

9th Floor,  
900 West Hastings Street,  
Vancouver, B.C.

April 4th, 1974

012903

Dear Sir:

This letter refers to this Company's gold conglomerate property in the Indian River Area of the Dawson Mining Division, Yukon Territory, consisting of some 302 recorded mineral claims.

This Company either owns or is able to acquire ownership of all these claims after which there would be 750,000 vendors' shares and some 400,000 cash shares outstanding in the Company. It is proposed to take the Company public this year with a further offering to the public of not less than 250,000 shares. The Company has a present capital of 3,000,000 shares with a 50¢ par value.

To date the total expenditures for acquisition and field work by the Company and the original syndicate approaches \$50,000. This does not include any sum for research, investigations and office studies which have been quite extensive in respect of this property for geology and exploration techniques.

Due to the size in area of these conglomerates of river gravel origin, and the regional significance of this deposition representing a very large targets area, we have decided that it is desirable to bring in a company to participate with us, at an earlier stage in exploration than usual. To this end we offer to your Company participation which could eventually lead to your having an overall 60% working interest in the project. While this could be accomplished in a variety of ways we would suggest that it be done by way of an eventual 60% equity interest in this Company upon production.

We suggest that you acquire 100,000 shares in the Company by having the right to convert \$100,000 of exploration and development costs into shares following the 1974 E & D program. At the same time as conversion you would commit for a further program of the same size with the same conversion feature,

but with one-half of the cost borne by this Company. This Company would also participate in the initial regional program to the extent of fifty percent of a total cost of \$40,000. The other \$80,000 of your initial funds would be used for E & D work on the present claims. Additional claims in the region would form a part of the property.

The Company's capital would be increased to 5 million shares and public participation including those of the present holders would be limited to 2 million shares. After the initial two programs your Company would have the option to continue E & D programs in agreed programs not in excess of \$250,000 each with conversion rights as follows:

Up to first 500,000 shares One dollar of E & D work performed;

500,001 to 1,000,000 shares One dollar and fifty cents of E & D work performed;

1,000,001 to 1,500,000 shares Two dollars of E & D work performed and so on with fifty cent increases until you acquire 60% of the equity in the Company which would involve the acquisition of not more than 3 million shares.

Upon a production decision being made you could apply any balance of E & D work not performed to production costs. Any production costs beyond a total of 5,000,000 shares outstanding would be required to be raised by debt.

Since the first exploration work has already been planned we would suggest that this be done under our direction, with joint control.

It is understood that a definitive agreement embodying these proposals would be completed prior to the completion of the 2nd E & D program outlined above or September 30, 1975, whichever is the earlier.

Would you please signify your approval to the intent of this letter by signing a copy of it in the place provided and returning it to us.

Yours truly,

President.

ACCEPTED AND AGREED TO  
this            day of April, 1974.

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# LODE MINING IN YUKON

## MINES BRANCH T. A. McLEAN 1914.

62

### MACKINNON CREEK.

#### INDIAN RIVER TERTIARY ROCKS.<sup>1</sup>

Some fifteen claims are here staked, presumably on conglomerate. The claims extend generally easterly and westerly, or somewhat northeasterly and southwesterly, in line with Britannia, or Discovery claim, which was staked by Donald MacKinnon, and is located on the right limit of MacKinnon creek, between three and four miles from its mouth, at Indian river.

