# TECHNICAL REPORT

# FOR

# JOSHUA GOLD RESOURCES INC.

# ON THE

# KENTY PROPERTY

# N.T.S. REFERENCE 41O15

# ONTARIO, CANADA

NI 43-101 REPORT

**Prepared by:**

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June 28, 2013

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# 1.0 SUMMARY

Joshua Gold Resources Inc. ("Joshua" or "the Company") management commissioned Hawk Exploration Consultants in May 2013 to prepare an independent report that conforms to NI 43-101 standards to evaluate the exploration potential of the Company's Kenty Property. Terms of engagement were outlined in discussions with representatives of Joshua. Prior to the preparation of this report, Hawk Exploration Consultants has provided advisory services to Joshua. Mr. Warren Hawkins, BASc, P.Eng, President of Hawk Exploration Consultants authored and is responsible for the contents of this report.

The Kenty Property is 100% owned by Joshua and consists of contiguous and non-contiguous staked mining claims comprising units and mining leases units that are approximately 13,753 ha in size. The Kenty Property is located within Swayze, Dore, Heenan and Marion, District of Porcupine, in the province of Ontario, approximately 150 km northwest of the City of Sudbury. The claims comprising the Kenty Property are situated within NTS Topographic Sheet 41O15.

The Kenty Property is accessed by driving west along Sultan Road, which intersects Highway 144 approximately 30 km south of the town of Gogama. After travelling approximately 55 km and reaching the Dore Road intersection, the central Kenty Property area can be accessed by travelling north along the Dore Road approximately 35 km.

The Kenty Property as a whole consists of two claim groups. A small centrally located block of leased claims is referred to as the Kenty mine site and contains numerous gold bearing quartz veins, two shafts and underground mine workings dating back to the early 1930's. The second group is referred to as the Mortimer claims, which consist of a much larger block of staked mining claims that surround the Kenty mine site.

On a regional scale, the Kenty Property is located within the Bret Lake Synform which is a basin composed of metasedimentary rocks and metavolcanic flows that are intruded by porphyry dykes and sills of various compositions. Gold mineralization is found within close proximity to the contacts of the sedimentary rocks and adjacent to older volcanic rock units. There also appears to be a close spatial and temporal relationship of felsic intrusive bodies with gold mineralization as demonstrated by the Rundle Feldspar Porphyry Intrusive at the South Rundle Gold Deposit or the Jerome porphyry at the Jerome Gold Mine which are located within the region.

As a result of past exploration work since the early 1930's, 21 separate gold bearing quartz carbonate veins were discovered at the Kenty mine site. Of the 21 veins, only eight have ever been mined underground. The veins are either simple or stockwork veins, from a few centimeters wide to over five m, and typically average one to two m wide. Vein mineralization consists of quartz, calcite, ankerite, pyrite, chalcopyrite, galena, sphalerite, specular hematite, molybdenite, tourmaline and native gold.

In the past, various operators have carried out multiple exploration programs on the Mortimer claims surrounding the Kenty mine site. These programs include airborne EM and magnetic surveying, ground magnetic and IP surveying, prospecting, trenching and diamond drilling. Numerous high priority targets have been identified and tested with variable results. In particular, between 2009 and 2011 a program of IP surveying and follow-up prospecting identified numerous high priority targets on the staked claims immediately surrounding the Kenty mine site. Diamond drilling of a small number of these targets yielded low gold values over narrow widths. However, numerous high priority targets (11) remain untested.

The author conducted a site visit in October 2012 and confirmed the presence of gold in quartz veins at the Kenty mine site. As expected in lode gold style occurences found within Canadian archean greenstone belts, the author noted an apparent nugget effect in the vein material.

A review of historic technical reports for the Kenty mine site revealed that Ontario Geological Survey staff have conducted Kenty mine site visits in the past and observed that split and sampled core from drilling programs in the 1980's was confined to the quartz veining and appeared to be incomplete, with many sections containing disseminated sulphides not tested. OGS reported that many of these untested sections were extensively carbonatized and brecciated and contained green carbonate, pyrite, galena and sphalerite. During his 2012 mine site property visit, the author also observed sulphide mineralization and carbonate alteration in wall rock material hosting the lode gold quartz veins. Consequently there is potential to identify much broader zones of gold mineralization at the Kenty mine site by including altered wall rock material in future exploration efforts. It was not atypical in the past to overlook mineralized wall rock material in lodes as a source of gold mineralization because of its expected lower gold grade and possible refractory nature in past exploration programs.

One of widest gold intersections (6 m) in diamond drilling data form the Kenty mine site is below the old workings and is from the deepest hole drilled to date at the mine site, an encouraging observation and

an indication that gold bearing zones may widen with depth, given that most historic exploration work has been limited to within 500 vertical feet (150 m) from surface.

A review of past exploration data for the region indicates that geophysical techniques are useful in identifying mineralized zones in which gold mineralization may be present within the Kenty Property area. This review also indicates that geophysical techniques have been under-utilized at the Kenty mine site. In addition, 11 priority drilling targets on the claims immediately surrounding the Kenty mine site remain untested and warrant follow up investigation.

Three exploration programs are recommended for the Kenty Project, with Program I focusing on the mine site claims and Program II focussing on all the remaining Kenty Property areas. Both programs can be run concurrently.

The recommended exploration work for Program I consists of establishing a survey grid, and completing IP and ground magnetic surveys. This work should also include detailed mapping over the survey grid, recovery and location (in UTM co-ordinates) of drill hole collars, grab sampling and trenching of anomalous areas, and the integration of this data to develop targets for drilling.

The recommended exploration work for Program II includes compilation and integration of all available exploration data from the Kenty Property, in-particular re-interpretation of the 2009 VTEM survey and 2010 IP survey data, the 2009 trenching and geochemical surveying, and the 2011 diamond drilling program. The targets that are developed from this re-interpretation are to be tested with follow-up prospecting, trenching and diamond drilling.

Work for Program III includes reconciliation of the drilling results obtained in Programs I and II with the compiled exploration data, with follow-up exploration programs as warranted.

The estimated cost of the recommended program is $1,230,000.

# 2.0 INTRODUCTION AND TERMS OF REFERENCE

This technical report was prepared by Hawk Exploration Consultants (the "Author") for Joshua to evaluate the exploration potential of the Kenty Property. This report provides details of land tenure, a summary of historic exploration and development work, and descriptions and analyses of geology, geophysics and assay data. Recommendations for further exploration work are also provided.

Joshua management commissioned Hawk Exploration Consultants in April 2013 to prepare an independent report that conforms to National Instrument 43-101 standards ("43-101"). Terms of engagement were outlined in discussions with representatives of Joshua. Prior to the preparation of this report, Hawk Exploration Consultants has provided advisory services to Joshua. Mr. Warren Hawkins, BASc, P.Eng, President of Hawk Exploration Consultants authored and is responsible for the contents of this report.

In preparing this report, the Author has reviewed geological and assessment reports, maps, and miscellaneous technical papers available from the Ontario Ministry of Northern Development and Mines (MNDM). The Author also reviewed geological reports, maps, and miscellaneous technical papers provided by representatives of Joshua. The conclusions and recommendations of the Author are based on a strong working knowledge of general geology and effective exploration techniques employed in the region. Cost estimates provided for recommended work programs are based on a general knowledge of current costs, as experienced by the Author on other Ontario-based projects within the last 18 months.

The Author conducted a site visit at the Kenty Property on October 14, 2012. The Author spent the approximately 6 hours at the Kenty Property inspecting the old mine workings in the central property area, traversing the property's bush roads and collecting grab samples from various mineralized outcrops.

## 2.1 Units and Abbreviations

Monetary units are in Canadian dollars. Abbreviations used in this report are listed below.

**Units and Abbreviations**

| Abbreviation | Description |
|---|---|
| W | west |
| S | south |
| E | east |
| N | north |
| Cu | copper |
| Au | gold |
| Ag | silver |
| Zn | zinc |
| Ni | nickel |
| EM | electromagnetic |
| ft | foot/feet |
| opt | ounces per ton |
| oz | ounces |
| tpd | tonnes per day |
| kg | kilograms |
| g/t | grams/tonne or ppm |
| ppm, ppb | parts per million, parts per billion |
| ha | hectares |
| m | metres |
| km | kilometres |
| GPS | Global Positioning System |
| UTM | Universal Transverse Mercator |
| QFP | Quartz Feldspar Porphyry |
| IP | Induced Polarization |

# 3.0 RELIANCE ON OTHER EXPERTS

Land tenure information has been obtained from documents provided by representatives of Joshua and information obtained from the MNDM website. The Author has relied on documents and representations provided by management of Joshua and claim information obtained from the MNDM website for the present 100% ownership of the mining claims listed in Table 1 (collectively the "Claims").

The Author has prepared this report based upon information currently believed to be accurate. The historical work described in this report is taken from published and unpublished reports maintained by Joshua, assessment reports available through the MNDM website, and geological information available through the MNDM. The Author has made every attempt to accurately describe and convey the information contained in these sources, however he cannot guarantee the accuracy, validity or

completeness of the data contained in this information. Therefore, the Author relies on the accuracy presented to him in the sources used to prepare this report.

# 4.0 PROPERTY DESCRIPTION AND LOCATION

The Kenty Property is 100% owned by Joshua and consists of contiguous and non-contiguous staked mining claims and leases comprising units and is approximately 13,753 ha in size. The Kenty Property is located within Swayze, Dore, Heenan and Marion, District of Porcupine, in the province of Ontario, approximately 150 km northwest of the City of Sudbury. The claims comprising the Kenty Property are situated within NTS Topographic Sheet 41O15. The approximate property center has UTM-NAD 83 co-ordinate 378500 m E, 5296780 m N, Zone 17.

The Kenty Property as a whole consists of two claim groups. A small centrally located block of leased claims is referred to as the Kenty mine site and contains numerous gold bearing quartz veins, two shafts and underground mine workings dating back to the early 1930's (Kenty Gold Mines Limited). The second group is referred to as the Mortimer claims, which consist of a much larger block of staked mining claims that surround the Kenty mine site.

Figure 1 provides the general location of the Kenty Property. Leased claim information for the Kenty Property (referred to the as the Kenty mine property claims) is provided in Table 1. The MNDM website provided the staked claim information listed in Table 2 (referred to as the Mortimer claims).

**Table 1: Kenty Property Leased "Mine Site" Claims**

| Claim No. | Township | Parcel | Hectares | Annual Tax |
|---|---|---|---|---|
| S20835 | Dore | 7802SWS | 13.68 | $79.52 |
| S20702 | Swayze | 7793SWS | 15.69 | $91.09 |
| S20703 | Swayze | 7794SWS | 18.18 | $105.62 |
| S20706 | Swayze | 7808SWS | 16.84 | $97.87 |
| S20707 | Swayze | 7809SWS | 12.14 | $70.62 |
| S20708 | Swayze | 7804SWS | 15.35 | $89.18 |
| S20709 | Swayze | 7805SWS | 12.15 | $70.68 |
| S20710 | Swayze | 7806SWS | 9.88 | $57.38 |
| S20711 | Swayze | 7796SWS | 14.80 | $86.07 |
| S20712 | Swayze | 7797SWS | 14.69 | $85.48 |
| S20713 | Swayze | 7798SWS | 13.10 | $76.08 |
| S20714 | Swayze | 7799SWS | 8.31 | $48.27 |
| S20715 | Swayze | 7800SWS | 9.98 | $58.03 |
| S20716 | Swayze | 7801SWS | 11.01 | $63.77 |
| S20704 | Swayze | 779+5SWS | 13.60 | $79.09 |
| S20705 | Swayze | 7807SWS | 17.42 | $101.29 |

**Table 2: Kenty Property Staked "Mortimer" Claims**

| Claim No. | Township | Units | Required Work | Expiry Date | Reserve Credit |
|---|---|---|---|---|---|
| 3004858 | Heenan | 15 | $6,000.00 | 05/03/2013 | $0.00 |
| 3004853 | Heenan | 16 | $6,400.00 | 05/03/2013 | $0.00 |
| 4202945 | Dore | 6 | $2,000.00 | 31/03/2013 | $99,055.00 |
| 4240494 | Swayze | 15 | $6,000.00 | 19/05/2013 | $0.00 |
| 4240493 | Swayze | 6 | $2,400.00 | 19/05/2013 | $0.00 |
| 1154407 | Dore | 1 | $400.00 | 06/06/2013 | $242.00 |
| 1154414 | Dore | 1 | $400.00 | 06/06/2013 | $730.00 |
| 1154411 | Dore | 1 | $400.00 | 06/06/2013 | $273.00 |
| 1154410 | Dore | 1 | $400.00 | 06/06/2013 | $304.00 |
| 1154406 | Dore | 1 | $400.00 | 06/06/2013 | $20,417.00 |
| 1154413 | Dore | 1 | $400.00 | 06/06/2013 | $286.00 |
| 1154408 | Dore | 1 | $400.00 | 06/06/2013 | $242.00 |
| 1154404 | Dore | 1 | $400.00 | 06/06/2013 | $18,452.00 |
| 1154403 | Dore | 1 | $400.00 | 06/06/2013 | $242.00 |
| 1154402 | Dore | 1 | $400.00 | 06/06/2013 | $331.00 |
| 1154409 | Dore | 1 | $400.00 | 06/06/2013 | $242.00 |
| 1154412 | Dore | 1 | $400.00 | 06/06/2013 | $506.00 |
| 4207120 | Dore | 1 | $400.00 | 15/06/2013 | $2,817.00 |
| 4240109 | Swayze | 2 | $800.00 | 18/06/2013 | $301.00 |
| 4204250 | Swayze | 16 | $6,400.00 | 19/06/2013 | $74.00 |
| 4216032 | Swayze | 15 | $6,000.00 | 28/06/2013 | $0.00 |
| 4216031 | Swayze | 15 | $6,000.00 | 28/06/2013 | $0.00 |
| 4216033 | Swayze | 16 | $6,400.00 | 28/06/2013 | $1,034.00 |

| Claim No. | Township | Units | Required Work | Expiry Date | Reserve Credit |
|---|---|---|---|---|---|
| 4216030 | Swayze | 9 | $3,600.00 | 28/06/2013 | $0.00 |
| 4216035 | Swayze | 15 | $6,000.00 | 28/06/2013 | $4,229.00 |
| 4216074 | Swayze | 8 | $2,704.00 | 28/06/2013 | $0.00 |
| 4216028 | Swayze | 10 | $4,000.00 | 28/06/2013 | $0.00 |
| 4216067 | Swayze | 2 | $800.00 | 28/06/2013 | $0.00 |
| 4216034 | Swayze | 15 | $6,400.00 | 28/06/2013 | $0.00 |
| 4216075 | Swayze | 15 | $6,000.00 | 28/06/2013 | $0.00 |
| 4216029 | Swayze | 15 | $6,000.00 | 28/06/2013 | $0.00 |
| 4207121 | Dore | 1 | $400.00 | 28/06/2013 | $2,187.00 |
| 4216066 | Dore | 10 | $4,000.00 | 28/06/2013 | $0.00 |
| 4216073 | Dore | 15 | $6,000.00 | 06/07/2013 | $0.00 |
| 4216068 | Dore | 8 | $3,200.00 | 06/07/2013 | $0.00 |
| 4216069 | Dore | 12 | $4,800.00 | 06/07/2013 | $0.00 |
| 4216070 | Dore | 15 | $6,000.00 | 06/07/2013 | $0.00 |
| 4216071 | Dore | 4 | $1,600.00 | 06/07/2013 | $0.00 |
| 4216027 | Swayze | 10 | $4,000.00 | 06/07/2013 | $4,000.00 |
| 4216072 | Dore | 12 | $4,800.00 | 06/07/2013 | $0.00 |
| 4241803 | Rollo | 6 | $2,400.00 | 15/07/2013 | $1,599.00 |
| 4250794 | Dore | 12 | $4,800.00 | 08/09/2013 | $0.00 |
| 4246982 | Rollo | 4 | $1,600.00 | 08/09/2013 | $347.00 |
| 4250793 | Swayze | 12 | $4,800.00 | 08/09/2013 | $0.00 |
| 4250792 | Swayze | 4 | $1,600.00 | 08/09/2013 | $0.00 |
| 4250791 | Denyes | 14 | $5,600.00 | 08/09/2013 | $0.00 |
| 4212363 | Swayze | 4 | $1,600.00 | 18/09/2013 | $0.00 |

| Claim No. | Township | Units | Required Work | Expiry Date | Reserve Credit |
|---|---|---|---|---|---|
| 4246984 | Marion | 10 | $4,000.00 | 23/09/2013 | $0.00 |
| 4246988 | Denyes | 15 | $6,000.00 | 23/09/2013 | $0.00 |
| 4246983 | Heenan | 12 | $4,800.00 | 23/09/2013 | $0.00 |
| 4250798 | Heenan | 2 | $800.00 | 23/09/2013 | $0.00 |
| 4246989 | Denyes | 13 | $5,200.00 | 23/09/2013 | $0.00 |
| 4246987 | Swayze | 9 | $3,600.00 | 23/09/2013 | $0.00 |
| 4246986 | Swayze | 8 | $3,200.00 | 25/09/2013 | $0.00 |
| 4246985 | Denyes | 15 | $6,000.00 | 25/09/2013 | $0.00 |
| 4258569 | Dore | 10 | $4,000.00 | 15/10/2013 | $0.00 |
| 4258565 | Heenan | 10 | $3,955.00 | 15/10/2013 | $0.00 |
| 4244679 | Dore | 13 | $10,400.00 | 21/11/2013 | $401.00 |
| 3002415 | Dore | 16 | $12,800.00 | 27/11/2013 | $0.00 |
| 3013058 | Dore | 8 | $6,400.00 | 27/11/2013 | $247.00 |
| 3013057 | Dore | 16 | $12,800.00 | 27/11/2013 | $0.00 |
| 3013059 | Dore | 6 | $4,800.00 | 27/11/2013 | $185.00 |
| 3013056 | Dore | 16 | $12,800.00 | 27/11/2013 | $0.00 |
| 3007068 | Swayze | 10 | $8,000.00 | 27/11/2013 | $0.00 |
| 3010245 | Dore | 4 | $3,200.00 | 27/11/2013 | $211.00 |
| 3013060 | Dore | 10 | $8,000.00 | 27/11/2013 | $309.00 |
| 3007066 | Denyes | 9 | $7,200.00 | 27/11/2013 | $0.00 |
| 3013061 | Dore | 15 | $12,000.00 | 27/11/2013 | $0.00 |
| 3007067 | Swayze | 9 | $7,200.00 | 27/11/2013 | $0.00 |
| 3002416 | Dore | 16 | $12,800.00 | 27/11/2013 | $0.00 |
| 3002414 | Dore | 8 | $6,400.00 | 27/11/2013 | $0.00 |

| Claim No. | Township | Units | Required Work | Expiry Date | Reserve Credit |
|---|---|---|---|---|---|
| 3002413 | Dore | 15 | $12,000.00 | 27/11/2013 | $0.00 |
| 3002412 | Dore | 15 | $12,000.00 | 27/11/2013 | $0.00 |
| 3007069 | Swayze | 10 | $8,000.00 | 27/11/2013 | $0.00 |
| 4224235 | Swayze | 6 | $4,800.00 | 03/12/2013 | $2,289.00 |
| 4216685 | Heenan | 9 | $7,200.00 | 04/12/2013 | $0.00 |
| 4216687 | Heenan | 12 | $9,600.00 | 04/12/2013 | $0.00 |
| 4216752 | Heenan | 12 | $9,600.00 | 04/12/2013 | $0.00 |
| 4216753 | Heenan | 15 | $6,000.00 | 04/12/2013 | $274.00 |
| 3002418 | Dore | 15 | $6,000.00 | 11/12/2013 | $0.00 |
| 3002429 | Denyes | 14 | $5,600.00 | 11/12/2013 | $0.00 |
| 3002430 | Denyes | 12 | $4,800.00 | 11/12/2013 | $0.00 |
| 4251914 | Heenan | 1 | $800.00 | 11/12/2013 | $0.00 |
| 3002419 | Dore | 15 | $6,000.00 | 11/12/2013 | $0.00 |
| 3002417 | Dore | 15 | $6,000.00 | 11/12/2013 | $0.00 |
| 4251913 | Heenan | 16 | $12,800.00 | 11/12/2013 | $0.00 |
| 4215525 | Rollo | 3 | $1,200.00 | 21/01/2014 | $19,200.00 |
| 4216754 | Marion | 15 | $6,000.00 | 04/12/2013 | $0.00 |
| 4216755 | Marion | 15 | $6,000.00 | 04/12/2013 | $838 |
| 4204300 | Swayze | 16 | $6,400.00 | 30/01/2014 | $0.00 |
| 4204301 | Swayze | 8 | $3,200.00 | 30/01/2014 | $0.00 |
| 4204302 | Swayze | 12 | $4,800.00 | 30/01/2014 | $0.00 |
| 4276743 | Denyes | 16 | $6,400 | 15/03/201 | $0.00 |
| 4276744 | Denyes | 16 | $6,400 | 22/03/201 | $0.00 |

