Technical Report on the Chanape-Pucacorral Project

Lima Department, Perú

Cuadrángulo 24K (Matucana)

Prepared for BCGold Corp.

by
J. Blackwell, P Geo.

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Item 1: Summary

BCGold Corp. intends to acquire the Chanape-Pucacorral Project from Circum-Paciic Holdings Limited, an arms-length private Canadian company, which owns two Peruvian companies, Minera Chanape S.A.C. "(Minera Chanape") and Cima de Oro S.A.C. ("Cima de Oro"), which in turn own the concessions that make-up the Project. Minera Chanape acquired its 15 concessions in 2012 and 2013. Cima de Oro is the registered owner of two concessions, and has an option to acquire a 100% interest in nine concessions held by a third Peruvian company, SMRL Cerro de Oro Tres. The Property has established gold, silver and base metal targets.

The Chanape-Pucacorral Project is located in the western flank of the Andes Mountains 90 kilometres east-northeast of the City of Lima, Perú. Access to the Project is by truck. The area is mountainous with elevations ranging from 4,400 to 5,000 metres above sea level.

BCGold has done no exploration at Chanape-Pucacorral. The Project is of interest owing to the favourable results of exploration at the site and on adjoining properties by predecessor companies between 2007 and 2016. One of those predecessor companies, Minera High Ridge S.A.C. ("High Ridge") was under the direction of the same individuals behind Circum-Pacific. High Ridge completed surface and underground rock sampling, prospecting, grid –based magnetometer and IP geophysical surveys, alteration studies using satellite imagery and two phases of core drilling totalling 2,352.50 metres in 12 holes. High Ridge explored by drilling a number of intermediate sulphidation arsenical gold-silver-zinc-lead veins and more importantly a cluster of 30 or more hydrothermal breccias that host attractive low grade copper-gold-silver mineralization. It was postulated at the time (2008) that the breccias were genetically related to concealed copper porphyry's at depth. Subsequently, Inca Minerals Ltd. ("Inca") acquired an option on the core concessions of High Ridge's property (the "Chanape Option") and drilled 33 holes of varying lengths and orientations, intersecting significant copper and gold. As of March 2016 Inca is reported to have dropped the Chanape Option.

Drilling and rock-chip sampling on the Chanape Option has returned many significant intersections but has yet to yield a deposit that meets the criteria required to complete a resource estimate. Mineralized intervals of note include 108m @ 2.0g/t Au, 41.0g/t Ag from surface including 42m @ 3.3 g/t Au, 34.9g/t Ag from surface in CH-DDH001, 261 m grading 0.19% copper from 605 to 866 m and 0.16 g/t gold over 368 m between 341 and 709 m in drill hole CH-DDH033, and 68m of 1.98% Cu, 0.84g/t Au and 42.90g/t Ag from 234m to 302 m including 7m of 2.78% Cu, 1.47g/t Au and 70.59g/t Ag from 294 to 301 m in CH-DDH-013.

A strong induced polarization and charge ability anomaly is associated with the mineralization on the Chanape Option and extends onto the Minera Chanape concessions where it has not been tested by drilling.

Four kilometres to the northeast of Chanape the non-producing, historic San Mateo Mine contiguous concessions, some held by Minera Chanape and some under option by Cima de Oro cover unexplored alteration zones flanked on the south and east by a group of intermediate sulphidation veins. Though an earlier stage exploration target than Chanape it is part of the same, or similar mineral-system and represents a similar porphyry copper/gold-silver vein opportunity.

The predominant rock types at the Property are early Tertiary andesitic volcanic flows, interlayered with tuffs and rhyolites of the Rimac group and overlain disconformably by the Millotingo Formation; the composite thickness of these units is 700 m to 1,000 m. The Rimac hosts mineralization at both Chanape and Mina San Mateo. The Rimac has been broadly folded and warped but is not regionally metamorphosed. During the middle to late Tertiary these rocks were intruded by various bodies of quartz monzonite and diorite, both tourmaline-rich, which have mineralized and altered the adjacent volcanic rocks with added pyrite, fine-grained silica, and kaolin. Associated with the intrusions are numerous gold-rich polymetallic veins and breccias with gold and tourmaline.

A two-phase exploration programme is recommended, including 4,000 of core drilling. Phase I should include grid IP and magnetometer surveys, mapping, follow-up of ASTER anomalies and extensive rock sampling. Phase II should include drilling on the Minera Chanape portion of the Chanape porphyry-geophysical target and first-pass drilling on new targets discovered during phase I. Suggested expenditures are estimated to be:

Table 1.1 Estimate of Recommended Expenditures – Two-phase Exploration Programme

Phase I	380,000
Phase II	865,000
Total	**US$ 1,245,000**

Item 2: Introduction

This technical report was prepared by the Writer at the request of BCGold Corp. (BCGold or "the client"), a Vancouver-based resource company listed on the TSX Venture Exchange. The purpose of the report is to summarize salient features of the Chanape-Pucacorral Projects (the "Property" or "Chanape-Pucacorral"), located in the Republic of Perú.

This technical report was prepared for BCGold in compliance with standards laid out by National Instrument 43-101 and Form 43-101F (Standards of Disclosure for Mineral Projects). Sources of information include 1:100,000 topographic maps prepared by the Instituto Geográfico Nacional (Perú), geological maps and reports from the Instituto Geológico Minero y Metalúrgico (INGEMMET Perú), historic reports prepared by consultants and/or data collected by predecessor companies that undertook exploration on the Property, and third-party disclosure documents on adjoining properties. BC Gold has not undertaken exploration work at the Property

The Writer visited the Property during May 11 and 12th, 2016 in order to collect rock samples for analyses, review the location of pits, adits and important outcrops, and to gain an overview of the scope of the project.

BCGold will acquire the rights, title and interests to Chanape-Pucacorral from Circum-Pacific Holdings Limited, an arms-length private Canadian company. It owns two Peruvian companies, Minera Chanape S.A.C. "(Minera Chanape") and Cima de Oro S.A.C. ("Cima de Oro"), which in turn own the Property. Minera Chanape acquired its 15 concessions in 2012 and 2013. Cima de Oro is the registered owner of two concessions, and has an option to acquire a 100% interest in nine concessions held by SMRL Cerro de Oro Tres.

The Property was acquired to explore for gold, silver and base metal deposits. The concessions held by Minera Chanape cover numerous mineralized hydrothermal breccias and massive base and precious metal-rich sulphide veins, and surrounds a potential porphyry copper-molybdenum-gold target that has been recently explored by a competitor company, Inca Minerals Limited ("Inca"). Previous work by Minera High Ridge SAC ("High Ridge" or "HRR"), a predecessor company to Minera Chanape, included surface and underground rock sampling, prospecting, grid –based magnetometer and IP geophysical surveys, alteration studies using satellite imagery and two phases of core drilling totalling 2,352.50 metres in 12 holes. The concessions held by or under option to Cima de Oro were also examined by High Ridge. Work included geological mapping and rock sampling. All properties show evidence of mining, including adits developed on different levels on the same vein structure. It is reported that some of the mining was done as long ago as 1934 and continued intermittently until 1998. The mineralized rock was variously reported to have been transported to a central milling complex situated to the north, off-property at Pacococha. The writer saw no tailings on the Property.

Metric units are used throughout in this report and currencies are in United States Dollars (US$) unless otherwise stated to be Peruvian Nuevo Soles.

A list of abbreviations that may be used in this report is provided below.

Table 2.1: Abbreviations

Item	Abbreviation
Above mean sea level	amsl
Arsenic	As
Atomic absorption	AA
BCGold Corporation	BCGold
Billion years	b.y.
Canadian dollar	C$
Centimetre(s)	cm
Cubic centimetre	cm^3
Cubic metre	m^3
Cubic millimetre	mm^3
Declaración de Impacto Ambiental	DIA
Degree Celsius	°C
Degree Fahrenheit	°F
Diamond drill hole	DDH
Environmental Impact Study (Estudio de Impacto Ambiental)	EIA
Feet	ft

Global Positioning System	GPS
Gold	Au
Gram(s)	g
Grams per metric tonne	gpt
Greater than	>
Hectare(s)	ha
Induced coupled plasma	ICP
Inca Minerals Limited	Inca
International Organization for Standardization	ISO
Kilogram(s)	kg
Kilometre(s)	km
Lead	Pb
Less than	<
Litre(s)	l
Metre(s)	m
Millimetre(s)	mm
Million tonnes	Mt
Million Troy ounces	Moz
Million years' time span	m.y.
Million years ago	Ma
National Instrument 43-101	NI43-101
Ounces (Troy)	oz
Troy ounces per short ton	opT
Parts per billion	ppb
Parts per million	ppm
Percentage	%
Peruvian Sol	S/
Plus or minus	±
Quality Assurance/Quality Control	QA/QC
Semi-detailed Environmental Impact Study	EIAsd
Silver	Ag
Sociedad Anónima Cerrada	S.A.C.
Sociedad Minera de Responsabilidad Limitada	SMRL
Square centimetre(s)	cm^2
Square kilometre(s)	km^2
Square metre(s)	m^2
Square millimetre(s)	mm^2
Ton (short, 2000 lbs)	T
Tonne (metric, 1,000 kg or 2,204.6 lbs)	t
Tonnes per day	tpd
Troy ounce (31.1035 grams)	oz
United States' dollar(s)	US$
Universal Transverse Mercator	UTM

Item 3: Reliance on Other Experts

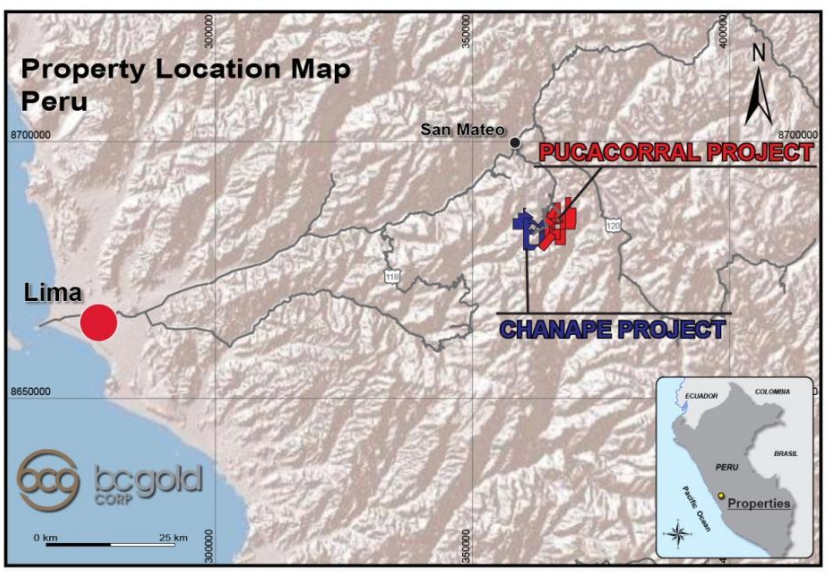
This report has been prepared by the writer for BCGold Corp. (BCGold or “the client”). The information, conclusions, opinions, and estimates contained herein are based on assumptions, conditions, and qualifications as set forth in this report.
Where possible, the Writer has confirmed the information provided but where checks and confirmations were not possible, the Writer has assumed that all information supplied by means of previous Issuer’s disclosure documents is complete, accurate and reliable within normally accepted limits of error. During the normal course of the review, the Writer has not discovered any reason to doubt that assumption.

For the purpose of this report, the writer has relied on ownership information provided by BCGold. The client has provided an opinion by Lima based law firm Estudio Egusquiza Sociedad Civil de Responsabilidad Limitada entitled “Properties Report of the "CHANAPE PROJECT” and “Properties Report of the “CIMA DE ORO PROJECT”, both dated April 28, 2016, prepared at the request of and for BCGold. These opinions are relied on in Section 4 and the Summary of this report. The writer has not researched property title or mineral rights for the Chanape and Cima de Oro Properties and expresses no opinion as to the ownership status of the Property.

Except for the purposes legislated under provincial securities law, any use of this report by any third party is at that party’s sole risk.

Item 4: Property Description and Location

Figure 4.1: Location



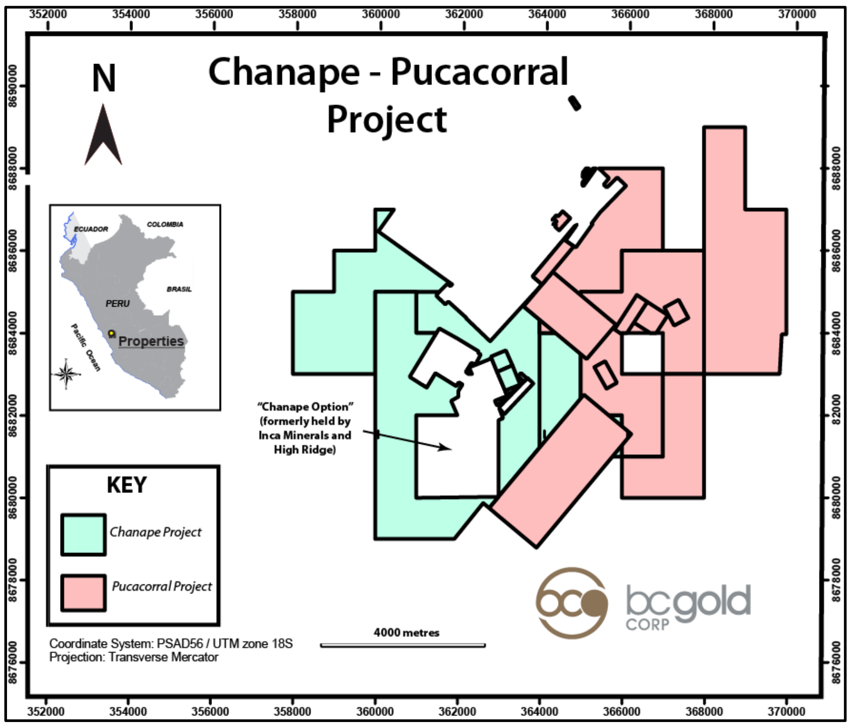
The Chanape-Pucacorral Project is located in the western flank of the Andes Mountains, or “Cordillera Occidental”, 90 kilometres east-northeast of the City of Lima, Perú in the Districts of San Damian, Province of Huarochiri, and Department of Lima, Peru. The geographic coordinates near the centre of the Project are approximately 11° 54’ 45’’ South latitude by 76^0 15’ 45’’ West longitude, or in the local

UTM PSAD 56 coordinate system at zone 18, 8,682,500 m North by 362,500 m East (see Figure 4.1). The property is within Peruvian National Topographic System (NTS) map area Matucana 24-k.

Property

The Property is over 5,785 hectares in size.

Figure 4.2: Chanape-Pucacorral Property



BCGold has entered a Letter of Intent ("LOI") to acquire all of the issued and outstanding shares of Circum-Pacific, a private Canadian company, which in turn owns the majority of the issued and outstanding shares of Minera Chanape and Cima de Oro, two private Peruvian companies. Minera Chanape and Cima de Oro are majority owners of the Chanape and Pucacorral Properties (see Figure 4.3) respectively. The remaining interests (Egúsquiza) in Chanape and Cima de Oro will be acquired at the same time, with on a pro-rata basis.

Table 4.1 Distribution of Payments in order to acquire Minera Chanape & Cima de Oro

Company	Shares to be issued	Cash Payment
Circum-Pacific *	20,000,000	40,000
Egúsquiza	10,000,000	20,000
Total	30,000,000	60,000

* Circum Pacific is owned by Messrs. G. Anderson and A. Szybinski, both former officers of High Ridge Resources Inc.

