

DAN KLIPPERT

**TARGET EVALUATION  
OF PLACER DEPOSITS IN THE  
SULPHUR CREEK AREA,  
YUKON TERRITORY**

Dan Klippert

Location: 63° 44' N 138° 52' W  
NTS: 105 O 10 & 15  
Mining District: Dawson, YT  
Date: 17 Feb 2010

## SUMMARY

This report describes exploration and sampling conducted near Sulphur Creek south of Dawson in the Dawson mining district. The program was conducted from May 1 to November 1, 2009 to evaluate the potential of placer deposits in the Sulphur Creek area.

The work was performed by a one man crew based out of a camp located on the property. The work performed included excavating a test trench and 10 sample pits located in the Upper Sulphur block. The samples were taken to a stationary recovery plant to determine the grades.

The grades recovered from the samples showed good grades of placer gold.

**TABLE OF CONTENTS**

1.0 INTRODUCTION ..... 1

2.0 LOCATION AND ACCESS ..... 1

3.0 PROPERTY DESCRIPTION ..... 1

4.0 GEOLOGY ..... 2

5.0 DESCRIPTION OF WORK PROGRAM ..... 2

    5.1 Sampling Procedures ..... 3

    5.2 Sampling Locations ..... 3

    5.3 Sampling Results ..... 3

6.0 CONCLUSIONS ..... 5

7.0 RECOMMENDATIONS ..... 5

REFERENCES CITED ..... 6

APPENDIX A. STATEMENT OF COSTS & RECEIPTS ..... 8

**LIST OF FIGURES**

Figure 1. Project area location ..... Following page 1

Figure 2. Claim map ..... Following page 1

Figure 3. Regional geology ..... Following page 2

Figure 4. Claims & Workings ..... Following page 3

## 1.0 INTRODUCTION

This report describes exploration and sampling conducted near Sulphur Creek in the Dawson Mining District, Yukon Territory. This work was conducted to evaluate the potential of placer deposits in the Sulphur Creek area.

## 2.0 LOCATION AND ACCESS

The Sulphur Creek Property is located on Sulphur Creek in the Dawson Mining District and is centred at approximately 63° 44' N 138° 52' W (Figure 1). The property is accessible by road during the summer months using the following route:

From	To	Distance (km)	Remarks
Dawson	Hunker Creek Road	14.3	Klondike Highway
Hunker Creek Road	Hunker Summit	26.0	Maintained road
Hunker Summit	Sulphur Creek Road	3.2	Maintained road
Sulphur Creek Road	North boundary of the property above Meadow Creek	8.6	Maintained road

