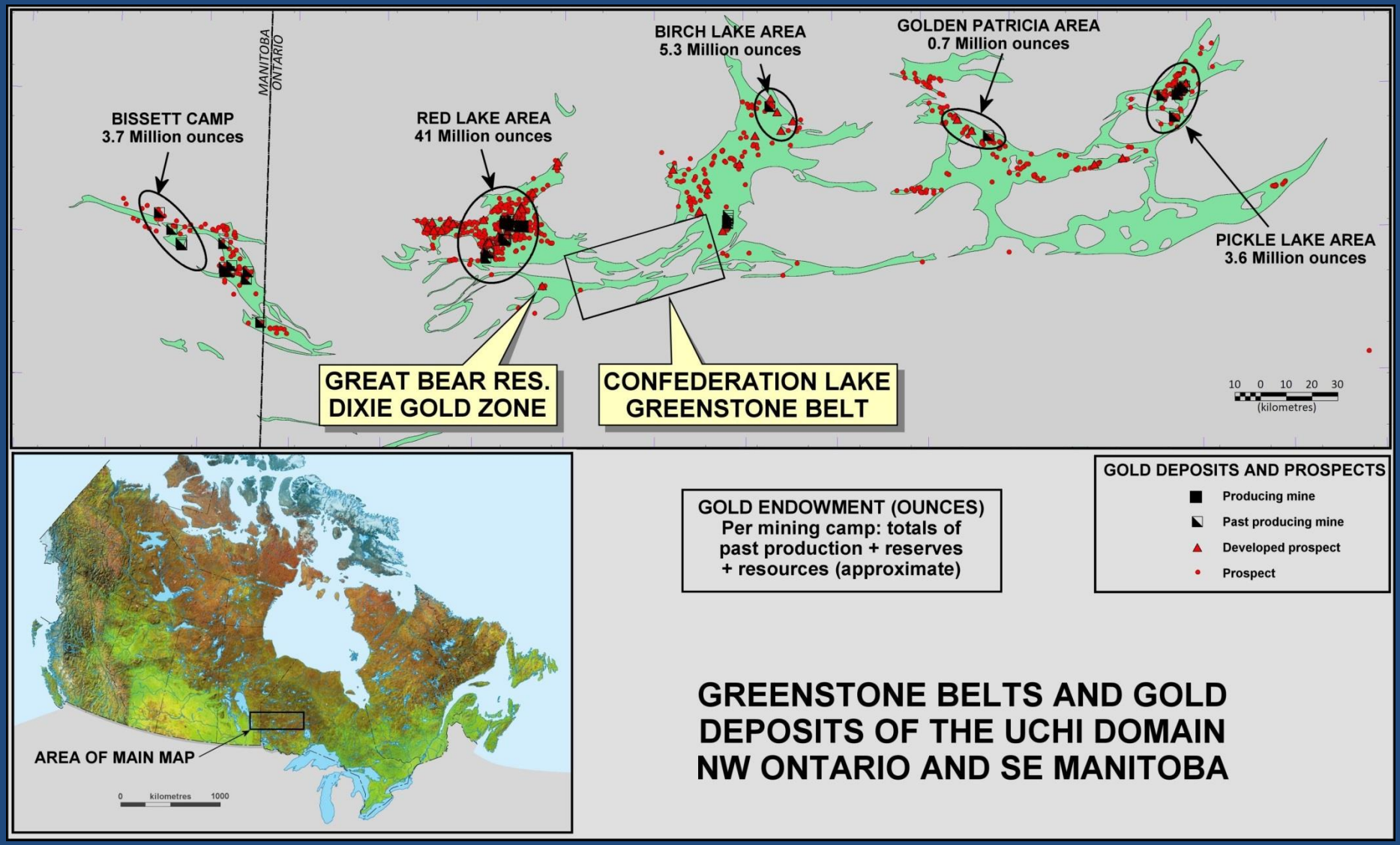
PISTOL BAY
MINING

CONFEDERATION LAKE PROJECT

JULY 2020

GOLD IN THE UCHI DOMAIN, ONTARIO AND MANITOBA

The Uchi Domain is a structural and time-stratigraphic division of the Superior Province, with a chain of greenstone belts that extend over 650 km from Lake Winnipeg to the James Bay Lowlands. It contains almost 800 recorded gold occurrences from raw prospects to producing mines. Total gold endowment (past production + reserves + resources) to date is approximately 54 million ounces, and still actively growing. This makes it the second most productive gold district in Canada, after the Abitibi greenstone belt.



THE CONFEDERATION LAKE GREENSTONE BELT HAS ALMOST NO KNOWN GOLD OCCURRENCES – WHY?

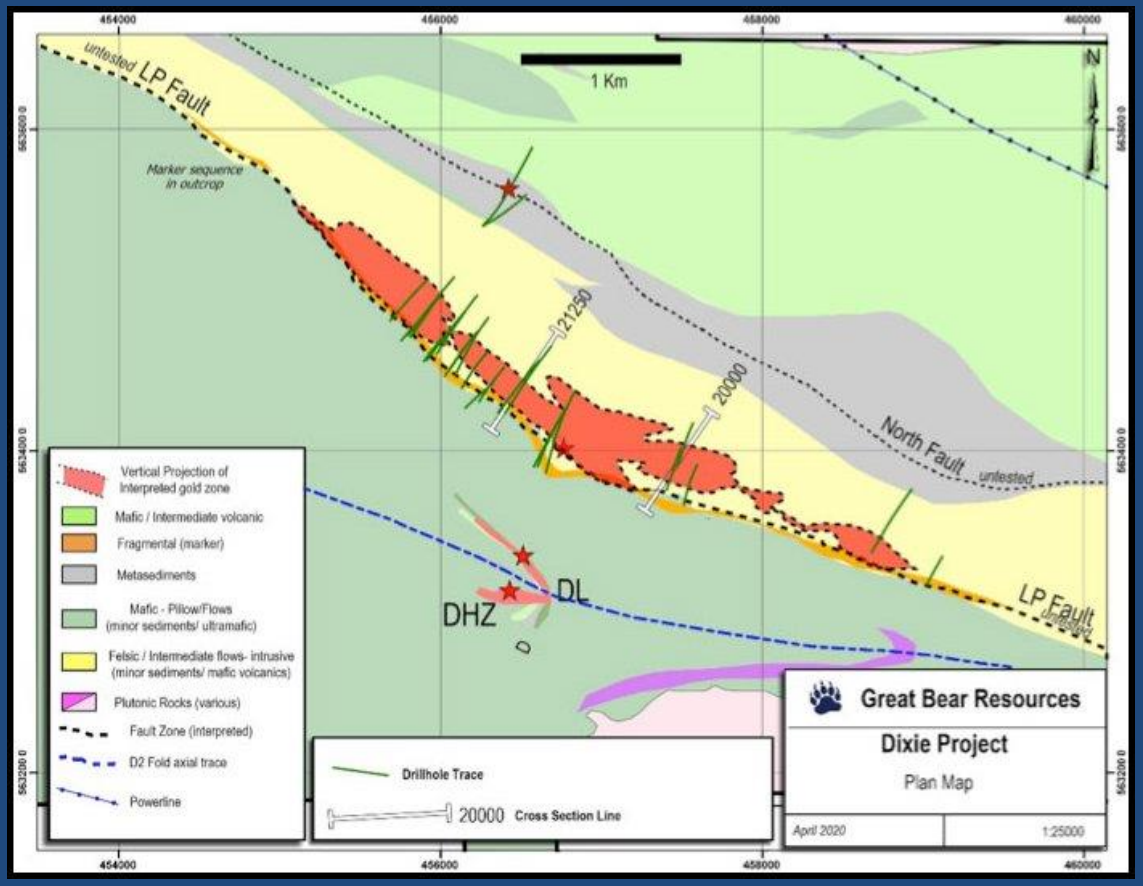
The western half of the Confederation Lake belt is covered by thick overburden of the Trout Lake moraine. The eastern half of the belt has some outcrop, but the overburden is extensive and outcrops are sparse.

When the Chukuni River route opened up the area after the discovery of gold at Red Lake in 1925, the area saw some prospecting. The presence of abundant felsic volcanics, which were assumed to be more favourable for base metals than gold, discouraged prospectors, who devoted more effort to the better-exposed, more mafic-dominated Birch Lake belt further to the east.

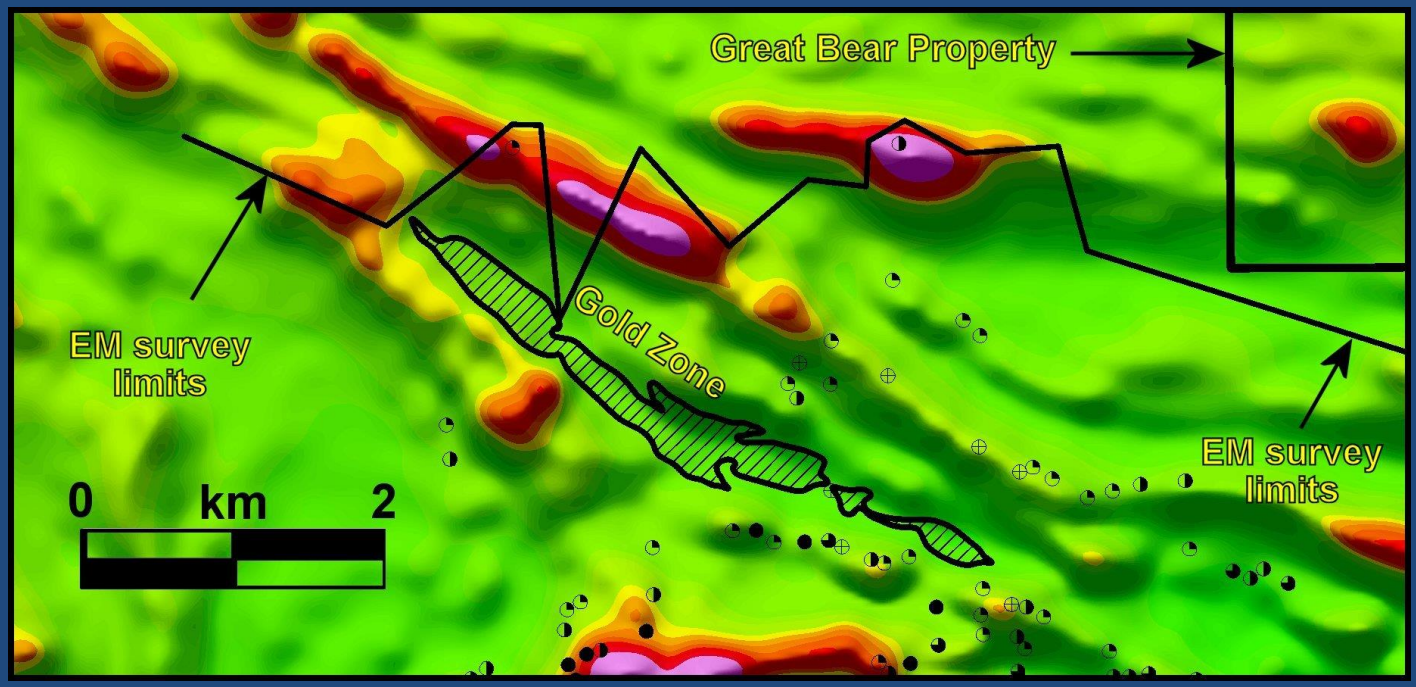
In 1955 the Fredart "A" copper-silver ± gold deposit was discovered. This was followed by the discovery of the Copperlode "B", "C", "D" and "E" copper ± zinc ± gold zones by a combination of EM surveys and diamond drilling.

In 1967 Selco Mining discovered the high grade South Bay Cu-Zn-Ag VMS deposit by drilling anomalies from the first large-scale INPUT airborne EM survey. The South Bay mine produced from 1971 to 1981. Since the South Bay discovery, the Confederation Lake belt has been extensively explored for VMS mineralization**.**

IN 2019, GREAT BEAR RESOURCES LTD., WORKING ON THE DIXIE LAKE GOLD PROSPECT (FIRST DISCOVERED IN 1945) DISCOVERED GOLD IN ALTERED FELSIC VOLCANICS ADJACENT TO THE LP FAULT. THIS NEW DISCOVERY, AT THE WEST END OF THE CONFEDERATION LAKE BELT, HAS LED TO A NEW UNDERSTANDING OF THE PROSPECTIVITY OF THE FELSIC VOLCANICS AND THE WHOLE BELT.



The newly discovered (after only 75 years of periodic exploration) LP gold zone, shown here in dark orange, is at least 4 km long and has a low-grade halo up to 400 metres wide.



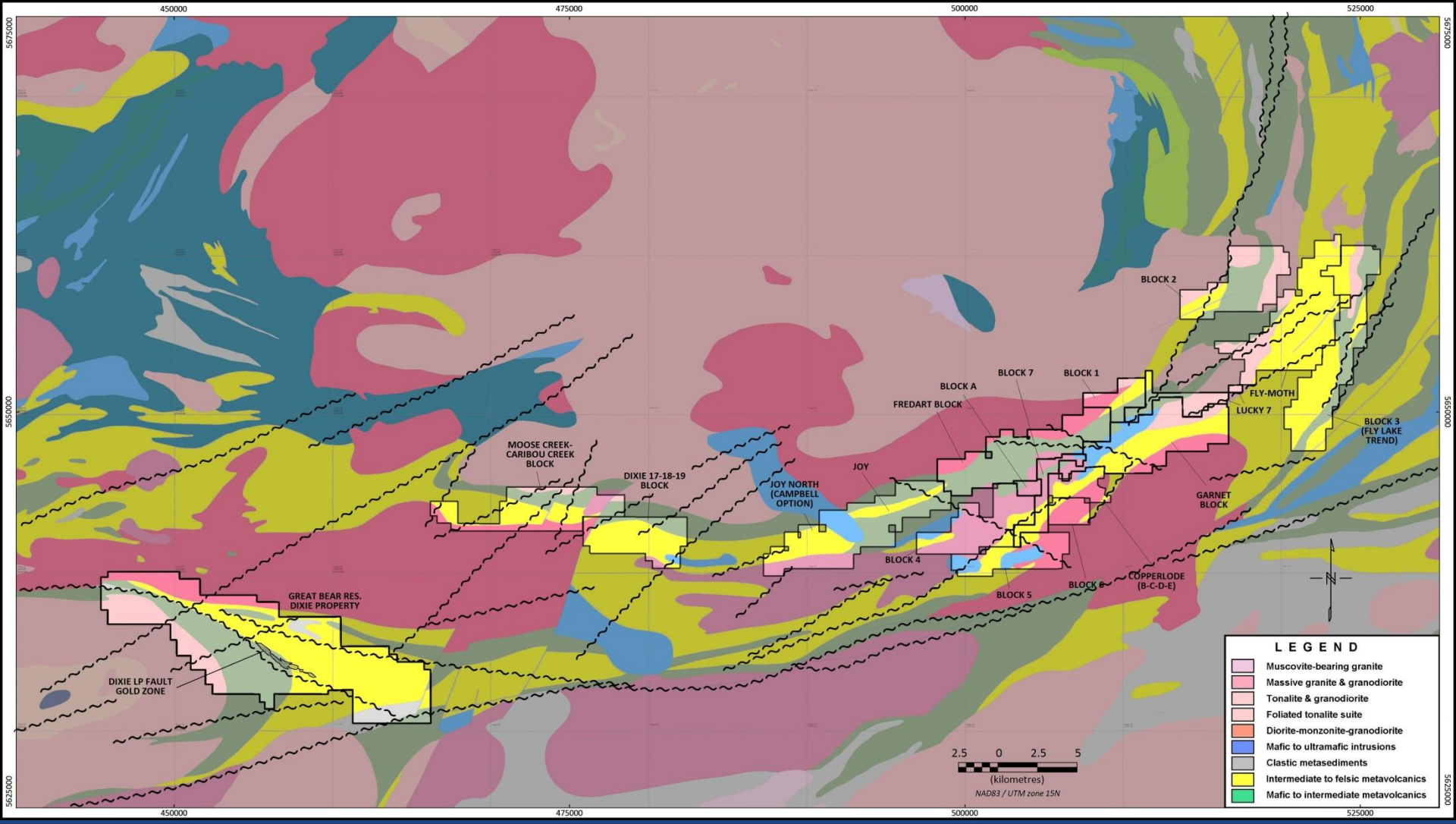
The Dixie-LP gold zone is shown here over the government airborne magnetics and a historic INPUT survey. The mineralization is apparently non-magnetic and non-conductive.

Base metal exploration in areas covered by thick and/or transported overburden usually relies on EM surveying as the primary exploration tool.

Gold exploration, which traditionally depended on prospecting or geological mapping as important exploration methods, should not depend on geophysical surveys, as many types of gold deposit do not have magnetic or conductive signatures.

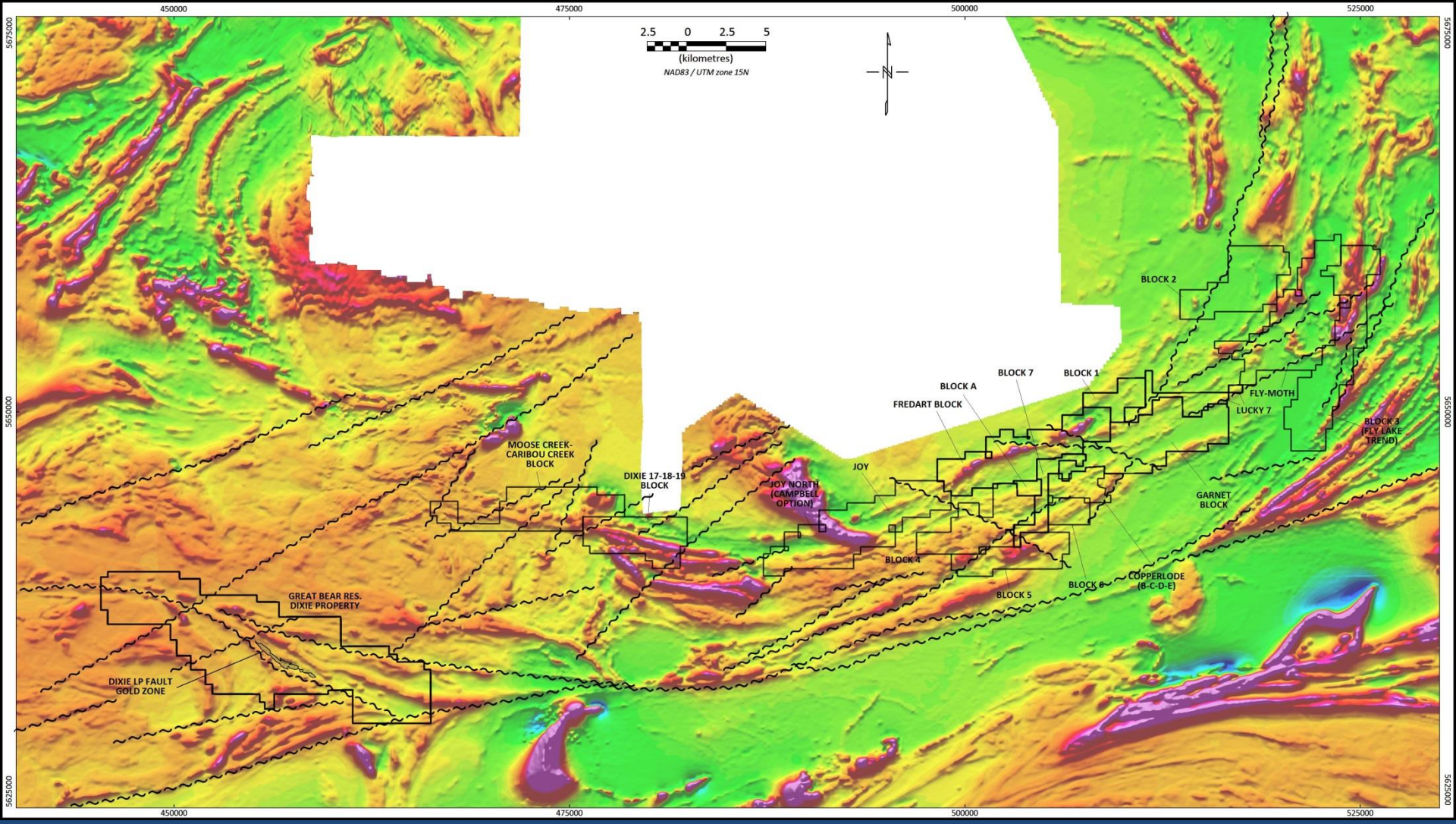
Geochemical surveying for gold, using soil sampling and MMI analysis (or comparable methods such as enzyme leach) is an effective first-pass exploration tool to cover large areas of favourable geology with little or no outcrop.

Geochemical soil sampling does not require Early Exploration Permits or Plans in Ontario.

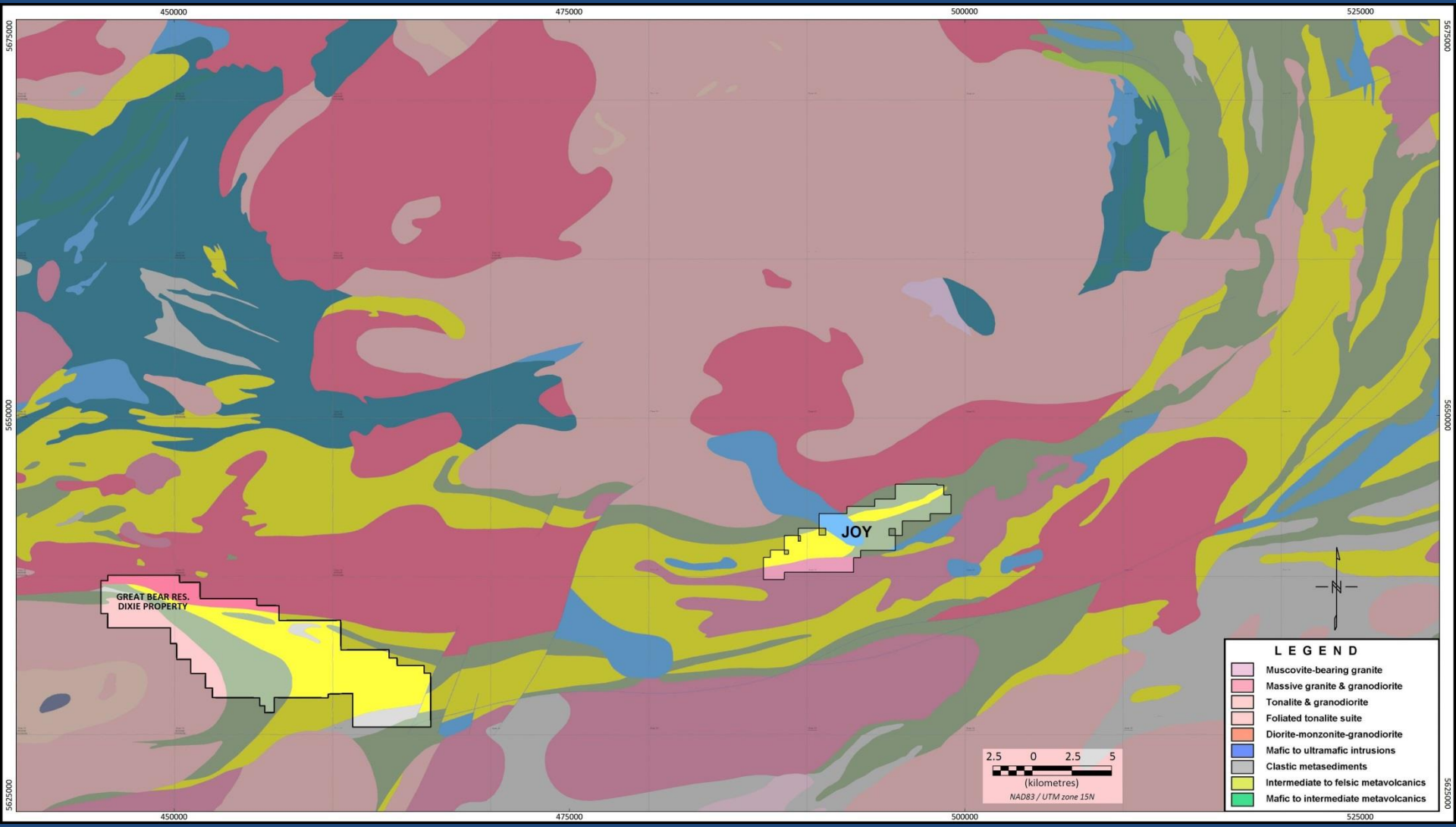


Pistol Bay claim blocks and interpreted faults
Geology is GOO (Geology Of Ontario)

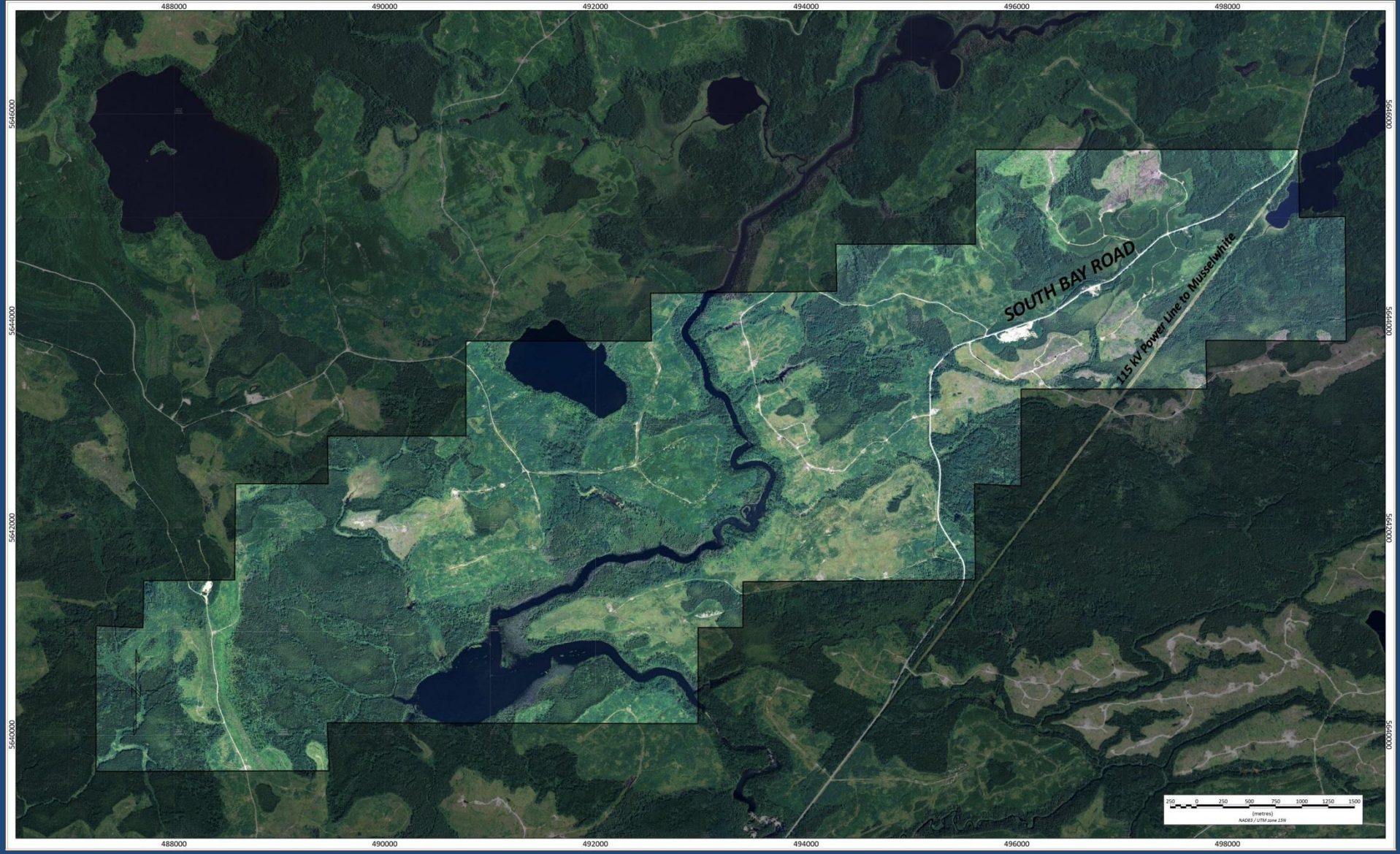
MAPPING BY THE GSC CONCLUDES THAT THE CONFEDERATION LAKE BELT IS FOLDED INTO A SYNCLINORIUM; FELSIC ROCKS ON THE NORTH AND SOUTH SIDES ARE EQUIVALENT



Pistol Bay claim blocks on airborne magnetics
(Red Lake – Stormy Lake supergrid)



THE JOY CLAIM BLOCK



THE 3155-HECTARE (7794-ACRE) JOY PROPERTY HAS EXCELLENT ACCESS VIA FORESTRY ROADS.

