NTS 76E, 76L, 86I

Technical Report for the Muskox and Hood River Properties

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1 Summary

This Report (the "Report") is written for the Muskox and Hood River Projects (the "Project", the "Property" or "properties"), located approximately 250 kilometers ("km") southeast of the community of Kugluktuk, Nunavut and approximately 400 km northeast of Yellowknife, NWT. The Property consists of 8 non-contiguous prospecting permits, totaling 115,002 hectares (ha) and one mineral claim (150 ha; pending) within Nunavut. Crystal Exploration Inc. (the "Company" or "Crystal") acquired the Property from a private company, 1882266 Alberta Ltd. in early 2015.

The Muskox Project comprises 7 of the 8 prospecting permits and one mineral claim, which are centered at the north end of Contwoyto Lake, Nunavut approximately 110 km north of the Ekati diamond mine, which is considered the center of the Slave Geological Province. The Hood River Project comprises one prospecting permit approximately 230 km north of Ekati within the northernmost part of the Slave Geological Province. Due to the location of the current properties relative to Ekati and the Jericho Diamond mines, there have been many comprehensive diamond exploration programs conducted within and near the properties. Previous exploration by others has resulted in the discovery of the diamondiferous Muskox and Rush kimberlites within Crystal prospecting permit P-25, and the James River kimberlite dyke within prospecting permit P-20.

Based on compilation work for the Muskox Project, over 280 airborne anomalies have been identified on and in the immediate vicinity of the Muskox prospecting permits. All of the anomalies have "geophysical descriptions" detailing why they were picked. A total of 183 anomalies are ranked, with 151 anomalies with comments recommending follow-up exploration. A total of 16 anomalies have been drill tested or have drill holes in the vicinity. Within the Muskox prospecting permits, there are a total of 136 airborne geophysical anomalies with approximately 113 of the anomalies classified as unexplained. Of these, there are a total of 15 priority 1 anomalies and 31 priority 2 anomalies that are all recommended for follow-up exploration.

In addition to the geophysical anomalies, numerous unsourced diamond (or kimberlite) indicator mineral ("DIM") trains have been identified on the Muskox, Muskox East (Contwoyto) and Hood River properties.

During summer 2015 Crystal located representative rock samples, a paper database and reports along with drill core from the diamondiferous Muskox Kimberlite that was neither sampled nor logged. A total of 20 core holes completed by Tahera during 2006 that have never previously been reported on as well as 10 Debeers Canada Exploration Inc. drill holes (from 1196, 1998; 2003 and 2005) were recovered by Crystal. Crystal purchased these core holes along with significant confidential data and reports from a private Alberta company. A portion of the drill core was cataloged, logged and sampled during September and October 2015 and the data specific to the Muskox Kimberlite was compiled. The 2006 HQ drill core purchased was completely intact and had not been sampled. After logging, cataloging, photographing, the entire core for three holes was sampled for processing at the Saskatchewan Research Councils ("SRC's") dense media separation ("DMS") processing plant in Saskatoon, for macro-diamond recovery. During the week of October 5th, 2016, Mr. D. Besserer visited the properties that were the subject of this report to ground truth 10 Tier 1 geophysical/geological anomalies within 5 of the prospecting permits. Access to the properties was from Yellowknife and the Lupin Gold mine using a Eurocopter A-Star 350B2. One rock grab sample was collected at the James River kimberlite dyke.

In total, in 2015, three samples were submitted for processing for diamonds (samples DDH-MOX-004; DDH-MOX-025 and DDH-MOX-020) and weighed 2200.40, 2158.80, and 2083.50 respectively (dry tonnes). Diamond recoveries from the samples include 14, 17 and 47 diamonds greater than 0.85 mm weighing 0.637, 0.675 and 2.358 carats, respectively. The samples grade 0.29, 0.31 and 1.14 cpt ("carats per tonne"). The largest diamonds recovered include 0.245 (MOX-004), 0.282 (MOX-025), 0.365, 0.253 (MOX-020) carats. The diamonds are described as off white, transparent with no to minor inclusions.

During August and September, 2016, a four-man crew conducted exploration within the properties. The exploration included: prospecting and mapping; till sampling (146 samples) to confirm historic kimberlite indicator mineral trains and their respective mineral chemistry; rock sampling (1 sample at the James River Kimberlite Dyke); and 83.01 line kilometers of ground geophysical surveying at 17 land based targets. The program identified and prioritized numerous targets for the potential discovery of new kimberlite(s) during 2017. In total, 72 prospective kimberlite targets were reviewed on the ground. Of the 72 which were ground truthed, 17 ground geophysical grids were completed which totaled 83.01 line kilometers of high resolution magnetics. From the 17 grids, 6 have been selected as high priority drill targets with respect to newly discovered kimberlite(s). In addition, numerous high priority targets that are under water bodies have been targeted for a winter ground geophysical program.

The till and rock samples have been sent to the Saskatchewan Research Council Analytical Laboratories ("SRC") in Saskatoon for analysis. The laboratory results of the 2016 exploration program are pending and are expected in early 2017.

During October 2016, the remainder of the drill core from the Muskox kimberlite which was recovered in 2015 by Crystal was photographed, logged, and sampled. In total, 31,466 kilograms of kimberlite from 27 drill holes have been sent to the SRC for macro-diamond recovery using their DMS plant. The laboratory results of the 2016 exploration program with respect to the Muskox Kimberlite are pending and are expected in early 2017.

Based on the presence of: known diamond bearing kimberlites; unexplained diamond indicator mineral trains; and unexplained geophysical 'bullseye' targets developed by Crystal, the Muskox and Hood River properties are high priority for follow-up exploration. The recommended exploration should include but not be limited to: Continue compiling historic data and re-interpret historic airborne geophysical surveys ($50,000); Process existing kimberlite samples on hand at the SRC ($95,000); Process and pick the till samples collected during the 2016 exploration program including micro-probe analysis of picked grains ($150,000); Complete caustic fusion of the James River Dyke ($5000)

Complete ground geophysical surveys (magnetics and electromagnetics) over priority lake based targets during spring 2017 ($200,000); and Drill the six high priority targets developed by Crystal during 2016 during spring/summer 2017 ($1,000,000). The total to complete the recommended 2017 exploration is approximately (Cdn $1,500,000).

Introduction

This Report (the "Report") is written for the Muskox and Hood River Projects (the "Project", the "Property" or "properties"), located approximately 250 kilometers ("km") southeast of the community of Kugluktuk, Nunavut and approximately 400 km northeast of Yellowknife, NWT. The Property consists of 8 non-contiguous prospecting permits, totaling 115,002 hectares (ha) and one mineral claim (150 ha; pending) within Nunavut. Crystal Exploration Inc. (the "Company" or "Crystal") acquired the Property from a private company, 1882266 Alberta Ltd. in early 2015.

This report is written to comply with standards set out in National Instrument ("NI") 43-101 developed by the Canadian Securities Administration ("CSA"), and is a technical summary of available geologic, geophysical, geochemical and diamond drill hole information. The author, in writing this report use sources of information as listed in the references section. Government reports were prepared by qualified persons holding post-secondary geology, or related university degree(s), and are therefore deemed to be accurate. Unless otherwise stated, all units used in this report are metric, all dollar amounts ($) are in Canadian currency ("Cdn"), and Universal Transverse Mercator ("UTM") coordinates in this report and accompanying illustrations are referenced to the North American Datum 1983 ("NAD83") Zone 15N.

The author, Mr. Dean Besserer, B.Sc., P. Geol., conducted the field programs, supervised compilation work, core logging and sampling and visited the properties during October, 2015 and during August and September 2016. Mr. D. Besserer, is a professional geologist with over 20 years of relative experience and is considered independent of the issuer with respect to NI 43-101.

Previously drilled but un-sampled and un-reported diamond drill core (along with historic confidential and previously unreported data) was acquired. The drill holes were logged and partially sampled during fall-winter 2015 with the remainder being logged and sampled during fall 2016 by the author. Core samples are awaiting processing for macro-diamonds at the Saskatchewan Research Council's ("SRC") diamond laboratory.

2 Reliance on Other Experts

The author has made no attempt to verify the legal status and ownership of the properties, nor is he qualified to do so. All information regarding land tenure was provided by Crystal. The author has confirmed the land tenure described in this report have been recorded and are in good standing on the "Nunavut Map Viewer" interactive map provided on the Aboriginal Affairs and Northern Development Canada website and the Nunavut Territory Mining Recorder, Iqaluit, NU. The properties are comprised of 8 prospecting permits and 1 mineral claim (pending). The prospecting permits and mineral claim have not been legally surveyed and have an expiry date of February 2018.

3 Property Description and Location

The Muskox and Hood River Projects are in the Kitikmeot Region of Nunavut, within the 1:250,000 scale National Topographic System ("NTS") map sheets 76E, 76L and 86I. The Property is approximately 250 km southeast of the community of Kugluktuk and, is in close proximity to, the inactive Jericho Diamond Mine and Lupin Gold Mine. The Property consists of 8 prospecting permits, totaling 115,002 hectares (ha), grouped in 3 non-contiguous areas. In addition, 1 mineral claim (150 Ha) has been staked and the application has been filed. Final confirmation with respect to the mineral claim is pending (Table 1, Figure 1).

The Muskox Project comprises 7 of the 8 prospecting permits, which are centered around the north end of Contwoyto Lake, Nunavut approximately 110 km north of the Ekati diamond mine, which is considered the center of the Slave Geological Province (Figure 1). The Hood River Project comprises one prospecting permit (P-20) approximately 230 km north of the Ekati Diamond Mine within the northernmost part of the Slave Geological Province (Figure 2).

Crystal acquired the Property from a private company, 1882266 Alberta Ltd. in early 2015. The terms of the acquisition (the "Transaction") are as follows:

- As consideration for the acquisition of 100% interest in the Permits at closing of the Transaction Trigold (now Crystal) will issue to the Vendor 1,000,000 common shares in the capital of Trigold (the "Consideration Shares") and deliver to the Vendor cash payments in the aggregate amount of
- $75,000 (the "Cash Payments"). Based on a deemed price per common share of $0.10, the value of the total deemed consideration for the Transaction is $175,000. The Consideration Shares will be subject to a four month restricted period in accordance with the policies of the TSX Venture Exchange (the "TSXV") and applicable securities law requirements. On closing of the Transaction, Trigold will deliver a cash payment to the Vendor in the amount of $75,000, 500,000 common shares subject to a hold period and 500,000 common shares on or before May 15, 2016. The Purchaser further agrees to pay to the Vendor a 1% Royalty Interest, subject to the Purchaser's right to purchase the Vendor's Royalty Interest at any time, in consideration of the payment of Three Million Dollars ($3,000,000) to the Vendor.
- Trigold has agreed to make the following additional performance payments to the Vendor, upon the completion of the following milestones:
- Annual payments of $50,000 on each Anniversary Date for the next four (4) years, payable by the Purchaser in either cash or common shares in the capital of Trigold ("Performance Shares"), or any combination thereof, in its sole discretion;
- Payment of $50,000 for each new discovery of a kimberlite pipe or dyke on the Property, payable by the Purchaser in either cash or Performance Shares, or any combination thereof, in its sole discretion;

Figure 1. Project Location.

