



BILCON OF NOVA SCOTIA INC.
WHITES POINT BASALT DEPOSIT

RESOURCE ESTIMATE
TECHNICAL REPORT

Digby County
Nova Scotia
Canada

Prepared For: Bilcon of Nova Scotia Inc.

By: Michael Cullen, P. Geo.

Effective Date: August 15, 2016

Report Date: November 17, 2016

Date and Signature Page

The effective date of the mineral resource estimate presented in this report is August 15, 2016.



Michael Cullen, P. Geo., Chief Geologist
Mercator Geological Services Limited

Date: November 17, 2016

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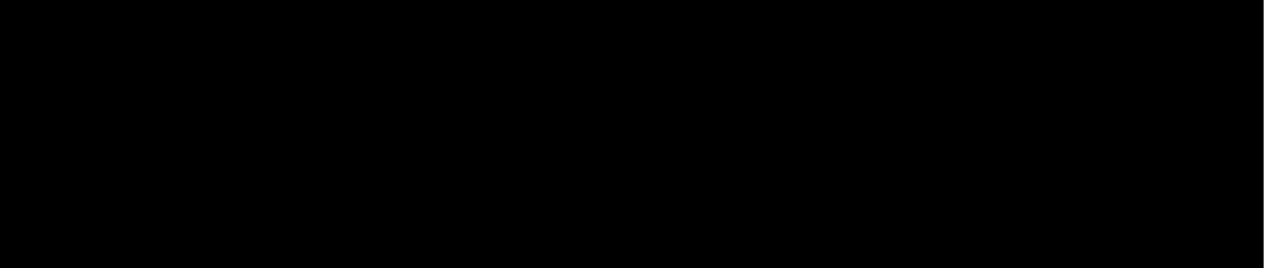
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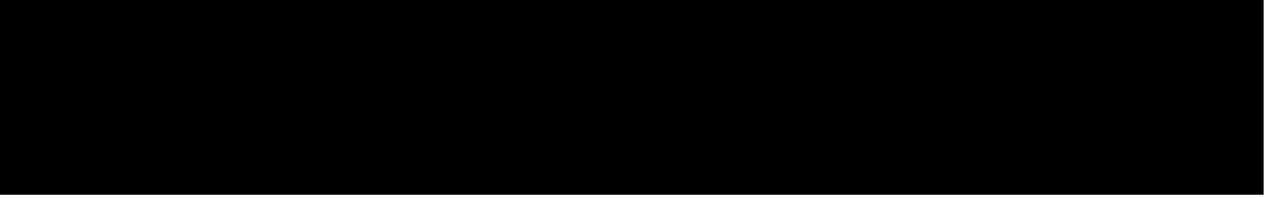


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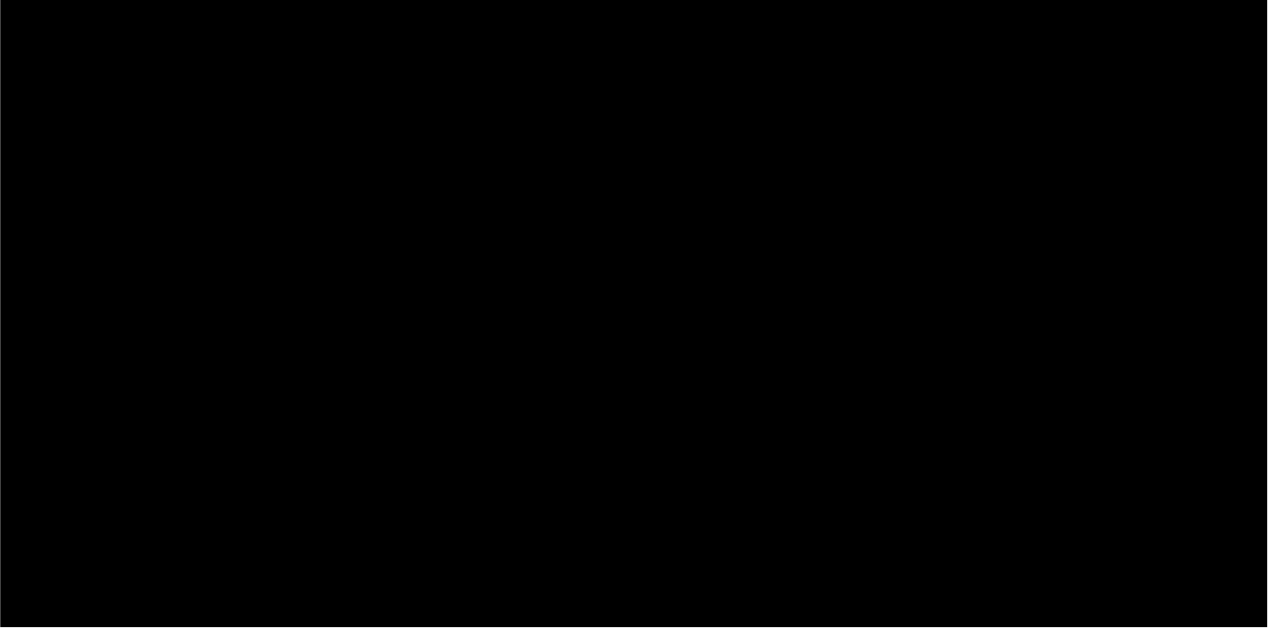


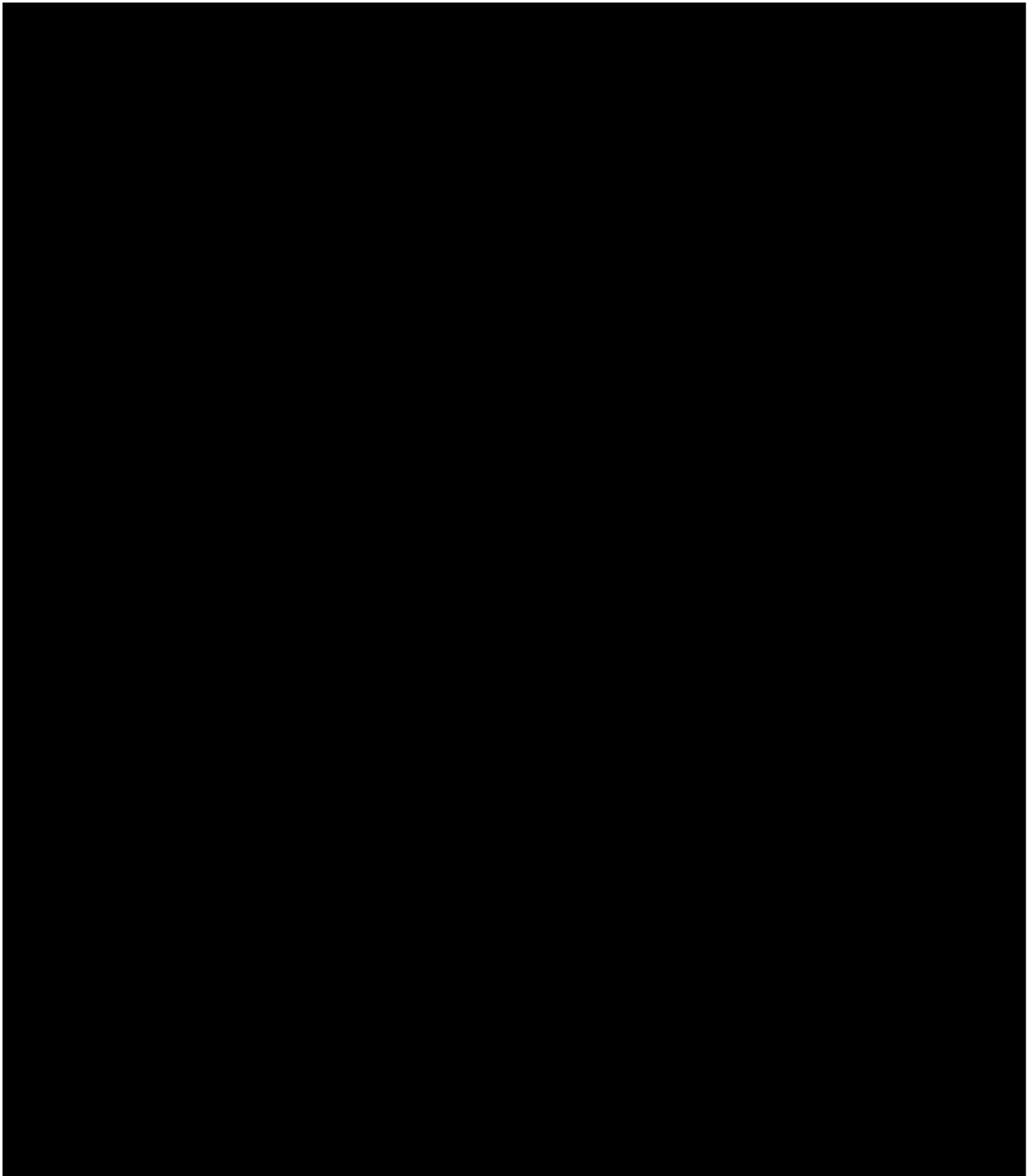
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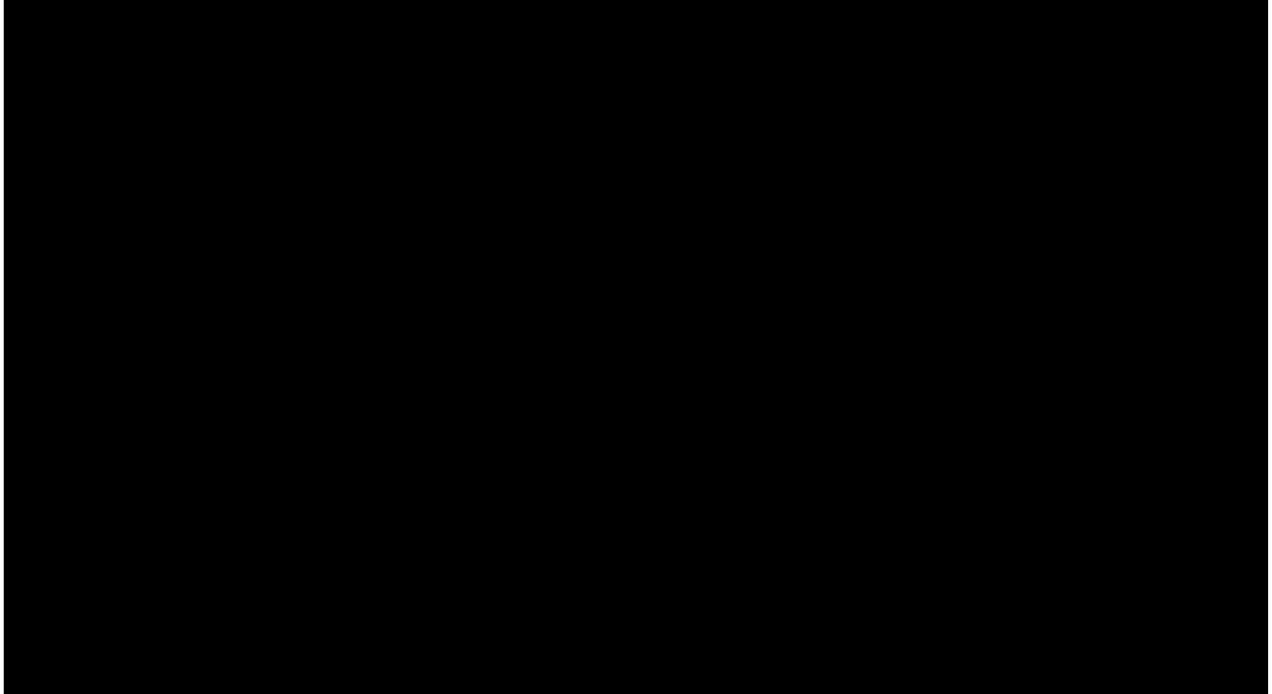




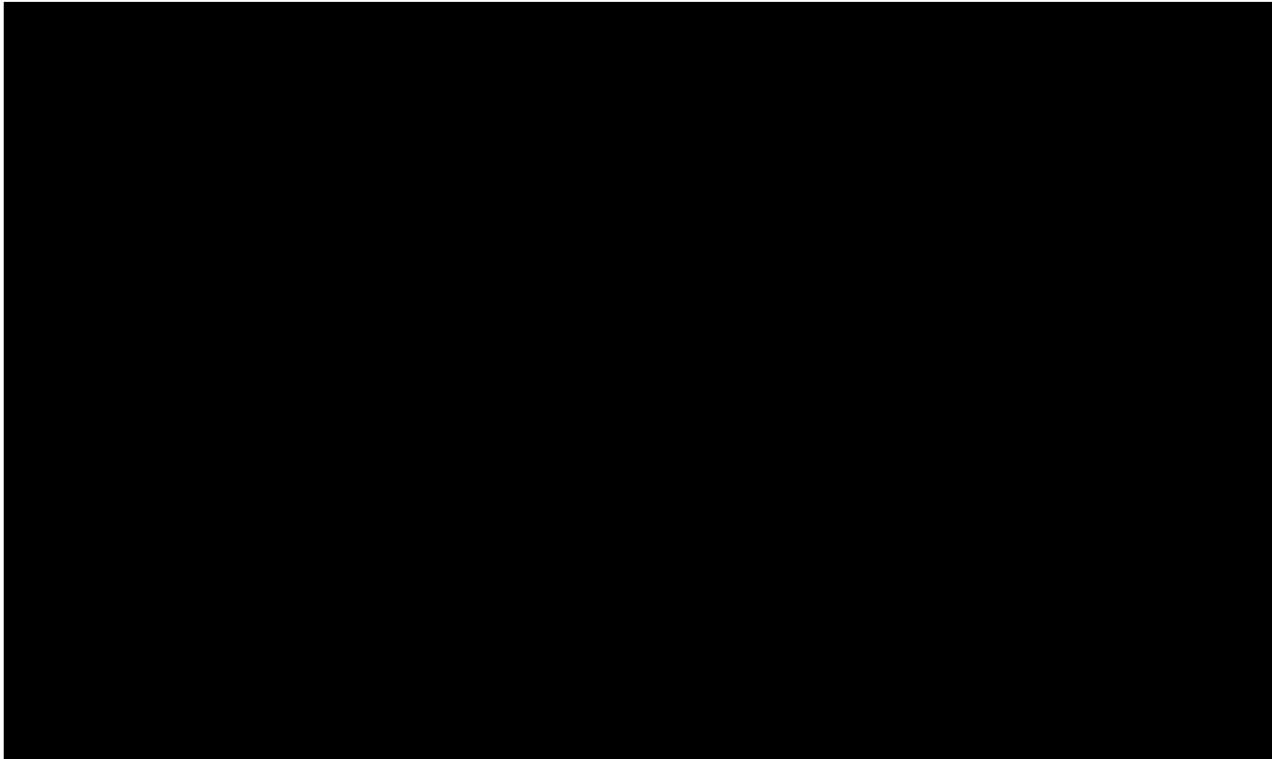
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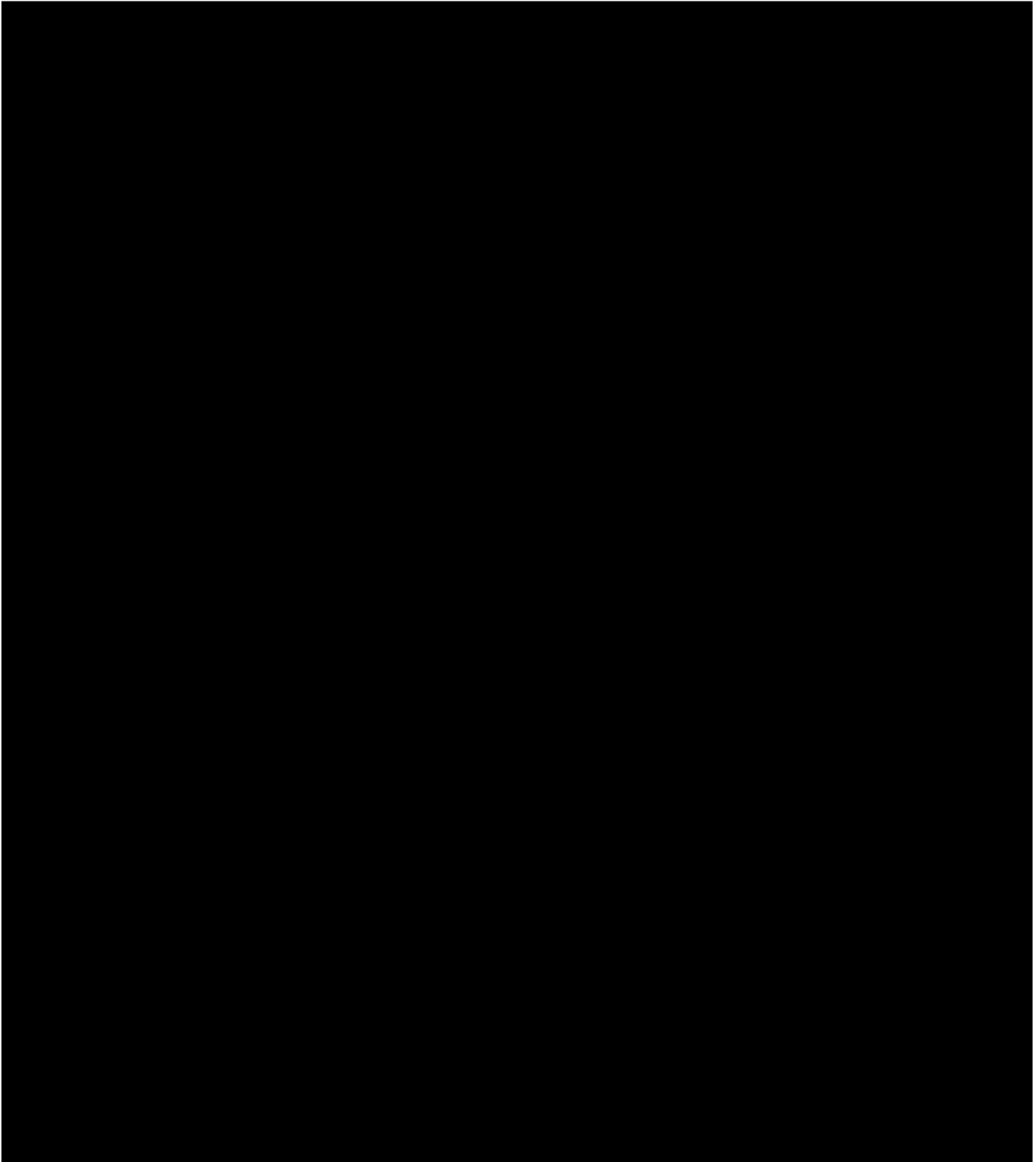


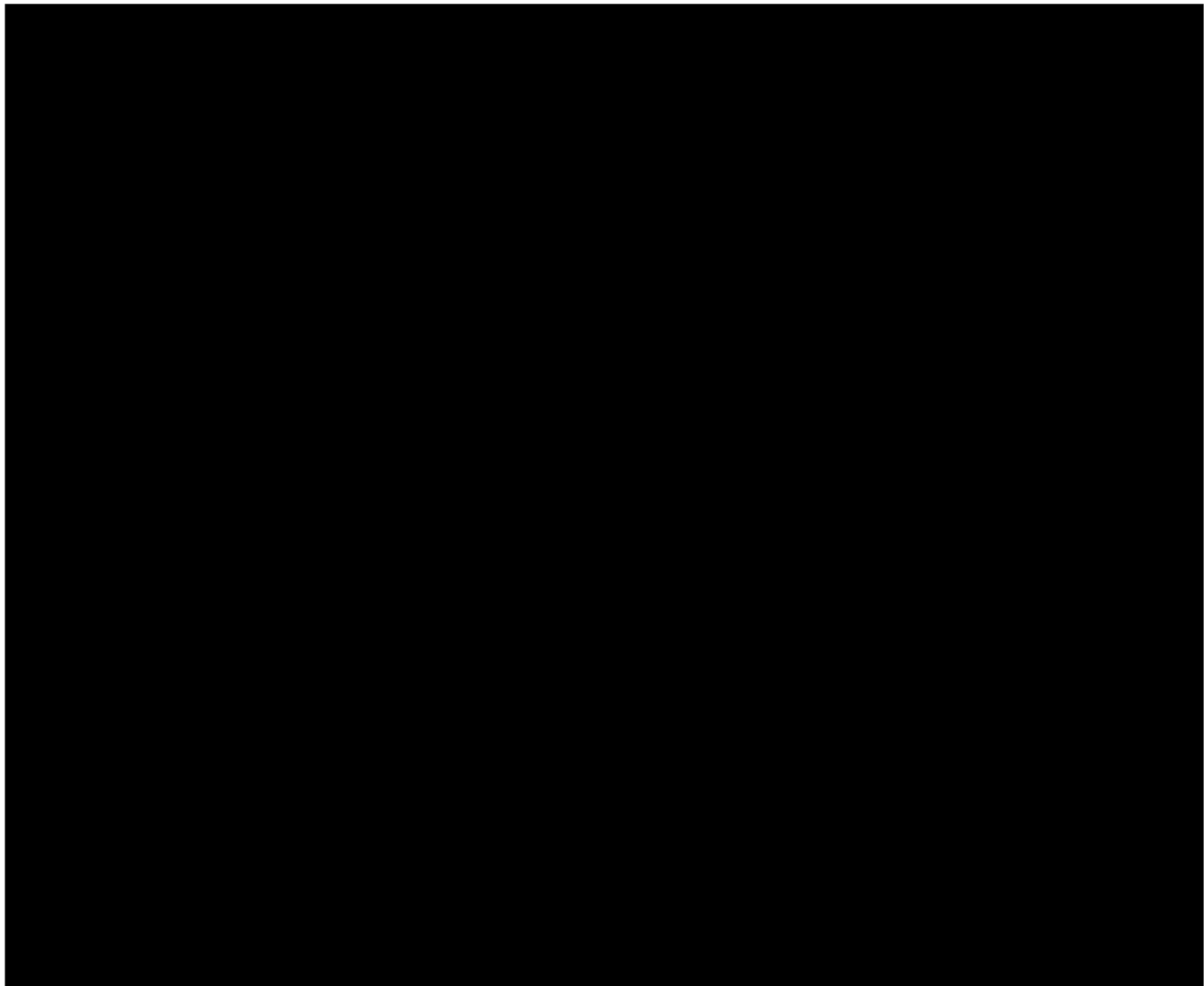
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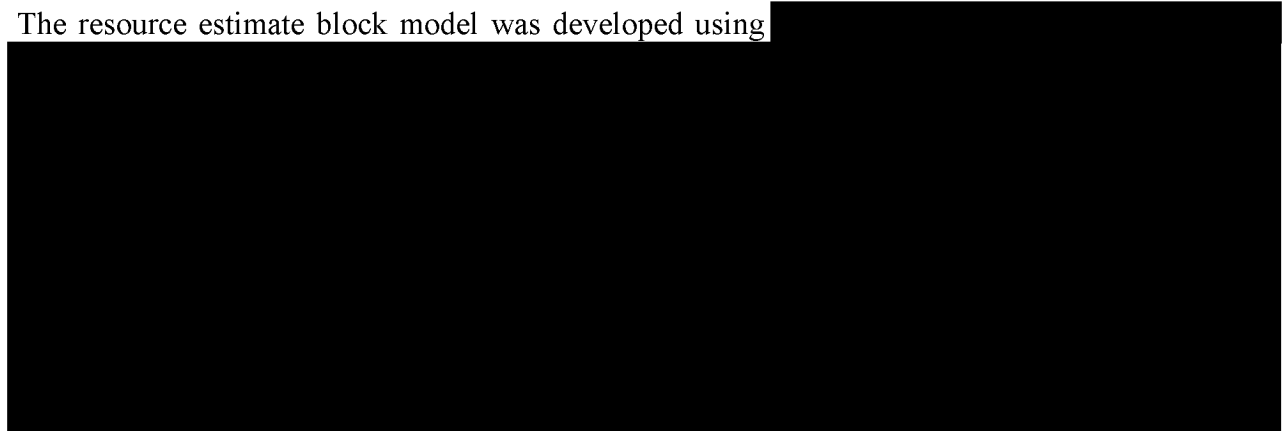
1.0 Summary

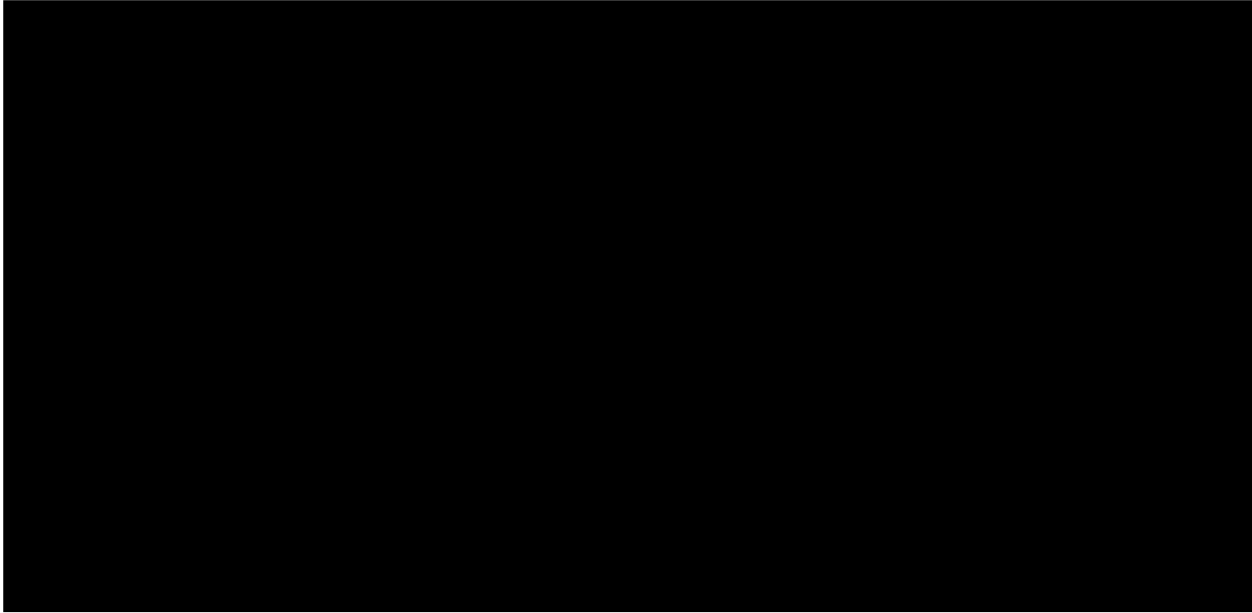
This report on estimation of basalt resources present within the Whites Point basalt deposit was prepared by Mercator Geological Services Limited (Mercator) on behalf of Bilcon of Nova Scotia Inc. (Bilcon). It focuses on quantification of a bedrock basalt deposit on the subject site that is located at Whites Point, Nova Scotia, Canada.



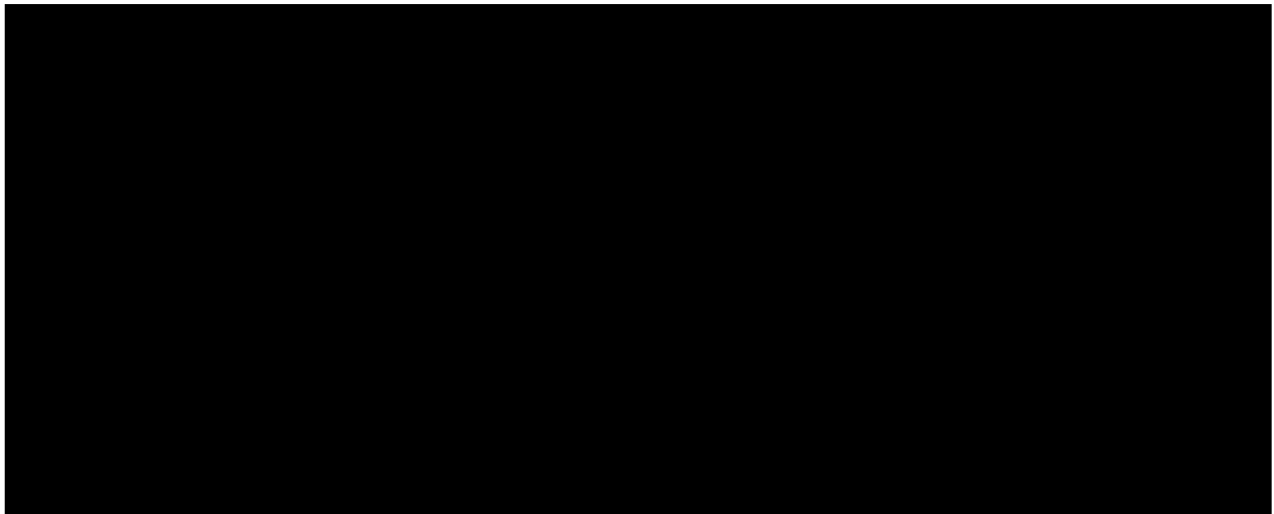
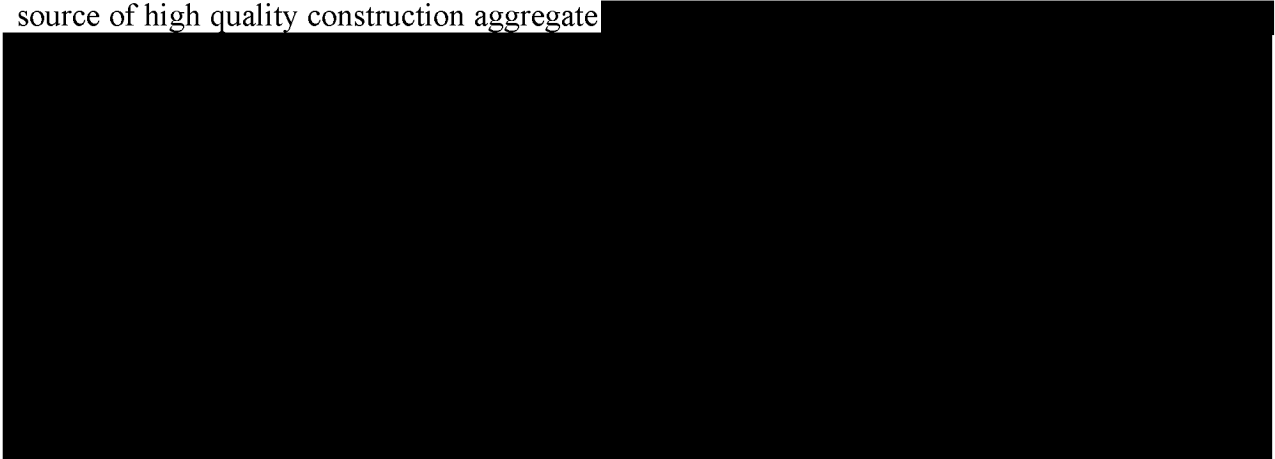


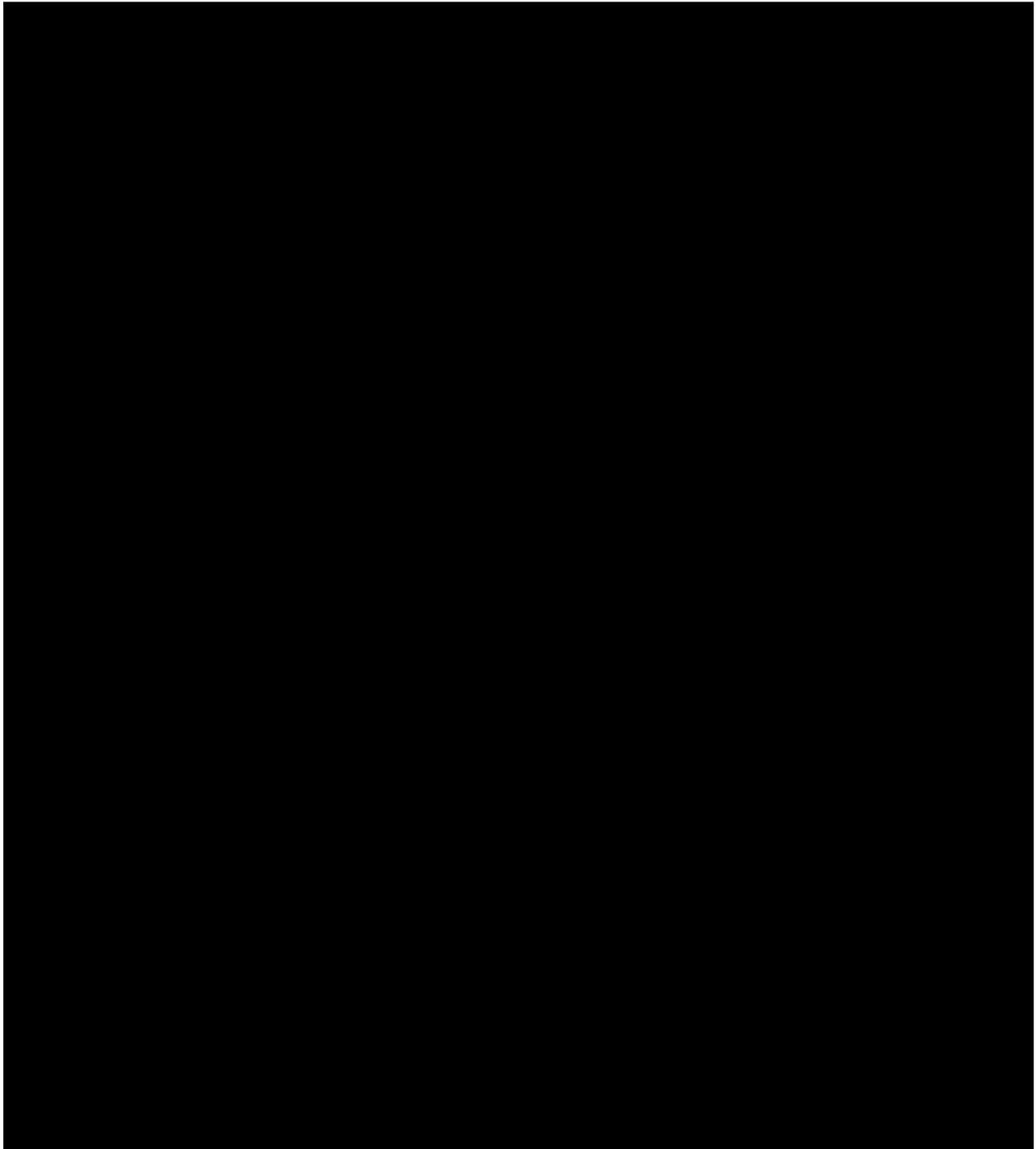
The resource estimate block model was developed using





Results [redacted] define the Whites Point basalt deposit as a source of high quality construction aggregate [redacted]





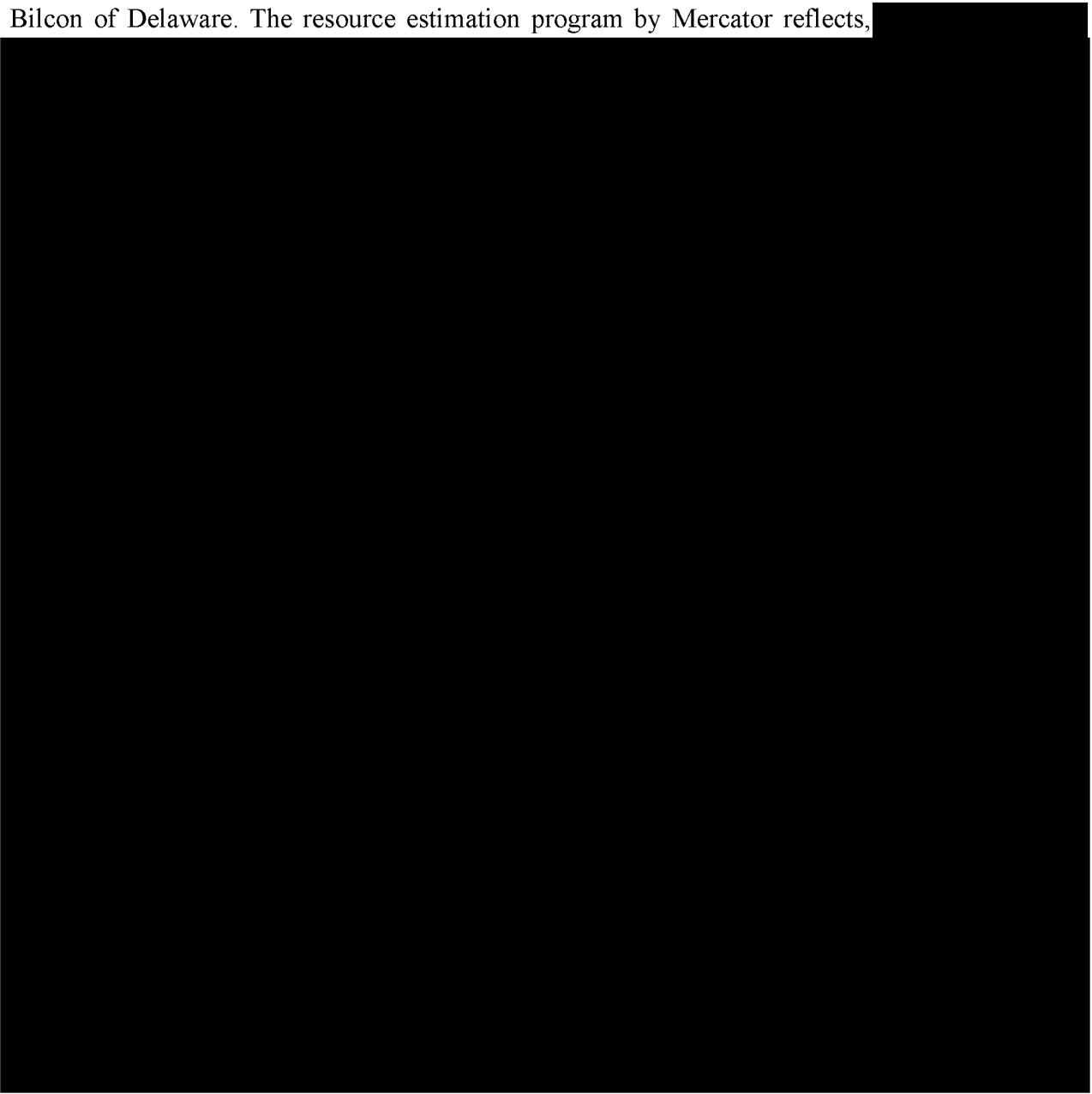
Results of the technical programs carried out by Mercator and presented in this report define



