

# **NI 43-101 TECHNICAL REPORT**

ON THE

## **KOSTER DAM PROJECT**

CLINTON MINING DIVISION, B.C.

**WITH RECOMMENDATIONS FOR CONTINUING EXPLORATION**

NTS: 92O048/92O049

Latitude 51°25'54" N, Longitude 122°26'40" W

UTM 538993E, 5698408W

NAD 83

(centre)

On Behalf of

**CARIBOO ROSE RESOURCES**

by

**J.W. (Bill) Morton, P.Geo.**

**June 1, 2016**

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## **1.) SUMMARY**

The Koster Dam project (3,286 hectares) consisting of six mineral claims is located approximately 80 kilometers south of the city of Williams Lake in south-central British Columbia. The southern boundary of the claims is approximately eleven kilometers north of the former producing Blackdome gold-silver mine. The first of the current claims were staked in 2012 to cover prospective geology in an area predominantly underlain by Eocene and Miocene volcanic and volcanoclastic rocks. Unpublished and published records indicate that heavy mineral sampling completed in drainages within the claims in the late 1980's returned highly anomalous gold responses from many sites.

A rock sampling program was completed by Cariboo Rose Resources in 2012 and was furthered in 2013 with a program of silt sampling and rock sampling in which 134 silt samples, "sluiced" silt samples and rock samples were collected and analyzed. This work was continued in 2014 with a crew of three collecting a further 57 samples (usually a silt sample, sluiced silt sample and panned silt sample from each of 19 sites). A very strong and consistent gold anomaly was outlined on very small subsidiary drainage. In 2015 a small soil grid was established (258 samples) and a further three rock samples collected.

Further work is recommended to locate the source of the consistently anomalous gold values in a small central creek located on the southeastern side of the claim group and to further investigate several other isolated sample sites which have returned highly anomalous gold results.

A program of further geochemical sampling (silts and soils) is recommended with an induced polarization survey to detail the most promising areas resulting from the geochemical work. An airborne geophysical survey would be a useful adjunct to this work to identify areas with linear high resistivity features and allow a more focused exploration program to continue. An ongoing program is recommended. Estimated costs for the geochemical work are \$67,700 and for the surface geophysical work is \$45,200.

Exploration expenditures completed by Cariboo Rose Resources on the Koster Dam project between 2012 and 2015 total \$110,495.

## **2.) INTRODUCTION**

The author, J.W. (Bill) Morton, has been commissioned by Cariboo Rose Resources Ltd. to prepare a NI 43-101 compliant report on the Koster Dam property located in south central British Columbia. The author is a "Qualified Person", as defined by the definitions of the Standards for Disclosure for Mineral Projects. The author is not independent, being an officer of Cariboo Rose Resources. The author is a member in good standing with the Association of Professional Engineers and Geoscientists of BC #18-303. The author has conducted several site visits to the Koster Dam property most recently on June 20, 2013. Information sources for this report draw on reports written by Cariboo Rose Resources and by assessment work reports on file with the British Columbia Ministry of Energy and Mines.

## **3.) RELIANCE ON EXPERTS**

The author has not drawn on any report, opinion or statement regarding legal, environmental, political or other factors during the preparation of this report except those that are referenced herein.

**4.) PROPERTY DESCRIPTION and LOCATION**

**4.1 LOCATION**

The Koster claims are located in south-central British Columbia west of the Fraser River approximately 14 kilometers southwest of the Gang Ranch and 9 kilometers northwest of the Empire Valley Ranch. The City of Williams Lake, located 80 kilometers north of the property, is the nearest regional commercial center. Williams Lake has among other things, a full spectrum of commercial and retail enterprises, a hospital, the regional headquarters for the Royal Canadian Mounted Police, the regional headquarters for the BC Forest Service and a commercial airport with daily flights to Vancouver.

**4.2 DESCRIPTION**

**Table 1 Claim Details**

<b>Claim Name</b>	<b>Record #</b>	<b>Area (ha)</b>	<b>Expiry</b>
Koster Dam	1010845	705	Sept 21, 2017
KD-2	1010847	504	Sept 21, 2017
Camelfoot	1020584	403	Sept 21, 2017
Churnover	1021806	706	Sept 21, 2017
632	1030221	484	Sept 21, 2017
Dam	1030270	484	Sept 21, 2017

**Total 3,286 (ha)**

The claims are located within the Clinton Mining Division on provincial land and encompass 3,286 hectares (8,172 acres). The claims are owned 100% by Cariboo Rose Resources Ltd.

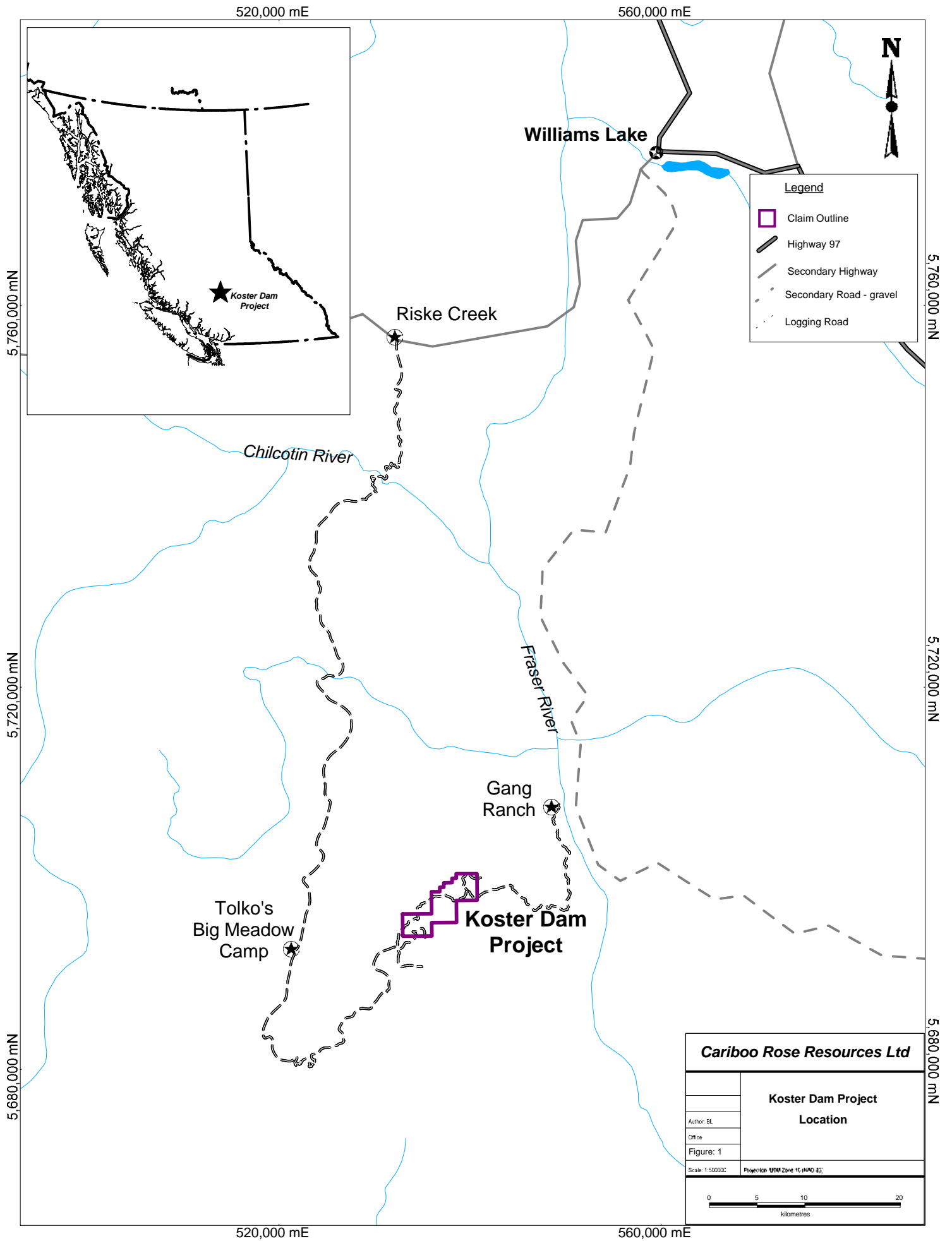
**4.3 PERMITS**

In British Columbia Notices of Work authorizations (Exploration Permits) are required when surface disturbance is a consequence of the exploration activity. Activities that have occurred up to the present have not involved surface disturbance and consequently no permit has been applied for or issued. Never the less projects peripheral to the Koster Dam property, including those owned by the Black Dome Mine, have been granted permits without significant difficulty. The author believes exploration permitting at Koster Dam will not be difficult.

