GIMLEX ENTERPRISES LTD.

2015 REPORT ON THE DOMINION CREEK PLACER PROPERTY, YUKON

FINAL REPORT

YMEP # 15-017

NTS 115O10 g &f

Latitude 63° 39' 56"N Longitude 138° 37' 15"W
Dawson Mining District

Claim Names: B 12 -15, 11 B 1-2, Lucky Lady 3
Grant Numbers: 42844-42847, 42632, 42843, 38909

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Envelope (folded maps)

1.0 INTRODUCTION

Gimlex Enterprises placer claims on Dominion Creek include a block of virgin ground on the south side of the Miner's ditch that was drilled in the 1990's and 2014. There are numerous old wood-cribbed shafts on the claims and a single 2014 drill hole some 2000 feet downstream of the 1990's drilling contained 52 mg of gold raising interest in this untested ground.

An auger drilling project was carried out partially funded by YMEP #15-017, from May 23 to June 19, 2015 (91.5 person field days of work). The work was done by a 4 person team lead by Jim Christie, Geologist and driller's Bradley Robinson and Olivier Didier of Dawson City with Dagmar Christie assisting with sample processing, logistics and camp support. Equipment owned by Gimlex used to complete the work included a Mobile B31 auger drill mounted on a FN110 Nodwell (Photos 1 & 2), a Bombardier Muskeg carrier for transporting crew and samples (Photo 3), a service truck with welder, quads, pickup trucks and sampling equipment. A PC60 Komatsu excavator was used to clear access trails and drill sites

Previous work by early hand mining, 2 phases of dredging prior to 1950 and mechanized mining since 1970 have worked most of the wide pay streak (over 1000 feet wide) that existed in Dominion valley opposite the Old Granville Town site. The current project is focused on a small part of the un-mined south edge of that larger pay streak. The Miner's ditch marks the south limit of previous mining in the project area. Gimlex previously mined a similar upstream adjoining piece of ground 200-300 feet wide south of the miner's ditch in 1995-96. The old mining camp on site is still in good repair and was used to house the crew

2.0 LOCATION – ACCESS - PHYSIOGRAPHY

The claims are located on Dominion Creek, near Granville (Figure 1-3) and accessed by the Dominion Loop Road about 60km or an hour's drive from Dawson City by Bonanza or Hunker Creek Roads.

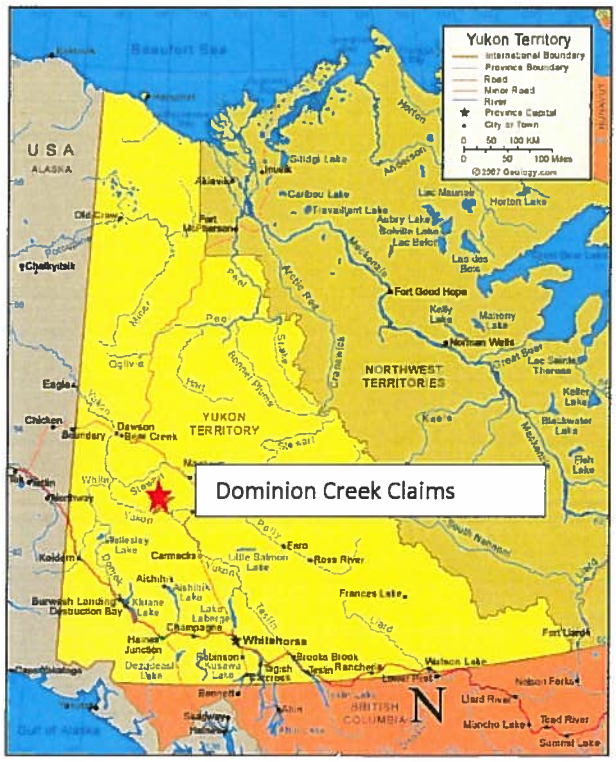


***Figure 1**. Property Location Map*

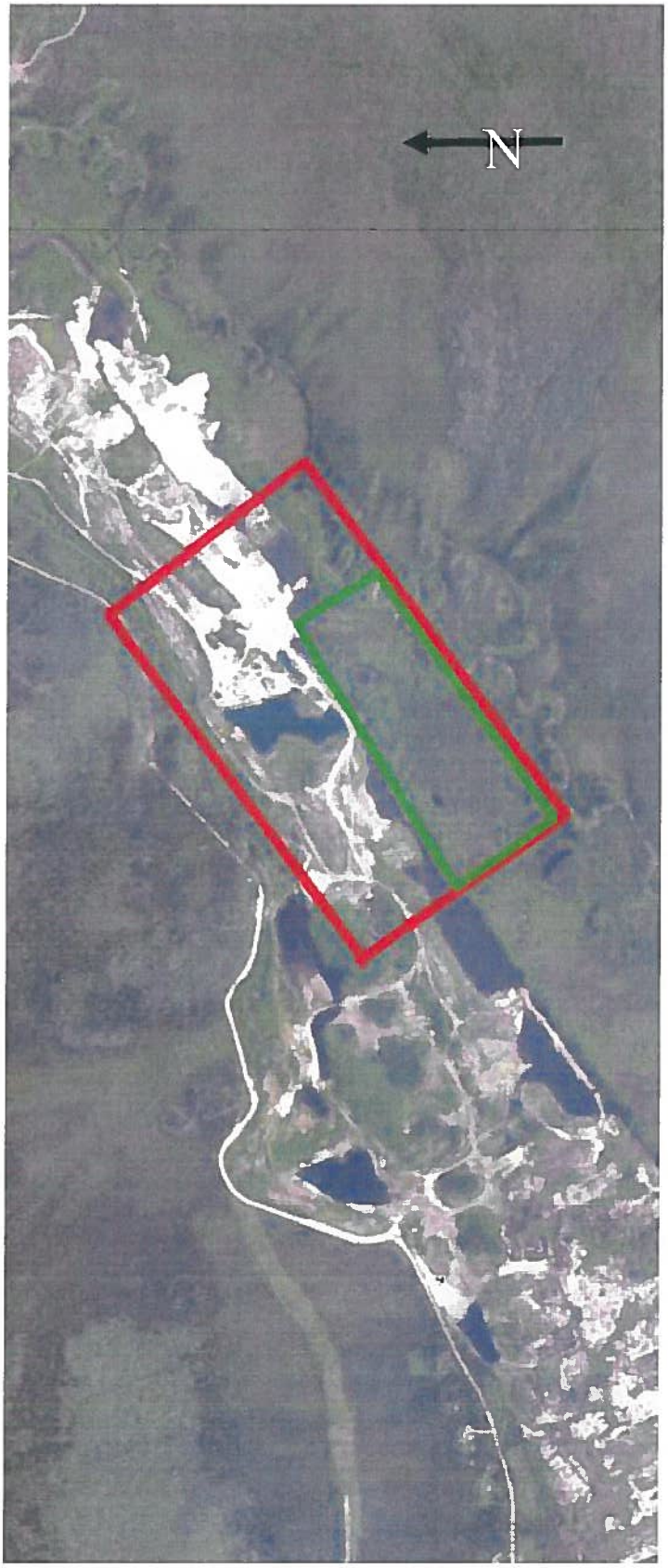


Figure 2. *The area of the claims in this YMEP are outlined in red and the target area is outlined in green. The access roads (Dominion) and previously mined areas are visible in the photo.*

Yukon
Energy, Mines and Resources

Figure 3: Gimlex Placer Claims on Dominion.

Legend

- New Placer Claims
- Placer Claims (50K)
  - Active and Pending
  - Expired
- Prospecting Leases
  - Active and Pending
  - Expired
- Adjoin Placer
- Placer Mining Land Use Permi
  - Class 3
  - Class 4
- Placer Baselines (unsurveyed)
- Placer Baselines (surveyed)
- Surveyed Mineral Claims
- Areas withdrawn from staking
- Settlement Lands (Surveyed)
  - A: Surface and Subsurface Rights
  - B: Surface Rights
  - FS: Fee Simple
- Settlement Lands (Unsurveyed
  - A
  - B
  - FS
- Interim Protected Lands (Unsu

Notes

0.5 0 0.25 0.5 Kilometers

Yukon Albers
Produced from: Yukon Mining Viewer

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

Date Printed: 18-Feb-2015

3.0 GEOLOGY

MacKenzie et al., have undertaken mapping and structural studies in the local area and published a map in Yukon Exploration and Geology 2006. A narrow sliver of metaclastics is shown between the two faults over Devonian-Mississippian Nasina Assemblage (footwall) and Late Permian mafic schist in the hanging wall.

Mining in the adjacent areas has exposed the mafic klondike schist and granodioritic gneiss. In the target area rocks seen in drill holes appear to be part of the metaclastic unit.

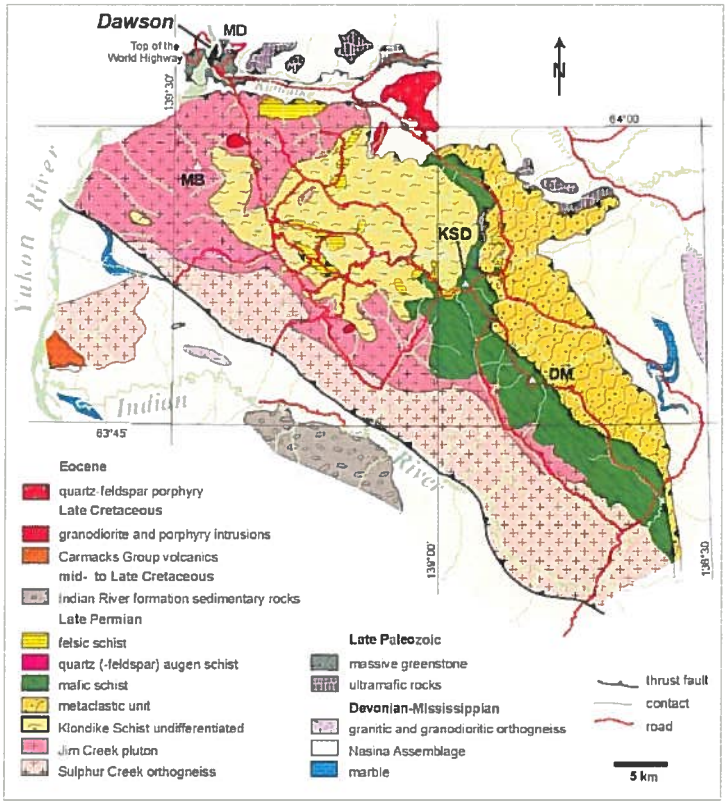


Figure 4. *Regional Geology. (taken from MacKenzie et al, 2006).*

This area of the Klondike - Dominion Creek, downstream of Gold Run Creek has historically produced significant placer gold.