2.0 Introduction and Terms of Reference

2.1 Scope of Work and Terms of Reference

This report on estimation of basalt resources for the subject site, herein termed the “Whites Point quarry project” for consistency with historic reporting, located in Digby County, Nova Scotia, Canada, was prepared by Mercator on behalf of Bilcon, a private Canadian corporation registered in the province of Nova Scotia, Canada. Bilcon is a wholly owned subsidiary of Bilcon of Delaware. The resource estimation program by Mercator reflects,





2.2 Abbreviations Used in this Report

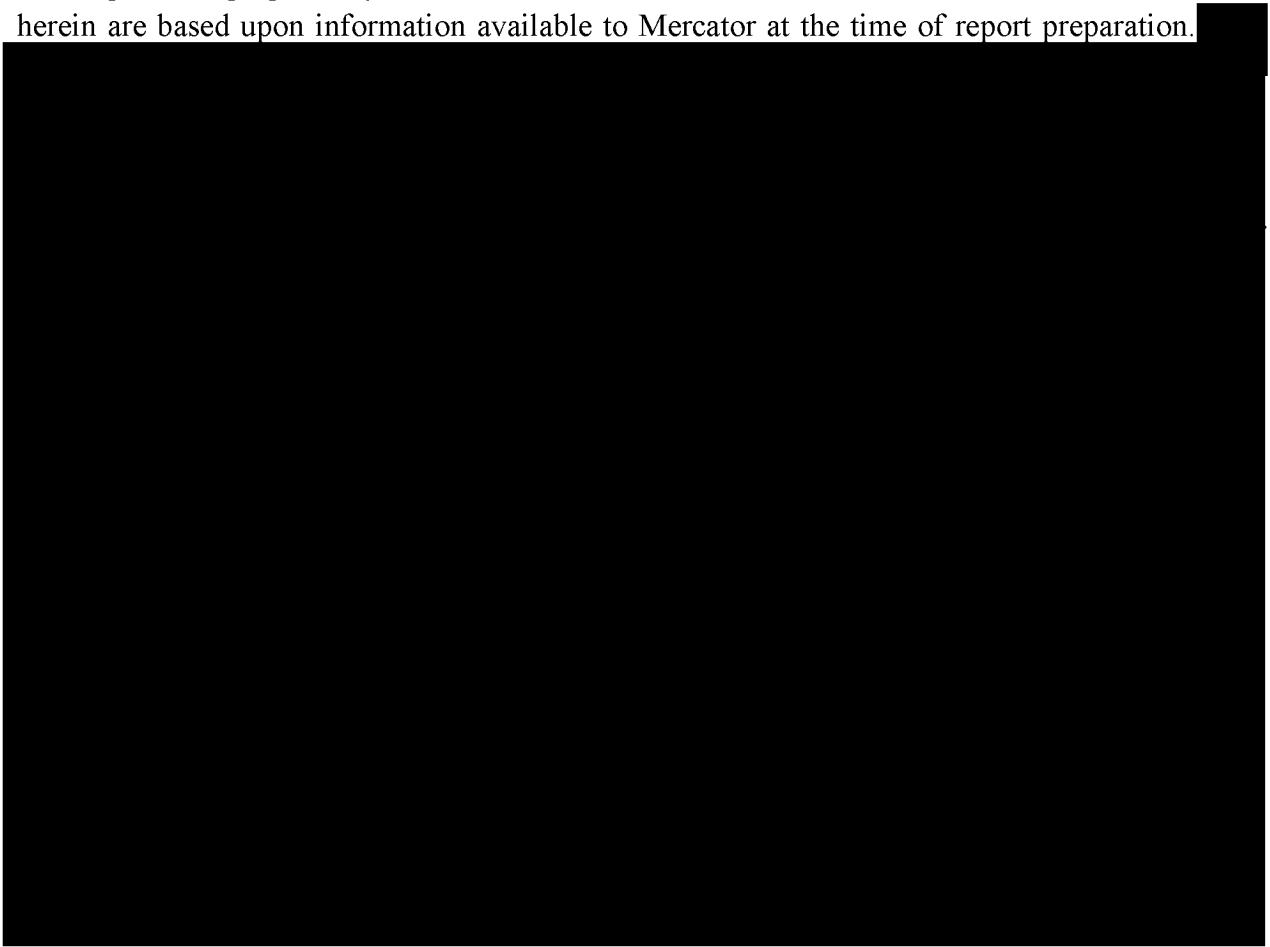
The abbreviations and conversion factors presented below in Table 2.1 have been used in this report. Many of these have been defined where they initially appear in report text. Currency references in this report reflect Canadian funds unless otherwise indicated.

Table 2.1: List of abbreviations and conversions

Bilcon	Bilcon of Nova Scotia Inc.
EIS	Environmental Impact Statement
M	Measured (resource)
Mercator	Mercator Geological Services Limited
MVC	Mineral Valuation & Capital Inc.
NMB	North Mountain Basalt Formation
NSE	Nova Scotia Environment
NSDEL	Nova Scotia Department of Environment and Labour
NSDNR	Nova Scotia Department of Natural Resources
NYSDOT	New York State Department of Transportation
PID	Property Identification Number
mm, cm, m,	millimeter, centimeter, meter
km, ha, C, g, kg, t, T	kilometer, hectare, Celsius, gram, kilogram, tonne, ton

3.0 Reliance on Other Experts

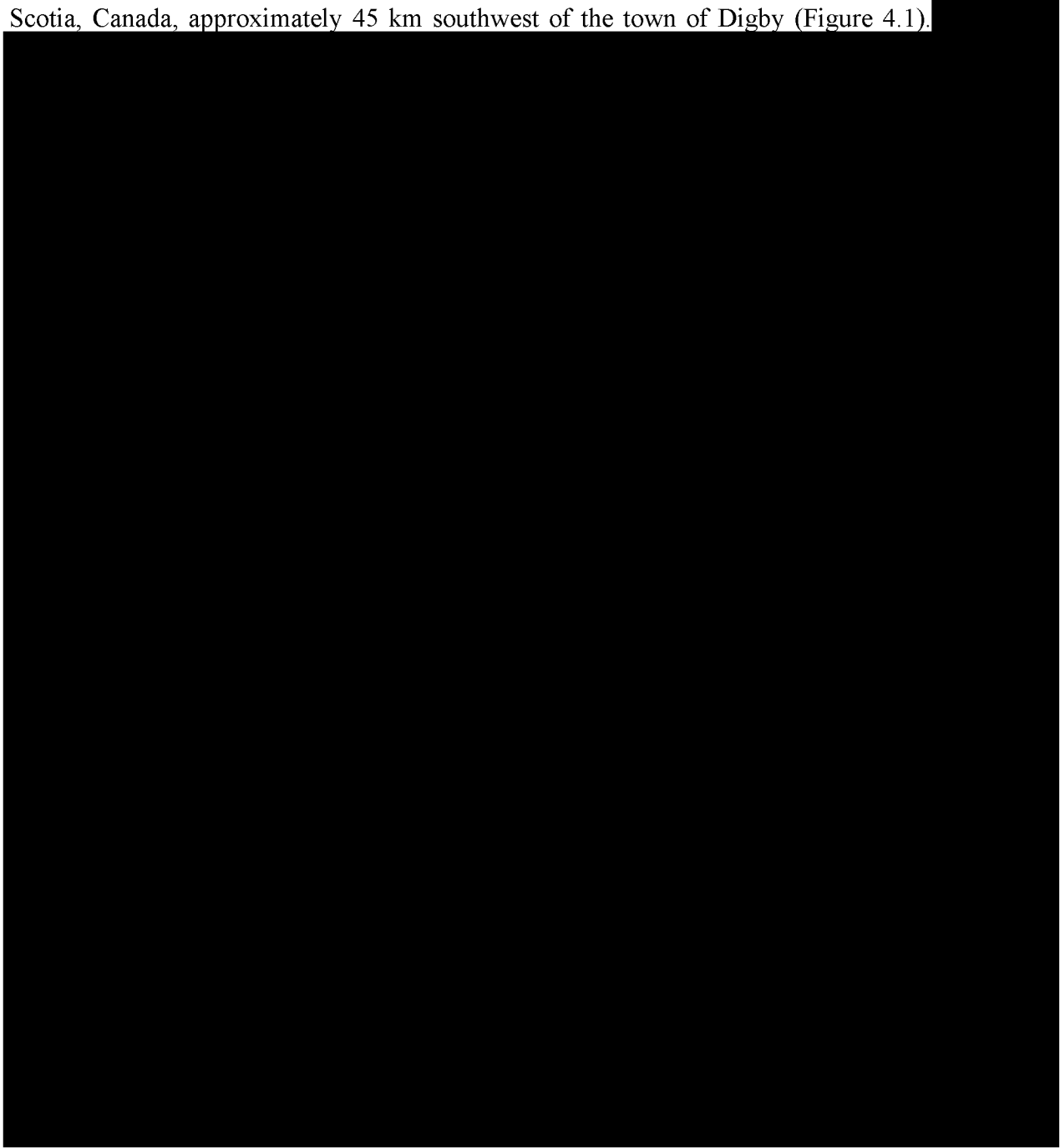
This report was prepared by Mercator for Bilcon and the information and conclusions contained herein are based upon information available to Mercator at the time of report preparation.

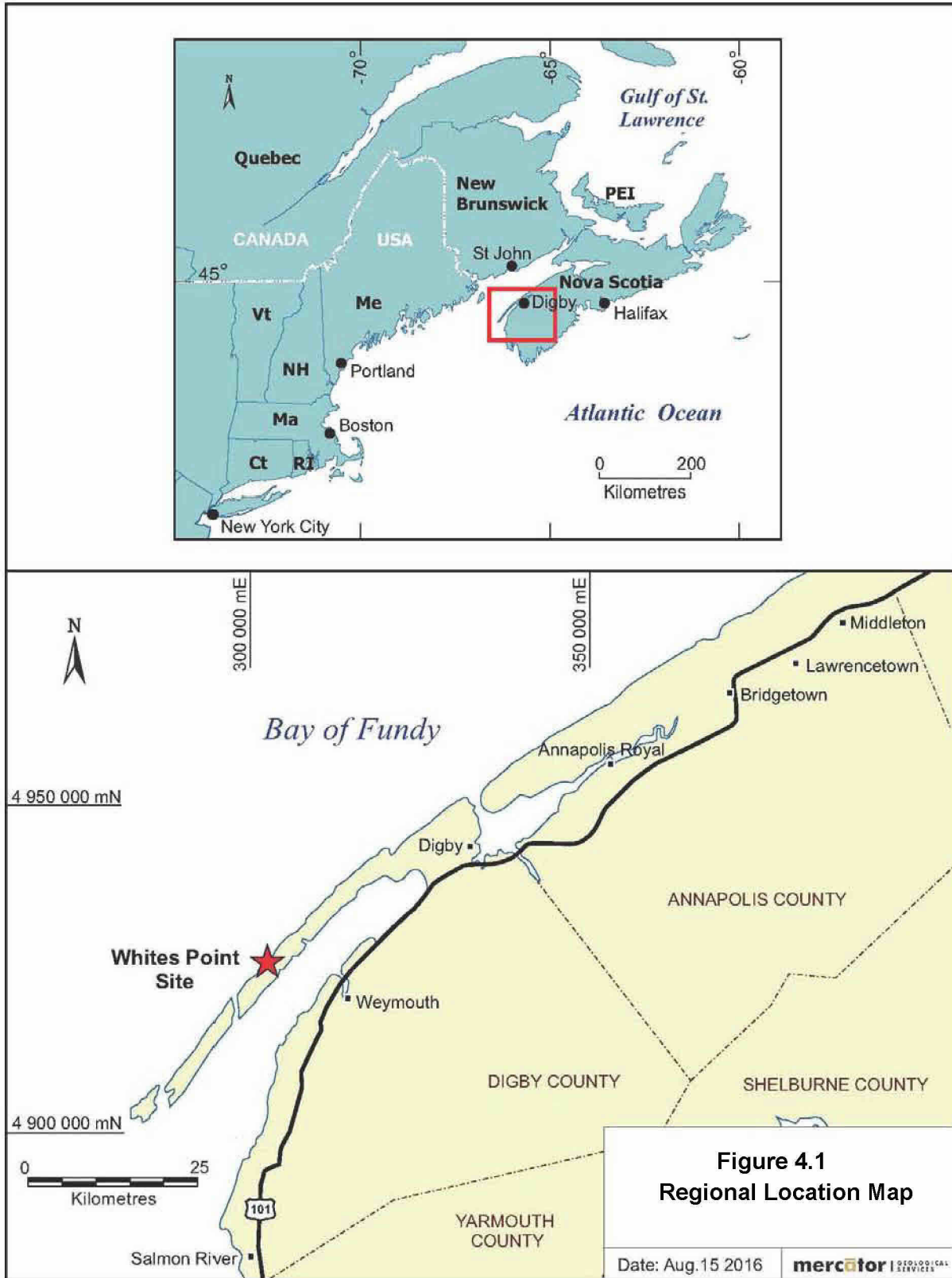


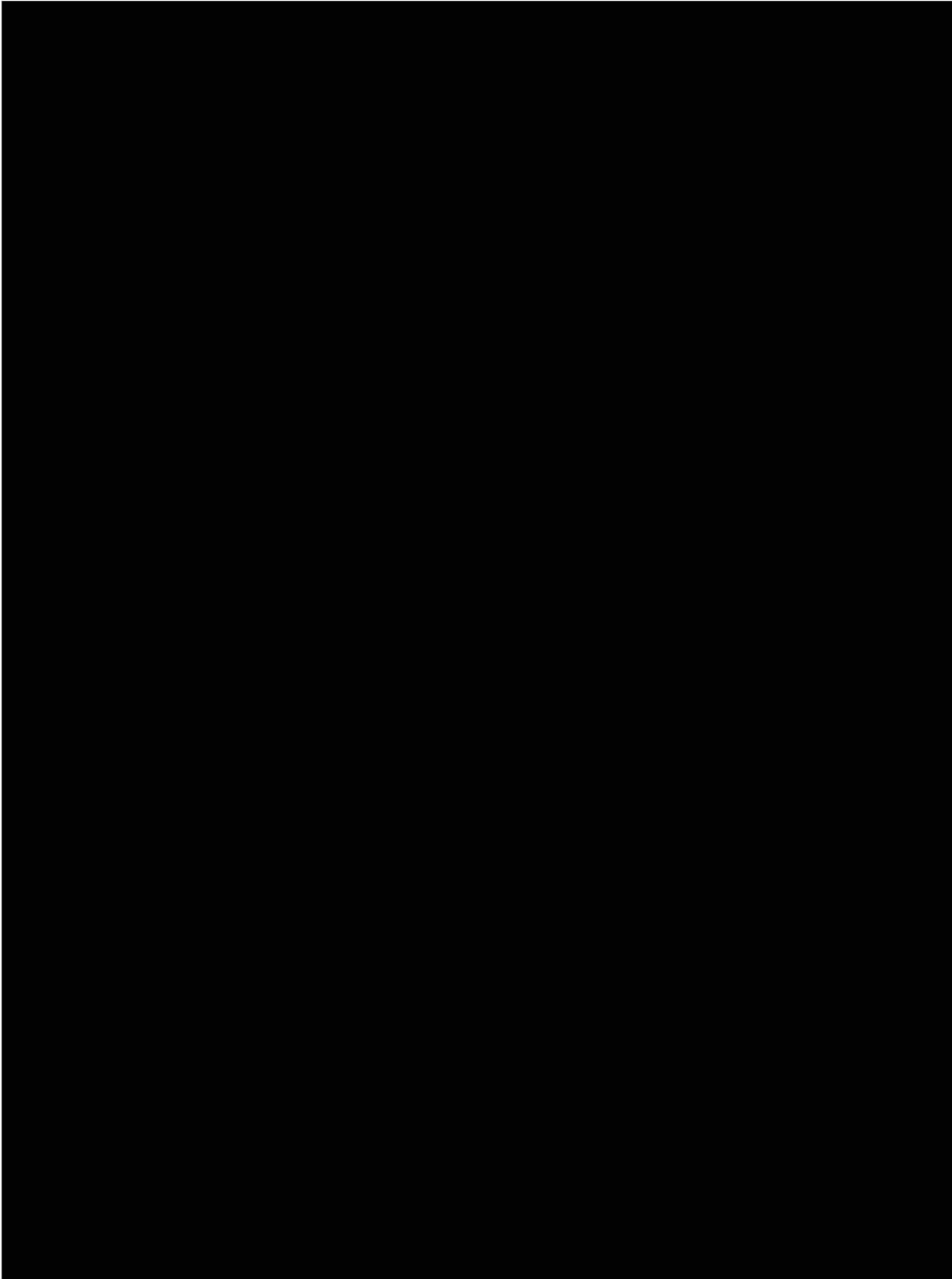
4.0 Property Description and Location

4.1 Introduction

The basalt deposit that is the focus of this report is located at Whites Point, Digby County, Nova Scotia, Canada, approximately 45 km southwest of the town of Digby (Figure 4.1).





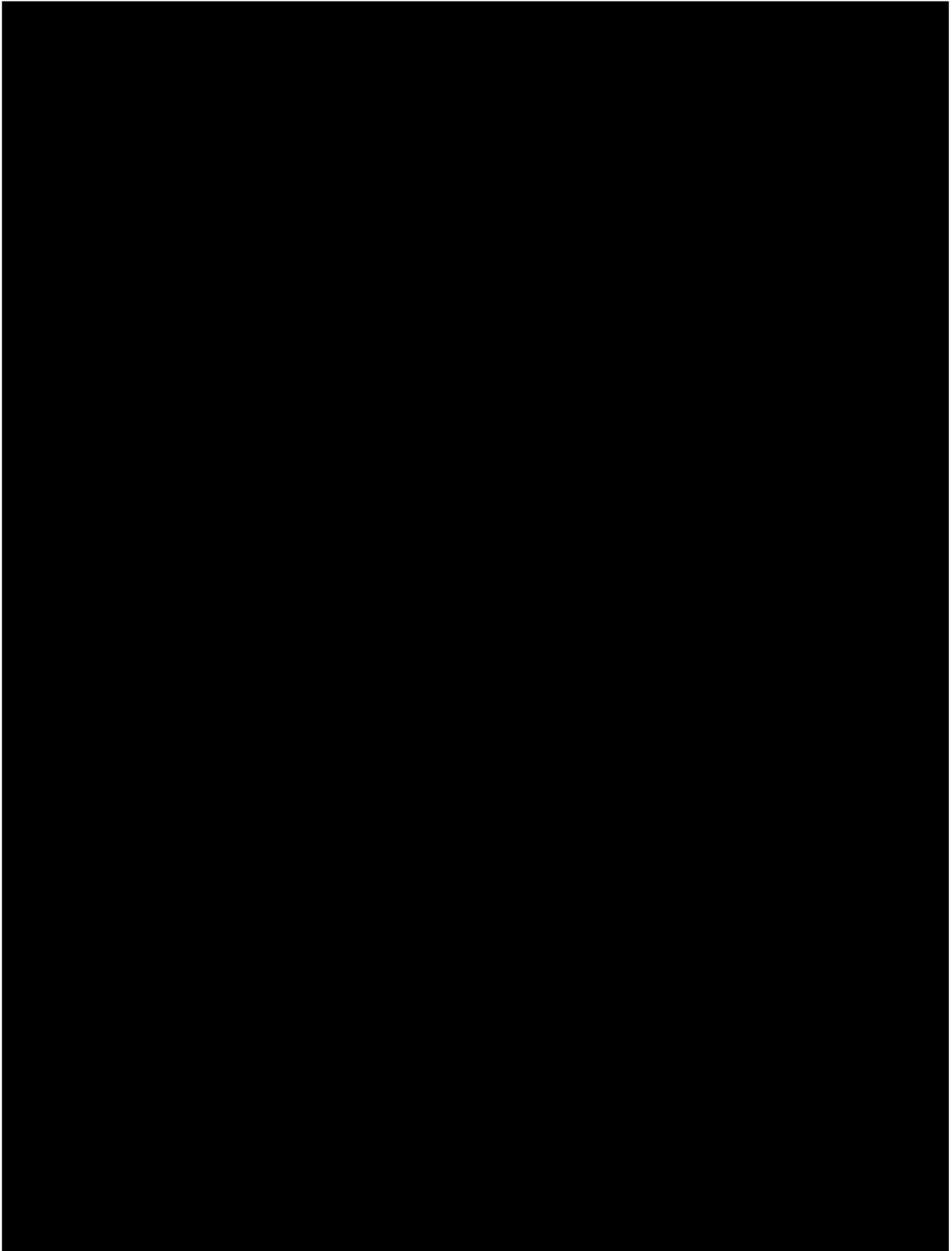


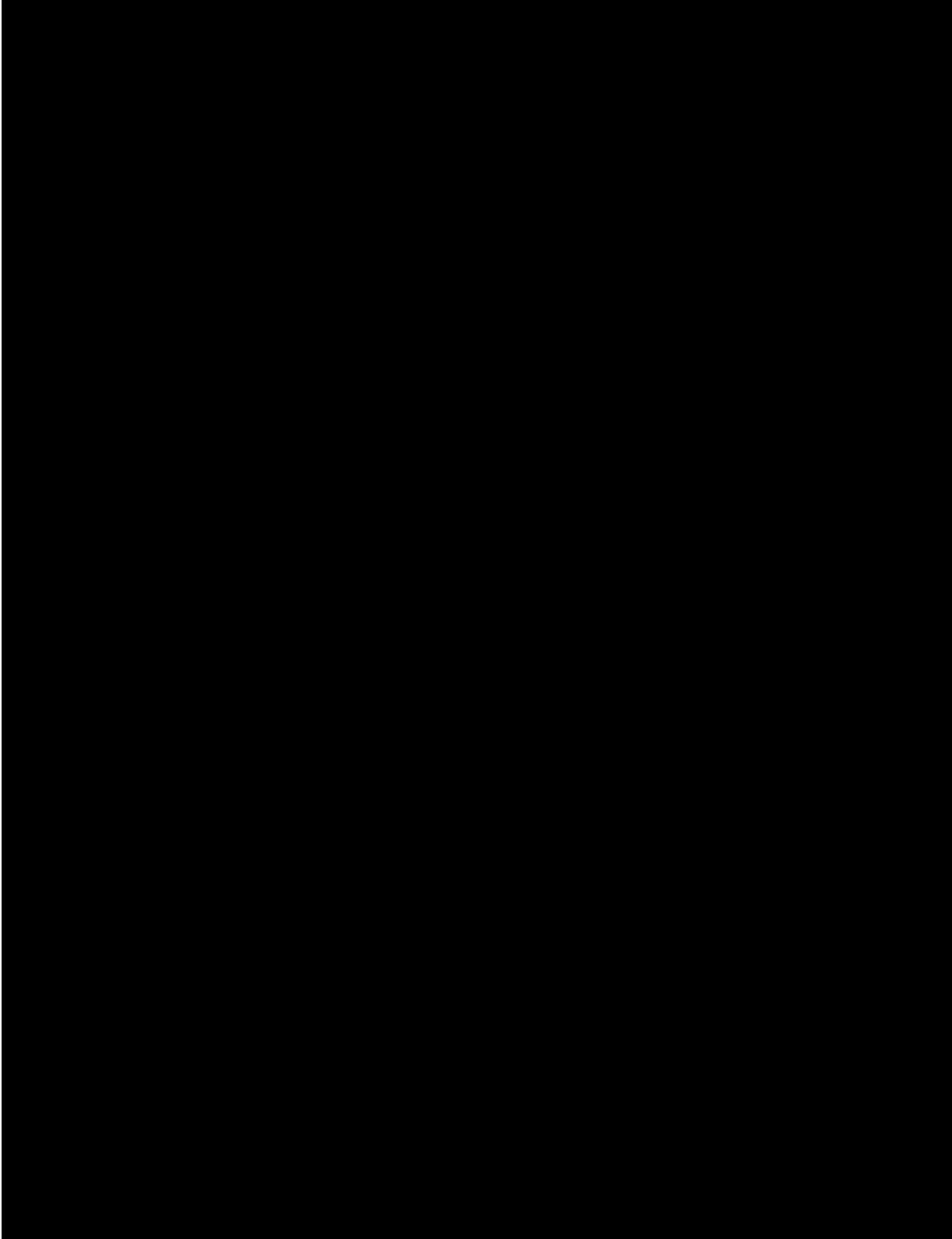
4.4 Permitting Requirements for Quarry Operations in Nova Scotia

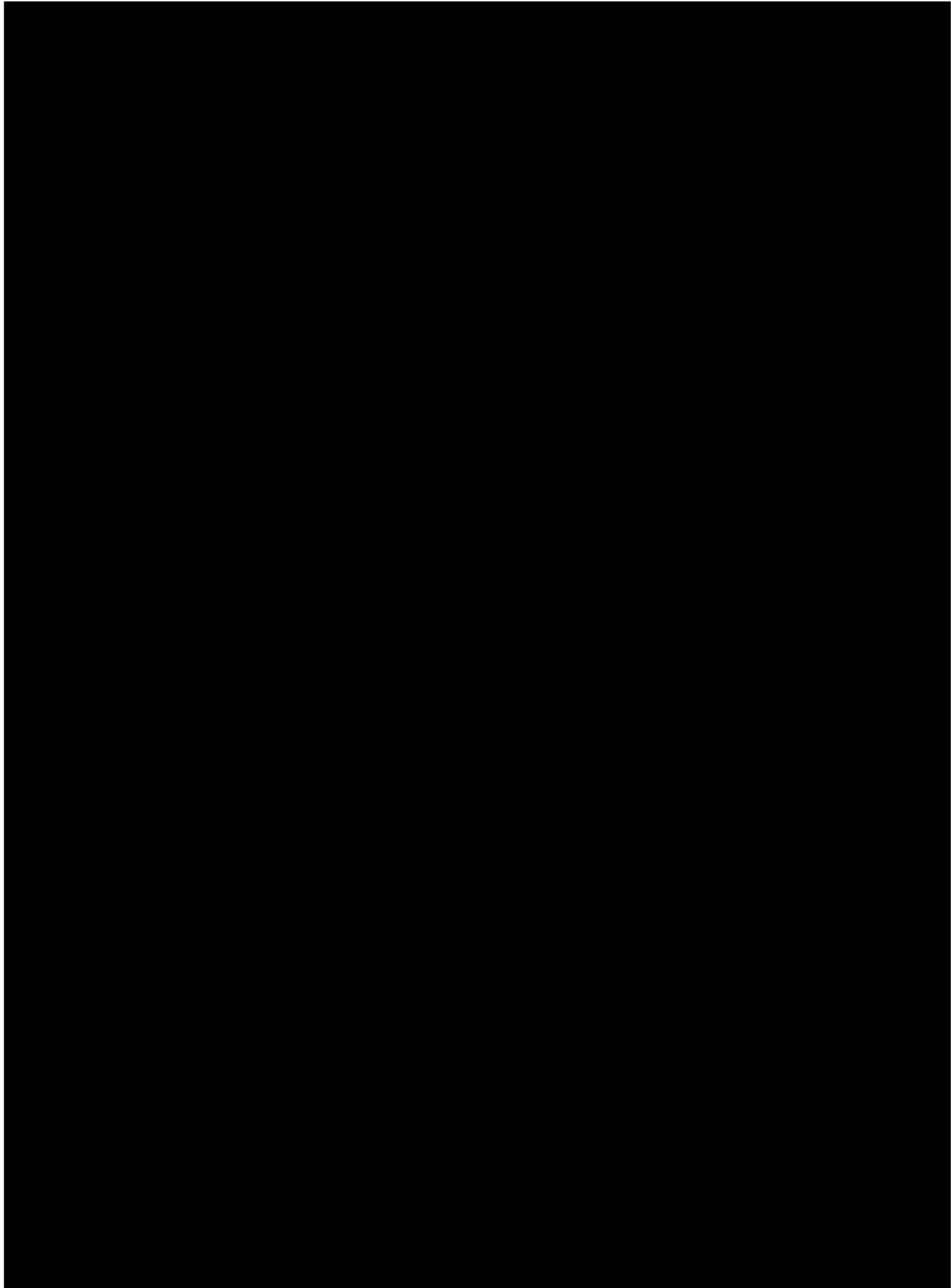
In addition to permission from the surface rights owner, environmental approval from the province of Nova Scotia and the government of Canada would be required for a basalt quarry and marine terminal project to proceed at the Whites Point site. This is set out at the provincial level in the *Nova Scotia Environment Act* and federally in the *Canadian Environmental Assessment Act*.

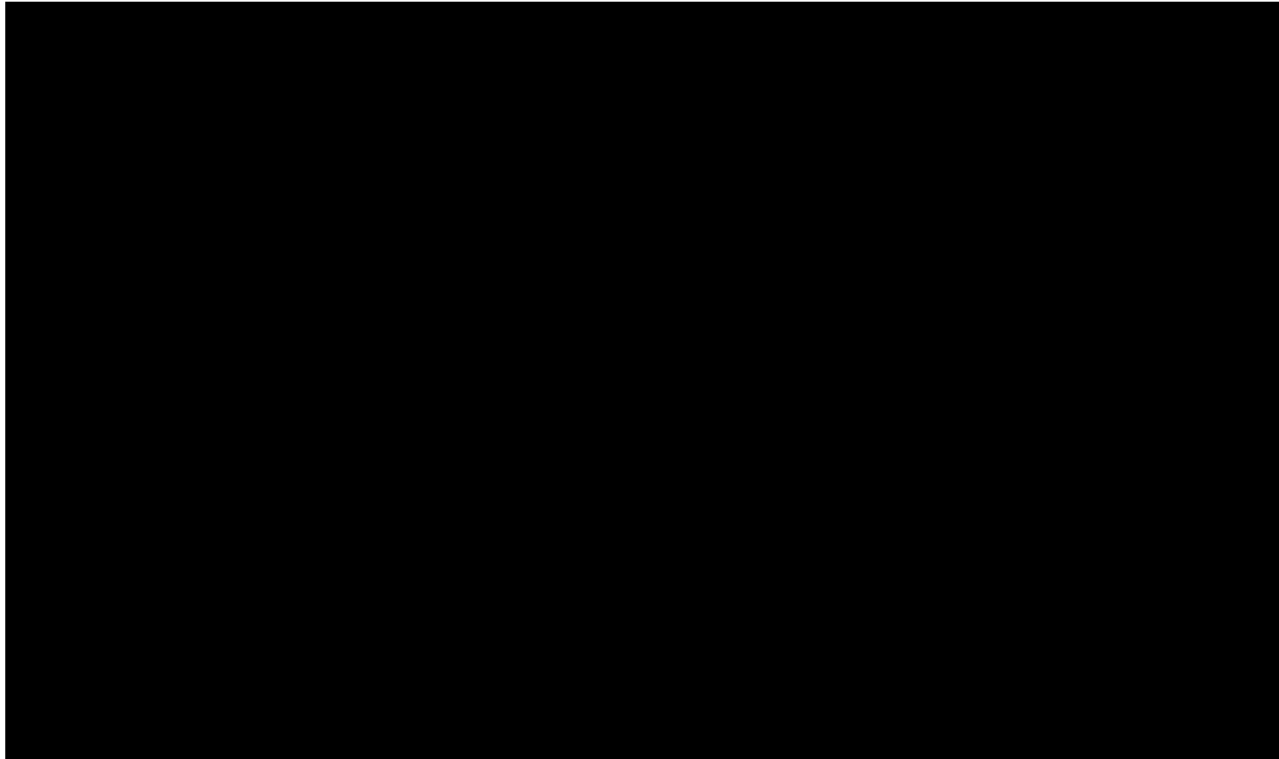
Mining and quarrying projects in Nova Scotia require additional provincial approvals, including an Industrial Approval and, in most instances, an approval to construct and operate sewage works or an on-site sewage disposal system. Some projects may also require approvals for watercourse crossings, water withdrawals or wetland alterations.





