IW00496

**Kaminak Gold Corporation**

# DRILLING REPORT ON THE LATTE CREEK PLACER PROSPECTING LEASE

Whitehorse, Yukon Territory
Lease No.: IW00496 – Sheri Chan 100%

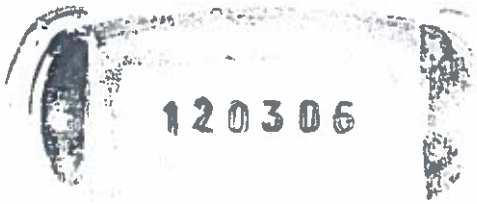
NTS # 115J/14
Latitude: 62.8556°N Longitude: 139.2161° W

Whitehorse Mining District

WORK PERFORMED: August 16th to August 20th, 2016
DATE OF REPORT: Sep 12th, 2016

-prepared by-

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




## TABLE OF CONTENTS



## LIST OF APPENDICES



## LIST OF FIGURES

## 1.0 SUMMARY

Between August 16th and August 20th, 2016, a drill program was implemented on the Latte Creek placer lease IW00496. 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.

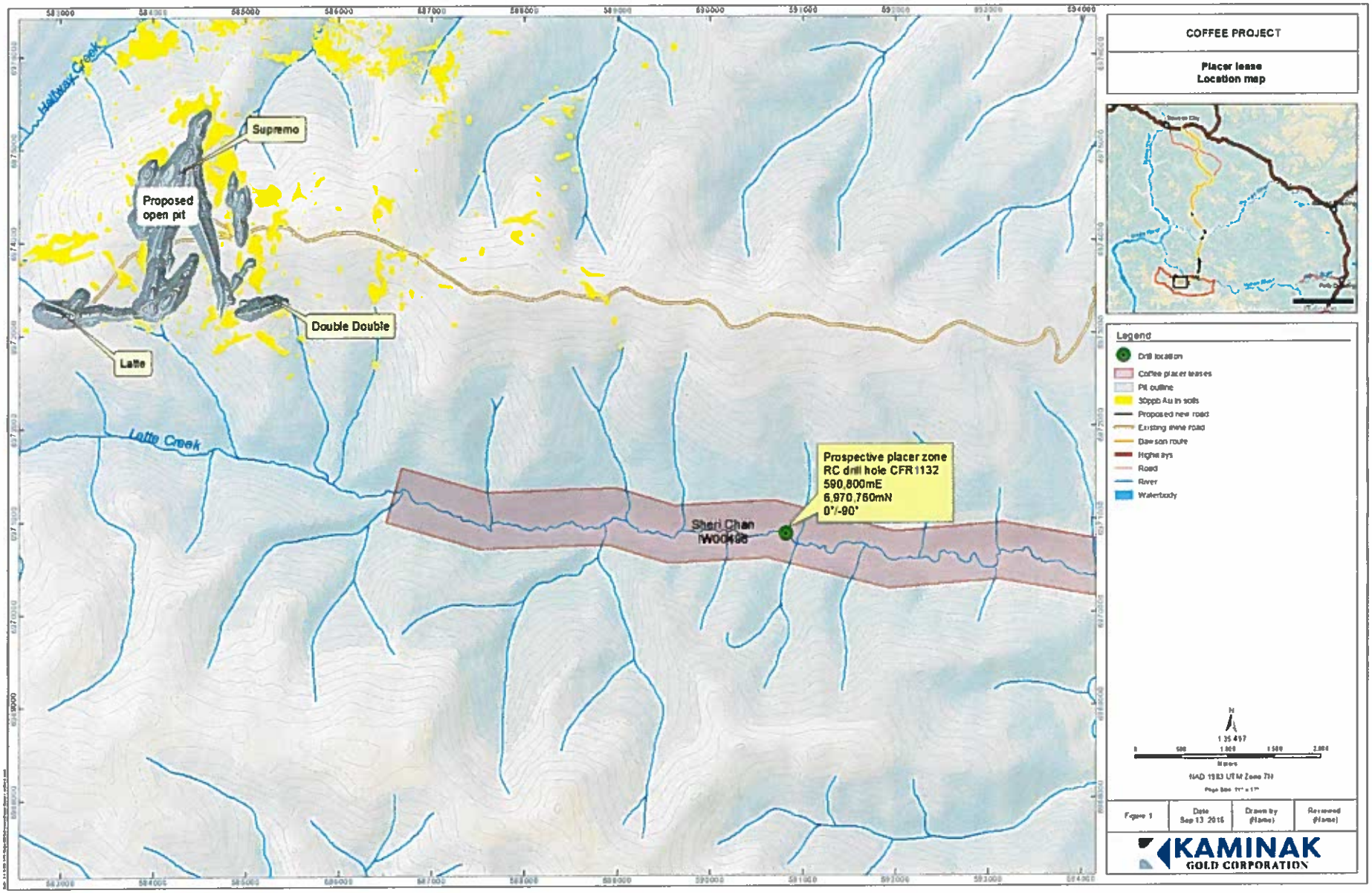
## 2.0 LOCATION AND ACCESS

The Prospecting lease is located 120km south of Dawson City, within Latte Creek which feeds into the Yukon River drainage system in the west-central portion of the Yukon Territory. It is centered at 62.8556°N, 139.2161° 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 IW00496 prospecting lease November 24th, 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 IW00496 is situated within Kaminak Gold'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 being 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.

