cpy	Grab: 0.15%Cu AR 17,030
Black	082ENW061	Showing	Cpy, Ag, Mo, Au	Composite chip sample: 52.69g/t Ag, 0.68g/t Au, 1.72% Cu, 1.19% Mo. AR 17,030

A brief description of each of the Minfile occurrences on the property is included below.

ELK 3: The ELK 3 showing (MINFILE Number **082ENW038**) is exposed on the east side of a railway cut located approximately 250m south of Arlington Lakes. The showing consists of a hornblendite outcrop containing chalcopyrite and pyrite as fine disseminations and in quartz calcite stringers. Magnetite is common, as finely disseminated grains and in fracture fillings. The hornblendite appears to be a mafic intrusion in the Carboniferous-Permian Anarchist Group rocks. These are in contact with Cretaceous Okanagan Batholith to the north. Included with the ELK 3

showing is an outcrop located approximately 320 meters to the northeast of the main showing where copper mineralization was noted.

DKD 6: The DKD 6 showing (MINFILE Number **082ENW044**) is located 1kilometer south of Arlington Lakes. The showing occurs in an unnamed Middle Jurassic intrusion near the east contact of a north-south trending band of Carboniferous-Permian Anarchist chlorite-biotite schist. An adit at the site was driven eastward on a quartz vein of unknown width. Disseminated magnetite, pyrite, chalcopyrite are noted within highly altered Anarchist Group rocks. Associated with the DKD 6 are two copper occurrences hosted in Anarchist chlorite-biotite schist located 100m to the northwest, disseminated chalcopyrite blebs in Anarchist chlorite biotite schist located 200m to the southwest and a copper occurrence in diorite located 250m to the west of the adit.

ELK 2: The Elk 2 showing (MINFILE Number **082ENW005)** is located 500m south of Arlington Lakes and 160m west of the Kettle Valley Railroad right of way. The showings consist of several mineralized quartz veins and a series of adits, trenches and a short shaft. Quartz veins vary from 60cm to 1.8m wide hosting chalcopyrite, sphalerite and molybdenite.

ELK 4: The Elk 4 showing (MINFILE Number **082ENW006**) is exposed on the east side of a small pond about 750m south of Arlington Lakes. The showing consists of a 2.5m deep pit which exposes a quartz vein hosting pyrite and chalcopyrite within granodiorite.

DKD 4: The DKD 4 showing (MINFILE Number **082ENW043**) is located 1.6 kilometers south of Arlington Lakes. The showing occurs in quartz diorite of a Middle Jurassic intrusion which is in contact with an altered gneissic diorite. The altered diorite is strongly chloritized, silicified and locally serpentinized. The showing occurs within a northwest-southeast trending, steeply dipping narrow shear zone along a railway rock cut exposure. Copper mineralization consists of chalcopyrite with abundant iron oxides, specular hematite, epidote, chlorite and biotite. Malachite staining of the outcrop exposure is also noted.

DKD 2: The DKD 2 showing (MINFILE Number **082ENW041**) is located 1.9 kilometers south of Arlington Lakes. The showing consists of a mineralized outcrop on the Kettle Valley right-of-way. Mineralization is hosted by a Middle Jurassic quartz diorite intrusion which is in contact with an altered gneissic diorite. The altered diorite is strongly chloritized, silicified and locally serpentinized. The showing consists of a west-northwest trending shear zone that dips 80degrees to the south. Mineralization includes chalcopyrite with limonite, specular hematite, epidote, chlorite and biotite. Malachite staining is present on the outcrop. Greenstone of the Carboniferous-Permian Anarchist Group is located approximately 50 meters to the south.

ARLINGTON: The Arlington showing (MINFILE Number **082ENW015**) is located on the southeast slope of Arlington Mountain. The Arlington Mountain area has numerous old workings, pits and adits dating back to the early 1900's. The showing occurs near a contact between a Middle Jurassic quartz diorite intrusion and chlorite hornblende schist which may be part of the Carboniferous-Permian Anarchist Group. The showing has been trenched and a shaft/pit dug. A 1936 description describes the showing as a brecciated zone partly cemented with quartz and calcite and mineralized with chalcopyrite and pyrite and said to carry values in both silver and copper. Assessment work in 1987 suggested the dominant lithology at this location is granite

gneiss. A channel sample taken in 1973 assayed 0.92% copper and 63 grams per tonne silver over 60cm. A high grade grab sample in 1987 assayed 1.61% copper, 0.08% lead, 0.02% zinc and 85.3grams per tonne silver.

