

# Yukon Hardrock Mining, Development and Exploration Overview 2016

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## INTRODUCTION

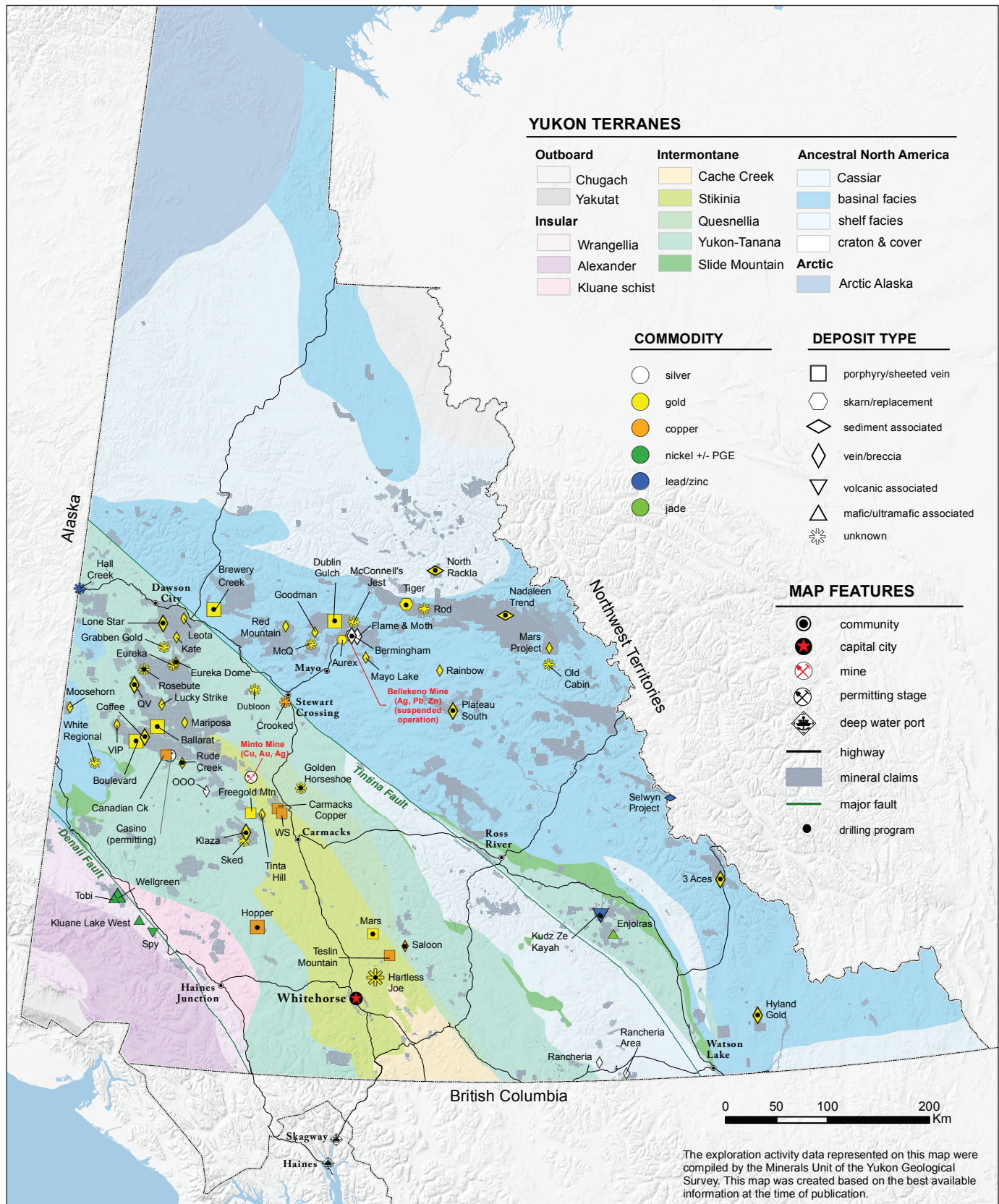
Mineral exploration in Yukon began 2016 much like it finished 2015. Challenging equity markets and cautious investors meant junior exploration companies started the season conservatively; however, the mid-May announcement of Goldcorp Inc.'s ([www.goldcorp.com](http://www.goldcorp.com)) intent to acquire Kaminak Gold Corp. and its Coffee gold property was a significant boost to the industry. Subsequently, many companies expanded their field programs mid-season due to increased interest by investors.

Of the 65 hardrock exploration projects in Yukon in 2016, 17 were diamond-drilled and 10 were reverse-circulation or rotary-air-blast drilled (Fig. 1). Exploration spending was \$57 million, a slight decrease from the previous year (Fig. 2). Fifteen projects tipped the expenditure scale of more than one million dollars, including three companies that spent more than \$5 million: BMC Minerals at its Kudz Ze Kayah project, Goldcorp Inc. at the Coffee Project and Victoria Gold Corp. at its Dublin Gulch project. Across Yukon, almost 67% of exploration programs were gold-focused; the remainder were for lead, zinc, copper, nickel, silver, platinum group metals and jade.

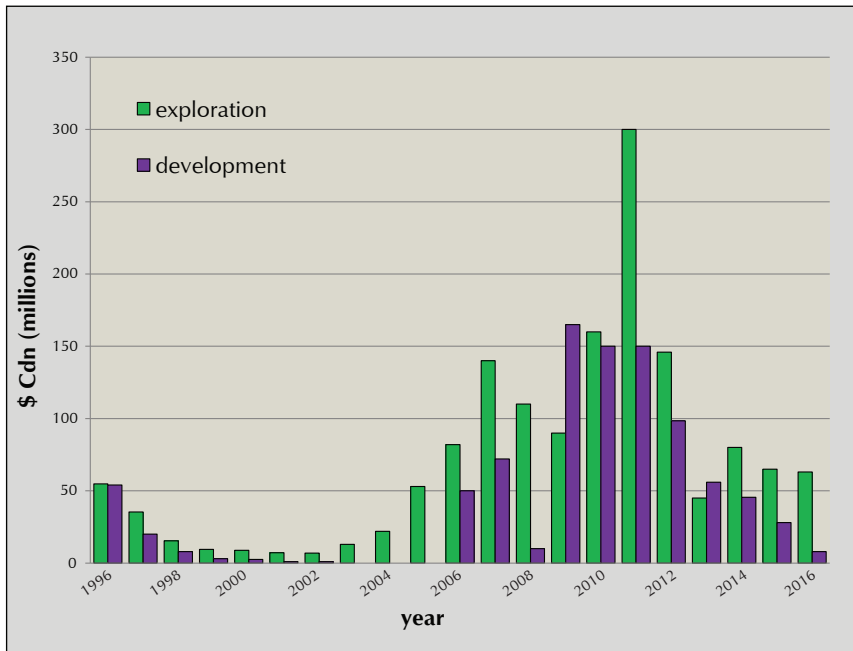
Funding levels for the over-subscribed Yukon Mineral Exploration Program (YMEP) remained at (CDN) \$1.4 million. A total of 57 placer and hardrock exploration projects were offered funding to offset exploration costs (see Torgerson, 2017 in this volume for more information). Claim staking for the year more than doubled that of 2015, with 7420 new hardrock claims staked. The overall number of claims in good standing remains high at 188810 claims (Fig. 3).

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.

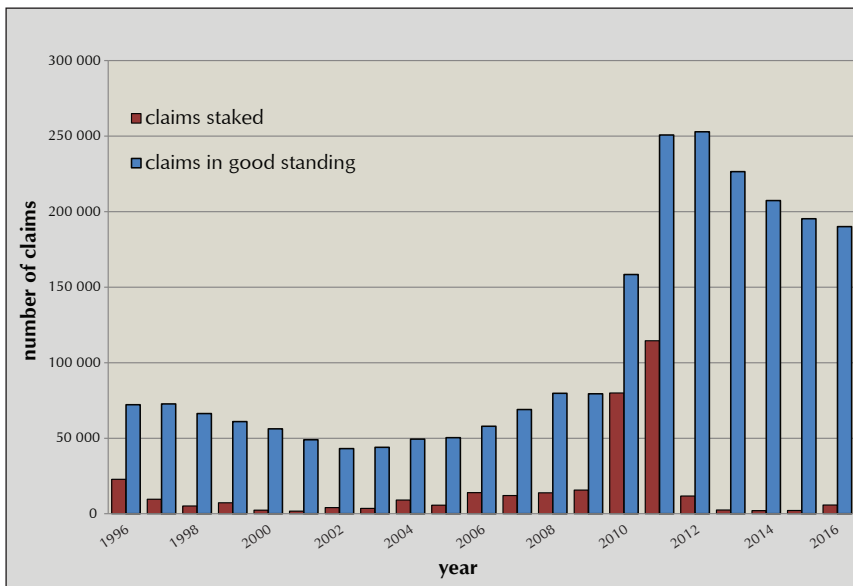
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**Figure 1.** Yukon exploration projects, 2016. Large symbols represent projects with estimated expenditures  $\geq$ \$500 000, small symbols with  $<$ \$500 000. Black dot in the centre of a symbol indicates that drilling constituted part of the exploration activities.



