iMetal Outlines Numerous Targets at Gowganda West!

- iMetal Resources has been busy exploring its wholly-owned more than 145 km\(^2\) contiguous Gowganda West Project, located 20 km WSW of Gowganda Ontario, and 90 km SW of Kirkland Lake Ontario. The prospective property is located just south of Pan American Silver’s 4 million ounce Juby gold deposit (1.1 million ounces Measured & Indicated, 2.9 million oz. Inferred).

- Early this year the Company drilled five holes into the Zone 1 South target situated just 500 metres south of the Juby Deposit. Drill results returned long intervals of anomalous to low grade gold within hydrothermally altered rocks—a promising result for a first drill program. The drills targeted high-grade surface chip sampling with values up to 39.3 g/t gold.

- A Geotech VTEM airborne survey was also flown over the northern portion of the property early this year. Geotech outlined seven shallow (<100 metre deep) targets, four of which were given high-priority status. Unfortunately these results were not available to the Company to help influence the drill placement. Nevertheless, the geophysical results indicate iMetal’s prospecting/sampling targets are within or near the geophysical targets.

- Historically, iMetal’s Gowganda West property has seen almost no exploration - mainly because it’s covered by glacial overburden as well as meta-sediments as opposed to the easier to prospect meta-volcanics (greenstones). This makes exploration more challenging. The combination of good geophysics and systematic prospecting and sampling/trenching are key to success on this property. So far that work has uncovered numerous exciting targets. These targets will be the focus of the company over the coming year.

The Bottom Line

The explorationist’s mantra is: “To first look for new deposits in the shadow of existing head frames.” That is how most of the famous multi-million ounce mining camps sprang to life. IMR has acquired very prospective ground that has seen only minor exploration. Its property lies next-door to a multi-million ounce resource (Pan American Silver). Work completed to date continues to outline new, and exciting targets that will need to be drill tested.
I believe iMetal Resources has identified a property that has been completely overlooked.

Exploration projects “in the shadow of headframes” always warrant a close look.

This project was historically ignored for a variety of reasons; (overburden, mis-interpreted rock formations).

Upon closer inspection prospectors and geologists have determined that some of the geology was not mapped correctly and the underlying rocks are much more favourable for precious metal mineralization. Work to date has already highlighted mineralization in rocks that are known to host gold deposits in the prolific Timmins, Kirkland Lake and Val d’Or gold Camps.

iMetal completed an initial five hole drill program on Zone 1 South last winter. Results indicated the zone hosted long intervals of anomalous to low grade gold within hydrothermally altered rocks—a promising result for a first drill program.

Recently geophysical results have outlined seven additional shallow (<100 metre deep) targets that have been interpreted to be associated with deep seated shear/fault zones, or splays off of these primary deformation zones.

*Thomas Schuster: Rocks To Riches Author*
The Gowganda West property is mainly underlain by both the younger Proterozoic-aged Gowganda formation sediments and Nipissing intrusive rocks as well as the older Archean-aged Timiskaming Formation meta-sediments. Keep in mind the Gowganda West project is still poorly mapped on the property scale. This is because there is very limited outcrop and a lot of geology has been inferred on a regional scale via geophysics.
In January, iMetal completed a five hole drill program to test the Zone 1 South target area to a depth of 250 metres.

The drill program was designed to follow up on high-grade mineralization discovered in the area and where chip sampling returned gold values as high as 39.3 /t gold. This mineralization was hosted within a 50 metre wide package of rusty weathered and silicified jasper pebble conglomerate and green carbonate-altered diabase. Initial observational results of the core showed evidence of hydrothermal alteration with fine-grained pyrite and chalcopyrite associated with quartz carbonate alteration and veining.

“Zone 1 Geology resembles what is found immediately to the north in the Tyrrell Shear Zone (Juby, LaCarte, Goldeye) as well as that found in the Timmins-Kirkland Lake-Val d’Or districts,” commented Gary Grabowski, Advisory Board Member of iMetal Resources.

### Highlights from five hole drill program

<table>
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<tr>
<th>Hole Id</th>
<th>From-To (metres)</th>
<th>Interval (metres)</th>
<th>Gold (g/t)</th>
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Zone 1 South is easily accessible, situated immediately adjacent to a logging road. Extensive clear-cutting at Gowganda West has helped to expose areas such as Zone 1 South as well as Zones 3A, 3B and 3C that occur several kilometers further south where chip samples returned values as high as 56 g/t Au and 2.6% Cu.

“The mineralization found in all assays demonstrates evidence of a large hydrothermal gold system in Archean rocks. Follow up work is now required to better target the potentially higher grade areas of this gold system.”

