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CANADIAN EXPLORATION SERVICES LTD

GOLDEN VALLEY MINES LTD.

Q2395 – Blue Mountain Project Prospecting

C Jason Ploeger, P.Geo. – June 20, 2017

Golden Valley Mines Ltd.
Mines de la Vallée de l'Or ltée

Abstract

CXS was contracted by Golden Valley Mines Ltd. to perform a prospecting/rock sampling campaign over their Blue Mountain Prospect. The target was to locate outcrop in the region of previously identified chargeability anomalies. This campaign was accomplished in mid- June and successfully located and sampled outcrops.

GOLDEN VALLEY MINES LTD

Q2395 – Blue Mountain Prospect
Prospecting

C Jason Ploeger, P.Geo. – June 20, 2017

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1. SURVEY DETAILS

1.1 PROJECT NAME

This project is known as the **Blue Mountain Prospect**.

1.2 CLIENT

Golden Valley Mines Ltd.
152 Chemin de la Mine Ecole
Val D'Or, Quebec
J9P 7B6

1.3 LOCATION

The Blue Mountain Prospect is located approximately 12 km north of Kirkland Lake, Ontario. The survey area is located over portions of mining claims 4201311, 4274010, 3016380, and 4240769 located in Bernhardt Township, within the Larder Lake Mining Division.

Figure 1: Location of the Blue Mountain Prospect

1.4 ACCESS

Access to the property is gained by 4x4 truck by travelling westward on HWY 570 (Sesekinika Road). After travelling west on HWY 570 and travelling for about 1.5 km one turns north onto a series of forestry access roads. These roads are used for an additional 15.2 km.

1.5 SURVEY GRID

The traversed lines were established using a GPS.

1.6 REGIONAL GEOLOGY

The Blue Mountain Prospect is located in the south-western part of the Abitibi Greenstone Belt. This geological terrane lies within the Eastern Superior Province of the Precambrian Canadian Shield. The Abitibi Greenstone Belt is characterized by numerous Archean volcano-sedimentary belts and igneous intrusive complexes that are in some places cross cut by NNE to ENE striking Proterozoic diabase dikes. The general metamorphism degree is to greenschist facies.

The Neoarchean supracrustal rocks of the Kirkland Lake District are composed of komatiitic, tholeiitic, calc-alkalic and alkalic ultramafic, mafic, intermediate and felsic metavolcanic rocks; related subvolcanic intrusions, chemical and clastic metasedimentary rocks.

These supracrustal rocks are intruded by calc-alkalic intermediate and felsic intrusions composed of quartz diorite, quartz monzonite, tonalite and granodiorite. Alkalic intrusions composed of hornblendite, alkalic gabbro, syenite, quartz syenite and alkalic granite are the youngest Neoarchean intrusions in the area.

Within the Kirkland Lake District, gold deposits occur in east trending metasedimentary-metavolcanic formations, intruded by syenite stocks, proximal to major deformation zones with the same general trend. The deposits preferentially occur on sub parallel fault splays, to major deformation zones such as the Larder Lake Fault and the Destor Porcupine Fault.

Local to the Blue Mountain Prospect, the Winnie Lake Stock, about 9.7 kilometres long and 3.2 kilometres wide, occupies the southwestern corner of Bernhardt Township and adjacent areas. Porphyritic felsic dikes are abundant in an area about 3.2 kilometres wide around the stock, but are rare at greater distances.

Most of the Winnie Lake Stock is medium-grained equigranular hypidiomorphic granite, but in some places near the contacts are syenitic phases with a similar texture (Rupert and Lovell, 1970b). The dikes in the surrounding rocks are mainly less than 31 metres wide and consist of variable amounts of feldspar phenocrysts in a very

fine-grained pink or dark grey matrix.

1.7 PROPERTY GEOLOGY

The majority of the outcrop exposures within the Blue Mountain Prospect consist of mafic to intermediate metavolcanic rocks in the form of massive and pillowed basalts and andesites. Located on a small intrusion of mafic volcanic rock within the Blue Mountain Prospect, is a mine shaft that has been sunk into a diorite outcrop hosting quartz, sulphide mineralization and magnetite.

