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Technical Report

Forest Hill Gold Property, Nova Scotia, Canada
Aurelius Minerals Inc.

In accordance with the requirements of National Instrument 43-101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators

Qualified Person:
G.Z. Mosher, P.Geo, M.Sc.

GMRS Project 170102
Effective date June 01, 2020

1 Summary

The Forest Hill gold Property (Property) is located in Guysborough County, northeastern Nova Scotia, Canada. Aurelius Minerals Inc. (Aurelius) acquired the Property on February 27, 2020 and has retained Global Mineral Resource Services (GMRS) to prepare this technical report as part of the acquisition process. An earlier version of this report was prepared in 2017 for Resource Capital Gold Corp., the owners of the Property at that time. This report is an update of the original, dated April 7, 2017, to reflect the change in ownership; no work has been done on the Property since the original report was prepared.

The Property is located approximately 160 kilometers (km) northeast of the Provincial capital city Halifax, and 40km southeast of the town of Antigonish, and is comprised of 102 contiguous mineral exploration claims in three exploration licences held in the name of 2672403 Ontario Ltd. Effective May 29, 2020 Aurelius changed the name of 2672403 Ontario to Aureus Gold Inc. (Aureus Gold). The claims have an aggregate area of approximately 1,651 ha. The center of the Property is located at 45.3°N Latitude / 61.7°W Longitude (UTM Zone 20T 597475E / 5017976N (WGS 84 Datum)).

Gold was discovered at Forest Hill in 1893, relatively late in the history of discovery of gold-bearing quartz veins within Meguma Group rocks which started in the 1860s. Mining commenced in 1895 and between then and 1916, approximately 27,000 ounces of gold were recovered from 55,000 tons of rock mined (average grade 16.7 g/t gold).

All mining was from underground and most production was obtained from 10 veins, although more than 40 shafts were reportedly developed, some presumably on lesser-known veins as well as the principal ones. The most productive veins were the School House, Salmon River, Hard, Ophir, McConnell, Barrel, Mill Shaft, Fraser and Camp, of which the Schoolhouse Vein appears to have contained the most continuous zones of mineralization.

No mining activity is documented between 1917 and 1934. Between 1934 and 1938 minor development from existing workings was carried out but no production was reported. Between 1938 and 1956, Nova Rich Gold Mines carried out prospecting, trenching, bulk sampling and minor drilling programs. The Property was idle between 1956 and 1971.

From 1971 until 2005, the Property was the subject of relatively continuous and documented exploration by a variety of companies.

The Property contains auriferous quartz veins; most are bedding-parallel but cross-cutting veins have also been reported. Vein thicknesses range from several centimeters to decimeters. Gold most commonly occurs in native form as flakes and grains within quartz veins and on the margins of veins immediately adjacent to wallrock. Arsenopyrite, pyrite and pyrrhotite are also present. Arsenopyrite, pyrite and pyrrhotite have been reported together with minor occurrences of galena, sphalerite, chalcopyrite tin, tungsten and stibnite. There appears to be a spatial but non-linear relationship between gold and arsenopyrite and to a lesser degree, between gold and galena.

Gold occurs within “shoots” from seven to 30 meters in height and several hundred meters in strike length within a given vein. These zones commonly have the same plunge as the axis of the anticline and are auxiliary or parasitic folds developed on the flanks of the principal anticline. These secondary folds typically occur in en-echelon fashion within a given vein, as well as in adjacent veins.

Auriferous quartz veins of economic interest are all located on the steeply-north-dipping (70° to 80°), overturned, south limb of an east-trending anticline within 250 meters of the anticlinal axis. Within that 250-meter interval, a central 50 to 60-meter-wide interval of interbedded metawacke and schist termed the Schoolhouse sequence contains the Schoolhouse 1 through 6 stratibound veins or vein packages which were historically the most productive and were the primary subject of more recent bulk sampling programs. Veins are boudinaged, are generally from five to 15cm thick and some are persistent along strike and down-dip for hundreds of meters.

A Mineral Resource, described in Section 14 of this report, has been estimated based on historical surface and underground drilling.

The estimate is based on assays contained in 16 modelled quartz veins. Assays were capped at 110 g/t gold and samples were composited to 0.75-meter lengths. A fixed density of 2.65 g/cm³ was used. Because of the small number of samples in any given vein, variography was not attempted and instead the estimate was obtained by inverse distance squared weighting (ID^2) and a search ellipse that imitated the strike and dip of the veins. Blocks measured 20 meters along strike, two meters across strike, and five meters down-dip. The resource was estimated at a range of cutoff grades of which, on the basis of a recently-completed Preliminary Economic Assessment (MineTech PEA 2017) of the nearby (50 km) and geologically similar Dufferin Mine, a grade of 2 g/t gold was taken as a base case. The estimate is summarized in Table 1.1.

Table 1.1 Forest Hill Property Mineral Resource Estimate @ Cutoff of 2 g/t Au

Class	Tonnes	Au g/t Capped 110 g/t	Capped Ounces Au	Uncapped Au g/t	Oz Uncapped Au
Indicated	322,000	7.1	73,000	11.0	114,000
Inferred	905,000	7.1	208,000	10.6	308,000

Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of mineral resources will be converted to mineral reserves. Inferred Mineral Resources are based on limited drilling which suggests the greatest uncertainty for a resource estimate and that geological continuity is only implied. Additional drilling will be required to verify geological and mineralization continuity and it is reasonably inferred that the majority of the inferred resources could be upgraded to indicated resources. Quantity and grades are estimates and are rounded to reflect the fact that the resource estimate is an approximation.

Aurelius has no immediate plans for the Property and therefore GMRS has no recommendations.

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2 Introduction

The Forest Hill gold Property (Property) is located in northeastern Nova Scotia, Canada. Gold was discovered on the Property in 1893 and between then and 1916, approximately 27,000 ounces of gold were produced from various quartz veins within the Property. Since then, there have been campaigns of underground development and bulk sampling (1986 to 1989 inclusive) in addition to which the Property has been explored by surface and underground drill programs (1983 to 1989 and 2002 to 2005 inclusive).

Aurelius Minerals Inc. (Aurelius) acquired the Property on February 27, 2020 and has retained Global Mineral Resource Services (GMRS) to prepare this technical report as part of the acquisition process. This report was originally prepared in 2017 for Resource Capital Gold Corp., the owners of the Property at that time. This report is an update of the original, dated April 7, 2017; no work has been done on the Property since the original report was prepared.

The Technical Report and contained mineral resource estimate are based on data and information received from Resource Capital Gold Corp., the Property owner in 2017. Information regarding the current legal status of the Property have been obtained from Aurelius Minerals Ltd. As well, portions of the report are based on information obtained from public sources and are identified accordingly.

The author of this Technical Report inspected the Property on April 06, 2017 for a period of half a day and on November 27, 2019 for a period of half a day. Details of the site inspections are given in Section 12.

3 Reliance on other experts

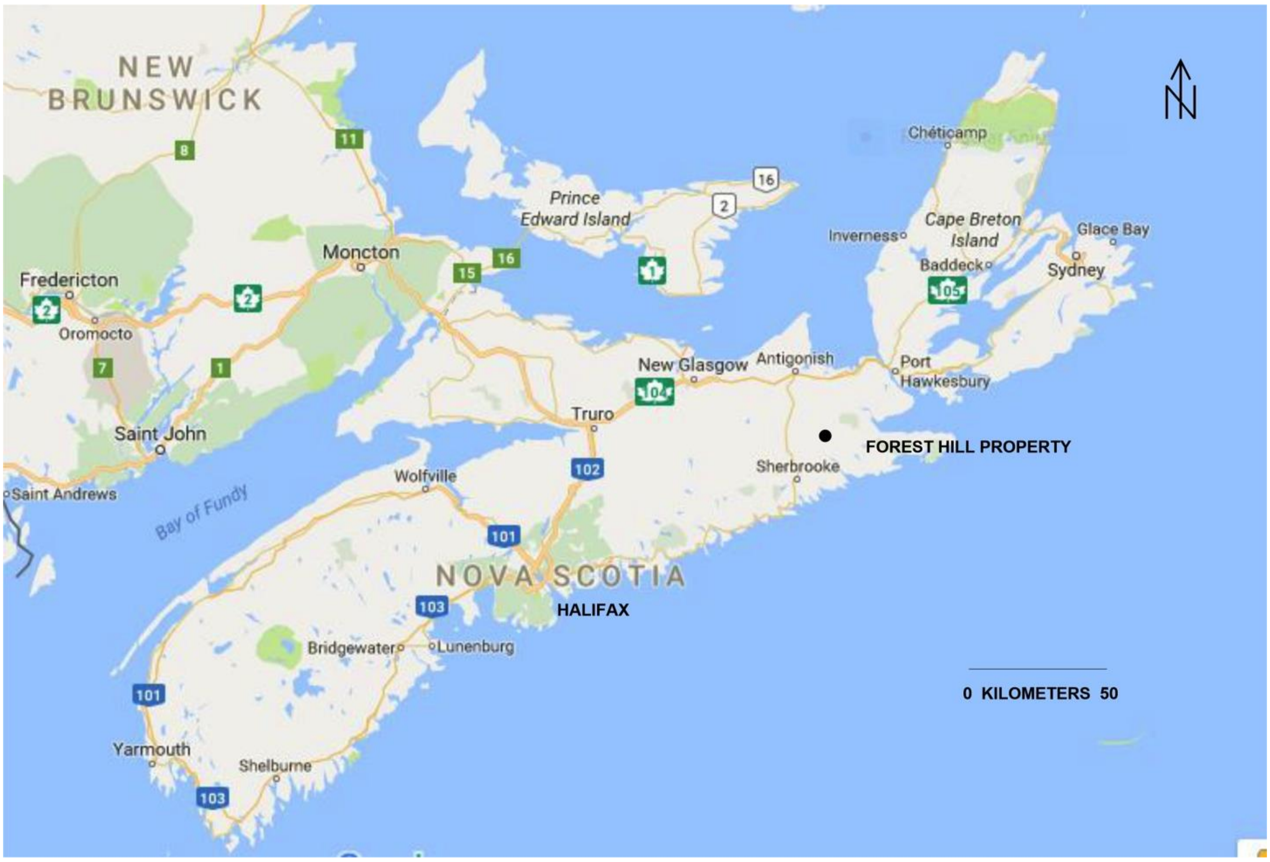
GMRS has relied upon Aurelius for information pertaining to the legal description and ownership of the Property maintenance costs, surface rights, royalties and permits held by Aurelius. All this information is contained in Section 4 of this report.

The above-referenced information pertaining to the Property and included in Section 4.0 of this report as noted above, was obtained from Mr. Mark Ashcroft, President and CEO of Aurelius, and Scott Zelligan, consultant to Aurelius, via an exchange of emails.

4 Property description and location

The Property is located in Guysborough County, Nova Scotia, approximately 160 kilometers (km) northeast of the Provincial capital city Halifax, and 40km southeast of the town of Antigonish (Figure 4.1), and is comprised of 102 contiguous mineral exploration claims in three exploration licences held in the name of Aureus Gold. (Figure 4.2). The claims have an aggregate area of 1,651 ha. Relevant claim details are presented in Table 4.1. The approximate center of the Property is located at 45.3°N Latitude / 61.7°W Longitude (UTM Zone 20T 597475E / 5017976N (WGS 84 Datum)).

Figure 4.1: Location Map Forest Hill Property



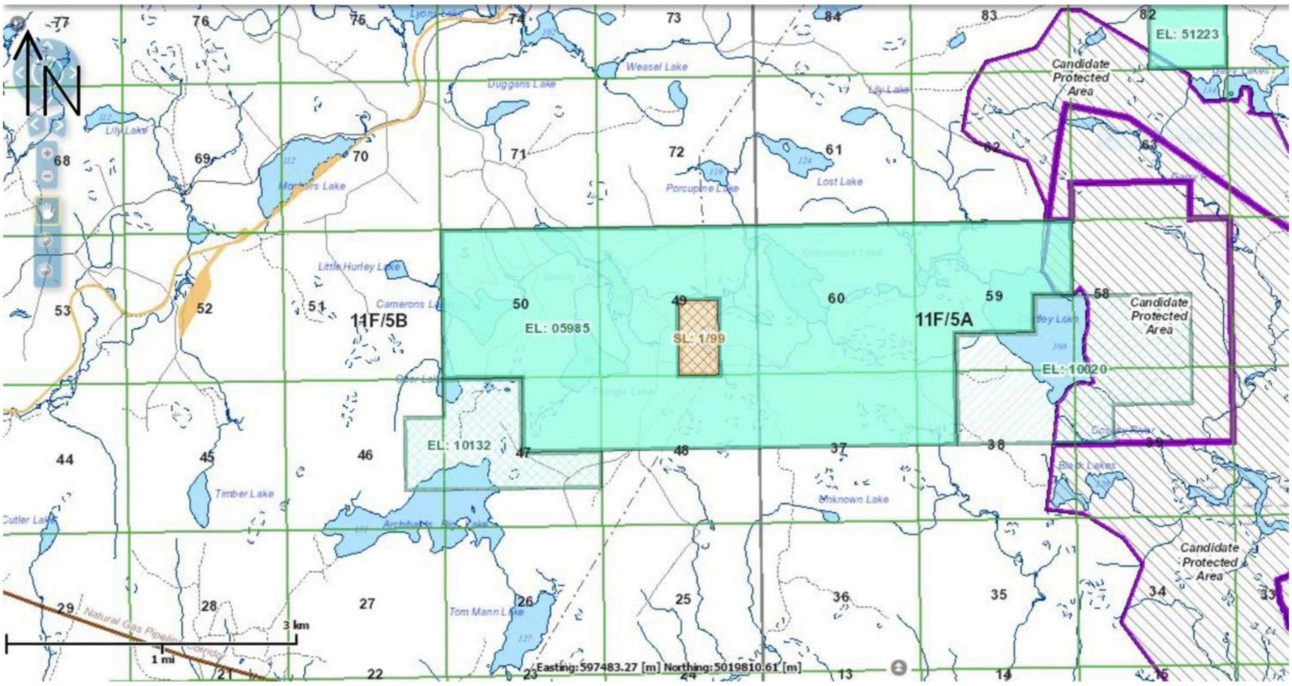
Aurelius holds a 100% interest in mineral rights to the Property through its acquisition of 2672403 Ontario Ltd. on February 27, 2020. Effective May 29, 2020 Aurelius changed the name of 2672403 Ontario to Aureus Gold Inc. (Aureus Gold).

