
Liard Mining Division
British Columbia
Canada

Latitude 57° 41’ N
Longitude 130° 30’ W

August 5, 2014

for
Skeena Resources Ltd

by
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of
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1. Summary, Conclusions, and Recommendations

1.1 Summary

This report is a NI43-101 compliant technical review of the geology and mineralisation of the Spectrum Gold Property, Liard Mining Division, British Columbia, Canada. The Spectrum Property is located in northwestern BC and comprises nine contiguous mineral claims, centered on Latitude 57° 41’ N, Longitude 130° 30’ W (Figure i). The purpose of this report is to provide a comprehensive summary of geological setting, mineralization, and work performed on the property, as well as providing recommendations for future work.

Parts of this report have been sourced directly from a technical review completed in 2012 by Dr. James Lally, MSc., PhD., MAIG, of Mining Associates Pty Ltd. for Eilat Resources Inc. (Lally, 2012). As far as Taiga is aware, the Lally report was not published or filed in the public domain and is considered to be an “unofficial” report only submitted to Eilat Exploration. The Lally report provides an excellent summary of mineralization on the property as well as historical mineral resource estimates completed by Columbia Gold Mines and Orcan in 1991 and Mining Associates in 2003. As far as Taiga is aware, no significant new work has been completed on the Property since the Lally (2012) report, save for an airborne magnetic survey completed in the fall of 2012 and an Archeological Impact Assessment, also in the fall of 2012. Subsequent to Taiga commencing the report process Mining Associates (MA) released its digital files in regard to the property and these are now available to Skeena and its service providers. Paper files forwarded to MA prior to Skeena’s involvement have not yet been relocated and it is not known if these files will ever be available for future reference. Taiga considers that the missing paper reports are not critical to the evaluation of the property.

In this report, Taiga authors have expanded and updated the sections on Property Ownership, Geological Setting, Deposit Types, Adjacent Properties, Interpretations & Conclusions, and Recommendations for Future Work. Taiga personnel have also devised an updated exploration program and budget for 2014 that will allow Skeena Resources to test for additional high-grade gold mineralization along strike of known mineralization as well as at depth and to complete validation of previous historical results.

The Spectrum Property contains a number of attractive porphyry-related Cu-Au occurrences, one of which (the “Central Zone”) was estimated to contain an historical estimate of approximately 614,000 tonnes grading 12.3 g/t Au (cut-off grade of 5 g/t Au), for a total of 243,600 oz. Au (Kilby, Casselman, and Roberts, 1991). This historical estimate was completed by Columbia Gold Mines in 1991 and therefore predates NI43-101 standards of reporting. Subsequent historical estimates by Mining Associates Pty Ltd. in 2003 suggests an historical estimate of 474,615 tonnes grading 11.4 g/t Au (cut-off grade of 5 g/t Au) for a total of 173,500 contained oz. Au (Mining Associates Pty Ltd., 2004).

These historical estimates (Table i) are not current and a Qualified Person has not yet done sufficient work to verify them. Skeena Resources Ltd. is not treating the historical work as a current resource estimate, and further work will need to be completed in order to determine the grade and tenor of mineralization on the property to the standards expected by current reporting practises.
Table i: Summary of historical resource estimates for the Spectrum Property

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<th>Historical resource estimates, Spectrum Deposit. MA = Mining Associates</th>
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<tr>
<td>Company</td>
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<tr>
<td>---------</td>
</tr>
<tr>
<td>1. Columbia 1991</td>
</tr>
<tr>
<td>2. Orcan 1991</td>
</tr>
<tr>
<td>3. MA 2003</td>
</tr>
<tr>
<td>3. MA 2003</td>
</tr>
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The historical mineral resource estimation figures quoted above are regarded as historical since there are no current mineral resources or mineral reserves as defined in Sections 1.2 and 1.3 of NI 43-101, and they are not classified in accordance with the categories set out in NI 43-101. For the most part the historical sampling and data collection was not carried out using current best practises involving Quality Assurance and Quality Control procedures. That is not to say that the data is invalid just that it does not meet current reliability standards without additional work.
These historical estimates will require validation to determine whether they can be re-assigned according to NI43-101 standards. It is Taiga’s opinion that these historical estimates are relevant but require validation to determine whether they can be re-assigned according to NI43-101 standards. A Qualified Person (“QP”) has not done sufficient work to classify the historical estimates as current, and Skeena Resources Ltd. is not treating the historical estimates as current. No current resource estimate was undertaken by Taiga for the preparation of this report.

On April 14, 2014, Skeena Resources Ltd. (“Skeena” or “the Company”) entered into a conditional asset purchase with Eilat Exploration Ltd. (“Eilat”) and Keewatin Consultants (2002) Inc. (“Keewatin”) with respect to the acquisition of a 100% interest in the Spectrum gold and copper exploration property (“Spectrum” or “the property”) located in the "Golden Triangle" of the Stikine Arch in northwest British Columbia. Eilat currently owns 80% of the property and the remaining 20% is held by Keewatin. Skeena’s interest in Spectrum will remain subject to a pre-existing 1.75% net smelter return royalty payable to Pacific Ridge Exploration (formerly Columbia Gold Mines). Details of the Acquisition Agreement are discussed in greater detail in Section 4.2: Property Ownership.

As part of the terms of the Acquisition Agreement, Skeena has indicated that they plan to conduct exploration activities and due diligence investigations on the Spectrum Property during the summer 2014 field season. Exploration may include diamond drilling, prospecting, rock, soil sampling and geophysical surveys. The goal of the proposed summer program is to expand upon known high-grade gold zones along strike and at depth as well as reconfirm the grade and tenor of the historic resource.

At the request of Mr. Rupert Allan of Skeena Resources, Taiga Consultants Ltd. (“Taiga”) was commissioned in May 2014 to prepare an Independent Technical Report on the Spectrum property, in compliance with Canadian National Instrument 43-101 (“NI 43-101”) standards. Four weeks were spent on data collection and analysis, technical work and preparation of this report. A site visit to the Spectrum Property was conducted on June 19, 2014, by Jacques Stacey of Taiga Consultants and Rupert Allan of Skeena Resources.

High grade gold mineralisation at Spectrum is related to steeply dipping fracture zones 3 m to 10 m wide; comprising veinlet stockworks interpreted over 300 m of strike, which are developed at the contact zone of a monzonite intrusion. High grade zones occur within a broader halo of low-grade porphyry-style gold-copper mineralisation up to 75 m wide and about 600 m strike length (Kilby, Casselman, and Roberts, 1991). Mineralisation is open along strike and at depth, but may be offset along strike by faults that post-date the mineralizing event(s). Mineralisation is considered to be related to hydrothermal fluids associated with the monzonite intrusion and its characteristics are consistent with formation above, or in the upper part of an alkalic porphyry-style Cu-Au deposit.

The authors consider that mineralisation at the Central Zone of Spectrum can likely be extended along strike with further drilling. Historic resources can be validated by twinning old drill holes and completing sampling under current protocols to confirm mineralisation. There is also potential for discovery of additional zones of mineralisation in the remainder of the property, even in those areas covered by younger basalts of the Mount Edziza Complex.
Lally (2012) concluded that, given the steep topography of the property area and the dip of the mineralised zones, drilling could be achieved more effectively from an underground drive accessed via a 1200 m long adit, which would also provide year-round drilling access independent of weather conditions. Taiga agrees that this is feasible but premature at this time. The construction costs of such an operation would be considerable and underground drilling is not considered to be an economical option in the short term. Near-surface drilling along strike of existing mineralization may be a more cost-effective method of validating the proof of concept, and adding ounces to the historical resource, especially if drill operations are preceded by careful geological mapping, prospecting, and geochemical sampling.

It is Taiga’s opinion that Spectrum is a property of merit that warrants further exploration and resource definition work. Extension of existing high-grade gold mineralisation and definition of new mineralised zones is likely, and there is considerable potential for a larger, lower-grade mineralised system that has not yet been adequately drill tested. The apparent similarities between the Spectrum Deposit and other deposits in the region (e.g. Red Chris, Brucejack) suggest that gold and copper mineralization may extend to significant depths and opens up an avenue of exploration not contemplated by previous workers. However, the author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report. Drilling by Columbia Gold Mines in the early 1990s suggests that the width and grade of gold zones improve with depth (Hylands, 1991), which may be an indication of a more robust mineralized system beneath the current levels of drilling.

It is the Taiga’s opinion that the historical resource estimates are reasonable given reported results and the standards of the time, but such estimates will need to be verified by independent Qualified Persons and by following modern QA-QC procedures. Confirmatory drilling and resampling of representative historical core will need to be performed in order to update the historical resource estimate to current NI43-101 standards of reporting. A Qualified Person has not done sufficient work to classify the historical estimates as current, and Skeena Resources Ltd. is not treating the historical estimates as current.

1.2 Project Description: Location, Geological Setting, and Mineralization

The Spectrum Property comprises nine contiguous mineral claims totaling approximately 3,580 hectares, located 25 km southwest of the village of Iskut and 90 km SSW of Dease Lake in northwestern British Columbia, Canada (Figure 1-1). The property contains more than 10 different occurrences of high-grade sulphide-gold mineralization (Figure 1-2), spatially associated with steeply-dipping fracture zones contained within a broad area of propylitic and potassic-altered Stuhini Group intermediate volcanics and volcaniclastic rocks at the contact zone of a monzonite intrusion of Jurassic age. This is the same type of geological setting as many of the major copper-gold deposits in the Golden Triangle area of northwest British Columbia including Red Chris, Schaft Creek, Galore Creek, and KSM deposits (among others).
Figure 1-1: Location of the Spectrum Property in northwestern British Columbia, Canada, and proximity to comparable Cu-Au deposits in the region.

The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.
Within the Spectrum Property area, two main mineralised zones were recognised by past explorers: Spectrum (also known as Red Dog) and Hawk (Figure 1-2). Spectrum (referred to hereafter at Central Zone) is the main deposit on the property and has been the focus of most exploration. Three major mineralised zones were identified in the Central Zone: Porphyry, QC and 500 Colour. In addition, a number of subordinate narrow veins or zones of silicification outside the main area of mineralisation were also discovered: 300 Colour, 33 Zone, 440 Zone and Boundary Zone.

According to previous Columbia geologists, two main styles of mineralisation are present in the Spectrum Property (Hylands, 1991):

1) North-trending, steeply west dipping high grade (>10 g/t Au) gold zones associated with pyrite, arsenopyrite, sphalerite, galena and scheelite within thin quartz-carbonate vein swarms; hosted by silicified volcanic units and spatially associated with monzonite dykes (QC and Porphyry Zones, East Creek Zone);
2) Lower grade gold and copper mineralisation associated with zones of disseminated and fracture controlled pyrite and chalcopyrite within potassic to propylitic altered monzonite dykes and volcanics (500 Colour Zone).

In addition, the Skarn Showing comprises gold associated with pyrite, pyrrhotite, chalcopyrite and magnetite in irregular metasomatic replacement masses in carbonate-rich sediments.

The main outcropping vein at Hawk is a narrow, high-grade structure that was drilled at various times and a small exploration drift tunnel was constructed in the late 1970’s to test depth extent. Mineralisation decreased at depth and was considered too narrow and low-grade to warrant further work and there has been no drilling on the vein since 1980. In 1991, Columbia discovered the East Creek occurrence 600 m southeast from the Hawk vein and drilled 3 diamond holes. The best result from this drilling was 2.6 m grading 34.45 g/t Au in one hole, but grades in the other two holes were significantly lower, around 1 or 2 g/t Au over less than 2 m (Norman, 1992). East Creek was considered to be an offset strike extension of the Central Zone mineralisation at Spectrum, but continuity was not proven. Several other small occurrences were also recorded on the Spectrum property, including GR, West Creek, Fog and Skarn (Figure 1-2).

Skeena Resources has indicated that it intends to initially target two shallow areas for drilling on the Spectrum property. The first target is the possible on-strike continuation of the Central Zone toward the East Creek Zone (Figure 1-2). Skeena's secondary target will be copper-gold mineralization of alkalic, porphyry-style affinity. The Skarn Showing, which yielded 2.9 g/t Au and 0.5% Cu over 20 metres in a trench (Hylands, 1991), and the West Creek Showing, which yielded a channel sample of 37.71 g/t Au over 4.15 metres in a trench (Kilby, Casselman, and Roberts, 1991), are both interpreted to be within this class and may be indicative of the potential for a larger, under-lying porphyry system which warrants further investigation.

1.3 Exploration

No exploration has yet been carried out on the property by Skeena. Past exploration programs are summarized in Section 6.0 History, and Section 9.0, Exploration, of this report. The Spectrum Property has seen sporadic exploration activity dating back to the discovery of the Hawk Vein in 1957. Since this time, 92 drill holes totaling 11,960 metres have been completed on the property (Lally, 2012). Skeena has indicated that it intends to initiate a program of prospecting, soil and rock sampling, geophysics (IP or other) and diamond drilling in the 2014 summer season.

1.4 Historical Resource Estimates

Two historical estimates of the Central Zone deposit at Spectrum were completed in 1991, one by Columbia Gold Mines and another by Orcan Mineral Associates, an independent engineering firm. Results of these estimates are shown in Table 1 above and are discussed in greater detail in Section 6.3: Historical Resource Estimates.

In 2003, Mining Associates Pty Ltd. (MA) was contracted by Trans-Pacific Mining (TPM) to review the historic estimates and complete a new mineral resource estimate for Spectrum to JORC Code reporting standards. At the time TPM was considering listing on the Australian Stock Exchange, which requires resource estimates to be JORC compliant. JORC is recognised as a mineral resource reporting standard by most international financial institutions and is
accepted by stock exchanges in Australia, London, Hong Kong, and in Canada under some circumstances.

Mining Associates found that the historical 1991 Columbia estimate was affected by some calculation errors of vein true widths and grade and the lack of a grade top-cut. Grade estimated by MA was the same as Orcan, but tonnes were lower. MA’s estimate was classified as a JORC Inferred Resource, the lowest category, because of poor correlation of high grade zones between drill sections, and because the historic drill data was not validated (Mining Associates Pty Ltd., 2004).

These historical estimates (Table 1) are not current and a Qualified Person has not yet done sufficient work to verify them. Skeena Resources Ltd. is not treating the historical work as a current resource estimate, and further work will need to be completed in order to determine the grade and tenor of mineralization on the property to the standards expected by current reporting practises.

1.5 Conclusions

Historical drilling has demonstrated that the Spectrum Property contains appreciable gold in north-trending structures that remain open along strike and at depth. The Authors are of the opinion that a larger gold resource could be defined through additional diamond drilling along strike. Drilling and geological mapping by previous operators defined a significant propylitic and potassic alteration halo surrounding the Central Zone that extends at least 2x4 km. To date, high-grade gold mineralization has been intersected over a strike length of approximately 600 m in the Central Zone (Kilby, Casselman, and Roberts, 1991); if the size of the alteration halo is any indication of the extent of the mineralized system, then the potential for additional high-grade gold within the alteration zone is considerable. In particular, the 1.5 km-long section between the Central and East Creek Zones has seen very little exploration activity, but has good potential to contain an offset northern extension of the Central Zone. Much of the rest of the property is under-explored due to a lack of bedrock exposure and thick forest cover; careful prospecting, geological mapping, and soil geochemical sampling as well as appropriate geophysics may be able to identify additional mineralized zones for follow-up drill testing.

The high-grade gold zones at Spectrum occur adjacent to a monzonite intrusion and within a broader halo of low-grade disseminated Cu-Au mineralization. The style and tenor of mineralization on the property are strongly suggestive of an underlying porphyry Cu-Au hydrothermal system, likely concentrated around the cupola of a larger plutonic body at depth. Drilling on comparable deposits in the area, such as Red Chris, Schaft Creek, Galore Creek, KSM, and Brucejack has demonstrated that both high- and low-grade Cu-Au mineralization in this area can extend for many hundreds of metres into the subsurface. However, the author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report. Nevertheless, the Spectrum Property has significant potential to host a large mineralized body composed of a high-grade, gold-rich core surrounded by a lower-grade bulk-tonnage-type Cu-Au halo. The Authors suspect that both types of mineralization could extend to significant depths beneath the current level of drilling, as the monzonite intrusion that is genetically linked to mineralization is probably contiguous with a larger intrusive body at depth.
1.6 Recommendations

The Authors are of the opinion that Spectrum is a property of merit that warrants additional investigation. Exploration activities for the summer 2014 field season should commence with an initial three- to four-week reconnaissance program involving prospecting, geological mapping, and soil geochemical sampling, and electromagnetic (EM) or Induced-Polarization (IP) geophysics followed by a four- to six-week drill campaign totaling around 5,000 metres of drilling. Field activities should be preceded by a thorough “office-based” review and compilation of all historical data, including drilling, trenching, soil geochemistry, rock sampling, and geological mapping.

Initial reconnaissance work should be targeted along the 1.5 km-long gap between the Central and East Creek Zones in an attempt to locate the offset northern extension of the Central Zone. Historical soil geochemical surveys have demonstrated a strong correlation between high gold values in soil and underlying high-grade mineralization, so it is likely that soil geochemistry will provide good targets for exploration drilling. Geologists undertaking geological mapping on the property should focus on producing an alteration map of the area, as high-grade gold mineralization has been demonstrated to occur primarily in association with intense potassic alteration in the Central Zone.

Initial exploration drilling should focus primarily on the shallower targets extending between the Central and East Creek Zones, though at least two historical drill holes in the Central Zone should be twinned in order to verify the location and grade of gold zones identified by previous operators. A series of drill fences oriented toward the east and spaced every 100-200 metres would be optimal to test for gold-bearing structures in the “Central-East Creek gap”, especially beneath any surface geochemical anomalies that extend in a north-south direction. Initial drill holes along the northern extension of the Central Zone should be angled at 55-75° and can be kept to depths of less than 250 metres. The majority are likely to be on the order of 120-150 m depth. Geologists tasked with core logging should be aware of the importance of alteration suites in this area as vectors toward higher-grade mineralization. Recognition of favourable alteration vectors will have the effect of streamlining drill operations and maximizing the chance of success in defining additional high-grade gold resources on the Spectrum Property.

1.7 Exploration & Development Program and Budget

Skeena Resources has commissioned Taiga Consultants to develop an exploration plan and budget for the summer 2014 field season. All work proposals are subject to approval by the board of directors prior to the initiation of any field work.

The proposed exploration program for the summer of 2014 involves an initial 3-4 week reconnaissance program of prospecting and geological mapping, followed by a 4-6 week drill program totaling approximately 5,000 metres of drilling. The total cost for this exploration program is estimated at approximately $2.5 million.
2. Introduction and Terms of Reference

2.1 Introduction

This report is an independent technical review of the Spectrum Property ("Spectrum" or "the Property"), prepared by Taiga Consultants Ltd. ("Taiga") at the request of Mr. Rupert Allan, Vice President of Skeena Resources Ltd. ("Skeena"). Skeena has indicated that they intend to use this report to demonstrate that the Spectrum project is a property of merit. This Independent Technical Report is compiled in the format of Canada’s National Instrument 43-101 Standards of Disclosure for Mineral Projects, and has been prepared in accordance with Form 43-101F1.

2.2 Scope of Work

The purpose of this report is to provide a comprehensive summary and interpretation of gold and copper mineralization on the Spectrum Property, and to demonstrate that Spectrum is a property of merit that warrants additional investigation. To this end following the work of Mining Associates, Taiga has compiled and synthesized all publicly-available reports and data dating back to the discovery of mineralization on the Property in 1957. This data includes several historical resource calculations that, while not compliant with current NI43-101 standards of reporting, are nonetheless an indication that Spectrum is a property of merit and has the potential to contain a significant Au-Cu resource.

2.3 Sources of Information

The Authors have relied upon information made available to them by Skeena Resources Ltd., which has included, in part, access to publicly-available assessment reports as well as historical electronic databases and files, internal technical memorandums and reports, drill logs, assay reports, etc. The whereabouts of paper reports previously sent to other consultants by the vendor is currently unknown but attempts are being made to relocate them.

Subsequent to Taiga commencing the reporting process, Mining Associates (MA) released its digital files in regard to the property and these are now available to Skeena and its service providers.

Additional information from public domain sources were utilized to prepare this report. A complete bibliography of references cited in this report is provided in Section 19: References.

2.4 Authors’ Qualifications and Responsibilities

Jacques R. Stacey, MSc., P.Geol. has prepared most of the text in this report from the data provided by Skeena Resources, Mining Associates and from public sources, and is the Qualified Person responsible for this report.

Robin Chisholm, B.Sc. has provided oversight of the preparation of this report, including editing and development of an exploration plan and budget.

Both authors have considerable and successful exploration and drill development experience with porphyry- and vein-related mineralization in British Columbia.
2.5 Property Visit by Qualified Persons

A site visit to the property was conducted on June 19, 2014, by the primary author, Jacques Stacey of Taiga Consultants, and Rupert Allan of Skeena Resources. Access to the property was accomplished via a 30-minute helicopter flight from Dease Lake, 90 km north of the property.

