

About “Qi” Property, on Swede Creek

Map 116C01

The “Qi” property has been staked along the Swede Creek, a 45 km long watercourse which is left tributary of Yukon River. It’s visible on map 116C01.

This large mining concession consists in 55 claims already staked and recorded, plus four miles of prospecting lease to be converted (before June 2016) into 40 new claims, for a grand total of 95 claims.

2,175 acres of mineable ground!

CLAIMS AND LEASE ARE FULLY LICENSED AND READY TO BE MINED, STARTING FROM JUNE OF 2016.

The same property was owned until 1957 by YCGC (Yukon Consolidated Gold Corp.), the legendary dredging company responsible for the biggest gold recoveries ever done in the Klondike, during the first half of the last Century. A local, well respected old-timer/pro prospector, Mr. Steve Kormendy, collected direct information about a drilling campaign performed by YCGC during the early 50’s. The results obtained at the time were positive and convinced the company to plan a dredging operation along the upper part of Swede Creek (where Qi property is today). The major problems at that time were the expensive re-construction of a dredge in place and the difficult to access to the valley. With the price of gold to an historical lower peak, the company decided to postpone the project and 8 years later left the Yukon for Vancouver, to become an international hard-rock mining exploration company.

In 2008 Mr. Kormendy, already in his eighties, asked to me to prospect that area and eventually stake it into claims. He provided several important information about the placer gold deposition in exchange of part of the property recorded in the name of his family (today, after the death of Mr. Kormendy, his son Peter owns the 10% of Qi property).

In 2009 we began to prospect the upper part of this creek, where the old reports were describing substantial discoveries of placer gold (along the creek's bedrock and on some upper benches). During our research we collected nice specimens of coarse placer gold from few areas with shallow bedrock (see map).

In 2010 we staked two big leases and we prospected more areas where we still found good sign of coarse gold.

In 2015 we start a late-season testing campaign by using heavy equipment (Dozer D6 and Komatsu PC138 US). We found a noticeable concentration of finer gold on the very upper part of this property. Unfortunately, we couldn't drive our heavy equipment further down the valley, because there was no road built in yet, and we needed licenses and land use permit in order to start a new one.

During the winter of 2015 we applied for all the licenses and the land use permits necessary to build roads, camps, and to mine the placer with heavy equipment. All these licenses will be ready before the end of May 2016; right on time for the mining season 2016.

To conclude, we should say that the complete testing of the Qi Property has not been done yet (we still need to perform a bulk sampling campaign for a correct evaluation of the deposit. The plan was to conduct this exploration during summer of 2016). However, the gold found during the preliminary campaigns of 2009 and 2010 is showing the great potential of this extended property to become a new gold producer. The favorable location of Qi property, right along the Top of the World Highway and just few kilometers from town, will also be extremely convenient to reduce the mining expenses for transportation (one of the biggest voice here in the Yukon).

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