



CANADIAN EXPLORATION SERVICES LTD

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TELLURITON CORPORATION

Magnetometer Survey Over the Melba Property Phase-1 Grid

Melba Township, Ontario

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1. SURVEY DETAILS

1.1 PROJECT NAME

This project is known as the **Melba Property – Phase 1**.

1.2 CLIENT

Telluriton Corporation

P.O. Box 282
Kirkland Lake, Ontario
P2N 3H7

1.3 LOCATION

The Melba Mine Property is located in Melba Township approximately 23 km north of Kirkland Lake, Ontario. The property consists of 12 mining claims and 18 mining leases.

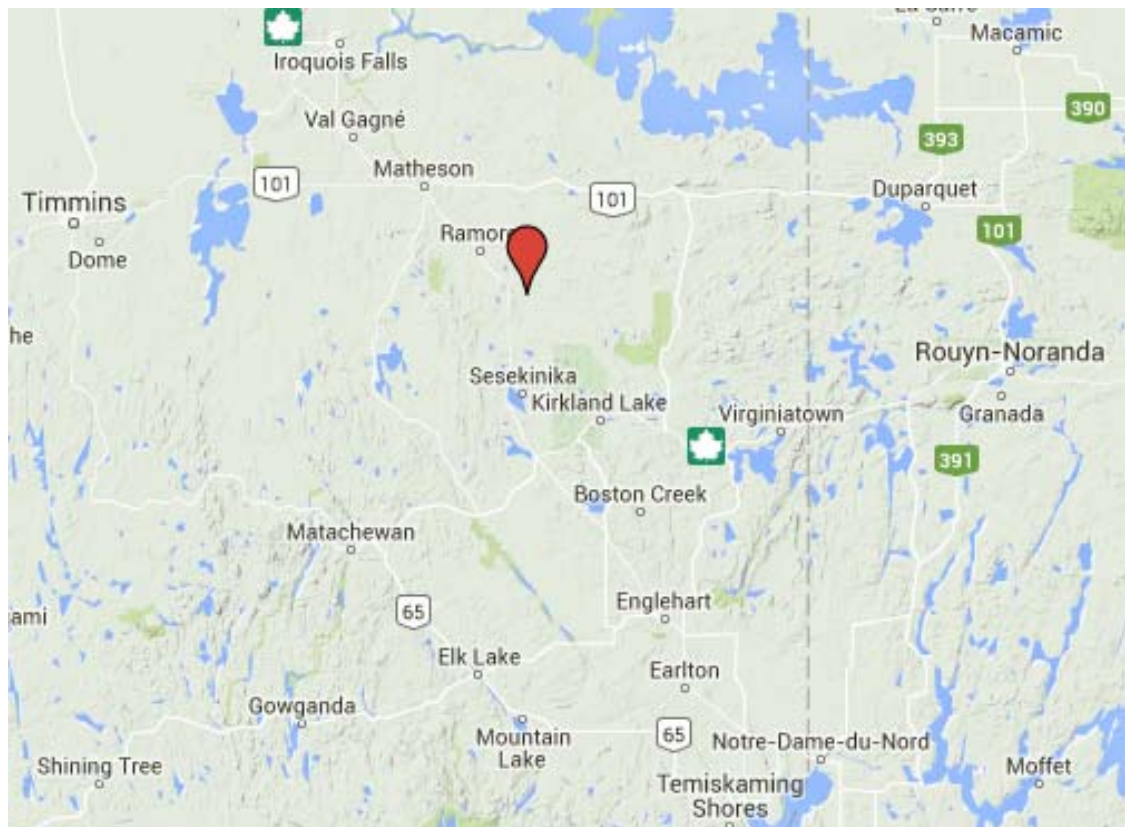


Figure 1: Location of the Melba Property

