

YUKON MINERAL EXPLORATION PROGRAM (YMEP 20-055) FINAL REPORT

**FOR A TARGET EVALUATION PROGRAM ON THE
INDIAN RIVER PLACER A-12 to A-14 CLAIMS, YUKON**

NTS 1150/11

Latitude 63.721°N Longitude 139.037°W
Dawson Mining District

Claim Names: A-14, A-13, A-12
Grant Numbers: 31572, 31571, 31570

January 28th, 2021

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1.0 INTRODUCTION and SUMMARY

This Report describes the results for the 2020 Yukon Mineral Exploration Program (YMEP 20-2055) assisted auger drill program on the Indian River placer claims (“A-12, A-13 and A-14”). The objective of the 2020 program was to demonstrate gold continuity between 2019 drill holes by carrying-out in-fill drilling. Specifically, the 2020 YMEP program resulted in 22 – 8 inch holes (**423** feet) auger drilling on the claims. The previous 2019 auger drill program identified an area measuring approximately 850 feet by 350 feet with an average grade of ~20 mg per drill hole. The 2020 auger drill program doubled the drill density and increased the average Au grade to 23 mg per drill hole in that area and expanded into an adjacent unmined area to the northwest that had been partly striped in 2018.

The Indian River A-12, A-13, and A-14 placer claims are an advanced stage placer-gold-target located within the Indian River drainage located in the Reindeer Mountain map area (115O/11). Three major levels of terraces are known in the Indian River drainage. The claims are located on the left limit of the Indian River approximately 5.6km upstream from the confluence with Quartz Creek and 2.5km upstream from the confluence with McKinnon Creek in an area that would be interpreted as an Intermediate-level terrace.

Lowey (2004) describes intermediate-level gravels as irregularly distributed strath terraces that range from 1 to 50 m above present creek and river levels and that most are preserved as relatively small terraces (i.e., up to tens of metres wide and a few hundred metres long). The intermediate level gravel is up to 9 m thick and is mostly a framework supported, poorly bedded gravel with minor amounts of interbedded sand and mud. This unit is second to the White Channel Gravel in terms of economic importance.

The intermediate-level gravel sits non-conformably on Yukon-Tanana Terrane bedrock and is locally overlain by low-level gravel or muck. The Stewart River (115N & 115O) Bedrock geology map compiled and produced by the Yukon Geological Survey (most recently updated in 2018) indicates that the bedrock underlying the A-12, A-13 and A-14 claims is the middle to late Permian Klondike Schist consisting of quartz-muscovite-chlorite schist.

Gimlex Enterprises has conducted the only modern systematic exploration on the A-12, A-13 and A-14 claims. In 1995, Gimlex drilled 11 auger holes across the A-12 placer claim. Six of the eleven drill holes did not reach bedrock due to wet subsurface conditions and were abandoned due to sample contamination from side wall collapse. Gravel thickness ranged from 8 to 11 feet, muck ranged from 0 to 6 feet deep and gold content ranged from 8 to 28 mg per drill hole. In 2019, Gimlex Enterprises revisited the claims and drilled 24 - 8 inch auger holes stepping-out from the 1995 drill holes up-stream and down-stream. Gravel thickness ranged from 4 to 13 feet, muck ranged from 0 to 12 feet and gold content ranged from 4 to 46 mg per drill hole.

2.0 PROPERTY DESCRIPTION AND LOCATION

The Indian River A-12, A-13 and A-14 claims cover approximately 13.85 hectares (as detailed in Figures 1-3, and Table 1) and lies approximately 40 kilometres South of Dawson City, YT within the Dawson Mining District (Figure 1). The claims are centered at 63.721° N Latitude; 139.037° W Longitude and are located on the left limit of the Indian River approximately 5.6km upstream from the confluence with Quartz Creek and 2.5km upstream from the confluence with McKinnon Creek. The Project area is covered by NTS map sheets NTS 115O/11.

The office of the Yukon Mining Recorder lists Gimlex Enterprises Ltd. as owner of 100% of all claims.

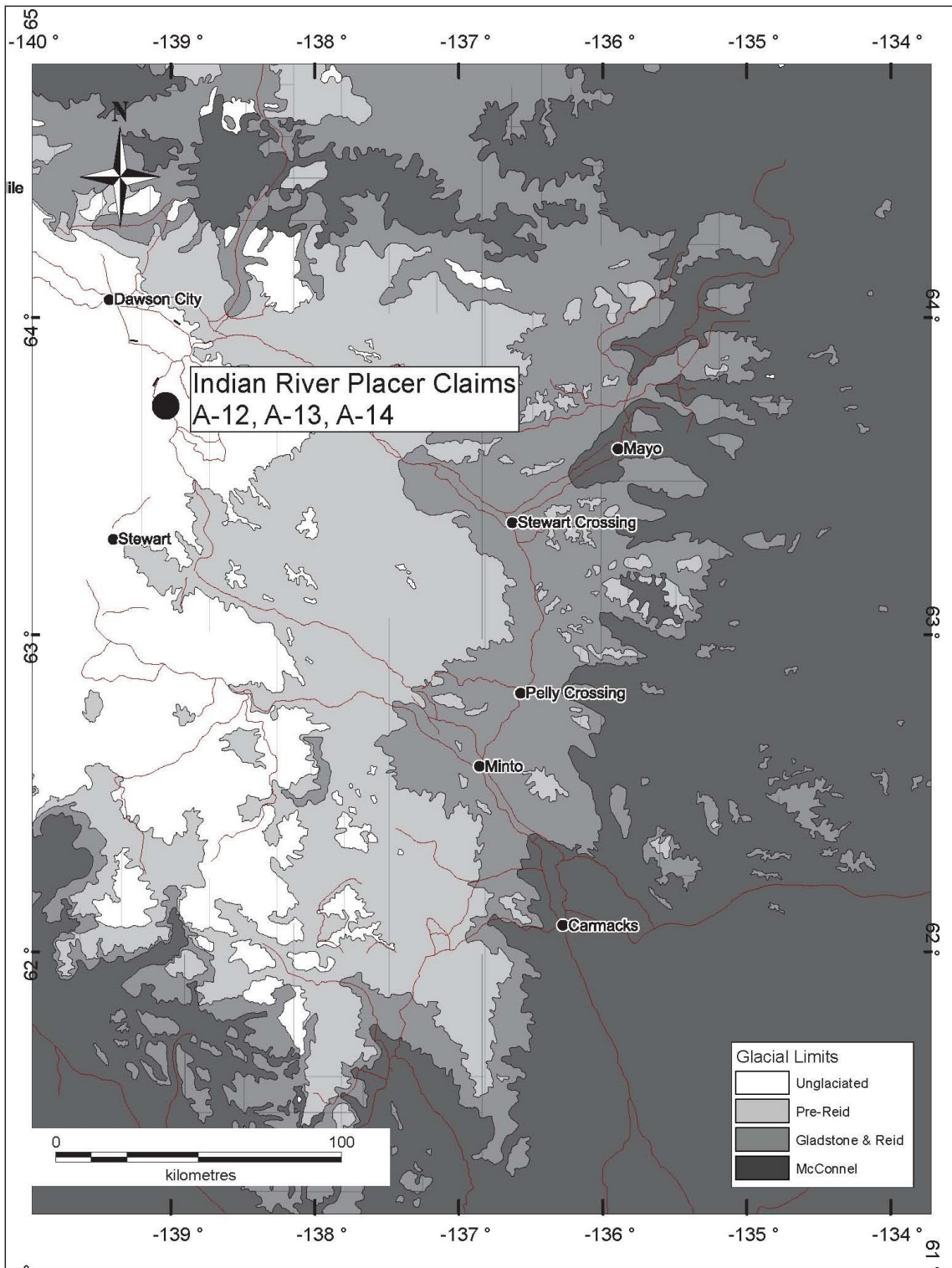


Figure 1: Indian River A-12, A-13, A-14 Placer Claims Location Map showing glacial deposit limits

Table 1: Indian Placer Project – Placer Claims Summary List

Grant Number	Tenure Type	Claim Name	Claim Number	Owner Name	Recorded Date	Expiry Date
31570	Placer	A	12	Gimlex Enterprises Ltd. – 100%	10/13/1987	11/06/2021
31571	Placer	A	13	Gimlex Enterprises Ltd. – 100%	10/13/1987	11/06/2021
31572	Placer	A	14	Gimlex Enterprises Ltd. – 100%	10/13/1987	11/06/2021

