KOPPARBERG MINERAL

THE COPPERSTONE PROJECT

EXPLORATION TARGET DEFINITION

1.0   Introduction

The Copperstone Project is an exploration asset 100% owned by Norrliden Mining AB and based in the southern region of Norrbotten Province in northern Sweden. In order to advance the exploration potential of the Copperstone Project, the extensive drill core archive and associated data sets available have been utilised to generate an Exploration Target range.

The objective of declaring this Exploration Target is to demonstrate the significant exploration potential of the geology of the property, to highlight the extent of discovered base and precious metal mineralization indications, and to lay a foundation for future value-add exploration investments.

The potential quantity and grade of an exploration target is conceptual in nature, and there has been insufficient work done on the property to estimate a mineral resource. It is uncertain if any further exploration work will result in the estimation of a mineral resource.

2.0   Copperstone Data

In broad terms, the Copperstone Project is defined by two periods of exploration history, by Boliden Mining AB from 1971-76 and by Lundin Mining AB from 2004-2007. In total, there are 3188 laboratory samples (4,436m, with an average sample length of 1.4m) that have been acquired from 245 drill holes (33,610m of core

drilling). Sample coverage represents approximately 13% of the entire drilling history at Copperstone.

The drill campaigns cover a central area of approximately 600ha (see Figure 1 below), with associated assay data, to an average depth of approximately 120m below surface (ranging from 33m-445m).   Note that drilling patterns are not evenly distributed.

Figure 1: The Copperstone Property

For the 3188 assayed samples, the following individual assay results are available, excluding all duplicates.

- Gold (Au) – 3122 assay results (98.2%)

- Silver (Ag) – 3163 assay results (99.2%)

- Copper (Cu) – 3178 assay results (99.7%)

- Zinc (Zn) – 3022 assay results (94.8%)

- Lead (Pb) – 2785 assay results (87.4%)

Given the widespread distribution of copper mineralization, and the potential style of mineralization being related to shallow felsic plutonism, copper is the designated key metal for this Exploration Target.

For this Exploration Target definition process, all historic drill collar information provided is assumed to be correct. In Jan 2014, a total of 31 drill collars in the Eva area were located for OPTV inspections, with re-measurement of collars and downhole survey. The results showed that the majority of re-surveyed holes have a better than +/- 0.5m collar location. In July 2014, a further 160 collars were looked for across the greater Copperstone Project. A small number of these collars (19) were not located mainly due to location on improved forest roads, in swamps or damaged by later forestry activities.

All assay data has been combined into a single spreadsheet. All given laboratory values are assumed to be correct, and there has been no detailed analysis of QA/QC data. No Standards were used by either previous exploration company. Limited assays of blanks and duplicates were carried out by Lundin Mining only.

KOPPARBERG MINERAL

In general terms, the available data is considered to be of sufficient quality to be used to generate an Exploration Target, but not for code-compliant mineral resources.

3.0   Exploration Target Definition Process

The method used to generate the Exploration Target at Copperstone is as follows:

- Creation of a spreadsheet containing collar coordinates, azimuths, inclinations and drill lengths. Due to the paucity of data, drill traces were assumed to follow given collar parameters. No down-hole survey data has been used in this process.

- Estimation of missing collar elevations for all the Boliden drill positions using Garmin GPS track data from recent fieldwork programme.

- Calculation of top-of-rock (TOR) elevations at each drillhole position.

- Creation of a spreadsheet containing all available laboratory data.

- Creation of a Cu_{eq} figures for every sample. For this process, the following forecast pricing was assumed: Au $1200/oz, Ag $20/oz, Cu $6500/tonne, Zn $2100/tonne, Pb $2100/tonne.

- For Cu_{eq}, spaces in the dataset for any of the five (5) metals were assumed as zero (0).

- Log-normal plotting of Cu_{eq} values to visually remove the high grade tail. Upper limits were capped at 5 %. In total 49 results were capped that ranged from 5-19% Cu_{eq}.

- Importation of Cu_{eq} and collars data sets into Geosoft Target software.

- Gridding of surface and TOR elevation data.

- Display of drillholes in 3D space, overlain with gridded surface and TOR plots to check proper distribution of the drill positions.

- 3D kriging carried out of the Cu_{eq} values to create a voxel model.

- Voxel modelling was based on a 10x10x10m block, with a search radius of 10m and no variogram parameters applied.

- Voxel model was then clipped to the TOR surface to provide a realistic estimate of volumes within intact rock mass.

- For the general model, the maximum block value was 4.57%, with a mean of 0.48% and a standard deviation of 0.26%.

- The voxel model was then clipped to the following minimum block values: 0.5%, 0.6%, 0.7%, 0.75%, 0.8%, 0.85%, 0.9% and 1%.

- No upper limits were applied as the kriged data was already capped.

- For each lower value, voxel volumes and average grades were then determined.

