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MINING RECORDER
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Government of Yukon

GEOPHYSICAL REPORT ON PROSPECTING LEASE IW00713

Judas Creek Area, Southwest Yukon
NTS Map sheets 105D 08 & 105C 05
Location: Latitude of 60°24' N, and Longitude 134°00' W
Mining District: Whitehorse, Yukon Territory

By Nicolai Goeppel on Behalf of Stephen Sanderson

Submitted to:

Whitehorse Mining Recorder

Table of Contents

Introduction.......2

Location and Access.......2

Regional Geology.......2

Local Geology.......3

Cache Creek Terrane.......3

Stikinia Terrane.......4

Surficial Geology.......4

Previous History.......5

Placer Exploration.......5

Hard Rock Exploration.......6

Magnetometer Survey.......9

2020 Expenditures.......9

Conclusion and Reccomendations.......9

Statement of Qualifications.......10

References.......10

Appendix I.......11

.......17

Appendix II.......20

Introduction

The Prospecting Lease IW00713 lies 65km south of Whitehorse in southwest Yukon and is part of the Hidden Gold Project (HGP). The Magnetometer Survey was carried out from March 14 to March 15, 2020.

The survey indicates that the benches are producing a high magnetic response. Also, the high response alongside the creek indicates the lowest point going across the lease. The low response along the third line from the left coheres with a ledge that got discovered in previous drilling and could indicate a fault.

The purpose of this report is to summarise and detail the Magnetometer Survey on the Lease IW00713. The total expenditures of the Magnetometer Survey are $1,400.

Location and Access

The Prospecting Lease IW00713 is located in southwest Yukon, approximately 65 km south of the City of Whitehorse (Figure 1). The property is located in the Whitehorse Mining District in NTS map sheet 105D08 and 105C05. The Lease is centered on Latitude of 60°24'22.653"N, and Longitude 134°2'51.377"W. Access to the project is south from Whitehorse on the Alaska Highway for 60 km then north on a dirt road for approximately 5 km; a trip is generally 40 minutes one-way by truck. The Lease is very well accessible with 2-wheel drive vehicle access to the site, and atv and snow machine access (Figure 2).

Regional Geology

The HGP property is underlain by Carboniferous to Jurassic Cache Creek Group rocks. The Cache Creek Group consists of an accretionary complex made up of a mixture of oceanic and arc volcanic rocks, pelagic sedimentary rocks, ultramafic bodies, and exotic limestone containing Early Permian Tethyan fauna (e.g., Monger and Ross, 1971; Paterson and Harakal, 1974; Gabrielse, 1991; Struik et al., 2001; Orchard et al., 2001). The HGP property in underlain by oceanic shale, siltstone chert, carbonates and ultramafic rocks (Figure 7). These are overlain by Upper Triassic rocks of the Aksala Group northwest. The Aksala Group consists of mixed clastic and carbonate rocks that are divisible into three dominant facies: calcareous greywacke; thick carbonate; and red-coloured clastics (Casselman, 2004). The structural geology of the area is dominated by two major sub-parallel, north-northwest trending faults that divide and define the boundaries between the Cache Creek Terrane and the Whitehorse Trough and between the Whitehorse Trough and the Yukon-Tanana Terrane. The Nahlin Fault more or less marks the western extent of the Cache Creek Terrane and eastern extent of the Whitehorse Trough. It is a steeply dipping to vertical fault, or series of faults and has seen intermittent activity from the Late Triassic to Tertiary time. The Llewellyn fault marks the boundary between the regionally metamorphosed Yukon-Tanana Terrane and the Whitehorse Trough. It is also steeply dipping and appears to have been active from Late Triassic to Tertiary time. The nearest known intrusive rocks on the property are Early Cretaceous intrusions of the Teslin Suite. They are comprised of leucocratic, fine to coarse-grained, equigranular, hornblende-biotite granite, granodiorite, quartz monzonite and quartz monzodiorite (Casselman, 2004).

More recently during the last glaciation approximately 20,000 years ago, the Late Wisconsinan McConnell Glaciation, Ice would have advanced north from the Cassiar Lobe (Bond, 2007). Features from deglaciation of the ice sheet scour the project area including remnant moraines, melt water channels, and eskers.

Local Geology

The geology of the region was mapped in detail by W. Taylor and D. Shaw in 1989 (Shaw, 1989). Their mapping identified four lithological categories: volcanic, tuff; cherts; chloritic Mafic lenses of gabbro, pyroxenite and diorite; and ultramafics. As well, they identified two alteration assemblages; carbonatization and silicification; and chrome-mica carbonatization of ultramafic rocks. The property is underlain by a northwest trending package of submarine volcanics consisting of moderately chloritized, fine-grained volcanic flows and tuff & that are metamorphosed to greenschist facies. In the showing area these volcanics are carbonatized (listwaenite alteration) ultramafic volcanic rocks that commonly weather brown. The contacts between the ultramafic volcanics and other rocks are strongly foliated and serpentinized. The serpentinized ultramafic rock is dark green, very fine-grained to amorphous and occasionally pyritic. (Casselman, 2004).

Most recent government based geological mapping was done by Luke Bickerton, Maurice Culpron and Dan Gibson in 2012. The HGP property is underlain by metavolcanics, limestone, chert, and ultramafic units of the Carboniferous to Jurassic Cache Creek Terrane; and Upper Triassic rocks of the Aksala Formation which form the upper part of the Stikinia Terrane (Figure 7). These units have subsequently been intruded by mid-cretaceous intrusives of varying composition including granodiorite to quartz monzonite to syenite. All underlying lithologies are described in detail below. Descriptions are based off the 2012 mapping.

Cache Creek Terrane

METAVOLCANIC ROCKS

Metavolcanic rocks are the most widespread unit in the Cache Creek terrane in the project area. Metavolcanic rocks in the area are mainly composed of plagioclase and clinopyroxene within a chloritic matrix. They locally show pillowed and hyaloclastic textures. The basaltic rocks are typically massive and extensively chloritic. These rocks range from dark grey, medium-grained to aphanitic basalt to light grey, fine-grained andesite. They are commonly thoroughly fractured and silicified, and locally contain amygdules filled with both calcite and silica. The flows exposed in the Marsh Lake and Judas Creek areas typically dip to the southeast.

CHERT

Massive chert is locally exposed near Jakes Corner where it is intercalated with metavolcanic rocks. Apart from the more massive occurrences, chert also appears as subordinate lenses within the metavolcanic rocks and as clasts in volcanic breccia of the Cache Creek terrane throughout the map area. Chert units also commonly crop out as ribbon-banded sections, grey-red-brown in colour, and are locally contorted by soft-sediment deformation. Chert beds are normally 5 to 10 cm thick with fine-grained argillite interbeds, but thinner bedding is seen in the ribbon-banded outcrops.

LIMESTONE

limestone occurs primarily as lenses within heavily to moderately chloritic basalt and only locally as thickly bedded, massive crystalline limestone to dolostone.

ULTRAMAFIC ROCKS

Ultramafic rocks in the Cache Creek terrane are characterized by two main compositions; pyroxenite, ranging to serpentinite when in faulted contact with volcanic rocks and chert, or with rocks of the Whitehorse trough in the Judas Mountain and Judas Creek area. The ultramafic bodies to the east have the composition of harzburgite to dunite and are typically larger exposures. The typical western ultramafic rocks are exposed near fault contacts and are commonly altered to listwaenite (quartz-carbonate-fuschite). Serpentinite is also commonly found near these fault boundaries where it is locally brecciated. Pyroxenite in the western part of the map area is typically non-magnetic, medium grained and dominantly composed of clinopyroxene. These rocks show extensive chlorite and epidote alteration. The large harzburgite-dunite bodies in the eastern part are coarse grained and contain abundant magnetite. Locally, harzburgite shows a subtle cumulate texture of olivine with interstitial orthopyroxene; elsewhere, these rocks are sections of rounded blocks in a sheared matrix of heavily altered ultramafic. Veins of antigorite and serpentinite occur throughout theses bodies and also in some areas that are intruded by pegmatite. Typically, olivine crystals are completely replaced by serpentine. The large ultramafic bodies are in fault contact with volcanic rocks of the Cache Creek terrane, but listwaenite alteration is not a prominent feature near these contacts.