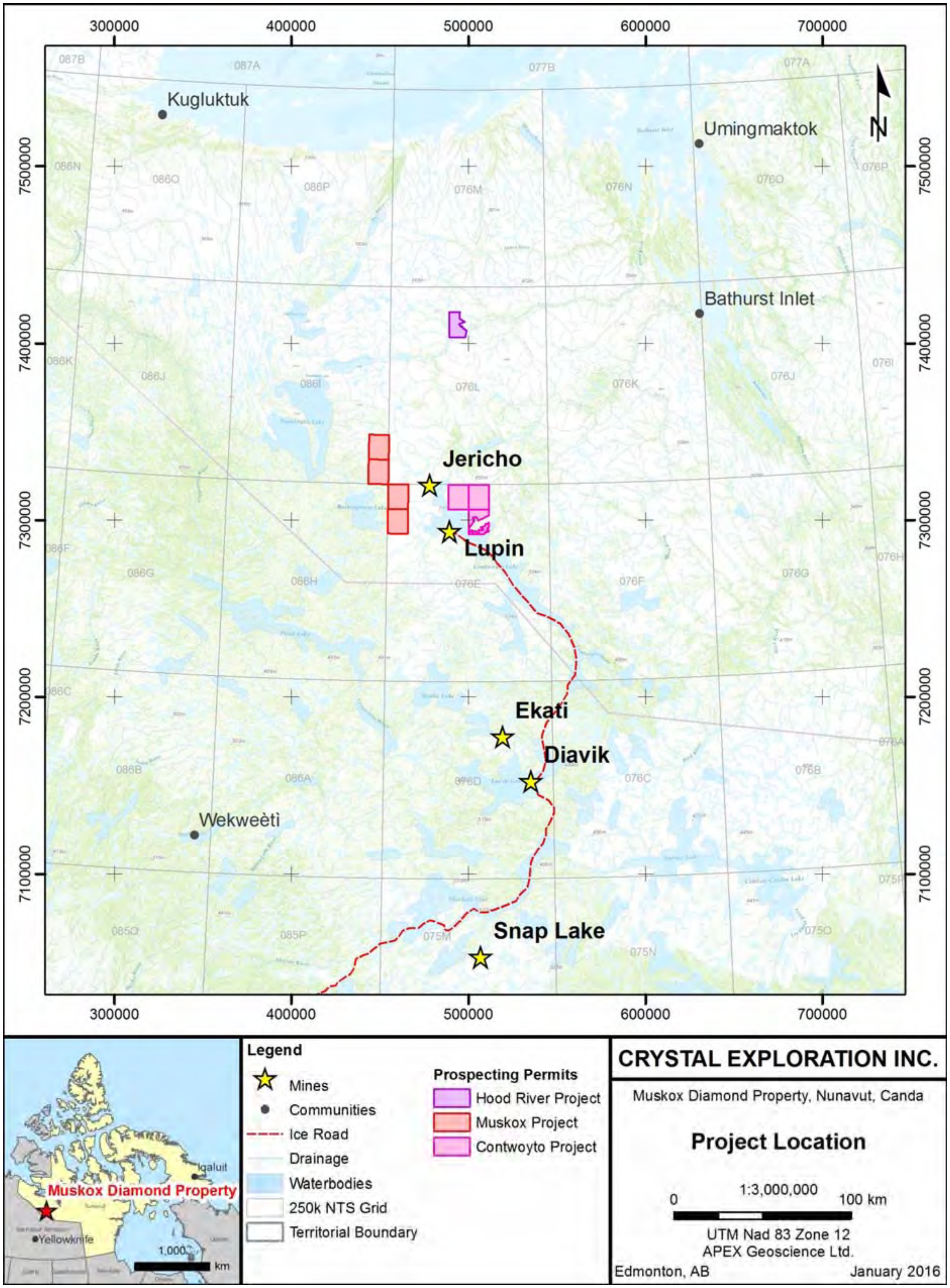
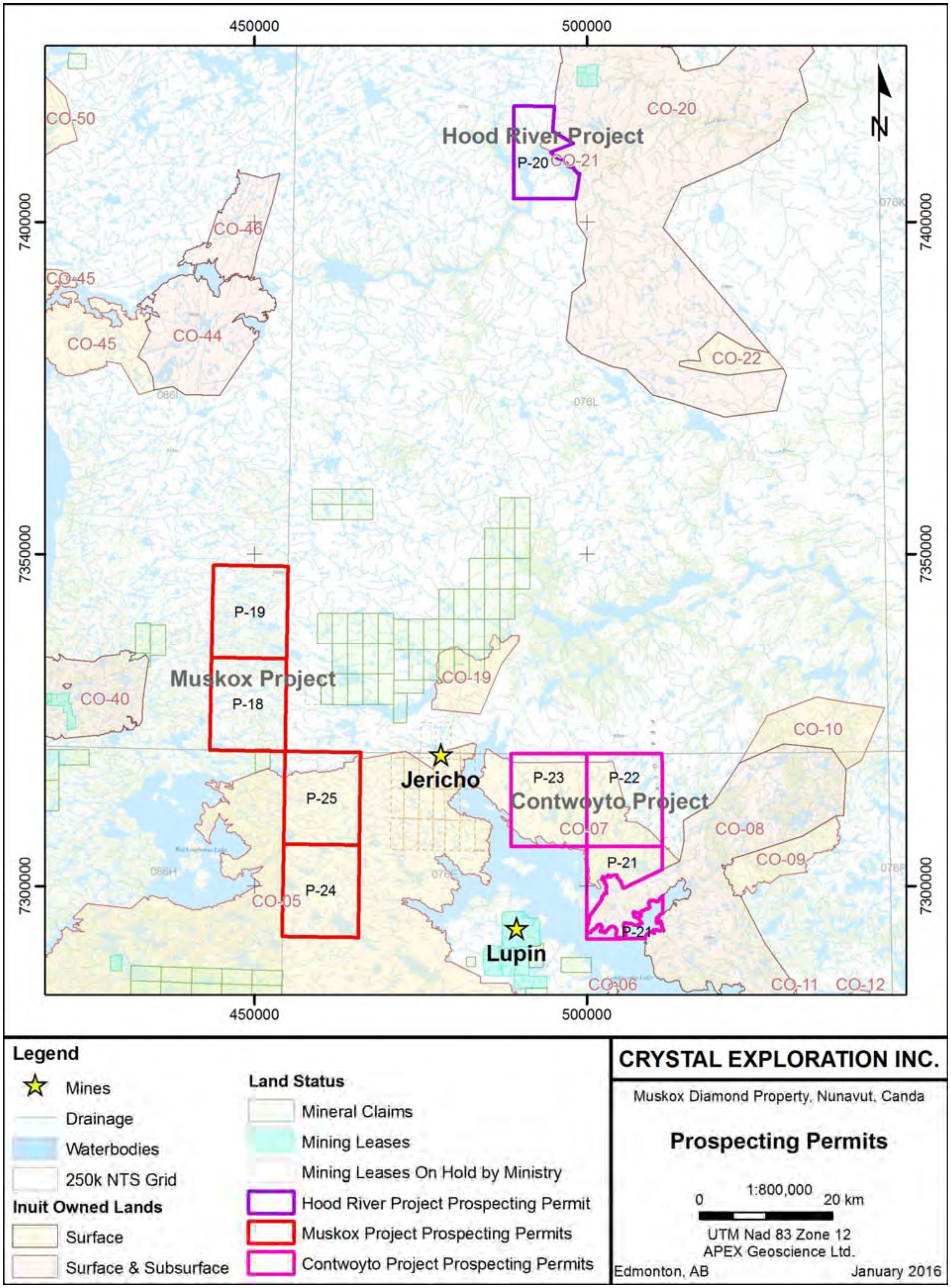


Figure 2. Prospecting permits.



- A further 500,000 Performance Shares on completion of an inferred mineral resource estimate by a qualified independent geologist or mining engineer of not less than 5,000,000 tonnes on each kimberlite pipe or dyke; and
- A final 500,000 Performance Shares upon completion of a Feasibility Study (see Trigold press release dated May 6, 2015).

Crystal has received all the necessary regulatory permits to conduct exploration within the permits. The author is unaware of any environmental liabilities although he is not qualified to comment on such.

Table 1. Summary of prospecting permits for Crystal's Muskox and Hood River Projects.

Permit Number	NTS Sheet	Quarter	Hectares	Length (years)
P-18	086I01	SE	15772	3
P-19	086I01	NE	15694	3
P-20	076L14	SE	10675	3
P-21	076E15	SW	9392	3
P-22	076E15	NW	15848	3
P-23	076E14	NE	15848	3
P-24	076E13	SW	15925	3
P-25	076E13	NW	15848	3
		Total	115002	

4 Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accommodations and supplies for the field work can be obtained in Yellowknife. Due to the remoteness of the areas a temporary tent camp(s) should be set-up to facilitate any future exploration. An Astar 350 B2 helicopter was contracted from Great Slave Helicopters ("GSH"), in 2015 to access the properties. During 2016, a four-man crew completed the exploration at the properties based at the Lupin Mine Camp. A Bell 206 L3 helicopter was contracted from Acasta Helicopters ("Acasta") which was also based at the Lupin Mine to complete the exploration.

Exploration in this area is best completed during the summer months (May – September) unless drilling or geophysics on ice are required. The region is largely a permafrost zone and because of its extremely cold temperature and frozen ground, the quality of the soil is poor and making growth of vegetation difficult. Vegetation consists mainly of low shrubs, grasses and mosses. The area is relatively flat with extensive drift cover. Bedrock exposure regionally is relatively limited. There are no local power sources within the properties.

The Climate is best described as sub-Arctic tundra. This area is located near the tree-line and low shrubs are common. The ground is generally free of snow from late May through September and lakes are generally ice-free between mid-June to late September.

5 History

5.1 Introduction

The properties have been previously explored by a number of private and public companies over the years with the most notable being Canamera Geological ("Canamera"), Lytton Minerals ("Lytton"), New Indigo Resources Inc. ("New Indigo"), Ashton Mining ("Ashton"), De Beers Canada Exploration Inc. ("De Beers") and Tahera Diamond Corporation ("Tahera"). De Beers and Tahera have conducted extensive exploration programs in the vicinity of and within the Muskox Project as part of their historic Polar and/or Rocking Horse Lake projects. Diamond exploration on the Polar Property first began in 1992 covering an area of 47,500 ha (Douglas *et al.* 2006). Exploration during this period is summarized in various reports including, publicly available Nunavut assessment reports, NI 43-101 Technical Reports, Nunavut land use annual reports and corporate releases as listed in the Reference section (Besserer and Banas 2016; Douglas *et al*., 2006).

The work by De Beers and Tahera led to the discovery of and evaluation of the Muskox, Voyageur, Unicorn, Rush, Peregrine and Troll Kimberlites. A summary of historic exploration within the Muskox area is summarized below.

5.2 Muskox Permit Area

5.2.1 *Airborne and Ground Geophysics*

Between 1993 and 2005 the Muskox Project permits have been covered by multiple generations of airborne magnetic and electromagnetic ("EM") surveys. In addition, portions of the area have been explored using detailed ground magnetic, electromagnetic and gravity surveys. A summary of the airborne geophysical surveys can be found in Table 2 and a summary of the ground geophysical surveys can be found in Table 3.

Table 2. Summary of airborne geophysics from 1993 to 1996 (Paul and Ellemers, 1995; Duso, 1995; Vivian, 1996).

Year	Geophysical Method	Scale	Completed by
1993	Fixed wing MAG	1 large, regional	Geodass
1993	Helicopter MAG/VLFEM	10 smaller, more detailed	Aerodat
1994	Helicopter MAG/VLFEM	5 smaller, more detailed	Aerodat
1995	Helicopter MAG/EM; resistivity	3 smaller	Aerodat
1996	MAG+HLEM	Grid	DIGHEM

In summary, over 280 airborne anomalies have been identified and digitized on and in the immediate vicinity of the Muskox prospecting permits. All of the anomalies have "geophysical descriptions" detailing why they were picked. A total of 183 anomalies were ranked, with 151 anomalies deemed as recommended for follow-up exploration. A total of 16 anomalies have been drill tested or have drill holes in the vicinity.

Within the Muskox prospecting permits, there are a total of 136 airborne geophysical anomalies with approximately 113 of the anomalies classified as unexplained. Of these, there are a total of 15 priority 1 anomalies and 31 priority 2 anomalies that are all recommended for follow-up exploration.

Table 3. Summary of Ground Geophysics from 1994 to 2005 (Paul and Ellemers, 1995; Vivian, 1996).

Year	Geophysical Method	Number of Grids
1994	MAG	8
1996	MAG+HLEM	6
2005	MAG+Gravity	7

5.2.2 Drilling

Between 1996 and 2006, a total of 171 holes were drilled within the Muskox and Hood River area on or near the prospecting permits. Of the 171 drill holes, 153 have drill hole locations in the database. A total of 83 holes did not intersect kimberlite and a total of 70 intersected kimberlite. A summary of the holes drilled at the diamondiferous Muskox Kimberlite can be found in Table 4 and a summary of the known kimberlites area is in Table 5.

Table 4. Summary of historic drilling on the Muskox Kimberlite from 1996 to 2006.

Year Drilled	No. Drill Holes	Total Drilled (m)	Rock Drilled (m)	Kimberlite Drilled (m)	Digitized
1996	23	1,634	1,293	965	19 drillhole locations but number of holes in uncertain
1997	21	5,748	5,219	4,920	20 dh logs but numbering of holes is uncertain
1998	4	1,018	1,006	471	4 dh logs digitized
2003	4	654	539	377	3 dh locations digitized
2004	2	102	94	-	2 dh locations digitized
2005	4	913	790	784	4 dh locations digitized
2006 Core	22	5,730	5,321	4,224	Locations available
2006 RC	8	2,131	1,895	1,895	Locations available
Total	**88**	**17,930**	**16,158**	**13,636**	

5.2.3 Kimberlites and Kimberlite Indicator Minerals

Between 1992 and 2003, approximately 5,753 till samples were collected and processed by De Beers within the region of the Property. The kimberlite indicator mineral's ("KIMs") up to 2003 are compiled in the KIDD database as pick counts. In 2004 and 2005 Tahera completed infill sampling in areas of high interest, totalling 258 (117 in 2004 and 141 in 2005) and the sample locations and results are not publicly available.

In 2006, Tahera did a preliminary review of the KIMs and identified at least 8 prospective KIM trains that they recommended for follow-up exploration. In the Long Lake area 4 unsourced KIM trains were identified. The Central East Train has 2 drill holes, the Central West Train is down-ice of Rush and has 2 drill holes at the head of the train, the West Train has 12 drill holes and the Northwest Train has 1 hole, none of the holes drilled intersected kimberlite. On the Muskox Project, three anomalous trains were identified, the West Train, Central Train and South Train. The West Train is very broad and dispersed there are 21 drill holes within the train but none at the head. The Central Train is very broad but not well defined and only has one drill hole at the head of the train. There are no drill holes on the head of the South Train but there are 3 drill holes with in the train that did not intersect kimberlite. Troll and Voyageur are down ice of the South Train (Douglas *et al.,* 2006; Figures 3, 4 and 5).

