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Work Assessment Report

Hemlo North Property

Wabikoba Lake Area

Thunder Bay District

Ontario

NTS 42 C/13

Assembled by: John Florek

Date: December 11, 2018

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Summary:

Continued Prospecting program was initiated to follow up on results from historical drillholes on the previously named Qued Property. Also, to the south of the property is a historical gold intercepts drilled by Hemlo Gold Mines in 1995. The results, of the drillhole (F1-95-2), indicated a zone of high-grade gold mineralization at the margins of the Musher Lake Porphyry within volcanoclastics with iron-formation. This zone graded 37.4 g/t Au over 1.0 meter. There are visuals of green mica in hydrothermal breccias adjacent to felsic intrusives in the vicinity, and the vision of the prospecting was to expand on this concept for gold mineralization along the margin of a similar felsic porphyry, which is seen to the south and is intimately related to the gold mineralization in vicinity.

Abundant sulfidation of the rocks were found at the northern margin of a felsic porphyry. Grub hoe prospecting along this margin, as well as, a along a coincident IP anomaly and magnetic high within this vicinity was accomplished.

Introduction:

John Florek has 100% interest in the Hemlo North Property located in Wabikoba Lake Area of the Thunder Bay District, Ontario, within the Northern Portion of the Hemlo Greenstone Belt. The Property consists of two (2) claim and ten (10) boundary claim under the new system. The historical Claim Group number was 4263483, which consisted of 6 claim units. **Table 1** and **Figure 1 and 2** shows the location of the group of claim units.

Hemlo North Property – John C Florek		
New Claim Number (Historical #4263483)	Boundary Claim Number	Claim Units
190,806		1
202,959		1
	239,489	Partial
	202,958	Partial
	246,970	Partial
	202,957	Partial
	172,886	Partial
	306,813	Partial
	202,960	Partial
	306814	Partial
	190,807	Partial
	108,373	Partial

Table 1: Claims 100% owned by John C Florek

The Hemlo North property is located 32 kilometres south of Manitowadge, Ontario. The property is readily accessible by logging roads and is 5 km east of Hwy 614.

Regional Geology

The property occurs within the Wawa Subprovince of the Superior Province. It lies along the north limb of the Archean Schreiber-Hemlo greenstone belt. The belt consists of variably metamorphosed southwest dipping metavolcanic and metasedimentary units.

The nearby Hemlo Gold Deposit has produced 20+ million ounces of gold to date. It is located in the highly strained Lake Superior Shear Zone. The deposit is westward plunging, and extends for a strike length of 2.5 km. The Hemlo North property is located approximately 16 km northeast of this deposit.

Property Geology

The Hemlo North property lies directly on the northern contact of the Musher Lake Granodiorite Pluton. To the north, flanking the intrusion is a series of felsic intrusives that are hosted in predominately mafic volcanics with subordinate metasedimentary rocks. The rocks on the property steeply dip to the south and strike to the southeast. Geological mapping suggests southward younging direction for the pillow flows associated with the mafic volcanic sequence (**Figure 4**).

Historical drilling has intercepted significant areas of alteration and mineralization. Although the Musher Lake Porphyry is both visually and chemically altered, no apparent gold values were obtained in this rock unit. However, gold mineralization was encountered in the flanking auspicious volcanoclastic/metasedimentary sequences within the mafic volcanics; these areas of mineralization are spatially associated with felsic intrusives rocks. These felsic intrusives rocks are significantly altered and contain pyrite, molybdenum, and green mica. **Figure 3** shows the location of the rocks collected during prospecting in 2016, which are related and proximal to a felsic porphyry intrusive with sulfide mineralization; similar to the setting just south of the claim group where 37.4 g/t Au was intercepted in a drillhole.

Historical Work Performed

Several previous companies have worked near the vicinity of the property and the information is contained in the assessment files located at the MNDM. A brief synopsis below of work performed around and within this property are contained in these reports (information is taken from assessment report 42C13SE0070):

McIntyre-Porcupine Mines, Von Klien option, 1962

Numerous copper-nickel and copper-tead-zinc occurrences were discovered. Electromagnetic conductors and magnetic anomalies were tested with 28 diamond drill holes, but mineralization was weak and discontinuous with depth.

Noranda Exploration Co. Ltd, 1976

Dotted Lake airborne survey completed over the area.

Pryme Energy (North), 1982

Work concentrated on the McIntyre occurrence.

Qued Resources, 1983

Geological mapping, trenching and drilling was completed on a claim group to the north of the Fowler #1 property. Emphasis was on stratabound gold mineralization within iron rich interflow

sedimentary sequences. Drilling returned values of up to 0.025 oz/ton over 3 metres.