During the site visit, snow cover was still fairly extensive on the northeast-facing slope around the main mineralized area (Central Zone), but enough ground was exposed that Stacey and Allan were able to examine the proposed camp site and the historical core storage area. Direct observation of the Central Zone was not possible due to snow cover. The historical camp site and core storage area are located on benches of the mountain slope below the Central Zone at elevations of approximately 1520 m and 1480 m, respectively (Figure 2-1). Both the camp site and core storage area contain remnants of previous occupation, namely old plywood tent floors and timber frames that will need to be cleaned up before a new camp and core facility can be constructed. Historical core stacks are in reasonably good condition, though the top core boxes and boxes that were laid out on the ground are weathered and have deteriorated to the point that they would need to be re-boxed before they could be handled or moved.

No trenches or mineralized outcrops were visible at the Central Zone due to snow cover during the visit, but two samples of mineralized core (Sample Nos. 18001 & 18002) from historical drill hole S91-86 were taken to verify historical assay results from these intervals. Results of Au and Cu assays of these samples are shown below in Table 2-1. The samples were analyzed by Loring Laboratories of 629 Beaverdam Rd NE, Calgary, Alberta.

Table 2-1: Assay results of two core samples taken during site visit on June 19th, 2014

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<tr>
<td>18001</td>
<td>S91-86</td>
<td>78.5</td>
<td>79</td>
<td>350.69 ppm (MET)</td>
<td>537 ppm</td>
<td>271.88 ppm</td>
<td>962 ppm</td>
</tr>
<tr>
<td>18002</td>
<td>S91-86</td>
<td>72</td>
<td>73</td>
<td>5.04 ppm (MET)</td>
<td>352 ppm</td>
<td>795 ppb</td>
<td>486 ppm</td>
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</tbody>
</table>

Samples 18001 and 18002 were collected from mineralized intervals of historical drill hole S91-86, as reported in Kilby, Casselman, and Roberts (1991). Historical assays for these intervals returned values of 350.69 ppm Au (Metallic Screen Assay), 537 ppm Cu for the interval 78.5-79 m (historical sample number 38109); and 5.04 ppm Au (Metallic Screen Assay), 352 ppm Cu for the interval 72-73 m (historical sample number 38102). The latest assays for these intervals, received on July 15, 2014, returned values of 271.88 ppm Au, 962 ppm Cu (sample number 18001); and 795 ppb Au, 486 ppm Cu (sample number 18002). The discrepancies between historical and recent assays suggest a fairly strong “nugget effect” caused by irregular distribution of Au and Cu in drill core, especially in high-grade intervals. Nevertheless, the recent assays prove that the historical core does indeed contain Au and Cu mineralization in the sampled intervals, and suggests that twinning of historical drill holes is likely to encounter mineralized intervals similar to those reported during historical drill campaigns.
The proposed drill area north of the Central Zone is quite rugged, being composed largely of steep talus slopes (Figure 2-1), and the construction of level drill pads could be a challenge. The proposed drill area at the East Creek Zone was scouted from the helicopter, but forest cover is extremely thick in this area and the helicopter was unable to land to allow closer access to the Zone.

2.6 Terms of Reference

Throughout this report, the Spectrum Property is referred to as either “Spectrum” or “the Property”. The Property contains a number of mineral “showings” and “prospects” where gold and copper “mineralization” has been observed either in surface rock samples, in trenches, or in drill core. No mineral “resources” or mineral “reserves” are currently recognized on the property, as defined in Sections 1.2 and 1.3 of NI 43-101.

The regional coordinate system utilized is the Universal Transverse Mercator System (“UTM”) projection. The Global Positioning System (“GPS”) datum is North American Datum (NAD) 83, Zone 9. All units, unless expressed otherwise, are in the Metric System. All gold assay grades are expressed as grams per metric tonne (g/t) unless otherwise specified. Gold as contained metal is reported in troy ounces. Unless otherwise stated, monetary values are denominated in Canadian Dollars ($CDN).

The following abbreviations and terminology are used throughout this report:
Table 2-1: Definitions

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Unit or Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ag</td>
<td>Silver</td>
</tr>
<tr>
<td>Au</td>
<td>Gold</td>
</tr>
<tr>
<td>Az</td>
<td>Azimuth</td>
</tr>
<tr>
<td>BC</td>
<td>Province of British Columbia, Canada</td>
</tr>
<tr>
<td>Bi</td>
<td>Bismuth</td>
</tr>
<tr>
<td>Channel Sample</td>
<td>A surface rock sample composed of pieces of vein or mineral occurrence, collected as a series of chips across the width of the mineralized zone. Usually 5-10 cm wide, 2-5 cm depth. Length variable.</td>
</tr>
<tr>
<td>CIM</td>
<td>Canadian Institute of Mining, Metallurgy &amp; Petroleum</td>
</tr>
<tr>
<td>Claim(s)</td>
<td>A block of land that has been staked by a company or individual in order to obtain the right to explore for mineral resources within the claim area. Also referred to as “Mineral Tenure”</td>
</tr>
<tr>
<td>Cu</td>
<td>Copper</td>
</tr>
<tr>
<td>DD, DDH</td>
<td>Diamond Drilling, Diamond Drill Hole</td>
</tr>
<tr>
<td>g/t</td>
<td>Grams per tonne</td>
</tr>
<tr>
<td>ha</td>
<td>Hectare (10,000m2)</td>
</tr>
<tr>
<td>Historical Estimate</td>
<td>An estimate of the quantity, grade, or metal or mineral content of a deposit that an issuer has not verified as a current mineral resource or mineral reserve, and which was prepared before the issuer acquiring, or entering into an agreement to acquire, an interest in the property that contains the deposit</td>
</tr>
<tr>
<td>Host Rock</td>
<td>A volume of rock containing some degree of metallic mineralization.</td>
</tr>
<tr>
<td>Indicated Resources</td>
<td>An ‘Indicated Mineral Resource’ is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed. (CIM Definitions Standards, 2010)</td>
</tr>
<tr>
<td>Inferred Resources</td>
<td>An ‘Inferred Mineral Resource’ is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. (CIM Definitions Standards, 2010)</td>
</tr>
<tr>
<td>kg</td>
<td>Kilogram(s)</td>
</tr>
<tr>
<td>km</td>
<td>Kilometer(s)</td>
</tr>
<tr>
<td>m</td>
<td>Meter (s)</td>
</tr>
<tr>
<td>Mt</td>
<td>Million tonnes</td>
</tr>
<tr>
<td>Measured Resource</td>
<td>A ‘Measured Mineral Resource’ is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity. (CIM Definitions Standards, 2010)</td>
</tr>
<tr>
<td>Mineralization</td>
<td>The process by which economically important metals (Copper, Gold, etc.) are deposited in a host rock from hydrothermal fluids. No implications of overall grade, width, or continuity of the occurrence are implied by the term “mineralization” alone.</td>
</tr>
<tr>
<td>Mineral Deposit</td>
<td>Denotes a mineral occurrence that is believed to have a high potential for becoming economically feasible; it could be considered uneconomic because of lack of sufficient information.</td>
</tr>
<tr>
<td>Mineral Prospect</td>
<td>Denotes a mineral occurrence, which has been drilled or investigated in some detail and is believed to have a moderate or small potential for becoming economically feasible.</td>
</tr>
<tr>
<td>Mineral Resource</td>
<td>A ‘Mineral Resource’ is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth’s crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. (CIM Definitions Standards, 2010)</td>
</tr>
<tr>
<td>Mineral Reserve</td>
<td>A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined. (CIM Definitions Standards, 2010)</td>
</tr>
<tr>
<td>Mineral Showing</td>
<td>Denotes a mineral occurrence, which has a significant concentration of ore minerals, but is believed to have no economic feasibility on its own</td>
</tr>
<tr>
<td>Mineral Tenure(s)</td>
<td>A block of land that has been staked by a company or individual in order to obtain the right to explore for mineral resources within the claim area. Also referred to as “Claim”</td>
</tr>
<tr>
<td>Ni43-101</td>
<td>National Instrument 43-101 (Canada)</td>
</tr>
<tr>
<td>Oz</td>
<td>Troy ounces (31.1035 g)</td>
</tr>
<tr>
<td>%</td>
<td>Per cent by weight</td>
</tr>
<tr>
<td>Pb</td>
<td>Lead</td>
</tr>
</tbody>
</table>
3. Reliance on Other Experts

With respect to Section 9.2: Archaeological Impact Assessment (AIA), the primary author has relied entirely on the AIA report submitted to Eilat Resources by Rescan-Tahltan Environmental Consultants (McKnight, 2012). The authors are not expert in the field of archaeological impact assessments, and therefore Section 9.2 is sourced directly from, and is copied verbatim from this report.

3.1 Agreements, Land Tenure, Surface Rights, Access & Permits

With respect to Section 4.2 of this report, the Independent Authors have only reviewed the status of the property by examining publicly available data published online by the Province of British Columbia at the Mineral Titles Online website (https://www.mtonline.gov.bc.ca/mtov/home.do). This information was accessed on June 1, 2014 by the primary author and Qualified Person by searching for tenures held by Eilat (Company No. 252668) and Keewatin Consultants Inc., within NTS Map Sheet 104G. The authors have relied wholly on the information provided by BC Mineral Titles Online to determine the status and good standing of mineral tenures on the Spectrum Property.

The authors have not researched in detail property ownership information such as claim ownership or status, joint venture agreements, surface access or mineral rights and, have not independently verified the legal status or ownership of the property. The authors therefore have relied on the published BC government data to establish the current status of the property.

3.2 Environmental Issues

The Authors are not expert in the assessment of potential environmental liabilities associated with these properties and therefore have completed no work to identify or establish the level of environmental impairment or liability relating to previous historical or recent exploration and mining. The Authors therefore shall express no opinion in regard to the environmental aspects of these properties. As far as Taiga is aware no formal environmental assessments have been carried out on the property by past operators, the vendor or by Skeena and so information contained in Sections 4.4 through 4.6 of this report, although believed to be complete and accurate, is provided as background information only.
4. Property Description & Location

4.1 Location

The Spectrum property is located in Northwestern British Columbia, Canada, approximately centered on 130° 30’ West longitude and 57° 41’ North latitude. The property is located adjacent to the eastern boundary of Mount Edziza Provincial Park, approximately 25km west of the community of Iskut and the Stewart-Cassiar Highway (Highway 37). Dease Lake, the closest community with an all-weather air strip is located 90 km to the North. See Figure 4-1.

Figure 4-1: Spectrum Property Location Map.  
UTM Zone 9 (NAD83).  
The Property is surrounded on three sides by Mt. Edziza park, but is outside of the park boundary.
4.2 Property Ownership, Rights, and Obligations

On April 14, 2014, Skeena Resources Ltd. (“Skeena” or “the Company”) entered into a conditional asset purchase with Eilat Exploration Ltd. (“Eilat”) and Keewatin Consultants (2002) Inc. (“Keewatin”) with respect to the acquisition of a 100% interest in the Spectrum gold and copper exploration property (“Spectrum” or “the property”) located in the “Golden Triangle” of the Stikine Arch in northwest British Columbia. The Spectrum Property is comprised of 9 contiguous claims totaling 3581.15 hectares (Figure 4-2), as summarized in Table 4-1 below. The claims are currently owned jointly by Eilat Exploration Ltd. (80%) and Keewatin Consultants (2002) Inc. (20%).

![Figure 4-2: Spectrum Claim Map](source: BC MTOonline web mapping service, June 1, 2014)

<table>
<thead>
<tr>
<th>Tenure Number</th>
<th>Claim Name</th>
<th>Owner (BC –MTOnline)</th>
<th>Tenure Type</th>
<th>Tenure Sub Type</th>
<th>Issue Date</th>
<th>Good To Date</th>
<th>Status</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>222131</td>
<td>RED DOG #3</td>
<td>80% Eilat (252668), 20% Keewatin Consultants Inc.</td>
<td>Mineral</td>
<td>Claim</td>
<td>1981/Aug/06</td>
<td>2017/Jan/02</td>
<td>GOOD</td>
<td>250.00</td>
</tr>
<tr>
<td>222132</td>
<td>RED DOG #4</td>
<td>80% Eilat Exploration Ltd (252668), 20% Keewatin Consultants Inc.</td>
<td>Mineral</td>
<td>Claim</td>
<td>1981/Jul/16</td>
<td>2017/Jan/02</td>
<td>GOOD</td>
<td>200.00</td>
</tr>
<tr>
<td>512024</td>
<td></td>
<td>80% Eilat Exploration Ltd (252668), 20% Keewatin Consultants</td>
<td>Mineral</td>
<td>Claim</td>
<td>2005/May/03</td>
<td>2017/Jan/02</td>
<td>GOOD</td>
<td>138.37</td>
</tr>
</tbody>
</table>
As part of the terms of the Acquisition Agreement, Skeena has indicated that they plan to conduct exploration activities on the Spectrum Property during the summer 2014 field season. Exploration may include diamond drilling, prospecting, rock and soil sampling, and geophysics. The goal of the proposed summer program is to reconfirm the grade and tenor of the historic resource and to expand upon known high-grade gold zones along strike and at depth.

The following details of the Acquisition Agreement are copied verbatim from a Skeena news release dated April 28, 2014 (http://www.skeenaresources.com/s/NewsReleases.asp).

"The Company will acquire ownership of the Spectrum property via the execution of the Asset Purchase Agreement; however, the Acquisition is conditional on a six-month due diligence program and obtaining shareholder approval. Closing of the Acquisition, which is further subject to regulatory review as described below, including the approval of the TSX Venture Exchange (the "Exchange"), is anticipated to occur in mid-October 2014. The total consideration for the 100% interest in Spectrum is 80 million common shares of the Company (the "Consideration Shares"), of which 64 million Consideration Shares are to be issued to Eilat and 16 million Consideration Shares are to be issued to Keewatin, together with an interest free note payable to Eilat in the amount of $700,000 (due September 30, 2015), the right for Eilat to nominate a member to Skeena's Board of Directors, replacement of existing environmental bonds, and certain other minor rights and benefits. The Company will also pay up to $50,000 as a non-refundable deposit to cover certain near term operating expenses incurred by Eilat. Skeena's interest in Spectrum will remain subject to a pre-existing 1.75% net smelter return royalty payable to Pacific Ridge Exploration (formerly Columbia Gold Mines) and other parties. The closing of the Acquisition is also subject to the Company completing a financing with net proceeds of at least $2 million.

Skeena anticipates that the Consideration Shares will be escrowed according to the Exchange's requirements and will be further subject to a Pooling Agreement that includes a voting trust over such Consideration Shares, which will be controlled by Skeena's chairman, Ron Netolitzky. Throughout the pooling period, Skeena will also have a right-of-first-offer to find a purchaser, at
the prevailing volume weighted average price on the Exchange, with respect to sales of blocks of Consideration Shares having a value of more than $250,000.

Eilat and Keewatin are both private companies existing under the laws of British Columbia. Keewatin is controlled by Ron Netolitzky, the Chairman of Skeena. The sole director of Eilat is Mr. Jean Pierre Riffard of Milwaukee Wisconsin, USA. Prior to financing and based on the outstanding share capital of the Company as of the date of this news release, the Acquisition would constitute a reverse take-over of the Company under the policies of the Exchange. Keewatin, which owns a minority interest in Spectrum, is a related party of Skeena and, as such, the acquisition will be subject to Policy 5.9 of the Exchange's Corporate Finance Manual. Skeena has established a special independent committee of the board to review and make decisions with respect to the Acquisition.

Completion of the Acquisition is subject to a number of conditions, including Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. In the event that management of Skeena decides not to proceed with the Acquisition, after shareholder approval has been obtained, Eilat would be entitled to a $700,000 termination fee.

Mineral Rights - Legislation

Mineral claims are administered by the BC Government’s Ministry of Energy and Mines according to the Mineral Tenure Act (1996). A mineral title holder is granted the right to use the surface of the claim for the exploration and development or production of minerals and all operations related to the business of mining.

To maintain a mineral claim, the holder must, on or before the expiry date (“good to date”), either:

a) Perform, or have performed, exploration and development work on that claim and register such work online; or
b) Register a payment instead of exploration and development work activities (cash in lieu). Failure to maintain a claim results in automatic forfeiture at the end (midnight) of the expiry date; there is no notice to the claim holder prior to forfeiture.

Claim holders must pay an annual registration fee of C$0.40 per hectare. Exploration and Development work values amount to C$4 per hectare in the first, second and third years of title, and $8 per hectare in subsequent years.

Two of the claims date from 1981 while the remaining five claims date from 2005 and therefore require $8 per hectare of assessable work for a total of $28,649.12 per year to remain in good standing.

The BC Mining Right of Way Act provides for the right of recorded holders of mineral titles to access their property by existing roads, whether on private or Crown land. The Act also provides the title owner the right to take and use private land for the purpose of securing a right of way.
4.3 Royalties and Encumbrances

There are no mining royalties in British Columbia payable on metallic mines. However, the Mineral Tax Act of 1989 defines two taxes applicable to mining operation: Net Current Proceeds Tax; and Net Revenue Tax. Net Current Proceeds Tax (NCP) of 2% applies to gross revenue minus operating expenses (not including exploration, capital costs and pre-production development costs) and non-capital reclamation costs. NCP is fully deductible against Net Revenue Tax of 13%, which is applied to net current proceeds minus exploration and capital costs of development and production.

A total Net Smelter Return royalty of 1.75% is payable to Pacific Ridge Exploration on any future production from the Property.

To the extent known by Taiga, no compensation agreements are in place for the property other than those outlined in the terms of the Acquisition Agreement.

4.4 Environmental Liabilities

From historical documents Taiga is aware that the property is at an early stage of exploration and it is believed that no production facilities have ever been established on the property. Such environmental liabilities that may exist are believed to be related to historical exploration and so, at minimum, consist of small scale trenching, drill pad construction, drill road construction, completion of a small scale adit and the provisioning of various camp sites. During the site visit, the author recorded a number of old plywood tent floors and timber frames at the former camp site and core shack area, as well as one rusty old empty fuel drum. It is recommended that these items be cleaned up prior to Skeena’s commencement of exploration activities in 2014.

4.5 Required Permits for Exploration Work

The BC Mineral Tenure Act requires that all work related to the exploration for, development, or production of minerals on a claim must be carried out in compliance with the Mines Act. A Notice of Work and Reclamation must be filed with the regional Inspector of Mines for any work that requires this under section 10 of the Mines Act. No mechanical disturbance of the ground or any excavation can be carried out on a claim or lease without a valid Mines Act permit, and a Notice of Work. The inspector may require a security deposit to ensure proper reclamation of the land. Previously a bond was reportedly deposited with the Province however the authors are unaware of the current status of this filing.

4.6 Other Significant Factors and Risks

The Property is bordered on three sides (north, south, and west) by the Mount Edziza Provincial Park. The claims were previously designated as lying within the Mount Edziza Recreation Area. According to the Stikine Country Protected Areas Management Plan (2003), the Recreation Area status has been rescinded over the property and the area is now designated as a Resource Management Zone. In addition, exterior to the existing claims, part of the Provincial Park has had its status modified to allow for surface access to the Spectrum property from the east, and is designated as a non-staking access corridor (Tenure number 394436, Figure 4-2).
The following is extracted from the Stikine Country Protected Areas Management Plan (2003):

“The Cassiar Iskut-Stikine Land and Resource Management Plan (“LRMP”) also directed that a portion of Mount Edziza Provincial Park be converted to ELU Act protected area status to provide land access to mineral claims in the Mount Edziza Resource Management Zone (formerly the Mount Edziza Recreation Area) if required. If a road corridor is established, the balance of the protected area will be returned to Class A park status (non-staking reserve number 394436).

The Cassiar Iskut-Stikine LRMP also provides direction regarding two areas with high mineral potential that were recommended for eventual protected area status. The Mount Edziza Resource Management Zone covers the former Mount Edziza Recreation Area and includes the Spectrum property, a gold-copper prospect (Appendix 2). .... The intent is for those areas to eventually become part of Mount Edziza Provincial Park and Spatsizi Plateau Wilderness Provincial Park, respectively, at the end of 20 years following approval of the Cassiar Iskut-Stikine LRMP if mineral tenures have lapsed, or once mineral tenures lapse following 20 years.

Appendix 2: This area was formerly the Mount Edziza Recreation Area. The area is surrounded on three sides by Mount Edziza Provincial Park and includes the Spectrum property, a developed gold-copper prospect. The intent of this zone is to promote a cooperative approach to managing mineral exploration, development and reclamation adjacent to a park. While mineral development is currently allowed in this zone, the intent in the long term is for the area to become part of Mount Edziza Provincial Park. To this end, any development in this zone should be undertaken in consideration of its eventual park status.”

Figure 4-3: Mount Edziza Resource Management Zone showing Spectrum Property as “Excluded Mineral Claims Area”
(Source: BC Parks, 2003)

Taiga’s belief is that proximity to Mt. Edziza Provincial Park is not a significant factor or risk that will affect access, title or the right or ability to perform work on the property. As previously pointed out by Lally (2012), other mines in British Columbia operate within, or close to,
Provincial Parks without difficulty. As cited by Lally, Myra Falls Mine on Vancouver Island, for example, produces 1.4 million tonnes of zinc-copper-gold-silver ore annually and is surrounded by the Strathcona Provincial Park (http://www.infomine.com).

