

**YEIP  
2011  
-037**

DAN KLIPPERT

**2011  
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 31 2012



## 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, 2011 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 sampling 7 test pits and the completion of a single resistivity line 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 and resistivity exploration on the right limit has produced some amazing targets for auger drilling. Resistivity had been requested for the previous two exploration seasons however due to great demand completion of the first 450m line was only completed in the 2011 season.

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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. All claims have been secured by the owner through to Nov 10, 2012. This update is currently not reflected on the government website due to a backlog caused by a 2011 staking rush in the Dawson Mining District. The summary below is taken from the Yukon Mining Recorders website ([www.yukonminingrecorder.ca](http://www.yukonminingrecorder.ca)) as posted on Jan 31, 2012.

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

**SULPHUR CREEK  
PLACER PROJECT**



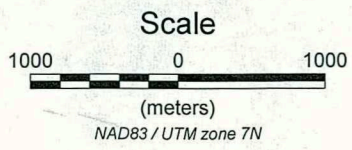
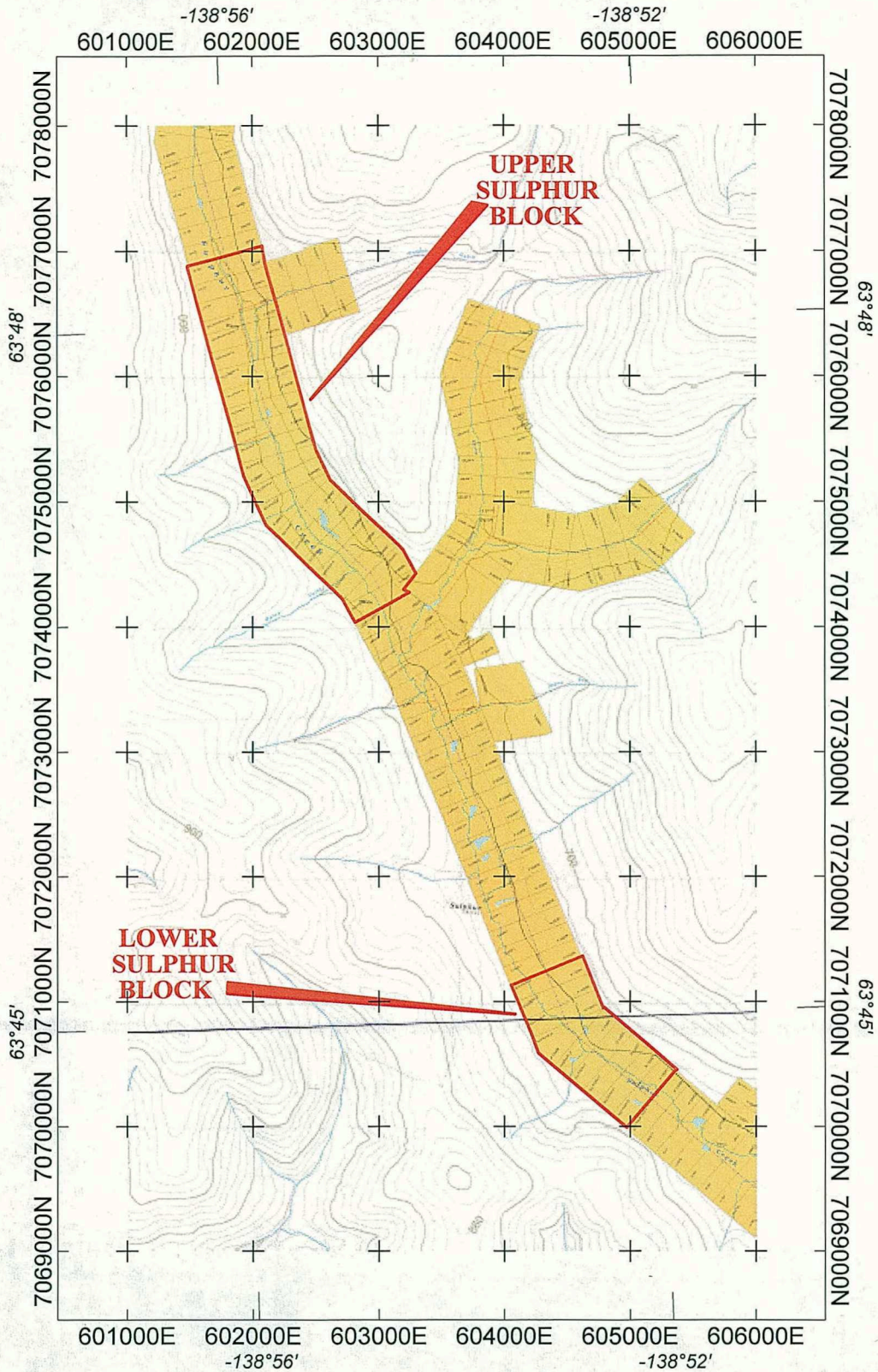
DAN KLIPPERT

