The Golden Triangle, located in British Columbia’s Skeena Mining District is one of the most prolific mining areas of the Canadian Cordillera. BC’s Golden Triangle is on the verge of exciting times for explorers and mine developers as it moves again into a golden era sure to satisfy an industry looking for a payday for investors. The Golden Triangle, in BC’s northwestern corner, adjacent to Alaska’s panhandle and the town of Stewart, is in a phase of revival not seen since the days of the 1990s when two high-grade gold mines opened. When those mines eventually closed down, due to uncertain metal prices and infra-structure deficiencies, the area became economically dormant.

Activity in the Golden Triangle has dramatically increased with the discovery of a world-class gold deposit by Pretium Resources at their Brucejack Project, scheduled for production in 2017. As well, the installation of a 344 km-287 kilovolt power line to the nearby Red Chris producing copper-gold mine provides power to this part of the province.

The adage that you find mines where there are mines has again proven to be true and the Triangle is now where the action is with dozens of companies on the ground performing all phases of exploration – many fairly advanced. Supporting the favourable geology containing a wide range of mineral deposits comprising high-grade gold veins, porphyries and volcanogenic massive sulphides is the town of Stewart with its year-round, ice-free, ocean port at the head of the Portland Canal.

HISTORY OF GOLDEN TRIANGLE
Some of the fame of the Triangle goes back...
over 100 years but its glory days were in the mid-1980s with the discovery of the Snip deposit that produced over a million ounces of gold grading of 25 g/t which was followed by the Eskay Creek discovery that produced 3.27 million ounces of gold grading 49 g/t and 158 million ounces of silver grading 2,406 g/t.

The earlier fame to the Triangle started with the discovery of the Premier or Silback Premier Mine in 1910 which operated with a few interruptions between 1918 and 1953. Exploration and a limited amount of production occurred since it closure in 1953 and it is now under active exploration by Ascot Resources. Production to date is 42.85 million oz Au; 1.99 million oz. Au; 547 million pounds Pb; 17.55 million lbs Zn; 4.09 million lbs Cu and 178,000 lbs Cd.

Additional fame ascribable to the Triangle, although with a tragic element to it with the death of 28 miners in an underground disaster triggered by an avalanche in 1965, is the Granduc Mine. Discovered in 1931 it operated between 1971 and 1984 and produced 420,000,000 lbs copper and is now being explored by Castle Resources Inc. [CRI-CSE]. A third operating mine was operated by Scottie Gold and produced 105,000 ounces of gold between 1981 and 1985. A number of small high-grade silver mines, notably the Prosperity Porter-Idaho, operated adjacent to Alice Arm south of Stewart during the 1930s; it was investigated later with limited success.

Located at the northern edge of the Triangle is the operating Red Chris Mine of Imperial Metals Corp. [III-TSX; IPMLF-OTC] that commenced production in 2014 with a 2016 annual production target of 90-100 million lbs Cu and 60-70,000 oz gold.

**ACTIVE TRIANGLE EXPLORERS**

Spearheading the Golden Triangle rush is the Pretium Resources Inc.’s [PVG-TSX, NYSE] Brucejack Project at the Valley of the Kings 65 km north of Stewart. Proven and probable mineral reserves (as of June, 2014) were 6.9 million ounces based on 13.6 million tonnes grading 15.7 g/t.

Nearby grassroots exploration and infill underground drilling is expected to expand the reserve base of the project. Construction is in progress with commercial production scheduled for Q3 2017. In addition, Pretium has the nearby Snowfield Project that hosts a gold-rich copper porphyry deposit with measured and indicated resources of 25.9 million ounces of gold, 75.8 million ounces of silver and 2.98 million pounds of copper and inferred resources of additional gold, silver, copper, molybdenum and rhenium.

Considered one of the world’s largest undeveloped precious and base metal deposits in the making the Kerr-Sulphurets-Mitchell Project of Seabridge Gold Inc. [SKM-TSX] is contiguous to the west of Brucejack. Proven and probable reserves are 2,164,000,000 tonnes grading 0.55 g/t Au, 0.21% Cu, 2.74 g/t Ag, and 44.7 ppm MoS2 containing 38,200,000 oz Au, 9,888,000,000 lbs Cu, 191,000,000 oz Ag and 213,000,000 lbs MoS2 with substantial resources in the measured, indicated and inferred categories.