**Figure 2.** Estimated exploration and development expenditures on Yukon projects, 1996-2016.



**Figure 3.** Hardrock claims staked and in good standing between 1996 and 2016.

## MINING

Yukon’s sole operating hardrock mine is Capstone Mining Corp.’s ([www.capstonemining.com](http://www.capstonemining.com)) **Minto** copper-gold silver mine (Yukon MINFILE 1151021, 022). The company mined out the open-pit Minto North deposit in September 2016, but continues to mine underground high-grade ore. Production for the first three quarters of 2016 totalled 22 625 tonnes of copper at a cash cost of \$1.30 per

pound, with by-products of zinc, molybdenum, lead, silver and gold. In December 2016 the company received approval to strip Area 2-Stage 3 for open-pit mining. Capstone Mining Corp. donated select drill core to the YGS’s core collection in 2016. See the detailed property description for Minto in this volume for more information (Sack *et al.*).

## MINE DEVELOPMENT

Overall development expenditures in Yukon in 2016 totalled \$8 million, largely due to work done at Capstone Mining's Minto property, Goldcorp's Coffee property and Alexco Resources' Keno Hill property (Fig. 2).

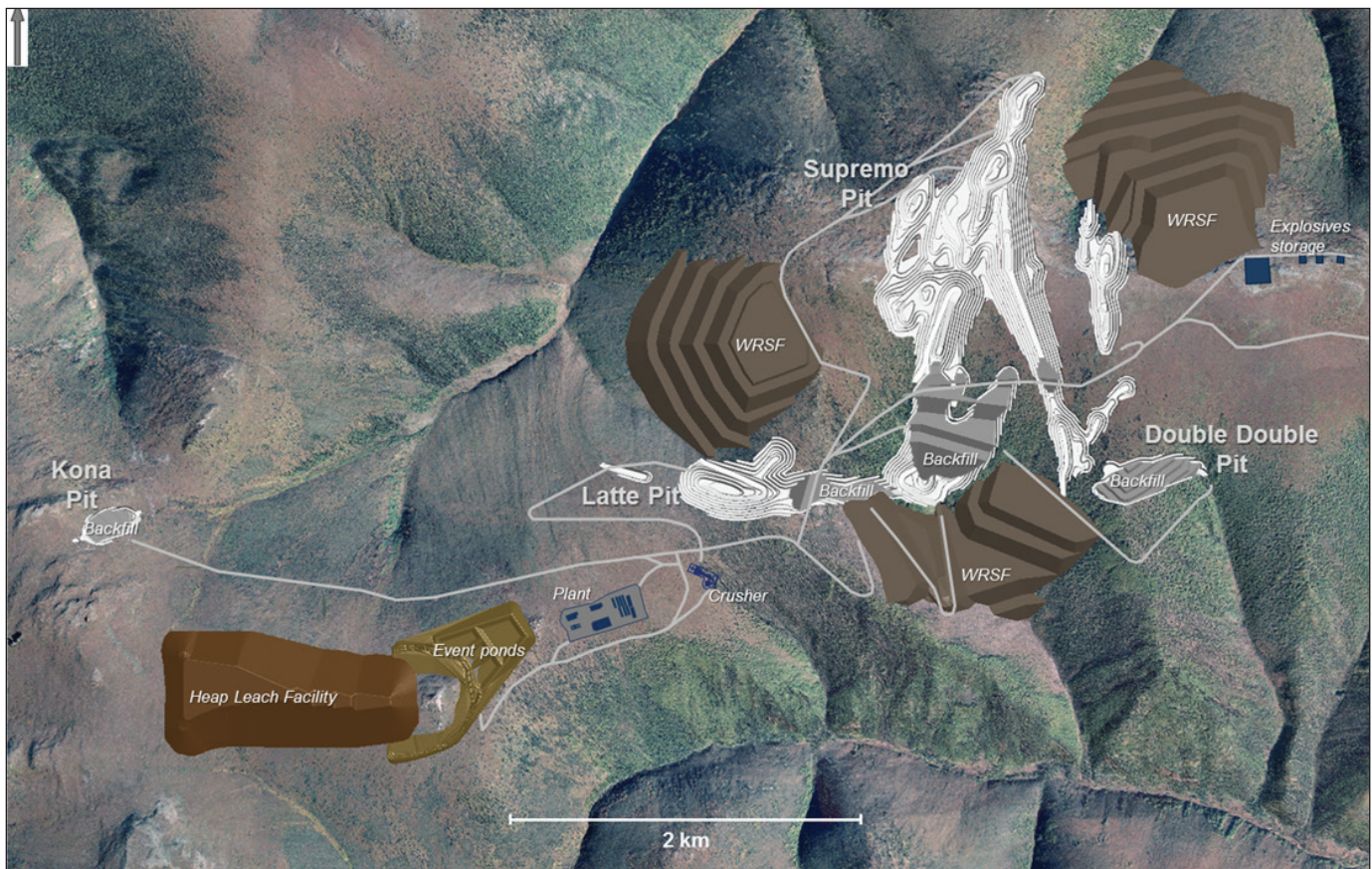
## ADVANCED PROJECTS

The industry was buoyed by positive news in mid-May with the announcement of Goldcorp Inc.'s ([www.goldcorp.com](http://www.goldcorp.com)) intention to acquire Kaminak Gold Corp. and its 100% owned **Coffee** gold property (Yukon MINFILE 115J 110, 111) in western Yukon. Kaminak shareholders approved the \$520 million deal in July 2016. Exploration at the Coffee project was focused on the evaluation of early stage targets. Reverse circulation and diamond drilling were undertaken on seven gold-in-soil anomaly targets: Arabica, Supremo T8, T3 North, Espresso, Americano, Kazaar and Kona. Diamond drilling was also undertaken at the Latte deposit for metallurgical testwork of deeper sulphide mineralization. Goldcorp plans to focus on review and optimization of the Kaminak

feasibility study (Fig. 4), First Nations consultations and studies to support the permitting process.

Victoria Gold Corp. ([www.vitgoldcorp.com](http://www.vitgoldcorp.com)) continued to explore its **Dublin Gulch** gold property with 20 000 m of drilling on the higher grade Olive and Shamrock zones, located 2 km from the Eagle Gold deposit. A second phase drill program tested extensions of the mineralized zone at the Olive-Shamrock deposit. Diamond drill hole DG16-759c returned 29.1 m of 1.00 g/t Au and a slightly deeper intersection of 1.23 g/t Au over 6.5 m. Victoria Gold demonstrated the viability of its licenced Eagle mine through the release of a new feasibility study (JDS Energy & Mining Inc., 2016). The study determined all-in sustaining costs for the 33 700 tonne per day open-pit operation at (US) \$638 per ounce. The project has a post-tax net present value (NPV) of (US) \$508 million and an internal rate of return (IRR) of 29.5%. Annual gold production is estimated to be 190,000 ounces per year over ten years.

