NI 43-101 TECHNICAL REPORT

On the

BAKAR PROPERTY

NORTHERN VANCOUVER ISLAND, BRITISH COLUMBIA, CANADA

Located Within:

NTS Sheet: 092L 12

Centred at Approximately:

Latitude 50°40' North by Longitude 128°4' West

Report Prepared for:

SHERPA II HOLDINGS CORP.

918-1030 West Georgia Street

Vancouver, B.C., Canada V6E 2Y3

By:

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Effective Date: 2nd February 2021

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1 EXECUTIVE SUMMARY

1.1 Introduction

This Technical Report provides an independent review of the mineralization on the Bakar Property for Sherpa II Holdings Corp., a Canadian company involved in mineral exploration and development. The Property is located in the Nanaimo Mining Division, Vancouver Island, British Columbia, Canada..

The mineralisation found on the Bakar Property is characteristic of volcanic redbed copper deposits.

This report was prepared by Thomas Hawkins P.Geo, PhD an independent qualified person (QP) as defined by Canadian Securities Administrators *National Instrument 43-101 Standards of Disclosure for Mineral Projects* (NI 43-101) and as described in Section 28 (Date and Signature Page) of this report.

1.2 Property Ownership

The Bakar Property consists of eight mineral claims (Bakar, Tessa, Koda, Chantel, Tiny, Bandit, Marlee, and Avery) and covers approximately 15,686.88 ha (collectively, the Bakar Claims). The online registry currently shows that the Bakar Claims are 100% owned and registered in the name of Sherpa II Holdings Corp.

Sherpa II Holdings Corp. (the Purchaser) and District Metals (the Vendor) were party to a purchase agreement dated August 17, 2020 to which the Purchaser has agreed to purchase and the Vendor agreed to sell an 80% undivided legal and beneficial interest in the Bakar Claims (the Acquired Interest) and a 100% undivided legal and beneficial interest in the Bakar Claims Data (as defined in the agreement) for $50,000 in cash and 1,000,000 common shares (the Consideration Shares) of Sherpa II Holdings Corp.

Additionally, there exists a Royalty Agreement between the Vendor (under its former name, MK2 Ventures Ltd.) and Longford Capital Corp. (the Royalty Holder) dated July 12, 2019, providing a royalty equal to 2% of the net smelter returns (NSR, as defined by the royalty agreement) with respect to one of the Bakar Claims (Claim 1064067, covering 1,352.25 ha). The Vendor retains the right to purchase 1% of the NSR for $1,500,000 cash and may also purchase the remaining 1% NSR for 5,000,000 cash, dissolving the NSR entirely.

Both the Vendor and the Purchaser have agreed to enter into an unincorporated joint venture (the Joint Venture) with respect to their respective interests in and to the Bakar Claims on completion of the Transaction on the Closing Date (as defined in the agreement).

1.3 Property Description

The Property is located in northwestern Vancouver Island near the town of Holberg, British Columbia, Canada. The Property extends 18 km to the northwest of Holberg, and 10.5 km to the southeast. The Property lies within NTS map sheet 092L 12 and is centred at approximately 128°4'W longitude by 50°40'N latitude.

Surface rights and permitting have yet to be completed to allow for further in-depth investigations.

The Property is accessible from Port Hardy, approximately 50 km to the east, by a well-maintained gravel road and subsidiary forest access roads. Existing electricity services and deep water (ocean) access are available on the Property.

Topography on the Bakar Property consists of steep mountain ranges, flanked by undulating foothills and flat valley bottoms that are suitable for further infrastructure development. A relatively moderate coastal climate will allow for year-round exploration operations. At this time there are no known anthropological or environmental encumbrances on the Property.

1.4 Status of Exploration

First documented work on the showings was during the 1920s, then again in the 1960s and 70s. Small budget exploration programs were carried out during the 1990s and most recently during 2012. This work has comprised typical prospecting and exploration, including numerous geochemical and geophysical surveys over various parts of the Property. Most notably among these programs was a sustained period of privately funded exploration by Holberg Mines Ltd. during the 1920s that resulted in the development of at least four short adits, surface stripping, and limited follow-up diamond drilling of the mineralized horizons at the Millington showing during the 1960s.

In late 2018 and May 2019, Longford Exploration Services Ltd. (Longford Exploration Services) personnel visited the Bakar Property surrounding the historical Millington showing. At that time, 38 grab samples were collected from outcrop, and returned assay values ranged from 12 to 415,600 ppm Cu with an overall average of 72,872 ppm Cu.

Following the May 2019 fieldwork recommendations, Longford Exploration Services mobilized a crew of five from Vancouver, B.C. on June 4, 2019 to complete a ten-day site visit and review; the crew conducted further reconnaissance, geological and structural mapping, prospecting and sampling of the central Bakar Property. Work was completed throughout the Property; the Crackerjack Creek showing was the primary focus of the detailed study. In total, 34 soil samples were taken from the western flank of Crackerjack Creek, and, between the two showings, 22 rock samples were taken from across the Property, and 93 channel samples and 29 stream sediment samples were taken from different drainages around the Property.

In 2019, District Metals commissioned Geotech Ltd. to fly a VTEM™ survey directly over the Bakar Property. The survey was flown from May 17, 2019 to May 29, 2019 and covered 804 line-km and a total area of 80 km^2. The survey was composed of two separate blocks: Bakar and William Lake. The majority of the survey was flown over the Bakar block, and the William Lake block was added later in order to test the geophysical response of a small area around the William Lake copper occurrence (B.C. MINFILE 102I 007).

Following the 2019 VTEM™ survey, Condor North Consulting, ULC was commissioned to interpret the VTEM™ results from the recently flown survey to identify prospective targets for follow up. The interpretation successfully identified three Target Zones (TZs) which were deemed worthy of follow-up work.

To date, there has been no recorded production on the Bakar Property.

1.5 Geology and Mineralization

The Millington showings located in the center of the Bakar property are characterized by copper rich mineralisation hosted within stratabound lenses within the brittlely deformed Upper Karmutsen Formation, a subgroup of the Triassic Vancouver Group. Mineralisation consists of pods of chalcocite, bornite, chalcopyrite, malachite mineralization, which may also contain covellite, native copper and minor azurite mineralization. The mineralized showings, which are to be the focus of future exploration programs, have been previously classified as volcanic redbed copper deposits.

T The mineralogy, morphology, geochemistry and host rock alteration of mineralised rocks on the Bakar property are comparable to other volcanic redbed copper style deposits and described throughout the Karmutsen Formation basalts on Vancouver Island.

. Other deposit types may also occur on the Property.

1.6 Conclusions and Recommendations

Based on the evaluation of available data, the author of this Technical Report recommends a multi-phase exploration program for the Bakar Property:

- Digitize the information from historical drilling, geophysical surveys, mapping and sampling to provide a modern context to advance exploration efforts. Focus on an increased understanding of the nature and extent of mineralization using the geochemical and existing geophysical datasets (Phase 1).
- Conduct a detailed mapping and sampling program at the Millington showing (where multiple mineralized outcrops occur within the Karmutsen Formation) to delineate the extent and thickness of the mineralized horizons. Work should include stream sediment, soil/till and/or moss mat sampling, and channel sampling of visible surface mineralization (Phase 1).
- Based on the results of the initial exploration program, follow up with a diamond drilling program at the mineralized Millington showing (Phase 2). Due to the steep topography and dense vegetation, it is expected that helicopter-assisted drilling may be required. However, newly established logging tracks and forestry service roads could allow the area to be accessed at higher elevations on Mount Hansen, above the initial target at the Millington showing.

A preliminary budget for Phase 1 (pre-contingency) and Phase 2 is shown in Table 1.1. Phase 2 recommendations are conditional on the results of Phase 1.

Table 1.1: Preliminary Budget for Phase 1 and Phase 2

Phase	Description	Estimated Cost (CAD$)
1	Exploration program (24 day 4-person) • Prospecting • Geologic mapping • Geochem orientation • Stream sediment, soil/till and/or moss mat sampling • Channel sampling of visible surface mineralization • Site visit (QP/Senior Project Manager)	201,313.25
2	Diamond drilling program (3,500 m)	1,100,000
	GRAND TOTAL	**$1,301,313.25**

2 INTRODUCTION

2.1 Purpose of Report

This report has been prepared for Sherpa II Holdings Corp. (Sherpa II) of 918 -1030 West Georgia Street, Vancouver, B.C. V6E 2Y3. Sherpa II is a Canadian company involved in mineral exploration and development.

This report has been prepared in accordance with National Instrument 43-101 (NI 43-101) guidelines and its purpose is to provide the basis for an informed opinion as to the status and nature of the mineralization on the Bakar Property (the Property). This report is intended to fulfill Sherpa II's disclosure requirements under Canadian Securities laws, including *NI 43-101 Standards of Disclosure for Mineral Projects* and to support its application to the TSX Venture Exchange (TSXV) for listing on the TSXV exchange.

2.2 Terms of Reference

On the 13th of January 2021 , Sherpa II (the Issuer) engaged the services of Thomas Hawkins to prepare an independent National Instrument 43-101 (NI 43-101) Technical Report on the Bakar Property (Bakar or the Property) which is located in the Nanaimo Mining Division, in northern Vancouver Island. This report is part of its qualifying documentation for the TSX Venture Exchange in connection with the Issuer's (Sherpa II) _listing on the TSXV.

Thomas Hawkins is an independent qualified person (QP) as defined by Canadian Securities Administrators NI 43-101 and as described in Section 28 (Date and Signature Page) of this report.

This report is based on the author's personal examination of all available reports and data on the Bakar Property. The author has not relied on other experts in the preparation of this report. The sources of information and data contained in the technical report or used in its preparation are provided under Section 27 (References).

2.3 Sources of Information

The author has reviewed geological data obtained from British Columbia's provincial government reports and several papers published in scientific journals as referenced in Section 27 (References) of this report. The author has reviewed publicly available information from British Columbia's Mineral Titles Branch website found online for historical property assessment reports and mineral tenure information as well as its digital publication database for regional geological data and mineral occurrence information. Climate information was obtained from Environment Canada, and population and local information for the Project area was obtained from Wikipedia. The author also reviewed information provided by Longford Exploration Services field personnel.

This report is based on personal examination, by the author, of all available reports and data on the Bakar Property. The author visited the Property on 20th of January 2021 to evaluate the geological environment and assess the Bakar Property. The information, opinions and conclusions contained herein are based on:

- Information available to the author at the time of preparation of this report.
- Assumptions, conditions, and qualifications as set forth in this report.
- Data, reports, and other information supplied by the Company and other third-party sources.
- The author's site visit to the Bakar Propertyon the 20th of January 2021.
- The author's review of all available reports and legal documents.
- The authors expertise of similar projects

The property title and mineral rights to the Bakar Property are in good standing as indicated on the British Columbia Mineral Titles Branch website, Mineral Titles Online (MTO).

As of the date of this report, the author is not aware of any material fact or material change with respect to the subject matter of this technical report that is not presented herein, or which the omission to disclose could make this report misleading.

2.4 Details of Personal Inspection

The author visited the Bakar property for the purpose of groundtruthing the information provided by Longford exploration teams, as well as other historical information presented in this report.

On the morning of the 20th of January 2021 the author drove to the Millington area of the Bakar property from the hamlet of Holberg. The author walked along a creek from a well-maintained, active logging road to the marked location of the Crackerjack Creek showing, and to the location of the highest grade mineralisation reported by historical workers.

The author used a GPS, compass and tape-measure to verify the location, orientation, and extent of the historical workings. The author closely examined and photographed mineralization and alteration around the historical workings in order to verify statements made by previous workers about the geology of the showing.

The author left the site in the afternoon and then drove along other marked access roads,

2.5 Abbreviations and Units of Measurement

Metric units are used throughout this report, and all dollar amounts are reported in Canadian Dollars (CAD$) unless otherwise stated. Coordinates within this report use EPSG 26909 NAD83 UTM Zone 9N unless otherwise stated. A list of abbreviations used in this report are shown in Table 2.1.

Table 2.1: Abbreviations and Units of Measurement

Description	Abbreviation or Acronym
percent	%
three dimensional	3D
silver	Ag
gold	Au
Bakar Property	Bakar
British Columbia Geological Survey	BCSG
degrees Celsius	ºC
Canadian dollar	CAD$
chlorite	Cl
centimetre	cm
cc	chalcocite
cp	chalcopyrite
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
copper	Cu
diamond drill hole	DDH
District Metals Corp.	District Metals
east	E
electromagnetic	EM
epidote	Ep
degrees Fahrenheit	ºF
feet	Ft
gram	G
grams per tonne	g/t
billion years ago	Ga
Global Positioning System	GPS
Geological Survey of Canada	GSC
gigawatt hours	GWh
hectare	Ha
mercury	Hg
inductively coupled plasma	ICP
inductively coupled plasma-mass spectrometry	ICP-MS
inductively coupled plasma-optical emission spectrometry-mass spectrometry	ICP-OES/MS
induced polarization	IP
kilogram	Kg
kilometre	Km
metre	M
million years ago	Ma
millimetre	mm
molybdenum	Mo
million ounces	Moz
million tonnes	Mt
megawatt	MW
north	N
not applicable	n/a
North American Datum	NAD
National Instrument 43-101	NI 43-101
net smelter return	NSR

Description	Abbreviation or Acronym
National Topographic System	NTS
ounces per tonne	opt
ounce	oz
ounces per tonne	oz/t
lead	Pb
Professional Geoscientist	P.Geo.
parts per billion	Ppb
parts per million	Ppm
quality assurance/quality control	QA/QC
qualified person	QP
reduced to pole	RTP
south	S
antimony	Sb
specific gravity	SG
System for Electronic Document Analysis Retrieval	SEDAR
Sherpa II Holdings Corp.	Sherpa II
tonne	t
target zone	TZ
United States Geological Survey	USGS
versatile time domain electromagnetic	VTEM
x-ray fluorescence spectroscopy	XRF
west	W
zinc	Zn

3 RELIANCE ON OTHER EXPERTS

The author has not relied on the opinion of non-qualified persons in the preparing of this technical report. As described in sections 1.2 and 4.5 the author has reviewed the information regarding ownership, permits, licenses, environmental concerns, as described in the purchase agreements between Sherpa II and District Metals, were reviewed by the author in the document titled “Sherpa II Holdings Corp. and District Metals Corp. Purchase Agreement, August 17, 2020.” which was provided to the author by Sherpa II.

4 PROPERTY DESCRIPTION AND LOCATION

4.1 Location

The Bakar Property (Figure 4-1) extends 18 km to the northwest of Holberg, B.C. and 10.5 km to the southeast on northern Vancouver Island. The Property lies in the Nanaimo Mining Division, on NTS map sheet 092L 12 and is centred at approximately 128° 4'W longitude, 50°40'N latitude.

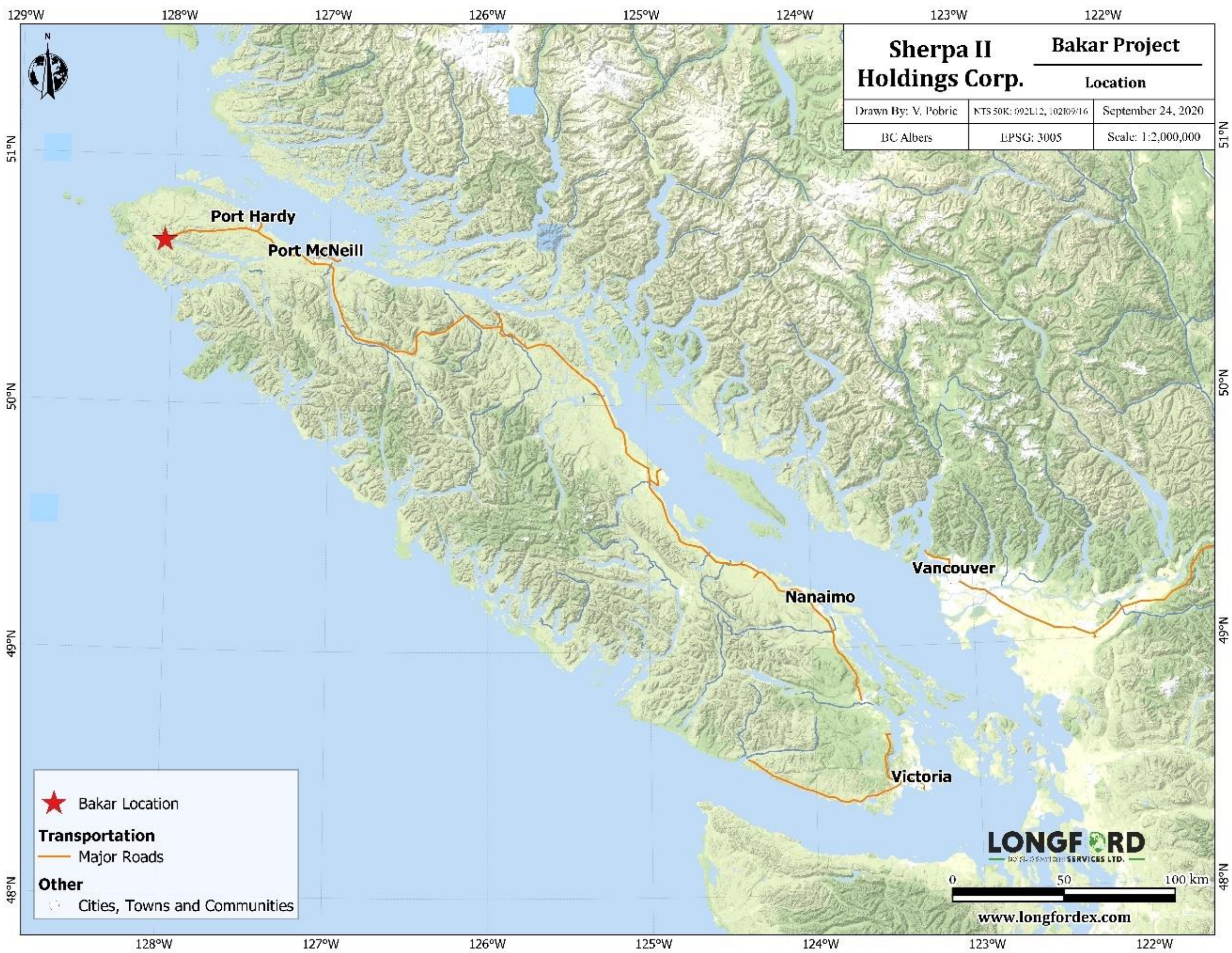


Figure 4-1: Bakar Property Location Map

Source: Map prepared by Longford Exploration Services, 2020 Mineral Titles

The Property consists of eight mineral claims (Figure 4-2) located in the Nanaimo Mining Division totalling 15,686.88 ha.

The author verifies that the claims that make up the Bakar property are recorded as being in good standing as of the date of this report and 100% owned by Sherpa II Holdings Corp as stated in Table 4.1.

Table 4.1: Bakar Property Mineral Tenures

Title Number	Claim Name	Issue Date yyyy-mm-dd	Good-to Date	Status	Area (ha)	Owner
1064067	Bakar	2018-10-26	2029-10-26	GOOD	1,352.25	Sherpa II Holdings
1065210	Tessa	2018-12-20	2021-12-20	PROTECTED	2,050.27	Sherpa II Holdings
1065211	Koda	2018-12-20	2021-12-20	PROTECTED	2,050.76	Sherpa II Holdings
1065212	Chantel	2018-12-20	2022-12-20	GOOD	2,048.45	Sherpa II Holdings
1065213	Tiny	2018-12-20	2022-12-20	GOOD	2,047.43	Sherpa II Holdings
1065214	Bandit	2018-12-20	2022-12-20	GOOD	2,046.67	Sherpa II Holdings
1065215	Marlee	2018-12-20	2021-12-20	PROTECTED	2,045.92	Sherpa II Holdings
1065216	Avery	2018-12-20	2021-12-20	PROTECTED	2,045.13	Sherpa II Holdings
				TOTAL	**15,686.88**	

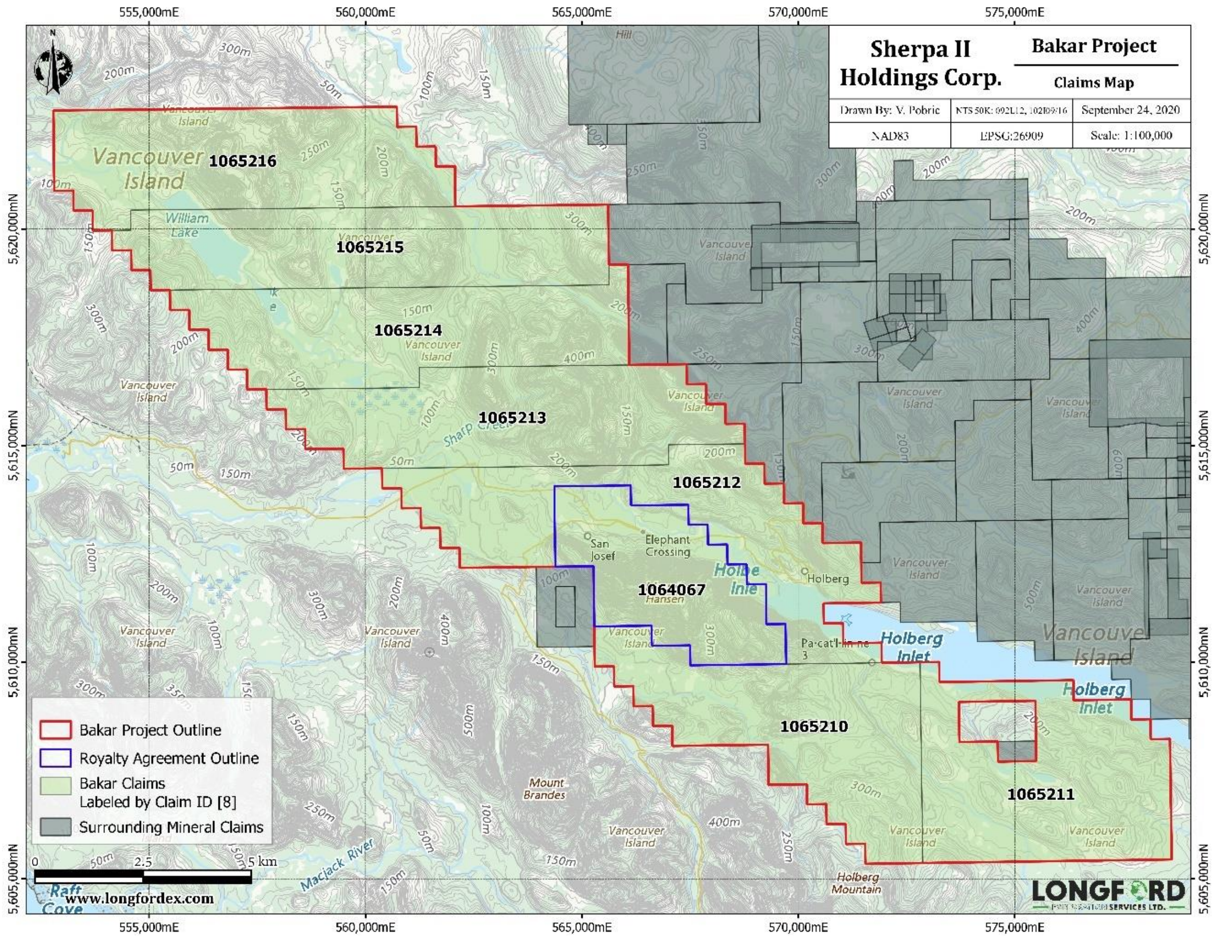


Figure 4-2: Bakar Property Claims

Source: Map prepared by Longford Exploration Services, 2020

4.2 Mineral Rights in British Columbia

Mineral claims in British Columbia are subdivided into two major categories: placer and mineral. Both are acquired using the Mineral Titles Online (MTO) system. The online MTO system allows individuals to acquire and maintain (register work, payments, etc.) mineral and placer claims. Mineral Titles can be acquired anywhere in the province where there are no other impeding interests (other mineral titles, reserves, parks, etc.).

The electronic (web-based) map allows users to select single or multiple adjoining grid cells. Cell sizes vary from approximately 21 ha (457 m x 463 m) in the south to approximately 16 ha at the north of the province. Cell size variance is due to the longitude lines that gradually converge toward the North Pole.

MTO calculates the exact area in hectares according to the selected cells and calculates the required fee. The fee is charged for the entire cell, even though a portion may be unavailable due to a prior legacy title or alienated land. The fee for Mineral Claim registration is $1.75 per hectare.

Upon immediate confirmation of payment, the mineral rights title is issued and assigned a tenure number for the registered claim. An email confirmation of the transaction and title is sent immediately.

Rights to any ground encumbered by existing legacy claims will not be granted with the cell claim except through the Conversion process. However, the rights held by a legacy claim or lease will accrue to the cell claim if the legacy claim or lease should terminate through forfeiture, abandonment, or cancellation, but not if the legacy claim is taken to lease. Similarly, if a cell partially covers land that is alienated (park, reserve etc.) or is a reserve, no rights to the alienated or reserved land are acquired. But, if that alienation or reserve is subsequently rescinded, the rights held by the cell expand over the former alienated or reserve land within the border of the cell.

Upon registration, a cell claim is deemed to commence as of that date (Date of Issue) and is good until the Good-to Date (Expiry Date) that is one year from the date of registration. To maintain the claim beyond the expiry date, exploration and development work must be performed and registered, or a payment, instead of exploration and development, may be registered. If the claim is not maintained, it will forfeit at the end of the Expiry Date and it is the responsibility of every recorded holder to maintain their claims; no notice of pending forfeiture is sent to the recorded holder.

A mineral or placer claim has a set expiry date (the Good-to Date), and in order to maintain the claim beyond that expiry date, the recorded holder (or an agent) must, on or before the expiry date, register either exploration and development work that was performed on the claim, or a payment instead of exploration and development. Failure to maintain a claim results in automatic forfeiture at the end (midnight) of the expiry date; there is no notice to the claim holder prior to forfeiture.

When exploration and development work or a payment instead of work is registered, the claim may be advanced forward to any new date. With a payment, instead of work, the minimum requirement is six months, and the new date cannot exceed one year from the current expiry date; with work, it may be any date up to a maximum of ten years beyond the current anniversary year. “Anniversary year” means the current period of time from the last expiry date to the next immediate expiry date.

All recorded holders of a claim must hold a valid Free Miners Certificate (FMC) when either work or a payment is registered on the claim.

Clients need to register a certain value of work or a "cash-in-lieu of work" payment to their claims in MTO. Tables 4.2 and 4.3 outline the costs required to maintain a claim for one year.

