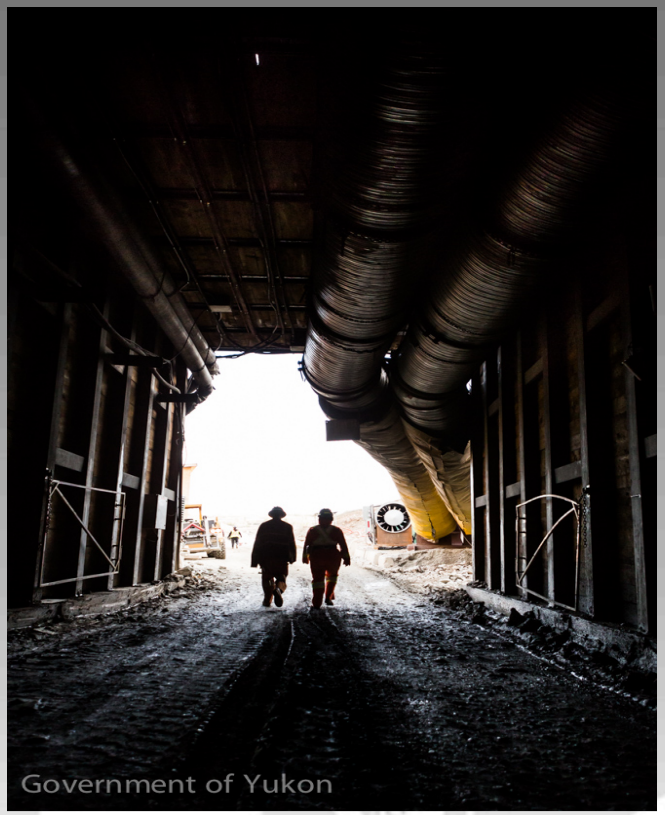
INVEST YUKON



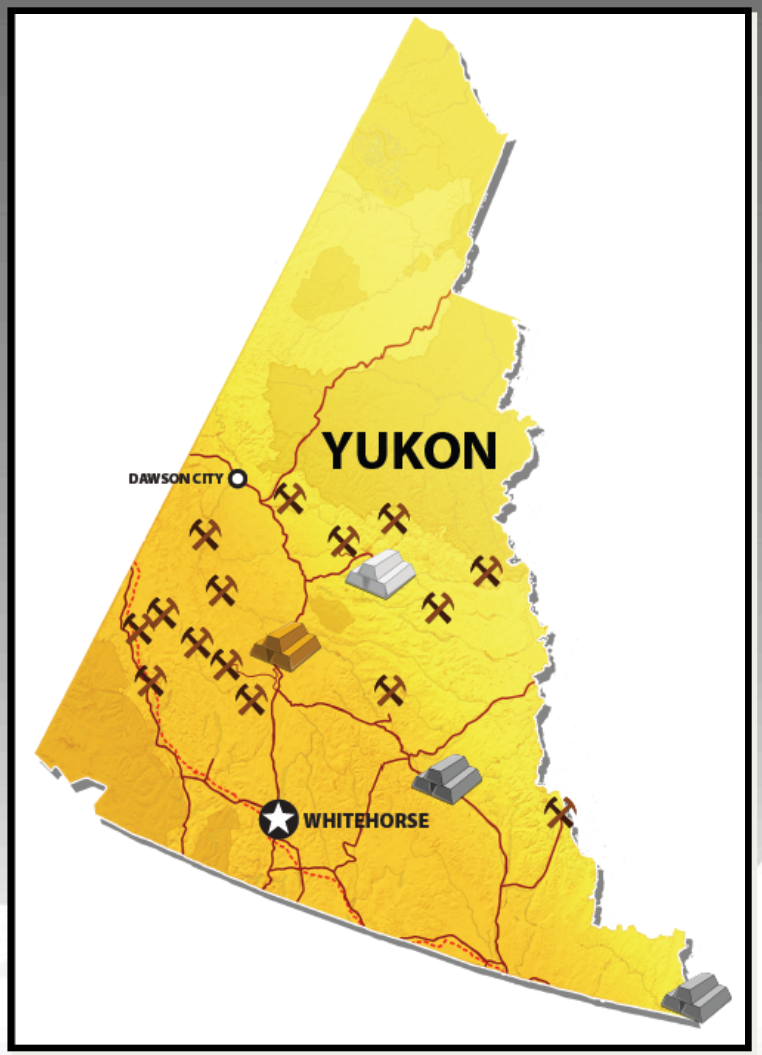
Government of Yukon

Department of Economic Development

May 2014

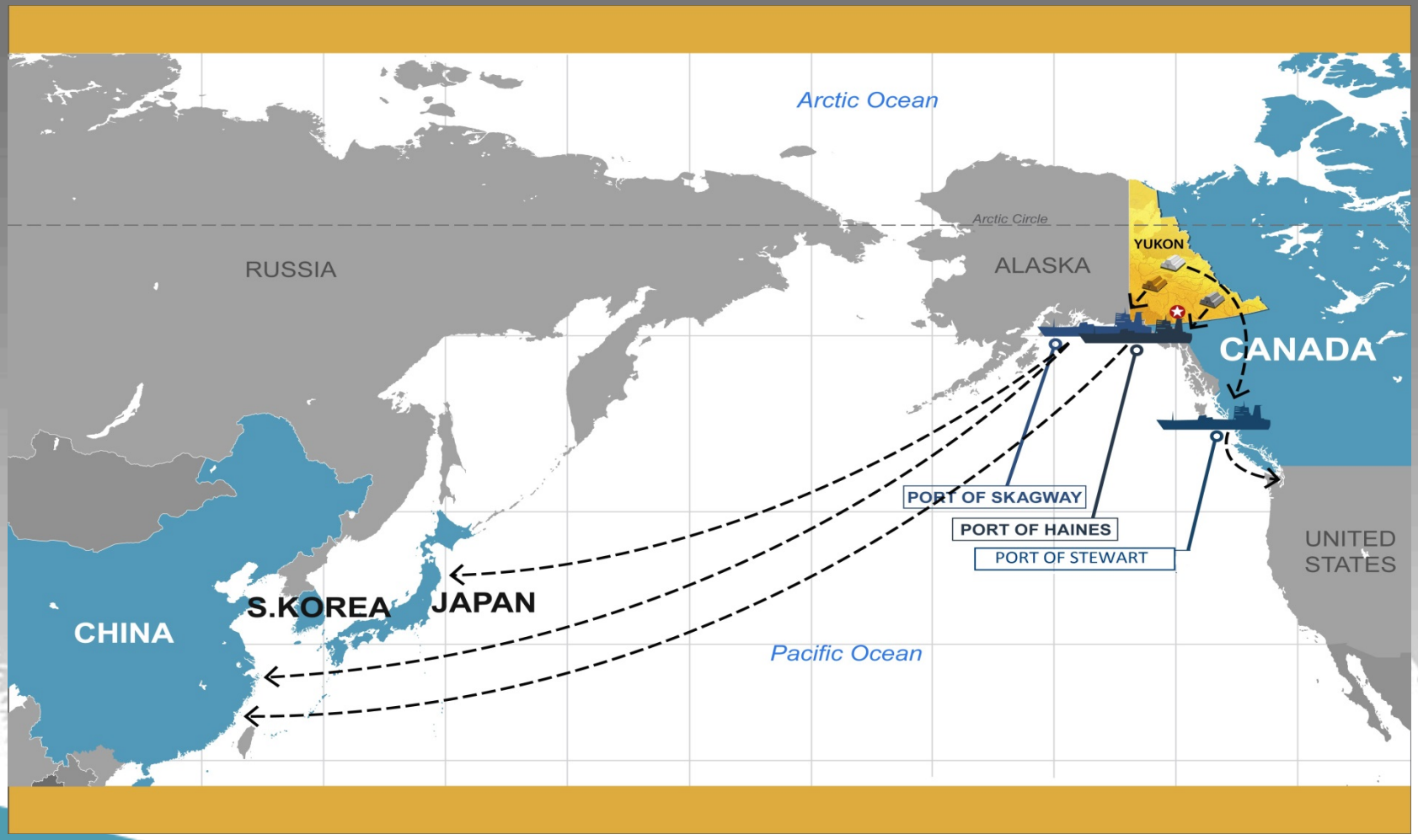
ABOUT YUKON

- **Historical Mining Jurisdiction:** 150 years of exploration and production
- **Area:** More than 480,000 square kilometers
- **Population:** Approximately 37,000
- **Government Maintained Roads:** Approximately 5,000 kilometers
- **Annual GDP:** $2.3 billion
- **GDP from Mining:** 21.6% (largest industry)



Yukon Government

YUKON – ACCESS TO MARKETS



Closest North American Port to Primary Asian Markets
3 Ice-Free Year Round Ports

Yukon Government

YUKON - INFRASTRUCTURE

- Government maintained and paved highways
- Connected to Alaska, Northwest Territories, British Columbia, and Alberta
- Yukon continues to be the only northern territory with a connected network of maintained highways. These link Yukon to British Columbia, Alberta and the ports in Skagway, and Haines, Alaska and Stewart, BC.
- Exploration and mining road infrastructure: $500,000/year dedicated to maintenance (Highways and Public Works)