Minera Chanape is the registered owner of a 100% interest in the following mineral concessions:

Table 4.2 List of Mineral Concessions Owned by Minera Chanape

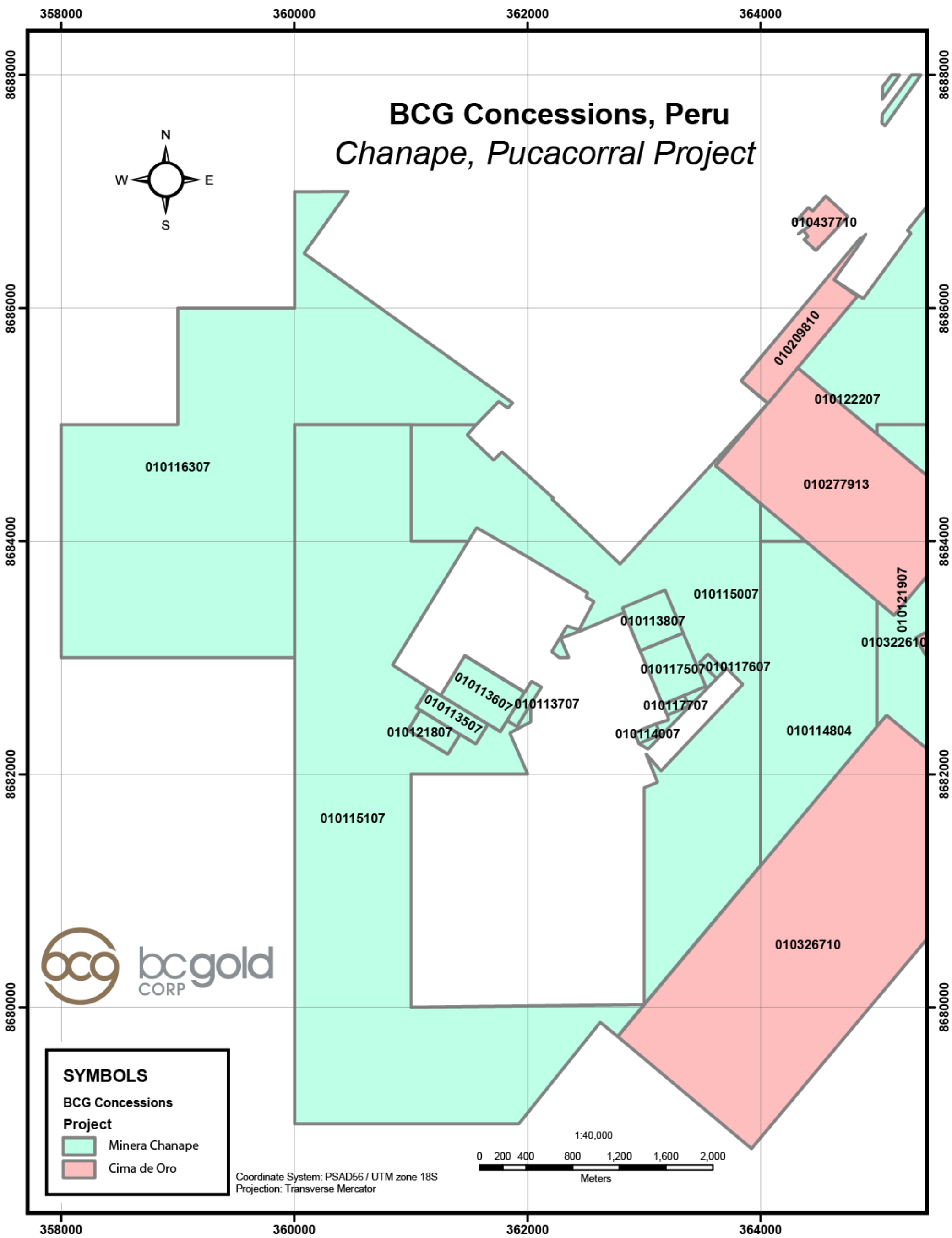
NAME	CODE N°	ELECTRONIC ENTRY	OWNER	AREA (Has)	VALIDITY FEES *		PENALTY FEES *	
					2015	2016	2015	2016
CHANAPE II	010115107	12154376	MINERA CHANAPE S.A.C.	784.42	2,353.27	2,353.27	4,706.55	4,706.55
CHANAPE III	010115007	12394738	MINERA CHANAPE S.A.C.	485.82	1,457.46	1,457.46	2,914.92	2,914.92
CHANAPE IV	010114807	12154573	MINERA CHANAPE S.A.C.	209.94	629.81	629.81	1,259.61	1,259.61
PUCACORRAL – CHANAPE	010121907	12394727	MINERA CHANAPE S.A.C.	792.69	2,378.06	2,378.06	4,756.13	4,756.13
SAN ANTONIO 11 DE CHANAPE	010113807	12154566	MINERA CHANAPE S.A.C.	15.97	47.91	47.91	95.82	95.82
SAN ANTONIO 12	010117507	12145937	MINERA CHANAPE S.A.C.	19.96	59.89	59.89	119.78	119.78
SAN ANTONIO 13	010117607	12151350	MINERA CHANAPE S.A.C.	2.00	6.00	6.00	12.00	12.00
SAN ANTONIO 14 DE CHANAPE	010117707	12146348	MINERA CHANAPE S.A.C.	2.00	5.99	5.99	11.98	11.98
SAN ANTONIO 15	010114007	12153572	MINERA CHANAPE S.A.C.	2.00	5.99	5.99	11.98	11.98
PINCULLO 1	010116307	12155313	MINERA CHANAPE S.A.C.	670.14	2,010.43	2,010.43	4,020.86	4,020.86
VIOLETA 6	010121807	12154494	MINERA CHANAPE S.A.C.	7.99	23.96	23.96	47.91	47.91
VIOLETA 7	010113507	12154498	MINERA CHANAPE S.A.C.	11.98	35.93	35.93	71.87	71.87
VIOLETA 8	010113607	12146254	MINERA CHANAPE S.A.C.	23.92	71.76	71.76	143.52	143.52
VIOLETA 9	010113707	12154345	MINERA CHANAPE S.A.C.	3.97	11.91	11.91	23.82	23.82
PACOCOCHA ESTE	010122207	12394735	MINERA CHANAPE S.A.C.	476.18	1,428.55	1,428.55	--	--

* *Validity fees or 'Pago de Vigencia', is the fee, or tax, that is collected annually from holders of mineral concessions. It is currently US$3 per hectare. The penalty fees are an added tax imposed on mineral concession owners that have not achieved a minimum annual commercial production or invested in exploration. The law states that the tax will be that the minimum annual production should be equivalent to one (1) Tributary Tax Unit (UIT) which is currently S/ 3,950.00 (Soles) per year per hectare for metallic substances. If production has not been achieved after the ten- year anniversary the owner of the mining concession must instead pay, starting on the first semester of the eleventh year, a penalty payment equal to the 10% of the required minimum annual production. If the owner of the mining concession continues to be in default after the fifteenth-year anniversary the mining concession may expire.*

Both validity and penalty fees are due June 30th of the calendar year. Fees payable may be up to 12 months in arrears, but failure to pay after that period of time results in forfeiture of title and loss of the concession.

The 2015 Validity Fees and Penalty have been paid as of the date of this report and the concessions remain in good standing.

Figure 4.3 Chanape Property



Cima de Oro is the registered owner of a 100% interest in the following mineral concessions:

Table 4.3 List of Mineral Concessions Owned by Cima de Oro Tres

NAME	CODE N°	ELECTRONIC ENTRY	TITLEHOLDER	AREA (Has)	VALIDITY FEES U S dollars		PENALTY FEES US dollars	
					2015	2016	2015	2016
Fundido	010075414	-	Cima de Oro S.A.C	983.87	3,000.00	2,951.62	0.00	0.00
Silver MG	010277913	13109032	Cima de Oro S.A.C.	219.64	658.91	658.91	0.00	0.00

-

The 2015 Validity Fees and Penalty have been paid as of the date of this report and the concessions remain in good standing.

Cima de Oro also has an option agreement (the "Tres Agreement") to acquire 100% of the issued and outstanding shares of SMRL Cerro de Oro Tres ("Tres"), a Peruvian company in turn holds 9 additional mineral concessions.

Tres is the registered owner of a 100% interest in the following nine mineral concessions:

Table 4.4 List of Mineral Concessions Owned by Cerro de Oro Tres

NAME	CODE N°	ELECTRONIC ENTRY	TITLEHOLDER	AREA (Has)	VALIDITY FEE 2015 US$	PENALTY FEE 2015 US$	CONTRACTS
Bucaran-ERGR Uno	010090105	12117231	S.M.R.L. Cerro de Oro Tres	29.99	89.96	179.93	Option and Mining Assignment Contract (By minute dated 31.10.15)
El Bucaran - ERGR	010068804	11704390	S.M.R.L. Cerro de Oro Tres	35.99	107.96	215.91	Option and Mining Assignment Contract (By minute dated 31.10.15)
Silver MC4	010326710	13111235	S.M.R.L. Cerro de Oro Tres	539.00	1,617.01	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)
Silver HRY	010346110	13120592	S.M.R.L. Cerro de Oro Tres	400.00	1,200.00	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)
Silver MC5	010322610	13113194	S.M.R.L. Cerro de Oro Tres	17.81	53.44	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)
Silver FY	010209810	13108912	S.M.R.L. Cerro de Oro Tres	37.10	111.31	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)
Esperanza GOLDFY IV	010437710	13112272	S.M.R.L. Cerro de Oro Tres	9.64	28.91	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)
ASILVER FY	010139511	13115996	S.M.R.L. Cerro de Oro Tres	2.99	8.98	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)
Esperanza GOLDFY	010437310	13113192	S.M.R.L. Cerro de Oro Tres	19.99	59.98	0.00	Option and Mining Assignment Contract (By minute dated 31.10.15)

The 2015 Validity Fees and Penalty have been paid as of the date of this report and the concessions remain in good standing.

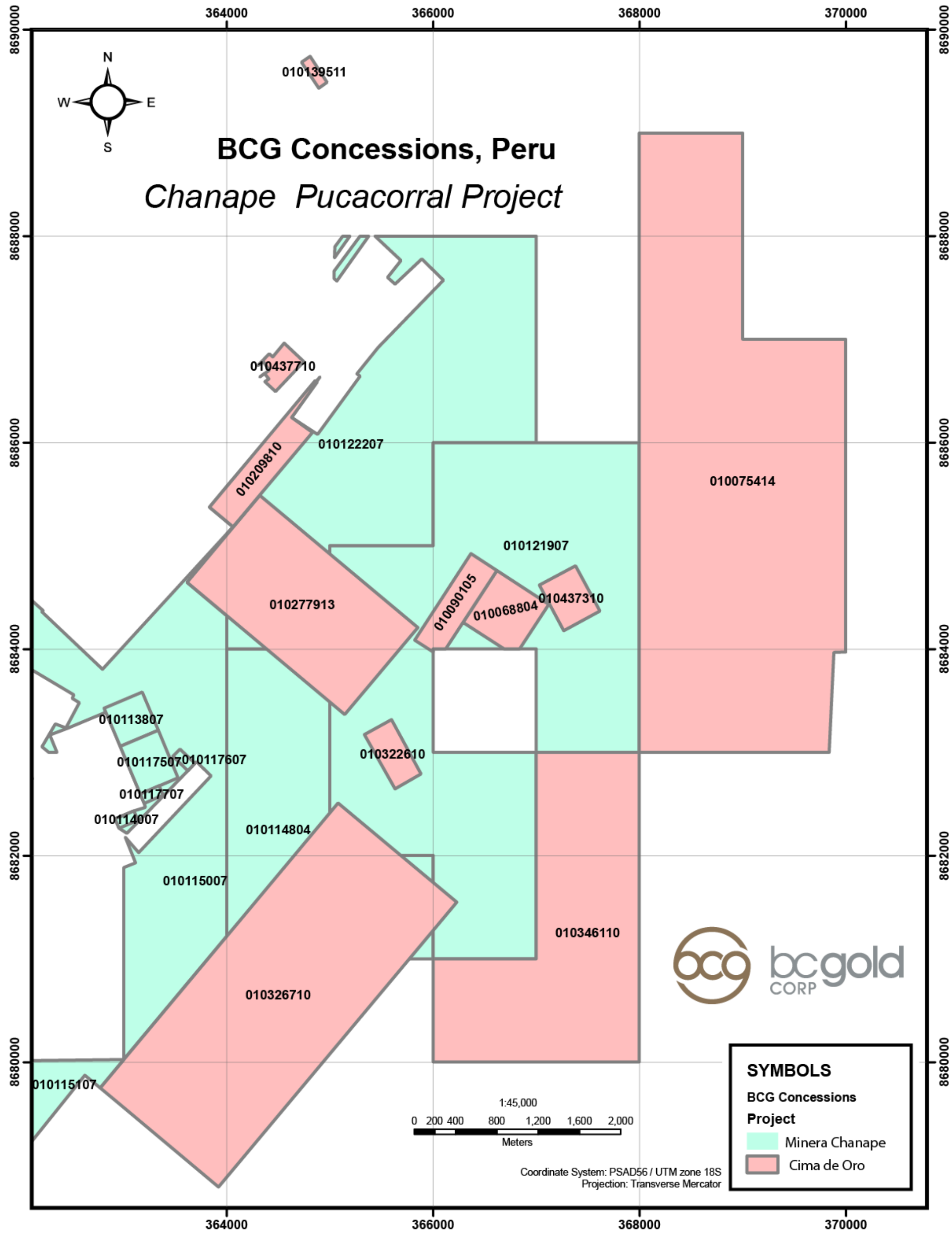
In order to maintain and exercise its option Cima de Oro must make firm and optional payments over a five-year term (but may be exercised in full at any time in that period) commencing upon registration of the option agreement with the Ministry of Mines:

Table 4.5 Acquisition of Cerro de Oro Tres - Schedule of Payments

	Obligation	Amount (US dollars)	Interest Earned in Tres (%)	Status
Ten days from registration	Firm	40,000	16.6	Pending
6 months from registration	Optional	60,000	23.26	-
12 months from registration	Optional	50,000		-
18 months from registration	Optional	50,000	29.92	-
24 months from registration	Optional	75,000		-
30 months from registration	Optional	75,000	39.92	-
36 months from registration	Optional	90,000		-
42 months from registration	Optional		51.92	-
60 months from registration	Optional	970,000	100.00	-
Total		$ 1,500,000	100%	

For the purposes of the acquisition of Chanape and Cima de Oro the agreement allows BCGold to acquire all of the issued and outstanding shares of Chanape and Cima in exchange for shares of BCGold and the cash component. Upon closing of the BCGold will acquire all of the issued and outstanding shares of Chanape by issuing 14,000,000 shares of BCGold and paying the sum of $28,000 to the vendors. BCGold will also acquire all of the issued and outstanding shares of Cima through the issuance of 8,000,000 shares of BCGold and a payment of $32,000 to the vendors. These are firm commitments, however the acquisition of Tres is optional, thus BCGold is to reserve up to an additional 8,000,000 shares (the "Tres Agreement Shares") of BCGold, to be issued on a pro rata basis coincident with the schedule of payments as laid out in Table 4.5. It has been agreed that BCGold may, in its sole discretion, elect to cease making payments under the Tres Agreement in which case BCGold shall not be required to issue any of the Tres Agreement Shares then remaining unissued.

Figure 4.4 Pucacorral Property



Royalties

There are no royalties registered against any of the concession owned by Chanape, Cima de Oro or Tres. Peru has a sliding scale gross over-riding royalty on mining. Calculation of the amount payable is made monthly and is based on the gross value of the concentrate sold (or its equivalent) using international metal prices as the base for establishing the value of metal. The sliding scale is:

1. First stage: up to US$60 million annual revenue; 1.0 percent of gross value;
2. Second stage: in excess of US$60 million up to US$120 million annual value; 2.0 percent of gross value; and
3. Third stage: in excess of US$120 million annual value; 3.0 percent of gross value.

Environment

To the best of the writer's knowledge here are no known environmental liabilities within the property limits. Historic tunnels, adits, roads and rock dumps have been previously located and should be re-stated and included in both Minera Chanape's and Cima de Oro's EIA. This helps limit the current owner's liability.

Non-operating mines located downstream to the north of the Property, such as Silveria, Germania, Pacococha and Millotingo mined and processed sulphide ores that are potentially acid generating. These operations and associated tailings are potential sites of environmental remediation in the future, but the responsibility for which should not fall upon BCGold or its Peruvian subsidiary companies.

Mineral Title Process

In Peru mineral rights are conveyed by the federal government. The General Mining Law of Peru was changed in 1994 to modernize administration and development. The law defines and regulates different categories of mining activities according to the stage of development (prospecting, exploitation, processing, and marketing). Mineral title is administered by INGEMMET (Geological, Mineral and Metallurgical Survey of Peru). Mining title is granted using UTM coordinates (PSAD56) to define areas in hectares. New mining concessions shall be at least of 100 ha in size (1 km^2), and must be oriented in a north-south or east-west direction. Pre-1994 concessions, based on the old system ("punto de partida" or starting point system), can be at any orientation. These older concessions have been surveyed by the government and the legal corners assigned UTM coordinates. As the Property is at the edge of a well-known, established mining camp there are many older concessions at the Property and surrounding area.

INGEMMET has announced that it intends to implement a transition away (over several years) from the PSAD56 datum to the more accurate and contemporary WGS84 datum. This will result in some confusion, extra work and the rendering of many maps obsolete. In Peru the difference in the two datums could be as much as 288±17 meters east-west, 175±27 meters north-south and 376±27 meters vertically but should be less at the Property.

Rights

Mineral title allows the holder to explore, exploit, and benefit from the mineral resources located within the area of the concession. The mining concession does not have a particular expiration date, however it could expire if the owner or assignee does not carry out work or pay the annual validity and penalty fees. Title allows the owner to use the non-agricultural and municipal land (which belongs to the government) within the concession, to apply for a water-use permit and to ask government to convey an easement if development access cannot be obtained by negotiation. Upon application investment agreements are available if property expenditures are exceeding $2,000,000 per annum and the IGV or value-added tax may also be partially refunded at the exploration stage if expenditures exceed $500,000.

Surface rights at the Project belong to two communities: Comunidad Campesina de Checa, District of San Damian and the town of San Mateo, District of San Mateo. Both are located within the Province of Huarochiri, Department of Lima.

<u>Permitting</u>

No work can proceed on a mineral concession without a community agreement. Any type of exploration involving ground disturbance, apart from mapping, taking samples at surface and geophysical surveys require a permit. Acquiring a permit is a process requiring preparation, site visits by specialists and community agreements. This task is usually out-sourced to consultants and specialists that are able to recognize local needs, are aware of the details of government regulations and are familiar with the mining industry and the requirement to do exploration. A background summary of the permitting process includes:

1. There are two types of exploration permits in Peru. The first type (Category 1) is for drill programs that involve less than 20 drill pads and less than 10 hectares of ground disturbance. That includes road building. This permit requires a DIA (Declaración de Impacto Ambiental). A drill pad may be used for multiple drill holes as long as this detailed in the declaration.

2. DIAs, if they comply with all requirements, may be granted after 20 working days unless the initial review finds causes for concern.

3. Programs over 20 drill pads or with more than 10 hectares of disturbance need to file for an EIA-sd or Semi-detailed Environmental Impact Assessment (Category II). There is a review process that includes requests for comments from the Water Authority, local governments, community and Ministry of Culture.

4. All reports are filed electronically, and all communication from the Ministry is now posted online.

5. Once the DIA and EIA-sd are granted the Company will need an Autorización de Inicio de Actividades. This second permit must include the following: a legal agreement with the registered owner of the land - in the case of communities it needs to have two thirds approval from a general assembly; a CIRA (Archeological certificate) granted by the regional cultural authority certifying that the work area is free of archeological or cultural items of significance, and a water permit from the regional water board. Once all these permits are in place, an Autorización de Inicio de Actividades is granted.