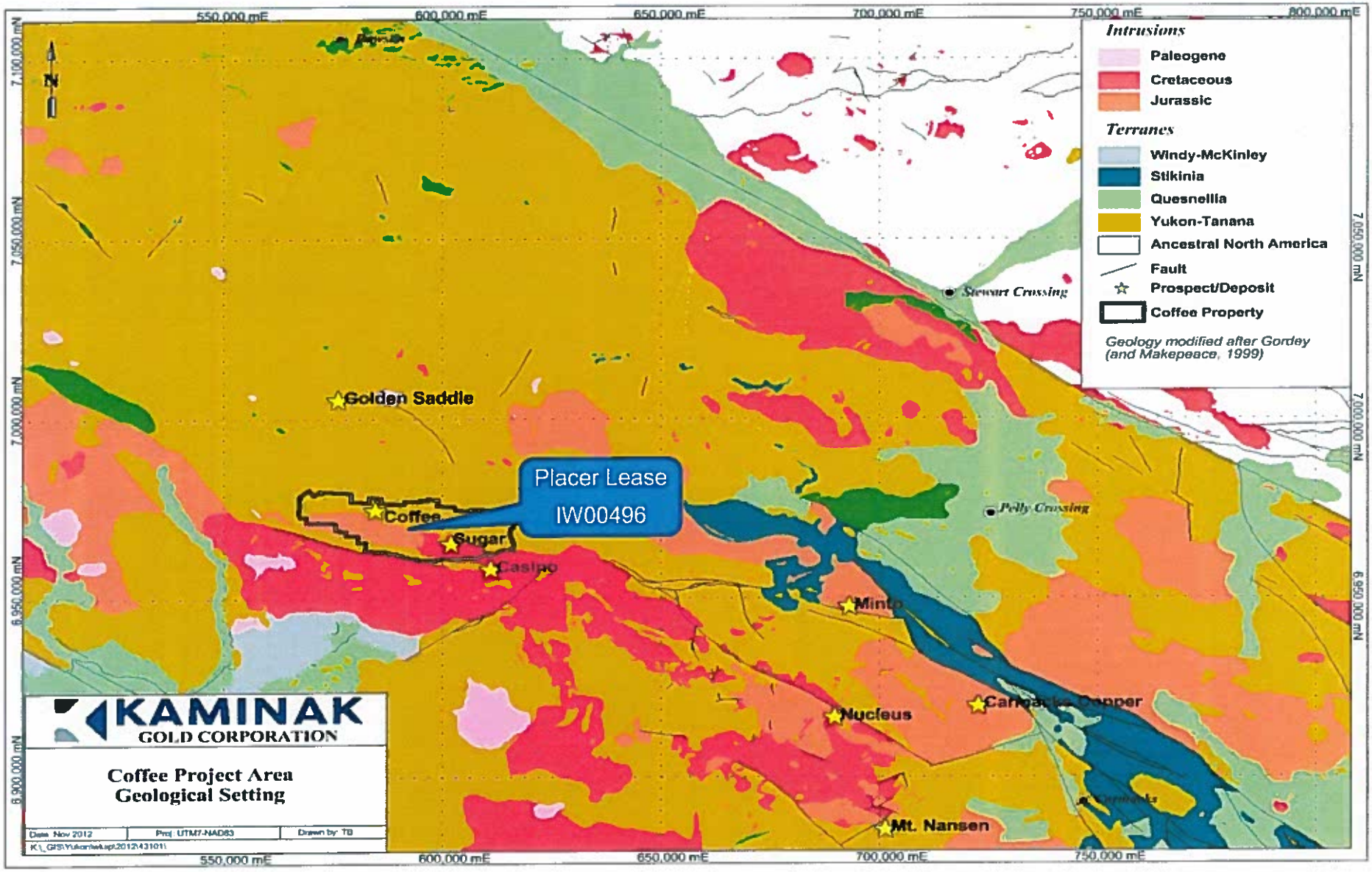



**Figure 2 - Geological Setting of the Coffee Project Area**

(Modified after Gordey 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 Latte 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.