Stikinia Terrane

CASCA MEMBER

The Casca member is composed of clastic sedimentary strata varying from coarse-grained, black-grey sandstone to fine-grained, thinly laminated, dark grey argillaceous siltstone. Siltstone units occur as thick, monotonous sections with grey and tan-coloured, very fine-grained sandstone interlaminations. The siltstone beds are commonly graded and contain scour marks, flame structures, rip-up clasts, and locally, trace fossils; all indicate that the section is upright. The medium to coarse-grained quartz sandstone of the Casca member has relatively immature grains which are angular to subangular and dominantly poorly sorted. The sandstone is commonly calcareous and occurs as 10 to 20 cm-thick beds among the more dominant argillaceous siltstone.

HANCOCK MEMBER

Carbonate rocks of the Hancock member of the Aksala formation are dominantly found north of Jakes Corner as massive, crystalline, locally fossiliferous limestone. These rocks were recognized through the mapping of Gordey and Stevens (1994). Carbonate rocks similar to the Hancock member also appear as locally contiguous, coarsely crystalline limestone to limestone breccia interlayered with siliciclastic rocks at different stratigraphic levels within the Casca member. Limestone clasts within the brecciated sections of the carbonate vary in size from 5 mm to 20 cm and are dominantly sub-rounded to sub-angular.

Surficial Geology

The Cordilleran ice sheet has advanced at least 6 times over southern Yukon during the Pleistocene epoch (about the last 1.65 Ma); the last ice sheet retreated approximately 10,000 yrs ago. Ice accumulations in the Cassiar Mountains of south-central Yukon during the late Wisconsinan were responsible for glaciation of the HGP property area. The Cassiar lobe advanced northwesterly with subsequent retreats and advances. Ice flow during the last glacial maximum was independent of the underlying topography. Only as deglaciation thinned the ice sheet did underlaying topography take effect on ice movements. As a result of de-glaciation, a large glacial lake would have occupied the Yukon river, Marsh Lake, Lake Labarge, and McClintock river valleys as ice made its final retreat, leaving a thick layer of glacial lacustrine sediment in the basin bottoms (Bond, 2007). The primary valleys adjacent to the HGP area would have been occupied by ice during this period of glacial recession.

By the early Holocene the glacial lake had began to drain. On-going fluvial incision of the sediment dam on Lake Laberge, into the Holocene, would have continued to affect the geography of the Yukon River valley near Whitehorse. The decreasing level of Lake Laberge caused the Yukon River to down cut into the glaciolacustrine and morainal deposits to the south (Bond, 2007). The retreating waters of Lake Laberge also caused the southern shoreline and the Yukon River delta to migrate northward, thus depositing deltaic sands over the lacustrine fill. Such deltaic sands are seen along the Alaska highway turning off the HGP property. Quaternary glaciation has modified the pre-glacial physiography through base-level adjustments and erosion of summits and valleys. Landforms such as eskers and ice-marginal meltwater channels modified the landscape. Large volumes of meltwater were generated by the retreating glaciers causing both depositional and erosional landforms to develop.

Despite effects of glaciation rare remnant pre-glacial alluvial deposits occur in escapements or driftless areas. Pre glacial paleochannels represents an ancient placer that formed over a substantial amount of time allowing for greater sorting, erosion and subsequently a greater accumulation of gold. Such pre-glacial paleo placers account for the primary placer gold source in the Quesnel, Dease Lake and possible source for the South Klondike area which includes the Indian River the most productive placer gold creek in the Yukon in recent history. The south Klondike is an unglaciated region; paleo placer conglomerates from the area have been identified as being as old as Cretaceous in age (Albian, ca. 100 Ma) forming a consolidated to semi consolidated and locally auriferous conglomerate (Bond, 2007B). In the glaciated Cariboo and Dease Lake placer gold camps in BC, similar consolidated to semi consolidated auriferous conglomerates are interpreted as Tertiary in age (Leveson, 1993 & Bond, 2007). The Cariboo region near Quesnel is historically the most productive placer gold camp in BC.

Driftless or escapement areas that endured glaciation generally occur in valleys perpendicular to ice movements. The east-west trend of the primary valleys within the HGP property allowed for the preservation of pre glacial paleo placers from the northwesterly glacial advance. The presence of a preserved Tertiary fluvial deposit in the HGP area is suggested by the mature landscape morphology that is characterized by broad low-gradient valleys, deep recessive bedrock weathering, rounded summits and flat plateau surfaces. This landscape morphology is observed in other placer camps in the Cordillera such as Clear Creek, Ruby Ranges, the Klondike in the Yukon and Atlin, Dease Lake and the Cariboo in BC. This is further substantiated by field observations and exploration records that identify a preserved consolidated Tertiary conglomerate in 4 locations on the HGP property. The conglomerate ranges from consolidated to semi consolidated ranging from a matrix supported pebble-cobble conglomerate to an angular clast-supported talus breccia. The conglomerate lies in an unconformable contact over underlaying serpentinite on Faith Creek as an in-basin fill.

Previous History

Placer Exploration

Gold was first discovered in the area in 1911 by Benjamin Miller, the news of his discovery spurred a staking rush to the area a month later. Judas Creek received its name in 1911 following the stampede; the stampeders originally wanted to name the creek "All In" creek based on their exhausted state when reaching the creek but named it Judas creek when they found little gold. Old workings observed in the field indicate a bedrock bench and reef were numerous old-aged hand dug pits and trenches were dug. In the valley bottom some shafts were attempted but likely stopped due to thawed and wet conditions. Into the 1930's and 40's several rumours developed of individuals working and finding coarse gold in the area. These anecdotes from the 1930's-1940's is not substantiated in written records.

The first recorded hand and mechanical placer exploration on the HGP property was carried out by Nicolai Goeppel or with 536005 Yukon Inc since 2011; consisting of hand test pitting, mechanical test pitting, auger drilling and bulk sampling.

The HGP property lies 100km south of historic Livingstone placer gold camp and 90km north of the historic Atlin placer gold camp. The Livingstone placer gold camp according to the Yukon Government royalty records account for about 18,000 ounces credited from Livingstone area creeks to 2014, the actual production is estimated to be at least 60,000 ounces. The Livingstone Creek area was first prospected in 1894 and mined shortly after. Mining has been intermittent since then, with the majority of activity taking place between 1898 and 1920. The Livingston area has produced some of the largest gold nuggets to be found in the Yukon since the Gold Rush; including a 20.5-ounce nugget in 1974 and a 12-ounce nugget in 2011 (Nevada Zinc, 2016).

Approximately 90 linear kilometers south of the HGP property is the historic Atlin gold camp. The Atlin gold camp is the second largest gold producer in British Columbia (Ash, 2001) with reported placer gold production of over 600,000 oz of gold between 1898 and 1946 from creeks in the area. The Atlin Goldfields Camp holds the provincial record for the largest gold nugget, which weighed 2.6 kg or 85 oz, and was discovered on Spruce Creek (BCGS Paper 2017-1, p.179-193). More recently, placer mining on Otter creek in the Atlin area has seen speculated annual yields from 2014-2016 ranged between 30,000 and 40,000 ounces of gold accumulated from the Slonski, Godkin, Zogas, and Pelly Construction operations (Clive, 2016). This following discovery of a rich deep paleo channel; the channel is in the upper subalpine elevations of the drainage and is roughly 33m of overburden and 5m of pay gravel on bedrock. Coarse visible gold hosted in a mesothermal quartz vein within carbonaceous phyllite was found in situ in the base of a placer excavation, indicating a proximal bedrock gold source.

