



**DLP**  
RESOURCES INC.

## Technical Update – December 2020

**DLP TSXV**

[www.dlpresourcesinc.com](http://www.dlpresourcesinc.com)

# Cautionary Statement

Certain information contained in this document may be forward-looking statements or forward-looking information (referred to as “forward-looking statements”). Forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Examples of such forward-looking statements in this document include, but are not limited to, financial and business prospects, geological success, field geology results and financial outlooks. The forward-looking statements are based on certain assumptions, which include, amongst other things, whether DLP Resources Inc. (“DLP”) has sufficient capital to effect its objectives, whether the objectives will produce the results intended by DLP, and whether the markets will react and perform in a manner consistent with the business objectives. Although DLP believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and that information received from third parties is reliable, it can give no assurance that those expectations will prove to have been correct. Forward-looking statements are subject to certain risks and uncertainties that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include, but are not limited to, changes in general economic and market conditions and other risk factors. Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this document and such forward-looking statements should not be interpreted or regarded as guarantees of future outcomes. Any forward-looking statements contained in this document are expressly qualified, in their entirety, by this cautionary statement. Any forward-looking statements contained in this document are made as of the date hereof and the DLP does not undertake to update or revise them, except as may be required by applicable securities law.

# Overview

## HSEC

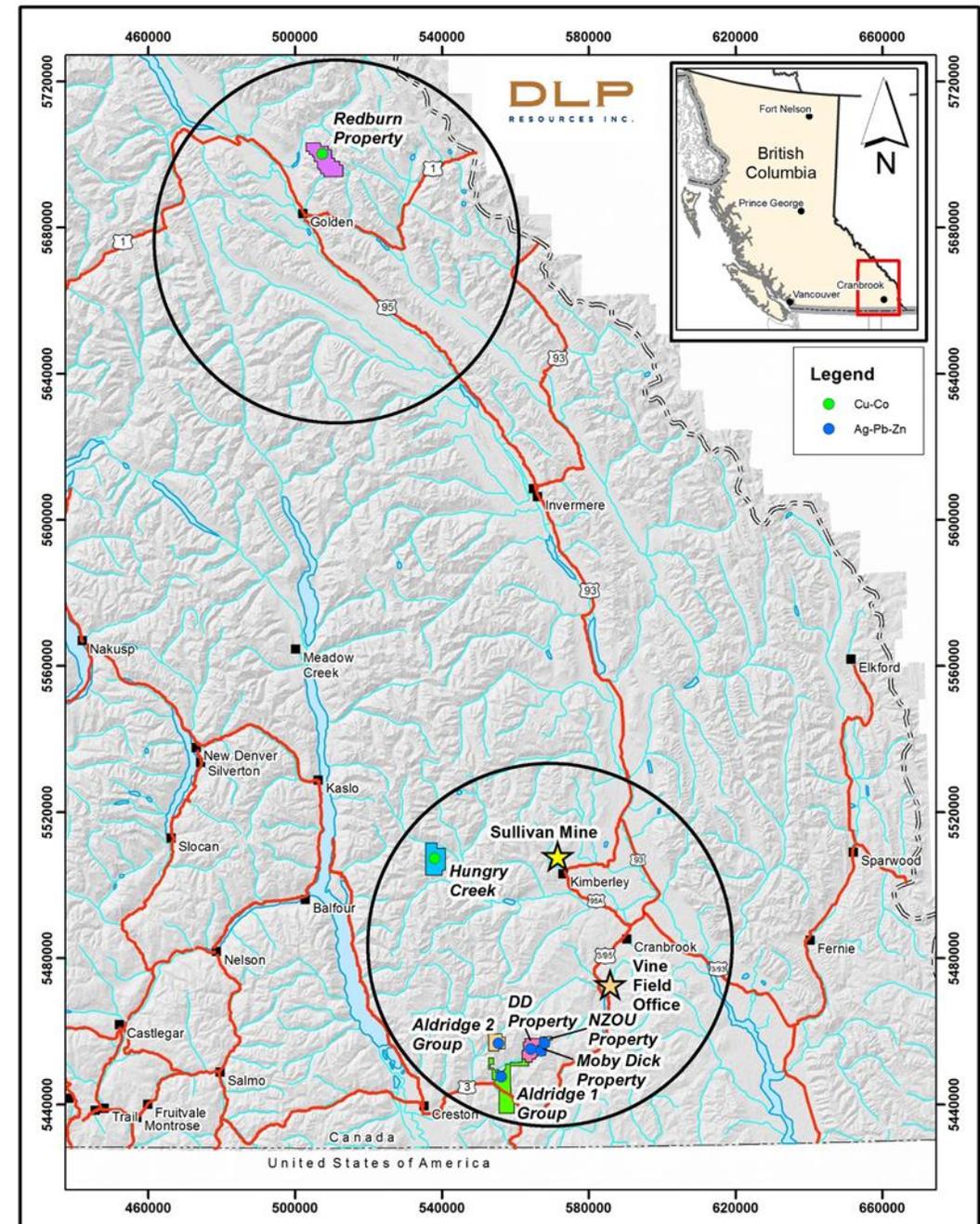
- No Incidents to report
- HSEC protocols adopted and documented

## Work Completed – 2020

- Three Sullivan-type Zn-Pb-Ag targets drilled on Aldridge 1 and 2 plus DD – Option with PJX.
- Total metres drilled to date 3249m – 4 DDhs.
- 33 Line km of Titan24 MT (magnetotelluric) ground geophysics completed on DD-Moby Dick-NZOU Properties.
- 1.4 Line km of Titan24 MT ground geophysics completed on the Aldridge 1 Property.
- Hungry Creek – Cu-Co project: 80 soil samples were collected over 4 additional soil lines and 10.8 line km of mag/VLF was completed.
- Redburn: Co-Cu project: 168 Soil samples collected and analyzed. 16 heavy mineral concentrate samples collected.

## Results

- **DD Property**
  - Extended the original Teck hole an additional 286m (1425 to 1711m) and intersected the Sullivan Horizon (SH). The SH had good alteration and was weakly mineralized with Zn. Very encouraging for targeting and further drilling of the DD (see MT results in Figures below).
- **Aldridge 1:**
  - 2 Drill holes AK20-01 (1046m) and AK20-02 (1431m) intersected weakly Zn mineralized and highly altered Sullivan Horizon sediments. This is very encouraging for expansion of drilling to the east and northeast of these holes (see Figures below).
- **Aldridge 2**
  - Drilling of AG20-01 to 481.87m completed on October 09.
  - Middle Aldridge sediments intersected but no mineralization associated with the MT anomaly.
- **Hungry Creek**
  - The Very Low Frequency (VLF) electromagnetic and magnetic ground geophysical program has identified three principal conductive anomalies, two of which are near the massive sulphide float boulders seen in the creek (see press release of January 09, 2020 – MG Capital and DLP Resources announces high grade Copper-Cobalt potential at Hungry Creek).
  - Drilling of the VLF/Mag targets will commence in early spring 2021.
- **Redburn**
  - Geochem anomaly of Co-Cu identified for follow-up reconnaissance.



# Overview – Property Option Agreements

## PJX – DD Property (Option to acquire 75 %)

- Cash payments totaling \$250,000 within 48 months and incurring \$4,000,000 in expenditures to earn 50%. **Note:** *the \$250,000 cash payment can be made at the end of the 48 months which will be July 13, 2024.*
- Expenditures as follows:
  - \$350,000 within 12 months
  - \$650,000 within 24 months
  - \$1,500,000 within 36 months
  - \$1,500,000 within 48 months
- 2<sup>nd</sup> Option to acquire additional 25 % for:
  - Completion of a Feasibility study within 96 months.

### Commitments met include:

- \$20,000 paid for execution of Letter of Intent
- ~\$350,000 spent to date

## 453999 BC Ltd.– NZOU Property (Option to acquire 100 %)

DLP Resources Inc. will earn a 51% interest in the NZOU property by:

- Incurring exploration expenditures of \$15,000 by December 1st, 2020.
- Issue 75,000 common shares within 20 days of the date of the TSX Venture Exchange approval.
- Issue 75,000 common shares by February 28th, 2021
- Incur exploration expenditures of \$50,000 by December 31st, 2021.
- Issue 75,000 common shares by February 28th, 2022..
- (Issue 75,000 common shares by February 28th, 2023.

- DLP Resources Inc. will earn a 75% undivided interest in the NZOU property by
  - Making a cash payment of \$100,000 by December 31st, 2024.

- DLP Resources Inc. will earn a 100% undivided interest in the NZOU property by:
  - Issuing 100,000 common shares by December 31st, 2025

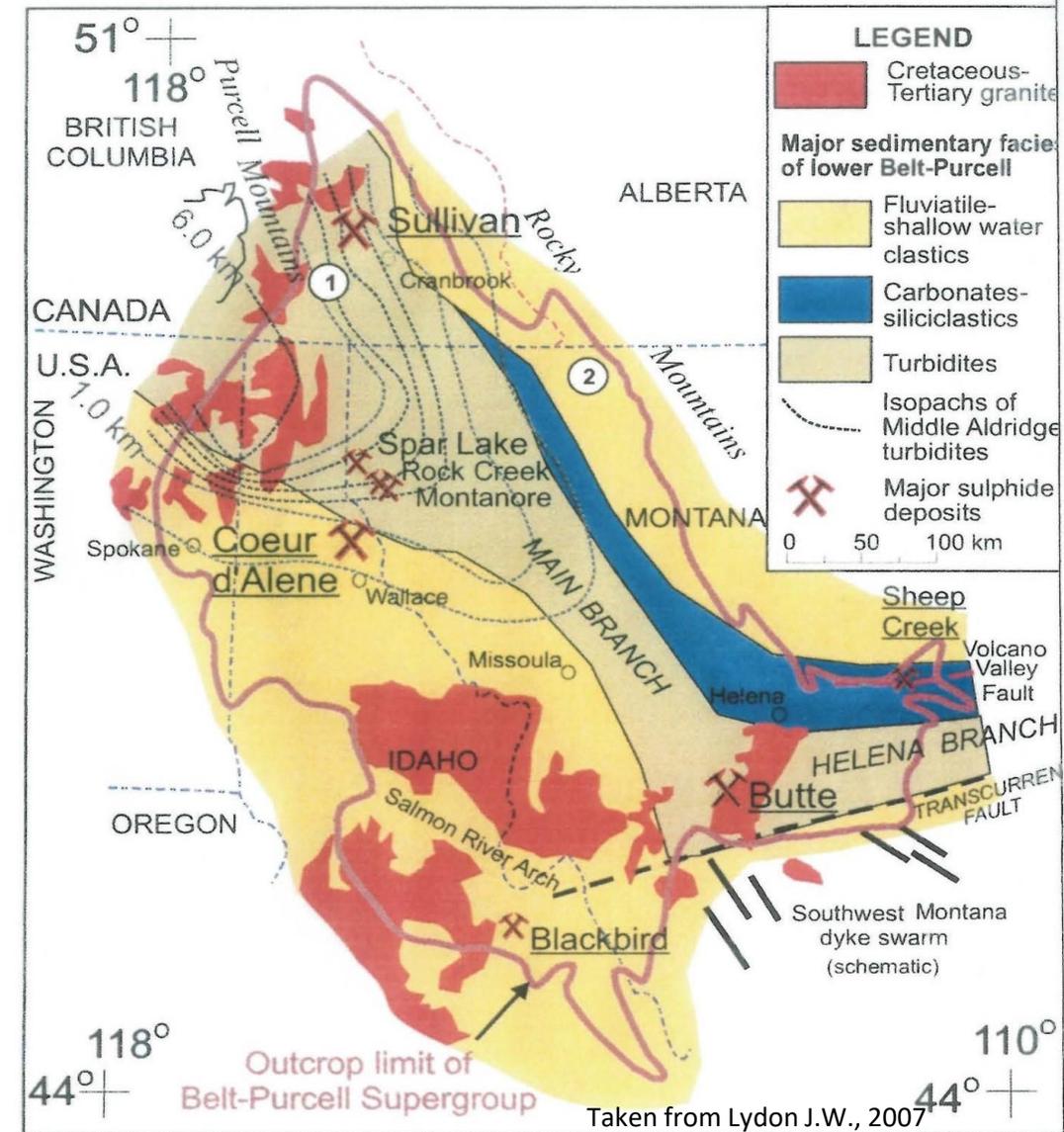
### Commitments met include:

- 75,000 shares issued
- ~\$35,933 spent to date

# Simplified Basin Geology with Major Deposits

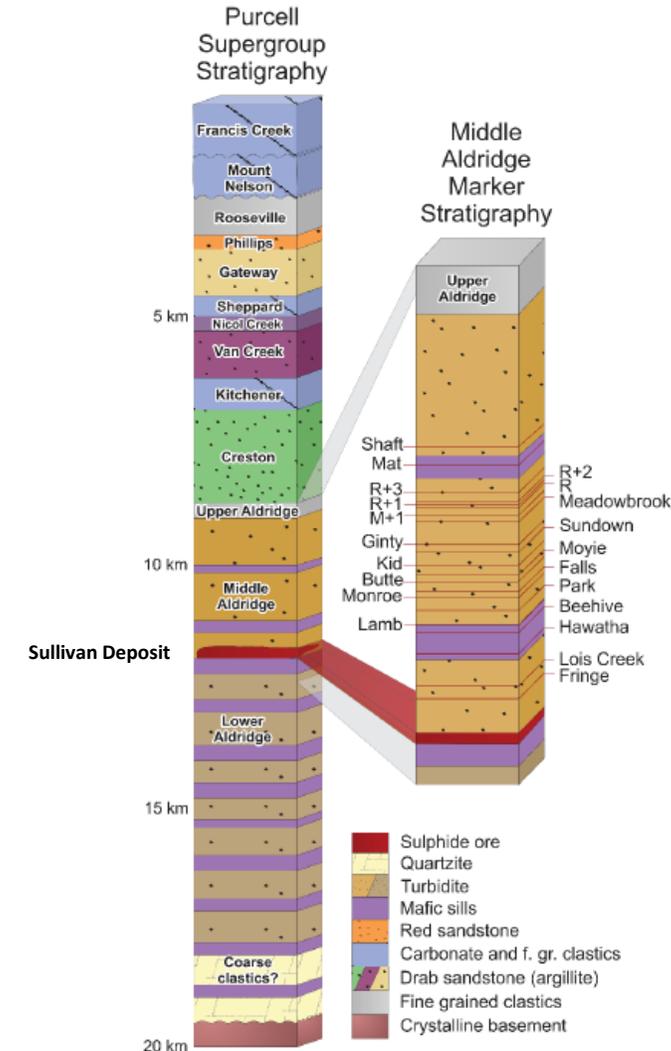
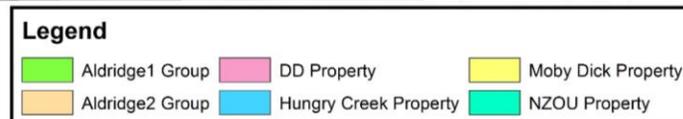
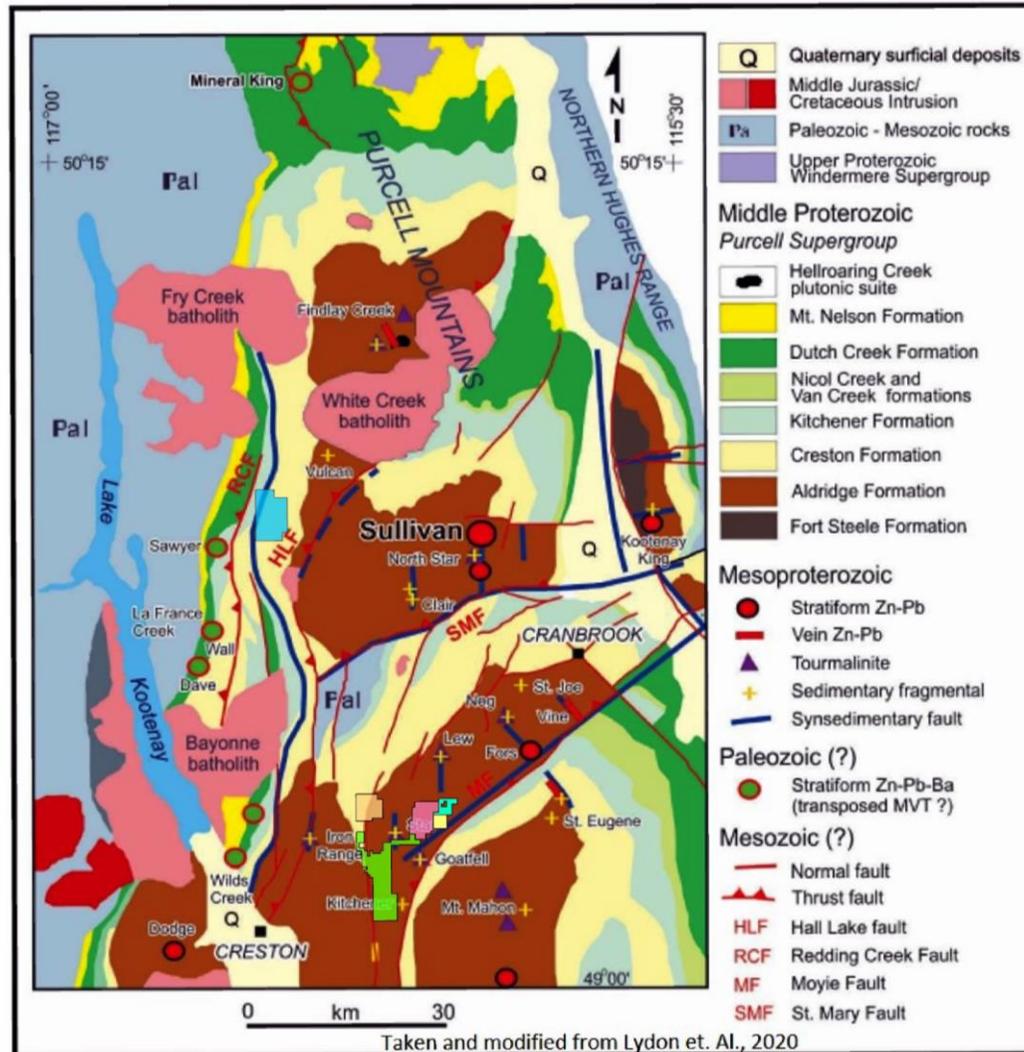
## The Sullivan Deposit \_SEDEX Style

- Discovered in 1892 and it was the largest lead and zinc operation in the world during the early 20th century.
- After 92 years of active production, the Sullivan Mine was closed in 2001.
- The mine produced over **160 million tons of ore containing 8 million tons of lead, 7 million tons of zinc, and 285 million troy ounces of silver**, which were together worth more than \$20 billion.



Deposit	tonnage	grades			
Sullivan	160 mt	5.86% Zn	6.08% Pb	67g/t Ag	
Coeur d'Alene	109 mt	2.62% Zn	6.66% Pb	313 g/t Ag	
Montanore	136 mt	0.78% Cu	60g/t Ag		
Blackbird	0.96 mt	1.5% Cu	0.6% Co		
Black Butte	6.60 mt	2.67% Cu	0.11% Co	14.4 g/t Au	
Butte district	5400 mt	0.49% Cu	0.033% Mo	4.8g/t Ag	

# District Geology and Stratigraphy for the Purcell Supergroup



General lithostratigraphic column of the Purcell Supergroup after Höy et al. (2000). Marker stratigraphy after Hagen (1983).

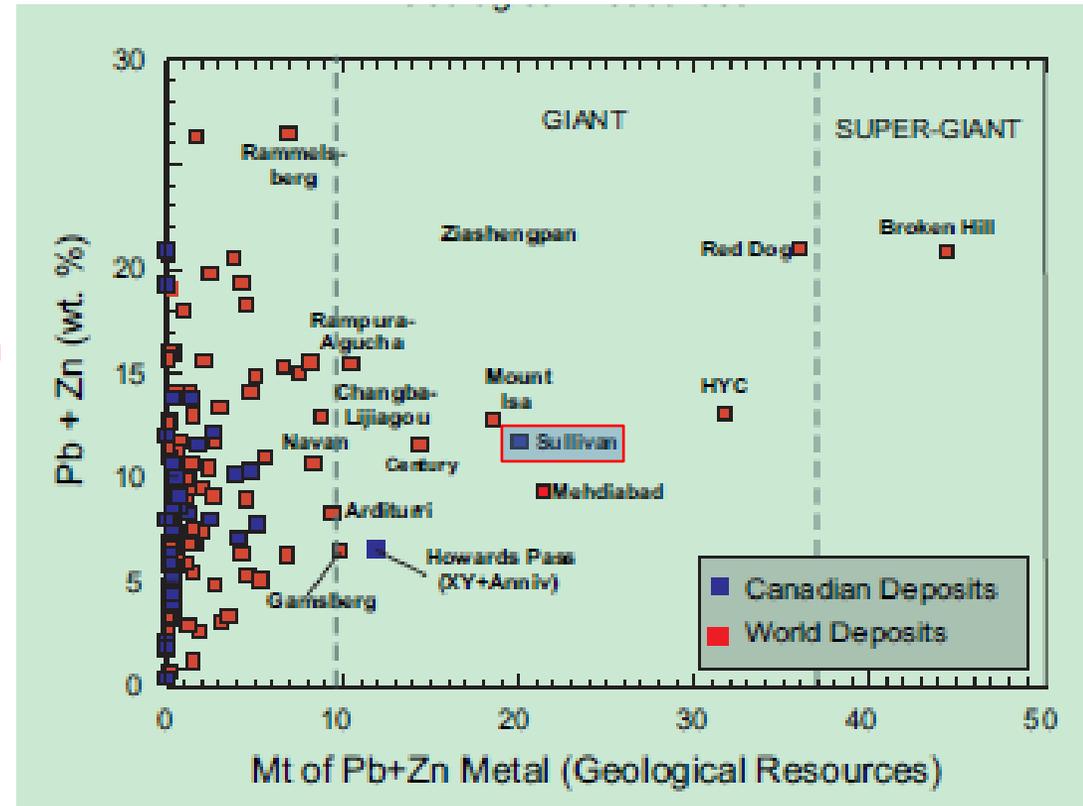
# Major Sedimentary Exhalative Deposits

## The Sullivan Deposit – SEDEX Style

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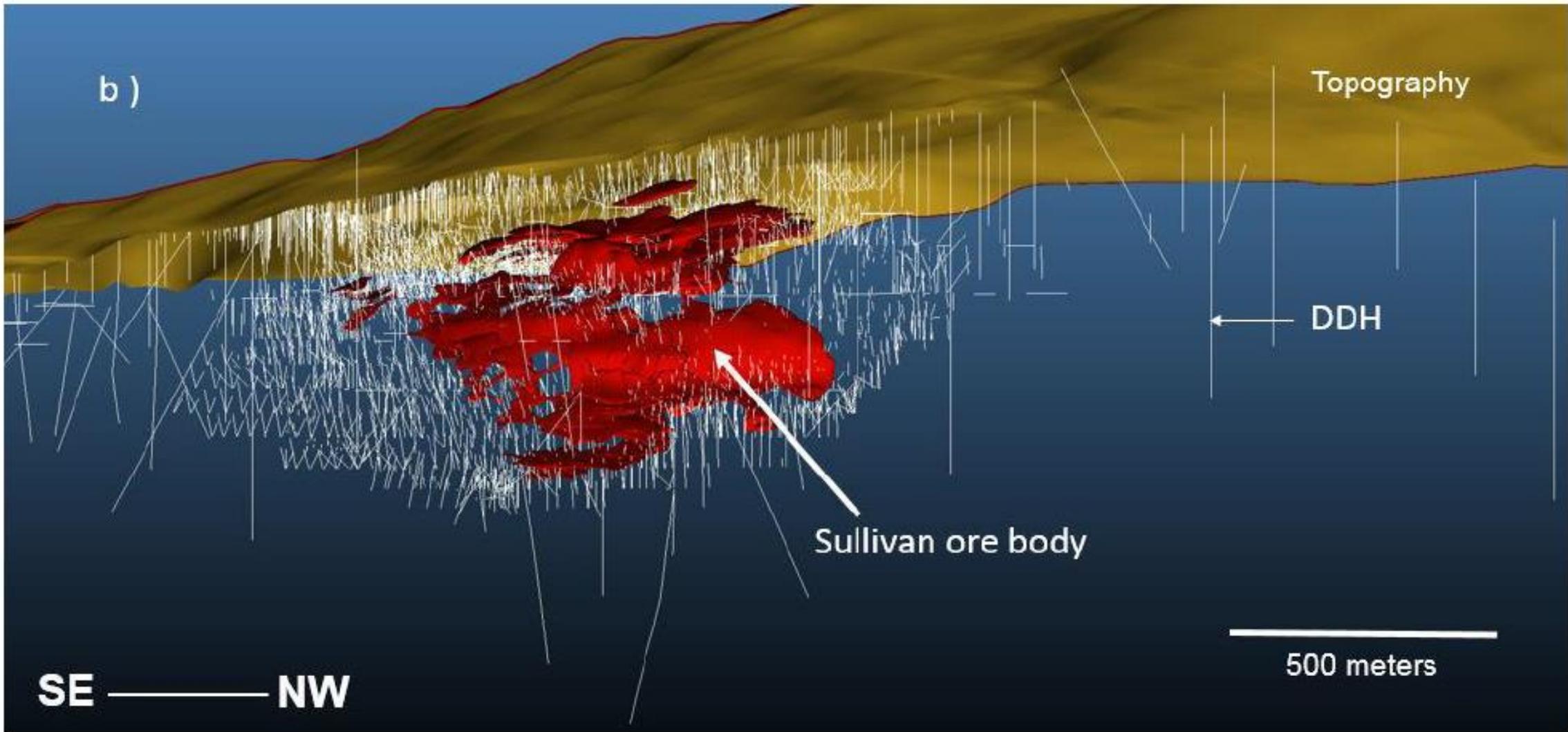
TABLE 1. Grade and tonnage of major global SEDEX deposits.

Deposit Name	Deposit Status	Location	Lat. (°)	Long. (°)	Age	Geological Resources (maximum size)						
						Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Ore (Mt)	Zn+Pb (Mt)
HYC (McArthur River)	producer	Australia	-16.43	136.10	Late Paleoproterozoic	0.20	9.20	4.10	41.00	237	31.52	
Talvivaara	deposit	Finland	63.98	-28.05	Paleoproterozoic	0.14	0.53		2.60	221	1.17	
Mehdiabad	deposit	Iran	36.63	59.18	Cretaceous		7.20	2.30	51.00	218	20.71	
Broken Hill	producer	Australia	-31.97	141.47	Paleoproterozoic	0.10	11.00	10.00	180.00	0.10	205	43.05
Ozernoe	deposit	Russia	52.50	112.50	Early Cambrian	1.20	6.20		37.00	180	11.16	
Red Dog	producer	U.S.	68.07	-162.80	Mississippian		16.60	4.60	83.00	165	34.98	
Sullivan	past producer	Canada	49.71	-116.01	Mesoproterozoic		5.86	6.08	67.36	162	19.33	
Gamsberg	deposit	South Africa	-29.25	18.97	Mesoproterozoic		7.10	0.55		150	11.47	
Mount Isa	producer	Australia	-20.73	139.48	Late Paleoproterozoic		6.80	5.90	148.00	124	15.75	
Arditurri	deposit	Spain	43.17	-1.49	Late Carboniferous	1.00	8.00		50.00	120	9.60	
Howards Pass (total)	deposit	Canada	62.56	-129.53	Early Silurian		5.00	2.00	17.00	120	8.40	
Century	producer	Australia	-18.75	138.63	Mesoproterozoic		10.20	1.50	36.00	118	13.81	



Taken from: Canadian Mineral Deposits 2007 - SEDIMENTARY EXHALATIVE (SEDEX) DEPOSITS  
By WAYNE D. GOODFELLOW AND JOHN W. LYDON

