



# MINING

EXPLORERS

DISCOVERING  
THE FUTURE  
OF ALASKA  
& CANADA'S  
NORTH

DATA MINE NORTH  
*Good Stories*



A truck hauling ore from the Gil-Sourdough satellite deposit to the Kinross Alaska processing facilities at the Fort Knox Mine north of Fairbanks.



Crews upgrade an existing road on the Manh Choh property leased from the Alaska Native Village of Tetlin in Eastern Interior Alaska.

## ALASKA

### Kinross Gold Corp.

KINROSS

NYSE: KGC / TSX: K

### Kinross' Alaska gold strategy takes shape

With the official decision to move forward with development of the Manh Choh Mine in eastern Alaska, Kinross Gold Corp. has taken a large step forward toward executing its strategy to leverage the underutilized 14-million-metric-ton-per-year mill and tailings storage capacity at its Fort Knox Mine site north of Fairbanks to process higher-grade ore from projects within a roughly 300-mile radius of the Interior Alaska operation.

"At Manh Choh in Alaska, we completed a feasibility study ahead of schedule, and are proceeding with a project that we expect will add approximately 640,000 lower-cost gold ounces to our production profile over its life of mine in one of the world's best mining jurisdictions," Kinross Gold President J. Paul Rollinson announced in July.

The company's plan to truck high-grade ore mined from Manh Choh roughly 250 miles to Fort Knox for processing is a key component of the "Kinross Alaska" strategy introduced by the global gold miner in 2020.

The basic premise of this initiative is to enhance gold production at Fort Knox by supplementing the primarily heap leach-grade ore mined from the Fort Knox property with higher-grade mill feedstock from satellite deposits within an "economic radius around Fort Knox."

The grades of the deposits that could feed ore into this strategy are largely dependent on how far they are from the Kinross Alaska mill – the 0.8 grams per metric ton gold at Gil satellite deposit on the Fort Knox property is likely at the lower end and the 8 g/t gold being trucked 250 miles from Manh Choh is representative of grades required from deposits near the outer edge of the economic radius.

Breaking ground at the Gil deposit in the fall of 2021 really marked the start of the Kinross Alaska initiative.

Situated about nine miles east of the Kinross Alaska mill, Gil hosts 8 million metric tons of probable reserves averaging 0.8 g/t (205,000 oz) gold.

Ore mined from these reserves is simply blasted, loaded, and trucked to the Kinross Alaska mill for processing.

By November 2021, the first gold bars with Gil gold were poured at Fort Knox.

"Mining the Gil deposit has been a long-time goal for Kinross. Seeing the first ore go into the mill is a very satisfying achievement for the



J. PAUL ROLLINSON



PAUL TOMORY

Gil team," said Clint Connelly, project superintendent at Fort Knox.

Kinross expects the ore mined from the Gil satellite pits will contribute roughly 160,000 oz to Fort Knox' gold production over a two-year span that began with that first gold pour.

Eliminating the need for a mill, heap leach facility, tailings ponds, and other infrastructure, Gil Mine could be equated to a quarry.

The shrunken footprint, simpler permitting, and increased economics of Gil underscores the brilliance of the Kinross Alaska strategy and what it could mean for the future of gold mining across a large swath of the state.

This strategy paved the way for Manh Choh, the next satellite project to feed ore into the Kinross Alaska mill.

Being developed under a joint venture between Kinross (70%) and Contango ORE Inc. (30%), the Manh Choh Mine is expected to produce roughly 1 million gold-equivalent oz, which includes the value of both the gold and silver recovered over an initial 4.5 years of mining detailed in a 2022 feasibility study.

This operation is based on 3.9 million metric tons of proven and probable reserves averaging 7.88 g/t (998,000 oz) gold and 13.6 g/t (1.7 million oz) silver.

With the supplemental feedstock from Manh Choh, the gold production at Fort Knox is expected to jump to 400,000 oz per year during the currently anticipated 4.5 years of mining at Manh Choh.