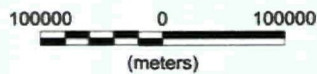
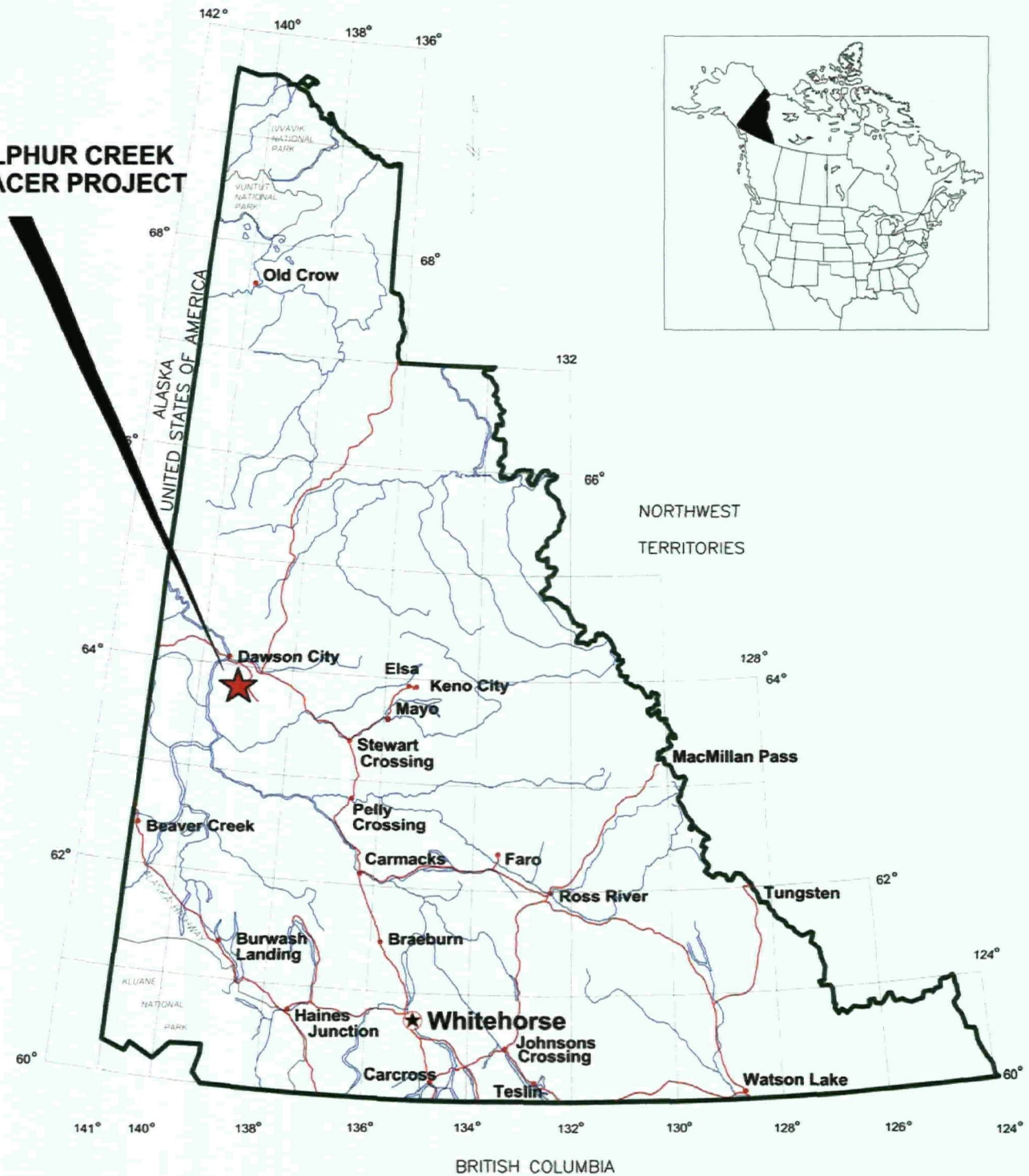
## 3.0 PROPERTY DESCRIPTION

The Sulphur Creek Property consists of 30 Placer Claims staked under the Yukon Placer Mining Act and recorded in the Dawson Mining District. The claim locations are shown in Figure 2. The property is divided into two blocks - the Upper Sulphur and Lower Sulphur Blocks. Property information for the Upper Sulphur Block is summarized below<sup>1</sup>:

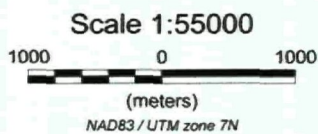
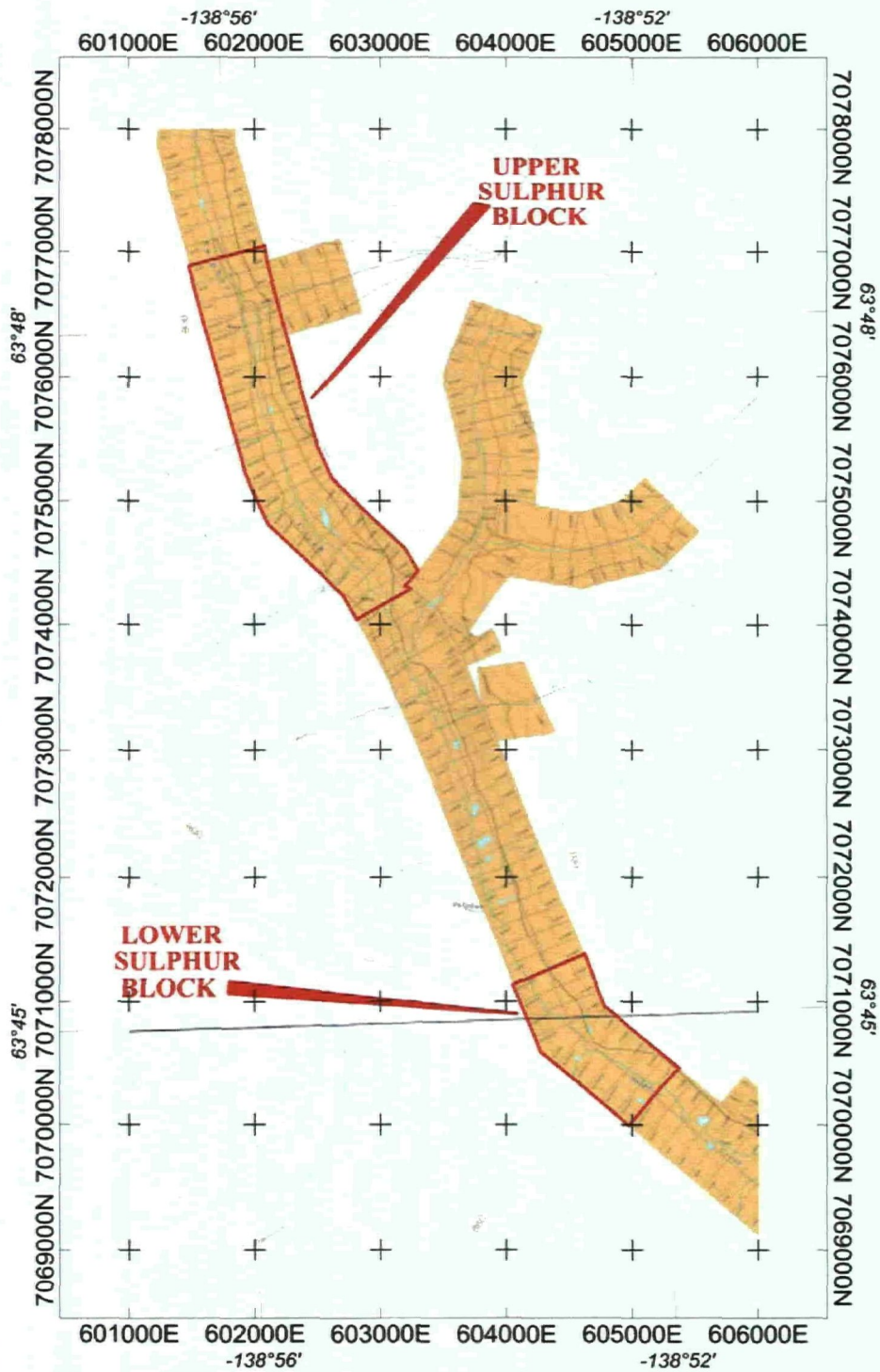
Claim name	Record Number	Expiry Date
23 AD	433	10 Nov 2010
24 AD	429	10 Nov 2010
25 AD	32079	10 Nov 2010
Sulphur 1 - 16	P 09685 - P 09700	10 Nov 2010

<sup>1</sup> Claim information as of 03 Mar 2010 as posted on the Yukon Mining Recorders website ([www.yukonminingrecorder.ca](http://www.yukonminingrecorder.ca))