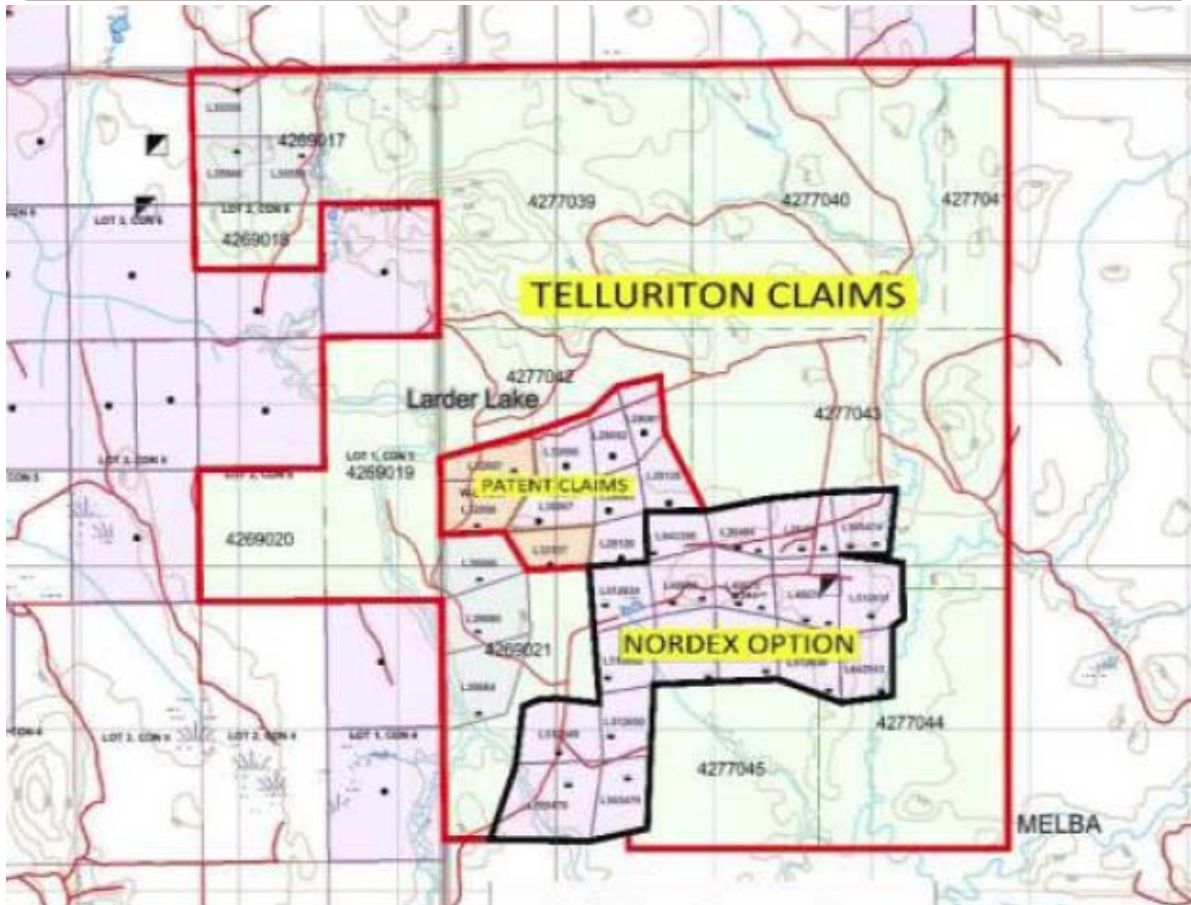


Figure 2: Melba Mine Property Map

1.4 ACCESS

Access to the property was attained with a 4x4 truck via Highway 11 approximately 10 kilometer south of the town of Ramore, Ontario. From here, the Wavell Road was travelled east for one kilometer then the Grouse Road for an additional eight kilometers. At this point an ATV was used to travel the final seven kilometers to the survey area.

1.5 SURVEY GRID

The survey grid consists of 9.6 kilometers of recently established grid lines. The lines are spaced at 100 meter increments with stations picketed at 25m intervals. The baseline runs at 120°N for a total length of 1000m.