# Sullivan Mine – SEDEX Target Type

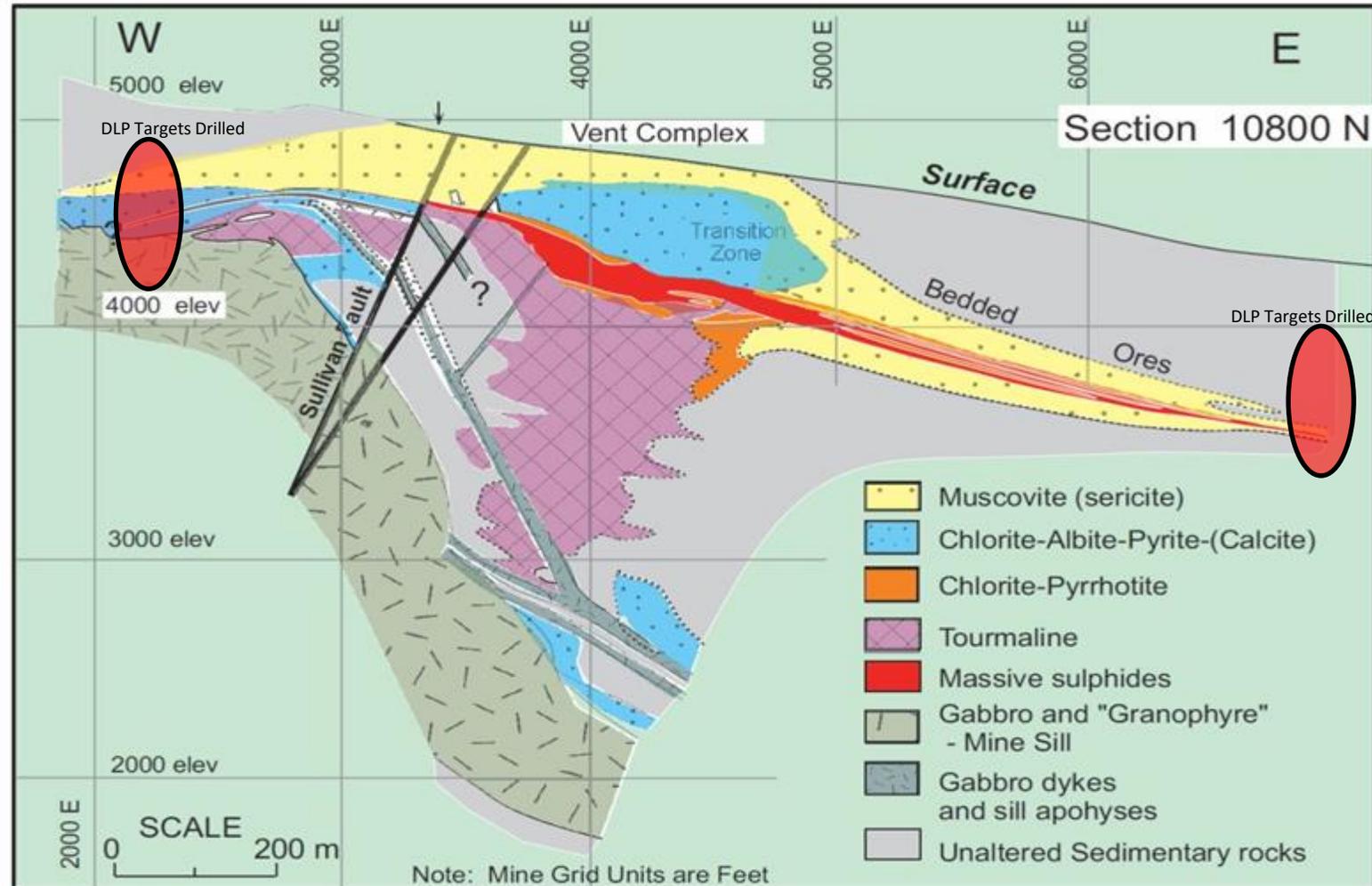
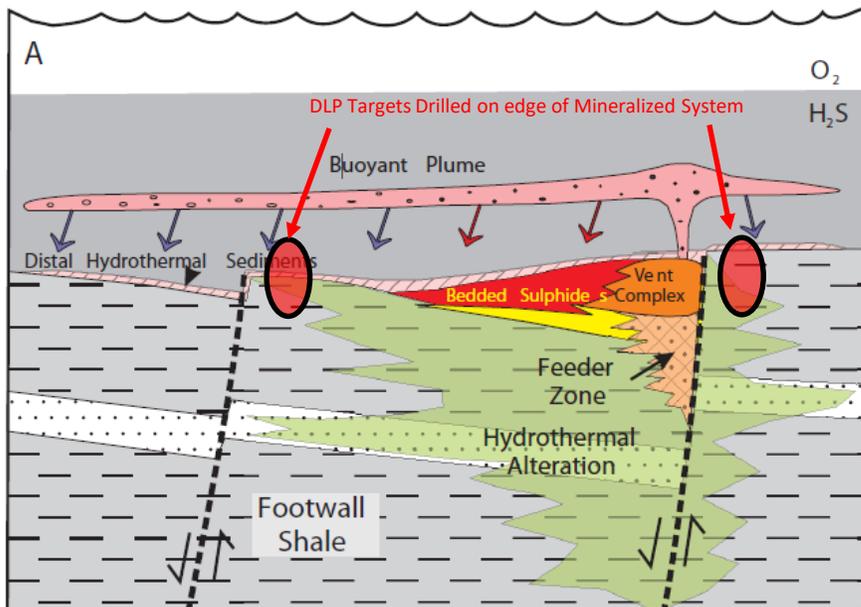


Taken from Montison et. al., 2015 – Open File Report 7838

# Silver, Lead & Zinc Project – Target Geology Based on Sullivan Mine

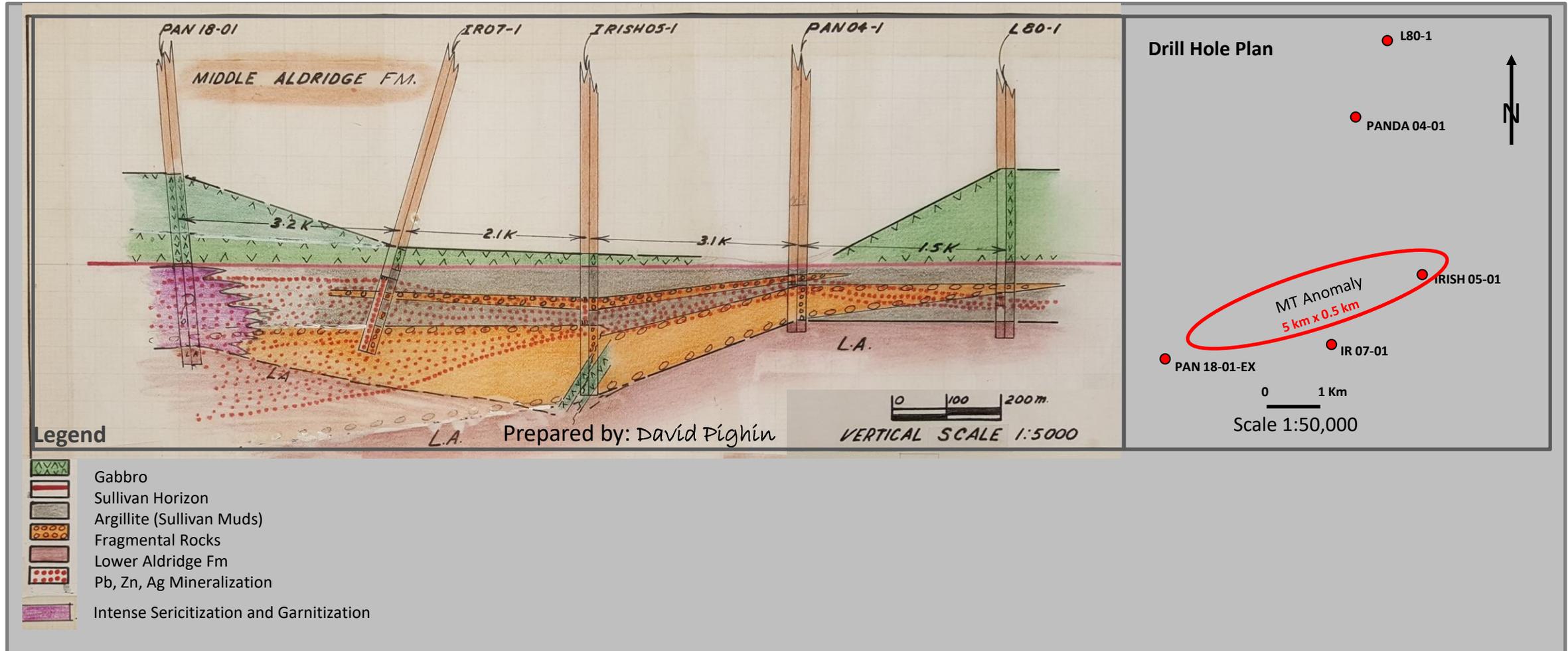
## Summary

- Drilling of the DD and Aldridge 1 Properties has intersected the Sullivan Horizon which is weakly mineralized with Zn and has moderate to intense alteration on par with what is seen in and around the Sullivan deposit.
- We believe we are on the fringe of a similar Zn-Pb-Ag SEDEX deposit.
- Recently compiled sections which Dave Pighin has prepared together with the recent MT data has given us an important vector towards further drill targets on these SEDEX targets.
- Recent drilling of PAN18-01-EX on the DD and AK20-01 and AK20-02 on the Aldridge 1 property suggests we may only be 300 to 500m away from a well mineralized body (see adjacent figure with proposed position of where our drill holes were likely to have been drilled in an idealized example of the Sullivan deposit).



Cross section of the Sullivan deposit showing the local stratigraphy, major sulphide types, and core alteration facies (from Lydon et al., 2000 based on Hamilton et al., 1982).

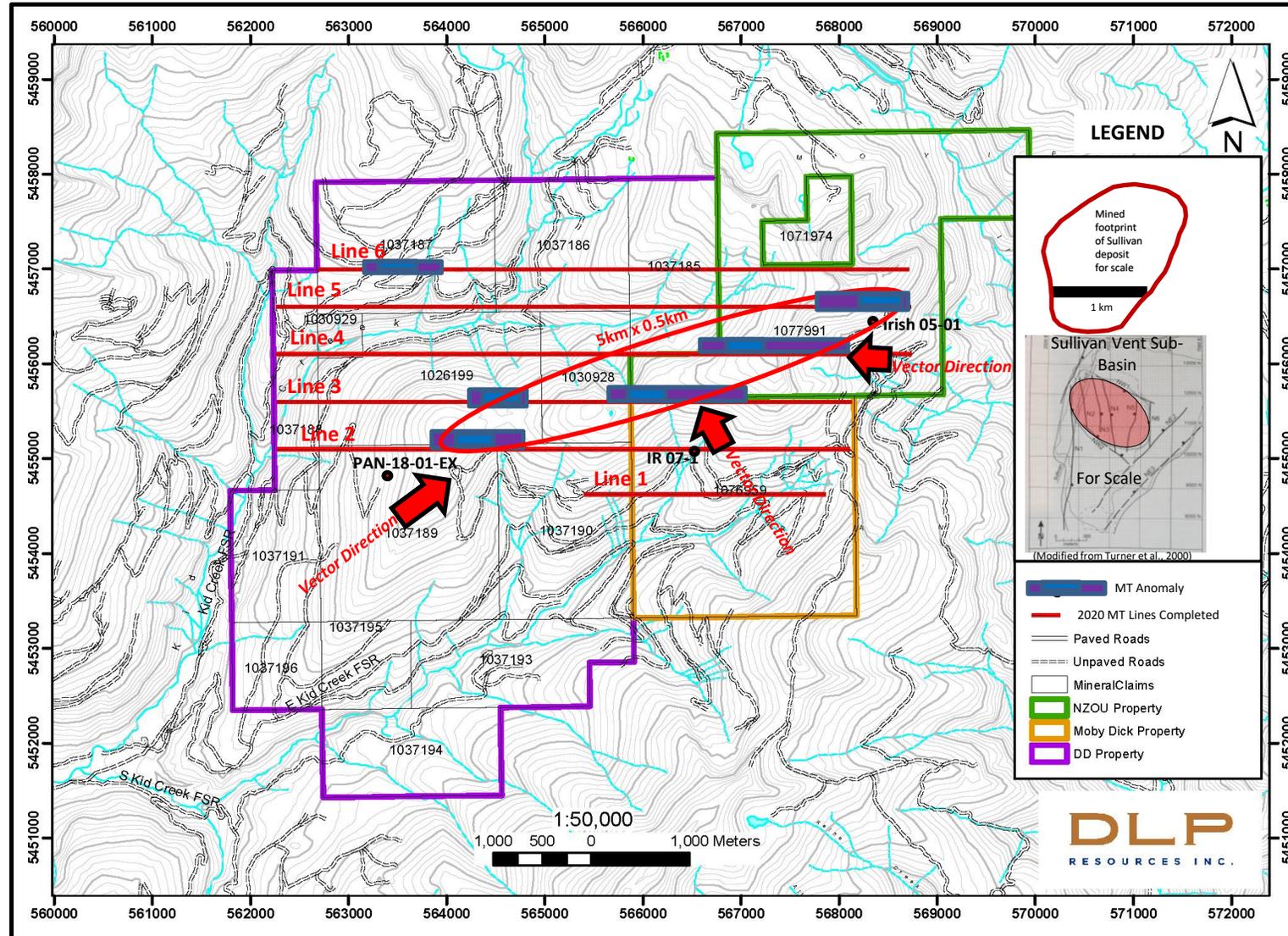
# Idealized Section Showing Sullivan Geology Across Panda Basin – Including Latest PAN18-01 Hole



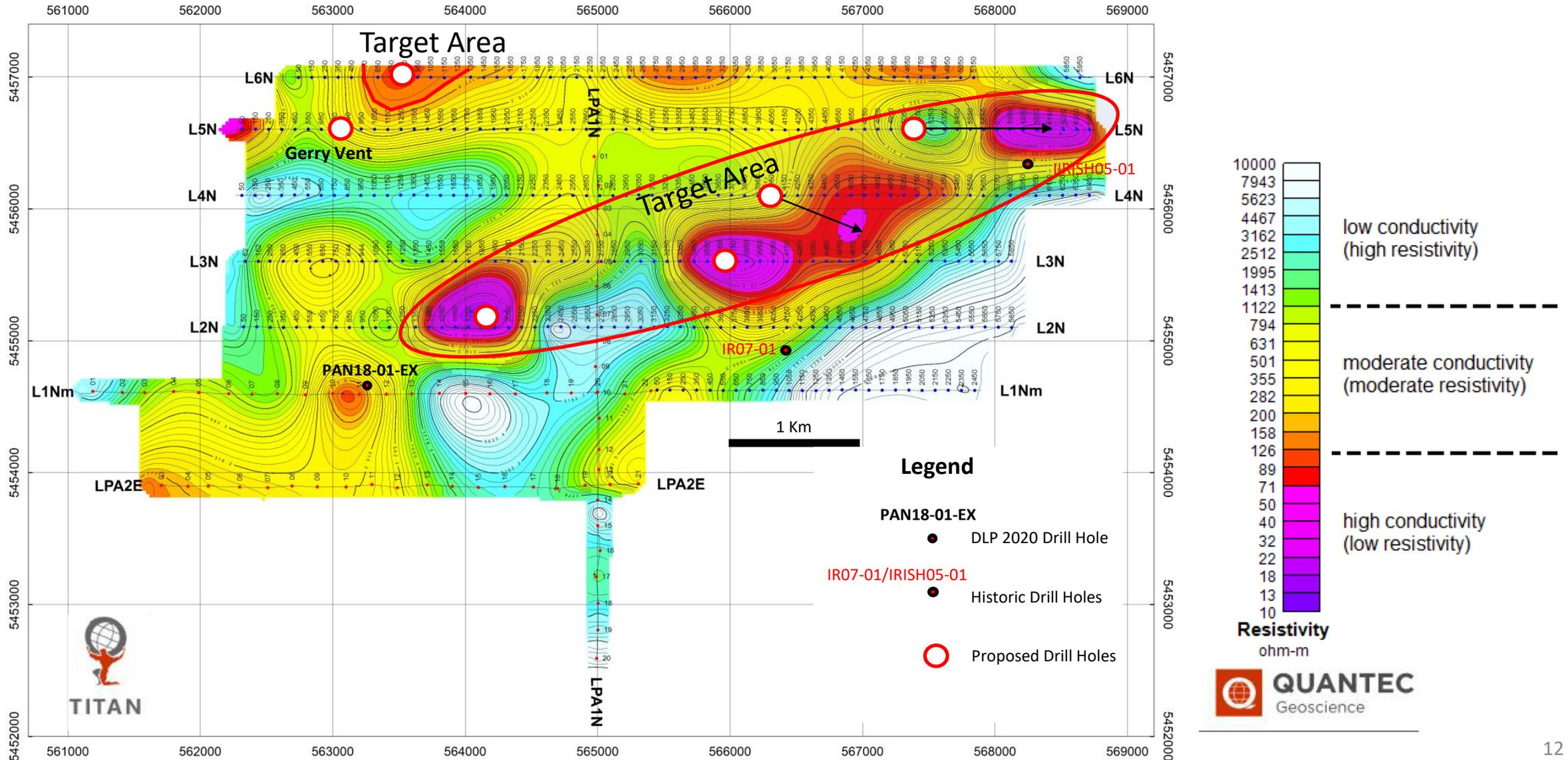
# 2020 MT Lines\_DD\_Moby Dick & NZOU – Targets Identified

## Summary

- Final report for the ~33 line km MT survey was received on November 23
- A significant MT anomaly of ~59-30 ohm-m resistivity – highly conductive body is identified on Line 3 which extends NE to Line 4 and 5.
- Another 25 ohm-m resistivity anomaly lies 1km to the NE of PAN18-01-EX.
- It should be noted that the PAN18-01 hole was drilled on an MT anomaly of between 90 and 50 ohm-m.
- MT anomalies between 126 and 10 ohm-m are very encouraging considering significant alteration and weak Zn mineralization was also intersected in the peripheral historic holes viz. IR07-01 and Irish05-01 (see figures below).
- Current geological knowledge and the recent MT geophysical survey suggests the main conductive body of possible Sullivan-type mineralization is between the Pan19-01-Ex and the Irish05-01 holes (see figure adjacent).

