

1W00482



**Kaminak Gold Corporation**

**DRILLING REPORT ON THE HALFWAY  
CREEK PLACER PROSPECTING LEASE**

Whitehorse, Yukon Territory  
Lease No.: IW00482 – Owner James Scott 100%

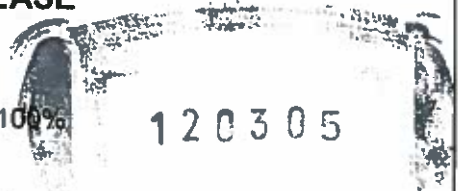
NTS # 115J/14  
Latitude: 62.9127°N Longitude: 139.3390° W

Whitehorse Mining District

WORK PERFORMED: August 13<sup>th</sup> to August 17<sup>th</sup>, 2016  
DATE OF REPORT: Sep 13<sup>th</sup>, 2016

-prepared by-

Tim Smith, M.Sc., P.Geo.



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## **1.0 SUMMARY**

Between August 13<sup>th</sup> and August 17<sup>th</sup>, 2016, a drill program was implemented on the Halfway Creek placer lease IW00482. The purpose of the program was to test alluvial and eluvial placer prospectivity as it may relate to near surface weathering and transportation of a local bedrock gold source, the Coffee Gold Deposit.

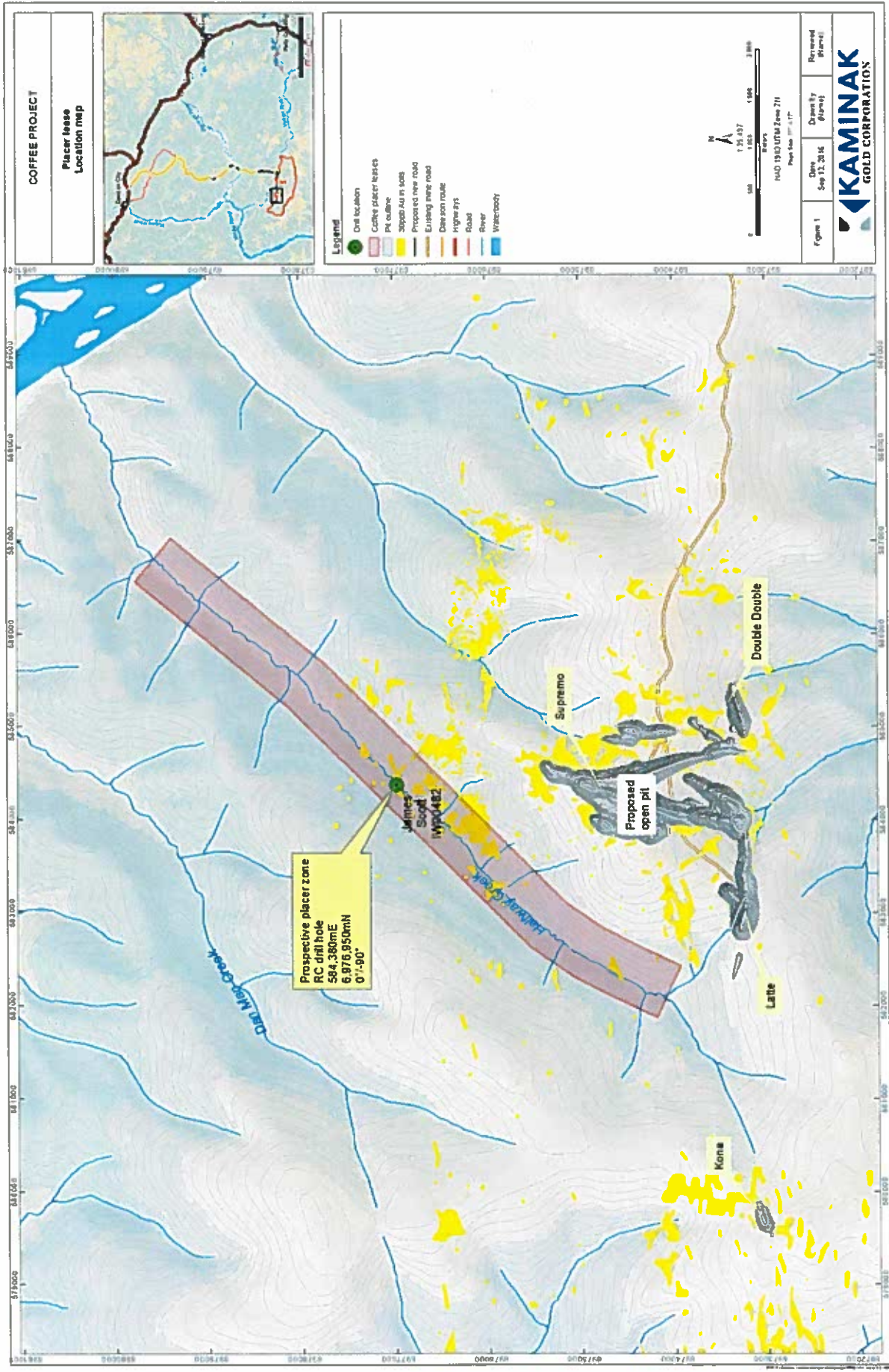
## **2.0 LOCATION AND ACCESS**

The Prospecting lease is located 120km south of Dawson City, within Halfway Creek which feeds into the Yukon River drainage system in the west-central portion of the Yukon Territory. It is centered at 62.9127°N, 139.3390° W on NTS map sheet 115J/14 (Figure 1). It is accessible year round via helicopter or fixed wing into the Coffee Camp and land or river transport from that site. There is also a barge landing accessing the Coffee Camp, which allows for access to equipment.

## **3.0 HISTORY**

Kaminak Gold Corporation ("Kaminak") acquired the IW00482 prospecting lease October 2<sup>nd</sup>, 2015. Previous exploration on this lease included an airborne Midas magnetics survey, a digital topographic survey and IP/Resistivity survey. Kaminak was acquired by Goldcorp Inc ("Goldcorp") on July 19, 2016, and is now a wholly owned subsidiary of Goldcorp.

Figure 1 - Lease location map



#### 4.0 PHYSIOLOGY AND GEOLOGY

Placer lease IW00482 is situated within Kaminak's Coffee property (Figure 2) which is located in the Yukon-Tanana Terrane (YTT), an accreted pericratonic rock sequence that covers a large portion of the Omineca Belt in the Yukon and extends into Alaska and British Columbia.