The Nova Scotia Ministry of Mines owns a 1% Net Smelter Royalty (NSR) on all gold sales in the Province. Mr. Henry Schenkels holds a sliding scale royalty on portions of the Property of which the lower and upper limits are set out in Table 4.2. All other marketable commodities within the Schenkel area of interest are subject to a 1.75% NSR. Otherwise, title to the Property is free and clear of all encumbrances, back-in rights, royalties or other agreements or claims. There are no known environmental liabilities.

Aurelius owns one parcel of land at Forest Hill, PID 35029271 (Figure 4.3), that covers much of the recent underground development, including the Teasdale shaft. Adjacent lands are mainly owned by the Province of Nova Scotia and the Municipality of Guysborough.

Mineral exploration claims in Nova Scotia are issued under the Provincial Mineral Resources Act (1990) and retention of claims in good standing requires payment of an annual fee for each claim plus a minimum exploration expenditure. These fees increase with the age of the exploration licence. Renewal fees owed during 2020 for the four licences will total $14,811 and required work expenditures during this period will total $92,000.

Figure 4.2 Forest Hill Property Exploration Licences



Source: NOVAROC Nova Scotia Registry of Claims website: https://novaroc.novascotia.ca/novaroc/

Table 4.1: Forest Hill Property Mineral Claim Status

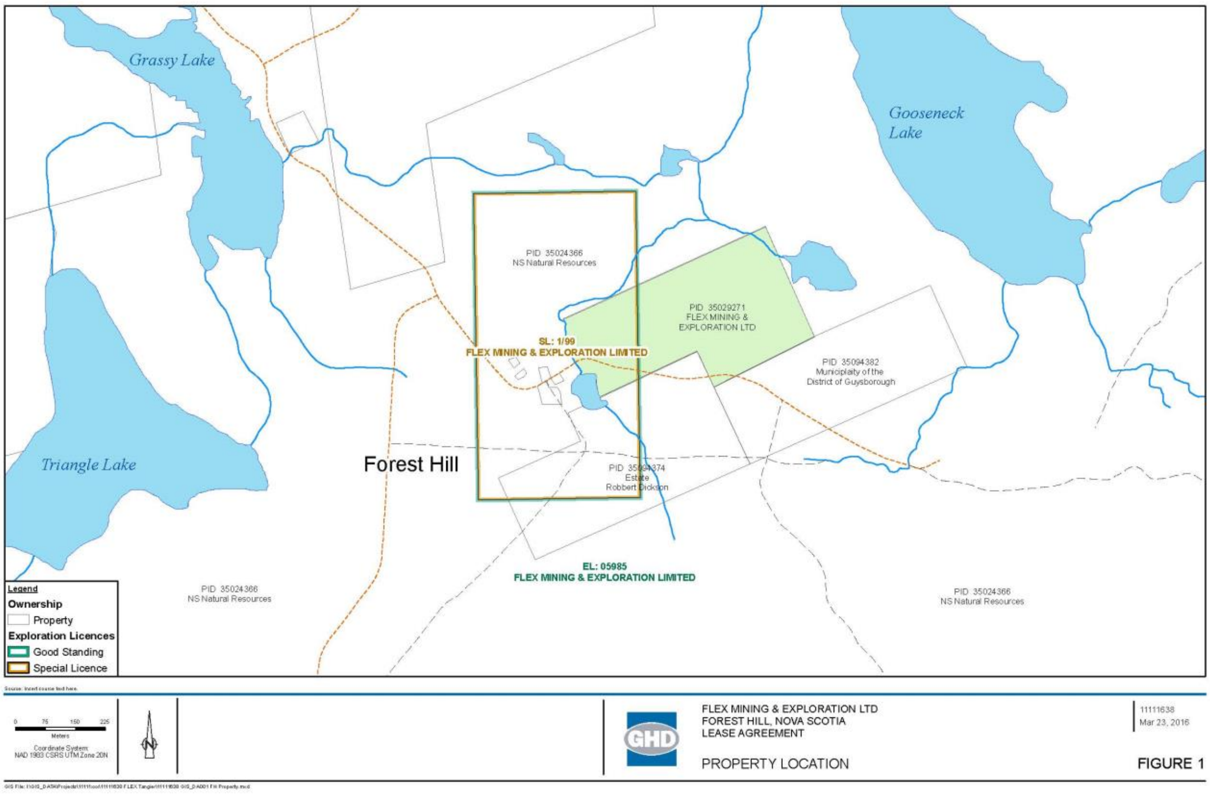
LICENCE	NTS	TRACT	CLAIM	ISSUE DATE	EXPIRY DATE	NO. CLAIMS
5985	11F 5A	37	J - Q	20-Sep-98	20-Sep-21	80
	11F 5A	38	M, N			
	11F 5A	59	D - G; J - Q			
	11F 5A	60	A - Q			
	11D 15B	47	J,K,P,Q			
	11D 15B	48	J - Q			
	11D 15B	49	A; C - F; H; J - Q			
	11D 15B	50	A - Q			
10020	11F5A	38	J - L; O - Q	02-Dec-11	02-Dec-21	20
	11F5A	39	M,N,O,P			
	11F5A	58	B - G			
	11F5A	59	A,B,C,H			
52900	11F5B	49	B,G	31-Mar-99	31-Mar-21	2

Table 4.2 Forest Hill Henry Schenkels Royalty

Commodity	Unit	Below US$	NSR %	Above US$	NSR %
Gold	Ounce	265.01	0.00	320.00	2.00
Silver	Ounce	4.00	0.00	6.01	0.00

Copper	Pound	0.70	0.00	1.00	2.00
Lead	Pound	0.25	0.00	4.00	2.00
Zinc	Pound	0.46	0.00	0.65	2.00

Figure 4.3 Forest Hill Surface Rights Plan

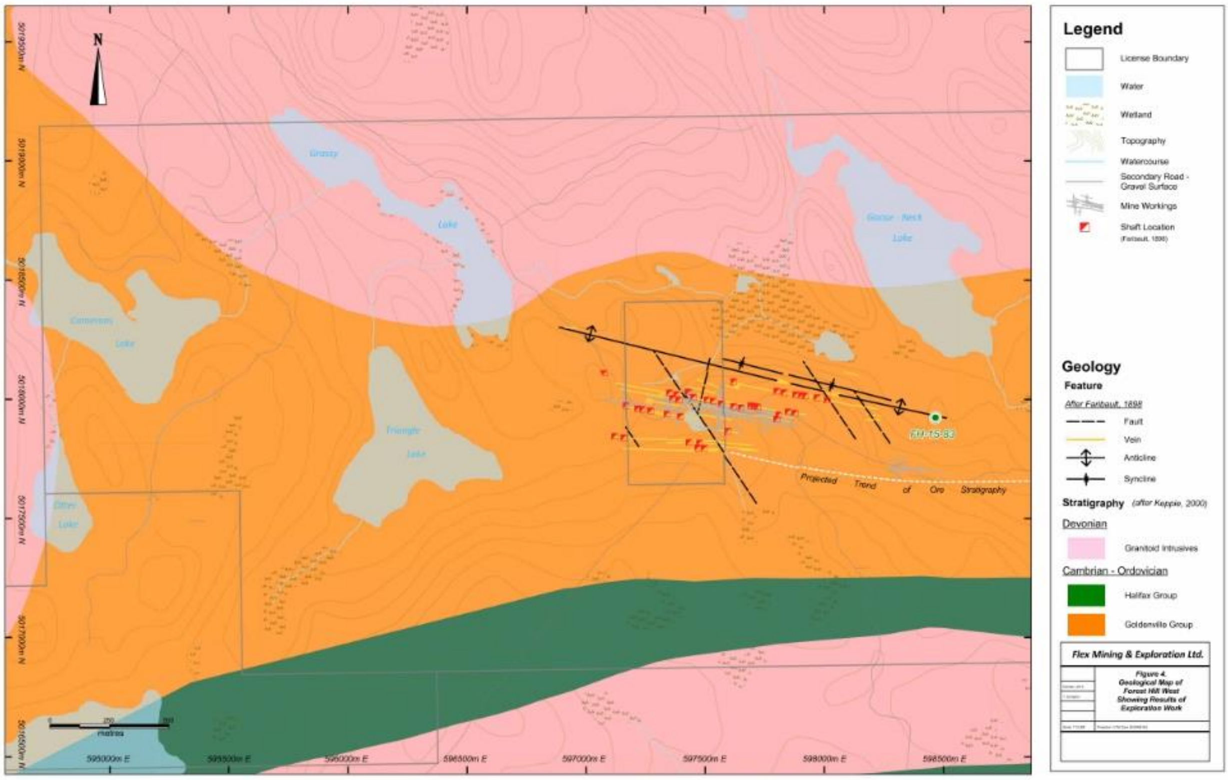


There are no known environmental liabilities and no other factors and risks that may affect access, title, or the right or ability to perform work on the Property.

5 Accessibility, climate, local resources, infrastructure and physiography

The Property is located in rural, eastern Nova Scotia, approximately 160km northeast of Halifax, and 40km southeast of the town of Antigonish (Figure 4.1). The Property is located approximately 12km east of Crossroads Country Harbour via a gravel road that leads from paved Provincial Highway 316, and then by a five-km all-weather road that is part of a network of logging roads in the area. Most of the Property is accessible via various roads that have been constructed for exploration and development programs that were carried out since the 1980s. Figure 5.1 shows the outline of the claims that comprise the Property, various local lakes, access roads, and the outline of the area in which historic mining took place and within which most exploration drilling has taken place.

Figure 5.1 Forest Hill Property Physical Geography



Source: Flex Mining 2017

Eastern Nova Scotia is characterized by northern temperate zone climatic conditions moderated by proximity to the Atlantic Ocean. Distinct seasonal variations occur, with winter conditions of freezing and/or substantial snowfall from late November through late March. Spring and fall seasons are cool with frequent periods of rain. Summer conditions prevail from late June through early September, with modest rainfall and daily mean temperatures in the 15° to 20° Celsius range. Winter minima are in the range -5° to -10 C°.

Mineral exploration field programs can be efficiently undertaken during the period May through late November; winter programs can be readily accommodated with appropriate allowance for weather delays.

The Property is in a sparsely populated area in which forestry represents a significant portion of the economy.

Local topographic relief ranges from 100m to 150m above sea level and the area contains numerous small lakes and bogs. Prominent northwest-trending faults that are characteristic of eastern Nova Scotia exert a prominent control on both topography and drainage.

Aurelius owns one parcel of land at Forest Hill, PID 35029271 (Figure 4.3), that covers much of the recent underground development, including the Teasdale shaft. Adjacent lands are mainly owned by the Province of Nova Scotia and the Municipality of Guysborough and access for potential tailings, waste rock disposal, processing plant and other infrastructure related to mining operations should not represent a problem.

The nearest community of sufficient size to provide services is Antigonish, 40km to the northwest; all major services and supplies can be obtained in Halifax. Mining personnel are available within the province. The Property has access to the provincial power grid which passes through the Property within 100 meters of the Teasdale shaft. Sufficient water is available for any contemplated mining operation.

6 History

6.1 Introduction

Gold was discovered at Forest Hill in 1893, relatively late in the history of discovery of gold-bearing quartz veins within Meguma Supergroup rocks which started in the 1860s. Mining commenced in 1895 and between then and 1916, approximately 27,000 ounces of gold were recovered from 55,000 tons of rock mined (average grade 16.7 g/t gold).

All mining was from underground and most production was obtained from 10 veins, although more than 40 shafts were reportedly developed, some presumably on lesser-known veins as well as the principal ones. The most productive veins were the School House, Salmon River, Hard, Ophir, McConnell, Barrel, Mill Shaft, Fraser and Camp, of which the Schoolhouse Vein appears to have contained the most continuous zones of mineralization.