HALL: The Hall showing (MINFILE Number **082ENW065**) is located 1.6 kilometers south of Arlington Lakes. The showing occurs within Middle Jurassic quartz diorite which lies near the west contact of a north-south trending band of Carboniferous-Permian Anarchist chlorite-biotite schist. An adit is located at the site and has been driven eastward on a quartz vein within a shear zone striking 015 degrees and dipping 60 degrees west. Copper mineralization is reported.

BRU 21: The Bru 21 showing (MINFILE Number **082ENW042**) is located 2 kilometers south of Arlington Lakes. The showing consists of two mineralized outcrops, 300 meters apart along the Kettle Valley Railway right-of-way and an adit 75 meters east of the railway. The showings are hosted by greenstone of the Carboniferous-Permian Anarchist Group. Chalcopyrite is noted at this location, no other information is available. A number of copper occurrences are found in this general area, but they are associated with quartz veins and shear zones in diorite, not greenstone.

BRU 22: The Bru 22 showing (MINFILE Number **082ENW045**) is located 2.5 kilometers south of Arlington Lakes. The showing consists of three (3) adits driven eastward on a shear hosted quartz vein trending in a northwest-southeast direction. The shear zone cuts through quartz diorite of a Middle Jurassic intrusion. Hematite is noted to occur in the shear zone, and it is reported that disseminated chalcopyrite and pyrite are commonly associated with specular hematite in and around shear zones in diorite on the property. The general area has numerous old workings, pits and adits which date from the early 1900's.

HALL CREEK: The Hall Creek showing (MINFILE Number **082ENW033**) is located approximately 3.0 kilometers south of Arlington Lakes, on the west side of Hall Creek canyon. The showing consists of asbestos veins which cut through a serpentinized peridotite of the Carboniferous-Permian Anarchist Group. The serpentine and asbestos occur in the lower 3 meters of a sill-like black saxonite porphyry which is 20 meters thick. The serpentine occurs as green bands in the black rock and the asbestos occurs in little veinlets in the serpentine. The bands and veinlets are more or less parallel to the lower contact of the sill. The asbestos veins rarely exceed 2.5 centimeters thick.

WALLACE: The Wallace skarn showing (MINFILE Number **082ENW039**) is located approximately 3.7 kilometers south of Arlington Lakes. Scheelite, as noted in thin section, occurs in quartz veinlets within a limestone pendant of the Carboniferous-Permian Anarchist Group which has been altered to garnet and epidote. The garnet and epidote may be as a result of high grade metamorphism. The skarn is hosted by a Middle Jurassic quartz diorite. Evaluation of the showing in 1987 (Assessment Report 17030) identifies both Scheelite and chalcopyrite mineralization at this location (796ppm W and 0.15% Cu).

BLACK: The Black showing (MINFILE Number **082ENW061**) is located at the southern end of the Arlington claim group and 4.5km south of Arlington Lakes. The showing consists of a quartz vein hosted in an unnamed Middle Jurassic gneissic quartz diorite intrusive located near the west contact of a north-south band of Carboniferous-Permian Anarchist chlorite, biotite schist. A

composite quartz vein sample containing chalcopyrite and molybdenite mineralization assayed 1.72% copper, 1.54oz/t Ag, 1.19% Mo and 0.02 oz/t gold (Assessment Report 17,030).

8 DEPOSIT TYPE

The dominant characteristics of the mineralized showings located to date on the property belong to Polymetallic vein Ag-Pb-Zn +/- Cu, Au, Mn deposit type mineralization as described by Lefebure and Church (1996). Other names for this deposit style are Silver/base metal epithermal deposits.

Polymetallic Ag-Pb-Zn veins are the most common deposit type in British Columbia with over 2000 occurrences and were a significant source of Ag, Pb, and Zn until the 1960's. These sulphide rich veins containing sphalerite, galena, and silver +/- copper, gold, manganese are hosted in carbonate and quartz gangue. Regional faults, fault sets and fractures are an important ore control. The polymetallic quartz veins are usually associated with second order structures. The deposits typically form steeply dipping, narrow tabular to splayed veins and commonly occur as sets of parallel and offset veins. Individual veins may vary from a few centimeters up to 3m wide and can be followed from a few hundred to more than 1000m in length and depth and may widen to tens of meters in stockwork zones. These veins can occur in virtually any host.

