JAXON MINING INC.

Red Springs Project (AOI)

Introduction

Jaxon's flagship project, the Red Springs AOI, consists of 16 mineral claims covering 261.4 km^2 and occupies the southwest area of the Company's Hazelton property, located in west-central British Columbia, Canada (Figure 1). The Hazelton property hosts four separate AOIs, including Red Springs, and spans a total of 479.44 km^2 (Figure 2).

The Red Springs AOI presents a system involving a number of large and deep porphyry targets. Hazelton's property assemblage, which includes Red Springs, is located in an area newly identified as being part of Canada's own Laramide porphyry province (Figure 3). Jaxon's geological and exploration models include implications of the Laramide mountain building orology as it occurred in central western B.C. during the late Cretaceous and early Tertiary periods. Previous exploration, starting in the mid 1900s (Figure 4), overlooked the Laramide events, discovering shallower, medium to smaller-scale porphyry copper-molybdenum deposits.

Jaxon has now developed deeper and larger porphyry systems as targets at Red Springs, more typical of those found in the southern Laramide porphyry provinces in western United States and Mexico. The existence of these larger systems at Red Springs are indicated by an anomalously large tourmaline breccia occurrence and by multiple polymetallic sulfide mineralization occurrences that outcrop on surface. The system is further indicated by results from sampling, structural mapping, geochemical, spectral and geophysical work. The Company's geological model indicates that there are two or more deeper Laramide scale copper porphyries in the system at Red Springs.

Figure 1: Location Map of Red Springs in B.C., Canada

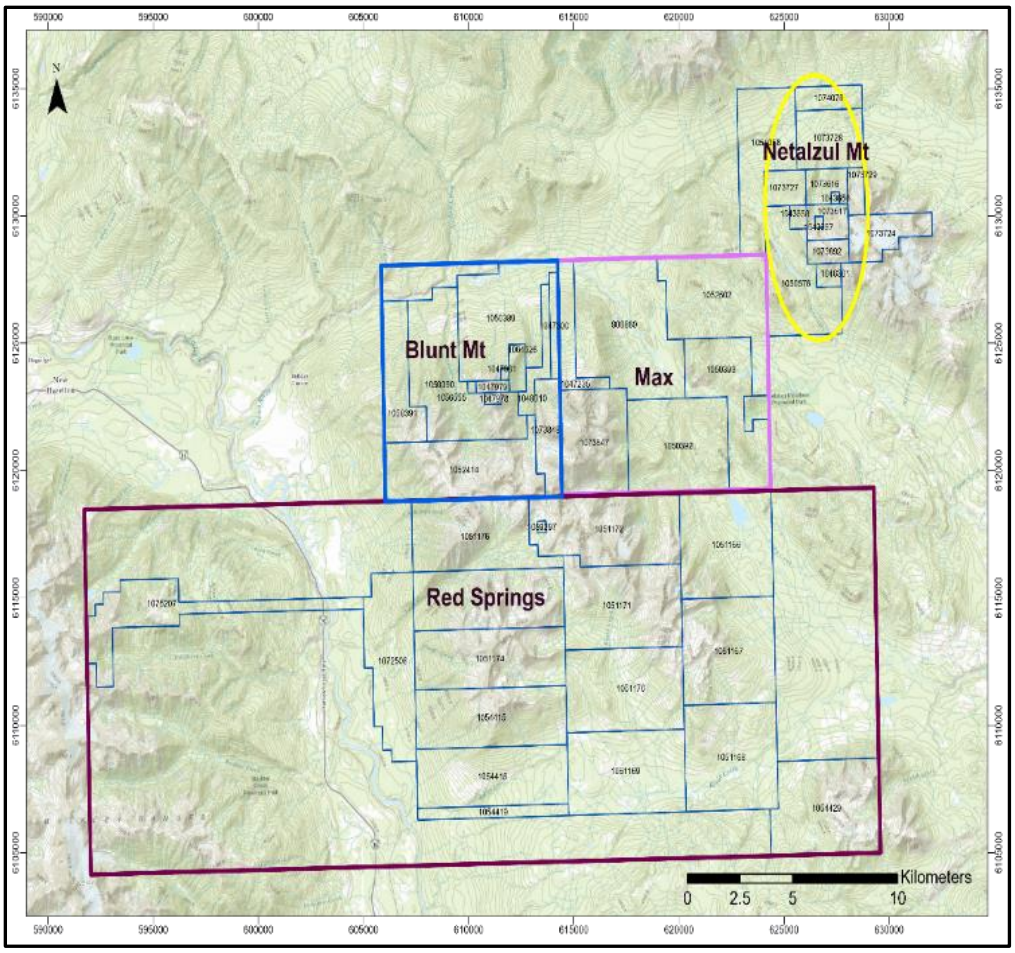


Figure 2: Jaxon's Hazelton Property Claims Map with Four AOIs in B.C., Canada

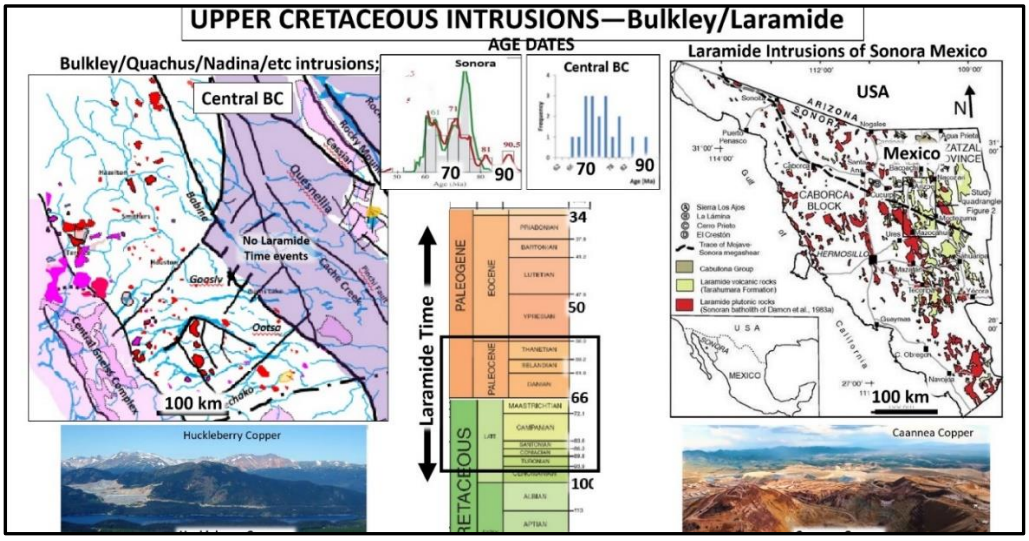


Figure 3: Upper Cretaceous Intrusions – Bulkley/Laramide (Tom Richards, 2020)

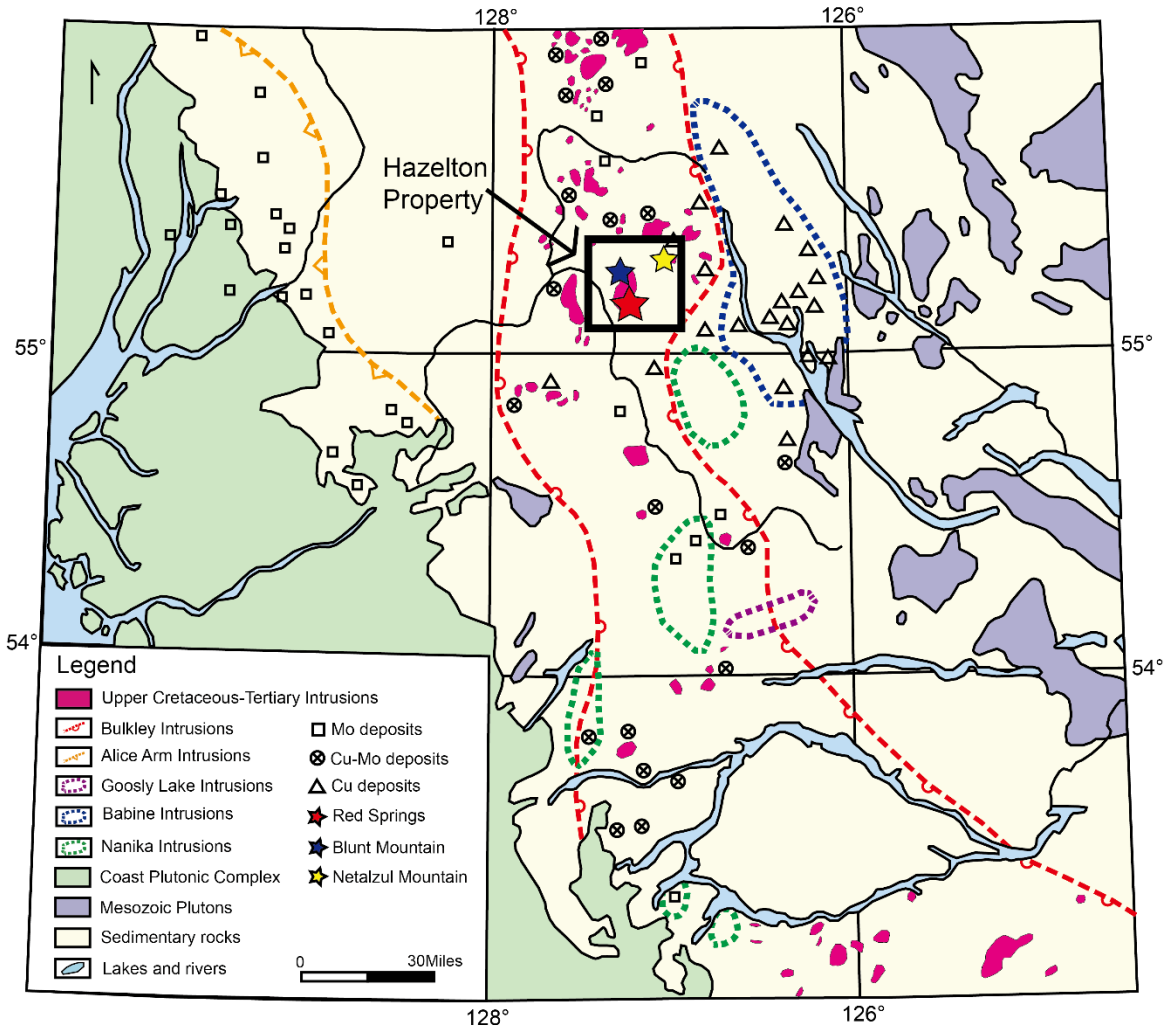


Figure 4: Age and Distribution of Upper Cretaceous to Tertiary Intrusions and Porphyry Deposits in West-Central B.C. (Carter, N.C. 1974)

Porphyry Copper Targets at Red Springs

The Red Springs AOI is located at the centre of the Skeena Arch Bulkley intrusions and the B.C. Laramide porphyry province (Figure 5). The Company recognizes the potential to discover a world-class deep-seated porphyry copper-molybdenum deposit at Red Springs.

During the 2018 and 2019 field seasons, Jaxon's team completed 20 km^2 (+/-) surface geology, structure and alteration mapping; took 1000 surface rock samples; conducted 23 km (7 lines) of ground IP, a 2 km^2 ground magnetics survey and 2 km^2 of soil sampling; and examined 50 thin sections as part of a petrographic study, drilling and assaying 1050 (+/-) metres of core. Completing this work allowed the Company to develop its conceptual geological model which indicates the presence of two copper porphyry targets: Primary Ridge and Razorback. These porphyry targets are associated with multiple distal showings of polymetallic sulfide vein mineralization and a well-developed extensive gold-bearing quartz tourmaline breccia zone/pipe mineralisation occurrence (Figure 6).

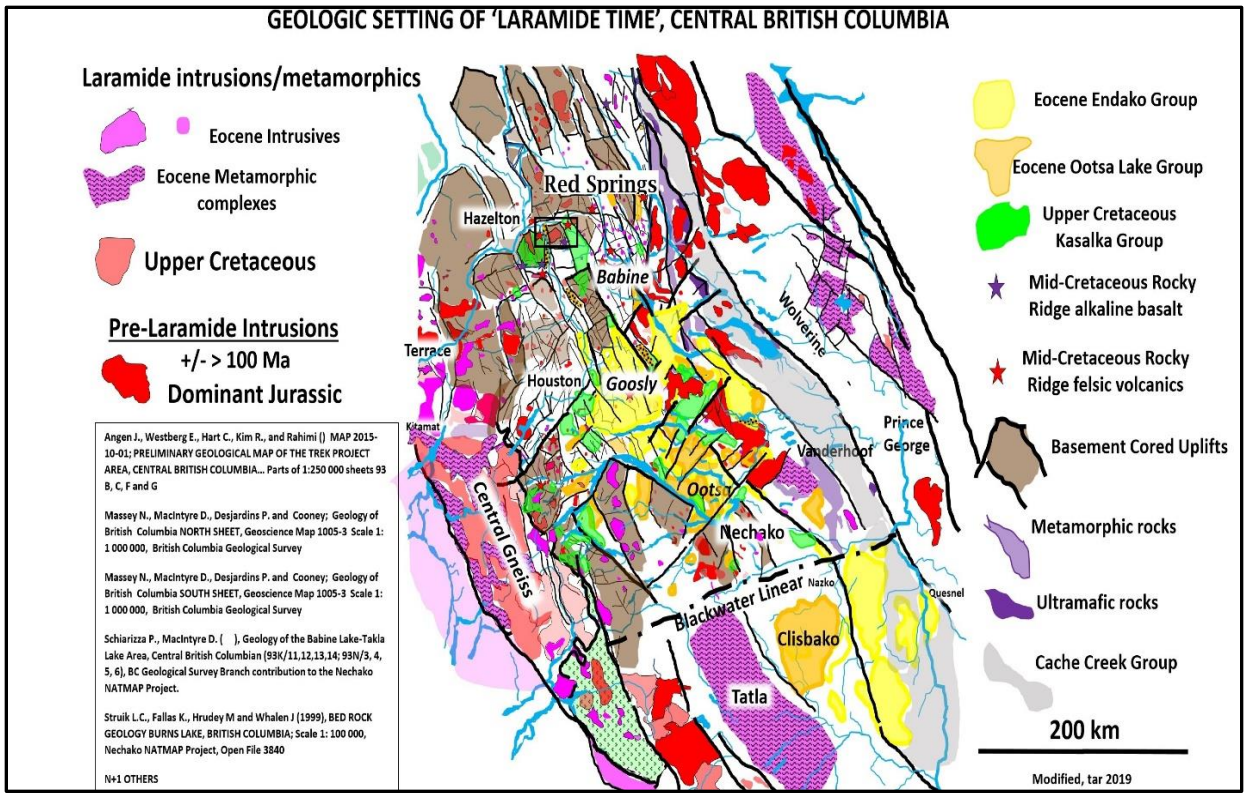


Figure 5: Geological Setting of "Laramide Time", West-Central B.C. (Tom Richards, 2020)

