NI 43-101 TECHNICAL REPORT AND UPDATED MINERAL RESOURCE ESTIMATE ON THE RATTLING BROOK GOLD DEPOSIT, GREAT NORTHERN PROJECT, WHITE BAY AREA, NEWFOUNDLAND, CANADA

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Effective Date: January 23, 2019

Report Date: November 14, 2019

Date and Signature Page

This report, entitled "NI 43-101 Technical Report and Updated Mineral Resource Estimate on the Rattling Brook Gold Deposit, Great Northern Project, White Bay, Newfoundland, Canada, Effective Date: January 23, 2019" was prepared and signed by the following authors:

"Original signed and stamped by"	*November 14, 2019*
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1.0 SUMMARY

Introduction

Mercator Geological Services Limited (Mercator) was retained by Magna Terra Minerals Inc. (Magna Terra) in September of 2019 to prepare this Technical Report ("2019 Technical Report" or the "Report") in accordance with National Instrument 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* as amended in 2014 (the CIM Standards-2014). The purpose of the Report is to provide scientific and technical information related to an updated Mineral Resource Estimate for the Rattling Brook Gold Deposit (RBGD) of the Great Northern Project.

On October 14, 2019, Magna Terra Minerals Inc. (**Magna Terra**) entered into a share purchase agreement (the "**SPA**") with Anaconda Mining Inc. (Anaconda), a public mining company listed on the TSX, to acquire Anaconda's wholly-owned subsidiary 2647102 Ontario Inc. (ExploreCo). Under terms of the SPA, at the closing of the transaction (the "**Closing Date**"), Magna Terra will acquire all of the issued and outstanding shares of ExploreCo in exchange for the issuance of an aggregate number of common shares of Magna Terra, equal to 100% of the issued and outstanding common shares in the share capital of Magna Terra, as such share capital is constituted on the Closing Date. On completion of the transaction, ExploreCo will become a wholly-owned subsidiary of Magna Terra. The closing of the transaction is subject to numerous conditions including, notably, regulatory approval, the shareholders of Magna Terra approving the proposed transaction and a consolidation of Magna Terra's issued and outstanding share capital, the completion of a concurrent financing by Magna Terra and other conditions customary to this type of transaction.

Work completed for the Mineral Resource Estimate that is the subject of this Technical Report was carried out by ExploreCo's parent company, Anaconda Mining Inc., between January 25, 2018, the ExploreCo acquisition date of the Project, and January 23, 2019, the Mineral Resource Estimate effective date. Mercator is of the opinion that, based on disclosure provided by Magna Terra and ExploreCo, no material changes to the property's exploration status and associated technical information have occurred since the January 23, 2019 effective date of the previous Mineral Resource Estimate. For purposes of this Technical Report, all work completed by ExploreCo and/or its parent company, Anaconda Mining Inc., prior to and including the January 23, 2019 effective date of the Mineral Resource Estimate, is referenced herein as having been carried out by ExploreCo.

Property Description and Location

The Jacksons Arm Property (the Property), is located in western Newfoundland, in an area covered by National Topographic Series map sheet 12H/15 and centered approximately three kilometres west of the community of Jackson's Arm and 120 km by road northeast of the community of Deer Lake. The Rattling Brook Gold Deposit (RBGD) is located within the Property and forms part of the Great Northern Project held 100% by ExploreCo. The Property is comprised of four mineral exploration licences that collectively encompass 167 mineral claims covering approximately 4,175 ha. ExploreCo holds a 100% interest in all mineral exploration licences, two of which (licences 022503M and 023774M that total 57 claims) are subject to option agreement terms.

Three spatially distinct zones of gold mineralization have been defined by drilling to date on the Jacksons Arm Property: the Apsy Zone, Road Zone and Beaver Dam Zone. These three zones comprise the RBGD that is the subject of this Technical Report. Mercator Geological Services Limited (Mercator) was previously retained by Kermode Resources Ltd. in 2008 to review drilling results from these mineralized zones and to prepare a Mineral Resource Estimate based on results of 183 diamond drill holes completed between 1986 and 2007. In 2018, ExploreCo purchased the RBGD exploration licence from Kermode Resources Ltd. (Kermode) and retained Mercator to complete an updated Mineral Resource Estimate for the RBGD. The main focus of the project update was to refine the geological and grade solid models to reduce internal and marginal grade dilution and thereby increase the average grade of the new Mineral Resource prepared for each of the mineralized zones.

Geology Mineralization and Deposit Type

The Property is predominantly underlain by the Apsy Granite of Upper Proterozoic age which occurs within the Grenville gneissic complex of the Great Northern Peninsula. Along its eastern margin, the intrusion is unconformably overlain by quartzites, phyllites, limestones, dolomites and marbles of the middle-Cambrian Labrador Group.

Two styles of epigenetic, predominantly low-grade, gold mineralization have been defined to date on the Property by drilling, trenching and mapping. Both are considered examples of "orogenic" style gold mineralization. The most prevalent consists of disseminated gold occurring in association with minor amounts of disseminated pyrite and arsenopyrite in potassically altered, fractured and locally sheared granite and granodiorite of the late Proterozoic Rattling Brook Granite, immediately below an unconformity that marks the contact between these

Grenvillian basement complex rocks and the Lower Paleozoic sedimentary cover sequences. Both basement and cover sequences were affected by west-directed thrusting in Ordovician time and associated structures may have played a role in focusing mineralizing fluids

The second main style of gold mineralization consists of generally stratabound replacement zones within quartzite, limestone and calcareous siltstone within the sedimentary cover above the north-striking and east dipping unconformity noted above. Highest gold grades occur in relatively thin (< 2 m true thickness), discrete zones of high pyrite content and in poorly defined, shear-localized, quartz-sulphide zones that cross-cut both cover sequence and basement complex lithologies. The latter may be associated with structural "feeder zones" of gold mineralizing fluids.

Major northeast-striking shear zone splays related to the nearby Doucers Valley Fault system disrupt the imbricated thrust sequence in this area and are thought to have provided access to deep crustal fluids that may have introduced the gold mineralization. Drilling results show that each deposit is cored by higher grade gold values, with these being most commonly present where mineralized fracture corridors or interpreted cross-structure shears intersect the unconformity.

Exploration and Diamond Drilling

No additional drilling has been conducted on the RBGD since acquisition of the Property by ExploreCo from Kermode. Previous diamond drilling was completed by BP-Selco (1986-1990) and Kermode (2003-2007), which drilled 63 (8,771.57 m) and 123 (18,439.9 m) holes, respectively. Results returned from these drilling programs have served to delineate gold mineralization in the three distinct deposits that are the focus of this report (the Beaver Dam Zone, the Road Zone and the Apsy Zone).

Quality Control and Data Verification

A digital drill hole database was previously compiled by Kermode and validated by Mercator against the original drill log and assay record entries. Two check sampling programs were previously conducted on the drill core samples used in the Mineral Resource Estimate presented herein. Kermode staff incorporated collection of third-party check samples as part of the company's drilling programs (2002-2007), with check splits prepared and analysed for approximately 10% of the drill core samples (n=272) submitted for analysis. These were prepared at Eastern Analytical Ltd. (Eastern) in Springdale, NL and submitted to Acme Analytical

Laboratories Ltd. (Acme) in Vancouver, BC for analysis of gold levels using fire assay and ICP-ES methods. Both are commercial, independent, fully accredited analytical services firms.

In 2008, Mercator collected 13 quarter core samples for the purpose of check sample analysis against Kermode and BP-Selco analytical results present in the drilling database. Samples were sent to Eastern for analysis of gold on a 30 gram split by fire assay methods with ICP-AES finish and 11 additional elements were analyzed on a standard split by ICP-AES methods after standard rock preparation and pulverization. Comparison with original analytical results by BP-Selco and Kermode produced a correlation coefficient for gold of 0.99 for both check sample datasets. Based on its review of all available information, Mercator is of the opinion that the validated historic analytical dataset is acceptable for use in the current Mineral Resource Estimate.

Metallurgy

Preliminary metallurgical studies completed to date show that gold is commonly associated with pyrite or arsenopyrite in the RBGD and is in part refractory. Sulphide oxidation prior to cyanide leaching has been required to attain high (>90%) recoveries.

Mineral Resource Estimate

The current Mineral Resource Estimate for the three zones of the RBGD is based upon three-dimensional block models developed by Mercator using Geovia Surpac® Version 6.9 (Surpac®) deposit modeling software, and results are presented below in Table 1-1. Mineral Resources in all three deposits were assigned to the Inferred Mineral Resource category in accordance with Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves, Definitions and Guidelines (the CIM Standards), as revised in 2014, and meet disclosure requirements of National Instrument 43-101.

As summarized below, the updated Inferred Mineral Resource Estimate for the RBGD is 5,460,000 tonnes at an average grade of 1.45 g/t gold at a cut-off grade of 1.0 g/t gold. This represents a rounded total of 255,000 contained ounces of gold inclusive of all three mineralized zones. Mercator notes that no material changes to the property's exploration status and associated technical information have occurred since the January 23, 2019 effective date of the current Mineral Resource Estimate.

Table 1-1: Rattling Brook Gold Deposit Mineral Resource Estimate – Effective Date: January 23, 2019

Zone	Cut-Off (Au g/t)	Category	Rounded Tonnes	Au (g/t)	Rounded Ounces
Apsy	1.0	Inferred	2,850,000	1.52	139,000
Road	1.0	Inferred	2,120,000	1.28	87,000
Beaverdam	1.0	Inferred	480,000	1.81	28,000
Total	**1.0**	**Inferred**	**5,460,000**	**1.45**	**255,000**

1. *This Mineral Resource Estimate was prepared in accordance with NI 43-101 and the CIM Standards (2014)*
2. *Mineral Resource Estimate tonnages have been rounded to the nearest 10,000 and ounces have been rounded to the nearest 1,000. Totals may not sum due to rounding.*
3. *A cut-off of 1.00 g/t gold was used to estimate Mineral Resources.*
4. *Mineral Resources were interpolated using Ordinary Kriging from 1.5 m downhole assay composites.*
5. *An average bulk density of 2.70 g/cm3 has been applied.*
6. *Over 90% of Mineral Resources occur above a depth of 150m below surface, the current maximum depth of the Anaconda Mining Inc. Pine Cove Mine. Mineral Resources were reported within an additional 50m of this 150m bench mark, to a maximum depth of 200m, and are considered to reflect reasonable prospects for economic extraction in the foreseeable future using conventional open-pit mining methods at a gold price of CAD $1,550 per ounce.*
7. *Mineral Resources do not have demonstrated economic viability.*
8. *This Mineral Resource Estimate may be materially affected by environmental, permitting, legal title, taxation, sociopolitical, marketing, or other relevant issues.*

Conclusions

All three deposits comprising the RBGD show potential for (1) definition of strike and dip extensions to currently defined Mineral Resources through additional core drilling, and (2) upgrading of currently defined Inferred Mineral Resources to Indicated or Measured status through completion of infill core drilling. At this time, deposit expansion programs of (1) above are considered to provide the greatest opportunity for upgrading of the Property ’s economic potential.

Recommendations

Based on the results of the current Mineral Resource Estimate program summarized above, the following recommendations are provided for the RBGD:

1. Additional Apsy Zone drilling should be carried out on a priority basis to further define (1) the extent of unconformity-related gold mineralization up-dip of mineralization

intersected in drill hole RB-31, (2) potential in the southeast area of the deposit, south of drill hole JA-05-33 and southeast of drill hole JA-06-56, where good opportunity exists to expand an area of higher (>2.0 g/t) gold grades.

2. Additional Road Zone drilling should be carried out to assess (1) the up-dip extent of the mineralization encountered in drill holes RB-5 and JA-07-94; (2) mineralization between drill hole JA-07-107 and the adjacent satellite deposit defined by drill hole JA-07-101, (3) between the main mineralized zone and the eastern satellite zone between drill holes JA-07-78 and JA-07-119, (4) along the potential strike extension of mineralization seen in drill hole JA-07-122 toward the Apsy Zone, and (5) along the northeast margin of the main Road Zone.

3. Additional Beaver Dam Zone drilling should be carried out to assess (1) the up-dip extent of unconformity-related mineralization found in drill holes RB-49 and JA-04-04, (2) the potential for extension of unconformity-related mineralization intersected in drill hole RB-48, towards the satellite intercept in drill hole JA-07-89, and (3) the potential for up-dip and strike extensions to mineralization seen in drill hole RB-53.

4. An exploration program covering the Jacksons Arm Prospects (Boot 'n Hammer, Shrik, Stocker, and Hillside prospects) should be carried out and include establishment of a 20-line km survey grid to expand the current grid to the north and east of its present extent. This grid extension is designed to cover the known location of the 954 showing and the mapped repetition of the contact between the Coney Head Complex and the Silurian Sops Arm Group to the east. Geological mapping, prospecting, ground magnetic, and IP geophysical surveys should be completed over the grid. A Phase 1 diamond drilling program comprising ten holes for 1,500 m is proposed as an initial test of the Boot 'n Hammer, Shrik, Stocker, and Hillside prospects. Trenching of gold targets generated from the grid expansion work should be completed.

5. After successful completion of the deposit extension core drilling above, an updated Mineral Resource Estimate should be completed for the project. An optimized pit shell approach should be applied at that time to further refine deposit assessment. Further study of gold beneficiation options should be undertaken in advance of any future economic analysis of the deposit.

The estimated budget to carry out the recommended work programs noted above totals $700,000(CAN.)

2.0 INTRODUCTION

2.1 Scope of Reporting

Mercator Geological Services Limited (Mercator) was retained by Magna Terra Minerals Inc. (Magna Terra) in September of 2019 to prepare this Technical Report ("2019 Technical Report" or the "Report") on the Rattling Brook Gold Deposit (RBGD) of the Great Northern Project in accordance with National Instrument 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* as amended in 2014 (the CIM Standards-2014). The RBG is 100% controlled by 2647102 Ontario Inc. (ExploreCo), which is a company existing pursuant to the laws of Ontario. Magna Terra trades under the symbol of "MTT", on the Toronto Stock Exchange and its registered and corporate offices are located at 150 York Street, Suite 410, Toronto, Ontario, M5H 3S5, Canada. The purpose of this Technical Report is to provide scientific and technical information related to an updated Mineral Resource Estimate for the RBGD.

On October 14, 2019, Magna Terra entered into a share purchase agreement (the "**SPA**") with Anaconda Mining Inc. Inc. (**Anaconda**), a public mining company listed on the TSX, to acquire Anaconda's wholly-owned subsidiary 2647102 Ontario Inc. (ExploreCo). Under terms of the SPA, at the closing of the transaction (the "**Closing Date**"), Magna Terra will acquire all of the issued and outstanding shares of ExploreCo in exchange for the issuance of an aggregate number of common shares of Magna Terra, equal to 100% of the issued and outstanding common shares in the share capital of Magna Terra, as such share capital is constituted on the Closing Date. On completion of the transaction, ExploreCo will become a wholly-owned subsidiary of Magna Terra. The closing of the transaction is subject to numerous conditions including, notably, regulatory approval, the shareholders of Magna Terra approving the proposed transaction and a consolidation of Magna Terra's issued and outstanding share capital, the completion of a concurrent financing by Magna Terra and other conditions customary to this type of transaction.

Work completed for the Mineral Resource Estimate that is the subject of this Technical Report was carried out by ExploreCo's parent company, Anaconda Mining Inc., between January 18, 2018, the ExploreCo acquisition date of the Project, and January 23, 2019, the Mineral Resource Estimate effective date. Mercator is of the opinion that, based on disclosure provided by Magna Terra and ExploreCo, no material changes to the property's exploration status and associated technical information have occurred since the January 23, 2019 effective date of the current Mineral Resource Estimate. For purposes of this Technical Report, all work completed by ExploreCo and/or its parent company, Anaconda Mining Inc., prior to and including the January 23, 2019 effective

date of the Mineral Resource Estimate, is referenced herein as having been carried out by ExploreCo.

Terms of reference for the current project were established through discussions between ExploreCo and Mercator in 2018, at which time it was determined that the Mineral Resource Estimate was to be based upon results of historical diamond drilling programs. Mercator previously conducted a Mineral Resource Estimate and authored a Technical Report on the RBGD (previously referred to as the Jacksons Arm Gold Project) on behalf of Kermode Resources Ltd. (Kermode) in 2009. All of the drilling had previously been compiled by Kermode Resources Ltd. and validated by Mercator for use in the 2009 Mineral Resource Estimate. The subsequent 2019 Mineral Resource Estimate Technical Report prepared by Mercator for ExploreCo, as well as the current Technical Report prepared by Mercator for Magna Terra, were adapted from the 2009 report titled: "TECHNICAL REPORT ON MINERAL RESOURCE ESTIMATE JACKSONS ARM GOLD PROJECT WHITE BAY NEWFOUNDLAND AND LABRADOR Latitude 49º 53' 2.65''North Longitude 56º 50'7.09'' West" that was prepared previously by Mercator for Kermode Resources Ltd. For present purposes, this report is referenced as Cullen et al. (2009).

Authors Harrington and Cullen are also co-authors of the preceding Mineral Resource Estimate Technical Report for the RBGD (Cullen et al., 2019), which has an effective date of January 23, 2019, and was prepared for ExploreCo's parent company, Anaconda. The current Mineral Resource Estimate has the same effective date as the earlier report and there are no differences between the subject Mineral Resource Estimates of the two reports in the context of gold grades, cut-off values, Mineral Resource Estimate tonnages or their categorization. To meet author independence requirements of the current Technical Report, co-authors Harrington and Cullen have reviewed and taken responsibility for certain Technical Report content that previous co-author D. Copeland, P. Geo., was responsible for in the previous report. Previous report co-author S. O'Connor, P. Geo., of Mercator was not available to participate in preparation of the current Technical Report and the current co-authors have taken responsibility for content prepared earlier by Mr. O'Connor. Distribution of current reporting responsibility is detailed below in report section 2.2.

Text of the current Technical Report very closely follows that of the previous Technical Report. In instances where text of the previous Technical Report was the responsibility of original authors, D. Copeland, P. Geo., and S. O'Connor, P. Geo., they have granted permission for use and modification of their earlier text to meet requirements of the current Technical Report. However, they bear no responsibility for such use in the current Technical Report.

Historic exploration reports pertaining to the Property were previously compiled by Mercator for the 2009 work program. This information included drill logs with assay information and drill plans for work completed by BP-Selco Exploration Ltd. (BP-Selco) in the late 1980's and Kermode Resources Ltd.'s drill programs between 2003 through 2007. As noted earlier, no drilling additional to that assembled for the 2009 Mineral Resource Estimate has been carried out.

Current co-author Michael Cullen, P. Geo., and Chrystal Kennedy, P. Geo., previously with Mercator, visited the Property on June 18th, 2008 with Mr. James Harris, P. Geo., a consultant to Kermode who had managed that company's drilling programs on the Property. Mercator staff and Mr. Harris also reviewed and re-sampled select drill core from BP-Selco and Kermode programs on June 19th and 20th, 2008. Mr. Cullen visited the property again in November of 2010. No exploration material to the Mineral Resource Estimate documented in this Technical Report has been carried out on the property by ExploreCo or Magna Terra. Co-author Matthew Harrington, P. Geo., has not visited the Property. Based on the fact that no exploration has been carried out on the property since the effective date of the last Mineral Resource Estimate completed by Mercator, Mercator determined that a site visit to support the current Mineral Resource Estimate was not required.

Unless otherwise stated, the units of measures used in this report conform to the metric system and all dollars are reported in Canadian currency. A list of abbreviations used in this report is presented in Table 2-1.

Table 2-1: Abbreviations used in this Technical Report.

Abbreviation	Term		Abbreviation	Term
Ag	Silver		P.Geo.	Professional Geologist
ANX	Anaconda Mining Incorporated		QA/QC	Quality Assurance/Quality Control
Calc	Calculated		UTM	Universal Transverse Mercator
DNR	Department of Natural Resources		UTME	UTM Easting
Elva	Elevation		UTMN	UTM Northing
FY	Fiscal Year		V	Volt
G & A	General and Administration		US$	United States Dollars
Au	Gold		CAN$	Canadian Dollars
Inc.	Incorporated		%	Percent
IP	Induced Polarization		C	Celsius
Ltd.	Limited		cm^3	Cubic Centimetres
MTT	Magna Terra Mineral Inc.		m^3	Cubic Metres
MTME	MTM Easting		°	Degree
MTMN	MTM Northing		ft	Foot
NI 43-101	National Instrument 43-101		g	Gram
NTS	National Topographic System		g/t	grams per tonne
NSR	Net Smelter Royalty		kg/t	kilograms per tonne
NAD	North American Datum		km	Kilometre
oz.	Ounce		KV	Kilovolt
ppb	Parts per billion		KW	Kilowatt
ppm	Parts per million		m	Metre
FA	Fire Assay		mm	Millimetre
AA	Atomic Absorption		m^2	Square Metres
P.Eng.	Professional Engineer		M	Million(s)

2.2 Responsibility of Authors

Qualified Person responsibilities with respect to content of this Technical Report are presented below in Table 2-2.

Table 2-2: Qualified Person Report Responsibilities

Qualified Person	Affiliated Firm	Report Item (Section) Responsibility
Matthew Harrington, P. Geo.	Mercator	Item 14 and parts of items 1 and 25-28
Michael Cullen, P. Geo.	Mercator	Items 2-13, 15 -24 and parts of 1 and 25-28

3.0 RELIANCE ON OTHER EXPERTS

This Technical Report was prepared by Mercator for Magna Terra and information, conclusions and the Mineral Resource Estimate contained herein are based upon information available to the authors at the time of report preparation. Mercator has relied on information provided by

ExploreCo and Magna Terra concerning the legal status of claims that form the Property as well as for opinions with respect to environmental issues, mineral property agreements and surface titles pertinent to this Technical Report.

4.0 PROPERTY DESCRIPTION AND LOCATION

The Jacksons Arm Property (the Property) is located in Northwest Newfoundland within the area covered by National Topographic Series map sheet 12H/15. It is centered approximately three km west of the community of Jackson's Arm, White Bay, and 90 km (120 road km) northeast of the community of Deer Lake (Figure 4-1). The Jacksons Arm Property forms part of the larger Great Northern Project in which ExploreCo, holds a 100% interest.

The Property is comprised of four mineral exploration licences that collectively encompass 167 mineral claims covering approximately 4,175 ha. These are centred on the RBGD (Table 4-1, Figure 4-1, 4-2). Two mineral exploration licences (023280M and 026991M) are held 100% by ExploreCo. Licence 023280M was purchased from Kermode Resources Ltd. (Kermode) in January 2018. Grouped licence 026991M comprises land staked by ExploreCo (previous licences 023772M, 024523M, and 024524M) and land held 100% by ExploreCo under an option agreement with Mr. Stephen Stockley (Stockley; previous licences 023489M and 023719M). Two other licences, 022503M and 023774M, are held 100% by ExploreCo under terms of an option agreement with Metals Creek Resources Corp. (Metals Creek). ExploreCo has asserted that all exploration holdings that comprise the Property were in good standing at the effective date of this Technical Report.

Table 4-1: Mineral Licenses – Rattling Brook Deposit (ExploreCo)

Licence	Licence Holder	Claims	Hectares	Issuance Date	Expiry Date
022503M	Metals Creek Resources Corp.	53	1325	21-Jan-11	21-Jan-21
023280M*	2647102 Ontario Inc.	17	425	15-Nov-99	15-Nov-20
026991M^	2647102 Ontario Inc.	93	2325	29-Feb-16	29-Feb-20
023774M	Stares, Alexander T.	4	100	02-Mar-16	02-Mar-21
Total		167	4,175		

*Licence 023280M was previously part of Licence 013768M

^Licence 026991M includes previous licences 023772M, 024524M, 024523M

Figure 4-1: Mineral License Map – Rattling Brook Gold Deposit of the Great Northern Project.

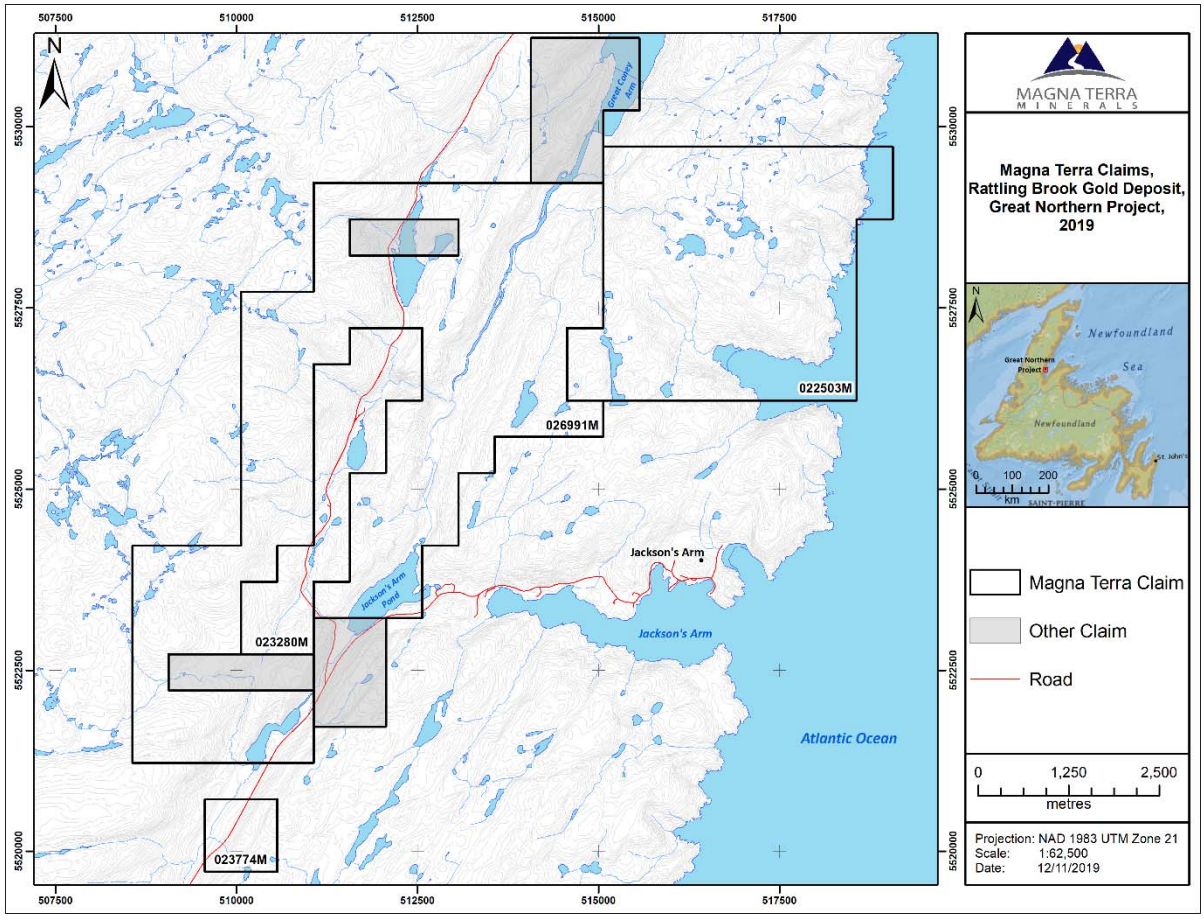
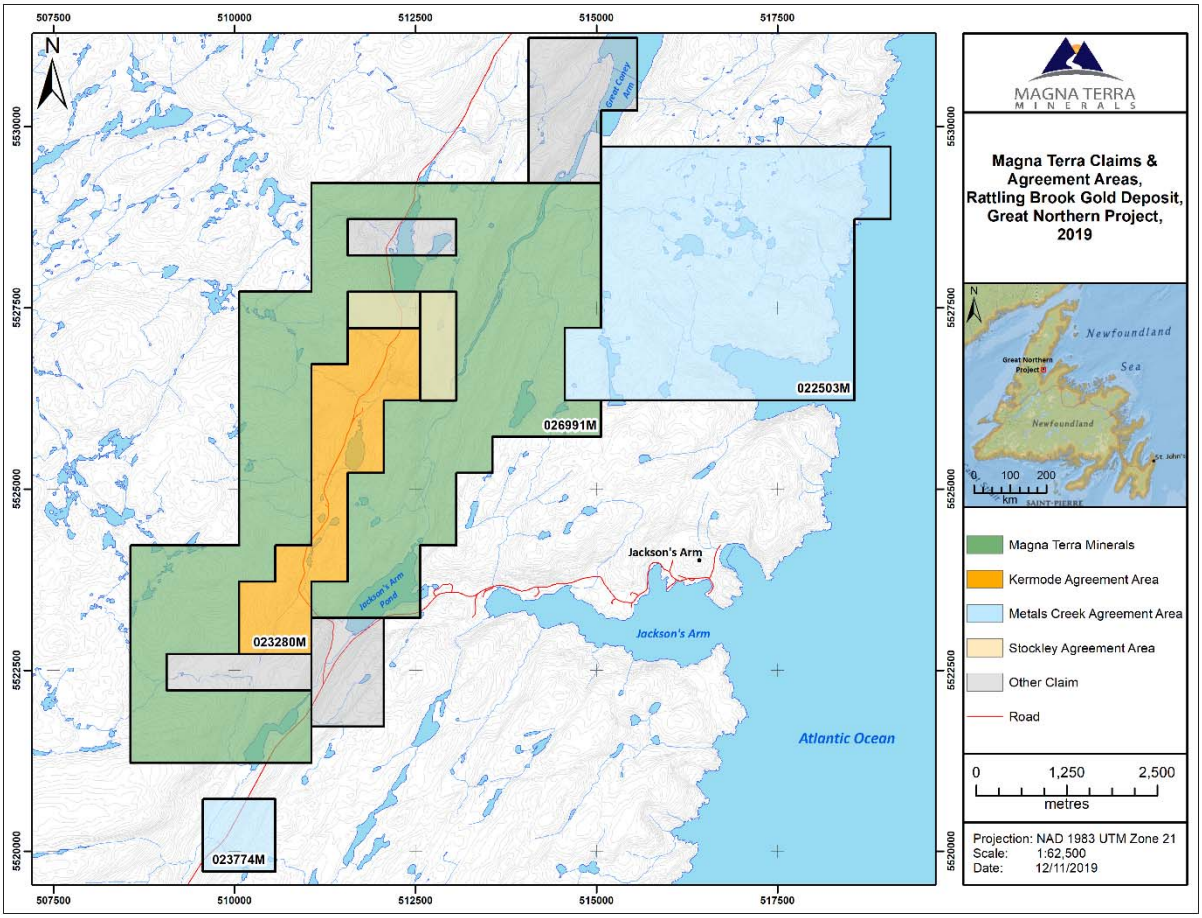


Figure 4-2: Magna Terra Claims and Option Agreements – Rattling Brook Gold Deposit of the Great Northern Project.



4.1 Mineral Rights Agreements

4.1.1 Kermode Resources Ltd. Agreement With ExploreCo

Under this agreement, dated January 25, 2018, ExploreCo acquired a 100% interest in license 023280M from Kermode by paying Kermode a total cash payment of $50,000 (paid) and issuing Kermode $500,000 of ANX (Anaconda Mining Inc.) shares (issued). No royalty interest was retained by Kermode but a royalty interest associated with a Kermode sub-agreement with South Coast Ventures Inc. applies, as noted in section 4.1.2 below.

4.1.2 Previous South Coast Ventures Inc. Agreement With Kermode

License 023280M (previously part of 13768M) is subject to an Option Agreement between Kermode and South Coast Ventures Inc. (SCV) that is dated June 4, 2002. This agreement pertains to previous license 13768M. The agreement allows Kermode to earn a 100% interest in License 13768M by incurring at least $2,000,000 in exploration expenditures over the five and a half year period ending December 4th, 2007, paying $285,000 to SCV in scheduled payments over four years ending December 4th, 2007 and issuing 570,000 shares of Kermode to SVC over the same period. Kermode advised ExploreCo that all conditions of the option agreement were fulfilled in 2008 and at that it held a 100% interest in the associated exploration license that is subject to the June 4, 2002. The area subject to this agreement is subject to a 3% net smelter return royalty (NSR) retained by SCV. ExploreCo has a right to purchase a 1.5% portion of the SVC royalty at a cost of $1.5 million dollars.

4.1.3 Previous Cornerstone Resources Inc. Agreement With Kermode

The License 6183M area identified in the 2009 Mineral Resource Estimate Technical Report by Mercator for Kermode is not part of License 23280M and License 23280M is therefore not subject to an Option Agreement between Kermode and Cornerstone Resources Inc. (CRI) dated October 2002.

4.1.4 Metals Creek Resources Ltd. Agreement

Under terms of an agreement dated November 7th, 2016 with Metals Creek Resources Ltd. (Metals Creek), ExploreCo can acquire a 100% interest in exploration licences 022503M and 023774M by paying a total of $200,000 ($120,000 paid) and issuing a total of 125,000 ANX shares (75,000 issued) to Metals Creek. The Property is subject to a 2% NSR payable to Metals Creek that is capped at a total payment level of $1,500,000. Once $1,500,000 in NSR payments have been made, the 2% NSR is reduced to 1% NSR for the remaining production from the Property.

4.1.5 Stephen Stockley Agreement

Under an option agreement with Stephen Stockley dated December 25th, 2018, ExploreCo acquired a 100% interest in exploration licences 023489M and 023719M (now forming part of grouped licence 026991M) by paying a total of $10,000 ($10,000 paid). The Property is subject to a 0.5% NSR payable to Stockley on commercial production.