Numerous examples of Polymetallic vein style mineralization within structurally controlled quartz veins are noted in the Beaverdell Camp and at the Carmi mine located 16km and 7km respectively to the south of the Arlington property. The author cautions the reader that information on these properties has not been verified, nor is it necessarily indicative of mineralization on the Arlington property.

In the Beaverdell Camp granodiorite of the Westkettle batholith underlies most of the area. The Westkettle batholith has been correlated with the Nelson intrusions and has been dated to Middle Jurassic in age. The Westkettle batholith contains remnants of pendants and/or screens of metamorphosed Wallace Formation. The Wallace Formation is correlative with the upper sections of the Carboniferous to Permian Anarchist Group. Lithologies include metamorphosed andesite tuffs and lavas, hornblende diorite porphyries, olivine gabbro and hornblendite. The contact between the Wallace Formation and the Westkettle batholith is sinuous, trending north with gentle east dips. The Westkettle granodiorite and the Beaverdell quartz monzonite are the dominant host rocks. Mineralization rarely extends into the Wallace Formation to the east. The following discussion on the Beaverdell Mine has been extracted from the Minfile Mineral Inventory number 082ESW030.

The Beaverdell silver rich veins are found along a 3.0 by 0.8 kilometer belt referred to as the Beaverdell silver-lead-zinc vein camp. Five distinctly separate quartz vein systems are arranged en echelon within this structural zone. In general, quartz breccia veins and stockworks are so complex that continuous mineralized sections are a maximum of a few meters before being faulted or disrupted. Some mineralized zones have been found that extend up to 150 meters horizontally. Vein type mineralization of the Beaverdell camp is characterized by a high silver content. Mineralization is composed of galena, sphalerite and pyrite with lesser amounts of arsenopyrite, tetrahedrite, pyrargyrite, chalcopyrite, polybasite, acanthite, native silver and pyrrhotite. The gangue minerals in veins are mainly quartz with lesser amounts of calcite, fluorite and sericite with

rare barite. Ore ground has been described as propylitically altered granodiorite, quartz diorite and quartz monzonite of the Westkettle batholith up to 15 meters wide. These zones are characterized by sericite, clay minerals, chlorite, calcite, epidote and hematite. The fault bounded veins commonly have a banded texture defined by outer, crudely parallel sulphide stringers. The wallrocks are brecciated and sheared over 30 to 150 centimeters width adjacent to veins. Weak sericite alteration of feldspars is pervasive in the Westkettle batholith.

The Beaverdell mine is composed of the past producing Highland Lass and Bell where the upper and lower Lass veins were mined and which have accounted for the majority of production. Most of the veins are hosted in granodiorite of the Westkettle batholith. Some mineralization locally extends for short distances into the Wallace Formation rocks which overlie the batholith at the eastern end of the mine area. The mineralized quartz veins occupy fissures along northeast trending faults in the eastern portion of the system. To the east the veins generally exhibit progressive increases in width and intensity and extent of wallrock alteration. The Bell and Lass veins average 0.9 and 1.5 meters wide respectively, but are rarely continuous for more than 5 to 10 meters without offset.

The Beaverdell Mine was the longest producing mine in the area; almost continuously between 1913 and 1991. Total historic production from the Beaverdell Camp is 1,198,829 tonnes of mined ore from which 1,076,005,759gm Ag, 520,197gm Au, 13,900,078kg Zn, 11,598,238kg Pb and 11,657kg Cu and 58,171kg of cadmium were recovered.

The Carmi mine is a past producer and is hosted by granodiorite of the Westkettle batholith and an irregular body of Permian aged Wallace Formation covering approximately 2.56 square kilometers. The Westkettle batholith varies in composition from granodiorite, quartz diorite and diorite. The granodiorite is medium grained, grey to pink in color with chlorite or biotite altered mafics. The quartz diorite phase is commonly foliated and porphyritic. These phases are intruded by quartz monzonite, quartz k feldspar and andesite dykes. Veins are composed of quartz, quartz and k-feldspar or quartz calcite +/- pyrite and are commonly associated with clay rich fault gouge.

