

## **Yukon (White) Gold Rush Fever**

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As a general rule, the most successful man in life is  
the man who has the best information

### **White Gold Area Play**

Seemingly not a single day goes by without a news release about another company staking claims and citing recent drill results from Underworld Resources U.W.v as the reason why. Underworld's recent exploration success has created renewed interest in Canada's Yukon Territory and in the market.

The importance of Underworld's discovery cannot be overstated in the context of Yukon exploration and the markets in general. This kind of good news can excite the market for the entire junior gold exploration sector. Also area plays, where one company makes a discovery, then dozens of other companies rush in to stake all around them, are one of the very foundations of our junior markets.

Underworld's assays are the most significant gold intercepts ever reported in the White River/Yukon River junction area and very possibly the best new gold discovery in Canada over the last several years. As the story at Underworld's White Gold project unfolds I believe we can expect exciting times for those investors who get involved with the various companies participating in, what still are, very early days of this developing area play.

### **Geology and Mineralization**

The White Gold District lies within the Tintina Gold Belt (a 200-km-wide, 1,200-km-long arc extending from northern British Columbia into southwest Alaska) and is underlain by rocks of the Yukon-Tanana geologic terrane. The Tintina Gold Belt includes such large gold deposits as Pogo (3.6 M ozs P & P reserves), Fort Knox (3.8 M ounces P & P reserves, 1.7 M ozs M & I resources), True North, Donlin Creek (29.3 M ozs Au Proven & Probable reserves, 6.0 M ozs Au Measured & Indicated resources) and Shotgun.

No one has yet defined a geological model for the White Gold occurrences because the geology of the Underworld discovery is different than other discoveries in the Tintina gold belt. This could be significant because it might mean broad areas that had seen scant attention during past exploration efforts could now become the focus of intensive work programs that have a very real potential for success.

The Underworld discovery properties host multiple styles of gold mineralization including: quartz veins, hydrothermal breccias and disseminated sulphide targets indicated by widespread soil geochemical anomalies. The dominant mineralization at

Golden Saddle is quartz, albite and carbonate breccias with low volumes of disseminated pyrite.

At the Arc Zone mineralization is characterized by breccias with a matrix of sulphides including pyrite and arsenopyrite.

Property basement geology consists of five stacked thrust sheets of lower to middle-amphibolite facies Yukon-Tanana schist and gneiss.

There is some consensus that mineralization is probably intrusion related due to elevated Molybdenum numbers and the hydrothermal alteration but no direct connection to an intrusion has been made so far. There is quartz in veins, stockworks and breccias as well as sulphides in what appears to be a linear moderately dipping structure. More drilling and study is needed to develop a geological model of the White Gold discovery.

### Area Play

Located in a new emerging gold province in the Yukon Territory Canada, the White Gold area play has the potential to go for several years as field crews are mobilized to the Yukon and news flow will be constant from almost all the companies involved.

Underworld's discovery has sparked a land rush, there are an increasing number of savvy explorers and market players staking whatever land they can get surrounding the discovery area. A select few companies will be buy and hold for drill results and many others will present trading opportunities.

Given very legitimate, and increasing daily, concerns about growing country risk this is an extremely timely article about a truly exciting gold area play. Canada's Yukon Territory is one of the most geologically prospective and pro-mining jurisdictions in the world today.

All the elements of a new area play are here:

- 1) A spectacular new discovery, with new geology or a twist on old geology
- 2) A jurisdiction with safe and reasonable tenure.
- 3) An area amenable to mineral exploration and development.

The White Gold Area Play junior players are gathering for what could be one of Canada's most important gold discoveries. There is huge upside potential in any of these juniors if they make another discovery. One drill hole could send their (and their neighbors) share price soaring. And if there is a new geological model for UW's discovery this would open a whole new chapter in Tintina Gold Belt exploration.

In alphabetical order (after Underworld) here are a few companies that I found very interesting and have singled out. Below these companies is an extensive, but likely not exhaustive, list of the White Gold Area Play juniors.

**Underworld Resources (UW.v)** – The company who started it all. Low share count, 16,900 hectares of property in the area of their discovery and approximately \$16,000,000 in their treasury.

**Cariboo Rose (CRB.v)** - Has the 4,800 hectare Canadian Creek property 50 km southeast of White Gold. It is optioned out 60:40 with CRB holding 40%. The property has an untested soil gold-arsenic anomaly similar to White Gold. Details of this summer's exploration program are pending. CRB is part of the Eastfield Group and follows the prospect generator model.

**Kaminak Gold (KAM.v)** – Has three properties totaling 7,680 hectares 27 and 8 km southeast of UW's White Gold property. KAM was the first into the area and have announced an aggressive program totaling at least \$500,000 for this year. KAM is part of the Discovery Group and follows the prospect generator model.

**Northern Tiger (NTR.v)** - Seven Properties totaling 5,244 hectares 65 km southeast of White Gold, Sonora Gulch is their flagship property. Capstone CS.t, owner of the Minto mine, retains back-in rights to acquire a 65% interest in any of Northern Tiger's projects located within a 50 km radius of the Minto Mine that are found to have mineralization amenable to processing in existing Minto Mine facilities. A \$1-million dollar program is budgeted for this summer. Capstone owns 13.5% of the issued and outstanding shares of Northern Tiger.

**Valley High Ventures (VHV.v)** –Valley High acquired the 3,900 hectare Flume property, 30km northwest of UW's White Gold, from Phelps Dodge. It is more advanced than most of the properties optioned by other area players and has had extensive soil sampling done.

### **Area Play Portfolio**

UW.v    PEX.v  
ALR.v    CDB.v  
MPS.v    NTR.v  
HAO.v    AIX.v  
MCI.v    HMI.v  
NCM.v    SQA.v  
ABR.v    NET.v  
VHV.v    ALN.v  
WER.v    SQI.v  
ALN.v    URA.v  
CRB.v    KAM.v  
ATC.v    ADG.v

Canada's Yukon Territory has a stable geopolitical environment and a tremendous wealth of mineralization. History has proven time and time again that junior exploration

stocks can write a very exciting discovery story and reward investors with multiple returns on their capital. It is still very early days in the White Gold Area Play and the greatest rewards lie ahead of us.

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Bio - Richard is host of [www.aheadoftheherd.com](http://www.aheadoftheherd.com) and invests in the junior resource sector. His articles have been published on over 60 websites including - Wall Street Journal, 321Gold, Kitco, USA Today, Safehaven, The Gold/Energy Reports, Gold-Eagle and Financial Sense.

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