

SIGNIFICANT DEVELOPMENTS AND GENERAL MINERAL
EXPLORATION HIGHLIGHTS-YUKON, 1984

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BY

J.A. MORIN
Exploration and Geological
Services Division
Northern Affairs Program - Yukon
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- 1). ANNOUNCEMENT OF THE MOUNT SKUKUM GOLD - SILVER DEPOSIT IN THE WHEATON RIVER AREA SOUTHWEST OF WHITEHORSE. The mineralization is a steeply dipping Bonanza vein system hosted in flat andesite lava flows and interbedded tuffs. Vein widths up to several metres are encountered. The veins are virtually sulphide free and consist of white to colourless quartz and carbonate. Some minor disseminated pyrite occurs in the wall rocks that is probably an alteration formed early in the hydrothermal system. Textures are interesting and consist of styrofoam-like quartz-carbonate and also coarse bladed spinifex-like calcite with quartz as an interstitial filling. Chalcedony breccia occurs locally in a parallel vein system. This is a stream sediment geochemical find! The deposit is of high prospecting significance because now sulphide-free, quartz-carbonate vein systems can be looked at more seriously and the area where they may occur is the large Yukon Crystalline Terrane and Insular Belt. Only an assay will tell one whether or not precious metals are present. Stream sediment geochemistry and rock-knocking prospecting are the main methods that could have success.

The Wheaton River area generally has seen a surge by private prospectors and junior mining companies to cover all known precious metal showings and prospect for new ones. SHAKWAK EXPLORATION is planning to rehabilitate the underground workings at the high grade TALLY-HO Mine which produced a limited tonnage in 1929. They are also planning to drill new showings found north of the Wheaton River in the GOLD HILL area.

Nearby to the southeast, UNITED KENO HILL MINES are conducting a major underground drift exploration program along with surface diamond drilling on their VENUS gold-silver mine. This bonanza vein system is hosted in andesitic host rocks similar in age to those at MOUNT SKUKUM.

2) INTENSITY OF GEOLOGICAL WORK IN THE KLONDIKE AREA
ARCHER CATHRO AND ASSOCIATES, DAWSON EL DORADO, MARK
MANAGEMENT and UNITED KENO HILL MINES all actively explored for lode gold in the Klondike this year- albeit all with different models for occurrence of the gold. Over 2000 new quartz claims were staked and the information that is going to result from them once they are investigated will help unravel the story of where the gold came from and where more of it may be. This industry interest is complemented by ongoing DIAND geological investigations into both the bedrock and overlying gravels.

3) CONTINUED DEVELOPMENT AT MACTUNG
Underground bulk sampling program (200 tons) and rehabilitation of workings coupled with limited surface development formed the main thrust of AMAX'S work in 1984 at the MACTUNG skarn tungsten deposit in the MacMillan Pass area. By itself, the work is not that significant, but what it does mean is continued serious interest by AMAX regarding the feasibility of bringing the deposit onstream.

4) DAWSON RANGE
Epithermal precious metal mineralization was the target of many efforts in the Dawson Range. Northwest of Mount Nansen on the J BILL claims, GORDON DIXON uncovered a silica-rich, sulphide-poor argentiferous vein swarm in Late Cretaceous porphyritic rhyolite (probably extrusive). Much argillic alteration and internal vein brecciation is present. No work was done on the Mount Nansen properties (HUESTIS, WEBBER, BROWN-MCDADE).

The vein system on Prospector Mountain was further investigated by diamond drilling for CHEVRON in a program managed by ARCHER-CATHRO AND ASSOCIATES. Results were not encouraging. Nearby at HAYES CREEK, TOMBILL RESOURCES initiated a drill program late in the season into their gold-silver vein system. The quartz veins are hosted in crystalline country rocks next an intrusive rhyolite porphyry plug. Telluride minerals have been recovered in an adjacent placer deposit.

The KLAZAN property was trenched by ARCHER CATHRO for CHEVRON. Argillically altered rhyolite porphyry dykes carry disseminated pyrite and low gold values.