Norman Resources Limited, 1983

Geological mapping, soil geochemistry, airborne magnetics and VLF-EM data were collected covering an area immediately southeast of the present claim block. Soil samples were all low range with one sample returning 45 ppb. No significant near surface concentration of precious metals were discovered.

Kelly-Kerr Energy Corp., 1986-1988

Geological mapping, stripping, soil geochemistry covered an area to the east of the present claim group.

Noranda Exploration Co. Ltd, Newjay Property, 1987-1989

Humus geochemistry and geology filed covering a portion of the adjacent North Limb claim group. No anomalous Au values were found in the 23 rock samples analysed. A weak Au humus anomaly is reported to overlie a felsic-mafic contact.

Noranda Exploration Co. Ltd, Norman Resources Property, 1989

Geological report, plans, soil/rock geochemistry and assays filed for a claim block located southeast of the present property. Several anomalous Au values were recorded from the soil survey samples but results were not considered encouraging.

Fowler/Shuman, Armand Lake Property, 1991

A report was completed covering prospecting and stripping on the Folwer #1 property.

Newmont Exploration of Canada Ltd., 1992

Geological and lithochemical reports for a claim group located south-east of the present claims.

Hemlo Gold Mines Inc., 1994

Trenching and geological mapping was completed on trenches 150E, 153E, and 156E on the Fowler #1 property.

Hemlo Gold Mines Inc., 1995

Drilling of Nine holes on the North Limb properties
Mapping of cut line and re-mapping of old exploration trenches.

Sparton Resources

No work report filed.

Work Program

The main goal was to identify and prospect the area where a felsic porphyry outcropped, which is potentially related to know gold occurrences in the vicinity.

A review of the historical work was performed on the property prior to field work. Attempts were made to put pertinent historical information into a GIS format, so that precise areas could be located since all

established surface grids are now extinct. This was the basis for prospecting and collecting mineralized outcrop samples to follow up on conceptual targets. Samples that were collected are shown in **Figure 3** and **Appendix A**.

The visual petrography did show that the rocks in the area have been silicified in area of the mineralization encountered.

In addition, GPS mapping, of former existing trails and possible DDH locations, was also accomplished; to provide future access to historical drillholes and future unencumbered entry to property.

Recommendations

Further investigation of this claim group is warranted due to barren and endowed gold mineralization in the area. It is suggested that the following be accomplished:

- Follow-up of geochemical, geophysical surveys, and/or additional drilling.
- Prospecting the geology.
- The reestablishment of an overgrown trail to provide access.
- Additional evaluation of the historical drilling and geochemical dataset.

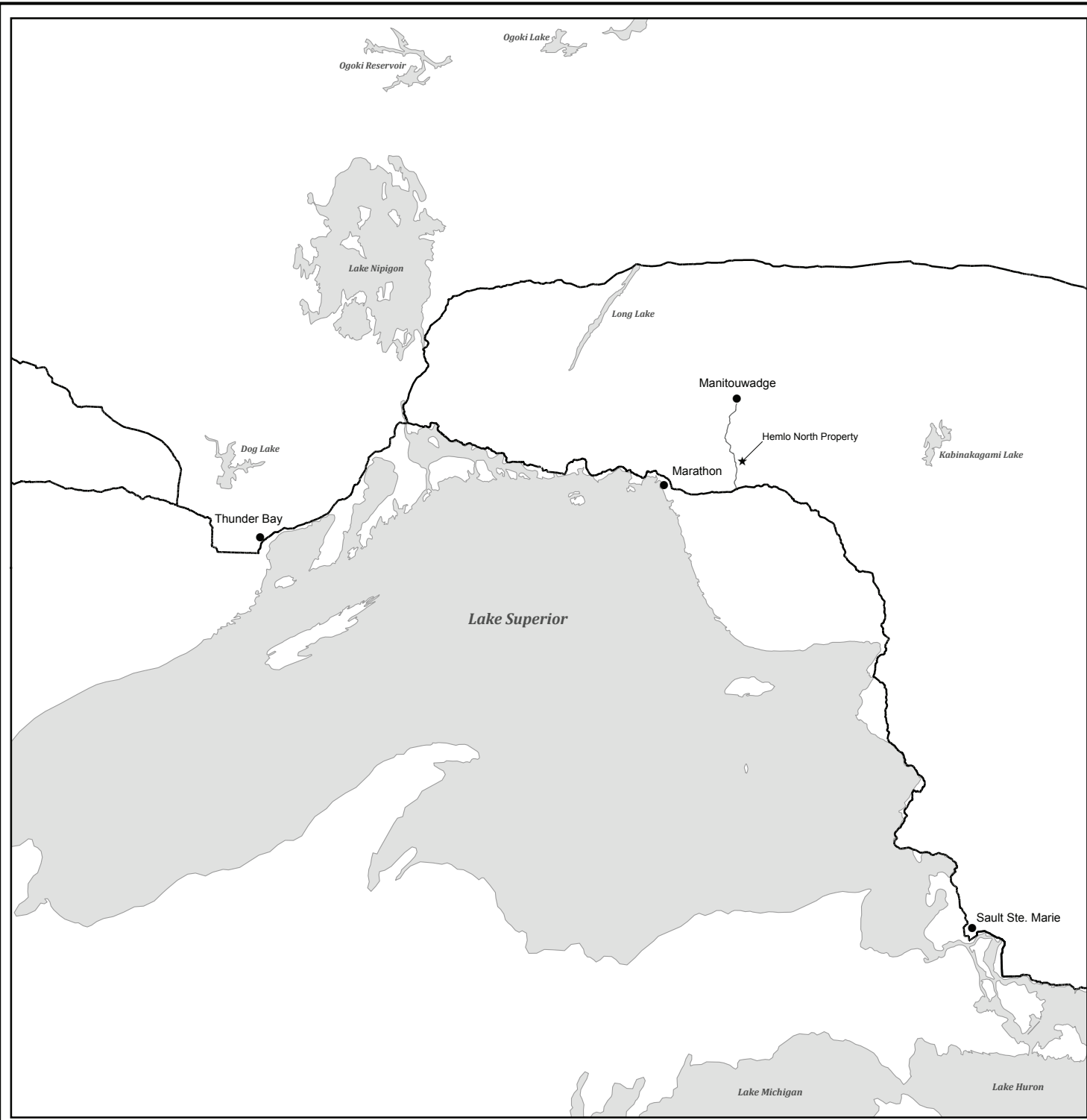
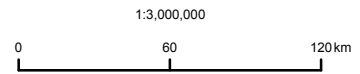