The most significant risk that may affect the ability to do work in this area at some future date relates to unresolved Aboriginal land claims, and, specifically, a recent (June 26, 2014) Supreme Court of Canada decision to grant the Tsilhqot’in Nation Aboriginal Title to over 1,750 square kilometres of territory in the BC Interior west of Williams Lake. This unprecedented court decision places a greater burden on governments and proponents of mining exploration and development to justify economic development on Aboriginal lands. Aboriginal Title is not absolute: economic development can still go ahead on titled land without consent in cases where development is pressing, substantial, and meets the Crown’s fiduciary duty, according to the ruling by the high court (paraphrased from Dene Moore, The Canadian Press, June 26, 2014: http://www.huffingtonpost.ca/2014/06/26/supreme-court-decision-bc-first-nation_n_5533233.html).

Though the Supreme Court ruling pertains only to the Tsilhqot’in Nation west of Williams Lake at this time, the decision has set the precedent for other First Nations in BC to petition or sue the BC Government for Aboriginal Title in their traditional land-use areas. Specifically, the Tahltan First Nation counts the Spectrum Gold Property as part of their traditional land-use area, and a claim for Aboriginal Title could be made by the Tahltan First Nation for parts of the region. As of the effective date of this report, Taiga is not aware of any claims for Aboriginal Title that have been submitted by the Tahltan First Nation for the immediate area of the Spectrum Gold Property, but readers should be aware that such a claim could conceivably be submitted to the BC Government at a future date. If such a hypothetical claim were successful it is possible that the property owner may, at some point, have to answer to an agent other than the BC government.

4.6.1 Aboriginal Title

Aboriginal Title is a complicated issue and the Authors are not an expert in this area; the information below, which is extracted from BC Government websites (e.g. http://www2.gov.bc.ca/gov/topic.page?id=AA22BBB6335F43EEF92ECE1FC84F9DA35) and is provided for information purposes only, and so the information may not be complete, accurate or current.

Both the proponent of the project (e.g. Skeena Resources) and the Province of British Columbia have a duty to consult and, where required, accommodate First Nations whenever a decision or activity could impact Treaty rights or asserted or established Aboriginal Rights and Title. This duty stems from Canadian common law as expressed in court decisions. In the case of asserted Aboriginal Rights and Title, the scope of consultation is based on an assessment of the strength of the claim and the seriousness of potential impacts upon the asserted rights. In the case of proven Aboriginal Rights or Treaty Rights, the scope of consultation is based on the seriousness of the potential impact on those rights (source: British Columbia Environmental Assessment Office, 2013).
Procedural aspects of the consultation process involves:

- Providing information about the proposed project to First Nations early in the planning process;
- Obtaining and discussing information about specific Aboriginal interests that may be impacted with First Nations;
- Considering modifications to plans to avoid or mitigate impacts to Aboriginal Interests;
- Documenting engagement, specific Aboriginal Interests that may be impacted, and any modifications to address concerns; and
- Providing this documentation to local Aboriginal groups and the Environmental Assessment Office

As far as is known by the authors, the Tahltan Nation, a tribal council-type organisation composed of the Iskut First Nation and Tahltan First Nation, is the primary claimant of native rights in the Spectrum claim area. The Tahltan Indian Band is governed by the Tahltan Central Council (TCC) with offices in Dease Lake. Skeena Resources has reported to the authors that it intends to engage the TCC in the consultation process. The Tahltan have a long history of cooperation with the mining and exploration sector and are an important source of both skilled and semi-skilled labour in the area. As part of its perceived social license responsibilities Skeena has indicated that they will provide employment for local band members during the 2014 field season, either directly or through local contractors.

According to local sources, the Tahltan Nation has recently expressed some frustration with the exploration sector due to a recent (2014) staking rush that has taken place in the Sheslay Valley some 100 km NW of the Spectrum Property. Their main concern relates to the high volume of helicopters flying over Tahltan communities in the area. While illustrative of the extent of native rights and relevant to discussion of Aboriginal sensibilities in the area, this irritant is not expected to impact operations at Spectrum in any way. The staking rush is not expected to last for long, and in any case, the Spectrum Property is located a significant distance from the area of concern to local Tahltan bands. Access to the Spectrum Property is not expected to involve overflights of local communities on a regular basis, especially if a field camp is established on the Property itself. The area around the Property has been a focus of mining and exploration activities for many decades, and local bands are not expected to take issue with Skeena’s proposed early-stage exploration activities.

4.6.2 Environmental Management Plan

The Authors are not expert in the field of environmental management practices, and shall express no opinion in regard to the environmental management aspects of the project. However, Skeena Resources reports that it fully intends to comply with environmental guidelines for exploration activities in British Columbia.

The following general environmental guidelines are sourced from Environment Canada’s Environmental Code of Practice for Metal Mines (http://www.ec.gc.ca/) and are illustrative of Skeena’s responsibility in this regard.
Each company owning or operating a metal mine or engaged in exploration activities should develop and implement a corporate environmental policy statement that includes commitments to:

- continually improve environmental protection measures and practices;
- focus on pollution prevention, where feasible, rather than treatment;
- comply with relevant environmental legislation and regulations and other requirements, such as industry association policies and best management practices to which the metal mine subscribes;
- maintain the environmental policy, communicate it to all employees, and communicate relevant components of the policy to on-site contractors; and
- make the environmental policy available to the public.

An environmental policy statement is a set of fundamental goals and principles that outline a company’s environmental commitments. An environmental policy statement can provide a unifying vision of environmental principles and guide corporate activities, and it provides a public expression of those principles. An environmental policy statement provides a foundation and a focus for more comprehensive environmental plans and practices.

Mine proponents or current owners/operators should consult with federal and provincial/territorial regulatory and environmental assessment agencies early in the planning process to determine whether a proposed project will require an environmental assessment.

Environmental assessment principles should be followed by companies proposing new or significantly modified or expanded facilities. Proponents may consult the Canadian Environmental Assessment Act Reference Guide: Determining Whether a Project is Likely to Cause Significant Adverse Environmental Effects or relevant provincial/territorial documents.

Environmental assessment, also referred to as environmental impact assessment, is a planning and environmental management tool that is used to predict, analyze and interpret the effects of a project on the environment and to identify the measures that will be used to avoid or otherwise mitigate adverse effects. Most new mines, and some expansions of existing mining operations, are subject to environmental assessments under requirements of the Canadian Environmental Assessment Act, provincial/territorial legislation, or both. Early contact with regulatory agencies will assist in identifying information requirements and in facilitating an efficient and effective environmental assessment.

Environmental assessment, along with environmental follow-up and verification of environmental assessment predictions, makes it possible to systematically integrate a feedback loop, thus making it possible to draw on past experience to continually improve the process and inform future applications.

Site-specific environmental management systems (EMS) should be developed, implemented, maintained and updated in a manner that is consistent with a nationally recognized standard or system such as ISO 14001, developed by the International Organization for Standardization (ISO). Environmental management systems should be used to manage all environmental aspects of the activities and operations over which an operation has control or which it can reasonably influence.
Elements of an EMS should include:

- a clear definition of objectives and targets to meet the company's environmental policy;
- accountability for environmental action across the company;
- stated procedures to translate the environmental policy into day-to-day practices;
- monitoring, checking and auditing of the system; and
- implementation of actions to provide continual improvement.

Environmental management systems (EMS) may be used by mines to manage all environmental aspects throughout the mine life cycle in a manner that is fully integrated with all other management considerations. The EMS provides a structured approach to fulfilling the mine's environmental policy through a system of ongoing planning, implementation, checking, corrective action, and management review. This feedback process promotes continual improvement to achieve objectives and targets and fulfill the environmental policy over the life of the mine.

The development, implementation and ongoing maintenance of a comprehensive EMS, with regular reviews/audits and continual improvement, is ideally suited to mine operations, where the physical changes that are inherent in mining result in a very real need for reclamation plans and other management practices to be updated.

Site-specific pollution prevention plans should be developed, implemented and updated in a manner consistent with the guidance provided in the Environment Canada (2001) Guidelines for the Implementation of the Pollution Prevention Planning Provisions of Part 4 of the Canadian Environmental Protection Act, 1999 (CEPA 1999).

Pollution prevention planning is a systematic, comprehensive method of identifying options to avoid or minimize the creation of pollutants or waste. Pollution prevention plans can focus on a single pollutant or on multiple pollutants, and they should be tailored to the needs of the mine, forming an integral part of its business and operational plans.

The pollution prevention planning process itself also has its own results and benefits. For example:

- a careful planning process ensures the selection and implementation of the most cost-effective pollution prevention options;
- systematic planning ensures that pollution prevention objectives and activities are consistent with the objectives and activities identified in the organization's broader planning processes;
- effective pollution prevention planning informs and assists broader business planning investment analysis and decision making;
- a documented pollution prevention plan may be a condition for receiving financing or insurance at improved rates; and
- pollution prevention planning assists in identifying risks, and it can be integrated with other planning activities, including environmental management systems and emergency planning.
Site-specific environmental management plans should be developed, implemented and updated throughout the mine life cycle. The plans should include, as a minimum, descriptions of the following:

- information about the owner/operator of the mine and information about the mine itself, including a description of the mining and ore processing methods used and the geographic setting of the site;
- the company's environmental policy statement;
- environmental performance requirements;
- air quality management programs;
- water quality management programs;
- management programs for tailings and waste rock;
- land management programs;
- pollution prevention planning;
- management of garbage and other waste materials;
- environmental objectives and targets along with schedules for achieving objectives and targets;
- environmental management programs and auditing;
- relationships with stakeholders, including local communities;
- procedures for communicating with regulatory agencies and stakeholders; and
- periodic review of the environmental management plan for effectiveness and continual improvement.

Building upon the EMS, the Environmental Management Plan (EMP) describes actions being taken or to be taken by a mine to:

- determine how the mine affects the environment;
- comply with regulations;
- keep track of environmental management activities; and
- meet environmental goals and targets.

An EMP also documents key elements of environmental management, including the environmental policy, responsibilities, applicable standard operating procedures and best management practices (BMP), record keeping, reporting, communications, training, monitoring, and corrective action.

This is just a sample of the sort of environmental guidelines that will need to be followed by Skeena Resources during exploration activities on the Spectrum Property. The authors have recommended that an Environmental Management Plan be submitted by Skeena to the BC government during the application process.

4.7 Environmental Bonds

The authors are not aware of any environmental bonds or valid work/environmental permits currently existing on the Property. The authors interpret that Skeena will be 100% responsible
for the submission of a new Notice of Work and new environmental bonds prior to the commencement of any work on the Property.

5. **Accessibility, Climate, Local Resources, Infrastructure and Physiography**

5.1 **Topography**

The property is rugged with elevations ranging from 800m ASL in the stream valleys to 2500m on the mountain tops. The main mineral occurrence is situated within this range at approximately 1550m ASL. Vegetation varies from dense pine and spruce forests at the lower elevations to open alpine meadows, talus and barren ground at higher elevations and on some steep slopes. The property covers the eastern side of a small flat-topped mountain dissected by east- to northeast-flowing streams and their tributaries. Glaciers occur at higher elevations to the west. The strike of the known gold/copper occurrences is predominantly N-S parallel to the east slope of the mountain.

5.2 **Access**

Historically, access was via a cat (dozer) trail from Highway 37 to the west, helicopter or fixed-wing airplane on floats to Nuttlude Lake, or fixed-wing on wheels to what is now an overgrown airstrip adjacent to Nuttlude Lake. Current access is via helicopter to the occurrence or by float plane to Nuttlude Lake. The airstrip can likely be refurbished by removing the trees and brush which now obstructs the landing path, but the short length of the airstrip (~300 m) limits the size of planes that can access the site. Airstrip rehabilitation may be completed at a later date, but with the limited scope of planned exploration activities in 2014, the airstrip is not currently considered to be a cost-effective means of transporting materials to the property. During the summer months there is scheduled air service, 3 times weekly, to Dease Lake from Smithers. Charter aircraft, both helicopter and fixed wing, are available at Dease Lake.

The area south of Spectrum contains a complex network of old forestry roads, dozer trails, and cutlines, but most of them have not been used for over 20 years, and are currently overgrown. The Willow Creek Forest Road is the best access road in the area (Figure 5-1), as it features a bridge across the Iskut River, 2.6 km west of Highway 37, and the Little Iskut River, 4.6 km west of the highway. River and stream crossings are indicated with red stars on Figure 5-1; most of these streams are small and pass under the road via culverts.

The historical access road between the property and Highway 37 to the south was scouted from the helicopter during the site visit by the author. Within the property boundary, the drill road above treeline is in good condition, but below treeline it is quite severely overgrown with low bushes and tall aspen, willow, and alder trees (Figure 5-2). The historical dozer track extending from Nuttlude Lake to the termination of the Willow Creek Forest Road (see Figure 5-1) is fairly clear of brush and trees in some sections, though other sections are quite overgrown. It was determined that previous operators must have used this trail during the winter, as the track passes through several swamps that would likely be impassible after the spring thaw. The lack of a connector between the dozer track and the drill road further suggests that equipment was moved in to site in the winter over the frozen surface of Nuttlude Lake. Any future road-building
activities by Skeena Resources along this historical track will require careful planning and route determination, in order to allow for all-weather access.

![Map of Spectrum Property and surrounding areas. The Willow Creek Forest Road is highlighted, showing its condition and the areas it accesses.]

The Willow Creek Forest Road (Figures 5-1 and 5-3) is in good condition, though several intermittent sections are partially blocked by brush growing in from the sides of the road. The
longest section of side overgrowth extends approximately 400 metres, and most overgrown sections are on the order of 100 m length. Long sections of the road between overgrown sections are free of brush and are completely passable. A few days of brushing work along this road would suffice to clear enough space to allow the passage of transport trucks to the staging area at the end of the road.

The helicopter staging area at the end of the Willow Creek Forest Road (Figure 5-4) is approximately 18 km from the proposed camp site and drill areas on the Spectrum Property. This seems to be the closest point from which staging operations can currently be conducted. The end of the forest road will need to be widened somewhat in order to allow transport trucks to turn around after their cargo has been slung into camp, but the area is level, and a turn-around area could be constructed by bulldozer with little difficulty.

The two major bridges on the Willow Creek Forest Road are located on the Iskut and Little Iskut Rivers. Both bridges are steel spans, are surfaced with timber (Iskut) or concrete (Little Iskut) roadbeds, and appear to be in good condition. However, the author is not an engineer, and in the interests of safety it is recommended that both bridges be inspected by a qualified person before attempting to transport heavy loads such as drill rigs and bulldozers across them.

Figure 5-2: Condition of historical drill road below treeline

*Photo by J. Stacey, June 19, 2014*
Figure 5-3: Overgrown section of Willow Creek Forest Road

*Photo by J. Stacey, June 19, 2014*

Figure 5-4: Helicopter staging area at termination of Willow Creek Forest Road, 18 km from Central Zone. *Photo by J. Stacey, June 19, 2014*
5.3 Climate

Climate in northwestern British Columbia is subarctic, with temperatures ranging from daily averages of -18°C in winter to 13°C in summer (Figure 5-2). Rainfall is highest from May to September, averaging about 270 mm per year. Thick accumulations of snow are common, with snowfall from October to March averaging about 220 cm per year.

![Figure 5-2: Precipitation & temperature averages for Dease Lake, BC](Source: The Weather Network)

Other exploration projects in the same area usually commence fieldwork in June-July and may continue until September-October, when conditions in higher elevations become difficult. The Spectrum property experiences somewhat less snowfall than other areas in the region as it lies with the snow shadow of Mount Edziza.

5.4 Local Resources & Infrastructure

The nearest road to the project area is Highway 37 (Stuart-Cassiar, or Dease Lake Highway), a two-lane paved highway that is the only arterial route through this part of British Columbia. The nearest settlement is the village of Iskut, 35 km east-northeast of the project area, which provides gasoline and diesel, plus basic services including a nursing station, grocery store and school. Accommodation, meals and telephone/fax services can be found at Tatogga Lake Resort, 25 km east of the project area and Eddontenajon, 2 km south of Iskut. Helicopter staging facilities are available at both localities, and local services can expedite receipt/shipment of supplies and samples to and from Smithers.

Dease Lake is a larger settlement of about 450 people (changes seasonally) and is located 90 km north of the project. It has an all-weather airstrip, regular commuter air service, a small air charter company, health centre and stores as well as the Tahltan Central Council office.

Electricity supply in the area is currently from diesel generators located at communities. However, on 6th May 2011 federal environmental approval was granted to BC Hydro for a new 287 kV power transmission line (Northwest Transmission Line (“NTL”) planned to parallel Highway 37 from Terrace to Bob Quinn Lake. At a cost of C$404 million, the NTL is intended
to provide electricity for major mining projects in the region, such as Galore Creek and Red Chris. As of January 2012 construction has commenced and target completion date for the NTL is May 2014.

Unskilled labourers and skilled personnel trained at mines in the region (Eskay Creek, Snip, Golden Bear), are available at Iskut, Dease Lake and Telegraph Creek.
6. History

6.1 Exploration & Mining History

Table 6-1 details the ownership and exploration history on the Spectrum property.

<table>
<thead>
<tr>
<th>Year</th>
<th>Owner</th>
<th>Prospect</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1957</td>
<td>Torbit Silver Mines</td>
<td>Hawk</td>
<td>Initial evaluation of Hawk vein at the north end of the property.</td>
</tr>
<tr>
<td>1967</td>
<td>Shawinigan Mining and Smelting</td>
<td>Hawk</td>
<td>Re-staked Hawk claim, drilled x-ray holes on the Hawk vein.</td>
</tr>
<tr>
<td>1969</td>
<td>Spartan Explorations</td>
<td>Spectrum</td>
<td>Staked claims to cover newly discovered “porphyry-type” copper occurrence south-west of Nuttlude Lake.</td>
</tr>
<tr>
<td>1970</td>
<td>Mitsui Mining and Smelting</td>
<td>Spectrum</td>
<td>Geological, geochemical and geophysical surveys.</td>
</tr>
<tr>
<td>1971</td>
<td>Imperial Oil Limited</td>
<td>Spectrum</td>
<td>Optioned property and conducted geological mapping, additional geochemical and geophysical surveys.</td>
</tr>
<tr>
<td>1973</td>
<td>Imperial Oil Limited</td>
<td>Spectrum</td>
<td>4 BQ diamond holes for 463 m, defined low grade copper in monzonite with adjacent potassic altered volcanic. Gold not assayed. Claims allowed to lapse.</td>
</tr>
<tr>
<td>1975</td>
<td>Racicot Syndicate</td>
<td>Spectrum</td>
<td>Staked “Red Dog” claims, optioned them to Canex Placer who then relinquished the option.</td>
</tr>
<tr>
<td>1977</td>
<td>Cons. Silver Ridge Mines</td>
<td>Spectrum</td>
<td>Added Pink and Red claims to property following geological mapping and surface geochemistry</td>
</tr>
<tr>
<td>1978</td>
<td>Cons. Silver Ridge Mines</td>
<td>Spectrum</td>
<td>Optioned property</td>
</tr>
<tr>
<td>1978</td>
<td>Cons. Silver Ridge Mines</td>
<td>Hawk</td>
<td>Claims staked on Hawk. Carried out geological mapping and soil-sampling. 2 x 2.6 m exploration drift advanced 73 m along main Hawk vein.</td>
</tr>
<tr>
<td>1979</td>
<td>Cons. Silver Ridge Mines</td>
<td>Spectrum</td>
<td>Camp claim added to property to cover accommodation and airstrip area on side of Nuttlude Lake. 4x4 access road constructed from camp to centre of prospect. Drilled 10 BQ diamond holes for 832 m.</td>
</tr>
<tr>
<td>1980</td>
<td>Cons. Silver Ridge Mines</td>
<td>Hawk and Spectrum</td>
<td>Additional 240 m of drift and cross-cut advanced, 430 m Underground diamond drilling at Hawk. Drilled 18 BQ diamond holes totalling 2,427 m at Spectrum.</td>
</tr>
<tr>
<td>1984</td>
<td>Cominco</td>
<td>Spectrum and Hawk</td>
<td>Optioned property, carried out soil sampling, ground magnetics and VLF surveys</td>
</tr>
<tr>
<td>1988-1989</td>
<td>Cominco</td>
<td>Spectrum</td>
<td>Geological mapping, rock chip sampling, drilled 10 diamond holes for 1,199 m</td>
</tr>
<tr>
<td>1987-1989</td>
<td>Moongold Resources Ltd</td>
<td>Hawk</td>
<td>Under option agreement carried out rock and soil sampling, VLF, magnetic and resistivity surveys</td>
</tr>
<tr>
<td>1990</td>
<td>Columbia Gold Mines</td>
<td>Spectrum (Red Dog) and Hawk</td>
<td>Optioned both properties. Trenching and drilling of 20 BQ diamond holes for 2,363 m. Identified main mineralised zones at Spectrum.</td>
</tr>
<tr>
<td>1991</td>
<td>Columbia Gold Mines, JV Eurus Resources</td>
<td>Spectrum and Hawk</td>
<td>Diamond drilled 24 holes for 3,992m to define reserves on the Porphyry zones at Spectrum and explore peripheral zones. 2 holes on Boundary Zone at Hawk. “geological reserves” (resources) calculated on Spectrum.</td>
</tr>
</tbody>
</table>
### 6.2 Previous Exploration

Previous exploration on the property, as outlined in Table 3, consisted of surface geochemistry, geological mapping, geophysics (IP) and several phases of diamond drilling by several different companies over about 20 years. To date, 92 drill holes have been completed on the Spectrum deposit totalling 11,963 m, completed in three main phases by three different companies, as shown in Table 6-2.

