ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2014

May 27, 2015

Suite 3244 – Four Bentall Centre, 1055 Dunsmuir Street
P.O. Box 49282
Vancouver, British Columbia
Canada V7X 1L3

NEWMARKET GOLD INC.
ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2014

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INTRODUCTORY NOTES

Date of Information

All information in this annual information form ("**AIF**") is as of December 31, 2014, unless otherwise indicated.

Currency

All sums of money that are referred to herein are expressed in Canadian dollars, unless otherwise specified.

Cautionary Note Regarding Forward-Looking Statements

This AIF contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to Newmarket Gold Inc.'s (the "**Corporation**") planned timing and extent of work on exploration programs; statements or information with respect to financial disclosure; estimates of long term demand for and supply of gold, which inherently takes into account future gold prices and price volatility for gold; estimations of mineral resources and metallurgical recoveries; estimates of anticipated costs and expenditures; development timelines; and our goals and strategies. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain action, events or results "may", "could", "would", "might" or "will be taken", "occur", or "be achieved".

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking information, including risks associated with: global economic conditions; commodity price volatility; exploration and mining risks; financing risks and dilution; insurance and uninsurable risks; land title risks; environmental risks and hazards; permits, licenses and additional regulatory requirements; markets for securities and possible volatility of share price; reliance on key individuals; no mineral reserves; reliability of resource estimates; competition; stage of development; infrastructure; dividend policy; changes to exploration programs; share price volatility and liquidity; conflicts of interest; litigation, as well as those factors discussed or referred to in this AIF under the heading "Risk Factors".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the Corporation believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Corporation can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions identified in this AIF, assumptions have been made regarding, among other things: that the price of gold and other precious and base metals will not fall significantly; that the information in the National Instrument 43-101 technical report dated July 4, 2013 for the Point Leamington property (the "**Leamington Property**") is correct; about the Corporation's ability to secure new financing to continue its acquisition, exploration, development and operational activities; there being no significant adverse changes in currency exchange rates; there being no significant changes in the ability of the Corporation to comply with environmental, safety and other regulatory requirements; about the Corporation's ability to obtain regulatory approvals in a timely manner; and about the Corporation's ability to achieve its growth strategy. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Corporation does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Corporation was incorporated as 565300 B.C. Ltd. under the *Company Act* (British Columbia) on May 27, 1998 and changed its name to Raystar Enterprises Ltd. on August 13, 1998. The Corporation transitioned to the *Business Corporations Act* (British Columbia) (the "**BCBCA**") on May 25, 2004. On October 17, 2007, the Corporation changed its name to Raystar Capital Ltd., and on October 4, 2013 the Corporation announced that it had changed its name to Newmarket Gold Inc.

The head office of the Corporation is located at Suite 3244 – Four Bentall Centre, 1055 Dunsmuir Street, P.O. Box 49282, Vancouver, British Columbia, V7X 1L3. The registered and records office of the Corporation is located at Suite 2200 – 885 West Hastings Street, Vancouver, British Columbia V6E 3E8.

Inter-corporate Relationships

The Corporation has three wholly-owned subsidiaries, namely 0982583 B.C. Ltd. and 0982576 B.C. Ltd. (both incorporated pursuant to the provisions of the BCBCA), and Newmarket America holdings Inc. (incorporated in the state of Delaware, United States of America. All of the Corporation's subsidiaries are currently inactive. As used in this AIF, except as otherwise required by the context, reference to "**Newmarket**" or the "**Corporation**" means, collectively, Newmarket Gold Inc. and its subsidiaries (or any of them).

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History and Recent Developments

2012

During the year ended December 31, 2012, the common shares of the Corporation were listed for trading on the NEX Board of the TSX Venture Exchange ("**TSXV**") and the Corporation did not carry on any business activities.

2013

On June 21, 2013, the Corporation announced that it had entered into a Purchase and Sale Agreement with Calibre Mining Corp. ("**Calibre**") to acquire a 100% interest in and to the Leamington Property, consisting of a mining lease covering approximately 263 hectares located in the Green Bay District of Newfoundland. Under the terms of the Purchase and Sale Agreement, the Corporation acquired the Leamington Property for combined consideration of a $250,000 payment and the issuance of 1,000,000 common shares of the Corporation to Calibre. In connection with the transaction, Calibre also retained a 0.5% net smelter return royalty on production from the Leamington Property, which can be purchased by the Corporation at any time for $1,000,000. The Leamington Property is also subject to a 1.5% net smelter royalty payable to Glencore Xstrata plc and a 0.5% net smelter royalty payable to MFC Bancorp Ltd. The net smelter royalty payable to Glencore Xstrata plc is subject to a right of first refusal in favour of Rubicon Minerals Corp. The net smelter royalty payable to MFC Bancorp Ltd. may be purchased by Rubicon Minerals Corp. at any time for a one-time payment of $500,000.

In connection with entering into the Purchase and Sale Agreement, the Corporation also concurrently undertook a non-brokered private placement of 23,333,334 units at a price of $0.15 per unit for gross proceeds of $3,500,000. The gross proceeds from the private placement were used for the purposes of carrying out the work program on the Leamington Property and for general working capital purposes. Each unit consisted of one common share and one warrant, with each warrant entitling the holder thereof to acquire one common share in the Corporation at a price of $0.30 and for a period of two years.

On October 4, 2013, the Corporation announced the successful completion of the acquisition of the Leamington Property and closing of the private placement. The acquisition constituted the Corporation's Reactivation and Change of Business transaction, allowing the Corporation to transfer from the NEX Board of the

TSXV and become listed for trading as a Tier 2 issuer on the TSXV under the symbol "NGN". The Corporation also changed its name from Raystar Capital Ltd. to Newmarket Gold Inc. at this time.

2014

During the year ended December 31, 2014, the Corporation carried out drilling, sampling and assaying of diamond drill core samples from the Leamington Property, and performed metallurgical test work on the drill core. The metallurgical test work consisted of a series of metallurgical scoping tests designed to study the potential for copper, zinc and precious metal recovery by flotation. Metallurgical testing was completed in a sequential flotation circuit and indicated that positive recoveries for copper and zinc could be achieved at standard grind sizes. Precious metal recoveries for coarser grinds were moderate with additional optimization possible with finer grinding. The results of the Corporation's initial phase metallurgical work were positive and indicated that further testing is warranted and has the potential to better define parameter which could allow increased recovery of both base and precious metals.

Recent Developments

On May 11, 2015 the Corporation announced the entering into of a definitive arrangement agreement (the "**Arrangement Agreement**") with Crocodile Gold Corp. ("**Crocodile**") (the "**Transaction**"). Under the Arrangement Agreement, the Corporation and Crocodile will combine to create a strong gold producing company with enhanced capital markets exposure and access to capital, and the combined entity will benefit from Crocodile's strong assets base, established gold production of over 200,000 ounces per year and track record of free cash flow generation from its existing underground gold mines in Australia. In connection with the proposed Transaction, the Corporation will undertake a brokered private placement (the "**Private Placement**") of subscription receipts ("**Subscription Receipts**") for total gross proceeds of $25 million. Up to $20 million of the gross proceeds from the Private Placement will be used to fund the cash portion of the consideration payable to Crocodile shareholders who elect to receive cash in connection with the Transaction, and the remainder will be used to bolster the working capital position of the combined entity upon completion of the Transaction. Each Subscription Receipt will entitle the holder thereof to receive five common shares of the Corporation which will then be exchanged for one common share in the combined entity in connection with the completion of the Transaction. Following completion of the Transaction, the combined entity will be renamed "Newmarket Gold Inc."

DESCRIPTION OF THE BUSINESS

Principal Markets

The Corporation is a Canadian gold company focused on creating shareholder value through the acquisition of quality gold production opportunities and outstanding development stage assets in mining friendly, politically stable jurisdictions world-wide. The Corporation was founded by an experienced group of dealmakers, mine developers, financiers and capital markets professionals and is focused on a disciplined approach to assets acquisition and growth.

Specialized Skill and Knowledge

Certain aspects of the business of the Corporation require specialized skills and knowledge. Such skills and knowledge include, among other things, geology, drilling, metallurgy, engineering, construction and financing. The Corporation has hired a number of people with such skill and knowledge. See "Risk Factors — Reliance on Key Individuals".

Competitive Conditions

The Corporation's mineral exploration and development and its approach to value accretion through acquisitions and growth is competitive with other entities engaged in the same line of business as the Corporation. The Corporation believes that it is well positioned to compete in its market segment given the advantageous location of its current and future operating locations following completion of the Transaction, as well as because of the experienced management team it has engaged. See "Risk Factors — Competition".

Environmental Protection

The Corporation's sole mineral project is currently located in Newfoundland, Canada and is subject to various environmental laws and regulations, and the Corporation is required to comply with environmental assessment processes and environmental regulatory standards. The financial and operational effects of addressing the environmental assessment processes and environmental protection requirements on capital expenditures and the competitive position of the Corporation were not material during the year ended December 31, 2014; however, the environmental assessment process required for securing permission to advance to an operating phase and the environmental protection requirements, including any bonds or other sureties that may be posted as security for any environmental damage or reclamation costs, may cause additional capital expenditures and affect the competitive position of the Corporation in the future. See "Risk Factors — Environmental Risks and Hazards".

Employees

As of December 31, 2014, the Corporation had 1 employee and 7 consultants.

RISK FACTORS

The operations of the Corporation are speculative due to the high-risk nature of its business, which is the exploration and development of its Leamington Property and the acquisition of quality gold production opportunities and outstanding development stage assets. These risk factors could materially affect the Corporation's future operating results and could cause actual events to differ materially from those described herein and in forward-looking statements and forward-looking information relating to the Corporation. Investing in the common shares of the Corporation should be considered a risky and speculative investment.

The Corporation

Since the acquisition of the Leamington Property in 2013, the Corporation has been in the early stage of development and has received no revenues other than interest revenues. As such, the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Corporation will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Corporation has no intention of paying any dividends in the near future.

There can be no assurance that the combined entity following completion of the Transaction will be able to obtain adequate financing in the future or that the terms of any such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the business of the combined entity. Additional risk factors with respect to the Transaction will be included in the Corporation's management information circular which will be sent to shareholders in connection with the Transaction.

Global Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the gold mining industry, are impacted by these market conditions. Market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Corporation's access to capital or increase the cost of capital and may adversely affect the Corporation's operations.

The Corporation is also exposed to liquidity risks in meeting its operating and capital expenditure requirements in instances where the Corporation's cash position is unable to be maintained or appropriate financing is unavailable. These factors may impact the Corporation's ability to obtain capital on terms favourable to it or at all. Inceased market volatility may impact the Corporation's operations which could adversely affect the trading price of the common shares of the Corporation.

Commodity Price Volatility

The market price for commodities, including both precious metals and base metals, has been and continues to be extremely volatile and is influenced by a number of factors, including, among others, political stability, general economic conditions, mine production and the intent of foreign governments who own significant reserves, central bank lending and asset purchases, inflation expectations, the level of demand for commodities as an investment, speculative trading, interest rates, industrial and jewellery demand, and rising production costs.

The aggregate of such factors (all of which are beyond the control of the Corporation) is impossible to predict with accuracy, and as such, the Corporation can provide no assurances that it can effectively manage such factors. In addition, the world market price of various commodities has fluctuated widely during the last several years. Fluctuations in commodity prices, which are currently depressed relative to recent upward trends, may materially adversely affect the Corporation's financial performance or results of operations. If the market price of zinc, gold, copper and/or silver fall significantly from their current levels, the development of the Leamington Property may be rendered uneconomic and such development may be delayed or suspended.