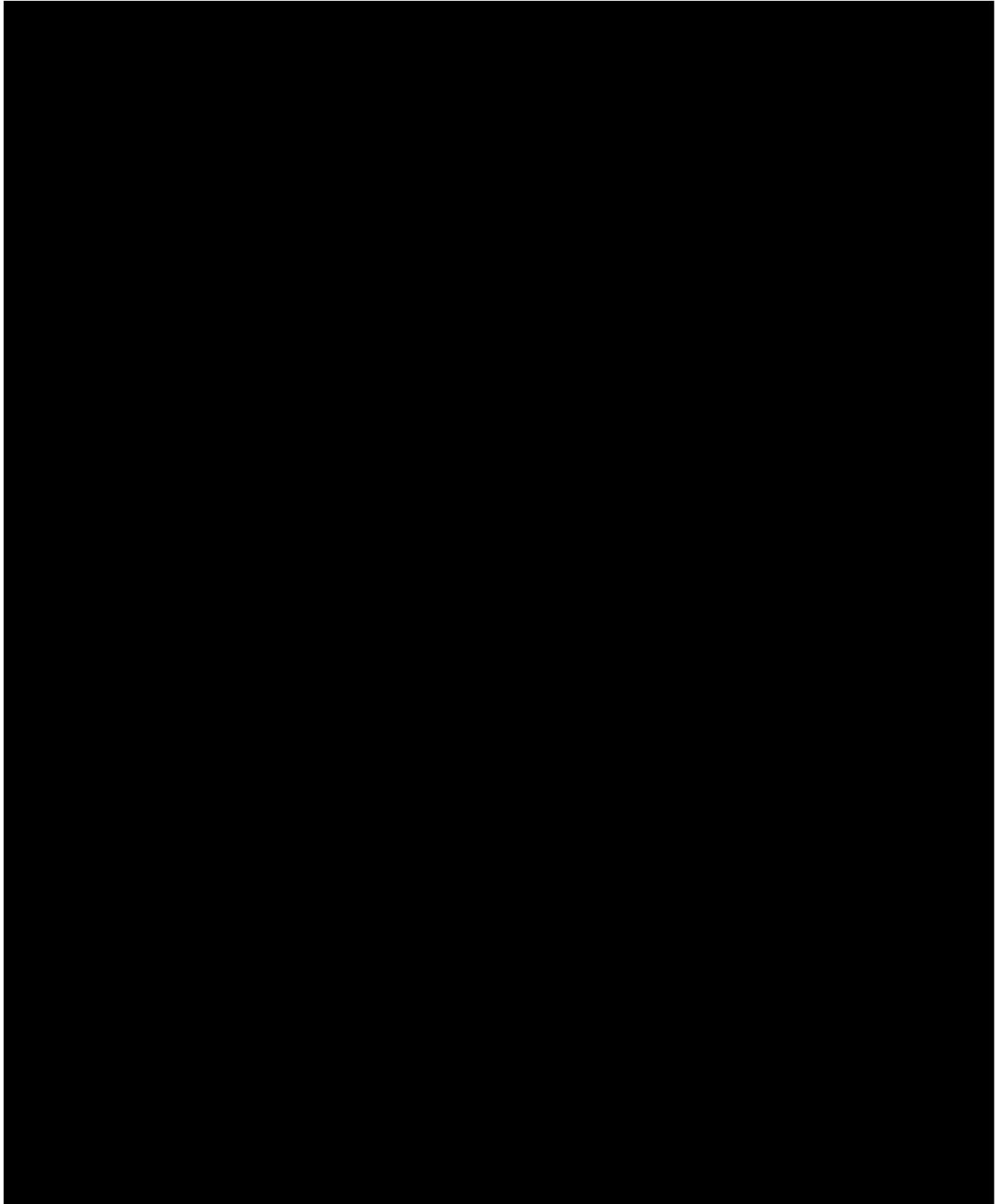


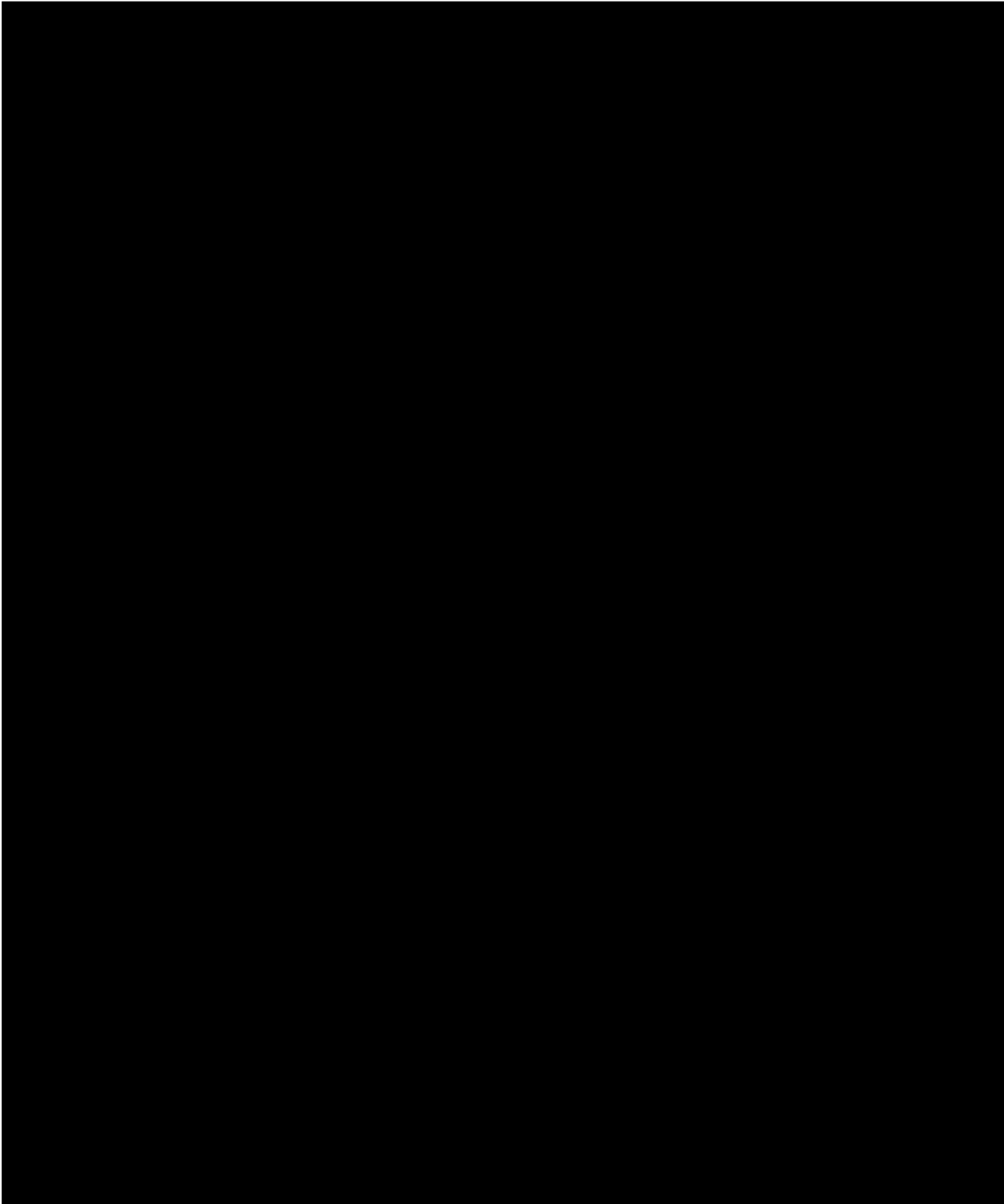


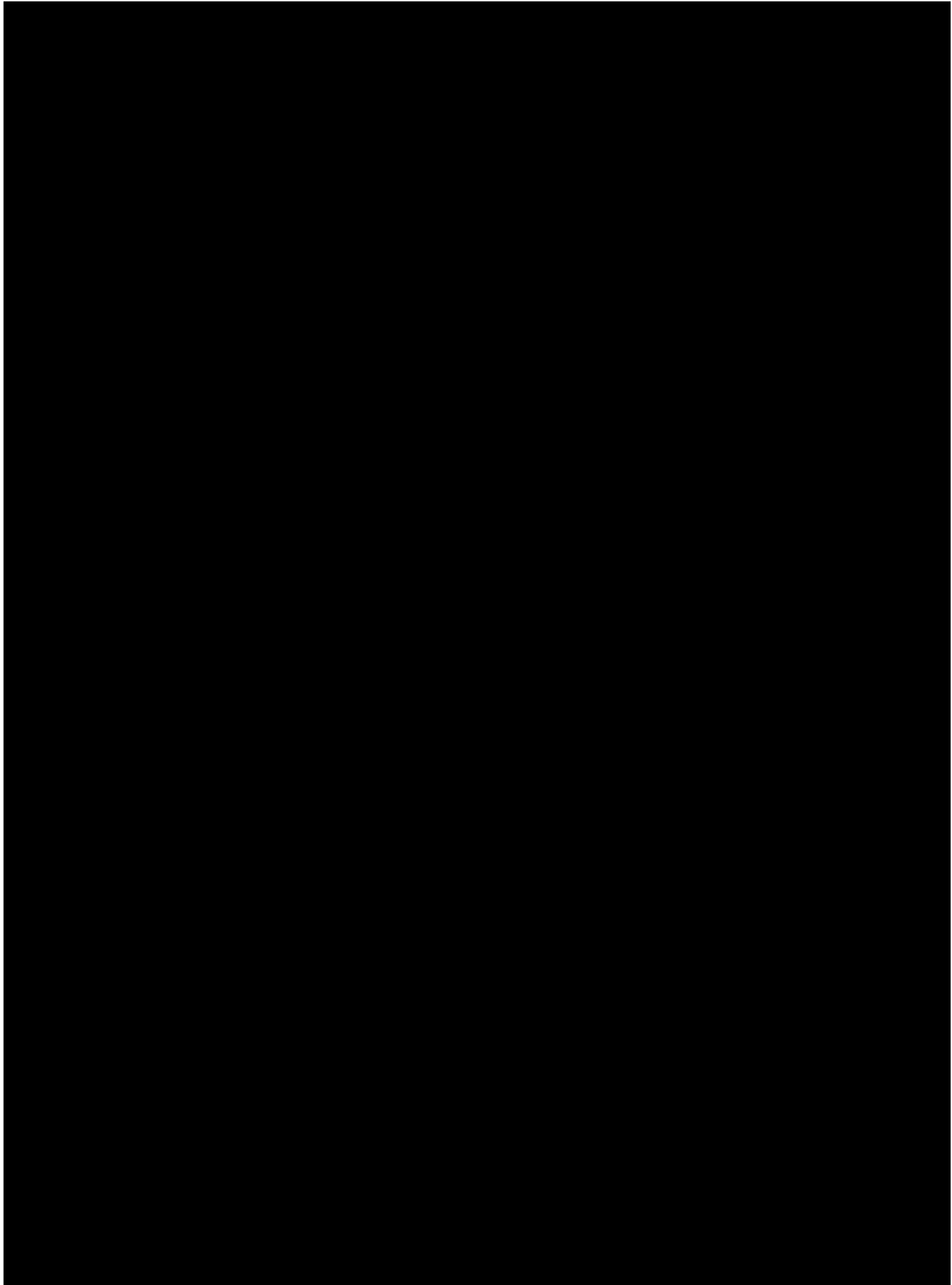


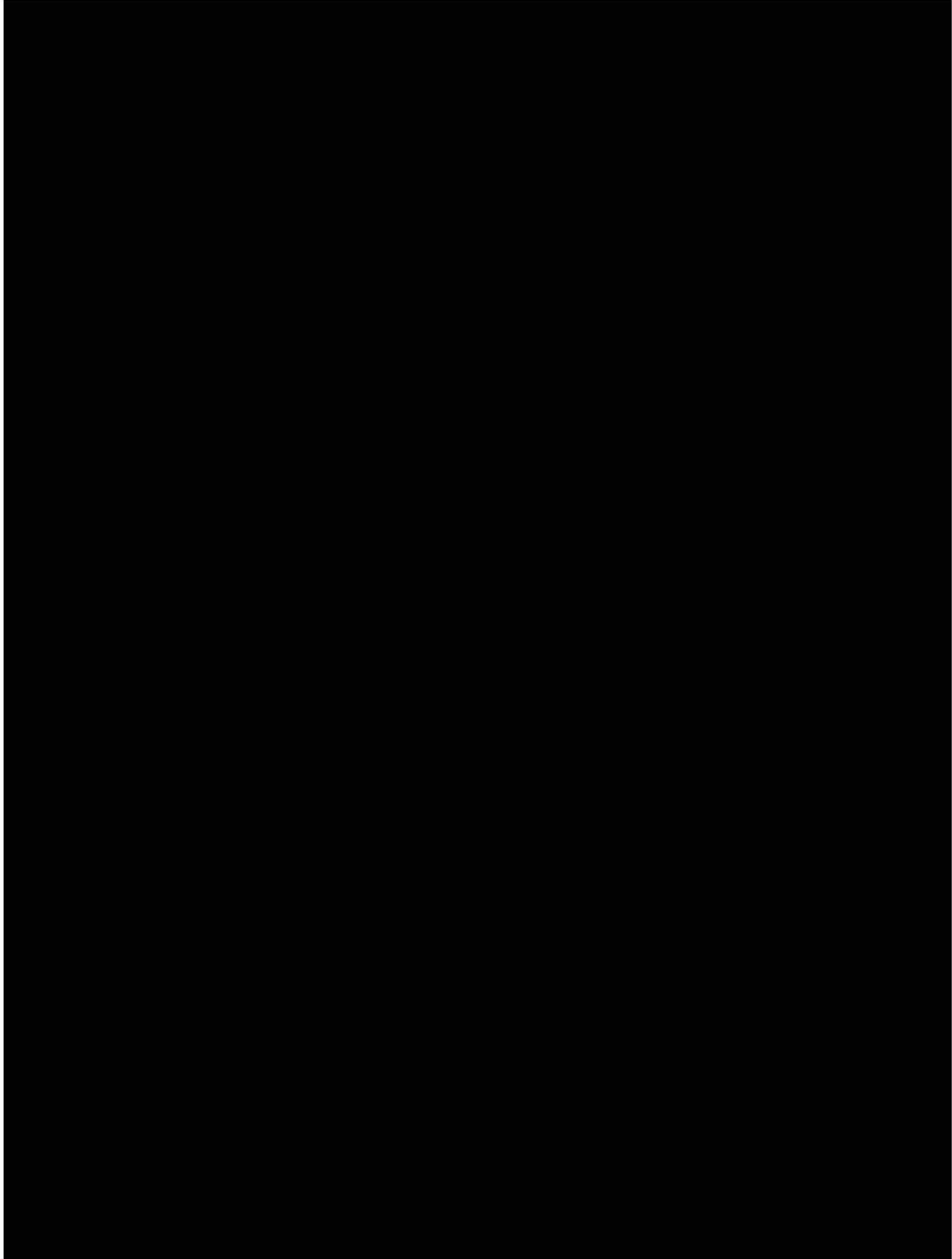
6.0 History

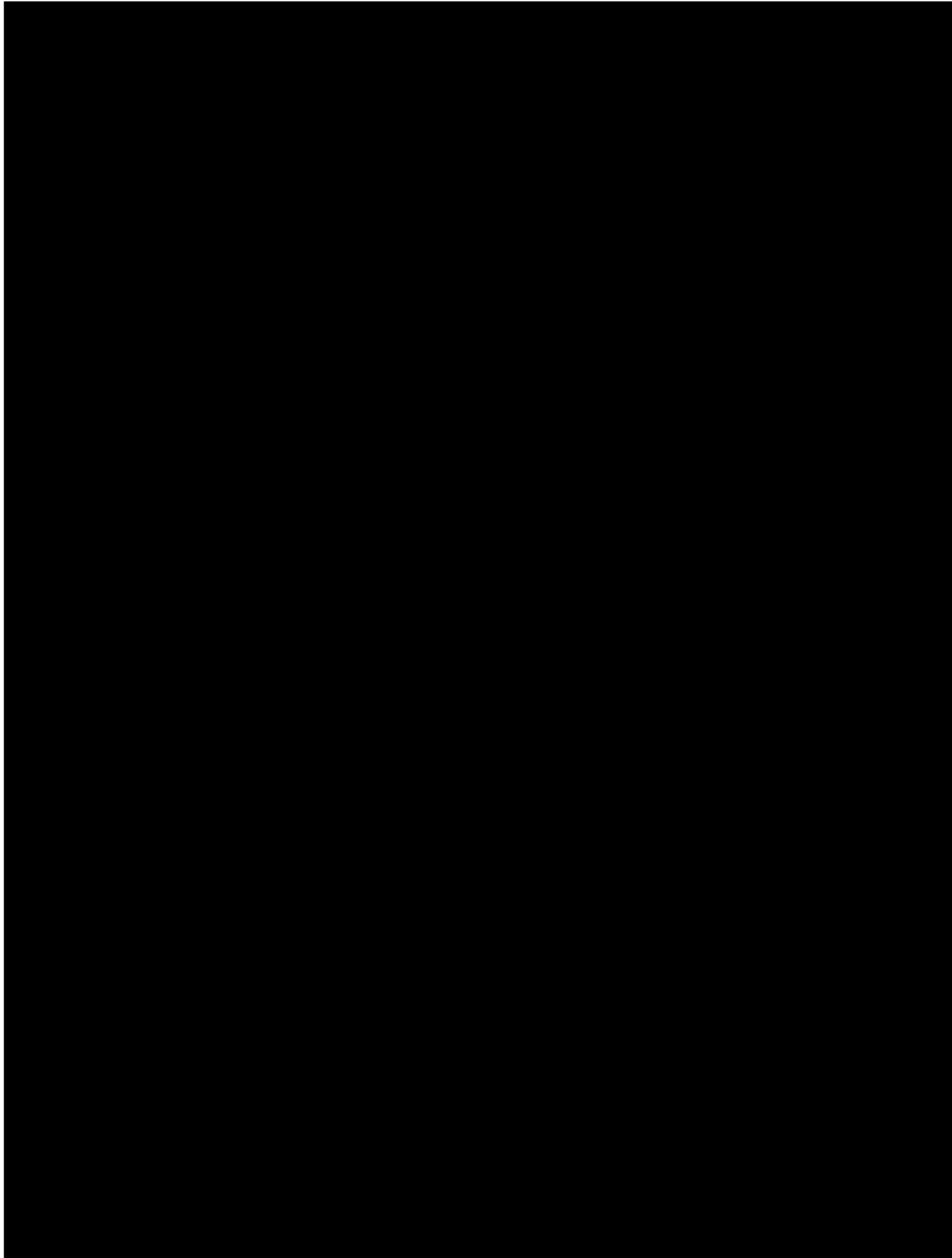
6.1 Introduction

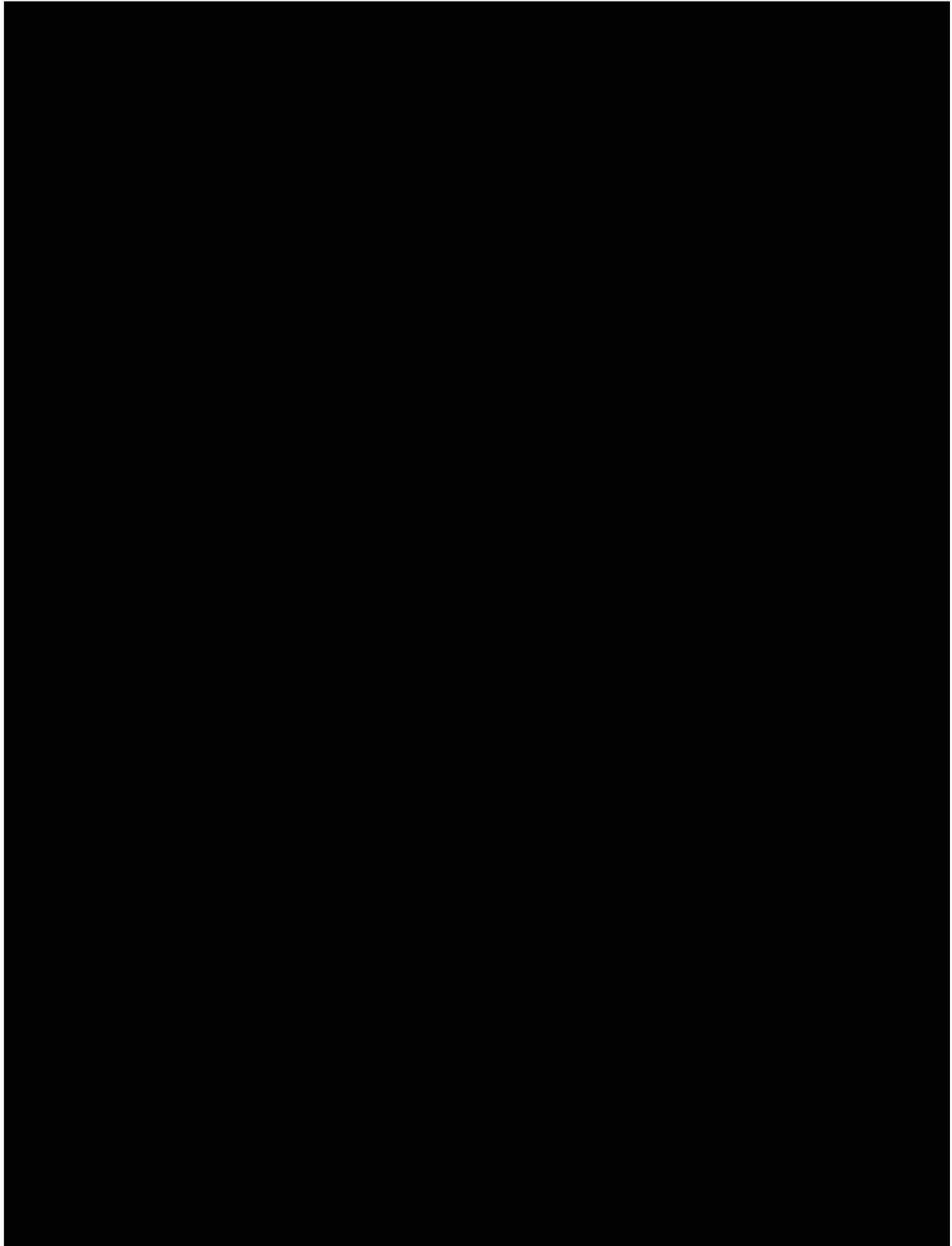


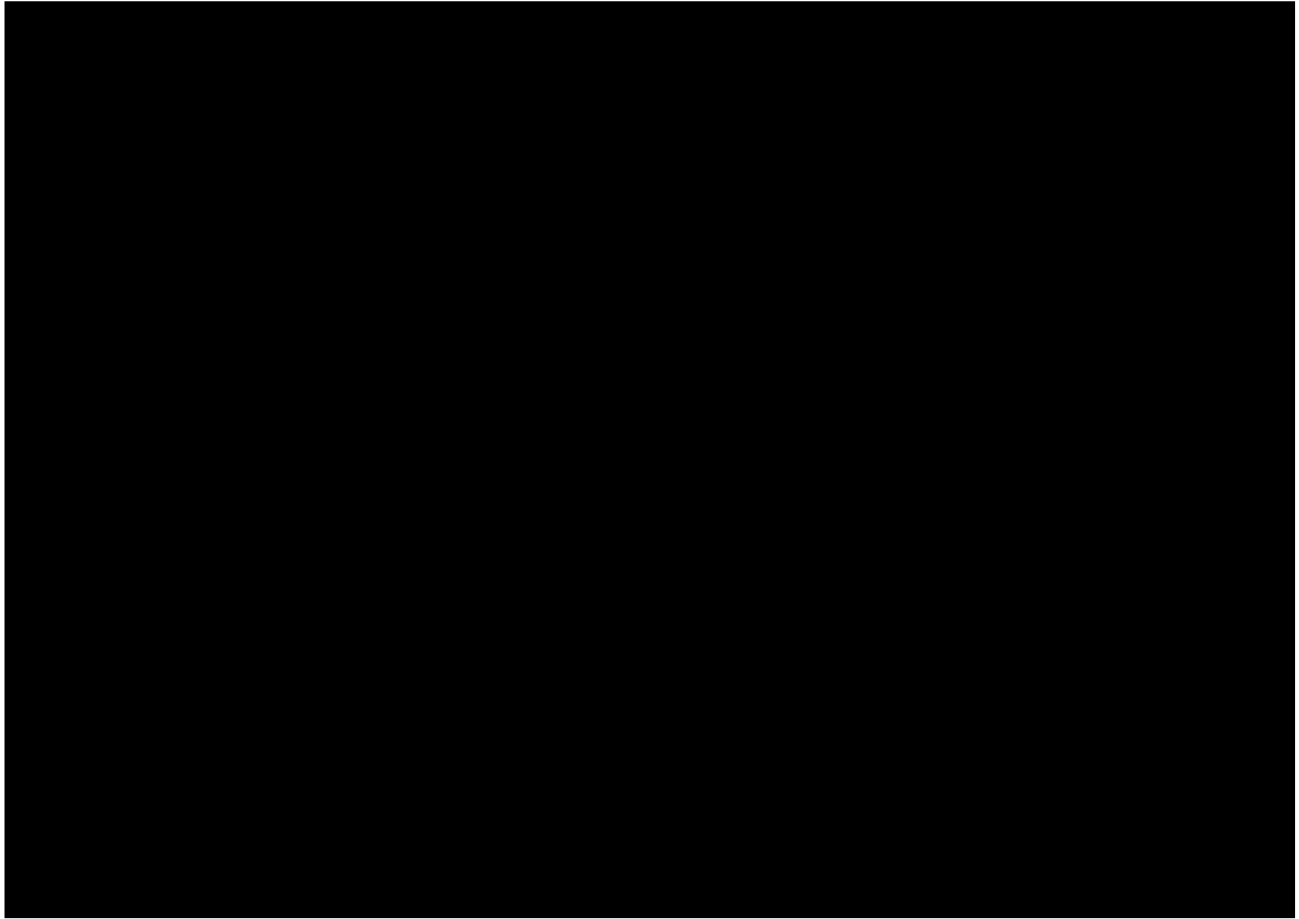




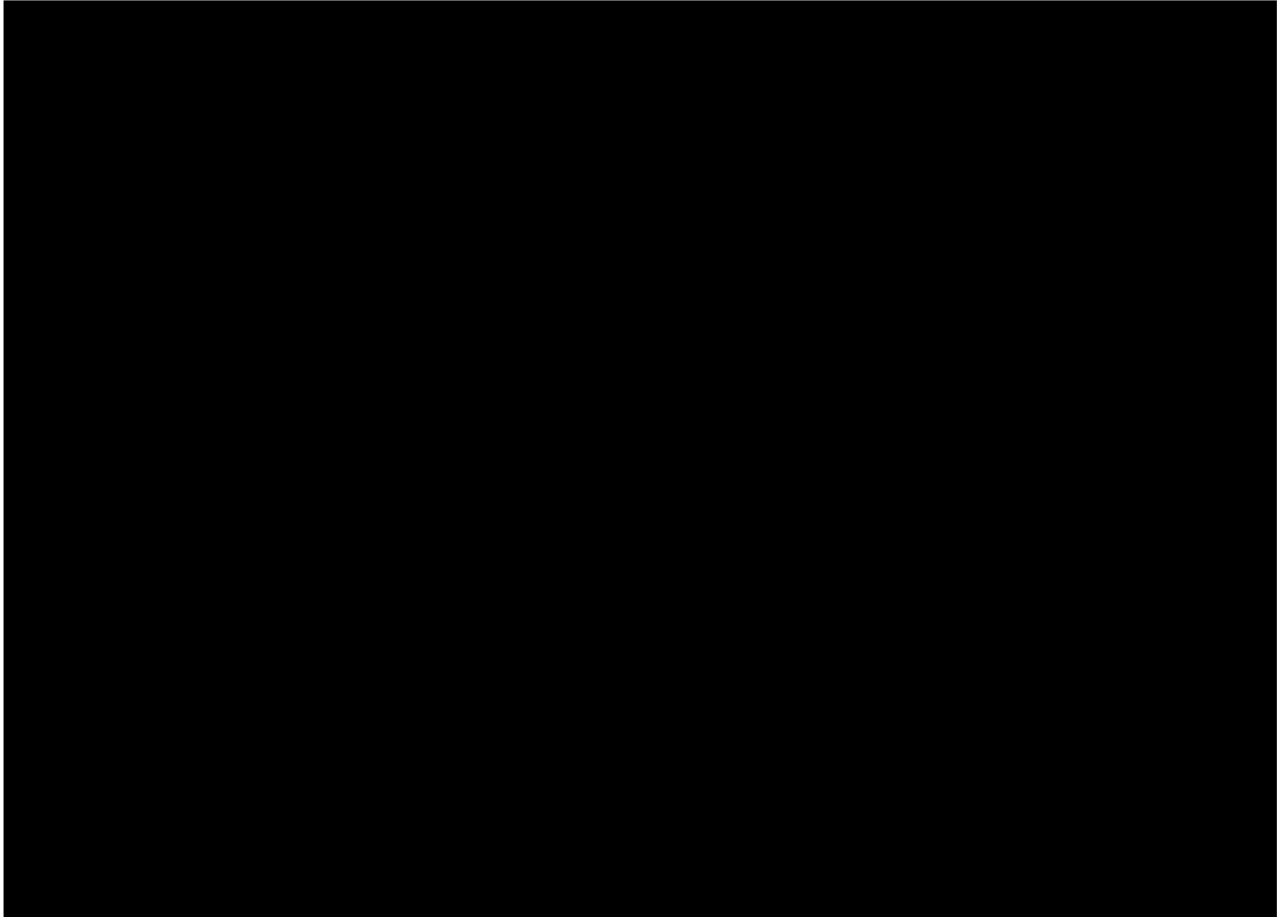


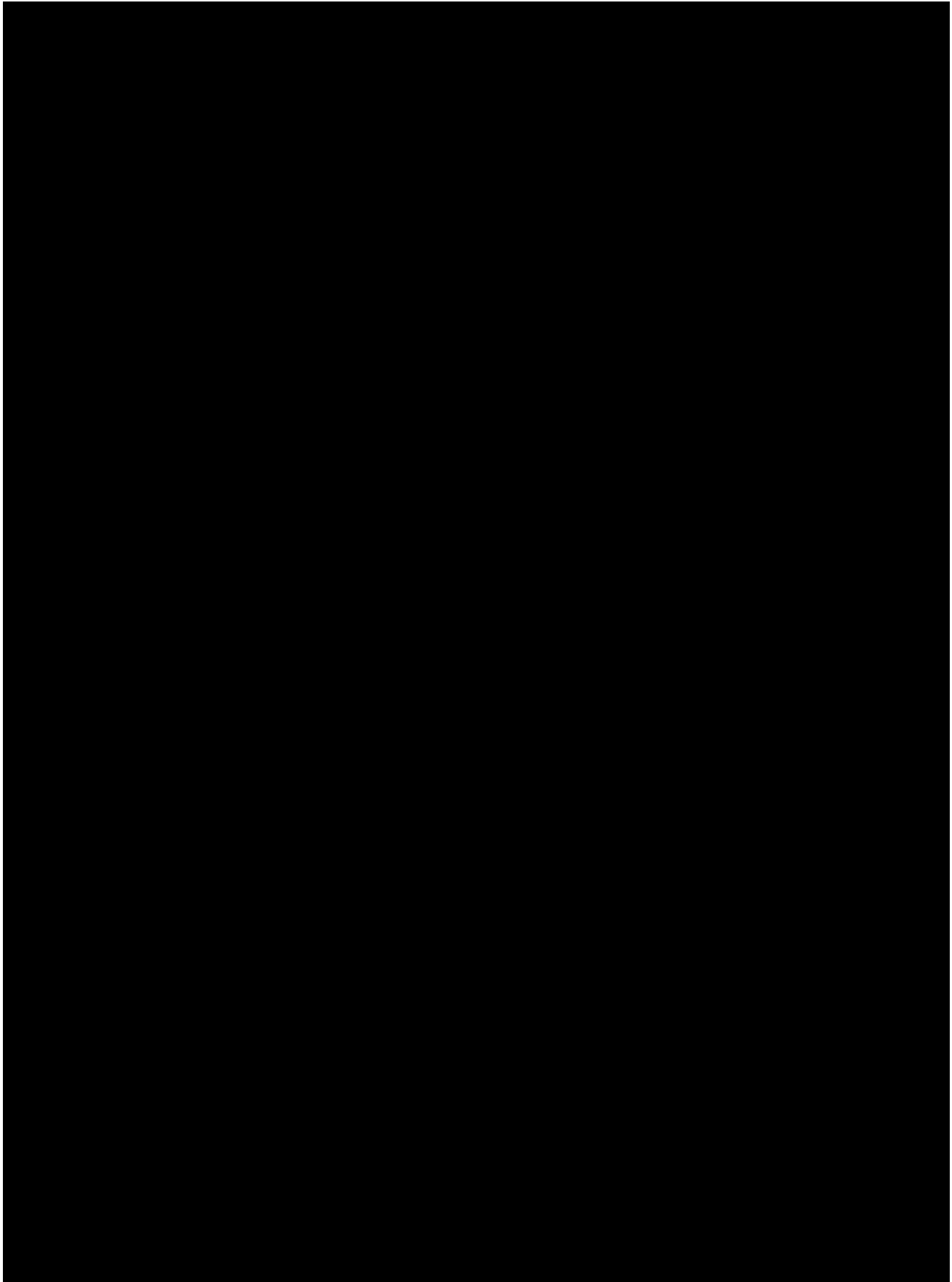


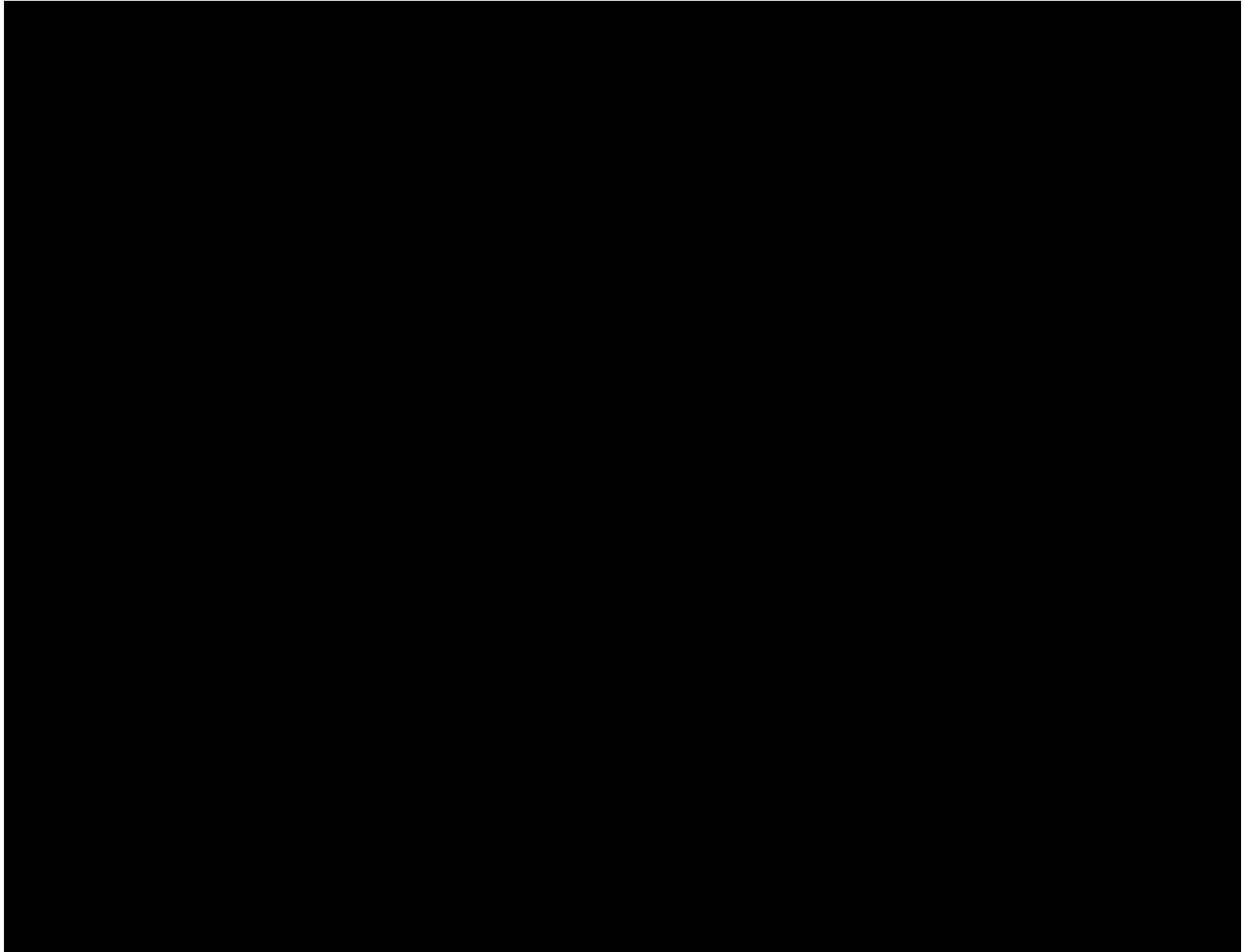


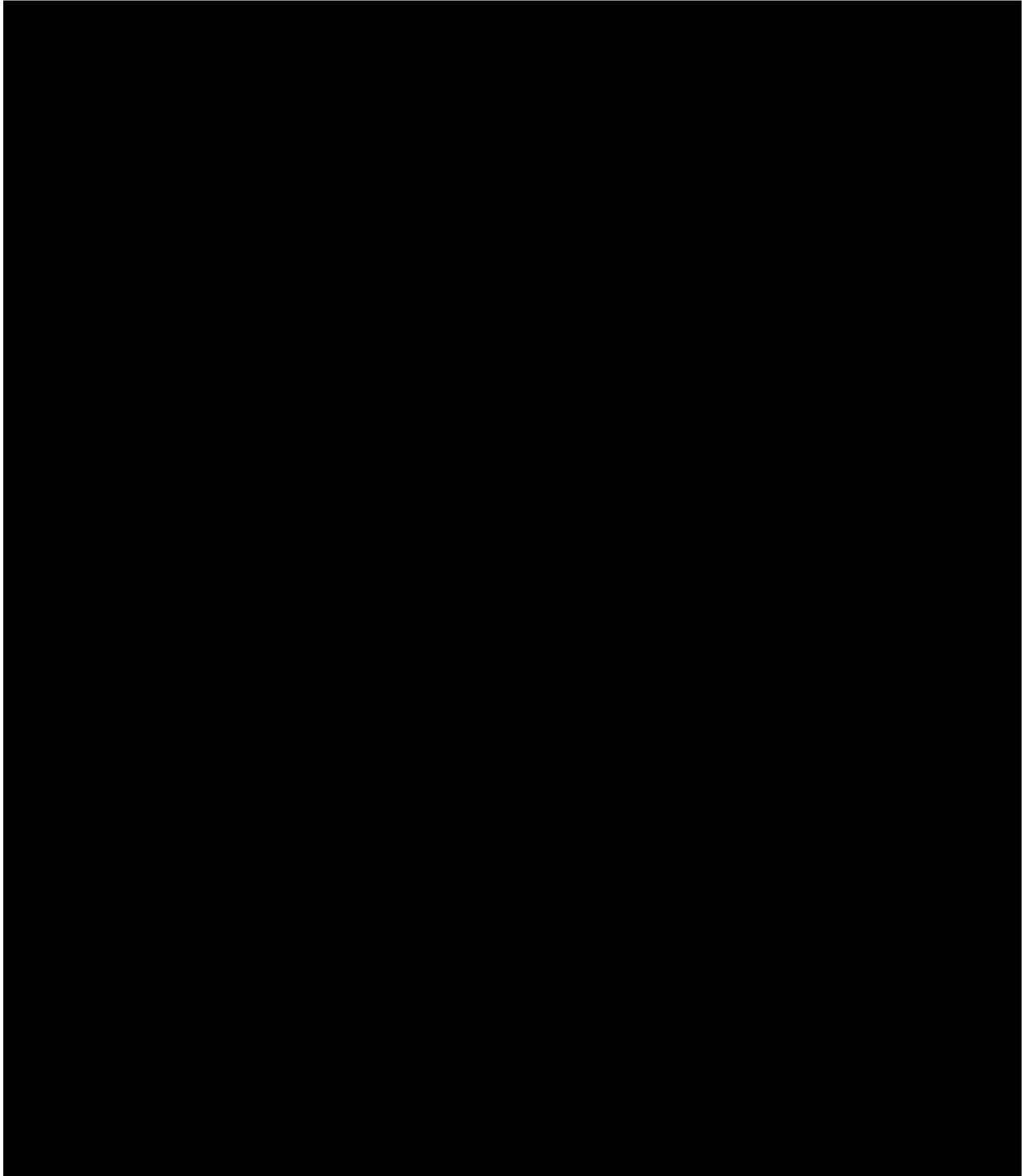


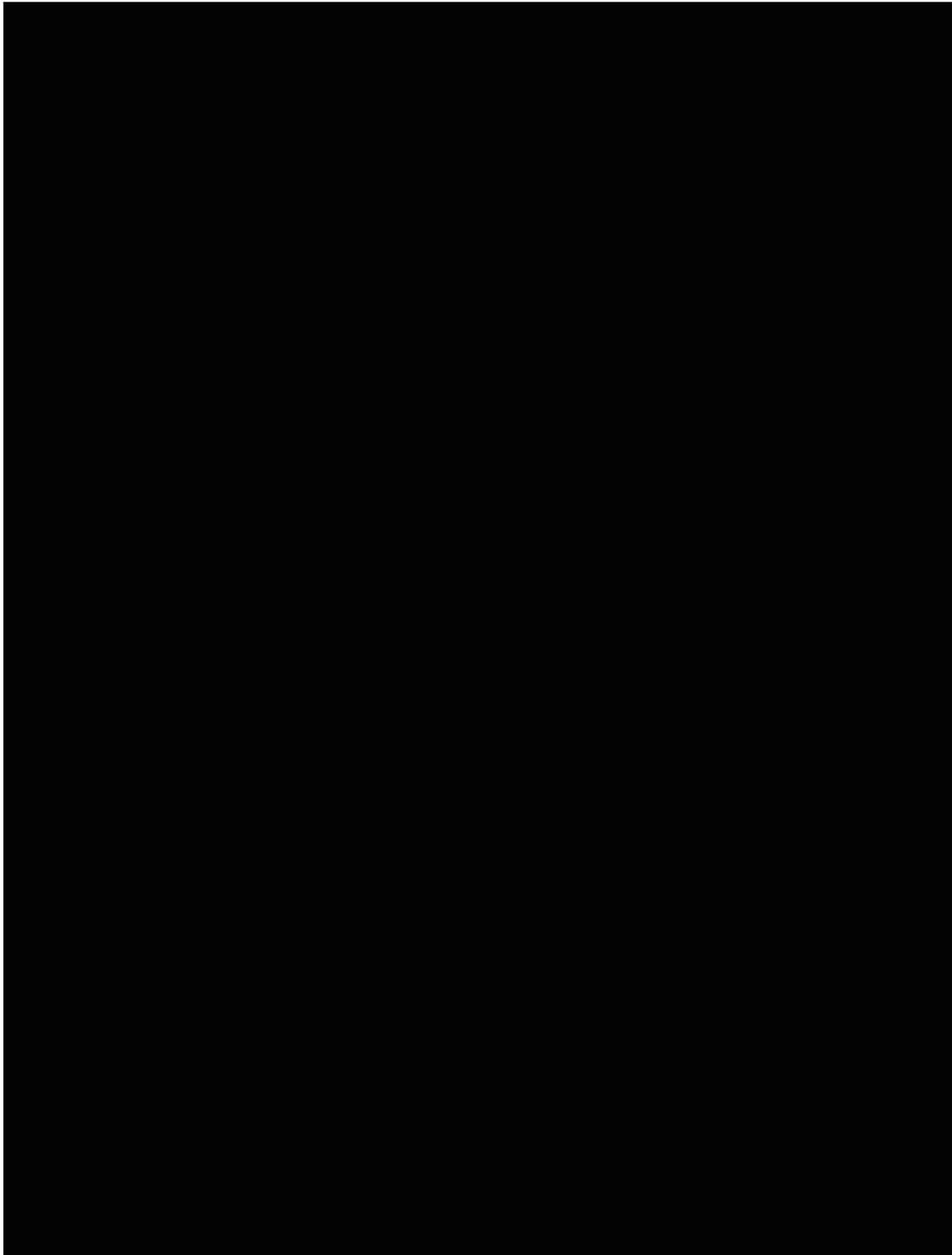
8.0 Deposit Types

