CHOCOLATE LAKE PROPERTY

Assessment report
Exploration licences # 09420
Halifax County, Nova Scotia

Prepared for
Dufferin Resources,
Ressources Appalaches
212, Avenue de la Cathédrale
Rimouski, Québec G5L 5J2

By
Caroline Richer, M.Sc, geo
Géominex
212, Avenue de la Cathédrale
Rimouski, Québec G5L 5J2

March 11th, 2013

Original received
ONRMPT OEC27'12 10:43

DUPLICATE AVAILABLE
Table of content

SUMMARY ............................................................................................................. 1
CERTIFICATE ................................................................................................. 2
PROPERTY DESCRIPTION AND LOCATION ............................................... 3
HISTORICAL WORK ...................................................................................... 4
GEOLGY ........................................................................................................... 5
2012 MAGNETOMETRIC SURVEY ................................................................. 7
RESULTS OF THE MAGNETOMETRIC SURVEY ....................................... 8
CONCLUSION AND RECOMMANDATION ...................................................... 8
REFERENCES ............................................................................................... 8
APPENDIX 1 ..................................................................................................... 10

List of figures
Figure 1 Property location
Figure 2 Regional geology
Figure 3 Regional aeromagnetic

List of tables
Table 1 List of claims

List of maps
Map 1 Magnetometer survey (profile)
Map 2 Magnetometer survey (coloured)
Map 3 Magnetometer survey (data)
SUMMARY

The Chocolate Lake property is located along the eastern shore of Nova Scotia approximately 20 kilometers north-east of Sheet Harbour and 6 kilometers east of the Dufferin mine.

The property is underlain by the Meguma Terrane, the most southerly zone of the Canadian Appalachian province and is found only in mainland Nova Scotia. Metasedimentary rocks of the Goldenville and the Halifax Formations underlies the property. The Salmon River anticline and the Crown-Reserve anticline trends ENE across the property and is host of Dufferin mine.

In December 2012 Ressources Appalaches appointed Geosig Inc. to perform a 33.08 line-Km ground magnetic geophysical survey on the Chocolate Lake Property. The survey was conducted over a series of 34 trending survey lines each varying from 0.3 km to 1.5 km in length.

The general Eastnortheast-Westsouthwest magnetic trend of the survey corresponds very well with the bedding and the fold axe. The magnetometer survey gave a good image of the geology and helps to discriminate at least two magnetic horizons. The survey also revealed a weak magnetic increase in the north part of the grid. Since the Crown Reserve anticline, parallel and south of the Salmon River anticline, hosts Saddle Reef gold deposits a few kilometers to the west, it is recommended to perform detail exploration work as trenches and drill holes.
CERTIFICATE

I declare and certify:

I have been a resident of Rimouski since July 2012.

I am a member of the Ordre des géologues du Québec (Licence # 1295).

I hold a Bachelor of Science in Geology from the University of Quebec in Montreal (B.Sc., 2007) and a Master of Science in Geology from the University of New Brunswick (M.Sc., 2010).

I have worked in the mineral-exploration sector since 2005 and I have worked as a consulting geologist for Géominex since 2012.

In 2012 I supervised the geophysical survey on the Chocolate Lake property for Ressources Appalaches.

This report is based on my experience in mineral exploration, on the examination of relevant geoscientific documents published by the Nova Scotia Department of Natural Resources and the Geological Survey of Canada, and on miscellaneous studies published by various mining companies.

I have included in this report all the items that, as far as I know, are relevant to an assessment of the project and to the recommendations made.

Caroline Richer, M.Sc., Geo

Project Geologist

September 14th, 2012
INTRODUCTION

A magnetometric survey was performed on the Chocolate Lake property in December 2012. The geophysical survey covered an uncut grid walk with a Systems GSM-19 CDGPS magnetometer “walking Mag with GPS integrated” for a total of 33.08 km. This report presents the results of the geophysical survey.