6. The Ministry will ask the Ministry of Culture for comments. This means that additional community outreach programs may be needed, particularly if in a region where *quechua* is spoken. *Quechua* is the language spoken by many indigenous people of the Andean region. Quechua is not commonly spoken in the region of the Property. Archeological monitoring during ground disturbance is also a requirement.

7. Planning requires drill pads to be specified with 50-metre accuracy. Drill sites can be modified using ITS applications, so long as the modified pads are within the work area (or polygon) specified in the original permit.

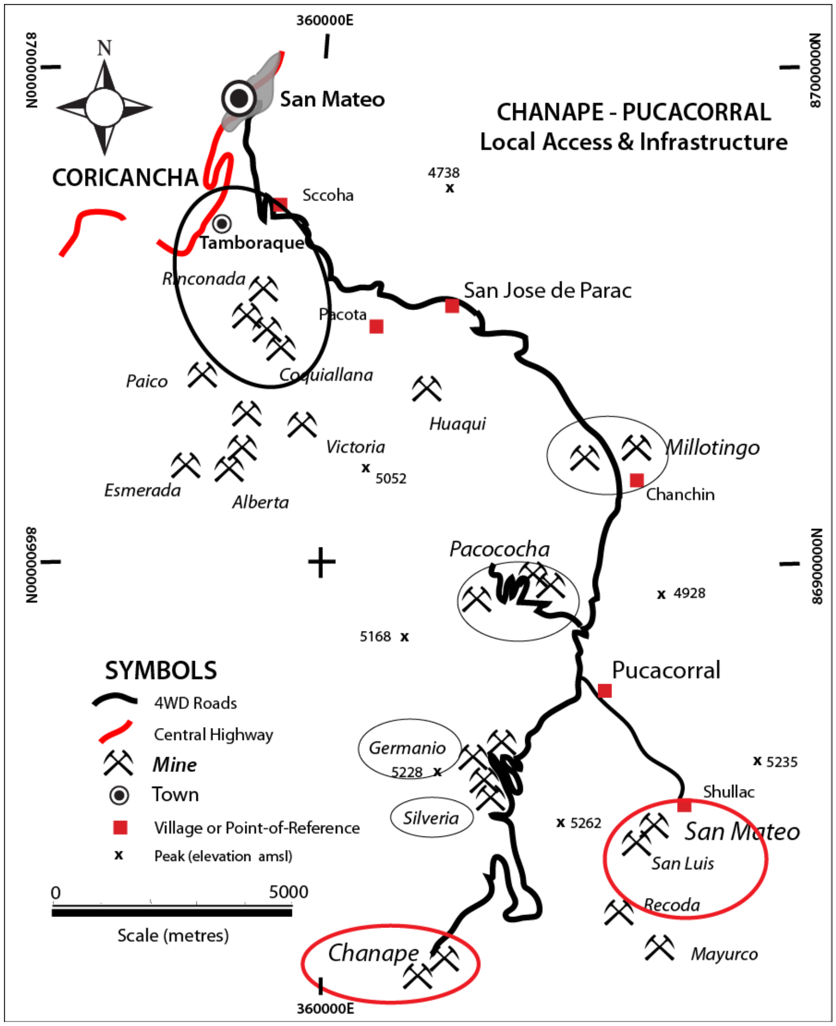
Neither Minera Chanape nor Cima de Oro has applied for permits at this time. The principals of the two companies have considerable experience with the permitting and community agreement process, and may have positive goodwill with local communities as a result of previous involvement with High Ridge.

Item 5: Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Property is via modern paved highways to San Mateo a distance of 95 kilometres from central Lima. San Mateo (elevation 3400 m amsl) is a regional transportation centre and mining community of approximately 4,000 inhabitants. From San Mateo (see figure 5.1) well-maintained but narrow secondary gravel road leads uphill and east-southeast to San José de Parac (elevation 4,140 m amsl) then to the abandoned or inactive mines at Millotingo (elevation 4,200 m amsl) and Pacococha (elevation 4,400 m amsl), a road-distance of approximately 28 kilometres. At Pacococha the road forks, with the right-hand or westerly road leading into the centre of Chanape and the left-hand or eastern for leading to the abandoned mining camp of Shullac and the centre of Pucacorral.

The roads are well used by residential and mining vehicles as far as San José de Parac but currently there is no mining further to the south. Upgrading and repair is required at Pacococha due to erosion of the road bed and mine dump sloughing.

Figure 5.1 Local Access & Infrastructure



Topographic relief in the area is characterized by a high, ancient peneplain at 5,000 metres deeply incised by narrow canyons to 3, 400 metres. Canyon walls north of Millotingo are steep and hazardous, south of which the valleys tend to be broad at 4,200 to 4,400 metres.

Drainage from the Property is either north from the abandoned mining camp of Shullac or southwest from Chanape. From Shullac a series of creeks and swamps drain northerly to San José de Parac then enter a tight canyon (*Quebrada)* and the Parac which flows into the Rimac River at Tamboraque. The Rimac flows 80 km southwest to Lima, where it is an important source of potable water. Drainage at Chanape is in a different watershed, flowing southeast from a large swampy valley and a series of creeks eventually into the Taquia and then 100 km into the Lurin River valley. The Lurin is an important river that flows through Cieneguilla, a resort town on the southern outskirts of Lima. There are no glaciers on the property; snowfields occur in some years. The Rimac and Lurin are important sources of irrigation water and potable water and are sites hydroelectric dams.

The climate in the area is highly variable. Peak precipitation occurs from November through March ("rainy season") and it can snow. Rainfall can be intense at time, typical of a mountainous terrain. San

Mateo, on the other-hand, is dry and relatively warm with daytime temperatures ranging from 19 to 28^0 C, nights 15 to 21^0 C and precipitation reaching a peak in January with an average of 15 mm. These are averages and it can be much colder than reflected here. There is rarely precipitation from September through October. There is no reliable climate data for the Property itself.

The best months to access the Property are from April through November, though it will be possible throughout the year at times. The main difficulties faced during the rainy season maybe snow, heavy rain and washed-out roads.

In the Property area land use is limited to subsistence farming and grazing llama, alpaca, sheep and cattle. The area is too high and the climate too extreme to be highly productive. Cash crops are important at elevations below 3,800 metres, though commercial production is limited by the size of arable plots of land and water. Scattered trees (eucalyptus and pine) are found as high as Millotingo along streams, increasing in abundance downstream. Vegetation is noticeably thicker at San José de Parac, composed of mixed introduced species, cacti and low thorny bush with a thick understory of spiny, rough sedge and bamboo-like grasses. Upstream from Millotingo trees and bushes are rare. Hillsides are grass-covered to bare; valleys are often boggy with various mosses, grass and sedges.

The Property has sufficient "space" for mining operations, subject to finding a commercially feasible orebody and negotiating community agreements. Three-phase power is available at San José de Parac and could be readily extended to the Property. Power poles are present at the Property, evidence that previous operations used electricity supplied from the national grid. The nearest electricity generation plant is the hydroelectric power plant which supplies Coricancha mine. The Central Railway passes through the Rimac River valley, parallel to the Central Highway. It is likely that any mining operations will construct housing, potential tailings storage areas, potential waste disposal areas, heap leach pad areas, or potential processing plant sites at lower elevations, possibly at existing sites off-property.

Item 6: History

Peru has a long history of mining and metalworking, reflected in artifacts from the earliest cultures that inhabited the country. During Colonial times in Perú (1535-1821) there was increased mining and exploration and the Spanish colonialists discovered many famous silver deposits, some of which remain in production to this day.

Mining in Peru has been cyclic, heavily impacted by civil strife, terrorist insurgency, nationalization and commodity price fluctuations. Since introduction of the new mining code in 1994 Peru's production of silver and gold has risen dramatically, new discoveries have been made and many new mines brought on stream.

The mining district north of Chanape-Pucacorral to the towns of San Mateo and Tamboraque (figure 5.1) has a long history of mining and exploration dating back to the Spanish Colonial period. The target has historically been polymetallic veins that display great vertical continuity. Modern mining development, exploration and increased extraction began in 1950. Mining centres have evolved around mills and processing facilities. Ores at the Property were shipped to Pacococha by Minsur S.A. for processing until

1997, supplanting feed from nine other mines working over 24 veins. Silveria and Germania operated independent processing facilities. Downstream at Millotingo a strong vein system was a major silver producer (with zinc and lead) from 1933 until 1992. At Tamboraque the ores treated at Coricancha are high in arsenic-lead-zinc-silver and gold. Mineralization was initially processed from mines that ran intermittently from 1906 to 1980. In 1995 a bioxidation process was introduced that effectively treats refractory ores and dramatically changed the economics and environmental impact of operations. The operation went into receivership in 1999, emerged in 2001 under "bank" management only to be closed again in late 2002. The operation was picked-up by Gold Hawk Resources in 2006, and placed back into production. In 2009 Gold Hawk's Peruvian operating company was acquired by Nyrstar who then operated the mine until mid-2013 when it was placed on care and maintenance. The operations at Tamboraque are attractive to explorers in the region, it being a fully permitted facility capable of treating complex, high arsenic mineralization.

The history of Chanape is not well known. The area was held by *Sindicato Minero Pacococha S.A* ("Sindicato") since at least 1932 and two veins are reported to have been mined up to 1942. The area was evaluated by the Board of Economic Warfare, a department of the U.S. military, in 1943. The purpose of the study is not known and was probably part of an effort to source strategic materials. In 1951 the *Banco de Minero del Perú* proposed and began construction of a concentrator at Pacococha, anticipating Chanape to be a contributing source of feed. In 1978, the Sindicato built an access road and started to develop Chanape: about 64,000 tons of vein materials were mined from the very northeastern tip of the Fulvia vein in the early 1980s (Ly et al., 1997). Approximately 2,000 m of drifts, cuts and other various work are present on the property; related activities continued until 1984 when operations ceased due to deteriorating security and the national economy. In the late 1990s Compañia Minera Milpo S.A., owner of Pacococha, initiated a major re-assessment of Chanape that included detailed mapping, sampling and an environmental study. This work came to a halt and the property was dropped by Milpo S.A. in the early 2000s during a corporate reorganization. Subsequently the Chanape project does not appear to have any serious exploration until the work of High Ridge began in 2007. The work done by Milpo was important in establishing the importance of the breccia bodies at Chanape and some details on the distribution of gold, silver, lead, zinc and copper in the vein structures. This information guided subsequent explorers at Chanape.

From 2007 to 2009 High Ridge had an extensive property position in the region. At Chanape there were wholly-owned concessions acquired by staking, since reacquired in part by Minera Chanape, and a second group of concessions under an option agreement ("Chanape Option"). The majority of High Ridge's exploration was on the Chanape Option, ground that was until recently being explored by Inca (the "hole" in Figure 4.3). Exploration work by High Ridge included extensive rock-chip and channel samples of surface outcrops and underground vein exposures, ground Induced Polarization ("IP") and magnetometer surveys, remote sensing using ASTER analysis of satellite imagery, geological mapping, geochemical analyses of soil samples and core drill (12 holes).

Important results of the exploration by High Ridge that overlap onto the Minera Chanape concessions include:

Geophysical Survey: High Ridge Resources del Perú S.A.C. engaged Arce Geofisicos S.A. to do a total field magnetometer survey and induced polarization profiles in March 2008 then a second stage programme from July 1 through to August 20, 2008.Line preparation and staking of 68.01 line-kilometres on the Chanape property were topographically controlled with the GPS/OMNISTAR system, using a TDS Ranger 300X data processor and a Trimble AGGPS114 receiver. 21 magnetic SE-NW profiles with a total of 66.15 km were surveyed on Chanape, employing two and three Scintrex ENVI proton precession magnetometers, and one base station, with readings every 10 meters. Along the same SE-NW lines, 56.75 km were measured with Induced Polarization, using the Pole-Pole (2-Array) electrode configuration, with constant-spacing measurements taken at 50m intervals. Seven successive spacings of 50m, 100m, 150m, 200m, 250m, 300m and 350m were used, with apparent chargeability and apparent resistivity readings for each station.

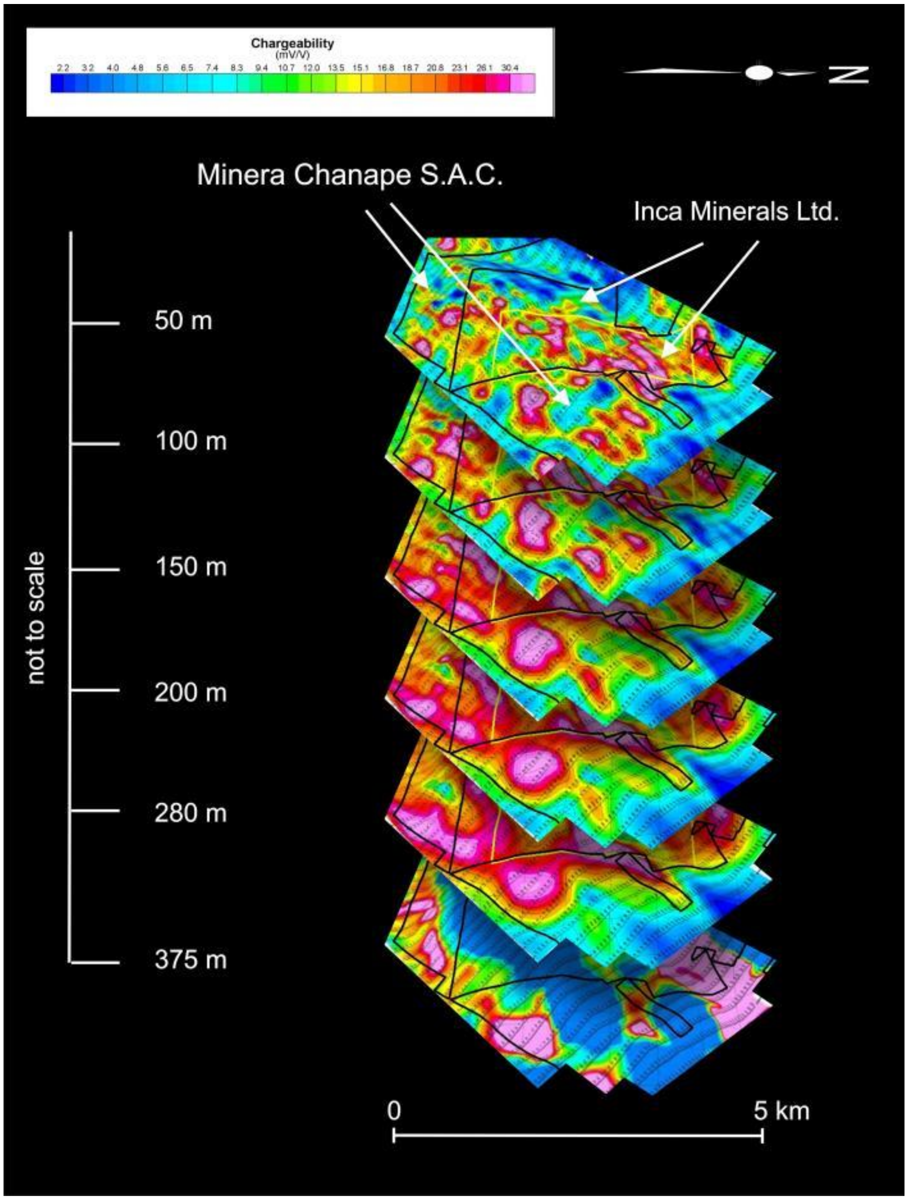
For the Chanape rocks, resistivity ranges from less than 50 ohmmeters for strongly altered rocks through more than 8000 ohmmeters for compact or silicified units. Highly resistant and also conductive (altered) masses are sparsely distributed at shallow depths (20m) and compact rocks are more common at 50m. However, starting at 100m depth a central altered zone becomes evident and increases in conductivity (lower resistivity) at deeper levels.

At Chanape, significant chargeability anomalies occur above 20mV/V. Most evident anomalous features are located at the center of the survey area, but at deeper levels the most anomalous features are concentrated in the southern part of the grid (see Figure 6.1). These high responses are expected to be caused by metallic sulphides, but sericite, montmorillonite, and other clay minerals also contribute to the measured chargeability.

The chargeability anomaly clearly extends beyond the Chanape Option (Inca) concession boundaries, representing a significant untested opportunity for additional drilling.