Alexco Resource Corp. ([www.alexcoresource.com](http://www.alexcoresource.com)) explored its Keno Hill property with diamond drilling (17 371 m, 50 holes) on the high grade Bear zone of the



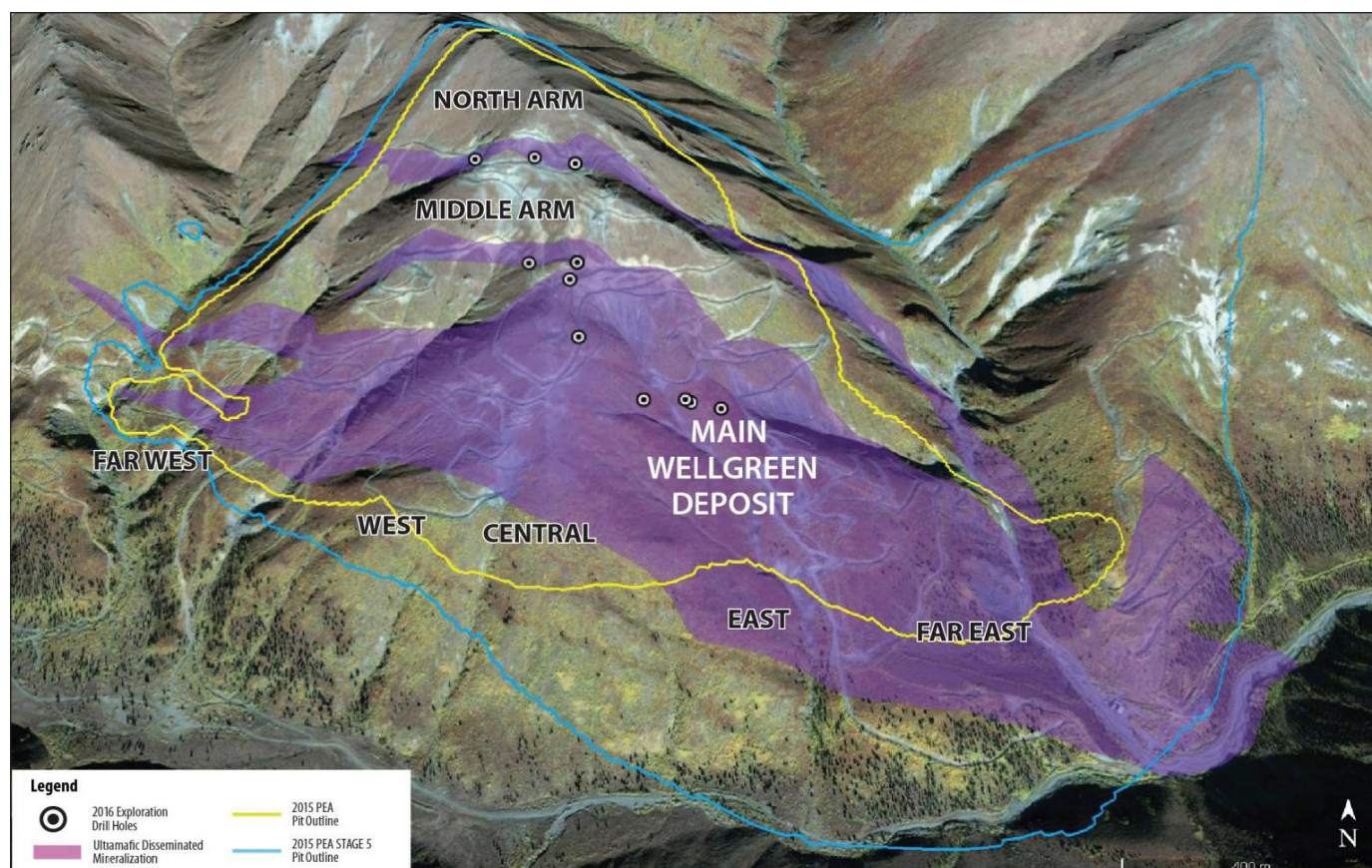
**Figure 4.** Coffee Project end-of-mine site layout, 2016 Kaminak Feasibility Study. Image courtesy of Goldcorp Inc.

**Bermingham** deposit (Yukon MINFILE 105M086). A significant intersection assayed 2715 g/t Ag over 7.5 m in drill hole K-16-0608, which was drilled 100 m down-plunge from the deepest drill intercept from 2015. Alexco is preparing for an eventual return to production by collaring a portal into the recently discovered Flame & Moth deposit adjacent to the mill. The company has also initiated a mill assessment and maintenance program, and is undertaking hydrological drilling, geotechnical investigation, metallurgy and waste rock characterization studies in support of permitting. A new resource estimate for the Bear zone is being calculated and will be included in an updated Preliminary Economic Assessment.

Wellgreen Platinum Ltd. ([www.wellgreenplatinum.com](http://www.wellgreenplatinum.com)) advanced its mafic/ultramafic intrusion-hosted platinum group metals (PGM)-nickel-copper **Wellgreen** deposit (Yukon MINFILE 115G024) in southwestern Yukon. Metallurgical testing was undertaken in April 2016 in order to refine recovery to produce either a marketable bulk Ni-Cu-PGM concentrate or separate marketable nickel and copper concentrates. A modest drill program (2503 m) of infill and exploration drilling was undertaken.

The drill program was designed for resource expansion on the North Arm and Middle Arm of the Wellgreen deposit, upgrading the inferred resources in the Central zone and testing the continuity of high-grade intercepts at depth in the Central zone (Fig. 5). The company is updating the geological model based on 2015-16 drilling and is conducting baseline environmental studies required for permitting.

Copper North Mining Corp. ([www.coppernorthmining.com](http://www.coppernorthmining.com)) released a preliminary economic assessment (PEA) on its **Carmacks Copper** copper-gold-silver property (Yukon MINFILE 115I008) in central Yukon, which included an updated resource calculation (Table 1). The PEA evaluated the recovery of gold and silver, along with copper using tank leach technology as opposed to heap leaching (JDS Energy & Mining Inc., 2016). The process involves agitated tank leach processing of the copper oxide mineralization to produce cathode copper, followed by agitated tank leach cyanidation and carbon-in-leach for recovery of gold and silver doré bars.



**Figure 5.** Plan map of Wellgreen Platinum Ltd.'s Wellgreen property showing zones and 2016 drill hole locations. Image from Management's Discussion and Analysis, Nov. 10, 2016 from [www.sedar.com](http://www.sedar.com), accessed December 5, 2016.

**Table 1.** NI 43-101 compliant resource assessment for Copper North Mining's Carmacks Copper property (JDS Mining and Energy, 2016b).

Deposit	Classification	Tonnes (000)	Total Cu (%)	Cu (%) acid-soluble	Au (g/t)	Ag (g/t)
Oxide & Transition	Measured & Indicated	15 690	0.94	0.74	0.38	3.97
	Inferred	913	0.45	0.30	0.12	1.90
Sulphide	Measured & Indicated	8068	0.68	0.05	0.18	2.33
	Inferred	8407	0.63	0.03	0.15	1.99

Continued baseline environmental studies and redesign of the Tailings Management Facility are being undertaken by Western Copper and Gold Corp. ([www.westerncopperandgold.com](http://www.westerncopperandgold.com)) at its **Casino** copper-gold porphyry deposit (Yukon MINFILE 115J028) in western Yukon. Submission to the Yukon Environmental and Socioeconomic Assessment Board (YESAB) for panel review is expected at the end of 2017. In 2016, Western Copper donated select drill core to the YGS's core collection. See the detailed property description for Casino in this volume for more information (Casselman and Brown, 2017).