Table 4.2: B.C. Work Requirements for Mineral Tenures

Anniversary Year	Work Requirements ($ per hectare)
1 and 2	5
3 and 4	10
5 and 6	15
7 and subsequent	20

Table 4.3: B.C. Cash-in-lieu for Mineral Tenures

Anniversary Year	Cash Payment-in-Lieu of Work ($ per hectare)
1 and 2	10
3 and 4	20
5 and 6	30
7 and subsequent	40

4.3 Property Legal Status

The MTO system (https://www.mtonline.gov.bc.ca/mtov/home.do) confirms that all claims of the Bakar Property (Table 4.1) are in good standing as at the date of this report and that no legal encumbrances are registered with the Mineral Titles Branch against the titles at that date.

The Property has not been legally surveyed to date.

The Order of the Chief Gold Commissioner took measures on March 27, 2020 to extend all active mineral claims with an expiry date prior to December 31, 2021. These claims have been amended from their current expiry date and have been extended to December 31, 2021. These measures have been put in place as a direct result of the safety and travel restrictions set up to prevent the spread of the COVID-19 virus. These measures will allow title holders the additional time required to carry out assessment work on claims to keep them in good standing.

4.4 Nature of Title to Property

The Bakar Property consists of eight mineral claims (Bakar, Tessa, Koda, Chantel, Tiny, Bandit, Marlee, and Avery) and covers approximately 15,686.88 ha (collectively, the Bakar Claims). The online registry currently shows that the Bakar Claims are 100% owned and registered in the name of District Metals Corp. (District Metals). District Metals directly holds 100% of the rights, title, and interest in the Bakar Claims.

Sherpa II Holdings Corp. (the Purchaser) and District Metals (the Vendor) are party to a purchase agreement dated August 17, 2020 to which the Purchaser has agreed to purchase and the Vendor has agreed to sell an 80% undivided legal and beneficial interest in the Bakar Claims (the Acquired Interest) and a 100% undivided legal and beneficial interest in the Bakar Claims Data (as defined in the agreement) for $50,000 in cash and 1,000,000 common shares (the Consideration Shares) of Sherpa II Holdings Corp.

Additionally, there exists a Royalty Agreement between the Vendor (under its former name, MK2 Ventures Ltd.) and Longford Capital Corp. (the Royalty Holder) dated July 12, 2019 providing a royalty equal to 2% of the net smelter return (NSR, as defined by the royalty agreement) with respect to one of the Bakar Claims (1064067 covering 1,352.25 ha). The Vendor retains the right to purchase 1% of the NSR for $1,500,000 cash and may also purchase the remaining 1% NSR for 5,000,000 cash, dissolving the NSR entirely.

Both the Vendor and the Purchaser have agreed to enter into an unincorporated joint venture (the Joint Venture) with respect to their respective interests in and to the Bakar Claims on completion of the Transaction on the Closing Date (as defined in the agreement).

4.5 Surface Rights in British Columbia

Surface rights are not included with mineral claims in British Columbia. However, the Mineral Tenure Act allows persons holding a valid free miner certificate (free miner) to enter mineral lands to explore for minerals whether surface is owned privately or by the Crown. Right of entry onto these lands does not include land occupied by a building, the area around a dwelling house, orchard land or land under cultivation, protected heritage property or land in a park.

Miners entering on private lands must serve notice in the prescribed manner and compensate the landowner for any loss or damages resulting from the mining activities, including prospecting, mapping, sampling, geophysical surveys, as well as any activities that disturb the surface. Landowners must be notified prior to persons entering onto private land for any mining activity and may not begin until eight days after giving notice to the owners of the surface area where the activity will take place. Notice must include the dates when the activities will take place, where the activity will occur, and the names and addresses of the free miner or recorded holder and of the on-site person responsible for the operations. Details describing the activities that will be carried out, the number of people that will be on-site, including a map or written description of where the activities will take place, are also required. Notices may be emailed, faxed, or hand delivered to the landowner. Any substantial changes to the activity described in the notice must be given to the landowner in an amended notice and work may not begin until eight days after the amended notice has been delivered.

Figures 4-3 and 4-4 show an overview of the current private land ownership situation for the Bakar Property. Typically, a Title Search would be performed to determine individual title ownership. Based on personal correspondences, the author understands the bulk of the private surface rights for the Bakar Property are owned by Western Forest Products (WFP), and WFP is actively logging the local area. Data were retrieved from the British Columbia Data Catalogue at https://catalogue.data.gov.bc.ca/dataset/parcelmap-bc-parcel-fabric.

On May 30, 2019, District Metals submitted a landowner notification form to WFP regarding its upcoming exploration programs.

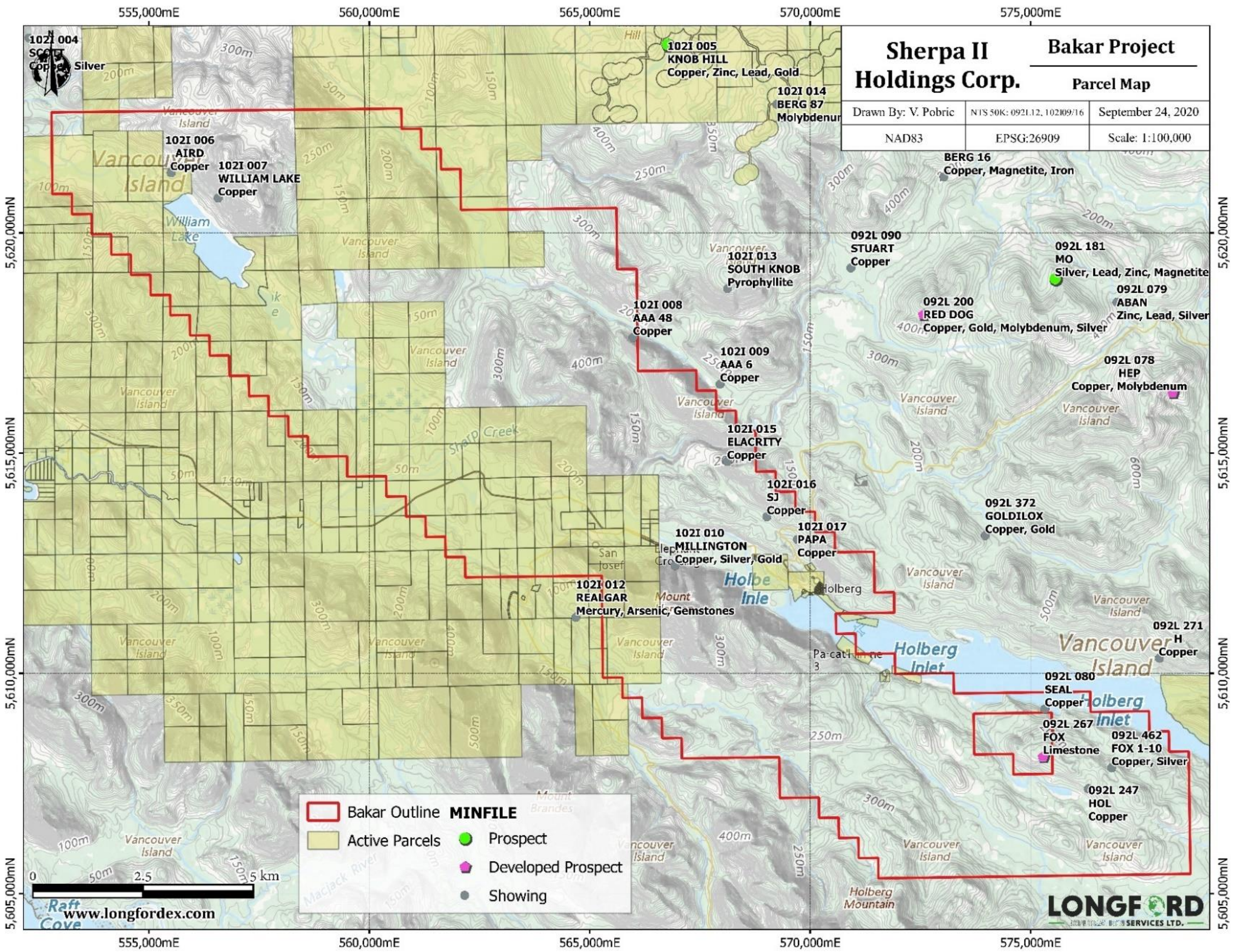


Figure 4-3: Private Land Position Coincident with the Bakar Property (BC Data Catalogue, 2020)

Source: Map prepared by Longford Exploration Services, 2020

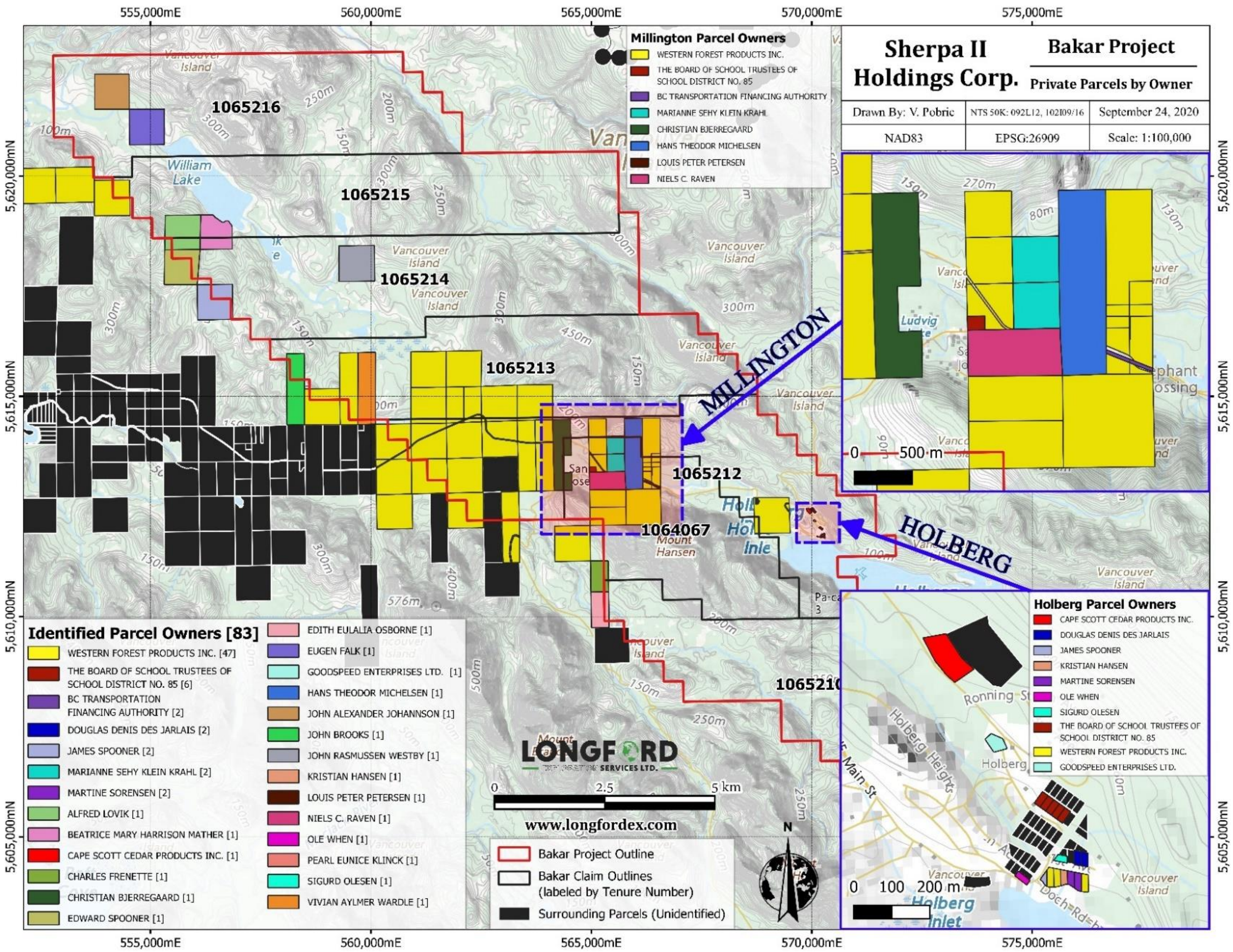


Figure 4-4: Bakar Property Land Private Parcel Owners (BC Data Catalogue, 2020)

Source: Map prepared by Longford Exploration Services, 2020

4.6 Permitting in British Columbia

Any work which disturbs the surface by mechanical means on a mineral claim in British Columbia requires a Notice of Work (NOW) permit under the Mines Act. This includes, but is not limited to, the following types of work: drilling, trenching, excavating, blasting, construction of a camp, demolition of a camp, induced polarization surveys using exposed electrodes, and reclamation.

Exploration activities which do not require a NOW permit include prospecting with hand tools, geological/geochemical surveys, airborne geophysical surveys, ground geophysics without exposed electrodes, hand trenching, and the establishment of grids.

Sherpa II does not currently have any permits pertaining to exploration on the Property; however, there is a multi-year permit application currently pending approval. A multi-year permit application was submitted to FrontCounterBC in early January 2020 with a proposed timeframe of five years for the following work: 13 diamond drill holes for a total meterage of 1,995 m, and two IP geophysical surveys each consisting of 11,000 line-km, respectively. The application is currently in the First Nations Consultation stage of review. A proactive working dialogue should be established with the relevant First Nations and other stakeholders to expedite permitting and land access.

4.7 Environmental

At the time of writing this report, there are no known environmental liabilities to which the Property is subject, and the only liability the author is aware of relating to historical mining or exploration activities at this time lies within the five known historical adits which are limited in extent and generally shallow. These known adits may require reclamation at some point in the future.

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

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

The Bakar Property extends 18 km to the northwest and 10.5 km to the southeast of Holberg B.C. The Property is accessible from Holberg via San Josef Road (Figure 5-1) at the east of the Property and Winter Harbour Road at the west of the Property. These public roads service Winter Harbour and the Cape Scott Provincial Park areas. An extensive network of logging roads along the southern shore of Holberg Inlet and along the San Josef Road west of Holberg also service the Property. The main active logging roads include Sanjo Main, Stranby Main, Fisherman Main and the SJ100. Active logging roads extend to the boundary limits of Cape Scott Provincial Park on the northern tip of Vancouver Island. Distances by road from the Property to select cities and ports are summarized in Table 5.1.

Figure 5-1: Road Access to the Property via San Josef Road

Source: Longford Exploration Services, 2019

Table 5.1: Driving Distances to the Property

Location (population)	Description	Distance to Property (km)
Holberg (35)	Nearest small town	1
Winter Harbour (5)	Nearest town with services	20
Port Hardy (4,132)	Nearest city with services	51
Victoria (85,792)	Nearest international airport	542
Nanaimo (90,504)	Port, mining services centre	432

Source: 2016 Census Canada, https://www12.statcan.gc.ca/census-recensement/index-eng.cfm

5.2 Climate

This region is characterized by an oceanic or maritime climate, typical of western coasts in higher middle latitudes of continents. This type of climate generally produces cool summers and mild winters (relative to its continental mid-latitude counterparts), significant annual rainfall, and few extremes of temperature. Average daily temperatures in the summer range from 12 to 14°C and 4.0 to 5.5°C in the winter. The total average annual rainfall for Port Hardy is 1,865.7 mm with the most significant amount of precipitation occurring between October and February. Spring and summer months are considerably drier, providing ideal conditions for the entire exploration season (Table 5.2).

The nearest active weather station to the Property is 51 km east at the Port Hardy Regional Airport.

Based on available data and knowledge of the general area, an eight-month operating (field) season could reasonably be expected. Year-round drilling operations may be possible if suitable road access can be established to the drill site.

Table 5.2: Climate Data for Port Hardy Weather Station

Climate Data	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
Daily Average (°C)	4.2	4.4	5.5	7.3	10.1	12.3	14.3	14.4	12.2	8.8	5.5	3.7	8.6
Record High (°C)	6.5	7.3	8.9	11.2	13.9	15.9	17.8	18.1	15.8	11.8	8.1	6.0	11.8
Record Low (°C)	1.8	1.4	2.0	3.4	6.1	8.7	10.7	10.7	8.5	5.7	3.0	1.3	5.3
Avg Precip. (mm)	247	160.2	159.7	125	79.3	80.7	53.7	73.1	109.6	256.7	311.7	250.9	1,907.6
Avg Rainfall (mm)	235.0	151.9	154.8	123.5	79.2	80.7	53.7	73.1	109.6	256.5	307.9	239.9	1,865.7
Avg Snowfall (cm)	12.4	8.8	4.9	1.5	0.1	0.0	0.0	0.0	0.0	0.1	3.9	10.8	42.7

Source: 1981 to 2010 Canadian Climate Normal station data; Port Hardy, B.C.; 50°40'49.000" N 127°21'58.000" W 21.60 m

5.3 Local Resources

General and skilled labour is readily available in the City of Nanaimo (population 90,504). The city is 432 km by road from the Property and offers year-round charter and scheduled, fixed-wing service, B.C. Provincial Police detachment, hospital, ambulance, fuel, lodging, restaurants, and equipment. And 3G cellular service covers higher elevations of the Property. Port Hardy (pop. 4,132) is 51 km from the Property and also operates a small-scale airport that can accommodate smaller aircraft carrying no more than 15 passengers.

The small town of Holberg is located within the Property boundary at the head of Holberg Inlet. Holberg supports a locally active forestry industry and has a permanent population of 35 and limited services. Some services and harbour facilities are also provided at Winter Harbour (approximately 20 km south of the property) which supports fishing and tourism industries in the Northwest Vancouver Island area.

The historic, now-decommissioned town of San Josef is located on the Property along the San Josef Road at the northern end of Mount Hansen.

5.4 Infrastructure

A transmission line crosses the Property along the San Josef Road alignment and services the townships of Holberg and Winter Harbour.

Electricity is generated locally at the Cape Scott Wind Farm which is located on the Knob Hill Plateau approximately 3 km northwest of the Property. The 99 megawatt (MW) Cape Scott Wind Farm was commissioned in 2013 and is expected to generate 290 GWh of clean energy which is transmitted to the Port Hardy Substation via a 132 kV transmission line.

Additionally, there are four hydroelectric systems, with six generating stations located on Vancouver Island with a total capacity of 459 MW. The next closest power station to the Property is the John Hart Generating Station located in Campbell River, B.C. This facility was built in 1947 and has a generating capacity of 138 MW; however, the construction of a new generating station is currently underway.

Numerous water sources are available both on and immediately adjacent to the Property, including a town water supply at Holberg, and numerous lakes and rivers in the local area. Local subsurface aquifers may also be present on the Property.

The physiography, described hereafter, and the abundance of forestry works in the local area provide numerous, easily accessible, potential areas for mine infrastructure such as mill sites and tailings disposal sites; there is enough to service any future project requirements, but the exact nature of that has not been contemplated as at the date of this report.

5.5 Physiography

The Bakar Property is located within the foothills of the Vancouver Island Ranges, a sub range of the Insular Mountains. The topography rises steeply from the northeastern side of Holberg Inlet, characterized by a central east-west trending ridge at an elevation of 540 m. Mount Hansen is located at the western end of Holberg Inlet and rises 606 m to its peak.

Property elevation changes are softer in the flat-bottomed valleys and lower relief undulating foothills (between sea level and 200 m elevation); however, steep elevation changes also occur in closer proximity to the ranges and prominent mountain peaks.

This area is heavily vegetated with second- and first-growth forests of predominantly fir, hemlock, spruce and cedar trees. The area has undergone active logging for several decades, and, as a result, second-growth areas have variable age, density, and ease of access.

The fauna in the area include deer, moose, black bears, cougars, wolves, coyotes, and bald eagles which is typical of coastal northwest British Columbia.

6 HISTORY

6.1 Historical Exploration Activity

The first report and map on the geology of northern Vancouver Island was published in 1887 by George M. Dawson of the Geological Survey of Canada.

The western end of Holberg Inlet has been explored for limestone, copper and gold intermittently for decades starting in 1919 under the historical Millington Group of claims, owned by Dave Spooner, E. Spooner, E. Peterson, P. Obling, J. Bell, and James Spooner (associates of Holberg Mines Ltd.). Various physical works, trenching, stripping, and diamond drilling activities were carried out over the property up until the 1920s. After a short hiatus of exploration in the area, activities resumed again in the 1960s.

In 1962, the British Columbia Department of Mines in conjunction with the Geological Survey of Canada conducted an airborne magnetic survey over the northern portion of Vancouver Island. This survey identified a northwest-trending belt of magnetic highs north of Holberg and Rupert Inlets and an aeromagnetic anomaly in the eastern portion of the original Fox Claims, which currently lies in the southeasternmost portion of the Bakar Property.

The northern portion of the Bakar Property covers the historical Aird claims. In 1969, a geochemical and geological survey was carried out over the Aird 1-20 claims (Report 01909) by Utah Construction and Mining Co. This geochemical soil program collected 1,032 samples and analyzed 516 of them for copper. The program was laid out over a 500 ft x 200 ft grid with 100 ft intervals between sampling stations. The program outlined three significant copper anomalies based on background values within the area of 25 ppm Cu. The first anomaly crosscuts the Aird 17 and 18 claims (1,400 ft x 200 ft) and showed a high value of 266 ppm Cu. The second is in the south-central portion of the Aird 3 claim (700 ft x 300 ft) and returned one soil sample with 720 ppm Cu. The third anomaly is on the Aird 12 claim and is defined by two lines with peak values of 202 ppm Cu. These anomalous zones are believed to be underlain by the Karmutsen volcanics.

In 1974, five diamond drill holes totalling 149.35 m were drilled by Holberg Mines Ltd. over the Fox claims in an area of limestone overlying basalt. These holes were drilled to test anomalies that were previously outlined in a geophysical and geological survey carried out in 1972 which included the discovery of copper occurrences near the headwaters of Native Creek (Weymark, 1974). The drill holes intersected basalt with chalcopyrite traces in the bottom of one of the holes, and a trace of chalcopyrite in a limestone band within andesite in another hole (Pawliuk, 1994). A mineralized section found in hole 74A-3 returned values of 0.01% Cu, 0.005 oz/t Au, 0.10 oz/t Ag at a depth of 114 to 115 ft.

In 1976, H. S. Haslam & Associates estimated 260 million short tons of limestone in place, based on an area of 190.3 ha, a depth of 45.72 m and a density of 2,722 kg/m3 (Report 06053), and, in 1980, the Lime, Joy and Fox claims were acquired by World Cement Industries (Weymark, 1980). Limited follow-up work has taken place since. The author (or any other qualified person) has not been able to independently verify this information and has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. There is insufficient information to define this historical estimate in a modern classification. It is not necessarily indicative of the mineralization on the Bakar Property which is the subject of this report. The Issuer (Sherpa II) is not treating this historical estimate as current mineral resources or mineral reserves.

In 1990, the area surrounding William Lake was explored by Universal Trident Inc. The area covers the historical Will 11-16, Lake 1-10 and Stran 1-2 claims. Rock samples collected on the north side of William Lake returned 13,805 ppm Cu and 24.2 ppm Ag. A piece of malachite and bornite-bearing float contained 8,584 ppm Cu and 5 ppm Ag. Moss mat samples anomalously contained copper and gold. Results show that significant mineralization occurs in volcanics northeast of William Lake.

In 1991, Consolidated T. C. Resources Ltd. (Consolidated) carried out a geochemical survey and line cutting on the Stran 4 and 5 claims. These claims lie to the southeast of William Lake. The program consisted of 113 soils samples collected at 25 m intervals with 200 m line spacings and 7.6 km of cut lines. Consolidated also carried out work on the Stran 5-9 claims during 1991. Work consisted of 27 km of line cutting, a magnetometer survey over 14.9 km, and the collection of 10 silt samples.

In 1991, the Elacrity claim area, located north of Holberg Inlet, was also explored by Consolidated. A geochemical soil sampling program outlined a significant copper anomaly which encompassed about a third of the mineral claim area.

In 1994, geochemical rock sampling, heavy mineral sampling, prospecting and geological mapping were carried out over the Fox claims by owners Pawliuk and Dasler. A rock sample returned 14,114 ppm Cu, 2.3 ppm Ag, and 14 ppb Au. A moss mat was also sampled during the program which returned values of 136 ppm Cu, 0.2 ppm Ag, and 5 ppb Au, as well as 131 ppm Cu, 0.2 ppm Ag, and 7 ppb Au from a panned concentrate.

Figure 6-1 outlines the exploration footprints of historical work reported within the BC Assessment Report Database (https://aris.empr.gov.bc.ca/).

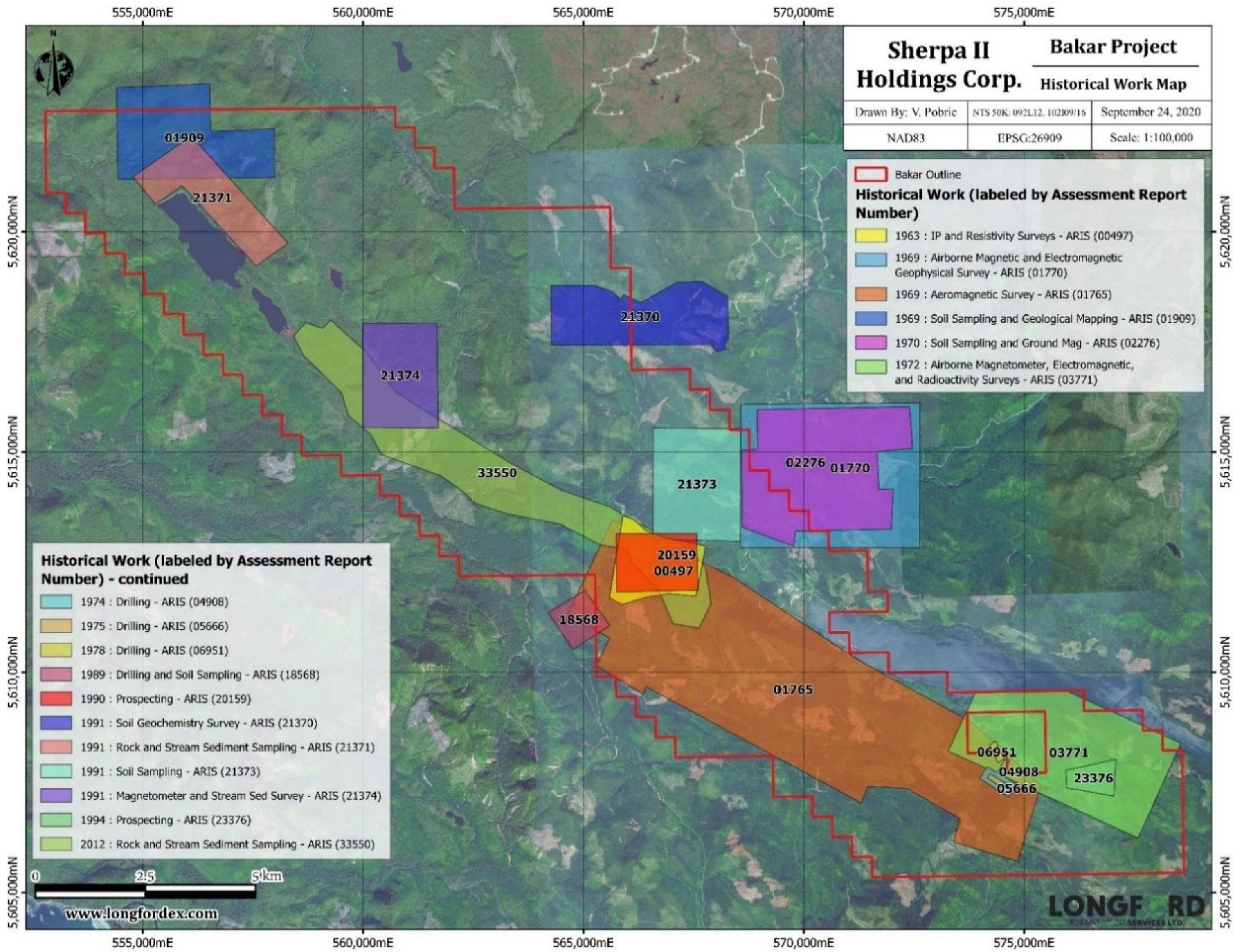


Figure 6-1: Selected Historical Work Areas over the Bakar Property

Source: Map prepared by Longford Exploration Services, 2020

6.2 2018 and 2019 District Metals Field Programs

6.2.1 August 2018 Field Program

On August 23, 2018, Longford Exploration Services Ltd. (Longford Exploration Services) completed a site visit on the Bakar Property on behalf of District Metals.