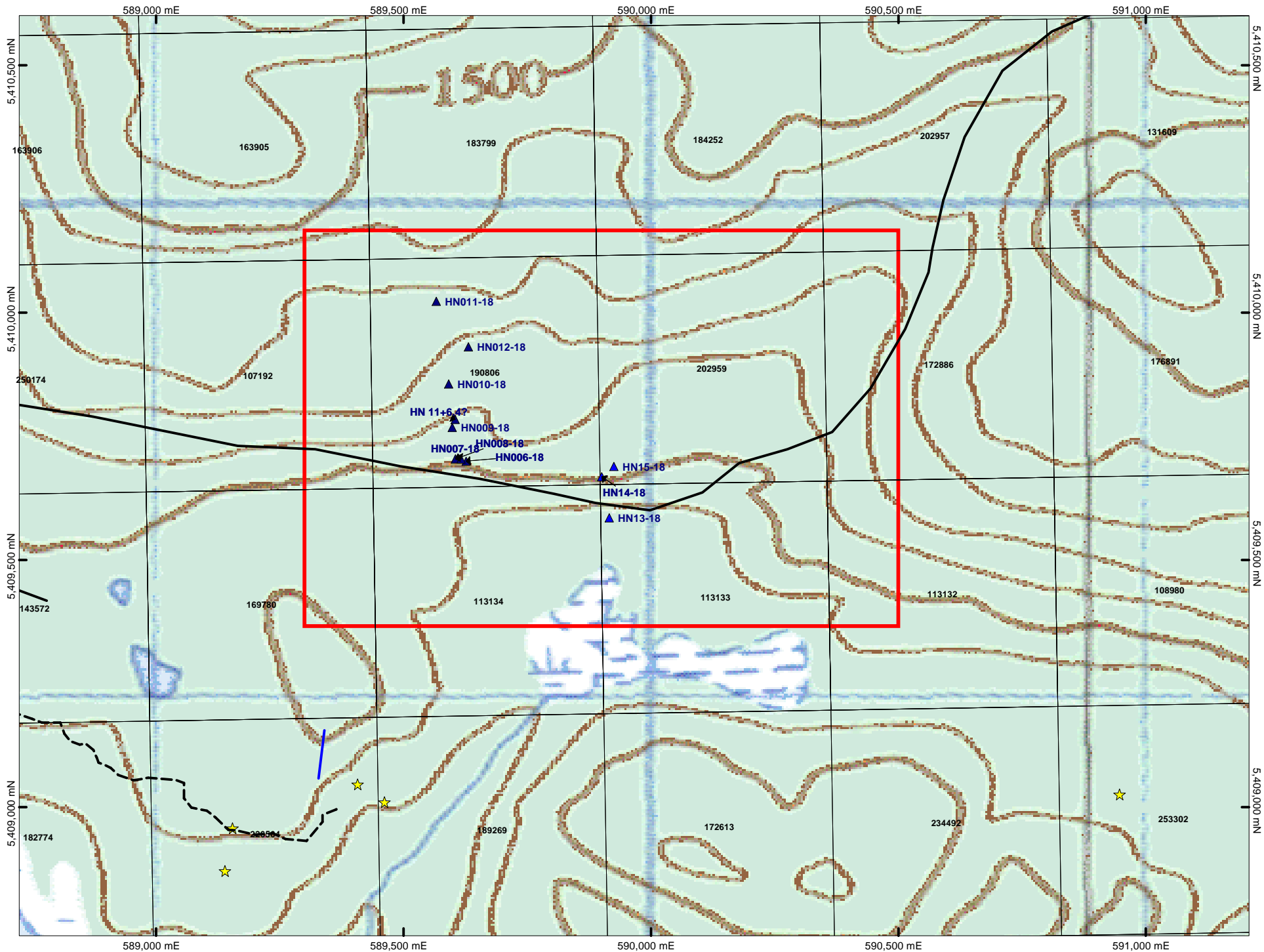
Figure 1.
Northwestern Ontario Location Map
Hemlo North Property