EAST OF THE TROUTLAKE RIVER, THE SOUTH BAY ROAD IS THE MAIN ACCESS ROUTE.
WEST OF THE TROUTLAKE RIVER, FORESTRY ROADS BRANCH OFF THE TROUT RIVER ROAD.

EXPLORATION HISTORY

- 1970s: Selco carried out numerous ground EM surveys in follow-up of airborne anomalies, including drilling the Joy Cu-Zn Zone. Caravelle Mines and Yorbeau Mines also carried out drill programs. Caravelle Mines drilled the Caravelle Zn-Cu Zone.

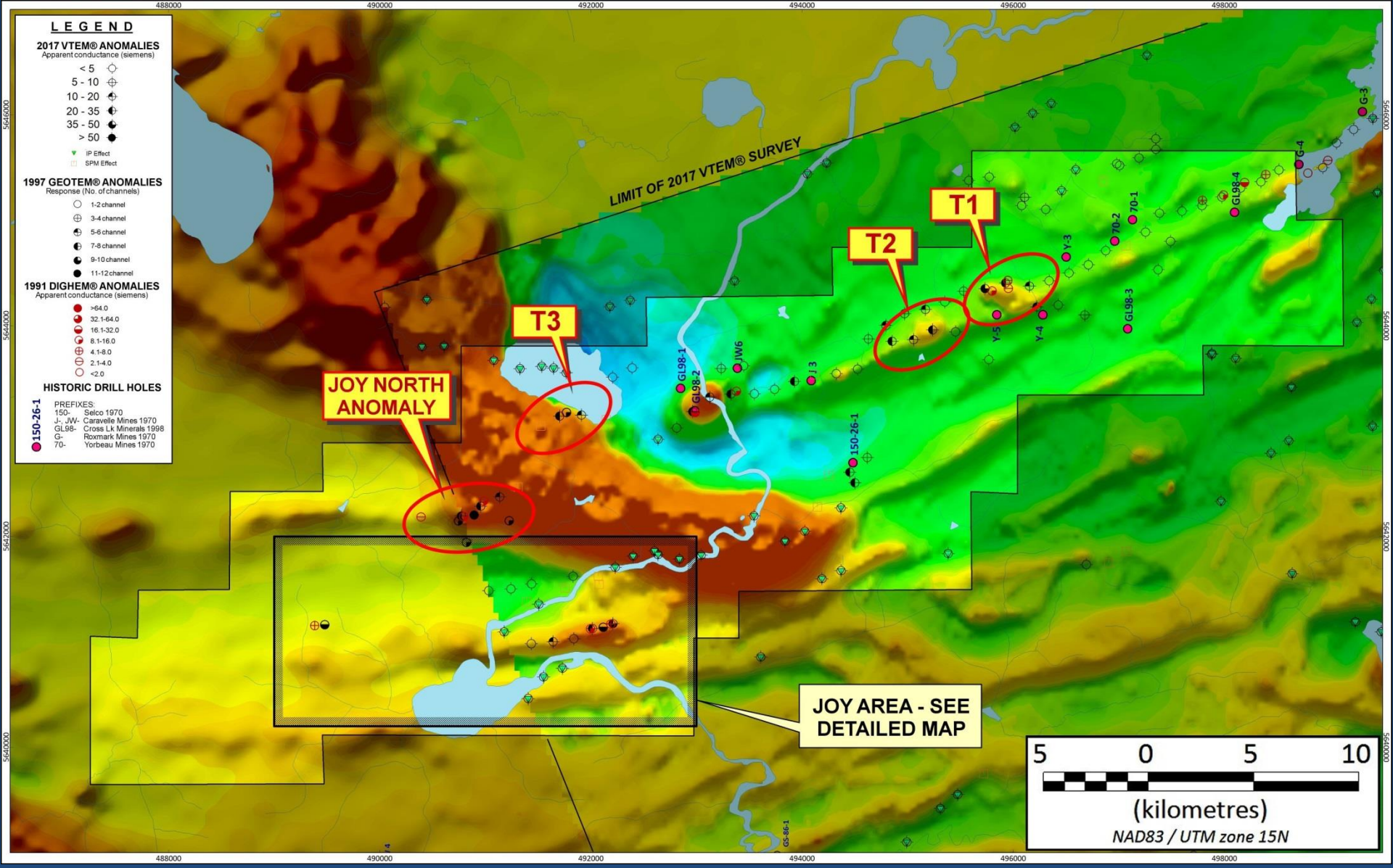
- 1980s: BP Minerals took over Selco's operations, did a UTEM survey over the Joy-Caravelle area and drilled one hole.

- 1990s: Minor surface work by Confederation Minerals and Cumberland Resources. Cross Lake Minerals drilled 2 holes at extreme northeast end of the property.

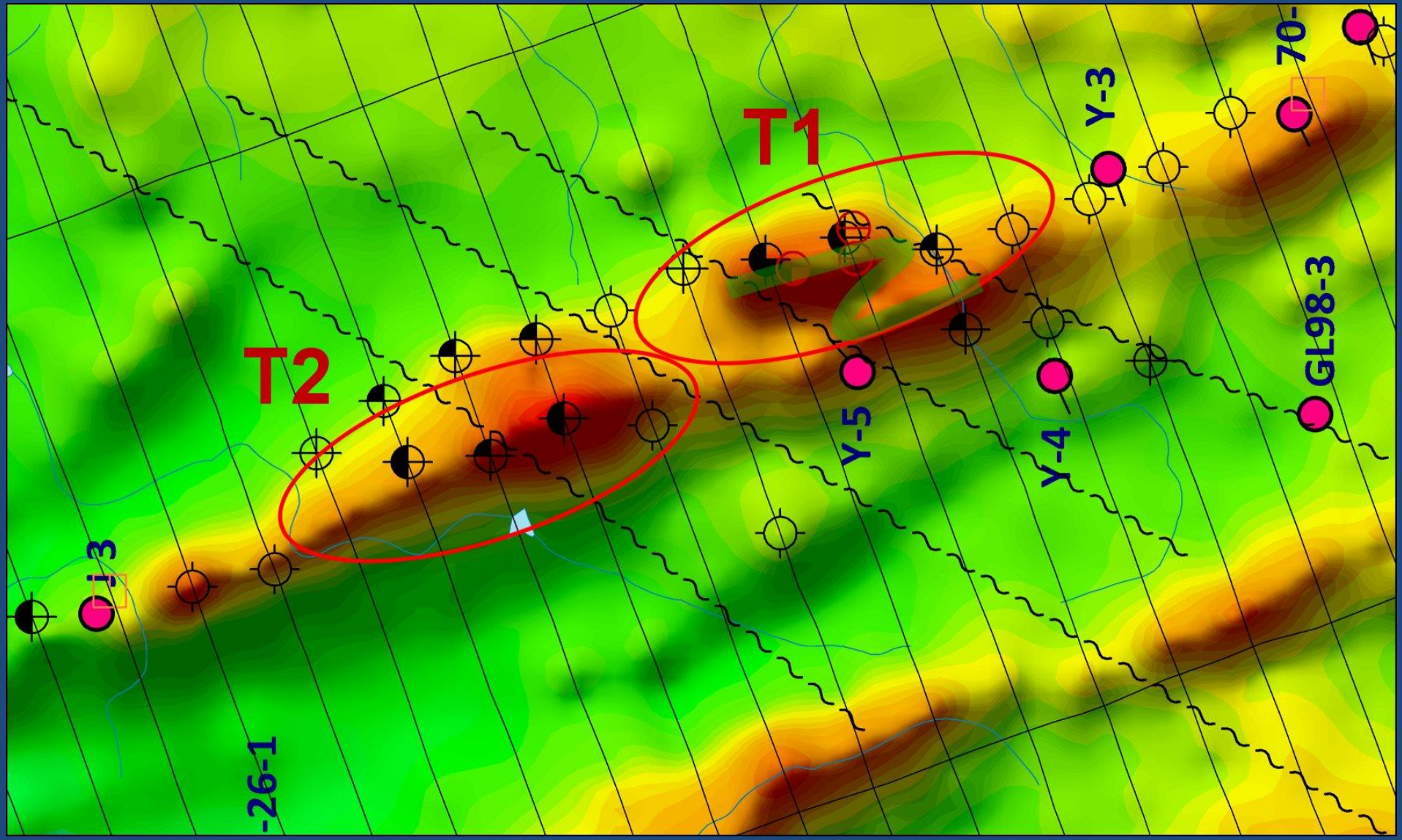
- 1990s: Noranda acquired BP-Selco's property, flew a GEOTEM heli-borne survey and did extensive drilling on the Joy Zone and the adjacent Diamond Willow Zone. Also down-hole PEM surveys. INCO did a ground EM survey on the Joy North anomaly.
- 2000s: Noranda farmed out all its Confederation Lake projects to Tribute Minerals Inc. in 2003. Tribute worked extensively on the properties, but did no work on the Joy-Gerry claims.

- 2016: Tribute Minerals Inc. (now AurCrest Gold Inc.) optioned all of its Confederation Lake properties to Pistol Bay Mining Inc.

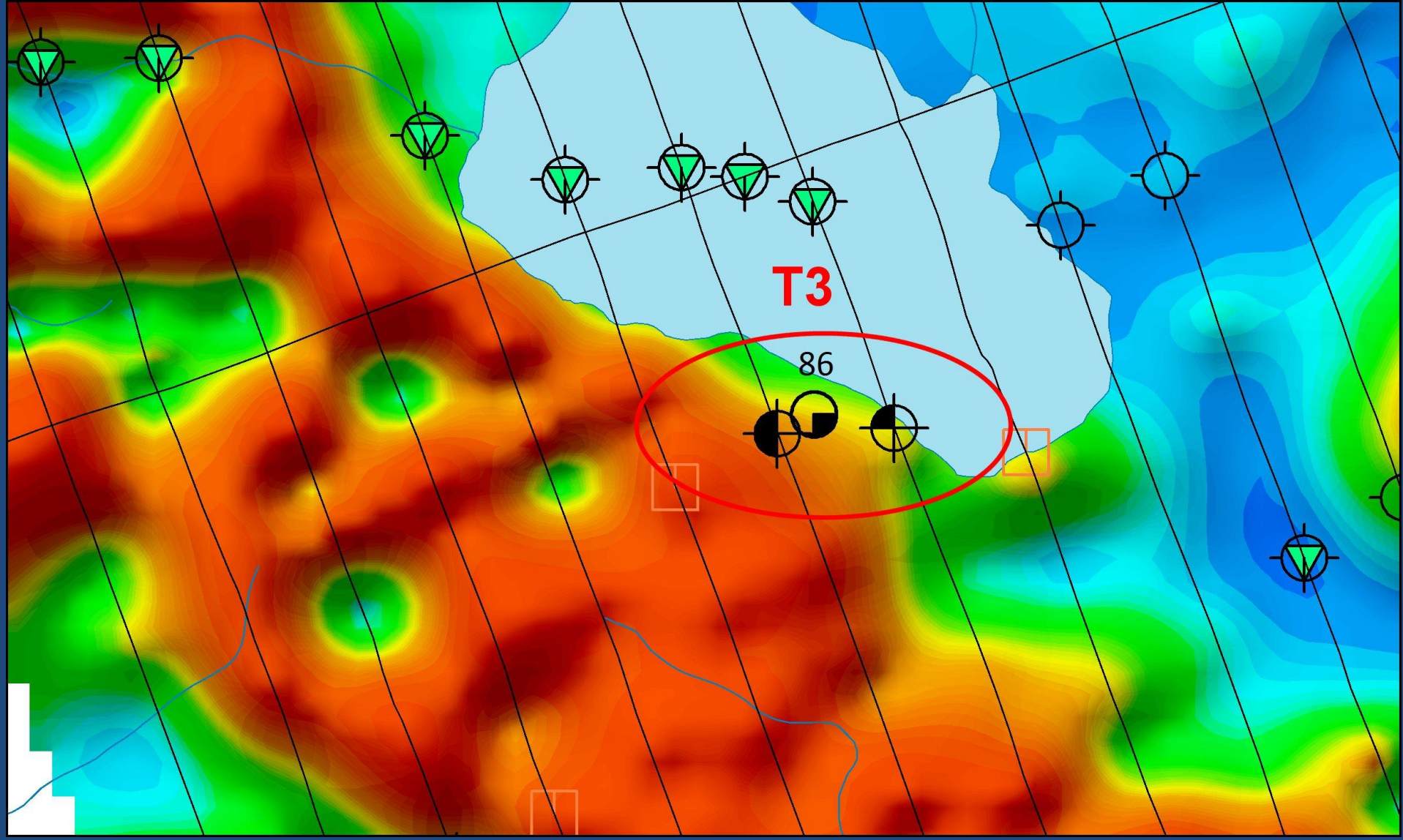
- 2017: Pistol Bay carried out a heli-borne VTEM Plus® survey over the eastern part of the belt, including approximately 75% of the Joy-Gerry property. Additional claims were acquired in the area, both before and after the survey.



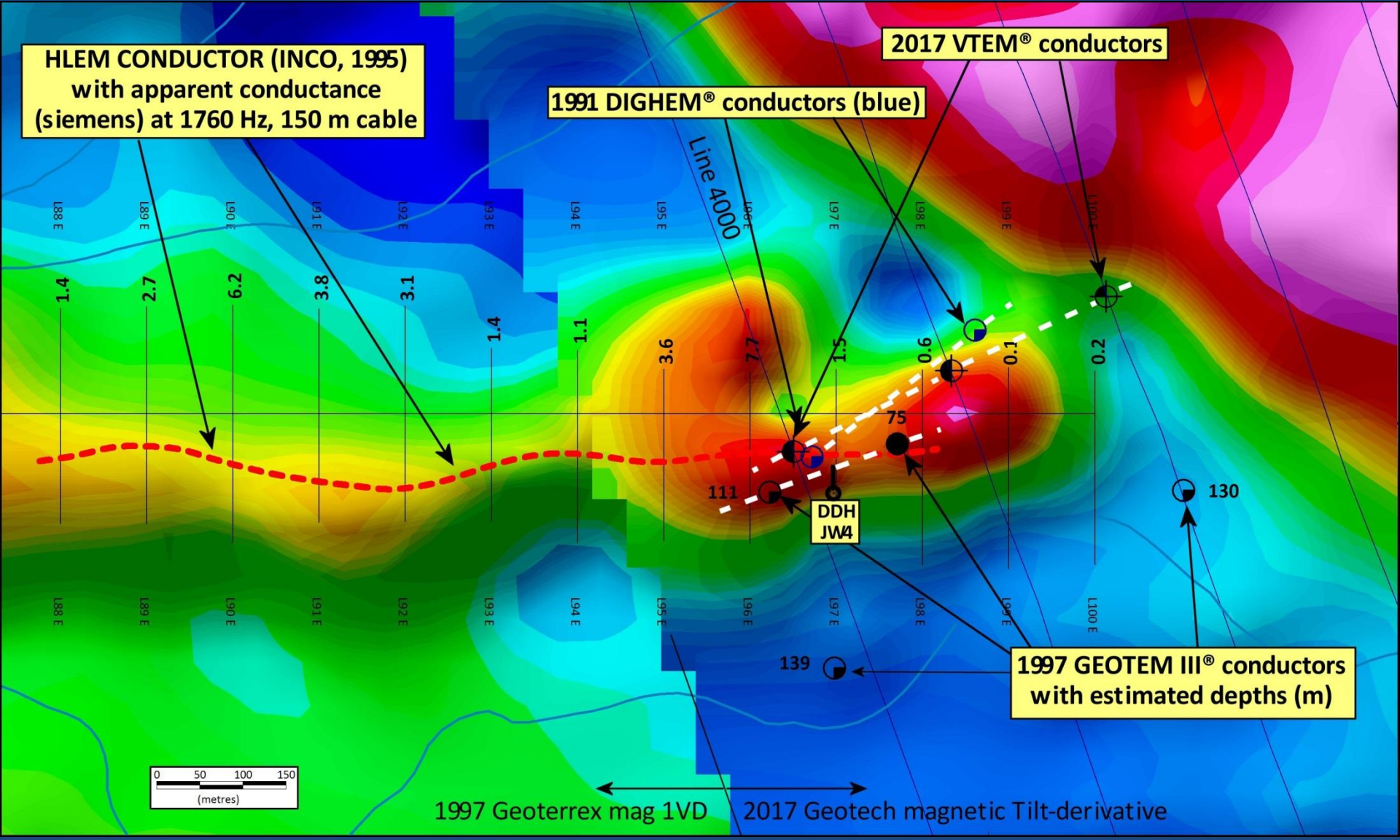
GEOPHYSICAL COMPILATION MAP
TARGET AREAS SHOWN IN RED



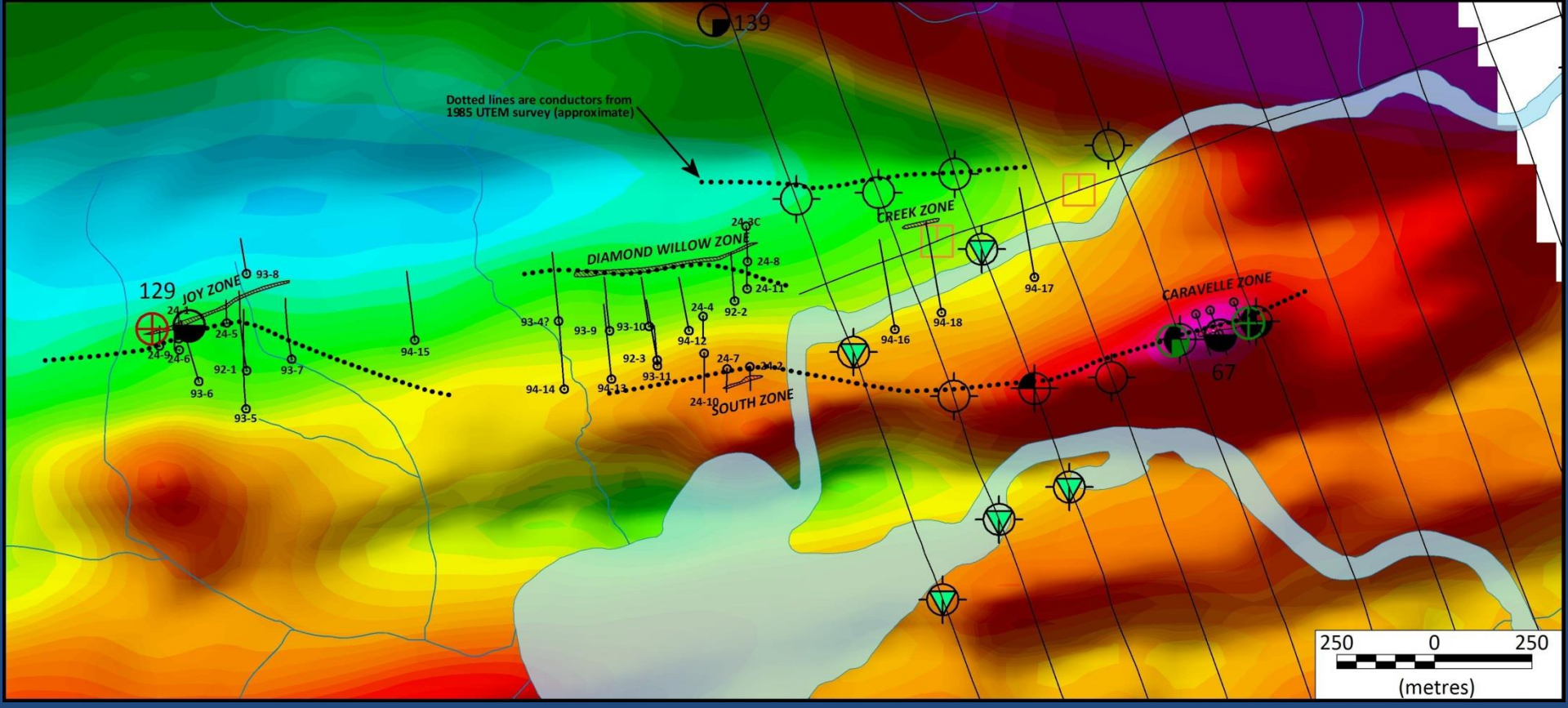
TARGETS T1 AND T2: Untested conductors, good conductivity, direct magnetic association, possible folding and possible cross structures, historic drill holes have reported felsic volcanics with garnet alteration in the vicinity. Yorbeau drill holes (Y- and 70- prefixes) were drilled on conductors located by vertical loop surveys – notoriously inaccurate positioning.



TARGET T3: Untested conductor, good conductivity, possible magnetic association (obscured by the northwest-trending magnetic anomaly assumed to be a mafic intrusion but never confirmed by outcrop or dill hole geology).