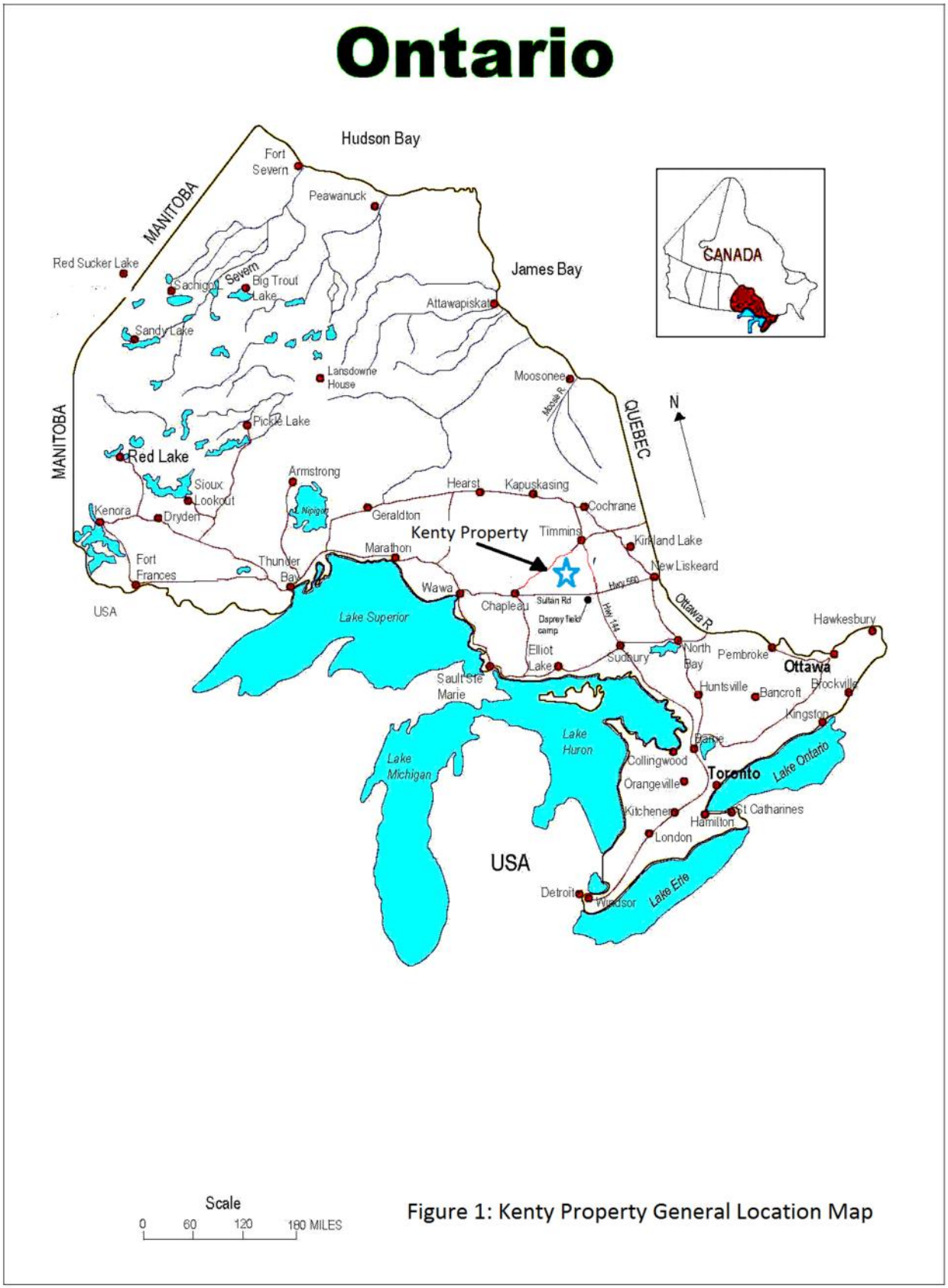


Figure 1: Kenty Property General Location Map

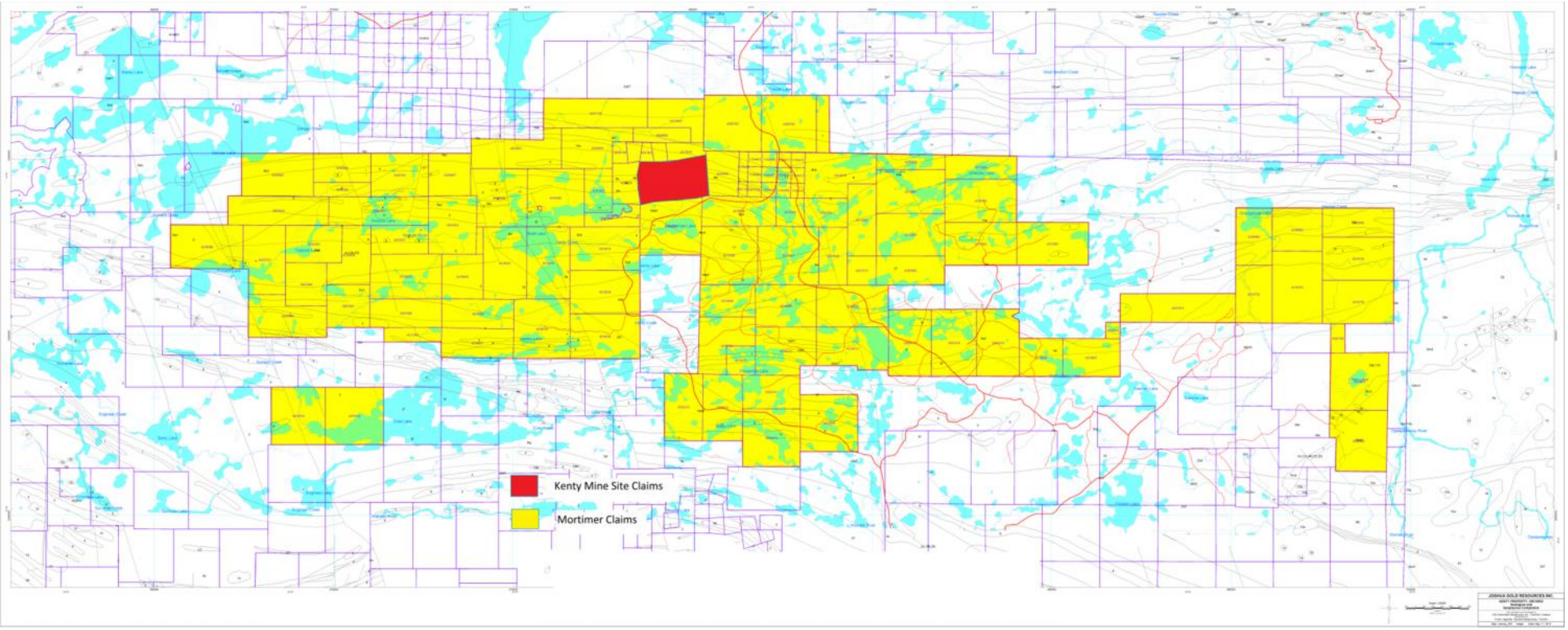


**Figure 2: Joshua Gold Resources Kenty Property Claim Map**

## 4.1 Property Payments and Royalties Obligations

Joshua has entered into two separate property agreements pertaining to the acquisition of the property claims. On October 4th, 2012 Joshua signed an agreement with Brian McClay (the "vendor") whereby Joshua can acquire a 100% interest in the mine property leased claims (listed in Table 2) by paying:

- $50,000 in cash three days within the signing the mine property agreement (the "mpa") to the vendor;
- by paying an additional $100,000 upon completion of due diligence period of 120 calendar days (4 months) after the execution of the mpa and issuing by 200,000 common shares of Joshua to the vendor;
- by paying an additional $150,000 and issuing 200,000 common shares of Joshua to the vendor 365 days of the execution of the mpa;
- by paying an additional $300,000 and issuing 250,000 common shares of Joshua to the vendor 18 months after the execution of the mpa;
- by paying $300,000 and issuing 250,000 common shares of Joshua to the vendor two years after execution of the mpa;
- by paying $300,000 and issuing 550,000 common shares of Joshua to the vendor two years and one half years after execution of the mpa;
- upon completion of a NI 43-1010 compliant Reserve of 1,000,000 Troy Ounces of Gold (Aurum Metal), Joshua will pay $1,000,000 to the vendor;
- upon production of 1,000,000 Troy Ounces of Gold (Aurum Metal), Joshua will pay $1,000,000 to the vendor;
- upon production of 3,000,000 Troy Ounces of Gold (Aurum Metal), Joshua will pay $3,000,000 to the vendor;
- upon production of 5,000,000 Troy Ounces of Gold (Aurum Metal), Joshua will pay $2,000,000 to the vendor.

The vendor will retain a 3% Net Smelter Return ("NSR") on minerals produced from the mine property, and Joshua has the option and sole discretion to buy back 50% of the NSR (1.5%) for $1,500,000. The mine property leased claims are subject to an annual lease/tax payment that is to be paid by Joshua as of the date of the MPA to the Ontario Minister of Finance. The annual total of this tax payment is $867.36

Joshua entered into a mining property acquisition agreement (the "PAA") with Red Pine Exploration Inc. ("RPE") for claims located in Swayze, Rollo, Denyes, Heenan and Dore Townships, Ontario (claims listed in Table 1) on February 11th, 2013. These claims are referred to as the Mortimer-Saracourt claims (the "SM claims"). Joshua can acquire a 100% interest in the Mortimer claims by paying:

- $25,000 within 5 days of signing the PAA;
- $100,000 on or before March 15, 2013; and
- 250,000 shares of Joshua common stock to be issued to RPE on or before March 15, 2013. The common shares are to have an implied value of $100,000 on the date of issue. If on July 15, 2013 the market value of issued shares is less than $100,000 on a recognized stock exchange, then Joshua, at its sole option will (a) issue to RPE additional shares necessary so that the aggregate market value of the issued shares and the additional shares is equal to $100,000 or (b) pay to RPE the difference between the market value of the issued shares and $100,000.

A recognized stock exchange means the Toronto Stock Exchange, the Toronto Venture Stock Exchange, any US Exchange registered with the Securities and Exchange Commission under Section 6(a) of the Exchange Act, the OTC Bulletin Board, or Pink OTC Markets, Inc. If RPE desires to dispose of the shares on or after July 15, 2013, and Joshua's common shares are not then listed on a recognized stock exchange, then, upon notice to Joshua form RPE, Joshua shall pay an amount equal to $100,000 less any additional amount paid pursuant to the bulleted paragraph above to repurchase he issued shares and any additional shares issued pursuant to the bulleted paragraphs above. If Joshua is unable to pay such amount, RPE has the right to require Joshua to transfer the claims back to RPE.

Upon the commencement of commercial production Joshua shall pay to RPE a royalty in an amount equal to 3% of all NSR on minerals mined from the SM claims. At any point following the closing date of the PAA and upon Joshua's sole election, RPE shall sell to Joshua 100% of its NSR for $2,000,000. In addition, Joshua shall pay to Charlie Mortimer a royalty in the amount of 2% of all NSR on minerals mined from the SM claims (check this). At any point following the closing date of the PAA and upon Joshua's sole election, Charlie Mortimer shall sell 50% of his NSR to Joshua for $1,000,000.

It is to be noted that on May 24, 2013 MSD Gold Mining Corporation ("MSG Gold") and Emerald Isle Resources Inc., ("Emerald Isle") made a public announcement that they have filed an Application for Order of Declaration that MSD Gold and Emerald Isle are the sole owners of the Kenty Gold Mine property. The proceedings, filed against Joshua Gold Resources Inc. are over its alleged acquisition of the

KGM property in October 2012. It is beyond the scope of this report to evaluate the legitimacy of MSG Gold's claim.

On June 10, 2013 RPE provided the following information regarding the transaction with Joshua in a public news release:

"Mortimer Property – Red Pine has received $75,000 and is due $50,000. Red Pine also receives the fair value of the equivalent of $100,000 common shares of Joshua Gold Resources ("JGR"). If on July 15, 2013, JGR is a public and their shares are worth less than $100,000, Red Pine will receive additional shares to bring the value to $100,000. If JGR is not a public company on July 15, 2013, Red Pine will receive $100,000 in exchange for JGR's shares. If JGR is not on an exchange and elects not to pay $100,000, Red Pine receives back the title of the property claims. The company retains a 3% NSR."

## 4.2 Permits and Environmental Liabilities

Prior to undertaking exploration activities at the Kenty Property, an Exploration Permit Application (Government of Ontario Form Number 019-0303E) must be completed and forwarded to the MNDM. The form requires that a Qualified Supervisor be designated. A Qualified Supervisor must hold a valid Ontario Prospector's Licence and have completed the Province of Ontario's Mining Act Awareness Program.

To the extent known, there are no significant factors and risks that may affect access, title or the right or ability to perform work on the Kenty Property at the time of this report.

During the site visit, the author noted that the No. 1 and No. 2 shaft heads have been secured with a concrete cap. Only the concrete foundations of the old mine workings were identified. Tailings were uncontained and located along the north shore of pond in the central mine site area near the old No. 1 shaft mine workings.

Apart from the uncontained tailings areas, the author identified no significant environmental liabilities associated with the mine property.

## 4.3 First Nations Communities

The following has been reproduced from a Norton Rose Legal Industry Bulletin dated May 21, 2013.

"On April 1, 2013, new regulations under Ontario's *Mining Act* took effect. The Exploration Plans and Exploration Permits regulation sets out new requirements for notification of surface rights owners, aboriginal consultation and rehabilitation in respect of exploration activities.

The regulatory scheme is graduated, with higher-impact activities, such as line cutting, mechanized drilling and pitting and trenching, requiring an exploration permit, which is subject to the approval of the Ministry of Northern Development and Mines (MNDM). Prior to granting a permit, the MNDM must consider comments from aboriginal communities and other stakeholders on the permit application and the consultation conducted by the proponent. The MNDM has the authority to order further consultation, to temporarily put a pending application on "hold," or to deny a permit altogether.

Low-impact activities, on the other hand, require the submission of an exploration plan, which the MNDM provides to affected aboriginal communities for their comment and review. Prior consultation is encouraged, but not required. Such low-impact activities may commence 30 days after circulation of the plan unless the director of exploration requires that a permit be obtained for one or more of the activities, which the director has the discretion to require if, for example, there are significant issues raised by aboriginal communities in response to the plan. The regulation also sets forth a dispute resolution mechanism for disputes between aboriginal communities and the proponents related to a permit application.

*Mining Act* modernization also comprised a number of amending regulations, which came into effect on November 1, 2012. The Assessment Work regulation was amended to make aboriginal consultation costs eligible for assessment work credits (provided that geoscience assessment work has been performed and is reported at the same time). Amendments to the Mine Development and Closure regulation require that aboriginal consultation be conducted in accordance with a written direction from the director of mine rehabilitation, prior to a proponent submitting a certified closure plan. The direction will include which aboriginal communities are to be consulted, whether a proposed plan for consultation is required to be prepared, and when interim reports are required. As with the exploration regulations, the amendments also impose a dispute resolution process to govern disputes between proponents and affected aboriginal communities."

## 4.3 Abandoned, Inactive Mine Sites and Mine Hazards

The mine property is listed on the Abandoned, Inactive Mine sites and Mine Hazards (the "AMIS") system maintained by the MNDM and has been assigned MDI Number MDI41015SE00029. The mine property was added to the AMIS system in 1993, and was revised in 2005. AMIS lists the mine property as a developed prospect without reserves. AMIS reports the site as a developed prospect without reserves with the primary commodity being gold, secondary commodities being silver, zinc molybdenum and lead. No mining hazards or environmental liabilities are listed on AMIS for the mine property.

# 5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

## 5.1 Accessibility

The Property is west off Highway 144, midway between the established mining camps of Timmins to the north and Sudbury to the south and km south of the town of Gogama. The Dore Road transects the central property area generally in a northwest/southeast direction.

The Sultan Road is a private, gravel road leading west from Highway 144 to the settlements of Ramsay and Sultan, and provides year-round access to the Dore road. This gravel road begins at Highway 144, at the junction with Highway 560 and after travelling west approximately 55 km encounters the north-trending Dore Road. The Kenty Property is accessed after travelling approximately 35 km northwest along Dore Road. Areas throughout the Kenty Property can be accessed via a network of secondary or local logging roads. Plowing of the secondary logging roads and the Dore Road would be required to access the Kenty Property via pickup truck in the winter months.

## 5.2 Physiography

The topography of the area can be characterized as a succession of low ridges and hills of rock, overlain predominantly by glacial till, sandy plains, and eskers with relief generally between 100 m and 200 m. Areas of muskeg or small lakes are commonly found within topographic lows and bedrock is commonly exposed. Drainage is southeast towards the Swayze River system. The area is characterized as a mixed boreal forest, areas of which have been partially logged. Brett Lake, among the larger fresh water lakes in the area, is located within the central-west Kenty property area.

This region experiences variations of a continental climate characterized by hot summers and cold winter temperatures. The amount of precipitation is moderately high (85 cm per year, equally as snow and rain) and the ground is generally free of snow from mid-May until the beginning of November. Exploration projects in the region can be operated year round.

## 5.3 Local Resources and Infrastructures

The mining cities of Timmins and Sudbury, Ontario are located within a three hour drive by logging road and paved highway from the Kenty Property, where ample groceries, supplies and exploration related services can be obtained.

Ample fresh water resources and volumes of road and construction aggregate are also available locally. Local forestry operations result in development of new local bush roads on a regular basis.

## 5.4 Mining and Surface Rights

The majority of the mineral rights (ie. claims comprising the Mortimer claims and the remaining Kenty property claims outside the mine property leases) were acquired through claim staking. The staked mining claims are an area of open Crown land or Crown mineral rights that a licensed prospector marked out with a series of claim posts and blazed lines. The mining claims were staked in a square or rectangle with boundaries running north, south, east and west astronomically. Claim posts are erected at the corner of each mining claim, and claim boundaries between each post are marked by blazes cut into trees and by cut underbrush. Claim corner post tags identifying the individual claim number are affixed by nails to each corner post.

The Ontario Mining Act authorizes the staking of mineral claims (such as those claims comprising the Huffman property) where the Crown owns the minerals and the carrying out of assessment/exploration work on the mining claims by the claim holder. Mining (i.e. extraction of the minerals) cannot take place until the claims are brought to lease.

The mine property claims consist of mining leases that are issued for the express purpose of undertaking mineral, development or mining. The claim holder is entitled to a lease upon fulfilling the requirements of the Mining Act. In order for the mining leases to remain in good standing, annual lease payments are required to be paid to the Crown.

Upon recording of the mineral claims with the provincial mining recorder's office, the Claims will remain in good standing for a period of two years. The Claims can be renewed by performing the minimum specified assessment work within 2 years of the recording date for the claim.