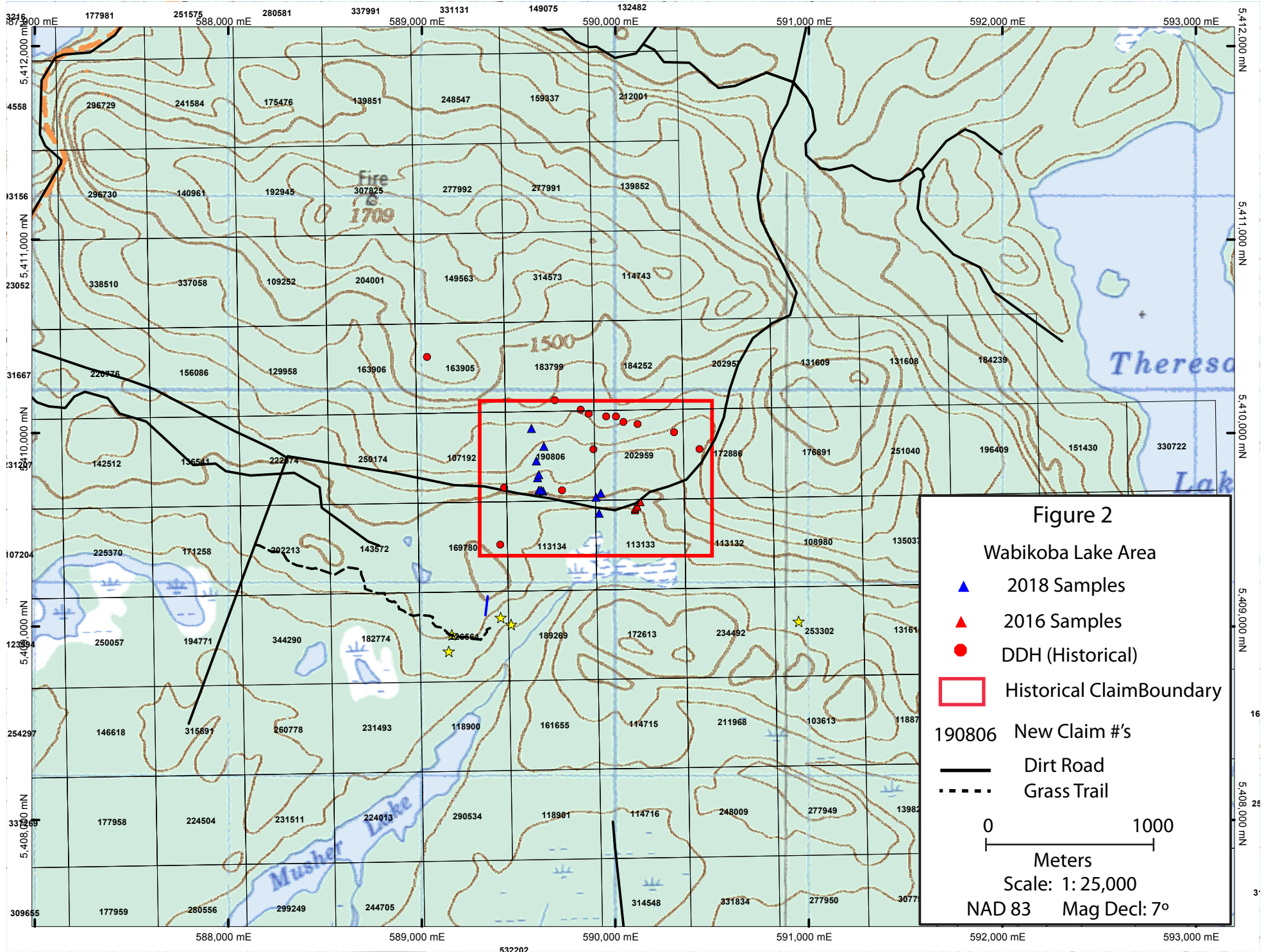
★	Hemlo North Property
●	Communities
—	Trans Canada Highway
—	Hwy 614
■	Water