No mining activity is documented between 1917 and 1934. Between 1934 and 1938 minor development from existing workings was carried out but no production was reported.

Between 1938 and 1956, Nova Rich Gold Mines carried out prospecting, trenching, bulk sampling and minor drilling programs. The Property was idle between 1956 and 1971.

Several companies explored the Property between 1971 and 2005. Their activities are described in the following Sections 6.2. to 6.5. There has been no work on the Property since 2005.

Resource Capital Gold Corporation acquired the Property in 2016 but did no work.

Aurelius acquired the Property in February 2020.

6.2 Exploration

Beginning in 1971 and until 2005, the Property was the subject of relatively continuous and documented exploration by a variety of companies.

Louisburg Mines Ltd. acquired the Property in 1971 and between then and 1980 conducted minor surface exploration and drilling programs.

Between 1981 and 1985, Seabright Resources Inc. (Seabright) carried out surface exploration programs including geological mapping, soil and till geochemical sampling, ground geophysics and diamond drilling. In addition, Seabright commenced sinking a shaft and also assessed the feasibility of reprocessing the tailings from previous operations. Seabright was acquired by Westminer Canada Limited (WCL) in 1988. WCL continued the program of underground bulk sampling that Seabright had initiated.

6.3 Drilling

Between 1983 and 1989, Seabright and WCL drilled 116 NQ-size surface holes (14,200 aggregate meters) and 136 AQ or E-size underground holes (8,300 aggregate meters). (Table 6.1) Seabright / WCL reportedly (Duncan, 2002) destroyed all, core, sample pulps and rejects when WCL abandoned the project.

Between 2003 and 2005, Tempus Corporation, subsequently re-named Acadian Gold Corporation, (AGC) drilled 82 surface holes with an aggregate length of 12,271m. (Table 6.1)

Table 6.1 Diamond drill programs 1983 – 2005

YEAR	OPERATOR	LOCATION	NUMBER OF HOLES	METERAGE	GRID AREA
1983-89	Seabright / WCL	Surface	49	11,000	500E to 1450E
1983-89	Seabright / WCL	Surface	67	3,200	1450E to 2000E
1983-89	Seabright / WCL	Underground	130	8,000	500E to 1450E
1983-89	Seabright / WCL	Underground	6	300	1450E to 2000E
2003	Acadian Gold Corp	Surface	26	4,829	450E to 1325E
2004	Acadian Gold Corp	Surface	46	6,482	1200E to 1775E
2005	Acadian Gold Corp	Surface	10	961	Most between 1125 and 1560E
			334	34,772	

In addition to the holes listed in Table 6.1, approximately 58 additional holes (5,900 aggregate meters) were drilled elsewhere within the Property, primarily to the east of the grid limit 2000E.

Assay grades for vein and wall rock samples ranged between 0 and 1,494 grams per tonne (g/t) gold over sample widths that were on average 0.5meters (m).

6.4 Underground Development and Bulk Sampling

In 1985, Seabright began sinking the Teasdale shaft that was ultimately developed to a vertical depth of 230 meters, and initiated development on the 155 and 200m levels in anticipation of a bulk sampling program.

In 1988, WCL acquired Seabright and continued the underground development and bulk sampling program. In addition to the Teasdale shaft, underground development comprised 7,700m of drifting and 1,900m of raises. A bulk sample of approximately 83,000 tonnes was collected from development accessed by the Teasdale shaft, and a second bulk sample of approximately 12,000 tonnes was collected from the 1900 East Ramp area around grid 1900E. Approximately 20,500 ounces (638,000 grams) of gold were recovered from the two bulk samples together with approximately 10,000 tonnes of development muck for an average recovered grade of 6 grams/tonne (g/t) gold.

Following the bulk sampling program WCL terminated activity at the site, removed all infrastructure and rehabilitated the site.

6.5 Historical Resource Estimates

Four estimates of the Forest Hill mineral resources were carried out during the period of Seabright – WCL exploration between 1984 and 1989. These estimates were made for different portions of the deposit and appear to incorporate both resources and reserves. For these reasons, these estimates are not reproduced in this report because a comparison with the estimate described in Section 14 is not considered relevant or reliable.

During 2004 and 2005, three resource estimates were made for AGC by Mercator Geological Services Limited (Mercator); the first was based on pre-existing underground drill and chip sample data and the first 27 drillholes drilled by AGC, the second based on underground data and 72 surface AGC drillholes, and the third, dated September 28, 2005, based on the underground data and 82 AGC surface drilllholes. The underground chip data used by Mercator was based on 815 face and back chip samples, but the actual data was not available to Mercator; instead, they used the averages for these samples that were calculated and reported in an internal Seabright report in 1988. (Mercator 2005). The first two estimates were superseded by the third, 2005, estimate that is discussed in Section 14.14.

All three Mercator estimates were carried out in compliance with National Instrument 43-101 (NI 43-101).

7 Geological setting and mineralization

7.1 Regional Geology

The bedrock geology of Nova Scotia is divided into the Avalon Terrane to the north and the Meguma Terrane to the south, separated by the east-trending Minas Geofracture (Cobequid-Chedabucto Fault System). The Meguma is allochthonous and docked against the Avalon (also allochthonous) during the Devonian-age Acadian Orogeny. (Figure 7.1)

Figure 7.1: Meguma Terrane

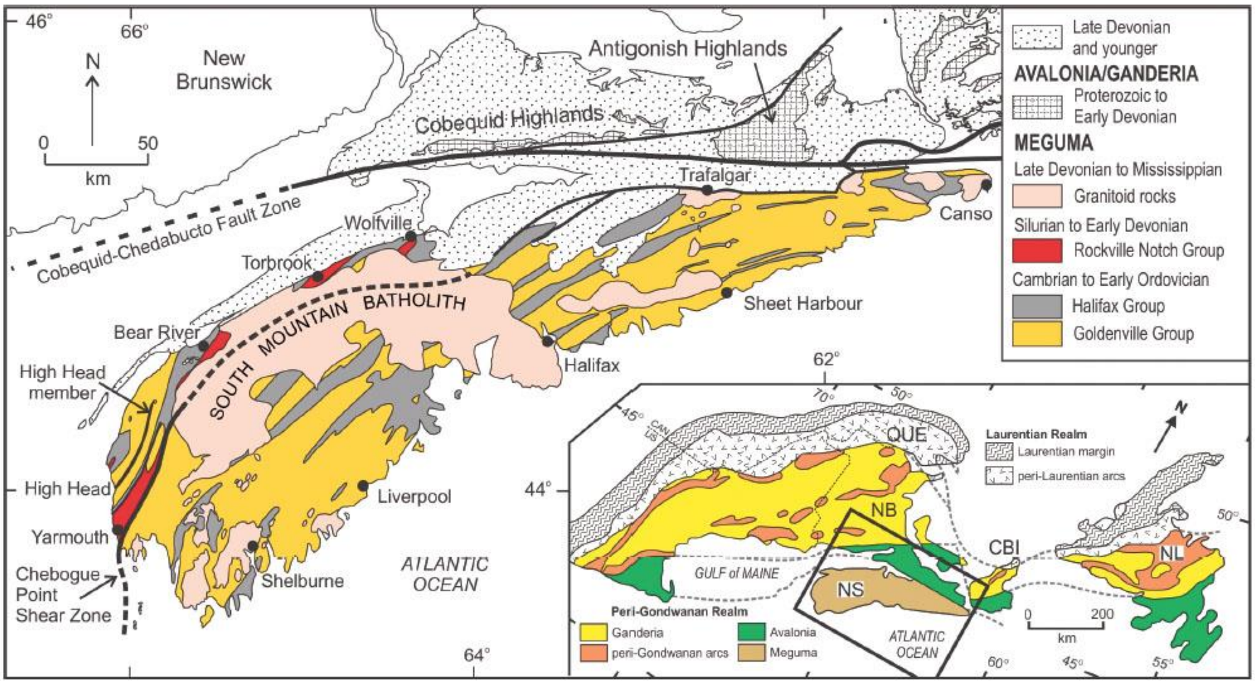


Figure 1. Simplified geological map of the Meguma terrane, southern Nova Scotia (after White 2010a). Inset map shows distribution of major tectonic elements of the northern Appalachian orogen after Hibbard et al. (2006). Abbreviations in inset map: CBI, Cape Breton Island; NB, New Brunswick; NL, Newfoundland; NS, Nova Scotia; QUE, Québec.

Source White & Barr 2012

The Meguma Supergroup, which is the principal host of gold deposits in Nova Scotia, is a package of Lower Paleozoic-age metamorphosed, turbiditic, deep-water, clastic sedimentary rocks. The exposed portion of the Terrane measures approximately 480 km long (east-west) by 120 km maximum width (western part of Nova Scotia). During the Acadian Orogeny, these rocks were deformed into east-trending doubly-plunging folds and regionally metamorphosed to greenschist, and locally amphibolite, facies grade. During the Devonian (approximately 375 ma) the Meguma was intruded by voluminous granitoid batholiths.

The Meguma Supergroup is comprised of the lower, Goldenville Group comprised predominantly of metagraywacke and with a known thickness of at least 6.7 km, and the upper Halifax Group, at least 11.8 km in thickness and comprised predominantly of black slate.

The Goldenville consists of massive, thick-bedded dark to light-grey metagreywacke. The greywacke beds represent fining-upward cycles that are commonly capped and separated by thin, slaty units that are chloritic or carbonaceous.

The Goldenville is conformably overlain by Halifax Group slate and metasiltstone. Slate predominates, (75%), and is black, carbonaceous and sulphidic. The metasiltstone (25%) is cross-laminated and thin-bedded. The upper portion of the Halifax Formation is commonly comprised of grey-green slate and siltstone.

The transition between Goldenville and Halifax Groups, termed the Goldenville-Halifax Transition (GHT), is comprised of two units (Steve's Road and equivalent Tancook) that are assigned to the Goldenville and two overlying units (Mosher's Island and Beaverbank) that are assigned to the Halifax Group. These units are characterized by a decrease in both the thickness and abundance of metagreywacke beds and a corresponding increase in the abundance and thickness of siltstone and silty slate beds. Metaquartz-arenite beds that contain spessartine garnet and manganese-rich calcareous concretions are characteristic of the GHT. In addition to enhanced manganese content, the GHT is enriched in carbon, arsenic, barium, lead, zinc, tungsten, molybdenum and gold as well as pyrite and pyrrhotite. Thickness of the GHT varies from 700 to 2,000 meters.

7.2 Property Geology

The Property is primarily underlain by a sequence of metagreywacke and subordinate, interbedded slate belonging to the Goldenville Group that is approximately 1,500 meters wide (north-south). These rocks have an east strike and are bounded to the north and south by slates of the Halifax Group. This package of rocks has been folded into an anticline that is overturned and dips steeply to the north. Devonian-age granitoid intrusives occur immediately to the north and within approximately one kilometre to the south of the Property and have caused amphibolite-grade contact metamorphism as evidenced by the presence of staurolite, andalusite and garnet. Emplacement of the granitoid batholiths was accompanied by the intrusion of numerous pegmatitic dikes into the Meguma sedimentary rocks within the Property.

Quartz veins developed during folding and are concentrated on the south limb of the anticline; those of economic interest are located within approximately 200 meters of the anticlinal axis although veining extends for up to 500 meters to the south of the fold axis. Quartz veins also occur on the north limb of the anticline, but none has been found to be sufficiently mineralized to warrant systematic exploration and therefore these veins are essentially undocumented.

The Property is cut by faults, predominantly with a northwest strike characteristic of the eastern half of Nova Scotia, but northeast-trending faults have been documented as well, and both sets offset the quartz veins. Offsets are on the order of several tens of meters. Most of the exploration and development of underground workings has taken place between the two northeast-trending faults (Figure 7.3).

7.3 Mineralization

7.3.1 General Description

Gold mineralization is contained in quartz veins within folded Meguma strata. There are probably hundreds of such occurrences throughout the Meguma although only approximately 50 of these were of sufficient size to have warranted exploitation on a scale that has been documented. Hypotheses regarding the genetic model for the veins and contained gold mineralization vary but the following generalizations can be applied to most occurrences, including the Property, and in a broad sense, best fit the orogenic gold genetic model.