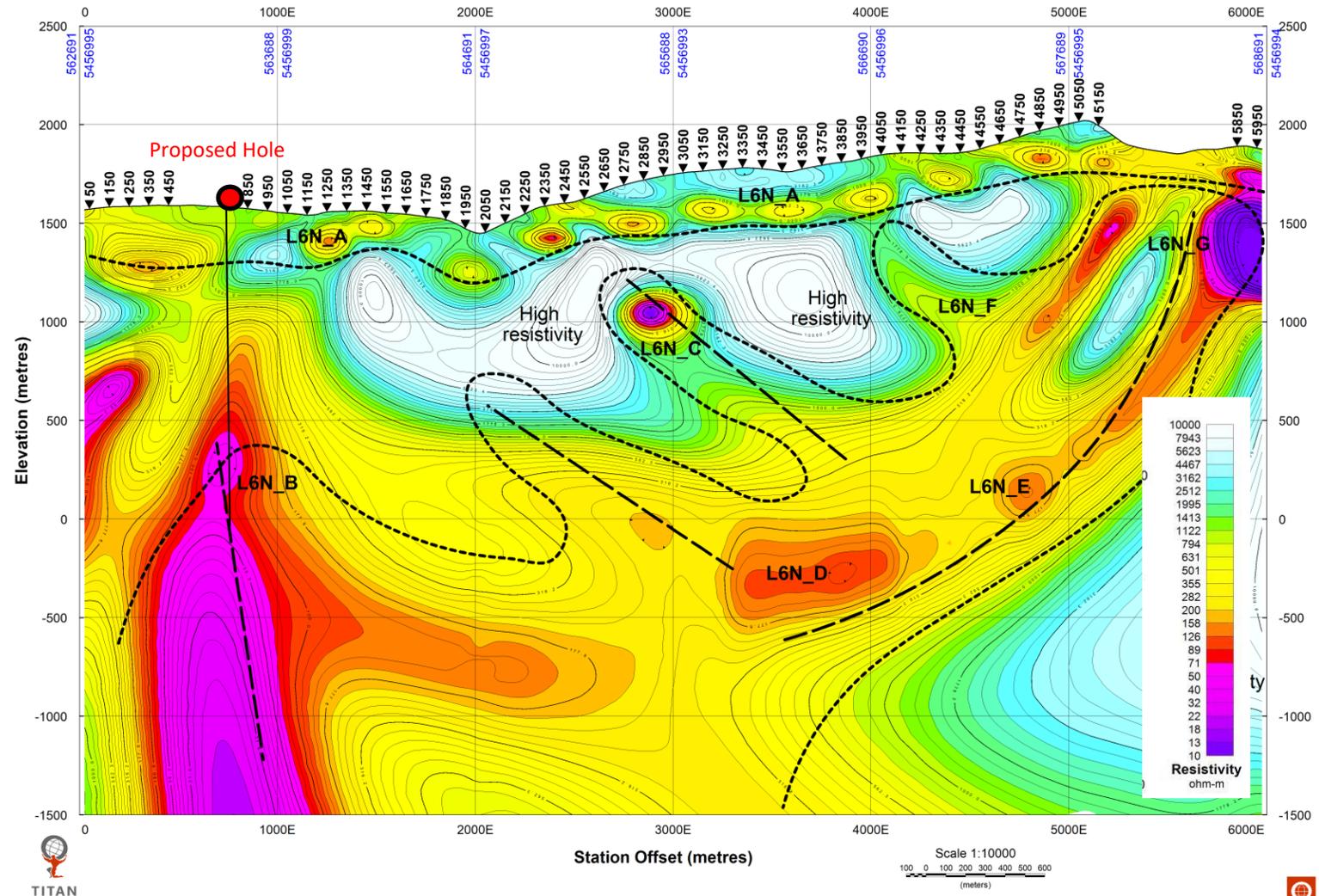


# 2020 MT Resistivity Plan Map at 0m Elevation with Proposed Drill Holes



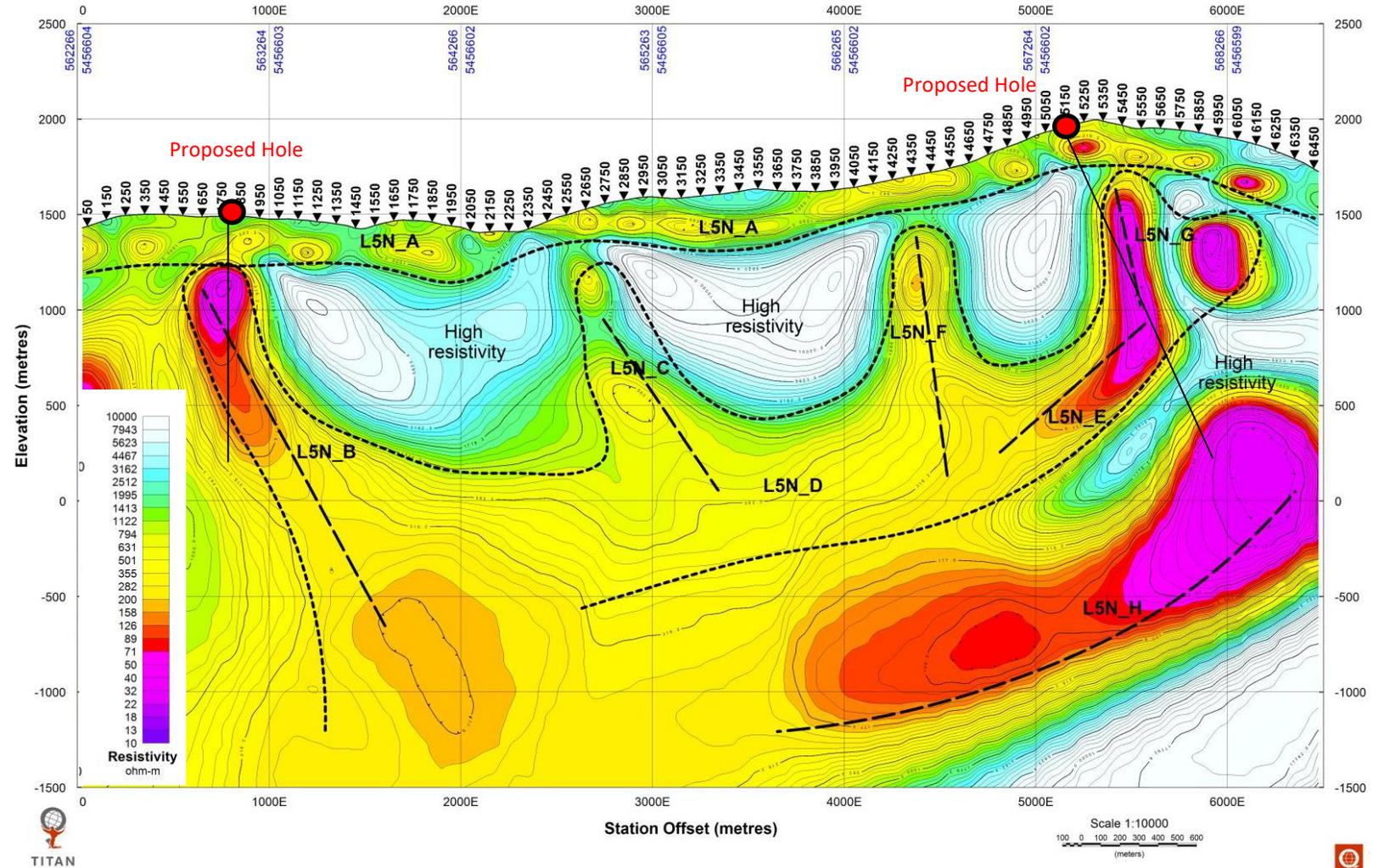
# Line 6N\_MT Section Across DD\_NZOU

- The high conductivity anomaly on the western end of this line is interpreted to be part of the extension of the known alteration observed in outcrop at the "Gerry Vent"



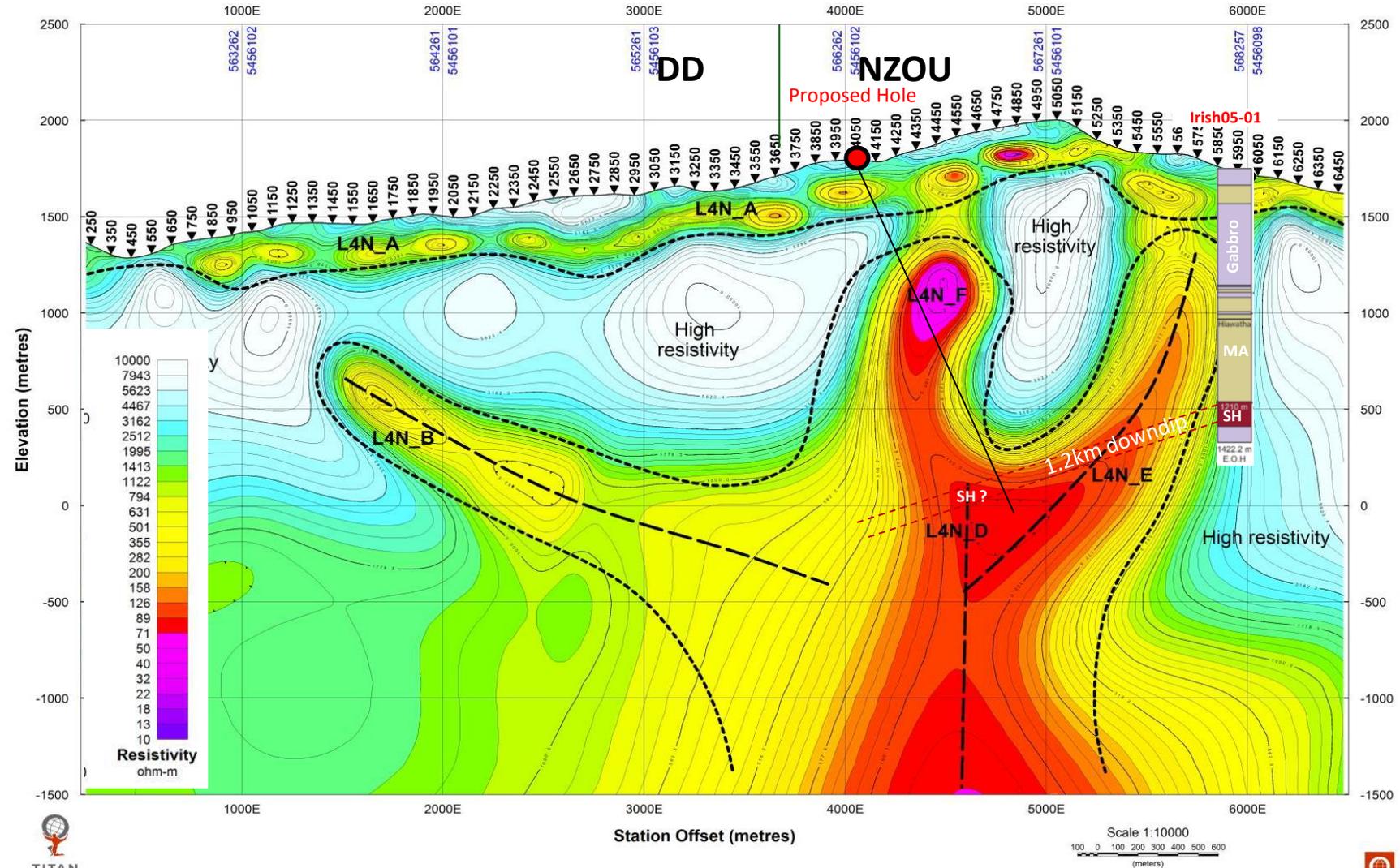
# Line 5N\_MT Section Across DD\_NZOU

- The Historic Irish05-01 hole was drilled ~ 300m SW of the low resistivity anomaly in the east.
- Irish05-01 intersected ~122m of weakly Zn-Pb mineralized Sullivan Horizon altered sediments with zinc up to 0.3% and Pb up to 0.2%.
- The eastern low resistivity anomaly lies below the breccia with albite and tourmaline alteration at the “Gerry Vent”