This summer Seabridge will conduct a 10,000-metre drill program to expand the block cave shapes of the planned underground workings. On June 6, Seabridge announced a planned arrangement to acquire all the issued and outstanding shares of SnipGold Corp. based on a formula of 1/63 of a Seabridge share for one SnipGold share. SnipGold, formerly Skyline Gold, was a prominent Triangle explorer in the late 1980s and early 1990s with a sizeable land package unexplored since 1990s.

Noting that the measured and indicated resources of 49 million ounces of gold plus an additional 29 million ounces in the inferred category, Rudi Fronk, Chairman and CEO of Seabridge Gold, told Resource World, “We believe there are more resources to be added to the KSM Project. We are continuing to add more gold and copper resources each year since we made the initial discovery at the Mitchell Zone in 2006. We see a tremendous potential remaining there.”

He explained that the 2012 Pre-Feasibility Study showed a mine life in excess of 50 years. “Since that time, we have added over a billion tonnes of new material – about 50% more tonnes than in our projected reserves from the 2012 study – and those additional tonnes are coming in significantly higher grade than our existing reserves,” said Fronk. “So even though we had projected a 55-year mine life in the prior study, we expect that the additions we made will extend the mine life further.”

Looking at the next steps to advance KSM, Fronk said, “We are now in the process of updating the 2012 Pre-Feasibility Study. A lot has changed since that time. Gold and copper prices are lower since 2012; however, offsetting that is a weaker Canadian dollar, lower labour and energy costs.”

He said the updated study will be completed in August and will show the impact of the higher grade zones to the economics of the project. “We have made it clear that KSM is too large to build on our own,” said Fronk. “Our plan is to bring in a major mining company as a joint venture partner to do the heavy lifting in terms of construction and operation of the mine and we continue to dialogue with many of the large gold and copper-based companies.”

Two projects with sizeable tonnages and potentially economic grades awaiting future government approvals that demonstrate the magnitude of the Triangle and precursors to what the Triangle contains are Galore Creek and Schaft Creek. Galore Creek is a project owned by NovaGold Resources Inc. [NG-TSX, NYSE MKT] and Teck Resources Ltd. [TCK.B-TSX; TCK-NYSE] and has a prefeasibility study to mine 82,000 tonnes of ore per day to produce 6.2 billion lbs Cu, 4.0 million oz Au and 65.8 million oz Ag over an approximate 18-year mine life.

Schaft Creek is a Copper Fox Metals Inc. [CUU-TSXV; CPXF-OTC] / Teck Resources joint venture that hosts a measured and indicated resource of 1,228.6 million tonnes grading 0.26% Cu, 0.017% MoS2, 0.19 g/t Au, 1.69 g/t Ag and 597.2 million tonnes inferred resources grading
0.22% Cu, 0.016% MoS₂, 0.17 g/t Au, and 1.65 g/t Ag.

A company with strong roots to the Triangle is IDM Mining Ltd. [IDM-TSXV; RVRCF-OTC] by way of the company’s President Robert McLeod and family with roots starting decades ago with exploration and mining in the Stewart area. The company’s flagship is their Red Mountain Project with measured and indicated resources of 441,500 oz. Au averaging 8.36 g/t Au plus inferred resources of 82,300 oz Au at 7.69 g/t Au and wide open for expansion over a contiguous 16 km long by 4 km wide hydrothermal system. Since 1996, there has been minimal exploration on the property with increased bedrock exposure due to retreating glaciers.

An updated PEA stated the after-tax base-case economics at Red Mountain indicate an NPV of $86.6-million at a 5% discount rate with an IRR of 32.3% and a two-year payback of initial capital.

Surface mapping and sampling have identified a new, extensive zone of multiphase veining and shearing, hosting high-grade, intrusive-related, gold-silver-molybdenum mineralization at the Lost Valley area of Red Mountain. This new area was recently exposed by the retreating Cambria icefield. Assays range from trace to 165 g/t Au, averaging 10.5 g/t Au, as well as trace to 1,065 g/t Ag, averaging 81 g/t Ag. A total of 22 samples assayed over 3.0 g/t Au, averaging 30.45 g/t Au.

