

SWEDE CREEK

YMEP 18-032
FINAL REPORT



By: Morgan Fraughton

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INTRODUCTION

This is a final report on exploration of Swede Creek 2018 Yukon Mineral Exploration Program (YMEP) number 18-032; placer module.

The project area is in the Swede creek valley bottom (NTS Mapsheet: 116B04) and its' extensive, high level fluvial terrace's (HLFT's).

Exploration work completed includes 5-km of road brushing, 2 shafts, 5 miles of placer leases staked to 61 placer claims, one-mile placer lease, and 300-m³ of test sluicing, and 8 exploration pits on the HLFT's.

The bulk sample sluicing program was designed to follow up on past drilling, shafting, and hand-sluicing which had indicated claims Swede 22, 23 and 24 contain an extensive placer gold area that pays at a rate of 1.5-grams of gold/m³ of pay gravels. The bulk sample had a return of 400 grams of gold in 300 cubic meters sluiced indicating a bulk sample grade of 1.3 grams of gold per cubic meter of pay gravels. Also, test pits on the bench gravels 100-m above Swede creek valley have indicated that significant gold deposits may exist within them.

PROJECT LOCATION

The Swede creek (Swede) placer project is in the Swede valley bottom and high-level fluvial terraces (HLFT) formed by millions of years of Swede creek fluvial action on local bedrock.

The project is entirely located on NTS mapsheet 116B-04. The project area is approximately 10-km by air and 25-km by road from Dawson City, Yukon. Central coordinates are UTM Zone 7N, 566800 Easting, 7102100 Northing.

Vehicle access to Swede creek is gained via 4x4 roads and trails beginning at KM-15 on the Top of the World Highway (TWH). The property contains a network of older roads and trails that allow access to locations on the property where exploration will occur.

EXPLORATION TARGET

The exploration target in Swede creek is coarse placer gold on the bedrock/gravel interface in the Swede valley bottom and the HLFT's.

Bulk testing was designed for the Swede valley bottom on claim Swede-23 where past drilling, shafting, and hand sluicing had indicated that pay gravels are extensive (50,000-m³) and rich (1.5-g Au/m³) at a depth of 3-4 meters.

Past rotary air blast (RAB) drilling and 6-inch diameter auger drilling has indicated that coarse gold found on Swede 23 does not continue up the creek valley past claim Swede 25. The major pay streak intersected on Swede 23 is thought to continue upstream on the HLFT's.

GEOLOGICAL DESCRIPTION

The project area is located within Yukon Tanana terrain. Regional Bedrock units that underlie the property are thrust stacked and faulted Finlayson, Klondike schist units. The Klondike unit is cut by large (1-10-m's) unfoliated younger (65ma?) quartz feldspar porphyry (QFP) dykes/sills(?) that run uninterrupted for many kilometers and show up distinctly on aerial mag surveys. These QFP's probably highlight weakness in the underlying bedrock structures that have provided the plumbing for past gold

mineralization in the quartz-muscovite-schist (QMS) altered zones of the Klondike schist unit.

Based on exploration work to date the bedrock source of gold in the gravels of Swede (HLFT's and creek gravels) is the local QMS altered Klondike unit. Placer gold that has been taken out of Swede so far is coarse and traveled (100's of meters?). Quartz veins found in the Klondike unit bedrock from the hills directly above Swede have assayed up to 29-grams of gold per ton. This type of quartz vein and the potentially many others like it in Swede gravels its' placer gold. Areas of high prospectivity for hardrock and placer gold are where the typical chloritic-schist of the Klondike unit is altered by quartz veins and silicification (QMS) that carry gold and other metals; copper, silver, zinc, lead. Zones of alteration containing gold seem to exist near contact zones between the graphitic schists of the Finlayson Unit and chlorite to muscovite schists of the Klondike Unit.

Swede creek geological environment is near to Bonanza, Eldorado, Hunker creeks. The Swede creek drainage has a similar size and flow rate to that of Bonanza creek drainage.

The project is in the Klondike plateau and therefore has not seen the effects of glaciation for 3 million + years. This has helped to create surficial geology of well sorted overburden layers where fluvial action has freed the gold in bedrock units and deposited it locally as placer gold on or near the bedrock/gravel interface.

Previous Exploration

Prior to my exploration (pre 2013), some documented work/exploration has occurred on Swede.

Swede was renamed from 12-mile creek in 1898 when a group of Swedish men made a discovery shaft and found good gold at the mouth of Discovery pup and came in to Dawson to record their claims after being discovered by a moose hunter. An all-out stampede ensued the next day and people from Dawson rushed out by moonlight to stake their claims on Swede. Over 800 claims were staked on Swede and its tributaries overnight and in to the next day; I have seen the old mining recorders book in the Yukon archives with all the entries. Casualties occurred, others lost limbs to the cold. As to actual work that was completed, there was no record passed down and I could not find evidence that any of the claims were worked/renewed. Newspaper articles suggest that the stampede was done by clueless newcomers (this was the height of the rush) that did not follow up on their claims with work of any kind nor did they know what to do.

The next documented exploration that I am aware of comes from the recent Yukon Geological Survey's (YGS) digitization of old Yukon Consolidated Gold Corporation (YCGC) documents. YCGC was desperate to find new ground to Dredge as they were chewing through ground in the Klondike. In the digitized files I have come across two letters discussing Swede Creek. One letter, written in the spring of 1956, mentions that drilling work was planned in summer of 1956 and the other, written in fall 1956, mentions that drilling work was done in the summer of 1956. The results of the drilling and any drill records/sketches have been removed from the records and are lost.

There are some diggings done in areas that I would consider to be void of economic gold. These diggings were not published, and I have no idea who did it or what happened. They look to have been done by bulldozer in the 80's.

Myth and word of mouth is the only info I can get from old miners in the Dawson area. The prevailing common myth about Swede creek is that it has some gold but not enough and the gold is very fine. These myths seem to have stopped anybody from having a proper look at Swede creek in

recent times. In addition to the myth, I feel that there is a “it’s too close to town and since it is not mined that means that there is no gold there” thought process that people use. I have heard it many times when I tell local miners or prospectors where I am working. I recall on the first day of sluicing during the bulk sample I was getting breakfast in Dawson and I was talking to an “old-timer” who asked where I was working. I told them I was working on Swede creek and they immediately jumped to tell me how it was already explored and determined that there was some gold there but it was fine and would never be a profitable place to mine. A few days later I had recovered 13 ounces from one pit after washing only 300 cubic meters.

