

2016 YMEP Target Evaluation Report

**Josephine Creek Placer,
Dawson Mining District**

YMEP No. 16-039

Nevada Zinc Corp.

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Date: February, 2017

Claims: Jos 1 – 21 (P517144 – P517164) and Jos 22 – 24 (P518159 – P518161)

NTS Mapsheets: 115P14, 115P15

UTM Coordinates: E401680, N7087913 (NAD83, Zone 8)

Owner: Nevada Zinc Corp.

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1.0 SUMMARY

This document is to fulfill the requirements of the Yukon Mineral Exploration Program (YMEP) grant application submitted in March, 2016 for a placer target evaluation program on the Josephine Creek Placer, Dawson Mining District, Yukon that is owned by Nevada Zinc Corp. of Toronto, ON.

The Josephine Creek Placer Property consists of 24 placer claims situated in the Clear Creek area, approximately 122 km ESE of Dawson City. It can be reached by truck via Clear Creek road which begins at the Klondike Highway approximately 100 km west of Dawson.

Josephine Creek is 8.5km in length showing a relatively high gradient. In most sections the valley bottom is just 50-70m wide and the slopes are steep. These topographical circumstances create high alluvial erosion resulting in shallow overburden, thickness of currently 3-12m. Near the mouth of the creek, prior to its confluence with Big Creek, the valley is widening and the gradient is significantly decreased.

Geologically, the property is located in the Tintina gold belt. The region is underlain by Hyland Group metasedimentary rocks which have been intruded by a wide range of Cretaceous aged dykes, sills and stocks known as the Tombstone Plutonic Suite. Gold mineralization in the area is generally related to these intrusions. The property itself is proximal to the Josephine Stock and Josephine gold-tungsten occurrence, and is dominated by chlorite and mica schists, quartzite, and slate.

The Clear Creek area was affected by the pre-Reid, Reid, and McConnell glacial periods. Upper Josephine Creek has experienced recent alpine glaciation (McConnell). There was also old early Pleistocene (pre-Reid) glaciation in the basin, but it is uncertain as to how far down valley it advanced. It is slightly further than Reid advance but likely not the full length of the creek. In addition there was ice in the Little South Klondike during the early Pleistocene which would have dammed lower Josephine for periods of time.

Although placer mining activity on the creek has been recorded as early as 1901, only 29 ounces of gold have been recorded to have been extracted from the creek in 1980 and 1981. Field observations indicate abundant heavy activity in the upper portions; stripped but not mined ground in the middle portions; and relatively untouched ground in the lower end, save for a few test pits.

The 2016 test program involved a 4" diameter sonic drill contracted to Boart Longyear. The drill uses vibration and rotation to cause liquefaction in the soil allowing for high rate of speed. It can also drill through most types of bedrock. Sample was collected every 5 feet in long poly bags. It was logged, then selectively panned and sluiced entirely. Material was panned to concentrate, and noted.

The program consisted of 9 sonic drill holes totalling 235 feet. The original intention was to drill profiles tested by the 2014 IP survey done on the property. However upon arrival it was found the drill was mounted on a track unit not capable of offroad travel. The program was then altered and shortened to fit the capabilities of the drill. Much ground prep had to be done to access the property.

Six holes were drilled in a fence located north of the main western tributary, starting on a bench and spaced 20m apart going east down to the creek. Depths to bedrock ranged from 40 ft on the bench to 9 ft at the valley bottom. Three holes were drilled in a narrower section of the valley, 250m south (up creek) of the first 6. They were also spaced 20m apart, covering the valley floor. Depth to bedrock here ranged from 17 ft to 19 ft.

Every hole drilled produced gold in the concentrate. Often it was a few fine colours and 1 or 2 flakes. This in itself is significant as the core size is only 4 inches. The 6 holes in the northern fence yielded 5 mg of gold and less per hole, with grains up to 0.9mm. Concentrate was mostly magnetite, hematite, ilmenite with some silvery scheelite and possibly arsenopyrite. The three holes south of the confluence produced more gold. One hole in the center (JOS-16-09) yielded sizable fractions up to 2.2mm weighing 65 mg. Concentrate in these holes was much more silver in colour; likely more scheelite and ilmenite and less magnetite.

It is likely that JOS-16-09 hit the pay streak. Had the drill not demobilized before the material sluiced, further drilling would have been done to define the width (the holes on either side are both 20m away). Since selective panning of the upper portions of the holes did not yield more than a few fine colours, it is assumed the majority of the gold is in the bottom yard above bedrock. With calculations, an immediate grade of JOS-16-09 can be determined. Assuming a gold price of \$1500 CAD/oz this pay streak grades \$108.51 CAD/yard.

Going 250m down creek gold weights maxed out at 5 mg in hole 16-02 and observations were similar for 16-06. Again, these are 20m spaced holes so it is difficult to hit a pay streak. Using the same calculations as above, 5 mg in the bottom yard of the drill hole gives a grade of \$8.34 CAD/yard. While this is generally not considered economic, it is still very prospective.

At the end of the program three claims were staked contiguous to the south end of the property. This was to cover any possible remaining historically unworked ground.

In conclusion, Josephine Creek remains a prospective and mostly untested target. Although the program did not achieve testing down creek (or test the effectiveness of the IP survey), it showed that gold is present in the up creek areas of the claims as well as laterally across the valley. The program also uncovered what is likely the paystreak with very high economic grades.

Further drilling is recommended. The sonic drill mounted upon a track rig better suited to the terrain would be ideal. A small, track-mounted rotary air blast (RAB) drill would also work well for the job. Drill locations would be the same as what was originally proposed for this program: testing each IP profile going down the creek, and expanding where necessary. Furthermore, when a pay streak is found, drilling should be done 5 ft away laterally on either side and expand outwards to define the width.

The western tributary of Josephine Creek is also prospective. If further drilling is to be done on Josephine, this tributary should be staked as well and kept as a lower priority. Road work between Granite Creek and Josephine Creek will be necessary in the future to improve access.

2.0 INTRODUCTION

This document is written to fulfill the requirements of the Yukon Mineral Exploration Program (YMEP) grant application submitted in March, 2016 for an exploration program on the Josephine Creek Placer, Dawson Mining District, Yukon that is owned by Nevada Zinc Corp. of Toronto, ON.

3.0 PROPERTY LOCATION AND ACCESS

Josephine Creek is situated in the Clear Creek area, approximately 122 km ESE of Dawson City (Figure 1). It is a left tributary of Big Creek. The creek can be reached by truck via Clear Creek road which begins at the Klondike Highway approximately 100 km west of Dawson. Although the road gets progressively rougher, it is possible to reach the property about 50 km in. An ATV trail runs along Josephine Creek for further ground access.