The Carmi and Butcher Boy workings are on the same faulted vein, following a shear zone in fine grained granodiorite oriented along a strike of 090 degrees with dips from 45 to 60 degrees to the south. The vein has been traced along strike for over 549 meters with minor fault displacement. The vein varies from 5 to 213 centimeters wide. Mineralization consists of pyrite with lesser sphalerite and galena carrying gold and silver values. Minor chalcopyrite and molybdenum are also present.

The Carmi mine produced 4,780 tonnes of ore between 1901 and 1915, and between 1932 and 1940. Reported recovery were 279,585 grams silver, 87,929 grams of gold, 3,179 kilograms of lead and 7,307 kilograms of zinc. The reader is cautioned that the author has not verified the information on the Carmi mine, nor is this information necessarily indicative of mineralization on the Arlington property.

Based on the deposit model, exploration programs were designed for the Arlington property to use appropriate geochemical and geophysical methods for the detection of structural features and

multielement signatures associated with Polymetallic Ag-Pb-Zn +/- Cu, Au, Mn type vein deposits.

9 EXPLORATION

Explorex Resources has not completed any exploration programs on the Arlington property since June 2015 (Assessment Report #36,026). The last recorded published work on record was in May 2017 by Clarmin Exploration Inc (AR36,956), reporting on the results of a prospecting, geochemical and geophysical exploration program on the Arlington property. In May of 2018, Clarmin Exploration Inc funded a soil geochemical and prospecting program, no assessment report was submitted. Clarmin Exploration Inc returned the Arlington property back to Explorex Resources Inc in late 2018 along with soil and rock sample results from the 2018 exploration field program. No additional work on the property has been completed since the 2018 exploration field program by Clarmin Exploration Inc.

10 DRILLING

No drilling has been carried out on the project to the author's knowledge.

11 SAMPLE PREPARATION, ANALYSES AND SECURITY

To the best of the author's knowledge, historical work was completed to industry best practices of the time. Procedures for sampling, sample handling and security by Clarmin Exploration Inc and Explorex Resources Inc are believed by the author to be adequate for the purposes of this report.

Rock samples collected during the 2015 field program were securely stored at the company's field facilities and were hand delivered by Coast Mountain Geological Ltd staff to Bureau Veritas Mineral Laboratories Canada located in Vancouver, B.C. Rock and soil samples collected during the 2017 and 2018 field programs were securely stored at the company's field facilities and were hand delivered to MS Analytical Services in Langley BC.

During the 2017/2018 field programs, soil samples were collected along north–south trending compass and GPS survey lines with east-west trending soil lines at the south end of the property over the Black Showing. Soil samples were collected at 25 to 50-meter intervals. At each of the soil sample sites, a hole was dug with a Geo Tool to depths varying from 5cm to 25cm to collect a B Horizon soil sample. The sample site is marked by flagging tape and inscribed with the line and station number for future reference. A standard Kraft soil sample bag was used for sample collection. The soil was placed in the Kraft sample bag, folded closed and secured by flagging tape. The station and line number were recorded on the outside of the bag with an indelible magic marker. Notes were taken at each soil sample site recording the samples GPS location, depth of sample, soil color, % silt and clay and the soil horizon sampled. General notes document slope direction, topography and any features which may influence the sample results ie proximity to muck piles and trenches etc.

Rock samples collected during the 2015, 2017/2018 field programs were placed in clear, heavy gauge plastic sample bags along with a unique sample tag number for identification. The sample tag number was also inscribed by an indelible black marker on the outside of the plastic bag for identification. The bag was tightly sealed using flagging tape. Field notes were kept recording the

rock sample number, the samples location in NAD 83, Zone 11 UTM coordinates provided by a hand held GPS and notes describing the rock type encountered, identify and estimate the percent sulphide contained in the rock sample, the attitude of any structural components ie fault and shears, bedding, schistocity, quartz vein attitude etc.