My findings have directly challenged the myths about Swede. My exploration work has found a coarse gold zone within the creek valley that is extensive (150-m wide) and indicates that the previously unknown HLFT’s may contain economic placer gold.

My past work has included gold panning up the creek, assayed sediment samples, trenching, shafting, ground penetrating radar (GPR), drilling with three different types of drills ;4-inch auger, 6-inch auger, and Rotary Air Blast (RAB). Twinning of auger holes with the RAB drill showed how useless and misleading auger drills can be in frozen ground.

Exploration on Swede creek for me started in fall 2013. When a quick prospecting trip up Swede and a random pan showed that it was easy to pan gold out of the surface gravels on the shoulders of the creek. So, I staked a 5-mile lease. The next summer exploration consisted of panning the entire 5-mile lease. Gold clearly showed up in the lower 2.5-mile section of the lease/creek and not in the upper 2.5 miles. In addition, as part of a hard rock exploration of the area, stream sediment samples were taken at intervals along the creek. These stream sediment samples corroborated the panning samples and showed elevated gold in gravels in the same 2.5-mile area that the panning indicated.

Later in the 2014 season, I brought in an 8-ton excavator to do some digging. The first digging target I had was an accessible area that was more

than 100 meters from the creek high water mark and appeared to be in thawed ground. Digging proved the ground was thawed. Digging some small trenches, shown in the orthoimage on the maps, showed that the area of thawed ground was extensive, and that there is a water table at 8ft. The excavator was small and only able to dig down to 9 ft from surface. At the time it was thought that bedrock was going to be 30+ ft deep. So, the trenches were only dug to the water level and it was planned to come back with a bigger excavator later to dig deeper before disturbing the gravels that were underwater for fear of all the gold settling out beyond the reach of an excavator. Some of the material from 8ft was washed through a long-tom and it did have gold at a rate of about \$10/cubic meter; ok but not amazing. That winter I sunk a shaft in the area which proved that bedrock was only at 12ft and that there was a good amount of gold on the bedrock\gravel interface mixed in with about 6-inches of clay.

The following season, 2015, I received a YMEP for exploration work. Under the YMEP, I was able to complete quite a lot of work. Drilling with three different types of drills; 4-inch skid mounted auger, 6-inch track mounted auger, and Rotary Air Blast Drill (RAB). Ground penetrating radar (GPR) was performed over 16-line km's at 100-meter intervals in a large section of the creek and HLFT's. This GPR proved to be useless because the company that did it (GroundTruth Exploration) could not properly interpret the results.

The 4-inch auger drilled on the HLFT's in 24 different locations. The 4-inch auger turned out to pretty much be a useless tool too. It was able to tell me that, yes there is an extensive amount of terrace gravels, but the drill could not reliably drill through any frozen gravels or return gravels from the bottom of the hole to the top of the hole for proper testing. There were trace amounts of gold in the materials panned but nothing significant. I believe this is because the drill could not return material from lower down in the holes. This 4-inch auger drill took all summer to do its work and used up a large part of the budget.

Frustrated with the performance of the 4-inch auger I brought in a larger 6-inch 10-ton auger drill mounted on a tracked Bombardier machine. The first target for the 6-inch drill was the area in the creek where I had already done a shaft and trenches in 2014, where gold was found; Swede-23. I wanted to drill more holes in the area to define the area that had gold at bedrock. This drill was successful at drilling in the area and confidently reached bedrock pulling samples in permafrost-free ground. All the samples in the area contained gold. As soon as the 6-inch auger ventured in to frozen ground it became useless. The 6-inch auger drill then moved on to drill in new areas upstream on claims 26 and 27 in hopes of finding more gold. On claim 26 a couple holes were attempted but I found that they could not progress in to frozen gravels, below the frozen muck. (only realizable when one hole in this area was later twinned with a RAB drill)

The 6-inch auger drill was taken to an area that was not frozen on claim Swede-27. A few holes here showed that bedrock was up to 20-ft deep with lots of clay on bedrock surface. The clay and gravels were packed with large amounts small cubic pyrite. 1 pan of gravels from this area would return almost $\frac{1}{4}$ pan of small pyrite cubes. This pyrite is coming from the decayed Finlayson unit and Klondike unit contact zone. No gold was found on Swede-27. So far, when these areas of extreme pyrite are encountered there is no gold to be found. When the pyrite count goes down the gold count goes up.

Frustrated with the 6-inch augers abilities in frozen ground I got that drill out of the creek. I brought in GroundTruth Exploration's 4-inch diameter RAB drill. The first hole was to twin one of the 6-inch auger holes that was drilled in thawed ground and then drill in the spots where the 6-inch auger could not get through. This RAB blasted through everything in its path, returned excellent samples in all types of ground, confidently exposed the depth of the bedrock/gravel interface and most importantly; samples had gold in them.

Now, drilling work has shown coarse gold in drill samples for 150-m perpendicular to the creek on Swede-23. In the summer of 2017 I was able

to dig a small hole with a bulldozer and scrape 1-m³ of material off the bedrock, and hand-wash it through a long tom. In this cubic meter there was 1.5-grams of gold (\$75) with pieces as large as 0.2 grams. The results of this small test were impressive.

PERSONNEL

Two people will work on this program.

Myself, Morgan Fraughton, I have been working in the Yukon for myself as a prospector for the last 4 years and providing services to exploration companies and individuals through my services company - Spere Exploration Inc. I have been working in the Yukon mineral exploration industry for the past 12 years doing grassroots exploration services (staking, soil sampling, prospecting, shafting, trenching, drilling, GIS, geophysics etc.) for many companies. I am 34 years old. I am born and raised in Dawson City and still live in Dawson City with my wife and two children.

Reuben French - has been working in mineral exploration in the Yukon since 2010. Reuben French has a bachelor's degree in Geography of Environment, Resources, and Economics with a Certificate in GIS from Simon Fraser University.

2018 WORK COMPLETED

During the work program access was gained each day by driving from Dawson to km-15 on the Top of the World Highway (TWH). Then specific work areas were accessed via ATV from the TWH km-15 turnoff. Total round-trip time for each day is about 2.5-hrs including the ferry wait times.

For more information on work completed please refer to the work timeline, shaft diagrams, pit description table and maps attached to this document.

Access Road Brushing

5-km of old road needed to be brushed of alder/willow road-overgrowth. Road brushing work made ATV access possible for shafting and staking work as well as future access for more work. Due to class 1 restrictions we had stick mostly to the old roads and only use handheld equipment to clear them. See map for highlighted areas where brushing occurred.