Yukon Government

YUKON - INFRASTRUCTURE

Road Access and Power Generation

OPERATING MINE	Road Access	Water/Port Access	Grid Power	Generated Power
Minto – Capsone Mining	X	X	X	
Wolverine – Yukon Zinc	X	X		X
Bellekeno – Alexco Mining	X	X	X	
Eagle Gold – Victoria Gold	X	X	(Planned)	X
Casino – Western Copper and Gold	(Planned)	X		X
Wellgreen – Wellgreen Platinum	X	X		X
Coffee Gold– Kaminak Gold	(Barge)	X		X
Brewery Creek – Golden Predator Mining	X	X	(Planned)	X

Yukon Government

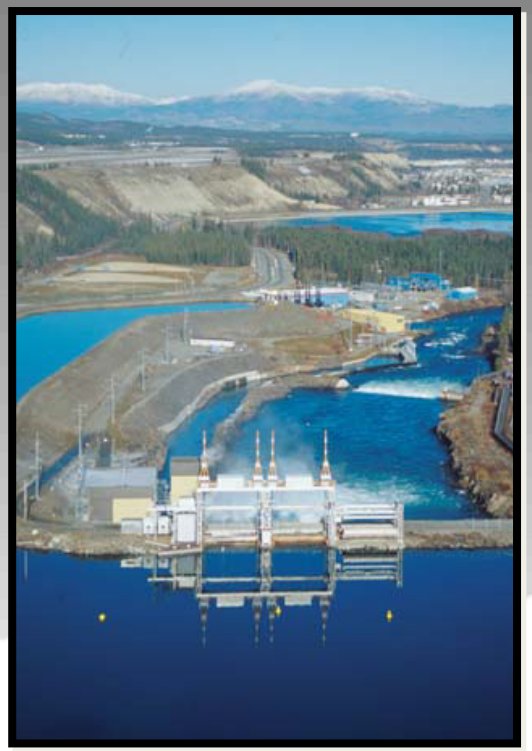
YUKON - INFRASTRUCTURE

- **Connected and Advancing Telecommunications:**
  High capacity fibre optic cable and 4G service expanding throughout Yukon communities.

- **International and Community Airports:**
  Close proximity to many Yukon projects.

- **Hydro Power Energy System:**
  LNG backup generation anticipated for 2015 and investigation of a new large-scale hydroelectric power facility for Yukon.

- **Independent Power Production:**
  Government of Yukon is working on an independent power producers policy that would allow for independent developers to produce and sell their own power.



Whitehorse Dam – Yukon Energy Corp.

Yukon Government

YUKON – POSITIVE INVESTMENT CLIMATE

Canada, and Yukon, have internationally competitive mining tax systems:
Mineral Exploration Tax Credit Program

Exploration (Canada Projects) Flow-Through Shares

- Enables subscribers to deduct the cost of the shares from income;
- Results in a roughly twenty per cent (20%) reduction in total net cost to the investor; and
- Company may issue flow-through shares for a ten per cent (10%) to fifteen per cent (15%) premium over market price.

Income Tax (Federal and Yukon Combined)

- Combined effective tax rate of thirty per cent (30%); and
- Accelerated depreciation of mine capital costs available, phased down over next six years.

Yukon Mine Royalty Tax

- Levied on an adjusted calculation of direct mine operating profit;
- Graduated rates starting at three per cent (3%) to a maximum marginal rate of twelve per cent (12%) when profit in a year is greater than $35 million; and
- Deductible for income tax purposes.

Yukon Government

YUKON – POSITIVE INVESTMENT CLIMATE

Provide financial support to joint initiatives and/or non-profit industry organizations, such as:

- Yukon Mining Alliance
- Yukon Chamber of Mines
- Yukon Minerals Advisory Board

Minto Mine - Capstone Mining Corp.

Mineral Investment Attraction Strategy

- Announced March 2014 – $700,000+

Yukon Mining Exploration Program (YMEP)

- $1.4 million annually; and
- Provides a portion of risk capital required to discover, explore and develop mineral projects to advanced stages.

Strategic Industries Development Fund

- Provides funds to increase awareness of and investment in strategic industries and projects.

