TECHNICAL REPORT

MONROE LEAD ZINC PROPERTY

Moyie Lake area, Cranbrook, BC

NTS Map 082G05W

UTM 11 (NAD 83) Latitude 49º 21' 20" N Longitude 115º 53' 24" W

582130E, 5468815N, NAD 83, Zone 11 UTM.

Prepared for:

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EFFECTIVE DATE MAY 25, 2016

MONROE PROPERTY

Moyie Lake area, Cranbrook BC

HIGHWAY 50 GOLD CORP.

SUMMARY

At the request of the Directors of Highway 50 Gold Corp. ("Highway 50" or the "Company"), the author has compiled historical geological data for this report on the Monroe lead-zinc sedimentary Exhalative prospect near Monroe Lake, south of Cranbrook, BC.

The Monroe property (the "Monroe Property" or the "Property") is centered around Monroe Lake, approximately 20 kilometres southwest of Cranbrook, British Columbia, in the Fort Steele Mining Division. Access is by paved highway south from Cranbrook to the all-weather gravel Lamb Creek forest service road. A good network of mining and logging roads allows access to much of the Property. Cranbrook is accessed by daily flights from Vancouver and Calgary.

Highway 50 has an option to earn a 50% interest in the Monroe Property. In order to exercise the option (the "Option"), the Company has made a firm commitment to spend an initial $100,000 in exploration expenditures on the Property in the first year, followed by additional annual optional exploration expenditures totalling $2.9 million over the next four years. No other consideration is required to exercise the Option. The target is a buried Proterozoic age sedimentary exhalative lead zinc-silver deposit similar to the nearby world class Sullivan deposit at Kimberley which is now mined out.

The Monroe Property consists of four unsurveyed mineral claims totalling 1282.52 hectares. The claims are registered in the name of Eagle Putt Ventures Inc. ("Eagle Putt") and are in good standing until 2025 as a result of the filing of previous drilling costs of about $193,000 in May 2015. Eagle Putt is a private company owned 100% by Gordon Leask, a director of Highway 50. Eagle Putt holds the Property in trust for Gordon Leask and John Leask on an equal basis.

The area of the present claims has been held by a number of individuals and companies over the years as part of the adjacent Fors or West Basin property, now being explored by PJX Resources Inc. Part of the present Monroe Property was held by Gordon Leask and John Leask in 1988-89 as the "Amy" claim block.

In 2012, the central claim was staked for Eagle Putt, the present owner. In November 2014, Sonoro Metals Corp., ("Sonoro") (TSXV: SMO), entered into an option agreement with Eagle Putt whereby Sonoro could earn a 50% interest in the Monroe Property. Sonoro completed the one drillhole at the Monroe Property to a depth of 1,114 meters during 2015, but the drillhole did not encounter base metal mineralization, although the Sullivan timeline was intercepted and interesting textures comparable to sedimentary exhalative ("sedex") environments were recognized. Sonoro relinquished the option in 2015.

The Monroe Property is situated at the intersection of two major Proterozoic aged crustal structures, specifically the Moyie Fault and the Sullivan Corridor. The Property hosts a large volume of Sullivan-type alteration and a gabbro sill-dyke complex fringing a third-order basin, which is developed at the Sullivan Time interval. Past work in the Monroe Property area dates from the discovery of the adjacent Fors Zinc-Lead-Silver massive sulphide prospect in 1966 by Cominco Ltd.

A strong UTEM geophysical electromagnetic anomaly exists in the eastern side of the Monroe Property and is associated with the Sullivan mine sequence projected at 650-700 meters in depth. Holes drilled up to 3 km east of this anomaly have consistently encountered intersections of Sullivan distal style textures, alteration and disseminated lead-zinc mineralization. The strength of this mineralization appears to be increasing toward the UTEM anomaly.

INTERPRETATION AND CONCLUSIONS

Exploration up to 2015 has identified the potential for Sedex style zinc, lead, and silver mineralization similar to the Sullivan deposit in the "Sullivan Corridor" in the Monroe Lake area.

Drilling has encountered structures, sedimentary textures and mineralization and alteration that support the potential for a Sedimentary exhalative (Sullivan type) half graben-related "sedex" deposit.

Personnel with or related to Highway 50 are very familiar with the Sullivan deposit and adjacent mineral showings, and all geological information obtained from drilling, along with geological and geophysical data are being used to refine target depths and locations in preparation for the next campaign contemplated for 2016. A drilling permit and reclamation bond are in place for the targets contemplated.

A very similar structural and stratigraphic setting is present at the Monroe Property to that occurring in the Sullivan Mine area. The Sullivan deposit occupies less than 3% of the structural setting known as the "Sullivan Corridor". Evaluation of drill holes completed to the east of the current project area as well as review of all the drill holes within the claim group demonstrate the existence of a potential Pb-Zn-Ag system centred over the eastern half of the current claim group. Features generally associated with Sullivan style mineralization are:

- Major structural faults and fault intersections
- Step faulting
- Basin thickening in second and third order basins
- Presence of Moyie sills
- Alteration of sericite, albite, stockworks and tourmalinite and garnet
- Sedimentary breccias
- Associated vein and replacement mineralization

Upon review of all of the drill data, it was determined that SF 14-01 intersected the Sullivan time horizon at a depth of 618 metres and was drilled to a depth of 1,114 metres on a growth fault bench that is not located in the deepest most prospective portion of the third order basin. Some of the above noted features and textures are present in the 2014 drillhole. Although no base metal mineralization was encountered, it does not preclude the possibility of encountering such mineralization once the deepest part of the basin is tested by the proposed drill program.

RECOMMENDATIONS

Following the completion of the 2014-15 drillhole SF 14-01, interpretations were that the suspected Sedex basin may lie to the east of Monroe Lake. Two additional drill holes are recommended to test the deepest part of the third order basin. The expected target depths are approximately 650 meters and 500 meters, respectively, and should test the structural intersection of the third order basin comprising the Moyie Fault and the Sullivan Corridor at its deepest local.

The proposed holes are located roughly 1.5 kilometres east of SF 14-01. Coordinates of the previous and proposed drillholes are tabled below:

DRILLHOLE	ZONE	UTM EAST	UTM NORTH
SF 14-01 (completed)	11U	582130	5468815
HWY 16-01	11U	582639	5469593
HWY 16-02	11U	583087	5469247

A minimum of site preparation will be necessary. Highway 50 proposes to complete the drill program economically, using in house personnel and facilities, thus effecting considerable savings. The initial exploration Phase 1 program is planned to be 1,150 meters of diamond drilling at an estimated cost of $120,000.

TABLE OF CONTENTS

TECHNICAL REPORT - MONROE PROPERTY

Moyie Lake area, Cranbrook BC
HIGHWAY 50 GOLD CORP.

INTRODUCTION AND TERMS OF REFERENCE

At the request of the directors of Highway 50, the author has compiled historical geological data for this report on the Monroe lead-zinc sedimentary Exhalative prospect near Monroe Lake (the "Monroe Property" or the "Property"), south of Cranbrook BC. The author inspected the subject Property on May 19, 2016 accompanied by Highway 50 director, Gordon Leask, P.Eng., and has previously inspected and reported on several other "Sullivan" target properties in the area between Cranbrook and Yahk, B.C. The author has reviewed all available data concerning the subject property supplied by the property vendors and on other materials obtained from the literature and from web sites and discussed the property and its exploration potential with company directors.

RELIANCE ON OTHER EXPERTS

For the Mineral Title information in this report, the author has relied upon data from the BC Mineral Titles website "Mineral Titles Online" (MTO). All conclusions and recommendations in this report are the sole responsibility of the author. For the permit details, reliance has been placed on copies of the relevant permits.

PROPERTY DESCRIPTION AND LOCATION

DESCRIPTION

The Monroe Property consists of four unsurveyed mineral claims totalling 1282.52 hectares. The claims are registered in the name of Eagle Putt and are in good standing to 2025 as a result of the filing of drilling costs of $ 192,904.66 in May 2015.

Title Number	Claim Name	Owner	Map Number	Issue Date	Good To Date	Status	Area (ha)
980321	MONROE 1	280459 100%	082G	2012/Apr./16	2025/may/16	GOOD	462.83
980326	MONROE 2	280459 100%	082G	2012/Apr./16	2025/may/16	GOOD	357.59
980330	MONROE 3	280459 100%	082G	2012/Apr./16	2025/may/16	GOOD	251.81
980334	MONROE 4	280459 100%	082G	2012/Apr./16	2025/may/16	GOOD	210.29
4 titles							1282.52

Owner 280459 is Eagle Putt, a private BC company related to Highway 50 by a common director, as provided by the BC Government website Mineral Titles Online, May 20, 2016.