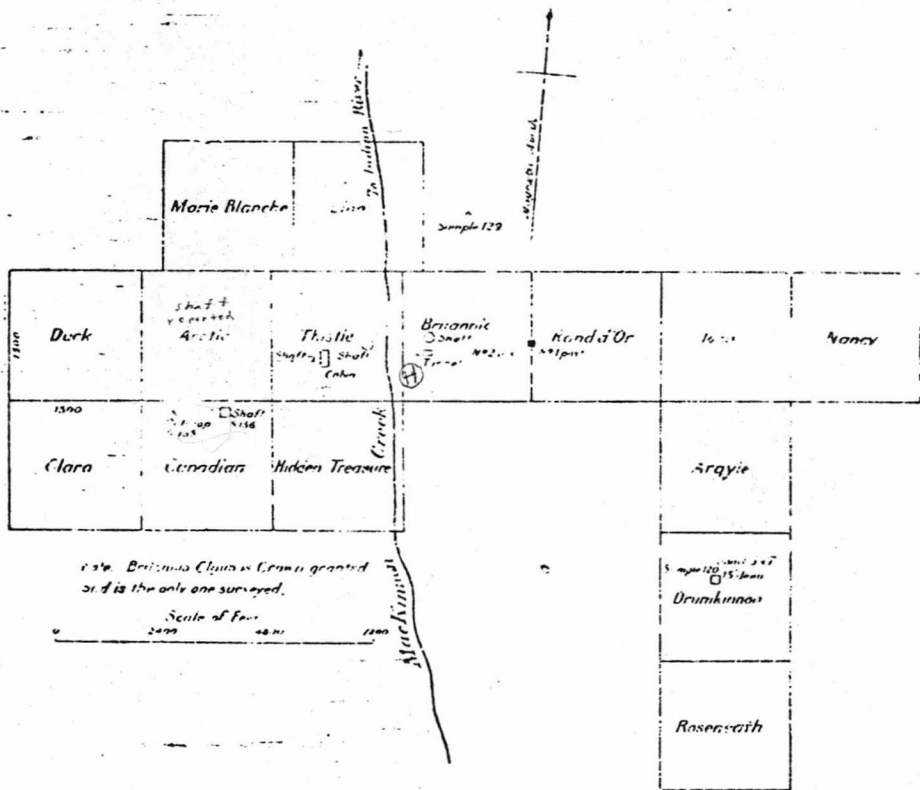


FIG. 12. Group of claims on MacKinnon creek.

This property was reached by driving, with Alex. Ayers' team, from the Violet mine, over the divide at the head of Eldorado creek, thence down Calde. creek to Quartz, down Quartz to Indian river, up Indian river, passing the Indian river roadhouse, to the mouth of MacKinnon creek. Thence, as noted above, three to four miles up the creek, the whole distance from the Violet being about fifteen miles, and, by direct stage road from Dawson, thirty-three to thirty-four miles.

<sup>1</sup> Compare MacKinnon, R. G., Ann. Rep. Geol. Survey, Can., 1905, part B, Vol. XIV, p. 56.

Britannia claim is the only one crown-granted. The principal owners are Messrs. Donald and Archibald MacKinnon, brothers, who kindly placed one of their cabins, fully equipped, at the disposal of the examining party.

This deposit had been much in the public eye, locally, for some years, and, on account of its rather exceptional character, considerable attention was given it, with a view to ascertaining its extent, as well as the gold content, in the immediate vicinity of the creek.

*Nature of Deposit.*—It is a conglomerate, which consists, generally, of well rolled, oval shaped, white, quartz pebbles, varying in size from a fraction of an inch to several inches in greatest diameter, the average being probably under an inch; together with a less percentage of smaller schist pebbles, the whole conglomerated or cemented together by a white, or light grey, siliceous paste, the latter composed of the more finely ground up particles, or grains, of quartz and schist.

Mr. McConnell, writing in 1905, says:<sup>1</sup> "Assays of several dollars to the ton are reported from this conglomerate, and a mill test of two tons, at the government stamp-mill at Dawson, gave \$2.24 per ton. The gold is detrital, occurring in the matrix, and the deposit may be considered an ancient placer, probably of beach origin."

By comparison of typical specimens of this mass, and material from the Barnes mines, which is in a portion of the White channel at Lovett gulch, it cannot but be noticed that the two are almost identical, except in the matter of hardness.

It is altogether likely that there is a close genetic relation between the two, the present difference being due to the fact that the White channel so-called, is found generally overlying schist bed-rock; while the conglomerate is associated with igneous andesites, and a variety of volcanic rocks, as trachytes, porphyries, phonolites, etc., the latter probably accounting for agencies which produced the cementing together of the gravels.

Some portions of the deposit are very firmly conglomerated, while others again are found but weakly bonded, and easily reduced to condition of loose gravel.

This cementing action has taken place over a comparatively wide area, embracing in that section south of Indian river, which extends from a point opposite Quartz creek, eastwardly, across MacKinnon to and beyond Montana creek, a distance of some eight or ten miles; and is now represented by the conglomerates found in the vicinity of MacKinnon and Conglomerate creeks, the latter a tributary of Montana creek.

Throughout this area, however, sandstones and shales are also widely distributed, and igneous masses, referred to above, have cut into the con-

<sup>1</sup> Part B. Ann. Rep. Geol. Survey, Vol. XIV, p. 66b.

glomerate, to such an extent, that, in the case of each claim, it becomes practically necessary to define the extent of the conglomerate, by trenching and prospecting: more especially, as the portions of conglomerate, presumed to have originally overlaid areas now occupied by the igneous masses, have been eroded and washed down the creeks, resulting in a pockety condition of the remaining portions.

*Distribution.*—The most important individual deposit, so far exposed, is on Britannia claim, owned by Messrs. MacKinnon Bros. It is some 300 feet in width, north and south, and extends from the foot of the hill, on the right limit of the creek, up the face, which slopes at  $30^{\circ}$  to  $35^{\circ}$  for the first few hundred feet, then gradually falls to about  $10^{\circ}$ , or less, towards the rear of the claim, the elevation there being about 1,850', or 275' above the creek bed.

The contact, both north and south, as exposed by surface trenching, is sandstone and carbonaceous shales, which, however, are narrow, being cut off by andesite hills, rising on either side of, and beyond the conglomerate, to elevations between 2,400 and 3,000 feet.

Plate XVI shows an outline sketch, and Plate XVII a photograph, representing the deposit as it appears in elevation, looking east, from the opposite limit of the creek.