Yukon Government

YUKON – REGULATORY FRAMEWORK

- *Yukon Environmental & Socio-economic Assessment Act*
- *Quartz Mining Act/License*
- *Yukon Water Board/Waters Act*

Yukon Minerals Advisory Board

- Legislated Advisory Committee to Minister of Energy, Mines and Resources
- Members: Senior Yukon Mineral Industry Representatives

Yukon Government

YUKON – FIRST NATION PARTNERSHIP

Yukon First Nation Development Corporations:

- Investment and Business Approach

Yukon First Nation Chamber of Commerce:

- Yukon First Nation governments and First Nation development corporations: Memorandum of Understanding (MOU) and agreements with industry and industry organizations - Economic Partnerships

Highest Number of Land Claims Completed in Canada:

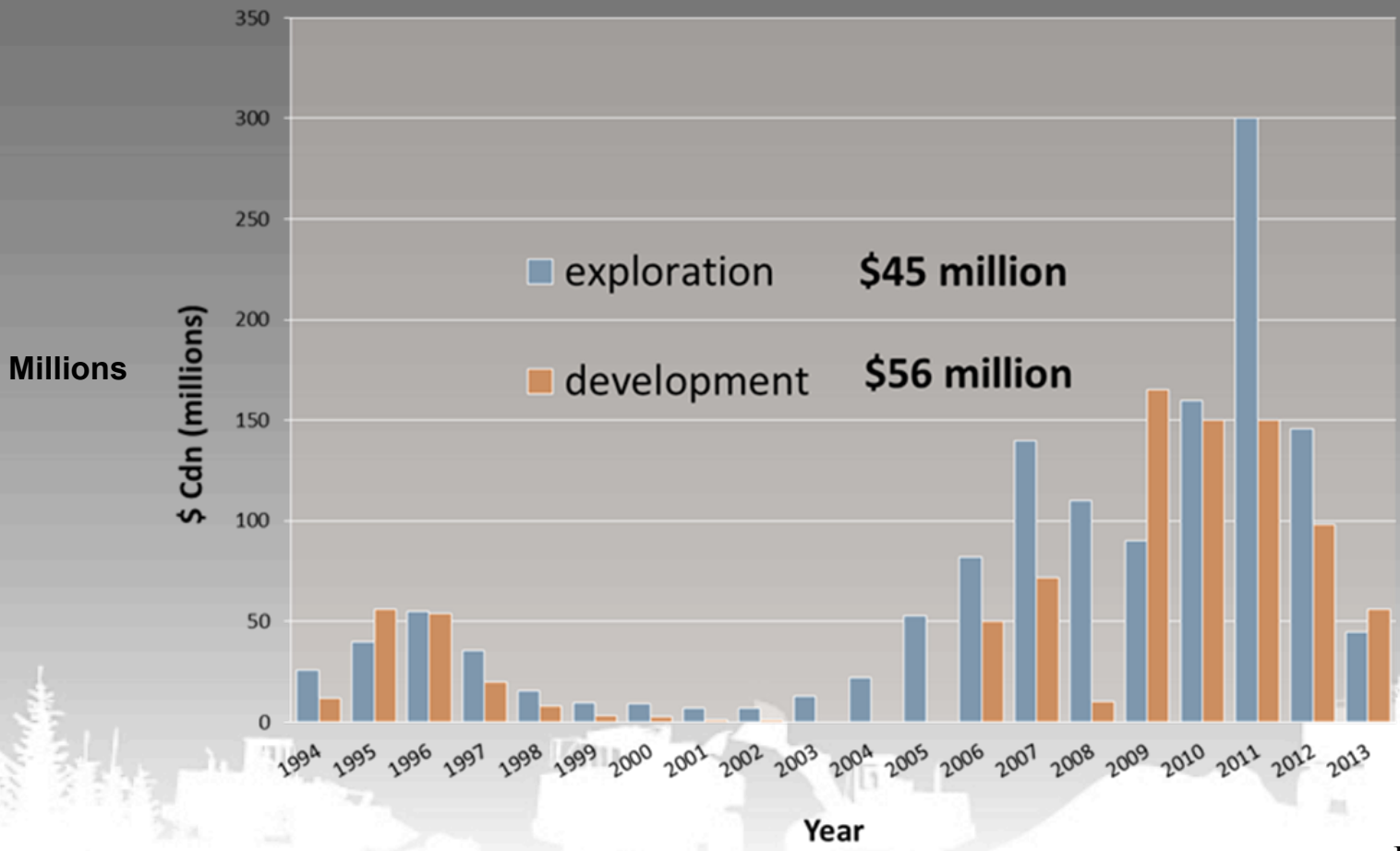
- Defined First Nation land ownership in Yukon
- Settled land claims with 11 First Nations

