

DAN KLIPPERT

2010  
**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: Jan 26 2011

## **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, 2010 to evaluate the potential of placer deposits in the Sulphur Creek area.

The work was performed by a two man crew based out of a camp located on the property. The work performed included excavating a test trench and ---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.

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## 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  |

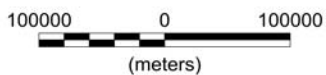
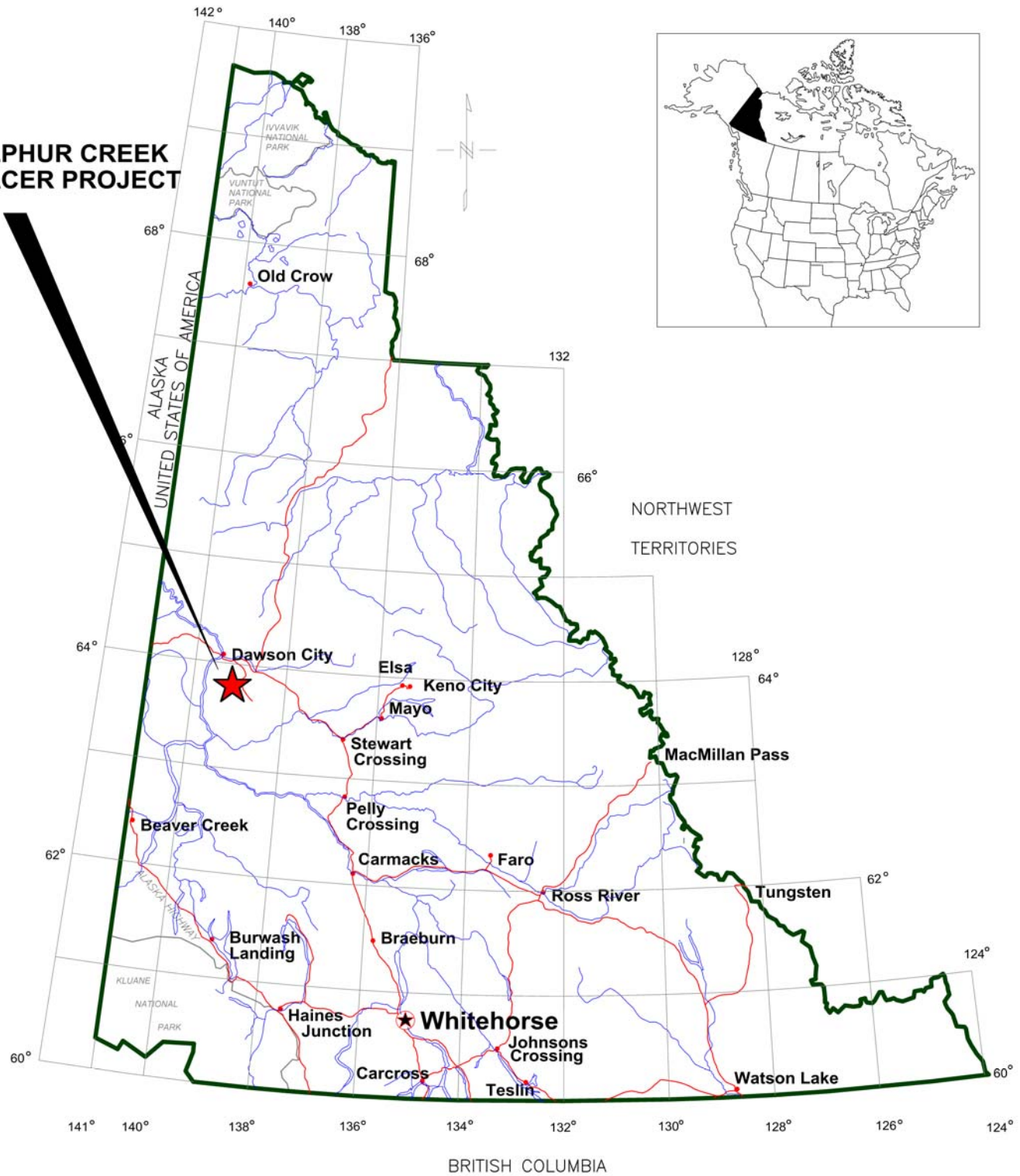
## 3.0 PROPERTY DESCRIPTION