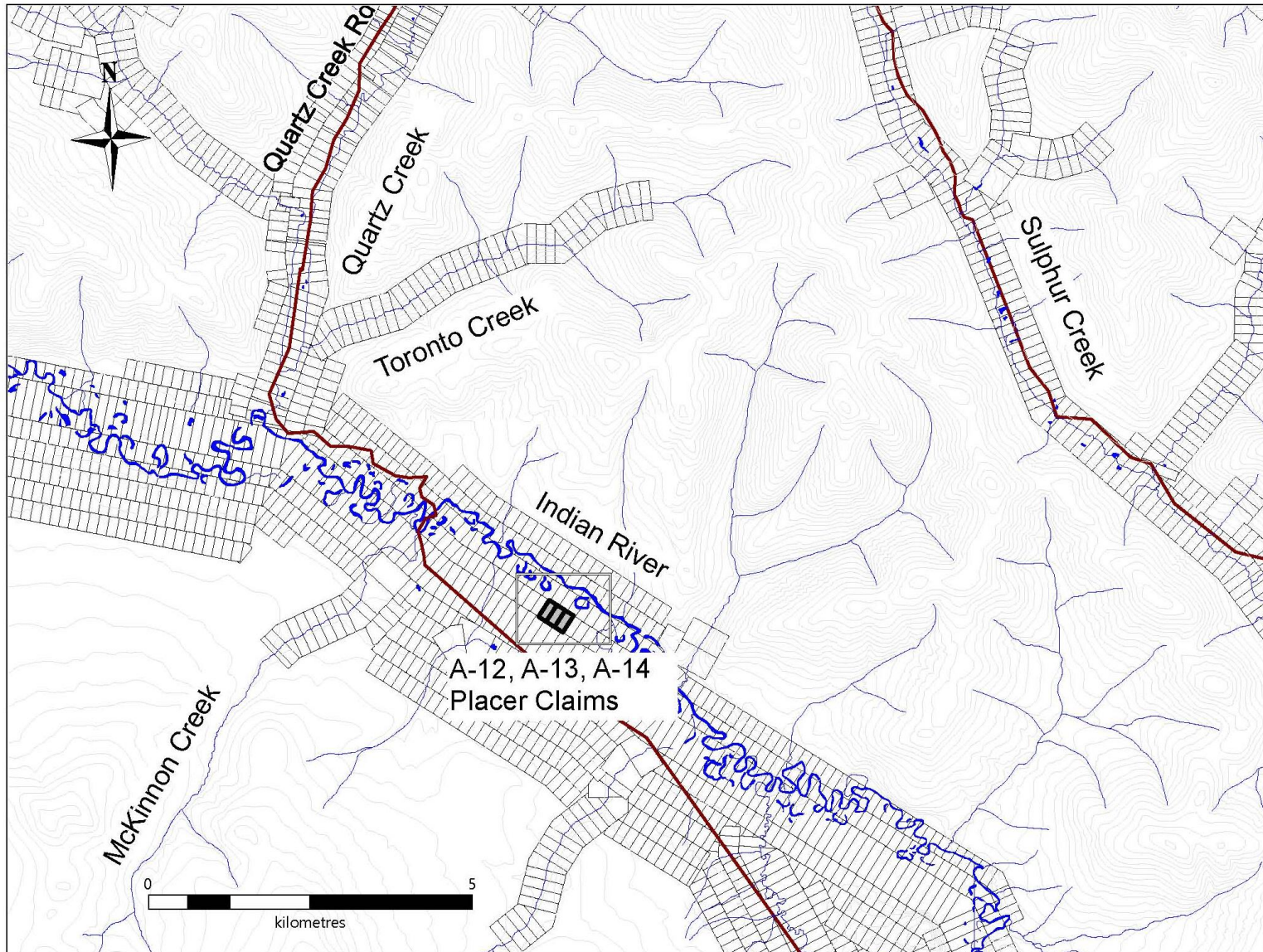


Figure 2: Dominion Project Regional Location Map – Access and Claim Block Boundary

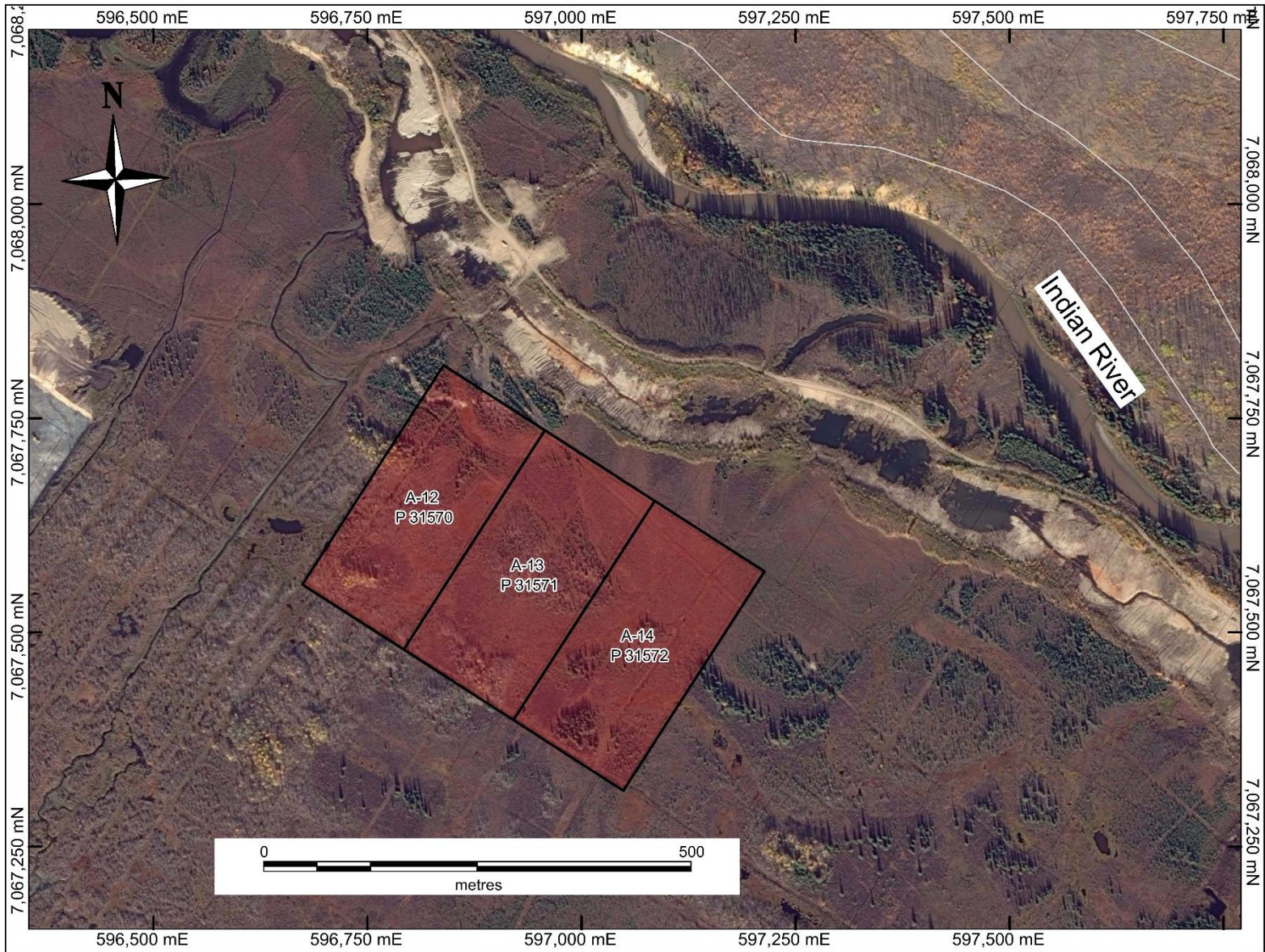


Figure 3: Tenure Grant Number Map – Showing claim outline

3.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, PHYSIOGRAPHY

The claims are easily accessed by the Quartz creek road road from Bonanza or Hunker Creek roads (Figure 2) approximately 40 km south of Dawson City, Yukon. Dawson City itself is located approximately 500 km from Whitehorse, YT and is accessible via the well maintained, year-round paved, Klondike Highway. Bonanza and Hunker Creeks offer summer maintained graded gravel roads linking with Dawson City and the Klondike Highway, as well as the Dawson City airport; a full service airfield with regularly scheduled flights. Several smaller, gravel airstrips exist in the significant placer workings of the Quartz creek and Indian River valley floors. Dawson City is the closest population center and affords all facilities; hotels, restaurants, grocery/hardware stores, and fuel bunkers.

The Indian River A-12, A-13 and A-14 claims cover an unglaciated region of the Klondike Plateau. The property encompasses an unmined section of Indian River at an elevation of 425 meters. The unmined section lies within the left limit of Indian River floodplain approximately 2.5km upstream of McKinnon Creek (Figure 2).

The climate of the claim block, and region can be described as sub-arctic, with a low annual precipitation. The “summer”, or field workable portion of the season, begins in late May and lasts through mid-October annually. A few centimeters of snow fall is common in early October and can remain on the ground therefrom. Winter temperatures can fall --below -40°C during the January through February period, however in the past decade winters in the region have been milder than in previous years. Rainfall in summers is variable as some years can be excessively dry and others excessively wet.

4.0 HISTORY

Gimlex Enterprises has conducted the only modern systematic exploration on the A-12, A-13 and A-14 claims. In 1995, Gimlex drilled 11- 8 inch auger holes across the A-12 placer claim. Six of the eleven drill holes did not reach bedrock due to wet subsurface conditions and were abandoned due to sample contamination from side wall collapse. Gravel thickness ranged from 8 to 11 feet, muck ranged from 0 to 6 feet deep and gold content ranged from 8 to 28 mg per drill hole. In 2019, Gimlex revisited the claims and drilled 24 - 8 inch auger holes stepping-out from the 1995 drill holes up-stream and down-stream. Gravel thickness ranged from 4 to 13 feet, muck ranged from 0 to 12 feet and gold content ranged from 4 to 46 mg per drill hole. The 2019 auger drill program successfully identified an area measuring approximately 3,015 feet by 1,075 feet with an average gold grade of ~20 mg per drill hole.