1. Gold occurs in quartz veins;
2. The most auriferous veins are greyish to bluish, presumably because of the presence of finely-disseminated sulphides, and exhibit crack-seal textures. Milky-white quartz veins are generally not as well-mineralized as the bluish-grey type;
3. Quartz veins occur in three main formats that, in decreasing order of abundance are: 1) stratiform or bedding-parallel, 2) associated with axial plane cleavage in folds, and 3) as stockwork or breccia fillings;
4. Quartz veins are generally thin – from a few centimeters to less than one meter;
5. The bedding-parallel quartz veins occur within thin (generally metric scale or less) slate beds that are bounded by thicker intervals of metagreywacke;
6. All gold occurrences are associated with anticlines;
7. The anticlines are all nearly horizontal and most productive gold deposits occur where the anticlines are domed, i.e. doubly-plunging, with maximum axial-plane plunges at the edge of the dome ranging from a few degrees to a maximum of approximately 30 degrees;

8. Domes are elliptical in plan and can attain widths and strike lengths of several kilometers and are generally much longer than wide;
9. Gold abundance seems to be strongly correlative with the steepness of dip of the fold limbs – tight folds are better mineralized than open folds and in anticlines that are asymmetrically folded, the steeper limb almost invariably contains more gold;
10. The majority of gold-bearing veins are bedding-parallel and occur on the flanks of the anticlines rather than at the apex of the fold although saddle reefs are significant in a number of deposits;
11. Within a given deposit area, bedding-parallel veins are both numerous (commonly 10s of veins) and generally persistent - individual veins or sets of veins have been traced for up to several kilometers along strike and for hundreds of meters down-dip;
12. Gold is not distributed evenly throughout the bedding-parallel veins but is concentrated in secondary structures such as parasitic folds that in plan emanate in an en-echelon fashion from the anticlinal dome as well as intersections with angular veins, and intersections with faults and kinks;
13. Quartz veins that occur on cleavage planes generally contain gold only where they intersect bedding-parallel veins;
14. The veins are commonly fractured and deformed indicating that they participated in the deformation of the host rocks. This would imply that vein formation, and perhaps gold deposition, occurred over a prolonged period and may have been multi-episodic rather than having been a single event;
15. Gold is very commonly associated with arsenopyrite, pyrite and pyrrhotite. Scheelite, sphalerite and galena are also relatively common and typically are good indicators of the presence of gold.

7.3.2 Property Mineralization

The Property contains auriferous quartz veins; most are bedding-parallel but cross-cutting veins have also been reported. Vein thicknesses range from several centimeters to decimeters. Gold most commonly occurs in native form as flakes and grains within quartz veins and on the margins of veins immediately adjacent to wallrock. Arsenopyrite, pyrite and pyrrhotite have been reported together with minor occurrences of galena, sphalerite, chalcopyrite tin, tungsten and stibnite. There appears to be a spatial but non-linear relationship between gold and arsenopyrite and to a lesser degree, between gold and galena.

Gold occurs within “shoots” from seven to 30 meters in height and several hundred meters in strike length within a given vein. These zones commonly have the same plunge as the axis of the anticline and are auxiliary or parasitic folds developed on the flanks of the principal anticline and empirical evidence indicates these shoots relate to the intersection and overlapping of “angular” veins with bedding-parallel veins. Angular veins are roughly strike-parallel and generally discordant to bedding. Locally they intersect and follow bedding-parallel veins before exiting on the stratigraphically opposite side where they maintain a similar discordant attitude. Coarse gold and high grades occur in the overlapping intervals resulting in the observed ore shoots. These secondary folds typically occur in en-echelon fashion within a given vein, as well as in adjacent veins.

Auriferous quartz veins of economic interest are all located on the steeply-north-dipping (70° to 80°), overturned, south limb of an east-trending anticline within 250 meters of the anticlinal axis. Within that 250-meter interval, a central 50 to 60-meter-wide interval of interbedded metawacke and schist termed the Schoolhouse sequence contains the Schoolhouse 1 through 6 stratiform veins or vein packages which were historically the most productive and were the primary subject of more recent bulk sampling programs. (Figures 7.3 and 7.4) Veins are boudinaged, are generally from five to 15cm thick and some are persistent along strike and down-dip for hundreds of meters. Several of these veins have been traced for over 500 meters along strike and the enclosing stratigraphy has been traced along strike for at least 2,000 meters.

The Schoolhouse sequence is bounded to the north by a massive metawacke interval, 40 to 50 meters thick, that is succeeded northward by a 100-meter metawacke interval with interbedded slate beds. This interval contains a number of the other historically significant veins including the Salmon River, Hard and Ophir. To the south of the Schoolhouse sequence, the strata are comprised of more schist than metawacke. Both auriferous and post-mineral, milky, barren quartz veins are abundant within this sequence. Arsenopyrite is also common and occurs both within the veins and in adjacent wallrock.

Figure 7.2 Forest Hill Property Geology

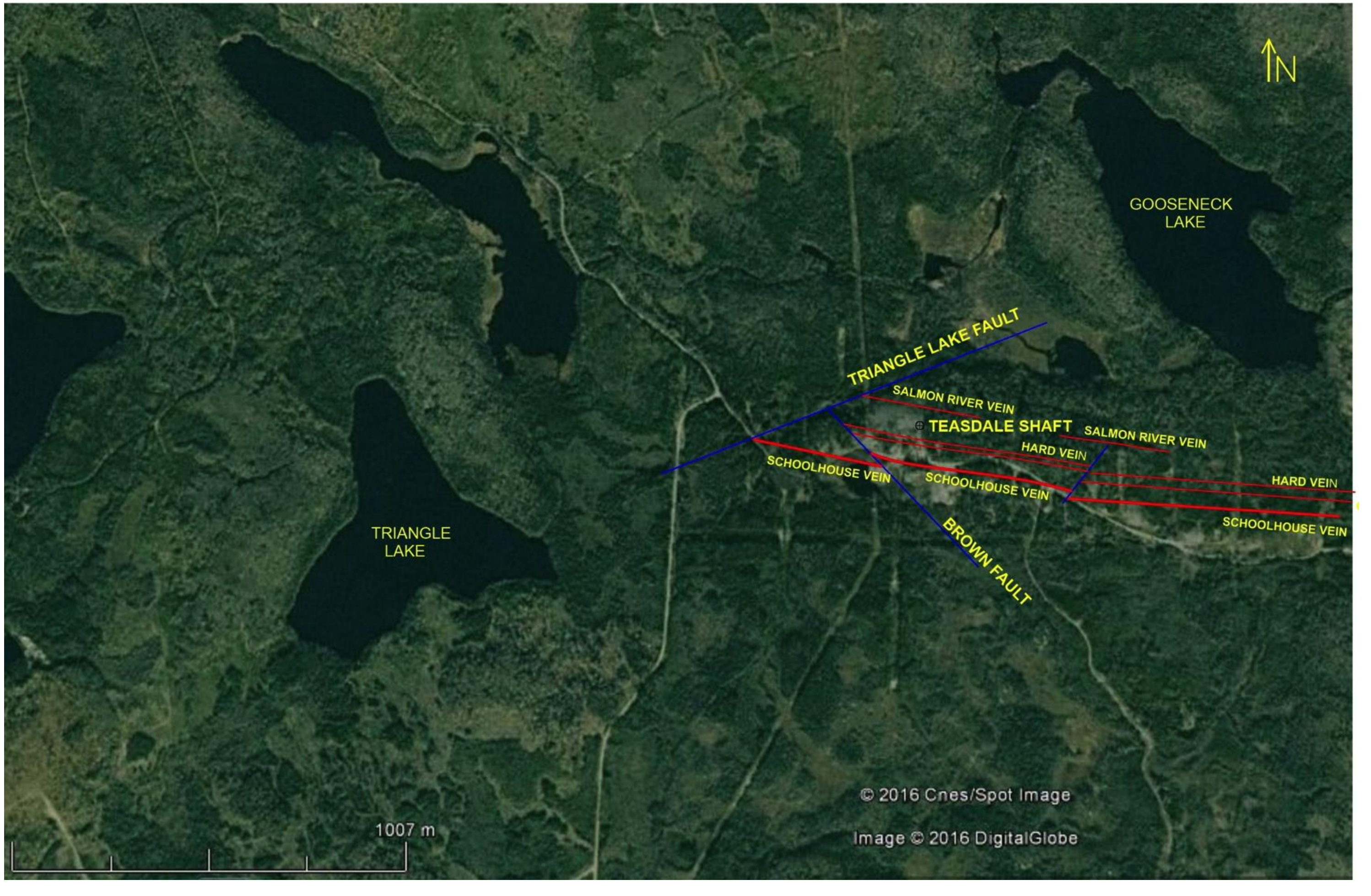
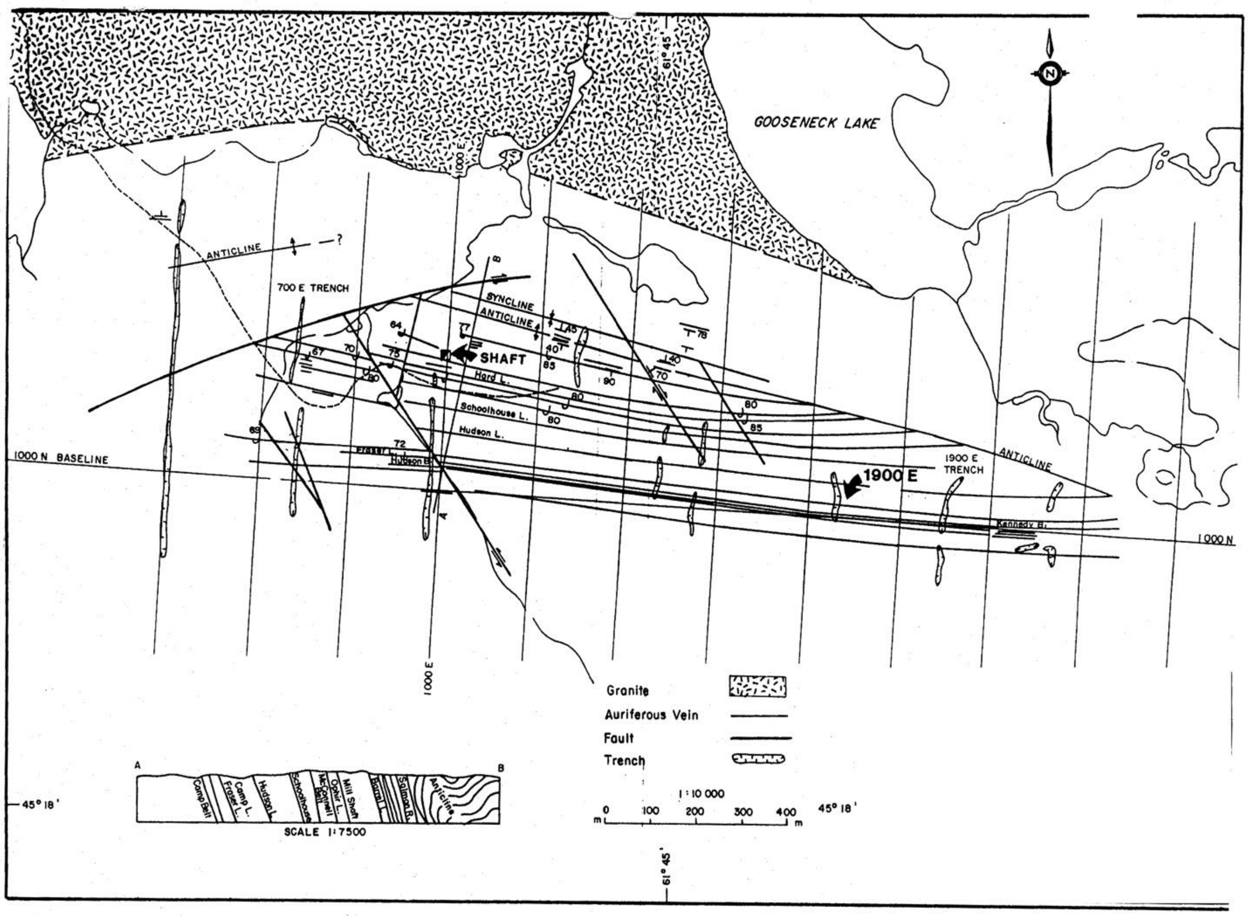


Figure 7.3 Forest Hill Property Geology



Source: Westminer Canada Limited Assessment Report 89-294

8 Deposit types

The Forest Hill Property belongs to the Turbidite-Hosted Au Vein model as described below. (McMillan, 1996). More generally, the Forest Hill deposit falls in the orogenic gold genetic model (Goldfarb et al, 2005).

CAPSULE DESCRIPTION: Gold-quartz veins, segregations, lodes and sheeted zones hosted by fractures, faults, folds and openings in anticlines, synclines and along bedding planes in turbidites and associated poorly sorted clastic sedimentary rocks.

TECTONIC SETTING: Hostrocks were deposited in submarine troughs, periarc basins, foreland basins and remnant ocean basins. The sediments were typically formed on continental margins or back-arc basins. Typically, these sequences experienced one or two deformational phases with associated metamorphism.

DEPOSITIONAL ENVIRONMENT/GEOLOGICAL SETTING: Thick sediment sequences that have been deformed and metamorphosed; relatively few igneous rocks.

AGE OF MINERALIZATION: Archean to Tertiary; the Bendigo and Meguma districts are underlain by Early Paleozoic strata. The veins are generally considered to be related to later deformational event.

HOST/ ASSOCIATED ROCK TYPES: The predominant rock types are greywackes, siliceous wackes, shales and carbonaceous shales. Bedded cherts, iron formations, fine-grained impure carbonate rocks; minor polymictic conglomerate, tuffaceous members and minor marine volcanic flows may also be part of the stratigraphic sequence. There are younger granitic intrusions in many belts. Metamorphic grade is generally greenschist, but may reach amphibolite rank.

DEPOSIT FORM: Typically, deposits are composed of multiple quartz veins up to a few meters in width that are commonly stratabound (either concordant or discordant), bedding-parallel, or discordant, and parallel to fold axial planes. Veins are variably deformed and occur as single strands, as sheeted arrays or as stockworks.

