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**BARRINGTON RIVER GOLD MINE
PROJECT HISTORY – APRIL 2015**

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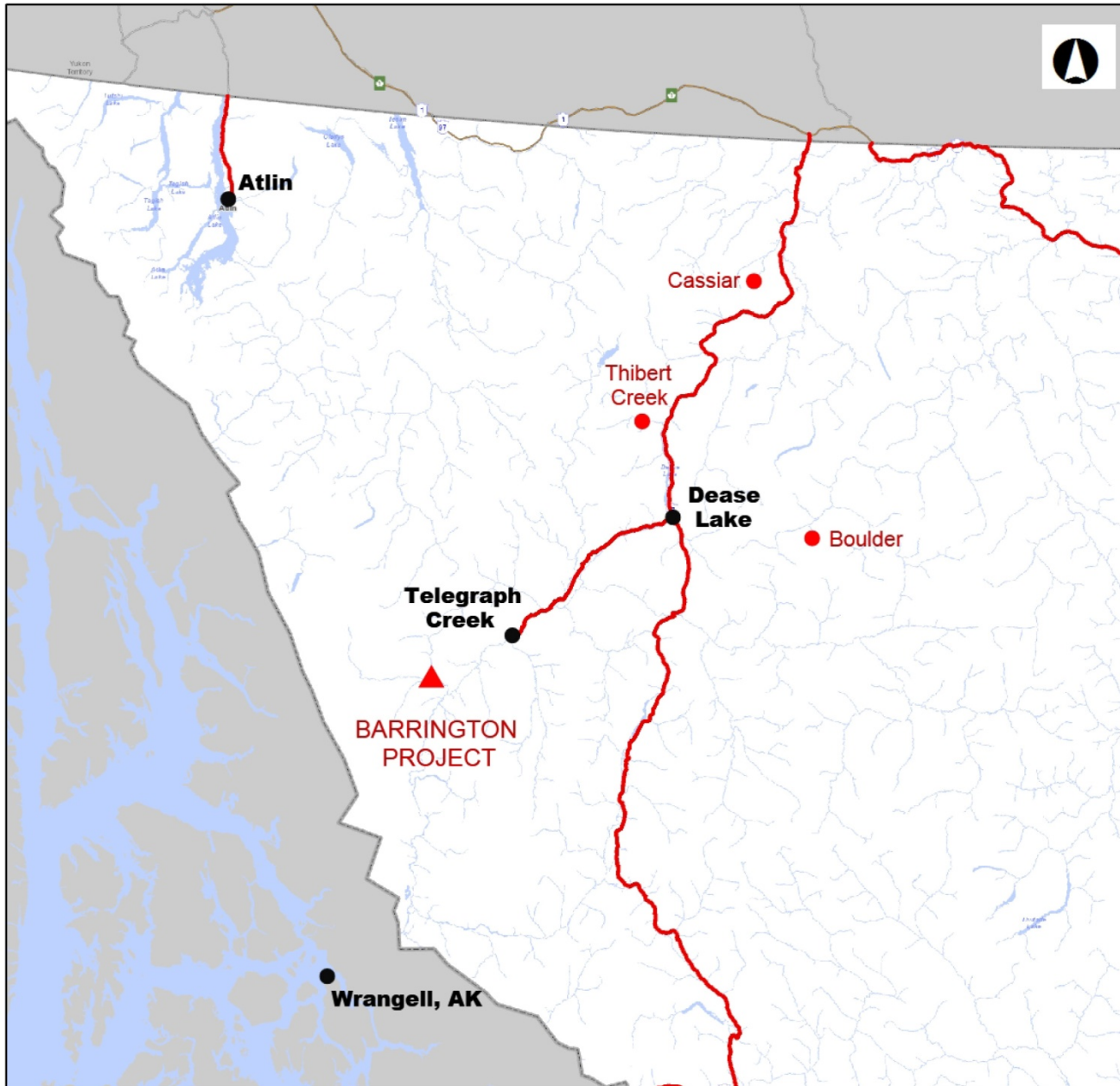
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Outline

- **Project Location**
- **Project Plan View**
- **Project History – Exploration and Production**
 - ✧ 1920's - 30's – Barrington Co.
 - ✧ 1980's - 90's – Integrated Resources Ltd.
 - ✧ 1990's - 00's – Wesley Gwilliam
 - ✧ 2013 - 14 – Aurek Holdings Ltd.
- **Summary**