The closest recent placer operations and active water and placer mining land use licenses are xx linear km south of the HGP property on Wolverine creek and Moose Brook (Figure x). From a property posting on Junior Miners, Moose Brook specifying that sub economic gold exists within the first 10ft and 'high-grade' gold at 40 – 50ft, no recorded values. Personal communications with operators on Moose Brook and nearby Wolverine Creek indicate local source of placer gold, with gold often tied to quartz material and a presence of Platinum on both drainages. On Wolverine Creek a previous miner Sid McKeown indicated that as much as one gram of platinum would accumulate for every ten grams of gold recovered.

Hard Rock Exploration

During the Klondike gold rush of 1896, adjacent Tagish Lake and Marsh Lake served as one of the primary routes taken by most stampeders on their way to the Klondike gold fields. Early prospectors and miners would have arrived by steamboat in Skagway or Dyea, Alaska and transported one-year worth of supplies over the Chilkoot Pass to Bennet Lake. There constructing boats and rafts to transport the supplies and equipment; the stampeders sailed and rowed Bennet Lake into Tagish Lake and Marsh Lake into the Yukon River to Dawson City. Much of the first exploration was likely done by these stampeders, prospecting as they journeyed north to the Klondike. Evidence is displayed as 'turn of the century' hand dug pits, trenches and shafts.

Prospecting during the 'turn of the century' led to the several significant mineral discoveries including; the Mount Skookum Au-Ag epithermal deposit, the Whitehorse Copper skarn deposits, and Venus polymetallic Au-Ag structurally hosted veins. This displays the variety of different styles mineralization that occur in the region. Other styles of mineralization evident in previous mineral exploration include; Ni-Cu-PGEs, Awaurite (Ni-Fe alloy) and chromite, asbestos, mesothermal listwaenite structurally hosted gold quartz-carbonate veins and potential nephrite Jade.

The earliest evidence of hard rock exploration in the region was in the late 1800s on the Ross Bank occurrence (Minfile; 105D 102) located approximately 30 km northwest of the HGP property. Several 'turn of the century' hand dug pits and a 50-meter adit were uncovered in 1984 yet no written records exist concerning these workings. It was drill tested for the first time in 1990. Geochemically anomalous results were returned from drill hole 90-2. Siliceous, pyritic sections of volcanic agglomerate and muddy siltstone returned up to 1989 ppb gold over 2.50 meters and 1671 ppb gold over 3.67 meters respectively. Seven other sections returned values between 505 ppb and 1310 ppb gold over core widths ranging between 0.92 to 2.75 meters (Doherty, 1990). The M'Clintock zone covers mineralized shear zones in Cache Creek Group mafic volcanic flows and tuffs. The shear zones are probably riedel or oblique shears to the Marsh Lake Fault located approximately 400 meters to the west. The highest value returned in 1990 was 24,243 ppb gold over 0.20 meters from drillhole 90-3 which tested the shear zones. Mineralization consists of disseminated pyrite and galena in narrow (< 0.30 meters wide) quartz or quartz-carbonate veins hosted by sheared, phyllic altered, mafic volcanics. Ten other sections returned anomalous gold values ranging between 592 ppb to 5046 ppb over core widths of 0.21 to 2.54 meters (Doherty, 1990).

Earliest recorded work for hard rock mineral exploration in the immediate property area dates back to 1951, involving hand and bulldozer trenching, in pursuit of asbestos (Minfile; 105D 011 and 105D010). Exploration for asbestos continued intermittently in the area until early 1980s. Majority of the work consisted of road construction, mechanical trenching, soil and rock sampling (Beauregard, 2002). Mechanical trenching by bulldozer opened several large exposures greater than 100 m long of serpentinized ultramafics. Minor soil sampling during this time returned up to 646 ppm Ni. As part of a Yukon Mineral Exploration Program in 2015, rock samples from the historic trenches returned peak values of 2167.5ppm Ni and 100.8ppm Co; trenches also contained listwaenite altered quartz-carbonate stockwork and nephrite jade float (Goeppel, 2016).

An exploration program conducted by Dodgex Ltd in 1986 examined altered peridotite for PGE potential and located a chromite-rich zone in dunite with layer widths up to 5m (Minfile 105C 012). A one-meter chip sample across the zone assayed 52.2% chromium oxide, 145 ppb platinum and 2 ppb palladium. Replicated sample collected by Gordon McLeod in fall 2002 returned a total PGE value of 1740 ppb; this sample was tested using nickel fusion followed by ICP-MS analysis and returned anomalous PGE values: 683 ppb Ru, 417 ppb Ir, 406 ppb Os, 159 ppb Pt, 70 ppb Rh and 5 ppb Pd. The combined PGE assay yielded 39% ruthenium (light PGE) and 56% osmium, iridium and platinum (heavy PGEs). Alternate grab sample form McLeod in 2002 returned peak values of 105ppm Co, 953ppm Cr, and 2293ppm Ni, with 13 out of 14 grabs from assaying over 1400 ppm Ni (Beauregard, 2002).

The Tonnes of Gold (TOG) occurrence approximately 15 km southeast is the first recorded high-grade gold listwanite occurrence in the immediate vicinity; grab samples from the prospect returned peak values of 1422.2 g/t gold, >50 ppm silver, 7128 ppm lead and 3938 ppm zinc (Minfile 105C 028). The TOG claims were first staked in 1972 by local Whitehorse prospector, Gord McLeod, upon discovery of a small pod of massive chromite in ultramafic rocks. In 1979, Archer Cathro and Associates conducted geological mapping program on the property and microprobe analysis on a sample of massive chromite by District Geologist, Michael Marchand. The analysis returned a value of 49.4% Cr203 (Casselman, 2004). In 1982 during a property visit conducted by Noranda Exploration Company Ltd visible gold was found in a siliceous rock on the property. Further prospecting in 1984 determined that coarse visible gold occurs with graphite, galena and sphalerite in a linear zone of quartz and quartz-carbonate veining along the sheared contact between ultramafic and andesitic metavolcanic rocks of the Cache Creek Terrane. The highest gold grades occur along graphitic shears which segment massive quartz lenses in the footwall of a 10 m wide zone of talc-carbonate and quartz-carbonate-green mica alteration along the serpentinized margin of the ultramafic body. At least eight of these narrow, highly mineralized shear fractures occur over a 5 m width, and mapping and sampling in 1989 turned up visible gold at thirteen separate locations over a strike length of 26 metres. Drilling in 1990 tested the quartz veins up to 30 m down dip, over a strike length of 100 m. Hole 5-90 contained visible gold and returned assays up to 53 g/t gold over 0.18 m (Casselman, 2004).

A high-quality airborne geophysical (DIGHEM) survey was performed by government agencies specifically over Cache Creek Group rocks in the vicinity of Jakes Corner. The survey of 2764 line-kilometres, at a line spacing of 200 metres, was flown over an area of 500 square kilometres. More than 500 bedrock conductors were identified (Smith, 1994; Power, 1995). From this survey, two strong linear geophysical anomalies occur at the site of the Military occurrence, Minfile 105D 178. The occurrence is located on the southeast boundary of the HGP project area. In the late 90s a ground geophysical survey was done to follow up on results from previous airborne geophysical data. The secondary survey identified several structures including a linear low in nearby Faith Creek. Follow up soils returned several Au anomalies up to 510 ppb and was subsequently trenched exposing the fault and contact area. Highest assays only returned 90 ppb Au after sampling; however, bulk sampling of vein material and gouge using a 5lb ball mill returned half a dozen flakes in several 1-2 kg samples (Beauregard, 1998). The occurrence consists of an extensively hydrothermally altered fault at the serpentinite and chert/limestone contact on the edge of a glacial plunge pool which forms an incised channel into Faith Creek. The zone is gouged, pyritic with clay and graphitic alteration and minor fuchsite. This could provide one local source to gold seen in nearby creeks. Access from the Alaska Highway to the HGP property was established during this exploration.