**5.) ACCESSIBILITY, LOCAL RESOURCES, CLIMATE, LOCAL INFRASTRUCTURE AND PHYSIOGRAPHY**

**5.1 ACCESSABILITY**

Access into the Koster Dam claims is from the east via the Gang Ranch Bridge and then the Empire Valley Ranch and Blackdome Mine roads. Access into the claims from the west has been recently developed via a significant new road constructed in 2013 from the Farwell Canyon Forest Road system which leads south of Highway 20 from Riske Creek. Access from the west side needs to be coordinated with the Ministry of the Environment who gate the road during the spring and fall migrations of Big Horn Sheep (exemptions are available but need to be requested in advance of these closures).





## Legend

### Mineral Titles (MTO)

- MTO Grid
- Title (current)
  - LEASE
  - CLAIM
- Reserves
  - No Registration
  - Conditional
  - Heritage/Historic Site

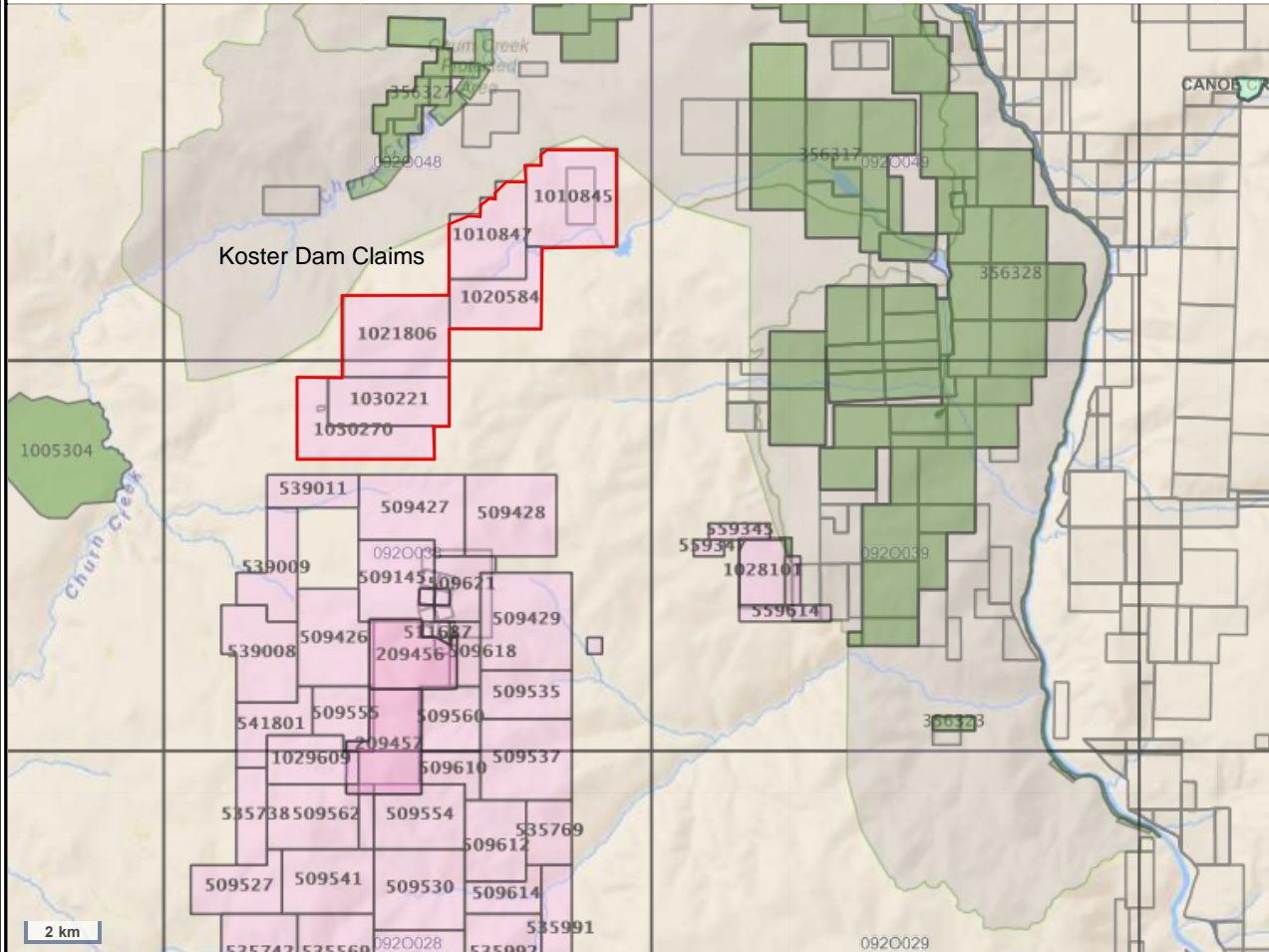
### Crown Land Layers (Tantalis)

- Land Act Survey Parcels - Tantalis - Legal Descriptions
- Label Text

- Land Act Survey Parcels - Tantalis - Outlined

### Administrative Boundaries

- Federal Transfer Lands - Outlined
- Federal Transfer Lands - Colour Filled
- National Parks - Outlined
- National Parks
- National Parks - Colour Filled
- Conservancy Areas - Tantalis - Colour Filled
- Ecological Reserves - Tantalis - Colour Filled



*This map is a user generated static output from an internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.*

**THIS MAP IS NOT TO BE USED FOR NAVIGATION.**

Printed using the Mineral Titles Online (MTO) application.

**Center:** 51°22'10", -122°24'10"  
**Scale:** 1 : 270,839  
**SRS:** EPSG:3857  
**UTM Zone:** 10



Koster Dam Claims

Fig 2

## ***5.2 CLIMATE AND TOPOGRAPHY***

The Koster Dam claims occupy a temperate semiarid (predominantly forested) landscape with elevations varying between 1,060 meters (3,500 feet) and 1,280 meters (4,200 feet). Vegetation consists of Douglas Fir and pine forest interspersed with pockets of open grassland. Summer weather is typically hot and dry while winter conditions can be very cold for short periods of time. Range cattle belonging to the Empire Valley ranch graze the area.

## ***5.3 LOCAL RESOURCES***

A small general store and gas bar is available at Dog Creek which is approximately on half hour by driving from the property. Otherwise most requirements are sourced in Williams Lake.

## ***5.4 INDIAN LAND CLAIMS AND ENVIRONMENTAL ISSUES***

Indian land claims are still unresolved in this area although no settlements, current or historic, or archeologically significant sites, are documented on the claims. There are no known environmental issues concerning the claims which are located entirely on provincially owned land.