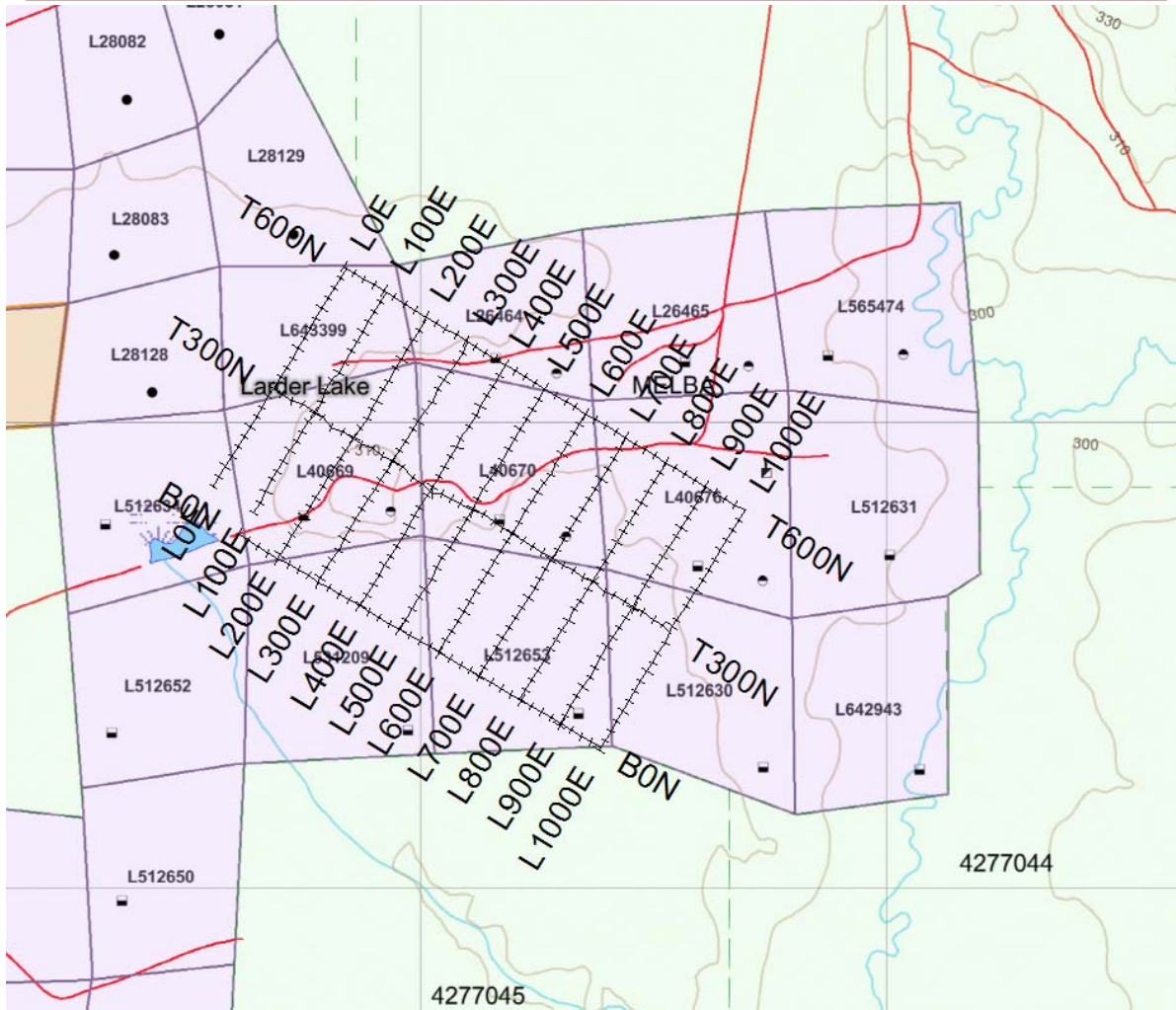


Figure 3: Claim Map with Melba Property-Phase 1 Grid

2. SURVEY WORK UNDERTAKEN

2.1 SURVEY LOG

Date	Description	Line	Min Extent	Max Extent	Total Survey (m)
23 June 2015	Locate survey area and begin magnetometer survey.	500E	0N	600N	600
		600E	0N	600N	600
		700E	0N	600N	600
		800E	0N	600N	600
		900E	0N	600N	600
		1000E	0N	600N	600
		0N	500E	1000E	500
		300N	500E	1000E	500
		600N	500E	1000E	500
25 June 2015	Complete the magnetometer survey.	0E	50N	600N	550
		100E	50N	600N	550
		200E	0N	600N	600
		300E	0N	600N	600
		400E	0N	600N	600
		0N	100E	500E	400
		300N	0E	500E	500
		600N	0E	500E	500

Table 1: Survey Log

2.2 PERSONNEL

Jason Ploeger of Larder Lake, Ontario conducted all of the data collection.

2.3 SURVEY SPECIFICATIONS

The survey was conducted with a GSM-19 v7 Overhauser magnetometer in walk-mag mode. Samples were collected every second with a simultaneous GPS position acquired. A second GSM-19 was employed as a base station for diurnal correction.

A total of 9.45 line kilometers of Magnetometer was read over the Melba Property between June 23rd and June 25th, 2015. This consisted of 11729 magnetometer samples taken.