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>:

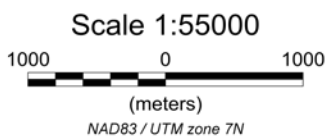
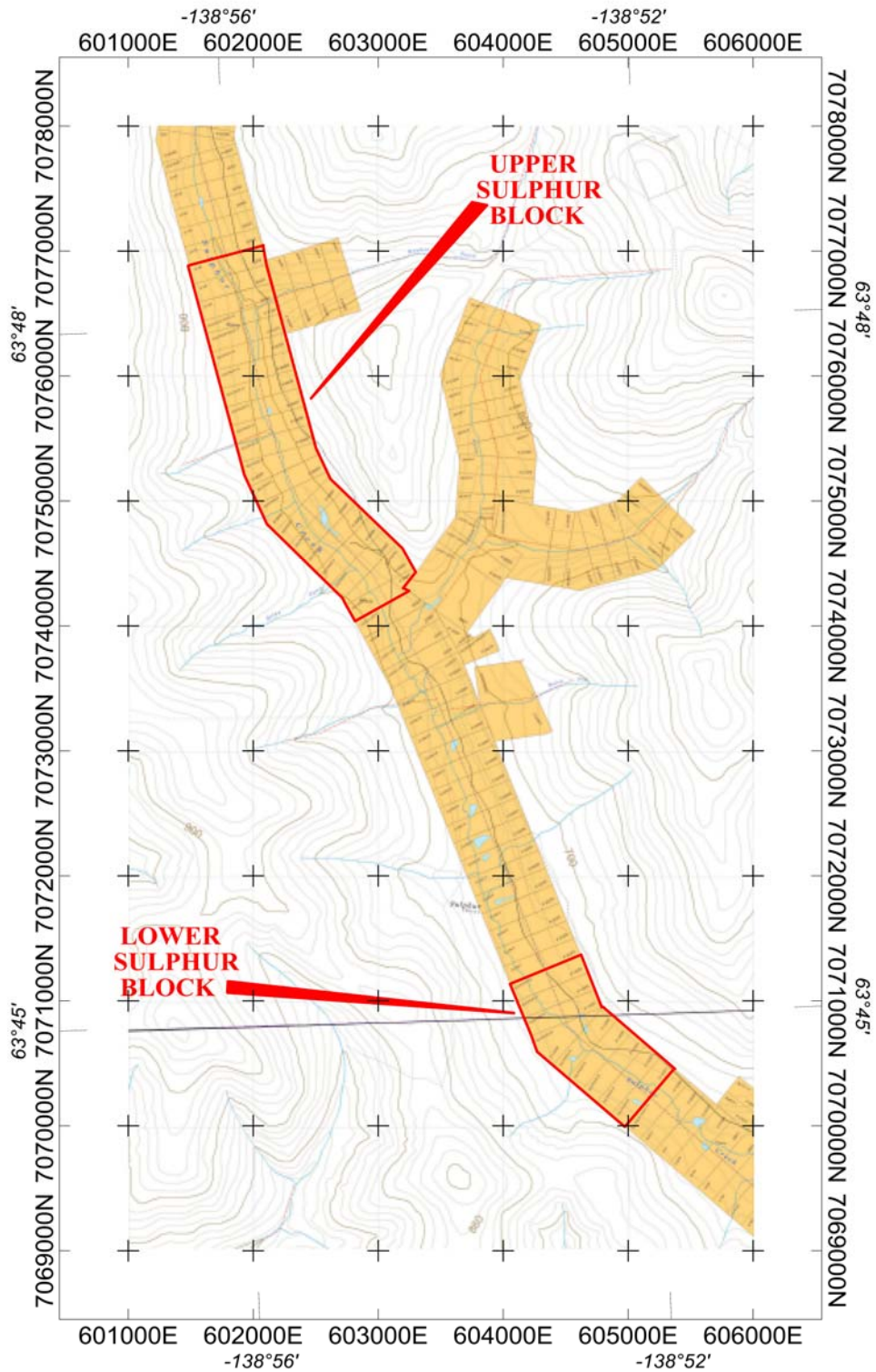
| Claim name     | Record Number     | Expiry Date |
|----------------|-------------------|-------------|
| 23 AD          | 433               | 10 Nov 2011 |
| 24 AD          | 429               | 10 Nov 2011 |
| 25 AD          | 32079             | 10 Nov 2011 |
| Sulphur 1 - 16 | P 09685 - P 09700 | 10 Nov 2011 |