The aim of the visit was to investigate the prospectivity of the property for copper mineralization, verifyareas of known mineralization, and check the Property for further potential. A total of ten rock grab samples were taken in flow breccias, lapilli tuffs, amygdaloidal basalts, and pillow basalts of the Karmutsen Group with results ranging from 12 ppm to 28.03% Cu. The mineral showing of B.C. MINFILE 102I 010 was explored and sampled, but no adits were identified in the area at that time. Bornite, chalcocite, and chalcopyrite lenses were identified at higher elevation on the edge of the 1963 IP geophysical anomaly. Strong mineralization was found in a distinct horizon in the Karmutsen Group which appeared as light olive green amygdaloidal volcanics and flow breccia tuff, in contrast to the underlaying, unmineralized pillow basalts and dark green amygdaloidal basalt. The copper found in this roughly northwest-trending Karmutsen horizon occurs as lenses and veins of mainly chalcocite, bornite, and malachite.

The property was staked on the 26th of , 2018 following this positive results of this work. Between December 10 and 12, 2018, Longford Exploration Services completed another short, two-day site visit to the Property on behalf of District Metals to carry out more prospecting and to assess the lateral extent of mineralization over the Property. A total of seven rock samples were collected during the visit from outcrops of breccia, tuff and gabbro. Four of the samples collected from the gabbro contained massive chalcocite, chalcopyrite, bornite and had intense malachite staining which all returned values >10,000 ppm Cu. The other samples contained vein-hosted and disseminated sulphides one of which contained 8,300 ppm Cu. Outcrops exhibited a moderate degree of oxidation and appeared to be located within a shear zone. Visible structures (Figure 6-2) within the outcrops included quartz-carbonate veins, isolated quartz veinlets, brecciated augens approximately 2 cm long, a high degree of shearing, and some crenulations.

Figure 6-2: Mineralization Located during the 2018 Exploration Program

Source: Photographs from Longford Exploration Services, 2019

6.2.2 May 2019 Field Program

On May 12, 2019, Longford Exploration Services mobilized a crew of four from Vancouver, B.C. on behalf of District Metals to carry out a three-day site visit and review; the crew conducted reconnaissance, geological mapping, prospecting, and sampling of the central Bakar Property. The primary aim of the program was to plan for a larger program later in the season. The program ran between May 12 to May 15, and, during the program, a total of 21 rock samples and three stream sediment samples were collected.

General geological and prospecting activities focused on locating and confirming the existing mineralized showings identified in the B.C. MINFILE (Millington 102I 010), and additional showings that were identified and assayed by Longford Exploration Services.

The field team confirmed the local host lithologies and identified the structural controls that surrounded the mineralized showings; numerous samples were collected for further detailed analysis. Generally, the geological environment is consistent with the descriptions contained herein, and consistent with the favoured (redbed-type copper) deposit model characteristics and associated styles of mineralization.

Typical early-stage work completed by Longford Exploration Services has included classifying, mapping and sampling of mineralized showings and hosting geology, locating historical workings as well as obtaining general structural orientation data, (structures, contacts, mineralization) and describing observed lithologies. This work has focused particularly in the area surrounding B.C. MINFILE 102I 010 where a historically reported sample returned values of 21% Cu, 56.20 g/t Ag, and 0.0001 g/t Au, and in the area surrounding new mineralized showings located during the 2018 field visits made by Longford Exploration Services.

A total of seven historical exploration cuts and five historical adits were located and recorded with handheld GPS (Figure 6-3).

Further work at the Bakar Property was recommended for the 2019 summer. This included additional mapping and sampling, with a view to further developing the understanding of the property geology and mineralization.

Significant results were returned from five samples over the sampled areas (Table 6.1). These were located surrounding the historical Millington showing and a secondary showing located 175 m along strike to the northwest (Figure 6-4).

Effective May 23, 2019, the Bakar Claim (100% registered in the name of James Rogers) along with the additional Bakar Claims (Tessa, Koda, Chantel, Tiny, Bandit, Marlee, and Avery; 100% registered in the name of Garrett Ainsworth) were transferred to District Metals.

Table 6.1: Selected Copper (%) and Silver (ppm) Results in Rock Samples from Millington Showing Area (with exceptionally high results; May 2019)

Sample ID	Easting	Northing	Description	Cu (%)	Ag (ppm)
3267064	566750	5612367	Sample of massive copper mineralization. massive Chalcocite, covellite, chalcopyrite, bornite, and native copper.	41.56	186.6
3267068	566722	5612300	Mineralized and oxidized sheared basalt with tarnished sulphides including bornite, chalcocite, chalcopyrite, and native copper.	24.52	66.8
3267066	566761	5612344	Sample of Massive copper mineralization within basalt host rock. Massive Chalcocite, covellite, chalcopyrite, bornite, and native copper.	21.58	114.5
3267070	566752	5612298	Highly mineralized and oxidized sheared basalt with tarnished sulphides including bornite, chalcocite, chalcopyrite, and native copper.	14.66	35.9
3267107	566630	5612466	Moderately mineralized and oxidized sheared basalt with tarnished sulphides including bornite, chalcocite and malachite	5.86	5.1

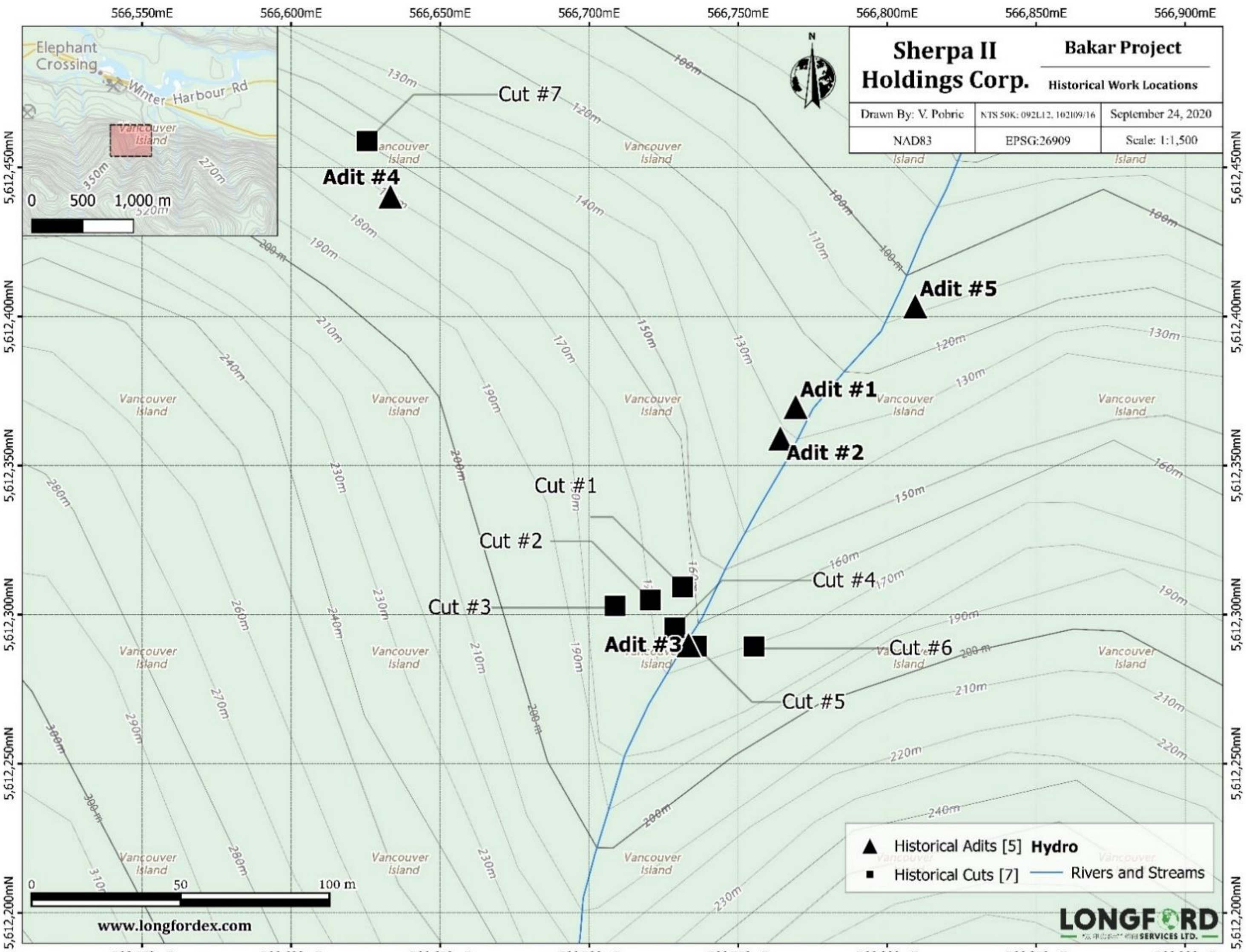


Figure 6-3: Location of Historical Workings Identified during 2018 and 2019 Site Visits (located with handheld GPS)

Source: Map prepared by Longford Exploration Services, 2020

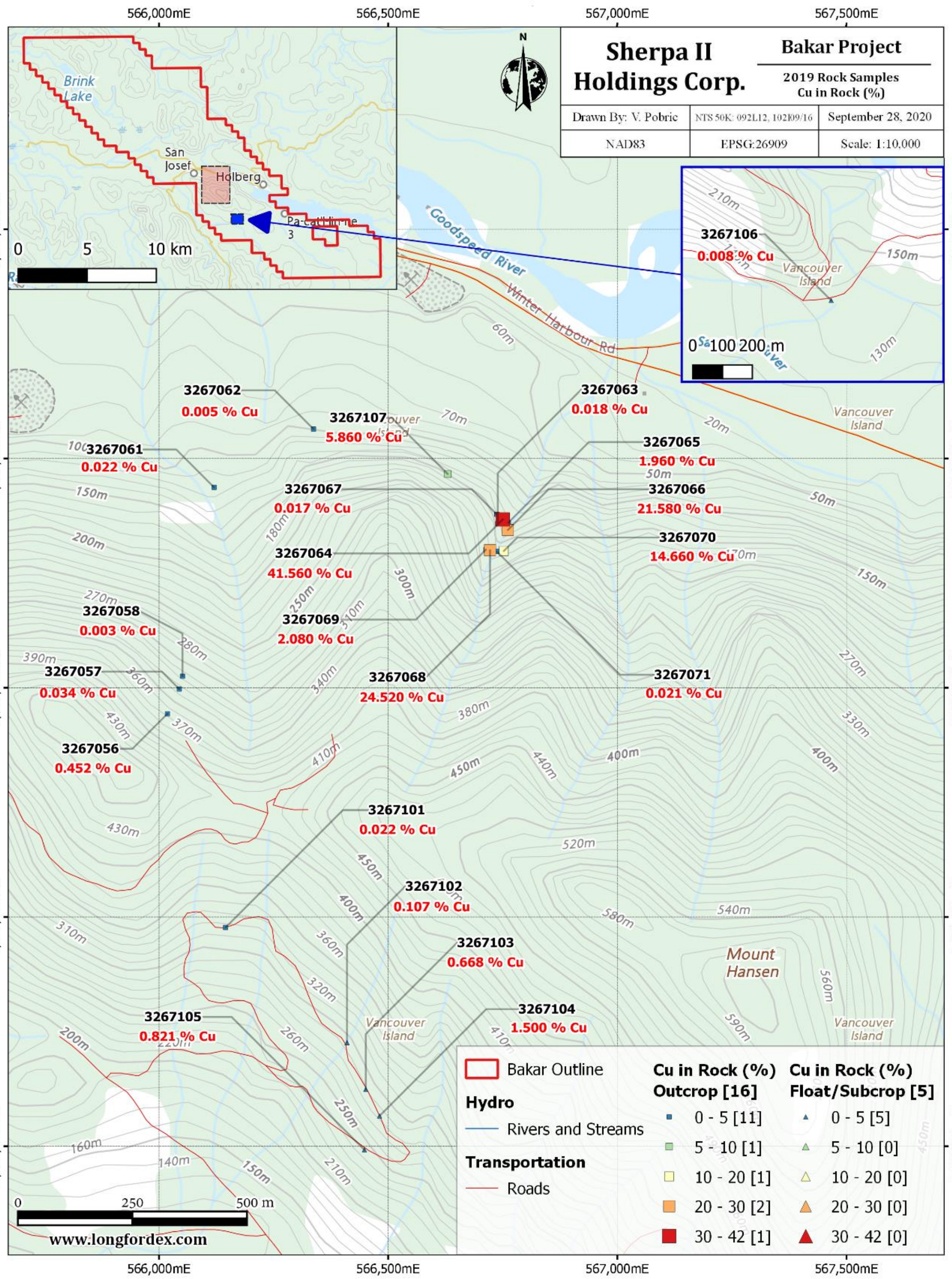


Figure 6-4: Location Map of 2019 Rock and Stream Sediment Samples Collected surrounding the Millington Showing

Source: Map prepared by Longford Exploration Services, 2020

6.2.3 June 2019 Field Program

On June 4, 2019, following the May fieldwork recommendations, Longford Exploration Services mobilized a crew of five from Vancouver, B.C. on behalf of District Metals to complete a ten-day site visit and review; the crew conducted further reconnaissance, geological and structural mapping, prospecting, and sampling of the central Bakar Property. Work was completed throughout the Property; the Crackerjack Creek showing was the primary focus of the detailed study.

Thirty-four soil samples were taken from the western flank of Crackerjack Creek and between the two showings. The soils were taken in a 25 m x 25 m grid between the showings, and in a 50 m x 50 m grid on the western flank to test for continuity of mineralization, geographical correlation and the efficacy of soil sampling as a tool for exploration.

In total, 22 rock samples were taken from across the Property, testing known mineralization, structures, wall rock and different units to determine the extents of mineralization.

Ninety-three channel samples were collected and sent to the laboratory for analysis. The goal was to confine mineralization and test its continuity around the Crackerjack Creek showing.

Twenty-nine stream sediment samples were taken from different drainages around the Property. Each drainage/creek received two samples. One sample was taken close to the inflexion point between the valley and hillside, while the second sample was taken 100 m upstream.

Structural mapping was completed up Crackerjack Creek, and a detailed analysis was completed connecting structural controls to their relationship with mineralization.

Historical workings were mapped and reviewed to help define the extent of mineralization and historical explorations, and to determine future exploration methods.

Figures 6-5 to 6-8 show the sampling and geological mapping for the 2018 and 2019 field programs.

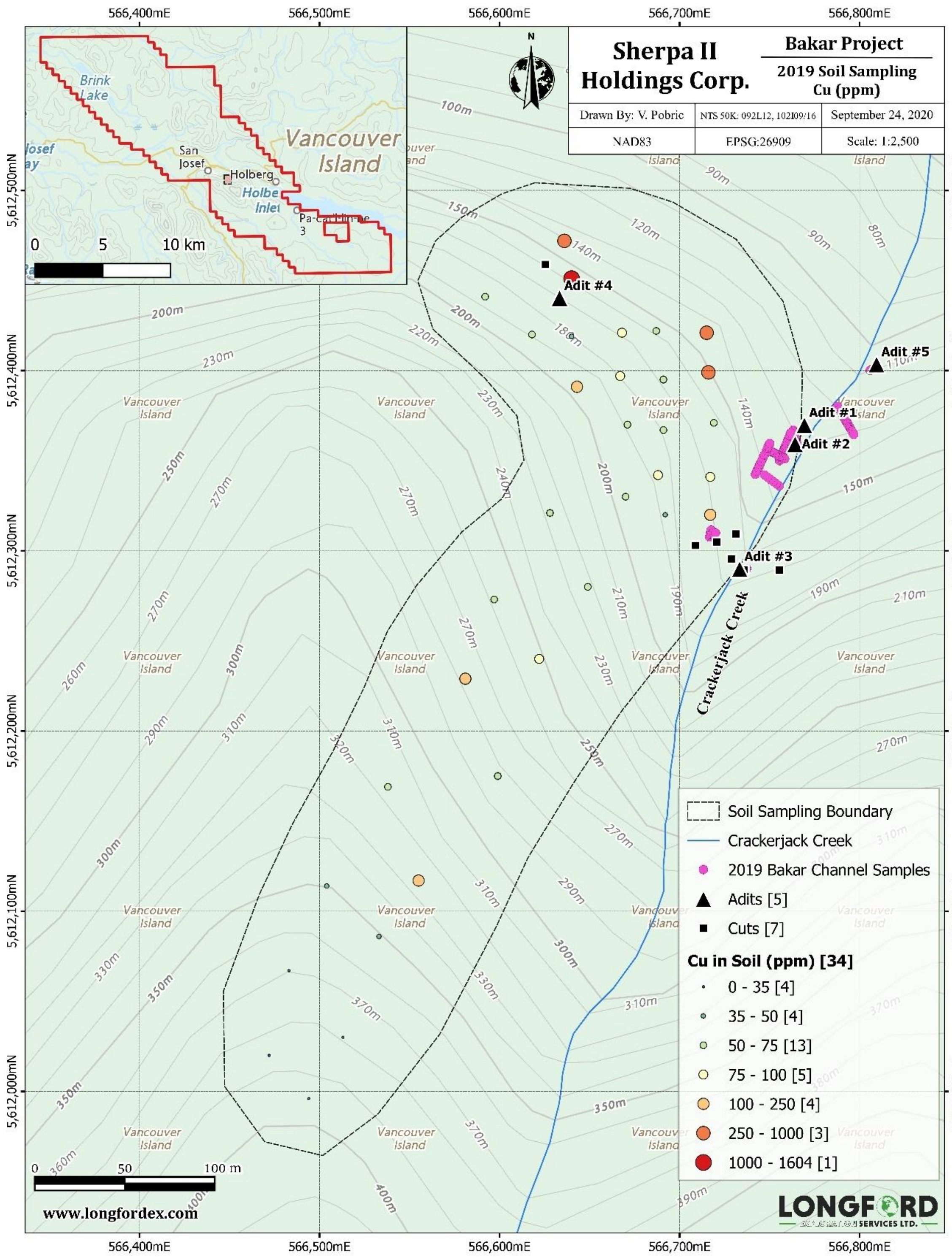


Figure 6-5: June 2019 Soil Sample Locations with Recorded Copper Values (ppm)

Source: Prepared by Longford Exploration Services, 2020 (on behalf of Luke van der Meer)

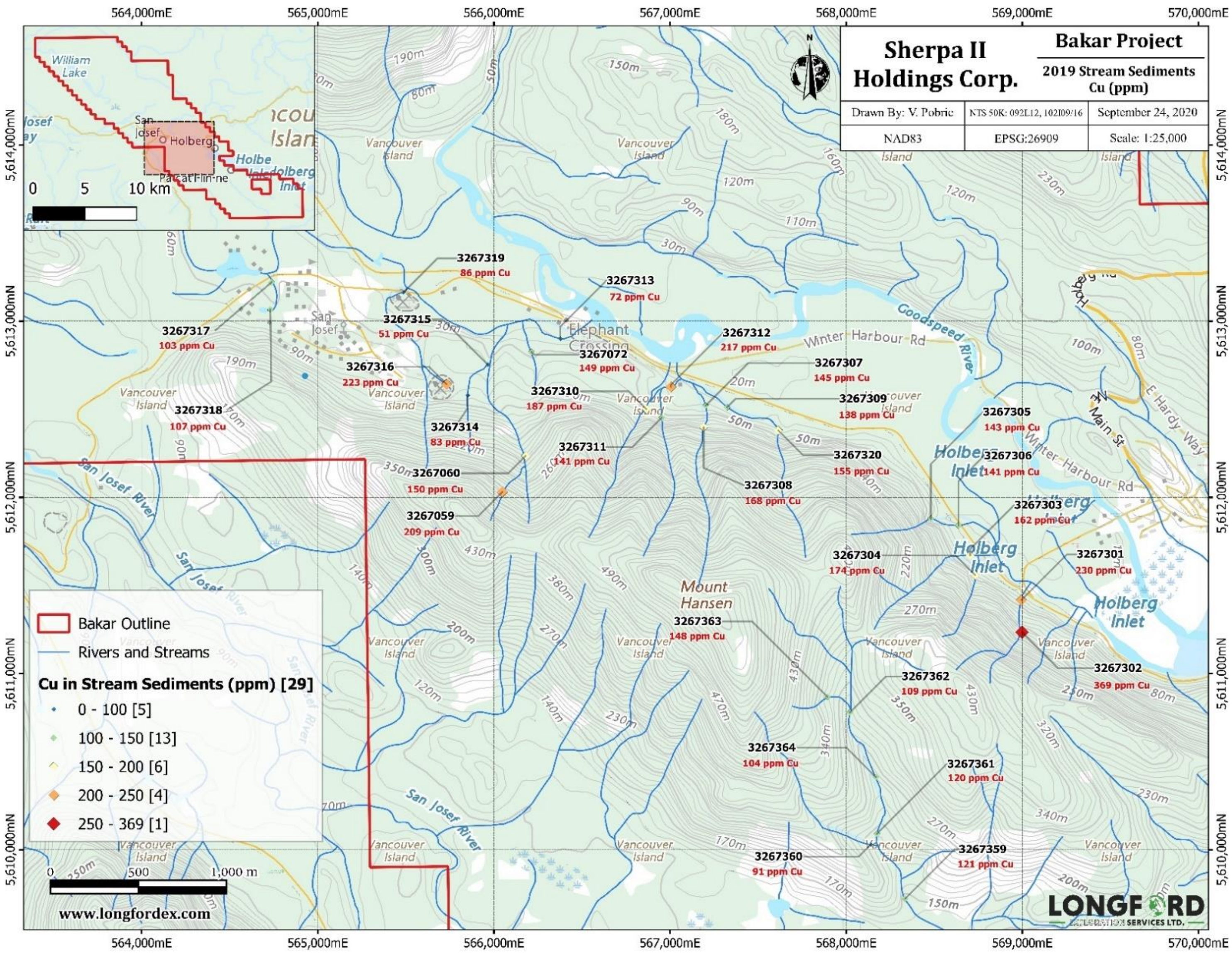


Figure 6-6: 2019 Stream Sediment Sample Locations with Recorded Copper Values (ppm)

Source: Map prepared by Longford Exploration Services, 2020

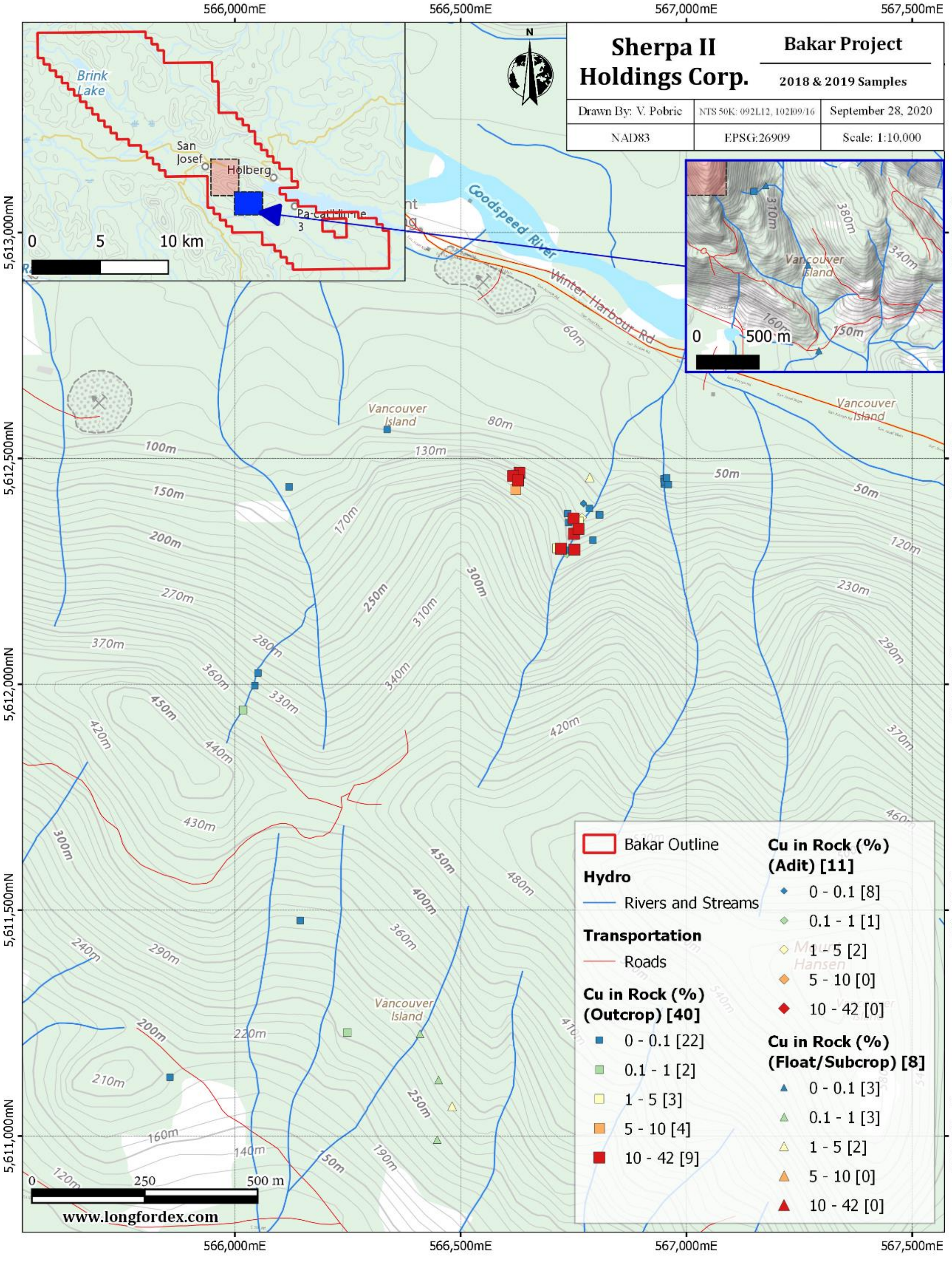


Figure 6-7: 2018 and 2019 Rock Sample Locations with Recorded Copper Values (ppm)