# 6.0 HISTORY

## 6.1 Government Sponsored Surveys (from K. Kettles, November 2012)

The first geological reconnaissance of the area by the Ontario Department of Mines was completed by Furse (1932) in the Swayze area, and subsequently further geological mapping of the area was completed by Rickaby (1934) in 1932 and 1933 with special attention to the gold occurrences. Various studies of the Swayze Belt were carried out following this, but the next more detailed geological survey of the Raney Township area occurred in 1971 and 1972 by P. Thurston (Thurston, et. al., 1977) of the Ontario Geological Survey (OGS). At this time mineral occurrences were also documented. In 1993 the Geological Survey of Canada (GSC) in conjunction with the OGS initiated a three year project involving the compilation and analysis of a wide range of digital data over the Swayze greenstone belt using geographic information system (GIS) technology. The Northern Ontario Development Agreement (NODA) funded project involved the compilation and analysis of geoscience data and the production of digital datasets and hardcopy maps useful for regional mapping and exploration within Ontario. Data for the project was provided by Falconbridge Ltd., Noranda Inc., the OGS, and the GSC. As part of this project, Fumerton and Houle (1995) compiled information on the many occurrences of the Swayze Belt in detail in 1991 to 1993, and this data was also released as a MDI file (Fumerton, et. al., 1996). Heather (1993, 1999) reported on the geology of the Swayze Belt, and produced eight 1:50,000 scale maps over several townships in the Swayze Belt, although none were over Raney Township. A more regional compilation geological map of the Swayze Belt which includes Raney Township was produced by Ayer and Trowell (2002).

In 1981 and 1982 the OGS completed a Questor Airborne Electromagnetic and Total Intensity Magnetic Survey over the Swayze Area. No significant E.M. anomalies were identified over the Property (OGS, 1982). In 2003 (OGS, 2003) the OGS released a geophysical dataset which involved the recompilation and reprocessing of previous surveys over the Swayze Belt, including data provided by mining companies. This was part of the Swayze Belt NODA project mentioned previously, and resulted in greater detailed airborne magnetics and Electromagnetic data, however, again no significant

EM anomalies were noted in the area of interest.

In 1993-94 the OGS conducted a Quaternary geological study over the Swayze belt area, including surficial sediment sampling and analyses of gold grains and other heavy metal components. The survey outlined a number of clusters of sediments anomalous in gold; the immediate area was not identified as prospective, although the area was anomalous in heavy mineral abundances which is an effect of the Kapuskasing structural zone (Bernier, 1994).

Gold was first discovered in the Swayze area in between 1910 and 1912 in Chester and Yeo townships, referred to as the Lawrence Prospect and the Moore Lake Showing. Exploration and mining activity in the region was very active between 1930 and 1943 when most of the historic gold showings and deposits were discovered, and when a large portion of historic gold production took place. Exploration and mining activity was reportedly sporadic between the 1950's, 60's and 70's. Exploration and development work became more active again in the early 1980's.

The leased claims of the mine property occupy the central area of Joshua's Kenty Property. The mine workings of the Kenty Gold mine are found within these leases and as a consequence few historical records for the operation of the mine are available.

## 6.1 Kenty Mine Site Property (from Fullerton et al., OGS OFR 5871, pg. 95-111)

"Numerous gold bearing quartz veins were discovered by the Kenty brothers at the Kenty Gold Mine (the "mine property") property in 1930. Subsequently the Kenty Gold Mines Ltd. ("KGM") corporation was formed. From 1931 to 1934 KGM prospected, diamond drilled and sank two shafts on the mine property.

Kenty Gold Mines started shaft sinking on the No. 1 vein which was sunk to 155 m (510 ft) with levels at 76 m, 114 m, and 152 m (250 ft, 375 ft, & 500 ft). Lateral development on these levels consisted of 135 m, 195 m, and 112 m respectively (444 ft, 641 ft & 368 ft). In the next year before operations ceased in July, lateral development on the three levels consisted of 19 m, 218 m, and 0 m (64 ft, 717 ft, & 0 ft). This work suggested that the best gold values occur where the veins cut metavolcanics rather than the porphyry or the lamprophyre and the grade of gold mineralization is proportional to the amount of pyrite. However, despite the common occurrence of visible gold, the distribution of gold was found to be erratic. The four main veins in the vicinity of the No. 1 shaft, the No. 1 vein, No. 17 vein, No. 18 vein, and No. 18 vein reportedly had the following average surface gold grades:

No. 1 vein 8.6 g/t across 109 cm along 106 m

No. 17 vein (no record available)

No. 18 vein 9.9 g/t across 74 cm along 53 m

No. 19 vein 5.1 g/t across 112 cm along 67 m

Underground sampling of the No. 1 vein returned a weighted average of 2.74 g/t gold across an average width of 81 cm. The 1,490 t ore pile on surface had an average grade of 2.4 g/t (1,646 tons @ 0.07 opt-sampling by Erndale Mines).

The No. 2 shaft consisted of a two compartment vertical shaft 162 m deep (534 ft) with levels at 88 m and 160 m (290 ft and 525 ft). Lateral development consisted of 315 m (1034 ft) on the 88 m level and 200 m (653 ft) on the 160 m level. The compressed air for these operations was piped in from the No. 1 shaft. In the next year additional lateral development work was carried out, 680 m (2,234 ft) on the 88 m level and 185 m (606 ft) on the 160 m level. A total of 2,255 m of diamond drilling was carried out on the property before operations ceased during the summer. The five main veins in the vicinity of the No. 2 shaft, the No. 3 vein, No. 8 vein, No. 9 vein, No. 11 vein and No. 16 vein reportedly had the following average surface gold grades:

No. 3 vein 3.4 g/t across 117 cm along 260 m

No. 8 vein 1.7 g/t across 167cm along 12 m

No. 9 vein 17.5 g/t across 86cm along 21 m

No. 11 vein 8.2 g/t across 90cm along 103 m

No. 16 vein 2.7 g/t across 123cm along 30 m

The 6,350 tonne “ore” pile on surface had an average grade of 1.3 g/t (7,000 tons @ 0.038 opt sampling-by Erndale Mines).

In 1936 Brett-Trethway Mines Limited ran a five ton/day test stamp mill for three months after the Kenty Mines assets were liquidated. Allegedly the results were found to be uneconomical but no figures have survived.

In 1947 Erndale Mines Limited acquired the property and dewatered the underground workings to the second level at 114 m (375 ft). Eight holes were drilled for 498 m (1,634 ft), 1,333 tonnes of ore were hoisted. Remnants of old mine tramming records for September indicate that ore was extracted by

scaling the backs of the lateral development of the No. 1 vein. During this month 150 tonnes of ore were taken from this vein and averaged 0.92 g/t. The old mine records (circa 1947) include a "back of the envelope" ore reserve calculation of 62,500 tonnes (69,000 tons) at the No. 1 shaft together with 8,100 tonnes (9,000 tons) of broken rock on surface. In May of the following year a 100 ton mill was established on the property. Officially only 41 gm of gold were produced which may correspond to recoveries from mill tests performed by Lakefield which achieved an 82% gold recovery amalgamation.

In 1950 Elancra Mines carried out some work in the mill, however few details are available.

In 1983 Heron Resources carried out magnetic and self-potential geophysical surveys, collected humus samples and mapped the entire property. Some of the old trenches were cleaned out and resampled which confirmed the general tenor of gold mineralization in the veins and in the adjacent wall rock. In the following year the No. 1 shaft was dewatered to the 114 m level and the first two levels were resampled with average grades of 3.77 g/t across 2.56m along 41 m on the 76 m level and 6.86 g/t across 0.6 m along 15 m. Fifteen diamond drill holes were cored to the northeast of the shaft to test known veins and coincident geophysical/geochemical anomalies.

Over a two year period starting in 1986 Emerald Isle Resources carried out an exploration program which consisted of extensive trenching, mapping and sampling of the veins, a muck sampling program (bulk), and a diamond drill program. One deep hole intersected a wide hematitic zone (12m) which graded 3.7 g/t with a stockwork of veinlets well below the old workings. This whole exploration program established possible reserves of 43,300 tonnes grading 4.7 g/t to a depth of 160 m (47,734 tons, 0.138 opt, 525 ft) in one vein in the vicinity of the No. 2 shaft."

In 1992 994374 Ontario leased the property from Erana Mines and started a program of stripping, rock trenching, sampling and stockpiling with the intention of extracting a 500 tonne sample from the No. 3 vein and processing the material with a 5 ton/day portable wall. During stripping and trenching, a high grade "B" zone was discovered with visible gold approximately 150 feet northwest of the No. 2 shaft. A 90 ton bulk sample of this material was hand cobbled. A 25-ton per day gravity mill was constructed in the autumn of 1992. The first samples were run in late October with positive results using 1.5 to 2 tons of the B zone stock pile. Freezing temperatures and lack of funds curtailed the outdoor operation after two test runs.

In the spring of 1993 milling of a 1,000 ton bulk sample resumed and continued until the fall of 1993. A muck sample from the 80 tons extracted in the first year contained 37.4 g/t gold (1.09 opt). Subsequently 994374 Ontario failed to pay their lease to Emerald Isle and was forced to forfeit the property and the mill. The mill was removed and the property lay dormant until April of 1995 when 109888 Ontario Inc. optioned the property, and subsequently entered into an agreement with Guidepost Exploration and Mining of North York, Ontario.

## 6.2 The Mortimer Claim Group

The earliest reported work on the property was during the 1906-1908 period and was related to an evaluation of the iron ore potential of the Woman River Iron Formation. This evaluation was completed by a syndicate consisting of C.K. Leith and C.R. Van Hise of Madison, Wisconsin. The work consisted of reconnaissance dip-needle surveys, regional and detailed geological mapping and 2,848 m (9,344 ft) of trenching and pitting within the iron formation. The results of this work outlined low grade iron with values up to 43% iron (Goodwin, 1965).

In 1931-32, eight gold veins had been uncovered on the claims immediately east of the Kenty mine property (presently corresponding to claim 4202945). The veins were small having strike lengths of 30 m or less and widths of one m or less. Approximately 300 m of diamond drilling was done in the winter of 1931-32. Gold values were reported to be low.

In 1946, Fumerton Mining and Development Company held a number of claims covering the area between Claim Lake and W.S.8. A program of magnetic surveying, prospecting and mapping was completed. Two small syenite occurrences at the centre of claim W.S.8 were reported to contain gold. No significant results were obtained.

During the 1963-65 period bedrock geological mapping was completed by the Ontario Department of Mines (Goodwin, 1965) in Heenan and Marion Townships.

In June, 1966 Inco drilled a diamond drill hole on a single claim in Rollo Township. A general location or claim map was not provided in the assessment records was not provided so the location of this hole is unknown. The hole intersected alternating layers of sediments and volcanics however information on sample collection and assays was not provided.

Between 1970 and 1971, the United States Smelting and Refining Company undertook airborne EM surveying and diamond drilling on claims presently corresponding to Joshua claims 3004853 and 3004858, and surrounding areas. The EM surveying identified several conductors in which follow up diamond drilling determined to be zones of graphite, and no significant sulphide mineralization were identified in this program.

In 1977, Gulf Minerals drilled a diamond drill hole on a single claim that presently corresponds to the northeast corner of Joshua claim 4240495 (west of the Kenty mine property). The hole utilized AQ core diameter and was drilled to a depth of 154 m. This hole intersected alternating layers of sediments and felsic volcanics with frequent intervals of quartz carbonate alteration. Pyrite mineralization was also observed throughout the hole, however it is unknown whether samples were collected and no laboratory assays were provided.

In April 1977, Granges Exploration drilled a hole on ground presently corresponding to Joshua claim 3010245. The hole was drilled to a depth of 222 ft. (68 m) and no assay results were reported.

Between 1980 and 1985, Falconbridge Limited carried out a significant amount of work over much of the Woman River Iron Formation in search of base metals and gold. This work consisted of an extensive grid with northeast trending baseline and tie-lines and northwest-southeast trending cross lines over much of the current property (Manchuk, 1985). Geophysical (VLF-EM, magnetometer, HLEM), geological mapping and geochemical (humus) surveys were completed over the grid area. Several areas had follow-up trenching and diamond drilling completed. This work located several gold rich zones in quartz-pyrite veins in the iron formation, quartz-carbonate pyrite veins in the felsic volcanics, sulphide facies iron formation and in shear-related alteration zones (hematization, silicification, carbonatization, pyritization) within felsic volcanics and quartz-feldspar porphyries.

In 1981, Canadian Nickel Company (“Canico”) staked 560 claims in Swayze, Denyes and Dore Townships, a block of claims that presently includes the Joshua Mortimer claims immediately to the east of the mine property in Dore Township, and the remaining Mortimer claims west of the mine property in Swayze and Denyes Townships. Canico carried out airborne EM surveying (several conductors identified) followed up by reconnaissance mapping in the fall of 1981. A gold anomaly approximately 4,000 m long and 1,500 m wide was detected centered on Cree Lake near the southwest corner of Swayze Township (Joshua claim 4276744). Further gridding, mapping and sampling was carried out in 1983. In early 1984, many of the original claims were dropped, and the remaining block of 355 claims was optioned to

Golden Hope Resources. In 1984, line cutting and magnetometer surveying were conducted over extensive property areas (> 400 line km). IP surveys were conducted on three select areas. Two of these areas were outside the current Joshua claim area, and the third area was located east of the mine property (claims 4207120, 4207121 and 154402 to 1154414). The purpose of the third area IP survey was to search for possible extensions of the gold mineralization on the mine property, and two anomalous IP trends were identified, however follow-up drilling returned only anomalous values with a high of 0.39 g/t gold over a narrow width. A 1985 Canico assessment report recommended that most of these claims be dropped with the exception of a few claims in the Cree Lake area, and north of Swayze Lake.

Between 1983 and 1991, Swayze Resources (”SR”) conducted a number of different exploration programs on claims presently corresponding to claim 4202945 that adjoins the Kenty mine property to the east. In 1982, the OGS identified 3 parallel EM conductors in the southeast corner of Rollo Twp. trending east-southeast into the northwest corner of Dore Twp. Prospecting in 1983 identified exposed quartz veins and stockworks containing highly anomalous gold values. SR established a line cut grid over the anomalous area and undertook geochemical sampling. Numerous gold anomalies were identified however values were quite low. Prospecting identified several small bedrock gold showings as well, and follow-up IP surveying, bedrock trenching and sampling were also recommended. In June of 1985, SR conducted trenching and sampling of a structure referred to as the Hopkins No. 1 Vein. Results of sampling yielded foot and hanging wall values between trance and 0.02 o.p.t., and alteration zone and quartz veins yielded values between trace to 0.6 o.p.t. over widths from 0.5 to 4.5 feet. Further detailed EM and IP surveying was recommended with follow-up trenching and sampling of new anomalous geophysical responses. In 1988, a magnetic survey was completed over a small portion of the claims to assist in geological mapping and interpretation. Further exploration work was recommended on the these vein systems including diamond drilling, however the claims were eventually allowed to come open for staking.

In 1984 Kenty Exploration conducted ground geophysical surveys and diamond drilling on the east portion of a block of 44 claims in Rollo Twp., presently corresponding to Joshua claims 4246982, 4248678, 4248679, 4257138, 4270943, and 4253833 (approximately 900 m north of the Kenty No. 1 Shaft). A grid was cut on the claim block and a ground EM survey was conducted, followed up with 460 m of diamond drilling in five holes. No significant intersections were reported for this program. Between 1987 and 1988, line cutting, ground magnetics and induced polarization surveys (“IP”) were completed

on the western half of the claim block. Ten diamond drill holes totalling 850 m were drilled near the southwest corner of the claim block to test geophysical anomalies that were identified in the 1984 EM survey. No significant gold intersections were reported in this drilling program. The IP survey identified several additional targets for follow up drilling and six new collar locations were recommended in the assessment report filed with the Ministry. Apparently Kenty Exploration never tested these new targets due to the outside commitments of the drilling contractor.

In 1987-88 Ressources Halex Inc. (AGEOS, 1987; Zemeroz, 1988) completed 83.5 km of line cutting, 30 km of I.P. surveys and 2307 metres of diamond drilling in six (6) drill holes. This work was completed in the Claim Lake area with no significant results.

In 1991, Charlie Mortimer staked the ground formerly belonging to SR immediately east of the Kenty mine property. Mortimer undertook trenching and stripping of mineralized surface zones in claims 1154401, 1154402, and drilled a single hole (85 m+) near the southwest corner of claim 1154404. Several intersections were reported in this hole including 1.2% copper and 0.5 g/t gold in several sections between 31 m and 40m, and a section between 82 m and 84 m which returned 1.98 g/t. In 1998, Charlie Mortimer completed expanded stripping and trenching of the 1994 surface showings within claim 1154404, and drilling of a single shallow hole in claim 1154401 (19 m) to test a geophysical anomaly. The results of the drilling were reported to be inconclusive and no assays were provided. Between 2002 and 2004, Mortimer completed 805 m of drilling in four holes. Two holes were located near the southeast corner of claim 1154404, one hole was drilled near the southeast corner of 1154406, and one did not reach bedrock. Drilling reportedly intersected wide intervals of pervasive carbonate alteration and weak sulphide mineralization. No assay results were reported. In 2005, Mortimer undertook extensive mechanical stripping of surface showings and completed 88 m of diamond drilling in three holes, two near the southeast corner of claim 4202945 and one in the central area of claim 4207120. Stripping work apparently uncovered several significant shear structures. Once again, drilling reportedly intersected wide intervals of pervasive carbonate alteration and weak sulphide mineralization. No assay results were reported. In the fall of 2008, Mortimer drilled a single hole in the east central area of claim 4202945 that intersected feldspar porphyry and mafic flows. The hole was stopped at 91 m before its target depth due to poor weather conditions.

In 1994-95 Conquest Yellowknife Resources Inc. (Lashbrook, 1995) completed a program of mechanical stripping, trenching, mapping and sampling in the area of Claim Lake. The best results obtained were

0.28 oz/ ton Au over 12 feet and 0.155 oz/ton Au over 9.5 feet. In addition, 630 metres of diamond drilling in seven (7) drill holes were completed with no significant results.

In 1996, Inmet Mining Corporation (Inmet) undertook IP surveys using a dipole-dipole configuration on the ground corresponding to the Joshua claims presently located east of the mine property and occupy the northern half of Dore Twp. A total of 46.7 line km of IP data was collected. The survey identified several linear areas of increased IP effect generally striking east-west, a few of which were interpreted to be quite strong and situated at relatively shallow depths. To test these anomalies, Inmet conducted 2008 m of diamond drilling in eight holes located on the Mortimer Property immediately east and northeast of the mine property (SWZ-1 to SWZ-8). Narrow low grade intersections of gold were obtained in holes SWZ-2, 4 and 5 (0.3 to 1.2 g/t) and no other significant intersections were reported. Between February 19 and March 16, 1998 Inmet undertook a drilling campaign totalling 2,802 m in 12 holes (SWZ-9 to SWZ-20). The holes were spotted to test additional IP anomalies possibly associated with the Rass Zone southeast of the mine property (Mortimer Property) and further west on the Dore-Heenan claims to test the north and south branches of the Crossley Rundle Gold Structure (the "CGRS"). Hole SWZ-10 was drilled to test for Rass Zone extensions on the Mortimer Property and reported several sub-economic gold intersections of 0.56 g/t over 1 m, 0.2 g/t over 4.05 m, and 0.34 g/t over 4.5 m. Inmet concluded that no additional work was recommended on the Mortimer Property. Hole SWZ-18 collared further to the west on the Dore-Heenan claims (presently at the northeast corner of claim 3013061 north of Crossley Lake) intersected several sub-economic intersections including 12 m of 0.042 g/t gold. A mineralized fuchsite interval forming part of the CGRS yielded this intersection, and Inmet surmised that this zone is a good target for follow up drilling in that it is open to the west (1.5 km X 0.5 km).

In 1997, prospectors A. MacDonnell and R. Lashbrook completed 16 km of line cutting, 4.0 km of IP surveys and prospecting. This work was completed in the Claim Lake area. The most significant result was a grab sample of a sheared outcrop of mafic volcanic with pyrite bearing quartz veins which assayed 0.14 opt gold.

In 2007, RPE (formerly Vencan Gold) carried out prospecting and trenching programs on their Abitibi West Property. Results of the effort resulted in focussing on the claims in Heenan Township where an auriferous five m-wide gray carbonate zone was discovered with intervals assaying up to 2.65 g/t Au over 1.5 metres widths.

In April 2009, RPE carried out magnetometer and IP surveys in Heenan Township and several chargeability anomalies were identified. Follow up trenching of these anomalies was recommended. In May of 2009, RPE flew three area blocks using Geotech's VTEM airborne system. High resolution (100 m line spacing) magnetometer and electromagnetic information was collected over the Denyes-Swayze, Dore and Heenan claim blocks. Resulting data outlined numerous VTEM conductors and magnetically defined structures that were recommended for further investigation during that summer's exploration program.