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

|                 |         |             |
|-----------------|---------|-------------|
| Sulphur Gold 17 | P 11273 | 10 Nov 2011 |
| Sulphur Gold 18 | P 11297 | 10 Nov 2011 |

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 2011 |

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.

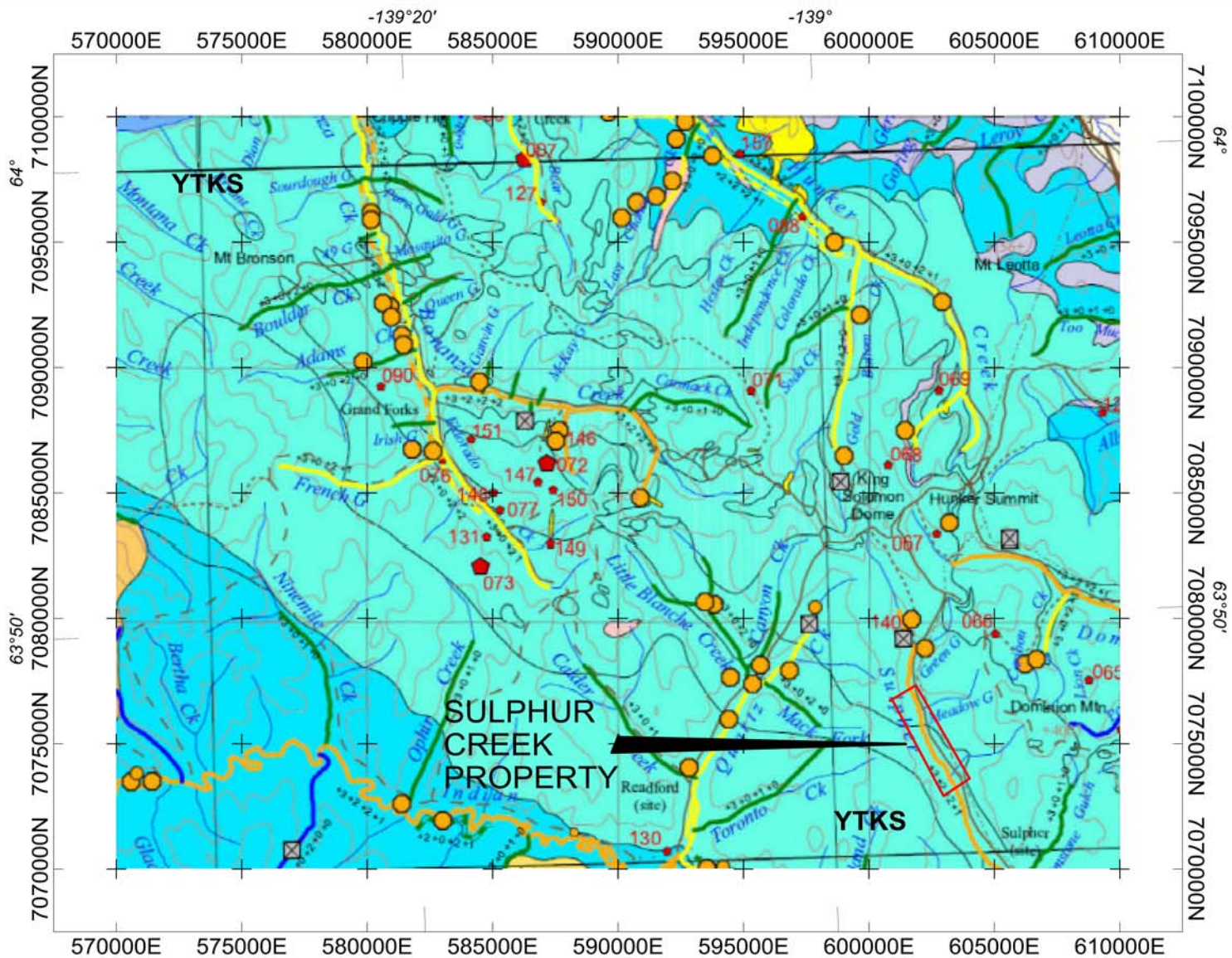
#### 5.0 DESCRIPTION OF WORK PROGRAM

This section describes the excavation and sampling conducted in the project area between May 1, 2010 and November 1, 2010


The work program was carried out using the following equipment:

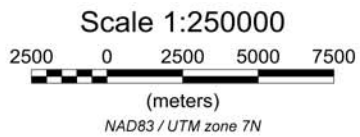
|                   |   |
|-------------------|---|
| <u>Equipment:</u> | Eagle 500 hp Tractor<br>50 ton Low boy<br>CAT D8K bulldozer<br>CAT 235 excavator<br>Michigan Loader 4yd<br>Hitachi 330 excavator<br>Kenworth 12 yd. dump truck<br>4x4 Pickup<br>4x4 Quad<br>Isusu 6 inch pressure pump<br>Gold Screen trommel |
|-------------------|---|





**YTKS** - Yukon Tanana - Klondike Schist

 - Producing placer creek



|   |                         |
|---|-------------------------|
| <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>                                    |                         |

Geology modified after Lowry et. al. 2002

Test trenches and pits were excavated and sampled in the Sulphur Creek Valley and bench from May through October utilizing the equipment listed above. Excavation commenced below the confluence of Meadow Gulch and Sulphur Creek. Through the 2010 season, a test trench was excavated along the valley floor through a section of valley bottom where dredging and mechanical mining had previously occurred. The test trench was excavated along the valley floor to determine if any of the bedrock had been passed over by the #9 dredge. Through May and June of 2010, this test trench was extended. Through June and July, overburden was removed from the test sites and the bulk tests were processed. Two bulk test sites were also excavated on the right limit of the valley and processed.

### 5.1 Sampling Procedures

Each sample consisted of a 100 yards of gravel base after mud removal. 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.