Yukon Government

YUKON - LABOUR MARKET INITIATIVES

- Centre for Northern Innovation in Mining, Yukon College:
  - $16.6 million in federal and territorial funding over the next five years to develop and build the centre
- Partnership with industry to promote unique benefits of living and working in Yukon

YUKON – MINERAL EXPLORATION

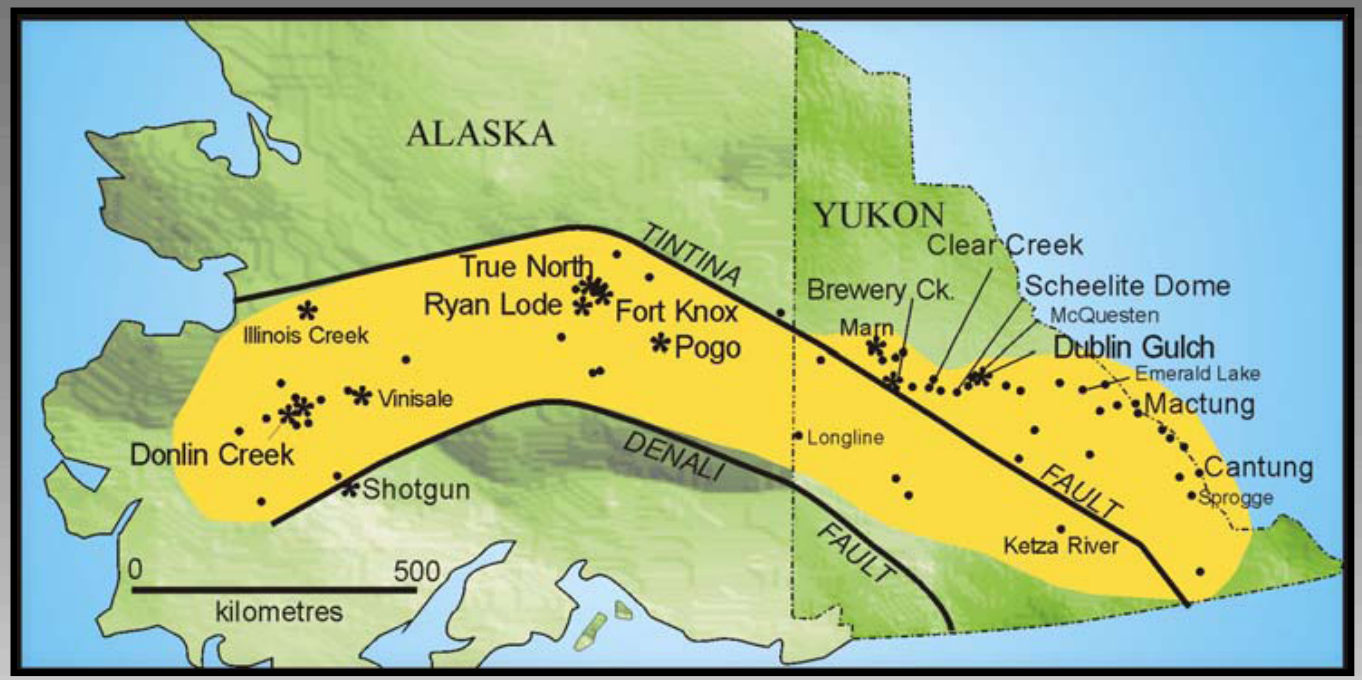


Devolution in 2003

Made in Yukon decisions for natural resources, increasing annual average mineral exploration and mining.