Project Location and Access

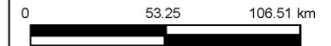
- 40km WSW of Telegraph Creek in the Liard Mining District in northwest BC
- Barrington River
 - ✧ Drains >70,000 Ha watershed associated with significant mineral occurrences
 - ✧ Long season
 - n 150 to 180 days
 - n Last Day of Operations in 2014: October 31
 - ✧ No permafrost
- Access: follow Highway 51 from Dease Lake to Glenora for 125km, then follow Iron Road (mine road) for 30km



Project Location

Legend

- Landmark Kilometre Invento MoT
- TileCache



1: 2,620,787

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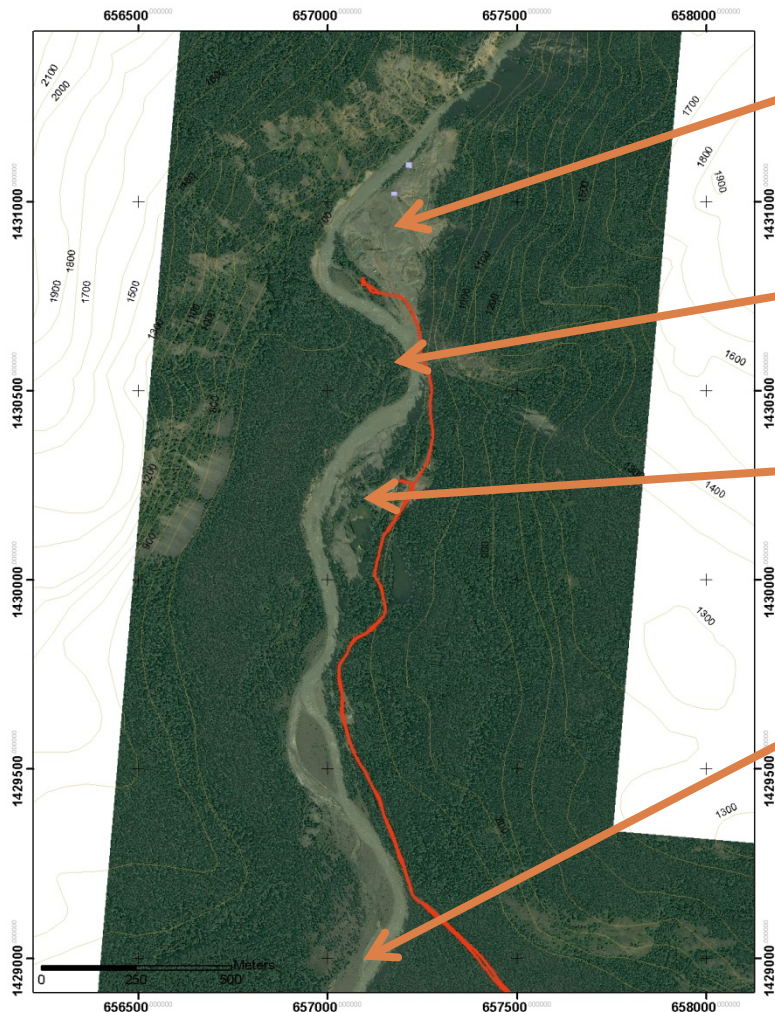
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Datum: NAD83
 Projection: NAD_1983_BC_Environment_Albers

Key Map of British Columbia



Project Plan View



□ First Bend

- Location of +90% of mining to date
- Main focus of exploration by Integrated Resources Ltd. in 1980's