Gold:

Gimlex drilled and mined on Dominion Creek from 1993 to 2004. The gold fineness was 820-860 during this period. Gold was generally well rounded but a significant amount of delicate dendritic and crystalline gold was recovered.

4.0 PLACER STRATIGRAPHY

Froese, D.G. et al, 2000 (YEG) published the results of their work on Dominion Creek and tributaries Gold Run and Sulphur which included sites near the drill area. They described the ages and depositional settings of the various placer gravels, and divided the gravel into 5 units.

1. Pliocene White Channel gravel terraces
2. Pleistocene terraces
3. Early Pleistocene incised valley gravels (named Ross gravel)
4. Pleistocene Dominion Creek gravel
5. Creek and gulch deposits

The Ross and Dominion gravels are gold bearing and are likely present on the claims. The Ross gravel is the principal source of placer gold mined in this area since the gold rush (1896) and on nearby Gold Run Creek.

The ages of the gravels are based on magnetostratigraphy. The Ross gravel is magnetically reversed making it older than 780,000 years and Dominion Creek gravel is normally magnetized making it younger than 780,000 years.

Radiocarbon ages range from 47,000 – 6,000 years BP from Dominion gravel but they think Dominion gravel represents the composite unit of Fluvial activity over the last several hundred thousand years.

Ross Gravel

Ross gravel is volumetrically the most significant source of placer gold on Dominion. Past production is probably close to 3 million ounces since 1896. It resembles and has been called White Channel gravel which is older than 2.6 million years, but Ross gravel is actually much younger. It is incised into bedrock 40 feet or more below the present day Dominion creek bed and the White Channel gravels occur as remnant terraces higher on the slopes

Ross gravel is characteristically light gray to white quartz rich gravel and consists mainly of massive and imbricate matrix filled and normal graded crudely stratified gravel. It is comprised of about 80% vein quartz pebbles the remainder being locally derived meta volcanic schists and gneiss

Ross gravel was deposited in a robust actively incising steam with abundant sediment inputs from fluvial action and erosion of hillsides including older White Channel gravels. Deposits are channel and bar gravels that were re-worked and re-concentrated over an extended period of time, a perfect scenario to create rich placer deposit on bedrock. The upper boundary is a well defined flood plain soil not always present on account of erosion during younger Dominion Creek gravel deposition

Dominion Creek Gravel

Dominion Creek gravel is massive to weakly stratified and may include matrix supported gravel thought to be deposited in a meandering to wandering gravel stream (Frose et.al., 2000). In drill holes there is usually some rusty weathering or rusty stained gravel (brown gravel) which may contain mud or sand layers, cobble layers and lots of quartz pebbles. These rusty brown gravels are normally a few feet thick but were 17 feet in one hole. These materials may be all or in part Dominion Creek gravel. The drillers were not able to identify and recognize it as a distinct unit. Perhaps one of the mud or sand layers may be the paleosol that separates Dominion Creek from Ross gravel. The contact is defined by a paleomagnetic reversal.

Overburden

In the drill area the Placer gravels are overlain by up to 16 feet of overburden consisting of peat, loess, mud silt, sand and ice in variable proportions. It is most typically 10 – 13 feet thick and mostly frozen.

Bedrock

In many holes the transition from gravel into decomposed bedrock is obvious. The chatter of the bit breaking quartz pebbles is followed by smooth easy drilling for a few feet before harder bedrock is encountered Drill holes typically encountered gray coloured materials a depth which included quartz pebble gravel, sandy gravel, sand and muddy sand with pebbles. Most pebbles were quartz. These materials are believed to be part of the Ross Gravel unit. Confusion can arise for the drillers if gray sand or clay rich material (softer drilling) exists under the gravel but still above recognizable bedrock. Situations like this were the cause of having to re-drill a number of holes

5.0 PROPERTY HISTORY

The area covered by this YMEP has been staked since the gold rush and many of the claims immediately upstream were heavily shafted and hand mined during the early 1900's to the extent that dredging was impractical on account of the large amount of timber in the ground which would jam the processing system on the dredge. There are 16 old timbered shafts and probably some YCGC drill holes in the area of the current auger drilling. This unmined area on the southeast side of the miners ditch may have been deemed un-economic during the dredging era. The center and right limit of the valley were subjected to dredging during two periods, and the unmined area in the center of the valley (old hand-mined area) was mined extensively by Lorne Ross of Consolidated Gold Mines Ltd., until around 1990. In1993, Gimlex Enterprise Ltd. leased the claims from Consolidated and drilled and mined an area south of the miner's ditch immediately upstream from the claims in this YMEP Application. Further downstream on the right limit of Dominion Creek, Gimlex drilled and then mined another large area northwest of where the dredges and Lorne Ross had mined.

In 2004, Gimlex completed mining on the claims leased from Consolidated Mines Ltd. The results from 14 auger drill holes (drilled in 1993-94) in the current proposed YMEP target area did not indicate an economic deposit at the then current gold prices. Gimlex opted to not renew their lease, but was given the option in 2006 of purchasing a limited number of claims in the original lease. The claims were purchased by Gimlex as they had potential for future exploration and mining under more favorable mining conditions.

Table 1. *Claims included in the YMEP.*

Grant Number	Tenure Type	Claim Name	Claim Number	Owner	Staking Date	Expiry Date
42847	Placer	B	15	Gimlex Enterprises Ltd. - 100%	10/28/1974	10/28/2016
42846	Placer	B	14	Gimlex Enterprises Ltd. - 100%	10/28/1974	10/28/2016
42845	Placer	B	13	Gimlex Enterprises Ltd. - 100%	10/28/1974	10/28/2016
42844	Placer	B	12	Gimlex Enterprises Ltd. - 100%	10/28/1974	10/28/2016
42843	Placer	11B	2	Gimlex Enterprises Ltd. - 100%	10/28/1974	10/28/2016
38909	Placer	Lucky Lady	3	Gimlex Enterprises Ltd. - 100%	6/30/1972	10/28/2016
42632	Placer	11B	1	Gimlex Enterprises Ltd. - 100%	6/9/1974	10/28/2016

6.0 DRILL PROGRAM

Drilling and sampling equipment was mobilized to the site by Gimlex including a FN110 Nodwell with mounted Mobile B31 auger drill and sufficient 7 3/8" augers and 8" bits to do the work. A Bombardier Muskeg Carrier was used to transport samples, augers and bits, along with the crew to and from the drill and sample processing sites (See Photos 1 – 3). A Ford F250 service truck with tools and welders was also on site to facilitate any repairs and the daily welding required to maintain augers and bits. Augers need to be built up on a regular basis to maintain standard 7 3/8" diameter, and bits need frequent repair and buildup to cut an 8' hole. An under-size bit leads to rapid wear of the augers and a lot more welding since frozen quartz rich gravel is extremely abrasive.

Photo 1 and 2: *Mobile drill mounted on Nodwell carrier, showing auger drill rods and buckets used for sampling.*

Photo 3: *Sample buckets being loaded into Bombardier Carrier*

A Komatsu PC 60 excavator with a blade was also on site to clear vegetation on access trails and drill-sites.

Sixty five (65) – 8" (bit) auger drill holes – 7 3/8" augers were completed on a 250 x 100 food grid. Some variation in hole spacing was necessary to avoid thawed ground, standing water and irregular land surface features and a total of 2602.5 feet of drilling was completed. GPS locations were recorded for all drill holes but a level survey of drill collars was not done, and a wooden stake (tree) with aluminum tag was placed in all drill holes. Most of the holes entered permafrost within a few feet of surface.

Samples were collected on a steel tray installed around the collar when the hole reached gravel. Overburden (mud, sand, ice) was discarded. After drilling a few holes it was accepted that the driller had little chance of recognizing the Ross gravel – Dominion Creek gravel contact which was defined by paleogeomagnetic measurements and a thin floodplain paleosol that may or may not be present at as a result of Dominion Creek gravel erosion of the older floodplain soil. It is much slower and more costly to collect incremental samples from auger drill holes than a single sample. Rather than try to subdivide the gravel section in view of the knowledge that nothing of economic size and grade had been discovered a decision was made to single sample drill holes and maximize the number of holes drilled on the project budget. With sub-sampling of holes the total number of holes drilled might have been as low as 50%. Gimlex successfully used single sample auger drilling to estimate the grade of the ground mined immediately upstream in the mid 1990's.

The entire gravel and bedrock intercept was sampled for each hole in a careful meticulous manner by shoveling into clean 20 liter pails till 2/3 full and labeling each pail with the hole number. Pails for each hole were kept together and transported to the longtom processing site using a Bombardier Mustang Carrier. The quantity of pails numbered from 10 to 30 per hole (Photo 4).

Photo 4: *Longtom processing site with sample buckets grouped by hole.*

***Photo 5**: Jim Christie cleaning a sample bucket into the longtom.*

At the longtom site the geologist processed the sample carefully cleaning each pail with a garden hose with spray nozzle (Photo 5) and a bedrock sample was collected from the longtom grizzly (Photo 6) whenever possible. At the end of each sample the matt's were cleaned in an aluminum tub and the longtom carefully washed out into the same tub. The concentrate in the aluminum tub was then transferred to a smaller plastic bin (8 x 12 x 6 inch) labeled and safely stored for transport back to camp for further processing. Bedrock samples were bagged for later examination by the geologist and the longtom reassembled for processing the next sample. Typically 45 – 90 minutes were needed to process a sample and reassemble the longtom. The concentrate volume recovered was usually about equivalent to a full large gold pan of material.