Exploration and Mining Risks

The Corporation is engaged in mineral exploration, resource identification and development activities. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The long-term profitability of the Corporation's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond its control.

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Corporation will have a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of gold, silver and other metals, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labour disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. The Corporation may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Corporation's financial position.

The Corporation will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish mineral reserves through drilling, to develop metallurgical processes and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold, copper and other mineral properties is affected by many factors, including the cost of operations, variations in the grade, fluctuations in metal markets, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of certain areas of the properties in which the Corporation will have an interest will have an adverse effect on profitability in that infrastructure costs will be higher.

Financing Risks, Dilution

The Corporation will be limited both in financial resources and sources of operating cash flow and there is no assurance that additional funding will be available for exploration or further exploration and development of projects or to fulfill their obligations under any applicable agreements. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Corporation may have to

issue additional securities including, but not limited to common shares, or some form of convertible security, the effect of which will result in a dilution of the equity interest of any existing shareholders.

Insurance and Uninsurable Risks

The business of the Corporation is subject to a number of risks and hazards in general, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities and equipment, personal injury or death, environmental damage to properties of the Corporation or others, delays in mining, monetary losses and possible legal liability.

Although the Corporation may maintain insurance to protect against certain risks in such amounts as it considers being reasonable, its insurance may not cover all the potential risks associated with a mining company's operations. The Corporation may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Corporation or to other companies in the mining industry on acceptable terms. The Corporation might also become subject to liability for pollution or other hazards which it may not be insured against or which the Corporation may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Corporation to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Land Title

There may be undetected title defects affecting the Corporation's properties. Title insurance generally is not available, and the ability of the Corporation to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Corporation has conducted only limited surveys of certain of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Corporation may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Corporation's operations. In addition, the Corporation may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Environmental Risks and Hazards

All phases of the Corporation's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation's operations. Environmental hazards may exist on properties in which the Corporation holds interests which are unknown to the Corporation at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the

Corporation and cause increases in exploration expenses, capital expenditures or require abandonment or delays in development of new mining properties.

Permits, Licenses and Additional Regulatory Requirements

The current or future operations of the Corporation require permits and licenses from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all licenses and permits which the Corporation may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Corporation might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Markets for Securities, Possible Volatility of Share Price

There can be no assurance that an active trading market in the common shares of the Corporation will be sustained. The market price for and liquidity of the Corporation's common shares could be subject to wide fluctuations in response to operating results, the gain or loss of significant contracts, announcements of technological development or new products by the Corporation and its competitors, changes in income estimates by analysts and market conditions in the industry, as well as general economic conditions or other risk factors set out herein. In addition, stock markets have experienced volatility that has affected the market prices for many companies' stock and that often has been unrelated to the operating performance of such companies. These market fluctuations may adversely affect the market price of the Corporation's common shares.

Reliance on Key Individuals

The success of the Corporation is largely dependent upon the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Corporation's business and prospects. The Corporation will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Corporation can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Corporation and its prospects.

No Mineral Reserves

The Leamington Property is considered to be in the early exploration and development stage only and does not contain a known body of commercial minerals. Mineral reserves are, in large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Reliability of Resource Estimates

There is no certainty that any of the mineral resources identified at any of the Corporation's properties to date will be realized. Until a deposit is actually mined and processed the quantity of mineral resources and grades must be considered estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, precious metal prices. Any material change in quantity of mineral resources, grade or stripping ratio may affect the economic viability of any project undertaken by the Corporation. In addition, there can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production. Fluctuations in the prices of gold and other precious or base metals, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Corporation's results of operations and financial condition.

Competition

The mineral industry is intensely competitive in all its phases. The Corporation must compete with many companies possessing greater financial resources and technical facilities for the acquisition of mineral concessions, claims, leases and other mineral interests, as well as for the recruitment and retention of qualified employees.

In addition, there is no assurance that even if commercial quantities of ore are discovered, a ready market will exist for their sale. Factors beyond the control of the Corporation may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on invested capital or losing their investment capital.

Stage of Development

The Corporation is in the business of exploring for, with the ultimate goal of producing, precious and base metals from their mineral exploration properties. The Leamington Property has not commenced commercial production and the Corporation has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that the Corporation will be able to develop the Leamington Property profitably or that its activities will generate positive cash flow. The Corporation is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. Investors in the Corporation must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of management in all aspects of the development and implementation of the Corporation's business activities.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage or, government or other interference in the maintenance or provision of such infrastructure could adversely affect the operations, financial condition and results of operations of the Corporation.

Dividend Policy

No dividends on the common shares of the Corporation have been paid by the Corporation to date. The Corporation currently plans to retain all future earnings and other cash resources, if any, for the future operation and development of its business. Payment of any future dividends, if any, will be at the discretion of the Corporation's board of directors after taking into account many factors, including the Corporation's operating results, financial condition and current and anticipated cash needs.

Changes to Exploration Programs

The Corporation may make changes to planned programs at any time or decide not to proceed with the Leamington Property. This could be done due to a number of factors, including results obtained to date, changes in regulations, changes in metal prices, identification of new, more important, targets and a number of other possible causes.

Share Price Volatility and Liquidity

Publicly quoted securities are subject to a relatively high degree of price volatility. It may be anticipated that the quoted market for the Corporation's shares will be subject to market trends generally, notwithstanding any potential success of the Corporation in creating sales and revenues. In addition, shareholders may be unable to sell significant quantities of shares into the public trading markets without a significant reduction in the price of their shares, if at all.

Conflicts of Interest

Certain of the directors of the Corporation are also directors, officers or shareholders of other companies that are engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Corporation may enter into a transaction on terms which place the Corporation in a worse position than if no conflict existed. The directors are required by law to act honestly and in good faith with a view to the best interest of the Corporation and to disclose any interest which they may have in any project or opportunity of the Corporation, as applicable. However, each director has similar obligations to other companies for which such director serves as an officer or director.

If a conflict of interest arises at a meeting of the board of directors of the Corporation, any director in a conflict will disclose his or her interest and abstain from voting on such matter. In determining whether or not the Corporation will participate in any project or opportunity, the respective board of directors will primarily consider the degree of risk to which the Corporation may be exposed and its particular financial position at that time.

Litigation

The Corporation and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. Given the unpredictable nature of litigation, the outcome of such disputes could have a material adverse effect on the Corporation.

MATERIAL MINERAL PROJECT – THE LEAMINGTON PROPERTY

The following information regarding the Leamington Property was derived from a technical report prepared in accordance with National Instrument 43-101 dated July 4, 2013 and entitled "Technical Report and Resource Estimate on the Leamington Property, Newfoundland, Canada" (the "**Technical Report**"). The Technical Report was prepared by Todd McCracken, P. Geo. and Paul Daigle, P. Geo., of Tetra Tech Inc., who are independent "Qualified Persons" under National Instrument 43-101, and should be read in conjunction with the Technical Report. The summary contains references to indicate to the reader the materials that have been used to compile the Technical Report. The Technical Report contains a complete list of all references used in this summary and the terms used in this summary have the meaning given to them in the Technical Report, a copy of which is filed on SEDAR at www.sedar.com. Readers should also refer to the Corporation's latest management discussion and analysis for updated information with respect to the Leamington Property. Gregory Smith, P. Geo., who is a Qualified Person, has reviewed and approved the scientific and technical disclosure in this AIF.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Mineral Resources

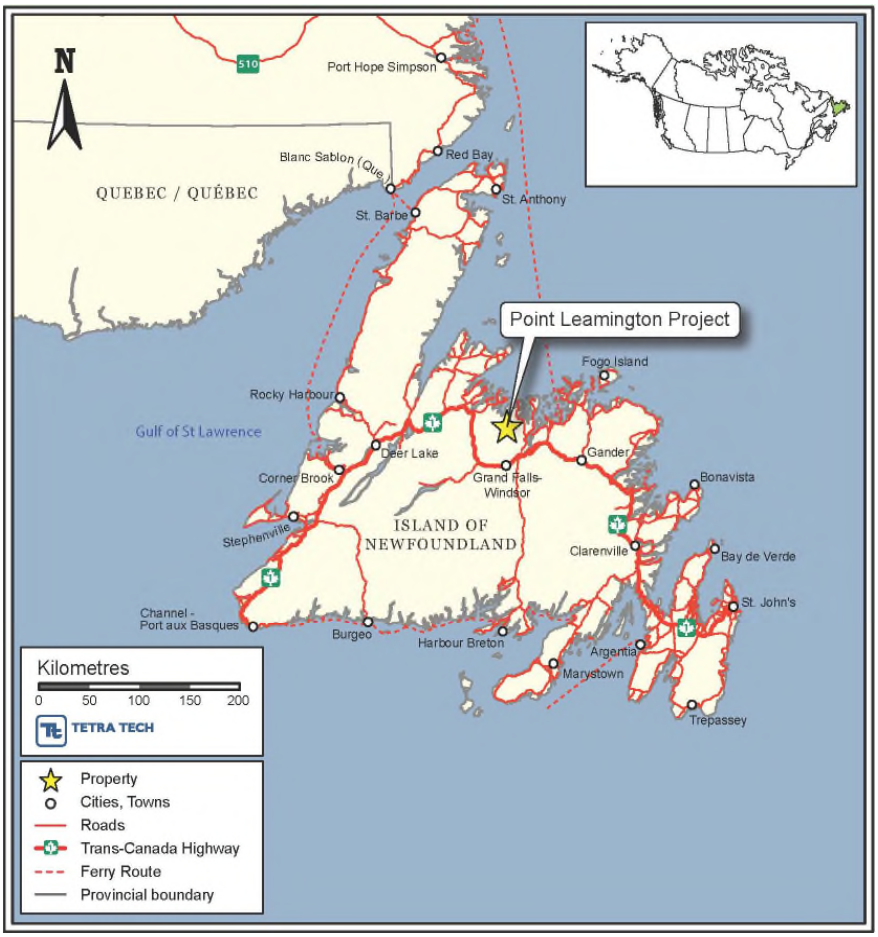
This AIF uses the terms "Measured", "Indicated" and "Inferred" Mineral Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them and expressly prohibits U.S. registered companies

from including such terms in their filings with the United States Securities and Exchange Commission. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of pre-feasibility or feasibility studies. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.