During the 2017/2018 soil sampling programs, the soil samples were first analyzed using a Thermo Scientific NITON Model XL3T 950 XRF Analyzer with Gold Package by a NRCan-certified operator. Two tablespoons of soil were removed from the 4inch X 6inch kraft soil sample bag and placed on a clean sheet of poly plastic. Any visible pebbles and organic matter were removed from the sample, a clean sheet of "Saran" wrap was placed over the sample and compacted to reduce air voids. The sample number was entered into the analyzer and the unit was set to Soil Sample Analysis – All Geo mode. The analyzer ran for a full 30 seconds, the preset time for which the main filter determines the element values. The main filter analyzes for Mo, Zr, Sr, U, Rb, Th, Pb, Au, Se, As, Hg, Zn, W, Cu, Ni, Co, Fe, and Mn with results reporting in parts per million (ppm).

The Thermo Scientific NITON Model XL3T 950 XRF Analyzer performs a spot measurement of the sample, examining an area of approximately 1cm in diameter and 0.1-3mm in depth. For each sample analysis the main, low, and high filters of the XRF were activated for 30 seconds each. The XRF results are qualitative when compared to assay results, and XRF results may not always be as quantitatively accurate as standard ICP or fire assay methods. Nevertheless, XRF analysis is useful in qualitatively identifying anomalous samples from background. For each sample the measurement is accompanied by a variable 2σ error, specific for each element detected, which gives the reliability of the analysis. It is important to note that this error is not only different for each element within a given sample, but varies between samples for the same element. Errors were reduced by thoroughly drying the samples, as well as pressing the material to eliminate air pockets between grains. The XRF did not have a low enough detection limit to analyze for gold and silver.

In 2015, rock samples submitted to Bureau Veritas Mineral Laboratories were prepared utilizing sample preparation code PRP70-250 where the sample is crushed to $\geq$ 70% passing 2mm and then pulverizing 250g to >85% passing 200 mesh. The sample is then analyzed using analytical code AQ201, an aqua regia digestion with 36 element ICP-ES/MS analysis based on a 15g sample. Overlimit analysis were completed for Cu and Ag using method code AQ374, a modified Aqua regia digestion reporting percent level Cu (ppm for Ag) concentrations as determined by ICP-ES. Bureau Veritas laboratories are recognized as Accredited Laboratories for specific tests by the Standards Council of Canada (SCC), the Canadian Analytical Laboratories Association (CALA) and/or the Ministry of Sustainable Development, Environment and Climate Change (MDDELCC). Bureau Veritas Mineral Laboratories is independent of Explorex Resources Inc. and Spinco.

Rock and soil samples collected in 2017/2018 were submitted to MS Analytical Services in Langley BC. MS Analytical is an ISO 9001 and ISO/IEC17025 certified commercial lab with over 25 years of experience analyzing geological material. MS Analytical Services is independent of Explorex Resources Inc. and Spinco.

Rock samples submitted to MS Analytical were first prepped utilizing method code FAS-415 where the rock samples are dried and crushed to 70% passing 2mm. A 250g representative split is taken and pulverized to 85% passing 200 mesh. A 20g sub sample of the undersized fraction is

then digested in dilute aqua regia and finished by an ICP-AES/MS analysis using method code IMS-111. Overlimit base metal results were re-analyzed using method code ICF-6, a four acid ICP-AES/MS analysis while gold overlimits were re-analyzed using method code FAS-415, a 30g fire assay analysis with a gravimetric finish. Soil samples submitted to MS Analytical were prepped using method code PRP-757 where the sample was dried and screened to 80mesh discarding the plus fraction. A multi-element analysis was completed utilizing method code IMS-111 where a 20g sample is digested by dilute aqua regia and finished by ICP-AES/MS analysis.

Due to the early stage of the exploration work and the medium being sampled, controls and standards were not inserted into the sample stream; MS Analytical and Bureau Veritas Mineral Laboratories provided in house QA/QC with suitable blanks, standards and duplicates which were inserted into the sample stream at fixed intervals with the results evaluated and reviewed prior to release.

In the authors opinion, the adequacy of sample preparation, security, and analytical procedures were suitable for the purpose of the work conducted.

12 DATA VERIFICATION

The Arlington property has several zones of known mineralization that were explored in the early 1900's. Not all of this historical work is documented, and most of the old workings are badly sloughed so that mineralization is not well exposed. Very little modern exploration work has been completed on the property. The available data from these past exploration programs have been reviewed by the author. Most of this historical work appears to have been conducted in accordance to standard industry practices of the time. Exploration programs completed by Coast Mountain Geological Ltd in 2015, 2017 and 2018 was also evaluated and in the author's opinion have been carried out to current industry standards.