**SULPHUR CREEK PLACER PROJECT  
Figure 1. Property Location Map**

NTS: 115 O10 & 15  
Datum: NAD83  
Job: DKE-9517-YT

Mining District: Dawson  
Projection: Albers - Yukon  
Date: 25 Mar 10

**AURORA GEOSCIENCES LTD.**



<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 2010
<b>AURORA GEOSCIENCES LTD.</b>	

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

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

All claims in the Upper and 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

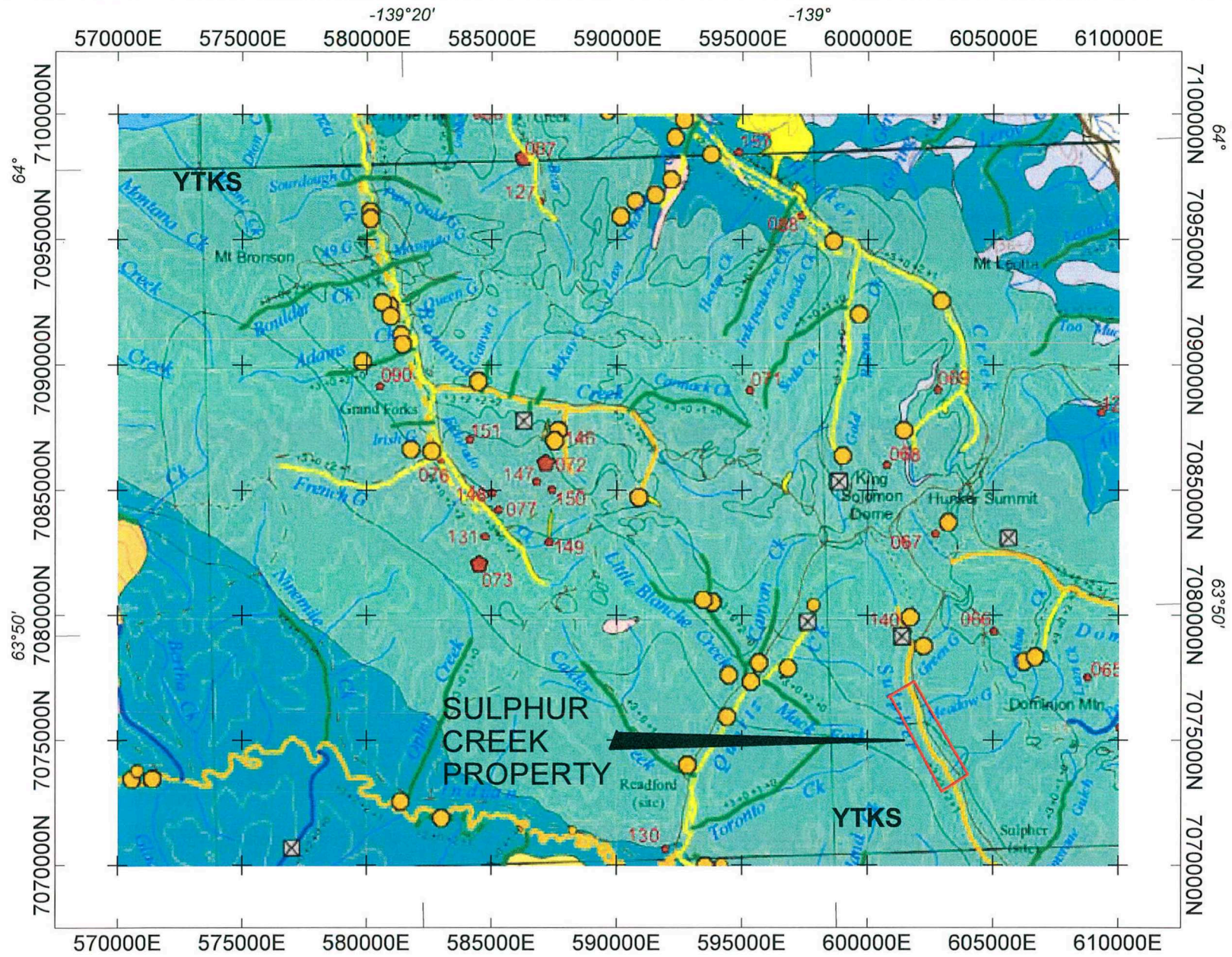
This section describes the excavation and sampling conducted in the project area between May 1, 2011 and November 1, 2011

The work program was carried out using the following equipment:


<u>Equipment:</u>	<ul style="list-style-type: none"> <li>Eagle 500 hp Tractor</li> <li>50 ton Low boy</li> <li>CAT D8K bulldozer</li> <li>CAT 235 excavator</li> <li>Michigan Loader 4yd</li> <li>Hitachi 330 excavator</li> <li>Kenworth 12 yd. dump truck</li> <li>4x4 Pickup</li> <li>4x4 Quad</li> <li>Isusu 6 inch pressure pump</li> <li>Gold Screen trommel</li> </ul>
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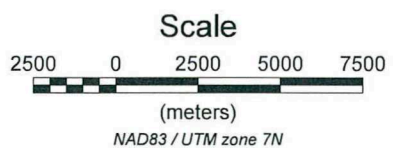
Test trenches and infill pits were excavated and sampled in the Sulphur Creek Valley and bench from May through October utilizing the equipment listed above. Excavation





**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 10
<b>AURORA GEOSCIENCES LTD.</b>	

Geology modified after Lowry et. al. 2002

commenced below the confluence of Meadow Gulch and Sulphur Creek. Through the 2011 season, another test trench was excavated along the valley floor through a section of the 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 2011, the test trench was stripped and excavated. Through June and July, overburden was removed from the test sites and the bulk tests were processed. Three bulk test sites were excavated through the centre of the valley, three pits on the left limit and one infill pit on the right limit were processed.

On September 10, 2011 Arctic Geophysics was finally able to run a single 450 meter resistivity line on the right limit. For the past two years Arctic Geophysics has been unable to chart this property due to overwhelming demand for their services.

This line has given the program some potentially amazing targets that will need to be drilled in the up coming exploration season. I have requested additional resistivity from Arctic Geophysics for 2012.

### 5.1 Sampling Procedures

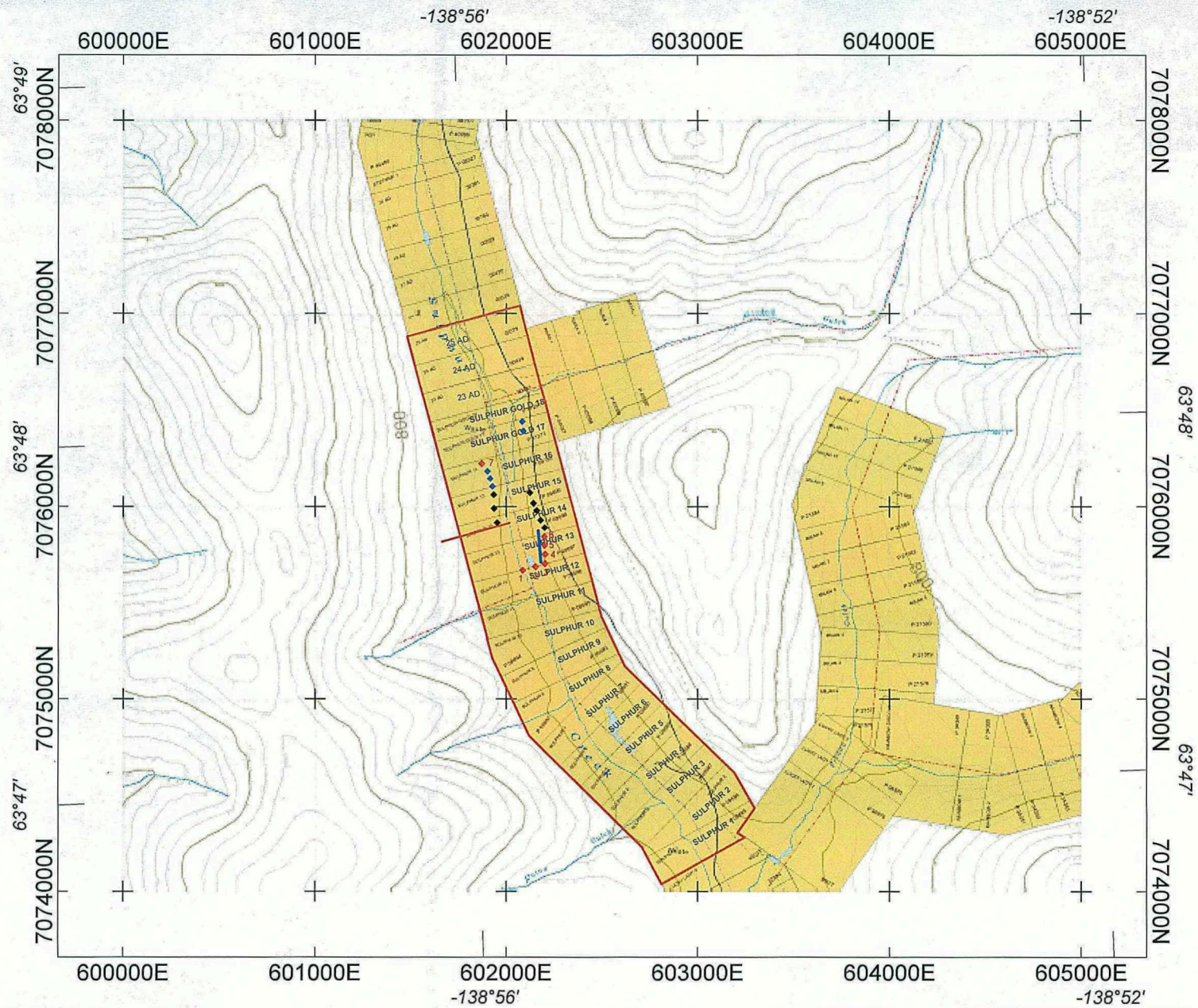
Each sample consisted of a 100 yards of gravel base after mud removal. The samples were trucked to a stationary recovery plant and processed in batches. After each sample run, the processing plant was cleaned, gold recovered and grades calculated based on the recovered gold and the sample volume.