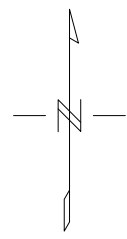
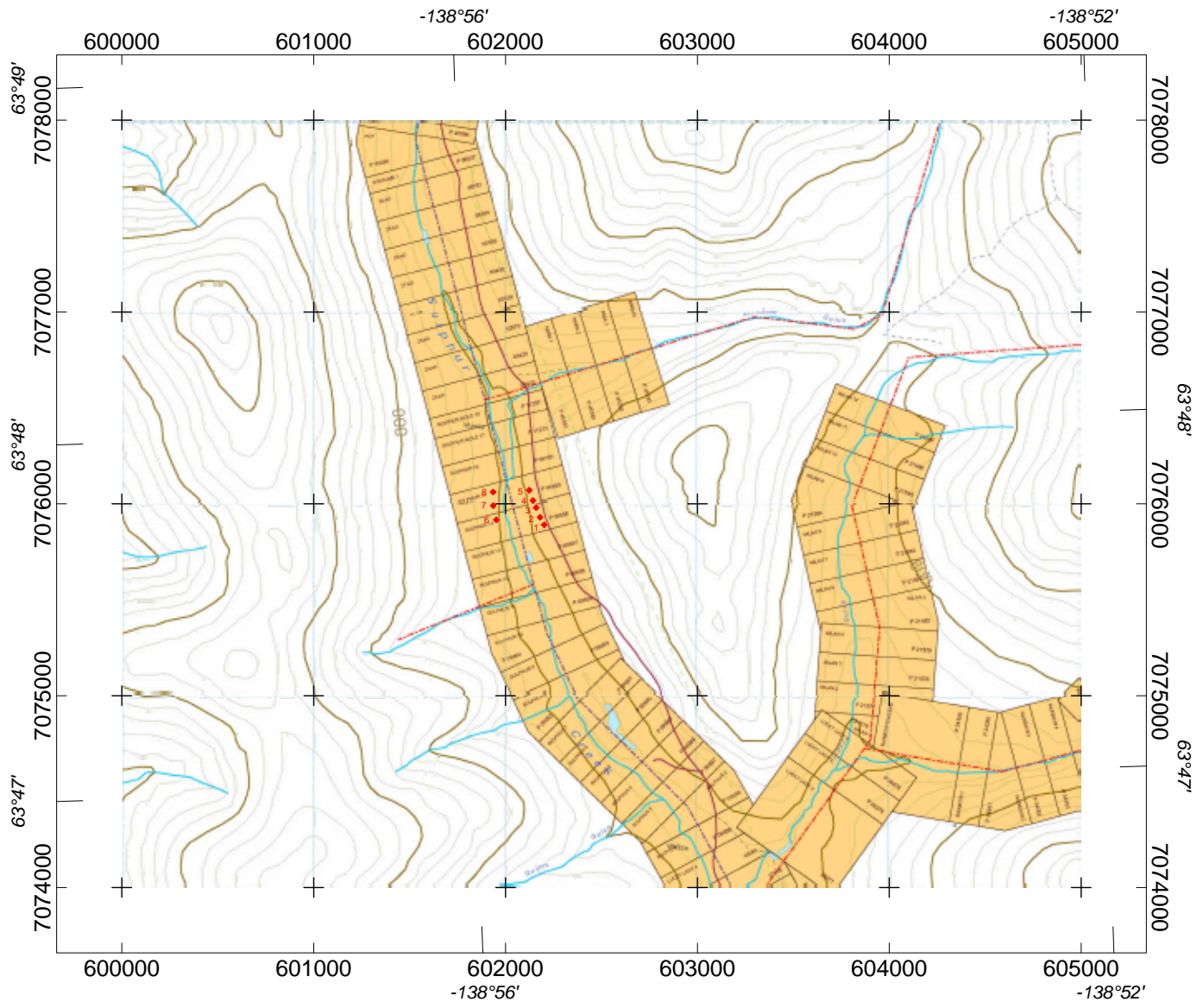
### 5.2 Sample Locations

The location and designation of the sample pits and the 2010 excavation trench can be seen on Figure 4.

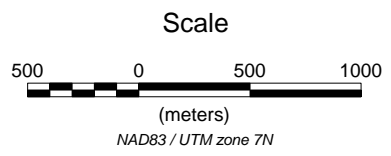
### 5.3 Sampling Results

| Sample | Placer Gold<br>(gr/yd <sup>3</sup> ) | Black Sand           | Sulphides         | Notes   |
|--------|--------------------------------------|----------------------|-------------------|---|
| Pit 1  | 0.25                                 | Coarse and plentiful | fine and abundant | Overburden at this location consists of 30 to 40 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 30 to 40 feet of black mud overlying 3 to 6 feet of gravel on bedrock |
| Pit 3  | 0.20                                 | Coarse and plentiful | fine and abundant | Overburden at this location consists of 30 to 40 feet of black mud overlying 3 to 6 feet of gravel on bedrock |
| Pit 4  | 0.15                                 | Coarse and plentiful | fine and abundant | Overburden at this location consists of 30 to 40 feet of black mud overlying 3 to 6 feet of gravel on bedrock |

|       |      |      |                   |   |
|-------|------|------|-------------------|---|
| Pit 5 | 0.15 | fine | fine and abundant | Overburden at this location consists of 30 to 40 feet of black mud overlying 3 to 6 feet of gravel on bedrock |
| Pit 6 | 0.05 | fine | 0                 | Pit location through dredge tailings  |
| Pit 7 | 0.05 | fine | 0                 | Pit location through dredge tailings  |
| Pit 8 | 0    | fine | 0                 | Pit location through dredge Tailings  |