Figure 4 through 8 shows the location of the drill holes with Hole ID, depth of muck, thickness of gravel, depth of bedrock and total gold content.

The 2019 auger drilling and sampling were conducted in a careful and controlled manner intended to accurately identify and measure the placer potential on the property. All of the gravel and bedrock obtained from each drill hole was collected in buckets and processed through a longtom to yield a heavy mineral concentrate. The concentrate was then sieved into 4 sizes (+6, +12, + 20, and -20 mesh) and then carefully panned separately to a small volume before transferring to a Miller table for recovery of the individual gold grains. All gold collected from the various sizes was then re-combined before drying and weighing on an electronic scale accurate to 2 mg.

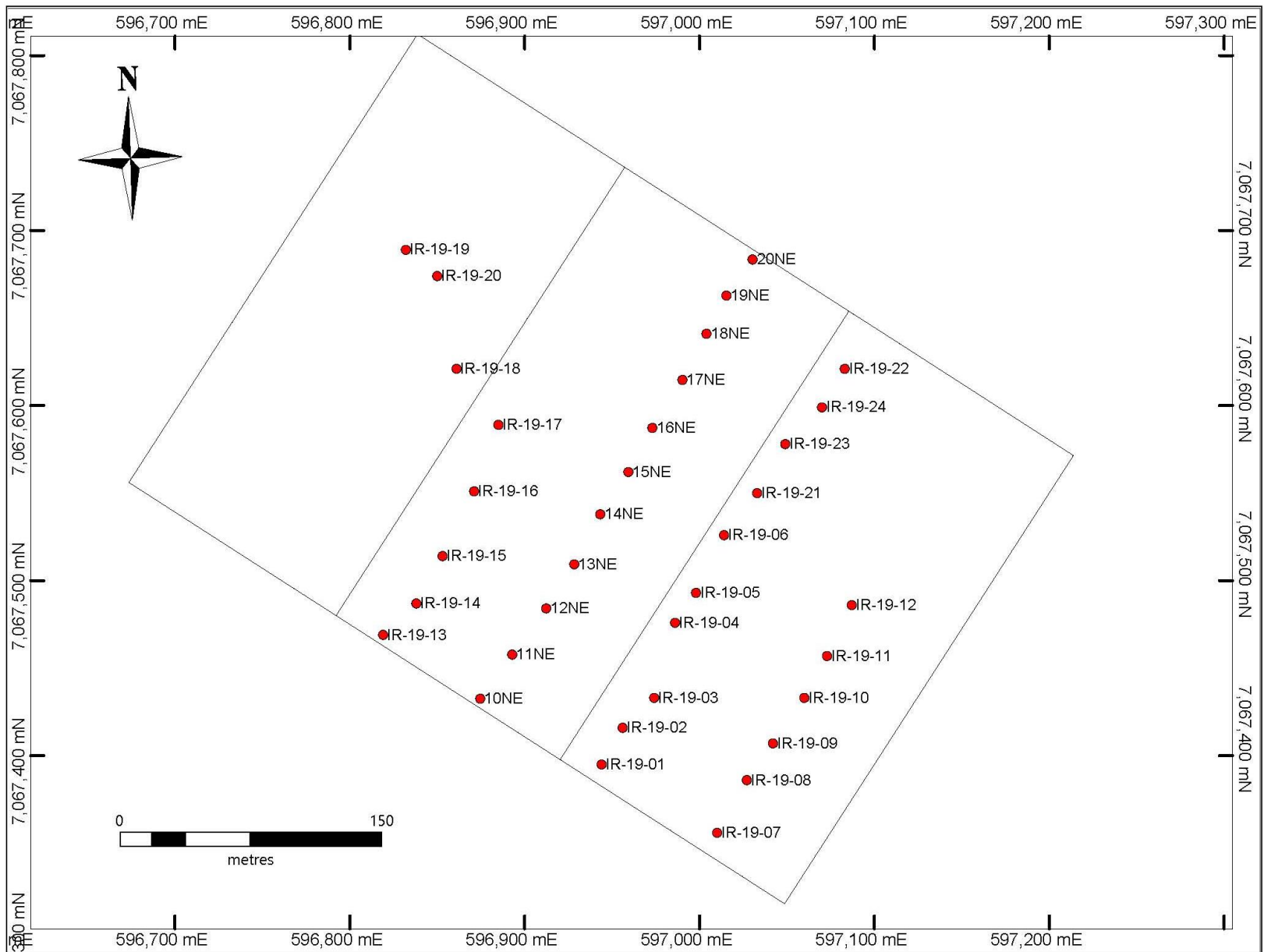


Figure 4: Drill-hole location map – 2019 - Showing drill-hole ID

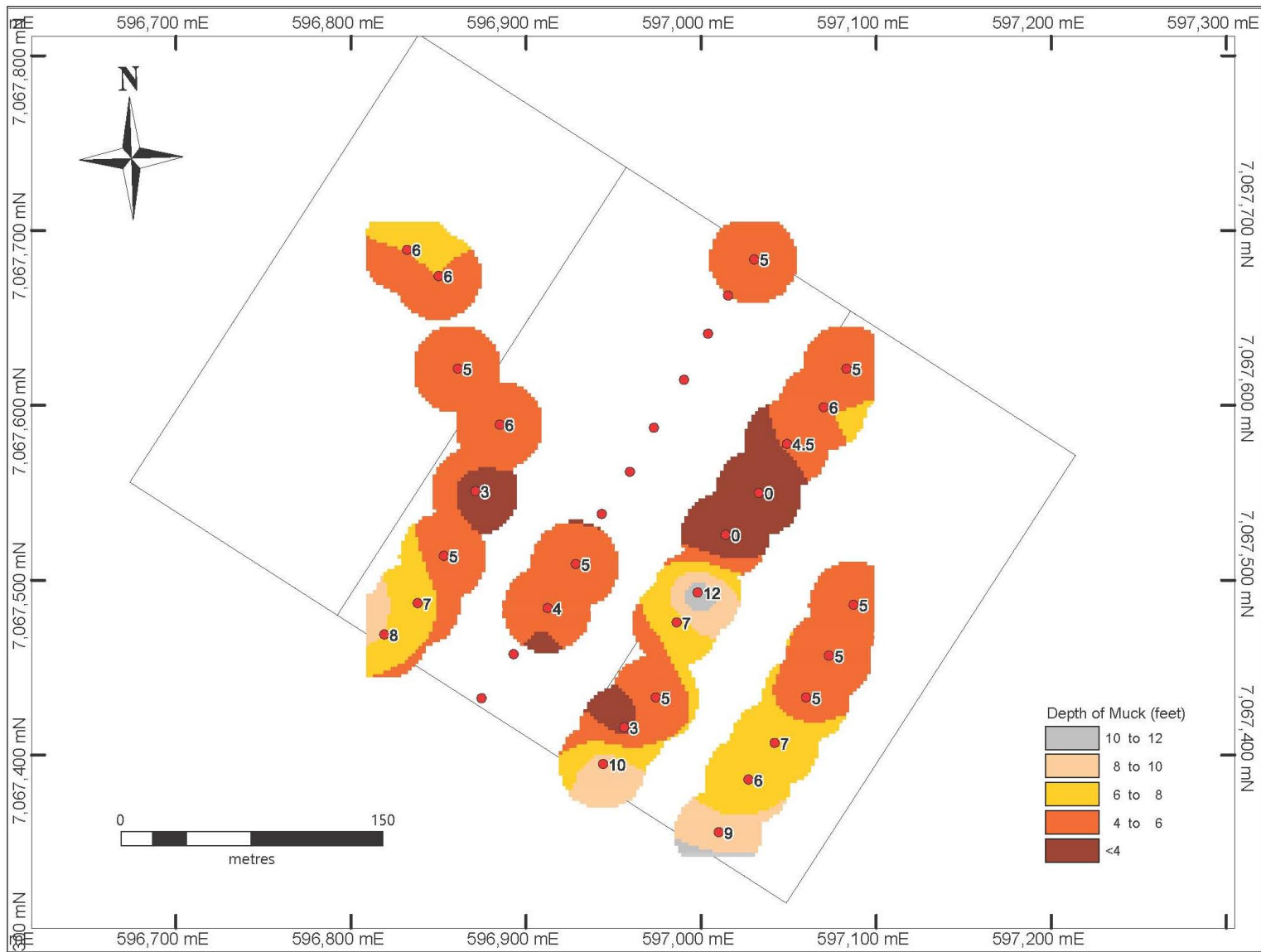


Figure 5: Drill-hole location map – 2019 - Showing depth of Muck

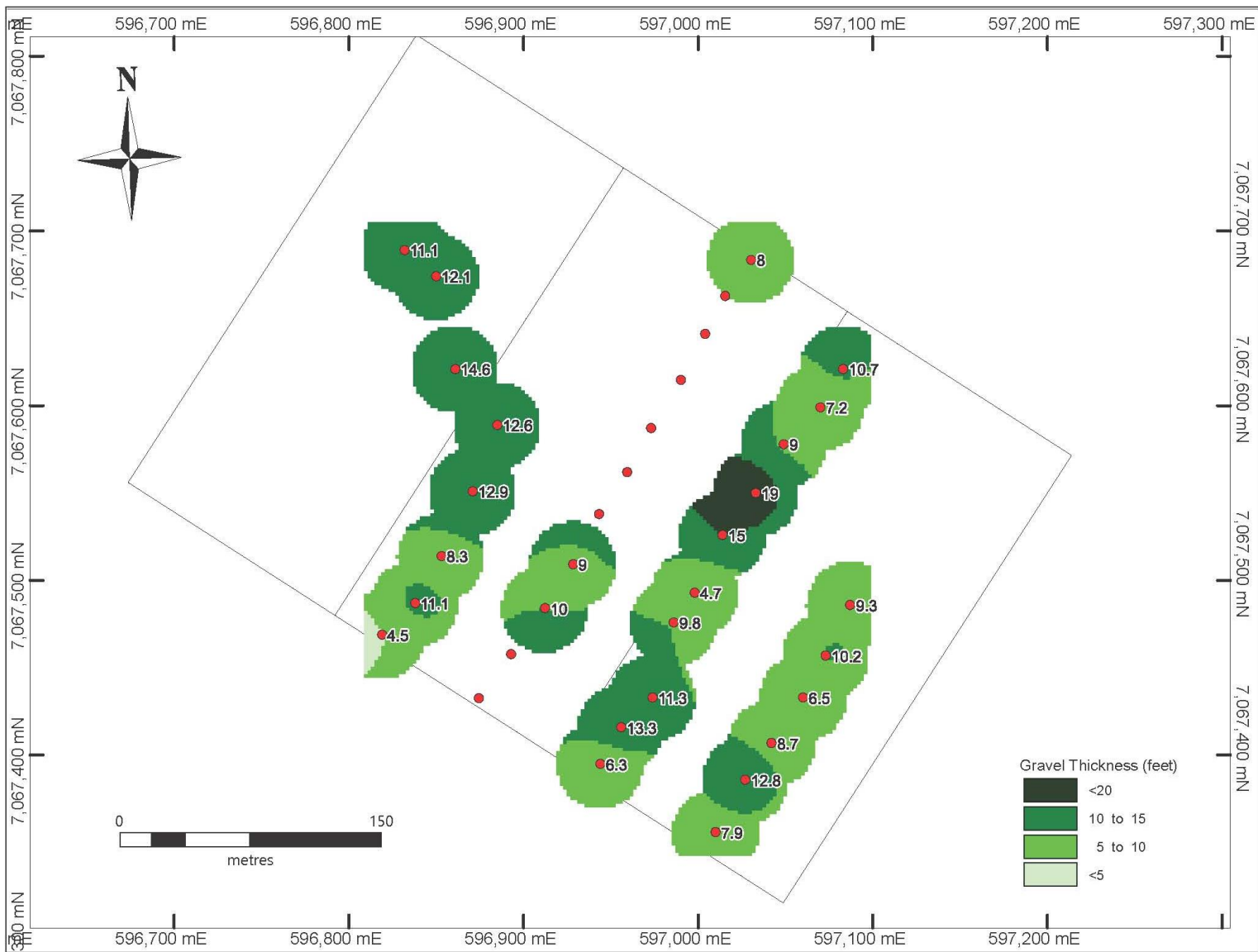


Figure 6: Drill-hole location map – 2019 - Showing thickness of Gravel

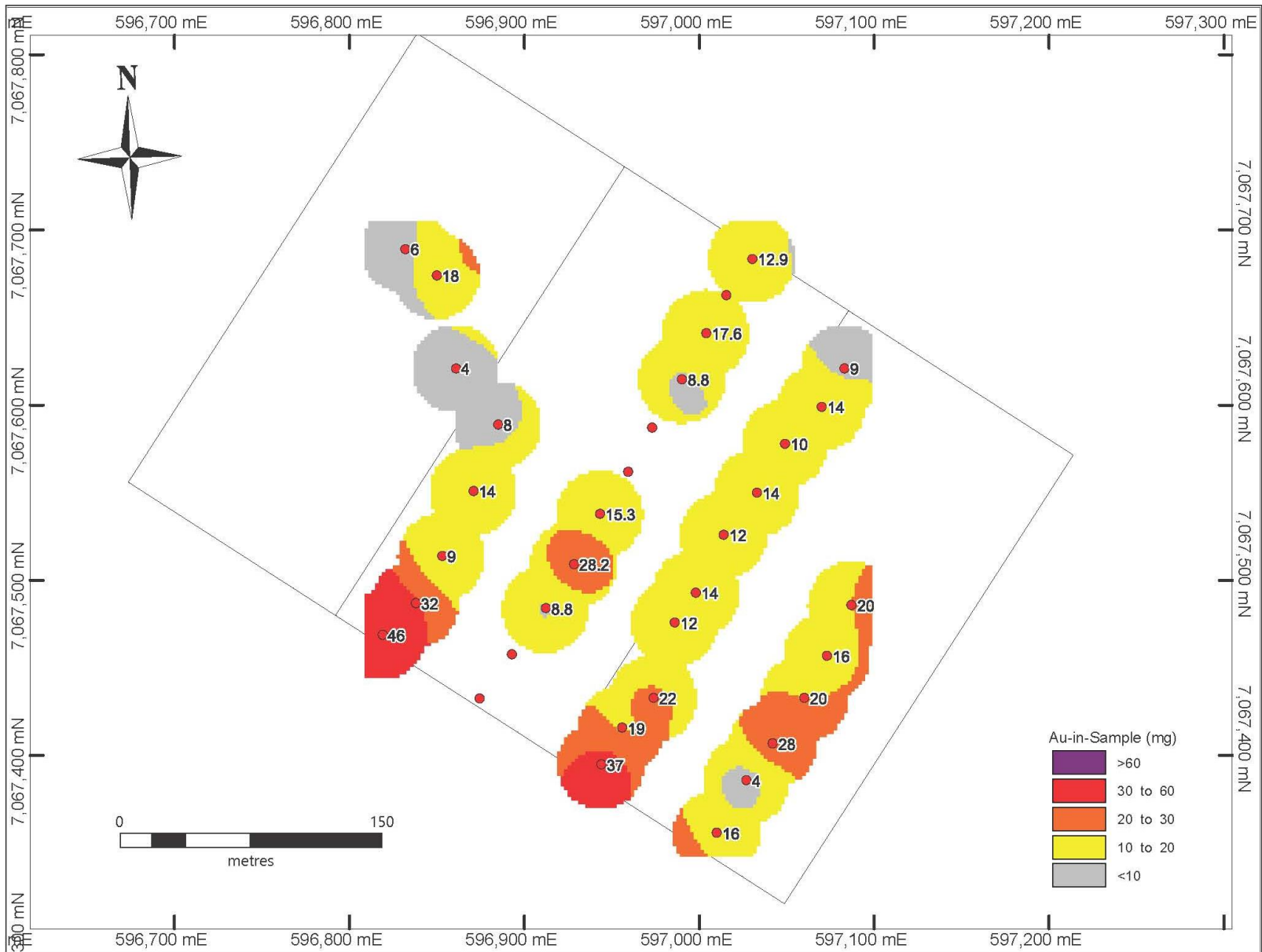


Figure 8: Drill-hole location map – 2019 - Showing total contained gold

5.0 BEDROCK and SURFICIAL GEOLOGY

Regional Bedrock Geology

