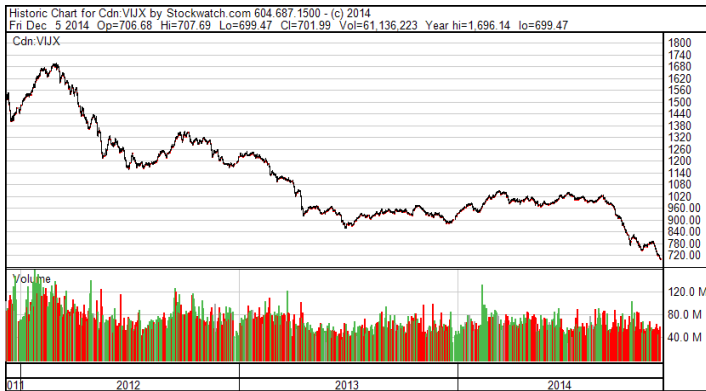


THE ORE SHOOT

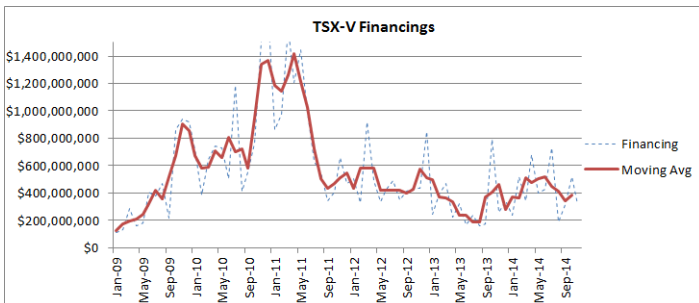
Yukon Prospectors Association Newsletter - December 2014

MARKET NOTES...

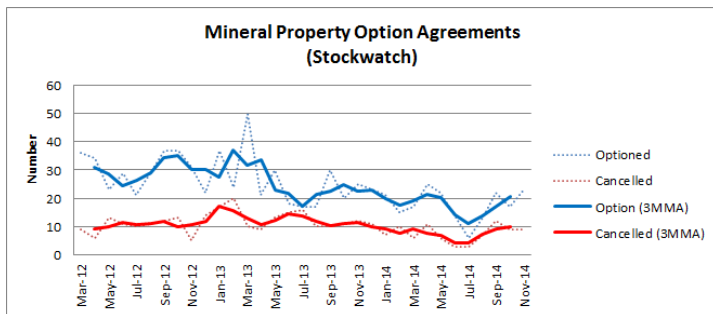
Well - the expected fall rally sure didn't happen and the TSX-V is headed towards the March 2009 low. The number to beat is 689.



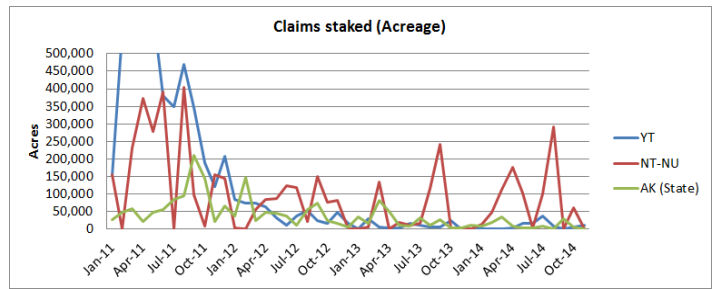
No surprise then to find that financings are still languishing - especially for juniors without a flagship project.



Option activity picked up a bit this fall - but there are almost as many deals being cancelled as signed (and not many being signed).



Finally - claim staking is pretty much at a standstill. The only activity of note is staking for diamonds in the NWT and that appears to be over for the time being.



LOCAL EXPLORATION NEWS...

KAMINAK is forging ahead on a feasibility study while **VICTORIA GOLD** continues to return intersections from the new Olive Zone higher than their resource. **ALEXCO** intersected their highest grades ever (>5,000 g/t Ag) in drilling near the old Birmingham pit; this should be no surprise to anyone who remembers Archer Cathro high-grading there in the 1980's. **SELWYN CHIHONG** is continuing work at Howards Pass but they remain inscrutable about results.