Tools used were chainsaw, axe, machete and circular brush cutting saw. Two workers used ATV's and ATV trailers to access the site with cutting gear. The two cutters worked as a team to clear the brush off the old roads.

Road brushing work took 13 days for 2 people. 2 days cutting on road to discovery pup. 3 days cutting on road to bench leases. 6 days cutting on road to Empire creek. 1 day opening a ATV trail from old drill line to cliff edge for quick ATV then walking access to Swede-23 from TWH. 1 day brushing and repairing main swede road for more efficient daily access.

See map for location of work completed.

Shafting

Shafting work took 6 days for 2 people; four days shafting on Shaft #1 on the bench lease and 2 days shafting on Shaft #2 on the Discovery pup lease.

During this exploration program shafting work was done on two locations in order to accumulate enough assessment work before the leases expired so they could be converted in to claims.

Tools used for shafting were electric jackhammer, generator, pulleys, buckets, shovels and picks. All shafting work was completed with hand tools.

For more information on the shafts please refer to the attached shafting diagrams.

Staking Leases to Claims

After enough assessment credit had been accumulated from shafting the leases were staked to claims.

In total there were 51 new claims staked from existing leases. One new lease on empire creek was staked in order to cover prospective areas on that creek for future explorations.

Please see maps attached for locations of new claims and leases.

UAV High-Res Orthoimaging and 3d Digital Surface Modelling

In my exploration proposal I had expected to be able to complete Orthoimaging and a digital surface model of the entire property using an aerial drone.

This was not possible do to production issues with X-Craft drone that I had planned on using. The company X-Craft was not able to get me a drone that worked before the exploration season was over.

Bulk Sampling and Reclamation Module

Bulk sampling and remediation were completed over the course of almost 4 weeks.

Equipment used was a Hitachi EX200, Caterpillar D7 Bulldozer and an approximately 7 cubic meter per hour sluice box and setup.

All equipment was walked in and out of the property using the existing roads and trails from km-15 from the TWH.

A trench was opened that was 4-m deep x 15-m wide x 20-m long. The first 3 meters of the pit was treated as overburden. The final meter at bedrock was piled on the side of the pit as pay to be sluiced.

300 cubic meters of pay dirt was sluiced and there was 400 grams of gold nuggets and flakes recovered.

Bench Exploration Pits

Eight exploratory pits were dug with the excavator on bench claims to the north of Swede creek. Please see attached for pit locations and a table of material and depths encountered in the pits.

The pits were successful at determining the northern edge of the fluvial deposits. The pits indicated that the bench gravels 100+ meters above the current Swede Creek elevation are deep (more than 18ft) and extensive.

Only one pit was considered to be anywhere near bedrock. It was dug downhill from the old fluvial plateau on a slope. This hole (Pit08) was 18ft deep from surface and contained gold.

Conclusion

The bulk sample was effective at proving a significant placer gold deposit exists in and around Sweded-23. 400 grams of placer gold was recovered from the bulk sample of 300 cubic meters sluiced. Market value for the gold after sale was approximately \$13,500 CAD when gold was worth approx. \$48 CAD/fine ounce. This sale price gave this bulk test an after-sale value of \$45 CAD/cubic meter of pay dirt.

The richest section of pay (the final meter) was taken and sluiced but based on these results there should be at least another half meter below the layer taken and above the layer taken that will produce economic gold values.

The sluice box used was losing a significant amount of fine gold flake as could be proven when periodically panning at the end of the sluice run would consistently return small gold flakes in each pan equivalent to approx. 5mg per pan. This would have significantly boosted gold recovery values if we were able to catch this smaller gold.

The sluice used was significantly under matched to the EX200 loading capabilities. Often the sluice feed was overloaded, and a lot of the pay was not properly washed through the shaker deck. Especially material with clay and this kind of material is known to hold most of the gold.

These three factors indicated that gold recovered was significantly lower than the true amount of gold contained in the area. A larger 30+ cubic meter per hour trommel with a longer sluice run that could wash the pay more effectively would be more capable of recovering the significant amount of fine gold that we were losing. Next time 2 meters of depth should be sluiced. One should probably complete more sampling in the area to determine the bounds of the pay layer.

Calculating the available pay gravels in this area on Swede 22, 23, and 24; there are approx. 100,000 -m³ of gravel that could pay approx. \$35/m³ cubic meter for approx. \$3.5 million. And only 100,000 cubic meters of overburden to remove. A great place to start a mining operation for the first couple years.

At this time an application for Class 4 mining license and water use license has been submitted to YESAB and the Yukon Water Board for approval. A decision is expected in the early part of 2019. Discussion with a large placer mining company is underway to start mining the property in 2019.

ON the high-level fluvial terrace where the pits were dug it is very encouraging that gold was found in Pit08. Now the extent of the gold needs to be further investigated. Ideally the bench could be drilled in a grid fashion across the bench deposit to determine gravel depths on top of bedrock and gold values at bedrock. Test trenches and bulk samples, like the one completed in this report, could be used to test gold grades on a larger scale once a drill has determined a location with gold at bedrock.

Or follow up with the excavator on Pit08 could be done by going back and digging a larger hole and attempting to reach bedrock there with the excavator. Once on bedrock one could take a larger sample (1+ m³) and run it through a hand sluice to see if gold values there are significant. These benches may be an economic source of placer gold if the gold values are high at bedrock.