The most recent significant exploration in the HGP property region approximately xx km to the north was carried out by FPX Nickel Corp. which discovered Awaurite nickel-alloy mineralization as part of an extensive regional exploration program in 2011. In the subsequent years trenching, mapping and prospecting was completed on the Mitch Property which defined a 1.3-kilometre-long northwest-southeast trending zone of disseminated awaruite mineralization marked by a number of strong rock anomalies grading better than 0.08% Davis Tube magnetically-recovered ("DTR") nickel. In 2014 the company completed 873 meters of diamond drilling and intersected broad zones of broad zones of magnetically-recovered nickel exceeding a 0.06% cut-off. This includes 255.2 metres averaging a grade of 0.087% DTR nickel from 3.0 to 258.2 metres in hole 1 and the entire 453.6-metre length of hole 2 averaging 0.087% DTR nickel from 2.7 to 456.3 metres, with grades increasing to 0.123% DTR across the bottom 32.2 metres of the hole (FPX Nickel Corp).

Magnetometer Survey

In March 14 to March 15, 2020 a ground based magnetic survey was carried out on the Hidden Gold Project on a one-mile lease staked by Stephen Sanderson. The magnetometer unit is a GEM systems GSM-19 (serial number 1044215) proton precession magnetometer. The magnetometer survey measures magnetic susceptibility of the subsurface, the greater the accumulation of magnetic minerals the greater the magnetic response. In this case, higher magnetic susceptibility represents potential pay streaks as higher velocity fluvial flows would have concentrated gold and other heavy minerals by washing away lighter minerals (heavy minerals ie: magnetite, ilmenite, platinum, other PGEs, cobalt, Ni-alloy, sheelite, etc). The unit is a walking mag taking readings in 2 second intervals. It should be noted that the computer generation of the geophysical maps uses an interpolation between points; therefore, data is extrapolated between readings and has less confidence as distance between readings increases. The smaller the distance between readings the greater the resolution in the projection and the higher the accuracy of the data. Figure 2-6 & 8, Appendix I; illustrate findings and survey location where as Appendix II show readings and coordinates.

A total of 1.4 -line kilometers were completed with readings taken every 2 seconds on 50m spaced lines oriented perpendicular to the creek. A total of 3973 readings were taken (Appendix II). A 350m long area was surveyed on Judas Creek Figures 2-6, Appendix II, outlines the preliminary results of the magnetometer survey. Readings ranged between 55581.8 and 56258.3 nano tesla (nT).

The survey indicates that the benches are producing a high magnetic response. Also, there is a high response alongside the creek that may be indicative of a buried channel. The low response along the third line from the left coheres with a ledge that was discovered in previous drilling and could indicate presence of a fault.

2020 Expenditures

The total expenditures are $1400.00 for the 2 day magnetometer survey.

Expense	Rate	Quantity
Operator	400 per day	2 days
Rental Magnetometer	300 per day	2 days
	Total:	**1400**

Conclusion and Reccomendations

The 2020 magnetic survey was successful in indicating a high response from bench gravels, a potential paystreak in the drainage bottom and highlighting a potential fault that corelates with a ledge in previous auger drilling. Based on results further work is warranted and is recommended to extend the magnetometer survey and test anomalies with mechanical test pitting on the bench and drilling in the lower elevations of the property. Sonic drilling is recommended as it produces more confident results in thawed areas. If results are proven economic a latter phase of bulk sampling is recommended to follow.

Statement of Qualifications

I Nicolai Goeppel, of the city of Whitehorse, Yukon, certify that:

1. I worked and carried out work on the Hidden Gold Property in 2020, and have been ivolved with the project since 2011
2. I have completed an Earth Sciences B.Sc. at Memorial University of St. John's, Newfoundland in 2014
3. I have worked in the mineral exploration industry in the Yukon, Newfoundland, and British Columbia since 2009
4. I have been involved in the placer industry my entire life and engaged in placer gold exploration in the Yukon and BC since 2009
5. Owner and founder of Higher Ground Exploration Services since 2015