The total preproduction capital needed to build the mine is estimated to be approximately \$255 million. This includes the development and infrastructure at Manh Choh; modifications to the Fort Knox mill; a fleet of trucks to deliver the ore; and \$40 million in contingency.

Based on the Manh Choh joint venture agreement, Kinross' share of this expense is expected to be roughly \$190 million. CORE is responsible for the balance of expenditures needed to get to the first gold pour.

Given the positive economics detailed in a 2022 feasibility study, Kinross officially decided to move forward with development and the Peak Gold Joint Venture began the preliminary work, including camp refurbishments, in 2022 in preparation for the start of construction.

The first gold is expected to be poured from Manh Choh ore in the second half of 2024.

**CHAIR:** Catherine McLeod-Seltzer

**PRESIDENT & CEO:** J. Paul Rollinson

**CHIEF TECHNICAL OFFICER:** Paul Tomory

**CASH AND SHORT-TERM DEPOSITS:** US\$488.4 million (Sept. 30, 2022)

**WORKING CAPITAL:** US\$1.27 billion (Sept. 30, 2022)

**MARKET CAPITALIZATION:** US\$5.37 billion (Nov. 25, 2022)

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## ALASKA

### Contango ORE Inc.

NYSE AMERICAN: CTGO 

#### A pipeline of CORE Alaska gold assets

As an Alaska-based mineral explorer that is listed on the NYSE American stock exchange and involved with advancing two gold mines toward production, Contango ORE Inc., commonly referred to simply as CORE, is unique in the realm of junior mining companies.

Led by president and CEO Rick Van Nieuwenhuysse, CORE has assembled a pipeline of Alaska gold projects along the highway system in Alaska that span the gamut from discovery to mine development.

"I have spent a good part of my career working on remote projects like Donlin and the Ambler District – after 40 years I figured out that I should stick closer to the roads," Van Nieuwenhuysse said during a Contango ORE presentation at the 2022 Precious Metals Summit in Beaver Creek, Colorado.

CORE's road-accessible portfolio includes the high-grade Manh Choh and Lucky Shot gold mine projects and three earlier staged mineral exploration assets – the Eagle-Hona gold and Triple Z copper-gold projects west and north of Manh Choh, respectively; and the Shamrock gold project in the Richardson Mining District about 70 miles southeast of Fairbanks.



RICK VAN NIEUWENHUYSE

#### Manh Choh gold in 2024

The most advanced project in CORE's portfolio is Manh Choh, a 1-million-ounce gold mine project being developed under the Peak Gold Joint Venture – a partnership between Kinross Gold Corp. (70%) and CORE (30%).

Upon the July completion of a feasibility study that detailed an economically robust mine at Manh Choh, the Peak Gold JV officially decided to move forward with development of an operation that is expected to produce roughly 1 million gold-equivalent oz, which includes the value of both the gold and silver recovered, annually over an initial 4.5 years.

The study details a plan to truck high-grade ore mined from two pits at Manh Choh roughly 250 miles to Kinross' Fort Knox Mine north of Fairbanks. This ore is to be processed through the existing Kinross Alaska mill and the tailings stored on the Fort Knox property.

With the high-grade feedstock from Manh Choh, which will be roughly 10 times higher



CONTANGO ORE INC.

Crews extend underground development at Contango ORE's high-grade Lucky Shot gold project in Alaska.

than ore currently being processed through the Kinross Alaska mill, the gold production at Fort Knox is expected to jump to 400,000 oz per year.

Leveraging the existing facilities at Fort Knox eliminates the need to permit, finance, and build a mill and tailings facilities at Manh Choh. Essentially a rock quarry type of operation also significantly reduces environmental disturbance and lowers the overall greenhouse gas emissions, compared to developing and operating new processing and tailings storage facilities onsite.

Kinross estimates the average all-in sustaining costs per gold-equivalent oz produced from Manh Choh to be approximately \$900, which would result in a margin of over \$800/oz at the current price of gold.