## **6.) HISTORY**

There was no assessment work filed on the Koster Dam property prior to 1985. Records indicate that in 1985 Western Geophysical Aero Data Ltd. (White, 1985) completed 199 km of airborne VLF and magnetometer survey in this area. The airborne surveys detected a number of poorly defined magnetic features which predominantly correspond to ridge tops.

In 1986 a significant stream sediment geochemical gold anomaly was located approximately 12 kilometer north of the Blackdome Mine at a time when the mine was still operational. The anomaly contained several samples exceeding 5 grams per tonne gold (maximum 20 grams per tonne).

In 1986 and 1987 Minquest Exploration Associates Ltd. (with assistance from Welcome North Mines Ltd.) completed exploration to the south and southwest of the Koster Dam claims on behalf of Chevron Canada Resources Ltd. This work entailed project level mapping, a remote sensing analysis and the collection and analysis of 40 rocks, 28 panned concentrates and 150 soil samples. Gold values were generally weak excepting a few panned concentrates from the southern region of the claims. Five of the rock samples collected returned gold values ranging between 70 ppb and 920 ppb. Rocks that did return anomalous gold values (some were rubble samples) were generally described as fine grained buff colored altered volcanic rocks cut by fine quartz veins.

In 1988 Nexus Resource Corporation conducted two exploration surveys in the vicinity of the 1986 anomaly, a reconnaissance-scale stream sediment survey with the collection of 180 samples on 50 metre intervals on two larger and several smaller streams. Mineral grains with specific gravities greater than 2.96 were separated from the samples and analyzed using 30 element multi-element ICP techniques with an additional gold determination by atomic absorption methods (in some areas of the property more distant from access roads samples were taken at 200 meter intervals). A small soil sample grid (126 samples) was established over an airborne magnetometer anomaly. Seven rock samples were collected and analyzed. Many highly anomalous heavy mineral sample results were obtained with values to 22,300 ppb gold.

In 2012 Cariboo Rose Resources Ltd. began an assessment of the area of the geochemical gold anomaly and completed a program of prospecting and rock sampling (45 samples). One rock sample (float) returned 160 ppm gold, 21.6 ppm silver.

In 2013 two separate excursions into the claims resulted in the collection and analysis of 33 rocks and 134 samples consisting of silt samples, "sluiced" silt samples and soil samples. The methodology of this sampling was to collect a large sample and then prepare three splits with one being submitted directly as a silt sample, one being processed into a sluiced concentrate and one being concentrated by hand panning.

In 2014 this work was continued with a further 57 samples collected from 19 sites using the same methodology. A robust and cohesive anomaly with values to 1452 ppb gold was located in a small subsidiary drainage.

In 2015 a soil grid established from which 258 samples were collected in addition to 3 rock samples.

## 7.) GEOLOGICAL SETTING AND MINERALIZATION

In 1978, H. W. Tipper of the G.S.C. published an open file regional map at a 1:250,000 scale map which includes the Koster Dam claims and surrounding regions. Tipper's map shows the property to be underlain primarily by Eocene aged rhyolitic and dacitic volcanic rocks including flows, breccias and tuff. Minor porphyritic or amygdaloidal andesite or basalt is also present.

The northern portion of the property is mapped as being predominantly underlain by Upper Cretaceous Kingsvale group rocks which are primarily siltstone, greywacke and conglomerate.

In most areas of the property, bedrock is covered by a thick layer of till and glacial outwash making outcrop scarce except on isolated ridge tops. During the 2012 to 2014 reconnaissance programs widely dispersed outcrops of predominantly volcanic affinity were documented. These exposures were tentatively described as dacite, andesite and tuff and also included silicified varieties of the same plus silicified shale and conglomerate all consistent with Tupper's perspective of the region being dominated by Eocene volcanics along with some Cretaceous sediments. Amygdaloidal basalt believed to be part of the Miocene Chilcotin group have been noted on the road extending into the claims from the west side.

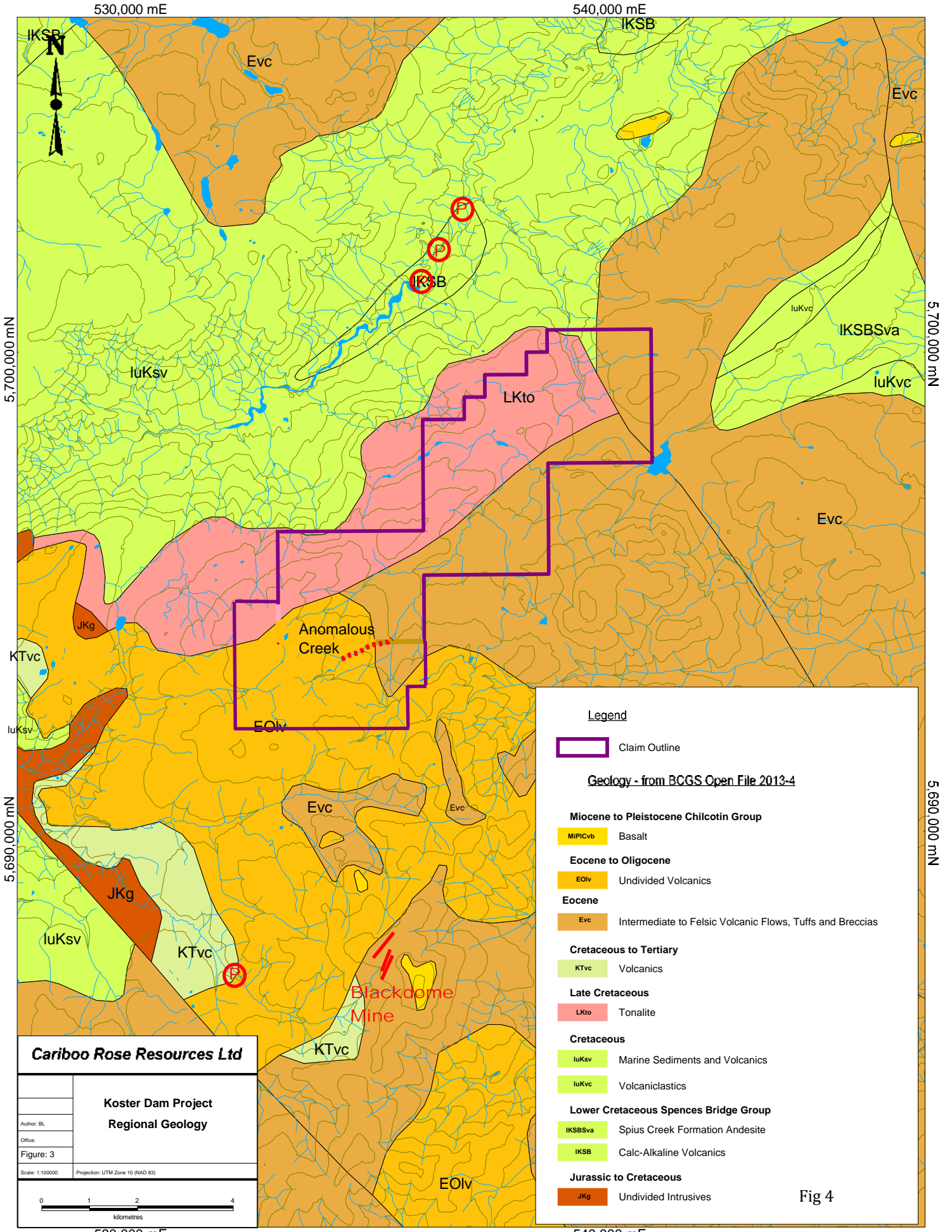
A mineralized, silicified volcanic boulder was found in the creek bed of West Churn Creek in 2012. The boulder returned an assay value of 160 ppm gold, 21.6 ppm silver and was anomalous in copper and lead.

