

North

How mineral exploration companies stayed busy in Yukon, despite the pandemic

'One of the big worries — is that one of the smaller communities would get infected'

[Dave Croft](#) · CBC News · Posted: Nov 02, 2020 8:00 AM CT | Last Updated: November 2, 2020



The Strategic Metals core shack at its Mt. Hinton gold/silver property in Yukon. Because of COVID-19-related delays in getting assay results from labs this year, geologists had to judge mineral samples by eye. (Strategic Metals)

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COVID-19 put a damper on mineral exploration in Yukon this summer for many companies.

But two companies, Strategic Metals and White Gold Corp., both say they were able to carry out exploration programs despite the limitations.

Strategic Metals has more than 120 projects in Yukon according to Richard Drechsler, the company's vice-president of communications.

The company is a project generator which means it does early-stage exploration to develop targets in the hopes of finding a partner to take on the more advanced exploration, he said.

Because of COVID-19, the company focused most of its work this year on its Mt. Hinton gold/silver property in central Yukon.

Drechsler said the company started later in the summer than normal, "so that we could make sure everyone had all the protocols in place," he said.

"We try to work very closely with all the First Nations. And that was, you know, one of the big worries — is that one of the smaller communities would get infected," said Drechsler.

He said the crew was quarantined at a crewhouse in Whitehorse and then taken directly to the exploration camp to prevent contact with people in communities.

Another effect of pandemic distancing rules, Drechsler said, is that the capacity of assay labs to test samples was greatly reduced.



Gold nuggets from a placer mine at Mt. Hinton. Strategic Metals is looking for the source of these. (Stuart Gray with Earth & Iron Inc.)

He said normally the results from the first drill holes are then used to target the second half of a drilling program. But there have been long delays this year, he said.

"So it was a little tough ... because you've got to rely 100 per cent on just visuals from the geologists when they're logging the core and the mineralization that we were encountering."

The surge in the price of gold to well over \$2,000 per ounce led to a surge in money from investors, Drechsler said.

The company was able to raise enough money to spend about \$5 million on its exploration in Yukon, he said.

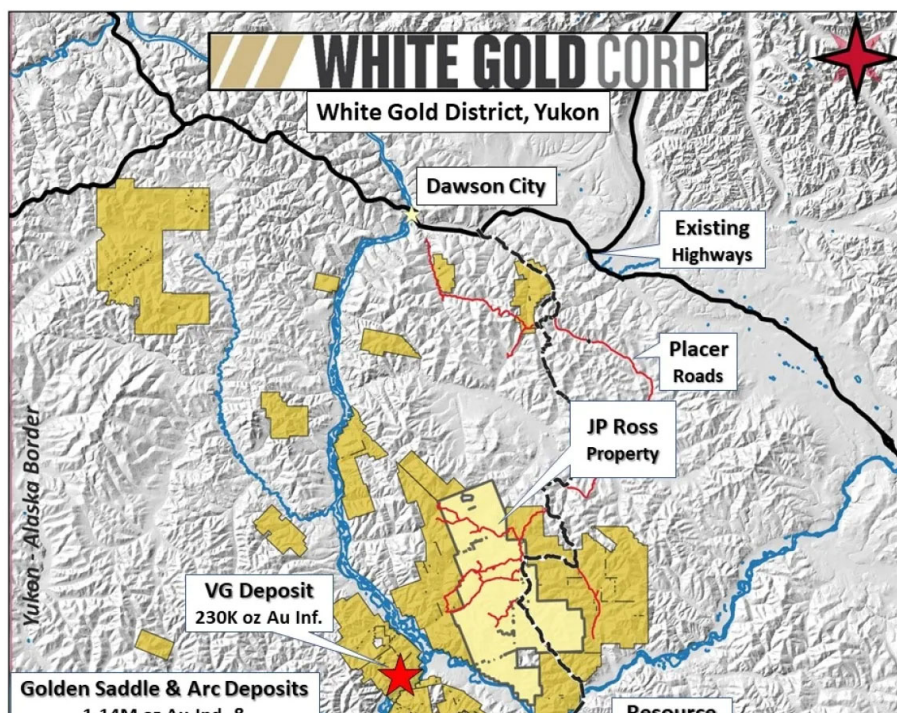
'I think we handled it really well'

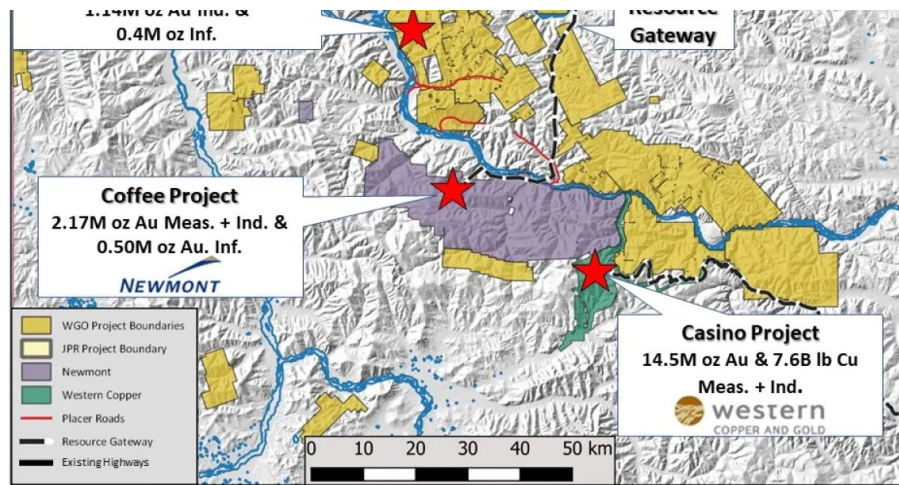
White Gold Corp. had arranged its \$4-million pot of exploration money before the beginning of the season, said chief executive officer, David D'Onofrio, and could have spent up to around \$8 million this year.

But the company limited its exploration activities to better manage safety protocols related to COVID-19.

Terry Brace, the company's vice-president of exploration, said that included splitting the workforce into smaller sections and putting them in separate camps.

"I think we handled it really well, I mean, going in we got off to a little bit of a late start," he said.





White Gold Corp. exploration properties south of Dawson City are highlighted in yellow. (White Gold Corp.)

White Gold's chief technical advisor, Yukon prospector Shawn Ryan, said the company began cautiously at the beginning of its exploration season.

It reduced its annual workforce from around 100 people to about 40 to 50 this year, he said.

According to the company's website, White Gold owns 21,207 quartz claims across 33 properties covering over 420,000 hectares in the White Gold district south of Dawson City.

Ryan said the results of this summer's work continue to indicate the area has a lot of potential, especially the adjacent Golden Saddle and Arc deposits, he said.

The company estimates so far there are well over a million ounces of gold in the deposits, and the size of the deposits are expanding as the exploration work continues.

"The more work we do, the more encouraged we are about A, what we're finding, and B, the prospects of everything we have for future seasons," said D'Onofrio.

- [Yukon mining workers can now self-isolate on site, instead of in Whitehorse](#)
- [Yukon reports 1st COVID-19-related death, in Watson Lake](#)

It also began exploration this summer on a property it owns on Bonanza Creek, the site of the gold discovery that set off the Klondike Gold Rush.

D'Onofrio said the high price of gold is expected to continue.

He said that could make it easier for other mining companies to raise money to buy and develop White Gold properties into mines. It's already working on joint projects with Kinross Gold Corp. and Agnico Eagle Mines.