TEXTURE/STRUCTURE: Veins are well defined with sharp contacts. Bedding veins can be massive or laminated (ribbon texture) with columnar structures or stylolites, while discordant veins are generally massive. Veins can be associated with a variety of structures. Most common are folded veins and saddle reefs related to anticlinal folds. Sheeted, en echelon sigmoidal veins, ladder veins, tension gashes or stockworks may be related to zones of extension or to Reidel shear structures.

ORE MINERALOGY (Principal and *subordinate*): Native gold, pyrite, arsenopyrite, *pyrrhotite, chalcopyrite, sphalerite, galena, molybdenite, bismuth, stibnite, bournonite and other sulphosalt minerals. Low sulphide content* (<2.5%).

GANGUE MINERALOGY (Principal and *subordinate*): Quartz, carbonates (calcite, dolomite or ankerite), *feldspar (albite) and chlorite*.

ALTERATION: Generally, not prominent, however, disseminated arsenopyrite, pyrite and tourmaline, and more pervasive silica, sericite and carbonate, may develop in wallrocks adjacent to veins.

ORE CONTROLS: A strong structural control within dilatent areas in fold crests (saddle and trough reefs), discordant veins and tension gashes. This structural control may extend to district scale alignment of deposits. In some districts the veins appear confined to a specific stratigraphic interval, often near a change in lithologies. In the Meguma district, a more subtle stratigraphic control related to the upper (pelitic) portions of individual Bouma cycles as well as regionally to the upper portion of the turbidite section.

GENETIC MODEL: Genetic theories range from veins formed by magmatic hydrothermal fluids or metamorphogenic fluids to deformed syngenetic mineralization. Most current workers prefer the metamorphogenic-deformational or lateral secretion theories and interpret the laminations as “crack-seal” phenomena formed during episodic re-opening of the veins during their formation. Workers favoring a syngenetic origin interpret the laminations as primary layering. Structural relationships in the Meguma and Bendigo districts indicate that the veins formed contemporaneously with, or prior to the major deformational event and were metamorphically overprinted during the intrusion of Devonian batholithic granitic rocks. Late post-deformational tension veinlets are generally non-auriferous.

9 Exploration

Aurelius has done no exploration on the Property. Exploration programs conducted by previous operators have been described in Section 6.

10 Drilling

Aurelius has done no drilling on the Property. Drill programs conducted by previous operators are described in Section 6.3. However, because all the gold assays used for the resource estimate described in Section 14 of this report were obtained from those historic drill programs, they are described further here.

Two operators did most of the drilling: Seabright / WCL during the period 1983 – 1989 and AGC during the period 2002 – 2005 as tabulated in Table 6.1. Figure 10.1 is a plan view of the documented drillholes completed by Seabright / WCL and AGC; Figure 10.2 is a long section of the same area and Figure 10.3 is a vertical cross-section.

Between 1983 and 1989, Seabright and WCL drilled 116 NQ-size surface holes (14,200 aggregate meters) and 136 AQ or E-size underground holes (8,300 aggregate meters). The deepest surface hole was 693.4m in length. Core was logged geologically and all quartz veins, together with immediately adjoining wallrock, were sampled. For drillholes from FH 83-01 to FH-84-23, the entire core was sampled; core from subsequent holes was split. Core recoveries were documented qualitatively as being good to excellent. Procedures at the drill were not described. Seabright / WCL reportedly destroyed all, core, sample pulps and rejects when WCL abandoned the project.

Between 2003 and 2005, AGC drilled 82 NQ-size holes from surface in three campaigns (aggregate length 12,271m). (Table 6.1) All three programs were managed by Mercator Geological Services Ltd. Drilling was carried out on a 24-hour basis. Drill core was moved from the drill site by the drill contractor to a core storage and processing facility in the nearby community of Goshen. Drillhole collars were surveyed by a registered surveyor and casings were generally left in the hole. Core was logged and marked for sampling by Mercator and Acadian geologists. All quartz veins were sampled as well as adjacent wallrock in separate samples. Seven holes were sampled continuously to determine whether gold is present in country rock. The conclusion of this exercise was that gold is present in meaningful quantities only in and adjacent to quartz veins. Procedures at the drill and core recovery are not mentioned in any of the Mercator reports reviewed. All or most of the AGC core has been preserved and is stored at the Tangier Property that is also owned by RCGC.

Figure 10.1 Forest Hill Drillhole and Modelled Vein Locations, Plan View

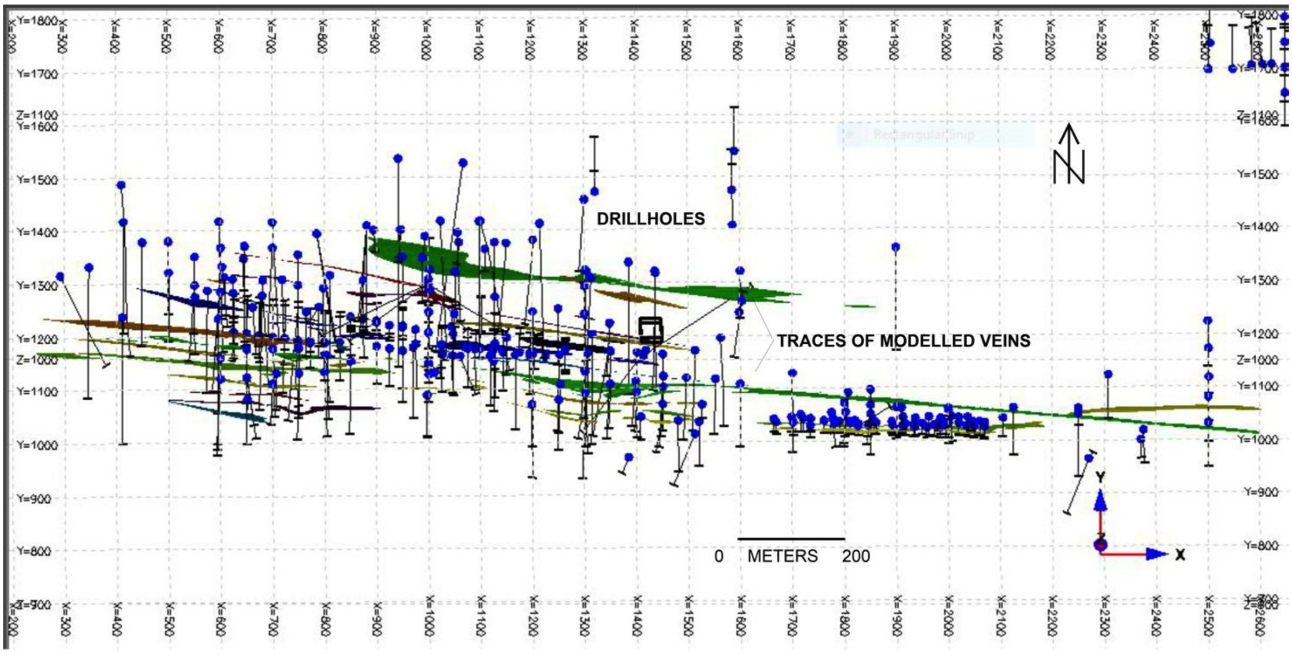


Figure 10.2 Forest Hill Drillhole and Modelled Vein Locations, Long Section View

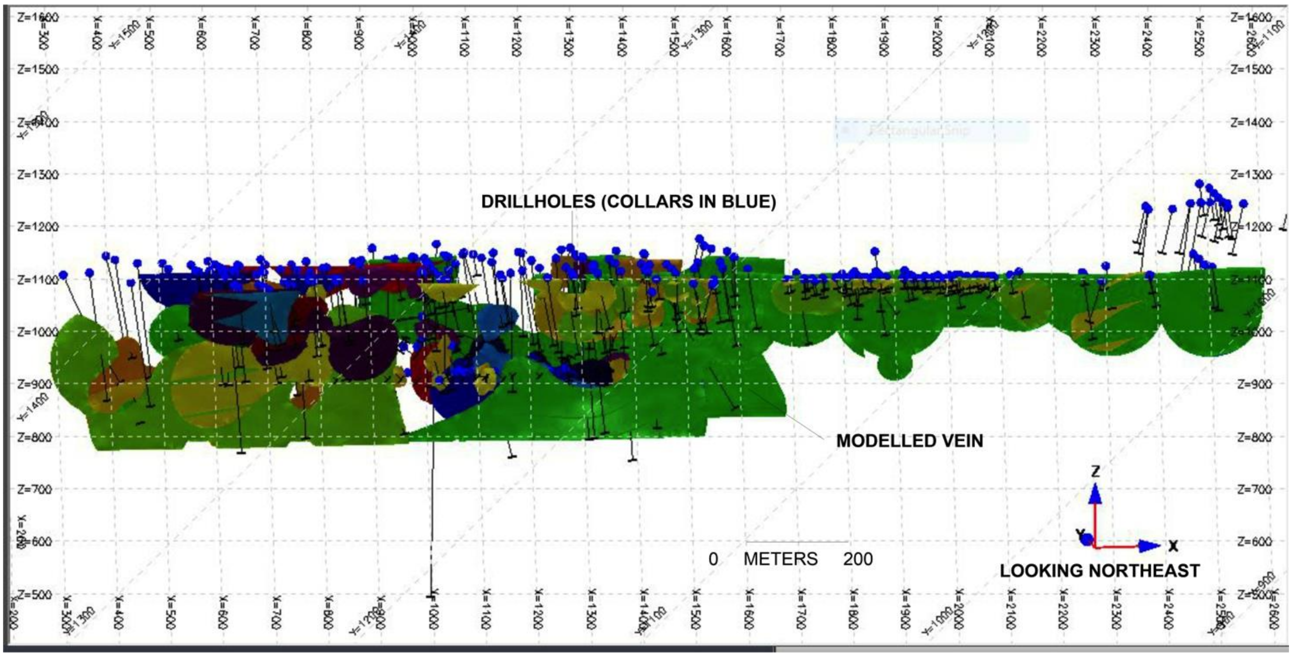


Figure 10.3 Forest Hill Drillhole and Modelled Vein Locations, Vertical Cross Section

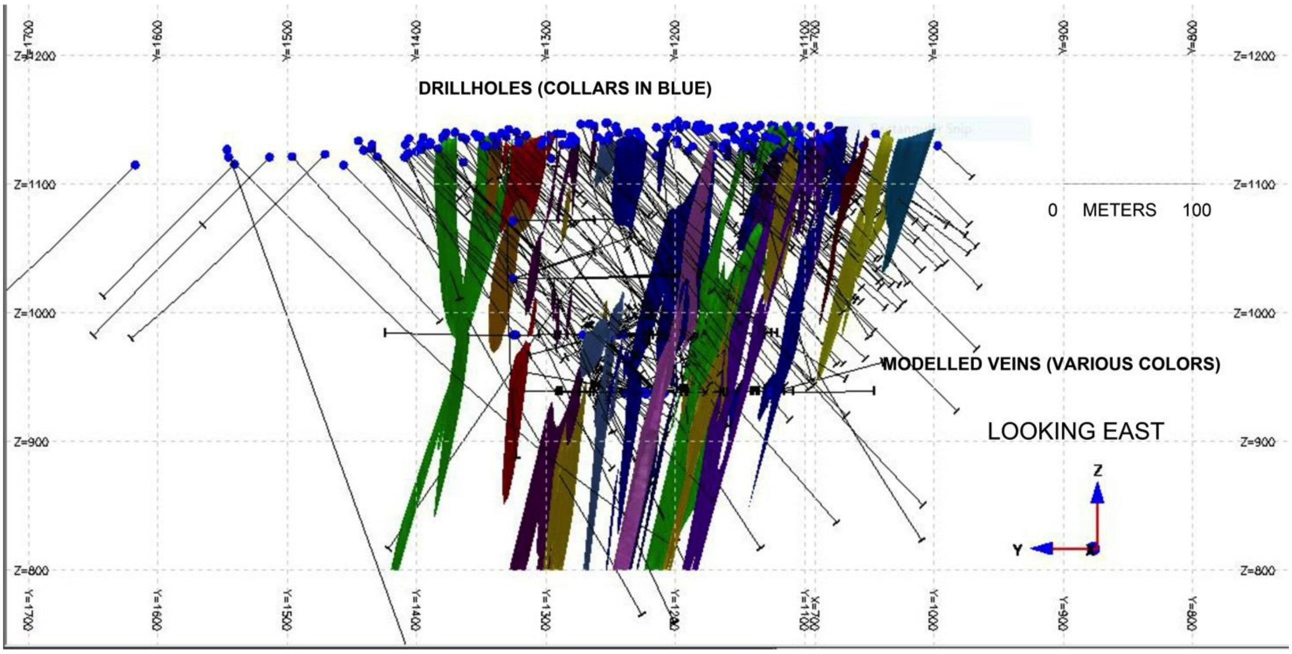


Table 10.1 provides descriptive statistics of the drill results obtained from the Seabright / WCL and AGC drill campaigns including the average and range of gold grades encountered. The results obtained from the surface drill programs by the two operators are very similar with respect to average sample length and average gold grade. The underground drilling resulted in a markedly higher average grade because the holes were targeted to test specific portions of veins known or anticipated to be mineralized.