• 2010 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  | Mining District: Dawson |
| Datum: NAD 83  | Projection: UTM Zone 7N |
| Job: DKE-9518-YT   | Date: 31 Jan 2011       |
| <b>AURORA GEOSCIENCES LTD.</b>                               |                         |

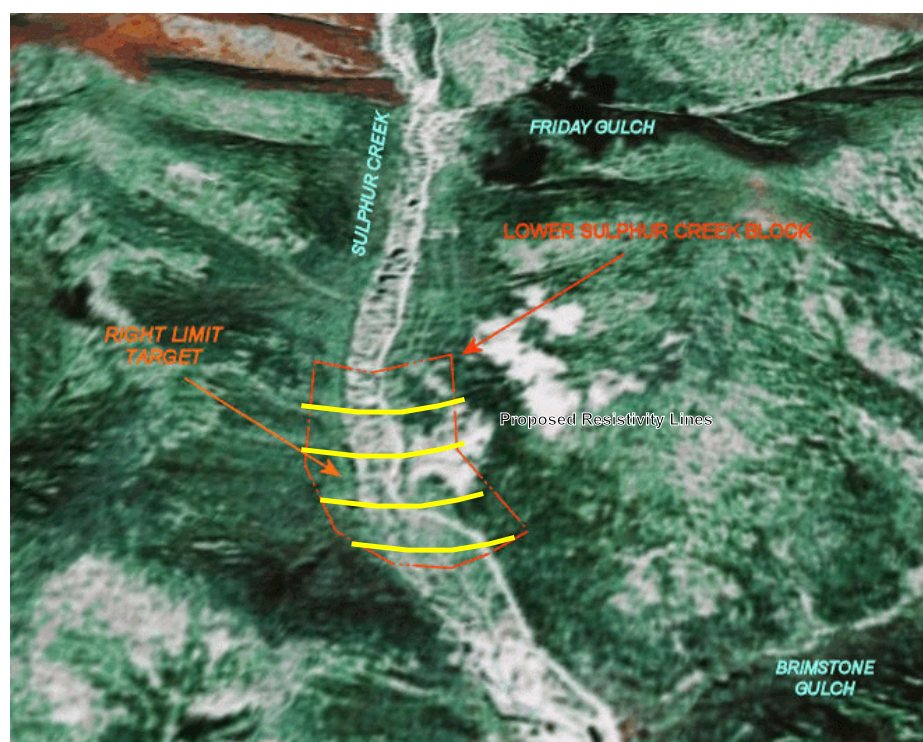
## 6.0 CONCLUSIONS

The 2010 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 2010 test pits and trench were successful, many areas will need more exploration to determine placer grades and width of deposit into the valley walls and benches. I will be using Resistivity in the next exploration season to assist in determining this information. Exploration on the lower 9 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. Resistivity and drilling will be used as well on the lower block as time and finance permit.

Proposed 2011 Resistivity lines



## 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.

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

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

**Daily Living Expenses**

|                                    |         |
|------------------------------------|---------|
| 1 person for 90 days @ \$100 / day | \$9,000 |
|------------------------------------|---------|

**Logistical Support**

|  |         |
|--|---------|
| ATCO Camp rental 90 days @ \$110 / day | \$9,900 |
| Truck Rental 20 days @ \$100 / day     | \$2,000 |

**Equipment Rentals / Supplies****May 1 to June 31 - Ripping and clearing Lower section of test trench**

|                                    |          |
|------------------------------------|----------|
| 75 hrs D8K Dozer @ \$200 / hr      | \$15,000 |
| 150 hrs 330 Excavator @ \$200 / hr | \$30,000 |
| 75 hrs 235 Excavator @ \$200 / hr  | \$15,000 |

**July 1 to August 31 - Ripping and clearing Mid to upper section of test trench**

|                                    |          |
|------------------------------------|----------|
| 75 hrs D8K Dozer @ 200 h/ hr       | \$15,000 |
| 30 hrs 235 Excavator @ \$200 / hr  | \$6,000  |
| 125 hrs 330 Excavator @ \$200 / hr | \$25,000 |