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532202

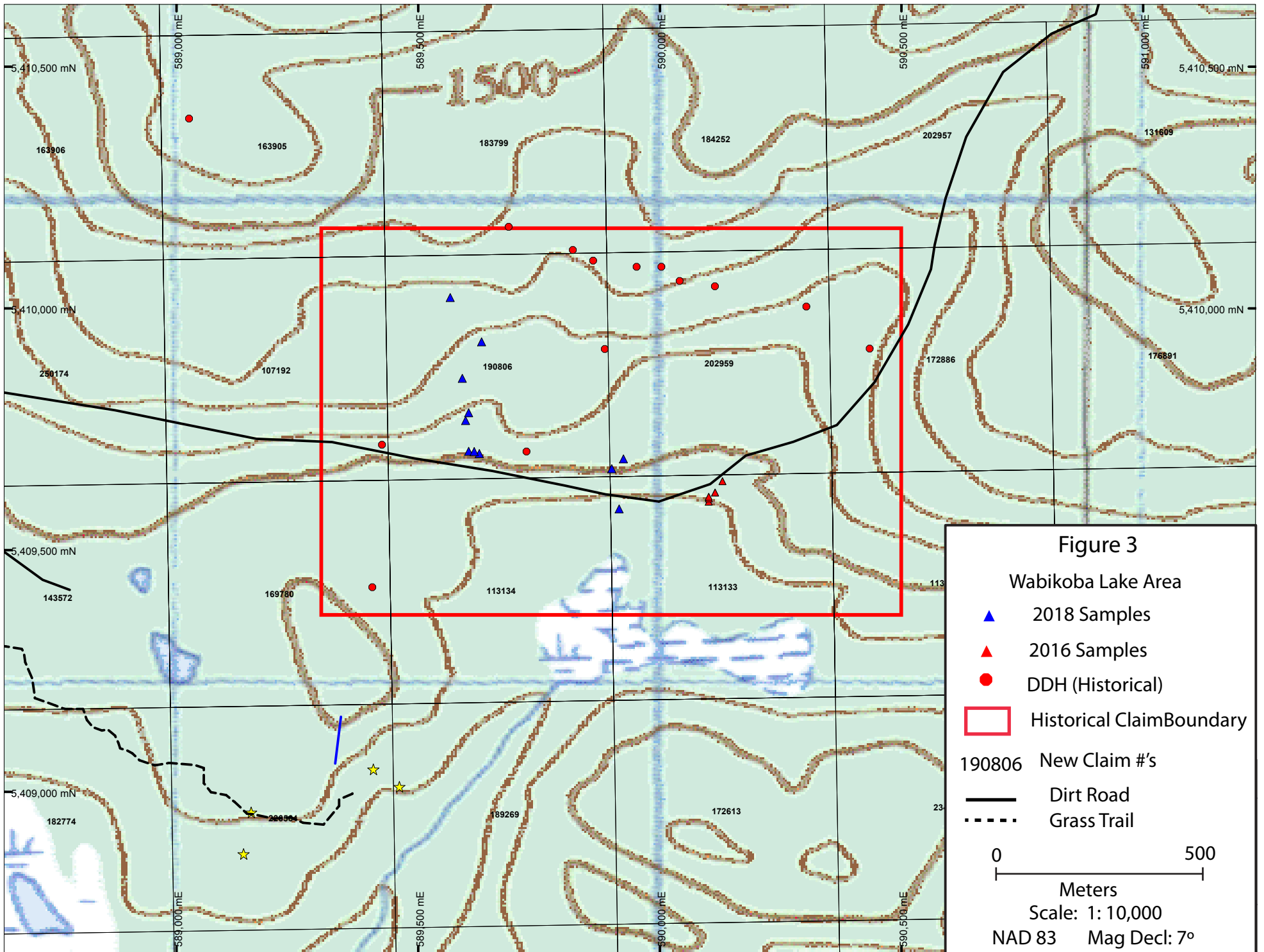
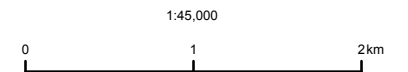
