Bates Hunter Mine, Assay Results – 12-17-18

Current Drill/Sample Program

The 2018 Drill program was focused on exploration drill holes to identify the possibility of mineral resources specific to gold (Au) and silver (Ag) in the hanging and footwall of the previously stoped areas in the Bates Hunter Mine. Two horizontal core holes (IEWS size, 1-inch diameter) were drilled underground at the 112 ft level of the Bates-Hunter shaft into the hanging and footwall in a perpendicular direction to the general trend(N50E) of the Bates vein. The hole drilled in the hanging wall was driven 101.8ft with 5 samples taken and assayed at various depths. These samples returned no promising data (see Table 1.0). The footwall drill hole reached 111.1 ft from which 12 samples were taken and assayed returning one significant intercept with 1.74 ounces per ton (opt) of gold and 2.87 opt of silver at a distance of 60.8 feet into the footwall, over an interval of 1.2 feet. Additional gold and silver mineralization was found in five other intervals in the footwall at varying depths as close as 12.6 ft and no further than 71.5 ft from the existing workings.

Additional grab sampling has occurred and channel sampling is planned from insitu exposures of vein material.

Samples reported herein were taken from IEWS drill core using a diamond saw. Drill core was split longitudinally and broken or cut at the start and finish of intervals along the length of the core. Visual identification of mineralized intercepts was used to determine sample intervals. All samples were taken to Hazen Research, Inc in Golden, Colorado. Results presented in Table 1.0 are from Analytical Report 18M03234, 12/17/18. These samples are the first samples taken by the current operator of the Bates-Hunter mine, BH Mining Company.

Figure 1.0: A portion of Sample BHU1802-009 (1.74 opt Au, 2.87 Ag)

Table 1.0: Core Sample Data

Sample #	Sample interval (ft)	Au (opt)	Ag (opt)
BHU1801-001	6.0-6.6	<0.008	<0.400
BHU1801-002	25.2-25.9	<0.008	<0.400
BHU1801-003	25.9-27.2	<0.008	<0.400
BHU1801-004	41.2-41.9	<0.008	<0.400
BHU1801-005	95.6-96.8	<0.008	<0.400
BHU1802-006	12.6-13.3	0.064	0.919
BHU1802-007	13.3-14.6	0.098	0.899
BHU1802-008	14.6-15.1	0.024	<0.400
BHU1802-009	60.8-62.0	1.74	2.87
BHU1802-010	63.5-64.5	<0.008	<0.400
BHU1802-011	64.5-65.7	0.026	<0.400
BHU1802-012	68.6-69.5	<0.008	<0.400
BHU1802-013	70.5-71.5	0.01	<0.400
BHU1802-014	72.8-73.9	<0.008	<0.400
BHU1802-015	97.5-98.6	<0.008	<0.400
BHU1802-016	100.3-102.1	<0.008	<0.400
BHU1802-017	109.0-109.9	<0.011	<0.570