***Photo 6:** Jim Christie processing a sample through the longtom.*

Bins of concentrate from the longtom were safely stored on shelves at camp waiting final sieving and panning. Each sample was sieved through 4 – 12 – 16 mesh screens and it was usually possible to collect a second bedrock sample off the 4 and 12 mesh screens. Each screen size was then panned separately the +4 and +12 could easily be panned down such that any coarse gold was easily recovered with tweezers. The -12 and -16 were carefully separately panned down to the point that gold loss was probable with further panning. All of the panned -12, -16, and tweezer picked gold was recombined in a plastic bag, labeled and stored for transport to Indian River Camp for final recovery of all gold on a Miller Table by Dagmar Christie. The recovered gold was then dried and weighed, bagged and the weight in grams recorded. An electronic scale which measured in 2 mg increments was used.

Drill logs were prepared from the drillers field notes which identify various types of overburden (peat, mud, sand, and ice), gravel, decomposed bedrock and harder bedrock. Identification of the transition from overburden to gravel is usually easy for the driller. The bit chatters when it intersects the frozen ground and the drill bounces around a little. The transition from gravel to bedrock can be a tougher call depending on the type of bedrock (soft or hard) and the degree of decomposition, and the hardness of the frozen bottom gravel compared to the bedrock. It can feel like bedrock to the driller but may not actually be bedrock.

The goal of the driller is to stop the hole after drilling 2-3 feet of bedrock. If extra bedrock is drilled it rapidly increases the volume of the sample creating more buckets to transport and process and more work and wasted time.

Conversely, if a hole does not reach bedrock the validity of the sample comes into question since the highest gold content is often in the lowest gravel and upper bedrock. It is really important that the driller makes the correct call on the bedrock contact because the opportunity to be right is unique. Once the drill moves on there is no coming back. Later when the sample is processed through the longtom or sieved and panned and no bedrock is discovered there is no choice but to re-drill the hole or accept the result because the drill has moved on to other sites. In the 2015 program 13 holes had to be re-drilled because of uncertainty about the bedrock contact (see Table 2). It can be seen on Table 2 that 4 of the original holes were stopped within 1 foot of bedrock and results from these re-driil holes were mixed; three had up to 50% less gold and one 59D59 had 300% more. Seven re-drill holes intersected 3 – 6 feet more gravel above bedrock and gold increased in all seven (22-500 %). One hole (15D-62) intersected 8 additional feet of gravel but gold recovered was the same as the original hole (15D-21), Finally one hole (15D-64) was 6 feet deeper and 22% lower in gold and probably did not reach bedrock. It appears to be in one of the deep sand filled channels that were encountered in previous drilling in nearby areas.

Table 2: *Comparison of results from Re-drilled holes*

Drill Hole #		Results (Mg)		Change	% Change	Additional	Gravel	
Redrill (13)	Original	2 Re-drill	Orig	Mg	(+ or -)	Gravel	Thickness B/R Depth	
53	38	36	16	+ 20	125	3	20	31
54	39	22	18	+ 4	22	4	20	30
55	42	18	36	- 18	-50	1	12	28
56	35	24	26	- 2	-8	0	16	28
57	30	4	8	- 4	-50	0	16	25
58	22	44	24	+ 20	83	4	21	30
59	18	72	18	+ 54	300	1	23	35
60	19	54	22	+ 32	145	3	20	36
61	20	28	10	+ 18	180	6	21	34
62	21	22	22	0	0	8	31 (B13, G18)	40
63	17	36	6	+ 30	500	5	20 (B5, G15)	35
64	16	14	18	- 4	-22	6?	20 (B9, G11?)	36
65	15	32	14	+ 18	129	3	24 (B17, G7)	37

Legend:
6? - Possibly not to bedrock
B= brown gravel
G = grey gravel

7.0 RESULTS AND INTERPRETATION

General

The GPS locations of 65-8' Auger holes are given in Table 3 (GPS Data) along with a series of points along the southern edge of the miner's ditch which defines the northern edge of the potentially mineable ground (Table 4).

Table 3: *Drill Hole Locations, UTM Coordinates, UTM Zone 7*

Drill Hole	Easting	Northing	Elev
15D-1	617523.09	7061967.12	1742.95
15D-2	617538.83	7061951.83	1742.16
15D-3	617564.78	7061935.18	1748.47
15D-4	617586.85	7061918.17	1746.10
15D-5	617366.84	7061794.50	1739.79
15D-6	617399.53	7061780.47	1741.37
15D-7	617725.34	7062095.88	1790.26
15D-8	617731.42	7062067.16	1760.29
15D-9	617760.25	7062046.37	1761.87
15D-10	617784.42	7062026.05	1771.33
15D-11	617676.07	7062064.26	1755.56
15D-12	617625.34	7062038.98	1753.20
15D-13	617468.48	7061919.16	1741.37
15D-14	617920.17	7062262.27	1753.20
15D-15	617939.09	7062245.87	1755.56
15D-16	617953.97	7062229.63	1750.83
15D-17	617969.79	7062213.28	1758.72
15D-18	617892.24	7062232.08	1757.93
15D-19	617906.41	7062219.91	1751.62
15D-20	617919.94	7062198.76	1755.56
15D-21	617938.30	7062180.35	1750.04
15D-22	617842.82	7062196.78	1741.37
15D-23	617851.54	7062178.44	1748.47
15D-24	617858.35	7062168.52	1753.99
15D-25	617889.28	7062147.55	1752.41
15D-26	617789.42	7062158.56	1736.64
15D-27	617808.81	7062149.04	1745.31
15D-28	617836.53	7062136.92	1749.26
15D-29	617852.74	7062119.41	1749.26
15D-30	617868.36	7062102.14	1750.83
15D-31	617790.37	7062133.03	1735.06
15D-32	617754.94	7062103.32	1740.58

Label	Easting	Northing	Elev
15D-33	617776.03	7062085.91	1750.83
15D-34	617657.66	7062056.44	1733.48
15D-35	617666.38	7062033.36	1740.58
15D-36	617691.90	7062012.05	1751.62
15D-37	617714.84	7061994.29	1741.37
15D-38	617583.33	7062011.16	1750.04
15D-39	617610.82	7061989.07	1739.01
15D-40	617631.68	7061978.99	1753.99
15D-41	617658.14	7061957.20	1739.01
15D-42	617687.12	7061935.88	1749.26
15D-43	617609.77	7061895.01	1744.52
15D-44	617485.76	7061901.25	1731.12
15D-45	617501.93	7061889.60	1727.18
15D-46	617523.62	7061881.63	1740.58
15D-47	617553.74	7061863.22	1738.22
15D-48	617579.61	7061843.82	1729.54
15D-49	617403.01	7061874.86	1739.79
15D-50	617426.18	7061854.93	1724.02
15D-51	617443.63	7061830.83	1724.81
15D-52	617471.90	7061811.81	1725.60
15D-53	617583.33	7062011.16	1750.04
15D-54	617610.82	7061989.07	1739.01
15D-55	617687.12	7061935.88	1749.26
15D-57	617868.36	7062102.14	1750.83
15D-58	617842.82	7062196.78	1741.37
15D-59	617892.24	7062232.08	1751.62
15D-60	617906.41	7062219.91	1751.62
15D-61	617919.94	7062198.76	1755.56
15D-62	617938.30	7062180.35	1750.04
15D-63	617969.79	7062213.28	1757.93
15D-64	617953.97	7062229.63	1758.72
15D-65	617939.09	7062245.87	1750.83

Table 4: *Points along the miners ditch to define the edge of mineable ground, UTM Coordinates, UTM Zone 7*

Easting	Northing	Elev
617927.59	7062277	1704
617768.34	7062154	1705
617736.81	7062123	1701
617695.06	7062091	1704
617615.58	7062047	1706
617556.18	7062004	1707
617504.98	7061964	1704
617460.26	7061924	1701
617967.55	7062234	1702
617947.34	7062264	1698
617895.03	7062255	1700
617857.31	7062224	1702
617808.07	7062185	1705
617407.14	7061885	1693
617345.87	7061832	1698
617304.81	7061769	1694

A set of 4 maps at a scale of 1 inch = 100 feet has been prepared showing the GPS data from 2015 and previous drilling. The drill lines (grid lines); drill results, claim boundaries and, some surface features are also shown on the maps. A level survey was not done and elevations of drill collars are not known. In general the area is a flood plain with little relief and a gentle gradient downstream. Surface elevations drop noticeably near the edge of the Miner's ditch such that a number of the drill holes near the ditch are below the floodplain elevation.

The driller was not able to determine the contact between Dominion Creek gravel and Ross gravel. Also, there was difficulty in determining the exact bedrock contact in some holes on account of variable gravel and rock types and the presence of decomposed bedrock in the contact zone. Thirteen holes were re-drilled to confirm the bedrock contact.

The area drilled is almost entirely underlain by permafrost at shallow depth (1-5 feet). Along the miner's ditch the ground has been thawed as much as 50 feet back and even more in 2 areas with previous disturbance.

Map 1- Drill Hole Locations, Depth to Bedrock, Au Results, Gravel Thickness

Map 1 shows all of the current and historic data and the location of drill holes

Map 2 – Au (Mg) Results

Shows mg of gold recovered from each drill hole. On Map 2, for the purpose of making a Preliminary Estimate of raw gold indicated by drilling, a trial cut-off line was drawn separating potentially economic gravels from lower grade material. Some lower grade material had to be included internally as the entire area of the block between the trial cut-off line and the Miner's ditch was used to calculate a Preliminary Estimate of the total gold content. There was no weighting or cutting or discarding drill hole results. All available data was used.

The drilled area was divided into West and East Blocks on the basis of closer spaced drill lines (previous work) in the East Block. This division also coincides with the protrusion of bedrock high which naturally separates the Blocks. Grid lines are labeled on the maps and drill holes not on a line were included on the nearest line for the purpose of averaging grade (Mg of gold).

For East and West Blocks:

1. Average width was determined by measuring with a scale along each Line the distance between the cut-off line and the Miner's ditch (GPS). These distance measurements were then averaged to give an average width for the block.

2. Length of the block was scaled off the Map which is based on GPS locations.

3. Area was calculated Avg. Width x Length = Area sq ft.

Result:

West Block	265'	x	2050'	=	543,250 sq ft
East Block	210'	x	430'	=	90,300 sq ft

4. Gold content (mg) of holes was totaled for each line and cumulative total for the block was calculated then averaged by dividing by number of drill holes.

Result:

West Block	=	58.25 mg / hole
East Block	=	44.2 mg / hole

5. Mg / hole was converted to Mg / sq ft by multiplying by 3.4 (x 3.4) = (conversion factor for 7 3/8" augers –(8" hole) based on the cross sectional area of the auger.