Table 5. Summary of known Kimberlite occurrences in the Project area.

Kimberlite	Exploration Conducted
Voyageur	12 drill holes (all locations and collars digitized). In 2000 initial drilling returned 277 diamonds weighing 0.087 cts from 615.5 kg of core from 2 drill holes. In 2002 a bulk sample from 9 holes totally 17.11 tonnes returned 15 diamonds >1 mm totaling 0.75 carats, inferred grade of 4 cpht. In 2004 a 54.9 kg core sample from 1 hole returned 134 diamonds.
Unicorn	In 2001 and 2002 a total of 9 holes were drilled but only 4 hit kimberlite, 68.75 kg returned 5 diamonds.
Rush	Discovered in 1994, with a large, strong magnetic low, delineated by 3 drill holes. 510.4 kg of sample returned 5 diamonds.
Peregrine	In 1996 4 holes intersected kimberlite that coincided with Mag and EM response. No diamond results were reported.
Troll	10 holes drilled with an additional 9 holes in 2002 to take a 10 tonne sample.

At present, there is little to no publicly available mineral chemistry for the diamond indicator (KIM) data. However, Tahera repeatedly refers to mineral chemistry in various technical reports so some microprobe analyses must exist (Douglas *et al.,* 2006).

Figure 3. Sample Locations, KIMS, Drill holes and Kimberlites for the Muskox Project.

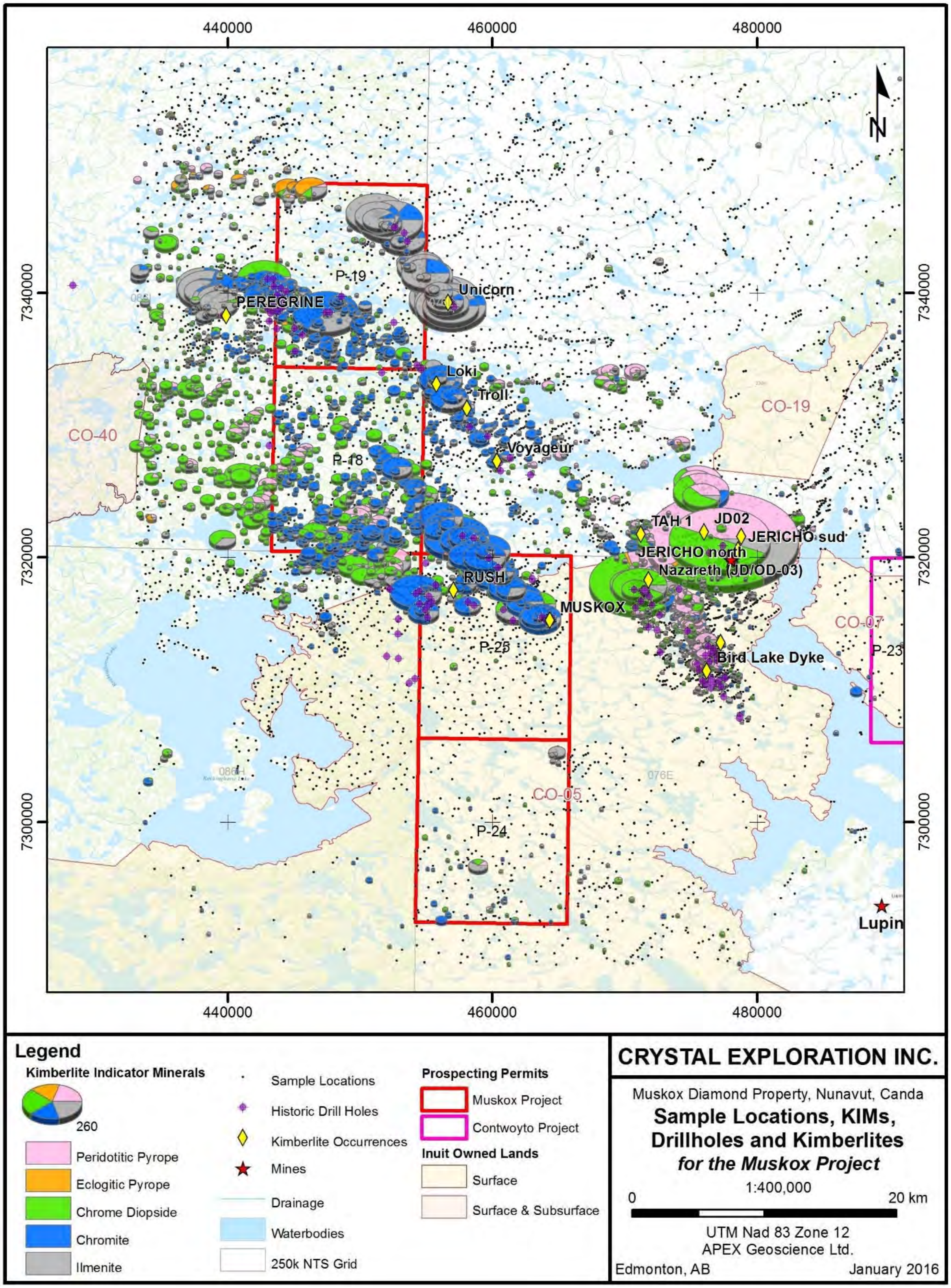


Figure 4. Sample Locations, KIMS, Drill holes and Kimberlites for the Contwoyto Project.

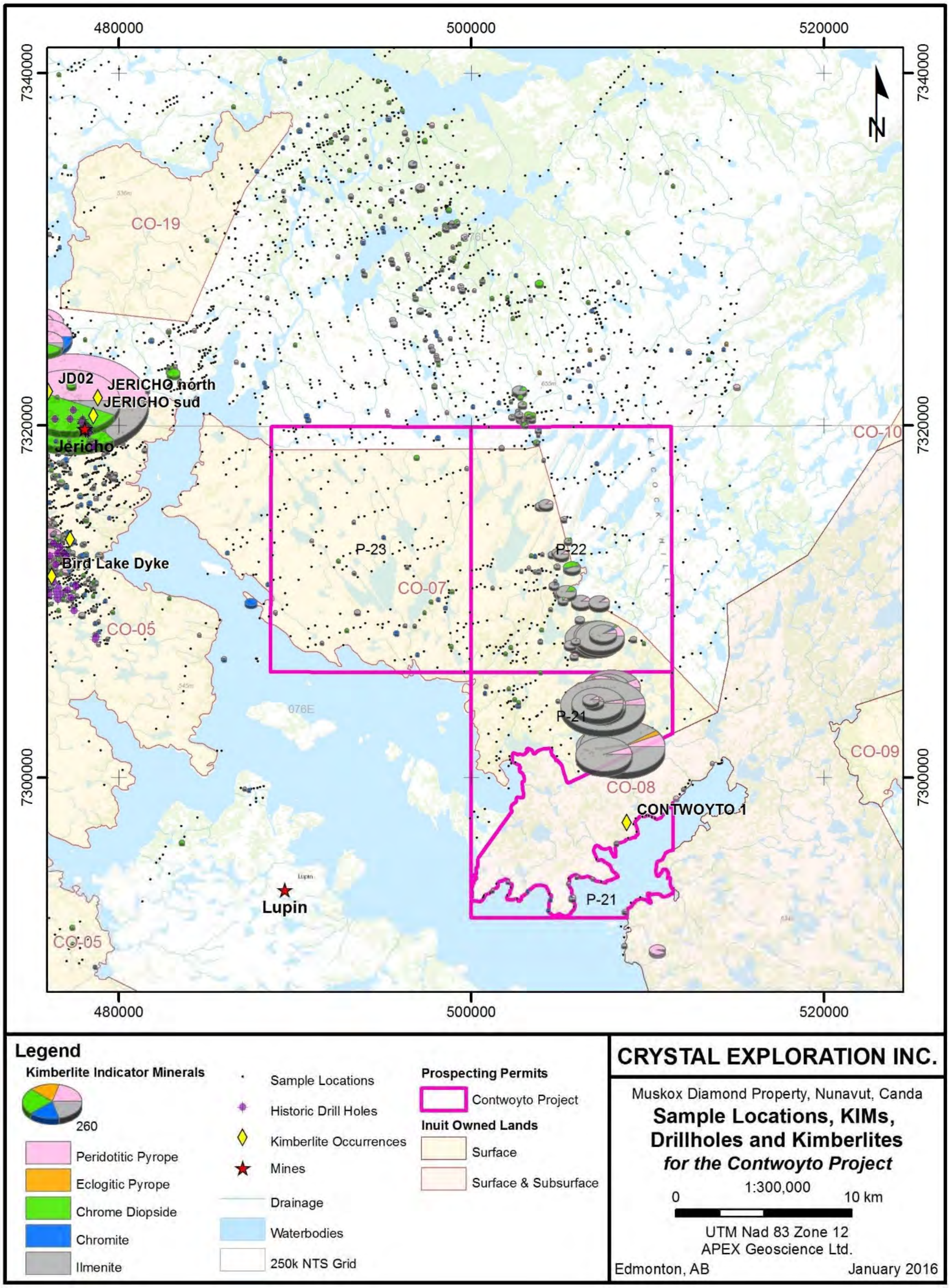
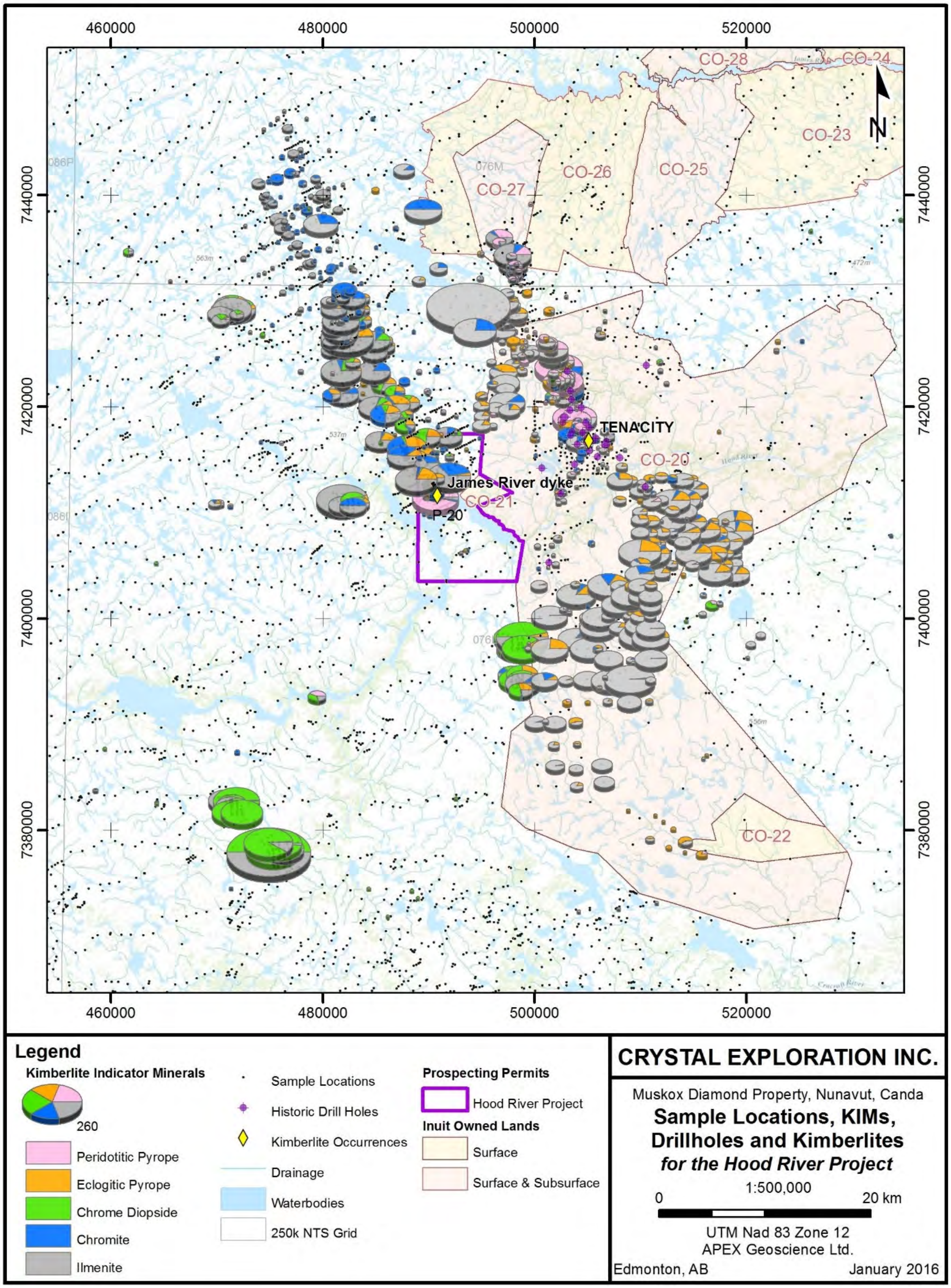


Figure 5. Sample Locations, KIMS, Drill holes and Kimberlites for the Hood River Project.