□ Second Bend

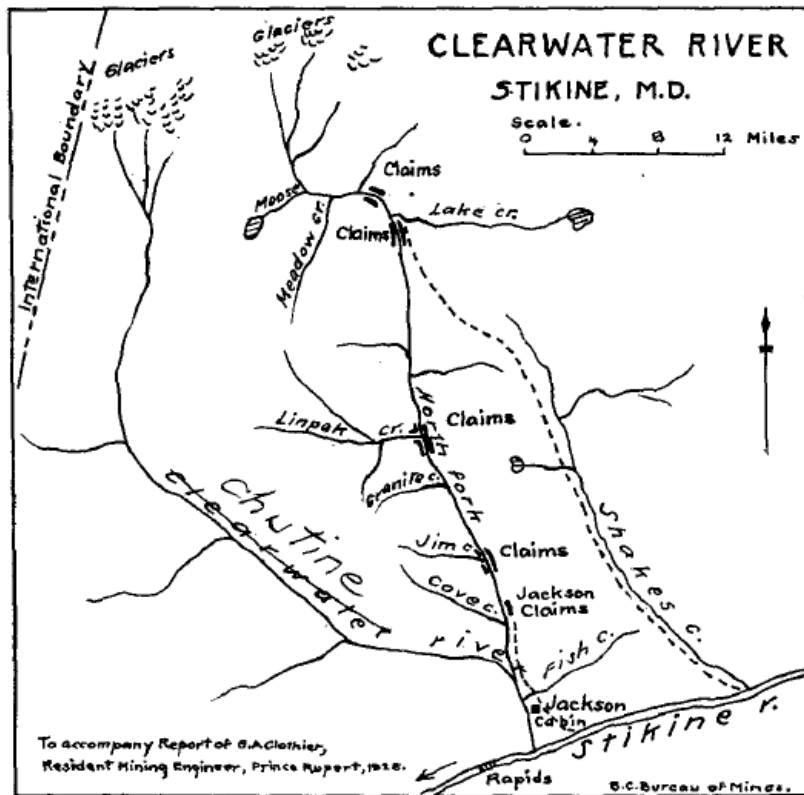
- Limited activity to date
- Location of >50 colour pan in 2014

□ Third Bend

- Location of Camp
- Location of end of 2014 Season Bulk Test

- Aurek controlled claims continue to cover another 1.5km along the Barrington River for a total of +4km in length, covering +270 ha.

1920's-30's: Barrington Transportation Co.



Source: Report of the Minister of Mines, 1925

- Barrington Transportation Co. operated weekly boat service from Wrangell to Telegraph Creek
- **1926:** Acquired ground along Clearwater River (now Barrington River) and built road to bring in Keystone Drill
- **1927 – 29:** Extensive drilling

1920's-30's: Barrington Transportation Co.



- **1931:** Installed 76' x 35' bucket line dredge, but dredge could not handle large boulders
- **1933:** Installed gasoline-tractor drag-line scraper

1920's-30's: Barrington Transportation Co.

Historical References

- ✧ *Placer-Mining in British Columbia, Bulletin No. 1, 1931*
 - n \$20,000 was recovered from 8,400 cubic yards (\$2.25 per yard), and from another small pit, \$2,300 was recovered from 800 yards.
- ✧ *Geological Survey of Canada Memoir 246, Kerr, 1948*
 - n A hole drilled in 1928 or 1929 to a depth of 30.5 metres is reported to have intersected 28.6 metres of "good pay".
- ✧ *Placer Gold Production of British Columbia, Holland, 1950*
 - n Total production by end of 1930's was 1,300 ounces