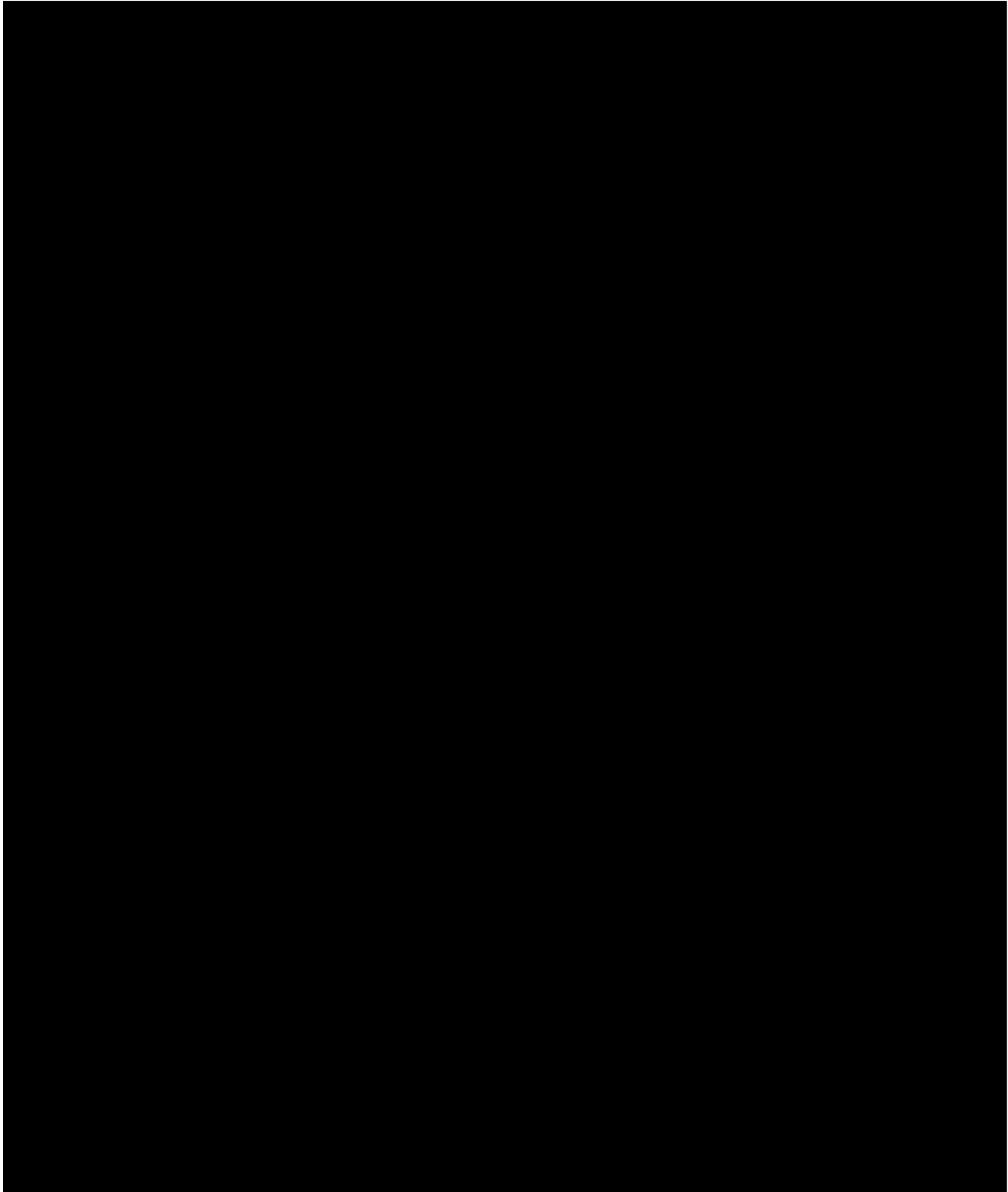


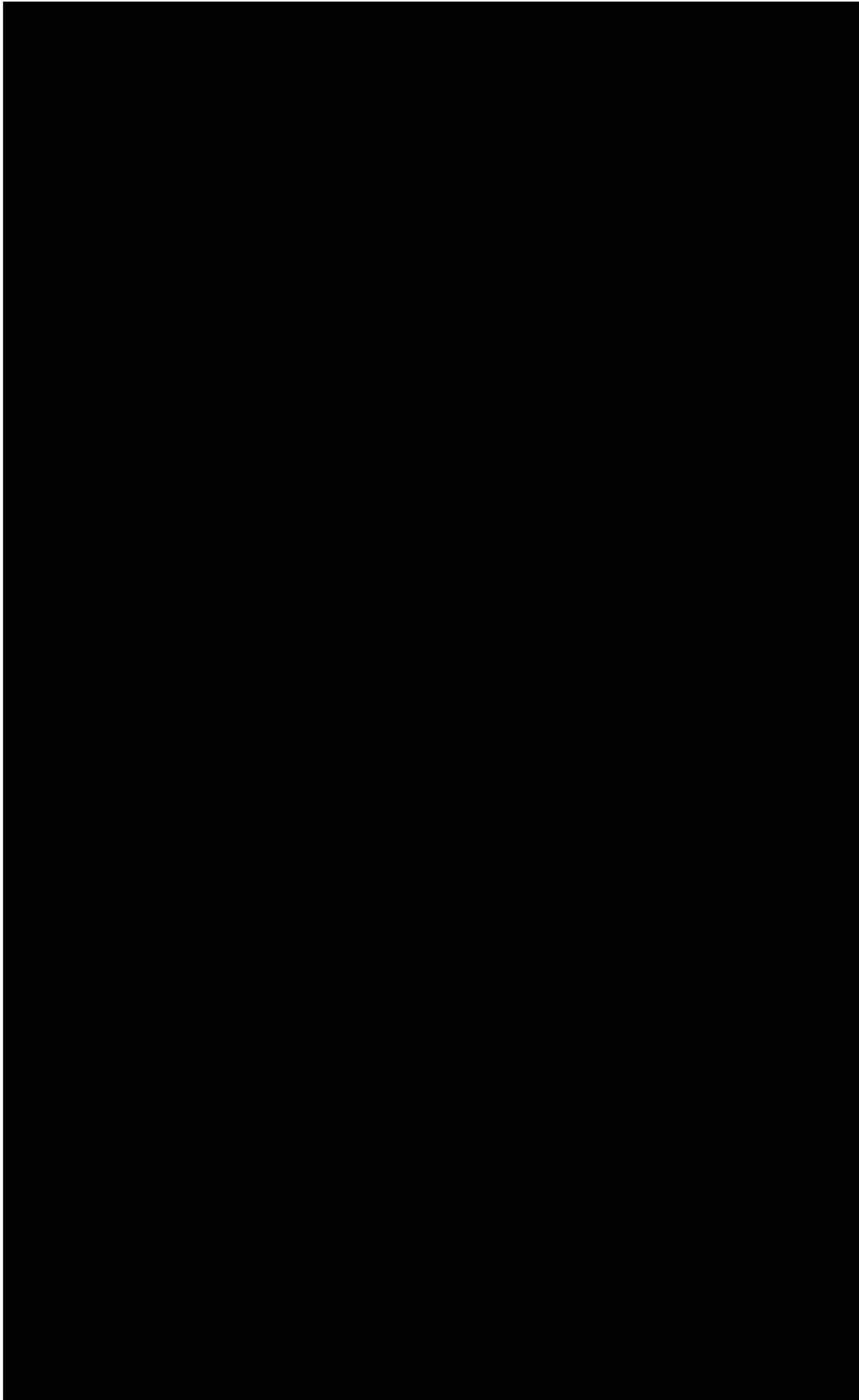


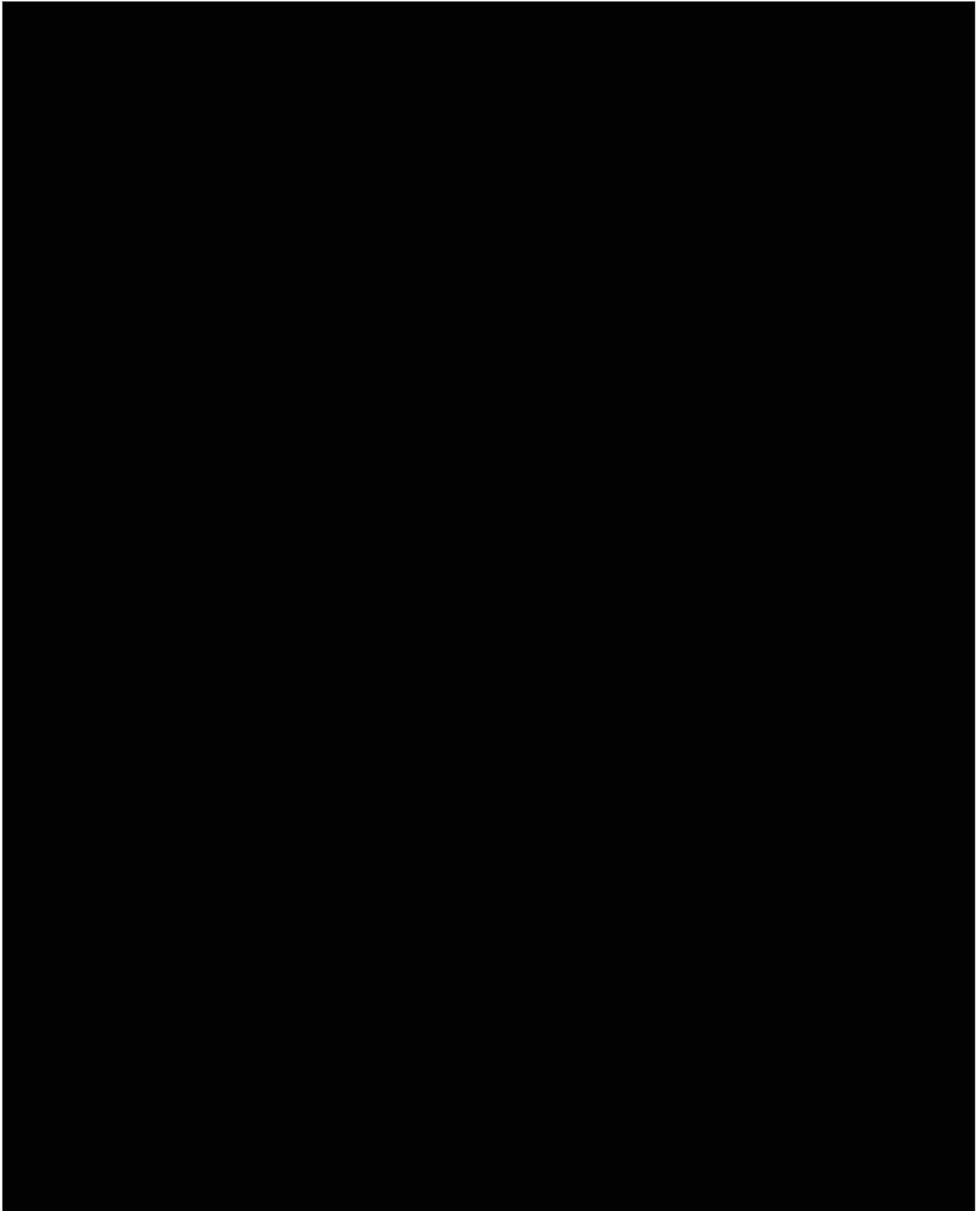




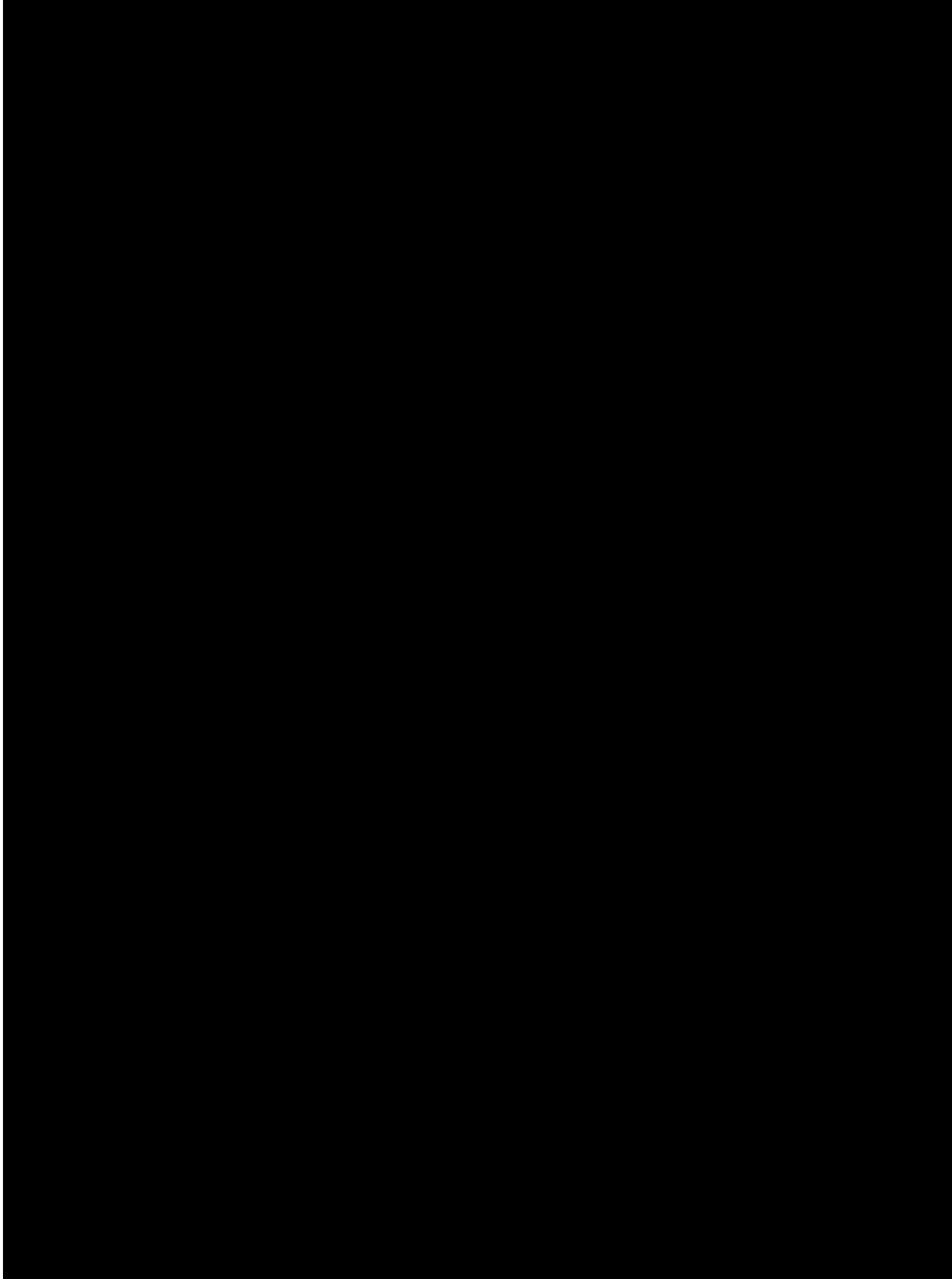


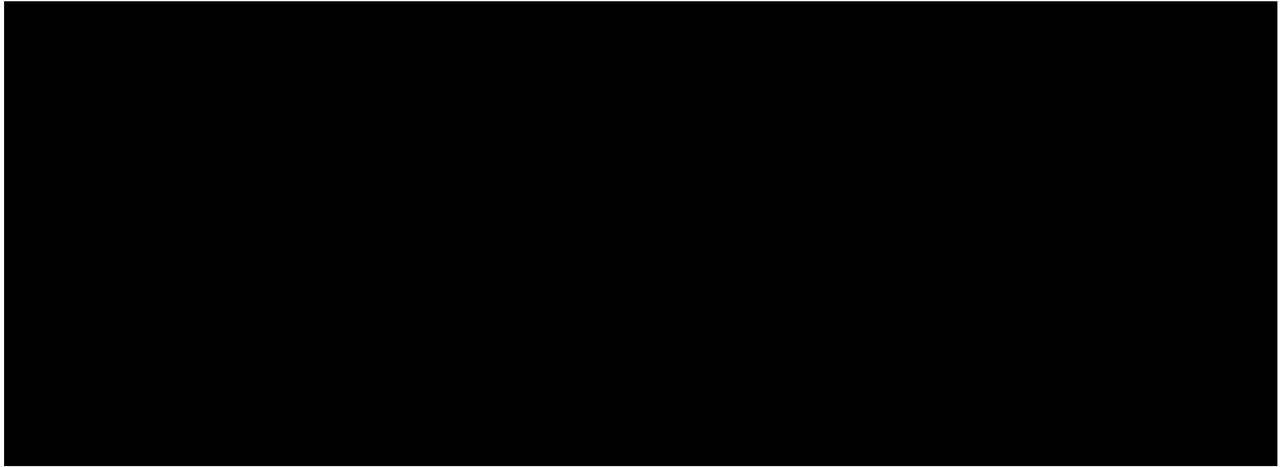


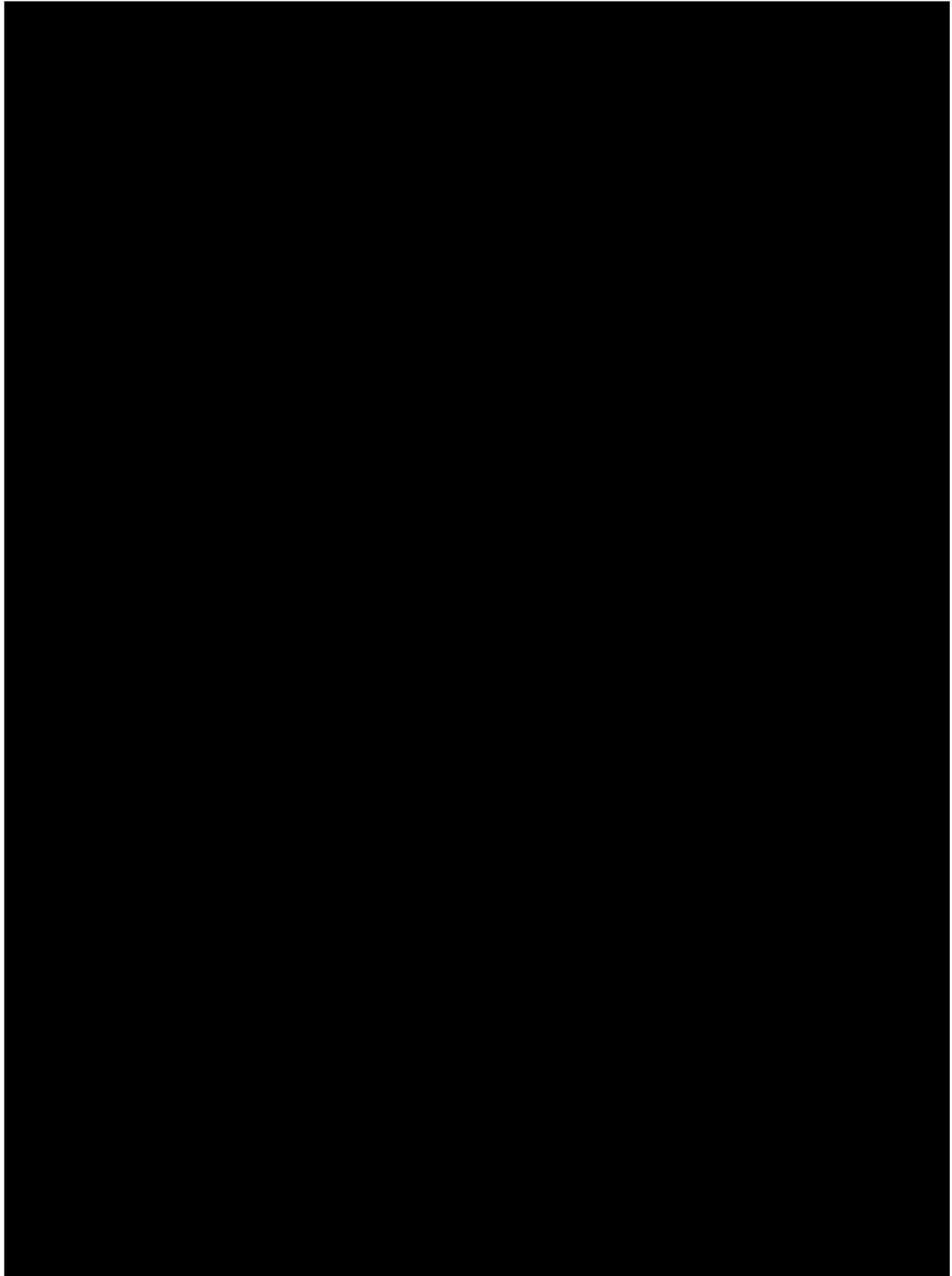


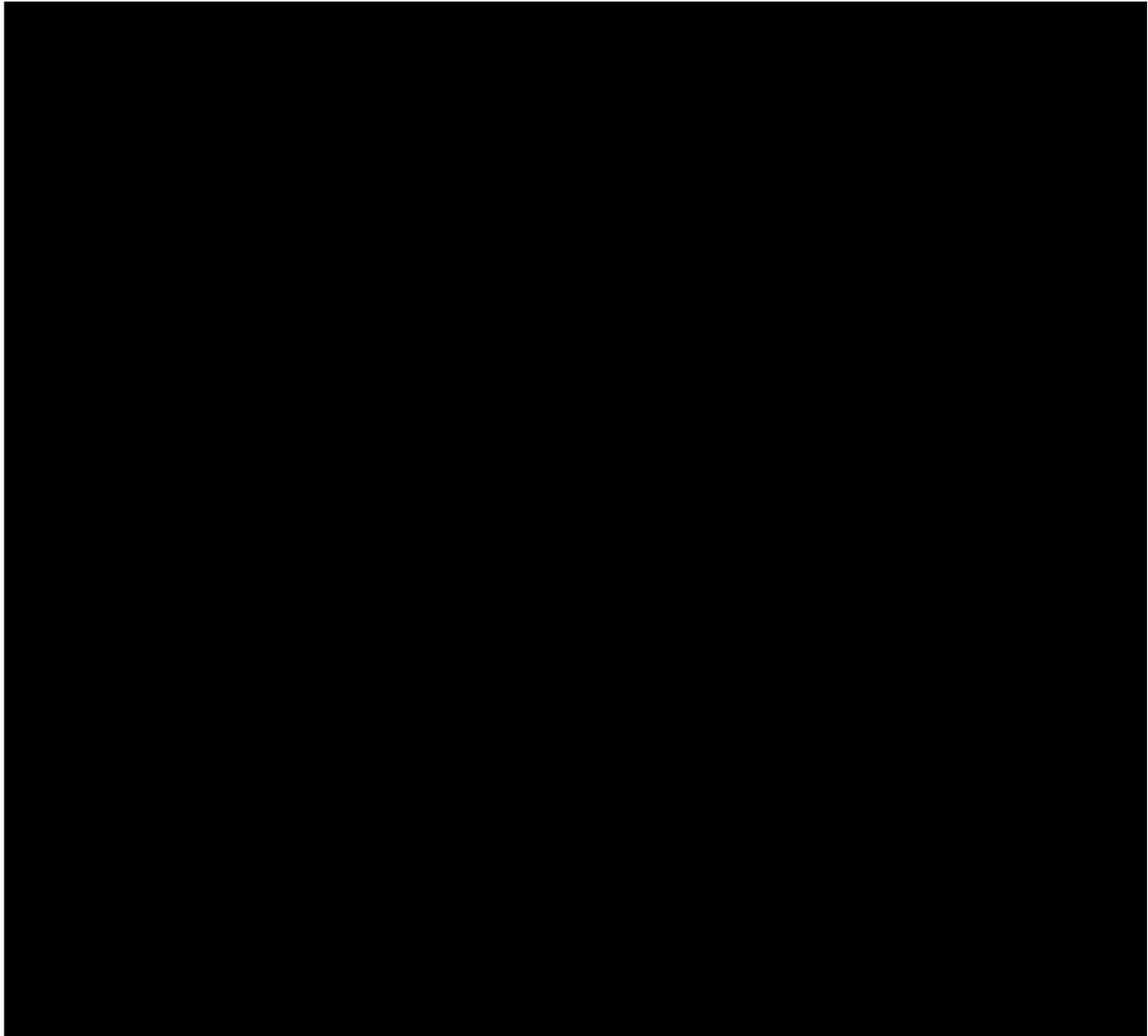


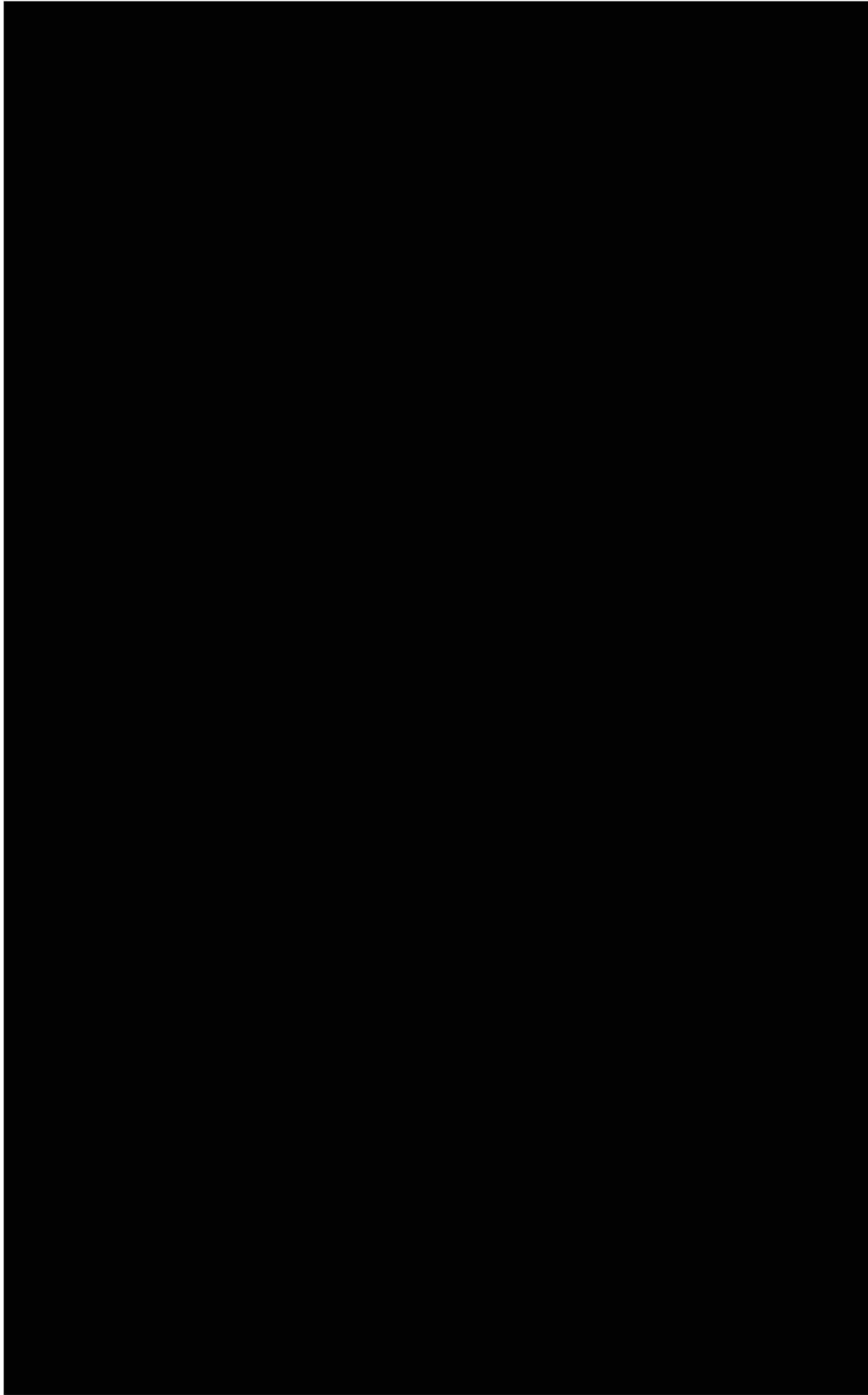
The purpose of the 2015 drilling program was to augment coverage of previous drilling programs and to support estimation of a basalt resource estimate for the deposit in accordance, where applicable, with NI 43-101 and the CIM Standards.

