



DESERT MOUNTAIN ENERGY CORP.

Yellowjacket Gold Project - Atlin, B.C.

PERMITTED GOLD MINE WITH OUTSTANDING REGIONAL DISCOVERY POTENTIAL



- Excellent near-production property in politically stable Canada.
- **291 sq. km.** located in one of Canada's most prolific mining camps, 9 km east of Atlin, B.C.
- Excellent infrastructure, accessed by all-season road with hydro-electric power within 5 km of property boundaries.
- Site of a gold rush in the late 19th century with historic recorded production over **1 million ounces**.
- Permitted for an open pit gold mine with an onsite mill and concentrator. Highly prospective for both mineral (hard-rock) and placer deposits. *Current Status: Care and Maintenance*
- Utilized Simple gravity recovery plant with the use of chemicals.
- Positive relationship with indigenous Taku River Tlingit First Nation.
- Proven, successful management team (formerly Pan African Mining Corp.)
- Excellent access to capital markets and Debt-Free.
- Placer mining lease agreements in place with two separate experienced operators. The operators bear full responsibility for all costs and pay AQ 10% gross royalty.



Historic Homestake Resource (Schroeter and Pinsent, 2000):
150,000 oz. (453,500 Tonnes @ 10.26 g/t Au)
 down to 140 metres

Historic Drill Intercepts at Yellowjacket Gold Project

Drill hole	Interval	Width	Grade (g/t)
YJ03-01	13.95m to 19.51m	5.56m	513.5
YJ04-07	48.85m to 54.45m	5.6m	40.1
including:	53.95m to 54.45m	0.5m	588.9
TW05-02	10.67m to 12.79m	2.12m	853.0
including:	10.67m to 11.58m	0.91m	2,397
TW05-02	20.05m to 41.50m	21.45m	11.5

The general area encompassed by drilling covers approximately 300 metres x 100 metres, with the deepest mineralized intersection encountered at 140 metres. The deposit appears to be open along strike in both directions and to depth

2016 -17 Accomplishments

- Brought the Project into compliance with Provincial and Federal regulations by conducting environmental sampling and submitting required reports.
- Repairs and upgrades to mine site infrastructure.
- 2016 diamond drilling program confirmed and expanded gold mineralization at Yellowjacket main zone with step out holes.
- 2017 diamond drilling program tested area 300 meters to the east, with results pending.
- Assembled a strong technical team.
- Expanded hard-rock mineral tenures five-fold underlying prolific placer gold mining areas along Pine, Spruce, McKee and Wright Creeks.

Great opportunities to expand the potential. Deposit has only been drilled over an area of 300 X 100 metres of the 79.56 sq. km. of highly prospective ground much of which is directly on strike.

2016 Drill Program Drill Results: Confirm Down-Dip Continuation of Gold Mineralized Zone

Drill hole	Interval	Width	Grade (g/t)
YJ16-01	64.30m to 65.80m	1.50m	3.2
YJ16-02	49.70m to 51.00m	1.30m	2.6
and	73.40m to 74.49m	1.09m	8.9
and	102.40m to 113.40m	11.00m	4.1
including:	102.40m to 103.48m	1.08m	37.1
YJ16-03	135.33m to 136.25m	0.92m	2.7
YJ16-04	71.77m to 73.27m	1.50m	2.6

Diamond drilling has confirmed historic Yellowjacket mineralization. Although the deep drilling, targeted by holes YJ16-03 and YJ16-04, was terminated in a strong fault zone, intersecting this deep gold mineralization remains a key target for the next drill phase.



VISIBLE GOLD IN CUT DRILL CORE