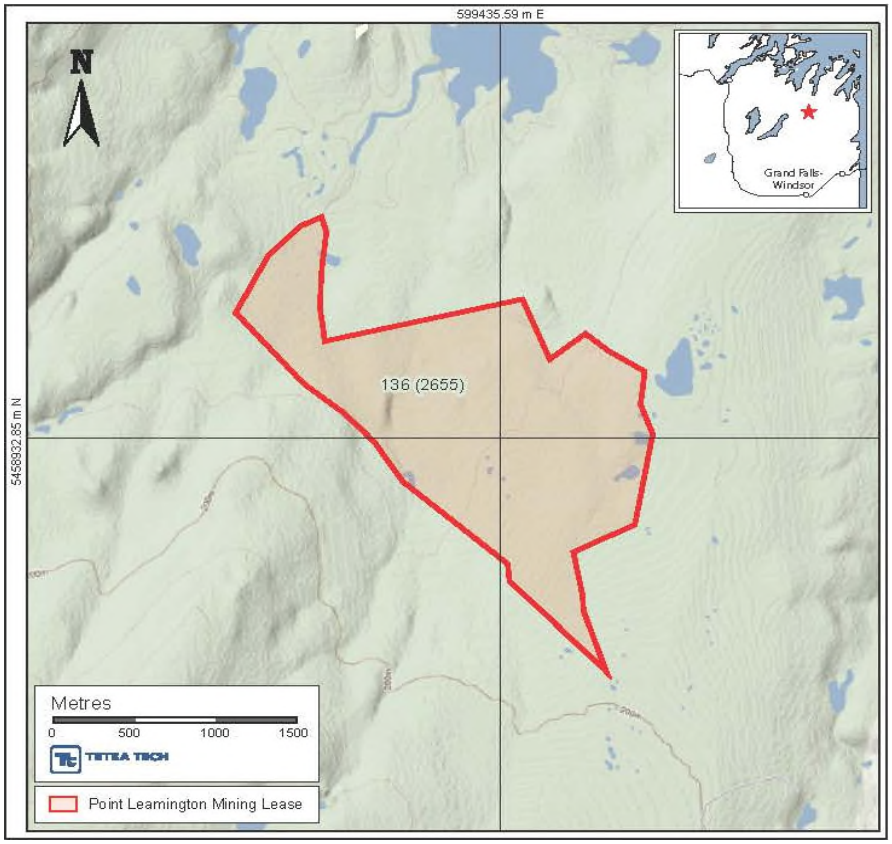
Property Description and Location

The Leamington Property is located approximately 37 km northwest of the Town of Grand Falls-Windsor, Newfoundland, Canada (see Figure 1), and is comprised of a mining lease covering 263 hectares. The Leamington Property is situated on NTS sheet 2E/5 and is centered on coordinates 554475 east and 5488890 north (see Figure 2). The Corporation owns 100% of the rights to the Leamington Property.

(**Figure 1 - Location of the Leamington Property**)



(**Figure 2 - Location of the mining lease**)



On June 20, 2013, the Corporation entered into the Purchase and Sale Agreement with Calibre to acquire a 100% interest in and to the Leamington Property, consisting of a mining lease covering approximately 263 hectares located in the Green Bay District of Newfoundland. The Corporation acquired the Leamington Property for combined consideration of a $250,000 payment and the issuance of 1,000,000 common shares of the Corporation to Calibre.

Royalties

The Leamington Property is subject to a 1.5% net smelter royalty payable to Glencore Xstrata plc, a 0.5% net smelter royalty payable to MFC Bancorp Ltd., and a 0.5% net smelter royalty payable to Calibre. The net smelter royalty payable to Glencore Xstrata plc is subject to a right of first refusal in favour of Rubicon Minerals Corp. The net smelter royalty payable to MFC Bancorp Ltd. may be purchased by Rubicon Minerals Corp. at any time for a one-time payment of $500,000. The net smelter royalty payable to Calibre may be purchased by the Corporation at any time for a one-time payment of $1,000,000.

Environmental Liabilities

There are no environmental impacts affecting the Leamington Property at this time.

Permits

The surface rights immediately surrounding the Leamington Property are held by the Crown. Work and water use permits necessary to carry out any proposed exploration work on the Leamington Property need to be obtained from the Newfoundland and Labrador Department of Natural Resources.

Access, Climate, Local Resources, Infrastructure and Physiography

As noted above, the Leamington Property is located approximately 37 km north of Grand Falls-Windsor, Newfoundland. To access the Leamington Property from Grand Falls-Windsor, take the all-weather New Bay Road for approximately 12 km. There is an intersection at the 12 km marker with a large clearing for parking vehicles. From this point the road/trails are not maintained so access by quad or snowmobile is recommended. Continue approximately 16 km on the unapproved road/trail then head northwest across the bog for approximately 2.5 km to the Leamington Property.

Grand Falls-Windsor does not host an airport. The closet airport is located in Gander, approximately 95 km east on Highway 1. The Gander International Airport is designated an international airport serviced by several domestic carriers with daily flights to other parts of the country with connecting internationals flights. The airport hosts a 10,500 ft runway capable of supporting large cargo planes. Tidewater access from the Leamington Property is possible at Botwood, located approximately 25 km east on the Bay of Exploits; currently this location only services small fishing vessels. The Leamington Property is accessible year round by quads or snowmobiles. Larger equipment access would require some improvements to bridges and roadways.

The climate is typical for a Maritime province, with pleasant summers, cool wet springs and autumns, and snowy, often windy winters. Although most of the ponds freeze over by mid-December, the ice is rarely thick enough to support heavy equipment. Summer temperatures can reach +34°C with the average around +23°C. Winter weather is moderate with highs of +3ºC and lows around -34°C with an average of -12°C. Annual precipitation is estimated to be approximately 1,078 mm, of which rain accounts for about 85%.

The Town of Grand Falls-Windsor, a modern community with all the amenities for a population of approximately 13,725, was a former pulp and paper mill town. The town is a source of skilled labour. The Town of Springdale, located approximately 107 km west on Highway 1, is a modern community with all the amenities for a population of approximately 2,764. Springdale is the main exploration services center for the region, hosting an analytical laboratory, core box and core rack manufacturers, and several diamond drill companies. Hydroelectricity is available from the provincial grid located approximately 22 km away from the Property.

Topography in the area is dominated by a fairly broad, northeast trending plateau, bordered by major valleys with significant fault scarps. The plateau is rather poorly drained with numerous bogs and ponds. Maximum elevation is close to 160 masl. The entire area has been extensively logged and regrowth has been slow. The main species present are alders, spruce, fir, and birch.

History

Although this part of Newfoundland has been actively explored for more than a century, the area only experienced extensive exploration activity beginning in the early 1970s. This work was conducted mainly by Noranda and other exploration companies. Table 1 summarizes the history on the Leamington Property.

(Table 1 - History of the Leamington Property)

Year	Company	Program
1953	**Newmont Mining**	• **geological mapping**
1956	**NALCO**	• **geological mapping and sampling**
1967	**Phelps Dodge**	• **airborne and ground electromagnetic (EM) and magnetic survey**
1971	**Noranda**	• **optioned the Property from NALCO** • **23 diamond drillholes totalling 4,363 m**
1972	**Noranda**	• **11 diamond drillholes totalling 1,128 m**
1973	**Noranda**	• **9 diamond drillholes totalling 2,915 m**

Year	Company	Program
		• metallurgical test completed on the remaining core from three drillholes
1975	Noranda	• resource estimation completed
1977	Noranda	• 1 diamond drillhole totalling 564 m • resource estimation completed
1978	Noranda	• line cutting, electromagnetic survey and geological mapping
1978	Hudson's Bay Oil and Gas	• optioned a portion of the Property from Noranda • geological mapping and sampling
1979	Hudson's Bay Oil and Gas	• geological mapping • 1,985 line km of airborne EM and magnetic survey • soil and stream sediment sampling • dropped option and returned the Property to Noranda
1980	Noranda	• 1 diamond drillhole totalling 569 m
1980	Getty Canadian Metals	• optioned a portion of the Property from Noranda • airborne very-low frequency (VLF), geological mapping and sampling
1981	Getty Canadian Metals	• 30 km line cutting with ground magnetic survey • detailed grid mapping, soil sampling and stream sediment sampling
1982	Getty Canadian Metals	• VLF-EM ground survey • 3 diamond drillholes totalling 351 m • dropped option and returned the Property to Noranda
1983	Noranda	• geochemical survey, EM and magnetic survey

table continues…

1984	Noranda	• basil till sampling and gravity survey • 5 diamond drillholes totalling 1,906 m
1986	Noranda	• 6 diamond drillholes totalling 2,131 m • 4 diamond drillholes for metallurgical testing by Canmet totalling 610 m
1987	Noranda	• 3 diamond drillholes totalling 1,516 m
1988	Noranda	• line cutting and EM survey • 4 diamond drillholes totalling 1,439 m
1989	Noranda	• line cutting, EM survey, lake sediment survey and geological mapping • 1 diamond drillhole totalling 484 m
1997	Noranda	• 2 diamond drillholes totalling 1,265 m
1997	Tri-Origin Exploration	• line cutting, basil till and soil geochemistry, ground geophysics, geological mapping • 9 diamond drillholes totalling 2,128 m
1998	Rubicon Minerals	• acquired the Property from Noranda • geochemical sampling
1999	Rubicon Minerals	• 3 diamond drillholes totalling 1,213 m

Year	Company	Program
1999-2000	**Altius Resources**	• **optioned the Property from Rubicon Minerals** • **geological mapping and geochemical sampling**
2000	**Altius Resources**	• **line cutting, time domain electromagnetic (TDEM) survey** • **2 diamond drillholes totalling 759 m** • **dropped the option on the Property with Rubicon Minerals**
2004	**TLC Ventures**	• **optioned the Property from Rubicon Minerals in February** • **resource estimate completed by Hatch** • **5 diamond drillholes totalling 2,402 m** • **metallurgical test**
2006-2007	**TLC Ventures**	• **purchased the Property from Rubicon Minerals in December** • **airborne EM and magnetic survey totalling 2,532 line km**
2008	**Calibre**	• **TLC Ventures formerly changes name to Calibre Mining Corp.** • **geological mapping and geochemical sampling**

Three resource estimates have been completed on the Leamington Property and are summarized in Table 2. Historical estimates within Table 2 are considered relevant but not reliable. The authors of the Technical Report have not done sufficient work to classify the historical estimate as a current mineral resource. The Corporation is not treating the historical estimates as current resources and the historical estimates should not be relied upon. Please refer to the Technical Report for further details with respect to the historical estimates.

(Table 2 - Historical Resource Estimates for the Leamington Property)

Year	Company	Cut-off	Specific Gravity	Tonnes	Zn (%)	Cu (%)	Au (g/t)	Ag (g/t)	Methodology
1975	**Noranda**	**-**	**-**	**12,500,000**	**1.90**	**0.48**	**0.90**	**20.90**	**-**
1978	**Noranda**	**6% ZnEq**	**4.00**	**1,490,566**	**7.34**	**0.43**	**2.25**	**54.70**	**Long Section Polygonal**
2004	**TLC Ventures**	**2% Zn**	**3.03 average**	**3,500,000**	**3.23**	**0.28**	**1.37**	**25.90**	**OK**

Geological Setting and Mineralization

Regional Geology

The Leamington Property lies within the accreted Cambrian-Ordovician, tectonicstratigraphic Dunnage Zone of the Newfoundland Appalachians. This zone consists of ophiolites and thick sequences of volcanic and sub-volcanic rocks, and their sedimentary equivalents. These rocks are of island arc–back arc affinity, and some are of non-arc affinity. The Dunnage Zone is further subdivided into the northwestern Notre Dame and southeastern Exploits subzones which are separated by the structural break known as the Red Indian Line. The Leamington Property lies within the northern part of the Exploits sub-zone.

The northern Exploits subzone is subdivided into the Wild Bight Group and the Badger Group. The Wild Bight group consists of volcanic and sedimentary rocks of early Ordovician to mid-Ordovician age, whereas the Badger Group consists of mid-Ordovician to early Silurian shale-turbidite sequences. The Wild Bight Group lies

within the broad north-south trending Seal Bay Anticline. The Wild Bight group has been further subdivided into a lower Tremadoc-Early Arenig section and an upper Late Arenig-Early Llanvirn section.