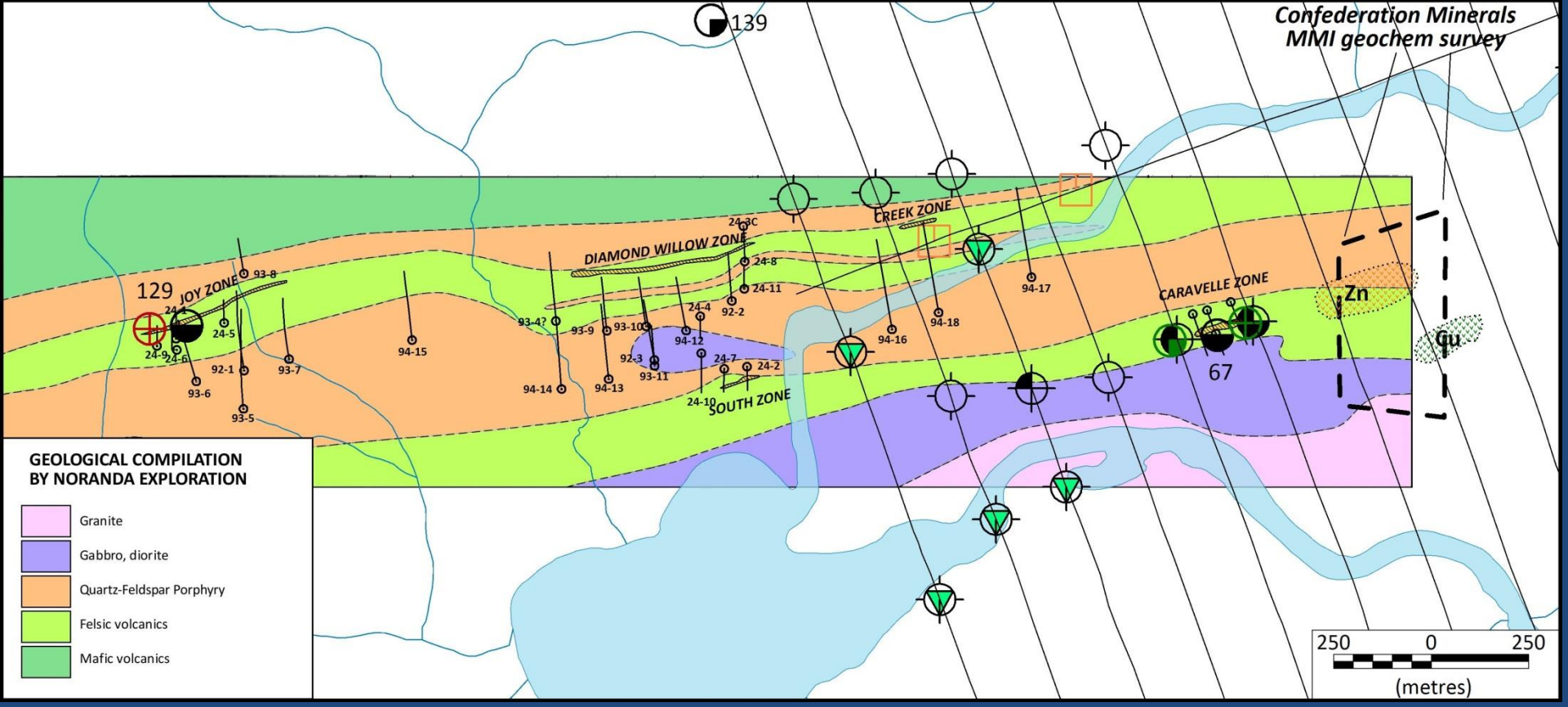
JOY NORTH ANOMALY GEOPHYSICAL COMPILATION: This is a complex target. A cluster of conductors from three different airborne surveys, with strong magnetic association. The anomaly was apparently drill tested by Caravelle Mines hole JW4 in 1970. The drill hole was shallow and possibly passed over the top of the conductor.



JOY – DIAMOND WILLOW – CARAVELLE AREA: GEOPHYSICS

VTEM survey only covers the east part of this area (flight lines are shown). Geotem anomalies are in black with depth estimates. Dighem anomalies are in red/green. Dotted lines are conductors from a 1985 UTEM ground survey.

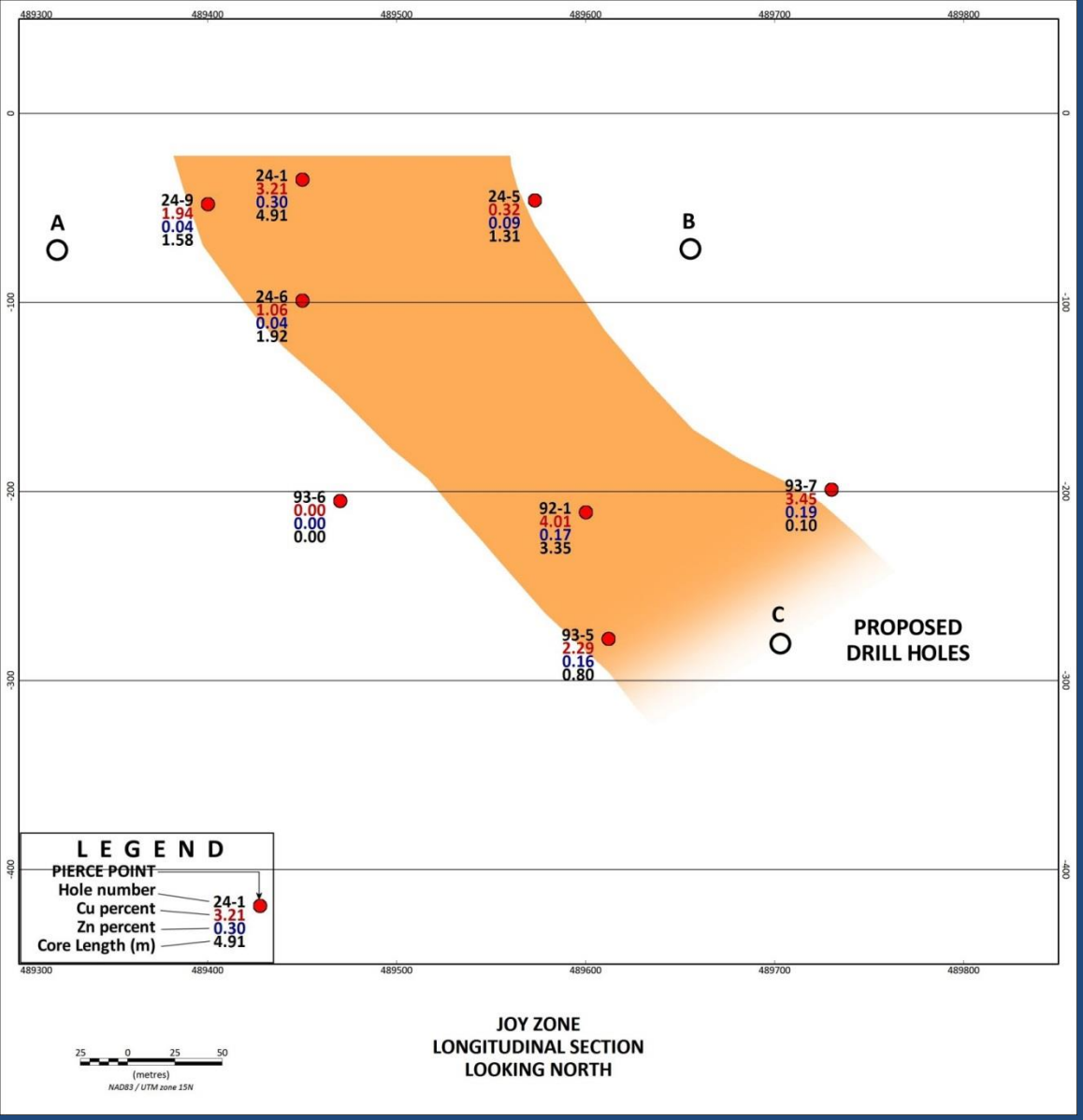
Diamond Willow and Creek zones were apparently discovered by Noranda, drilling UTEM anomalies



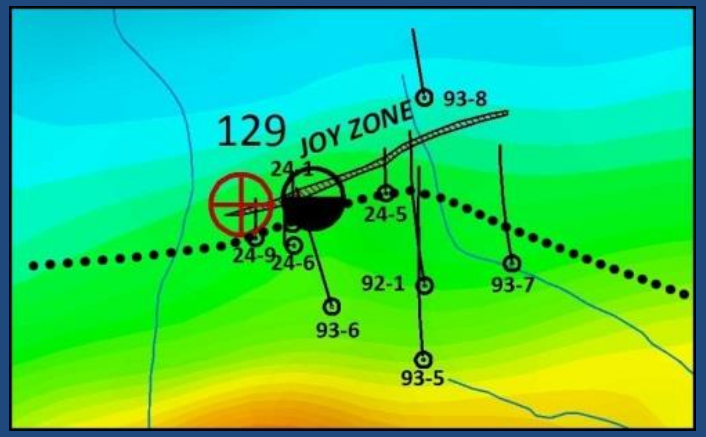
JOY – DIAMOND WILLOW – CARAVELLE AREA: GEOLOGY

Geological compilation by Noranda, using drill hole geology and a few outcrops.

The orange unit is Quartz-feldspar porphyry (QFP), which is associated with VMS mineralization at the South Bay mine and the Arrow Zone Cu-Zn-Ag (with accessory gold). It is an important rock type in this belt for VMS exploration.



DRILL INTERSECTIONS - JOY ZONE			
Hole Number	Cu (percent)	Zn (percent)	Core Length (metres)
24-1	3.21	0.30	4.91
24-5	0.32	0.09	1.31
24-6	1.06	0.04	1.92
92-1	4.01	0.17	3.35
93-5	2.29	0.16	0.80
93-6	0.00	0.00	0.00
93-7	3.45	0.19	0.10
24-9	1.94	0.04	1.58

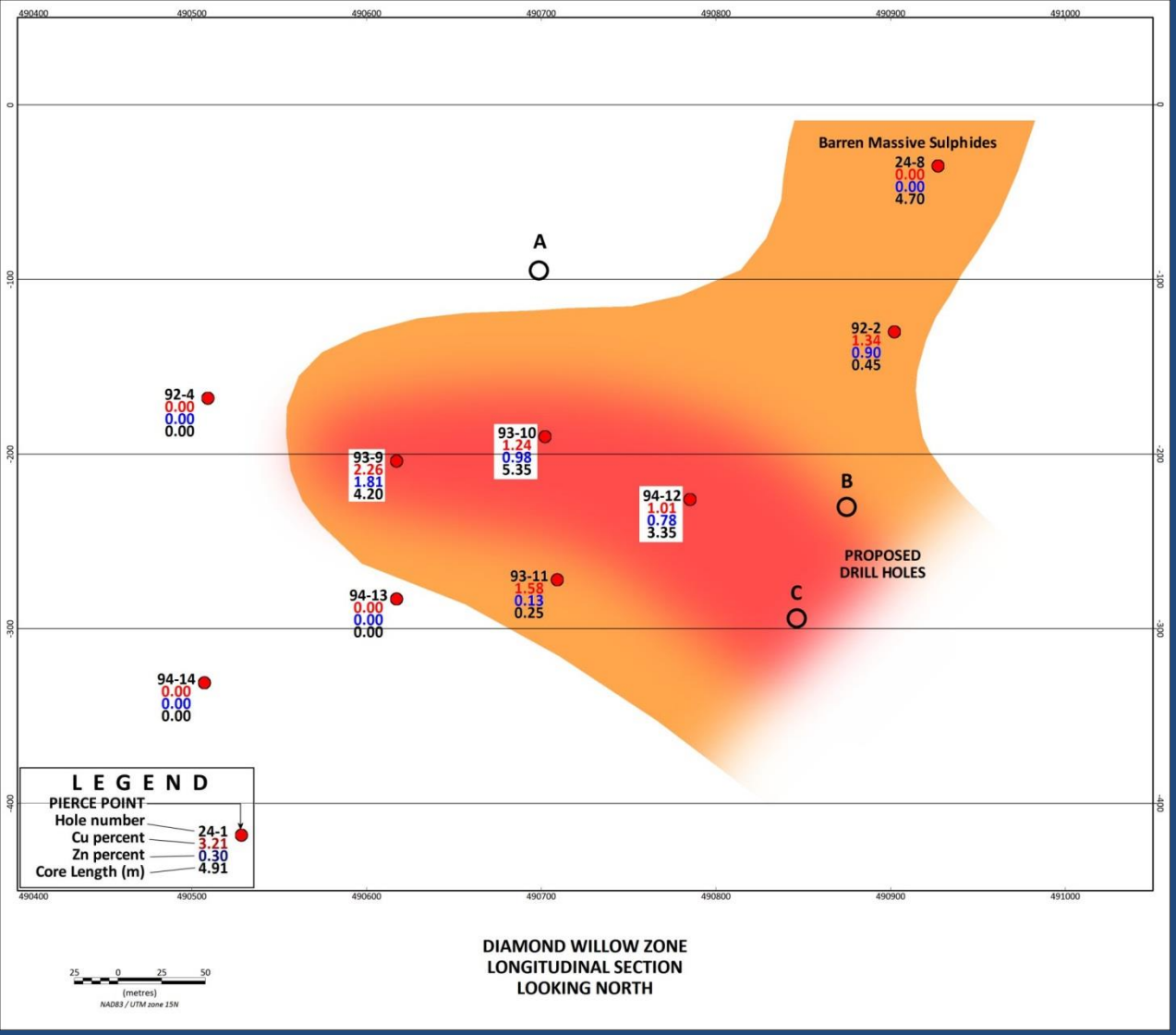


UTEM survey shows conductor extending east and west of the Area tested to date.

JOY ZONE LONGITUDINAL SECTION

The Joy Zone is copper-rich and zinc-poor

<u>Proposed drill holes to test east, west and down-plunge</u>



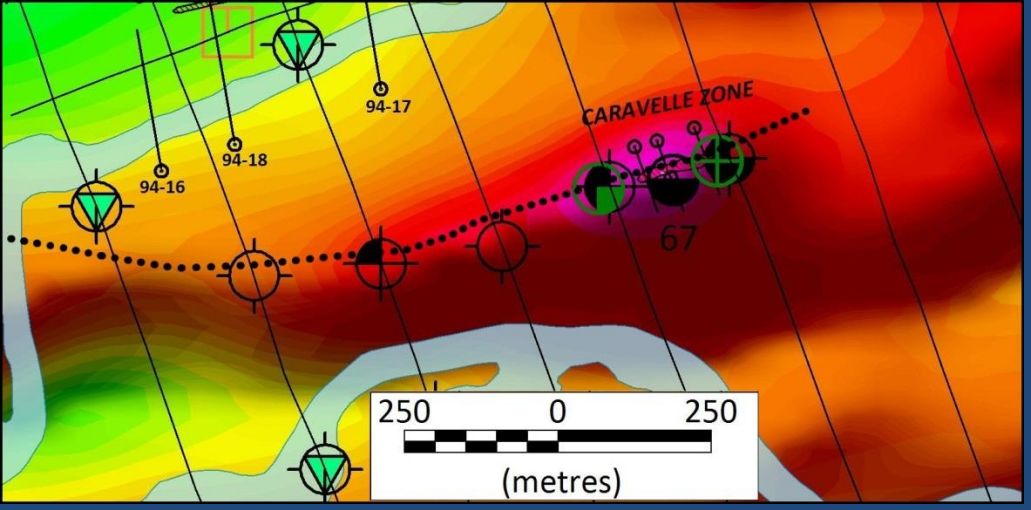
DRILL INTERSECTIONS - DIAMOND WILLOW ZONE			
Hole Number	Cu (percent)	Zn (percent)	Core Length (metres)
24-8	0.00	0.00	0.00
92-2	1.34	0.90	0.45
92-4	0.00	0.00	0.00
93-9	2.26	1.81	4.20
93-10	1.24	0.98	5.35
93-11	1.58	0.13	0.25
94-12	1.01	0.78	3.35
94-13	0.00	0.00	0.00
94-14	0.00	0.00	0.00

Proposed drill holes to test near-surface region above the widest intersections (1 hole) and down the apparent low-angle plunge (2 holes)

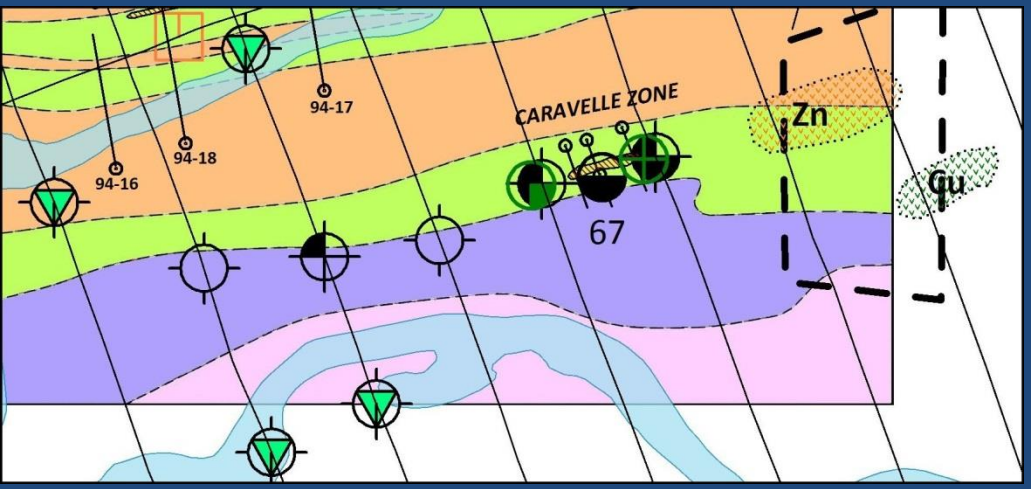
DIAMOND WILLOW ZONE LONGITUDINAL SECTION

The Diamond Willow Zone is copper-dominant but with significant zinc content

CARAVELLE ZONE



VTEM anomalies and UTM conductor suggest the Caravelle Zone may extend at least 600 metres to the west (at depth, similar to the Diamond Willow Zone?).



MMI geochemical survey over a very limited area by Confederation Minerals in 2008 located a zinc anomaly on strike and a copper anomaly to the south. The survey did not extend over the Caravelle Zone, and the 1985 UTEM survey did not extend more than 100 metres east of the zone.

DRILL INTERSECTIONS - CARAVELLE ZONE			
Hole Number	Cu (percent)	Zn (percent)	Core Length (metres)
J2	0.13	21.60	0.25
and	0.22	4.44	1.07
and	0.92	1.01	1.22
J5	0.02	0.92	1.83
J7	0.32	0.10	3.35
J8	0.22	1.10	1.37
and	0.25	0.35	2.59

The Caravelle Zone was only tested by four drill holes to a maximum vertical depth of 95 metres. Does it get thicker and higher grade at depth (similar to the Diamond Willow zone)?

CREEK ZONE

Diamond drill hole 94-18 tested the potential eastern extension of the Diamond Willow Zone (the UTEM survey, which showed a conductive response, was not done until the following year).

Hole 94-18 intersected 1.0 metre of semi-massive sulphides at a vertical depth of 230 metres, averaging 1.37% Cu, 0.16% Zn, 5.8 g/t Ag and 0.98 g/t Au. Including 0.5 metre of 1.8 g/t Au, the highest gold value from the Joy property.

Three test drill holes are proposed for the Creek Zone.

PROPOSED EXPLORATION – JOY CLAIMS

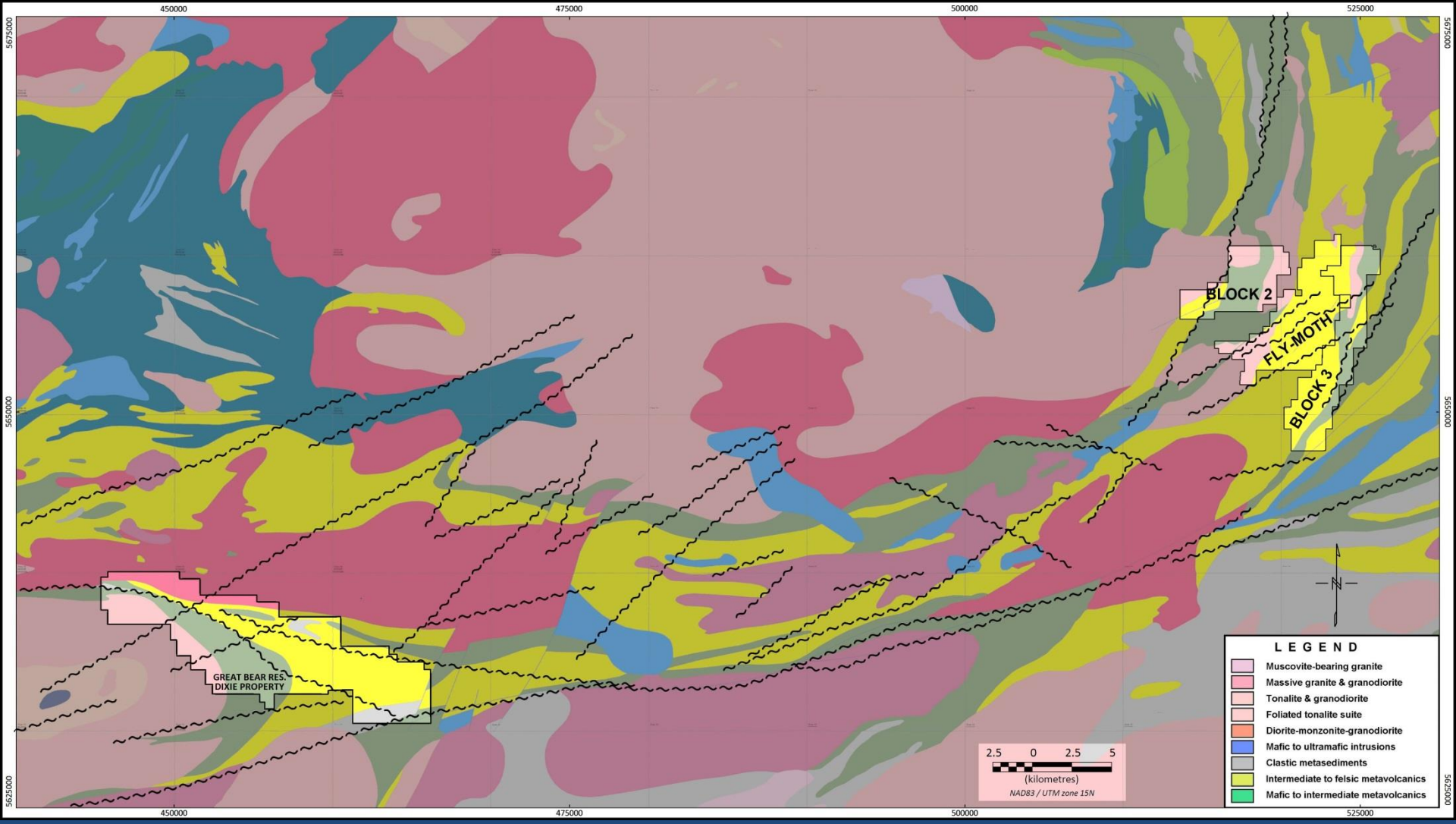
TARGETS T1, T2 AND T3: Model the VTEM data to determine conductor position and orientation.

JOY NORTH ANOMALY: New ground EM and mag survey, test stripping and MMI geochemical survey.

JOY – DIAMOND WILLOW – CARAVELLE AREA: Re-assess the 1985 UTEM survey and possibly re-survey with pulse-type EM, MMI geochemical survey.

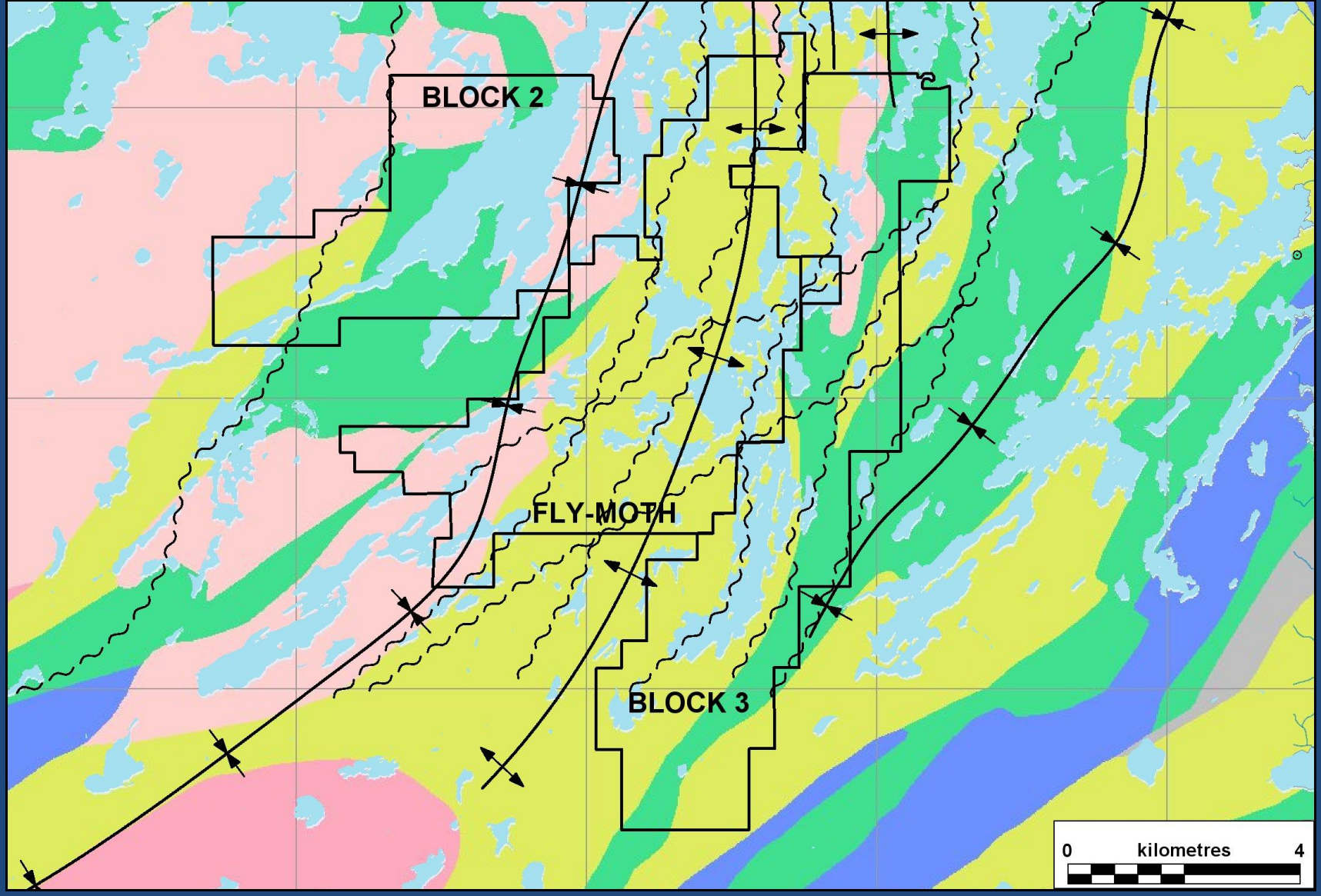
GOLD EXPLORATION: Wide area MMI (or similar) geochemical surveying.