4.1.6 Review of Option Agreement Information By Mercator

Agreement terms summarized above were provided by ExploreCo and Mercator did not otherwise review, confirm or validate any terms or conditions of the referenced agreements for purposes of this Technical Report. Mercator has relied upon ExploreCo for accuracy, validity and currency of the information presented. However, at the effective date of this Technical Report, Mercator had no reason to question the agreement information provided by ExploreCo.

4.1.7 Status of Claims at Effective Date of Report

ExploreCo has asserted that all mineral licences that are pertinent to this Technical Report were in good standing at the effective date of the Technical Report. Mercator did not independently verify this assertion but had no reason to question the information.

4.2 Summary of Exploration Title and Regulatory Information

Mineral exploration licences in Newfoundland and Labrador are issued under the province's Mineral Resources Act (1990 - and as subsequently amended - the "Act") and provide a licensee with exclusive right to explore for specified minerals within the licenced area for a period of 5 years, subject to terms and conditions of the Act. An exploration licence can consist of up to 256 mineral claims. Licences extended past year 20 have a maximum size of 100 claims. Individual claims held under a mineral exploration licence measure 25 ha in surface area and are renewable on a yearly basis. No equivalence to "patented claim status" exists under the Act. Retention of claims in good standing from year to year requires filing of scheduled renewal fees and documents for each exploration licence as well as meeting minimum yearly work commitment and reporting requirements.

A $65 per claim staking fee consists of a $15 per claim recording fee and a $50 per claim staking security deposit. The staking security deposit is refunded upon submission and acceptance of an acceptable assessment report covering first year work requirements.

A mineral exploration licence is issued for a term of 5 years. However, it may be held for a maximum of 30 years provided the required annual assessment work is completed and reported upon and the mineral exploration licence is renewed every five years. Under normal circumstances, fees and minimum work requirements set out under provision of the Act vary according to the year of licence issue and are summarized in Table 4.2.

Table 4-2: Standard Claims Renewal Fees and Work Requirements

Year of Issue	Assessment Expenditure	Renewal Fee
1	$200.00 per claim	
2	$250.00 per claim	
3	$300.00 per claim	
4	$350.00 per claim	
5	$400.00 per claim	$25 per claim/year in year 5
6 through 10	$600.00 per claim	$50 per claim/year in year 10
11 through 15	$900.00 per claim	$100 per claim/year in year 15
16 through 20	$1200.00 per claim	$100 per claim/year in year 20
21 through 25	$2000.00 per claim	$200 per claim/year
26 through 30	$2500.00 per claim	$200 per claim/year

In each year of the licence, the minimum annual assessment work must be completed on or before the anniversary date. The assessment report must then be submitted within 60 days after the anniversary date. If a report cannot be completed and submitted on schedule, a partial report acceptable to the Mineral Claims Recorder may be submitted, and a (Condition 3) 60 day extension of time applied for, in order to submit the completed report. The partial report, at a minimum, must contain a title page, a table of contents, a brief description of work completed and an estimated statement of expenditures. Excess work completed in any one year can be carried forward for a maximum of nine years and it is automatically credited to the licence. Excess work credit is the amount of work completed and reported above what is required to be done during any twelve-month period of the licence.

When a licence holder is unable to complete the assessment work required to be done in any twelve month period, an application for a (Condition 2) twelve month extension of time in which to complete the work may be approved. An extension of time does not relieve a licence holder from performing and reporting the assessment work for the ensuing twelve months on schedule. A Condition 2 extension of time requires that the licence holder post a security deposit in the form of cash, cheque or irrevocable letter of credit for the amount of the deficiency. The security deposit must be delivered to the Mineral Claims Recorder prior to the anniversary date of the year

for which the extension is requested. When deficient work is completed and accepted, the security deposit is refunded, otherwise, the security deposit is forfeited. For map staked licences, a (Condition 2) twelve month extension of time for the first year will result in the staking security deposit of $50 per claim being refunded. Where approved work cannot be completed in any year and the delay is caused by environmental considerations imposed under the exploration permit, the requirement for delivery of the security deposit for a (Condition 2) twelve month extension of time shall be waived at the request of the licensee.

Any person who intends to conduct an exploration program on a staked or licenced area must submit prior notice, with a detailed description of the intended activity, to the Department of Natural Resources. An exploration program that may result in major ground disturbance or disruption to wildlife or wildlife habitat must have an Exploration Approval from the department before the activity can commence.

An exploration licence conveys an exclusive right to explore for named minerals but does not provide certainty with regard to land access or ownership of minerals. Access to lands is at the discretion of surface title holders and a Mining Lease or Special Mining Lease must be granted by the government to establish ownership of Mineral Resource(s) for which production is planned. Mining activities can only be initiated after an Environmental Approval has been granted and various permits relating to industrial, environmental and engineering aspects of the proposed mining operation have been obtained.

4.3 Access to Land For Exploration and Potential Development Purposes

Magna Terra has determined that the Property is not within a currently recognized area of environmental or archeological sensitivity. Almost all of the Property area is situated on provincial Crown land that is undeveloped. The authors are of the opinion that sufficient undeveloped land is present in the RBGD area to support future development or mining activities if these were to occur. Magna Terra does not own any land in the RBGD area at present and must carry out exploration activities under terms of permits for such issued by the provincial government. Lease arrangements would have to be made with the provincial government to allow any future development or mining activities to be carried out. Access agreements to carry out work programs recommended in this report had not been finalized at the report date.

4.4 Community and First Nations Consultation

In 2016 and 2017, Anaconda conducted community consultations with the communities of Pollards Point, Sops Arm and Jacksons Arm as part of its community consultation efforts related to the Viking Property that is located a short distance south of the RBGD. Anaconda met with community representatives and councils and also hosted a larger community meeting. In February of 2017, Anaconda received correspondence from the Northern Peninsula Mekap'sk Mi'kmaq Band with a request for engagement in relation to exploration and development activities associated with the Great Northern Project. In response to this request, Anaconda committed to including the Mekap'sk Mi'kmaq Band in future consultation efforts in relation to the Great Northern Project regarding any future exploration and development activities. It is Mercator's understanding that Magna Terra intends to maintain and build upon this relationship with the Mekap'sk Mi'kmaq Band.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

The Property is located three kilometres west of the community of Jackson's Arm, White Bay, within the area covered by NTS map 12H/15. The entire 5 kilometre length of the Property is accessible from the Jackson's Arm highway via the well-maintained Cat Arm hydroelectric site access road. This gravel access road is linked to Route 420, a paved highway that intersects the Trans-Canada Highway 75 km to the south. Deer Lake airport, with daily scheduled flight access to St. John's, Halifax, Toronto and other domestic locations, is located roughly 120 road km south of Jackson's Arm via Route 420 and the Trans-Canada Highway (see previous Figures 4.1 and 4.2).

At the Property level, several forestry access roads and trails plus the hydro line rights of way provide access routes for field crews, drilling equipment, trenching equipment and other exploration requirements. However, steep hillsides and deep stream valleys locally restrict or prevent access to certain areas.

5.2 Climate

The Property is situated along White Bay, on the east coast of northwestern Newfoundland, where northern temperate zone climatic conditions are present. The region's proximity to the Atlantic Ocean causes distinct seasonal variations. Winter conditions, expected from late November through to late March, include freezing temperatures and substantial snowfalls. Spring, summer and fall seasons experience cool temperatures with frequent periods of rain.

The following climate information is an average of those reported for Sops Arm, White Bay during the 30 year period ending in 2010 and characterizes seasonal precipitation and temperature trends in the area. The average August daily mean temperature for the reporting period was 15.9 ºC with a corresponding extreme maximum temperature of 32 ºC. Average daily winter temperature for February was -8.4 ºC with a corresponding extreme minimum being -33.5 ºC. Mean annual temperature is 3.7 ºC, mean annual snowfall is 280 cm and mean total annual precipitation is 1002 mm.

The Property is accessible from mid-May to late November for most exploration work, but the Cat Arm access road is not typically plowed during the entire winter period. Diamond drilling and ground geophysics could be carried out year-round but could be hampered by extensive snow cover and related lower productivity rates. Work programs requiring access to bare ground surfaces and outcrops would typically be restricted to the May through late November period.

5.3 Physiography

Topography within the Property area is generally rugged, with forested, but relatively steep rocky slopes being typical. Elevations range from sea level to over 250 m above sea level and slopes of over 30° are common. Cliff faces measuring 15 to 25 m or more characterise some areas, making travel for personnel and mechanized equipment locally difficult. Bedrock is well exposed along the north-south trending Cat Arm access road and also along the similarly trending main drainage courses that occur on the Property. Well developed soils are also present, being developed on the extensive glacial overburden mantle that occurs in this area. Local presence of large glacial erratics can further hinder field exploration activities, as can the steep stream valleys.

5.4 Infrastructure

Basic support infrastructure is present in the area, with the Jackson's Arm paved highway crossing the Property and the Trans-Canada Highway and Deer Lake Airport being located within a highway travel radius of less than two hours. The Cat Arm hydro-electric generating station is located at Devils Cove, about 4 km north of the Property, and produces approximately 127 megawatts of electricity. Four power lines (230k V) pass directly through the length of the Property and a small 8 to 10 megawatt subsidiary hydro-electric plant was built in 1998 on Rattling Brook, in the center of the Property. Limited goods, services and motel accommodations are available in the Jackson's Arm – Sops Arm area, as are some heavy equipment contract services. However, the nearest communities providing medical, airline and broader support services are those in the Deer Lake–Corner Brook area, approximately two hours driving time to the south.

The provincial Crown controls most surface and timber rights in this part of Newfoundland and Labrador and access to areas for mineral exploration purposes is generally straight forward, consisting of notification and authorization as required under provincial legislation. Newfoundland Hydro has a 'right-of-way' covering their electrical transmission lines, but this has not directly affected past exploration activities. Forest resources over much of the Property have been harvested over the last 30 years and these activities continue at present in some areas. Much of the accessible timber on the Property has been cut or was destroyed by a 1990 forest fire (Harris, 2008).

Magna Terra has advised that the Property is not within a recognized area of environmental or archeological sensitivity.

6.0 HISTORY

In the early 1900's, quartz vein lode gold deposits were discovered and worked near Sops Arm, roughly 15 km to the southwest of the RBGD. These were mainly mesothermal type occurrences in the Silurian Sops Arm Group (Tuach, 1986; Groves et al., 1998). Prior to the 1980s there was little recorded interest in the immediate Property area with respect to mineral exploration activities.

During a geotechnical diamond drilling program for the Cat Arm hydro-electric Project in 1977-78, informal reports of gold mineralization being present in drill core are believed to have been made, but these do not appear to have been immediately followed-up. In 1982, Labrador Mining and Exploration Limited (LME), sampled oxidized, pyrite-bearing granitic exposures from a road cut along the Cat Arm access road and these returned gold values in the range of 1-2 g/t range (Wilton, 2003). Between 1983 and 2007, over 100 new gold showings were discovered in the Sop's Arm - Jackson's Arm - Coney Arm belt, which subsequently became the focus of substantial amounts of gold-related exploration activity. While no mineral deposits with proven economic viability have been delineated in the area to date, several promising locations have been assessed through core drilling, trenching and other exploration surveying. Dearin (2003) and Poole (1991) provided accounts of the area's exploration history, a summary of which is presented below.

6.1 Regional Exploration (1980-2000)

Pertinent aspects of the area's exploration history and economic assessment are summarized below and reflect a review of assessment report and mineral occurrence file records, most of which are archived with the Newfoundland and Labrador Department of Natural Resources. In particular, information presented in Dearin (2003) and Poole (1991) was directly condensed to assemble the following summary of historic Property exploration.

- In 1980, the Newfoundland Department of Mines completed detailed geological mapping (1:25 000 scale) in the Jackson's Arm area, focusing mainly on the younger sedimentary rocks overlying the Proterozoic gneisses and granites that are host to the main gold mineralization (Smythe and Schillereff, 1981).

- As stated above, in 1982 LME's prospector sampled road cut granites that returned gold assays between 1 g/t and 2 g/t.

- Further exploration was carried out by LME in 1983, including prospecting and mapping and detailed rock sampling. They conducted gridded orientation soil sampling and ground geophysical surveys over alteration-mineralized zones (Bruneau, 1984).

- Between 1984 and 1985, LME trenched, and chip sampled a number of zones and their Trench 1 yielded the best gold result of 8.4 g/t over a 3.0 m interval. LME also carried out stream sampling, Induced Polarization (IP) surveys and extended their focus with more mapping, prospecting and soil and rock sampling (Figures 6-1 and Figure 6-2). Several new gold zones were identified and the area encompassing these was determined to measure approximately 8 km x 3 km. Additional claims were staked, and a recommendation was made for 1,200 m of core drilling (Avaison and French, 1985).

- BP Selco Exploration Ltd. (BP-Selco) optioned the Property from LME in April 1986 and immediately commenced a 1,010.1 m core drilling program in 10 holes over the Rattling Brook Granite zones. Results of this program were encouraging, returning gold grades of 1.0 to 3.0 g/t over intervals of 1 m to 14 m, within broader zones (30 m+) showing gold grades of 0.2 g/t to 0.8 g/t. The best gold result was an interval grading 4.4 g/t over a sample length of 5.0 m beginning at a downhole depth of 80.7 m in drill hole RB-1. BP-Selco continued detailed mapping, ground geophysics and soil surveys, as well as additional trenching.

- An additional 58 holes by BP-Selco between 1986 and 1990 were focused on low grade, bulk tonnage gold mineralization hosted in altered granite. However, during the last phase of drilling, efforts were focused on the south portion of the Property in the “Beaver Dam” zone, where higher grade gold was encountered in quartzites and carbonates. Examples of such include 7.3 g /t over 2.1 m and 5.5 g/t over 3.5 m reported from drill holes RB-51 and RB-48, from down hole depths between 94.73 m and 96.80 m and between 80.98 m and 80.43 m, respectively. Poole (1991) provided an excellent geological description of this new sediment hosted gold setting and an in-house resource estimate of 125,000 ounces of ‘probable and possible” gold in the quartzite horizon was reported by BP-Selco (Dearin, 2003). The authors caution that this estimate is historical in nature, was not prepared in accordance with NI 43-101 and should not be relied upon. A Qualified Person in the context of NI 43-101 has not completed sufficient work to classify these as current Mineral Resources and Magna Terra is not considering them as current mineral resources.

- No further exploration was carried out by BP-Selco after 1990 but the Property was held in good standing until 1998. In 1992, Noranda Exploration acquired the claims from BP-Selco but did no work on the Property.

- In 1999, South Coast Ventures Inc. staked the main gold prospects and the carbonate units. They compiled results of previous work on the Property in a digital database and focused interest on mineralized carbonate-bearing sedimentary units that presented potential for sediment hosted “Carlin style” gold mineralization (Dearin, 2001)

Figure 6-1: Compilation of historic prospecting rock sample results on the Rattling Brook Gold Deposit.

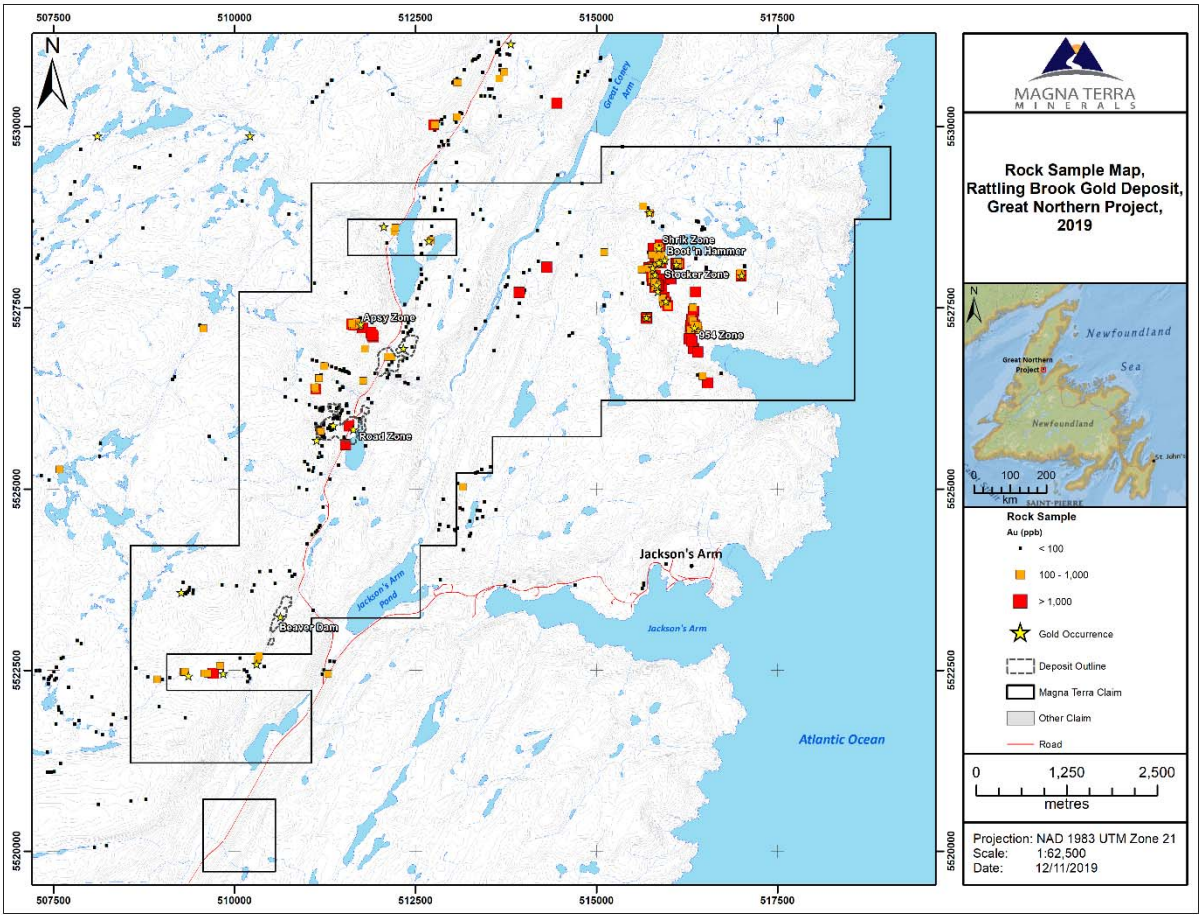
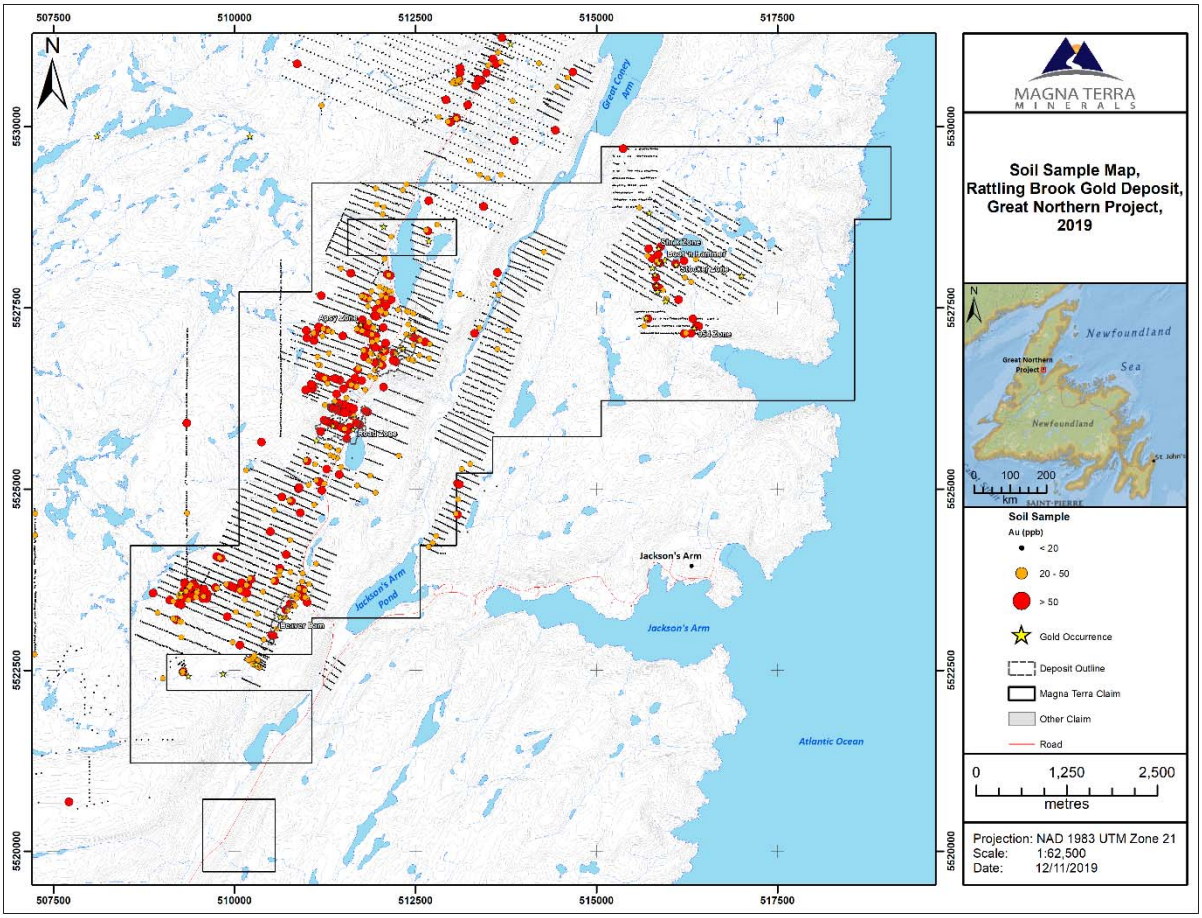


Figure 6-2: Compilation of historic soil sampling grid results on the Rattling Brook Gold Deposit.



6.2 Exploration by Kermode Resources Ltd. (2002-2009)

The exploration activities of Kermode Resources Ltd. (Kermode), that acquired the Property in 2002, are summarized below:

- In 2002, Kermode acquired the RBGD Property plus additional mineral licences in the area under terms of an agreement with South Coast Ventures Inc. (SCV). Kermode assembled a digital database based on the 63 BP-Selco drill holes and geochemical soil survey results, developed digital drill hole cross sections and re-logged and sampled ten BP-Selco drill holes. From 2003 to 2007 Kermode carried out regional and grid geochemical sampling and prospecting programs plus three diamond drilling programs. The latter included 123 drill holes totaling 18,440 m of drilling.

- In 2003, Kermode conducted detailed prospecting and grid-based B-horizon soil sampling around areas of anomalous gold levels previously defined in samples of till, soil or rock (previous Figure 6-1 and Figure 6-2). Forty four (44) of the resulting soil samples that had anomalous gold values were also noted to be anomalous in arsenic, antimony, lead and zinc. Results from initial soil sampling and prospecting outlined additional anomalous zones that were recommended for follow-up core drilling. Kermode initiated a core drilling program on the Property that included completion of 17 drill holes (2,040.9 m) between December 2003 and May 2004, details of which appear in Section 10.1.2.

- In June 2004, Kermode conducted additional soil sampling to extend anomalies occurring near the ends of the existing sampling grids and to cover gaps in coverage (Figures 6-1 and Figure 6-2). A total of 825 soil samples were collected during this program and subsequently analyzed for gold and a multi-element suite at Eastern Analytical Ltd. (Eastern) in Springdale, NF. A Mobile Metal Ion (MMI) soil orientation survey was also completed on three lines crossing the Beaver Dam Zone. Between September 20th and December 16th, 2005 Kermode drilled an additional twenty-three diamond drill holes (4,037.5m).

- From August 2006 to September 2007, Kermode drilled eighty-two (82) drill holes (12,361.5 m) and carried out an IP survey over north-south oriented lines along roads and frozen ponds to assist in locating structures that cross-cut the main mineralized zones. The survey was performed by Eastern Geophysics Ltd. using a dipole-dipole array with “a” spacing of 50 meters and reading to n=6. Baseline 0+00 started at Apsy Cove pond and extended south 7.1 km to cross the Beaver Dam mineralized zone. The 2006-2007 drill program resulted in extending the “Feeder Fault” an additional 150 m along strike in the Apsy Zone and included a significant mineralized interval grading 1.36 g/t over 91.2 m

between 10.5 m and 108.4 m down hole in JA-06-46. According to Harris (2008), drilling on the Apsy Zone indicated that the "Feeder Fault" controlled most gold mineralization in the area and that best grades and thicknesses occur near the sediment-granite contact.

- In 2008, Kermode retained Mercator to complete an initial Mineral Resource Estimate for the RBGD. Mercator modelled the three spatially distinct gold deposit zones (Apsy, Road and Beaver Dam) in separate three-dimensional block models developed using Surpac® deposit modeling software. The resulting Inferred category Mineral Resource Estimate was prepared in accordance with NI 43-101 and the CIM standards and included 495,000 oz gold at an average gold grade of 0.84 g/t. Their estimate was based on validated results of 183 diamond drill holes completed between 1986 and 2007 (Table 6.1). This Mineral Resource Estimate is now historical in nature and should not be relied upon. It is superseded by the current Mineral Resource Estimate. Details of the 2008 Mineral Resource Estimate are presented in the associated Cullen et al. (2009) Technical Report filed on SEDAR by Kermode. The Mineral Resource Estimate had an effective date of April 20th, 2009.

- A 100% interest in Kermode's RBGD exploration licence (023280M) was acquired by ExploreCo in 2018 under terms of a purchase agreement dated January 25, 2018. A summary of agreement terms was presented earlier in Section 4.1.1 of this report.

6.3 Exploration by Metals Creek Resources Ltd. (2007-2013)

In 2007 and 2008, Metals Creek Resources (Metals Creek) flew an airborne magnetometer survey and followed this up by a lake sediment sampling program on the southern portion of the firm's mineral licences (see previous Figure 4-2). Prospecting in 2011 resulted in the discovery of the Boot n' Hammer, Stocker, and Shrik gold prospects. Subsequent trenching tested float and outcrop samples and exposed mineralization and alteration (Reid and Myllyaho, 2012). In 2012, Metals Creek carried out prospecting, soil sampling, mechanical stripping and both ground magnetometer and IP geophysical surveys (Fraser, 2012; Myllyaho, 2013).

Table 6-1: *Historical Mineral Resource Estimate for Rattling Brook Gold Deposit – Effective Date April 20th, 2009

Gold Cut-off Grade (g/t)	Tonnes (Rounded)	Gold Grade (g/t)	Total Grams Gold (Rounded)	**Calculated Ounces Gold (Rounded)
Road Zone				
0.50	***9,880,000***	***0.76***	***7,509,000***	***241,000***
0.75	3,810,000	0.98	3,734,000	120,000
1.00	1,400,000	1.22	1,708,000	55,000
Apsy Zone				
0.50	***7,410,000***	***0.95***	***7,040,000***	***226,000***
0.75	5,040,000	1.11	5,594,000	180,000
1.00	2,760,000	1.3	3,588,000	115,000
Beaver Dam Zone				
0.50	***1,020,000***	***0.85***	***867,000***	***28,000***
0.75	440,000	1.16	510,000	16,000
1.00	200,000	1.52	304,000	10,000
***Combined Zones**				
0.50	***18,310,000***	***0.84***	***15,380,000***	***495,000***
0.75	9,290,000	1.06	9,847,000	317,000
1.00	4,360,000	1.28	5,581,000	179,000

* This Mineral Resource Estimate is now historical in nature and should not be relied upon. It is superseded by the current Mineral Resource Estimate.

**Calculated total gold figures differ slightly due to rounding.

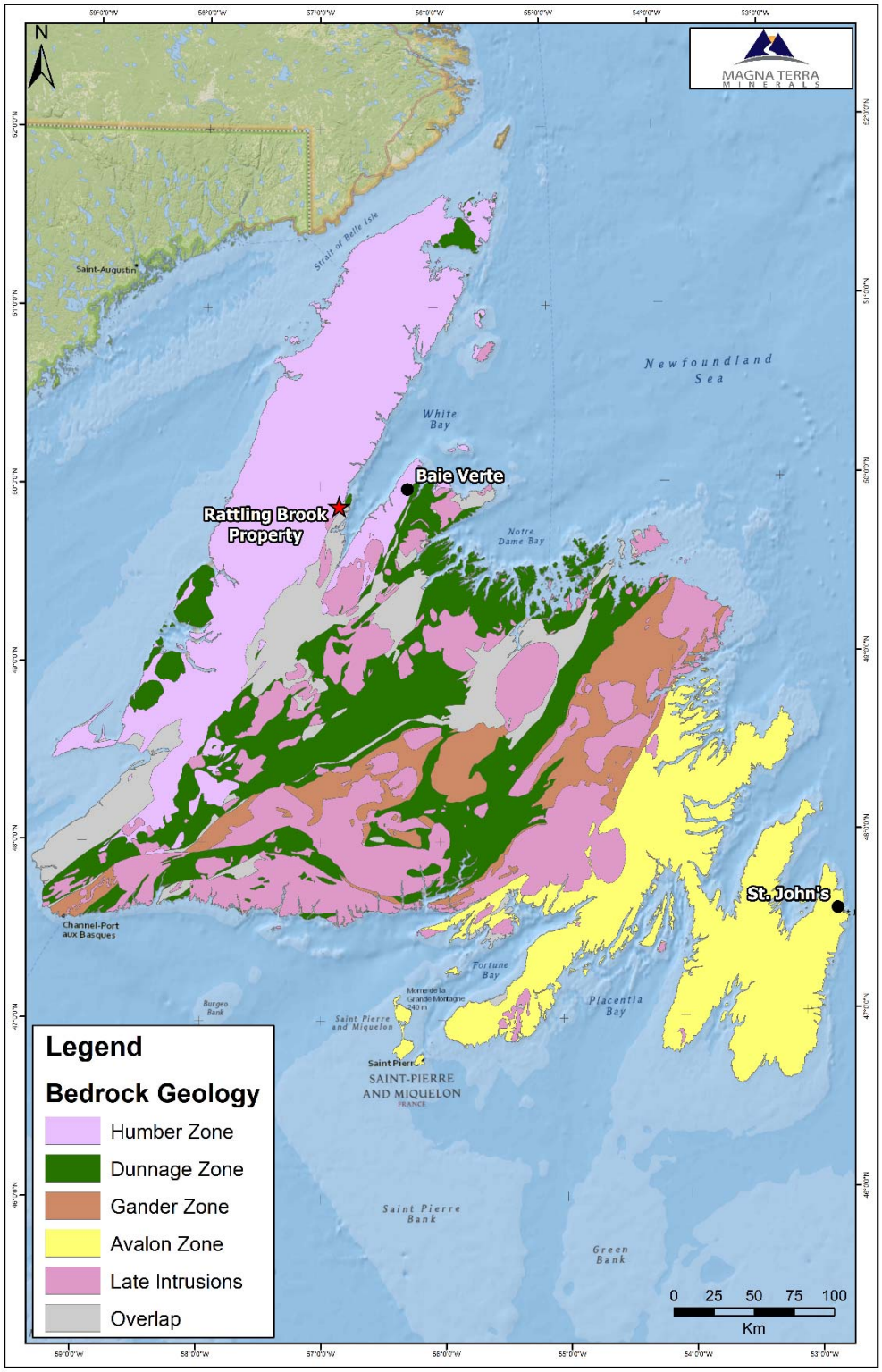
7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Lithotectonic Setting

Williams (1979) proposed that the Newfoundland Appalachian orogen is composed of five lithotectonic zones from west to east consisting of the Humber, Dunnage, Gander, Avalon and Meguma zones (Figure 7-1). Evolution of these major zones reflects development and destruction of the Lower Palaeozoic Iapetus Ocean through sequential closure that incorporated two major stages of arc-related rifting, with subsequent accretion and superimposed structural modification of accreted terranes (van Staal, 2007). The Humber Zone reflects the early Paleozoic continental margin sequence of cratonic North America that was deposited on and adjacent to Precambrian (Grenvillian) basement. The Dunnage Zone adjoins to the east and is comprised of vestiges of Cambrian-Ordovician continental and intra-oceanic arcs, back-arcs and ophiolites (Kean et al., 1981; Swinden, 1990; Williams, 1997; Zagorevski et al., 2006; van Staal, 2007). These record earliest increments of Iapetan closure that correlate with initial pulses of the Late Ordovician Taconic Orogeny. The Gander Zone consists predominately of sedimentary sequences plus remnants of subduction-related back-arc volcanic sequences that accumulated oceanward of the opposing Iapetan margin. Volcanic arc complexes developed as a result of the east-directed subduction and this culminated in full ocean closure during the final, Late Ordovician phase of the Taconic Orogeny.

Van Staal (2007) inferred presence of a narrow micro-continental block of sialic crust within the Iapetan ocean basin that separated the major arc complexes, all of which were telescoped and accreted during late Ordovician through early Silurian time. The adjoining Avalon and Meguma Zones to the east were subsequently tectonically assembled within the orogen by the Mid Devonian. The RBGD is hosted by rocks of the Long Range Inlier which is comprised of basement orthogneisses of the Humber Zone that immediately adjoin the structural boundary between that zone and the Dunnage Zone to the east.

