Preliminary Wolf Deposit Mineral Resource Estimate
Kudz Ze Kayah Project, Yukon

- **Inferred Mineral Resource (JORC 2012) comprising:**
  3.0 Mt @ 4.9% Zn, 1.4% Pb, 42g/t Ag
- **Resource remains open along strike and down-dip**
- **Outcome aligns with Company's regional strategy of supporting the KZK project through the development of a project resource pipeline**

BMC (UK) Limited ("BMC" or the "Company"), the private UK-based resources development company, today announces a preliminary Mineral Resource estimate for the Wolf property ("the property") held through its fully owned subsidiary BMC MINERALS (No. 1) LTD ("BMC Minerals"). The property is situated ~40 km west of its 100% owned Kudz Ze Kayah Project ("KZK") and east of Whitehorse in the Yukon Territory, Canada (figure 1). BMC Minerals acquired the Wolf property in July 2016.

The Wolf Mineral Resource, estimated in line with JORC (2012) guidelines, is tabulated below.

Classification	Tonnes Mt	Zn wt%	Pb wt%	Ag g/t	Zn metal kt	Pb metal kt	Ag Moz
Inferred	3.0	4.9	1.4	42	147.3	41.8	4.0
TOTAL	**3.0**	**4.9**	**1.4**	**42**	**147.3**	**41.8**	**4.0**

Table 1: Wolf Deposit Mineral Resource Estimate

The property, comprising 18 Mineral Claims and covering 372 Ha, has been explored by a variety of companies since the 1950s. The property encompasses the Wolf polymetallic (Zn-Pb-Ag) volcanogenic massive sulphide ("VMS") deposit, discovered in 1996 and drilled over several seasons until 1998, after which exploration activity ceased.

Significant drill results from this phase of work include:

- 25.2m (true width) @ 6.9% Zn, 2.8% Pb & 139g/t Ag from 77.8m downhole in WF97-07
- 15.6m (true width) @ 5.1% Zn, 1.1% Pb & 56g/t Ag from 119.6m downhole in WF97-08
- 4.0m (true width) @ 7.8% Zn, 1.8% Pb, 63g/t Ag from 182.0m downhole in WF97-14
- 6.8m (true width) @ 10.0% Zn, 3.0% Pb, 120g/t Ag from 148.7m downhole in WF98-18
- 17.2m (true width) @ 8.0% Zn, 2.6% Pb & 123g/t Ag from 196.9m downhole in WF98-25
- 10.2m true width @ 8.1% Zn, 0.9% Pb, 46g/t Ag from 257.0m downhole in WF98-39

The historic drill intercepts delineate a higher grade 'keel' of Zn-Pb-Ag-rich massive sulphide (figure 4) that has a strike extent of ~125 m, a down-dip extent of ~400 m, and an average thickness of ~12 m.

BMC has commenced a detailed evaluation of the available historic data, and the results of the evaluation will be used by BMC to plan future work including; First Nations and Yukon Territory