The purpose of the work program was to extend the previous ground magnetic survey on the property and to locate and characterized sedimentary layers containing a certain amount of magnetite like a marker to help locate the Salmon River anticline that runs in the middle of the claims group as it is mineralized west at the Dufferin gold mine.

PROPERTY DESCRIPTION AND LOCATION

The Chocolate Lake property is located on the eastern shore of Nova Scotia, approximately 150 kilometers ENE of Halifax, within Halifax County (Figure 1) and approximately 20 kilometers NE of Sheet Harbour. The property is centered at 44°59' north latitude and 62°20' west longitude on NTS map sheet 11D/16C.

Road access to the property is excellent from the village of West Quoddy, via approximately eight kilometers of logging roads or from Moser River village, via 12 kilometers of logging roads. Central part of the property is only accessible by ATV.

Dufferin Resources owns the mineral rights of the Chocolate Lake property under licenses 09420 (Map 1). Ressources Appalaches acquired 100% of Dufferin Resources in 2009. The property is comprised of 48 claims covering approximately 768 hectares (Table 1).

Table 1 – List of claims

<table>
<thead>
<tr>
<th>License</th>
<th>County</th>
<th>NTS</th>
<th>Tract</th>
<th>Claim</th>
<th>Renew date</th>
</tr>
</thead>
<tbody>
<tr>
<td>09420</td>
<td>Halifax</td>
<td>11D16C</td>
<td>99</td>
<td>ABCDEFGHIJKLMNOPQ</td>
<td>2013-12-28</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>100</td>
<td>ABCDEFGHIJKLMNOPQ</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>93</td>
<td>JKLMPNQRS</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>94</td>
<td>JKLMPNQRS</td>
<td></td>
</tr>
</tbody>
</table>

The topography of the property is dominantly low rolling hills with linear swampy areas. Mixed forest covers the hills while spruce swamps and peat bogs dominate the low-lying areas. A glacial-till sheet between two to ten meters in thickness covers nearly 100% of the property. The glacial direction in the area is south to southeast. The till is generally light to dark olive green, compact and fissile, or the quartzite till of Stea and Fowler, (1979). A number of drumlins have been identified in the vicinity of the property, these consist of Lawrencetown till which is not locally derived, and is a distinctive reddish brown colour with a high clay content.
HISTORICAL WORK

Present interest in the Chocolate lake property is based on the proximity of the Salmon River anticline as mapped by Faribault (1895) and Henderson (1986). The Salmon River anticline (Figure 2) and the Crown Reserve anticlinal, which is approximately 150 meters south and parallel to the Salmon River anticline, are host to the Salmon River gold district and the Dufferin Mine (6 km west, Figure 2). There are no reported mine workings on the Chocolate Lake property.

The first discovery of gold bearing quartz boulders was reported in the area of Port Dufferin in 1868 but no development was started until 1880. Mapping by E. R. Faribault during the period 1860 to 1905 was of importance in identifying the regional structures and forms of the gold mineralized deposits. Between 1881 and 1986 a number of companies explored and production was limited and sporadic from many small shafts in the area of Dufferin mine.

Pan East Resources completed airborne geophysical surveys (Mag and VLF) over the Salmon River Gold District in 1981, Seabright Explorations Inc. conducted a regional exploration program that consisted of soil and till geochemistry surveys to locate the faulted extension of the Salmon River anticline. Regional geochemistry defined a number of coincident gold and arsenic anomalies along the projected anticlinal axis, however work focused on outlining reserves at the Dufferin mine. In 2006, M.S. King compiled aeromagnetic survey of the Meguma. The product is an image of enhance aeromagnetic and elevation (Figure 3).
In 1988 and 1989, Gold Bank Resources completed reconnaissance prospecting of the property. The analysis results of grab samples were negative.

During 2003, Newfoundland Goldbar sampled 184 B-horizon soils at 25 meter spacing along 100 meters spaced lines on a small grid near a Seabright till anomaly. The analysis reported only a few scattered gold values higher than the detection limit (maximum 33 ppb). Also during this period, mapping and prospecting of the grid lines and logging roads were completed.