**Table 6-2. Details of historic diamond drilling and assaying at Spectrum deposit.**

<table>
<thead>
<tr>
<th>Period</th>
<th>Company</th>
<th>Metres drilled</th>
<th>Number of holes</th>
<th>Assay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973</td>
<td>Imperial Oil</td>
<td>464</td>
<td>4</td>
<td>Cu only</td>
</tr>
<tr>
<td>1979-1980</td>
<td>Consolidated Silver Ridge Mines</td>
<td>3,259</td>
<td>28</td>
<td>Au by fire assay on all samples. Ag, Cu, Zn selective</td>
</tr>
<tr>
<td>1989</td>
<td>Cominco</td>
<td>1,199</td>
<td>10</td>
<td>Au, routine by AAS(?), Au by Fire Assay if &gt;1000ppb, Cu, Fe, Mg, K (unknown assay technique)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>11,963</strong></td>
<td><strong>92</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Lally (2012)*

The basic drill data is well documented within previous reports and subsequently drill hole specifications, assay data and basic geological units were entered into a digital format by Mining Associates for their historical resource estimate in 2003 (Mining Associates Pty Ltd., 2004).

In all drill programmes, sampling was accomplished by cutting half core along intervals marked by a geologist, with maximum sample widths of 2 or 3 metres. Reports do not mention insertion of QA/QC samples (blanks, field duplicates and standards) and so historical results will need to be validated for future resource estimations. A detailed topographic survey program was completed by contractors for Columbia in 1991 in reference to a government monument and local monuments were established from which drill collars and other important points were located in local-grid space. From this work it appears that all important points have been accurately located and as a secondary check by the authors these points appear to fit well with the most recent digital terrain model produced from the airborne survey data completed in 2013.
Following expiration of Columbia’s ownership in 1996, Arkaroola Resources commenced the process of lobbying the BC government to amend the Mount Edziza Provincial Park boundary to allow access and further mineral exploration work on the property. Seeker Resources took up ownership in 2002 and continued lobbying the BC government while maintaining the property in good standing by cash payments in lieu of exploration work. Environmental baseline studies were undertaken in expectation of work commencing at a future date. An option on the property was taken up in 2003 by Trans Pacific Mining (“TPM”), an Australian company. TPM carried out an assessment of the property, engaging Dr. Vic Wall of Taylor Wall and Associates as a consultant, who visited the site in 2004. Dr. Wall took samples for a petrographic study (see Section 7.3) and oversaw compilation of historic data for MA’s historical resource estimation.

In 2009, Seeker Resources commenced the application process for drilling permits and paid a C$20,000 bond. Taiga is not aware of the current status of this bond. Eilat took over ownership of the Spectrum Property in 2011 and commenced exploration planning and followed up the work permits applied for by Seeker Resources.

### 6.3 Historical Resource Estimates

Two historical estimates of the Central Zone deposit at Spectrum were completed in 1991, one by Columbia Gold Mines and another by Orcan Mineral Associates, an independent engineering firm for Columbia-Eurus Corporation in 1991. A subsequent report completed in 1994 by Orcan was never filed for assessment and so is presumed to be lost. Results of the known historical estimates are shown in Table 6-3. Historical estimates quoted in Table 6-3 below are sourced from the following reports:

3. Mining Associates Pty Ltd. (2004): resource calculation by Mining Associates Pty Ltd. for Trans-Pacific Mining Ltd.

To the extent known by Taiga, the parameters and methods of the various historical resource estimates are as follows:

   a. Cutting: no assays cut
   b. Minimum Width: 1.5 metres
   c. Cut-off Grade: 5.0 g/tonne Au
   d. Projections: Maximum 25 metres, or half the distance between drill holes
   e. Method: Sectional Block Method

2. Orcan 1991 (Source: Saunders and Budinski, 1991)
   a. Cutting: 50 g/tonne Au top-cut
   b. Minimum Width: 1.5 metres
   c. Cut-off Grade: 5.0 g/tonne Au
   d. Projections: Maximum 50 metres
   e. Method: Sectional Block Method
   a. Cutting: 62 g/tonne Au top-cut
   b. Minimum Width: 1.0 metres
   c. Cut-off Grades: 5.0 and 1.0 g/tonne Au
   d. Projections: Maximum 30 metres
   e. Method: Sectional Block Method (10x10x1 metre blocks)

All of the historical estimates employed resource categories as described in Sections 1.2 and 1.3 of NI43-101. All historical estimates to date have been classified by the previous authors as “Inferred” resources for reasons of poor correlation of high-grade gold zones between sections. It should be kept in mind however that while the names of resource categories employed in these historical estimates may be the same as used in NI43-101 none of the historical estimates can currently be described as “inferred” or otherwise, as they do not meet the criteria of a current resource as defined in Sections 1.2 and 1.3 of NI43-101.

In 2003, Mining Associates (MA) was contracted by Trans-Pacific Mining (TPM) to review the historic estimates and complete a new mineral resource estimate for Spectrum to JORC Code reporting standards. At the time TPM was considering listing on the Australian Stock Exchange, which requires resource estimates to be JORC compliant. JORC is recognised as a mineral resource reporting standard by most international financial institutions and is accepted by stock exchanges in Australia, London, Hong Kong and Canada (under some circumstances). Taiga considers that all of these historical resource estimations would generally be non-compliant with current standards due to lack of appropriate QA-QC procedures being employed at the time the holes were drilled and the core sampled and the data collected.

Mining Associates Pty Ltd. (2004) found that the Columbia 1991 historical estimate was affected by some calculation errors of vein true widths and grade and the lack of a grade top-cut. Grade estimated by MA was the same as Orcan, but tonnes were lower. MA’s historical estimate was classified as a JORC Inferred Resource because of poor correlation of high grade zones between drill sections, and because the historic drill data was not validated.

| Historical resource estimates, Spectrum Deposit. MA = Mining Associates |
|--------------------------|--------|----------------|----------|----------------|
| Company                  | Tonnes | Cut-off grade Au g/t | Au grade g/t | Contained oz Au |
| 1. Columbia 1991         | 614,000| 5.0                 | 12.3      | 243,600         |
| 2. Orcan 1991            | 593,000| 5.0                 | 11.3      | 215,000         |
| 3. MA 2003               | 474,615| 5.0                 | 11.4      | 173,500         |
| 3. MA 2003               | 2,982,575| 1.0                | 3.43      | 328,826         |


MA reported also produced a grade-tonnage chart (Figure 6-1) to demonstrate the impact on resources of changes in cut-off grade. The chart shows that lowering the cut-off grade to 1 g/t Au increased resources to 2.98 million tonnes grading 3.43 g/t Au for a total of 328,000 ounces of gold.
The figures quoted above are regarded as historical since there are no current mineral resources or mineral reserves as defined in Sections 1.2 and 1.3 of NI 43-101, and are not classified in accordance with the categories set out in NI 43-101. The QP has not done sufficient work to classify the historical estimates as current mineral resources, and Skeena is not treating the historical estimates as current mineral resources.

It is Taiga’s opinion that these historical mineral resource estimates are relevant but will require validation to determine whether they can be re-assigned according to NI43-101 standards. Validation of historical data is in our opinion possible and would include, but not be limited to, the following activities:

1. Validation of historical drill database and verification of data tables against historical paper drill logs and assay certificates
2. Re-Locating in the field all historical drill collars and recording their location using Differential GPS (DGPS)
3. Re-sampling historical core to confirm historical assay results and determine the extent of the “nugget effect”
4. Twinning of several representative historical drill holes to confirm continuity of mineralization
5. Implementation of modern industry-accepted Quality Assurance/Quality Control (QA/QC) procedures during proposed diamond drilling and sampling, and
7. Geological Setting and Mineralization

7.1 Regional Geology

Spectrum lies within a northwest-trending belt about 1000 km long and 200 km wide of Palaeozoic to Lower Mesozoic-age volcanic, plutonic and sedimentary rocks known as the Stikine Terrane. The Stikine location is important as it is one of the two most prospective belts for porphyry related Cu-Au in British Columbia.

The Stikine Terrane is bounded to the west by the Coast Plutonic Complex and is faulted against the Quesnel Terrane to the east (Figure 7-1). Much of the central part of the terrane is unconformably overlain by a thick succession of Jurassic-age sedimentary rocks of the Bowser Basin. Rocks of the Stikine Terrane formed within an active continental margin setting, and four main episodes of arc volcanism, occurring in Devonian, Permian, Upper Triassic and Lower Jurassic time have been recognised. Due to similarities in rock type and geologic history, the Stikine and Quesnel Terranes are widely considered to be segments of a single volcanic arc assemblage (Wernecke and Klepacki, 1988; Colpron et al., 2007) and are characterised by being the site of most of British Columbia’s base metal occurrences and production.

The Stikine Terrane comprises basal sedimentary rocks and two andesitic-basaltic volcanic sequences of Upper Palaeozoic age. Overlying the basal succession is a thick assemblage of andesitic to basaltic volcanics with minor sediments of the Upper Triassic age Stuhini Group, followed by Lower Jurassic age basic to intermediate volcanic and syn-volcanic alkaline intrusions of the Hazelton Group. Hazelton Group rocks are unconformably overlain by sedimentary rocks of the Bowser Basin, which is interpreted to have formed in a back-arc basin tectonic setting.

Within the northern part of the Stikine Terrane, Lower Jurassic age volcanic centres are concentrated in a regional feature known as the Stikine Arch (Figure 7-2). Quartz-deficient alkalic and sub-alkalic intrusive rocks are associated with copper-gold porphyry and precious metal vein systems. Significant porphyry style deposits of British Columbia are shown in Figure 7-1.

As summarized by Micko et al. (2014), three metallogenic groups are present in the Stikine and Quesnel Terranes. These include:

1. Late Triassic Calc-Alkaline plutonic complexes with associated Cu-Mo(±Au) porphyry deposits (Schaft Creek, Highland Valley, and Gibraltar);
2. Late Triassic to Early Jurassic alkalic diorite to monzonite intrusive complexes with associated Cu-Au porphyry deposits (Galore Creek, Red Chris, Afton/Ajax, Copper Mountain, and Mount Polley); and
3. Early to Middle Jurassic alkalic intrusive complexes with associated Cu-Au porphyry deposits (Lorraine and Mount Milligan).

Most of the silica-undersaturated alkalic porphyry deposits were formed in the time period between 210-200 Ma, post-dating a period of widespread tholeiitic to transitional calc-alkaline magmatic activity (Mortensen et al., 1995; Logan and Mihalynuk, 2014).
The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.
About 150 km south of Spectrum within the Stikine Terrane, similar types of alkalic to sub-alkalic intrusive rocks are associated with several different styles of mineralisation including:

- Submarine exhalative Au-Ag-Zn-Pb-Cu (Eskay Creek)
- High-sulphidation epithermal Au (Treaty Glacier)
- Low sulphidation epithermal Au-Ag (Brucejack Lake, Johnny Mountain)
- Shear-hosted vein Au-Ag (Snip Mine)
- Porphyry Cu-Au-Mo (Kerr, Red Bluff, Snowfields, Sulphurets)
- Skarn Au (McLymont Creek)

The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

Continental rifting commenced approximately 20 Ma ago, producing a line of volcanic centres known as the Northern Cordilleran Volcanic Province (NCVP). The NCPV extends from the Alaska-Yukon border to Prince Rupert in BC, transecting the Stikine Terrane. A number of predominantly basaltic shield volcanoes and cinder cones were formed, including the 7.5 Ma Mount Edziza Volcanic Complex located immediately west of the Spectrum property.

### 7.2 Property Geology

The Spectrum Property is underlain by intermediate to felsic volcanic rocks assigned to the Stuhini Group, cut by Jurassic to Cretaceous age monzonite composition intrusions. Basalt flows and related pyroclastic rocks of the later Mount Edziza volcanic complex cover much of the central western part of the property within claim numbers 515654 and 222132 (Figure 7-3).
Stuhini Group volcanics comprise crystal and ash tuffs with interbedded lapilli tuffs and coarse fragmental pyroclastics. A range of compositions including dacite, latite, andesite and rhyodacite were identified by Columbia geologists in the early 1990’s.

The largest monzonite body in the Spectrum Property area is mapped as an irregular north-south trending dyke up to 100 m wide and 1500 m long, which is associated with gold mineralisation. The dyke has a steep westerly dip and a concave eastern contact. West of the main dyke is a complex swarm of thinner dykes. Dyke swarms also occur in other parts of the Spectrum property. The main monzonite dyke is pink to grey in colour, and equigranular to porphyritic in
texture. Composition of the main dyke is variable, with zones of granodiorite, granite and quartz monzonite composition noted by Columbia geologists.

According to geologic mapping by Columbia geologists, both volcanic units and monzonite intrusive are pervasively altered. Around the Spectrum deposit a 2 km x 4 km propylitic alteration zone was mapped, comprising chlorite, epidote and disseminated pyrite. Potassic and argillic alteration occurs as a central core to the deposit, and consists of quartz, K-feldspar, sericite and pyrite. Intensive potassic alteration was mapped along monzonite contacts and may have been structurally controlled. Silicification is variable, ranging from pervasive alteration in coarse fragmental units to fracture selvages in finer grained tuffs and is structurally controlled by north-trending subvertical zones.

Strongly fractured to brecciated zones with some pyrite, chlorite and epidote were termed “brittle fracture zones” by Columbia geologists. These zones are barren, and were interpreted as bounding structures to gold mineralisation, but are not indicated on maps and cross sections in available reports.

Basaltic volcanic and pyroclastic rocks of the overlying Mount Edziza volcanic complex impinge on the area at the southern end and immediately west of the 500 Colour zone near the location where it intersects with the QC/Porphyry zones (Figure 7-3). Drilling on the Central Zone at Spectrum intersected unconsolidated overburden up to 30 m thick in places, but reports do not state what type of material was present. Presumably most of the overburden on hill slopes is colluvium, with alluvium in the valleys. It is not known if there are significant amounts of transported overburden.

7.3 Mineralization

Within the Spectrum Property area (Figure 7-3), two main mineralised zones were recognised by past explorers: Spectrum (Figures 7-4, 7-5, 7-6) and Hawk (Figure 7-7). Spectrum (originally named the Red Dog Zone but now referred to as Central Zone) is the main deposit on the property and has been the focus of most exploration. Central Zone mineralisation is hosted by intermediate volcanic and volcaniclastic rocks of the Stuhini Group and crosscutting sub-parallel north-trending monzonite dykes. High grade gold and disseminated low grade gold-copper mineralisation is associated with an extensive propylitic to potassic alteration system that overprinted volcanic and intrusive rocks. To date, the highest gold grades seem to occur mainly in association with potassic alteration. A large (1 km²) +100ppb gold in soil anomaly defined from Columbia and Cominco soil geochemistry outlines the Central Zone deposit.

Three major mineralised zones were identified in Central Zone (Figures 7-4, 7-5, 7-6): Porphyry, QC and 500 Colour. In addition, a number of subordinate narrow sulphide veins or zones of brecciation and silicification outside the main area of mineralisation were also discovered: 300 Colour, 33 Zone, 440 Zone, Boundary Zone, and East Creek Zone. The high-grade Porphyry, QC, and 500 Colour veins (or vein swarms) are superimposed on a 50-75 metre-wide shell of low-grade Cu-Au porphyry mineralization and likely represent “lode”-type epithermal veins as discussed in Section 8: Deposit Types. These parallel vein systems range from 3-10 m true width and dip vertically to steeply west along the margins of the main monzonite intrusion (Figures 7-4, 7-5, 7-6) as well as along narrow monzonite dykes peripheral to the main intrusion (e.g. 500 Colour Zone). Gold grades in these vein systems averages >10 g/t Au, while the low-grade Cu-
Au shell rarely exceeds 1-2 g/t Au. Drill results from Columbia Gold Mines in the period from 1990-1992 suggests that gold grades and zone thickness may improve with depth (Kilby, Casselman, and Roberts, 1991), especially in the area where the 500 Colour zone is projected to intersect the Porphyry and QC zones at depth (Figure 7-4).

The main outcropping vein at Hawk (Figure 7-7) is a narrow, high-grade structure that was drilled at various times and a small exploration drift was constructed in the late 1970’s tunnel to test depth extents. Mineralisation in the drift was lower grade than seen at surface and somewhat narrower. Mineralisation was considered too narrow and low-grade to warrant further work and there has been no drilling on the vein since 1980.

In 1991, Columbia discovered the East Creek Zone 600 m southeast of the Hawk vein and drilled 3 diamond holes (Figure 7-7). The best result from this drilling was 2.6 m grading 34.45 g/t Au in one hole, but grades in the other two holes were significantly lower, around 1 or 2 g/t Au over less than 2 m (Norman, 1992). East Creek was considered to be an offset strike extension of the Central Zone mineralisation at Spectrum, but continuity was not proven. Several other small occurrences, or showings, were also recorded on the Spectrum property, including GR, West Creek, Fog and Skarn (Figure 7-3).
Figure 7-4: Geology and gold mineralization in the Central Zone
(Porphyry, QC, 500 Colour Zones) and peripheral veins (33, Boundary, 440, and 300 Colour Zones).
Source: Lally (2012)
Figure 7-5: Central Zone, Section 9920 N
(north end of Central Zone looking north).

Source: Kilby, Casselman and Roberts, 1991
Figure 7-6: Central Zone, Section 9966 N
(north end of Central Zone looking north).
Source: Kilby, Casselman and Roberts, 1991
In summary, two main styles of mineralisation are present in the Spectrum Property (Lally, 2012):

1) North-trending, steeply dipping high grade (>10 g/t Au) gold zones associated with pyrite, arsenopyrite, sphalerite, galena and scheelite within thin quartz-carbonate veins hosted by silicified volcanic units and spatially associated with monzonite dykes (QC and Porphyry Zones, East Creek Zone);

2) Lower grade gold and copper mineralisation associated with zones of disseminated and fracture controlled pyrite and chalcopyrite within potassic to propylitic altered monzonite dykes and volcanics (500 Colour Zone).

In addition, the Skarn showing comprises gold associated with pyrite, pyrrhotite, chalcopyrite and magnetite in irregular metasomatic replacement masses in carbonate-rich sediments. Not
much is currently known about the orientation or grade of mineralization in the Skarn showing, as only limited work was conducted in this area by Columbia field workers.

Table 7-1 provides a summary of the main zones of mineralisation and other showings on the Spectrum Property, originally described in Sorbara (2000), Lally (2012), and updated by the authors of this report.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Zone</td>
<td></td>
</tr>
<tr>
<td>QC Zone</td>
<td>North-striking zone of fractured, silicified volcanic rocks 30 to 70 m east of the monzonite dyke, containing 2 main parallel high grade gold-bearing structures that pinch and swell along a strike length of 650 m. Best drill intercept of 31.76 g/t Au over 6.0 m</td>
</tr>
<tr>
<td>Porphyry Zone</td>
<td>Parallel to QC zone, lies 0-30 m east of monzonite dyke. Contains two high-grade gold zones of variable width and grade within a shell of lower-grade disseminated Cu-Au mineralization. Best drill intercepts 6.8 g/t Au over 7.6 m and 12.09 g/t Au over 2.0 m, within a low-grade shell averaging 1.4 g/t Au over 45 m</td>
</tr>
<tr>
<td>500 Colour Zone</td>
<td>Northwest-striking branch of QC-Porphyry zones, related to monzonitic dyke swarm. Drilled for 250 m strike length, with erratic gold intercepts. Best drill intercepts: 1.69 g/t Au over 4.5 m and 1.54 g/t Au over 6.5 m</td>
</tr>
<tr>
<td>33 Zone</td>
<td>Easterly trending splay from main monzonite dyke, intersected in one drill hole (8 m @ 11 g/t Au)</td>
</tr>
<tr>
<td>300 Colour Zone</td>
<td>One drill hole 2.1 m @ 5.59 g/t Au and 0.4 m @ 29.45 g/t Au</td>
</tr>
<tr>
<td>Boundary Zone</td>
<td>Anomalous gold in propylitic altered volcanic, drill intercept of 0.72 g/t (0.021 oz/ton) over 10.3 m</td>
</tr>
<tr>
<td>440 Zone</td>
<td>Defined at surface only, no drilling: 7.9 g/t Au over 0.7 m surface channel sample</td>
</tr>
<tr>
<td>Skarn (Malachite)</td>
<td>Along southwest-stripping zone of Monzonite dyke. Surface channel sample 20 m long returned 2.9 g/t Au and 0.5% Cu</td>
</tr>
<tr>
<td>Skarn</td>
<td>Gold-copper soil anomaly, no drilling. Best results of channel sampling: 37.71 g/t (1.10 oz/ton) Au over 4.15 m, 6.2 g/t (0.181 oz/ton) Au and 54.16 g/t (1.58 oz/ton) Ag over 2 m</td>
</tr>
<tr>
<td>West Creek Showing</td>
<td>Gold-copper soil anomaly, no drilling: Rock grab samples to 342.8 g/t Au (10.0 oz/ton)</td>
</tr>
<tr>
<td>G.R. Showing</td>
<td>North-trending 5 m wide silicified zone traced at surface for 600 m strike length. High grade gold with pyrite, arsenopyrite, chalcopyrite and sphalerite. Drill intercept of 2.6 m @ 34.45 g/t Au, trench sample 2.6 m @ 58.4 g/t Au</td>
</tr>
<tr>
<td>East Creek Zone</td>
<td>North-trending, traced for 200 m strike underground. Best gold grades: Surface 29.14 g/t Au (0.85 oz/ton) over 0.35 m, Adit 6.68 g/t Au (0.195 oz/ton) over 1.0 m</td>
</tr>
</tbody>
</table>

* oz/short ton converted to grams/tonne using the conversion factor 1.0 oz/ton = 34.28 g/tonne

Source: Lally (2012), updated by Taiga (2014)

In 2004, Trans-Pacific Mining commissioned a petrographic study (Mason, 2005) of drill core samples collected from the QC and Porphyry zones (Central Zone) intersected by Columbia drill hole 91-76. Hand specimen and thin section descriptions indicate that high grade gold mineralisation is associated with intense K-feldspar-chlorite-sericite-carbonate-sulphide alteration of wall rock, and a network of thin veinlets of the same composition. Gold occurs within veinlets and altered wall rock (Figure 7-8). High grade mineralised zones are stockworks within fault zones, containing veinlets a few millimetres wide. No wider dilation veins were seen in the samples studied.