Figure 7-1: Lithotectonic subdivisions of Northern Appalachians (modified after Williams, 1979)



7.2 Regional Geology and Stratigraphy

Western White Bay is situated within the Humber Zone of the Newfoundland Appalachians and is crossed by three major, north-south trending faults: 1) the Cabot Fault (CFS), 2) the Birchy Ridge Fault (BRF), and 3) the Doucers Valley Fault System (DVFS) (Figure 7-2 and 7-3) . Rock units within the Western White Bay area range from Proterozoic to Carboniferous in age, with the oldest being granitoid rocks of the Long Range Inlier (ca. 1631 to 1530 Ma) to the west and the youngest being rocks occurring as thin carbonate units within the volcanic sequence of the Sop's Arm Group to the east (Saunders, 1991; Heaman et al., 2002). The late Precambrian intrusions are unconformably overlain by a narrow belt of Cambro-Ordovician platformal sedimentary succession cover sequence rocks. The DVFS separates the late Precambrian basement rocks and Cambro-Ordovician cover sequence rocks to the west from Ordovician Southern White Bay Allochton (Coney Head Complex) and Silurian continental cover sequence (Sop's Arm Group) rocks to the east (Figure 7-2). The Sops Arm Group succession is bounded to the east by the BRF.

7.2.1 Apsy Granite

The ca. 1036 Ma Apsy Granite occurs within the Grenville gneissic complex of the Great Northern Peninsula and intrudes ca. 1631 to 1530 Ma Grenvillian orthogneiss and amphibolites along its west, north and south limits (Heaman et al., 2002). Its eastern margin is unconformably overlain by quartzites, phyllites, limestones, dolomites and marbles of the Beaver Brook Formation, Forteau Formation and Hawke Bay Formation, successively. These Formations collectively belong to the autochthonous Cambro-Ordovician Coney Arm Group further discussed below.

The Apsy Granite is variably altered and foliated, but is generally coarse-grained, K-feldspar porphyritic to megacrystic and biotite-rich. It has an elongate, northeast trending extent of approximately 30 km and width of approximately 3 km. Unaltered granite is typically dark pinkish-green and megacrystic and has roughly equal quantities of K-feldspar and plagioclase (~30% each), grey quartz (10%) and biotite plus magnetite (10-15% combined).

Alteration of the granite is commonly associated with fracturing and shearing and is characterized by potassic, albitic, sericitic, silicic and carbonate alteration assemblages plus disseminated pyrite mineralization. Hydrothermal alteration typically alters feldspars and breaks down mafic minerals

Figure 7-2: Simplified geology of the Western White Bay area and the Sops Arm group (modified after Kerr, 2006 and Sandeman & Dunning, 2016)

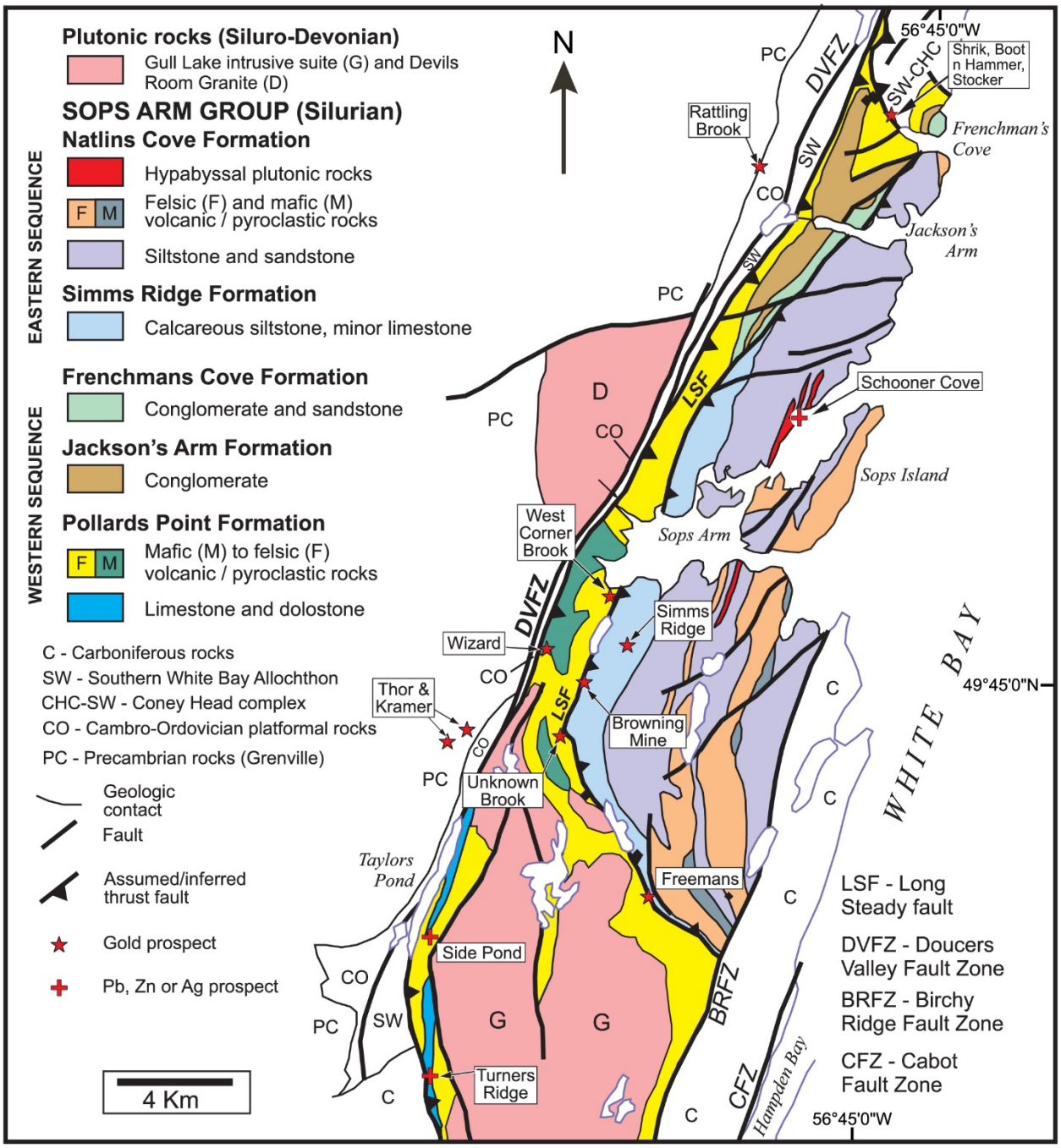
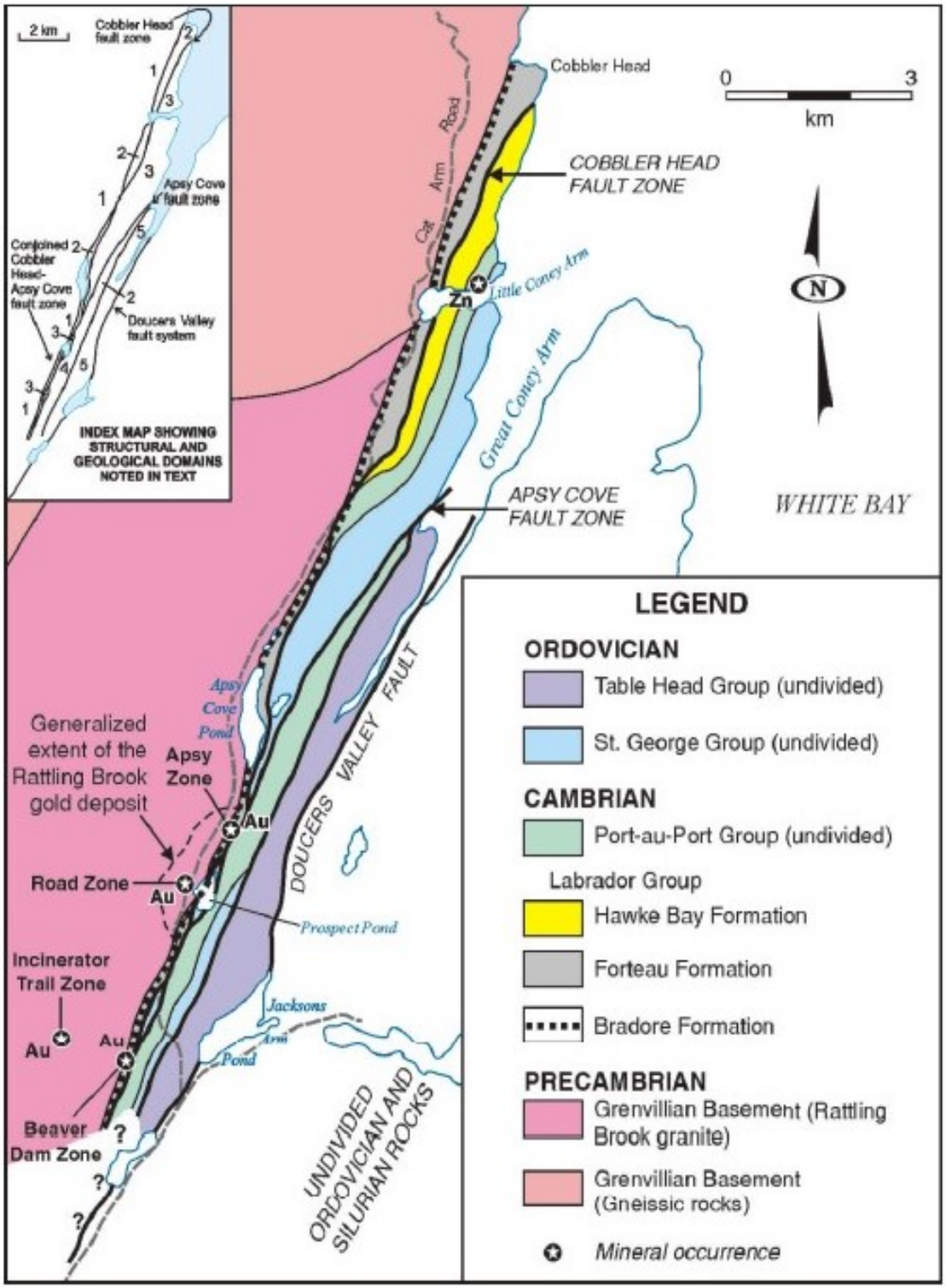


Figure 7-3: Regional geology of Rattling Brook Gold Deposit area (modified after Kerr, 2006)



and magnetite and partly replaces them with disseminated pyrite and lesser arsenopyrite. Historically, alteration has been documented using a four-division alteration intensity scale that ranges from unaltered (unit 1a) to strongly altered (unit 1d). The alteration sequence is easily recognized by light green to locally pink coloration, as well as the presence of disseminated pyrite and/or arsenopyrite. The most strongly altered units (1d) are mafic-free and carry from 2% to locally 10% pyrite, <1% arsenopyrite and very rare base metals.

The Apsy Granite is in fault contact to the south with the Lower Devonian (ca. 425 Ma) Devil's Room Granite (Heaman et al., 2002). In this area, the eastern margin of the granite has experienced significant deformation related to westerly-directed thrust faulting associated with Ordovician ophiolite obduction and later dextral strike-slip deformation associated with the adjacent Doucers Valley Fault System (DVFS) (Cullen et al., 2009). The DVFS is a steeply dipping major structure that trends north-northeast and forms part of the crustal-scale Long Range Fault system.

7.2.2 Labrador Group

The Cambrian Labrador Group was previously mapped as the Coney Arm Group and is made up of three formations, the 1) Bradore Formation, 2) Forteau Formation and 3) Hawke Bay Formation. These lie unconformably above the Apsy Granite (Figure 7-3). The Bradore Formation is the basal unit of the Labrador Group and lies directly above the unconformity. It is composed of dark blue to grey quartzite to pebbly arkose derived from erosion of Grenvillian basement orthogneiss and lower Paleozoic granite. The unaltered quartzite typically contains biotite and chlorite and locally up to 10% magnetite. The Forteau Formation conformably overlies this basal unit and consists of a sequence of shaley limestone and calcareous phyllites in which the latter locally contain noticeable amounts of magnetite. The overlying Hawke Bay Formation consists of generally grey limestones and dolomites. They typically show conformable to gradational contacts with the underlying unit but contacts have locally been modified by faulting. This is particularly evident along quartzite-limestone contacts (Poole, 1991; Harris, 2008).

The quartzites, phyllites and carbonate units in the Labrador Group tend to exhibit similar alteration to the underlying Apsy Granite, with potassic alteration being limited to the quartzite. Where the quartzite unconformably overlies the strongly altered granite it also exhibits mafic mineral and magnetite replacement by pyrite. Locally, altered pyritic lamprophyre dikes crosscut the sedimentary units and carry gold values (Harris, 2008).

7.2.3 Southern White Bay Allochthon and Coney Head Complex

The Coney Head Complex (474 ± 2 Ma; Dunning, 1987), is part of the Southern White Bay Allochthon (Smyth and Schillereff. 1982). It consists mainly of granitic intrusive rocks, clastic sedimentary rocks and metavolcanics rocks (Williams, 1977). The rocks of the Coney Head Complex are interpreted to be part of an Orodovician island arc formed in the Iapetus Ocean that was tectonically emplaced onto the Laurentian margin during the Taconic orogeny (Williams, 1997; van Staal et al., 2009). Mapped silvers of pebble to boulder-size conglomerate and mafic to felsic volcanics are interpreted to be thrust imbricated silvers of the Pollard's Point and Jackson's Arm formations of the Silurian Sops Arm Group (see below; Copeland and Lajoie, 2016).

7.2.4 Sop's Arm Group

The Silurian Sop's Arm Group is divided into two sequences, the Western and Eastern sequences. These sequences are separated by the Long Steady Fault (LSF) and distinguished on the basis of their chemical and stratigraphic differences (previous Figure 7-3 and Kerr, 2006). The Western Sequence (434.3 ± 1 Ma; Sandeman and Dunning, 2016) is composed of highly strained mafic and felsic volcanics, conglomerates, and sedimentary rocks and is divided into the Pollard's Point, Jackson's Arm, and Frenchman's Cove formations. These units unconformably overlie the Southern White Bay Allochthon and Coney Head Complex (Kerr, 2006).

7.3 Property Geology

Results of government mapping and industry exploration to date have shown that the Rattling Brook Granite (Apsy Granite), Grenvillian orthogneisses and unconformably overlying sedimentary sequences of Lower Paleozoic age underlie the Rattling Brook Deposit Property. All of these bedrock sequences were affected to varying degrees by major northeast trending, east dipping thrust faults as well as by younger, similarly striking but steeply dipping, strike-slip shears and faults. Secondary shears and faults related to both the thrusting and strike slip movement regimes are also present. These structural and lithologic components are interpreted to have been assembled prior to being affected by hydrothermal alteration and associated emplacement of disseminated sulphide and gold mineralization. More specific aspects of Property geology are described in Poole (1991), Dearin (2001) and Harris (2008).

7.3.1 Geological Summary

The Great Northern Project area encompasses four main geological domains which range from Proterozoic to Silurian in age. These include Grenvillian granitoid rocks of the Long Ranger Inlier (ca. 1631 to 1530 Ma), Cambro-Ordovician platformal rocks of the Coney Arm Group, Ordovician Southern White Bay Allochthon and Coney Head Complex, and the Silurian volcanic rocks of the Sop's Arm Group. Each main domain was described in detail above. The Rattling Brook Granite (Apsy Granite) is separated from the younger Cambro-Ordovician sedimentary strata by an unconformity that trends north northeast through the centre of the Property (previous Figure 7-2 and 7-3).

Mckenzie (1986, 1987) and Saunders and Tuach (1988) recognized two related alteration stages in the Property area and considered these to be part of the same gold mineralizing process. K-feldspathization was the first stage of hydrothermal alteration, producing microcline and sericite after plagioclase and biotite. This style is dominantly found within the granitic rocks. The second stage of alteration is generally restricted to stockwork fracturing and the development of albite, quartz and sericite veins. Late-stage mineralization included the deposition of pyrite, auriferous pyrite and arsenopyrite.

Jasperoid is present on the Property in several widely spaced stratigraphic intervals that range from 15 m to 30 m in thickness and occur in limestones and dolomites as much as 1,000 metres above the granite-quartzite unconformity (Dearin, 2001). A zone of extensively silicified limestone (jasperoid) is present at Little Coney Arm and decalcified or 'sanded' dolomites with significant porosity have also been identified in a structurally complex zone in carbonates located between the Beaver Brook and Apsy gold zones (Dearin, 2002). Harris (2008) suggested these features may indicate that alteration fluids were injected into the overlying carbonate units and that presence of the "jasperoids" indicated further evidence of a 'Carlin-type' gold environment, with potential for existence of high-grade sediment-hosted gold mineralization in carbonate rocks of the area.

7.3.2 Mineralization

Three zones of gold mineralization have been defined to date at the RDGD: Apsy Zone, Beaver Dam Zone and Road Zone. Two mineralization styles are recognized, these being low-grade gold mineralization hosted in strongly altered granites or granodiorites and higher-grade gold mineralization associated with the first style but localized in overlying quartzites, phyllites, limestones and dolomites.

Granite-hosted disseminated mineralization occurs in all three zones and gold grades such as 1.8 g/t over 74.4 m and 1.12 g/t over 115.7 m, reported from diamond drill holes JA05-35 and JA05-36 in the Apsy Zone, from down hole depths between 2.3 m and 76.6 m in JA05-35 and between 45.0 m and 160.7 m in JA05-36, respectively, characterise best-developed zones of such mineralization. These broad, lower-grade granite-hosted zones substantiate the Property's potential to host bulk-tonnage gold deposits of economic scale.

Higher-grade gold mineralization occurs in stratabound positions within unconformably overlying sedimentary units at several stratigraphic horizons. However, highest grades and greatest continuity of mineralized zones occur in relative proximity to the basement/cover unconformity and in spatial association with well-developed granite hosted gold zones below the unconformity. In such instances, gold typically occurs in quartzites, phyllites and limestone-dolomite horizons in direct association with disseminated to sub-massive pyrite, carbonate-silica alteration and disseminated pyrite/magnetite zones. Several stratigraphically controlled intervals of such higher grade gold mineralization have been intersected in the sediments above the unconformity in each deposit area and these are described below, as summarized by Harris (2008). Kerr (2005) and Kerr et al. (2006) also provided detailed discussions of mineralization attributes and timing and are important sources of additional information regarding mineralization in this area. Review of these reports is recommended.

- Apsy Zone: Sedimentary hosted, higher-grade gold mineralization occurs contiguously with, and directly above, the disseminated style of granite-hosted mineralization. Gold grades for historic trench grab samples have assayed up to 45 g /t, with chip sample grades to 11 g/t over 1.5 meters to 2 meters and drill core gold grades up to of 5.1 g/t over 3 meters have been reported in this area (Harris, 2008).

- Beaver Dam Zone: This zone contains a thick section of low-grade gold values in the sediments immediately above the granite unconformity. A higher-grade stratigraphic zone with gold grades of up to 5 g/t over 2.1 m has been partially defined by sampling. This reflects true width composite gold grades such as 7.3 g /t over 2.1 m and 5.5 g/t over 3.5 m reported from drill holes RB-51 and RB-48, from down hole depths between 94.73 m and 96.80 m and between 80.98 m and 80.43 m respectively. It is important to note that anomalous gold levels have also been intersected up to 135 m stratigraphically above the unconformity, within the overlying limestone-dolomite sequence (Harris, 2008).

- Road Zone: The majority of the mineralization traced within this zone is granite hosted. However, local epigenetic sedimentary hosted mineralization was also encountered in areas in contact with contiguously mineralized granites. Related drill hole results of note include gold grades of 11.06 g/t over 1.10 m in JA-07-78, between 17.8 m and 18.9 m down hole, and 7.93 g/t over 0.8 m in JA-07-122, between 69.6 m and 70.4 m down hole (Harris, 2008).

- Carbonate Hosted Au Mineralization: Drill hole RB-31 by BP-Selco intersected a zone having a gold grade of 1.1 g/t over 23.4 m within a longer interval of consistently elevated gold values averaging 0.92 g/t between 56 m and 90 m down hole, all occurring in calcareous shale and shaley limestone of the Forteau Formation. A similar but much thinner interval of comparable gold grade was identified in the same lithologies on Kermode's Grid 14, approximately 4.5 km north of RB-31.

- The Incinerator Trail Zone has been tested by four reconnaissance-style diamond drill holes in the 1980's and returned assays of 1.78 g/t gold over 4.0 m (hole RB-35) and 2.30 g/t gold over 4.05 m (hole RB-41).

- To the east of the RBGD and hosted within rocks of the Southern White Bay Allochthon are several gold prospects and showings. These include the Shrik, Stocker, Boot N' Hammer and 954 Prospects. Surface grab samples assaying up to 20.2 g/t gold and 1,232 g/t silver at the Boot N' Hammer Prospect; up to 56.7 g/t gold and 2.75 oz/t silver at the Stocker Prospect; up to 7.2 g/t gold at the Shrik Prospect; and 13.6 g/t gold at the 954 Prospect have been returned from these areas.

In addition to the main styles of mineralization described above, isolated gold values of interest have also been returned from mylonitized zones, altered diabase and lamprophyre dikes cutting both sedimentary strata and altered granites, and from minor shear zones in the sedimentary cover sequence that contain pyrophyllite, sericite and minor fuchsite.

8.0 DEPOSIT TYPES

Two types of gold mineralization have been identified at the RBGD to date, these being (1) disseminated gold hosted by large zones of variably foliated, fractured, sheared and potassically altered granite within the late Proterozoic Apsy Granite, and 2) higher-grade zones of generally stratabound gold mineralization associated with pyritized and arsenopyrite-bearing bedded quartzites and impure carbonates that occur at or near the unconformity between these stratified units and the gold-bearing altered rocks of the granite. The deposits can be broadly classified as being orogenic in nature as defined by Groves et al. (1998).

Geological relationships indicate that hydrothermal alteration of host rocks plus introduction of gold mineralization took place after thrust-related imbrication of the stratified sequence above the Apsy Granite. This post-dated or accompanied subsequent major strike slip shearing and associated local foliation development that was superimposed on the stacked basement-cover succession. Thrusting locally modified the otherwise unconformable contact between the basement and cover sequences but for the most part transport appears to have been accommodated at levels of the cover sequence above the basal unit. Imbrication occurred as part of the well-documented regional-scale west-directed Ordovician transport of Lower Paleozoic continental margin units onto adjacent Grenvillian basement complex rocks (Kerr and Knight, 2004).

9.0 EXPLORATION

Work completed during 2017 and 2018 on the RBGD of the Great Northern Project by ExploreCo comprised digital compilation of historic exploration data, collection of 7 rock samples and 576 soil samples, and completion of the Mineral Resource Estimate project described in this Technical Report.

9.1 Digital Data Compilation

From May 1, 2017 to June 30, 2017 historical and recent digital data for the RBGD of the Great Northern Project was compiled into several comprehensive thematic databases, principally using ArcGIS software (English et al., 2017).

Thematic data compiled during the work includes:

1) Diamond Drill Data - drill hole logs and digital collar data (188 drill holes)
2) Trenching and Mechanical Stripping (20 trenches)
3) Exploration Grids (97.0 line kms)
4) Geological Outcrop and Stations
5) Interpreted Geology
6) Structural Data (192 measurements)
7) Rock Samples (3,893 samples)
8) Soil Samples (10,363 samples)
9) Lake and Stream Sediment Samples (114 samples)

9.2 Prospecting and Rock Sampling

From October 15 to 18, 2018 a program of reconnaissance prospecting and rock sampling was completed on the RBGD of the Great Northern Project on mineral licences 023774M, 024523M and 024524M. A total of seven rock grab and float samples (samples 269561 to 269567) were collected from licence 023774M (Figure 9-1). An attempt was made to prospect both former licences 024523M and 024524M but due to early heavy snow cover it was not possible to collect any rock samples from the licences. Rock samples were submitted to Eastern Analytical Ltd. in Springdale, NL for gold and 34-element ICP analysis. No anomalous gold results were returned from the 2018 prospecting program (Copeland et al., 2019).

9.3 Soil Sampling

From September 20 to October 7, 2018 a program of systematic B-horizon soil sampling was completed on the Great Northern Project on three separate grid areas on licence 23772M (Figures 9-2 to 9-4). A total of 576 B-horizon soil samples were collected at nominal 25 m sample spacing

on 100 to 200 m spaced GPS controlled lines. Soil samples were submitted to Eastern Analytical Ltd. in Springdale, NL for gold analysis. The soil sampling program returned 64 of 576 (11%) samples with anomalous (> 10 ppb) gold and 16 of 576 (2.8%) samples with gold > 20 ppb and a maximum gold assay of 53 ppb (Copeland et al., 2019).

North Eastern Soil Grid - A total of 294 soil samples were collected on licence 23772M on the east side of Big Arm Brook on grid lines oriented at approximately 290 degrees (Figure 9-2). Weakly anomalous gold was detected in two samples on the grid assaying up to 42 ppb.

North Western Soil Grid - A total of 153 soil samples were collected on licence 23772M on the west side of Apsy Cove Pond and the Cat Arm road (Figure 9-3). These samples were collected to explore the along strike continuation of the RBGD to the north. Weakly anomalous gold was detected in five samples on the grid assaying up to 24 ppb gold.

South Western Soil Grid - A total of 129 soil samples were collected on licence 23772M to the southwest of the RBGD to extend the footprint of gold mineralization to the south (Figure 9-4). Weakly to moderately anomalous gold was detected in eight samples with assays up to 53 ppb gold that may represent the southern continuation of the RBGD gold system.

Figure 9-1: Rock Sample Locations: Licence 23744M

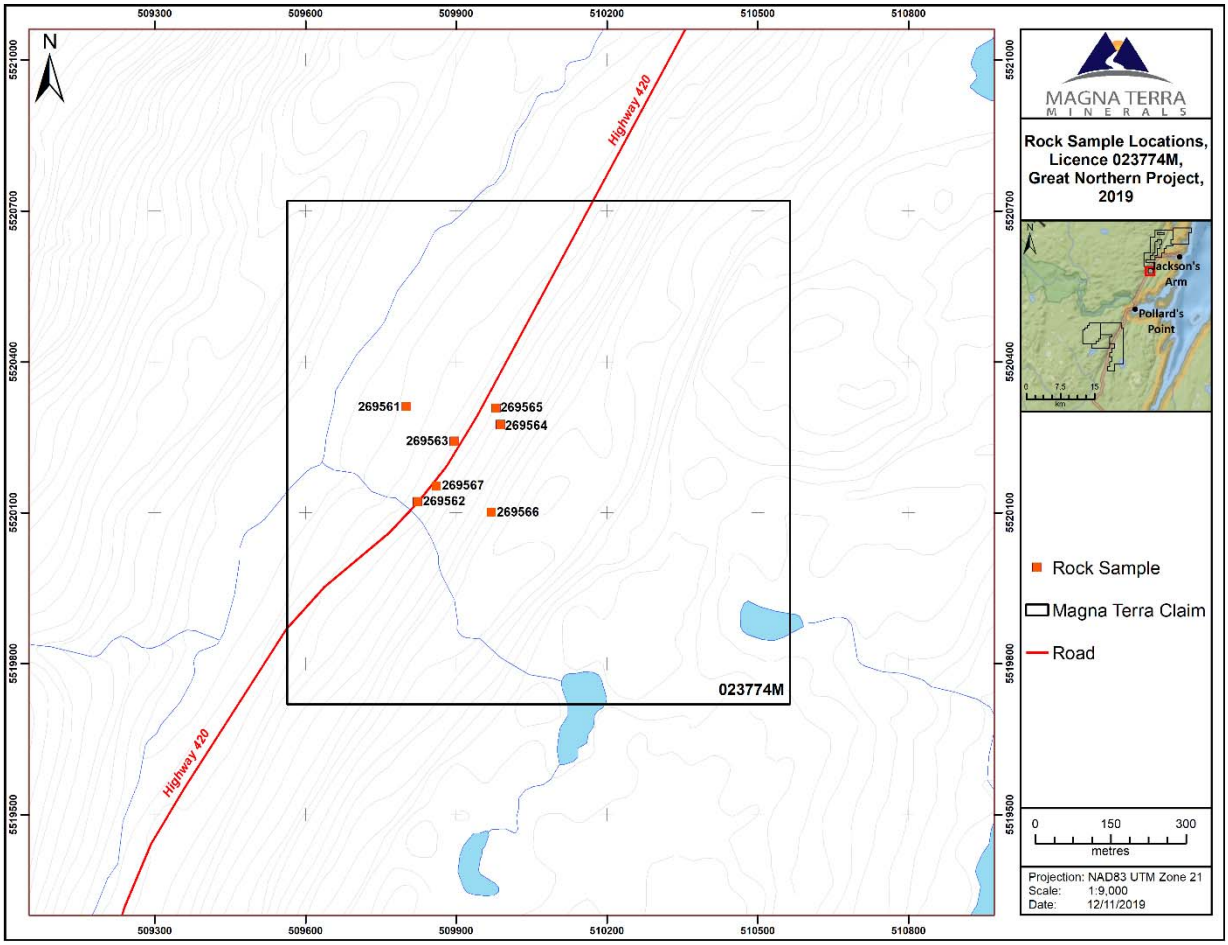


Figure 9-2: North Eastern Soil Grid – Rattling Brook Gold Deposit of the Great Northern Project

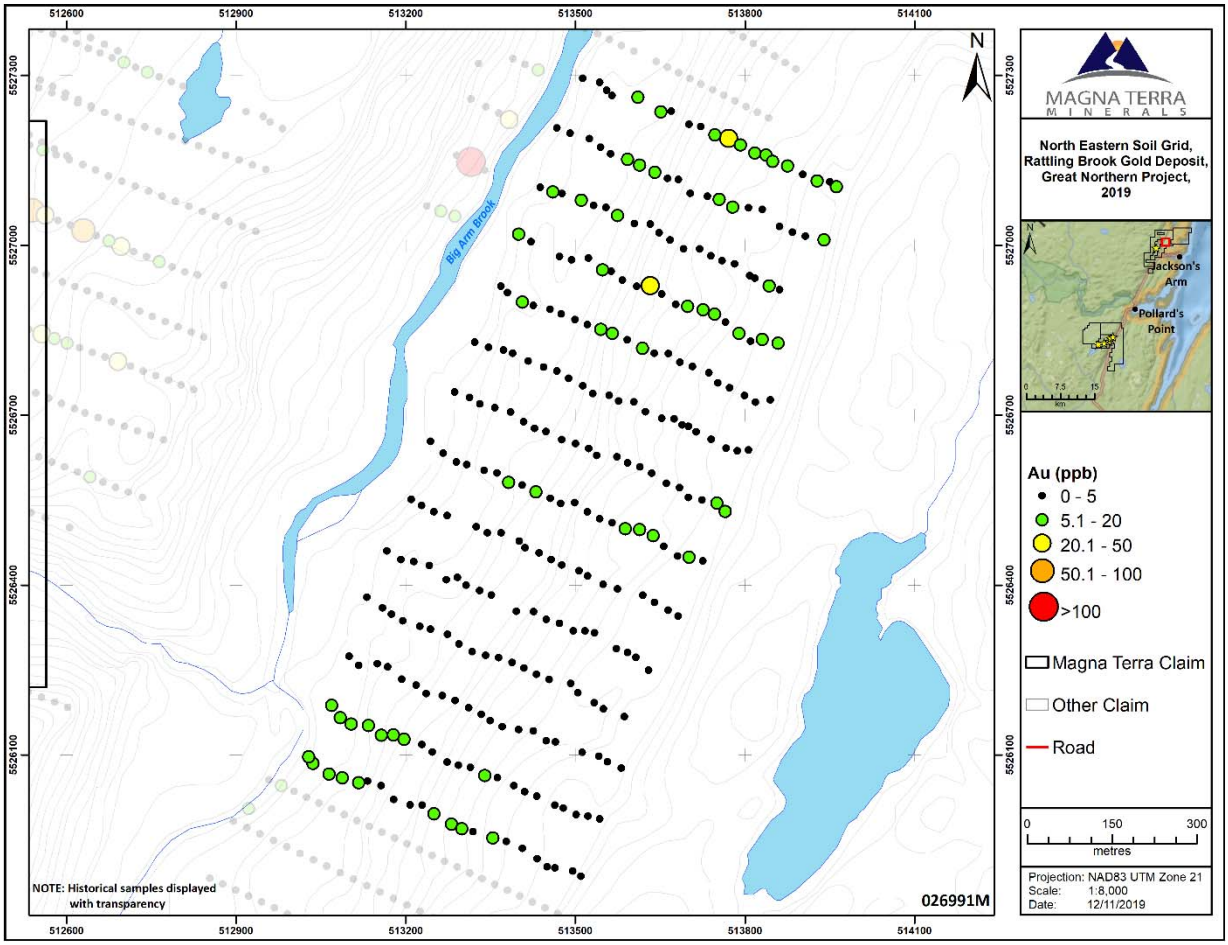


Figure 9-3: North Western Soil Grid – Rattling Brook Deposit of the Great Northern Project