1.8 PREVIOUS WORK

Challenger Gold Mining Company Limited
1920-1937
Stripping and blasting.
55 ft shaft was sunk

Kinika Gold Mines Limited
1937
Sampling and de-watering

Noranda Exploration Company Limited
1970
Magnetometer and EM

Ajax Minerals Limited
1972
Trenching

Consolidated Beaumont Resources Ltd.
1974
Magnetometer, 8 diamond drill holes totalling 2856 feet

Cedar Ridge Explorations Ltd
1980-1982
Magnetometer and VLF EM with trenching follow up

Premier Explorations Inc.
1985
Magnetometer
Overburden Stripping and sampling

Longbow Lake Exploration Syndicate
1985-1986
Basal till sampling

BHP-Utah Mines Ltd.
1989
Induced Polarization and VLF EM
Nine diamond drill holes totalling 1209 meters

M. Gilbert, B. Kowalski, R. Lavoie and J.G. St. Pierre
1996
Dewatered the shaft and stripping

Golden Valley Mines Ltd.
2005
Magnetometer and Induced Polarization Surveys

1.9 PROPERTY VEGETATION

The traverse areas were covered predominantly by black spruce and tamarack.

2. SURVEY WORK UNDERTAKEN

2.1 PERSONNEL

Bruce Lavalley of Britt, Ontario and Kevin Gingras of Virginiatown, Ontario performed the prospecting traverse and collected GPS waypoint data.

2.2 SURVEY SPECIFICATIONS

The main purpose of the prospecting was to investigate areas of outcrop exposure for potential mineralization. Rock samples were collected from old trenches crossed during the traverses. These samples were taken and presented to Golden Valley Mines Ltd. for reference purposes.

3. OVERVIEW OF SURVEY RESULTS

ALL SAMPLES WERE TAKEN FOR REFERENCE PURPOSES ONLY! ALL SAMPLES WERE PRESENTED TO GOLDEN VALLEY MINES LTD.

3.1 DAY-1 – JUNE 13, 2017

Sample 62816

NAD 83 - Zone 17N
563400E 5344768N

Figure 2: Picture of Sample 62816

Sample 62816 was collected from a small rise within a low area. The sample represents a mafic volcanic.

Sample 62817

NAD 83 - Zone 17N
563433E 5344750N

Figure 3: Picture of Sample 62817

Sample 62817 was collected from a small rise within a low area. The sample represents a mafic volcanic. Trace pyrite can be observed in the sample.

Sample 62818

NAD 83 - Zone 17N
563517E 5346065N

Figure 4: Picture of Sample 62818

Sample 62818 was collected from a small moss covered outcrop. The sample indicates a mafic volcanic with no mineralization.

Sample 85874

NAD 83 - Zone 17N
563452E 5346097N

Figure 5: Picture of Sample 85874

Sample 85874 was collected from a small rise within a low area. The sample represents a mafic volcanic with some carbonate alteration. Trace pyrite can be observed in the sample.

3.2 DAY-2 – JUNE 14, 2017

Sample 62819

NAD 83 - Zone 17N
563371E 5346116N

Figure 6: Picture of Sample 62819

Sample 62819 was collected from a small outcrop. This outcrop represents a mafic volcanic. No mineralization is observed in the sample