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Appendix I

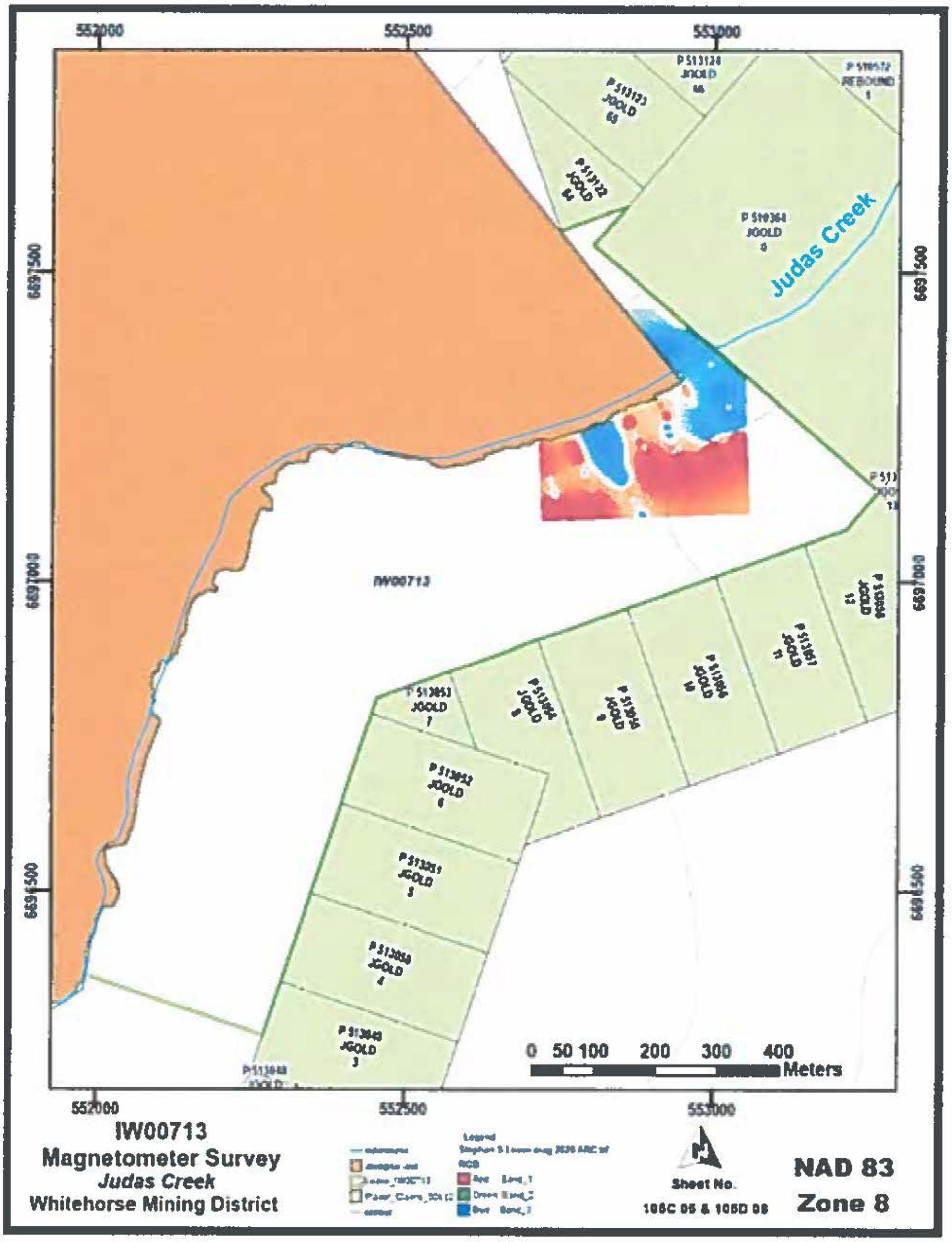

Figure 1. Survey Location

Stephan S Lease mag 2020.jpg

Value

High : 56258.3

Low : 55581.8

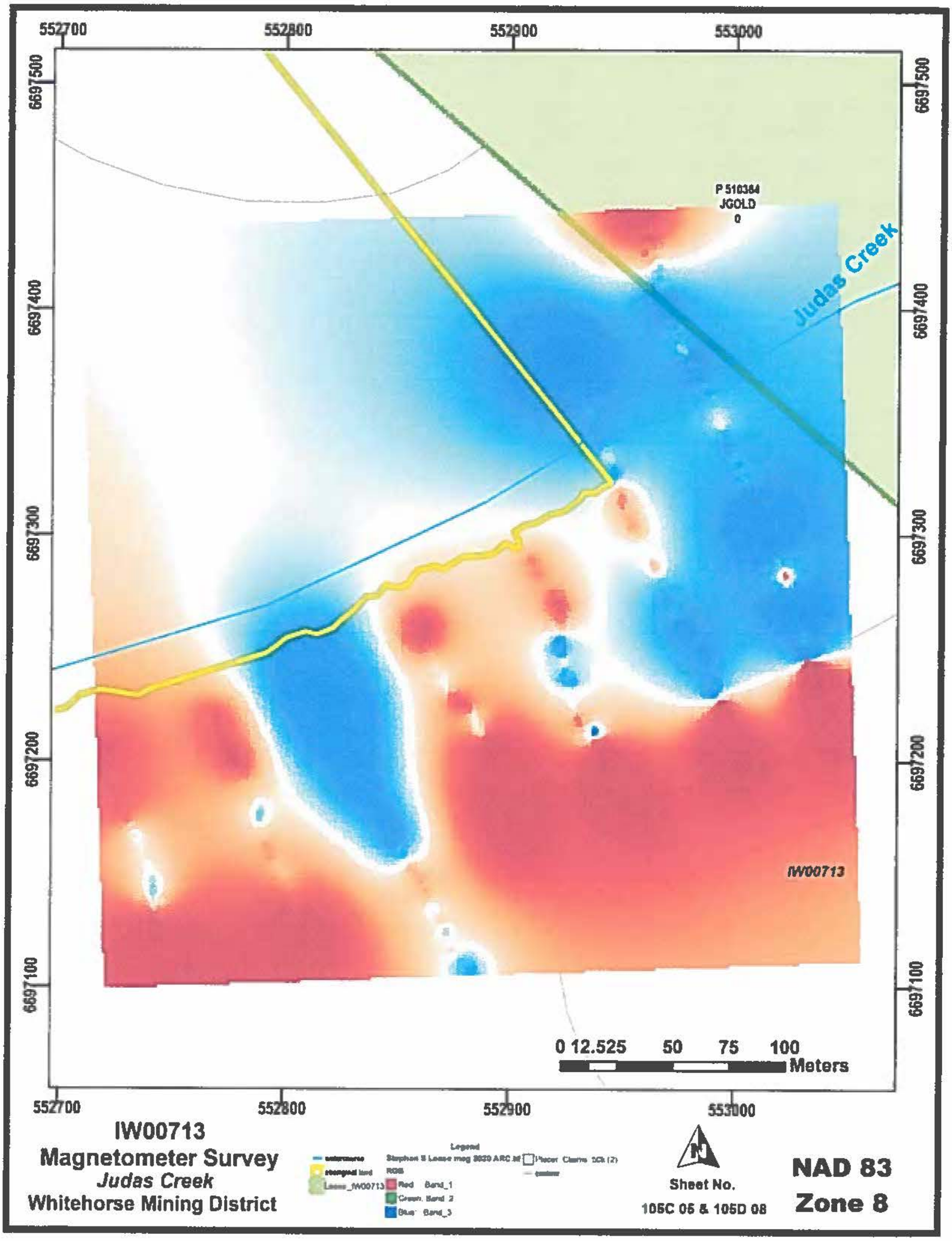

Figure 2. Magnetometer Survey results