1980's

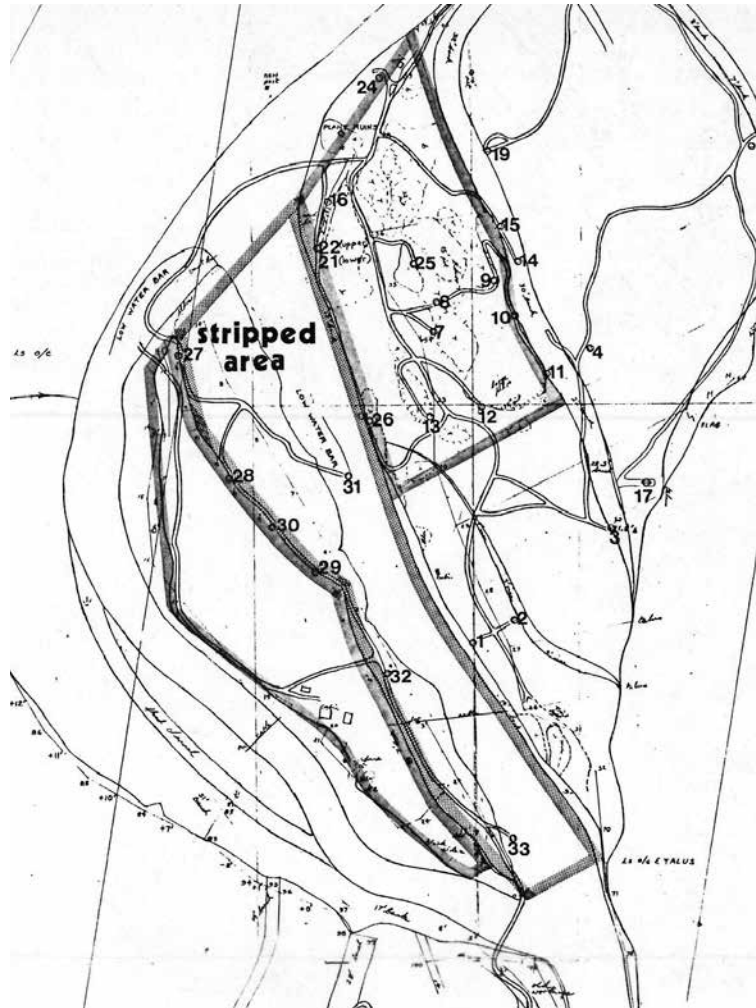
- Regional reconnaissance (mostly stream sediment) brought more attention to this underexplored part of BC
- Groups with active exploration projects in the Barrington River watershed in 1980's:
 - Homestake
 - Teck
 - Kennco
 - Cominco found 36 mineralized quartz sulphide boulders:
 - Average gold value for all 36 boulders: 24,244 ppb
 - Average gold value of ten highest grade boulders: 76,640 ppb Au
 - Highest gold value returned was 198,000 ppb, assaying to 252.44 g/t
(Cominco Assessment Report, 1989)

Integrated Resources Ltd. (ASE:IR)

- President: John Hope, Edmonton
- Began leasing and staking ground in 1986
- 1986 Sampling Program:
 - ✧ June: brought in Michael P. Wetherley, consulting geologist, for initial project review
 - n Collected 20 -30 pans all over, "...without one being devoid of colours."
 - ✧ Sept – Oct: Pit Sampling Program
 - n Dissembled and flew in small dozer, backhoe, and test plant using helicopter
 - n Collected 38 samples from pits about 6 feet deep (average sample volume: 4.5 cubic feet)

SOURCE: Sampling Evaluation of the Barrington River Placer Claims, Wetherley, 1986

Integrated 1986 Pit Sample Results



1986 Pit Sample Results:

- 14 of 38 samples:
grades $> 0.01 \text{ oz/y}^3$
- 6 of 38 samples:
grades $> 0.03 \text{ oz/y}^3$
- 3 of 38 samples:
grades $> 0.05 \text{ oz/y}^3$
- Highest sample:
grade = 0.12 oz/y^3

NOTE: all grades fine gold

SOURCE: Sampling Evaluation of the Barrington River Placer Claims, Wetherley, 1986

Integrated Activity 1987 - 1988

• 1987: Establish Access and Camp

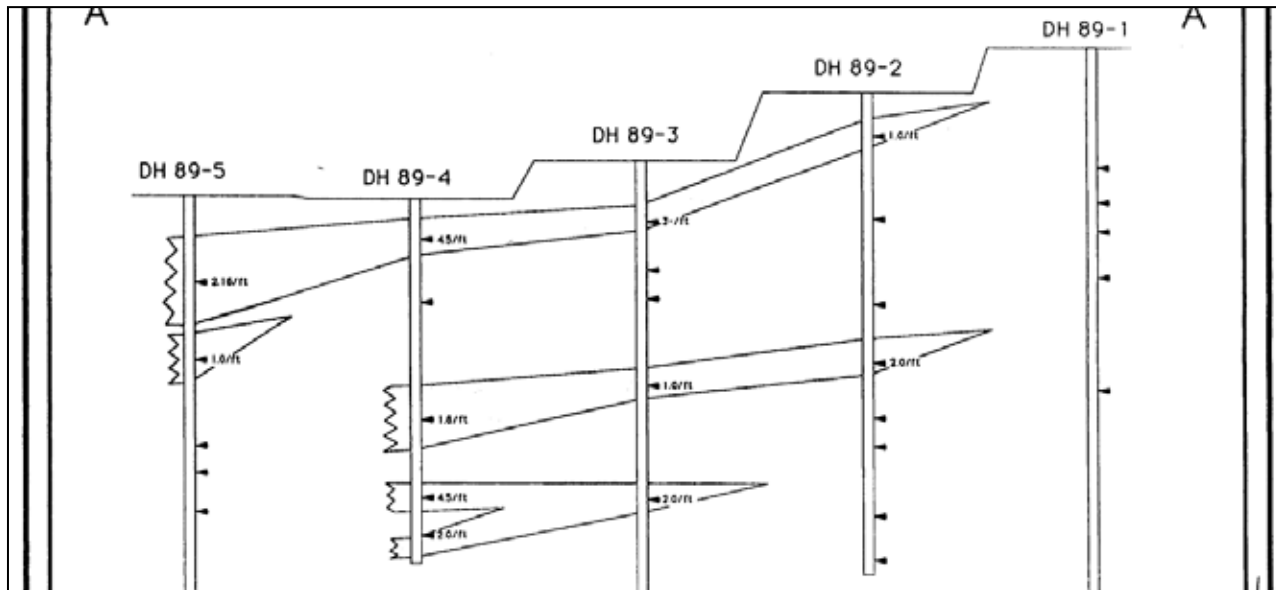
- ✧ Obtained permits
- ✧ Built 15 miles of new road and improved 5 miles of old mine road
- ✧ Built 2,500 gravel airstrip
- ✧ Installed 12 man camp, fuel depot, storage, water, telephone, etc.