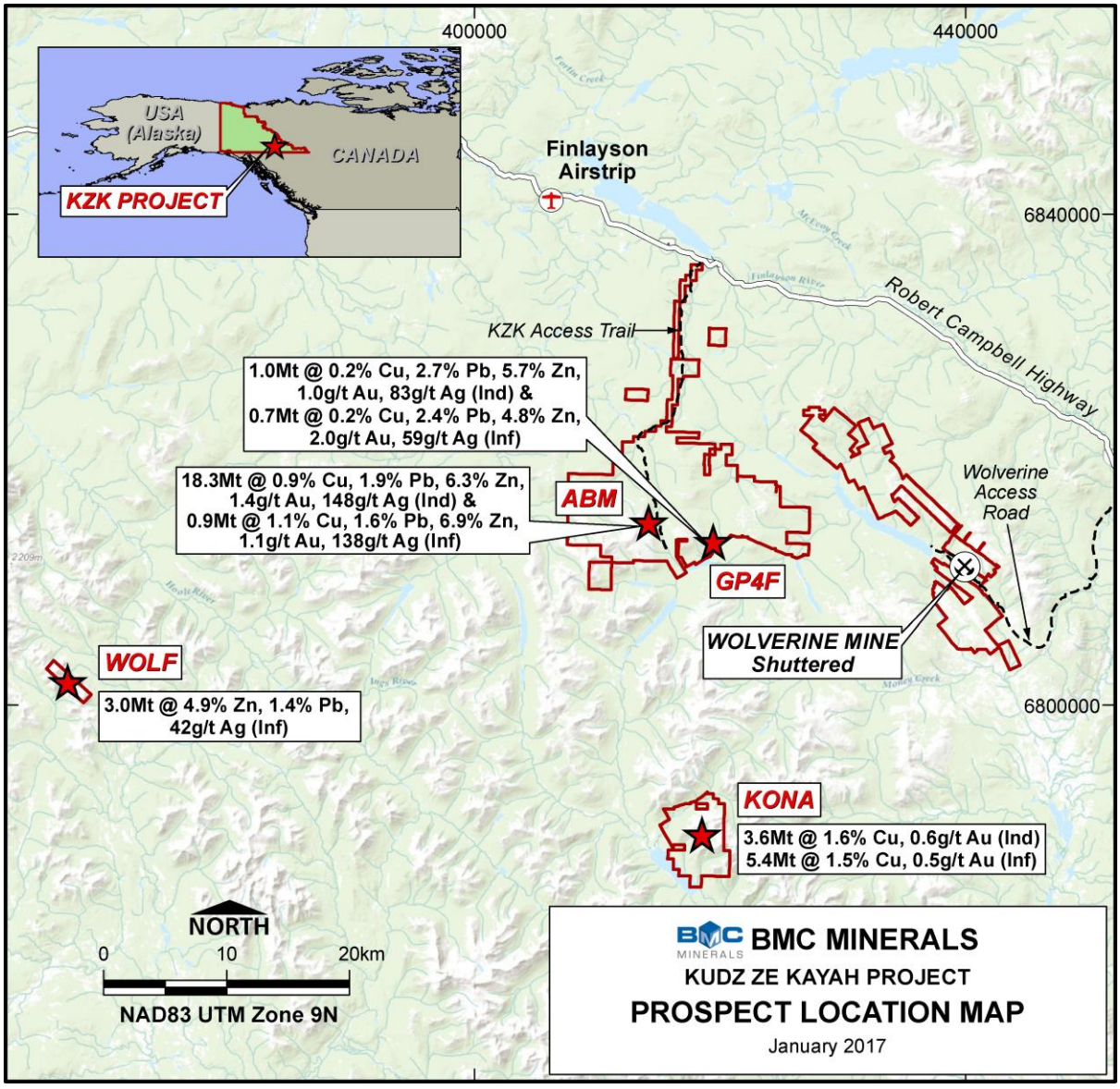
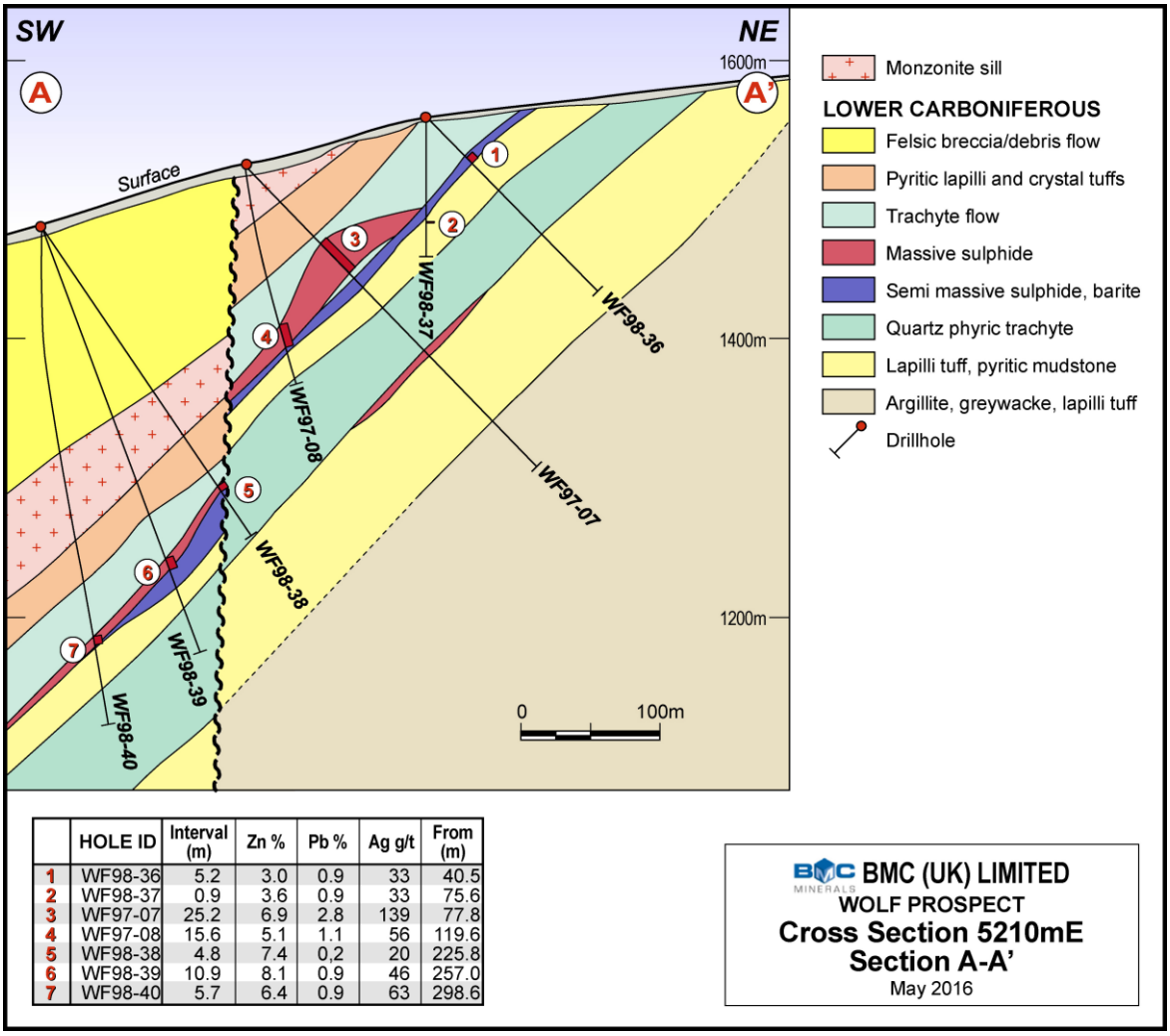


Figure 1: Location of the Wolf property and deposit in relation to the KZK Project. The Wolverine deposit is not held by BMC.

Government consultation, preparation of appropriate permitting applications and future exploration field activities such as diamond drilling, field mapping and downhole geophysical surveys. Further assessment work is planned to commence during the 2017 field season, with exploration activity requiring significant expenditure or management time to be planned around the outcome of the data assessment and the ABM mine development timetable at the Kudz Ze Kayah Project.

The Wolf deposit (figure 2) extends to within a few metres of surface, dips at ~45 degrees to the south, and importantly remains open both down-dip and along strike to the east.

Additional Zn-Pb-Ag-rich sulphide mineralisation has been identified at the East Slope Zone (figure 3), located ~1.2 km to the east of the Wolf deposit. Drilling in 1998 intersected massive and semi-massive sulphides with grades of up to 5.7% Zn, 2.1% Pb and 43g/t Ag over 4.6 metres true width (WF98-45).