FIGURE 1. LOCATION MAP

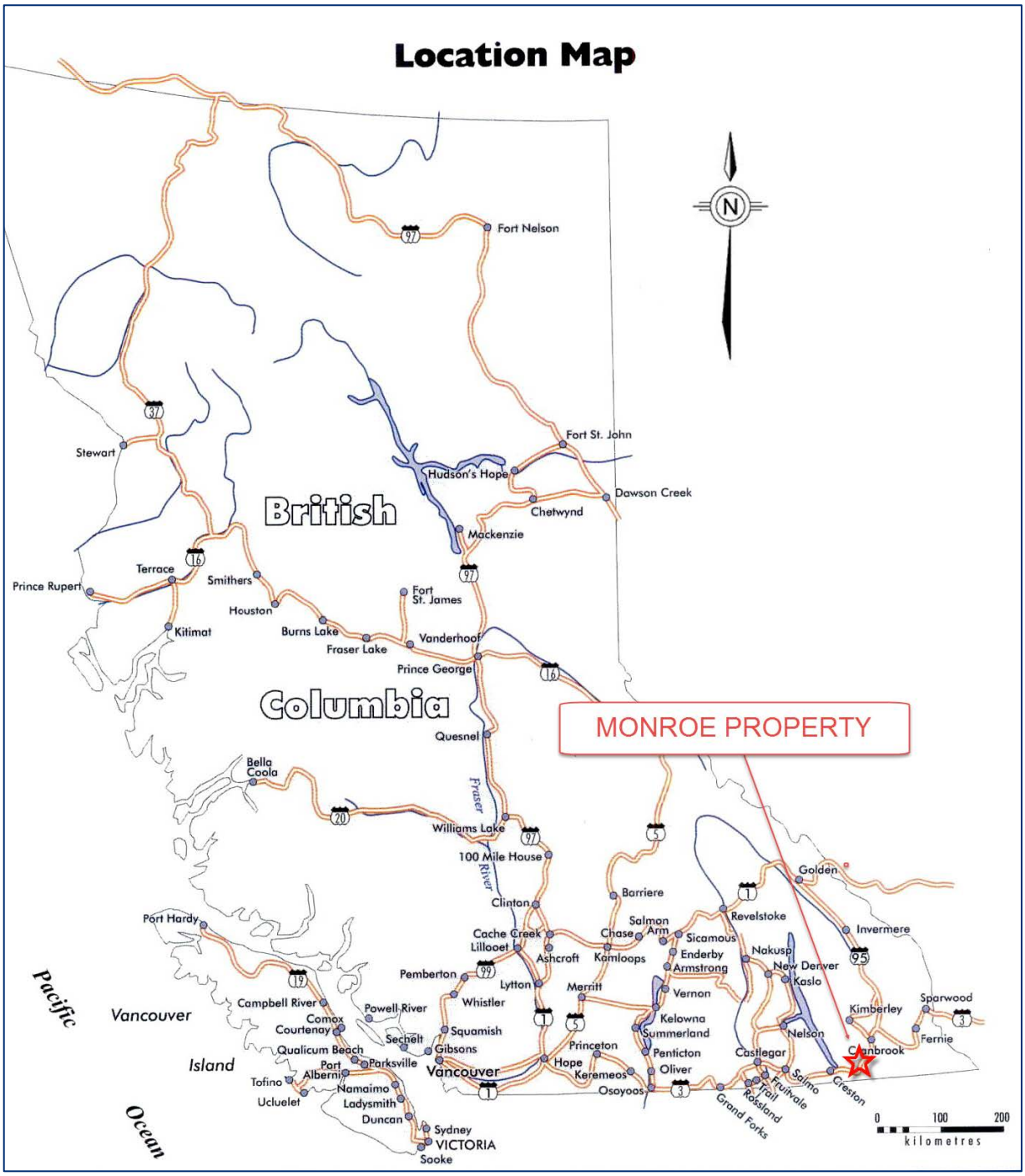


FIGURE 2. LOCATION MAP CRANBROOK AREA

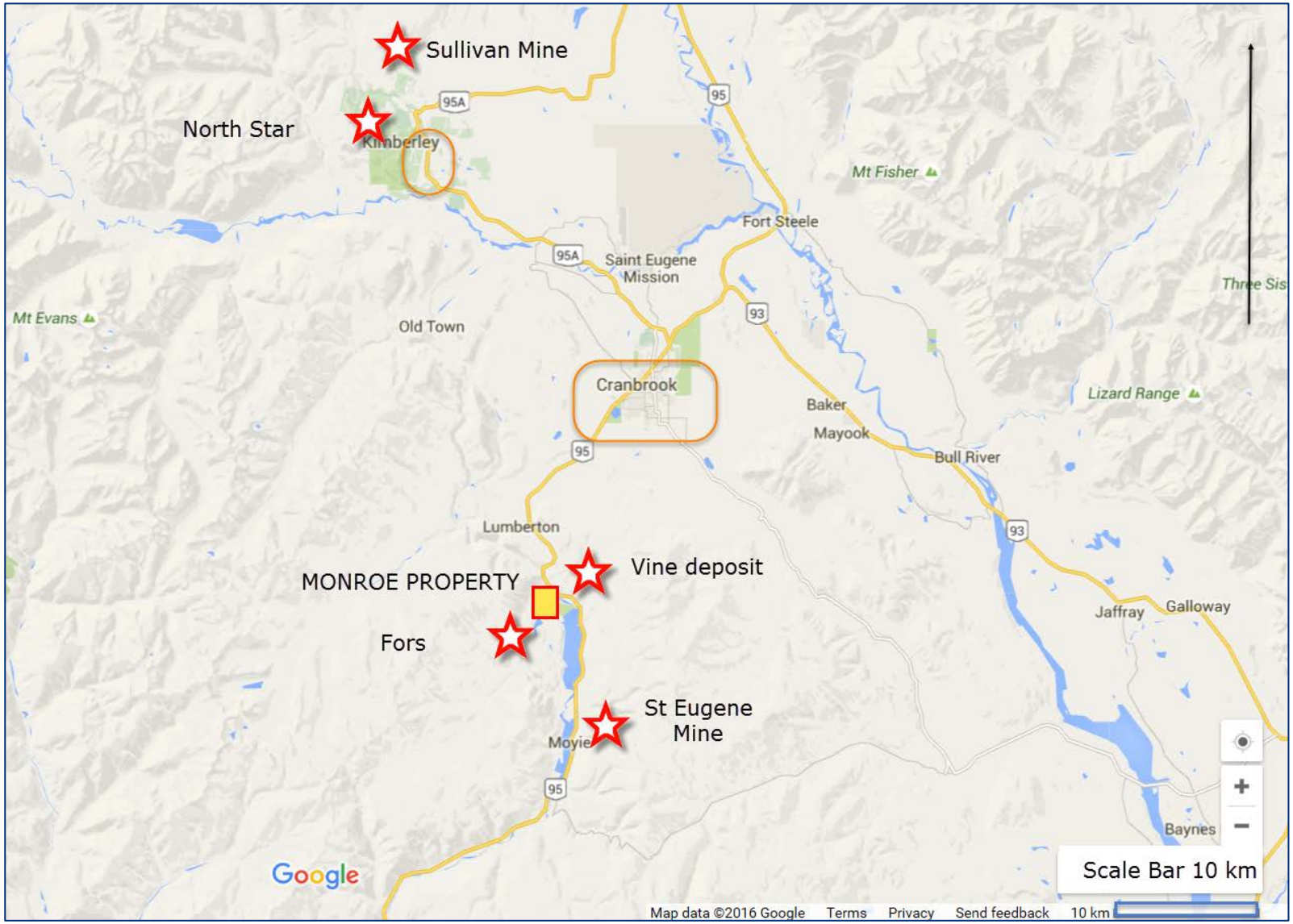
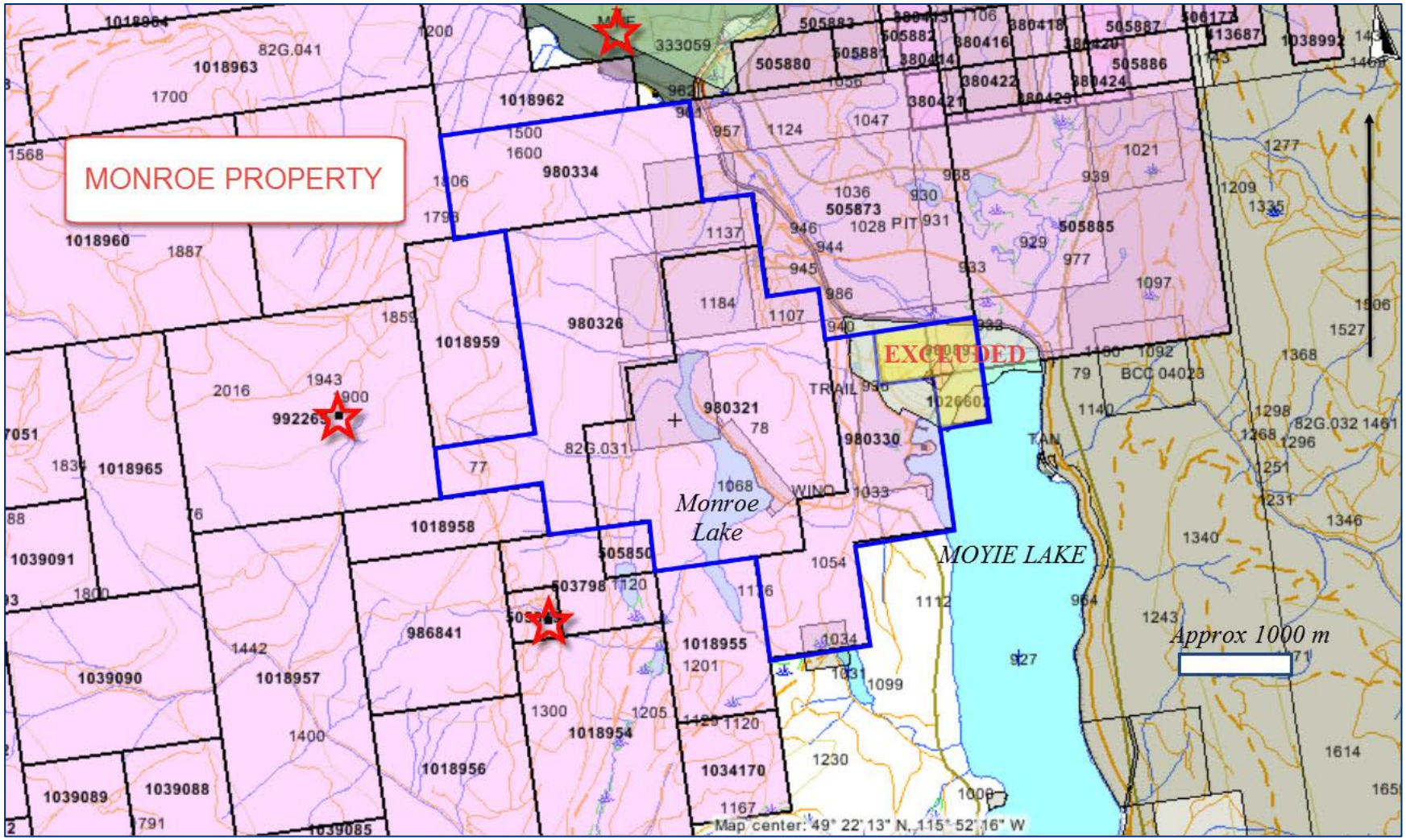


FIGURE 3. MINERAL TITLES – MONROE CLAIMS



SURFACE RIGHTS

The claims do not have surface rights beyond those covered by the Mining Act. There are alien surface rights holders near Moyie Lake and Monroe Lake, which has summer cabins.

LEGAL ACCESS

To the author's knowledge, there are no impairments to legal access, as the roads crossing the Property are for public access and there are no gates. Some of the roads have been "de-commissioned" by the placement of water bars, but these can be accessed by 4-wheel drive vehicles.

ENVIRONMENTAL FACTORS

To the author's knowledge, there are no environmental issues for the Property. The Company has obtained all necessary permits and has filed a reclamation bond.

PERMITS

The Company has been issued an Exporation and Reclamation Permit (MX 5-770) with a reclamation bond in the amount of $6,500 issued by the Ministry of Energy and Mines BC. This permit allows the drilling of two drillholes up to December 31, 2016.

LEGAL FACTORS

To the author's knowledge, there are no legal or social factors which would affect title. As with all of the province, there may be conflicting First Nations land claims; in this area the relevant First Nations Group is the Ktunaxa Kinbasket Nation. Exploration proceeded in 2014 and 2015 without any known land or legal conflict.

LOCATION

The Monroe Property is centered around Monroe Lake, approximately 20 kilometres southwest of Cranbrook, British Columbia and immediately west of the north end of Moyie Lake. The claims are located in the Fort Steele Mining Division, centered around 582130E, 5468815N, NAD 83, Zone 11 UTM.

OPTION AGREEMENT

Highway 50 has executed an option agreement with Eagle Putt to earn an undivided 50% interest in the 1,282.52 hectare Monroe Property located in the Fort Steele Mining Division, southeast British Columbia. In order to exercise the option (the "Option"), the Company has made a firm commitment to spend an initial $100,000 in exploration expenditures on the Property in the first year, followed by additional annual optional exploration expenditures totaling $2.9 million over the next four years. No other consideration is required to exercise the Option. The Company will be the operator on the Property during the course of the Option. Upon exercise of its Option to earn a 50% undivided interest in the Property, the Company and Eagle Putt will form a joint venture to further advance the exploration and development of the Property.

Given the non-arm's length nature of the transaction, the Company will seek approval to the grant of the Option by way of resolution from the disinterested shareholders of the Company. Messrs. Gordon Leask and John Leask will be excluded from voting on the shareholder resolution to approve the grant of the Option to Highway 50. The Option is also subject to the acceptance of the TSX Venture Exchange.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

ACCESS

Access is by paved highway south from Cranbrook to the north end of Moyie Lake and the all-weather gravel Lamb Creek forest service road. A good network of mining and logging roads allows access to much of the property. Cranbrook is accessed by daily flights from Vancouver and Calgary.

PHYSIOGRAPHY AND VEGETATION

The Monroe Property is situated just west of Moyie Lake and surrounding Monroe Lake within the Moyie Range of the Purcell Mountains. Topography varies from gentle valley bottoms and rounded ridges to steep slopes. Elevations range from 1,077 m at Monroe Lake to a maximum of 1,200 meters on hilltops.

Forest cover is generally a mixture of spruce, larch, fir, and pine with lesser cedar and hemlock. Portions of the property have been logged and are in various stages of regeneration. A number of logging clear-cuts and burns are present in the area in stages of regeneration. In 2003 a large forest fire completely destroyed areas around Lamb Creek. The burned trees were clear cut and removed in 2004 as salvage (PJX, 2014).

CLIMATE

Climate is typical of the eastern Kootenay area with warm summers and cold winters. The area can have heavy accumulations of snow during the winter months but access for exploration is generally good from mid-May to late October. Exploration is facilitated by using 4WD vehicles and snowmobiles on the network of logging roads.

LOCAL RESOURCES AND INFRASTRUCTURE

Cranbrook and Kimberley are cities with long mining histories. Cranbrook has a population of about 20,000 with an additional 70,000 people living nearby. Cranbrook has all the labour pool, supplies and services that are required for a successful exploration or mining operations.

Railroad facilities are provided by Canadian Pacific Railway, the Burlington Northern and Union Pacific Railways, which serve the US markets.

HISTORY

GENERAL MINING HISTORY

The general mining history is provided for background information only; *Neither the Company nor the writer has any direct or indirect beneficial interest in the properties described under this heading or any relationship to the companies involved. The information is provided solely for the benefit of the reader and for comparison with the subject properties. Any production or resources described may or may not comply with the provisions of NI 43-101 and such estimates should not be relied upon.*

External to the Monroe Property, mining history in the Cranbrook area began with discovery of rich placer gold gravels on Wildhorse Creek, (1863), Moyie River, (1874) and Perry Creek, (1874). Hard rock exploration followed, with the discovery of the Sullivan polymetallic massive sulphide deposit in 1892 and the silver-lead-zinc rich St. Eugene vein deposit in 1893. Although the Sullivan deposit was not recognized as a world-class deposit for many years, and the mineralization of fine-grained base-metal sulphides initially proved troublesome to separate, the St. Eugene vein paid for all its development in the first year of production. The Sullivan mine, now shown to be a sedimentary exhalative ("sedex") deposit, and the St. Eugene mine led to the development of smelting facilities at Trail, B.C., which in turn, encouraged the exploration and development of many smaller mineral deposits in the area, and has provided a genetic and exploration model for these deposits and showings.

Initial interest in the Monroe Lake region was sparked in 1965 when prospector H. Fors discovered Pb, Zn, Ag mineralized float boulders immediately west of the current Monroe claim block. Multiple operators including Cominco, Placer Dome, Consolidated Ramrod, Chapleau Resources and Citation Resources have worked the region. While the Fors property may have covered, in part, the present Monroe Property, no known geological work was done that can be differentiated to the Monroe claims. Additional data on the Fors and Vine properties are provided under the title “Adjacent Properties”.

PROPERTY HISTORY

The area of the present claims has been held by a number of individuals and companies over the years as part of the Fors property, now being explored by PJX Resources Inc. Part of the present Monroe Property was originally held by the Leask brothers in 1988-89 as the "Amy" claim block. The central claim was restaked on April 16, 2012 for Eagle Putt.

2014 EXPLORATION

In November 2014, Sonoro entered into an option agreement with Eagle Putt whereby Sonoro could earn a 50% interest in Monroe Property.

To exercise the Option, Sonoro had to expend $2,500,000 on exploration and development on the Monroe Property over 4 years and pay Eagle Putt $400,000 in staged option payments over that same 4-year period. First-year commitments amounted to $250,000 of exploration expenditures and a $50,000 cash payment.

In 2014, a number of work filings included:

Event No. 5525210, Trenching, Total Applied Work Value:		$ 9,766.86
Event 5526514, Trenching		$21,159.55
Event 5553993, Drilling		$192,904.66
Total amount	**(rounded) >**	**$223,831.07**

Drilling on diamond drill hole SF14-01 began and by December 11, 2014, drilling had progressed to a depth of 854 meters where an unexpected zone of squeezing was encountered causing the drill rods to become stuck. The drill steel was subsequently freed and recovered and a deflection wedge set approximately 50 meters off bottom to complete the hole.

