2014 AEROQUEST AIRBORNE HELI-BORNE VTEM^{PLUS} AND HORIZONTAL MAGNETIC GRADIOMETER SURVEY ASSESSMENT REPORT CAMERON GOLD PROJECT

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January 2015

SUMMARY

This report presents the results of a 1457 line kilometre helicopter-borne geophysical survey conducted during March 3rd to March 11th, 2014 by Aeroquest Airborne for Cameron Gold Operations Ltd. (CGO) over the western tenure of the Cameron Gold Project. The Cameron Gold Project is located 80 kilometres southeast of the town of Kenora, Ontario.

The purpose of the survey was to collect high resolution magnetic date to assist in the interpretation of the geological setting of the Cameron Gold Project and to provide data that could help characterise the signatures of known gold mineralisation and consequently contribute in the identification of exploration targets.

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1 INTRODUCTION

This report describes a helicopter-borne magnetic survey conducted for Cameron Gold Operations (CGO) over the western tenure of the Cameron Gold Project. This survey abuts and extends the fixed wing aeromagnetic survey flown by CGO over the eastern tenure of the Cameron gold project in 2010. This survey covers two distinct regions of the Cameron Gold project the Cedartree and Cameron areas.

During March 3rd, to March 11th 2014 Aeroquest Airborne carried out a helicopter-borne geophysical survey over the Cameron & Cedartrees Project situated near Nestor Falls, Ontario, Canada.

Principal geophysical sensors included a versatile time domain electromagnetic (VTEMplus) system, and horizontal magnetic gradiometer. Ancillary equipment included a GPS navigation system and a radar altimeter. A total of 1457 line-kilometres of geophysical data were acquired during the survey.

In-field data quality assurance and preliminary processing were carried out on a daily basis during the acquisition phase. Preliminary and final data processing, including generation of final digital data and map products were undertaken from the office of Aeroquest Airborne in Aurora, Ontario.

The processed survey results are presented as the following maps:

- Electromagnetic stacked profiles of the B-field Z Component,
- Electromagnetic stacked profiles of dB/dt Z Components,
- B-Field Z Component Channel grid
- Total Magnetic Intensity (TMI),
- dB/dt X Component Fraser Filtered grid,
- Calculated Time Constant (Tau) with contours of anomaly areas of the Calculated Vertical Derivative of TMI
- Power Line Monitor grid,
- RDI sections are presented.

Digital data includes all electromagnetic and magnetic products, plus ancillary data including the waveform.

The survey report (Appendix I) describes the procedures for data acquisition, processing, final image presentation and the specifications for the digital data set.

2 LOCATION, AND ACCESS

The Cameron Gold Project is located within NTS area 52F05, about 80 km to the southeast of Kenora in the southern part of north-western Ontario, Canada (Figure 1). The nearest population centres to the Project are the villages of Sioux Narrows and Nestor Falls, located 30 km and 25 km, respectively.