Sample 62820

NAD 83 - Zone 17N
563452E 5346133N

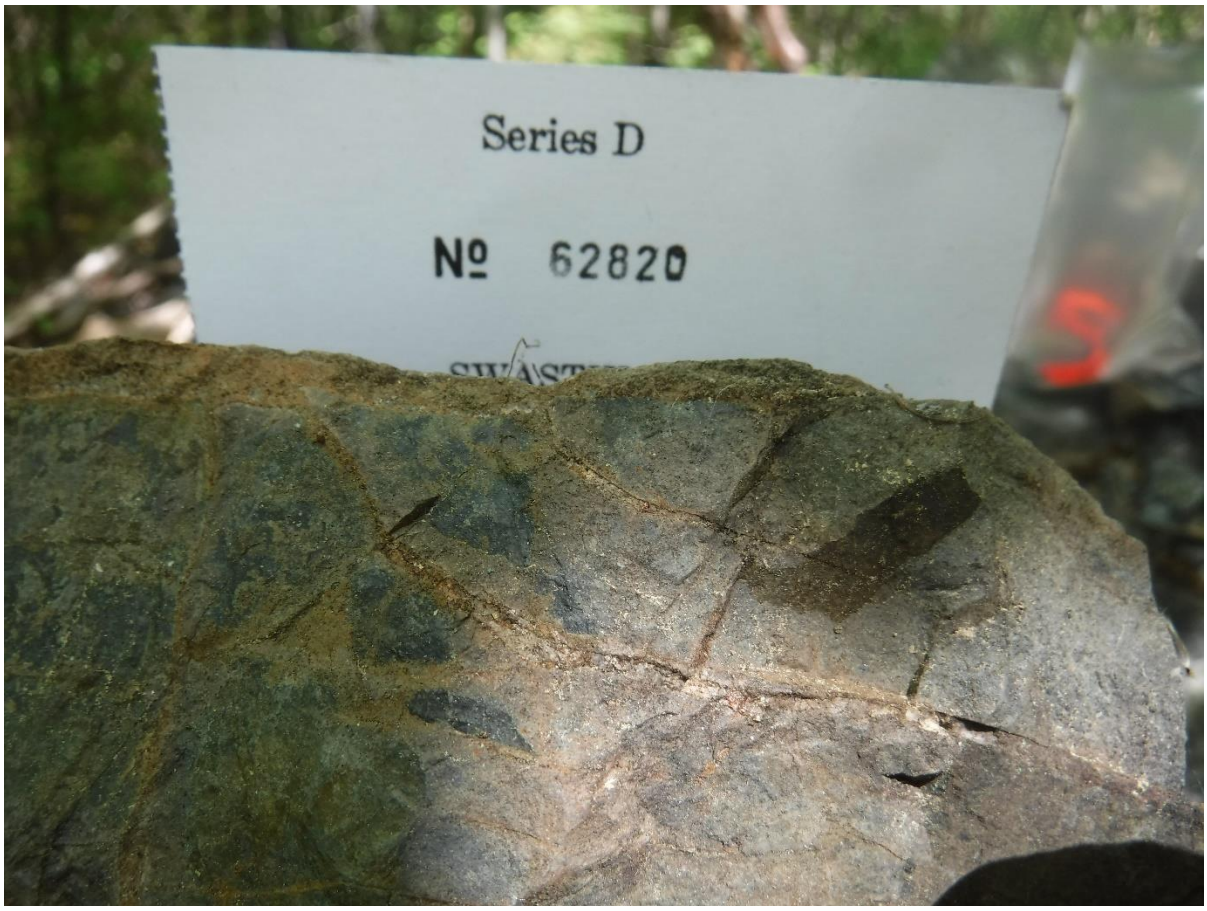


Figure 7: Picture of Sample 62820

This sample was collected from a trench muckpile. The sample represents an area of siliceous alteration. Fine grained pyrite up to 1% is observed in the silicious alteration. The mineralization appears to extend into the surrounding mafic volcanics.

Sample 62821

NAD 83 - Zone 17N
563469E 5345649N

Figure 8: Picture of Sample 62821

Sample 62821 was collect from an outcrop located in a spruce stand. This sample represents a mafic volcanic. No mineralization was observed.