# SULPHUR CREEK PLACER PROJECT



<b>DAN KLIPPERT</b>	
<b>SULPHUR CREEK PLACER PROJECT</b>	
<b>Figure 1. Property Location Map</b>	
NTS: 115 O10 & 15	Mining District: Dawson
Datum: NAD83	Projection: Albers - Yukon
Job: DKE-9517-YT	Date: 20 Mar 09
<b>AURORA GEOSCIENCES LTD.</b>	



<b>DAN KLIPPERT</b>	
<b>SULPHUR CREEK PROJECT</b> <b>Figure 2. Claim location map</b>	
NTS: 115 O 10 & 15 Datum: NAD83 Job: DKE-9518-YT	Mining District: Dawson Projection: UTM Zone 7N Date: 26 Mar 2009
<b>AURORA GEOSCIENCES (ALASKA) LTD.</b>	

Sulphur Gold 17	P 11273	10 Nov 2010
Sulphur Gold 18	P 11297	10 Nov 2010

The claims in the Upper Sulphur Block are 100% owned by Sulphur Gold Placers Ltd.

Property information for the Lower Sulphur Block is summarized below:

Claim Name	Record Number	Expiry Date
Sulphur 20 - 28	P 13551 - P 13559	10 Nov 2010

The claims in the Lower Sulphur Block are 100% owned by Dan Klippert.

#### 4.0 GEOLOGY

Figure 3 illustrates the bedrock geology in the area of the Sulphur Creek Property, extracted from Lowry *et. al.* (2002). The property is underlain by the rocks of the Klondike Schist Terrain, the rock unit which underlies all of the major placer creeks in the Klondike placer district and is the ultimate source for placer gold in the district.

LeBarge (2002) summarizes the surficial and placer geology of Sulphur Creek as being notable for the absence of large bench deposits and the fact that it is deeply incised into the surrounding topography.

#### 5.0 DESCRIPTION OF WORK PROGRAM

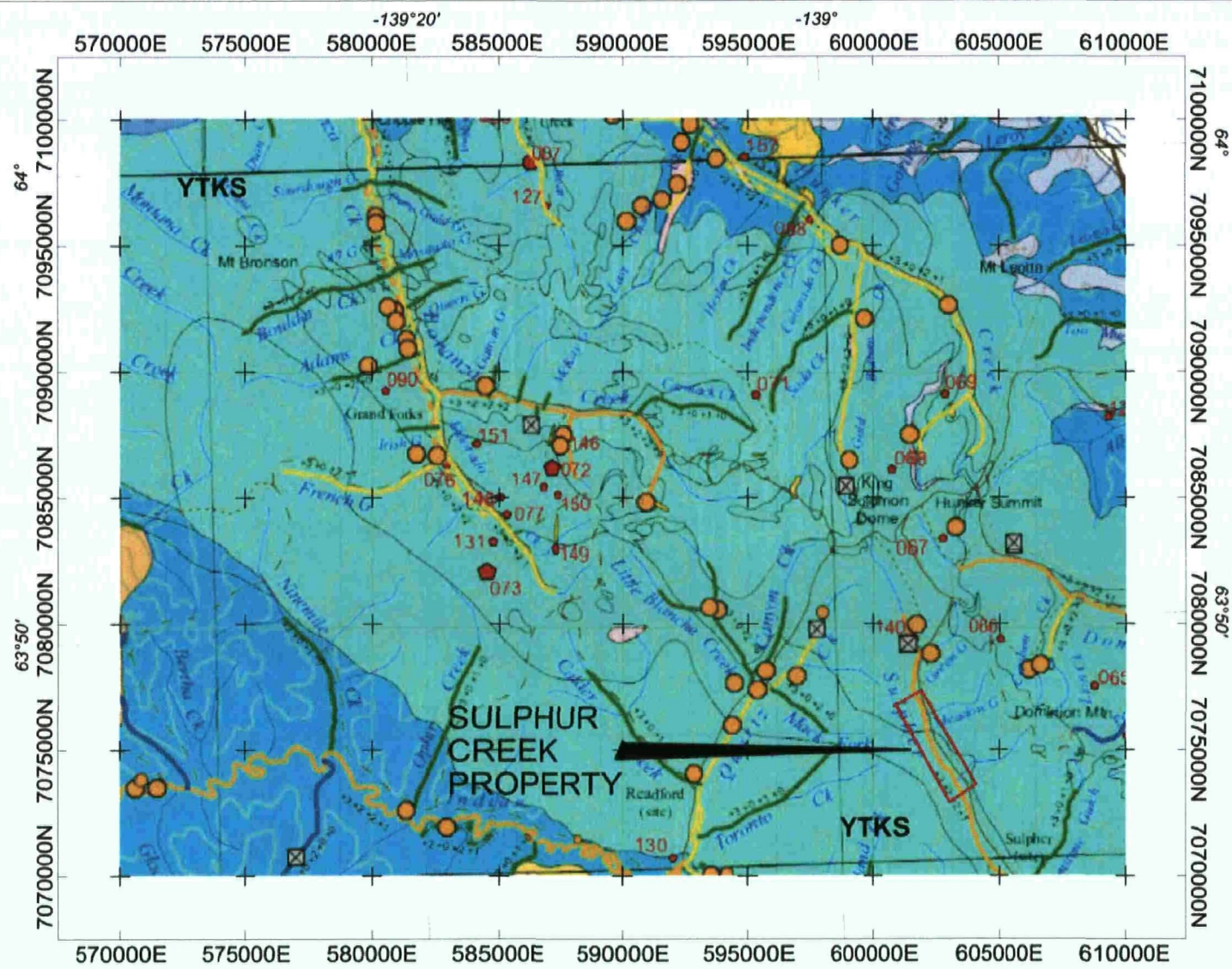
This section describes the excavation and sampling conducted in the project area between May 1, 2009 and November 1, 2009.