## 8.) DEPOSIT MODEL

### ***Blackdome:***

The Blackdome deposit is a former producing gold-silver underground mine currently owned by Sona Resources Corporation and located 11 kilometers to the south of the property. Historic resources at Blackdome (1978) are stated as 205,657 tonnes grading 21.7 g/t Au and 116.9 g/t Ag. During its eight year life the mine produced approximately 225,000 ounces of gold and 547,000 ounces of silver. (Gruenwald, 2002) Current resources at Blackdome as indicated in an information circular published by Sona Resources Corporation are stated as 144,500 tonnes grading 11.29 g/t Au (Ag not quoted). The Blackdome deposit consists of a number of low sulfidation veins occupying faults believed to be related to a regional dextral strike slip event propagated as a series of splay faults from the Fraser River Fault. Mineralization occurs in veins which outcrop near the top of Blackdome Mountain in an Eocene volcanic sequence that includes a lower andesite, a middle rhyolite and an upper andesite member. Unmineralized Miocene basalt unconformably overlies this sequence.





**Cariboo Rose Resources Ltd**

**Koster Dam Project  
Regional Geology**

Author: BL  
Office:  
Figure: 3  
Scale: 1:100000  
Projection: UTM Zone 10 (NAD 83)

0 1 2 4  
kilometres

**Legend**

Claim Outline

**Geology - from BCGS Open File 2013-4**

**Miocene to Pleistocene Chilcotin Group**

- MIPICvb Basalt

**Eocene to Oligocene**

- EOlv Undivided Volcanics

**Eocene**

- Evc Intermediate to Felsic Volcanic Flows, Tuffs and Breccias

**Cretaceous to Tertiary**

- KTvc Volcanics

**Late Cretaceous**

- LKto Tonalite

**Cretaceous**

- luKsv Marine Sediments and Volcanics
- luKvc Volcaniclastics

**Lower Cretaceous Spences Bridge Group**

- IKSBSva Spius Creek Formation Andesite
- IKSBC Calc-Alkaline Volcanics

**Jurassic to Cretaceous**

- JKg Undivided Intrusives

Placer Gold Claim (current and former)

Fig 4

## 9.) EXPLORATION

In 1986 and 1987 Minquest Exploration Associates Ltd. (with assistance from Welcome North Mines Ltd.) completed exploration to the south and southwest of the Koster Dam claims on behalf of Chevron Canada Resources Ltd. This work entailed project level mapping, a remote sensing analysis and the collection and analysis of 40 rocks, 28 panned concentrates and 150 soil samples. Gold values were generally weak excepting a few panned concentrates from the southern region of the claims. Five of the rock samples collected returned gold values ranging between 70 ppb and 920 ppb. Rocks that did return anomalous gold values (some were rubble samples) were generally described as fine grained buff colored altered volcanic rocks cut by fine quartz veins.

In 1988 Nexus Resource Corporation conducted two exploration surveys in the vicinity of the 1986 anomaly, a reconnaissance-scale stream sediment survey with the collection of 180 samples on 50 metre intervals on two larger and several smaller streams. Mineral grains with specific gravities greater than 2.96 were separated from the samples and analyzed using 30 element multi-element ICP techniques with an additional gold determination by atomic absorption methods. A small soil sample grid (126 samples) was established over an airborne magnetometer anomaly. Seven rock samples were collected and analyzed. Many highly anomalous heavy mineral sample results were obtained with values reaching 22,300 ppb gold.

Exploration was initiated by Cariboo Rose in 2012 and continued in 2013, 2014 and 2015. This work has largely been reconnaissance in scope and heavily reliant on geochemical silt sampling. Initially the bulk of exploration was limited to taking conventional silt samples. In 2014 and 2015 conventional silt samples were augmented with “sluiced” silt samples and “panned” silt samples. Results of this work have confirmed the earlier heavy mineral sampling with silt samples reaching 753 ppb gold, sluiced silt samples reaching 1,452 ppb gold and panned silt samples reaching 331 ppb gold. Samples have now been collected from 95 sites over an east west interval of approximately 8 kilometers. Of note is a very strong and consistent gold anomaly outlined on a small subsidiary drainage in 2014.

In addition to silt, sluiced silt and panned silt samples a total of 78 rock (largely float and rubble) samples and 307 soil samples have been collected in an attempt to find the source of the gold. The scarcity of outcrop and the nature of the soil which is largely loess in character (deposited by wind as a consequence of the arid climate) have challenged exploration and the initial results from the rock (largely float and rubble) and soil sampling have been disappointing. Nevertheless only a small portion of the target area has been sampled and further prospecting and soil gridding is required.

**Table 2 SUMMARY OF SILT, SLUICED SILT AND PANNED SILT RESULTS**

Silt Sample	Gold ppb	Sluiced Silt Sample	Gold ppb	Panned Silt Sample	Gold ppb	East UTM	North UTM
K12DZ-001	0.6					527522	5702631
K12DZ-002	0.25					527271	5702464
T172152	2.5					539078	5699983
M172154	1					539121	5699779
M172155	0.9					539151	5699681
M172156	1.3					539218	5699511
M172159	0.4					539228	5699138

Silt Sample	Gold ppb	Sluiced Silt Sample	Gold ppb	Panned Silt Sample	Gold ppb	East UTM	North UTM
M172160	1.7					539328	5698968
M172161	5.4					539443	5698804
M172162	0.8					539609	5698681
M172163	0.9					539692	5698494
M172165	1					539768	5698306
M172166	1					539620	5698150
M172167	<b>752.9</b>					539489	5697993
M172168	1.9					539333	5697866
M172169	2.3					539140	5697827
M172170	2.1					538973	5697775
M172171	<b>22.5</b>					538825	5697639
M172172	1.3					538637	5697587
M172173	10.6					538486	5697466
M172174	1.3					538321	5697576
M172175	0.8					538175	5697677
M172176	0.6					538085	5697861
M172181	0.8					537459	5697082
M172182	0.7					534902	5695335
M172183	1.1					535072	5695400
M172184	0.8					535279	5695370
M172186	1.5					535462	5695395
M172187	3.6					535660	5695411
M172188	1.6					535862	5695471
M172189	0.6					536081	5695519
M172190	1.3					536281	5695547
M172192	0.7					536473	5695606
M172193	0.9					536603	5695758
M172194	0.9					536668	5695942
M172195	0.8					536752	5696134
M172196	1.7					536841	5696314
M172197	0.1					536915	5696504
M172198	0.5					537026	5696664
M172200	1.6					537176	5696795
M172501	1.3					539282	5699331
M172505	1					537285	5696966
M172506	0.9					534777	5695178
M172507	0.6					534636	5695011
M172508	1.5					534475	5694900
M172510	0.3					534310	5694769
M172511	<b>25.7</b>					534129	5694677
M172512	1.1					533928	5694610
M172513	1					533734	5694553