Drilling to follow as required.

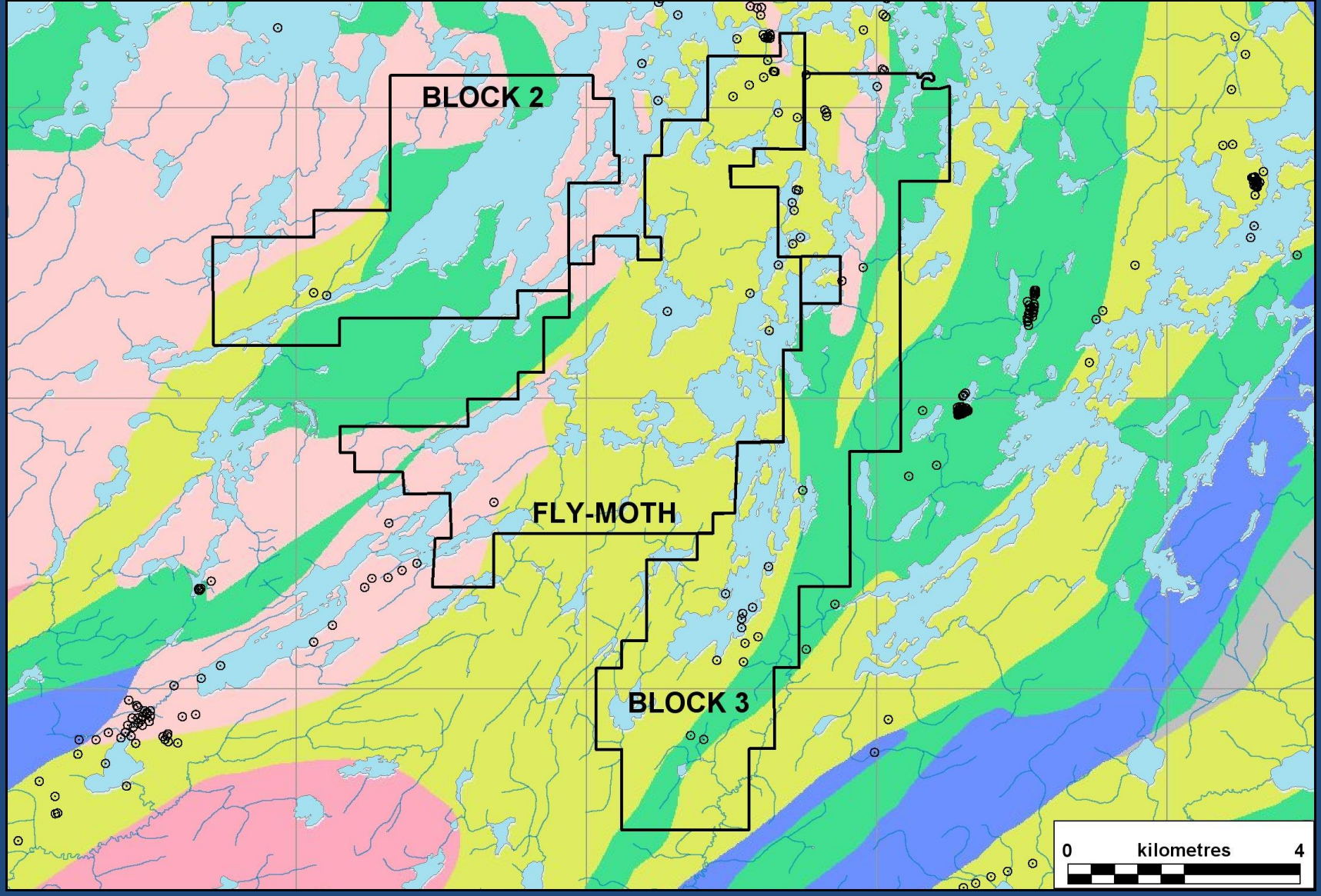


FLY-MOTH CLAIMS AND BLOCKS 2 AND 3

The Fly-Moth claims (3167 hectares), Block 2 (1962 hectares) and Block 3 (3057 hectares) form a contiguous group at the northeast end of the belt.

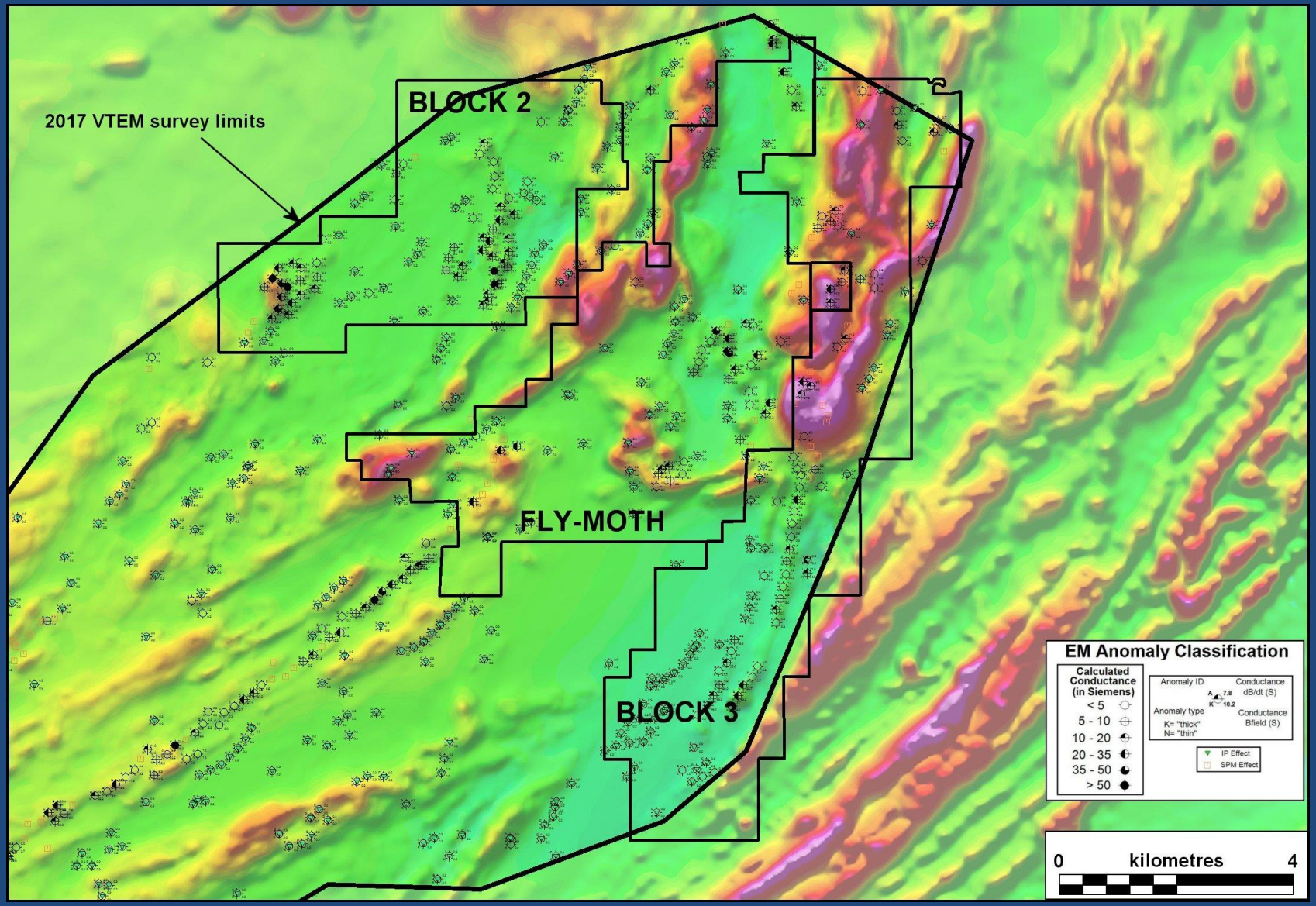


GOO geology with faults and folds interpreted from GSC mapping.

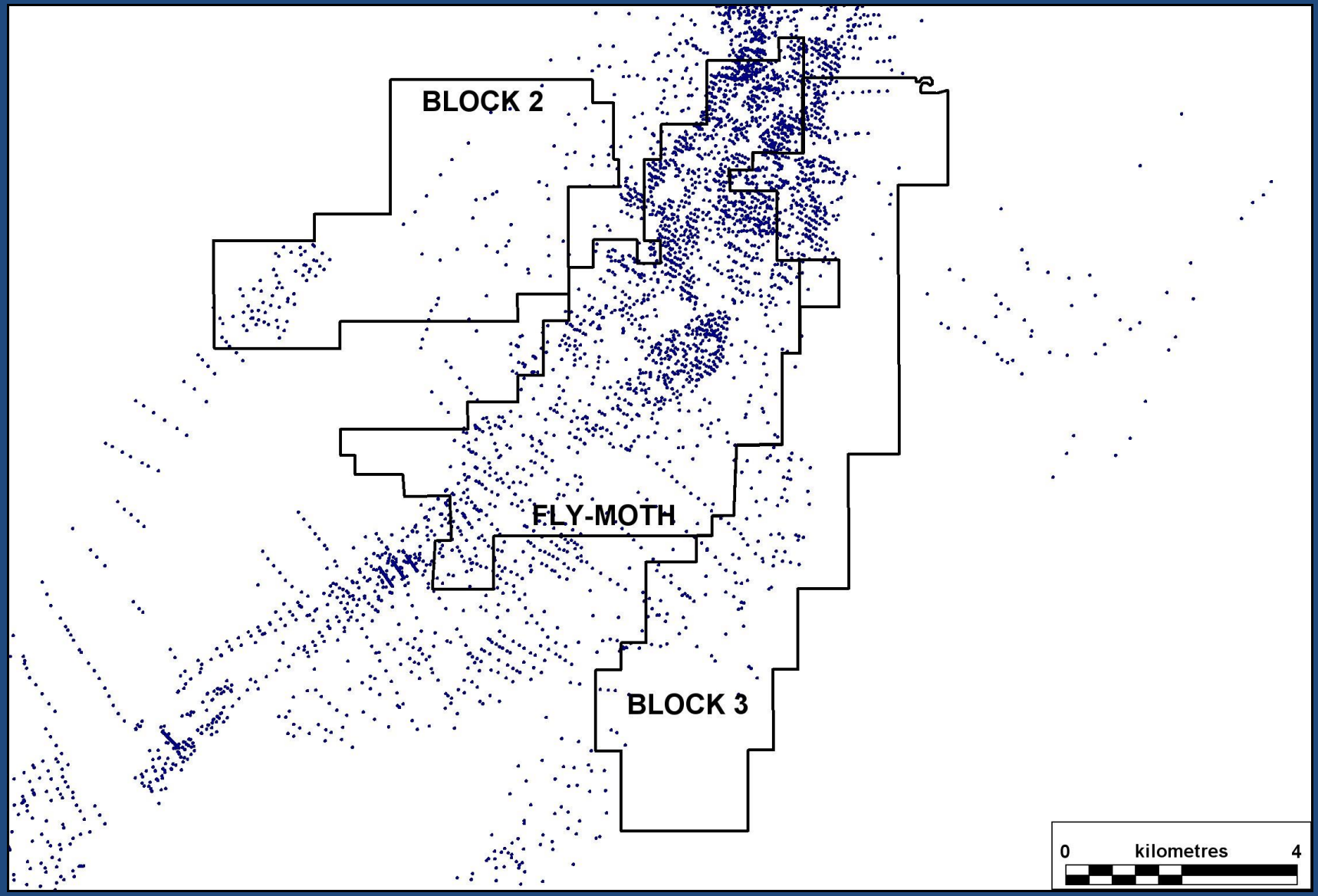


GOO geology and drill hole locations from Ontario database.

Fly-Moth claims were explored by Inmet/Metall with ground EM surveys, mapping, rock sampling and a few drill holes. Block 3 was drill tested by several companies. Block 2 has seen very little historic exploration activity.

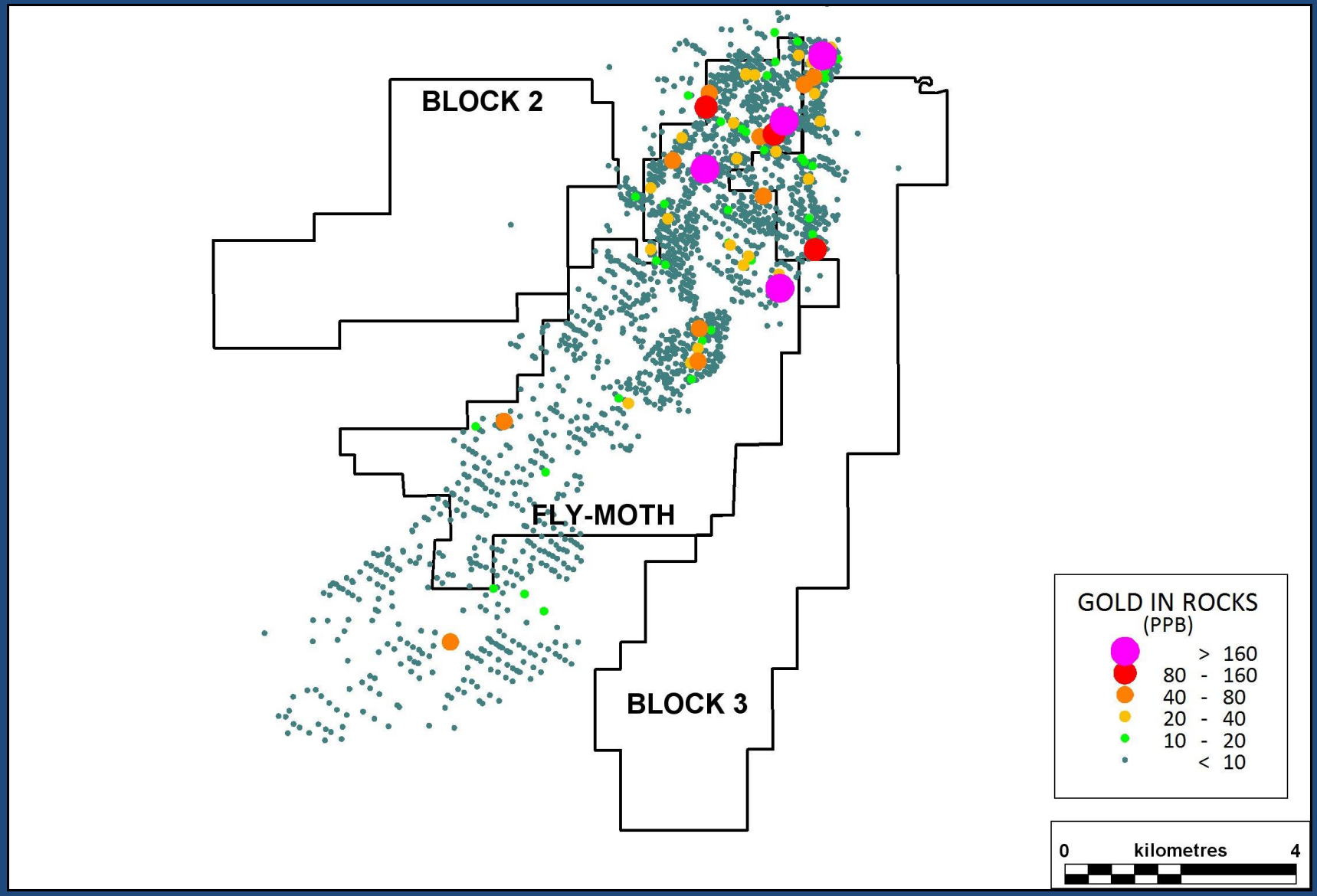


Pistol Bay carried out a VTEM Plus® survey in 2017

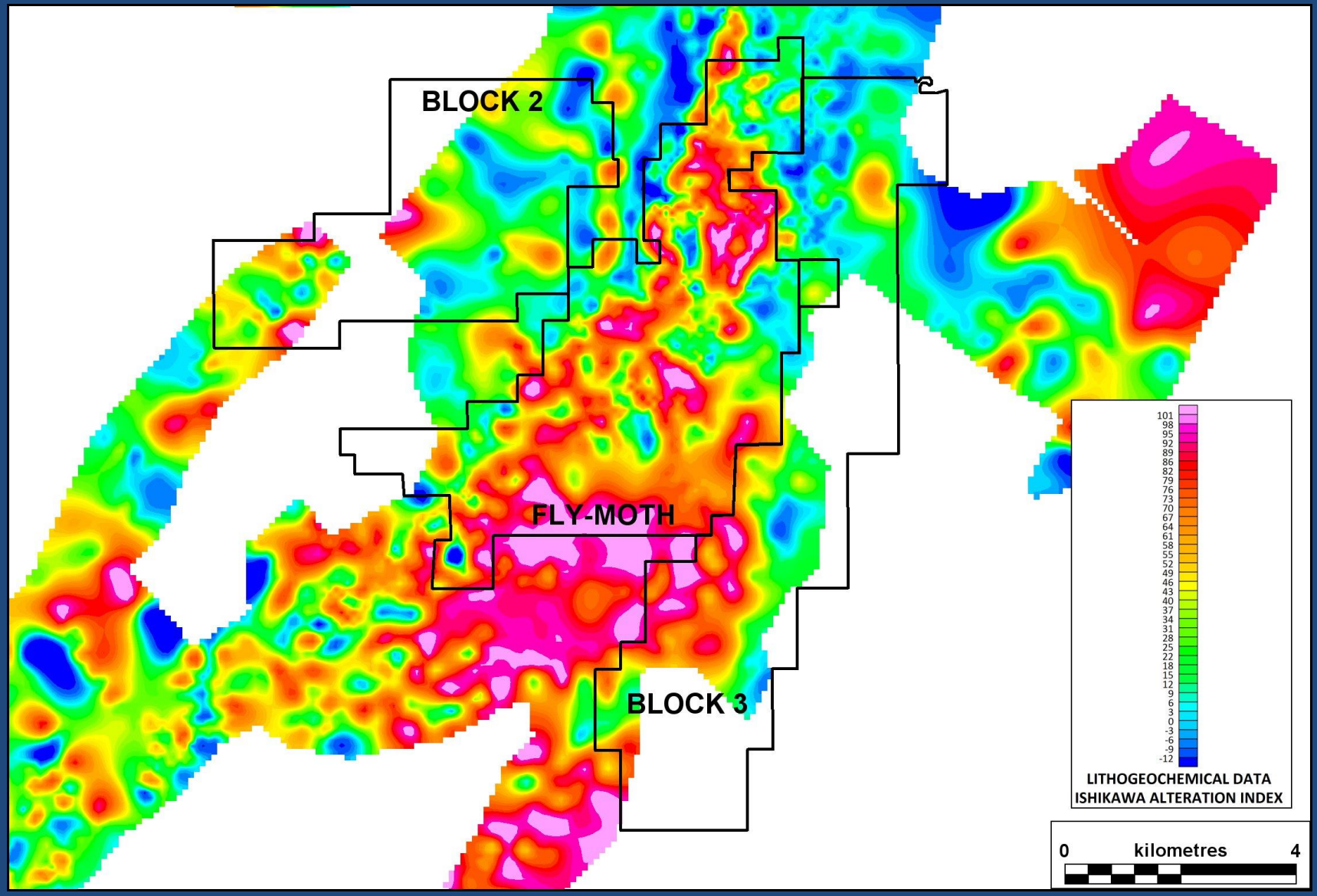


WHOLE ROCK GEOCHEMISTRY

Pistol Bay has inherited a database of more than 7,000 rock samples from outcrops and drill core, analysed for major and trace elements by Noranda and Inmet/Metall Mining. Only the Inmet samples were assayed for gold.

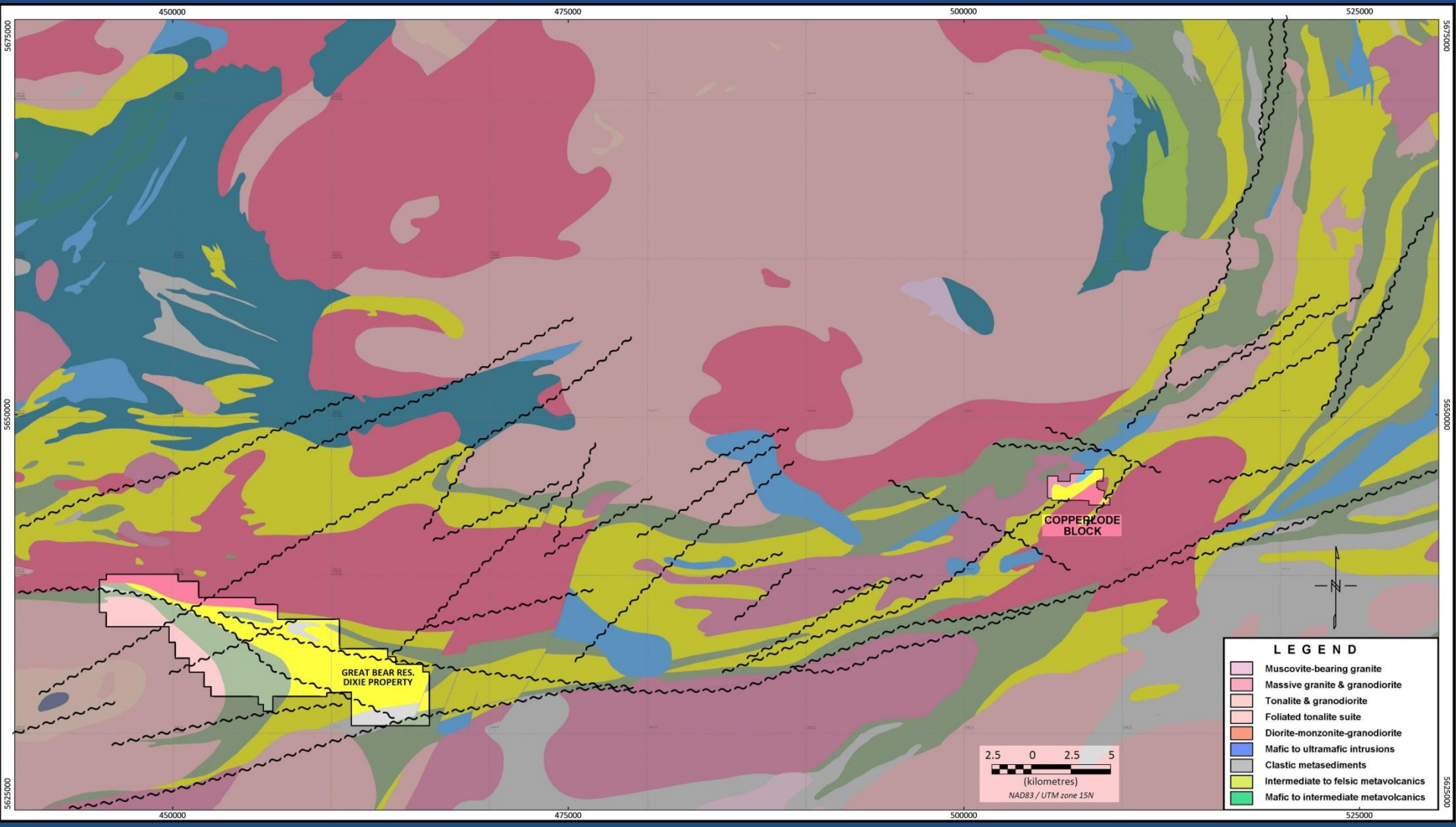


Gold in rock samples (all fire assay)