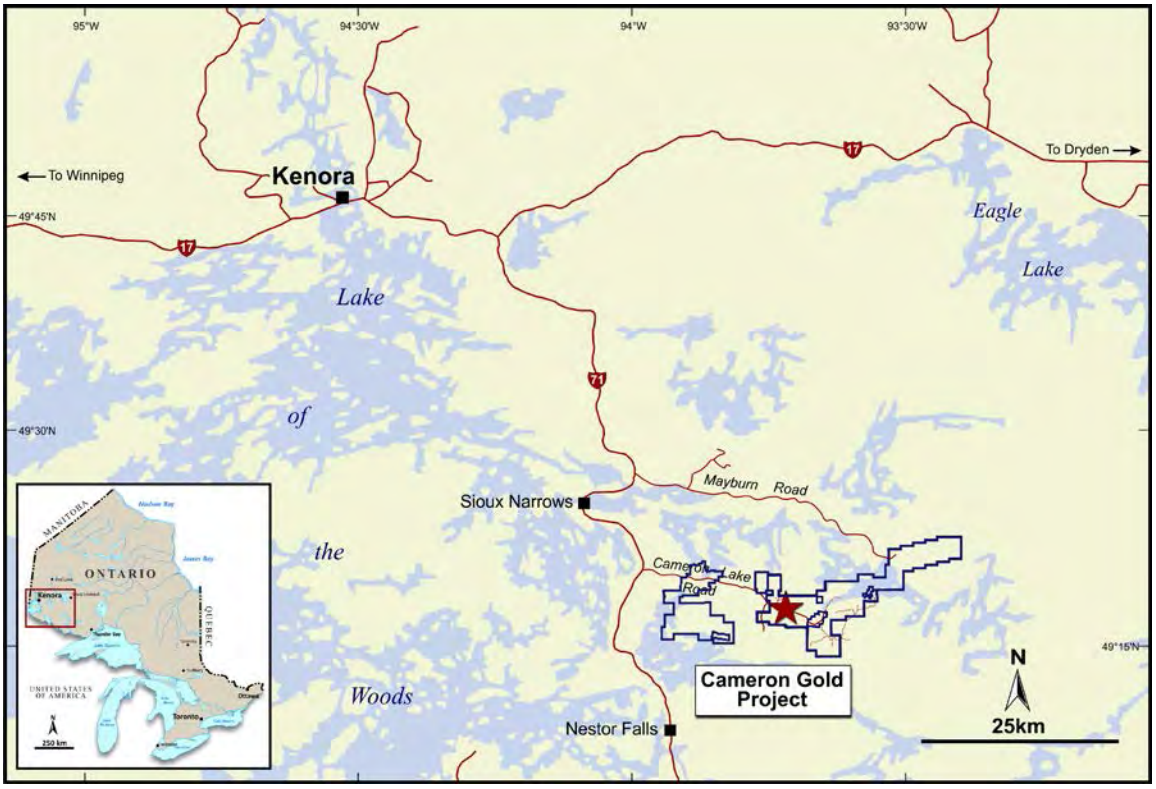

Figure 1: The Cameron Gold Project

The Cameron Gold Project comprises a portfolio of unpatented mining claims, patented mining claims, licenses of occupation and mining leases centred on the Cameron Gold deposit located about 23 km east of Trans-Canada Highway 71. Access to the Project is via a well-maintained, all-weather gravel road that was purposely constructed by the previous owner of the Project. Travel along the access road is restricted to permit holders issued by the Ministry of Natural Resources (MNR) in Kenora.

3 CLAIMS AND OWNERSHIP

The survey covered the western tenure of the Cameron gold project located within unsurveyed territory, in the Brooks, Dogpaw and Rowan Lakes Area within the Kenora Mining Division. The tenure covered includes mineral claims held under option or 100% by CGO, in addition to a number of patented lands owned by CGO. The unpatented claims are contiguous to the patented lands. The tenure in the west of the survey area is collectively known as the Cedartree group and those to the east are part of the Cameron claim group