Silt Sample	Gold ppb	Sluiced Silt Sample	Gold ppb	Panned Silt Sample	Gold ppb	East UTM	North UTM
M172514	1					533540	5694535
T172151	3.3					539092	5699976
M172153	1.4					539117	5699849
T172157	1.4					539265	5699465
T172158	1.2					539315	5699414
T172164	0.4					539735	5698353
T172185	1.5					535420	5695378
M172191	0.6					536374	5695554
T172199	1.2					537176	5696795
T172509	8.7					534447	5694866
1150030	0.25	1150130	0.25	1150230	0.25	535300	5693764
1150031	1.5	1150131	1.8	1150231	0.25	535190	5693911
1150032	1.4	1150132	0.25	1150232	0.25	534131	5694678
1150033	0.25	1150133	<b>63.6</b>	1150233	0.25	534008	5694628
1150034	1.5	1150134	0.25	1150234	0.25	539447	5697951
1150035	0.25	1150135	0.25	1150235	0.25	539282	5697862
1150036	<b>418.0</b>	1150136	0.25	1150236	0.25	539052	5697813
1150037	0.9	1150137	0.6	1150237	0.8	538943	5697660
1632739	<b>581.4</b>	1632839	-0.5	1632939	0.5	534995	5693904
1632740	<b>113.1</b>	1632840	0.7	1632940	0.5	534809	5693839
1632741	1.7	1632841	<b>122.6</b>	1632941	0.5	534631	5693751
1632742	-0.5	1632842	-0.5	1632942	0.5	534446	5693692
1632743	<b>632.1</b>	1632843	<b>1451.7</b>	1632943	0.5	534294	5693599
1632744	-0.5	1632844	6	1632944	0.5	535171	5693644
1632745	-0.5	1632845	3.6	1632945	0.5	535003	5693546
1632746	<b>49.3</b>	1632846	1.6	1632946	0.5	538493	5697438
1632747	-0.5	1632847	<b>109.2</b>	1632947	0.5	538435	5697415
1632748	1.6	1632848	1.1	1632948	1.9	538410	5697435
1632749	<b>262.6</b>	1632849	<b>468.3</b>	1632949	0.5	529600	5692879
1632750	-0.5	1632850	0.9	1632950	0.5	532232	5692905
1632751	0.7	1632851	1.3	1632951	0.5	531911	5692888
1632752	-0.5	1632852	<b>17.8</b>	1632952	0.5	530721	5690253
1632753	8.2	1632853	-0.5	1632953	0.5	530539	5690210
1632754	5.3	1632854	<b>22.6</b>	1632954	0.5	530309	5690084
1632755	-0.5	1632855	<b>256.0</b>	1632955	2.2	530113	5690098
1632756	1.1	1632856	-0.5	1632956	0.6	529894	5690045
1632757	5.2	1632857	0.9	1632957	0.5	531176	5687982
2624001-LAB	-0.5	2624001-S	-0.5	2624001-P	<b>330.6</b>	533859	5693735
2624002-LAB	0.9	2624002-S	3.4	2624002-P	1.1	534168	5693435
2624003-LAB	-0.5	2624003-S	1.2	2624003-P	-0.5	534269	5693330
2624004-LAB	0.5	2624004-S	0.5	2624004-P	1.8	534142	5693207
2624005-LAB	8.3	2624005-S	1.8	2624005-P	1.1	533988	5693338

Silt Sample	Gold ppb	Sluiced Silt Sample	Gold ppb	Panned Silt Sample	Gold ppb	East UTM	North UTM
2624006-LAB	1.6	2624006-S	-0.5	2624006-P	2	533789	5693242
2624007-LAB	0.9	2624007-S	2.2	2624007-P	-0.5	533655	5693105
2624008-LAB	-0.5	2624008-S	-0.5	2624008-P	-0.5	533655	5692959
2624009-LAB	1	2624009-S	-0.5	2624009-P	0.7	533515	5693100

## 10.) DRILLING

No drilling has been completed on the Koster Dam claims.

## 11.) SAMPLE PREPARATION, ANALYSIS AND SECURITY

### ***STREAM SEDIMENT SAMPLES***

Conventional stream silt samples taken in 2012 and 2013 were augmented in 2014 and 2015 with a more exhaustive process. At each site samples were processed by sieving the sample through two large sieves affixed to the top of a five gallon pail (-8 mesh on top of -50 mesh). The resulting field sieved sample, two or three kilograms in size, was subsequently divided into four samples all approximately equal in weight. One subsample was submitted directly to the lab as a conventional silt sample. The second subsample, weighing approximately 0.5 kilograms, was later concentrated on a small test aluminum sluice box to yield a concentrated sample (it was attempted visually to produce approximately an equal volume of concentrate from sample to sample). The third subsample was hand panned in a conventional gold pan and the fourth subsample was stored for posterity.

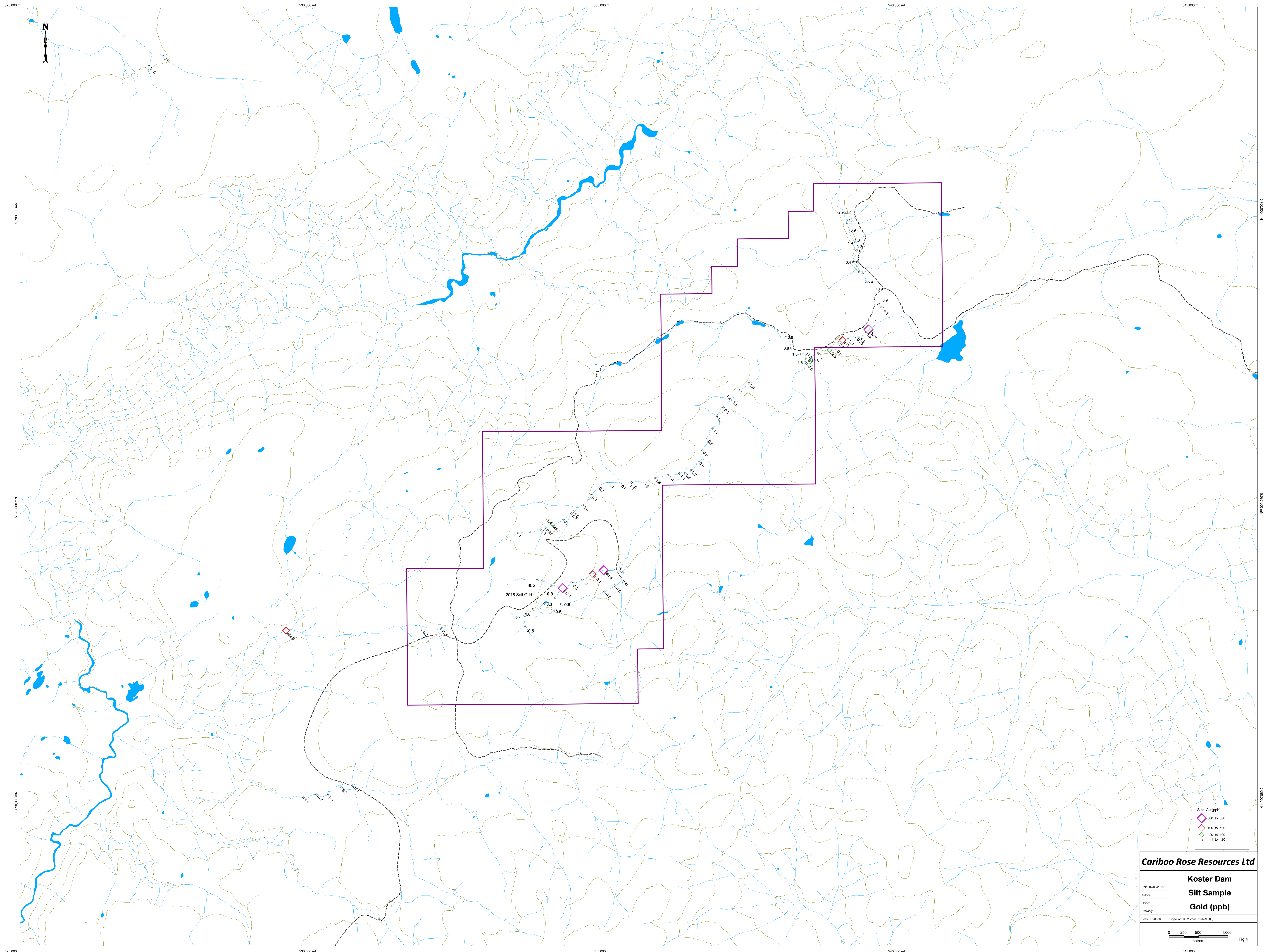
Samples were analyzed by Acme Analytical laboratories (subsequently taken over by Bureau Veritas Minerals) of Vancouver, British Columbia. Samples were sieved to produce a -80 mesh subsample which was digested in an aqua regia solution and then assayed using multi-element ICP-MS techniques.