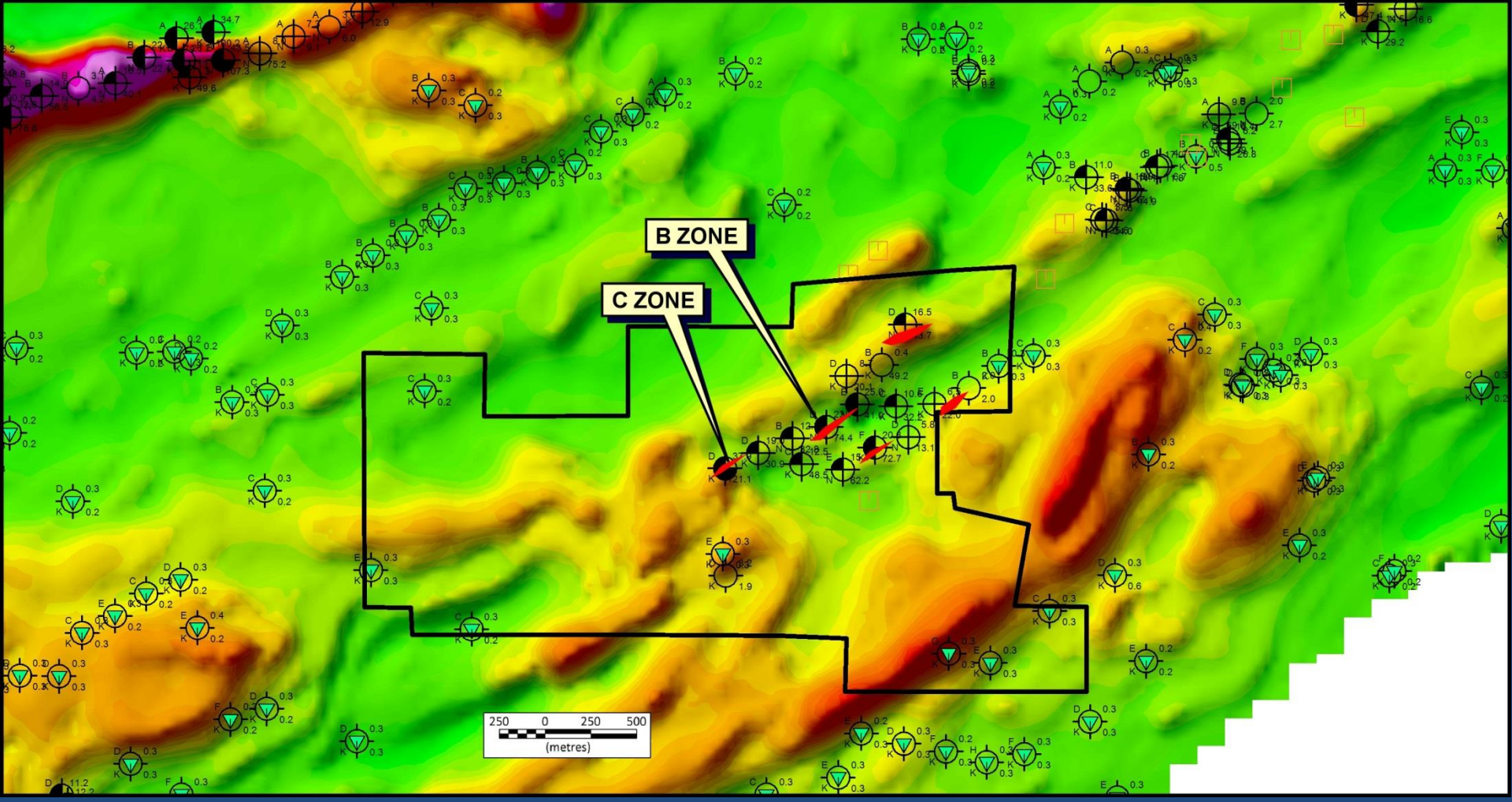


ISHAKAWA ALTERATION INDEX IN ROCK SAMPLES

COPPERLODE CLAIM BLOCK (605 hectares)

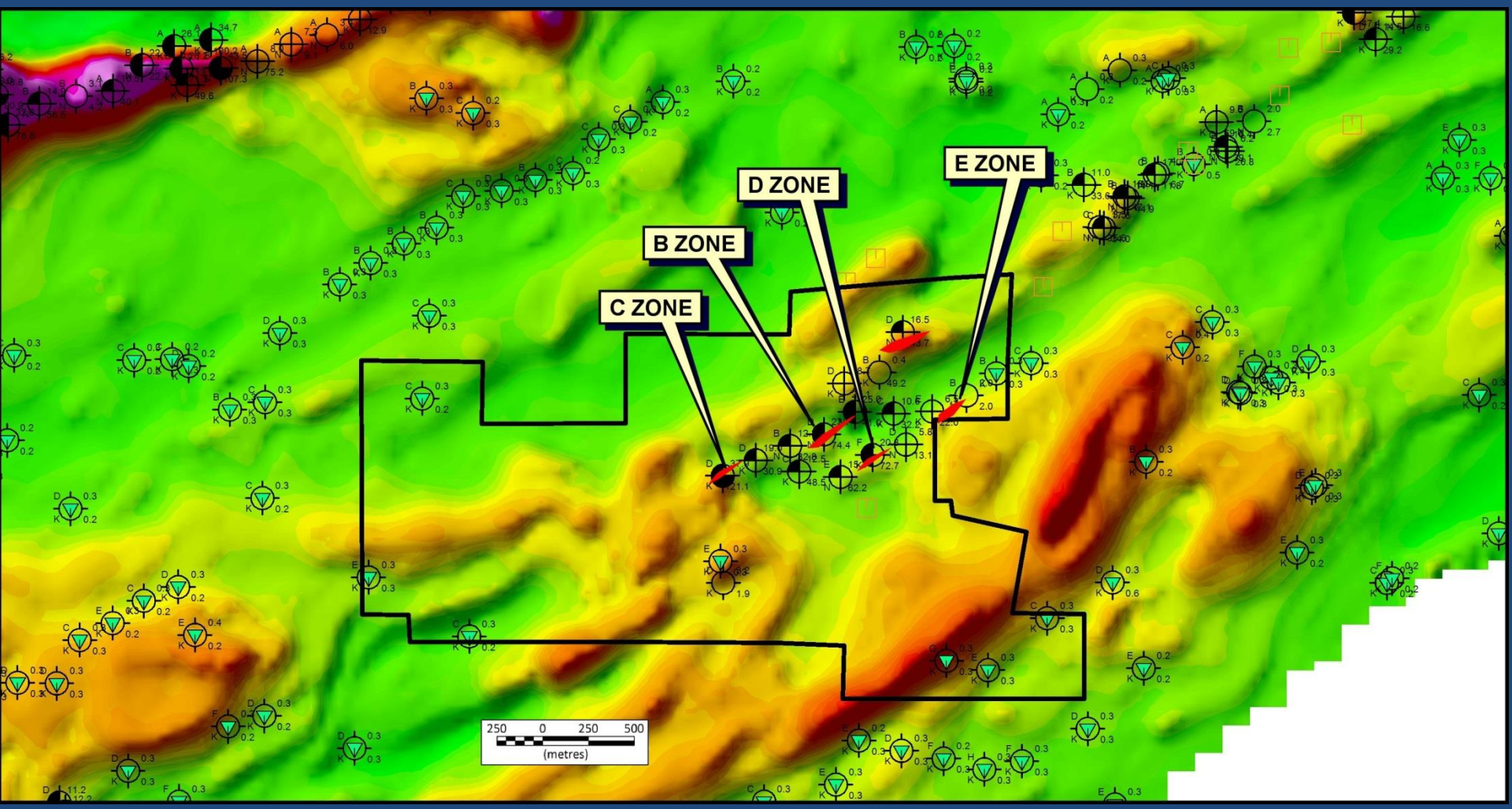


Following the discovery of the Fredart "A" Zone (also known as the Copperlode "A" Zone) Copperlode Mines Ltd. carried on exploration, primarily by ground EM surveys, followed by drilling. This resulted in the discovery of four new zones of VMS mineralization.



"B" Zone: Best drill hole 6.30 metres @ 1.68% Cu, 2.50% Zn

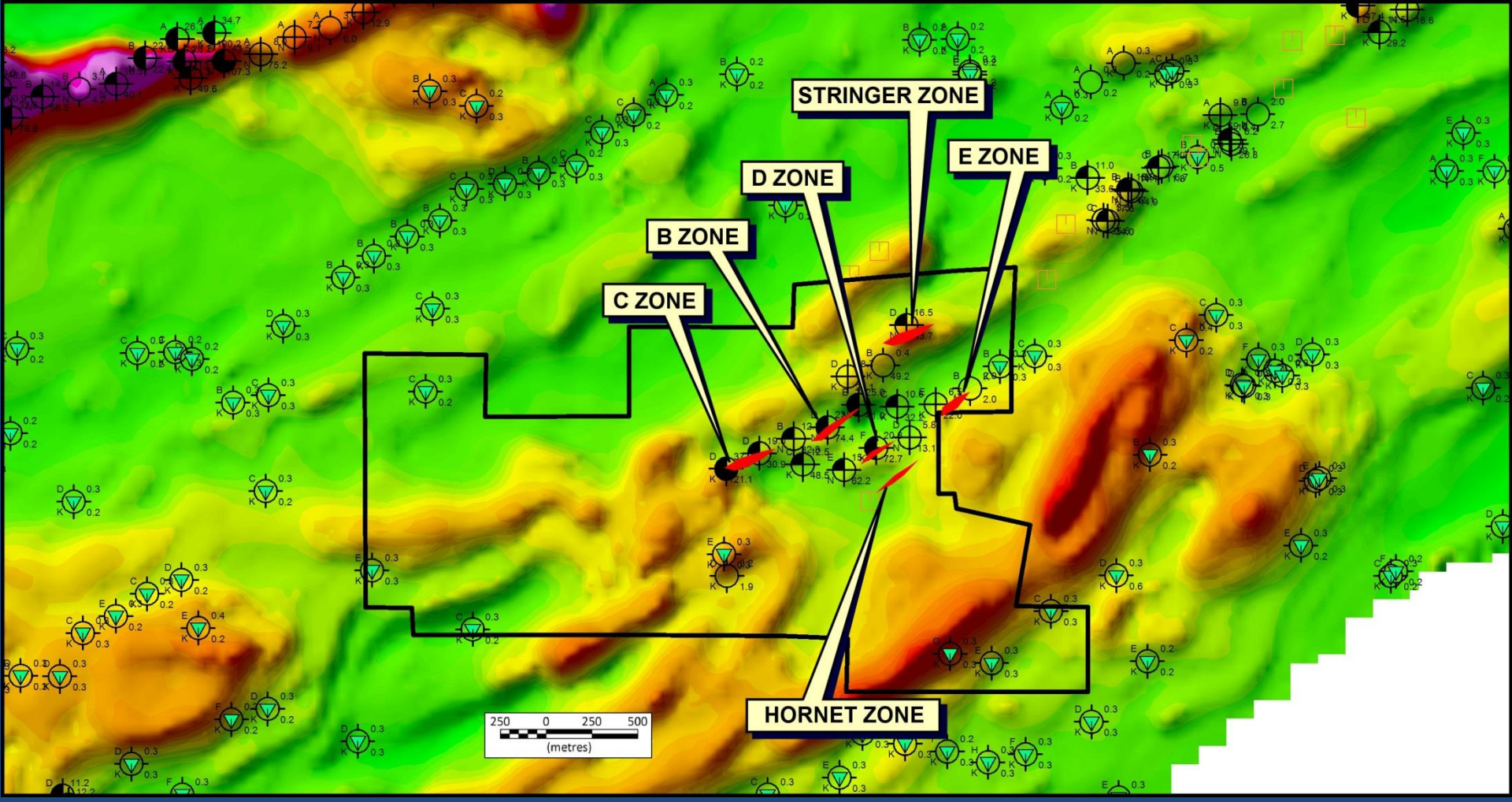
"C" Zone: Best drill hole 1.50 metres @ 6.02% Cu, 0.21% Zn



“D” Zone: 36,000 tonnes @ 0.26% Cu, 7.58% Zn

“E” Zone: 160,000 tonnes @ 1.02% Cu, 8.28% Zn, 24 g/t Ag

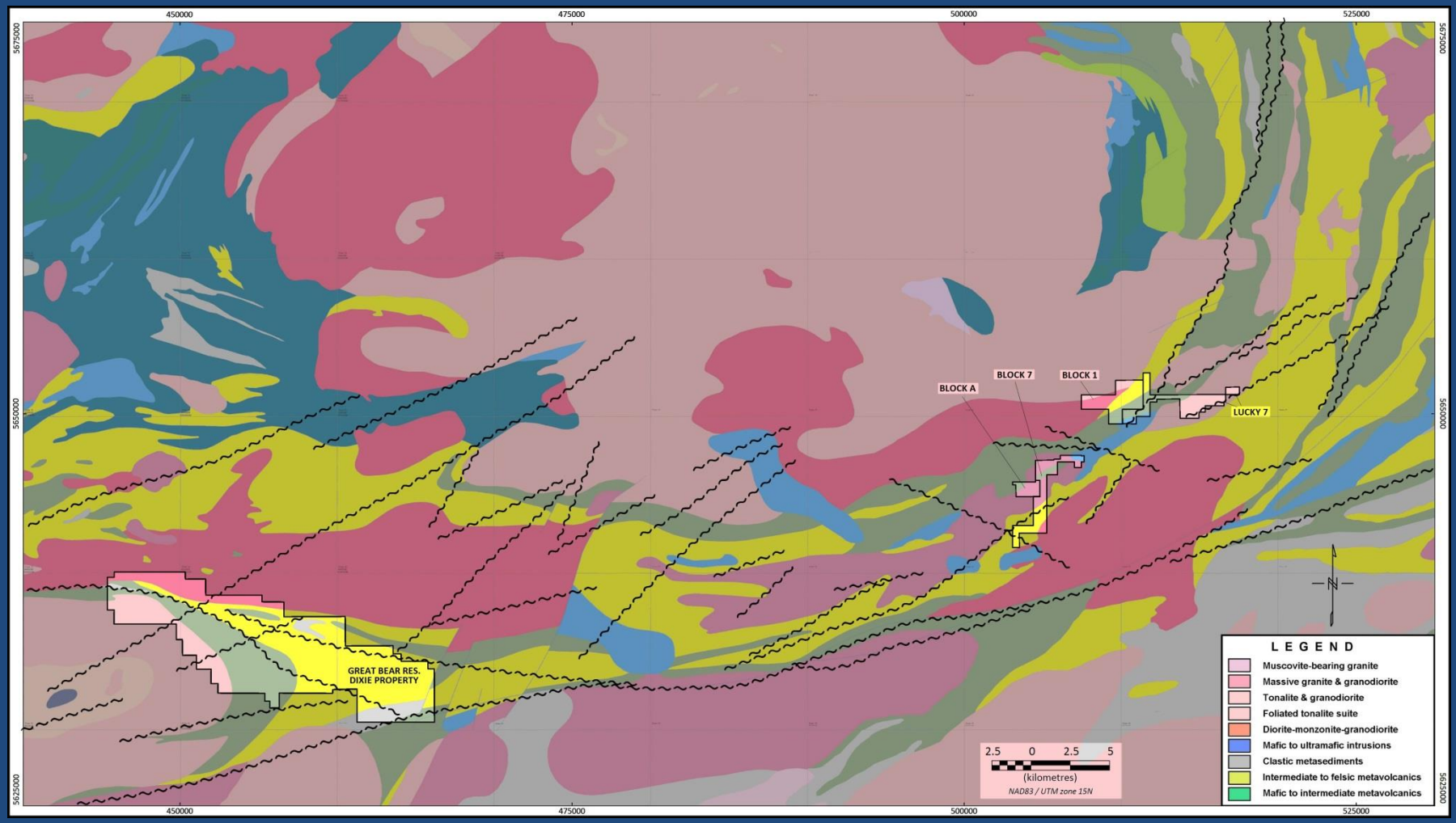
(Historical resources, not 43-101 compliant)



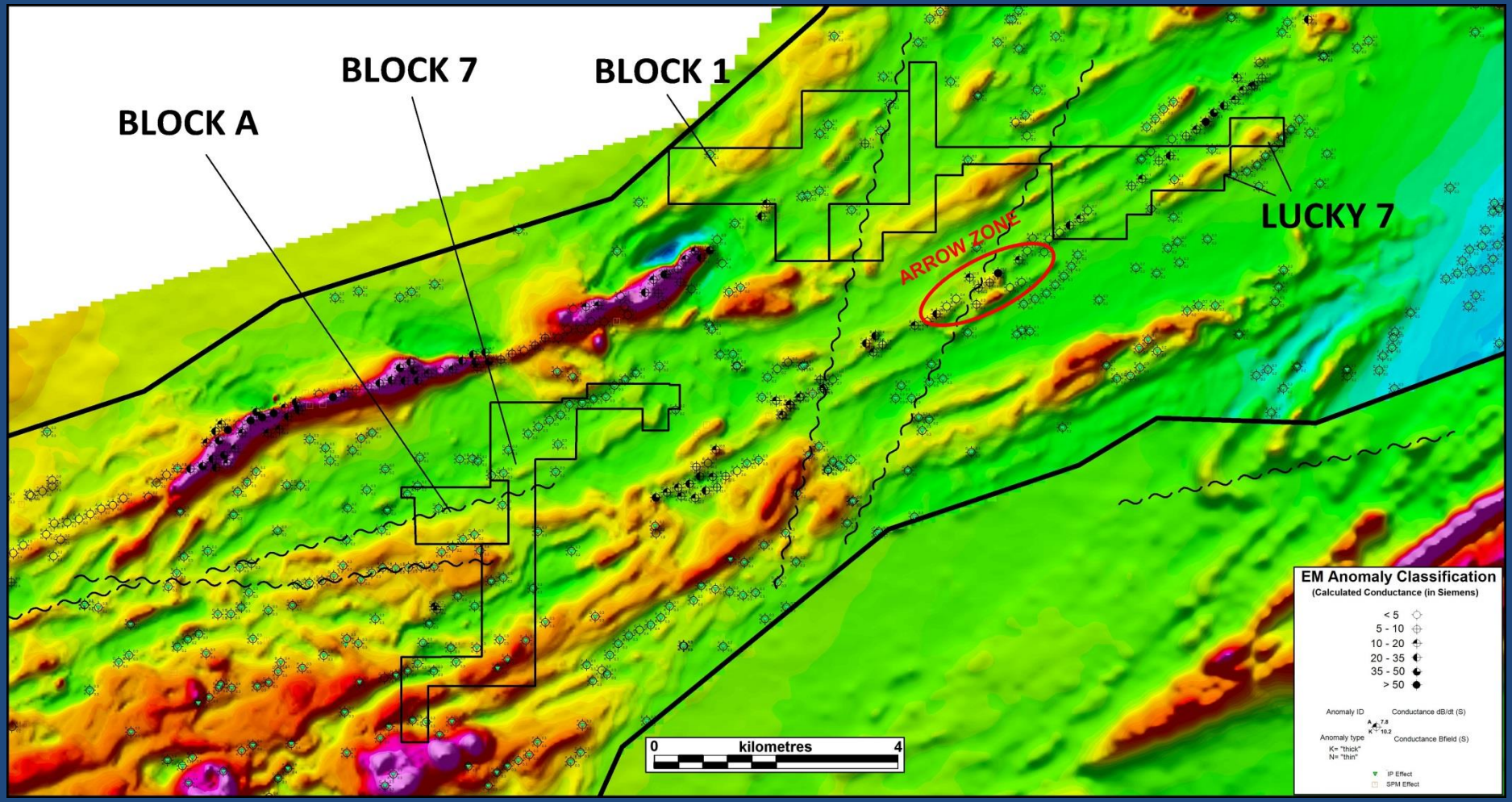
Exploration by Noranda 1997-1999: Hornet Zone discovered by drilling a DEEPEM® anomaly – the top of the conductor is 300 metres below surface. Two drill holes: 5.0 metres @ 1.13% Cu, 4.07% Zn - and - 6.6 metres @ 0.08% Cu, 7.56% Zn Hornet Zone is open at depth.

Stringer Zone: 7.0 metres of massive sulphide with anomalous Cu and Zn

BLOCKS 1, 7 AND "A" AND LUCKY 7



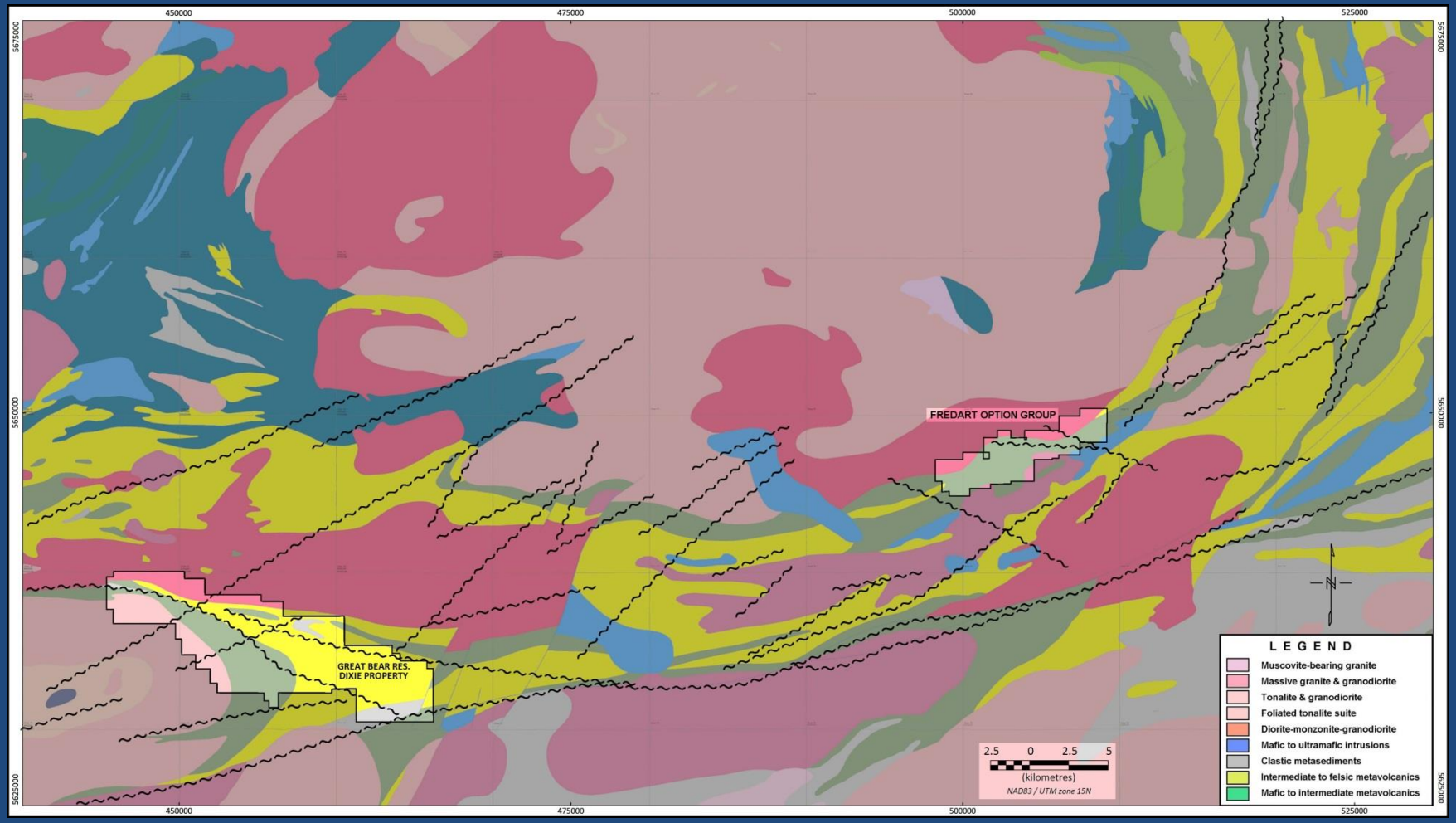
Block 1 (607 hectares), Block 7 (592 hectares), Block "A" (149 hectares) and the Lucky 7 block (649 hectares) are in the central part of the Confederation Lake greenstone belt.



VTEM Plus® Survey

The Lucky 7 group has conductors that are on strike with the Arrow Zone.
Other VTEM Plus® anomalies in the area are "IP Effect" anomalies.

FREDART CLAIM GROUP



On February 03, 2020, the Company entered into an option agreement with Infinite Ore Corp. under which Infinite Ore Corp. can acquire an 80% interest in the 2662-hectare Fredart Lake property. As per the terms of the agreement, the Company will transfer 80% interest in the Fredart lake property following total cash receipts of $150,000, receipt of a total 2,500,000 fully assessed common shares of Infinite Ore Corp. and Infinite Ore Corp. will incur $1,000,000 in exploration expenditures over a thirty six month period.