Result:

West Block	52.25	x	3.4	=	198 mg / sq ft
East Block	44.2	x	3.4	=	150.4 mg / sq ft

6. Total Raw Gold (oz) was calculated for each block by the formula:
   Area (sq ft) x mg / sq ft ÷ 1000 ÷ 31.1

Result:

West Block	3459	Oz Troy (Raw)
East Block	437	Oz Troy (Raw)
Total	3896	Oz Troy (Raw) *

3896 oz troy is a very preliminary estimate of the raw gold content of the drilled blocks. Gold fineness of gold shipments to Johnson Matthey Refinery from cuts immediately upstream in 1996 averaged 850 fine, so similar purity is predicable. Silver is the only significant impurity in Dominion Gold in this area.

Details of the above Preliminary Gold Estimate are included in Appendix II.

There is a smaller much higher grade area just inboard of the miner's ditch where there are thicker intercepts of grey gravel (Ross gravel). These gravels are believed to be part of the southern edge of the main Dominion pay streak most of which was north of the Miner's ditch and was previously mined or dredged. This higher grade area probably contains at least half of the gold in the Preliminary Estimate, and is probably an economically viable smaller scale mining target.

Outside of the cut-off line to the south towards present day Dominion Creek gold grades are lower and Ross gravel may be thinner or discontinuous. There is a possibility that some deeper channels with Ross gravel exist and contain better grade gold as shown on Map 3.

Map 3 - Depth to Bedrock (feet)

Map 3 shows drill interpreted depth to bedrock for all holes, which averages about 30 feet. Depth decreases gradually from east to west (downstream) and there are bedrock highs and depressions as shown. There is a prominent high on Lines 400 and 550 that juts out into the valley and appears to have diverted the paystreak. Flanking this high are some 45 – 55 foot deep depressions that are filled with sand and sandy gravel and have very little gold. These unusually deep holes might be remnants of plunge pools or short lived incised diversion channels not directly related to the formation of the main Dominion Creek paystreak. The driller suggested that they might be mined out oldtimers underground workings.

Other areas of relatively higher and lower bedrock are shown on the map and there are 2 possible lower channels that are not really well defined being at the edge of the drilled grid:

1. South of the pond on L700 to L1275;
2. South of the pond on L1850 to L2150.

These lower target areas inferred from the drilling could be old channels related in time to the development of the main Dominion Creek paystreak during the Pleistocene and might host better grade placer gold. Hole 15D-4 on line 1625 at 110 mg could be part of #2 channel above, and shows that better grades occur well south of the Miner's ditch These areas are large enough to add 500 – 1000 oz to the total if a 100 foot wide channel was found. About 10 auger holes are needed to evaluate the two areas.

Map 4- Gravel Thickness (feet)

Gravel thickness is variable in the drilled area and with a few exceptions as follows thicker gravel sections correlate with higher gold values. On the bedrock highs the gravel is much thinner and gold values much lower.

The thickest gravel is found in the deep depressions on Lines 400 and 700 and all of these contain only minor gold.

On the map areas of relatively thicker and thinner gravel are outlived. The lines outlining the thicker and thinner gravels are the geologist interpretation, not contours. They are based on very sparse real data and may not be meaningful.

8.0 CONCLUSION AND DISCUSSION

Drilling in 2014 and 2015 has identified a potentially mineable placer gold system of significant size and grade. The auger drilling and sampling to date has been carried out in a careful l controlled manner intended to accurately identify and measure the placer potential on the property at the lowest cost possible utilizing available equipment and personnel. A Preliminary estimate of total contained raw gold in a 634,000 sq ft area of the claims is 3896 troy ounces. This result was obtained by sampling all gravel and a few feet of bedrock in each drill hole, concentrating with a long tom then sieving and panning and finally recovering gold on a Miller Table, drying and weighing. A lot of work was required to drill and process 65 holes in this manner with a three man crew at a drilling rate of 4 – 5 holes per day.

Previous, successful mining on adjoining ground upstream in the mid 1990's was based on sluicing 5 – 7 feet of the lower Ross gravel and a few feet of bedrock. This ground was all drilled using the same single sample per auger hole method and results were used to calculate a gold reserve prior to mining. The YCGC triangle method which assumed a 6 foot thick paystreak was used and was accurate enough even though mining did not happen that way. In practice, a decision was made as mining progressed based on panning the cut exactly where to start and stop sluicing and usually a thicker section of bedrock and/or gravel had to be sluiced.

There remains enough uncertainty about the distribution of gold in the current exploration area to warrant more detailed sub-sampling of the gravel section and demonstrate that the previous mining method is right for this downstream area.

Now that a potentially economic lower grade placer occurrence has been identified it is time for a more costly detailed examination in order to prove a mineable deposit and develop an economic mining plan. This will require more auger drilling with more detailed (geotechnical guided) sampling and processing with the goals to

;

1. Better understand the distribution of gold in the gravel section
2. Infill drill and demonstrate continuity between holes and lines
3. Explore two areas where deeper gold rich channels could be present and add to the total ounces.

All future auger drill sampling should be done by a geologist or trained geotechnician who would have a better understanding and recognition of changes in stratigraphy and sampling accordingly procedures. The driller can't be relied on to observe and accurately record significant changes in the gravel section such as the Dominion – Ross gravel contact and recognize the bedrock contact. It would be best to have an experienced geologist in charge at both the drill and sampling processing sites.

9.0 RECOMMENDATIONS

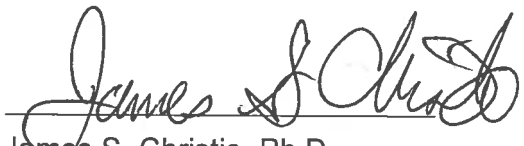
To advance the property more auger drilling with detailed sampling is need for three purposes:

1. To test 2 areas that potentially have deeper gold bearing channels that could add ounces to the preliminary reserve;

2. To test continuity of gold grades between existing drill holes and lines (infill drilling); and,

3. To determine the distribution of gold within the stratigraphic section in order to develop a feasible mining plan. Up to 25 more auger holes may be required and the next phase of drilling will be slower and therefore more costly, and more personnel may be required. Instead of 4 or 5 holes per day only 2 – 3 per day will be possible. It takes a lot more time to drill a hole when the augers have to be pulled and cleaned multiple times and multiple samples require a lot more handling and processing time. Further the geologist will have to be at the drill to control sampling and interpret stratigraphy as each hole is drilled. The geologist will also be required to supervise sample processing, observe and record materials being processed in the longtom and confirm presence or absence of bedrock in deepest sample of each hole. If there is only one geologist then it might be feasible to drill 3 holes and then have the drillers help with sampling and then repeat utill the job is done

Respectfully submitted,



James S. Christie, Ph.D
Gimlex Enterprises Ltd.

10. BIBLIOGRAPHY

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MacKenzie, D.J., Craw, D., Mortensen, J.K. and Liverton, T., 2006. Structure of schist in the vicinity of the Klondike goldfield, Yukon. *In:* Yukon Exploration and Geology 2006, D.S. Emond, L.L. Lewis and L.H. Weston (eds.), Yukon Geological Survey, p. 197-212.

11. STATEMENT OF QUALIFICATIONS

I, **James Stanley Christie,** of Dawson City, in Yukon Territory, Canada

Hereby certify:

1. That my address is P.O. Box 660, Dawson City, YT, Y0B 1G0;

2. That I am a graduate of the University of British Columbia:

    a) Ph.D., Geology. 1973,
    b) B.Sc., Honors, Geology, 1965;

3. That I have been practicing my profession in geology, placer mining and mining exploration continuously since 1965 and since 1984 in the Yukon;

4. That I have over 20 years of experience using auger drilling for placer exploration and evaluation of placer deposits;

5. That this report is based on managing this project in the field and my knowledge of the district and the applicability of auger drilling to placer exploration deposits in the area.

Dated this **29th** day of **January, 2016** at Vancouver, B.C.,

James S. Christie

12.0 STATEMENT OF EXPENDITURES

Item	No. items	Type	Rate	Unit	No. Units	Cost	Field days
Field Crew							
Project Manager / Senior Geologist - J.S Christie, Ph.D.	1	person	$ 500	day	27	$13,500.0	27
Driller and Drill assistant (Brad Robinson and Oliver Didier)	2	persons	$ 350	day	27	$18,900.0	54
Technician(logistics, sample processing, weighing, cooking and expediting) (Dagmar Christie)	1	person	$ 350	day	10.5	$3,675.0	10.5
WCB - 5.23% Estimate						$1,886.7	
Equipment							
Vehicles - Crew and equipment	2	4WD ccab	$ 50	day	25	$2,500.0	
Service truck with tools and welder	1	4WD ccab	$ 100		25	$2,500.0	
Horse trailer + Equipment Trailer	1		$ 64		25	$1,600.0	
12 kVa generator	1	generator	$ 40	day	25	$1,000.0	
Heavy equipment and Support							
Mobile B31 Drill on FN110 Nodwell - including operator	1	Ft	$ 25	per ft	2602.5	$65,062.5	
Bombardier Carrier - sample and supply transport	1		$ 75	day	25	$1,875.0	
Hauling - Kenworth T800 and Lowboy	1		$ 210	hour	8	$1,680.0	
Pc60 Excavator/ with blade and spare bucket	1	5	$ 150	day	$ 750	$750.0	
GIS Support - Shane Stevens	1				1	$900.0	
Total camp person days						$0.0	91.5
Daily Field Expenses	1	pers days	$ 100	day	91.5	$9,150.0	
Report writing	1	person	$ 500	day	3.5	1750.00	
Total						$126,729.2	

APPENDIX –I
2015 DRILL LOGS

Drill logs for Auger Drilling on Dominion Creek, 2015

Drill Dates: May 23-Jun 24, 2015
Drillers: Bradley Robinson and Olivier Didier
Geologist: Jim Christie
Logistics, sample processing, expediting, etc.: Dagmar Christie

Hole	Mud	Sand/Gravel	Depth to	Total	Mg-All	Bedrock Description
#		Sand	B/R	Depth		
15D-01	10	10-28	28	38	38	Med silvery grey musc-biot sch and semi-sch - qtz segr.
15D-02	0-13 (Ramps old)	13-30	30	43	54	Ditto but some qtz veinlets and segr
15D-03	0-9 (frozen mud)	9-29	29	38	76	Ditto but weak limonite stain - oxidation
15D-04	0-13 (frozen mud)	13-30	30	38	110	Med dark silvery grey - more biottie schist Above - quite a bit of metrix quartz
15D-05	0-11 (frozen mud)	11-25	25	33	68	Light silvery grey musc semi-sch / qtzite - weak limonite stain
15D-06	0-15 (frozen mud)	15-21	21	33	12	Light grey musc. Qtzite with biot specs on solation - strong qtz segregation.
15D-07	0-1 (sand)	1-20	20	25	52	Light and med silvery grey musc sch / semi-sch with speckled biot flakes.
15D-08	0-2 (mud) 2-10 (sand)	10-25	25	30	36	Light silvery grey musc biot semi-sch to qtzite - strong qtz segregation.
15D-09	0-15 (mud-ice)	15-30	30	36	38	Med silvery grey musc biot semi-sch / qtzite lots of qtz.
15D-10	0-8 (frozen mud)	8-21	21	26	22	Med silvery grey biot musc semi-sch - strong qtz segregation.