Drilling progressed through that the first of two specific stratigraphic intervals within the sub-basin, namely the Sullivan Time interval and the balance of drilling was to target the Sullivan Footwall Quartzite interval. A 3.6 meter wide zone of extremely intense alteration consisting of albite, sericite and rhodonite was encountered at a depth of 818 meters and is present as a screen of sediment within a gabbro sill. According to Monroe technical advisor, Gordon Leask, P.Eng. "Such alteration is extremely rare but was also encountered in the adjacent Fors massive sulphide vent complex located approximately 1 km to the west of the current drill hole and is believed to be related."

Sonoro completed the drillhole at the Monroe Property to a depth of 1,114 meters during 2015, but the drillhole did not encounter base metal mineralization, although the Sullivan timeline was intercepted and interesting textures comparable to "sedex" environments were recognized. On November 13, 2015, Sonoro announced that it had given notice to property vendor to terminate Sonoro's option, and ownership remained in the name of Eagle Putt. All drill core from drill hole SF 14-01 is stored at Highgrade Geological

core storage facility located approximately 5 kilometres east of the Monroe Property area and the author was provided access to the relevant core.

GEOLOGICAL SETTING AND MINERALIZATION

REGIONAL GEOLOGY

The Monroe Property is situated in the Moyie Range of the Purcell Mountains, west of the Rocky Mountain Trench, and on the west flank of the Purcell Anticlinorium. In the Cranbrook area, the Purcell and Rocky Mountain Belt was thrust eastward during Mesozoic and Tertiary times. Major north to northeast-trending faults bound what appears to have been a Proterozoic depositional graben in an extensive clastic basin extending southward into Idaho and Montana in which the Belt-Purcell Super group was deposited.

Reactivated (growth) faults may have had an influence on deposition of the numerous stratiform massive sulphide deposits, such as the world class Sullivan deposit and smaller North Star, Stemwinder and Kootenay King deposits in the Cranbrook-Fort Steele area. Later northeast-trending faults such as the Cranbrook, St. Mary, Kimberley and Moyie faults may have been transform faults which offset "spreading centers" which were the focus of major sedimentary exhalative deposits which were preceded by igneous activity and accompanied by areas of tourmaline and albite alteration. Regional geology is shown in Figures 4 and 5.

STRATIGRAPHY

(From Price, 2014)

Rocks in the area belong mainly to the Purcell Supergroup of Upper Proterozoic age, although Paleozoic Cambrian to Middle Devonian sedimentary rocks occur farther to the north and to the east. The stratigraphy of the Aldridge Formation is briefly summarized below.

The Aldridge Formation is a thick unit (3,500-4,500 meters) of quartzites, siltstones and argillites with graded bedding, rip-up clasts, sole marks, and other characteristics of "turbidite" deposition. The Formation is divided into Lower, Middle and Upper divisions. The lower division has a gradational contact with the Fort Steele Formation below, and consists of dark grey to black argillites, siltstones and quartzites (greywackes).

The Middle Aldridge, comprises thick grey quartz-wacke units interbedded with laminated siltstone, and intruded by a number of thick, laterally continuous meta-gabbro sills (greenstone). Repetitive laminations in siltstone-argillite sequences can be correlated for up to 300 km along strike, and are important "marker horizons". The Upper Aldridge includes 300-400 meters of rusty weathering grey argillite and laminated siltstone, and in some places two thick shallow-water dolomite horizons.

The Creston Formation, overlying the Upper Aldridge Formation, is a thick unit (1500 meters) of green, purple, and white quartzite, siltstone and argillite of intertidal to sub-aerial depositional

origin, characterized by mud-cracks, ripple marks, rip-up clasts, lead casts and scour and fill structures. Contact with the overlying carbonate unit is gradational.

INTRUSIVE ACTIVITY

Several large sills of Purcell age are present in the region, but only the largest ones are shown on the accompanying geological map. These are common in the Aldridge Formations, (but may also be present in stratigraphically higher Proterozoic strata). The "Moyie Sills", predominantly gabbro in composition, have ages identical to the enclosing Aldridge strata (1433 Ma). Hoy (1983) suggests they were emplaced into un-compacted water-saturated sediments. Sulphide accumulations and veins are common adjacent to sill or dyke margins, and the Moyie intrusions are suggested to be part of a thermal/hydrothermal and mineralizing event accompanying rifting in a graben controlled deep clastic basin or graben. A number of sill complexes are present, and rare lamprophyric (minette?) dykes of Cretaceous or Tertiary age also occur.

Other intrusive rocks have been mapped in the area; the nearest large intrusions are the Bayonne batholith west of Monroe Lake and a quartz monzonitic stock at Kiakho Creek, 15 kilometers northeast of the Goatfell property, and similar stocks occur across the border in Idaho, to the south. Many of the Mesozoic intrusions are associated with mineral deposits or at least have a spatial relationship with mineral prospects.

METAMORPHISM

Greenschist facies regional (static) metamorphism has affected the Aldridge Formation but only weak foliation or recrystallization has resulted. Locally more intense thermal metamorphism has resulted in new biotite hornfelsing, particularly close to some of the Moyie Intrusions.

STRUCTURE

The property straddles a major fault, the Moyie fault, which is a steeply-dipping thrust fault with a southwest lateral component of movement about 10-15 kilometers. East of the fault, structure is a simple broad anticline. West of the fault, a number of north-trending reverse thrust faults interrupt a synclinal structure between the Creston valley anticline and the Purcell anticline. (Hitzman, 1988). Many of the sills and/or dykes have accompanying shear zones.

Regional geology is shown by the accompanying maps, Figures 4 and 5.

FIGURE 4. REGIONAL GEOLOGY OF SULLIVAN AREA.
(Kennedy and Hoy, 2015)

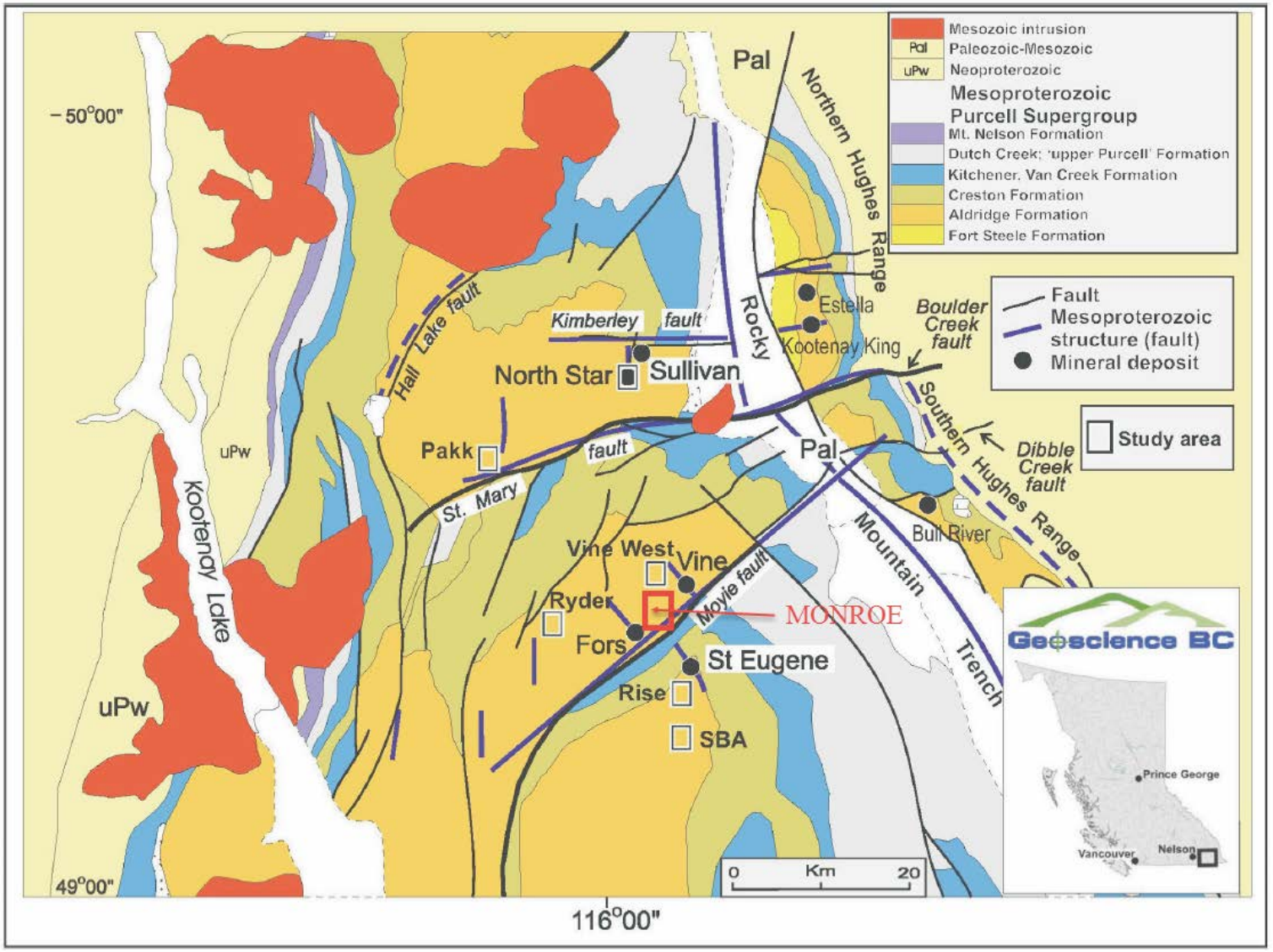


FIGURE 5. REGIONAL GEOLOGY (BROWN 1998)