Yukon Government

YUKON – GEOLOGICAL ENDOWMENT



Tintina Gold Belt

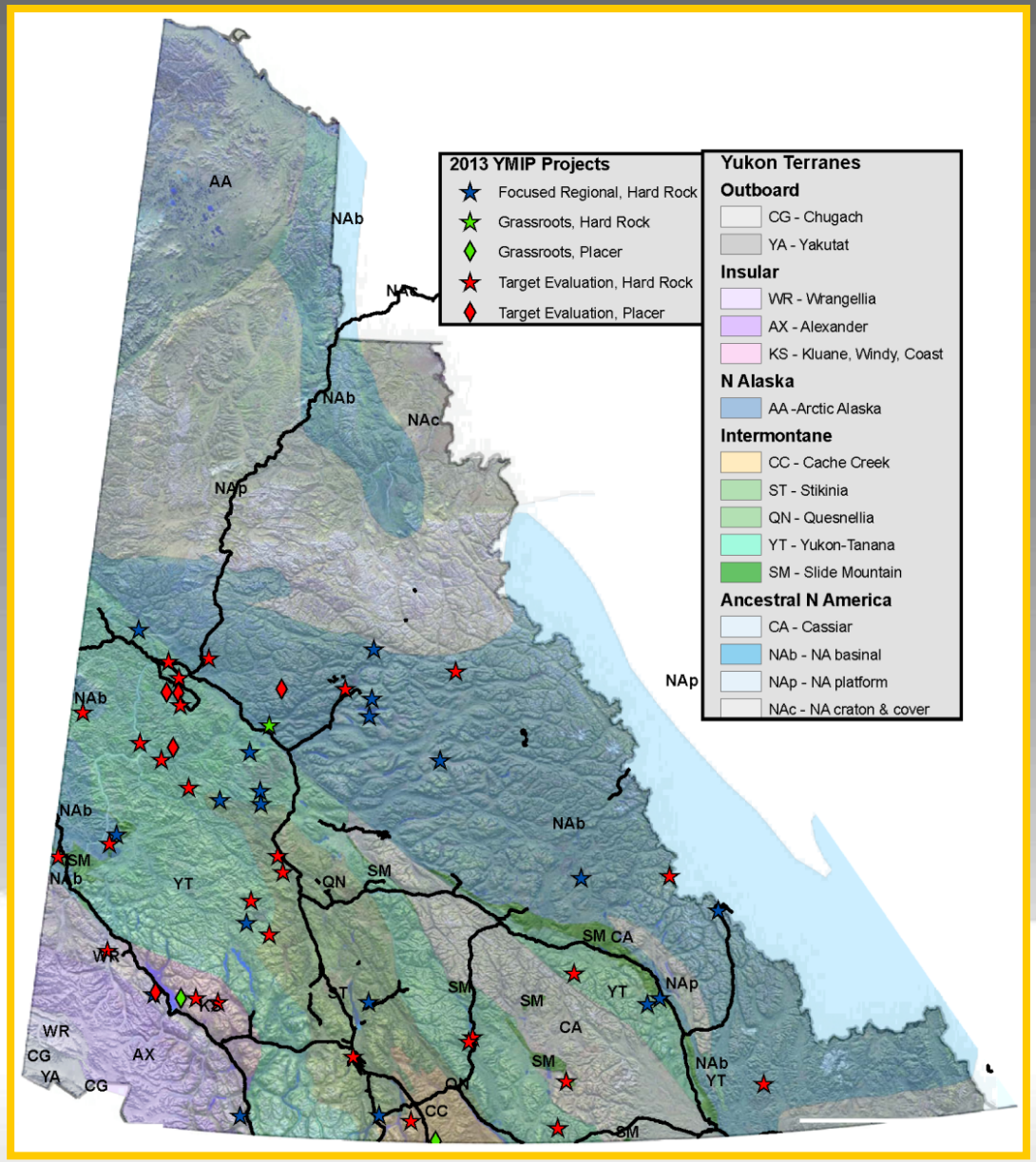
Prominent Geological Trend

- Alaska Projects: Ft. Knox, Pogo, and Donlin Creek.
- Yukon Projects: Victoria Gold – Eagle Gold, Western Copper and Gold – Casino, Capstone Mining Corp - Minto Mine, White Gold District and Rackla Belt which includes the discovery of Carlin style deposits.