Dave Gamble,  
iMetal Qualified Person

Left to Right: Dave Gamble, Tom O’Connor, Gary Grabowski
Detailed View of Sampling and Drill Plan Map of Zone 1 South

Au Channel Sample Location Area Feb. 2019

Zone 1 South Area
Gold mineralization identified in zones dubbed Zone-3A, Zone-3B and Zone-3C is hosted in Archean aged sedimentary rocks, mainly conglomerates. These target zones are located about 7 km south of the Juby deposit.

What’s interesting is the fact that red jasper clasts have been identified in these conglomerates. This is significant since red jasper is often found in sediments in the very prolific Abitibi Greenstone belt and can be associated with major gold deposits.

**Figure 1** Zone 3A—Red Jasper Clast in conglomerate.

**Figure 2** Similar Conglomerate at Pan American’s Juby property.

**Figure 3** Red Jasper in Timiskaming conglomerate. This outcrop can be seen near Kirkland Lake Gold’s Number 4 shaft gold mine.

<table>
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<tr>
<th>Sample Number</th>
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Highlights of 2017 sample results from Z3

* represents the results from samples that underwent a second Fire Assay procedure with a gravimetric finish.
Detailed View of Channel Sampling of Zone 3A

Zone 3A - Channel Samples

NAD83 Zn 17N
November 2018
Leonard Twp.
The Figure below represents a simplified exploration model for the formation of regionally-distributed, polymetallic vein mineralization in the Cobalt Embayment.

The Cobalt Embayment represents a group of younger Huronian sedimentary rocks (Proterozoic-age 2.45 to 2.22 billion years old) that overly much older (Archean-age 2.5 to 4 billion years old) basement rocks.

The polymetallic veins are believed to represent a shallow peripheral component of much larger-scale hydrothermal systems. Those hydrothermal fluids were created by late-stage intrusions that focused fluids along the regional unconformity and reactivated faults that offset the unconformity.

Both Archean and Proterozoic-aged rocks can be found on iMetal’s Gowganda West property. Identifying, and linking structures that exhibit hydrothermal alteration and remobilized precious metals will be a key focus for geologists exploring for new deposits at Gowganda West.

Steeply dipping mineralized veins found in Zone-3C are hosted in Gowganda formation argillite sedimentary rocks. These rocks are Proterozoic in age and overlie the Archean-aged basement rocks.

Zone 3c lies 2.4 km northeast along strike of zones 3a and 3b. Zones 3a and 3b are hosted in a window of Archean basement rocks.

The quartz veins identified at Zone 3c have been traced along strike for about 150 metres. Parallel and cross-cutting veins were also encountered.

Left: Figure Sourced from: Eric G Potter and Richard P Taylor Carleton University. “Genesis of Polymetallic Vein Mineralization in the Paleoproterozoic Cobalt Embayment, Northern Ontario: Implications for Metallogenesis and Regional Exploration”

Above: Quartz vein in Zone 3c
Above: The image above shows magnetic data that has been processed by Geotech — the image represents the first vertical derivative of the RTP data (Reduced to Magnetic Pole).

Because Polymetallic vein gold mineralization is structurally controlled it is important to map basement faults from the magnetic data. These mapped structures can be easily seen in the RTP magnetic data. Faults as well as dykes are highlighted.
Above: Magnetic Vector Inversion Map (MVI) at a depth slice of 250 metres. This image shows Geotech’s interpreted basement district-scale fault zones as well as known and inferred secondary fault systems.

Using Total Magnetic Intensity data and applying a Magnetic Vector Inversion (MVI) Geotech was able to identify several district-scale fault zones that trend in the same direction as the Tyrrell Fault zone (that hosts the Juby Deposit).
Above: Processed VTEM data that shows Tau-Scaled Chargeability (TSC). This data highlights areas with strong chargeable responses with relatively coarse grain sizes—good for identifying disseminated metal sulphides.

**Generally, disseminated sulphides can be associated with gold mineralization.** VTEM surveys detect shallow (<100 metre) subsurface conductivity and chargeability. These two separate physical phenomena are typically associated with hydrothermal clays, metallic sulphides and some oxides like magnetite and graphite.
Above: Map showing target areas (Z-1A to Z-1G) with respect to shallow (<100 metre deep) Tau Chargeability Anomalies and interpreted deep structures (which may represent feeder structures for mineralization).

This composite map also highlights the fact that the Tyrrell shear trend and South Corridor Gold Trend are similar to the trend of the interpreted deep structures. In addition, all but one of these deep structures have associated Tau Chargeability anomalies.
iMetal has been busy in 2019, having completed its first drill program on the Z-1 South Target as well as an extensive geophysical survey over key exploration areas of the property. The results of this exploration are very encouraging and in my opinion indicate that there is excellent potential for a discovery.