RPE's 2009 summer/fall exploration programs commenced in June with reconnaissance prospecting and soil sampling of VTEM conductors and geologically prospective areas. The trenching program commenced on August 8$^{th}$ to investigate prospective geology and to follow up gold anomalies resulting from the prospecting. Trenching on the Heenan Grid targeted the IP chargeability anomalies and prospective geology.

On September 25, 2009, RPE acquired the Charlie Mortimer claim group immediately surrounding the Kenty Mine property and immediately began trenching on gold showings north of the mine site. Trenching results indicated gold mineralization in appreciable concentrations at several locations on the Mortimer claims. In particular, channel sampling confirmed economic concentrations of gold over considerable widths within the C1 Trench. Recommendations for follow-up work included further sampling of high priority trench areas on the Mortimer property immediately east of the Kenty mine property, and the Dore 1 and 2 gold showings found within the Dore Twp. claims, and magnetometer and IP surveying of the claims immediately west, north and east of the Kenty mine property.

In May 2010, RPE retained Abitibi Geophysics to conduct an IP survey over the claims immediately west, north and east of the Kenty mine property referred to as the Mortimer group. The survey was successful in identifying several anomalous responses throughout the surveyed area and several priority targets were recommended for follow-up diamond drilling.

In June 2010 RPE performed a fixed wing airborne magnetic gradiometer and VLF-EM airborne survey over the SM property. A total of 3,895 line km of airborne surveying was completed. From May to June 2011, RPE completed 1,030 m of drilling in five diamond drill holes (RPX11-01 to RPX11-05) to test identified priority drill targets. Four of the holes were located east of the Kenty mine property within the central and south areas of claim 420495, and north of the Kenty mine property near the southwest corner of claim 4215525. In general these holes intersected units of mafic volcanics, intrusive gabbro,

quartz feldspar porphyry (QFP), metasediments and occasional mafic dykes, and where spotted to test the QFP which were thought to be the best units to host gold mineralization. Narrow intervals of low grade gold mineralization were reported in holes RPX11-01, RPX11-04 and RPX11-05, the best being 4.98 g/t over 0.30 in RPX11-5, and 3.3 g/t over 1.37 m in RPX11-04. The report recommended the identification of new gold zones through continued delineation of QFP in the area.

# 7.0 GEOLOGICAL SETTING AND MINERALIZATION

## 7.1 General and Regional Geology (From Heather et al, GSC OFR 3141, 1995)

The Swayze greenstone belt (SGB) is located within the western extension of the Abitibi subprovince of the Superior province, a Neo-archean granitoid-greenstone terrain that developed between 2.8 and 2.6 Ga. The terrain is bounded to the: a) west by the Kapuskasing structural zone; b) east by the Kenogamissi batholith; c) north by the Nat River granitoid complex; d) south by the Ramsey-Algoma granitoid complex. The SGB is connected to the Abitibi greenstone belt by a narrow septum of metavolcanic-metasedimentary rocks that wrap around the north and south margins of the Kenogamissi Batholith. The SGB shares many features in common with the mineral-rich Abitibi belt to the east, but lacks significant mineral production.

The SGB consists of a wide variety of metavolcanic, metasedimentary and metaplutonic rock types. Ultramafic rocks are common and include massive peridotite, pyroxenite, and duntie intrusions that are spatially related to polysutured and spinifex-textured komatiite metavolcanic flows. Basaltic komatiite and high-Mg tholeiitic pillowed flows tend to consist of large (up to several metres) mattress- and balloon-shaped pillows with no tails. Vesicular and/or variolitic pillows are common, as is breccia in the pillow interstices. Ultramafic and high Mg- mafic rocks weather a distinctive chocolate orage-brown colour. Mafic metavolcanic rocks are widely distributed throughout the SGB and include FE-tholeiitic and calc-alkalic basalts that consist of massive, pillowed, pillow breccia, variolitic and amygdaloidal flows. Synvolcanic gabbro and diorite sills/dykes are also common and can exhibit crude layering, ranging from fine- to coarse-grained and have local feldspar porphyritic clusters.

There are several large packages of felsic and intermediate metavolcanic rocks within the SGB. Intermediate metavolcanic rocks consist of massive and pillowed flows, volcanic breccias, lapilli tuffs and ash tuffs. The massive, grey-green flows are typically feldspar-phyric. The volcanic breccias and lapilli tuffs contain heterolithic fragments and abundant feldspar crystals both within the fragments and the

groundmass. Felsic metavolcanic rocks consist of feldspar +/- quartz porphyritic flows and intrusions, as well as ash-tuffs, lapilli tuffs and volcanic breccias.

The clastic metasedimentary rocks have historically been subdivided into two major types: 1) older sequences associated and intercalated with the metavolcanic rocks; 2) younger sequences, referred to as the "Ridout Series", unconformably overlying the older metavolcanic and metasedimentary rocks. The older metasedimentary rocks are distributed throughout the SGB and have a close temporal and tectonic relationship to the metavolcanic rocks. They range from narrow interflow sediments to larger, more extensive packages of mixed metasedimentary rocks. Several large packages of metasedimentary rocks have been documented in the SGB and are informally referred to as: a) the Msiego-Reeves package, b) the Swayze Series; c) the Halcrow-Greenlaw package; and e) the Silk package. These larger packages of metasedimentary rocks consist of a mixture of felsic volcaniclastic and epiclastic conglomerates, sandstones, siltstones and argillites.

The Ridout Series is mappable over a distance in excess of 150 km in the southern SGB and consists of intercalated polymictic conglomerates, sandstone, siltstones and minor argillites. Two distinctive features of the Ridout Series rocks are the preponderance of granitoid and iron formation clasts within the polymictic conglomerates and the well-developed trough cross-bedding within the sandstones. A wide variety of clast types representing the majority of rock units with the SGB are found within the polymictic conglomerates. Many of the granitoid clasts are foliated biotite tonalite similar to that seen within the Kenogamissi batholith and the Ramsey-Algoma granitoid complex. Regional deformation along the north and south contacts of the Ridout Series has produced high-strain zones that have made it difficult to determine if the Ridout Series has a conformable or unconformable relationship with the metavolcanic rocks to the north and south.

The large granitoid bounding the SGB to the north, east and south are known respectively as the Nat River granitoid complex, Kenogamissi batholith, and the Ramsey-Algoma granitoid complex. The Nat River granitoid complex is poorly exposed and not well understood. The Kenogamissi batholith is a large, elliptical granitoid complex that separates the SGB from the Abitibi Greenstone Belt to the east. The Ramsey-Algoma granitoid complex is one of the largest areas of granitoid rocks in the southern Superior Province. These bodies consist of a complex sequence of intrusions that vary in composition, strain and age from remnant xenoliths of foliated mafic amphibolite to massive biotite granite to granodiorite and associated pegmatite and aplite dykes. Numerous small synvolcanic to post-tectonic stocks and plutons

occur within the SGB, such as the Chester granitoid complex, being one of the oldest intrusions in the southern Abitibi subprovince.

## 7.2 Regional Structural Geology (From Donovan, 1963)

The major structural features in the area are a tightly folded anticline and syncline which trend in an east-west direction. These features today are referred to as the Woman River Antiform and the Brett Lake Synform.

The synclinal axis follows a sinuous path across the central part of the area, and is offset by faulting for about 800 m in Dore Township. The anticlinal axis crosses the southern part of the map-area. Both axes are in steeply dipping intermediate to basic volcanic rocks and were traced with the aid of stratigraphic top indicators (pillows, crossbedding) and schistosity (generally parallel to the fold axis). Numerous pillow structures in eastern Dore Township allow rather accurate location of the fold axes, but to the west where pillow structures are not so common structural control is more indefinite.

The attitude of the synclinal axis is determined by the sedimentary rocks south of Crossly Lake and along the north shore of Brett Lake. Here graded-bedding, with the grain-size smaller to the south, suggests the beds face south, but because they dip steeply north and are on the limb of the syncline, the structure is overturned.

There is little information regarding the attitude of the anticlinal axis. On the south boundary of Swayze Township, the sedimentary rocks on the south limb of the anticline dip and face south as determined by crossbedding

Lineations and drag folds suggest that both structures plunge about 40 to 50 degrees W. In the western part of Swayze Township the axes of the folds are about three miles apart.

Because of a lack of data it is not possible to discern other possible structures. The intermediate to basic metavolcanic rocks in the southeastern part of Dore Township and the felsic metavolcanic rocks south of Ackerman Lake have a north-south trending schistosity which is nearly at right angles to the strike of the dominant schistosity of the area. This north-south schistosity may possibly represent local cross folding in the area.

All the faults and shear zones trend north to north-west and are steeply to vertically dipping. A faults zone more than nine km long, striking northwest and dipping vertically, extends from the Wakami River

in the southeast corner of Swayze Township north to and beyond Brett Lake. The fault zone can be recognized at numerous places along its length by shear zones and escarpments. The fault is characterized by highly shear metavolcanic rocks in zones up to 60 m wide. Within the shear zones the highly sheared felsic metavolcanic rocks have been altered to sericite-quartz-feldspar schists while the intermediate to mafic metavolcanic rocks have been altered to chlorite-hornblende-feldspar schists. The fault has a left lateral movement, and fault displacement ranges from 150 m to 800 m.

On the west shore of the north arm of Brett Lake there is a complementary fault and shear zone, which lies about 400 m west of the main fault zone. There is a well exposed fault breccia about six m wide, with veins and stringers of white quartz and pink calcite surrounding angular fragments of felsic metavolcanic rock.

Two inferred northwest-striking faults are in Dore Township. One, in the central part of the township, has an apparent left-lateral movement of nearly 800 m, and dips vertically. No shear zone or topographic expression could be found associated with this fault. The other fault, along the west share of Crossley Lake, has a three m wide shear zone, with associated narrow quartz veinlets. The fault dips vertically with apparent left-lateral movement of about 300 m.

It appeared to Donovan there may be some east-west striking faults in the area; however, because the rock units strike almost east-west and stratigraphic horizons within the volcanic rocks are most difficult to recognize, displacement parallel to the strike of the rocks cannot be detected.

There are shear zones not associated with faulting. The most notable of these is along the northeast shore of Cree Lake, where the mafic metavolcanic rock is highly fractured, sheared, and veined with quartz. The shear zone trends north-south and is steeply to vertically dipping. Other less noticeable shear zones with associated quartz veins are found scattered through the area.

The exact age of the faulting and associated shearing is not known. However, because the major folds and the metavolcanic rocks are cut by north-south faults, the faulting was probably associated with or followed the folding.

With regard to small-scale structures, many of the metavolcanic rocks display a well-developed schistosity. This is particularly true in the sheared and metamorphosed rocks, most of which are sericite-quartz-feldspar and chlorite-hornblende-feldspar schists. This schistosity, or flow cleavage, is probably caused by plastic deformation associated recrystallization. The fine-grained rocks (felsic and

intermediate to mafic metavolcanic rocks) are more susceptible to recrystallization than the coarser-grained rocks; hence the plutonic rocks, granite and diorite, are not schistose.

The schistosity generally strikes east-west, almost parallel to the strike of the major rock units and the fold axes. Locally, there is a north-south trending schistosity, possible associated with cross folding.

In the shale, argillite and slate, there is a well-developed slaty cleavage. This cleavage is caused by the parallel arrangement of platey minerals. The slaty cleavage is very closely spaced, less than 1 millimeter between planes, and the rock is fissile. Slaty cleavage was also observed in shaly layers interbedded with more massive quartzitic rocks. This cleavage, like the schistosity in the volcanic rocks, strikes almost east-west.

Most of the recorded lineations are the result of mineral parallelism, which are best observed in the schistosity planes of the sericite-quartz-feldspar schist. Rarely was a lineation caused by intersecting cleavage and bedding planes. Few lineations were observed, but those recorded plunged 30-50 degrees W to NW.

In a few isolated outcrops small drag folds were recorded. Generally these were in highly sheared areas of volcanic rocks, in narrow quartz veins, or in quartzitic beds. Both S-shped and Z-shaped drag folds were observed, in both causes, the axes plunge 70 to 85 degrees W.

Crossbedding was observed only in one place, along the south boundary of Swayze Township, just west of a small lake midway between the east and west township boundary lines. Here in a light grey quartzitic rock the cross-bedding indicates stratigraphic tops to the south.

Joints are scarce in the area; however those recorded are generally in the intermediate to basic volcanic rocks. From those observed it appears there is a north-south and an east-west joint set. Because of the lack of joints it was not possible to use them in determining regional structures.

Fracture cleavage was observed; however, because it is parallel either to the schistosity in the metavolcanic rocks or to the bedding in the sedimentary rocks, it was not recorded.

A common structural feature of the intermediate to mafic metavolcanic rocks is the development of pillow structures. These structures are the most reliable indicators of stratigraphic tops in the area; hence, they are of the most value in deciphering the regional structure. Pillow structures were usually balloon-shaped or mattress-shaped. Most were less than a foot across. Some were up to 1.5 m long and

one m wide. Usually the outer edges of the pillow structures were rimmed be an inch thick brown shaly material.

While pillow structures were not destroyed by metamorphism or shearing, their shapes were often distorted and were not reliable as a stratigraphic top indicators. Pillow structures were generally concentrated along certain stratigraphic horizons within the intermediate to mafic metavolcanic rocks. These horizons trend east-west and generally parallel the strike of the rock unit. This feature is best observed in the southeast corner of Dore Township, west of Brett Lake and south of Freymond Lake.

Refer to Figure 3 for a regional geology map of the Kenty Property area.

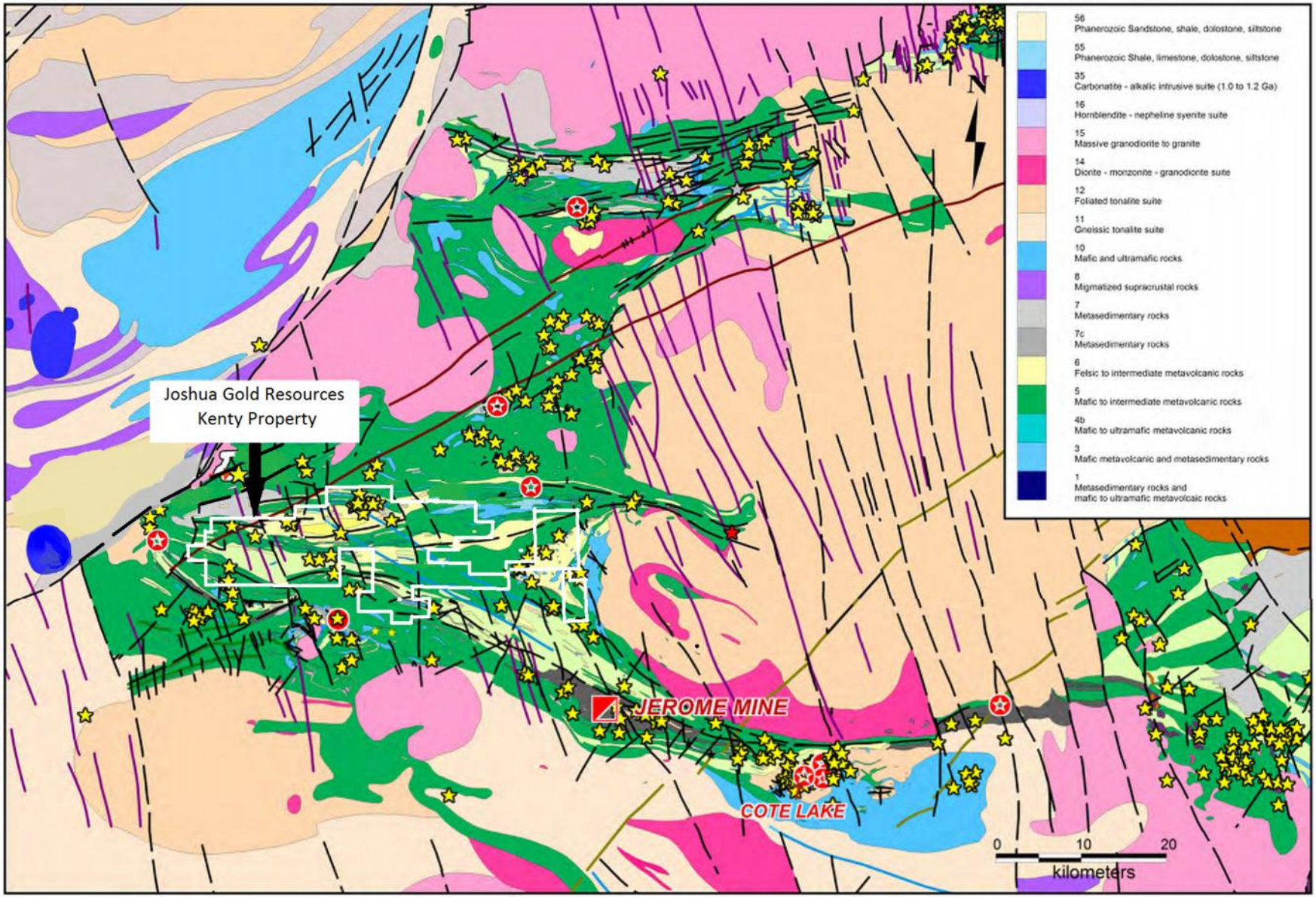


Figure 3: Kenty Property Area Regional Geology

## 7.3 Local Geology

Locally the west, central and northern areas of the Kenty Property are dominantly composed of metavolcanic rocks from the Swayze-Dore stratigraphic package. The rocks are a mixed group of felsic to intermediate pyroclastic and volcaniclastic rocks intercalated with epiclastic metasedimentary rocks of the Swayze Series, generally having an east-west strike orientation with variable dips. The Swayze-Dore package geometrically occupies the core of the Brett Lake synform, which transects the north central property area. Specifically the pyroclastic and volcaniclastic rock found locally include interbedded ash tuffs, lapilli tuffs, volcanic breccias and re-worked debris flows. Epiclastic metasedimentary rock include sandstones, siltstones, wackes and argillites. Irregular feldspar-quartz porphyry stocks, associated dikes, sills and medium to coarse grained diorite-gabbro intrude all rocks within the supra-crustal sequences. Northwest striking diabase dikes intrude all older lithologies.

Strata in the east portion of the Kenty property near the boundary between Heenan and Marion Townships are composed of felsic to intermediate metavolcanic rocks of the Marion Formation which include ash and lapilli tuffs, volcanic flows and intrusions. Near the southeast corner of Heenan Township, a thin band of iron formation rims the Marion Formation. Northwest of the iron formation are the mafic metavolcanic rocks of the October Lake package which include massive and pillowed flows and breccias. An east-west striking gabbro intrusive unit is found along the northern border of the claims in Heenan Township which is intruded by localized QFP's. The rocks of these formations generally range in strike from east-west to northwest-southeast with variable dips. The Woman River antiform generally parallels the south boundary of the Kenty Property, more or less across the entire width of the property.

Localized quartz vein systems are generally associated within high strain zones (ie. shear zones) and can be found within a wide variety of rocks. The zones typically exhibit strong calcite/carbonate, chlorite, and sericite alteration.

The OGS made several visits to the Kenty Mine site property during the late 1980's and early 1990's, and their detailed observations of the localized geology are provided in the following section.

### 7.3.1 **Kenty Mine Site Property** (from Fumerton et al, OGS OFR 5871)

The No. 1 vein is hosted in massive mafic flows within a pillowed flow sequence at surface but with depth passes into metasediments. Associated with the vein on surface is a felsic dyke which has been described as a porphyry but lack the most conspicuous megacrystic grains and are composed of small

anhedral hornblende rather that the large subhedral feldspar which are prevalent elsewhere on the property. Mineralization is closely associated with the porphyritic felsic dyke and silicified porphyry can also host some mineralization.

Metasedimentary rocks are conspicuously absent in the waste rock pile.

A conjugate pattern is apparent from the distribution of the quartz veins but there is little apparent deformation of the host rocks. The veins have been reported as braided with a "pinch and swell" appearance.

The No. 2 vein is hosted in a pillowed iron tholeiitic basaltic flow sequence intercalated with some massive flows and breccia units. Little deformation or alteration is apparent in the rocks away from the mineralized veins and the sequence strikes northwest with tops to the southwest. The first indication of alteration in the mafic volcanics is the faint purple tint due to hematite alteration which is associated with chlorite alteration of the matrix and diffuse epidote veining.