Figure 6.1: Stacked IP Level Plans – Chargeability

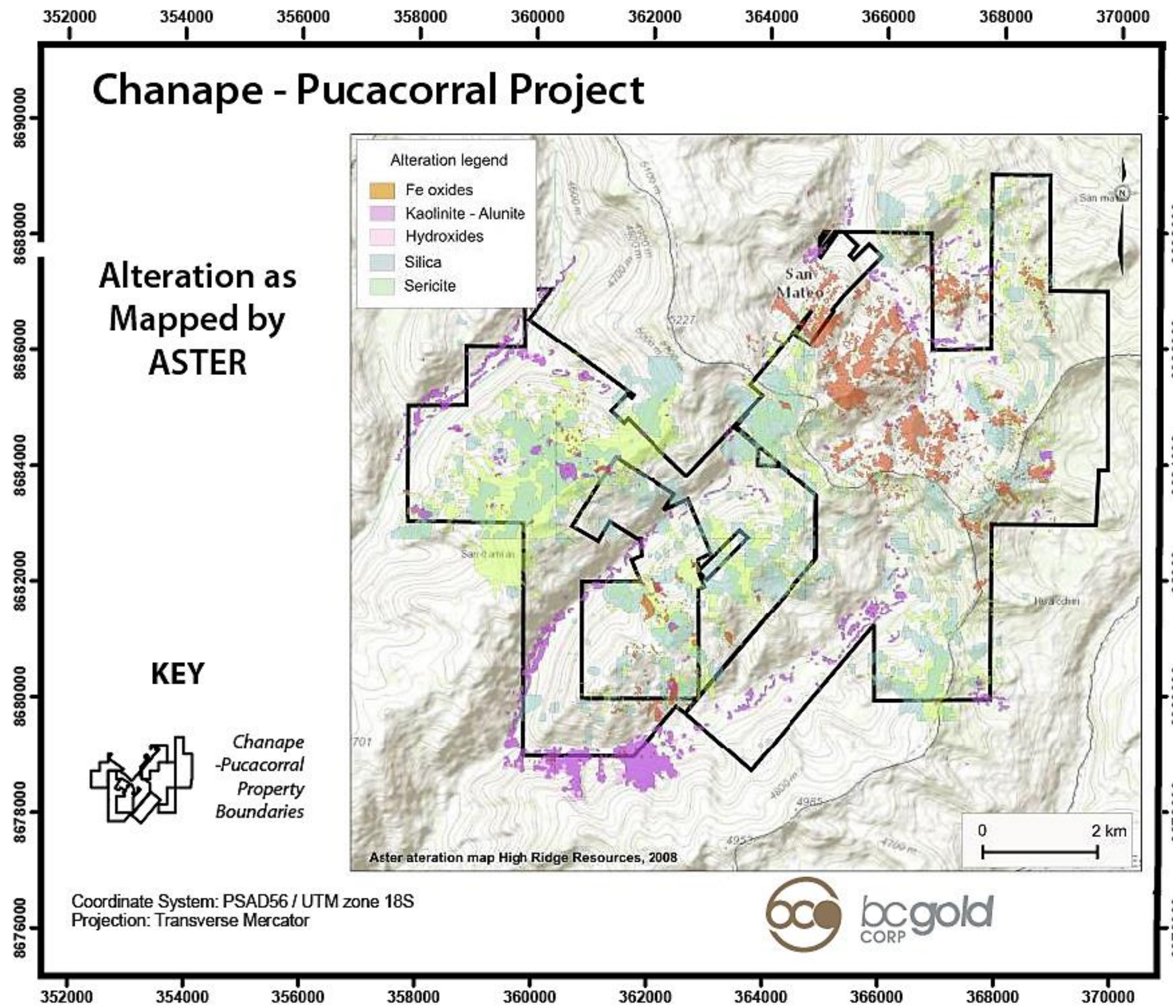
(Inversion by Geofisicos S.A.) – lowermost plan is total field magnetics, added by Inca Minerals



Remote Sensing - ASTER is an acronym for "Advanced Spaceborne Thermal Emission and Reflection Radiometer", an imaging instrument onboard Terra, the flagship satellite of NASA's Earth Observing System (EOS) launched in December 1999. ASTER is a cooperative effort between NASA, Japan's Ministry of Economy, Trade and Industry (METI), and Japan Space Systems. ASTER data is used to create detailed maps of land surface temperature, reflectance, and elevation. The reflectance information available from ASTER may be used to detect a variety of hydrous (water-bearing) minerals, including various clays, iron and quartz species. In some geological situations these mineral species are the product of hydrothermal processes and alteration, and ASTER serves as a valuable tool in identifying prospective terrains.

The ASTER work identified a large alteration anomaly over the Minera Chanape and Chanape Option concessions in the vicinity of the mineralized veins and breccias. Other smaller but equally attractive anomalies were identified west and north of Chanape and in the San Mateo Mine area. These latter anomalies have not been prospected or geologically mapped.

Figure 6.2: Alteration as Mapped by ASTER



Drilling

Drilling by High Ridge included 12 core holes (totalling 2352.5 m) in two phases completed in 2008. Most of the holes were collared on the Chanape Option concessions with some crossing into concessions now controlled by Minera Chanape (figure 6.3). Most of these holes targeted breccia and intersected broad intervals of low grade gold and silver mineralization. At the time (October 28, 2008) High Ridge reported: “Significant sulphide mineralization was intersected, returning anomalous copper (up to > 1.00 %), lead (up to 1.69 %), and zinc (up to 16.50 %) values. The drill core reveals mineralization accompanied by highly anomalous concentrations of arsenic (commonly > 10,000 parts per million - ppm), bismuth (up to 0.49 %), antimony (up to 0.76 %), tungsten (up to 0.89 %) and manganese (up to 1.36 %) , and elevated gold (up to 12.4 ppm gold) and silver (up to 177 ppm). The mineralization is associated with fine- to coarse-crystalline arsenopyrite in quartz veins and with tourmaline in matrix and clasts of hydrothermal breccias.

"The diamond drill-hole intercepts confirm a mineralized system to at least 200 meters depth and strike length in excess of 1,000 meters that remains open at depth, and along strike and width. The anomalous copper-gold and lead-zinc-silver mineralization appears to be consistent with the regional zoning pattern typically associated with larger porphyry systems."

Figure 6.3: High Ridge Perú Drill Plan (Chanape Option and Chanape)

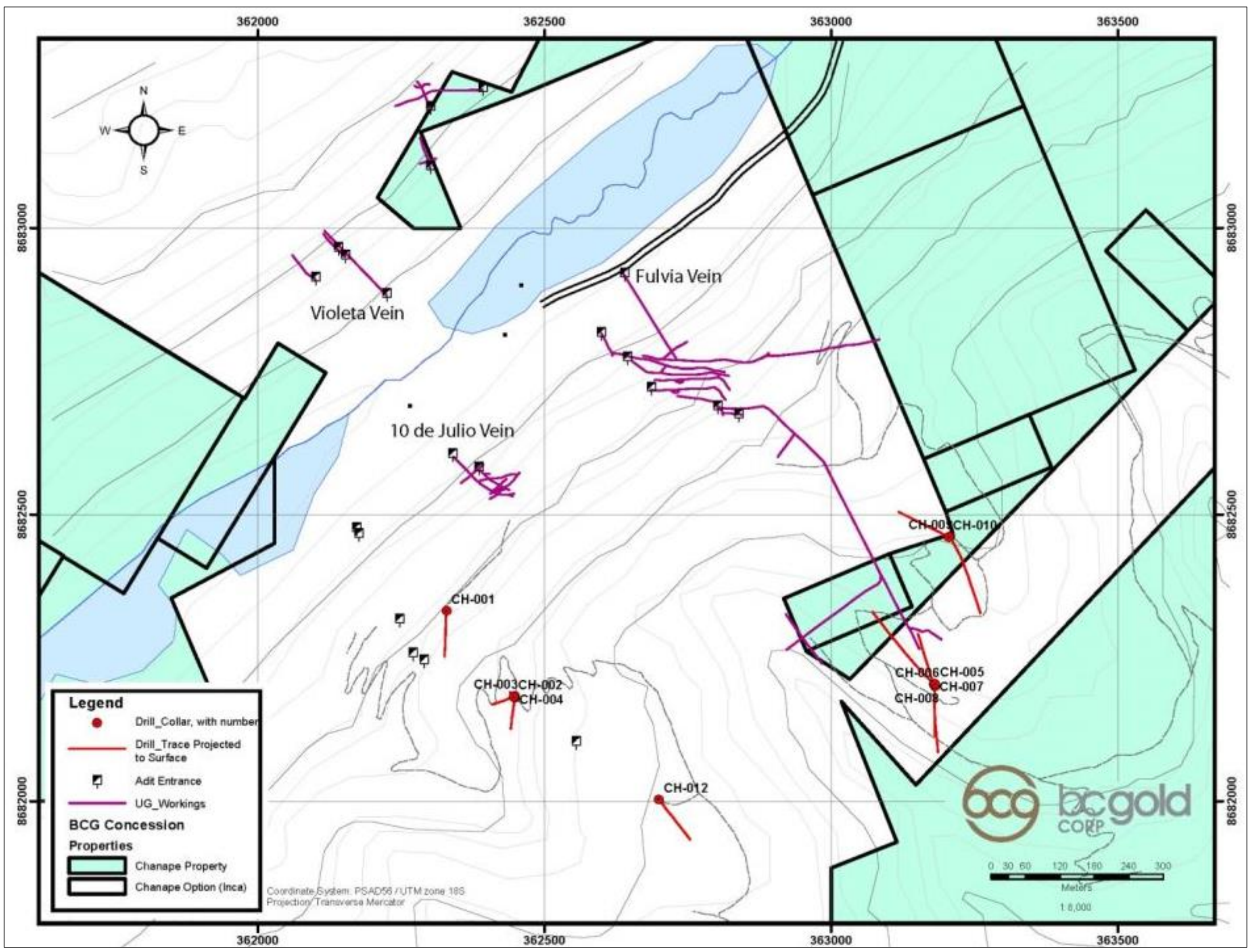


Table 6.1: Table of Drill Holes High Ridge Perú

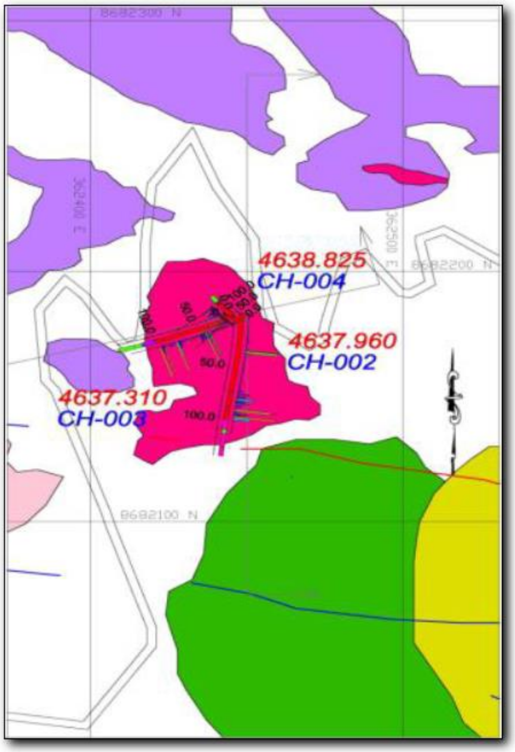
Hole #	Coordinate E	Coordinate N	Elev (m)	Az (^{0}N)	Dip	Total length (m)	year	target
Ch - 001	362327	8682332	4333	182	-60	160.20	2008	bx
Ch - 002	362446	8682184	4638	182	-65	136.10	2008	Bx
Ch - 003	362445	8682184	4637	245	-75	142.00	2008	Bx
Ch - 004	362449	8682182	4639	315	-85	142.05	2008	Bx
Ch - 005	363182	8682206	4756	335	-65	228.60	2008	Vein
Ch - 006	363180	8682205	4756	315	-50	250.30	2008	Vein
Ch - 007	363179	8682200	4758	180	-45	157.8	2008	Bx
Ch - 008	363179	8682200.5	4758	183	-60	164.90	2008	Bx
Ch - 009	363205	8682461	4709	150	-45	193.90	2008	Vein
Ch - 010	363205	8682462	4709	298	-60	195.7	2008	Bx, vein
Ch - 011	362906	8681469	4873	259	-90	278.4	2008	IP
Ch - 012	362698	8682002	4706	142	-73	302.6	2008	BxGeophysic

The exploration work by High Ridge was successful in (1) confirming the size and grade of the breccia bodies at Chanape; (2) using IP surveying techniques it identified several high quality resistivity and chargeability anomalies, including one that appeared to lie below the region of the breccia and veining; and (3) using ASTER it identified a very large scale alteration system at Chanape as well as strong features to the west and north as well as a fourth feature close to Mina San Mateo on the Cima de Oro concessions.

High Ridge did not exercise the Chanape Option and these concessions were acquired by Inca in late 2010 or early 2011.

Inca explored the Chanape Option concession from early 2011 through to the end of 2015. Early in its work Inca sampled un-assayed core intervals and re-assayed others from the High Ridge core and reported the following early highlights in a corporate presentation dated November 12, 2012 (Figure 6.4). Note Inca states (November 30, 2012) that: *"Gold Equivalent (Au eq) calculation represents the total value of each metal, multiplied by a conversion factor (to obtain a standard price per unit), summed and expressed in equivalent gold grams per tonne (g/t). These results are exploration results only and no allowance is made for recovery losses that may occur should mining take place. However, it is the Company's opinion that the elements included in this calculation (Au, Ag, Cu, Pb, Zn) have a reasonable potential to be recovered as evidenced in previous mining in the area and similar multi-commodity natured mines and deposit-types in the world. The price assumptions are: gold: US$1,740/oz; silver: US$34/oz; copper US$3.60/lb, lead US$0.95/lb and zinc US$0.88/lb."*

Figure 6.4: Drill Plan of Breccia #8, Chanape Option (source Inca Minerals)



Highlights of first pass drilling at Breccia Pipe 8

(one of fifty breccias on the property)

CH02 1.6g/t Aueq over 100m

- 10.6g/t Aueq over 3m at 35m
- 11.4g/t Aueq over 2m at 90m
- 6.5g/t Aueq over 4m at 95m

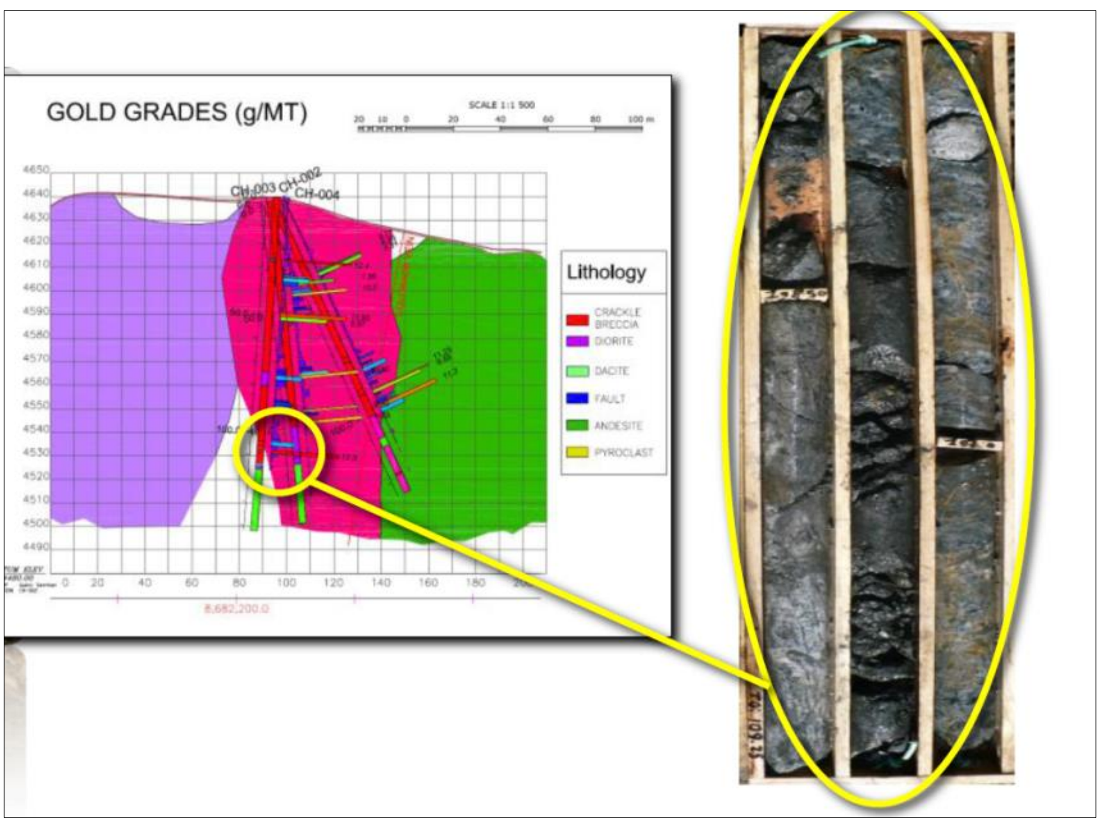
CH03 2.1g/t Aueq over 100m

- 5.6g/t Aueq over 12m at 36m
- 9.9g/t Aueq over 2m at 76m
- 12.9g/t Aueq over 1m at 92m
- 10.9g/t Aueq over 1m at 97m

CH04 2.2g/t Aueq over 116m

- 6.2g/t Aueq over 5m at 32m
- 11.6g/t Aueq over 2.5m at 49m
- 3.6g/t Aueq over 7m at 102m

Figure 6.5: Cross-Section of Breccia #8, Chanape Option



Subsequent work by Inca consisted of additional mapping, rock-chip sampling and drilling 33 core holes (approximately 11,500 metres), including its most recent drill holes in December 2015.

Table 6.2: Drill Holes – Inca Minerals Ltd.

