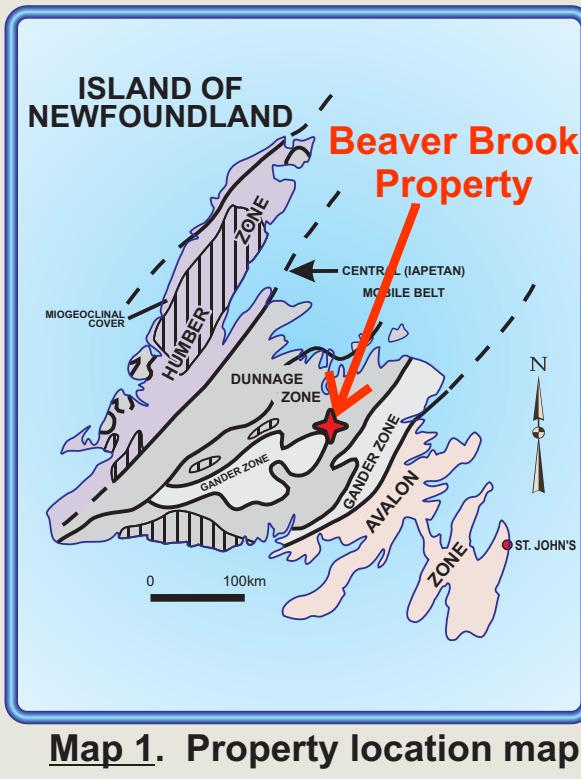


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Beaver Brook Au - Sb



Map 1. Property location map

The **Beaver Brook Property** is located 40 Km south of Glenwood, Central Newfoundland, (NTS sheet 2D/11, Map 1). Ready access to the property is provided by a road to the Beaver Brook Sb mine site and a system of logging roads.

Regional Geology

The property lies within the Exploits Subzone (Dunnage Zone) and is underlain by sedimentary rocks of the Botwood, Davidville and Indian Islands groups, intruded to the west by the Siluro-Devonian Mount Peyton Intrusive Suite, comprising a variety of gabbro, granodiorite, tonalite and granite phases. The Late Silurian to possible Early Devonian Indian Islands Group consists of several formations of variably calcareous sedimentary rocks and rare massive limestone. The Botwood Group is an extensive, thick, subaerial volcanic and sedimentary sequence thought to have formed in an epicontinental tectonic setting in subaerial to shallow marine conditions.

Local Geology

The regional lithologic succession consists of a unit of rhythmically-bedded siltstone underlying a distinctive pebble greywacke lithology, which in turn is overlain by a thick unit of black graphitic shale. Tallman and Evans (1994) outlined a general stratigraphic succession for the area, which includes rhythmic-bedded siltstone (footwall sequence), pebble greywacke (Hunan sequence) and graphitic shale (hanging-wall sequence). The mineralized zone (referred to as the Hunan Line) on the Beaver Brook Sb Mine Property comprises turbidites and epiclastic strata of lower greenschist grade.

Mineralization

The **Beaver Pk Property** lies within the Botwood Basin, a NE-trending, > 100-km regional belt of rocks containing numerous gold showings. Locally, the property is part of the Mustang Trend which extends from the NW side of Gander Lake to south of the Beaver Brook Antimony Mine. Gold showings include Road Breccia, Barite, Jasperoid, **O'Reilly** (Map 2), Cherry Hill, Clarke's Brk, Aztec, Greenwood and Pauls Pond. Some of these showings are the focus of active exploration. New gold discoveries include the Williams and Little Joanna showings, recently optioned to White Metals Resources.