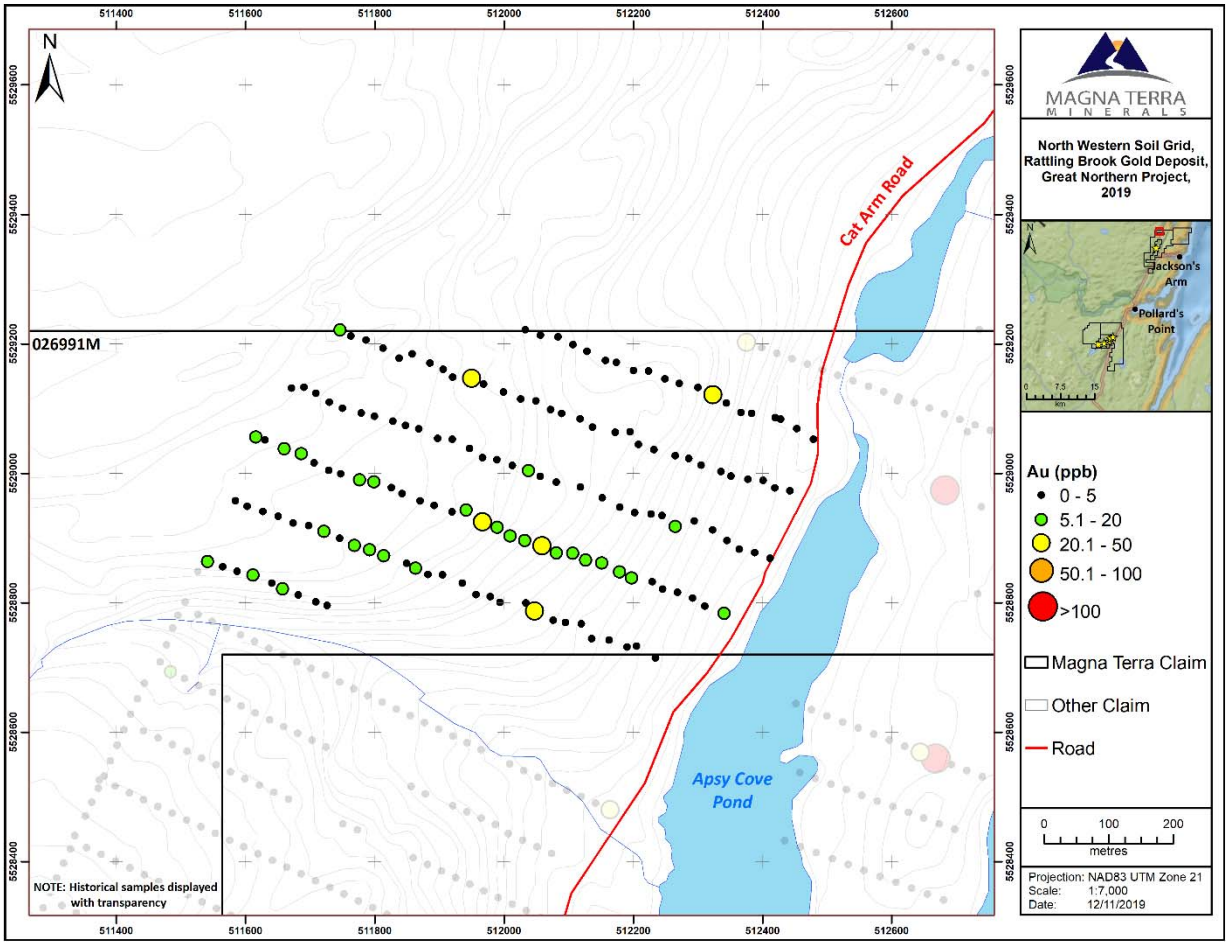
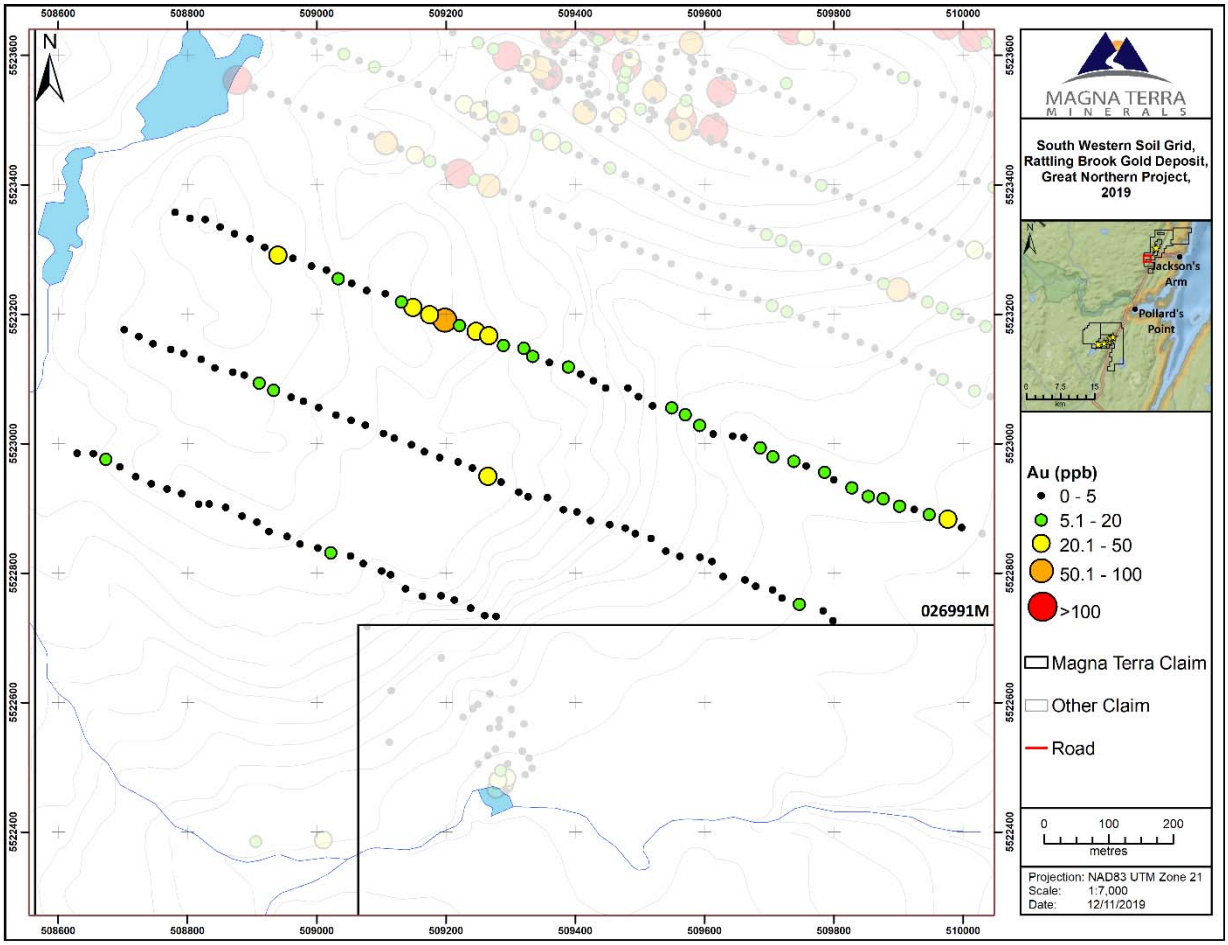


Figure 9-4: South Western Soil Grid – Rattling Brook Gold Deposit of the Great Northern Project

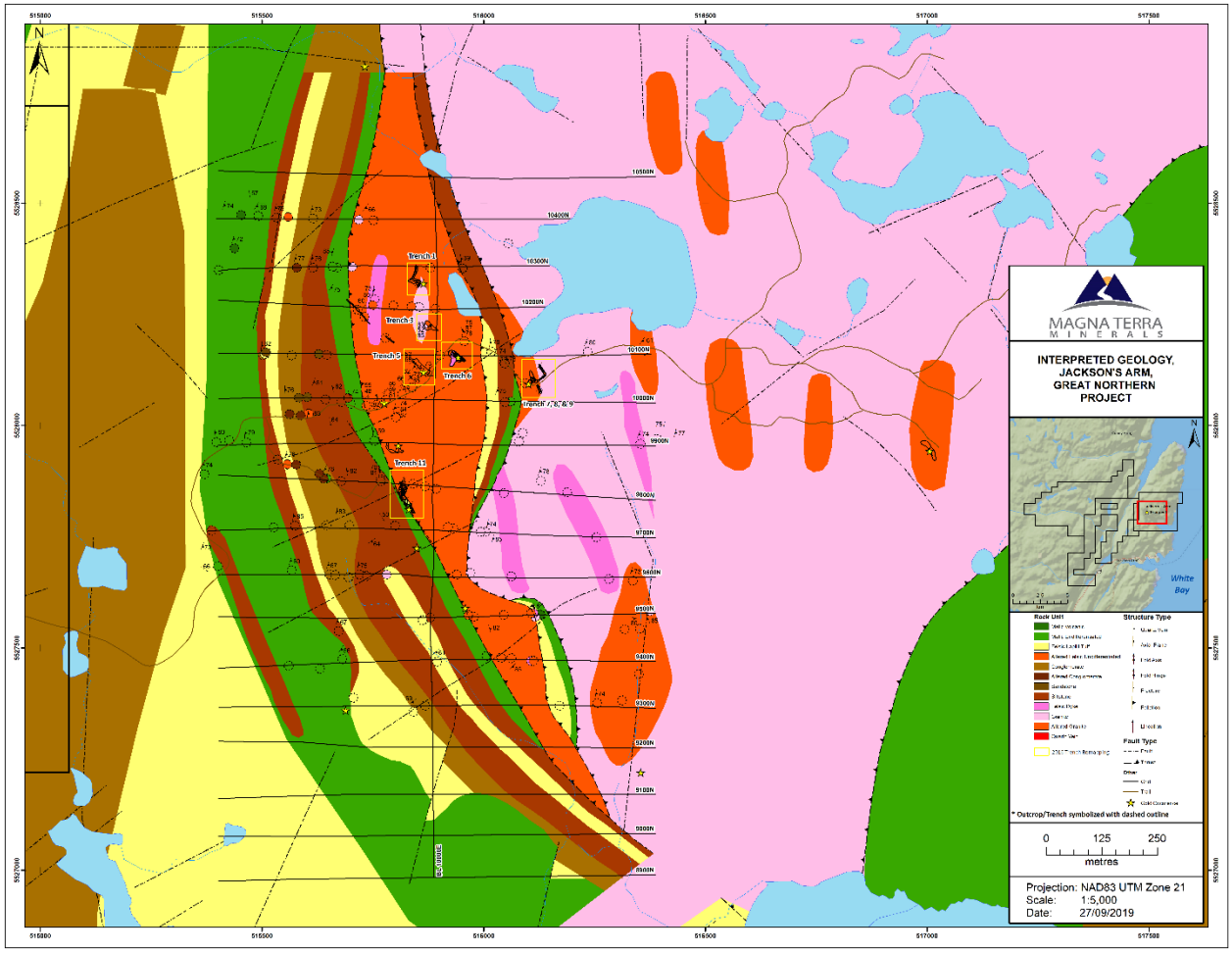


9.4 Geological Mapping

Geological mapping was completed by ExploreCo in the Jackson's Arm area from November 14 to 21, 2016. ExploreCo completed a total of 15 line km of grid geological mapping and also mapped ten trenches in detail (Figure 9-5; Copeland and Lajoie, 2017). Mapping outlined a 1.7 km long by 40 to 400 m wide continuous alteration zone that hosts the main gold prospects at Jackson's Arm on the west side of the Property. The alteration is controlled by a fault zone that is interpreted to extend immediately to the north along strike beyond the current known zone of alteration. The Company has also discovered similar repeating faults to the east. Consequently, Magna Terra believes the potential strike of the alteration system could extend an additional 4 km, both north and east. Alteration and gold mineralization are hosted within the Ordovician granites of the Coney Head Complex.

The alteration zone and host granites are in thrust faulted contact with younger Silurian volcanic and sedimentary rocks along their southwestern margins. This steeply ENE-dipping and NNW-striking fault zone and associated splays are interpreted to represent significant control on the localization of hydrothermal alteration and gold mineralization on the Property, where the host altered granite forms a favourable mechanical host for gold mineralization. The fault zone is interpreted as a secondary splay off the Doucers Valley Fault System. The host environment to gold mineralization at Jackson's Arm has been observed by ExploreCo geologists at both the Thor Gold Deposit and the RBGD of the Great Northern Project, and also at the Pine Cove Mine where gold mineralization is hosted adjacent to secondary thrust fault systems.

Figure 9-5: Geological mapping results of ExploreCo trenching program (November, 2016)



10.0 DRILLING

Diamond drilling on the RBGD was completed by two past explorers and all drilling predates acquisition of property interests by ExploreCo. The first drilling was by BP-Selco which drilled a total of 63 core holes between 1986 and 1990, totaling 8,771.57 m of drilling. The next interest was Kermode which completed 18,439.9 m of diamond core drilling in 123 holes between 2003 and 2007. Results returned from these drilling programs define hydrothermal alteration and gold mineralization in the three distinct deposits that are the focus of this Technical Report, these being the Beaver Dam Zone, the Road Zone and the Apsy Zone. Drill hole locations appear in Figures 10-1, 10-2 and 10-3.

Company-specific details of all drilling programs are discussed below under separate headings. In each instance, all associated information, including; lithologic and sampling logs, assay results, collar survey data and down hole survey data were assembled from assessment reports filed with the Newfoundland Government or from in-house data sets and reports by Kermode. A compilation of historic drilling data plus data from on-going company programs was carried out by Kermode and digital data files were originally made available to Mercator in 2008 for validation in support of the 2009 Mineral Resource Estimate prepared for Kermode.

The brief summaries of drilling information provided below pertain to both the BP-Selco and Kermode programs used in the current Mineral Resource Estimate by Mercator. These are taken from the previous Technical Report by Mercator.

10.1 Drilling Programs and Results

10.1.1 BP-Selco (1986-1990)

A total of 63 diamond drill holes were completed on the RBGD by BP-Selco between 1986 and 1990. Multiple drilling contracts were employed over the course of drilling, with the initial 10 holes and subsequent holes 16-31 drilled by Petro Drilling of Springdale, NL. A helicopter-supported Boyles 17A wireline drilling rig and a Nodwell-mounted Longyear 34 wireline drilling rig were used for these programs. NQ size drill core measuring 4.76 cm in diameter was recovered from this program and from each of the subsequent drilling programs described below.

Holes RB11 to RB15 and RB32 to RB42 were drilled by Longyear Canada Inc. in 1986-1987 and supported from its Springdale, NL base. Two Longyear Fly-38 skid-mounted wireline drills recovering NQ size core were used for the program and equipment moves between setups were

Figure 10-1: Historic Drilling in Apsy Zone, Rattling Brook Gold Deposit

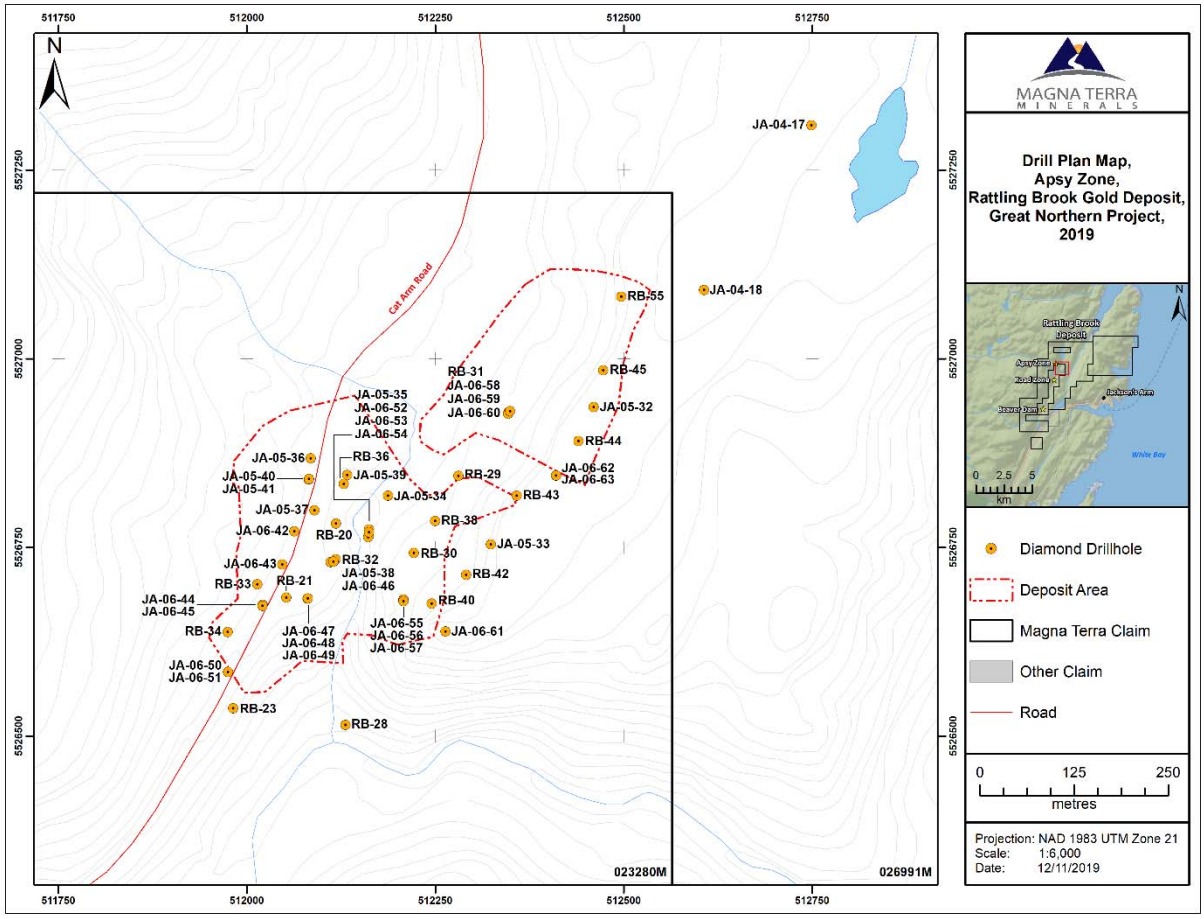


Figure 10-2: Historic Drilling in Beaver Dam Zone, Rattling Brook Gold Deposit

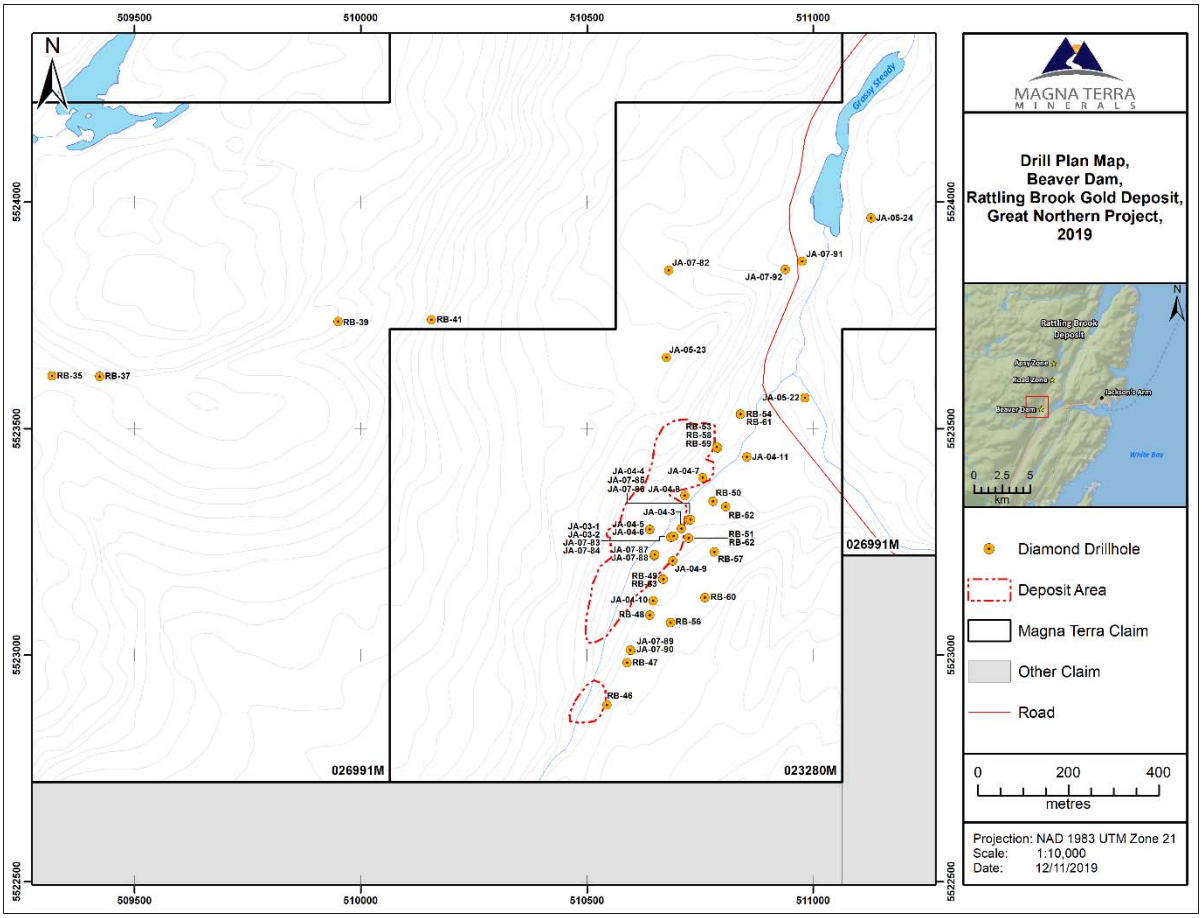
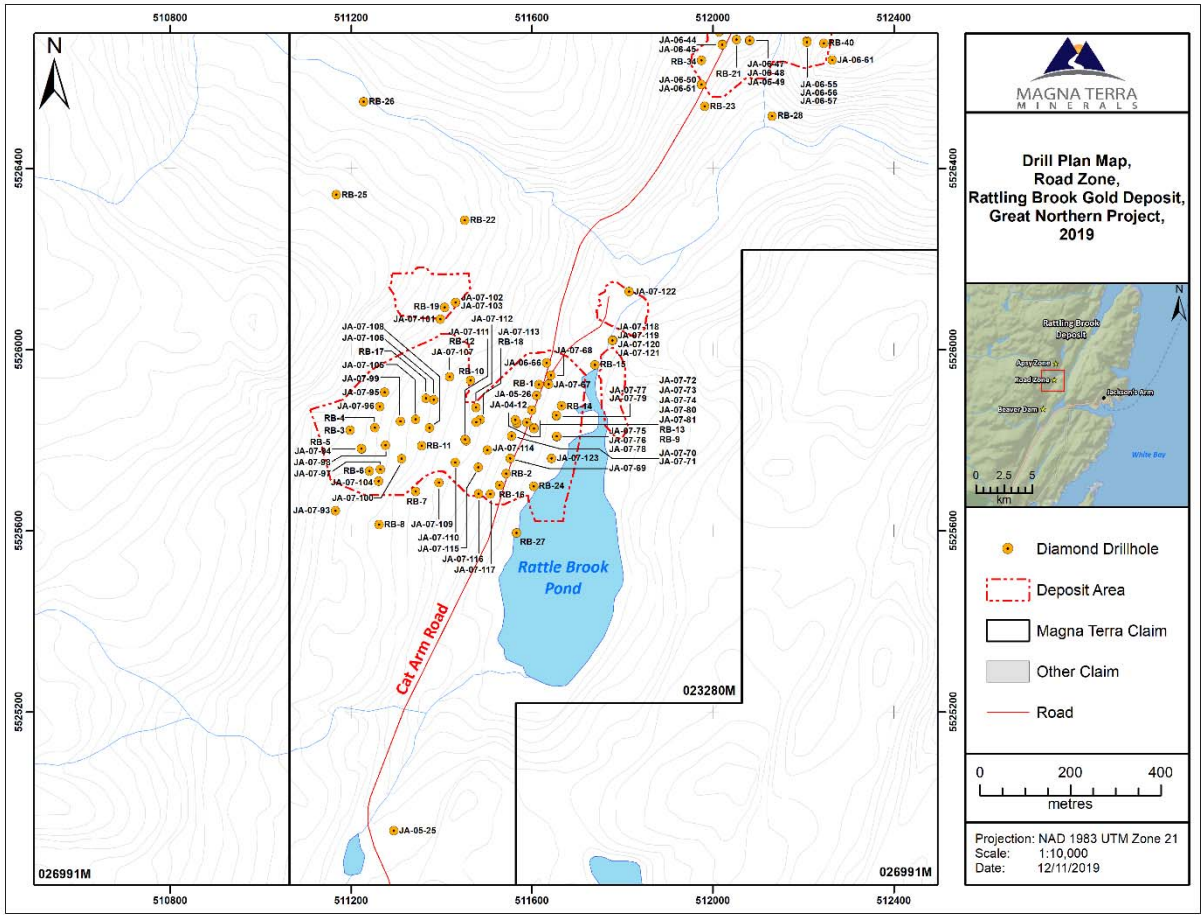


Figure 10-3: Historic Drilling in Road Zone, Rattling Brook Gold Deposit



completed using a Hughes 500-D helicopter of Viking Helicopters Ltd., operating from that company's Pasadena, NL base.

Zenith Drilling Ltd. of Baie Verte, NL drilled the last 22 NQ size drill holes for BP-Selco in 1991 but no information was noted in project reports with respect to the type of drilling equipment used for this program. Drilling was focused in the Beaver Dam Zone and Road Zone and Apsy Zone areas and core from all BP-Selco drill programs is currently archived with the Government of Newfoundland at core library facilities in Buchans, NL and Pasadena, NL.

Highlights of the BP-Selco programs were summarized previously in Section 6.0 and additional detailed information appears in Mckenzie (1986, 1987), Holmes and Reed (1988), Holmes and Hoffman (1987) and Poole (1991).

10.1.2 Kermode (2003-2007)

Kermode drilled 123 diamond drill holes on the RBGD between 2003 and 2007. Over the course of these programs three separate drill contractors were employed, these being New Valley Drilling Ltd. and Petro Drilling Ltd., both based in Springdale, NL, and Lantech Drilling Ltd., based in Dieppe, N.B. Information on drill equipment specifics was not present in reports on these programs but NQ core was recovered in each case. The following descriptions of Kermode programs are based on those presented earlier by Harris and Dearin (2004) and Harris (2008).

10.1.2.1 Phase 1 Drilling

Kermode drilled 975.8 m in 10 successfully completed holes and one hole was abandoned in deep overburden. Drilling took place between December 16th, 2003 and January 31st, 2004 and all holes tested the Beaver Dam Zone that had been previously drilled by BP-Selco in 1990. The program's main focus was definition of disseminated "Carlin Style" gold mineralization in the carbonate-bearing sedimentary sequence above the regional unconformity. Holes were drilled on 50 m centres beginning on local grid section 72+00N and then progressed along strike.

Results from the first Kermode drilling program were positive, with the first hole (JA-03-01) encountering a continuous 33.2 m intercept that returned an average gold grade of 1.17 g/t between 58.6 m and 91.8 m down hole. Of this mineralized interval, 22.6 m was in sedimentary rocks and the best individual gold assay was 10.02 g/t over 1.0 m between 62.5 m and 63.5 m down hole. Hole JA-03-02 encountered 45.4 m of continuous low-grade mineralization that returned an average gold grade of 0.56 g/t between 42.1 m and 87.5 m down hole. Of this interval, 34.3 m were in sedimentary strata, including a section of 7.0 m that returned a gold grade of 1.48

g/t between 42.1 m and 49.1 m down hole. The best individual gold grade for a sample in this hole was 9.77 g /t over 0.5 m between 48.2 m and 48.7 m down hole.

10.1.2.2 Phase 2 Drilling

An additional 1065.1 meters in 7 holes were drilled in May 2004. Hole JA-04-12 was drilled on the Road Zone to test for higher grade 'structurally controlled' zones in the granite, while holes JA-04-13 though 16 were drilled on nearby Soil Grid 14 to test gold and base metal soil geochemical anomalies. These returned several thin, low grade gold intervals. Hole JA-04-17 was drilled on a gold–arsenic soil anomaly on Soil Grid 8, located along strike and to the north of the Apsy Zone, and similarly confirmed presence of discontinuous thin intervals of low-grade gold mineralization. JA-04-18 was drilled to test the Apsy Zone down plunge from drill hole RB-55 and intercepted multiple thin intervals of low-grade gold mineralization (Harris and Dearin, 2004).

10.1.2.3 Phase 3 Drilling

In 2005, an additional 23 holes (4,037.5 m of drilling) were completed to test geochemical targets not directly associated with the three main zones of gold mineralization that are the focus of this report. While minor gold-bearing intervals were locally intercepted by these holes, no substantive new zones of gold mineralization were discovered. However, results provided further insight with respect to possible structural controls to gold mineralization and to orientation of potential "Feeder Fault" structures (Harris, 2008).

10.1.2.4 Phase 4 Drilling

A total of 12,361.5 m of drilling in 82 holes were completed between August 2006 and September 2007.

Drill holes JA-06-42 to 63 were drilled on the Apsy Zone to test the concept of a "Feeder Fault" structure that was described in assessment reporting by Harris (2008). Testing this structure east of the Cat Arm access road that crosses the Property was hampered by steep topography and power lines, but the "Feeder Fault" was considered to have been traced by drilling for approximately 250 m along strike and to a depth of about 230 meters vertically on drill section 1302W, that approximately parallels the road. Results from hole JA-06-55 were interpreted to indicate that the structure extends at least 150 m further to the east. Significant results from the drilling include a gold grade of 1.36 g/t over 91.2 m between depths of 10.5 m and 108.4 m down hole in hole JA-06-46. According to Harris (2008), drilling on the Apsy Zone showed that the

"Feeder Fault" controlled most of the gold mineralization at this location and that significant grades and thickness occurred near the sediment-granite contact (Harris, 2008).

Holes JA-06-64 and JA-06-65 were drilled on Grid 14 to extend known mineralization to the east and to test a possible cross structure. Assay results from this drilling were generally low, but a mafic dyke intercepted in JA-06-65 was deemed possible evidence of a cross structure. The best intersection from this area was an 8.3 m mineralized zone in JA-05-30 that returned a gold grade of 0.34 g/t between 50.0 m and 58.3 m down hole. This interval included 2 m that returned a gold grade of 1.1 g/t and >2200 ppm As between 54.5 m and 56.5 m down hole, and the entire zone occurs within carbonate host rocks (Harris, 2008).

Holes JA-06-66 to JA-07-81 and JA-07-93 to JA-07-123 were drilled to test Road Zone mineralization. Steep topography, power lines and the Rattle Pond drainage system posed significant obstacles to drilling in this area. Holes JA-06-66 to JA-07-81 were drilled near and east of the Cat Arm road and were sited along roughly N-S lines to locate a cross structure similar to the Feeder Fault. These holes intersected significant grades and widths of gold mineralization that were interpreted to trend generally northeast-southwest and to dip moderately to the southeast.

Holes JA-07-93 to JA-07-117 tested the Road Zone between the Cat Arm road and the Rattling Brook forestry access road, located about 300 m to the west. Some holes along the access road targeted chargeability anomalies from the 2007 IP survey and returned gold mineralized intervals that are generally low grade and narrower than those seen closer to the sedimentary cover - granite unconformity. Gold mineralization is cut off at depth by a moderately east-dipping mylonite zone that outcrops about 50 m south of the collar of JA-07-94. Mylonite development is interpreted to have post-dated gold mineralization in this area (Harris, 2008).

Holes JA-07-118 to JA-07-121 were drilled to test the northeast extension of the Road Zone and intersected relatively wide intervals of altered and mineralized granite. JA-07-122 was drilled between the Road and Apsy Zones, about 500 m south of the Apsy Zone, and intersected 11.9 m between 69.6 m and 81.5 m down hole that returned a gold grade of 1.5 g/t in the quartzite and basal carbonate units. This included a higher-grade interval grading 7.9g/t Au over 0.8 m between 69.6 m and 70.4 m down hole. Altered granite intersected by this hole also locally returned anomalous gold values in the 500 ppb to 1000 ppb range, thereby confirming exploration potential between the two zones (Harris, 2008).

Holes JA-07-83 to 90 were drilled on the Beaver Dam Zone to locate mineralized cross-structures. A fence of holes drilled along the east side of the zone failed to intersect any clearly identifiable

cross cutting structures. Harris (2008) suggested that intense fracturing and brecciation along the Apsy Cove-Cobbler Head Faults may tend to mask cross structures in this area. JA-07-88 intersected a sulphidized magnetite horizon at the top of the quartzite which returned a gold grade of 4.1g/t over a 4.7 m interval between 62.0 m and 66.7 m down hole (Harris, 2008).

Holes JA-07-82, JA-07-91 and 92 were drilled to assess the "Incinerator Trail" prospect that had been discovered earlier near the sedimentary cover–granite contact in this area. Hole JA-07-82, located approximately 550 m along strike northeast of the known gold zone, failed to intersect any evidence of a mineralized structure (Harris, 2008).

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

11.1 Sampling Method and Approach

11.1.1 BP-Selco (1986-1990)

For all 63 BP-Selco holes, logging and half-core sampling were carried out on site under the supervision of staff geologists and samples were then bagged and shipped to ALS Chemex Ltd. (ALS) in Vancouver for analysis. This was a fully independent, commercial analytical firm of international scope that provided services to the mining and exploration markets at that time. It is a precursor firm to the currently active and fully accredited firm ALS Global. Sampling was generally continuous in zones of recognizable alteration and intervals were recorded in logs, on sample record sheets and in sample tag books, with one tag placed in the archived core box to mark the corresponding interval. Sample lengths ranged from less than 0.10 m to 3.97.