5.3 Contwoyto Permit Area

Starting in 1996 Canamera and subsequently Lytton conducted various exploration programs in the Contwoyto Region. The exploration included regional airborne and ground geophysical surveys, till sampling, and drilling that lead to the discovery of the Contwoyto mineral train. Tahera continued exploration in 1998 in the Contwoyto region first focused on the Contwoyto train with extensive till sampling as well as property scale geological mapping, ground geophysics and drilling. Focus switched to detailed exploration at the head of the train with mapping and ground geophysics which resulted in the discovery of the Contwoyto 1 kimberlite (Hughes, 1999). During 1999 and 2000 Tahera conducted detailed and regional till sampling to identify potential sources of diamonds (or kimberlite) indicator minerals ("DIMs"). A total of 279 till samples were collected and processed from the Contwoyto region, 104 of the 279 were anomalous, with total indicator counts per sample ranging from 0 to 49 grains (Johnson, 2001).

The Contwoyto 1 Kimberlite, which is located adjacent to or south of the Muskox East or Contwoyto group of prospecting permits, was discovered in 1998 by Tahera (Hughes, 1999). The kimberlite sits at the head of a 20 km length DIM train. The kimberlite is a pear shaped 60 meters ("m") by 80 m pipe that is represented by a weak magnetic high adjacent to and east of a northwest trending diabase dyke. The kimberlite is within a sub-surface Inuit owned land ("IOL") parcel.

5.4 Hood River Permit Area

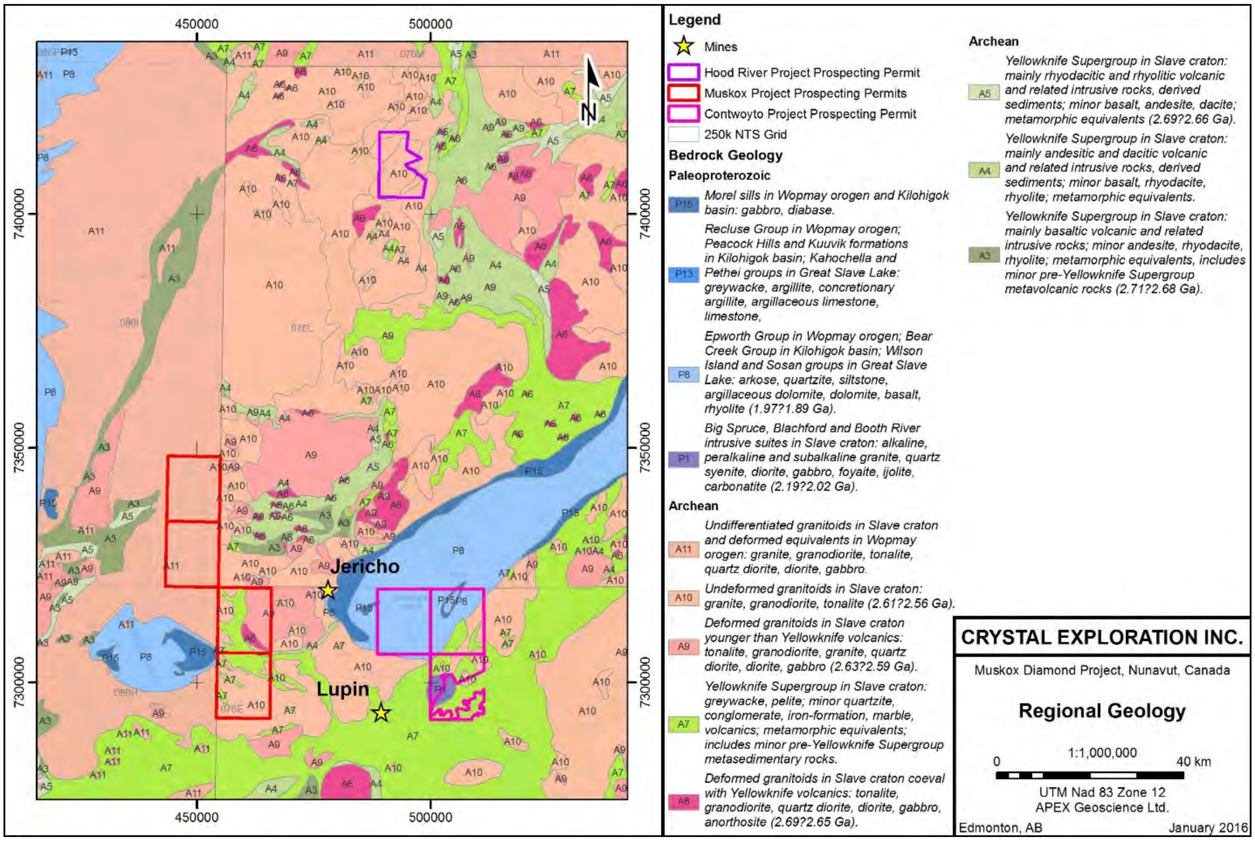
From 1994 to 1999 Lytton Minerals and New Indigo Resources collected approximately 550 samples within the Hood River region, there were no anomalous values reported. In 1999 the two companies amalgamated to form Tahera and further exploration by Tahera resulted in the discovery of the Tenacity Kimberlite. Between 2000 and 2004 Ashton collected 832 heavy mineral (till) samples. In 2005 Ashton conducted a sampling program to increase sampling density on the property to identify anomalous grain counts. A total of 115 samples were collected from targeted areas within the Hood River region. Of the 115 samples, 39 were anomalous (Berry, 2006). Sampling throughout the area defined at least three anomalous kimberlite indicator mineral trains. In August of 2004 a field crew discovered a two metre wide outcropping kimberlite dyke known as the James River kimberlite dyke. Results from caustic dissolution analyses were not reported (Berry, 2005).

6 Geological Setting and Mineralization

6.1 Regional Geology

The properties are located in the northcentral portion of the Slave craton of the northwestern Canadian shield. The Muskox kimberlite is located ~15 km SW of the Jericho Diamond mine (Figure 6). There are ~15 other kimberlites within ~50 km of these kimberlites and together they likely represent a Jurassic period of kimberlite magmatism in the Slave Province, although Jericho and Muskox kimberlites (173±2 Ma, Smith *et al.,* 2003) are the only kimberlites that have been dated. Both kimberlites are emplaced into

Figure 6. Regional Geology.



granodioritic rocks of presumably similar age to the nearby Contwoyto batholith (2,589±5 Ma, Van Breemen *et al.,* 1987).

Based on a study of country rock lithic clasts contained within the Jericho kimberlite, it is surmised that the local area was covered by 500 to 1,000 m of Paleozoic limestone, minor shale and sandstone at the time of kimberlite emplacement (Cookenboo, 1999). Similar sedimentary lithic clasts also occur within the Muskox Kimberlite. Erosion has subsequently removed all cover sequences from the local basement. The dominant local lineament trends NNW, consistent with the orientation of the Proterozoic Mackenzie diabase dykes. A thin veneer of glacial till deposited by the Laurentide ice sheet is preserved in low-lying areas. There is no evidence to suggest that the region has been subjected to significant deformation and/or metamorphism post-kimberlite emplacement (Hayman and Cas, 2011; Besserer and Banas, 2016).

6.2 Muskox Kimberlite

De Beers discovered the Muskox kimberlite in May of 1996 when the kimberlite was intersected by two drill holes, namely RHL96-5C and RHL96-6C. These exploration drill holes tested a magnetic dipole signature strongly skewed towards a magnetic high and located under a small, circular lake (Vivian *et al.*, 2005). Muskox is a multiphase Jurassic (173±2 Ma) kimberlite intrusion with a diameter at surface of about 200 m and a total surface area of approximately 4 ha, which is large for a kimberlite body in this part of the Slave Geological Province. It is a circular body at surface that tapers with depth. The surrounding country rock is dominantly granodiorite.

The Muskox kimberlite is a near circular single (multiphase) body of kimberlite with steeply dipping (>80°) pipe margins (Hayman *et al.,* 2008; Hayman *et al.,* 2009). The kimberlite is mostly under a lake, at an elevation of 536 m above sea level ("masl"), with a small portion on land. The surface of the deposit dips westward and is covered by glacial till and water (10–50 m in vertical height).

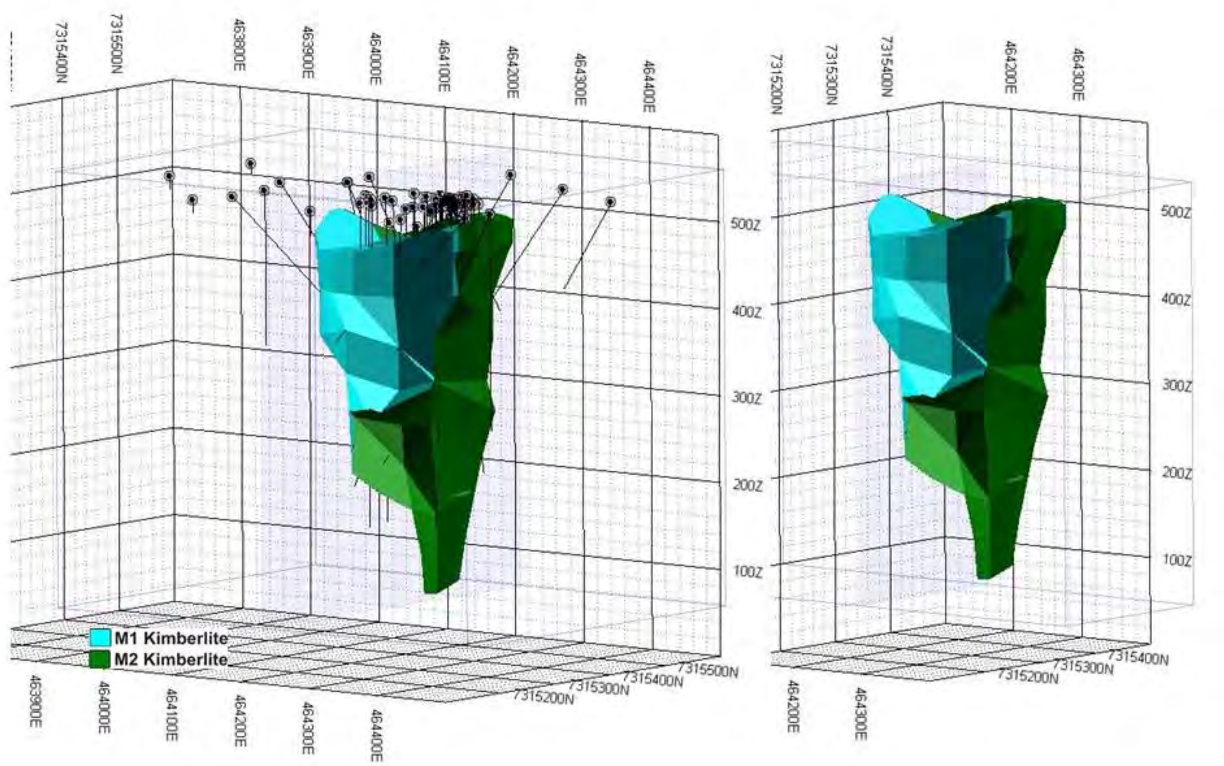
6.3 Mineralization

The dominant infill material (at least to ~300 m depth) is subdivided into two main facies: a light-coloured country rock-rich volcaniclastic facies (M1 or MKU-B), and a dark-coloured hypabyssal or magmatic facies (M2 or MKU-A). The dark facies appears to have formed within a nested vent (~150 m across by >300 m deep) that is partially contained within volcaniclastic/pyroclastic facies (~200 m across and >300 m deep). In detail, however, the two facies are intimately associated and mineralogically very similar. Drill holes that cross the contact pass through several alternating intersections of both facies (Hayman and Cas, 2011). The main difference between the two facies is the color, the amount of lithic fragments, the amount of macrocrysts and the indurated (dense) nature of the kimberlite. The relative proportions and genetic relationship of the two facies are not currently well understood.

In general, Phase MKU-B is massive and structureless, contains roughly ~20% country-rock lithic clasts (mostly Paleozoic limestone and shale clasts with minor basement granite and gneiss) and ~12% olivine macrocrysts (Hayman *et al*., 2008). These framework components are supported in a matrix of serpentinized olivine microphenocrysts (10%), microlites of clinopyroxene, and phlogopite, all of which are enclosed by serpentine (Hayman *et al*., 2008). Phase MKU-A is massive and homogeneous, with a porphyritic texture due to lesser country-rock lithic clasts (~10%) and more abundant olivine (plus lesser chrome diopside and garnet) macrocrysts (~15%) set in a dark, typically well crystallised, interstitial matrix containing abundant microphenocrysts of olivine (~15%), opaques and locally monticellite, all of which are enclosed by mostly serpentine (Hayman and Cas, 2011). The contact between MKU-A and MKU-B facies is rarely sharp, and more commonly is gradational (from 5 cm to ~10 m). The contact divides the kimberlite roughly in half and is sub-vertical with an irregular shape, locally placing MKU-A facies both above and below the MKU-B fragmental rocks. Most features of the MKU-B facies are consistent with a fragmental origin, particularly the crystal- and xenolith-rich nature (~ 55-65%), but there are some similarities with rocks described as coherent kimberlite in the literature and therefore in the past it has been referred to as magmatic or hypabyssal in origin.