Table 10.1 Forest Hill Drilling Statistics

	Acadian Gold Corp.		Westminer Canada Limited			
	Surface Drillholes		Surface Drillholes		Underground Drillholes	
	Length (m)	Au g/t	Length (m)	Au g/t	Length(m)	Au g/t
Mean	0.49	1.37	0.52	1.24	0.72	16.19
Standard Error	0.00	0.35	0.01	0.31	0.04	3.56
Median	0.50	0.01	0.46	0.05	0.59	2.78
Mode	1.00	0.01	0.61	0.01	1.20	1.32
Standard Deviation	0.31	27.74	0.41	18.90	0.45	42.54
Range	9.06	1494.00	4.47	905.99	1.78	338.93
Minimum	0.04	0.00	0.01	0.01	0.11	0.03
Maximum	9.10	1494.00	4.48	906.00	1.89	338.96
Count	6,399	6,399	3,740	3,740	143	143
Total Samples						10,282
Average Length (m)						0.50
Average Grade (g/t)						1.53

The drilling campaigns of both operators intersected numerous quartz veins with variable gold contents. The surface drillholes intersected a broad package of stratigraphy and contained veins; the underground drilling focused on a subset of veins, in particular the Schoolhouse package, that had been of significance historically and in terms of intercepts from surface drilling. The range of grades and overall averages are given in Table 10.1. Occurrences of visible gold in drillcore were relatively common.

There are no drilling, sampling or recovery factors that could materially impact the accuracy and reliability of the results obtained, although no comments were made in any previous reports to indicate that any issues with drilling, sampling or recoveries were encountered.

The holes were drilled at a variety of azimuths and dips so it is difficult to make a quantitative assessment or generalization of the relationship between intersected thickness and true thickness of the quartz veins. For most drillholes, however, it can be assumed that holes have intersected the veins obliquely and therefore the intersected thickness will be greater than the true thickness.

Typical of vein-type gold mineralization, the gold grades in the Forest Hill dataset contain outliers – that is grades that are extremely high relative to the majority of the assay population. Treatment of outliers is discussed in Section 14.1.3.

11 Sample preparation, analyses and security

11.1 Introduction

Aurelius has collected no samples; the following descriptions of sample preparation, analyses and security pertain to programs conducted by previous operators. This information is included here rather than in Section 6 because all the gold assay data upon which the resource estimate described in Section 14 is based, were obtained by those historical exploration programs.

11.2 Sample Preparation

11.2.1 Seabright / WCL Drilling

Seabright / WCL collected whole core samples for the first 23 holes drilled at Forest Hill; subsequently, core was split. Core was logged by Seabright / WCL geologists who were also responsible for marking the core for sampling. Data collection was by hand-written logs that were subsequently typed. Copies of a significant number of Seabright / WCL logs are available.

Seabright WCL reportedly employed QA/QC protocols that included standards, blanks, duplicates and check assays although no documentation of these programs or their results was found in the reports reviewed by GMRS.

11.2.2 ACG Drilling

ACG and Mercator geologists were responsible for core logging and sample preparation. Sample intervals were marked on core and sample intervals were recorded on the drill logs. Samples were identified by sample tags, one of which was placed in the core box, one in the sample bag, and the third of which was retained in the sample book. Samples were collected by cutting core in half. Half was placed in the sample bag together with a sample tag and half was retained in the core box for reference.

The sampling program was designed to assess the gold content of veins so the sample intervals reflected vein boundaries. Short intervals of wallrock on the vein contact were included in the sample interval. Most samples did not have a prescribed minimum length although some (FH03-26 through FH04-46) a minimum sample length of 40cm was applied for vein material and 50cm for wallrock with a maximum total sample length of one meter.

Holes FH04-40, 41, 43, 44, 46 and 48 were sampled continuously to determine whether gold occurred in significant quantities in wallrock. Results from these holes indicated that little or no gold occurred away from the quartz veins.

Copies of most AGC logs are available in assessment reports.

11.3 Sample Analyses

11.3.1 Seabright /WCL

Core was submitted to Atlantic Analytical Laboratories in St. John, New Brunswick for analysis of gold, silver and arsenic. Samples were crushed and split into + and -80 mesh fractions. Both fractions were assayed for gold and the two results were combined for each sample. Gold assays were by fire assay with an atomic absorption finish. Silver and arsenic were assayed by acid digestion and atomic absorption. Scanned copies of assay certificates from the Seabright / WCL drilling are appended to several assessment reports prepared for submission to the Nova Scotia government. The assays from these two operators represent approximately 37% of the total assay database.

11.3.2 AGC

Samples from the 2003 and 2004 campaigns were sent to SGS Lakefield and SGS XRAL in Mississauga, Ontario for analysis. Samples from the 2005 drill program were sent to ALS Chemex in Mississauga. All samples were screened for metallic gold (+ and – 150 mesh) and gold content was determined by fire assay with an atomic absorption or gravimetric finish.

11.4 QA/QC

11.4.1 Seabright / WCL

The Seabright / WCL assessment reports do not contain any QA/QC data nor any references to QA/QC programs although it is reported elsewhere that duplicates, standards and blanks were employed on a regular basis by Seabright / WCL but no further information in this regard was seen by GMRS.

11.4.2 AGC

The QA/QC program for the 2003-2004 AGC drilling programs consisted of analysis of duplicate sample splits, monitoring of certified laboratory standards and analysis of sample blanks inserted by Mercator/Acadian into the processing stream. Analysis of check samples at a second laboratory was also carried out.

QA/QC protocols for the 2005 drilling program were similar to those used in earlier programs. Duplicate sample splits of minus 150-mesh material were prepared and analyzed in the regular processing stream at a nominal frequency of 1 in 10. Blind blank core samples were also systematically included in sample shipments at a nominal frequency of 1 in 25 and laboratory standards were inserted by ALS Chemex in each batch of samples submitted for analysis. Analytical data and charted results for the 2005-drilling program are presented in Appendix 2 of Mercator 2005. The results are generally very similar and show expected levels of variation for a population known to be characterized by occurrence of coarse gold.

11.5 Sample Security

11.5.1 Seabright / WCL

The Seabright reports describing their drill programs do not discuss sample security. Considering, however, that Seabright made the decision to pursue underground exploration on the basis of their surface drill results, they must have considered that those results were reliable and therefore that the security of samples was adequate to ensure their reliability.

11.5.2 AGC

AGC followed rigorous sample security procedures: the core logging and processing facility was secure and after being cut and bagged, samples were placed in plastic buckets for shipment to the analytical laboratories and for the 2005 program, the buckets had tamper-proof lids. Samples were shipped by courier and were delivered to the courier by ACL / Mercator staff.

11.6 Author's Opinion

Although some differences exist between the sampling protocols of the two major sources of assay data, Seabright / WCL and AGC, the overall results are statistically similar and available evidence suggests that both operators were adhering to industry norms of the period in which their respective drill campaigns took place. The author is of the opinion that sample preparation, analytical procedures, and security (AGC) are adequate for the purposes of supporting a resource estimate.

12 Data verification

GMRS was able to conduct a range of steps to verify the data. Drill core from the AGC drilling and was examined briefly to identify hole numbers, size of core and method of sampling. Scanned copies of laboratory assay certificates are available for significant portions of both the Seabright WCL and AGC assays.

WCL reclaimed the Property when their involvement with the project terminated and at the time of the site visit all that could be observed was the cap on the shaft and evidence of former trenches and drill sites. One drill casing was located but was not identified, however, it is probable that it dates from the AGC drilling as it was customary for AGC to leave collars in holes.

Approximately 2,900 assays, (1,400 for Seabright / WCL assays and 1,490 for AGC assays) in the dataset received from RCGC were checked against assay certificates. These checks represent 36% of the Seabright / WCL assays and 23% of the AGC assays for an aggregate check of 28% of all assays. No errors were found although it was noted that 20 assays present in the assay sheets differed, and for most were of lower grade, that the corresponding values in the dataset. This discrepancy relates to the fact that essentially all samples were subjected to metallic screening; the assay certificates contain those values obtained from the -80 (Seabright / WCL) and -150 (AGC) sample fractions. The particulate gold assays and the averaged sample assays that are present in the dataset appear on separate assay certificates. Most, but not all, of the certificates showing the calculated total gold values were also reviewed.

The dataset used for the current resource estimate was checked and found to be internally consistent and free of logical errors.

It is the author's opinion that sufficient verification data is available to permit use of both the Seabright / WCL and AGC data for the purpose of resource estimation as described in Section 14 of this report.

13 Mineral processing and metallurgical testing

In 1987 Lakefield Research tested two mineralized samples (weight not stated) from Forest Hill. The samples were processed by gravity, flotation and cyanidation. Gravity recovered 54% of the gold, gravity plus flotation recovered 86% and gravity, flotation and cyanidation recovered 95% of the gold. The combination of gravity, flotation and cyanidation was concluded to be the most effective method of processing mineralization from Forest Hill. The report does not identify the nature or specific source of the sample so whether or not it is representative of the Forest Hill mineralization as a whole cannot be stated. The report also does not mention any processing factors or deleterious elements that could have an effect on potential economic extraction.

Between 1986 and 1989, WCL processed approximately 105,000 tonnes of vein and development material that they recovered from their underground exploration programs in the Teasdale Shaft and 1900 East areas of the Property. The material was trucked 155km to Gays River where WCL owned a mill that was originally constructed to process lead-zinc ore from the Gays River mine. Overall head grade was approximately 5.5 g/t gold and overall recovery was approximately 93%. The development material can be assumed to have been generally unmineralized and therefore would have had a diluting effect on the grade of material processed. The results of the milling program are presented on an annual basis in Table 13.1.

Table 13.1 WCL Forest Hill Milling and Recovery Statistics

Teasdale Shaft	**1986**	**1987**	**1988**	**1989**	**Total/Average**
Tonnes (dry) milled	4,074.0	28,966.0	25,586.0	35,314.0	93,940.0
Grade g/t (rod mill discharge)	3.3	5.3	6.2	6.5	5.9
Gravity Recovery	65.3	70.6	74.5	73.8	72.6
Flotation Recovery	18.5	21.5	20.6	20.8	20.9
Assay of Tails (g/t)	0.5	0.3	0.3	0.4	0.3
Overall Recovery	83.8	92.1	95.1	94.3	93.5

1900 East					
Tonnes (dry) milled			7,100.0	4,102.0	11,202.0
Grade g/t (rod mill discharge)			2.1	2.9	2.4
Gravity Recovery			46.0	38.6	43.3
Flotation Recovery			46.4	52.0	48.4
Assay of Tails (g/t)			0.2	0.3	0.2
Overall Recovery			90.5	89.8	90.2

Total Tonnes	105,142.0
Average Head Grade Au g/t	5.5
Average Recovered Grade Au g/t	93.1

The Seabright / WCL sample material is considered to be very representative of the deposit as a whole because of its size and the location from which it was extracted relative to the known distribution of mineralization.

Details pertaining to the mill design and recovery procedures are not known, nor are any processing factors that may affect potential economic extraction.

14 Mineral Resource estimates

14.1 Introduction

RCGS provided GMRS with a database for the Property comprising collar, survey, assay and lithology files generated by exploration programs conducted by previous operators, together with wireframes for 16 veins. The drill dataset contained collar locations for 249 surface drillholes (aggregate length 34,413 m) and 127 underground drillholes (aggregate length 7,267 m). All except 11 holes were drilled by either Seabright / WCL or AGC but those 11 holes do not form part of the dataset used for resource estimation. The dataset also includes data for 34 holes that were drilled by Seabright / WCL or AGC outside the area of the resource estimate, as well as six repeat (eg. FH-87-xx and FH-87-xxA) holes although assays are included for only one of each duplicate pair.

The dataset as received, contains 10,280 assays for gold. Most of those are from holes or intercepts outside the modelled veins used for this resource estimate. A total of 909 assays are located within the modelled veins: surface holes account for 836 assays and the underground holes for 73 assays that are located within the volume of the vein models (wireframes). Descriptive statistics of sample length and capped and uncapped gold grades for raw assays and corresponding composites are presented in Table 14.1.