(Compiled by the writer from Inca Minerals disclosure documents)

Hole #	Coordinate E	Coordinate N	Elev (m)	Azimuth	Dip	Total Length	Year	Target
CH-DDH001	362447	868219	4637	-	90^0	600	2013	bx, porph
CH-DDH002					90^0	150	2013	bx
CH-DDH003						200		vein
CH-DDH004						150		vein
CH-DDH005						230		vein
CH-DDH006						115		vein, bx
CH-DDH007						130		vein, bx
CH-DDH008	361903	8682207	4397	120^0	50^0	729	2013	porph
CH-DDH009						107		vein
CH-DDH010	363027	8682882	4612	340	50	190	2014	vein
CH-DDH011	362596	8681906	4693	332	80^0	1053	2014	porph
CH-DDH012	362445	8682184	4638	45^0	80^0	660	2014	vein, bx, porph
CH-DDH013	362256	8682295	4682	225^0	58^0	330	2015	bx
CH-DDH014	362802	8681378	4920	170^0	45^0	109.1	2015	vein
CH-DDH015	362802	8681378	4920	170^0	60^0	96.7	2015	vein
CH-DDH016	362802	8681378	4920	192^0	45^0	60	2015	vein
CH-DDH017	362802	8681378	4920	350^0	45^0	335.15	2015	vein, bx
CH-DDH018	362258	8681486	4810	180^0	50^0	163.5	2015	vein, bx
CH-DDH019	362258	8681486	4810	180^0	75^0	318	2015	vein, bx
CH-DDH020	362185	8682265	4505	210^0	60^0	250	2015	bx
CH-DDH021	362185	8682265	4505	120^0	60^0	214.5	2015	bx
CH-DDH022	362185	8682265	4505	300^0	60^0	153	2015	bx
CH-DDH023	362445	8680790	4780	360^0	50^0	190.5	2015	bx
CH-DDH024	362532	8680867	4786	240^0	50^0	178.5	2015	bx
CH-DDH025	362532	8680867	4786	240^0	50^0	198.4	2015	bx
CH-DDH026	362579	8680952	4820	0^0	45^0	141	2015	vein
CH-DDH027	362258	8681486	4810	155^0	80^0	800	2015	bx, porph?
CH-DDH028	362410	8681320	4856	145^0	45^0	120	2015	vein
CH-DDH029	362410	8681320	4856	180^0	45^0	85.5	2015	vein
CH-DDH030	363072	8682422	4722	4^0	45^0	87	2015	vein
CH-DDH031	363072	8682422	4722	52^0	45^0	219.6	2015	vein
CH-DDH032	362410	8682450	4520	333^0	45^0	220	2015	vein
CH-DDH033	362258	8681486	4810	335^0	86^0	908.6	2015	bx, porph
Blank cells- no information available. Bx=breccia. Porph=porphyry								

Inca reported long intervals of encouraging copper and gold mineralization in its holes, all within highly altered and brecciated volcanic and intrusive rocks, as well as higher grade, shorter intervals in hydrothermal breccias. Early reported results highlighted:

Table 6.3: Examples of strong grades reported by Inca Minerals from Breccia Mineralization

Drill hole	Grade Highlights (core length interval reported from start of interval)
	Note there is insufficient information to calculate true widths but are less than reported here.
CH-DDH001	108m @ 2.0g/t Au, 41.0g/t Ag from surface including 42m @ 3.3 g/t Au, 34.9g/t Ag from surface
CH-DDH006	66m @ 0.93g/t Au, 14.64g/t Ag and 0.24% Cu from 33m
CH-DDH007	78m @ 1.1g/t Au, 16.5g/t Ag and 0.26% Cu from 35m
CH-DDH011	284m @ 0.32% Cu, 82.9ppm Mo from 763m
CH-DDH012	55m @ 2.3% Cu, 0.60g/t Au and 42.90g/t Ag, from 155m, including: - 10m @5.35% Cu, 0.015% Mo, 0.96g/t Au, 83.68g/t Ag rom 186m including: - 4m @ 8.90% Cu, 0.025% Mo, 1.14g/t Au, 130.50g/t Ag from 188m.
CH-DDH-013	68m down-hole interval @ 1.98% Cu, 0.84g/t Au and 42.90g/t Ag from 234m o Including 26m @ 2.24% Cu, 0.91g/t Au and 41.79g/t Ag from 234m o Including 15m @ 2.69% Cu, 0.66g/t Au and 45.71g/t Ag from 245m o And 7m @ 2.78% Cu, 1.47g/t Au and 70.59g/t Ag from 294m

On February 2, 2016 Inca reported that drill hole CH-DDH033 (their last drill hole) intersected a "breccia-porphyry" sequence over a down-hole length of 261 m grading 0.19% copper from 605 to 866 m. The drill hole was near vertical, collared at a dip of 86.6^0 . The same drill hole intersected 0.16 g/t gold over 368 m between 341 and 709 m down-hole. Subsequently Inca engaged two independent consultants (Sillitoe and ExploAndes) to review the results of its work at the Chanape Option. They reported that drilling had intersected larger intervals of altered, fractured rock than previously recognized, but interpreted the drill holes to have crossed the breccia bodies obliquely, and intersections do not represent true widths. It is also suggested that quartz-sericite alteration is associated with higher grade copper intersections in tourmaline-bearing hydrothermal breccia, while lower grade copper intervals are most often found in highly fractured and chlorite-altered volcanic and igneous intrusive country rocks. They concluded that drilling thus far had tested the upper, mesothermal parts of a large porphyry system (Inca Minerals Ltd. News Release dated March 22, 2016) and that deeper drilling is required to hit the postulated porphyry copper deposit. As reported in the same news release: "*Inca Minerals' Managing Director, Mr. Ross Brown concludes "We understand, from the Sillitoe Report in particular, that brecciation is perhaps even more widespread at Chanape than initially believed; that the breccias, sometimes highly mineralised, were formed as a result of hot mineralising fluids escaping from underlying intrusive rocks; and that these intrusive rocks do not necessarily host economic levels of Cu. Nevertheless, we have discovered a large porphyry system at Chanape. This porphyry system hosts over 100 known breccia occurrences" Mr. Brown adds "and whilst the hotter parts of the porphyry system are believed deeper than current drilling levels (where classic porphyry Cu may reasonably be expected to occur), the extensive at/near surface breccia system is sufficiently mineralised to constitute a valid exploration target."* Mr. Brown is the "Competent Person" for Inca Minerals Ltd.

A graphic posted by Inca illustrates its drilling with respect to the porphyry-breccia-vein model and illustrates how drilling was heavily weighted to higher level vein and breccia targets.

Figure 6.6: Schematic Cross-section illustrating portions of Chanape system tested by Inca Minerals. Black dots represent drill holes. (source: Inca Minerals 2016)

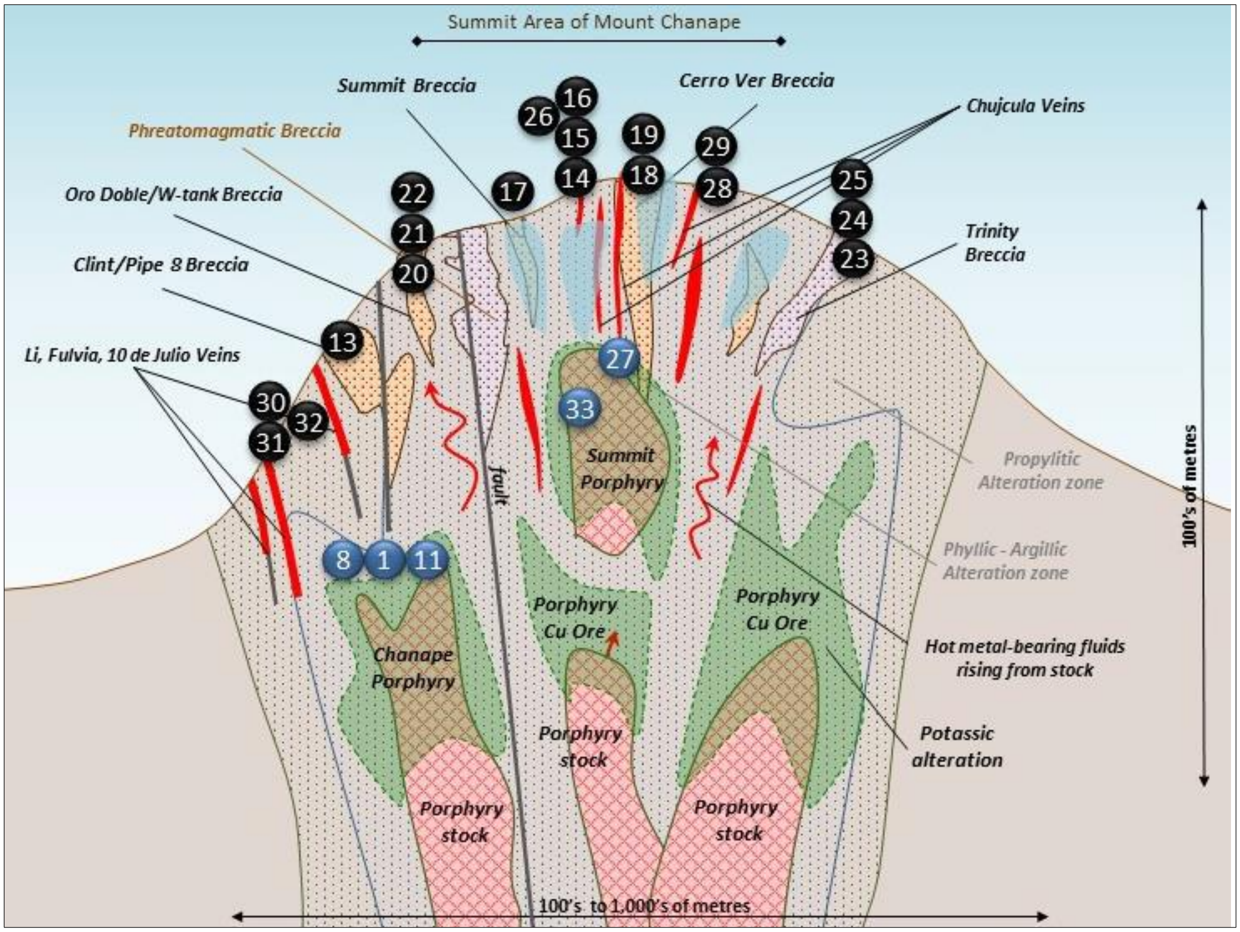
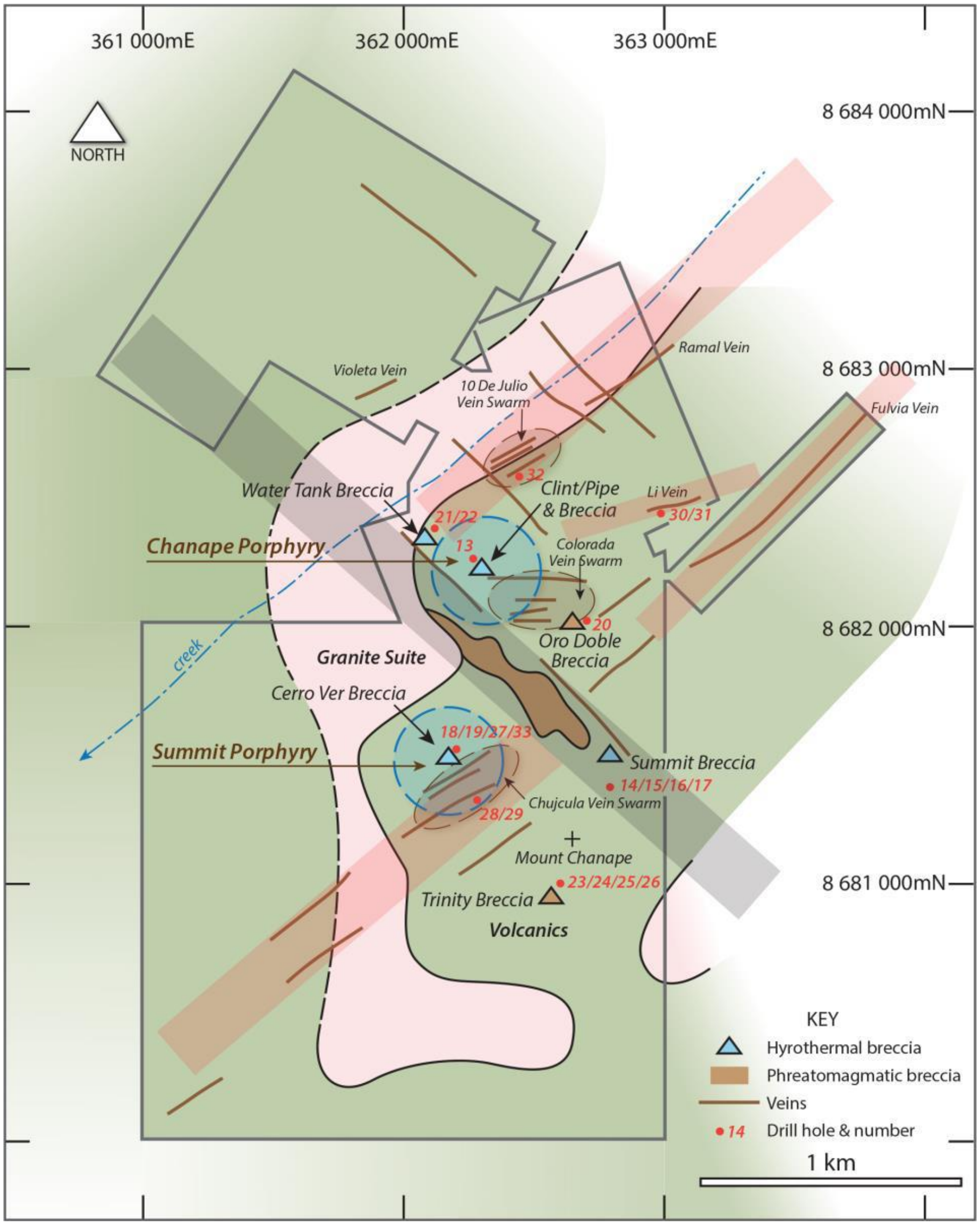


Figure 6.7: Schematic plan view of Chanape Option showing principal targets drilled by Inca Minerals

(source: Inca Minerals 2016)



Inca announced abandoning its option on April 22, 2016 due to the un-willingness of the optionor to re-negotiate (and reduce) the scheduled cash payments for 2016.

The work by Inca has been positive as it has provided valuable geological insights into the magmatic-hydrothermal component at Chanape, has broadened the target area and demonstrated widespread mineralization at depth. The Writer has been unable to verify the information on the Chanape Option by

Inca Minerals Limited and this information is not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

In March 2015 Minera Chanape concluded an option agreement with Platypus Minerals Ltd, referred to by Platypus as the “Central Project”. This option was terminated on January 8, 2016. Platypus did not conduct exploration work on the Property.

The history of the area held by Cima de Oro is similarly not well documented. The earliest work may have commenced in 1965 by Compañia Minera San Mateo S.A. (“Cia. San Mateo”) and included surface exploration, underground development and limited mining. Cia. San Mateo developed 500 metres of drifts and 70 meters of raises and passes. Subsequently Banco Minero pledged debt-funding and an additional 287 meters of adits and drifts accompanied by over 62 meters of raises and ore passes were completed. Cia. San Mateo also “mined” 5,600 metric tonnes of “ore” which was shipped to the concentrator at Pacococha with concentrates sold to the Banco Minero. In July 1970 Banco Minero decided to suspend economic aid to the company, foreclosed and then removed all equipment, machinery and tools that had been pledged as collateral by Cia. San Mateo. The Banco Minero-funded work at Cia, San Mateo was important as it developed a better geological understanding of the veins by means of the underground developments.

The subsequent history is very uncertain. The lands around the mine have been held but there is little technical information available until the current decade. In a 2012 report that was written for Compañia Minera American Silver S.A.C. (Yucra, 2012) there is an outline of the geology, mineralization and development of the property. A synopsis of this work includes:

- Geological survey work was conducted from April to July 2012, including both surface and underground geological mapping, of the Fabiola, Charito, Gringa, Lourdes, Gianella, and Cristina veins.
- The site is located at heights above 4700 meters, reaching the upper parts heights of 5000 meters
- Geological work was carried out in order to define the veins and mineralized areas. “Ore” minerals are galena, argentiferous galena, chalcopyrite, sphalerite, malachite , chalcanthite, bornite, chalcocite. Gangue minerals include pyrite, quartz (both crystalline and milky gray), limonite, clay, manganese oxides, chlorite, epidote, calcite, feldspar, epidote, and hornblende.
- The underground workings and veins Lourdes, Gianella and Sairita, were sampled.
- Overall the site hosts 8 mineralized structures, with 3 being the main veins Gianella, Lourdes and Sairita
- The primary host rocks are porphyries and diorite with which deposits are paragenetically related.
- Mineralization may be related to volcanic to subvolcanic facies; while the containing structures are of volcanic origin, especially “splays” that are sigmoidal structures between major shears.
- All veins follow a SW-NE alignment with dips between 78 ° at 84 ° to the SE and are: Fabiola, Gringa, Charo, Lourdes, Gianella, Cristina, Roció, Sairita.

- Lithologies known in the area include porphyritic andesite with greenish and grey, aphanitic andesite, diabase, and diorite. Volcanic agglomerate and andesitic breccias were noted (Figure 6.8)
- Two distinct mineralizing events are observed, with the second one being more important as it introduced good grades of copper (chalcopyrite, bornite, chalcocite and covellite). The width of the veins are from 0.50 to 2.00 meters (at points reaching 2.8 wide).