	HOLE ID	Interval (m)	Zn %	Pb %	Ag g/t	From (m)
1	WF98-36	5.2	3.0	0.9	33	40.5
2	WF98-37	0.9	3.6	0.9	33	75.6
3	WF97-07	25.2	6.9	2.8	139	77.8
4	WF97-08	15.6	5.1	1.1	56	119.6
5	WF98-38	4.8	7.4	0.2	20	225.8
6	WF98-39	10.9	8.1	0.9	46	257.0
7	WF98-40	5.7	6.4	0.9	63	298.6

Figure 2: Cross section through the Wolf Zn-Pb-Ag massive sulphide deposit showing Zn-Pb-Ag intersections. (Refer Figure 3 for section location).

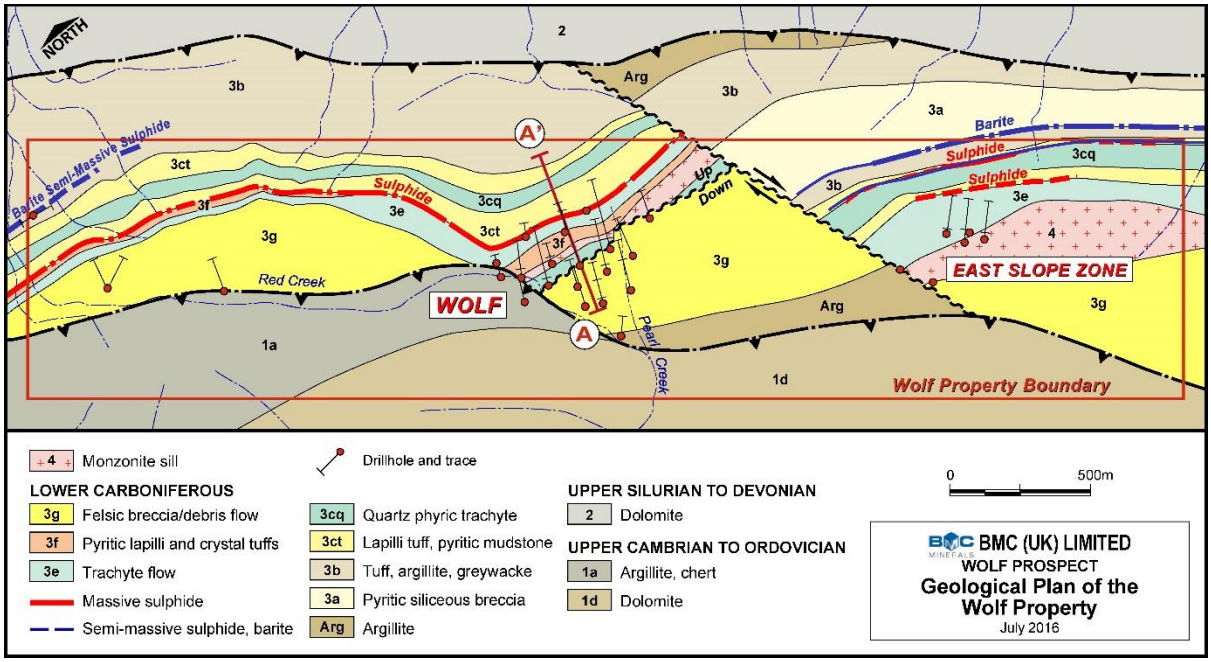


Figure 3: Plan view of Wolf property geology, drill hole traces and prospect locations.

