



**TECHNICAL REPORT**

**PRELIMINARY ECONOMIC ASSESSMENT  
OF THE BLOCK 103 IRON ORE PROPERTY  
NEWFOUNDLAND AND LABRADOR  
FOR  
CAP-EX IRON ORE LTD.**



NI 43-101 Technical Report

Effective Date: June 27, 2013

prepared by

Angelo Grandillo, P.Eng, M.Eng. **BBA Inc.**

Patrice Live, P.Eng. **BBA Inc.**

Michael Kociumbas, P.Geo. **Watts, Griffis and McOuat Limited**

Richard W. Risto, M.Sc., P.Geo. **Watts, Griffis and McOuat Limited**



## DATE AND SIGNATURE PAGE

This report is effective as of the 27<sup>th</sup> day of June 2013.



Angelo Grandillo, P.Eng., M.Eng.  
Studies Manager  
**BBA Inc.**

August 2, 2013

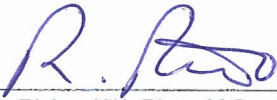
Date



Patrice Live, P.Eng.  
Manager of Mining  
**BBA Inc.**

August 2, 2013

Date



Richard W. Risto, M.Sc., P.Geo.  
Senior Associate Geologist  
**Watts, Griffis and McQuat Ltd.**

August 2, 2013

Date



Michael Kociumbas, P.Geo.  
Senior Geologist and Vice-President  
**Watts, Griffis and McQuat Ltd.**

August 2, 2013

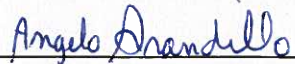
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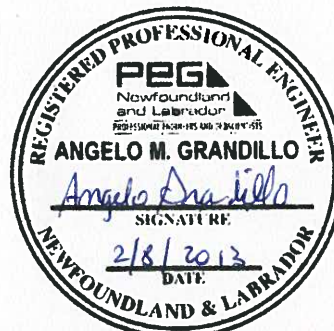
## **CERTIFICATE OF QUALIFIED PERSON**

I, Angelo Grandillo, do hereby certify that:

1. I reside at 1060 des Perdrix, Longueuil, Québec, Canada, J4J 5J7.
2. I am an Associate and a Project Manager in the consulting firm:  
BBA Inc.  
630 René-Lévesque Blvd. West  
Suite 1900  
Montréal, Québec  
Canada H3B 1S6
3. This certificate accompanies the report titled "*Preliminary Economic Assessment of the Block 103 Iron Ore Property, Newfoundland and Labrador for Cap-Ex Iron Ore LTD.*" having an effective date of June 27, 2013.
4. I graduated from McGill University of Montreal with a B. Eng. in Metallurgy in 1981, and M. Eng. in 1988.
5. I am in good standing as a member of the Order of Engineers of Québec (#38342) and Professional Engineers and Geoscientists, Newfoundland and Labrador (#06360).
6. I have read the definition of "qualified person" set out in the National Instrument 43-101 ("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 have personally visited the property on October 11, 2012.
8. I am responsible for the coordination, consolidation and review of this NI 43-101 Technical Report. I have also authored and am responsible for sections: 1 to 4, 13, 17 to 22 and 24 to 27.
9. I am independent of the issuer as described in Section 1.5 of NI 43-10. I have had prior involvement with the Project, having acted as a 'Qualified Person' on the preceding Mineral Resource Estimate technical report.
10. I have practiced my profession continuously since my graduation in 1981. My relevant experience includes technical and operations management and project management in iron ore and gold projects.
11. I have read National Instrument 43-101, Form 43-101F1 and the Technical Report has been prepared in compliance with this Instrument.
12. As of the effective date of this Technical Report, to the best of my knowledge, information and belief, the Technical Report and the parts that I am responsible for, contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Prepared in Montréal, Québec, August 2, 2013

  
Signed  
Angelo Grandillo, Eng. M.Eng.