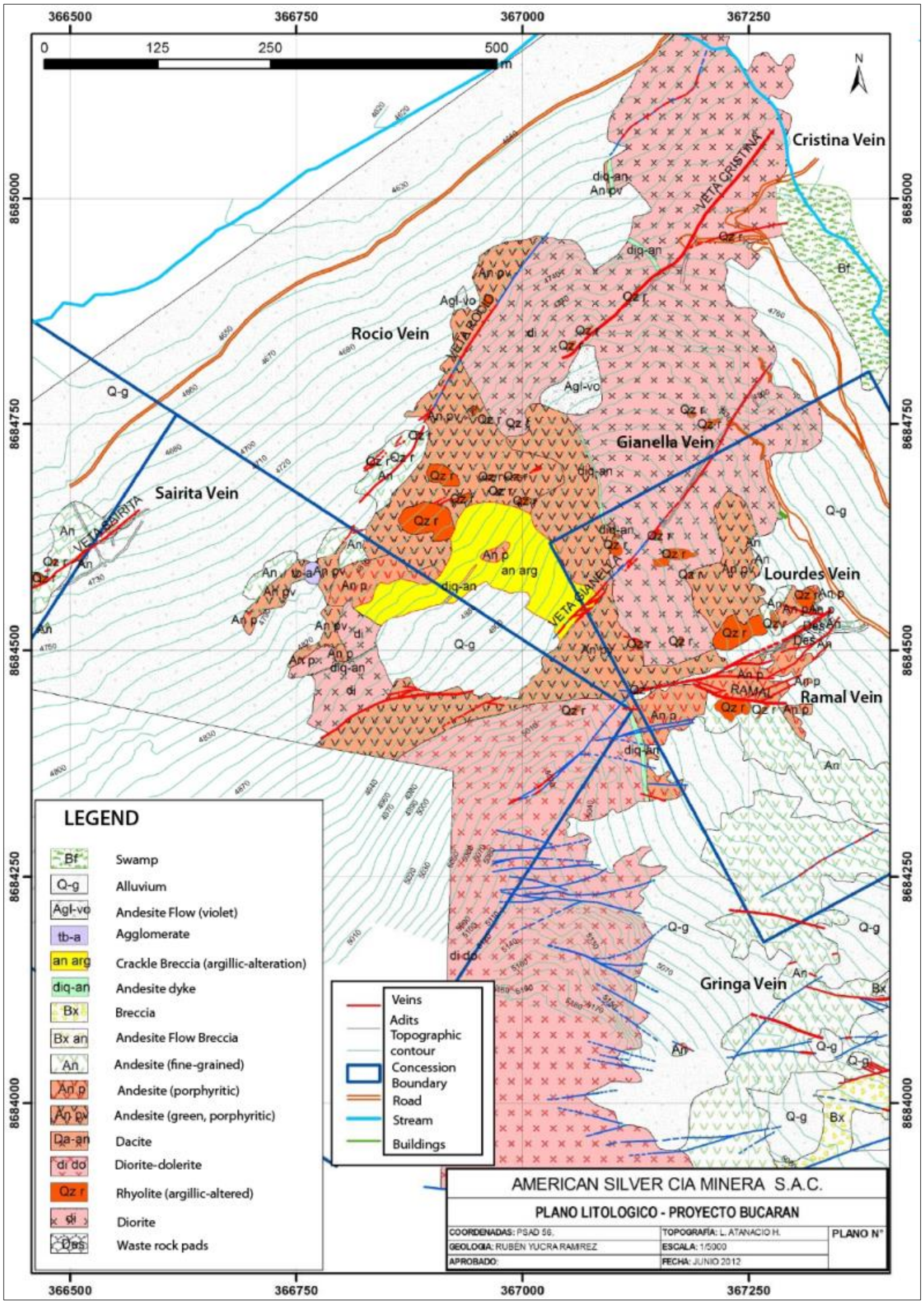
Sample results included:

Table 6.4 Assay Results for Gianella, Lourdes and Sariata Veins (Yucra, 2012)

			Gianella			
Sample Number	Length (m)	Silver (oz/t)	Pb %	Zn%	Cu%	Level
13952	Pck	Tc.	2	3.52		4830
13958	1	2.93	6.8	5.25		4830
13961	1.2	3.09	5.5	7.73		4830
13964	1.2	Tc.	0.8	0.25		4900
13968	2.3		0.36	0.9		4900
13989	1.5	2.56	14.8	5.96		4900
13970	1.6	3.01	14	3.05		4900
13971	1.1	Tc.	1	o.3		4900
11351	1.5	2.1	2.81	0.8		4900
19963	0.95	3.09	7	Tc	0.3	Superficie
			Lourdes			
11351	1.5	4.2	9.5	7.77	0.23	4855
13947	0.6	tc	2.2	4.14	0.2	4855
13946	1.5	3.56	6.45	5.39	0.4	4855
13945	1.6	2.93	9.07	3.11	0.4	4855
13944	1	2.93	11.7	3.75	0.25	4855
13943	0.7	1.45	12.4	0.1	1.67	4855
13942	2.8	7.3	10.92	4.56	0.5	4855
13941	2	1.42	9.45	7.46	0.75	4855
13940	1.5	7	1.3	2.69	0.8	4855
13939	1	tc	0.4	0.35	0.2	4855
13957	0.65	tc	0.45	3.11	0.2	4835
13956	0.85	1.45	0.36	1.87	0.1	4835
13955	1.05	1.16	0.4	2.69	0.05	4835
13954	1.8	1.16	2.15	6.66	0.2	4835
13953	1.5	2.93	9.45	6.22	0.35	4835
13952	1.6	0.33	2.6	4.14	0.4	4835
13951	2.7	0.82	0.45	3.11	0.25	4835
13950	2.3	1.45	0.85	7.77	0.2	4835
13949	1.5	2.68	7.8	11.91	0.35	4835
13965	2	0.7	1.85	7.25	0.5	4835
13966	1.4	2.57	0.75	9.32	0.25	4835
13967	1.2	tc	0.6	8.29	0.1	4835
			Sairita			
	0.1	2.27	2.41	0.84	1.72	4690
	1.1	0.9	0.05	0.05	0.7	4660

Figure 6.8 Geological Map of San Mateo Mine (Bucaran) Area

(after Yucra, 2012)



The exploration work by Compañia Minera American Silver S.A.C. is important as it represents both well-written and thoughtful geological insights into the larger system on the Cima de Oro concessions and will guide future work by BCGold. The Writer has been unable to verify the information obtained by Compañia Minera American Silver S.A.C.

In August 2013 Cima de Oro (then the shareholders were Circum-Pacific and Egusquiza) entered into an agreement with the owners of the concessions and their respective companies, then transferred the contract to Compañia Minera Shullac SAC (shareholders of “Shullac” were Circum-Pacific, Jenny Egusquiza and Laurie Ziatas). In November 2013 an Australian company, Matriz Resources Limited (“Matriz”), and its Peruvian subsidiary, Suerococha S.A.C., entered into a contract to purchase the Yauri concessions from the shareholders of Shullac. By March 2014 Matriz was in default of the agreement and Matriz was put on notice. In April 2015 a Deed of Compromise and Release was signed between the Minera Shullac shareholders and Matriz-Suerococha, and the agreement was terminated. The concessions and Cima de Oro were returned to the Yauri family interests and Ziatas ceased to be a shareholder of Shullac. In October 2015 the 9 concessions were combined in one company, SMRL Cerro de Oro Tres, and a new agreement was reached between Cerro and Cima de Oro.

Item 7: Geological Setting and Mineralization

Regional Setting

The Peruvian segment of the Andean Cordillera is the “type-example” of Andean type subduction, with oceanic crust of the Nazca plate subducting beneath the continental crust of the South American plate. This plate interaction has produced crustal thickening (of as much as 70 km) along its western margin, leading to an attendant surface uplift of up to 4,000 m.a.s.l.

The Andean Cordillera records three major geodynamic cycles: Precambrian, Paleozoic to Early Triassic, and Late Triassic to present. Prior to the last cycle the current western edge of South America was a passive or “trailing” margin. The last cycle marked the opening of the South Atlantic in the Triassic and includes a first phase of Late Triassic to late Cretaceous subduction. During this phase, the cordilleran belt was the site of major shelf sedimentation, bordered on the west by island arc volcanism or a marginal volcanic rift.

In the Late Cretaceous the Andean-type of subduction began marked by marine withdrawal and the emergence of the Cordillera. This phase is characterized by the recurrence of compressive pulses and the presence along the continental margin of a magmatic arc with intense plutonic and volcanic activity. During this phase a sequence of compressive episodes, Peruvian (84-79 Ma), Incaic I (59-55 Ma), Incaic II (43-42 Ma), Incaic III (30-27 Ma), Incaic IV (22 Ma), Quechua I (17 Ma), Quechua II (8-7 Ma), Quechua III (5-4 Ma), and Quechua IV (early Pleistocene) formed three major, successive, and eastward-shifting fold and thrust belts: Peruvian (Campanian), Incaic (Paleocene-Eocene) and sub-Andean (Neogene). In general the compressive pulses affected the entire mobile belt, but were particularly focused on the fold and thrust belts. They resulted in crustal thickening and uplift which was followed by periods of relative quiescence when well-developed erosional surfaces were formed. The compressive pulses interrupted longer periods of extension during which the magmatic arc was particularly active, and which were also characterized by the development of fore-arc basins, intermontane grabens, and the great eastern foreland basin. All along this process, however, there were some persistent features, such as the continuing presence of the magmatic arc (Benavides-Caceres, 1999).

Local Setting

Gently folded Paleozoic rocks occur to the east and thrusted Mesozoic rocks to the west. The basement to these deformed sequences is thought to be the Devonian Excelsior Group, a suite of regionally metamorphosed argillite and quartzite. The Excelsior group crops out 35 kilometres to the NE of the Property.

The first phase of deformation during the Lower Cretaceous created broad, NNW-SSE trending folds. Faulting associated with this deformation is postulated to have provided conduits for later volcanism. Further development of the uplifted mountain belt involved a second phase of tectonism developing compressive folds, reverse faults and transverse faults also aligned NNW-SSE. It is this phase which is thought to have given rise to the volcanic sequences which hosts vein mineralisation at the Property.

A period of extension followed which resulted in the formation of normal faults and related fractures which may have provided fluid pathways to mineralising fluids, breccia pipes and mineralized intrusive porphyry bodies at depth.

Property Geology

The predominant rock types at the Property (Figure 7.1) are early Tertiary andesitic volcanic flows, interlayered with tuffs and rhyolites of the Rimac group and overlain disconformably by the Millotingo Formation; the composite thickness of these units is 700 m to 1,000 m. The Rimac hosts mineralization at both Chanape and Mina San Mateo. The Rimac has been broadly folded and warped but is not regionally metamorphosed. The Rimac group is sequence of volcanic flows, tuffs and breccias interbedded with sedimentary units. The volcanic rocks are mainly andesite flows, flow breccias, tuffaceous andesitic and tuff, with occasional intercalations of tuffaceous sandstones. The Rimac can be subdivided locally into various sub-units, including:

- Volcanic Series with lesser sandstone. It is often violet coloured. Volcanic units are primarily andesitic flows and breccias.

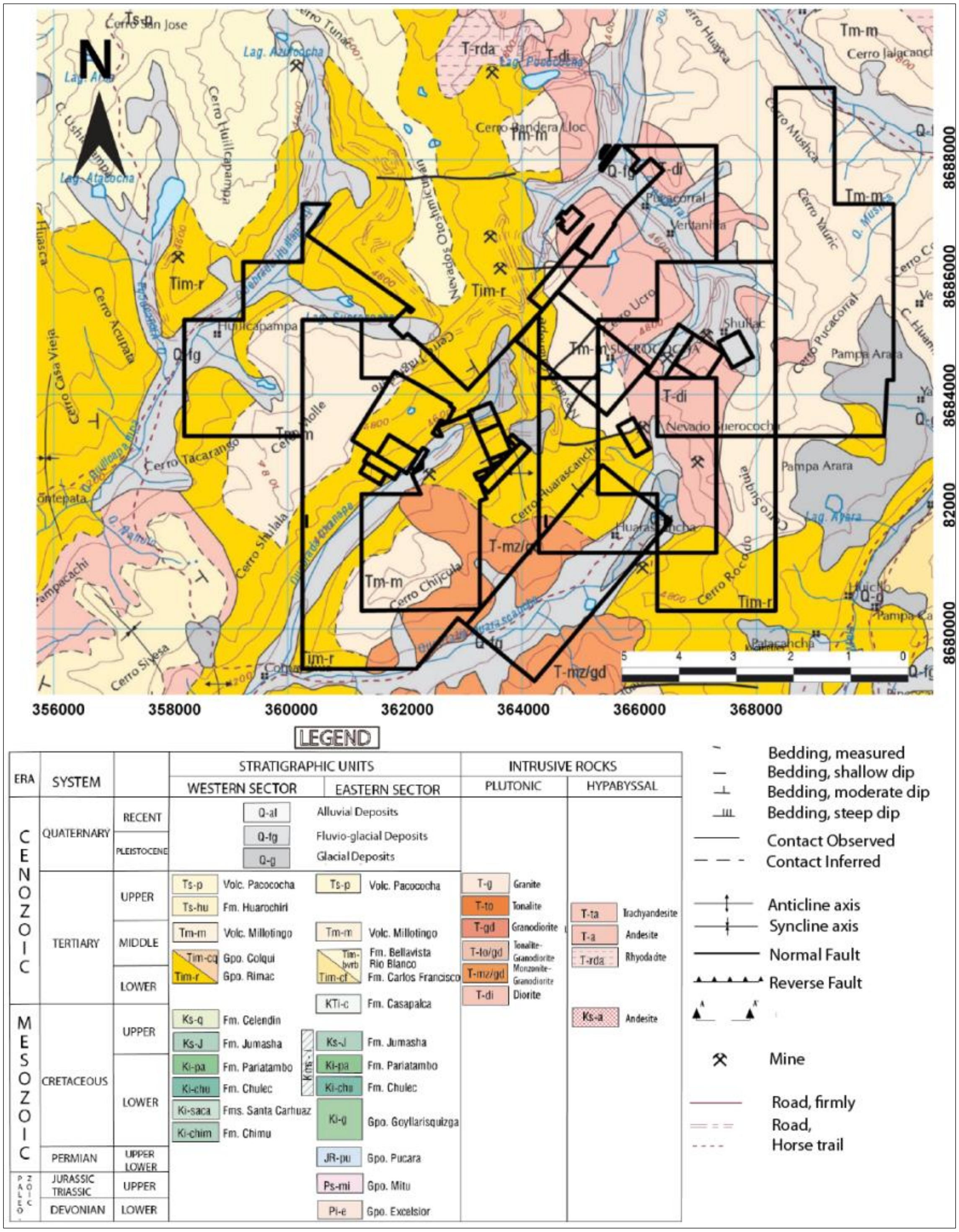
- Sedimentary Series – in the middle of the Rimac, it is mainly composed of tuffaceous sandstone, silty sandstone, and purplish gray tuff.

- Tuffaceous Series includes greyish brown to white rhyolite and dacite tuff.

- Volcanic – Sedimentary Series – Uppermost unit of siltstone, feldspathic sandstone and thinly-bedded, quartz-rich tuff. Tuff units are often porphyritic coloured violet.

During the Miocene period, these rocks were intruded by various bodies of quartz monzonite and diorite, both tourmaline-rich, which have mineralized and altered the adjacent volcanic rocks with added pyrite, fine-grained silica, and kaolin. Associated with the intrusions are numerous gold-rich polymetallic veins and breccias with gold and tourmaline.

Figure 7.1: Geological Map of the Property Area (after Salazar, 1983)



Mineralization

Veins: On Chanape, mineralization fills two systems of fractures and there are eight main veins and numerous lesser veins on the property. The largest is the Fulvia vein located on the northwest facing slope side of the Chanape Valley with a length of more than 1,500 m and average thickness of 1.5 m, which in places reaches 5.0 m (Tumialan, 1982; Ly et al., 1997). Vein mineralization is predominantly galena, dark sphalerite and chalcopyrite, with lesser pyrite, tetrahedrite, pyrargyrite, acanthite, marcasite, gold and quartz. Fluorite, barite, calcite and rhodochrosite are minor gangue constituents. Most of the high-grade veins have little or no quartz, which is usually found in the lower grade portions of a vein, or where the veins narrow and pinch out. Pyrite is usually present as stringers in the veins and disseminated as small cubes in the wall-rock.

Various historic documents examined the resource potential of the veins. Though non-compliant as resource estimates they provide an insight into grades. Ly et al (1997) estimated a 250 metre-long by 50 metre-high panel within the Fulvia vein to have an average grade of 2.96 g/t gold, 13.18 ounces per tonne silver, 0.96% lead, 1.31% zinc, and 0.54% copper. He also conducted his own sampling of all the veins and suggested that a global average might be lower at 449 ppb gold, 12 ppm silver, 125 ppm Copper, 1201 ppm lead, 216 ppm zinc and 2043 ppm arsenic.

All historic mining on the Property was done by drifting on the vein structure at irregular intervals up the hill starting at the lowest elevation where the vein was exposed. Some levels might be connected by raises or ore passes, but there were no shafts, cross-cuts or pillars. Mining was done by hand, rarely were there hand carts on rails. There is no development or exploration below the lowest mining level or the base of the hill; hauling ore up against gravity was considered an un-necessary expense.

Breccias: At least 30 gold mineralized breccia pipes were mapped and documented on both the Minera Chanape and Chanape Option concessions, with the total surface of more than 62,000 square metres (Ly et al., 1997) outcropping over vertical dimensions of 350 m (and extended much further by drilling). Extensive areas with argillic alteration suggest that in Chanape there are favourable conditions for discovery of the Cu-Au (copper-gold) porphyry-type deposits. Exploration by Inca is reported to have identified over one hundred breccia bodies (in total) on the Chanape Option. These range from bodies only a few ten's of metres in size to over 75 metres across. Two sub-types of breccia are recognized – phreatomagmatic (formed by the interaction of magma with groundwater) and hydrothermal. Hydrothermal breccias are variably sulphide-rich, polymictic and often have a tourmaline-quartz matrix. Drilling has demonstrated that these hydrothermal breccias are pipe-like in cross-section and have good vertical continuity. Hydrothermal breccias are an important, near-surface exploration target at the Property. Phreatomagmatic breccias appear to post-date the hydrothermal breccias and are not mineralized but may define structural corridors that are important sites of vein mineralization (Fig. 6.5).

Eight of the volcanic breccias have an estimated average grade of 2.5 g/t Au, 1.32 ounces per ton silver, 0.56 per cent per tonne Pb and 0.82 per cent per tonne Zn (grades from Banco Minero del Peru, 1949, P.H. Tumialan, 1982).