The Muskox kimberlite has yielded encouraging diamond results from both caustic fusion analysis and Dense Media Separation ("DMS") processed bulk samples from a number of sampling campaigns. Figure 7 is a three-dimensional rendering of the Muskox kimberlite as it is understood today.

Figure 7. 3D Model for the Muskox Kimberlite.



De Beers tested 1748.0 kg of Muskox core with caustic fusion analysis between 1996 and 1998, resulting in the recovery of 9,546 diamonds (>0.075 mm) with a total weight of 2.0 carats. The macro-diamond potential of the Muskox kimberlite was tested in 1996 and 1997 with 2 mini-bulk samples. The 1996 program extracted 11.5 tonnes of kimberlite in rock chips using a reverse-circulation ("RC") drill rig. A total of 5.3 carats of diamonds were recovered for an inferred grade of 46 carats per hundred tonnes ("cpht"). A further 35.5 tonnes of HQ-sized core was extracted in 1997 resulting in 11.5 carats recovered for an inferred grade of 32 cpht. Both samples used vertical drill holes to extract the samples and there was no overlap in the areas covered by the samples. The RC sample was extracted from drill holes on the east side of the kimberlite not underlying the lake. The HQ sample was extracted from drill holes located on the east part of the lake. The combined sample recovered 16.8 carats from 47.0 tonnes inferring an overall grade of 35.7 cpht. Both mini-bulk samples were analyzed using DMS techniques, with a bottom size cut-off of 1.0 mm.

The De Beers caustic and DMS samples predominantly collected material from the Dark MKU-A hypabyssal phases of the Muskox kimberlite. The mini-bulk samples collected material that is nearly exclusively magnetic M2 (MKU-A) hypabyssal or magmatic phase.

Douglas *et al.,* (2006) reports that information received late in 2005 from De Beers indicates significant breakage of stones during the RC drilling and sampling program. A number of different drill bits were used in the program resulting in a wide range of diamond breakage and recovered grade. The two drill holes which used a Drag bit had a sample grade of 119 cpht while the Mission bit intervals graded between 47 to 65 cpht. The intervals using a Ballistic bit averaged between 29 and 49 cpht and the Digger bit intervals averaged between 12 and 17 cpht. Recoveries also varied depending on the type of drill bit used. In total, 37% of the diamonds recovered in the RC sample were significantly broken (as defined by more than 5% of the original stone being removed, due to fresh breakage). This RC sample may have pulverised the rock to the point of crushing larger diamonds. The De Beers report states that suggestions of stone breakage are much more evident in the drill chip/RC sample.

In addition to the RC breakage issue, geologic reports made available to Tahera by De Beers early in 2006 revealed that 15 pails of mantle xenoliths (325 samples weighing approximately 350 kgs) and approximately 800 kg of petrographic samples were removed from the 1997 core bulk sample prior to processing (Douglas *et al.,* 2006). This removed material that included many eclogite xenoliths, some as large as 6 x 16 centimeters ("cm") long. Subsequent analysis of a small portion of these removed xenoliths revealed a number of them to be diamondiferous, including at least 13 diamonds from 3 eclogite xenoliths (Casey Hetman unfinished PhD study) determined by visual inspection only. This raises the spectre of the grade of the bulk sample being compromised by the removal of diamond bearing mantle xenoliths. The discovery of additional diamond-bearing eclogite xenoliths in the Muskox core and the highly-preserved nature of the diamonds recovered to date provides support to this hypothesis. Mantle material was not removed from the 1996 RC bulk sample.

Tahera embarked on a caustic fusion analysis program of un-sampled core in order to check the prior De Beers results (Douglas *et al.,* 2006). A 3,715 kilogram Muskox kimberlite sample derived from a combination of Tahera's 915 metre (four NQ and HQ core drill-holes) spring 2005 drilling program, and a De Beers sample (two HQ drill-holes 2003 totaling 500 metres), was processed in 469 batches by caustic dissolution at the SRC's Geoanalytical Laboratory in Saskatoon, Saskatchewan in 2005 (Douglas *et al*., 2006). The two De Beers holes and one of the Tahera HQ holes intersected only the M1 unit. Both NQ2 and the remaining HQ holes were angled holes that were drilled from the M2 unit, through the M1 unit.

A 943 kilogram sample of the M2 unit (hypabyssal kimberlite) returned more than 30,000 diamonds greater than (">") 0.075 millimeters ("mm"), and a 2,749 kilogram sample of the M1 unit (volcaniclastic kimberlite) returned more than 42,000 diamonds

>0.075 mm. A 22.7 kg sample of the M3 unit returned more than 500 diamonds > 0.075 mm.

Individual caustic fusion batches of the M2 unit ranged from 0 cpht >0.85mm (26 cpht all diamonds) to 78 cpht >0.85mm (87 cpht all diamonds). The highest individual M2 batch cpht values >0.85mm were 11 cpht, 40 cpht, and 78 cpht. The total 943 kilogram sample of the M2 unit returned a total of 162 cpht > 0.85 mm (Douglas *et al*., 2006). Individual caustic fusion batches of the M1 unit ranged from 0 cpht >0.85mm (12 cpht all diamonds) to 36 cpht >0.85mm (53 cpht all diamonds). The highest individual M1 batch cts/tonne values >0.85mm were 12 cpht, 17 cpht, and 36 cpht. The total 2,749 kilogram sample of the M1 unit returned a total of 1.07 cpht > 0.85 mm. The combined 3,692 kilogram sample for the M2 and M1 units returned 2.69 carats above a 0.85 mm cut off. Intervals with higher stone counts correlate well with the presence of mantle xenoliths, especially eclogite xenoliths (Douglas *et al*., 2006).

Macrodiamond modelling was performed by Mineral Services of Vancouver on both the M1 and M2 units. Subsets of the respective units were also modelled after the removal of the largest stones which did not fit on a lognormal distribution curve and could cause a “nugget effect” (Douglas *et al*., 2006). The grade prediction modelling used a cut off of 0.01 carats. The modelled grade for the M2 unit subset was 122 cpht with a range from 82 to 165 cpht. The modelled grade for the M1 unit subset was 41 cpht with a range from 28 to 52 cpht for the M2 unit subset. The results of the grade modelling from the M2 unit are significantly better than the grades indicated by the De Beers bulk sample.

As a result of the incongruent results and the known issues with the original De Beers bulk samples, Tahera conducted further bulk sampling during 2006 utilizing large diameter (“LDD”) RC drilling. Kimberlite material representing approximately 865 dry tonnes from the M2 unit and 63 dry tonnes from the M2 unit were collected. All drill cuttings, kimberlite material totalling 928 dry tonnes, were passed over a 0.85 mm square mesh screen, with larger particles retained in one tonne mega-bags. The larger particles totalling 605 tonnes were processed, inferring an average drill recovery of 65%. In total eight drill holes were completed with seven holes intersecting the M2 unit and one hole intersected the M1 unit. The bulk sample was processed in a 10-tonne-per-hour Dense Media Separation ("DMS") plant with a bottom cut-off of 1.0 millimetre (square mesh) at Rio Tinto's Thunder Bay laboratory during late 2006.

The goal of the bulk sample program was to develop an initial grade estimate, to further the understanding of the characteristics of the diamonds present in the kimberlite, and to collect a sufficient number of carats for the purpose of estimating the value potential of the diamonds contained in the deposit and thus begin to develop a resource model. Batch sample grades varied from 36 to 110 cpht for the M2 unit and from 30 to 45 cpht in the M1 unit. The overall average grade for the M2 (hypabyssal) kimberlite was 53 cpht. The overall grade for the M1 (volcaniclastic) kimberlite was 35 cpht.

The results of the 2006 Muskox bulk sample were higher than previous results obtained by De Beers in 1996 and 1997. The combined De Beers samples recovered

16.8 carats from 47.0 tonnes, inferring an average grade of 0.36 carats per tonne. The De Beers sample was made up of both kimberlite units, and estimated to be 75% MKU-A and 25% MKU-B. At this ratio, the 2006 results are 35% higher than the previous results. The bulk sample was collected using a large diameter reverse circulation drill rig utilising 17.5" holes. All drill holes extended to 305 metres depth below surface, except for the M1 hole which was stopped at a depth of 217.5 metres. Each drill hole was made up of approximately 5 batches of 61 metre intervals. The M2 sample consisted of 34 batches, while the M1 sample was composed of only three batches. Batch sizes ranged from 13 to 37 tonnes and averaged 25.1 tonnes. Specific Gravity ("SG") and moisture content analyses were completed throughout the kimberlite with 196 external laboratory measurements and 739 in-house SG measurements. These measurements were used to convert volumes to dry densities associated with each batch. The typical density for M1 is 2.43 g/cm^3 and for the MKU-A unit is 2.76 g/cm^3. In-house SG analysis correlated very well with the independent laboratory analysis.

Seven LDD drill holes are spread over an area of only 0.5 hectares near the centre of the M2 unit and therefore these results may not necessarily accurately represent the entire unit. Only one of the eight LDD holes targeted the larger M1 unit. In addition, low internal grade variability is expected in the magmatic M2 unit based on geology and current emplacement model, whereas the M1 unit may have higher internal grade variability, which is more common in volcaniclastic kimberlite. Batch sample grades varied from 36 to 110 cpht for the M2 unit and from 30 to 45 cpht in the M1 unit (Besserer and Banas, 2016; Douglas *et al*., 2006).

6.4 Rush Kimberlite

The Rush kimberlite was the first kimberlite discovered by De Beers on the Polar Property and is currently within Crystal's prospecting permit P-25. The drill target was a large, strong magnetic low identified in the airborne geophysical data and drilled in late April of 1994. The kimberlite is poorly delineated with only 3 drill holes (76E13/001-01, -02, -03), that intersected the kimberlite. There has not been enough delineation drilling on the body to estimate its surface area.

The Rush kimberlite is a dense competent macrocrystic kimberlite with olivine and ilmenite indicator minerals making up approximately 15% of the rock. The kimberlite intrudes granitic rocks. Three drill holes intersected the kimberlite for a total of 188.5 meters of NQ kimberlite core. De Beers tested 510.4 kg of kimberlite for diamond content by caustic dissolution and recovered 5 diamonds (Besserer and Banas, 2016).

6.5 Contwoyto 1 Kimberlite

The Contwoyto 1 Kimberlite, which is located adjacent to the Muskox East or Contwoyto group of prospecting permits, was discovered in 1998 by Tahera (Hughes, 1999). The kimberlites sits at the head of a 20 km length DIM train. The kimberlite is a pear shaped 60 m by 80 m pipe that represented by a weak magnetic high adjacent to and east of a NW trending diabase dyke. The kimberlite underlies a small boggy area. A total of 15 holes were drilled into the body with a maximum depth of 222 m and remains open at depth. Tahera reported a preliminary estimated grade of about 0.27 ct/t for the pipe in a 1999 news release (Tahera News release, dated June 24, 1999; Besserer and Banas, 2016).

6.6 James River Kimberlite Dyke

The James River Kimberlite Dyke, which is located within the Hood River prospecting permit, was discovered during prospecting follow-up of a DIM train in 2004 (Berry, 2005). The kimberlite dyke is 2 m wide and outcrops. Preliminary caustic fusion results were not reported. Follow-up geophysics was recommended for the kimberlite and the surrounding area (see section entitled ‘Exploration’ herein; Besserer and Banas, 2016; Figure 5).

7 Deposit Types

To understand the significance of kimberlite indicator minerals (“KIMs”), it is important to understand the type of igneous rocks from which primary diamond deposits are mined. The most common rock type from which diamonds are mined are kimberlites and, to a lesser extent, lamproites and orangeites. KIMs describe minerals that are common constituents of these three rock types, some of which are phenocrysts and others that are xenocrysts. For the purposes of this discussion, KIMs will refer to minerals that are both characteristic and diagnostic of kimberlites. Kimberlite is best described as a hybrid igneous rock (Mitchell, 1986, 1989, 1991; Skinner, 1989; Scott Smith, 1995). Kimberlites crystallize from a molten liquid (kimberlitic magma) originating from the earth's mantle. Kimberlite magma contains volatile gases and is relatively buoyant with respect to the mantle. As a result, pockets of kimberlitic magma will begin to ascend upward through the mantle and along a path of least resistance to the earth's surface. As the kimberlitic magma ascends, the volatile gases within the magma expand, fracturing the overlying rock, continually creating and expanding its own conduit to the earth's surface. As a kimberlitic magma begins to ascend to the earth's surface it rips up and incorporates fragments or xenoliths of the various rock types the magma passes through. As the magma breaks down and incorporates these xenoliths, the chemistry and mineralogy of the original magma becomes altered or hybridized. The amount and type of foreign rock types a kimberlite assimilates during its ascent will determine what types of minerals are present in the kimberlite when it erupts at surface. Kimberlite magmas ascend as dykes and can form sills or pipe like structures near the surface.