• 1988: Mining

- ✧ Washed 24,761 yards to produce 224.1oz fine gold, 39.6oz fine silver
- ✧ Grade: 0.09 oz/y³ gold, 0.0016 oz/y³ gold silver (~15% silver)

SOURCE: Integrated Qualifying Report, Stewart, 1990

Integrated 1989 Test Results



	Volume Washed (cubic yards)	Gold Recovered (oz fine)	Grade (oz fine / yard)
Test Pit 1	3,110	79.56	0.026
Test Pit 2	240	9.04	0.038
TOTAL	3,350	88.60	0.026

SOURCE: Integrated Qualifying Report, Stewart, 1990

Integrated 1989 – 1991 Production

Year	Source	Volume Washed (cubic yards)	Gold Recovered (oz fine)	Grade (oz fine / yard)
1989	Integrated Annual Report (y/e 31/03/90)	3,298	92	0.028
1989	Mines in the Making – NW BC, Ministry Report	4,175	122	0.022
1990	Integrated News Release (November 14, 1990)	25,000 <i>bank yards</i>	332	0.013 <i>per bank yard</i>
1991	Several BC Gov't Reports referencing Integrated 21/10/91 News Release	47,100	399	0.008

Small Family Operator – Late '90's to 2013

- +12 seasons
- Crew consisted mainly of family
- Mining Strategy
 - ✦ Early years: careful prospecting, focusing on multi-ounce/100y³ grade channels
 - ✦ Later years: transitioned to mining all, paying attention to sampling jig on plant, and moving when needed
- Production and Grade
 - ✦ Never less than 300 ounces per year
 - ✦ Variable grade:
 - Cleanups ranged from <1oz/100y³ to multi-ounce/100y³
 - Consistent annual average grade of approx. 1oz/100y³

SOURCE: Conversations with the former small family operator, no formal records

Aurek Holdings Ltd. – 2013 to 2014

- Optioned claims from small family operator
- Staked additional claim
- Completed initial test mining at end of 2013
- Attempted full production in 2014 with mixed results
- Completed additional testing at the end of the 2014 season

2014 End of Season Testing



- Wide spaced qualitative panning tests showed encouraging colours across large areas
 - ✧ The best pan sample was collected on the second bend and showed significant colour (+50 colours)
- Qualitative trench and pit testing on the third and lower bends provided further evidence of encouraging colours over large areas
- Directed by the pit and trench sampling, Aurek completed a bulk test on third bend in October 2014:
 - ✧ Washed 3,260 yards
 - ✧ Recovered 26.1 oz fine gold