The Klondike goldfield is underlain by highly deformed, greenschist-facies, Paleozoic metasedimentary and meta-igneous rocks of the Klondike Schist and Finlayson assemblage that form part of the Yukon-Tanana terrane, and by slices of ultramafic rocks of the Slide Mountain terrane (Figure 9). Regional-scale thrust faulting in the Early Jurassic stacked these rocks into a series of thrust slices that are locally separated by lenses of sheared ultramafic rocks (Mackenzie et al. 2006). The thrust slices were then uplifted through the brittle-ductile transition in the crust during the Jurassic and unconformably overlain by locally derived sedimentary and volcanogenic rocks in the Late Cretaceous (Mortensen, 1996). The Klondike goldfield was then offset approximately 450 km along the Tintina fault (Gabrielse et al., 2006). Erosion and minor regional uplift continued in the late Tertiary and resulted in the deposition of the Pliocene White Channel Gravels and their contained placer gold deposits (Lowey, 2004). Figure 8 highlights the fact bedrock covered by the Indian River placer claims in this report consist of Klondike Schist. Mining in the adjacent areas has exposed mafic schist and granodioritic gneiss.

Surficial Geology

The Reindeer Mountain map area lies within the unglaciated region of the Klondike Plateau. It includes placer-gold-producing basins of Indian River, Ruby Creek, McKinnon Creek, Bismark Creek and Montana Creek. Surface geology consists largely of colluvial cover of varying thickness on the uplands and valley margins, with alluvium preserved on terraces and in valley bottoms with eolian, organic and colluvial covers.