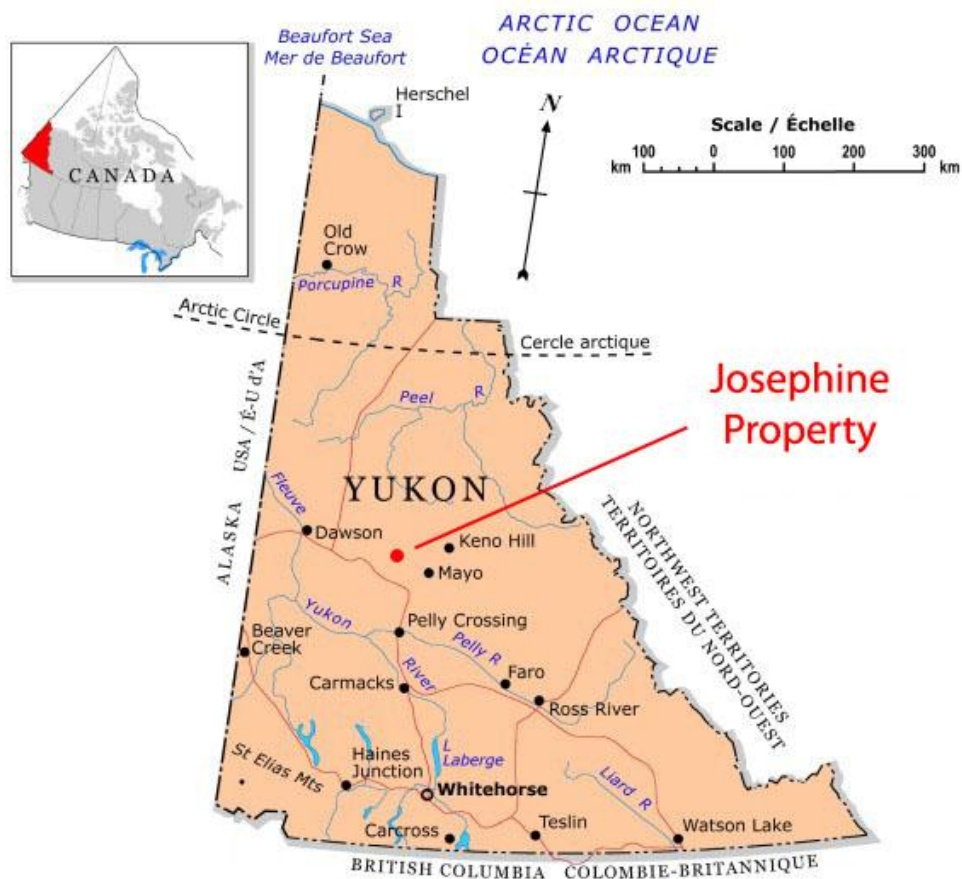


Figure 1: General location of Josephine Creek (modified from NRCAN, 2006).

4.0 TOPOGRAPHY, VEGETATION, AND CLIMATE

Josephine Creek is situated in a fairly high relief area of the Clear Creek – McQuesten River region. It has a number of small tributaries (Photo 1). South of the creek is defined by the 'West Ridge' range and is incised by Big Creek. Elevations range from 3200 ft to 5500 ft.

Vegetation consists of evergreen and deciduous forest which dominates the slopes. The mountain tops are generally bare due to high elevations with buck brush covering. The treeline ranges from 4100 ft to 4500 ft. Outcrop exposure is fair on the mountain tops, but very limited at lower elevations.

The Yukon has a subarctic continental climate with a mean summer temperature of 10 degrees celcius and a mean winter temperature of -23 degrees celcius. Temperature extremes of 35 degrees and -55 degrees celcius are common in the summer and winter, respectively.



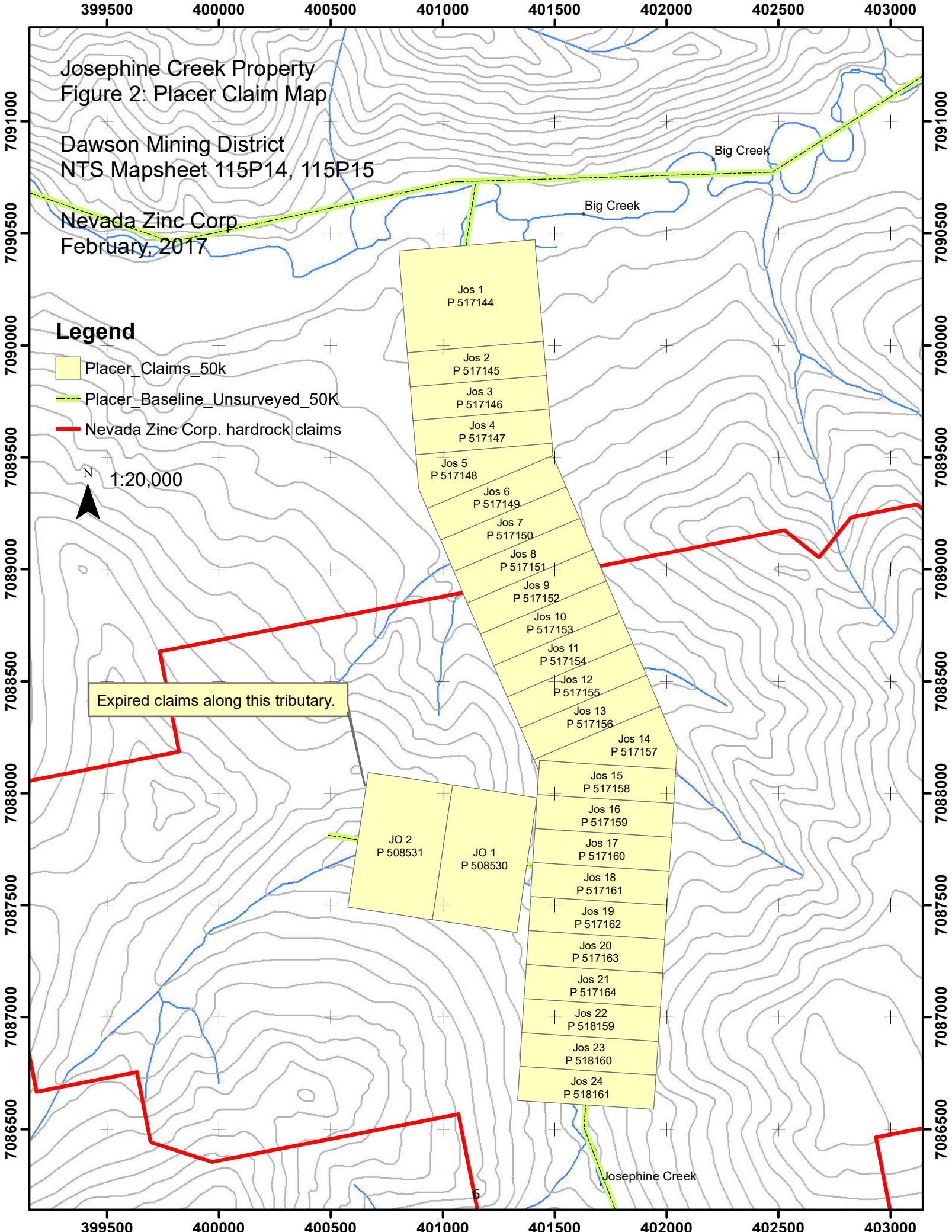
Photo 1: Josephine Creek on a typical rainy day (facing north).

5.0 PROPERTY DESCRIPTION

Josephine Creek is a 9 km long creek located in the Dawson Mining District, NTS mapsheet 115P14. The claims start close to the confluence with Big Creek and proceed for 3.8 km south. There are 24 contiguous placer claims (including 1 discovery claim) which are 100% owned by Nevada Zinc Corp. (Table 1 and Figure 2). There were originally 21 claims, but Jos 22 – Jos 24 were staked during the 2016 program.

Table 1: Claims comprising the Josephine Creek Placer Property

Claim Name	Claim No.	Grant No.	Claim Owner	Claim Expiry Date	Status	Lease
Jos	1	P 517144	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	2	P 517145	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	3	P 517146	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	4	P 517147	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	5	P 517148	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	6	P 517149	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	7	P 517150	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	8	P 517151	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	9	P 517152	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	10	P 517153	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	11	P 517154	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	12	P 517155	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	13	P 517156	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	14	P 517157	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	15	P 517158	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	16	P 517159	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	17	P 517160	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	18	P 517161	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	19	P 517162	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	20	P 517163	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	21	P 517164	Nevada Zinc Corp.	24/09/2021	Pending	ID01080
Jos	22	P 518159	Nevada Zinc Corp.	05/08/2017	Pending	
Jos	23	P 518160	Nevada Zinc Corp.	05/08/2017	Pending	
Jos	24	P 518161	Nevada Zinc Corp.	05/08/2017	Pending	



Josephine Creek Property
Figure 2: Placer Claim Map

Dawson Mining District
NTS Mapsheet 115P14, 115P15

Nevada Zinc Corp.
February, 2017

Legend

- Placer_Claims_50k
- Placer_Baseline_Unsurveyed_50K
- Nevada Zinc Corp. hardrock claims

N
1:20,000

Expired claims along this tributary.