14.2 Exploratory Data Analysis

Table 14.1 Surface and Underground Drillhole Descriptive Statistics

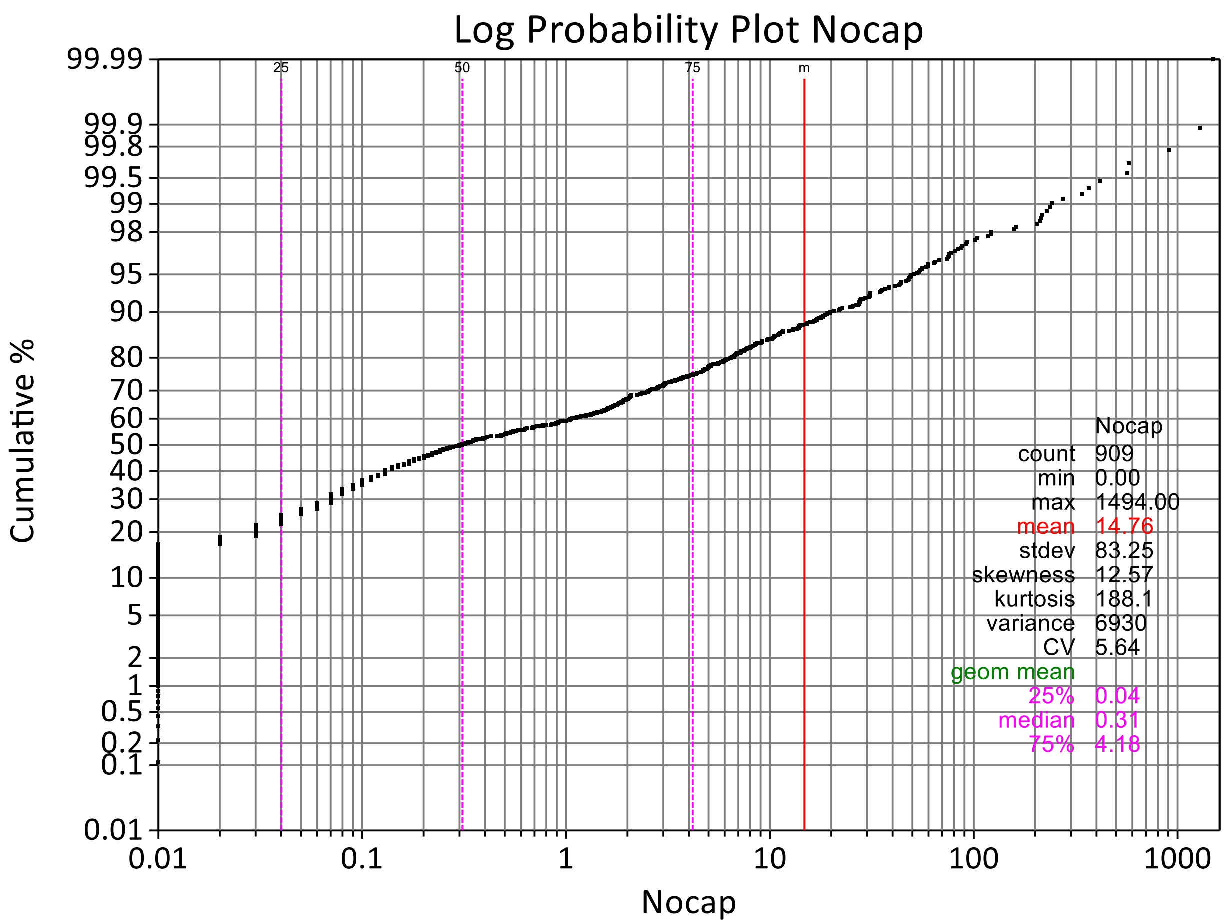
Forest Hill Assays	Surface Drillholes			Underground Drillholes		
Statistic	Length (m)	Au g/t Capped	Au g/t Uncapped	Length (m)	Au g/t Capped	Au g/t Uncapped
Mean	0.51	7.27	13.74	0.85	20.64	26.43
Standard Error	0.02	0.74	2.95	0.05	3.82	6.54
Median	0.40	0.21	0.21	0.71	7.40	7.40
Mode	0.50	0.01	0.01	1.20	125.00	1.32
Standard Deviation	0.51	21.27	85.17	0.46	32.60	55.85
Range	4.45	125.00	1494.00	1.74	124.88	338.84
Minimum	0.03	0.00	0.00	0.15	0.12	0.12
Maximum	4.48	125.00	1494.00	1.89	125.00	338.96
Count	836	836	836	73	73	73

Forest Hill Composites	Surface Drillholes			Underground Drillholes		
Statistic	Length (m)	Au g/t Capped	Au g/t Uncapped	Length (m)	Au g/t Capped	Au g/t Uncapped
Mean	0.57	3.43	5.44	0.49	12.21	16.86
Standard Error	0.01	0.25	0.98	0.02	1.75	3.70
Median	0.73	1.06	1.06	0.50	5.00	5.00
Mode	0.75	0.01	0.01	0.75	1.28	1.28
Standard Deviation	0.23	6.80	26.50	0.23	19.67	41.59
Range	1.30	60.13	427.35	0.71	109.98	338.94
Minimum	0.03	0.00	0.00	0.04	0.02	0.02
Maximum	1.33	60.13	427.35	0.75	110.00	338.96
Count	732	732	732	126	126	126

14.3 Capping

In a sample population comprised of a large number of low grades and a few very high grades that are atypical of the sample population and exert an influence on sample statistics that is disproportionate to their number, capping of the anomalously high assay values is a common way of limiting their potential to overstate the grade of the resultant resource estimate. In this instance, the capping level was determined by plotting the assays on a cumulative log probability plot. If there were no outliers present, the plot would form a straight line; offsets in the trend of the line are indicative of potentially distinct sub-populations, in this case a sub-population of uncharacteristically high grades. Figure 14.1 shows the cumulative probability plot for the 909 assays within the modelled veins with a break in slope at 110 g/t gold. This value was taken as the capping value. Eighteen (18) samples (2% of the sample population) were capped. The mean value of the capped samples was 8.3 g/t gold compared to 14.8 g/t for the uncapped assays which represents a drop of approximately 44 percent in the total contained number of grams.

Figure 14.1 Forest Hill Cumulative Probability Plot for Gold Showing Break @ 110 g/t Au



14.4 Compositing

The length of assay samples ranges between 0.03 m and 4.43 m with no particular length being most common. However, approximately 84% of the assays are equal to or less than 0.75 m in length and the wireframes were modelled to a minimum width of 1.5 meters so a composite length of 0.75 m was chosen as nominally this length is half the minimum wireframe width.

14.5 Bulk Density

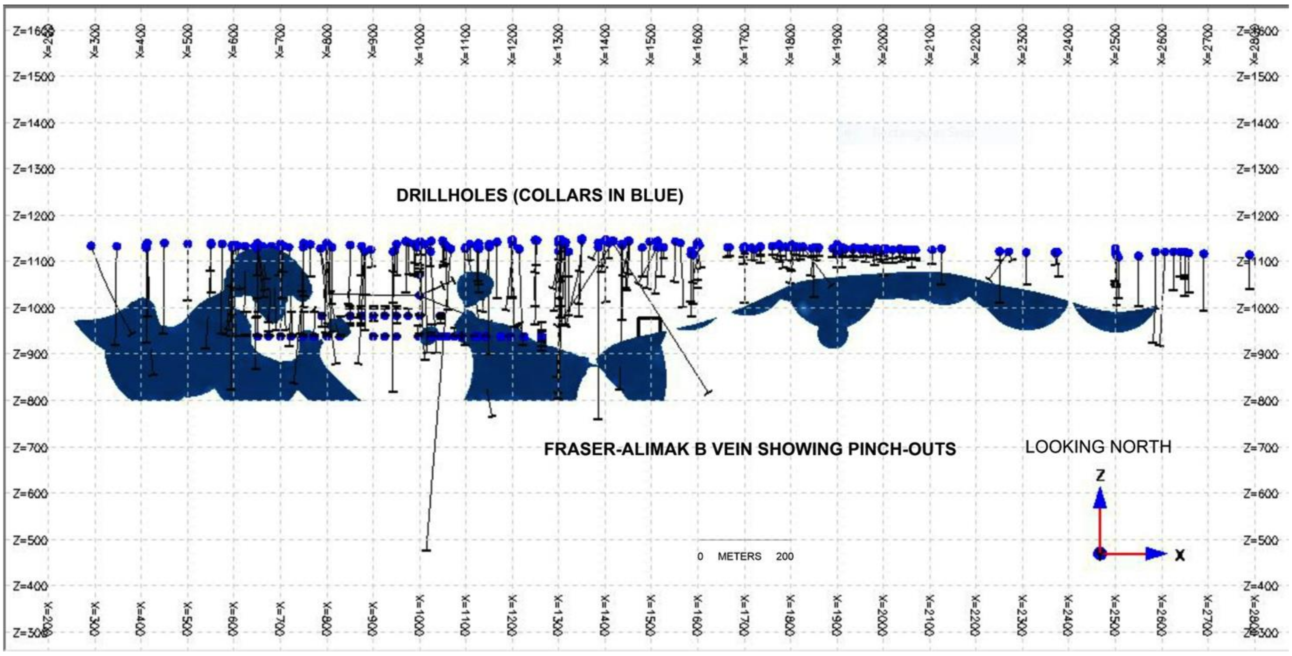
There are no bulk density measurements. As the hostrock is almost entirely comprised of quartz veins with an average density of 2.5 g/cm³ and the country rock is slate with an average density of 2.4 to 2.8 g/cm³, a value of 2.65 g/cm³ was chosen.

14.6 Geological Interpretation

Gold mineralization within the Property is contained in parallel, steep-dipping, sheet-like quartz veins that are persistent along strike and down-dip. The strike and dip of the modelled veins were based on interpretations of previous studies of the Property that incorporated both surface and underground drill intercepts and exposures. Sixteen (16) veins have been modelled with a minimum width of 1.5 meters to reflect potential minimum mining width. To the extent possible, these models honour the existing vein nomenclature and include the Fraser-Alimak, Hard, Hudson, Ophir, Salmon River, and Schoolhouse veins. Where multiple veins exist or the historical identity could not be established, veins were named according to the nearest identified vein; Fraser-Alimak A and B, Hard A and B, Hudson A, X, Y and Z, and Schoolhouse A. One vein, Vein-Sys, was not identified with any historically-named vein.

The veins were modelled using Leapfrog™ software which incorporates "pinch-outs" into the model in the absence of intercept data. Therefore, although the veins have been modelled over a strike distance of approximately 2,300 meters, some vein models have gaps or are intermittent, which may reflect the "pinch-and-swell" nature of quartz veins in this geological environment or may be a function of data density. Figure 14.2 illustrates the modelled "pinch-out" phenomenon for the Fraser-Alimak B vein.

Figure 14.2 Fraser-Alimak B Vein Long Section View of Wireframe Model



14.7 Spatial Analysis

The 909 assays are distributed among 16 modelled veins and the largest number of assays within a given vein is only 192. This is a very small population upon which to construct variograms and all the veins are closely parallel so variography was abandoned in favour of the construction of a search ellipse that mimics the orientation of the veins and is large enough to capture at least three fences of drillholes along strike. Search ellipse parameters are presented in Table 14.2.

Table 14.2 Forest Hill Search Ellipse

Strike	Dip	Plunge	Strike (m)	Dip(m)	Width (m)
95	-90	0	100	50	25

14.8 Block Model

Block model parameters are presented in Table 14.3.

Table 14.3 Forest Hill Block Model

Origin (m)*		Size (m)		Discretization		Number	
X (minimum)	200	X	20	X	10	Columns	126
Y (minimum)	900	Y	2	Y	10	Rows	251
Z (minimum)	750	Z	5	Z	10	Levels	91
* Block Centroid							

14.9 Interpolation Plan

Grades were interpolated using Inverse Distance Squared weighting (ID^2) in a single pass. In order for a grade to be interpolated into a block it was necessary that a minimum of four (4) and a maximum of 10 composites were located within the volume of the search ellipse. The number of composites per hole was limited to two (2) so that a minimum of two drillholes was required to permit the interpolation of a grade.

14.10 Mineral Resource Classification

Resources have been classified as Indicated and Inferred. In order for a block to be classified as Indicated it was necessary that 8 composites, equivalent to four drillholes, were located within 75 meters of the block centroid and for a block to be classified as Inferred it was necessary that 4 composites, equivalent to two drillholes, were located within 150 meters of a block centroid.

14.11 Reasonable Prospects of Eventual Economic Extraction

A cutoff grade of 2 g/t gold is based on mining and processing costs that were determined in a recent preliminary economic study completed by Mine Tech for the Dufferin Property (MineTech 2017). The Forest Hill Property is approximately 50 kilometers straight line distance from the Dufferin Property and the two deposits are very similar in a number of respects:

1. In both the gold mineralization is contained in narrow, steep-dipping quartz veins that occur within a sequence of interbedded slates and metawackes;
2. Both have a similar amount of existing underground development that was created by previous operators in the recent past;
3. Both deposits have similar access to power and infrastructure;
4. Both properties have common ownership and a similar approach to development and operation can be expected to be applied to both.

The deposits differ in two respects: 1. the Dufferin deposit has been accessed by a decline whereas the Forest Hill deposit was accessed by a vertical shaft. The cost differential between trucking material up a ramp versus hoisting up a shaft depends on the relative cost of fuel versus electricity. As no comparative information is available, the assumption is made here that the costs are equal; 2. The veins and mineralized zones at Forest Hill appear, on the basis of current knowledge, to be wider and more persistent than those at Dufferin. This difference can be expected to translate into lower mining costs at Forest Hill.

Regardless of the differences, on the basis of the similarities, the following assumptions have been adopted from the MineTech 2017 study:

1. A unit mining cost in the range of $80 per tonne;
2. Processing recovery of 95%.
3. Processing cost of $30 per tonne.
4. Mining losses and unplanned dilution of 30%;
5. A gold price of $US1320 per ounce based on the CIBC long-term commodity price forecast dated December 30, 2017;
6. An exchange rate of $0.70.

