Nanaimo Engineering Services Ltd.

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Coast Mountain Resources 2020 19050 94 Avenue Surrey, BC V4N 4X8 Jan 23rd, 2023

File Number: 001-01-2023-001

Attention: Kyle Dolan

RE: Bamberton Quarry Design Update

1.0 Introduction

Nanaimo Engineering Services Ltd. (NES) was contracted by Coast Mountain Resources 2020 to update quarry designs with geotechnical recommendations provided by Geopacific Consultants.

Geopacific Consultants provided the following geotechnical recommendations through meetings and as per their report, "Geological Investigation Report: Proposed Commercial Development 1451 Trowsse Rd, Mill Bay, BC," Dated July 25th, 2022. File:18403

Parameter	Unit	Value
Bench Height	m	12
Catchment Bench Width	m	8
Bench Face Angle	Degrees	75
Overall Slope Angle	Degrees	47
OB Slope Angle	Ratio	3:1

These recommendations apply to all areas, phases, and bench face dip directions (orientations) across the deposit. It was noted that in certain areas, rock anchors might be required based on joint set orientation.

All designs follow the above design parameters and geotechnical recommendations. Any cross sections that appear to show otherwise are the result of section views not cut perpendicular to that bench face.

Quarry locations were updated for three areas:

- 1. Upper Quarry Existing Area
- 2. Mid-Quarry South of the fill site
- 3. Waterfront Quarry Lower area by the water lot

The upper quarry is designed and suitable for operations. The Mid and Waterfront Quarry will be updated with an execution design when overburden and till materials are removed. These designs meet requirements to be issued as feasibility level design; the execution design will be updated closer to the intended operating date.

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All designs are within property boundaries and greater than 5m away from the property limits as per section 10.5.8 and 10.5.11 of the Health, Safety and Reclamation Code for Mines in British Columbia (HSRC).

Trees, vegetation, and overburden materials will be cleaned away from the mining crests 2.0 m in accordance with HSRC 6.23.1. All remaining glacial till overburden faces will be sloped at 3:1, as per recommendations of Geopacific.

2.0 Recommendations

Prior to the execution of these designs, further geotechnical analysis should be conducted to ensure geotechnical stability.

At the start of mining new areas and ongoing through the deposit, a geotechnical assessment should be completed for joint set orientation to determine any risks from slide, toppling or wedge failures.

To preserve 8.0 m catch benches, drill and blast best practices are recommended to be implemented. Some of these practices include negative subdrill on bench crests, offsetting blast holes from design toes and free facing of shots against the final wall. In addition, scaling walls before leaving benches will reduce future clean-up requirements of catch benches.

3.0 Closure

This report has been prepared exclusively for Coast Mountain Resources 2020 for the purpose of providing mining engineering recommendations for the design and construction of the proposed development. This report remains the property of Nanaimo Engineering Services Ltd., and the unauthorized use of or duplication of this report is prohibited.

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