

Yukon Hard Rock Mining, Development and Exploration Overview 2015

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INTRODUCTION

Junior exploration companies working in Yukon continue to brace themselves in unfriendly equity markets. The 2015 season experienced modest exploration as companies sought to preserve capital. Of the 85 hard rock exploration projects in Yukon in 2015, only 16 included drill programs (Figs. 1 and 2) and only 11 projects spent more than one million dollars. Exploration spending decreased from \$80 million in 2014 to \$65 million in 2015 (Fig. 3). The spending decrease is largely due to a revised budget for Selwyn-Chihong Mining Ltd.'s Selwyn project, which saw exploration expenditures drop substantially from \$32 million in 2014 to \$7.4 million in 2015. The largest exploration programs, in terms of estimated expenditures, continue to have success despite the economic headwinds. Examples of these include Kaminak Gold Corp. on the Coffee Project, Selwyn-Chihong Ltd. on the Selwyn Project, Rockhaven Resources Ltd. at the Klaza Project and Atac Resources at the Rackla Gold Project. A welcome re-addition to the Yukon exploration scene is the Kudz Ze Kayah Project, acquired early in 2015 by BMC Minerals; the company explored with a sizeable 2015 program that included reviewing historic work as well as substantial new drilling. Across Yukon, almost 60% of exploration programs were exploring for gold, while the remainder explored for lead, zinc, copper, nickel, silver, platinum group metals or jade.

Levels of funding for the well-subscribed Yukon Mineral Exploration Program (YMEP) remained at \$1.4 million. The funds were distributed to 62 placer and hard rock exploration projects and used to offset exploration costs. Details are included in the YMEP overview paper in this volume.

Claim staking continued to be at a diminished level in 2015. Only 2190 claims were staked, although the number of claims in good standing remains high at 195 280 claims (Fig. 4), partly due to assessment relief administered in temporarily withdrawn areas and a double assessment credit government initiative for work done in 2015.

The activities and results presented in this report are a summary rather than a comprehensive list of Yukon exploration, development and mining projects. Some results are still pending at the publication deadline of this volume. Summary statistics and analytical results are based on technical reports and news releases by companies and personal communication with company representatives.

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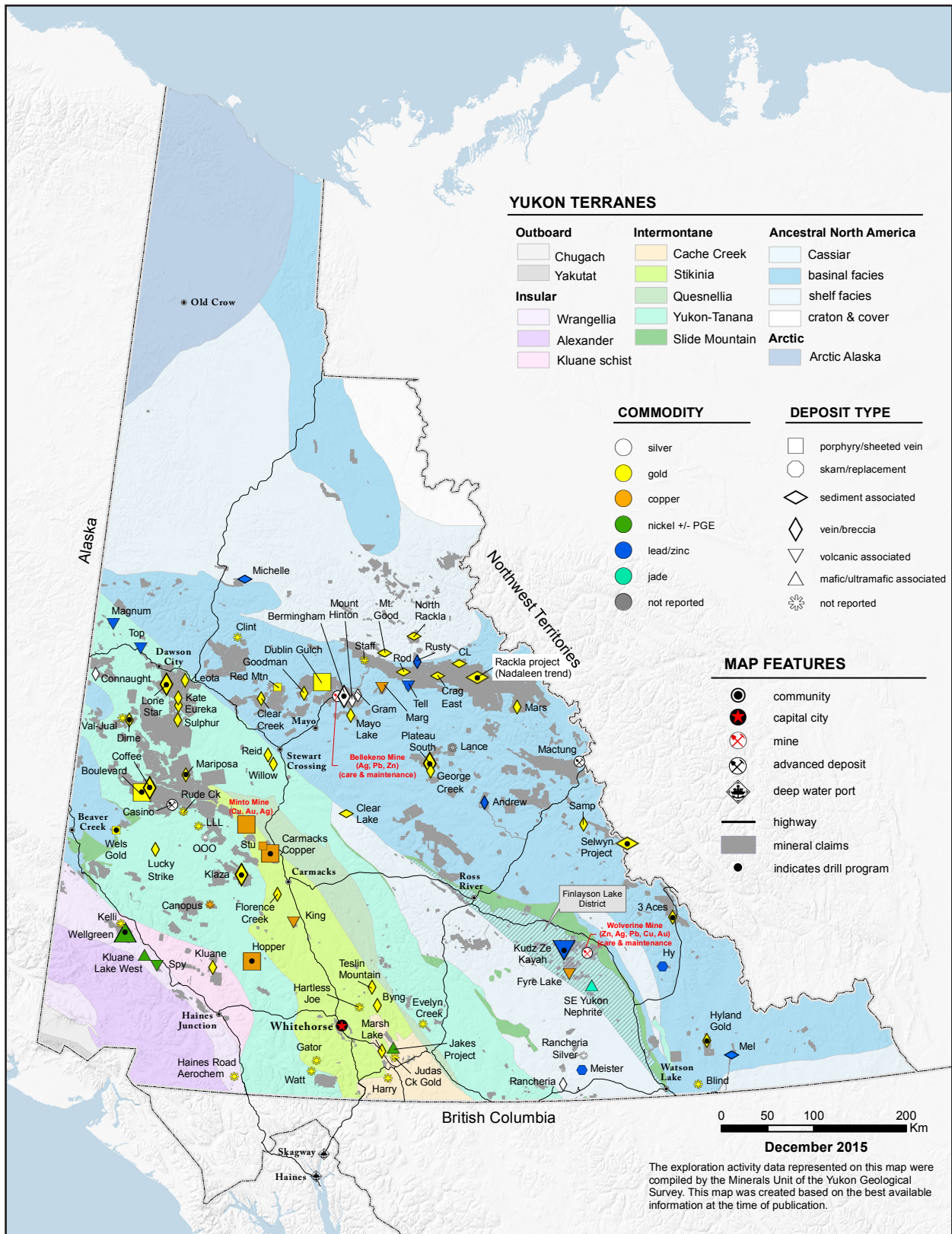


Figure 1. Yukon exploration projects, 2015. Large symbols represent projects with estimated expenditures \geq \$500,000, small symbols with $<$ \$500,000. Black dot in the centre of a symbol indicates that drilling constituted part of the exploration activities.

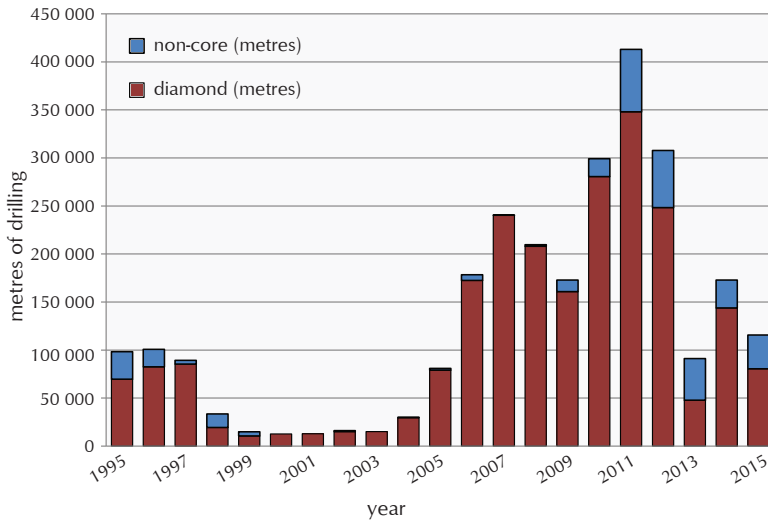


Figure 2. Diamond drilling and non-core (reverse-circulation or rotary air blast) drilling between 1995 and 2015.

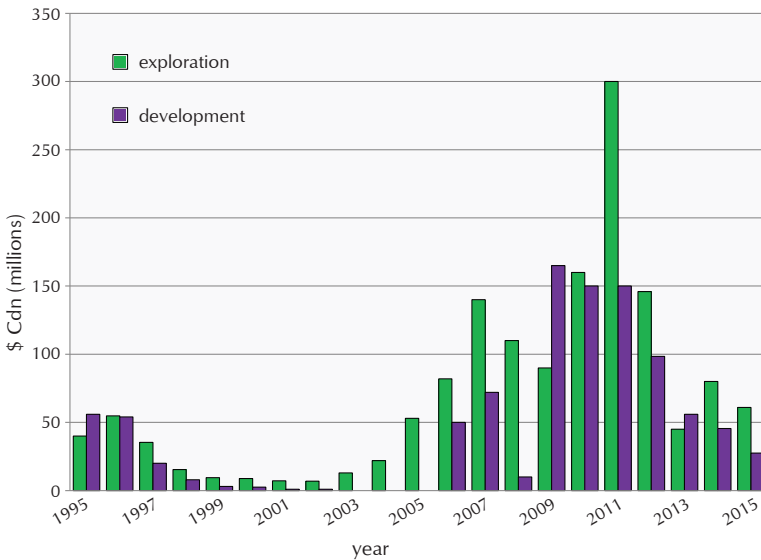


Figure 3. Estimated exploration and development expenditures on Yukon projects, 1995-2015.