Porphyry Target: The concessions owned by Minera Chanape and Cima de Oro have not been explored for porphyry mineralization. Drilling conducted by Inca on the Chanape Option intersected a favourable geological setting by following the breccias to depth by drilling. These drill holes and the larger geophysical picture clearly suggests that similar potential exists on the adjacent concessions owned by Minera Chanape. Portions of the Minera Chanape land are in valley bottom adjacent to Inca's primary porphyry target, affording drill locations optimally situated several hundred metres lower than any of Inca's.

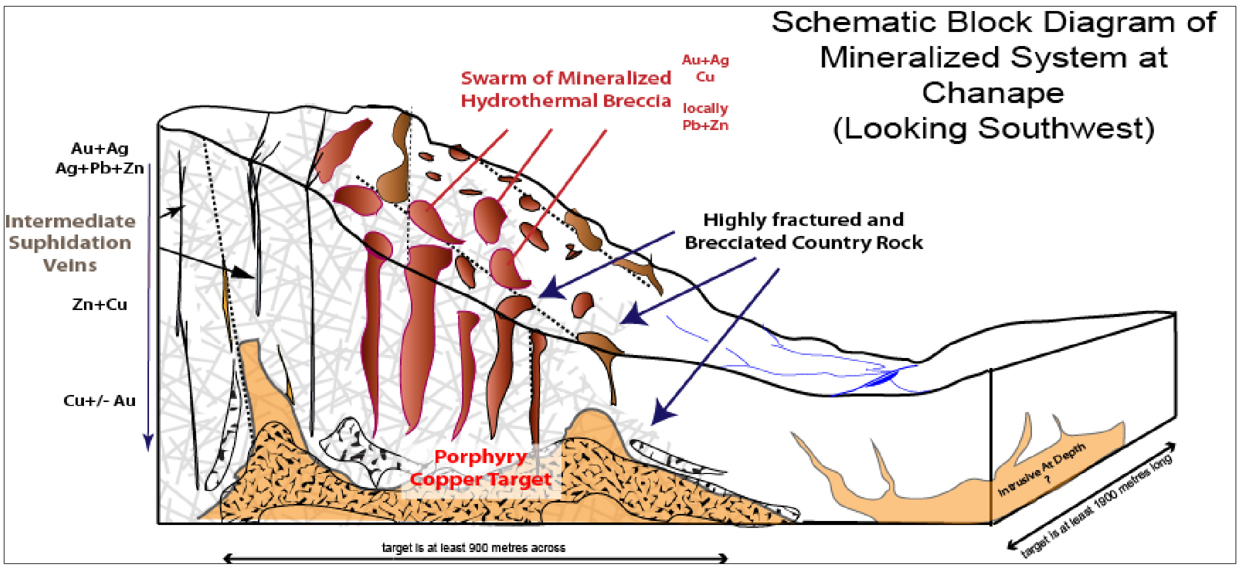
Item 8: Deposit Types

Veins in the district are significant in that there is evidence that shearing controlled the host fracture and the veins themselves are not quartz-dominated but sulphide rich, suggesting higher temperatures of formation and magma-derived fluids rich in sulphur. In contemporary terms veins in the district are now considered to be intermediate sulphidation type epithermal deposits (Sillitoe and Hedenquist, 2003). Intermediate sulphidation vein systems have the potential to extend to significant depth, and may have a vertical metal endowment of greater than 1 kilometre. Intermediate-style epithermal systems are typically hosted in arc-related andesitic and dacitic rocks. Mineralization is silver and base metal-rich, and maybe associated with Mn-carbonates and barite. Sulphide assemblages in intermediate-style epithermal systems typically comprise tennantite, tetrahedrite (sulphosalt minerals), hematite–pyrite–magnetite, pyrite, chalcopyrite, and iron-poor sphalerite. Quartz can be massive or display comb textures. Sericite is common as an alteration mineral, but the adularia, more typical of low sulphidation systems, is rare to absent. Fluid inclusions range from 3 - 5% to 10 - 20% sodium chloride.

Mineralization at Chanape-Pucacorral is dominated by veins and breccia pipes. The veins are steeply dipping quartz-base metal sulphide lodes that are hosted in shear and associated fracture zones. Veins are not oxidized and are typically pyrite and arsenopyrite-bearing with significant silver-lead-zinc sulphide and sulphosalt minerals (usually copper, lead, silver, and iron combined with semi-metal elements such as arsenic and antimony and sulphur) and gold, have quartz-rich margins and massive sulphide cores. The breccia bodies are circular to elliptical in shape, have good vertical continuity, contain fragments of mineralized igneous and volcanic rocks and disseminated sulphide minerals associated with quartz-sericite. Deeper drilling beneath the breccia bodies at the adjacent Chanape Option by Inca has intersected porphyry-style copper-gold mineralization and alteration. Thus the Property spans a geological continuum from relatively near-surface, focused intermediate sulphidation epithermal veins to igneous intrusive and magmatic-derived hydrothermal breccias. It is probable that the larger source, the magma body that drives the system- an intrusive mass that is altered and veined with lower grade copper sulphides and gold in a variety but intense array of veinlets, disseminated patches and stockworks of crackle breccias, fracture zones and semi-massive lenses-typical of a "porphyry copper", has not been intersected, and deeper drilling is required. Thus at surface mineralisation is best described as an intermediate sulphidation environment, but the principal target may ultimately prove to be the underlying porphyry.

In Perú in general and the San Mateo-Chanape region in particular exploration is guided by the concept of elevation and vertical zonation of deposit types. With such significant local variations in topography it affords the geologist the opportunity to go to a hill top and trace epithermal mineralization down the hill into the transition into more copper sulphide-rich intermediate sulphidation veins, and if lucky to end in the valley bottom and find evidence of the porphyry copper that drives the entire system. The ranges in elevation needed to witness this transition vary but can be (rarely) a few hundred metres, typically 500 to 1,000 metres and on occasion over 1,500 metres. The range in elevation from the top of mineralized intermediate sulphidation veins at the Property to the lowest observed mineralization at Coricancha is approximately 1,400 metres. This suggests an outside limit to the window of opportunity, but the metal-rich hydrothermal breccias and the drilling results of Inca on the Chanape Option suggest porphyry-style mineralization should occur within the reach of exploration drilling.

Figure 8.1: Schematic Block Diagram Illustrating Geological Model



Item 9: Exploration

<u>BCGold, Circum Pacific, Cima de Oro and Minera Chanape have not done exploration on the Property.</u>

Historic work exploration on the Property covered the San Mateo Mine area on the Cima de Oro Concessions and the Chanape Option-Minera Chanape concessions. A review of the previous work is summarized in Item 6 – History.

Item 10: Drilling

There has been no drilling by BCGold, Circum Pacific, Minera Chanape, and Cima de Oro.

Item 11: Sample Preparation, Analyses and Security

During High Ridge's work on the Minera Chanape and Chanape Option properties there was no sample preparation carried out in the field. All rock-chip and core samples were shipped by ground transportation. High Ridge submitted samples to ALS Chemex in Lima in multiple batches. No blanks or standards (certified reference materials) were included. Samples were shipped in clearly labelled heavy gauge polythene or fabric bags to which a sample number is stapled to the outside. A second sample number is placed inside the bag with the sample. Samples were then placed inside polyurethane bags or 10-gallon buckets and sealed either clip-lock seals or snap-down lids to ensure sample integrity during transport. Samples were not processed by High Ridge prior to shipping.

Samples were then dried at 100°C and crushed to a nominal <70% passing 2 mm. A 250 g spilt is taken using a Jones-type riffle splitter and pulverised so that <85% passes a 75µm mesh. Reject crush and pulp samples are stored with appropriate chain of custody at the laboratory.

Silver and gold analyses are performed using a 30 g fire assay with a gravimetric finish to give upper detection limits of 10,000 ppb for gold and 100 ppm for silver. Lead, zinc and copper are analysed as part of a 61 element ICP-AES package following a four-acid digest which also provides an analysis for silver. Detection limits are 0.5 to 100 ppm for silver, 2 to 10,000 ppm for lead, 2 to 10,000 ppm for zinc, 1 to 10,000 ppm for copper, and 10 to 10,000 ppm for arsenic. The four-acid digestion is regarded as a "total" digestion, taking elements into solution regardless of the anion the cation is complexed with (typically sulphur, silica or carbon in natural geological systems). Values reported for some elements such as copper and arsenic may not accurately reflect quantities that may be recovered using conventional metallurgical processes.

Lead, zinc, copper and silver analysis which are over-range are repeated using AAS (atomic absorption spectroscopy). Values were are reported in percent for lead, zinc, and copper, while silver is in parts per million. One parts per million equals one gram per tonne.

All analytical data was received directly from ALS Chemex as electronic files (*.csv). Assay certificates were sent as paper copies with invoices for services. These paper copies are not available.

The writer has reviewed the field sampling and analytical procedures employed by High Ridge, and consider them to be of a high standard and appropriate for the stage of exploration.

ALS Chemex is a BVQI ISO 9001:2000 certified and INDECOPI 17025 accredited laboratory.

The writer has no information on the analytical laboratories, procedures and chain-of-custody policies for work done reported by Ly et al (1997) on current Minera Chanape and the historic Chanape Option nor on the Tres concessions reported by Yucra (2011, 2014)

Item 12: Data Verification

Property Database: At the time of its exploration on the Property High Ridge had not instituted a rigorous QA/QC programme of introducing standards and blanks into the batches of samples submitted for analyses. It had a policy of mixing blanks into the batch and requesting repeat analyses. ALS Chemex had a policy of rechecking analytical results and using laboratory standards. The writer reviewed the check analyses of drill core results and notes that results are not reproduced with precision. Without background information on the duplicate sample selection protocols or the laboratory procedure (same pulp, new pulp from crushing-rejects, split from rejects but pre-pulverizing etc) it is difficult to account for the variability without speculating. This should be investigated further should the Chanape Option be acquired and the property advance to the resource estimation phase.

Historic information available to the writer is “incomplete”. Through Circum Pacific:

1. Adobe PDF copies of ALS Chemex certificates covering High Ridge rock-chip and drill core samples were available
2. For rock-chip (both surface and underground) and drill core samples Excel spreadsheets, originating with ALS Chemex, tabulated assay and analytical results, rechecks and laboratory standards. These had been modified to include sample numbers, co-ordinates and other industry-standard data that is required to model exploration information using computer software.
3. Digital copies of the Aster information and the geophysical surveys done by Arce.
4. Other information was sourced from Circum Pacific, the writer’s personal library and from internet sources.

The analytical data base was not sufficient to do a rigorous QA/QC analyses. By inspection it appears to be acceptable and within the industry practice at the time. The writer did examine all the analytical results and compared them to reported values in High Ridge Resources Ltd. disclosure documents that were reported at the time (news releases, management discussion and analyses, and financial statements). These are available on SEDAR under the issuer profile “PUF Ventures Inc.”. The writer was able to locate 90% of the assay and analytical values in the Excel files that matched those reported.

The writer visited the Property during May 11 and 12th, 2016 in order to collect rock samples for analyses, review the location of pits, adits and important outcrops, and to gain an overview of the scope of the project. During this visit the writer checked the location of several drill holes, historic rock-chip sample sites and adits. All appeared accurately located and recorded.

The writer collected 12 rock samples from the Property. These were kept with the writer, transported as personal baggage back to Lima and delivered by hand to an employee of ALS Minerals. Results are reported on the following table:

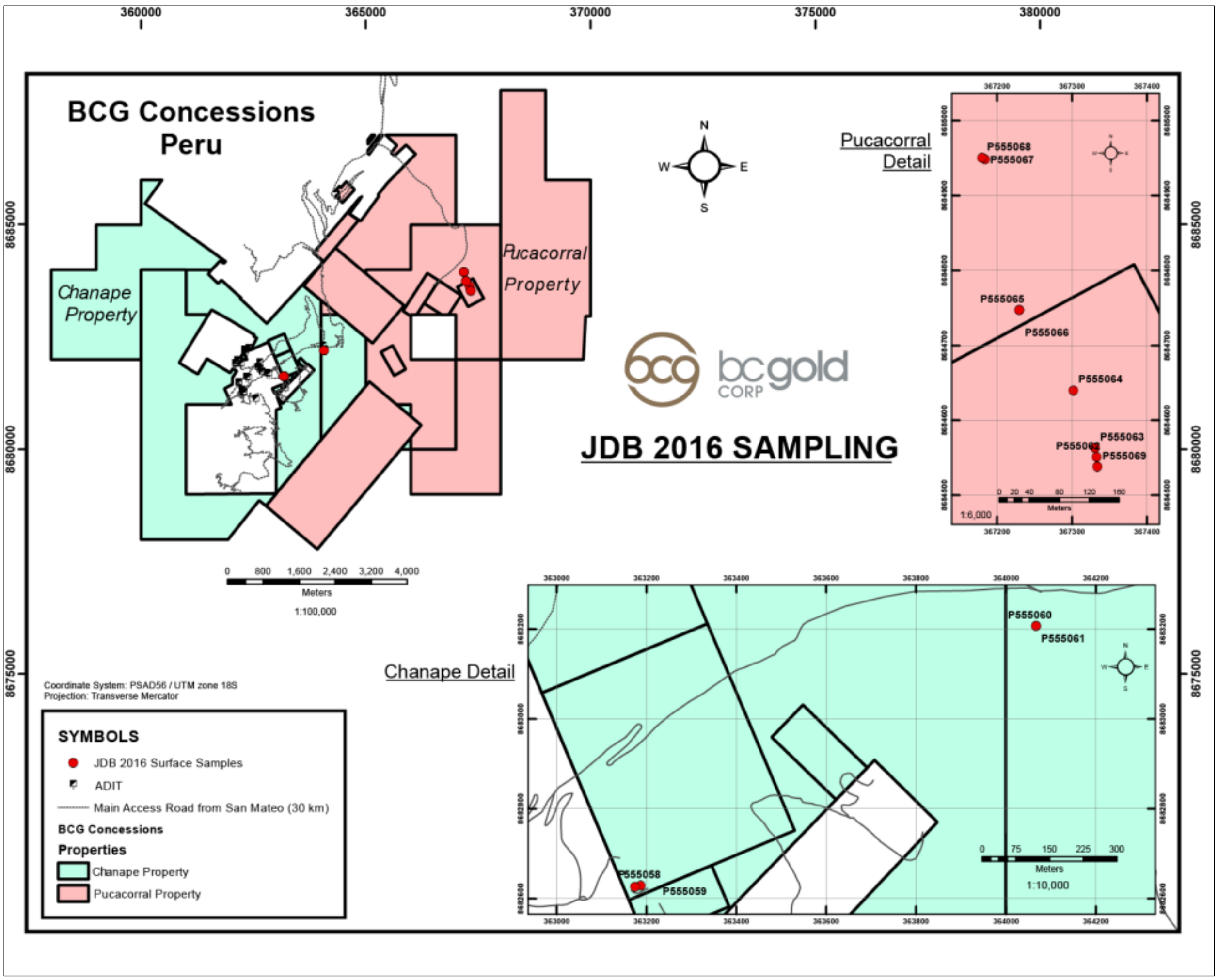
Table 12.1: Verification Samples

Sample	UTM	Property	Description	WEI-21	Au-ICP21	ME-ICP41a	ME-ICP41a	ME-ICP41a	ME-ICP41a	ME-ICP41a	ME-ICP41a	ME-ICP41a	Pb-OG46	Zn-OG46
Number	Co-ordintes			Recvd Wt.	Au	Ag	As	Cu	Fe	Pb	S	Zn	Pb	Zn
	PSAD1956			kg	ppm	ppm	ppm	ppm	%	ppm	%	ppm	%	%
P555058	18 L 363187 8682629	Chanape	Altered breccia, weakly mineralized, 2 m chip	1.19	0.002	<1	50	8	4.79	40	0.26	80		
P555059	18 L 363175 8682627	Chanape	Slightly altered breccia, grab sample	1.11	0.001	1	10	<5	2.3	20	0.27	30		
P555060	18 L 364067 8683207	Chanape	Fulvia vein, 55 m down adit, heavy pyrite, 60 cm chip	0.8	1.71	22	1400	328	20.5	770	>10.0	150		
P555061	18 L 364067 8683207	Chanape	Fulvia vein, 55 m down adit footwall quartz (70%) with heavy pyrite, 70 cm chip	1.14	6.04	21	2170	324	11.55	870	>10.0	200		
P555062	18 L 367333 8684551	Pucacorral	Lourdes Vein, level 4835. Grab. 10% pyrite, 1% coarse galena, 5% sphalerite	0.74	1.605	76	290	6650	8.41	8780	9.9	40800		
P555063	18 L 367331 8684563	Pucacorral	Lourdes Stockpile, cobbed ore. Grab. 5% pyrite, 5% coarse galena, 5% sphalerite	0.86	0.472	84	210	6820	7.69	42800	9.94	37600		
P555064	18 L 367302 8684640	Pucacorral	Lourdes Stockpile, cobbed ore. Grab. 5% pyrite, 15% coarse galena, 15% sphalerite	0.9	0.1	188	160	1810	5.86	>50000	>10.0	>50000	13.4	13.75
P555065	18 L 367230 8684747	Pucacorral	Gianella Vein, 4830 level, 10 m down adit, 120 cm chip sample, minor sulphide	1.26	0.027	6	380	86	4.94	1200	5.38	3660		
P555066	18 L 367230 8684747	Pucacorral	Gianella Vein, 4830 level, 5 m down adit, 70 cm chip sample, 10% sulphides	1.21	0.053	19	130	357	2.74	12300	4.44	35700		
P555067	18 L 367184 8684948	Pucacorral	Cristina Vein, 4750 level, 8 m down adit, 5 m X-cut on splay. 50 cm chip	0.81	0.086	10	150	325	5.39	2420	5.72	6820		
P555068	18 L 367180 8684950	Pucacorral	Cristina Vein, 4750 level pad, grab 5% sphalerite, 2% galena	1.3	0.1	21	90	1430	5.38	8790	7.35	32900		
P555069	18 L 367334 8684538	Pucacorral	Lourdes vein, 4855 level, mouth of upper adit, grab of fallen slab of vein	1.61	0.319	63	230	4210	6.71	8320	7.1	9570		

Analytical results are within ranges reported in historical documents and match what the writer was told to expect while in the field. Every effort was made to obtain a range of results; there was no attempt to sample only high grade. The analytical method is slightly different than that used by High Ridge. This digestion is by aqua regia, which is not a "total" digestion. Values could be lower than those using a four-acid digestion.