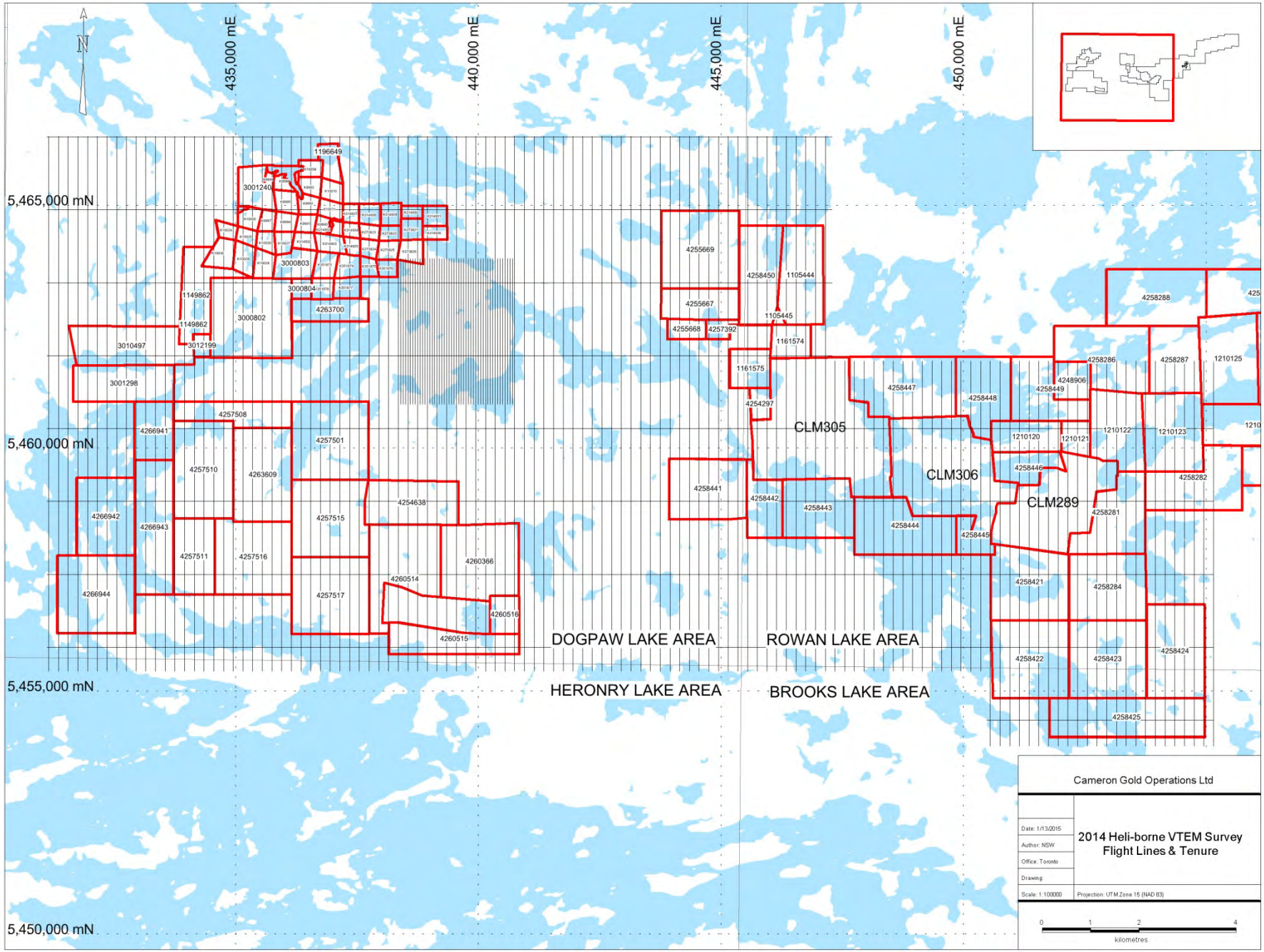

Figure 2 Extent of the heli-borne VTEM^{PLUS} survey with respect to the Cameron Gold Project

4 GEOLOGICAL OVERVIEW

4.1 Regional Setting of the Cedartree - Cameron Lake Surveys

The Cedartree-Cameron Lake survey areas lie at the western extremity of the Archean, Savant Lake-Crow Lake metavolcanic-metasedimentary belt in the Wabigoon Subprovince of the Canadian Shield, northwestern Ontario (Figure 3). The region is divided geologically by the southeast-striking, northeast-dipping Pipestone-Cameron Fault (PCF), a major zone of deformation and displacement similar to the Larder Lake-Kirkland Lake, Destor-Porcupine, and the Cadillac-Malartic Lake Breaks recognized in other Canadian Archean gold camps (Melling 1988). The area northeast of the PCF hosts the Cameron Lake deposit as well as several showings and occurrences including those along the East-west trending (Victor)–Monte Cristo Shear Zone. The Cameron Lake Shear Zone (CLSZ), a northwest-southeast trending zone of high strain that hosts the gold mineralisation of the Cameron Lake Deposit, is considered to be a splay off the Pipestone-Cameron Fault (Diorio, 2014).

The Cameron Lake Deposit is hosted by an arcuate belt of south-facing metavolcanic rocks. Current interpretation has divided the metavolcanic stratigraphy into two distinct suites; the lower Rowan Lake Volcanics (RLV) and the overlying Cameron Lake Volcanics (CLV). The Rowan Lake succession is a thick sequence of subaqueous pillowed basalt flows having subalkaline, tholeiitic, magnesium-rich affinities. These rocks are weakly foliated outside of deformation zones. The CLV are a mixed succession of south facing subaqueous pillowed and massive basaltic rocks and intermediate to felsic volcaniclastic rocks of tholeiitic to calc-alkaline affinity. The transition between the two volcanic terranes is marked by the first appearance of intermediate to felsic volcanic rocks as well as a change from dominantly pillowed to pillowed and massive basalts. This boundary was not recognized on the magnetic data sets (Diorio, 2014).

The earliest rocks in the Cedartree survey area are mafic to felsic volcanics. East and north of the Pipestone-Cameron Fault Zone these are rocks of the CLV and RLV as discussed above. South and west of the fault the lower sequence is generally referred to as the Rowan Group, dominated by submarine ultramafic to mafic, komatiitic-tholeiitic volcanic rocks and minor interflow sedimentary rocks. The upper sequence is referred to as the Kakagi Lake Group, consisting of intermediate to felsic tholeiitic to calc-alkaline volcaniclastic rocks (Lengyel, 1998).

The Kakagi Lake Volcanics are intruded by a series of large, syn- to post-volcanic, differentiated, mafic-ultramafic sills and dykes known as the Kakagi Sills and the entire sequence has been folded within the Emm Bay Syncline. All rocks have been metamorphosed to greenschist facies assemblages.

