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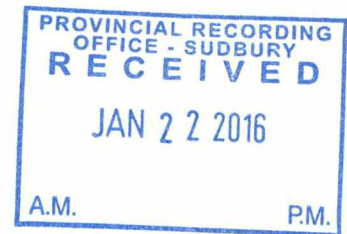
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Appendix 1:

Summary of Aboriginal Consultation Events during 2013 to 2014 for HLM's PAK Lithium Project





Houston Lake Mining Aboriginal Consultation: 2013 to 2015

PAK Lithium Project, Northwestern Ontario

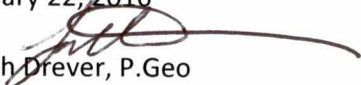
Summary

This report documents Houston Lake Mining's (HLM) activities associated with conducting consultation with Aboriginal communities in relation to exploration activities on the PAK Lithium Project in North western Ontario (Figure 1). The PAK Lithium Projects consists of 34 mining claims comprising 436 claim units, one of which (1232441) is in the process of conversion to a mining lease. Table 1 is a summary of the contiguous claims that make up the PAK Lithium Project.

The Ministry of Northern Development and Mines (MNDM) have instructed HLM to contact and develop consultation protocols with the communities of North Spirit Lake and Deer Lake. During the reporting period HLM attended 10 meetings at Deer Lake First Nation, North Spirit Lake First Nation and 2 meetings at the project site. Details and summary of expenditures for each meeting is included in Appendix 1. All meetings were focussed on direct consultation with the members of the communities that include the Chief and Council, Elders and other residents. The meetings ranged from formal and informal presentations to site visits that include an operational diamond drill and winter camp to summer field visit showing results of the drilling programs, stripping and channel sampling and the site of the bulk sample extracted during March 2015.

Direct costs associated with the consultation process have been evenly distributed over all 34 mining claims based on size of claim.

January 22, 2016


Garth Drever, P. Geo
Vice President Exploration
Houston Lake Mining Inc.

HLM Summary of Aboriginal Consultation Expenses: 2013 to 2015

Deer Lake First Nation

January 16, 2014 Organized Meeting Meeting at Deer Lake FN Band Office

Administration	\$385
Document Preparation	\$850
Other Costs	\$1,600
Travel Expenses	\$1,400
Sum	\$4,235

February 10, 2015 Casual Meeting Meeting at Deer Lake Band Office

Administration	\$65
Other Costs	\$450
Travel Expenses	\$200
Sum	\$715

February 17, 2015 Organized Meeting Meeting at Deer Lake Band Office

Administration	\$190
Document Preparation	\$750
Other Costs	\$950
Travel Expenses	\$200
Sum	\$2,090

Total \$7,040

North Spirit First Nation

January 16, 2013 Organized Meeting Meeting at North Spirit Lake FN Band Office

Administration	\$418
Document Preparation	\$600
Other Costs	\$1,600
Travel Expenses	\$1,975
Sum	\$4,593

January 14, 2014 Organized Meeting Meeting at North Spirit Lake FN Band Office

Administration	\$395
Document Preparation	\$850
Other Costs	\$1,600
Travel Expenses	\$1,500
Sum	\$4,345

March 9, 2014 Organized Meeting Met with North Spirit Lake Council Members at the Exploration Camp and at the diamond drill at the outcrop area.

Administration	\$73
Meeting Costs	\$75
Other Costs	\$500
Travel Expenses	\$150
Sum	\$798

February 2, 2015 Organized Meeting Meeting at North Spirit Lake FN Band Office. Representation from NSLFN, DLFN, KO, MNR and MNM in attendance

Administration	\$764
Document Preparation	\$2,250
Other Costs	\$3,225
Travel Expenses	\$2,160
Sum	\$8,399

July 14, 2015 Organized Meeting Site visit to Pakeagama Lake Exploration Camp and Outcrop area

Administration	\$1,339
Document Preparation	\$2,200
Meeting Costs	\$250
Other Costs	\$3,895
Travel Expenses	\$7,045
Sum	\$14,729

October 27, 2015 Organized Meeting

Formal Meeting at North Spirit Lake FN. Representatives from North Spirit Lake and Deer Lake FN plus Chris Bath (MNDM) in attendance.