- Jos 1
P 517144
- Jos 2
P 517145
- Jos 3
P 517146
- Jos 4
P 517147
- Jos 5
P 517148
- Jos 6
P 517149
- Jos 7
P 517150
- Jos 8
P 517151
- Jos 9
P 517152
- Jos 10
P 517153
- Jos 11
P 517154
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- Jos 21
P 517164
- Jos 22
P 518159
- Jos 23
P 518160
- Jos 24
P 518161

- JO 2
P 508531
- JO 1
P 508530

Big Creek

Big Creek

Josephine Creek

6.0 PROPERTY HISTORY

6.1 Historic Placer and Hardrock Activity

The Josephine and Clear Creek areas have had a long history of placer gold production and hard rock exploration. Josephine Creek itself has seen limited placer mining activity. Twenty-nine ounces of gold were reported to have been recovered in 1980 and 1981 (Yukon Placer Database).

"Much staking took place on Josephine in late summer and fall of 1901. Most of these claims soon lapsed. During the spring of 1904 Michael Spisak [one of the original stakers on this creek] returned to stake claims. These claims also soon lapsed. During 1973 D. Genier did testing on lower Josephine. Between 1979 and 1982 Arch Creek Mining Ltd. did testing and mining approximately 3 kilometres from the mouth. During 1981 and 1982 Cantung Mining Corp. Ltd. did test work in the same area."

(Yukon Placer Database)

Many inferences of the past activity have come from field observations during work done by Nevada Zinc on the creek. From the mouth of Josephine Creek to the first eastern tributary the valley bottom was stripped. This stripped area is now overgrown with shrubby vegetation (willow, dwarf birch). The stripping seems to have been done in the 1980's. Around Resistivity/IP Line_03 the ground was not stripped and several test holes of about 3x2m were dug (see Figure 3 for line locations). From Line_03 up to 250m downstream of Line_05 the ground looks quite virgin: the area is not stripped and just a few test holes were observed. Upstream of the spot 250m downstream from Line_05 the ground shows extensive mining activity almost up to the sources of Josephine Creek. Line_05 was done right across a 50m wide old pit.

Astonishingly no washed material was observed in the field all along Josephine valley. Along the Creek plenty of signs for shallow diggings were seen. But the volume of tested material seems to have been very small. The remains of the historic workings in 1980/81 allows for the theory of an unfinished test program: lots of material seems to have been moved - but not washed. A plausible explanation for that would be a lack of funds to go into production or more likely an investor pulled the plug on the project after only a small amount of gold was recovered during the test phase. - This is the theory of Stefan Ostermaier, survey leader of the 2014 geophysical survey (Moll, 2014).

Quartz claims in the area were recorded as early as 1902 at Josephine Creek and Lewis Gulch. The Lewis Gulch gold-pyrite showing is located southwest of the Josephine Property and was drilled in 1989 by Secret Pass Minerals. They intersected a 0.5 metre wide pyrite-sericite-quartz-clay gouge zone that assayed 18.7 g/t Au (Minfile 115P023).

The Josephine gold-tungsten occurrence is reportedly located 4 miles above the mouth of Josephine Creek. During 1902-03, M. Spisak drove three shallow adits, the longest being 20.7m. Further claims were added from 1912-1914. The area was fairly inactive until 1962 when the claims were restaked by T. Gergich then again in 1980 by Canada Tungsten. Government collected grab samples from the showing have yielded values of 5.14 g/t Au from an arsenopyrite bearing quartz vein and values of 7.63 g/t Au and 0.61% WO, from scheelite bearing quartz veinlets (Minfile 115P11).

During the late 1960's and early 1970's Canada Tungsten explored the Josephine, Rhosgobel, Pukelman stocks for tungsten potential. At the Rhosgobel (Minfile 115P012) and Pukelman occurrences, gold is associated with arsenopyrite bearing quartz veins in both the intrusive and hornfelsed country rocks. Drilling in 1988 by Goldrite Mining Corp. at the Pukelman intersected 1.1 metres of 8.57 g/t Au (Minfile 115P013).

In 1997, Newmont Exploration Ltd. obtained strongly anomalous gold values in silt along Josephine Creek (275, 175, 85, 80 and 80 ppb), as well as most of its tributaries (130, 115, 60 and 50 ppb Au). Arsenic values in silt were also highly anomalous (up to 410 ppm). Newmont also outlined a large Au-As soil anomaly 1 km northeast of the Josephine occurrence, with values up to 80 ppb Au, 2350 ppm As and 32 ppm Sb. It measures about 2 km long and 1 km wide (Stammers, 1997)

Golden Predator Corp. held quartz claims west of the Josephine Property covering the Josephine, Eiger, Pukelman, and Rhosgobel stocks. During 2010 reverse circulation drilling at the 'Contact Zone' of the Pukelman Stock intercepted significant gold mineralization. RC Hole CC10-22 intercepted 137.50 g/t Au over 1.52 m from a depth of 3.05 m and RC Hole CC10-20 intercepted 0.719 g/t Au over 30.48 m from a depth of 38.1 m (Golden Predator, 2011).

6.2 Work Performed by Nevada Zinc on Josephine Creek

Nevada Zinc Corp. staked and worked 109 quartz claims around the creek since 2011. Gold values up to 985 ppb (with high arsenic and tungsten) were obtained from silt samples taken from Josephine Creek. This led to the staking of a 5 mile placer lease. In 2013 a Candig machine was used to dig shallow pits along the creek. Sluicing of this material yielded abundant fine gold; up to 60 'colours' or 'specks' from 1x1x1 pits. In 2014, Arctic Geophysics of Whitehorse, YT was contracted to perform a Resistivity/IP survey along the valley bottom to test for bedrock depths. Five lines were surveyed along the creek and bedrock depths were inferred to be as deep as 32m at the mouth, but quickly shallowing proceeding up creek. A series of drilling recommendations were made for each line. In 2015 a Candig machine was again used to dig shallow pits, and similar results were found as 2013. Claims were staked after this program.

7.0 GEOLOGY

7.1 Regional Geology

The Josephine Property is located in the Tintina gold belt of the central Yukon. The regional geology was mapped by Murphy and Heon in 1993 as underlain by a large unit of Hyland Group rocks comprising quartzo-feldspathic psammite (metamorphosed sandstone), micaceous psammite and muscovite-chlorite phyllite (see Figure 3). Other lithologies include gritty or pebbly psammite, meta-pebble conglomerate, marble and calc-silicate rocks. Younger, unmetamorphosed stratigraphy outcrop to the north and include a Lower Paleozoic carbonate unit (Rabbitkettle Formation), Road River Group shale and siltstone and Earn Group fine chert pebble conglomerate, shale and sandstone (Murphy and Heon, 1994).

The entire package of sedimentary and metasedimentary rocks have been intruded by a wide range of Cretaceous (92 Ma) aged dykes, sills and stocks known as the Tombstone Plutonic Suite (Stephens et al., 2000). Composition of these intrusive rocks varies from quartz syenite and syenite at the large Syenite Range Stock to granitic and quartz monzonite bodies which include the Josephine, Eiger, Rhosgobel and Pukelman stocks. In a study of the Bear Paw Breccia Zone, Stephens and Weekes (2001) found that significant intrusive-related gold mineralization can be found outwards of 1.5 km away from Tombstone Plutonic Suite stocks.

7.2 Property Geology

7.2.1 Bedrock Geology

The Josephine Creek Property's dominant geological feature is the Josephine Creek Fault, a north-south fault that offsets stratigraphic contacts in the area. According to Murphy (1997), the Josephine Creek Fault is one of a number of younger north-south structures in the area. It juxtaposes Upper Proterozoic Hyland Group metasediments on the west side against Cambrian to Mississippian sediments on the east side. Murphy reported numerous undated north-trending faults and topographic lineament swarms in the McQuesten area, and that the densest concentration of these structures occurs along and in a NNW-striking zone straddling the Josephine Creek Fault.

The southern part of the block is close to the Big Creek Stock, a 2.7 x 1 km Cretaceous intrusion. The JO claims in this southern area are close to the BIG showing (Minfile 115P061), discovered by Don Murphy and Danielle Heon of the Yukon Geological Survey in 1993. Mineralized samples collected by Murphy and Heon assayed 377 ppb gold and 478 ppm manganese (vein), 435 ppb gold, 72 ppm bismuth, 88 ppm arsenic, 15.3 ppm silver, 242 ppm lead and 303 ppm tungsten (vein, disseminated); and 20 ppb gold and 789 ppm arsenic (breccia) (Murphy and Heon, 1994).