11.1.2 Kermode Programs (2003- 2007)

Consulting geologist, James Harris, P. Geo., logged all of the 123 Kermode diamond drill holes on site and supervised all other aspects of the Kermode drilling programs. All drill core samples were sawn in half with a diamond saw at the Jackson's Arm exploration base and one half of the core was placed in a labelled plastic bag along with a numbered paper sample tag prior to shipment to Eastern Analytical Ltd.'s laboratory in Springdale NL for analysis. This was a fully independent, commercial analytical firm of regional scope at the time that provided services to the mining and exploration markets. It continues to operate at present as an independent analytical services firm accredited to the ISO 17025 Standard for Au fire assay (Atomic Absorption) and certain multi-element analytical procedures and also by the Canadian Association for Laboratory Accreditation Inc.. Commercial sample tag books with removable tags were used to assign sample numbers and a sample book tag was placed in archived core boxes to mark the location of each sampled interval. Sample intervals and corresponding sample numbers were recorded on the lithologic logs and then transferred to a digital spreadsheet. Information from detailed written logs was similarly entered into spreadsheets to facilitate lithocoding and subsequent data handling. Sample lengths ranged from less than 0.10 m to 3.70 m.

11.1.3 Mercator Check Sample Program - 2008

After a careful review of the drill hole database, six drill holes were selected for re-sampling by Mercator geologists in order to obtain representative samples of the various lithologies and grades found within the deposit areas (RB 13, JA 03-01, JA 04-04, JA 05-38, JA 07-123, JA 07-75). Samples were collected from the Government of Newfoundland core libraries at Buchans and Pasadena in

July of 2008. Quarter core samples of previously half-core sampled granite and quartzite intervals were collected from these holes, ensuring a quarter of the core remained for archival purposes. Drill core cutting was carried out by Mr. Stewart Cochrane of Newfoundland Department of Natural Resources, under supervision of Mercator geologists. Samples were identified using tags from a three tag sample book system and placed in plastic bags and sealed prior to shipment to. Eastern Analytical Ltd. in Springdale NL for analysis.

11.2 Sample Security

11.2.1 BP-Selco and Kermode Programs

Reports documenting the BP-Selco and Kermode drilling programs at the RBGD do not provide detailed descriptions of sample preparation methodologies, analytical procedures or security considerations. However, review by Mercator of associated reports, assay certificates, drill logs, sections and archived drill core indicated that both companies had carried out organized exploration programs managed and executed by competent geological staff.

In the specific case of Kermode programs, the company's consultant, Mr. James Harris, P. Geo., who was responsible for all aspects of the company's drilling activities at Jackson's Arm, verbally confirmed organizational structure of site operations and responsibilities (J. Harris, personal communication, 2008). This showed that geological staff were responsible for project security regarding access to drill core at the drilling sites and logging facility plus access to core samples and sample shipment activities during the field programs.

Available reporting for the BP-Selco drilling programs shows that staff geologists were responsible for core logging and sample layout activities and that core samples were split by professional and/or technical staff prior to being placed in labelled plastic bags along with corresponding numbered sample tags prior to shipment to ALS.

Based on the above, Mercator is of the opinion that, while not specifically detailed in associated project reports, procedures employed by both BP-Selco and Kermode for sample preparation and security during respective drilling and core logging programs were consistent with industry standards of their periods. These are considered acceptable for support of the current Mineral Resource Estimate program.

11.2.2 Mercator Check Sample Program

Core samples collected during the site visit were transported by Mercator staff to the company's Dartmouth office where a single blind standard and blank were inserted before shipping. Preparation of sample shipment documentation, checking and placement in plastic buckets for shipment by commercial courier to Eastern Analytical Ltd. in Springdale, NL were completed by Mercator staff.

11.3 Sample Preparation & Analyses

11.3.1 BP-Selco Programs

Standard rock crushing and pulverization procedures offered by ALS were followed in preparation of samples for analysis at the company's analytical laboratory facilities located in Vancouver, BC. Samples were analysed for gold using the atomic absorption method following fire assay pre-concentration and determination of 32 trace element levels was also completed using Inductively Coupled Plasma–Emission Spectrometry (ICP-ES) methods.

11.3.2 Kermode Programs

Ten BP-Selco drill holes were re-logged in detailed by Fortis GeoServices Ltd. in 2002 for Kermode at the Government of Newfoundland core storage library in Pasadena. A total of 52 additional samples were cut during this time and submitted for analysis. Samples were crushed and a pulp prepared at Eastern Analytical in Springdale and the pulp was shipped to Acme Labs (Acme) in Vancouver for analysis using Inductively Couple Plasma – Mass Spectrometry (ICP-MS) methods. Acme was a fully independent, commercial analytical services firm at that time and continues to operate as a fully accredited analytical services provider.

Between 2002 and 2007 Kermode drilled a total of 123 diamond drill holes on the Property. All drill core samples were sawn in half with a diamond saw at Jackson's Arm and one half of the core was sent to Eastern Analytical for fire assay gold analysis (ICP finish) and ICP-11 multi-element analysis. Check analysis of duplicate splits from approximately 10% of the core samples were completed at Acme Labs in Vancouver BC using ICP-MS methods. Detailed drill logs and lab assay certificates are available for all Kermode holes and were reviewed by Mercator during verification of the drill hole database used in the current Mineral Resource Estimate.

While check samples were taken by Kermode as described above, systematic insertion of blank samples and certified standards plus analysis of duplicate split samples was not carried out. Instead, lab quality assurance and control measures were relied upon for these aspects of the

project. Mercator contacted Eastern Analytical with respect to possible access to such historic information and was informed that results for their internal standards, duplicates and blanks for this project were no longer readily available. Detailed descriptions of sample preparation methodologies, analytical procedures and security considerations were also absent from reports on the drilling, but Harris (2008, personal communication) advised that standard crushing, splitting, pulverising and analytical protocols established for the laboratory were applied.

11.3.3 Mercator Check Sample Program - 2008

Core samples received by Eastern Analytical Ltd. were organized and labeled and then placed in drying ovens until completely dry. Dried samples were crushed in a Rhino Jaw Crusher to consist of approximately 75% minus 10 mesh material. The crushed sample was riffle split until 250 to 300 g of material was separated and the remainder of the sample was bagged and stored as coarse reject. The 250 – 300 g split was pulverized using a ring mill to consist of approximately 98% minus 150 mesh material.

Eastern Analytical Ltd. was the primary lab used for the re-sampling program and ALS was used for high grade arsenic analysis, specific gravity determinations and additional check assays for gold. Materials were prepared and analyzed at Eastern Analytical Ltd. and reject core material was returned to the government core library in Pasadena, NL after preparation of samples. All prepared pulp materials were sent to ALS for high grade arsenic determinations (>2200 ppm As) and specific gravity analysis. Both hard copy and digital reports of analytical results were received by Mercator from both labs

Eastern Analytical Ltd. procedures outlined below pertain to all core samples from the re-sampling program completed by Mercator in 2008 and descriptions are for assay quality determinations. All material underwent gold analysis by the Fire Assay method with ICP-ES finish and ICP-ES analysis for 11 other elements: Fe, As, Mo, Zn, Cu, Sb, Ag, Pb, Co, Ni and Mn. All laboratory equipment was thoroughly cleaned between samples in accordance with standard laboratory practice. The method for ICP analysis is summarized below.

- ICP-ES Analysis: A 0.500 gram sample is digested with 2ml HNO3 in a 95°C water bath for 1.5 hours, after which 1ml HCL is added and the sample is returned to the water bath for an additional 1.5 hours. After cooling, samples are diluted to 10ml with de-ionized water, stirred and let stand for 1 hour to allow precipitate to settle. The prepared sample is then analyzed through ICP.

Selected sample split materials prepared by Eastern Analytical were submitted to ALS and analyzed using that firm's ICP-ES (ME-ICP41a) protocol for high grade arsenic and its OA-GRA08b protocol for specific gravity determination by pycnometer. Descriptions for both methods are outlined below.

- ME-ICP41a: A prepared sample (0.4 g) is digested with concentrated nitric acid for half an hour. After cooling, hydrochloric acid is added to produce aqua regia and the mixture is then digested for an additional 1.5 hours. The resulting solution is diluted to volume (100 ml) with de-ionized water, mixed and then analyzed by ICP-ES methods. The analytical results are corrected for spectral inter-element interferences.

- A prepared sample (3.0 g) is weighed into an empty pycnometer which is then filled with a solvent (either methanol or acetone) and weighed. From the weight of the sample and the weight of the solvent displaced by the sample, the specific gravity is calculated.

12.0 DATA VERIFICATION

Review by Mercator of all government assessment reports and internal Kermode files established that digital and/or typed lithologic logs with assay records from both BP-Selco and Kermode drilling eras were available. Digital image files in Adobe® pdf format for original laboratory reports were also available in their entirety. A digital drill hole database was obtained from Kermode and validated against the original drill log and assay record entries. Checking of digital records included manual inspection of individual database lithocode entries against source drill logs as well as use of automated validation routines that detect specific data entry logical errors associated with sample records, drill hole lithocode intervals, collar tables and down hole survey tables. Several database collar elevations required checking against adjacent collars to correct obvious errors. Drill hole intervals were also checked for sample interval and assay value validity against the original drill logs. Database entries were found to be of consistently acceptable quality but minor lithocode and assay entry corrections were made by Mercator. These were incorporated to create the validated and functional drilling database used in the current Mineral Resource Estimate. Collar coordinate checks against field GPS locations taken during the June 2008 Mercator site visit were acceptably consistent with database records.

As mentioned earlier, six historic drill holes were selected for re-sampling by Mercator as part of the database validation process. Samples were collected from the Government of Newfoundland core libraries at Buchan's and Pasadena during the July 2008 site visit trip and results of both core inspection and sampling provided further verification of historical assays and logging program details. These are further discussed in report section 12.1.4.

12.1 Quality Control Data

12.1.1 BP-Selco Drilling Program

Assessment reports documenting BP's drilling programs do not specifically address QA/QC issues. No evidence was noted of independent certified standards being submitted with core samples from the company nor is there any evidence of systematic submission of blank samples or systematic provision for duplicate sample splits to be prepared and analysed. Similarly, detailed descriptions of sample preparation methodologies, analytical procedures or security considerations are not typically present in historic documentation reviewed for this report. This situation is not uncommon in exploration reporting at the time, when reliance was placed to a substantial degree on standards, duplicate samples and other quality assurance and control procedures implemented by the commercial laboratories providing analytical services.

12.1.2 Kermode Drilling and Sampling Programs

Prior to any drilling by Kermode, 10 drill holes were selectively re-sampled in 2002 by Fortis GeoServices Ltd. for Kermode, at the Government of Newfoundland core storage facility in Pasadena, NL. At that time, 52 half core samples were collected from various drill cores in which un-sampled alteration or previous results warranted additional sampling to be carried out. As in the earlier program by BP-Selco, systematic submission of blank samples and certified standards, analysis of duplicate sample splits and check sampling for analysis at a third-party laboratory did not form part of the program.

Between 2002 and 2007 Kermode drilled a total of 123 diamond drill holes on the Property. As reported earlier, all drill core samples were sent to Eastern Analytical Ltd. in Springdale NL for gold and ICP-11 multi-element analysis. Eastern Analytical Ltd. was operating at this time as a commercial analytical services firm serving a broad regional base of exploration and mining interests but had not yet received ISO certification. As discussed below in section 13.2.3, check analyses on approximately 10% of the samples were carried out for Kermode at Acme Labs in Vancouver, BC which was accredited at the time.

Systematic insertion of blanks, standards and duplicate samples was not carried out by Kermode and laboratory quality assurance and control measures were relied upon for this project. The laboratory controls were not included on the assay certificates and when Mercator staff contacted Eastern Analytical, they were informed that results for their internal standards, duplicates and blanks for this project were no longer available and therefore are not included in this report. Descriptions of sample preparation methods, analytical procedures and security considerations were also absent from reports on the drilling.

12.1.3 Kermode Check Sampling Program (2002-2007)

Kermode staff incorporated collection of third-party check samples as part of the company's drilling programs, with check splits prepared and analysed for approximately 10% of the drill core samples submitted for analysis. These were prepared at Eastern Analytical Ltd. and submitted to Acme Analytical Laboratories Ltd. (Acme) in Vancouver, BC for analysis of gold levels using fire assay and ICP-ES methods. Acme was a fully accredited analytical services firm at this time. In total, results for 272 drilling program check samples by Kermode were made available to Mercator for report purposes. Generally good correlation exists between the two sample sets, which support a correlation coefficient of 0.99 based on a 272 sample dataset. Figure 12-1 presents gold results from the check sampling program in comparison to original values received by Kermode from Eastern Analytical Ltd. These results are considered acceptable for use of the associated data set

for Mineral Resource estimation purposes. Results are also consistent with those discussed below for check samples collected during the 2008 site visit and core review by Mercator.

12.1.4 Mercator Check Sampling Program (2008)

During the site visit and core review by Mercator, 13 quarter core samples were obtained for purposes of check sample analysis against Kermode and BP-Selco analytical results present in the drilling database. Selected sample intervals were identified by Mercator staff during the core reviews that were carried out on June 19th in Pasadena, NL and on June 20th in Buchans, NL at respective government core libraries. Mr. Stewart Cochrane of Newfoundland Department of Mines and Energy was responsible for preparation of quarter core samples for intervals chosen by Mercator, with archived half-cores being split using a diamond saw. Quarter core archive splits were returned to their source boxes and the quarter split retained for analysis was placed in a labelled plastic bag, sealed, and delivered to Mercator on the same day as cutting took place. Mercator retained secure procession of the samples until preparation of an analytical shipment that included insertion of one blank sample and one certified reference material prior to delivery by commercial courier to Eastern Analytical Ltd. in Springdale, NL for analysis of gold on a 30 g split by fire assay pre-concentration methods with ICP-AES finish and 11 additional elements on a standard split by ICP-AES methods after standard rock preparation and pulverization. Efforts were made during the core sampling program to obtain representative samples across the deposit gold grade range. After completion of elemental analyses at Eastern Analytical Ltd., specific gravity determinations by pycnometer (GRA08b Code) were carried out at ALS and several splits were also analyzed for gold. As noted earlier, Eastern Analytical Ltd. was operating at this time as a commercial analytical services firm serving a broad regional base of exploration and mining interests but had not yet received ISO certification.

Mercator check sample results for the 13 quarter-core splits are presented in Figure 12-2 and in comparison with original assay values recorded by BP-Selco or Kermode support a correlation coefficient for gold of 0.99. This is interpreted as indicating that reasonable precision exists among results for the re-sample dataset. In contrast, the gold value of 1.73 g/t returned for standard CDN-GS-2C, which has a certified value of 2.06 ± 0.15 g/t, is approximately 16% lower than the mean accepted value for the standard and 10% lower than its lower error limit. This suggested under-reporting of gold values in the check sample data set returned from Eastern Analytical. To further assess this factor seven check sample splits from Eastern Analytical Ltd. were submitted to ALS for gold analysis. Analytical results for these samples closely reflected those returned from Eastern Analytical Ltd. and produced a correlation coefficient of 0.99. This showed that between-lab variation seen in the certified reference material results was not consistently represented in other sample splits within the dataset, and highlights a need to carry out additional investigation of the

CDN-GS-2C standard material split originally sent to Eastern Analytical Ltd. Consistency of gold results received from both labs, which carry out extensive internal quality control and assurance testing, indicates that reasonable accuracy is represented in the associated sample datasets.

Figure 12-1: Kermode check sample results for gold (2002-2007)

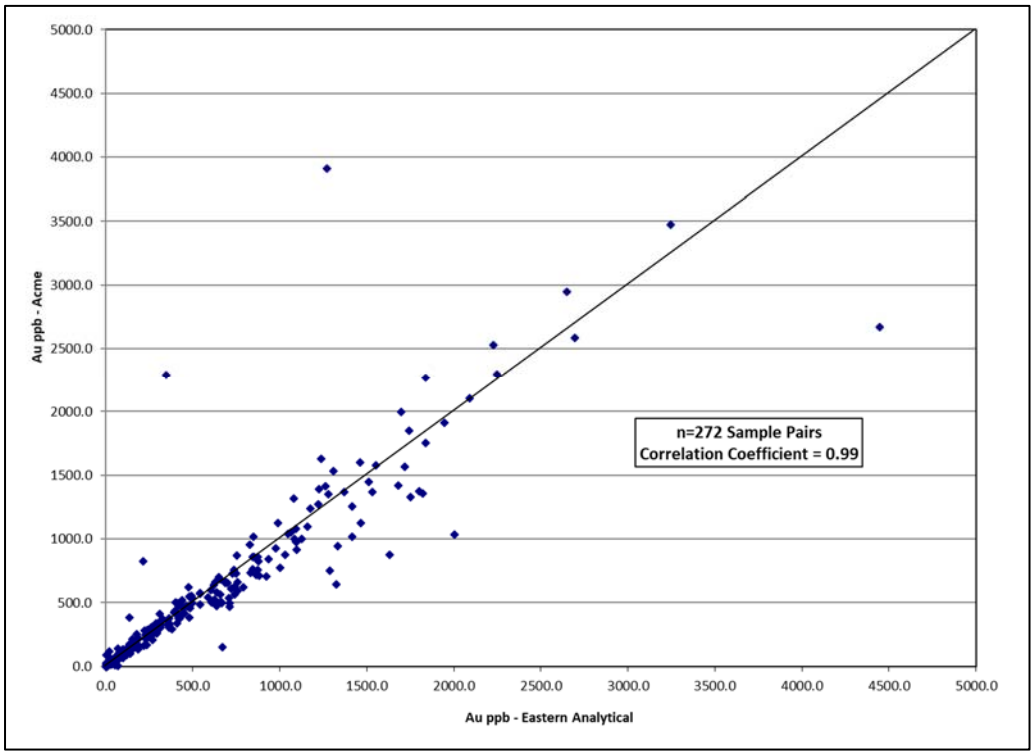
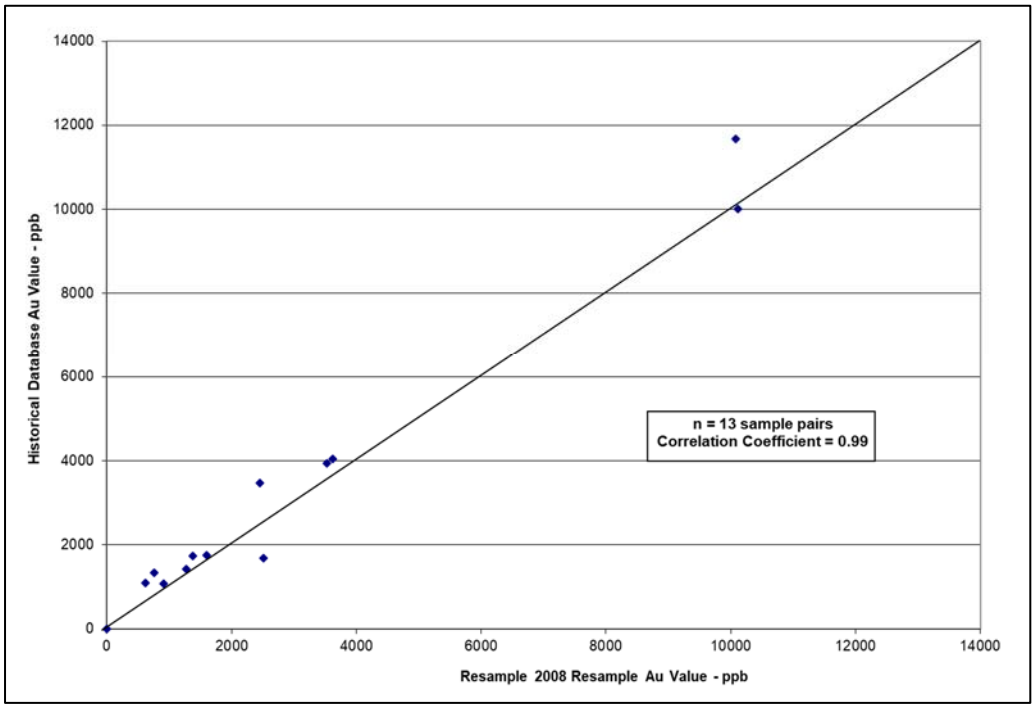


Figure 12-2: Mercator check sample results for gold (2008)



The single blank sample submitted to Eastern Analytical Ltd. by Mercator along with the check sample suite returned a gold value of 5 parts per billion which is the lower detection limit for the analytical method used. This result indicates that sample preparation cross-contamination was not a significant factor with respect to the check sample data set.

12.2 Independent Data Verification and Site Visit

On June 18th, 2008, co-author Michael Cullen, P. Geo., and Chrystal Kennedy, P. Geo., previously employed with Mercator, visited the RBGD accompanied by Mr. James Harris, P. Geo., Kermode's project manager for all drilling programs carried out by the company on the Property. At that time various bedrock exposures of altered and mineralized granite, quartzite, limestone and calcareous siltstone carbonate were inspected and several samples were collected from locations identified in Kermode reporting as being characterised by bedrock gold mineralization. A survey plan of Kermode and BP-Selco drill collars was available during the site visit and field checks were completed against hole numbers, locations and casing orientations with respect to digital database records. UTM (Zone 19, NAD 27) coordinates for several collars were obtained by Mercator using a Garmin E-trek handheld GPS instrument and these were recorded for later checking of database drill collar location coordinates. Results showed close correlation between datasets (Table 12-1). Observations regarding character of forest cover, site elevations, surface drainage, road and drill pad features, exploration grid conditions and coordination, and general access road conditions were also noted during the site visit (Figure 12-3, Figure 12-4). Field observations support data presented in Kermode documents as exemplified by drilling database checks for collar drill coordinates presented in Table 12-1 below. As described earlier, on June 19th, 2008 archived drill core from BP-Selco drilling programs was reviewed at the Pasadena Core Library operated by the Newfoundland Department of Energy and Mines. Mr. James Harris, P. Geo., acting on behalf of Kermode, was present during the core review and sampling program. Quarter core check samples were collected from drill core for technical report purposes at this time and Mr. Stewart Cochrane of Newfoundland Department of Mines and Energy carried out required cutting of core using diamond saw equipment present at the facility. On June 20th, 2008 a similar review of Kermode drill core was carried out at the Newfoundland government core storage facility in Buchans, NL, with participation by both Mr. Harris and Mr. Cochrane.

Review of core from both drilling programs provided characterization of alteration and gold mineralization styles intersected by drill holes completed by Kermode and BP-Selco and these were found to be consistent with descriptions presented in company reporting. Kermode's core logging, sampling, security, record keeping and quality control/quality assurance procedures were discussed with Mr. Harris at this time and a total of 13 quarter core check samples were collected

Figure 12-3: Drill Hole casing at Road Zone Location

Figure 12-4: Altered granite in Road Zone exposure

Table 12-1: Comparison of Drill Hole Coordinates

Drill Hole Number	*Mercator Coordinate Easting (m)	*Mercator Coordinate Northing (m)	*Kermode Coordinate Easting (m)	*Kermode Coordinate Northing (m)
JA-05-36	512011	5526656	512007	5526657
JA-05-40	512007	5526627	512004	5526631
JA-05-42	511986	5526558	511984	5526560
JA-07-81	511488	5525622	511486	5525631
JA-07-110	511350	5525544	511352	5525545
RB-12	511373	5525591	511377	5525591
JA-07-74	511523	5525616	511529	5525616

*UTM Zone 19, NAD 27 Datum Coordination

by Mercator for analysis of both gold and selected trace elements. Results of the check sample program were discussed previously in report section 12.14. In total, results of the site visit confirmed, where possible, details of prior exploration program reporting.

12.3 Mercator Comment on Data Verification

Mercator is of the opinion that results of the data verification programs carried out by past explorers as well as by ExploreCo and Mercator are sufficiently consistent to support use of the current validated drilling database in the Mineral Resource Estimate program described in this Technical Report.

Mercator has also determined that, based on the fact that no exploration or evaluative work material to the current Mineral Resource Estimate has been carried out since the 2008 site visit by co-author Cullen, a site visit to further confirm existing and site geological conditions was not required.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Two gold recovery studies have been preformed on mineralized material from the RBGD. Coastech conducted a preliminary bio-oxidation test on a sulphide concentrate sample for BP Selco in 1988 and SGS Canada Ltd. conducted flotation, cyanidation and pressure oxidation tests on a composite sample for Kermode in 2005. These are described below.

13.1 BP-Selco (1988)

Procedures and results of a 1988 testing program carried out by BP are described by Lawrence et al. (1988) and are summarized below.

A 800 g sample of dry floatation concentrate from the Property was submitted to Coastech for the bio-oxidation test. A small sub-sample was riffle split for head assay (Table 13-1), and the remainder was retained for the bioleach test. The test was carried out in a Plexiglas tank with approximately 10% solids inoculated with stock cultures maintained by Coastech on pyrite-arsenopyrite concentrates. Gold, Ag, Fe, S (total), S (sulphate), and SiO2 were measured in the head sample, bioleachate and residue samples at General Testing Laboratories in Vancouver, B.C. by standard fire assay methods with atomic absorption spectroscopy finish. Gold and Ag in solids and bioleachates were determined by standard fire assay methods. Gold and Ag levels in cyanide solutions were determined by atomic absorption (AA). Iron and As were determined by AA methods after acid digestion. Sulphur species and SiO2 were determined by gravimetry after digestion.

Iron dissolution was rapid during bio-oxidation and reached > 90% in 11 days. Sample residues were extracted at 332 hours and 544 hours from the test with sulphide oxidations of 53% and 94.7%, respectively. Cyanidation tests were carried out on the bioleach residues using a standard bottle-roll CIL procedure. Residues were leached after washing for 24 hours. Gold extractions from the bioleach residues were calculated to be 72.2% and 94.6%. Fire assay of final bioleachate measured 0.01 ppm gold, indicating that gold loss to bioleachate was very small (0.6 % of the gold in the head sample).

Authors of the 1988 study concluded that bio-oxidation can concentrate the RBGD refractory concentrate, increasing gold extraction to greater than 90% by cyanidation. They suggest that selective arsenic dissolution in the bioleach indicates that high gold recovery may be achievable without the need for complete sulphide oxidation (Lawrence et al., 1988).

13.2 Kermode (2006)

SGS Canada Ltd. conducted floatation, cyanidation and pressure oxidation tests on behalf of Kermode Resources on a 50 kg composite sample from the RBGD and results were reported by Jackman and Fleming (2006). Procedures and results set out by Jackman and Fleming (2006) are summarized below.

The sample was crushed to minus 10 mesh by SGS and a head sample was riffled out for analysis and rapid mineral scan. The composite sample contained 2.0 g/t Au and 4.2% S and was composed mainly of plagioclase feldspar and quartz. Pyrite was the major sulphide mineral present and represented 8% of the sample. Arsenopyrite and gold were present as fine and ultrafine inclusions in pyrite.

Three flotation tests investigated the effect of fineness of the grind. Staged additions of potassium amyl xanthate and Cytec's dithiphosphate collector, R208, were applied to recover a series of concentrates. MIBC was applied, as needed, as frother. Results show a close relationship between gold, sulphur and arsenic reflecting their intimate mineralogical association. Fineness of grind did not affect gold recovery within the test range (Figure 13-1, Figure 13-2). Weight recovery increased slightly with decreasing fineness of grind. In total, 94-95% of gold was recovered from concentrate. A fourth test was conducted on a 20 kg sample to produce flotation concentrate for subsequent cyanidation and pressure oxidation testing.

Two tests of direct cyanidation on the flotation concentrate were performed. The first did not include regrinding and the second included regrinding to 80% less than 25 microns. Samples were leached for 48 hours maintaining 1 g/L NaCN and a pH of 10.5-11. Extraction of gold from the flotation concentrate by direct cyanidation without regrinding recovered 15% of head grade. Regrinding to 80 % less than 25 microns resulted in a slight increase in extraction to 19% of head grade.

SGS Canada Ltd. also investigated pressure oxidation with cyanidation. All tests were conditioned at pH = 2 with sulphuric acid for 60 minutes. The first test was carried out at 225 degrees C with 100 psi oxygen overpressure for 60 minutes in the initial test resulting in complete oxidation of the sulphides. Subsequent tests adjusted the conditions in the autoclave to try to achieve partial oxidation, reducing temperature, retention time and oxygen pressure. Each pressure oxidation test was followed with 24-hour cyanidation. The autoclave discharge was filtered and the solution was analysed. The residue was washed and then re-pulped for cyanidation to recover the gold.

The recovery of gold was directly related to the oxidation of the sulphides. With 99% sulphide oxidation, the recovery of gold was 97% from the flotation concentrate and 92% overall recovery of gold from the samples. A high sulphide to gold ratio of 2:1 is noted by Jackman and Fleming (2006) which indicates that a large amount of sulphides must be oxidized to release gold for recovery. They also note that as a general rule, the sulphide to gold ratio for such processing should not exceed 1:1.

Figure 13-1: Au recovery vs flotation time in the SGS flotation test (Jackman & Fleming, 2006).

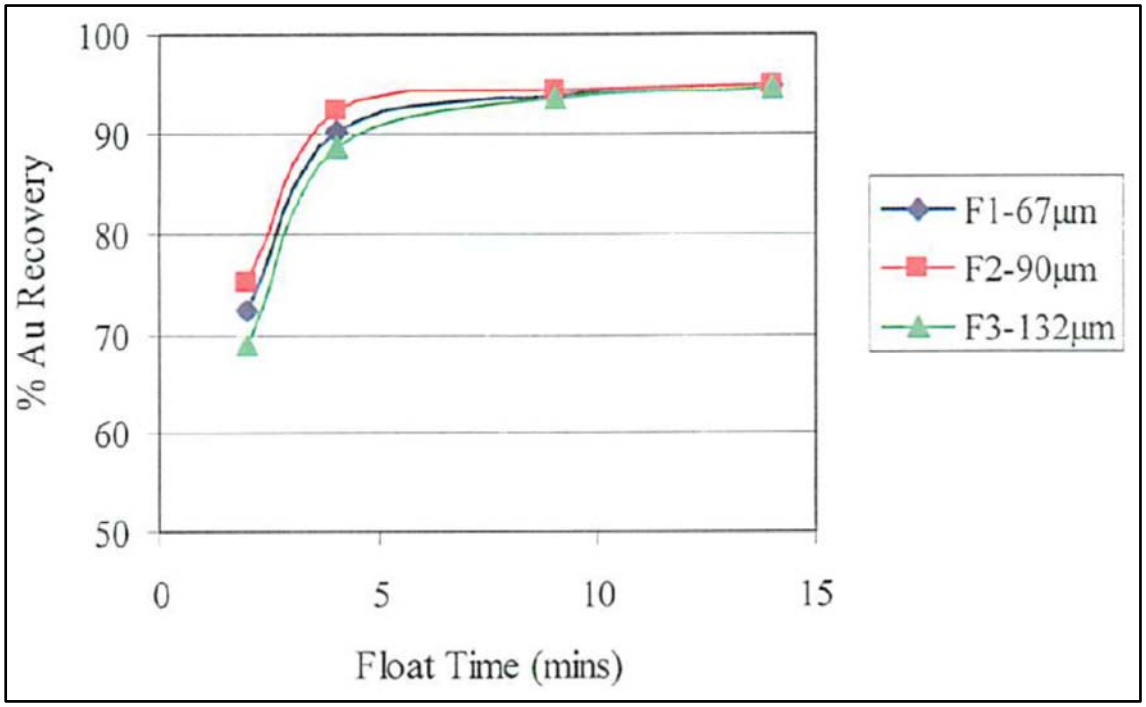
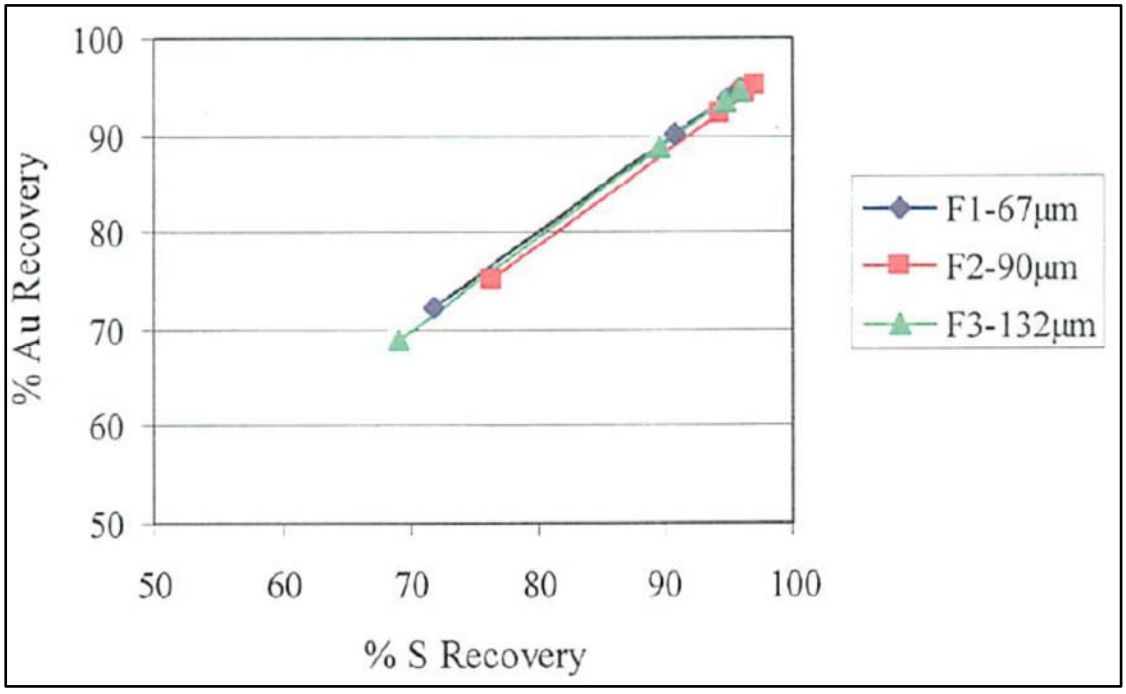


Figure 13-2: Au recovery vs S recovery in the SGS flotation test (Jackman & Fleming, 2006).