Jim Chapman visited the property on September 12, 2019 to verify the location of the claims and the access to them. The Black MINFILE occurrence was examined as were soil geochemical sample sites in the immediate area. Representative samples from the Black showing were collected. While the content of the historic material appears to be accurate, the QP has not validated mineral concentrations data from original laboratory certificates or otherwise confirmed the authenticity, accuracy or completeness of the historic data. As a result, the actual results from current and future programs may be more or less favorable

It is the opinion of the author that the adequacy of the data is of sufficient quality for the purposes of this report.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical testing has been carried out by Explorex Resources Inc. or Spinco.

14 MINERAL RESOURCE ESTIMATES

No mineral resource estimates have been carried out by Explorex Resources Inc. or Spinco and there are no reports of any previous parties doing so in the past.

15 MINERAL RESERVE ESTIMATES

No mineral reserve estimates have been carried out by Explorex Resources Inc. or Spinco and there are no reports of any previous parties doing so in the past.

16 MINING METHODS

No studies of mining methods have been carried out by Explorex Resources Inc. or Spinco.

17 RECOVERY METHODS

No studies of recovery methods have been carried out by Explorex Resources Inc. or Spinco.

18 PROJECT INFRASTRUCTURE

No studies of infrastructure requirements have been carried out by Explorex Resources Inc. or Spinco.

19 MARKET STUDIES AND CONTRACTS

No marketing studies or contract negotiations have been carried out by Explorex Resources Inc. or Spinco.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

No environmental, permitting, social or community impact studies have been carried out by Explorex Resources Inc. or Spinco.

21 CAPITAL AND OPERATING COSTS

No capital or operating cost studies have been carried out by Explorex Resources Inc. or Spinco.

22 ECONOMIC ANALYSIS

No economic analysis has been undertaken by Explorex Resources Inc. or Spinco.

23 ADJACENT PROPERTIES

There are no claim blocks adjoining or proximal to the Arlington Property.

24 OTHER RELEVANT DATA AND INFORMATION

The author is not aware of any other relevant data or information other than that presented in this report and recorded in Section 26 (References).

25 INTERPRETATION AND CONCLUSIONS

The Arlington property covers geologically prospective ground located 16 kilometers north of the historic silver-lead-zinc Beaverdell Mining Camp and 7 kilometers north of the historic past producing Carmi Mine. The Arlington property covers thirteen (13) historic Minfile Occurrences. Work completed in 2017 and 2018 uncovered 12 additional historic work sites in the form of sloughed in trenches, test pits, short shafts and adits. There has been little effective modern exploration on the Arlington property, and in the author's opinion, the property is unique in this respect. Good opportunities remain untested on this property while most properties in the area that host showings of similar quality have been more thoroughly explored.

Based on the review of historical data and results of the 2015, 2017 and 2018 field programs, it is concluded that the Arlington property is a property of merit and possesses good potential for the discovery of copper, silver, gold and other mineralization. Excellent road access and availability of exploration and mining services in the region makes it a worthy exploration target. The description and sample techniques utilized by previous workers are poorly described in the assessment reports and therefore the historical assay results must be considered with caution.

The property is in its early stage of exploration. The significant risk for the Arlington property is the same as all early stage exploration properties and that is there may be no mineral resource in economic quantities. As of the Effective Date of this report, the author is not aware of other significant risks that could affect the viability of the Arlington property.

26 RECOMMENDATIONS AND BUDGET

Based on the results received to date from the property, further work is warranted to advance the Arlington property.

The recommended field program for 2020 includes the re-establishment of the central portion of the 2017 / 2018 soil geochemical grid. The re-established compass, GPS and flagged survey grid will cover anomalous copper and silver soil geochemical trends as well as several associated historical workings. Flagged survey stations will be established at 50m intervals along the survey lines with north-south oriented grid lines emplaced at 100m intervals. The grid lines will vary in length from 900m to 1,450m. The re-established grid totals 17.3line kilometers. A 2D Induced Polarization survey will be completed over the re-established grid.

A phase 2 NQ sized diamond drill program totaling 400m is designed to test significant results obtained from the Induced Polarization survey.