## PRECIOUS METALS EXPLORATION – GOLD

### *Sediment associated*

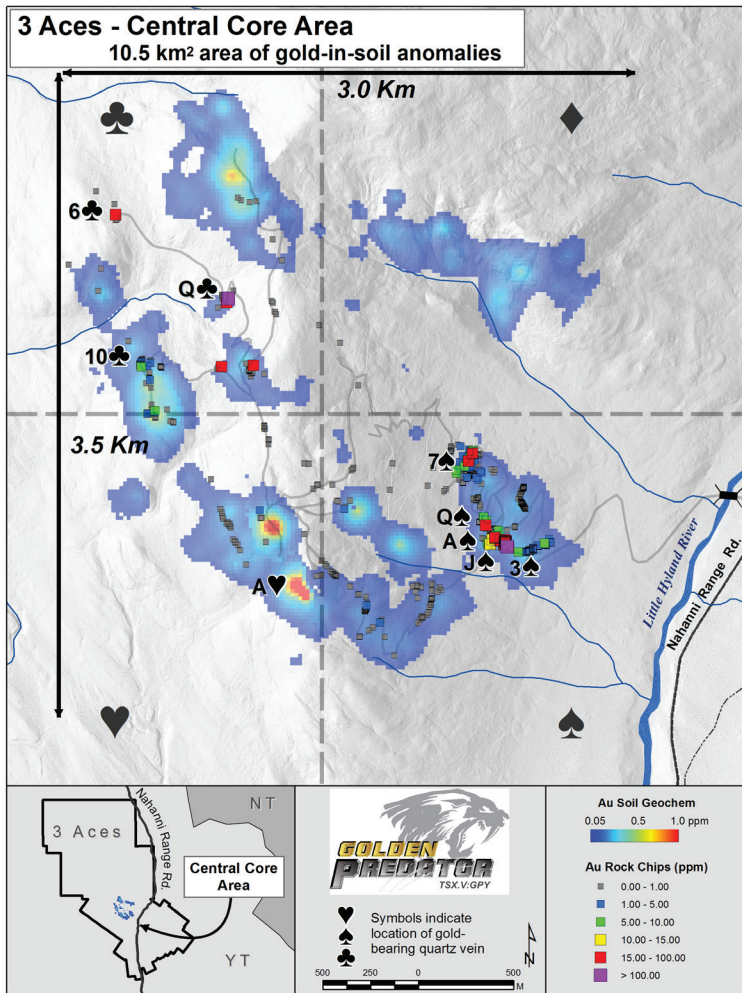
Atac Resources ([www.atacresources.com](http://www.atacresources.com)) explored its extensive **Rackla Gold** project (Yukon MINFILE 106C045, 055, 064) along the northern margin of Selwyn basin. The company filed a favourable PEA for the Tiger carbonate replacement gold deposit (Yukon MINFILE 106D098) in the Rau trend. The PEA determined that the project has an NPV of \$106.6 million and an IRR of 34.8% before tax, and an NPV of \$75.7 million and an IRR of 28.2% after tax, with an all-in sustaining cost of (US) \$864/oz. Work at the Airstrip anomaly (south of the Tiger deposit) included prospecting, mapping, soil sampling and RAB drilling. RAB drilling returned 3.05 m of 3.75 g/t Au, 1.52 m of 6.00 g/t Au and 13.71 m of 1.43 g/t Au in hole ASR-16-006. Work at Tiger East included prospecting, geological mapping and float sampling at a gold-in-soil geochemical anomaly 125 m away from the proposed Tiger deposit pit. Twenty-one oxide float composite grab samples were collected and assay values ranged from below detection up to 18.30 g/t Au. The company has submitted an application to YESAB for development of an all-season access tote road, partially on the pre-existing Wind River Trail, to the property. On the eastern Nadaleen trend, the company completed phase 1 rotary

air blast drilling and phase 2 diamond drilling on the Orion zone, which was discovered in 2015. Diamond drill hole AN-16-010 successfully twinned the Orion rotary air blast discovery hole and returned 61.29 m of 2.75 g/t Au.

### *Vein/breccia*

Golden Predator Mining Corp. ([www.goldenpredator.com](http://www.goldenpredator.com)) conducted a significant program on its **3 Aces** property (Yukon MINFILE 105H066) in southeastern Yukon. The company constructed a bridge over the Little Hyland River and completed an access road to the property. An airborne magnetic/radiometric survey was flown to elucidate the structure, rock types and alteration on the property. Interpretation of the results suggest there are two types of intrusions at depth under the property. More than 20 new mineralized quartz veins were discovered on the property in 2016, largely from trenching gold-in-soil anomalies. Golden Predator undertook panel sampling of trenches in several zones and completed 31 reverse circulation drill holes (3776 m) to test high-grade mineralization in trenches at the Ace of Spades and Jack of Spades as well as mineralized veins in the Spades, Hearts and Clubs areas (Fig. 6). Highlights from the RC drilling include 11.43 m of 31.89 g/t Au from a depth of 12.80 m, including 6.10 m of 50.50 g/t Au from hole 3A16-RC015. A PQ (85-mm diameter) core winter drill program was also completed (539 m).

Diamond drilling (8427 m, 44 holes) at Rockhaven Resources Ltd.'s ([www.rockhavenresources.com](http://www.rockhavenresources.com)) **Klaza** property (Yukon MINFILE 115I067) in southwestern Yukon was focused on defining and expanding resources as well as testing geophysical and geochemical anomalies across the property. A new gold-rich vein zone was discovered through drilling the Rex zone. The Rex zone contains three near-surface veins (DDH KL-16-314: 1.39 m of 5.90 g/t Au, 1.42 m of 10.55 g/t Au and 1.48 m of 7.74 g/t Au) and was discovered while testing a strong chargeability anomaly at depth. Rockhaven released an



**Figure 6.** Gold-in-soil anomalies in the Central Core area of Golden Predator's 3 Aces project. Image courtesy of Golden Predator.

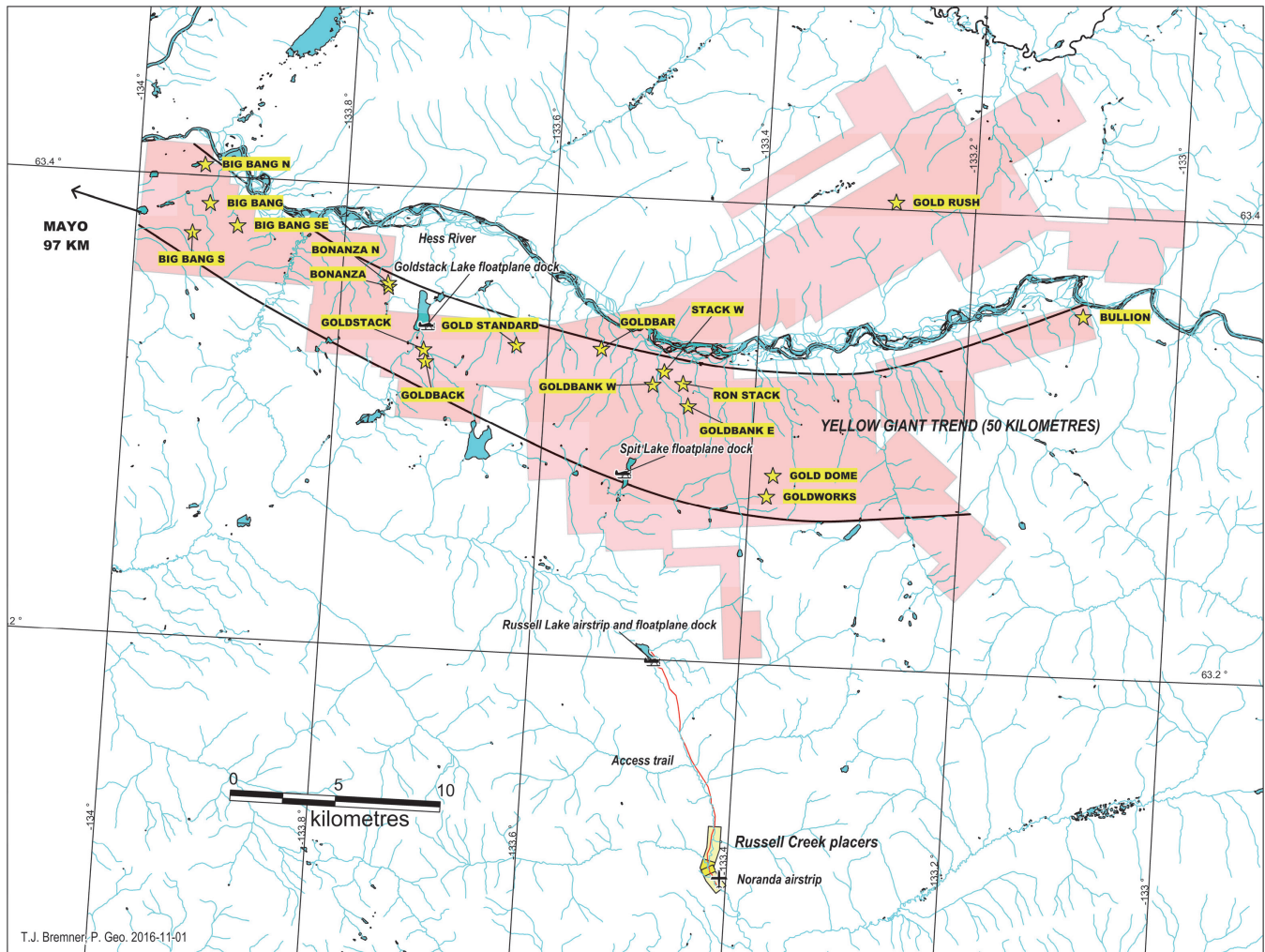
initial PEA for the property in March, 2016. The results of the PEA include a pre-tax NPV at a 5% discount rate of \$150 million with a pre-tax IRR of 20% and a post-tax NPV at a 5% discount rate of \$86 million and a post-Tax IRR of 14%. See detailed property description for Klaza in this volume (Turner and Dumala, 2017).

