

CASINO

NEWSLETTER, Issue 1
November 2013



INSIDE:

- Casino Project Update
- Spotlight on President Paul West-Sells
- Investing in People & Sharing Stories

Building strong
partnerships and
creating
opportunities for
Yukoners is at the
heart of
everything we do.

ALASKA

YUKON

NORTHWEST
TERRITORIES

CASINO PROJECT

PELLY CROSSING

CARMACKS

WHITEHORSE



Welcome

Welcome to the first edition of the Casino project newsletter. Over the coming months, we'll bring you information about this exciting project, the company that's spearheading it, the people who will make it happen, and about you, our readers.

The company is focused on advancing its flagship Casino project, which is a world-class copper and gold deposit in the Yukon.

Over the past six years, our experienced team of engineering and science experts has worked extremely hard to bring the project to its current milestone. That is, the preparation for submission by year-end of a project proposal to the Yukon Environmental and Socio-economic Assessment Board (YESAB) for a project environmental and socio-economic effects review, followed by the Yukon Government and Yukon Water Board permitting and licensing process.

Following this phase, Casino anticipates proceeding to construction and operation.

Over the years, Casino has been working to establish strong collaborative relationships with the Yukon Government, Yukon First Nation governments, and Yukon communities. Only through transparent and respectful communication with all interested and affected parties, can Casino and Yukoners enjoy the multi-generational benefits of the project.

Casino takes a careful, considered and balanced approach that is good for Yukoners and is good for business, and aligns with today's responsible mining practices using territorial, national and international standards.

We are committed to developing the project in a manner that respects and protects the environment while enhancing benefits to Yukon communities using sound and proven technologies and industry best practices.

We hope this newsletter gives you a better sense of what Casino is about, and how you, your community, and the Yukon can benefit from the project.

We look forward to hearing from you.



Paul West-Sells
President
Casino Mining Corporation

CASINO PROJECT UPDATE

The Casino project is located in west-central Yukon, approximately 300 km northwest of Whitehorse, 150 km northwest of Carmacks, and 115 km west of Pelly Crossing.

Casino is a copper, gold, molybdenum and silver deposit that is typical of many porphyry copper deposits, ranking among the largest in the world. The deposit is centered on the 70 million year old Patton Porphyry, which intrudes older, surrounding rocks in the area. The company proposes to mine the economically valuable material from the ground, by using an open-pit, truck and shovel operation.

The project is in the Yukon Plateau, a region characterized by weathered bedrock landscape, treed and rolling topography, and moderate to deeply cut valleys.

Casino is located on Crown Land that is administered by the Yukon Government. The Yukon Land Claims Final Umbrella Agreement shows that Casino lies within the traditional territory of the Selkirk First Nation and the project's road access falls within the traditional territories of both the Selkirk and Little Salmon/Carmacks First Nations. The Tr'ondëk Hwëch'in traditional territory lies to the north of the property.

Access to the project site will be by plane and a new 132 km unpaved road extending from the end of the Freegold Road, about 70 km northwest of Carmacks. This proposed road will be an industrial road, and will have controlled access.



Liquefied natural gas will be imported by truck to the project site and gasified to provide natural gas to fuel the power generation plant.

Casino is applying a measured approach to the preparation of its project proposal to the YESAB Executive Committee by year-end. YESAB will assess the Casino project for environmental and socio-economic effects and make its recommendations. The proposal will seek permission to construct and operate the Casino mine over an estimated period of more than 20 years.

Following YESAB approval, Casino will secure permits and licenses from the Yukon Government for a *Quartz Mining License* and Land Use Permit (related to construction of the access road), and the Yukon Water Board for a *Water Use License*.

Past and Projected Milestones

The company has completed six years of baseline environmental and geotechnical engineering work, as well as environmental, social and economic studies. Past and anticipated projected milestones include:

2007	• Environmental baseline studies initiated
2008	• Initial pre-feasibility study completed
2010	• Pre-feasibility study updated
2007-12	• \$35 million spent
2008-13	• Environmental studies • Mineral resource evaluation • Freegold Road extension assessment • Regular meetings with regulators, YESAB Executive Committee, Yukon Government departments • Continuing meetings with First Nation governments and communities
2013	• Bankable feasibility study report completed • YESAB submission preparations & completion • \$8 million budgeted
2013-16	• YESAB review and screening process • Yukon Government and Yukon Water Board permitting & licensing process
2016	• Mine construction starts
2017	• Mine production / heap leach operation starts
2019	• Mill operation starts

Product

On-site processing facilities will produce for sale: a copper/gold concentrate; a molybdenum concentrate; and gold and silver doré (bars).