A massive mafic unit contains coarse grained biotite in the matrix and common open vugs rimmed with bright green mineral (chlorite). This unit contains large rounded fragments of QFP together with angular fragments of other units and is cut by the alteration and veining associated with the gold mineralization. Closer to the mineralized veins, carbonate alteration occurs in a zone up to 2m wide either side of the vein and with a sharp cut off with less altered rocks further away from the vein. Within this zone silicification and albitic alteration is unevenly developed but can be intense over short distances. Also within the carbonate alteration zone, subhedral to euhedral pyrite occurs disseminated in the matrix and concentrated along fractures. Massive fine grained magnetite aggregates up to 2 cm across locally occur in the carbonate alteration zones and look like clasts.

There is a large body of "lamprophyre" associated with the mineralization. This body has been interpreted as intruding the mafic volcanics and is cut by the quartz veining and associated alteration. Several individuals have classified this rock as an altered diorite, others have classified the rock as a lamprophyre. The rock is massive, medium grained with a high concentration of biotite in the matrix.

The mafic volcanic rocks are cut by irregular felsic feldspar porphyry dykes in various directions which appear to postdate some of the alteration but are still partially altered and cut by some quartz veining. There are also small zoned dyklets of felsic material with felsic fragments in the core and a strong brick red colouration.

Some distance to the south there are large bodies of feldspar porphyry with 20-30% subhedral feldspar megacrysts in a siliceous matrix.

## 7.4 Mineralization

As a result of the work of KGM at that time, 21 separate gold bearing quartz carbonate veins were discovered at the Kenty mine site. Of the 21 veins, only eight have ever been mined underground (veins 1, 3, 4, 8, 9, 10 and 16). In addition, surface sampling and tracing of these vein systems have been confined to highland areas of the Kenty mine site. Constable, 1986 describes these veins being grouped into two sets having a dominant east-northeast orientation and dipping moderately southwards, and a second minor set having a north-south orientation and dipping steeply east or west. The vein sets appear identical and are either confined to a mafic metavolcanic unit or to a fined-grained feldspar porphyry unit. Quartz carbonate veins parallel the contact between mafic metavolcanics and the younger feldspar porphyry phase. Consequently Constable suggests that vein openings are caused by and are contemporaneous with the intrusion of the feldspar porphyry phase, or both the vein formation and the intrusion of the feldspar porphyry rock were controlled by the previous sets of tension or shear structures.

The veins are either simple or stockwork veins, from a few centimeters wide to over five m, and typically average one to two m wide. Vein mineralization consists of quartz, calcite, ankerite, pyrite, chalcopyrite, galena, sphalerite, specular hematite, molybdenite, tourmaline and native gold.

In the No. 1 vein mineralization primarily occurs in hairline fractures in the altered wall rock filled with euhedral to subhedral pyrite. The best gold grades occur where the vein cuts through metavolcanics. The vein is a coarse grained glassy white to clear quartz which is cut by secondary veins (<2mm) of fine grained sulphides. These veins are up to 5m thick but grade laterally into a stockwork of veinlets. Coarse gold occurs in globs within the veins close to the footwall or in leaf form on slickensided surfaces. The most spectacular description is of solid gold 2 inch diameter x ½ inch thick nuggets.

In the No.2 Vein system, quartz veins which vary from 10 to 20 cm occur in zones of strong carbonate alteration up to several metres thick. Parallel to the main veins within the alteration zone there are thin quartz veinlets. Within the main vein there are fractures perpendicular to the vein mineralized with carbonate and more rarely tourmaline. Brecciation of the wall rocks adjacent to the vein is common and

the breccia has been in-filled with quartz veining which appears to be part of the same phase as the main quartz vein.

In the No. 2 Vein fine grained pyrite occurs in trails along hairline joints – veins or along the contact of the quartz veins. In addition, local pockets of coarse grained pyrite occur in the less altered country rock and in the quartz veins. Pyrite typically forms between 5 and 20% of the carbonatized wall rock but locally forms up to 40% of the rock. Coarse subhedral galena is erratically distributed in the quartz veinlet stockwork that cuts the strongly carbonatized wall rock. Though the grains are hosted in the quartz veining the grains tend to be in contact with the vein walls. Molybdenite has been observed as medium grained flakes within hairline fractures within the wall rock adjacent to the veins together with some fine grained disseminated pyrite. Visible gold is erratically distributed in the quartz vein material and locally occurs in "egg shaped" aggregates with spectacular concentrations of gold.

Gold mineralization outside of Kenty mine site in the remaining Kenty Property area has been described as occurring in three geological environments and include: sheared pyritic mafic metavolcanics that have undergond variable degrees of silicification and sericitization; carbonatized and pyritized QFP hosted in variable sheared mafic metavolcanic rocks; and in quartz veins and stringers with or without pyrite hosted within relative unaltered mafic metavolcanics.

# 8.0 DEPOSIT TYPES

## (From B. Dube and P. Gosselin, Geological Survey of Canada, 2000)

"Greenstone-hosted quartz-carbonate vein deposits typically occur in deformed greenstone belts of all ages, especially those with variolitic tholeiitic basalts and ultramafic komatiitic flows intruded by intermediate to felsic porphyry intrusions, and sometimes with swarms of albitite or lamprophyre dyke. They are distributed along major compressional to transtensional crustal-scale fault zones in deformed greenstone terranes commonly marking the convergent margins between major lithological boundaries, such as volcano-plutonic and sedimentary domains. The large greenstone hosted quartz-carbonate vein deposits are commonly spatially associated with fluvio-alluvial conglomerate (e.g.Timiskaming conglomerate) distributed along major crustal fault zones (e.g. Destor Porcupine Fault). This association suggests an empirical time and space relationship between large-scale deposits and regional unconformities.

These types of deposits are most abundant and significant, in terms of total gold content, in Archean terranes. However, a significant number of world-class deposits are also found in Proterozoic and Paleozoic terranes. In Canada, they represent the main source of gold and are mainly located in the Archean greenstone belts of the Superior and Slave provinces. They also occur in the Paleozoic greenstone terranes of the Appalachian orogen and in the oceanic terranes of the Cordillera.

The greenstone-hosted quartz-carbonate vein deposits correspond to structurally controlled complex epigenetic deposits characterized by simple to complex networks of gold-bearing, laminated quartz-carbonate fault-fill veins. These veins are hosted by moderately to steeply dipping, compressional brittle-ductile shear zones and faults with locally associated shallow-dipping extensional veins and hydrothermal breccias. The deposits are hosted by greenschist to locally amphibolite-facies metamorphic rocks of dominantly mafic composition and formed at intermediate depth (5-10 km). The mineralization is syn- to late-deformation and typically post-peak greenschist facies or syn-peak amphibolite-facies metamorphism. They are typically associated with iron-carbonate alteration. Gold is largely confined to the quartz-carbonate vein network but may also be present in significant amounts within iron-rich sulphidized wall-rock selvages or within silicified and arsenopyrite-rich replacement zones.

There is a general consensus that the greenstone-hosted quartz-carbonate vein deposits are related to metamorphic fluids from accretionary processes and generated by prograde metamorphism and thermal re-equilibration of subducted volcano-sedimentary terranes. The deep-seated, Au-transporting metamorphic fluid has been channelled to higher crustal levels through major crustal faults or deformation zones. Along its pathway, the fluid has dissolved various components - notably gold - from the volcano-sedimentary packages, including a potential gold-rich precursor. The fluid then precipitated as vein material or wall-rock replacement in second and third order structures at higher crustal levels through fluid-pressure cycling processes and temperature, pH and other physico-chemical variations."

Puskas (2004), in a 43-101 report for Osprey Mines dated June 2004 presents a conceptual model for gold deposits found in volcano-sedimentary terranes such as the Jerome Mine property, located within the central Swayze greenstone belt.

The higher-grade gold-silver-base metal sulfide mineralization is epithermal and occurs in quartz and carbonate-rich veins. The vein systems can be anastomosing bodies of vein systems or can occur as infill of distensional breccias; both are found at the contact of felsic porphyry intrusives with the

metasedimentary country rock. Solution cavities are commonly present in the veins, indicating the past presence of fluids that presumably carried the gold mineralization. The felsic porphyry intrusives are thought to be the source of the mineralized epithermal fluids.

The peripheral contact between the Jerome porphyry and surrounding metasediments should be considered as a potential host for economic mineralization to considerable depth. The Jerome porphyry is described as a composite intrusive, i.e., the body is composed of several subsidiary intrusive bodies that were emplaced over a period of time. Early porphyry emplacements were not mineralized to economic levels, but higher-grade mineralization resulted from subsequent distensional autobrecciation (presumably at the contact with country rock), migration of gold-rich epithermal fluids along brecciated zones, and subsequent breccia sealing. Large mineralized zones are commonly associated with large, composite, felsic porphyry emplacements.

The close spatial and possibly temporal association of felsic intrusive bodies (such as the Jerome porphyry at the Jerome Mine) with gold mineralization and copper-molybdenum-gold showings has long been recognized in the Canadian Shield in Ontario. Emplacement of a felsic intrusion can affect the introduction, remobilization, and concentration of gold in several ways. The intrusion may: (1) be the source of the metalliferous fluids; (2) release fluids from the country rock, enabling the leaching, transport, and deposition of metals; (3) assimilate and enclose metalliferous strata from the country rock; and (4) fracture the country rock, creating structural conduits for circulation and deposition of ore forming fluids. The Jerome Mine orebody (vein breccia system) lies along a shear zone, located at the south contact of the Jerome porphyry with metamorphosed conglomerate and arkose. The contact between the metasediments and porphyry is gradational, and close to the orebody the two units are difficult to distinguish.

# 9.0 EXPLORATION

To date, Joshua's exploration work on the Kenty Property has been limited to minimal prospecting and grab sampling at the Kenty mine site. No reports of this work are available as of yet.

## 9.1 Kenty Mine Site

As described in Section 6 of this report, the last report of exploration work on the Kenty Mine site was In 1992 when 994374 Ontario leased the property from Erana Mines and started a program of stripping,

rock trenching, sampling and stockpiling with the intention of extracting a 500 tonne sample from the No. 3 vein and processing the material with a 5 ton/day portable wall. Detailed information concerning this program of work was not available and what details that are provided here have been taken from Fullerton et al, 1993. During stripping and trenching, a high grade "B" zone was discovered with visible gold approximately 150 ft northwest of the No. 2 shaft. A 90 ton bulk sample of this material was hand cobbled. A 25-ton per day gravity mill was constructed in the autumn of 1992. The first samples were run in late October with positive results using 1.5 to 2 tons of the B zone stock pile. Freezing temperatures and lack of funds curtailed the outdoor operation after two test runs.

Prior to 994372 Ontario, in 1986 to 1987 Emerald Isle Resources Inc, ("EIR") completed what was described as an "extensive" surface exploration program that included stripping, mapping, and sampling of the exposed surface vein systems, a program of 53 surface bulk samples, and diamond drilling of 28 holes totalling 2,924 m (9,589.1 ft). In an assessment filing prepared D. Constable dated May 30, 1987, ERI reported that bulk sample grades ranged in grade from less than 0.01 opt to 1.187 ounces per ton gold, and visible gold was noted in three bulk samples. Details regarding the size of these bulk samples and their locations were not provided in Constable's report. A discussion of EIR's drill results is provided in Section 10.0.

## 9.2 Mortimer Claims

In 2007, RPE carried out prospecting and trenching programs on their Abitibi West Property (now roughly corresponding to Joshua's Mortimer claim block). Results of the effort merited a focus in Heenan Township where intensely carbonated rocks were observed. Here, an auriferous five metre-wide gray carbonate zone was discovered contacted on the north by a diabase dike and on the south by crystal-tuffaceous rocks. The best interval assayed 2.65 g/t Au over 1.5 metres within this zone.

In April of 2009, RPE completed geophysical surveys over claims numbered, 4216753, 4216754, and 4216755 located in eastern Heenan Township. The geophysical program consisted of Induced Polarization and Resistivity and total field magnetic surveying carried out on a grid with chained lines oriented at 0° and spaced every 100 meters. The objective was to map any discrete anomalies that may be associated with structural deformation, or concentrations of massive or disseminated sulphide mineralization containing anomalous gold concentrations.

Three magnetic anomalies were identified as M1, M2, and M3, which were interpreted to be

diabase dikes common to this geologic setting. Several possible fault zones were also identified within the Heenan grid, as were trends that could represent major lithological contacts or significant structural anomalies. Refer to Figure 4 for the Heenan Grid Compilation Map.

With regard to the IP survey results, RPE placed emphasis on identifying IP anomalies that were thought to originate within the bedrock as opposed to cultural sources or associated with bedrock relief. Three anomaly trends were identified and labeled as H1 to H3 in Figure 4. Several isolated IP anomalies were also evident. All of the IP trends were adjacent to resistivity lows, with interpreted depths between five and 25 m below surface. IP trend H1 is the strongest in the grid area and may define a mineralized zone and was considered a priority follow-up area.

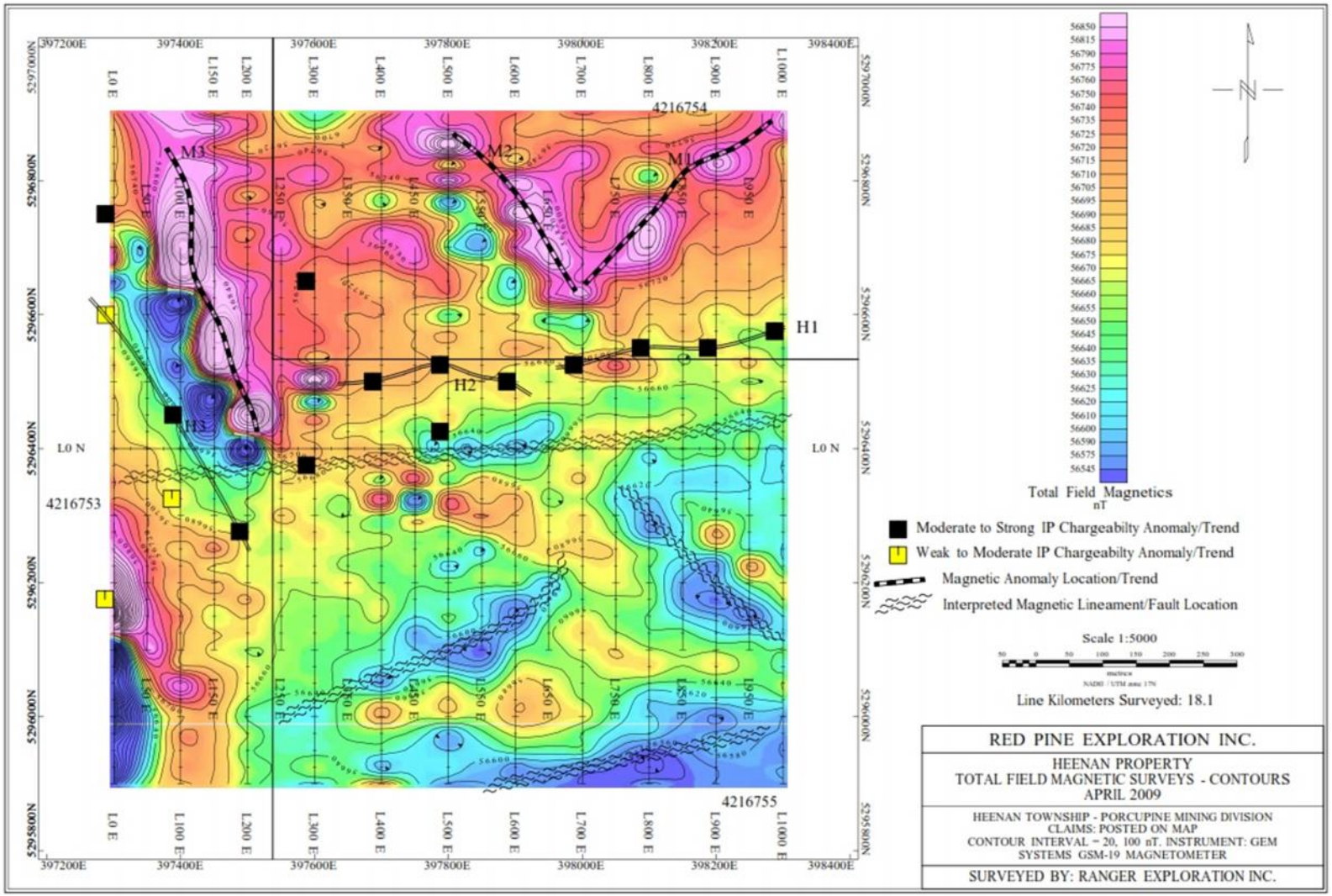


**Figure 4: Heenan Grid Geophysical Surveying Compilation Map**

From May 13th to May 24th, 2009 Geotech Ltd. carried out a helicopter-borne geophysical survey for RPE over the Denyes-Swayze, Dore and Heenan blocks. Principal geophysical sensors included a versatile time domain electromagnetic (VTEM) system, a cesium magnetometer and an airborne gamma ray spectrometer. Ancillary equipment included a GPS navigation system and a radar altimeter. A total of 955 line-kilometres were flown. The processed survey results are presented as electromagnetic stacked profiles, and as a colour grid of the B-field EM late time channels, total magnetic intensity, time constants (Tau) and gamma ray spectrometry products.

Several groups of EM anomalies favourable for gold mineralization are identified in the three blocks of study. Low values of conductance are detected in the area of study. Hence, the EM analysis is based on the early time response. Figure 5 shows the dB/dt early time 0.339 ms image for the Denyes-Swayze, Dore and Heenan blocks, as well as the general anomaly locations. Refer to "Report On A Helicopter VTEM Geophysical Survey – Denyes-Swayze, Dore and Heenan Blocks for Red Pine Exploration Inc. by Geotech Ltd, July 2009" for detailed compilation maps of this survey.

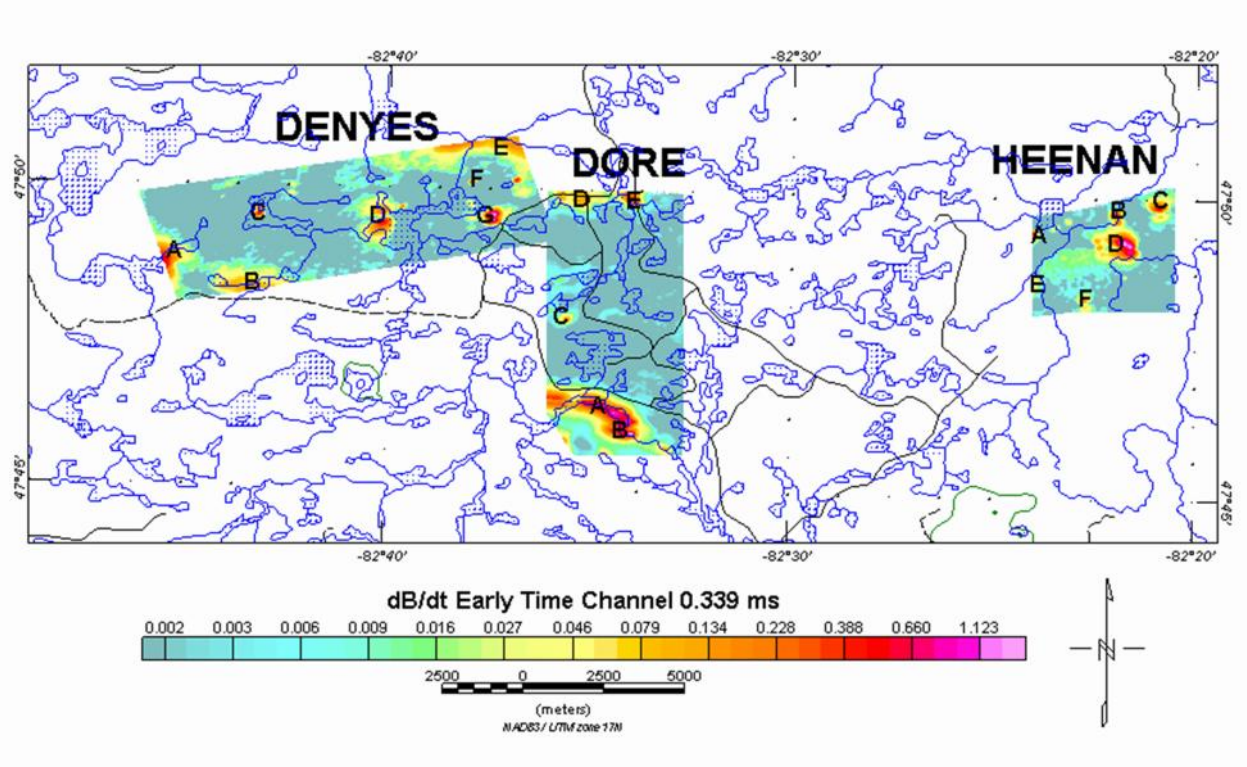


**Figure 5: 2009 VTEM Survey Anomaly Map**

RPE's 2009 summer/fall exploration programs commenced in June with reconnaissance prospecting and soil sampling of VTEM conductors identified in the Geotech airborne survey and other geologically

prospective areas. A follow-up trenching program designed to investigate surface gold showings identified through prospecting commenced in August 2009.