### 5.2 Sample & Survey Locations

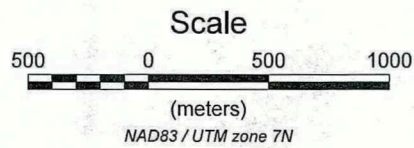
The location and designation of the 2011 sample pits and resistivity line can be seen on Figure 4.

### 5.3 Sampling Results

Sample	Placer Gold (gr/yd <sup>3</sup> )	Black Sand	Sulphides	Notes
Pit 1	0.05	Little and fine	0	Dredge tailings valley
Pit 2	0.0	Little and fine	0	Dredge tailings valley
Pit 3	0.05	Little and fine	0	Dredge tailings valley
Pit 4	0.25	Much Coarse	Orange	Left limit 40 to 60 feet of mud overlying 3 to 6 feet of gravel on bedrock



- ◆ 2009 Sample Pits
- 2009 Test Trench
- ◆ 2010 Sample Pits
- ◆ 2011 Sample Pits
- 2011 Resistivity Line



<b>DAN KLIPPERT</b>	
<b>SULPHUR CREEK PROJECT</b>	
<b>Figure 4. Upper Sulphur Block - Claims &amp; Workings</b>	
NTS: 115 0 15	Mining District: Dawson
Datum: NAD83	Projection: UTM Zone 7N
Job: 2012 Final Report	Date: 30 Jan 2012
<b>AURORA GEOSCIENCES LTD.</b>	

Pit 5	0.20	Coarse and plentiful	Tan	Left limit 40 to 60 feet of mud overlying 3 to 6 feet of gravel on bedrock
Pit 6	0.25	Plentiful	0	Left limit 40 to 60 feet of mud overlying 3 to 6 feet of gravel on bedrock
Pit 7	0.15	Little	Golden	Right limit mixed gravel and mud overburden

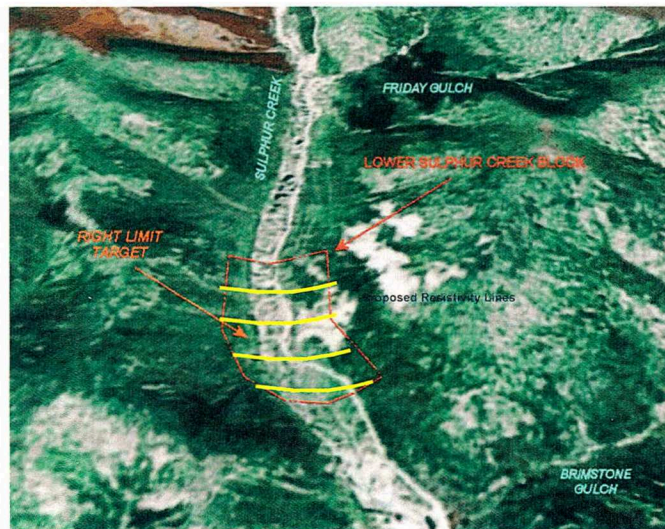
## 6.0 CONCLUSIONS

The 2011 test program was a success with many pits showing good grades of mineable placer gold. These test pits together with the resistivity results Figure 5 are very encouraging, showing potential for a long term placer mining operation.