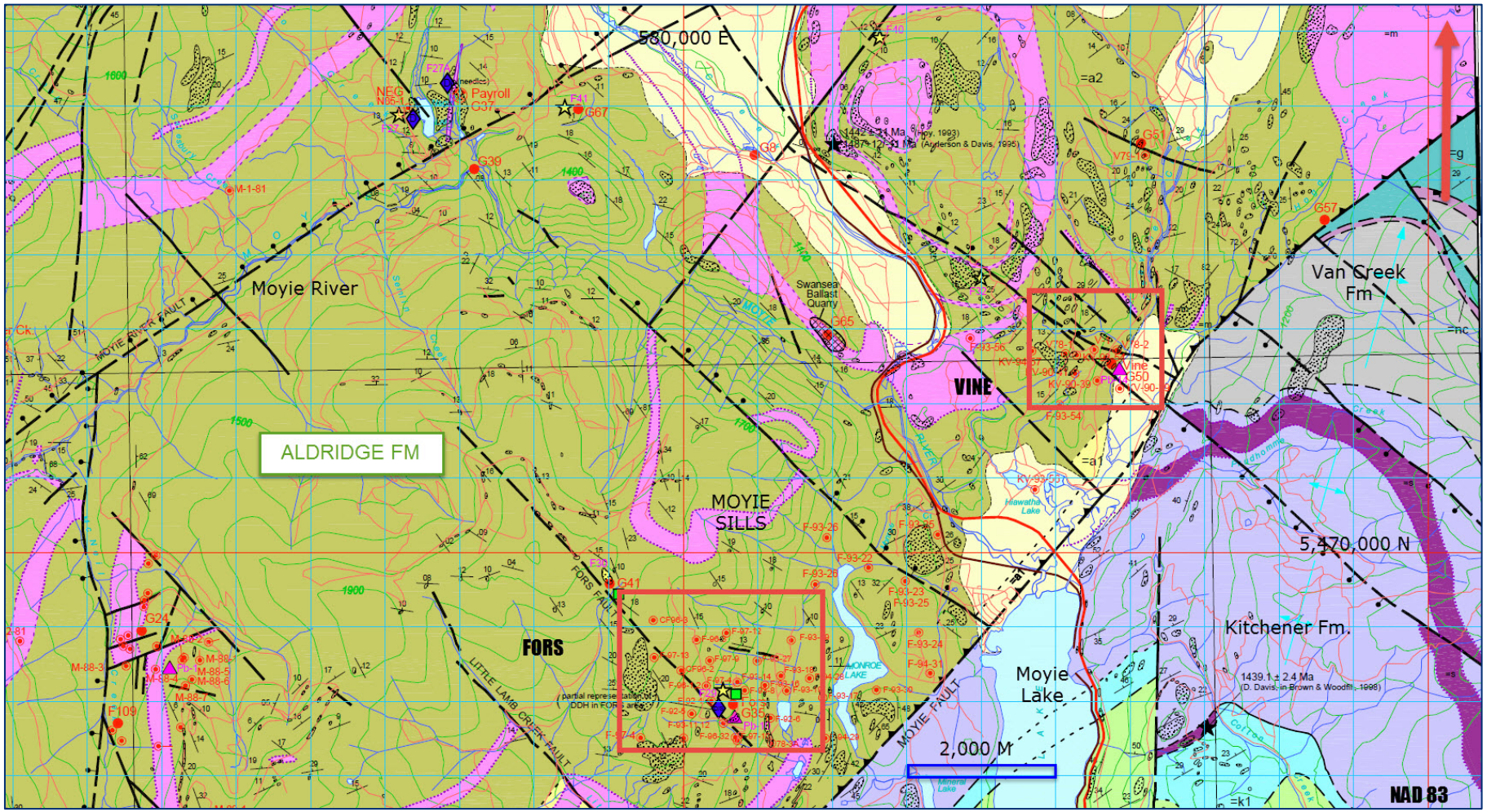
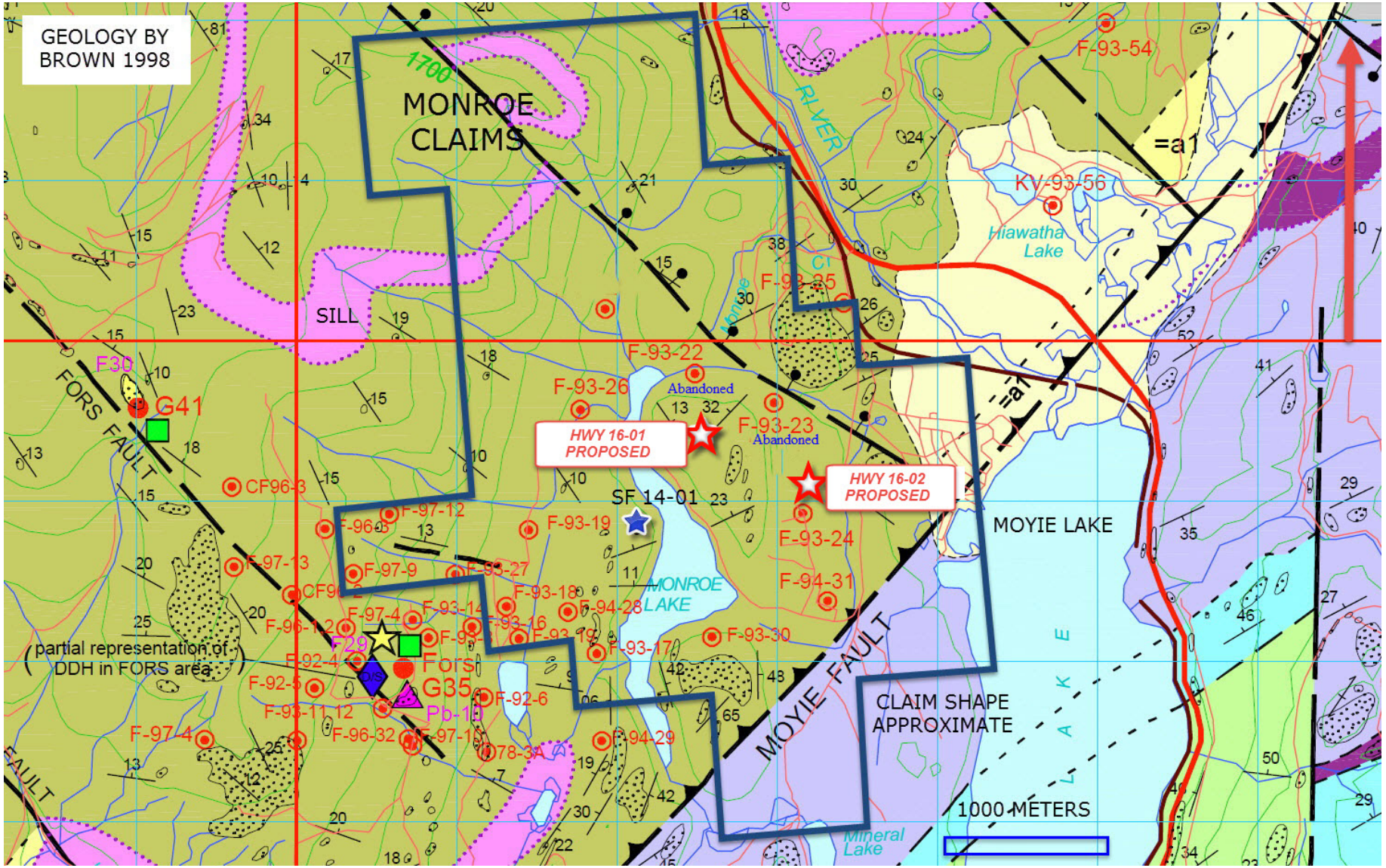
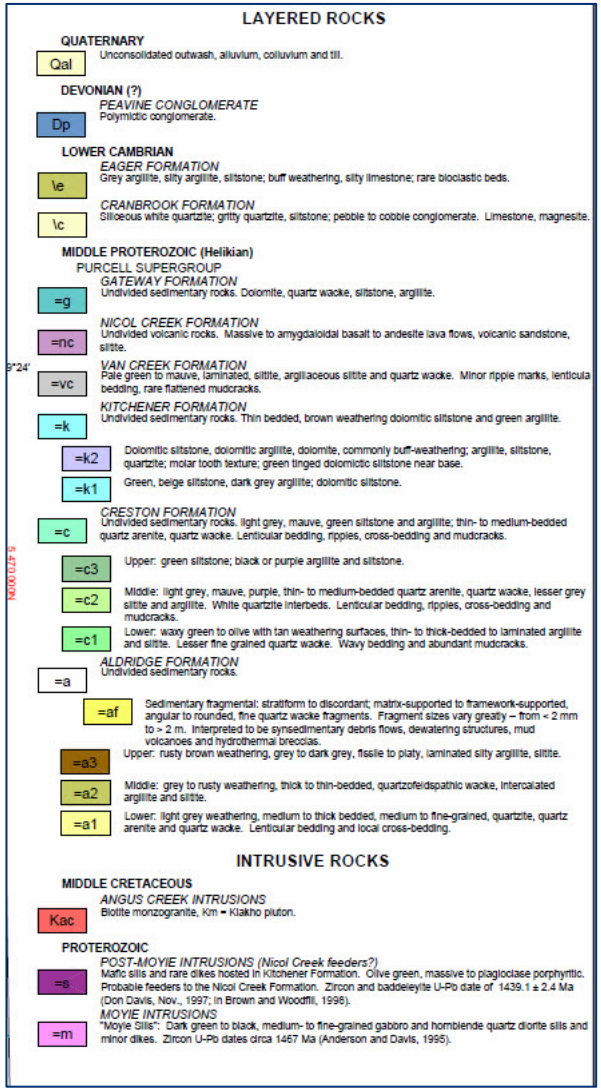
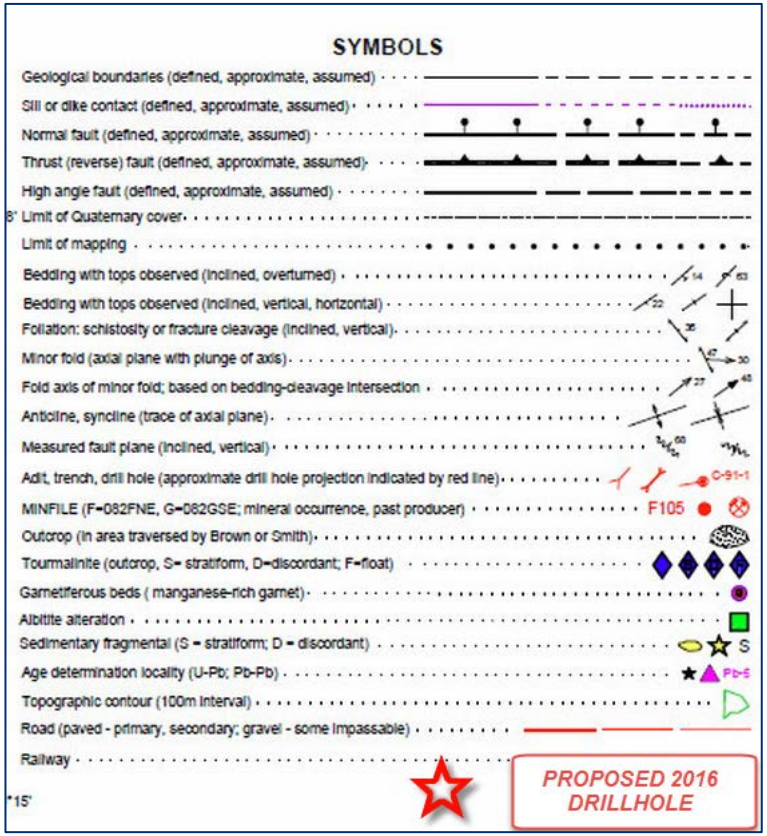


FIGURE 6. LOCAL GEOLOGY MONROE PROPERTY (AFTER BROWN 1998)



LEGEND FOR FIGURES 5 AND 6





LOCAL GEOLOGY

The Monroe Property is situated at the intersection of two major Proterozoic aged crustal structures, specifically the Moyie Fault and the Sullivan Corridor. The Monroe Property hosts a large volume of Sullivan-type alteration and a gabbro sill-dyke complex fringing a third-order basin, which is developed at the Sullivan Time interval. Past work on the Monroe Property dates from the discovery of the adjacent Fors Zinc-Lead-Silver massive sulphide prospect in 1966 by Cominco Ltd.

A strong UTEM geophysical electromagnetic anomaly exists in the eastern side of the Monroe Property and is associated with the Sullivan Mine sequence projected at 650-700 meters in depth. Holes drilled up to 3 km east of this anomaly have consistently encountered intersections of Sullivan distal style lead-zinc mineralization. The strength of this mineralization appears to be increasing toward the UTEM anomaly.

MINERALIZATION

There have been no significant mineralized zones found on the Monroe Property itself. While there are outcrops of the Aldridge formation noted, these lie hundreds of meters above any potential zone of interest.

DEPOSIT TYPES

Many different types of mineral deposits occur in SE British Columbia including Sedimentary Exhalative (Sullivan, Wilds Creek) deposits, manto (Blue Bell) deposits, high grade silver veins (Slocan Camp) and gold porphyry systems (Keena). The most important of these is the Sullivan Mine, a classic sedimentary "exhalative" massive sulphide deposit; other deposit types in the Cranbrook area include:

o	**Sedimentary Exhalative deposits**	**(Sullivan, Fors)**
o	**Epigenetic "replacement" silver-lead-zinc deposits**	**(Vine, St. Eugene)**
o	Epigenetic quartz-siderite veins with copper-silver-(gold)	(Dibble)
o	Epigenetic quartz veins with lead-zinc-silver +/- copper	(Midway)
o	Porphyry style copper-gold deposits or stockworks	(Bull River)
o	Stratiform or stratabound copper deposits	(Troy)
o	Skarn copper deposits in Cambrian dolomite	(Jubilee)
o	Disseminated gold deposits	(Lookout)
o	Sedimentary gypsum deposits	(Coyote)
o	Replacement magnesite deposits	(Baymag)
o	Placer gold deposits.	(Moyie River)

The deposit types of interest sought at Monroe Lake are the Sullivan and Vine type lead-zinc-silver deposits of the “sedex” and replacement origin. It should be noted that:

Neither the Company nor the writer has any direct or indirect beneficial interest in the properties described under this heading or any relationship to the companies involved. The information is provided solely for the benefit of the reader and for comparison with the subject properties. Any production or resources described may or may not comply with the provisions of NI 43-101 and such estimates should not be relied upon.

While the sedimentary exhalative type of deposit is the deposit type sought, there is no guarantee that it will be found on the Monroe Property, hence the drilling program recommended to prove or disprove the model. Additional details are provided under "Adjacent Properties".

EXPLORATION

Highway 50 has not previously explored the Monroe Property, although related companies have explored; these exploration programs are described under "History".

DRILLING

Other companies have drilling in the vicinity of Monroe Lake, but as yet, Highway 50 has not completed any drilling.

SAMPLE PREPARATION, ANALYSES AND SECURITY

No samples were submitted by Sonoro or by Highway 50 for assay.

DATA VERIFICATION

All drill core from drill hole SF 14-01 is stored at Dave Pighin's Highgrade Geological core storage facility near the Vine property, located approximately 5 kilometres east of the Monroe Property area, where it is available for inspection. The author reviewed some of the relevant core from the 2014 drill hole and adjacent prior drill holes from the property.

The author has reviewed the available geological reports for the Monroe Property for reasonability and has found no problems in the reporting. The author has inspected the Monroe Property in addition to inspecting and reporting on numerous properties with similar "Sullivan target" geology in the Cranbrook, Moyie, and Yahk areas. Snow cover at the time of the initial draft report prevented any meaningful geological observations or sampling as does the overburden cover and the buried target at a depth of over 600 meters. The property was personally inspected by the author on May 19, 2016.

There are no significant showings visible on the property but rather alteration zones at depth with sub economic grades of base metals; consequently the author took no surface samples. The blind targets envisioned or targeted at depth may or may not occur but significant mineralization is not known on the surface.

Past exploration sampling programs have been done by experienced personnel and are not suspect. The data are regarded as adequate for the purposes of this report.

MINERAL PROCESSING AND METALLURGICAL TESTING

The Company has not done any mineral processing or metallurgical testing.

MINERAL RESOURCE AND RESERVE ESTIMATES

There are no mineral reserves or mineral resources on the Monroe Property which is at a grassroots level of exploration. There is no known surface mineralization.

As the project is at an early stage of exploration, the following titles are not discussed:

- Mining Methods
- Recovery Methods
- Project Infrastructure
- Market Studies And Contracts
- Environmental Studies, Permitting And Social Or Community Impact
- Capital And Operating Costs
- Economic Analysis

ADJACENT PROPERTIES

Neither the Company nor the writer has any direct or indirect beneficial interest in the properties described under this heading or any relationship to the companies involved. The information is provided solely for the benefit of the reader and for comparison with the subject properties. Any production or resources described may or may not comply with the provisions of NI 43-101 and such estimates should not be relied upon. The Q*ualified Person has been unable to verify the information and that the information is not necessarily indicative of the mineralization on the property that is the subject of the technical report.*

These various adjacent deposits described below are shown on Figures 4, 5 and 6.