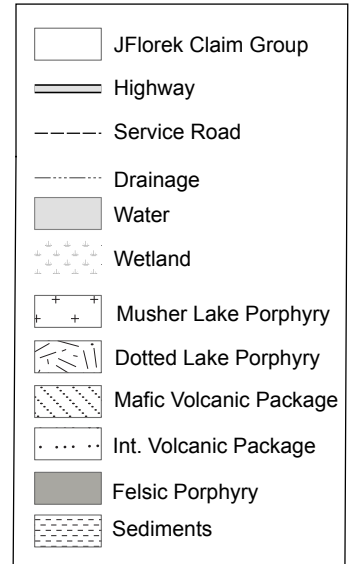
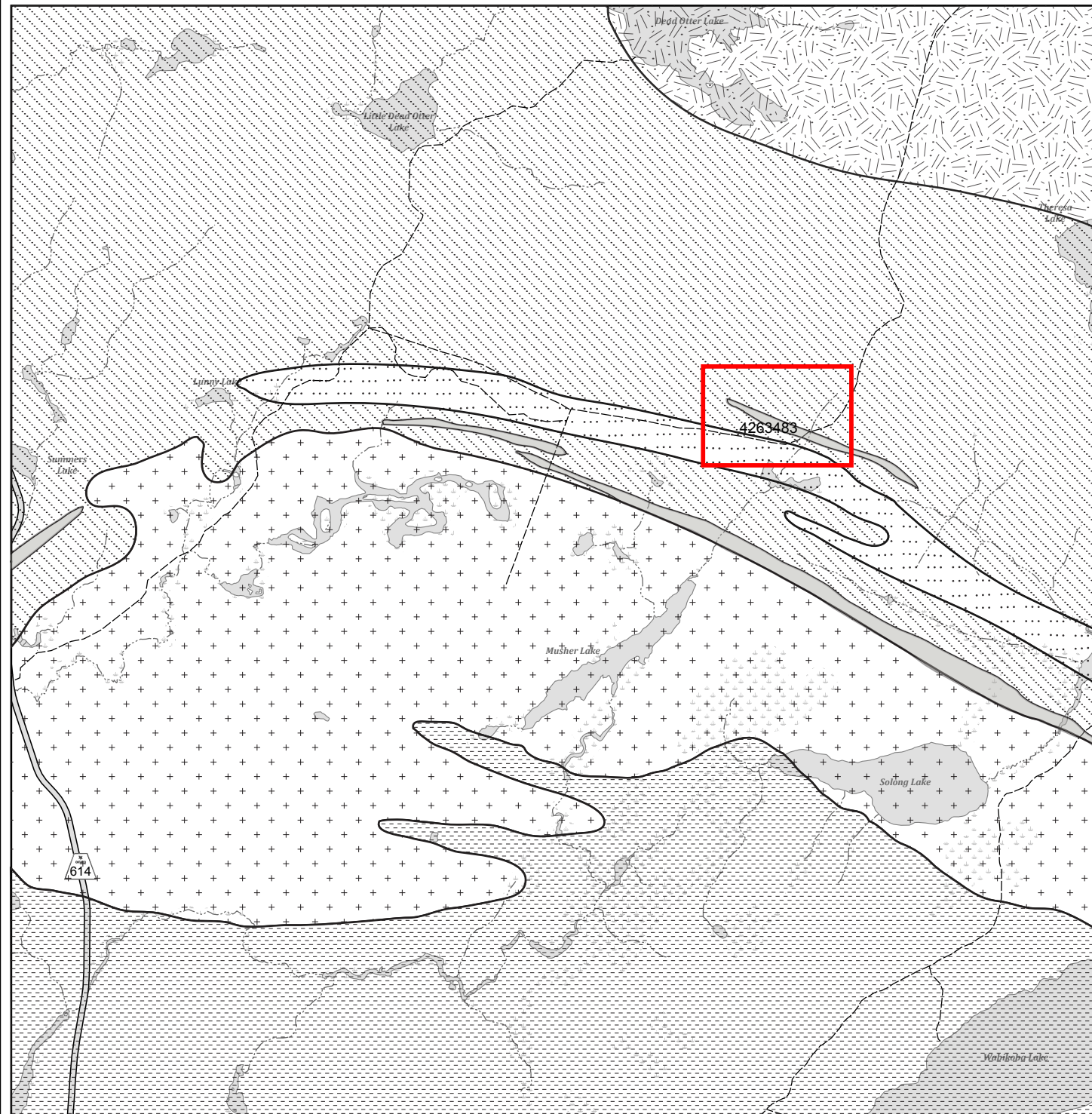
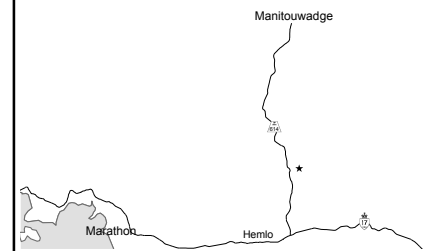