Regional first derivative magnetic surveys show a magnetic high to the northeast around Hobo Creek which extends to cover Josephine Creek and its headwaters. Interestingly, the Tombstone intrusions do not present a significant magnetic signature.

7.2.2 Surficial Geology and Geomorphology

Josephine Creek is 8.5km in length showing a relatively high gradient. In most sections the valley bottom is just 50-70m wide and the slopes are steep. These topographical circumstances create high alluvial erosion resulting in shallow overburden, thickness of currently 5-10m. Near the mouth of the creek, prior to its confluence with Big Creek, the valley is widening and the gradient is significantly decreased. The "alluvial fan" in this section seems to show about 30m of overburden.

Notes from the Yukon Placer Database on the upper areas of Josephine suggest depths to bedrock are from 2.1 to 2.7 metres and consist of 0.3 metres of muck overlying 1.8 to 2.4 metres of gravel. Gravel type and deposit conditions are probably similar to those on the nearby left fork of Clear Creek: depths increase near the head, permafrost only occurs in patches and gravels are generally coarse with occasional large boulders.

The McQuesten River drainage basin, including the Clear Creek region, been influenced moderately by the three glacial periods of the Mayo Range: pre-Reid (early Pleistocene), Reid (middle Pleistocene), and McConnell (late Pleistocene) (Allen et al., 1999). Few glacial characteristics are evident in the overburden since younger (late-Pleistocene) alluvial processes might have removed potential glacial deposits. The general area around the creek is overlain by Pleistocene and Holocene colluvium.

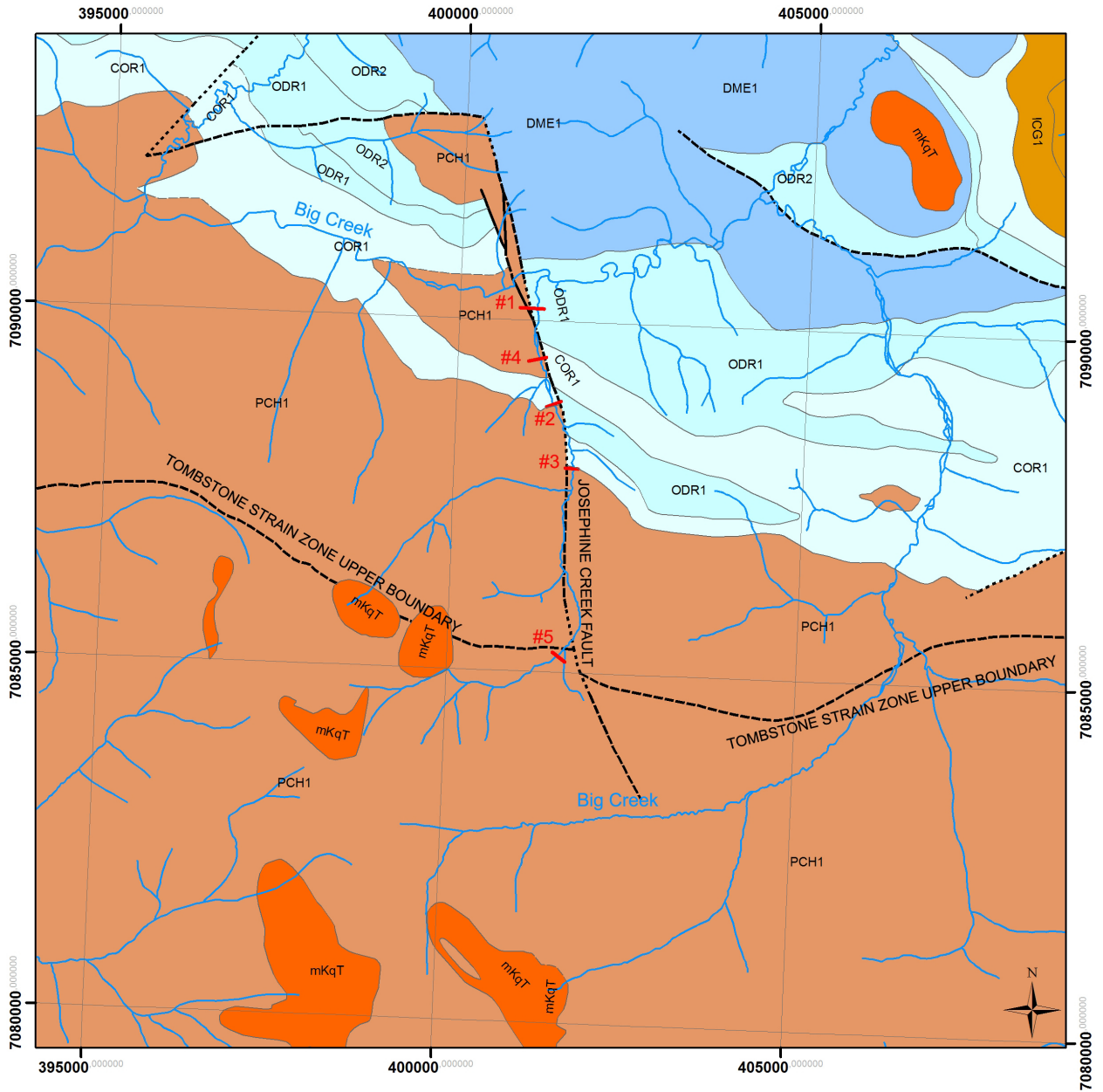
According to YGS surficial geologist Jeff Bond (pers. comm, 2016), upper Josephine Creek has experienced recent alpine glaciation (two in last 125,000 years). This is evident from the cirque and U-shaped valley. There was also old early Pleistocene glaciation in the basin, but it is uncertain as to how far down valley it advanced. It is slightly further than Reid advance but likely not the full length of the creek. In addition there was ice in the Little South Klondike during the early Pleistocene which would have dammed lower Josephine for periods of time. Bond suggests the best prospect for placers would be downstream of the Reid-age alpine glacial limit.

Currently there is no detailed surficial geology map for NTS mapsheet 115P14. Figure 4 displays major surficial and bedrock features of the Clear Creek area.

Regional Stream Sediment data

There are two 98th percentile regional gold silt anomalies (43 and 39 ppb Au) in Josephine Creek. Both gold anomalies are coincident with 99th percentile As anomalies, and the 43 ppb Au anomaly also coincides with a 90th percentile Sb anomaly. Local silt sampling by Newmont in 1997 as well as Nevada Zinc returned substantially higher values than this from Josephine Creek and its tributaries (Ferraro, 2013). To the south of Josephine Creek is Big Creek, an east flowing creek which hosts a 95th percentile regional gold silt anomaly (19 ppb) and a 98th percentile tungsten. As mentioned, tungsten correlates strongly with Cretaceous intrusions and gold in this area.

Fig.3: Bedrock Geology Map



Legend

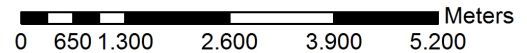
- measuring line
- road
- watercourse
- faults**
- defined
- - - - approximate
- · · · · assumed
- PCH1
- mKqT
- DME1
- ODR1/ODR2
- COR1

Survey Map

115P14 (Clear Creek); 115P15 (Sprague Creek)

Universal Transverse Mercator Zone8
North America Datum 1983

Scale 1:75,000



Legend

PCH1: HYLAND: thin to thick bedded, brown to pale green shale, fine to coarse grained quartz-rich sandstone, grit, and quartz pebble conglomerate; minor argillaceous limestone; phyllite, quartzofeldspathic and micaceous psammite, gritty psammite and minor marble (Hyland Gp., Yusezyu)

mKqT: TOMBSTONE SUITE: medium- to coarse-grained, locally porphyritic biotite hornblende, clinopyroxene granite, quartz monzonite and granodiorite (Tombstone Suite)

DME1: EARN: thin bedded, laminated slate with thin to thickly interbedded fine to medium grained chert-quartz arenite and wacke; thick members of chert pebble conglomerate; black siliceous siltstone; nodular and bedded barite; rare limestone (Earn Gp., Portrait Lake and Prevost)