Based on the Casino feasibility study report, the deposit is expected to produce the following total amount of metals over the 22-years of mine operation:

- Gold – 5.72 million ounces
- Silver – 30.26 million ounces
- Copper – 3.58 billion pounds
- Molybdenum – 325 million pounds

About 859 million tonnes of ore will be mined and processed through the concentrator directly in the first 20 years. An additional 117 million tonnes of lower grade ore will be processed from stockpile.

These concentrates will be trucked to Skagway, Alaska and then shipped to overseas smelters to be turned into usable metals. The doré will be shipped by truck to market.

USES:

Copper: Electrical conductors (e.g. wiring in homes, cars, electric motors); Plumbing pipes & fixtures

Gold & silver: Jewelry; Coins; Electrical conductors (e.g. computers, iPhones); Medical treatment

Molybdenum: Mixed with other metals to produce steel; Chemicals & lubricants (e.g. smoke/flame retardants, aircraft)



Benefits & Opportunities

The proposed Casino mine will offer a number of economic benefits and opportunities including:

- Business opportunities for product and service contracts, and joint ventures and other business partnerships during the construction and operation phases
- Employment opportunities for all Yukoners
- Skilled trades training opportunities
- Trades and professional career development opportunities
- Capacity support for community infrastructure, organizations, and initiatives

Casino is capable of generating substantial benefits to the Yukon. The total projected impacts of construction and operation to the Yukon is: \$6.4 billion to its Gross Domestic Product; \$1.8 billion in tax and royalty revenue; and approximately 600 employed annually during operations.

SPOTLIGHT ON

PRESIDENT PAUL WEST-SELLS

By Peter Ion

Technical Author, Whitehorse

Paul West-Sells, President,
Casino Mining Corporation

photo: Mike Thomas



Company President Dr. Paul West-Sells, by his own admission, may have taken something of a risk in leaving a senior mining company to take up the reins at a junior operation, but one of his main motivations was the opportunity to “get to wear a number of hats.” His oldest hats marked ‘metallurgist’ and ‘engineer’ are permanent fixtures in his current role, but the door to a much fuller wardrobe of headwear is always open.

The son of a civil engineer, Paul admits that “**chemistry was my early passion**” and that “I was the kid who nearly burnt his fingers off undertaking laboratory experiments.” In an earlier era he would have been labeled an alchemist but his science project work led him into metallurgy, formalized through undergraduate and postgraduate degrees at the University of British Columbia. His doctoral thesis, sponsored by Teck Cominco in Trail BC, kept him close to his hometown of Kimberley in the Kootenays. His early specializations were in hydrometallurgy and the aqueous processing of zinc.

The Research and Development Centre owned by BHP in Reno, Nevada drew Paul after graduation in 1996 where he worked on projects focusing upon the upgrading of ilmenite (an iron-titanium ore) specifically in the production of paint pigments, and also in water purification where it serves as a catalyst to oxidize biological and viral contaminants. It also provided Paul with his introduction to the world of copper through bioleaching project work.

Whilst still an employee of BHP, he moved back to Vancouver in 2000 to continue his research and development career with Placer Dome. Transitioning to Barrick Gold in 2006 he was provided the opportunity to work on cyanide alternatives in gold processing and at Barrick’s Zaldívar property in Northern Chile where his expertise in copper production was enhanced. Experience in cost-recovery economics in mining was strengthened through his eight-month tenure with Barrick.

Western Copper and Gold approached Paul in 2006 when he accepted the role of Senior Metallurgist before promotion to the role of Executive Vice President of Corporate Development in 2008. His early responsibilities entailed managing pre-feasibility assessments on the Casino project in the Yukon. Marketing and investor-relationship responsibilities were precursors to his current position as President in 2010. His is the responsibility for day-to-day operations being completed to schedule.

Paul gives the Casino project his full focus and openly admits that “it is all I am working on right now.” For him it is “a very important project that brings me to the Yukon every month now, more frequently during the busy summer months.” He acknowledges the importance of “spending time in the communities and developing relationships over the years, and I am glad that we did so before going to YESAB.”