### ***ROCK SAMPLES***

Rock samples, generally float and rubble, were selected so as to be representative of the bulk of rubble or outcrop proximal to them. The samples were broken with one half placed in a plastic sample bag along with a sample number written on a piece of ribbon with a felt marker or in some cases a sample tag provided by the lab. The other half of the sample was forwarded to the project geologist to describe. A location was determined using a hand held GPS unit.

At the lab rock samples were crushed to produce a sub sample and then pulverized until 70% passed a -10 mesh screen. Samples were analyzed using an aqua regia digestion on a 15 gram sub sample using multi-element ICP-MS procedures.

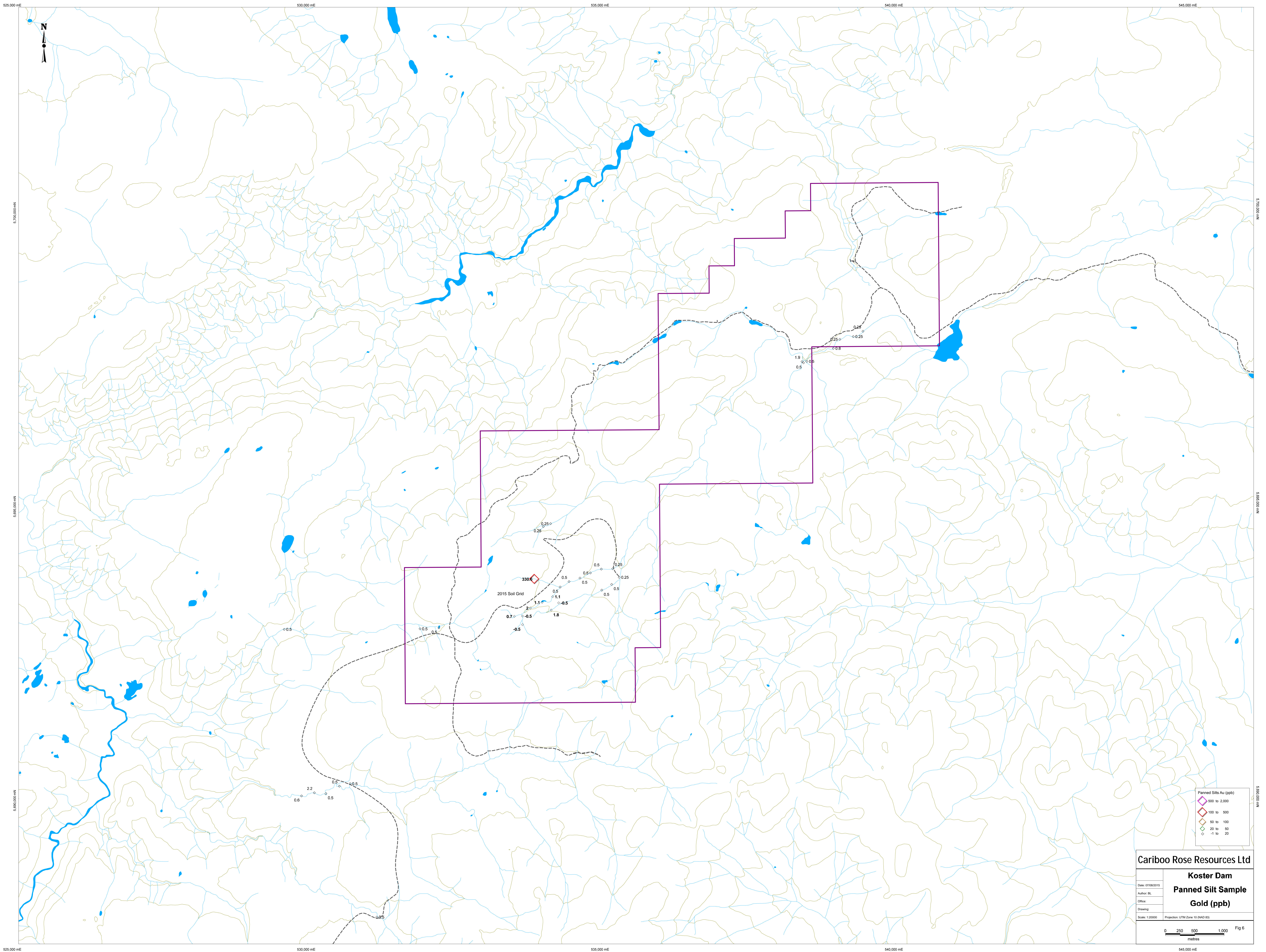












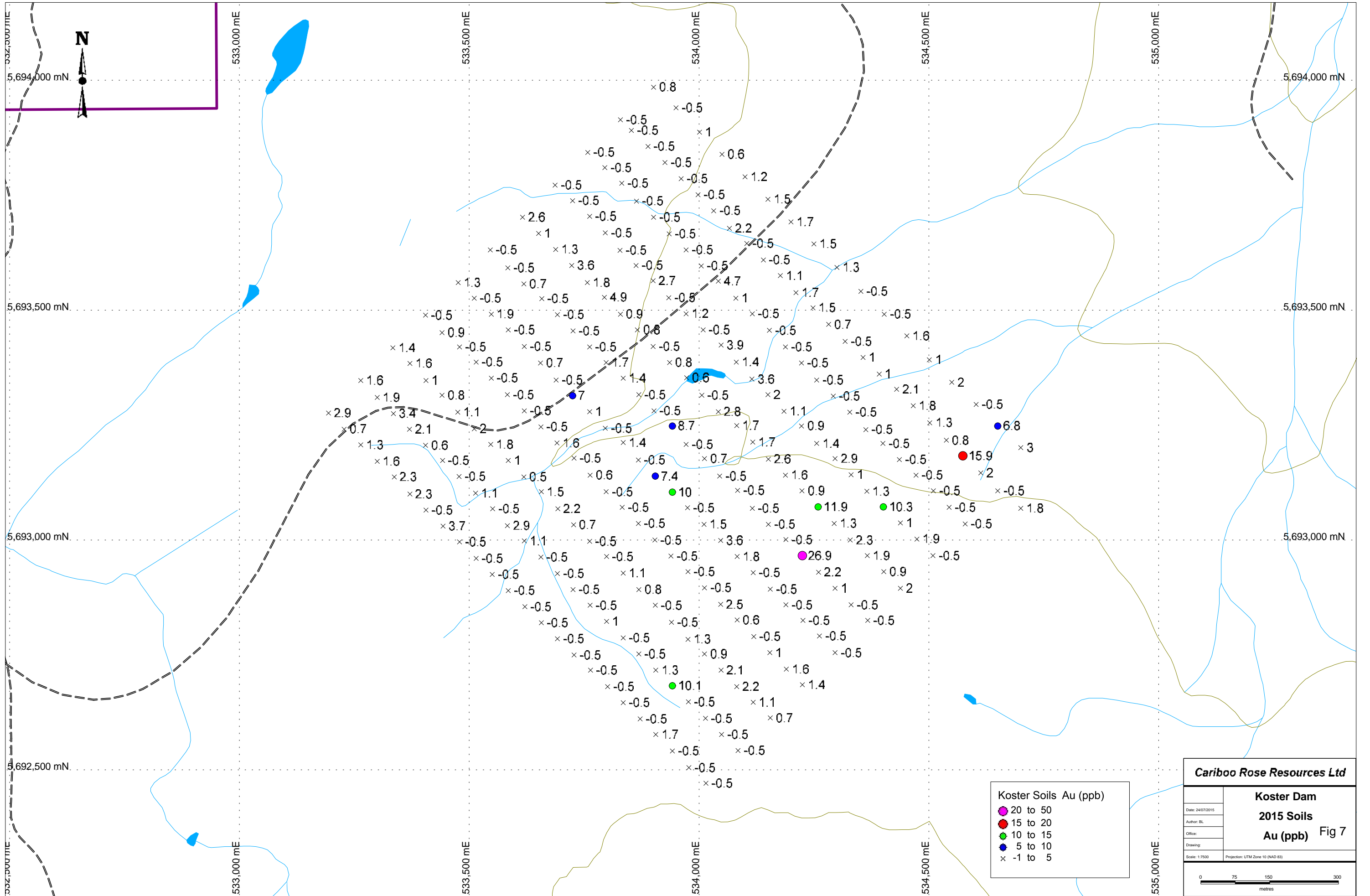
**Cariboo Rose Resources Ltd**

**Koster Dam**  
**Panned Silt Sample**  
**Gold (ppb)**

Date: 07/08/2015  
 Author: BL  
 Office:  
 Drawing:  
 Scale: 1:20000 | Projection: UTM Zone 10 (NAD 83)

0 250 500 1,000 metres Fig 6





**Koster Soils Au (ppb)**

- 20 to 50
- 15 to 20
- 10 to 15
- 5 to 10
- × -1 to 5

**Cariboo Rose Resources Ltd**

**Koster Dam**  
**2015 Soils**  
**Au (ppb) Fig 7**

Date: 24/07/2015  
 Author: BL  
 Office:  
 Drawing:  
 Scale: 1:7500  
 Projection: UTM Zone 10 (NAD 83)

0 75 150 300 metres

## ***SECURITY***

Samples were kept in a chain of command and shipped to the lab using bonded transportation contractors (often Greyhound Bus).

### **12.) DATA VERIFICATION**

The author visited the Koster Dam claims June 20, 2013. The author has examined analytical certificates produced by Acme Analytical Labs Ltd. (later Bureau Veritas Minerals) and checked the replicability of internal standards inserted into the sample stream by Acme and Bureau Veritas and is satisfied that the sampling procedures and data are reliable.

### **13.) MINERAL PROCESSING AND MINERALOGICAL TESTING**

The author is not aware of any mineralogical testing of any material on the Koster Dam project.

### **14.) MINERAL RESOURCE ESTIMATES**

The author is not aware of any mineral resource estimates for the Koster Dam project.