Colorado Resources Ltd. [CXO-TSXV; CLASF-OTC] is the largest junior landholder in the Golden Triangle with five projects totaling over 100,000 hectares. In 2013, Colorado made the North ROK porphyry copper gold discovery in the Red Chris camp – the first new discovery in more than 40 years in this area. Colorado also holds the Kinaskan property located to the north of the GJ Project of Skeena Resources and between Skeena’s GJ and Spectrum Project.

In 2014, Colorado started to assemble the KSP Project by staking and an option to earn 80% with Snipgold in the Snip Camp noting geological similarities with the KSM and Brucejack properties of Seabridge and Pretium located 25 km east. In 2015, Colorado optioned its epithermal gold Heart Peak Project to Centerra Gold [CG-TSX] and continued to advance KSP.

In June 2016, Colorado’s KSP option partner Snipgold was acquired by Seabridge who confirmed geological similarities with the KSM- Pretium belt. Colorado subsequently doubled its landholdings in the immediate area of KSP with its acquisition of the Kingpin property, thus totalling an area of > 65 km long between the past Producing Granduc and Snip Mines.

The >300 km² KSP property covers over 48 mineral occurrences and >100 km² areas of altered and anomalous rocks associated with the 25 km long Sky trust fault system and covers high-grade gold, porphyry copper gold, skarn and vein occurrences. Some of these are highlighted by the Inel occurrence with a 1.5 km² area averaging 1.27 g/t Au in soils and an area in the 1980s where 1.2 km of underground exploration was completed and the Khyber Pass area where 1,100 soil samples have returned a remarkable 810 ppb gold average. The > 320 km² Kingpin covers over 35 mineral occurrences and geology on trend to the SE of the KSP property and west of Seabridge’s KSM property.

In 2016 Colorado is advancing KSP and on July 19 announced it had completed 37 holes totaling > 5,000 m in 30 days with one rig. Assay results from the first eight holes included Hole INDDH16-001 that returned 11.0 metres grading 6.12 g/t Au, 45.74 g/t Ag and 2.18% Zn, including 3.0 metres of 8.60 g/t Au, 37.37 g/t Ag and 4.36% Zn.

Colorado’s JV partner Centerra also noted that it was planning to complete up to 2,000 m of drilling at the Heart Peaks Project.

Geologist, Ron Netolitzky, whose fame is part and parcel of the Triangle was directly involved with both the Snip and Eskay Creek discoveries. He now heads Skeena Resources Ltd. [SKE-TSXV; SKREF-OTC] which is exploring the Spectrum gold project, the adjacent GI copper-gold project and the past-producing Snip gold mine. Spectrum has indicated resources of 290,000 oz Au, 1.82 million oz Ag and 20.835 million lbs Cu. Inferred resources stand at 750,000 oz Au, 2.8 million oz Ag and 54.889 million lbs Cu.

The GJ Project comprises the Donnally property with resource estimates of 940 million lbs Cu, 1.56 million oz Au in the measured and indicated categories and 312.5 million lbs Cu, and 0.57 million oz Au in the inferred category. The Snip Mine with a one million ounce gold production record in the 1980s is believed to have undiscovered gold resources.

Ascot Resources Ltd. [AOT-TSXV] owns the former Premier gold mine and adjoining Dilworth optioned property where indicated mineral resources at 0.3 g/t cut-off are 93,502,000 tonnes grading 0.82 g/t Au (2,475,000 oz) and 6.9 g/t Ag (20,783,000 oz) and inferred resources at 79,278,000 tonnes grading 0.59 g/t Au (1,494,000 oz) and 7.2 g/t Ag (18,248,000 oz). Drilling in progress in 2016 comprising 42,200 metres in 149 holes in the Premier Mine area continue to demonstrate good mineralization continuity, including one hole that intersected 3.05 metres grading 104.74 g/t Au and several other holes containing visible gold with assays pending.