3. OVERVIEW OF SURVEY RESULTS

3.1 SUMMARY INTERPRETATION

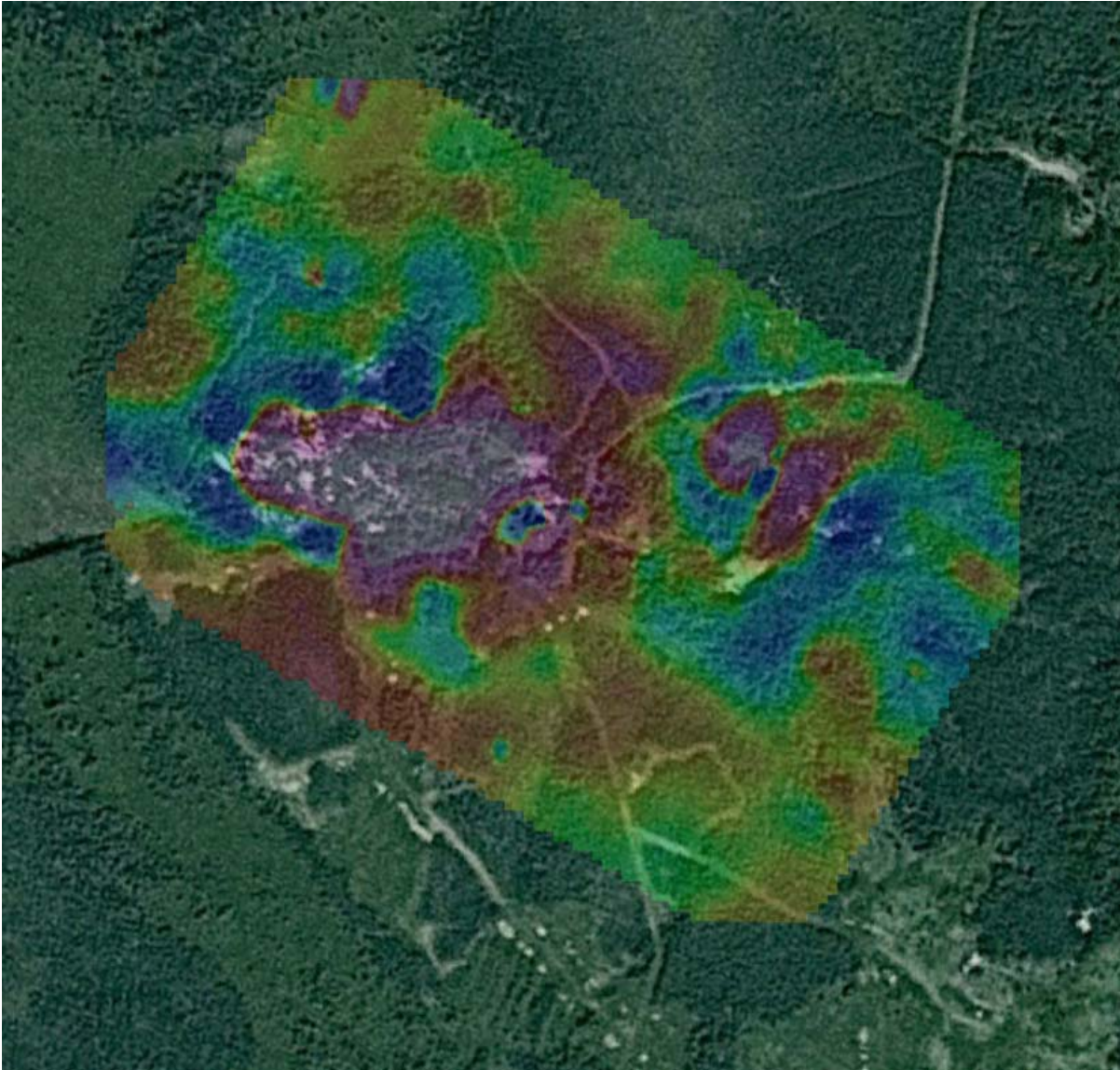


Figure 4: Google Image with Magnetic Overlay

The survey was designed to test the magnetic signature surrounding and on strike of the historic Melba Mine. Station 500E and 300N is located at the historic shaft with the strike of the baseline paralleling the auriferous veins. Surrounding the shaft collar for approximately 25 meters can be found debris and culture that may have interfered with the magnetic response.

A strong magnetic signature occurs in the vicinity of the center of the survey area.

This signature resembles that of a gabbro/porphyry or an ultramafic unit. The magnetic high appears to correlate with the topographic high with outcropping or shallow overburden. The Melba Mine appears to sit on the eastern flank of this anomaly.

Within this magnetic anomaly occurs at least two linear magnetic low features which parallel line 300N. The first of these occurs within 25 meters of line 300N and crosses lines 300E and 400E. The second of these occurs between 200N and line 225N over lines 200E through 400E. The first of these may indicate the alteration relating to the Melba Mine as it would be close to the strike of the mine workings. The magnetic low signature near 200N should be investigated to determine its source as it may indicate an additional target similar to that of the mine.

A smaller intense magnetic dipole occurs on line 700E near 475N. This anomaly may be related to the larger main anomaly as it is located on strike with it, however may be a unique constrained feature. If this feature is related this would indicate the presence of high angle structure crossing this area. The strike of the structure cannot easily be seen in the dataset, however again the Melba Mine would be flanking it. Studying the historic mine information may provide evidence of this.

APPENDIX A

STATEMENT OF QUALIFICATIONS

I, C. Jason Ploeger, hereby declare that:

1. I am a professional geophysicist with residence in Larder Lake, Ontario and am presently employed as a Geophysicist and Geophysical Manager of Canadian Exploration Services Ltd. of Larder Lake, Ontario.
2. I am a Practising Member of the Association of Professional Geoscientists, with membership number 2172.
3. I graduated with a Bachelor of Science degree in geophysics from the University of Western Ontario, in London Ontario, in 1999.
4. I have practiced my profession continuously since graduation in Africa, Bulgaria, Canada, Mexico and Mongolia.
5. I am a member of the Ontario Prospectors Association, a Director of the Northern Prospectors Association and a member of the Society of Exploration Geophysicists.
6. I do not have nor expect an interest in the properties and securities of **Telluriton Corporation**.
7. I am responsible for the final processing and validation of the survey results and the compilation of the presentation of this report. The statements made in this report represent my professional opinion based on my consideration of the information available to me at the time of writing this report.