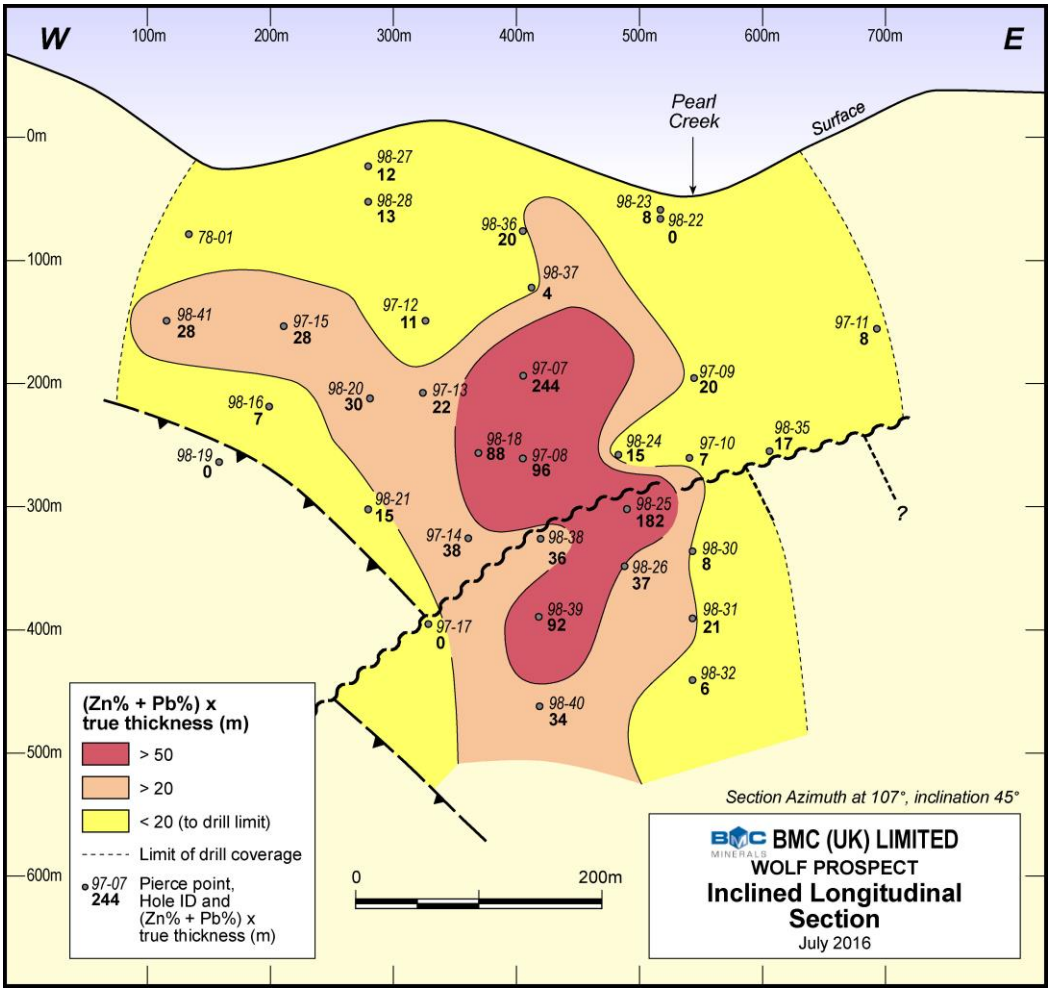


Figure 4: Inclined longitudinal section showing drill pierce points and high grade "keel" to the deposit which remains open down-dip and along strike to the east

The ABM and GP4F deposits, which lie within the Kudz Ze Kayah Project held by BMC (figure 1), also comprise zinc-rich polymetallic massive-sulphide mineralisation. The Wolf property, along with the recently optioned Fyre Lake Cu-Au property, is seen by BMC as forming part of the longer term development pipeline for a future mining and processing operation at Kudz Ze Kayah. At this early stage it is anticipated that any future mine development at Wolf would not be a stand-alone operation with its own processing facility, but would most likely comprise a satellite mining operation only.

Additional Information

BMC

BMC Minerals (No.1) Limited is the Canadian subsidiary of BMC (UK) Limited, a mining development company. It was created as the result of a strategic relationship between a team of established mine developers and a major natural resources private equity group focused on advancing superior base metals assets into development. The BMC executive team has a strong track record of discovery, development and operation of independent zinc, copper and other base metals projects worldwide. BMC seeks to identify, acquire and develop a portfolio of metals assets during the current depressed

commodity prices, with the express intent of delivering a new suite of mining ready production assets into the next commodity cycle upturn.

BMC is the owner of the KZK project in the south east Yukon nearby the Wolf project. The company identified the KZK Project as having the potential for full mine development due to its size, grade, metallurgical properties and the opportunity for resource growth. BMC is currently engaged in a program of assessing historical work, extensive seasonal resource drilling, economic assessment, baseline environmental studies and community engagement which will culminate in the submission of a mine development application for KZK to the Yukon Environmental and Socio-Economic Assessment Board in the first quarter of 2017.

BMC is a strong supporter of local businesses and in the 2016 field season nearly 100% of suppliers and major contractors employed at KZK were from Yukon or had a strong Yukon background. Of that number over 70% were from businesses or corporations associated with Kaska or other First Nation corporations or members. BMC Minerals believes the KZK Project will mean enhanced business opportunities for local involvement as well as employment training, work skills and increased meaningful opportunities for employment at supervisory and management level and intends to continue to promote the use of local businesses in the development and the operation of the project as far as is practicable.

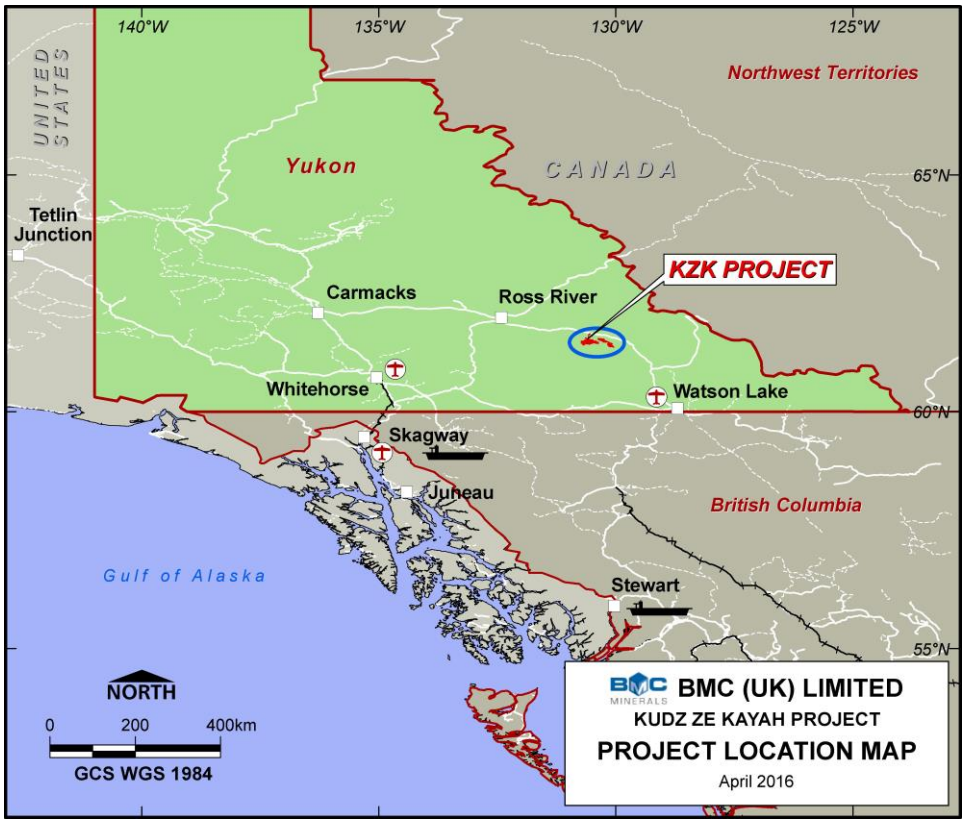


Figure 5: Location of KZK Project, Yukon, Canada

KZK Project

The ABM deposit is located within the KZK Project which is in turn situated on the northern flank of the Pelly Mountain Range, 260 km northwest of Watson Lake and 115 km southeast of Ross River in Yukon, Canada (*Figures 1 & 5*). The Project area lies approximately 23 km south of Finlayson Lake and 25 km west of the Wolverine Mine (Yukon Zinc). The project is accessed via a 20 km long access road from the Robert Campbell Highway, and all season road access exists to ice free port facilities at Skagway (Alaska) and Stewart (British Columbia).