14.0 MINERAL RESOURCE ESTIMATE

14.1 Introduction

The definition of Mineral Resource and associated Mineral Resource categories used in this report are those recognized under National Instrument 43-101 and set out in the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* (the CIM Standards, as amended in 2014). Assumptions, gold threshold parameters, and deposit modeling methodology associated with this Mineral Resource Estimate are discussed below in report sub-sections 14.2 through 14.10.

14.2 Geological Interpretation Used in Resource Estimation

Two styles of gold mineralization have been defined to date on the Property by drilling, trenching and mapping. The most prevalent consists of disseminated gold occurring in association with minor amounts of disseminated pyrite and arsenopyrite. These are hosted by potassically altered, fractured and locally sheared granite and granodiorite of late Proterozoic age that occur below an unconformity between Grenvillian basement complex rocks and Lower Paleozoic sedimentary cover sequences. Both basement and cover sequences were affected by Ordovician west-directed thrusting and later, regional northeast trending strike slip faulting.

The second main style of gold mineralization consists of generally stratabound replacement zones within quartzite, limestone and calcareous siltstone within the sedimentary cover sequence above the north-striking and east dipping unconformity noted above. Highest gold grades occur in relatively thin (< 2 m true thickness) discrete zones of high pyrite content and in poorly defined, shear-localized quartz-sulphide zones that cross-cut both cover sequence and basement complex lithologies. The latter may be associated with structural “feeder zones” that controlled local passage of gold mineralizing fluids. Major northeast-striking shear zone splays related to the nearby Doucers Valley Fault System disrupt the imbricated thrust sequence in the Property area and are thought to have provided access to deep crustal fluids that may have introduced gold mineralization. Drilling results show that each deposit is cored by higher grade gold values, with these being most commonly present where mineralized fracture corridors or interpreted cross-structure shears intersect the unconformity.

14.3 Overview of Resource Estimation Procedure

The current RBGD Mineral Resource Estimate is based on three separate three-dimensional block models developed using Geovia Surpac® Version 6.9 (Surpac®) modelling software and is based on three zones of gold mineralization associated with granite-hosted alteration and related veining within stratabound, tabular, meta-sedimentary units. The three zones, Apsy Zone, the Road Zone, and the Beaver Dam Zone, are defined by validated results of 186 diamond drill holes and 9,452 core samples.

Geological solid models were developed using both Surpac® and Seequent Leapfrog® Geo Version 4.4 (Leapfrog) modelling software. Mineralized intercepts with a minimum width of three downhole meters supporting a minimum average gold assay value of 0.5 g/t were identified and interpreted on a sectional basis. Mineralized intervals were classified as either granite-hosted alteration mineralization (7G) or stratabound meta-sedimentary mineralization (4Q). The resulting intervals were used to generate mineralization solids that were projected along strike and down dip by half the distance to the nearest drill hole or by 25 m where constraining drill hole data were not present. Modelled solids reflect sheet-like, tabular zones in the meta-sedimentary units and more rounded, diffuse bodies in granite units. A total of 25 solid models define the Mineral Resource Estimate, including 9 for the Apsy Zone, 6 for the Beaverdam zone, and 10 for the Road Zone.

Ordinary kriging grade interpolation (OK) methodology was used to assign grades for gold (g/t) constrained within the mineralized solid models using 1.5 m downhole assay composites and a block discretization of 3X by 3Y by 3Z. Three passes were used during interpolation, with progressively increasing range and decreasing number of included composites for each pass. Variography assessment was performed separately for composites populations identified as 4Q, present in the Apsy and Beaver Dam Zones, and 7G, present in the Apsy and Road Zones. Average ranges of 95 m for the major axis, 45 m for the semi-major axis, and 20 m for the minor axis were developed for the 7G domains and average ranges of 95 m for the major axis, 45 m for the semi-major axis, and 10 m for the minor axis were developed for the 4Q domains. Ellipsoid ranges reflect half, equal to, and one and a half times the ranges determined from the variography for the first, second, and third interpolation passes, respectively. Ellipsoids predominantly strike south to south-west and support moderate to steep dips to the east for the 4Q domains, strike west to northwest and support moderate dips to the southwest for the Apsy Zone 7G domains, and strike south to south-west and support moderate to steep dips to the east for the Road Zone 7G domain. Interpolation passes one, two, and three require a minimum of five, three, and one contributing composites, respectively. The maximum number of contributing composites was constrained to twelve for the first interpolation pass, with no more than three contributing composites from a

single drill hole, eight for the second interpolation pass, with no more than two contributing composites from a single drill hole, and four for the third interpolation pass, with no drill hole restriction. A block size of 3 m (X) by 3 m (Y) by 3 m (Z) was used for each block model in the three separate zones. A bulk density value of 2.70 g/cm3 was applied to all blocks in the model.

Mineral Resources were all categorized as Inferred. The Mineral Resource extends to a maximum depth of 200 meters below surface, 50 meters below the current 150 meter pit depth at Anaconda's recently operating Pine Cove open pit mine. Mineral Resources are considered to have a reasonable prospect for economic extraction in the foreseeable future using conventional open pit mining methods at a long term gold price of $1550 (Can.) per ounce.

Mercator is of the opinion that, based on disclosure provided by Magna Terra and ExploreCo, no material changes to the property's exploration status and associated technical information have occurred since the January 23, 2019 effective date of the current Mineral Resource Estimate.

14.4 Data Validation

The database used in the 2009 Mineral Resource Estimate (Cullen et al., 2009) for the Property was retained and was transformed into NAD83 MTM Zone 2 coordination for use in the current Mineral Resource Estimate. Included un-sampled intervals in the drill hole assay database were diluted to "0 g/t" (zero g/t) grade for gold and assigned a sample identification of MGS_NS (Mercator Geological Services No Sample). Drill log lithocode nomenclature was also upgraded for consistency with current ExploreCo protocols.

The validation procedure undertaken during the 2009 Mineral Resource Estimate included review of all relevant government assessment reports and internal data files. Digital logging with assay records was available for all eras of drilling considered, including digital pdf certificates. The digital drill hole database was validated against the original drill log and assay record entries. Checking of digital records included manual inspection of individual database lithocode entries against source drill logs as well as use of automated validation routines that detect specific data entry logical errors associated with sample records, drill hole lithocode intervals, collar tables and down hole survey tables. Several database collar elevations required checking against adjacent collars and the developed topographic surface to correct obvious errors. Drill hole intervals were also checked for sample interval and assay value validity against the original drill logs. Database entries were found to be of consistently acceptable quality but minor lithocode and assay entry corrections were made by Mercator. These were incorporated to create the validated drilling database used in the current Mineral Resource Estimate.

14.5 Surface, Lithological, and Domain Modelling

14.5.1 Topography

A topographic surface was created by generating a 25 m resolution mesh from the National Topographic Database 1:50,000 scale elevation contours using Leapfrog® modelling software. The topographic surface was locally adjusted where collar coordinates were collected by a professional surveyor. Drill hole collar elevation coordinates acquired with a handheld GPS were projected to match the elevation value of the topography at their location or to adjacent drill collars with surveyed coordinates. A top of bedrock surface was subsequently developed using the highest depth of logged lithology in each hole to establish top of bedrock pierce points to generate a 25 m resolution mesh.

14.5.2 Lithological and Domain Modelling

Lithological drill hole data were used to create a geological model for each zone using Leapfrog® modeling software. Drill holes displaying lithocoded lithologies were evaluated sectionally and major lithology units were identified. Downhole intervals were created according to the lithological unit assignment and drill hole pierce points were generated for the contacts of each unit. The contact points were used to generate a series of 5 m resolution meshes that were subsequently used to create individual lithological bedrock solid models. The geological model was used to guide interpretation of mineralized intercepts for the development of gold grade domain solid models.

Drill holes were displayed sectionally with the geological model assignment and drill hole assay data and drill hole intercepts supporting a minimum gold grade of 0.50 g/t over 3m downhole were developed. Drill hole intercepts were assigned lithological codes; 7G for the granite-hosted alteration style and 4Q for the stratabound meta-sedimentary hosted vein style. The outer contact points of each intercept were used to generate hanging wall and footwall surface meshes and the meshes were subsequently used to develop 3D solid models for each unit. Mesh resolution was 5 m for all solid models with the exception of one 4G footwall domain solid model that supports a 3 m mesh resolution. Solids models were projected along strike and down dip by half the distance to the nearest drill hole or by 25 m where constraining drill hole data was not present. Solid models represent sheet-like, tabular zones in metasedimentary units and more rounded, diffuse bodies in granite units. A total of 25 solid models define the Mineral Resource Estimate, including nine for the Apsy Zone, six for the Beaverdam Zone, and ten for the Road Zone. The solid models were reviewed and validated in Surpac® to ensure that they respected contacts defined by drill hole lithology, drill hole assay data, and extensional spatial constraints.

The Apsy Zone is defined by a large, rounded solid model within altered granite that transitions to a narrow tabular unit that plunges moderately to the southwest. The smaller unit is interpreted to be a feeder structure and supports three splay-like subunits that are generally parallel to the feeder structure and adjoin the core of the solid model. Meta-sedimentary mineralization is modelled within two main tabular bodies striking northeast that dip moderately east-southeast and structurally overly granite-hosted mineralization. A minor secondary meta-sedimentary unit was modelled parallel to the main solid model. Two small satellite solids of granite-hosted alteration mineralization were also created. The Apsy Zone solid models are presented in Figure 14-1 and Figure 14-2.

The Beaver Dam Zone is represented by three stacked zones of stratabound tabular mineralization hosted within meta-sedimentary rocks. Mineralization strikes northeast and dips moderately to the east-southeast. Strike discontinuity at the nominal included grade level is present within individual modelled horizons represented in some of the solid models. The Beaver Dam Zone solid models are presented in Figures 14-3 and 14-4.

The Road Zone was solid modelled into three main zones of granite-hosted alteration style mineralization and seven additional satellite areas. Mineralization strikes northeast and dips moderately to the southeast. The three main zones are tabular shaped and elongate in the dip direction. The Road Zone solid models presented in Figures 14-5 and Figure 14-6.

Figure 14-1: Isometric view to the northwest of the Apsy Zone Mineral Resource grade domain solid models (Red = 7G, Blue/Cyan = 4Q, Yellow = 7G Splay, Green = 7G Satellite)

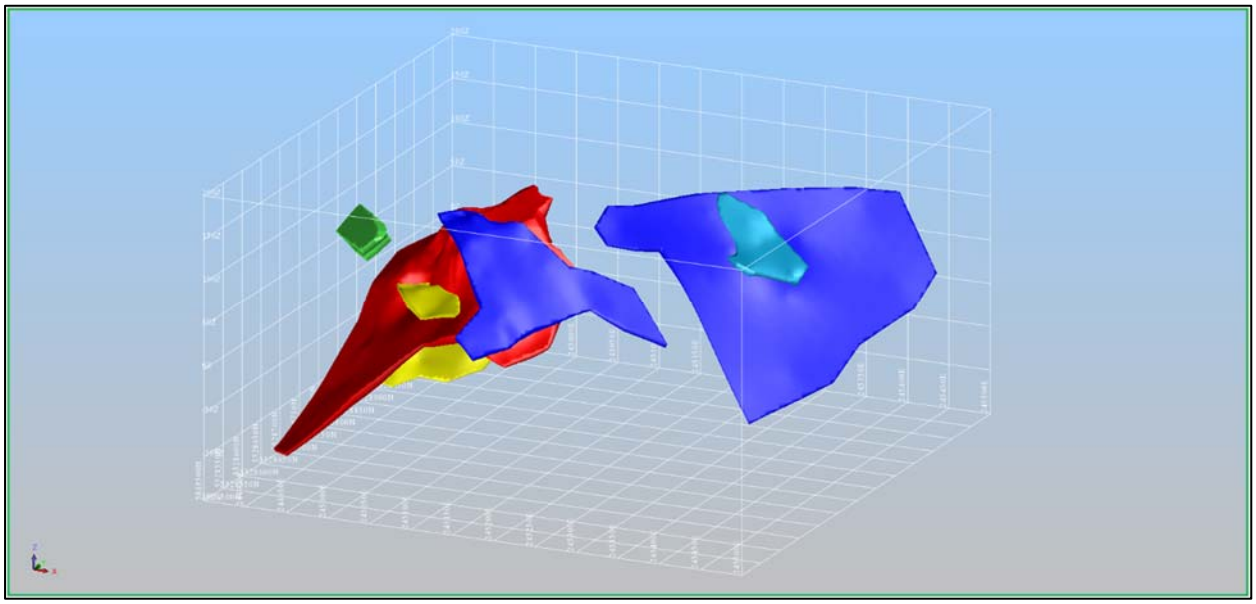


Figure 14-2: Isometric view to the southeast of the Apsy Zone Mineral Resource grade domain solid models (Red = 7G, Blue/Cyan = 4Q, Yellow = 7G Splay, Green = 7G Satellite)

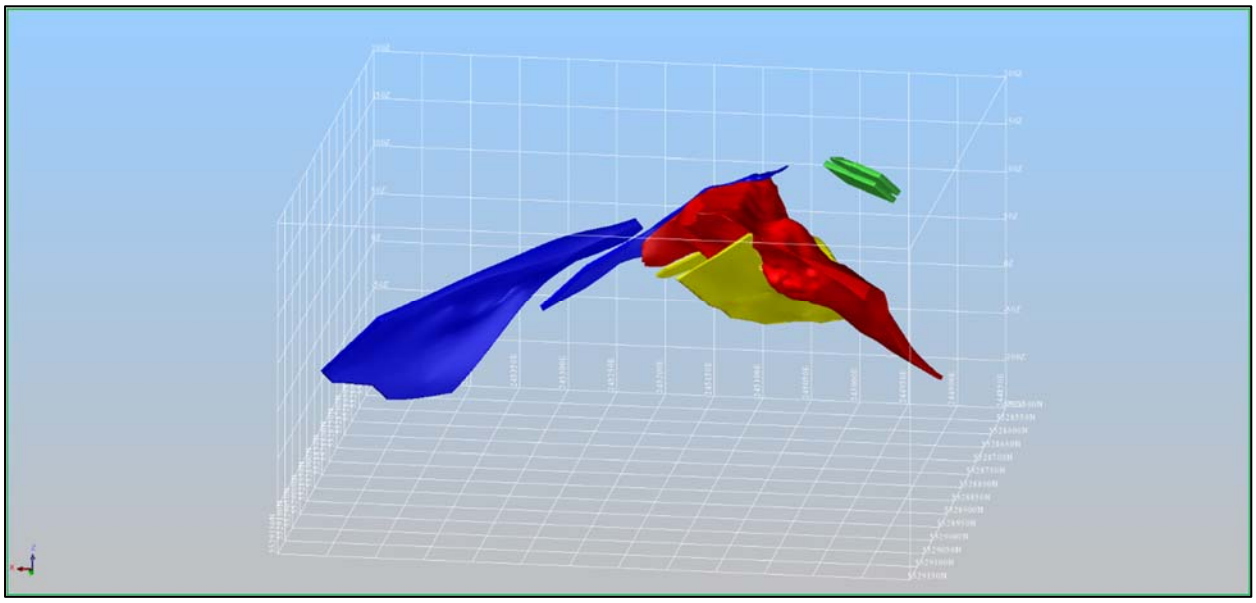


Figure 14-3: Isometric view to the northwest of the Beaver Dam Zone Mineral Resource grade domain solid models (Gold = 4Q Lower, Blue = 4Q Middle, Green = 4Q Upper)

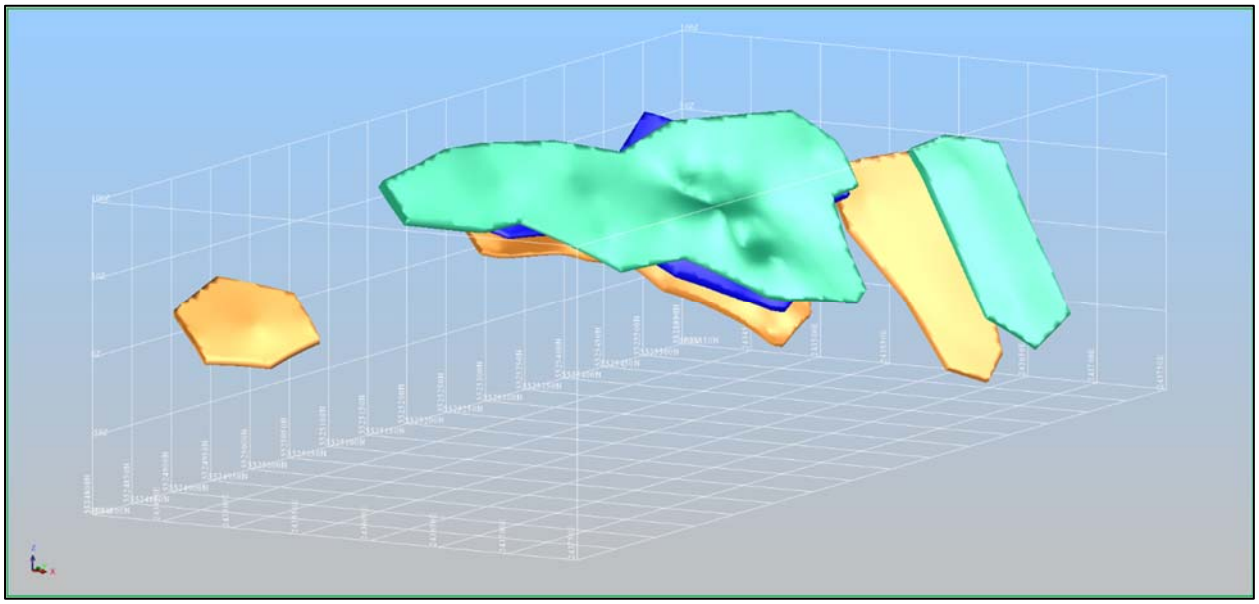


Figure 14-4: Isometric view to the southeast of the Beaver Dam Zone Mineral Resource grade domain solid models (Gold = 4Q Lower, Blue = 4Q Middle, Green = 4Q Upper)

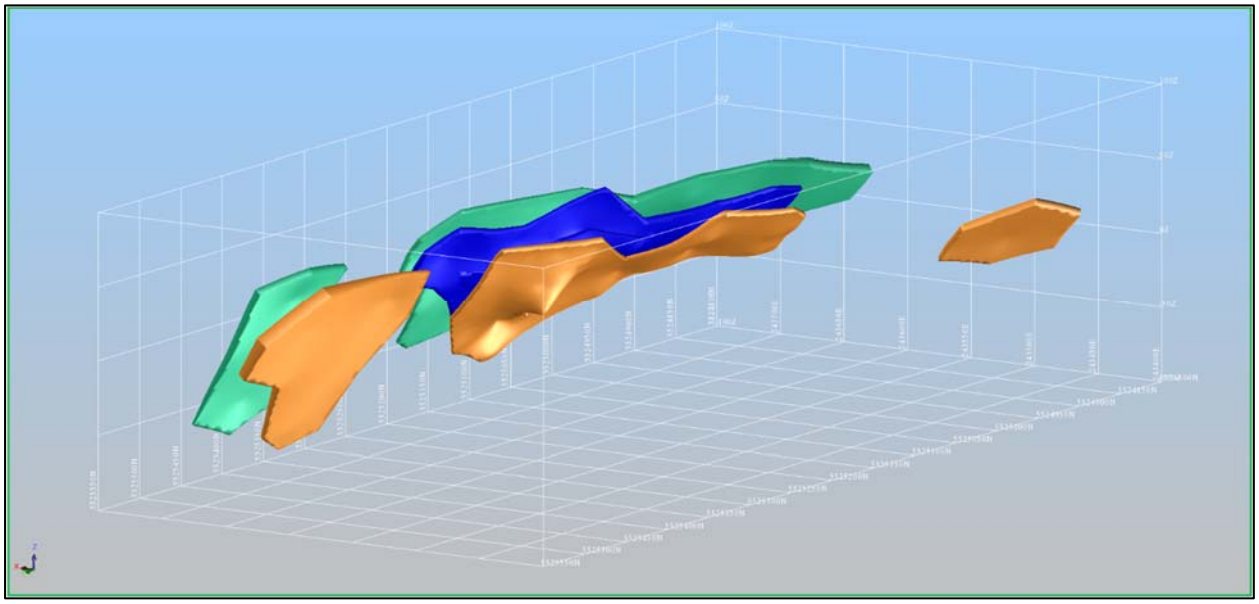


Figure 14-5: Isometric view to the northwest of the Road Zone Mineral Resource grade domain solid models (Red = 7G Lower, Pink = 7G Middle, Yellow = 7G Upper, Green = 7G Satellite)

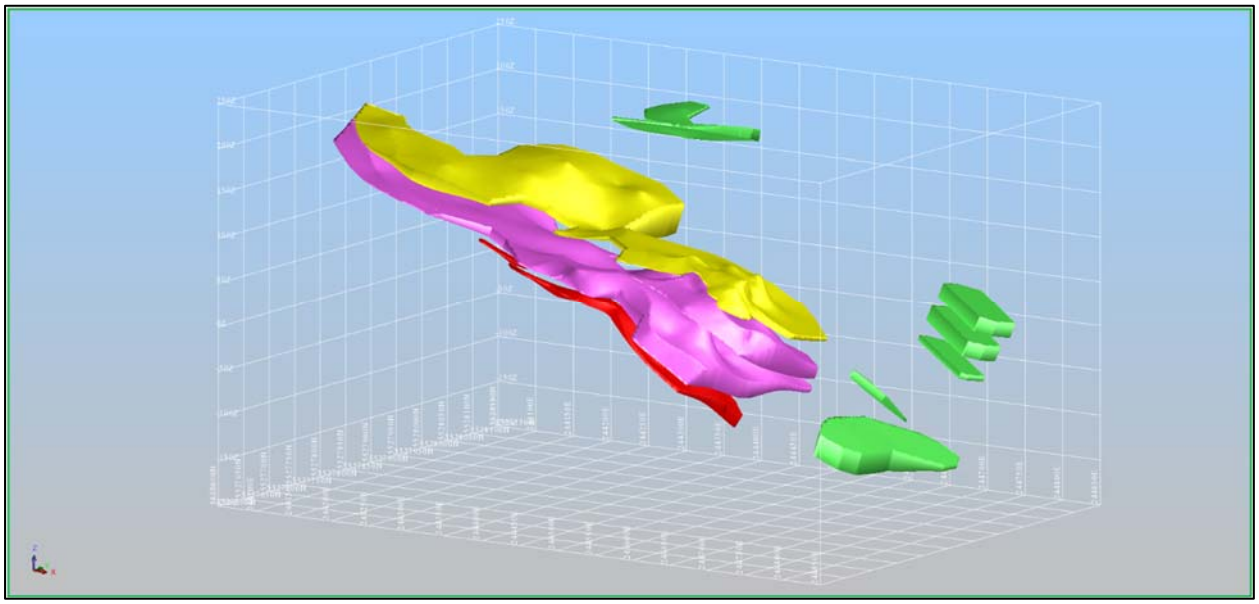
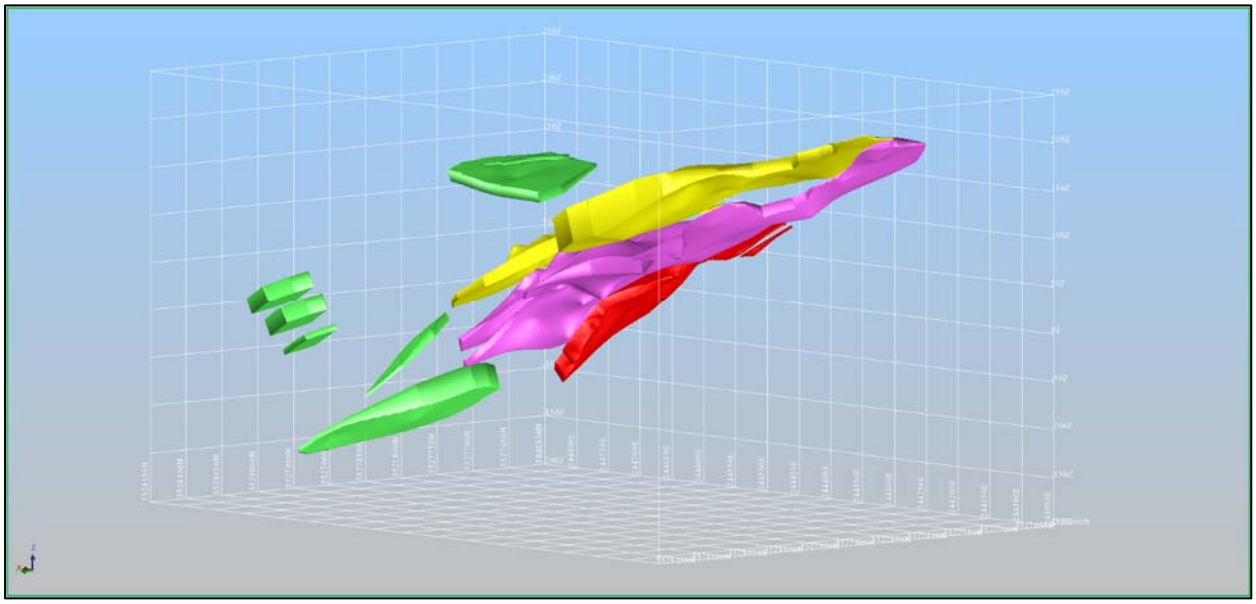


Figure 14-6: Isometric view to the southeast of the Road Zone Mineral Resource grade domain solid models (Red = 7G Lower, Pink = 7G Middle, Yellow = 7G Upper, Green = 7G Satellite)



14.6 Drill Hole Assays, Downhole Composites and Gold Grade Cutting Factor

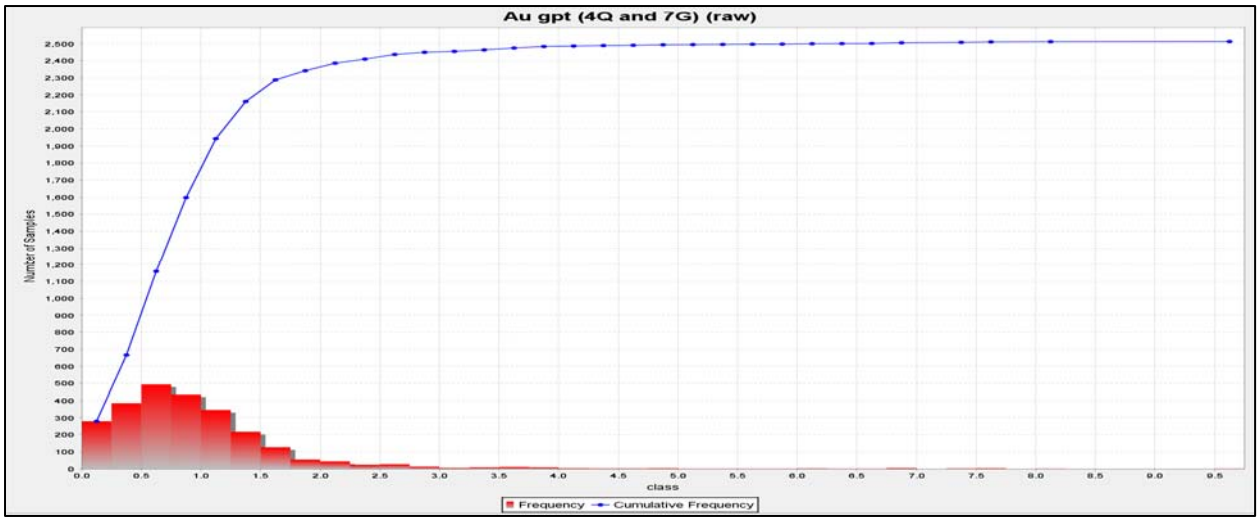
To facilitate compositing of downhole assay data, a drill hole intercept table consisting of drill hole intervals to be composited for each area was created using solid model drill hole intersections. Assay sample length statistics showed a mean length of 1.32 m with a minimum length of 0.10 m and maximum length of 3.82 m. Downhole assay composites measuring 1.5 m in length, constrained to the drill hole intercepts for each area, were created for gold using the Surpac® "best-fit" method. Minimum and maximum acceptable composite lengths were selected at 1.125 m and 1.875 m respectively and composites created outside the minimum and maximum support thresholds were manually modified to meet the selected criterion.

A total of 1,036 assay composites were created for the Apsy Zone, with lengths ranging from 1.2 m to 1.765 m and a mean length of 1.50 m. A total of 190 assay composites were created for the Beaver Dam Zone, with lengths ranging from 1.267 m to 1.85 m and a mean length of 1.52 m. A total of 1,413 assay composites were created for the Road Zone, with lengths ranging from 1.125 m to 1.75 m and a mean length of 1.50 m. Included un-sampled intervals were diluted to "0 %" (zero %) grade for gold. Assay composite descriptive statistics were first reviewed independently for the 7G and 4Q populations and subsequently for the two populations. Figure 14-7 presents a cumulative frequency plot for the combined 7G and 4Q gold assay composite population and Table 14-1 presents descriptive statistics for gold assay composites of each zone. No significant outlier values were identified and capping of outlier values was therefore not carried out.

Table 14-1: Descriptive Statistics for the Apsy, Beaver Dam, and Road Zone Assay Composites

	Apsy Zone	Beaver Dam Zone	Road Zone
Parameter	**Au g/t**	**Au g/t**	**Au g/t**
Mean Grade	1.06	1.1	0.85
Maximum Grade	9.59	7.29	6.22
Minimum Grade	0	0	0
Variance	0.88	1.71	0.39
Standard Deviation	0.94	1.31	0.63
Coefficient of Variation	0.88	1.19	0.74
Number of Samples	1036	190	1413

Figure 14-7: Cumulative Frequency of the RBGD 1.5m Assay Composites



14.7 Variography

Mercator prepared experimental downhole variograms based on respective 1.5 m assay composite datasets for the meta-sedimentary hosted (4Q) and granite-hosted (7G) mineralization domains and also completed experimental directional variograms for the combined meta-sedimentary hosted domains, the Apsy Zone granite-hosted domain, and the Road Zone granite-hosted domain.

Good spherical model results were obtained for experimental downhole variograms, thereby providing assessment of global nugget values and providing a basis of consideration for interpolation ellipsoid minor axis ranges (Figures 14-8 through 14-9). The best experimental variogram results for the major axis and semi-major axis of continuity are presented in Table 14-2 for each composite population evaluated. Ranges of all assessed domains reflect 95 m for the major axis of continuity and 45 m for the semi-major axis of continuity and show trends with moderate plunges along strike and/or in the dip direction (Figure 14- 10 through 14-13).