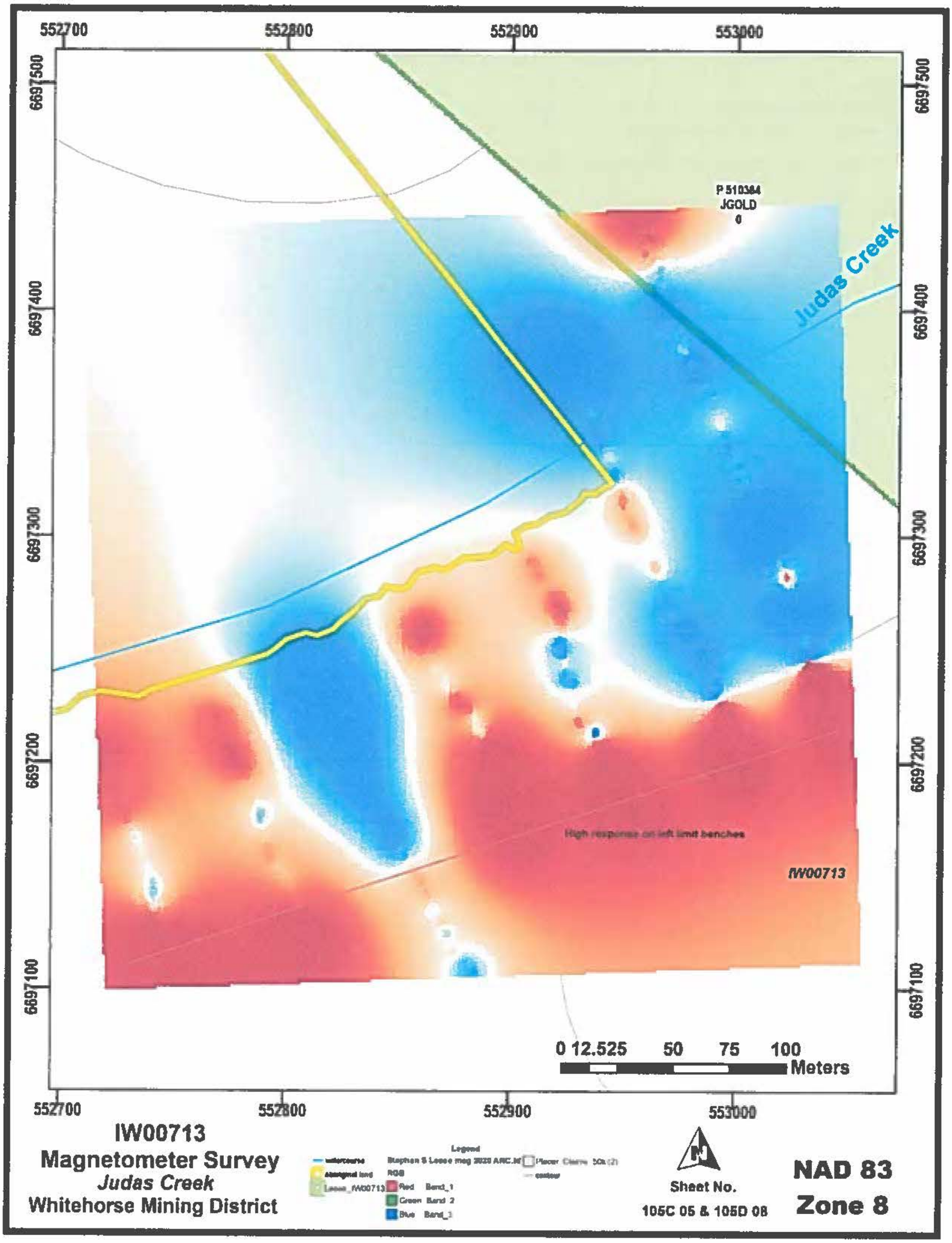

Figure 3. High response on left-limit bench

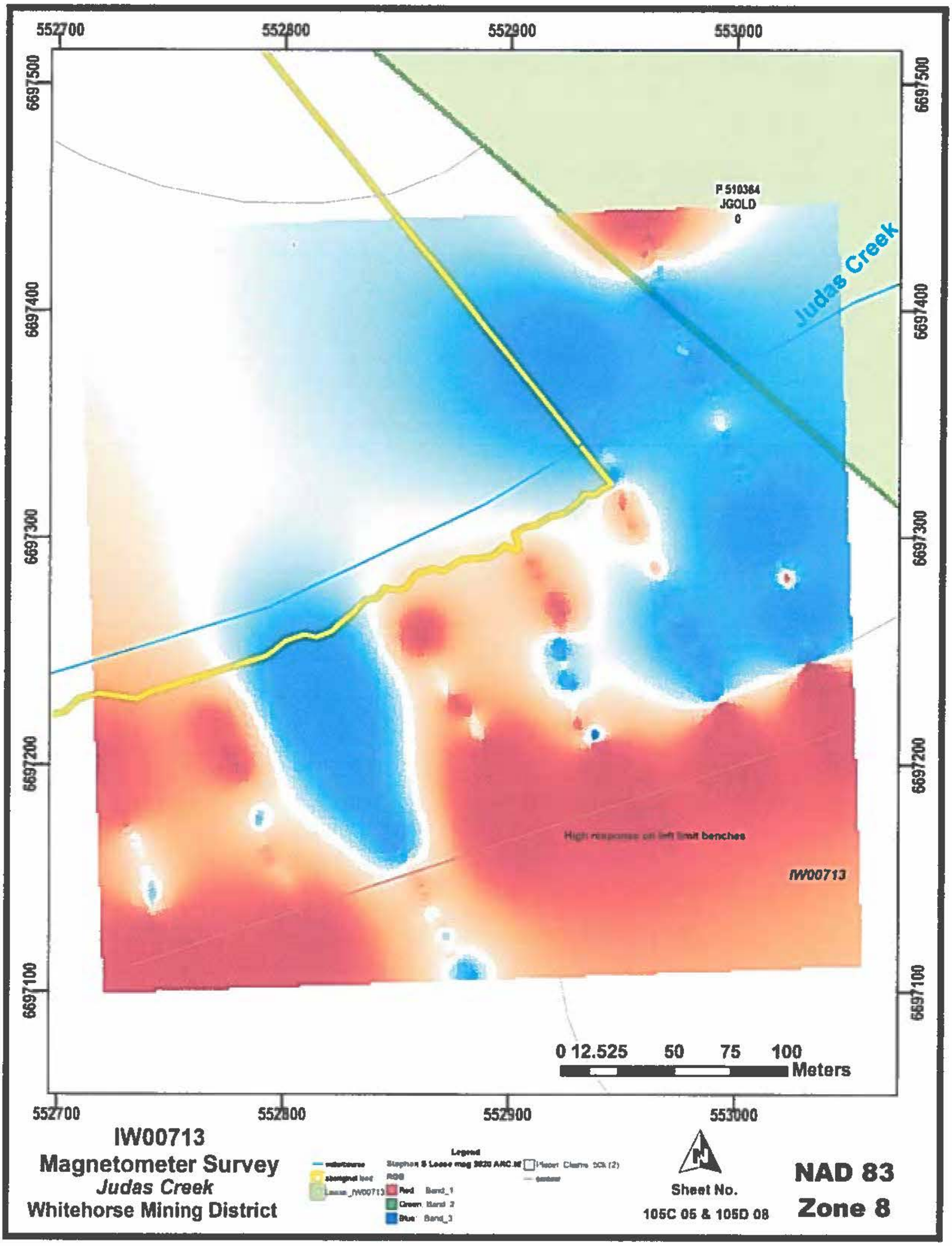

Figure 3. High response on left-limit bench

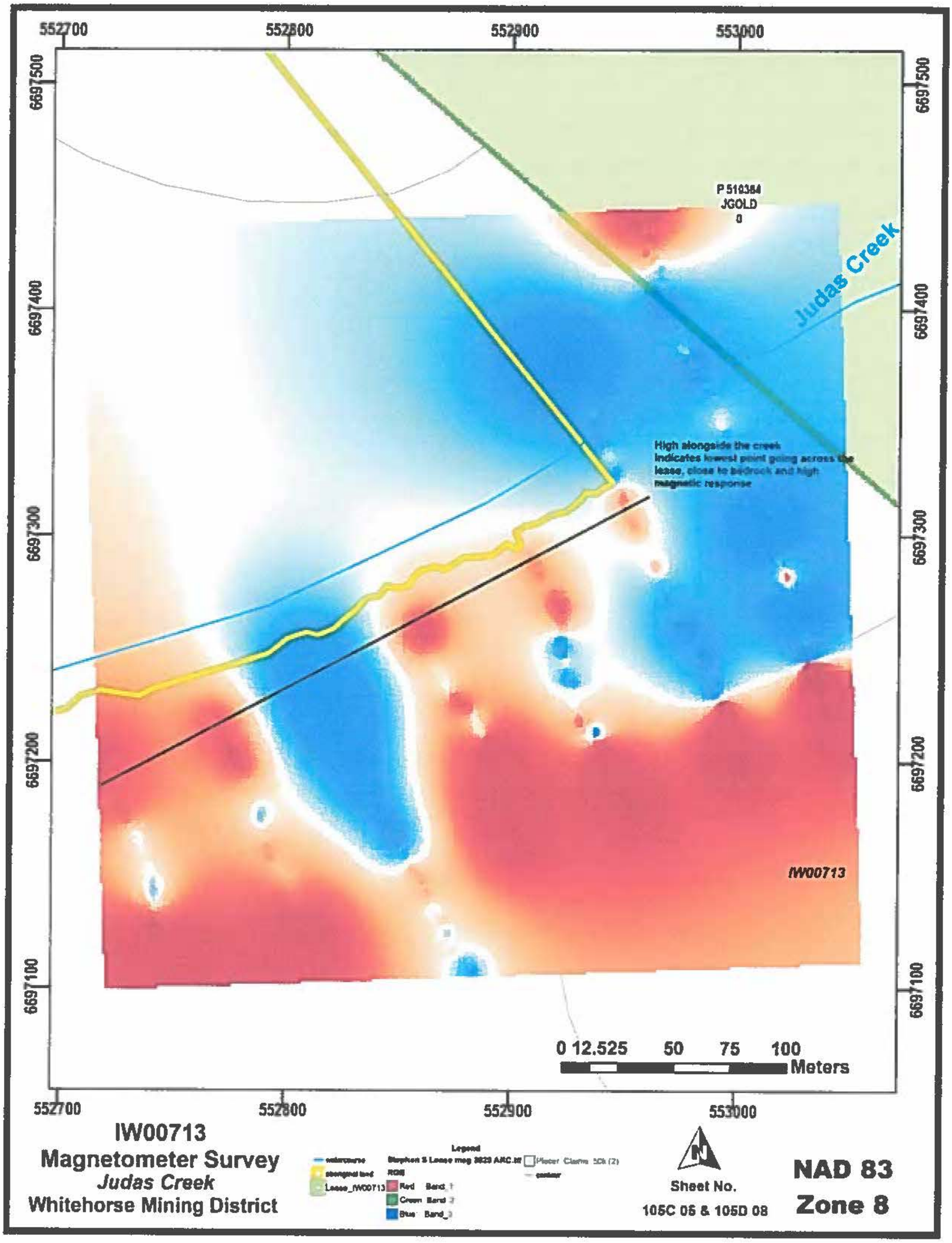

Figure 4. High magnetic susceptibility alongside the creek in the lower elevations

