

YEIP
05-007
2005

YMIP05-007

**Final Report
Target Evaluation Module**

**Nugget Gulch
2005 Exploration Season**

NTS 115-O-14

**For
Y.M.I.P.**

**By
Bernie Kreft**

August 28th, 2005

Project Location – Nugget Gulch is located at 139°11' W/63°52' N, on NTS map 115-O-14 in central Yukon Territory, approximately 24km SSE of Dawson City. The property consists of four 500 foot long placer claims (P45183-185, P45187) located within the Dawson Mining District.

Access – Access was achieved by truck from Dawson City, via the Bonanza Creek road. Total distance one-way is approximately 25 kilometres with a travel time of about 0.4 hour. Local access was initially done by quad. A small amount of roadwork was completed using a D-7 bulldozer, and now truck access is possible to the upstream end of the property.

Target – The target is a placer gold deposit within a frozen, overburden covered, channel.

Work Program – Work by the applicant during the 2005 field season consisted of surficial mapping, auger drilling (6 holes, 129.5 feet) one excavator pit to bedrock and a small amount of claim staking. Surficial mapping involved basic prospecting along with a hip-chain and GPS survey taking the form of several cross-sections of the creek valley. Auger drilling was conducted using a 6-inch bombardier mounted drill operated by Henry Reinink. A single excavator pit to bedrock was cut approximately 125 metres upstream from previous workings; material excavated was panned to assess the gold content of the gravel. One claim was staked adjoining the upstream end of the property.

Results – Surficial mapping shows that the valley bottom width varies from 11.0 metres to 16.6 metres, and that stripping ratios will rapidly increase away from these widths due to steep banks. For details see cross-sections at back of report. Auger drilling successfully encountered gold in the 10-30 milligram range in every hole except for the upstream-most one, which was collared in slide-rock and entered bedrock without encountering gravels. The complete stratigraphic interval in each hole was found to be thawed. For full details see drill logs at back of report. The excavator pit to bedrock totaled 5.5 metres deep and confirmed both the continuation of the deep channel on the left limit of the valley, as well as the presence of gold within the channel. Only pan sampling of excavated material was undertaken, therefore no definitive grade can be given other to say that the gravel was auriferous. One claim was staked on recently expired ground 500 ft upstream from the property boundary, and subsequently the intervening claim was purchased from the property holder.

Reclamation – All necessary permits were applied for, received, and are in good standing. Reclamation associated with the work program has been completed. All work sites and roads were left in a stable manner to prevent erosion. Stream crossings were kept to a minimum and stream banks (where crossed) were left in a stable manner. All garbage and debris pertaining to the exploration work was removed from the site and deposited in the Dawson City dump.

Conclusions – Auger drilling and excavator trenching successfully confirmed a minimum 380 metre continuation of the Nugget Gulch paystreak upstream of the previous workings. This extension contains approximately 175 ounces of gold. Exploration and mining shows that stripping ratios likely average about 2:1. Based on costs totaling \$2.75 per cubic yard moved, the break even point on the creek is at grades of about 1 ounce of gold every 54 cubic yards. Bulk mining of the Nugget Gulch paystreak shows grades averaging 1 ounce of gold every 40 cubic yards based on a 24 foot wide cut and a 6 foot sluicing depth. Gold purity was taken at an assumed grade of 83%.

Recommendations – Further work should be accomplished on the claims recently acquired through staking and purchase. Several (2-3) drill-lines designed to cross-cut the valley bottom will be needed to confirm the presence and location of the deep channel in this area. To date deposit characteristics have remained constant (ie deep channel on left limit 20-24 feet wide grading 1 ounce in 40 yards) so limited work will be needed to prove continuations to the previously established norm.