The Coffee Gold property is underlain by a package of Paleozoic felsic to mafic gneisses and schists that were subsequently intruded by a large granitic body in the Late Cretaceous. Gold mineralization is hosted within tectonically late (post-Cretaceous) steeply-dipping structures that cross-cut all rock units on the property. These structural corridors are characterized by brecciation, the addition of pyrite, silica-sericite-clay alteration, and arsenic-antimony enrichment. High-grade intervals are associated with polyphase breccia, microbreccia, quartz vein breccia, hydrothermal muscovite sericite and high sulphide content. Felsic to intermediate dykes are commonly observed to be spatially associated with mineralization within the gold-bearing structures, however these dykes pre-date mineralization and to date no post-mineral dykes nor faults exhibiting displacement/offset of mineralization have been identified.

Coffee contains a NI 43-101 Indicated resource (inclusive of reserves) of 63.7Mt at 1.45g/t Au for 2,968,000oz Au, and an Inferred resource of 52.4Mt at 1.31g/t Au for 2,212,000oz Au. (Resource cut-off grade limits are 0.3 g/t Au for Oxide and Upper Transitional, 0.4 g/t Au for Middle Transitional and 1.0 g/t Au for Lower Transitional and Sulphide resources.)

The Coffee deposit occurs under a thin (0-2m) soil and colluvial cover. Placer deposits formed from the eroded remnants of the Coffee deposit have not been previously identified. Although weak stream sediment gold-arsenic anomalism played a part in the discovery of Coffee, there is no historic recorded placer production from the creeks draining the Coffee Deposit, even though the district includes several recent and currently producing creeks including Thistle, Kirkman and Ballarat creeks to the north, and Canadian and Britannia Creeks to the east. This lack of placer mining in the Coffee area has previously been interpreted as being due to the extremely fine grained deportment of gold within the Coffee deposit, which in the sulphide ore is refractory, and in the oxide ore occurs as nano-particles of native gold ranging from <1-10 microns. Therefore gold is only visible via scanning electron microscope, geochemically detectable via modern geochemical laboratory techniques such as fire assay, and commercially recoverable via cyanidation processing. Gravity separation methods typical of the placer mining industry in the Yukon are not thought to be viable, however it could potentially be feasible to extract placer or eluvial gold deposits at the proposed Coffee Gold Project heap leach facility if sufficient tonnage and grade was identified.