When kimberlitic magma erupts at the earth's surface, the resulting volcanic event is typically violent, creating a broad shallow crater surrounded by a ring of kimberlitic volcanic ash and debris ("tuffaceous kimberlite"). The geological feature created by the eruption of a kimberlite is referred to as a diatreme or kimberlite pipe (Mitchell, 1986, 1989, 1991). In a simplified cross section a classical kimberlite diatreme appears as a near vertical, roughly "carrot shaped" body of solidified kimberlite magma capped by a broad shallow crater on the surface which is both ringed and filled with tuffaceous kimberlite and country rock fragments (Mitchell, 1986, 1989, 1991). Erosion and weathering can remove the portions of the kimberlite pipe and in some circumstances can erode the entire pipe leaving behind only the dyke(s). Diamonds do not crystallize from the kimberlite magma, but within diamond-bearing igneous rocks in the mantle called peridotite and eclogite. Peridotite and eclogite are composed of a diagnostic assemblage of minerals that crystallize under specific pressure and temperature conditions similar to the conditions necessary to form and preserve diamonds (i.e. within the “diamond stability field”). Diamond bearing peridotite can be further broken down into three varieties that are, in order of greatest diamond bearing significance, garnet harzburgite, chromite harzburgite, and garnet lherzolite. For a kimberlite to be diamond bearing, the primary kimberlitic magma must incorporate some amount of diamond bearing peridotite or eclogite during its ascent to the earth's surface. The type and amount of diamond bearing peridotite or eclogite the kimberlitic magma incorporates during its ascent will determine the diamond content or grade of that specific kimberlite as well as the size and quality of diamonds. Diamond bearing peridotite and eclogite occur as discontinuous pods and horizons in the upper mantle, typically underlying the thickest, most stable regions of Archean continental crust or cratons (Helmstaedt, 1993). As a result, almost all of the economic diamond bearing-kimberlites worldwide occur within stable Archean cratons.

DIMs include minerals that have crystallized directly from a kimberlitic magma (phenocrysts), or mantle derived minerals (xenocrysts) that have been incorporated into the kimberlitic magma as it ascends to the earth's surface. Examples of KIMs are picroilmenite, titanium- and magnesium-rich chromite, chrome diopside, magnesium rich olivine, pyrope garnet and eclogite garnet. Varieties of garnet include G1, G2, G9, G10, G11, G12 pyropes as defined by Dawson and Stephens (1975), G9 and G10 pyropes as defined by Gurney (1984) and Gurney and Moore (1993) and G3, G4, G5 and G6 eclogitic garnets as defined by Dawson and Stephens (1975). From this paragraph on, reference to G1, G2, G3, G4, G5, G6, G11 and G12 pyrope garnet refers to Dawson and Stephens’ (1975) classification; G9 and G10 refers to Gurney’s (1984) G9 and G10 pyrope garnets of lherzolitic and harzburgitic origin, respectively. Garnet compositions defined are being associated with the diamond stability field were defined by Grutter *et al*., (2004) are denoted by the suffix “D” i.e. G3D, G4D, G9D and G10D.

DIMs are used not only to assess the presence of kimberlites in regional exploration programs but also to assess whether the kimberlites have the potential to contain diamonds. There are a limited variety of KIMs from which information pertaining to the diamond bearing potential of the host kimberlite can be gained. Typically, these are KIMs that are derived from diamond bearing peridotite and eclogite in the upper mantle (Mitchell, 1989). The most common examples of these would include sub-calcic, G10 chrome (“Cr”) pyrope garnets (harzburgitic), G9 pyrope garnets (lherzolitic), chrome (Cr)- and magnesium (“Mg”)-rich chromite (‘diamond inclusion field’ chromite from chromite or spinel harzburgite), ‘diamond inclusion field’ eclogitic garnets and chemically distinct jadeitic clinopyroxene (diagnostic of diamond bearing eclogites).

Other indicator minerals that have crystallized from a kimberlitic magma can provide information as to how well the diamonds in a given kimberlite have been preserved during their ascent to the surface. For instance, the presence of low iron and high magnesium picroilmenites in a kimberlite is a positive indication that the oxidation conditions of a kimberlitic magma were favourable for the preservation of diamonds during transport.

Due to the unique geometry of a kimberlite pipe and the manner in which the kimberlite has intruded a pre-existing host rock type, there are often differences in the physical characteristics of a kimberlite pipe compared to the host rock. Often these contrasting physical characteristics are significant enough to be detected by airborne or ground geophysical surveys. Two of the most commonly used geophysical techniques are airborne or ground magnetic surveys and electromagnetic surveys. Magnetic surveys measure the magnetic susceptibility and EM surveys measure the electrical conductivity (or resistivity) of a material at or near the earth's surface. When magnetic or resistivity measurements are collected at regular spaced intervals along parallel lines, the data can be plotted on a map and individual values can be compared. If a geophysical survey is conducted over an area where the bedrock and overburden geology is constant and there are no prominent structures or faults, there will be little variation in magnetic or resistivity response. However, when a kimberlite intrudes a homogenous geologic unit and erupts at the surface, there is often a detectable change in the geophysical signature or an anomalous magnetic or resistivity response over the kimberlite diatreme. When the data are contoured the anomalous results often occur as circular or oval anomalies outlining the surface or near surface expression of the diatreme.

The effectiveness of geophysical methods in kimberlite exploration is dependent on the assumption that the difference between the geophysical signature of the hosting rock unit and a potential kimberlite is significant enough to be recognized by the geophysical techniques available. There are many examples of economic kimberlites that produce very subtle, unrecognizable geophysical responses as well as non-kimberlite geologic features and man-made structures (referred to as “cultural interference”) such as oil wells, fences, bridges, buildings which can produce kimberlite like anomalies. For these reasons, it is extremely important that other information, such as KIM surveys, be used in conjunction with geophysical evidence to confirm the support for the presence of a kimberlite diatreme (Fipke *et al*., 1995).

Gold hosted within silicate, oxide and sulphide iron formations is also a deposit type of interest (Lupin Gold Mine). Additionally, gold may also be hosted and/or associated with quartz veins, or be present throughout the property in anomalous concentrations in nearly all lithologies in shear zone settings. Past exploration for gold and base metals has indicated that there is potential for these types of mineral deposits within this region (Besserer and Banas, 2016).

8 Exploration

8.1 Compilation

During spring of 2015 Crystal initiated a comprehensive compilation of diamond indicator minerals, kimberlite occurrences, drill holes, ground and airborne geophysical surveys for the Muskox and Hood River Property in order to allow for focussed exploration efforts moving forward. The compilation is ongoing, however, a summary of the surface sampling, DIMs, drill holes and kimberlite occurrences are presented for the three permit areas and adjacent lands in Figures 3, 4 and 5.

Figure 5 the compiled kimberlites, surficial sample locations and pertinent DIM results for the Hood River Property. The DIM data comes from the NWT/Nunavut KIDD database, assessment reports and confidential data sources. The James River kimberlite dyke was found at the head of a prominent DIM train.

Figure 4 shows the compiled kimberlites, surficial sample locations and pertinent DIM results for the Muskox East (Contwoyto) Property. The DIM data comes from the NWT/Nunavut KIDD database, assessment reports and confidential data sources. The Contwoyto 1 kimberlite was found at the head of a limited DIM train. However, other unsourced DIM trains and priority geophysical anomalies have been identified on the Muskox East (Contwoyto) Property. These trains and a number of the geophysical anomalies require follow-up exploration.

Figure 3 shows the compiled kimberlites, surficial sample locations and pertinent DIM results for the Muskox Property and surrounding area. The DIM data comes from the NWT/Nunavut KIDD database, assessment reports and confidential data sources. On Crystal's prospecting permits, the Muskox and Rush kimberlites occur at the head of prominent DIM trains. Other kimberlites close to the permits, including the Unicorn, Voyageur, Peregrine and Troll occurrences all occur at the head of prominent DIM trains. A number of other DIM trains and priority 1 and 2 geophysical anomalies have been identified on and close to the Crystal permits that as of yet have not yielded a kimberlite source. These trains and a number of the geophysical anomalies require follow-up exploration.

In summary, over 280 airborne anomalies have been identified and digitized on and in the immediate vicinity of the Muskox prospecting permits. All of the anomalies have "geophysical descriptions" detailing why they were picked. A total of 183 anomalies are ranked, with 151 anomalies with comments recommending follow-up exploration. A total of 16 anomalies have been drill tested or have drill holes in the vicinity.

Within the Muskox prospecting permits, there are a total of 136 airborne geophysical anomalies with approximately 113 of the anomalies classified as unexplained. Of these, there are a total of 15 priority 1 anomalies and 31 priority 2 anomalies that are all recommended for follow-up exploration.

9 Drilling

9.1 Drill Core Logging and Sampling 2015-2016

During summer 2015 Crystal located rock samples, representative samples, a confidential paper database (including reports) and drill core from the Muskox Kimberlite that were neither sampled nor logged. The drill core and confidential hard copy data were owned by a private Alberta company and stored at a farm in St. Albert, Alberta. Crystal subsequently purchased the core, samples and confidential data from the private Alberta company and included portions of the data in the compilation.

The drill core was stored at a farm in St. Albert, Alberta. An APEX crew supervised by the Author Mr. Besserer, commuted to St. Albert daily to organize the drill core during September and October, 2015. The core was then moved to APEX's core storage facility in Spruce Grove, Alberta in late October. Once the core was moved to Spruce Grove it was partially logged, photographed and sampled.

A total of 20 core holes completed by Tahera during 2006 that have never previously been reported on, as well as, 10 Debeers Canada Exploration Inc. drill holes (from 1196, 1998; 2003 and 2005) were recovered by Crystal. The Tahera diamond drill holes were from a 2006 drilling campaign completed by Tahera along with the RC bulk sampling program that is discussed in the section entitle 'History', herein. The Tahera drill holes have never previously been reported upon or discussed in publicly available literature and was completely intact and had not been sampled. A portion of the Debeers drill holes had been halved and sampled. The drill core was photographed, logged, and sampled during October and the data specific to the Muskox Kimberlite compiled.

The drill logs completed by Crystal are compiled in Appendix 1. The 2006 core holes which were sampled are summarized below. After logging, cataloging, photographing, the entire core was sampled for processing at the SRC's DMS processing plant in Saskatoon, for macro-diamond recovery. The samples were collected in 1 tonne bulk sample bags. The drill holes that were photographed and then sampled in their entirety during 2015 include DDH-2006-MOX-027, DDH-2006-MOX-004, DDH-2006-MOX-011, DDH-2006-MOX-012, DDH-2006-MOX-020 and DDH-2006-MOX-025 (Figure 8). The drill holes that were photographed and then sampled in their entirety during 2016 include DDH-2006-MOX-001, 002, 003, 005, 006, 007, 008, 009, 024, 028, 030, 031, 055, DDH-2005-MOX-001, 002. 003, 004, Musk98-2c, 3c, Musk03-005c, 006c, and RHL96-5 and 96-6.

9.2 Fieldwork

During the week of October 5th, 2015, the author, Mr. D. Besserer, B.Sc., P.Geol. visited the properties that are the subject of this assessment report to ground truth 10 Tier 1 Geophysical anomalies within 5 prospecting permits. Access to the properties was from Yellowknife and the Lupin Gold mine using a Eurocopter A-Star 350B2. One representative rock grab sample was collected at the James River Dyke.

The geophysical anomalies were selected based upon compilation. The 2016 exploration program identified and prioritized numerous targets for the potential discovery of new kimberlite(s) during 2017. The program included prospecting and mapping; till sampling (146 samples), rock sampling (1 sample at the James River Kimberlite Dyke) and 83.01 line kilometers of ground geophysical surveying at 17 land based targets. All samples have been sent to the Saskatchewan Research Council Analytical Laboratories ("SRC") in Saskatoon for analysis. The sample locations are on Figure 9. Results are expected in early 2017.

Figure 8. 1996-2006 Diamond Drill Hole Collars with Drill holes sampled in 2015-2016.