Figure 4.
Hemlo North Property
Simplified Geology Map



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Appendix A

Geochemistry and Table

SampleID	Date	latitude	longitude	altitude (m)	Litho	Description	Structure
HN006-18	16/10/2018 17:01	48.8338	-85.7787	435.6	Basalt	5-10% py+aspy	
HN008-18	16/10/2018 17:51	48.83385	-85.779	437.8	Basalt	aspy noticed	
HN007-18	16/10/2018 17:52	48.83384	-85.7788	439.6	Basalt		Fol: 90/80s, Lin: 70w
HN009-18	16/10/2018 18:13	48.83442	-85.779	457.1	Metaseds		
HN 11+6.4?	16/10/2018 18:18	48.83456	-85.779	460.5		Old Grid Stake	
HN010-18	16/10/2018 18:24	48.83521	-85.7791	466.1	QFP		
HN011-18	16/10/2018 18:44	48.83672	-85.7794	477.8	Metaseds	QFP Dikelets, Qtz Vns	
HN012-18	16/10/2018 19:16	48.83588	-85.7786	459.8	Basalt	Ankerite Alteration	Strikes: NW Trending Alteration
HN13-18	27/10/2018 19:44	48.83273	-85.7748	270.2	Basalt	3% py	
HN14-18	27/10/2018 19:54	48.83348	-85.775	287.7	Hybridized	Basalt/Intruv	
HN15-18	27/10/2018 20:00	48.83366	-85.7746	289.9	Hybridized	Basalt/Intruv	



Certificate of Analysis
Work Order : CO1807355
[Report File No.: 0000048805]

Date: November 30, 2018

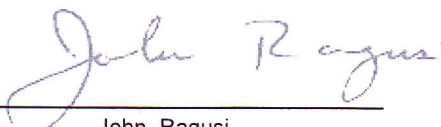
To: **John Florek**
COD SGS MINERALS - GEOCHEM LAKEFIELD
C/O LESLIE STREET.
DON MILLS ON M3B 2M3

P.O. No.: John Florek 09/11/2018
Project No.: -
Samples: 4
Received: Nov 9, 2018
Pages: Page 1 to 2
(Inclusive of Cover Sheet)

Methods Summary

<u>No. Of Samples</u>	<u>Method Code</u>	<u>Description</u>
4	WGH79	Sample Weight & Reporting of weights (REJECTS=1 - ROH store)
4	G_PRP89V	Dry, Crush to 75%, Split to 250g, Pulv to 85%, 75µ
4	GE_FAI323	Au by FAS, ICP-AES, 30g

Certified By :


John Ragusi
Operations Manager assistant

Report Footer:

L.N.R. = Listed not received
n.a. = Not applicable

I.S. = Insufficient Sample
- = No result

*INF = Composition of this sample makes detection impossible by this method
M after a result denotes ppb to ppm conversion, % denotes ppm to % conversion

Methods marked with an asterisk (e.g. *NAA08V) were subcontracted
Elements marked with the @ symbol (e.g. @Cu) denote assays performed using accredited test methods

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Client: FORTITUDE GOLD - John F. Leck 09/11/2018

Element	Wt	Au@
Method	WGH79	GE_FAI323
Det.Lim.	0	0.005
Units	g	g/t
HN006-18	5145.800	0.025
HN008-18	2536.300	0.006
*Dup HN008-18	N.A.	0.006
HN011-18	1559.900	<0.005
HN012-18	1190.600	<0.005
*Rep HN006-18		0.025
*Std OREAS501C		0.229
*Blk BLANK		<0.005