ODR1: ROAD RIVER - SELWYN: black, gun-blue, or silvery white weathering black graptolitic shale and black chert; resistant grey weathering, thin to medium bedded, light grey to black, greenish grey or turquoise chert; minor argillaceous limestone (Road River Gp., Duo Lake and Elmer Creek)

ODR2: ROAD RIVER - SELWYN: rusty dark green to orange buff weathering, pyritic, burrowed, thin to thick bedded, argillite and dolomitic siltstone with members or partings of black shale and chert; minor bright orange dolostone (Road River Gp., Steel)

COR1: RABBITKETTLE: thin bedded, wavy banded, silty limestone and grey lustrous calcareous phyllite; limestone intraclast breccia and conglomerate; massive to laminated, grey quartzose siltstone and chert and rare black slate; local mafic flows, breccia, and tuff (Rabbitkettle)

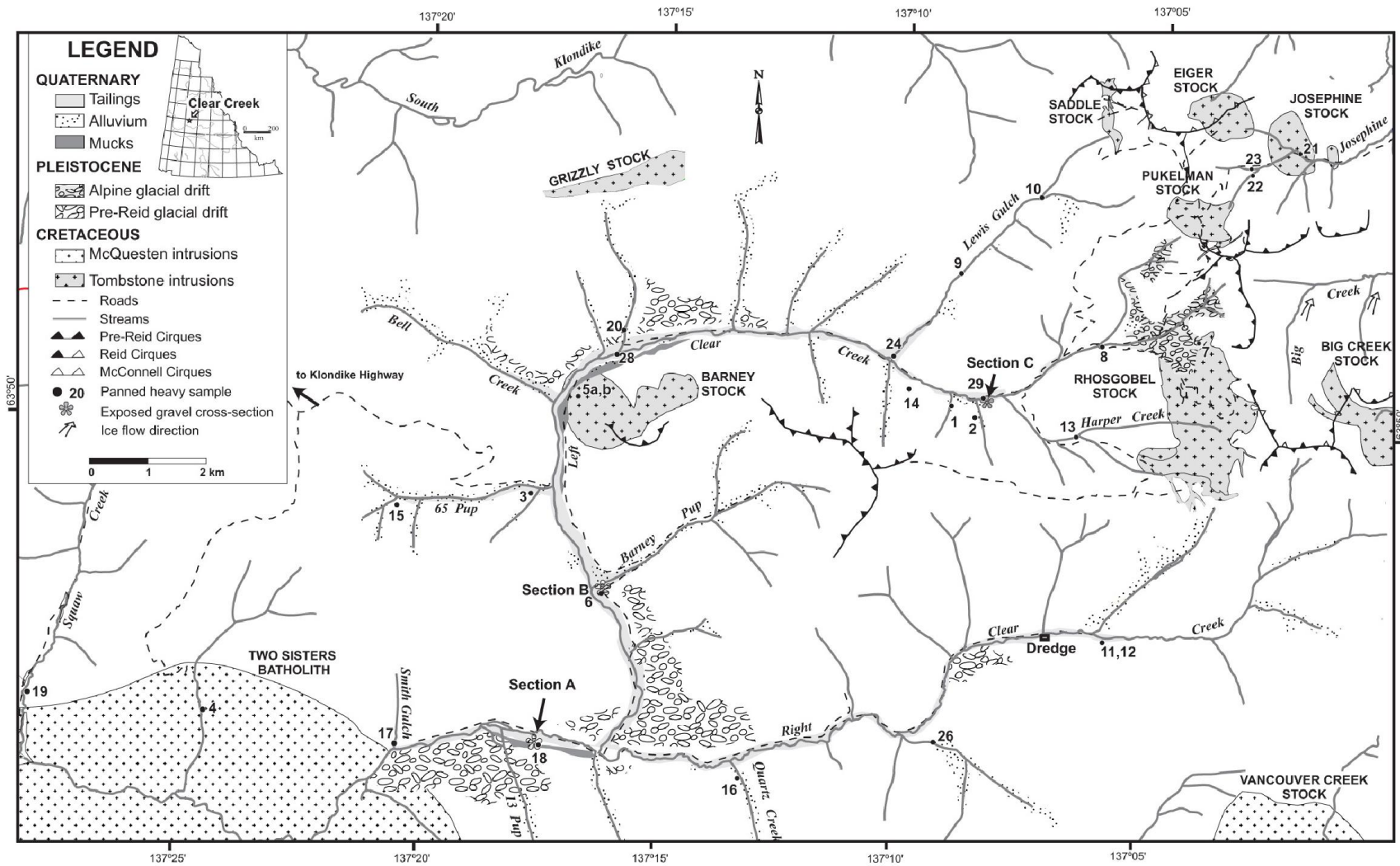


Figure 4: Major surficial and bedrock geological features of the Clear Creek drainage area. Josephine Creek is located in the top right corner. Numbered points represent panned concentrates taken by YGS geologists. Analysis of concentrates (as well as the source of the map) can be found in Allan et al.'s paper 'Placer Gold and associated heavy minerals of the Clear Creek drainage, central Yukon: Past to Present' (1999).

8.0 2016 SONIC DRILL PROGRAM

8.1 Equipment and Methodology

The 2016 program was focused on drilling. Boart Longyear was contracted to use a 4" diameter Mini Sonic drill rig (Photo 2). The drill is track mounted and moved by remote control. The following is a brief summary of how sonic drilling works from the Sonic Drill Corporation website (2017):

"A sonic drill has many similarities to a conventional air or mud rotary drill rig. The biggest difference is in the drill head, which is slightly larger than a standard rotary head. The head contains the mechanism necessary for rotary motion, as well as an oscillator, which causes a high frequency force to be superimposed on the drill string. The drill bit is physically vibrating up and down in addition to being pushed down and rotated. These three combined forces allow drilling to proceed rapidly through most geological formations including most types of rock. In overburden, the vibratory action causes the surrounding soil particles to fluidize, thereby allowing effortless penetration. In rock, the drill bit causes fractures at the rock face, creating rock dust and small rock particles, which facilitates advancement of the drill bit."

This drill was used specifically for Josephine Creek due to the ineffectiveness of auger drilling on neighbouring creeks. Large boulders from glaciation are quite common in the Clear Creek area which will stop or sometimes damage an auger. A sonic drill will drill through the boulder and continue through to the soil below. In addition, the drill is extremely fast when drilling overburden.

Boart Longyear's drill uses 5 foot rods. At the end of each 5 feet of drilling, the rod string has to be pulled. The final rod contains the run of soil or rock chips. To collect the sample, the rod is vibrated and the sample slowly drops into a long poly bag tied at one end. The result ends up being a 5 ft long 'sausage' of soil or rock chips (Photo 3). The material remains in a cohesive order from top to bottom of the run. The series of bags can then be laid out on a tarp, sliced open, and the hole logged similar to a core box from diamond drilling.

After logging the hole, Nevada Zinc personnel would then either selectively pan the material or run the entire hole through the sluice box (Photos 4 and 5). If a specific horizon looked to be favourable, it was isolated and removed from the bag. The material was then panned to concentrate and visually inspected for gold or other heavy minerals. Notes were made and the concentrate was then collected with a dropper bottle and moved to a labelled vial. The rest of the material was then collected in 5 gallon pails and run through a Keen sorter and sluice box system. The sluice box was set on a stand and water was run through it using a Honda gas-powered pump. The sluice runoff was guided into a sump. Once the material was run through the sluice, the 'miner's moss' was washed into a pail and the contents panned. Notes were taken on the amount of gold and other heavy minerals, and the concentrate collected with a dropper bottle.

Concentrates were then taken back to Dawson City. For holes with significant amounts of gold, the gold was isolated, dried, and weighed using an enclosed milligram-sensitive scale.



Photo 2: Mini Sonic drill at JOS-16-01.



Photo 3: 5 ft runs laid out for logging.



Photos 4 and 5: Running the drill cuttings through a sluice and panning the concentrate.

8.2 Dates and Personnel

The drilling program was conducted in late July - early August, 2016 (see Table 2). A crew of two men did a day of reconnaissance on July 24th to check access, potential camp locations, and spot some of the first holes. On July 28th a crew of 3 Nevada Zinc-contracted geologists departed Dawson City and met the Boart Longyear crew and float truck at the Clear Creek Road turnoff. The drill was partially mobilized in and camp set up.