American Creek Resources Ltd. [AMK-TSXV] owns the Electrum property 45 km north of Stewart and the Treaty Creek property adjacent to Seabridge Gold’s KSM Project and, in a series of stock and cash transactions, formed joint ventures with Tudor Gold Corp. [TUD-TSXV] and Teuton Resources Corp. [TUO-TSXV; TEUTF-OTC; TFE-FSE]. Electrum lies near past-producing mines Premier, Scotty and Granduc with identified high-grade gold and silver vein systems and Treaty Creek has structures traceable to KSM and Pretium’s Brucejack Project. In June, the American Creek/Tudor JV began a drill program at Electrum. American Creek owns 100% of the Silvershot prospect near the past-producing Portland Canal Mine and nearby several historic mines that hosted high-grade lead/silver deposits. The Portland Mine operated briefly between 1911 and 1912 producing 8,164 tonnes of ore averaging 2.33 g/t Au, 98.55...
g/t Ag and 1.56% Pb. Drilling in 1973 defined a resource of similar tonnage of Au, Ag, Pb and Zn.

Millrock Resources Inc. [MRO-TSXV; MLRKF-OTCQX] has acquired a 100% interest in the Willoughby high-grade gold prospect 27 km east of Stewart where previous drilling returned 20.5 metres of 25.0 g/t gold and 184.2 g/t silver. The 995-hectare claim block is 3 km east of IDM’s Red Mountain Project and 8 km south of Millrock’s Poly (and Todd) property and the LNT property, which Millrock has an option to purchase from Teuton.

Garibaldi Resources Corp. [GGI-TSXV; RQM-FSE] is conducting a work program at the nearly 100 km² Palm Springs project contiguous to Colorado’s KSP property that includes soil and rock sampling. XRF assay technology is being used to detect pathfinder minerals. Garibaldi can earn up to a 90% interest from Decoors Mining Corp. Sampling by Noranda returned 84 g/t gold and 8% copper. With its Palm Springs Project, the E&L nickel-copper-gold deposit, and the King North and King South properties, Garibaldi controls more than 150 km² in this core part of the Golden Triangle. King North is already permitted for drilling.

Aben Resources Ltd. [ABN-TSXV] newest gold project is the 23,000-hectare Forrest Kerr Project in the Golden Triangle. This consolidated land package is along the Forrest Kerr Fault in a region hosting many significant mineral deposits.

Other claim holders in the Triangle include Barrick Gold Corp. [ABX-TSX, NYSE], Auramex Resource Corp. [AUX-TSXV], Eskay Mining Corp. [ESK-TSXV], Metallis Resources Inc. [MTS-TSXV] and Romios Resources Inc. [RG-TSXV].

Northwest of the Golden Triangle is the Sheslay Valley where several companies have been exploring. Doubleview Capital Corp. [DBV-TSXV; DBLVF-OTCBB] plans to resume drilling its gold-copper porphyry Hat Project 95 km southwest of Dease Lake. Ashburton Ventures Inc. [ABR-TSXV; ASHXF-OTC; ARB-FSE] holds the Hackett Project adjoining the Doubleview ground.

Garibaldi Resources Corp. has been exploring the Grizzly West property which has a well-defined copper-gold porphyry target, one of a number of prospective areas it controls. Teck Resources Ltd. [TCK.B-TSX; TCK-NYSE] also holds a large land position in the Sheslay Valley.

Dolly Varden Silver Corp. [DV-TSXV; DOLLF-OTC] has new management, a new share structure and revised loans to kick-start the company. The 100%-owned land position in the Upper Kitsault Valley has four post-producing silver deposits where almost 32 million oz silver is indicated.

Also outside the Triangle, Brixton Metals Corp. [BBB-TSXV; BXTMF-OTC] has completed a Phase I soil-rock geochemical program on its Thorn property 120 km northwest of Telegraph Creek. A total of 981 soil and 159 rock samples were collected and submitted for analysis. The majority of samples were collected within in new area of the property which has not seen any previous exploration called the Chivas Zone. Secondary areas sampled were the Outlaw Zone, Aberlour Zone and Amarillo Creek, where follow-up sampling was conducted on encouraging gold results. Based on the results, further exploration may be conducted later this year.