The work program was carried out using the following equipment:


<u>Equipment:</u>	Eagle 500 hp Tractor 50 ton Low boy CAT D8K bulldozer CAT 235 excavator CAT 966 loader Hitachi 330 excavator Kenworth 12 yd. dump truck 4x4 Pickup 4x4 Quad Isuzu 6 inch pressure pump
-------------------	---

The test trenches and pits were excavated and sampled in the Sulphur Creek Valley

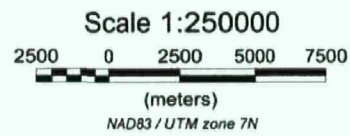




**YTKS** - Yukon Tanana - Klondike Schist

 - Producing placer creek

Geology modified after Lowry et. al. 2002



<b>DAN KLIPPERT</b>	
<b>SULPHUR CREEK PLACER PROJECT</b>	
<b>Figure 3 - Regional bedrock geology &amp; placer potential</b>	
NTS: 115 0 10 & 15	Mining District: Dawson
Datum: NAD83	Projection: UTM Zone 7N
Job: YMIP	Date: 25 Mar 09
<b>AURORA GEOSCIENCES LTD.</b>	

and bench from May through October utilizing the equipment listed above. Excavation commenced below the confluence of Meadow Gulch and Sulphur Creek. Through the 2009 season, a test trench was excavated across the valley floor towards the extreme left limit through a section of valley bottom where dredging and mechanical mining had previously occurred. The test trench was initially excavated across the valley floor to determine if any of the bedrock had been passed over by the #9 dredge. Through May and June of 2009, this test trench was extended to the extreme left limit of the valley. Through June and July, overburden was removed from the test sites and the bulk tests were processed. Three bulk test sites were also excavated on the right limit of the valley and processed.