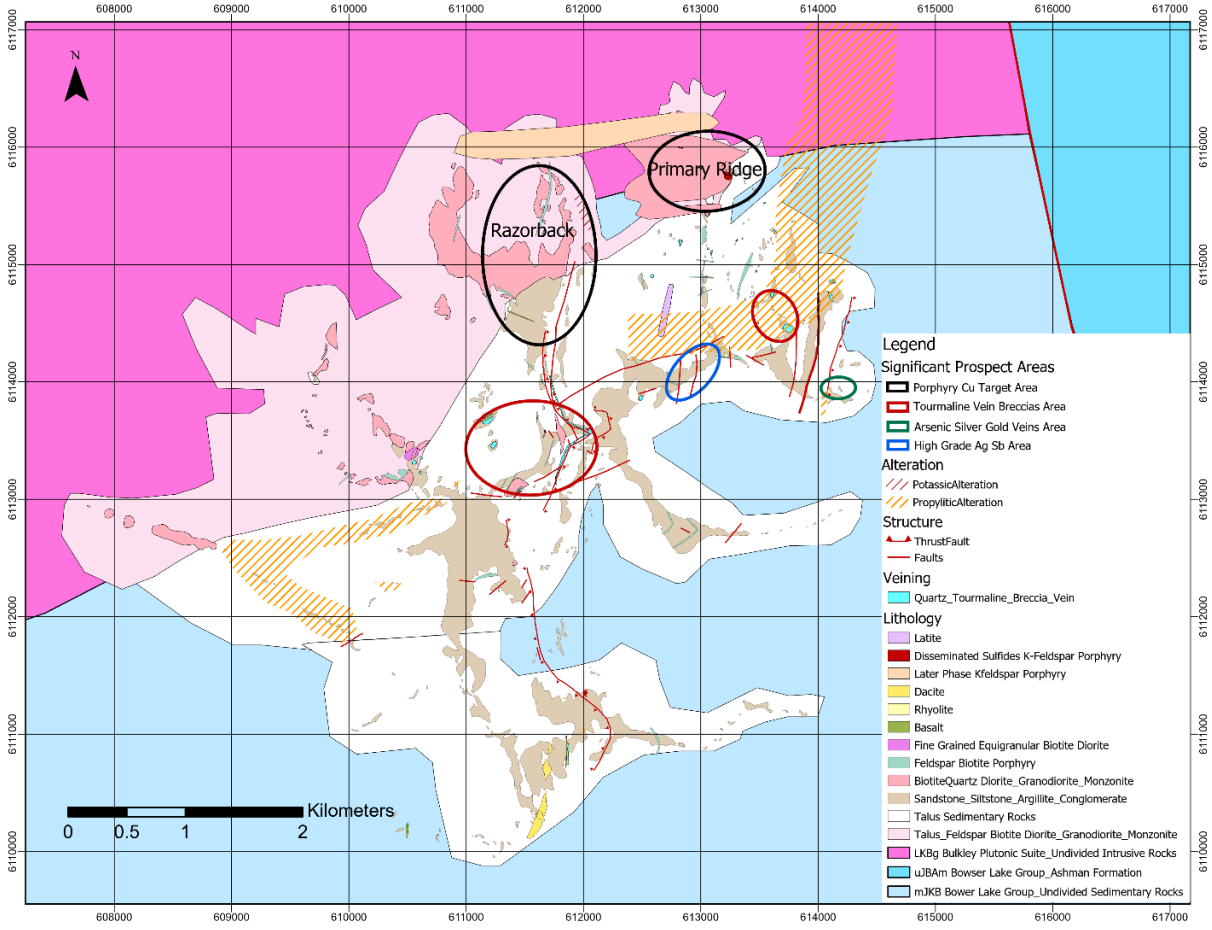


Figure 6: Exploration Targets and Geology Map of Red Springs AOI

Primary Ridge Copper Porphyry Target

The Primary Ridge copper porphyry target encompasses approximately 2 km^2 (Figure 7) at the northeast corner of the Red Springs AOI and is the Company's most advanced target. A large propylitic (pyrite halo) alteration zone lies to the east of the target. Multiple phase intrusive rocks appear in the target area, including early phase magnetic granodiorite and late phase demagnetised K-feldspar granodiorite dykes. Three outcrops of altered demagnetised K-feldspar granodiorite porphyry or late phase no magnetic K-feldspar granodiorite dykes were identified during the 2019 field season (Figures 8-12). Based on a U-Pb geochronology study on the granodiorite intrusions, the ages for three samples A0027087 (Figure 13), PR-POR and SP285 are 66.20±0.35, 66.51±0.31 and 67.56±0.39, respectively. All fall within the first major episode of B.C. porphyry formation from the Late Cretaceous to Early Eocene age periods (B.C. Geological Survey, 2011).

Forty-one surface outcrop grab, chip or float samples were collected from the Primary Ridge copper porphyry target area (Table 1) from 2017 to 2019, with copper grades from 0.06% to 1.66% with silver and gold credits.

It is important to note that a hydrothermal sulfide breccia zone, which is indicative of a porphyry system, has been discovered beneath the talus terrain in the Primary Ridge porphyry target area.

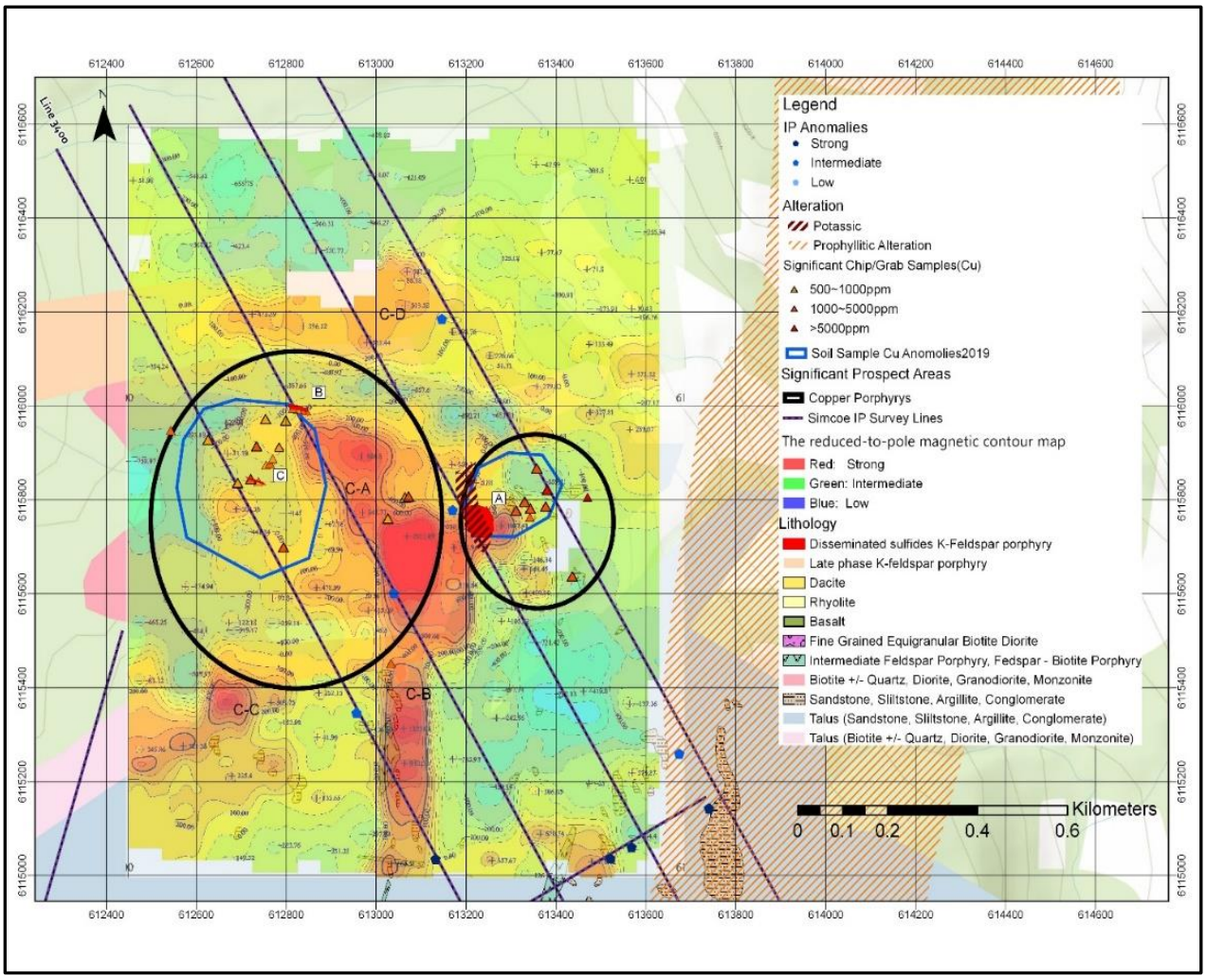


Figure 7: Geology Map with Magnetic and Cu Anomalies at the Primary Ridge Target

Figure 8: Topographic Photo of the Primary Ridge Copper Porphyry Target


Figure 9: Magnetic Granodiorite with Chalcopyrite and Malachite from the Primary Ridge Target

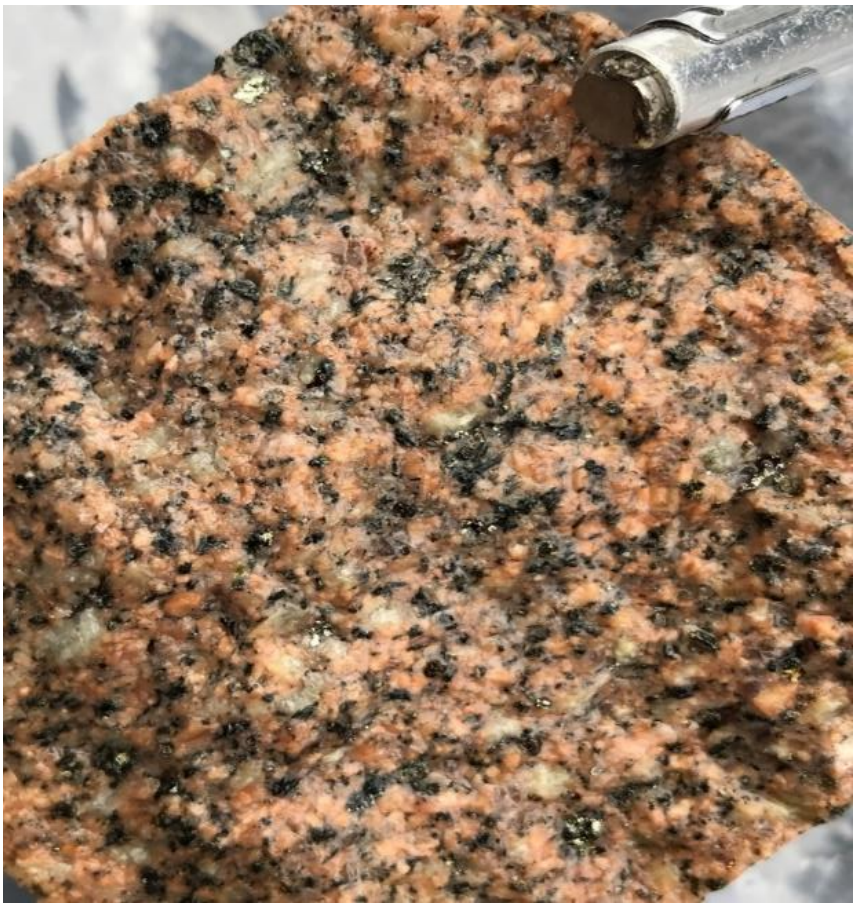


Figure 10: Demagnetised K-feldspar Granodiorite Porphyry Dyke (Outcrop C) with Disseminated Chalcopyrite from the Primary Ridge Target

Figure 11: Outcrop of Demagnetised Altered K-feldspar Granodiorite Porphyry Outcrop at the Primary Ridge Target

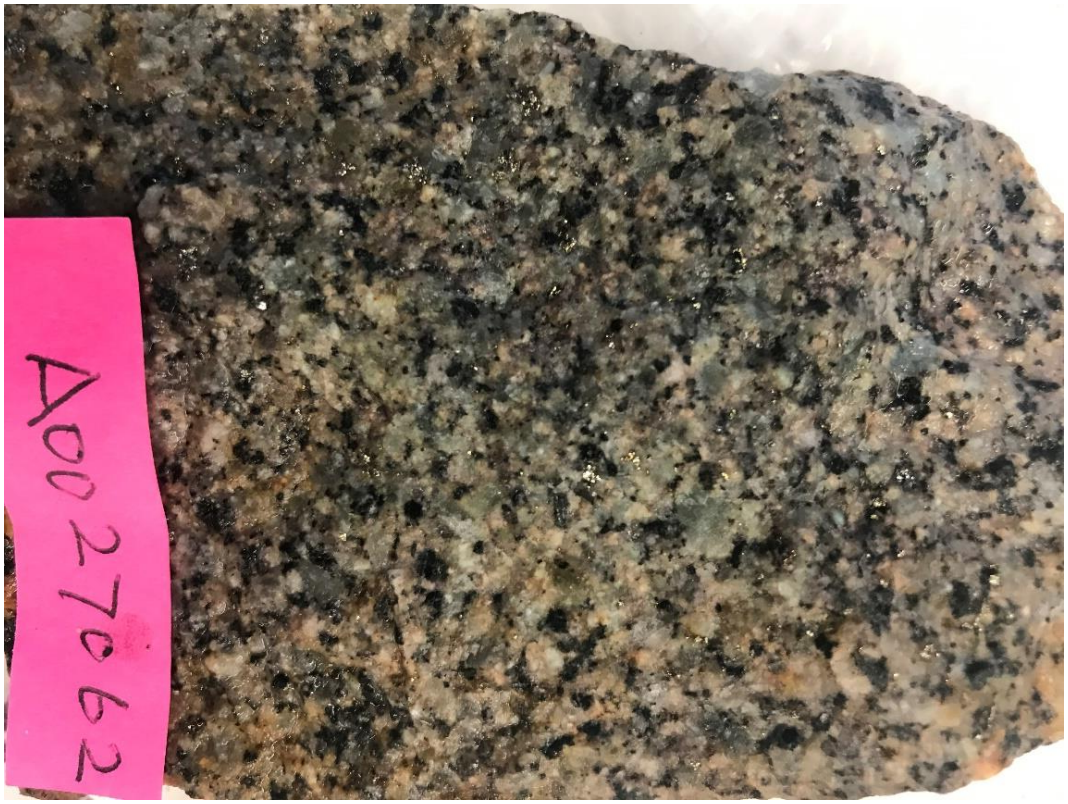


Figure 12: Demagnetized Altered K-feldspar Granodiorite Porphyry Outcrop A from the Primary Ridge Target

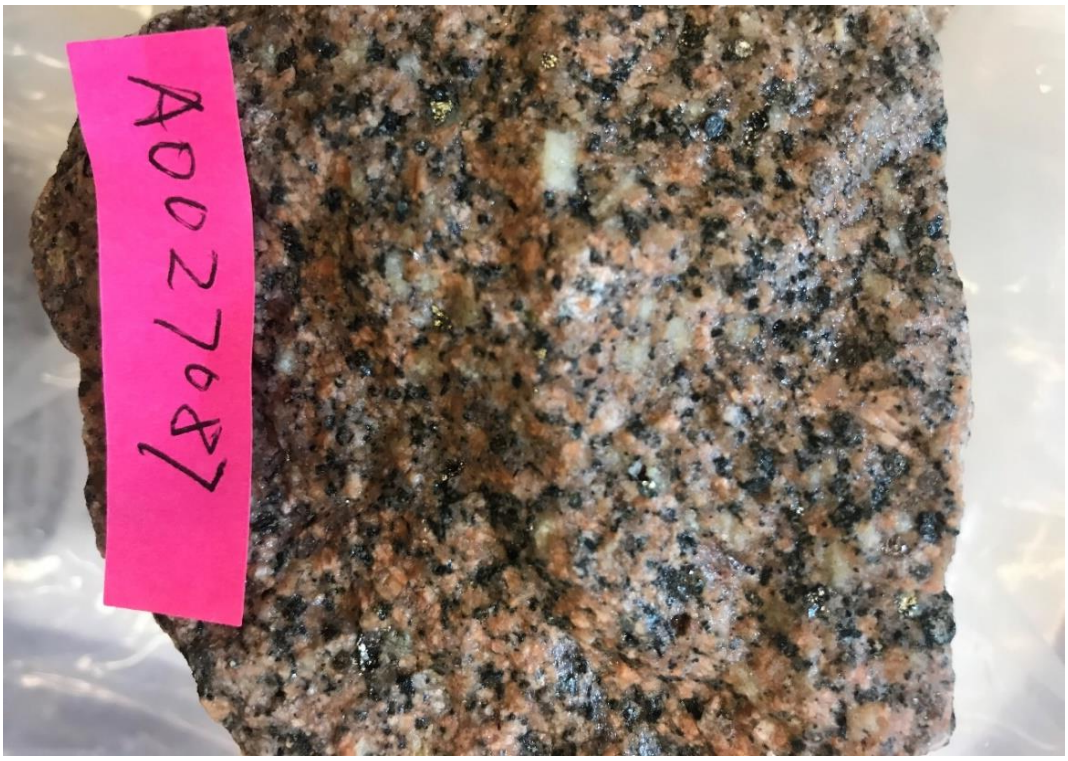


Figure 13: Demagnetized Altered K-feldspar Granodiorite Porphyry Outcrop B from the Primary Ridge Target

