

Information Summary Target Evaluation Module Hunker Project

Location – The Hunker Project is located in the Dawson Mining District on NTS mapsheet 115-O-15i at approximately 63° 56' north and 138° 54' east. The area to be explored occurs along Hunker Creek, between left limit tributary Mint Gulch (Pup) and right limit tributary Ontario Creek, just upstream from Hunker Creek Discovery claim. The property consists of 9 full claims and two fractions as follows: P49014 to P49020, P45615 (fr), P29114 to P29115 and P48683 (fr). See attached map.

Access – Access will be achieved by truck from Dawson via the Hunker Creek road. Travel time from Dawson is approximately 35 minutes.

Target Description – The target is a technogenic placer deposit.

In many areas of the Yukon, previous mining in traditional areas has not recovered all of the placer gold which originally lay within the gravels and bedrock. Using a combination of research, modern exploration techniques and modern mining methods, it is possible to revisit many of these deposits and economically recover placer gold. Due to several factors which include good road access, thawed ground and little or no overburden, these “technogenic” deposits in the short term may be more profitable than developing new placer deposits in new, non-traditional areas (Laberge 2005).

Potential technogenic targets on the Hunker Project include: 1) previously undiscovered channels obscured by bedrock remnants; 2) pillars of original gravel covered by dredge tailings; 3) pockets of original gravel in undulating bedrock; 4) remnants of original gravels on valley sides. Currently there are numerous placer operations active along Hunker Creek exploiting this deposit setting.

In discussions with Herman Liedtke, long-time placer miner of the property immediately downstream of the Hunker project, it was learned that the best results from his mining efforts were from remnants of gravel on valley sides, as well as from pillars of original gravel covered by dredge tailings. Results were occasionally spectacular, with yields of up to 0.5 ounces of raw gold per yard while mining with heavy equipment and using a basic recovery system, and a recovery of +/- 68 ounces of gold by panning over the course of an afternoon. Gold generally occurred as flattened or rounded chunks and nuggets up to 5 ounces in weight.

A thorough literature search encountered no documentation indicating that any work has been completed subsequent to the dredging in 1917. Using Google Earth to view the project area, it is apparent that the vast majority of the project (apart from a few minor scraped areas) is covered by heavily overgrown dredge tailings. This is consistent with the proponents analysis of the area from time spent travelling past this property.

Although there are no absolutes regarding deposit characteristics in a disturbed setting such as this, the following information is from a property located approximately 8 kilometres downstream and is thought to be relevant:

The section on the left limit of Hunker Creek mined in August 2005 consisted of 12 feet (4 m) of 'chunky' dredge tailings on bedrock, all of which was sluiced. In 2006, more dredge tailings were sluiced and dredge mud was stripped to reveal intact virgin gravel which had been buried. This virgin ground was sluiced along with several feet of bedrock. Hunker Creek gold recovered from dredge tailings on the left limit in August 2005 consisted of small nuggets, which ranged in fineness from 800 to 820. In 2006, the gold from the dredge tailings was very fine grained, while the virgin ground produced some nuggets. The fineness was 800.

Reason/Rationale – Miners have been successfully mining dredged ground located along historically rich creeks such as Bonanza, Eldorado, Dominion and Hunker since at least the gold spike of 1979-1980. The recent recognition by Laberge of this setting forming a distinct deposit type is an indication of its importance in the Yukon's placer mining industry. This section of Hunker Creek was historically one of the richer areas in the Klondike on a per cubic metre basis, and yet has remained un-mined since being dredged in 1917. Numerous operations are, and have been, active along Hunker downstream as well as upstream from this site, sluicing this type of deposit. Assuming a total property length of 1500 metres, average width of about 25 metres and depth of 7 metres, there is approximately 262500 cubic metres of potentially mineable ground to be assessed. This volume of gravel is sufficient to support a medium to large operation for 3-4 years. Further work is necessary to test the economic potential of this portion of Hunker Creek.

Work Program – Work will consist of reconnaissance prospecting followed by auger drilling (+/- 15 holes) as well as small-scale bulk-sampling. Drilling will be concentrated along valley margins in an effort to define areas with potential to host significant sized remnants of original gravels adjacent to the walls. A few holes will be drilled in the centre of the valley in an effort to assess the depth and stratigraphic composition of the centre of the deposit. Two bulk samples, +/- 100 cubic metres each in size, will be taken from tailings located in the centre of the valley in an effort to define the average grade that can be expected from this portion of the deposit.

Reclamation – All permits necessary for the completion of the program will be applied for and received prior to starting work. Reclamation will be completed as required and/or requested by the regional land-use office. This work will include, but not be limited to, the removal of all garbage generated during the course of the program, as well as the back-filling of the test pits and the proper disposal of vegetation destroyed.

Reporting Of Results – An assessment style report meeting Mining Recorder requirements will be produced upon completion of the program. This report will include all sample results, sample descriptions, maps/figures, drill logs, bulk sample results and geological observations noted, produced or received during the course of the program, in addition to conclusions and recommendations for further work.

Program Duration Estimate

2 people x 8 days = 16 man days

Project Budget

Daily Living Allowance 2 people x 8 days x \$35/day	=	\$560.00
Truck Travel 1500 km x \$0.50/km	=	\$750.00
Wages Helper 8 days x \$300/day	=	\$2400.00
Wages B.Kreft 8 days x \$350/day	=	\$2800.00
Auger Drilling 15 holes x 30ft/hole x \$14/ft	=	\$6300.00
Sluice plant and pump rental	=	\$1500.00
Excavator rental 25 hours x \$100/hr wet no operator	=	\$2500.00
Trucking to and from site	=	\$1200.00
Report Writing	=	<u>\$1500.00</u>
TOTAL	=	\$19510.00