Sample 62822

NAD 83 - Zone 17N
564164E 5345519N

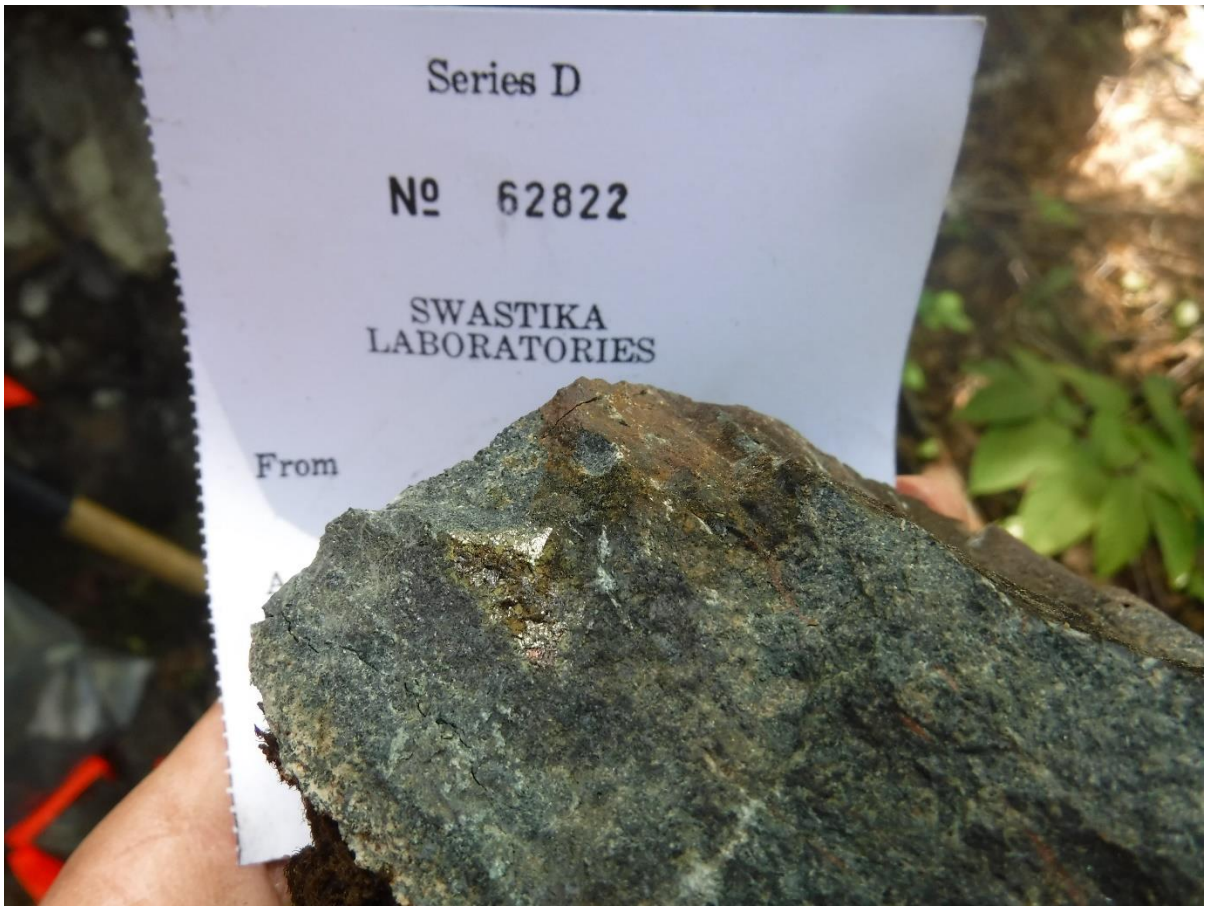


Figure 9: Picture of Sample 62822

Sample 62822 was collected from a large rise in a poplar stand. The sample represents a mafic volcanic. Stringers calcite are observed with strong hematite staining. Some patchy pyrite mineralization is observed.