FREDART (COPPERLODE) "A" ZONE

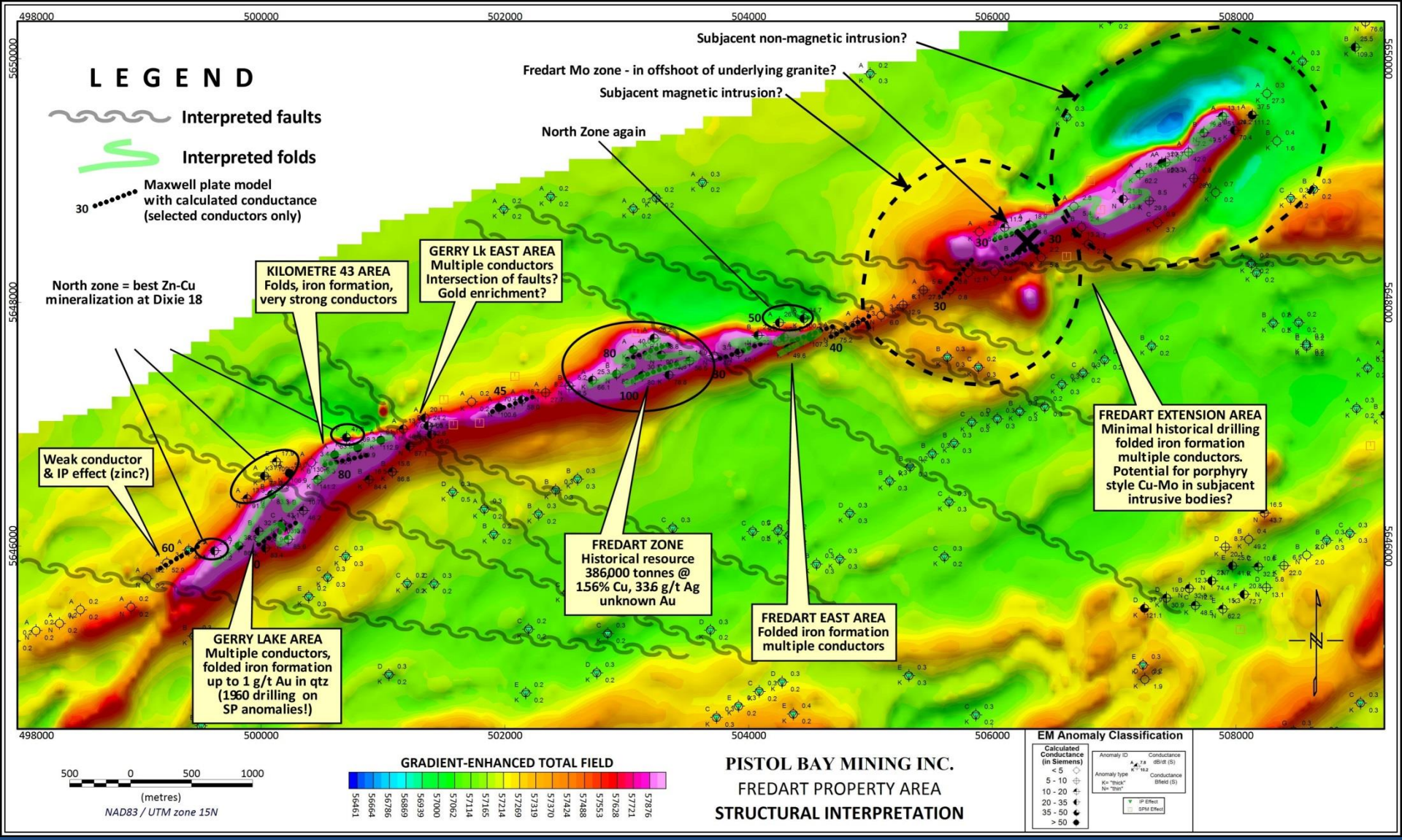
The Fredart "A" Zone, also known as the Copperlode "A" Zone was drilled in the 1960s and to a lesser extent in the 1970s. It is in a mafic-dominated part of the belt, hence carries copper with negligible zinc content. **Only the first four holes were assayed for gold, but they did return low gold values , with individual assays up to 3.3 g/t Au**.

The Zone has a historical resource of **386,200 tonnes of 1.56% Cu and 33.6 g/t Ag**, or alternatively **214,500 tonnes of 1.94% Cu and 41.8 g/t Ag**.

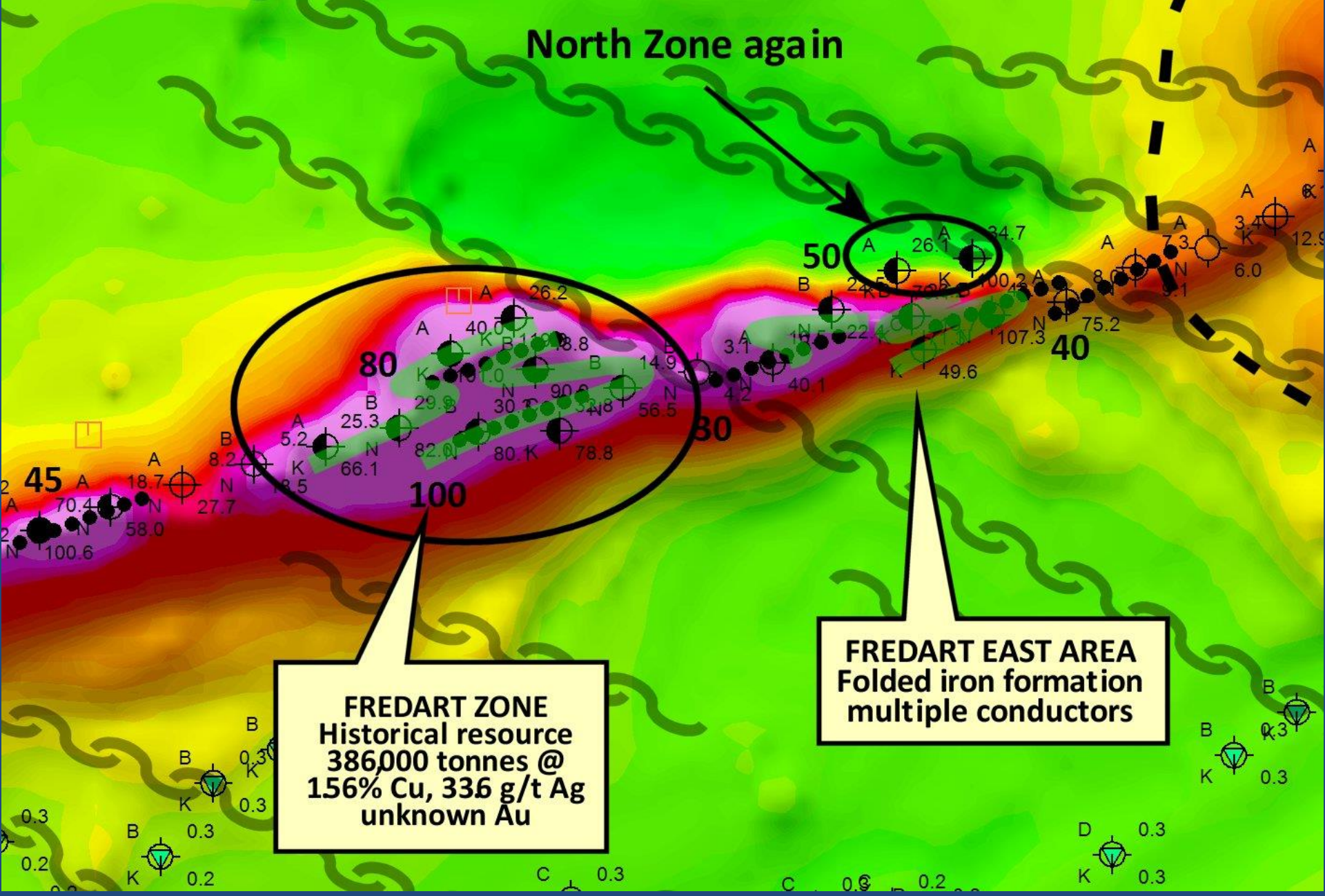
The zone has been traced to a depth of 250 metres and is open below that level.

East of the Fredart "A" zone is an occurrence of molybdenite in a small plug of granite.

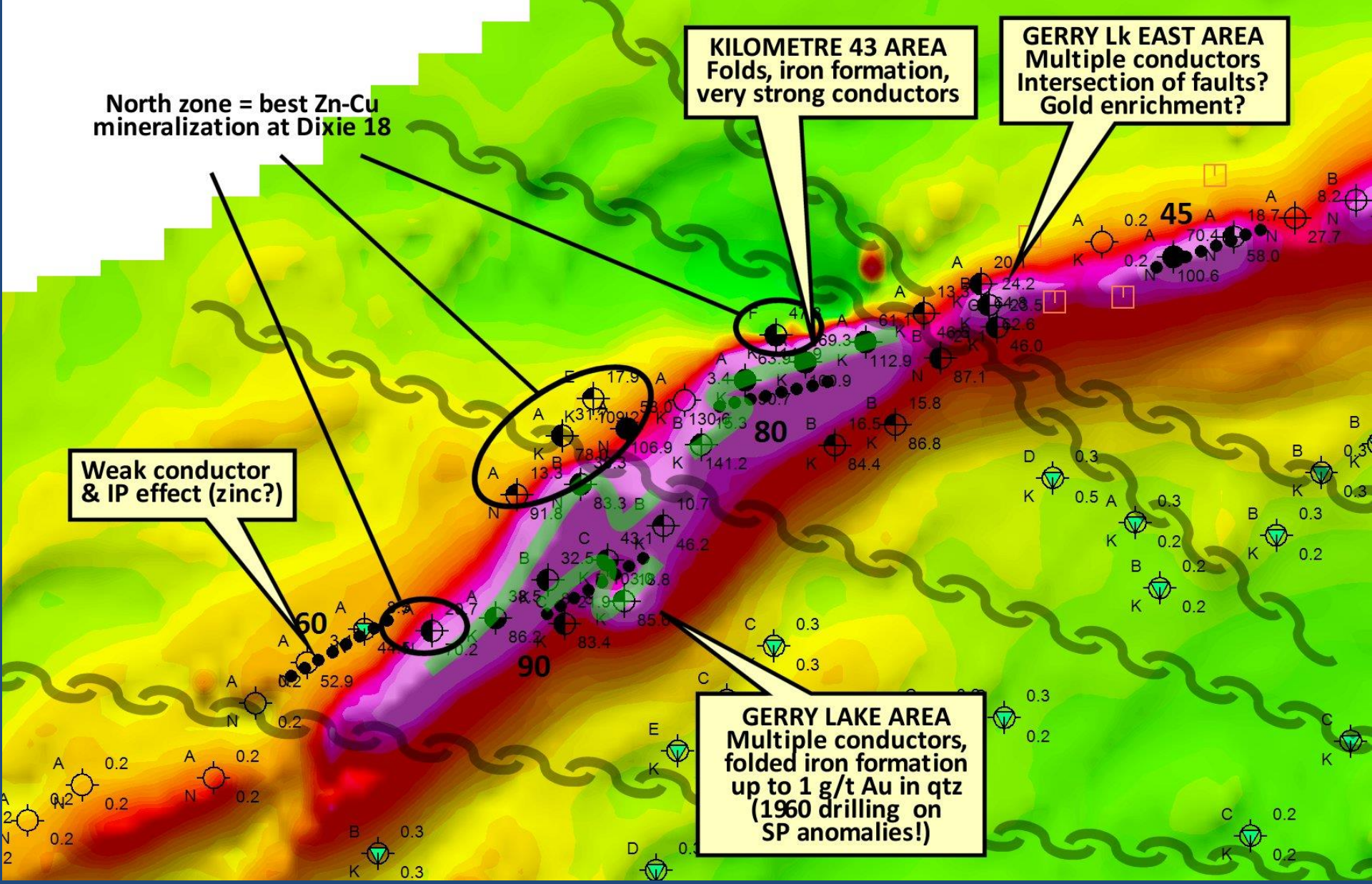
The following maps give some ideas about exploration potential in the Fredart area.



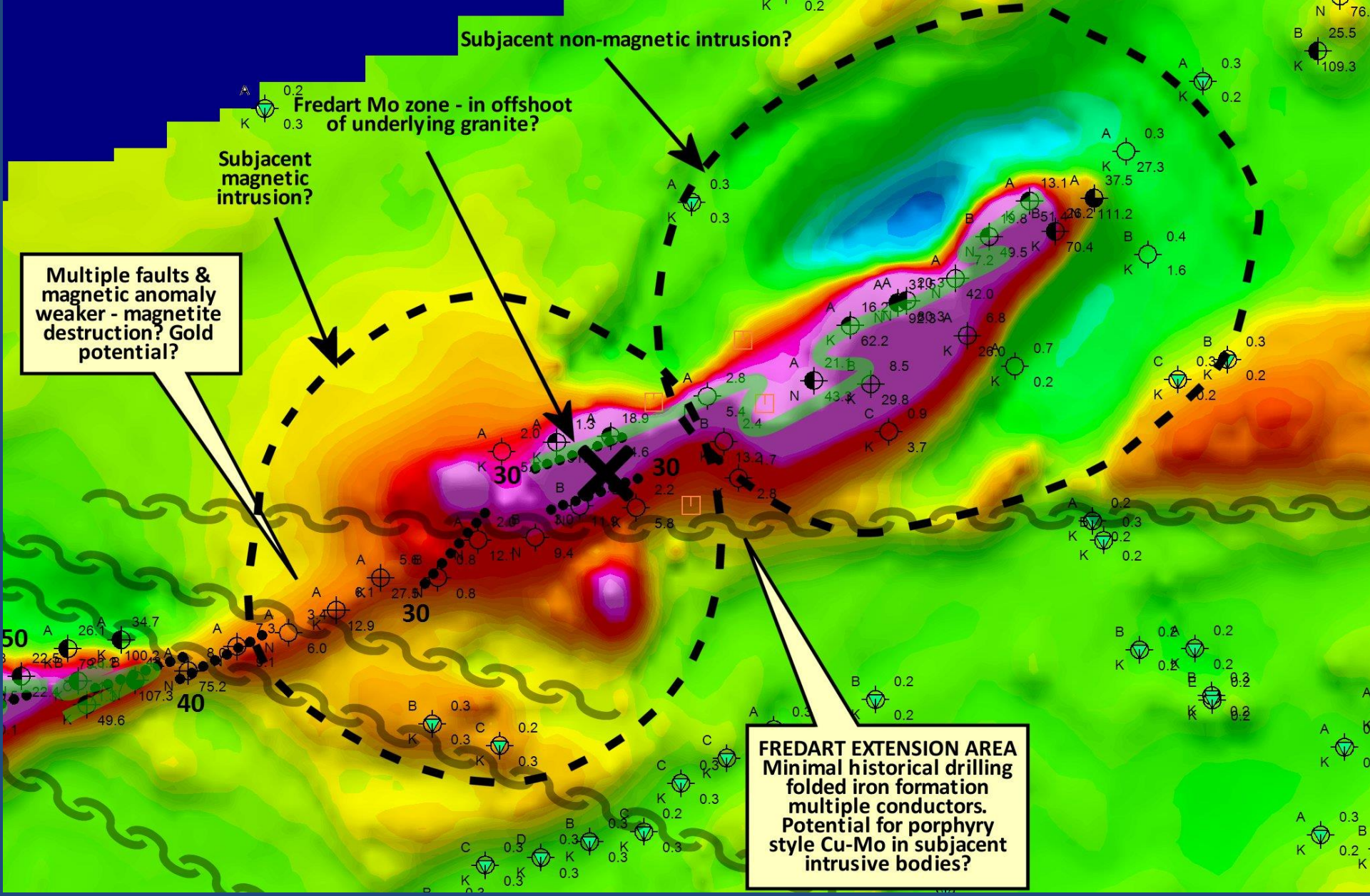
STRUCTURAL INTERPRETATION



FREDART "A" ZONE AND TARGETS TO THE EAST

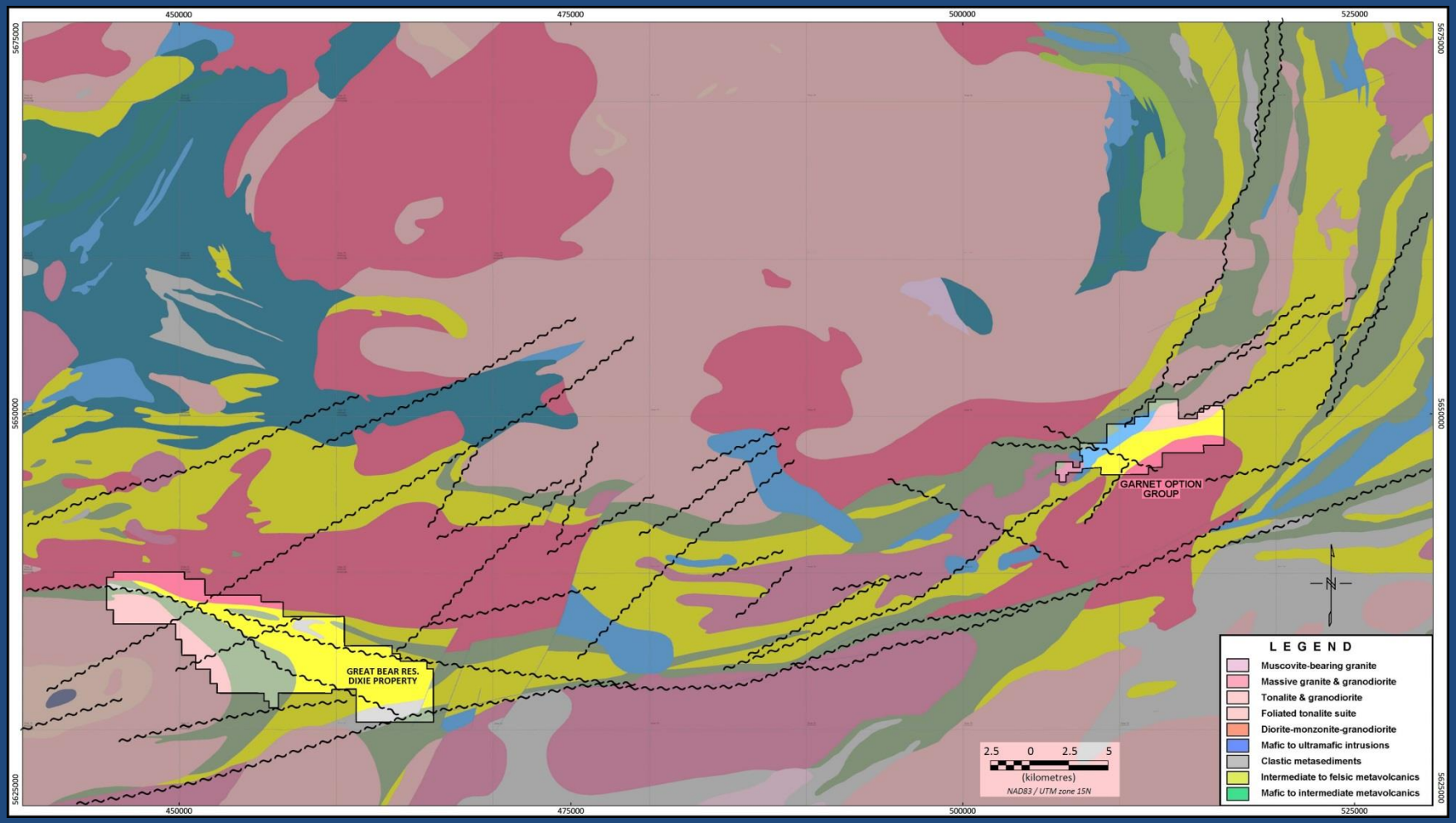


FREDART WEST AND GERRY LAKE AREA

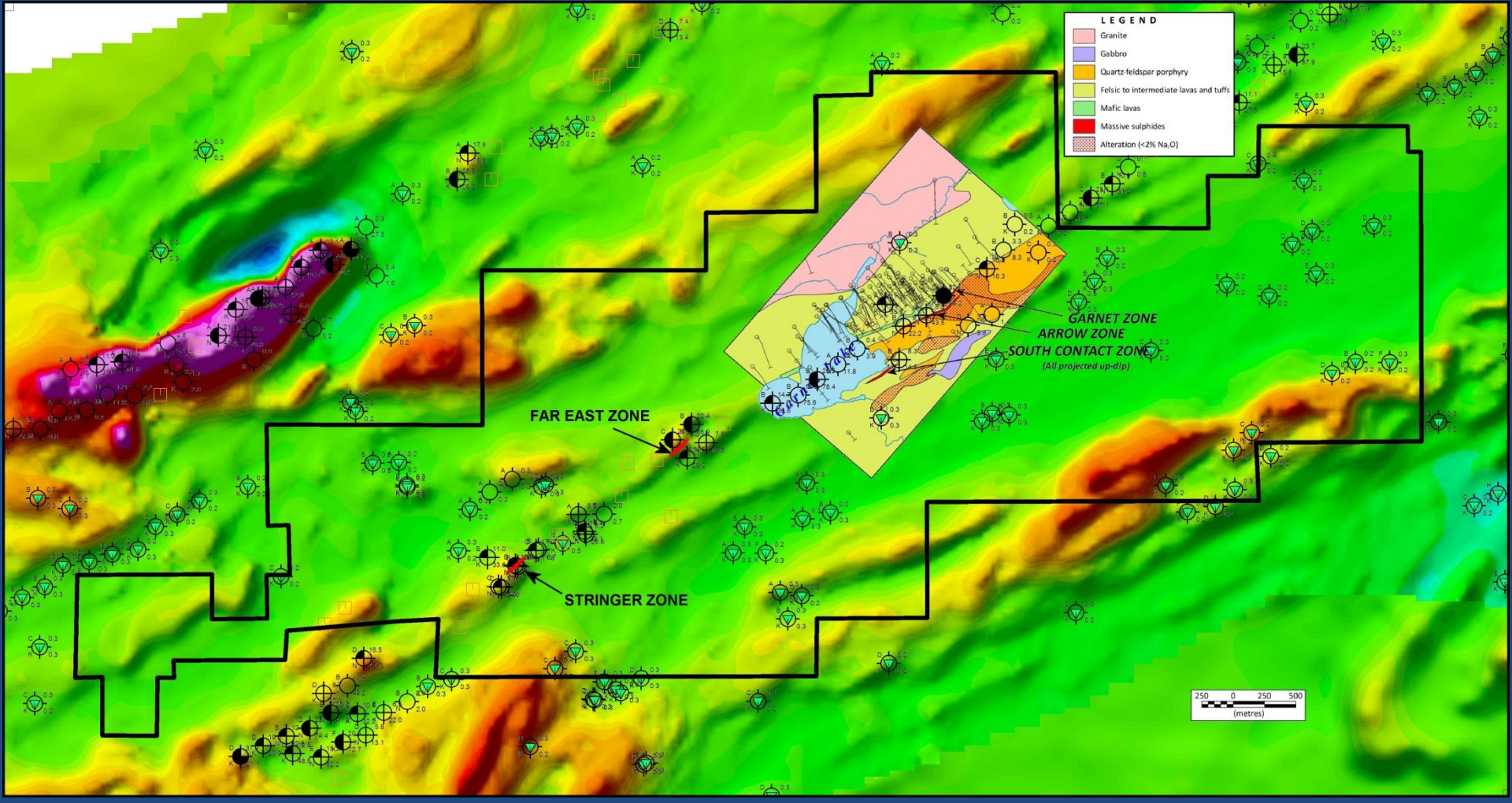


FREDART EAST EXTENSION POTENTIAL FOR GOLD AND MOLY AS WELL AS COPPER

GARNET OPTION GROUP



On February 03, 2020, the Company entered into an option agreement with Infinite Ore Corp. under which Infinite Ore Corp. can acquire an 80% interest in the 2735-hectare Garnet Lake property. As per the terms of the agreement, the Company will transfer an 80% interest in the Garnet property following total cash receipts of $300,000, receipt of a total of 4,000,000 fully assessed common shares of Infinite Ore Corp. and Infinite Ore Corp. to incur $1,500,000 in exploration expenditures over a thirty six month period