## 7.0 RECOMMENDATIONS

While the 2011 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 2012 Resistivity lines



# Sulphur Creek\_01

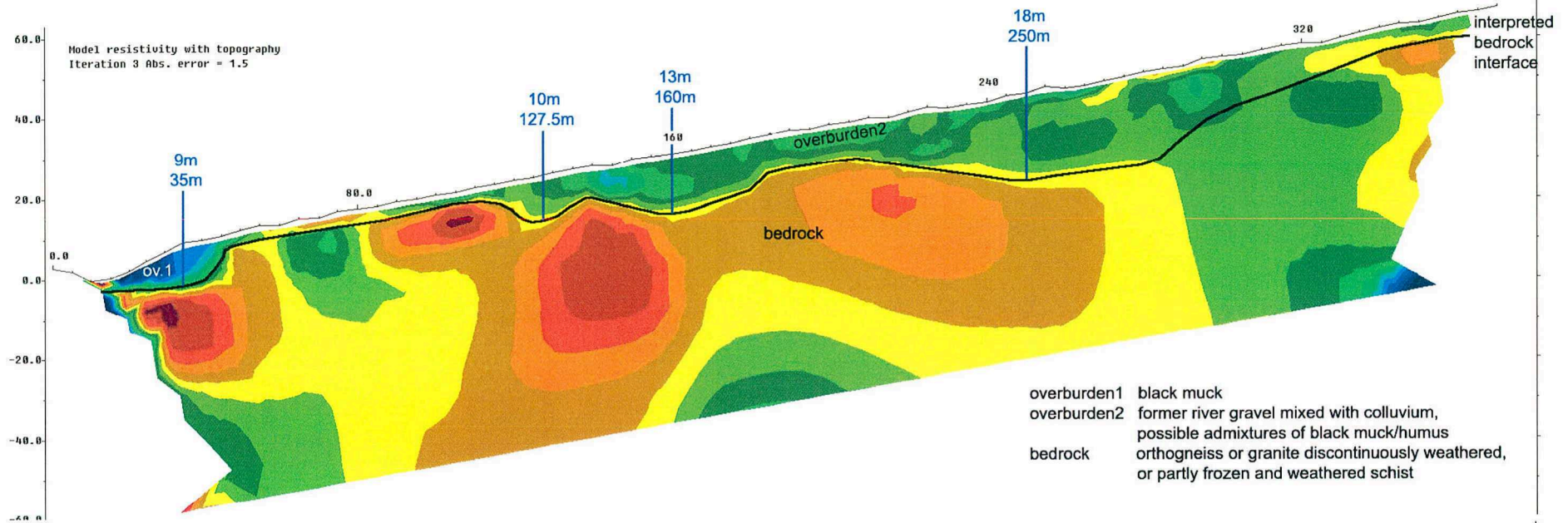
2D Resistivity/IP, Schlumberger array  
 75 Electrodes: spacing 5m, Horizontal resolution 2.5m  
 Horizontal and vertical measure in [meter], Iteration error in [%]  
 Vertical exaggeration in model section display = 1

Data acquisition: Stefan Ostermaier, 10th Sept 2011  
 Processing: Philipp Moll, 11th Sept 2011  
 Profile shows the ground-layers approx. 15% thicker than in reality.  
 Comments to this/these profile/s are interpretation.

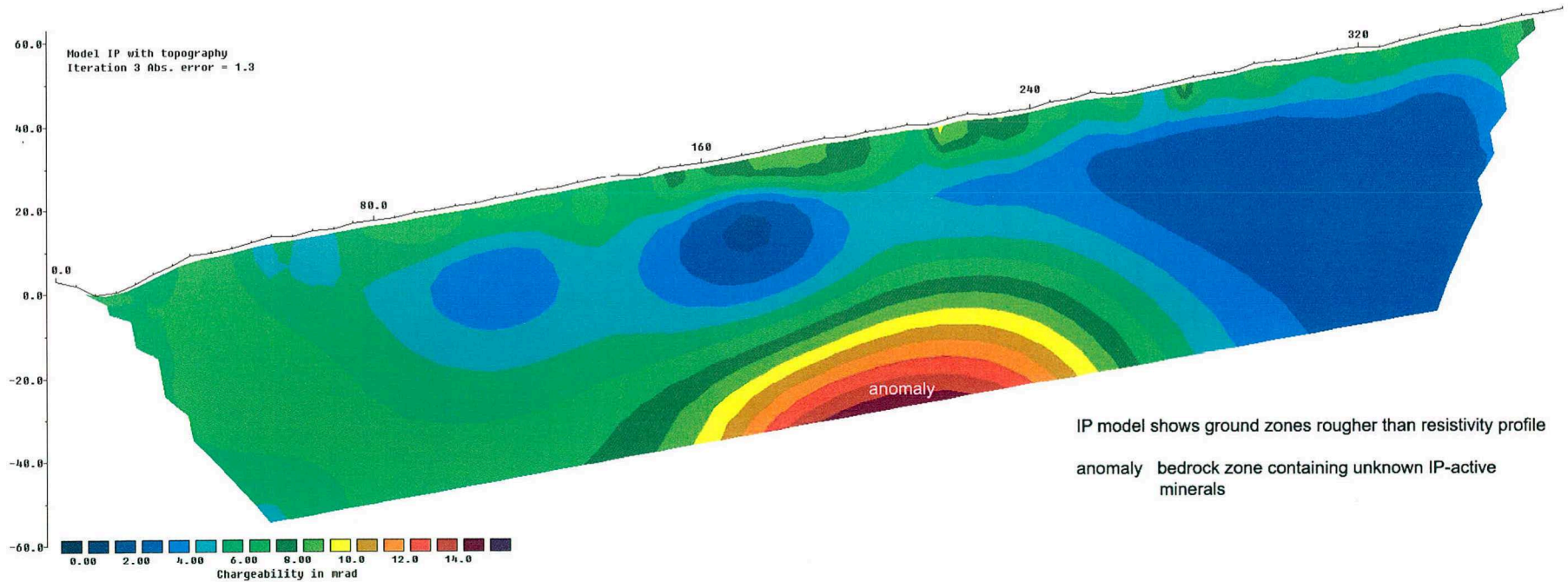
Arctic Geophysics Inc.