Surficial geological mapping by Jackson (2005) indicate that the ground covered by the Indian River Placer claims is composed of a section of silt (organic rich), peat, fine sand, and organic detritus (Figure 10). Auger drilling from 2019 indicates that this organic blanket is up to 4m thick. Below the muck there is a thin sand layer which overlies a gravel that ranges in thickness between 1m and 4m.

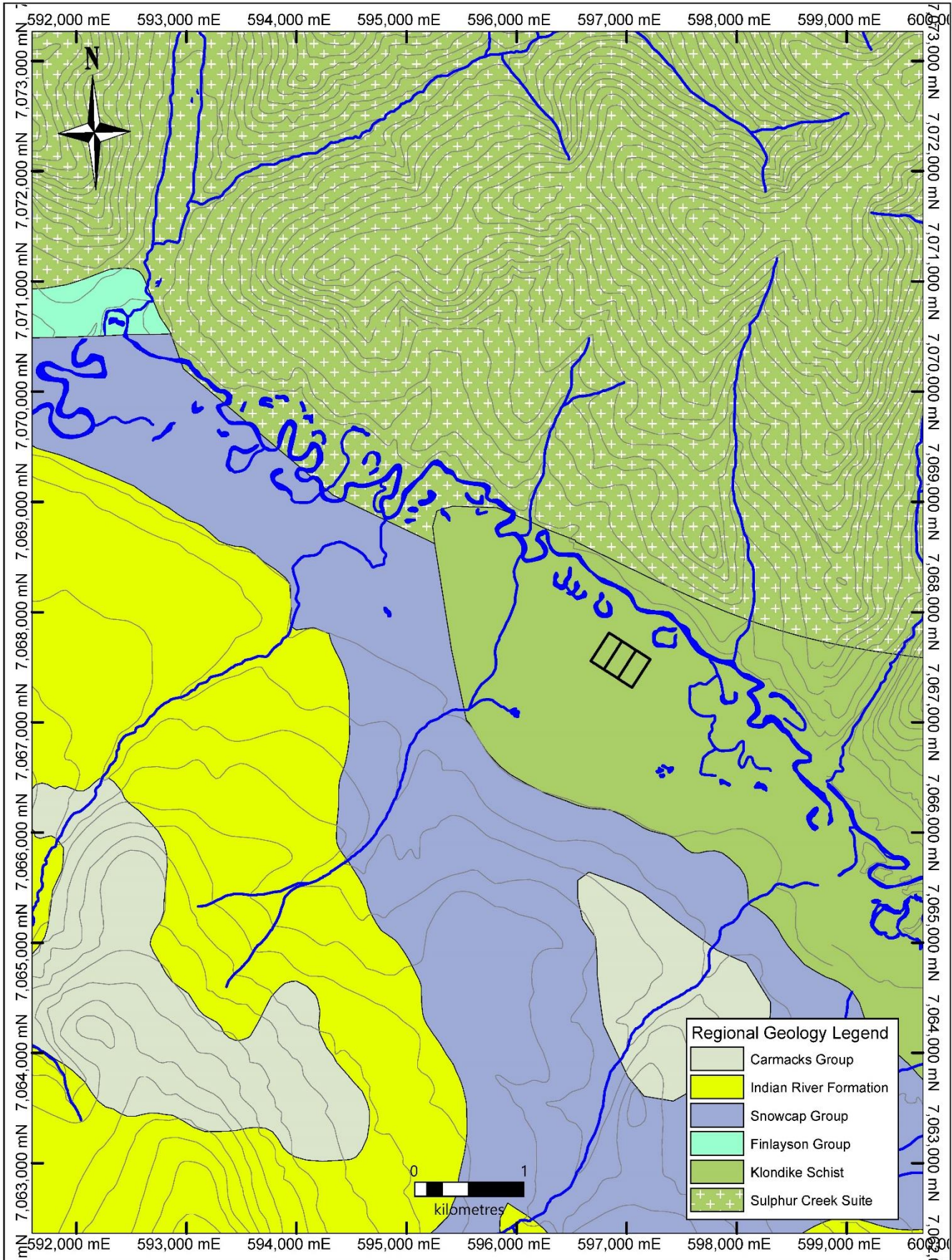


Figure 9. Simplified Regional Bedrock Geology.

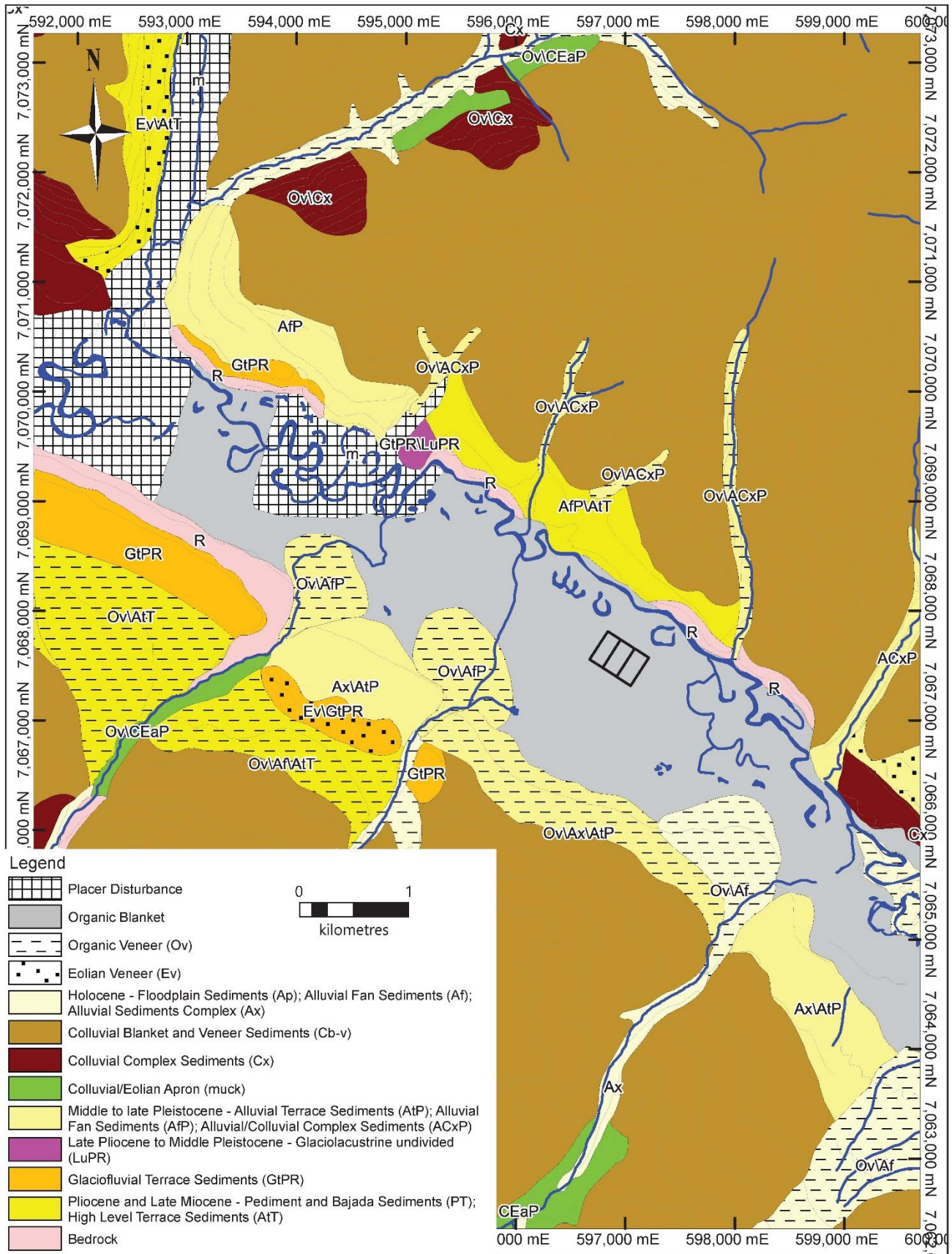


Figure 10. Simplified Surficial Geology showing Gimlex Indian River placer claims in this proposal. (from Jackson, 2005)

6.0 Target Rational

Auger drilling (1995 and 2019) on the Indian River Claims (A 12, A-13, A-14) has culminated in identifying an area measuring approximately 850 feet by 350 feet with an average grade of ~20 mg per drill hole. The amount of gold per drill hole was obtained by:

- 1) Sampling all gravel and a few feet of bedrock in each drill hole;
- 2) Concentrating the “heavies” with a long tom
- 3) Classifying and panning the long tom clean ups
- 4) Separating the fine (<20 mesh) gold from the heavies on a Miller Table
- 5) Drying and weighing the gold

Further in-fill drilling to demonstrate gold continuity between drilled holes is required prior to deciding to mine this section of the placer claims. There is an adjacent unmined area to the northwest that was partly striped in 2018 that needs to be tested and considered for future mining, and increases the length of the potential area to 1200 feet.

The Yukon Water Board granted a 10 year water license renewal and a Class 4 placer land use operating plan renewal to Gimlex Enterprise on June 2nd 2015 (License # PM14-026 – Appendix 1).