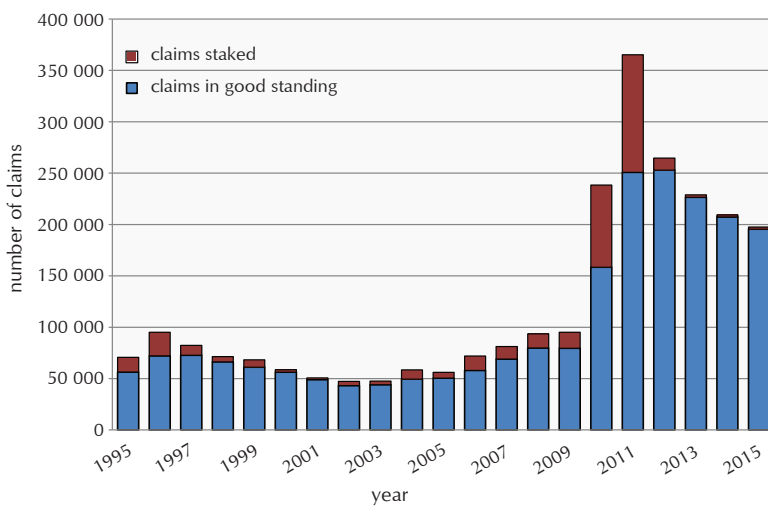


Figure 4. Hard rock claims staked and in good standing between 1995 and 2015.

MINING

The territory currently has one operating hard rock mine, Capstone Mining Corp.'s (www.capstonemining.com) Minto copper-gold-silver mine (Yukon MINFILE 1151021, 1151022; Fig. 5). Capstone maintained full production in 2015 at Minto, producing 12065 t Cu, 11,794 oz Au, and 118,000 oz Ag in the first three quarters of the year. Mill throughput for this period was 3828 tonnes/day at an average head grade of 1.36% Cu, 5 g/t Ag and 0.49 g/t Au. The company received an amendment to its Water Use Licence in August 2015, which allowed for stripping of a new high-grade zone to be open-pit mined: the Minto North deposit.

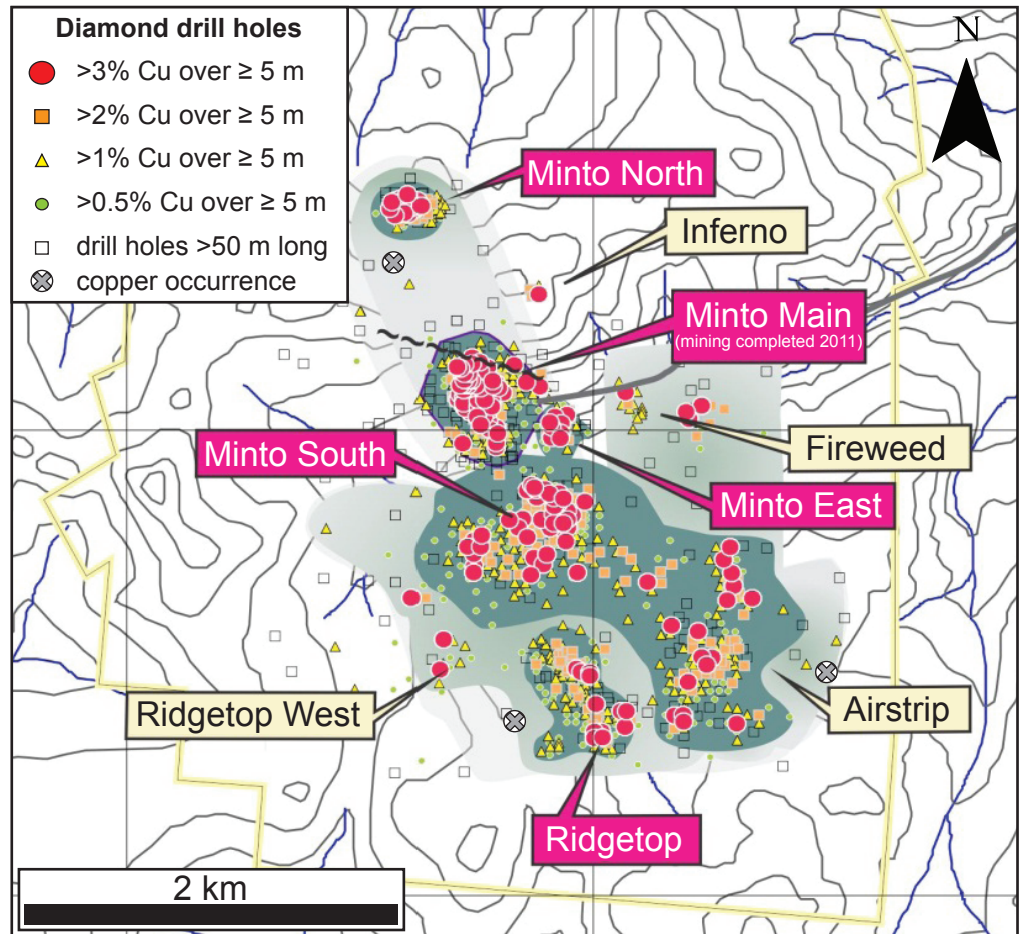


Figure 5. Deposits and exploration targets at Capstone Mining Corp.'s Minto property. Dark green area represents known deposits; pink labels are ore bodies that have defined resources or reserves, yellow labels do not. Pale green shows area of significant prospectivity, and light grey the exploration corridor between Minto Main and Minto North. (Modified from Mercer and Sagman, 2012 - PFS Phase VI).

The polymetallic Wolverine Mine (Yukon MINFILE 105G072) owned by Yukon Zinc Corp. (www.yukonzinc.com), a private company, announced closure in January 2015. The company went into creditor protection in March 2015 with the majority of its debt owed to the parent company Jinduicheng Canada Resources Corporation Ltd. A vote on a restructuring plan took place in September 2015 and was passed by a majority of shareholders. The Wolverine mine is currently under care and maintenance.

MINE DEVELOPMENT

Overall development expenditures in Yukon in 2015 totalled \$28 million; the majority of expenditures were from work on three properties, Capstone Mining's Minto property, Alexo Resource Corp.'s Keno Hill deposits and Selwyn Chihong Mining Ltd.'s (www.selwynchihong.com) Selwyn property (Yukon MINFILE 105I012, 032, 036, 037, 042, 045, 053, 066, 067, 068, 069) near the Yukon-Northwest Territories border. Selwyn-Chihong completed geotechnical, metallurgical, definition and exploration drilling (10 000 m in 64 drill holes) at its Selwyn lead-zinc sedimentary exhalative property. The company carried out engineering work and metallurgical test work for a pre-feasibility study expected by the end of 2015. The company also dedicated substantial resources toward heritage studies and community consultation. The company recently completed a socio-economic participation agreement with the Kaska First Nation, on whose territory the property lies. The First Nation members will vote in early 2016 on whether to accept the agreement.

ADVANCED PROJECTS

Victoria Gold Corp.'s (www.vitgoldcorp.com) Eagle gold deposit in central Yukon is permitted for construction. The company received its water licence in December 2015 and is looking at financing options. Recent exploration attention on the property has focused on the Olive zone, 2 km northeast of the Eagle deposit (Dublin Gulch; Yukon MINFILE 106D025). The Olive zone lies on the intrusive-sediment contact of a broad northeasterly mineralized trend on the property (Fig. 6). Metallurgical

testing completed in 2015 on drill core from this zone demonstrated favourable heap leach recoveries. The company plans to calculate an initial resource estimate at Olive to be later incorporated into an updated feasibility study.

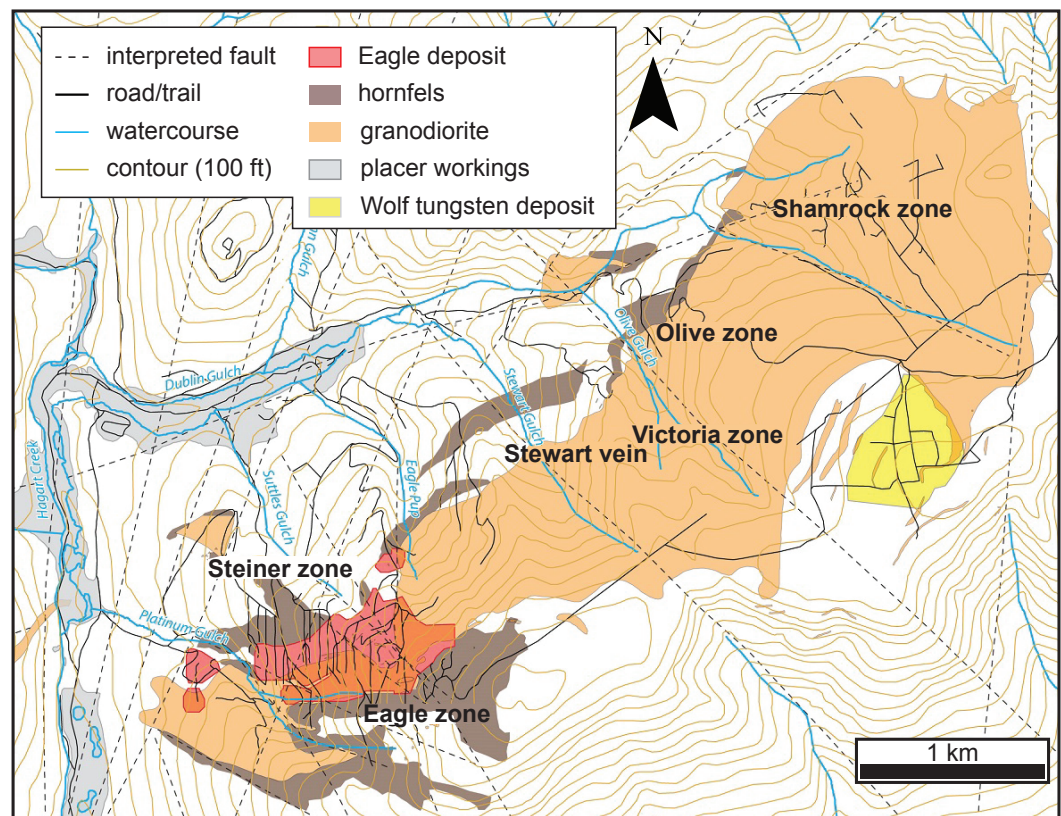


Figure 6. Geology and zones at the Eagle Gold Project (modified from www.vitgoldcorp.com/s/olive_zone, downloaded December 4, 2015).