The lower Wild Bight Group consists of a bimodal tholeiitic volcanic suite which forms the Glover's Harbour Formation. This unit occurs in several geographically separate areas and is always fault-bounded, except for one locality where it is in disconformable contact with the upper Wild Bight Group, Omega Point Formation. The Glover's Harbour Formation consists of pillowed and brecciated mafic flows with minor chert and argillite, and quartz and plagioclase phyric felsic flows and domes that are interbedded with felsic to intermediate pyroclastic and volcaniclastic rocks. A second formation in the lower Wild Bight Group, the Seal Bay Brook Formation, may be correlative with the Glovers Harbour Formation. The Seal Bay Brook Formation consists of basalt flows and mixed mafic-felsic volcanic breccia, felsic flows and tuffs.

The upper Wild Bight Group comprises two formations: the Omega Point Formation and the Penny's Brook Formation. The Omega Point Formation consists of thinly bedded, grey to green greywacke and argillite with additional components of chert, shale, and minor iron formation. The Penny's Brook Formation is made up of thinly to thickly bedded green tuffaceous greywacke and agglomerate, with massive to graded grits and conglomerates and local laminated chert and argillite. Discrete lenses of calc-alkaline pillowed, brecciated, and pyroclastic mafic volcanic rocks are common throughout the formation.

The rocks in the Leamington Property region are disposed in a complex arcuate shaped thrust stack, having regional southwest dip in the west and southeast dip in the east. Numerous of the thrust faults are localized along rock unit boundaries, suggesting re-activation by later compression of early normal faults that were related to extension and volcanism, particularly those bounding the Glover's Harbour Formation. Faulting in this early phase (D1) is interpreted to have been oriented northeast-southwest. The main phase of compression, D2, created northeast trending regional folds and faults, locally re-orienting D1 structures. Minor deformation has occurred later.

Several large, northeast trending, primarily dextral faults, such as the Long Pond Fault occur throughout the region. These faults can be seen to offset stratigraphy on the order of hundreds of metres and are particularly evident on airborne magnetic geophysical maps.

Project Geology

The Leamington Property is hosted within the Glovers Harbour Formation of the Wild Bight Group. This volcanic dominated formation is in fault contact with the overlying Penny's Harbour Formation, which consists of thickly-bedded coarse-grained volcaniclastic rocks, chert, argillite and mafic pillowed flows and pyroclastic units in the Point Leamington area. The underlying section is dominated by mafic volcanic rocks, possibly of the Glovers Harbour Formation, but also refractory units (magnetic) of the Seal Bay Brook Formation. These rocks define a strong magnetic high traceable to Seal Bay in the north and to New Bay Pond in the southeast.

Lithologies

The lithological section on the Leamington Property can be divided into essentially five stratigraphic elements and an intrusive element. The six main subdivisions in the section, roughly ordered from structurally highest to lowest unit, are as follows: (a) Hanging wall clastic rocks, intermediate tuffs/flows; (b) Hanging wall mafic pyroclastic rocks and flows; (c) Hanging wall marker, cherty rhyolite-argillite, massive sulphide horizon, volcaniclastic unit; (d) Footwall felsic rocks, consisting of quartz phyric flows and fragmental rocks, aphyric rhyolite, lower phyric felsic and interbedded volcaniclastic units; (e) Lower mafic unit; and (f) Intrusive units.

Hanging Wall Clastic and Intermediate Volcanic Rocks

The clastic rocks include greywacke, black argillite, and conglomerate, mixed with maficintermediate pyroclastic rocks, minor flows. The intermediate volcanics includes tuff and minor amygdaloidal flows, interbedded with finer grained sediment including minor light green chert. Compositions may range from andesite to dacite.

Hanging Wall Mafic Volcanic Rocks

The hanging wall mafic volcanics consists of coarse mafic tuff units, with interlayered flows in the upper half of the section. The pyroclastic layers are predominantly amygdaloidal and locally vitric rocks, consisting of mostly mixed tuff, lapilli tuff, and agglomerate but including some very coarse agglomerate layers. Sections may have very well defined bedding in the tuff layers. Common graded bedding indicates strata are upright. There are highly variable widths of interspersed amygdaloidal mafic flows, which are pillowed, brecciated, and massive. The mafic rocks are commonly chloritic but also contain weak epidote and calcite alteration, and very minimal sulphides.

Interspersed with the mafic rocks are sections of finer mafic tuff, with chert interbeds, and local argillaceous sections, commonly with disseminated to massive pyrite and/or pyrrhotite in beds up to 5 cm thick.

Hanging Wall Marker Units, Massive Sulphide Horizon

This unit is primarily a “cherty rhyolite” to argillite marker unit that may be massive chert or siliceous tuff locally. Jasper and hematite alteration is common, as is sulphidic matrix in brecciated sections. Thickness ranges from a few centimetres to tens of metres and may include interlayers of fine mafic tuff to lapilli tuff. Overall, this unit forms a useful marker horizon as it is widespread and continuous on a property scale but it is not always present even where massive sulphide occurs. The unit normally forms a conformable contact with the massive sulphide but the contact is commonly obscured by dykes. Interspersed with the mafic rocks are sections of finer mafic tuff, with chert interbeds, and local argillaceous sections, commonly with disseminated to massive pyrite and/or pyrrhotite in beds up to 5 cm thick.

The main massive sulphide horizon on the Leamington Property has a very consistent stratigraphic position, immediately below, or within a few metres of the hanging wall-footwall contact. There is quite a bit of lateral variation on the horizon though and the Main Zone may, in fact, consist of a series of massive sulphide lenses, interfingering with volcaniclastic lenses, chert layers and footwall felsic flows or pyroclastic units. Earlier workers pointed out the possibility of metal zoning within the deposit, consisting of a lower grade upper portion or lens, and a lower high-grade zinc-gold section. These two zones are commonly separated by a volcaniclastic unit but also can be distinguished where the sulphide body consists of one massive lens.

Massive sulphide mineralization of the Leamington Property deposit is described as an upper pyrite-rich zone and a lower zinc-rich zone. The upper pyrite-rich zone consists of 80 to 95% pyrite, with local sections of 5 to 10% sphalerite and minor chalcopyrite. The lower zinc-rich zone consists of 75 to 95% pyrite with sections of 5 to 25% sphalerite and minor chalcopyrite (Plate 3). The sulphides are generally fine to medium grained, with some coarser grained sections in the lower zinc-rich zone. Quartz is the most common gangue mineral associated with the massive sulphide mineralization. The upper and lower zones are commonly separated by a felsic volcaniclastic unit, normally chlorite altered and pyritic. Stringer mineralization associated with the deposit consists mainly of pyrite with minor sphalerite, arsenopyrite, and chalcopyrite.

Foot Wall Felsic Volcanic Rocks

This unit is the uppermost footwall rock encountered in all the holes in the vicinity of the Leamington Property deposit. The section varies from 100 to 250 m true thickness where it has been observed. The rock is a quartz phyric, massive to brecciated to fragmental intermediate or felsic volcanic rock. Fragmental texture is common but it is generally not obvious whether this is a pyroclastic rock or flow breccia or massive to brecciated dome. The rock has a generally aphanitic matrix and tan to grey colour. Quartz phenocrysts comprise up to 8 or 10% of the rock and are up to 10 mm in diameter, but 2 to 5% content and 2 to 5 mm diameter are most common. The phenocrysts are rounded but do not look like amygdales. There are minor feldspar phenocrysts locally, but these are not common. The rock is characterized by fine grained leucoxene, which is ubiquitous and comprises up to 3% of the rock.

Alteration is variable, but generally consists of weak to strong sericite-chlorite-silica, particularly in spatial association with the Main Zone. Pyrite content increases concomitantly with alteration, up to 20%, locally as disseminations and breccia filling. Quartz and/or chalcedony veining is common, also as breccia filling locally, and contains blebby to disseminated pyrite, sphalerite and chalcopyrite. Alteration is commonly proportional to the

amount of fracturing present. Strong bleaching is also present, related to silica-sericite alteration and destruction of chlorite. Hematite and magnetite alteration occur in apparently lesser altered areas, possibly peripheral to the main deposit area.

Within the footwall quartz phyric section there are volcaniclastic interbeds, characterized by clasts of quartz phyric felsic rock, aphyric rhyolite, strongly chlorite altered rock, and quartz vein (Plate 5). However, clasts of massive sulphide are not common and consist of small pyrite-only clasts where present. Both matrix and clast supported volcaniclastic beds occur, commonly with disseminated pyrite in the matrix. Narrow massive pyrite beds occur within these volcaniclastic units in a few localities associated with relatively strong sericite and chlorite alteration.

The footwall mafic flow consists of a couple narrow flows, 2 to 5 m wide, that occur in the lower part of the quartz phyric to upper aphyric rhyolite section. It is a grey, fine grained, amygdaloidal, "blobby" pillow breccia with bleached rims on the breccia clasts. Locally the texture looks almost peperitic as the contact intermingles on small scale with adjacent aphyric rhyolite.

Aphyric rhyolite lies below the quartz phyric footwall unit. The rock is massive and fine grained, with a light grey to tan colour, and ubiquitous, finely disseminated leucoxene. This unit is characterized by a general lack of quartz phenocrysts and, only locally, very sparse feldspar phenocrysts. Flow banding and hyaloclastite textures are also common, particularly in the upper portion of the unit. Fracturing is prevalent, with fractures being filled by chlorite and pyrite, and locally forming curvilinear patterns marked by weak chlorite and silica alteration of the host rock (Plate 6). The aphyric rhyolite is commonly a medium to light green colour, possibly due to weak, pervasive chlorite-sericite alteration. True thicknesses observed range from less than 20 m to greater than 150 m. This variability may be, in part, due to faulting.

Alteration in the aphyric rhyolite is mostly chlorite and silica, focused on zones of strong brecciation. Pyrite is very common in altered sections, primarily as disseminations in the host rock and also as breccia and fracture fillings. Arsenopyrite and sphalerite are also common, in breccia matrices and fractures. Strong massive chlorite-pyrite alteration is observed at the upper contact of the aphyric rhyolite in the north half of the deposit area (Plate 7). A zone of intense, texturally destructive silica alteration occurs above the bottom contact of the aphyric rhyolite.

Minor volcaniclastic beds have been noted within the aphyric rhyolite section. These beds are quite variable, ranging from thick bedded sandstone and matrix supported conglomerate to thin, clast supported conglomerate beds. Clast composition is moderately heterolithic with aphyric rhyolite, quartz phyric rhyolite, massive chlorite and very minor pyrite and pyrite-arsenopyrite sulphidic (although not massive sulphide) clasts. Clasts and matrix are commonly sericite and silica altered, with disseminated pyrite concentrated in the matrix.

Below the aphyric rhyolite there is another quartz and feldspar phyric felsic unit. This unit is quite variable in appearance, locally with coarse quartz phenocrysts and ghost-like feldspar phenocrysts. The unit is generally massive but also appears to be fragmental. This rock is seen in drillholes below the north half of the main deposit and has a maximum thickness of 32 m. Sericite-chlorite alteration is weak to moderate overall but stringer chlorite-pyrite-chalcopyrite alteration and mineralization was observed.

Lower Mafic Unit

The lowermost volcanic unit observed on the Leamington Property is the Lower Mafic unit. This unit varies from calcite and chlorite amygdaloidal, fine to medium grained massive and brecciated flows to pyroclastic units. The rock is a dark green colour with feldspar prevalent in the groundmass of the massive flows and moderate chlorite-epidote alteration. Argillite and chert, and locally massive pyrite, occur as interflow beds and in pillow interstices. This rock is commonly in fault contact with the overlying units and may lie below a thrust fault.