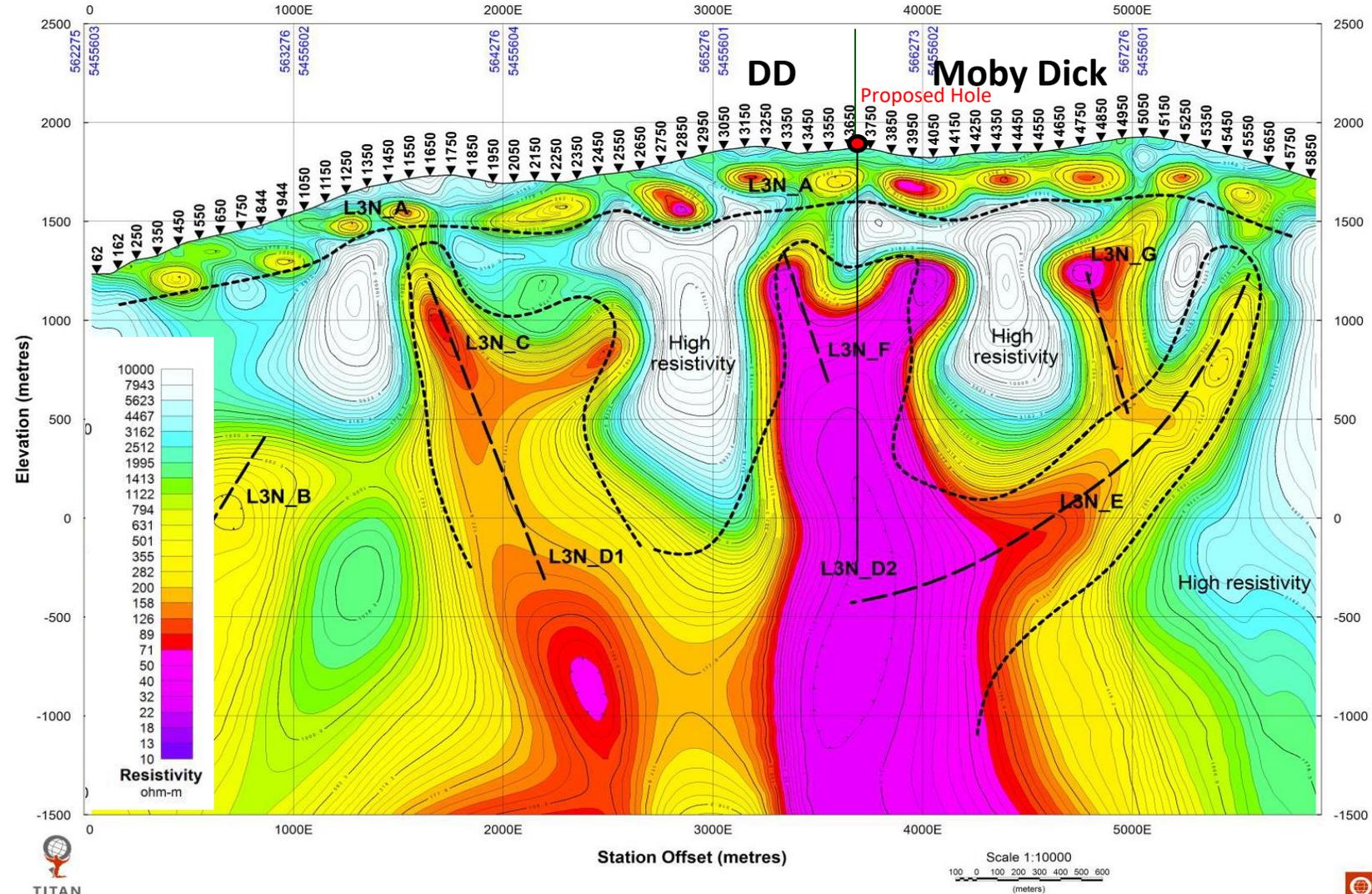
# Line 4N\_MT Section Across DD\_NZOU

- The Historic Irish05-01 hole intersected ~122m of weakly Zn-Pb mineralized Sullivan Horizon altered sediments with zinc up to 0.3% and Pb up to 0.2% .
- The current geology combined with the MT Inversions suggest a more conductive body which is ~1.2km down dip of the SH intersected in Irish05-01 at ~1210m
- The target depth for a hole here would be between 1500 to 1900m



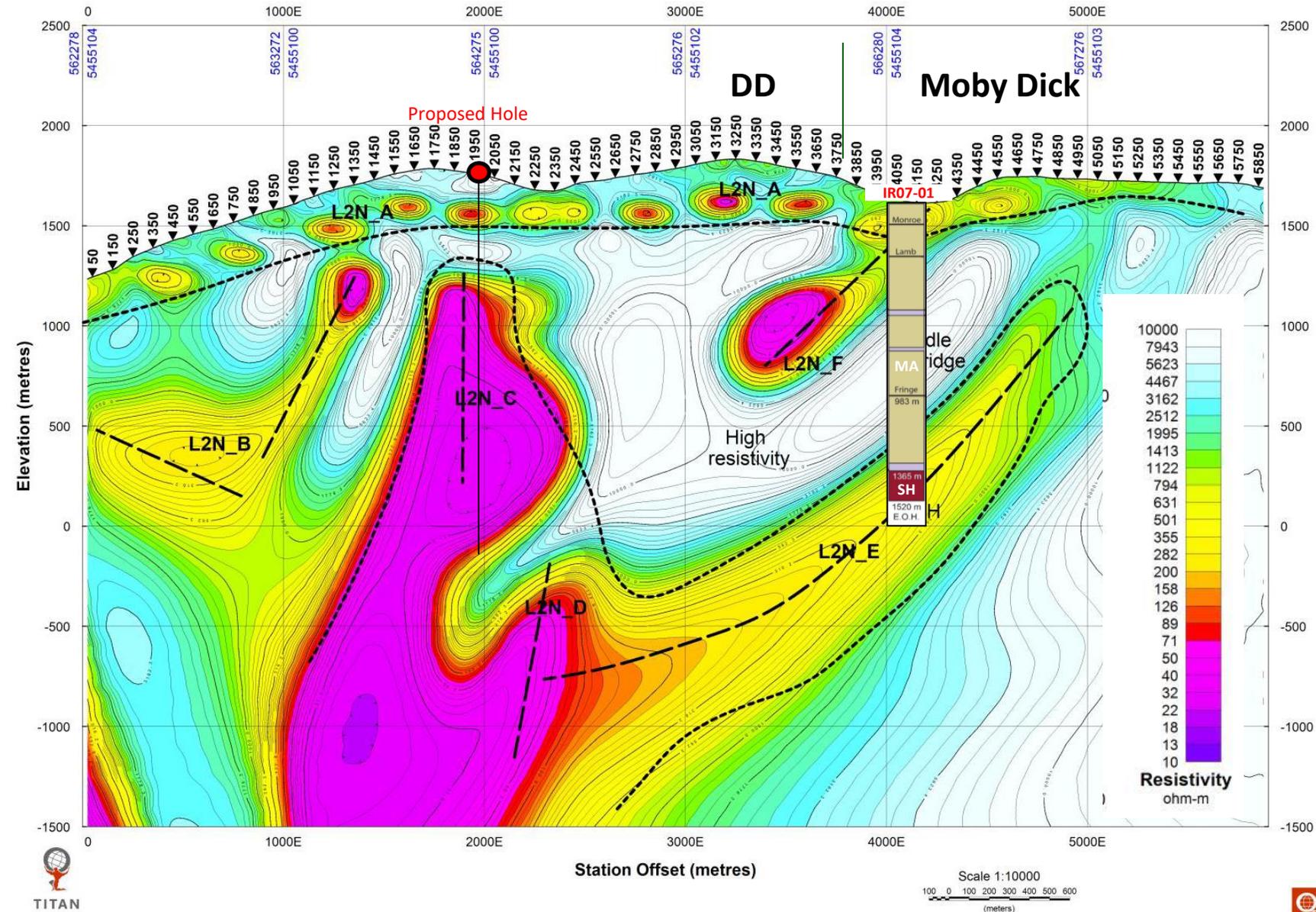
# Line 3N\_MT Section Across DD\_Moby Dick

- A strong MT anomaly on Line 3N suggests a target depth of approximately 1500m-1800m for a highly conductive body.
- The interpretation of the geology along this line suggests the SH is expected at ~0m elevation which is the approximate position of the MT anomaly.
- A proposed hole of ~1800m is warranted.



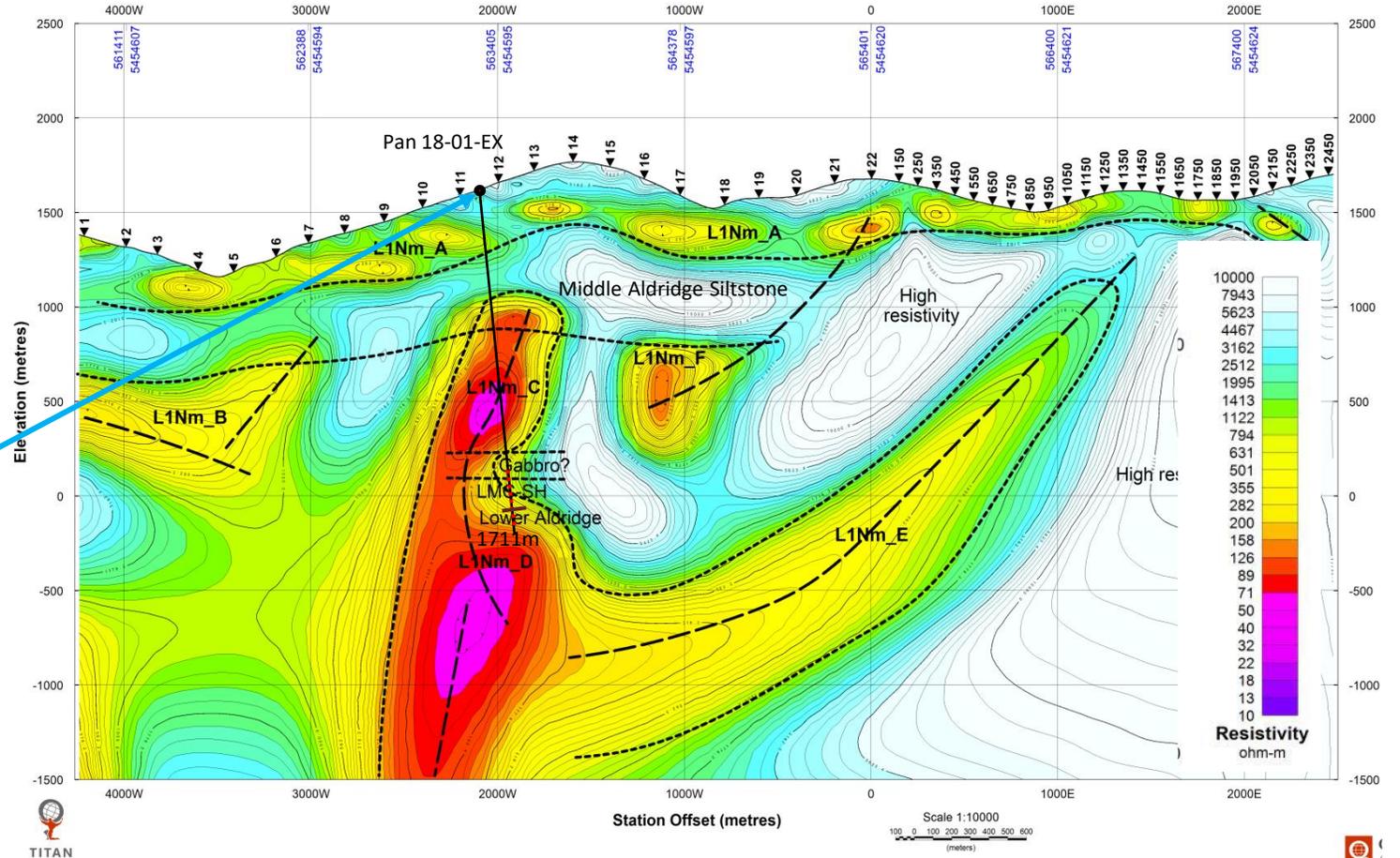
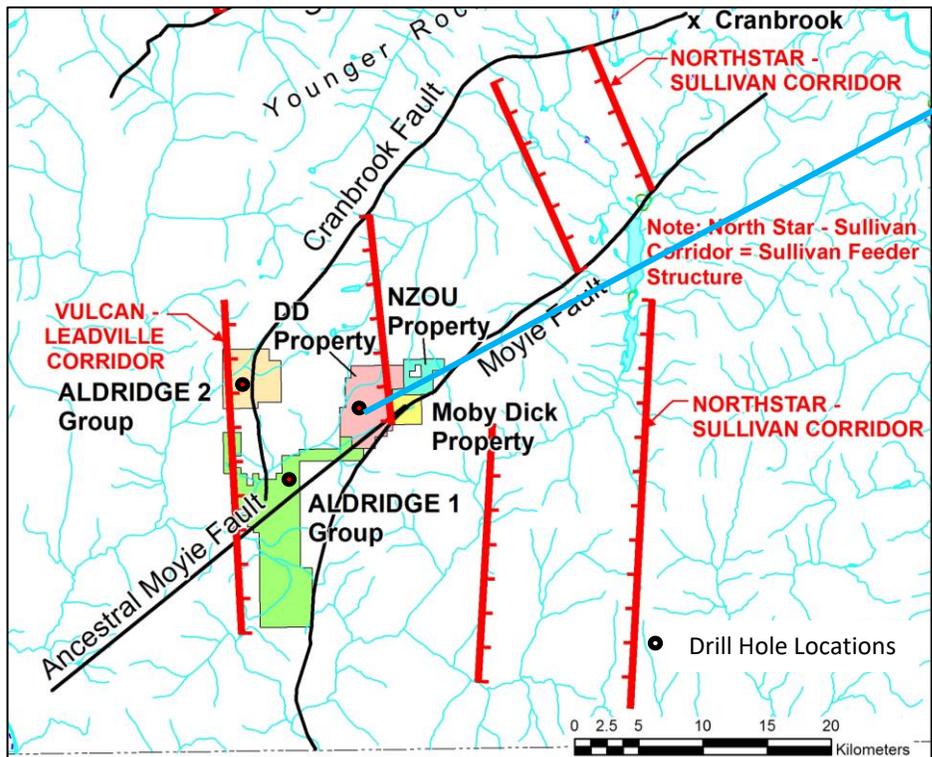
# Line 2N\_MT Section Across DD\_Moby Dick

- A strong MT anomaly along this line suggests a target depth of approximately 1500m-1800m for a highly conductive body.
- IR07-01 intersected ~149m of moderately to highly altered SH at 1365m. Zn was up to 0.5% and Pb was up to 0.3%.
- It appears from the adjacent figure that IR07-01 was also drilled on the edge of more conductive body.
- A proposed hole of ~1800m is warranted.