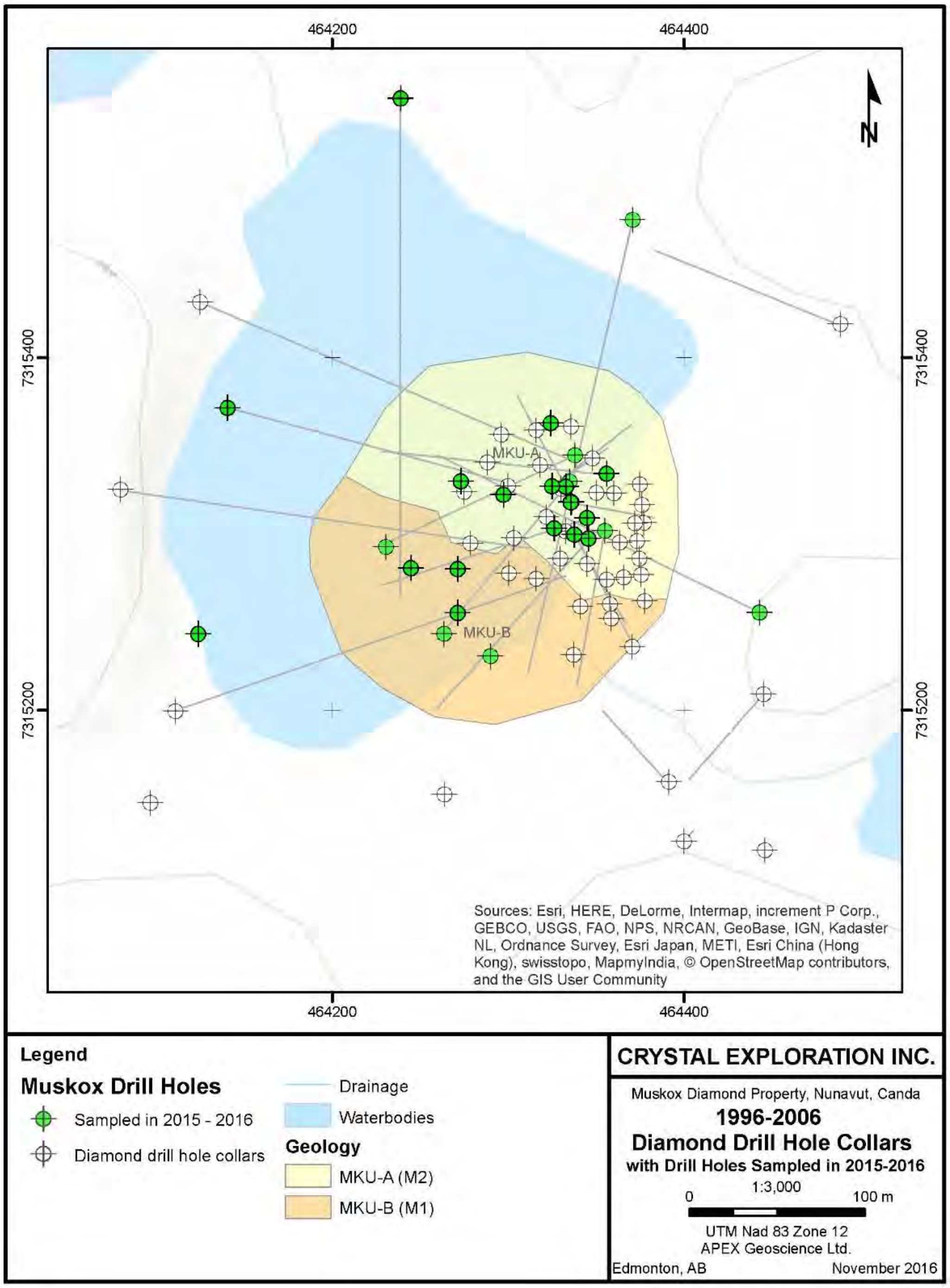
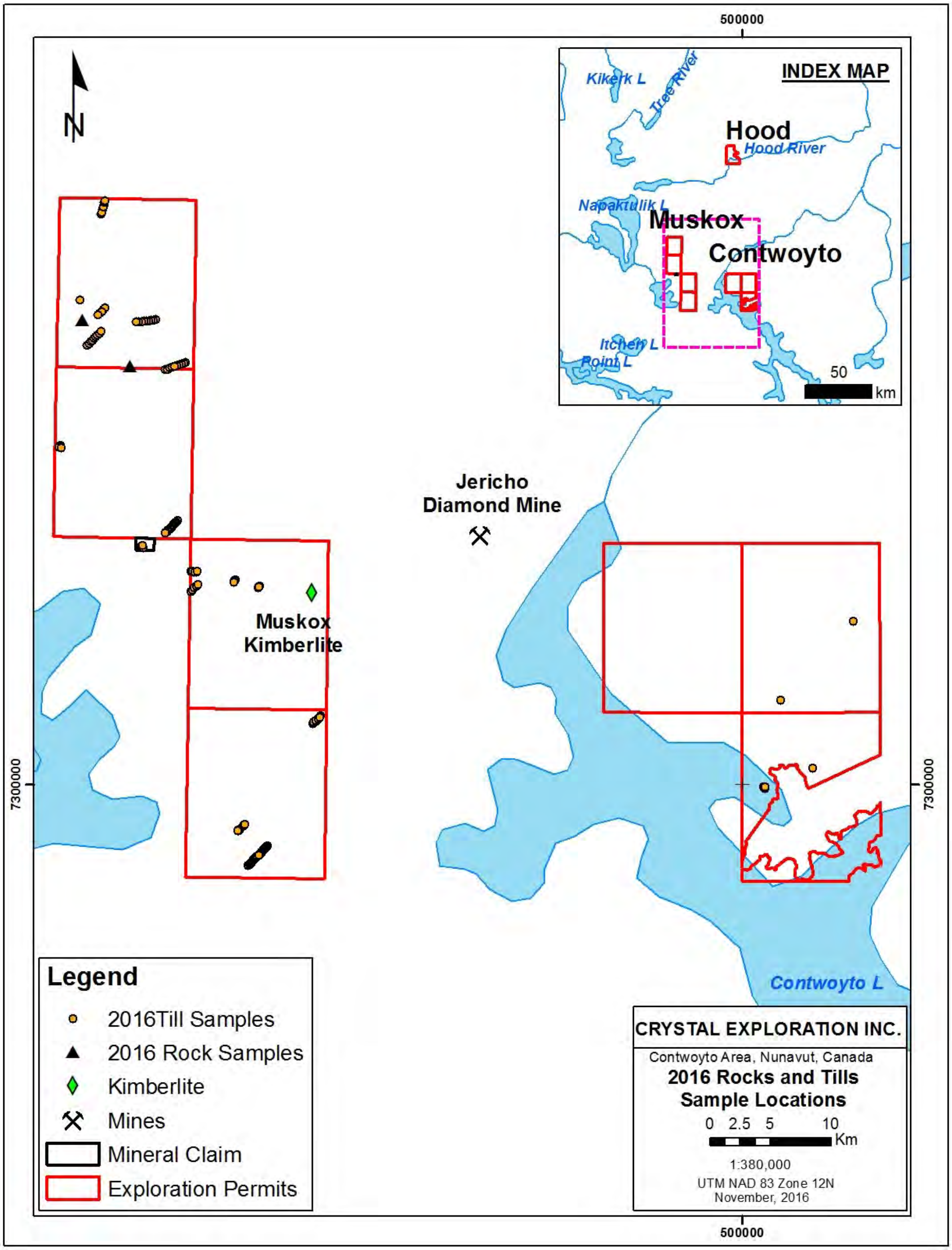


Figure 9. 2016 Rocks and Tills. Sample Locations.



In total, 72 prospective kimberlite targets were reviewed on the ground. Of the 72 which were ground truthed, 17 ground geophysical grids were completed which totaled 83.01 line kilometers of high resolution magnetics. From the 17 grids, 6 have been selected as high priority drill targets with respect to newly discovered kimberlite(s). In addition, numerous high priority targets that are under water bodies have been targeted for a winter ground geophysical program. A target map is attached below (Figure 10).

Of the 6 newly developed high priority kimberlite 'bullseye' targets, 5 are magnetic highs and 1 is a magnetic low. The targets range from 125 to 225 meters in size. Other kimberlites in the area were both magnetic lows (including the Contwoyto 1, Muskox and Jericho, Jericho South and Rush kimberlites) and magnetic highs (including the Unicorn, Voyageur and Peregrine kimberlites; see Crystal Press Releases dated October 26 and November 1, 2016, and their website at www.crystalexploration.com).

In total, in 2015, three drill core samples were submitted for processing for diamonds (samples DDH-MOX-004; DDH-MOX-025 and DDH-MOX-020) and weighed 2200.40, 2158.80, and 2083.50 respectively (dry tonnes). Diamond recoveries from the samples include 14, 17 and 47 diamonds greater than 0.85 mm weighing 0.637, 0.675 and 2.358 carats, respectively. The samples grade 0.29, 0.31 and 1.14 cpt ("carats per tonne"). The largest diamonds recovered include 0.245 (MOX-004), 0.282 (MOX-025), 0.365, 0.253 (MOX-020) carats. The diamonds are described as off white, transparent with no to minor inclusions.

Some of the diamonds recovered were not fully liberated from either kimberlite and/or mantle xenoliths (Plate 1).

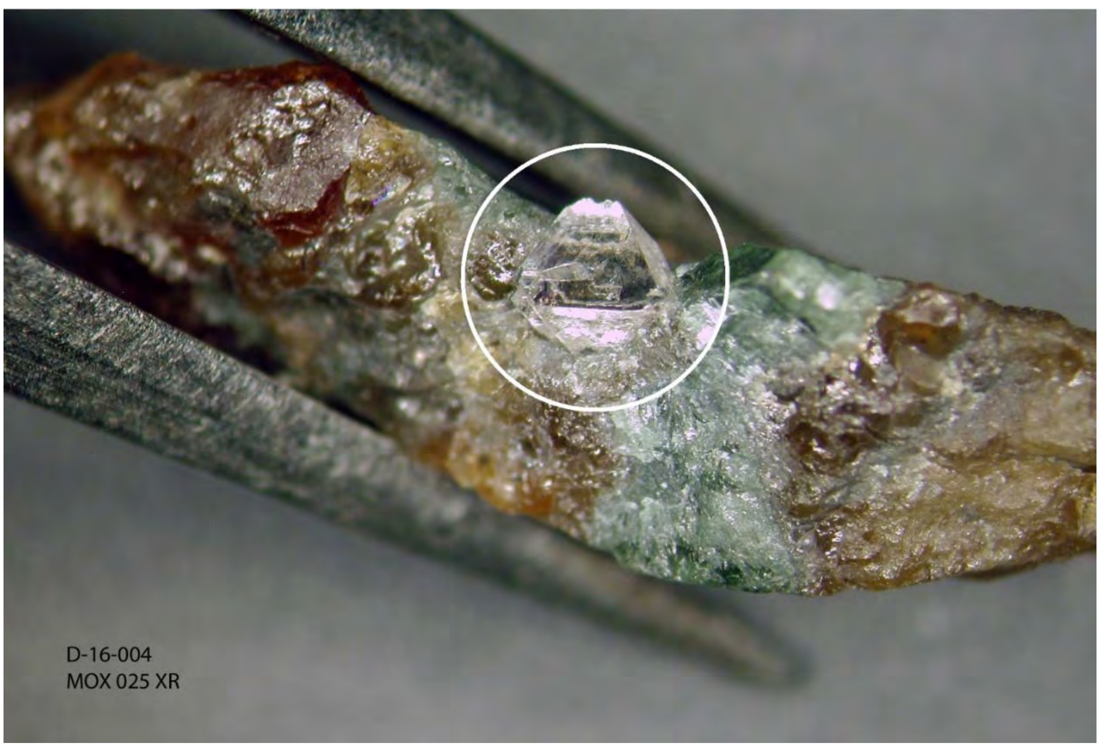
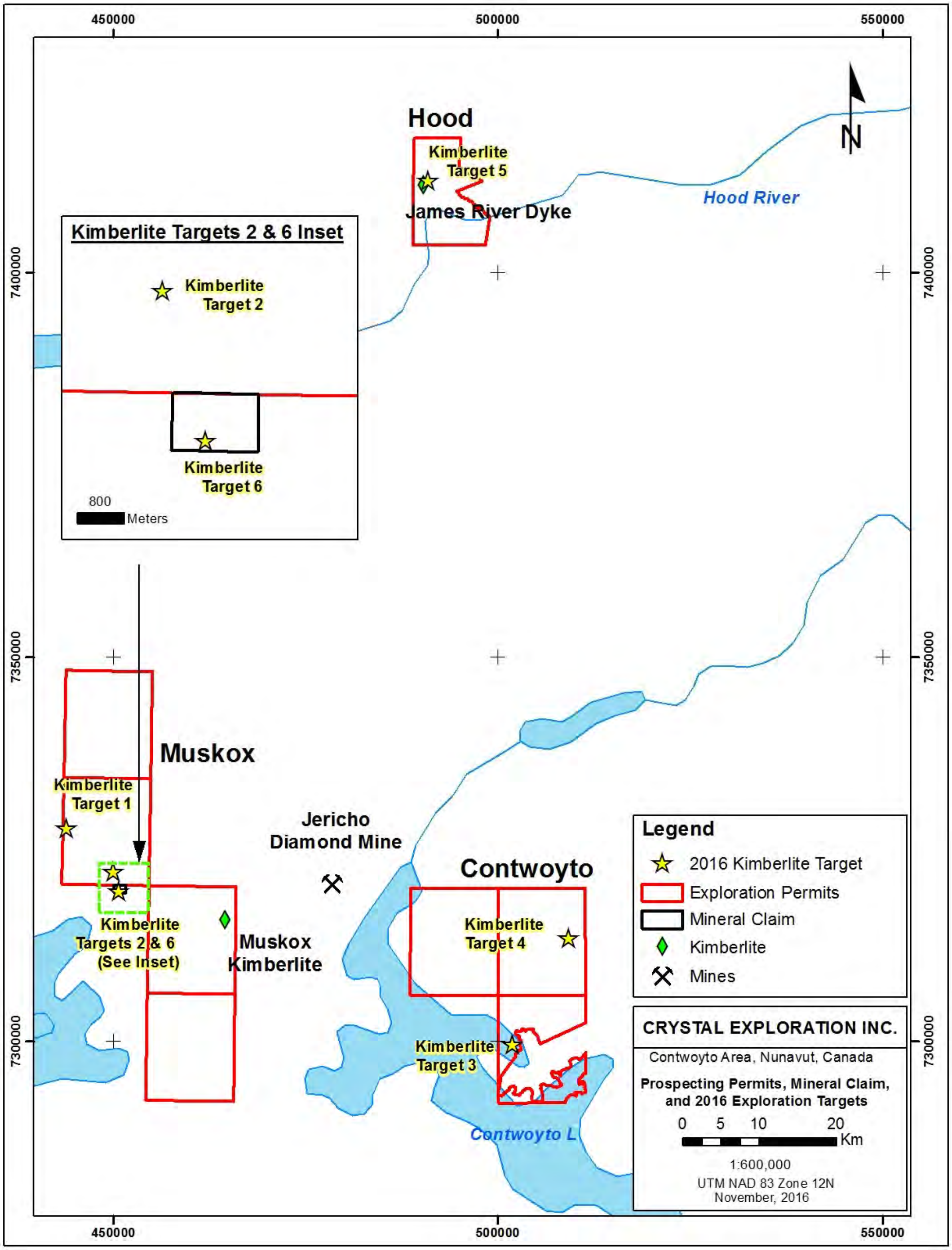


Plate 1: Diamond attached to eclogite from the Muskox kimberlite.

