

Copy sent to P.M.K
105-F

1.

WS

008878

PELLY MINERALS PROJECT

**Report on Progress of Exploration
September 30, 1963**

**TO: L. Adie - Canex Aerial Exploration Ltd.
B.O. Brynolson - Noranda Exploration Ltd.
Wm. Sirola - Kerr - Addison Gold Mines Ltd.
D.C. Sharpstone - Homestake Mining Company
A.E. Aho - Pelly Minerals Syndicate**

Gentlemen:

Prospecting in the Ketsa River district of the Pelly Mountains was terminated on September 16 and horses and equipment have been returned to Whitehorse.

During the last two weeks Verslucce and Cox prospected in the central part of the district at the western headwaters of Ketsa River and were successful in making a new discovery on the top of the ridge (elevation 6,000 feet) two miles southwest of Mt. Misery, 6 miles southeast of peak 7,001.

As described by Verslucce, the discovery consists of a zone of galena-bearing carbonatized breccia float 20 to 40 feet wide and about 150 feet or more long, previously obscured by a snow-patch, and striking northwesterly. Much pyrite and limonite occurs in the area, especially to the northwest, and a quartz vein zone strikes down the hill to the southeast. Verslucce felt that the discovery warranted hand trenching but did not stake it because of proximity to the boundary of claims that were still held by W.R. Sheeky of New York but probably were about to expire. Cox also discovered an 8 to 9 - inch wide mineralized shear in the vicinity.

However, grab samples from these discoveries assayed as follows:

Verslucce Discovery	Au oz/ton	Ag oz/ton	Pb	Ag/Pb
H.D.	.01	12.0	12.5	.95
H.D. #3	.04	67.6	64.5	1.04
Cox Discovery				
J.D.	.01	2.44		
J.D. #2	.18	.62		

Since most of Verslucce's float material was mineralized breccia similar to his H.D. sample, and the mineralization carries only a 1/1 silver-lead ratio, the discovery does not appear to justify any special consideration except an examination next season when snow is gone.

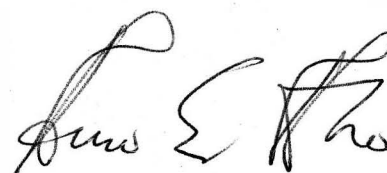
CONCLUSIONS:

1. Although the season's prospecting and property work has not resulted in any important discoveries, the abundance of mineralization in this district definitely justifies continued prospecting with geologic and geochemical guidance to define, if possible, the best concentrations of size and grade.

2. It is proposed that about \$ 12,500 be allotted to carry out this work next season with Verslucce as a prospector and a geologist - ^{9⁰⁰}chemist as an assistant.

3. Work done on the Cone claims and claims at White Creek should be recorded to maintain these claims in good standing.

Respectfully submitted,



Dr. A.E. Aho