Western Copper and Gold Corp.'s (www.westerncopperandgold.com) Casino copper-gold porphyry deposit (Yukon MINFILE 115J028) in western Yukon is currently in the adequacy review stage of the assessment process. This is the largest project ever submitted to the Yukon Environmental and Socioeconomic Assessment Board (YESAB).

North American Tungsten's (www.natungsten.com) Mactung tungsten skarn deposit (Yukon MINFILE 105O002) is located near the NWT border at MacMillan Pass. The company filed for creditor protection in June 2015, and the Government of the Northwest Territories purchased the Mactung property after no acceptable bids for the property were received. In a related deal, the recently closed Cantung mine, 215 km north of Watson Lake, and just across the border into the Northwest Territories, will be transferred as an abandoned mine site to the Government of Canada as part of the Northwest Territories' recent devolution agreement.

PRECIOUS METALS EXPLORATION – GOLD

SEDIMENT ASSOCIATED

ATAC Resources (www.atacresources.com) was active on the Nadaleen trend (Yukon MINFILE numbers pending) of its Rackla Gold Project (Fig. 7) along the northern margin of Selwyn basin. Within the Carlin-style Nadaleen trend, a rotary air blast drill (RAB) program (31 drill holes; 1289 m) at the Anubis Cluster resulted in the discovery of the Orion target: ARB-15-026 intersected 47.24 m of 3.79 g/t Au (August 25, 2015 News Release). Orion is hosted in pyritic siltstone, a regionally extensive unit. A single 480 m diamond drill hole (OS-15-231) at the Conrad zone, within the Osiris Cluster, was designed to test continuity of mineralization between the lower, middle and upper Conrad zones. The hole was lost before hitting the lower zone target; but it hit several mineralized intersections, the most impressive being 3.02 g/t Au over 124.96 m beginning at 357.5 m depth (August 25, 2015 News Release). Within the Rau trend on the west end of the Rackla Gold Project, trenching, drilling and optimization work was conducted on the carbonate replacement-style Tiger deposit (Yukon MINFILE 106D098; Fig. 7). The 2015 program was designed to advance the project towards pre-feasibility, and included

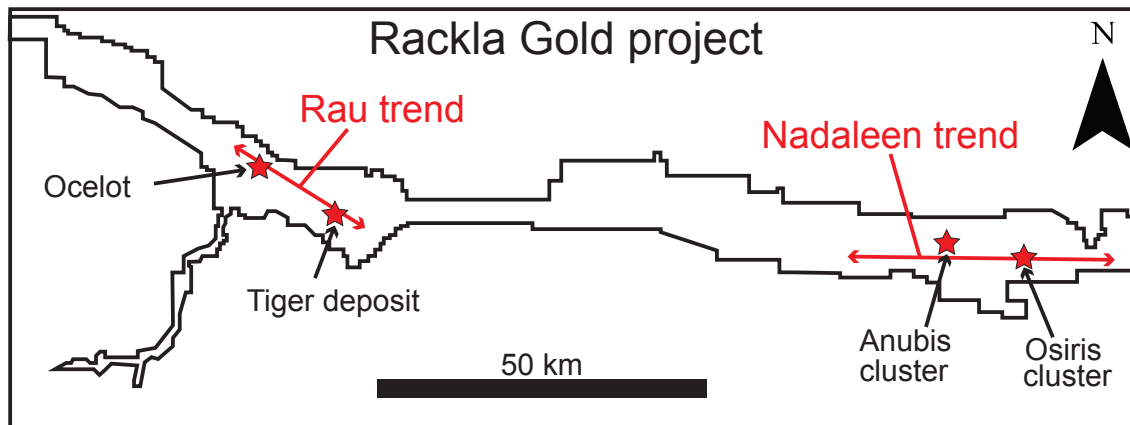


Figure 7. Rackla Gold Project regional property map (modified from <http://www.atacresources.com/projects/rackla>).

geotechnical drilling as well as infill and expansion diamond drilling (18 holes; 1418 m). Eight trenches (400 m) were dug in order to better define the near-surface portion of the gold deposit. The company also collected a small bulk sample to be used in future for metallurgical and processing studies.

Anthill Resources Ltd. (www.anthillresources.com), a private company, undertook a small program on its Einarson claims (Yukon MINFILE number pending) in east-central Yukon; the program was partially funded through the YMEP. The company carried out magnetic, VLF and IP surveys on the Mars zone at the south end of the claim block. The most compelling target is a north-south coincident VLF and resistivity-IP target that is coincident with gold-arsenic anomalies in soil and mineralized quartz veins. Subsequent infill grid soil sampling, mapping and prospecting were carried out. At Mars Northeast, prospecting uncovered brecciated quartz float boulders strewn over a length of 200 m at the newly named Callisto zone. Grab samples from this zone assayed up to 8.56 g/t Au.

VEIN/BRECCIA (OROGENIC GOLD)

Kaminak Gold Corp. (www.kaminak.com) undertook the largest exploration project in the territory on its Coffee Gold Project (Yukon MINFILE 115J053, 058, 062, 065, 066, 067, 068, 110, 111) in west-central Yukon. The company continues to work toward a feasibility study (expected Q1 2016), completing more than 40000 m of core, reverse circulation (RC) and RAB drilling on the property in 2015. Exploration drilling targeted oxidized gold-bearing structures within the Kona North zone, step-outs on the Supremo T3 trend, and targets within the Cappuccino zone and other gold-in-soil anomalies near the current resource. Kaminak also continued environmental and heritage baseline studies, and began a study to determine the optimal route and design of an access road to the property (September 2, 2015 News Release). A new mineral resource estimate has bumped the resource up to almost 5 million ounces of gold (Table 1). The new estimate upgraded a substantial portion of the inferred resource into the indicated category. Deposits remain open along strike and at depth (Fig. 8), and there is potential to increase the near-surface oxide resource (Fig. 9).

Table 1. Updated mineral resource for Coffee (modified from September 23, 2015 News Release).

Deposit	Classification	Ore Type	Tonnes (Mt)	Au (g/t)	Contained ounces
Coffee	Indicated	oxide + transitional + sulphide	63.666	1.45	2,968,000
	Inferred	oxide + transitional + sulphide	52.354	1.31	2,212,000

Indicated and inferred resources 2015 at projected Feasibility Study resource cut-off grades. Cut-off grades of 0.3 g/t Au for oxide & upper transitional zones, 0.4 g/t Au for middle transitional zone and 1.0 g/t for lower transitional and sulphide zones.

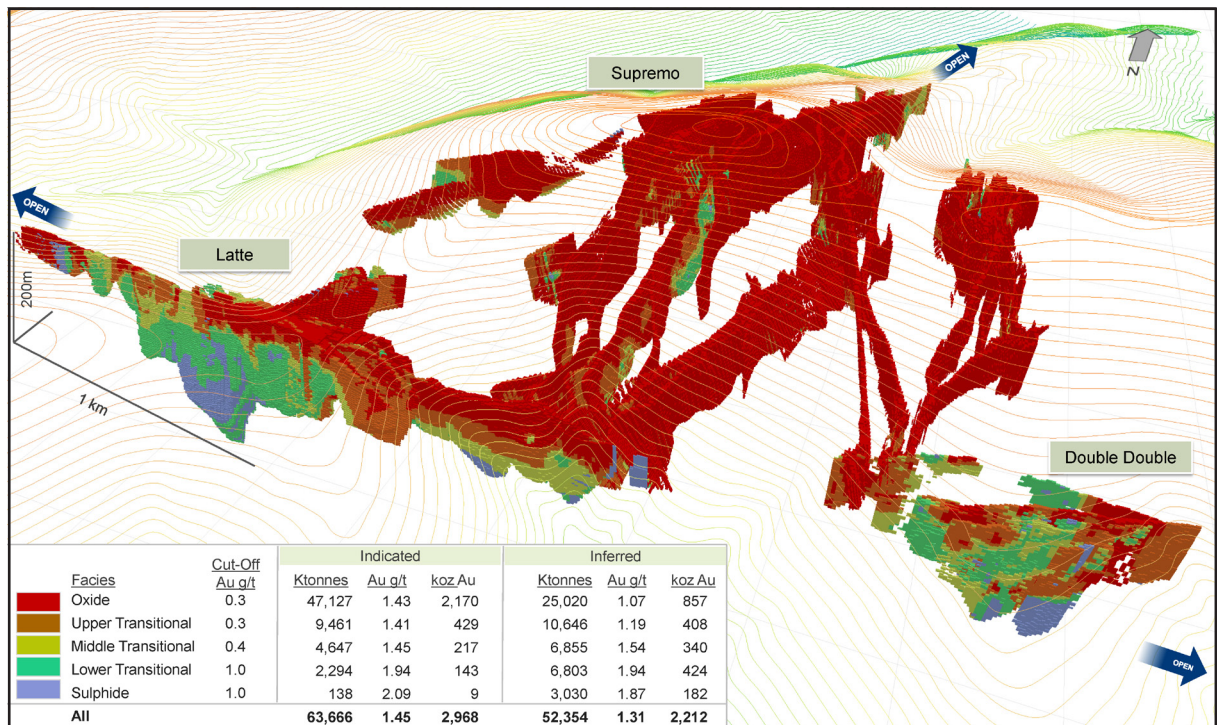


Figure 8. Coffee Gold property - Block model of deposits at projected feasibility study resource cut-off grade. From Kaminak Corporate presentation, Coffee Gold project, November 2015.