**July 1 to September 31 - Leveling and building access to test sites and hauling to plant**

|  |          |
|--|----------|
| 100 hrs Kenworth D / Truck @ \$125 / hr    | \$12,500 |
| 100 hrs 330 Hitachi Excavator @ \$200 / hr | \$20,000 |

**Report Preparation**

|                         |         |
|-------------------------|---------|
| Aurora Geosciences Ltd. | \$2,000 |
|-------------------------|---------|

|              |                  |
|--------------|------------------|
| <b>Total</b> | <b>\$161,400</b> |
|--------------|------------------|

These cost estimates provided by D. Klippert.



# YMIP Expense Claim Form - Client copy

|   |   |                                   |                |                  |
|---|---|-----------------------------------|----------------|------------------|
| YMIP no: 10- 112  | project name: Sulphur Creek               | Applicant name: Dan Klippert      |                |                  |
| Expense Claim no:   | program type: placer                      | program module: target evaluation |                |                  |
| date submitted: 31-Jan-11   | phone: 867-333-9627                       | email: dannyklippert@hotmail.com  |                |                  |
| address   |   |                                   |                |                  |
| Start/ end dates of fieldwork for this claim:   | May/2010 Oct.30 2010<br>start end         | no of field days/ this claim:     |                |                  |
| eligible expenses<br>Please refer to rate guidelines. Provide photocopy of receipts. Amounts to exclude GST |   |                                   |                |                  |
| item  | unit/days                                 | rate                              | total (no GST) |                  |
| daily field expenses  | no persons:                               | 90                                | \$100/day      | \$9,000.00       |
| Personnel   | Name (supply statement of qualifications) |                                   |                |                  |
|   | Included in rental rate                   |                                   |                |                  |
|   |   |                                   |                |                  |
|   |   |                                   |                |                  |
| equipment (rental)  | private or commercial                     | unit/days                         | rate           | total            |
| <del>150</del> D8K Dozer  | private                                   | 150hr                             | 200.00/hr      | 30,000           |
|   | private                                   |                                   |                |                  |
| 330 Hitach. Exc.  | private                                   | 375hrs                            | 200.00/hr      | 75,000           |
|   | private                                   |                                   |                |                  |
| Ken worth Dump  | private                                   | 100 hrs                           | 125/hr         | 12,500           |
|   | private                                   |                                   |                |                  |
| 235 Cat Exc.  | private                                   | 105 hrs                           | 200/hr         | 21,000           |
|   | private                                   |                                   |                |                  |
|   | private                                   |                                   |                |                  |
|   | private                                   |                                   |                |                  |
| other   | please provide details                    |                                   |                |                  |
| Atco camp   |   | 90                                | 110.00/day     | 9,900.00         |
| Report  |   |                                   |                | 2,000.00         |
| 4x4 rental  |   |                                   | 100.00         | 2,000.00         |
|   |   |                                   |                |                  |
| Grand total this claim:   |   |                                   |                | \$161,400 \$0.00 |

|                  |             |
|------------------|-------------|
| OUR NUMBER       | 084187      |
| DATE             | Jan 28 2011 |
| CUSTOMER'S ORDER |             |
| SALESMAN         |             |
| TERMS            |             |
| F.O.B.           |             |

SOLD TO YMLP Economic Development

From D.C. Klippert Exploration

SHIPPED TO ADDRESS Box 31 Dawson, Va. Y.T.

INVOICE

|                   |                      |        |         |     |     |
|-------------------|----------------------|--------|---------|-----|-----|
|                   | Atco Camp @ 110/day  |        |         | 9   | 900 |
| 90                | Days @ 100/day       |        |         | 9   | 000 |
| 100 <sup>hr</sup> | Kenworth Dump Truck  | 125/hr |         | 12  | 500 |
| 100 <sup>hr</sup> | 330 Hitachi @ 200/hr |        |         | 20  | 000 |
| 20 day            | 4x4 Pickup @ 100/day |        |         | 2   | 000 |
|                   | Report               |        |         | 2   | 000 |
|                   |                      |        | Sub Tot | 55  | 400 |
|                   | Grand Total          |        |         | 161 | 400 |