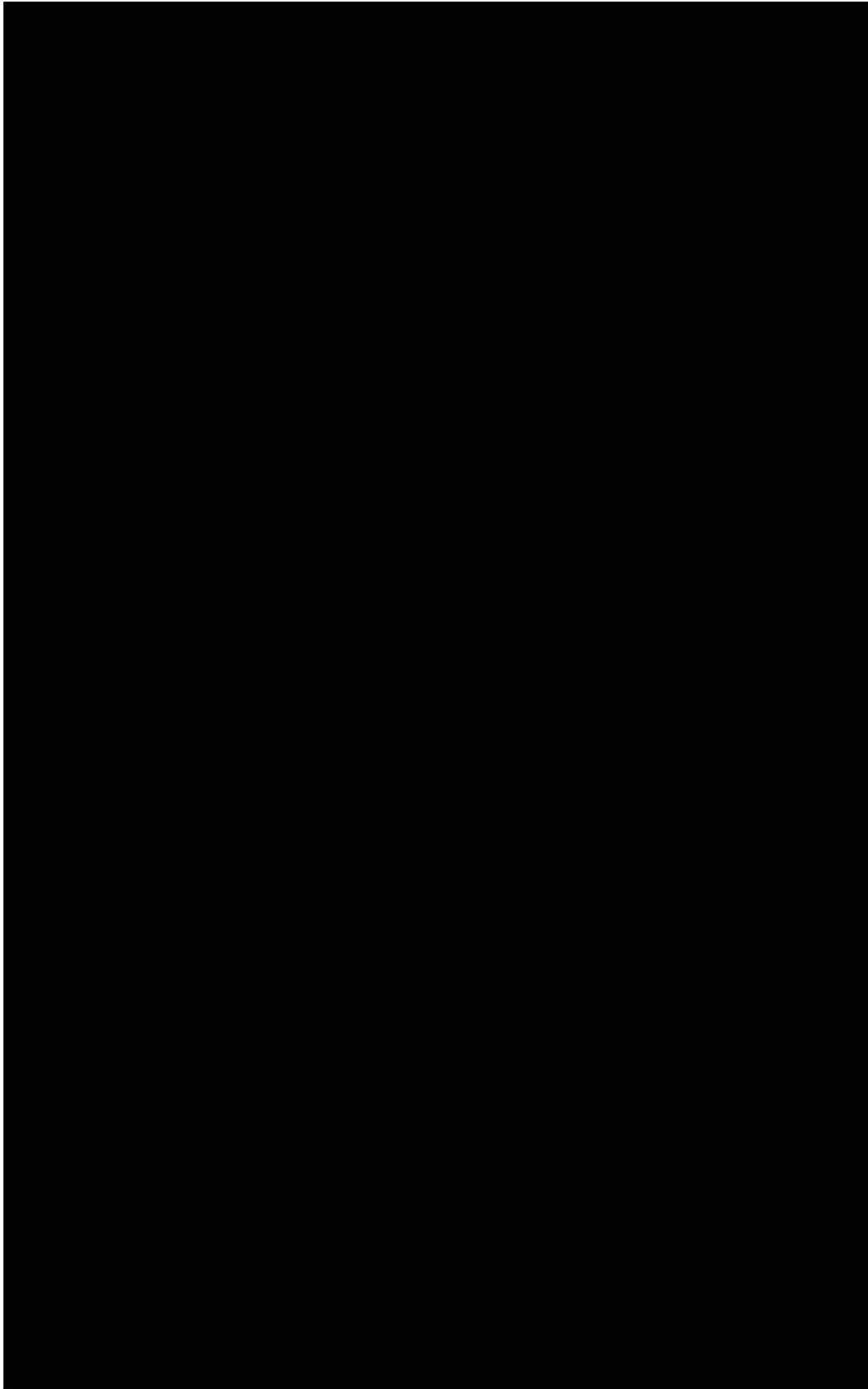


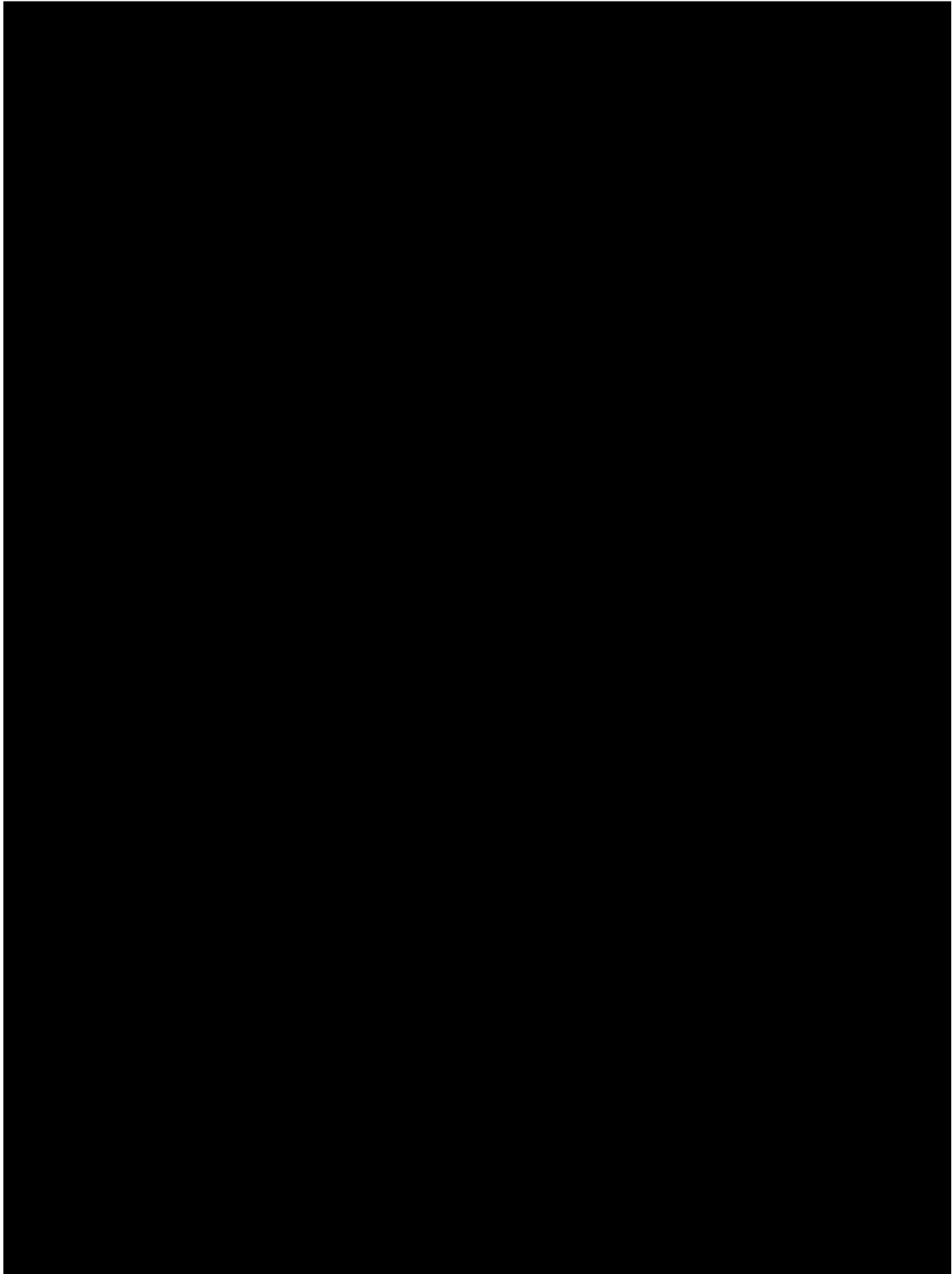


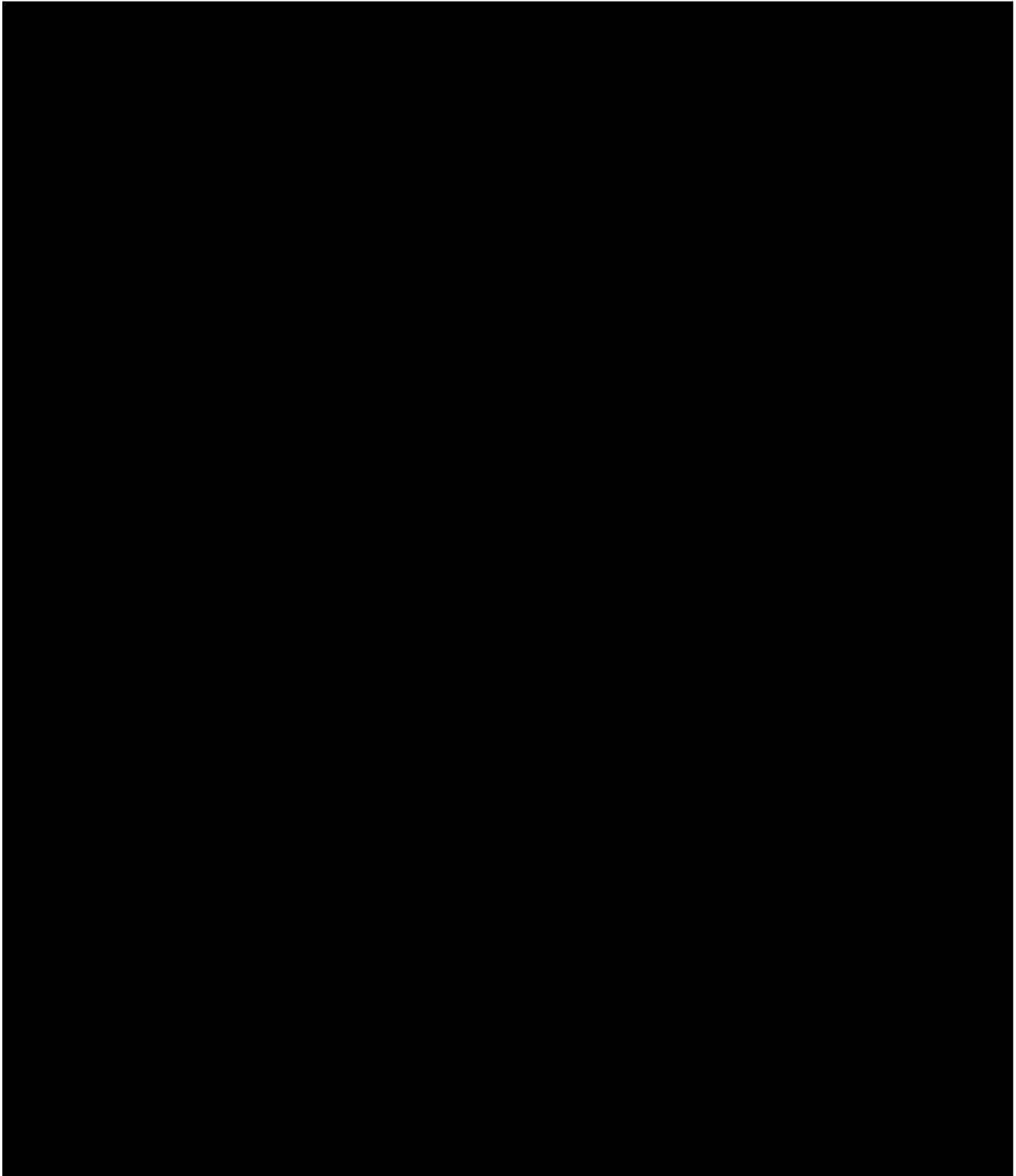


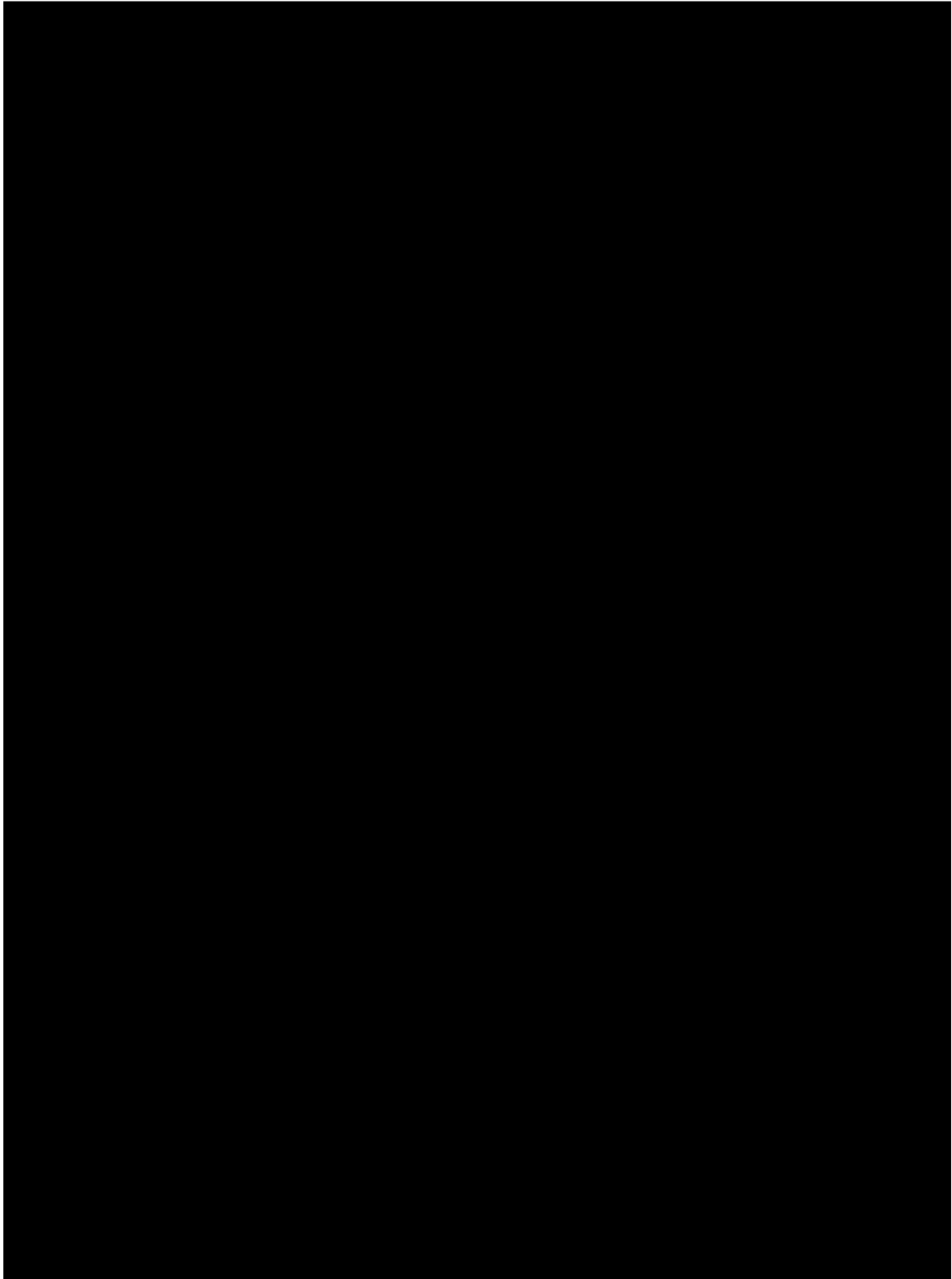


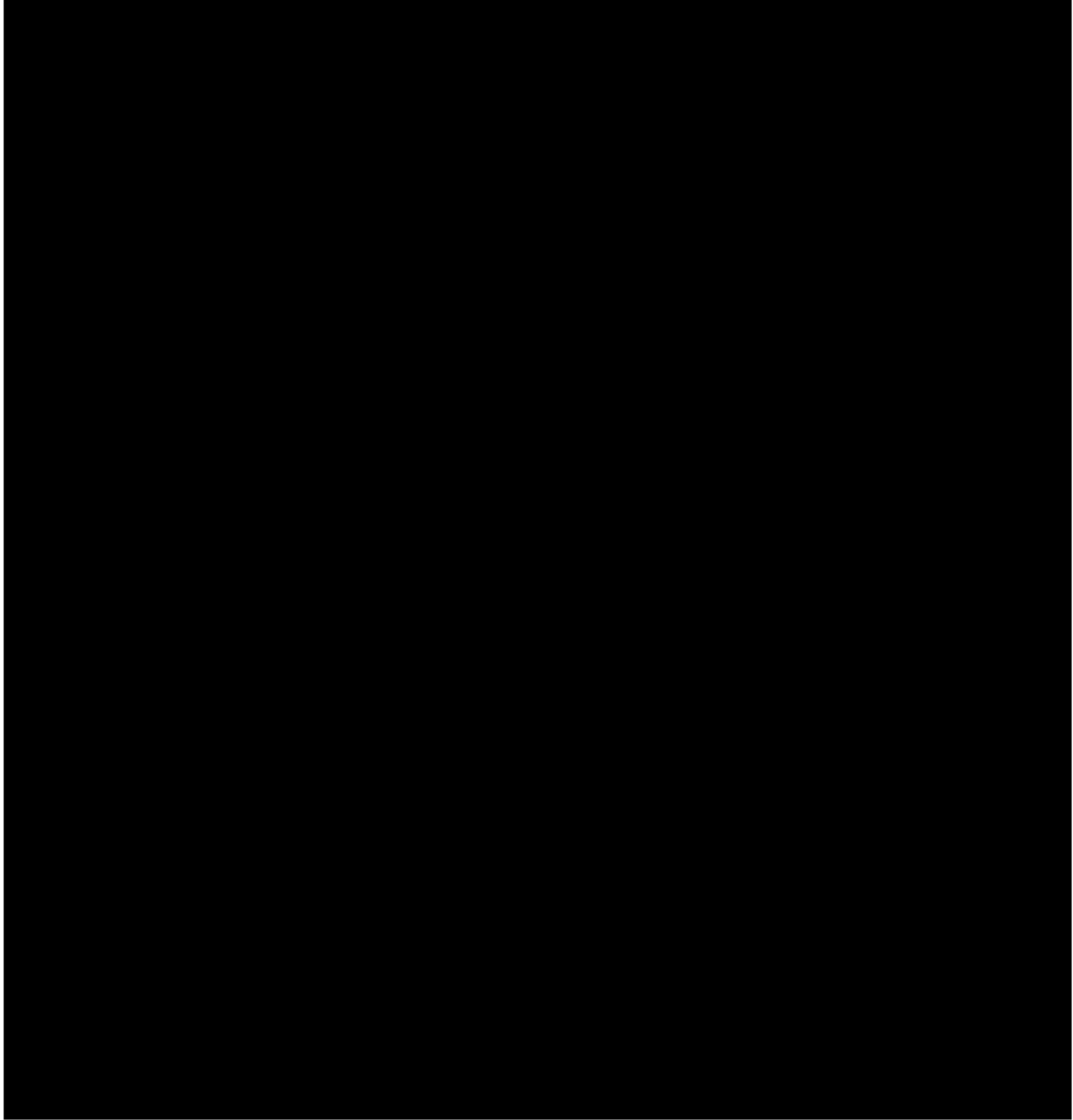


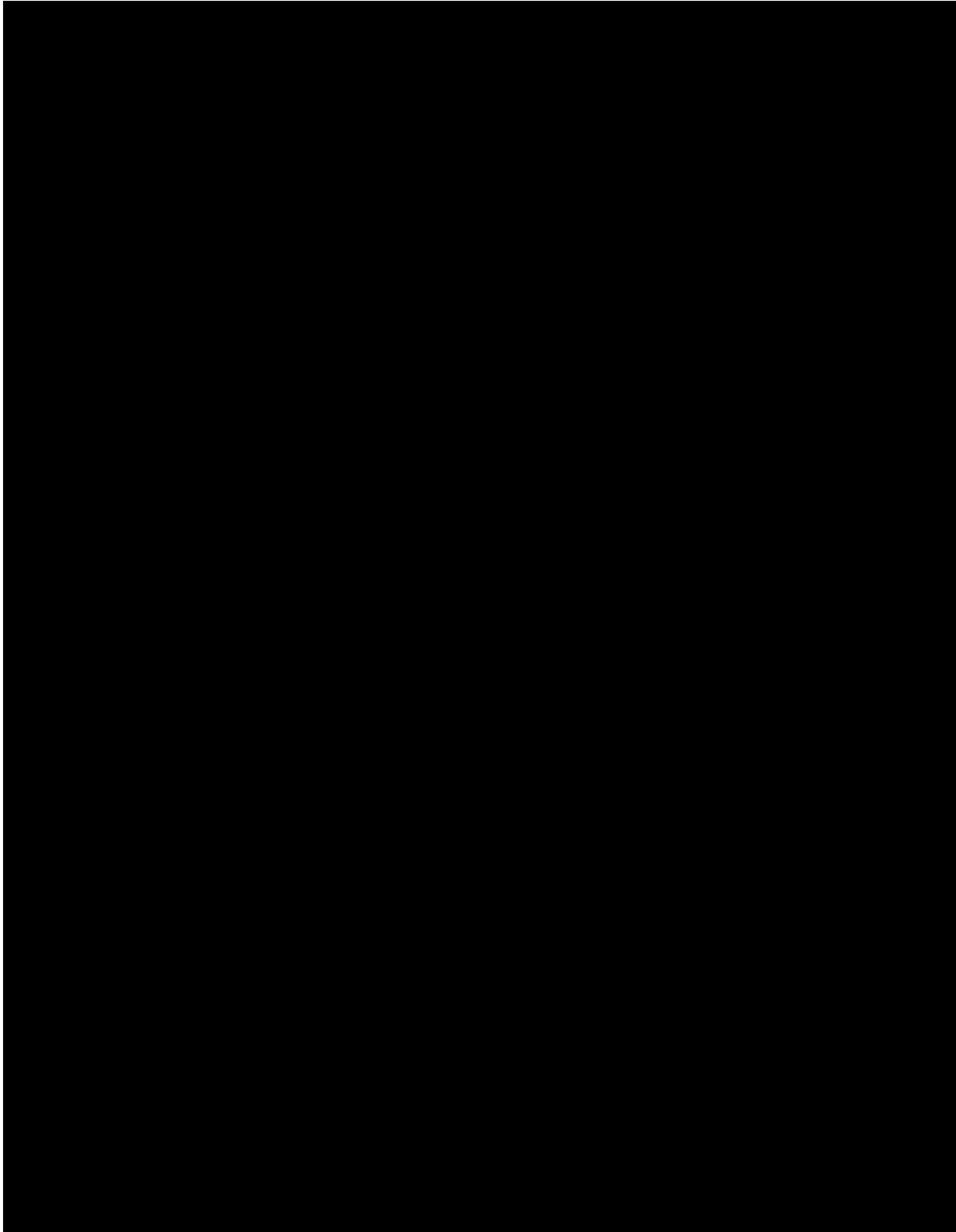


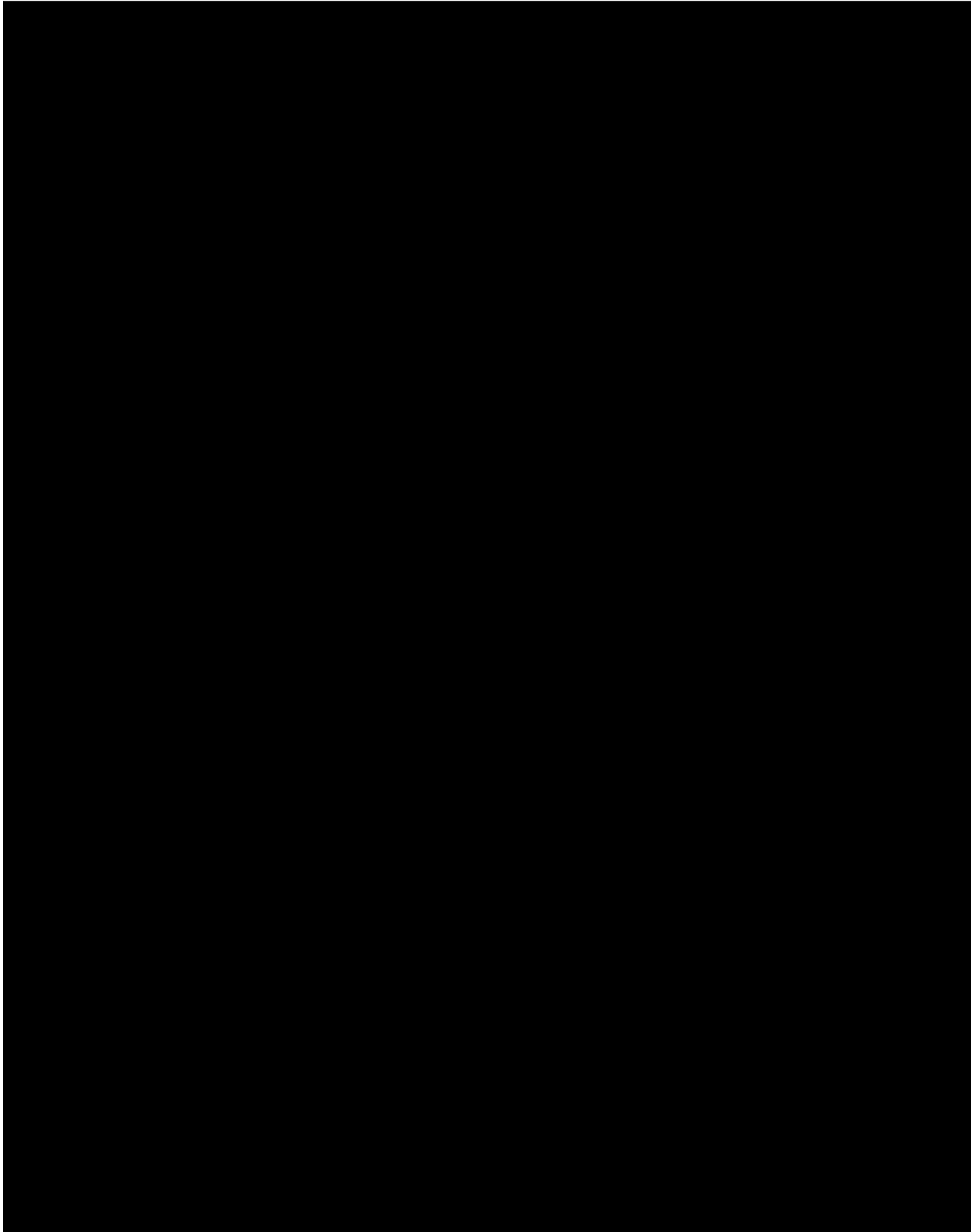


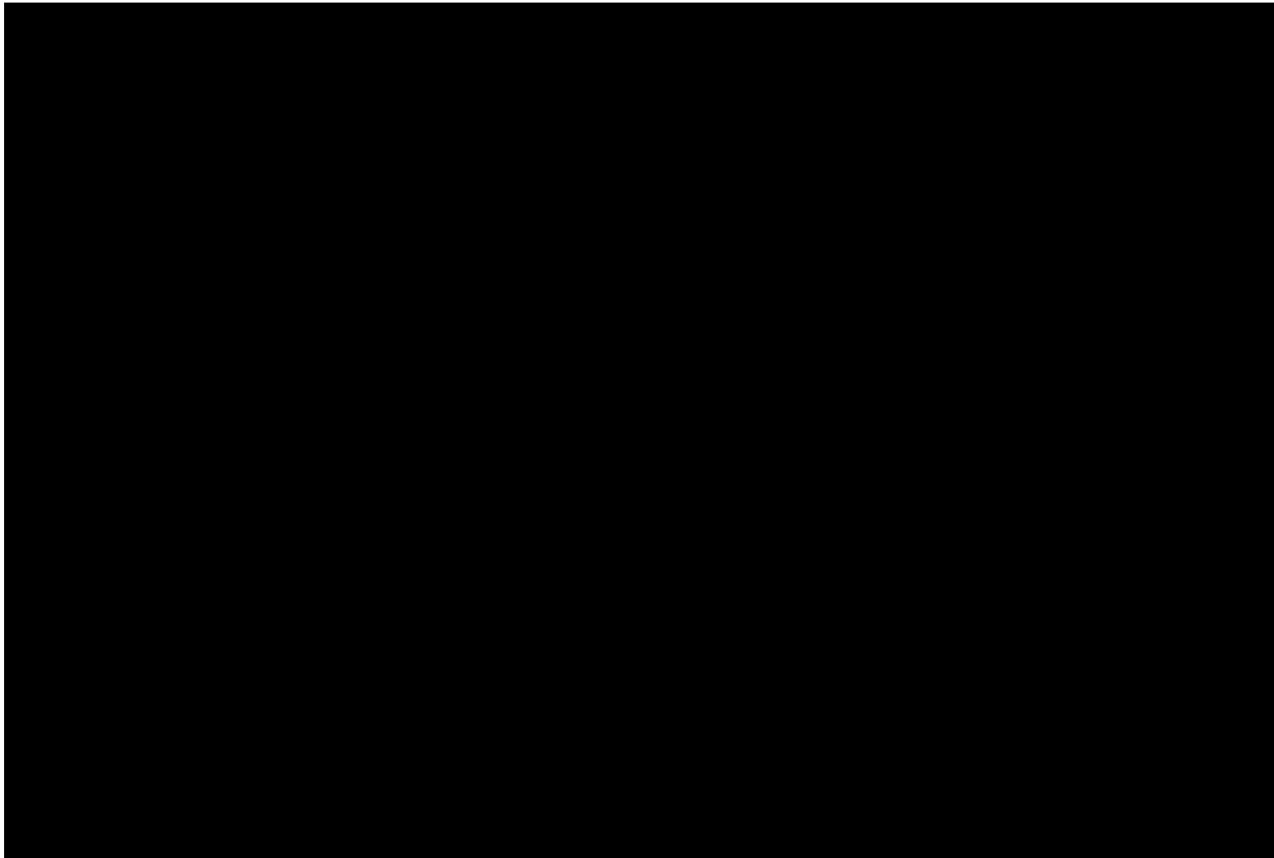


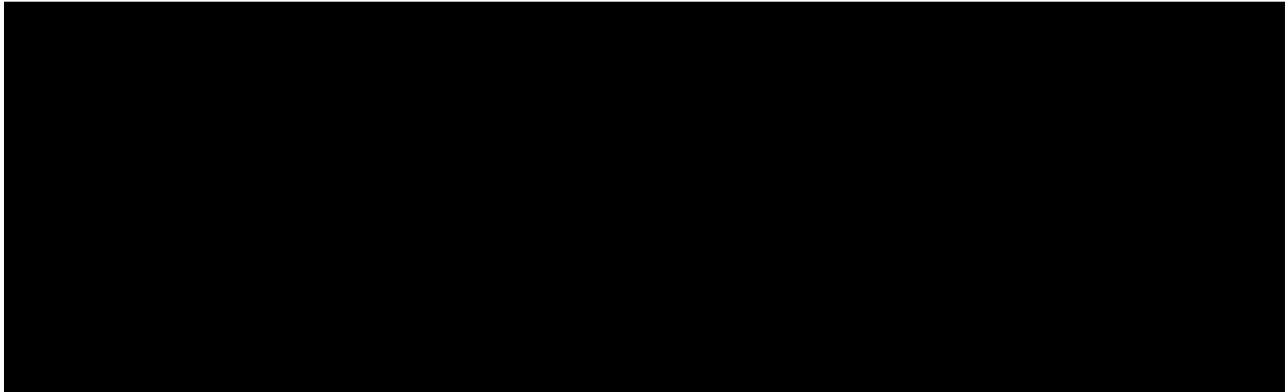


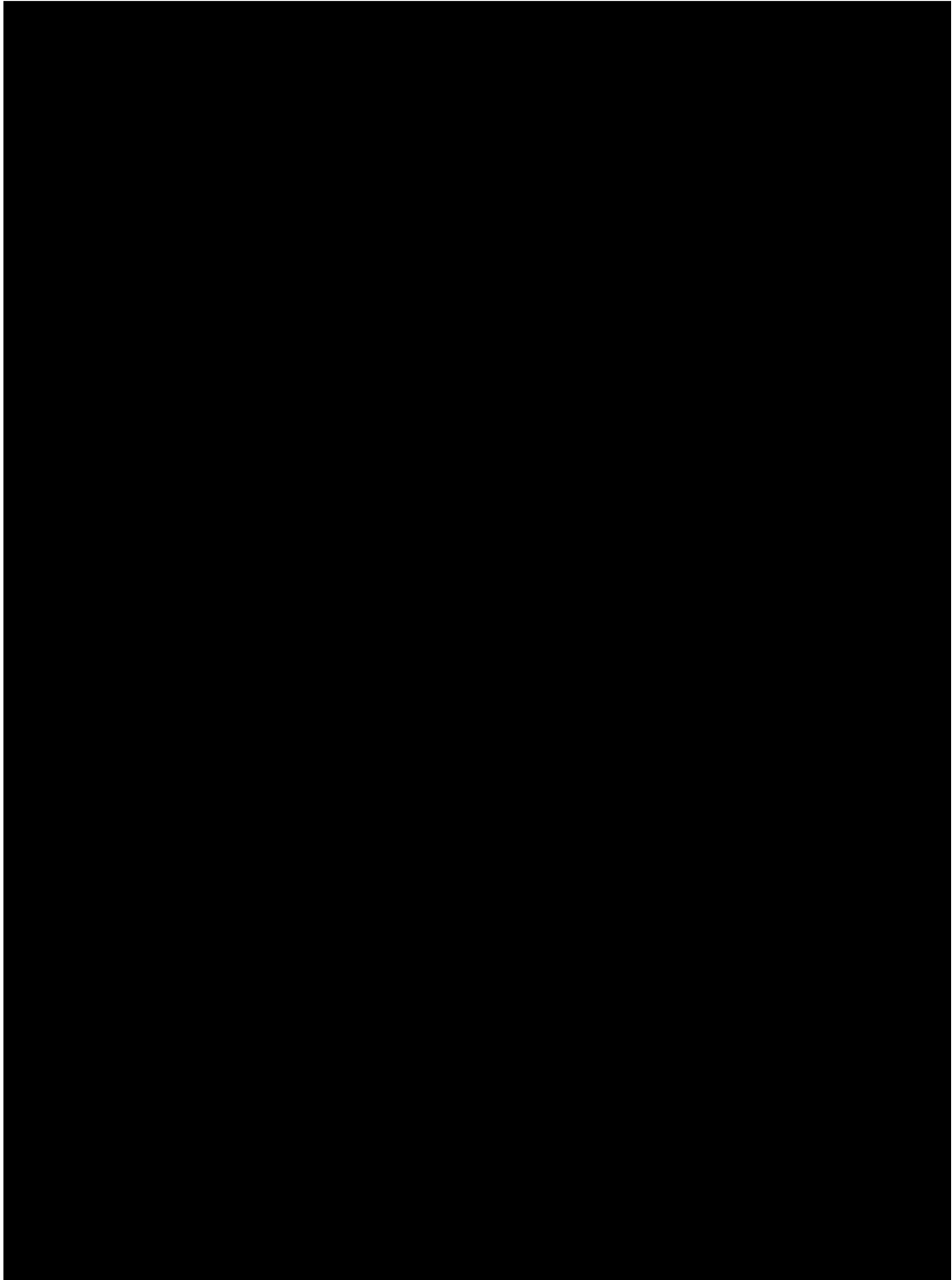


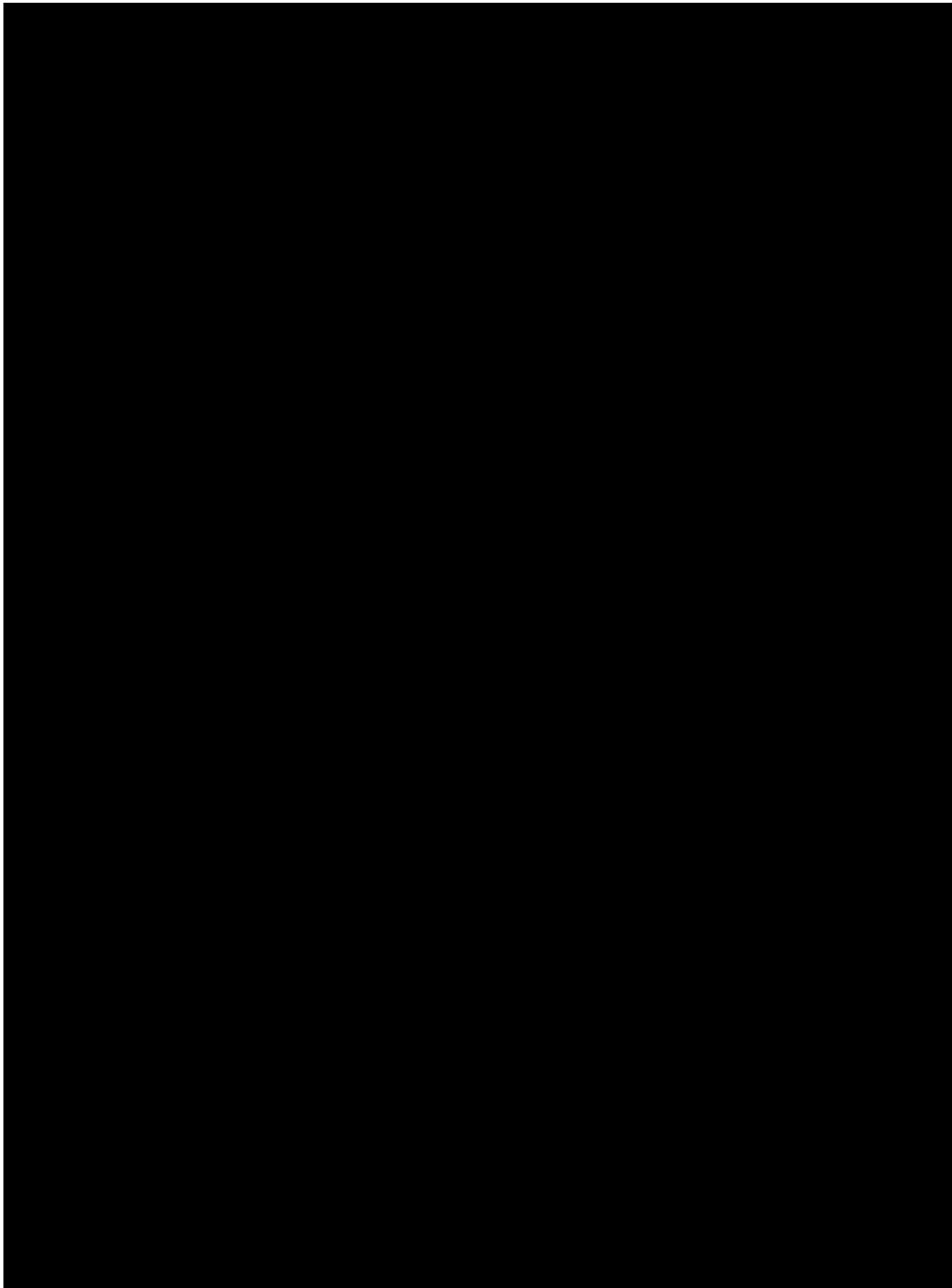


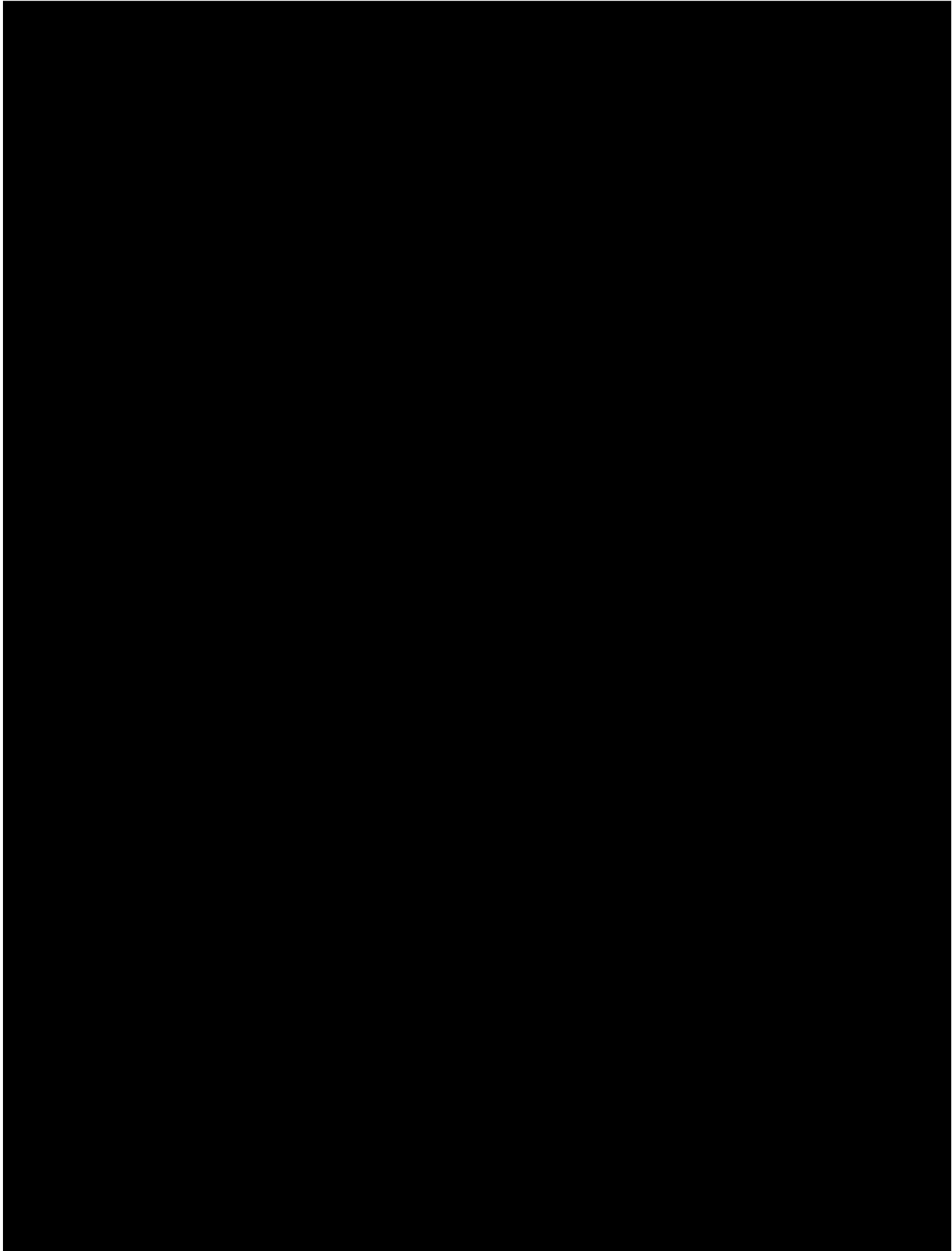


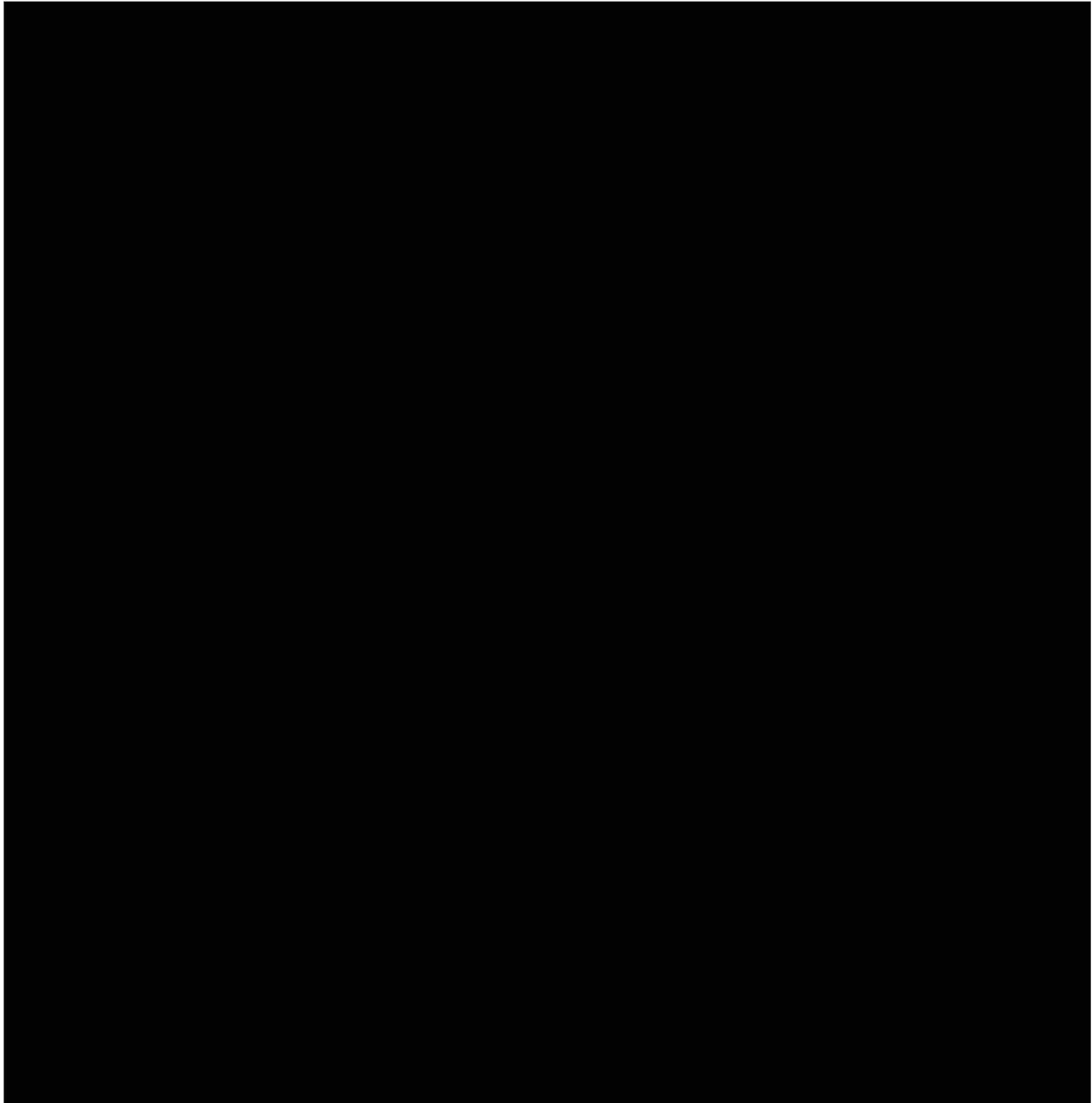


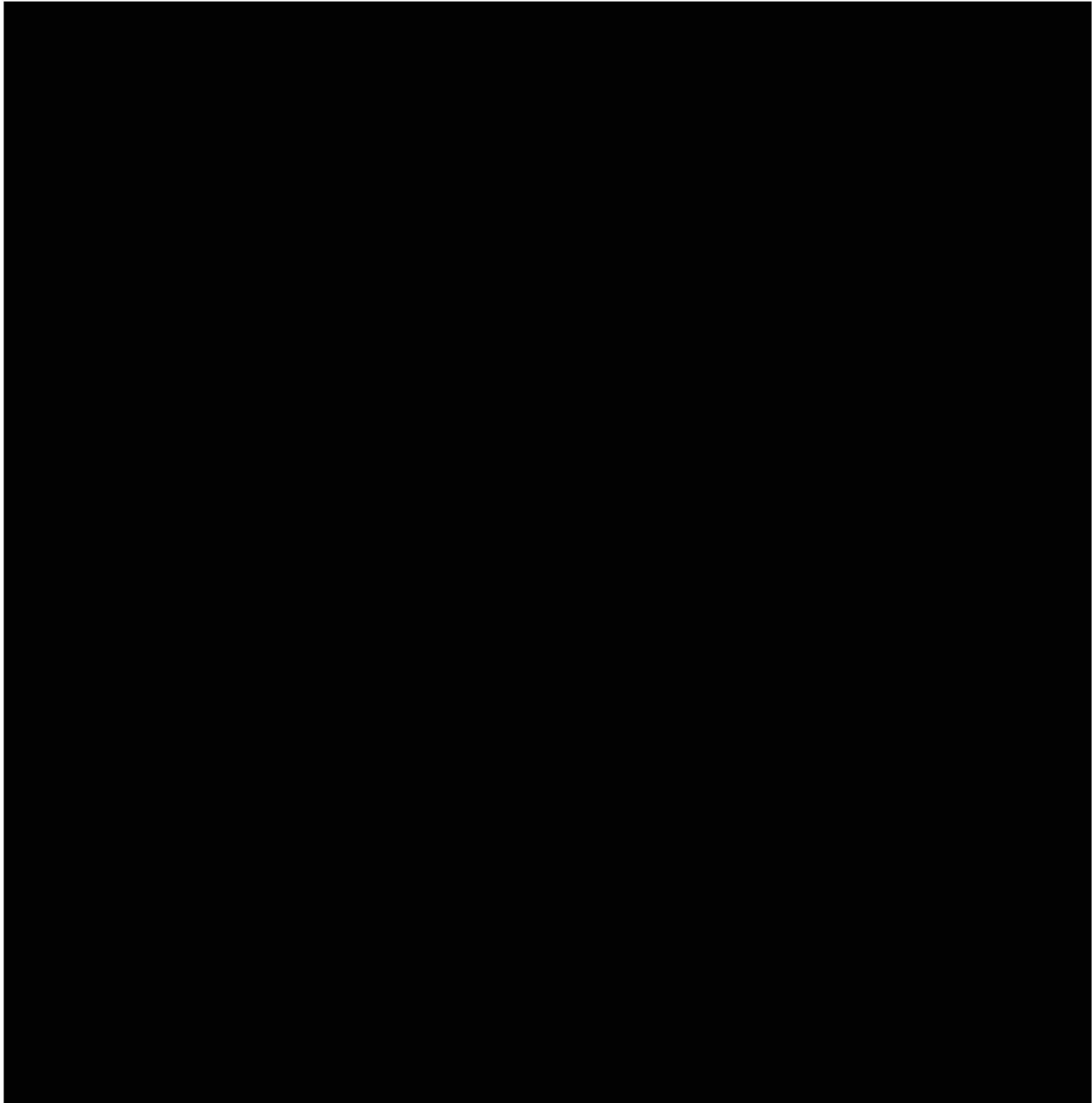


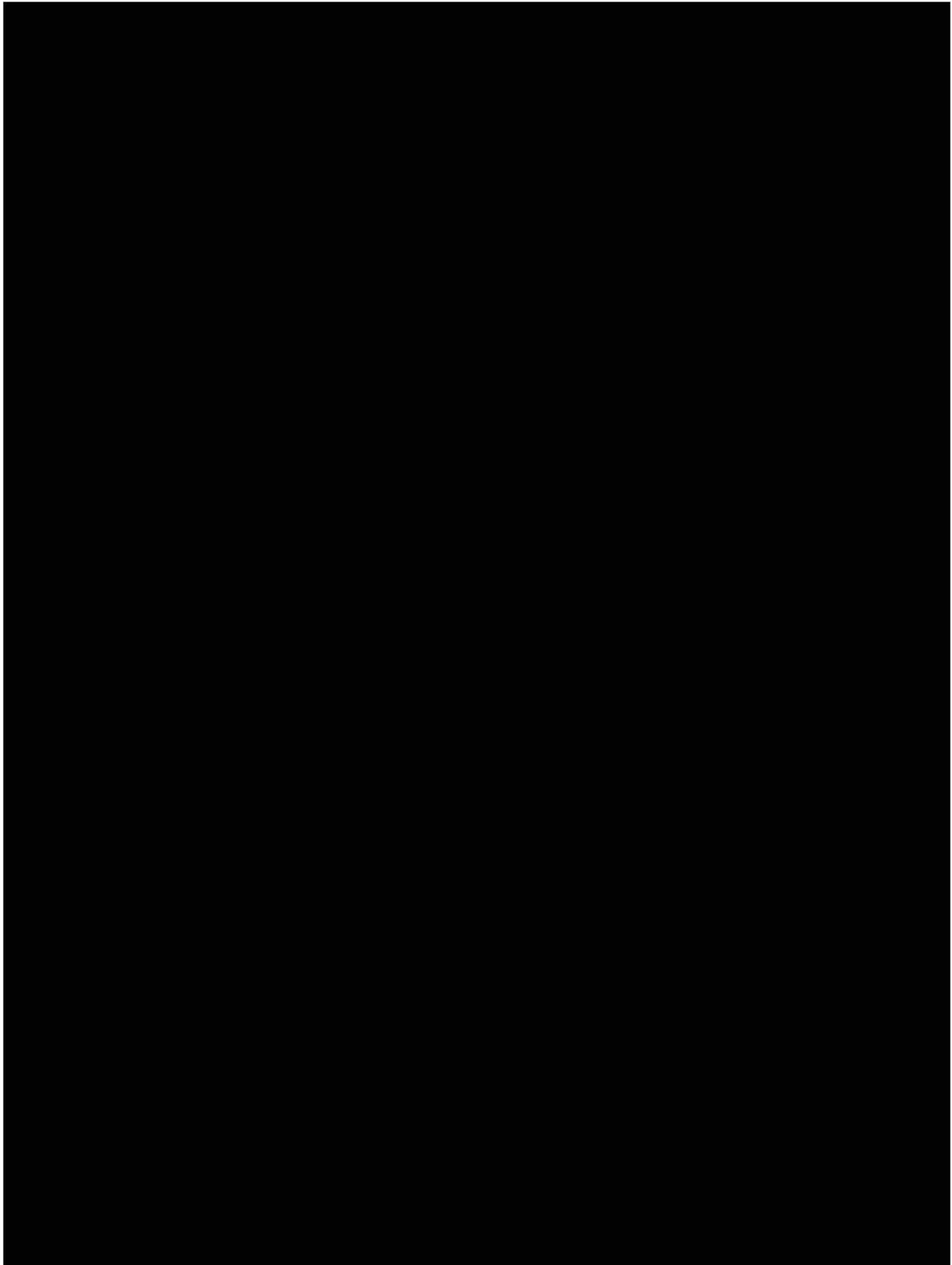


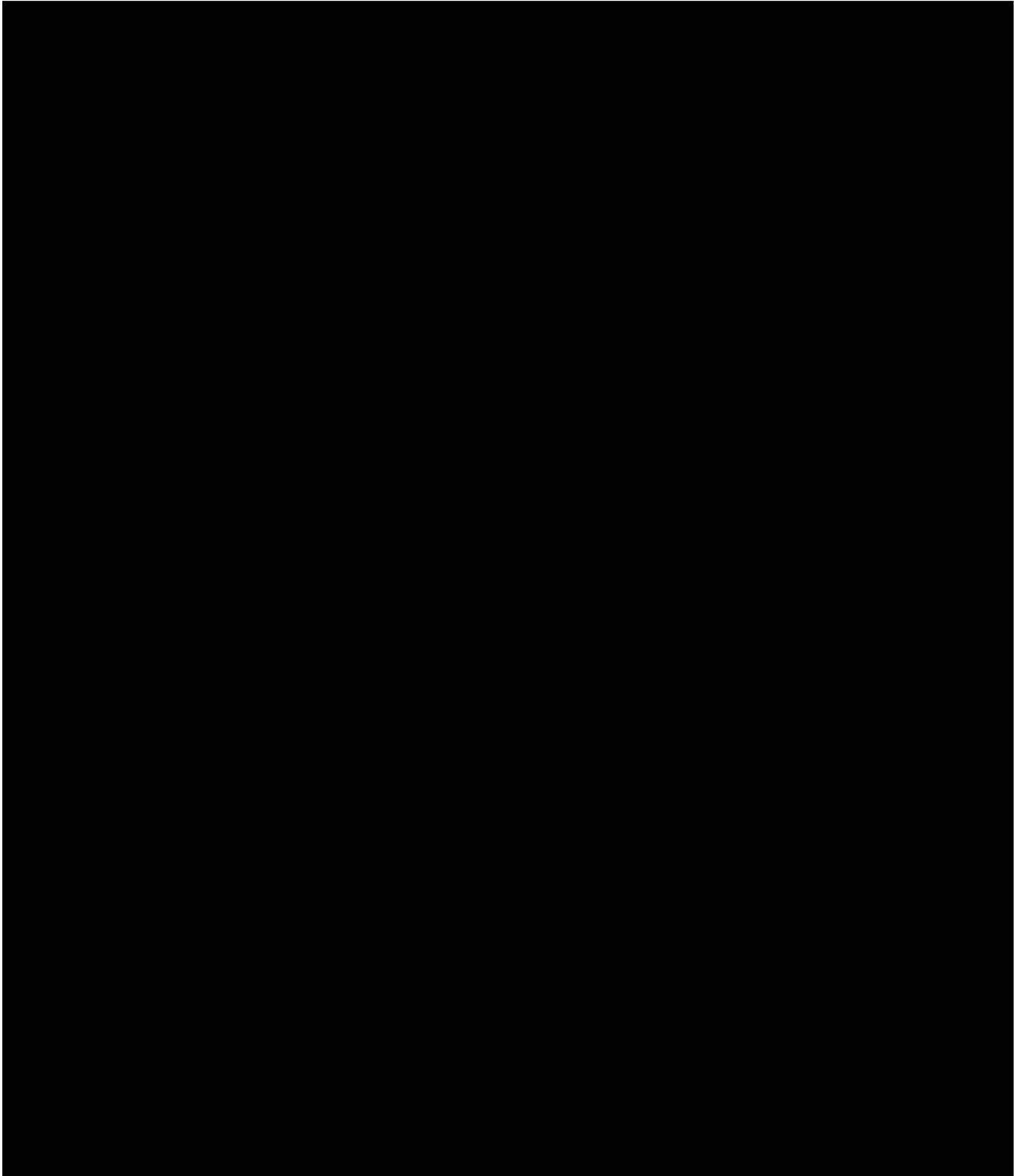


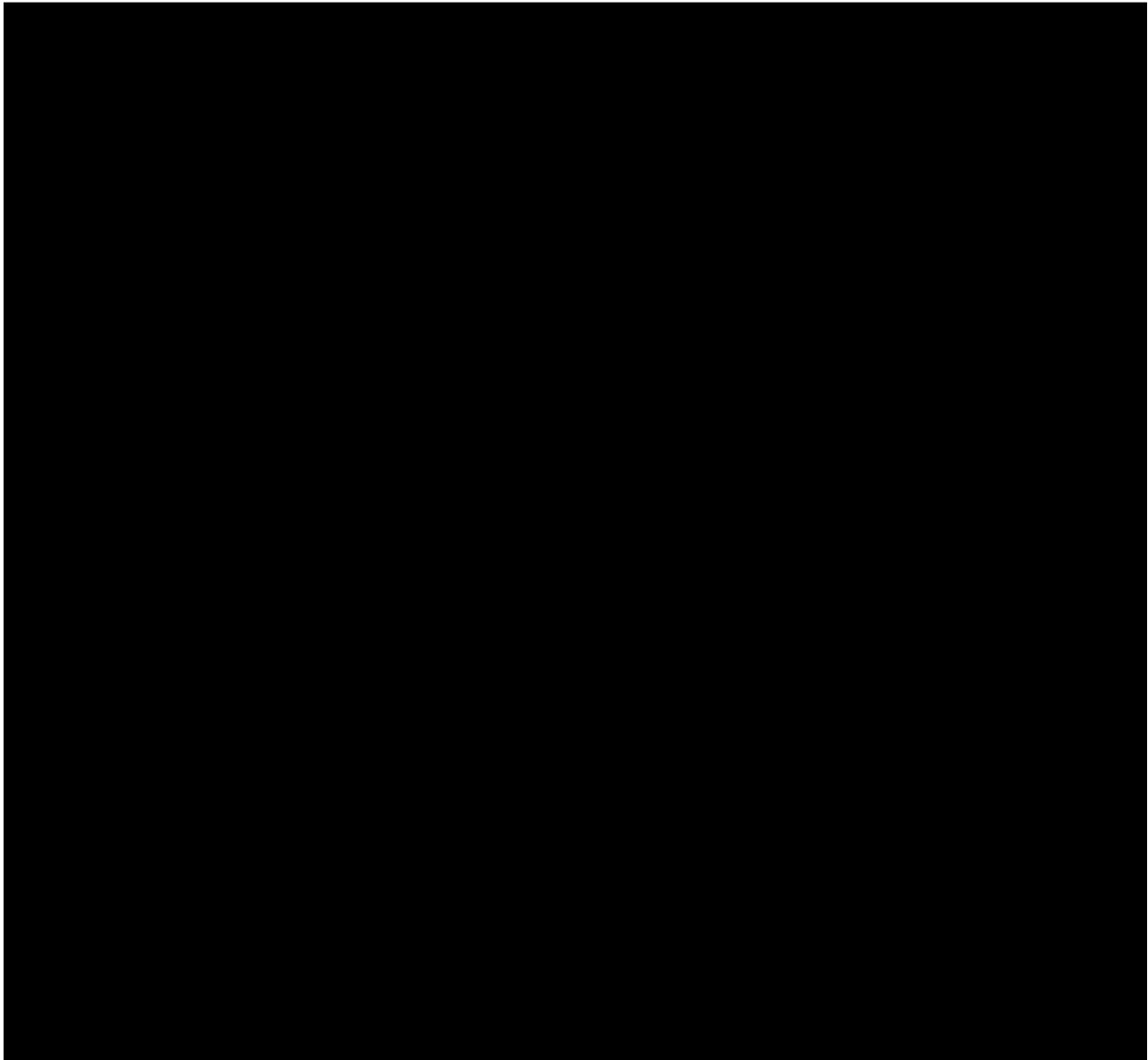


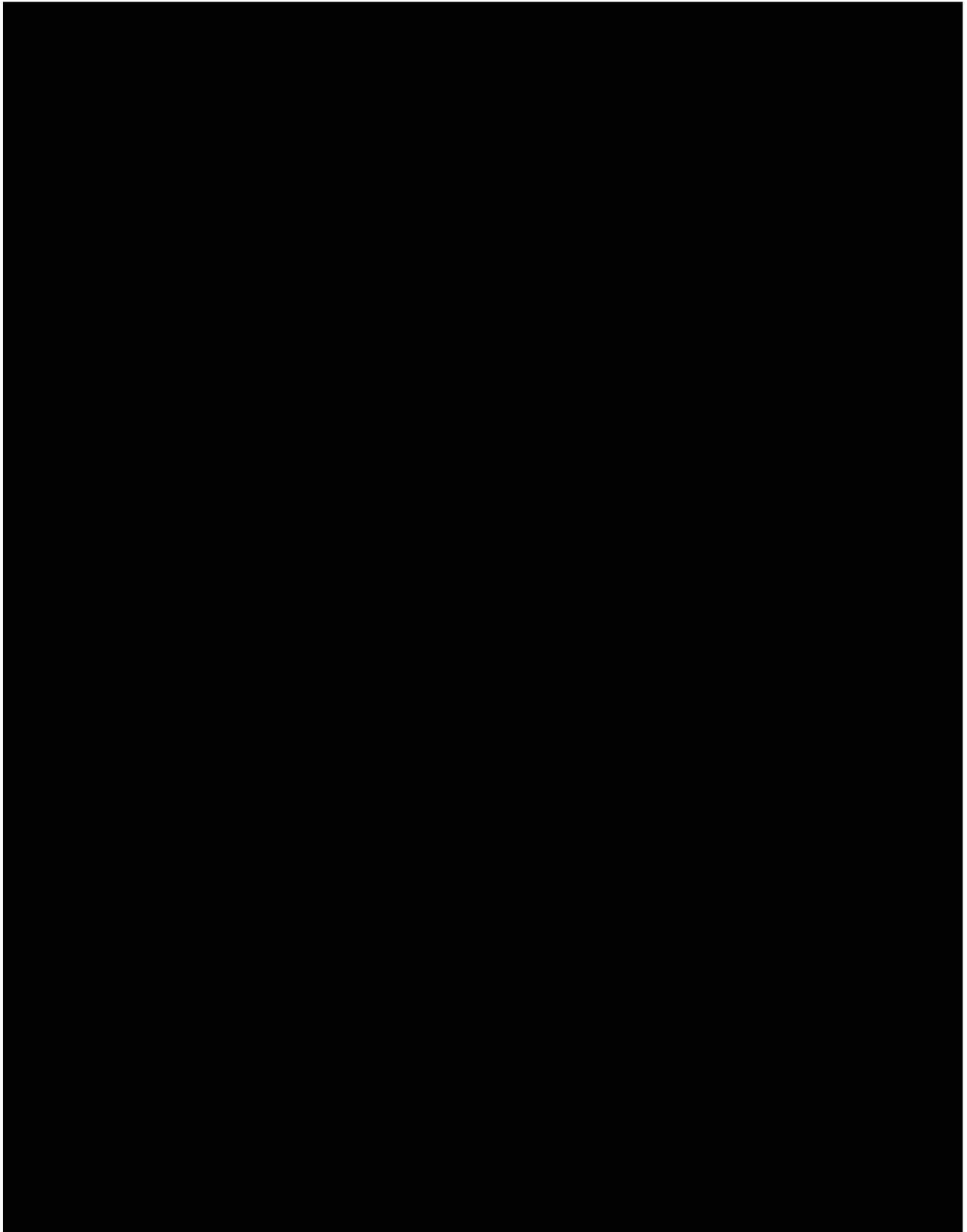


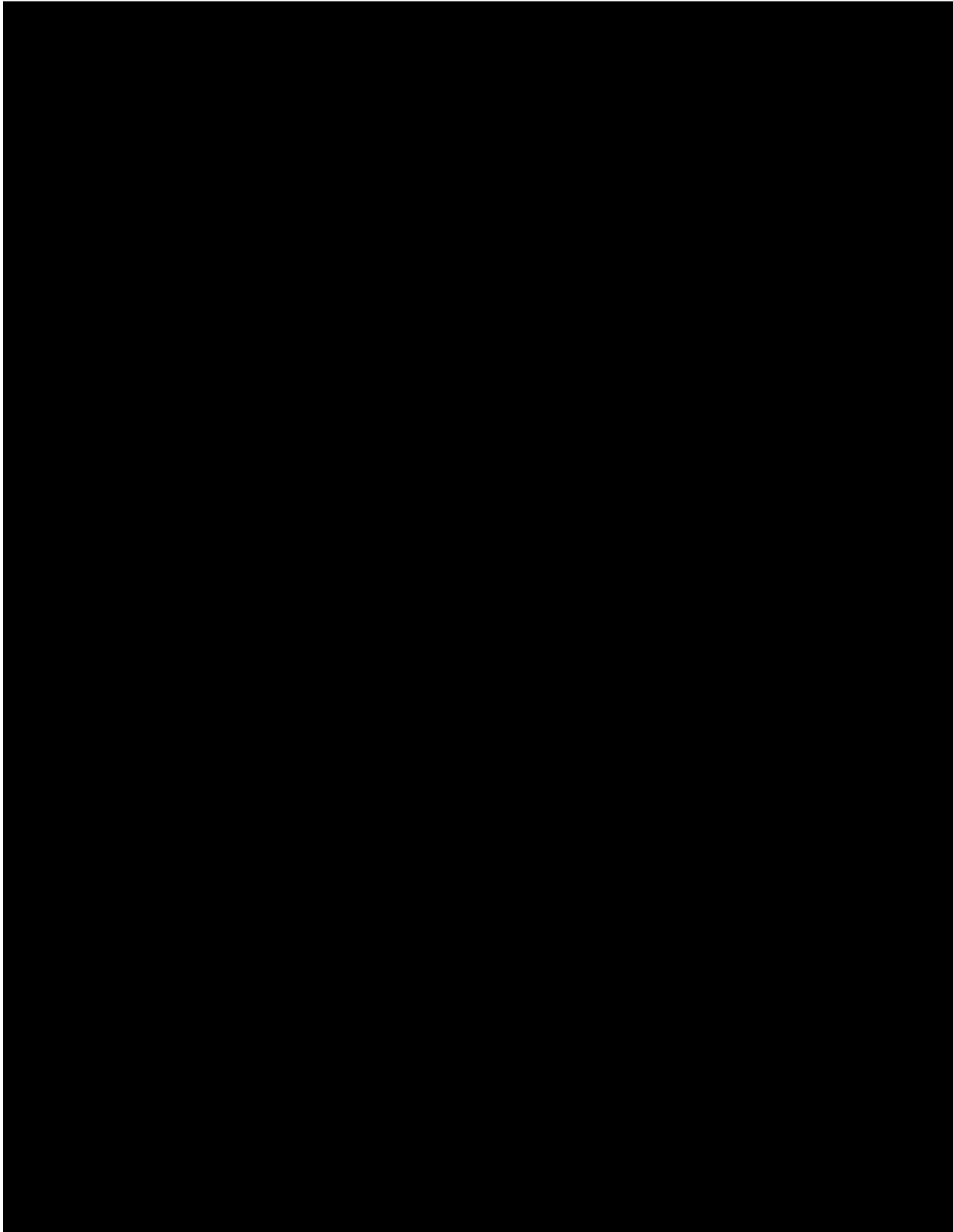


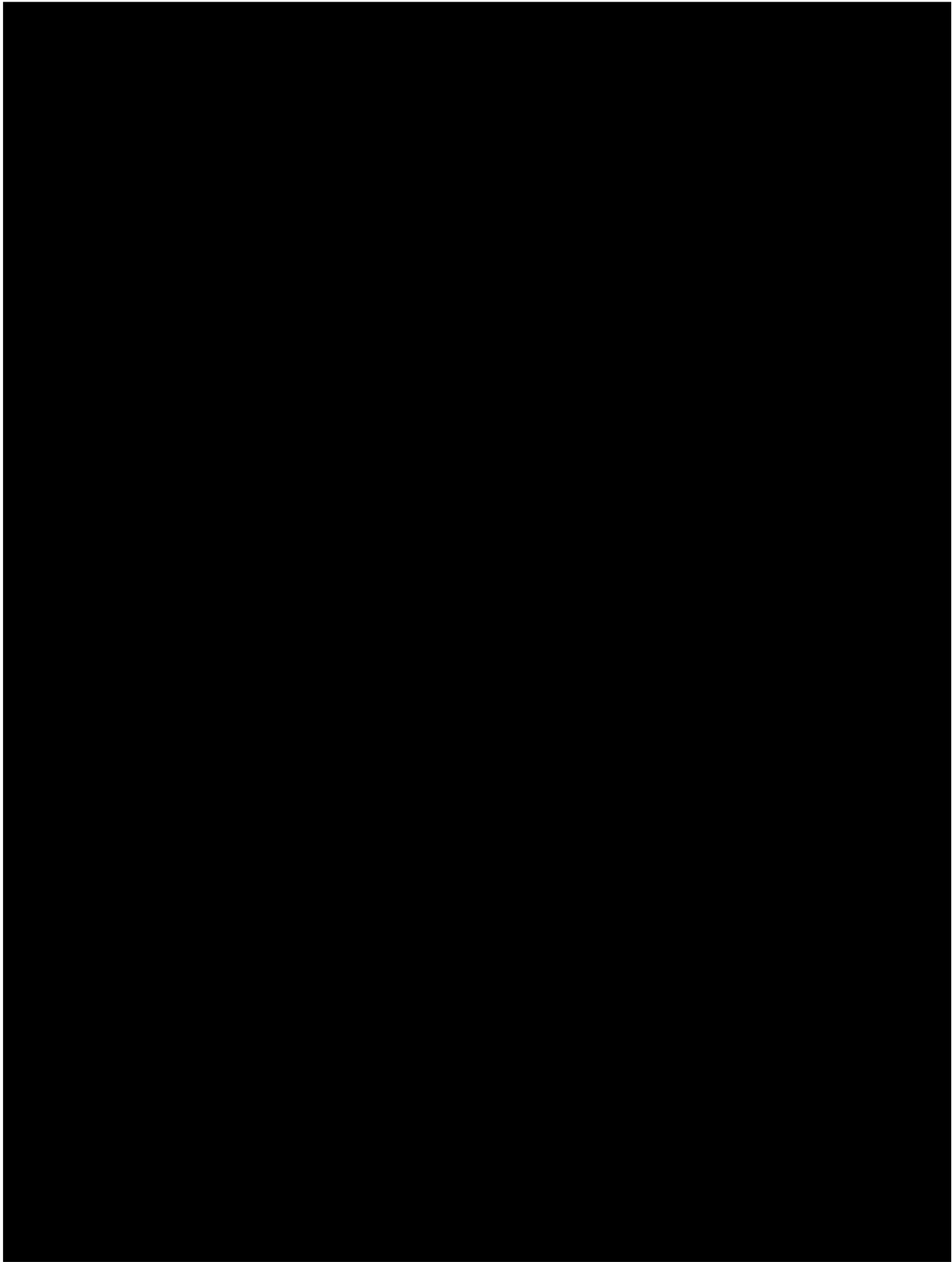


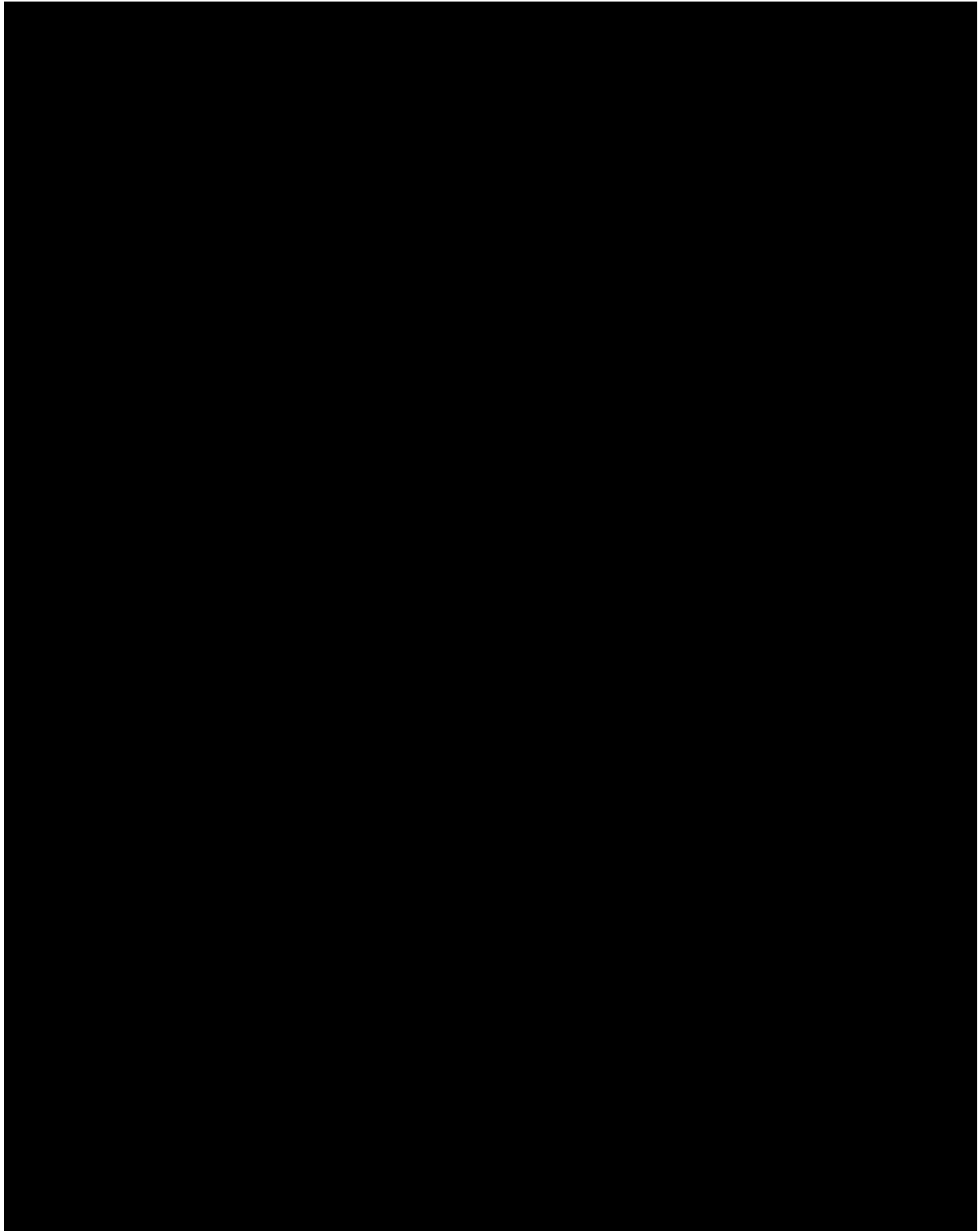


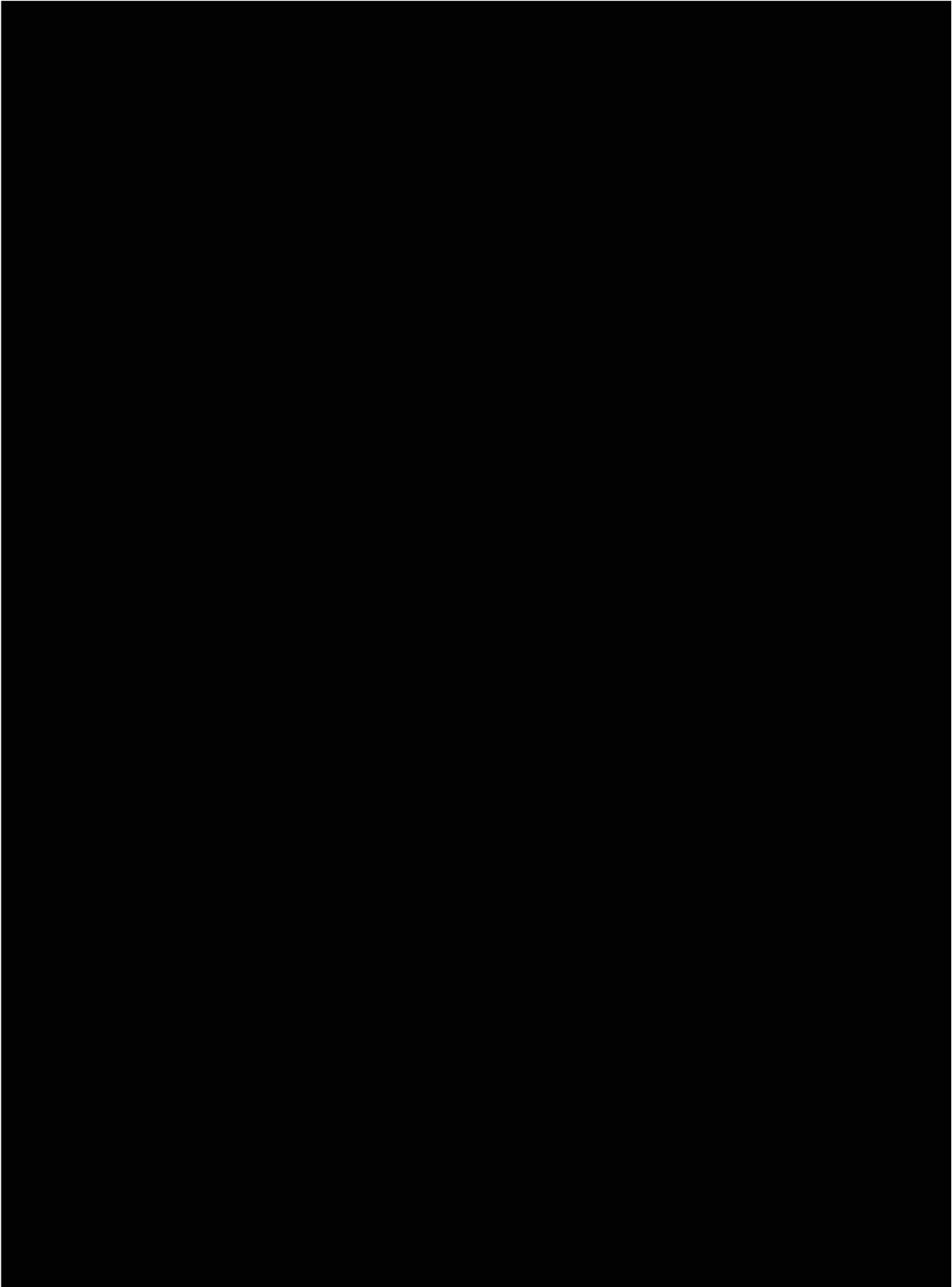


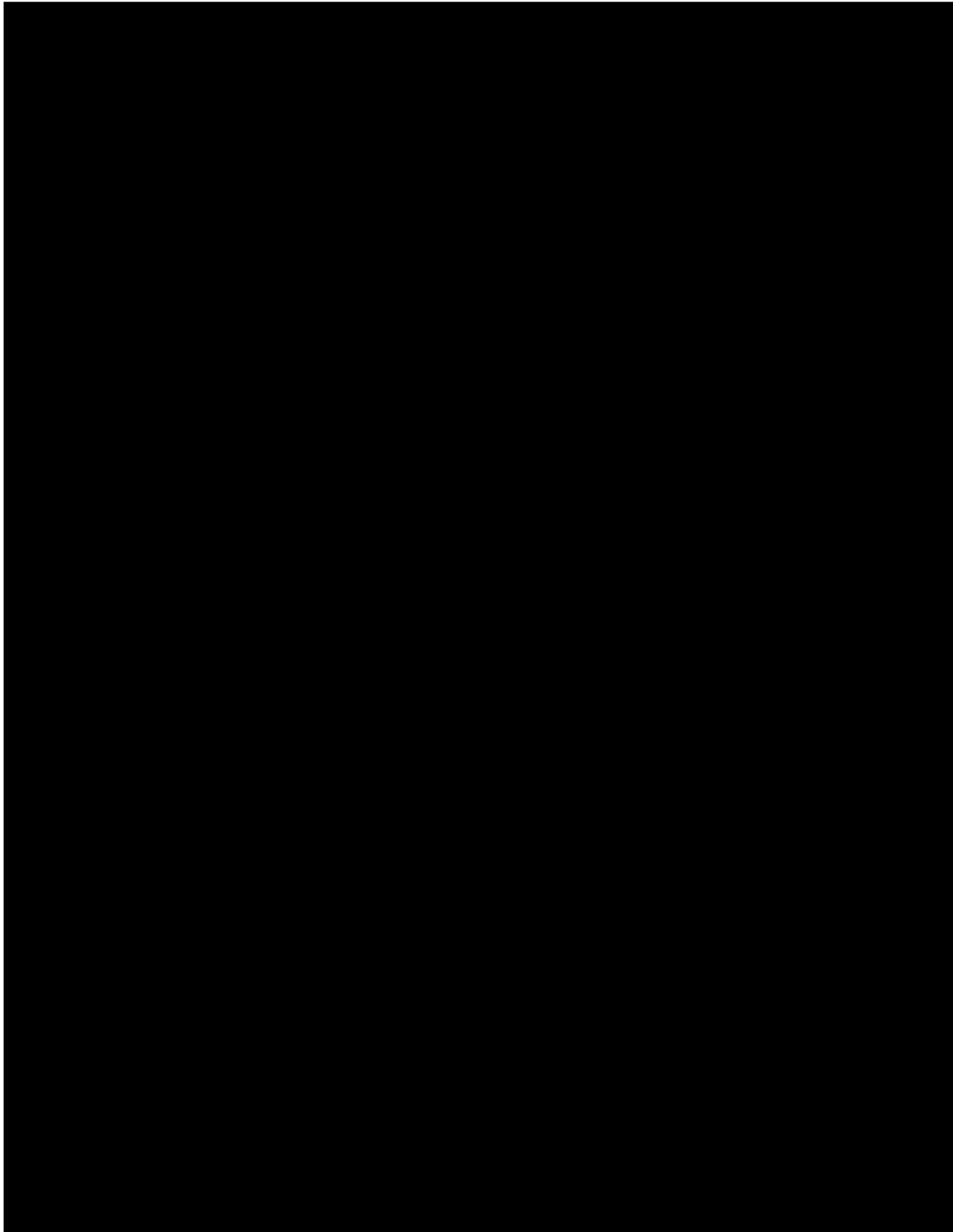


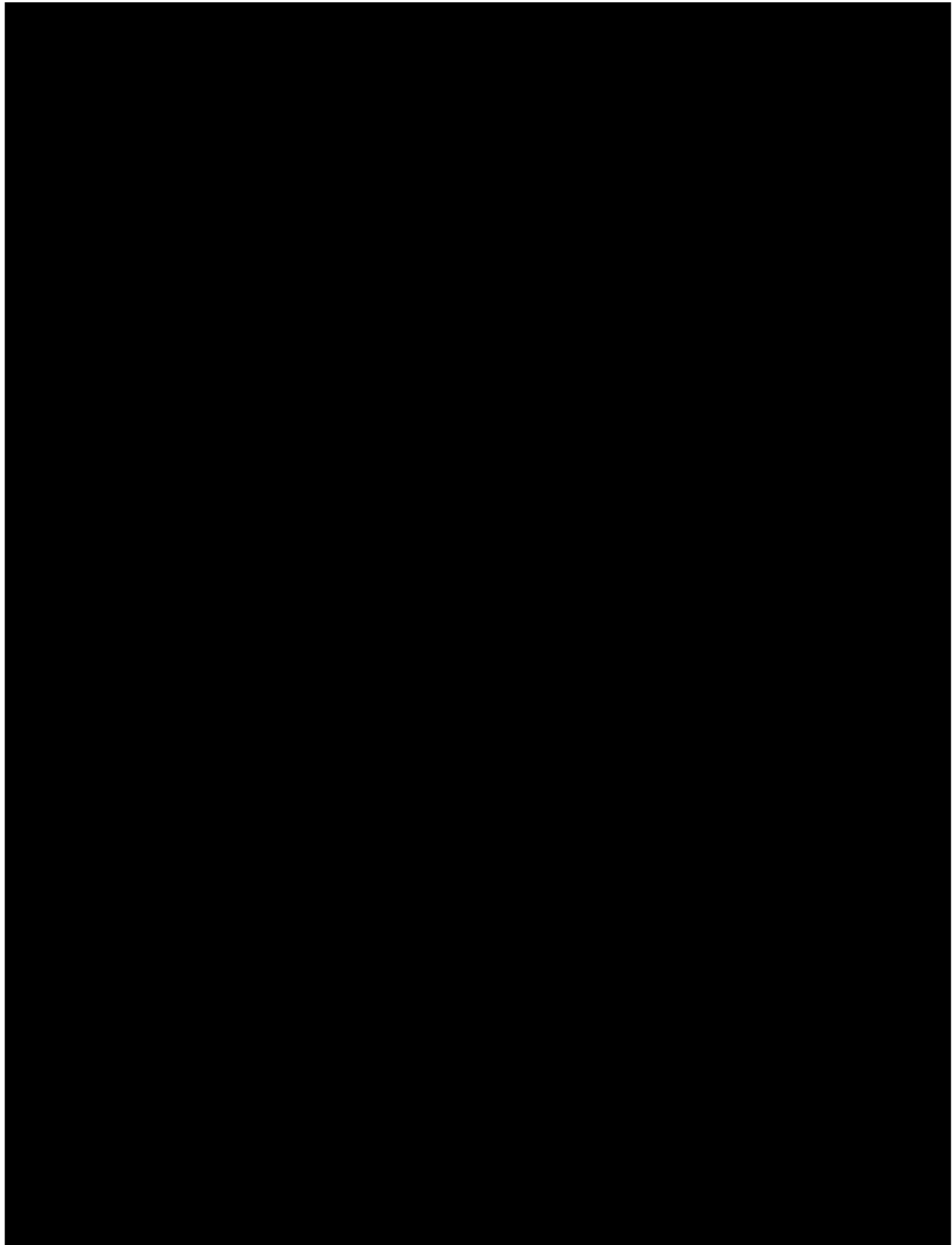


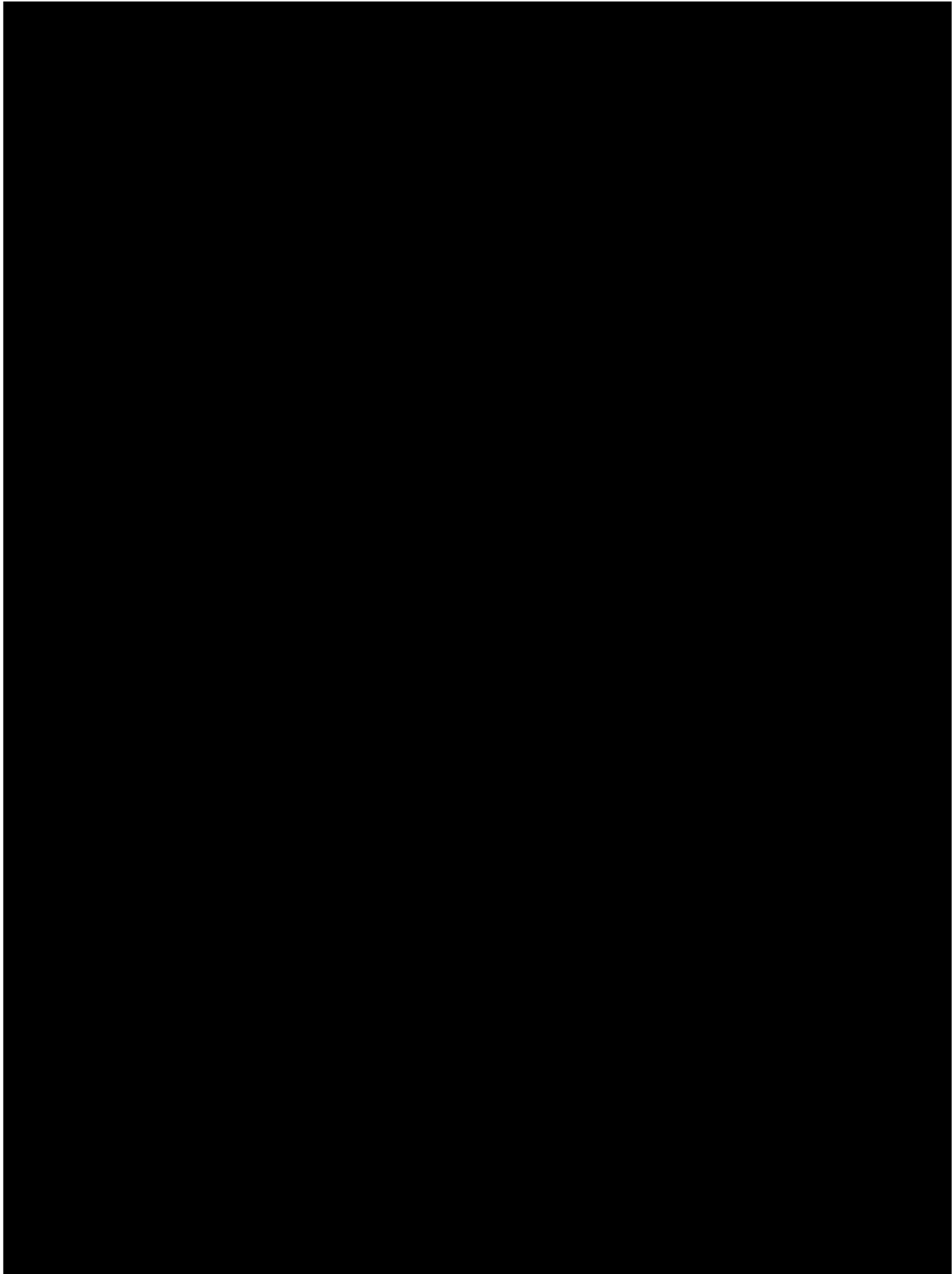


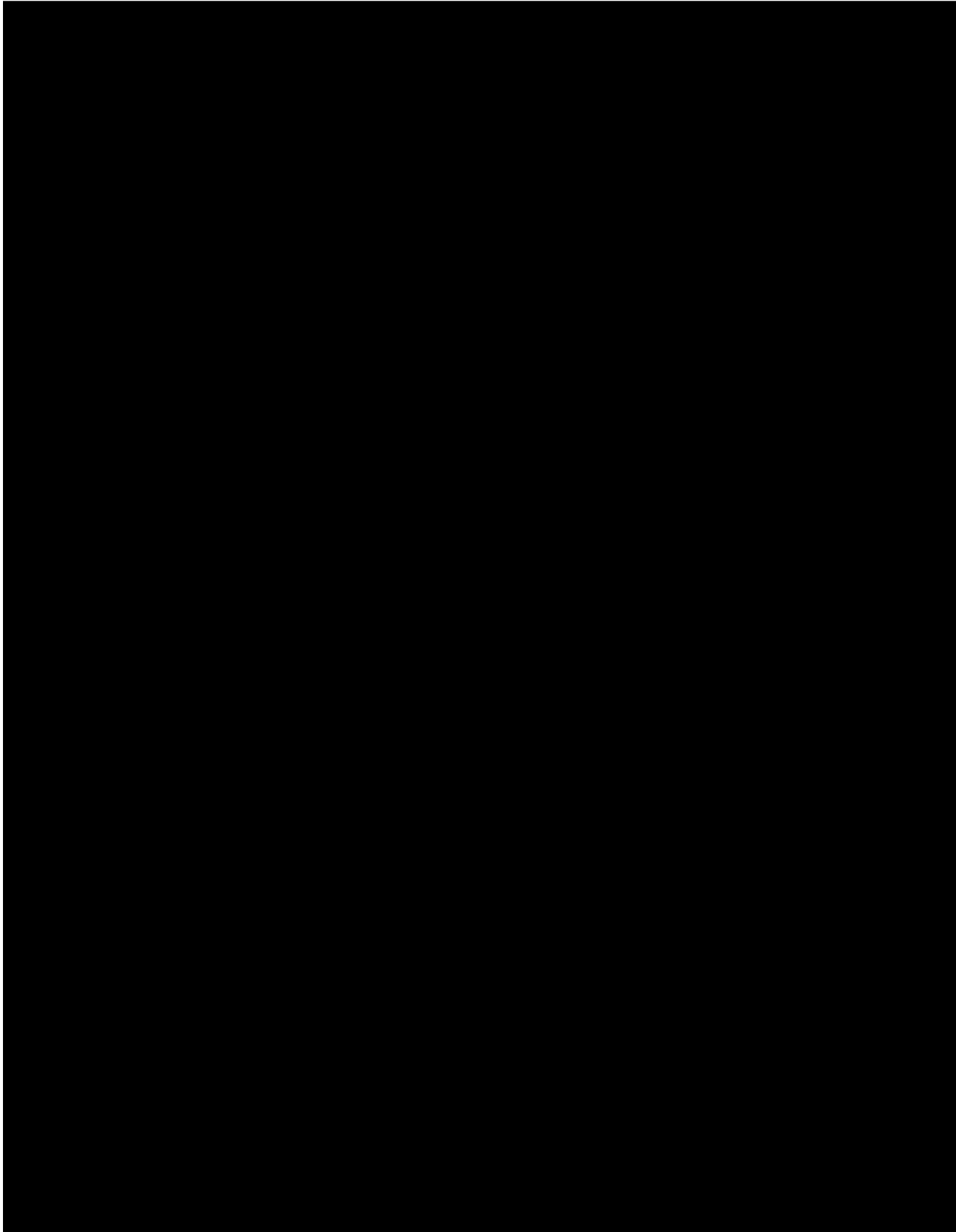