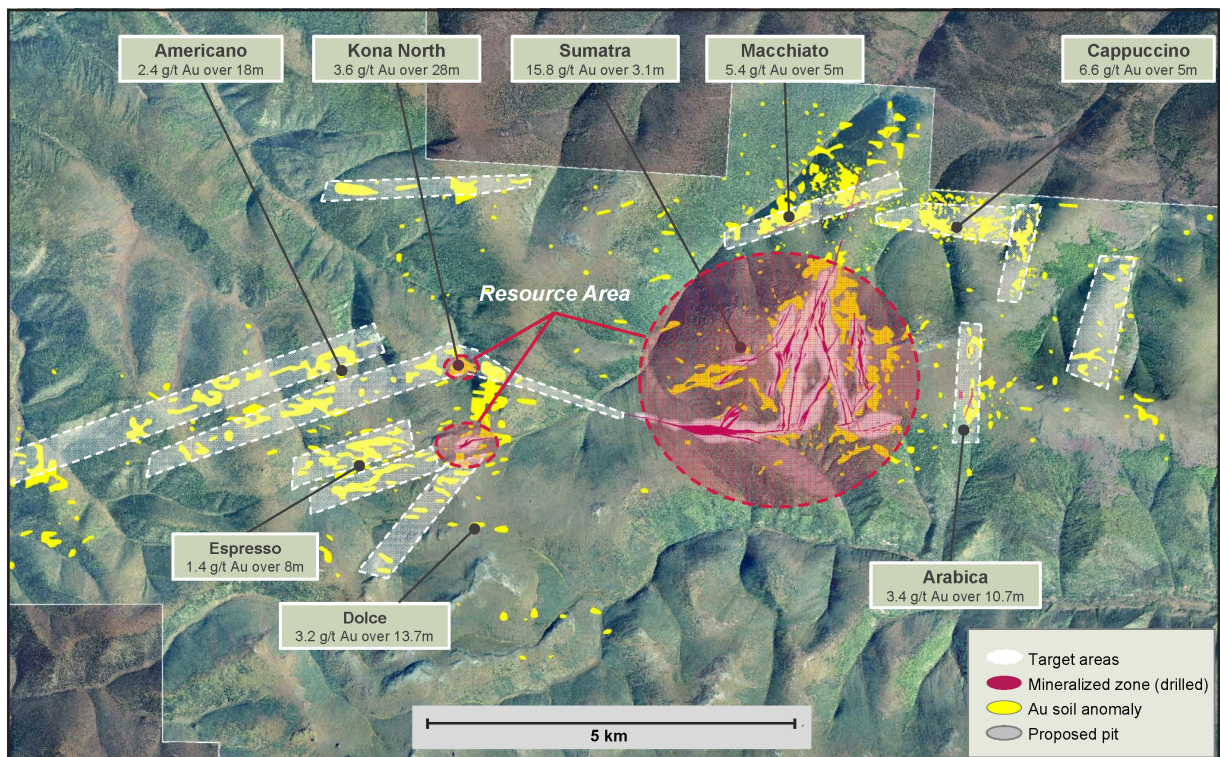


Figure 9. Plan view of resource area and potential for expansion of the resource on the Coffee property. From Kaminak Corporate presentation, Coffee Gold project, November 2015.

The Boulevard gold property (Yukon MINFILE 115J050) in west-central Yukon saw renewed activity by Independence Gold Corp. (www.ingold.com). The company carried out a ground magnetic survey, geological mapping and drilling on the property. A reverse circulation drill program (1746 m; 13 holes) tested geochemical soil anomalies with coincident magnetic lows, resulting in two new discoveries on the property. The best intersections include 7.23 g/t Au over 12.2 m at the new Sunrise zone and 4.25 g/t Au over 6.10 m at the Denali zone. (August 24, 2015 News Release). Follow-up drilling later in the season at the Sunrise zone resulted in two additional intercepts; 15.00 g/t Au over 3.05 m and 0.94 g/t Au over 22.86 m (drill holes BV15-40 and BV15-35, respectively).

Golden Predator Mining Corp. (www.goldenpredator.com) completed a small rotary air blast drill RAB program in advance of a bulk sample on its 3 Aces property (Yukon MINFILE 105H066) in southeast Yukon. Thirteen shallow holes (totalling 45.73 m) covering an irregular grid of roughly 15 by 6 m were drilled on the Sleeping Giant vein. Visible gold was encountered in all holes. The highest grade intersection occurred in hole 3ARAB15-13 which assayed 159 g/t Au within the top 2.25 m of the hole (September 14, 2015 News Release). The results of the RAB drilling will be used to plan a 500 tonne bulk sample for metallurgical testing.

The Lone Star property (Yukon MINFILE 115O072) of Klondike Gold Corp. (www.klondikegoldcorp.com) was explored with diamond drilling (19 holes; 1374 m) on surface targets containing visible gold in quartz veins. Drill hole EC15-10 intersected 75.6 g/t Au over 2.8 m (October 26, 2015 News Release). The company also carried out a drone orthophoto survey, 1000 line metres of induced polarization, and remediated historically disturbed areas on the property, which is located in the Klondike goldfields south of Dawson City.

SHEETED VEIN (INTRUSION-RELATED)

The recently discovered Wels gold property (Yukon MINFILE 115J039) of Gorilla Minerals Corp. (www.gorillaminerals.com) is located 50 km west of Beaver Creek. In 2015, the company diamond drilled based on positive trenching in 2014 on the Saddle zone. The five-hole diamond drill program tested mineralization under the 2014 trenches which exposed strongly weathered biotite granite. The first diamond drill hole on the property, Wels15-01, assayed 1.1 g/t Au over 97.5 m. Xenoliths in the drill core have been interpreted as indicating proximity to the pluton cupola, and a favourable sign for mineralization. The company also completed further trenching in 2015 (Fig. 10).



Figure 10. Geologist Al Doherty standing next to trench TR-15-01 at the Wels gold property

VEIN/BRECCIA

Rockhaven Resources Ltd. (www.rockhavenresources.com) spent more than \$4 million exploring its Klaza epithermal gold-silver property (Yukon MINFILE 115I067), located 50 km west of Carmacks. In January 2015, Rockhaven released a first resource calculation on the property of nearly 1 million ounces of contained gold. An updated resource in December increased the resource by 503,000 oz gold (Table 2). The 2015 exploration program included 13 738 m (56 holes) of diamond drilling within and below the current resource on the high-grade western BRX, Klaza and BYG zones. The company also conducted substantial environmental and engineering studies in support of future permitting applications. The Klaza property currently hosts nine mineralized zones, which have a cumulative mineralized strike length of 9.4 km, and occur in a 1.8 km-wide structural corridor that crosscuts a mid-Cretaceous granite. Individual zones range from 1 to 75 m in width and consist of quartz-sulphide veins, breccia and fracture networks that are spatially associated with unmineralized quartz-feldspar porphyry dikes. They exhibit exceptional lateral and down-dip continuity, and all zones remain open for extension along strike and depth.

Table 2. Updated NI 43-101 mineral resource estimate for Rockhaven Resources' Klaza property. Cut-off grades are 1.3 g/t Au EQ for pit-constrained resource and 2.75 g/t Au EQ for underground resource (modified from December 9, 2015 News Release).

Deposit	Classification	Type	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
Klaza	Inferred	pit-constrained	2.366	5.12	94.51	0.93	1.18
	Inferred	underground	7.054	4.27	87.18	0.69	0.88
	Inferred	total	9.421	4.48	89.02	0.75	0.95

Goldstrike Resources Ltd. (www.goldstrikeresources.com) continued work at its Plateau South property (Yukon MINFILE 105N 034, 035, 036) in central Selwyn basin. The company explored the property with shallow drilling (11 holes; 924.1 m) targeting the Gold Dome and Goldstack prospects. At Goldstack, a 30 m step-out drill hole (PSGS15-01) from the discovery hole assayed 13.5 g/t Au over 17.5 m (from 22.0-39.5 m). At Gold Dome, 17 km east of Goldstack, eight exploratory holes were drilled, with one testing a geophysical anomaly and returning 9.09 g/t Au over 1.5 m near surface and 12.65 g/t Au over 0.5 m at a depth of 117 m (drill hole PSVG15-06).

Banyan Gold Corp. (www.banyangold.com) performed a modest program at its Hyland Gold project (Yukon MINFILE 095D011) in southeast Yukon. Soil grids were extended, trenching was performed at the Montrose target, and 740 m of drilling was completed in three diamond drill holes at the Camp zone (Fig. 11). Trench results include 6.0 m of 4.4 g/t Au in MT-15-01, and drill results include 76.34 m of 0.32 g/t Au from 75.56 to 151.90 m in HY-15-46 (September 17, 2015 News Release). Results from 2015 identified carbonate replacement-style gold, lead, zinc and copper mineralization hosted within the north-trending Quartz Lake structural corridor. This style of mineralization appears similar to that found at the Tiger deposit (Yukon MINFILE 106D098).

