



June 5th 2017

Mme Marie-Renée Roy, sous-ministre
Ministère du Développement durable, de l'Environnement
et de la Lutte contre les changements climatiques
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**Objet: Question and comments – Dewatering and Bulk Sampling on the Fenelon
Deposit
Attestation of Exemption Request – Complementary Document
Ref: 3214-14-38**

Madame,

We received a letter dated June 1st 2017 providing questions and comments on the project cited here above. You will find below the requested information. In order to facilitate the understanding of the document, your questions have been transcribed (free translation from French), followed by the answers.

QC-1: The proponent will indicate the duration of its development project.

R-1: The duration of the development works is 9 months. A detailed schedule is provided as an attachment.

QC-2: The proponent will indicate how such development works fit in the context of a potential mine operation.

The Fenelon Gold project was acquired based on not only the mineral resources at surface but also based on the potential for resource expansion at depth. Wallbridge completed a mineral resource estimate and a subsequent prefeasibility study for the top 100 meters of the project in order to demonstrate its robustness. The decision to undergo an exploration phase was based on the fact that there had been relatively little previous drilling from surface and limited drilling from underground, although the drilling that had been carried out showed good indications of the potential for expansion.

The recent exploration drilling has shown that the existing mineral resource has the potential to be expanded not only within the top 100 metres from surface within the 500 metre strike length of the deposit, but more importantly it may have the potential to go to depth below 100

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metres. Figure 1 demonstrates the potential for expansion of the resource. Three distinct areas that requires additional drilling from underground were identified: the West Extension, the East Extension and more importantly, the Depth Extension. Very limited drilling has been completed to date and these areas require to be drilled from underground to achieve the confidence level in the drilling accuracy and continuity of the mineralization. Indeed, exploration drilling to expand the resource to depth from surface, due to thick overburden, is inaccurate and at times impossible. Figures 2A and 2B show the planned exploration and delineation drillings from underground.

Although there was an underground bulk sample completed in 2004, that development campaign was limited to only two zones near surface. The recent drilling results as well as an analysis of drill density and grade distribution have highlighted areas which warrant additional drilling and underground bulk sampling to increase confidence in grade continuity. These are highlighted as medium and high risk and are coloured orange and red on Figure 3. Extensions of these areas also warrant underground drilling to expand the resource to depth.

It has therefore been decided by the Board of Directors to de-risk the advancement in the project by completing a bulk sample for the medium and high risks zones and more detailed drilling from underground to not only understand the continuity of grade of the higher risk areas but also the new structures discovered by drilling this year, and to test these areas to depth. The results of this exploratory campaign and development work may potentially determine the ultimate size of the deposit from which a more informed decision can be made towards a multi-year mine plan if the results shows that the deposit can be expanded beyond the existing resource. The production plans could thus change significantly and require different infrastructures than those currently provided in the prefeasibility study.