Intrusive Units

The intrusive units on the Leamington Property are primarily dykes and they are abundant throughout the section. Earlier dykes show some concordance with stratigraphy, especially the hanging wall diorite. These dykes are also commonly pervasively altered by carbonate, chlorite, and epidote. Some apparently later dykes show much

steeper dip and cross-cut strike, such as the red feldspar porphyry dyke and the magnetic feldspar porphyry dykes. These later dykes are less altered and deformed as well. Hematization and calcite alteration are common. Veining within these later dykes tends to be more quartz or quartz-calcite, and is rarely mineralized.

The diorite unit, occurring in the hanging wall section, has a feldspar glomeroporphyritic to medium grained ophitic texture with randomly oriented feldspar laths. It is generally weakly sausseritized with chlorite alteration common. The diorite is a thick, anastomosing unit that is sub-parallel to stratigraphy, striking roughly grid north south and it is observed throughout the strike range of the deposit. The diorite dyke is cut by fine grained, weakly porphyritic mafic dykes and chloritic to serpentinized mafic to ultramafic dykes.

The ultramafic dykes are generally fine grained and have strong chlorite-serpentine alteration, with thick, serpentinized fracture envelopes. Massive dykes commonly have a “pseudo-cumulate” texture in their core, which consists of ovoids with serpentinized rims, possibly a weak shear texture. These dykes are generally strongly magnetic and have moderate to strong pervasive carbonate alteration.

As well, mafic-ultramafic dyke complexes are very common, consisting of intermingling dykes, with chloritic phenocrysts in fine grained mafic sections and serpentinized sections as well. These complexes are commonly weakly magnetic in specific sections.

These mafic dykes are fine grained, medium to dark green, weakly altered and have chloritic and locally feldspar phenocrysts. They are generally not magnetic. They do cross-cut the diorite unit and may or may not be equivalent to the mafic part of the maficultramafic complex dykes.

This unit is fine grained, light to medium green, commonly with pervasive calcite alteration, and sporadic hematite and magnetite content. This unit was primarily noted on Section 200S, in drill holes PL04-073 and PL04-074. These dykes seem to be relatively late in the overall sequence. Some of these dykes may be related to the red feldspar porphyry felsic dyke.

The red, feldspar porphyry felsic dykes have darkly coloured, magnetic chill margins with scattered feldspar phenocrysts, that give way to light reddish coloured fine grained feldspar porphyritic and glomeroporphyritic central portions. Minor mafic phenocrysts are present and leucoxene is common throughout the groundmass of the dyke. The dyke commonly contains scattered sericite and/or chlorite altered xenoliths and possibly weak potassium feldspar alteration in the groundmass locally. These dykes are apparently quite late in the overall geological sequence and generally strike at high angle to the overall stratigraphic section.

This set of generally narrow dykes have a light yellowish grey to pale yellow colour and are fine grained with tiny quartz and feldspar phenocrysts or amygdales. Leucoxene is disseminated throughout the dykes. Pervasive calcite alteration is commonly present. The dykes are associated with brittle faulting resulting in broken core. They are seen to cut the red feldspar porphyritic dykes making this dyke set one of the youngest units in the geological section.

Alteration

Significant zones of chlorite-sericite-pyrite alteration occur below the Main Zone of the Leamington Property deposit. Particularly, there is an extensive zone of strong footwall alteration at the upper levels of the deposit centred on the Central fault. Significant chlorite-sericite footwall alteration also occurs below the wedges of mineralization from Section 025N to 100N. Similar alteration is found within the footwall stratigraphy in the north part of the deposit, around Section 350N, and is highlighted by a 2 to 3 m wide section of massive chlorite-pyrite alteration in PL-055 at the upper contact of the aphyric rhyolite.

Hematization was noted in several localities around the Main and South Zone deposits. There is a prevalence of hematization of the footwall and hanging wall rocks at the north end of the deposit. This includes some magnetite in these zones. The hematite tends to be pervasively distributed in the footwall but may occur in pillow or agglomerate interstices in the hanging wall mafic rock section. Hematite also occurs in various stratigraphic units overlying the deposit, more or less covering the overall strike. To the south, hematite occurs locally in quartz phyric units below the South Zone.

Structure

The deposit section is upright and west facing, striking about 160°, and dipping an average of 70° west. The dips are apparently flatter near the South Zone, where hole to hole projection of identifiable units gives as little as a 45° dip. The rocks observed in drill core on the Leamington Property are generally not obviously deformed. There is very little evidence of folding in the rocks other than some possible drag folds on shears. Faults are apparent on most sections where simple dip projections between drillholes are too incongruous. Evidence of reverse or thrust faulting is minimal at this time but may simply be due to lack of recognition. The reverse faults would likely be west dipping, sub-parallel to the stratigraphy, and as such are difficult to pick out on sections or plans.

Several subvertical to north dipping faults, roughly perpendicular to the strike of the deposit, offset the stratigraphy in a sinistral sense from tens to as much as 100 m. The main faults of this type in the immediate vicinity of the deposit are called the North, Central and South faults, although there are numerous other similar faults throughout the strike length of the deposit and beyond. In plan, these faults apparently offset stratigraphy in both sinistral and dextral sense whereas the true offset may be more vertical than horizontal. The large number of faults creates a bewildering array of jogs in the deposit and considerably complicates the interpretation of the massive sulphide body as a continuous zone or a series of lenses.

Interpretation of the drill sections has led to the recognition of flat lying faults within the local stratigraphy. The main fault of this type has been called the 4600 Fault, referring to its approximate elevation. The 4600 Fault lies below the length of the deposit, and generally offsets stratigraphy in a top side east manner on the order of 75 to 150 m. The lack of detailed drillhole information at this level means it is commonly not possible to see repetition of units across the fault, which would allow exact determination of the offset. The fault gives the appearance of thickening of units in section, such as the aphyric rhyolite as previously interpreted on sections 050S, 350N, and 450N. A similar flat fault may be present at about the 4800 to 4850 Level. The flat faults appear to be quite late and may even post-date the numerous steep, grid east-west faults, that cut the deposit. A connection to the regional thrust faulting prevalent in the area is likely.

Mineralization

Stringer mineralization is common in the footwall rocks, particularly immediately below the massive sulphide zones. Pyrite commonly occurs up to 15 or 20% as disseminations and fracture fillings, in chalcedony and quartz veinlets, and lenses and small masses. Sphalerite is common in pyrite stringers, chalcedony veinlets and breccia matrix in the footwall but rarely exceeds a trace amount. Chalcopyrite is less common and is primarily restricted to veinlets with quartz and pyrite. Arsenopyrite is nearly as common as sphalerite but tends to be concentrated in narrow zones, particularly in shears and sulphidic breccias. Sulphide mineralization occurs variably throughout the footwall felsic section, as far down as the Lower Mafic unit.

Sulphide mineralization is not common in the hanging wall rocks to the main zone. Disseminated pyrite and, locally, arsenopyrite occur in shear zones associated with quartz-carbonate veining. Minor disseminated to massive pyrite and/or pyrrhotite mineralization occurs in argillite-chert-tuff sections. Strong arsenopyrite mineralization also occurs in these units in a few locations. Arsenopyrite also occurs in quartz-pyrite shears cross cutting the hanging wall diorite.

Deposit Types

The Leamington Property is a Noranda-type VMS hosted by Cambrian-Ordovician metavolcanic and metasedimentary rocks of the Wild Bight Group. The style of mineralization, alteration, host rock and tectonism most closely resembles other VMS deposits throughout the world. This deposit type is referred to as type G06 by the British Columbia Ministry of Energy, Mines and Petroleum Resources Deposit Profiles. Examples of this deposit type include Myra Falls, British Columbia, Kidd Creek, Ontario, Buchans, Newfoundland, Bathurst, New Brunswick, and Kuroko, Japan.

The deposit type is characterized by the following geologic elements:

Geological Setting

Island arc; typically in a local extensional setting or rift environment within, or perhaps behind, an oceanic or continental margin arc Marine volcanism; commonly during a period of more felsic volcanism in an andesite (or basalt) dominated succession; locally associated with fine-grained marine sediments; also associated with faults or prominent fractures.

Host Rock Types

Submarine volcanic arc rocks: rhyolite, dacite associated with andesite or basalt; less commonly, in mafic alkaline arc successions; associated epiclastic deposits and minor shale or sandstone; commonly in close proximity to felsic intrusive rocks. Ore horizon grades laterally and vertically into thin chert or sediment layers called informally “exhalites”.

Deposit Forms

Concordant massive to banded sulphide lens which is typically metres to tens of metres thick and tens to hundreds of metres in horizontal dimension; sometimes there is a peripheral apron of "clastic" massive sulphides.

Ore Mineralogy

Upper massive zone: pyrite, sphalerite, galena, chalcopyrite, pyrrhotite, tetrahedritetennantite, bornite, arsenopyrite. Lower massive zone: pyrite, chalcopyrite, sphalerite, pyrrhotite, magnetite.

Alteration

Footwall alteration pipes are commonly zoned from the core with quartz, sericite or chlorite to an outer zone of clay minerals, albite and carbonate (siderite or ankerite).

Exploration

The Corporation has not conducted any exploration work on the Leamington Property.

Drilling

Prior to 2014, the Corporation had not conducted any diamond drilling on the Leamington Property. The historical diamond drilling completed by previous operators is summarized in this section.

Historical Diamond Drill Summary

Six companies are known to have drilled on the Leamington Property (See Table 3, below).

(**Table 3 - History Drill Hole Summary**)

Company	Date Range	Number of Holes	Total Meters	Core Size	Used in Resource Estimation
Noranda	**1971-1997**	**71**	**20967**	**AQ/NQ**	**X**
Getty Canadian Mines	**1982**	**3**	**351**	**?**	
Tri-Origin	**1997**	**9**	**2121**	**NQ**	
Rubicon	**1999**	**3**	**1213**	**NQ**	**X**
Altius	**2000**	**2**	**759**	**?**	
TLC Ventures	**2004**	**5**	**2402**	**NQ**	**X**

Noranda's Historical Drilling

Noranda drilled 71 inclined core holes totaling 20,967m at the Leamington Property between 1971 and 1997. The borehole series was PL-001 to PL-066, PL-066A and L-1 to L-4. Holes Pl-001 to PL-045 were drilled AQ sized and all remaining holes were drilled NQ.

The records are incomplete as to which drilling companies completed the work. The drill records prior to 1980 do not contain any details of the methodology used during the program. The drilling was completed by Petro Drilling of Springdale, Newfoundland from 1980 to 1987 and by Lantech Drilling of Dieppe, New Brunswick in 1997.

Multiple downhole surveys were completed, yet methodology for the surveys was not well documented. From 1980 to 1987 the downhole surveys were completed using a tropari, while in 1997 a pajari was used.

Core logging was completed manually as typed logs, which were then converted to scanned .pdf files.

Rubicon Minerals' Historical Drilling

Rubicon Minerals drilled three inclined NQ core holes on the Leamington Property totalling 1,213 m. The borehole series was PL-067 to PL-069. Drilling was completed by Logan Drilling of Springdale, Newfoundland. Multiple downhole surveys were completed, yet methodology for the surveys was not documented.

Core logging was completed in LAGGER software.

TLC Ventures' Historical Drilling

TLC Ventures drilled five inclined NQ core holes on the Leamington Property totalling 2,402 m. The borehole series was PL-073 to PL-077. Drilling was completed by Petro Drilling of Springdale, Newfoundland.