On the exploration side, **ROCKHAVEN** continues to return high grade intersections from their Klaza area property. Once analysts remember that 1.5m is a mining width, hopefully RK will take off. Rumours abound of a quiet but modest project by **SUMITOMO** west of Carmacks. **ATAC** wrapped up their 2014 program with good results from the known zones. **ABEN** went looking for gold and found tungsten - not surprisingly on the Cantung Road. **PACIFIC RIDGE** is letting its optionees do the work: **MERAH RESOURCES** (an Australian outfit) took Fyre Lake and flew a VTEM survey whilst **CENTERRA** is doing RAB drilling on King Solomon's Dome. **CANTEX** RAB drilled at Rackla but the results weren't stellar. **COPPER NORTH** is taking a new hard look at Carmacks Copper.

A final happier note: some spectacular results from **GORILLA MINERALS** Wels Property were released at the Geoscience Forum - another fine product from two local prospectors. In better times, there would have been a staking rush.

THE PEEL SAGA .. SO FAR

The courts have handed down their “no surprise” decision on the Peel and the next move is up to YTG. The court decision overruled the plain language interpretation of the land claims agreement which said YTG could reject the plan. Instead the courts invoked “honour of the Crown” arguments that the First Nations weren’t properly consulted because they didn’t get what they wanted. The decision carefully echoed all of the recent Supreme Court decisions on his matter and may not leave much room for a successful appeal.

Nonetheless, there will be an appeal. The Yukon Party government got elected in part because they promised an unspecified “balanced” approach to development in the Peel. If they back down now they will look weak and vacillating - worse in political terms than appearing arrogant. There is an even more compelling reason for appealing however: simple bureaucratic survival. If YTG loses this one, its control of land use decisions in the Yukon will extend no further than Whitehorse city limits. All future land use plans will be subject to a veto by First Nations. Decisions on Crown Land use will effectively pass to them. This should send a chill down the spine of dozens of policy analysts in both Environment & Ec Dev.

So - there will be an appeal. What is strange is the deathly silence from our local and national industry associations about this. There is no fight left in them regardless of the stakes.

The game was lost long ago when YTG put a totally biased and conflicted chairman in charge of the land use commission and sat back while the environmentalists spent millions whispering in First Nations ears. They never pushed back with a clear agenda to keep the Peel open for exploration and mining. There is no glory for industry here; our representatives did their job during the “process” but the Chamber should have squawked loud and hard when they were ignored and bulldozed. We showed up at a knife fight expecting a tea party and got what we deserved.

The one option that doesn’t seem to be on the table now is to scrap the whole Peel Land Use Plan together with the commission that wrote it and start over. We are stuck with this plan and with a precedent.

The likely outcomes here range from bad to very bad. The best we can hope for is that after losing on appeal, YTG moves ahead with a pro-mining agenda whilst the FN’s involved with the remaining land use plans don’t

bother reading the Peel court decision. Don’t count on it.

The more likely scenario is that there is a new Land Use Process effective now and that future Land Use Plans will be written around whatever the FN’s want regardless of other interests. The Peel decision gives them an effective override.

Couple this with YTG’s handling of the Ross River mess and you can paint a bleak scenario. Vast areas of the central and southern Yukon will remain closed for staking in the absence of any arrangement with unsettled First Nations. On April 1 throughout the Territory, prospectors will require a permit to conduct any significant exploration work. The Peel decision will roll south as successive land use plans remove additional lands from staking and impair other large tracts with prohibitive restrictions. Expect no help from YTG; we are a vociferous nuisance to them. Expect no help from our industry associations; they are firmly in the thrall of producers or companies with advanced projects. We are on our own here.

Once the dust has settled, we need to have a chat with our new landlords.

ASSOCIATION NEWS

Matters of note:

- YPA has two tables in the Prospectors Tent at Roundup on Wed / Thurs (Jan 28 - 29). Contact Mike Power for details. Space is limited and is allocated on a first come / first served basis.
- January monthly meeting at 7PM on Tuesday January 13, 2015 , Yukon Chamber of Mines building
- Annual General Meeting at 7PM on Tuesday February 9, 2015 , Yukon Chamber of Mines building.

YUKON PROSPECTORS ASSOCIATION

3151B 3rd Avenue
Whitehorse, Yukon
Y1A 1G1
www.yukonprospectors.ca