For conversion of clipped voxel model volumes to Exploration Target tonnage, an average insitu rock density of 3.1t/m^3 was determined by simple weighted averaging of 226 available results from the Lundin data set that have Cu_{eq} values >0.7%. An arbitrary 90% recovery factor was also applied to the total tonnage figures.

4.0   Copperstone Exploration Target

In order to generate the Exploration Target, the voxel model has been assessed by constraining the distribution of grade blocks at a range of lower limits from 0.5% -

1.0% Cu$_{eq}$. This generates a possible range of grade clusters for the project. Block distribution has not been constrained by any geological model.

The voxel model limited to 0.7% Cu$_{eq}$ is shown in the following figure, forming an exploration target tonnage of 98.5mt at 1.06% Cu$_{eq}$ content
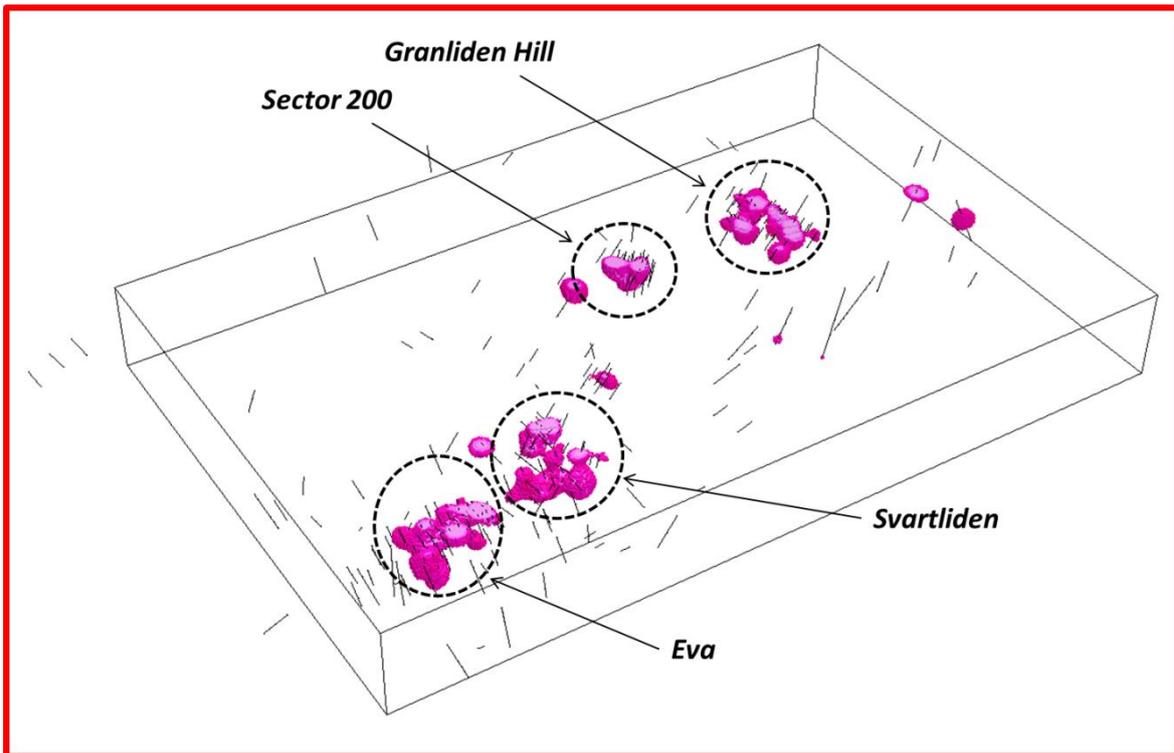
From examination of the range of Cu$_{eq}$ voxel model volumes based on a lower cut-off, it is suggested that the Exploration Target for the Copperstone Project be realistically portrayed in the range of a 0.7-0.85% lower limit.

COPPERSTONE EXPLORATION TARGET

60-100mt at an approximate grade of 1.0-1.2% Cu$_{eq}$

It is important to note that this is not a direct measurement of resource inventory, but merely a focussing mechanism to guide future exploration programme(s) to

convert some part of these targets into future code-compliant resources. There is also no certainty that mineralization may exist in between these various target areas, nor if the shown target volumes will contain any future economically viable ore bodies.

At this stage there is also uncertainty on the structural controls and style of mineralization, but the geological framework identified thus far suggests larger-scale shallow felsic emplacements with development of sulphide mineralization in close spatial association with hydrothermal breccia bodies.

The Copperstone Project presents a significant Exploration Target, with the potential for large tonnage, hydrothermal disseminated and stringer sulphides containing Cu-Ag-Zn-Au mineralization.

5.0 Statement from Competent person

The information in this document that relates to exploration results is based on information compiled by Chris McKnight, PrSciNat of Horizon Blue Resources AB, on behalf of Norrliden Mining AB.

The work was performed under the supervision of M.Sc. Thomas Lindholm, GeoVista AB, Lindholm has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2012 edition of the "The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code')". Mr. Lindholm consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.