Downhole surveys were completed using a FlexIT survey tool.

QP Opinion

It is Tetra Tech Inc.'s opinion that the drilling and logging procedures were acceptable to meet industry standards at the time the work was completed and that the information can be used for geological and resource modeling.

Sample Preparation, Analysis and Security

The Corporation has not completed any sampling on the Leamington Property.

Prior Owners

The available information on sampling methods, sample preparation and analytical procedures used by past operators is summarized below:

Core Sampling - Noranda

There was no documentation as to the sampling procedures used by Noranda.

Core Sampling - Rubicon Minerals

There was no documentation as to the sampling procedures used by Rubicon Minerals.

Core Sampling - TLC Ventures

All drill core was logged and samples set and sawn on site. The 2004 core is dead stacked on the Leamington Property at the 2004 camp site.

Core samples were taken from mineralized and altered zones by splitting the core along its length using a diamond blade core saw. One half of the core was submitted to an analytical lab for analysis and the other returned to the core box for archiving.

Sample Preparation, Analytical Procedures and Security - Noranda

There are no records about sample preparation or security for the diamond drill program.

Prior to 1984, there is no documentation as to the analytical procedure used by Noranda. All samples in 1984 and again in 1997 were submitted to the Noranda Assay Laboratory in Bathurst, New Brunswick. There is no documentation as to the analytical procedure completed at the Noranda facility. In 1986 and 1987, samples were submitted for preparation to the Chemex Preparation facility in Pasadena, Newfoundland and the pulp were shipped to ALS in North Vancouver for analysis.

Sample Preparation, Analytical Procedures and Security - Rubicon Minerals

There are no records about sample preparation or security for the diamond drill program (Singh and Gray 2000). Fire assay (FA) with atomic absorption (AA) finish for gold and silver and inductively coupled plasma (ICP) for base metals was completed by Eastern Analytical of Springdale, Newfoundland. ALS Chemex of North Vancouver was used for check analysis.

Eastern Analytical is not a certificated analytical facility, nor was it certified during the time this program was run. ALS Chemex, was a certified laboratory at the time this program was completed. It has changed its name to ALS Ltd.

Sample Preparation, Analytical Procedures and Security - TLC Ventures

All samples were submitted to Eastern Analytical of Springdale, Newfoundland. Eastern Analytical is not a certificated analytical facility, nor was it certified during the time this program was run.

The following documents the procedure used for analysis at Eastern Analytical: (a) Samples are organized and labelled when they enter the lab; (b) Samples were placed in drying ovens until completely dry; (c) Dry samples are crushed in a Rhino Jaw Crusher to approximately 75% -10 mesh; (d) The sample is rifle split until approximately 250 to 300 g of material remains; (e) The course reject is bagged and stored; (f) The 250 to 300 g split is then pulverized using a ring mill to approximately 98% -150 mesh; (g) A 30 g sample is weighed into an earthen crucible containing lead oxide fluxes; (h) Silver nitrate is then added and the sample is fused in a FA oven to obtain a liquid which is poured into a mold and let cool. The lead button is then separated from the slag and cupelled in a fire assay oven which obtains a silver bead containing the gold; (i) The bead is dissolved in acid and then diluted with deionized water prior to AA analysis; and (j) A second 0.5 g sample is digested with 2 ml nitric acid in a 95°C water bath for a half hour, after which 1 ml hydrogen chloride is added and the samples is returned to the water bath for an additional half hour. After cooling, samples are diluted to 10 ml with deionized water, stirred and let stand for 1 hour to allow precipitate to settle then analyzed by ICP.

QA/QC Program

The Corporation does not have a QA/QC program in place as they have not conducted any sampling on the Leamington Property.

Review of historic work indicates that TLC Ventures were the only operators on the Leamington Property to conduct a limited QA/QC program with the insertion of blanks and duplicate samples. Tetra Tech has not reviewed the results of the TLC Ventures QA/QC program.

QP Opinion

It is Tetra Tech's opinion that the sample preparation and analytical procedures in place by Rubicon Minerals and TLC Ventures meet acceptable industry standards and that the information can be used for geological and resource modelling.

Although the Noranda procedures are not well documented, it is Tetra Tech's opinion that the results are reliable to be used for geological and resource modeling.

Data Verification

Tetra Tech carried out an internal validation of the diamond drillhole file against the original drillhole logs and assay certificates for both the Leamington Property datasets.

The validation of the data files was completed on 18 of the 97 boreholes in the dataset or approximately 18%. Data verification was completed on collar coordinates, end-of-hole depth, down-the-hole survey measurements, and "from" and "to" intervals (Table 4).

(**Table 4 - Database Validation Summary**)

Analysis	Total No.	Verified	Verification Rate (%)	Error Rate (%)	Comments
Collar	**98**	**18**	**18**	**11**	**two possible depth errors**
Survey	**438**	**140**	**32**	**3.67**	**one dip error, and three azimuth errors, however all three azimuth errors was due to an incorrect interval**
Lithology	**2,901**	**197**	**7**	**0.39**	**one missing interval**
Assay	**3,920**	**512**	**13**	**0**	**-**

The two collar errors or 11% error rate detected in the header files were due to minor end of hole depths in the digital files compared to the logs. A total of four survey records or 4% indicated errors of which 3 were due to incorrect interval.

All assay data validated with no errors relative to the assay certificates. All assays entered in the database as being below detection limit with a "<" sign were converted to half the detection limit and were not considered to be errors in the data.

Tetra Tech imported the drillhole data into the Datamine program, which has a routine that checks for duplicate intervals, overlapping intervals, and intervals beyond the end-of-hole. The errors identified in the routine were checked against the original logs and corrected.

Tetra Tech visually observed the diamond drill setups on surface. Manual GPS validation was completed using a Garmin GPSMAP® 60Cx handheld device. Coordinates were collected using NAD27 summarizes the findings. Locating drill collars proved difficult as not all the collars are well marked.

A total of thirteen drill collars or 13% of the dataset were located in the field during the site visit. Table 5 summarizes the validation of the GPS reading compared to the digital file. There is a substantial shift of the data that is required to be explained. The conversion from grid co-ordinates to UTM completed in needs to be reviewed. It is strongly recommended to re-survey the drill collars using a differential GPS.

(**Table 5 - Leamington Property Drill Collar Validation**)

	Calibre Data			Tetra Tech Data			
	Easting	**Northing**	**Elevation**	**Easting**	**Northing**	**Elevation**	**Delta**
L-1	**599493**	**5458886**	**173**	**599478**	**5458865**	**176**	**78**
L-2	**599326**	**5458883**	**172**	**559400**	**5458891**	**184**	**103**
PL-003	**599409**	**5458723**	**173**	**599487**	**5458735**	**174**	**78**
PL-007	**599213**	**5459180**	**154**	**599261**	**5459182**	**156**	**48**
PL-036	**598975**	**5458845**	**157**	**598980**	**5458900**	**160**	**126**
PL-048	**599055**	**5459062**	**156**	**599146**	**5459065**	**155**	**91**
PL-051	**599134**	**5458738**	**156**	**599224**	**5458741**	**168**	**90**
PL-055	**599199**	**5459045**	**160**	**599283**	**5459051**	**164**	**84**
PL-057	**599053**	**5458558**	**161**	**599008**	**5458597**	**159**	**59**
PL-058	**599142**	**5458571**	**169**	**599274**	**5458596**	**175**	**134**
PL-060	**599014**	**5459262**	**150**	**599099**	**5459256**	**145**	**85**
PL04-073	**599362**	**5458495**	**171**	**599360**	**5458446**	**173**	**48**
PL04-077	**599056**	**5458690**	**162**	**599083**	**5458727**	**156**	**46**

Check samples were not collected in order to validate the assay results. A selection of the drill core was reviewed in St. John's at the Department of Natural Resources Core Library. Intervals, unit descriptions, and assays observed in the drill core were compared to the drill logs. No significant issues were observed.

Todd McCracken, P.Geo. visited the site from March 26 to 28, 2013, inclusive.

QP Opinion

The Leamington Property data set is deemed to be valid and is currently acceptable for the use in resource estimation at an Inferred Resource category.

Mineral Processing and Metallurgical Testing

The Corporation has not completed any metallurgical testing on the Leamington Property. Historical test work completed by other companies has not been reviewed by Tetra Tech.

Mineral Resource Estimates

Block Model - Leamington Property

A single block model was created to cover the Leamington Property deposit. A block size of 10 m by 10 m by 10 m was used for block model and resource estimate. The block size is considered reasonable where distances between drillholes vary between 35 and 100 ft.

Mineral Resource Estimate

Tetra Tech has estimated a mineral resource estimate for the Leamington Property deposit in accordance with CIM Best Practices and disclosed in accordance with National Instrument 43-101. The effective date of the Point Leamington mineral resource estimate is June 17, 2013.

The mineral resources for the Leamington Property deposit are classified as Inferred Resources based the confidence in historic drilling, continuity of the grade and lithologies and sample data populations.

The ZnEq% was calculated using a script in the Gemcom GEMS™ block model. The equation used to derive the ZnEq% is as follows: ZnEq%= ((Zn Price * Zn Grade * 22.04622 * Zn Recovery) + (Pb Price * Pb Grade

* 22.04622 * Pb Recovery) + (Cu Price* Cu Grade * 22.04622 * Cu Recovery) +(Ag Price * Ag Grade / 31.10348 * Ag Recovery) + (Au Price * Au Grade / 31.10348 * Au Recovery) / Zn Price) / 22.04622

The parameters used in the above formula are listed in Table 6, below.

(Table 6 - Metal Price and Recovery Parameters for ZnEq% Calculation)

Metal	Metal Price (US$)	Assumed Recovery (%)
Zinc	**0.94/lb**	**100**
Lead	**1.00/lb**	**100**
Copper	**3.69/lb**	**100**
Gold	**1,380.00/oz**	**100**
Silver	**22.73/oz**	**100**

The metal prices listed above were taken from a three-year rolling average. The gold price was taken from the spot price as of June 14, 2013, since the three year trailing average was much higher than the current spot price.

Due to the lack of metallurgical test work, Tetra Tech has assumed 100% for all metals.

The mineral resource estimate for the Leamington Property deposit, at 4.0% ZnEq cut-off, is an Inferred Resource of 14.1 Mt at 1.86 % zinc, 0.02% lead, 0.42% copper, 1.07 g/t gold, 17.12 g/t silver and 6.15% ZnEq. The mineral resource was estimated by the OK interpolation method on capped composite gold grades. No recoveries have been applied to the interpolated estimates.

Table 7 is a summary of the Inferred Resources on the Leamington Property deposit in a range of cut-off grades.

(Table 7 - Summary Table of Inferred Resources)

ZnEq% Cut-off	Density	Tonnes ('000 t)	Zn (%)	Pb (%)	Cu (%)	Au (%)	Ag (%)	ZnEq (%)
3.00	3.46	19,367	1.63	0.02	0.37	0.95	15.42	5.42
4.00	**3.57**	**14,093**	**1.86**	**0.02**	**0.42**	**1.07**	**17.12**	**6.15**
5.00	3.61	9,669	2.11	0.02	0.46	1.22	18.55	6.91
6.00	3.64	6,184	2.36	0.02	0.50	1.41	19.76	7.72
7.00	3.65	3,460	2.69	0.02	0.52	1.68	21.32	8.70
8.00	3.65	2,038	3.02	0.02	0.51	1.94	23.09	9.57

1. CIM definition standards were followed for the resource estimate.
2. The 2013 resource models used Inverse Distance grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids.
3. A base cutoff grade of 4.0% Zinc Equivalent (ZnEq) was used for reporting resources.
4. Densities varied by rock type and ranged from 2.6 for the volcanic to 3.7 for the massive sulphides.
5. Numbers may not add exactly due to rounding.
6. ZnEq calculated using $0.94/lb for Zinc, $1.00/lb for Lead, $3.69/lb for Copper, $1380/oz Au for gold and $22.73/oz Ag for silver and metallurgical recoveries and net smelter returns are assumed to be 100%.
7. Mineral Resources that are not mineral reserves do not have economic viability.
8. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there

has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Interpretation and Conclusions

The conclusions for the geology and resource of the Project are summarized below.

