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CARDS PROJECT WORK SUMMARY

TROVE REGIONAL PROJECT

WINDFALL LAKE

QUEBEC

DURANGO RESOURCES INC.

248-515 West Pender Street Vancouver, BC V6B 6H5

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Summary

WINDFALL GEOTEK proposes to use its proprietary Computer Aided Resource Detection System (CARDS) to develop Gold exploration targets over TROVE Project of DURANGO RESOURCES INC. located in the Windfall Lake area of Urban-Barry Greenstone Belt, within the Abitibi Subprovince (Quebec), (Figure 1).

The TROVE Project is located within the Abitibi Subprovince that hosts numerous gold deposits and has produced over 180 million ounces of gold. At Windfall Lake area (Figure 2), the gold mineralization is contained in a high-grade, gold-rich extensive anastomosed network of quartz-rich and pyrite-rich veins. These are hosted within strongly silicified volcanic rocks.

WINDFALL GEOTEK will use public data entirely provided from Ministère des Ressources Naturelles (MRN) du Québec's database (Sigeom). The SRTM (Shuttle Radar Topography Mission) data at 30m resolution from the U.S. Geological Survey database (USGS) was used to characterize the topography. All this data will be then merged into a dataset in order to proceed to Gold mineral potential analysis with CARDS.

PROPOSED CARDS MODEL

TROVE REGIONAL MAG - SRTM MODEL (SURFACE AREA 1229.22 SQ/KM)

Available Data

Surface Area: 1 229.22 km² Model Resolution: 50m Total Variables: 368 Total Data Points: 478 430 Element: Au (Threshold to be decided!)

Variables

	Primary and Derivative Variables	Description
1	RTF	Residual Magnetic Field (Abitibi Quebec-Ontario Magnetic Compilation), (Figure 1)
2	RTF_dx	Calculated derivative of RTF in x
3	RTF_dy	Calculated derivative of RTF in y
4	RTF_dz	Calculated vertical derivative (z) of RTF
5	RTF_2dz	Second Calculated vertical derivative (z) of RTF
6	RTF_asig	Calculated analytical signal of RTF
7	RTF_tdr	Calculated tilt derivative of RTF
8	RTF_hd_tdr	Calculated horizontal derivative of RTF_tdr
9	SRTM	Topography
10	SRTM_dx	Calculated derivative of SRTM in x
11	SRTM_dy	Calculated derivative of SRTM in y
12	SRTM_dz	Calculated vertical derivative (z) of SRTM
13	SRTM_2dz	Calculated second vertical derivative (z) of SRTM
14	SRTM_asig	Calculated analytical signal of SRTM
15	SRTM_tdr	Calculated tilt derivative of SRTM
16	SRTM_hd_tdr	Calculated horizontal derivative of SRTM

Neighboring Variables

Neighboring Variables (*)		Description
1	_hood_sum	Sum in the neighborhood
2	_hood_abssum	Sum of absolute values in the neighborhood
3	_hood_min	Minimum in the neighborhood
4	_hood_max	Maximum in the neighborhood
5	_hood_avg	Average in the neighborhood
6	_hood_stddev	Standard deviation in the neighborhood
7	_hood_reldev	Relative deviation in the neighborhood
8	_hood_kurtosis	Kurtosis (measure of the "peakedness") in the neighborhood
9	_MedianGradient	Median gradient in the neighborhood
10	_DistGravCenter	Distance from gravity center in the neighborhood

11	_hood_hslope	Horizontal slope in the neighborhood
12	_hood_hslope_min	Minimum of horizontal slopes in the neighborhood
13	_hood_hslope_max	Maximum of horizontal slopes in the neighborhood
14	_hood_hslope_sum	Sum of horizontal slope in the neighborhood
15	_hood_hslope_avg	Average of horizontal slopes in the neighborhood
16	_hood_hslope_stddev	Standard deviation of horizontal slopes in the neighborhood
17	_hood_vslope	Vertical slope in the neighborhood
18	_hood_vslope_min	Minimum of vertical slopes in the neighborhood
19	_hood_vslope_max	Maximum of vertical slopes in the neighborhood
20	_hood_vslope_sum	Sum of vertical slopes in the neighborhood
21	_hood_vslope_avg	Average of vertical slopes in the neighborhood
22	_hood_vslope_stddev	Standard deviation of vertical slopes in the neighborhood

(*) Neighboring variables are calculated for all of the primary and derivative variables

Training Points

Training Points (Sigeom)	Nb.
Gold Occurrences (Figures 1 to 3)	59
DDH Collars (Figures 1to 3)	1 658
Rock Samples (Figures 1 to 3)	1 842

Proposed Work

- Calculation of derivative variables for magnetic and topographic data.
- Calculation of neighboring variables.
- Combination of all variables into a dataset for data mining.
- Re-projection of drillhole Au assays from drillhole database.

- Compilation of training points database (Au assays from drillholes and Rock Samples).
- Calculation and analysis of parameters possibly related to all Au assays.
- Calculation and analysis of parameters possibly related to Au positive assays.
- Application of CARDS modelling and scoring over known Au positive assays.
- Generate Au exploration targets.

For further information or explanation, don't hesitate to contact WINDFALL GEOTEK.

Respectfully submitted

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Figure 1: CARDS TROVE Project: Magnetic data at 50m resolution (High-Resolution Aeromagnetic Data Compilation of the Abitibi, Quebec-Ontario, GSC Open File 6563)



Figure 2: CARDS TROVE Project: Bedrock Geology (Sigeom)

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Figure 4: CARDS TROVE Project: Location of Drillhole Collars and Rock Samples (Sigeom)

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