15D-11	0-10 (frozen mud)	10-25	25	30	66	Ditto
15D-12	0-5 (mud)	5-21	21 (b/Rusty hard)	26	142	Med and dark musc biot semi-sch lots of qtz.
15D-13	0-4	4-20	20	25	46	Light and med grey musc/biot semi sch and qtzite - strong qtz segregation.
15D-14	0-11 (frozen) mud-ice 11-13 sand	13-35	35	43	16	Light to dark grey semi sch/qtzite - lots of eatheral? Pyrite and fractured pyrite in +12 fraction
15D-15 Redrilled D-65	0-13 (frozen) mud ice	13-29?	__? 37	34 44	14/32	Med to dark greenish grey sch and semi sch-strong qtz seg with pyrite on fracture - weak chloriitization of biotite.
15D-16 Redrilled D-64	0-11 mud	11-?	__? 36 (D-64)	30 40	18/14	Decomposed dark grey B/R? - with qtz grains and chips of other rock. At spical in area - may not be bedrock?
15D-17 Redrilled D-63	0-15 mud	15-?	__? 35 D-63	30 40	6/36	Med silvery grey biot musc sch - lots of quartz chips
15D-18 Redrilled D-59	0-12 mud 12-13 sand	13-?	__? 35 (D-59)	34 40	18/72	Med to dark grey biot sch and semi-sch - quartz segregations.
15D-19 Redrilled D-60	0-15 mud	15-?	__? 36 (D-60)	33 40	22/54	Ditto but more qtz
15D-20 Redrilled D-61	0-11 mud 11-15 sand	15-?	__? 34 (D-61)	28 39	10/28	Med silvery grey musc biot sch and semi-sch
15D-21 Redrilled D-62	0-8 mud	8-?	__? 40 D-62	32 45	22/22	Med to dark grey biot sch and semi-sch - some qtz matrix and segregation.

15D-22 Redrilled D-58	0-8 mud	8-?	__? 30 D-58	26 35	24/44	Ditto
15D-23	0-17.5 mud	17.5-30	30	35	4	Med to light silvery and greenish grey biot-musc sch-strong qtz seg
15D-24	0-17 mud-ice	17-22	22	28	24	Light grey musc semi-schy to qtzite - lots of qtz in matrix and seg
15D-25	0-16 mud (frozen)	16-22	22	27	10	Light to med grey (rusty) semi-sch to qtzite - strong qtz aseg and veinlets
15D-26	0-8 mud 8-10 sand (frozen)	10-23	23	30	54	Weakly rusty med grey musc-biot semi-sch - quartz segs and matrix
15D-27	0-13 mud (frozen)	13-26	26	30	16	Med silvery grey musc semi-sch and qtzite - strong qtz seg
15D-28	0-13 mud (frozen)	13-22	22	27	4	Weakly rusty med silvery grey semi sch to qtzite-strong qtz seg
15D-29	0-13 mud (frozen) 13-15 sand	15-25	25	30	14	Med to dark grey biotite semi sch - strong qtz segs.
15D-30 Redrilled D-57	0-13 mud 13-15 sand (frozen)	15-24	__? 25 (D-57)	28 28	8/4	Weakly rusty light to med silvery grey sch and semi-sch - strong qtz seg
15D-31	0-13 mud (frozen)	13-52	52	60	24	Med to dark grey semi sch/qtzite - qtz veins and segs - pyrite fractures (massive and crystaline)
15D-32	0-12 mud 12-15 sand (frozen)	15-35	35	39	36	Med silvery greenish grey semi sch. With strong qtz matrix (segs)
15D-33	0-10 mud	10-31	31	39	16	Med to dark silvery grey semi-sch with strong qtz segs

15D-34	0-10 mud 10-15 wet muddy sand	15-27	27	32	58	Med to dark biotite semi sch with strong qtz segs and veinlets
15D-35 Redrilled D-56	0-10 mud 10-12 sand (frozen)	12-27	__? 28 D-56	28 32	26/24	Ditto
15D-36	0-18 mud (frozen)	18-29	29	33.5	24	Ditto
15D-37	0-15	15-26	26	30	26	Dark grey, silvery biot semi-sch and sch - qtz segs and veinlets
15D-38 Redrilled D-53	0-9	9-24	__? 31 (D-53)	28 31	16/36	Dark grey biot semi sch with seg. Qtz matrix and qtz veinlets
15D-39 Redrilled D-54	0-8 mud 8-10 sand	10-20	__? 30 (D-54)	26	18/22	Light to med grey musc semi-sch to qtzite - strong qtz seg
15D-40	0-11	11-25	25	31	22	Light to med grey musc semi-sch to qtzite - strong qtz seg
15D-41	0-12	12-25	25	34	14	Med grey musc - biot semi-sch - strong qtz seg and matrix qtz
15D-42 Redrilled D-55	0-16	16-20	__? 28 (D-55)	27	36/18	Med grey musc - biot semi-sch - strong qtz seg and matrix qtz
15D-43	0-12	12-25	25	34	26	Light grey musc semi-sch with speckled biot on foliation - strong qtz seg
15D-44	0-7	7-25	25	30	56	Med grey musc - biot semi-sch - strong qtz seg and matrix qtz
15D-45	0-5 mud 5-8 sand	8-26	26	30	28	Ditto
15D-46	0-7	7-22	22	28	20	Ditto

15D-47	0-8 mud 8-11 sand	11-30	30	35	34	Light to med grey biot musc semi-sch - strong qtz seg and matrix
15D-48	0-8	8-25	25	30	14 (lots at very fin)	Ditto
15D-49	0-15 grav from examinin g miner datta	15-33 thawed	33 thawed →	42	70	Ditto
15D-50	0-5	5-25	25	29	46	Dark grey biot semi-sch with qtz seg and veinlets Partly decomposed to clay
15D-51	0-11	11-23	23	29	28	Med grey biot musc semi-sch - lots of seg qtz and matrix
15D-52	0-8	8-25	25	31	22	Ditto
15D-53	0-9 mud 9-11 sand	11-31	31	35	36	Weakly rusty light silvery grey musc semi-sch-strong qtz seg and matrix
15D-54	0-8 mud 8-10 sand	10-30	30	35	22	Med to dark silvery grey musc biot sch and semi-sch - strong qtz seg.
15D-55	0-16	16-28	28	33	18	Light silvery grey musc semi-sch to qtzite - strong qtz seg.
15D-56	0-14	14-28	28	35	24	Med silver grey musc biot semi-sch - strong qtz seg.
15D-57	0-9	9-25	25	34	4	53-65 All Re-drill holes, See 15D-38
15D-58	0-9	9-30	30	35	44	see 15D-39
15D-59	0-11 mud 11-12 sand	12-35	35	40	72	see 15D-42
15D-60	0-16	16-36	36	40	54	see 15D-35
15D-61	0-11 mud 11-13 sand	13-34	34	39	28	See logs for original - hole #'s 15D-30

15D-62	0-9	9-22 sand 22-40 grey(wc)	40	45	22	see 15D-22
15D-63	0-14 mud 14-15 sand	15-20 orange 20-35 grey(wc)	35	40	36	see 15D-18
15D-64	0-16	16-25 25-36 (Blue grey) wc?	36	40	14	see 15D-19
15D-65	0-13 mud ice	13-30 brown 30-37 blue/gray wc?	37	44	32	see 15D-20

Total Ft drilled		**2602.5**

2014 Drill Logs

Location: Dominion Creek Drilling Fall 2014

Drill Date:Oct 5-14, 2014
Drillers: Donjek Upton and Justin Libby
Geologist: Jim Christie

Placer Claims: 11 B 1, 11 B 2 and Lucky Lady 3 and 15 B
Grant #s: 42632 and 42843 and 38909 and 42847