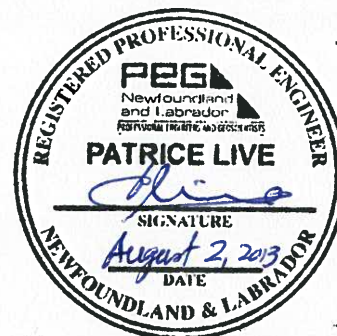
## **CERTIFICATE OF QUALIFIED PERSON**

I, Patrice Live, do hereby certify that:

1. I reside at 539 des Orïoles, Longueuil, Québec, Canada, J4J 2L5.
2. I am an Associate and I am currently employed as Manager of Mining in the consulting firm:  
BBA Inc.  
630 René-Lévesque Blvd. West  
Suite 1900  
Montréal, Québec  
Canada H3B 1S6
3. This certificate accompanies the report titled "*Preliminary Economic Assessment of the Block 103 Iron Ore Property, Newfoundland and Labrador for Cap-Ex Iron Ore LTD.*" having an effective date of June 27, 2013.
4. I graduated from Laval University (Québec City) with a B. Eng. in Mining in 1976.
5. I am in good standing as a member of the Order of Engineers of Québec (#38991) and Professional Engineers and Geoscientists, Newfoundland and Labrador (#07044).
6. I have read the definition of "qualified person" set out in the National Instrument 43-101 ("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 have not visited the property.
8. I have authored and am responsible for sections: 15 and 16.
9. I am independent of the issuer as described in Section 1.5 of NI 43-10. I have no prior involvement with the Project
10. I have practiced my profession continuously since my graduation in 1976. My relevant experience includes technical and operations management and project management in iron ore and gold projects.
11. I have read National Instrument 43-101, Form 43-101F1 and the Technical Report has been prepared in compliance with this Instrument.
12. As of the effective date of this Technical Report, to the best of my knowledge, information and belief, the Technical Report and the parts that I am responsible for, contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Prepared in Montréal, Québec, August 2, 2013

  
Signed  
Patrice Live, P. Eng.





## CERTIFICATE OF QUALIFIED PERSON

I, Richard W. Risto, do hereby certify that:

1. I reside at 22 Northridge Ave, Toronto, Ontario, Canada, M4J 4P2.
2. I am a Senior Associate Geologist with Watts, Griffis and McOuat Limited, a firm of consulting engineers and geologists, which has been authorized to practice professional engineering by Professional Engineers Ontario since 1969, and professional geoscience by the Association of Professional Geoscientists of Ontario.
3. This certificate accompanies the report titled "*Preliminary Economic Assessment of the Block 103 Iron Ore Property, Newfoundland and Labrador for Cap-Ex Iron Ore Ltd.*" having an effective date of June 27, 2013.
4. I am a graduate from the Brock University, St. Catharines, Ontario with an Honours B.Sc. Degree in Geology (1977), Queens University, Kingston, Ontario with a M.Sc. Degree in Mineral Exploration (1983), and I have practised my profession continuously since that time.
5. I am a licensed Professional Geoscientist of the Association of Professional Geoscientists of Ontario (Membership # 276), and Professional Engineers and Geoscientists, Newfoundland and Labrador (Membership #06333). I am a member of the Association of Applied Geochemists and, Prospectors and Developers Association of Canada.
6. I have read the definition of "qualified person" set out in the National Instrument 43-101 ("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 visited the Property from November 14, to November 16, 2012 just as logging and sampling for the 2012 program was finishing and the facilities were being closed up for the season.
8. I am responsible for Sections 5 to 12 and 23.
9. I am independent of the issuer as described in Section 1.5 of NI 43-101.
10. My relevant experience includes 30 years of field exploration and project evaluation for both precious and base metal projects including a number of iron deposits both in Canada and internationally. I have extensive experience with Mineral Resource estimation techniques and the preparation of technical reports.