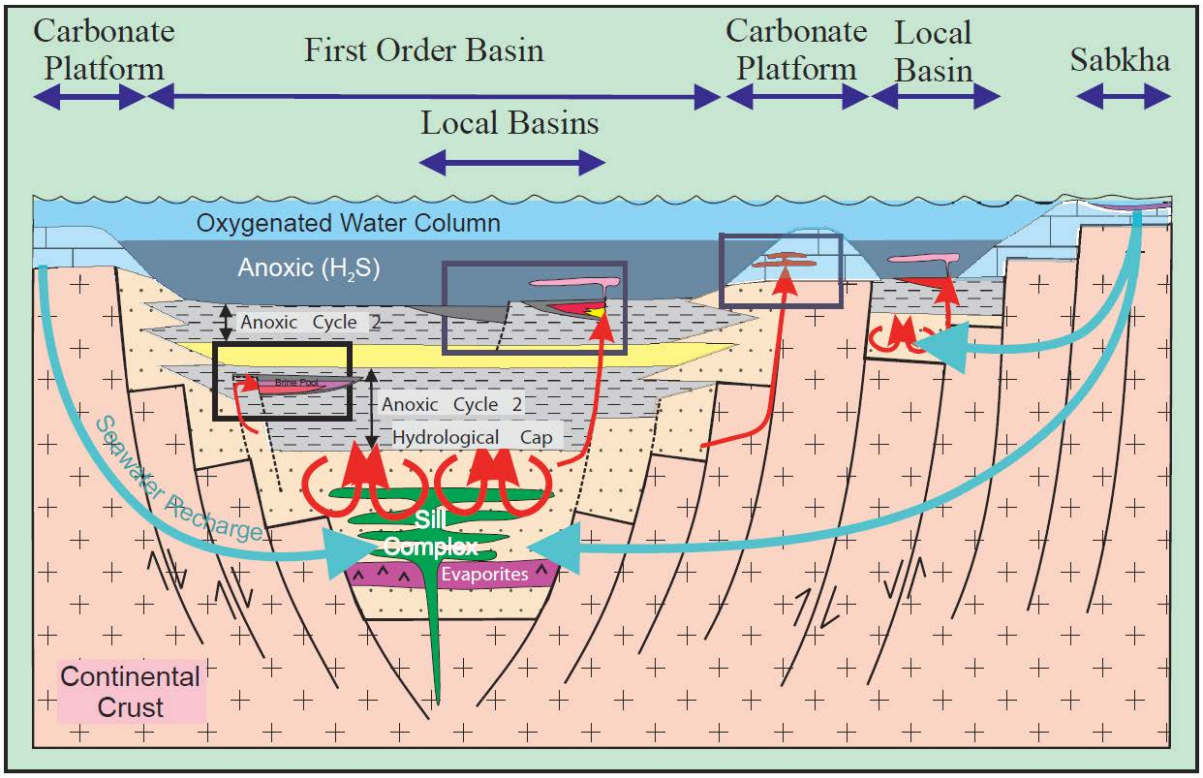
SEDIMENTARY EXHALATIVE DEPOSITS

Lydon (1996) defined SedEx deposits as: "a sulphide deposit formed in a sedimentary basin by the submarine venting of hydrothermal fluids and whose principal ore minerals are sphalerite and galena." In

addition to sphalerite and galena, other minerals that may be present in a SedEx deposit include silver, antimony, arsenic, bismuth, barite, chalcopyrite, pyrrhotite and tourmaline. Mineral concentration and deposit thickness of SedEx deposits tend to grade both in a lateral and vertical fashion from the vent. The zonation creates a lenticular deposit with thicknesses ranging from up to 20m near the vent, tapering to negligible thickness. The age of known SedEx deposits range from the Middle Proterozoic to the present. The nearby Sullivan is dated as Middle Proterozoic. In terms of a geophysical signature, sedex deposits often generate large positive gravity anomalies because of Fe oxides; however, it is difficult to gauge the thickness of the actual target. Although SedEx deposits are known to be a major source of zinc and lead, they are relatively rare. Ground based geophysics has been successfully implemented to target the pyrrhotite mineralization.

FIGURE 7. SEDIMENTARY EXHALATIVE MODEL

(Goodfellow and Lydon 2007)



SULLIVAN PB-ZN DEPOSIT, KIMBERLEY BC

While not strictly "adjacent", the Sullivan property, now under reclamation, provides the essential "model" for exploration for most properties in the Cranbrook-Kimberley area, and so a brief discussion of the model and the deposit is relevant.

The Sullivan sedimentary exhalative ('Sedex") lead-zinc-silver deposit was discovered in 1892 and acquired in 1909 by the Canadian Pacific Railway-owned Consolidated Mining and Smelting Company of Canada (later Cominco Ltd. and Teck Cominco and now Teck Corp.).

The mine's economic success resulted largely from Sullivan's 1916 development of the differential flotation process that allowed separate recovery of lead and zinc concentrates in the milling process. This technology, developed by Trail operations at Sullivan [2] has been used worldwide for various types of ore bodies. In its lifetime, the mine produced ore containing over 17 million tons of zinc and lead and more than 285 million troy ounces of silver, which were together worth more than $20 billion.

The economic extent of the ore body as a whole is 2,000 meters x 1,600 meters (Lydon et al., 2000) and as much as 100 meters thick.

An important characteristic of the Sullivan Mine, was the existence of a high grade core which was exploited in times of low metal prices and during the initial payback of preproduction expenditures. The Sullivan deposit contained substantial tonnages (20,000,000 to 30,000,000 tons) grading greater than 30% combined Zn-Pb with 10 oz/ton Ag.

From the date of acquisition in 1909 by the Consolidated Mining and Smelting Company to the end of 1985, the Sullivan Mine produced 135,500,000 tons of ore containing 6.7% lead, 5.8% zinc, and 2.4 oz/ton silver. In total the Sullivan orebody approached 180,000,000 tons of ore grading 12% Pb-Zn and 2 oz/ton Ag.

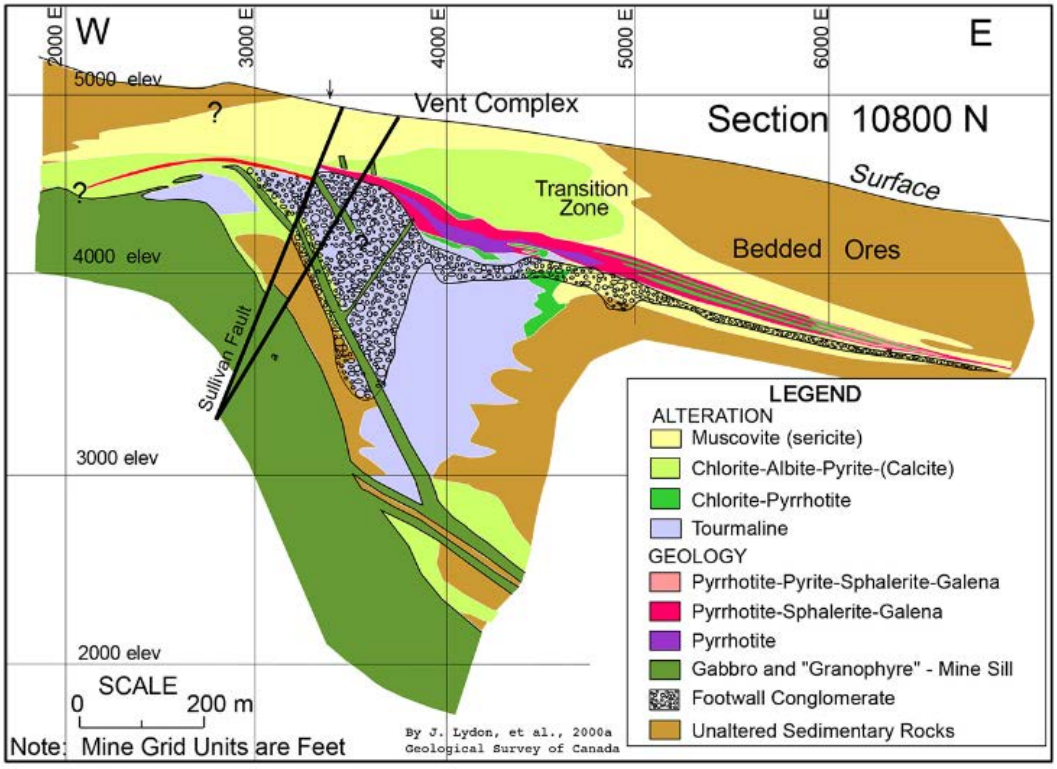
The Sullivan Mine was worked for 105 years and produced 16,000,000 tonnes of lead and zinc, as well as 9,000 tonnes of silver. It was Canada's longest-lived continuous mining operation and produced metals worth over $20 billion in terms of 2005 metal prices. Metal grades were in excess of 5% Pb and 6% Zn.

After 92 years of active production, the Sullivan Mine was closed in 2001. Since then Teck Cominco has been undertaking an extensive decommissioning and reclamation process at the site.

The ore genesis of the Sullivan ore body is summarized by the following process:

- Sediments were deposited in an extensional second-order sedimentary basin during extension
- Earlier, deeply buried sediments devolved fluids into a deep reservoir of sandy siltstones and sandstones
- Intrusion of dolerite sills into the sedimentary basin raised the geothermal gradient locally
- Raised temperatures prompted overpressuring of the lower sedimentary reservoir which breached overlying sediments, forming a breccia diatreme
- Mineralizing fluid flowed upwards through the concave feeder zone of the breccia diatreme, discharging onto the seafloor.
- Ore fluids debouched onto the seafloor and pooled in a second-order sub-basin's depocentre, precipitating a stratiform massive sulfide layer from 3 to 8 m thick, with exhalative chert.

FIGURE 8. CROSS SECTION OF THE SULLIVAN DEPOSIT



The adjacent Fors (West Basin) and Vine properties are owned by PJX Resources Inc. a junior exploration company listed on the TSX Venture Exchange.

FORS (WEST BASIN) PROPERTY

Source: *PJX Resources Inc. – Management's Discussion and Analysis for the Three and Nine Months Ended September 30, 2015 and 2014.*

PJX has explored the adjacent property, previously known as the Fors property and now known as the West Basin Property, located approximately 16 km southwest of Cranbrook, British Columbia and immediately west of the Monroe claims.

The West Basin property was acquired to cover favorable geology with potential to host Sedex (sedimentary exhalative) massive sulphide mineralization similar in style to the Sullivan deposit. Interpretation, by Excel Geophysics Inc., of the Vine and regional gravity data identified a poorly defined gravity anomaly 6 km southwest of the Vine anomaly. The large 2 km wide by 5 km long anomaly is located on the western side of the Vine graben, and covers two known lead-zinc occurrences, called the Fors and Smoker.

The British Columbia Geological Survey describes the Fors as a "well preserved example of a small, high grade lead-zinc-silver sedimentary exhalative and vein deposit".

Minfile Description (Minfile).
http://minfile.gov.bc.ca/Summary.aspx?minfilno=082GSW035

The Fors occurrence is located approximately 1.7 kilometres west of the southern end of Monroe Lake.

The area is underlain by clastic rocks of the Helikian Purcell Supergroup. The units are dominantly siliclastic sedimentary rocks of the Lower and Middle Aldridge formations. In the south east, the right-lateral reverse Moyie fault juxtaposes Aldridge rocks with a conformable package of younger Creston Formation siltstones and argillites. The Proterozoic Moyie Intrusions are gabbro sills and intrude the Lower Aldridge Formation and the lower part of the Middle Aldridge Formation. Regional metamorphism is upper greenschist facies.

Two styles of mineralization are documented on the property. The first style comprises base metal sulphide mineralization related to a shear zone in Middle Aldridge Formation quartzite and quartz-feldspar arenite with minor argillaceous intercalations. The shear zone strikes 035-045 degrees and dips approximately 40 degrees northwest. The sulphide mineralization and related silicification at the Main showing occur together and are generally restricted to the zone of shearing or within a few metres of it. Argillic and sericitic alteration of the clastic rocks is common and consists of weak to complete replacement of feldspar in the matrix by white mica and clay minerals. The sulphides occur as bedding parallel disseminations and replacement patches and comprise pyrite, pyrrhotite, sphalerite, galena and chalcopyrite, in decreasing order of abundance.

The second style of mineralization comprises minor sulphide mineralization (dominantly pyrite and sphalerite with minor chalcopyrite) occurring in quartz veins hosted by Moyie metagabbro sills and to a lesser extent in Aldridge units. The vein material is typically vuggy, medium to coarse- grained and highly fractured, with much iron and manganese staining.

Grab samples from the Main showing assayed a range of values: 15 to 130 grams per tonne silver, 0.41 to 4.2 per cent lead, 0.21 to 7.1 per cent zinc and 0.024 to 1.45 per cent antimony (Assessment Report 19809).

In 1966, Cominco completed a program of silt and soil sampling, geological mapping and an 8.2 line-kilometre ground electromagnetic survey on the area as the Helga claims. In 1978, a program of geological mapping and two diamond drill holes, totalling 628.0 metres, were completed on the Vine 29 claim. In 1979, a 47.8 line-kilometre ground electromagnetic survey was completed. In 1984, a soil sampling program was completed. In 1988, the area was prospected as the Puma claims. The following year, Placer Dome completed a program of geological mapping and rock, silt and soil sampling. In 1990, the area immediately east was prospected as the Cougar 4-6 claims.