Figure 10. Prospecting Permits, Mineral Claim, 2016 Exploration Targets.



In 2016, 3 composite drill core samples from the remaining/stored drill holes were photographed, logged and sampled and were submitted to the SRC for macro-diamond analyses. The sample weights total 31,466 kilograms.

10 Sample Preparation, Analyses and Security

Sampling completed by Crystal has been limited to the collection of drill core and surface till samples. The SRC's Diamond Services division has a lab in Saskatoon, SK and operates in accordance with ISO/IEC 17025:2005 standard by the Standards Council of Canada as a testing laboratory for diamond analysis using the caustic fusion and DMS methods. The SRC processed or will be processing Crystal's samples for microdiamond analysis by caustic fusion and for macro-diamond analysis using their DMS plant.

Glacial till samples collected by Crystal were sampled mostly from active frost boils. Approximately 20 kg of material was collected from each sample site. These samples were then sent to SRC where they will be processed via industry standard heavy liquid separation and picked for diamond indicator minerals. Specific picked grains will then be analyzed using an electron micro-probe to determine the specific mineral chemistry for each grain. The flow sheet for the SRC's DMS is in Appendix 2.

10.1 Grab and Drill Core Samples

All drill core samples collected by Crystal were submitted to SRC, accredited to the ISO/IEC 17025 standard by the 50 Standards Council of Canada as a testing laboratory for diamond analysis using the caustic fusion method. Drill core samples from drilling were photographed, logged and sampled. Each sample composite was bagged and separated by phase (MKU-A, MKU-B) in Edmonton and samples were then shipped to the SRC by truck freight in security sealed 1 tonne mega-bags.

Samples processed using the SRC's DMS plant were initially run through a primary jaw crusher with a 30mm gap setting. The material from the original sample bags were crushed and moved into new bags and resealed with individual security seals. The sample was and will be processed through the SRC's 5 tonne per hour DMS Plant using a 0.85 mm sieve cut-off. The DMS concentrate was subsequently processed through the SRC recovery circuit which entails sizing the concentrate into fine (1-3 mm), middle (3-6 mm) and coarse (6-12 mm) streams. The separate streams are passed through a restricted access twin stage x-ray flow sort. X-ray accepts are secured and stored in a small metal pail for hand sorting. The +6 mm X-ray rejects are secured and stored for additional processing. The -6 mm material is fed over a grease table; the grease table concentrate is secured and stored for hand sorting. The grease table rejects are secured and stored. The concentrate recovery process is hands-off with all access to concentrate being through secure glove box facilities in a secured cage. Resulting concentrates from the X-ray sort were hand sorted and weighed in a secure glove box facility. Security at the SRC facility is achieved through the use of gates, locks, hands-off access and 24 hour video surveillance as well as the presence of security personnel onsite while material is being processed. The samples are stored in a secure facility with restricted access at every point of the processing stream. All work is conducted under the direct supervision of the Laboratory Supervisor and DMS Operator, with at least two persons present for any concentrate handling. Although the author did not have control over the samples, the author has no reason to believe any of the kimberlite samples have been compromised. The SRC performs an internal check on diamond recovery through the caustic fusion process by introducing synthetic spikes in every sample batch. A 99% recovery of synthetic spikes is reported. No natural diamond spikes were added to samples sent to the SRC.

11 Data Verification

The Author managed the 2015/16 exploration programs on behalf of Crystal including the compilation work, field work and core logging and sampling. The author visited the Muskox Kimberlite and was able to confirm that kimberlite and sample locations were consistent with that historically reported. It was noted that in many cases drill collars were located which in turn were consistent with coordinates from historical reports and/or data. Samples of surface kimberlite (James River Kimberlite dyke) were also collected for the purposes of microdiamond analysis by the author. Based on the results of the exploration the author has no reason to doubt the historically reported exploration results.

12 Mineral Processing and Metallurgical Testing

The author has no knowledge of any metallurgical testing having been completed with respect to the Property. As such, DMS processing of mini-bulk samples accurately represent potential metallurgical recoveries.

13 Mineral Resource Estimates

Not applicable.

14 Adjacent Properties

The Contwoyto 1 Kimberlite, which is located south of and adjacent to the Muskox East or Contwoyto group of prospecting permits within a Inuit Owned Land Subsurface withdrawal area, was discovered in 1998 by Tahera (Hughes, 1999). The kimberlites sits at the head of a 20 km length DIM train. The kimberlite is a pear shaped 60 m by 80 m pipe that represented by a weak magnetic high adjacent to and east of a NW trending diabase dyke. The kimberlite underlies a small boggy area. A total of 15 holes were drilled into the body with a maximum depth of 222 m and remains open at depth. Tahera reported a preliminary estimated grade of about 0.27 carats per tonne (“cpt”) for the kimberlite in a 1999 news release (Tahera News release, dated June 24, 1999; Besserer and Banas, 2016).

15 Other Relevant Data and Information

The Authors are not aware of any other relevant data or information.

16 Interpretation and Conclusions

17 Recommendations

Based on the presence of: known diamond bearing kimberlites; unexplained diamond indicator mineral trains; and unexplained geophysical 'bullseye' targets developed by Crystal the Muskox and Hood River Properties are high priority for follow-up exploration. The recommended exploration should include but not be limited to: STAGE 1: Continue compiling historic data and re-interpret historic airborne geophysical surveys ($50,000); Process existing kimberlite samples on hand at the SRC ($95,000); Process and pick the till samples collected during the 2016 exploration program including micro-probe analysis of picked grains ($150,000); Complete caustic fusion of the James River Dyke ($5000) Complete ground geophysical surveys (magnetics and electromagnetics) over priority lake based targets during spring 2017 ($200,000); and Drill the six high priority targets developed by Crystal during 2016 during spring/summer 2017 ($1,000,000). The total to complete the recommended 2017 exploration is approximately (Cdn $1,500,000). STAGE 2: Stage 2 is dependent on the results from Stage 2.

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19 Certificate of Author

I, Dean J Besserer, do hereby certify that:

1. I am consultant for:

   Crystal Exploration
   220, 8429-24th Street NW
   Edmonton, AB, Canada
   T6P 1L3
2. I graduated with B.Sc. in Earth Sciences (Geology) from the University of Western Ontario in 1995.

3. I am registered as a Professional Geologist with the Association of Professional Engineers and Geophysicists of Alberta (APEGA) and with the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists (NAPEG).
4. I have worked as a geologist for 21 years since my graduation from university.
5. I am responsible for and have supervised the preparation of the Report titled "Technical Report for the Muskox and Hood River Properties", and dated November 24, 2016. I visited the Property in October 2015 and August/September 2016 and managed the exploration campaigns thereon.
6. I am not aware of any material fact or material change with respect to the subject matter of the Assessment Report that is not reflected in the Assessment Report, the omission to disclose which makes the Assessment Report misleading.
7. I am independent of the issuer applying all of the tests in section 1.4 of NI 43-101.
8. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.
9. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files or their websites.

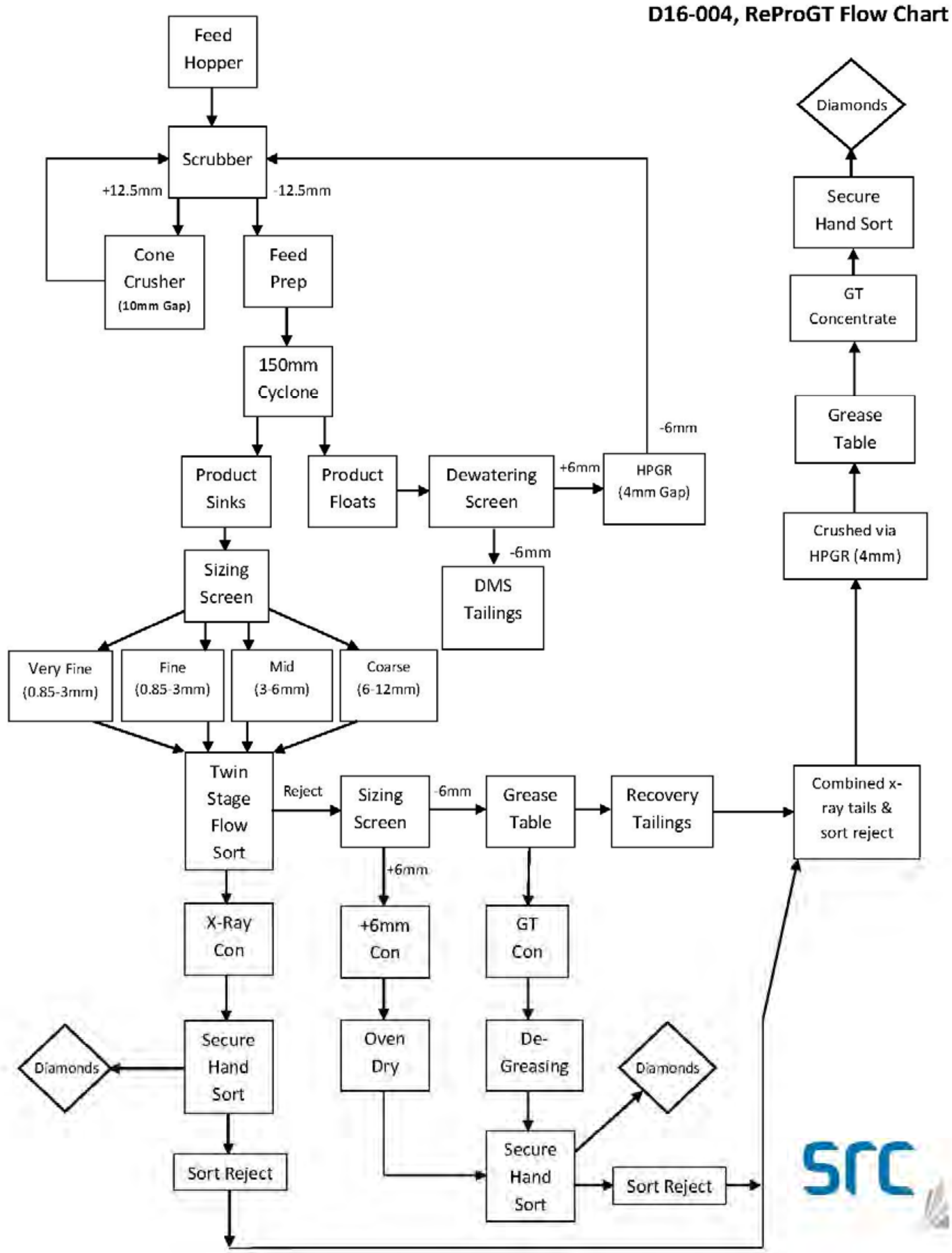
Dated this *November 24, 2016*
Edmonton, Alberta, Canada

Dean J Besserer, B.Sc., P.Geol.
Dated this *24th of November, 2016*
Edmonton, Alberta, Canada

Appendix 1 – Muskox Kimberlite Drill Logs.

The drill logs are on file at Crystal Exploration and are available upon request.

Appendix 2 – Saskatchewan Research Council's DMS Flow Sheet.


D16-004, ReProGT Flow Chart
Feed Hopper
Scrubber
+12.5mm
-12.5mm
Cone Crusher (10mm Gap)
Feed Prep
150mm Cyclone
Product Sinks
Product Floats
Dewatering Screen
+6mm
-6mm
HPGR (4mm Gap)
-6mm
DMS Tailings
Sizing Screen
Very Fine (0.85-3mm)
Fine (0.85-3mm)
Mid (3-6mm)
Coarse (6-12mm)
Twin Stage Flow Sort
Reject
Sizing Screen
-6mm
+6mm
Grease Table
Recovery Tailings
Combined x-ray tails & sort reject
X-Ray Con
+6mm Con
GT Con
Secure Hand Sort
Diamonds
Oven Dry
De-Greasing
Diamonds
Secure Hand Sort
Sort Reject
Sort Reject
Crushed via HPGR (4mm)
Grease Table
GT Concentrate
Secure Hand Sort
Diamonds
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