Fourteen till samples were taken by Scratch Exploration in 2006 and evaluated for free gold content. All fourteen samples show gold grains counts less than regional background gold values. Most grains were reshaped or modified indicating glacial transport greater than 1 kilometer.

During October and November 2009, prospecting of the property was performed in the objective of sampling and mapping quartz veins and quartz boulders by a geologist and a technician of Geominex. Logging road and traverse along approximately 200 metres spaced lines were completed. Thirty six outcrops and blocks were located and 21 have been analysed for gold. The analysis does not report gold values. Many blocks of quartz were found mainly north of the lake Chocolate also without any gold values. Some outcrops were located mainly in the logging road.

During summer of 2010, a total of 21 Line-Km of ground magnetic geophysical surveys were completed on the Chocolate Lake Property. The mag survey revealed sharp changes in the intensity of magnetization mainly in the southern part of the grid. These probably reflect changes in the physical properties of subsurface rocks. The magnetic activity has provided several magnetic horizons with a predominant ENE-WSW trend.

**GEOLOGY**

The property is underlain by the Meguma Terrane, the most southerly zone of the Canadian Appalachian province and is found only in mainland Nova Scotia (Keppie, 1982). The terrane comprises a thick sequence of lower Paleozoic metasediments intruded by Devonian granitoid plutons. The Meguma Group consists of two formations the Goldenville Formation, a lower, Sand-dominated flysch and the Halifax Formation, an Upper shaley flysch. The overall thickness of the Meguma Group is in excess of 9000 m, although nowhere is the base or a complete sequence exposed.

During the Acadian Orogeny (415 Ma) the Meguma Group underwent polyphase deformation, resulting in a series of northeasterly trending anticlines and synclines. Regional metamorphic grades vary from greenschist to lower amphibolite, and locally subjected to contact metamorphism adjacent to granitoid intrusions. Historically the Meguma Group has been known for its gold mineralization. Between 1860 and 2001, over 60 deposits were developed and have yielded in excess of 1.2 million troy ounces of gold. The vast majority of this production occurred during the late 19 Century, from relatively shallow (less than 300-m), narrow, and high-grade underground operations (Duncan and Graves, 1993).
Recent work has described two stages of alteration: an early, pervasive stage consisting of silicification, carbonitization, sulphidization, and sericitization and a later more restricted stage characterized by carbonate + chlorite, veinlets + arsenopyrite (Smith and Kontak, 1988).

Little outcrop has been documented and glacial till covers much of the property. Metasedimentary rocks of the Goldenville and the Halifax Formations underlies the property (figure 2). The Goldenville Formation is comprised of greywacke with minor interbedded argillite. The Halifax Formation is dominated by black, graphitic slate. These rocks were folded during the Acadian Orogeny, resulting in the development of the Salmon River anticline. The Salmon River anticline and the Crown Reserve anticline trends ENE across the property.
2012 MAGNETOMETRIC SURVEY

Between the dates of December 3-7, 2012 a total of 33.08 Line-Km of ground magnetic geophysical survey was completed at the Chocolate Lake Property. The survey was conducted over a series of 34 trending survey lines each varying from 0.3 km to 1.5 km in length. The geophysical survey was carried out by Pierre Simoneau P. Geol. and Brian Hall (technician) of Geosig Inc. Planning, supervision and report were made by Caroline Richer Geo. of Géominex.

Geophysical data were processed and presented on maps using the computer software programs: Geosoft, MicroStation and MapInfo. The survey utilized one GEM Systems GSM-19W CDGPS magnetometer “walking” magnetometer with GPS included” set to collect one reading every two seconds, and one stationary GEM Systems GSM-19WV “base” magnetometer used to correct for diurnal fluctuation. Processing of ground magnetic survey data was limited to diurnal correction, and levelling of data between subsequent survey days.