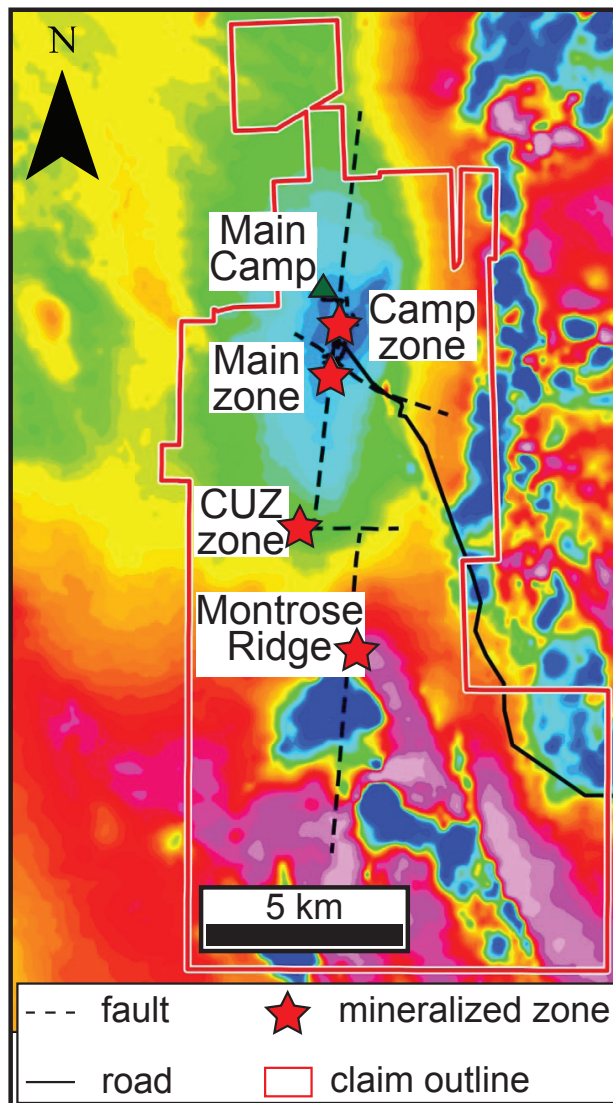


Figure 11. Regional magnetic map covering the Banyan Gold's Hyland property (modified from January 2015 corporate presentation).

Pacific Ridge Exploration (www.pacificridgeexploration.com) revisited its Mariposa gold project (Yukon MINFILE 115O075) in the White Gold District of west-central Yukon; and completed a 12-hole, 655.3 m RAB drill program (Fig. 12). Drilling intercepted two gold-bearing structures within the northeast-trending Skookum Main zone and demonstrated continuity between mineralized structures within the zone over a strike length of 125 m. DDH 15MPR-07 intercepted 28.96 m of 0.841 g/t Au starting at a depth of 30.5 m and hit another mineralized intersection at 51.8 m depth assaying 1.217 g/t Au over 7.62 m (November 12, 2015 News Release).

A small program of reclamation, prospecting, geochemical sampling and trenching was undertaken at the Lucky Strike property (Yukon MINFILE number pending) in southwest Yukon by Goldstrike Resources Ltd. (www.goldstrikeresources.com). A new 40 by 50 m gold anomaly in bedrock, discovered through hand-pitting, returned assays up to 4.26 g/t Au. Results from grid soil sampling 5 km to the northwest outlined a 1200 by 250 m anomaly with values up to 1989 ppb Au. Both new discoveries coincide with northwest-trending magnetic anomalies and remain open along strike (September 28, 2015 News Release).

Strategic Metals Ltd. (www.strategicmetalsltd.com) discovered new high-grade gold mineralization at its Hartless Joe property (Yukon MINFILE number pending), 28 km east-northeast of Whitehorse. The discovery is within a 500 by 250 m area of strong gold and copper soil anomalies with sporadically mineralized talus. A continuous chip sample across the discovery outcrop from a quartz-rich band, either a vein or an exhalite horizon, graded 60 g/t Au, 554 g/t Ag, 5.01% Pb and 0.35% Cu over 1.2 m (September 30, 2015 News Release).

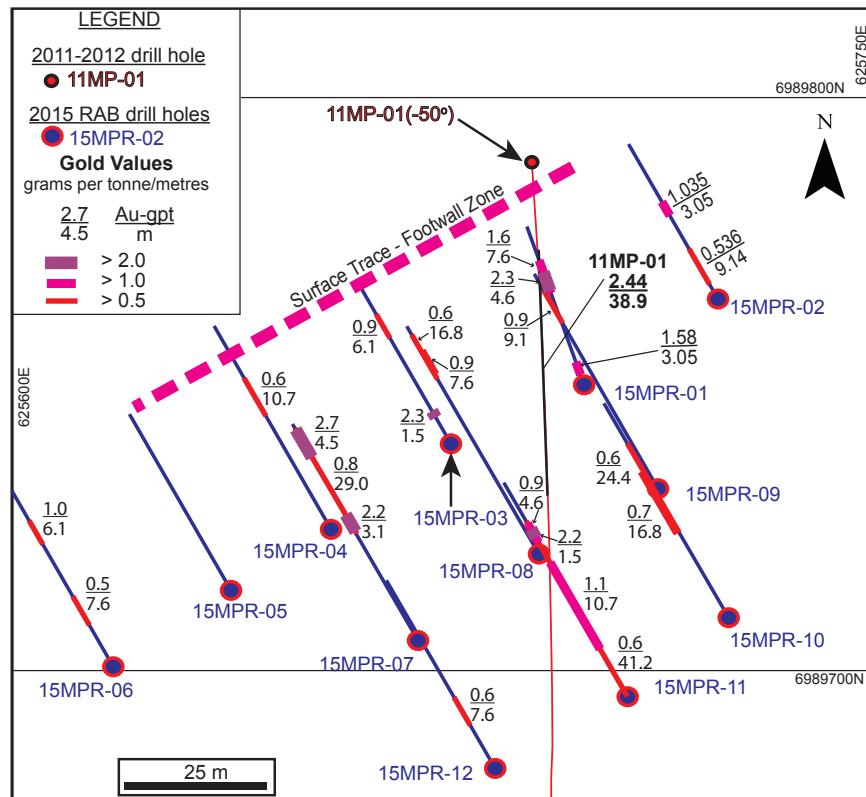


Figure 12. Plan view map of 2015 RAB holes with 2015 assay highlights. 2011 discovery hole intersection in bold (modified from www.pacificridgeexploration.com/s/mariposa, accessed December 7, 2015).

PRECIOUS METALS EXPLORATION– SILVER

Alexco Resource Corp. (www.alexcoresource.com) temporarily suspended its mining operation at the Bellekeno (Yukon MINFILE 105M082) silver-lead-zinc mine in September 2013 due to low silver prices and high operating costs. Permitting is underway for development and production of the Flame & Moth deposit, discovered in 2010, 3.5 km west of Bellekeno mine (Fig. 13). Alexco Resources Ltd.’s 2015 exploration program focused on drill-definition of the Bermingham (Yukon MINFILE 105M086) silver-lead-zinc deposit (Fig. 13). The company completed 2595 m of diamond drilling in eight holes. Drill hole K-15-0580 intersected an impressive 7462 g/t Ag over 4.98 m (true thickness). Updated resource estimates were released in April 2015 for Bermingham (6.0 million oz indicated and inferred) and Flame & Moth (30.7 million oz silver – indicated and inferred; Table 3). This constitutes a 10% increase in the silver resource at the Keno Hill property.

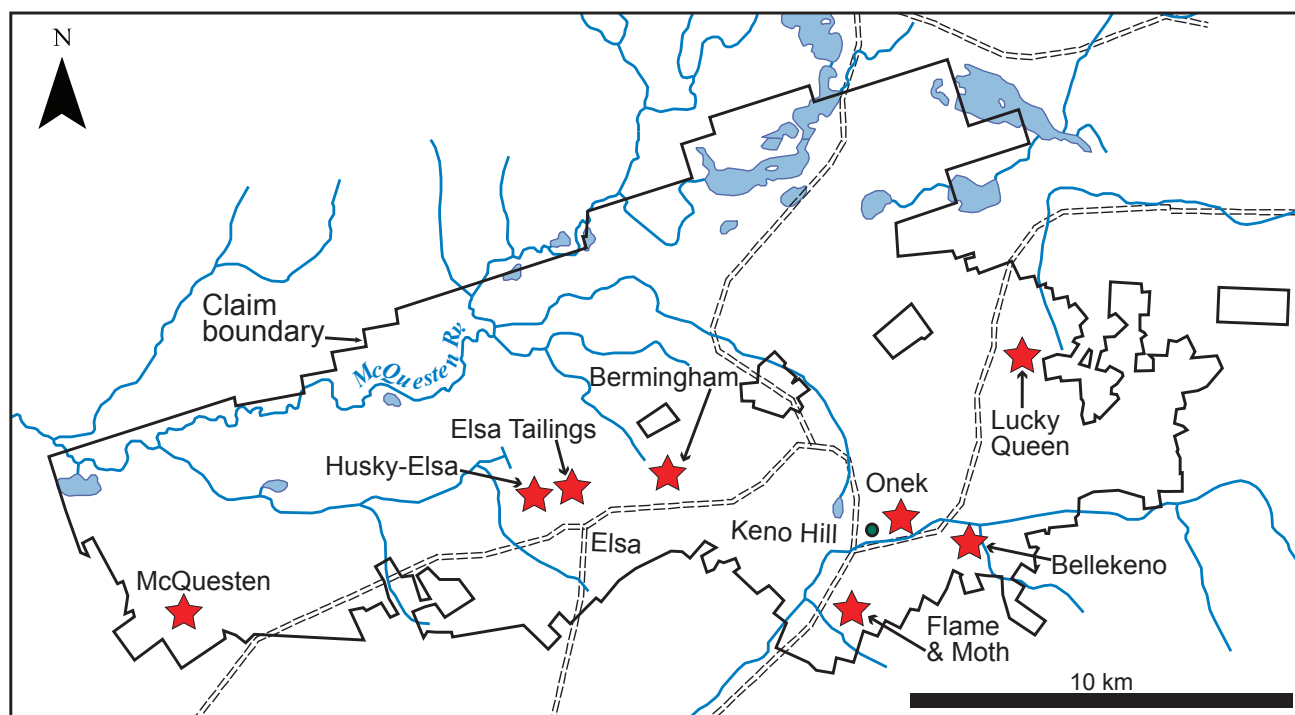


Figure 13. Map of the Keno Hill District outlining locations of exploration and development projects.