On the basis of the costs, mining and processing losses and commodity prices listed above, a 2 g/t cut-off was selected for mineral resource identification. This cutoff grade shows reasonable prospects for economic extraction.

14.12 Mineral Resource Tabulation

The resource was estimated at a range of cutoff grades. A cutoff of 2 g/t gold was taken as the base case and is shown in Table 14.5. Both capped and uncapped grades are shown; the uncapped grades are included to illustrate the impact of capping. Table 14.6 shows the resource estimate at a range of cutoff grades. The basecase at a cutoff grade of 2 g/t Au is shaded.

Table 14.4 Forest Hill Resource Estimate @ 2 g/t Au Cutoff

Class	Tonnes	Au g/t Capped 110 g/t	Capped Ounces Au	Uncapped Au g/t	Oz Uncapped Au
Indicated	322,000	7.1	73,000	11.0	114,000
Inferred	905,000	7.1	208,000	10.6	308,000

Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of mineral resources will be converted to mineral reserves. Inferred Mineral Resources are based on limited drilling which suggests the greatest uncertainty for a resource estimate and that geological continuity is only implied. Additional drilling will be required to verify geological and mineralization continuity and it is reasonably inferred that the majority of the inferred resources could be upgraded to indicated resources. Quantity and grades are estimates and are rounded to reflect the fact that the resource estimate is an approximation.

1 ounce = 31.10348 grams

Table 14.5 Forest Hill Resource Estimate at Various Cutoff Grades

Cutoff Au g/t	Class	Tonnes	Capped Au g/t	Ounces Capped Au	Uncapped Au g/t	Ounces Uncapped Au
5	Indicated	94,600	10.8	33,000	20.8	63,200
5	Inferred	543,800	9.6	167,900	14.9	260,200
4	Indicated	216,900	8.8	61,300	14.2	99,000
4	Inferred	658,400	8.7	184,200	13.3	280,500
3	Indicated	282,500	7.7	70,000	12.1	109,800
3	Inferred	774,900	7.9	197,500	11.9	296,000
2	Indicated	322,300	7.1	73,200	11.0	113,800
2	Inferred	905,300	7.1	207,800	10.6	307,800

There is a significant difference in grades and number of ounces of gold between the capped and uncapped estimates. This difference is attributable to the difference in grade of the 18 assays that were capped at 110 g/t to generate the capped estimate and illustrates the large impact that a small number of samples can have on a global estimate in this type of "nuggety" gold deposit.

14.13 Block Model Validation

The block model was validated three ways: 1) by visually comparing composite grades with the surrounding block grades to determine whether the block grades accurately reflect the underlying composite grades, and 2) by use of swath plots and 3) by comparing composite and block model statistics.

Figure 14.3 is a cross section of the Fraser-Alimak B Vein block model showing the reasonable correspondence between composite and block model grades.

Figure 14.3 Fraser-Alimak B Vein Block Model with Composites

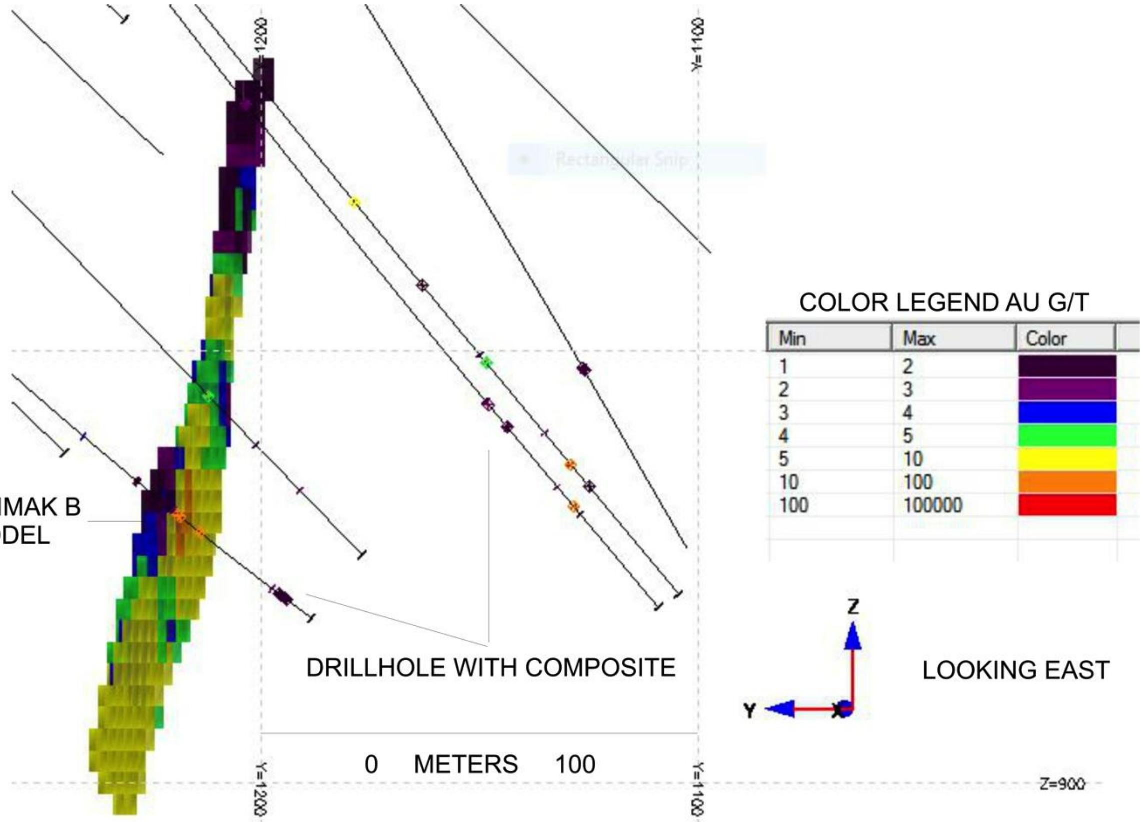


Figure 14.4 is a swath plot along the strike of the Hudson Vein. The blue line represents the block grades, the red line represents the composite grades, and the bars represent the relative number of composites that underlie the estimate. There is good correspondence between composite and block grades with the obvious exception of one high value composite that has been diluted during the estimation process by combination with other composites.

This lack of correspondence is attributable to the “nugget” nature of the grade population with many values of moderate grade and a few values of high grade. However, the overall relationship between composite and block grades is close. Table 14.7 shows a comparison among raw assay, composite and block model grades. Raw assay grades are considerably higher than either composite or block grades and this is attributable to the fact that many raw assays were of short length and when composited with lower-grade neighbours, the average grade dropped.

Figure 14.4 Forest Hill Swath Plot Along Strike of Hudson Vein

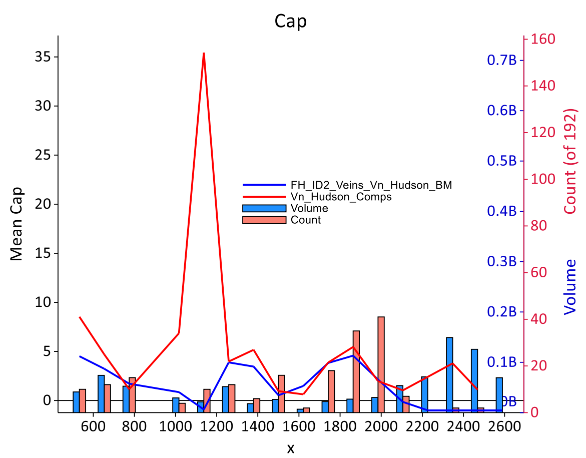


Table 14.6 Comparison of Average Assay, Composite and Block Grades

Data Source	Capped Au g/t	Uncapped Au g/t
Assays in veins	8.3	14.8
Composites in Veins	4.7	7.1
Block Model @ 0 g/t Au Cutoff	5.0	7.2

14.14 Comparison with Previous Estimates

A comparison of the current resource estimate with the 2005 Mercator resource estimate for Forest Hill, at a cutoff grade of 1 g/t Au, is presented in Table 14.8. Numbers have been rounded. Note the cutoff grade is 1 g/t, not 2 g/t at which the current resource is stated. The 1 g/t cutoff was used because Mercator did not compute a resource estimate for a cutoff grade of 2 g/t gold. The use of the 1 g/t cutoff is not an implication of reasonable prospects of eventual economic extraction.

Table 14.7 Comparison of 2005 and Current Forest Hill Resource Estimates @ 1 g/t Au Cutoff

Current Forest Hill Resource Estimate @ 1 g/t Cutoff					
	Capped @ 110 g/t Au			Uncapped	
Class	Tonnes	Au g/t	Ounces	Au g/t	Ounces
Indicated	407,000	5.9	77,000	9.0	118,000
Inferred	1,140,000	6.0	220,000	8.7	319,000

Mercator 2005 Forest Hill Resource Estimate @ 1 g/t Au Cutoff					
	Capped @ 50 g/t Au			Uncapped	
Class	Tonnes	Au g/t	Ounces	Au g/t	Oz Au
Indicated	355,000	10.2	116,400	16.0	182,600
Inferred	716,000	7.3	168,000	7.5	172,600

Mercator used polygonal estimation and allowed the interpolation of grades on the basis of a single composite value. The current resource was estimated using inverse distance squared weighting with the requirement that the grade of each block is based on composite values from at least two holes, both of which can reasonably be assumed to produce a more reliable estimate than polygonal estimation. The classification of resources in the current resource is also more rigorous than that used in the 2005 estimate, relying on both distance from the block centroid and the number of composites, rather than on distance alone. It should be noted that the current estimate contains a higher proportion of Indicated resources than the 2005 estimate.

There are no known environmental, permitting, legal, taxation, socio-economic, marketing, political or other relevant factors that may materially affect the current mineral resource.

15 Mineral Reserve estimates

Does not apply.

16 Mining methods

Does not apply.

17 Recovery methods

Does not apply.

18 Project infrastructure

Does not apply

19 Market studies and contracts

Does not apply

20 Environmental studies, permitting and social or community impact

Does not apply

21 Capital and operating costs

Does not apply

22 Economic analysis

Does not apply

23 Adjacent properties

There are no adjacent properties.

24 Other relevant data and information

There is no additional information or explanation that would make this technical report more understandable or not misleading.

25 Interpretation and Conclusions

The Property contains a series of steep-dipping, parallel, auriferous quartz veins. The Property was exploited historically and more recently has been explored by surface drilling and underground exploration and drilling.

A three-dimensional geological model of the quartz veins on the Property has been constructed on the basis of drill data and plans and sections of underground mining and exploration development. Sixteen (16) veins have been modelled and used for resource estimation.

Samples have been composited to 0.75m and capped at 110 g/t Au.

A resource estimate has been prepared for the Property on the basis of the historical data using Inverse Distance Squared (ID^2) weighting.

The resource has been stated at a cutoff grade of 2 g/t gold. At a cutoff of 2 g/t gold, the Property is estimated to contain an Indicated resource of 322,000 tonnes with an average capped grade of 7.1 g/t gold and an Inferred Resource of 905,000 tonnes with an average capped grade of 7.1 g/t Au.

The most significant risk that could reasonably be expected to affect the reliability or confidence in the mineral resource that is presented in Section 14 of this report is the uncertainty attached to the geological interpretation. However, because the modelled veins were explored by underground development as well as by surface and underground drilling, their location, attitude and dimensions are better-known than is normally the case for Properties at the exploration stage of development.

26 Recommendations

Aurelius has no plans to carry out exploration or development of the Property in the near future. For that reason, GMRS does not have any recommendations for work.

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28 Statement of Qualifications.

I, Gregory Z. Mosher, P.Geo., of Vancouver, British Columbia, do hereby certify that:

1. I am currently employed as a Principal Geologist with Global Mineral Resource Services, with an office at 603-131 East Third Street, North Vancouver, British Columbia V7L 0E3;
2. This certificate applies to the technical report titled “Forest Hill Gold Property Technical Report”, with an effective date of June 01, 2020, (Technical Report) prepared for Aurelius Minerals Inc., the Issuer”);
3. I am a graduate of Dalhousie University (B.Sc. Hons., 1970) and McGill University (M.Sc. Applied, 1973). I am a registered member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia, Licence #19267. My relevant experience with respect to vein-type mineral deposits extends over 40 years and includes exploration, mine geology and Mineral Resource estimations.

   I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101.
4. I visited the Property on April 7, 2017 and November 28, 2019, each for a period of one half-day;
5. I am responsible for all Sections of the Technical Report;
6. I am independent of the Aurelius, Sprott, Aurelius Minerals Inc., and related companies, applying all of the tests in Section 1.5 of the NI 43-101;
7. I prepared a Technical Report, with an effective date of April 7, 2017, on the property that is the subject of the Technical Report. This report is an update of the April 2017 report to reflect change of ownership since the preparation of the 2017 report.
8. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.
9. As of the effective date of the Technical Report and the date of this certificate, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading;

Effective Date: June 01, 2020

Gregory Z. Mosher, P.Geo.
Principal Geologist
Global Mineral Resource Services