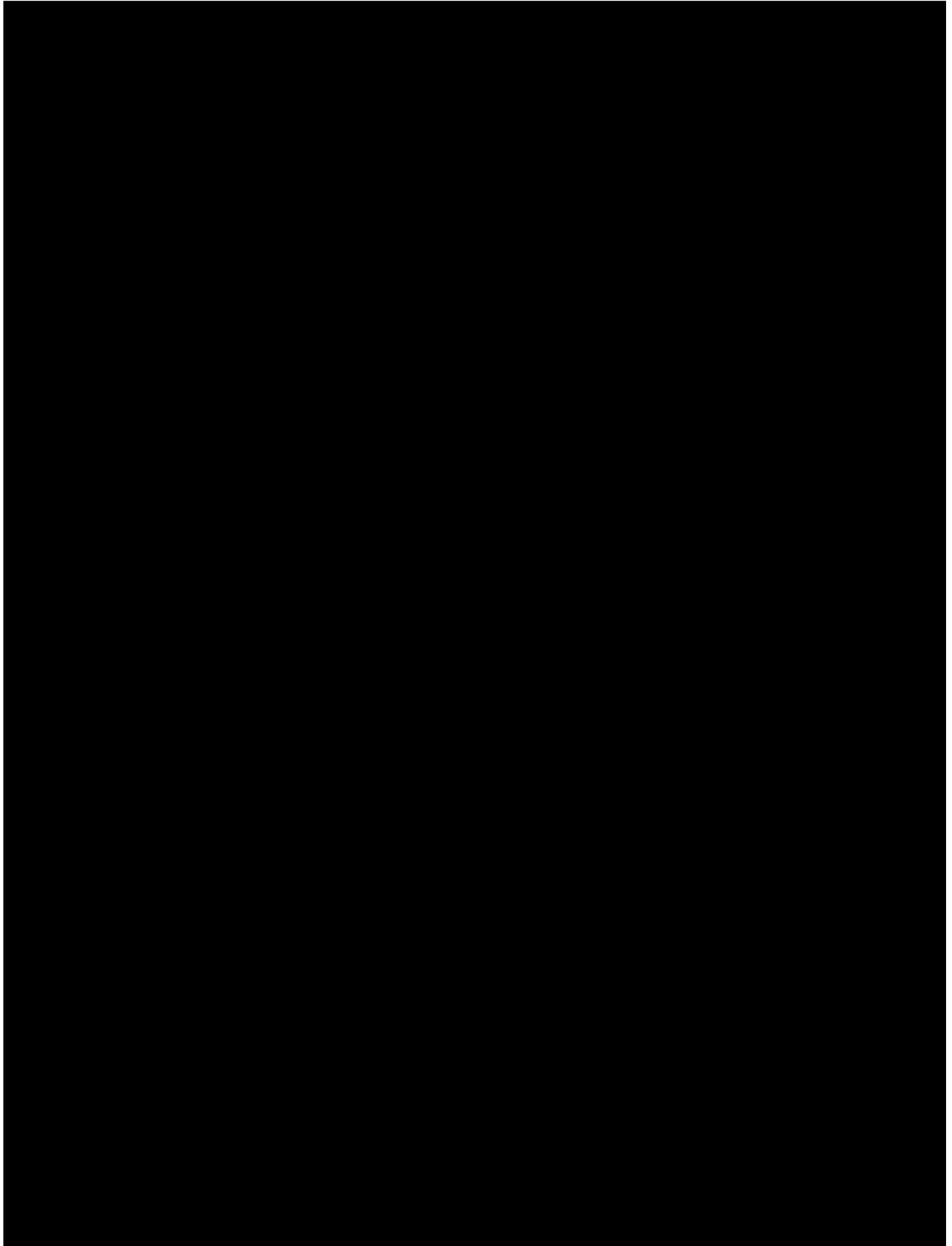


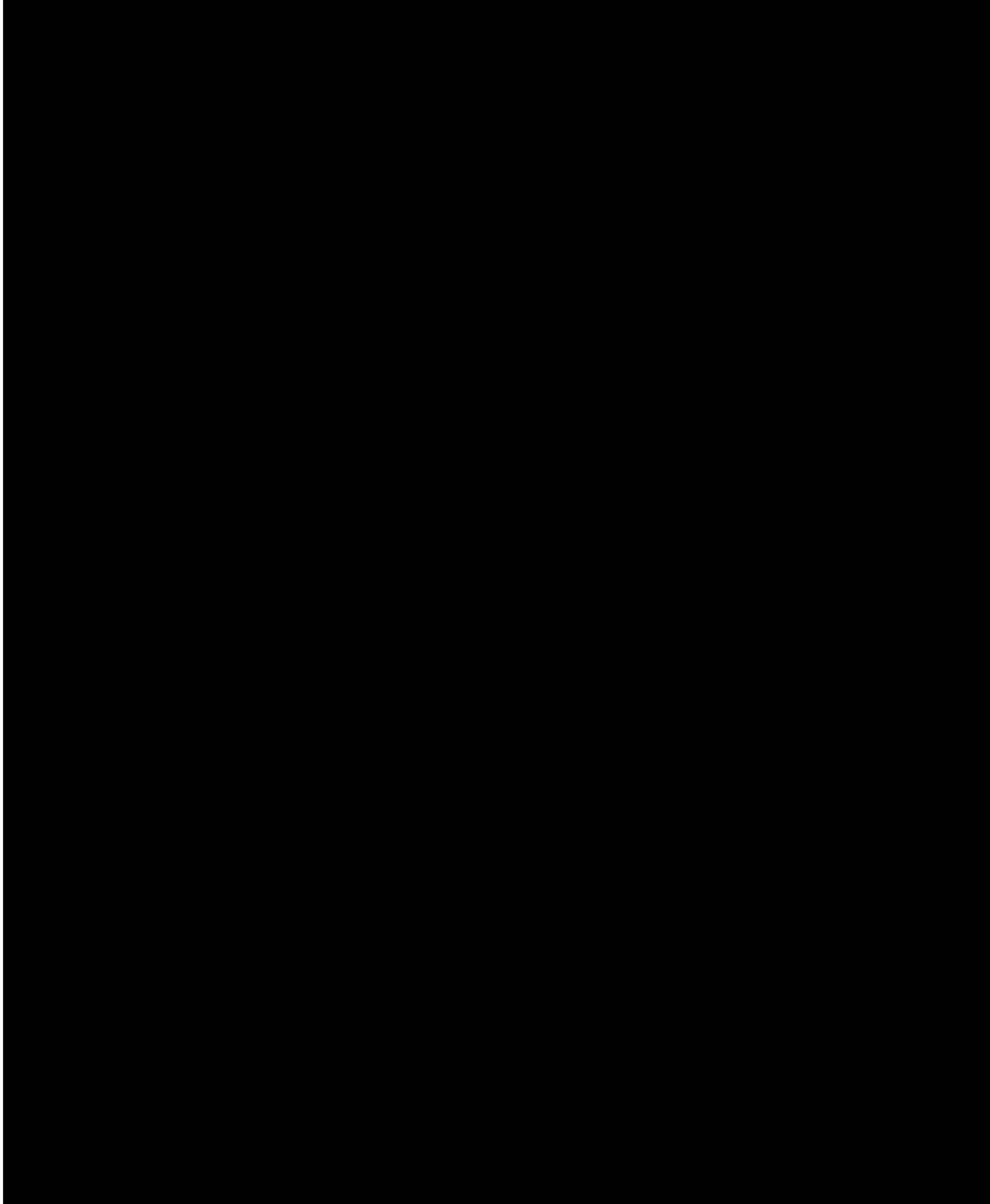


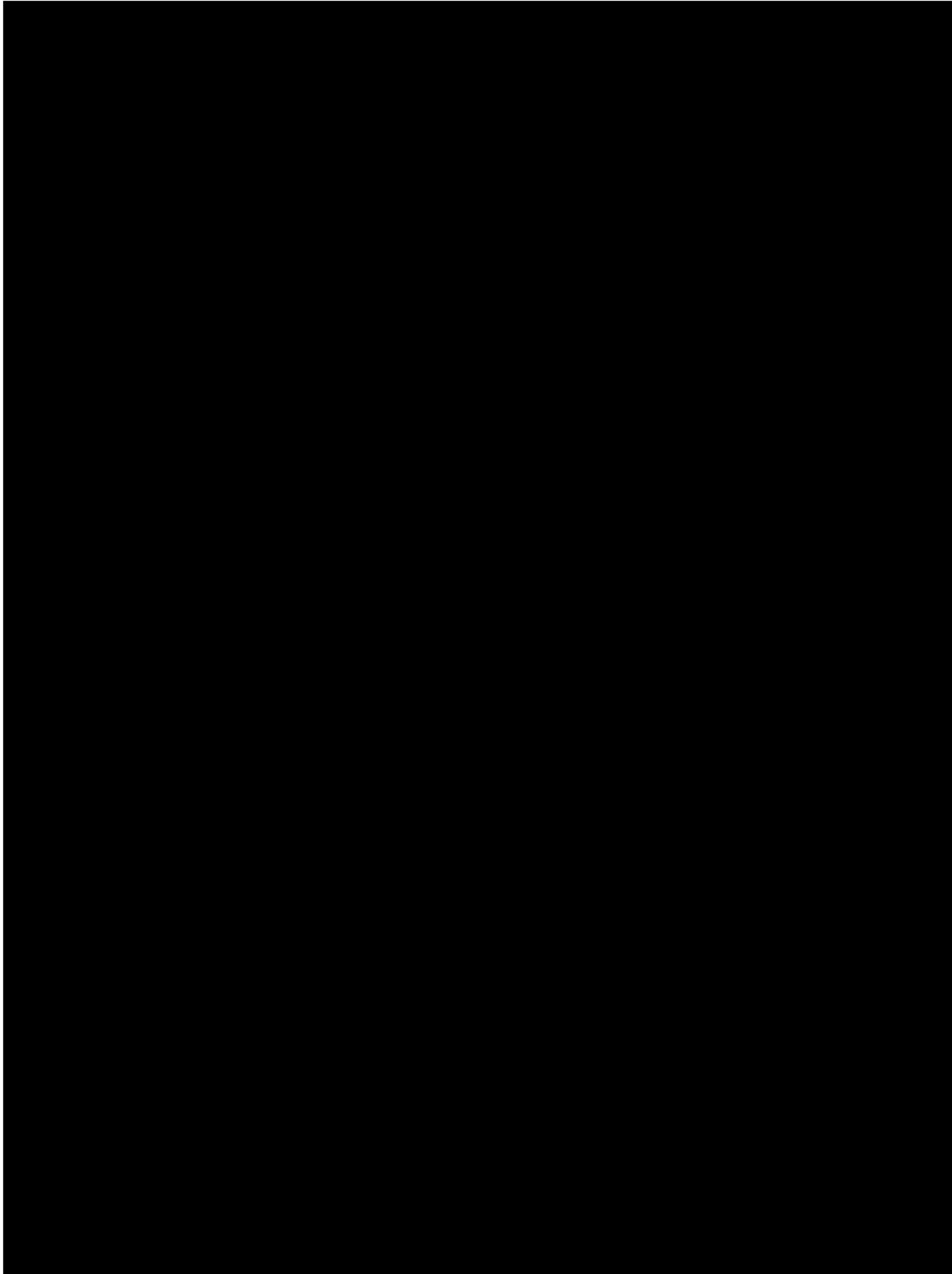


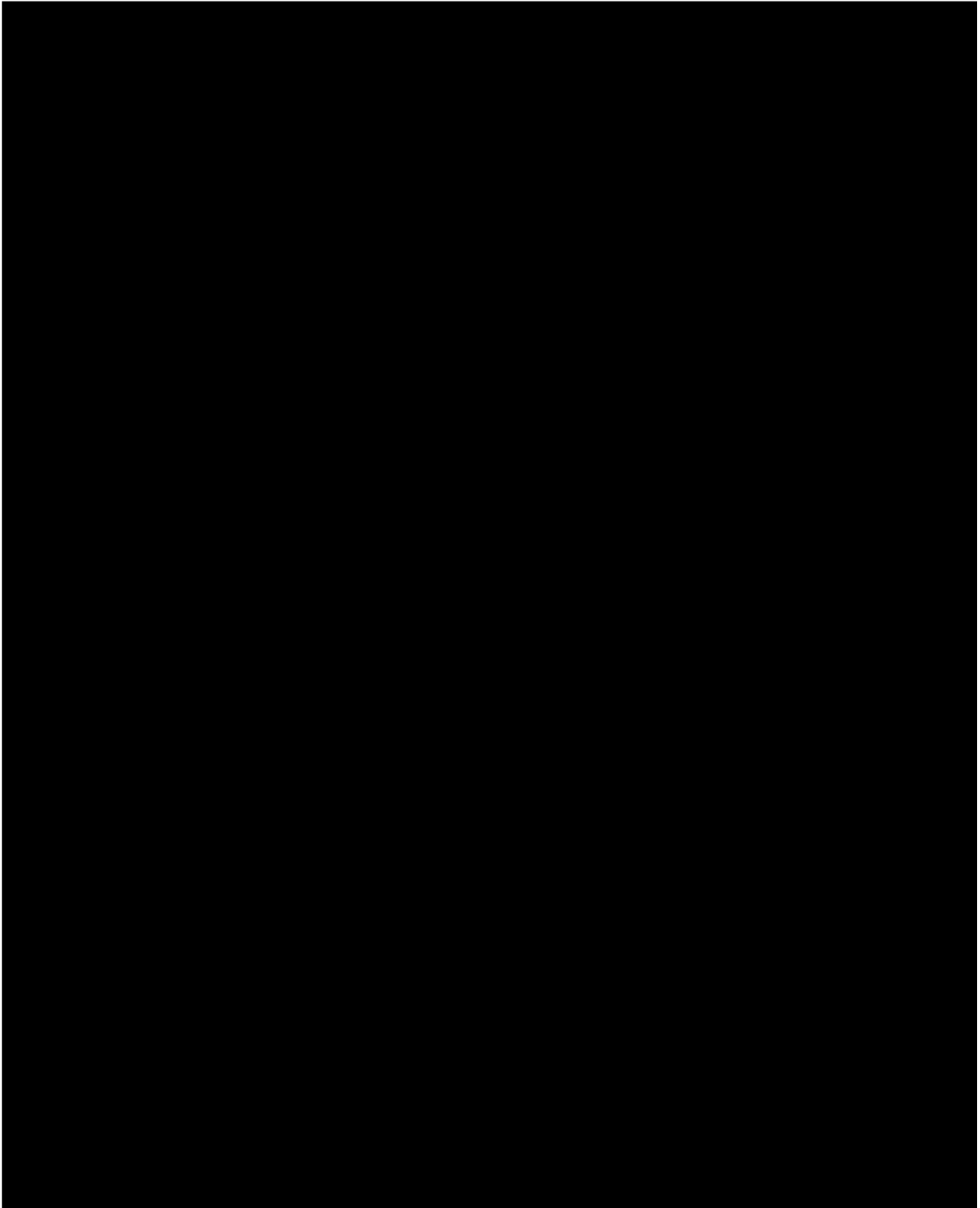


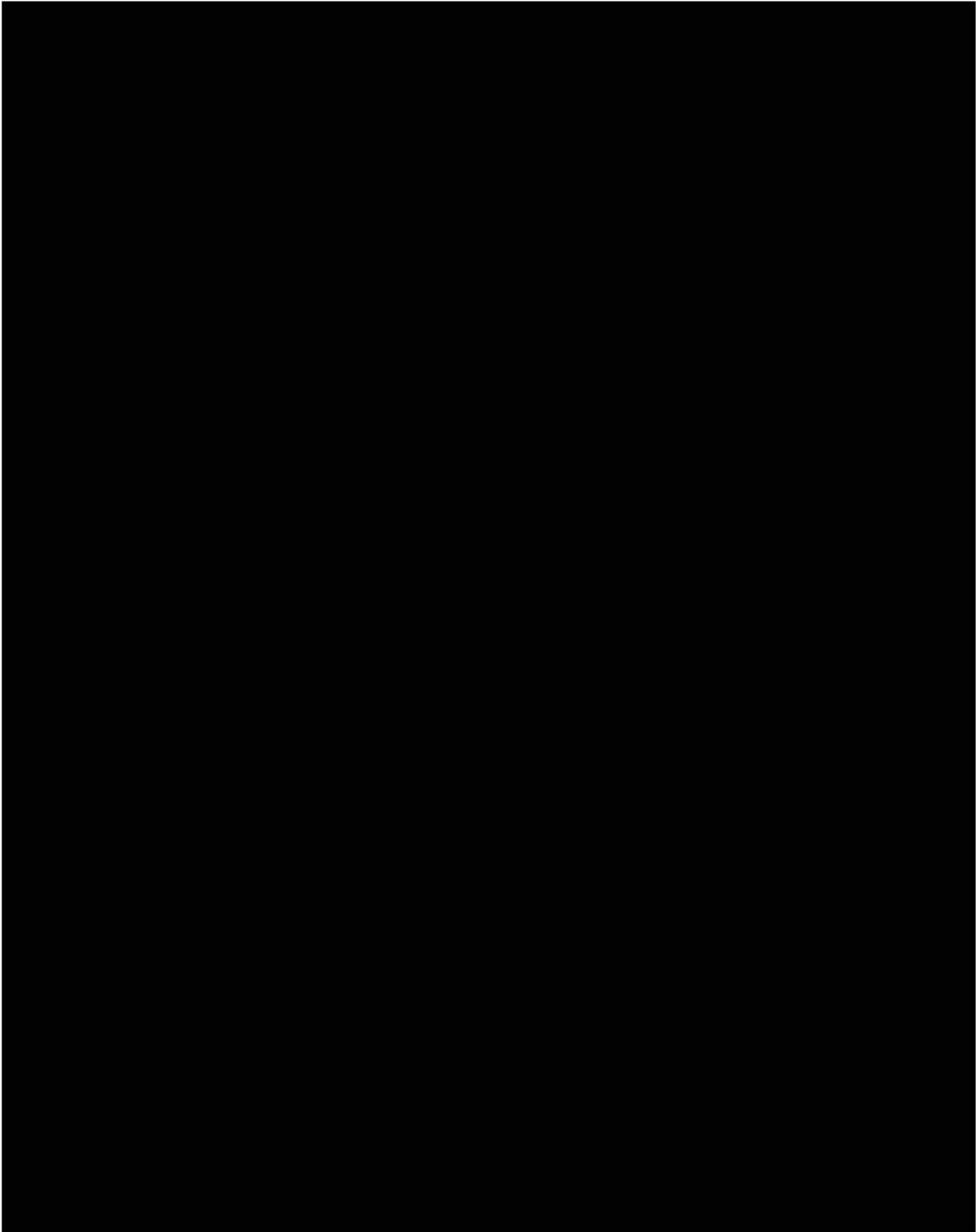


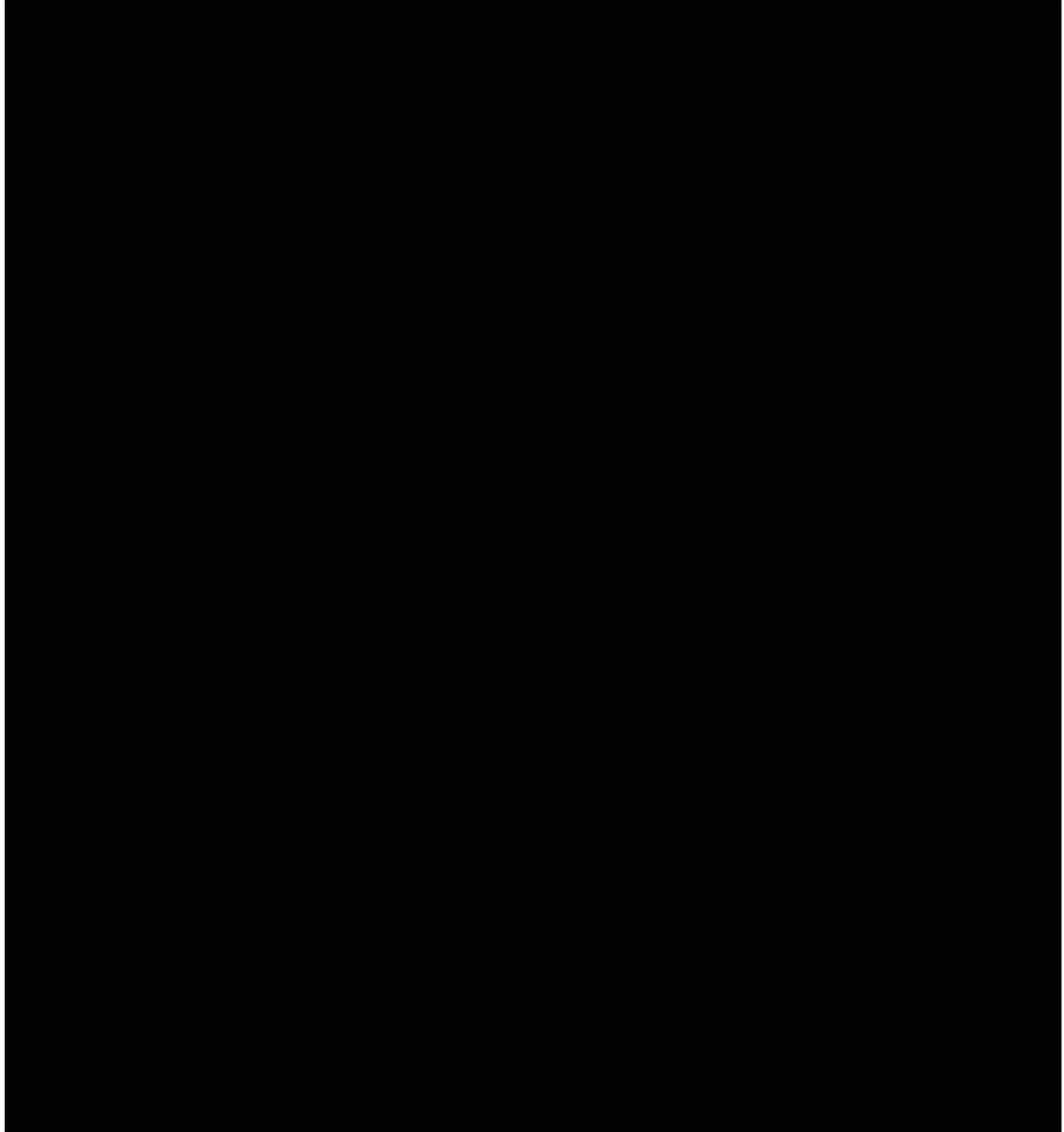


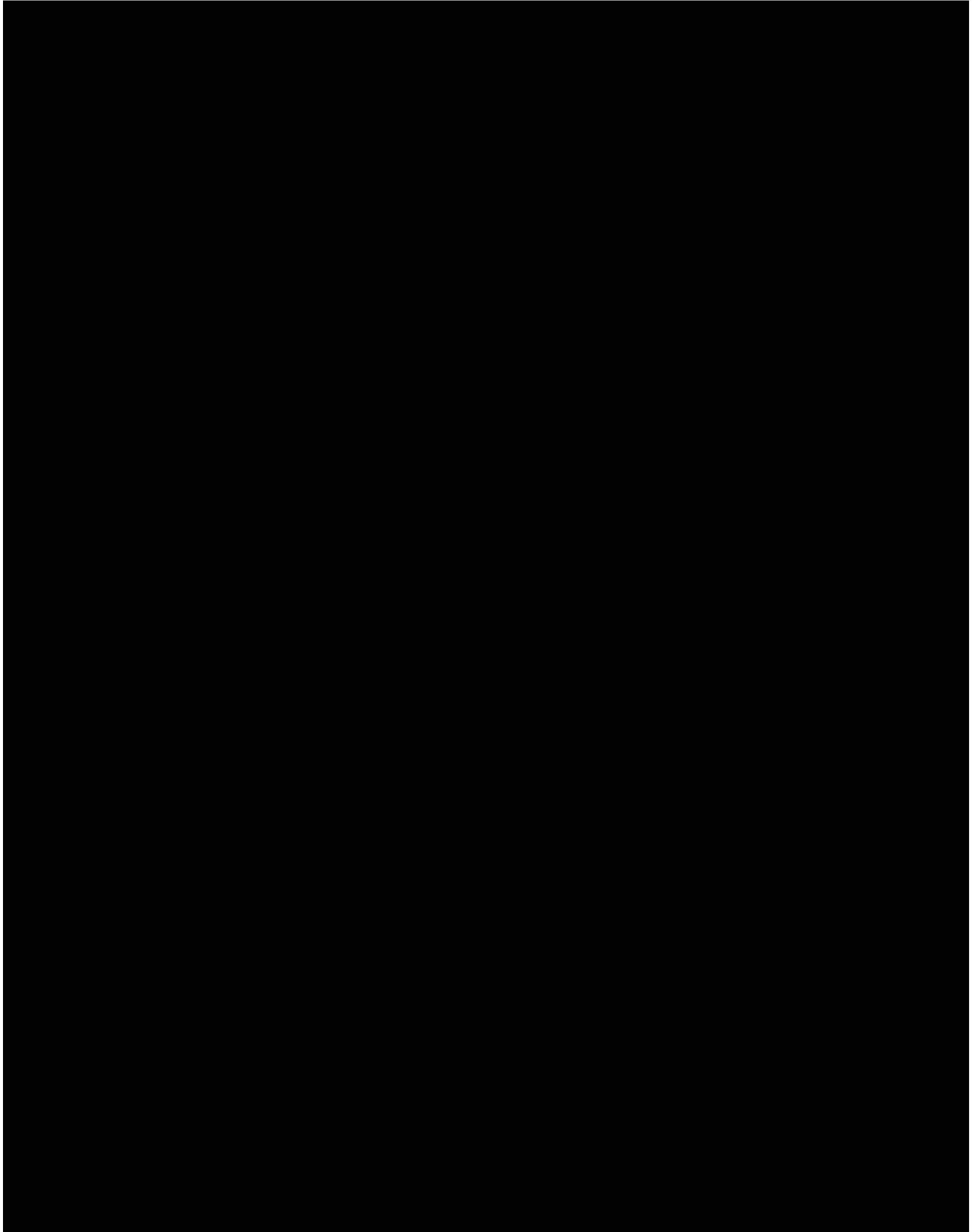


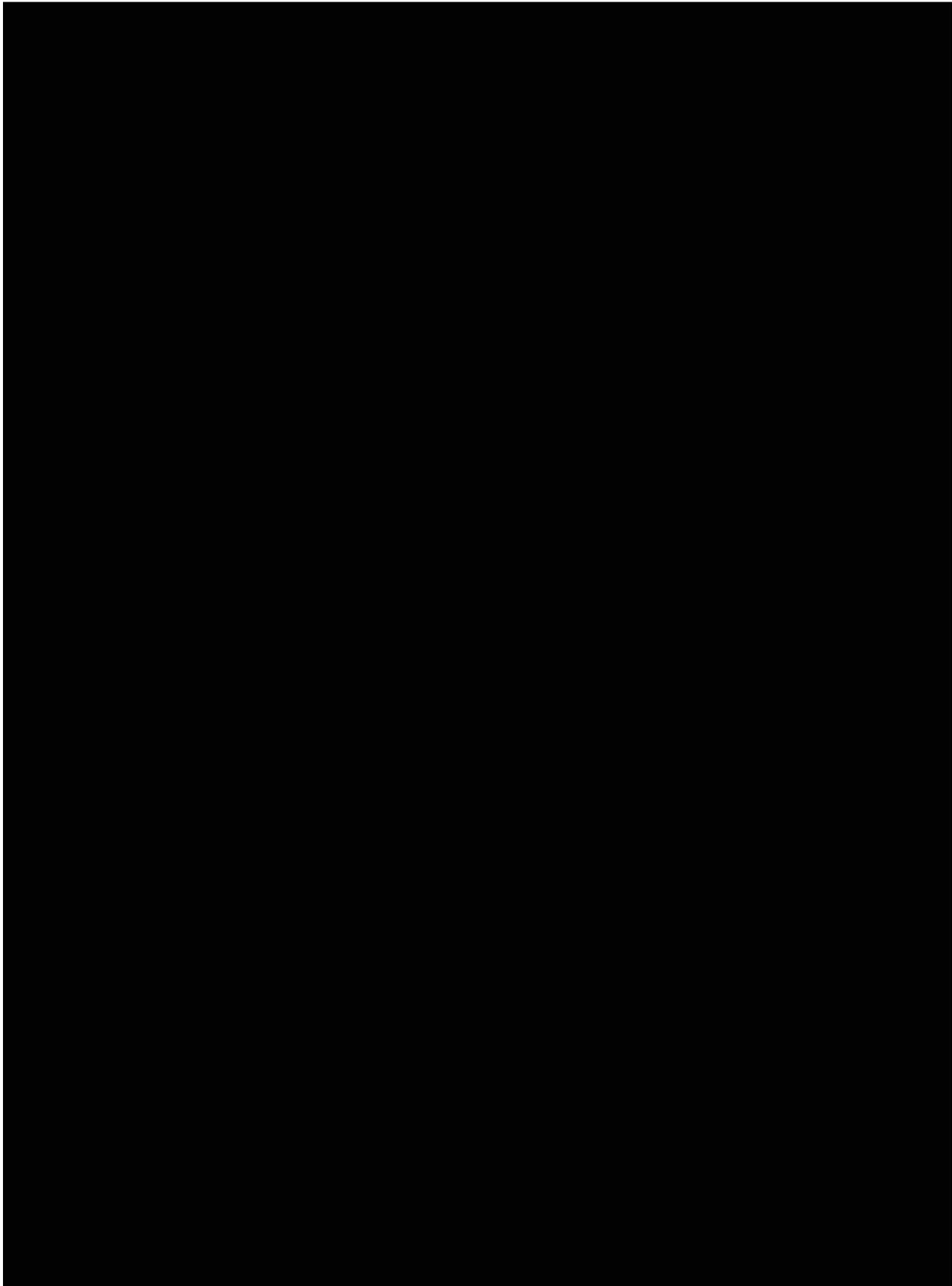


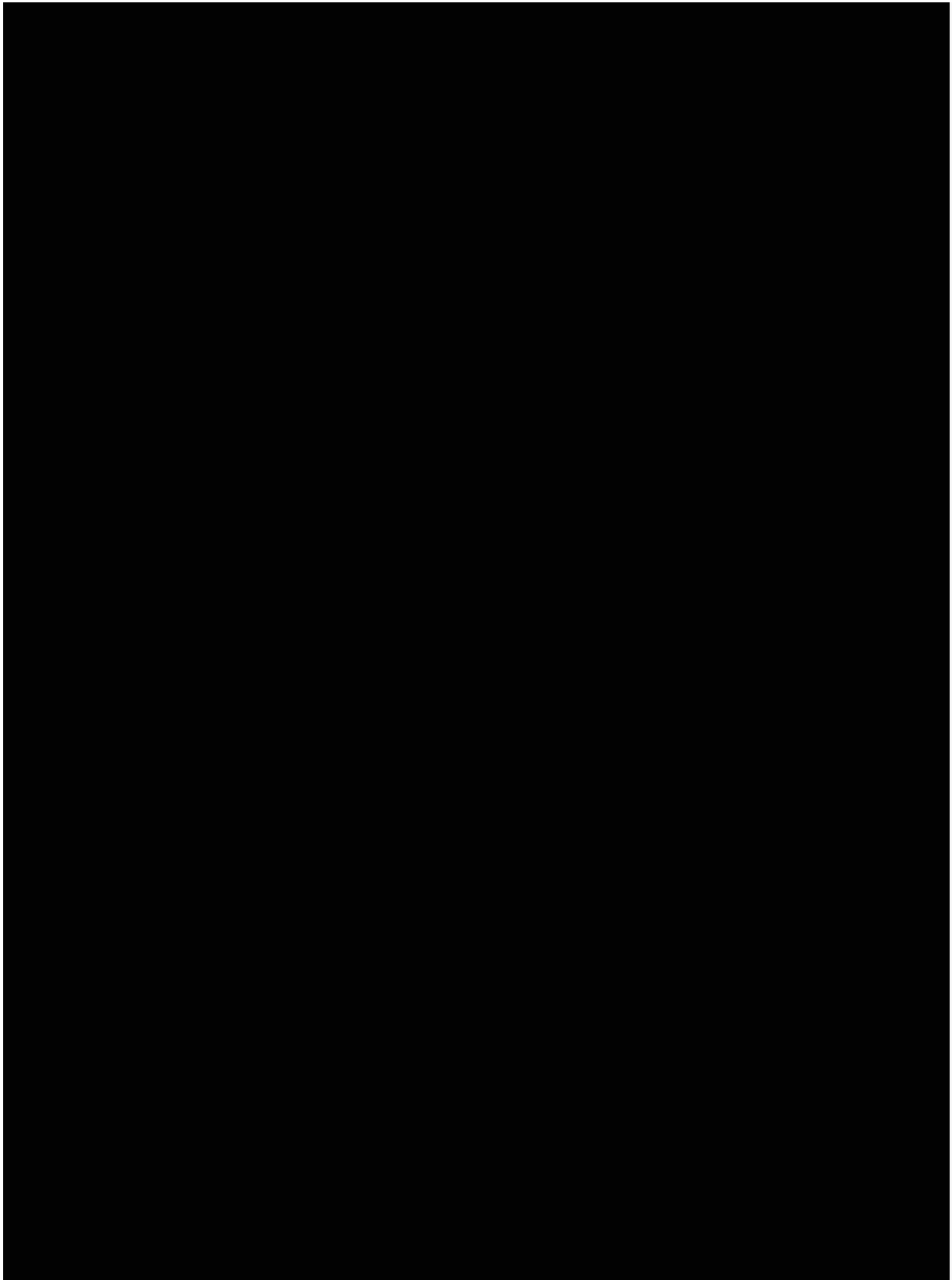


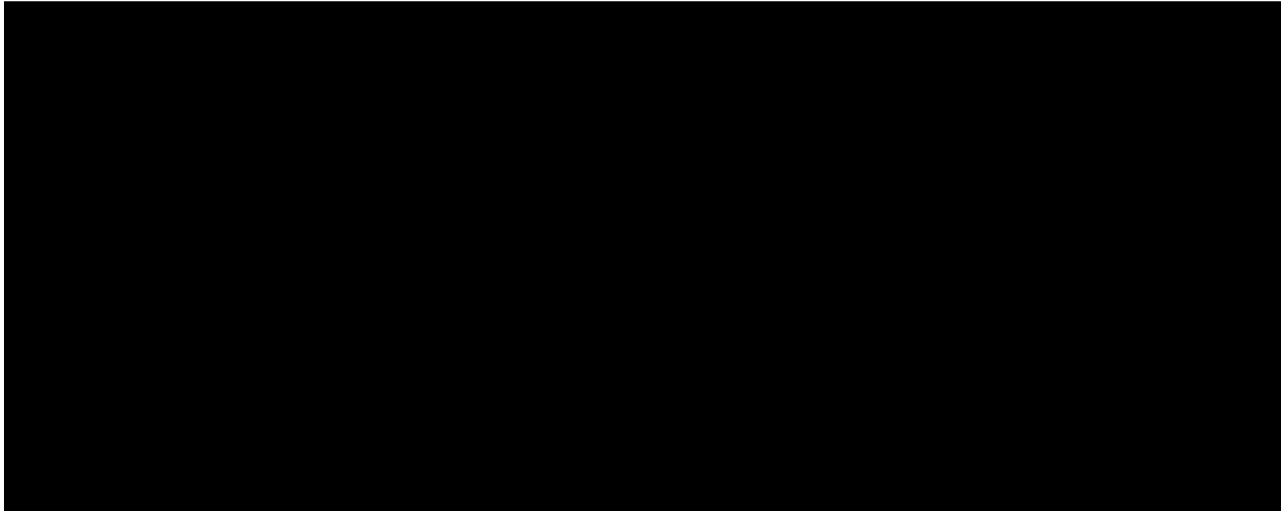


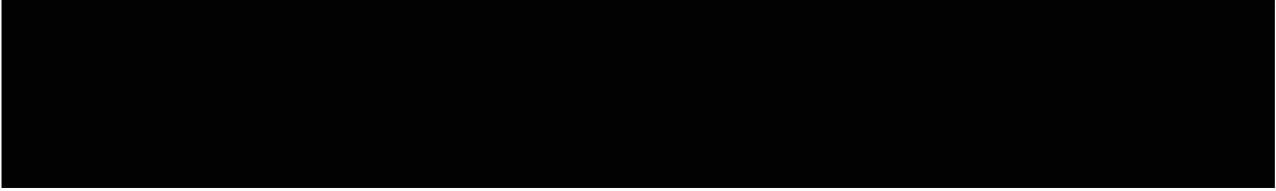










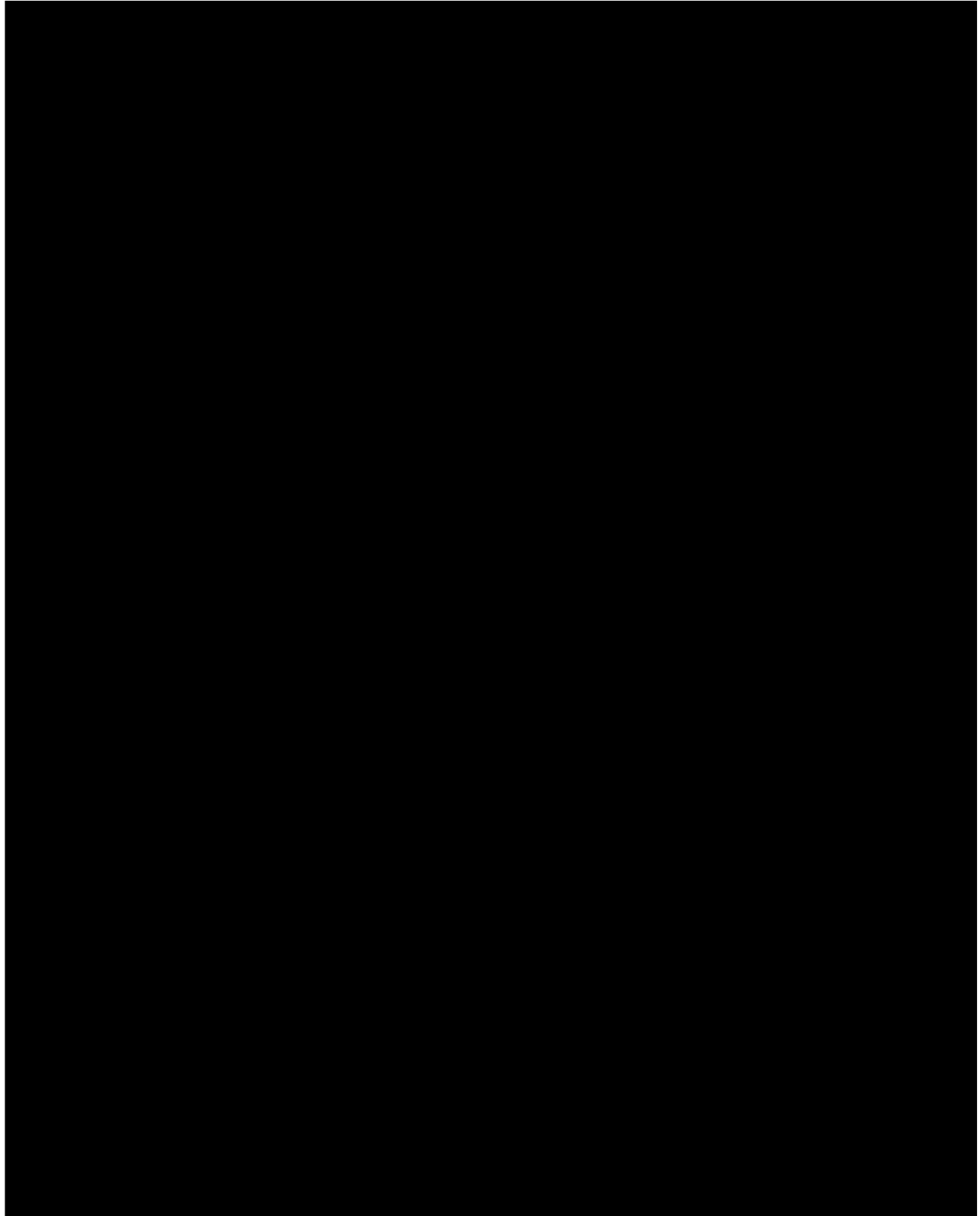


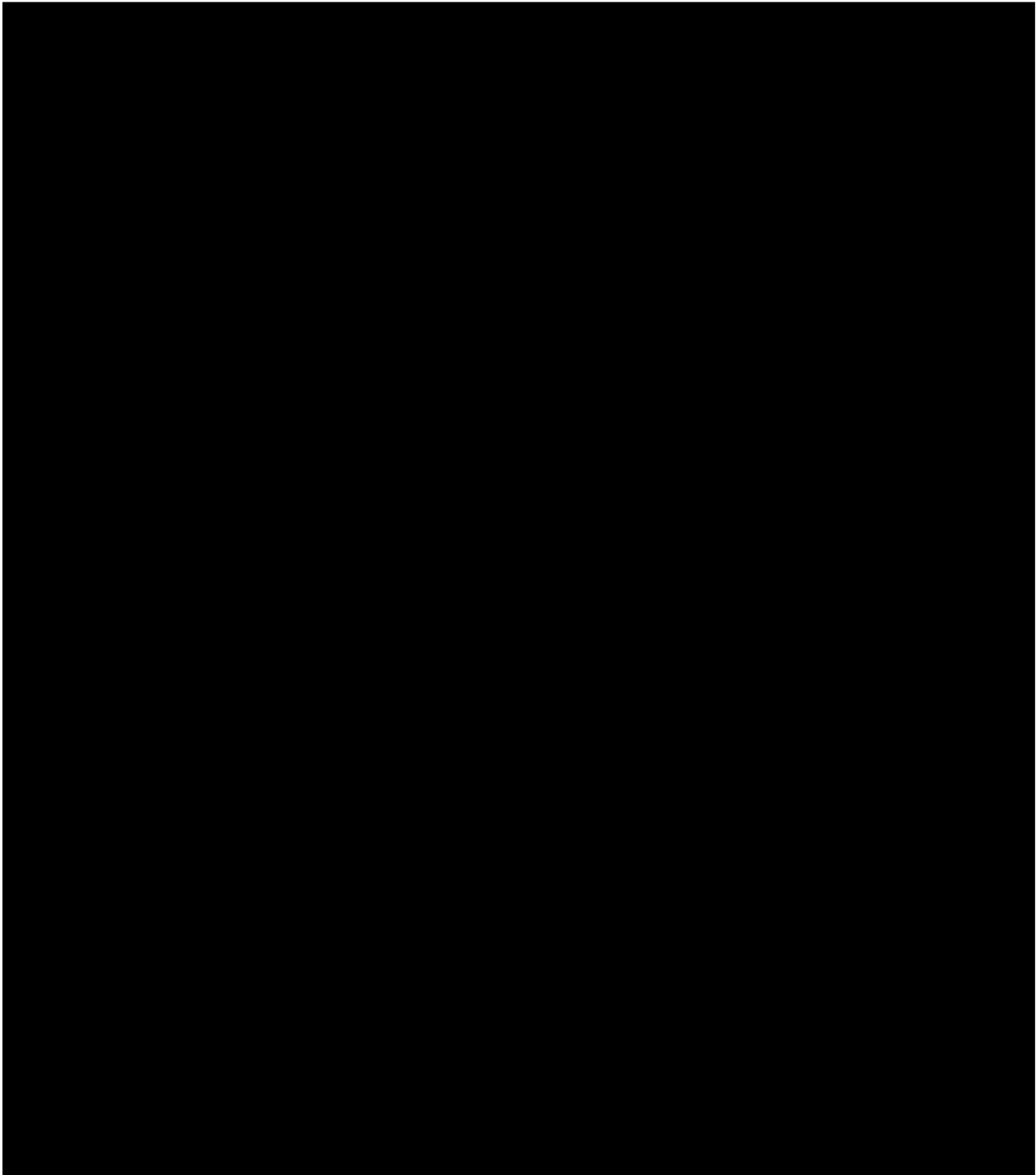


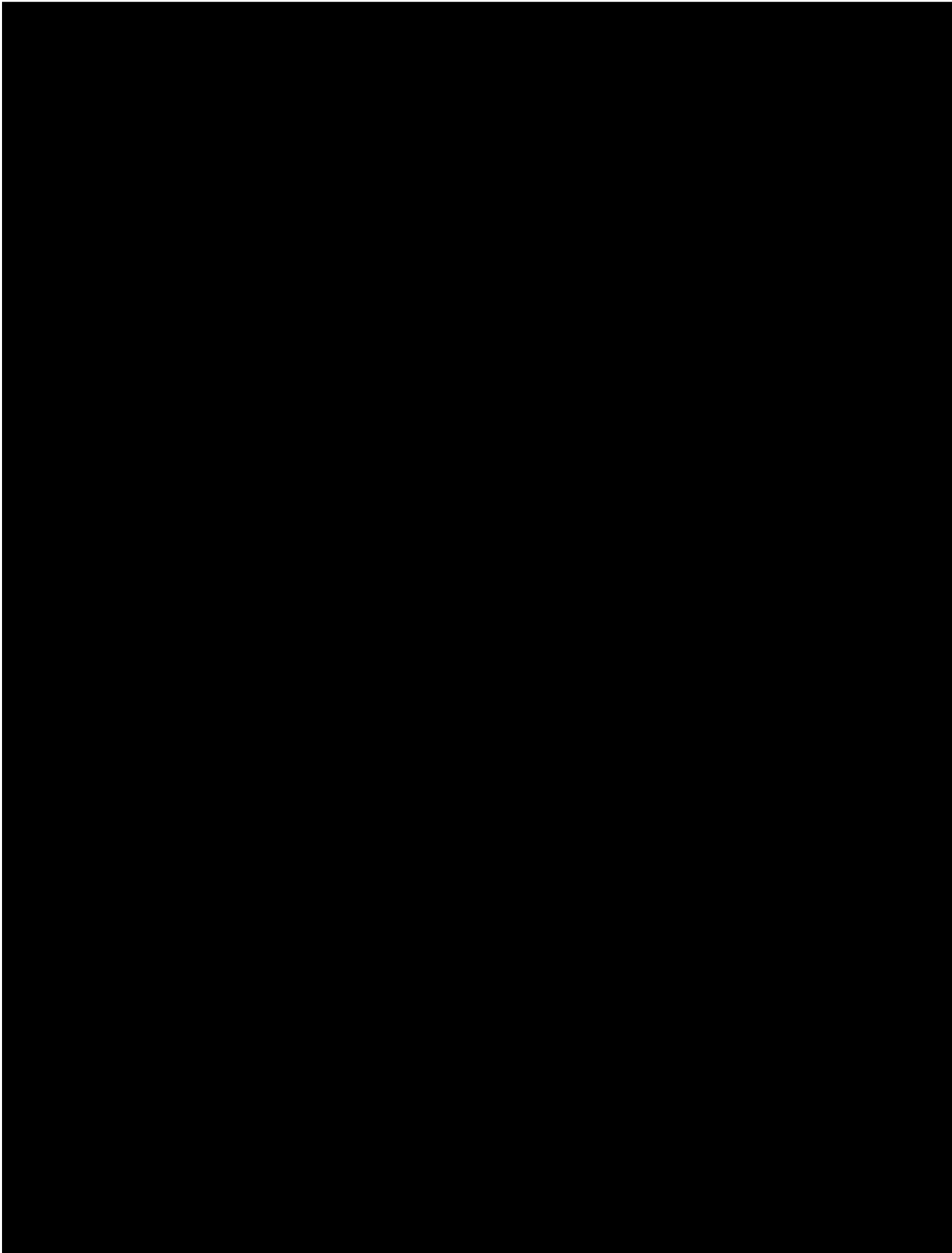
17.0 Other Relevant Data and Information

Mercator is not aware of other relevant data or information that is necessary to support the Whites Point basalt mineral resource estimate presented in this report.

18.0 Interpretation and Conclusions










19.0 Recommendations

The purpose of this report has been to provide an independent quantification of basalt resources present on the subject property. Results of such quantification are presented above and Mercator