Work Details

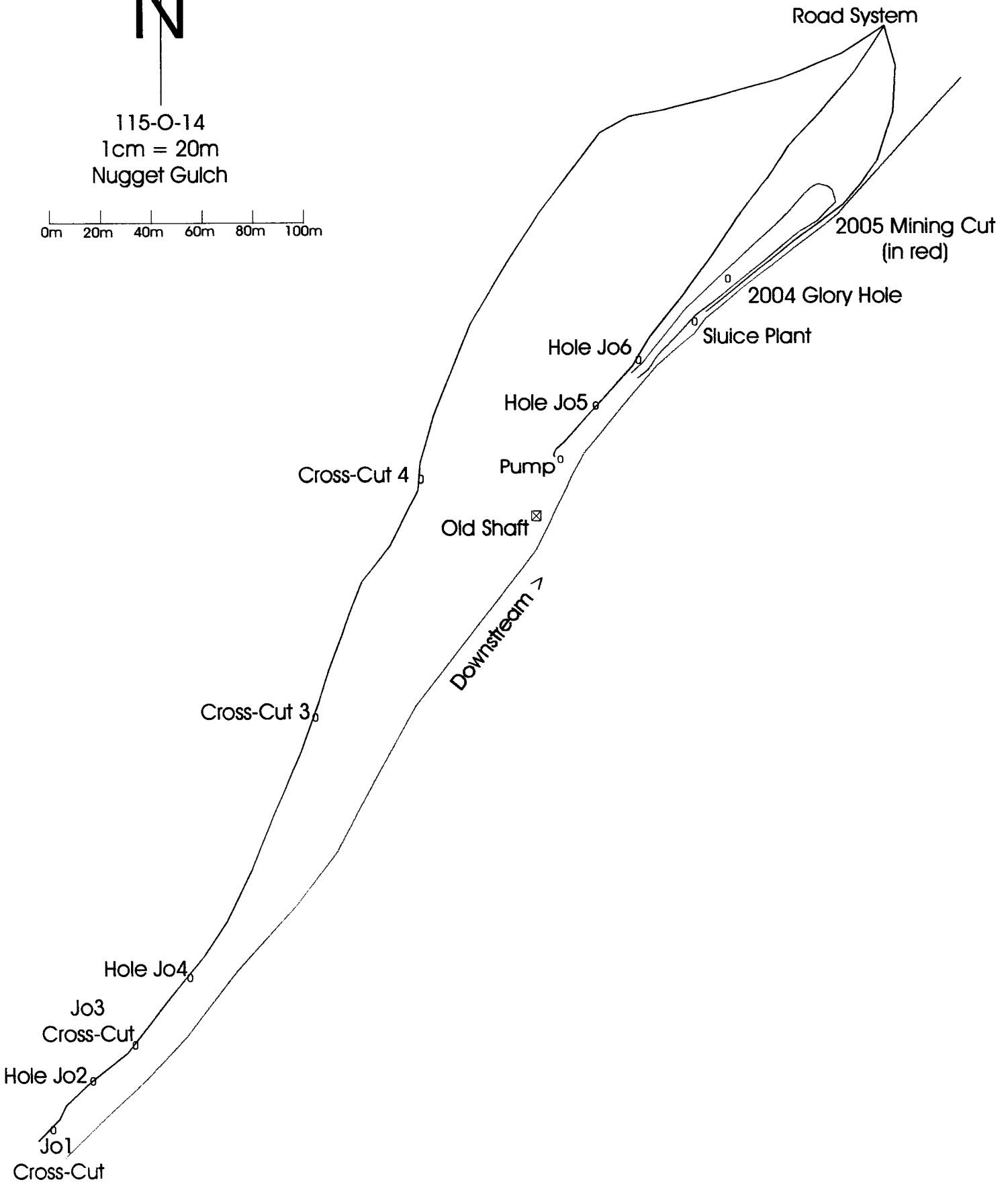
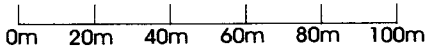
- June 2005 prospecting by Bernie Kreft
- June 15th road building by Erwin Kreft and helper
- June 16th-18th auger drilling and sample processing Erwin Kreft and helper
- July 2005 excavator pit to bedrock by Erwin Kreft and helper
- August 4th surficial mapping by Bernie Kreft

Project Costs

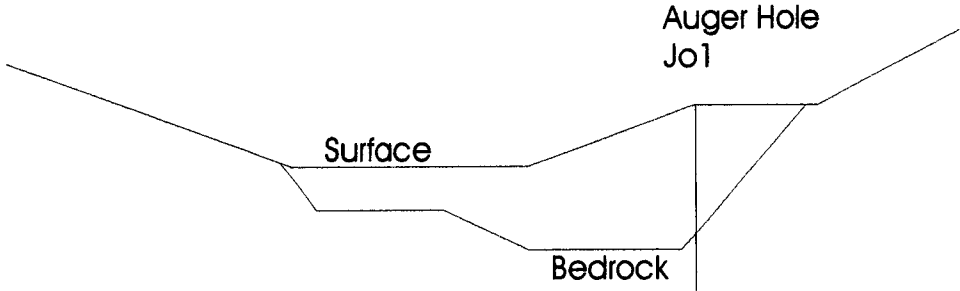
Wages Manager (5 days x \$250/day)	= \$1250.00
Wages Helper (5 days x \$150/day)	= \$750.00
Wages B.Kreft (2 days x \$300/day)	= ✓ \$600.00
John Deere 892e excavator (\$125/hr; 7 hours)	= ✓ \$875.00
D7 Bulldozer (road construction \$100/hr)	= ✓ \$650.00
Auger Drilling (129.5 feet)	= ✓ \$1834.66
Food And Camp Supplies (12 days x \$35/day)	= ✓ \$420.00
Truck Costs (1600 km x \$0.48/km)	= ✓ \$768.00
Report Preparation (\$1500)	= ✓ \$1500.00
Reclamation (excavator backfilling trenches etc)	= ✓ \$300.00
ATV Rental (1 day x \$150/day)	= ✓ <u>\$150.00</u>
TOTAL	= \$9097.66