Geophysical Surveys • Prospecting • Consulting



overburden1 black muck  
 overburden2 former river gravel mixed with colluvium, possible admixtures of black muck/humus  
 bedrock orthogneiss or granite discontinuously weathered, or partly frozen and weathered schist



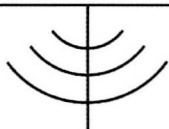
IP model shows ground zones rougher than resistivity profile  
 anomaly bedrock zone containing unknown IP-active minerals

## 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. RESISTIVITY LINE LOCATION DATA**

# Arctic Geophysics Inc.



Geophysical Surveys • Prospecting • Consulting

www.arctic-geophysics.com  
Box 747, Dawson City, Yukon Territory, Y0B 1G0, Canada  
Phone: 867-993-3671 (Cell), info@arctic-geophysics.com

## GPS-Data

### Sulphur Creek 01

Electrode No.	Location in Profile [m]	GPS-Coordinates Latitude/ Longitude hddd° mm' ss.s"	GPS-Accuracy [m]	Post [ * ]
1	0.0	N63 47 45.3 W138 55 45.0	2	*
2	5.0	N63 47 45.3 W138 55 45.4	2	
3	10.0	N63 47 45.2 W138 55 45.8	2	
4	15.0	N63 47 45.2 W138 55 46.0	2	
5	20.0	N63 47 45.2 W138 55 46.2	2	
6	25.0	N63 47 45.1 W138 55 46.5	2	
7	30.0	N63 47 45.1 W138 55 47.0	2	
8	35.0	N63 47 45.0 W138 55 47.1	2	
9	40.0	N63 47 45.0 W138 55 47.5	2	
10	45.0	N63 47 45.0 W138 55 47.8	2	
11	50.0	N63 47 44.9 W138 55 48.1	2	
12	55.0	N63 47 45.0 W138 55 48.5	2	
13	60.0	N63 47 44.9 W138 55 48.9	2	
14	65.0	N63 47 44.9 W138 55 49.3	2	
15	70.0	N63 47 44.8 W138 55 49.7	2	
16	75.0	N63 47 44.8 W138 55 49.9	2	
17	80.0	N63 47 44.8 W138 55 50.4	2	
18	85.0	N63 47 44.7 W138 55 50.7	2	
19	90.0	N63 47 44.7 W138 55 51.0	2	
20	95.0	N63 47 44.7 W138 55 51.3	2	
21	100.0	N63 47 44.6 W138 55 51.7	2	
22	105.0	N63 47 44.5 W138 55 52.1	2	
23	110.0	N63 47 44.5 W138 55 52.4	2	
24	115.0	N63 47 44.4 W138 55 52.8	2	
25	120.0	N63 47 44.4 W138 55 53.1	2	*
26	125.0	N63 47 44.4 W138 55 53.4	2	
27	130.0	N63 47 44.3 W138 55 53.8	2	
28	135.0	N63 47 44.4 W138 55 54.2	2	
29	140.0	N63 47 44.3 W138 55 54.4	2	
30	145.0	N63 47 44.3 W138 55 54.7	2	
31	150.0	N63 47 44.2 W138 55 55.1	2	
32	155.0	N63 47 44.2 W138 55 55.5	2	
33	160.0	N63 47 44.2 W138 55 55.9	2	
34	165.0	N63 47 44.2 W138 55 56.2	2	
35	170.0	N63 47 44.1 W138 55 56.5	2	
36	175.0	N63 47 44.1 W138 55 56.8	2	
37	180.0	N63 47 44.1 W138 55 57.2	2	