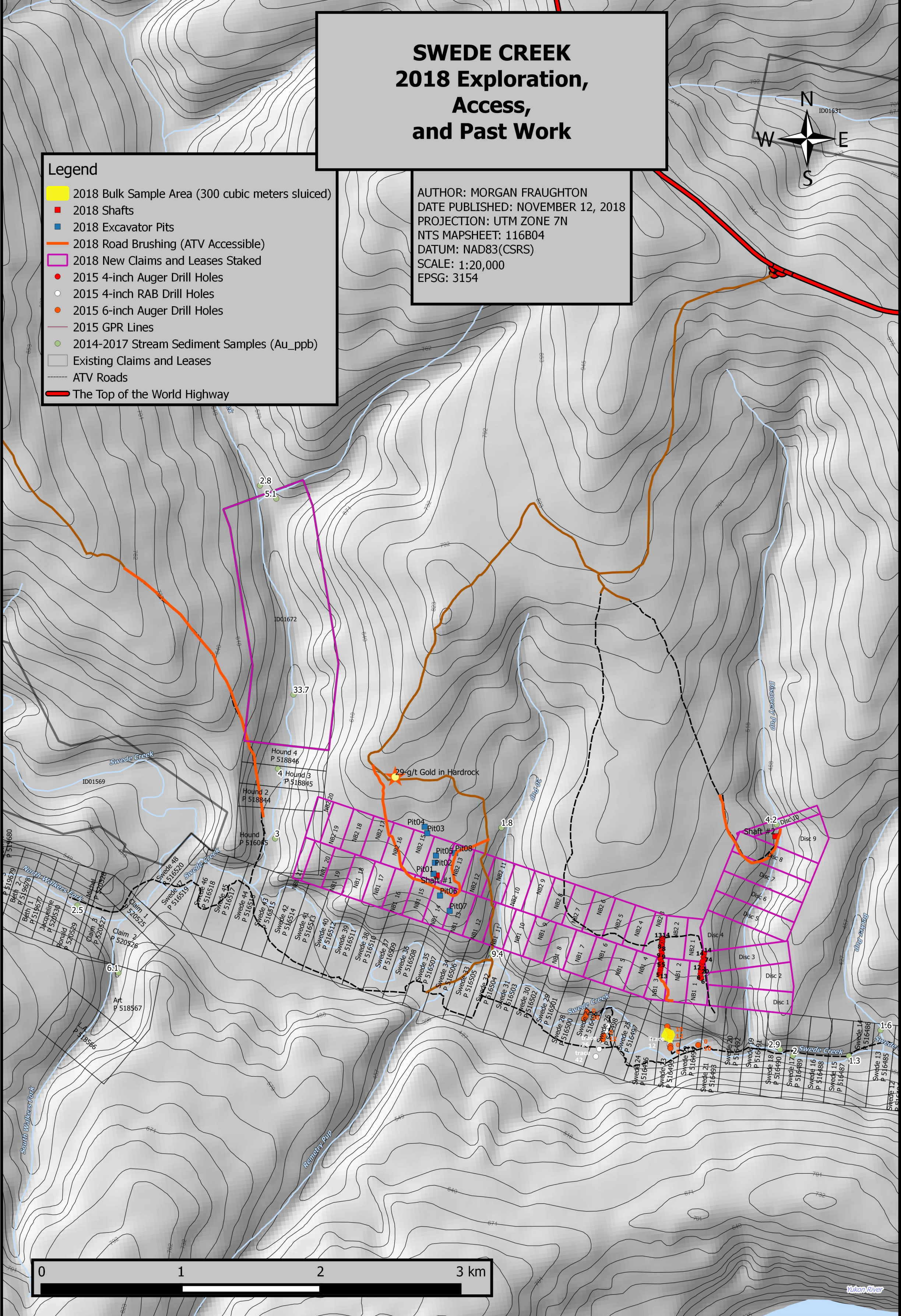
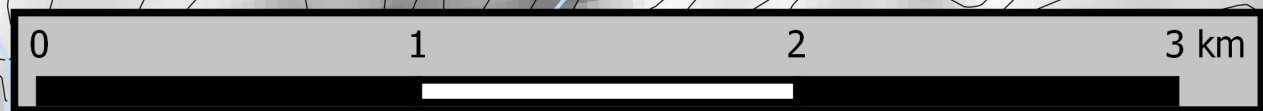
Ultimately, this exploration program was successful in outlining an area on 3 claims (Swede 22, 23, and 24) where a mining operation should begin. The estimated amount of available gold contained in these three claims is more than 3000 troy ounces. Mining these three claims would take an experienced well-equipped miner 2 seasons. Included in the property are 100+ claims. Chances are that there is more economic gold than just on these three claims. The entire property is extremely prospective for thousands more ounces to be discovered. Especially considering that high gold has been assayed in the bedrock around the creek.

SWEDE CREEK 2018 Exploration, Access, and Past Work



- Legend**
- 2018 Bulk Sample Area (300 cubic meters sluiced)
 - 2018 Shafts
 - 2018 Excavator Pits
 - 2018 Road Brushing (ATV Accessible)
 - 2018 New Claims and Leases Staked
 - 2015 4-inch Auger Drill Holes
 - 2015 4-inch RAB Drill Holes
 - 2015 6-inch Auger Drill Holes
 - 2015 GPR Lines
 - 2014-2017 Stream Sediment Samples (Au_ppb)
 - Existing Claims and Leases
 - ATV Roads
 - The Top of the World Highway

AUTHOR: MORGAN FRAUGHTON
 DATE PUBLISHED: NOVEMBER 12, 2018
 PROJECTION: UTM ZONE 7N
 NTS MAPSHEET: 116B04
 DATUM: NAD83(CSRS)
 SCALE: 1:20,000
 EPSG: 3154



SWEDE CREEK

2018 Bulk Sample Area and 2015 Drilling Detail



hole depth (ft)
Bedrock was not reached confidently in any holes. Most holes has trace gold.

Very questionable drill results. Very shallow and mainly frozen loess

74-ft !?! This hole is hypothesized to be drilling through the gravels on the hill shoulder "sluffing" in to Discovery Pup below.

More reasonable results that drilled in to coarser thawed gravels. But still believed to not be near bedrock. Therefore not receiving true gold values.

Holes drilled here with underpowered small skid mounted 4-inch diameter auger drill. Almost all holes had trace amounts of gold (1-2 pieces -35mesh).

Drill holes here reached bedrock and were in thawed gravels. Extreme amounts of clay, up to 20 ft. Also extreme amounts of pyrite.

300 Cubic Meters of pay dirt at bedrock sluiced here in June/July 2018. Pit was 4-m deep x 15-m wide x 20-m long. Lowest meter of pay on bedrock was taken. After being taken to the gold cleaner 13 ounces of nuggets and flakes were recovered. Largest nugget was 8 grams. Coarse Gold Washed to waste.

gold (mg)
depth to bedrock (ft)

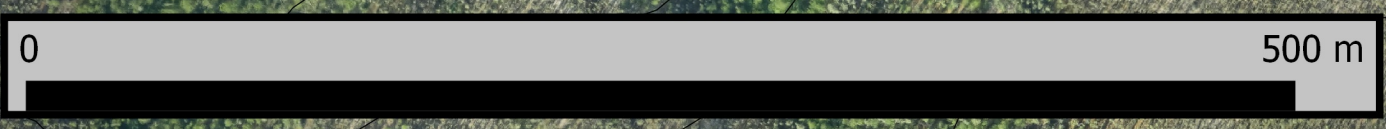
This area was a great example of the uselessness of auger drills in frozen gravels vs Air Drills. The orange holes were drilled first and it was hard to tell if we were at bedrock or not. The RAB drill came in and showed exactly where bedrock was. The auger could not drill in to the frozen gravels. The deeper holes to the south are because of a large amount of frozen muck that is creeping in off the hill from the south.

