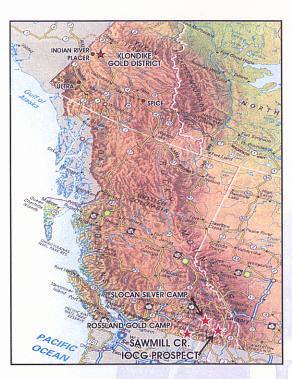




KLONDIKE GOLD CORP.

TSXV:KG

SAWMILL CREEK Iron-Oxide Cu-Au prospect



Price's Pit is a high-grade north-trending gold-silver quartz vein adjacent to a felsic dyke. Chip samples across the vein has returned values to 6 oz/tonne gold. Intense sericite alteration is widespread. Adjacent to the vein, this alteration contains anomalous gold, with values ranging from 1 to 23 grams/t across 1 meter.



Sawmill Creek is one of the richest placers creeks in the Purcell Mountains; two high grade vein deposits, Golden Egg and Prices Pit, occur here. The area is at the intersection of two main faults.

The presence of felsic intrusions, elevated gold values in dykes associated with these intrusions, small copper occurrences, hematite breccias, both base and gold veins and widespread sericitic alteration support a model for an "Iron oxide gold-copper" deposit.



Hematite breccias, widely distributed throughout the Sawmill Creek area, locally contain anomalous gold and visible chalcopyrite. They may be associated with chlorite and/or sericite alteration and appear concentrated southwest of a magnetic anomaly. Klondike Gold Corp. exploration in this area will be directed towards an Iron oxide gold-copper deposit, an attractive target due to its potential for large size and high grade.