Two GSM-19WMV were used on the field, one as a base station with a 5 seconds registering readings period. The magnetic readings have been corrected for diurnal variations when the data was dumped with a base value of 51 800 gammas. The magnetometer system measures the value of the total magnetic field with a precision of ± 1.0 nanoTesla (nT).

The magnetic results of the Chocolate Lake grid are presented on a profile map (Map 1), a total field contours map (Map2), and a corrected results map (Map3) at the metric scale of 1:5000. The profiles appear as red lines at a vertical scale of 100 nT per centimetre, with a base value of 51 800 nT. Appendix 1 shows the complete survey results.
RESULTS OF THE MAGNETOMETRIC SURVEY

The Chocolate Lake grid property magnetic background is around 51 800 nT with a maximum over 52 250 nT on a magnetic horizon and a minimum lower than 51 494 nT over normal ground near a high Mag.

There are two major magnetic anomalies that cross the grid (Map 2). The strongest one is at the southern section of the grid and is at least 300m wide with a maximum of 52 250 nT. This magnetic horizon dips to the south-southeast. It reaches an intensity of more than 400 nT and it is still open on both sides. It seems to correspond to the Halifax Formation. The second one is weaker and it extends at the southern limit of the short lines, 1275m north of the 0+00 of the long lines. It should be near the Anticline center fold.

The Magnetometric colour contour map also shows a weaker change in the intensity of the magnetization in the north part of the grid. It probably reflects changes in the physical properties of subsurface rocks.

These magnetic horizons are probably made of magnetite that could be continuous or made of a series of intrusive lenses of magnetite or sedimentary layers containing a certain amount of magnetite like a marker. The magnetic survey shows where the magnetite hosted rocks are. And we can see that there are several displacements.

CONCLUSION AND RECOMMENDATION

The Chocolate Lake property is situated in the center of the Goldenville formation with the Anticline fold crossing. Magnetic layers in the sediments on the surrounding are used to interpret the geology. There is a weak magnetic anomaly following the straight nose of the Anticline and the strong magnetic anomaly marking the Halifax Formation. These horizons are relatively straight and will serve to follow the mineralized zone.

Since the Crown Reserve anticline, parallel and south of the Salmon River anticline, hosts Saddle Reef gold deposits a few kilometers to the west, neither the absence of gold anomalies nor the paucity of surface floats, it is recommended to perform detail exploration work as trenches and drill holes.

REFERENCES


The photocopied CD/DVD was submitted with this report. The files from this CD/DVD can be downloaded through NovaScan.
Form 10 - Statement of Assessment Work Expenditure
(pursuant to the Mineral Resources Act, S.N.S. 1990, c. 18, s. 43(1))

(Complete as necessary to substantiate the total claimed.)
Re: Licence No. 09420 Date of issue December 4, 2012