Source: Map prepared by Longford Exploration Services, 2020

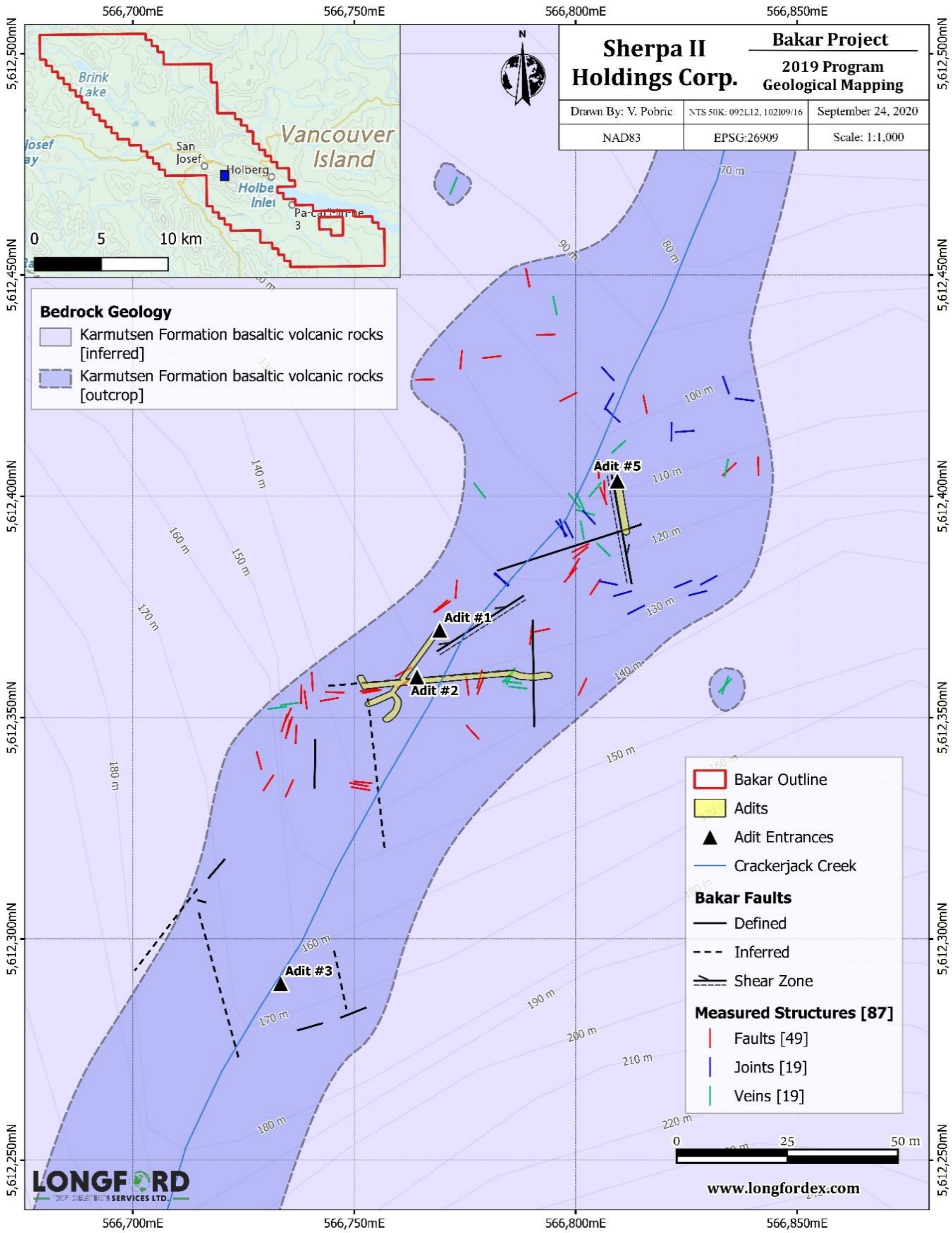


Figure 6-8: June 2019 Bakar Structural Mapping Results and Adit Locations

Source: Map prepared by Longford Exploration Services, 2020

Channel Sampling

Ten channel samples of varying lengths were taken in the vicinity of the Crackerjack Creek showing to test for continuity of mineralization (Figure 6-9).

Channel #1: A 19.75 m long continuous channel crossing the width of Crackerjack Creek. The creek follows a fault trend striking 060/50SE and intersects a second fault trend striking 350/40SW. Channel #1 runs perpendicular to the creek and intersects both faults, testing for mineralization through the fault zone and into wall rock.

Channel #2: A 9.8 m long continuous channel crossing the width of Crackerjack Creek. The creek follows a fault trend striking 085/sub vertical. Channel #2 runs perpendicular to the creek and intersects the fault, testing for mineralization through the fault zone and into wall rock. Channel #2 is very important as it is the only channel to cross the 085/sub vertical structure away from other faults, therefore testing its background copper grades.

Channel #3: An 18 m long continuous channel crossing a fault striking 060/50SE, a fault striking 085/sub vertical and the high-grade mineralization zone. Channel #3 tests for mineralization through the faults, mineralized zone and continuity into wall rock.

Channel #4: A 10 m long continuous channel crossing the high-grade mineralization zone. Channel #4 tests for continuity of mineralization, starting at the intersection of fault trends striking at 060/50SE and 350/40SW and continuing along the bedding plane through the high-grade zone and into wall rock.

Channel #5: A 19.75 m long continuous channel beginning by crossing a 350/40SW fault trend and continuing through the high-grade mineralization zone. Channel #5 tests for continuity of mineralization up sequence of the high-grade zone.

Channel #6: A 12 m long continuous channel crossing the width of Crackerjack Creek. Channel #6 runs perpendicular to the creek and closes off the high-grade zone. Channels #1, #2, #4 and #6 sample across the creek to test for continuation of mineralization above and below the main showing, as well as for any mineralization along strike.

Channel #7: A 5 m long continuous channel immediately below Cut #3. Cut #3 drives into a fault intersection between the 350/40SW fault trend and the 060/50SE fault trend. Channel #7 runs across the 350/40SW fault trend 5 m below the Adit, and tests continuity of mineralization along strike.

Channel #8: A 4 m long continuous channel immediately below Cut #3. Cut #3 drives into a fault intersection between the 350/ 40SW fault trend and the 060/ 50SE fault trend. Channel #8 runs across a 060/ 50SE trending fault parallel the one intersecting Cut #3. Channel #8 begins 5 m below the Adit, and tests for mineralization in parallel structures.

Channel #9: A 5 m long continuous channel immediately below Cut #5. Cut #5 drives along the 350/40SW fault trend. Channel #9 runs across the 350/ 40SW fault trend immediately below the end of the cut and tests continuity of mineralization along strike.

Channel #10: A 3.5 m long continuous channel adjacent to Adit #5. Adit #5 drives into a fault intersection between the 350/40SW fault trend and the 060/50SE fault trend. Channel #10 runs across a 350/40SW trending fault parallel to the one intersecting Adit #5. Channel #10 begins 5 m to the west of the Adit, and tests for mineralization in parallel structures.

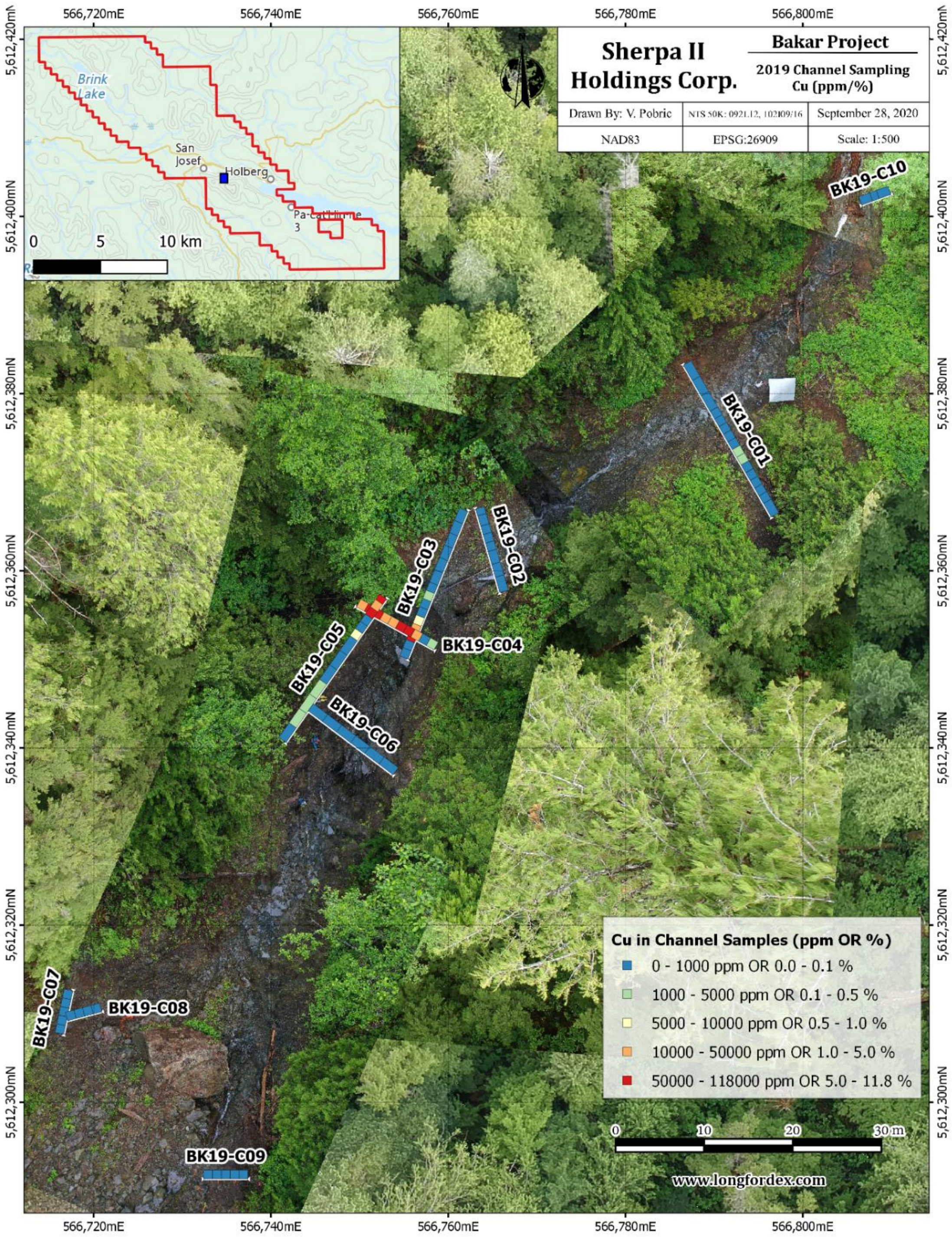


Figure 6-9: June 2019 Channel Sample Locations and Copper Values (ppm/%)

Source: Annotated photograph photo collage prepared by Longford Exploration Services, 2020

2020 Site Visit

In 2020 Luke van Der Meer conducted a site visit with the aim of independently confirming GPS readings at selected sample sites as well as checking on the location accuracy being recorded by field personnel. As part of this work 3 samples were collected: an elevated copper concentration of 1,470 ppm Cu was returned in sample 3297554, a fine-grained basalt with minor chalcopyrite veins and quartz veinlets. The remaining samples returned results consistent with the host lithologies from which they were taken.

6.2.4 Summary

Sampling details from the 2018 and 2019 field programs are shown in Table 6.2.

Table 6.2: Sampling Details from 2018-2019 Work Programs on the Bakar Property

Date (dd-mmm-yyyy)			Description of Work Completed	Sample Collection				Total Samples
From	To	No. Days		Rock Samples	Stream Samples	Soil Samples	Channel Samples	
23-Aug-2018	23-Aug-2018	1	Reconnaissance & Prospecting	10	0	0	0	10
10-Dec-2018	12-Dec-2018	3	Reconnaissance & Prospecting	7	0	0	0	7
12-May-2019	15-May-2019	4	Ground Truthing	21	3	0	0	24
04-Jun-2019	14-Jun-2019	10	Reconnaissance & Prospecting	22	29	34	93	178
04 Sep 2020	04 Sep 2020	1	Ground Truthing	3				3
Totals		**18**		**63**	**32**	**34**	**93**	**222**

Work areas for the 2018 and 2019 field programs are shown on Figure 6-10.

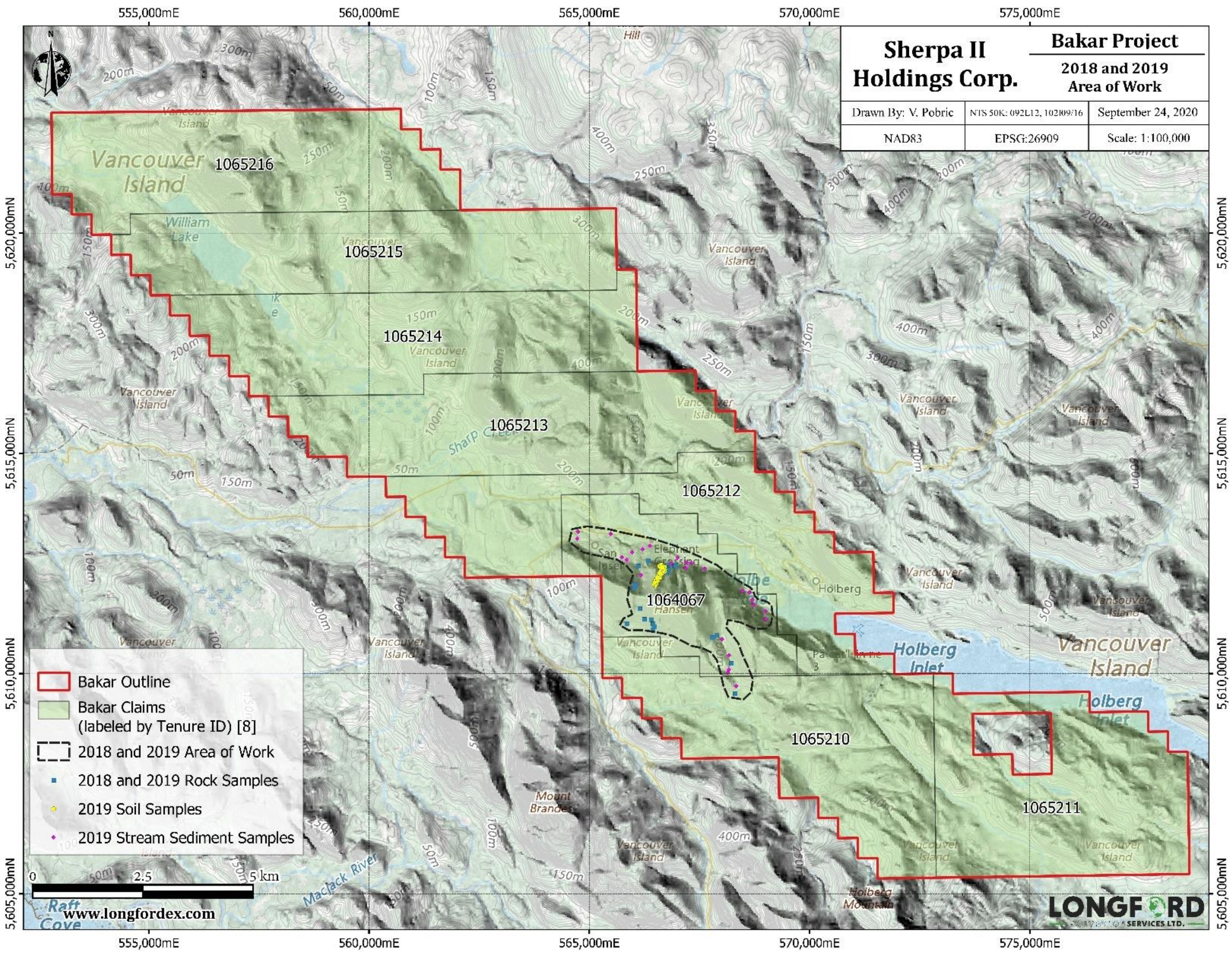


Figure 6-10: Bakar Property 2018 and 2019 Work Areas

Source: Map prepared by Longford Exploration Services, 2020

6.3 2019 District Metals: Geotech Ltd. VTEM™ Geophysical Survey

In 2019, District Metals commissioned Geotech Ltd. (Geotech) to fly a VTEM™ survey directly over the Bakar Property (Figures 6.11 to 6.14). The survey was flown from May 17, 2019 to May 29, 2019 and covered 804 line-km and a total area of 80 km^2. The survey was composed of two separate blocks: Bakar and William Lake. The majority of the survey was flown over the Bakar block, and the William Lake block was added later in order to test the geophysical response of a small area around the William Lake copper showing (B.C. MINFILE 102I 007). The survey block parameters are described in Table 6.3.

Table 6.3: 2019 Geotech VTEM™ Survey Block Parameters

Block	Line			
	Type	Total Length (km)	Spacing (m)	Orientation (°)
Bakar	Traverse	749.6	100	45
	Tie		1,500	135
William Lake	Traverse	54.3	200	45
	Tie		2,000	135

The principal sensors included a Time Domain EM system and a horizontal magnetic gradiometer using two caesium magnetometers system. Ancillary equipment included a GPS navigation system and a radar altimeter.

6.3.1 2019 VTEM™ Data Acquisition Procedures

During the survey, the helicopter was maintained at a mean altitude of 149 m above the ground with an average survey speed of 80 km/hr. This allowed for an actual average transmitter receiver loop terrain clearance of 115 m and a magnetic sensor clearance of 125 m.

The on-board operator was responsible for monitoring the system integrity. The operator also maintained a detailed flight log during the survey, tracking the times of the flight as well as any unusual geophysical or topographic features.

Upon returning to the base camp, the survey data were transferred from a compact flash card (PCMCIA) to the data processing computer. The data were then uploaded via FTP to the Geotech office in Aurora for daily QA/QC by qualified personnel.

To the author’s knowledge, the data acquisition procedures are suitable and typical for such geophysical survey work. The post-processing resultant map images are presented in Figures 6-11 to 6-14.

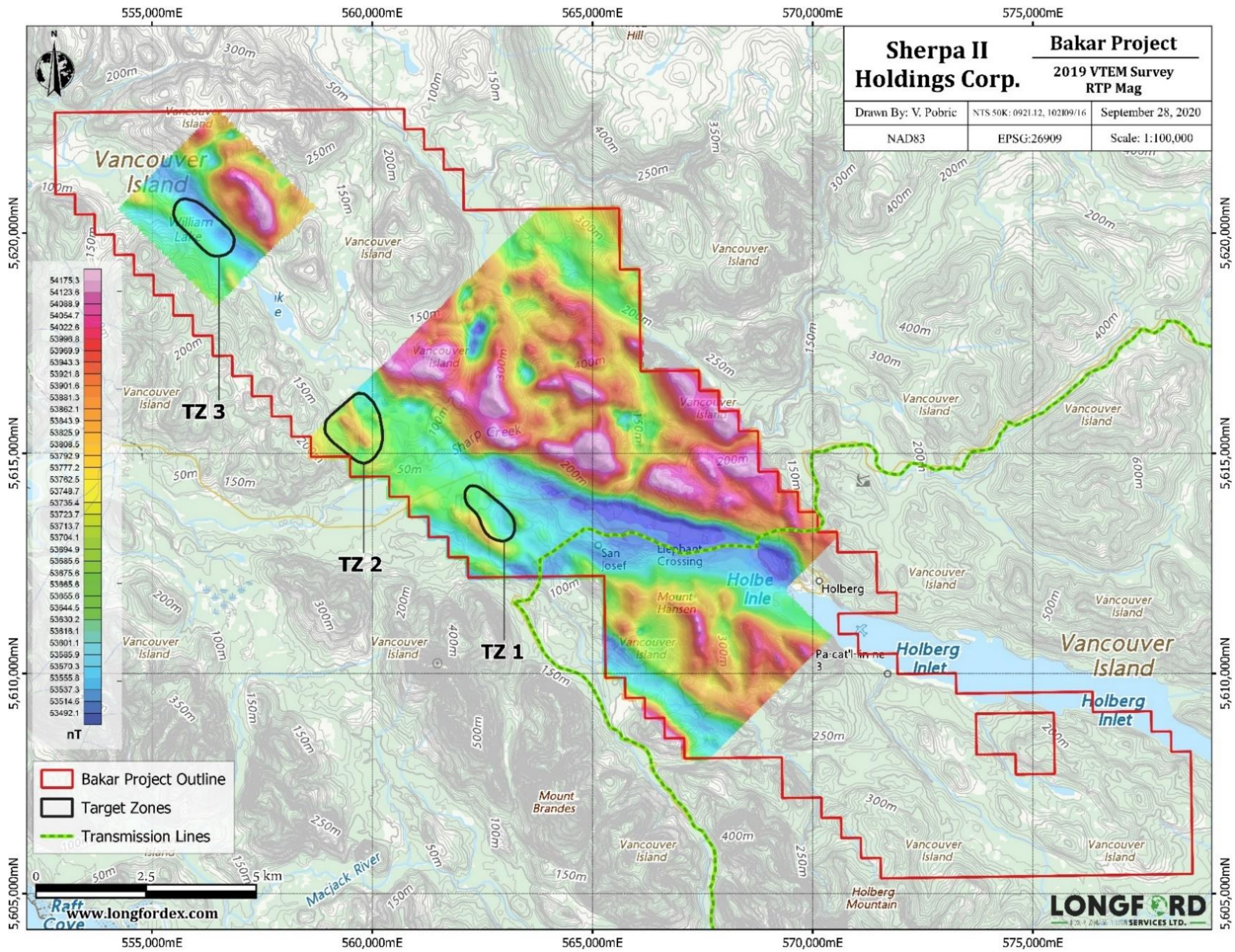


Figure 6-11: Bakar Property 2019 VTEM™ Survey-RTP Magnetics Results, with Follow-up Target Zones (TZ)

Source: Map prepared by Longford Exploration Services, 2020

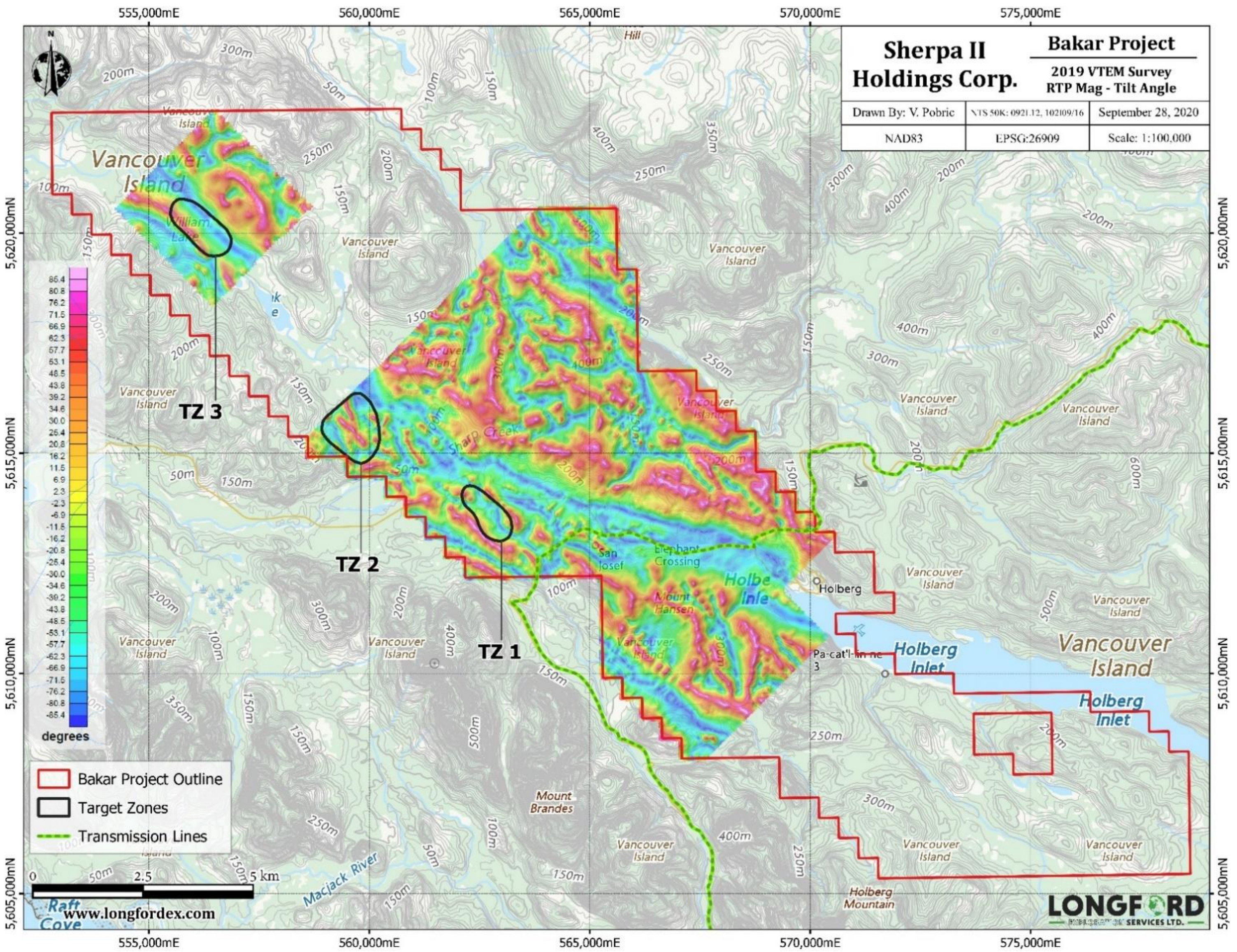


Figure 6-12: Bakar Property 2019 VTEM™ Survey-RTP Mag-Tilt Angle Results, with Follow-up Target Zones (TZ)