Given the positive economics, Kinross made the official decision to move forward with development, and the Peak Gold Joint Venture approved a 2022 budget of \$39.6 million to begin the mine development work

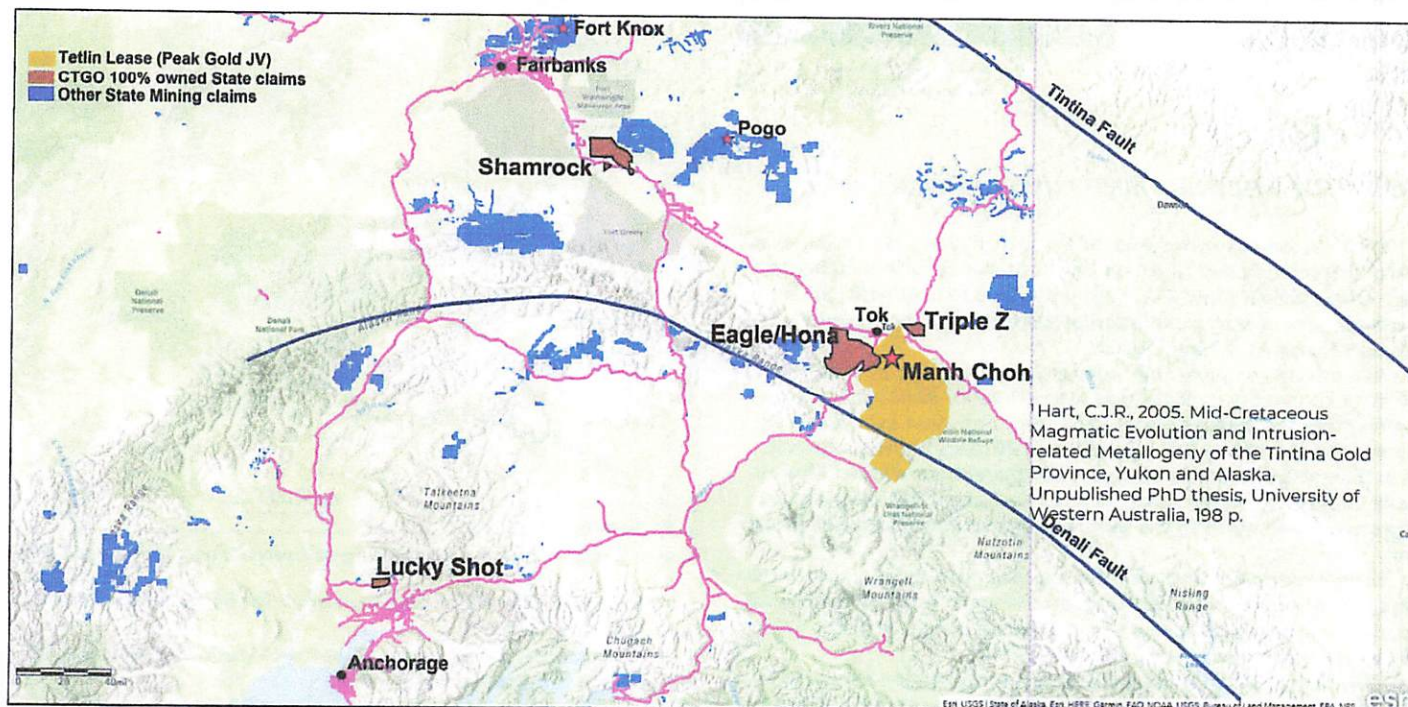
at Manh Choh.

"We are very excited to achieve this important milestone for the company and its shareholders," said Van Nieuwenhuysse. "Board member, Curt Freeman and Board Chairman, Brad Juneau discovered this ore-body nearly ten years ago through hard work and by applying solid exploration principles. They worked closely with the Tetlin tribe to develop a strong working relationship which Kinross continues today."