Interpolation ellipsoid ranges were developed through consideration of variogram assessment, geological interpretation, project history, and Mineral Resource categorization requirements. A multi-pass interpolation approach consisting of three separate stages was implemented using progressively increasing ellipsoid ranges for each pass. Ellipsoid ranges summarized in Table 14-2 below reflect half, equal to, and one and half the ranges determined through variography for the first, second, and third interpolation pass. A single experimental variogram model reflecting the

Figure 14-8: Downhole experimental variogram of gold assay composites for all meta-sedimentary hosted domains

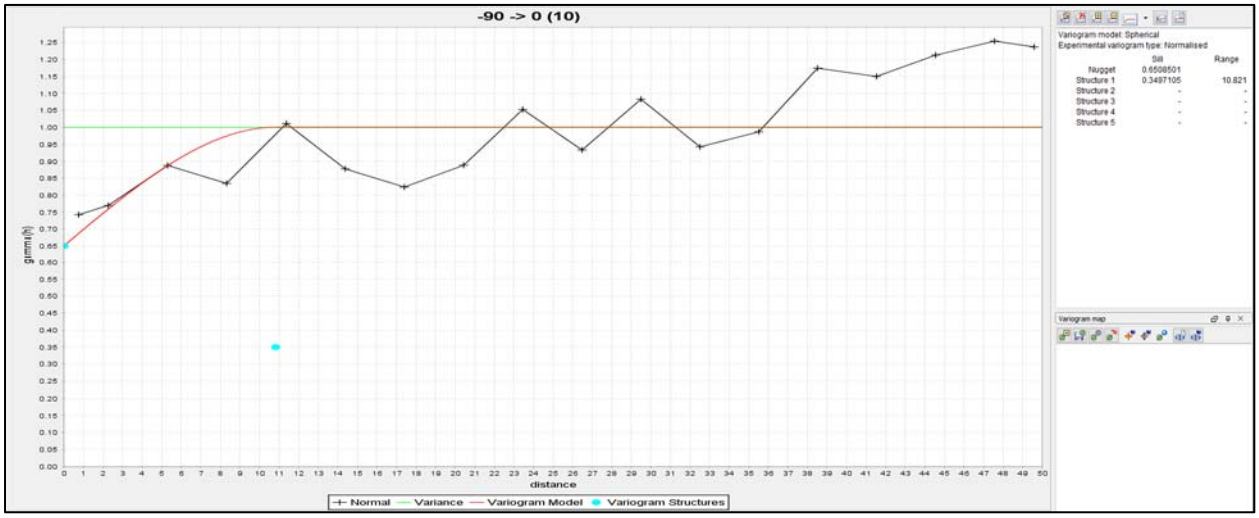


Figure 14-9: Downhole experimental variogram of gold assay composites for all granite-hosted domains

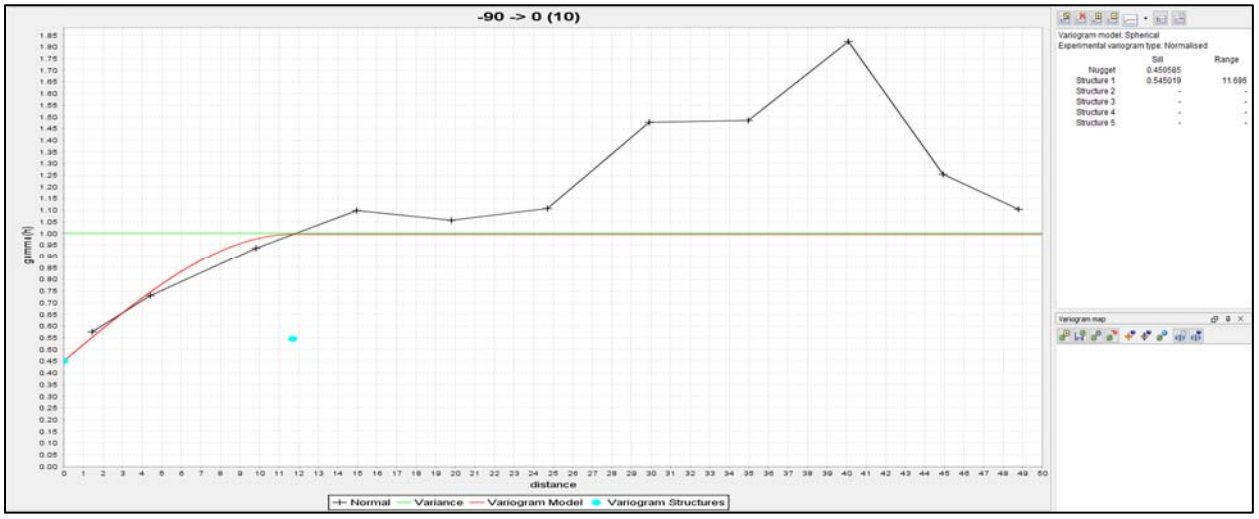


Figure 14-10: Directional experimental variogram of gold assay composites for all meta-sedimentary hosted domains

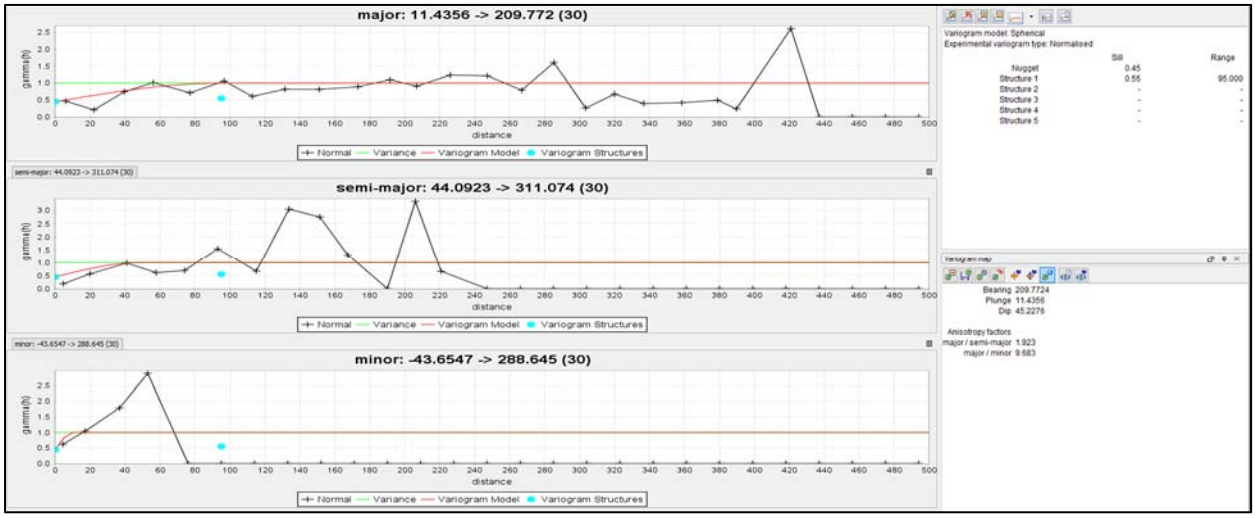


Figure 14-11: Directional experimental variogram of gold assay composites for the Apsy Zone granite-hosted domains

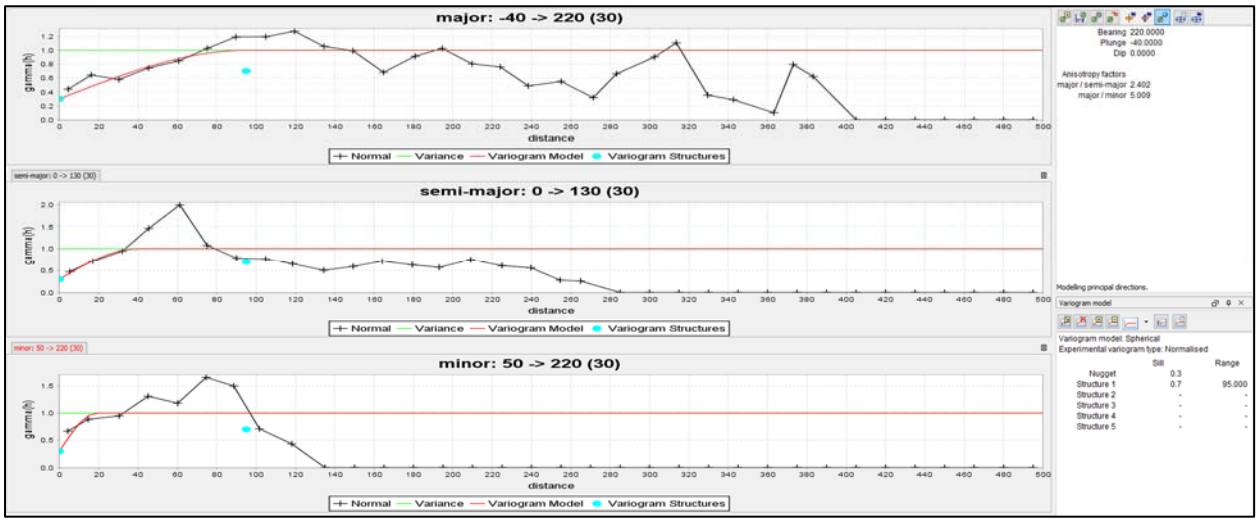


Figure 14-12: Directional experimental variogram of gold assay composites for the Road Zone granite-hosted domains

Table 14-2: Interpolation ellipsoid ranges (m) and experimental variogram parameters

				Range (m)		
Interpolation Pass	**Litho Type**	**Nugget**	**Sill**	**Major**	**Semi-Major**	**Minor**
1	4Q	0.45	0.55	47.5	22.5	10
	7G	0.3	0.7	47.5	22.5	10
2	4Q	0.45	0.55	95	45	10
	7G	0.3	0.7	95	45	20
3	4Q	0.45	0.55	142.5	67.5	15
	7G	0.3	0.7	142.5	67.5	30

combined results from the Apsy Zone and Road Zone was applied for domains classified as granite-hosted (7G).

Interpolation ellipsoids were oriented along the general geological trends identified for each deposit area solid and locally modified for changes in solid geometry. As such, the Apsy Zone supports 13 interpolation sub-domains, the Beaver Dam Zone supports 11 interpolation sub-domains, and the Road Zone supports 16 interpolation sub-domains, for a total of 40 interpolation sub-domains. Ellipsoids predominantly strike northeast with moderate dips to the east-southeast. The Apsy Zone and Beaver Dam Zone primary axis of continuity is predominantly in the strike direction whereas the Road Zone primary axis of continuity is in the down dip direction.

14.8 Setup of Three-Dimensional Block Model

The RBGD Mineral Resource Estimate is spatially coordinated to NAD83 MTM Zone 2. A separate block model was developed for each zone and the minimum and maximum extents of each block model area are presented in Table 14-3. All block models have a block size of 3m (X) by 3m (Y) by 3m (Z) with no sub-blocking or rotation applied.

Table 14-3: Rattling Brook Gold Deposit block model extents

	*Minimum Coordinates (m)			*Maximum Coordinates (m)		
Zone	**Y**	**X**	**Z**	**Y**	**X**	**Z**
Road	5527550	244050	-175	5528150	244827	230
Beaver Dam	5524800	243400	-100	552550	243751	140
Apsy	5528500	244850	-130	5529151	245501	176

*NTS NAD 83 MTM Zone 2

14.9 Mineral Resource Estimation

Ordinary Kriging (OK) grade interpolation methodology was used to assign block grades for gold within the RBGD block models based on the 1.5 m assay composites. As reviewed earlier, interpolation ellipsoid orientation values and ranges used in the estimation reflect trends determined from variography plus sectional interpretations of geology and grade distributions for the deposit. Block volumes were estimated from solid models using partial percentage volume calculation with a precision of four.

Grade interpolation for Inferred Mineral Resources was constrained to the block volumes defined by solid models using the three interpolation pass approach previously discussed. Interpolation passes, implemented sequentially from pass one to pass three, progress from being restrictive to less restrictive based on the composites available and the number of composites required to assign block grades. Table 14-4 summarizes the included composite parameters. Block discretization was set at 3(Y) x 3(X) x 3(Z).

Table 14-4: Included composite parameters for each interpolation pass

Interpolation Pass	Included Composite Parameters		
	Minimum	Maximum	Maximum Per Hole
1	5	3	12
2	3	2	8
3	1	4	4

Geological unit boundaries were assigned hard domain status for grade estimation purposes and grade interpolation was restricted to the 1.5 m assay composites associated with the drill hole intercepts assigned to each deposit area solid. Hard boundaries occur between geological grade domain solid model contacts with the exception of the granite meta-sedimentary contact at the Apsy Zone, where mineralization is demonstrated to be continuous across this boundary. In that instance a soft boundary was used. Adjacent and connecting interpolation domain areas within a geological grade domain unit were assigned soft domain boundaries for grade estimation purposes. In this way, the 1.5 m assay composites in adjacent and connecting domains can contribute to the grade interpolation.

14.10 Bulk Density

The bulk density value of 2.70 g/cm^3 used in the 2009 Mineral Resource Estimate (Cullen et al., 2009) was retained for the current estimate. The 2009 density estimate was based on the averaged result of six density determinations in granite-hosted mineralization and eleven measurements in metasedimentary-hosted mineralization.

14.11 Resource Category Parameters Used in Current Estimate

Definitions of Mineral Resources and associated Mineral Resource categories used in this report are those recognized under NI 43-101 and set out in the CIM Standards (as amended in 2014). Mineral Resources presented have been assigned to Inferred Mineral Resource category.

Measured Resource: No interpolated resource blocks were assigned to this category.

Indicated Resources: No interpolated resource blocks were assigned to this category.

Inferred Resources: Inferred Mineral Resources are defined as all blocks with interpolated gold grade from the first, second, or third Ordinary Kriging interpolation passes with at least 1 contributing assay composite

14.12 Mineral Resource Estimate Tabulation

Block grade, block density and block volume parameters for the RBGD were estimated using methods described in preceding sections of this report. Subsequent application of Mineral Resource category parameters resulted in the current RBGD Mineral Resource Estimate presented below in Table 14-5. This estimate has an effective date of January 23rd, 2019. **Mercator is of the opinion that, based on disclosure provided by Magna Terra and ExploreCo, no material changes to the property's exploration status and associated technical information have occurred since the January 23, 2019 effective date of the current Mineral Resource Estimate**.

Figures 14-13 through 14-18 present isometric views of block grade distributions associated with the current Mineral Resource Estimate. A cut-off grade of 1 g/t gold was used to report the Mineral Resource Estimate and reflects the value required to produce a Mineral Resource Estimate grade comparable to the head grade of mineralization recently processed at Anaconda's Pine Cove Mine milling facility from the Pine Cove open pit. Mineral Resources are reported to a maximum depth of 200 m below surface and this reflects addition of 50m of mineralization below the 150 m final pit depth at the Pine Cove open pit. These comparatives were applied to assess the RBGD's potential for economic extraction in the foreseeable future using conventional open-pit mining methods at a gold price of CAD $1550 per ounce. Global deposit tonnages at various gold cut-off values are presented in below in Figures 14-19 and 14-21.

Table 14-5: Rattling Brook Mineral Resource Estimate – Effective Date: January 23, 2019

Zone	Cut-Off (Au g/t)	Category	Rounded Tonnes	Au (g/t)	Rounded Ounces
Apsy	1.00	Inferred	2,850,000	1.52	139,000
Road	1.00	Inferred	2,120,000	1.28	87,000
Beaverdam	1.00	Inferred	480,000	1.81	28,000
Total	**1.00**	**Inferred**	**5,460,000**	**1.45**	**255,000**

1. This Mineral Resource Estimate was prepared in accordance with NI 43-101 and the CIM Standards (2014)
2. Mineral Resource tonnages have been rounded to the nearest 10,000 and ounces have been rounded to the nearest 1,000. Totals may not sum due to rounding.
3. A cut-off of 1.00 g/t Au was used to estimate Mineral Resources.
4. Mineral Resources were interpolated using Ordinary Kriging from 1.5 metre assay composites.
5. An average bulk density of 2.70 g/cm^3 has been applied.
6. Over 90% of Mineral Resources occur above a depth of 150m below surface, the current maximum depth of the Anaconda Mining Inc. Pine Cove Mine. Mineral Resources were reported within an additional 50m of this 150m bench mark, to a maximum depth of 200m, and are considered to reflect reasonable prospect for economic extraction in the foreseeable future using conventional open-pit mining methods at a gold price of CAD $1550 per ounce.
7. Mineral Resources do not have demonstrated economic viability.
8. This Mineral Resources Estimate may be materially affected by environmental, permitting, legal title, taxation, sociopolitical, marketing, or other relevant issues.

Figure 14-13: Isometric view to the northwest of the Apsy Zone block model gold grade distribution

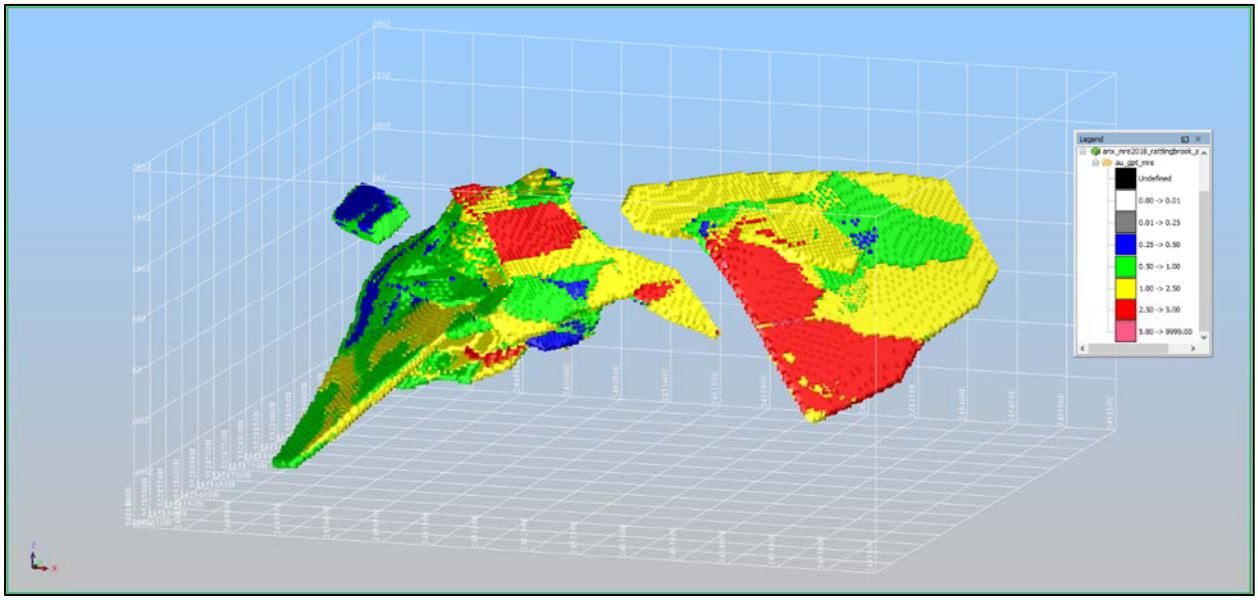


Figure 14-14: Isometric view to the northwest of the Apsy Zone block model gold grade distribution at 1.00 g/t cut-off

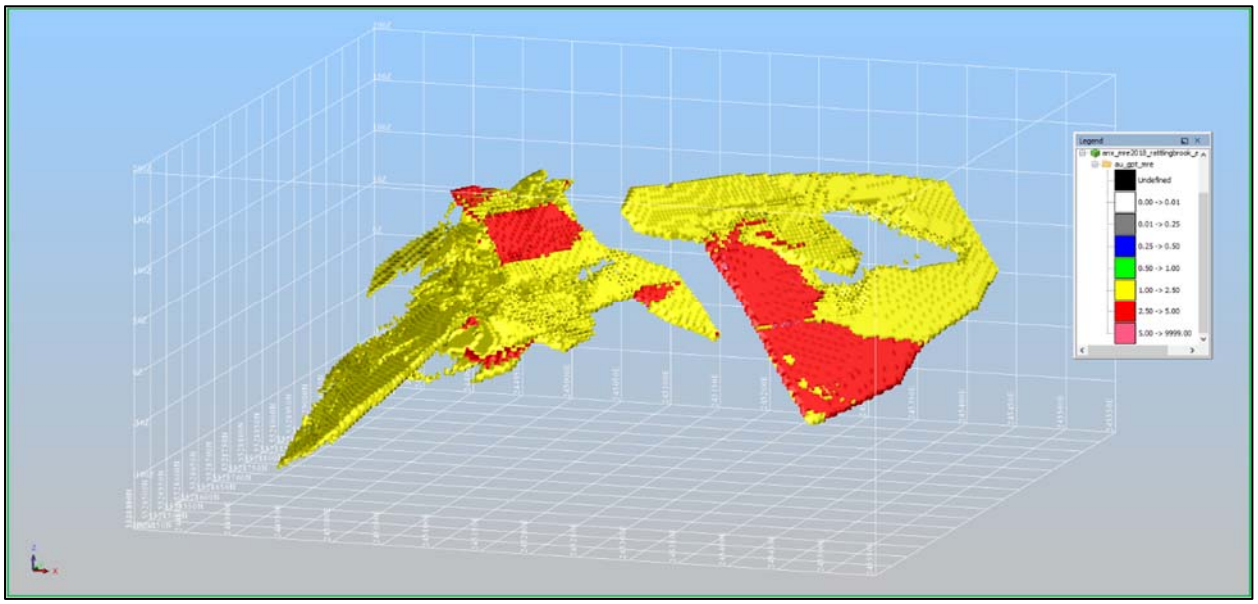


Figure 14-15: Isometric view to the northwest of the Beaver Dam Zone block model gold grade distribution

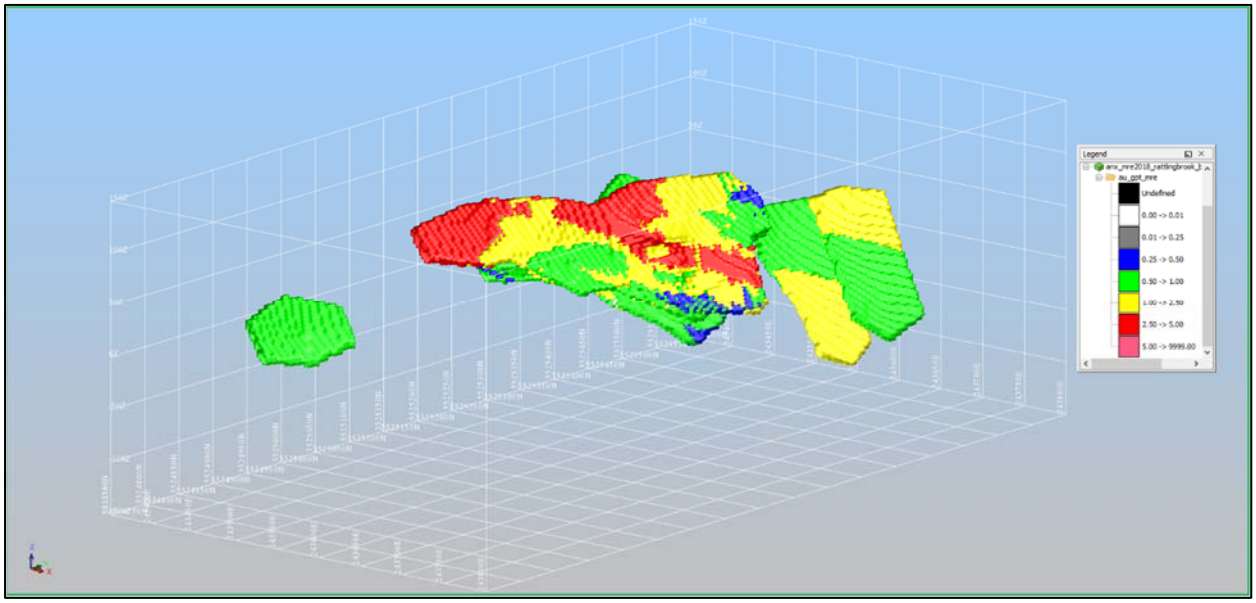


Figure 14-16: Isometric view to the northwest of the Beaver Dam Zone block model gold grade distribution at 1.00 g/t cut-off

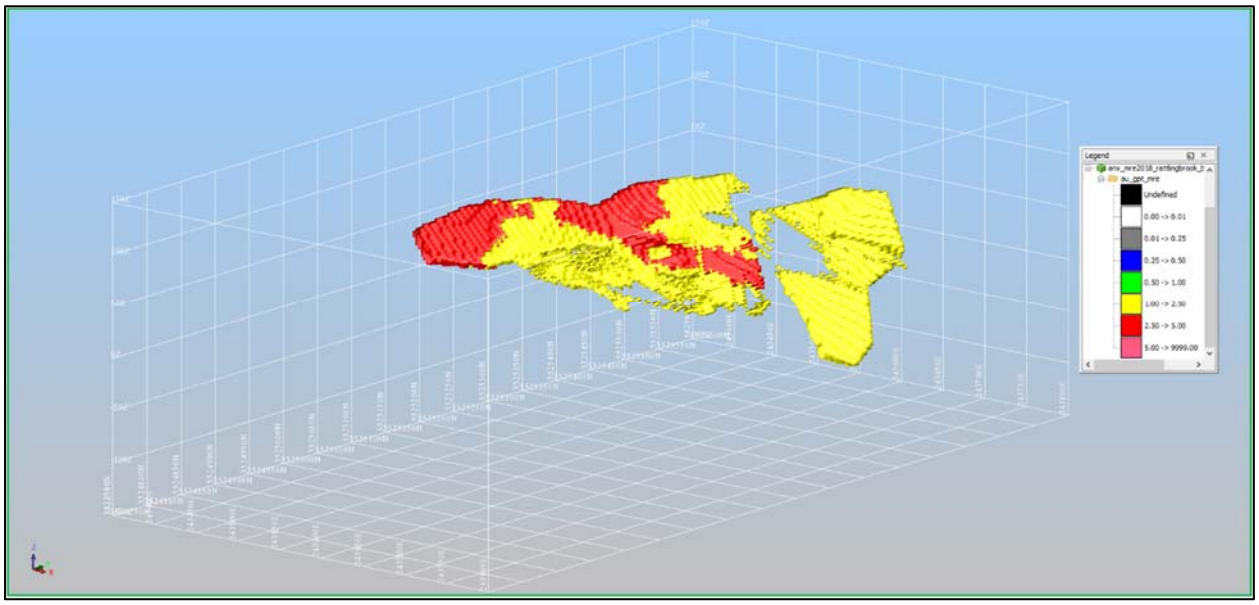


Figure 14-17: Isometric view to the northwest of the Road Zone block model gold grade distribution

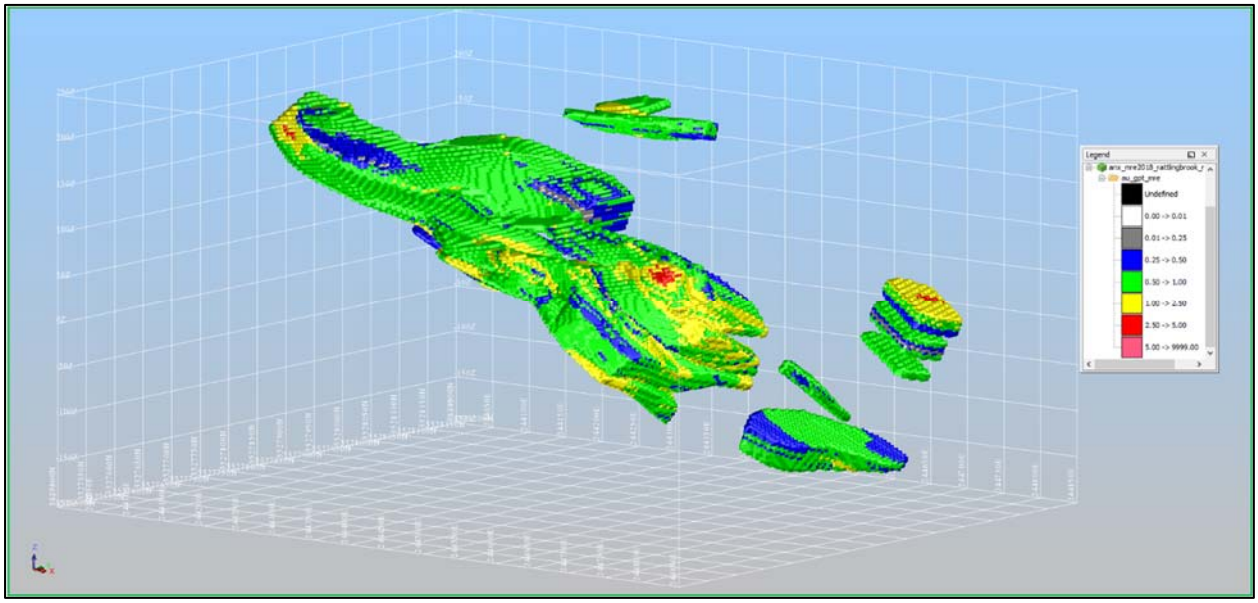


Figure 14-18: Isometric view to the northwest of the Road Zone block model gold grade distribution at 1.00 g/t cut-off

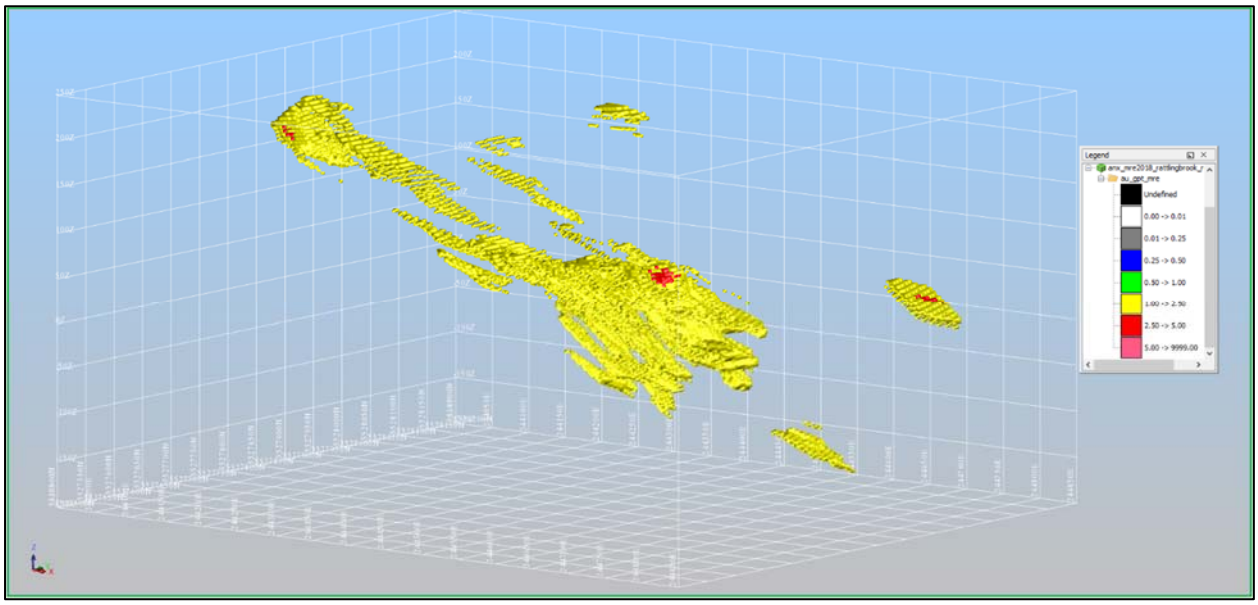


Figure 14-19: Apsy Zone gold grade tonnage chart

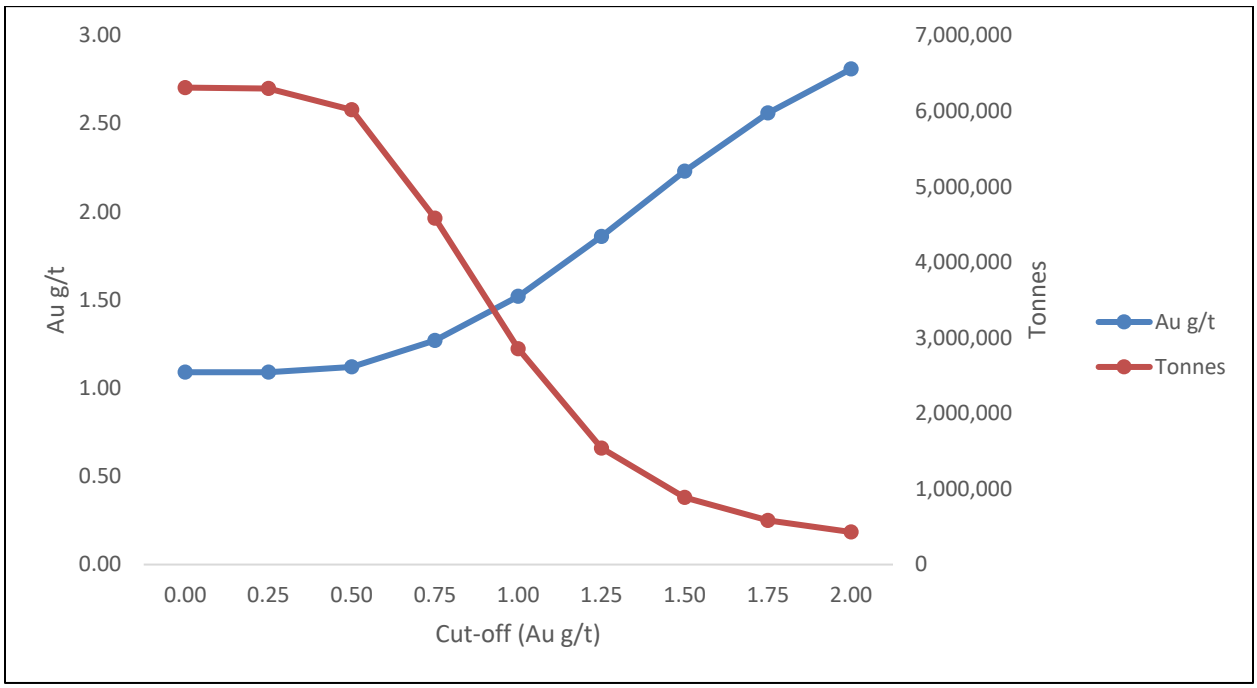


Figure 14-20: Beaver Dam Zone gold grade tonnage chart

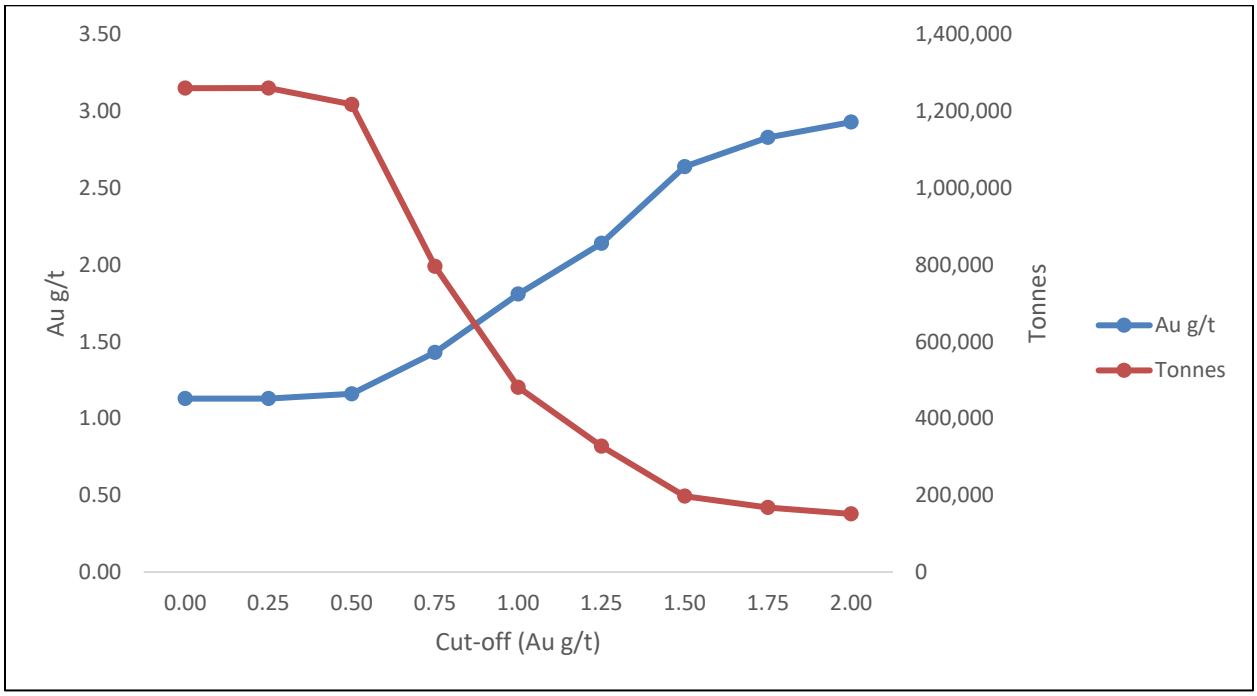
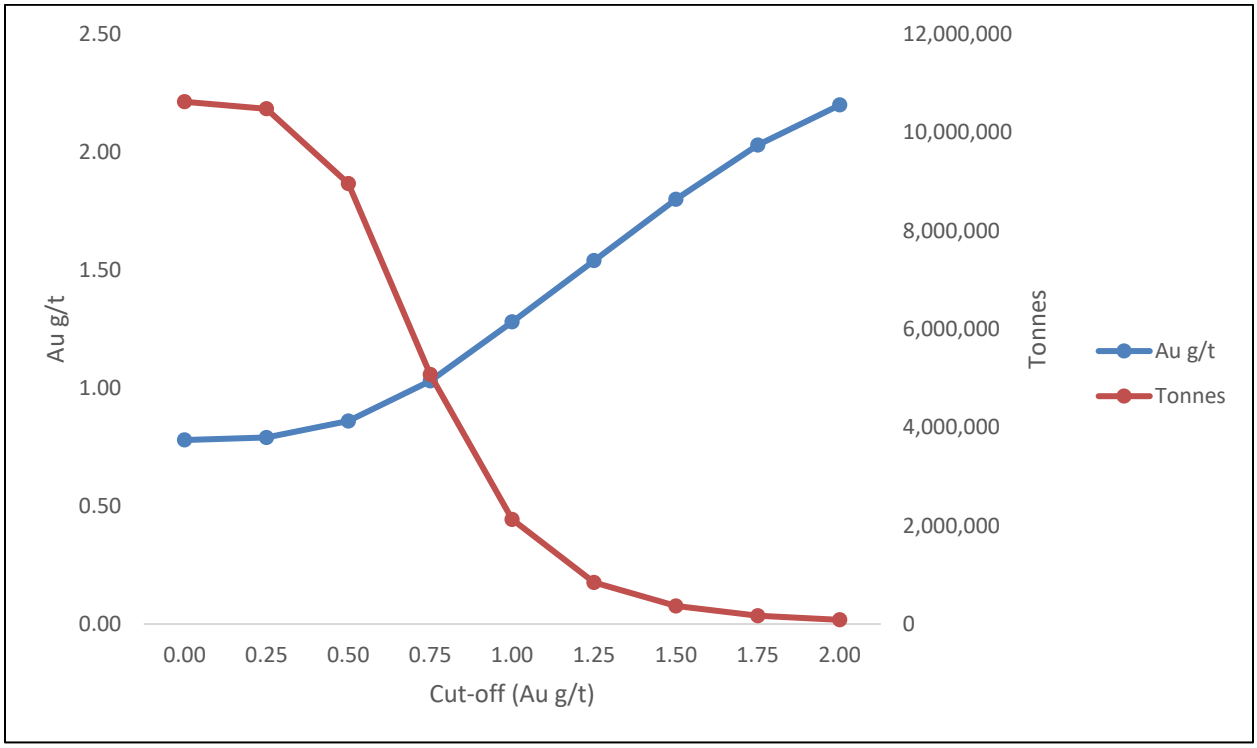