Source: Map prepared by Longford Exploration Services, 2020

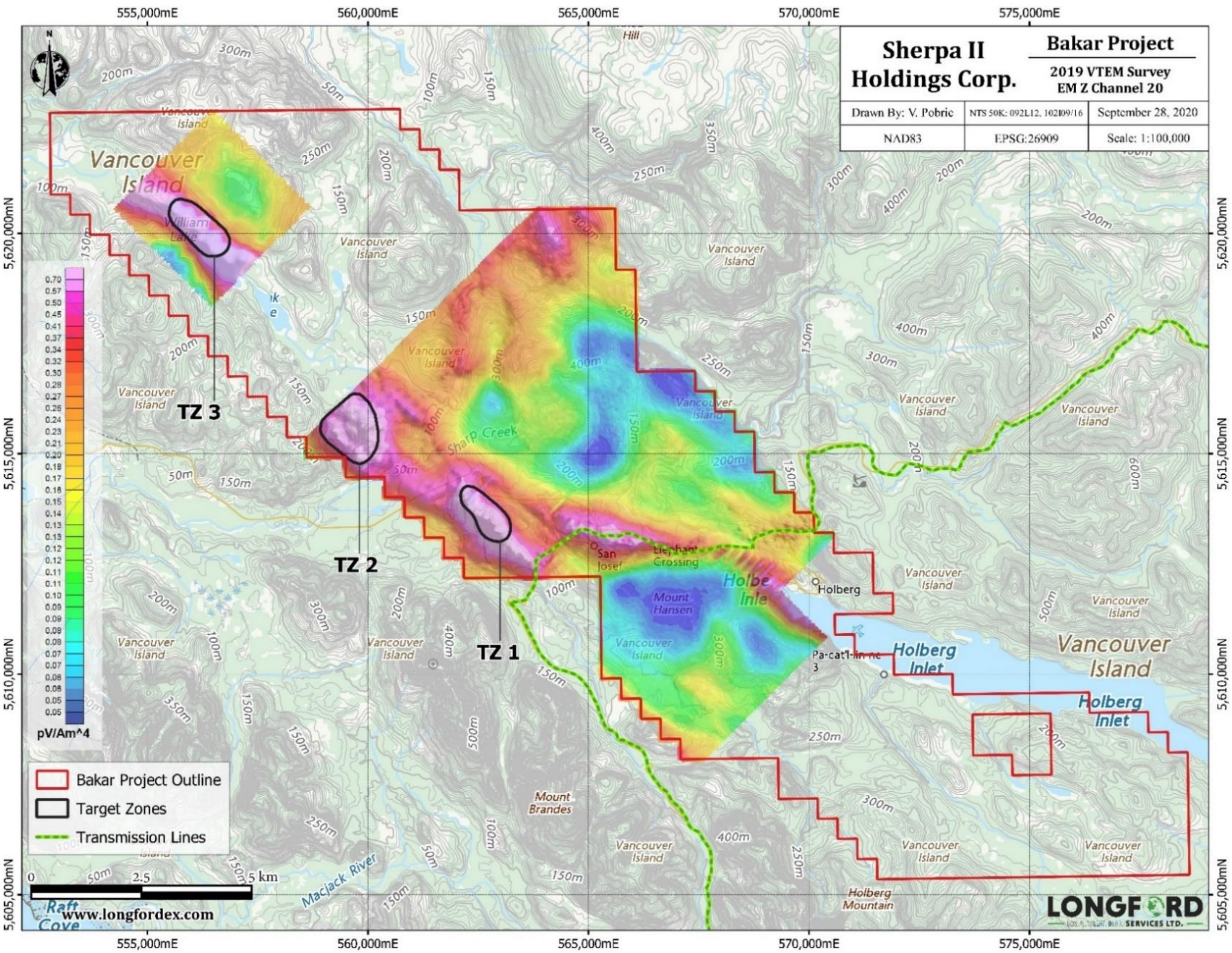


Figure 6-13: Bakar Property 2019 VTEM™ Survey-EM Z Channel 20 Results, with Follow-up Target Zones (TZ)

Source: Map prepared by Longford Exploration Services, 2020

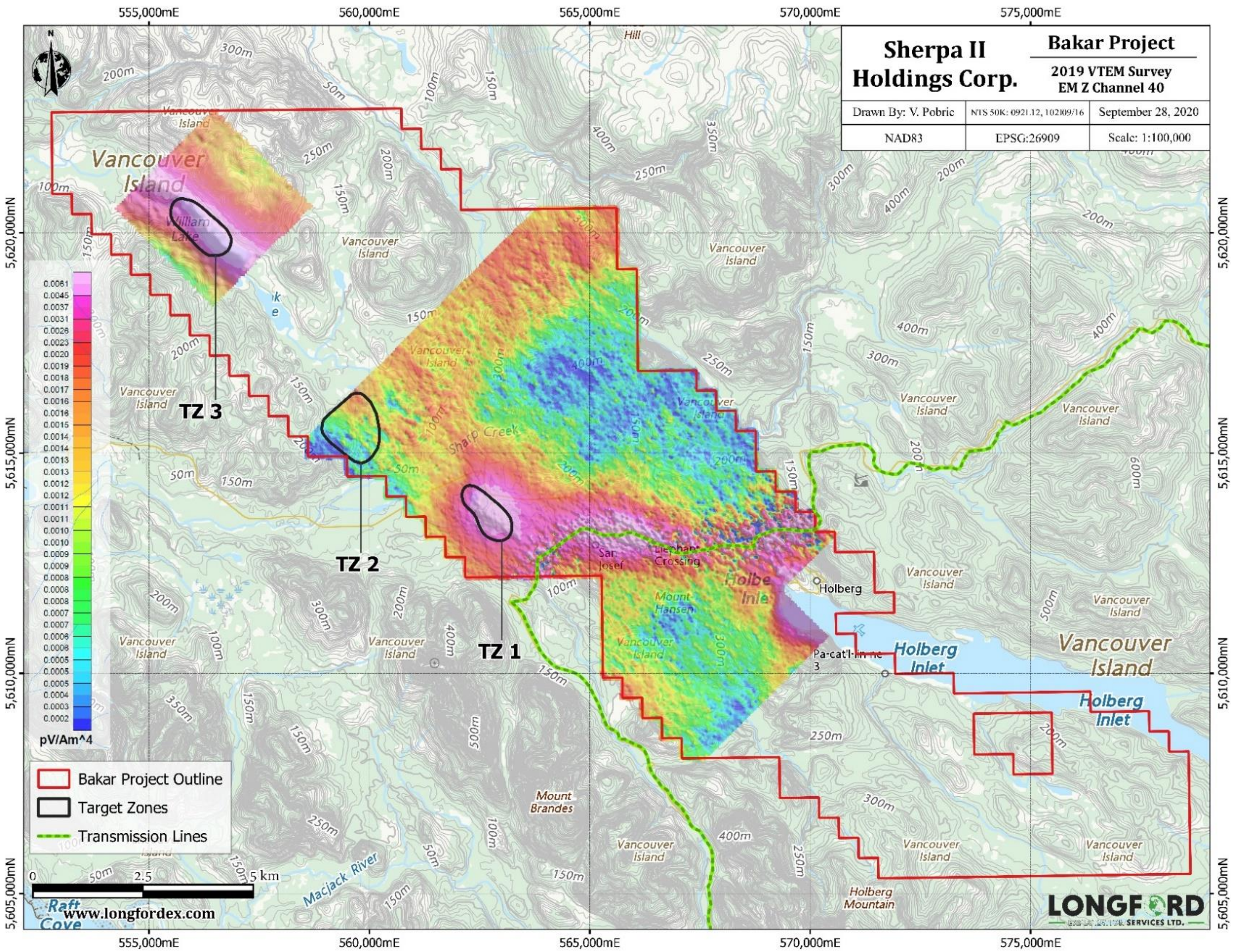


Figure 6-14: Bakar Property 2019 VTEM™ Survey-EM Z Channel 40 Results, with Follow-up Target Zones (TZ)

Source: Map prepared by Longford Exploration Services, 2020

6.4 2019 District Metals: Condor North Consulting, ULC VTEM™ Survey Interpretation

Following the 2019 VTEM™ survey, Condor North Consulting, ULC (Condor) was commissioned to interpret the VTEM™ results from the recently flown survey to identify prospective targets for follow up. The interpretation successfully identified three target zones (TZs) which were deemed worthy of follow-up work (Figures 6-11 to 6-14).

A total of approximately 804 line-km of VTEM™ data from two survey blocks were processed and interpreted in Condor's report.

6.4.1 2019 VTEM™ Data Interpretation Procedures

Basic processing of the EM and magnetic data was completed by Geotech as well as generating resistivity depth images, a 3D resistivity volume, and a set of time-constant products using the methods outlined in the Geotech report. The Condor processing generated complimentary and overlapping product sets used for the current interpretation and consisted of Time Constant: ADTAU, Layered-Earth Inversion, and Conductivity Depth Sections.

To the author's knowledge, the processing procedures are suitable and typical for such geophysical survey work.

6.4.2 2019 VTEM™ Interpretation

The airborne surveys were aimed at detecting structures and/or conductors related to potential copper-silver (Cu-Ag) redbed-type mineralization. Condor defined TZs that were deemed worthy of additional work: TZ-1 was assigned a moderate priority while the remaining two TZs were assigned a low priority for follow up.

The moderate-to-high relative magnetic intensity and high variability of the mafic volcanic units (such as the prospective Karmutsen Formation) allows them to be readily differentiated from the low magnetic intensity of the adjacent limestones (Quatsino and Parson Bay Formations). Numerous faults consistent with the interpreted deformation history of northern Vancouver Island are also interpretable along contacts and through linear magnetic lows.

Table 6.4 summarizes the prior ownership of the Property and the historical exploration work carried out on the Bakar Property.

6.5 Production on the Bakar Property

To date there has been no recorded production on the Bakar Property.

Table 6.4: Work History of Mineral Occurrences in Proximity to the Bakar Property

Year	Company	Report	Claims	Author	Work	Summary	Comments	Reference
1919	Spooner, D., Spooner, E., Peterson, P.; Obling, J. Bell, & Spooner, J.	Annual BC Mining	Millington Group	Sloan, William	Summary Report	Physical: 2 adits, open cuts, and surface stripping	A selected sample from this assayed: trace Au, 2 oz/t Ag, and 21% Cu.	BC Annual Report of the Minister of Mines, Sloan, William, 1919, Province of British Columbia
1924	Dave Spooner, E. Spooner, E. Peterson, P. Obling, J. Bell, and James Spooner	Annual BC Mining	Millington Group	Sloan, William	Summary Report	Cross-cut adit	An average sample was moiled across 6 assayed: trace Au, trace Ag, and 1.2% Cu. Another sample taken from the dump at the portal of the lower adit assayed: trace Au; 2 oz/t Ag, and 11.5% Cu.	BC Annual Report of the Minister of Mines, Sloan, William, 1924, Province of British Columbia
1926	Dave Spooner, E. Spooner, E. Peterson, P. Obling, J. Bell, and James Spooner	Annual BC Mining	Millington Group	Sloan, William	Summary Report	Physical: 3 adits driven	Representative sample of exposed mineralization in the stripping between the No. 1 and 2 adits assayed: trace Au, 0.2 oz/t Ag, 5% Cu, and 1% Zn.	BC Annual Report of the Minister of Mines, Sloan, William, 1926, Province of British Columbia
1927	Dave Spooner, E. Spooner, E. Peterson, P. Obling, J. Bell, and James Spooner	Annual BC Mining	Millington Group	Galloway, J.D.	Summary Report	Stripping (150 ft across rock face)	This vein has been open-cut and stripped along the face of steep mountain side over 150 feet or more, showing the mineralization to be 2 to 5 feet wide, carrying small lenticular masses and small veinlets of bornite.	BC Annual Reports of the Minister of Mines, Galloway, J.D, 1927, Province of British Columbia
1928	Dave Spooner, E. Spooner, E. Peterson, P. Obling, J. Bell, and James Spooner	Annual BC Mining	Millington Group	McKenzie, W. A.	Summary Report	2 DDH (314 m)	Neither of these holes encountered any ore and the option by the Consolidated Mining and Smelting Company was therefore given up.	BC Annual Reports of the Minister of Mines, McKenzie, W.A., 1928, Province of British Columbia
1963	Holberg Mines Ltd.	00497	Holberg Rick Claim Group	Hallof, P.G., and Sutherland, D.B.	Geophysical Survey	IP and Resistivity Survey, carried out using 200 ft electrode intervals	New anomalies were located which are believed to be due to larger volumes of mineralization. Line 35 produced the strongest anomaly but was relatively narrow and well out in the valley.	ARIS_00497, 1963, Report on the Induced Polarization and Resistivity Survey on the Rick Claim Group, Holberg, BC for Holberg Mines Ltd.
1965	Holberg Mines Ltd.	Annual BC Mining	104 claims on north side of Mount Hansen	Brothers, D. L.	Summary Report	Line cutting: 0.75 miles, 13 DDH (700 m)	A crew of five men constructed three-quarters of a mile of access roads to diamond-drill sites and completed 2,295 feet of diamond drilling in 13 holes (700 m in 13 holes, ~54 m per hole).	BC Annual Reports of the Minister of Mines, Brothers, D.L., 1965, Province of British Columbia
1966	Holberg Mines Ltd.	Annual BC Mining	Ace, Flats, Kaye, Rick	Brothers, D. L.	Summary Report	Trenching over 80 ft; 6 DDH (Total 593 m)	A crew of four men employed for eight months under the supervision of Moore Schram completed 80 feet of rock trenching and 1,946 feet of diamond drilling in six holes (593 m in six holes, ~99 m per hole).	BC Annual Reports of the Minister of Mines, Brothers, D.L., 1966, Province of British Columbia

Year	Company	Report	Claims	Author	Work	Summary	Comments	Reference
1967	Holberg Mines Ltd.	Annual BC Mining	Rick, Lucky, Rush, JB	Brothers, D. L.	Summary Report	DDH (Total 411 m); Trenching (1,000 ft); Stripping (1,500 ft^2)	Two men spent six months under the supervision of Moore Schram diamond drilling 11 holes totalling 1,347 feet (411 m in 11 holes, ~37 m per hole), trenching 1,000 feet, and stripping 1,500 square feet.	BC Annual Reports of the Minister of Mines, Brothers, D.L., 1967, Province of British Columbia
1969	Waterton Airex Ltd.	01770	HOL 2, 4, 6, 8, 10, 13-20, 25, 27, 29, 31 & 33 Claims	Stevenson, W.G.	Geological, Geophysical Report	Airborne Magnetic, Electromagnetic Geophysical Survey	Mag and EM survey suggest a northwesterly formational trend across the HOL claim block and is supported by a regional map compiled from various sources. A significant iron sulphide gossan has been discovered on the property held by West Coast Mining Syndicat, 2 miles north of the HOL claim group.	ARIS_01770, 1969, Geological and Geophysical Report on the HOL Mineral Claims by Waterton Airex Ltd.
1969	Holberg Mines Ltd.	01765	Lucky, Rick, May, Rush, Kaye, Jill, Jack, Cee, Lori, and Flats Claims	White, G.E., Cerne, J., and Cochrane, D.R.	Geophysical Report	170.7-line miles of detailed Aeromagnetic Surveying	A total of 10 areas exhibited magnetic responses in excess of 56,600 gammas.	ARIS_01765, 1969, Geophysical Report on an Airborne Magnetometer Survey, by GEO-X Surveys Ltd. on Behalf of Holberg Mines Ltd.
1969	Construction & Mining Co.	01909	Aird 1-10	Noel, G.A.	Geological and Geochemical Report	Soil: 1,032 soil samples (516 analyzed), 500 x 200 ft grid with 100 ft intervals. Geological mapping scale 1:2400, Line cutting 32 km	Three significant anomalies located. One crosscuts Aird 17 and 18 claims (1,400 ft x 200 ft) and shows a high of 266 ppm Cu. The second is in the south-central portion of Aird 3 claims (700 ft x 300 ft) showed one soil sample of 720 ppm Cu. The third anomaly is on Aird 12 claim and is defined by two lines with peak values of 202 ppm Cu.	ARIS_01909, 1969, Geological and Geochemical Report on the Aird 1-20 Claims, by Noel, G.A., for Utah Construction and Mining Co.
1970	Perry, Knox, Kaufman, Inc.	02940	IDA Claims	Fominoff, P.J., and Baird, J.G.	Geophysical Surveys	IP: 8.2 km; Ground Magnetic: 9.2 km; Physical Line/grid: 9.7 km	IP Survey revealed three zones, one on each survey line, which exhibits chargeability responses which could arise from subsurface concentrations of from 2% to >5% by volume of metallically conducting material such as sulphides, graphite or other minerals known to give an IP response.	ARIS_02940, 1970, Report on the Induced Polarization and Magnetometer Survey on Some IDA Claims, Port Hardy Area, on behalf of Perry, Knox, Kaufman, Inc.
1970	Nicola Lake Mining Co. Ltd.	02276	Hol Claims	Agilis Exploration Services Ltd	Geological, Geochemical, Geophysical Surveys	Geological (1,050 ha, 2 maps; scale 1:6000); Geochem (370 soil samples); Magnetometer Surveys (22.5 km, 1 map, Scale: 1:6000)	Soils collected over Bonanza Sub-group: peak values in this area is 605 ppm Cu. Soils over Karmutsen peak values of 298 ppm Cu found in the vicinity of CPY bearing outcrop.	ARIS_02276, 1970, Report on Geochemical, Geophysical and Geological Surveys on the Hol Claim Group, Nicola Lake Mining Co. Ltd.
1972	Water Airex Ltd. & Weymark Engineering Ltd.	03771	Jay, HOL, and Native Claims	Weymark Engineering Ltd.	Geophysical Surveys	Airborne magnetometer, Airborne EM; Airborne Radioactivity Surveys. Area: 3,000 acres,16 runs of 16,500 ft and were 500 ft apart	Showed a coincident between the known metallic mineralized formations and the low-magnetometer and the high-electro-magnetometer reading zones. Fault structural zones indicate anomalous patterns. Extensions of anomalous zones under limestone capped formations provide areas of interest because of high intensities implied.	ARIS_03771, 1972, Geophysical Report on the Airborne Magnetometer, Airborne Electromagnetic, and Airborne Radioactivity Surveys of the Jay, Hol and Native claims, survey by Water Airex Ltd, interpreted by Weymark Engineering Ltd.
1974	Holberg Mining Ltd.	04908	Fox 1-20	Weymark Engineering Ltd.	Drilling	5 DDH, RP; 150 m; 1 map, Scale: 1: 15,840	Mineralized section found in hole 74A-3; 114-115 ft: 0.01% Cu, 0.005 oz Au, 0.10 Oz Ag.	ARIS_04908, 1974, Diamond Drilling Report on Fox Claim Group, Holberg Inlet, Vancouver Island, Holberg Mining Ltd.

Year	Company	Report	Claims	Author	Work	Summary	Comments	Reference
1975	H.S. Haslam and Associates Ltd., Consulting Coal Mining Engineers.	05666	Fox Claims	H.S. Haslam and Associates Ltd.	Progress Report	Drilling Diamond surface 4 hole(s); XRP; 210.0 m.	In August 1975, diamond drill-holes (size XRF), named 75-1, 75-2, 75-3, 75-4 and 75-5 were drilled. Assays not available until the beg. of December 1975.	ARIS_5666, 1975, Progress Report on the Limestone Deposits at Holberg Inlet, Vancouver Island, H.S. Haslam and Associates Ltd., Consulting Coal Mining Engineers.
1975	Holberg Mines Ltd.	05414	Fox Claims 1-11, 13, 15, & 17.	Pacific Survey Corporation	Physical: Aerial photo, & Topo Mapping (1 map, scale: 1: 2400)	645 acres covered; Photos: 6-inch focal length black and white photography at an approx. scale of 1-inch equals 1,000 ft.	Maps.	ARIS_05414, 1975, Aerial Photography, Topographic Mapping, Holberg Inlet Area, Holberg Mines Ltd.
1975	Holberg Mines Ltd.	05413	Fox claims 1-20	H.S. Haslam and Associates Ltd.	Preliminary Report	Progress report on exploration	Limestone grab samples indicate it is 1.19% MgO, 97.32% $CaCO_3$ (by calculation), Fe content is 0.14%; this indicates a high-grade limestone.	ARIS_05413, 1975, Preliminary Report on the Limestone Deposits at Holberg Inlet, for Holberg Mines Ltd.
1976	Holberg Mines Ltd.	06053	Fox, Jay, Hol, and Joy	H.S. Haslam and Associates Ltd.	Progress Report	Progress report on exploration	In August, September, and October 1976, diamond drill holes (size XRP), named 76-1, 76-2, 76-3, 76-4, 76-5, 76-6, 76-7, and 76-8 were drilled. Assay at 114-115 ft: 0.01% Cu, 0.005 oz Au, 0.10 Oz Ag.	ARIS_06053, 1976, Progress Report on the Limestone Deposits at Holberg Inlet, Vancouver Island, Holberg Mines Ltd.
1978	Holberg Mining Ltd.	06951	Lime Claims	Weymark Engineering Ltd.	Drilling	5 DDH; EX; 243.8 m	Recovery was in general 75%, quality limestone for cement and/or lime production usage was depicted. This confirms the extension of quality limestone in this section of the claims area.	ARIS_06951, 1978, Diamond Drilling Report Lime Group, Holberg Mining Ltd.
1980	World Cement Industries Inc.	08073	Lime Claims (Fox, Joy)	Weymark Engineering Ltd.	Drilling	5 DDH, EXT; 183 m; 2 maps; Scale 1:31,080, and 1:15,840	Recovery was in the order of 60%, quality limestone for cement and/or lime production usages was established.	ARIS_8073, 1979, Diamond Drilling Report Fox, Joy Claims, World Cement Industries Inc.
1989	Lone Trail Prospecting Ltd.	18568	Orp 1-2	Leighton, D.G.	Geological and Drilling Report	4 DDH; BQ; 330.8 m; 1 map, Scale: 1:2500. Geochem: 23 rock samples (multi-element); 1,414 soil samples (multi-element); 1 map, scale: 1: 2500. Geophys: Ground Mag: 15 km; 1 map, Scale: 1: 5000. Physical: Line/grid: 15 km	Area 100 X 400 m outlined a soil anomaly of 1,000 to 4,000 ppb Hg. Geophysics indicated that the Holberg property coincides with a broad magnetic low. DDH: 4 BQ sized holes were drilled to test for Carlin type Au mineralization.	ARIS_18568, 1989, Geological and Drilling Report on Holberg Property, Including Orp 1-2 Mineral Claims, by Formosa Resources Corp. for Lone Trail Prospecting Ltd.
1990	Lone Trail Prospecting Ltd.	20159	Skeet 1-4 Claims	Bilquist, Ron	Prospecting	Prospecting activities aimed at locating previously known showings and old workings	Old trenches and adits were located in Cracker Jack Creek, two of which are in good standing and stable condition. A number of samples were. Samples SK-06 to SK-10 were taken from high-grade bornite. Results ranged from 3,295 ppm to 99,999 ppm Cu with four of them over 48,000 ppm. Three of these samples were also anomalous in Ag (27.6, 67.7 and 93.7 ppm). Sample SK-11 taken from an old trench about 150 m west of the main mineralized zone in Crackerjack Creek ran 29,383 ppm Cu and slightly elevated in Ag (4.3 ppm).	ARIS_20159, 1990, Report on the Prospecting Survey of the Skeet 1-4, 2-Post Mineral Claims, Lone Trail Prospecting Ltd.