In addition to mine development, the Peak Gold JV budgeted \$3 million for exploration testing targets that could add more high-grade gold to Manh Choh and extend the life of this first Kinross Alaska satellite mine.

#### High-grade Lucky Shot

As Kinross leads the efforts to put Manh Choh into production by 2024, Contango is advancing the development of a high-grade



underground mine at Lucky Shot.

A road-accessible project about 75 miles north of Anchorage, the 8,590-acre Lucky Shot property blankets a large portion of the Willow Creek Mining District, including the pre-World War II Lucky Shot and War Baby mines. It is estimated that from 1918 until being shut down by the federal War Production Board in 1942, these two underground operations produced more than 250,000 oz of gold from 169,000 tons of ore, indicating an average head grade of around 1.5 oz of gold per metric ton.

A 2016 calculation completed for former operators Miranda Gold Corp. and Alaska Gold Torrent Inc. outlined 206,500 metric tons of what is now being treated as historical measured and indicated resources averaging 18.3 grams per metric ton (121,500 oz) gold and 59 thousand metric tons of inferred resource averaging 18.5 g/t (35,150 oz) gold at Lucky Shot.

With its sights set on establishing a large enough resource to support a modern mine at Lucky Shot, CORE has rehabilitated and is expanding the historical Enserch tunnel, which is serving as a platform for underground drilling.

In addition to drilling, CORE is extending the underground workings to intersect the Luck Shot Vein, which will provide bulk sample material, and onward to the Lucky Shot tunnel, which will provide access to the Coleman block that hosts the 2016 resource.

Through this work, the company aims to establish a high-grade resource with at least 500,000 oz of gold.

"I think this is a pretty easy project for us to move forward and be our second mine in operation in Alaska," Van Nieuwenhuysen said during his presentation at the 2022 Precious Metals Summit.

The CORE CEO said shipping the ore to the hungry Kinross Alaska mill or processing the free-milling ore at Lucky Shot are potential options for the high-grade underground gold mine.

Overall, the Lucky Shot vein extends for at least a mile from the Coleman block through the Lucky Shot block, where the Enserch tunnel is located, and onto the War Baby block.

**CHAIRMAN:** Brad Juneau

**PRESIDENT & CEO:** Rick Van Nieuwenhuysen

**LUCKY SHOT MINE MANAGER:** Chris Kennedy

**CASH AND CASH EQUIVALENTS:** US\$18 million (Sept. 30, 2022)

**WORKING CAPITAL:** US\$16.2 million (Sept. 30, 2022; closed US\$5.6 million financing on Dec. 23, 2022)

**MARKET CAPITALIZATION:** US\$159.9 million (Nov. 25, 2022)

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# EXPLORERS AT A GLANCE

ALASKA

**Felix Gold Ltd.**

**FELIXGOLD**  
- LIMITED -

ASX: FXG

## Felix Gold discovers Treasure in Alaska

With the January completion of an A\$10 million (U\$7.1 million) initial public offering and listing on the Australian Securities Exchange, Felix Gold Ltd. went into 2022 well-positioned to begin drilling the large package of gold exploration properties it had assembled in Alaska's Fairbanks Mining District.