Table 1: Assay Results of Rock Samples from the Primary Ridge Target Area

Sample ID	West	North	Field Description	Cu ppm	Ag ppm	Au ppm
A0027071	613470	6115807	Red spring fracture zone, strong silicified malachite	16640	16.66	0.13
719825	613380	6115821	variably thick vein, incl. part of qtz vug of arseno with cpy	9517.6	9.39	0.111
A0020261	613370	6115830	o/c intrusive fracture zone with 1-2% cpy and on the outer edges 10% cpy diss, 5% diss py and po	4815.4	4.7	0.209
A0020252	613554	6115835	large boulder in scree, siliceous tm bx, 5% py, 2% cpy in fractures and minor malachite	3934.9	12.63	0.063
719827	613377	6115786	extension of vein at 719825 from under cover; seems thicker (5-10cm here); had to dig a bit to excavate; included some “dirt”	3429.1	2.11	0.025
A0020365	613072	6115807	high-grade float; uncertain provenance, but little/none above, and observed below; malachite staining	3291	6.08	0.034
A0020268	613486	6115771	o/c siliceous seds with 1% cpy and py in fractures, 1% f.g. diss py	3070.2	5.14	0.022
A0020263	613468	6115825	o/c 50 cm chip, qtz bx vein with minor tm, 3% cpy in stringers, 5% py in stringers, strike NS, steeply dipping	2827.1	3.2	0.052
A0027101	613033	6115453	contact zone between hornfel and porphyritic intrusion with sulfide	2633	2.8	0.031
719826	613311	6115777	High content sulphide vein with vugs(?) from outcrop also containing quartz crystallization)	2405.8	1.56	0.024
719830	613357	6115867	“odd-looking” vein (see H/S); vein is magnetic, c.r. not;	2257.4	1.83	0.015
A0020206	613719	6115366	highest mineralization of massive sulphide pod surrounded by fine grained sandstone country rock	2092	2.47	0.015
719828	613343	6115781	Rocks bleached, “shattered,” vnlets qtz, tml, S2-	1963.3	1.88	0.033
A0027081	612764	6115878	Granodiorite with magnetite, py, cpy. Patassic alteration with magnetite. 6 m strong weathered dyke	1920.7	1.75	0.006
A0020269	613302	6115814	o/c feldspar porphry? 1% diss cpy & py, 3% cpy in fravtures, weak magnetite and minor malachite staining	1751.4	1.49	0.014
A0027075	612845	6115990	Same location with A0027090	1648	1.11	0.01

A0027062	613342	6115764	granodiorite with dissemianted py	1549.4	0.92	0.005
A0020257	613444	6115811	iron qtz rich intrusive rock with 1% cpy, py diss and on fracture plains, slightly siliceous	1470.7	1.98	0.016
A0020100	613573	6115558	0/c qtz tm bx with 20% py, 3% cpy in fractures	1440.6	3.33	0.015
A0027086	612784	6115913	Dark color porphyry dyke, 10 cm thick, striking 123	1399.4	1.29	0.007
A0020265	613496	6115794	o/c magnetite rich intrusive? 30% diss py and in fractures, 2% f.g. diss cpy	1332.2	0.97	0.006
719852	613224	6115772	o/c intrusive diorite with very stongly magnetic, 1%, 1% py, minor malachite staining	1287.4	1.08	0.007
A0027065	613243	6115746	Quartz diorite porphyry, crystal: quartz, feldspar, biotite/magnetitie; metrix: dark minerals, dissemianted cpy+py	1286	1.46	0.007
A0020266	613475	6115792	angular boulder just below tm bx, tm stingers in seds with 2% pyritic stringers and 1% blebby cpy	1281.2	2.35	0.012
A0020271	613239	6115753	o/c intrusive with malachite staining, 1% cpy & py, 1-2% cpy in fractures along with moly	1212.4	0.75	0.004
A0027119	612543	6115949	big boulder on the west slope of Primary Ridge, whole rock potassic altered magnetic porphryritic	1186	1.2	0.008
A0020256	613447	6115818	o/c intrusive with strong magnetite, 2-3% diss cpy, 5% py	1174.6	0.59	0.006
A0020251	613550	6115807	large boulder in scree, ses with tm stringers, 5% c.g. py, 1% diss cpy, .5% cpy in stringers	1133.5	1.21	0.011
719554	613239	6115752	Bt-diorite with deisseminated sulfides. Visible plag, kspar. Disseminated chalcopyrite (1%) and pyrite. Green malachite stain in similar nearby detritus.	980.6	1.21	0.007
A0020207	613586	6115566	Oxidized outcrop with clotted sulphides (pyrite, puritite, calco) deseminated throughout entire outcrop bleaching taking place along fractures.	941.2	1.12	0.004
A0027087	612784	6115913	Chip sample 1 mter, including contact zone between dyke and granite. Two meter north of granodiorite sample, with py and cpy	908.7	0.8	0.004
A0027077	612738	6115840	Combination of two meter dyke- K feldspar granodiorite, strike 260	802.8	0.62	0.003

A0020327	613021	6114870	covered o/c (found by digging on rec ledge w/highgrade floats); vn at least 20cm thick; sampled 20cm above and below	782.7	0.46	0.003
A0020097	613543	6115503	o/c banded tm with 10% py and pyritic stringers, trace cpy	774.3	0.85	0.016
A0027083	612770	6115889	Granodiorite with biotite K-feldspar alteration with disseminated py and cpy. 5 m south to strong weathered granodiorite dyke (A0027082)	748.2	0.66	0.003
719663	612626	6115928	granodiorite, weak potassic alteration, weak fe-oxidized, minor malachite, Cpy.	733.5	0.82	0.003
A0027064	613234	6115757	granodiorite with potassic alteration, py + cpy with and quartz veis, magnetic	709.8	0.59	0.003
A0020085	613539	6115505	o/c in creek, sandstone with 10% f.g. diss py and po, .5 to 1% cpy in fractures	675.4	0.38	0.004
A0027080	612755	6115875	3 m north to A0027079. Patassic granodiorite dyke, 20 cm thick	665	0.54	0.003
A0020270	613306	6115735	sub o/c f.g. intrusive, weakly magnetic, 3% cpy in fractures, .5% moly in fractures	589.8	0.64	0.009
A0027079	612755	6115875	Granodiorite with dissemianted py +cpy, with magnetic biorite, it is on north side of weathered intrusive dyke (5~6m), potassic and magnetic	583.2	0.57	0.003

Razorback Copper Porphyry Target

The Razorback copper porphyry target (Figure 6) is directly adjacent to the tourmaline breccia/vein area at the Backbone and Northwest Cirque areas, covering an area of approximately 2 km^2 (Figure 14). Thermal solution events which resulted in the formation of the well-developed tourmaline breccia zone/veins or pipes are related to this large porphyry intrusion complex.

13 surface outcrop grab/float samples were collected from the Razorback copper porphyry area (Table 2). Copper grades are 0.14% to 1.64% with an average grade of 0.40% with silver and molybdenum credits. Two large boulder tonalite samples with quartz vein and disseminated chalcopyrite and molybdenite collected from the slope of the north end area, A0020298 and A0020300, indicate copper grades at 1.64% and 0.76% and silver grades at 12.51 g/t and 14.31 g/t. The petrographic study on sample 719511 from Razorback shows a porphyry veins system (Figure 15) and potassic alteration (Figure 16).

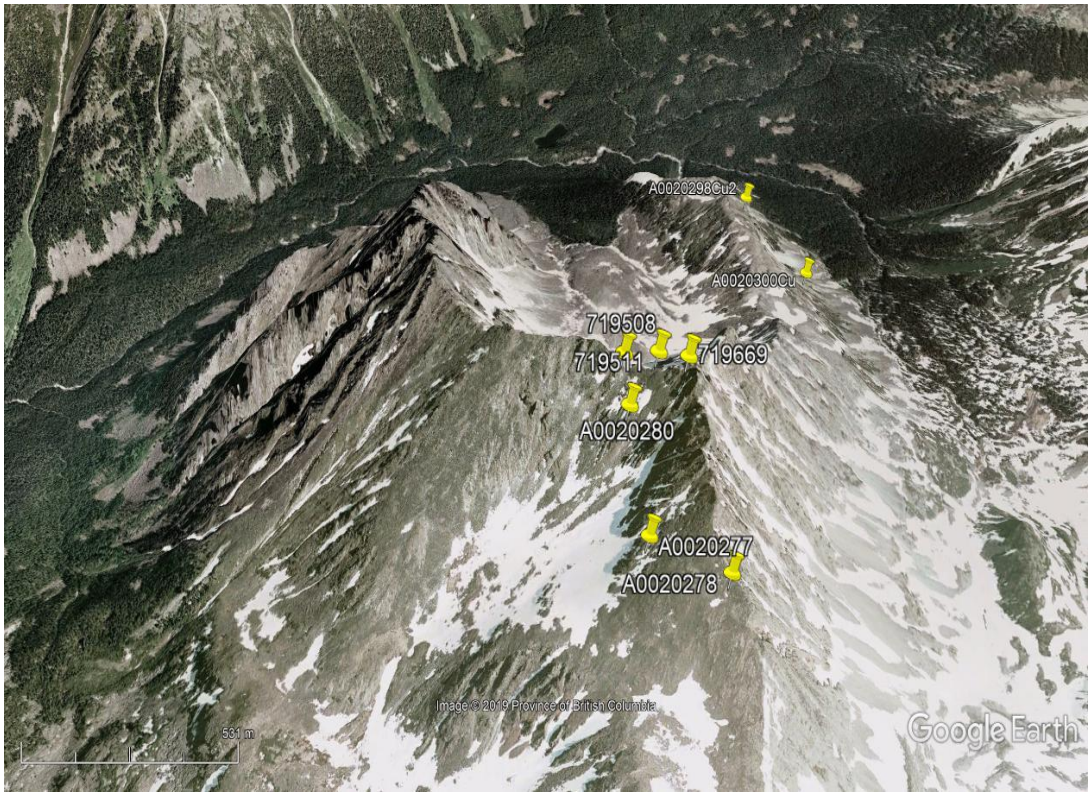


Figure 14: Topographic Map of the Razorback Copper Porphyry Target

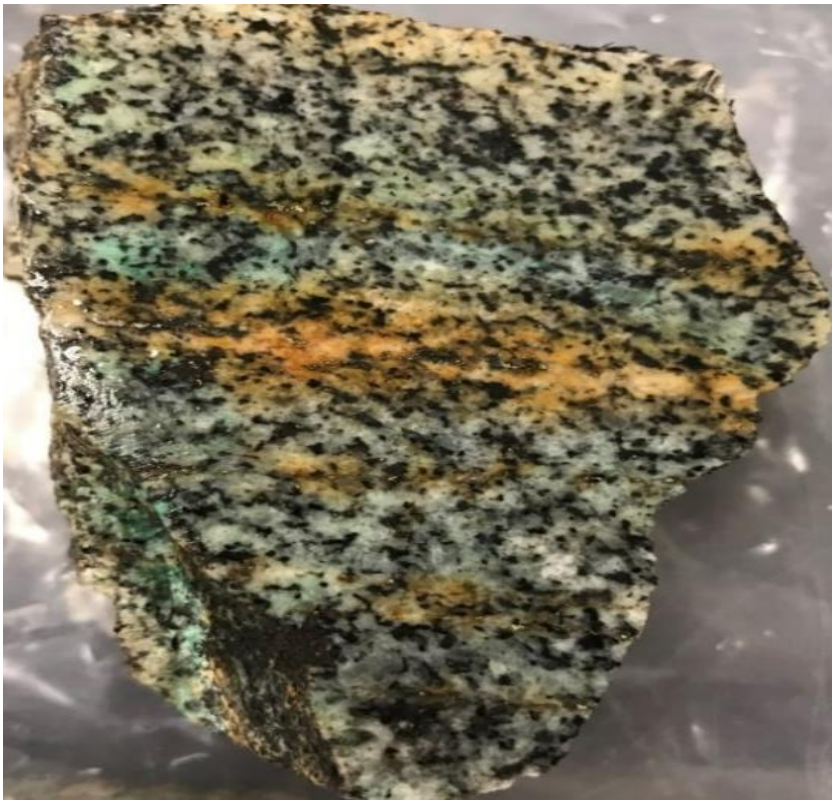


Figure 15: Sample 719511 from the Razorback Porphyry Area. Tonalite with chalcopyrite and malachite alterations, showing a veinlet crossing cut biotite and magnetite veins.

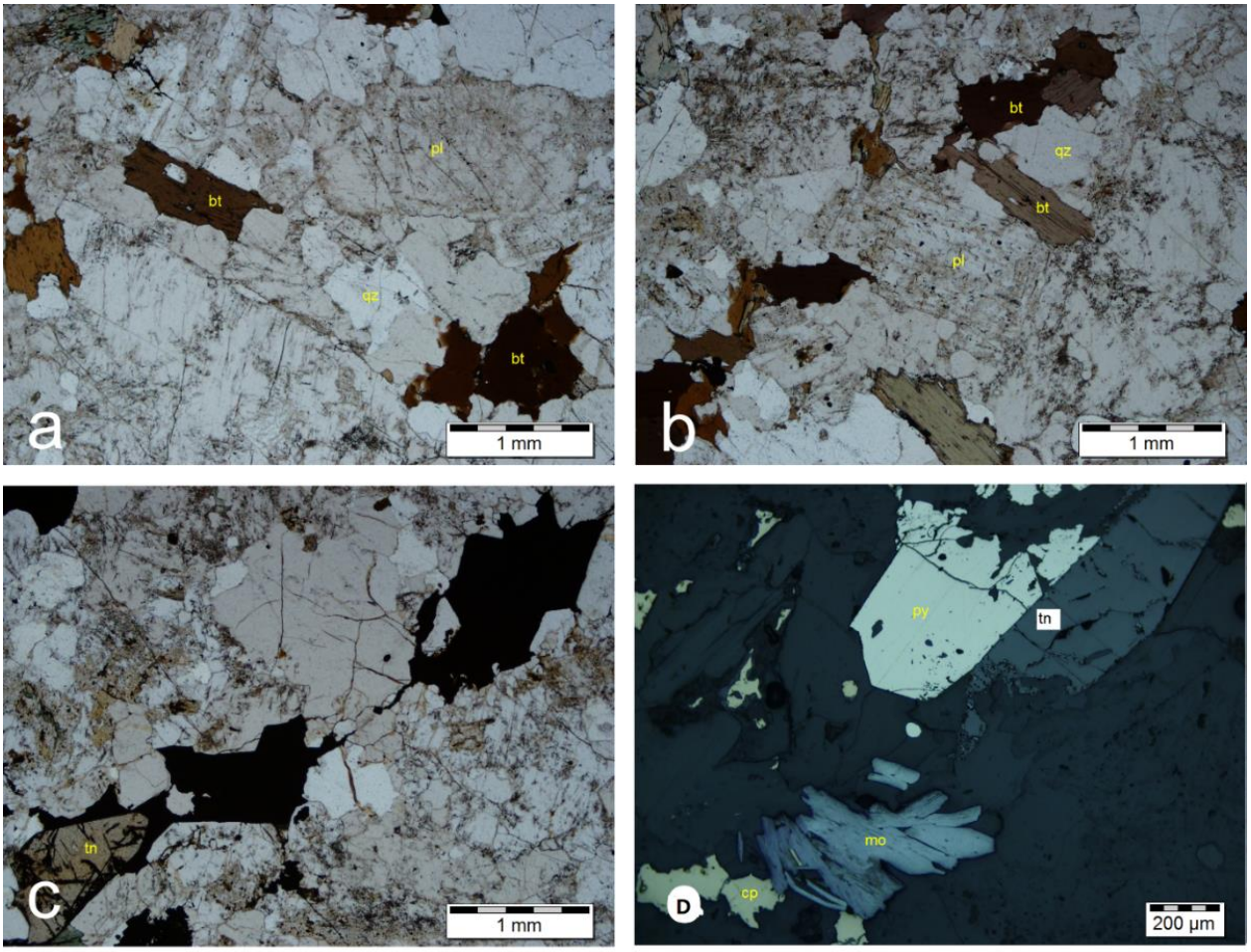


Figure 16: Thin Section Photos of Sample 719511 from the Razorback Porphyry Area. Tonalite and albite, clay and/or epidote: subtle after plagioclase and alkali feldspar; chlorite: strong after biotite within the vein-like domain. (pl, plagioclast; bt, biotite; qz, quartzite; tn, titanite; py, pyrite; cp, chalcopyrite; mo, molybdenite)