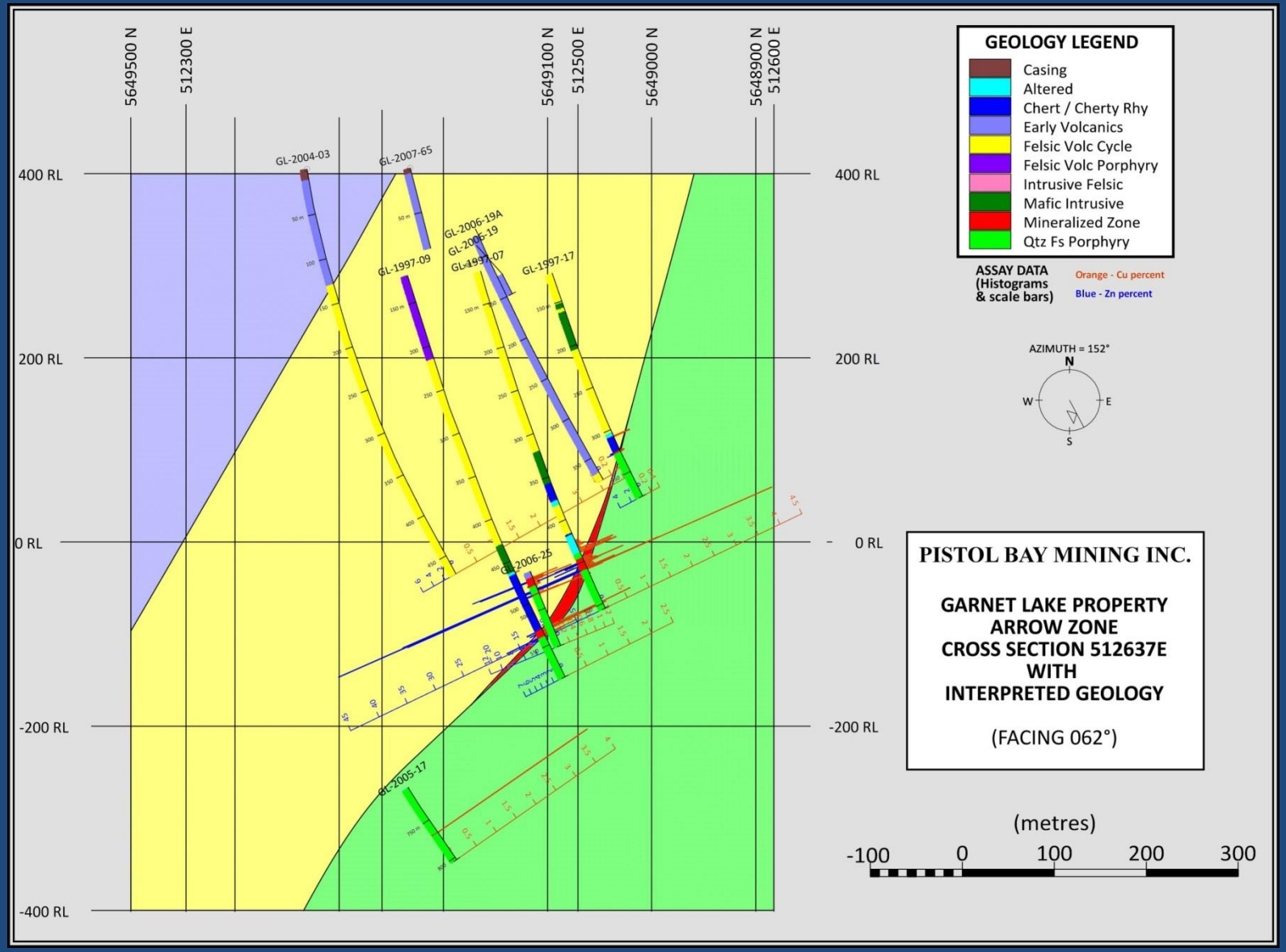


GARNET AREA DETAILS

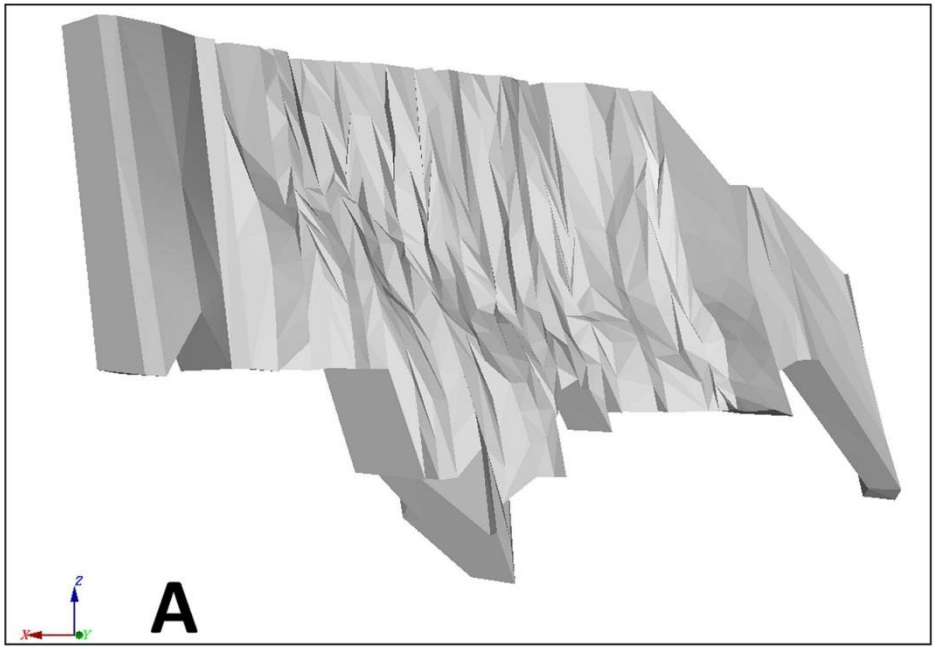
Garnet Zone discovered by Selco in 1967 – strong conductor – shallow zone - best drill hole 4.0 metres @ 3.33% Zn, 0.14% Cu. Arrow Zone discovered by Noranda in 1997 by drilling a DEEPEM® anomaly. The top of the Arrow Zone is 250 metres below surface.

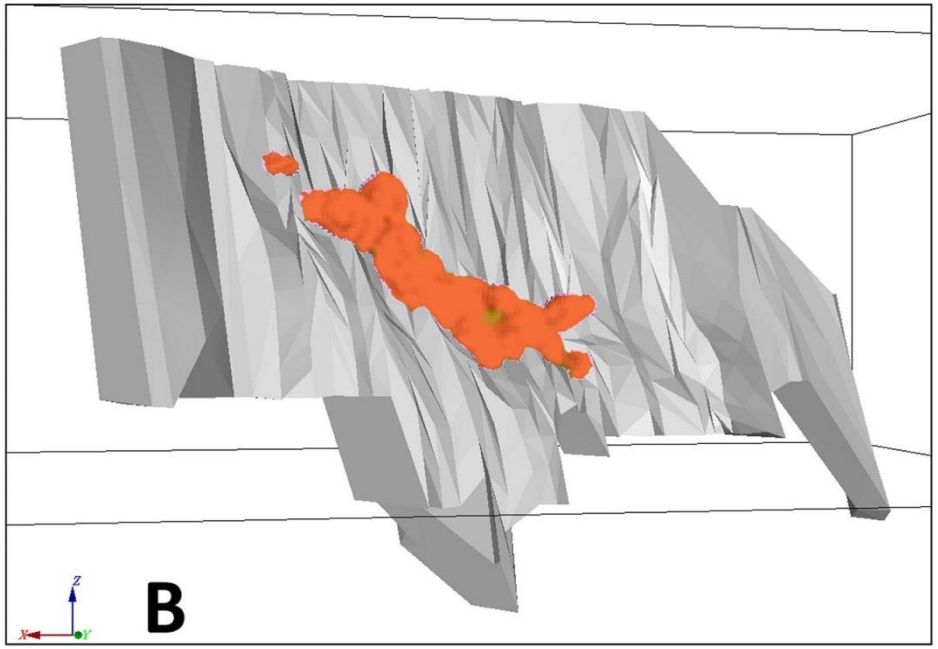
ARROW ZONE

The Arrow Zone is a zinc-dominated VMS deposit.
Inferred Resource (43-101 compliant, 2017):
2,100,000 tonnes @ 5.78% Zn, 0.72% Cu, 0.60 g/t Au, 19.5 g/t Ag



The Arrow Zone is a VMS deposit. It sits in a depression on the upper (north) surface of a large body of quartz-feldspar porphyry (QFP – green on this cross section), overlain by a felsic unit (yellow), then mafic flows (purple)





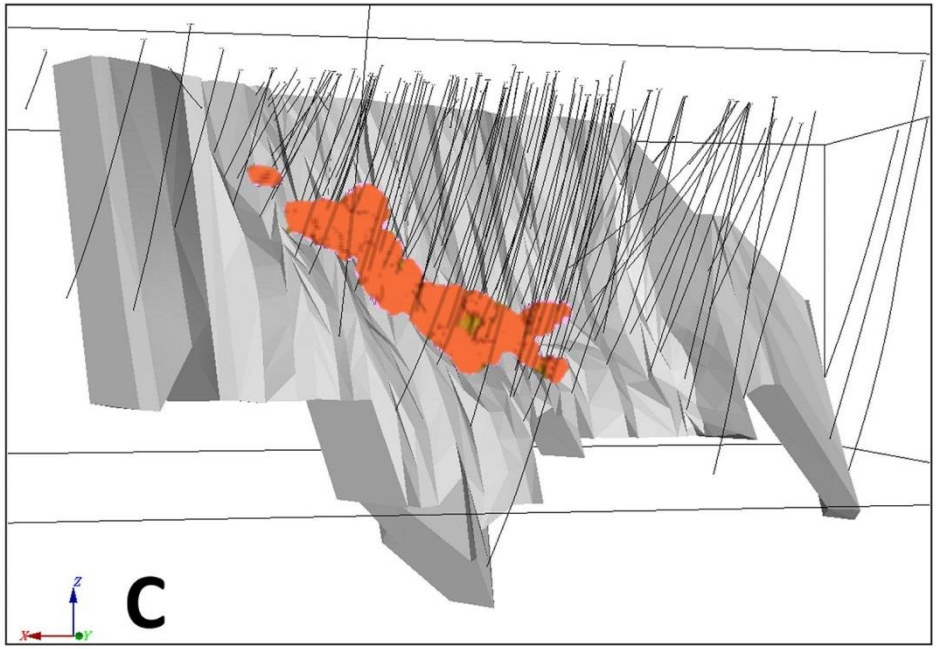
3-D VISUALIZATIONS OF THE ARROW ZONE

(Looking South, viewed area is approximately 3000 metres wide and 1200 metres deep)

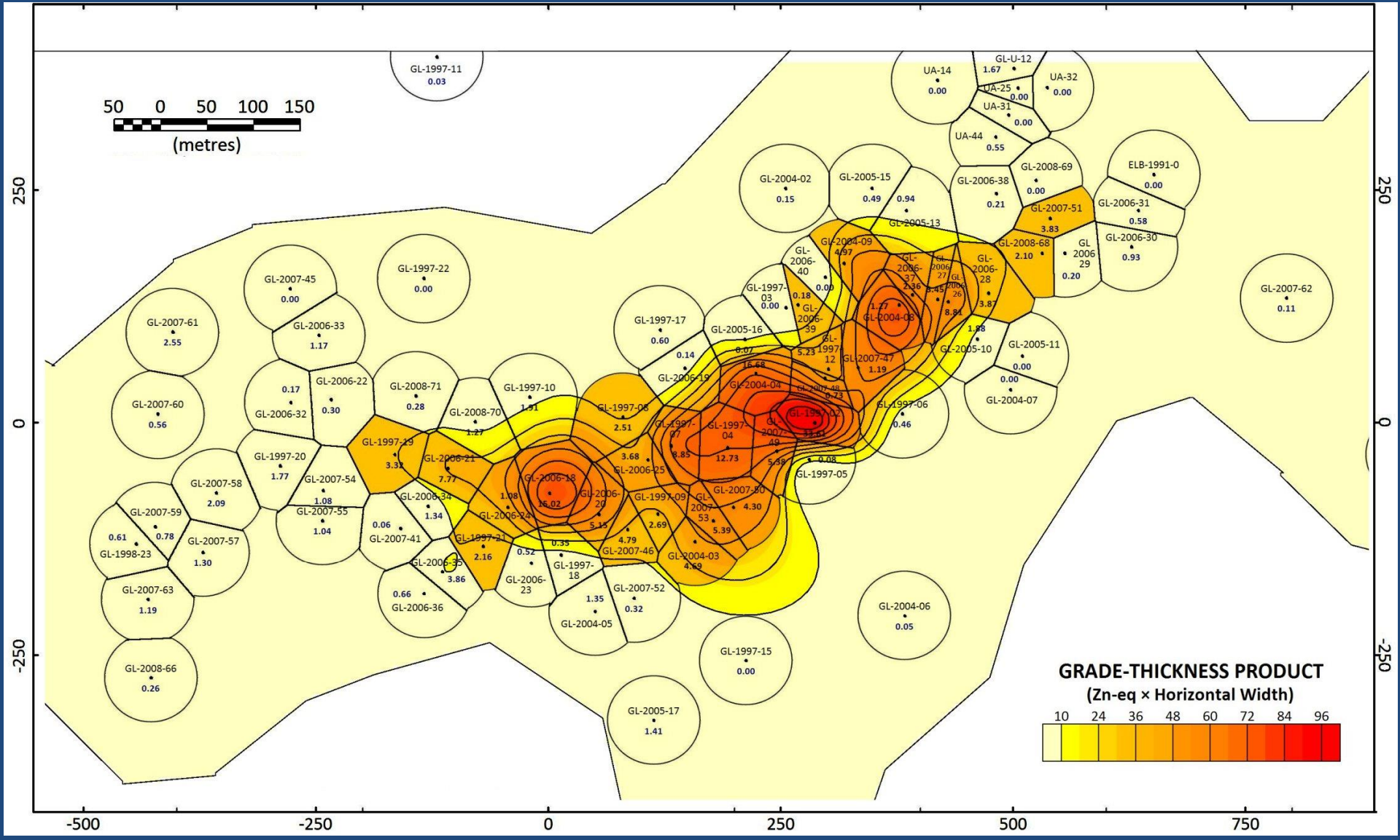
A: Upper (hangingwall) surface of quartz-feldspar porphyry (QFP)

B: Upper surface of QFP with the mineralized zone (greater than 3% zinc equivalent)

C: Upper surface of QFP with mineralized zone and diamond drill holes

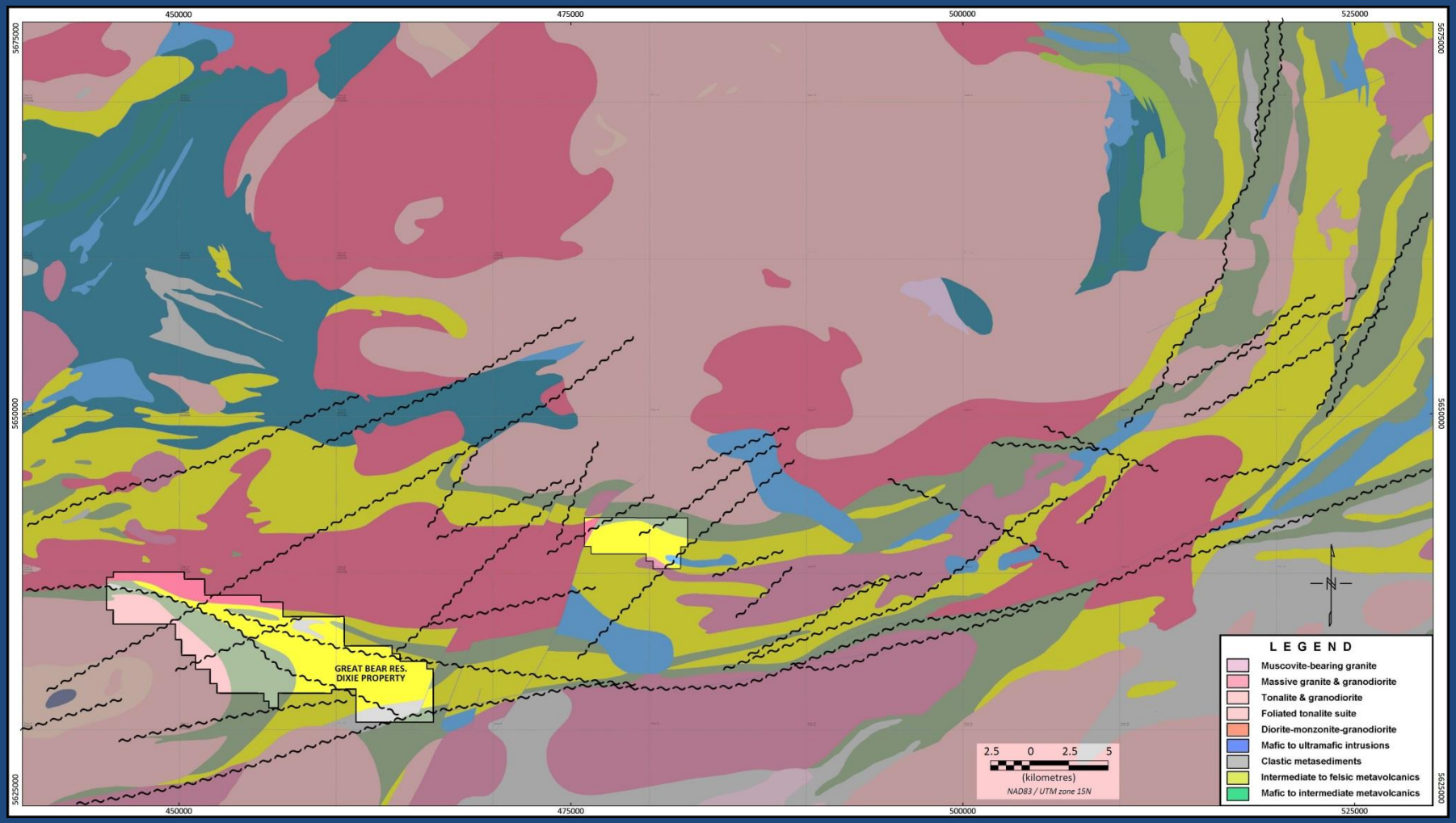


These 3-D images show the upper surface of the QFP and the Arrow Zone in the “valley”

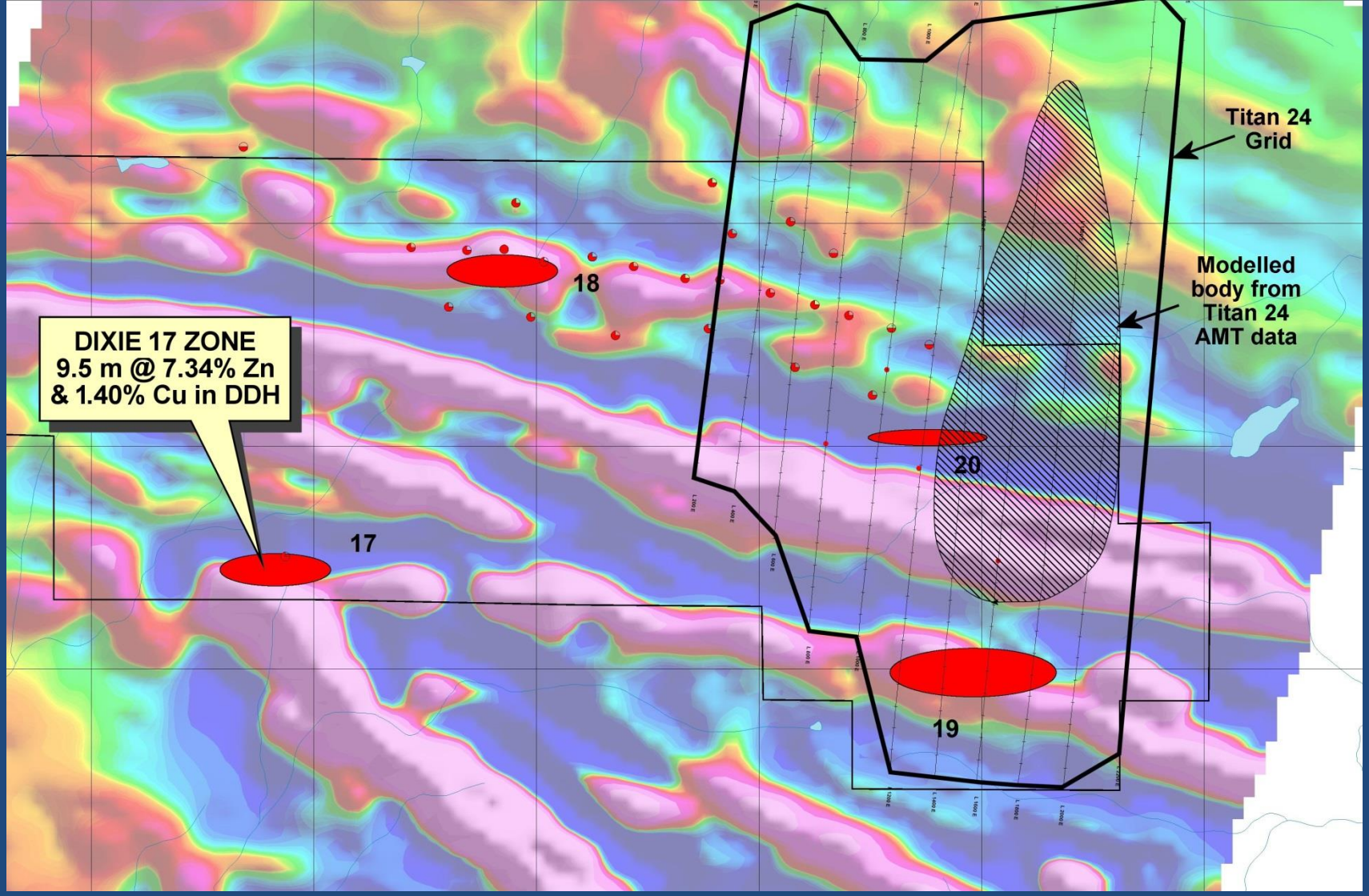


ARROW ZONE LONGITUDINAL SECTION WITH GRADE-THICKNESS PRODUCT CONTOURED AND POLYGONAL BLOCKS USED IN RESOURCE ESTIMATION

DIXIE 17-18-19-20 PROPERTY

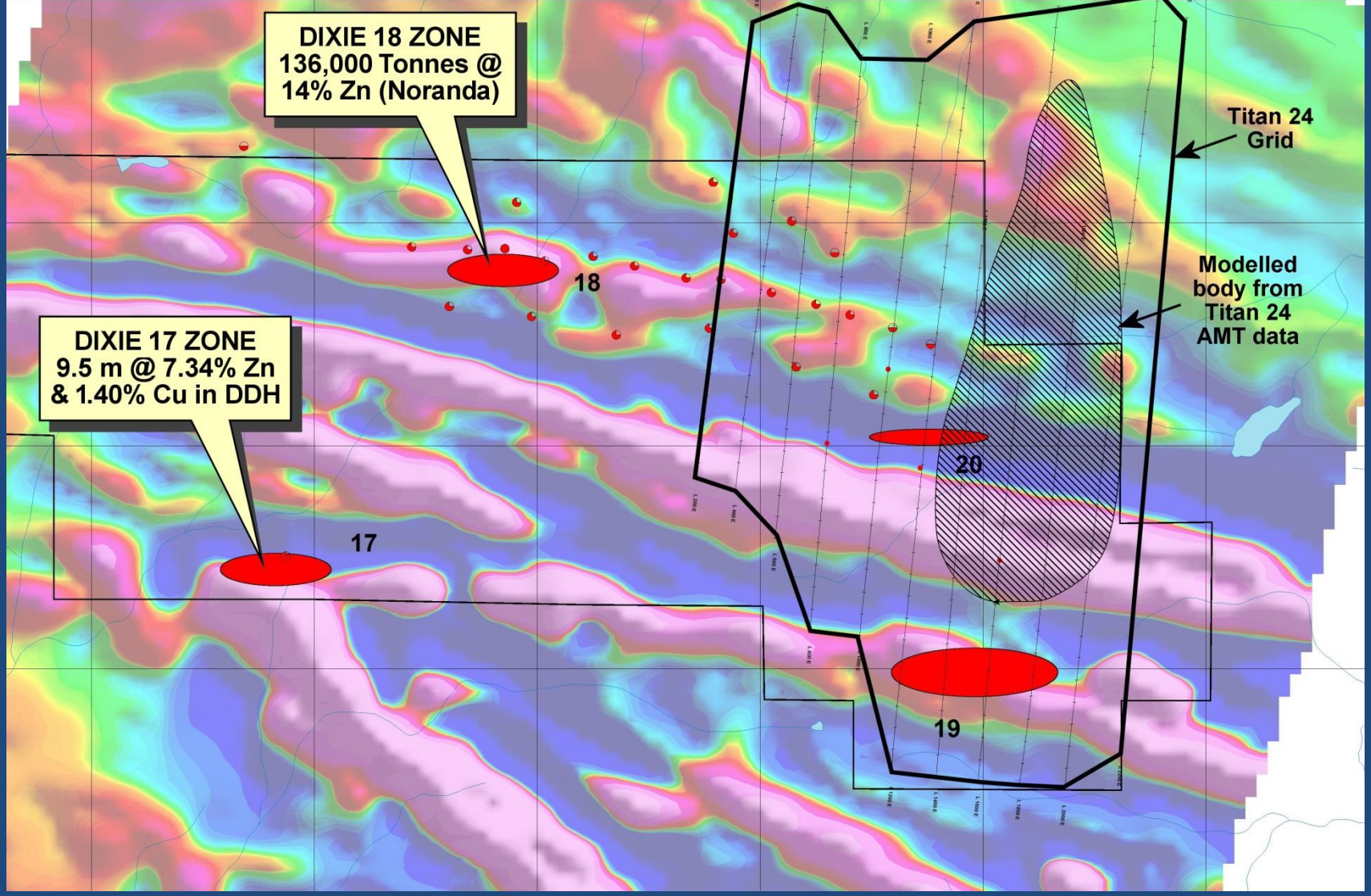


On January 27, 2020, the Company entered into an option agreement with Infinite Ore Corp. (formally Infinite Lithium Corp.) under which Infinite Ore Corp. can acquire up to a 90% interest in the Dixie 17-18-19 properties. To earn an initial 75% interest in the Dixie 17-18-19 properties, Infinite Ore Corp. is required to make total cash payments of $55,000, issue a total of 1,000,000 common shares of Infinite Ore Corp to the Company and incur exploration expenditures of $550,000 over a two-year period .