Table 3. Bermingham and Flame & Moth deposits resource estimates. Reported at a contained metal value cut-off grade of \$185 per tonne (modified from April 29, 2015 News Release).

Deposit	Classification	Tonnes (000)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)
Flame & Moth	Indicated	1638	506	0.43	1.89	5.4
	Inferred	348	366	0.26	0.47	4.37
Bermingham	Indicated	377	430	0.07	1.59	1.74
	Inferred	52	477	0.12	1.22	1.88

BASE METALS EXPLORATION – COPPER

PORPHYRY/SHEETED VEIN

Copper North Mining Corp. (www.coppernorthmining.com) undertook a phased diamond drilling program at its Carmacks Copper project (Yukon MINFILE 1151008) in west-central Yukon, in support of a pre-feasibility study. Total drilling was 3270 m in 34 holes. Phase 1 infill drilling targeted Zone 2000S and Zone 13 (Fig. 14), and demonstrated continuity of mineralization between the zones. Highlights of the Phase I drilling include an estimated true width of 18.32 m of oxide mineralization grading 0.72% total copper (0.47% soluble copper) in drill hole CN15-02, and an estimated true width of 24.01 m of sulphide mineralization grading 1.01% total copper from drill hole CN15-07 (September 8, 2015 News Release). Phase 2 of the program involved drilling oxide mineralization in Zone 12 in order to provide more data for an updated resource estimate. The company also undertook trenching and ground geophysics and it continues to work on optimizing the economics of the project.

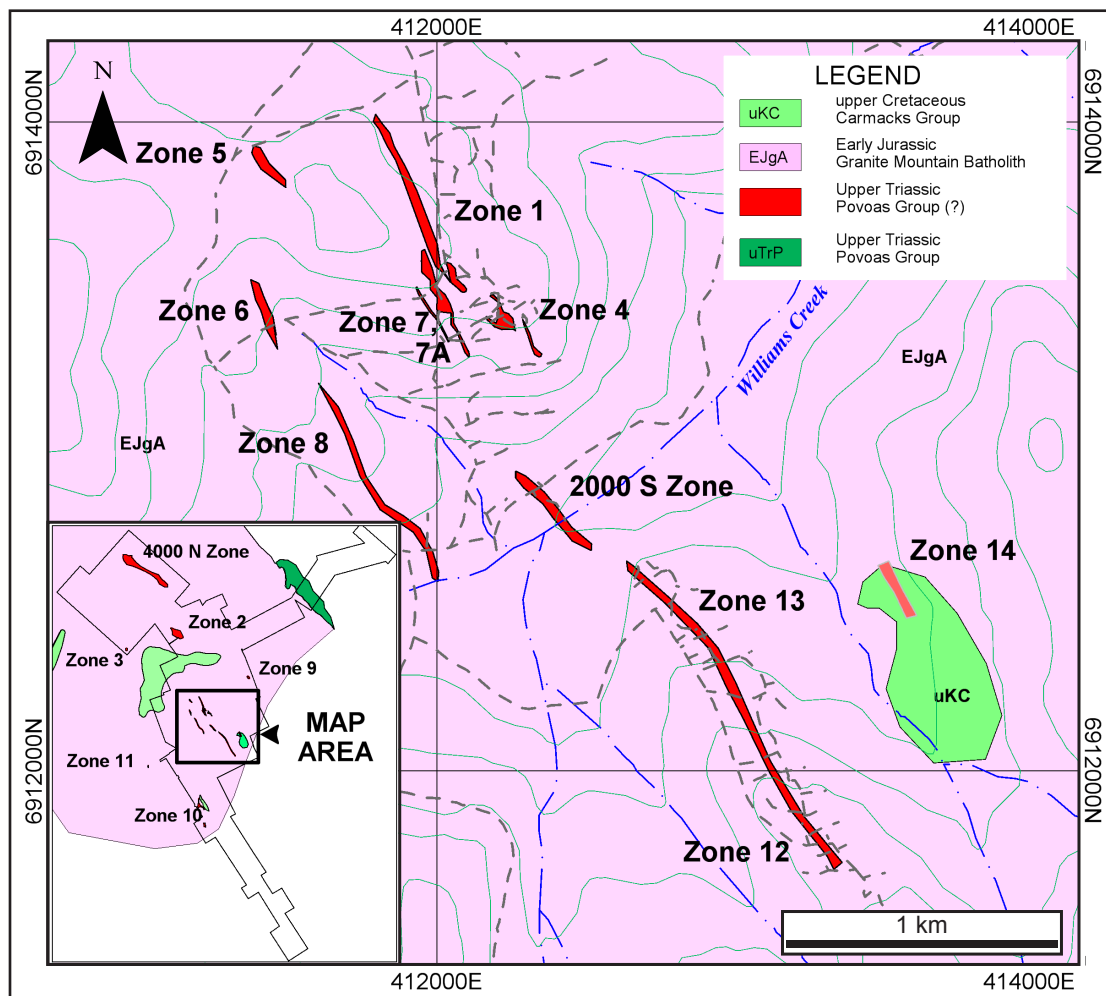


Figure 14. Mineralized zones at the Carmacks Copper property. Bottom left inset shows location of main map. Deposits are shown in red and are interpreted as belonging to the Upper Triassic Povoas Formation (modified from www.coppernorthmining.com/s/Carmacks, accessed December 7, 2015).

Strategic Metals Ltd. (www.strategicmetalsltd.com) explored its road-accessible Hopper gold-copper-porphyry/skarn property (Yukon MINFILE 115H019, 034) in southwest Yukon with a nine-hole, 3270 m diamond drill program. Historic drilling on the property consisted of short drill holes, and much of the drill core wasn't analyzed for gold. In 2015, newly discovered horizons of shallowly dipping copper-rich skarn were intersected at deeper levels than in previous drilling, substantially expanding known mineralization. The best intersections were in DDH 15-01 which assayed 12.15 g/t Au and 0.95% Cu over 2.65 m (true width) 300 m north-northwest of historic drilling (August 6, 2015 News Release), and in DDH 15-08 which intersected 43.6 g/t Au over 1.0 m (September 15, 2015 News Release). Perhaps most interesting is the alteration, possibly porphyry-related, that appears to increase with depth in the 2015 diamond drill holes.

Midnight Mining Services Ltd., a private company, explored the Stu project (Yukon MINFILE 115I011) approximately 10 km northwest of the Carmacks Copper deposit. The 2015 program, in part supported by the YMEP, consisted of mechanized and hand trenching, road and trail clearing, camp construction, trench sampling, collection of XRF data on trenches, and reconnaissance mapping and sampling. In addition, a core rehabilitation project extracted, reboxed and restacked the historic core stored on the property in racks that were collapsing (Fig. 15). Approximately 80% of the core was recovered, including the boxes with the best intersection on the property (3.51% Cu, 2.5 g/t Au and 18.4 g/t Ag over 13.5 m in historic diamond drill hole 80-14; Tempelman-Kluit, 1981). In conjunction with 2015 exploration, the Yukon Geological Survey conducted a small deposit study at Stu, the results for which, including a simple 3D geologic model, are published in the 2015 Yukon Exploration and Geology volume (Sack *et al.*, 2016).



Figure 15. YGS geologist Scott Casselman examines historic core at the Stu during the core rehabilitation project that Midnight Mining Ltd. conducted in 2015.

BASE METALS EXPLORATION – LEAD + ZINC

VOLCANIC ASSOCIATED (VOLCANOGENIC MASSIVE SULPHIDE)

BMC Minerals Ltd. (www.bmcminerals.com) acquired the Kudz Ze Kayah (Yukon MINFILE 105G 117) volcanogenic massive sulphide property in the Finlayson Lake District in early 2015 from Teck Resources Ltd. The property consists of two deposits, the ABM and GP4F, which are 6 km apart. Both deposits are hosted in Mississippian felsic metavolcanic rocks of the Kudz Ze Kayah unit. Early season work included relogging 19 000 m of historic drill core (Fig. 16), 75 line km of ground gravity, and a VTEM survey over the property. Subsequently, the company completed approximately 23 000 m of diamond drilling on the ABM and GP4F deposits, both infill drilling and exploratory step-out holes. The overall focus is to advance the project through pre-feasibility in 2016.



Figure 16. Historic core stored near the ABM deposit at the Kudz Ze Kayah property.