26.1 Cost Estimate

Based on the above recommendations, the following two-phase exploration program with corresponding budget is proposed. Phase 2 is contingent on the results from Phase 1.

Table 6: Phase 1 Program Budget

Table 6: Phase 1 Exploration Budget

Grid Re-establishment	$ 10,300
Room and Board 14 days	$ 6,600
Fuel	$ 1,500
Data Processing	$ 7,500
Mob / Demob	$ 6,250
IP Survey 10 days @ $6,275/day	$ 62,750
Sub Total	$ 94,900
Contingency	$ 5,100
Total	**$100,000**

Table 7: Phase 2 Exploration Program Budget

Diamond Drilling (400m x $270/m)	$108,000
Backhoe / Cat: Road / Pad construction 30hrs x $185/hr	$ 5,550
Logging, Sampling, Supervision (Technician + Geologist @ $1250/day x 20days)	$ 25,000
Assays (30 element ICP, 150 samples @ $42.00/sample, shipping, QAQC)	$ 6,300
Room and Board	$ 10,200
Transportation, fuel	$ 4,200
Field Equipment and Supplies, Rentals	$ 2,400
Preparation, Compilation, Report, Drafting	$ 15,000
Sub Total	$ 176,650
Contingency 10%	$ 17,665
Total	**$ 194,315**

Total Phase 1 and Phase 2 **$294,315**

Signed and sealed by

"*James Chapman*"

Jim Chapman, P.Geo.

Dated December 27, 2019

27 REFERENCES

Federal and British Columbia Ministry of Energy, Mines and Petroleum Resources websites:

Assessment Report Indexing System (ARIS)

http://empr.gov.bc.ca/mining/geoscience/aris

MapPlace

http://webmap.em.gov.bc.ca/mapplace/minpot.cfm

MINFILE

http://www.em.gov.bc.ca/Mining/Geolsurv/Minfile/default.htm

Mineral Titles Online

http://www.em.gov.bc.ca/subwebs/mtonline

GeoBC

http://geobc.gov.bc.ca

Integrated Land and Resource Registry

https://apps.gov.bc.ca/apps/irll/html/IRLLWelcome.html

iMapBC

http://www.data.gov.bc.ca

Allen, A., 1970

Geological Survey of the ELK 1-12 claims, Arlington Lakes Area, Greenwood Mining Division, B.C., November 1970. Assessment Report 2804.

Christopher, P.A., 1975

Carmi-Beaverdell Area (82E6, 11), British Columbia Geological Survey, Geological Fieldwork.

Gall, L., 1997

Prospecting, Geochemical and Geophysical Report on the Arlington Property, Arlington Lakes Area, Greenwood Mining Division, B.C., March 1997. Assessment Report 24,921.

Gibson, N., 1989

Report on the Geological and geochemical Exploration of the Ferroux Group of Claims, Greenwood Mining Division, B.C., August 1989. Assessment Report 19,108.

Gray, P., and M. Collins, 2010

Technical Report on the Beaverdell Property for Intigold Mines Ltd and Seaness Capital Corporation, Greenwood Mining Division, B.C., May 2010.

Hall, I., and P. Burgan, 1971.

Geophysical Report on the DKD Claims 1 through 6, Greenwood Mining Division, B.C., October 1971. Assessment Report 3352.

Kemp, R. 2017

Summary Technical Report on the Arlington Property, Geochemical and Geophysical Surveys for Clarmin Explorations Inc.

Lee, L., 1990

Assessment Report for trenching on the Ferroux Property, Greenwood Mining Division, B.C., March 1990. Assessment Report 20,070.

Lefebure, D.V. and Church, B.N. (1996)

Polymetallic Veins Ag-Pb-Zn +/- Au, in Selected British Columbia Mineral Deposit Profiles, Volume 2 – Metallic Deposits, Lefebure, D.V. and Hoy, T., Editors, British Columbia Ministry of Employment and Investment, Open File 1996-13, pages 67-70.

McLeod, J., 1988

Geological and Geochemical Report on the Black Claim Group, West Kettle River Area, Greenwood Mining Division, B.C., May 1988. Assessment Report 17,030.