# DD Property - PAN18-01-EX Drill Results

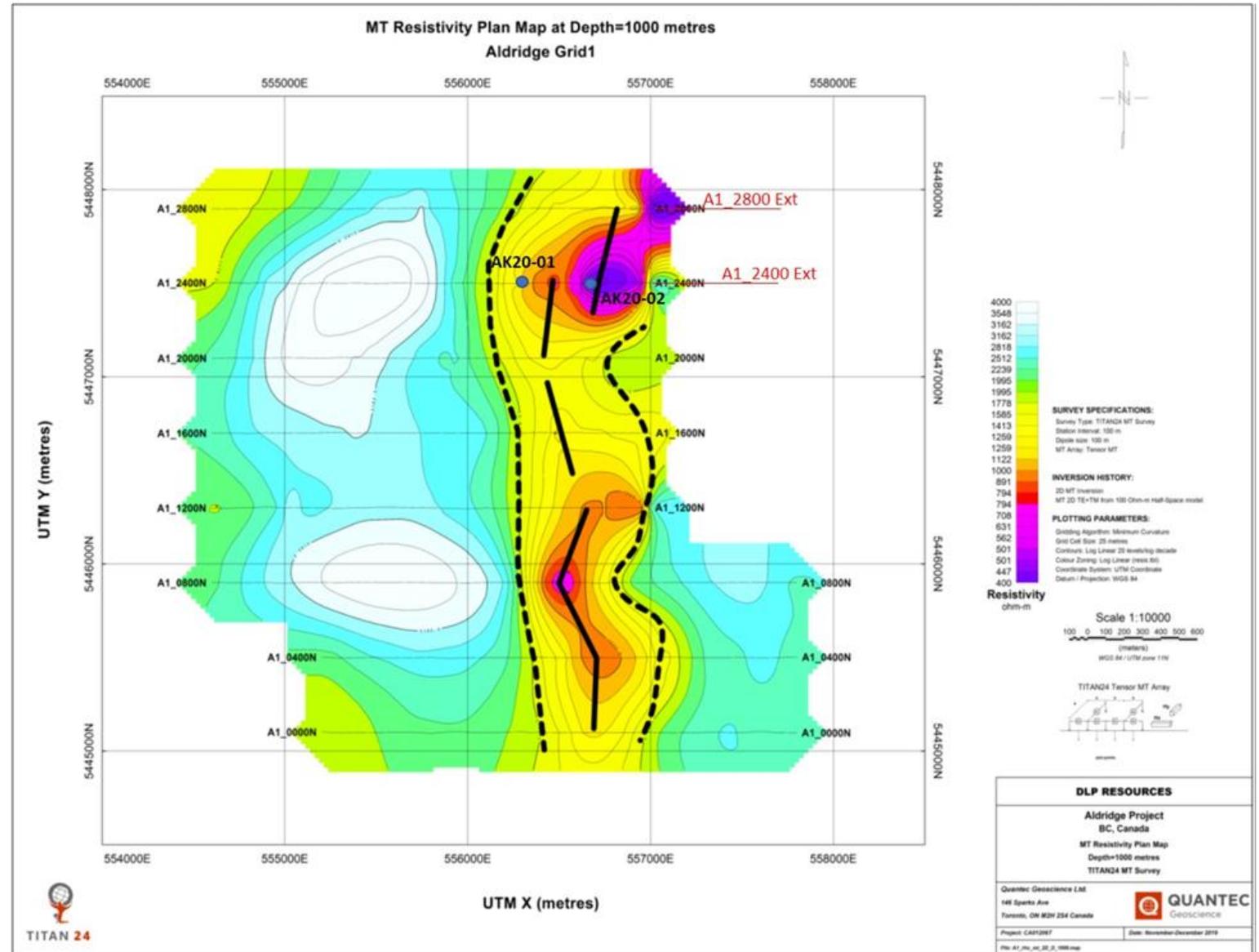
- Extending the original TECK hole (PAN18-01) from a depth of 1425m commenced on July 26 in a gabbro sill and ended on August 02.
- The SH intersected at a depth of 1524m to 1655m. (131m thick).
- Moderate to strong sericite, garnets, silicification, chlorite and minor albite alteration was intersected with trace zinc.



# Aldridge 1 – MT Resistivity – 1000m Depth Slice

## Extension of MT Geophysics.

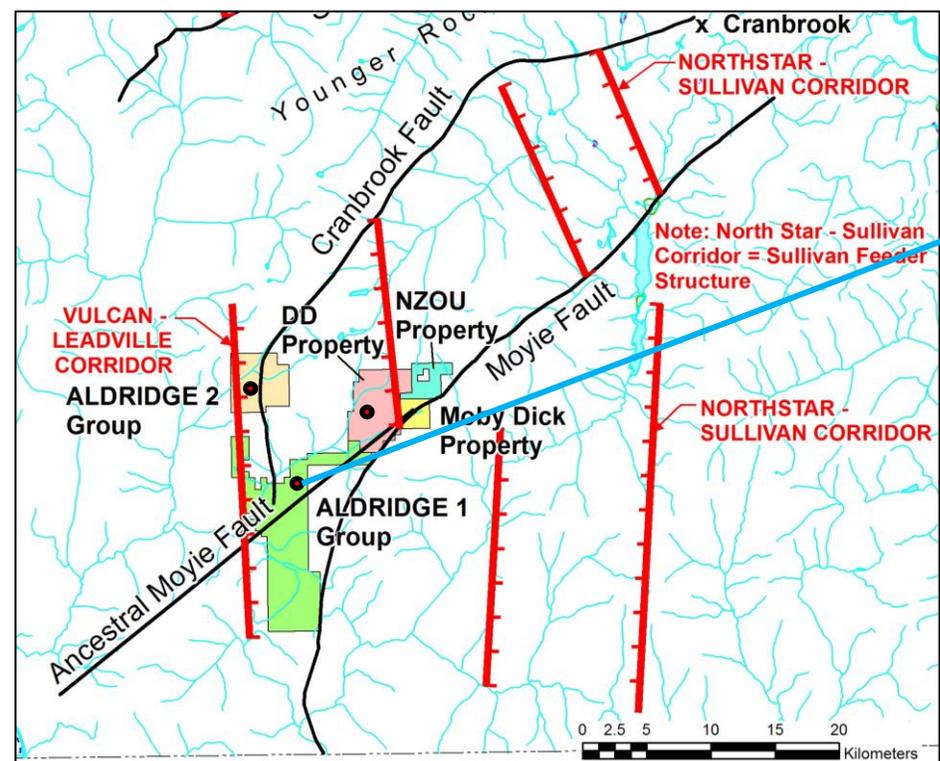
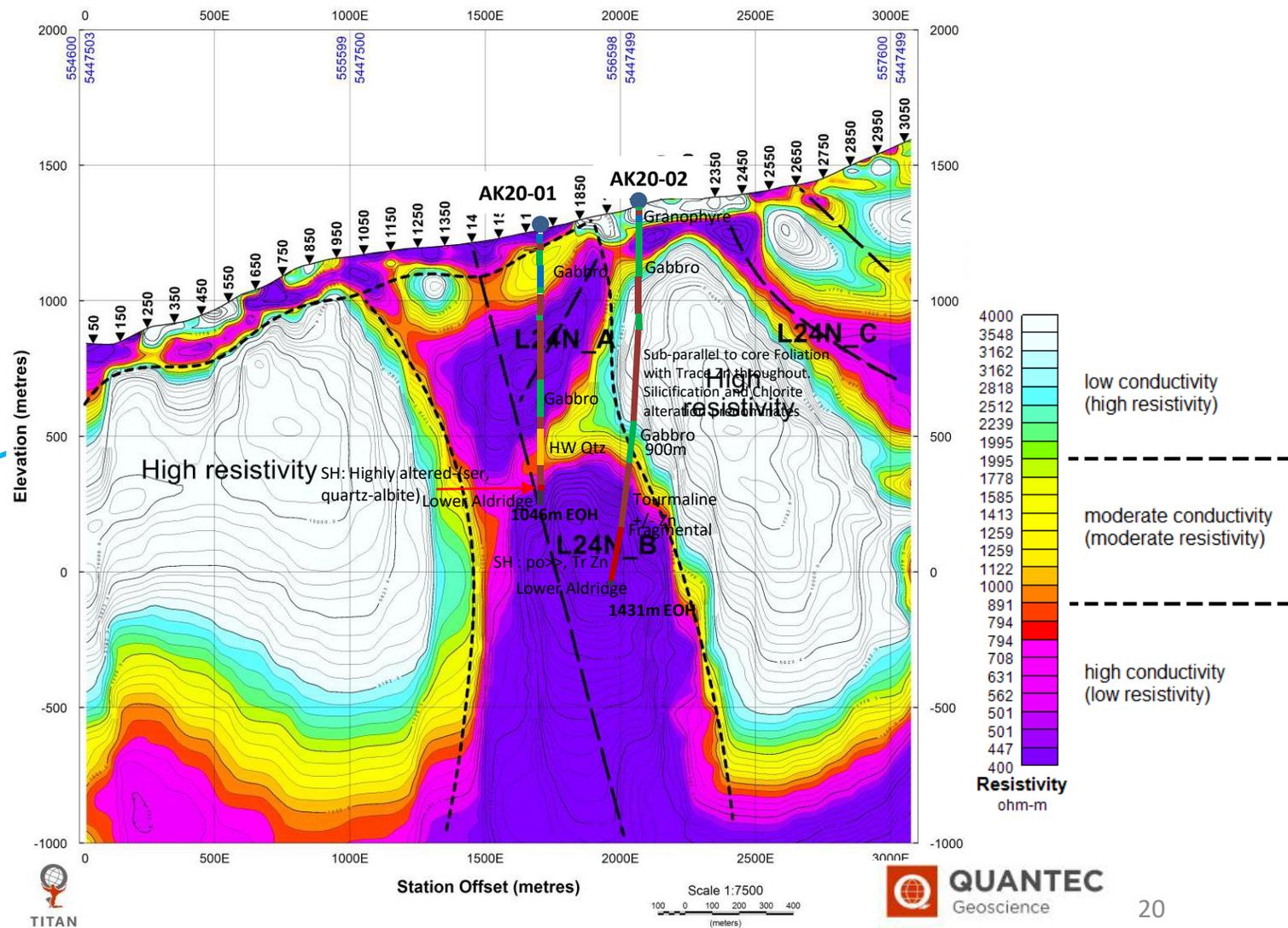
- 2 Additional MT lines (1400 line km) have recently been completed to the east and northeast of the current holes.
- Section along Line 2400N is shown in the slide below with recent drilling.



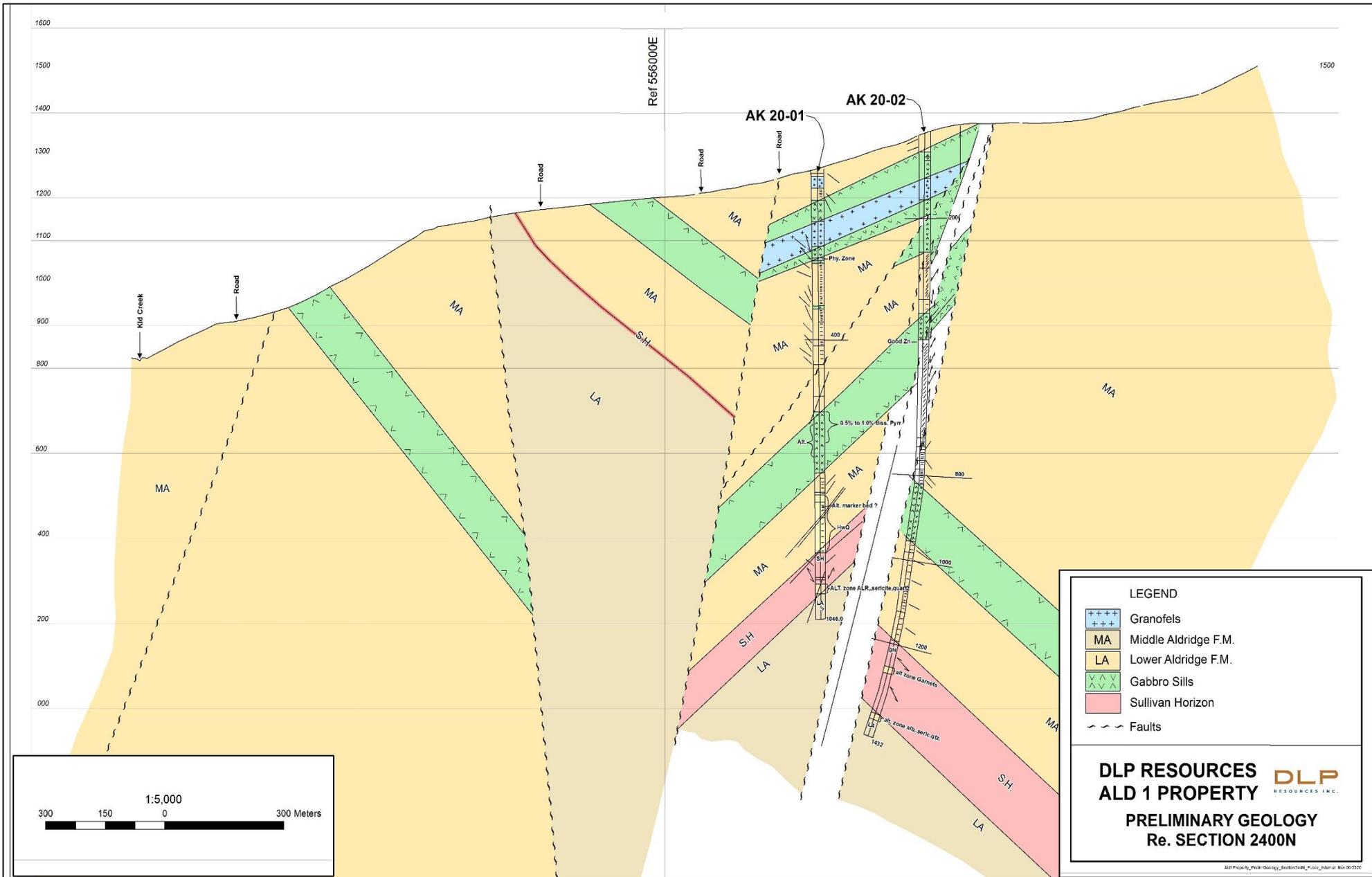
# Aldridge 1 Drill Results

## Summary

- Sullivan Horizon (SH) intersected in both holes
  - AK20-01: SH is 68m thick
  - AK20-02: SH is 189m thick
  - Alteration moderate to intense in SH with anomalous Zn mineralization
  - Indications are that the SH extends to the east and northeast of the Spider fault and further drilling maybe warranted