The key points to take away from the drill results are:
- Hydrothermal alteration is present in all holes
- Gold mineralization is also present but in low to anomalous grades
- Jasper clasts are also seen in drill core (associated with other gold deposits)

These points highlight the fact that the rocks host a gold-bearing hydrothermal system that is similar not only to the nearby structurally controlled Juby gold deposit but to the prolific Timmins-Kirkland Lake-Val d’Or districts.

The key points to take away from the geophysical results are:
- Geotech identified a series of near-surface NW-SE trending deep seated shear/fault structures which may represent primary conduits for mineralizing fluids.
- These structures trend in the same direction as the Tyrell Shear zone (which hosts the Juby deposit) and the South Corridor Gold Zone.
- Geotech identified seven new geophysical targets by associating deep seated shear/fault zones and secondary fault splays with Tau-scaled Chargeability - (good for identifying disseminated metal sulphides).

All of the geophysical targets will need to be ground truthed, prioritized and then followed up with more detailed IP ground geophysics as well as sampling and trenching. A drill program will be designed to test the most promising targets.

Modern systematic prospecting, exploration geophysics and drilling are starting to uncover some of the Gowganda West property’s hidden secrets. This year’s exploration program will be an exciting one for iMetal as it prioritizes its best targets for a future drilling program.

“...The final interpretation of the VTEM survey clearly demonstrates the potential of Gowganda West to host near surface gold mineralization. We are now rapidly advancing the ground work to define new drill targets along trend from Zone 1S and at the other high priority target areas.”

Johan Grandin
President and CEO
iMetal Resources
iMetal has almost completed acquiring a 100% interest in the Gowganda West property:

Only one more payment is due at the end of 2019. That payment is $50,000 in cash and 500,000 shares of IMR.

The entire Gowganda West property covers more than 145 km$^2$. Of that block, 20 km$^2$ are covered by this agreement and subject to a 3% Net Smelter Return Royalty payable to the original owners/vendors. One half (1.5%) of the 3% NSR can be purchased back for $1 million up until the end of the 3-year term of the agreement.

The balance of the property (except only the optioned Mosher Lake claims in the northeast quadrant of the property) were acquired through staking whereby iMetal has a 100% interest in it.

The northern portion of the Gowganda West property is covered by the Mosher Lake Option Agreement. The terms of this agreement have now been met and iMetal now holds a 100% interest in it.

**Johan Grandin, Director, President and CEO**

Johan Grandin has over 25 years of experience working with public companies and a proven track record in raising venture capital. He brings extensive expertise in corporate financial restructuring and capital markets to iMetal Resources, Inc. Through his past officer and director positions for various public issuers, he has learned to streamline growth initiatives with precision. Having also worked in the field of engineering, he holds a M.Sc. in Business Economics and Engineering Physics from Uppsala University.

**Mark Fedikow, Ph.D. P.Geo, Director, VP Exploration**

Mark is a graduate of the Department of Geology, University of Windsor (Honours B.Sc. in geology and a M.Sc. in geophysics and geochemistry). Subsequently he received a Natural Sciences and Engineering Research Council of Canada Scholarship and completed a Ph.D. in Exploration Geochemistry. During his 40+ year career he has worked for a variety of junior and major mining exploration companies. He has received the Provincial Geologists gold medal, a Canadian national award for excellence in geosciences.

**Dave Gamble, Consultant**

Dave is a professional geologist with experience at senior level in mineral exploration with supervision and management skills from small to large exploration projects, as a corporate employee with B.P. Resources Canada Ltd and as a consulting geologist with Dave Gamble Geoservices Inc. Dave is a well-respected experienced geologist with more than 40 years of professional experience in the industry and is familiar with the geological setting of the Gowganda West property. Dave’s mineral exploration responsibilities have included managing and maintaining industry standard quality control and security of sampling procedures from initial sample collection through to assay lab procedures to geological interpretation.
Ruth K. Bezys, Director

Ruth Bezys, MSC, PGeo, CPG is a geological consultant with over 30 years of varied experience in the international minerals industry as principal geologist for Wildwood Geological Services Inc. and formerly as Chief Geologist for the Sedimentary and Industrial Minerals section of the Manitoba Geological Survey. Her areas of expertise include project management, field mapping, core logging, geochemical surveys, report writing and First Nations consultation and engagement. She is registered as a (PGeo.) in Canada (Manitoba, Saskatchewan, and NWT) with Special Authorization to practice in the Province of Quebec and in the United States (CPG). Ruth has been the President of the Manitoba Prospectors and Developers Association since 2017.