The petrographic study concluded that alteration and mineralisation at Spectrum were driven by an early, hotter, metal-poor fluid which was overprinted by a cooler metal and sulphur-enriched fluid. They concluded that both of these hydrothermal events were likely derived from an intrusive body beneath the deposit. The monzonite porphyry dykes were considered to be a small part of this larger intrusive body that supplied significant volumes of hydrothermal fluids. Metal
budget in the system (Fe > Cu > Zn > W > Au) and alteration were considered consistent with a magmatic fluid of the type associated with porphyry-style mineralisation.

Figure 7-8 Photomicrographs of polished sections from QC zone.
Gold (bright yellow) intergrown with arsenopyrite (off-white) within gangue of non-opaque minerals (K-feldspar, sericite). Sample from Columbia drillhole 91-76. Image on left 0.6 mm across, image on right 1.2 mm. (Source: Mason, 2005)

7.4 Dimensions & Continuity: Central Zone

High grade gold intercepts averaging greater than 10 g/t Au vary between 3 m and 10 m true width. Intercepts above 0.2 g/t Au envelop high grade gold zones, creating a broader zone up to 70 m wide. The broad mineralised zone is associated with elevated copper values around 0.1-0.3% within monzonite and volcanics. The Porphyry and QC high grade zones of the Central Zone were correlated between drill sections by Columbia geologists for about 300 m continuous strike length (Lally, 2012), with the 500 Colour zone extending about 100 m along strike. A further 300 m strike length of mineralisation was drilled south of northing 9630m (local grid), but it is unclear whether this is an extension of the Porphyry/QC or 500 Colour zones.

Mineralisation of the Central Zone has not been adequately closed off along strike. A northeast-trending fault is interpreted to truncate and/or offset the Central Zone at its northern extent (Figure 7-4). No exploration for possibly offset mineralisation has been completed between Central Zone and East Creek, probably due to the presence of dense forest with thick undergrowth in this area. Drilling has confirmed mineralisation to approximately 200 m vertically below surface and the system remains open at depth (Kilby, Casselman, and Roberts, 1991).

Outcrop is sparse and there is no well-defined geological control on mineralisation, making a definitive correlation of high grade drill intercepts from section to section difficult. The broad, low-grade gold envelope containing QC and Porphyry zones is easier to define and correlate between sections. As indicated by petrography, mineralisation is controlled by zones of fracturing rather than coherent massive veins, which means there may be no clearly defined structures to correlate between sections. In this regard the occurrence is not dissimilar to porphyry systems world-wide where breccia type ore may make up to 50% of a porphyry deposit (Sinclair, 2007).

Anomalous soil geochemistry seems to correlate well with underlying mineralization in the Central Zone (Hylands, 1990). In general, the zone is surrounded by gold-in-soil values above 100 ppb Au, and high-grade structures are typically overlain by gold-in-soil values >500 ppb Au.
A broad zone of anomalous gold values >100 ppb Au extends north from the Central Zone, suggesting that mineralization extends northward between the Central and East Creek Zones (Pauwels, 1984). Also, several very strong gold anomalies >1000 ppb Au occur to the west of the Central Zone, possibly indicating that additional, parallel, north-trending high-grade gold zones remain to be discovered in this area.

7.5 Discussion

It is the opinion of the authors that characteristics of alteration style and the close association of gold with known intermediate-felsic intrusive bodies indicate that an intrusion-related porphyry-epithermal model is applicable to the Spectrum deposit. There appears to be a broad structural-lithological control on the high grade parts of the Central Zone (QC and Porphyry zones), which are thought to be roughly parallel to the contact of monzonite and country rock volcanics. The contact is interpreted to be a zone of structural weakness, either due to the competency contrast between intrusive and volcanics, or because the intrusive was emplaced along a pre-existing fault. In either case, brittle to ductile fracturing of the contact zone likely allowed ingress of hydrothermal fluids sourced from an underlying intrusive body (Mason, 2005), resulting in the observed intense potassic alteration and sulphide-gold mineralisation.

Mineralization has currently been defined along a strike length of ~600 metres to a depth of ~200 metres, and remains open in all directions. Due to the similarities between the Spectrum Property and other significant Cu-Au resources in the area (e.g. Red Chris, GJ, Schaft Creek, among others), the Authors suspect that mineralization at Spectrum represents the upper part of a composite porphyry-epithermal hydrothermal system. If this is the case, then Spectrum has the potential to contain a significant gold resource if high-grade gold zones can be demonstrated to continue along strike and to depth beyond the current level of drilling. The low-grade Cu-Au shell that surrounds high-grade gold zones also has the potential to expand at depth, and may constitute an attractive bulk-tonnage exploration target for future drill campaigns.

The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region (e.g. Red Chris, GJ, Schaft Creek, etc.), and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.
8. Deposit Types

Mineralization at Spectrum is considered to be a “porphyry-style” occurrence with associated gold-rich high-sulphidation epithermal or “lode” veins that crosscut earlier, lower-grade Cu-Au mineralization. Mineralization is spatially and genetically related to a Late Triassic to Early Jurassic monzonitic intrusion of alkaline affinity. Currently, the primary exploration target comprises the high-grade gold-rich lode veins distributed along the margins of the monzonite intrusion, though future drill programs may be expanded to include investigation of the low-grade porphyry-type Cu-Au shell that surrounds the high-grade veins.

Porphyry deposits are typically large, low- to medium-grade deposits in which primary ore minerals are dominantly structurally controlled, and which are genetically and spatially related to felsic-intermediate porphyritic intrusions (Figure 8-1). They differ from other granite-related deposits such as skarns and mantos in their large size and distribution of ore minerals in stockworks, veins/vein sets, fractures, and in breccia’s (Sinclair, 2007), rather than as irregular replacement masses. The range of primary commodities present in porphyry deposits includes Cu, Mo, Au, Ag, and Sn.

Porphyry deposits typically contain hundreds of millions of tonnes of ore, and range in size from tens of millions to billions of tonnes. Ore grades are generally less than 1%, and can vary considerably but production grades in B.C. are typically less than 0.5% Cu. For example, porphyry Cu deposits world wide range from approximately 0.2% to over 1% Cu and porphyry Mo deposits range from 0.07% to 0.3% Mo (Sinclair, 2007). However, these figures are skewed somewhat by production from supergene resources. Deposits in B.C. are unlikely to exhibit sufficient weathering to form supergene deposits of significance. In porphyry Cu-Au deposits, Au grades range from around 0.2 g/t to 2 g/t Au. Despite their low grade, individual orebodies can measure hundreds to thousands of metres in three dimensions (Sinclair, 2007), leading to extremely large deposits containing massive quantities of metal and as a rule are economically desirable because grade can be relatively consistent and reliable.

The overall morphology of individual porphyry deposits is highly variable, and may form irregular, oval, “solid”, or “hollow” cylindrical and inverted cup shapes around the tops of porphyry intrusions (Sinclair, 2007; references therein). Orebodies usually occur as isolated masses within larger porphyry districts, but they may also be composed of two or more superimposed or stacked zones of mineralization within a single deposit. When porphyry systems are superimposed, ore grades are markedly higher than in isolated systems due to the fact that multiple pulses of mineralization occur over time in the same volume of rock. Porphyry deposits are commonly zoned in three dimensions, often with barren cores and roughly concentric metal zones that are surrounded by barren pyritic haloes, with or without peripheral base- and/or precious-metal veins.

As depicted in Figure 8-1, porphyry-style mineralization tends to be concentrated around the top (or “cupsola”) of sub-volcanic intrusions that are ultimately sourced from a larger magmatic body at depth. The tops of these intrusions are emplaced at mid- to upper-crustal levels, and the intrusive body usually extends several kilometres downwards where it may or may not be contiguous with the parent pluton or batholith. Fractional crystallization in the parent magma causes incompatible metallic elements such as Cu, Au, Ag, Mo, Sn, Zn, and Pb (among others) to be concentrated in hydrothermal fluids that collect in the cupola of the high-level intrusions.
Brittle deformation (e.g. fracturing) causes a release of these metal-charged fluids into the surrounding rock, resulting in the formation of mineralized breccias, stockworks, and vein sets around and within the host intrusion. Brittle deformation may occur as a result of local- to regional-scale tectonic deformation (e.g. faulting or shearing) or through fluid overpressure (hydrofracturing) in the cupola of the intrusion. Regardless of the mechanics of brittle fracturing, metallic minerals are likely deposited due to a sudden loss of confining pressure, which in most cases greatly reduces the solubility of metals in hydrothermal fluids.

Figure 8-1: Model diagram of an ideal porphyry-epithermal system indicating the setting of various mineral deposits in northwestern British Columbia. Modified from Figure 6 of Sillitoe (2010).

The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in
the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

The various types of epithermal vein-hosted deposits (Figure 8-1) are intimately associated with porphyry systems, in that the fluids that form these high level veins are ultimately sourced from the same intrusions responsible for porphyry mineralization at deeper crustal levels (Taylor, 2007). In the case of high-sulphidation “Lode-type” epithermal veins, mineralization may be peripheral to, or superimposed upon, older and lower-grade porphyry style mineralization. These veins are often zoned in the vertical dimension, in that they contain relatively more precious metals at higher structural levels and relatively more base metals at deeper levels (Taylor, 2007). Intermediate- and high-sulphidation veins occur at higher structural levels above the porphyry system and tend to be enriched in precious metals relative to low-sulphidation veins.

The emplacement of lode-style and epithermal veins is likely controlled by local structures such as faults, shears, and fracture zones, which are typically located along zones where bedrock undergoes a change in rock competency. Competency contrasts usually exist along lithological boundaries (e.g. bedding, dykes) or altered areas such as zones of silicification. These structures may have formed prior to, or contemporaneous with the emplacement of the porphyry intrusion(s) and their orientations are likely controlled largely by local stress regimes.

In terms of tectonic setting, mineralisation style and alteration assemblages, Spectrum is similar in nature to larger, but lower-grade Cu-Au alkali porphyry deposits in the same geological region such as GJ, Red Chris, and Galore Creek. Spectrum seems to be of lower tonnage and has higher gold grades, but may nonetheless be considered part of a similar mineralising system. Figure 8-1 shows a schematic of the styles and setting of mineralisation related to alkali magmatism, with the possible position of Spectrum and other deposit in the region indicated. The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report. The main inference from this diagram is that Spectrum could conceptually be the upper part of a larger porphyry-style system at depth, and as such has good potential both for deep extensions of known gold zones and for a significant low-grade porphyry-style Cu-Au resource.

9. Exploration

No exploration has yet been carried out on the property by Skeena. Past exploration programmes are summarized in Section 6.0 History of this report. The most recent exploration work on the Property was undertaken by Eilat in late September, 2012, when an airborne magnetic survey (total of 389.6 line km) was flown over the property (See Figure 9-1). The helicopter borne survey was completed on 100m line spacing by Fugro GeoServices, on September 23 and 24, 2012 (Fugro, 2012). Digital topographic data was also produced by this survey.

Eilat also commissioned an Archaeological Impact Assessment (AIA) on the Property in September of 2012. The survey was performed by Rescan Tahltan Environmental Consultants based in Dease Lake, BC. During the assessment, two minor archaeological sites were identified
from surface exposures to the west of the Central Zone (McKnight, 2012). At the time, no work was planned in these areas by Eilat and no impact to the sites was anticipated.

The results of the Airborne survey and the AIA are presented in an assessment report prepared for Eilat by Cambria Geosciences Inc. of Vancouver. BC (Assessment Report No. 33512, Ramsay and Dyck, 2013). An itemized breakdown of expenditures on the property by Eilat in 2012 is provided in the Cambria report. The total cost of the Fugro Airborne survey, the AIA, and the compilation of the report by Cambria is reported to be $118,805.78 (See Table 9-1 below).

### Table 9-1: 2012 Exploration expenditures on the Spectrum Property by Eilat Resources

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<thead>
<tr>
<th>Assessment Report Preparation</th>
<th>Personnel</th>
<th>Hours</th>
<th>Rate</th>
<th>Subtotal</th>
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<td>Alanna Ramsay</td>
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<td>Andrew Strain</td>
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<td>Paul McGuigan</td>
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<td>Samantha Dyck</td>
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**Total Report Preparation**

$7,270.00

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**Total Airborne Exploration Surveys**

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<td>Travel and Expense</td>
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<td>$10,197.10</td>
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**Total AIA**

$40,720.90

**Total Expenditures**

$118,805.78

*Source: Assessment Report No. 33512, Ramsay and Dyck, 2013*

### 9.1 Airborne Magnetic Survey

The strongest magnetic features identified by the airborne survey correspond to highly magnetic basaltic to trachytic flows of the Late Cenozoic Mt. Edziza volcanic complex (outlined in white on Figure 9-1) that forms the top of the plateau shaped mountain that overlooks the occurrence. Known gold-bearing zones are not directly identifiable on the residual magnetic map, but the Author was able to infer a number of north- to northeast-trending fault zones (or structural lineaments) from linear magnetic inflection patterns on the map (blue lines on Figure 9-1). Several of these lineaments occur in areas of known mineralization (e.g. Central Zone, Hawk Vein), and may correspond to zones of structural weakness along which mineralizing fluids may
have traveled. Interestingly, a number of interpreted faults occurring to the west of the Central Zone correspond with elevated gold-in-soils values identified during historical geochemical sampling. These anomalies have not yet been drill-tested, but the coincidence of magnetic inflections with elevated soil Au values may indicate the presence of underlying monzonite dykes and, possibly, additional high-grade gold zones.

Figure 9-1: Airborne Magnetic Map (Residual Magnetic Intensity) of the Spectrum Property.  
*Rough interpretations by the Author. Source: Fugro, 2013.*
9.2 Archaeological Impact Assessment (AIA)

The following summary of the methodology and results of the September 2012 AIA are sourced directly from the draft Archaeological Impact Assessment (AIA) report submitted to Eilat Resources by Rescan Tahltan Environmental Consultants (McKnight, 2012). Interested readers are referred to BC Assessment Report Number 33512 for the complete AIA report, included as an appendix in the report by Ramsay and Dyck (2013).

9.2.1 AIA Methodology

Assessment of Archaeological Potential

Archaeological potential of the area being examined was assessed based on the following factors: (1) proximity to water sources or relict water courses, and previously recorded sites, (2) the potential for an area to be used as a travel corridor, (3) the presence of microtopographic features such as terraces, topographic rises (i.e. hillocks or knolls) and breaks-in-slope, (4) the presence of level dry terrain, (5) areas with southwest, south, and southeast aspects, and/or areas with good vantage over surrounding terrain, (6) areas with high food resource values (i.e. mountain goat ranges, salmon-bearing streams), (7) natural windbreaks or shelters (i.e. tree patches) in alpine and sub-alpine areas, (8) the presence of snow or ice patches that have potential to contain preserved organic materials, and (9) relevant local knowledge (if practicable). Factors thought to constrain archaeological potential include: (1) unbroken slope, (2) steep or rough terrain, (3) poorly drained ground, (4) and massive disturbance areas such as avalanche chutes.

Survey Design

The archaeological survey described below was used to identify archaeological sites within the proposed development area. Surveys focused on those areas identified as having moderate to higher potential for the presence of archaeological resources.

Pedestrian survey of all areas of the proposed development (including sub-alpine and alpine areas, if present) identified as having potential for the presence of archaeological resources was conducted. Examination consisted of a combination of systematic and/or judgementally selected pedestrian survey traverses. Systematic survey traverses followed compass bearings and/or flagged boundaries with crew members spaced at 5-20 m intervals, depending on terrain and visibility constraints, as well as the assessed archaeological potential of the area being examined. Ground surfaces were examined for trails, structures, artifacts, depressions, and other evidence of past human settlement and land use. Tree thrown were also examined for cultural modification. Bedrock exposures and boulders were inspected for pictographs and petroglyphs as well as for the possible presence of seams of flakable lithic raw materials. When present, talus slopes, caves, or rock crevices within the proposed development area may be examined for the presence of burials or cultural materials.

Shovel Testing Methodology

Shovel testing was conducted in areas identified during the in-field assessment as having potential for buried archaeological remains. Shovel testing was also carried out in order to
determine the vertical and horizontal extent of any identified deposits, and to identify the nature, composition, and integrity of any subsurface deposits.

The number and location of shovel tests was judgementally determined on a case-by-case basis, dependent of ground cover, terrain and density of bush/forest, and development boundaries. For landforms with moderate and high potential for buried archaeological remains, sufficient shovel testing was conducted to achieve a test density that meets or exceeds four tests per 100 m², with tests generally spaced approximately 5 m apart.

Average shovel test size was recorded for each test location. Each test was at least 30 by 30 cm in size and penetrated both A and B soil horizons, and depending on the nature of the sediment accumulation and vegetation, continued until unweathered C horizon sediments or bedrock was encountered. Back dirt from tests was examined manually or screened through 6 mm mesh. Site boundaries were defined on the basis of observed, natural and/or arbitrary limits, including:

- **Natural boundaries** are those defined by the extent of associated landforms (e.g. terrace or ridge) or a limiting natural feature (e.g. stream), as appropriate.
- **Observed boundaries** are those determined on the basis of the extent of archaeological materials or features, as observed in surface exposures, or through subsurface testing. When subsurface testing is used to determine site boundaries, shovel testing was conducted in cardinal directions emanating from the initial positive shovel test at 3 m to 5 m intervals until at least two negative shovel tests were completed. When necessary, additional shovel tests (meeting four tests per 100 m² standard) were conducted in order to establish complete coverage of the landform and/or the area on which the site was situated. The extent of associated landforms and areas of archaeological potential, as well as the distribution of identified archaeological materials, was explicitly considered in defining sites containing discontinuous buried archaeological deposits. This also included the extent of observed archaeological potential as assessed in the field.
- **Arbitrary boundaries** are those which reflect artificial and/or administrative boundaries, such as property lines, cutblock boundaries, drill pad site boundaries, or the presence of existing impacts or developments.

All test locations were described in terms of the testable area, terrain, vegetation cover, and soil stratigraphy... All shovel tests were numbered sequentially and the location of each shovel test plotted on site maps. Descriptions of the soil matrices from all shovel test locations were recorded in field notes. Artifacts, including surface finds identified during pedestrian survey, and any other cultural materials encountered in shovel tests were recorded, photographed, and collected.

Archaeological sites identified were recorded in field notes, photographed, and mapped by chain and compass or equivalent method. GPS coordinates were also taken. The locations of all sites have been plotted on development plan and NTS maps. All archaeological sites have been recorded on BC Archaeological Site Inventory Forms and entered into the British Columbia Archaeological Sites Inventory and Provincial Heritage Register.
Methods and Techniques of Data Analysis

All collected artifacts have been catalogued, described, and compared to existing regional typologies... Appropriate metric attributes of artifacts have been recorded. Lithic debitage has been quantified and classified according to raw material, stage of manufacture, and technological attributes. Sites have received descriptive and functional interpretations where possible, based on a typological and comparative analysis of observed artifacts. The extent of sites containing discontinuous buried archaeological deposits has been determined with reference to both the distribution of archaeological materials and the extent of associated landforms and areas of potential. Analysis focused on a culture-historical framework and the functional and seasonal use of the sites.

9.2.2 AIA Results

The Spectrum Claim blocks have been the subject of relatively extensive mineral exploration activities over the last 45 years...; however, based on a review of the Provincial Archaeology Online Library there is no record of any previous archaeological assessment having been conducted by previous owners. The areas subject to investigation during 2012 field season are described below and consisted mainly of inspecting existing disturbed areas for archaeological concerns.

Drill Area 1 [Spectrum Central Zone]

The primary area of interest for drilling in Drill Area 1, an approximately 400 m NE-SW by 600 m NW-SE area which is defined by an extensive series of existing drill pads and network of access roads. It is situated on a steep east-facing slope between approximately 1,450 m asl and 1,675 m asl. The assessment consisted of a pedestrian survey of existing disturbance areas to inspect for exposed cultural material. No cultural material was identified. Drill Area 1 is above the treeline and the slope is mostly loose scree material with minimal vegetation. As a result, there was excellent ground visibility throughout Drill Area 1. The previous disturbance consisted of heavy equipment cutting level pads and roads out of the scree slope and, as a result, there is low potential for intact deposits within those areas.