Overburden generally consisted of sandy clay and trenches were often excavated up to five metres in depth to reach bedrock. Deep holes were filled in post examination and sampling. High lights of RPE's 2009 prospecting program including descriptions, locations and gold concentrations of samples are provided in Table 3.

**Table 3: RPE 2009 Prospecting Results**

| Township | Claim # | UTM N | UTM E | g/t Au | Comment |
|---|---|---|---|---|---|
| Swayze | 4216074 | 5298208 | 378595 | 2.99 | Sample # 175664 returned 2.99 g/t Au from an angular float comprised of carbonate altered porphyry hosting 5-8 <1cm quartz veins with 2% associated pyrite |
| Denyes | 4216028 | 5297365 | 370549 | 99.9 | Sample 86386 returned 99.9 g/t Au from a carbonate altered feldspar porphyry unit with 3-5% chalcopyrite in fractures and a 1 cm quartz vein (Trench 5). 446 rock samples were collected from Trench 5 and 58 samples returned gold concentrations >1 g/t Au. |

Trenching on the Heenan Grid was also conducted during RPE's summer 2009 exploration program. Trenching targets were selected based on co-relation of priority IP anomalies to prospective geology. Approximately 9,118 square m of material in fourteen trenches were excavated and washed during this program, with 723 rock samples and 62 channel samples collected for laboratory analyses. Details of the Heenan Grid trenching program are provided in Table 4

**Table 4: RPE 2009 Heenan Claims Trenching Results**

| Trench | Township | Claim # | UTM N | UTM E | Best Assay g/t Au | Comment |
|---|---|---|---|---|---|---|
| Trench 1 | Denyes | 4204300 | 5298507 | 370118 | Nil | Anomalous soil sample to N |
| Trench 2 | Denyes | 4204300 | 5298378 | 370287 | Nil | No further work |
| Trench 3 | Denyes | 3002429 | 5298460 | 369735 | 1.37 | Investigate area |
| Trench 4 | Denyes | 3002429 | 5298245 | 369853 | Nil | No further work |
| Trench 5 | Denyes | 4216028 | 5297360 | 370540 | 99.9 | Investigate soil anomalies |
| Trench 6 | Swayze | 4204300 | 5298171 | 370480 | N/A | Investigate area |
| HG L5E | Heenan | 4216755 | 5296520 | 397790 | 0.124 | No further work |
| HG L6E | Heenan | 4216755 | 5296500 | 397882 | 0.268 | Sample qz/carb veins to N |
| HG L6+50E | Heenan | 4216755 | 5296487 | 397935 | Nil | No further work |
| HG L7E | Heenan | 4216755 | 5296538 | 397988 | 0.146 | Sample carb veins at N end |
| HG L8E | Heenan | 4216755 | 5296555 | 398087 | Nil | No further work |
| HG L9+50E | Heenan | 4216755 | 5296443 | 398231 | Nil | No further work |
| HG L10E | Heenan | 4216755 | 5296577 | 398281 | 0.125 | Investigate to east |
| HG L10+50E | Heenan | 4216755 | 5296586 | 398353 | N/A | No further work |

Rock samples were sent to ALS Laboratories in Timmins where they were prepped and sent to Vancouver for analysis of their gold concentration by fire assay with an atomic absorption finish. Overall, the Heenan Grid trenching results were reported to be disappointing in that sources for the IP anomalies were identified but were found to contain no appreciable concentrations of gold. Continued exploration east of rocks displaying intense fuchsite-carbonate alteration at L10E, 125N was recommended. RPE consultants also concluded that geochemical surveying may not be appropriate over the Heenan Grid given the large sand plain in this area.

On September 25, 2009, RPE acquired the Charlie Mortimer claim group (a small block of claims immediately east and north of the Kenty mine site – now part of Joshua's larger Mortimer Claim block). Trenching on these claims began and was completed in October. Overburden consisted of sandy loam and was up to 5 metres in depth at some locations. Approximately 13,407 square metres in eighteen trenches was excavated and washed during the program, in which 61 rock samples and 198 channel samples were collected for laboratory analyses. Rock descriptions, locations and gold concentrations from the prospecting and trenching programs on the Charlie Mortimer claims are provided in Table 5.

**Table 5: RPE 2009 Charlie Mortimer Trenching Summary**

| Trench | Township | Claim # | UTM N | UTM E | Best Assay g/t Au | Comment |
|---|---|---|---|---|---|---|
| C1 | Swayze | 4241803 | 5299900 | 378740 | 249/1 m | Considerable steeply dipping and flat lying quartz/carb stockwork, albite alteration, up to 10% disseminated cubic pyrite |
| C2 | Swayze | 4224235 | 5299806 | 378461 | 0.035 | Investigate qz vein to N |
| C2S | Swayze | 4224235 | 5299687 | 378439 | 1.28 | Investigate qz vein to N and S |
| NW | Swayze | 4241803 | 5299935 | 378661 | 2.73 | Investigate area |
| G1 | Swayze | 4241803 | 5299909 | 378834 | 0.113 | Investigate area |
| G2 | Swayze | 4241803 | 5299970 | 378910 | Nil | Investigate area |
| J3 | Swayze | 4241803 | 5299858 | 378973 | N/A | No further work |
| PJ | Swayze | 4215625 | 5300000 | 379425 | 1.61/20 cm | Investigate area |
| BH | Swayze | 4215625 | 5299918 | 380083 | N/A | Investigate area |
| J1 | Swayze | 4224235 | 5299300 | 378135 | N/A | Investigate area |
| KG | Swayze | 4224235 | 5299430 | 378196 | 0.329 | Investigate area |
| JA | Swayze | 4224235 | 5299263 | 378236 | 0.415 | Investigate area |
| D1 | Swayze | 4224235 | 5299327 | 377874 | 0.664 | Investigate area |
| D2 | Swayze | 4224235 | 5299830 | 378146 | N/A | No further work |
| D1E | Swayze | 4224235 | 5299299 | 377835 | N/A | No further work |
| EBH | Dore | 4202945 | 5300000 | 380265 | N/A | No further work |
| Dore 1N | Dore | 4202945 | 5299635 | 380482 | 2.55/0.4m | Investigate area |
| Dore 1SE | Dore | 4202945 | 5299491 | 380635 | N/A | No further work |
| Dore 1 | Dore | 4202945 | 5299528 | 380459 | 4.14 | Visible gold discovered |

Assay results indicate the presence of gold in appreciable concentrations at several locations on the Charlie Mortimer claims. Channel sampling results confirmed economic concentrations of gold over considerable widths in the C1 Trench. Limited soil sampling was carried out in the vicinity of the C1 Trench identifying a gold-in-soil anomaly. Cold conditions and the advent of snow led to the termination of the soil program.

Additional prospecting, expanded trenching and limited soil sampling were also recommended for anomalous areas and trenches in claims 3002429, 4216028, 4216068 and 421074. The limited exploration program carried out on the Charlie Mortimer claim area returned encouraging gold results and/or favourable geology in trenches C1, C2, NW, G1, G2, PJ, BH, J1, KG, JA, D1, Dore 1N and Dore 1. These trenches span a strike distance of 3 km wrapping the western, northern and eastern boundaries of the Kenty Mine property. It was recommended that a grid be cut over claims 4224235, 4240493 (east of the Swayze River), 4250559 (east of the Swayze River and south of the creek), 4240109, 4246982 (south of the creek), 4241803, 4215525 and 4202945. IP and detailed magnetic surveys were also recommended over the Charlie Mortimer claims to define additional gold targets. The Dore 1 and Dore 2 trenches exhibited visible gold mineralization and were recommended as high priority targets. The visible gold bearing veins on the Charlie Mortimer claims strike at both 70-75 degrees (C1 Trench) and at 330-340 degrees (Dore 1 and Dore 2). Therefore RPE's project manager recommended cutting a grid over the Charlie Mortimer claim block with 50 m spaced cross lines oriented at 295 degrees to intersect potential gold bearing structures having either orientation. Plan maps for RPE's summer 2009 prospecting and trenching programs are provided in Figures 6 and 7.

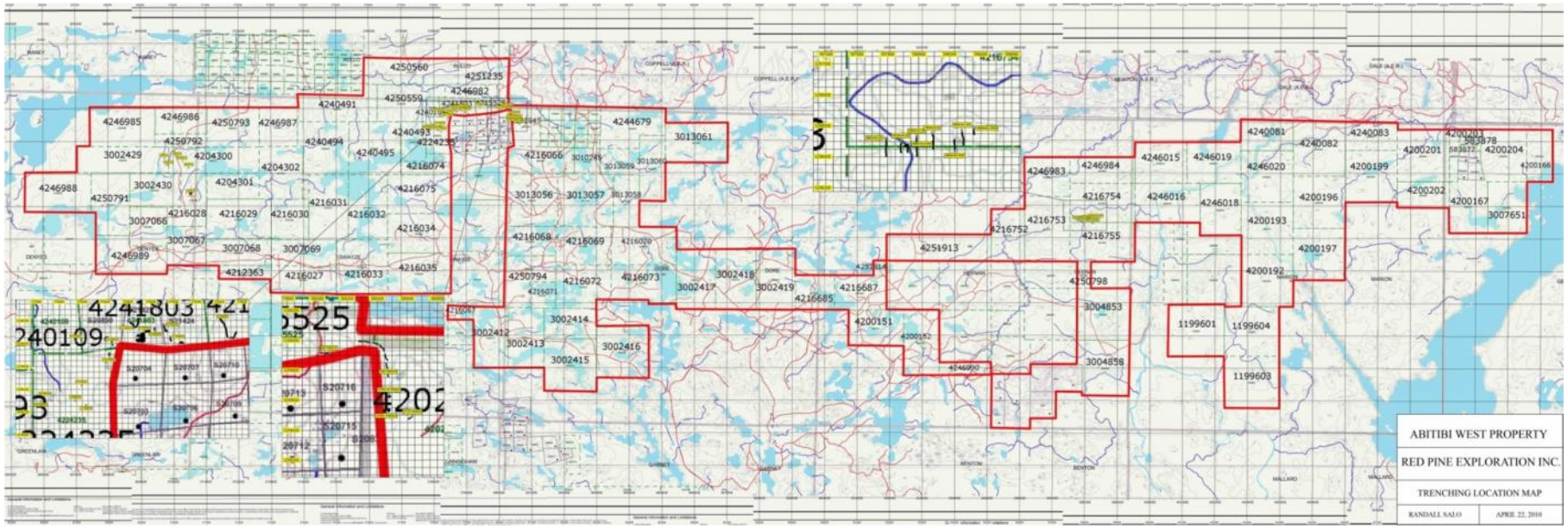


**Figure 6: RPE Summer 2009 Trench Location Map**

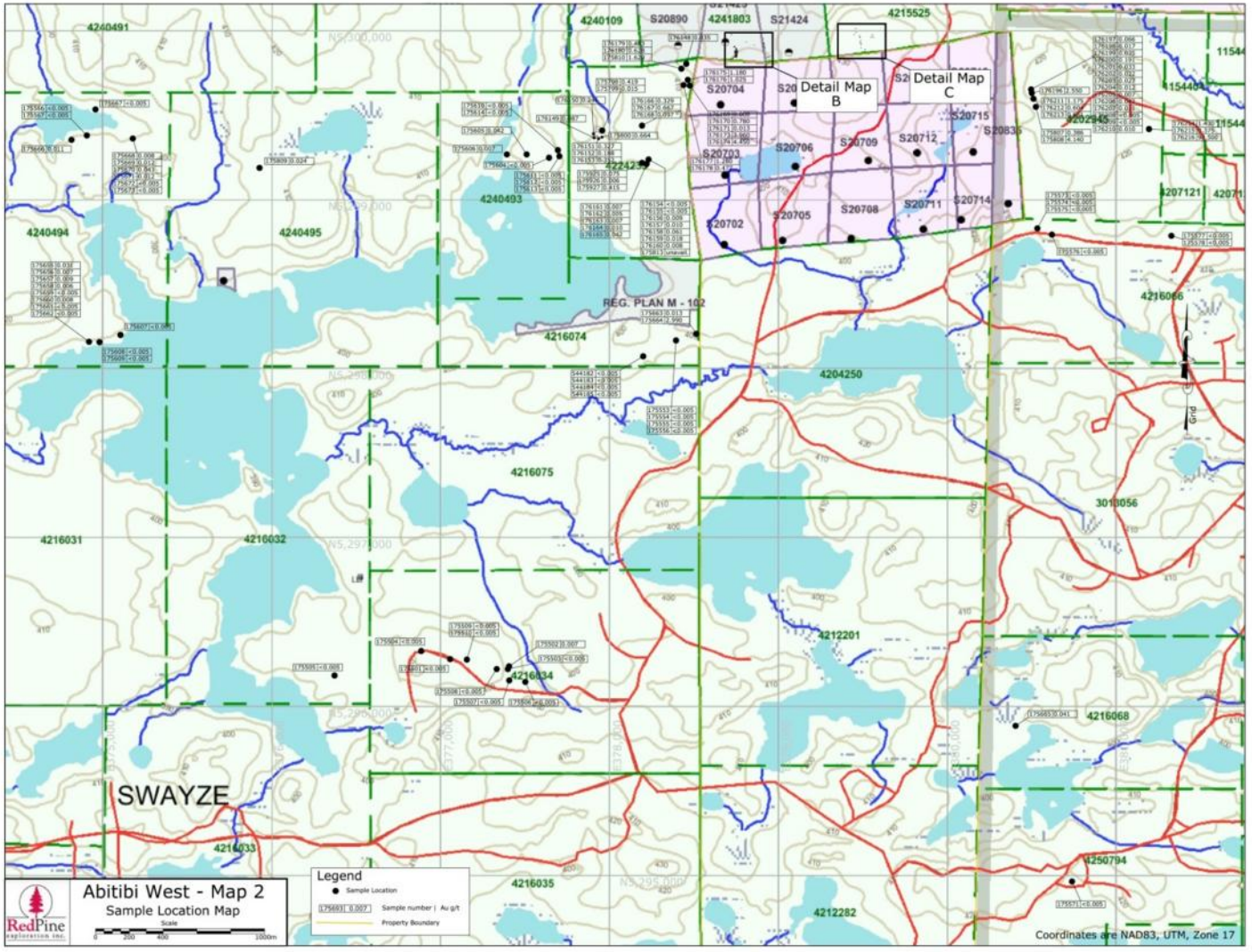


**Figure 7: RPE Summer 2009 Sample Location Map**

## 9.3 2010 Abitibi IP Survey (by F. Jagodits, P.Eng)

In 2010 RPE completed line cutting and IP surveying of the Charlie Mortimer claims immediately surrounding the Kenty mine site as recommended at the conclusion of the 2009 exploration program.

Abitibi Geophysics conducted the induced polarization/resistivity survey on behalf of RPE from mid-May to mid-June, 2010. The dipole-dipole electrode array was utilized with electrode spacing ("a") of 25 m, observations were made at dipole separation 1 to 6 (n=1 to 6). Refer to Figure 8 for an Interpretation Plan Map for the IP survey.

The purpose of the survey was to delineate sulphide bearing quartz veins that may be associated with gold mineralization. These types of deposits usually exhibit high apparent resistivities due to alteration and anomalous apparent chargeabilities caused by the disseminated pyrite mineralization.

The survey line direction is 130°/310°, which is not ideal, considering the strike of the rock units. However, the line direction was selected by RPE to investigate the northeast striking secondary gold bearing structures.

As a result of the survey line direction, the apparent line-to line correlations of the anomalous responses define anomalous trends that are nearly sub-parallel to the general strike of the rock units. However, north-northeast, northeast striking anomalous trends are evident in the west and southeast portions of the grid.

Careful analysis of the pseudo-sections may reveal other line-to-line correlations in the north-northeast and northeast directions. Considering that the secondary, northeast, north-northeast structures are known to contain gold mineralization, the existing and newly identified anomalous north-northeast and northeast trends are prime targets.

The survey broadly defined three zones of differing resistivity/chargeability characteristics. These zones and the enclosed anomalous trends generally strike west-northwest and east-southeast, although, anomalous trends striking northeast-southwest are also recognized. These zones are characterized by high chargeability/low resistivity in the northern grid area (the "North Zone"); high resistivity/moderate chargeability in the central grid area (the "Central Zone"); and characteristics similar to that of the North Zone in the southern grid area (the "Southern Zone"). The Central Zone is of exploration interest.

Correlation with 1:250 000 scale geology map shows that the North and South Zones may be underlain by “tonalite to granodiorite – foliated and massive” lithologies. The Central Zone’s rock types are, from north to south: “rhyolitic, rhyodacitic flows and breccias”, “dacitic and andesitic flows, tuffs and breccias”, “basaltic and andesitic flows, tuffs and breccias, chert, iron formation, minor metasedimentary and intrusive rocks” and “gabbro, anorthosite, ultramafic rocks”.

The Central Zone is characterized by resistive environment coupled with moderate to weak chargeability responses. The majority of the chargeability anomalies in this zone trend west-northwest and can be traced across several survey lines intersecting at low angle and are worthy of further exploration effort.

The North Zone covers high chargeability anomalies that are associated with low apparent resistivities. The chargeable/low resistivity trends demark a graphitic horizon at the contact between the tonalite to the north and volcanic rocks to the south. Historically, Inmet’s drill hole SWZ-3 in 1996 tested the contact and the IP/resistivity trend; this hole intersected graphitic structures in pyritized argillite.

The South Zone is less developed than the North Zone; the central part of the zone (the Kenty mine site) was not surveyed. Once again it may represent a graphitic contact between tonalite in the south and volcanic rocks to the north.

Based on the relationship between the apparent chargeability and the apparent resistivity, ten anomalies were selected by Abitibi Geophysics as first priority drill targets; four second priority target were also identified. All the targets are in the Central Zone and were to be prospected prior to drilling. The selections of the targets and their priorities are based solely on IP/resistivity evidence and will have to be modified in correlation with known, more detailed geology, with the results of earlier investigations and all other available geophysical data. Refer to Table 6 for the Mortimer grid co-ordinates of the priority drill targets.