is of the opinion that, in light of the established scope of the resource estimation project, recommendations toward further assessment of the deposit are not warranted.

20.0 Statements of Qualifications



CERTIFICATE of AUTHOR

I, Michael P. Cullen, P. Geo., do hereby certify that:

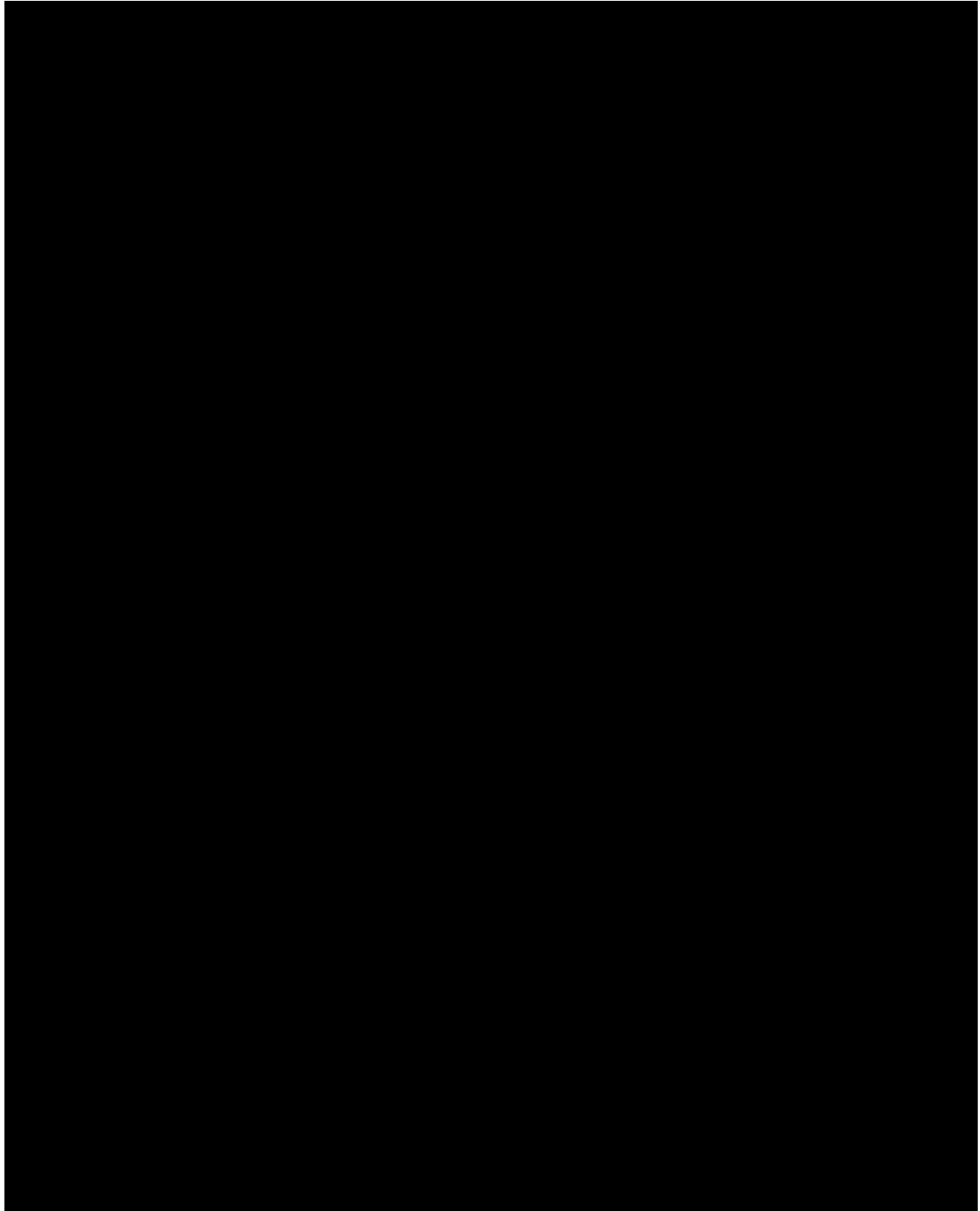
1. I currently reside in Halifax, Nova Scotia, Canada and am employed as Chief Geologist by Mercator Geological Services Limited.
2. I received a Master of Science (Geology) degree from Dalhousie University in 1984 and received a Bachelor of Science degree (Honours, Geology) in 1980 from Mount Allison University.
3. I am a registered member in good standing of the following professional associations: (1) Association of Professional Geoscientists of Nova Scotia, registration number 064, (2) Professional Engineers and Geologists of Newfoundland and Labrador, registration number 05058 and (3) Association of Professional Engineers and Geoscientists of New Brunswick, registration number L4333.
4. I have worked as a geologist in Canada and internationally since graduation from university.