C. Jason Ploeger, P.Geo., B.Sc.
Geophysical Manager
Canadian Exploration Services Ltd.

Larder Lake, ON
July 6, 2015

APPENDIX B

THEORETICAL BASIS AND SURVEY PROCEDURES

TOTAL FIELD MAGNETIC SURVEY

Base station corrected Total Field Magnetic surveying is conducted using at least two synchronized magnetometers of identical type. One magnetometer unit is set in a fixed position in a region of stable geomagnetic gradient, and away from possible cultural effects (i.e. moving vehicles) to monitor and correct for daily diurnal drift. This magnetometer, given the term ‘base station’, stores the time, date and total field measurement at fixed time intervals over the survey day. The second, remote mobile unit stores the coordinates, time, date, and the total field measurements simultaneously. The procedure consists of taking total magnetic measurements of the Earth’s field at stations, along individual profiles, including Tie and Base lines. A 2 meter staff is used to mount the sensor, in order to optimally minimize localized near-surface geologic noise. At the end of a survey day, the mobile and base-station units are linked, via RS-232 ports, for diurnal drift and other magnetic activity (ionospheric and spheric) corrections using internal software.

For the gradiometer application, two identical sensors are mounted vertically at the ends of a rigid fiberglass tube. The centers of the coils are spaced a fixed distance apart (0.5 to 1.0m). The two coils are then read simultaneously, which alleviates the need to correct the gradient readings for diurnal variations, to measure the gradient of the total magnetic field.

APPENDIX C

GSM 19



Specifications

Overhauser Performance

Resolution: 0.01 nT
Relative Sensitivity: 0.02 nT
Absolute Accuracy: 0.2nT
Range: 20,000 to 120,000 nT
Gradient Tolerance: Over 10,000nT/m
Operating Temperature: -40°C to +60°C

Operation Modes

Manual: Coordinates, time, date and reading stored automatically at min. 3 second interval.
Base Station: Time, date and reading stored at 3 to 60 second intervals.
Walking Mag: Time, date and reading stored at coordinates of fiducial.
Remote Control: Optional remote control using RS-232 interface.
Input/Output: RS-232 or analog (optional) output using 6-pin weatherproof connector.

Operating Parameters

Power Consumption: Only 2Ws per reading. Operates continuously for 45 hours on standby.
Power Source: 12V 2.6Ah sealed lead acid battery standard, other batteries available
Operating Temperature: -50°C to +60°C

Storage Capacity

Manual Operation: 29,000 readings standard, with up to 116,000 optional.
With 3 VLF stations: 12,000 standard and up to 48,000 optional.
Base Station: 105,000 readings standard, with up to 419,000 optional (88 hours or 14 days uninterrupted operation with 3 sec. intervals)
Gradiometer: 25,000 readings standard, with up to 100,000 optional. With 3 VLF stations: 12,000, with up to 45,000 optional.

Omnidirectional VLF

Performance Parameters: Resolution 0.5% and range to $\pm 200\%$ of total field.
Frequency 15 to 30 kHz.

Measured Parameters: Vertical in-phase & out-of-phase, 2 horizontal components, total field coordinates, date, and time.

Features: Up to 3 stations measured automatically, in-field data review, displays station field strength continuously, and tilt correction for up to $\pm 10^\circ$ tilts.

Dimensions and Weights: 93 x 143 x 150mm and weighs only 1.0kg.

Dimensions and Weights

Dimensions:

Console: 223 x 69 x 240mm

Sensor: 170 x 71mm diameter cylinder

Weight:

Console: 2.1kg

Sensor and Staff Assembly: 2.0kg

Standard Components

GSM-19 magnetometer console, harness, battery charger, shipping case, sensor with cable, staff, instruction manual, data transfer cable and software.

Taking Advantage of a “Quirk” of Physics

Overhauser effect magnetometers are essentially proton precession devices except that they produce an order-of magnitude greater sensitivity. These "supercharged" quantum magnetometers also deliver high absolute accuracy, rapid cycling (up to 5 readings / second), and exceptionally low power consumption.

The Overhauser effect occurs when a special liquid (with unpaired electrons) is combined with hydrogen atoms and then exposed to secondary polarization from a radio frequency (RF) magnetic field. The unpaired electrons transfer their stronger polarization to hydrogen atoms, thereby generating a strong precession signal-- that is ideal for very high-sensitivity total field measurement. In comparison with proton precession methods, RF signal generation also keeps power consumption to an absolute minimum and reduces noise (i.e. generating RF frequencies are well out of the bandwidth of the precession signal).

In addition, polarization and signal measurement can occur simultaneously - which enables faster, sequential measurements. This, in turn, facilitates advanced statistical averaging over the sampling period and/or increased cycling rates (i.e. sampling speeds).

APPENDIX C

GARMIN GPS MAP 62S



Physical & Performance:	
Unit dimensions, WxHxD:	2.4" x 6.3" x 1.4" (6.1 x 16.0 x 3.6 cm)
Display size, WxH:	1.43" x 2.15" (3.6 x 5.5 cm); 2.6" diag (6.6 cm)
Display resolution, WxH:	160 x 240 pixels
Display type:	transflective, 65-K color TFT
Weight:	9.2 oz (260.1 g) with batteries
Battery:	2 AA batteries (not included); NiMH or Lithium recommended
Battery life:	20 hours
Waterproof:	yes (IPX7)
Floats:	no
High-sensitivity receiver:	yes