Goldstrike Resources Ltd. ([www.goldstrikeresources.com](http://www.goldstrikeresources.com)) explored its flagship **Plateau Gold** property (Yukon MINFILE 105N 034, 035, 036) through diamond drilling (>1500 m in 11 holes) on the Goldstack zone (Fig. 7), one of several targets along the 50-km-long Yellow Giant trend. DDH PSGS-16-01 returned 6.05 g/t Au over 45.5 m, including 21.13 g/t Au over 12.25 m. All holes intersected mineralized stockwork and breccia and the zone remains open. Drilling indicates that the main control on mineralization is the Eldorado fault, a northeast-trending structure. A regional prospecting program on the property led to doubling the known strike length of the Yellow Giant trend to 50 km and staking additional ground on the trend.

Independence Gold Corp. ([www.ingold.ca](http://www.ingold.ca)) completed a reverse circulation drilling program on its **Boulevard** property (Yukon MINFILE 115J050), which is contiguous with Goldcorp's Coffee property in the White Gold district. A total of 1401 m of reverse circulation drilling was completed in 15 drill holes within the Sunrise-Sunset area. On the Sunset trend, multi-element soil anomalies within the 2.3-km-long trend were the focus of drilling. Drill hole BV16-54 returned 7.73 g/t Au over 6.1 m within a broader intersection that assayed 1.58 g/t Au over 39.6 m and ended in mineralization. The company also performed RC drilling on the Denali zone (1545 m, 15 drill holes), which lies on an interpreted extension of the Coffee Creek fault system, a major structure that transects Goldcorp's Coffee property. At Denali, YCS16-08 was drilled approximately 50 m downdip to the northeast from the 2015 discovery hole on the zone and returned 4.28 g/t Au over 4.6 m.

Independence Gold also conducted a rotary air blast drilling program (12 holes, 923.5 m) on the **Rosebute** property in western Yukon, optioned from Taku Gold Corp. Drilling on the Hudbay zone, a 1.3 km-long gold-silver-tungsten-molybdenum soil geochemical anomaly, intersected multiple zones of low-grade gold mineralization, e.g., RO16-15 - 0.50 g/t Au over 36.6 m, 0.31 g/t Au over 38.1 m and 0.15 g/t Au over 91.4 m, starting at 12 m depth. Higher gold values are spatially associated with an increased concentration of massive sulphide-poor quartz veins.

Klondike Gold Corp. ([www.klondikegoldcorp.com](http://www.klondikegoldcorp.com)) had a productive season exploring its **Klondike Goldfields** property, doubling its land position by acquiring 1125 claims, diamond drilling (71 drill holes, 5636 m) and conducting a 230-line-kilometre ground magnetic survey. Diamond drilling tested three separate targets (Lone Star, Christie and Nugget zones; Lone Star, Yukon MINFILE 115O072) on the property for gold mineralization at shallow depths (Fig. 8). Lone Star DDH LS16-58 samples assayed 2.4 g/t Au over 37.0 m and 9.4 g/t Au over 3.6 m.



GOLDSTRIKE PLATEAU PROPERTY - ZONE LOCATIONS AND INFRASTRUCTURE

Figure 7. Plateau Property map. Image from [www.goldstrikeresources.com](http://www.goldstrikeresources.com), accessed December 2, 2016.



Figure 8. Geologists examining the Nugget vein on Klondike Gold Corp's Klondike Goldfields property.

Exploration work at the **Ballarat** (Yukon MINFILE 115J061) gold property of Stakeholder Gold Corp. ([www.stakeholdergold.com](http://www.stakeholdergold.com)) included soil sampling, direct current induced polarization/resistivity geophysical surveys, direct push probe sampling, a drone survey and rotary air blast (RAB) drilling. At the Eastern zone, soil sampling along strike has extended the gold-in-soil anomaly to 700 m in length. Gold-in-soil values at the Eastern zone range up to 310 ppb. Float rock samples of quartz-sericite-ankerite altered gneiss at the Eastern zone assayed 0.759 g/t Au and 0.587 g/t Au. RAB drilling results are pending.

Banyan Gold ([www.banyangold.com](http://www.banyangold.com)) completed 475 m of diamond drilling in three holes (including one for metallurgical testing) near the Main zone of its **Hyland Gold** project (Yukon MINFILE 095D011) in southeastern Yukon, as well as soil sampling and trenching over arsenic-gold soil anomalies. DDH HY-16-48 intersected 30.7 m of 1.30 g/t Au and 8.0 g/t Ag near surface.

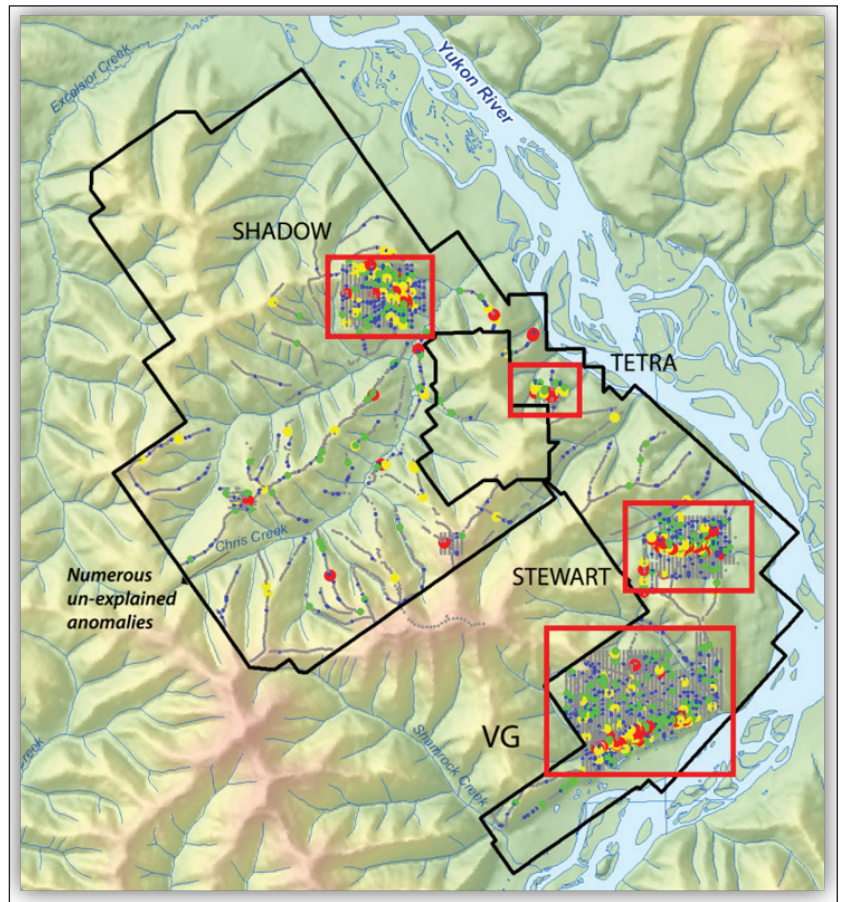
Comstock Metals Ltd. ([www.comstock-metals.com](http://www.comstock-metals.com)) revisited the **QV** property (Yukon MINFILE 115O004) in western Yukon, completing work on the Stewart, Shadow and VG targets (Fig. 9). The phase 1 program included high resolution IP/resistivity surveys, GT probe sampling, geological mapping and soil sampling. Partial funding was provided by the Yukon government's Yukon Mineral Exploration Program (YMEP). The phase 2 program included 2423 m (34 holes) of rotary air blast drilling on the Stewart, Shadow and VG targets.