2014 End of Season Testing

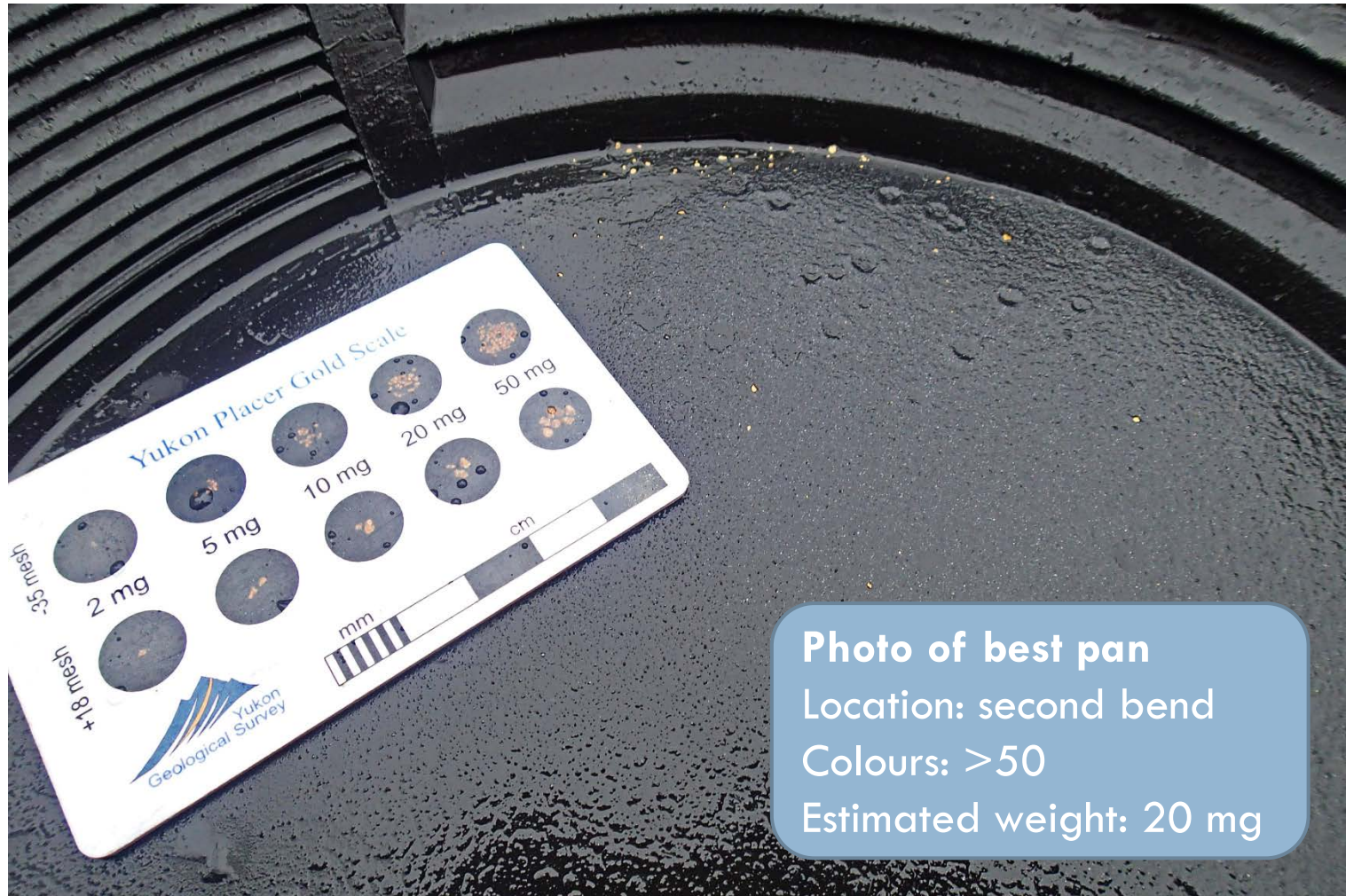


Photo of best pan
Location: second bend
Colours: >50
Estimated weight: 20 mg

Aurek 2014 Production Summary

Material	Volume Washed (cubic yards)	Gold Recovered (oz fine)	Grade (oz fine / 100 yard)
Stockpiled material from 2013 operations on first bend	1,380	27.5	2.0
Deep pit on first bend	13,900	69.2	0.5
2014 end of season bulk test on third bend	3,260	26.1	0.8
2014 Totals	18,570	122.7	0.66

SOURCE: Aurek records

Project Summary

- Multiple operators have demonstrated the presence of potentially minable economic grades
- With +270 hectares and no reports of encountering bedrock, the project could contain considerable volumes of potentially minable material
- Long operating season
- No permafrost