Table 2: Sample Summary of the Razorback Copper Porphyry Target

Sample ID	Easting	Northing	Area	Description	Cu % ICP-2	Ag ppm IMS-117	Mo ppm IMS-117
A0020277	611350	6114487	North-West Cirque	Angular boulder, seds with 3% cpy, 1% py	0.306	2.27	1.43
A0020278	611470	6114409	North-West Cirque	Seds with tiny bands of tml, 1% cpy in the bands and 1% in fractures, 1 % pyseds with tiny bands of tml, 1% cpy in the bands and 1% in fractures	0.332	3.85	5
A0020279	611453	6114473	North-West Cirque	Siliceous seds with bands of qtz tml, 1-2% cpy in fractures, 1% diss py & in fractures	0.108	0.66	6.55
A0020280	611322	6114714	North-West Cirque	Qtz tml bx with 2% cp diss, 2% py diss	0.346	1.18	1
A0020281	611334	6114761	North-West Cirque	Very siliceous seds, 2-3% cpy diss and in fractures, 5% diss py	0.212	1.29	2.62
A0020298	**611709**	**6115829**	**North cirque**	**Large boulder, granite diorite with 3% cpy in fractures and minor malachite, trace moly, .5% cpy diss**	**0.756**	**14.13**	**53.41**
A0020300	**611855**	**6115601**	**North cirque**	**Large boulder, granite diorte with qtz vein 3% cpy & .5% moly**	**1.641**	**12.51**	**295.99**
A0020651	611634	6115774	North Cirque	5cm qtz carbonate veinin granite diorite, 1% cpy % py minor malachite	0.138	3.08	14.02
719507	611312	6114799	North-West Cirque	Biotite diorite & cpy	0.201	1.55	18.22
719508	611312	6114797	North-West Cirque	Biotite diorite & cpy	0.354	3.39	12.55
719511	611373	6114787	North-West Cirque	Biotite diorite & cpy	0.279	3.42	19.96
719669	611421	6114747	North-West Cirque	Fine grained hornfels sediment, A float sample from a large rock near its source. The rock had an oxidized qtz vein containing 1% Cpy.	0.431	4.96	1.83
719861	611176	6115093	North Cirque	Angular float, intrusive diorite with 1-2 %cpy in a 6 cm mineralized zone	0.142	5.32	4.82

Ground Magnetic Survey at the Primary Ridge Copper Porphyry Target

The 2010 QUEST-WEST Project by Geoscience BC, a 1:500,000 aero magnetic survey program, covered central western B.C., which includes Jaxon's Hazelton property area (Figure 17).

There is a strong positive magnetic anomaly area in the north-west part of the Red Springs AOI and south-east part of the Blunt Mt AOI, which coincides with the distribution of the Bulkley intrusive at the Hazelton property. However, the current discovered porphyry mineralization and tourmaline breccia mineralization are both located in the magnetic low or medium positive magnetic anomaly areas.

To study the magnetic features of porphyry mineralization bodies, the Company conducted a detailed ground magnetic survey on the porphyry target at the Primary Ridge area of the Red Springs AOI. The magnetic survey spans an approximately 2 km^2 area, using 100 metre line spacing and 20 metre data collection point intervals.

A GSM-19 proton magnetometer, manufactured in Canada, was used in the survey. The observed parameter is the total magnetic field strength T. A series of Reduction to the Pole (RTP) and downward continuation image maps (Figures 18, 19) of the magnetic anomalies in the survey area were produced using geophysical data processing software GeoIPAS v3.2, developed by Urumqi Jinwei Map-Character Information and Science & Technology Co. in China.

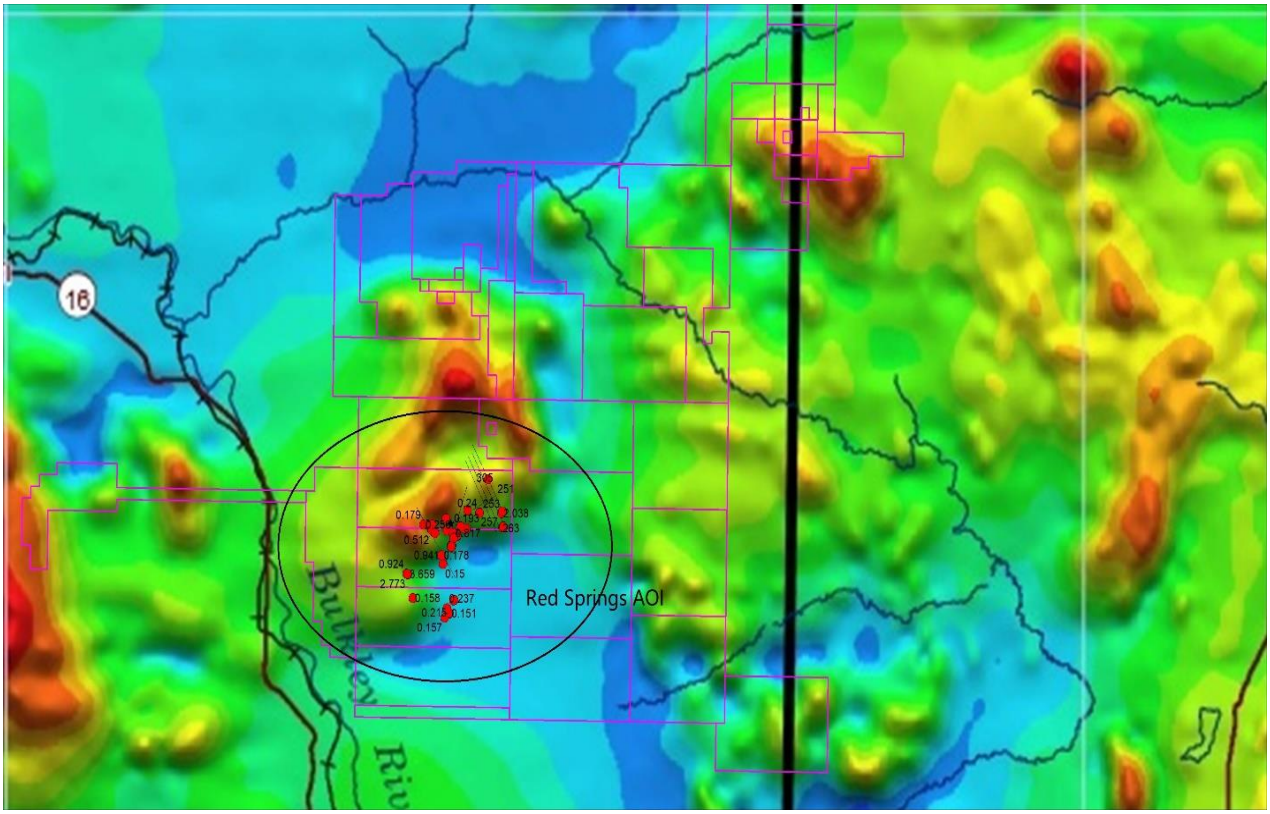


Figure 17: Aeromagnetic Anomalies (RTP) at the Hazelton Property (Geoscience BC, 2010)

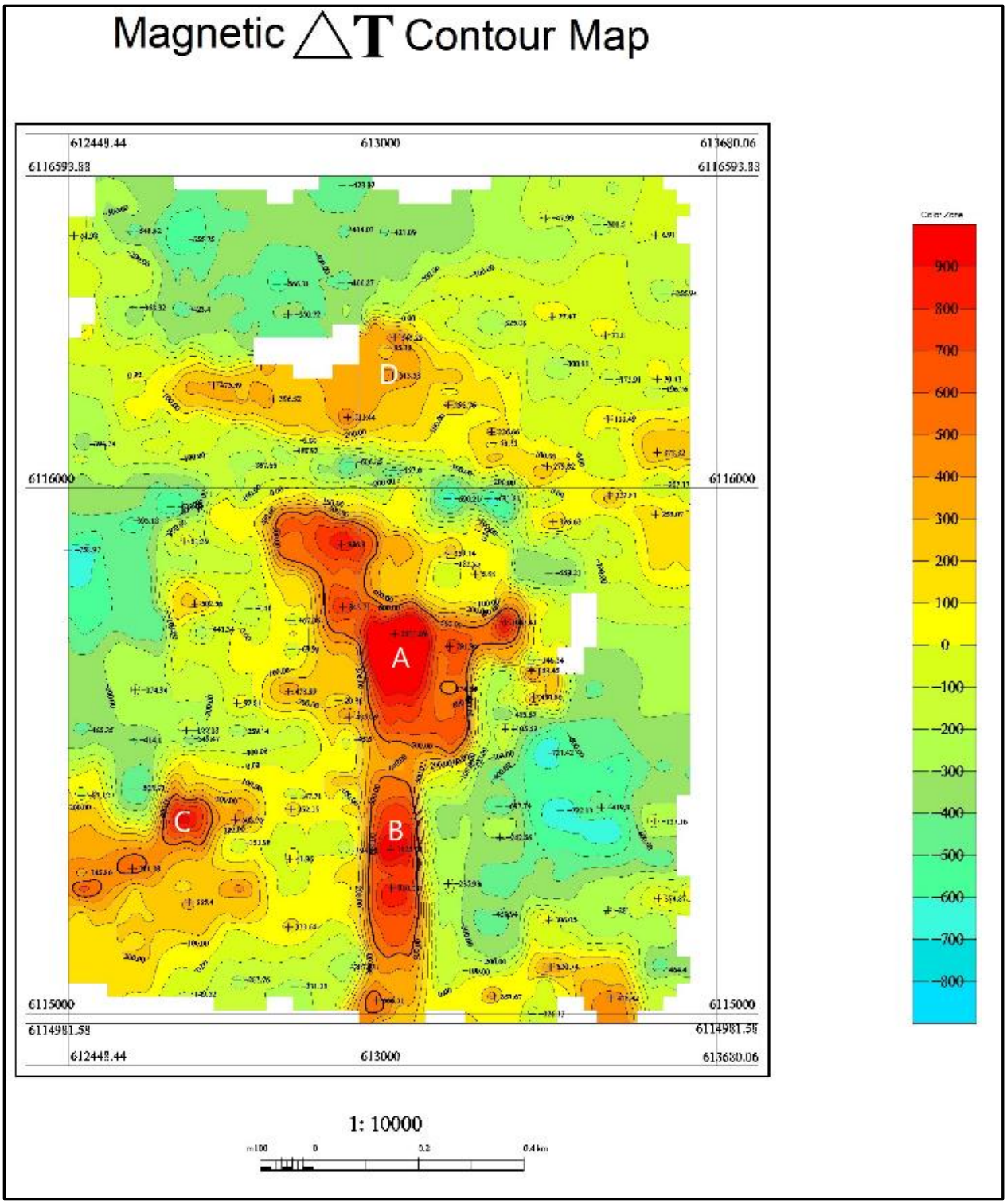


Figure 18: Ground ΔT Magnetic Anomaly Map of the Primary Ridge Target

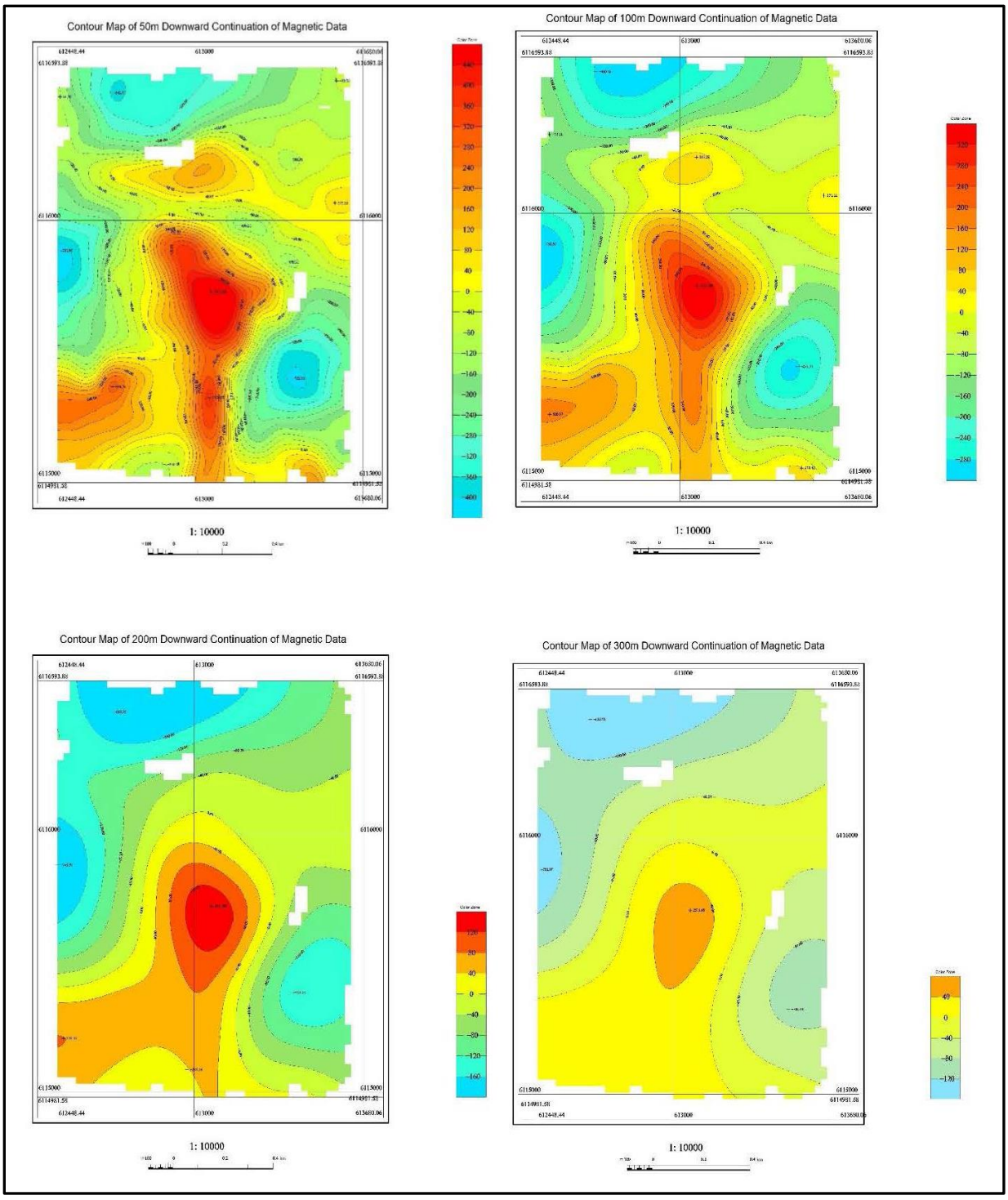


Figure 19: Downward Continuation Maps of Ground Magnetic Anomalies at 50m, 100m, 200m and 300m

The surface ΔT plane contour map of the magnetic field strength T at the survey area shows four major positive anomalies numbered A, B, C and D (Figure 18), in addition to several secondary positive and negative anomalies. Located at the centre of the survey area and running northwest to southeast, A is a large and strong positive anomaly and the most significant. The maximum value of △T is 2511.09 nT.

There are multiple anomalous centres and large horizontal gradient changes. The 300 metre downward continuation of the magnetic map shows the magnetic anomaly disappearing or being replaced by other non-magnetic rock masses at a depth of 300 metres (Figure 19).

Anomalies B in the south and C in the southwest also possess multi-center positive anomalies and both are open-ended in the south end. The highest value of △T for anomalies B and C are 1125.05 nT and 1045.55 nT, respectively. Abnormal widths for both anomalies are narrow and the gradient changes are stable. Magnetic anomalous sources for B and C are derived from the same source as A. The 200 metre upward continuation shows that both magnetic anomalies gradually converge and disappear at a depth of 200 metres (Figure 19).

The D anomaly is located in the north of the survey area and runs west-northwest with multi-centres. The highest value of △T is 547.29 nT. This anomaly is relatively wide and the horizontal gradient change is moderate. Compared with the magnetic anomaly A, the magnetic anomalous source has weak magnetic properties and is near the surface. The upward continuation shows the anomaly gradually converges and disappears at a depth of 200 metres. The magnetic source is shallower than that of magnetic anomaly A and is derived from a different magnetic source.