### **15.) ADJACENT PROPERTIES**

The former producing Blackdome gold silver mine is located approximately 11 kilometers south of the Koster Dam Property (currently owned by Sona Resources Corporation). Historic resources at Blackdome (1978) are stated as 205,657 tonnes grading 21.7 g/t Au and 116.9 g/t Ag. During its eight year life the mine produced approximately 225,000 ounces of gold and 547,000 ounces of silver. Current resources at Blackdome are stated as 144,500 tonnes grading 11.29 g/t Au (Ag not quoted, Gruenwald, 2002 and Sona Resources information package). The Blackdome deposit consists of a number of veins occupying faults believed to be related to a regional dextral strike slip event propagated as a series of splay faults from the Fraser River Fault. Mineralization occurs in veins which outcrop near the top of Blackdome Mountain in an Eocene volcanic sequence that includes a lower andesite, a middle rhyolite and an upper andesite member. Unmineralized Miocene basalt unconformably overlies this sequence.

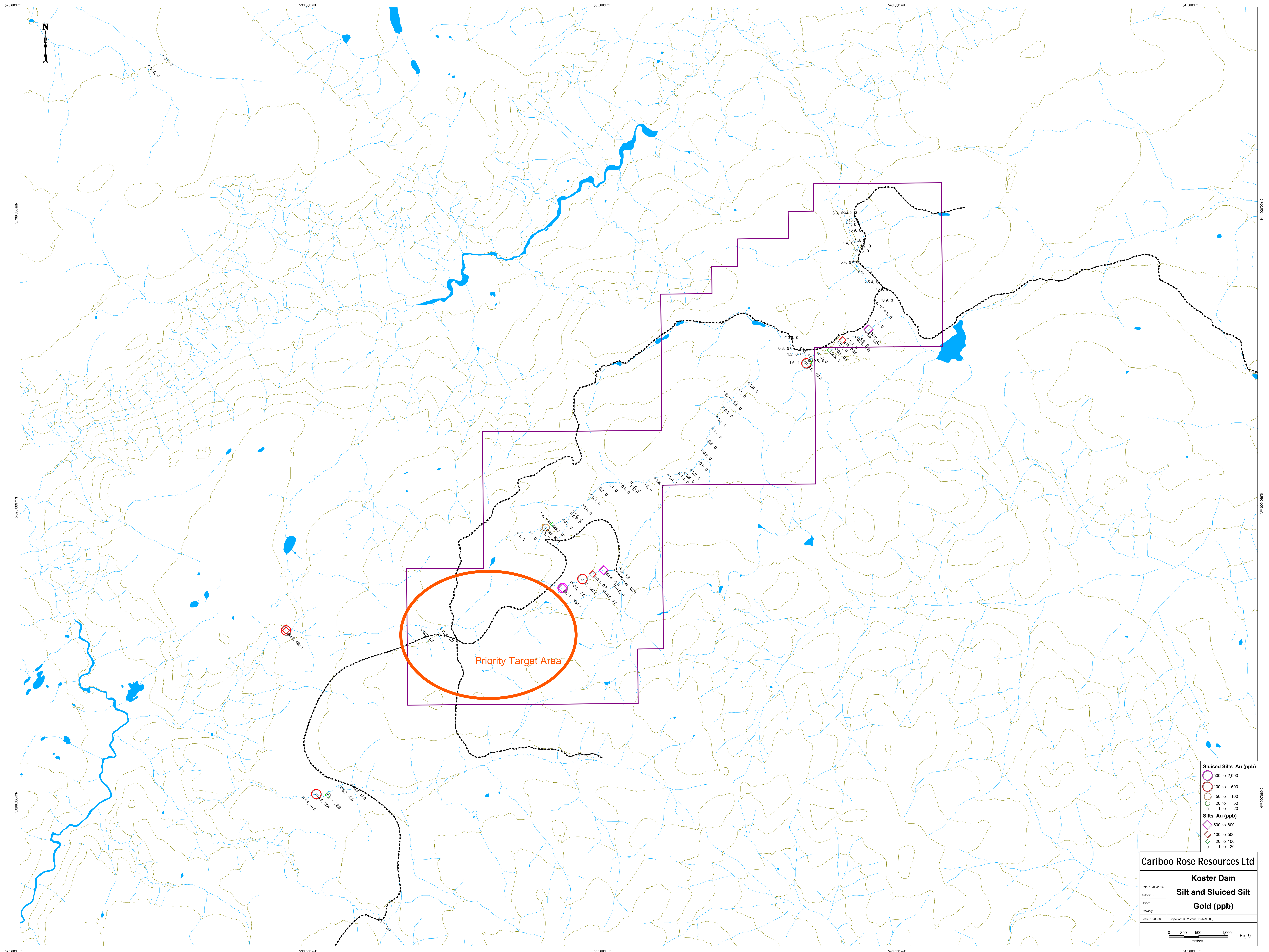
### **16.) OTHER RELEVANT DATA AND INFORMATION**

Not applicable

### **17.) INTERPRETATIONS AND CONCLUSIONS**

Reconnaissance exploration completed since 2012 on the Koster Dam project has identified a significant gold anomaly in the watershed. A cohesive geochemical gold anomaly (silt, sluiced silt and panned silt anomaly) was identified in 2013 in a small internal drainage to the larger drainage and was further delimited in 2014. In 2015 a soil grid was established on a portion of the prospective target area but failed to yield comparable results suggesting that further soil sampling, rock sampling and possibly geophysics will be required to find the source area of the highly anomalous silt, sluiced silt and panned silt samples. A small southerly flowing drainage entering the area of the 2015 activity was sampled in 2015 and returned a value of 330.6 ppb gold in a panned silt concentrate suggesting the source could also be further to the north than the bulk of the 2015 work.