### 5.1 Sampling Procedures

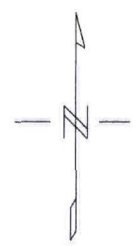
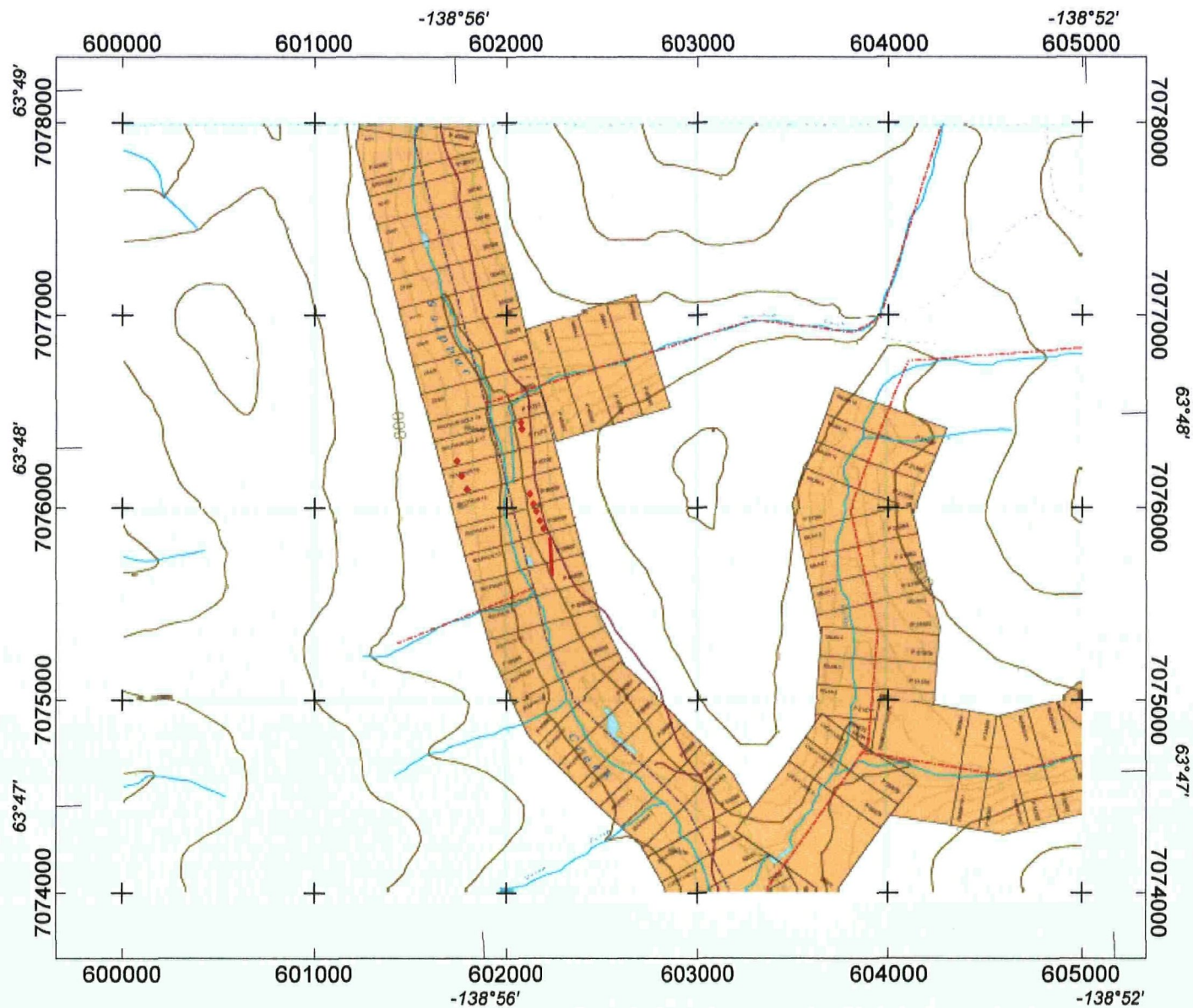
The samples were trucked to a stationary recovery plant and processed in batches. After each sample run, the processing plant was cleaned, gold recovered and grades calculated based on the recovered gold and the sample volume.

