

Broker Sheet March 1st 2017



Black Isle Resources: An Early Investment Opportunity

- Black Isle Resources has identified the remnants of a potential "black smoker" complex near Wendover Nevada.
- Black Smokers are underwater hydrothermal vents that emit jets of particle-laden fluids. The particles are predominantly very fine-grained sulfide minerals formed when the hot hydrothermal fluids mix with near-freezing seawater. These minerals solidify as they cool, forming chimney-like structures.
- These black smoker complexes can host rich concentrations of copper, zinc, lead, silver and gold.
- Black Isle has acquired property, it has dubbed the "Jet Project", that exhibits similar mineralogy and geological characteristics that you would expect to see around a black smoker complex.
- The company is earning a 100% interest in the Jet Property, subject to a 2.5% NSR, in return for staged payments totalling US\$412,000 cash, 1.5 million shares and US\$500,000 on exploration culminating in a NI-43-101 resource report by 2020.

Financing Opportunity: Black Isle Resource Corp is looking to raise approximately \$350,000 in a private placement to continue exploration and drill key targets on the Jet Property.

The Bottom Line

Black Isle Resources has assembled a promising land position that covers a potential black smoker hydrothermal vent system. Some key prospect sites have been sampled and found to host high-grade copper, lead, zinc and silver. Associated hydrothermal minerals such as silica, barite and fluorite are also present. In addition, a significant 6-to-8 km long gravity anomaly is coincident with the mineralization and may indicate an intrusive "heat source" and in some areas potential metal sulphide mineralization. In my opinion this project warrants a drilling campaign to determine if an economic deposit is present.

TSX:-V: BIT



Capital Structure	At Mar 1 st , 2017				
Black Isle Resource Corp.,					
Shares Outstanding	16,181,825				
Options	1,150,000 @ \$0.05				
Warrants	500,000@ \$0.075				
Shares Fully Diluted	17,831,825				
Trading Activity					
Recent Share Price	\$0.035				
Market Capitalization	\$566,363				
52 Week Low/High	\$0.02/\$0.05				
Average 3 month trading volume	8,839				
Working Capital	NA				

Management Share Holdings				
Management: BIT	26%			
Insiders	38%			

Work Completed to date

- Professional Geologist, Chris Pedersen, collected a series of samples from intermittent outcrops parallel to a 4.5 mile (7,250 meter) long rhyolite dyke system.
- These samples contained sulphate, oxide and carbonate minerals that are indicative of weathering and leaching of original metallic sulphide minerals. Assay results can be seen in the table below. These are grab samples and cannot be construed as representative of wider areas of mineralization

Sample	Copper	Lead	Zinc	Silver	Silver	Barium
Number	%	%	%	g/t	Opt	%
42750	6.77			6.9	0.244	
42757	7.73			7.0	0.246	0.12
42758	8.84			9.8	0.345	0.40
42760	1.09	0.14		10.5	0.37	
42763	0.47	0.24		44.0	1.552	34.54
42764	0.87	0.78		56.6	1.996	11.01
42765	0.35		0.34	41.9	1.477	0.36
42766	0.81			198.2	6.991	
42770	0.92	0.57		28.8	1.014	0.11
70746	2.57			33.2	1.17	2.95
70747	0.85			40.7	1.436	12.65
70748	4.49			56.6	1.998	13.97
70749		3.88	11.14	45.6	1.61	11.26
70750		16.56	0.39	146.7	5.174	15.02
70751			2.98	7.8	0.274	1.01
70752		12.08	0.11	37.0	1.305	2.88
70753		3.05		14.3	0.505	
70757	1.39	0.16		55.2	1.946	26.92
70758	1.34	0.20		109	3.844	0.42
70760				5.9	0.21	3.80
70761	0.17	0.12		111.4	3.93	39.59
70763	2.77	0.62		140	4.937	0.12

Interpretation

What do these Numbers potentially mean?

Prospective Mineralogy

This suite of elements found together: Cu, Pb, Zn, Ag and Ba can indicate:

- 1. The presence of a Volcanogenic Massive Sulphide (VMS) hydrothermal vent system.
- 2. The Presence of Manto type skarn mineralized systems.

This does not mean there are economic concentrations of these minerals present.

It does suggest a hydrothermal system was active in the area

Supergene Enrichment

Since the samples have been heavily weathered and leached there is the possibility of supergene enrichment of base and precious metals at depth.

Work Completed to date





Image Above: Location map of some of the higher grade samples relative to Wildcat Peak.

Image Top Left: Wildcat Peak: Believed to be an Eocene-aged granitic Laccolith. A Laccolith is an sheet like intrusion that has been injected between layers of sedimentary rock. The overlying strata has been forced upward, giving the laccolith a dome or mushroom-like form with a generally planar base.

Image Left: Granitic Dyke outcrops with anomalous base metal values including Fluorine and Barium, commonly associated with hydrothermal systems.

Work Completed to date



Image Top Left: Location of Gravity Survey lines with respect to property boundaries

Image Top Right: Colour image of gravity anomaly. Hot colours represent higher density rocks. Cool colours represent lower density rocks

This image shows that a 6-to-8 km long linear gravity anomaly is coincident with the Fluorite Quarry, Barite Hill and Jet Shafts & Adit area. These areas host anomalous and high grade values of base and precious metals.