Minquest Ltd. (www.minquest.com.au) released an updated mineral resource estimate (Table 4) for the volcanogenic massive sulphide (VMS) Kona deposit on the Fyre Lake property (Yukon MINFILE 105G 034) in the Finlayson Lake District. The Kona resource increased by over 40% with the new calculation due to a more systematic geological interpretation. The Kona deposit is hosted in the Devonian Fire Lake metavolcanic unit, which is stratigraphically overlain by the Kudz Ze Kayah felsic metavolcanic unit. The Kona deposit consists of two parallel lenses (Kona East and Kona West) separated by a step fault (Fig. 17). Additional step-faults bound the deposit to the east and west, beyond which several geophysical anomalies have been interpreted as prospective sulphide horizons. Though very limited drilling has occurred to date, these untested areas have electromagnetic and magnetic anomalies similar to those directly associated with the known Kona deposits.

Table 4. NI 43-101 compliant mineral resource estimate for Minqwest Ltd.'s Fyre Lake property at a cut-off grade of 1.0 g/t Au (modified from January 22, 2015 News Release).

Deposit	Classification	Tonnes (Mt)	Au (g/t)	Cu (%)	Co (%)	Zn (%)
Kona	Indicated	3.5	0.63	1.55	0.10	0.31
	Inferred	9.1	0.63	1.56	0.09	0.30

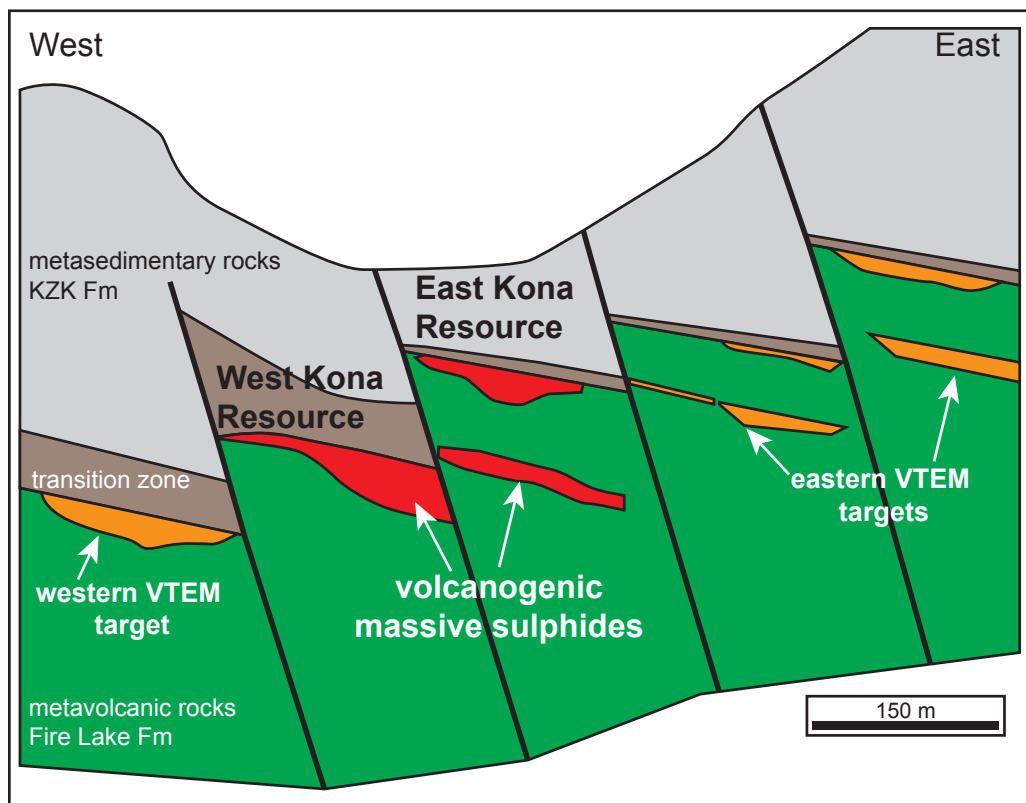


Figure 17. Schematic cross section through the Fire Lake deposit (modified from www.minquest.com.au/projects/fyre-lake/maps, accessed December 7, 2015). Fm = Formation, VTEM = Versatile Time Domain Electromagnetic system.

Minqwest Ltd. (www.minquest.com.au) optioned the volcanogenic massive sulphide Marg property (Yukon MINFILE 106D009; Fig. 18) in central Yukon from Golden Predator Mining Corp. in March 2015. A new scoping study released in November 2015 assessed the Marg project as a 1.25 million tonne per year underground operation capable of producing 241 400 t of zinc, 81 400 t of copper, 97 300 t of lead, 8.69 million oz of silver and 104,000 oz of gold over a seven-year period. A base case net present value was calculated at US\$113 million with an internal rate of return of 29%. Capital expenditures are estimated at \$174 million (November 25, 2015 ASX News Release). The scoping study was based on the updated mineral resource (Table 5). MinQuest plans to start a pre-feasibility study on the project during the spring of 2016.



Figure 18. Camp and exploration roads at the Marg volcanogenic massive sulphide property. Photo: Minquest Ltd.

Table 5. NI 43-101 compliant mineral resource estimate for Minquest Ltd.'s Marg property at a cut-off grade of 0.5 g/t Au (modified from October 6, 2015 ASX News Release).

Deposit	Classification	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Au (g/t)	Au (g/t)
Marg	Indicated	3.7	1.5	3.8	2.0	48	0.76
	Inferred	6.1	1.2	3.4	1.7	44	0.74

BASE METALS – NICKEL + PLATINUM GROUP METALS (PGM)

Wellgreen Platinum Ltd. (www.wellgreenplatinum.com) continued to advance its platinum group metals (PGM)–nickel-copper Wellgreen deposit (Yukon MINFILE 115G 024) in southwest Yukon. Work for the 2015 program was outlined in the March 2015 Preliminary Economic Assessment (PEA) for the project. Diamond drilling included infill and offset drilling to upgrade and bring unclassified material into the mineral resource estimate, testing new targets identified by mapping and geophysics, and drilling to collect samples for metallurgical testing. The 2015 PEA characterized the project as an open pit operation yielding 208,800 oz PGM+gold and 128 million pounds Ni+Cu in concentrate annually over the first 16 years at a million rate of 25 000 tonnes per day for the first five years. Conventional sulphide flotation would be used to produce concentrates for shipping via a port in southern Alaska. Initial capital expenditures are calculated at \$586 million, including \$100 million for contingency, for a 25 year base case mine life. Ongoing work includes pre-feasibility-level metallurgical work and winter drilling at the property.

REFERENCES

- Makarenko, M., Eggert, J., Simpson, R.G., Levy, M. and Darling, G., 2015. Preliminary Economic Assessment Technical Report, Wellgreen Project, Yukon Territory, Canada. Prepared for Wellgreen Platinum. Effective date: February 2, 2015, 342 p.
- Tempelman-Kluit, D.J., 1981. Description of the Stu property, Yukon Geology and Exploration 1979-80. Geology Section, Department of Indian and Northern Affairs, Whitehorse, Yukon, p. 262-263.
- Yukon MINFILE, 2015. Yukon MINFILE - A database of mineral occurrences. Yukon Geological Survey, <<http://data.geology.gov.yk.ca>> [accessed December 9, 2015].

APPENDIX 1: 2015 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
PRECIOUS METALS - GOLD						
3 Aces	Golden Predator Mining Corp.		105H/09	BS, NC	Gold	vein/breccia
Big Salmon - Evelyn Creek	Sid McKewon		105C/14	P, G	Gold	not reported
Blind	Strategic Metals Ltd.		105A/1	SGC	Gold	not reported
Boulevard	Independence Gold Corp.	115J050	115J/13	G, GGP, NC	Gold	porphyry/ sheeted vein
Byng	Strategic Metals Ltd.	105D 184	105D/16	RS	Gold	vein/breccia
CL	Carlincore Resources Ltd.		106C/7	P, G, SGC, RGC	Gold	sediment associated
Clear Creek	StrataGold Corp.		115P/14	P, G, SGC, RGC	Gold	vein/breccia
Clear Lake	Bernie Kreft	105L045	105L/14		Gold	sediment associated
Clint	Strategic Metals Ltd.		116A/5	SGC	Gold	not reported
Coffee Project	Kaminak Gold Corp.	115J110	115J/14	DD, NC, ES	Gold	vein/breccia
Crag East	Strategic Metals Ltd.		106C/3	SGC	Gold	sediment associated
Dime	Ryan, Shawn		115O/12	GGP, SGC, NC	Gold	vein/breccia
Eagle (Dublin Gulch)	Victoria Gold Corp.	106D025	106D/4	MD	Gold	porphyry/ sheeted vein
Eureka	Strategic Metals Ltd.	115O057	115O/10	SGC, G, P, RGC	Gold	vein/breccia
Florence Creek	Cathro Resources Corp.		115H/16	P, RGC	Gold	vein/breccia
Gator	Strategic Metals Ltd.	105D 160	105D/5	P	Gold	not reported
George Creek	Clayton Jones		105N/3		Gold	vein/breccia
Goodman	Nevada Zinc Corp.		115P/16	P, G, SGC, RGC, T	Gold	vein/breccia
Haines Road Aerochem	Panarc Resources Ltd.		115A/3	SGC	Gold	not reported
Harry	Strategic Metals Ltd.	105D 157	105D/1	P, SGC, RGC, T	Gold	not reported
Hartless Joe	Strategic Metals Ltd.	105D 203	105D/15	SGC, RGC, RS	Gold	not reported
Hyland Gold	Banyan Gold Corp.	095D011	095D/12	SGC, T, DD	Gold	vein/breccia
Judas Ck Gold	39627 Yukon Inc.		105C/5	P, SGC	Gold	not reported