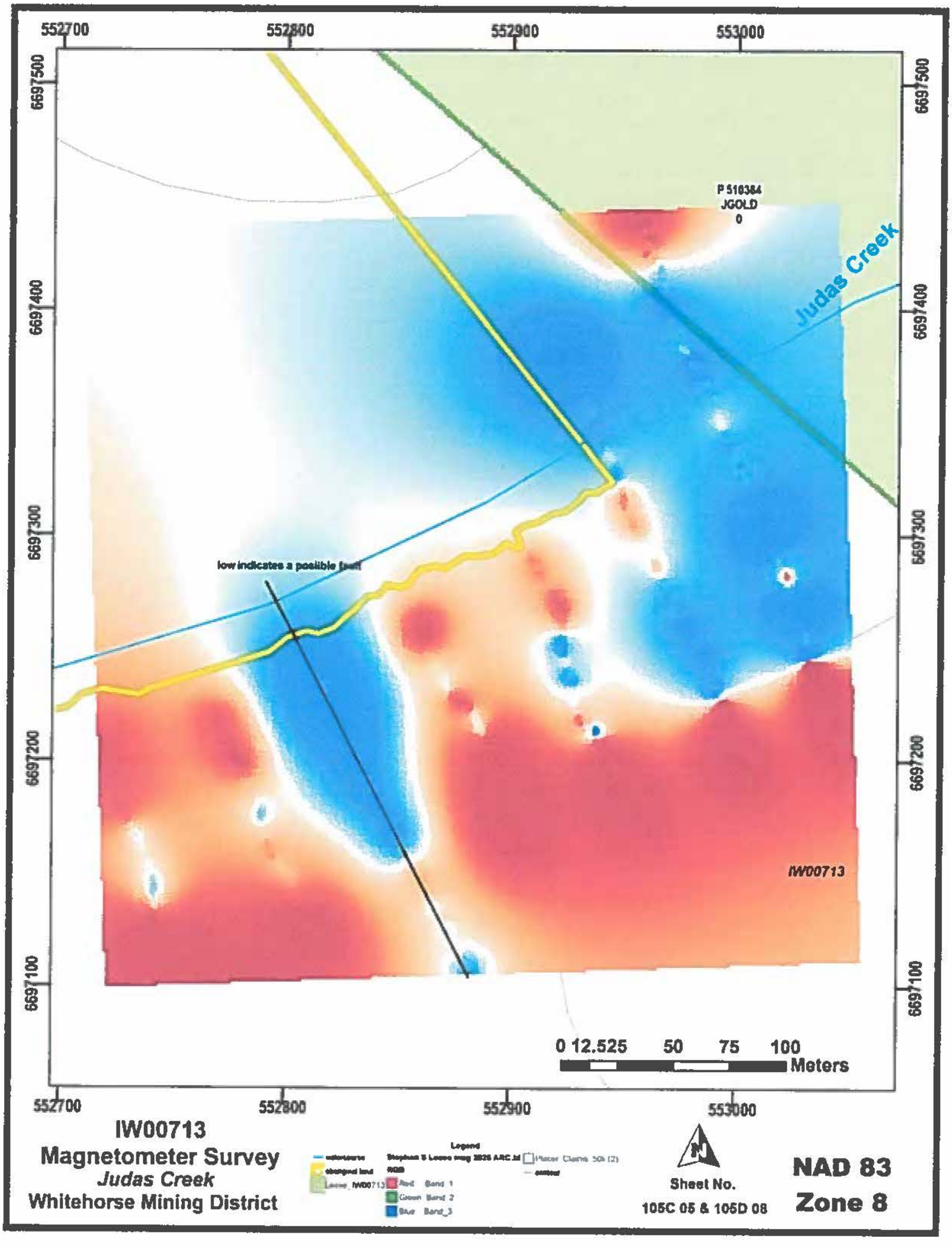

Figure 5. Low Response associated with a potential fault

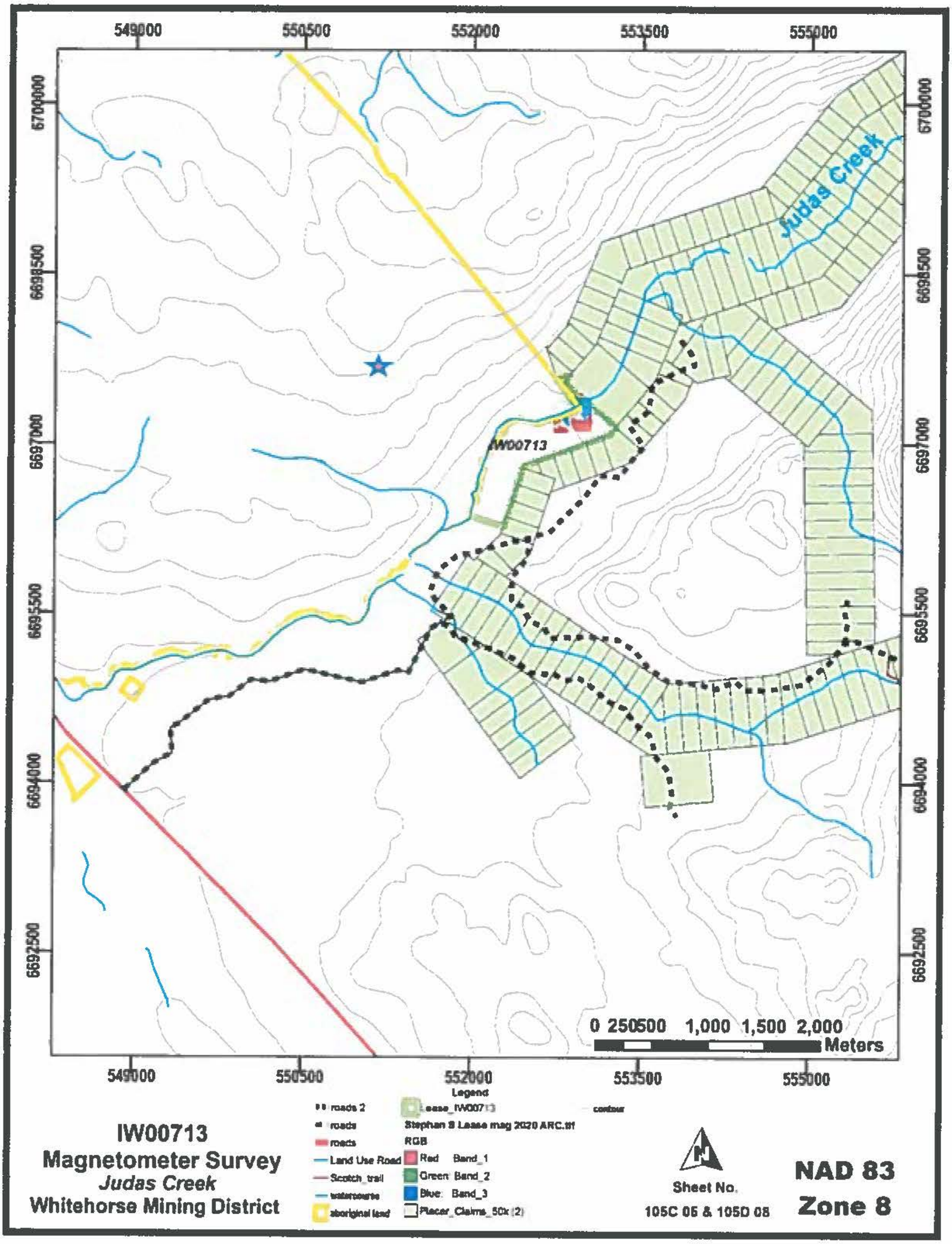

Figure 6. Access

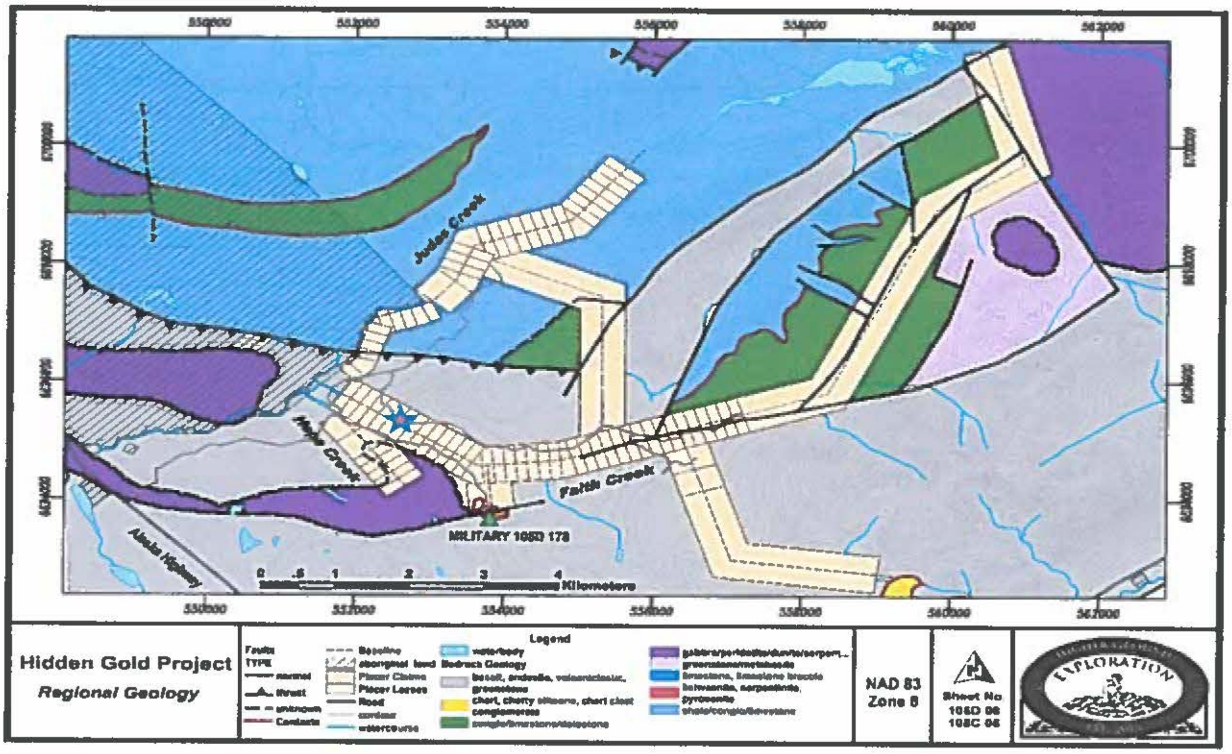