BMC, through its wholly owned Canadian subsidiary BMC Minerals (No. 1) Ltd, purchased the KZK Project from Teck Resources Limited ("Teck") on 24th January 2015. The ABM project area is covered by a Socio-Economic Participation Agreement ("SEPA"), with both BMC and the Ross River Dena Council, on behalf of the Kaska Nation, being party to the SEPA.

Contacts:

Scott Donaldson
Chied Executive Officer
scottd@bmcminerals.com
+61 429 081 116
+1 604 727 0738

Laurence Read
laurencer@bmcminerals.com
+44 (0)20 3289 9923
+44 (0)75 5767 2432
Website:www.bmcminerals.com

The information in this report that relates to the Wolf Mineral Resource has been compiled by Aaron Green, who is a full-time employee of CSA Global Pty Ltd. Mr Green is a Member of the Australian Institute of Geoscientists, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012). Mr Green consents to the disclosure of this information in this report in the form and context in which it appears.

The information in this report that relates to Exploration results and other Mineral Resources is in part a compilation of previously published data for which a Competent Persons consent was obtained. Their consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this report has been extracted from the BMC Public Release ***"Mineral Resource Update for KZK Zn-Pb-Cu-Ag-Au Project, Yukon" dated 10th November 2016 and "BMC Acquires Option over Fyre Lake (Cu-Au) Property, Yukon" dated 23rd January 2017*** *and is available on the BMC website www.bmcminerals.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*

Appendix 1 JORC Code – Table 1

Section 1: Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The Wolf prospect has been sampled using diamond drill holes spaced ~60 m apart on sections spaced ~60 m to ~80 m apart. Historical drilling at the project was completed by Newmont (3 holes) and Atna Resources (45 holes). A total of 48 diamond drill holes occur within the supplied data set for 10,364m of drilling. Holes were generally angled (-45° to -90°) primarily towards ~020˚ (Wolf) and 050˚ (East Slope Zone) with dip angles set to optimally intersect the mineralised horizon where access permitted.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Diamond core was used to obtain high quality samples that were logged for lithological, structural, density and other attributes. All 1997 and 1998 drill collar locations were picked up by survey contractors up to hole WF98-32. The remainder of the 1998 holes were located with reference to adjacent drilling and GPS. The 1997 and 1998 holes were set out with a compass and have used Pajari 'single-shot' magnetic down-hole surveys taken at least once in most cases. Exact details of the down hole survey methods for the earlier drilling programs have not been located. Limited historical quality assurance procedures and quality control results have been documented in various internal reports. Further investigation is required.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg. submarine nodules) may warrant disclosure of detailed information.	Drill holes were logged and selected intervals were cut with diamond saw. Cut samples comprised half core from downhole intervals nominally 1 m in length adjusted to geological boundaries. Core from the 1997 program was dispatched to Pioneer laboratories Inc for analysis, and from the 1998 program to Acme Analytical Laboratories, both located in British Columbia. Samples were crushed and pulverized, although record of the subsample size which was pulverized no longer exists. For 1997 drilling: 1 g of sample digested with 50 ml of aqua regia, diluted to 100 ml with water and finished by AA to provide Cu, Pb, Zn analyses to 0.01 wt% detection limit and Ag to 0.1 ppm detection limit. 10 g of sample digested with aqua regia, MIBK extracted, finished with graphite furnace AA to provide Au analyses to 1 ppb detection limit. For 1998 drilling: All samples were analysed using 0.5 g sample digesting in 3 ml of equal parts HCl, HNO3-H2O Select higher grade intervals were initial digestion of 1 g and then later 0.25 g of sample with 30 ml of aqua regia, diluted to 100 ml with water and finished by ICP to provide Pb, Zn analyses to 0.01 wt% detection limit and Ag to 0.01 oz/t detection limit.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).*	Diamond drilling undertaken by Atna used a BB2500 hydraulic fly-drill with NQ core size. Core was not oriented.
Drill sample recovery	*Method of recording and assessing core and chip*	Core was logged in the field and core recovery was recorded on drill logs. Mineralised zones are typically

Criteria	JORC Code explanation	Commentary
	sample recoveries and results assessed.	fresh and coherent and provided for >90% recovery.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	There is no record available for methods applied to maximize sample recovery.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	The massive sulphide style of the mineralisation, consistency of the mineralised intervals and the good core recovery are considered to preclude any issue of sample bias due to material loss or gain.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Core was logged for geology, alteration, mineralization and geotechnical aspects to a level suitable for resource estimation and preliminary metallurgical and mining studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Core logging was both qualitative and quantitative in nature. RQD and recovery data for each hole was also recorded. No photographic record of the core exists. The drill core was inspected in the field by BMC personnel on September 9, 2016. Most of the core is intact, minor core has been lost due to consumption of the core boxes by vermin. However, adequate core remains to facilitate a resampling program to verify results. (see below)
	The total length and percentage of the relevant intersections logged.	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	In 1997 core was split using a manual splitter. In 1998 well mineralized samples were cut with a rock saw and lesser mineralized intervals were split as per the 1997 program.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	This methodology is considered appropriate for this style of mineralisation. Core recovery was also recorded as part of the logging process. These procedures were considered appropriate 'industry standard' techniques at the time.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No documented quality assurance procedures have been located.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No field duplicate samples were taken during the previous drilling campaigns. In 2016, a resampling program collected 45 samples of remaining half core over intervals identical to the original sample intervals. Results show strong correlation between original and duplicate data for elements of interest.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate for the rock type, style of mineralisation (massive sulphides), the thickness and consistency of the intersections, the sampling methodology and percent value assay ranges for the primary elements at Wolf.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Core from the 1997 program was dispatched to Pioneer laboratories Inc for analysis, and from the 1998 program to Acme Analytical Laboratories, both located in British Columbia. Samples were crushed and pulverized, although record of the subsample size which was pulverized no longer exists. 1997 drilling: 1 g of sample digested with 50 ml of aqua regia, diluted to 100 ml with water and finished by AA