7.0 2020 Auger Drilling Program

The 2020 YMEP supported in-fill auger drill program culminated in 21 auger holes totalling 423 feet (Table 2 and Figure 11 to 14). A small PC60 excavator was used to develop access and prep drill sites prior to drilling. Limited earthworks were required as the area is in large part a gently sloping featureless floodplain of Indian River. Drilling was carried out with Gimlex Enterprises Mobile B31 auger drill mounted on a FN110 Nodwell tracked carrier (low ground pressure).

Table 2. Locations of 2020 Drill Holes – Depth to and Thicknesses of Gravels – Depth to Bedrock

ID	East (NAD83 Z-7)	North (NAD83 Z-7)	Total Depth (ft)	Depth to Gravel (ft)	Gravel Thickness (ft).	Depth to Bedrock (ft.)
IR20-1	597039	7067394	24.5	9	12	21
IR20-2	597002	7067402	24	10	10	20
IR20-3	597020	7067365	22	10	10	20
IR20-4	597022	7067429	21	9	10	19
IR20-5	597036	7067457	18	4.5	11	15
IR20-6	596979	7067368	17	9	6	15
IR20-7	596968	7067423	19	4.5	14	19
IR20-8	596989	7067452	21	3	15	18
IR20-9	596924	7067439	26	5	17	22
IR20-10	596796	7067486	22.5	1.5	19	21
IR20-11	596821	7067503	21	9	11	20
IR20-12	596839	7067534	19	4	13	17
IR20-13	596848	7067565	15	7.5	5	13
IR20-14	596905	7067535	21	2	15	17
IR20-15	596888	7067505	19	6	9	15
IR20-16	596869	7067476	21	2.5	17	19
IR20-17	596910	7067472	17	7.5	6	13
IR20-18	596886	7067445	18	3	12	15
IR20-19	596852	7067457	22	3	16	19
IR20-20	596868	7067535	18	5	10	15
IR20-21	596957	7067496	17	7	9	16

Sample Collection and Processing

All holes were 20.3 cm (8 inches) in diameter and samples of gravel and the sections of bedrock were collected on 4x4 foot steel tray and shoveled into buckets that were numbered consecutively and kept in numerical order. After the hole was completed and the augers and bits cleaned the buckets were subdivided for separate processing of an upper and lower sample. The lower sample consisted of the bedrock sample and the bottom half of the gravel. The samples were then transported by the Bombardier muskeg carrier to the longtom processing site for concentration of heavy minerals and then further processing by sieving, panning, gold recovery on a Miller table and finally drying and weighing of the gold using a precise electronic scale with 2 mg accuracy. Raw gold weights are presented in Table 3.

. Table 3. 2020 Drill Results

Hole-ID	Shallow Sample (from - ft.)	Shallow Sample (to - ft.)	Deep Sample (from - ft.)	Deep Sample (to - ft.)	Shallow Sample (Au - mg)	Deep Sample (Au - mg)	Total (Au - mg)
IR20-1	9	14	14	24.5	10	8	18
IR20-2	10	16	16	24	8	30	38
IR20-3	10	16	16	24	16	22	38
IR20-4	9	15	15	21	12	22	34
IR20-5	5	12	12	18	4	16	20
IR20-6	9	12	-	-	22	-	22
IR20-7	5	19	-	-	16	-	16
IR20-8	3	11	11	21	6	22	28
IR20-9	5	15	15	26	8	6	14
IR20-10	2	12	12	23	30	16	46
IR20-11	9	16	16	21	12	4	16
IR20-12	4	12	12	19	10	8	18
IR20-13	8	15	-	-	10	-	10
IR20-14	2	12	12	21	4	12	16
IR20-15	6	10	10	19	4	24	28
IR20-16	3	13	13	21	22	20	44
IR20-17	8	17	-	-	30	-	30
IR20-18	3	12	1	18	2	22	24
IR20-19	3	13	13	22	8	34	42
IR20-20	5	18	-	-	18	-	18
IR20-21	7	17	-	-	14	-	14

Conclusions

The 2020 auger drill program was designed to test the continuity of gold grade identified in the 350 feet by 850 feet area in 2019. The 2020 drilling increased the drill hole density within that area of higher gold values previously reported and expanded into an adjoining area that was partially striped in 2018. The length of the remaining unmined area of interest along the southwest side of the claim block is 1200 feet and includes the area of higher gold values shown on Figure 11. This area of better gold grade is as much as 350 feet wide in some areas, but the optimal mining width is probably less than 350 feet and is probably not uniform. The ground is not deep, about 20 feet on average, and is a relatively low-cost mining opportunity on account of the existing mining infrastructure already in place, but there is still a need to determine what part of the area to mine and how to do it. A mining plan needs to be developed which considers the variable striping, mining and reclamation costs for different mining scenarios. This type of analysis is beyond the scope of this drilling report but we are including a preliminary evaluation of two simple scenarios –mining 250 vs 350 feet wide by 1200ft long cuts based on the drill results. A final mining plan will probably be more complex.

SCENARIO 1; Mine the larger 350x1200 (420,000 sq ft) block

DATA 36 --8 inch drill holes—8” bit—7 3/8” augers
Avg. grade—87.5mg/sq ft
Total raw ounces—1183
Total fine ounces—957 (81 % pure)
Value--\$ 2,105,000 Cdn aprx..

SCENARIO 2 Mine smaller 250x1200 (300,000 sq ft) block

DATA 27 --8 inch drill holes—8” bit—7 3/8” augers
Avg. grade—99 mg/sq ft
Total raw ounces—951
Total fine ounces—774 (81 % pure)
Value--\$ 1,703,000 Cdn aprx..

Assume Mining the smaller higher grade block would be profitable
This has not been verified!

Question Could mining the larger lower grade block be more profitable?
It should yield additional \$ 402,000 but there is 40 % more material to move.

ADDITIONAL COSTS TO CONSIDER

1. **Striping Costs:** All material striped would have to be moved extra 100 feet up a longer, steeper ramp or road.
2. **Moving Pay.** The extra 40 % from the larger cut has to be moved farther for sluicing or the plant has to be moved.
3. **Tailings** There would be 40 % more tailings to be moved away from the plant.
4. **Sluicing Hours** There would be 40 % more so higher cost for personal, fuel, plant and equipment maintenance, camp operation, supervision, etc.
5. **Reclamation** 40 % more area to reclaim

ANALYSIS

The above costs would need to be estimated based on the actual on- site equipment, staff and conditions. In view of the amount of extra material to be moved (Scenario 1) we would guess that the costs could easily exceed \$ 402,000 and mining the smaller block (Scenario 2) is probably the best way to go. There is much detail to consider before making a decision to start mining.

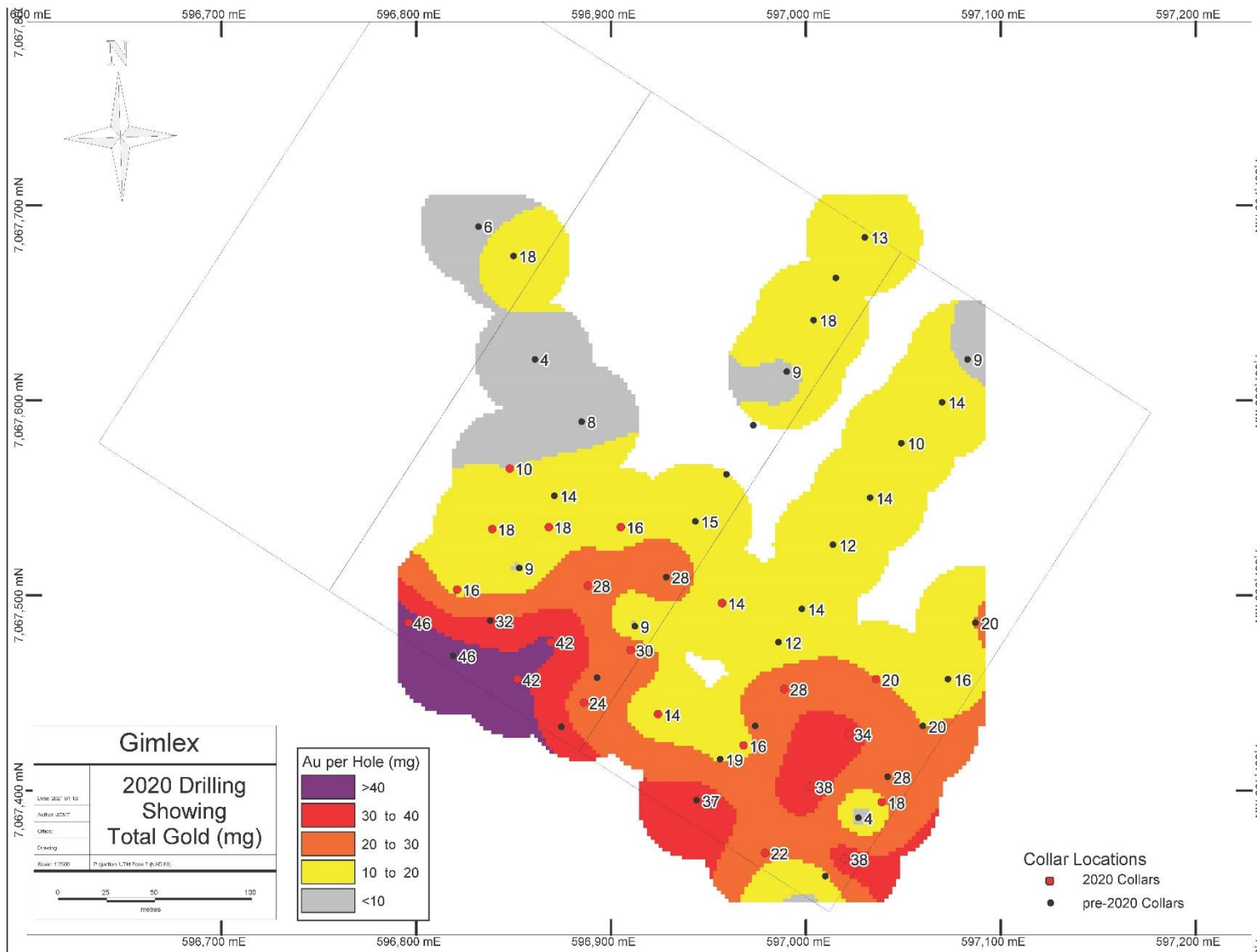


Figure 11. 2020 Drill-hole location map – Showing total contained gold-per-hole (mg)