Abandoned Exploration Camp and Core Storage Areas

East of Drill Area 1, on a prominent bench feature near the treeline, there is an abandoned mineral exploration camp and core storage area. As the bench feature is immediately adjacent to Drill Area 1, portions of the area were subject to pedestrian survey to inspect for exposed cultural material. No cultural material was identified. The existing roads and drill pads on the bench feature have been subject to previous disturbance and have low potential for intact cultural materials. However, overall, the bench is considered to have high potential for buried cultural materials. No subsurface testing was conducted as the bench is outside of Drill Area 1 and there are currently no development components planned for the area.

Drill Pad 1

Potential Drill Pad 1 is a 20 m x 20 m area at approximately 1,415 m asl, 150 m east of Drill Area 1. The area is on a moderate east-facing slope. Vegetation is partially dense shrub subalpine
fir and partially open heather and moss. The area was assessed as having low archaeological potential due to its continuous slope and distance to water sources. Six shovel tests were conducted to confirm this assessment. No cultural material was identified. The four corners of the potential Drill Pad 1 were flagged and labeled so the assessed area could be easily relocated.

Drill Pad 2

Potential Drill Pad 2 is a 20 m x 20 m area at approximately 1,330 m asl, 350 m east of Drill Area 1. The area is on a moderate east-facing slope. Vegetation is partially dense shrub subalpine fir and partially open heather and moss. The area is assessed as having low archaeological potential due to its continuous slope and distance to water sources. Five shovel tests were conducted to confirm this assessment. No cultural material was identified. The four corners of the potential Drill Pad 2 were flagged and labeled so the assessed area could be easily relocated.

Outcrop 1

Outcrop 1 is a steeply sloping narrow ridge that runs north-northeast down a steep slope. The ridge is approximately 2 m wide by 50 m long. It is above the treeline on the northeast side of an unnamed mountain and is surrounded by loose scree material. The ridge itself is mostly exposed bedrock with minimal vegetation. As a result, there was excellent ground visibility along the ridge. The area was assessed by pedestrian traverses and inspection of surface exposures, resulting in the identification of archaeological site HkTo-1.

Outcrop 2

Outcrop 2 consists of two adjacent ridges on a steep scree slope: an approximately 50 m long, narrow ridge and a 270 m long narrow ridge. It is above the treeline on the northeast side of an unnamed mountain and is surrounded by loose scree material. The ridge itself is mostly exposed bedrock with minimal vegetation. As a result, there was excellent ground visibility along the ridge. The area was assessed by pedestrian traverses and inspection of surface exposures. Shovel tests were conducted at two locations assessed to have potential for buried cultural material, with six tests being conducted at each location. No cultural material was identified.

Outcrop 3

Outcrop 3 is a narrow north-south trending ridge that runs north-northeast down a steep slope. The ridge is approximately 270 m long and of variable width (generally 4 to 5 m wide). It is above the treeline on the north side of an unnamed mountain and is surrounded by loose scree material. The ridge itself is partially exposed bedrock, but with some areas covered by grass, moss, and lichen. As a result, there was excellent ground visibility along some portions of the ridge, while some portions had soil development and vegetation.

The area was assessed by pedestrian traverses and inspection of surface exposures, resulting in the identification of archaeological site HkTp-1, four shovel tests were conducted immediately north of site HkTp-1 to assess whether there were subsurface deposits that extended north along the ridge from the surface finds. No cultural material was identified. Additional shovel testing would be necessary to determine if the remaining portions of the ridge contain buried cultural material.
**Existing Access Road to Drill Area 1**

The existing access road to Drill Area 1 runs west from the existing airstrip and ascends an increasingly steep east-facing slope as it approaches Drill Area 1. The road is approximately 4 m wide and appears to be in relatively good repair; although it is overgrown in many areas. The road appears to have been constructed using heavy equipment to cut a level roadbed from the slope, and as a result, there is low potential for intact deposits on the roadbed.

**Drill Area 2**

Drill Area 2 (referred to on some Project maps as the “east creek showing”) is on the north side of Nido Creek, approximately 2 km west of Nuttlude Lake. The area measures approximately 30 m NW-SE by 200 m NE-SW and is a very steep south-facing slope. Ground disturbance is visible within Drill Area 2 as it has been subject to mineral exploration activity under previous owners. Drill Area 2 is assessed to have low archaeological potential based on its slope and past disturbance.

**Existing Access Road to Drill Area 2**

The existing access road to Drill Area 2 splits from the main access road approximately 1.5 km west of Nuttlude Lake, crosses north over Nido Creek, and then runs west along the valley wall. It continues past Drill Area 2 for approximately 1 km. The terrain north of Nido Creek is a very steep south-facing slope. The road appears to have been constructed using heavy equipment to cut a level roadbed from the steep side-slope and, as a result, there is low potential for intact deposits on the existing access road to Drill Area 2.

**Existing Airstrip**

The existing airstrip is situated within a low-lying, poorly drained area on the west side of Nuttlude Lake. It has appears to have been constructed using heavy equipment to clear and level the lading area, and is now covered with regrowth of alder and cottonwood. As a result of past disturbance, there is low potential for intact deposits within the existing airstrip area. The route of the historic trail described in Section 2.3 [of McKnight, 2012 –ed.] runs up the east side of Nuttlude Lake, opposite the existing airstrip.

**9.2.3 Identified Heritage Concerns**

**HkTo-1**

Site HkTo-1 is a single lithic find from a surface exposure along a narrow, steeply sloping ridge that runs down a steep north-northeast facing mountain slope. It is situated 3.5 km southwest of Nuttlude Lake.

The artifact is a piece of black obsidian shatter with cortex covering approximately a third of its surface. It was identified while surveying a bedrock outcrop that was of potential interest to the on-site geologist. The site measures 5 m in diameter. No shovel testing was conducted, as there is minimal soil development along the ridge. As the site is a single artifact find from the surface
of a steep slope it is interpreted as being a lookout where retooling took place, as the area has an excellent vantage over Nuttlude Lake and the valley to the northeast and east. The source of the obsidian is believed to be from one of the quarries within Mount Edziza Volcanic Complex, approximately 25 km southwest.

**HkTp-1**

Site HkTp-1 is a surface lithic scatter from a surface exposure along a narrow north-south trending ridge that runs down a moderate to steep north facing mountain slope. It is situated 4 km southwest of Nuttlude Lake.

The artifacts recovered include eight pieces of black obsidian debitage and a black obsidian retouched flake. The site was identified while surveying bedrock outcrops along the ridge that were of potential interest to the on-site geologist. The site measures 5 m north-south by 7.5 m east-west. Four shovel tests were conducted along the ridge immediately north of the surface find. All tests were negative; soil stratigraphy is presented in Appendix B [of McKnight, 2012 – ed.]. The site is interpreted as being lookout where retooling took place, as the area has an excellent vantage over Nuttlude Lake and the valley to the northeast and east. The source of the obsidian is believed to be from one of the quarries within Mount Edziza Volcanic Complex, approximately 25 km southwest.

**9.2.4 Assessment of Archaeological Impact Potential**

The purpose of the archaeological site significance evaluation is to provide an assessment of the relative significance of sites identified within the Project area. Archaeological sites HkTo-1 and HkTp-1 were assessed using the checklist of criteria for site evaluation presented in the *British Columbia Archaeological Impact Assessment Guidelines* (Archaeology Branch 1998). These guidelines define five types of significance in relation to archaeological sites: scientific, public, ethnic, economic, and historic. Both sites identified were assessed and rated as being high, moderate, or low for each significance type, with the exception of historic significance, which does not apply in these cases. An overall rating was assigned for each site based on these ratings.

The scientific significance of sites HkTo-1 and HkTp-1 was determined by the potential for the sites to provide information which could enhance our understanding of British Columbia’s heritage, particularly their ability to contribute to an understanding of local and regional prehistory. A rating of low potential was given to both sites as they are small, sparse lithics scatters from a surface context, without any diagnostic artifacts. There is relatively limited additional information these types of sites can contribute to our understanding of regional prehistory.

The public significance refers to the potential for a site to enhance public awareness, interest, understanding, or appreciation of British Columbia’s prehistoric or historic past, such as its interpretive, education and recreation potential. A rating of low public significance was given for both HkTo-1 and HkTp-1 as they are all small, do not have formed tools, and would be difficult to reach by the general public.

The ethnic significance refers to the importance, significance, or value of a site as perceived by an ethnically distinct community or group. Sites HkTo-1 and HkTp-1 are considered to have
high ethnic significance as it is our understanding that archaeological sites are considered by the Tahltan to be significant (THREAT 2011).

The economic significance of a site refers to the potential of a site to contribute or generate monetary benefits or employment through its development and use as a public recreational or educational facility. The area is currently not readily accessible by road, and there is currently very little potential for economic benefits from sites HkTo-1 and HkTp-1. In addition, the sites are relatively small and have no features that could be interpreted. Therefore the economic significance is considered to be low.

9.2.5 Recommendations [of McKnight, 2012 –ed.]

Drill Area 1

Drill Area 1 is situated on a continuous moderate to steep slope and has been extensively disturbed by mineral exploration activities under previous owners. Extensive examination of ground exposures was conducted within Drill Area 1 and no cultural materials were identified. Based on the negative findings, no further archaeological assessment is recommended for Drill Area 1.

Abandoned Exploration Camp and Core Storage Areas

The abandoned mineral exploration camp and core storage areas are situated on a prominent bench feature immediately adjacent to Drill Area 1. This bench feature is assessed as having high archaeological potential. Further archaeological assessment including subsurface testing is recommended prior to any development on the bench, except for the existing roads and drill pads on the bench for which there are no archaeological concerns.

Drill Pads 1 and 2

No further archaeological assessment is recommended prior to development of Drill Pads 1 and 2. If there are any revisions to the locations or sizes of these drill pads, then the development plans should be reviewed by an archaeologist prior to construction and an AIA conducted if necessary.

Outcrop 1 and site HkTo-1

Outcrop 1 was assessed by pedestrian survey and inspection of surface exposures on the landform resulted in the identification of archaeological site HkTo-1. The site consists of a single artifact find from the surface of a steep slope and has been given a 5 m diameter boundary around the find location. The artifact was collected and no further work is recommended for the site area. However, the ridge top of Outcrop 1 is assessed as having high archaeological potential extending north for approximately 25 m until the end of the landform. No development is currently proposed for Outcrop 1; however, prior to any disturbance, additional survey and subsurface testing is recommended to determine whether buried cultural materials are present.
Outcrop 2

Outcrop 2 was assessed by pedestrian traverses and inspection of surface exposures. Shovel tests were conducted at two locations. No cultural material was identified. No further archaeological assessment is recommended for this area.

Outcrop 3 and Site HkTp-1

Outcrop 3 was assessed by pedestrian traverses and inspection of surface exposures on the landform resulted in the identification of HkTp-1. Nine artifacts were collected and shovel testing did not reveal any buried deposits, therefore no further work is recommended for the site area. However, shovel tests were only conducted immediately north of site HkTp-1 and the ridge top of Outcrop 3 is assessed as having high archaeological potential extending north for approximately 250 m until the end of the landform. No development is currently proposed for Outcrop 3; however, prior to any disturbance, additional archaeological assessment, including subsurface testing is recommended.

Existing Airstrip and Existing Access Roads to Drill Areas 1 and 2

There is low potential for intact deposits for the existing airstrip area and along the length of the existing access roads to Drill Areas 1 and 2. However, these areas were not subject to an archaeological assessment by the previous owners prior to their construction. The airstrip and portions of these roads pass through areas with archaeological potential where there is potential that cultural materials may have been disturbed during the earlier exploration activity and have become re-exposed during the reactivation of these areas. It is recommended that the entire airstrip and segments of access roads within areas of archaeological potential be subject to an archaeological assessment after the roads and airstrip have been reactivated… This work should be conducted under a HCA Heritage inspection Permit to allow for artifacts to be collected, if any are found. If the access roads or airstrip need to be widened or otherwise expanded, then the development plans should be reviewed by an archaeologist prior to construction and an AIA conducted if necessary.

Drill Area 2

Drill Area 2 is situated on a continuous steep slope and is assessed as having low archaeological potential. Therefore, no further archaeological assessment is recommended for this area. If the location or dimensions of Drill Area 2 are changed, then the development plans should be reviewed by an archaeologist prior to construction and an AIA conducted if necessary.

General Project Recommendations

Eilat Exploration Ltd. is advised that even the most thorough archaeological investigation may not discover all archaeological material present. In the unlikely event that archaeological materials are discovered during land altering activities, it is recommended that all work in the immediate area cease and the Archaeology Branch (250-953-3334) be contacted for further direction. Additionally, it is recommended that Project staff be educated about the protocols for managing the archaeological sites currently recorded in the Project area and any chance find archaeological sites, should they be encountered.
The management options and recommendations presented here are subject to review and approval by the Archaeology Branch.

The preceding summary of the methodology and results of the AIA in Section 9.2 are sourced directly from the draft Archaeological Impact Assessment (AIA) report submitted to Eilat Resources by Rescan-Tahltan Environmental Consultants (McKnight, 2012). Interested readers are referred to BC Assessment Report Number 33512 for the complete AIA report, included as an appendix in the report by Ramsay and Dyck (2013).

10. Drilling

No Drilling has been undertaken by Skeena Resources on any of the recently acquired claims, which are the subject of this report. Past drill programs are summarized in Section 6.0 History of this report.

11. Sample Preparation, Analyses & Security

As far as Taiga is aware, the Vendor, Eilat Resources Inc., did not perform any sampling on the Spectrum Gold Property in the last three years, or if samples were taken, no assay results were ever published in the public domain.

No drilling or sampling has yet been completed by Skeena Resources on the Spectrum Property save for some minor confirmation sampling of historical drill core stored on the property. Taiga recommends that industry-accepted standard operating procedures for sample collection, handling and analyses should be employed by Skeena Resources Ltd. in its exploration programs during the 2014 field season. This should include the regular insertion of Quality Assurance/Quality Control (QAQC) control samples including standards, duplicates, and blanks to a minimum of 5% of total samples analysed. Typical programs today regularly employ more than the required minimum and more typically represent 10% of samples analysed and this standard is recommended by Taiga.

12. Data Verification

The primary author and Qualified Person has examined and verified the digital drill database supplied to Taiga Consultants by Mining Associates Pty Ltd. This was accomplished by plotting the digital data in a GIS workspace (MapInfo™/Discover™) and comparing the digital data to the original paper drill logs as contained in Assessment Reports found in the BC Ministry of Energy and Mines Assessment Report Indexing System (ARIS). Assessment reports for the property can be found at http://aris.empr.gov.bc.ca/ (search term: “Spectrum”). Data sets verified include drill collar locations, downhole surveys, drill core lithologies, and, most importantly, historical gold assays.

The QP concluded that the data contained in the drill database obtained from Mining Associates is reasonably accurate, and match the historical records publicly available.

It was noted by the QP that historical operators did not employ the regular use of Quality Assurance/Quality Control (QAQC) procedures, such as the regular insertion of Certified
Reference Standard Materials, Blanks, or Duplicate samples during sampling of drill core. As such, the accuracy and precision of historical assays cannot be verified, but the QP is satisfied that historical lab results were reasonably accurate and precise for the time, and that assays were performed by accredited analytical laboratories (e.g. Min-En Labs). The QP has no reason to believe that any of the historical results could be misleading or erroneous.

13. **Mineral Processing & Metallurgical Test-Work**

This Item is not applicable for this report at this time and Taiga is not aware of any previously completed metallurgical work being carried out.


No resource estimate was undertaken by Taiga for the preparation of this report. Historical resource estimates are covered in Section 6.0 History of this report.

15. **Adjacent Properties**

The Spectrum Property is located in the “Golden Triangle” of northwestern British Columbia, a prolific mineral belt which contains numerous deposits, advanced projects, and significant prospects. The region is characterized by a suite of late Triassic to early Jurassic alkaline intrusive bodies which in many areas are associated with porphyry-style and/or epithermal Cu-Au-Ag mineralization. According to the BC Geological Survey Minfile database, there are more than 900 documented mineral occurrences within the Golden Triangle, of which some 67 have documented historical mineral resources. Numerous small to large past-producing mines (primarily gold mines) have operated in the region, dating back to the early 1900s. Early production in the region was primarily from small, very high-grade gold mines such as the Premier Mine near Stewart, BC. In the last few decades, the focus of exploration and development has shifted towards the Cu-Au porphyry deposits in the region. These deposits have significantly lower grades than the past producers, but enormous tonnages, such that their total contained metal endowments far outstrip any historical resources.

Several selected porphyry and epithermal deposits of the region are described briefly below and are summarized in Table 15-1. Maps illustrating the regional distribution of selected deposits are shown in Figures 15-1 & 15-2. Most of these deposits are associated with alkaline intrusive bodies and hosted by Stuhini Group sedimentary and volcanic rocks within the Stikine Terrane. Taiga notes that these deposits, although sharing several geological characteristics, are not necessarily indicative of the style, grade, and size of mineralization of the Spectrum property.
### Table 15-1: Selected mineral deposits in the Golden Triangle region of northwestern BC

<table>
<thead>
<tr>
<th>Deposit Name</th>
<th>Owner</th>
<th>Resource Category</th>
<th>Million Tonnes</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red Chris</td>
<td>Imperial Metals Corp</td>
<td>Meas + Incl</td>
<td>1,218</td>
<td>0.33% Cu, 0.33 g/t Au</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>1,216</td>
<td>0.27% Cu, 0.29 g/t Au</td>
</tr>
<tr>
<td>Schaft Creek</td>
<td>Copper Fox/Teck</td>
<td>Meas + Incl</td>
<td>1,228.5</td>
<td>0.283% Cu, 0.212 g/t Au, 0.017% Mo, 1.73 g/t Au</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>597.2</td>
<td>0.218% Cu, 0.175 g/t Au, 0.016% Mo, 1.64 g/t Au</td>
</tr>
<tr>
<td>Gi</td>
<td>NGEx/Teck</td>
<td>Meas + Incl</td>
<td>153</td>
<td>0.32% Cu, 0.37 g/t Au</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>23</td>
<td>0.26% Cu, 0.34 g/t Au</td>
</tr>
<tr>
<td>North Rok</td>
<td>Colorado Resources</td>
<td>Meas + Incl</td>
<td>142.3</td>
<td>0.22% Cu, 0.26 g/t Au</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>142.3</td>
<td>0.22% Cu, 0.26 g/t Au</td>
</tr>
<tr>
<td>Premier (Big Mountain &amp; Marble Creek)</td>
<td>Ascot Resources</td>
<td>Meas + Incl</td>
<td>88.42</td>
<td>0.77 g/t Au, 5.3 g/t Ag</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>20.489</td>
<td>0.67 g/t Au, 4.5 g/t Ag</td>
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<tr>
<td>Brucejack - Valley of the Kings</td>
<td>Pretium</td>
<td>Meas + Incl</td>
<td>15.3</td>
<td>17.6 g/t Au, 14.3 g/t Ag</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>5.9</td>
<td>15.8 g/t Au, 20.5 g/t Ag</td>
</tr>
<tr>
<td>Brucejack - West Zone</td>
<td>Pretium</td>
<td>Meas + Incl</td>
<td>4.9</td>
<td>5.85 g/t Au, 267 g/t Ag</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>4</td>
<td>4.44 g/t Au, 82 g/t Ag</td>
</tr>
<tr>
<td>Galore Creek</td>
<td>Novagold/Teck</td>
<td>Proven &amp; Probable</td>
<td>528</td>
<td>0.6% Cu, 0.32 g/t Au, 6.02 g/t Ag</td>
</tr>
<tr>
<td>KSM</td>
<td>SeaBridge Gold</td>
<td>Meas + Incl</td>
<td>2,779.9</td>
<td>0.21% Cu, 0.55 g/t Au, 2.9 g/t Ag, 55 ppm Mo</td>
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<tr>
<td></td>
<td></td>
<td>Inferred</td>
<td>1,127.2</td>
<td>0.17% Cu, 0.41 g/t Au, 3.0 g/t Ag, 50 ppm Mo</td>
</tr>
</tbody>
</table>

#### Reserves

<table>
<thead>
<tr>
<th>Deposit Name</th>
<th>Owner</th>
<th>Resource Category</th>
<th>Million Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red Chris</td>
<td>Imperial Metals Corp</td>
<td>Meas + Incl</td>
<td>8.8 billion lbs Cu, 12.8 million oz Au, and 43.6 million oz Ag</td>
</tr>
<tr>
<td>Schaft Creek</td>
<td>Copper Fox/Teck</td>
<td>Meas + Incl</td>
<td>10.5 billion lbs Cu, 7.37 million oz Au, 455.5 million lbs Mo, and 66.7 million oz Ag</td>
</tr>
<tr>
<td>Premier (Big Mountain &amp; Marble Creek)</td>
<td>Ascot Resources</td>
<td>Meas + Incl</td>
<td>2.204 million oz Au, 15.339 million oz Ag; Inferred: 443,000 oz Au, 2,947 million oz Ag</td>
</tr>
</tbody>
</table>

#### Historic Production (from BC Minfile)

<table>
<thead>
<tr>
<th>Deposit Name</th>
<th>Owner</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Snip Mine Historic Production</td>
<td>Cominco</td>
<td>Approximately 1 million oz Au from 1 Mt ore @ 12 g/t cutoff; average recovered grade 24.5 g/t Au</td>
</tr>
</tbody>
</table>

The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

The figures quoted above are sourced from current NI43-101 Technical Reports found on the SEDAR website (www.sedar.com). The author and Qualified Person has not done any additional work to verify the figures quoted above, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report. However, all resource calculations (barring the one for GJ) quoted above were sourced from NI43-101 Technical Reports that were prepared by Qualified Persons and the author and Qualified Person has no reason to believe that the resource calculations are erroneous or misleading.