In the writer's opinion these results confirm the presence of mineralization and in particular confirm the presence of interesting concentrations of gold and silver.

Figure 12.1: Location Map of Verification Samples Collected by the Writer



Item 13: Mineral Processing and Metallurgical Testing

There are currently no metallurgical studies for the Property. Historical information on mineral processing of materials mined from the veins at Chanape and San Mateo is not available. It is probable that base and precious metals were recovered by both gravity and flotation techniques and a concentrate was made.

Item 14: Mineral Resource Estimates

There are currently no mineral resources estimated for this property. Potential resources have been reported by Ly et al (1997) and Tumialan (1982) however these are historic in nature and not conforming to current resource estimation practices.

Item 15: Mineral Reserve Estimates

There are currently no mineral reserves estimated for this property.

Item 23: Adjacent Properties

The Chanape Option property, until recently held under option by Inca, has been relinquished by Inca. Exploration done by Inca is summarized in Item 6 – History. The Writer has been unable to verify the information on the Chanape Option and this information is not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

The Silveria Project of Grenville Gold Corp. and the past producing Pacococha, Germania and Millotingo mines are similar to the Chanape veins in terms of styles of mineralization and host rocks (Gilbertson, 2008; Salazar, 1983). Neither Mine has been re-opened however it is rumoured that there was limited mining and milling at Germania in the last half of 2016. Both the nearby Millotingo mine and the Pacococha mines closed in 1992, due to a combination of weak metal prices, labour disputes and terrorist activities. Neither mine has been re-opened and are in a state of disrepair (see Table 23.1 and Figure 5.1 for relative distances and location with respect to the Property). The Writer has been unable to verify the information on the Silveria Project, or the Pacococha, Germania and Millotingo mines and this information is not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

Table 23.1 Relative Locations of Historic Mines on Adjacent Properties

Historic Mine	Distance and Direction from Fulvia Vein (Chanape)	Distance and Direction from San Mateo Mine (Pucacorral)
Silveria	3 km NNE	3.5 km WNW
Germania	4 km NNE	4 km WNW
Pacococha	8 km NNE	6 km NNW
Millotingo	11 km NNE	9 km N

The Coricancha Mine (23 kilometres north-northwest of the Property) of Nyrstar is presently on “care and maintenance”. It is located near the community of San Mateo (see Figure 5.1). There is no current resource estimate. The most recent technical report was prepared by Rozelle et al (2007) of Gustavson Associates LLC. Rozelle reports: “The mine has been exploited almost continuously from the colonial times. Rich silver-lead ores were exploited from the Colquipallana Vein until the mid-1980s at rates in the order of 200 tpd. In addition to the conventional treatment of silver-lead-zinc ores, advances in the technology of bio-oxidation (biox) of sulfides ores occurred in the early 1980s and allowed the owners to treat refractory gold and silver minerals contained in arsenopyrite.

The mineralization of the Coricancha operation consists of intermediate sulphidation, narrow veins containing gold, silver, lead, zinc, and copper that filled the main fractures of the system (Constancia and Wellington Veins) as well as other tension-type veins such as the Rocío, Colquipallana, and Animas. These veins cut the Rimac Group volcanic formation.

The mineral reserves were updated in December 2006 by Compañia Minera San Juan Peru S.A. (“CMSJ”), currently a wholly-owned subsidiary of Nystar based on mineral resources estimated in November 2003 by the consulting firm Anglo Peruana S.A., which were based on guidelines set out in the code established by the Australasian Joint Ore Reserves Committee (JORC) of the Australasian Institute of Mining and Metallurgy. CMSJ’s estimate of mineral reserves indicates that the combined total of the Constancia and Wellington Veins contain 436,500 tonnes of proven and probable material averaging 5.09 g Au/t, 161.29 g Ag/t, 2.72% Pb, 2.52% Zn, and 0.31% Cu. It was Gustavson’s opinion that the CMSJ estimated reserves meet the current Canadian Institute of Mining (CIM) guidelines and requirements.

The veins at the Coricancha Mine are geologically very continuous, adding confidence that the measured vein widths can be used to accurately calculate the mineral resources and mineral reserves. The 60-plus years of operating history also support the mineral resource and mineral reserve estimates stated in this Report.”

Great Panther Silver Limited is currently conducting a due diligence process on Coricancha as part of a possible purchase of the mine from Nyrstar (Great Panther News Releases dated May 19, 2015 and May 11, 2016, available on SEDAR or at http://www.greatpanther.com). The Writer has been unable to verify the information on the Coricancha and this information is not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

Toromocho is a porphyry copper mine located 30 km east of the property. It is owned by Chinalco Mining Corporation International (“CRU”). Their corporate website (www.chinalco-cmc.com) reports:

• It contains approximately 7.3 million tonnes of copper, 290,000 tonnes of molybdenum, and 10,500 tonnes of silver, according to the Competent Person’s Report

• The Project is the world’s second largest pre-production copper project, as measured by proved and probable copper ore reserves, and the third largest pre-production copper project, as measured by planned average annual production between 2012 and 2020, among the top 20 firm copper mining projects scheduled to commence production of copper concentrate from 2012 to 2016

• The commissioning of the Toromocho Project commenced on 10 December 2013

• Chinalco acquired the Toromocho Project in May 2008.

Table 23.2: Table of Reserves and Resources at Toromocho

According to the Competent Person' s Report:

JORC Resources and Reserves

		Grade			Metal Content			
	Tonnes (millions)	Copper (%)	Molybdenum (%)	Silver (g/t)	Copper (Mt)	Molybdenum (tonnes)	Silver (tonnes)	
JORC Ore Reserve Category								
Proved	756	0.51	0.02	6.39	3.9	150,000	4,800	
Probable	784	0.434	0.018	7.31	3.4	140,000	5,700	
Total	1,540	0.471	0.019	6.86	7.3	290,000	10,500	
JORC Measured and Indicated Mineral Resources Category								
Measured	156	0.41	0.014	6.20	0.6	22,000	1,000	Available upon completion of highway diversion
Indicated	364	0.36	0.012	6.06	1.3	44,000	2,200	
Total	520	0.37	0.013	6.10	1.9	66,000	3,200	
JORC Inferred Mineral Resources Category (Note)								
Inferred	174	0.460	0.015	11.54	0.8	26,000	2,000	

Note: Measured, indicated and inferred mineral resources are not included in the economic analysis in the Competent Person' s Report.

Porphyry copper mineralization similar to that at Toromocho has not been outlined at the Property. It remains a permissible target type based on the geological relationships and mineralization encountered at the Property. The reserves and resources reported at Toromocho are not present at the Property. The Writer has been unable to verify the information on Toromocho and this information is not necessarily indicative of the mineralization on the Property that is the subject of this technical report.

Item 24: Other Relevant Data and Information

None

Item 25: Interpretation and Conclusions

1. BCGold has an opportunity to acquire 100% interest in a 5,785 hectare land package adjacent to and surrounding a potential porphyry-style copper-gold target;
2. Mineralization encountered to date is hosted by intermediate sulphidation veins and magma-related breccias. Both styles of mineralization are in close proximity to each other and are remarkably enriched in highly anomalous gold, silver, zinc, lead, arsenic and copper.
3. Breccia-hosted mineralization can be traced by drilling from surface and represents a low to modest-grade, larger opportunity that is open to depth.
4. Deep drilling by a previous operator (Inca) encountered important intervals of copper and gold associated with strong alteration, fracturing and micro-veining. It is thought that this drilling has established a porphyry-style setting that should exist immediately overlying a porphyry copper-gold deposit.
5. A strong IP anomaly runs through the Chanape Option (ex-Inca) concessions and onto the Minera Chanape ground. Similar geology and alteration is reported on the Minera Chanape ground and it has not been previously drilled to depth. The anomaly is a high priority target.

6. The concessions owned by Cima de Oro are contiguous but south and east of the Minera Chanape concessions.
7. The Cima de Oro concessions also host intermediate sulphidation gold, silver, lead, zinc and copper mineralization.
8. The Cima de Oro concessions have not been systematically explored. Prior work in the region has identified alteration feature using ASTER and these are similar to those at Chanape.
9. The Cima de Oro is considered to be an earlier stage project than Chanape but is of interest and should be prospected, mapped and covered by an IP survey once the initial phases of exploration at Chanape are completed.
10. A two phase programme of exploration is recommended for the Property.

Significant risks and uncertainties associated with exploration at the Property include:

a. Inability of the Company to obtain necessary Community Access agreements and subsequently Category 1 or Category 2 permits;
b. Vein and breccia-style mineralization at the Property is potentially of economic interest but the size of these target types and the mineral-processing parameters are not known and therefore are at risk of being uneconomic;
c. The porphyry copper-gold target is conceptual in nature but technically justified based on the geology and mineralization encountered to date both on the Property and at the adjacent properties. The risk associated with this target type lay in the relation between grade and size of any porphyry-style mineralized zone to depth of the zone beneath waste rock. It may not meet the criteria necessary to become a mine.
d. Finally there is the risk that the Company may not be able to raise sufficient capital to adequately explore the entire Property. The program and budget proposed in this Technical Report will be just the start of the series of drilling campaigns and technical studies that are needed to take an exploration property through to becoming a mining property.

All these risks and uncertainties, individually or combined could affect the Project's continuing viability and/or ultimately its economic viability.

Item 26: Recommendations

The writer recommends that:

1. BCGold pursue the acquisition of the Chanape Option concessions until recently under option to Inca and previously under option to High Ridge. This should be done subject to reasonable commercial terms. Consolidating the district under BCGold will make understanding the nature and extent of the targets easier and potentially more reliable. If acquired an effort should be made to integrate the work done by Inca with that by High Ridge in order to get a comprehensive compilation completed;
2. Begin working with the communities in the area in order to get access and water-use permits;
3. Engage a specialist in community relations to negotiate agreements with the local communities, as well as create and implement environment and community development programs. It is

proposed that this person be hired initially on the 3/4-time basis and after few (2-3) months on 1/2- time basis to maintain the relationship with communities. The estimated cost of hiring such a person is approximately US $35,000 per year.

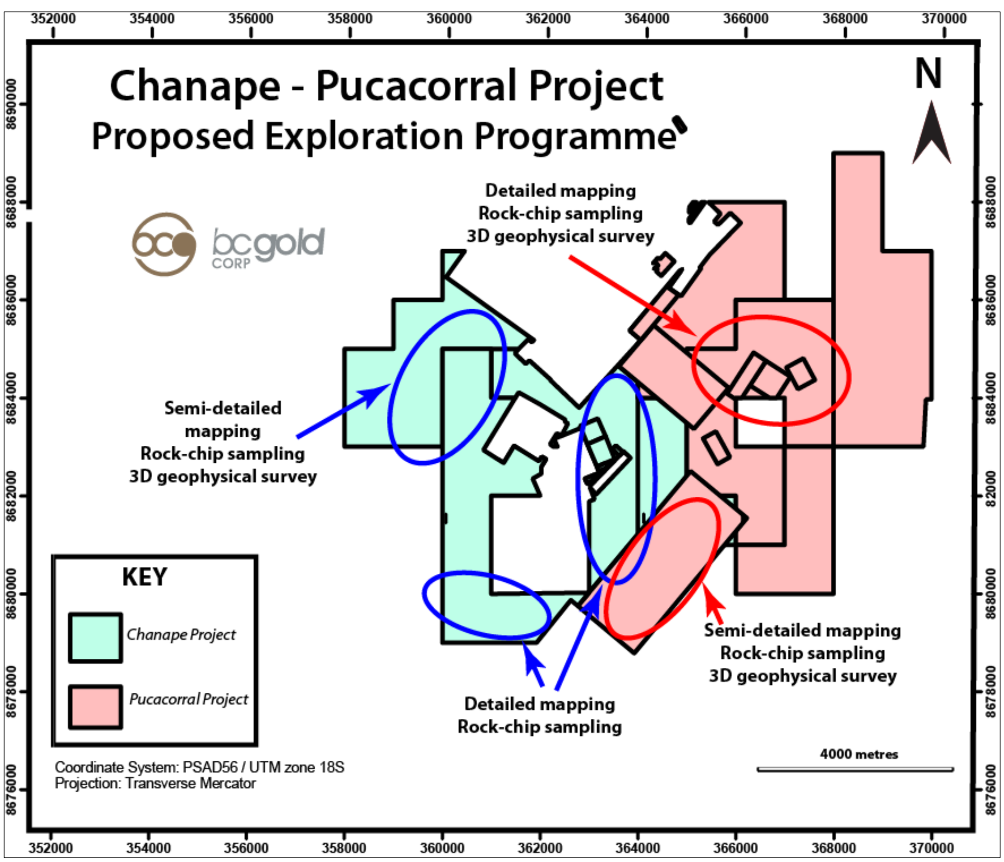
4. Conduct a two-phase programme of exploration on the Property as follows:

PHASE I (3 -4 months) - Programme of geophysical surveys, geological mapping, and rock sampling.

Table 26.1: Phase I Budget Estimate

Description	Amount (US dollars)
Geophysics (IP & Magnetometer)	220,000
Geologists and field supervision (2 Peruvian geologists, 1 consultant)	30,000
Local labour (6 field workers, 2 drivers)	14,000
Assays & Analyses	12,500
Travel, food/lodging	7,500
Infrastructure improvements (access roads)	18,000
Transportation (2 trucks, incl. gas and maintenance)	16,000
Lodging, Camps (fly camps), Food for geologists, drivers, field workers	4,000
Supplies (field and office)	2,000
Communications	1,500
Community support (3 by once a year)	20,000
Contingency	35,000
Total	380,500

Figure 26.1: Map of Areas Targeted for Phase I Exploration



PHASE II (approx. 3.5 months)

Drilling

Subsequent to completing Phase I and II, and pending favourable results, a drilling programme should be implemented. This drilling may consist of testing for the epithermal style gold mineralization associated with the breccia pipes and also for concealed porphyry gold-copper mineralization. This program can involve drilling six 500 m-long holes from the Chanape valley, which is approximately 400m lower in elevation than the drill pads used for Inca's deepest drill holes that intersected mineralized breccia and porphyry, four to five 200 m-long holes elsewhere at the Property, particularly on any new targets of merit identified during Phase I.

Table 26.2 Phase II Budget Estimate

Description	Amount (US dollars)
Diamond Drilling – 4000 m at $200/m includes geologists and support)	800,000
Downhole survey every 50 m	15,000
Contingency	50,000
Total	865,000

Item 27: References

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BCGold at http://www.bcgoldcorp.com

Chinalco at Toromocho www.chinalco-cmc.com

Great Panther news releases at www.greatpanther.com

High Ridge Resources disclosure documents at www.sedar.com under the PUF Ventures corporate profile

Inca Minerals Ltd news release, presentations and quarterly reports at http://www.incaminerals.com.au

INGEMMET at http://www.ingemmet.gob.pe

CERTIFICATE of QUALIFIED PERSON (Jerry D. Blackwell)

I, Jerry Dennis Blackwell, P. Geo., do hereby certify that:

1. I am a geologist and currently retain offices at 253 Stewart Road, Lions Bay, British Columbia, Canada, V0N 2E0.
2. This Certificate applies to the technical report titled "Technical Report on the Chanape-Pucacorral Project, Lima Department, Perú, Cuadrángulo 24K (Matucana)", dated July 27, 2016, with an effective date of June 15, 2016 ("the Technical Report").
3. I graduated with a Bachelor of Science (Honours) in Geology from the University of Western Ontario in 1974. I am a registered Professional Geoscientist of the Province of British Columbia, in good standing of the association of Professional Engineers and Geoscientists of British Columbia, license number 20130. My relevant experience with respect to mineral deposits includes over 40 years of exploration for, and evaluation of such deposits. Additionally I am reasonably familiar with the geology and mineral exploration in the Republic of Peru, having been frequently, but not continuously involved in mineral exploration in that country since 1996.
4. I have read the definition of "qualified person" as set out in National Instrument 43-101 (the "Instrument")and certify that by reason of my education, affiliation with the Association of Professional Engineers and Geoscientists of British Columbia (Registration Number 20130) and past relevant work experience, I fulfil the requirements to be a "qualified person".
5. I have inspected the property that is the subject of the Technical Report on May 11 and 12, 2016, and have independently collected samples from said property.
6. I am responsible for all items in the Technical Report.
7. I am independent of BCGold Corp., as defined by applying the tests set out in Section 1.5 of the Instrument.
8. I am independent of Circum-Paciic Holdings Limited, and its affiliated companies, Minera Chanape S.A.C. and Cima de Oro S.A.C., as well as SMRL Cerro de Oro Tres (which has an option agreement with Cima de Oro S.A.C.), as defined by applying the tests set out in Section 1.5 of the Instrument.
9. I have no prior involvement with the property that is the subject of this Technical Report.
10. I have read the Instrument and the Technical Report has been prepared in compliance with the Instrument.
11. As of the effective date of this report, and to the best of my knowledge, information and belief, the Technical Report contains all the scientific and technical information that is required to be disclosed to make this Technical Report not misleading.

Dated the 28th day of July 2016, in the Village of Lions Bay, British Columbia.

(Signed and Sealed by) ______________________________

Jerry D. Blackwell, P. Geo. Registration Number 20130