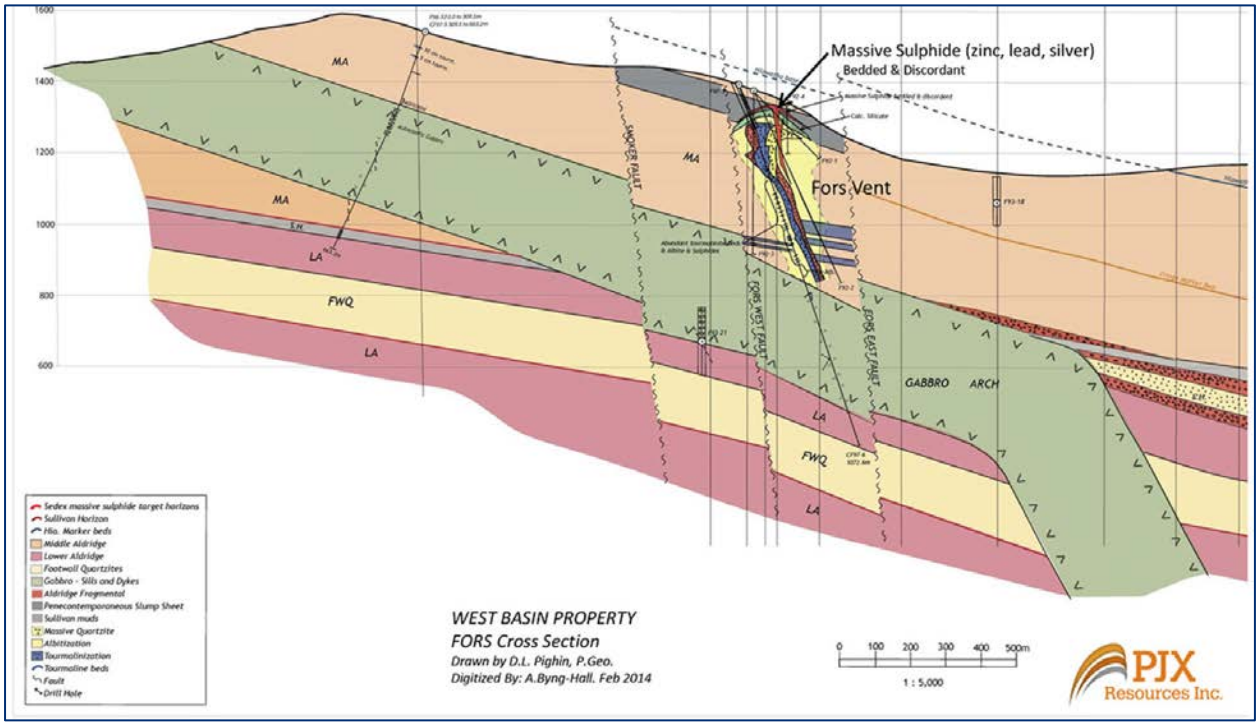
In 1992, drilling intersected exhalative massive sulphides and a large hydrothermal alteration zone of the type associated with the Sullivan deposit. Sulphide mineralogy in a zone of strong mineralization consists of pyrrhotite, pyrite, galena and sphalerite and appears to be banded in places and oriented at a high angle to the core axis. Arsenopyrite and scheelite have also been identified in core. A 1 metre intersection of massive sulphides assayed 1.3 per cent zinc, 9.8 per cent lead and 100.09 grams per tonne silver (George Cross News Letter No. 222 (November 17, 1992)).

The drillhole was oriented northeast along a direction of fractures associated with surface mineralization to determine if these fractures represented seepage of mineral from depth. The collar of the hole was set up directly on the surface showing and drilled northeast (045 degrees), down slope and down-section into the Aldridge Formation. There are no structural features within the core to indicate the hole was collared in or drilled along a shear zone (George Cross News Letter No. 220 (November 16, 1992)).

In 1996 and 1997, Citation Resources Inc. drilled greater than 13,000 metres in 17 very deep holes without intersecting any significant mineralization. In 2006, Saint Eugene Mining completed 697 line-kilometres of airborne combined magnetic and electromagnetic surveys on the area. In 2013 and 2014, PJX Resources completed gravity surveys on the area as the West Basin property.

FIGURE 9 CROSS-SECTION OF THE FORS DEPOSIT

(PJX Resources Inc.)



SMOKER (MINFILE)

The BC Ministry of Energy, Mines and Petroleum Resources' Minfile Record Summary (082GSW041) describes the Smoker occurrence as "a vent complex measures 400 by 100 m and is composed of breccia fragments in a matrix of siltstone. The breccia contains zones of weak to abundant disseminated galena (lead), sphalerite (zinc) and pyrrhotite (iron sulphide) associated with intense albite and sericite alteration."

The Smoker occurrence is located in the northern head waters of Little Lamb Creek, approximately 3 kilometres west of Monroe Lake.

The area is underlain by clastic rocks of the Helikian Purcell Supergroup. The units are dominantly siliclastic sedimentary rocks of the Lower and Middle Aldridge formations. Moyie mafic sills intrude the Middle Aldridge rocks.

Locally, a vent complex, measuring 400 by 100 metres, is composed of breccia fragments in a matrix of siltstone. The breccia contains zones of weak to abundant disseminated galena, sphalerite and pyrrhotite associated with intense albite and sericite alteration.

In 1966, Cominco completed a program of silt and soil sampling, geological mapping and an 8.2 line-kilometre ground electromagnetic survey on the area as the Helga claims. Sulphide mineralization was seen hosted in quartzite and argillite.

In 1978, program of geological mapping was completed. In 1979, a 47.8 line-kilometre ground electromagnetic survey was completed. In 1988, the area was prospected and mapped as the Leigh claim. In 1988, the area immediately south was prospected as the Puma claims. The following year, Placer Dome completed a program of geological mapping and rock, silt and soil sampling.

In 1993, the area immediately north and west was soil sampled as the Purple 1-3 claims. In 1998, Ascot Resources Ltd., who is acquiring the property from Super Group Holdings Ltd., drilled one hole, totalling 185.1 metres, on the area as the Smoker claims; no assays of the core were provided. In 1999, Ascot drilled a 916-metre hole, which terminated at the Moyie sill. In 2006, Saint Eugene Mining completed 697 line-kilometres of airborne combined magnetic and electromagnetic surveys on the area. In 2013 and 2014, PJX Resources completed gravity surveys on the area as the West Basin property.

FRAN (FROM MINFILE)

The Fran occurrence is located on the north side of Highway 3, approximately 450 metres south of Hiawatha Lake and northeast of the Monroe Property. The area lies within the central portion of the Purcell Anticlinorium which consists of argillites, quartzites and related intruded gabbro sills and dikes of the Helikian Aldridge Formation (Purcell Supergroup).

Locally, drilling encounter Middle Aldridge sediments to 599.5 metres, where the dominantly quartzite section changed to a more argillaceous interval with fewer medium bedded quartzitic wackes. Sullivan-time stratigraphy was intercepted that carried minor disseminated sphalerite and pyrrhotite and contained two intervals with wispy laminations of sphalerite with minor pyrrhotite.

In 2003, a diamond drill hole (F-02-1E) intercepted a mineralized interval of Sullivan-time from 613 to 629.5 metres. The interval averaged 28 parts per million lead and 0.084 per cent zinc over 16.5 metres. Within this zone are some banded sphalerite intervals which look bedded and assayed 0.18 per cent zinc from 615 to 616 metres, 0.23 per cent zinc from 618 to 619 metres and 0.25 per cent zinc from 624.5 to 625.8 metres (Assessment Report 27362).

The area has been explored in conjunction with the Vine 1 (082GSW050) occurrence. In 1989, a single drill hole, totalling 120 metres. The hole failed to intercept the Vine vein zone but did encounter two zones of pyrrhotite laminations from 49.26 to 49.56 metres and from 67.50 to 70.41 metres. The core was not assayed.

In 1993, Consolidated Ramrod Gold completed two diamond drill holes, totalling 1483.3 metres, on the Moy and MR claims to the south west. In 1995, a 7.0 line kilometre combined ground electromagnetic and magnetic survey was completed just north of Hiawatha Lake. In 1996 and 1997, Abitibi Mining completed a soil sampling program and a 27.0 line kilometre gravity survey on the area as the Fran claim.

In 2002, Klondike Gold Corp. completed a drill hole to 560.06 metres. The following year it was extended to a total depth of 729.73 metres. The hole intersected a stratigraphically thickened Sullivan horizon with disseminated pyrrhotite and sphalerite.

In 2004, a drill hole, totalling 974 metres, was completed 1.3 kilometres to the north-northwest. In late 2013 and early 2014, PJX Resources completed a gravity survey on the area.

ST EUGENE MINE (MINFILE)

The St. Eugene mine is located 1.5 kilometres south east of Moyie, east of Moyie Lake and about 10 km. southeast of Monroe Lake. The deposit is hosted by quartzites and argillites of the Helikian Middle Aldridge Formation (Purcell Supergroup) and is contained within an east-west fracture zone, dipping 70 degrees south, which strikes across the axial plane of a large regional northeast plunging anticline. The St. Eugene mine is on the eastern limb of the anticline and the Aurora showing (MINFILE 082GSW023) is on the western limb across Moyie Lake.

The deposit consists of two important veins and a system of connecting veins which meet the main vein system at a low angle. Most of the ores occurred at or near such junctions in the form of irregular lenses. Very little displacement was noted along the vein as a whole and they are probably tensional fractures along the crest of a plunging anticline. It was reported that the sulphides (mainly pyrite, pyrrhotite and sphalerite) were slightly more abundant near the margins of the orebodies and that sphalerite showed no increase with depth. At the 305 metre level, the two main veins/fissures are 183 metres apart and converge downwards and towards the west.

Production from 1899 to 1929 totalled 1.5 million tonnes resulting in 182,690,658 grams of silver, 78,846 grams of gold, 113,034,479 kilograms of lead and 14,482,913 kilograms of zinc.

The deposit was recorded in 1893 by James Cronin, who was told of the ore by the Ktunaxa (Kootenai) people. St. Eugene Consolidated Mining Company conducted early development and in 1905 the mine was taken over by the Consolidated Mining and Smelting Company. In 1947, Saint Eugene Mining completed a program of geological mapping and a 10 line-kilometre ground magnetic survey on the area as the Moyie

property. In 1990, Cominco completed a 16.5 line-kilometre ground electromagnetic survey on the area. In 2006, Saint Eugene Mining completed 697 line-kilometres of airborne combined magnetic and electromagnetic surveys on the area. In 2011 and 2013, Kootenay Silver completed programs of geological mapping, rock sampling, a 500 line-kilometre airborne magnetic survey and a 500 line-kilometre seismic survey on the area as the Silver Fox property.

VINE PROPERTY

The Vine property is situated north and east of the Monroe Property. The following summary of the Vine occurrence is quoted from PJX Resources Inc. – Management's Discussion and Analysis for the Three and Nine Months Ended September 30, 2015 and 2014 (From SEDAR).

Recent drilling (1990) of the Vine structure (630 metres depth) has intersected 3 massive sulphide veins. The upper vein has a true width of 4 metres, the middle vein a true width of 2 metres and the lower vein a true width of 3.4 metres. The upper vein averages 2.94 per cent lead, 0.2 per cent zinc and 29.13 grams per tonne silver across 4 metres. The middle vein averages 36.24 per cent lead, 12.16 per cent zinc, 229.67 grams per tonne silver and 0.34 grams per tonne gold across 2 metres. The lower vein averages 4.7 per cent lead, 2.09 per cent zinc, 0.36 per cent copper and 35.3 grams per tonne silver across 3.4 metres. The lower vein represents a new sulphide zone within the Vine structure (George Cross News Letter #224 (November), 1991).

Historical "Proven and probable reserves" for the Vine property are 1,300,000 tonnes grading 2.2 grams per tonne gold, 36.3 grams per tonne silver, 3.12 per cent lead, 3.12 per cent zinc and 0.11 per cent copper (MDAP - Kokanee Exploration Ltd. Prospectus (1990))."

Kokanee Exploration Ltd.'s resource estimate reported above is a historical estimate and was not prepared using the resources categorizations set out in NI 43-101. Neither the present author (Price,) nor the company (PJX) are aware of any more recent resource estimate for this property and cannot verify the reliability of the historical estimate although the presence of the mineral deposit is relevant. Neither the author nor PJX are treating the historical estimate as current mineral resources or reserves, as a qualified person has not done sufficient work to classify the historical estimate.

PJX reports: *"Drilling during Q2, 2014, and in Q1, 2015 has discovered what the Company believes is a restricted third-order sedimentary basin. Restricted third-order sedimentary basins are important geological environments often associated with Sedex deposits.*

Drilling on the Eastern Target intersected Proterozoic age Lower Aldridge sediments that contain anomalous sphalerite (zinc sulphide) and pyrrhotite (iron sulphide) mineralization along fractures and disseminated in sedimentary beds that are locally altered by sericite, chlorite, albite, silica and occasional garnets. The presence of anomalous sphalerite mineralization with alteration supports the potential for massive sulphides to be deposited in the basin at the target sedimentary horizon called the Footwall Quartzite. Historical holes (KV90-41 and KV94-57) drilled in the early 1990's by other companies discovered massive sulphide with zinc, lead and silver mineralization at the base of the Footwall Quartzite, approximately 1.2 km west of PJX's hole VA15-02. Hole VA15-08 intersected the largest sections of massive sericite and albite alteration drilled to date. Three dimensional modelling of the gravity data by Quantec Geoscience suggests that the Eastern gravity anomaly may have an irregular shape, possibly folded along the Moyie fault structure.