Yukon Government

SHARING THE RISK

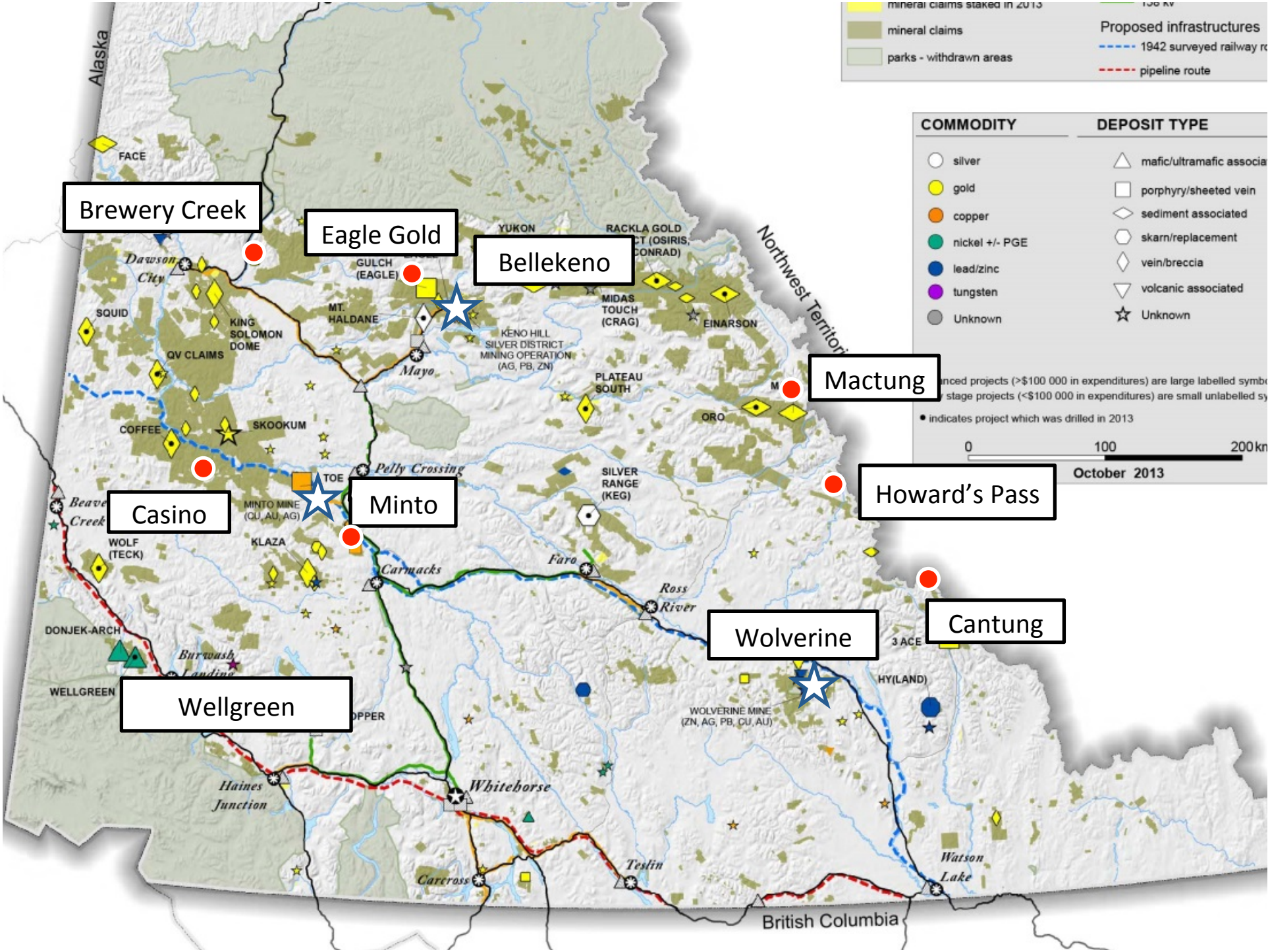
- Yukon Mineral Exploration Program: leveraging capital to support Yukon's mineral exploration sector.
- $1.4 million invested in 2014.