The surrounding rocks are known to be lower density sedimentary limestone and explain the cool blue colour of the gravity anomaly. Intrusive rocks are much higher density than surrounding limestone rocks and explain the hot colours of the gravity anomaly. These intrusive rocks are also associated with anomalous base and precious metal mineralization.

Hydrothermal Vent Systems (Black and White Smokers) would leave a similar gravity signature.

Current Geological Interpretation

Hydrothermal Vent systems and associated Black and White Smokers are formed in relation to intrusions under the sea floor. Refer to the diagram below on details of their formation).

The Mineralogy seen on the Jet property which includes copper, zinc, lead, silver, barite and fluorine are all indicative of hydrothermal vent systems. Even evidence of "White Smokers" exist on the property (Refer to Barite Hill image bottom right).

The large 6-to-8 km long gravity anomaly appears to be related to an intrusion and may represent potential heat source to a hydrothermal system. The question now is, how large and metal rich was this system?

Does this system contain economic concentrations of metals? Only drilling will tell for sure.



Potential Discovery

The mineralogy and high-grade assay results taken together with a coincident gravity anomaly leads me to believe that there is a potential productive hydrothermal vent system in this area. Additional exploration and drilling is warranted.

Next Steps

The company plans to complete a magnetometer survey and commence drilling as soon as it has raised the necessary funds.



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Management Team Bios

Donald MacDonald, President and Chief Executive Officer Mr. Donald L. MacDonald is President, Chief Executive Officer, Director of Black Isle Resources Corp. He graduated from the University of Manitoba in 1970 with a B.Com (Honours) degree. He has held several senior management positions in the securities brokerage industry. Mr. MacDonald's education and experience provide him with the relevant knowledge to act as a member of the Audit Committee.

David L. Trueman, Ph.D, P.Geo. Dave brings 54 years of exploration and mining experience to Black Isle. He has spent time in academia, government, and industry and in the last 41 years specializing in the rare metals field. He has since worked on rare metal deposits through the Arctic in Canada, Greenland, the US and Russia and his work has taken him to Australia, Namibia, South Africa, India, the PRC, Brazil, Argentina, Chile, Saudi Arabia, Spain, France, Wales, Denmark, and East Germany. He has held a number of directorships on various exploration and mining companies and has authored or co-authored some 70 papers in various professional journals.

Bruce W. Downing, M.Sc., P.Geo, FGC, HON FEC. Director A graduate of Queens University and the University of Toronto (M.Sc.), Bruce Downing has over 30 years of experience as a senior geologist working for several corporations and as a consultant on surface and underground gold and base metal exploration and production projects in British Columbia and around the world. Mr. Downing was involved in the exploration and pre-production at the Windy Craggy open pit and underground massive copper sulphide deposit; wrote reclamation and closure plan for an open pit copper - gold mine (British Columbia): was involved in several acid rock drainage studies.

Jens C. Pedersen, P.Geo., **Consultant.** Chris has been responsible for the examination, review, and acquisition of mining properties and implementation of exploration programs in the southwestern United States and Canada. Has been an active member of the above noted geological team for over 25 years.

Mark Gelmon, Chief Financial Officer, Secretary. Mark is Chief Financial Officer, Secretary of the Company. He obtained his bachelor of arts degree at the University of British Columbia and subsequently attained his chartered accountant designation in 1995 and is a member of the Institute of Chartered Accountants of B.C. He has provided his expertise to several TSX Venture Exchange-listed companies in the capacity of director, chief financial officer and consultant.

Ms. Marion McGrath is Independent Director Marion is owner of iO Corporate Services Ltd., a company providing corporate and accounting services to various publicly-traded North American companies. She has been actively engaged in the securities industry for over 25 years, serving as a director and officer of numerous public companies in a corporate administrative capacity.

In return for an option to acquire a 100% interest in the Jet Property in Elko County Nevada, Black Isle must provide the following:

 Payment of US\$2,000 (paid) (CDN\$2,453), issuance of 200,000 common shares

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- Payment of US\$10,000 (CDN\$13,372) (paid), issuance of 400,000 common shares by the date TSX-V approval (issued at a fair value of \$20,000). As a result, the Company has earned a 30% interest in the property.
- Payment of US\$50,000, issuance of 400,000 common shares by March 1, 2017. Upon completion of this stage, the Company will have earned a 50% interest in the property;
- Payment of US\$100,000, issuance of 500,000 common shares by 2018, and incur US\$250,000 of exploration expenditures on the property by March 1, 2018. Upon completion of this stage, the Company will have earned a 75% interest in the property;
- Payment of US\$250,000 and incur US\$250,000 in exploration expenditures on the property by March 1, 2019;
- Complete a NI 43-101 resource calculation on the property by March 1, 2020. Upon completion of this stage, the Company will have earned a 100% interest in the property.

The property is subject to a 2.5% NSR of which the Company has the right to purchase a minimum of $\frac{1}{2}$ % for US\$500,000 and up to 2% for US\$2,500,000.

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