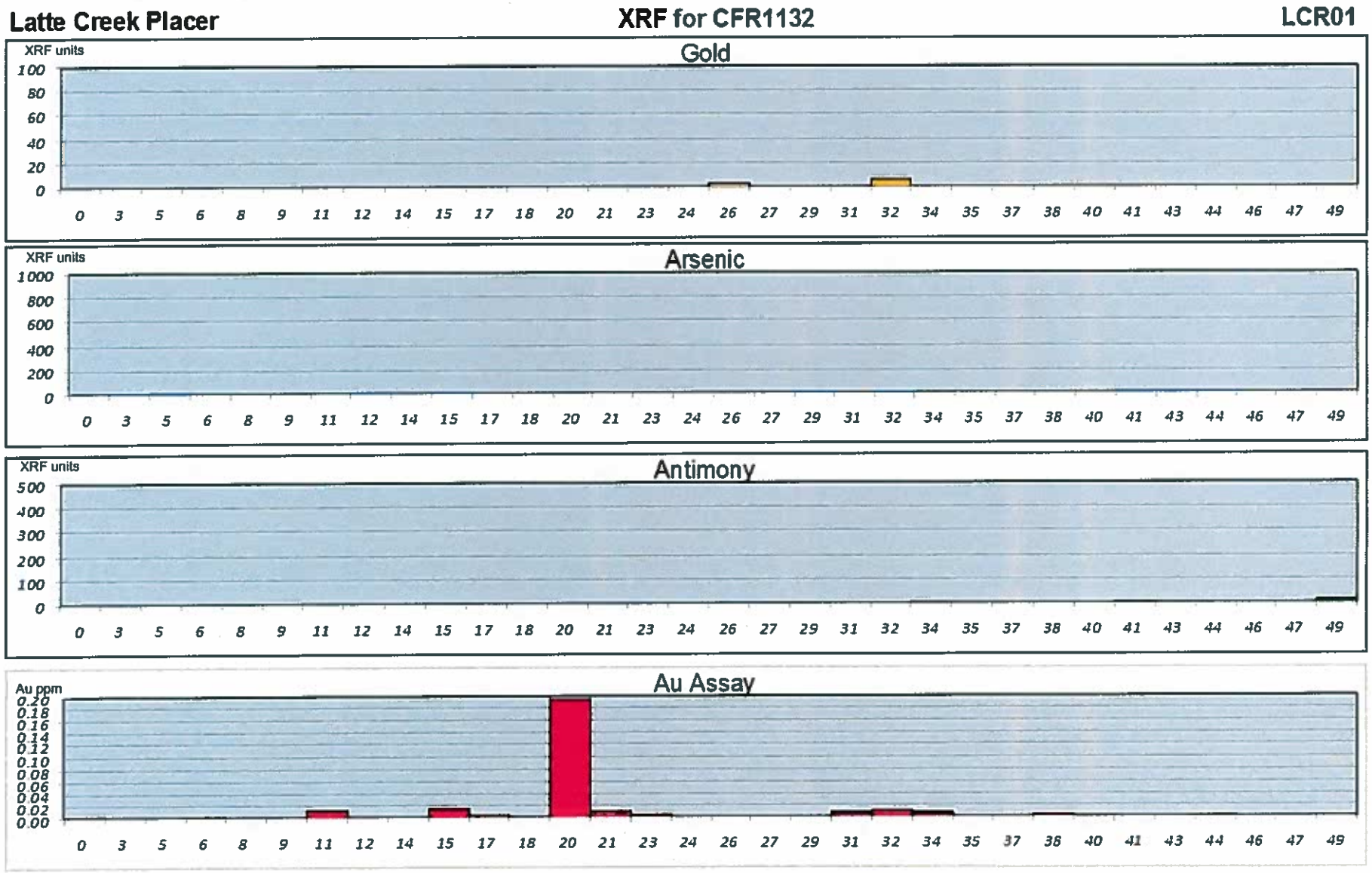
Given the placer lease resides in a district of a known hard rock gold deposit, RC drilling was determined to be the best method of exploration to test all three models through the overburden and bedrock profile. In addition, a Northspan helicopter transportable drill was already located on site at Coffee,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

Hole CFR1132, located 590800mE/6970760mN (UTM7-NAD83) was drilled vertically to a depth of 50.3 meters. Alluvium was logged from 0m to 6.1m below surface, comprising a mixture of rounded cobbles and sand (predominantly gneiss and granite lithologies) with moderate surface oxidation, then predominantly fresh mixed mafic gneiss with minor clay alteration. The drill hole was extended to depth with the intent to intersect a splay off the Coffee Creek Fault, a possible target for both bedrock mineralization and eluvial gold at the bedrock interface with overlying sediment.

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 IW00496 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.

**Figure 3 – XRF and Au ICP assay**



## 6.0 RESULTS AND CONCLUSIONS

The Au assay data (Figure 3) indicated a single anomalous spike in gold comprising 0.19g/t Au at 19.8 - 21.3 meters depth, located well below the bedrock-alluvial interface and therefore likely to be formed from primary hydrothermal alteration of the bedrock, possibly associated with a narrow fault structure. The results are not considered anomalous to warrant further exploration, in particular given the depth below the alluvial-bedrock contact it is not indicative of the presence of anomalous or economic placer gold.

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 IW00496 during 2016 consisted of drilling, XRF analysis, gold fire assy, as well as other costs relating to compilation, interpretation and report writing.

| FIELD WORK (August 2016) | | |
|---|---|---|
| **Drilling** | 50.3m x $250/m | $12,575 |
| **XRF analysis** | 1.5 hours x $50/hr | $75 |
| **Fire assay** | 38 samples x $31.7/sample | $1,204.6 |

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** **$13,854.6**

## 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 19th day of September, 2016.

"original signed and sealed"

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