Year	Company	Report	Claims	Author	Work	Summary	Comments	Reference
1991	Daiwan Engineering Ltd. for Cameco Corporation.	22283A	HPH 1-3, Ruth Mary, Iron Fr., Iron Hat, Nahwitti, Dorlon	Pawliuk, David	Geological, Geochemical and Geophysical Surveys	Geochemical: 100 Rock samples (multi-element); 254 soil samples (multi-element), 6 maps, Scale: 1: 5000; Geological: 2,500 ha, 5 maps, Scale: 1:1000, and 1: 5000; Geophys: IP: 8.9 km, 11 maps, Scale: 1: 2500; Ground Mag: 8.9 km	HPH Area: Sample 76217 contains 2.23% Pb, 26.20% Zn and 232.7 ppm (6.79 opt) silver. Sample 76218 contains 3.07% Pb, 18.05% Zn and 321.2 ppm (9.37 opt) Ag. Dorlon Area: Grab sample 99400 contains 29,339 ppm Zn, 321 ppm Cu, 12 ppm Pb, 4.9 ppm Ag and 44 ppb Au.	ARIS_22283A, 1991, Geochemical, Geophysical, and Prospecting Assessment Report on the Holberg Inlet Property, by Daiwan Engineering Ltd. for Cameco Corporation.
1991	Daiwan Engineering Ltd. for Cameco Corporation.	21270	HPH 1-3, Ruth Mary, Iron Fr., Iron Hat, Nahwitti, Dorlon, Cliff, JLJ 1-4, Kains 1-8, Lexa	Gordon, Allen & Dasley, Peter	Geochemical, Geophysical, and Geological Report	Geochemical: 150 Rock samples (multi-element); 1,541 soil samples+F29 (multi-element), 6 maps, Scale: 1: 5000; 16 Heavy Mineral Samples. Geological: 3,000 ha, 2 maps, scale: 1:5000. Geophysical: Ground EM: 71.4 km; VLF; 2 maps, Scale: 1: 5000; Ground Mag: 71.4 km, 4 maps, scale: 1: 5000. Physical: line/grid: 71.4 km	The most significant mineralization occurs within the 150 m to 300 m thick Quatsino Formation limestone and commonly contains greater than 3% Zn. Massive sulphide lenses with significant amounts of Au occur in limestone adjacent to felsic to mafic dykes and sills in the Mead Creek and Dorlon areas.	ARIS_21270, 1991, Geochemical, Geophysical and Geological Assessment Report on the Holberg Inlet Property, by Daiwan Engineering Ltd. for Cameco Corporation.
1991	Consolidated T.C. Resources Ltd.	21370	Stran 4-5	Pawliuk, D.J.	Geochemical and Physical Surveys	133 Soil samples; 50 intervals along grid lines and 200 m apart in B soil horizon; 7.6 km of cut line	The 11 soils contain up to 196 ppm Cu, 111 ppm Zn, 4 ppm Mo, and up to 25 ppb Au.	ARIS_21370, 1991, Geochemical Assessment Report on the Stran 3 and 4 Mineral Claims by Pawliuk, D.J. for Consolidated T.C. Resources Ltd.
1991	Universal Trident Ind.	21371	Will 11-16, Lake 1-10, Stran 1-2, and 10	Pawliuk, D.J.	Prospecting & Physical	Prospecting over 375 ha; line cutting over 2 km; 24 rock samples, 7 panned moss samples	Rock sample returned 13,805 ppm Cu and 24.2 ppm Ag. A piece of malachite and bornite-bearing float contained 8,584 ppm Cu and 5 ppm Ag. Results shows that significant mineralization occurs in volcanics northeast of William Lake.	ARIS_21371, 1991, Geochemical and Prospecting Report on the Lake Project, by Pawliuk for Universal Trident Industries Ltd
1991	Consolidated Paytel Ltd.	21373	Elacrity Claim	Pawliuk, David,J.	Geochemical Report	377 soil samples; 3 samples collected at 25 m intervals and 200 m line spacing. 25 cm soil depth in B horizon	Soils contained anomalous Cu and Zn. About 1/3 of the mineral claim show anomalous Cu values.	ARIS_21373, 1991, Geochemical Assessment Report on the Elacrity Mineral Claim by Pawliuk, David, for Consolidated Paytel Ltd.
1991	Consolidated Paytel Ltd.	21374	Stran 5-9	Pawliuk, D.J.	Geochemical, Geophysical, and Physical	Line cutting: 27 km; Mag Survey over 14.9 km; Map scale 1:5000; 10 silt samples	Magnetometer readings ranged from 48,643 to 59,550 gammas within the surveyed area. Results indicate an easterly magnetic trend, parallel to regional strike of rock units.	ARIS_21374, 1991, Geochemical and Geophysical Assessment Report on the Stran 5-9 Mineral Claim Group, by Pawliuk, D.J. for Consolidated Paytel Ltd.
1994	Pawliuk and Dasler	23376	Fox Claims	Pawliuk, David	Prospecting	Geochemical rock and heavy mineral sampling, prospecting and geological mapping	A moss mat returned 136 ppm Cu, 0.2 ppm Ag, and 5 ppb Au; another rock sample returned 14,114 ppm Cu, 2.3 ppm Ag and 14 ppb Au; and a panned concentrate returned 131 ppm Cu, 0.2 ppm Ag and 7 ppb Au.	ARIS_23376. 1994, Prospecting Assessment Report on the Fox Mineral Claim Group, Northern Vancouver Island, BC, by Pawliuk and Dasler

Year	Company	Report	Claims	Author	Work	Summary	Comments	Reference
1995	Winfield Resources Ltd.	24296	Berg, Hol 1-2	Dasler, Peter	Summary Report	Geochemical: 256 soil samples (multi-element); Physical: 6.5 km, 1 map, scale: 1: 10,000	. Mo values are high with numerous values over 20 ppm Mo. Reconnaissance heavy mineral sampling shows precious metal anomalies extend for more than 2.5 km.	ARIS_24296, 1995, Summary Report on the Berg Property, by Kamaka Resources Ltd. for Winfield Resources Ltd.
2012	Homegold Resources Ltd.	33550	Topknot 1-10	Shearer, J.T.	Prospecting Report	Prospecting, 8 Stream seds and rock samples; assays not completed at time of report	Prospecting identified a 200 m long road cut of ±10 m rhyolite flows, horizontal to shallow dipping with individual flows 0.2 to 0.5 m thick; sub-rounded to rounded, 20-50 cm sized breccia fragments in the flows.	ARIS_33550, 2012, Prospecting Assessment Report on the Topknot Project, by Shearer, J.T., for Homegold Resources Ltd.
2018	Longford Exploration Services Ltd.	Internal	Bakar	Longford Exploration Services Ltd.	Prospecting Report	10 rock samples	Samples where taken in flow breccias, lapilli tuffs, amygdaloidal basalts, and pillow basalts of the Karmutsen group with results ranging from 12 ppm to 28.03% Cu.	Longford Exploration Services Ltd., 2018, Bakar Property Exploration Summary, Internal Report
2019	District Metals Corp.	Internal	Bakar	Ryan, S., Krukowski, M., Potts, T.	Prospecting, Geochemical Report	50 rocks, 93 channels, 32 stream, 34 soils samples	Identified existing and new high-grade Cu showings in the Millington Area. These mineralized copper showings are separated by approximately 200 m along the same stratigraphic horizon within the Karmutsen Formation.	Ryan, S., Krukowski, M., Potts, T., 2019, Assessment Report on the Bakar Property, Internal Report, by Longford Exploration Services Ltd., for District Metals Corp.
2019	District Metals Corp.	Internal	Bakar	Geotech Ltd.	VTEM™ Survey	804 line-km survey	No interpretation provided.	Geotech Ltd., 2019, VTEM™ Plus, Report on a Helicopter-Borne Versatile Time Domain Electromagnetic (VTEM™ Plus) and Horizontal Magnetic Gradiometer Geophysical Survey, for District Metals Corp.
2019	District Metals Corp.	Internal	Bakar	Condor North Consulting, ULC	VTEM™ Survey Interpretation	Interpretation of VTEM™ Geophysical Survey performed by Geotech Ltd.	3 Target Zones (TZs) were identified.	Condor North Consulting, ULC, 2019, Interpretation of VTEM™ EM and Magnetic Survey Data: Bakar Property, for District Metals Corp.

7 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology

Vancouver Island is located within the Insular Superterrane of western British Columbia, an amalgamation of the Wrangellia Terrane and the Alexander Terrane that eventually accreted to North America between the mid-Jurassic and mid-Cretaceous. This was followed by the accretion of the Pacific Terrane and the Crescent Terrane during the mid-Tertiary time-period. The Bakar Property is situated in the northern portion of Vancouver Island and is underlain by rock assemblages of the allochthonous Wrangellia Terrane (Figures 7-1, 7-2 and 7-3).

The regional geology for the Bakar Property is shown in Figure 7-4.

7.1.1 The Wrangellia Terrane

The Wrangellia Terrane extends discontinuously north of Vancouver Island through the Queen Charlotte Islands towards central Alaska and is characterized by rocks of the Upper Paleozoic to Lower Mesozoic. In the late Carboniferous, Wrangellia collided and amalgamated with the Alexander Terrane in Alaska to form the Insular Superterrane and subsequently accreted to the inboard terranes of the Coast and Intermontane belts as late as the mid-Cretaceous, or as early as the mid-Jurassic (Nixon et al., 2006).

Prior to its accretion, Wrangellia comprised the Paleozoic Sicker and Buttle Lake Groups and the Middle Triassic Formation. The Sicker and Buttle Lake Groups are composed of Devonian to early Permian island-arc volcanic, volcaniclastic, and sedimentary rocks which are known to host VMS deposits, such as Myra Falls. The Karmutsen Formation is an approximately 6,000 m thick oceanic plateau which conformably overlies the Sicker and Buttle Lake Groups; it is composed of tholeiitic flood basalts, minor pillow basalts, pillow breccia and tuff as well as inter-volcanic limestones which underlie approximately 50% of Vancouver Island (Nixon et al., 2006). Conformably overlying the Karmutsen Formation is a shallow-water carbonate layer known as the Quatsino Formation. The Quatsino Formation is composed of massive to bedded bioclastic limestone which formed during the waning stages of the Karmutsen volcanism and associated subsidence. Continued sedimentation and deeper water resulted in the deposition of the impure limestone and siliciclastic rocks of the Parsons Bay Formation (Nixon et al., 2006).

A period of quiescence followed by a renewed phase of island-arc magmatism and sedimentation produced the volcanic, volcaniclastic and epiclastic strata of the Bonanza Group, along with the coeval intrusions of the Island Plutonic Suite (Nixon et al. 2006).

7.1.2 Regional Structure and Folding

The rocks north of Rupert and Holberg Inlets are characterized by shallow synclinal folds along a northwesterly fold-axis. The steeper southwesterly limbs of the folds appear to have been truncated by faults sub-parallel to the fold axes. Failure of limestone due to incompetence during folding has potentially influenced the location of some of the faulting evidenced by the proximity of the Dawson and Stranby River Faults to the Quatsino Formation (Pawliuk, 1994). Transverse faulting is also pronounced in the property area which is revealed by numerous north and northeasterly trending faults and topographic lineaments (Pawliuk, 1994).

The three main episodes of deformation in the area as described by Nixon et al. (1994):

The timing of these events has been constrained to a pre-Cretaceous compressional event, supported by the presence of an angular unconformity at the base of the Cretaceous Longarm Formation; Late Cretaceous to Tertiary transpression; and Tertiary extension.

Phase 1: Post-Early Jurassic to Pre-Cretaceous Deformation

The first regional deformational event was due to an east to northeast-directed compressional event which resulted in the rotation and tilting of Lower Jurassic and older strata to form the western flank of the Victoria arch. This northeast-directed compression resulted in northwesterly trending thrust faults and flexural slip folding that was evidenced by locally well-developed, northwesterly striking, stylolitic cleavage within the Quatsino limestone (Nixon et al., 1993).

Phase 2: Post-Mid to Pre-Late Cretaceous Deformation

The second deformation event postdates the Coal Harbour sediments but predates the deposition of the Upper Cretaceous Nanaimo Group sediments. This event was the result of intense strike-slip faulting and to a lesser extent thrusting from northerly directed compression. Faults formed during this event have a predominant northwest trend and, in many cases, produced significant drag folding in the adjacent strata where units are well bedded. This event is evidenced by northwesterly striking, high-angle, oblique-slip faults with a dextral strike-slip and south-up sense of motion (Nixon et al., 1993). A considerable amount of movement may have occurred along the Holberg fault during this phase of deformation as evidenced by the presence of many northerly verging, gently plunging drag folds in its footwall (Nixon et al., 1993). Some of the major northwest-trending, dextral strike-slip faults located in the area are splays off the Holberg fault (Nixon et al., 1993).

Phase 3: Tertiary Deformation

The third and most recent phase of deformation in the area postdates the deposition of the Nanaimo Group sediments and produced east-northeasterly trending normal faults during the extension of the Queen Charlotte Basin (Nixon et al., 1993 and 1994). Extension is less obvious in the Quatsino-San Josef map area than further south. Tertiary dykes intruded during this final phase of deformation and predominantly strike in a northeast direction, however not exclusively (Nixon et al., 1993). Intrusions occurring along fault zones tend to be felsic in composition with many of the longest dykes being emplaced along northerly or northwesterly striking faults (Nixon et al., 1994).

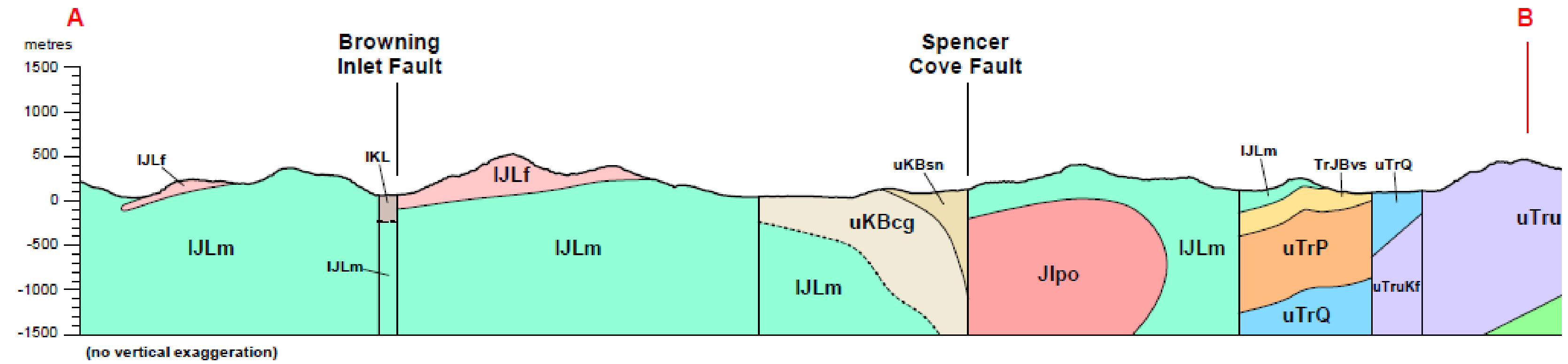


Figure 7-1: Cross Section (NE/SW) of Holberg Fault at Southwestern End of Holberg Inlet
Source: Nixon et al., 2011

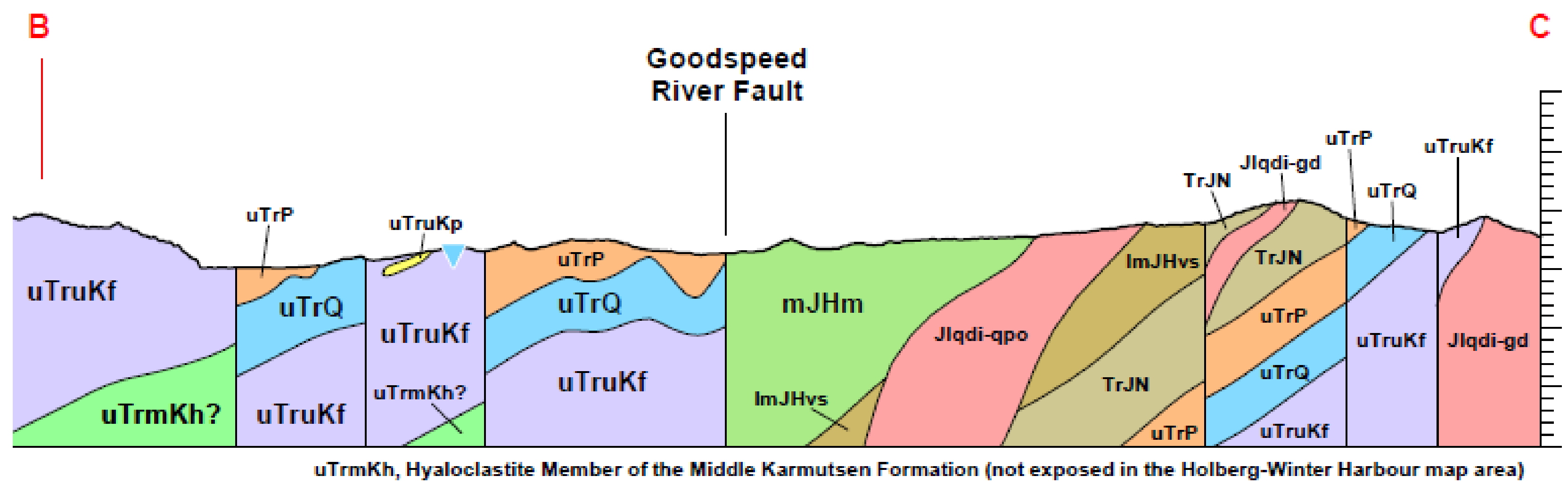


Figure 7-2: Cross Section (NE/SW) of Holberg Fault at Northwestern End of Holberg Inlet
Source: Nixon et al., 2011

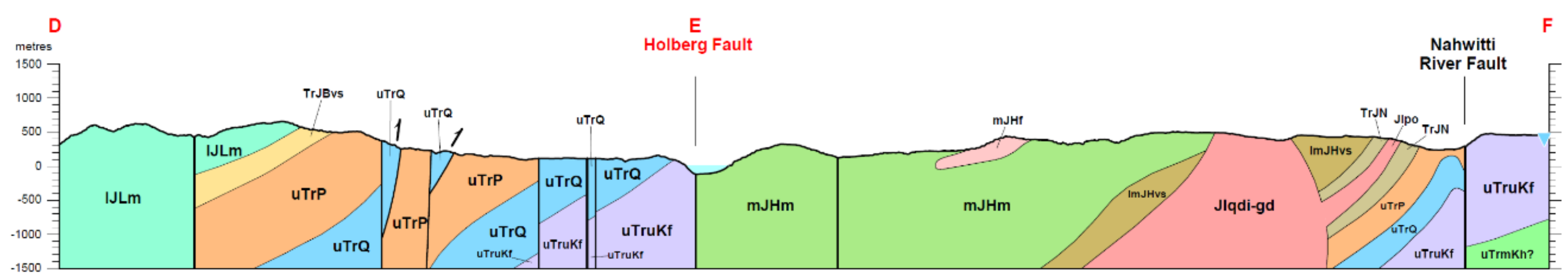


Figure 7-3: Cross Section (NE/SW) of Holberg Fault at Southeastern End of the Bakar Property
Source: Nixon et al., 2011

7.1.3 Regional Mineralization

Several mineral occurrences are known to occur on northern Vancouver Island which includes the following styles of deposits (*after* Pawliuk, 1994):

1. Skarn deposits: copper-iron and lead-zinc skarns.
2. Copper in basic volcanic rocks (Karmutsen Formation): in amygdules, fractures, small shears and quartz carbonate veins, with no apparent relationship to intrusive activity.
3. Veins: with gold and/or base metal sulphides, reacted to intrusive rocks.
4. Porphyry copper deposits: largely in the country rock surrounding or enveloping granitic rocks and their porphyritic phases.

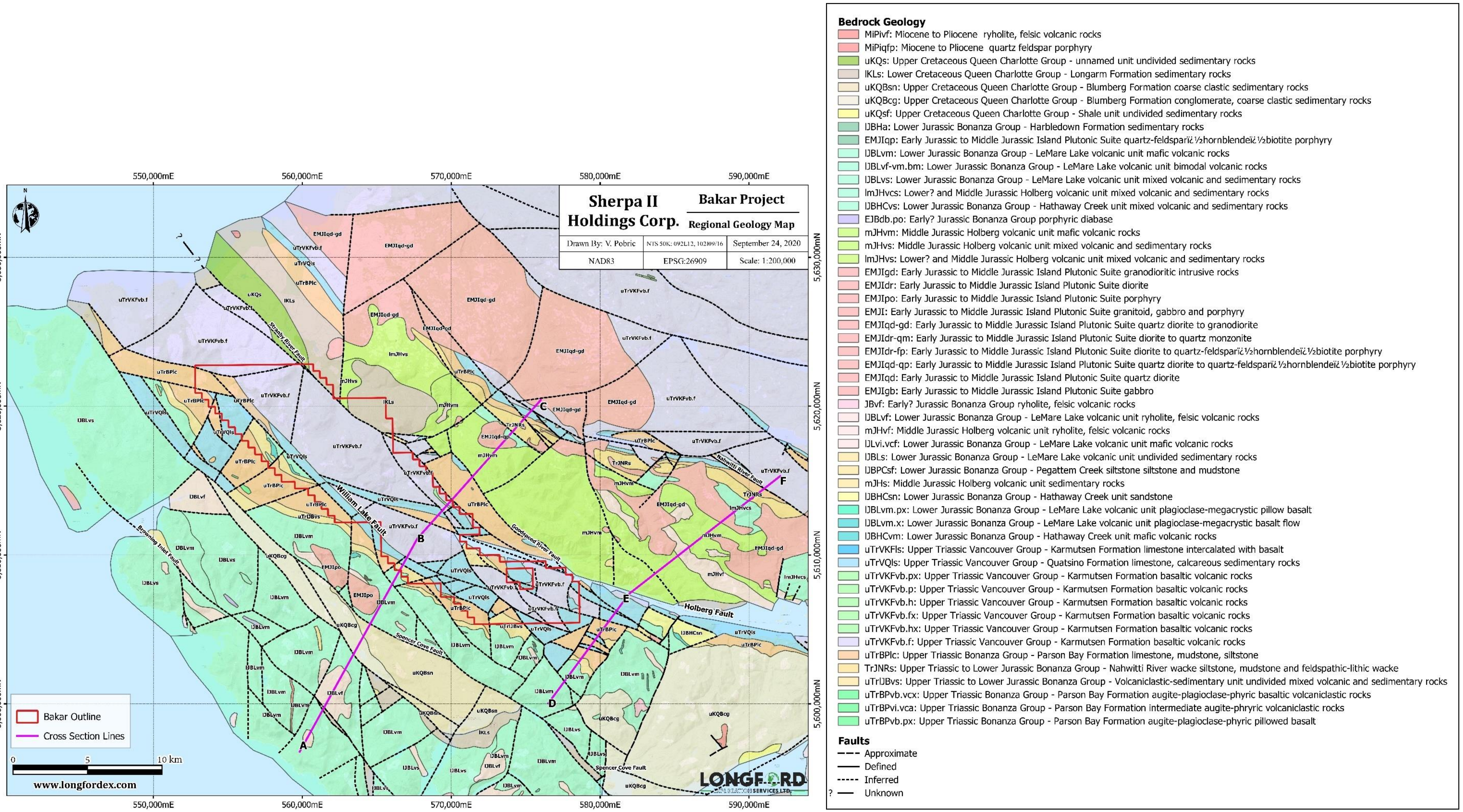


Figure 7-4: Bakar Property Regional Geology Map and Legend

Source: Map prepared by Longford Exploration Services, 2020

7.2 Property Geology

The Bakar Property is predominantly underlain by a generally southward-younging sequence of east-west-trending upper Triassic to middle Jurassic volcanics and lesser sedimentary rocks of the Vancouver and Bonanza Groups. The Vancouver Group comprises the tholeiitic flood basalts of the Karmutsen Formation at the base conformably overlain by thinly bedded to massive Quatsino Formation limestone and intercalated marine shale, siltstone and impure limestone of the Parson's Bay Formation (Nixon et al., 1994). The Lower to mid-Jurassic Bonanza Group is mainly composed of mafic to felsic volcanic with lesser intercalated sedimentary rocks which were deposited in both submarine and subaerial environments with coeval granitoids of the Island Plutonic Suite. Unconformably overlying the Bonanza Group are the marine to non-marine Upper Jurassic to Lower Cretaceous clastic sequences and localized tertiary volcanics of the Longarm Formation and is estimated to be approximately 300 m thick in the Port Hardy area.

Faulting is prevalent in the region with large-scale block faults with hundreds to thousands of metres of displacement being offset by younger strike-slip faults with displacements up to 750 m.

The stratigraphic summary of Northern Vancouver Island is shown in Figure 7-5. The property geology for the Bakar Property is shown in Figure 7-6.

7.2.1 Lithological Units

The local units found on the Bakar Property are summarized in Nixon et. al. (2011) as follows:

Queen Charlotte Group equivalents (in part): *Upper Cretaceous*

Blumberg Formation:

- Massive-to-thinly bedded lithic to arkosic wacke with minor pebble to cobble conglomerate
- massive conglomerate with minor lenses of coarse-grained lithic wacke

Shale Unit:

- Dark grey, calcareous to non-calcareous siltstone and impure limestone interbedded with subordinate wacke and minor pebble conglomerate (exposure restricted to the north shore of Quatsino Sound)
- Dark grey to grey-green and brownish grey siltstone, shale and greywacke; locally fossiliferous

Longarm Formation equivalents: *Lower Cretaceous*

Greenish to brownish grey, thinly bedded to massive sandstone, siltstone, mudstone, pebble conglomerate and minor coal; locally fossiliferous.