The first hole drilled on the West Gravity Target intersected multiple narrow bands of Sedex Style bedded massive pyrrhotite and pyrite (iron) sulphide mineralization over a 10.3 meter interval. The second hole,

drilled 500 m away, encountered anomalous disseminated sphalerite and thin layers of bedded sphalerite and pyrrhotite mineralization in the same geological unit as the first hole. Only 2 holes have been drilled on the West Gravity anomaly. The company has received a government issued five year permit to expand drilling on the West Gravity anomaly.

Dr. Trygve Hoy (P.Eng), former research economic geologist with the British Columbia Department of Mines, noted in a report to PJX about the regional and local geological significance of the Vine and West Basin Properties that, "In summary, the Vine and West Basin area has potential for discovery of a significant lead-zinc-silver sedex deposit. The area is within a highly favourable structural and metallogenic belt, has characteristics and controls that are similar to those in the Sullivan camp area, has known Proterozoic-age lead-zinc-silver mineralization, and a prominent geophysical target. Future exploration should be directed to mainly defining more rigorously the gravity geophysical anomaly and systematic diamond drilling to test the "footwall quartzite" horizon as well as the overlying Sullivan horizon."

FIGURE 10. PLAN OF THE VINE DEPOSIT

(Source PJX Resources Inc.)

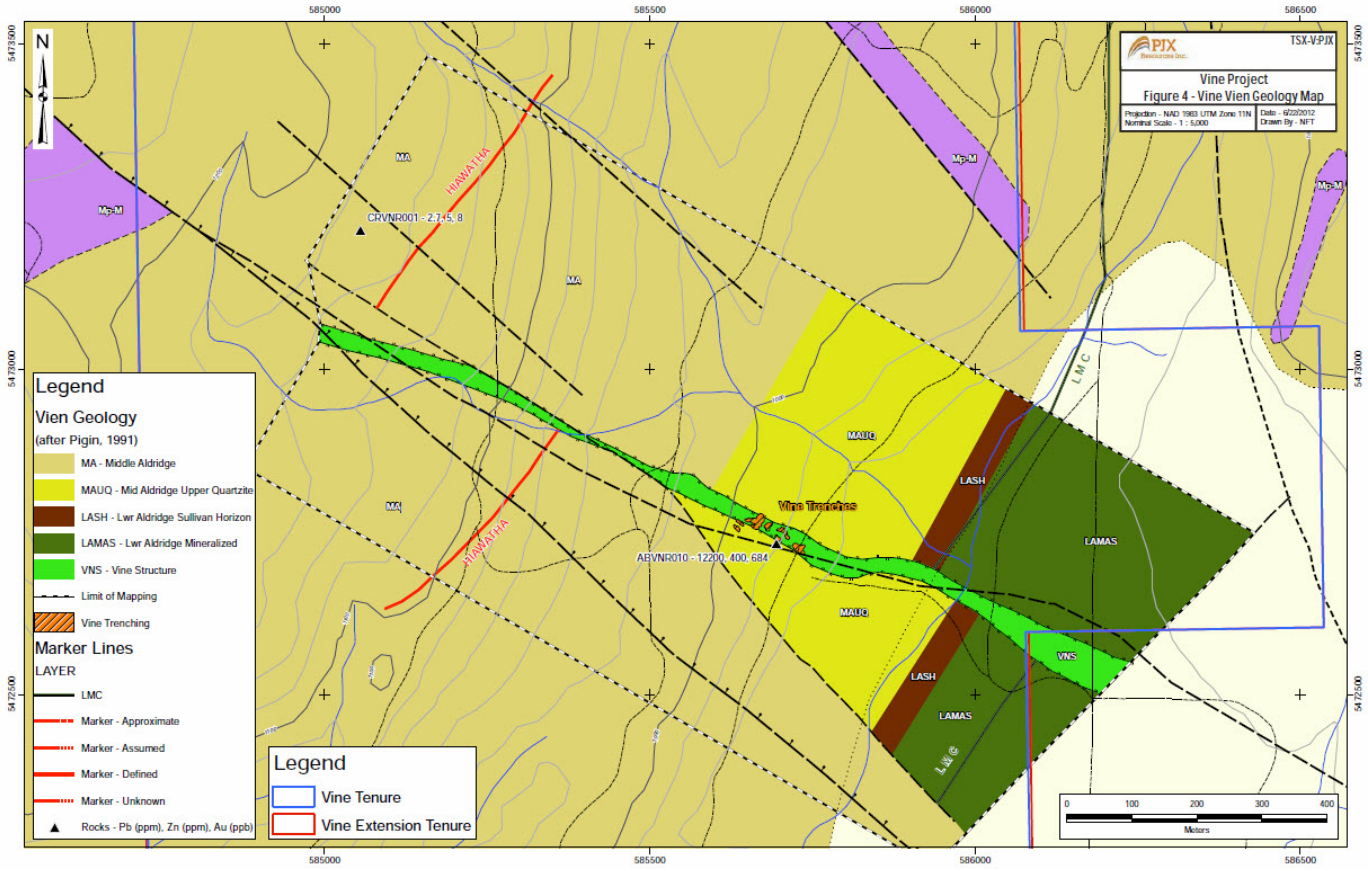
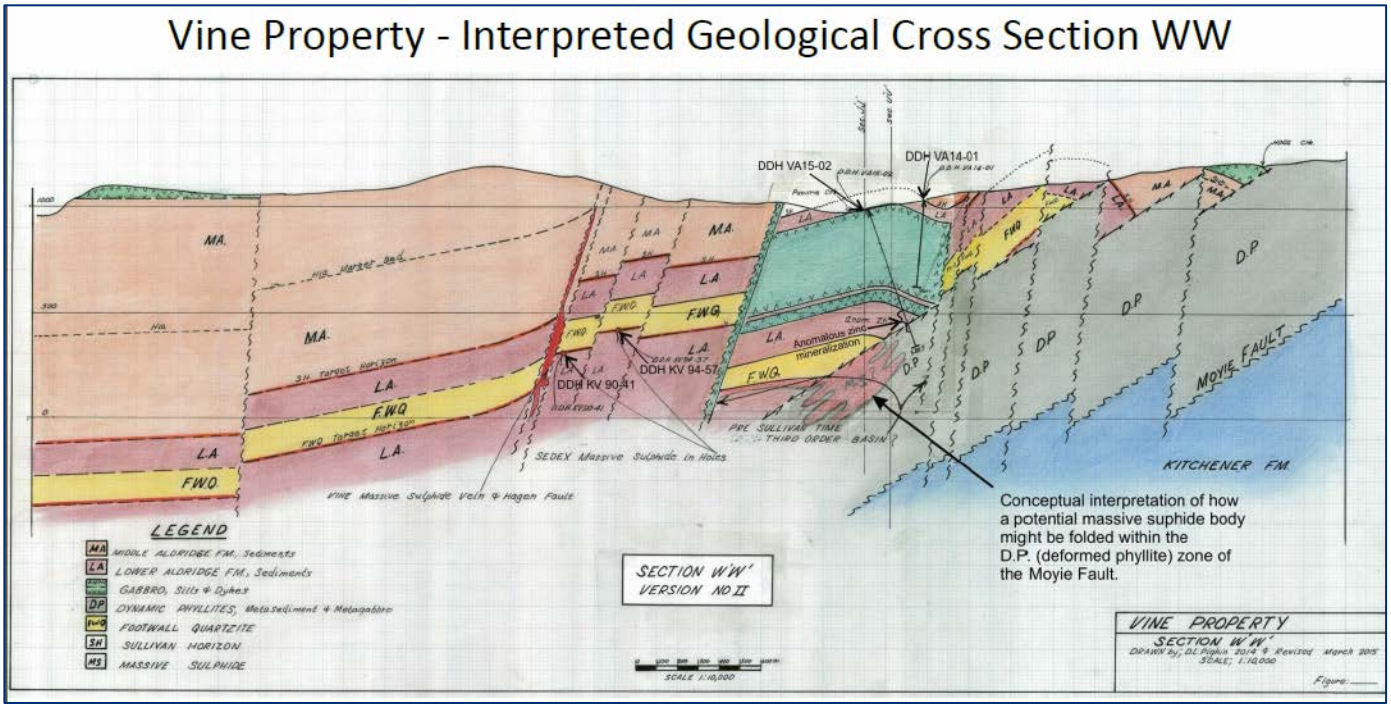


FIGURE 11. CROSS-SECTION OF THE VINE DEPOSIT
(Source: PJX Resources Inc. 2013)



OTHER RELEVANT DATA AND INFORMATION

THE COMPANY

Highway 50 is a junior exploration company exploring in Nevada and British Columbia. Management and directors are: Gordon P. Leask, P.Eng., (Director, President, CEO and Corporate Secretary), John M. Leask, P.Eng. (Director), Megan Cameron-Jones (Director), Bassam Moubarak, CPA, CA (Director), Peter Krag-Hansen (Director) and Scott Davis, CPA, CA (CFO).

The Company is listed on the TSX Venture Exchange with the symbol "HWY". The corporate address is Suite 2300, 1177 West Hastings Street, Vancouver, BC, Canada, V6E 2K3. Tel: +1 (604) 681-4462, Email: info@highway50gold.com and Website: http://www.highway50gold.com.

Eagle Putt, the registered holder of the Monroe claims, is a private company, non-arm's length to Highway 50, and 100% owned by geologist, Gordon Leask, P.Eng., who is also the President, CEO, Corporate Secretary and a director of Highway 50. The claims are held beneficially by Eagle Putt for Gordon Leask (50%) and John M. Leask (50%).

In addition to the Monroe Property, the Company has two gold properties situated near Austin Nevada: the Porter Canyon Project and adjacent Golden Brew Project.

The author is not aware of any other relevant data or information for the Monroe Property, the absence of which would make this report incomplete or misleading. To the author's knowledge there have not been any past or present environmental concerns.

As with all of the Province of BC, there are First Nations land claims. The Province and the Company are obliged to consult with the appropriate native group, which in this area appears to be the Ktunaxa Kinbasket First Nation.

INTERPRETATION AND CONCLUSIONS

Exploration up to 2015 has identified the potential for Sedex style zinc, lead, and silver mineralization similar to the Sullivan deposit in the "Sullivan Corridor" extending from the Sullivan Mine southward to Moyie Lake and beyond to the Goatfell area near Yahk, BC.

Drilling in the subject area has not encountered significant "sedimentary exhalative mineralization comparable to the Sullivan deposit, but has encountered structures, sedimentary textures and mineralization and alteration that support the potential for a Sedimentary exhalative (Sullivan type) half graben-related "sedex" deposit.

Personnel with or related to Highway 50 have been exploring in the Cranbrook area for 25 years are very familiar with the Sullivan deposit and adjacent mineral showings, and all geological information obtained from drilling, along with geological and geophysical data, are being used to refine target depths and locations in preparation for the next drillhole contemplated for 2016, which will test a hypothetical deeper basin east of the Sonoro 2014 drillhole. A drilling permit is in place for the targets contemplated.

A very similar structural and stratigraphic setting is present at the Monroe Property to that occurring in the Sullivan Mine area. The Sullivan Mine occupies less than 3% of the structural setting known as the "Sullivan Corridor". Evaluation of drill holes completed to the east of the current project area as well as review of all the drill holes within the claim group demonstrate the existence of a potential Pb-Zn-Ag system centred over the eastern half of the current claim group. Features generally associated with Sullivan style mineralization are:

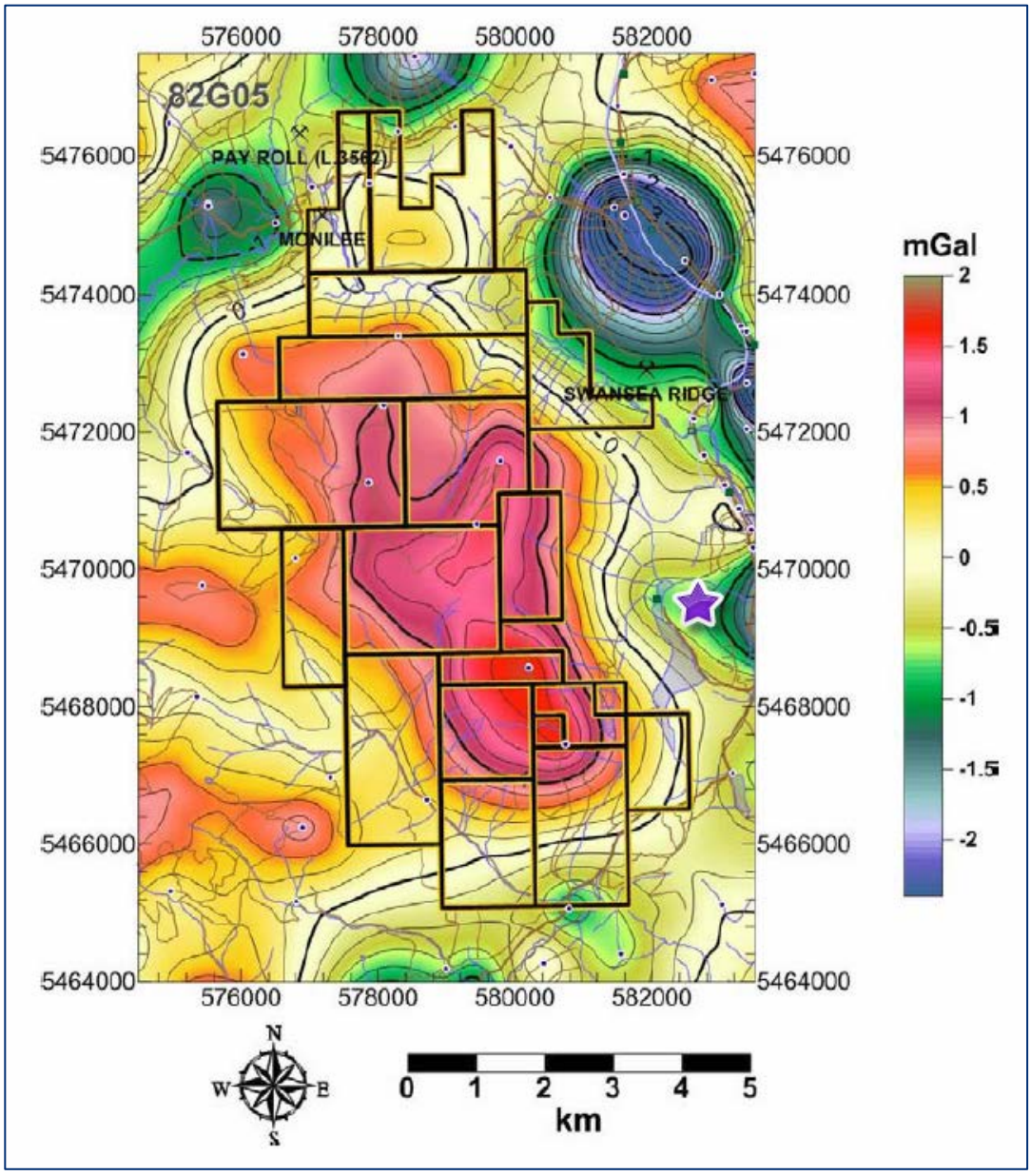
- Major structural faults and fault intersections
- Step faulting
- Basin thickening in second and third order basins
- Presence of Moyie sills
- Alteration of sericite, albite, stockworks and tourmalinite and garnet
- Sedimentary breccias
- Associated vein and replacement mineralization