Legend

- 2018 Bulk Sample Area (300 cubic meters sluiced)
- 2018 New Claims
- 2018 New ATV Trail
- 2015 4-inch Auger Drill Holes
- 2015 4-inch RAB Drill Holes
- 2015 6-inch Auger Drill Holes
- ATV Roads
- Existing Claims and Leases

IMAGERY IS FROM MAY 2015

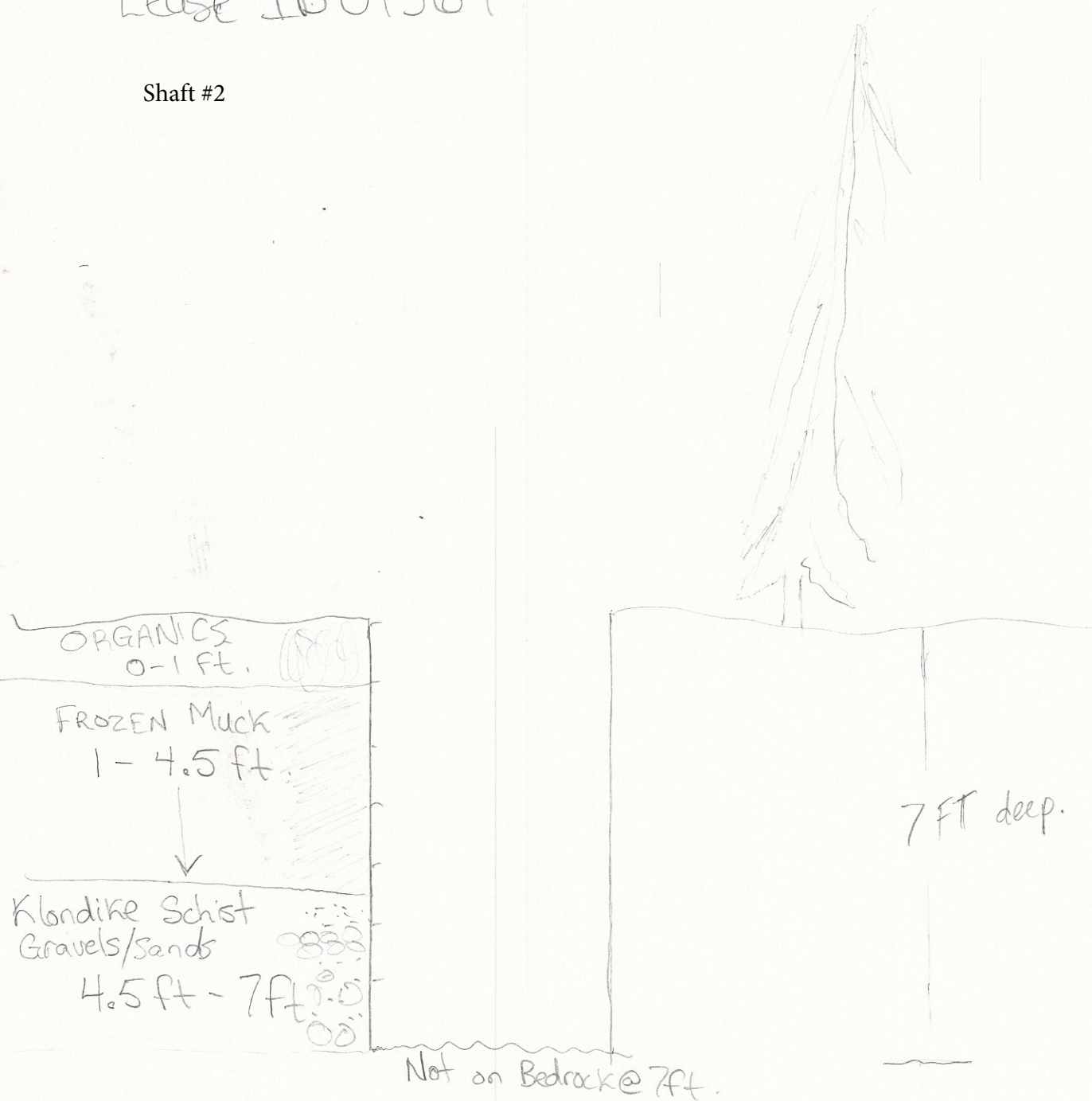
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PROJECTION: UTM ZONE 7N
NTS MAPSHEET: 116B04
DATUM: NAD83(CSRS)
SCALE: 1:3,000
EPSG: 3154



