

██████████ A. Robertson

Certified Public Accountant

Updated: July 22, 2014

Mr. Wolf Cook
Lycaon Mining LLC
278 Main Street
██████████ ██████████
██████████

Re: Calculated value of the value of gold in a 3600 ton ore stock pile

Dear Mr. Wolf Cook:

██████████ Robertson CPA, APC has performed a calculation engagement of the estimated value of gold contained in a 3600 ton ore stock pile as of February 14, 2014. The following calculation report is intended to provide my calculation of the fair market value on a non-controlling, non-marketable basis. For purposes of this report Gold (Au) will be valued at \$1,200 per ounce.

In a calculation engagement, the valuation analyst and the client agree on the specific valuation approaches and valuation methods used and the extent of valuation procedures performed to calculate the value of the subject interest. A calculation engagement is limited in the procedures performed to arrive at the calculated value and is not considered a valuation engagement or appraisal. Had the procedures not been limited and/or a valuation engagement been performed, the results might have been different.

Although not required for a calculation engagement, I did visit the location where the 3,600 tons of ore stock pile is being stored as well the mine where the ore was extracted.

Based on my analysis, as described in the following calculation report, we have calculated the fair market value of gold contained 3,600 tons of ore stock pile to be \$25,920,000 at 6 ounces per ton up to \$34,560,000 at 8 ounces per ton.

This calculated value is subject to the Statement of Assumptions and Limiting Conditions found in the appendices to this report. I have no obligation to update this report or the calculation of value for information that comes to my attention after the date of this report.

██████████ *Robertson*

Respectfully,
██████████ Robertson, CPA, APC

INTRODUCTION

Subject of the Calculation

Lycaon Mining, LLC is an LLC organized under the laws of the State of Delaware and is registered in the State of Utah. It is in the business of extracting ore. Its corporate headquarters are located in [REDACTED], Utah.

The 3,600 ore stock pile is located in [REDACTED] Utah.

Subject Ownership

Lycaon Mining, LLC engaged [REDACTED] Robertson, CPA APC to calculate the value of gold in its 3600 ton ore stock pile based on a value of 6 ounces per ton and 8 ounces per ton of gold content.

CALCULATION REPORT

This engagement was conducted in accordance with the Business Valuation Standards (BVS) of the American Society of Appraisers (ASA) and is intended to be a calculation, which is described by the BVS as follows:

The objective of a calculation is to provide an approximate indication of value of a business, business ownership interest, security or intangible asset based on the performance of limited procedures agreed upon by the appraiser and the client.

This report is intended to be a calculation report which unlike a Comprehensive Written Business Valuation Report, the BVS does not require to conform to the Uniform Standards of Professional Appraisal Practice (USPAP)

AMERICAN INSTITUTE OF CPA'S

This calculation engagement was conducted in accordance with the Statement on Standards for Valuation Services (SSVS) No 1 of the American Institute of Certified Public Accountants (AICPA) which describes a calculation engagement as follows:

Calculation engagement – A valuation analyst performs a calculation engagement when (1) the valuation analyst and the client agree on the valuation approaches and methods the valuation analyst will use and the extent of procedures the valuation analyst will perform in the process of calculation the value of a subject interest (these procedures will be more limited than those of a valuation engagement) and (2) the valuation analyst calculates the value in compliance with the agreement. The valuation analyst expresses the results of these procedures as a calculated value.

[REDACTED]

[REDACTED]

The calculated value is expressed as range or as a single amount. A calculation engagement does not include all of the procedures required for a valuation engagement

SOURCES OF INFORMATION

I have read, studied, considered and relied on various information sources for this calculation. These included both internal and external information sources.

The approaches and methodologies used in this calculation does not comprise an examination in accordance with generally accepted auditing standards (GAAS). The objective of a GAAS examination is to express an opinion regarding the fair presentation of historical or prospective financial statements or other financial information in accordance with generally accepted accounting principals (GAAP) Because I did not perform an examination in accordance with GAAS, I express no opinion and accept no responsibility for the accuracy and completeness of the financial information or other data provided to me by others. I do assume the financial and other information provided to me is accurate and complete and I have relied upon it in performing this calculation.

Concluded Calculation of Value

3,600 ore tons

Ounces of gold at 6 ounces per ton: 21,600

Value of gold based on \$1,200 per
ounce of gold : \$25,920,000

Ounces of gold at 8 ounces per ton: 28,800

Value of gold based on \$1,200 per
ounce of gold: \$34,560,000