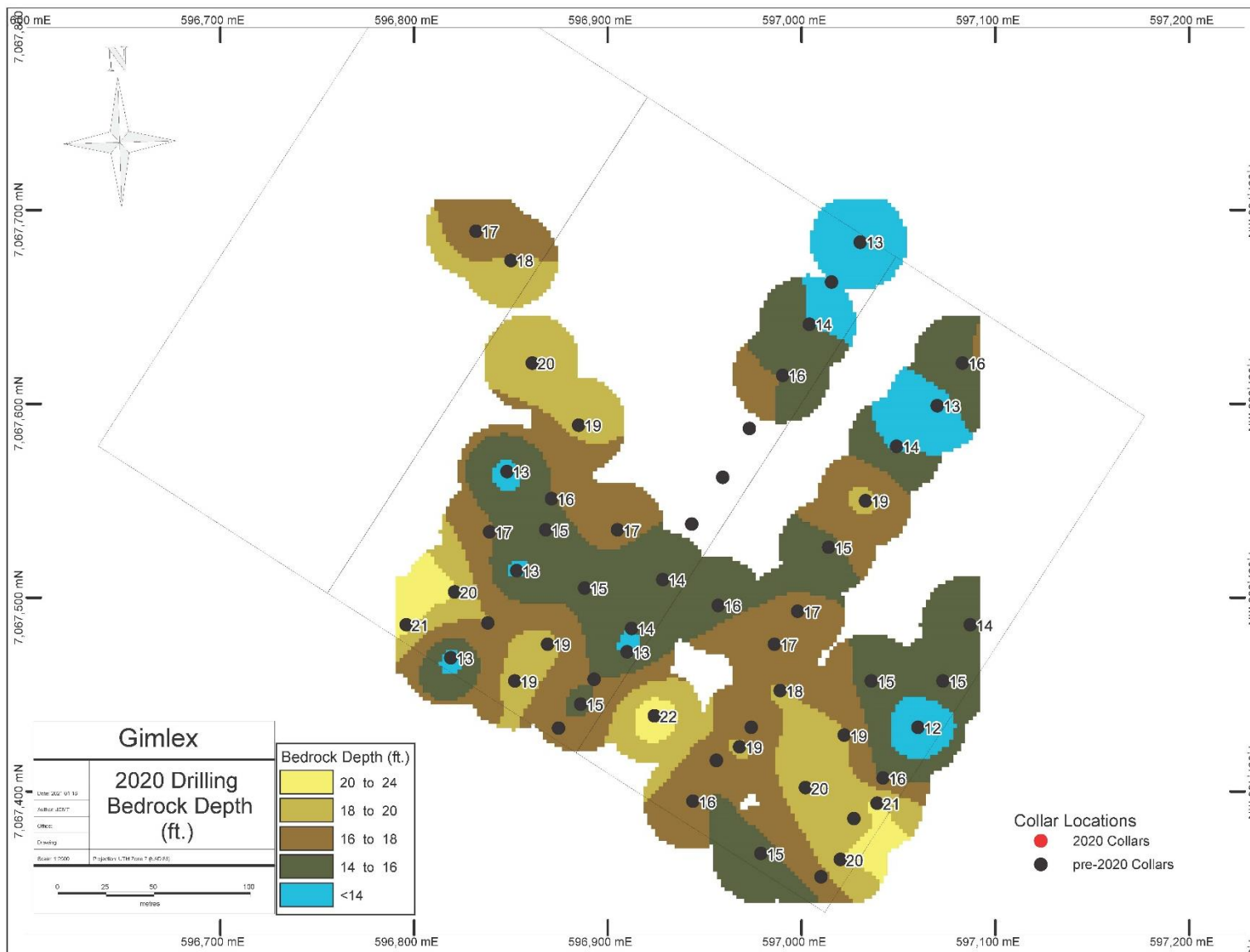


Figure 12. 2020 Drill-hole location map – Showing Bedrock Dept (ft.)

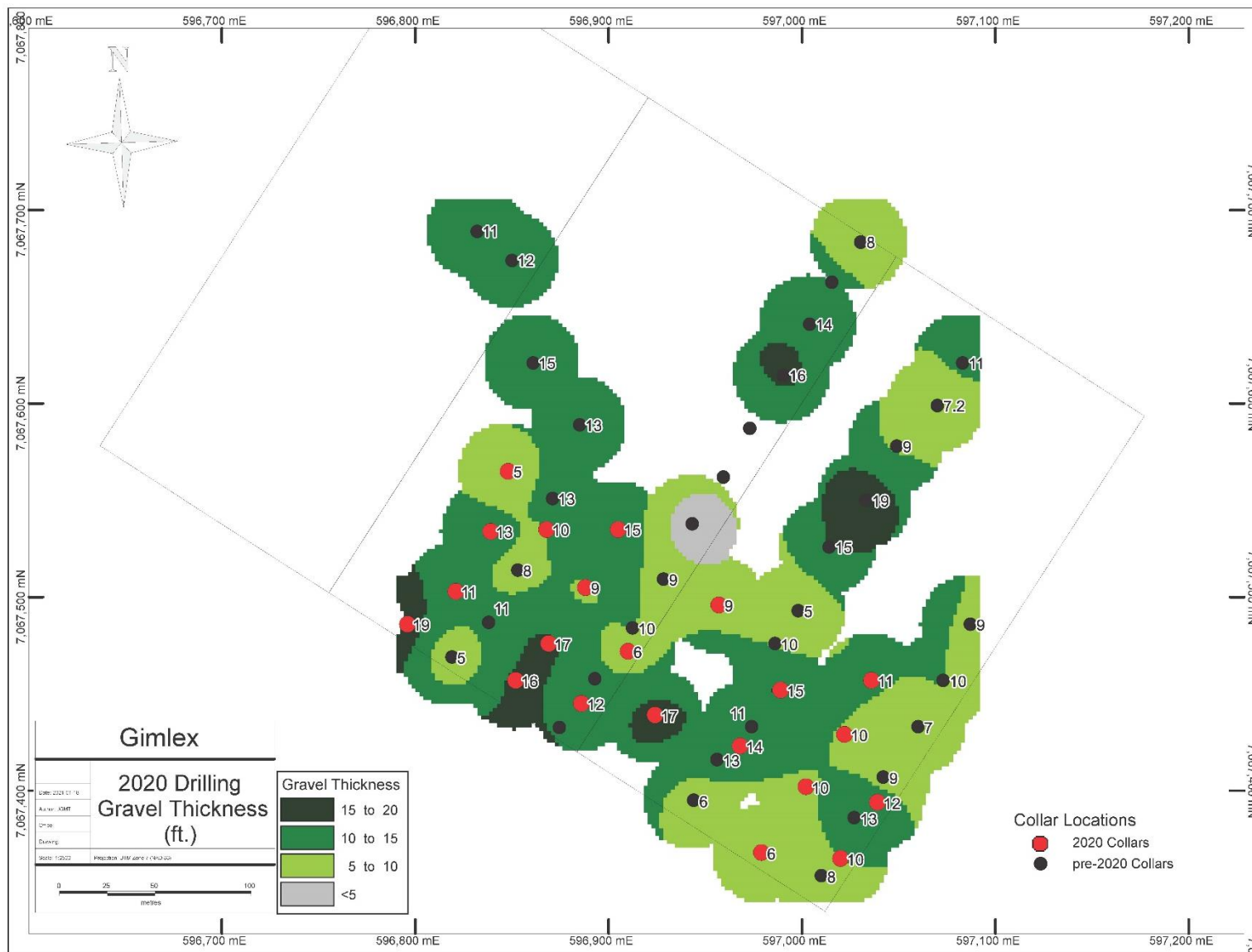


Figure 13. 2020 Drill-hole location map – Showing Gravel Thickness (ft.)