Discovery Pup Shaft Diagram

Lease ID 01567

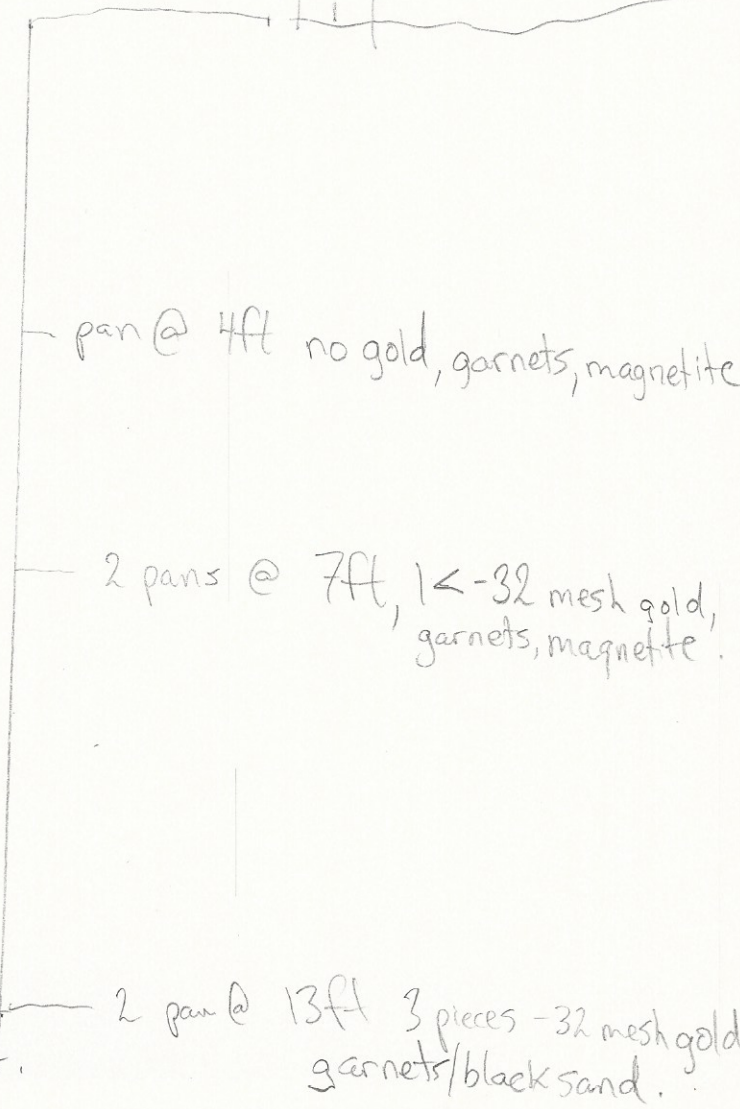
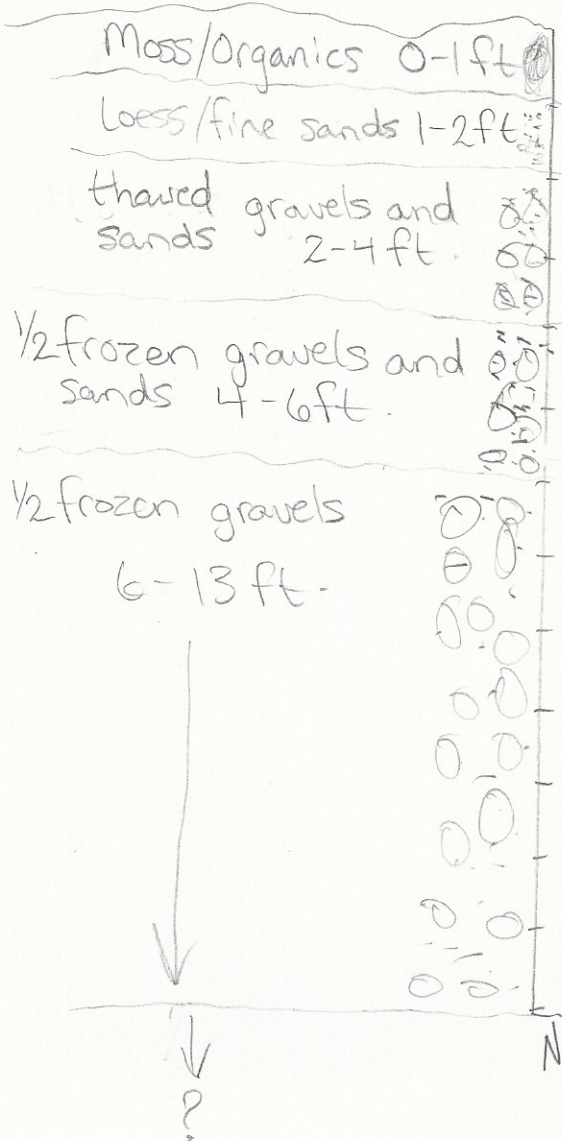
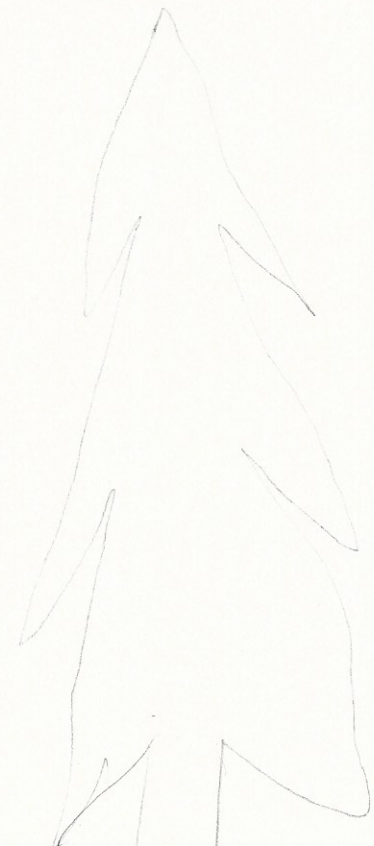
Shaft #2



Shaft diagram

lease ID01566

Shaft #1



Not on Bedrock yet.

2 pan @ 13ft 3 pieces -32 mesh gold garnets/black sand.

NAME	NOTES	DATE	EASTING	NORTHING	ALTITUDE
Pit01	dug in Shaft #1 - see map. 18ft deep. Lower than 10ft no gold. 0-1ft moss and organics. 1-2ft loess/fine sand. 2-4ft thawed gravels and sands. 4-6ft partially frozen gravels and sand. pan at 4 ft contains no gold and some garnet and magnetite. 6-13ft partially frozen gravels of rusty schist mostly klondike?. 2 pans at 7ft contain 1 -35 mesh piece of gold. 13-18ft partially frozen gravels of graphitic schist not so rusty. 2 pan at 13 ft at bottom of rusty layer has 3 pieces of -35 mesh gold wit garnet and magnetite. 1 pan at 18ft and no gold. not on bedrock at 18ft.	6-Oct-18	565128	7103231	530
Pit02	0-1ft organics. 1-12ft Frozen fine sediment, loess?, some sands near bottom of pit. Not close to bedrock. Should be gravel here under frozen fines. No pan	6-Oct-18	565138	7103311	533
Pit03	Frozen fines and bedrock material. B horizon. 4ft deep. Can dig more when thawed. No pan	7-Oct-18	565083	7103522	545
Pit04	0-1ft organics. 1-2ft B horizon material. 2-4ft C horizon material. Bedrock at 4ft. No river gravels or alluvial material. Very altered QFP dyke bedrock? No pan	7-Oct-18	565065	7103569	544
Pit05	0-1ft organics, 1-3ft, organics and soil. 3-10ft fine wind blown sediment . 10-11ft volcanic ash layer. 11-12ft clayey muck? 12-18ft graphitic Schist gravels. 1 pan at bottom of hole. no gold. not many heavies. probably not near bedrock.	7-Oct-18	565146	7103362	541
Pit06	0-1ft organics. 1-4ft layered sandy gravels of graphitic schist. 4-18 ft uniform graphitic schist gravels with some layered sand. Pan at 18 ft and pan at 15 ft had no gold and hardly any heavies. not near bedrock.	7-Oct-18	565175	7103075	527
Pit07	0-1ft organics. 1-3 ft reddish brown gravels with fine sand. 3-18ft varying degrees of graphitic schist gravels mixed with sands. Pan at bottom no gold and not much heavies. Not near bedrock.	7-Oct-18	565244	7102966	520
Pit08	0-1ft organics. 1-6 ft graphitic schist gravels. 6-7ft Fine sand layer. 7-15 ft graphitic Schist gravels. 15-18ft reddish rust sandy gravels layer above. One pan from bottom of graphitic schist gravels at 15ft, no gold. One pan from 18 ft had in rusty klondike schist type gravels, 10+ piece of -35 mesh gold in one pan. Possibly close to bedrock because of gold and some more angular peices of rock such as a coarse 20cm piece of QFP.	7-Oct-18	565283	7103380	518