Abbreviations

G – geology	AGP – airborne geophysics	BS – bulk sampling	CR – road construction
CS – claim staking	DD – diamond drilling	ES – economic studies	NC – non-core drilling
GGP – ground geophysics	MD – mine development	P – prospecting	RS – remote sensing
RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

Appendix 1 (continued): 2015 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
Kate	44984 Yukon Inc.		115O/15	CS, P, G, SGC, RGC	Gold	vein/breccia
Kelli Claim	Gordon Gutrath	115G 102	115G/12	P, G, SGC, RGC	Gold	not reported
Klaza	Rockhaven Resources Ltd.	115I067	115I/3	DD	Gold	vein/breccia
Kluane	Strategic Metals Ltd.		115H/4	P, G, SGC, RGC	Gold	vein/breccia
Leota	Goldbank Mining Corp.		115O/15	SGC, RGC, T	Gold	vein/breccia
LLL	Strategic Metals Ltd.	1115J015	115J/9	AGP, G, P, RGC, SGC	Gold	not reported
Lone Star	Klondike Gold Corp.	115O072	115O/14	P, G, GGP, SGC, T, DD	Gold	vein/breccia
Lucky Strike	Goldstrike Resources Ltd.		115O/3	P, SGC, T	Gold	vein/breccia
Mariposa	Pacific Ridge Exploration	115O075	115O/1, 2; 115J/15, 16	NC	Gold	vein/breccia
Mars Project	Anthill Resources		105O/14	P, G, SGC, RGC	Gold	vein/breccia
Marsh Lake	Joseph Clarke		105D/8	P, G, RGC, T	Gold	vein/breccia
Mayo Lake	Mayo Lake Minerals		115M/11	P, G, SGC, RGC	Gold	vein/breccia
Mt. Good	Cantex Mine Development Corp.		106D/8	RGC	Gold	sediment associated
Nadaleen Trend	ATAC Resources Ltd.	New	106C/1	DD, NC	Gold	sediment associated
North Rackla	Cantex Mine Development Corp.		106C/12	RGC	Gold	sediment associated
Plateau South	Goldstrike Resources Ltd.		105N/6	GGP, SGC, RGC, NC	Gold	vein/breccia
Red Mountain	Am Gold Corp.	115P006	115P/15	CS, P, G, SGC, RGC	Gold	porphyry/ sheeted vein
Reid	Mieras, Jeff		115P/7	P, G, RGC	Gold	vein/breccia
Rod	Strategic Metals Ltd.		106D/1	SGC, G, P, RGC, T	Gold	sediment associated
Rude Creek Gold	0890763 BC Ltd.	115J022	115J/10	P, G, SGC, RGC, T	Gold	not reported
Samp	Polar Star Explorations Inc.		105J/9	P, G, RGC	Gold	vein/breccia
Staff	Strategic Metals Ltd.		106D/7	SGC	Gold	not reported
Sulphur (White Gold)	Taku Gold Corp.	New	115O/10	P, G, GGP	Gold	vein/breccia

Abbreviations

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CS – claim staking	DD – diamond drilling	ES – economic studies	NC – non-core drilling
GGP – ground geophysics	MD – mine development	P – prospecting	RS – remote sensing
RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

Appendix 1 (continued): 2015 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
Teslin Mountain	Heon, Daniele		105E/1	P, G, RGC	Gold	vein/breccia
Val-Jual	Kreft, Bernie		115N/9	P, RGC	Gold	not reported
Watt	Strategic Metals Ltd.	105D 165	105D/5	SGC, RGC	Gold	not reported
Wels Gold	Gorilla Minerals Corp.		115J/5	DD	Gold	porphyry/ sheeted vein
Willow	Richards, Gord		115P/2	P, G, RGC	Gold	vein/breccia
PRECIOUS METALS - SILVER						
Connaught	ATAC Resources Ltd.		115N/15	CS, P, G, SGC, T	Silver	vein/breccia
Gram	Rockhaven Resources Ltd.	105M057	105M/15		Silver	vein/breccia
Keno Hill	Alexco Resource Corp.	105M001	105M/14	DD	Silver	vein/breccia
Mount Hinton	Strategic Metals Ltd.	105M052	105M/14	P, G, SGC, RGC, T	Silver	vein/breccia
OOO	Strategic Metals Ltd.	115J005	115J/8	AGP, P, RGC, SGC	Silver	not reported
Rancheria	Travis, Adam		105B/2		Silver	vein/breccia
Rancheria silver	Strategic Metals Ltd.	105B 107	105B/8	SGC, RGC	Silver	not reported
BASE METALS - COPPER						
Canopus	Sumac Mines Ltd.	new	115H/13	SGC	Copper	not reported
Carmacks Copper	Copper North Mining Corp.		115I/7	GGP, T, DD	Copper	porphyry/ sheeted vein
Fyre Lake	Minquest Ltd.	105G 034	105G/2		Copper	volcanic associated
Hopper	Strategic Metals Ltd.	115H019	115H/7	DD	Copper	porphyry/ sheeted vein
King	Strategic Metals Ltd.	115H004	115H/9	SGC, G, P, RGC	Copper	volcanic associated
Marg	Minquest Ltd.	106D 009	106D/1	ES	Copper	volcanic associated
Minto	Capstone Mining Corp.	115I021	115I/11	MD	Copper	porphyry/ sheeted vein
Stu	Harris, Bill		115I/7	P, G, SGC, RGC, T, CR	Copper	porphyry/ sheeted vein

Abbreviations

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CS – claim staking	DD – diamond drilling	ES – economic studies	NC – non-core drilling
GGP – ground geophysics	MD – mine development	P – prospecting	RS – remote sensing
RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

Appendix 1 (continued): 2015 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
BASE METALS - LEAD, ZINC						
Hy	Strategic Metals Ltd.	105H 10	105H/7	SGC, G, P, RGC	Zinc-Lead	skarn/ replacement
Kudz Ze Kayah	BMC Minerals	105G 117	105G/7	GGP, DD	Zinc-Lead	volcanic associated
Magnum	Strategic Metals Ltd.	116C 118	116C/7	SGC	Zinc-Lead	volcanic associated
Meister	Strategic Metals Ltd.	105B 114	105B/8	G, P, RGC	Zinc-Lead	skarn/ replacement
Mel	Silver Range Resources Ltd.	095D 005	95D/6		Zinc-Lead	sediment associated
Michelle	Silver Range Resources Ltd.	116A 016	116A/13	P, RGC	Zinc-Lead	sediment associated
Rusty	Strategic Metals Ltd.	105C 085	105C/5	SGC, G, P, RGC, T	Zinc-Lead	vein/breccia
Selwyn Project	Selwyn-Chihong	105I 037	105I/6	DD, ES	Zinc-Lead	sediment associated
Tell	Manson Creek Resources Ltd.	106C 118	106C/4	P, G, SGC, RGC	Zinc-Lead	volcanic associated
Top	Strategic Metals Ltd.	116B 041	116B/4	SGC, RGC	Zinc-Lead	volcanic associated
Yukon Base Metal Project (Andrew)	Overland Resources	105K 089	105K/16	SGC	Zinc-Lead	vein/breccia
BASE METALS - NICKEL, PGEs						
Jakes Project	Nicolai Goeppel		105D/9	CS, P, G, RGC	Nickel-PGE	mafic/ultramafic associated
Kluane Lake West	Kluane Mineral Services		115G/6	P, G, AGP, RGC	Nickel-PGE	mafic/ultramafic associated
Spy	Group Ten Metals Inc.		115G/2	P, G, RGC	Nickel-PGE	volcanic associated
Wellgreen	Wellgreen Platinum Ltd.	115G 024	115G/5	G, DD, ES	Nickel-PGE	mafic/ultramafic associated
GEMSTONES						
SE Yukon Nephrite	Van Kirchbaum, Everett		105G/1	P	Jade	mafic/ultramafic associated
UNKNOWN						
Lance	Strategic Metals Ltd.	105N 009	105N/7	AGP	Unknown	not reported

Abbreviations

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CS – claim staking	DD – diamond drilling	ES – economic studies	NC – non-core drilling
GGP – ground geophysics	MD – mine development	P – prospecting	RS – remote sensing
RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

APPENDIX 2: 2015 DRILLING STATISTICS

Property	Optioner/Owner	# of metres
DIAMOND DRILLING		
Carmacks Copper	Copper North Mining Corp.	3270
Coffee Project	Kaminak Gold Corp.	15 840
Hopper	Strategic Metals Ltd.	3227
Hyland Gold	Banyan Gold Corp.	740
Keno Hill	Alexco Resource Corp.	2595
Klaza	Rockhaven Resources Ltd.	13 738
Kudz Ze Kayah	BMC Minerals	25 966
Lone Star	Klondike Gold Corp.	1374
Nadaleen Trend	ATAC Resources Ltd.	483
Selwyn Project	Selwyn-Chihong	10 003
Wellgreen	Wellgreen Platinum Ltd.	2800
Wels Gold	Gorilla Minerals Corp.	443
NON-CORE DRILLING		
3 Aces	Golden Predator Mining Corp.	46
Boulevard	Independence Gold Corp.	2839
Coffee Project	Kaminak Gold Corp.	25 900
Mariposa	Pacific Ridge Exploration	655
Nadaleen Trend	ATAC Resources Ltd.	1289
Plateau South	Goldstrike Resources Ltd.	924
Wellgreen	Wellgreen Platinum Ltd.	3500