Criteria	JORC Code explanation	Commentary
		to provide Cu, Pb, Zn analyses to 0.01 wt% detection limit and Ag to 0.1 ppm detection limit. 10 g of sample digested with aqua regia, MIBK extracted, finished with graphite furnace AA to provide Au analyses to 1 ppb detection limit. 1998 drilling: All samples were analysed using 0.5 g sample digesting in 3 ml of equal parts HCl, HNO3-H2O Select higher grade intervals were initial digestion of 1g and then later 0.25 g of sample with 30 ml of aqua regia, diluted to 100 ml with water and finished by ICP to provide Pb, Zn analyses to 0.01 wt% detection limit and Ag to 0.01 oz/t detection limit.The analytical techniques used are appropriate given the style of mineralization and ore mineralogy, and is considered to approximate a total extraction technique.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not applicable.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	No certified standards or blanks were inserted with the samples so laboratory bias could not be assessed. Internal analytical standards and occasional pulp and residue repeats were included by the laboratories for each sample run, with results returning an acceptable level of reproducibility.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The historical drill core was viewed by BMC in 2016. Massive sulphide mineralization was visually consistent with the original logging and assays. Significant intercepts appear to correlate with the intensity of mineralization logged in the field. In 2016, a resampling program collected 45 samples of remaining half core over intervals identical to the original sample intervals. Results show strong correlation between original and duplicate data for elements of interest.
	The use of twinned holes.	Twin holes have not been completed.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Drill data was logged by hand on site using customized logging forms based on a GEOLOG software format. The hand entered logs were then entered into GEOLOG software. BMC has reviewed the hand entered logs and exports from the GEOLOG software and view the consistency between logged and electronic data to be good. BMC assembled a digital drill database from GEOLOG data exports. All collar and down hole surveys were validated against original survey files. Pre-1998 assays were compiled from digital certificates received from Atna Resources and 1998 assays were compiled from digital certificates received directly from Acme (now Bureau Veritas) laboratory. As a final check assay values in the electronic database validated by selecting random samples and comparing the values to a scanned copy of the original hard copy certificates.
	Discuss any adjustment to assay data.	Assay data was not adjusted or factored.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collars for all 1997 holes and 1998 holes to WF98-32 were surveyed by qualified surveyor to 0.1 m resolution. Remaining collars were laid out using chain and triangulation from established survey points to ~5 m lateral resolution. Downhole positions were measured by compass and

Criteria	JORC Code explanation	Commentary
		clinometer at the collar and at (typically) one or (occasionally) more "pajari" single-shot magnetic surveys downhole for dip and azimuth.
	Specification of the grid system used.	The grid system for the Wolf Project is UTM zone 9 NAD27.
	Quality and adequacy of topographic control.	Local topographic data and adjacent surveyed collars were used to provide RL to what appears ~1 m accuracy. Verification of some historical drill collar locations by a licensed surveyor as well as more detailed topographic surveys are required for further evaluation of the project.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill holes are spaced ~60 m apart on sections spaced ~60 m to ~80 m apart.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The current drill spacing is sufficient to define the mineralization trends in a future resource estimate.
	Whether sample compositing has been applied.	Sample compositing was not applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drill orientation is close to orthogonal to the tabular mineralized horizons to the extent which is known.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	To date, mineralisation orientation has been favourable and sample widths are not considered to have added a sampling bias.
Sample security	*The measures taken to ensure sample security.*	No information is available for historical drilling sample security.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No records available.

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Wolf Project comprises 18 Mineral Claims (Wolf1-18) covering 372 Ha which is owned 100% by BMC Minerals (NO. 1) Ltd. No residual royalties or joint ventures remain on the property. A staking moratorium exists over the area, but this does not prevent operations within the project tenure.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	There exists no impediment to obtaining a licence to operate in the area under the existing statutory requirements.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Newmont identified gossans and base-metal mineralization in the area in 1955, and in 1966 staked the area. Hesca Resources Ltd staked claims in 1974 and drilled two x-ray holes without success. Newmont and Asamera Oil conducted geochemical, EM and magnetometer surveys, mapping and trenching in 1976. In 1978, Newmont undertook trenching, drilling of three BQ diamond holes for 528 m, intersecting 1.4 m @ 5.6% Zn & 27g/t Ag. In 1982, Amax staked the area and undertook prospecting, geological mapping and geochemical