Invoice 18001

Morgan Fraughton Prospecting Services

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 morganfraughton@gmail.com

Date
 June 4, 2018

To
 Swede Creek Placer Project

Quantity	Description	Unit Price	Total
18 mandays	Brush cutting on old roads for 9 days for two people. Morgan Fraughton and Reuben French on May 17-21, 28, 31 and June 1 and 3.	\$400/manday	\$7,200
12 mandays	Shafting on lease ID01565 May 22-25, and lease ID01567 May 26-27	\$400/manday	\$4,800
6 days	Shafting tools. Electric Jackhammer, Winches, Pulleys, Rope, Pumps, Hose, 3500W Generator, Extension Cords. May 22 - 27	\$100/day	\$600
18 days	Pickup Truck Rental May 17 – June 3.	\$50/day	\$900
18 days	ATV 1 Rental May 17 – June 3	\$40/day	\$720
18 days	ATV 2 Rental May 17 – June 3	\$40/day	\$720
18 days	ATV Trailer Rental May 17 – June 3	\$10/day	\$180
18 days	Truck Trailer Rental May 17 – June 3	\$16/day	\$288
9 days	Brush cutter rental for brush cutting on May 17-21, 28, 31 and June 1, 3	\$20/day	\$180
12 days	Chainsaw Rental for brush cutting May 17 – 21, 28, 31, June 1 and 3. Staking May 29, 30 and June 2.	\$15/day	\$180
5 mandays	Claims staking. Morgan Fraughton May 29, 30, June 2. Reuben French May 30, June 2	\$400/manday	\$2,000
8 hours	Hitachi ex200 Excavator	\$100/hr	\$800
1 manday	Joe Fraughton working to mobilize excavator from Dawson City, to Swede 23 on May 22.	\$400/manday	\$400
36 mandays	Daily Field Expense. Morgan Fraughton May 17 – June 3. Reuben French May 17-28, May 30-June 3. Joe Fraughton May 22	\$100/manday	\$3,600
Total			\$22,568

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Invoice 18002

Morgan Fraughton Prospecting Services

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Date
 July 12, 2018

To
 Swede Creek Placer Project

YMEP18-032 Expense Claim #2

Quantity	Description	Unit Price	Total
8 mandays	Brush cutting on old roads for 4 days for two people. Morgan Fraughton and Reuben French	\$400/manday	\$3,200
32 mandays	Reuben French and Morgan Fraughton performing labor on bulk sample program and machine operating	\$400 manday	\$12,800
23 days	Pickup Truck Rental	\$50/day	\$1,150
23 days	ATV 1 Rental	\$40/day	\$920
23 days	ATV 2 Rental	\$40/day	\$920
23 days	ATV Trailer Rental	\$10/day	\$230
23 days	Truck Trailer Rental	\$16/day	\$368
4 days	Brush cutter rental for brush cutting	\$20/day	\$80
5 days	Chainsaw Rental for brush cutting and Staking	\$15/day	\$75
2 mandays	Lease staking. Morgan Fraughton and Reuben French	\$400/manday	\$800
125 hours	Hitachi ex200 Excavator	\$100/hr	\$12,500
32 hours	D7 Bulldozer	\$100/hr	\$3,200
45 hours	Wash plant with all pumps and gear to operate	\$75/hr	\$3,375
16 days	2" Trash pump	\$15	\$240
4 mandays	Morgan Fraughton and Reuben French mobilizing gear in to claim 23 for bulk sample program	\$400/manday	\$1,600
46 mandays	Daily Field Expense. Morgan Fraughton and Reuben French	\$100/manday	\$4,600
Total			\$46,058

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Date November 12, 2018 **To** Swede Creek Placer Project YMEP18-032 Expense Claim #3

Quantity	Description	Unit Price	Total
4 mandays	Operating equipment: 1 day with bulldozer and walking it to the top of the world highway, 3 days with excavator digging pits and walking it to top of world staging	\$400/manday	\$1,600
3 mandays	Morgan Fraughton demobilizing camp and gear from claim Swede23 to top of World Highway staging area.	\$400/manday	\$1,200
3 mandays	Putting Tags on Posts for Swede Bench 1, 1-21 and Swede bench 2, 1-20 and 2 and Empire 1-10. Morgan Fraughton and Reuben French	\$400/manday	\$1,200
11 mandays	Daily Field Expense. Morgan Fraughton. For 4 operating days, 4 demobilizing days, and 3 staking days	\$100/manday	\$1,000
10 days	Pickup Truck Rental	\$50/day	\$500
10 days	ATV 1 Rental	\$40/day	\$400
10 days	ATV Trailer Rental	\$10/day	\$100
10 days	Truck Trailer Rental	\$16/day	\$160
23 hours	Hitachi ex200 Excavator	\$100/hr	\$2,300
10 hours	D7 Bulldozer	\$100/hr	\$1,000
2 loads	Demobilizing Excavator and Dozer from Top of World highway staging area to base in Henderson Corner.	\$1,000/load	\$2,000
1 report	Final Report	\$1,000	\$1,000
Total			\$12,460