Bonanza Group - north of Holberg fault: *Upper Triassic to Middle Jurassic*

Holberg Volcanic Unit:

- Undivided basaltic to rhyolitic flows, volcaniclastic and sedimentary rocks to the north of the map area
- Mainly dark grey-green to medium grey, basaltic to andesitic flows and volcaniclastic rocks including plagioclase-hornblende-phyric andesite, plagioclase-clinopyroxene-phyric basalt-andesite with sparse hornblende megacrysts (~1 cm), tuff-breccia, lapilli tuff and reworked equivalents; minor sedimentary rocks including volcanic breccia, wacke, siltstone, mudstone and shale; locally may include minor rhyolitic flows and tuffs
- Medium grey to grey-green, aphanitic to feldspar-phyric, rhyolitic to dacitic flows, flow domes and/or pyroclastic rocks including flow and pyroclastic breccia, welded to non-welded crystal-lithic lapilli tuff with carbonized wood fragments; may locally include thin interbedded volcanic breccia and wacke, and minor basaltic to andesitic flows
- Brownish to greenish grey, laminated to medium-bedded, feldspathic volcanic wacke and pebbly sandstone locally cross-bedded with organic-rich horizons, and dark grey to black shale, mudstone and siltstone
- Dark grey-green volcaniclastic and sedimentary rocks including basaltic to andesitic. plagioclase-clinopyroxene and plagioclase-hornblende-phyric lapilli tuff and tuff breccia, volcanic breccia, wacke and minor siltstone and mudstone; locally includes basaltic to andesitic flows

Nahwitti River Siltstone-wacke: Upper Triassic to Lower Jurassic

Dark grey to grey-green, medium bedded to thinly laminated, siliceous siltstone, mudstone, and feldspathic lithic wacke; locally contains massive beds of basalt to andesitic volcaniclastic breccia and thin rhyolitic tuff beds

Parson Bay Formation: Upper Triassic

Similar lithologies to those found south of the Holberg-Stranby River fault system; coarser sedimentary and volcaniclastic deposits appear to be less common and Sutton limestone equivalent has not been observed

Bonanza Group - south of Holberg fault

Hathaway Creek Volcanic-sedimentary Unit: Lower Jurassic

- Dark grey to greenish grey, massive to medium bedded, hetero-lithic volcanic breccia, feldspathic lithic wacke, and siltstone
- Dark grey to grey-green, pillowed to massive, plagioclase-megacrystic (<2 cm) basaltic to andesitic flows
- Dark grey-green, massive to medium bedded and locally laminated, weakly calcareous, feldspathic lithic wacke, siltstone, mudstone and minor shale, volcanic breccia, and water-washed, basaltic lapilli tuff; carbonized wood fragments and locally fossiliferous

Le Mare Lake Volcanic Unit: Lower Jurassic

- Undifferentiated basaltic to rhyolitic flows and pyroclastic rocks (mainly subaerial); includes ash-flow and rare airfall tuff and reworked equivalents, minor pillow lava, pillow breccia, hyaloclastite and rare pyroclastic surge deposits, locally intercalated with marine to non-marine volcanic conglomerate, sandstone, siltstone, mudstone, impure limestone and debris-flow deposits
- Dark grey-green, basaltic to andesitic flows with minor intercalated volcaniclastic and sedimentary lithotypes; locally includes minor pillow lava/breccia; may include minor rhyolitic flows and pyroclastic rocks
- Medium grey, rhyolitic to dacitic flows, flow domes and/or pyroclastic rocks, including flow and pyroclastic breccias, welded to non-welded crystal-lithic lapilli tuff and rare airfall tuff; aphanitic to feldspar-phyric; locally may include thin sedimentary deposit: high-silica andesite and minor basaltic flows
- Dark grey-green, plagioclase-megacrystic (0.8 to 2 cm), variably amygdaloidal basaltic to andesitic flows; locally intercalated with aphanitic and plagioclase-phyric flows
- Small outcrop of plagioclase-megacrystic basaltic to andesitic flows
- Grey-green sedimentary strata including impure limestone, calcareous to non-calcareous mudstone, shale, siltstone, sandstone and tuffaceous equivalents; may include minor intercalated tuff and volcaniclastic breccia
- Interbedded volcaniclastic and sedimentary strata; includes lithic and crystal-lithic lapilli tuff and reworked equivalents, pyroclastic and epiclastic volcanic breccia, sandstone, siltstone, mudstone, impure limestone, and minor debris-flow and phreatomagmatic deposits; may include minor lava flows
- Dark grey-green, basaltic to andesitic lapilli tuff, tuff-breccia, and reworked equivalents locally interbedded with pillow lava, pillow breccia, fine-grained hyaloclastite, and minor lava flows

Pegattem Creek Siltstone: Lower Jurassic

Dark grey to greenish grey, fossiliferous siltstone, and mudstone with minor shaley mudstone; possibly also occurs north of the Holberg-Stranby River fault system

Volcaniclastic-sedimentary Unit: Upper Triassic to Lower Jurassic

Interbedded volcaniclastic and sedimentary strata (predominantly submarine): buff to grey-green, thin to very thickly bedded, calcareous to non-calcareous, volcanic breccia, lithic and feldspathic wacke, siltstone and limestone, locally coralline; lithic-crystal tuff, lapilli tuff and reworked equivalents; and minor vitric tuff, pebbly sandstone, siltstone, and volcaniclastic debris-flow deposits; may include black carbonaceous shale, mudstone, siltstone and limestone

Parson Bay Formation: Upper Triassic

- Medium grey to black, thinly laminated to medium bedded, impure limestone, calcareous to non-calcareous mudstone, siltstone and shale intercalated with variable proportions of grey-green lithic feldspathic/tuffaceous wacke, minor crystal-lithic tuff and reworked equivalents, volcaniclastic breccia and debris-flow deposits, and rare vitric tuff, pebbly sandstone and conglomerate; shale locally yields abundant thin-shelled bivalves (Halobia sp., Monotis sp.); limestone locally contains rare algal structures; may include coralline limestone (Sutton limestone equivalent in part; see below) near the top of the succession

- Sutton limestone equivalent thin (<10 m) unit of pale to medium grey, massive reefoid limestone near the top of the Parson Bay Formation; contains silicified corals and other fossils; likely equivalent in part to Sutton limestone in the Cowichan Lake area, southern Vancouver Island
- Dark grey-green, basaltic tuff-breccia, crystal-lithic lapilli tuff and debris-flow breccia; aphanitic to coarsely clinopyroxene-plagioclase ± olivine-phyric
- Dark grey-green basaltic pillowed flows, pillow breccia and debris-flow breccia
- Dark grey-green, andesitic tuff-breccia, lapilli tuff and debris-flow breccia; plagioclase-hornblende-phyric.

Vancouver Group: *Upper Triassic*

Quatsino Formation: Upper Triassic

Medium to pale grey, thinly bedded to massive micritic limestone and locally bioclastic limestone; minor silica replacement and chert nodules; rare laminated interbeds, oolitic layers and algal structures; locally fossiliferous

Karmutsen Formation: Upper Triassic (possibly Middle Triassic at the base)

Undifferentiated, dark grey-green basalt flow/hyaloclastite/pillow lava (outside the map area)

Upper Karmutsen Formation: Flow Member

- Dark grey-green, aphanitic to plagioclase-phyric basalt flows, commonly amygdaloidal and locally exhibiting laminar flow features (vesicle trains) and pipe vesicles; may include minor pillow lava and hyaloclastite
- Dark grey-green, plagioclase-megacrystic (1 to 2 cm) basalt flows; commonly amygdaloidal and locally exhibiting trachytoid texture; intercalated with aphanitic or plagioclase-phyric basalt near the top of the succession
- Small outcrop of plagioclase-megacrystic (1 to 2 cm) basalt flow, commonly amygdaloidal and locally exhibiting trachytoid texture; intercalated with aphanitic or plagioclase-phyric basalt near the top of the succession
- Dark grey-green, massive to laminated, basalt pillow breccia and hyaloclastite sandstone
- Plagioclase-megacrystic (<2 cm) basalt pillow breccia and hyaloclastite sandstone
- Dark grey-green, closely packed, pillowed basalt flows; aphanitic and variably amygdaloidal
- Plagioclase-megacrystic (<2 cm) pillowed basalt flows
- Thin (<8 m) beds and lenses of pale to medium grey, micritic to rarely bioclastic or oolitic limestone intercalated with basalt near the top of the flow succession

Intrusive Rocks: Lower to Middle Jurassic (ca. 197.5 to 169.9 ma)

Island Plutonic Suite

Dark grey-green to pale pinkish grey, medium to coarse-grained, equigranular granitoid rocks and porphyry, includes gabbro, hornblende ± biotite-bearing diorite (di), quartz diorite, granodiorite, plagioclase ± hornblende porphyry (po) and quartz-plagioclase ± biotite porphyry; combined codes indicate a range of common rock types (quartz diorite - granodiorite)

Minor Intrusions: Tertiary

Dark to pale grey, rhyolitic dike/sill; plagioclase ± hornblende ± quartz-phyric; possibly coeval with Alert Bay volcanic unit.

Early Jurassic:

- Dark grey-green diabase to medium-grained gabbro sill; coeval with Bonanza Group volcanism; plagioclase porphyritic variety
- Medium grey, aphanitic to plagioclase-phyric rhyolite intrusion; coeval with Bonanza Group volcanism

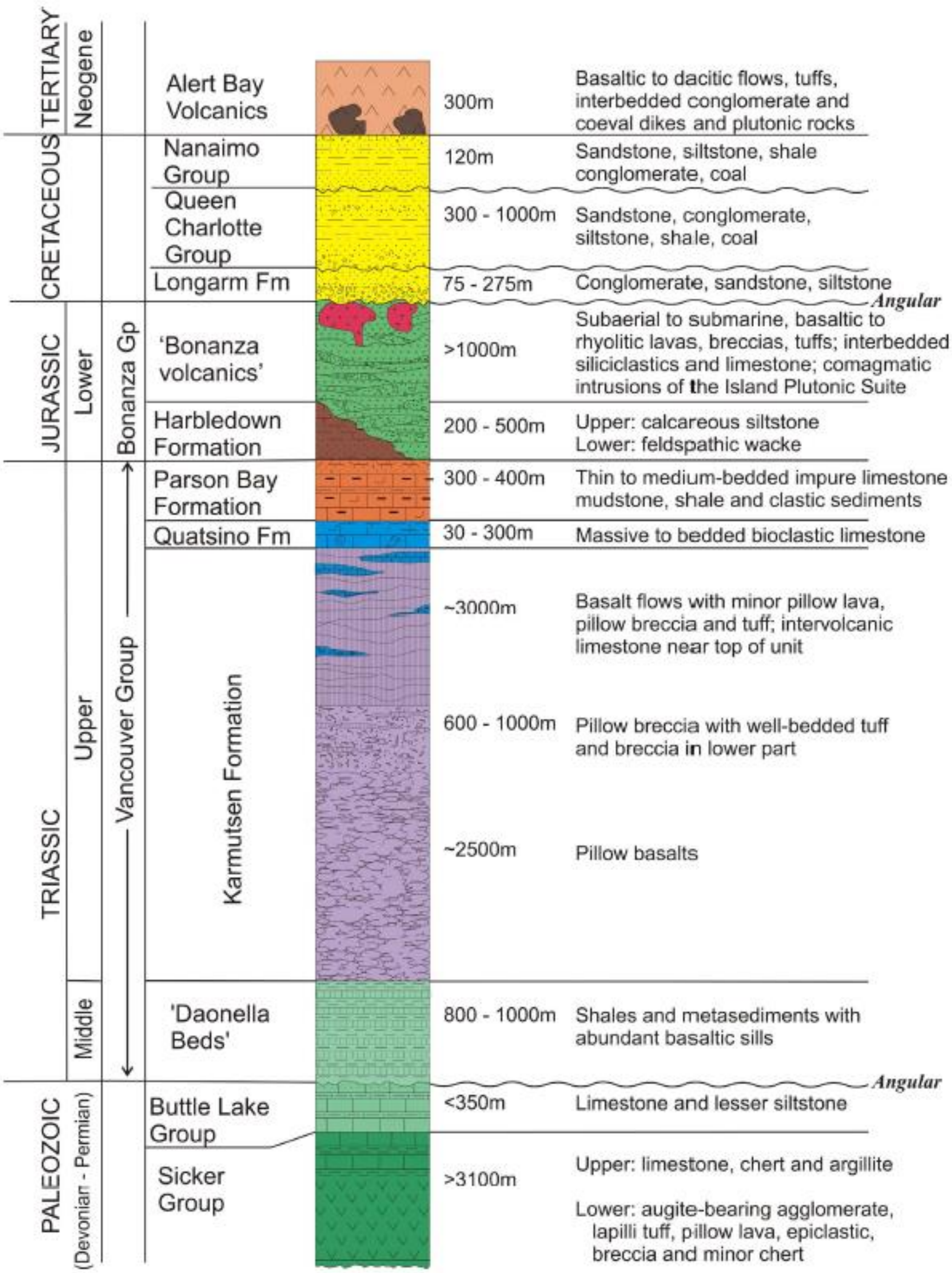


Figure 7-5: Stratigraphic Summary of Northern Vancouver Island, British Columbia

Source: after Nixon et al., 2006

7.2.2 Post Accretionary Intrusions

The Bakar Property contains a series of northwest-trending dykes belonging to the Island Plutonic Suite which extend from the eastern end of Rupert Inlet to the mouth of Stranby River on the north coast of Vancouver Island. These intrusions are related to the Bonanza volcanism and thought to be apophyses emplaced just east of the Rupert Stock granodiorite during the Early to Mid-Jurassic (Nixon et al., 2006). The Rupert Stock is part of the Jurassic Island Stock Suite responsible for the porphyry copper mineralization at the Island Copper Mine.

Quartz-feldspar porphyry dykes and irregular bodies occur along the south edge of the belt of stocks and are cut by quartz veins, are pyritized, extensively altered and are mineralized where brecciated (Pawliuk, 1994). At the Island Copper Mine, these porphyries are enveloped by altered, brecciated, mineralized Bonanza wall rocks.

7.2.3 Structure and Folding

The layered units underlying the Bakar Property consist mainly of the Quatsino Formation and the Parsons Bay Formation which generally dip gently to moderately southwestward. The structural style of the property is dominated by block-faulting, with the most significant of these fault systems trending west to northwest following Rupert and Holberg Inlets. This structural setting creates repetition and loss of parts of the stratigraphic section with aggregate vertical movement of tens to hundreds of metres. Near the western end of Holberg Inlet the fault splits, with one splay following Holberg Inlet and the other branch passing through the west side of the Stranby River valley.

Second-order fault systems occur in the area and can be observed at outcrop scale in Crackerjack Creek. These are typified by steeply dipping north to northeasterly oriented systems. Second-order structures are also prevalent and discernable from topographical lineaments such as are observed to pass through William Lake and other smaller systems pass through the Nahwitti Lake and Georgia Lake area.

Strata within individual fault blocks generally have a consistent dip and facing direction which trends toward the south to southwest (Nixon et al., 1993). West of Holberg, bedding dips are locally much steeper as they are closer in proximity to major faults. Bedding in this area shows very little visible folding or flexure with the exception of thinly bedded sediments of the lower Bonanza Formation along the loci of major faults.

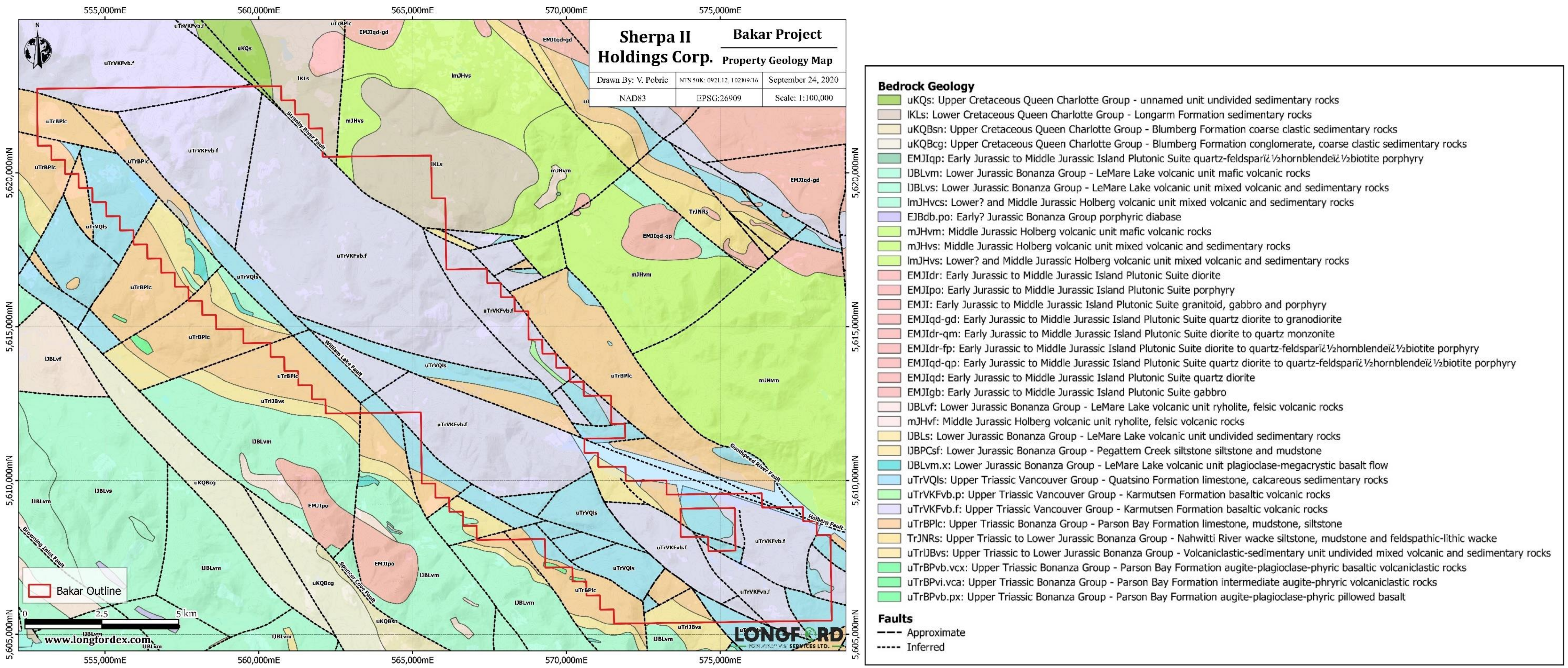


Figure 7-6: Bakar Property Geology and Legend

Source: Map prepared by Longford Exploration Services, 2020

7.2.4 Property Mineralization

Strong copper mineralization has been observed within a distinct horizon of the Karmutsen Formation at the Millington showing on Mount Hansen (located approximately 5 km west of Holberg). The horizon was characterized by olive green amygdaloidal volcanics, basaltic flows and brecciated tuffs which overlie unmineralized pillow basalts and dark green amygdaloidal basalt.

Negligible alteration associated with mineralization has been observed. Where present, alteration comprises epidote and chlorite, which is often intense within the host basalt and is characterized by a buff pistachio green colour and sharp boundaries with unaltered host rock.

The principal copper-enriched horizon trends towards the northwest for at least 170 m and occurs as lenses of disseminated to massive mineralization, and discordant veins and mineralized structures. The mineralization has been traced over a width of 130 m perpendicular to the horizon so far, though more work is required to fully understand the depth and continuity. The mineralized zone mineralogy is comprised of predominantly chalcocite, bornite, chalcopyrite, malachite, and also contains lesser covellite, native copper and minor azurite (Figure 7-7). Supergene enrichment and oxidation have formed a complex assemblage of copper-bearing minerals that include malachite and chrysocolla with rare azurite.

Bornite, chalcocite, and chalcopyrite lenses have also been observed at higher elevation along the edge of the IP geophysical anomaly identified in 1963 by Hallof and Sutherland. Three high-grade samples collected directly from mineralized sections of outcrop in the vicinity of this anomaly returned values of 2.08% Cu, 14.66% Cu, and 24.52% Cu when submitted for assay.

Local mineralization may likely be related to dilatational zones and fault jogs and steps along second-order fault structures in the area. Near the western end of Holberg Inlet the main fault splits, with one splay following Holberg Inlet and the other branch passing through the west side of the Stranby River valley. High amounts of disseminated sulphides and malachite staining have also been noted in localized areas of intense shearing and fracturing across the Property.

Based on observations made to date, the Bakar Property shows many characteristic signs of the volcanic redbed copper style of mineralization. In Section 8, Table 8.1 outlines the similarities between the Bakar Property and the definitive characteristics of volcanic redbed copper deposits.

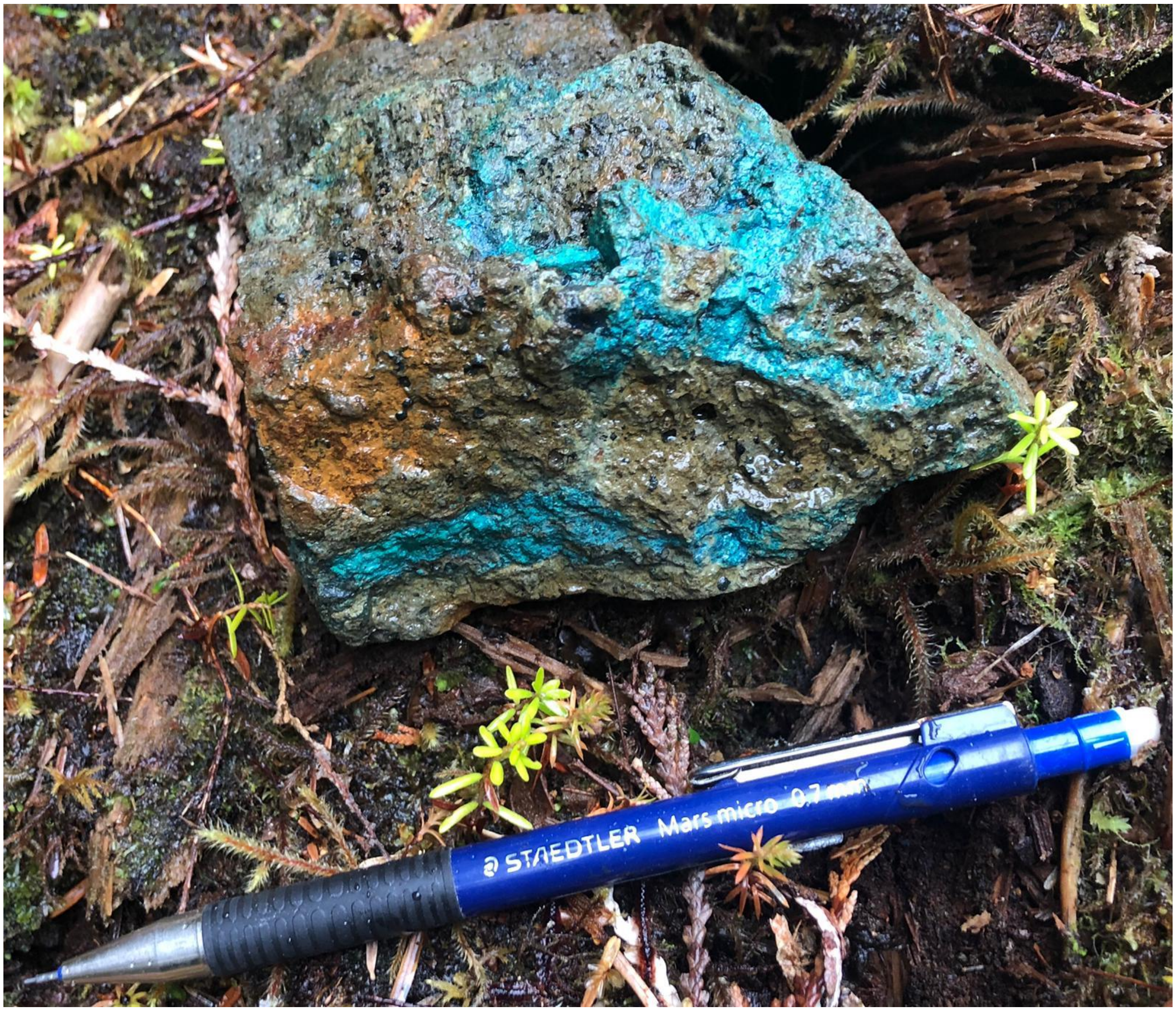


Figure 7-7: Example of Copper Mineralization from the Property

Source: Photograph taken by Longford Exploration Services, 2019

8 DEPOSIT TYPES

8.1 Volcanic Redbed Copper Style Deposit

The Bakar Property is likely associated with stratabound mineralized bodies of disseminated copper and copper sulphides which occur in reduced zones of redbed sequences, known as volcanic redbed copper deposits (Figure 8-1). The mineralized zones within the Property are believed to occur within subaerial volcaniclastic, tuffs and flow breccias of the Karmutsen Formation.

Volcanic redbed copper deposits are known to occur in fault-bounded basins in various tectonic settings, including rifts with subaerial flood basalt sequences, intermontane basins in broad zones of extension, and near plate margins with island-arc and continental-arc volcanics (USGS, 2007; BCGS, 1996). These deposits form in continental to shallow-marine volcanic settings in "low to intermediate latitudes" with arid to semi-arid environments. Deposits tend to form tabular lenses over a few metres to several tens of metres thick which are roughly congruent to the host strata; however, deposits may also be strongly influenced by structural controls and lead to the formation of mineralized zones which crosscut stratigraphy such as veins, veinlets, fault breccias and disseminated zones (BCSG, 1996).

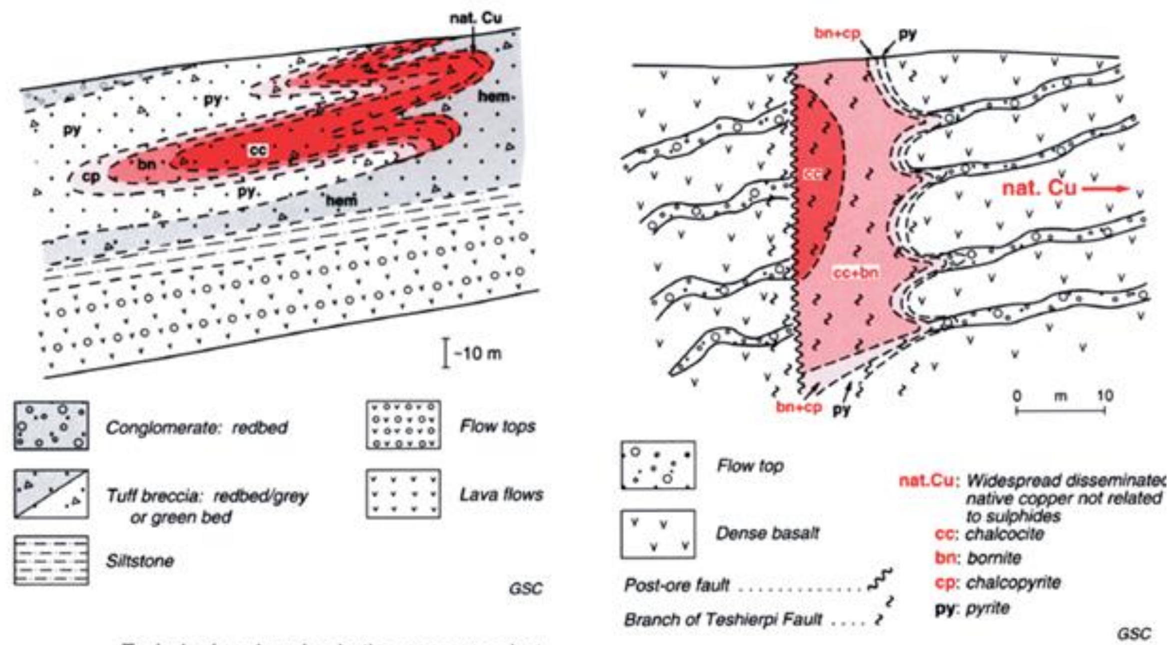
The stratigraphic setting characteristic of these deposits is a redbed sequence containing white or gray bleached zones in sandstone and/or black, grey or green (reduced) beds of shale and siltstone (USGS, 2007). Redbed sedimentary rocks are common and often exhibit shallow water sedimentary structures such as small-scale crossbedding, mud cracks and algal mats. Reducing traps may also be formed by fossil plant debris in rocks from in the Devonian or later; however, plant debris generally has limited lateral extent. Associated rock types typically include amygdaloidal basalts, breccias, and coarse volcaniclastic beds with associated volcanic tuffs, siltstone, sandstone and conglomerates. While any of these rock types may host this style of deposit, mafic volcanics most often have elevated background copper values due to the infilling of amygdules, flow breccias and minor fractures with native copper and chalcocite (BCGS, 1996).

The characteristic ore mineralogy of volcanic redbeds include chalcocite, bornite, native copper, digenite, djurleite, chalcopyrite, covellite, native silver and greenockite with pyrite peripheral to the ore. Some deposits display zoning from chalcocite, through bornite and chalcopyrite to pyrite along the fringes. Generally, these deposits are not associated with alteration; however, some deposits occur in prehnite-pumpellyite grade regionally metamorphosed volcanics (BCGS, 1996). Gossanous weathering is also uncommon; however, locally minor areas of malachite or azurite staining has been noted (BCGS, 1996).