Criteria	JORC Code explanation	Commentary
		sampling, delineating anomalous Pb and Ag in soils. In 1990, YGC Ltd staked the area and over the next two years optioned the property to Cominco who undertook rock and soil geochemistry surveys, mapping, UTEM and ground magnetic surveys which identified coincident soil and geophysical targets. Atna optioned the property from YGC in 1995, and undertook prospecting, mapping and surface sampling which identified high grade galena-barite samples at Mt. Vermillion. The following field season Atna completed 4 trenches which returned assays to 3.2% Pb & 111g/t Ag over 5.3 m which was followed up by diamond drilling. Two holes intersected sub-economic mineralisation. A jointly funded heliborne EM survey, magnetic and VLF-EM survey was flown in 1997. The 1997 diamond drilling program, comprising 12 holes for 2,769m, was completed by Atna, intersecting 25.2 m (true) of massive sulphide @ 6.9% Zn, 2.8% Pb, 139g/t Ag. In 1998, Atna completed 30 diamond holes targeting the Wolf deposit and discovering the east Slope Zone. 31 holes defined the Wolf deposit and 6 holes intersected the East Slope Zone. A (now non-compliant) mineral inventory of 4.1Mt @ 6.2% Zn, 1.8% Pb, 84g/t Ag was estimated by Atna using a sectional polygonal method, based on 9,392 m of drilling. A horizontal loop coplanar EM survey was also completed in 1998. A conceptual mining study was undertaken by Snowden's in 2000 on behalf of Atna, concluding that the deposit was amenable to underground and open pit mining but was not economic at that time. No additional work has since been undertaken.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Wolf deposit is a polymetallic (Zn+Pb+Ag) volcanogenic massive sulphide deposit. The deposit is bedded and consists of several parallel massive sulphide horizons that are moderately dipping (45° to the southwest), conformable to stratigraphy and are fairly continuous. The mineralized stratigraphic horizon can be traced for several hundred metres, however the strike length of the main body of mineralization is approximately 300 m. The total down-dip extent of the zone is approximately 400 m. A steeply northeast dipping reverse fault has offset mineralization. The Upper zone extends from 1,330 m to 1,560 m elevation and from section 5,130 to 5,400 Northing. The Lower zone extends from 1,160 m to 1,350 m elevation and from section 5,160 to 5,370 Northing. The deposit and host stratigraphy may be overturned.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	Of the 48 holes that have been drilled on the property, 34 holes have been drilled in the Wolf deposit and/or the mineralized horizon and another 8 holes were drilled in the East Slope deposit, which is to the southeast of the Wolf deposit (Appendix A). The East Slope deposit may be a fault offset portion of the Wolf deposit. Six holes have been drilled to test other areas of the property. Relevant drill hole information is presented in elsewhere in this document.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Results for the five holes outside the Wolf and East Slope Zone prospects have been omitted from the intersection summary as they returned only low-grade base metal responses and are not material to the main targets discussed herein. The two x-ray holes completed by Hesca Resources have also been omitted as no data is available.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Length-weighted results are provided in attached intersection summary.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Refer attached intersection table for detail.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Metal equivalent values have not been reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The majority of drilling is close to orthogonal to the mineralization, and is therefore considered representative. Further detail is contained in drilling intersection summary.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Further detail is contained in drilling intersection summary and attached maps and sections.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Further detail is contained in drilling intersection summary.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Ground EM identifies the Wolf deposit, and additional EM responses exist on the Mineral Claims. Metallurgical or geotechnical studies have not as yet been undertaken. Bulk density measurements were undertaken on core samples at the laboratory using an air pycnometer method. In 2016, BMC Minerals conducted a Versatile Time Domain Electromagnetic ("VTEM") survey over the Wolf property, data processing is ongoing.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Initial work will comprises data compilation and resource modelling. After which, as the Wolf deposit remains open down-dip and along strike, it is expected that additional drilling will be undertaken in an effort to establish an economic base and precious metal resource. The East Slope prospect will also be the focus of further diamond drilling, as will the other untested EM targets. All relevant diagrams and inferences have been illustrated in this report.

Section 3 Estimation and Reporting of Mineral Resources (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Data used in the Mineral Resource estimate is sourced from a database compiled by BMC from original 'hard copy' assay files and drill logs. Relevant tables from the database were imported into Surpac software and visually checked against hard copy drill cross sections.

Criteria	JORC Code explanation	Commentary
	Data validation procedures used.	Validation of the final data import by CSA Global included checks for overlapping intervals, missing survey data, missing assay data, missing lithological data and missing collars. Visual checking against hard copy drill sections from historical reports was also undertaken. In 2016, a resampling program collected 45 samples of remaining half core over intervals identical to the original sample intervals. Results show strong correlation between original and duplicate data for elements of interest.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	No site visit has been undertaken by CSA Global. BMC's Technical Director (Dr Neil Martin) and VP Geology (Robin Black) have undertaken a site visit and reviewed drill core from the Wolf leases. There were no negative outcomes from any of the above inspections, and all samples and geological data were deemed fit for use in the Mineral Resource estimate.
	If no site visits have been undertaken indicate why this is the case.	It is anticipated that the CP will undertake a site visit during the next field season as part of an updated Mineral Resource estimate.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	Geological interpretation was completed by CSA Global based on historical interpreted drilling cross sections. Continuity of mineralisation is excellent and is intimately associated with massive and stockwork sulphide horizons. The geological interpretation provided a sound foundation for interpretation of boundaries to the polymetallic Zn-Pb-Ag mineralisation.
	Nature of the data used and of any assumptions made.	Representative geological cross sections, in conjunction with chemical assays has been used to identify individual lithological units during the interpretation process. Zn, Pb and Ag assays were plotted on drill hole traces to define the interpretation. No assumptions have been made.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	Geological continuity is reasonable between drill holes and conforms well to anticipated geological models for VHMS mineralisation. Wireframes have been constructed for the main mineralised horizons as determined by the geological logging and chemical assays. The data does not lend itself to alternative interpretations.
	The use of geology in guiding and controlling Mineral Resource estimation.	Geology has been the primary influence in controlling the Mineral Resource estimation. Wireframes have been constructed for the main mineralised horizons as determined by the geological logging and chemical assays.
	The factors affecting continuity both of grade and geology.	Continuity of geology and structures can be identified and traced between drill holes by visual and geochemical characteristics.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Wolf deposit Mineral Resource is contained within an area defined by a strike length of 510 m (366,615 m E to 367,125 m E) and down dip from 6,802,250 m N to 6,801,825 m N (425 m). The reported Mineral Resource lies within 425 m of surface (1,570 m RL to 1,145 m RL).