Sample 62823

NAD 83 - Zone 17N
564241E 5345229N

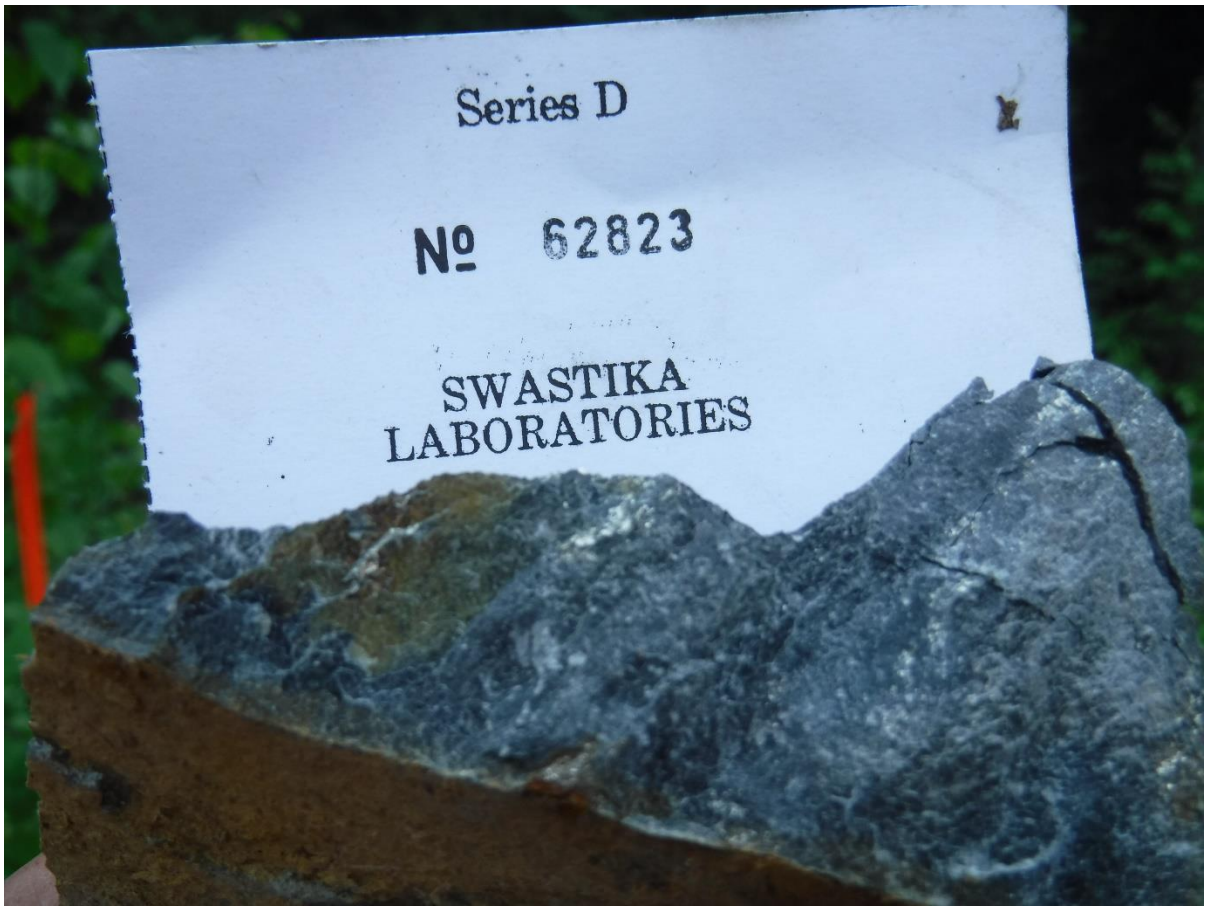


Figure 10: Picture of Sample 62823

Sample 62823 was collected from a small outcrop that was exposed from some forestry operations. This outcrop represents a mafic volcanic. No mineralization is observed in the sample.

Sample 85875

NAD 83 - Zone 17N
563962E 5345894N

Figure 11: Picture of Sample 85875

Sample 85875 was collected from a small rise within a spruce stand. This sample represents a mafic volcanic. Trace pyrite along with hematite staining is noted in the sample.