Highlights of the Ground Magnetic Survey

- Preliminary results reveal the K-feldspar altered mineralized granodiorite porphyritic intrusion (A) is of a negative magnetic anomaly feature surrounded by a stronger positive magnetic anomaly, involving the early biotite granodiorite hosting rock. This result is consistent with a strongly potassic alteration feature, strong Cu in soil anomaly and medium IP chargeability anomaly in the Outcrop A area. The same magnetic anomaly feature has been reported in the nearby Big Onion porphyry copper deposit (G. Giroux, 2010). The K-feldspar granodiorite dykes (B and C) are also located in a magnetic low and strong Cu in soil anomaly area.
- Early phase magnetic high granodiorite is only on the top part at the Primary Ridge porphyry target area; considering a large scale, semi-circular, surface rusted, greater than one km wide and four km long propylitic alteration zone at the Red Springs area, it indicates that a large deep seated, altered demagnetised granodiorite porphyry intrusion may lie beneath the magnetic high granodiorite intrusions. All outcrops of these disseminated sulfide, K-feldspar (altered), vein stockwork granodiorite porphyry intrusion (dyke) are only fringes emanating from the large porphyry intrusion beneath.

Soil Geochemistry Study at Primary Ridge Target

HEG & Associates Exploration Services conducted a soil sampling program at Red Springs from July 27, 2019 to August 03, 2019. The soil geochemistry samples were designed to encompass the Primary Ridge porphyry target, spanning (+/-) 2 km^2. Approximately 500 g to 600 g of soil was sampled at a depth of approximately 25-30 cm from surface and a total 658 soil samples were taken across the proposed sample stations using a 50 m x 50 m grid (Figure 20). Soil samples primarily targeted the B horizon when appropriate and sampled into labelled craft paper bags. Approximately 50 packaged samples (10 soils per poly bag) were put into labelled rice bags for transport. Security tags were added to rice bags to further

increase QAQC protocol. All soil samples were dried at low temperature, 500 g was then screened to -80 mesh before Aqua Regia digestion. A 20 g true Aqua Regia digestion with ICPMS finish and Ultra Trace was selected as the analytical method for soil samples at UBC's FiLTER Lab in Kelowna, B.C., Canada.

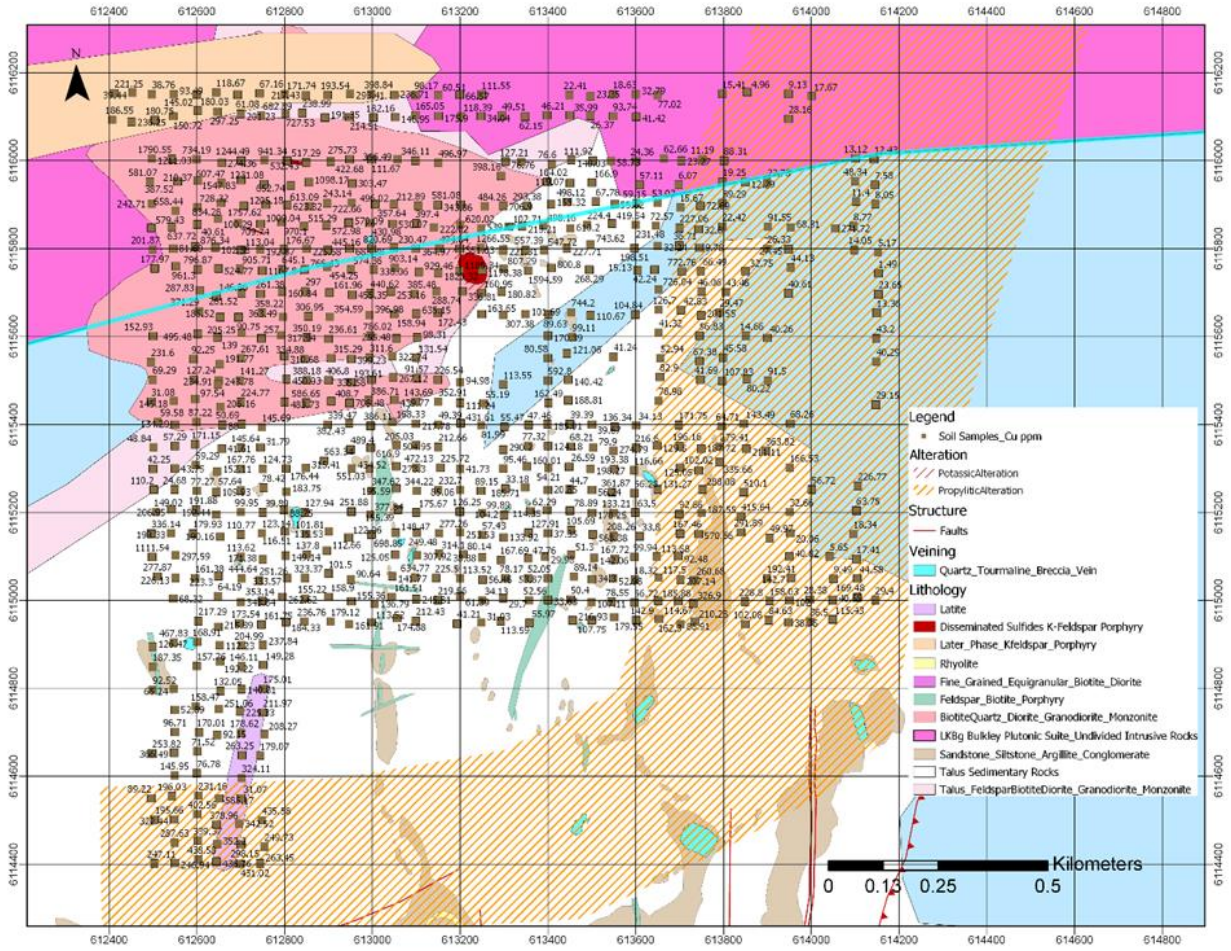


Figure 20: Soil Samples with Copper Values at the Primary Ridge Porphyry Target

Details of the soil sampling program are displayed in Figure 20. The significant results are 80 samples that returned copper values of more than 500 ppm, including 16 samples that returned copper values of more than 1000 ppm. The soil sample results contributed to the definition of two strong copper in soil anomalies and a new gold anomaly at the Primary Ridge area (Figure 21).

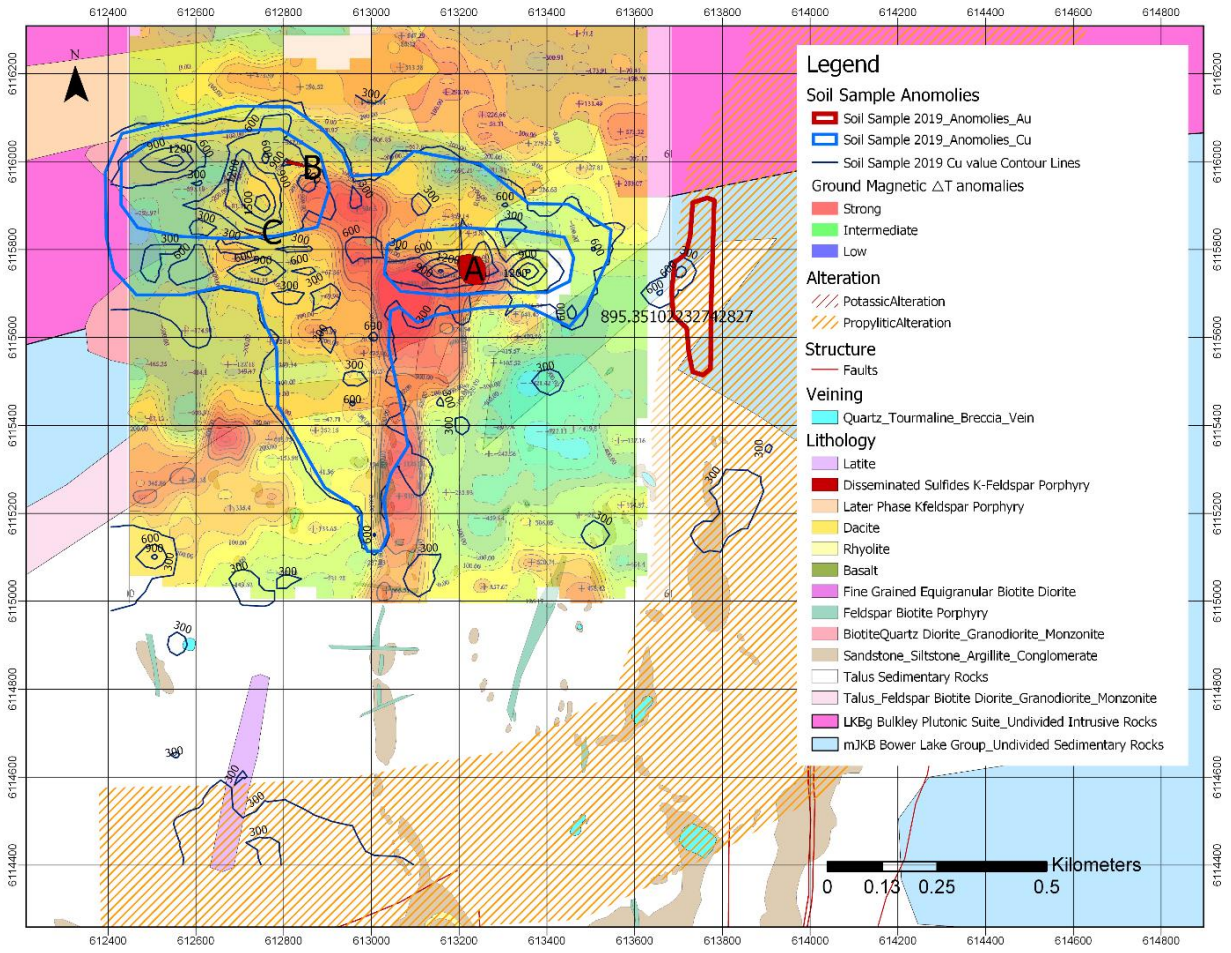


Figure 21: Soil Anomalies Map at the Primary Ridge Target Area. (blue lines represent copper anomalies; red line represents gold anomalies)

The two Cu anomalous areas are consistent with intrusions with disseminated Cu sulfide mineralization outcrops and negative ground magnetic anomalies (Figure 21). Jaxon's model describes the intrusions as the source of the strong Cu anomalies and as vectors to two or more potential deep, drill testable, porphyry targets. Mo in soil anomalies are similar to Cu in soil anomalies and follow a general enrichment halo around the intrusion. The gold anomaly zone >500 m has delineated at the propylitic zone and indicate a vein type gold mineralization (Figure 21). It is noted that sampling here occurred from east to west, so this is not a product of contamination.

Dating Study of Porphyry Intrusive Rocks at the Primary Ridge Target

A U-Pb geochronology study was conducted on the intrusions at the Red Springs project. The U-Pb geochronology of zircon for all three samples was conducted by LA-ICP-MS at Nanjing FocuMS Technology Co. Ltd. in December 2019. Australian Scientific Instruments RESOlution S-155 laser-ablation system (Canberra, Australia) and Agilent Technologies 7700x quadrupole ICP-MS (Hachioji, Tokyo, Japan) were combined for experiments LA-ICP-MS. The location of the dating samples is shown in Figure 22. Test dating results are described in Table 3.

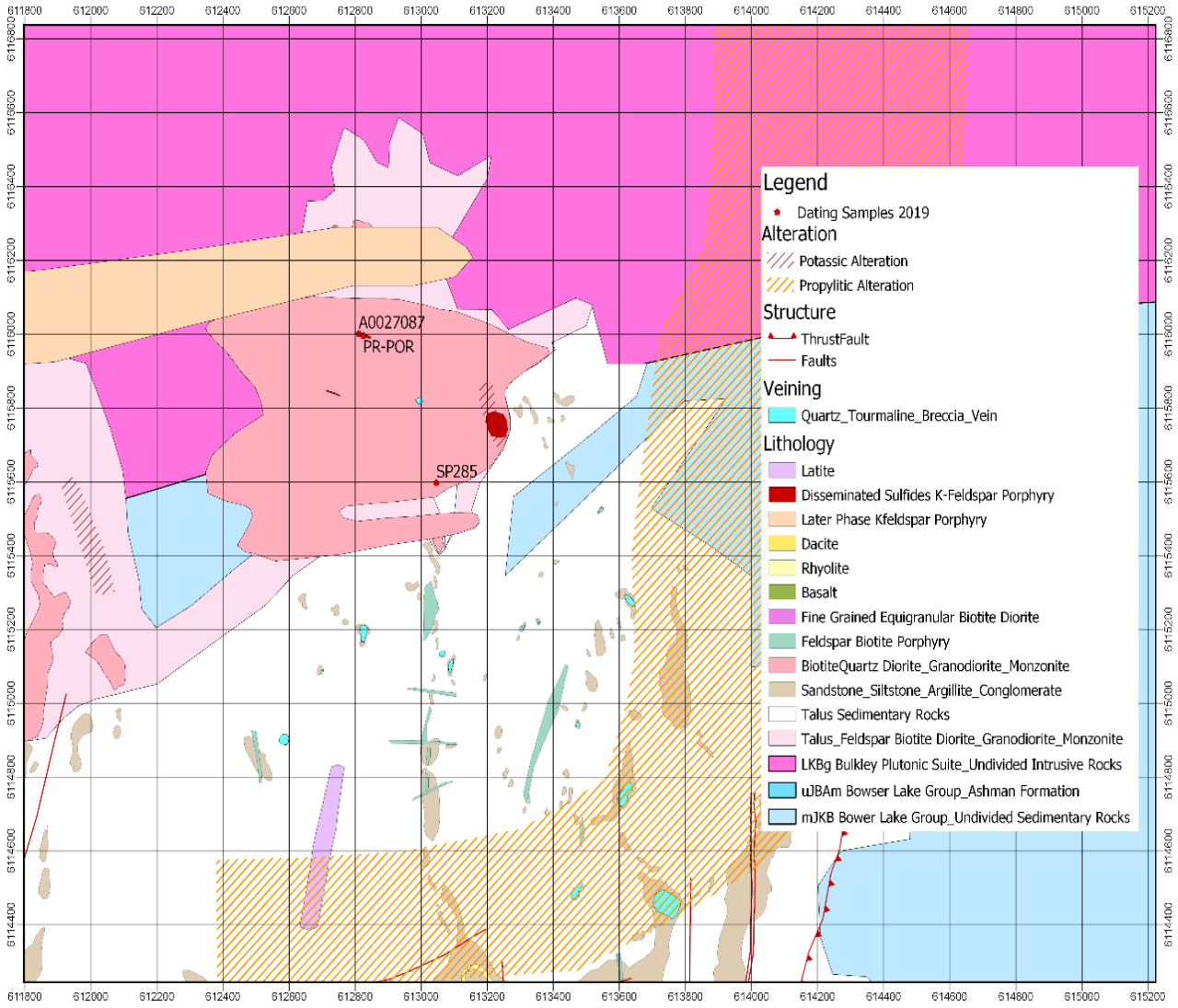


Figure 22: Location of Dating Samples at the Primary Ridge Target

Table 3: Summary of Intrusion Rock Samples Date Testing Information

Sample ID	Cu (ppm)	Major Sulfides	Major Alterations	Age (Ma)	Sample Area
A0027087	909	Pyrite 0.3% Chalcopyrite 0.2% Magnetite minor	K-feldspar-Sericite-chlorite	66.2	Outcrop B
PR-POR	NA	NA	NA	66.51	Outcrop B
SP285	NA	Magnetite 1-2% Pyrite trace Chalcopyrite trace	Chlorite-sericite-biotite-epidote	67.56	SP285

Testing zircon ages for three samples A0027087 (Figure 13), PR-POR and SP285 are 66.20±0.35, 66.51±0.31 and 67.56±0.39, respectively. All fall in the first major episode of C porphyry formation from Late Cretaceous to Early Eocene age periods (Figure 23; B.C. Geological Survey, 2011). The ages for the first two samples from the same outcrop area with the same rock types are within the same age range. The age of sample SP285 is approximately one million years older with more magnetite and other dark minerals and a strong magnetic anomaly.

Three samples may be from different evolution phasing magma which are from the same source magma chamber, or SP285 may be early phase intrusion.