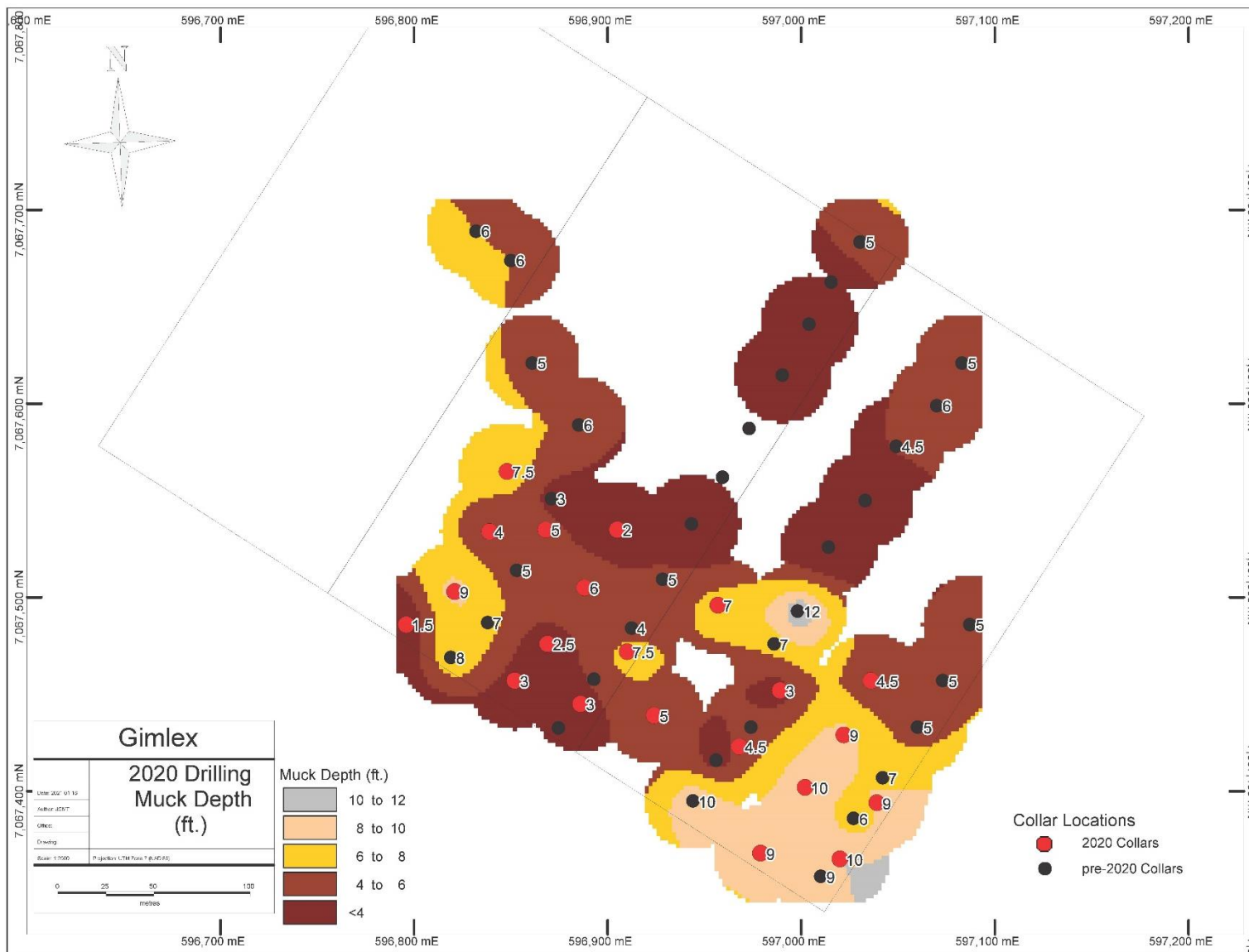


Figure 14. 2020 Drill-hole location map – Showing Muck Depth (ft.)

8.0 Statement of Cost

Item	No. items	Type	Rate	Unit	No. Units	Cost
Field Crew						
Project Manager /Sheamus Christie -	1	person	\$500.00	day	13	\$6,500.00
Mechanic/ Welder/operator	1	persons	\$500.00	day	13	\$6,500.00
Driller/ welding time	1	persons	\$50.00	hr	10	\$500.00
WCB - 4.73 % Estimate (note also included driller time included with drilling below)						\$1,560.90
Daily Field Expenses (3 @ 13 days, 1 @ 11 days, 2 @ 3 days)			\$100.00	day	56	\$5,600.00
James Thom - Sample Processing (long tom)	1		\$400.00	day	11	\$4,400.00
J.S Christie + Du Christie - sample processing (miller table)	2		\$500.00	day	3	\$3,000.00
Equipment						
Vehicles - Crew and equipment	2	4WD	\$50.00	day	18	\$900.00
Service truck with tools and welder	1	4WD	\$100.00		13	\$1,300.00
Sample Trailer	1		\$30.00		13	\$390.00
12 kVa generator	1	generator	\$40.00	day	18	\$720.00
ATV	2		\$40.00		13	\$520.00
Pump - 2"	1		\$20.00	day	13	\$260.00
Miller Table	1		\$50.00		3	\$150.00
Long tom, sampling equipment	1		\$20		13	260.00
In Yukon Travel						
Jim Christie from/return Whitehorse						\$600.00
Dagmar Christie from/return Whitehorse						\$600.00
Alex Gun (Shared) from/return Mayo						\$400.00
Sheamus Christie - from/return Whitehorse						\$600.00
Donjek Travel from/return Haines Junction (shared)						\$600.00
James Thom – from/return Whitehorse						\$600.00
Heavy equipment and Support						
Mobile B31 Drill on FN110 Nodwell - Drilling time+ sampling time (75% of commercial 37.5/ft)	1	Ft	\$28.13	per ft	425	\$11,955.25
Bombardier Carrier - sample and supply transport (75% of commercial \$300/day)	1		\$225.00	day	13	\$2,925.00
Hauling - Kenworth T800 and Lowboy (May be contracted to third party depending on driver availability. If Gimlex owned equipment used it will be 75% of 210)	1		\$210.00	hour	2.5	\$400.00
Pc60 Excavator/ with blade and spare bucket (75% of commercial \$130/hr)	1		\$97.50	hour	10	\$975.00
Drill consumables						\$1,500.00
Report – Office Work						
J. S Christie Report						\$750.00
Report & GIS - J. Thom						\$2,400.00
					Sub-total	\$56,866.15

Statement of Qualifications

I, **James Stanley Christie**, of Dawson City, in Yukon Territory, Canada

Hereby certify:

1. That my address is P.O. Box 660, Dawson City, YT, Y0B 1G0;
2. That I am a graduate of the University of British Columbia:
 - a) Ph.D., Geology. 1973,
 - b) B.Sc., Honors, Geology, 1965;
3. That I have been practicing my profession in geology, placer mining and mining exploration continuously since 1965 and since 1984 in the Yukon;
4. That I have over 20 years' experience with using auger drilling for placer exploration and evaluation of placer deposits;
5. That this proposal is based on my knowledge of the district and the applicability of auger drilling to placer exploration deposits in the area.

Dated this **29th** day of **January, 2021** at Vancouver, B.C.,

James Christie

James S. Christie

Statement of Qualifications

I James G.M. Thom certify that:

I am a mineral exploration consultant residing at 1466 Larsen Road, Courtenay BC, V9N 8Y9 and can be contacted at thomjgm@gmail.com

I am a co-author of the YMEP proposal entitled **“YUKON MINERAL EXPLORATION PROGRAM (YMEP) APPLICATION FOR A TARGET EVALUATION PROGRAM ON THE INDIAN RIVER PLACER A-12 to A-14 CLAIMS, YUKON”**
“

I graduated with a B.Sc. in Earth and Ocean Sciences at the University of Victoria [2002] and graduated with a M.Sc. in Geology from the University of Toronto [2003].

I have worked in the mineral exploration industry since 1999.

I assisted in the 2019 exploration program on the Indian River property described in this report.

Dated at Vancouver, British Columbia, this 29th day of **January, 2021**.

James Thom

James G.M. Thom, MSc.

9.0 References

Jackson, Jr., L.E. (2005). Surficial Geology, REINDEER MOUNTAIN, Yukon Territory; Geological Survey of Canada, Open File 4588, scale 1:50,000

Lowey, G.W., 2004. Placer Geology of the Stewar River (115N&O) and part of the Dawson (116B&C) map areas, west-central Yukon, Canada. Yukon Geological Survey. Bulletin 14

MacKenzie, D.J., Craw, D., Mortensen, J.K. and Liverton, T., 2006. Structure of schist in the vicinity of the Klondike goldfield, Yukon. *In: Yukon Exploration and Geology 2006*, D.S. Emond, L.L. Lewis and L.H. Weston (eds.), Yukon Geological Survey, p. 197-212.

YGCG Archival Maps and Textural Documents----YGS Ottawa retrieved Information
File—Granville Dominion Prospecting 1917
File Dominion Day Hill 1922 NNWCL map plan 247
File Dominion Granville 1923 NNWCL map plan 288
File Dominion Granville 1924 NNWCL map plan 333
Dredge Summary Various 1931 E Davidson

Yukon Energy, Mines and Resources/YGS Website –
<http://www.emr.gov.yk.ca/mining/mapsdatapubs.html>