# Aldridge 1 Geology Section with Drill Holes Shown



# Aldridge 1 – Core Showing Alteration and Mineralization



AK20-02: Garnet + Albite & Silica altered SH with sulphides



AK20-02: Sphalerite stringers + disseminations in sericitized + silicified SH



AK20-01: Sphalerite stringers in albitized & silicified SH



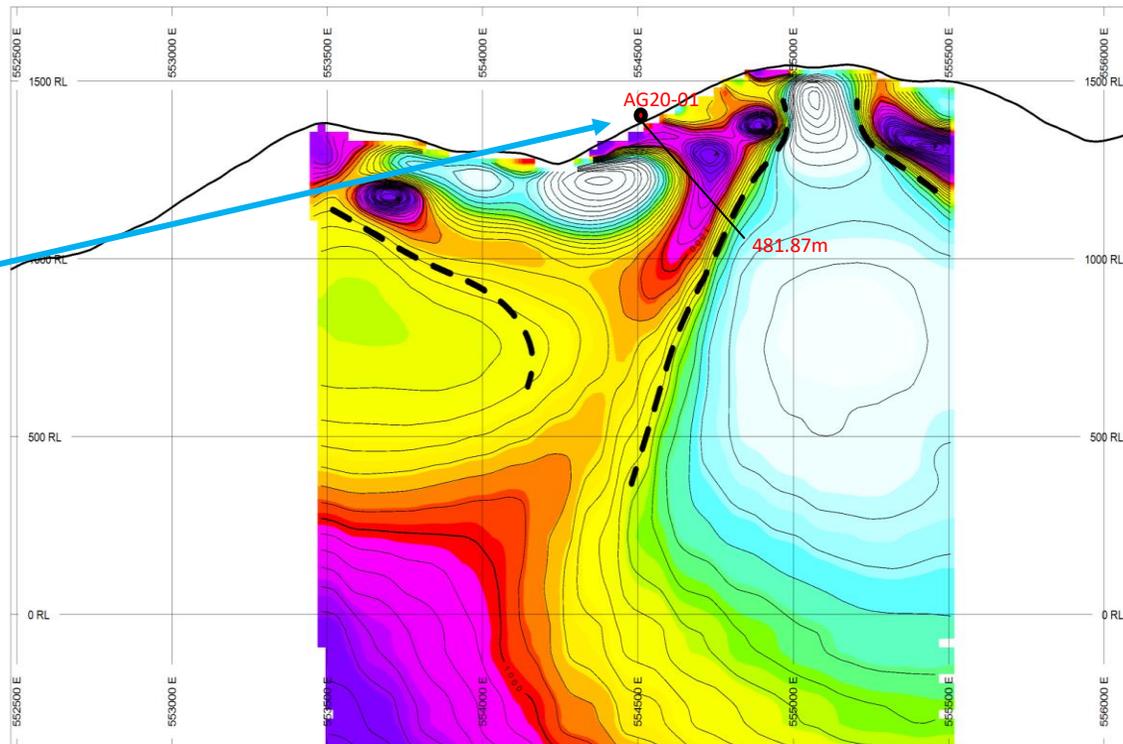
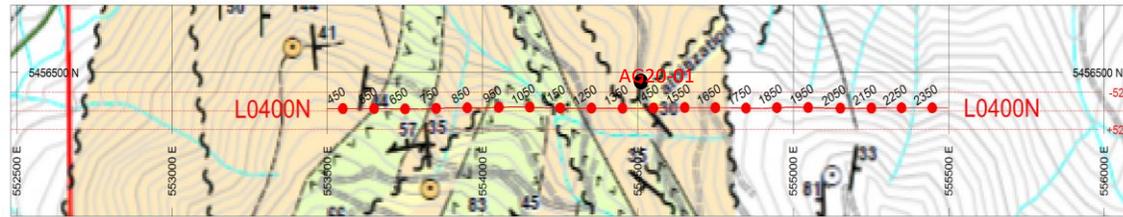
AK20-02: Sphalerite stringers in silicified + sericitized SH

# Aldridge 2 Drill Results for AG20-01



## Summary

- Middle Aldridge sediments were intersected throughout the hole with no significant explanation for the MT anomaly.
- The hole went through a fault zone beyond the MT anomaly but we were still well above the SH which is expected to be another ~600+m downhole.
- Hole stopped at 481.87m on October 09. MT anomaly tested.
- No further work to be done.



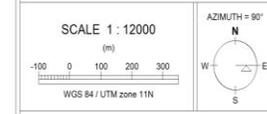
TOPOGRAPHY  
— SRTM1 Canada verylarge\_UTM\_interpolated\_GRD

VOXEL SLICE  
CA012061\_A2\_MTmodel\_all\_rho\_mt\_2D\_clip

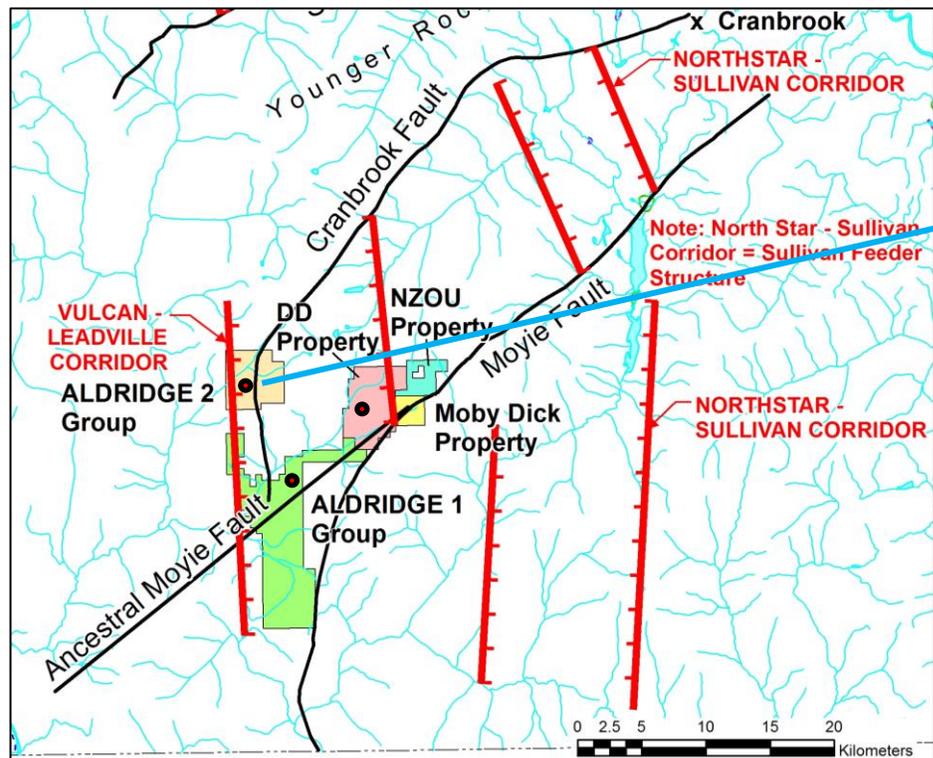
COL	RANGE
4158	8199
3459	1549
2877	1997
2393	1505
1990	5359
1655	6556
1377	1144
1145	6338
952	73036
792	4466
659	12837
548	2391

SECTION SPECS:

REF. PT. E. N	554300 m	5456392 m
EXTENTS	3638 m	2080 m
SECTION TOP, BOT	1708 m	-372.4 m
TOLERANCE +/-	52 m	



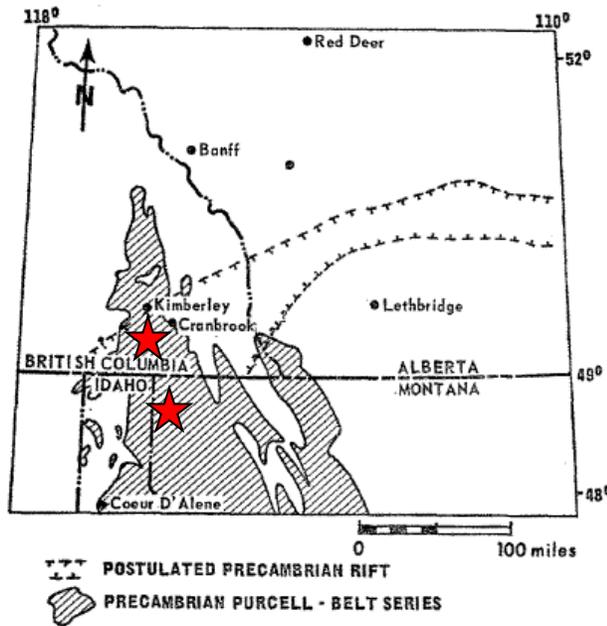
DLP RESOURCES  
Aldridge Grid2  
MT 2D - L0400N  
TITAN24 MT Survey



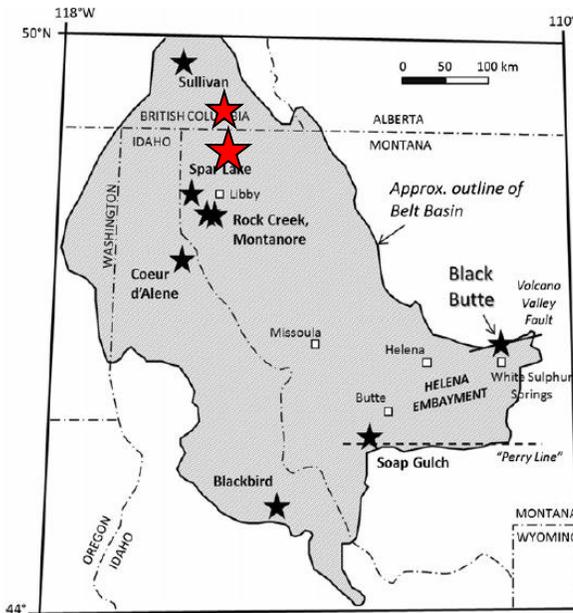
# Copper Projects Geology

Recent and previous work by DLP Resources Inc. has identified a sediment hosted stratabound Copper occurrence in the Purcell Basin within the Creston Formation in South Eastern British Columbia. Three deposits in Montana (Troy-Spar Lake, Montanore and Rock Creek) are all hosted with the quartzites of that formation. These three deposits host 500 million ounces of silver and 5 billion pounds of copper.

## Stratabound Copper Cobalt Targets Area in South Eastern British Columbia



Taken & modified from: Morton et. al., 1974



Taken & modified from: White et. al., 2014

## DLP Copper Projects;

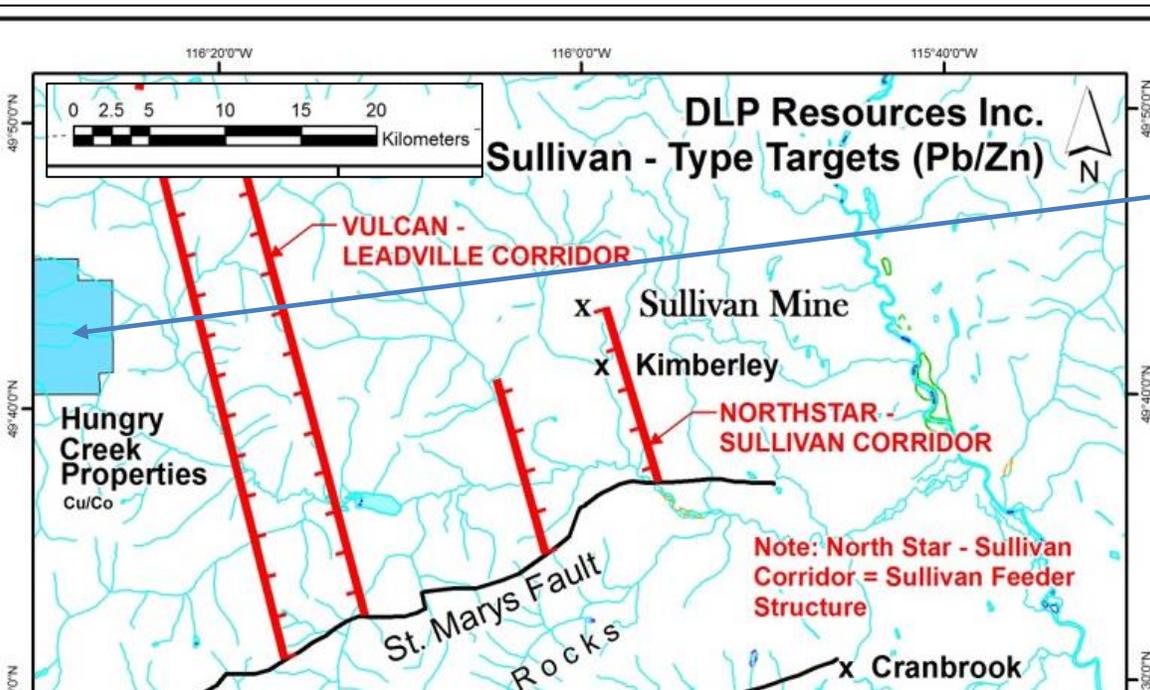
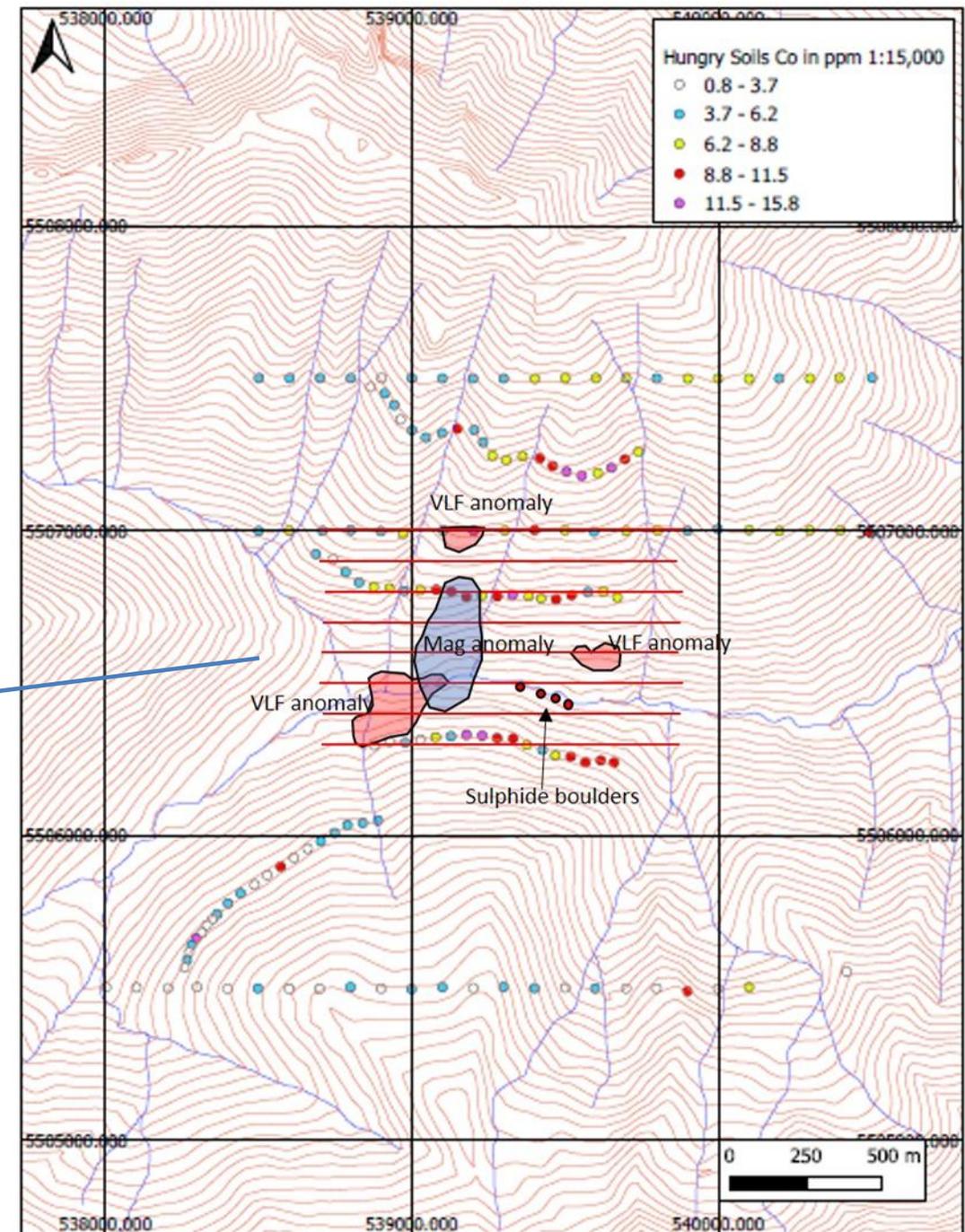
- Hungry Creek
- Redburn Creek

Sediment hosted stratabound Copper deposits are the second most important source of Copper after porphyry Copper deposits in total resource. Occurrences of stratabound Copper deposits have been discovered in the Purcell Basin within the Creston Formation in South Eastern British Columbia.