Interface:	high-speed USB and NMEA 0183 compatible
Maps & Memory:	
Basemap:	yes
Preloaded maps:	no
Ability to add maps:	yes
Built-in memory:	1.7 GB
Accepts data cards:	microSD™ card (not included)
Waypoints/favorites/locations:	2000
Routes:	200
Track log:	10,000 points, 200 saved tracks
Features & Benefits:	
Automatic routing (turn by turn routing on roads):	yes (with optional mapping for detailed roads)
Electronic compass:	yes (tilt-compensated, 3-axis)
Touchscreen:	no
Barometric altimeter:	yes
Camera:	no
<u>Geocaching-friendly:</u>	yes (paperless)
<u>Custom maps compatible:</u>	yes
Photo navigation (navigate to geotagged photos):	yes
Outdoor GPS games:	no
Hunt/fish calendar:	yes
Sun and moon information:	yes

Tide tables:	yes
Area calculation:	yes
Custom POIs (ability to add additional points of interest):	yes
Unit-to-unit transfer (shares data wirelessly with similar units):	yes
Picture viewer:	yes
Garmin Connect™ compatible (online community where you analyze, categorize and share data):	yes

- *Specifications obtained from www.garmin.com*

APPENDIX D

LIST OF MAPS (IN MAP POCKET)

Posted contoured TFM plan map (1:2500)

- 1) TELLURITON-MELBA-PHASE1-MAG-CONT-Q2088

Claim Map with Magnetic Traverses (1:20000)

- 2) TELLURITON-MELBA-PHASE1-GRID-Q2088

TOTAL MAPS = 2

Date / Time of Issue: Mon Jul 06 14:22:01 EDT 2015

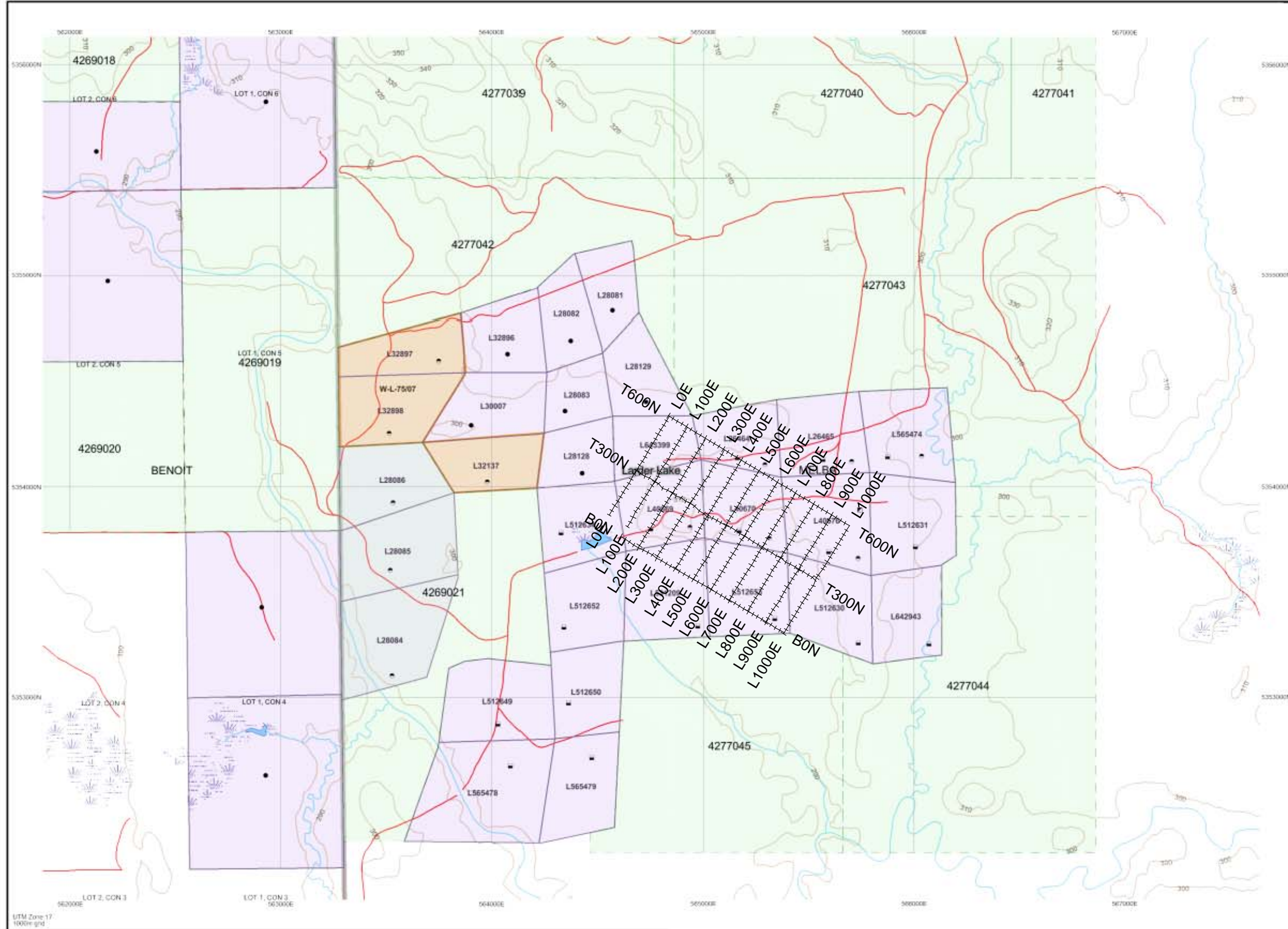
TOWNSHIP / AREA
MELBA

PLAN
G-3216

ADMINISTRATIVE DISTRICTS / DIVISIONS

Mining Division
Land Titles/Registry Division
Ministry of Natural Resources District