### 5.2 Sample Locations

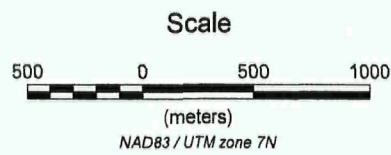
The location and designation of the sample pits and the 2009 excavation trench can be seen on Figure 4.

### 5.3 Sampling Results

Sample	Placer Gold (oz/yd <sup>3</sup> )	Black Sand	Sulphides	Notes
Pit 1	0.15	Coarse and plentiful	Fine and abundant	Overburden at this location consists of 20 to 30 feet of black mud overlying 3 to 6 feet of gravel on bedrock
Pit 2	0.15	Coarse and plentiful	Fine and abundant	Overburden at this location consists of 20 to 30 feet of black mud overlying 3 to 6 feet of gravel on bedrock
Pit 3	0.25	Coarse and plentiful	0	Overburden at this location consists of 20 to 30 feet of black mud overlying 3 to 6 feet of gravel on bedrock
Pit 4	0.15	Coarse and plentiful	0	Overburden at this location consists of 20 to 30 feet of black mud overlying 3 to 6 feet of gravel on bedrock



- 2009 Test Trench
- 2009 Sample Pits



<b>DAN KLIPPERT</b>	
<b>SULPHUR CREEK PROJECT</b>	
<b>Figure 4. Upper Sulphur Block - Claims &amp; Workings</b>	
NTS: 115 O 15 Datum: NAD 83 Job: DKE-9518-YT	Mining District: Dawson Projection: UTM Zone 7N Date: 03 Mar 2010
<b>AURORA GEOSCIENCES LTD.</b>	

Pit 5	0.05	Coarse and plentiful	0	Overburden at this location consists of 20 to 30 feet of black mud overlying 3 to 6 feet of gravel on bedrock
Pit 6	0.20	Coarse and plentiful	0	Overburden at this location consists of 30 to 40 feet of black mud overlying 3 to 6 feet of gravel on bedrock
Pit 7	0.17	Coarse and plentiful	0	Overburden at this location consists of 40 to 50 feet of black mud overlying 3 to 6 feet of gravel on bedrock
Pit 8	0.15	Coarse and plentiful	0	Overburden at this location consists of 20 to 30 feet of black mud with lenses of mixed gravels overlying 3 to 6 feet of gravel on bedrock
Pit 9	0.10	Coarse and plentiful	0	Overburden at this location consists of 20 to 30 feet of black mud with lenses of mixed gravels overlying 3 to 6 feet of gravel on bedrock
Pit 10	0.15	Coarse and plentiful	0	Overburden at this location consists of 20 to 30 feet of black mud with lenses of mixed gravels overlying 3 to 6 feet of gravel on bedrock

## 6.0 CONCLUSIONS

The 2009 test program was a success with many pits showing good grades of mineable placer gold. These test pits are very encouraging, showing potential for a long term placer mining operation.

## 7.0 RECOMMENDATIONS

While the 2009 test pits and trench were successful, many areas will need more exploration to determine placer grades and width of deposit into the valley walls. Exploration on the lower 10 claims of the Sulphur Gold Ltd claim package will be necessary to determine if there is enough mineable ground for a feasible long term operation.

Respectfully submitted,  
**AURORA GEOSCIENCES LTD.**

Shawn Walker, M Sc

**REFERENCES CITED**

LeBarge, W.P. (compiler) 2002. Yukon Placer Database 2002 - Geology and mining activity of placer occurrences. Exploration and Geological Services Division, Yukon Region, Indian and Northern Affairs Canada.

Lowry, G., S. Deforest and P. Lipovsky 2002 Stewart River Placer Project Resource Appraisal Map (1:250,000 scale). Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada. Open File 2002-6.