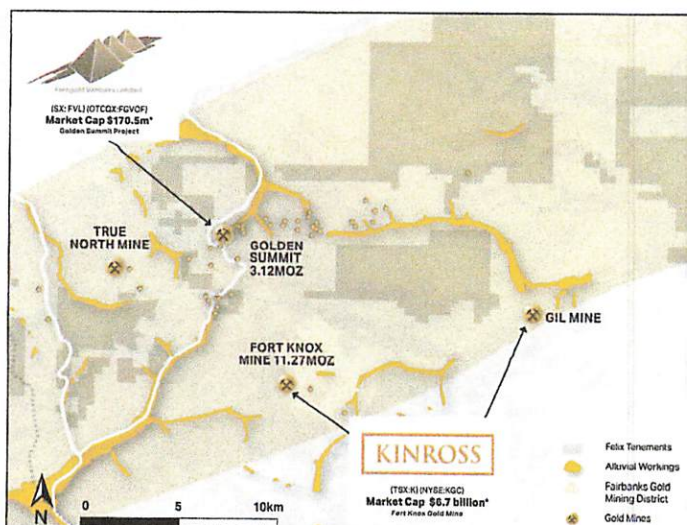
As a private company, Felix entered into a strategic alliance with Millrock Resources Inc. in 2021 on several Interior Alaska gold exploration projects – Treasure Creek and Ester Dome near the city of Fairbanks, plus the Liberty Bell project about 70 miles to the southwest. In exchange for becoming a roughly 6% shareholder of Felix after its early 2022 listing on the Australia Stock Exchange, Millrock assigned the company all rights to the Fairbanks District and Liberty Bell properties.

Since its deal with Millrock, Felix has expanded its land position to roughly 151 square miles (392 square kilometers) in the Fairbanks District, which has produced more than 8 million ounces of placer gold since Felix Pedro discovered gold there in 1902.

"The Felix team undertook the largest consolidation of tenure in the history of the Fairbanks Gold Mining District," said Felix Gold Managing Director and CEO Joe Webb.

With its treasury full, Felix launched its 2022 exploration with a more than 17,000-meter drill program at Treasure Creek, a property about 13 miles west of Kinross Gold Corp.'s Fort Knox Mine that hosts numerous prospects with interesting drill intersections reported by prior workers.

Roughly 2,000 soil samples collected by Felix and Millrock geolo-



Map of Treasure Creek and neighboring gold projects near Fairbanks, Alaska.

gists during 2021 identified two key targets for this drilling – Northwest Array and Eastgate.

Felix' inaugural drill program started with shallow reverse circulation holes at Northwest Array. The Australian explorer hit gold right away. Highlights from drilling at Northwest Array include:

- 29 meters averaging 1.4 grams per metric ton gold from a depth of 24.4 meters in hole 22TCRC002.
- 33.5 meters averaging 1.63 g/t gold from a depth of 1.5 meters in hole 22TCRC005.
- 29 meters averaging 0.69 g/t gold from a depth of 1.5 meters in hole 22TCRC006.
- 89.9 meters averaging 1.2 g/t gold from a depth of 32 meters in hole 22TCRC008.

"Felix's ambition was to build multi-million-ounce gold resources and recent results are a significant step towards realizing our vision," said Felix Gold Chairman Ronnie Beevor.

In October, the Australian explorer reported that assays from additional holes from Northwest Array had further expanded this emerging gold zone. Highlights from the batch of drilling included:

- 41.1 meters averaging 1.72 g/t gold from a depth of 59.4 meters in hole 22TCRC078.
- 24.4 meters averaging 1.08 g/t gold from a depth of 51.8 meters in hole 22TCRC083.

With this batch of results, drilling had outlined 400 meters by 750 meters of gold mineralization at Northwest array that remains open to the north, south, and east.

"NW Array is quickly building into a significant gold discovery," said Webb. "Critically, NW Array and the broader Treasure Creek Project is surrounded by infrastructure within the world-class Fairbanks Gold Mining District, which has produced over 16Moz in historical gold output. Nearby operations include Kinross Gold's Fort Knox Gold Mine, a large-scale gold processing operation that is openly seeking additional sources of ore supply."

Treasure Creek and the other properties that make up Felix Gold's enormous Fairbanks District land package could potentially provide the Kinross Alaska mill at Fort Knox with a nearby source of ore.

**CHAIRMAN:** Ronnie Beevor

**MANAGING DIRECTOR:** Joseph Webb

**VP, EXPLORATION:** Dave Larimer

**CASH AND CASH EQUIVALENTS:** A\$3.2 million (Sept. 30, 2022)

**MARKET CAPITALIZATION:** A\$19.7 million (Nov. 25, 2022)

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