Larder Lake
COCHRANE
KIRKLAND LAKE



TOPOGRAPHIC

- Administrative Boundaries
- Township
- Concessional Lot
- Provincial Park
- Indian Reserve
- Oil, PL&P
- Contour
- Mine Shaft
- Mine Headframe
- Railway
- Road
- Trail
- Natural Gas Pipeline
- Utilities
- Tower

Land Tenure

- Fixed Patent
- Surface And Mining Rights
- Surface Rights Only
- Mining Rights Only
- Leasehold Patent
- Surface And Mining Rights
- Surface Rights Only
- Mining Rights Only
- License of Occupator
- Uses Not Specified
- Surface And Mining Rights
- Surface Rights Only
- Mining Rights Only
- Land Use Permit
- Order In Court (Not open for staking)
- Water Power Lease Agreement

HELOF	GILBORD	MICHAEL	GARRISON
PLAYFAIR	COOK	SARRET	THACKERAY
BLACK	WINDOT	MELBA	BULEY
LEE	WADSWORTH	BERNHARDT	MORRISSETTE
KOMPAS	GRENELL	TECK	LEML

LAND TENURE WITHDRAWALS

- 1234567 Mining Claims
- 1234567 Filled Only Mining Claims
- 1234 Areas Withdrawn from Disposition Mining Acts Withdrawal Types
- W 1 Surface And Mining Rights Withdrawal
- W 2 Surface Rights Only Withdrawal
- W 3 Mining Rights Only Withdrawal
- W 4 Order In Court Withdrawal Types
- W 5 Surface And Mining Rights Withdrawal
- W 6 Surface Rights Only Withdrawal

IMPORTANT NOTICES



LAND TENURE WITHDRAWAL DESCRIPTIONS (list may not be complete)

Identifier	Type	Date	Description
W-L-75/07	W 1	Oct 10, 2007	<3 lres> http://www.mci.mdm.gov.on.ca/mines/witwithw/ocorders2007/wl75-07_e.html#W-L-75/07 M withdrawal S.35 Mining Act R.S.O. 1990, October 10, 2007 Click to link to withdrawal order->w-

Those wishing to stake mining claims should consult with the Provincial Mining Recorders' Office of the Ministry of Northern Development and Mines for additional information on the status of the lands shown hereon. This map is not intended for navigational, survey, or land title determination purposes as the information shown on this map is compiled from various sources. Completeness and accuracy are not guaranteed. Additional information may also be obtained through the local Land Titles or Registry Office, or the Ministry of Natural Resources.

The information shown is derived from digital data available in the Provincial Mining Recorders' Office at the time of downloading from the Ministry of Northern Development and Mines web site.