OUR NUMBER **084186**

DATE **Sept 2010**

CUSTOMER'S ORDER

SALESMAN

TERMS

**YOB 160**

SOLD TO **YMIP**

SHIPPED **From D.C. Klippert Expl.**

ADDRESS **Box 31 Dawson Yukon**

INVOICE

|      |  |  |                |                |
|------|--|--|----------------|----------------|
| #2   | Primary Billing                            |  |                |                |
|      | Final report and bill to follow            |  |                |                |
|      | Trenching + (ripping) Site Prep            |  |                |                |
| gold | Bulk Placer tests                          |  |                |                |
| 125  | hrs 330 Excavator @ 200 <sup>00</sup> /hr. |  | 25             | 000            |
| 75   | hrs D8K Bulldozer @ 200 <sup>00</sup> /hr  |  | 15             | 000            |
| 30   | hrs 235 Excavator @ 200 <sup>00</sup> /hr  |  | 6              | 000            |
|      | More to follow                             |  |                |                |
|      | Sub Total                                  |  | 46             | 000            |
|      | <del>Grand Total</del>                     |  | <del>111</del> | <del>400</del> |

YMIP FINAL SUBMISSION FORM

Date submitted: Jan 31 2011

submit by January 31st to:  
(winter placer projects may submit at pre-approved date)

YMIP- EMR/ YTG  
Street address: 102-300 Main Street  
Mailing address: Box 2703, K-102  
Whitehorse, Yt, Y1A 2C6  
YMIP@gov.yk.ca  
phone: 867-456-3828  
fax: 867-667-3198

CONTACT INFO

PROJECT INFO

Name: Daniel Klippert  
Address: Box 31  
Dawson Yukon Terr.  
email:  
Phone: 867-333-9627

YMIP no:  
Project name: Sulphur creek  
Project type: Bulk placer gold  
Project module: Target

Is the final report enclosed?  yes  hard copy  
 no  pdf copy  
 digital spreadsheet of station location data

Comment:

PROJECT SUMMARY

Total project expenditures: \$161,400  
Number of new claims since March 31st:  
Has an option resulted since March 31?  yes  no  in negotiation  
Number of calendar field days:  
Number of person-days of employment:  paid  days of unpaid work  
Total no. of samples:  rocks  silts  soils  Bulk samples other  
Total length/volume of trenching/ shafting: 1000 SA  
Total number of line-km of geophysics:  
Total meters drilled  diamond drill  RC drill  auger/percussion drill  
Other products (provide details):

This is not an expense claim form. To request reimbursement of expenses, please submit a separate detailed expense claim form.

FINANCIAL SUMMARY

Total daily field allowance: \$9000  
Total field air transportation costs (helicopter/plane):  
Total truck/ mileage costs: \$2000.00  
Total wages paid: \$7000.00  
Total light equipment rental costs:  
Other (please specify):  
Other (please specify):  
Total contractor costs:  
Total excavating/ heavy equipment costs: \$138,500  
Total assay/analyses costs:  
Total reclamation costs:  
Total report writing cost: 2000  
Total staking costs:

YMIP FINAL SUBMISSION FORM

Your feedback on any aspect of the program:

Ymip. is a excellent program  
It has stimulated the Yukon economy.  
and help little exploration company.  
through good times and bad

The Department of Energy, Mines and Resources may verify all statements related to and made on this form, in any previously submitted reports, interim claims and in the Summary or Technical Report which accompanies it.

I certify that;

1. I am the person, or the representative of the company or partnership, named in the Application for Funding and in the Contribution Agreement under the Yukon Mining Incentives Program.
2. I am a person who is nineteen years of age or older, and I have complied with all the requirements of the said program.
3. I hereby apply for the final payment of a contribution under the Yukon Mining Incentives Program (YMIP) and declare the information contained within the Summary or Technical Report and this form to be true and accurate.

Date Jan 31 2011

Signature of Applicant



Name (print)

Daniel Klippert