An optical televiewer was used in 26 of the RAB holes. The device takes 360 degree downhole photos which allows for structural interpretations. Highlights of the drilling on the VG zone include 3.05 m of 7.79 g/t Au near-surface in drill hole 16QVRAB00. RAB hole 16QVRAB012 returned 18.29 m of 1.81 g/t Au starting at surface, representing an interpreted extension of the VG deposit 55 m to the east.

The **Lucky Strike** property of Goldstrike Resources Ltd. ([www.goldstrikeresources.com](http://www.goldstrikeresources.com)) in the White Gold district benefitted from YMEP funding, which enabled the company to undertake soil sampling and a trenching program (477 m). Trenching on the 1400 by 350 m gold-in-soil anomaly at the Monte Carlo zone returned 0.42 g/t Au over 154 m, including 0.76 g/t Au over 78 m. The anomalous zone is characterized by elevated values of silver, tellurium, molybdenum, and copper, and is coincident with a strong northwest-trending geophysical anomaly. The Monte Carlo zone is one of four large gold-in-soil anomalies at Lucky Strike that lie on a 9 km northwest gold trend that remains open. An induced polarization survey successfully identified a northwest-

trending geophysical anomaly that coincides with gold mineralization in trenches. The program also included soil sampling with results up to 255 ppb gold.

Strategic Metals Ltd.'s ([www.strategicmetalsltd.com](http://www.strategicmetalsltd.com)) **Saloon** copper-gold property in south Yukon has only seen two historic holes drilled on it, despite first being staked in 1901. The 2016 drill program centred on the 1993 drilling beneath the Main showing. DDH Sal-16-01 tested the geological features of the 1993 drill holes along the same line of section and returned 30.23 m of 0.40% Cu, 128.46 g/t Ag and 0.05 g/t Au, as well as two other modest intercepts to the bottom of the hole which ended in mineralization at 110 m depth. Chip sampling along the Main showing returned higher values of gold, including an average of 0.565 g/t Au, 0.11% Cu and 3.89 g/t Ag over 20.0 m.



**Figure 9.** Gold-in-soil anomalies underlying main targets at the QV property of Comstock Metals Ltd. Image modified from November 14, 2016 corporate presentation accessed December 2, 2016.

Strategic Metals' work program at the **Mars** gold property in southern Yukon consisted of three diamond drill holes (393 m) that tested along strike and down dip from a 2004 drill intercept that assayed 6.44 g/t Au over 4.57 m. Diamond drill hole Mar-16-003 returned several mineralized intercepts: 0.87 g/t Au over 4.99 m, 0.53 g/t Au over 2.75 m and 0.98 g/t Au over 1.79 m.

Exploration at Strategic Metals' **Hartless Joe** gold property, also in southern Yukon, targeted the three main showings: Ace (Fig. 10), King and Queen. The King showing, discovered in 2015, was trenched and sampled, returning values of 44.3 g/t Au, 375 g/t Ag, 2.04% Pb and minor zinc and copper over 2.10 m. The showings contain sphalerite, chalcopyrite, pyrite and galena as bands and disseminated in quartz horizons. Six shallow diamond drill holes were completed on the property (367.3 m). Drilling intersected weakly silicified sediment with disseminated, banded and fracture-filling sulphide mineralization, however, the best intersection returned only 1.57 g/t Au over 2.78 m (DDH HA-16-001). The company also completed a heritage resource impact assessment survey, First Nations elders property tour and First Nations oral history recordings.

Northern Freegold Resources Ltd. ([www.northernfreegold.com](http://www.northernfreegold.com)) completed a modest work program on its **Freegold Mountain** property. The company conducted a magnetic and VLF-EM survey and completed a multi-element geochemical soil survey at Tinta Hill (Yukon MINFILE 115I058), outside of the main deposit, to define trenching and diamond drill targets. Mapping and relogging select



**Figure 10.** Project geologist Jack Morton sampling at the Ace showing of Strategic Metal Ltd.'s Hartless Joe property. Photo courtesy of Strategic Metals Ltd.

historic core at the Nucleus (Yukon MINFILE 115I107) and Revenue (Yukon MINFILE 115I042) deposits was undertaken to define a paragenetic sequence and better target porphyry mineralization.

### **Sheeted vein (Intrusion-related)**

There was renewed activity at the past-producing **Brewery Creek** gold property (Yukon MINFILE 116B160) owned by Golden Predator Mining Corp. ([www.goldenpredator.com](http://www.goldenpredator.com)). The company completed more than 1300 m of geotechnical and metallurgical drilling near old pits to evaluate the remaining gold mineralization of those deposits. Twelve PQ metallurgical core holes totalling 639 m were drilled on the previously mined Lucky, Kokanee and Golden deposits. The drilling provided oxide material for heap leach testing as well as high-grade sulphide material to test for gold recovery by carbon-in-leach and flotation methods. Geotechnical and groundwater monitoring drilling (11 HQ holes, 694 m) were completed, with Geotech hole No. 11, drilled on the high wall of the conceptual Lucky pit, intersecting 21.2 g/t Au over 8.2 m).

### **PRECIOUS METALS EXPLORATION – SILVER**

Cantex Mine Development Corp. ([www.cantex.ca](http://www.cantex.ca)) focused on its **North Rackla** property with infill soil-talus sampling, prospecting, trenching and geological mapping. A late season diamond drilling program of eight holes successfully intersected the target oxidized massive sulphide zone. This silver-lead-zinc-copper zone has been outlined on surface through talus sampling and extends over 1900 m. Diamond drill results are pending.

### **BASE METALS EXPLORATION – COPPER**

Strategic Metal Ltd.'s ([www.strategicmetalsltd.com](http://www.strategicmetalsltd.com)) largest exploration program in 2016 was at its road-accessible **Hopper** copper-gold skarn and porphyry property (Yukon MINFILE 115H019, 034) in southwestern Yukon. The company tested the up-dip and along-strata projection of gold skarn horizons with diamond drilling (15 holes, 2156 m; Fig. 11). Diamond drill hole HOP16-014 hit several mineralized intersections: 0.4% Cu and 0.5 g/t Au over 4.6 m, 0.6% Cu and 0.5 g/t Au over 5.8 m and 0.6% Cu and 0.1 g/t Au over 3.0 m. The company also performed heritage studies and undertook road building for future drill-access to projected skarn horizons.