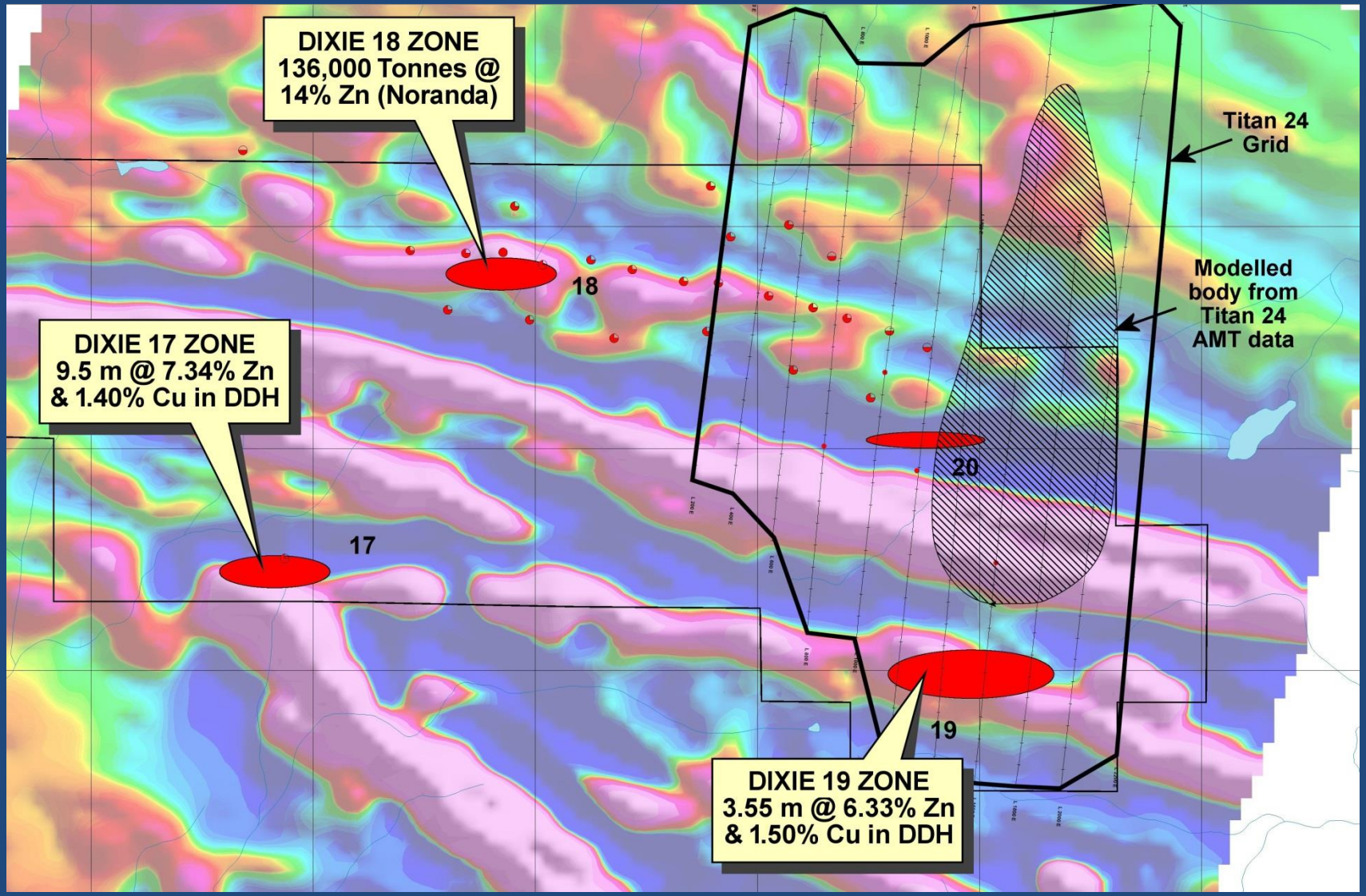
DIXIE 17 ZONE

The Dixie zones are named after anomaly numbers designated by Selco Mining Corp. following the first INPUT airborne survey of the belt. It appears to be a small pod of massive sulphide mineralization and has only been tested by a few drill holes.



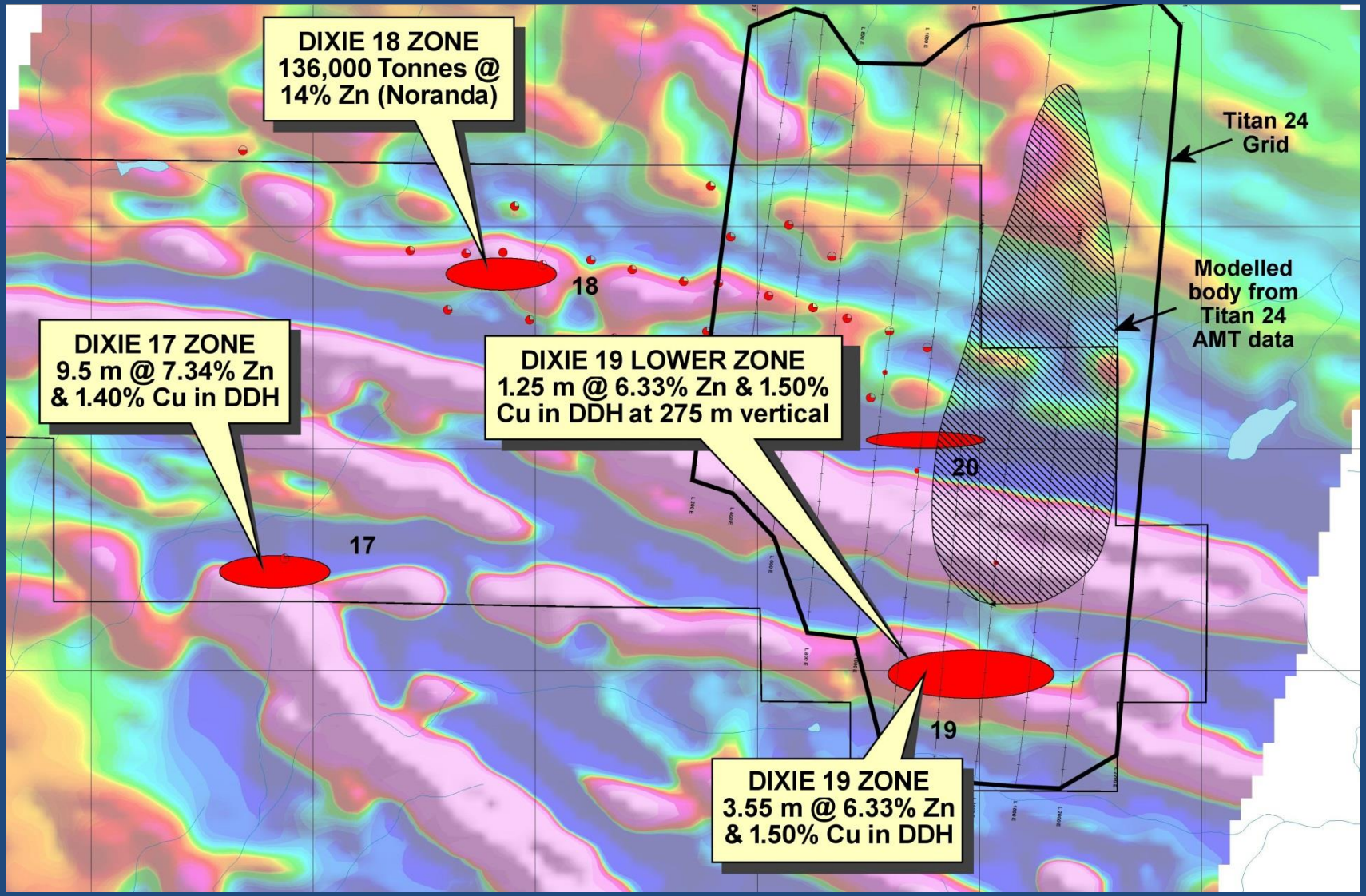
DIXIE 18 ZONE

The small tonnage (not 43-101 compliant) was estimated from approximately 20 drill holes by Selco and Noranda. The red ovals do not indicate dimensions of the zones.



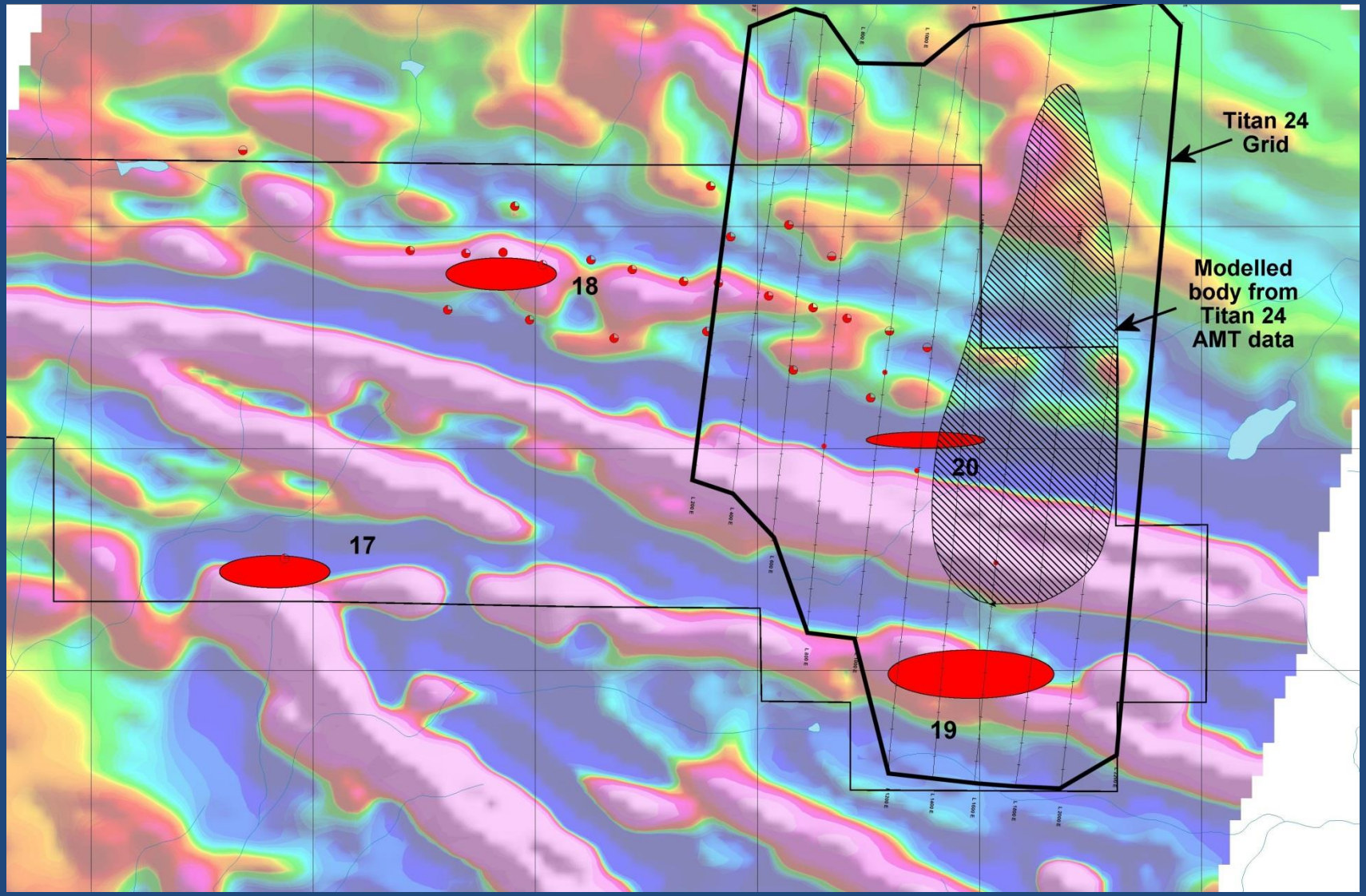
DIXIE 19 ZONE

This zone has been traced by drilling for over 500 metres. Results were sporadic, but included the intersection shown on this map.



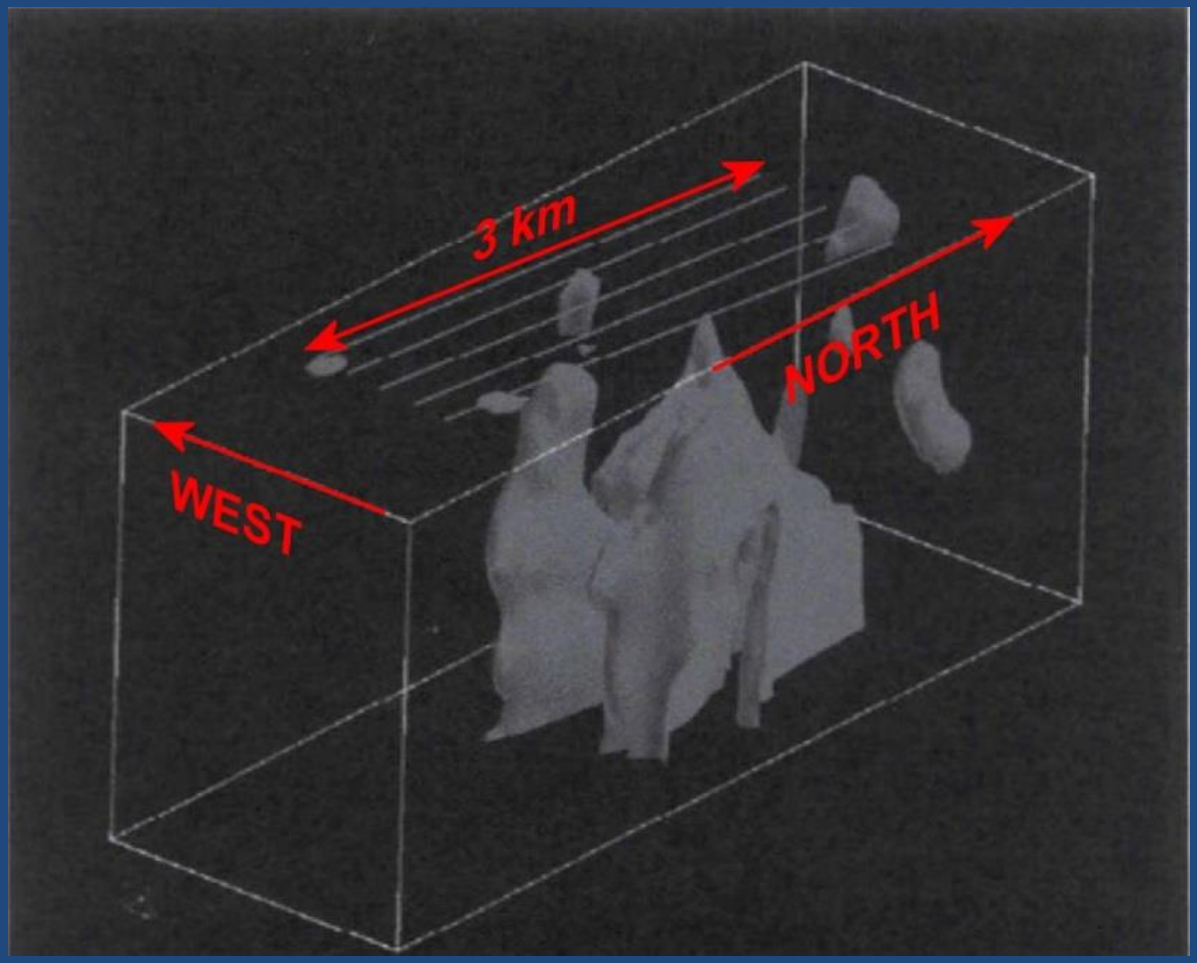
DIXIE 19 LOWER ZONE

A UTEM (time-domain or "pulse" type) EM survey indicated a deep conductor below the shallow Dixie 19 zone. It was tested by two holes that intersected a narrow sulphide zone at depths between 275 and 350 metres, although the top of the Titan-24 anomaly was apparently interpreted to be 400 metres deep.



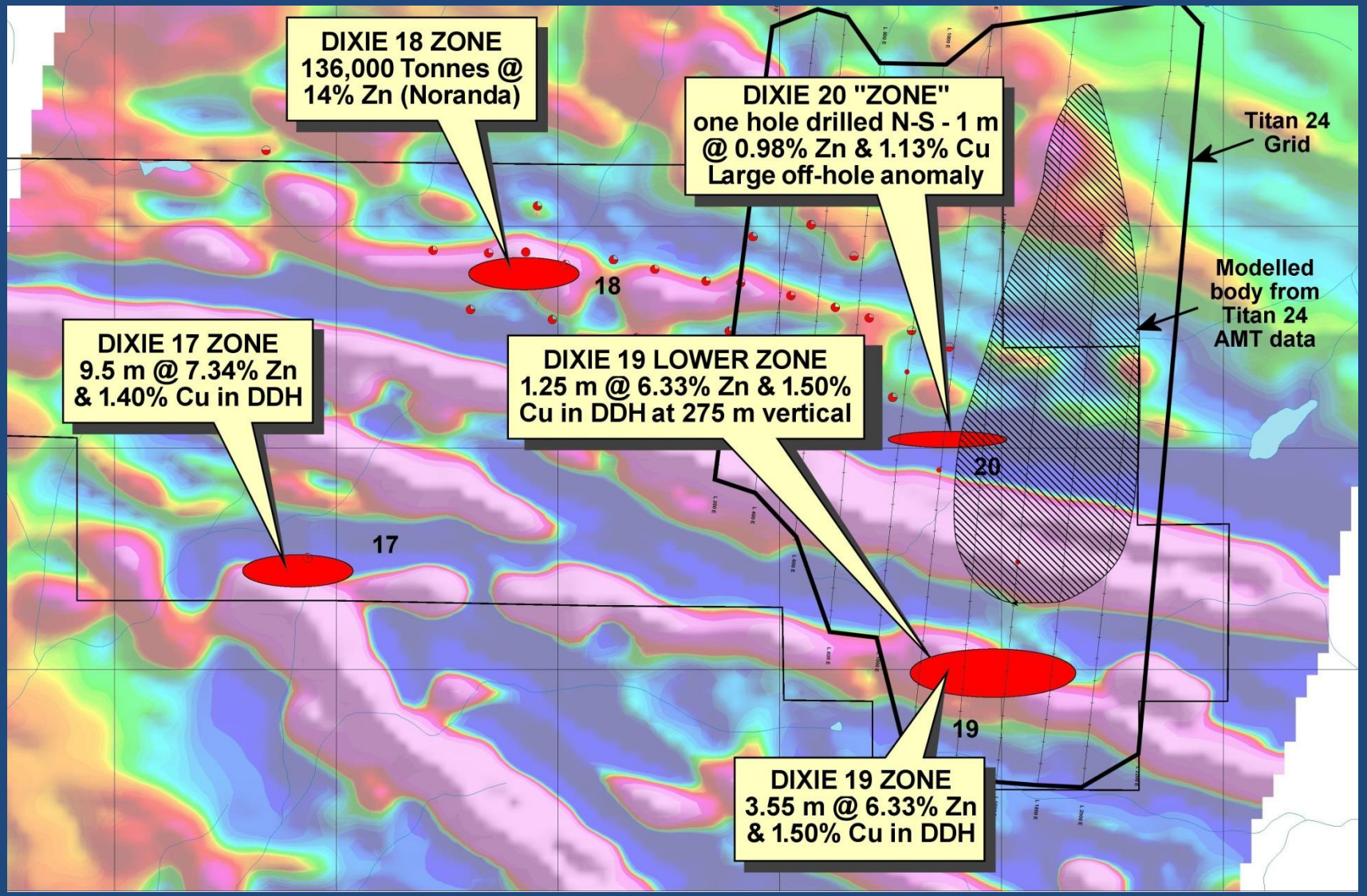
TITAN-24 AMT ANOMALY

The AMT component of the Titan-24 system responds to larger zones of lower conductivity than the resistivity survey does. It also "sees" much deeper, and Quantec uses it to estimate conductive zones below a 300 metre depth. The hached area corresponds to a "deep" Titan-24 anomaly.



INVERSION OF AMT SURVEY DATA

Quantec carried out inversion modelling of the AMT survey data. This is a 3D perspective view of the 300 ohm-metre isosurface. Note that the long axis of the modelled anomaly is parallel to the survey lines. The thumb-like apophysis at the south end appears to correspond to the Dixie 19 Lower anomaly that was outlined by the UTEM survey.



DIXIE 20 ANOMALY

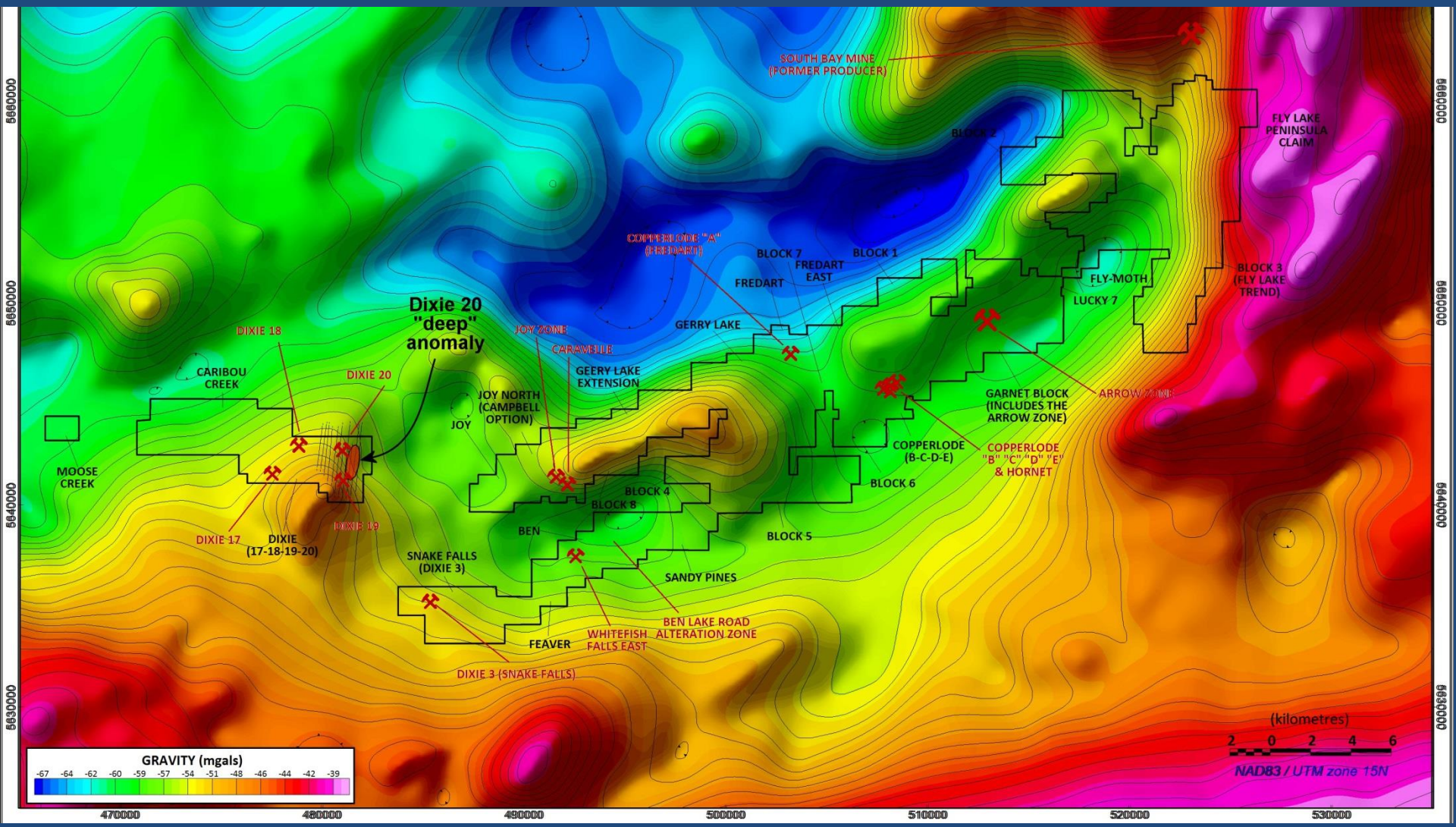
Despite the long axis of the modelled anomaly being aligned north-south, only along-the-line 2-D data were used to design drill hole DX-2003-1A, which was drilled from north to south and cut a narrow sulphide zone. A borehole Pulse-type EM survey indicated a large off-hole anomaly, which may be the “deep” Titan-24 zone.

TITAN-24 AMT ANOMALY MAY BE A FEEDER PIPE BELOW A VMS DEPOSIT

Stratigraphic tops are considered to be to the north (essentially no outcrop on the Dixie property, so this remains in a little doubt). If this apparently discordant low-resistivity zone represents an alteration pipe below a VMS deposit, the conformable massive sulphide zone should be to the north, i.e. roughly on strike with the Dixie 18 zone.

More deep-penetrating conventional Pulse-type EM surveys would be useful in detecting this hypothetical target. The Titan-24 system is probably not appropriate for detecting good conductors below about 300 metres.

Perhaps the government gravity survey might assist – see next slide



GRAVITY SURVEY

The GSC Canada-wide gravity survey was typically done with a station interval of 10 km or more. The Red Lake-Confederation Lake area was surveyed at a more detailed level with station spacing from 1 to 5 km, with some very detailed work around the South Bay mine. There is a suggestion of a NNE-trending gravity high pointing at the “deep” anomaly (from stratigraphically below) – possibly an intrusive - heat source?