NI43-101 Technical Reports, Feasibility and Pre-Feasibility Studies, and one company news release quoted in the figures above are as follows (see Section 19: References for complete citations):
- Schaft Creek: Farah et al., 2013 (NI43-101 Feasibility Study), and
- Galore Creek: Gill et al., 2011 (NI43-101 Pre-Feasibility Study)
- KSM: Huang et al., 2012 (NI43-101 Pre-Feasibility Study)

Figure 15-1: Selected Au±Cu deposits in the Stikine and Quesnel Terranes, Spectrum Property shown as red star.
The author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

The following deposit summaries are sourced mainly from the British Columbia Geological Survey Minfile database (http://minfile.gov.bc.ca) and from current NI43-101 Technical Reports found on the SEDAR website (www.sedar.com). Taiga has not performed any additional work to confirm and verify the information supplied by the Minfile database, but is confident that the information contained therein is reasonably accurate.

15.1 Porphyry Deposits

15.1.1 Red Chris

Source: Imperial Metals Corporation (Gilstrom, Anand, and Robertson, 2012)

The Red Chris porphyry copper-gold deposit lies approximately 11 kilometres east of Highway 37 and 82 kilometres south of Dease Lake, in the highly dissected and rolling terrain of the Tanzilla Plateau.

The deposit is hosted by the Red Stock, an east-northeast elongated intrusive body of pervasively quartz-sericite-ankerite-pyrite (phyllic) altered, and faulted sub-volcanic, hornblende monzonite porphyry intrusion. The stock intrudes and alters Upper Triassic Stuhini Group massive volcanic
Skeena Resources Ltd  
Spectrum Property, British Columbia

wackes, siltstone and augite-porphryitic basalt in the southwestern area of the Todagin Plateau. The southern margin of the stock is faulted against Middle Jurassic sedimentary rocks of the Bowser Lake Group. R.M. Friedman has reported a new uranium-lead zircon crystallization age determination for the Red Stock of 203.8 +/- 1.3 Ma or Upper Triassic.

Chalcopyrite and localized concentrations of bornite are commonly associated with zones of quartz stockwork and sheeted quartz veining. The quartz stockwork forms a steeply dipping, high grade core zone associated with intense and pervasive carbonatization that is surrounded by and gradational into barren to weakly mineralized, phyllic (quartz-sericite-ankerite-pyrite) altered host stock. Quartz stockwork zones dip steeply to the north and parallel the long axis of the Red Stock.

Prominent east-northeast trending structures have controlled the orientation of the Red Stock and the zone of mineralization. Faults identified as active, either before or during the mineralizing event, are generally healed and associated with intense silicification. The fault orientation has been defined as striking 060° to 090° and dipping approximately 75° to the south. These are normal faults with dominantly dip-slip movement. Fault gouge zones produced by reactivation of earlier structures vary from several centimetres to 50 metres in width and are a prominent feature throughout the drill core. The gouge material contains rounded centimetre-sized fragments of altered and mineralized (pyrite-chalcopyrite) Red Stock in a matrix of clay, quartz and carbonate. As emphasized by Newell and Peatfield (CIMM Special Volume 46), disruption of the mineralized zone by faulting is an important aspect of the deposit but difficult to characterize on sections due to uncertainty in correlating the many fault zones from drill hole to drill hole.

The author and Qualified Person has not verified the Red Chris resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

15.1.2 Schaft Creek

Source: Copper Fox Metals Inc. (Farah et al., 2013)

The Schaft Creek porphyry copper-molybdenum deposit is located on the western flank of a complex belt of rocks up to 10 kilometres wide and 50 kilometres long between Mess and Schaft creeks. This belt is overlain east of Mess Creek by a broad north trending belt of Cenozoic volcanics, while west of Schaft Creek three different intrusive units have formed another broad north trending belt. The deposit occurs near the eastern margin of one of these units, the Middle(?) Triassic-Middle Jurassic aged Hickman batholith, a crudely zoned complex with a core of pyroxene diorite grading outward to biotite granodiorite composition at the margins. North of this batholith is a massive Tertiary-Cretaceous quartz monzonite, which intrudes both the batholith, and a Juro-Cretaceous intrusion of granodiorite to quartz diorite composition.

Major north-striking faults occupy the valley of Mess and Schaft creeks near the boundaries of the belt. The terrain between the creeks is underlain by complex stratigraphy composed mainly of Upper Triassic andesitic tuffis, flows, breccia’s and derived sediments. The oldest rocks in the belt are Permian limestones that appear to be in fault contact with the volcanic rock. Upper Triassic basaltic augite porphyry occurs as large dyke-like bodies cutting the volcanic pile. Quartz monzonite and dioritic rock related to the three intrusions, form small stocks and tabular
bodies throughout this belt. Souther (Geological Survey of Canada Map 11-1971) also describes an area of Lower Jurassic conglomerate a few kilometres to the north of this occurrence. Rhyolite and diabase dykes of probable Cenozoic age are also numerous.

Mineralization occurs partly within a basin-like structure of fragmental and undivided green andesite volcanics, 900 metres in diameter. The basin is intruded by augite porphyry basalt and by vertical north-striking quartz diorite dykes. A breccia cuts the western edge of the basin and trends north for at least 2700 metres. Post-mineralization mafic dykes are common. Later flatlying fragmental purple andesite units unconformably overlie the northeastern part of the deposit (Canadian Institute of Mining and Metallurgy June 1975).

In general, pyrite, chalcopyrite, bornite and molybdenite occur predominantly in fractured andesite. Less than 10 per cent of the mineralization occurs in felsic intrusives. Pyrite and bornite are mutually exclusive and most of the main deposit occurs within the bornite zone, with pyrite on the periphery. A barren zone, which contains no sulphides, conformably underlies the main deposit. The main deposit is generally conformable with the lithological basin, but cuts its northern wall. A core of low-grade mineralization occurs in the northern half of the deposit. Two much smaller, but somewhat higher grade deposits are associated with the breccia.

The distribution of most sulphide minerals is fracture-controlled. Sulphides occur in dry fractures or combined with quartz or quartz-calcite veinlets within the andesitic volcanics. The sulphides within the felsic intrusives are usually disseminated and seem to have replaced the mafic minerals. Trace amounts of covellite, chalcocite, tetrahedrite and native copper have been identified. Minor amounts of galena and sphalerite occur in the breccia zone and in small calcite veins. Gold and silver are associated with the sulphides and average 0.34 grams per tonne and 1.71 grams per tonne, respectively.

The author and Qualified Person has not verified the Schaft Creek resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

15.1.3 GJ

Source: Canadian Gold Hunter Corp. (Mehner, Giroux, and Peatfield, 2007)

This GJ occurrence is located near the southwestern end of the Groat Stock at the head of "Groat" Creek on the Klastline plateau. Exposure is poor except where the plateau is cut by deep creek drainages. Mineralization and alteration are similar to the Red-Chris deposit (104H 005) but less extensive.

The Early Jurassic Groat Stock intrudes Upper Triassic Stuhini Group fine-grained clastic and pelagic sedimentary rocks consisting of bedded sandstone, siliceous siltstone, chert and graphitic chert. Volcanic siltstone, sandstone and conglomerate overlie these siliceous sediments to the north. To the south are coarse andesite and basalt derived conglomerates. The country rocks are cut by several coarsely augite-phyric mafic sills which, in turn, are cut by Groat dikes.

The Groat Stock is a faulted, northeast trending, coarse-grained porphyritic to fine-grained equigranular intrusion with granodiorite to quartz monzonite modal compositions. A Uranium-
Lead age date of 205.1 plus/minus 8 Ma (Upper Triassic) was determined by R.M. Friedman of the University of British Columbia (Fieldwork 1996, page 295).

The most prominent alteration types are ankerite flooding and silicification. Several zones of intense ankerite alteration and brecciation, 10 to 30 metres wide, cross the area from east to west. Peripheral to these zones, the pluton and country rock are cut by abundant discrete veins of ankerite and calcite. The carbonate alteration was previously interpreted as pervasive potassium feldspar alteration. Minor quartz stockwork veining is present throughout the 1991 drill-core and some sedimentary (or volcanic?) units appear to be totally silicified, typically being logged as quartzite. Weak phyllic to argillic alteration is thought to be fairly common throughout the intrusive rocks in the deposit area.

Mineralization, hosted by siliceous sediments and by the southwestern part of the pluton, consists of pyrite and chalcopyrite in stringers, disseminations and in quartz and quartz-carbonate veins. Sphalerite and galena are present locally. Assays suggest that gold and copper values are higher in the pluton than in the country rock.

Assays from drill core indicate a maximum grade of 2.16 per cent copper over 3 metres (Assessment Report 9773). More commonly, copper grades from 0.2 to 0.7 per cent over intervals of 60 to 90 metres. Gold and silver values are high when copper is high. Gold values range from 0.69 to 2.40 grams per tonne in an approximate ratio of 0.34 grams per tonne gold for every 0.20 per cent copper (Assessment Report 9773). Silver values range between 3.43 and 13.7 grams per tonne, however, several 3 metre intervals assay greater than 34.29 grams per tonne and, one 3 metre section carried 85.71 grams per tonne silver (Assessment Report 9773).

In 2005 it was reported that Donnelly and GJ zones are part of a very large intense sulphide system that occurs along the southern flank of the Groat stock. This sulphide system, as defined by geophysics, is at least four kilometres by one kilometre in extent and is open-ended. Within the sulphide system, almost continuous copper-gold mineralization has been traced for about 2.5 km from the east end of the GJ zone to the west end of the Donnelly zone. The best results from the GJ drilling in 2005 were from hole CGH-05-48, which intersected 41.83 metres grading 0.456 per cent copper and 1.272 grams per tonne gold, and from trench TR-05-4, which yielded 0.43 per cent copper and 0.92 grams per tonne gold over 38.0 metres (Press Release, November 17, 2005).

The author and Qualified Person has not verified the GJ resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

15.1.4 North Rok

Source: Colorado Resources Ltd. (Giroux & Rebagliati, 2014)

The North ROK property is a very recently discovered deposit that is underlain by volcanic and sedimentary rocks of the Upper Triassic, Stuhini Group to Lower Jurassic, Hazelton Group, that are intruded by Upper Triassic to Early Jurassic stocks and dykes. Auriferous pyrite-chalcopyrite mineralization is associated with the intrusive rocks. The North ROK Property contains four
historical copper ± gold BC Minfile occurrences: HI or “Klappan Rose”, Plateau, Mabon, and Edon.

In 2012 Colorado Resources conducted exploration on the western claim blocks at North ROK including soil sampling, prospecting/rock sampling, ground magnetometer surveying, and induced polarization surveying. Soil and rock sampling returned elevated and anomalous copper and gold concentrations in the vicinity of the Mabon occurrence. The ground magnetometer survey outlined significant magnetic anomalies underlying and to the west of the Edon and Mabon copper-gold occurrences. Induced Polarization identified a high-chargeability anomaly underlying the Mabon occurrence. Further programs of geophysical, geochemical, and geological surveying to expand the area surveyed and to better define drill targets were conducted in 2013. Diamond drilling was initiated to test prospective coincident geophysical and geochemical anomalies and to begin the delineation of the large Mabon mineralized alteration zone encompassing the historic Mabon and Edon copper-gold occurrences.

Exploration defined the principle characteristics and features of the North ROK porphyry copper-gold deposit located within the extensive Mabon mineralized alteration zone (Mabon Zone). The Mabon Zone represents an Upper Triassic alkalic porphyry copper-gold system, where mineralization is predominately hosted in an elongate, 3000 m x 1000 m fine-grained, quartz deficient plagioclase phryic monzodiorite intrusion, the Mabon Stock, dated at 215.8 +/- 3 Ma. The Mabon Stock and enclosing volcanic rocks are imprinted by a well-defined zoned hydrothermal and contact metamorphic alteration assemblage. The alteration zones from: (high temperature) potassic alteration to quartz-pyrite (phyllic) to epidote to chlorite (low temperature).

A well-developed early biotite hornfels alteration assemblage is documented in the volcanic rocks along the northeastern flank of Mabon Stock. Copper and gold mineralization, as disseminated and vein-hosted chalcopyrite, has been identified by diamond drilling over a strike length of 900 m at the Mabon Zone.

Highlights of the 29 hole, 11,448 m drilling program completed in 2013 include 333 m of 0.51 % Cu and 0.67 g/t Au (NR13-001: 2 m-335 m); 402.2 m of 0.28 % Cu and 0.27 g/t Au (NR13-013: 162.6 m-564.8 m); and 177.1 m of 0.30 % Cu and 0.39 g/t Au (NR13-017: 272 m - 449.1 m). Note that intercept lengths are core lengths and may not be indicative of true thicknesses.

A mineral resource has been estimated for the North ROK deposit using 18 of the 29 holes that intersect the mineralized solid over a strike length of 700 m. The Inferred Mineral Resource using a 0.20 % Copper Equivalent cut-off is 142.3 million tonnes averaging 0.22 % Copper and 0.26 g/t Gold which contain 690.30 million pounds of copper and 1.19 million ounces of gold (Source: Colorado Resources Ltd. NI43-101 Technical Report, January 27, 2014).

The author and Qualified Person has not verified the North Rok resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.
15.1.5  Galore Creek

Source: NovaGold Resources Inc. (Gill et al., 2011)

Twelve alkalic porphyry copper-gold deposits are known to occur within the Galore Creek syenite complex. This complex comprises a series of Late Triassic to Early Jurassic orthoclase-porphyry syenitic bodies which have intruded coeval Upper Triassic Stuhini Group volcanic rocks and related sediments. Faults which offset and segment the intrusive rocks and a sub-horizontal fracture cleavage are the two main structural elements in the syenite complex. The complex is roughly 5 by 2.5 kilometres in area.

The deposits are hosted primarily by highly altered potassium-enriched volcanic rocks and pipe-like breccias adjacent to syenite dikes and stocks. Typically, the deposits are manto-shaped and have a north to northeast trend related to the syenite contacts and zones of structural weakness. The syenite complex is made up of four intrusive phases that are most closely associated with the copper deposits. Six other phases are recognized but are peripheral to the Galore Creek Central zone deposit. The copper-bearing rocks near the syenite intrusion are extensively metasomatized, recrystallized and locally brecciated. These may include pyroclastic and intrusive breccia, trachyte, phonolite, lithic tuff, crystal tuff, pyroxene basalt, pyroxene andesite and minor sediments. These rocks have been converted to skarns and fenitic “porphyroids” so that original rock types are unclear. The term "hornfels" was frequently applied to these meta-volcanic rocks in the early stages of exploration.

The Central zone is by far the largest of the Galore Creek deposits, measuring greater than 1700 metres in length along a strike of 015°. The zone is up to 500 metres wide and dips steeply to the west to a depth of at least 450 metres. The deposit is centred on an elongate, steeply dipping breccia pipe, the long axis of which is parallel to the trend of the deposit. The deposit is roughly tabular in shape and is composed of several parallel en echelon copper zones. Abundant post-mineral faulting has occurred but displacement appears small.

The author and Qualified Person has not verified the Galore Creek resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

15.1.6  KSM (Kerr-Sulphurets-Mitchell)

Source: Seabridge Gold Inc. (Huang et al., 2012)

The KSM project consists mainly of the Kerr (104B 191), Sulphurets (104B 182) and Mitchell (104B 103) deposits.

The Mitchell porphyry zone is comprised of schistose rocks with abundant sericite, disseminated pyrite and a strongly deformed quartz-pyrite-chalcopyrite stockwork containing remarkably uniform copper and gold grades. The phyllic alteration assemblage appears to overprint earlier chloritic and potassic events also associated with stockwork mineralization. The porphyry deposits on the KSM property are associated with the Mitchell intrusions, i.e. High-level diorite to monzonite plugs and dikes that intrude folded and faulted volcanic and sedimentary rocks of the Jurassic Hazleton and Upper Triassic Stuhini groups.
A variety of dikes, sills, and plugs of diorite, monzodiorite, syenite, and granite are of Early Jurassic age and they are collectively referred to as the “Mitchell Intrusions”. Large, coalescing hydrothermal alteration haloes developed around nested volcanic-intrusive complexes. Below the Sulphurets and Mitchell thrust faults, pre- and intra-mineral intrusives have historically been very difficult to differentiate due to intense hydrothermal alteration. Above the faults there are a number of sills and plugs of coarse-grained feldspar porphyritic monzonite to low-silica granite that intruded siliceous hornfelsed sediments and volcanics. Copper and gold mineralization is typically best developed at the margins of these intrusions. There appear to be both pre-, intra-, and post-mineral phases of mineralization.

The Mitchell zone is exposed in Mitchell Creek valley through an erosional window exposing the footwall of the Mitchell thrust fault. The zone is a moderately dipping, roughly tabular gold-copper deposit measuring approximately 1,600 meters along strike, 400 to 900 meters down dip, and at least 300 to 600 meters thick. It consists of a foliated, schistose or mylonitic zone of intensely altered and sulphide bearing rocks, with a variably distributed stockwork of deformed and flattened quartz veinlets. The schistosity generally follows an east-southeast direction, and dips moderately steep to the north. In general, the core area of mineralization has a moderate plunge to the north or northwest, and is lineated in an east-southeast direction.

Recent glacial melt-back has provided surface exposure of a relatively fresh gold-copper porphyry system. A zone of intense quartz and sulphide veining (“High Quartz”) forms resistant bluffs in Mitchell valley. However, the higher grade core area is mostly covered by talus and moraine west of the bluffs. Active oxidation and leaching of sulphides has produced prominent gossans and extensive copper sulfate precipitates at the surface.

The Mitchell zone is considered to lie within the spectrum of the gold-enriched copper porphyry environment. Metals, chiefly gold and copper (in terms of economic value), are generally at low concentrations, finely disseminated, stockwork or sheeted veinlet controlled, and pervasively dispersed over dimensions of hundreds of meters. Grades diminish slowly over large distances; sub-economic grades are encountered at distances of several hundreds of meters beyond the interpreted centre of the system.

The author and Qualified Person has not verified the KSM resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

### 15.2 Porphyry-Associated Epithermal “Lode” Veins

#### 15.2.1 Brucejack

*Source: Pretium Resources Ltd. (Jones, 2013)*

The Brucejack property lies within the Hazelton group, an Early to Mid-Jurassic volcano-sedimentary sequence of rocks formed during the formation of the Stikinia island arc. The Hazelton group and the underlying rocks of Stikinia host several important economic mineral deposits relating to arc volcanism including; porphyry, epithermal, and volcanogenic massive sulphide deposits. The Brucejack deposit is classified as a transitional epithermal gold-silver
occurrence hosted in stockwork veining located up stratigraphy from several large porphyritic intrusions.

Submarine andesitic volcanic flows, breccias, tuffs, and associated immature sediments underlie much of the Brucejack Property. The site is interpreted as composed of intra arc basin fill in which numerous facies changes, growth faults, and stratigraphic boundaries acted as low porosity conduits for fluid flow. Stockwork veining occurred as result of a telescoping porphyry system introducing magmatic fluids through these conduits to the overlying strata. Depressurization and chemical reactions with host rocks and sea water is thought to have initiated the precipitation of gold and silver bearing quartz-carbonate veins. As a result of this fluid flow, the host rocks display intense quartz-sericite-pyrite alteration along a broad band that loosely follows a stratigraphic contact between an underlying layer of conglomerate and overlying andesitic fragmental rocks. All of the mineralized zones on the Brucejack property are located within or close to this alteration band.

Gold and silver mineralization occurs as coarse electrum in several generations of quartz-carbonate veins and vein breccias. Sulphide mineralization is present in most of the veins with pyrite, sphalerite, galena, chalcopyrite, and pyrargyrite \( Ag_3SbS_3 \) being most commonly present.

The bulk of the gold resource at the Brucejack property is located within the Valley of the Kings. Here, coarse electrum mineralization occurs within close proximity to the conglomerate-andesite fragmental contact that outlines an eastward plunging syncline. Along this contact, most predominantly on the southern limb, a layer with intense silica alteration has formed. It is thought that this layer has acted as an impermeable boundary allowing pressure to build up below. Subsequent breaking or fracturing or breaking of this boundary may have resulted in rapid depressurization, boiling and deposition of electrum in very high grade veins yielding drill core assays up to 41.5 kg/t gold.

The author and Qualified Person has not verified the Brucejack resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

### 15.2.2 Snip Mine

Source: Mine Environment Neutral Drainage (MEND), 2005

The Snip Mine was an underground gold mine that operated from 1991 to 1999. The Snip property is underlain by upper Triassic feldspathic greywacke, siltstone and mafic tuff that are members of the Stuhini Group. Greywacke is the predominant lithology in the mine workings, with minor amounts of siltstone/mudstone and sandstone. The sedimentary rocks strike generally east-west and dip variably north.