Due to some miscommunications, the track system the drill was mounted upon was not as capable of offroad travel as expected. No belly pan was present on the machine and the tracks were not worthy of rough terrain. An extreme amount of brush cutting had to be done which tied up personnel for the first couple days. In addition, the anticipated drill targets could not be reached. Compromises were made and drilling began late in the day on the 29th and continued through to the 31st when the drill demobilized. Nevada Zinc spent the rest of the day working through the material; logging, sluicing, and panning. It was determined that an additional few claims should be staked on the south end of the group so on August 1st camp was taken down and claims staked.

Table 2: Dates and activities related to the drill program

Date	Activity	Personnel	Man Days
24-Jul-16	Reconnaissance	2 geos	2
27-Jul-16	Prep for program	1 geo	1
28-Jul-16	Mob drill in part way, set up camp	3 geos, 2 drillers	5
29-Jul-16	Mob in drill, brush out road and pads, begin drilling	3 geos, 2 drillers	5
30-Jul-16	Drilling, sawing, sluicing, panning	3 geos, 2 drillers	5
31-Jul-16	Drill demobs, geos sluice and pan	3 geos, 2 drillers	5
1-Aug-16	Take down camp, stake 3 claims, demob	3 geos	3
			26

8.3 Drilling Results

The purpose of the 2016 drill program was to test for the presence of placer gold in previously untested areas of Josephine Creek as well as test the findings and interpretation of the 2014 resistivity/IP survey.

As mentioned above, the track unit on the drill was not up to the task of extended offroad use. Incredible amounts of brush clearing had to be done just to get the drill down the main creek

trail (even though it was fine for ATV travel). One creek crossing proved to be unpassable without ground prep done by a bulldozer. Despite these setbacks, compromises were made and a new drill plan formed. In total, 9 holes were drilled with a combined depth of 235 feet (see Figure 5 for map of drill hole locations).

A 'fence' of holes was planned in a very wide section of the valley just past the main western tributary on claim Jos 18. This is as far down creek (north) as the drillers were willing to go, but ended up being an ideal testing ground. Six holes (JOS-16-01 to 16-06) were drilled at a roughly 20m spacing perpendicular to the valley slope (fence was at a ~114 degree azimuth). JOS-16-01 was drilled at the western edge of the bench upslope from the creek. JOS-16-06 was drilled near the creek at valley bottom (Photo 6). In this area the creek followed a steep cliff to the east.

Photo 6 (right): Looking ESE across the valley along the fence of JOS-16-01 to 16-06.



A second fence of holes was drilled 250m south of the aforementioned holes. Three holes were drilled here at ~20m spacings (JOS-16-07 to 16-09). In this area the creek valley was much narrower with the creek being on the west edge of the valley.

Although budget permitted another day of drilling, the program was halted after the 9 holes since it was thought that drilling up creek would not be as worthwhile as the original intent of the program.

All holes drilled produced some amount of gold. In the down creek northern fence depth to bedrock ranged from ~35 feet at the top of the bench to 9 feet at the valley bottom. Depth to bedrock on the up creek southern fence of holes was 17 to 19 feet.

Gold content generally increased towards the valley bottom with the exception of JOS-16-02 which was fairly high upslope. Gold content also increased in the up creek fence of holes which were all drilled on the fairly flat valley bottom. Only 2 holes were weighed. JOS-16-09, drilled 25m east of the creek, yielded 65 mg of gold (Photo 7) which is very high for a 4" bore (discussed in Section 9). Had the hole been sluiced and processed before the drill demobbed, further drilling would have been done in the immediate vicinity to test the extension of this pay

streak. Gold grains measured up to 2.2mm and were fairly rounded. JOS-16-02 yielded 5 mg which is significant enough. Gold grains were fairly flattened and measured up to 0.9mm. The other holes were not weighed as it was thought that 16-02 was the second best hole and other weights would not exceed 5 mg. JOS-16-06 was comparable to 16-02, likely weighing 3-5 mg.

Panned concentrates consisted of mostly magnetite and ilmenite in the down creek holes. The up creek fence contained much more silvery concentrate which is likely tungsten and arsenopyrite in combination with magnetite and ilmenite (Photo 8).

Location of the gold within the soil profile appears to be towards the bedrock interface. Isolated pan samples from higher up in the holes did yield some colours, not nothing significant. In the case of JOS-16-07, pans were taken from 9 ft above bedrock and 3 ft above bedrock. Both yielded one or two fine colours. Sluicing the rest of the hole yielded >20 fine colours. Table 3 summarizes hole locations and results. Table 4 shows the drill logs.

At the end of the program claims Jos 22 to Jos 24 were staked contiguous to the south of the group. This was to be sure to cover any ground that was not previously mined since Jos 19 appears to be economic. Claims Jos 23 and 24 did appear to have some prior activity.



Photo 7: Panned gold from JOS-16-09 weighing 65 mg with grains up to 2.2mm.



Photo 8: Panned concentrate from JOS-16-08.

401400

401600

401800

Josephine Creek Property Figure 5: Sonic Drill Hole Location Map

Dawson Mining District
NTS Mapsheets 115P14, 115P15

Nevada Zinc Corp.
February, 2017

Legend

- Sonic drill holes
- - - Trail
- Placer Claims (50k)



1:3,000

Jos 15
P 517158

Jos 16
P 517159

Jos 17
P 517160

Jos 18
P 517161

Jos 19
P 517162

Jos 20
P 517163

Jos 21
P 517164

3300

3400

3500

3600

3700

Edge of gentle slope 'bench'

Trail becomes poor north of this crossing

Long western tributary also hosting high gold-in-silt sample values

Camp location

JOS-16-01

JOS-16-02

JOS-16-03

JOS-16-04

JOS-16-05

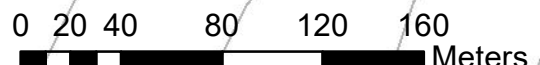
JOS-16-06

JOS-16-07

JOS-16-08

JOS-16-09

JOS-16-08



7087800

7087800

7087600

7087600

7087400

7087400

7087200

7087200

401400

401600

401800

19

Table 3: Hole Locations and Results Summary

Hole ID	Easting	Northing	Dip	Depth (ft)	Depth to Bedrock (ft)	Claim #	Results
JOS-16-01	401605	7087660	-90	35	35-40	JOS 18	Sluiced entire hole. 2 fine colours, fair bit of magnetite.
JOS-16-02	401625	7087650	-90	35	30	JOS 18	Sluiced entire hole, 2 larger colours measuring up to 0.9mm, 5 fine colours. Weighed 5 mg.
JOS-16-03	401644	7087643	-90	25	19	JOS 18	Pan from top of bedrock resulted in no colours or heavy minerals. Sluiced rest of hole: 2 small flakes, 3 fine colours.
JOS-16-04	401662	7087633	-90	20	9	JOS 18	Sluiced entire hole. 2 small flakes, 2 fine colours.
JOS-16-05	401676	7087626	-90	20	9	JOS 18	Sluiced entire hole. 3 fine colours.
JOS-16-06	401694	7087619	-90	20	9	JOS 18	Sluiced entire hole. 1 larger colour, 1 small flake, 5 fine colours. Comparable to JOS-16-02.
JOS-16-07	401586	7087391	-90	25	17	JOS 19	Pan from just above clay layer (8-9ft) resulted in 1 colour, 1 fine colour. Pan from 14 ft resulted in 1 decent colour, but some oil was found in bottom of pan. Sluiced the rest of the hole. ~20 fine colours with a very silvery concentrate (tungsten or arsenopyrite?).
JOS-16-08	401623	7087374	-90	30	19	JOS 19	Sluiced entire hole, 1 decent colour, 7-8 fine colours. Very silvery concentrate.
JOS-16-09	401605	7087389	-90	25	17	JOS 19	Sluiced entire hole, 3 nice plinkers measuring up to 2.2mm, 1 small flake, 17 very fine colours. Weighed 65 mg. Very silvery concentrate.