SHAKWAK EXPLORATION diamond drilled the REVENUE CREEK property - a lens of intrusive rhyolite breccia locally with massive sulphide matrix. Pyrite, chalcoprite and scheelite are present and

the breccia carries values in gold, silver, copper and tungsten. No work was conducted on the LAFORMA or TINTA HILL properties.

Most of the precious metal mineralization in the Dawson Range is associated with the Late Cretaceous to Early Tertiary backbone of hypabyssal rhyolite plugs that trend northwesterly from Freegold Mountain to Casino. This area presumably was the site of much geothermal activity 60 to 70 million years ago and the alteration, mineralization and vein systems were probably formed as a natural part of the local geothermal processes. Visual prospecting and stream sediment geochemical surveys are the most successful methods used to locate showings of this type.

5) KENO HILL AREA

UNITED KENO HILL MINES been operating at a mining rate of about 270 tonnes per day. Recently, through an offering of exploration shares, they have funded several new exploration efforts including underground exploration on the SILVER KING vein and five adits on gold veins at nearby Mount Hinton. Normal mining of the HUSKY vein has disclosed a relatively rare kind of mineralization in the camp - ie quartz veins with no carbonate and very little sulphide (minor pyrite and acanthite), but with economic amounts of silver. This recent discovery along a vein system that has been exploited for over 15 years augurs well for future discoveries in this present exploration program.

5) KETZA RIVER AREA, PELLY MOUNTAINS

Auriferous massive sulphides occur at the western headwaters of Ketzka River hosted in Lower Cambrian limestone. Working on an option from COMWEST, CANAMAX conducted extensive property work and diamond drilled the showings. Recently, they announced a new figure at more than double the previously estimated reserves of 157,000 tonnes of 9.6 g/t Au. The massive sulphides consist of pyrite, arsenopyrite and chalcopyrite and along with quartz and calcite, replace the limestone. They probably bear some zonal relationship with the nearby argentiferous OXO massive sulphide in limestone and the silver-lead veins of IONA SILVER MINES. This significant property has been known for quite a while (last drilled in 1960) and it is well exposed, yet this summer's work has resulted in almost a doubling of reserves.

7) RANCHERIA AREA

The MIDWAY property in northernmost BC has sparked much interest in silver-lead vein, replacement and breccia mineralization in adjacent Yukon - recent

estimated reserves are 4.9 million tonnes of 390 g/t Ag, 6.36% Pb and 12.3% Zn. Butler Mountain continued drilling their targets on the LORD property and REGIONAL RESOURCES optioned the MEISTER, BLUE AND LOGAN claim groups to GETTY CANADIAN METALS LIMITED who conducted geophysical and geochemical surveys.

8) SEKULMUN LAKE

An exciting discovery was made west of Sekulum Lake (west of Aishihik) by HUDSON BAY working on an option from CANADIAN OCCIDENTAL PETROLEUM at Thatchell Creek. Previous trenching on a molybdenum geochemical anomaly revealed an auriferous quartz vein. This year's work shows several quartz - low sulphide veins hosted in a hornfels zone above a molybdenite - mineralized leucogranite plug. The intrusive is probably Late Cretaceous to Early Tertiary and coeval with extrusive rhyolite domes and ash flows that occur in the area. Potential for epithermal mineralization in this setting is high.

9) SHALE - HOSTED LEAD-ZINC-SILVER

Little continued exploration effort was spent in the search for lead-zinc. At Macmillan Pass, COMINCO drilled the NIDD claims and in the Frances Lake Area, the FIN claims. GETTY drilled the CLEAR LAKE deposit in the spring.

CYPRUS ANVIL engaged in a waste stripping program jointly financed by DOME and the FEDERAL GOVERNMENT. Some exploratory drilling in vicinity of the FARG open pit was successful in adding to the existing reserves of 25.2 million tonnes.

10) SMALL SCALE MINES

High grading of several Ag-Pb veins continued at Keno Hill (SADIE-LADUE by ARCHER-CATHRO and MOUNT KENO MINE by SPRINGMOUNT OPERATING COMPANY) and at the PLATA property by DAWSON ELDORADO.

11) PLACER MINING MODERATELY DOWN.

Placer mining was moderately down from 1983 when royalties were paid on 2.3 million grams of gold. This lesser activity was generally ascribed to the lower price of gold.