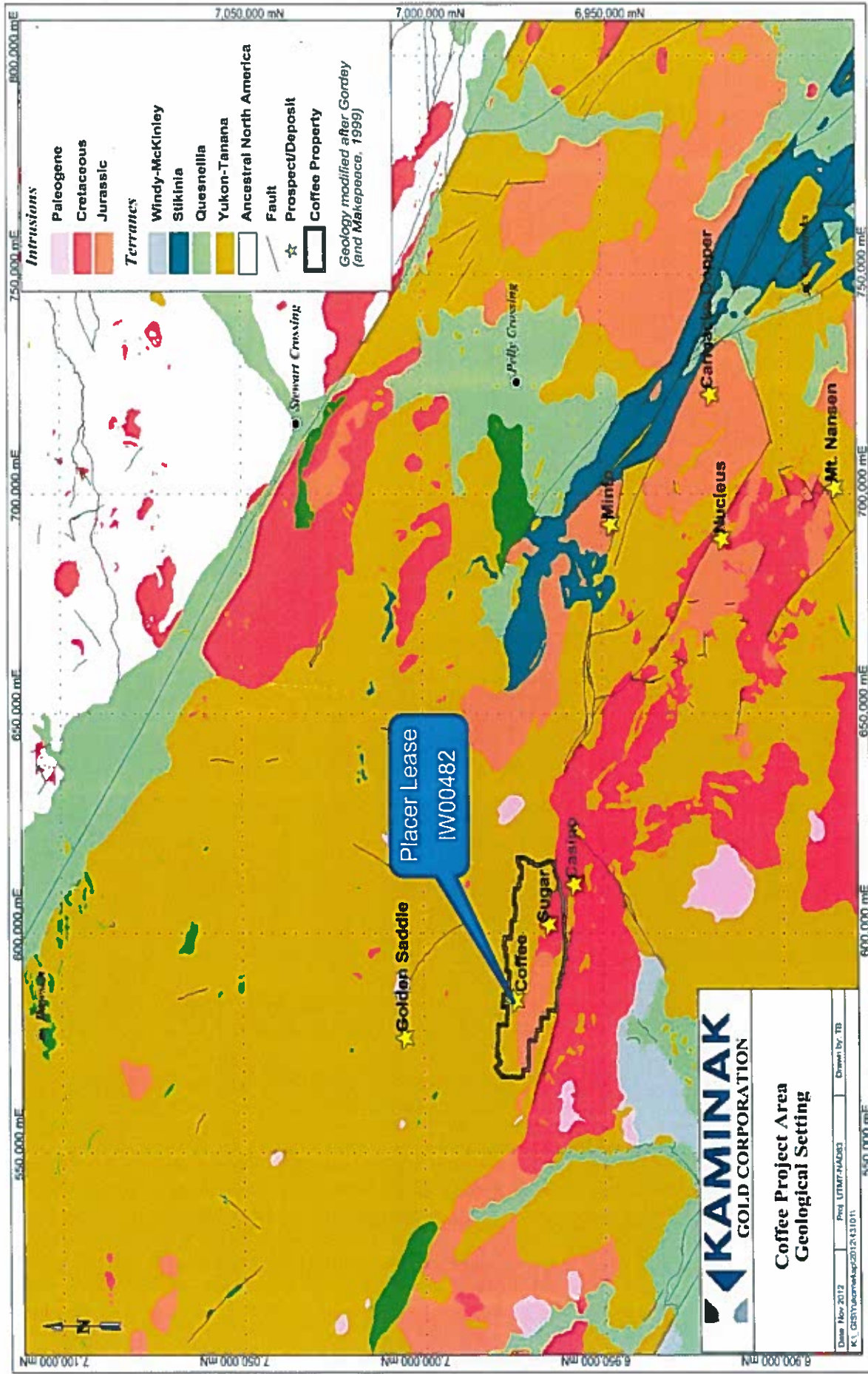


Figure 2 - Geological Setting of the Coffee Project Area (Modified after Gordy and Makepeace, 1999)

## 5.0 DRILL PROGRAM

Northspan Explorations Limited was contracted to undertake a reverse circulation ('RC') drill program in order to test the Halfway Creek alluvial profile at the interpreted deepest part of the valley for the possibility of placer gold occurrences derived from the upstream Coffee Gold Deposit (namely the Supremo, Latte and Kona resources/reserves).