Table 4: Sonic drill logs

Hole	Depth (ft)		Description
	From	To	
JOS-16-01	0	6	Organics, mud, clays.
	6	12	Large rounded cobbles of mafics and granite up to 10cm. Sandy matrix.
	12	23	C horizon chips and smaller cobbles of glacial/fluvial material <5cm.
	23	35	Approaching bedrock. Angular schist chips with sandy and clay-y matrix. Few cobbles discovered after hole pulled.
		35	End of hole. Hole likely stopped too early, just above bedrock. Did not know what bedrock would appear like in sonic core.
JOS-16-02	0	4	Mud, organics, minor clay.
	4	16	Sandy with coarser cobbles (fluvial,till) up to 10cm of granite and mafics.
	16	18	Shaley angular chips with fine clay, mud.
	18	28	Cobbles up to 5cm with fair bit of clay.
	28	30	Sandy, glacial till, grey schist.
	30	34	Bedrock. Rusty brown, oxidized schist.
	34	35	Bedrock. Grey schist, less oxidized.
		35	End of hole
JOS-16-03	0	3	Muddy A and B horizon, clay, mica.
	3	12	Sandy matrix with angular schist rock chips. Glacial cobbles up to 15cm (mafics, granite).
	12	19	Clay, minor gritty sand, angular schist bedrock.
	19	23	Bedrock. Weathered, oxidized beige/orange schist.
	23	25	Bedrock. Grey-dark grey graphitic schist. Greasy. Minor oxidation.
		25	End of hole
JOS-16-04	0	4	Mud, clay, micas
	4	9	Sand, till <5cm, minor clay.
	9	20	Bedrock. Schist. Fairly weathered throughout, very oxidized. Minor graphite.
		20	End of hole.
		20	End of hole.
JOS-16-05	0	9	Mud, clay, till, river cobbles.
	9	20	Bedrock. Weathered schist. Very oxidized. Minor graphite.
		20	End of hole
JOS-16-06	0	3	Organic muck.
	3	9	Clay, mud, sand, till <8cm.
	9	15	Bedrock. Oxidized schist. Muddy matrix.
	15	20	Dry bedrock. Grey and oxidized schist. Minor graphite.
		20	End of hole
JOS-16-07	0	9	Coarse sand, minor clay. Up to 10cm large cobbles of granite and mafics. Minor bedrock material.
	9	10	Fine clay layer with fine weathered bedrock chips
	10	17	High energy flow. Sandy, lighter coloured mud matrix. Glacial/river cobbles <10cm grading finer to above unit.
	17	19	Bedrock interface. Schist with sandy matrix.
	19	25	Dry bedrock. Weathered, oxidized schist, grey-brown colour.
		25	End of hole
JOS-16-08	0	13	As at 0-9ft in 16-07. Brown mud with glacial or river cobbles as large as 10cm. Minor clay. Minor red weathered bedrock chips.
	13	14	Harder clay layer. Not as pronounced as in 16-07.
	14	19	Lighter mud, sand and clay matrix. Smaller cobbles, not as high energy fluvial material as above. Abundant weathered bedrock.
	19	22	Bedrock interface. Weathered schist and sand, minor clay.
	22	30	Bedrock. Light grey schist with brown oxidized schist. Minor graphite.
		30	End of hole

Hole	Depth (ft)		Description
	From	To	
JOS-16-09	0	4	Large, >10cm rounded cobbles of granite and mafic rock with sandy matrix. Fairly high energy.
	4	5	Sandy clay; very consolidated with a few larger cobbles
	5	10	Washed cobbles >10cm of granite, schist, and quartz vein material. Hole got washed out? 4" discs of competent blue rock (quartzite?) with mica and fine sulphides. Some arsenopyrite-mineralized granite, likely of the local Tombstone stocks.
	10	17	Finer cobbles, <5cm with clay and sand. Abundant fine bedrock chips.
	17	24	Bedrock. Schist, very oxidized with fine clay matrix.
	24	25	Bedrock. Dry, less oxidized
		25	End of hole

9.0 DISCUSSION

Despite setbacks drill results on Josephine Creek were indeed favourable. The sonic drill itself proved to be very efficient and ideal for the job. Larger boulders were hit in 2 holes and drilled clear through. If it was mounted on a Nodwell-type track system and had a 6" bore, the sonic drill would be ideal for placer testing.

Drill results were encouraging. Drilling a 4" bore and getting any gold is generally good, but seeing abundant fine colours and significant weight (in the case of at least one hole) is reason enough to pursue the creek. The program also proved that there is gold present going upslope from the creek up to 100m away (with an estimated 30m elevation difference). Hole JOS-16-09 yielded 65 mg of gold. Assuming all of the gold is in the bottom yard a quick grade calculation can be made. Extrapolating the 65 mg grade of the 4"x3' volume to 3'x3' gives 2250 mg or 0.07234 troy ounces. Using a gold price of \$1500 CAD/oz this pay streak grades \$108.51 CAD/yard.

Drill holes on either side of this hole did show significant gold (8-20 fine colours) but likely would not weigh much. However, these holes are spaced 20m away and a typical pay streak is likely thinner than 40m. Furthermore, a 4" bore is a small sample size. Drilling would have to be tight spaced to make true inferences.

Going 250m down creek gold weights maxed out at 5 mg in hole 16-02. Hole 16-06 likely has a similar weight from observations. Again, these are 20m spaced holes so it is difficult hit a pay streak. Using the same calculations as above, 5 mg in the bottom yard of the drill hole gives a grade of \$8.34 CAD/yard. While this is generally not considered economic, it is still very encouraging.

Another benefit Josephine Creek is the depth to bedrock and lack of permafrost. In the area with best results, bedrock was at 17 ft of depth. Going down creek bedrock was only at 9 ft depth. Judging by the IP surveys, bedrock should drop down, but very gradually. No permafrost was encountered in any hole including the upslope holes. On top of this, the middle and some lower portions of the creek have already been stripped but not mined, so permafrost should be less than expected here as well.

Access to Josephine Creek is good because of the refurbishment done to the road by Stuart Schmidt and Golden Predator over the last few years. If operations were to be pursued, the road going down Clear Creek's right fork and through Granite Creek (maintained by Stuart Schmidt) would be ideal. Maintenance would only be required between Granite Creek and coming into Josephine Creek from the east.

Some inferences can also be made as to the source of the placer gold. Cobbles of granite were found in many of the holes. In the up creek fence, semi-angular cobbles of arsenopyrite-bearing granite were found. A bag of this material was sent to Bureau Veritas for assay and returned 1.1

g/t Au with 136 ppm arsenic and anomalous tungsten (Photo 9). Abundant silvery concentrate was also found in the panned concentrates which is likely tungsten, ilmenite, fresh pyrite, and possibly arsenopyrite. In their analysis of placer gold and heavy minerals of the Clear Creek drainage, Allen et al. (1999) took 3 samples from Josephine Creek and found up to 10% scheelite in the concentrates which is generally more than the other creeks sampled not draining Tombstone stocks. They also noted up to 70% ilmenite which is a common mineral in reduced intrusions (as opposed to magnetite). Up to 10% hematite was noted as well as trace cassiterite and trace fresh pyrite. Minor gold was found in the concentrates.

Over the years Nevada Zinc has taken over 70 silt samples from Josephine Creek and its tributaries. Silt samples from the creek assay very high for gold, tungsten and arsenic – up to 985 ppb Au, 505 ppm As, and 44 ppm W (Ferraro, 2013). Geological data shows that Tombstone/Mayo-suite mid-Cretaceous intrusions are present at the headwaters of both Josephine Creek and the main western tributary. The Josephine Stock and Pukelman Stocks are located at the headwaters of Josephine Creek and the Eiger Stock is located at the headwaters of the western tributary. These intrusions have been proven to be gold-bearing by drilling done by Golden Predator (2011). With this evidence it is most likely that the source of the placer gold is reduced intrusion-related gold found within and around the Clear Creek mid-Cretaceous stocks.

The fact that the Eiger Stock is located at the headwaters of the western tributary gives rise to the possibility that placer gold is present in this tributary. Furthermore, placer gold grades may increase going down Josephine Creek past the confluence due to the two sources.