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Work Timeline - page 1

Date	Personel	Mandays	Description	Excavator Time (hrs)	Bulldozer Time (hrs)	Sluice Setup (hrs)
17-May	Morgan, Reuben	2	morgan and reuben brushing road to discovery pup	-	-	-
18-May	Morgan, Reuben	2	morgan and reuben brushing road to discovery pup	-	-	-
19-May	Morgan, Reuben	2	morgan and reuben brushing road to bench lease	-	-	-
20-May	Morgan, Reuben	2	morgan and reuben brushing road to bench lease	-	-	-
21-May	Morgan, Reuben	2	morgan and reuben brushing road to bench lease	-	-	-
22-May	Morgan, Reuben, Joe	3	morgan and reuben shafting on bench lease, joe mobilize excavator to claim 23 from Dawson.	8	-	-
23-May	Morgan, Reuben	2	morgan and reuben shafting on bench lease	-	-	-
24-May	Morgan, Reuben	2	morgan and reuben shafting on bench lease	-	-	-
25-May	Morgan, Reuben	2	morgan and reuben shafting on bench lease	-	-	-
26-May	Morgan, Reuben	2	morgan and reuben shafting on disc pup	-	-	-
27-May	Morgan, Reuben	2	morgan and reuben shafting on disc pup	-	-	-
28-May	Morgan, Reuben	2	morgan and reuben cutting on empire creek road	-	-	-
29-May	Morgan	1	morgan staking discovery pup lease to claims	-	-	-
30-May	Morgan, Reuben	2	morgan and reuben, staking teir 2 bench lease to claims	-	-	-
31-May	Morgan, Reuben	2	morgan and reuben road brushing on empire creek road	-	-	-
1-Jun	Morgan, Reuben	2	morgan and reuben road brushing on empire creek road	-	-	-
2-Jun	Morgan, Reuben	2	morgan and reuben staking tier 1 bench lease to claims	-	-	-
3-Jun	Morgan, Reuben	2	morgan and reuben road brushing on empire creek road	-	-	-
6-Jun	Morgan, Reuben	2	morgan and reuben road brushing on empire creek road	-	-	-
7-Jun	Morgan, Reuben	2	morgan and reuben road brushing on empire creek road	-	-	-
8-Jun	Morgan, Reuben	2	morgan and reuben cutting trail from old drill line to cliff edge	-	-	-
9-Jun	Morgan, Reuben	2	morgan and reuben brushing on main swede road	-	-	-
13-Jun	Morgan, Reuben	2	picked up sluice in the morning and drove it to top of world highway km-15, drove dozer to the top of the world highway from claim 23 to pickup the sluice box, reuben providing support services and moving gear in to swede 23 .	-	9	-
14-Jun	Morgan, Reuben	2	morgan and reuben stake 6000ft lease on empire creek	-	-	-
15-Jun	Morgan, Reuben	2	morgan drove dozer and sluice box from km-15 to swede 23, reuben was on support, driving gear down to Swede 23 with atv and atv trailer. 10 hours for dozer and 5 hours for excavator needed to support dozer.	3	9	-
18-Jun	Morgan, Reuben	2	Sluice Prep - digging overburden with excavator and dozer	8	3	-
19-Jun	Morgan, Reuben	2	Sluice Prep - digging overburden with excavator and dozer	8	3	-
20-Jun	Morgan, Reuben	2	Sluice Prep - digging overburden with excavator and dozer	8	3	-
21-Jun	Morgan, Reuben	2	Sluice Prep - digging and piling pay with excavator	8	-	-
22-Jun	Morgan, Reuben	2	Sluice Prep - digging and piling pay with excavator	8	-	-

Work Timeline - page 2

25-Jun	Morgan, Reuben	2	Sluicing	8	-	7
26-Jun	Morgan, Reuben	2	Sluicing	8	-	7
27-Jun	Morgan, Reuben	2	Sluicing	8	-	7
28-Jun	Morgan, Reuben	2	Sluicing	8	-	7
29-Jun	Morgan, Reuben	2	Sluicing	8	-	7
2-Jul	Morgan, Reuben	2	Sluicing	8	-	7
3-Jul	Morgan, Reuben	2	Sluicing	8	-	3
4-Jul	Morgan, Reuben	2	Trench Backfill	8	3	-
5-Jul	Morgan, Reuben	2	Trench Backfill	8	-	-
6-Jul	Morgan, Reuben	2	Trench Backfill	6	-	-
7-Jul	Morgan, Reuben	2	Trench Backfill	4	2	-
2-Oct	Morgan	1	drove dozer up the hill with sluice box to top of world highway. Put sluice on trailer and drove it home that night.	-	10	-
3-Oct	Morgan	1	shuttling gear from swede 23 to km-15 with atv and trailer.	-	-	-
4-Oct	Morgan	1	shuttling gear from swede 23 to km-15 with atv and trailer.	-	-	-
5-Oct	Morgan	1	shuttling gear from swede 23 to km-15 with atv and trailer.	-	-	-
6-Oct	Morgan	1	drove excavator from claim 23 to bench claims. Dig and backfill Pit01 and Pit02	8	-	-
7-Oct	Morgan	1	Dig and backfill Pit03 - Pit08.	10	-	-
8-Oct	Morgan	1	walked excavator up to top of world highway. Panned material from Pit01 - Pit08	5	-	-
14-Oct	Morgan	1	Putting claims tags on posts. NB1, 1-20	-	-	-
15-Oct	Morgan	1	Putting claims tags on posts. Disc, 1-10	-	-	-
16-Oct	Morgan	1	Putting claims tags on posts. NB2, 1-20	-	-	-
17-Oct	Morgan	1	excavator and dozer trucked to henderson corner from km-15	-	-	-

**Truck and ATV on the way to the Top of the World Highway
From Swede Creek along the Main Swede Creek road.**



Shafting setup on Shaft #1.



**Down on Swede Creek at the mouth of 20 pup
evaluating gravels from Shaft #1**



Reuben French digging on Shaft #2



Morgan Fraughton Digging on Shaft #2



After the trench was excavated to the bedrock layer we measured out 1 cubic meter of gravel at bedrock and ran it through this long tom. Gold recovered was 8 grams!



8 grams of gold recovered
from 1 cubic meter test on
bedrock!





**Trench sidewall. Shows a good breakdown of material.
The trench from top to bottom here is 12.5 ft.**



Excavator scraping out and piling the pay layer from the trench.

The trench while sluicing. Self contained recycling water system.



400 grams of gold recovered from 300 cubic meters of sluicing



US-SONIC-500

402.6

500gx0.1g



Trench backfilled. Still more reclamation needs to be completed here next season. Fines and organics will be spread back over the gravels



Ash layer in Pit05





Pit06.



Close up of typical gravels in the Pits on the bench.



Frozen fine s layer on top of Pit02.
Expect to see gravel layer under
here but too hard to advance in
frozen material.



Pit07. Gravels right on top. 18ft deep. Not close to bedrock.