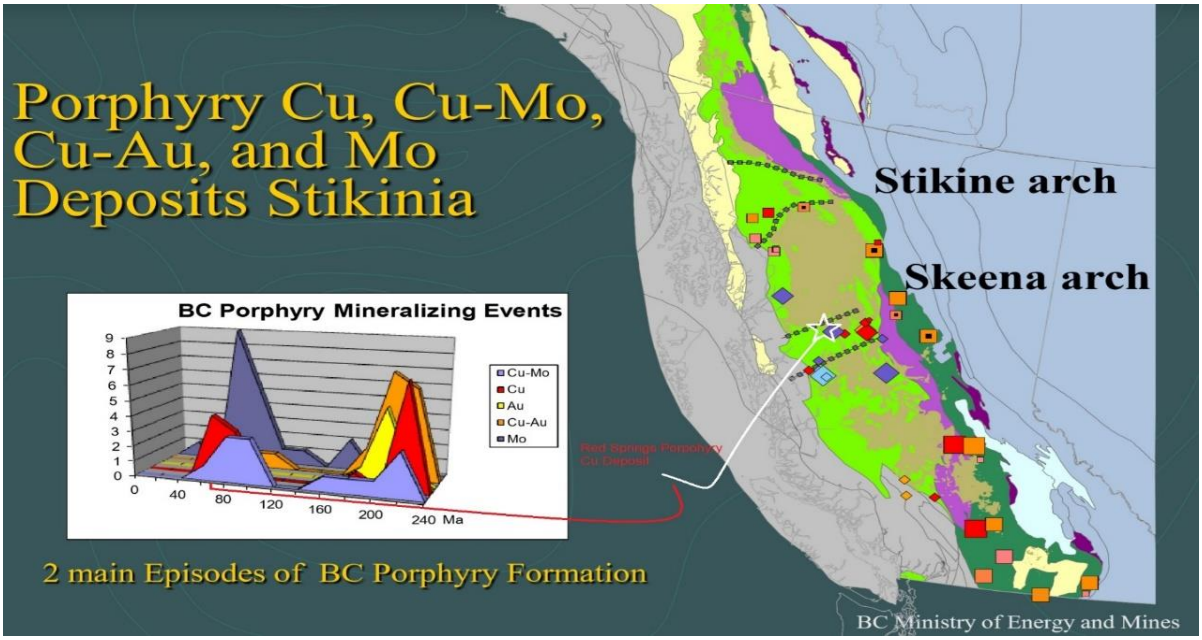


Figure 23: Two Main Episodes of B.C. Porphyry Formation (B.C. Geological Survey, 2011)

Highlights of Porphyry Targets at Red Springs

The associations of the tourmaline breccia veins/zones/pipes and sulfide polymetallic veins with the mineralogical assemblage of the propylitic and potassic alteration are characteristics of the Red Springs calc-alkaline copper porphyry system. The Company's conceptual geological model indicates the high-

grade polymetallic sulfide vein mineralization and well-developed gold-bearing quartz tourmaline breccia veins/zones/pipes are all distal to and were generated by the Red Springs porphyry system, located approximately 2-3 km north, identified by the soil geochemistry sampling, ground magnetic survey and mapping work completed in 2018 and 2019. The size of the porphyry system is indicated by the presence of a large 4x1 km propylitic alteration (pyrite halo) to the east, a large hydrothermal tourmaline breccia mineralization zone, extending more than one square kilometer in area, a number of strong IP anomalies identified by ground IP studies, multiple ground magnetic anomalies, two strong copper in soil anomalies and other distal polymetallic sulfide vein-type mineralization occurrences. Features of the porphyry system at Red Springs are highlighted below:

- Located in the centre of B.C. Laramide porphyry province, similar to a typical Laramide porphyry province in Sonora, Mexico
- Large (4x1 km) and strong propylitic alteration zone
- Surface outcrop samples show strong chalcopyrite, pyrite, malachite in both fractures and disseminated and potassium alteration with up to 1.64% copper grades
- Well-developed tourmaline alteration and tourmaline breccia zone/pipe – an indicator mineral for a large porphyry copper deposit
- Very strong IP and multiple ground magnetic anomalies
- Two strong copper (>500 ppm) in soil anomalies within one large copper in soil anomaly (>300 ppm)
- Consistent with the generally accepted features of calc-alkaline porphyry occurrences that inform Jaxon's conceptual 3D model (Figure 24)

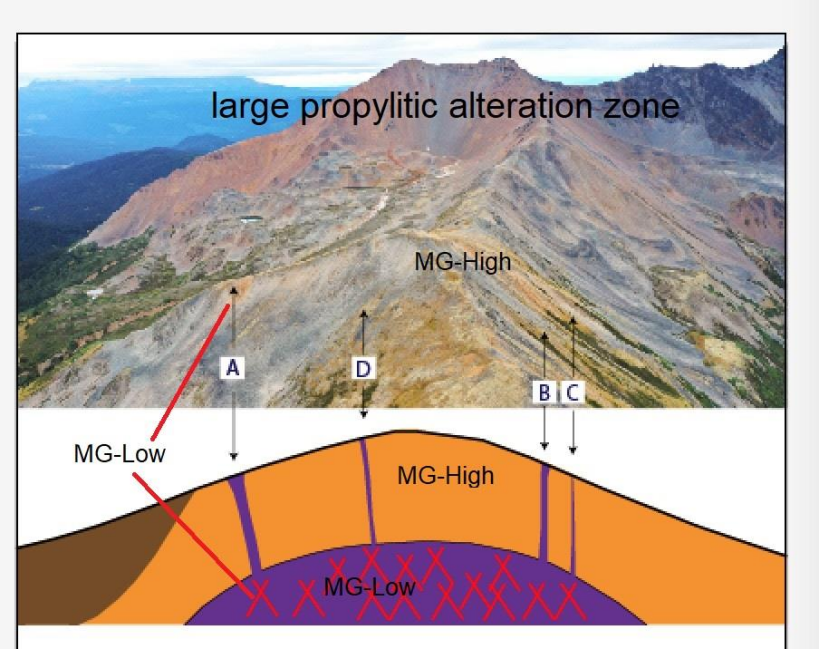


Figure 24: Proposed Preliminary 3D Mineralization Model of the Red Springs Porphyry Project. A, B and C outcrops of K-feldspar granodiorite porphyry intrusion (66.5 ma) with disseminated chalcopyrite within early phase hosting granodiorite (67.5 ma); D, float of K-feldspar granodiorite porphyry intrusion with disseminated chalcopyrite.

Extent of Tourmaline Breccia Mineralization Near Surface Indicates the Existence of a Large Thermal System

Part of Red Springs has been defined as a tourmaline breccia complex superimposed on a large porphyry copper system which includes a low angle thrust fault-bounded sill-like tourmaline breccia mineralization zone and multiple associated copper porphyry targets.

Tourmaline breccia pipes/zones are common in porphyry camps globally and are associated with world-class deposits (Chile – Los Sulfatos, Sur-Sur, Donoso; Peru – Soledad; Argentina – San Francisco de los Andes). They can occur in clusters and vertical continuity can run >2 km deep (Figure 25). Most known tourmaline breccias occur with a vertical orientation in the shape of pipes but they can also occur with horizontal orientations when fault zones provide a conduit for the thermal solution produced by the porphyry system.

The gold-cobalt-bearing tourmaline breccia mineralization is a sedimentary rock-hosted, multiple phases porphyry intrusive related thermal solution overprinted tourmaline breccia with strong silicification and sulphide alteration. It includes an approximately 1 km^2 tourmaline breccia mineralization zone with possible multiple tourmaline breccia pipes and three copper porphyry targets discovered during the 2018 and 2019 exploration seasons. Nelson and Goldsmith reported two overall morphologies for the silicified quartz tourmaline breccias. Most are tabular bodies 1-2 m thick that were controlled by vertical E-W fractures. One breccia (N7) does not conform to this pattern. It forms a single oval-shaped outcrop and may be pipe-like in morphology (property assessment report, Nelson, J. L. and Goldsmith, L. B., 1981). The Primary Ridge tourmaline breccia complex has confirmed horizontal sill-like orientation in a thrust fault zone or fractures. The Company is pursuing the pipe that fed this tourmaline breccia zone and will be applying geophysics, structural mapping and drilling to locate the pipe in the 2020 field work season.

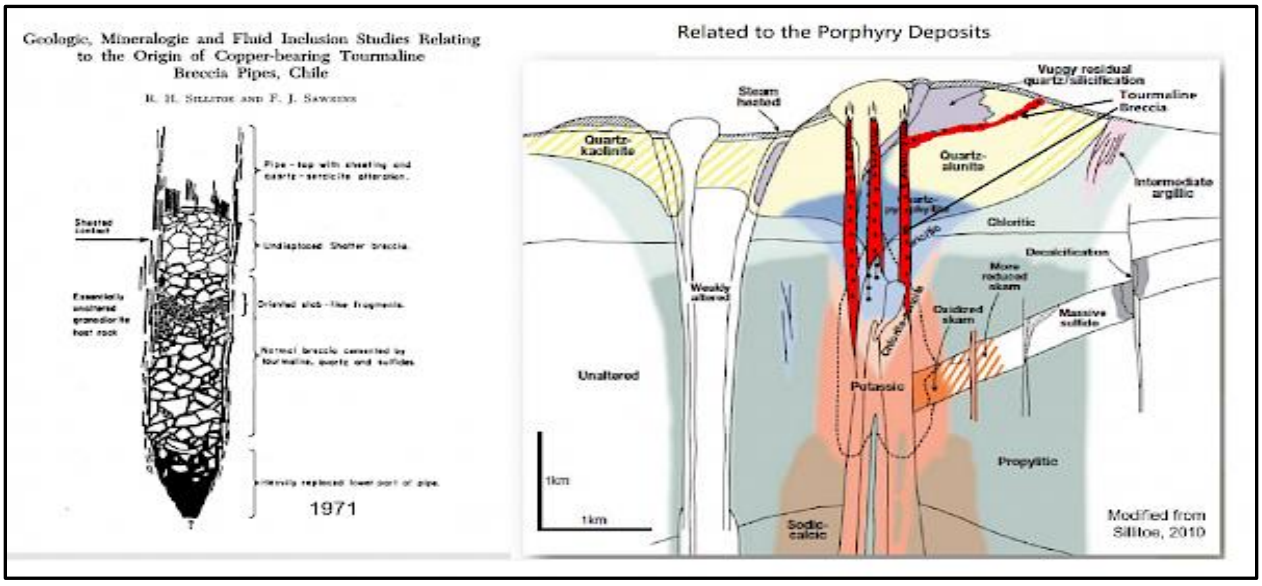


Figure 25: Geology of Tourmaline Breccia Pipes/Zones and Relation to the Porphyry Deposits (Modified from Chakana Copper Corp, 2018)

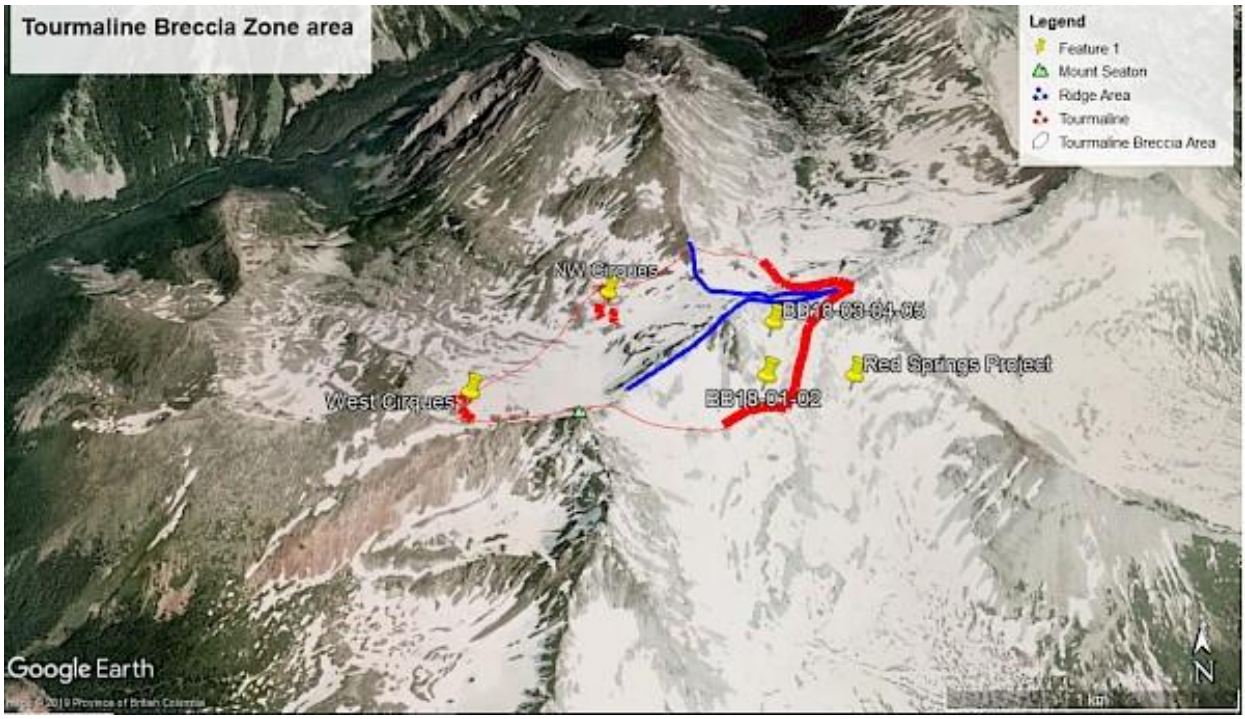


Figure 26: Tourmaline Breccia Zone/Vein Area at the Red Springs Project

During the 2017 to 2019 field seasons, the Company located gold-bearing tourmaline breccia zones and veins (Figures 26, 27) at the Backbone, North Cirque and Northwest Cirque areas at the Red Springs AOI.

The Backbone area, which was the focus of the 2018 exploration season, is a low dip angle thrust fault-hosted sill-like large tourmaline breccia mineralization zone. This zone has a strike length of 1000 m and is approximately 15 m wide at the surface outcrop (Figure 27) and extends to the north and northwest for at least 1 km. Mineral grades from surface grab and chip samples can be up to 40 g/t gold, 0.36% cobalt, 1% copper and 1% bismuth, respectively (Table 4). Mineral grades from surface channel samples can be up to 25.86 g/t gold, 0.06% cobalt, 0.48% copper and 0.5% bismuth, respectively. The 2018 drilling program (Figures 28-30) confirmed the strike continuity from drill pad A to drill pad B, along 300 m with a dip extension of approximately 100 m headed west to the surface channels at Backbone. The Backbone tourmaline breccia mineralization zone is much thicker in the drill holes than the surface outcrops. The zone in drill hole BB18-03 is 26 m thick and displays well developed gold, cobalt, copper and bismuth mineralization features with grades of up to 6.60%, 0.1%, 0.22% and 0.04%, respectively (Table 5).