Sample 85876

NAD 83 - Zone 17N
564041E 5345920N

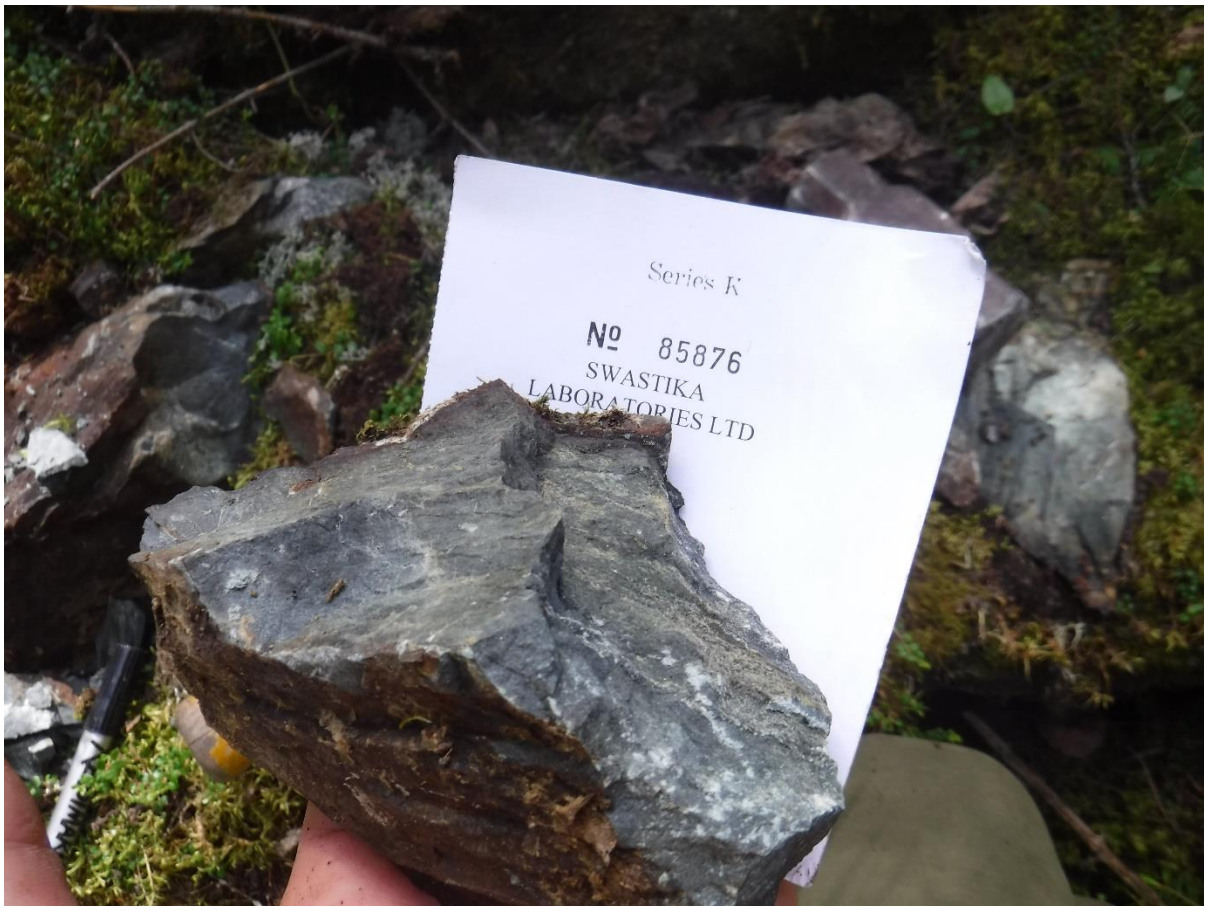


Figure 12: Picture of Sample 85876

Sample 85876 was collected from a small outcrop within a spruce stand. The sample represents a mafic volcanic with some carbonate alteration. Trace pyrite is also present in the sample.