# Hungry Creek Project Overview

## Summary

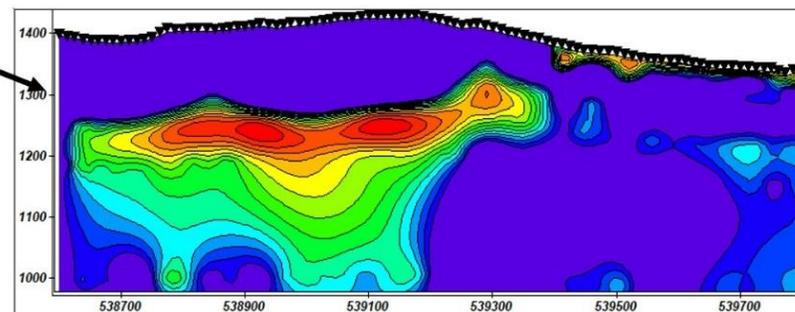
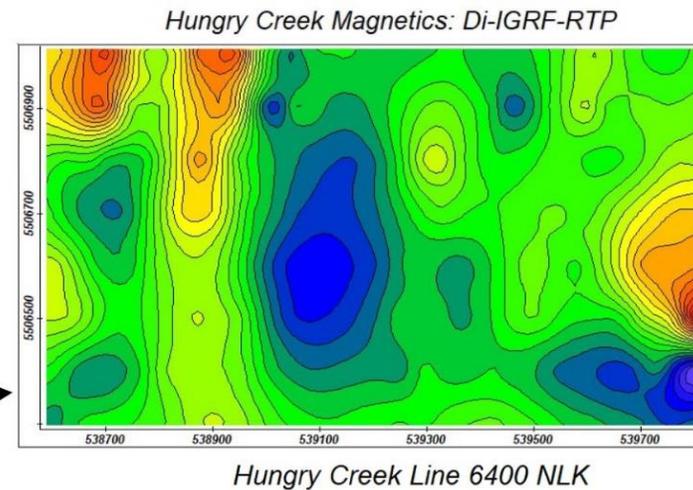
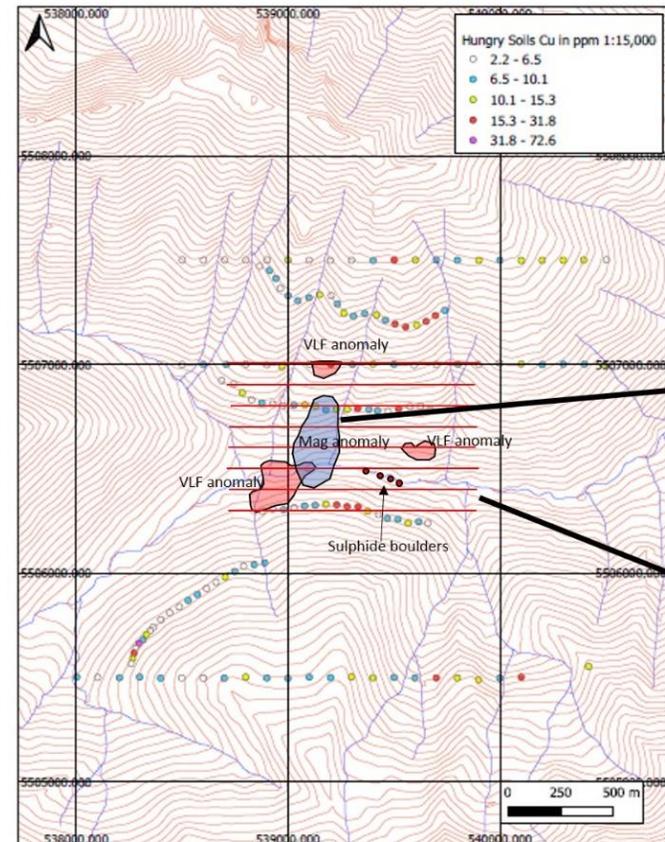
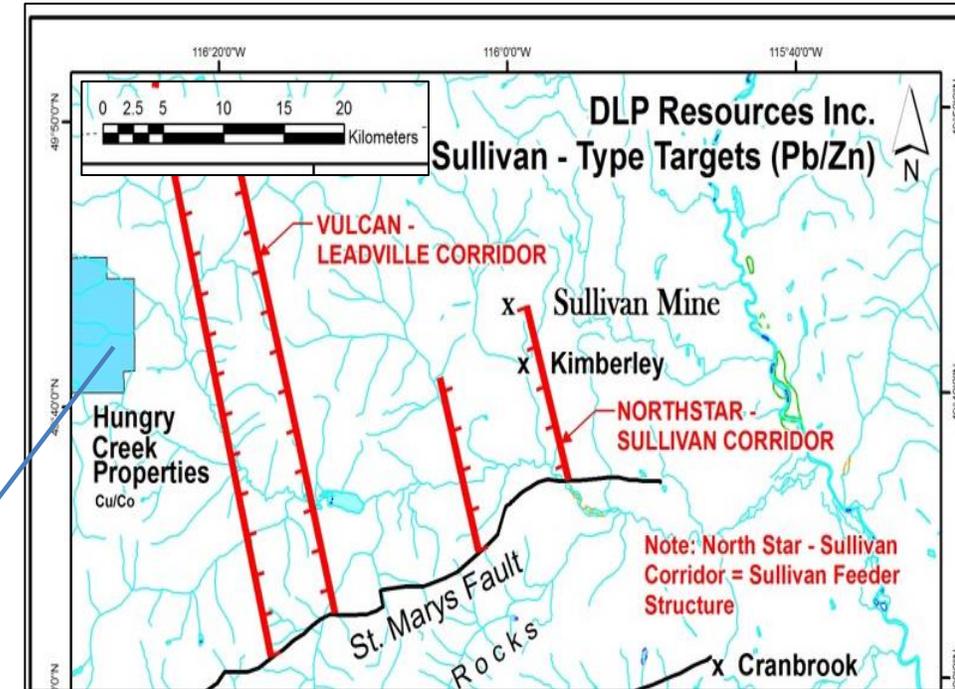
- Very low frequency (VLF) electromagnetic plus magnetic survey and soil sampling completed.
- The VLF has identified three principal conductive anomalies, two of which are near the massive sulphide float boulders seen in the creek
- The soil geochemistry returned some low anomalous Cu and Co anomalies which do not clearly define a geochemical target.
- Drilling of two approximately 300-400m deep holes on the two VLF anomalies nearest the sulphide rich float boulders discovered in the creek will be done in early spring 2021.



# Hungry Creek Project Overview

## Summary

- Very low frequency (VLF) electromagnetic - magnetic survey and soil sampling completed.
- The VLF has identified three principal conductive anomalies, two of which are near the massive sulphide float boulders seen in the creek
- The soil geochemistry returned some low anomalous Cu and Co anomalies which do not clearly define a geochemical target.
- Drilling of two approximately 300-400m holes on the two VLF anomalies nearest the sulphide rich float boulders\* discovered in the creek will be done in early spring 2021.

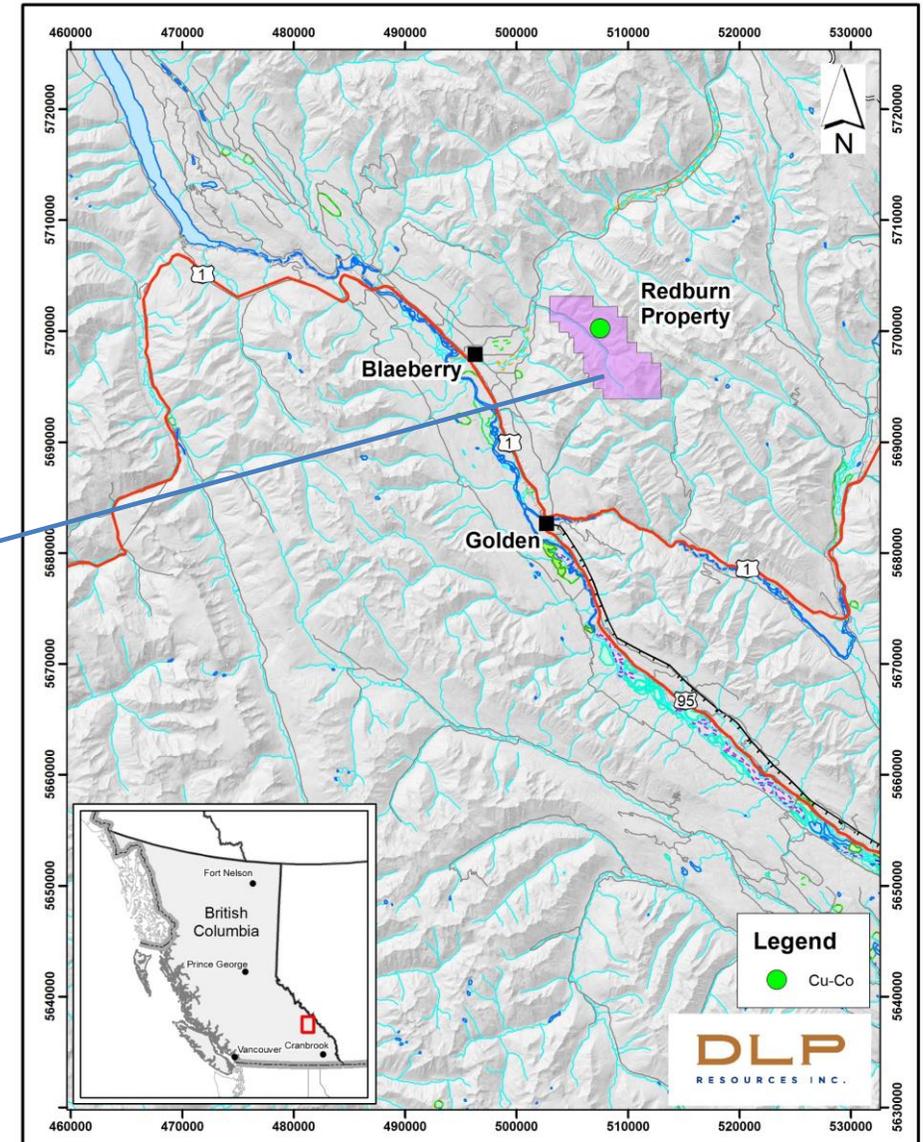
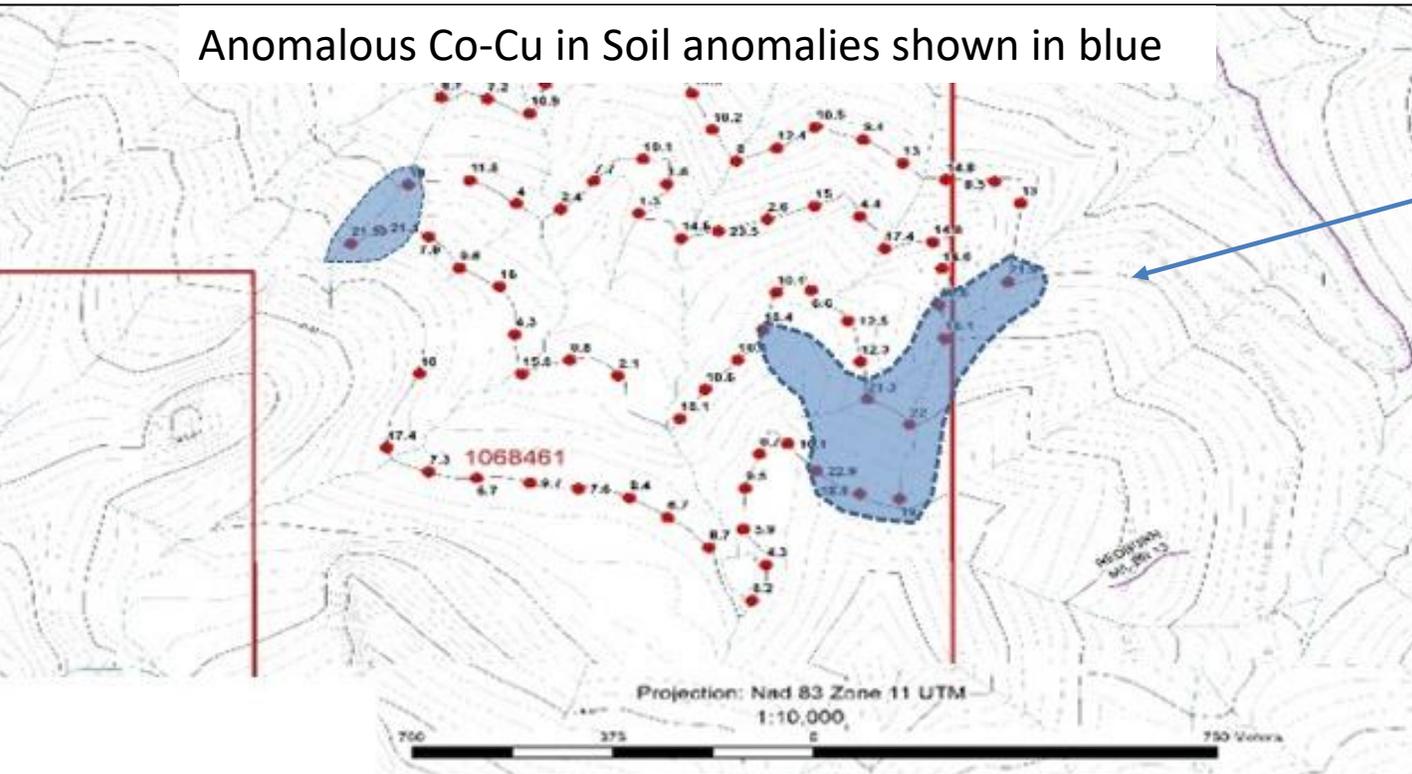


\*Assays from a couple of the large sulphide rich boulders ran between 1.66% to **4.06%** Copper and 0.08% to **0.36%** Cobalt.

# Redburn Project Overview

## Summary

- Soil sampling completed on and around anomalous drainages with Cu, Co, Pb and Ag
- Cu-Co anomaly in soils needs to be followed up by additional prospecting.





**For More Information Contact:  
DLP RESOURCES INC.**

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