In addition, the drill hole tested the alluvial-bedrock interface and top of bedrock for the possibility of placer gold in bedrock traps and for eluvial gold based on a possible model of gold-bearing fault structures beneath the drainage system, from which lighter sediments have been winnowed and gold and other heavy metals have been concentrated.

The drill site selection considered all three possible placer gold models based on a structural interpretation of geologic and geophysical data, geochemical data, and air photo and digital elevation model data.

Given the placer lease resides in a district of a known hard rock gold deposit, RC drilling was determined to be the best method of exploration to test all three models through the overburden and bedrock profile. In addition, a Northspan helicopter transportable drill was already located on site at Coffee, therefore negating the requirement to mobilize another drill via barge from Dawson City.

Hole CFR1127, located 584,380mE/6,976,950mN (UTM7-NAD83) was drilled vertically to a depth of 33.53 meters. Alluvium was logged from 0m to 6.1m below surface, comprising a mixture of rounded cobbles and sand (predominantly gneiss and granite lithologies), then moderately weathered bedrock comprising a fine to medium grained tonalite dyke which is interpreted to have intruded along the bedrock structure being targeted. Weak clay alteration was logged on fracture surfaces, however no other alteration or sulphide mineralization was observed in the dyke. The tonalite dyke is interpreted to be post -Coffee Deposit mineralization, therefore the supervising geologist endeavoured to penetrate through the dyke to test the margins, however at 33.5m the hole was no longer considered to be testing a possible alluvial/eluvial bedrock source zone and was shut down.

The samples collected from drilling were initially tested by a portable X-Ray Fluorescence analyser (XRF) to check for the presence of gold and pathfinder elements. Placer lease IW00482 resides in the Coffee district which has extremely fine bedrock gold (<10 microns) that is invisible to the naked eye and cannot be panned, therefore each 1.5 meter sample collected from drilling was also sent to ALS laboratories for fire assay.

Results for XRF and fire assay gold are displayed in Figure 3.

