

Lonesome Dove Mining

Australia Creek and Wounded Moose Creek Mining

DLUPC Information

Australia Creek and Wounded Moose Creek Placer Mining

1. Modern Sonic Drilling has been completed on both creeks with hundreds of holes.
2. A viable long-term gold resource has been discovered. An estimated 30-50 years of placer mining is possible on the creeks.
3. Full-scale mining operations are active on both creeks.
4. A \$10,000,000 CAD investment has been made to mine both creeks.

Economic Impact

1. Jobs - Placer mining on these creeks has created 25 new jobs in the region. An additional 25 jobs will be created in future years. These jobs are desirable for the higher pay and off-season.
2. Direct Business - We currently directly support over 20 Yukon vendors with business activity.
3. Indirect Business - From this activity hundreds of businesses and jobs are positively impacted in the Yukon.

Historic Placer Mining Economic Value

1. From 1978 to 2014, the total value of extracted placer gold in the region is around \$1.3 billion and on an annual basis placer mining contributes approximately \$90 million to the Yukon economy (Government of Yukon, 2016 and 2019).
2. The Analysis of "Current" Disturbance levels outlines vast remaining thresholds in LMU-12. However, most placer operations occur in historically developed areas with limited remaining long-term profitability.
3. The Indian River watershed has been identified as "the most important placer gold producing watershed in the Yukon" and more than 50% of the Yukon's placer gold is derived from the watershed every year (DRPC Draft Plan, 2021).
4. However, much of the central Indian River and its tributaries are nearly run out (i.e., the lower reaches of Eureka Creek have been largely mined out).

Future Placer Mining Economic Value

1. As such, the natural progression is to move further eastward to the Upper Indian River (LMU19) which has same geological setting (equivocal economic placer values)[1]. Currently, there are 1,196 placer claims owned by 34 operators on the Upper Indian River.
2. The Main Indian River Drainage is approximately 26 miles and produced about \$650M between 1978 and 2014 (post coarse-gold historic dredge extraction).
3. Modern-day operations on the first 5-miles of Australia Creek drainage have demonstrated comparable grades as on the main Indian River (Lonesome Dove Placers - pers. comm., 2021).
4. This demonstrates the potential for a sustainable placer mining industry for decades to come.
5. A common figure used to calculate socioeconomic impact, is to factor for every dollar spent, \$5 is generated in the local economy including indirect supporting industries & local-work force (hotels, restaurants, equipment, sales, fuel, etc.). This would foreseeably result in a >\$5M/year benefit to the local economy. The level of long-term economic loss if this wholly ISA 4-surrounded area will be massive.

[1] The Upper Indian River has seen less historic mining as it was the main source of hydro for operators in the region (historic ditch).