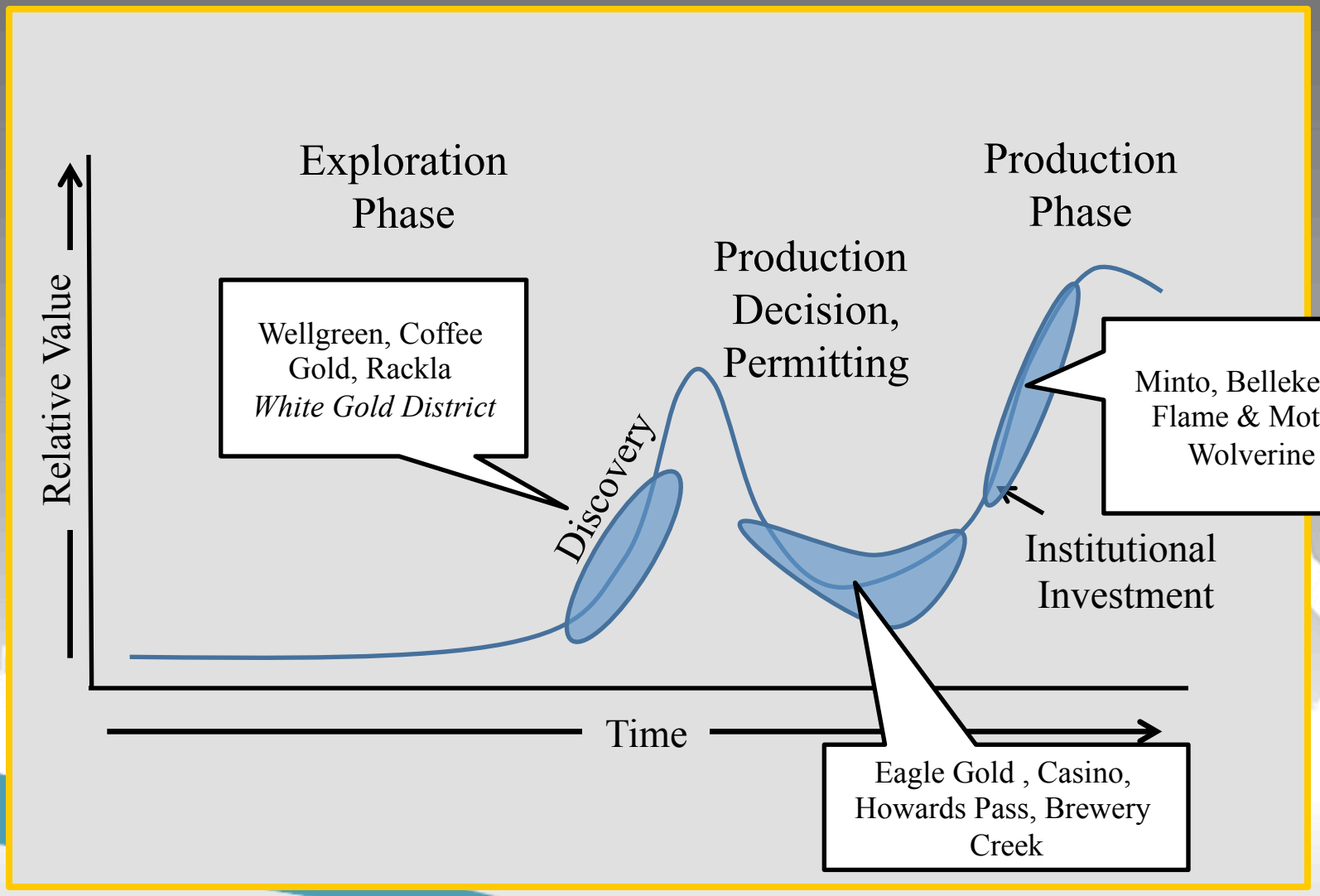
YUKON-UNDEREXPLORED OPPORTUNITY

There are over 2,700 known mineral occurrences in Yukon documented in exploration reports on claims covering less than ten per cent (10%) of Yukon's land mass.

Photo: Americas Bullion Royalty Corp.


Brewery Creek
Eagle Gold
Bellekeno
Mactung
Howard's Pass
Casino
Minto
Cantung
Wolverine
Wellgreen
mineral claims staked in 2013
mineral claims
parks - withdrawn areas
Proposed infrastructures
1942 surveyed railway
pipeline route
COMMODITY
silver
gold
copper
nickel +/- PGE
lead/zinc
tungsten
Unknown
DEPOSIT TYPE
mafic/ultramafic associa
porphyry/sheeted vein
sediment associated
skarn/replacement
vein/breccia
volcanic associated
Unknown
• indicates project which was drilled in 2013
0
100
200 km
October 2013
Alaska
Northwest Territori
British Columbia
FACE
Dawson City
SQUID
KING SOLOMON DOME
QV CLAIMS
COFFEE
SKOOKUM
GULCH (EAGLE)
MT. HALDANE
Mayo
YUKON
RACKLA GOLD
MIDAS TOUCH (CRAG)
EINARSON
KENO HILL SILVER DISTRICT MINING OPERATION (AG, PB, ZN)
PLATEAU SOUTH
ORO
SILVER RANGE (KEG)
Pelly Crossing
TOE
MINTO MINE (CU, AU, AG)
KLAZA
WOLF (TECK)
Beaver Creek
Carmacks
Faro
Ross River
DONJEK-ARCH
Burwash Landing
WELLGREEN
3 ACE
HY(LAND)
WOLVERINE MINE (ZN, AG, PB, CU, AU)
Haines Junction
Whitehorse
Carcross
Teslin
Watson Lake

INVESTMENT OPPORTUNITIES



YUKON TERRITORY

- Stable, solution-orientated and pro-industry government;
- Legislation that protects investment;
- Security of tenure, permits and licenses that are 2nd to none world-wide;
- Made-in-Yukon decisions and Yukon control of resources;
- Business/Investment First Nation Partners; and
- Strong Geological Endowment and Exploration Potential.

Yukon Government

Committed to Yukon's Cornerstone Industry
Mineral Exploration & Mining

www.investyukon.com

www.miningyukon.com

Yukon Government

CONTACT US

Yukon Economic Development

Government of Yukon

Telephone: (867) 456-6821

Email: mark.stephens@gov.yk.ca

Thank You!