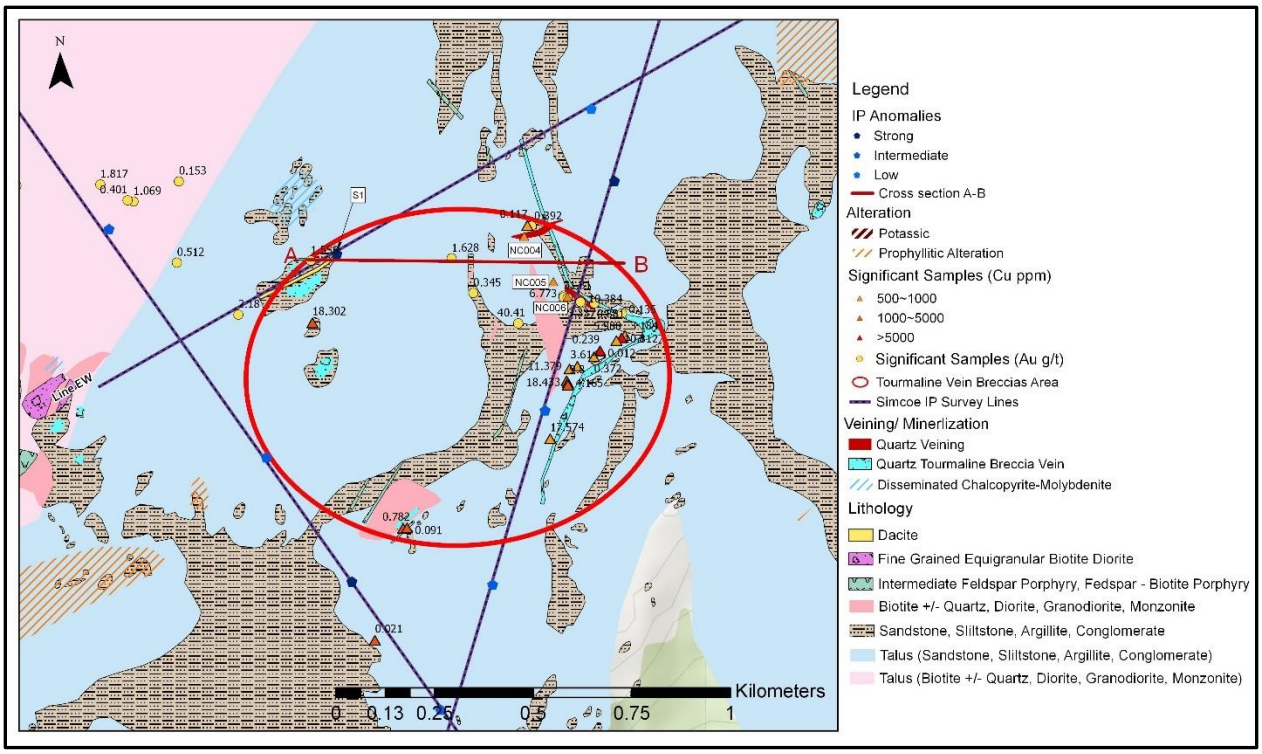


Figure 27: Tourmaline Breccia Mineralization Zone at the Red Springs Project

Based on the surface mapping, channel chip sampling, IP survey and drilling program completed in 2018 and 2019, an extensive area of up to 1 km^2 of tourmaline breccia mineralization zone has been defined which extends from the Backbone to the North Cirque and Northwest Cirque areas. The pipe-like strong IP anomalies in both West Cirque and Northwest Cirque (Figure 31) may represent the possible tourmaline breccia pipes and will be investigated in the 2020 field season.

Tourmaline Breccia Mineralization Highlights

- 2017-2019 discovery – 1000 m strike high grade gold-cobalt tourmaline breccia mineralization zone with cobalt, copper and bismuth credits
- Five holes – 1057 m of diamond drilling, assay results from drilling samples returned up to 8.2 g/t AuEq with 6.6 g/t Au, 0.1% Co and 0.04% Bi (Table 3)
- BB18-03-05 confirms 20-26 m tourmaline breccia intercept width with 100 m dip extension from surface with gold equivalent grades from 0.53 to 1.44 g/t at down hole depth of 64-90 m.
- 40 m strike extension, 2-3 m thick high-grade mineralization band near the hanging wall of the thrust fault with gold equivalent grades from 2.14 g/t to 5.00 g/t at down hole depth of 64-67 m
- Strong IP anomalies at possible tourmaline breccia pipe area (Figure 31)

Tourmaline is widely considered as a guiding mineral for porphyry deposits and has been found in most large porphyry deposits globally. Tourmaline breccias, a deposit style characterized by high gold, silver, copper and molybdenum grades in clusters provide considerable potential for the Red Springs project. The tourmaline breccias at Red Springs are unique, given their mineralized nature and extent. They are

primary targets, hosting mineralized zones and also serve as indicators, markers for the deeper mineralized porphyry systems that generated the tourmaline.

The Company has confirmed that the tourmaline mineral is associated with the copper porphyry targets within the Red Springs AOI. A study conducted by C. E. Beckett-Brown from Laurentian University in 2019 observed that the tourmaline is the latest and topmost mineral produced by the Red Springs porphyry system. The tourmaline breccia zones and veins manifest as both near vertical planar structures and as apparent strata-bound bodies. The high sulphide content results in strong oxidation, making the mineralization highly visible as brown, rusty outcrops. The tourmaline breccias are characterized by the chemical association of gold-tellurium-cobalt-bismuth-arsenic-antimony-boron and are of porphyritic intrusive origin.

An aero-magnetic survey program conducted by Geoscience BC in 2010 provides a regional large-scale magnetic anomaly feature at Red Springs (Figure 32). Combined with geology mapping conducted by the Company in 2018 (Figure 27), it is clear the feeder zone of tourmaline breccia is from its westside Bulkley porphyry intrusion which also has a high positive magnetic anomaly feature.

Subject to constraints imposed by COVID-19 regulations, the Company intends to undertake further geological and alteration mapping and a detailed geophysical survey in the 2020 field season and will use the results to further refine its conceptual geological model (Figure 33). The 2020 program is scheduled to include further geochemical sampling, ground or drone based airborne magnetic survey and when possible, a 1000 m (+/-) drilling program along the strike and dip of the tourmaline breccia zone/pipe.

Figure 28: Tourmaline Breccia and Backbone Tourmaline Breccia Zone Outcrop

Figure 29: Sulfide Minerals (Arsenopyrite, Pyrrhotite, Pyrite and Chalcopyrite from Left to Right) in Backbone Tourmaline Breccia Drill Core

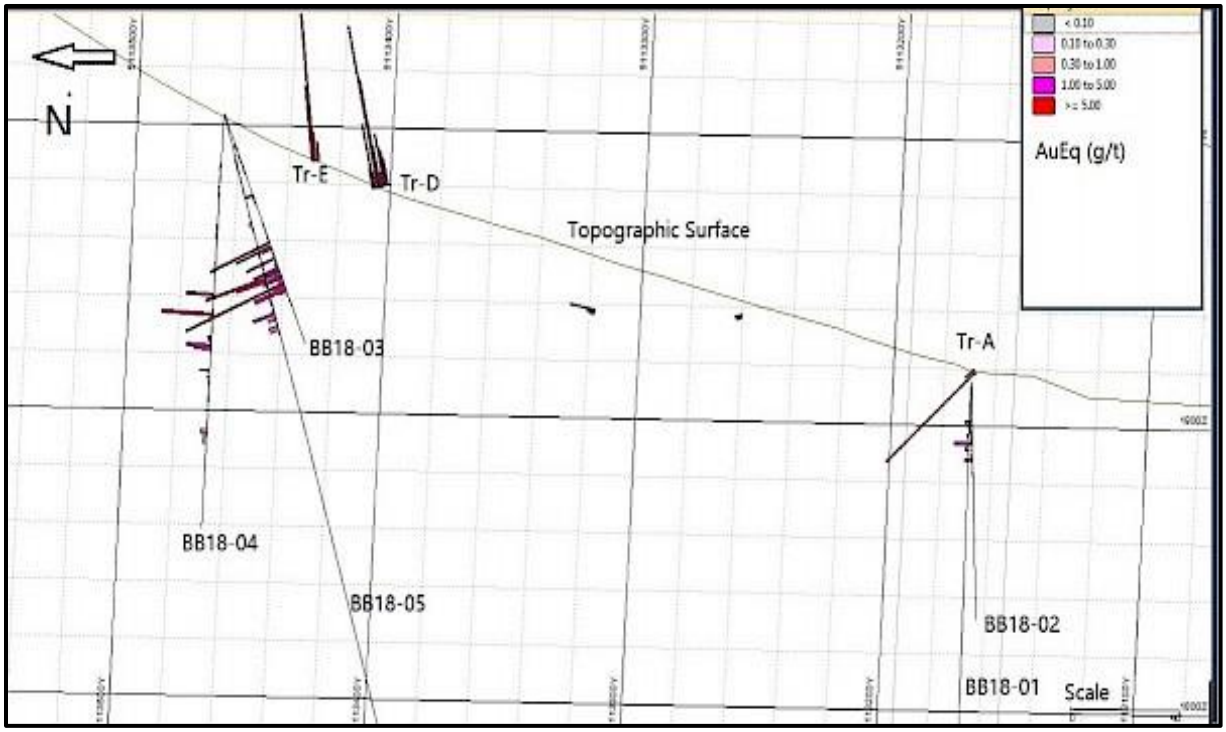


Figure 30: Drill Hole Cross Section Map of 2018 Drilling Program

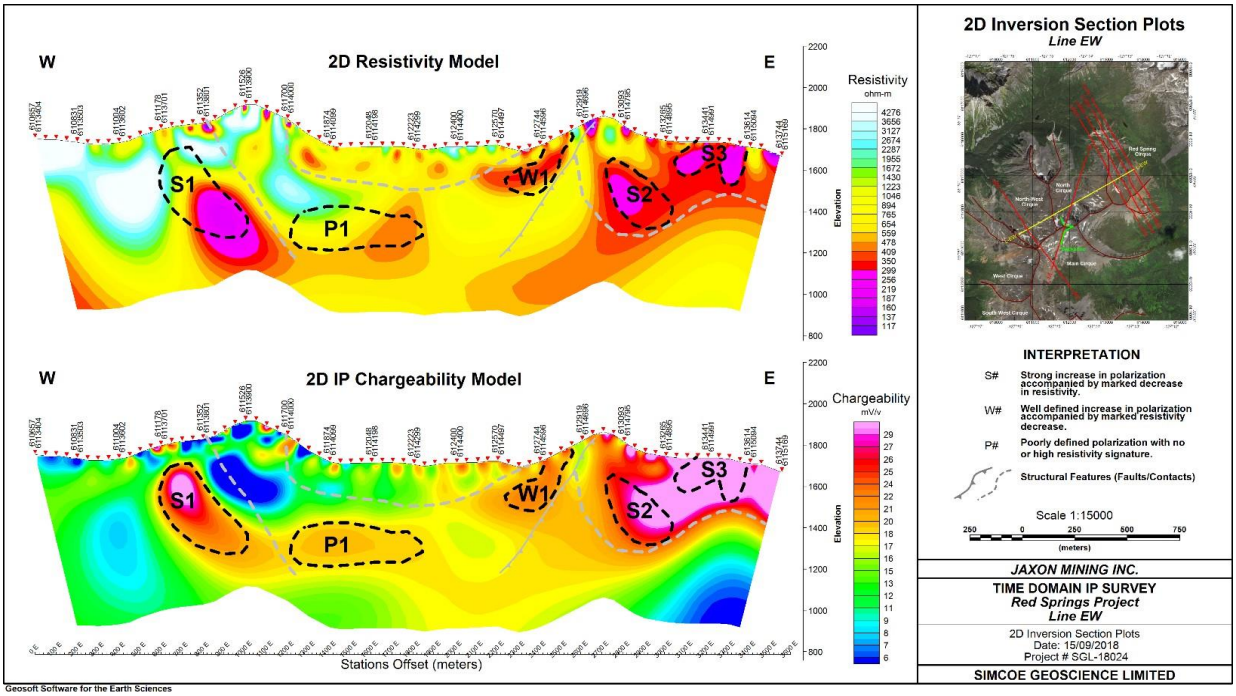
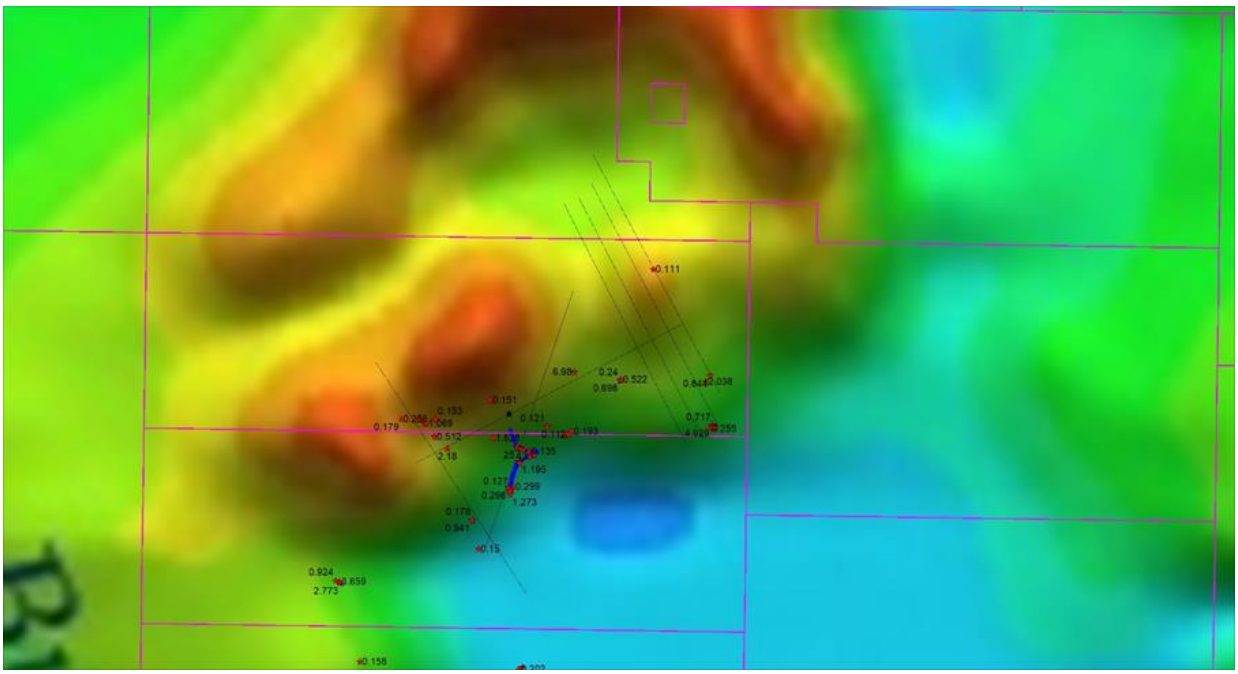


Figure 31: Strong IP Anomalies (S1) at Possible Tourmaline Breccia Pipe Area



32: Magnetic Anomaly (red), Tourmaline Breccia Zone (blue), Au Samples and IP Lines at Red Springs (Geoscience BC, 2010)

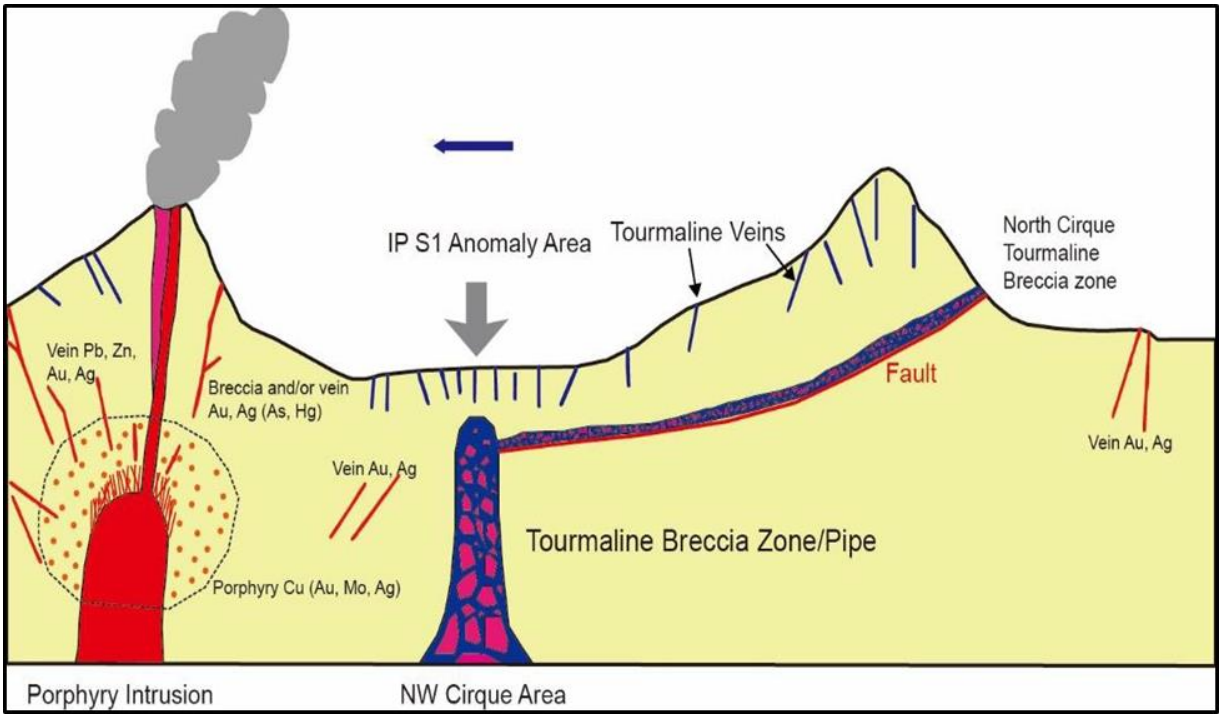


Figure 33: Conceptual Model of Tourmaline Breccia Zone/Pipe and Porphyry System at Red Springs AOI