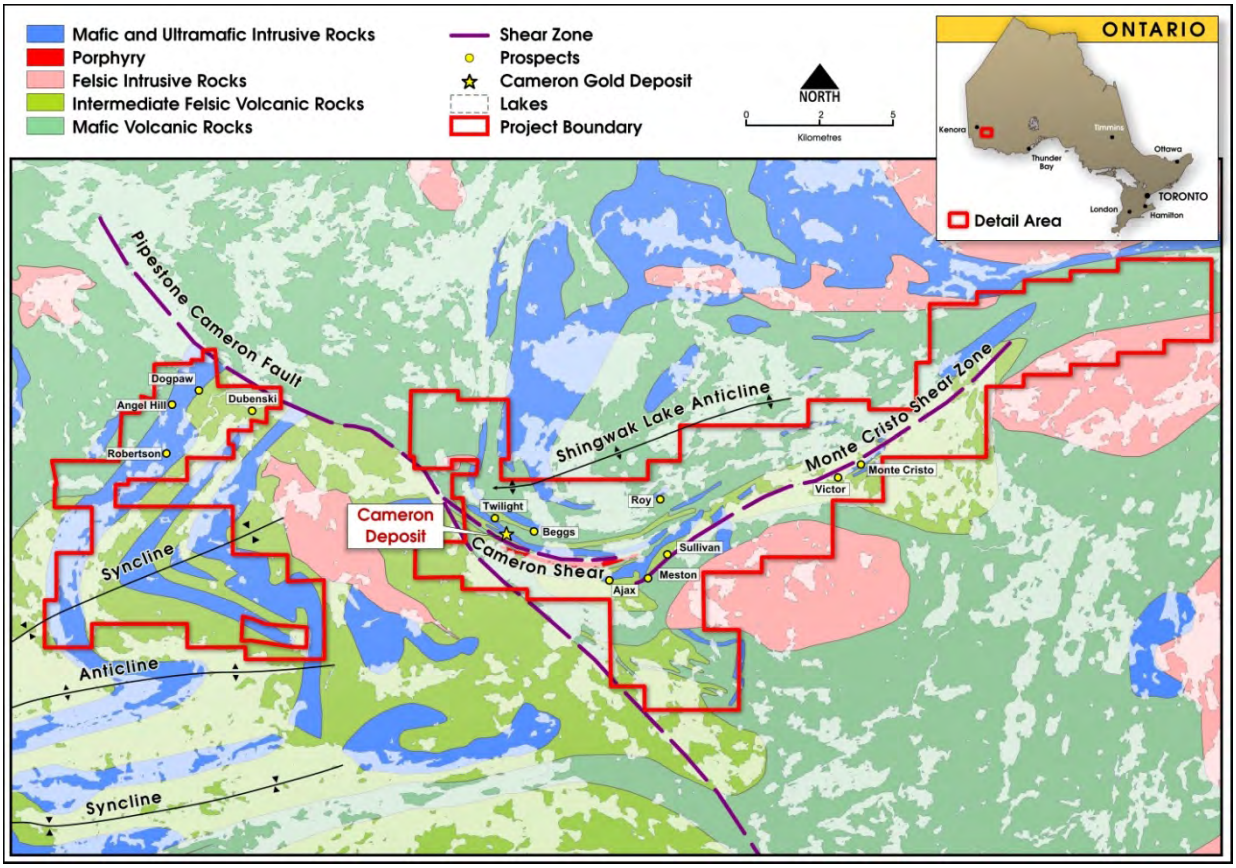

Figure 3 Regional Geology of the Cameron Gold Project

5 WORK PROGRAM SUMMARY

The Aeroquest Airborne logistic and processing report is located in Appendix I. The report summarizes the details of the survey. Of the area flown by Aeroquest Airborne approximately 65% of the survey covers the existing Cameron Gold Project property (see Figure 2).

The aeromagnetic survey performed by Aeroquest Airborne over the western half of the Cameron gold project generated valuable data. The VTEM data was used both in image format as an aid to interpretive mapping and in profile form where discrete anomalies were identified, characterized, grouped and assigned initial priority rankings.

The rankings are subjective and are based on geologic setting, anomaly shape, time constant and magnetic response and consider VMS, magmatic Cu-Ni sulfide and shear-related gold deposit types in the assessment. This initial ranking ignores obvious important factors such as land tenure and previous work (Diorio, 2014). At least some of the high priority Groups will have been previously explored (e.g. they are noted on 40 year old geology maps) however with some notable exceptions (e.g. rather weak anomalies associated with the lowermost Kakagi sill on the western part of the survey area) most of the EM anomalies occur in topographically low areas, are probably poorly exposed, and this may have hidden at least some of them from previous explorers. (Diorio 2014)

6 CONCLUSION AND RECOMMENDATIONS

VTEM anomalies have been picked from profiles and then grouped and assigned an initial priority. This priority ignores important factors such as land status and previous work so culling, field assessment and re-ranking are the next obvious steps. Any anomalies which are considered for drill testing should be modelled to attempt to precisely define location and geometry.

7 REFERENCES

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