Halfway Creek Placer

XRF for CFR1127

HWR01

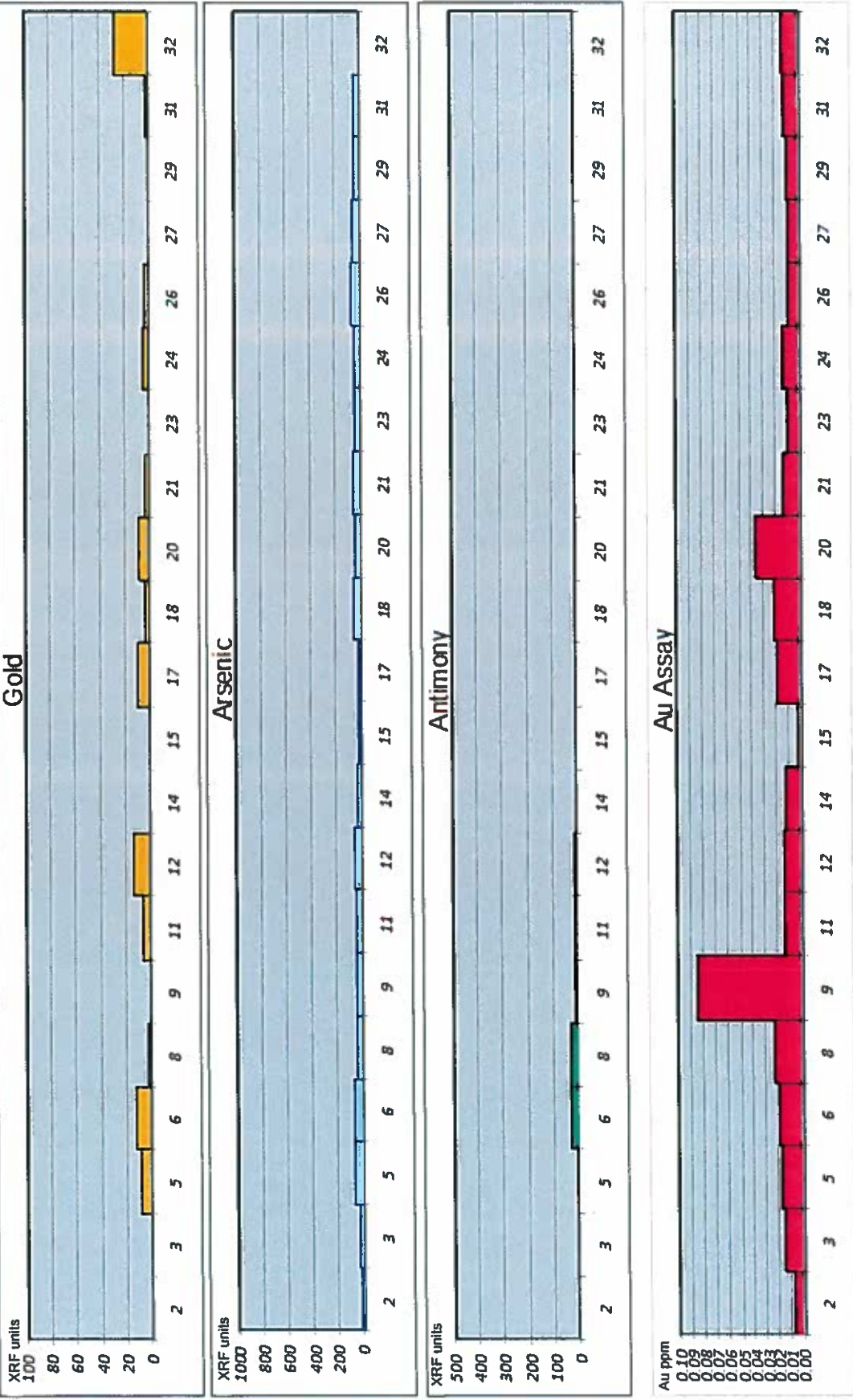


Figure 3 – XRF and Au ICP assay



## **6.0 RESULTS AND CONCLUSIONS**

The Au assay data (Figure 3) indicated a very subtle gold anomaly throughout the drill hole (above typical regional background gold levels in both alluvium and bedrock), and a spike at 9.4-10.7m depth. The spike occurs 3m below the logged bedrock interface with alluvium and could be the result of placer gold deposited in fractures and joints in the upper weathered bedrock profile. However the results are not considered strongly anomalous to warrant follow-up in the immediate vicinity, nor indicative of the presence of economic placer gold in the overlying alluvium.

No further work is warranted on this section of the lease. Future work will consider alternate structural traps coincident with bedrock structures and/or geochemical anomalism, in particular at the lower elevation (northern) end of the lease where a thicker alluvial profile may occur.

### **Appendix A: References**

Gordey, S.P. and Makepeace, A.J. (comp.) 1999: Yukon bedrock geology in Yukon digital geology, S.P. Gordey and A.J. Makepeace (comp.); Geological Survey of Canada Open File D3826 and Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada, Open File 1999-1(D)

**Appendix B: Statement of Expenditures**

Representation of work incurred on Placer Lease IW00482 during 2016 consisted of drilling, XRF analysis, gold fire assay, as well as other costs relating to compilation, interpretation and report writing.

**FIELD WORK (August 2016)**

<b>Drilling</b>	33.5m x \$250/m	\$8,375
<b>XRF analysis</b>	1.5 hours x \$50/hr	\$75
<b>Fire assay</b>	25 samples x \$31.7/sample	\$792.5

**COMPILATION AND REPORT WRITING**

**Geological Compilation**

\$325.00

(September 2016)

(0.5 days x \$650. Per day)

**Assessment Report Writing**

\$650.00

(September 2016)

(1 day x \$650. Per day)

**TOTAL**

**\$10,218**

**Appendix C: Geologist Certificate**

## STATEMENT OF QUALIFICATIONS

**Tim Smith, Goldcorp Inc.**

I, Tim Smith, do hereby certify that:

1. I am the Exploration Manager, Coffee Project of:

Goldcorp Inc.  
Park Place  
#3100-666 Burrard Street  
Vancouver, BC, Canada V6C 2X8

2. I graduated from the University of Canterbury with a Bachelor of Science in Geology in 1992.
3. I obtained a Honours Master of Science in Geology from the University of Canterbury in 1994.
4. I am a Professional Geoscientist of the Association of Professional Engineers and Geoscientists of British Columbia, Licence Number 39506, and a Member of the Australian Institute of Geoscientists.
5. I have worked in the exploration industry continuously since 1994 and have been involved in mineral exploration Western Australia and the Northern Territory of Australia, and on the Coffee Gold Project in Yukon, Canada.
6. I compiled this report and portions therein.

Dated this 19<sup>th</sup> day of September, 2016.

"original signed and sealed"



Tim Smith, M.Sc., P.Geo.