- The Leamington Property is currently held 100% by the Corporation;
- The Leamington Property is analogous to the VMS deposits typical to Canada;
- The Leamington Property is associated with altered felsic to mafic volcanics flows with intercalated sediments. Varying degrees of alteration are typical of a VMS deposit including carbonate, silicification, sericitization and minor chloritization;
- There is a strong understanding of the regional and local geology to support the interpretation of the mineralized zones on the Leamington Property;
- Mineralization is currently defined in three domains: massive sulphides, footwall volcanics and porphyry dykes;
- Neither the Corporation nor Calibre have conducted any drilling or sampling on the Leamington Property;
- Drilling and sampling procedures, sample preparation and assay protocols conducted by previous operator are generally conducted in agreement with best practices at the time, yet may not meet current standards;
- Verification of the drillhole collars indicates that there is a potential shift in the dataset that must have occurred when the data was converted from local grid to UTM;
- Verification of the downhole surveys, assays, core, and drillhole logs indicates the data supplied by Calibre is reliable;
- The historic diamond drill programs are not supported by a QA/QC program;
- The mineral models have been constructed in conformance to industry standard practices;
- The geological understanding is sufficient to support the resource estimation;
- The specific gravity value used to determine that tonnage was derived from global numbers typical of the rock types of the deposit;
- The mineral resource estimate for the Leamington Property deposit, at a 4.0% ZnEq cut-off, is an Inferred Resource of 14.1 Mt at 1.86 % zinc, 0.02% lead, 0.42% copper, 1.07 g/t gold, 17.12 g/t silver, and 6.15% ZnEq; and
- The mineral resource was estimated by the OK interpolation method on capped composite gold grades. No recoveries have been applied to the interpolated estimates.

Recommendations

It is Tetra Tech's opinion that additional exploration expenditures are warranted. Two separate exploration programs are proposed. Each can be carried out concurrently and independently of each other. The successful completion of Phase 1 will have an impact on how Phase 2 is conducted.

Phase 1 - Point Leamington Confirmation

Phase 1 is designed to confirm the historic drill data on the Leamington Property by locating all the drill collars using a differential GPS and to diamond drill test selected sections of the deposit to confirm the mineralization. In addition to locating and confirming the historic data a metallurgical test program is proposed. The proposed budget to complete Phase 1 is approximately $400,000 (See Table 8).

(**Table 8 - Phase 1 Exploration Budget**)

Task	Unit Price ($)	Units	Budget ($)
Target Definition (includes permits)			**20,000**
Surveying (differential GPS)	**$1,000/d**	**10 d**	**10,000**
Diamond Drilling	**$200/m**	**1400 m**	**280,000**
Assays	**$40/sample**	**250 samples**	**10,000**
Salaries	**$5,000/mo**	**7 mo**	**35,000**
Logistics (lodging, fuel, food, consumables)	**$5,000/mo**	**3 mo**	**15,000**
Metallurgical Testing			**30,000**
		Total	**400,000**

Phase 2 - Point Leamington Expansion

Phase 2 is designed to further delineate the resource at the Leamington Property by infilling and stepout reverse circulation and diamond drilling of the deposit. This drilling along with the results from Phase 1 should allow the resource to be expanded and improve the resource classification.

In addition to the drilling, both a surface and downhole electromagnetic survey programs should be conducted to identify additional targets on the Leamington Property. The continuation of the metallurgical testing program is proposed pending the results of the Phase 1 metallurgical test. The proposed budget to complete Phase 2 is approximately $2.1 million (See Table 9).

(**Table 9 - Phase 2 Exploration Budget**)

Task	Unit Price ($)	Units	Budget ($)
Target Definition (includes permits)	**-**	**-**	**50,000**
Surveying (differential GPS and downhole)	**1,000/d**	**100 days**	**100,000**
Diamond Drilling	**200/m**	**4,000 m**	**800,000**
Reverse Circulation Drilling	**80/m**	**8,000 m**	**640,000**
Assays	**40/sample**	**1,000 samples**	**40,000**
Salaries	**5,000/mo**	**12 months**	**110,000**
Logistics (lodging, fuel, food, consumables)	**5,000/mo**	**6 months**	**30,000**
Geophysical Survey (EM and downhole EM)	**-**	**-**	**100,000**
Metallurgical Testing	**-**	**-**	**150,000**
Technical Studies	**-**	**-**	**80,000**
		Total	**2,100,000**

Other Recommendations

The following recommendations will assist in moving the Leamington Property forward:

- For future drilling programs, specific gravity measurement for the various rock types and alteration styles should be collected. Approximately 4% to 5% of the database should have a specific gravity measurement. This will allow for a more accurate calculation of the tonnage in any subsequent resource estimate.

- Design and implement a proper QA/QC program with any future drilling program.

- Locate all historical drill collars using a reliable survey method, such as a differential GPS.

- Consider conducting metallurgical tests using drill core or course rejects to determine the global recoveries of the resource.

- Eastern Analytical is currently not an accredited laboratory. Consider submitting 1% to 2% of the course rejects or pulps for check analysis to a third party accredited laboratory as part of the QA/QC program or send all samples to an accredited laboratory.

Exploration Program in 2014

During 2014, the Corporation completed a diamond drilling, sampling and assaying of core samples at the Leamington Property. A total of 259 metres in two drill holes (PL14-078 – 116 metres and PL 14-079 – 143 metres) were completed. The drilling program intersected up to 40 metres of massive sulphide mineralization and returned a number of intercepts including 13.38 metres grading 2.5 g/t Au, 2.44% Zn and 0.90% Cu (PL14-079) and 10.57 metres grading 1.0 g/t Au, 4.60% Zn and 0.39% Cu (PL14-078).

Results for massive sulphide intervals from the drill program include:

DDH	from	to	m	Au g/t	Ag g/t	Cu %	Pb %	Zn %
PL14-078	45.97	48.21	2.24	0.386	19.8	0.36	0.04	3.00
PL14-078	50.71	67.30	16.59	0.601	19.0	0.36	0.11	2.56
PL14-078	76.04	86.61	10.57	1.023	26.5	0.39	0.10	4.60
PL14-078	95.00	105.37	10.37	0.374	7.4	1.89	0.01	0.19
PL14-078	112.00	116.00	4.00	0.499	15.0	1.69	0.01	0.73
PL14-079	49.90	59.23	9.33	0.479	20.7	0.32	0.19	3.23
PL14-079	67.16	76.67	9.51	0.357	15.0	0.73	0.01	2.32
PL14-079	80.80	87.11	6.31	0.998	9.4	0.35	0.01	0.74
PL14-079	92.58	102.00	9.42	1.025	16.0	1.41	0.07	1.25
PL14-079	107.96	121.34	13.38	2.519	16.2	0.90	0.07	2.44
PL14-079	125.00	132.00	7.00	0.634	10.4	0.01	0.07	0.13

1. Length weighted averages of uncut assays and analyses.
2. Analyses completed at ACME Analytical, Vancouver, British Columbia.
3. Results passed QA/QC including the insertion of blanks and standards and sample duplicates.

A total of 154 samples (excluding QA/QC samples) were collected and shipped to ACME Labs (A Bureau Veritas Group Company) of Vancouver, British Columbia, an independent ISO Certified Facility, for analyses. Samples were analyzed for gold by fire assay and a further 24 elements including copper, lead, silver and zinc by aqua regia digestion and ICP-ES analysis.

A composite sample was prepared which approximated the average grade of the existing mineral resource. The composite sample was delivered to the Metallurgical Division of Inspectorate Exploration and Mining Services in Richmond, British Columbia. The metallurgical test work consisted of a series of metallurgical scoping tests designed to study the potential for copper, zinc and precious metal recovery by flotation. Previous work since 1972 had focused on recovering only one product at a time, depending on the samples tested. The study evaluated the recovery of all potentially economic minerals using a sequential flotation circuit in which a series of concentrates are recovered in sequential stages.

DIVIDENDS AND DISTRIBUTIONS

There are no restrictions in the Corporation's articles or by-laws or pursuant to any agreement or understanding which could prevent the Corporation from paying dividends. Neither the Corporation nor its predecessors have declared or paid any dividends on any class of securities. The Corporation currently intends to retain future earnings, if any, to fund the development and growth of its business and does not intend to pay any cash dividends on the common shares of the Corporation for the foreseeable future. Any decision to pay dividends on the common shares in the future will be made by the board of directors of the Corporation on the basis of earnings, financial requirements and other conditions existing at the time.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The authorized capital of the Corporation consists of an unlimited number of common shares. As at the date of this AIF, there are 51,590,374 common shares issued and outstanding, 3,200,000 options to acquire common shares outstanding, and 23,333,334 common share purchase warrants outstanding.

The holders of the common shares are entitled to one vote per common share at meetings of the shareholders of the Corporation, and to receive dividends if, as, and when declared by the board of directors. Holders of the common shares participate ratably in any distribution of the assets of the Corporation upon its liquidation, dissolution, or winding-up. The common shares carry no pre-emptive rights, conversion or exchange rights, redemption, retraction, re-purchase, sinking fund, or purchase fund provisions. There are no provisions requiring a holder of the common shares to contribute additional capital, and no material restrictions on the issuance of additional securities by the Corporation. There are no restrictions on the repurchase or redemption of the common shares by the Corporation, except to the extent that any repurchase or redemption would render the Corporation insolvent.

MARKET FOR SECURITIES

Trading Price and Volume

Common Shares

The common shares of the Corporation are listed and posted for trading on the TSXV under the symbol "NGN". The following table sets forth information relating to the trading of the common shares on the TSXV for the months indicated.

Month	High ($)	Low ($)	Volume
January 2014	0.400	0.360	128,166
February 2014	0.370	0.250	1,756,678
March 2014	0.375	0.270	1,911,708
April 2014	0.355	0.270	1,980,500
May 2014	0.490	0.325	542,439
June 2014	0.360	0.320	823,657
July 2014	0.325	0.320	32,168
August 2014	0.340	0.290	90,000
September 2014	0.300	0.270	47,000

Month	High ($)	Low ($)	Volume
October 2014	0.265	0.250	254,500
November 2014	0.300	0.180	40,900
December 2014	0.325	0.200	62,070

Prior Sales

Stock Options

The following table summarizes details of the stock options issued by the Corporation during the most recently completed financial year.

Month of Issuance	Security	Price per Security ($)[1]	Number of Securities
January 2014	Stock Options Granted	0.38	600,000
April 2014	Stock Options Granted	0.33	300,000

(1) Exercise price of the stock options.

DIRECTORS AND OFFICERS

The following table sets forth the name, province and country of residence, position or offices held with the Corporation, date appointed and principal occupation of each person who is a director and/or an executive officer of the Corporation as of the date of this AIF.