Minfile

082ESW030 (Beaverdell), 82ESW029 (Carmi L.2352), 082ENW038 (ELK 3), 082ENW044 (DKD 6), 082ENW043 (DKD 4), 082ENW041 (DKD 2), 082ENW015 (Arlington), 082ENW065 (Hall), 082ENW042 (BRU 21), 082ENW045 (BRU 22), 082ENW033 (Hall Creek), 082ENW039 (Wallace), 082ENW040 (Lakevale), 082ENW004 (ELK 7), 082ENW005 (ELK 2), 082ENW006 (ELK 4), 082ENW061 (Black).

Mitchell, D., 1973

Geological and Geochemical Report on the Lakevale Property, Arlington Lakes Area, Greenwood Mining Division, B.C., May 1973. Assessment Report 4461.

Mitchell, D., 1973

Geological and Geochemical Report on the Cu Claims, Arlington Lakes Area, Greenwood Mining Division, B.C., May 1973. Assessment Report 4720.

Templeman-Kluit, D., 1989

Geology of Penticton Map Sheet (82E); 1:250,000. GSC Open File 1969.

28 STATEMENT OF QUALIFICATIONS

I, Jim Chapman, P.Geo., of 2705 West 5th Avenue, Vancouver, British Columbia, am a professional Geoscientist.

I am:

- a member of the Association of Professional Engineers and Geoscientists of British Columbia, License #19871.
- a graduate from the University of British Columbia with a Bachelor of Science degree in geology in 1976, and I have practiced my profession continuously since graduation.

As a result of my experience and qualifications I am a Qualified Person as defined in National Policy 43-101.

This experience has included all aspects of the industry from project generation through implementation and report preparation for owners, clients and regulatory authorities. Since 1982 I have operated as an independent consulting geologist, I have been responsible for international and domestic project development, examination, evaluation and reporting on a variety of mineral deposit types and commodities, supervision and management of exploration projects as well as client representation and government liaison.

In the course of my career I have carried out numerous exploration programs on polymetallic vein projects in British Columbia, Chile, Argentina, and the USA.

I am the author of, and responsible for the preparation of the technical report titled "NATIONAL INSTRUMENT 43-101 TECHNICAL REPORT, On the ARLINGTON PROJECT, Greenwood Mining Division, British Columbia, Canada,." dated December 27, 2019. The sources of all information are quoted in the report. The information provided by the various parties is to the best of my knowledge and experience correct.

I am independent of Explorex Resources Inc and Spinco, as defined in Section 1.5 of National Instrument 43-101.

As stated in the "Report" I conducted a site visit to the subject property on September 12, 2019.

I am not aware of any material fact or material change with respect to the subject matter of this technical report, which is not reflected in this report, the omission to disclose which would make this report misleading. At the effective date of this report, to the best of my knowledge, information, and belief, the technical report, contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

I have no direct or indirect interest in the subject property described in this report, and have no direct or indirect interest in Explorex Resources Inc. and Spinco. I have had no prior involvement with any exploration work on the subject property.

I have read National Instrument 43-101, Form 43-101FI and this report has been prepared in compliance with NI 43-101 and Form 43-101FI.

Dated at Vancouver, British Columbia, this 27th day of December, 2019.

"James Chapman"

Qualified Person

APPENDIX 1

Units of Conversion and Abbreviations

Abbreviations

ppb	part per billion
ppm	part per million
g	gram
g/t	gram per tonne
opt	(troy) ounce per short ton
oz/t	(troy) ounce per short ton
Moz	million ounces
Mt	million tonnes
t	metric tonne (1000 kilograms)
st	short ton (2000 pounds)

Conversions

1 gram	=	0.0322 troy ounces	
1 troy ounce	=	31.104 grams	
1 ton	=	2000 pounds	
1 tonne	=	1000 kilograms	
1 gram/tonne	=	1ppm	= 1000ppb
1 troy ounces/ton	=	34.29 gram/tonne	
1 gram/tonne	=	0292 troy ounces/ton	
1 kilogram	=	32.151 troy ounces	= 2.205 pounds
1 pound	=	0.454 kilograms	
1 inch	=	2.54 centimeters	
1 foot	=	0.3048 metres	
1 metre	=	39.37 inches	= 3.281 feet
1 mile	=	1.609 kilometres	
1 acre	=	0.4047 hectares	
1 sq mile	=	2.59 square kilometres	
1 hectare	=	10,000 square metres	= 2.471 acres