Administration	\$1,472
Document Preparation	\$1,750
Meeting Costs	\$675
Other Costs	\$3,250
Travel Expenses	\$9,045
Sum	\$16,192
Total	\$49,055
Grand Total	\$56,095



Houston Lake Mining Inc.

2014 - 2015: Aboriginal Consulation Description and Costing Report

Deer Lake First Nation

January 16, 2014 Organized Meeting

Venue: Meeting at Deer Lake FN Band Office

Objective: Met with Chief and Councillors to discussed proposed 2014 Drill Program at Pak

Trevor Walker flew to Deer Lake from Winnipeg to discuss HLM's activities and the proposed winter drill program. The meeting went well, however, was unable leave as plane was cancelled due to weather. Stayed overnight and toured around the Deer Lake community by Roland Pennmican and George Meekis. They are OK with HLM's drilling proposal for 2014.

<u>Expenditure Item</u>	<u>Expenditure</u>	<u>Comments</u>
Administration	\$385	10%
Document Preparation	\$850	Preparation: Powerpoint etc
Other Costs	\$1,600	Salaries
Travel Expenses	\$150	Meals (Deer Lake/Winnipeg)
Travel Expenses	\$1,100	Airfare Sudbury - Deer Lake (oneway)
Travel Expenses	\$150	Lodging: Winnipeg
Sum for Activity	\$4,235	

February 10, 2015 Casual Meeting

Venue: Meeting at Deer Lake Band Office

Objective: To discuss new proposed access for hauling bulk sample

G Drever was already half way from the drill camp to Deer Lake when informed that few councillors were available so decided to continue and drop off a map illustrating the new proposed access trail from the winter road to the operational site at PAK. Upon arrival G Drever was told that Chief Roy Dale was at home and they were expecting him anytime and that some of the other councillors were indeed in town. G Drever spent the afternoon at the Deer Lake Band office waiting for Chief Roy Dale and finally spoke with Saulas Meekis who set up a meeting the following week.

<u>Expenditure Item</u>	<u>Expenditure</u>	<u>Comments</u>
Administration	\$65	10%
Other Costs	\$450	Salaries
Travel Expenses	\$200	Travel Costs (Vehicle, fuel etc)
Sum for Activity	\$715	

February 17, 2015 Organized Meeting

Venue: Meeting at Deer Lake Band Office

Objective: To discuss and obtain approval for new proposed access for hauling bulk sample (Winter Road to Project Site)

Trevor Walker and Garth Drever drove from the winter drill camp to Deer Lake and met with Chief and councillors to discuss a new proposed haul road. Garth had snowshoed a route through the low ground immediately north of our existing trail. He took photographs and prepared a PowerPoint showing the photographs with location of proposed trail. It was agreed that as long as North Spirit Lake as OK with the location Deer Lake was also OK.

<u>Expenditure Item</u>	<u>Expenditure</u>	<u>Comments</u>
Administration	\$190	10%
Document Preparation	\$750	Prepare PP Presentation
Other Costs	\$950	Salaries
Travel Expenses	\$200	Travel Costs (Vehicle, fuel etc)
Sum for Activity	\$2,090	
Total for FN Group	\$7,040	

North Spirit First Nation

Objective: To provide a project update and discussion of proposed work program at PAK prior to MNM granting permit.

Representatives from KNET (Franz Seibel), MNM (Chris Bath), Deer Lake council (Roland Pemmican, George Meekis and an Elder), MNR (Mike Sanders) met at North Spirit Lake Band office with NSL Chief and council plus several Elders and community members to discuss the proposed 2015 diamond drilling, bulk sampling and access to site. Trevor presented an overview of the program verbally and with PowerPoint presentation. The proposed access via Duckling Lake along the muskeg-river system to Pakeagama Lake met with resistance from North Spirit Lake council and Elders mainly because of the sensitive nature of the area and the wild rice growing in the lakes and surrounding lowland. They were OK with the program but refused to allow access from Duckling Lake. This was the first indication for HLM that there was an issue. It was strongly recommended that HLM propose an alternative location for an access trail to haul the bulk sample. Because the exploration permit granted in 2014 was valid for 2015, HLM proceeded with the diamond drilling and would propose an alternate access trail within the next couple of weeks once at site. Once the new trail is approved by both Deer Lake and North Spirit Lake MNM would approve the extraction of the bulk sample