5. I have relevant professional experience relating to the content of this report.
6. I have read the definition of “qualified person” set out NI 43-101 and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101.
7. I am the qualified person who supervised and is responsible for preparation of the technical report titled “Bilcon Of Nova Scotia Inc., Whites Point Project, Mineral Resource Estimate Technical Report” that has an effective date of August 15, 2016.
8. 

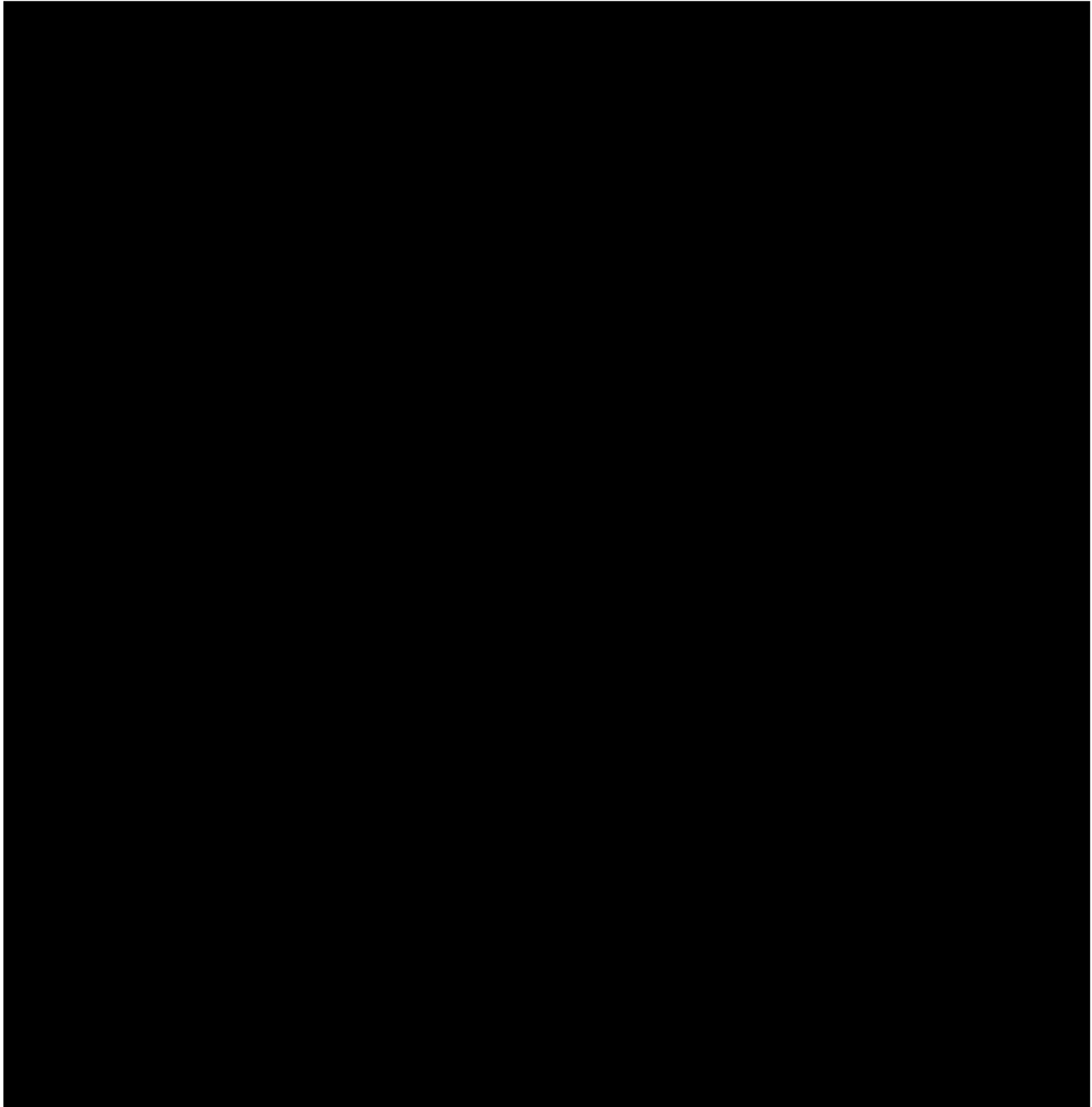
9. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
10. I am independent of Bilcon of Nova Scotia Inc. and its parent company, Bilcon of Delaware Corp., applying all of the tests in section 1.5 of NI 43-101.
11. I have read NI 43-101 and Form 43-101F1, and believe that this Technical Report has been prepared in compliance with that instrument and form.

Dated this 17th Day of November, 2016



Michael Cullen, M. Sc., P. Geol.
Chief Geologist
Mercator Geological Services Limited

21.0 References Cited





Appendix 1

Drilling Related Documents