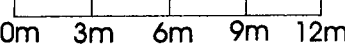
115-O-14
1cm = 20m
Nugget Gulch



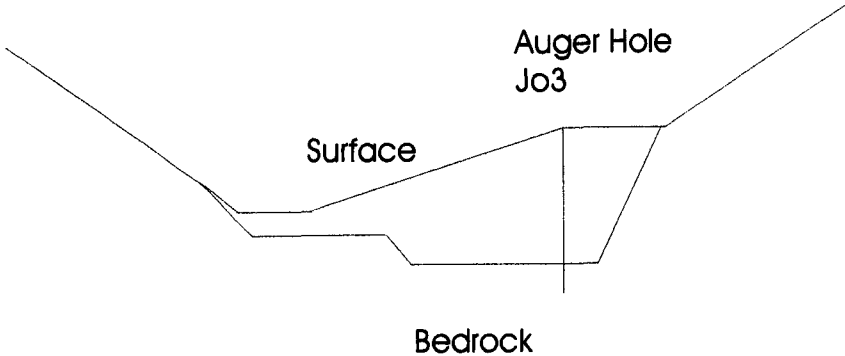
View Looking Upstream
Coordinates Given For Drill Collar



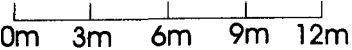
Jo1 Cross-Cut
At 583476E/7084237N
NAD 27 1:300



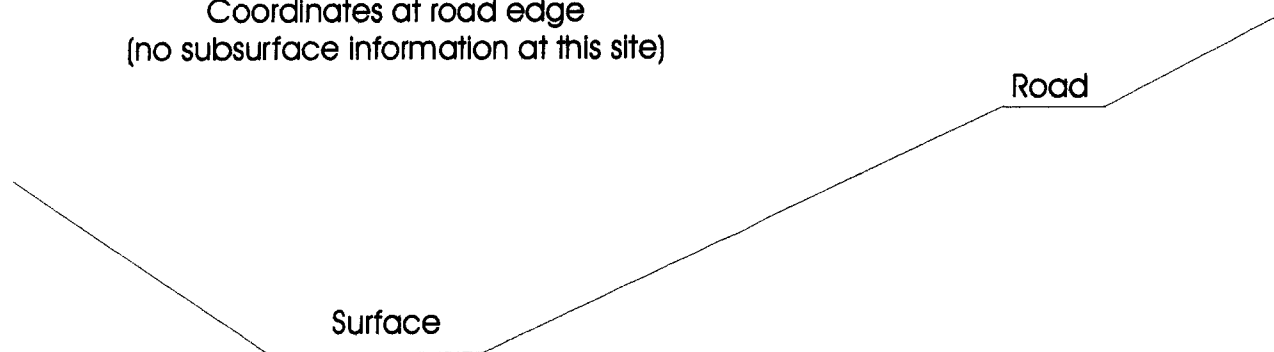
View Looking Upstream
Coordinates Given For Drill Collar



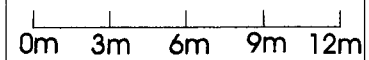
Jo3 Cross-Cut
At 583509E/7084270N
NAD 27 1:300