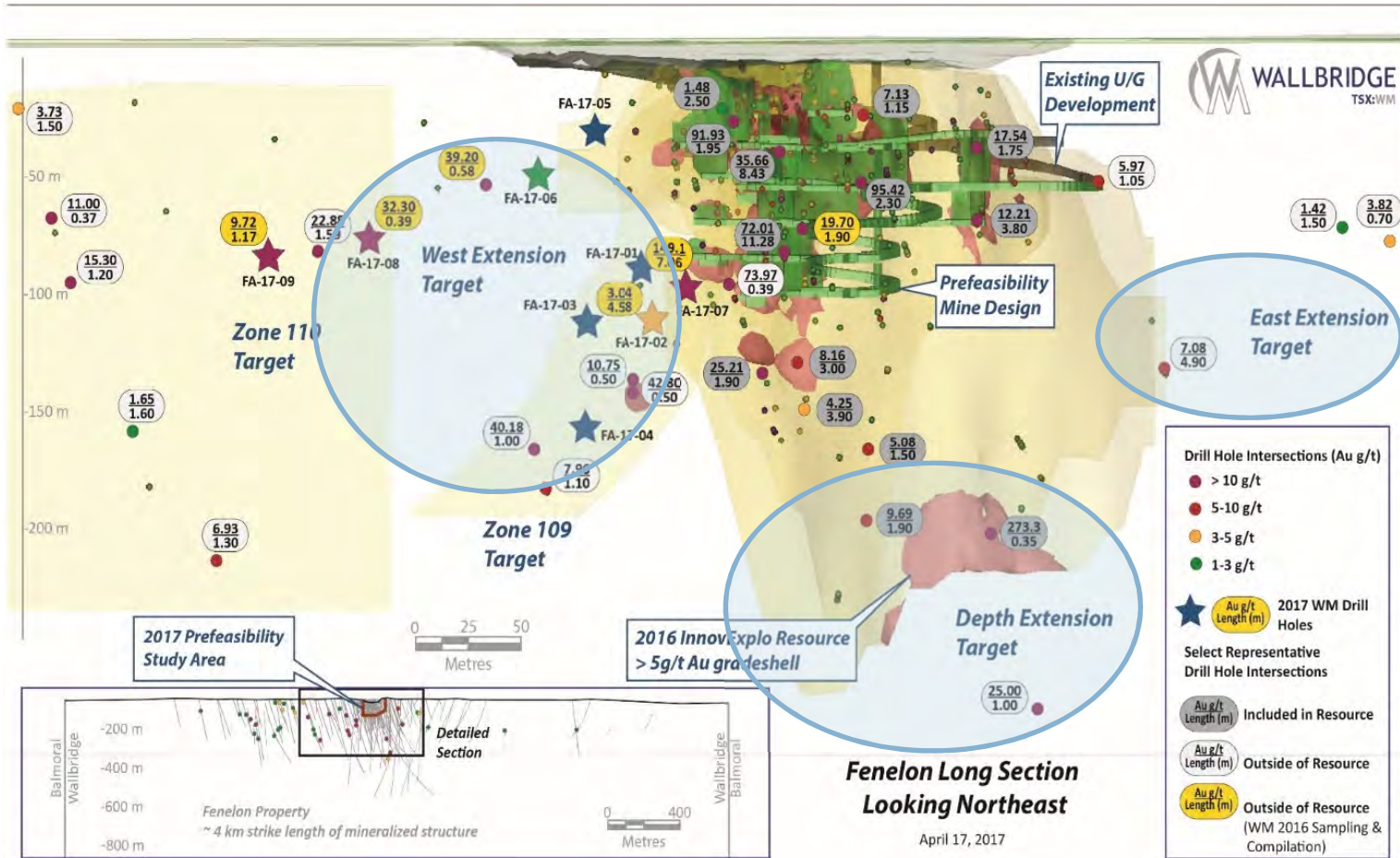


Figure 1. Long Section of the Fenelon Deposit Zones of Potential Extension

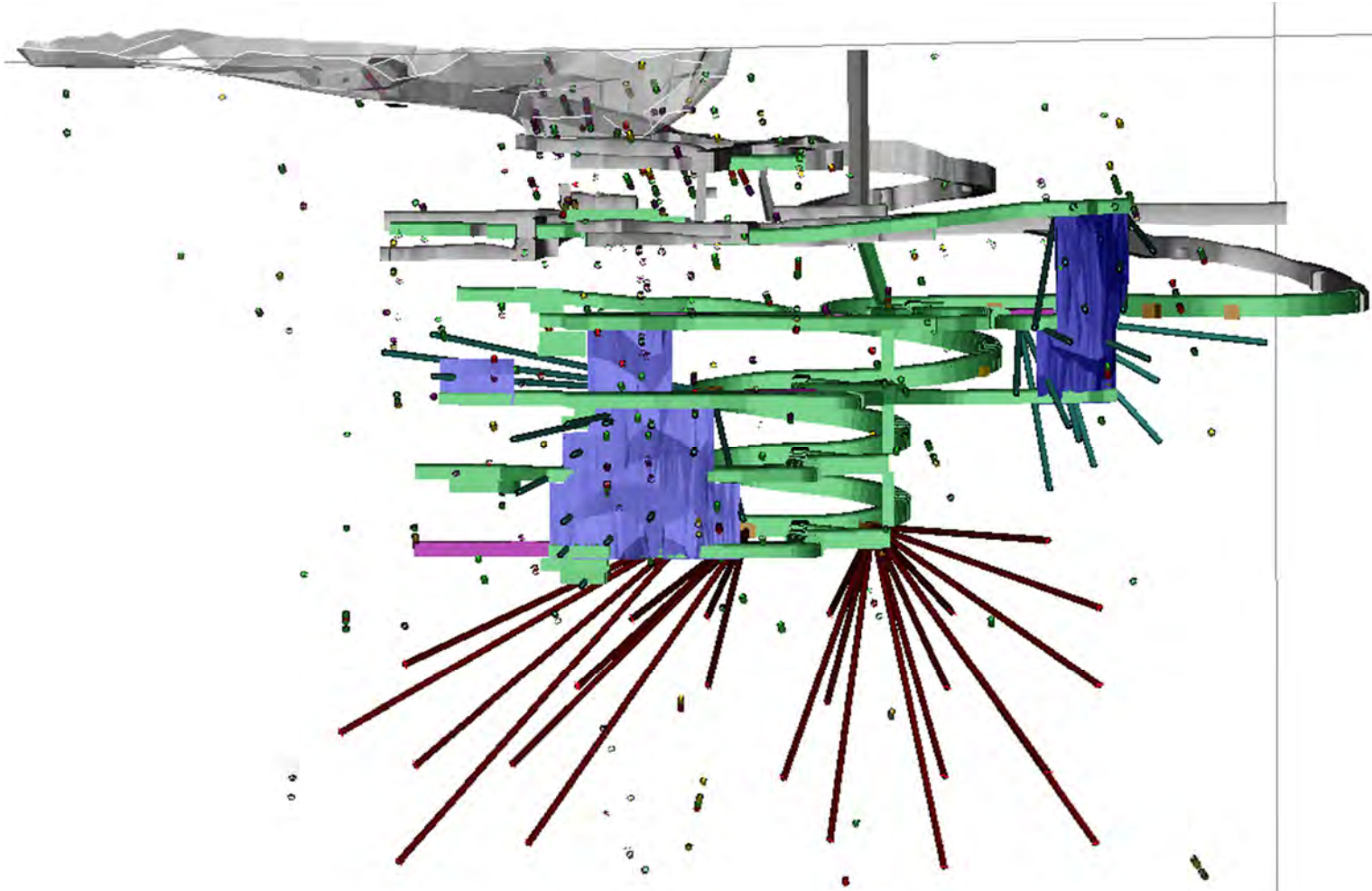


Figure 2A. Planned Delineation (blue) and Exploration at Depth (red) Drillings