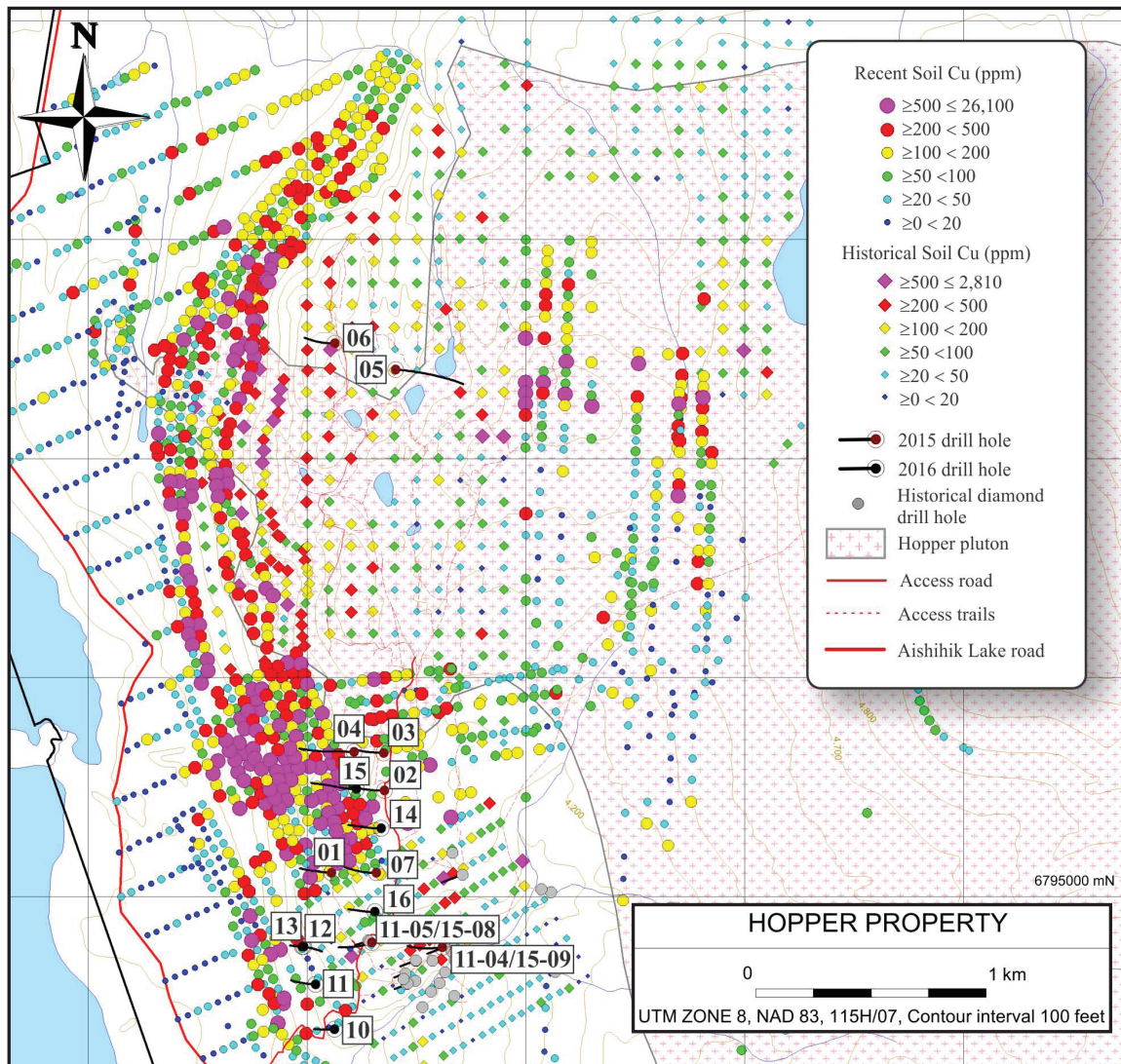


Figure 11. Hopper property map showing location of 2016 drilling and copper-in-soil anomalies. Image courtesy of Strategic Metals Ltd.

## BASE METALS EXPLORATION – LEAD + ZINC

### *Volcanic associated*

The most substantial exploration program in Yukon was undertaken by BMC Minerals (<http://bmcminerals.com>) on its recently acquired **Kudz Ze Kayah** volcanogenic massive sulphide property (Yukon MINFILE 105G 117) in the Finlayson Lake district of southeastern Yukon. After two exploration seasons, BMC Minerals announced an updated resource (November 2016) on the ABM and GP4F deposits (Table 2). BMC completed metallurgical test work and completed 19 000 m of exploration and

definition diamond drilling, which will allow the company to complete a prefeasibility study by the end of 2016. In 2016, BMC donated select drill core to the YGS’s core collection.

### GRASSROOTS EXPLORATION

Taku Gold Corp. ([www.takugold.com](http://www.takugold.com)) soil sampled its newly acquired **McQ** property in the Mayo region; results returned up to 260 ppb Au. The gold-in-soil anomaly extends 300 m in a westerly direction. Gold is correlated with arsenic values up to 1682 ppm.

**Table 2.** JORC-compliant mineral resource estimate for BMC Minerals Ltd.'s Kudz Ze Kayah property (modified from November 10, 2016 News Release).

Deposit	Classification	Tonnes (Mt)	Ag (g/t)	Au (g/t)	Pb (%)	Cu (%)	Zn (%)
ABM	Indicated & Inferred	19.2	148	1.4	1.9	0.9	6.3
GP4F	Indicated & Inferred	1.7	73	1.4	2.6	0.2	5.3

Strategic Metals worked its **OOO** silver-gold epithermal property (Pride; Yukon MINFILE 115J005; [www.strategicmetalsltd.com](http://www.strategicmetalsltd.com)) by hand trenching an area where a mineralized rock sample was collected in 2015. Chip sampling results from the trench included 570 g/t Ag, 2.76% Pb and 0.08 g/t Au over 6.4 m. Strategic also completed a heritage resource overview assessment and an impact assessment survey for the property. Other Strategic Metals activities included work at the Rod (Yukon MINFILE 106C087) gold-silver-copper-zinc property in the western Rackla belt with geological mapping and sampling as well as a small program of geochemical sampling to expand the gold-in-soil geochemical anomaly at the Eureka Dome gold property in western Yukon (Yukon MINFILE 115O057).

Independence Gold Corp. ([www.ingold.ca](http://www.ingold.ca)) completed two soil geochemical sampling grids and extended the soil geochemical anomaly on the **Moosehorn** property (Yukon MINFILE 115N024) in western Yukon (Fig. 12). The company excavated three trenches for a total of 527 m, confirming gold mineralization in each trench. Trench 1 intersected 2.0 m of 5140 ppb gold; trench 2 intersected 6.0 m of 730 ppb gold and 6.0 m of 524 ppb gold. Detailed quartz vein sampling within the anomalous



**Figure 12.** Dave Gale, Senior Geologist with Independence Gold examines a rare outcrop on the Moosehorn property. Photo courtesy of Independence Gold Corp.

zones of trench 2 returned values ranging from 100 to 1600 ppb gold. All gold values occur within a broader arsenic halo with values ranging from below detection to 3990 ppm. The Moosehorn property is underlain by a granodiorite intrusion and is situated two kilometres south of an active placer gold operation.

Nevada Zinc ([www.nevadazinc.com](http://www.nevadazinc.com)) extended the East Big Creek anomaly on its **VIP** gold property to a 700-m-long northwest-trending gold-in-soil anomaly. Recent reprocessing of a previously flown airborne magnetic geophysical survey outlined newly interpreted buried intrusions along trend and south of the East Big Creek anomaly.

Pacific Ridge Exploration ([www.pacificridgeexploration.com](http://www.pacificridgeexploration.com)) completed geological mapping and sampling over the central area of its **Mariposa** gold project (Yukon MINFILE 115O075) in west-central Yukon. The company also completed a modest program at its Eureka project in western Yukon, including geological mapping, prospecting and a soil sampling survey. Results of the program have not yet been announced.

## REFERENCES

- JDS Energy & Mining Inc., 2016. NI 43-101 Feasibility Study Technical Report on the Eagle Gold Project, Yukon Territory. Prepared for Victoria Gold Corp. Effective date: October 26, 2016.
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- Yukon MINFILE, 2016. Yukon MINFILE - A database of mineral occurrences. Yukon Geological Survey, <<http://data.geology.gov.yk.ca>> [accessed December 5, 2016].

## APPENDIX 1. 2016 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
<b>PRECIOUS METALS - GOLD</b>						
3 Aces	Golden Predator Mining Corp.	105H066	105H/09	G, SGC, T, BS, DD, RC, CR	Gold	vein/breccia
Aurex	StrataGold Corp.	105M060	105M/13	P, G, SGC	Gold	skarn/ replacement
Aurex	Nicolai Goeppel	105M060	105M/13	P, SGC	Gold	skarn/ replacement
Ballarat project	Stakeholder Gold Corp.	115J061	115J/14	GGP, SGC, T, RC	Gold	porphyry/sheeted vein
Boulevard	Independence Gold Corp.	115J050	115J/13	RC	Gold	porphyry/sheeted vein
Brewery Creek	Golden Predator Mining Corp.	116B160	116B/01	DD	Gold	porphyry/sheeted vein
Coffee project	Goldcorp Inc.	115J110	115J/14	RGC, DD, RC, MD	Gold	vein/breccia
Dublin Gulch	Victoria Gold Corp.	106D025	106D/04	GGP, T, DD	Gold	porphyry/sheeted vein
Dubloon	Jeff Mieras		115P/06	P	Gold	Unknown
Eureka	Strategic Metals Ltd.		115O/10	P, G, SGC	Gold	Unknown
Eureka Dome	Pacific Ridge Exploration Ltd.	115O057	115O/10	P, AGP, SGC, RC	Gold	vein/breccia
Freegold Mountain	Northern Freegold Resources Ltd.	105I107	115I/06	G, GGP, SGC	Gold	porphyry/sheeted vein
Golden Horseshoe	Nicolai Goeppel		115I/09	P, DD	Gold	Unknown
Goodman	Nevada Zinc Corp.	106C025	115P/16	SGC, T	Gold	vein/breccia
Grabben Gold	Bernie Kreft		115O/11	P	Gold	Unknown
Hartless Joe	Strategic Metals Ltd.	105D203	105D/15	T, DD	Gold	Unknown
Hyland Gold	Banyan Gold Corp.	095D011	095D/12	SGC, T, DD	Gold	vein/breccia
Kate	44984 Yukon Inc.		115O/15	P, G, SGC	Gold	vein/breccia
Klaza	Rockhaven Resources Ltd.	115I067	115I/03	GGP, T, DD, ES	Gold	vein/breccia