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Appendix B

Pictures and Images

HN 006



HN 007



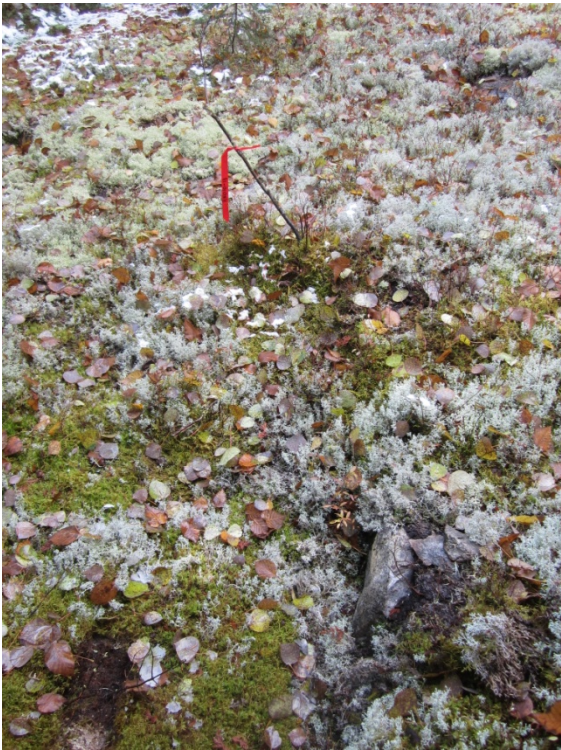
HN 008



HN 009



HN 010



HN 011





HN 012



HN 013



HN 014



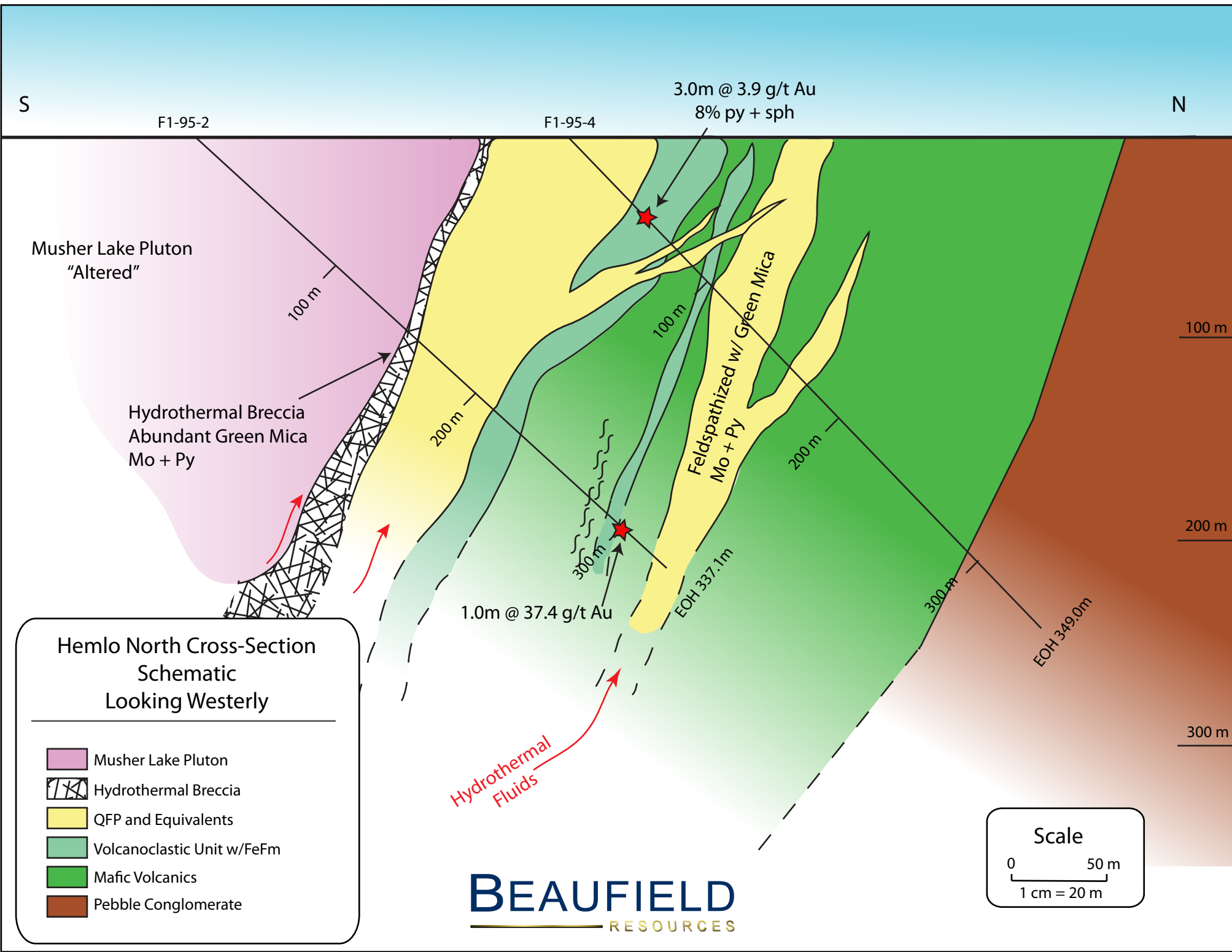
HN 015



Historical Claim #4263483

In Relation to the New Claim Group





S

N

F1-95-2

F1-95-4

3.0m @ 3.9 g/t Au
8% py + sph

Musher Lake Pluton
"Altered"

Hydrothermal Breccia
Abundant Green Mica
Mo + Py

Feldspathized w/ Green Mica
Mo + Py

1.0m @ 37.4 g/t Au

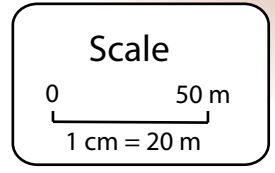
EOH 337.1m

EOH 349.0m

Hemlo North Cross-Section
Schematic
Looking Westerly

- Musher Lake Pluton
- Hydrothermal Breccia
- QFP and Equivalents
- Volcanoclastic Unit w/FeFm
- Mafic Volcanics
- Pebble Conglomerate

Hydrothermal
Fluids



BEAUFIELD
RESOURCES

Appendix C

Costs