There are 2 showings in the northern part of the property, **O'Reilly Au** and the **Contact Ag-Au-Cu-Zn-Mo-Sb-Pb occurrence**. The **O'Reilly Showing** consists of a 3.5 m wide, NE-trending zone of finely brecciated, vuggy quartz and pervasively silicified (chalcedonic) siltstone with disseminated pyrite. The southern flank of the zone contains a black, silica-sealed fault breccia: a channel assay returned **5.2 g/t Au over 1.0 m**. **Grabs returned up to 30.5 g/t and 12.98 g/t Au** (Smith et al., 2003). The O'Reilly Zone has a proven 90 m strike length: alteration has been traced over a 3-km-strike length and includes the **O'Reilly Extension Showing** 2 km to the northeast: grabs returned up to **6.35 g/t Au**. This showing remains open along strike. Chalcedonic, banded quartz veins, with trace stibnite hosted by fractured and clay-altered Mount Peyton granite, are located 1 km to the SW. One sample of this chalcedonic quartz assayed up to **500 ppb Au**.

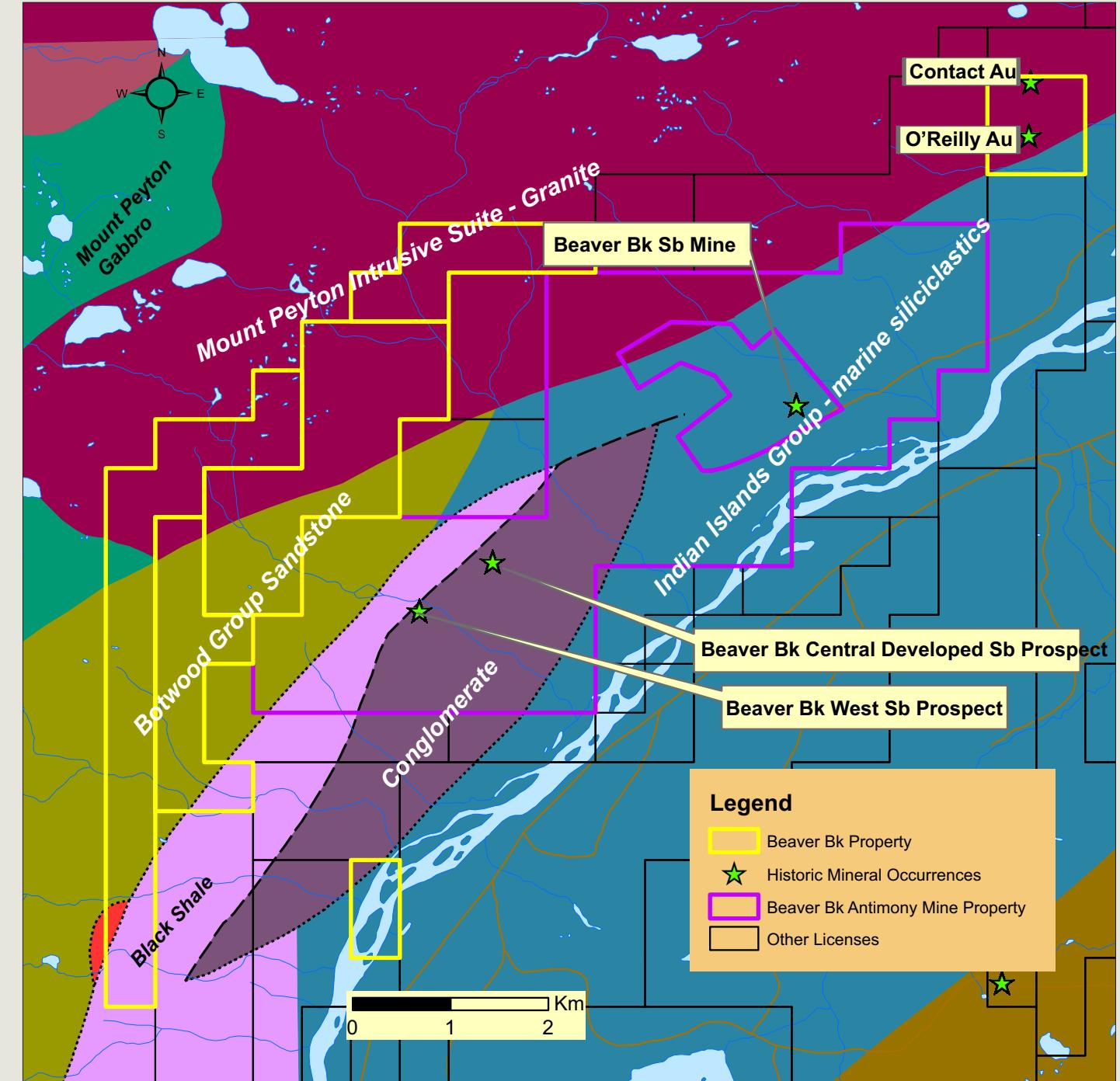
The second historic occurrence on the property is the **Contact Showing** (Map 2) located 400 m within granite of the Mount Peyton Intrusive Suite. The granite has undergone local argillic alteration and is cut by chalcedonic silica veins. It also contains minor pyrite and base-metal-sulphides. The prospect has returned assays of up to **1.2 g/t Au, up to 13.01 g/t Ag, and up to 0.82% Cu, as well as anomalous Pb, Zn, As, Sb and Mo** from boulder and outcrop samples (Barbour and Churchill, 2004). Chalcedonic veining also crosscuts the adjacent contact aureole of the granite. This, coupled with similar veining at the O'Reilly showing 600 m farther south, suggests the operation of a shallow-level hydrothermal event that affected all three areas. This is supported by the fact that all three areas occur within a single, broad gold-in-soil anomaly (Barbour and Churchill, 2004).