Drill Hole Number		Total Footage Drilled	Diam. of drill auger	Breakdown in feet (of materials encountered)
DM	1	42.5	8"	0-15 unconsolidated dirt/gravel, 15-17 cobbles in loam or dirt, 17-28 cobbles at 28 d/c br?, 28 grey sand with quartz chips or d/c /br, 35-40 old drift? Extremely easy going w/ large cobbles very little material hole flooding at 42.5
DM	2	59	8"	0-15 Frz mud, Gravel or sand seasm at 22.2, 30-34 snad, 41-48 sands (sampled), gravel to 52 ft, 59 ft total depth (may have drilled a drift). No sample.
DM	3	54	8"	0-10 frozen sand, 10-11 gravel/ very shallow channel, then sand 18-36 rock/gravel, 36-54 smoothed out, 54 B/R
DM	4	35	8"	0-17 wood/ice, 17.5-22.5 gravel, 22.5 b/r ? Sand seam, 32.5 d/c B/R
DM	5	27	8"	0-13.5 organic/frozen sand, 13.5-17.5 gravel, 17.5 sand seam into light coloured d/c B/R at 24' 27, B/R
DM	6	17.5	8"	0-4 ice /mud, 4-12.5 gravel, 12.5 d/c B/R, 17.5 B/R
DM	7	17.5	8"	0-13 frozen sand, 13 shallow layer gravel then sandy gravel, ecomp BR drill to 17.5 B/R
DM	8	38	8"	0-5 soil, 5-17 sand, 17 rock/gravel difficult drilling, 23 easy drilling, 25 bact to rock conditions, 28 smooth, 30 rocky, 36 smooth, 38 B/R
DM	9	44	8"	0-15 frozen mud / sand, 15 gravel, 16-17.5 mud/sand seam, 24 sandy gravel, 30-34 tough drilling to 36 then smooth B/R, 44 B/R
DM	10	34	8"	0-4 mud/sand, 14-20 gravel, 20 sand seam to 24', 24 very easy drilling to 30' - frozen sand/mud, 30-34 B/R
DM	11	29	8"	0-13 frozen sand, 13-22 gravel, 22-28 smoothes out d/c B/R, 29 B/R
DM	12	28	8"	0-14 sand frozen and thawed, 14-15 gravel light layer, 15-17.5 sand, 17.5-25 gravel, 25-28 B/R
DM	13	34	8"	0-12.5 frozen mud/sand, 12.5 -23 gravel, 23 smoother d/c B/R, 30-34 B/R
DM	14	30	8"	0-10 very bad frozen mud, 10-14 frozen sand, 14 -27.5 gravel, 27.5 - 30 B/r
DM	15	36	8"	0-15.5 very bad brozen mud, 15.5-32.5 gravel, 32.5-35 B/R
DM	16	35	8"	0-14 frozen mud/sand, 14-15.5 gravel light layer, 17.5-19.5 gravel, 19.5-22 sand, 28 b/r no rock til 32.5-35 B/R
DM	17	43	8"	0-15 frozen sand, 15-22.5 gravel, 22.5 smooth till 25' mud seam then gravel, 26.5 easy going 28 sand then gravel 28, 35 B/R?, 43 B/R
DM	18	37.5	8"	0-15 frozen sand/mud layer, 17.5-22.5 grave/sand layer, 22.5-25 then gravel, extremely rough going to 28', 28' smooth easy going sand/small pebbles d/c B/R? 37.5 B/R

d/c B?R = decomposed bedrock

Pre-2014 Drill Logs

1993 Auger Drill Hole Logs - Dominion Creek, YK

Drill Hole	Mud	Gravel	Bedrock	Description
93 N8-1	0-13	13-39	39-45	Med to Drk grey muse biot schist
93 N8-2	0-14	14-40	40-45	Thawed grey clay gouge? (gumbo)
93 N8-3	0-12	12-41.5	41.5-48	Dark grey biot schist (graphite)
93 N8-4	0-18	18-41	41-50	Dark grey biot schist (graphite)
93 N8-5	0-18	18-42	42-48	Grey green chlorite schist
93 N8-6	0-15	15-41.5	41.5-47	Grey green chlorite schist
93 N8-7	0-16	16-40	40-50	Med grey musc biot schist
93 N8-8	0-15	15-38	38-50	Med grey musc biot schist
93 N8-9	0-14	14-40	40-45	Med grey musc biot schist
93 N8-10	0-5	5-33	---	Thawed ??? In wet gravel
93 N8-11	0-15	15-35	35-45	Med grey musc biot schist
93 N8-12	0-17	17-33	33-40	Greenish grey chl biot schist
93 N8-13	0-15	15-45?	?	Unable to distinguish bedrock if present?
93 N8-14	0-19	19-35	35-50	Greenish grey decomposed schist
93 N8-15	0-15	15-45	45-50	Chlorite schist - med greenish grey
93 N8-16	0-10	10-27	27-40	Dark green chlorite schist
93 N8-17	0-15	15-32	32-42	Med grey muse biot schist
93 N8-18	0-17	17-37	37-45	Dark grey chlorite - biotite schist (graphite)
93 N8-19	0-18	18-37	37-40	Greenish grey chlorite schist
93 N8-20	0-12	12-55	55-70	False graphite schist bedrock - sand ??? Layers
93 B6-1	0-12	12-19	19-23	Med grey musc biot schist
93 N8-21	0-12	12-40.5	40.5-49	Greenish grey schist
93 N8-22	0-13	13-43	43-50	Med grey musc biot schist
93 N8-23	0-17	17-43	43-49	Med grey schist - some had crunchy layers
93 N8-24	0-17	17-41	41-46	Greenish grey chlorite muscovite schist
93 N8-25	0-19	19-42	42-50	Med grey muscovite biot schist
93 N8-26	0-21	21-42	42-46	Med greenish grey chl musc biotsch
93 N8-27	0-19	19-43.5	43.5-49	Dark green chlorite schist
93 N8-28	0-17	17-42	42-47	Dark greenish grey chl biotite schist
93 N8-29	0-13	13-42	42-47	Dark grey biotite schist
93 N8-30	0-13	13-40	40-45	Dark green chlorite schist
93 N8-31	0-13	13-40	40-45	Soupy decomposed grey schist
93 N8-32	0-13	13-44.5	445.5-49	Med grrey muscovite biotite schist
93- N8 Series				All 7.5 inch diameter holes

APPENDIX –II
Details of Preliminary Gold Estimate

West Block

Line width (17 Liner) incl. end	195 – 240 – 270 – 340 – 415 – 400 – 390 – 350 – 300 335 – 350 – 320 – 255 – 145 – 90 – 75 – 35	= Total 4505
	Avg width	4505 ÷ 17 = 265'
	Length	2050'
	Area	2050 x 265 = 543,250 sq ft

			Totals
Mg Indiv Holes 32 holes	L2400 – 52 – 68		120
	L2275 –		
	L2150	70 – 46 – 28	144
	L2000 –		
	L1850	46 – 56 – 28 – 20 – 34	184
	L1750 –		
	L1625	38 – 54 – 76 – 110 – 26	304
	L1500 –		
	L1375	36 – 22 – 22	80
	L1275	142	142
	L1150	58 – 26 – 24 – 26	134
	L1025	66	66
	L 900	52 – 22 – 36 – 38	140
	L 800	36	36
	L 700	410	410
	L 550	54 – 40	94
		÷ 32	1862 = 58.25 mg. Au Average/hole

58.25 x 3.4 = 198 mg / sq / ft

543,250 sq ft x 198 mg / sq ft (.198g) = 107,564 g ÷ 31.1

= 3459 oz Troy

East Block

Line Width (5 lines) 55 – 165 – 280 – 280 – 270 = ÷ 5 = 210 ft Avg Width
430 ft Length

Area 210 x 430 = 90,300 sq ft

Mg Drill Holes (18 holes)

		Totals
L400	44 – 26	70
L300	26 – 46 – 232	304
L200	72 – 54 – 28 – 22	176
L150	24 – 38 – 14 – 46 – 26	148
L 50	16 – 32 – 14 – 36	98
	(÷18)	796 = 44.2 mg Au Average / hole

44.2 x 3.4 = 150.4 mg / sq ft (7 3/8 diam augers)

90,300 sq ft @ 150.4 mg / sq ft = 13,581,000 mg
= 13,581 g
÷ 31.1 = 437 oz troy

Total (West + East) **3896 oz Troy**

APPENDIX III
PREVIOUS WORK

PREVIOUS WORK

Drilling of hole 14-1, which contained 52 mg of gold some 2000 feet southwest of the previous drilling area, significantly expanded the size potential of this target. This hole was drilled while the driller was waiting for the PC60 to open the old trail to the previous work area and was not planned. The target area is now 3000 feet long by 3-400 feet wide. Sample results were not available until after the equipment was gone and drilling more holes was no longer an option (note: this was a late fall program and with snow, poor road conditions and the window of time for demobilizing was short, the program was ended and final sample processing took place after the program. In summer conditions, sampling and processing is done concurrently with drilling so results can be used to modify the drill program before equipment is removed from site).

Also the 2014 results appear to indicate that the 1993 gold values may be on the low side. Evidence for this may be seen on the most easterly drill line where the sequence of holes is 93-17; 14-9; 93-18; 14-8; 93-19 and gold values are 28; 38; 18; 46; 28 mg. In hindsight this is not shocking considering that back in 1993 Gimlex had no experience in auger drilling and had just purchased the drill for the purpose of testing the ground at Dominion. We had only drilled 10 holes before getting to this area. We had no sampling equipment except a simple Long Tom that had been used for processing excavator samples, no screening system and gold was recovered from the Long Tom concentrate by hand panning and weighing on a gun powder grain scale. It was all very primitive and certainly there was a high probability of some gold losses in processing. Drillers also had potentially not reached bedrock or had drilled through old workings. After using auger drilling on Dominion and Indian River for over 20 years, Gimlex has developed drilling and sampling techniques that are more reliable and has re-drilled some areas.

The Detailed Drill Hole Location Map (Figure 6) shows that bedrock is rising to the southeast towards present day Dominion Creek. Also evident are higher gold values associated with deeper bedrock which is part of an older channel of the creek. There could be several discrete channels in the target areas as bedrock is high in hole C-17(25') and low in hole N-15 (45') and deeper holes 14-2 (57') and 93-13 (45') did not contain any bedrock that could be identified. Both of these deep holes had a lot of sandy gravel which could be caved material in old underground workings.

The best two holes 14-3 (410 mg) and C-19(232 mg) intersected bedrock at depths of 36 and 37 feet. Hole 14-3 contained a 352 mg nugget and 58 mg of finer gold and there in no current available information about the gold in C-19 (probably in camp). It does not take a lot of nugget material to influence overall grade but it is well known that it is difficult to evaluate nugget ground by drilling as it is rare to find a nugget in a drill sample. It is hard to know how meaningful any such sample may be, but more drill holes could help evaluate if nuggets are a significant percentage of the placer resource. In our 1994 to 96 cuts just to the northeast small nuggets under ¼ ounce were very significant.

The potential value of a deposit can be roughly estimated based on assumptions about the size and grade of what could be present in the target area. For 7 3/8" augers(nominal 8" augers---the bit is 8") the mg(weight) of gold recovered may be converted to mg/sq ft by multiplying by 3.4 (based on the cross sectional area of the auger) and if the average grade was 45 mg it would be equivalent to 153 mg per sq/ft of raw gold Suppose a minimum size target averaging 45 mg might be 100 x 3000 feet

in size and would contain 100x3000x153/1000 grams of raw gold equal to 45900 g or 1476 raw oz. A larger 200 foot wide area of the same grade would contain 2934 raw oz or at 84% pure 2465 fine oz worth about $3.7 million at $1500 Cdn. If the gold occurs at the bottom of the section and is 2 yards thick 153 mg /sq ft is approximately equivalent to a grade of .021 raw oz per bank cu yd. but this figure assumes you know where the gold is in the section. If you work with mg/sq ft it is simple to estimate the gold content of an area but when you come to mine it, a considerable amount of testing is required to determine where to start sluicing.