The ore at Snip occurred in mineralized veins emplaced progressively in a dynamic tectonic environment, characterized by semi-brittle deformation (Rhys, 1993). Four discrete yet interrelated ore zones were mined; the Twin Zone, the 150 vein and the 130 vein, which are physically connected, and the Twin West Zone, which occurs on the other side of the tailings impoundment. The main zone of gold mineralization, the Twin Zone lies within greywacke one kilometer to the south and parallel to the Red Bluff porphyry. The Twin Zone was a 0.5 to 15 m
wide, sheared quartz-carbonate-sulphide vein that strikes at 300° and dips southwest at 40° to 65°. It was traced by drilling over 1,000 m (ore strike length is 600 m) and had a vertical range of 500 m. The ore zone plunged 50° northwest and bottomed out at 180 m elevation. The top of the vein was truncated by surface topography. The Twin Zone was a normally directed shear with approximately 28° oblique westerly slip. The name of the Twin Zone was derived from a post-ore biotite lamprophyre dike (known as BSU or biotite spotted unit), which lay in the plane of the ore vein and commonly divided it in two segments.

The 150, 150 Footwall and 130 veins splayed off the footwall of the Twin vein at angles of 30° and 10° respectively (150° and 130° true azimuth). They were narrow but high-grade veins. The 30 vein was 10 cm wide, but was 200-300 g/t Au and constituted about 20% (200,000 t) of the Snip resource prior to mining. The northwest and southeast ends of the Twin zone were marked by cross faults, the West Bounding fault and the Red fault. The Twin vein (with Py-Po-Bio ore) was offset right laterally by the Red fault, but the BSU dike was unaffected. Biotite was the principal alteration mineral in the wall rock. It was a widespread metamorphic mineral, but having a different felted, hydrothermal biotite texture that resulted in a characteristic dark coloured envelope around ore veins. Pale calcite, K-feldspar and quartz occurred as an outer envelope to veins.

The author and Qualified Person has not verified the Snip Mine resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

15.2.3 Premier Mine (Silbak-Premier, Big Missouri, Martha Ellen, Dilworth Deposits)

Source: Ascot Resources Ltd. (Simpson, 2014)

The Silbak-Premier Mine, located 22 km north of Stewart, BC, was discovered in 1910 and produced gold-silver-lead-zinc-copper ore from 1918 to 1968; 1976 to 1979; and again from 1989 to 1996 through open pit and underground mining. Total recovery was 2 million oz of gold, 42.8 million oz of silver, 54 million lbs of lead, 17.6 million lbs of zinc, 4.1 million lbs of Copper, and 177,785 lbs of Cadmium. Westmin conducted extensive exploration from 1979 to 1996 on the Premier and Big Missouri properties. A 2000 t/d mill facility was put into operation in 1989 and was closed in 1996 due to low metal prices. Premier Gold’s total production amounted to 5.6 million tons grading 0.331 oz/ton gold and 7.117 oz/ton silver from 1918 to 1987 and 3 million tons grading 0.085 oz/t gold and 1.67 oz/t silver from 1989 to 1996. At the time of the mill closure in 1996, the property had remaining reserves totaling 350,140 tonnes grading 7.19 g/t gold, 37.7 g/t silver and 1.6% zinc.

The Big Missouri deposit, located 8km north of the Premier Mine, produced 847,612 tons of ore underground from 1927 to 1942 with a recovery of 58,383 oz of gold, 52,676 oz of silver, 3,920 lbs of zinc, and 2,712 lbs of lead. The S1 and Dago zones at Big Missouri property were mined using small open pits. In the Dago pit, 384,000 tonnes of ore grading 1.2g/t gold and 10.0g/t silver were produced from 1988-1989. In 1990, a total of 304,000 tonnes of ore grading 2.4g/t gold and 10.0g/t silver were produced in the S1 pit.

Ascot Resources Ltd. completed surface sampling programs on the Dilworth property in 2007 and 2008. A total of 99 DDH were completed in 2007 and 2008 with a total of 15948.39 meters
covering the significant showings in the Dilworth area included the Sparky, the Hammer, the Chicago, the Yellowstone, the Oxidental, and the 49er zones. Ascot also completed an airborne Mag/EM survey and airborne Radiometric survey in 2008 revealed that a distinct high K/Th ratio anomaly ran roughly north northwest across the western portion of the property, the radiometric signatures between Dilworth, Martha Ellen, Big Missouri, and Premier were distinctively similar, and elevated potassium content was associated directly adjacent to gold mineralization and absent within mineralization (Shives 2009). A total of 679 drills holes were completed between 2007 and 2013 for a total of 144,676 meters in the Big Missouri, Martha Ellen, Dilworth, and Premier Mine areas.

Rocks of the Hazelton Group host most of the significant deposits and occurrences within the Premier Property. Kirkham and Bjornson (2012) describe the Property as being largely comprised of a thick package of homogeneous andesitic tuffs, lapilli tuffs, and flows which lack reliable bedding or layering. Regional mapping by Alldrick (1993) and others determined that the entire Hazelton Group package between the Salmon Valley and Mount Dilworth was a north to NW striking steeply east dipping succession that younged to the east.

Dikes of Premier Porphyry are the most abundant intrusive rocks at the Premier Mine and are spatially associated with most mineralized zones. The dikes are interpreted by Alldrick (1993) to be ring dikes that formed in a parasitic vent on the flank of a major stratovolcano centered in the Big Missouri area.

At Big Missouri, Kirkham and Bjornson (2012) document gold-silver mineralization as being associated with quartz breccias, quartz veins, quartz stockwork and siliceous breccias often within large areas of quartz-sericite-pyrite alteration. These altered units represent silica flooding, silicification and quartz stockwork and, although originally interpreted as sedimentary cherty tuff, they are now considered to be a result of the secondary alteration of host rocks due to their textures and variable nature. Small scale features commonly include open spaced textures, occasional chalcedony zones, and crustiform banding. Quartz breccias can display multiple phases of silicification with up to five stages of silicification identified.

Kirkham and Bjornson (2012) report that gold and silver values are closely associated with silicification and gold occurs dominantly as electrum with native gold present locally. Silver occurs as its native form, electrum, argentite and friebergite. The most common sulphides consist of pyrite, sphalerite with minor galena, chalcopyrite, and pyrrhotite. The western part of the Big Missouri Deposit tends to have higher sulphide contents and a greater abundance of sphalerite and galena. The eastern portions have generally lower sulphide contents and a greater range of sulphosalts including the majority of the argentite, friebergite and tetrahedrite. Typically the eastern portions contain higher silver values than seen on the west side. This zonation is very similar to that seen at the Premier mine and suggests the east side of the Big Missouri Deposit is the higher level portion of the hydrothermal system. This is supported by the stratigraphic and alteration sequence. Quartz-sericite-pyrite alteration also becomes more abundant and develops as a thicker package on the eastern side of the system perhaps a swelling of the alteration at higher levels or a closer association with Premier Porphyry bodies.

The quartz breccias and siliceous breccias display better continuity in a dip direction and can be traced for 300 to 400 m down-dip and 100 to 150 m along strike and vary from 5 to 50 m in thickness.
Mineralization in the Dilworth area consists of various forms of quartz veins, quartz stockwork, and quartz and siliceous breccias which are similar to Martha Ellen's and Big Missouri's styles of mineralization. Quartz-sericite-pyrite (QSP) alteration is generally moderate except in the Forty Nine area where more extensive QSP alteration is closely associated with contacts of Premier Porphyry bodies. The Dilworth area has a higher silver/gold ratio than the Big Missouri and Martha Ellen area which could once again support this area is a higher level or more distal portion of the hydrothermal system than in the Big Missouri and Martha Ellen areas. The Dilworth area still has high grade gold veins present in quartz breccias. It is believed that the Dilworth, Martha Ellen, and Big Missouri areas were originally one large system. Subsequent thrust and lateral faults and dyke swarms created the discontinuity and offset.

Alldrick (1993) interprets the 200 mineral occurrences in the Stewart district as forming during two distinct mineralizing events that were characterized by different base and precious metals suites. One ore-forming episode occurred in Early Jurassic time and the other in the Eocene. Both metallogenic epochs were brief, regional-scale phenomena. The Early Jurassic mineralization such as the Big Missouri and Premier Deposits were deposited in andesitic to dacitic host rocks at the close of volcanic activity, at about 185 Ma (Alldrick 1993). These deposits have regional zoning patterns that are spatially related to plutons of the Texas Creek suite and to their stratigraphic position within the Hazelton Group volcanic-sedimentary sequence. The Early Jurassic hydrothermal system acquired its characteristic suite of silver, gold, zinc, lead and copper from magmatic fluids. Early Jurassic deposits include gold-pyrrhotite veins, veins carrying silver, gold and base metals, and stratabound pyritic dacites. Gold-pyrrhotite veins formed adjacent to the subvolcanic plutons during late magma movement. Epithermal base and precious metal veins and breccia veins were formed along shallower faults and shears, and in hydrothermal breccia zones along the contacts of subvolcanic dikes. Stratabound pyritic dacites are barren fumarole and hot spring-related deposits that formed on the paleosurface from shallow groundwater circulation within hot dacitic pyroclastic sheets.

Panteleyev (1986) and Alldrick (1993) consider the Big Missouri Deposit to be an epithermal deposit. Recent work by Ascot (Kirkham and Bjornson 2012) describes mineralization as gently discordant to stratigraphy and analogous to the Premier Mine area which is classified as a low sulphidation epithermal system with some affinities to polymetallic vein systems. The understanding of the Big Missouri system has advanced a great deal with drilling to define the resource. Diagnostic features of the deposit include quartz veins, stockworks and breccias carrying gold, silver, electrum, argentite and pyrite with lesser and variable amounts of sphalerite, chalcopyrite, galena, rare tetrahedrite and sulphosalts minerals. The mineralization commonly exhibits open-space filling textures and is associated with volcanic-related hydrothermal to geothermal systems in a high-level (epizonal) to near-surface environment.

Kirkham and Bjornson (2012) report that historically the stratigraphy was difficult to establish with only limited bedding in the Unuk River Formation andesites. With new drilling the series of formerly isolated occurrences are shown to be a large continuous mineralized system offset by a series of east directed thrusts. The western deeper part of the system in the Big Missouri-Province area is more base metal (Pb and Zn) rich and crosscuts argillites of the Upper Siltstone Member and persists through the Upper Andesite Member of the Unuk River Formation. The mineralization on the eastern side of the Big Missouri Deposit in the Dago-Unicorn area displays higher silver contents associated with sulphosalts and is associated with low sulphide
silicification +/- barite and chalcedony and migrates into the Betty Creek Formation that overlies the Unuk River Formation. This is very similar to the distribution of mineralization seen at the much more studied Premier mine, but on a much larger scale. Due to its gently dipping orientation, the outcrop expressions of the Big Missouri Deposit cover an area of greater than 3.0 km². Similar to the Premier Mine, the Big Missouri Deposit is now recognized to be associated with high level potassic dacites that occur both as intrusive and extrusive phases and are locally known as the “Premier Porphyries”.

The author and Qualified Person has not verified the Premier (Silbak-Premier, Big Missouri, Martha Ellen, Dilworth Deposits) resources, reserves and geology, and those resources, reserves and geology are not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

16. Other Relevant Data & Information

All relevant data and information regarding the Spectrum Property and exploration in Northern BC is included in other sections of this report.

17. Interpretation and Conclusions

Historical drilling has demonstrated that the Spectrum Property contains appreciable gold in north-trending structures that remain open along strike and at depth. The Authors are of the opinion that a larger gold resource could be defined through additional diamond drilling along strike. Drilling and geological mapping by previous operators defined a significant propylitic and potassic alteration halo surrounding the Central Zone that extends for at least 2x4 km and that the mineralisation is consistent with the presence of an underlying, larger intrusion having potential to host similar mineralisation at depth as has been encountered at surface. To date, high-grade gold mineralization has been intersected over a strike length of approximately 600 m in the Central Zone; if the size of the alteration halo is any indication of the extents of the mineralized system, and it compares well to other porphyry deposits in the area, then the potential for additional high-grade gold within the alteration zone is considerable. In particular, the 1.5 km-long section between the Central and East Creek Zones has seen very little exploration activity, but has good potential to contain an offset northern extension of the Central Zone. Much of the rest of the property is under-explored due to a lack of bedrock exposure and thick forest cover; careful prospecting, geological mapping, soil geochemical sampling and selected electrical geophysical surveys are merited to identify additional mineralized targets for follow-up drilling.

The high-grade gold zones at Spectrum occur adjacent to a monzonite intrusion and within a broader halo of low-grade disseminated Cu-Au mineralization. The style and tenor of mineralization on the property are strongly suggestive of an underlying porphyry Cu-Au hydrothermal system, likely concentrated around the cupola of a larger plutonic body at depth. Drilling on comparable deposits in the area, such as Red Chris, Schaft Creek, Galore Creek, KSM, and Brucejack has demonstrated that both high- and low-grade Cu-Au mineralization in this area can extend for many hundreds of metres into the subsurface. However, the author and Qualified Person has not verified the resources, reserves, or geology of other deposits in the region, and cautions that the resources, reserves, and geology of other deposits in the region are not necessarily indicative of the mineralization on the Property that is the subject of this technical report. Nevertheless, the Spectrum Property has significant potential to host a large
mineralized body composed of a high-grade, gold-rich core surrounded by a lower-grade bulk-tonnage-type Cu-Au halo. The Authors suspect that both types of mineralization could extend to significant depths beneath the current level of drilling, as the monzonite intrusion that is genetically linked to mineralization is probably contiguous with a larger intrusive body at depth.

It is the authors’ and Qualified Person’s opinion that there are no significant risks and uncertainties that could reasonably be expected to affect the reliability or confidence in the historical exploration information or the historical resource estimates. The most significant historical exploration work on the Property was completed between 1989 and 1993, and those Qualified Persons that were responsible for reporting of work completed during that time are well-known to the principal directors of Skeena Resources. Those Qualified Persons are well known and reputed to be of good and ethical character, and neither Skeena Resources nor Taiga Consultants have any reason to believe that the information reported by those Qualified Persons was in any way falsified or misleading. The Qualified Person responsible for this report on the Spectrum Gold Property has examined and verified the historical data, and has no reason to believe that this data is erroneous or will have adverse implications for the proposed 2014 exploration program.

All historical resource estimates referenced in this report are not current and a Qualified Person has not yet done sufficient work to verify them. Skeena Resources Ltd. is not treating the historical work as a current resource estimate, and further work will need to be completed in order to determine the grade and tenor of mineralization on the property to the standards expected by current reporting practises.

18. Recommendations

The Authors are of the opinion that Spectrum is a property of merit that warrants additional investigation. Exploration activities for the summer 2014 field season should commence with an initial three- to four-week reconnaissance program involving prospecting, geological mapping, soil geochemical sampling and an electromagnetic (EM) or Induced-Polarization (IP) survey, followed by a four- to six-week drill campaign totaling around 5,000 metres of drilling. Field activities should be preceded by a thorough “office-based” review and compilation of all historical data, including drilling, trenching, soil geochemistry, geophysics, rock sampling, and geological mapping. The goal of the 2014 work should be to validate the known mineralisation and to explore the potential for additional mineralisation along strong and at depth sufficient to allow Skeena to confidently complete its agreement with the vendor.

Initial reconnaissance work should be targeted along the 1.5 km-long gap between the Central and East Creek Zones in an attempt to locate the offset northern extension of the Central Zone. Historical soil geochemical surveys have demonstrated a strong correlation between high gold values in soil and underlying high-grade mineralization, and so it is recommended that historic soil geochemical anomalies be followed up and modern surveys extend and detail existing coverage. Geologists undertaking geological mapping on the property should focus on producing an alteration map of the area, as high-grade gold mineralization has been demonstrated to occur primarily in association with intense potassic alteration in the Central Zone as this compares well to other deposits in the region where potassic alteration is a guide to mineralisation.
Initial exploration drilling should focus primarily on the shallower targets extending between the Central and East Creek Zones, though at least two historical drill holes in the Central Zone should be twinned in order to verify the presence of, location, and grade of gold zones identified by previous operators. Given that previous operators did not complete the modern QA-QC programs required by modern reporting standards, emphasis should be focused on a thorough QA-QC program on new work as well as seeking to validate previous results where possible. The goal of this latter work is to allow or re-assign historical drilling and trenching results sufficient to be used in future resource estimations. A series of drill fences oriented toward the east and spaced every 100-200 metres would be optimal to test for gold-bearing structures in the “Central-East Creek gap”, especially beneath any surface geochemical anomalies that extend in a north-south direction. Initial drill holes along the northern extension of the Central Zone should be angled at 55-75° and can be kept to depths of less than 250 metres. The majority are likely to be on the order of 120-150 m depth. Geologists tasked with core logging should be aware of the importance of alteration suites in this area as vectors toward higher-grade mineralization. Recognition of favourable alteration vectors will have the effect of streamlining drill operations and maximizing the chance of success in defining additional high-grade gold resources on the Spectrum Property.

Previous recommendations by Mining Associates and others to complete underground access to allow for more convenient drilling of the existing mineralisation have considerable merit as the mineralisation tends to dip parallel to the topographic slope. Taiga however considers such work to be premature at this time. The authors believe that the interest of the Skeena shareholders lie in the proof of concept of long strike and down dip extensions of known mineralisation as well as in validation of historical results. Subject to satisfactory results of the exploration program planned for 2014 the underground objective can be investigated when time and funds allow.
18.1 Summary Programme & Budget

Taiga has developed a preliminary work plan and budget for the summer of 2014, totaling approximately $2.5 million. This total covers an initial 3-4 week reconnaissance program followed by a 4-6 week drill campaign totaling 5,000 metres of drilling.

Table 18-1: Recommended Exploration Programmes

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<th>Item</th>
<th>Day Rate</th>
<th>Days</th>
<th>Cost</th>
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</thead>
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<td>Prefield Work</td>
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<td>Imagery- acquisition and interpretation</td>
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<td>Prefield- 2 people 2 days</td>
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<td>Mobe- 2 or 3 travel days + 1 vehicle from Calgary</td>
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<td>Expediting and groceries</td>
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Drilling

<p>| Accommodations                           |          |      |       |
| Camp Rental <del>25 persons                   |          | 25000|       |
| Expediting and groceries</del>25 persons       |          | 33000|       |</p>
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<th>Cost</th>
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<td>Junior Geologist/ Technician</td>
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<td>Core splitting and Logging tents</td>
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<td>~3500samples- including QA/QC</td>
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<td>140000</td>
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<td>Miscellaneous- Freight /Expediting- fuel, empty</td>
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<td>drums, Fuel containment etc</td>
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<td>Grand Total</td>
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19. References


20. Date & Signature Pages


I, Jacques Rémi Stacey, of 1036 1st Avenue NW in the City of Calgary in the Province of Alberta, do hereby certify that:

• I am a Consulting Geologist with the firm of Taiga Consultants Ltd. registered in the province of Alberta with offices at #101-2719 7th Avenue NE, Calgary, Alberta, Canada T2A 2L9.


• I am a graduate of Saint Francis Xavier University, BSc. Geology (1999), and the University of Calgary, MSc. Geology (2006), and I have practiced my profession continuously since graduation.

• Over the last nine (9) years, I have acquired considerable experience with porphyry and vein-hosted gold, silver, copper, molybdenum, and other commodities in British Columbia, Nunavut, and Argentina. During the last five (5) years I have designed and supervised numerous exploration programs, including, but not limited to: geochemical and geophysical surveys, geological and structural mapping programs, and diamond drilling programs.

• I am registered as a Professional Geologist (P.Geol.) in good standing with the Association of Professional Engineers and Geoscientists of Alberta (APEGA). Due to my experience, qualifications, and independence from both Skeena Resources Ltd. and Eilat Resources Inc., I am considered to be a “Qualified Person” for the purposes of National Instrument 43-101.

• I completed a site visit to the Spectrum Gold Property on the afternoon of June 19th, 2014. Three hours were spent on site on this date, during which time I inspected terrain and access routes, examined and sampled historical core, and inspected the area of proposed drilling for 2014.

• I have read and I am responsible for the entire technical report to which this certificate is appended, and have read National Instrument 43-101 for standards of disclosure for mineral projects and Form 43-101F1. This technical report has been prepared in compliance with this Instrument.

• I am independent of the Issuer, Skeena Resources Ltd., and the Spectrum Gold Property as set out in Section 1.5 of NI 43-101, and currently own no shareholding in the company. I do not expect to receive any interest (direct, indirect, or contingent) in the property described herein nor in the securities of or any related companies in respect of services rendered in the preparation of this report. I am also independent of the Vendor, Eilat Resources Inc., and do not expect to receive any interest (direct, indirect, or contingent) in the property described herein nor in the securities of or any related companies in respect of services rendered in the preparation of this report.
• I had no involvement with the Spectrum Gold Property prior to the commencement of the assembly of this technical report.

• As of the effective date of this technical report, 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 the technical report not misleading.

DATED at Calgary, Alberta, this day of August, AD 2014.

Respectfully submitted,

Jacques R. Stacey, MSc., P. Geol.