**Cariboo Rose Resources Ltd**

**Koster Dam**  
**Silt and Sluiced Silt**  
**Gold (ppb)**

Date: 13/08/2014  
 Author: BL  
 Office:  
 Drawing:  
 Scale: 1:20000  
 Projection: UTM Zone 10 (NAD 83)

0 250 500 1,000 metres Fig 9





A number of highly anomalous samples are also located immediately to the west and southwest of the claim group on land which is currently open for staking. Results of samples taken in this area include sluiced silt samples with 468 ppb and 256 ppb gold respectively and a silt sample with 263 ppb gold.

**18.) RECOMMENDATIONS**

A very strong and consistent silt and sluiced silt anomaly is open for expansion to the southwestern quadrant of the claim group on a small drainage flowing eastward (west and to lesser extent north of GPS station 534290E, 569366N, NAD 83, zone 10). Another significant silt and sluiced silt anomaly exists immediately west of the current claim boundary on a drainage flowing west at GPS station 529600E, 5692878N. The area between these diverging drainages is the highest priority target. In order to narrow the target area it is recommended that further silt (and sluiced silt) sampling be completed in the region of merging of these two drainages on a more detailed spacing of 100 meters (approximately 50 samples are required). Once completed this work should be followed with a soil grid (initially 100 meter spaced lines with samples collected on 25 meter increments (approximately 500 samples should be collected). Following this work 20 line kilometers of induced polarization surveying should be completed in the most promising area of the silt and soil surveying. A budget estimate for this work is as follows:

*GEOCHEMICAL PROGRAM*

Geologist, 20 days @ \$650,	\$13,000
Field assistants, 2 for 20 days @ \$440,	\$17,600
Room and board @ \$110 per man per day,	\$7,200
Analytical costs, silts & sluiced silts 100 @ \$30 per sample,	\$3,000
Analytical costs, soils 500 @ \$25 per sample,	\$12,500
Vehicle cost, 20 days @ \$80 day,	\$1,600
ATV costs, 3 @ \$80 day,	\$4,800
Miscellaneous equipment rental,	\$2,000
Supervision,	\$3,000
Reporting,	<u>\$3,000</u>
<b>Total</b>	<b>\$67,700</b>

*GEOPHYSICAL PROGRAM*

Geophysical Contractor, 10 days @ \$3,000 day	\$30,000
Room and board @ \$110 per man per day,	\$7,200
Vehicle rental, 2 @ \$80 day,	\$1,600
ATV rental, 3 @ \$80 day,	\$2,400
Supervision,	\$2,000
Reporting,	<u>\$2,000</u>
<b>Total</b>	<b>\$45,200</b>

## **19.) REFERENCES**

Gruenwald, W, Geoquest Consulting Ltd., May 16, 2002, MINE TAILINGS SAMPLING PROGRAM ON THE BLACKDOME PROJECT for J-Pacific Gold Inc.

Longe, R.V., December 1986, MINT, MINK, PEARL CLAIMS, PRELIMINARY GEOLOGY, by Minquest Exploration Associates Ltd. on behalf of the Goldquest 1 Partnership, BCGS Assessment Report #15,646

MacAllister, S.G., April, 1987, ASSESSMENT REPORT ON THE MINK 1-4 and KING 3-4 CLAIMS for Chevron Canada Resources Ltd., BCGS Assessment Report #16,065

Morton, J. W. (Bill), Aug, 2013, 2012 ASSESSMENT REPORT ON THE KOSTER DAM PROJECT, for Cariboo Rose Resources Ltd. and Badger Minerals Ltd.

Morton, J. W. (Bill), March 24, 2014 ASSESSMENT REPORT ON THE KOSTER DAM PROJECT, for Cariboo Rose Resources Ltd. and Badger Minerals Ltd.

Morton, J. W. (Bill), Feb 24, 2016, 2015 ASSESSMENT REPORT ON THE KOSTER DAM PROJECT, for Cariboo Rose Resources Ltd.

Sona Resources Corporation, Undated Investor Relations Package acquired in 2014, BLACKDOME-ELEZABETH GOLD PROJECT

Walker, J.E., Sept 29, 1988, ASSESSMENT REPORT ON RECONNAISSANCE GEOCHEMICAL AND GEOPHYSICAL SURVEY ON THE GEOWEST PROPERTY, for Nexus Resource Corp., BCGS Assessment Report #17,208

**20.) DATE AND SIGNATURE PAGE**

The “NI 43-101 TECHNICAL REPORT ON THE KOSTER DAM PROPERTY, CLINTON MINING DIVISION, BRITISH COLUMBIA, WITH RECOMMENDATIONS FOR CONTINUING EXPLORATION” was prepared for ALQ Gold Corp. by J.W.(Bill) Morton P.Geol.

Dated at Vancouver, British Columbia, this 1st day of June 2016

*“J.W. (Bill) Morton ”*

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**21.) CERTIFICATE OF AUTHOR**

I, James William Morton, do hereby certify that;

I am currently employed as a Consulting Geologist with Mincord Exploration Consultants Ltd. with a business address at Suite 110, 325 Howe Street, Vancouver, BC. Canada, V6C 1Z7

I am a graduate of Carleton University of Ottawa with a Bachelor of Science, 1972, in Geology and a graduate of the University of British Columbia with a Master of Science., 1976, in Graduate Studies.

I am a member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (P.Ge0.), registration number 18303.

I have practiced my profession since graduation in Canada, the Western USA, Mexico and the Republic of the Philippines.

I visited the Koster Dam property on June 20, 2013

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

I have written the technical report titled Ni 43-101 Technical Report on the Koster Dam Property, Clinton Mining Division BC with Recommendations for Continuing Exploration, dated June 1, 2016 (“The Technical Report” relating to the Koster Dam property).

I have read National Instrument 43-101 and Form 43-101F and the Technical Report has been prepared in compliance with that instrument and form.

At the time of writing and the signing date of this Technical Report I was not independent of the property optionor (Cariboo Rose Resources Ltd.) but was independent of the property optionee ALQ Gold Corp. as defined under NI 43-101 guidelines and section 1.5 of those guidelines.

I am not aware of any material fact or material change with respect to the subject matter of this Technical Report that is not reflected in the Technical Report, the omission of which makes the Technical Report misleading.

To the best of my knowledge and information this Technical Report contains all of the scientific and technical information that is required to be disclosed to make the Technical Report not misleading. I am not aware of any material excluded from this report that would make this report misleading. I take responsibility for all sections of this Technical Report.

Dated this 1<sup>st</sup> day of June, 2016.

\_\_\_\_\_“James W.(Bill) Morton”\_\_\_\_\_