Figure 7. Regional geology

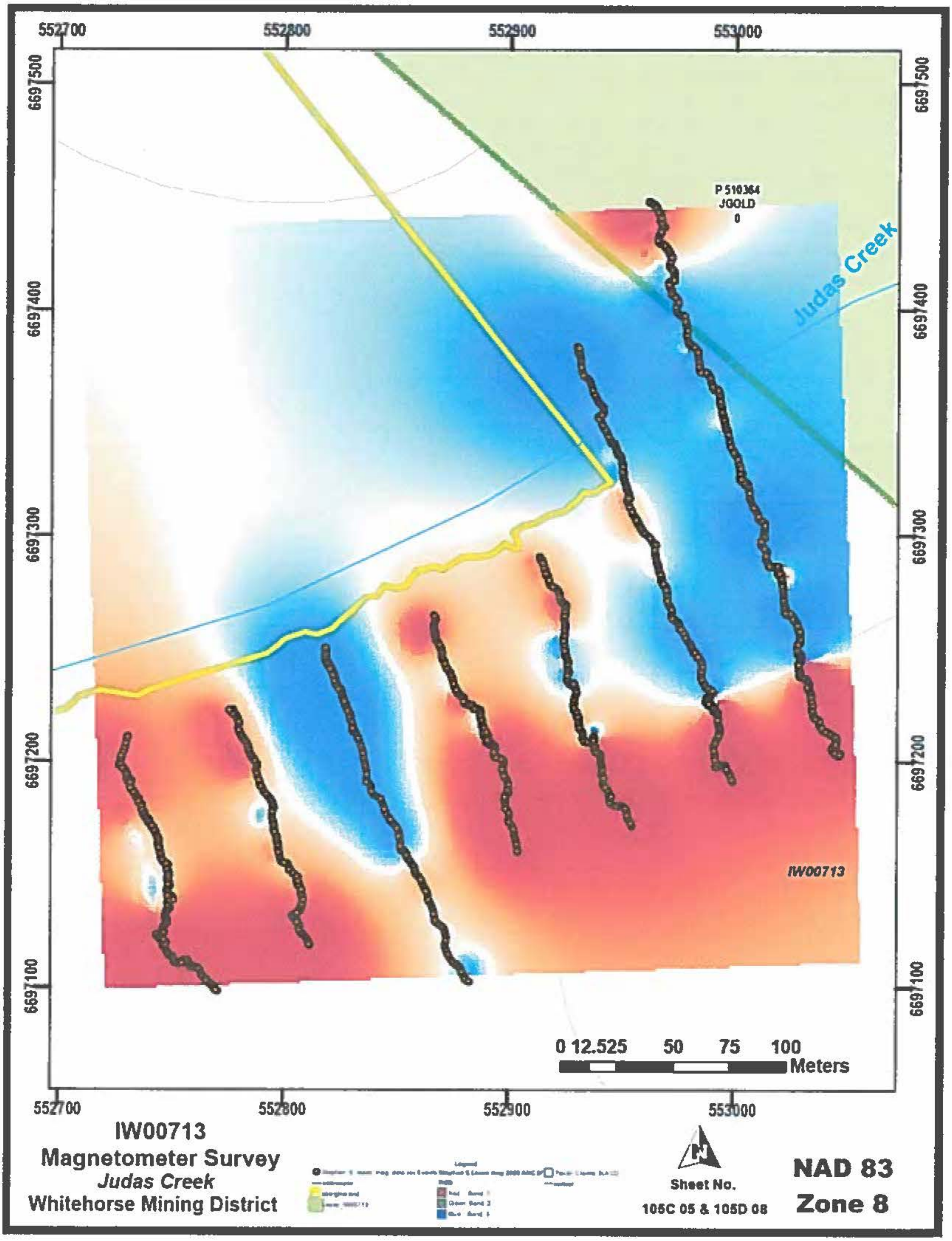

Figure 8. Reading locations

Appendix II

See attached excel file for list of Magnetometer readings