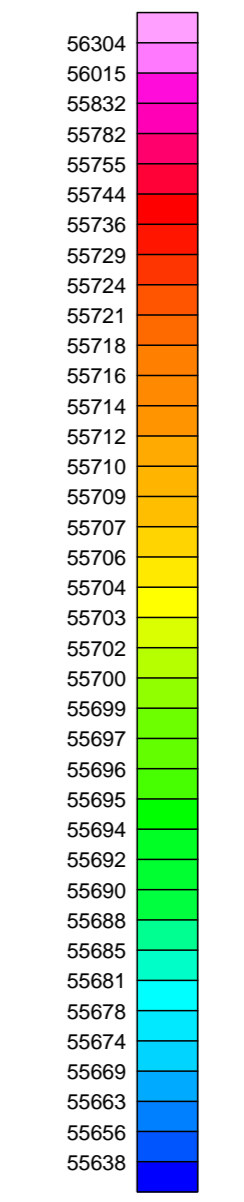
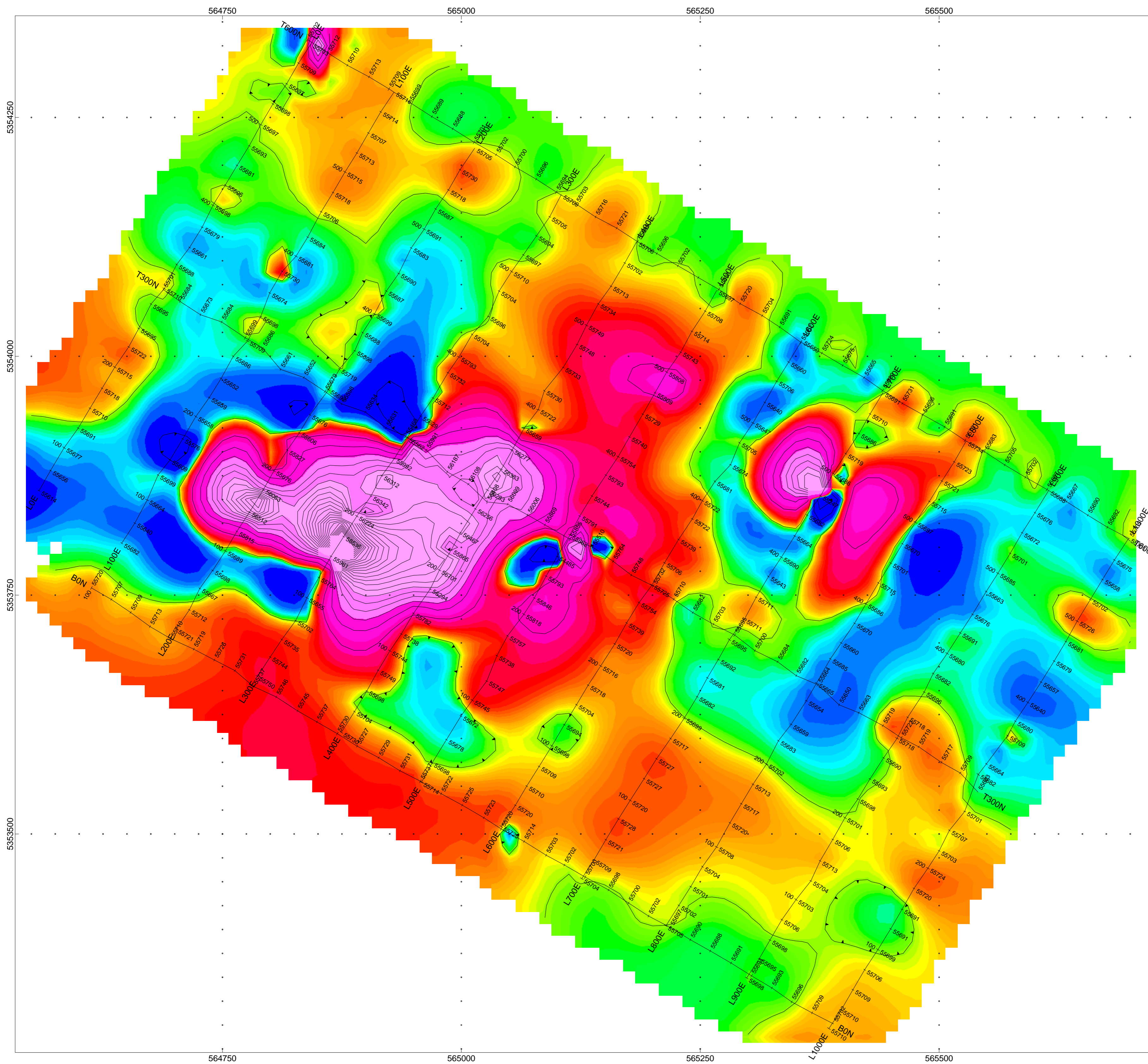
General Information and Limitations

Contact Information:
Provincial Mining Recorders' Office
Willet Green Millar Centre 333 Ramsey Lake Road
Sudbury ON P3E 6B5
Home Page: www.mdm.gov.on.ca/MNDM/MINES/LANDS/miempgpe.htm

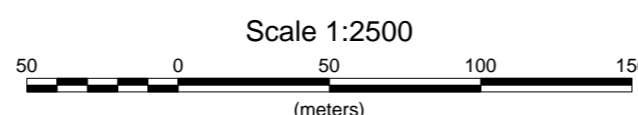
Toll Free
Tel: 1 (888) 415-9845 ext 574
Fax: 1 (877) 670-1444

Map Datum: NAD 83
Projection: UTM 18 degree
Topographic Data Source: Land Information Ontario
Mining Land Tenure Source: Provincial Mining Recorders' Office

This map may not show unregistered land tenure and interests in land including certain patents, leases, easements, right of ways, flooding rights, licences, or other forms of disposition of rights and interest from the Crown. Also certain land tenure and land uses that restrict or prohibit free entry to stake mining claims may not be illustrated.



Magnetometer
nanoTesla (nT)



Scale 1:2500

TELLURITON CORPORATION	
MELBA PROPERTY PHASE -1 Melba Township, Ontario	
TOTAL FIELD MAGNETIC CONTOURED PLAN MAP Base Station Corrected	
Posting Level: 0nT Field Inclination/Declination: 74degN/12degW Station Separation: Walkmag 1 second interval Total Field Magnetic Contours: 100nT	
GSM-19 OVERHAUSER MAGNETOMETER/VLF v7	
Receiver Operated By: Jason Ploeger Processed by: Jason Ploeger Map Drawn By: C Jason Ploeger, P.Geo July 2015	CXS <small>CANADIAN EXPLORATION SERVICES LTD</small>
Drawing : TELLURITON-MELBA-PHASE1-MAG-CONT-Q2088	