Electrode No.	Location in Profile [m]	GPS-Coordinates Latitude/ Longitude hddd° mm' ss.s"	GPS-Accuracy [m]	Post [ * ]
38	185.0	N63 47 44.0 W138 55 57.6	2	
39	190.0	N63 47 43.9 W138 55 58.0	2	
40	195.0	N63 47 43.8 W138 55 58.3	2	
41	200.0	N63 47 43.8 W138 55 58.7	2	
42	205.0	N63 47 43.8 W138 55 58.9	2	
43	210.0	N63 47 43.7 W138 55 59.3	2	
44	215.0	N63 47 43.7 W138 55 59.5	2	
45	220.0	N63 47 43.6 W138 56 00.0	2	
46	225.0	N63 47 43.5 W138 56 00.2	2	
47	230.0	N63 47 43.5 W138 56 00.6	2	
48	235.0	N63 47 43.5 W138 56 00.8	2	
49	240.0	N63 47 43.5 W138 56 01.2	2	
50	245.0	N63 47 43.4 W138 56 01.5	2	*
51	250.0	N63 47 43.3 W138 56 01.9	2	
52	255.0	N63 47 43.3 W138 56 02.2	2	
53	260.0	N63 47 43.2 W138 56 02.5	2	
54	265.0	N63 47 43.2 W138 56 02.9	2	
55	270.0	N63 47 43.1 W138 56 03.2	2	
56	275.0	N63 47 43.0 W138 56 03.5	2	
57	280.0	N63 47 43.0 W138 56 03.8	2	
58	285.0	N63 47 42.9 W138 56 04.2	2	
59	290.0	N63 47 42.9 W138 56 04.6	2	
60	295.0	N63 47 42.8 W138 56 05.1	2	
61	300.0	N63 47 42.8 W138 56 05.2	2	
62	305.0	N63 47 42.7 W138 56 05.6	2	
63	310.0	N63 47 42.7 W138 56 05.9	2	
64	315.0	N63 47 42.6 W138 56 06.3	2	
65	320.0	N63 47 42.6 W138 56 06.6	2	
66	325.0	N63 47 42.5 W138 56 06.8	2	
67	330.0	N63 47 42.5 W138 56 07.2	2	
68	335.0	N63 47 42.5 W138 56 07.5	2	
69	340.0	N63 47 42.4 W138 56 07.9	2	
70	345.0	N63 47 42.4 W138 56 08.2	2	
71	350.0	N63 47 42.4 W138 56 08.5	2	
72	355.0	N63 47 42.3 W138 56 09.0	2	
73	360.0	N63 47 42.2 W138 56 09.3	2	
74	365.0	N63 47 42.2 W138 56 09.7	2	
75	370.0	N63 47 42.1 W138 56 10.3	2	*

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

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

<b>Daily Living Expenses</b>	
1 person for 50 mandays @ \$100 / day	\$5,000
<b>Logistical Support</b>	
ATCO Camp rental 110 days @ \$100 / day	\$11,000
Truck Rental: 90 days	\$3,000
Quad Rental: 90 days	\$1,500
<b>Equipment Rentals / Supplies</b>	
<b>Site Prep for bulk testing</b>	
110 hrs D8K Dozer @ \$200 / hr	\$22,000
160 hrs 330 Excavator @ \$200 / hr	\$32,000
<b>July 1 to August 4 - Ripping and clearing Mid to upper section</b>	
100 hrs D8K Dozer @ 200 h/ hr	\$20,000
150 hrs 330 Excavator @ \$200 / hr	\$30,000
<b>July 1 to September 31 - Processing Plant and Operations</b>	
100 hrs Kenworth D / Truck @ \$125 / hr	\$12,500
Processing Plant	\$3,600
<b>Report Preparation</b>	
Arctic Geophysics Resistivity	\$1,000
<b>Total</b>	<b>\$141,600</b>

These cost estimates provided by D. Klippert.

PURCHASE ORDER

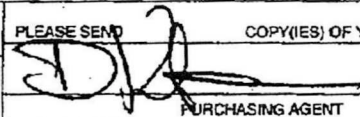
Dan  
 Klippert  
 Box  
 31  
 Dawson  
 Y.T.  
 YOBIGO

TO <b>YMIP Gov of Yukon</b>		<b>935106</b>
ADDRESS <b>102 - 300 Main St.</b>		THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, ETC.
SHIP TO <b>Box 2703 (K102)</b>	REQ. NO. OR DEPT.	DATE <b>Jan 25 2012</b>
ADDRESS <b>Whitehorse Y.T. Y/A 206</b>	FOR	