**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). 2016 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
Leota	Goldbank Mining Corp.	115O074	115O/15	SGC, RGC	Gold	vein/breccia
Lone Star	Klondike Gold Corp.	115O072	115O/14	P, G, GGP, DD	Gold	vein/breccia
Lucky Strike	Goldstrike Resources Ltd.		115O/03	SGC, RGC, T	Gold	vein/breccia
Mariposa	Pacific Ridge Exploration Ltd.	115O075	115O/01, 02; 115J/15, 16	G, SGC	Gold	vein/breccia
Mars	Strategic Metals Ltd.		105E/07	DD	Gold	porphyry/sheeted vein
Mars (Einarson)	Anthill Resources Ltd.		105O/14	P, G, SGC	Gold	vein/breccia
Mayo Lake	Mayo Lake Minerals Inc.		115M/11	P, G	Gold	vein/breccia
McConnell's Jest	Strategic Metals Ltd.		106D/03	P, SGC	Gold	Unknown
McQ	Taku Gold Corp.		115P/16	SGC	Gold	unknown
Moosehorn	Independence Gold Corp.	115N024	115N/02	SGC, T	Gold	vein/breccia
Nadaleen trend	ATAC Resources Ltd.	106C045	106C/01	SGC, RC, CR	Gold	sediment associated
North Rackla	Cantex Mine Development Corp.		106C/12	G, SGC, RGC, T, DD	Gold	sediment associated
Old Cabin	Ron Berdahl	105O039	105O/11, 12	P	Gold	Unknown
Plateau South	Goldstrike Resources Ltd.	105N036	105N/06	P, G, SGC, RGC, DD	Gold	vein/breccia
QV	Comstock Metals Ltd.	115O004	115O/05	CS, G, GGP, SGC, T, RC	Gold	vein/breccia
Rainbow	Scott Berdahl		105N/12	P	Gold	vein/breccia
Red Mountain	Am Gold Corp.	115P006	115P/15	P, SGC	Gold	vein/breccia
Rod	Strategic Metals Ltd.		106D/01	G, RGC	Gold	sediment associated
Rosebute	Independence Gold Corp.		115O/05, 06, 11, 12	RC	Gold	Unknown

## Abbreviations

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GGP – ground geophysics	MD – mine development	P – prospecting	RS – remote sensing
RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

## APPENDIX 1 (continued). 2016 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
Rude Creek Gold	0890763 BC Ltd.	115J022	115J/10	SGC, RC	Gold	vein/breccia
Sked	Rockhaven Resources Ltd.	115I119	115I/03		Gold	Unknown
Rau trend (Tiger)	ATAC Resources Ltd.	106D005	106D/01	P, G, SGC, RGC, T, RC, ES	Gold	skarn/ replacement
Tinta Hill	Northern Freegold Resources Ltd.	115I058	115I/07	GGP, SGC	Gold	vein/breccia
VIP	Nevada Zinc Corp.		115J/13, 115K/16, 115O/01, 04	SGC	Gold	vein/breccia
White Regional	Shawn Ryan		115K/09	SGC	Gold	Unknown
<b>PRECIOUS METALS - SILVER</b>						
Birmingham	Alexco Resource Corp.	105M086	105M/14	DD	Silver	vein/breccia
Flame & Moth	Alexco Resource Corp.	105M087	105M/14	MD	Silver	vein/breccia
OOO	Strategic Metals Ltd.	115J005	115J/08	T	Silver	vein/breccia
Rancheria	Cathro Resources Corp.	105B014	105B/02	P	Silver	vein/breccia
Rancheria area	Adam Travis		105B/01, 02, 07, 08	P	Silver	vein/breccia
<b>BASE METALS - COPPER</b>						
Canadian Creek	Cariboo Rose Resources Ltd.	115J101	115J/10, 11, 14, 15	SGC, T	Copper	porphyry/sheeted vein
Carmacks Copper	Copper North Mining Corp.	115I008	115I/07	SGC, T, ES	Copper	porphyry/sheeted vein
Crooked	Gord Richards		115P/01, 02	P	Copper	Unknown
Hopper	Strategic Metals Ltd.	115H019	115H/07	DD, CR	Copper	porphyry/sheeted vein
Saloon	Strategic Metals Ltd.		105E/01	DD	Copper	vein/breccia
Teslin Mountain	Daniele Heon		105E/01	P, G	Copper	porphyry/sheeted vein
WS	BC Gold Corp.	115I007	115I/07	GGP	Copper	porphyry/sheeted vein

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RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

## APPENDIX 1 (continued). 2016 EXPLORATION PROJECTS

Project	Optioner/Owner	Occurrence	NTS	Work type	Commodity	Deposit type
<b>BASE METALS - LEAD, ZINC</b>						
Hall Creek	Glen Prior	116C 133	116C/02	P, G	Zinc-Lead	Unknown
Kudz Ze Kayah	BMC Minerals	105G 117	105G/07	DD	Zinc-Lead	volcanic associated
Selwyn project	Selwyn Chihong Mining Ltd.	105I037	105I/06		Zinc-Lead	sediment associated
<b>BASE METALS - NICKEL, PGEs</b>						
Kluane Lake West	Kluane Mineral Services		115G/06	P, G	Nickel-PGE	mafic/ultramafic associated
Spy	Group Ten Metals Inc.		115G/02	P, GGP, SGC	Nickel-PGE	volcanic associated
Tobi	41376 Yukon Inc.		115G/05	P, T	Nickel-PGE	mafic/ultramafic associated
Wellgreen	Wellgreen Platinum Ltd.	115G 024	115G/05	DD	Nickel-PGE	mafic/ultramafic associated
<b>GEMSTONES</b>						
Enjolras	AKG Exploration Inc.	105G 114	105G/08	P	Jade	gemstones

**Abbreviations**

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GGP – ground geophysics	MD – mine development	P – prospecting	RS – remote sensing
RGC – rock geochemistry	SGC – soil/silt geochemistry	T – trenching	

## APPENDIX 2. 2016 DRILLING STATISTICS

Property	Optioner/Owner	# of drill holes	# of metres
<b>DIAMOND DRILLING</b>			
3 Aces	Golden Predator Mining Corp.	23	539
Birmingham	Alexco Resource Corp.	50	17 371
Brewery Creek	Golden Predator Mining Corp.	23	1333
Coffee project	Goldcorp Inc.	26	6703
Dublin Gulch	Victoria Gold Corp.	136	19 764
Golden Horseshoe	Nicolai Goeppel		~400
Hartless Joe	Strategic Metals Ltd.	6	367
Hopper	Strategic Metals Ltd.	7	2156
Hyland Gold	Banyan Gold Corp.	3	475
Klaza	Rockhaven Resources Ltd	44	8427
Kudz Ze Kayah	BMC Minerals	83	18 944
Klondike Goldfields	Klondike Gold Corp.	71	5365
Mars	Strategic Metals Ltd	3	393
Nadaleen trend - Rackla project	ATAC Resources Ltd.	10	1541
North Rackla	Cantex Mine Development Corp.	8	
Plateau South	Goldstrike Resources Ltd.	11	1500
Saloon	Strategic Metals Ltd.	1	113
Wellgreen	Wellgreen Platinum Ltd.		2503
<b>ROTARY AIR BLAST/REVERSE CIRCULATION</b>			
3 Aces	Golden Predator Mining Corp.	31	3776
Ballarat project	Stakeholder Gold Corp.	18	1728
Boulevard	Independence Gold Corp	30	2946
Coffee project	Goldcorp Inc.	261	20 470
Nadaleen trend - Rackla project	ATAC Resources Ltd.	33	1675
QV	Comstock Metals Ltd.	34	2423
Rosebute	Independence Gold Corp.	12	924
Rau trend - Rackla project	ATAC Resources Ltd.	9	466