Figure 14-21: Road Zone gold grade tonnage chart



14.13 Validation of Mineral Resource Models

Results of block modeling were reviewed in three-dimensions and compared on a section by section basis with associated drill hole data. Block grade distributions were deemed to show acceptable correlation with the drill hole data. Visual inspection gold distribution trends also showed consistency between the block model and the independently derived geological interpretations of the deposit. In addition, block model statistics for the combined Mineral Resource solids were reported and tabulated at a zero cut-off value to facilitate inspection of basic statistical parameters. Results appear below in Table 14-6 and 14-7 and include favorably low coefficient of variation values for all metals.

Block volume estimates for each Mineral Resource solid were compared with corresponding solid model volume reports generated in Surpac® and results show good correlation, indicating consistency in volume capture and block model volume reporting. For each zone, average block grade values were compared with the underlying assay composite dataset averages and in all cases results were deemed acceptable. Mercator also created horizontal swath plots in both northing and easting directions considering block grade value, tonnage and average assay composite value. The resulting spatial distribution trends of the average assay grades and the average block grade values compared favorably in all cases considered (Figure 14-22 to Figure 14-24).

An inverse distance squared (ID^2) check model for the Road Zone was performed to check the ordinary kriging (OK) interpolation methodology and results appear in Table 14-8. Interpolation parameters were the same as those used in the OK model. Results of the ID^2 modeling showed that average grades and tonnage closely match those of the OK model. Results of the two methods are considered sufficiently consistent to provide an acceptable check.

Table 14-6: Descriptive Statistics for the Apsy, Beaver Dam, and Road Zone Assay Composites

	Apsy Zone	Beaver Dam Zone	Road Zone
Parameter	**Au g/t**	**Au g/t**	**Au g/t**
Mean Grade	1.06	1.1	0.85
Maximum Grade	9.59	7.29	6.22
Minimum Grade	0	0	0
Variance	0.88	1.71	0.39
Standard Deviation	0.94	1.31	0.63
Coefficient of Variation	0.88	1.19	0.74
Number of Samples	1036	190	1413

Table 14-7: Descriptive Statistics for the Apsy, Beaver Dam, and Road Zone block gold values

	Apsy Zone	Beaver Dam Zone	Road Zone
Parameter	**Au g/t**	**Au g/t**	**Au g/t**
Mean Grade	1.14	1.14	0.79
Maximum Grade	6.3	4.94	3.75
Minimum Grade	0	0	0
Variance	0.46	0.59	0.1
Standard Deviation	0.68	0.77	0.32
Coefficient of Variation	0.59	0.67	0.41
Number of Samples	123,158	38,040	198,776

Figure 14-22: Apsy Zone northing swath plot

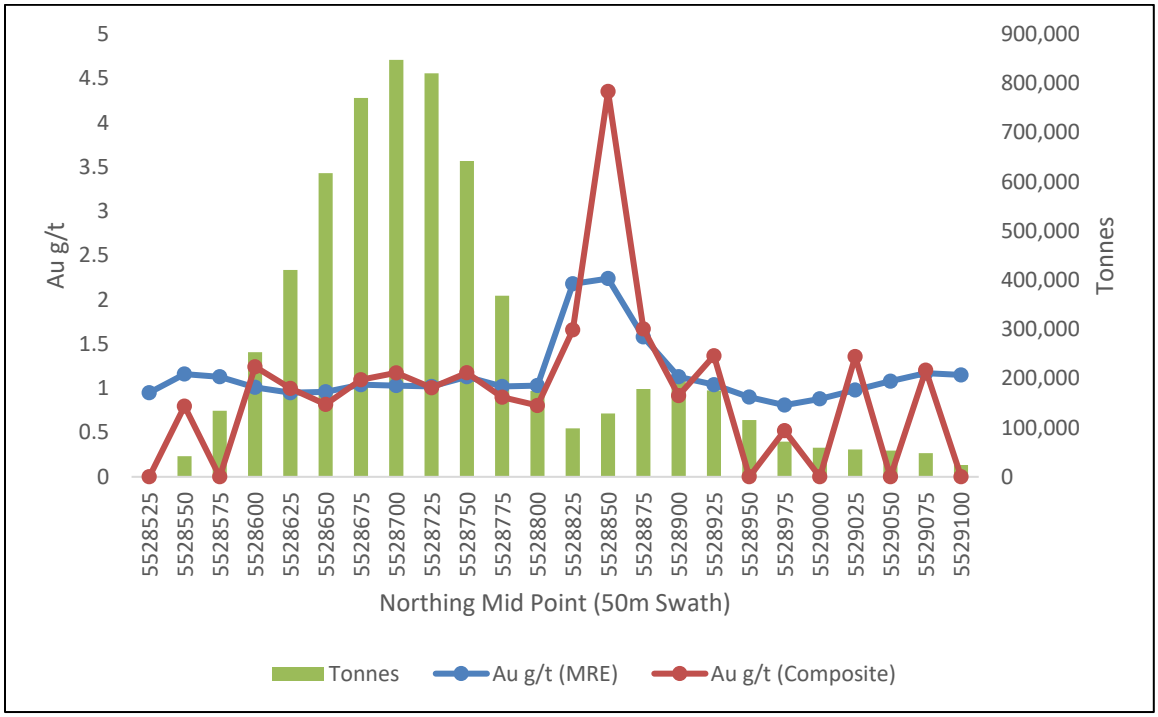


Figure 14-23: Beaver Dam Zone northing swath plot

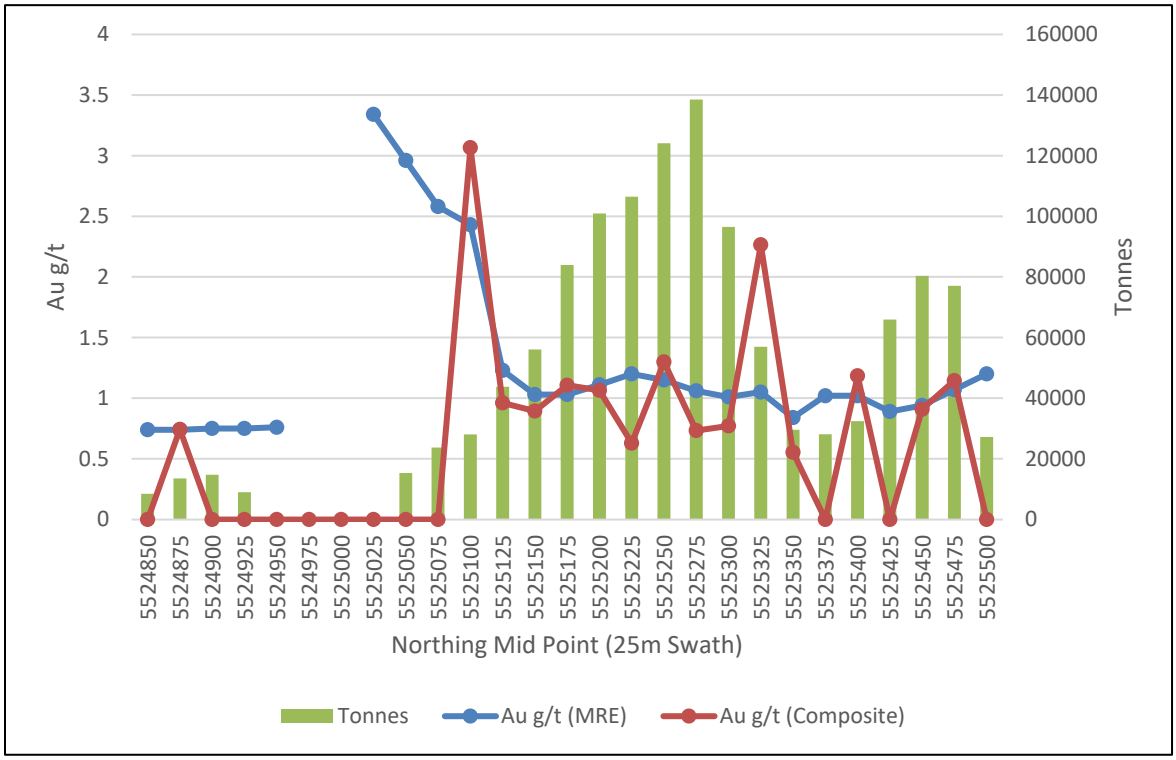


Figure 14-24: Road Zone easting swath plot

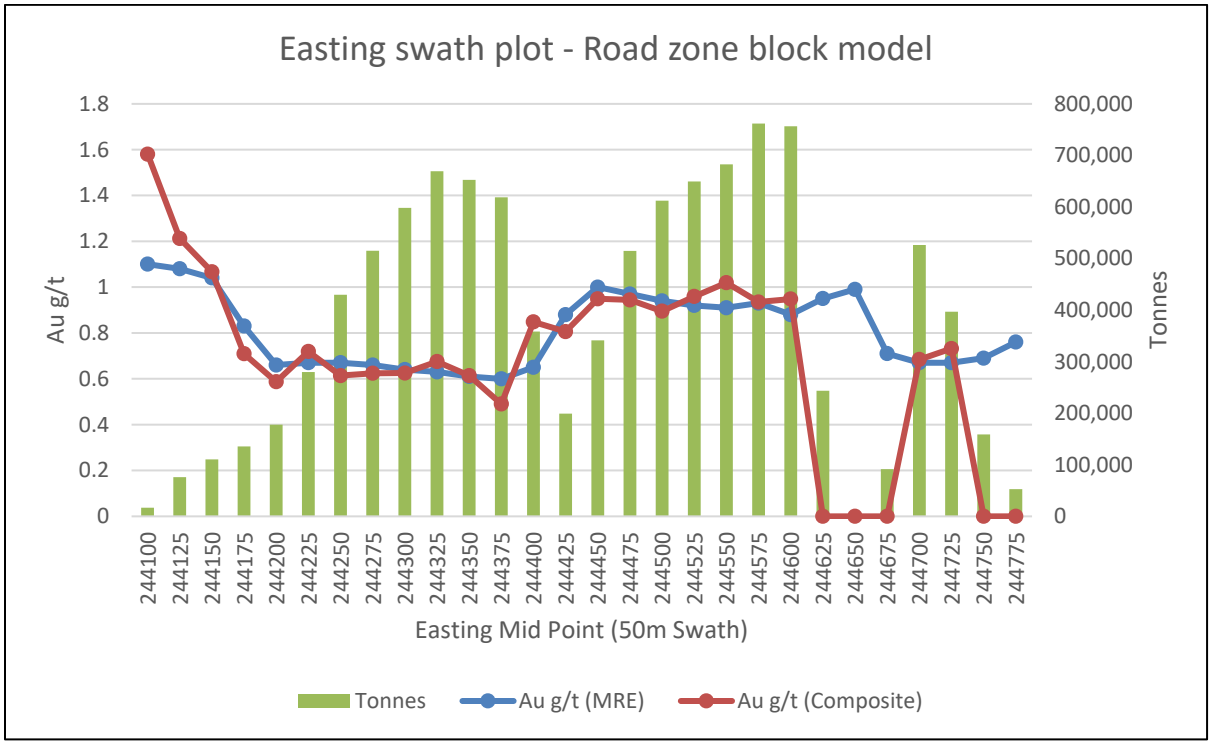


Table 14-8: Comparison between OK and ID^2 methodologies (Road Zone global estimate)

Method	Category	Rounded Tonnes	Au (g/t)
ID2	**Inferred**	1,0620,000	0.79
OK	**Inferred**	1,0620,000	0.78

15.0 MINERAL RESERVE ESTIMATES

There are no current Mineral Reserves at the RBGD.

16.0 MINING METHODS

This section is not applicable.

17.0 RECOVERY METHODS

This section is not applicable.

18.0 PROJECT INFRASTRUCTURE

This section is not applicable.

19.0 MARKET STUDIES AND CONTRACTS

This section is not applicable.

20.0 ENVIRONMENTAL AND SURFACE TITLE LIABILITIES

Magna Terra advised Mercator that there were no known environmental, surface title or other liabilities pertaining to the RBGD present at the effective date of the Mineral Resource Estimate described in this Technical Report.

21.0 CAPITAL AND OPERATING COSTS

This section is not applicable.

22.0 ECONOMIC ANALYSIS

This section is not applicable.

23.0 ADJACENT PROPERTIES

The Thor Gold Deposit is held by ExploreCo and is located in the White Bay area of western Newfoundland, in the province of Newfoundland and Labrador, Canada. It is part of ExploreCo's Viking Property and consists of three mineral exploration licenses: 014079M, 019689M, and 023770M totaling 5,600 ha. The mineral licences are accessible through truck roads off the main highway into Pollards Point (Route 420), which trends north from the Trans-Canada Highway west of Deer Lake, NL.

The Thor Deposit occurs south of the RBGD along the Doucer's Valley Fault System, a regional splay of the Long Range Fault. The Doucer's Valley Fault System is a significant geological control on, and host to, several gold deposits, including the Thor Deposit. Gold mineralization at the Thor Deposit is similar to some of that comprising the RBGD and occurs primarily as disseminated gold hosted in altered Precambrian granite. Alteration consists of mesothermal style quartz ± iron carbonate ± sulfide veins and stockworks with 2- 5% total sulfides consisting of pyrite, galena, chalcopyrite or sphalerite, and locally show trace amounts of visible gold.

A Historical Mineral Resource Estimate exists for the Thor Deposit. It was prepared by ExploreCo in accordance with NI43-101 and the CIM Standards and has an effective date of August 29th, 2016. Table 23-1 presents this Historical Mineral Resource Estimate. An Independent Qualified Person has not carried out sufficient work to classify this Historical Mineral Resource Estimate as current and Magna Terra is not considering this Historical Mineral Resource Estimate to be current. Magna Terra considers the Thor Deposit to have potential for expansion that will addressed by the Company in future exploration programs.

Table 23-1: *Historical Mineral Resource Estimate for the Thor Deposit – Effective date August 29th, 2016

Deposits	Category	Tonnes	Gold Grade g/t	Ounces Gold
*Thor (Current Estimate)	Indicated	1,817,000	1.42	83,000
*Thor (Current Estimate)	Inferred	847,000	1.15	31,000

* *Historical Mineral Resource Estimate Cutoff gold grade is 0.50 g/t*

24.0 OTHER RELEVANT DATA AND INFORMATION

The authors are not aware of any other relevant data or information that should be presented in support of the current Mineral Resource Estimate.

25.0 INTERPRETATION AND CONCLUSION

Three spatially distinct gold-bearing zones have been defined by drilling to date at the RBGD, these being the Apsy Zone, Road Zone and Beaver Dam Zone. Mercator was previously retained by Kermode in 2008 to review drilling results from the three zones and to prepare a Mineral Resource Estimate based on results of 183 diamond drill holes completed between 1986 and 2007. In 2018, ExploreCo purchased the RBGD license from Kermode and retained Mercator to complete an updated Mineral Resource Estimate for the RBGD to refine the existing geological model for the deposit in order to reduce the amount of internal and marginal grade dilution inherent in the earlier model.

Two styles of orogenic gold mineralization have been defined to date on the Property by drilling, trenching and mapping. The most prevalent consists of disseminated gold occurring in association with minor amounts of disseminated pyrite and arsenopyrite in potassically altered, fractured and locally sheared granite and granodiorite of late Proterozoic age that occurs below an unconformity between these Grenvillian basement complex rocks and Lower Paleozoic sedimentary cover sequences. Both basement and cover sequences were affected by west-directed thrusting in Ordovician time and by later, northeast trending strike slip faulting of regional scale.

The second main style of gold mineralization consists of generally stratabound replacement zones within quartzite, limestone and calcareous siltstone within the sedimentary cover sequence above the north-striking and east dipping unconformity noted above. Highest gold grades occur in relatively thin (< 2 m true thickness) discrete zones of high pyrite content and in poorly defined, shear-localized quartz-sulphide zones that cross-cut both cover sequence and basement complex lithologies. The latter may be associated with structural “feeder zones” of gold mineralizing fluids. Major northeast-striking shear zone splays, related to the nearby Doucers Valley Fault system, disrupt the imbricated thrust sequence in the Property area and are thought to have provided access to deep crustal fluids that may have introduced gold mineralization. Drilling results show that each deposit is cored by higher grade gold values, with these being most commonly present where mineralized fracture corridors or interpreted cross-structure shears intersect the unconformity.

Preliminary metallurgical testing carried out by past explorers showed that gold is associated with sulphides and that recovery of gold is directly related to the degree of oxidation of the sulphides. With 99% sulphide oxidation, the recovery of gold was 97% from the flotation concentrate, with 92% overall recovery of gold. Pressure oxidation methods were necessary to achieve these results. Recoveries of gold from sulphide concentrate by cyanide leaching options alone produced

recoveries against sample head grades in the range of 15% to 19%. Further assessment of gold recovery methods is required to constrain any future economic analysis of the RBGD deposit.

The current Mineral Resource Estimate for the three gold deposits that comprise the RBGD is based upon three-dimensional block models developed by Mercator using Surpac® deposit modeling software and results are presented in Table 25-1. Mineral Resources in all three deposits were assigned to the Inferred Mineral Resource category in accordance with Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves *Definitions and Guidelines* (the CIM Standards - 2014) and meet disclosure requirements of National Instrument 43-101.

Table 25-1: Rattling Brook Mineral Resource Estimate – Effective Date: January 23, 2019

Zone	Cut-Off (Au g/t)	Category	Rounded Tonnes	Au (g/t)	Rounded Ounces
Apsy	1.00	Inferred	2,850,000	1.52	139,000
Road	1.00	Inferred	2,120,000	1.28	87,000
Beaverdam	1.00	Inferred	480,000	1.81	28,000
Total	**1.00**	**Inferred**	**5,460,000**	**1.45**	**255,000**

1. This Mineral Resource Estimate was prepared in accordance with NI 43-101 and the CIM Standards (2014)
2. Mineral Resource tonnages have been rounded to the nearest 10,000 and ounces have been rounded to the nearest 1,000. Totals may not sum due to rounding.
3. A cut-off of 1.00 g/t Au was used to estimate Mineral Resources.
4. Mineral Resources were interpolated using Ordinary Kriging from 1.5 metre assay composites.
5. An average bulk density of 2.70 g/cm^3 has been applied.
6. Over 90% of Mineral Resources occur above a depth of 150m below surface, the current maximum depth of the Anaconda Mining Inc. Pine Cove Mine. Mineral Resources were reported within an additional 50m of this 150m bench mark, to a maximum depth of 200m, and are considered to reflect reasonable prospect for economic extraction in the foreseeable future using conventional open-pit mining methods at a golf price of CAD $1550 per ounce.
7. Mineral Resources do not have demonstrated economic viability.
8. This Mineral Resources Estimate may be materially affected by environmental, permitting, legal title, taxation, sociopolitical, marketing, or other relevant issues.

All three deposits show potential for (1) definition of strike and dip extensions to currently defined Mineral Resources through additional core drilling, and (2) upgrading of currently defined Inferred Mineral Resources to Indicated or Measured status through completion of infill core drilling. At this time, deposit expansion programs of (1) above are considered to provide the greatest opportunity for upgrading of the Property ’s economic potential.

26.0 RECOMMENDATIONS

26.1 Summary

Based on the results of the Mineral Resource Estimate summarized above, the following recommendations are provided to expand extents of known mineralization on a priority basis. Upgrading of existing Inferred Mineral Resources to higher categories will require systematic grid infill drilling at 25 m spaced sections and can be deferred until the deposit expansion opportunities noted below have been assessed.

26.1.1 Apsy Zone

Additional drilling should be carried out on a priority basis to further define (1) the extent of unconformity-related gold mineralization up-dip of mineralization intersected in drill hole RB-31, (2) potential in the southeast area of the deposit, south of drill hole JA-05-33 and southeast of drill hole JA-06-56, where good opportunity exists to expand an area of higher (>2.0 g/t) gold grades.

26.1.2 Road Zone

Additional Road Zone drilling should be carried out to assess (1) the up-dip extent of the mineralization encountered in drill holes RB-5 and JA-07-94; (2) mineralization between drill hole JA-07-107 and the adjacent satellite deposit defined by drill hole JA-07-101; (3) between the main mineralized zone and the eastern satellite zone between drill holes JA-07-78 and JA-07-119; (4) along the potential strike extension of mineralization seen in drill hole JA-07-122 toward the Apsy Zone, and (5) along the northeast margin of the main Road Zone.

26.1.3 Beaver Dam Zone

Additional Beaver Dam Zone drilling should be carried out to assess (1) the up-dip extent of unconformity-related mineralization found in drill holes RB-49 and JA-04-04, (2) the potential for extension of unconformity-related mineralization intersected in drill hole RB-48, towards the satellite intercept in drill hole JA-07-89, and (3) the potential for up-dip and strike extensions to mineralization seen in drill hole RB-53.

26.1.4 Jackson's Arm Prospects

Various prospects have been identified throughout the Jacksons Arm Property. An exploration program covering those identified on the mineral license option from Metals Creek include the

954, Boot 'n Hammer, Shrik, Stocker and Hill Side prospects. These prospects should be more closely investigated through establishment of a 20 line km survey grid as an expansion of the existing current grid to the north and east. This grid extension is designed to cover the known location of the 954 showing and the mapped repetition of the contact between the Coney Head Complex and the Silurian Sops Arm Group to the east. Geological mapping, prospecting, ground magnetic, and IP geophysical surveys should be completed over the grid. A Phase 1 diamond drilling program comprising ten holes for 1,500 m is proposed as an initial test of the Boot 'n Hammer, Shrik, Stocker, and Hillside prospects. Trenching of gold targets generated from the grid expansion work should be completed.

26.1.5 Updated Mineral Resource Estimate

After successful completion of the deposit extension core drilling above, an updated Mineral Resource Estimate should be completed for the project. An optimized pit shell approach should be applied at that time to further refine deposit assessment. Further study of gold beneficiation options should be undertaken in advance of any future economic analysis of the deposit.

26.2 Estimated Budget For Recommended Work Programs

Completion of the recommended work programs set out above is estimated to require expenditure of $700,000(CAN) if completed under contract service conditions existing at the effective date of this report. Work programs should be divided into Phase 1, deposit extension and exploratory drilling, and Phase 2, updated Mineral Resource Estimate components. Completion of Phase 2 would be contingent of successful results of the Phase 1 program. Table 26-1 below presents a summary of anticipated costs.

Table 26-1:Estimated Budget for Recommended Work Programs

Phase 1 – RBDG Areas	**Estimated Cost ($CAN)**
Deposit extension drilling – 1,000 m (8 drill holes)	150,000
Analytical services for drilling program	20,000
Geological field supervision, core logging and sample layout	15,000
Field support – vehicle, fuel, materials, etc.	7,500
Drill collar surveying	2,500
Field accommodation and meals	5,000
Sampling and core lab support	5,000
Subtotal RBGD	**205,000**

Phase 1 - Jacksons Arm Prospects	**Estimated Cost ($CAN)**
Line Cutting (20 line kms)	15,000
IP Geophysical Survey (20 line kms)	40,000
Ground Magnetic Survey (20 line kms)	10,000
Prospecting and Geological Mapping	25,000
Trenching and Channel Sampling	35,000
10 Drill holes (1,500 m)	225,000
Reporting	20,000
Supervision and Administration	25,000
Subtotal Jacksons Arm	**395,000**

Phase 2 – Updated Mineral Resource Estimate	**Estimated Cost ($CAN)**
Modelling and reporting	65,000
Additional metallurgical testing	35,000
Subtotal	**100,000**

Grand Total	**700,000**

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28.0 AUTHOR CERTIFICATES

Certificate of Qualified Person
Matthew D. Harrington, P. Geo.

I, Matthew D. Harington, P. Geo., do hereby certify that:

1. I reside at 10 Commodore Road in Lewis Lake, Nova Scotia, Canada

2. I am currently employed as a Senior Resource Geologist with Mercator Geological Services Limited of 65 Queen St Dartmouth, Nova Scotia, Canada B2Y 1G4

3. I received a Bachelor of Science degree (Honours, Geology) in 2004 from Dalhousie University.

4. I am a registered member in good standing of the following professional associations: (1) Association of Professional Geoscientists of Nova Scotia, registration number 0254, and (2) Professional Engineers and Geologists of Newfoundland and Labrador, registration number 09541.

5. I have worked as a geologist in Canada since graduation.

6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

7. I am one of the Qualified Persons responsible for preparation of the Technical Report titled "NI 43-101 TECHNICAL REPORT AND UPDATED MINERAL RESOURCE ESTIMATE ON THE RATTLING BROOK GOLD DEPOSIT, GREAT NORTHERN PROJECT, WHITE BAY AREA, NEWFOUNDLAND and LABRADOR, CANADA, Effective Date: January 23, 2019" and dated November 14 , 2019

   I am responsible for Technical Report Item (Section) 14 and parts of Items 1, and 25-28; I have reviewed all Items of the Technical Report.

8. My past involvement with the Rattling Brook Project is as a contributing author of the Technical Reports titled ""TECHNICAL REPORT ON MINERAL RESOURCE ESTIMATE Jackson's Arm Gold Project, White Bay Area, Newfoundland and Labrador, Canada, Effective Date: April 20, 2009" and "NI 43-101 TECHNICAL REPORT AND UPDATED MINERAL RESOURCE ESTIMATE ON THE RATTLING BROOK GOLD DEPOSIT, GREAT NORTHERN PROJECT, WHITE

BAY AREA, NEWFOUNDLAND and LABRADOR, CANADA, Effective Date: January 23, 2019", dated March 13, 2019.

9. I am independent of Magna Terra, applying all of the tests in section 1.5 of National Instrument 43-101 and National Instrument 43-101 Companion Policy Section 5.3

10. I have read National Instrument 43-101, Form 43-101F1 and the Companion Policy and believe that this Technical Report has been prepared in compliance with that Instrument and Form.

11. As of the date of this certificate, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this report not misleading.

Dated this 14th day of November, 2019.

"Original signed and stamped by"

_____

Matthew D. Harrington, P. Geo.
Senior Resource Geologist
Mercator Geological Services Limited

Certificate of Qualified Person
Michael P. Cullen, P. Geo.

I, Michael P. Cullen, P.Geo., do hereby certify that:

1. I reside at 2071 Poplar St. in Halifax, Nova Scotia, Canada

2. I am currently employed as a Chief Geologist with Mercator Geological Services Limited, 65 Queen St., Dartmouth, Nova Scotia, Canada B2Y 1G4

3. I received a Master of Science Degree (Geology) from Dalhousie University in 1984 and a Bachelor of Science Degree (Honours, Geology) in 1980 from Mount Allison University.

4. I am a registered member in good standing of the Association of Professional Geoscientists of Nova Scotia (Registration Number 064), Newfoundland and Labrador Professional Engineers and Geoscientists (Member Number 05058) and Association of Professional Engineers and Geoscientists of New Brunswick, (Registration Number L4333).

5. I have worked as a geologist in Canada and internationally since graduation.

6. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

7. I am one of the Qualified Persons responsible for preparation of the Technical Report titled "NI 43-101 TECHNICAL REPORT AND UPDATED MINERAL RESOURCE ESTIMATE ON THE RATTLING BROOK GOLD DEPOSIT, GREAT NORTHERN PROJECT, WHITE BAY AREA, NEWFOUNDLNAD AND LABRADOR, CANADA, Effective Date: January 23, 2019" and dated November 14, 2019.

   I am responsible for Technical Report Item (Section) 2-13, 15-24 and parts of Items 1, 25 and 26; I have reviewed all Items of the Technical Report.

8. My past involvement with the Rattling Brook Project is as a contributing author of the Technical Reports titled ""TECHNICAL REPORT ON MINERAL RESOURCE ESTIMATE Jackson's Arm Gold Project, White Bay Area, Newfoundland and Labrador, Canada, Effective Date: April 20, 2009" and "NI 43-101 TECHNICAL REPORT AND UPDATED MINERAL RESOURCE ESTIMATE ON THE RATTLING BROOK GOLD DEPOSIT, GREAT NORTHERN PROJECT, WHITE BAY AREA, NEWFOUNDLAND and LABRADOR, CANADA, Effective Date: January 23, 2019", dated March 13, 2019, and completed a site visit on the Property on June 18, 2008.

9. I am independent of Magna Terra, applying all of the tests in section 1.5 of National Instrument 43-101 and National Instrument 43-101 Companion Policy Section 5.3.

10. I have read National Instrument 43-101, Form 43-101F1 and the Companion Policy and believe that this Technical Report has been prepared in compliance with that Instrument and Form.

11. As of the date of this certificate, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this report not misleading.

Dated this 14th day of November, 2019

"Original signed and stamped by"

_____

Michael P. Cullen, P. Geo.
Chief Geologist
Mercator Geological Services Limited