Sample 85877

NAD 83 - Zone 17N
564239E 5345283N

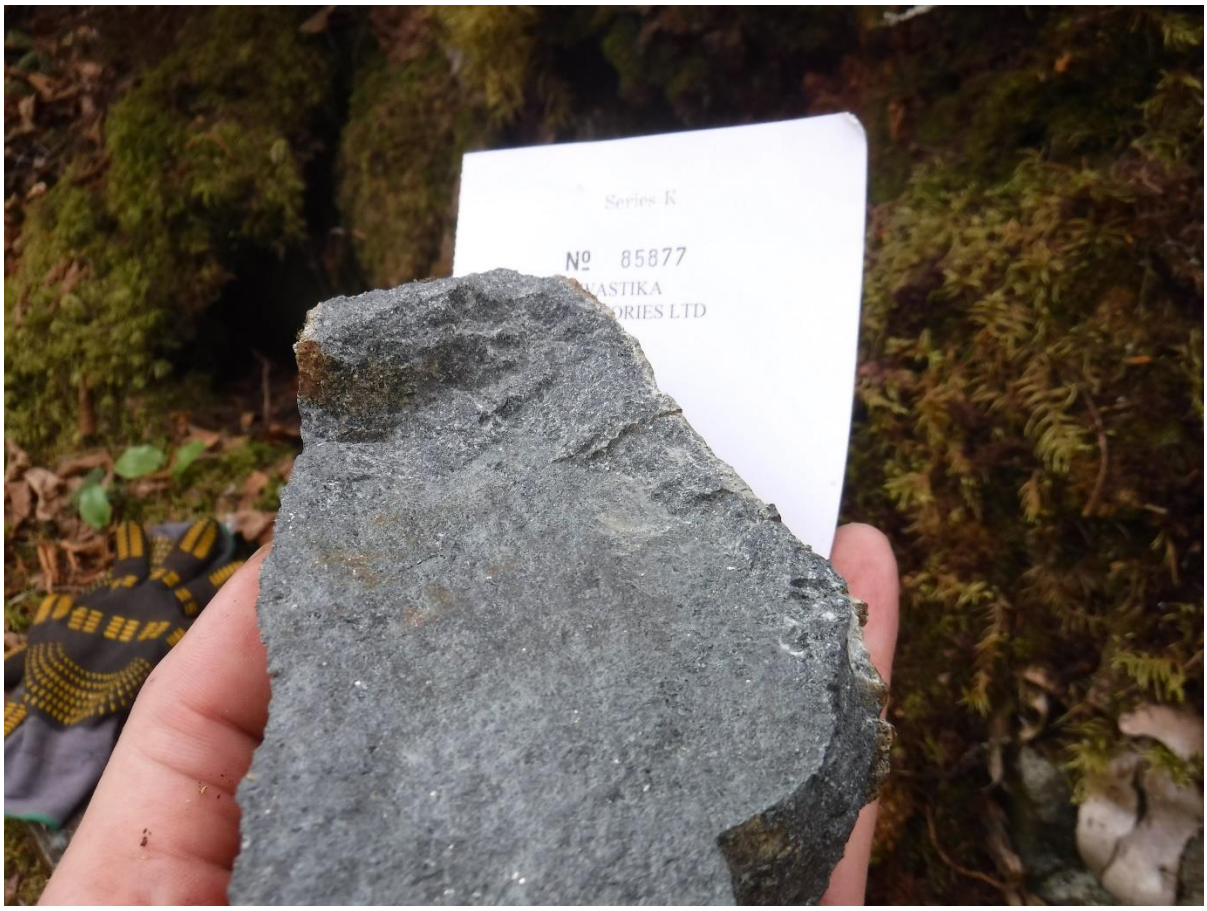


Figure 13: Picture of Sample 85877

Sample 85877 was collected from a small outcrop within a poplar stand. This sample represents a mafic volcanic. No mineralization is observed.

Sample 85878

NAD 83 - Zone 17N
564240E 5345278N

Figure 14: Picture of Sample 85878

Sample 85878 was collected from a small outcrop. This outcrop represents a mafic volcanic. No mineralization is observed in the sample

3.3 CONCLUSION

The prospecting/rock collecting campaign over a portion of the Blue Mountain Prospect, successfully resulted in the locating and sampling of 13 different sites. The priority areas were designed to cover areas where a previous IP survey had identified anomalous chargeability regions. No outcrop was located near the chargeability zones targeted.

The samples were photographed and looked at for mineralization. From the 13 samples, samples 62818, 85875 and 85877 exhibited trace mineralization that may

provide a chargeability signature. Samples 62820, 62822 and 62823 exhibit signs of a stronger mineralization. These samples should produce a pronounced chargeability signature.

BRUCE LAVALLEY OF 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 Practicing 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 **Golden Valley Mines Limited.**

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
June 20, 2017

APPENDIX B

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
Geocaching-friendly:	yes (paperless)
Custom maps compatible:	yes
Photo navigation (navigate to ge-otagged 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*