The property is adjacent to the Beaver Brook Sb Mine. The Beaver Bk East Zone (now Beaver Bk Mine), the Beaver Bk West and Central prospects (Map 2) were discovered by Noranda prospectors in 1989 during follow-up work on an 8 km long stream, silt and 4.5 km long soil Sb anomalies (Tallman, 1989; 1990). The mineralization occurs mostly as massive stibnite and vug fillings within dilatational fractures adjacent to and within fault zones. The Beaver Bk West Prospect, just over 1 km from the Beaver Brook property (Map 2), is hosted by a 150 m wide graphitic shale (Tallman and Evans, 1994), which is fractured, brecciated and faulted proximal to the prospect. Three styles of fracture-controlled veins are present at the Beaver Brook-West Zone prospect: 1) massive Sb (crystals up to 15 cm long); 2) Sb-quartz veins; and 3) sericite-chlorite veinlets with minor Sb. Individual veins up to 25 cm wide locally form zones of parallel veins up to 1.6 m wide (Tallman and Evans, 1994). Three styles of fracture-controlled veins are present at the Beaver Bk Central prospect (just over 1 km east of the Beaver Bk Property): 1) massive Sb (crystals up to 15 cm long); 2) Sb-quartz veins; and 3) sericite-chlorite veinlets with minor Sb. Individual veins up to 25 cm wide locally form zones of parallel veins up to 1.6 m wide (Tallman and Evans, 1994). Trenching and diamond drilling have outlined mineralization over a strike length of 272 m and to a depth of 75 m. Resources at the Central zone were determined to include 154 570 tonnes of ore at 5.62% Sb; however, this does not include the results from the 2008-2013 exploration drilling.

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The Beaver Bk Mine operation restarted in March 2019 after being on care and maintenance since 2013. The first shipment took place on June 19, 2019. At full production, 160,000 tonnes of antimony ore will be mined per year and processed into stibnite concentrate. The mine's expected life span is three and a half years. Quartz and stibnite veins in the Beaver Brook area bear marked similarity to those seen in the low-sulphidation, epithermal gold occurrences elsewhere in the region. They also share the same host rocks, have a common Sb-Au association, and both are adjacent to the Mount Peyton Intrusive Suite (Squires, 2005). Lithostratigraphy, structure and geophysics of the Beaver Bk Sb Mine continue into the Beaver Brook Property, which therefore has excellent prospectivity for the discovery of more economic deposits of Sb.



Map 2. Claims and property geology map

P.H. Davenport, L.W. Nolan, A.J. Butler, H.A. Wagenbauer and P. Honarvar, 1999. The Geoscience Atlas of Newfoundland. Newfoundland Department of Mines and Energy, Geological Survey, Open File NFLD/2687, Version 1.1