DAN KLIPPERT

**APPENDIX A. STATEMENT OF COSTS & RECEIPTS**

**JOB DKE-9518-YT SULPHUR CREEK  
PROJECT LOG & EXPENDITURES**

<b>Daily Living Expenses</b>	
1 person for 90 days @ \$50 / day	\$4,500
<b>Logistical Support</b>	
ATCO Camp rental 90 days @ \$110 / day	\$9,900
Truck Rental 20 days @ \$100 / day	\$2,000
<b>Equipment Rentals / Supplies</b>	
<b>May 1 to June 31 - Ripping and clearing Lower section of test trench</b>	
100 hrs D8K Dozer @ \$200 / hr	\$20,000
100 hrs 330 Excavator @ \$200 / hr	\$20,000
<b>July 1 to August 31 - Ripping and clearing Mid section of test trench</b>	
100 hrs D8K Dozer @ \$200 / hr	\$20,000
100 hrs 235 Excavator @ \$200 / hr	\$20,000
<b>July 1 to August 31 - Leveling and building access to test sites and hauling to plant</b>	
100 hrs Kenworth D / Truck @ \$125 / hr	\$12,500
100 hrs 330 Hitachi Excavator @ \$200 / hr	\$20,000
<b>Report Preparation</b>	
Aurora Geosciences Ltd.	\$2,000
<b>Total</b>	<b>\$130,900</b>

These cost estimates were provided by D. Klippert. I certify that they are true and correct to the best of my knowledge

S. Walker, M.Sc.  
Geophysicist



John D. C. Support Epi.  
Re: Bulk Exploration  
Sulphur Creek

OUR NUMBER	201006
DATE	July 15 2009
CUSTOMER'S ORDER	

SOLD TO	Yuko Inc. Ins. Prog.
ADDRESS	30 Box 2703 Whithorse VA 266

From	Dan Klipper
ADDRESS	Box 31 Dawson V.T YU 5 100

TAX REG. NO.	SALESPERSON
--------------	-------------

FOB	TERMS	VIA
-----	-------	-----

INVOICE

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	Primary Billing final Billing + report to follow		
200	hr Hitachi Ex @ 200 <sup>00</sup> /hr		70 000
100	hr D8K dozer @ 200 <sup>00</sup> /hr		20 000
100	hr 235 Ex @ 200 <sup>00</sup> /hr		20 000
	Sub Total		50 000
		TOTAL	

From D.C. Klippert Exp.

Bulk exploration  
2009 Sulphur Creek

JOURNAL SET  
DATE Mar 2010  
DUPLICATE

Yukon Mining Is Pa Dan Klippert  
PO Box 2703 Box 31  
Whitehorse YK 2C6 Dawson Y.T.

NO. B150

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	Final Bill 2009		
	Day living exp.		3 150
100 hrs	Kenworth @ 1.25/hr		12 500
	processing plant 80 <sup>00</sup> /day		3 600
	Pick up 4x4		2 000
	Atco camp		9 900
	report preparation		3 500
		Sub total	34 650
		TOTAL	114 650

11 08 000



**Aurora Geosciences Ltd.**  
**3506 McDonald Drive**  
**Yellowknife NT**  
**X1A 2H1**

Tel: 867-920-2729 Fax: 867-920-2739

# Invoice

Date

Invoice #

3/25/2010

9402

Invoice To

Dan Klippert  
 Box 31  
 Dawson City, YT Y0B 1G0

Description	P.O. No.		Project		
	Qty	Unit	Rate	Amount	Tax
2009 YMIP APPLICATION Service Invoice - March 25, 2010					
Geological assessment report GST on Sales			2,000.00 5.00%	2,000.00 100.00	G
Approved by:			<b>Subtotal</b>		\$2,000.00
Terms			Due on receipt		
Bank Info:			RBC Institute #003, Transit #09879, Account #1013606		<b>GST</b>
GST/HST No.			886365816		\$100.00
			<b>Total</b>		\$2,100.00