Table 4 Significant Assay Results from N and NW Cirques Targets [1]						
Sample ID	**Target Area**	**Sample Type**	**Au (g/t)**	**Cu (%)**	**Co (ppm)**	**Bi (ppm)**
A0020661	North Cirque	Float	40.41	6.77	154	12900
A0020152	North Cirque	Grab	31.81	8.33	2325.4	4869.02
A0020147	North Cirque	Grab	10.384	0.13	3631.4	396.55
A0020150	North Cirque	Composite Grab	6.773	0.18	1671.1	353.55
A0020148	North Cirque	Grab	3.337	0.25	2135.4	346.57
A0020063	North-West Cirque	Float	2.18	0.05	1536.1	361.17
A0020053	North-West Cirque	Grab	1.817	0.24	360.8	33.09
A0020113	North-West Cirque	Select Grab	1.628	0.43	279.2	509.57
A0020674	North-West Cirque	Grab	1.558	0.01	236	45.05
A0020293	North cirque	Grab	1.486	0.16	47.2	750.62
A0020153	North Cirque	Grab	1.368	0.02	99.6	25.1
A0020057	North-West Cirque	Float	1.069	0.15	555.4	75.48
A0020146	North Cirque	Composite Grab	0.881	0.07	951.2	100.37
A0020149	North Cirque	Chip	0.817	0.06	276.9	183.3
A0020062	North-West Cirque	Float	0.512	0.01	862.3	33.03
A0020341	North Cirque	Chip	0.411	0.04	19.7	651.19
A0020056	North-West Cirque	Float	0.401	0.29	273.9	1.6
A0020656	North Cirque	Grab	0.392	0.17	609.9	30.53
A0020657	North Cirque	Grab	0.345	0.05	511.8	12.26
A0020008	North-West Cirque	Grab	0.256	0.01	3.3	2.76
A0020665	North Cirque	Float	0.24	0.17	25.7	7.63
A0020009	North-West Cirque	Grab	0.179	0.03	26	5.19
A0020060	North-West Cirque	Grab	0.153	0.01	59.8	24.64
A0020145	North Cirque	Chip	0.135	0.01	5.1	26.99
A0020669	North Cirque	Float	0.124	1.00	164.3	134.92
A0020348	North Cirque	Chip	0.121	0.01	2.1	0.51

Table 5 Significant Assay Results from 2018 Drilling Program 1									
Hole_ID	**From_M**	**To_M**	**Interval**	**Comments**	**Au**	**Co**	**Cu**	**Bi**	**EqAu**
BB18-01	24	25	1		0.201	199	86.1	14	0.52
BB18-01	25	27	2	core loss	0.475	44	21.6	29.3	0.55
BB18-01	38	39	1		1.277	52	10	134.5	1.39
BB18-01	48	49	1		0.527	51	9.3	116.7	0.63
BB18-02	22	23	1		0.556	394	24.1	39.8	1.16
BB18-02	24	25	1		0.117	71	358.4	15.9	0.28
BB18-03	42	43	1		0.175	23	2103.3	8.5	0.53
BB18-03	67	68	1		4.343	198	2226.2	129.2	**5.00**
BB18-03	69	70	1		2.427	251	627.4	182.4	2.94
BB18-03	70	71	1		0.593	125	100.1	56.9	0.81
BB18-03	75	76	1		1.945	144	1266.4	82.9	2.37
BB18-03	80	81	1		1.498	370	6.9	66	2.07
BB18-03	81	82	1		0.679	255	7.7	30.9	1.07
BB18-03	82	83	1		1.866	956	8.6	64.6	3.32
BB18-03	83	84	1		0.234	135	13	34.9	0.45
BB18-03	84	85	1		0.607	321	11.5	174.7	1.13
BB18-03	85	86	1		1.191	224	15.6	35.4	1.54
BB18-03	86	87	1		0.221	106	18.7	13.4	0.39
BB18-03	87	88	1	core loss	0.149	140	14.2	10.1	0.36
BB18-03	88	89	1		6.601	1000	16.3	421.1	8.20
BB18-03	89	90	1		0.655	179	47.3	54.9	0.94
BB18-03	90	92	2	core loss	1.784	512	41.8	60.4	2.57
BB18-03	92	93	1		0.36	208	39.6	19.8	0.68
BB18-04	64	65	1		1.729	213	554.6	57.1	2.14
BB18-04	71	72	1		3.593	198	5.2	244.2	3.94
BB18-04	72	73	1		0.105	50	3.8	7.3	0.18
BB18-04	79	80	1		0.212	64	10.1	8.8	0.31
BB18-04	82	83	1		1.686	138	20.3	46.9	1.91
BB18-04	83	84	1		1.039	154	113.9	39.6	1.30
BB18-04	90.9	91.5	0.6	vein and wallrock	0.52	166	8.5	30.3	0.78
BB18-04	111.8	113	1.2		0.209	149	6.9	194.9	0.48
BB18-04	113	114	1		0.324	32	9.9	240.5	0.43

BB18-04	114.9	117	2.1	severe core loss	0.202	33	36.4	270.7	0.32
BB18-05	66	67	1		3.168	542	5471.9	376	4.88
BB18-05	67	68	1		2.08	186	101.4	122.8	2.40
BB18-05	80	81	1		1.406	82	1436.7	26.9	1.75
BB18-05	82	83	1		0.605	8	75.9	0.5	0.63
BB18-05	85	87	2	core loss	0.488	149	3.3	33.5	0.72

** EqAu is calculated using long term prices for gold at $1250 USD per ounce, cobalt at $60K USD per tonne, copper at $6K USD per tonne and bismuth at $10K USD per tonne.*

2020 Work Plan (subject to change due to the impact of COVID-19 on operations)

- Complete Red Springs AOI wide targets focused modeling program based on regional and local geophysical and other data
- Re-compile project wide geological, geochemical, geophysical and structural data
- Remodel Red Springs AOI in 3D
- Complete further rock dating and petrographic studies at Red Springs AOI
- Complete further surface structure and lithology mapping at Red Springs AOI
- Conduct soil geochemistry (50x50 m grid) (Figure 34), ground magnetic survey (50 m line space) at Razorback porphyry and tourmaline breccia zone/pipe areas (Figure 35)
- Publish conceptual geological 3D model showing 2020 drill targets
- Act as a project generator – attract JV partners to work on AOIs
- Conduct 2000-3000 m drilling program at porphyry and tourmaline breccia zone targets (Figures 36, 37)

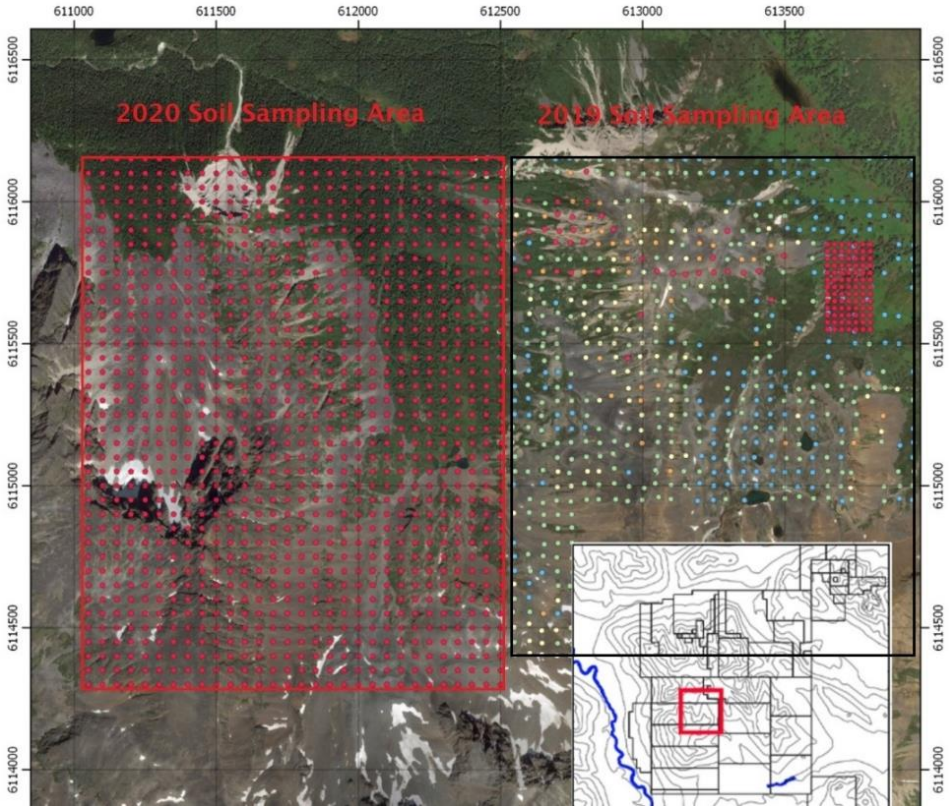


Figure 34: 2020 Soil Sampling Plan

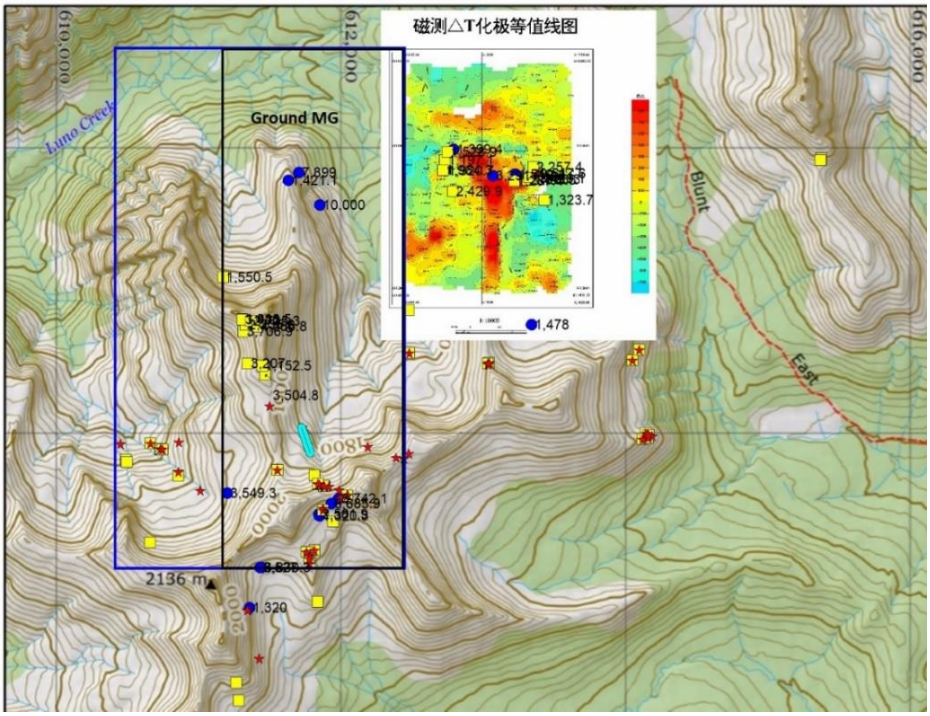


Figure 35: 2020 Drone Based Airborne/Ground Magnetic Survey Plan

Pad 1 targets contact zone, alteration zone and deep porphyry intrusion, total 1000-1200m at 3 holes from dip angles 45 to 60 degree
Pad 2 target porphyry dykes and deep porphyry intrusion, total
500-600 m at 2 holes from dip angles 45 to 60 degree

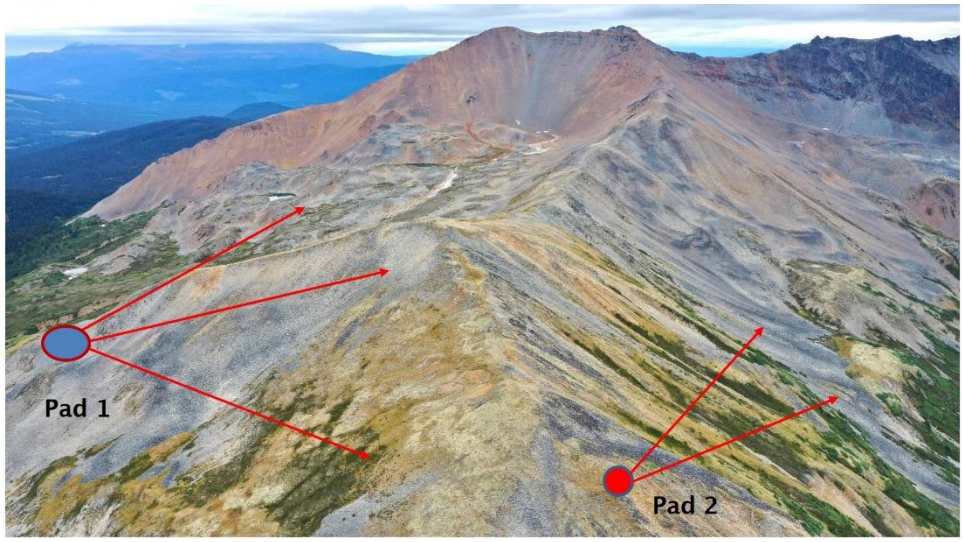


Figure 36: 2020 Drilling Plan at the Primary Ridge Porphyry Target

Pad 3 target tourmaline breccia pipe and zone at dip angles from 45 to 70 degree, total 1000-1200m

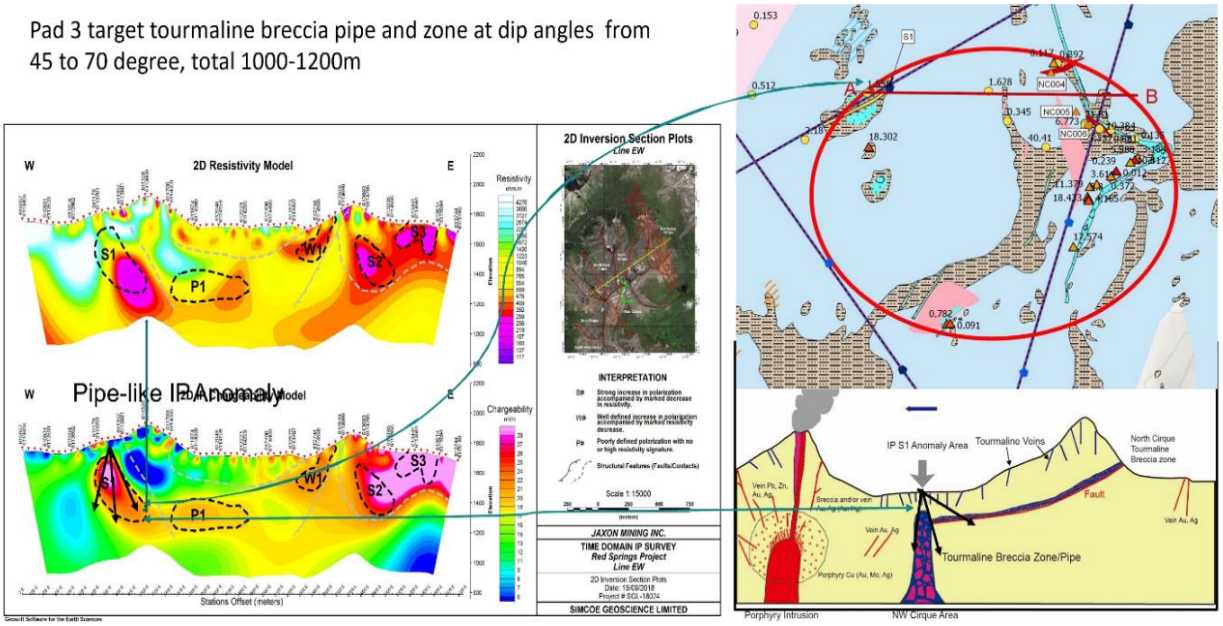


Figure 37: 2020 Drilling Plan at Tourmaline Breccia Zone Target