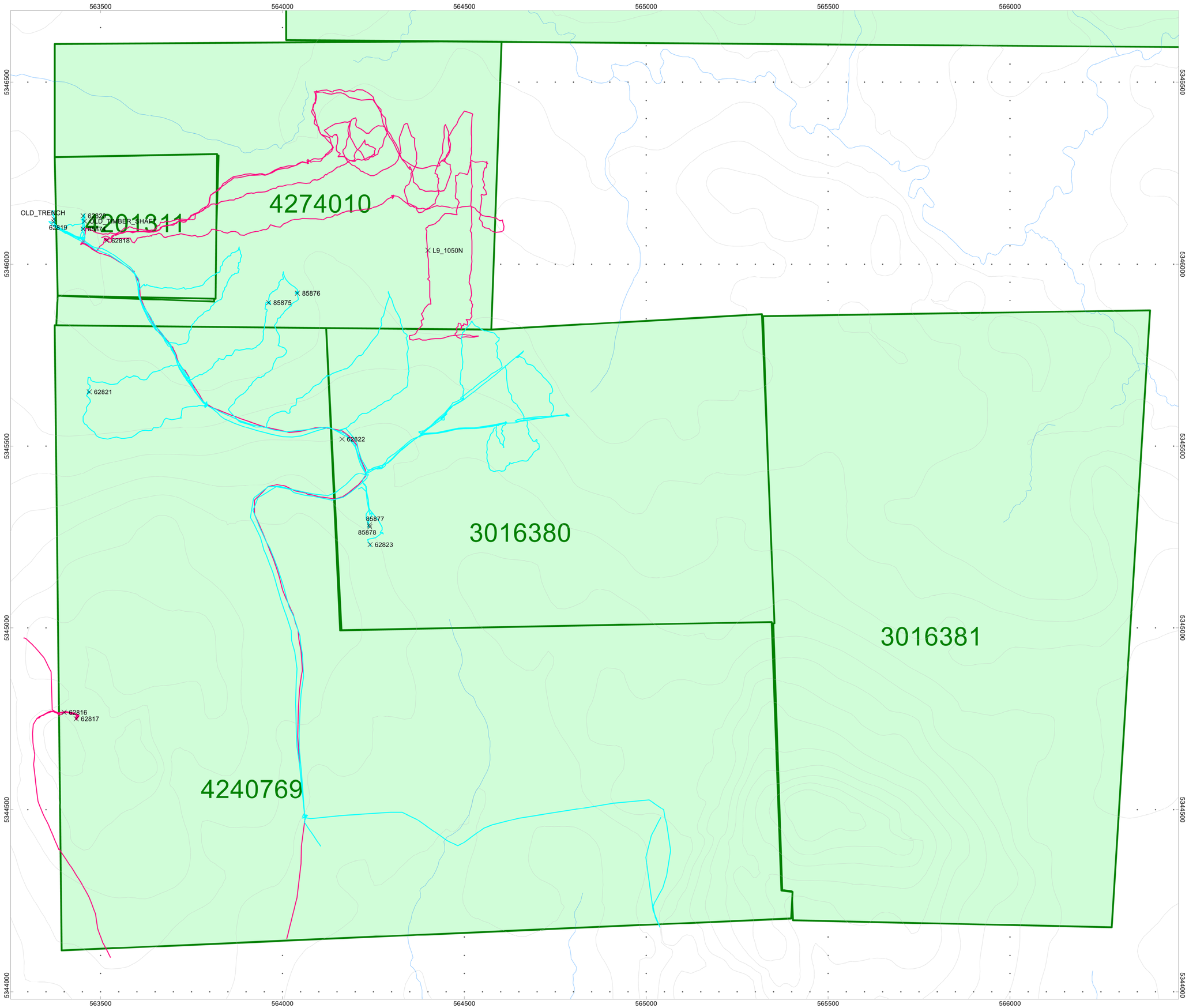
APPENDIX C

LIST OF MAPS (IN MAP POCKET)

Posted Traverse Plan Map (1:5000)

1) Q2395-GOLDENVALLEY-BLUE MOUNTAIN-TRAVERSE

TOTAL MAPS = 1



June 13, 2017

June 14, 2017

Scale 1:5000

100 0 100 200 300

(meters)

NAD83 / UTM zone 17N

Golden Valley Mines Ltd.
Mines de la Vallée de l'Or ltée

BLUE MOUNTAIN PROSPECT
Bernhardt Township, Ontario

PROSPECTING TRAVERSE PLAN MAP

June 13, 2017
June 14, 2017

Operated By: Claudia Moraga
Processed by: C Jason Ploeger, B.Sc.
Map Drawn By: C Jason Ploeger, B.Sc.
June 2017

CANADIAN EXPLORATION SERVICES LTD

Drawing: Q2395-GOLDEN VALLEY-BLUE MOUNTAIN-PROSP