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	All modelling was undertaken using Surpac V6.2 software. Hard boundaries were used for the 3 massive sulphide / stockwork domains consistent with the geological interpretation. Following statistical analysis it was determined that high grade cuts were not required. Statistical analysis was completed using GeoAccess software. Block grades were interpolated using inverse distance squared (ID2). An orientated 'ellipsoid' search was used to select data for interpolation. Search ellipsoid orientations were based on lode orientations and drill spacing. An ellipsoid was produced for each individual element, with bearings varying from 280° to 290° using a dip of 45°, (Surpac convention). These orientations honour the orientation of the Wolf deposit. A three-pass estimation search was used to complete estimation for Zn, Pb and Ag within the domain objects. The first pass search radii of 90 m, and second pass search radii of 120 m along strike were used with the minimum number of samples set to 6 for the first pass and reduced to 4 for the second. A third pass with a 240 m search radii along strike and minimum samples of 2 was used to inform remaining un-estimated blocks. Greater than 99% of the blocks were estimated in the first two passes.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	Following the successful 1997 drilling program, Atna calculated a mineral inventory for the Wolf and East Slope deposits using a sectional polygonal method. No other previous estimates have been identified from the data provided. The reported Wolf Mineral Resource estimate is comparable in size and grade to the previous estimate for the Wolf deposit. No mining has yet taken place at the Wolf deposit.
	The assumptions made regarding recovery of by-products.	Silver has been estimated as it is assumed it will be recoverable as part of the Zn and/or Pb recovery process.
	Estimation of deleterious elements or other non-grade variables of economic significance (eg. sulphur for acid mine drainage characterisation).	No other elements were estimated due to a lack of consistent assay information from the historical drilling. Future drilling should include analysis for a full suite of potentially deleterious and 'by-product' elements.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	A parent cell size of 20 m E by 10 m N by 5 m RL was adopted with standard sub-celling to 10 m E by 5 m N by 2.5 m RL to maintain the resolution of the mineralised lenses whilst restricting the overall size of the model. The block size is considered to be appropriate given the dominant drill hole spacing, style of mineralisation and possible mining methods.
	Any assumptions behind modelling of selective mining units.	No assumptions were made regarding selective mining units.
	Any assumptions about correlation between variables.	No assumptions were made about the correlation between variables.

Criteria	JORC Code explanation	Commentary
	Description of how the geological interpretation was used to control the resource estimates.	The geometry of the massive sulphide / stockwork horizons, as defined in logging and detailed sectional interpretation, formed the basis for mineralisation interpretations. The wireframe objects were used as hard boundaries for grade interpolation.
	Discussion of basis for using or not using grade cutting or capping.	Statistical analysis was completed using GeoAccess software. Following statistical analysis, it was determined that high grade cuts were not required in the mineralised domains for the Wolf deposit.
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	Validation checks included statistical comparison between drill sample grades and ID2 block estimate results for each domain. Visual validation of grade trends for each element along the drill sections was also completed in addition to swath plots comparing drill sample grades and model grades for northings, eastings and elevation. These checks show good correlation between estimated block grades and drill sample grades. No reconciliation data is available as no mining has taken place.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages have been estimated on a dry in situ basis. No moisture values were reviewed.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource has not been reported above a cut-off grade as the mineralisation was modelled using a nominal 2% Zn cut-off grade which correlated to interpreted semi-massive to massive sulphide horizons on the interpreted geological cross sections. On this basis, it was deemed that no cut-off grade was required.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	No mining assumptions were made on the basis that the deposit is at the early stage exploration phase and remains open along strike and down dip. Additional drilling is required to determine key deposit characteristics before detailed mining evaluation can take place.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	No significant metallurgical testwork has been completed on the Wolf deposit. However, the deposit has similar mineralogical characteristics to other known VHMS deposits in the region such as the deposits as KZK (ABM and GP4F) and Wolverine, therefore it is expected that conventional flotation methods would be applicable to extract base metal concentrates. Preliminary metallurgical testwork is recommended as part of the next round of drilling for the Wolf deposit.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where*	No assumptions regarding possible waste and process residue disposal options have been made. It is assumed that such disposal will not present a significant hurdle to exploitation of the deposit and that any disposal and potential environmental impacts would be correctly managed as required under the regulatory permitting conditions.

Criteria	JORC Code explanation	Commentary
	these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	CSA Global used fixed density values assigned into the block model for each lithological unit, setting fresh 'waste' felsic material to 2.65 t/m^3 and 3.80 t/m^3 for the mineralised massive sulphide. The massive sulphide density was determined based on the mean density of measured samples within the main objects for the Wolf deposit.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.	Density measurements were obtained using the air pycnometer method taken from analytical pulps derived from drill core across the deposit. It is expected that the specific gravity results determined using the pycnometer method would be within the error margin acceptable for the Mineral Resource as it is currently classified. Visual inspection of the drill core showed that the mineralised zones were relatively competent and contained few void spaces.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	Average densities were applied to the fresh felsic host lithologies and mineralised zones based on measured densities from drill core. The densities used are comparable to other nearby VHMS deposits in the region. More detailed bulk density testwork across the mineralised zones and host lithologies is recommended.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	The Mineral Resource classified as Inferred taking into account the level of geological understanding of the mineralisation, quality of samples, density data, drill hole spacing, historical nature of the drilling, and sampling and assaying processes.
	Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The Mineral Resource is classified as Inferred despite the reasonable geological and grade continuity defined by the current drill spacing. This is due to the lack of validation of the historical drill holes, particularly in relation to the collar locations, down hole surveys, assay results, and the lack of detailed QA/QC information.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	Internal audits were completed by CSA Global which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	The Mineral Resource accuracy is communicated through the classification assigned to various parts of the deposit. The Mineral Resource estimate has been classified in accordance with the JORC Code, 2012 Edition using a qualitative approach. All factors that have been considered have been adequately communicated in Section 1 and Section 3 of this Table.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The Mineral Resource statement relates to a global estimate of in-situ tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The deposit has not, and is not currently being mined.