Table 4.*1993/94 Drill Results- Dominion Creek*

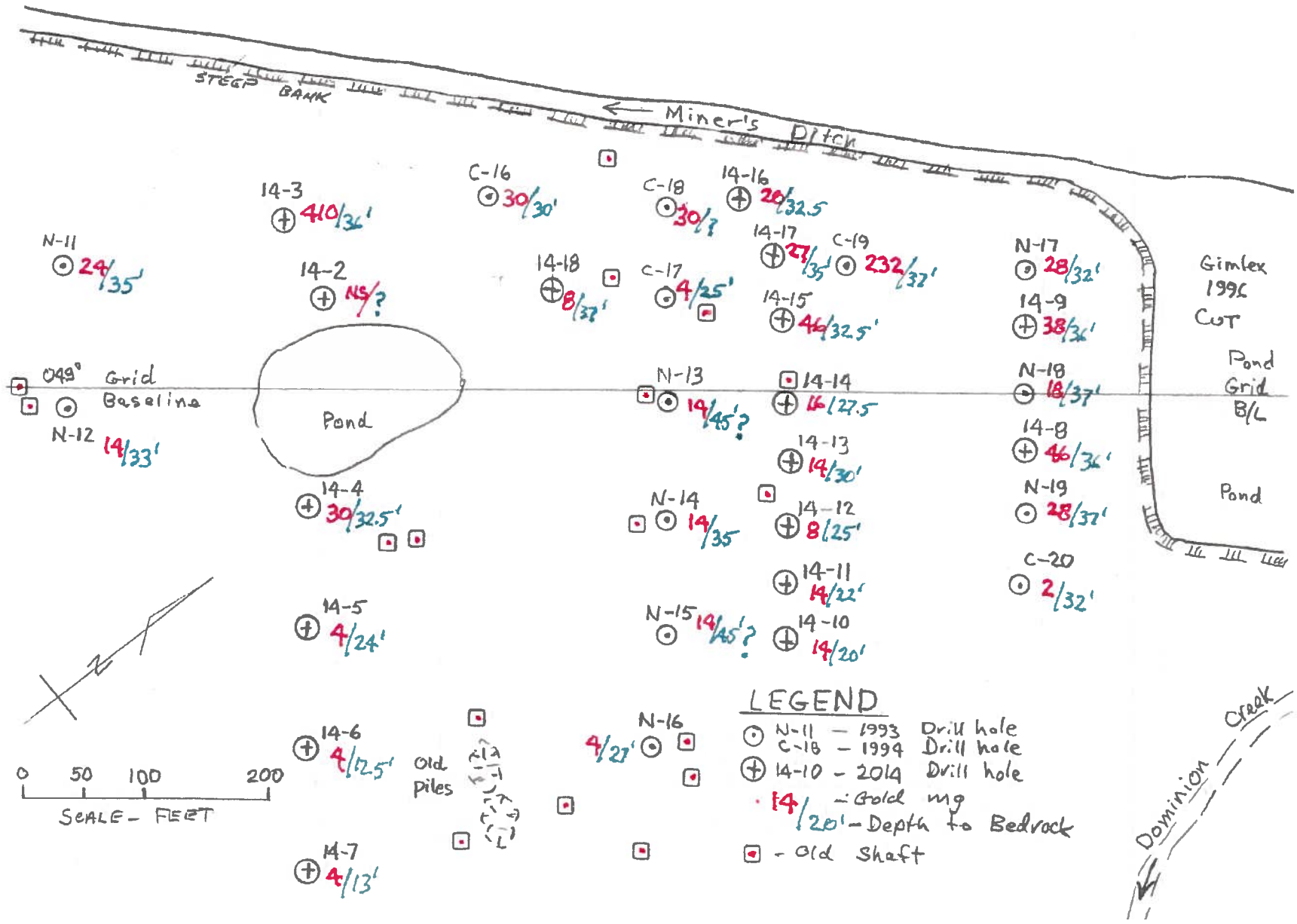
Drill Hole	Au (mg)*	Depth to Bedrock
93-N-11	24	35
N-12	14	33
N-13	14	45?
N-14	14	35
N-15	14	45
N-16	4	29
N-17	28	32
N-18	18	37
N-19	28	37
94-C-16	30	30**
C-17	4	25
C-18	30	/
C-19	232	37
C-20	2	32
*mg data taken from old map		
**depth to bedrock taken from old map		

Table 5. *Results from drill program in 2014.*

Drill Hole	Au (mg)	Depth to Bedrock
Dom 1	52	28?
Dom 2	-	59+?
Dom 3	410	36
Dom 4	30	32.5
Dom 5	4	24
Dom 6	4	12.5
Dom 7	4	13
Dom 8	46	36

Dom 9	38	36
Dom 10	14	20
Dom 11	14	22
Dom 12	8	25
Dom 13	14	30
Dom 14	16	27.5
Dom 15	46	32.5
Dom 16	20	32.5
Dom 17	26	35
Dom 18	8	37?

FIGURE 6: MAP OF AUGER DRILL HOLES and OLD SHAFTS



N

617200 617300 617400 617500 617600 617700 617800 617900 618000 618100 618200

7062300 7062200 7062100 7062000 7061900 7061800 7061700

12B

11B 2

Lucky Lady 3

11B 1

13B

14B

IT 10

15B

Miner's Ditch

Southern Boundary of Miner's Ditch

540

L50 L150 L200 L300 L400 L550 L700 L800 L900 L1025 L1150 L1275 L1375 L1500 L1625 L1750 L1850 L2000 L2150 L2275 L2400

15D-14 35 / 16 / 22
15D-66 37 / 32 / 24
15D-16 NS
15D-64 36.7 / 16 / 30+
15D-63 35 / 36 / 20
15D-17 NS
15D-62 35 / 29 / 31
15D-21 NS
15D-61 34 / 28 / 21
15D-20 NS
15D-69 35 / 72 / 23
15D-18 NS
15D-68 36 / 54 / 19
15D-19 NS
15D-22 NS
15D-23 30 / 4 / 13
15D-26 23 / 84 / 13
15D-27 26 / 16 / 13
15D-24 22 / 24 / 5
15D-28 22 / 4 / 9
15D-25 22 / 10 / 6
15D-31 52 / 24 / 31
15D-32 35 / 36 / 20
15D-33 31 / 16 / 21
15D-30 NS
15D-67 25 / 4 / 16
15D-29 25 / 14 / 10
15D-7 30 / 52 / 19
15D-8 25 / 36 / 16
15D-9 30 / 38 / 15
15D-10 21 / 22 / 13
15D-11 25 / 66 / 16
15D-34 27 / 58 / 12
15D-12 21 / 142 / 16
15D-35 28 / 26 / 14
15D-36 29 / 24 / 11
15D-37 26 / 26 / 11
15D-63 31 / 36 / 20
15D-38 NS
15D-64 30 / 32 / 20
15D-39 NS
15D-40 25 / 22 / 14
15D-41 25 / 14 / 13
15D-55 28 / 16 / 12
15D-42 NS
15D-1 28 / 38 / 18
15D-2 30 / 64 / 17
15D-3 29 / 76 / 20
15D-4 30 / 110 / 17
15D-43 25 / 26 / 13
15D-13 30 / 46 / 16
15D-44 28 / 56 / 18
15D-45 28 / 28 / 18
15D-46 22 / 20 / 15
15D-47 30 / 34 / 19
15D-48 25 / 14 / 17
15D-49 33 / 70 / 18
15D-50 26 / 46 / 20
15D-51 23 / 28 / 12
15D-52 25 / 22 / 17
15D-5 26 / 68 / 14
15D-6 21 / 12 / 6

N-17 32 / 24 / 17
14D-9 36 / 38 / 21
N-18 36 / 14 / 20
C-19 37 / 232 / 9
14D-8 38 / 40 / 19
N-19 37 / 26 / 19
C-20 30 / 2
14D-16 34 / 26 / 15
14D-17 35 / 28 / 20
14D-15 32.5 / 16 / 17
C-18 30 / 8
C-17 28 / 4 / 5
14D-14 27.5 / 16 / 14
C-16 39 / 40
14D-18 30+ / 8 / 12.5
N-13 45+ / 12 / 30+
14D-13 30+ / 14 / 17.7
14D-12 25 / 8 / 11.7
14D-11 28 / 14 / 16
14D-10 30 / 14 / 16
N-14 36 / 12 / 16
N-15 45 / 12 / 30
N-16 27 / 4 / 17
14D-3 36 / 410 / 18
14D-2 59+ / 45 / 44+
N-11 28 / 32 / 20
N-12 33 / 12 / 15
14D-4 32 / 30 / 16
14D-5 24 / 4 / 6.5
14D-6 12.5 / 4 / 8.5
14D-7 17.5 / 4 / 8
14D-1 30 / 52 /13