<u>Expenditure Item</u>	<u>Expenditure</u>	<u>Comments</u>
Administration	\$764	10%
Document Preparation	\$2,250	Preparation: PowerPoint, printed maps and preparation of Agenda etc
Other Costs	\$3,225	Salaries
Travel Expenses	\$250	Meals Thunderbay
Travel Expenses	\$310	Lodging Thunderbay
Travel Expenses	\$1,600	Airfare Sudbury to Thunderbay return
Sum for Activity	\$8,399	

July 14, 2015 Organized Meeting

Venue: Site visit to Pakeagama Lake Exploration Camp and Outcrop area

Objective: Opportunity for North Spirit Lake Council and Elders to visit HLM's PAK Project and to view the surround area (Pakeagama to Duckling Lake ridge)

HLM chartered a Single Otter aircraft on floats and attached cameras to photograph the winter road from the end of the Nungasser Road to the PAK Lithium project area. The aircraft continued to North Spirit Lake and picked up 6 residents and returned to PAK. Lunch was provided at the exploration campsite from where we walked to the outcrop area to observe drill hole collars, drill equipment, fuel tanks and the site of the bulk sample pit.

Discussion ensued regarding openness between HLM and NSL. Garth Drever requested that Chief Carolyn revisit the MoU so we can begin a formal dialogue with periodic reporting, updates and transfer of information/knowledge. Claudette Tookata suggested they would be more comfortable with a CA. Ian Drever explained that HLM is a public company and that it would be improper to disclose information to NSL prior to press releases etc. An MoU is a vehicle to formalize our relationship. NSL indicated they are happy with what HLM have done so far, however, they want HLM to be open and honest with everything we do (Donald Campbell, Deputy Chief).

Donald wants copies of the images of the winter road. We said that its possible but we need the MoU signed. Claudette indicated that Deer Lake have not signed their MoU because they are waiting for NSL to do so. Claudette also suggested we invite Deer Lake council/elders to visit the site as they have done.

Ian returned with Claudette and others to NSL and then flew a small grid over the ridge between Pakeagama Lake and Duckling Lake. NSL are looking for specific sites that others from NSL are pointing out (specific rock formations (rounded) and photographs).

Returned to Red Lake arriving at 7:00pm

Claudette returned with us to Red Lake. She did not disclose the purpose of her visit to Red Lake other than she would return via Superior Air the next day.

<u>Expenditure Item</u>	<u>Expenditure</u>	<u>Comments</u>
Administration	\$1,339	10%
Document Preparation	\$2,200	Prepare and print maps and figures for distribution
Meeting Costs	\$250	Lunch for Field Visit
Other Costs	\$2,750	Salaries
Other Costs	\$1,145	Data Processing for Orthopoto and DEM for NSL area of interest
Travel Expenses	\$3,250	Air Charter Red Lake - North Spirit Lake - Pakeagama Lake Return
Travel Expenses	\$330	Lodging Red Lake
Travel Expenses	\$225	Meals (2 days; 2 people)
Travel Expenses	\$3,240	Airfare Sudbury to Red Lake Return
Sum for Activity	\$14,729	

North Spirit First Nation

October 27, 2015 Organized Meeting

Venue: Formal Meeting at North Spirit Lake FN. Representatives from North Spirit Lake and Deer Lake FN plus Chris Bath (MNDM) in attendance.

Objective: Update and discussion regarding HLM's activity at PAK and to establish communication protocols

HLM chartered an aircraft from Thunderbay which was used to ferry councillors and Elders from Deer lake to North Spirit Lake. Representatives from both NSL and Deer Lake were in attendance at the high school gymnasium in North Spirit Lake. Immediately after introductions HLM reps and Chris Bath (MNDM) were asked to step out while NSL and DLFN had a separate meeting to discuss HLM's presence and activities in the area. Once HLM were invited back (90 minutes later) HLM continued with an PowerPoint update and proposal for 2016 which included additional drilling and the extraction of a larger bulk sample. Response from the FN was mixed but mostly negative. In the end Chief Caroline (NSL) read a prepared letter that indicated they want an Agreement in place before any more work is done.