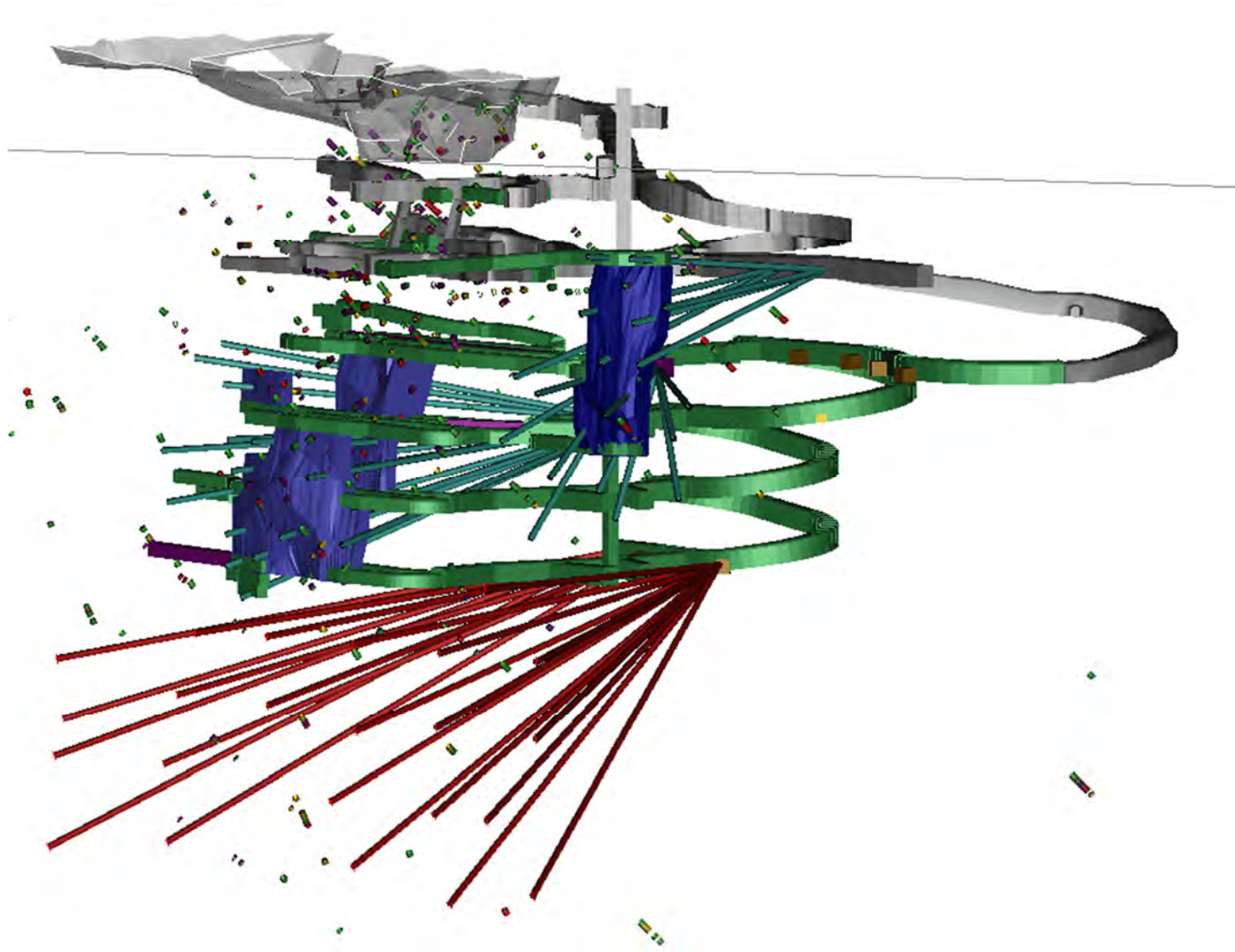


Figure 2B. Planned Delineation (blue) and Exploration at Depth (red) Drillings

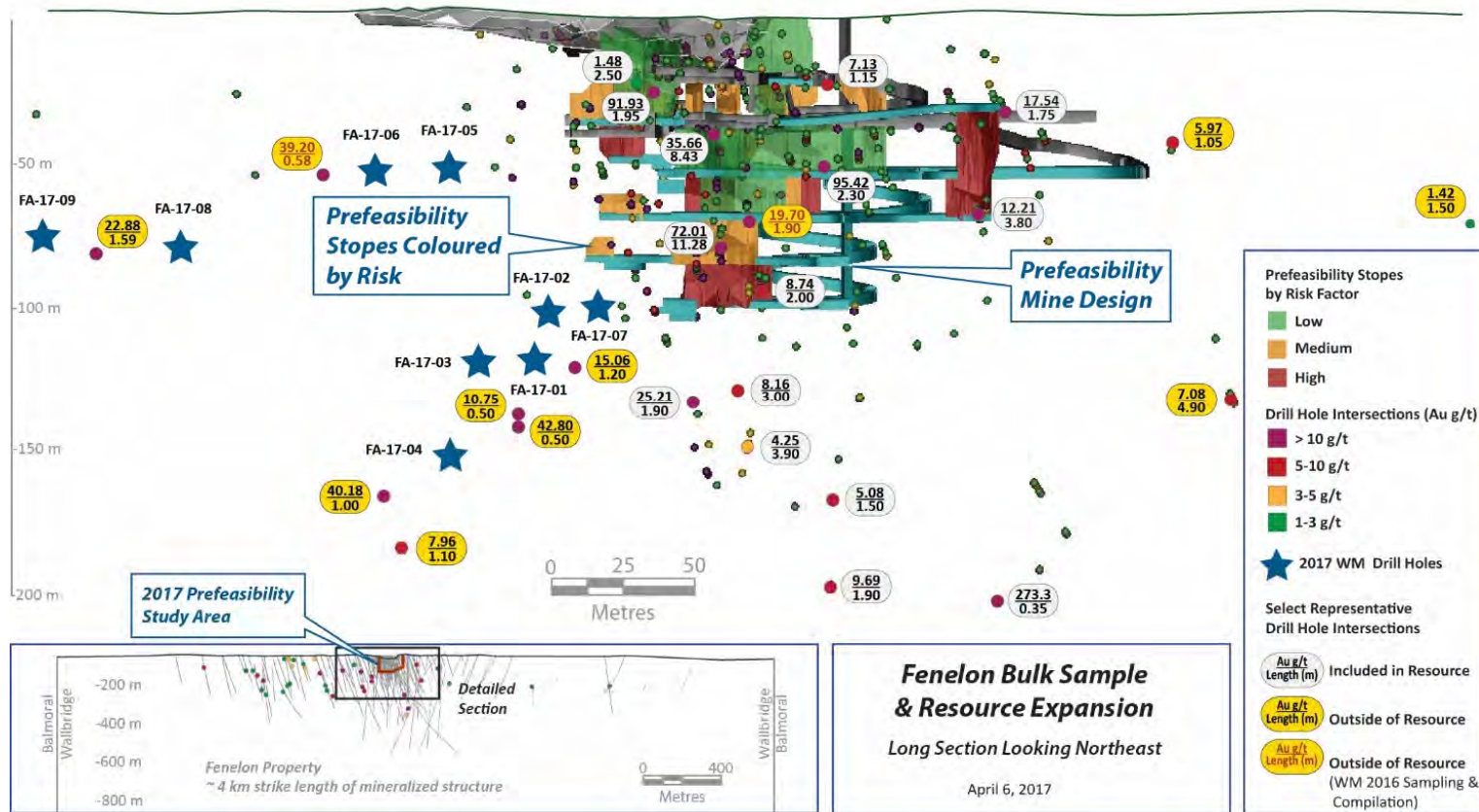


Figure 3. Long Section of the Bulk Sample Plan (in orange and red)



If more information is required to allow the evaluation of this request, please contact Nathalie Fortin, Project Director, at 438-843-7741 or by e-mail at nathalie.fortin@wspgroup.com.

Hoping to meet all your expectations, please accept our best regards.

A handwritten signature in blue ink, appearing to read 'Sylvie Baillargeon'.

Sylvie Baillargeon
Project Manager

cc: M. Marz Kord, Wallinrigde Mining Company Ltd
Mrs. Nathalie Fortin, WSP Canada Inc.
Encl.: Project Schedule
WSP Ref. : 161-08442-00