Upon review of all of the drill data, it was determined that SF 14-01 intersected the Sullivan time horizon at a depth of 618 metres and was drilled to a depth of 1,114 metres on a growth fault bench that is not located in the deepest most prospective portion of the third order basin. Some of the above noted features and textures are present in the 2014 drillhole. Although no base metal mineralization was encountered, it does

not preclude the possibility of encountering such mineralization once the deepest part of the basin is tested.

FIGURE 12. MONROE DRILL TARGET ON GRAVITY MAP

(PJX Resources website)



The Drill Target is marked by a purple star. The claim outlines are for the adjacent but unrelated PJX West Basin (Fors) property, for which the gravity survey was done. (Source of the gravity data is PJX Resources Inc. 2013 Assessment report - there is no map showing the Monroe claim boundary with the gravity survey, but the property lies immediately east of the outlined PJX claims).

While there are the usual geological risks attributable to exploration for deep Sullivan targets, these cannot be quantified. Other companies are exploring for similar targets in the area; for example Teck Resources is exploring a property near Yahk, to the south and PJX Resources Inc. is drilling deeper targets on the adjacent Vine property. The validity of the Sullivan model will be evaluated by the drill program contemplated by Highway 50.

RECOMMENDATIONS

Following the completion of the 2014-15 drillhole SF 14-01, interpretations were that the suspected Sedex basin may lie to the east of Monroe Lake. Two additional drill holes are recommended to test the deepest part of the third order basin. The expected target depths are approximately 650 metres and 500 metres, respectively, and should test the structural intersection of the third order basin comprising the Moyie Fault and the Sullivan Corridor at its deepest local.

The proposed drill holes are located roughly 1.5 kilometres east of SF 14-01. Coordinates of the previous and proposed drillholes are tabled below:

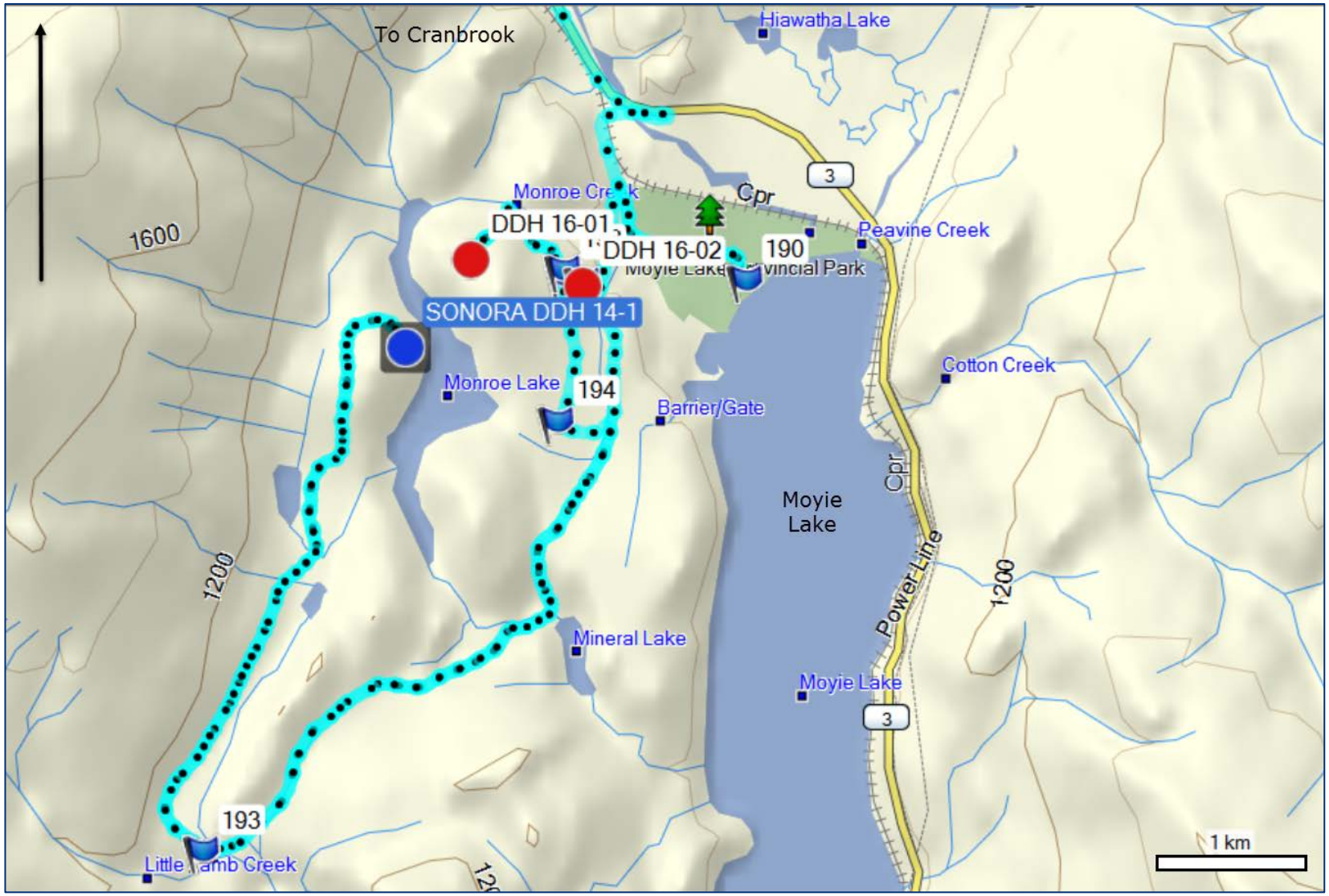
DRILLHOLE	ZONE	UTM EAST	UTM NORTH
SF 14-01 completed	11U	582130	5468815
HWY 16-01	11U	582600	5469500
HWY 16-02	11U	583087	5469247

These locations are shown in Figure 6 and Figure 13.

A minimum of site preparation will be necessary. Highway 50 proposes to complete the drill program economically, using in house personnel and facilities, thus effecting considerable savings. An estimate of the cost is presented after Figure 13.

FIGURE 13. PROPOSED DRILLHOLE LOCATIONS FOR 2016

(Showing 2016 due diligence survey)



PHASE 1 BUDGET

The initial exploration phase (I) program would be 1,150 meters of diamond drilling as estimated below.

DESCRIPTION	**DETAILS/DAYS**	**RATE**	**AMOUNT CAN$***
Geological supervision (in house)	20 days	$400/day	8,000
Diamond drilling all inclusive	1,150 m	$82/m	94,300
Site preparation, Core analysis, Freight, storage			2,000
Food and Lodging (in house)	2 men x 20 days	$50/day	2,000
Reclamation bond	$6,500 in place		0
Field Supplies, Telephone, computers GPS			500
Reports (In house)			2,000
SUBTOTAL			$108,800
CONTINGENCY			$10,880
TOTAL COST (Phase 1)			**$119,680**

The above budget is an estimate only; the author does not guarantee that the program can be completed as stated. As the Company will use in-house personnel, the above costs may be further reduced.

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SIGNATURE PAGE

Effective Dated at Vancouver B.C. this 25th day of May 2016.

respectfully submitted

B.J. PRICE GEOLOGICAL CONSULTANTS INC.

Barry J. Price, M.Sc., P.Geo.

Qualified Person

CERTIFICATE OF AUTHOR BARRY JAMES PRICE, M.SC., P.GEO

I, Barry James Price, hereby certify that:

I am an independent Consulting Geologist and Professional Geoscientist residing at 820 East 14th Street, North Vancouver B.C., with my office at Ste. 815 - 470 Granville Street, Vancouver, B.C., V6C 1V5, (Telephone: 682-1501)

I graduated from University of British Columbia, Vancouver B.C., in 1965 with a Bachelor's Degree in Science (B.Sc.) Honours, in the field of Geology, and received a further Degree of Master of Science (M.Sc.) in Economic Geology from the same University in 1972.

I have practiced my profession as a Geologist for the past 50 years since graduation, in the fields of Mining Exploration, Oil and Gas Exploration, and Geological Consulting. I have written a considerable number of Qualifying Reports, Technical Reports and Opinions of Value for junior companies in the past 20 years.

I have worked in Canada, the United States of America, Mexico, The Republic of the Philippines, Indonesia, Cuba, Ecuador, Panama, Nicaragua, Tajikistan, Serbia, The People's Republic of China, South Africa, Chile, and Argentina.

My specific experience concerning the subject deposit is related to work done for other clients on a Sullivan type targets in the Kimberley -Cranbrook area and previous NI 43-101 reports for the Goatfell property and Vulcan property with similar targets prepared for another client.

I am a registered as a Professional Geoscientist (P. Geo.) in the Province of British Columbia (No 19810 - 1992) and I am entitled to use the Seal, which has been affixed to this report.

I inspected the subject Property on May 19, 2016, accompanied by Highway 50 Gold Corp. director, Gordon Leask, P.Eng. I have reviewed all available data concerning the subject Property supplied by the Property vendors and on other materials obtained from the literature and from web sites and discussed the Property and its exploration potential with Company directors.

For the purposes of this Technical Report which is titled: Technical Report, Monroe Property, Cranbrook, B.C., Fort Steele Mining Division and effective date May 25, 2016, I am a Qualified Person as defined in National Instrument 43-101. I have read the Policy and this report is prepared in compliance with its provisions. As the sole author I am responsible for all sections of this report.

I have no direct or indirect interest in the Monroe Property which is the subject of this report. I do not hold, directly or indirectly, any shares in the issuer, Highway 50 Gold Corp., nor in any related companies, nor do I intend to acquire any such shares, in full compliance with all provisions of Section 1.5 of National Instrument 43-101.

My previous involvement with the Monroe Property is limited to geological reports for past claim holders between 1990 and 1994. I will receive only normal consulting fees for the preparation of this report.

I am not aware of any material fact or material change with respect to the subject matter of the technical report which is not reflected in the technical report, the omission of which would make the technical report misleading.

I hereby consent to the public filing of technical report Technical Report, Monroe Property, Moyie Lake, B.C., Fort Steele Mining Division and effective date May 25, 2016, (the "Technical Report") by Highway 50 Gold Corp. (the "Issuer"), with the TSX Venture Exchange under its applicable policies and forms in connection with the fundamental acquisition to be entered into by the Issuer and I acknowledge that the Technical Report will become part of the Issuer's public record.

Effective Dated at Vancouver B.C. this 25th day of May 2016

respectfully submitted

B.J. PRICE GEOLOGICAL CONSULTANTS INC.

Barry J. Price, M.Sc., P.Geo.

Qualified Person

CONSENT LETTER

To: BC Securities Commission
Toronto Stock Exchange (Ventures Listings)

I, Barry James Price, M.Sc., P.Geo. do hereby consent to the public filing of the technical report entitled

TECHNICAL REPORT
MONROE LEAD ZINC PROPERTY
Moyie Lake area, Cranbrook, BC
Prepared for:
HIGHWAY 50 GOLD CORP.
Suite 2300, 1177 West Hastings Street, Vancouver, BC
Canada, V6E 2K3

PREPARED BY:
Barry J. Price, M.Sc. P.Geo. Qualified Person
B.J. PRICE GEOLOGICAL CONSULTANTS INC.

EFFECTIVE DATE MAY 25, 2016

The "Technical Report") is submitted by Highway 50 Gold Corp. (the "Issuer"), to the TSX Venture Exchange under its applicable policies and forms in connection with the Property acquisition and details based on a news release dated May 3, 2016, which outlines the agreement entered into by the Issuer and I acknowledge that the Technical Report will become part of the Issuer's public record.

Barry James Price, M.Sc., P.Geo.
May 25, 2016