Knowing the potential challenges of obtaining full approval, Paul admits that he is “looking forward to the process of responding to the project assessors” and feels “very confident that we will get the project permitted and that Casino will serve as a long-lasting asset in the Yukon.” Casino Mining Corporation is the wholly owned subsidiary of Western Copper and Gold Corporation based in Vancouver. Asked to characterize the Casino project he describes it as “conventional technology done right.” When asked further if he saw Casino as his legacy project, he said “that would be a little presumptive, as there are far too many other people involved to warrant that description for me.”

Paul lives in Vancouver with his family including a five-year-old son and three-year-old daughter and their Bernese-Retriever crossbreed, all of whom were “likely still on a sugar high from the previous night’s Halloween festivities.” He still finds time for the important things in life at home before departing to a precious metals conference in Zurich. On his return he will be representing Casino Mining Corporation at the Yukon Geoscience Forum this month.

“Very confident that we will get the project permitted and that Casino will serve as a long-lasting asset in the Yukon”

Investing in People & Sharing Stories

Selkirk Spirit Dancers in Juneau

With the support of Casino last year, the Selkirk Spirit Dancers were able to travel farther than they ever had before. The group of traditional dancers from Pelly Crossing traveled to Juneau, Alaska for the city's biannual Cultural Celebration.

Dance troupe leader Teri-Lee Isaac says it was a profound experience for the group, which had only danced in the Yukon before. "We performed in four venues over five days, to crowds as large as 400 people," she says. "We were seen by many locals, and tourists visiting Juneau."

"We had to do a lot of fundraising to make the trip happen. We would have had to do a lot more without the help of Casino," continues Isaac.

The Selkirk Spirit Dancers started in 2006, when Selkirk First Nation member Carmen Baker returned home to Pelly Crossing. She decided that something had to be done to help rebuild the community's cultural heritage and provide youth with healthy, alternative activities.

"We had to do a lot of fundraising to make the trip happen. We would have had to do a lot more without the help of Casino."

Isaac says their group really made an impression in Juneau, proudly displaying its Northern Tutchone culture.

"They said we stood out more than any other troupe there, especially because of our moose hide dresses," says Isaac. "The other performers there are Tlingit, sing Tlingit songs and have their traditional regalia. They had never seen a performance that looked like ours before."

"We were proud to help sponsor the Selkirk Spirit Dancers," says Casino President Paul West-Sells. "We feel strongly that part of our responsibility as a company is to help communities in the region grow, prosper, and be healthy."

▼ Selkirk Spirit Dancers in Juneau

photo: Teri-Lee Isaac





Casino President Paul West-Sells (centre) presents a donation to Whitehorse Search and Rescue President Cam Beemer, (right) and Director/Instructor Lisa Martin (left).
photo: Murray Martin

Tantalus School Breakfast & Lunch Program

Principal Morgan Douglas-Alexander from Tantalus School in Carmacks cannot say enough about her staff and their dedication to the school's Breakfast and Lunch Program. "Our amazing team of teachers ensure the program runs smoothly and the kids are fed," says Douglas-Alexander.

The program serves a nutritious breakfast and lunch to students each school day of the week. The program was initiated last year because kids were hungry. "Brain research shows that kids can't function if they are not well fed," explains Douglas-Alexander.

Tantalus schoolteacher and food specialist Rob McGurk volunteered much of his spare time in developing and coordinating the program last year, which included breakfast. This year the program has grown to include breakfast and lunch on the menu thanks to increased funding support. "This is truly a community effort," says Douglas-Alexander.

A huge 'Máhsin cho' for the tremendous support from Little Salmon/Carmacks First Nation, states Douglas-Alexander. The First Nation has been instrumental in hiring a full-time cook, Damon Tracy, for the program. A recent graduate of Yukon College's Culinary Arts Program, Damon prepares nutritious and traditional foods for students as well as Elders under the Elder's Food Program. "We hope to encourage Elders to come to the school to eat meals with our students and share stories," continues Douglas-Alexander.

The program continues to receive funding support from the Yukon Food For Learning Association and also now the Breakfast Club of Canada. Casino Mining Corp. has stepped up to help pay for groceries. "Casino's generous donation enabled us to start the program on the first day of school and for that we are forever grateful," says Douglas-Alexander.

In addition to satisfying appetites, the program is filling a growing niche in Rob's Grade 12 home economics class. Seven male students from that class are learning hands-on about food nutrition and preparation.

"The program offers our home economic students authentic learning by preparing nutritious food and seeing their efforts eaten by their peers," explains Douglas-Alexander.