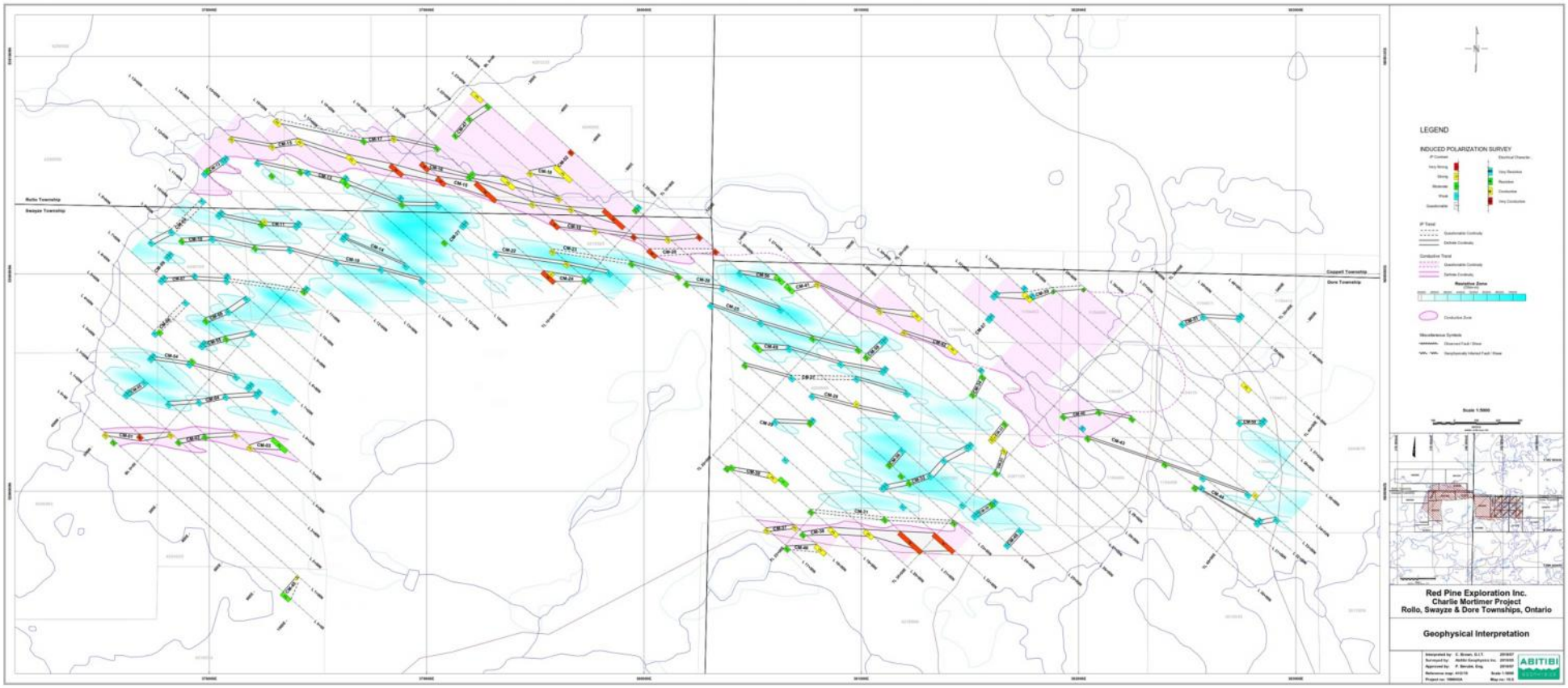


**Figure 8: 2010 Abitibi IP Survey Interpretation Map**

**Table 6: Charlie Mortimer Grid Priority Drilling Targets**

| Priority | Anomaly | Line | Station |
|---|---|---|---|
| 1 | CM-05* | 2+00N | 2+38W |
| 1 | CM-07* | 11+00N | 0+63E |
| 1 | CM-13* | 16+00N | 1+25W |
| 1 | CM-29* | 22+00N | 22+13E |
| 1 | CM-32* | 22+00N | 26+63E |
| 1 | CM-35* | 25+00N | 30+88E |
| 1 | CM-39* | 33+00N | 25+75E |
| 1 | CM-54* | 4+00N | 2+63W |
| 1 | CM-55* | 6+00N | 1+25W |
| 1 | CM-57* | 31+00N | 24+63E |
| 2 | CM-06* | 5+00N | 3+25W |
| 2 | CM-27* | 22+00N | 18+13E |
| 2 | CM-30* | 18+00N | 20+63E |

Between June 5 and June 15, 2010 Aeroquest Surveys conducted a low level fixed wing airborne Magnetic Gradiometer and VLF-EM Survey on the GIBB, GIBB East, Newton and Mortimer in-fill claim blocks, immediately north of the Kenty Property. This survey slightly overlapped the northern margin of the Kenty Property, and provided little new information.

# 10.0 DRILLING

To date, Joshua has undertaken no diamond drilling at the Kenty Property.

## 10.1 Kenty Mine Site

Heron Resources Ltd, drilled 1,533 m in 15 surface drill holes from April to June 1984. No records of this drilling campaign were available for review. During 1986 and 1987, ERI completed 2,924 m (9,589.1 ft.) of drilling in 28 holes targeting the vein systems in the Number 1 and 2 shaft areas. A 1987 assessment prepared by D. Constable documenting this exploration work was filed with MNDM and was reviewed by the author. This program was reportedly successful in intersecting a complex series of gold bearing quartz carbonate veins. Most holes intersected multiple zones of mineralized quartz carbonate veining ranging in width from one to three metres. The veins yielded gold values ranging from 0.3 g/t to 8.4 g/t and averaging approximately 0.5 g/t. Information on drill hole collar grid co-ordinates, bearing of hole, dip of hole or dip tests was poorly documented in drill logs. Assay certificates were also not provided. From plan maps and sections provided in the Constable report, holes appeared to have an azimuth of 320 or 140 degrees and ranged in dip between -45 and -60 degrees.

Based on the results of the 1986/87 drilling program, Constable observed that the veins can be either simple or stockworks that pinch and swell and do not appear to be extensively faulted. Gold mineralization within the veins was very erratic, and coarse. Constable recommended a second phase of exploration work at the Kenty mine site which included de-watering and rehabilitation of the underground workings, and extensive underground sampling and drilling of vein systems (to minimize the "nugget" effect observed in the surface drilling program) with an estimated budget in excess of $1.5 million.

Regarding the diamond drilling work that was completed in 1980's at the Kenty mine property, the following was quoted from OGS Open File Report 5871 (Fumerton et al, 1993) after an OGS site visit during exploration work in the Kenty #2 shaft area in 1985:

"More sampling is being planned for the new trench located northeast of No. 2 shaft, as channel sampling done previously failed to include mineralized wall rock adjacent to the vein. Also, only about 150 feet of the approximately 1,000 feet of exposed quartz vein was sampled. While examining drill core, it was observed by Mr. Crandall that split and sampled core was confined to the quartz veining and appeared to be incomplete, with many sections containing disseminated sulphides not tested. The writer observed that many of these sections were extensively carbonatized and brecciated and contained green carbonate, pyrite, galena, and sphalerite. Mr. Blanchard then noted that were galena is present in the quartz veins, assays consistently run 2.0 o.p.t. gold."

Furthermore, Constable reported that one of widest gold intersections (6 m) in the 1986/87 diamond drilling data is below the old workings and is from the deepest hole drilled to date at the mine site, an encouraging observation, given that most historical exploration work has been limited to within 500 vertical feet (150 m) from surface.

## 10.2 Mortimer Claims

As documented earlier many drilling programs have been undertaken by various operators on the Mortimer claims as a whole with varied success. The most recent drilling at the Kenty Property was completed by RPE in May and June 2011. Drilling was focussed on the Mortimer Zone located on the staked claims located immediately east of the Kenty mine property. The focus of this phase of drilling was to test priority targets RPE interpreted to be possible eastward extensions of the Kenty mine

property gold mineralization based on a comprehensive integration of geophysical and geological data collected between 2007 and 2010. Five holes (RPX11-01 to RPX11-05) were drilled totalling 1,030 m.

Hole RPX11-01 tests an IP trend marked as CM-24, which was assessed as a lower priority prospecting target. Hole RPX11- 02A explores the sub-parallel IP zones CM-49 and CM27. The eastern end of CM-27, about 500 m east of the trace of the hole, is marked as a 2$^{nd}$ priority drill target. Weak to moderately chargeable anomalies are in a resistive zone. The IP anomalies are diffused and are found within broader elevated IP responses. Hole RPX11-03 was collared approximately 100 m north and 40 m west of RPX11-2A and essentially tested the same trend. Hole RPX11-04 tested a discontinuous IP trend marked CM-31. That was described as moderately chargeable in a resistive zone and deemed as a 3$^{rd}$ priority target. It was not a well-defined anomaly. Hole RPX11-05 may have tested the eastern end of 2$^{nd}$ priority target CM-30. This anomaly is well defined and approximately twice the background IP response. RPE reported the following general descriptions for strata encountered during its drilling program.

*RPX11-01* is comprised mainly of mafic volcanics that overlie a gabbroic unit with intermediate granitic dykes. Pyrite is the main sulphide observed with minimal amounts of chalcopyrite. On average, the percent composition of the sulphide varies from trace to 2%. Rarely does the sulphide content exceed 5% (only over a few cm to 1 m in width). The gold in this system is likely linked with sulphide mineralization and only a small amount of gold (over 0.5 ppm for 3.9m) is located around 161m depth in a mafic volcanic unit.

*In RPX11-02A s*ome interlayered QFP units are seen in three main areas of the core (134.36-135.49m, 136.62-137.12m and 172.33-184.9m) which are surrounded by mafic volcanics and a lesser amount of gabbro. The upper two QFP units are likely just splays off the lower and largest QFP unit. The sulphides observed are generally disseminated throughout the unit up to 2% (max).

*In RPX11-03 t*he main unit identified in this hole was a medium to dark green coloured mafic volcanic. Underlying the volcanics were massive gabbroic units that contain moderate amounts of silica veining. Sulphides are disseminated pyrite ranging from trace amounts up to 2% in concentration.

*RPX11-04* contained mostly metasediments that have zones of weak to moderate silicification becoming more intense with depth. Sulphides are mainly disseminated pyrite ranging from trace amounts to 2% in concentration.

*RPX11-05* contained mostly mafic volcanic units overlying metasediment units (metasedimentary unit

from 101-200m). Sulphides were identified as disseminated pyrite in trace amounts throughout. Drill collar locations for this series of drill holes are provided in Table 7, and a plan map of drill hole locations is provided in Figure 9. A summary of drill hole assay results is provided in Table 8

**Table 7: 2011 RPE Diamond Drill Hole Collar Locations – Charlie Mortimer Claims**

| Hole ID | Easting | Northing | Depth (m) | Azimuth | Dip | Start | End |
|---|---|---|---|---|---|---|---|
| RPX11-01 | 379662 | 5300146 | 200 | 190 | -45 | May 17, 2011 | May 19, 2011 |
| RPX11-02A | 380970 | 5299614 | 221 | 180 | -45 | May 24, 2011 | May 27, 2011 |
| RPX11-03 | 381003 | 5299711 | 197 | 190 | -45 | May 29, 2011 | June 1, 2011 |
| RPX11-04 | 381029 | 5298881 | 212 | 180 | -45 | June 6, 2011 | June 9, 2011 |
| RPX11-05 | 380592 | 5299134 | 200 | 180 | -45 | June 11, 2011 | June 14, 2011 |

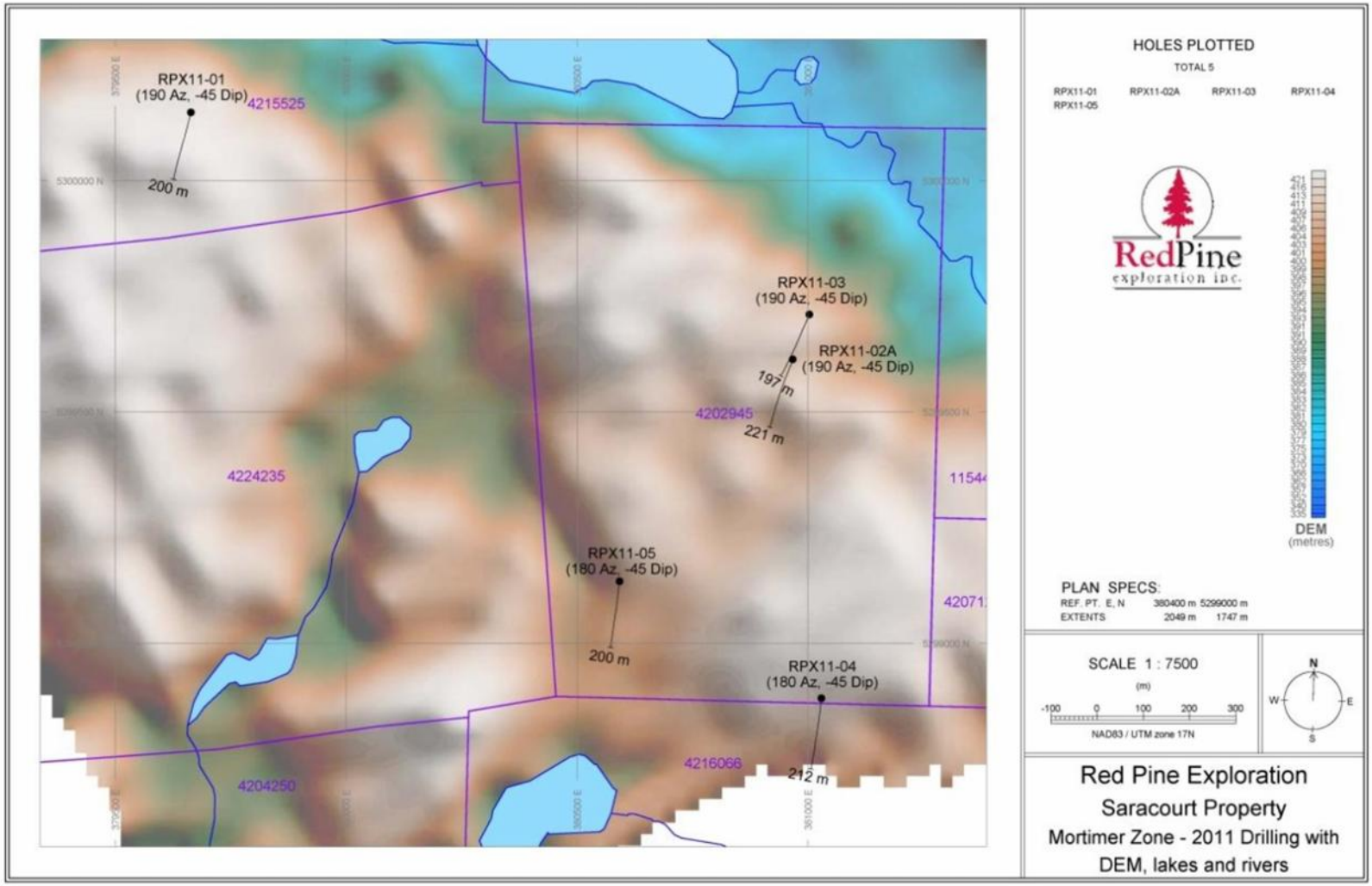


**Figure 9: Plan Map of 2011 RPE Diamond Drill Hole Locations**

**Table 8: 2011 RPE Diamond Drilling Program – Summary of Drill Results**

| Hole ID | From (m) | To (m) | Interval (m) | Au (ppm) |
|---|---|---|---|---|
| RPX11-01 | 133.00 | 134.00 | 1.00 | 0.774 |
| | 141.11 | 142.00 | 0.89 | 0.641 |
| | 146.00 | 147.00 | 1.00 | 1.065 |
| | 161.37 | 162.09 | 0.72 | 1.590 |
| | 164.97 | 165.27 | 0.30 | 4.980 |
| RPX11-04 | 32.63 | 34.00 | 1.37 | 3.260 |
| RPX11-05 | 61.50 | 63.00 | 1.50 | 0.983 |
| | 63.00 | 64.50 | 1.50 | 1.610 |
| | 171.00 | 172.50 | 1.50 | 0.643 |

RPE concluded that the diamond drill project had been successful in defining anomalous gold values associated with narrow quartz carbonate zones within the Mortimer grid area. The units that contained the most gold are pink QFP's and surrounding altered mafic volcanic units. RPE determined that if more of these QFP units can be delineated, then further drilling would be warranted to test for gold mineralization.

# 11.0 SAMPLING METHODS AND APPROACH

## 11.1 Sample Preparation, Analyses and Security

As described by Joshua employees, grab, chip and channel samples were collected in the field, secured with a security tag, and shipped directly to the laboratory.

Few details were provided in the Constable report regarding sampling protocols employed by ERI during their 1886/87 drilling program. Sample intervals with corresponding sample numbers and assay results were provided in ERI's 1987 assessment report, however a description of sampling procedures, assay certificates, drill hole collar co-ordinates were not provided, so the author is unable to evaluate the accuracy or reliability of the information reported by ERI in their 1987 report.

RPE submitted no field standards, blanks or duplicates with their trenching and soil samples to the ALS laboratory. QA/QC was incorporated internally by the laboratroy using pulp duplicates, blanks and standards. The minus 40 mesh QA/QC samples all fell within acceptable limits of 2 standard deviations from expected values for Au.

Regarding the RPE 2011 diamond drilling work, the follow sampling details were provided in the RPE assessment report dated March 2012. The drilling contract was carried out by Crites Diamond Drilling of Timmins, Ontario. While logging, RPE staff carefully examined all drill core to document any visible signs of alteration and sulphide mineralization. The entire core was then sampled (generally at 1 to 1.5 m intervals), labeled, photographed and then stored in stable core racks for future reference. All drill core is presently stored at the Foleyet Timber Camp. Samples of drill core with higher sulphide content, alteration and in the pink QFP unit were shortened to lengths of around 1 m. Intervals selected for sampling were spilt using a diamond saw. One half of the split sample was placed in a sealed bag for laboroatory analysis, while the remaining core half was returned to the core box for archival purposes. All casing was left in the hole, and after the drill was moved off site, all holes were marked with wooden pickets and metal tags inscribed with the drill hole identification. A non-differential, NAD 83 GPS reading was also taken at each drill hole collar.

RPE used the ALS Laboratory Group, an ISO 9001:2000 accredited company with a worldwide chain of laboratories. RPE personnel hand delivered split core samples to ALS's sample preparation facility in Sudbury. Samples were dried, crushed to #10 mesh (< 2 mm), and then a 250 g split was pulverized to 75 microns and 100 g of pulverized material is then sent to ALS's analytical facility in Vancouver. Gold is analyzed by fire assay with an AAS finish, using 30 g samples. ALS has a policy of regularly re-analyzing selected samples, as well as analyzing internal standards and blanks. Samples assaying above 10 g/t gold were re-assayed using another pulp split by fire assay with a gravimetric finish. Internal standards and blanks were used by ALS Lab.

## 11.2 Sample Quality Assurance and Quality Control

The exploration work conducted by RPE was carried out using a quality assurance and quality control program which generally meets industry best practices for an early stage exploration project. Standardized procedures were used in exploration data acquisition and management including mapping of trenches, drilling, sampling, sample security, and sample assaying.

RPE relied partly on the internal analytical quality control measures implemented by ALS for the channel samples and drill core samples. Quality control samples are inserted by ALS within all batches assayed (typically from 10 to 25 samples) and consisted of either blanks, duplicates, and certified reference material samples. Assay results for internal quality control samples are submitted with assaying results and reviewed for consistency by RPE personnel.

In addition, RPE implemented an external analytical quality control measure to monitor the reliability of the assaying and results delivered by ALS. External control samples (blank and certified reference material sample) were inserted into the sample stream approximately every 15 core samples.

In the author's opinion, RPE's sample preparation, security and analytical procedures were adequate for an early stage exploration property for quality control and assurance purposes

## 12.0 DATA VERIFICATION

In accordance with NI 43-101 protocol, the author visited the Kenty mine property on October 14, 2012 to inspect the local geology, trenching and the historic mine workings. The author spent approximately five hours on the Kenty mine site and located and inspected trenches, and the No. 1 and No. 2 shafts. Grab samples from trenches and tailings piles were also collected. The author understands that the location of the cores from the drill campaigns in the 1980's is presently unknown. The author observed that exposed vein material at surface near the No. 1 and No. 2 shaft areas consisted of white "bull" quartz containing fine to medium disseminated pyrite, with occasional bleb and stringers. The veins were typically one to two m wide and appeared to pinch and swell. Strong carbonate alteration (consisting of ankerite) along the margins of the quartz veins was quite evident. Chloritization of wallrock further away from the margins of the veins was also noted. This wall rock was also mineralized with fine to medium disseminated pyrite. Refer to Figure 10 for a photograph of an exposed quartz vein at the Kenty mine site taken by the author.

**Figure 10: View of Kenty Mine Site Quartz-Carbonate Vein and Wall Rock Alteration**

Table 9 provides a summary of analytical results of the author's grab samples collected during the October 14, 2012 site inspection. Due to a nugget effect, the purpose of this sampling was only to ascertain the presence of gold mineralization on the Kenty mine site, regardless of the grade amounts. These samples were in the sole possession of the author from the time of their collection until delivery to Agat Laboratories in Mississauga, Ontario.