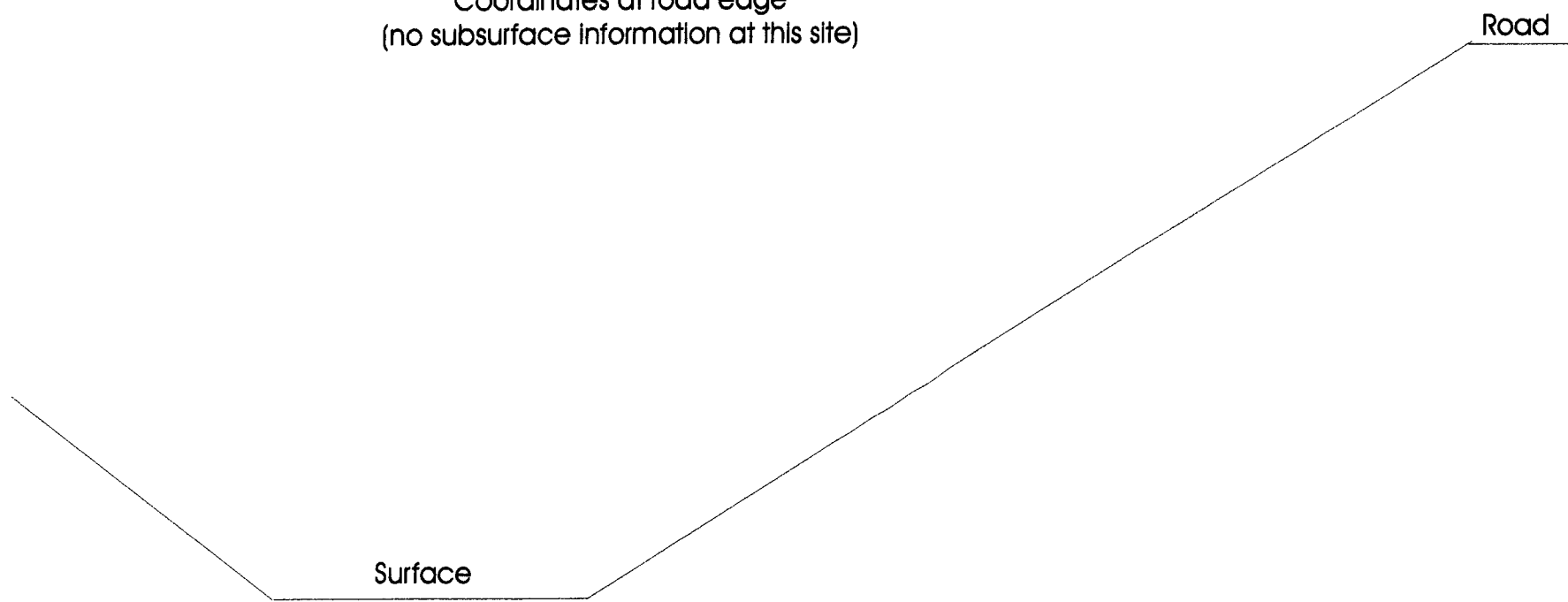
View Looking Upstream
Coordinates at road edge
(no subsurface information at this site)



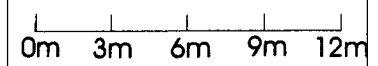
Cross-cut 3
At 583582E/7084398N
NAD 27 1:300



View Looking Upstream
Coordinates at road edge
(no subsurface information at this site)



Cross-Cut 4
At 583624E/7084492N
NAD 27 1:300



Placer Drill Log

Date Stamp

Date: June 16, 17, 2005 Driller: Henry Reinink
 Type of drill: auger Inside Diameter of Drill: 6"
 Location: Right Limit Nygget Gulch Map # 115014e
 Lease or Grant Numbers: Jamie Claim P45559

Drill Hole Number	Total Footage	Breakdown In feet	Materials encountered	Remarks: Samples / Results
J01	24'	0-19	- slides	
		19-25	- gray bed.	- sampled bottom 3 1/4 buckets
J02	19'	0-14	- mud, slides	
		14-20	- bedrock	- " " 3 1/4 "
J03	21 1/2	0-16	- mud, slides, mud	
		16-21 1/2	- bedrock	- " " 3 1/4 "
J01	No Gold			
J02	Medium #	20 fine p's	5mg	
J03		12 fine p's	5mg	
J04	Medium #	10 fine p's	20mg	
J05		8 fine p's	10mg	
J06		8 fine p's	40mg	
	6 1/2			

Date: June 18, 2005 Signed (Driller or Representative): [Signature]
 (map see over)

Placer Drill Log

Date Stamp

Date: June 17, 2005 Driller: Henry Reinink
 Type of drill: auger Inside Diameter of Drill: 6"
 Location: Right Limit Nugget Gulch Map # 115014e
 Lease or Grant Numbers: P45183, Star P45185, EK1

Drill Hole Number	Total Footage	Breakdown In feet	Materials encountered	Remarks: Samples / Results
J04	21 1/2'	0 - 16	- mud slides mud	
		16 - 21 1/2	- bedrock	sampled bottom 3 1/2 buckets
J05	21'	0 - 15	- mud	
		15 - 18	- muddy rock	
		18 - 21	- bedrock - green	" " 3 "
J06	22 1/2'	0 - 13	- mud	
		13 - 18	- muddy rock	
		18 - 22 1/2	- yellow bedrock	" " 3 "
	65			

Date: June 18, 2005 Signed (Driller or Representative): [Signature]
 (see over)



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