<u>Expenditure Item</u>	<u>Expenditure</u>	<u>Comments</u>
Administration	\$1,472	10%
Document Preparation	\$1,750	Prepare Agenda - PowerPoint Presentation, maps figures etc.
Meeting Costs	\$675	Lunch for 40 catered
Other Costs	\$3,250	Salaries
Travel Expenses	\$2,450	Airfare Sudbury to Thunderbay return
Travel Expenses	\$620	Lodging, taxi etc. Thunderbay
Travel Expenses	\$325	Meals (2 days for 3 people)
Travel Expenses	\$5,650	Charter Thunderbay -NSL-DL-NSL-DL-NSL-Thunderbay
Sum for Activity	\$16,192	
Total for FN Group	\$49,055	
Grand Total	\$56,095	

JAN 22 2016

Table 1: Summary of PAK Lithium Project Dispositions

Claim Name	Owner	Units	Recorded	Due Date	Required	Total Work	Reserve	Ha	P.M.
KLR 1232441	HLM (100%)	16	1998-07-30	2016-07-30	\$6,400	\$115,200	\$987,466	256	
KLR 4224922	M. Desmeules (50%) & K. Smith (50%)	16	2009-08-12	2016-08-12	\$6,400	\$32,000	\$0	256	
KLR 4224923	M. Desmeules (50%) & K. Smith (50%)	16	2009-08-12	2016-08-12	\$6,400	\$32,000	\$0	256	
KLR 4224924	M. Desmeules (50%) & K. Smith (50%)	16	2009-08-12	2016-08-12	\$6,400	\$32,000	\$0	256	
KLR 4244431	HLM (100%)	15	2014-03-11	2016-03-11	\$6,000	\$0	\$0	240	
KLR 4244432	HLM (100%)	15	2014-03-11	2016-03-11	\$6,000	\$0	\$0	240	
KLR 4244433	HLM (100%)	15	2014-03-11	2016-03-11	\$6,000	\$0	\$0	240	
KLR 4244434	HLM (100%)	15	2014-03-11	2016-03-11	\$6,000	\$0	\$0	240	
KLR 4244435	HLM (100%)	15	2014-03-11	2016-03-11	\$6,000	\$0	\$0	240	
KLR 4245780	HLM (100%)	1	2014-03-11	2016-03-11	\$400	\$0	\$0	16	
KLR 4272452	HLM (100%)	16	2012-09-25	2016-09-25	\$6,400	\$12,800	\$0	256	
KLR 4272453	HLM (100%)	16	2012-09-25	2016-09-25	\$6,400	\$12,800	\$0	256	
KLR 4272454	HLM (100%)	16	2012-09-25	2016-09-25	\$6,400	\$12,800	\$0	256	
KLR 4274173	HLM (100%)	12	2013-03-19	2016-03-19	\$4,800	\$4,800	\$0	192	
KLR 4274663	HLM (100%)	16	2013-03-19	2016-03-19	\$6,400	\$6,400	\$0	256	
KLR 4274680	HLM (100%)	12	2013-03-19	2017-03-19	\$4,800	\$9,600	\$0	192	
KLR 4274681	HLM (100%)	4	2013-02-21	2017-02-21	\$1,600	\$3,200	\$0	64	
KLR 4274682	HLM (100%)	12	2013-02-21	2017-02-21	\$4,800	\$9,600	\$0	192	
KLR 4274683	HLM (100%)	8	2013-02-21	2017-02-21	\$1,600	\$8,000	\$0	128	
KLR 4274684	HLM (100%)	12	2013-02-21	2017-02-21	\$4,800	\$9,600	\$0	192	
KLR 4274685	HLM (100%)	12	2013-02-21	2017-02-21	\$4,800	\$9,600	\$0	192	
KLR 4274686	HLM (100%)	12	2013-03-19	2016-03-19	\$4,800	\$4,800	\$0	192	
KLR 4274687	HLM (100%)	12	2013-03-19	2016-03-19	\$4,800	\$4,800	\$0	192	
KLR 4274766	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4274767	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4274768	HLM (100%)	12	2014-07-10	2016-07-10	\$4,800	\$0	\$0	192	
KLR 4274769	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4274776	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4274777	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4274778	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4274779	HLM (100%)	15	2014-07-10	2016-07-10	\$6,000	\$0	\$0	240	
KLR 4283825	HLM (100%)	16	2015-06-10	2017-06-10	\$6,400	\$0	\$0	256	
KLR 4283826	HLM (100%)	3	2015-06-10	2017-06-10	\$1,200	\$0	\$0	48	
Totals		436			\$172,800	\$320,000	\$987,466	6976	