PLEASE NOTIFY US IMMEDIATELY IF YOU ARE UNABLE TO SHIP COMPLETE ORDER BY DATE SPECIFIED

QUANTITY	PLEASE SUPPLY ITEMS LISTED BELOW	PRICE	GOLD AMOUNT	
1	<b>FINAL Bill Sulphur Creek</b>		<b>Bulk</b>	<b>Sample</b>
2				
3	<b>Inv. # 935104</b>	<b>50</b>	<b>000</b>	<b>00</b>
4	<b>935103</b>	<b>70</b>	<b>000</b>	<b>00</b>
5	<b>935105</b>	<b>21</b>	<b>600</b>	<b>00</b>
6		<b>141</b>	<b>600</b>	<b>00</b>
7				
8				
9				
10				

DATE REQUIRED	VIA	PLEASE SEND 	COPY(IES) OF YOUR INVOICE
TERMS		PURCHASING AGENT	

PURCHASE ORDER

Dan Klippert  
Expl.  
Box 31  
Dawson  
Y0B 1G0

867-456-3828 935103

TO **YM.I.P Gov of Yukon** THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, ETC.

ADDRESS **102-300 Main St.** REQ. NO. OR DEPT.

~~SUBJECT~~ **Box 2703 (K102)** DATE **Sept 27**

ADDRESS **Whitehorse Y.T. (Y1A 2C6)** EOR **2011**

PLEASE NOTIFY US IMMEDIATELY IF YOU ARE UNABLE TO SHIP COMPLETE ORDER BY DATE SPECIFIED

QUANTITY	PLEASE SUPPLY ITEMS LISTED BELOW	PRICE	AMOUNT
1	Site prep for		
2	bulk testing		
3	DBK @ 200 <sup>00</sup> /hr 110 hrs	22	000 <sup>00</sup>
4	330 Hitachi Exc. @ 200 160 hrs	32	000 <sup>00</sup>
5	Atco camp	11	000 <sup>00</sup>
6	Man days 50	5	000 <sup>00</sup>
7			
8			
9			
10			
		<b>Sub</b>	<b>70,000.00</b>

DATE ~~ORDERED~~ **Report** PLEASE SEND COPY(IES) OF YOUR INVOICE

TERMS **Final bill to follow** PURCHASING AGENT

PURCHASE ORDER

Dan  
K  
L  
-  
P  
P  
E  
R  
T  
Box 31  
Dawson  
Y.T.  
X0B160

TO YMIP Gov of Yukon		935105
ADDRESS 102 - 300 Main St.		THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, ETC.
SHIP TO Box 2703 (K102)	REQ. NO. OR DEPT.	DATE Jan 25 2012
ADDRESS Whitehorse Y.T. Y1A 2C6	FDR	

PLEASE NOTIFY US IMMEDIATELY IF YOU ARE UNABLE TO SHIP COMPLETE ORDER BY DATE SPECIFIED

QUANTITY	PLEASE SUPPLY ITEMS LISTED BELOW	PRICE	AMOUNT
1	Processing Plant	3	600 <sup>00</sup>
2			
3	100 hrs Kenworth 125 <sup>00</sup> /hr.	12	500 <sup>00</sup>
4			
5	450M Resistivity Line	1	000 <sup>00</sup>
6			
7	4X4 90 days	3	000 <sup>00</sup>
8			
9	Quad 90 days	1	500 <sup>00</sup>
10			
		Sub Total	21 600 <sup>00</sup>
DATE REQUIRED	VIA	PLEASE SEND	COPY(IES) OF YOUR INVOICE
TERMS		PURCHASING AGENT	

PURCHASE ORDER

Dan  
M. P. P. E. T.  
Box  
31  
Dawson  
Y.T.  
YOBIGO

TO <b>YMIP Gov. of Yukon</b>		<b>935104</b>
ADDRESS <b>102 - 300 Main St.</b>		THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, ETC.
SHIP TO <b>Box 2703 (K102)</b>	REQ. NO. OR DEPT.	DATE <b>Jun 25 2012</b>
ADDRESS <b>Whitchers Y.T. YIA 2C6</b>	FOR	

PLEASE NOTIFY US IMMEDIATELY IF YOU ARE UNABLE TO SHIP COMPLETE ORDER BY DATE SPECIFIED

QUANTITY	PLEASE SUPPLY ITEMS LISTED BELOW	PRICE	AMOUNT
1	Corrected bill for Aug 4 <del>th</del>	2011	
2			
3	100 hrs DSK 200. <sup>00</sup> /hr	20	000. <sup>00</sup>
4	150 hrs 330 Exc. 200. <sup>00</sup> /hr	30	000. <sup>00</sup>
5			
6			
7			
8	Subtotal	50	000. <sup>00</sup>
9			
10	Final Bill to Follow		

DATE REQUIRED	VIA	PLEASE SEND	COPY(IES) OF YOUR INVOICE
TERMS	Correction for Bill or Inv. (935101)		PURCHASING AGENT