Name and Province and Country of Residence	Position or Office(s) held with the Corporation and Date Appointed	Principal Occupation
Raymond Threlkeld [2] Virginia, United States	Chairman and Director (Since March 14, 2014)	Corporate director and consultant on natural resource development; Director of New Gold Inc. since June 1, 2009; President and Chief Executive Officer of Rainy River Resources Ltd. from 2009 to 2013.
Douglas B. Forster British Columbia, Canada	President, Chief Executive Officer and Director (Since June 14, 2011)	Director, Potash One Inc. from 2008 to 2011; Director, Calibre Mining Corp. from 2003 to present; Director, Edgewater Exploration Ltd. from 2011 to present; Director, Pinecrest Resources Ltd. from 2010 to present; President and Chief Executive Officer, Featherstone Capital Inc. from 2005 to present; President and Chief Executive Officer, Quarry Capital Corp. from 1994 to present.
Blayne Johnson [1] [3] British Columbia, Canada	Executive Vice President and Director (Since June 14, 2011)	Chairman of Featherstone Capital Inc. from 2005 to present.
Lukas Lundin Switzerland	Director (Since October 4, 2013)	Businessman/mining executive; director and officer of a number of publicly traded resource-based companies, including Lundin Mining Corporation, Lundin Petroleum SA, Denison Mines Corp., Lucara Diamond Corp., Sirocco Mining Inc. and Fortress Minerals Corp.

Name and Province and Country of Residence	Position or Office(s) held with the Corporation and Date Appointed	Principal Occupation
Randall Oliphant Ontario, Canada	Director (Since October 4, 2013)	Executive Chairman of New Gold Inc., from 2009 to present.
Douglas Hurst [(1) (2) (3)] British Columbia, Canada	Director (Since October 4, 2013)	Chairman of Selkirk Power Company from 2007 to present; Director of WPC Commodities from 2007 to present.
Edward Farrauto [(1) (2) (3)] British Columbia, Canada	Director (Since July 22, 1998)	Certified General Accountant; President, Sail View Capital Ltd. from February 1994 to present.
Paulo Santos British Columbia, Canada	CFO and Corporate Secretary (Since October 4, 2013)	Chief Financial Officer of Calibre from February 2010 to present.

(1) Member of the Audit Committee. Mr. Farrauto is the Chair of the Audit Committee.
(2) Member of the Compensation Committee. Mr. Hurst is the Chair of the Compensation Committee.
(3) Member of the Corporate Governance Committee. Mr. Farrauto is the Chair of the Governance Committee.

The term of office of the directors expires annually at the time of the Corporation's annual general meeting. The term of office of the executive officers expires at the discretion of the board of directors of the Corporation.

The principal occupations, businesses or employments of each of the Corporation's directors and executive officers within the past five years are disclosed in the brief biographies set forth below.

Raymond Threlkeld — Chairman and Director. Mr. Threlkeld has a proven track record in the gold sector in project development, construction and mine operations. Mr. Threlkeld is a seasoned mining professional with more than 33 years of experience in mineral exploration, mine operations and construction and executive management. Most recently, Mr. Threlkeld was President and Chief Executive Officer of Rainy River Resources that was developing the 4 million ounce Rainy River gold deposit in Ontario, prior to its purchase by New Gold for $310 million in 2013. From 2006 to 2009, he led a team along with Randall Oliphant that acquired, developed and put into operation the Mesquite gold mine in California with Western Goldfields, which was subsequently purchased by New Gold for $314 million in 2009. From 1996 to 2004, Mr. Threlkeld held a variety of senior executive positions with Barrick Gold Corporation, rising to the position of Vice President, Project Development. During his tenure at Barrick Gold, he was responsible for placing more than 30 million ounces of gold resources into production in Africa, South America and Australia. Mr. Threlkeld holds a B.Sc. in Geology from the University of Nevada.

Douglas B. Forster — President, Chief Executive Officer and Director. Mr. Forster has been associated with the mining industry for over 30 years as a geologist, senior executive, director and company founder. He holds a B.Sc. (1981) in geology and a M.Sc. (1984) in economic geology from the University of British Columbia, Canada. Mr. Forster has extensive experience in resource project development, mergers and acquisitions, equity finance and public company management and has founded numerous companies listed on North American Stock Exchanges. Mr. Forster was a founder of Terrane Metals Corp. that was acquired by Thompson Creek Metals Co. Inc. in 2010 for $700 million and a director of Potash One Inc. that was acquired by K+S Aktiengesellschaft in 2011 for $434 million. He is a registered member of the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Forster sits on the board of a number of publicly traded companies and is currently President and CEO of Featherstone Capital Inc. a private, natural resource investment company.

Blayne Johnson — Executive Vice President and Director. Mr. Johnson has been involved in the investment community for the past 27 years. As a Vice President of First Marathon Securities he played a key role in providing institutional financing to junior resource companies. During his tenure at the firm, First Marathon participated in over $5 billion of equity financings for natural resource companies. His work at First Marathon involved equity and debt financings as well as mergers and acquisitions. Since 1996 he has managed his own investment and real estate portfolios and has been as active investor in the mining sector. He is currently Chairman of Featherstone Capital Inc.

Lukas Lundin — Director. Mr. Lundin graduated from the New Mexico Institute of Mining and Technology (Engineering). Throughout his career he has been responsible for various resource discoveries, including the multi-million ounce Veladero gold deposit in Argentina that was subject to a $300 million takeover by Homestake in 1999. Mr. Lundin has also led numerous companies through very profitable business acquisitions and mergers including the $7.1 billion sale of Red Back Mining Inc. in 2010. Mr. Lundin sits on the board of a number of publicly traded companies and is currently Chairman of Lundin Mining Corporation, a base metal producer, and Denison Mines Corp, a uranium exploration and development company.

Randall Oliphant — Director. Randall Oliphant is Executive Chairman of New Gold. Mr. Oliphant is on the Advisory Board of Metalmark Capital LLC (formerly Morgan Stanley Capital Partners), and serves on the boards of WesternZagros Resources Ltd. and Franco-Nevada Corporation. Since 2003, Mr. Oliphant has served on the boards of a number of public and private companies and not-for-profit organizations. From 1999 to 2003, he was the President and Chief Executive Officer of Barrick Gold Corporation. From 2006 to 2009, he was Chairman of Western Goldfields Inc. Until the spring of 2011 he was also President and Chief Executive Officer of Silver Bear Resources Inc. Mr. Oliphant is a Chartered Accountant.

Douglas Hurst — Director. Mr. Hurst has over 25 years' experience in the mining/resource sector having acted as geologist, mining analyst and senior executive since 1987. Mr. Hurst holds a Bachelor of Science in geology from McMaster University (1986). During the 1990's Mr. Hurst was a mining analyst with McDermid St. Lawrence and Sprott Securities and later as a contract analyst with Pacific International and Octagon Capital. From 1995 to 2003, Mr. Hurst was a mining consultant offering corporate, evaluation and financing services to the mining sector. Mr. Hurst was a founding Executive/Director with International Royalty Corporation which was sold to Royal Gold Inc. in 2010 in a transaction valued at approximately $700 million. Doug currently serves as the Chairman of Selkirk Power Company Ltd., a private hydro development company.

Edward Farrauto — Director. Mr. Farrauto is a Certified General Accountant and has 20 years' experience as a senior financial officer in private and public companies. His experience encompasses financial and regulatory compliance and public company management. Mr. Farrauto has been directly responsible for overseeing private placement financings, prospectus filings, reverse takeovers and merger and acquisition transactions.

Paulo Santos — Chief Financial Officer and Corporate Secretary. Mr. Santos is a Chartered Accountant with over 10 years' experience in accounting, auditing and regulatory compliance. Mr. Santos has worked in public practice as an auditor, focusing his area of interest in public companies in the junior resource and technology sectors. He is currently CFO of Calibre Mining Corp. where he previously held the position of corporate controller.

As of the date of this AIF, the directors and executive officers of the Corporation, as a group, beneficially own, directly or indirectly, or exercise control or direction over 27,145,144 common shares of the Corporation, representing approximately 52.6% of the issued and outstanding common shares, before giving effect to the exercise of options or warrants to purchase common shares held by such directors and executive officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, except as disclosed below, no director or executive officer of the Corporation is, or within 10 years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Corporation, no director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially control of the Corporation, is, or within 10 years prior to the date hereof has been, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Corporation, no director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially control of the Corporation, has, within 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of the Corporation, no director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers, insiders, promoters and control persons of the Corporation may be subject in connection with the operations of the Corporation. All of the directors, officers, insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the business of the Corporation. Accordingly, situations may arise where the directors, officers, insiders and promoters will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under applicable regulatory agencies. See also “Risk Factors”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of the Corporation, the Corporation is not and was not, during the year ended December 31, 2014, a party to any legal proceedings, nor is any of its property, nor was any of its property during the year ended December 31, 2014, the subject of any legal proceedings. As at the date hereof, no such legal proceedings are known to be contemplated.

There have been no penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by any securities regulatory authority during the year ended December 31, 2014, or any other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor making an investment decision, and the Corporation has not entered into any settlement agreement with a court relating to securities legislation or with a securities regulatory authority during the year ended December 31, 2014.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below and elsewhere in this AIF, since January 1, 2012, no director or executive officer of the Corporation, or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of outstanding voting securities of the Corporation, or any associate or affiliate of any such person or company, has or had any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the Corporation is Computershare Trust Company of Canada at its principal transfer office in Vancouver, British Columbia.

MATERIAL CONTRACTS

The only material contracts entered into by the Corporation within the year ended December 31, 2014 or before such time that are still in effect, other than in the ordinary course of business, are as follows:

(a) Arrangement Agreement dated May 11, 2015 and referred to under "General Development of the Business – Three Year History".

(b) Luxor Voting Support Agreements dated May 11, 2015 between the Corporation and certain Luxor Capital Group LP affiliates in connection with the Arrangement Agreement and Transaction referred to under "General Development of the Business – Three Year History".

Copies of the material contracts noted above are available on SEDAR at www.sedar.com under the Corporation's profile.

INTERESTS OF EXPERTS

The following individuals are the qualified persons as defined by NI 43-101 who authored the Technical Report prepared in accordance with NI 43-101 from which certain technical information relating to the Corporation's Leamington Property contained in this AIF has been derived:

The Corporation retained Todd McCracken, P. Geo. and Paul Daigle, P. Geo., of Tetra Tech Inc., to prepare the Technical Report. The Technical Report dated July 4, 2013 has been delivered by the Corporation and its contents are summarized under the heading "The Leamington Property".

To the knowledge of the Corporation, Todd McCracken, P. Geo., Paul Daigle, P. Geo., and Tetra Tech Inc., do not have a direct or indirect interest in the Leamington Property or in the properties of any associate or affiliate of the Corporation, nor will they receive any such interest. To the knowledge of management of the Corporation, Todd McCracken, P. Geo., Paul Daigle, P. Geo., and Tetra Tech Inc., do not have beneficial ownership, direct or indirect, in the securities of the Corporation or in the securities of any associate or affiliated corporations.

PricewaterhouseCoopers LLP, Chartered Accountants, is the auditor of the Corporation and PricewaterhouseCoopers LLP has reported that they are independent of the Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans are contained in the management information circular of the Corporation prepared in connection with the Corporation's most recent annual meeting of shareholders held on July 4, 2014 which is available on SEDAR at www.sedar.com. Additional financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2014.