Beenie 1

Beenie 2

Beenie 3

Beenie 4

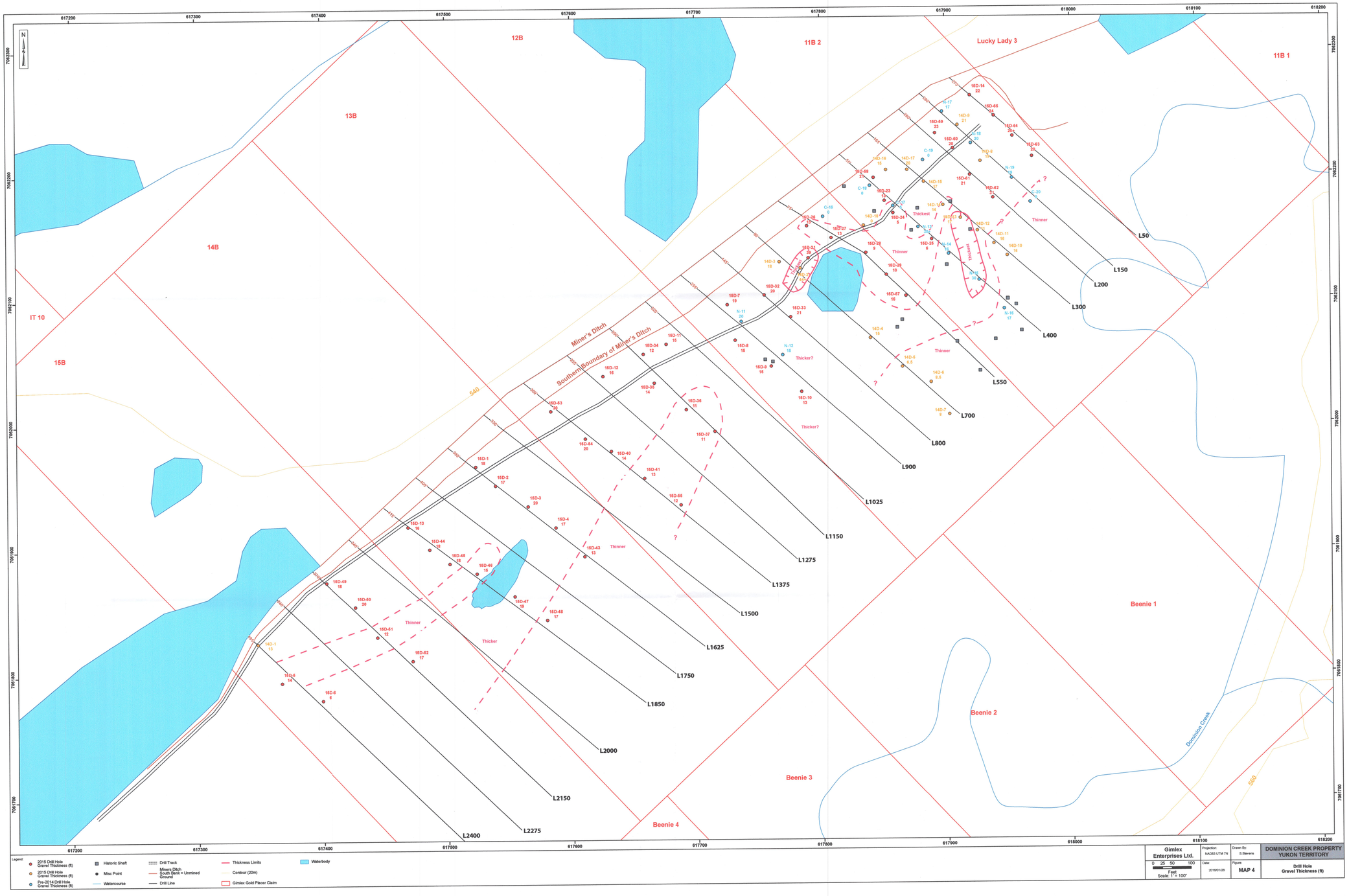
Dominion Creek

560

Legend:

- 2015 Drill Hole — Depth to Bedrock (m) / Au (mg) / Gravel Thickness (ft)
- 2015 Drill Hole — Depth to Bedrock (m) / Au (mg) / Gravel Thickness (ft)
- Pre-2014 Drill Hole — Depth to Bedrock (m) / Au (mg) / Gravel Thickness (ft)
- Historic Shaft
- Misc Point
- Watercourse
- Drill Track
- Miners Ditch — South Bank = Unmined Ground
- Drill Line
- Contour (20m)
- Gimlex Gold Placer Claim
- Waterbody

Gimlex Enterprises Ltd.	Projection: NAD83 UTM 7N	Drawn By: S.Stevens	DOMINION CREEK PROPERTY YUKON TERRITORY
0 25 50 100 Feet Scale: 1" = 100'	Date: 2016/01/26	Figure: MAP 1	Drill Hole Location, Depth to Bedrock, Au Results & Gravel Thickness



Legend:
- 2015 Drill Hole Gravel Thickness (ft)
- 2015 Drill Hole Gravel Thickness (ft)
- Pre-2014 Drill Hole Gravel Thickness (ft)
- Historic Shaft
- Misc Point
- Watercourse
- Drill Track
- Miners Ditch South Bank = Unmined Ground
- Drill Line
- Thickness Limits
- Contour (20m)
- Gimlex Gold Placer Claim
- Waterbody

Gimlex Enterprises Ltd.
0 25 50 100
Feet
Scale: 1" = 100'

Projection: NAD83 UTM 7N
Drawn By: S.Stevens
Date: 2016/01/26
Figure: MAP 4

DOMINION CREEK PROPERTY
YUKON TERRITORY
Drill Hole Gravel Thickness (ft)

N

617200 617300 617400 617500 617600 617700 617800 617900 618000 618100 618200

7062300 7062200 7062100 7062000 7061900 7061800 7061700

12B 11B 2 Lucky Lady 3 11B 1

13B

14B

IT 10

15B

Beenie 1

Beenie 2

Beenie 3

Beenie 4

Miner's Ditch

Southern Boundary of Miner's Ditch

Dominion Creek

Lower Target Area

Higher

Depression

L50 L150 L200 L300 L400 L550 L700 L800 L900 L1025 L1150 L1275 L1375 L1500 L1625 L1750 L1850 L2000 L2150 L2275 L2400

15D-1 28
15D-2 30
15D-3 29
15D-4 30
15D-5 25
15D-6 21
15D-7 20
15D-8 28
15D-9 30
15D-10 21
15D-11 25
15D-12 21
15D-13 20
15D-14 35
15D-15 27
15D-16 34
15D-17 36
15D-18 37
15D-19 36
15D-20 32
15D-21 30
15D-22 30
15D-23 30
15D-24 22
15D-25 22
15D-26 22
15D-27 28
15D-28 22
15D-29 28
15D-30 32
15D-31 32
15D-32 35
15D-33 31
15D-34 27
15D-35 28
15D-36 29
15D-37 26
15D-38 30
15D-39 30
15D-40 25
15D-41 25
15D-42 30
15D-43 28
15D-44 25
15D-45 26
15D-46 22
15D-47 30
15D-48 25
15D-49 33
15D-50 25
15D-51 23
15D-52 26
15D-53 31
15D-54 30
15D-55 28
15D-56 25
15D-57 25
15D-58 36
15D-59 35
15D-60 35
15D-61 34
15D-62 38
15D-63 35
15D-64 38
15D-65 37
15D-66 35
15D-67 25

14D-1 30
14D-2 32
14D-3 36
14D-4 32
14D-5 24
14D-6 12.5
14D-7 17.5
14D-8 35
14D-9 36
14D-10 30
14D-11 28
14D-12 28
14D-13 30
14D-14 27.5
14D-15 12.5
14D-16 34
14D-17 36
14D-18 37
14D-19 36

C-16 30
C-17 32
C-18 30
C-19 37
C-20 25

N-11 35
N-12 33
N-13 45
N-14 34
N-15 45
N-16 27
N-17 32
N-18 37
N-19 37

Legend:

- 2015 Drill Hole Depth to Bedrock (ft)
- 2015 Drill Hole Depth to Bedrock (ft)
- Pre-2014 Drill Hole Depth to Bedrock (ft)
- Historic Shaft
- Misc Point
- Watercourse
- Drill Track
- Miners Ditch South Bank = Unmined Ground
- Drill Line
- High/Low Limits
- Contour (20m)
- Gimlex Gold Placer Claim
- Waterbody

Gimlex Enterprises Ltd.	Projection: NAD83 UTM 7N	Drawn By: S.Stevens	DOMINION CREEK PROPERTY YUKON TERRITORY
0 25 50 100 Feet Scale: 1" = 100'	Date: 2016/01/26	Figure: MAP 3	Drill Hole Depth to Bedrock (ft)

617200 617300 617400 617500 617600 617700 617800 617900 618000 618100 618200

7062300 7062200 7062100 7062000 7061900 7061800 7061700

N

12B 11B 2 Lucky Lady 3 11B 1

13B

14B

IT 10

15B

East Block 437 03

West Block 3459 03

West Block 3459 03

Miner's Ditch

Southern Boundary of Miner's Ditch

Trail Cut Off Line

Dominion Creek

Beenie 1

Beenie 2

Beenie 3

Beenie 4

L50 L150 L200 L300 L400 L550 L700 L800 L900 L1025 L1150 L1275 L1375 L1500 L1625 L1750 L1850 L2000 L2150 L2275 L2400

15D-14 16
15D-66 32
15D-64 14
15D-63 36
15D-69 72
15D-60 64
15D-61 28
15D-62 32
15D-58 44
15D-23 4
15D-24 24
15D-26 24
15D-27 16
15D-28 4
15D-29 14
15D-30 8
15D-31 24
15D-32 36
15D-33 16
15D-7 52
15D-8 36
15D-9 38
15D-11 66
15D-34 68
15D-12 142
15D-35 26
15D-36 24
15D-53 36
15D-54 22
15D-40 22
15D-1 38
15D-2 54
15D-3 76
15D-4 110
15D-41 14
15D-65 18
15D-37 26
15D-10 22
15D-43 26
15D-47 34
15D-48 14
15D-13 46
15D-44 56
15D-46 29
15D-48 20
15D-49 70
15D-50 46
15D-61 28
15D-82 22
15D-5 68
15D-6 12

14D-1 52
14D-3 410
14D-4 30
14D-5 4
14D-6 4
14D-7
14D-8 40
14D-9 38
14D-11 14
14D-12 8
14D-13 14
14D-14 16
14D-15 16
14D-16 26
14D-17 16

N-11 22
N-12 12
N-13 12
N-14 22
N-15 12
N-16 14
N-17 24
N-18 14
N-19 26

C-16 40
C-17 4
C-18 14
C-19 232
C-20 8

540 500

Legend:
- 2015 Drill Hole Au (mg)
- 2015 Drill Hole Au (mg)
- Pre-2014 Drill Hole Au (mg)
- Historic Shaft
- Misc Point
- Watercourse
- Drill Track
- Miners Ditch South Bank = Unmined Ground
- Drill Line
- Trail Cut Off Line
- Contour (20m)
- Gimlex Gold Placer Claim
- Waterbody

Gimlex Enterprises Ltd.	Projection: NAD83 UTM 7N	Drawn By: S.Stevens	DOMINION CREEK PROPERTY YUKON TERRITORY
0 25 50 100 Feet Scale: 1" = 100'	Date: 2016/01/26	Figure: MAP 2	Drill Hole Au (Mg) Results