There are two widely accepted genetic models for the formation of volcanic redbed copper deposits: the first is related to the metamorphism of copper-rich mafic volcanic rocks at depth, which provide the source of the metal-bearing fluids. These fluids migrate higher in the stratigraphic sequence towards the surface into permeable, oxidized subaerial host rocks of lower metamorphic grade where they react and precipitate during dehydration reactions (Kirkham, 1996). Another theory relates mineralization to a diagenetic model which predates metamorphism. This model involves the migration of low-temperature fluids up-dip along permeable strata to margins of basins, or along structures whereby copper deposition occurs on contact with oxidized rocks. These rocks are typically shallow marine to subaerial volcanics formed in arid to semi-arid environments. Both models require the presence of an oxygen-rich atmosphere to produce oxidized rocks as traps; therefore, all redbed deposits must be younger than ~2.4 Ga.

The simple ore mineralogy found in these deposits provides a very specific geochemical signature for copper and usually silver. Litho-geochemical and stream sediment samples may also return high values of copper and silver, with typically high copper to zinc ratios and low-grade gold values. IP surveys are also useful to delineate mineralized lenses and areas of intense veining associated with these deposits.

Economically, these deposits range in size from hundreds to thousands, to hundreds of millions of tonnes grading from >1% Cu to more than 4% Cu. Historically, however, only a few deposits have had high enough grades to support underground mines, and the majority of occurrences are too small to be economic as open pit operations (BCGS, 1996).



Typical mineral zoning in the peneconcordant Sustut deposit, British Columbia. Minerals: py – pyrite cp – chalcopyrite, bn – bornite, cc – chalcocite, nat. Cu – native copper, hem – hematite.

Typical mineral zoning in the discordant DOT 47 zone, Coppermine River area, Northwest Territories.

Figure 8-1: Examples of Volcanic Redbed Copper Mineralization in other Canadian Deposits

Source: Kirkham, 1996

8.2 Other Deposit Model Types

It should be noted that the large property size and regional geological environment suggests that additional mineralized occurrences may exist on the Property.

8.2.1 Porphyry Copper-Gold Systems

Primarily one would expect potential porphyry-related hydrothermal systems, including low-grade, bulk tonnage primary copper-gold porphyries related to intrusion of the Island Plutonic Suite. It is generally recognized that copper-gold-molybdenum porphyry deposits are associated with granodiorite, quartz monzonite, quartz diorite granitoid rock types. Copper-gold-molybdenum porphyries tend to occur as large zones of hydrothermally altered host rock and are closely related to island-arc volcano-plutonic suites. Composition of intrusions range from basalt-andesite volcanic and gabbro-diorite-quartz-diorite associations. These deposits are characterized by quartz stockworks, veins, sulphide-bearing veins (pyrite, chalcopyrite, bornite, with lesser molybdenum), closely spaced fractures and fracture selvages. These subvolcanic Intrusions are commonly emplaced by multiple successive intrusive phases and a wide variety of breccias. Grain size may range from coarse-grained phaneritic to porphyritic.

The timing of gold mineralization within these systems can be early or late and is related to magmatic or circulating meteoric waters. Early gold mineralization is closely associated with the potassic alteration zone and bornite and late mineralization is associated with pyrite and either sericitic, advanced argillic or skarn-destructive argillic alteration (Gendall, 1994). These deposits may be present in stockwork veins, skarns, or as carbonate and non-carbonate replacement (Gendall, 1994). Copper-gold style porphyries tend to be smaller in size compared to copper-molybdenum style porphyries (Gendall, 1994). Regional structures and structural lineaments act as mineralization controls in these systems, and, therefore, the degree of fracturing and veining tends to favour the concentration of copper and gold in these areas (Gendall, 1994).

Mineralized zones occur at depths of 1 km or less and are mainly associated with the development of brecciated zones or preferential replacement in host rocks with a high degree of primary permeability. Ore-grade stockworks are linked to zones of intensely developed fractures that are coincident or intersect multiple fracture sets. Propylitic alteration halo is widespread and generally surrounds an early potassic alteration core (which is commonly well-mineralized). Overprinting of early mineralization by younger mineralized phyllic alteration is also common. Pyrite is typically the predominant sulphide mineral, and the predominant ore minerals are chalcopyrite, molybdenite, lesser bornite and rare (primary) chalcocite. Subordinate minerals include tetrahedrite/tennantite, enargite and minor gold, electrum and arsenopyrite.

It would also be reasonable to consider that the property is prospective for the distal mineralization styles associated with porphyry systems [i.e., skarn, carbonate replacement deposits (CRDs), and epithermal mineralized systems, among others]. Numerous such B.C. MINFILE showings occur off the property, and the age and formation of the Property’s host rocks are potentially favourable for such additional mineralization.

9 EXPLORATION

As of the date of this report, Sherpa II has not carried out any exploration on the Bakar Property. Exploration activities conducted by previous owners can be found in Section 6 (History).

10 DRILLING

Sherpa II has not carried out any drilling on the Bakar Property. Drilling programs conducted by previous owners can be found in Section 6 (History).

11 SAMPLE PREPARATION, ANALYSES, AND SECURITY

Sherpa II has not performed any of its own work on the Bakar Property, and therefore it has no sample preparation, analyses, or security protocols to report on.

11.1 2018 and 2019 Field Programs

In 2018 and 2019, field programs were completed by Longford Exploration Services on behalf of District Metals.

11.1.1 Sample Preparation

During the 2018 and 2019 field programs, a total of 60 rock samples, 93 channel samples, 32 stream sediment samples, and 34 soil samples were collected. These samples were collected to enable detailed descriptions out of the field and were secured in a manner where sample integrity and provenance was maintained for future analytical procedures.

Rock samples were located by GPS in NAD83 UTM Zone 9N. The sample locations were recorded in field notebooks and in an assay sample tag book as well as a waypoint recorded on a Garmin 60CSX GPS unit. Each sample was collected into its own 18 in. by 12 in. poly bag labelled with the location (e.g., “Bakar”) and a unique eight-character sample ID (e.g., E6690306) assigned from a barcoded Tyvek sample book. A tear-out tag with the barcode and unique sample ID was inserted in the bag with the sample, and the bag was sealed with a cable tie in the field. The sample locations were marked in the field with orange flagging tape and the unique sample ID number was written on the tape.

The starting point for channel samples were marked by GPS in NAD83 UTM Zone 9N and were clearly marked with an aluminum tag and flagging tape, and the start and end of each channel is marked with a perpendicular saw cut. A clear, standardized naming format was used to identify each channel cut (e.g., “VA-19-C01”) which was recorded in field notebooks along with starting point location and detailed sketches. Aluminum butter tags were inserted in the cuts to mark the channel rock sample numbers in the field. Each sample was placed into its own poly bag and assigned a unique sample ID much the same as previously outlined for rock samples.

Soil samples were collected at 50 m intervals along lines spaced 50 m apart, and 25 m intervals along lines spaced 25 m apart. All soil sample locations were recorded using handheld GPS units. Sample sites were marked by aluminum tags inscribed with the sample numbers and affixed to 50 cm wooden lath stakes that were driven into the ground. Most of the soil samples were collected from 20 to 30 cm deep holes using handheld geo-tools. They were placed into individually pre-numbered Kraft paper bags. Soil samples were sent to Bureau Veritas Mineral Laboratories in Vancouver, B.C. where they were dried and screened to -180 microns, dissolved using an aqua regia digestion, and analyzed for 35 elements using the inductively coupled plasma-mass spectrometry technique (ICP-MS).

Two-kilogram stream sediment samples were carefully collected within drainage lines. All sample locations were recorded using a handheld GPS unit and location and relevant descriptions were recorded by following guidelines which were developed by Longford Exploration Services. Each sample was placed into its own poly bag and assigned a unique sample ID, much the same as previously outlined for rock samples.

11.1.2 Chain of Custody

The Longford Exploration Services crew maintained custody of all samples until they were delivered in person to Bureau Veritas Mineral Laboratories in Vancouver, B.C.

11.1.3 QA/QC

Longford Exploration Services applied a high-level QA/QC program for early-stage exploration programs. A duplicate rock sample was collected every twentieth sample, while stream sediment was duplicated every tenth sample to confirm consistency of the data stream. Pulp duplicates and high-grade copper standards prepared and analyzed by the lab showed a less than 0.8% variability.

More comprehensive QA/QC procedures were applied to larger systematic sampling programs.

11.1.4 Sample Analysis

Sample analysis was carried out by Bureau Veritas Mineral Laboratories at its Vancouver location which is ISO/IEC 17025:2005 and ISO 9001:2015 certified and independent of the Issuer (Sherpa II).

The analytical methods requested from the lab for the samples collected in the 2019 field exploration program are shown in Table 11.1

Table 11.1: Analytical Methods Requested from Bureau Veritas Mineral Laboratories

Analytical Methods	Code
Analysis – Rock	PRP70-250, MA200, GC820 over-limit
Analysis – Soil	SS80, AQ250
Analysis – Stream sediment	SS80, AQ252

Standard preparations were chosen for the rock, soil and stream sediment samples. A multi-acid digestion (ICP-OES/MS - MA200) analysis was chosen because it gives near-total values for all the elements of interest. To detect the over-limits for copper found in the rock samples after the multi-acid digestion, a copper titration method (GC820) was chosen as an ore-grade analysis of up to 100% copper grade. ICP-MS analysis (AQ250/AQ252) was chosen for the low to ultra-low determination on soils and sediments with a larger split chosen for the stream samples to give a more representative analysis of elements subject to a nugget effect.

11.1.5 Adequacy of Procedures

In the author’s opinion, all sampling, handling, preparation, and analytical procedures used during the exploration programs on the Bakar Property are appropriate and consistent with common industry best practices. The laboratories are recognized, accredited commercial assayers.

12 DATA VERIFICATION

The data presented in this report hasve been compiled from assessment reports retrieved from British Columbia's publicly available reports, various publications, news releases and from technical reports presented to the author by Sherpa II holdings. . The historical data obtained from previous assessment reports was reviewed and the information therein was extracted was generated with proper procedures; all relevant data was tabulated or georeferenced and plotted to confirm the information was relevant to the property, where provided assay certificates were reviewed to confirm the grades reported, and validity of the data as was possible. The information and data were compiled in a project GIS and further reviewed by the author for general validity. Based on these reviews it is the authors opinion that the information has been accurately transcribed from the original source and is suitable to be used. The author is of the opinion that the datasets are adequate and reliable for the purposes of this technical report.

There were no limitations placed on the author in conducting the aforementioned data verification or the site visit.

Geochemical composition of the samples collected in 2018 and 2019 was determined at ALS laboratories, a well-respected, accredited laboratory. The values that are found on the original assay certificates presented are consistent with the recorded values in this report. Independent verification of the geochemical results was not possible as the original samples have been destroyed. The authors was able to confirm the presence of copper mineralisation in outcrop on the property.

The Bakar property is at an early stage of exploration and the samples collected are not intended to be used for a mineral resource or mineral reserve estimate. The data presented in this report are adequately reliable and accurate for the purpose of the report.

On the 20th of January 2021 the author visited the Bakar project with the aim of verifying the historical work conducted on the property. The author visited the Crackjack Creek showing which has historically been the focus previous exploration campaigns. The access, location and extent were found to be as described by previous workers.

The author verifies that the extent, morphology, mineralogy, alteration, style and tenor of mineralization is consistent with that described by previous workers.

The author also independently confirmed GPS readings at selected sample sites visited as a check on the location accuracy being recorded by field personnel. The author found evidence of the channel sampling carried out in 2018 and 2019 by Longford. The depth and width of the cut channels is 5-10 cm and approximately 15cm wide this is consistent with the industry best practices for channel sampling. The overall, the density and distribution of sample sites were adequate for the purpose of showing the extent and grade of mineralization exposed on surface at the Crackerjack Creek showing.

The author was able to confirm the location of the historic adits as reported by previous workers. Adits are in variable states of collapse, the inner workings cannot be presently accessed.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

This is an early-stage exploration project. No mineral processing or metallurgical testing has been carried out at this time.

14 MINERAL RESOURCE ESTIMATES

This is an early-stage exploration project. No mineral resource estimates have been carried out at this time.

15 MINERAL RESERVE ESTIMATES

This is an early-stage exploration project. Mineral reserve estimates are not relevant to the Bakar Property at this time.

16 MINING METHODS

This is an early-stage exploration project. Mining methods are not relevant to the Bakar Property at this time.

17 RECOVERY METHODS

This is an early-stage exploration project. Recovery methods are not relevant to the Bakar Property at this time.

18 PROJECT INFRASTRUCTURE

This is an early-stage exploration project. Project infrastructure is not relevant to the Bakar Property at this time.

19 MARKET STUDIES AND CONTRACTS

This is an early-stage exploration project. Market studies and contracts are not relevant to the Bakar Property at this time.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This is an early-stage exploration project. Environmental studies, permitting and social or community impact are not relevant to the Bakar Property at this time.

21 CAPITAL AND OPERATING COSTS

This is an early-stage exploration project. Capital and operating costs are not relevant to the Bakar Property at this time.

22 ECONOMIC ANALYSIS

This is an early-stage exploration project. Economic analysis is not relevant to the Bakar Property at this time.

23 ADJACENT PROPERTIES

Located to the east of the Bakar Property, the North Island Project is 100% owned by Northisle Copper and Gold Inc. The Project covers approximately 33,000 ha over a 50 km x 8 km area and lies over a Mesozoic-age porphyry copper and gold district. The area hosts a number of porphyry copper and gold occurrences of varying ages and stages of development: the advanced-stage Hushamu deposit, the Red Dog Deposit, the early-stage Pemberton Hills zone, and the NW Expo mineralized zone.

Copper mineralization was first discovered in the area by prospector Dennis Milburn in 1966 at the eastern end of Rupert Inlet. The property was then optioned by Utah Construction and Mining Co. (Utah Construction), who drilled the property between 1966 and 1969. Red Dog prospect was discovered during the mid 1960s by Hans Veerman and William Botel at the western end of the current Northisle claim block. A large area of claims was staked in 1967 by Utah Construction along the north shore of Rupert and Holberg Inlets which encompassed the grounds surrounding the Red Dog property. Exploration over this large package of land (Expo claims) resulted in the discovery of the Hushamu deposit in the late 1960s. Utah Construction continued exploration for porphyry copper mineralization up to 1980. Efforts then shifted for the search for gold, which resulted in the discovery of the Pemberton Hills occurrence.

Historical core from Hushamu was relogged during 2011-2012 along with additional drilling to better define the northern and southern limits of the deposit. A 12 km IP survey was also carried out over the projected northwest extension of mineralization to generate an updated NI 43-101 mineral resource estimate (B.C. MINFILE 092L 240).

The information regarding the Northisle Copper and Gold Hushamu deposit was derived from the technical report titled “Updated Resource Report for the Hushamu Deposit” with an effective date of August 27, 2012, filed on SEDAR. The key assumptions, parameters and methods used to prepare the mineral resource and mineral reserve estimates set forth here are set out in the technical report. The author has been unable to independently verify this information and such information is not necessarily indicative of the mineralization on the Bakar Property.

The information regarding the Northisle Copper and Gold Red Dog deposit was derived from the technical report titled “Red Dog Property Copper-Gold-Molybdenum Resource Estimate” with an effective date of January 6, 2012, filed on SEDAR. The key assumptions, parameters and methods used to prepare the mineral resource and mineral reserve estimates set forth here are set out in the technical report. The author has been unable to independently verify this information and such information is not necessarily indicative of the mineralization on the Bakar Property.

23.1 Notable Property

The property east along the Holberg fault from the southern portion of the Bakar Property is the former Island Copper Mine site. This former mine site is now reclaimed and under care and maintenance. Island Copper Mine was an open pit porphyry copper mine. Historical production is summarized in Table 23.1.

Table 23.1: Summary of Historical Production at Island Copper Mine

Production at Island Copper Mine	
Milled (t)	366,718,831
Copper (kg)	1,227,330,387
Molybdenum (kg)	32,009,858
Silver (oz)	9,455,712
Gold (oz)	1,133,878
Rhenium (kg)	236

Source: B.C. MINFILE 092L 158

At one time, it was the third-largest copper mine in Canada. It was owned by BHP Copper (formerly Utah Construction) and began production in 1971, closing at the end of 1995. The massive open pit, at 402 m below sea level, was the lowest open-air point on earth at one time. The pit has since been turned into a saltwater lake by opening a channel to Rupert Inlet.

There are a few B.C. MINFILE-noted properties nearby that have a history of exploration work mainly going back to the Island Copper Mine operating period. The reports note copper mineralization, but they do not report the presence of the Island Intrusions that are the common geological feature of the Bakar Property, Island Copper Mine, and other similar local deposits. There are also three B.C. MINFILE properties/occurrences noted on the Island Copper property but located outside the pit area.

The author has not been able to independently verify this information, and it is not necessarily indicative of the mineralization on the Bakar Property which is the subject of this report.

24 OTHER RELEVANT DATA AND INFORMATION

The author is not aware of any other relevant information that is not included in this report.

25 INTERPRETATION AND CONCLUSIONS

The early-stage exploration work at the Bakar Property has identified existing and new high-grade copper showings in the Millington area. All have been preliminarily classified as a volcanic redbed copper style of mineralization. These mineralized copper showings are separated by approximately 200 m along the same stratigraphic horizon within the Karmutsen Formation which provides a significant strike length on which to focus further exploration. The continuity and variability of this mineralization is the primary source of uncertainty related to this project and should be addressed in future exploration programs.

The mineralized showings at the north end of the property have received little attention during previous explorations; these areas occur along and adjacent to the trend of several known porphyry copper deposits (namely Island Copper Mine and the Hushamu deposit). It is expected that the Property is also prospective for such porphyry copper style mineralization. Current work at the site is ongoing to assess this potential, and systematic exploration follow up is prudent to adequately assess this potential.

Due to the abundance of outcrop exposure of the recently deforested property and owing to the large area covered by the mineral exploration licenses, there are significant areas which are under-explored. By following diligent field mapping and exploration methods, an opportunity exists to gain a more complete understanding of the geologic nature of the Property.

The Bakar Property is situated in an economically and socio-politically stable area, and there are currently no known factors that would prevent further exploration or any future potential project development. However, as this is still an early-stage grass-roots phase of exploration, there is always the risk that the proposed work may not result in the discovery of an economically viable deposit. However, the author can attest that there are no significant foreseeable risks or uncertainties to the Property's potential economic viability or continued viability directly arising from the quality of the data provided within this report.

26 RECOMMENDATIONS

26.1 Exploration Program (Phase 1)

Based on the evaluation of available data, the author of this Technical Report recommends a multi-phase exploration program for the Bakar Property which includes the following:

1. Digitize the information from historical drilling, geophysical surveys, mapping and sampling to provide a modern context to advance exploration efforts. Focus on an increased understanding of the nature and extent of mineralization using the geochemical and existing geophysical datasets (Phase 1).

2. Conduct a detailed mapping and sampling program at the Millington showing (where multiple mineralized outcrops occur within the Karmutsen Formation) to delineate the extent and thickness of the mineralized horizons. Work should include stream sediment, soil/till and/or moss mat sampling, and channel sampling of visible surface mineralization (Phase 1), and include the following:

    - Detailed lithological and structural geological mapping over areas of excellent exposure in Crackerjack Creek. Particular attention should be paid to understanding stratabound versus discordant (vein and structure) hosted mineralization. It is expected that there will be significant structural controls on mineralization and understanding what these are will be critical to the ongoing exploration effort.
    - Due to the excellent host rock exposures along Crackerjack Creek, there exists an opportunity to clearly and consistently map and classify the host Karmutsen Formation volcanogenic stratigraphy and define any distal alteration patterns that may be present. It is expected that such an exercise would greatly aid in further regional exploration throughout the property in subsequent exploration programs. Whole-rock litho-geochemistry would benefit this immensely.
    - Systematic stream sediment sampling should be completed along the main major drainages emanating from Mount Hansen. This work should be prioritized such that the core mineralized areas are preferentially sampled.
    - An orientation stream sediment sample program should be completed on the second-order drainages that feed Crackerjack Creek. Upon confirmation of anomalism related to copper mineralization and development of a robust methodology, this sampling procedure should be applied throughout the Property.
    - Soil sampling lines or moss mat sampling should also be completed on an orientation basis along the ridgeline spurs that occur parallel to Crackerjack Creek.
    - A comprehensive QA/QC program should be implemented for all systematic sampling programs. Due to the high-grade nature of the identified mineralization, it is strongly recommended that a robust field duplicate and coarse lab duplicate program is implemented, as well as representative umpire sampling of the high-grade sample population.

Due to the steep topography, it may prove challenging to establish a uniform soil sampling grid over the area surrounding the Millington showing. Also, considering the potentially stratabound nature of the mineralization, a minimum 25 m grid spacing would likely be required to delineate anomalism from soil geochemistry. Steep slopes surrounding mineralization may also provide false positive soil geochemistry anomalism, owing to high amounts of downhill soil creep.

26.2 Drilling Program (Phase 2)

Based on the results of the initial exploration program (Phase 1), a follow-up diamond drilling program is recommended at the mineralized Millington showing (Phase 2). Due to the steep topography and dense vegetation, it is expected that helicopter-assisted drilling may be required. However, newly established logging tracks and forestry service roads could allow the area to be accessed at higher elevations on Mount Hansen, above the initial target at the Millington showing.

26.3 Preliminary Budget

A preliminary budget for Phase 1 (pre-contingency) and Phase 2 is shown in Table 26.1. Phase 2 recommendations are conditional on the results of Phase 1.

Table 26.1: Preliminary Budget for Phase 1 and Phase 2

Phase	Description	Estimated Cost (CAD$)
1	Exploration program (24 day 4-person) • Prospecting • Geologic mapping • Geochem orientation • Stream sediment, soil/till and/or moss mat sampling • Channel sampling of visible surface mineralization • Site visit (QP/Senior Project Manager)	201,313.25
2	Diamond drilling program (3,500 m)	1,100,000
	GRAND TOTAL	**$1,301,313.25**

A simplified breakdown of costs for the Phase 1 exploration program is provided in Table 26.2.

Table 26.2: Proposed Exploration Budget

Personnel		Days	Rate		Line Total	
Project Manager - Rogers		2	$	1,000.00	$	2,000.00
Senior Geologist -		24	$	800.00	$	19,200.00
Geologist -		24	$	700.00	$	16,800.00
Senior Field Assistant/Firs Aid -		24	$	600.00	$	14,400.00
Field Assistant -		24	$	500.00	$	12,000.00
P.Geo -	Site visit	6	$	1,000.00	$	6,000.00
Senior Project Manager -	Site visit	6	$	900.00	$	5,400.00
	total man-days	110	**Cat. Total**		**$**	**75,800.00**
Food and Lodging		Units	Rate		Line Total	
Food and Groceries	per-diem rate per person	110	$	75.00	$	8,250.00
Lodging		34	$	125.00	$	4,250.00
			Cat. Total		**$**	**12,500.00**
Transportation		Units/Days	Unit Price		Line Total	
Truck x2	1 ton with safety and recovery gear	48	$	150.00	$	7,200.00
Fuel	per km for truck	5000	$	0.65	$	3,250.00
Trailer	18' 7000lb covered trailer	24	$	50.00	$	1,200.00
			Cat. Total		**$**	**10,450.00**
Equipment Rentals		Units	Unit Price		Line Total	
Electronics Kit	Radio, Sat phone, GPS, per person day	110	$	35.00	$	3,850.00
Mobile XRF		22	$	175.00	$	3,850.00
Rock Saw and PPE		22	$	70.00	$	1,540.00
Chain saw and PPE		22	$	25.00	$	550.00
			Cat. Total		**$**	**9,790.00**
Consumables		Units	Unit Price		Line Total	
Field / Office Consumables	per field man day	24	$	35.00	$	840.00
			Cat. Total		**$**	**840.00**
Analytical		Units	Unit Price		Line Total	
Analysis - Rock	PRP70-250, MA200, GC820 overlimit ~30%	75	$	45.00	$	3,375.00
Analysis - Till	Au grain count + classification	100	$	200.00	$	20,000.00
Analysis - Stream sediment	SS80, AQ252	50	$	36.00	$	1,800.00
Sample Shipping	Buerau Veritas	4	$	750.00	$	3,000.00
			Cat. Total		**$**	**28,175.00**
Mobilization		Units	Unit Price		Line Total	
BC Ferries	DEPARTURE BAY - HORSESHOE BAY	4	$	125.00	$	500.00
Taxi's and positioning	unit cost per man	4	$	500.00	$	2,000.00
			Cat. Total		**$**	**2,500.00**
Pre and Post Fileldwork		Units	Unit Price		Line Total	
GIS maps, historical work processing, geo-referencing, proposal and summary report		1	$	10,000.00	$	10,000.00
Results compilation, GIS and map making, final 43-101 report writing and signoff		1	$	25,000.00	$	25,000.00
			Cat. Total		**$**	**35,000.00**
			Estimated Sub Total		**$**	**175,055.00**
			Management 15%		**$**	**26,258.25**
			Pre Contingency Sub Total		**$**	**201,313.25**

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28 DATE AND SIGNATURE PAGE

This report titled, "NI 43-101 Technical Report on the Bakar Property, Northern Vancouver Island, British Columbia, Canada" and dated February 2nd, 2021, was prepared by the following author:

Dated this 2nd day of February, 2021.

(Original Signed and Sealed) "Thomas Hawkins"
Thomas Hawkins, P.Geo
Consulting Geologist

CERTIFICATE OF QUALIFIED PERSON

I Thomas Hawkins, PGeo, do hereby certify that:

1. I am a consulting geologist living at 102 Deep Dene Road, V7S 1A2
2. I graduated with a MSci degree in Geology and Geophysics from the Imperial College, London in 2006, and a PhD in Geology from the University of Brighton in 2011.
3. I am a Professional Geoscientist registered in good standing with the The Association of Professional Engineers and Geoscientists of British Columbia, licence no 39892, and with the *Ordre des géologues du Québec*, licence no 2200.
4. I have been practicing my profession for the past 12 years and have been active in the mining industry for the past 18 years. My technical expertise includes management of exploration programs, assessment of early stage mineral projects, field mapping, and production of genetic models for base metal deposits.
5. I have read the definition of "qualified person" set out in the National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association and past relevant work experience, I fulfil the requirements to be a qualified person for the purposes of NI 43-101.
6. I am responsible for the preparation of all sections of the technical report titled NI 43-101 Technical Report on the Bakar Property, Northern Vancouver Island, British Columbia, Canada dated *February 2nd 2021* (the "Technical Report") relating to the Bakar project. I was personally onsite on the 20th of January 2021
7. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
8. I am independent of the the issuer
9. I am independent of the vendor
10. I am independent of the Bakar Property
11. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.
12. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 2nd Day of February, 2021

(Original Signed and Sealed) "Thomas Hawkins"

Thomas Hawkins, P.Geo.