When asked what she sees ahead for the program, Douglas-Alexander states, "We want happy, well-fed children at school so they are at their best for learning." The Tantalus School Breakfast and Lunch Program is on its way to meeting that goal with a unique partnership of devoted staff, community, governments and business.

Search & Rescue Gets New Gear

Search and rescue in the Whitehorse area is a little faster, safer and more efficient with the help of Casino Mining Corp.

Over the last two years, Casino's funding support enabled the Whitehorse District Search and Rescue Society, a volunteer organization, to purchase new high-tech, GPS-enabled radios, survival equipment and get more training, says instructor and board director Lisa Martin.

"It's been tremendous," continues Martin. "Some of these things have been on our 'wish list' for some time, but we haven't been able to purchase them. With Casino's help, we've been able to keep up to date with top-notch gear."

The GPS-enabled radios allow the search co-ordinators at the command centre to keep in real-time contact with ground teams. Crews can be easily directed to change their search patterns and direction and can also be monitored to ensure they are safe.

"It makes our searches more effective, it increases our response time, it keeps our guys from getting fatigued," says Martin. "If we're quicker out there, the chances are better the person we're looking for will be found safe."

Casino President Paul West-Sells said helping Whitehorse Search and Rescue was "a perfect fit for the company." "We have a lot of people, research crews, working in remote areas of the Yukon," he says. "These GPS radios could save a life."

To date, the equipment has been used in training and one real-life search. Martin says it "worked great." She knows it's inevitable her crews will be called to help in an emergency someday soon, and is happy they're going out prepared. "Companies like Casino keep us going, without their support we wouldn't have the gear we have."

"Casino is proud to join others in building capacity in Carmacks through the school program," says company president Paul West-Sells.

Supporting Careers at Casino

Since 2010, Casino Mining Corp. has been actively training and hiring Yukon-based employees and contracting to Yukon-based businesses for its exploration and field programs.

Hiring locally is important to Casino. In 2010, the company partnered with the Yukon Mine Training Association to train Yukon workers for a career in the industry, says contractor Scott Casselman, Casino's project site manager since 2008.

Eighteen (18) Yukoners participated in the eight-week Field Worker Training Program. The students got in-class and on-the-job-training, with 10 participants gaining work experience at the Casino site for three weeks.

In 2010 and 2011, two Selkirk First Nation youth were also hired to gain experience in environmental testing and mineral exploration. Many of the students continue to work at Casino and other mineral exploration projects through Casselman Geological Services Ltd.

"There are many opportunities to work as a contractor with Casino," says Casselman. They include areas in project management, helicopter and fixed wing aircraft support, diamond drilling, heavy equipment, environmental and engineering, and geophysical and geological services.

▼ Students get hands-on experience handling Casino drill core. From left to right: Sophia Smith, Devon Sam, Tashina Scurvey, Richard Johnson, and Terra Blanchard.

Casino is preparing to enter the formal environmental and socio-economic approval phase, which will take approximately three years. Once in operation, Casino's mine life will span decades and offer substantial career opportunities in the trades and professional sectors.

The company is actively talking with organizations such as Yukon College's Centre for Northern Innovation in Mining (CNIM), to support Yukoners in gaining long-term career benefits at Casino. "We are committed to helping Yukoners develop careers at Casino by supporting the college's training efforts," says company president Paul West-Sells.

"We are committed to helping Yukoners develop careers at Casino by supporting the college's training efforts," says company president Paul West-Sells.



CASINO

We want to hear from you!

Please contact us for more information on the Casino project:

Paul West-Sells

President

Email: pwest-sells@casinomining.com

Jesse Duke

Vice-President, Environmental Affairs

Email: jduke@casinomining.com

Sign up for our newsletter & email updates

Email: info@casinomining.com

Please visit our website for more information

www.casinomining.com

Mailing Address:

Casino Mining Corporation

c/o Western Copper and Gold Corporation

2050 – 1111 West Georgia Street

Vancouver, BC, Canada V6E 4M3

Toll Free: 1.866.966.9995

Casino Mining Corporation is a fully owned subsidiary of Western Copper and Gold Corporation.



100%

printed on recycled paper

ACKNOWLEDGEMENTS

Casino Mining Corporation would like to thank everyone who helped put together this newsletter. We are particularly grateful for the community story contributions made by Morgan Douglas-Alexander, Teri-Lee Isaac, and Lisa Martin. **Máhsin cho!**