Photo 9: Semi-angular, arsenopyrite-bearing granite cobbles from JOS-16-09 assaying 1.1 g/t Au, 136 ppm As, 2.8 ppm W.

10.0 CONCLUSION AND RECOMMENDATIONS

Josephine Creek remains a prospective and mostly untested target. Although the program did not achieve testing down creek (or test the effectiveness of the IP survey), it showed that gold is present in the up creek areas of the claims as well as laterally across the valley. One hole in the valley bottom showed highly economic grades and holes down creek showed prospective grades.

Further drilling is recommended. The sonic drill mounted upon a track rig better suited to the terrain would be ideal. A small, track-mounted rotary air blast (RAB) drill would also work well for the job. Drill locations would be the same as what was originally proposed for this program: testing each IP profile going down the creek, and expanding where necessary. Furthermore, when a pay streak is found, drilling should be done 5 ft away laterally on either side and expand outwards to define the width.

The western tributary of Josephine Creek is also prospective. If further drilling is to be done on Josephine, this tributary should be staked as well and kept as a lower priority.

Road work between Granite Creek and Josephine Creek should be done to improve access. The Josephine Creek road going north to Big Creek was cleared 200m past the main western tributary (camp location) during the 2016 program. With a little more road work with a blade it would be easily truck accessible to the camp location. Continuing north to Big Creek would require more road work for truck access but it is easily ATV accessible.

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STATEMENT OF EXPENDITURES

Josephine Creek Expenditures

July 24th and July 27th to August 1st, 2016

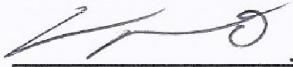
Nevada Zinc Corp.

Type	Item	Unit Price	Cost
Daily field expenses	Food, camp costs, packs, sampling equipment, GPS, radios, sat phones, camera, computer, firearm, consumables.	\$100/25 man days	\$2,500.00
Wages	Geologists	\$400/18 man days	\$6,000.00
Report	YMEP report		\$3,200.00
Fuel	Geologists/Druid (truck, ATV, generator)	by receipt (some on Druid invoice)	\$244.10
	Drill fuel	by receipt (on Druid invoice)	\$800.00
Truck within Yukon	Commercial rental	\$150/day for 6 days	\$900.00
Truck within Yukon	Commercial rental	\$150/day for 5 days	\$750.00
ATV rentals + tub trailers	Commercial rental (Druid Exploration)	\$130/day for 5 days * 2 ATVs	\$1,300.00
Chainsaws	Commercial rental	3 saws @ \$35 per day for 5 days	\$525.00
Sluice box/wash plant	Commercial rental	\$120/day for 5 days	\$600.00
3" Honda water pump	Commercial rental	\$56/day for 5 days	\$280.00
Honda generator	Commercial rental	\$50/day for 5 days	\$250.00
Accommodation/office	Druid Exploration lot	\$50/day for 4 man days	\$200.00
Drill Contract	Custom contract with Boart Longyear including wages NOT including camp costs, expenses, etc.	Service invoice	\$14,650.40
		TOTAL	\$32,199.50

CERTIFICATE OF QUALIFICATIONS

I, Daniel Ferraro, of 835 Berkshire Dr., Woodstock, Ontario, Canada, certify that:

1. I am a graduate of Lakehead University, 2008, and I hold an H. B.Sc. Geology degree.
2. I am an independent geological consultant.
3. I am a member of the Ontario Prospectors Association (2010).
4. I have been employed as a geological assistant for the Ontario Geological Survey and the Geological Survey of Canada during the summers of, respectively, 2006 and 2007.
5. I have been working in the mineral exploration industry since 2008 consulting for Pacific North West Capital Corporation, East West Resources Corporation, Rainy Mountain Royalty Corporation, Black Panther Mining Corporation, White Tiger Mining Corporation, Trillium North Minerals Ltd., Nebu Resources Inc., Canoe Mining Ventures Corp., Harte Gold Corp., Goldstrike Resources Ltd., Goldspike Exploration Inc., and Nevada Zinc Corp.
6. This report was prepared by myself.
7. I have no personal knowledge from the date of this certificate of any material fact or change not reflected in this report.



Daniel Ferraro, HBSc.

Date: Feb. 15, 2017

Appendix I: YMEP Final Submission Form

YMEP FINAL SUBMISSION FORM

		Date submitted: Feb 14, 2016													
<i>submit by January 31st to:</i> <i>(winter placer projects may submit at pre-approved date)</i>		YMIP- EMR/ YTG Street address: 102-300 Main Street Mailing address: Box 2703, K-102 Whitehorse, Yt, Y1A 2C6 YMEP@gov.yk.ca phone: 867-456-3828 fax: 867-667-3198													
CONTACT INFO		PROJECT INFO													
Name:	Nevada Zinc Corp.	YMEP no:	16-039												
Address:	141 Adelaide St. West Suite 1660	Project name:	JOSEPHINE												
	Toronto, ON M5H 3L5	Project type:	placer												
email	danferraro@hotmail.com	Project module:	target evaluation												
Phone:	416-504-8821 or personal 807-708-7445														
Is the final report enclosed? <table style="display: inline-table; margin-left: 20px;"> <tr> <td><input checked="" type="checkbox"/></td> <td>yes</td> <td><input checked="" type="checkbox"/></td> <td>hard copy</td> </tr> <tr> <td><input type="checkbox"/></td> <td>no</td> <td><input checked="" type="checkbox"/></td> <td>pdf copy</td> </tr> <tr> <td></td> <td></td> <td><input type="checkbox"/></td> <td>digital spreadsheet of station location data</td> </tr> </table>				<input checked="" type="checkbox"/>	yes	<input checked="" type="checkbox"/>	hard copy	<input type="checkbox"/>	no	<input checked="" type="checkbox"/>	pdf copy			<input type="checkbox"/>	digital spreadsheet of station location data
<input checked="" type="checkbox"/>	yes	<input checked="" type="checkbox"/>	hard copy												
<input type="checkbox"/>	no	<input checked="" type="checkbox"/>	pdf copy												
		<input type="checkbox"/>	digital spreadsheet of station location data												
Comment:															
PROJECT SUMMARY															
Total project expenditures:	32199.50														
Number of new claims since March 31st:	3														
Has an option resulted since March 31?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no	<input type="checkbox"/> in negotiation												
Number of calendar field days:	6														
Number of person-days of employment:	_____ paid	_____ days of unpaid work													
Total no. of samples:	_____ rocks	_____ silts	_____ soils _____ other												
Total length/volume of trenching/ shafting:	_____														
Total number of line-km of geophysics	_____														
Total meters drilled	_____ diamond drill	_____ RC drill	235 _____ auger/percussion drill												
Other products (provide details): _____															
<i>This is not an expense claim form. To request reimbursement of expenses, please submit a separate detailed expense claim form.</i>															
FINANCIAL SUMMARY															
Total daily field allowance	2500	Total contractor costs	14650.40												
Total field air transportation costs (helicopter/plane)	_____	Total excavating/ heavy equipment costs	_____												
Total truck/ mileage costs	1650 + 244.10	Total assay/analyses costs	_____												
Total wages paid	6000	Total reclamation costs	_____												
Total light equipment rental costs	2955	Total report writing cost	3200												
Other (please specify)	Drill fuel - 800	Total staking costs	_____												
Other (please specify)	Office/Accom - 200														

YMEP FINAL SUBMISSION FORM

Your feedback on any aspect of the program:

Drill could not access many areas intended (miscommunication between drill contractor and company). We had thought it would be mounted on a Nodwell-type track machine, but it was mounted on tracks meant for geotechnical road-side drilling. Much time was spent chainsawing every piece of brush standing in the drill's way.

However, a compromise was reached and a few claims were drilled in an area midway down the creek. All holes had gold, and one hole was exceptional, yielding 65 mg of gold in a 4" bore hole.

Very little stripping necessary in this area. Good economic potential.

Testing further down creek is still essential. Had the drill been ideally set up, we would have spent an entire week drilling.

3 claims were added to the upcreek section as we demobbed on the final day.

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 Mineral Exploration Program (YMEP) and declare the information contained within the Summary or Technical Report and this form to be true and accurate.

Date Feb 14, 2017

Signature of Applicant



Name (print)

Dan Ferraro