**Table 9: Author's Verification Sampling Results**

| Sample ID | Easting | Northing | Description | Assay (g/t Au) |
|---|---|---|---|---|
| 2736 | 379185 | 5299280 | Shaft 1 Tailings | 10.1 |
| 2737 | 379182 | 5299283 | Shaft 1 Tailings | 9.37 |
| 2738 | 379196 | 5299436 | q.v. in trench 100 m N of Shaft 1 | 0.79 |
| 2739 | 379196 | 5299436 | q.v. in trench 100 m N of Shaft 1 | 14.4 |
| 2740 | 379083 | 5299465 | q.v. in trench 150 NW m of Shaft 1 | 0.93 |
| 2741 | 379083 | 5299465 | q.v. in trench 150 NW m of Shaft 1 | 393 |
| 2742 | 379378 | 5299619 | q.v. in trench 80 m N of Shaft 2 | 7.17 |

The author has not yet had an opportunity to conduct a site inspection of then Mortimer claim block. The initial terms of reference for this report were to complete a NI 43-101 compliant technical report on the Kenty mine site. Subsequent to the site visit, Joshua acquired the Mortimer claim block from RPE in May of 2013. Consequently the author has not had an opportunity to inspect trenches and archived drill core from the RPE exploration programs. The author has met with representatives of RPE, who were very co-operative in providing technical data for the work conducted on the Mortimer claims. The author has relied on information and data supplied by RPE and other sources listed as references in Section 19. The author has reviewed the historic data available from the MNDM online database, and can verify that the information has been presented accurately as it exists in those reports to the best of his ability.

## 13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Records for mineral processing and metallurgical testing analyses were not available for the Kenty Property.

## 14.0 MINERAL RESOURCE ESTIMATES

All resource quantity and grade estimates pertaining to the Kenty Property as presented in this Technical Report are conceptual only. Any mineral resource estimates presented in the Technical report were conceived prior to 2001 and are therefore considered historical estimates that do not conform to the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards of reporting pursuant to

requirements under Nation Instrument 43-101. Historical estimates were not prepared by Independent Qualified Persons, nor has any of the information contained therein been audited by a Qualified Person. The author wishes to clarify that there are no compliant mineral reserves on the Kenty Property as such terms are defined under National Instrument 43-101.

For the Kenty mine site, the OGS has described Vein No.1 as having a proven resource (300' x 450' along dip x 3.5 wide)/ 12 = 39,375 tons. Vein No. 19 is listed as 220 ft long x 450 ft along dip x 3.5 ft)/12 = 285,875 tons with a comment "Actually the length of No. 1 has been proven for 665 ft instead of 300 ft, width up to 13 ft and depth not known. Vein No. 19 proven on surface for 400 ft".

Constable (1987) described one quartz carbonate vein system drilled in the 1986/87 program at the Kenty mine site as having possible reserves of 47,734 tons grading 0.138 ounces per ton (4.31 g/t) inferred to the 525 foot level (160 m). Constable also reported that government sources showed reserves of 69,000 tons of vein material in the Shaft No. 1 area and 290,000 tons of vein material in the Shaft No. 2 areas, both estimates having unreported grades.

(Please note that items 15 to 22 as set out in Form 43-101F1 *Technical Reports* have been omitted from this technical report as the Kenty Property is presently not considered to be an advanced property.)

## 15.0 ADJACENT PROPERTIES

In excess of 80 gold occurrences of been documented in the Swayze greeenstone belt (Thurston et al., 1977). Nine of the deposits were developed to some extent underground with four having some modest gold production recorded. Felsic intrusive rocks (QFP, feldspar porphyry, syenite porphyry, or quartz diorite) occur in all nine deposits. In eight of the deposits the ore is hosted in felsic intrusive rocks.

Properties immediately adjacent to the Kenty Property consist of staked mining claims to the north, west and south. Property to the east consists of both open ground available for staking and staked mining claims. Ownership of these staked claims is registered to a variety of exploration companies and individuals. Of note, the Saracourt Property belonging to RPE is located immediately to the north of the Kenty Property.

No economic mineral deposits with NI 43-101 compliant reserve estimates are known to exist on the property immediately adjacent to the Kenty Property. The closest known deposit is the South Rundle

Deposit, which is located approximately two km northeast of the eastern boundary of the Kenty Property. The South Rundle gold deposit lies at the north contact of the eastern portion of the Rundle Feldspar Porphyry intrusive. The deposit contains networks of mineralized fractures, fracture controlled pyritic alteration zones and fine quartz veins and has a NI 43-101 compliant measured and inferred resource of 349,000 tonnes grading 7.88 g/t gold, and an inferred resource of 267,000 tonnes grading 6.68 g/t gold (P&E Mining Consultants, 2011).

# 16.0 OTHER RELEVANT DATA

None.

## 16.1 Structures and Arable Land

The Kenty Property covers no arable land.

# 17.0 INTERPRETATION AND CONCLUSIONS

On a regional scale, the Kenty Property as a whole is located within the Bret Lake Synform which is a basin composed of metasedimentary rocks and metavolcanic flows that are intruded by porphyry dykes and sills of various composition. This type of favourable environment is reminiscent of Timiskaming-like sedimentary basins found within the Abitibi belt in which gold deposits are intimately associated. Specifically gold mineralization is found within close proximity to the contacts of the sedimentary rocks and adjacent to older volcanic rock units. Shear and or fault zones along the marginal contacts of the basin also provide conduits where gold mineralized fluids may have migrated to depositional sites. Generally results of historical exploration work appear to corroborate this observation in that gold values appear to be more elevated near the northern and southern margins of the Bret Lake Synform. There also appears to be a close spatial and temporal relationship of felsic intrusive bodies with gold mineralization at the Kenty Property, similar to that associated with the Rundle Feldspar Porphyry Intrusive at the South Rundle Deposit or the Jerome porphyry at the Jerome Mine.

## 17.1 Kenty Mine Site

The author confirmed the presence of gold in quartz veins at the Kenty mine. As expected in lode gold style occurrences found within Canadian archean greenstone belts, the author noted an apparent nugget effect in the vein material (author's vein samples ranged from 0.79 to 393 g/t gold).

OGS staffed observed during historical site visits to the Kenty mine site that split and sampled core was confined to the quartz veining and appeared to be incomplete, with many sections containing disseminated sulphides not tested for gold mineralization. OGS reported that many of these untested sections were extensively carbonatized and brecciated and contained green carbonate, pyrite, galena and sphalerite. During his 2012 mine site property visit, the author also observed sulphide mineralization and carbonate alteration in wallrock material hosting the lode gold quartz veins. Consequently there is potential to identify much broader zones of gold mineralization at the Kenty mine site by including the sampling altered wall rock material in future exploration efforts. It was not atypical in the past to overlook mineralized wall rock material in lodes as a source of gold mineralization because of its expected lower gold grade and possible refractory nature (from Bierlein et al.2001).

One of widest gold intersections (6 m) in diamond drilling data form the Kenty mine site is reported below the old mine workings and is from the deepest hole drilled to date at the mine site, an encouraging observation and an indication that gold zones may widen with depth, given that most historic exploration work has been limited to within 500 vertical feet (150 m) from surface.

A review of historic exploration data for the region indicates that geophysical techniques are useful in identifying mineralized zones in which gold mineralization may be present, and these techniques appear to have been under-utilized at the Kenty mine site. In particular, gold mineralized zones are often associated with quartz-carbonate alteration the are mineralized with sulphides, which would generate IP anomalies characterized by zones of weak to moderate chargeability contrast that are resistive in their electrical character. Furthermore, regional exploration data also indicates that zones hosting gold mineralization are often proximal to and parallel contacts between mafic metavolcanics flow or intrusions/metasediments and felsic intrusive units (such as QFP's), which could be characterized by areas of sharp magnetic contrast.

## 17.2 Mortimer Claims

Gold mineralization within the Kenty mine site area is hosted in quartz-carbonate veins contained within an east/west striking gabbro unit. Airborne magnetic survey indicates that this gabbro unit extends approximately two km east of the Kenty mine site. Past surface sampling established a gold bearing trend corresponding to the northern margin of this gabbro unit in which chargeability and resistivity highs were evident. RPE interpreted these as being possible extensions of the gold mineralization of the neighbouring Kenty mine. Follow up drilling by RPE (and previously Inmet) of these targets yielded low values of gold over narrow widths. However, 11 priority drilling targets (see Section 9, Table 6) within the Mortimer grid IP survey area are untested and warrant follow up investigation. The selections of targets and their priorities are based solely on IP/resistivity evidence and will have to be modified in correlation with the known geology obtained from follow-up prospecting, with the results of earlier investigations and all other available geophysical data. For example the sulphides encountered in the holes should explain the IP/responses; however, the drill logs should be revisited to define the geologic units which host the sulphide mineralization. If the sulphides are evenly distributed throughout the hole, an increased chargeability background would be created and a discrete IP anomaly would not evident. This is especially true for Hole RPX11 – 05, where the IP response indicates a discrete geological unit.

In addition to the drilling targets, RPE prospecting and trenching targets also warrant follow-up investigation (Section 9, Tables 3-5).

A nearly east-west striking, about one km long, mediocre quality VTEM conductor was located in the central part of Claim 4224235 extending into Claim 4240493. Close correlation between the airborne conductor and the IP trends reveals that IP trends CM-54 or CM-04 could be near the airborne conductor. The survey of the Denyes Block delineated eight additional conductors that strike about east-west. These are to be further investigated during the recommended compilation of the exploration data.

A 10 km long, east-west striking conductor was detected near the northern boundary of Claim 4216066. The airborne conductor correlates with IP trends CM-31 or CM-38. It appears that the conductor was tested by drill hole RPX11-04. Drill log shows that this hole intersected a five m wide graphitic metasediment horizon which could account for the conductor. The discussion of Hole RPX11-04 in the report by Masters and Yarrie (2012) does not mention the graphitic horizon, but it was noted in the log for this hole.

# 18.0 RECOMMENDATIONS

Three exploration programs are recommended for the Kenty Project, with Program I focusing on the mine site claims and Program II focussing on all the remaining Kenty Property areas. Both programs can be run concurrently.

**Program I**

The recommended exploration work consists of establishing a survey grid, and completing IP and ground magnetic surveys. This work should also include detailed mapping over the survey grid, recovery and location (in UTM co-ordinates) of drill hole collars, grab sampling and trenching of anomalous areas, and the integration of this data to develop drill targets. Detailed specifications for the survey grid, IP and ground magnetic surveys are provided in Appendix II.

**Program II**

The recommended exploration work includes compilation and integration of all available exploration data from the Kenty Property, in-particular re-interpretation of the 2009 VTEM survey and 2010 IP survey data, the 2009 trenching and geochemical surveying, and the 2011 diamond drilling program. The targets that are developed from this re-interpretation are to be tested with follow-up prospecting, trenching and/or diamond drilling.

**Program III**

Reconciliation of the drilling results obtained in Programs I and II with the compiled exploration data, with follow-up exploration programs as warranted (not costed).

Due to the reported coarse nature of gold mineralization at the Kenty Property, all laboratory analysis for gold content should be performed using metallic screening. The estimated cost of the recommended program is $1,230,000, the details of which are provided in Tables 10 and 11. In costing the recommended program, the author has assumed that 10 drill holes each will be drilled in Programs I and II. The actual number of drill holes could vary and will be determined based on results of the data compilation.

All of which is respectfully submitted for your information and consideration.

Toronto, Ontario, Canada
June 28, 2013

Warren Hawkins, P.Eng.
Geological Engineer

**Table 10: Estimate of Program I Cost**

| ACTIVITY | ESTIMATED COST |
|---|---|
| Linecutting (30 km @ $500/km) | $15,000 |
| IP and Magnetometer Surveying | $75,000 |
| Prospecting + Mapping (geologist + assistant 10 days @1,000/day) | $10,000 |
| Trenching/Sampling | $25,000 |
| Preparation of Compilation Report | $10,000 |
| Diamond Drilling (10 holes) | $500,000 |
| Food/Lodging/Micellaneous | $25,000 |
| **Sub-Total** | **$650,000** |

**Table 11: Estimate of Program II Cost**

| ACTIVITY | ESTIMATED COST |
|---|---|
| Re-evaluation of IP data | $5,000 |
| Compilation of Exploration Data, including Field Sampling/Trenching/Reporting | $50,000 |
| Diamond Drilling (10 holes) | $500,000 |
| Food/Lodging/Miscellaneous | $25,000 |
| **Sub-Total** | **$580,000** |
| **Total Project (I+II)** | **$1,230,000** |

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# CERTIFICATE OF AUTHOR

I, Warren Hawkins do hereby certify that:

I am a Consulting Geological Engineer residing at 33 University Ave, Apartment 1307, Toronto, Ontario M5J 2S7. I am a graduate of the University of Waterloo in Geological Engineering, Waterloo, Ontario, 1989. I have been continuously engaged as a practising geological engineer between 1989 and 1994, and from 2005 until present. I am a member of Professional Engineers, Ontario. My relevant experience includes direct involvement in mineral exploration programs throughout Québec, Ontario and Manitoba for several public companies. The exploration targets for these programs were precious metals, base metals, uranium and rare earth elements. My specific exploration experience includes management of diamond drilling programs, core logging, geological mapping, geophysical surveying and data interpretation, and preparation of technical reports for assessment filing purposes and public disclosure requirements.

I have read the definition of "qualified persons" set out in National Instrument 43-101 Standards of Disclosure for Minerals Projects ("NI 43-101") and certify that by reason of my affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I comply with requirements to be a "qualified person" for the purposes of NI 43-101.

I am responsible for the preparation of the attached report titled "Technical Report for Joshua Gold Resources Inc. on the Kenty Property, NTS Reference 41O15, Ontario, Canada" dated June 27, 2013 (the "Technical Report"). I did conduct a site visit at the Kenty Property (the "Property") relative to this Technical Report on October 14, 2012. I spent the approximately 6 hours at the Property traversing the bush roads in the mine site area collecting grab samples and observing the local geology.

I have no prior involvement with the Property. I am independent of applying all of the tests in section 1.5 of NI 43-101. I have read NI 43-101 and Form 43-101F1 and the Technical Report, dated June 28, 2013 and I confirm that the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Toronto, Ontario, Canada
June 28, 2013

_____

Warren Hawkins, P.Eng.
Geological Engineer

# Appendix I: Author's Assay Certificates

AGAT Laboratories

# Certificate of Analysis

**AGAT WORK ORDER: 12T652635**

**PROJECT NO:**

5623 McADAM ROAD
MISSISSAUGA, ONTARIO
CANADA L4Z 1N9
TEL (905)501-9998
FAX (905)501-0589
http://www.agatlabs.com

**CLIENT NAME:** [redacted]

**ATTENTION TO:** [redacted]

## Fire Assay - Ag Ore Grade, Gravimetric finish (202066)

**DATE SAMPLED: Oct 16, 2012** | **DATE RECEIVED: Oct 16, 2012** | **DATE REPORTED: Oct 24, 2012** | **SAMPLE TYPE: Rock**

| Analyte: | Ag |
|---|---|
| Unit: | ppm |
| **Sample Description** RDL: | 5 |
| 2736 | <5 |
| 2737 | <5 |
| 2738 | <5 |
| 2739 | <5 |
| 2740 | <5 |
| 2741 | <5 |
| 2742 | <5 |

**Comments:** RDL - Reported Detection Limit

**Certified By:** Y. chan.

AGAT Laboratories

# Certificate of Analysis

**AGAT WORK ORDER: 12T652635**

**PROJECT NO:**

5623 McADAM ROAD
MISSISSAUGA, ONTARIO
CANADA L4Z 1N9
TEL (905)501-9998
FAX (905)501-0589
http://www.agatlabs.com

**CLIENT NAME:** [redacted]

**ATTENTION TO:** [redacted]

## Fire Assay - Trace Au, ICP-OES finish (202052)

**DATE SAMPLED: Oct 16, 2012** | **DATE RECEIVED: Oct 16, 2012** | **DATE REPORTED: Oct 24, 2012** | **SAMPLE TYPE: Rock**

| Analyte: | Sample Login Weight | Au | Au-Grav |
|---|---|---|---|
| Unit: | kg | ppm | g/t |
| Sample Description RDL: | 0.01 | 0.001 | 0.05 |
| 2736 | 5.66 | >10 | 10.1 |
| 2737 | 3.24 | 9.37 | |
| 2738 | 7.30 | 0.769 | |
| 2739 | 6.87 | >10 | 14.4 |
| 2740 | 2.53 | 0.933 | |
| 2741 | 6.84 | >10 | 393 |
| 2742 | 4.34 | 7.17 | |

**Comments:** RDL - Reported Detection Limit

**Certified By:** Y. Chan.

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# Quality Assurance

CLIENT NAME: [redacted]

AGAT WORK ORDER: 12T652635

PROJECT NO:

ATTENTION TO: [redacted]

## Solid Analysis

| RPT Date: Oct 24, 2012 | | REPLICATE | | | | Method Blank | REFERENCE MATERIAL | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| PARAMETER | Batch | Sample Id | Original | Rep #1 | RPD | | Result Value | Expect Value | Recovery | Acceptable Limits | |
| | | | | | | | | | | Lower | Upper |
| **Fire Assay - Trace Au, ICP-OES finish (202052)** | | | | | | | | | | | |
| Au | 1 | 3516389 | 10.2 | 10.4 | 1.9% | < 0.001 | 1.47 | 1.52 | 97% | 90% | 110% |
| **Fire Assay - Ag Ore Grade, Gravimetric finish (202066)** | | | | | | | | | | | |
| Ag | 1 | 3516389 | <5 | <5 | 0.0% | < 5 | 1615 | 1656 | 97% | 60% | 120% |

**Certified By:** Y. chan.

5623 McADAM ROAD
MISSISSAUGA, ONTARIO
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# Method Summary

**CLIENT NAME:** [redacted]

**AGAT WORK ORDER: 12T652635**

**PROJECT NO:**

**ATTENTION TO:** [redacted]

| PARAMETER | AGAT S.O.P | LITERATURE REFERENCE | ANALYTICAL TECHNIQUE |
|---|---|---|---|
| **Solid Analysis** | | | |
| Ag | MIN-200-12004 | | GRAVIMETRIC |
| Sample Login Weight | MIN-12009 | | BALANCE |
| Au | MIN-200-12006 | BUGBEE, E: A Textbook of Fire Assaying | ICP-OES |
| Au-Grav | | | GRAVIMETRIC |

# Appendix II: IP and Ground Magnetic Recommended Survey Specifications

SPECIFICATIONS
FOR INDUCED POLARIZATION/RESITIVITY and GROUND MAGNETIC SURVEYS,
KENTY MINE AREA EXPLORATION PROGRAM, SWAYZE PROJECT.

1. Grid Preparation

The proposed survey covers an area of 1.6 km (E –W) by 1.1 km (N – S).

| | |
|---|---|
| Base Line Azimuth: | east-west. |
| Survey Lines Azimuth: | north-south. |
| Survey Line Interval: | 50 m. |
| Station Interval: | 25 m. |
| Preparation requirement: | approximately 40 line km. |

The base line will be located such to avoid lakes and earlier infrastructures. The grid will be established using GPS and it will be tied to the existing grid surrounding the present survey.

2. Induced Polarization/Resistivity Survey

It is recommended that a test survey should be selected over an area where veins know to occur. Test survey line should be surveyed using electrode separations of 25 m and 50 m. The electrode separation for the rest of the survey will be decided based on results of the test.

| | |
|---|---|
| Survey Requirement: | approximately 37 line km. |
| Electrode array: | dipole-dipole. |
| Electrode Separation (a): | 50 m or 25 m.. |
| Dipole Separation (n): | 1 to 6. |
| Station Interval: | 50 m or 25 m. |

3. Ground Magnetic Survey

| | |
|---|---|
| Survey Requirement: | approximately 40 line km (includes base line). |
| Station interval: | 12.5 m. |
| Instrumentation: | total field magnetometer and recording base station magnetometer. |
| Corrections: | Diurnal correction. |
| Note: | Magnetic surveying is to be suspended during magnetic storms. |

4. Presentation.

The detailed specifications for the presentation of the results can be determined later.

Francis L. Jagodits, P. Eng., Consulting Geophysicist. June 27, 2013.