<table>
<thead>
<tr>
<th>Type of Work</th>
<th>Amount Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Prospecting</td>
<td></td>
</tr>
<tr>
<td>2. Geological mapping</td>
<td></td>
</tr>
<tr>
<td>3. Trenching/striping/leveling</td>
<td>m² / m²</td>
</tr>
<tr>
<td>4. Assaying &amp; whole rock analysis</td>
<td>#</td>
</tr>
<tr>
<td>5. Other laboratory</td>
<td>#</td>
</tr>
<tr>
<td>6. Grid</td>
<td></td>
</tr>
<tr>
<td>(a) Line cutting</td>
<td>km</td>
</tr>
<tr>
<td>(b) Picket setting</td>
<td>km</td>
</tr>
<tr>
<td>(c) Flagging</td>
<td>km</td>
</tr>
<tr>
<td>7. Geophysical surveys Airborne:</td>
<td></td>
</tr>
<tr>
<td>(a) EM/VLF</td>
<td>km</td>
</tr>
<tr>
<td>(b) Mag or Grad</td>
<td>km</td>
</tr>
<tr>
<td>(c) Radiometric</td>
<td>km</td>
</tr>
<tr>
<td>(d) Combination</td>
<td>km</td>
</tr>
<tr>
<td>(e) Other</td>
<td>km</td>
</tr>
<tr>
<td>8. Geophysical surveys Grounded:</td>
<td></td>
</tr>
<tr>
<td>(a) EM/VLF</td>
<td>km</td>
</tr>
<tr>
<td>(b) Seismic soundings</td>
<td>km</td>
</tr>
<tr>
<td>(c) Magnetoelluric</td>
<td>km</td>
</tr>
<tr>
<td>(d) IP resistivity</td>
<td>km</td>
</tr>
<tr>
<td>(e) Gravity</td>
<td>km</td>
</tr>
<tr>
<td>(f) Other</td>
<td>km</td>
</tr>
<tr>
<td>9. Geochemical surveys</td>
<td></td>
</tr>
<tr>
<td>(a) Water</td>
<td>samples</td>
</tr>
<tr>
<td>(b) Sediments</td>
<td>samples</td>
</tr>
<tr>
<td>(c) Rock</td>
<td>samples</td>
</tr>
<tr>
<td>(d) Core</td>
<td>samples</td>
</tr>
<tr>
<td>(e) Overburden</td>
<td>samples</td>
</tr>
<tr>
<td>(f) Gas</td>
<td>samples</td>
</tr>
<tr>
<td>(g) Biogeochemistry</td>
<td>samples</td>
</tr>
<tr>
<td>(h) Sample collection</td>
<td>samples</td>
</tr>
<tr>
<td>10. Drilling</td>
<td></td>
</tr>
<tr>
<td>(a) Diamond (# holes/m)</td>
<td>m</td>
</tr>
<tr>
<td>(b) Percussion (# holes/m)</td>
<td>m</td>
</tr>
<tr>
<td>(c) Rotary (# holes/m)</td>
<td>m</td>
</tr>
<tr>
<td>(d) Auger (# holes/m)</td>
<td>m</td>
</tr>
<tr>
<td>(e) Reverse circulation (# holes/m)</td>
<td>m</td>
</tr>
<tr>
<td>(f) Logging, supervision, etc.</td>
<td>days</td>
</tr>
<tr>
<td>(g) Sealing (# holes)</td>
<td>#</td>
</tr>
</tbody>
</table>

11. Other (describe) Accommodation / Travel $ 9,354.45

Subtotal $ 123,164.40

Overhead costs
12. Secretarial services
13. Drafting services $ 400
14. Office expenses (rent, heat, light, etc.)
15. Field supplies
16. Compensation paid to landowners
17. Legal fees
18. Other (describe)

Subtotal $ 400

Grand total $ 127,164.40
List the names of the persons who conducted the work reported in the previous table and the dates during which the work was performed.

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Dates Worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pierre Simard</td>
<td>Geasig Inc. 860 4th Avenue, St.</td>
<td>09/11/2012 - 12/12/2012</td>
</tr>
<tr>
<td>Hall</td>
<td>860 4th Avenue, St.</td>
<td>09/11/2012 - 12/12/2012</td>
</tr>
<tr>
<td>Caroline Richer</td>
<td>212 Cathedral, Rimouski, QC</td>
<td>Nov 4-8</td>
</tr>
<tr>
<td></td>
<td>G51 S5J2</td>
<td>Nov 04-05, Dec 11</td>
</tr>
</tbody>
</table>

I hereby certify that the information in this form is true and correct, that it has not before been submitted for assessment work credit and that it is the total of all work conducted on the licence during the past licensed year.

As Project Geologist (position in company or licensee) I am duly authorized to make this certification.

Dated at Rimouski, in the Province of Quebec on December 2012.

Name and address of license: Différent Resources, 212 Cathedral Ave.

Rimouski, QC, G51 S5J2

Signature

For further information, contact the Registrar of Mineral and Petroleum Titles at 1-902-424-4068.