Scott Davis, Director and CFO

Mr. Davis is a partner of Cross Davis & Company LLP Chartered Professional Accountants, a firm focused on providing accounting and management services for publicly-listed companies. His experience includes CFO positions of several companies listed on the TSX Venture Exchange and his past experience consists of senior management positions, including four years at Appleby as an Assistant Financial Controller. Prior to that, he spent two years at Davidson & Company LLP Chartered Professional Accountants as an Auditor and five years with Pacific Opportunity Capital Ltd. as an Accounting Manager.

Jim Dawson, M.Sc., P.Eng Advisory Committee

Jim Dawson is President of Vancouver-based Dawson Geological Consulting ltd. He has been a Professional Consulting Geologist for over 35 years and a Director of Public Companies in the Mineral Resource Industry for over 20 years. He was an independent director of Minefinders Corp., until it was acquired by Pan American Silver for $1.6 Billion. He was a Director and member of the Technical Advisory Board of Kaminak Gold Corp. from December 2006 until it was acquired by Goldcorp in May 2016 for $520 million. Jim was also part of the original Pan Ocean team which made the discovery of the Lac Cinquante U-Mo occurrence in 1975. Currently, he is a director of Kivalliq Energy Corp., Wealth Minerals Ltd, and New Dimension Resources. He graduated from Memorial University, Newfoundland, with a B.Sc. in 1960 and an M.Sc. in 1963.
Gary Grabowski, PGeo., Advisory Committee

Mr. Grabowski, who held the post of district geologist for the Ministry of Northern Development and Mines for more than 35 years, is currently a director of both the Northern Prospectors Association and the Ontario Prospectors Association. He is also a Fellow of the Geological Association of Canada.

Tom O’Connor, Exploration Manager—Advisory Committee

Tom O’Connor has been active in the Ontario and Quebec exploration mining scene from exploration and development to production of mining assets for over 30 years. He has also managed his own projects in the Kirkland Lake district as well as prospective gold and base metal projects in nearby Gowganda, Ontario. For more than 10 years, he was a mining claims inspector for the Ontario Ministry of Northern Development. Tom brings an invaluable asset as the hands on exploration manager, ensuring all aspects of IMetal ongoing exploration and development proceed as planned.

David Eves: Consultant

Mr. Eves, a Civil Engineering and Geological Technologist, previously worked for Osisko Mining and Northern Gold Mining. He is a skilled prospector and Surveyor and has extensive experience in the field as well as managing the logistics of exploration and mining operations.

“iMetal Resources has acquired highly prospective gold properties in the Abitibi region of Quebec and in the famous gold trends of eastern Ontario.

We are extremely pleased with the strong relationships we’ve developed with local First Nations. The agreements we have made are a win-win situation as they recognize the interests of the First Nations and create opportunities and potential economic benefits for both the First Nation communities and iMetal shareholders.”

Johan Grandin

President and CEO

iMetal Resources

www.imetalresources.ca
Gold at Juby

Gold mineralization at the Juby project is hosted in three zones: The Juby Main zone, Hydro Creek and Big Dome.

The Hydro Creek and Big Dome Zones are located 5 km northwest of the Juby Main Zone and the Golden Lake extension. When the last Resource was published by Temex in February 2014, there was still excellent potential to expand the deposits along the trend of the hosting shear structure.

The Juby project has since been handed down via a series of corporate acquisitions. It was first outlined by Inmet Mining in 1999, then Temex Resources acquired the lease and in 2002 drilled 41,273 metres in seven drill campaigns expanding and delineating the deposit. Temex was acquired by Lakeshore Gold in 2015 and Lakeshore then acquired by Tahoe Resources in 2016. In November 2018, Tahoe was acquired by Pan American Silver.

At last report, (2016), Tahoe Resources stated that the Juby deposit hosts:

- 1.1 million ounces contained gold in the Measured and Indicated category averaging 1.28 g/t gold and;
- 2.9 million ounces contained gold in the inferred category averaging 0.94 g/t gold.

Gold mineralization in the Juby Main Zone occurs dominantly within moderate to intense alteration and is contained within a recognizable shear zone.

Within this alteration gold mineralization is typically close to the quartz-ankerite-pyrite veins and the quartz-chalcopyrite veins. Gold grade can be broadly correlated with intensity of alteration and sulphide (pyrite) content.

The better grade sections are characterized by zones of multiple, narrow quartz-carbonate-pyrite veins and/or brecciation of the host rock.

*Resource Model sourced from Temex Resources’ NI 43-101 report dated June 2013*
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