A cross-section of the creek valley, looking south, covering portions of Britannia and Thistle claims, shows porphyry underlying the creek and extending in the direction of its left limit, for about a thousand feet westwardly, where conglomerate again occurs.

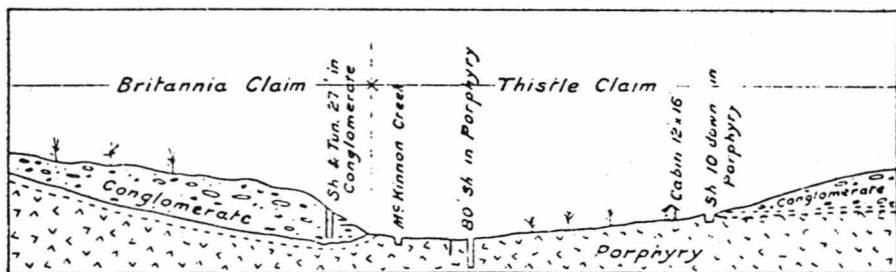


FIG. 13. Ideal cross section of MacKinnon creek, looking south.

In the latter case, however, its character is considerably altered, the resultant rock being conglomerate of more compact form, darker in colour (a dark bluish shade being prevalent) and, indeed, having its constituent individuals so closely squeezed together as to form a solid crystalline mass; but this, again, grades back to the prevailing type, after a width which, though not well defined, appears to vary from a few feet up to a hundred or more feet.

While it was not possible, in the time available, to absolutely define the limits of the conglomerate found in the vicinity of MacKinnon creek, it was traced, by means of outcrop and trench exposures, easterly and westerly,

or, as already mentioned, somewhat northeasterly and southwesterly, for a distance of about 4,000 feet, 1,000 feet of porphyry intervening in the creek valley.

As to depth, this has not been proven.

### DEVELOPMENT.

*Britannia claim.*—Work on this claim consists of an open-cut, followed by a tunnel, 27 feet into the side hill, as shown in Fig. 14, and a little to

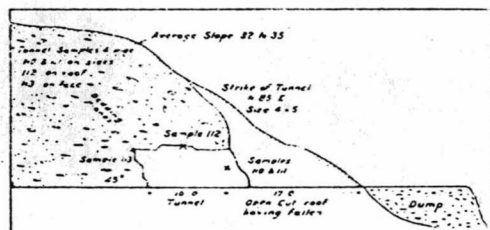


FIG. 14. Section through tunnel of Britannia M.C.

the north of this a shaft,  $4' \times 6'$  — 60 feet down, now filled with water. Both are in conglomerate. Some trenching was done, at the time of this examination, for the purpose of defining the limits of this deposit.

A two-stamp battery, of steam piston type, was found, dismantled, on the ground. A test had been made with it, by Messrs. MacKinnon, Clarke, and Chris. Fothergill, in 1911, by running through a few tons of the material from the tunnel and shaft dumps. About 50 cents a ton were reported to have been recovered; the small values being due, according to Mr. MacKinnon, to the fact that the gold occurs in too fine a form for amalgamation.

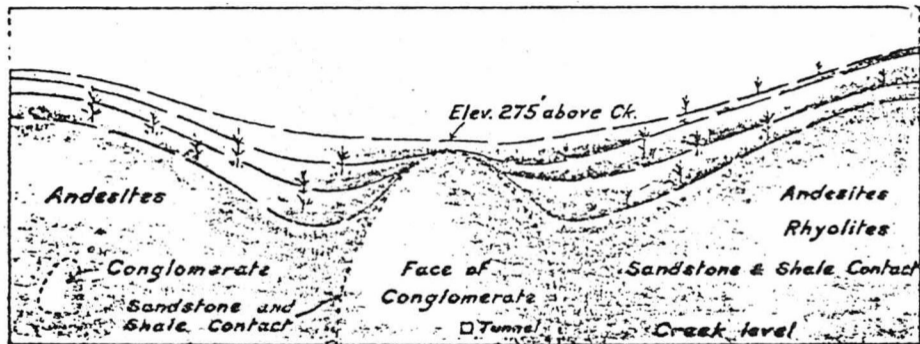
Thirty-one samples were taken from Britannia claim, four being from the tunnel, two from the shaft dump, and others distributed at intervals of 30 to 50 feet, clear across the deposit, in rows, B, C, D, E, as shown in Fig. 15.

Of the whole lot, not one assay over a trace was obtained, but three samples (122, 130, and 140), distributed at intervals over the length of the deposit adjacent to the southern contact, showed a few very fine colours of gold in the pan.

Other minerals noted were dark iron sulphides and carbonates (siderite).

For full details of samples see assay sheets 11, 12 and 13.

A comparison was instituted above with the deposit of White channel gravels, worked as a placer mine, on Lovett gulch, where values, according to Mr. Barnes, are practically all found in the 6 or 7 feet adjacent to, and including about 18 inches of bedrock. This is illustrated in Plate XIV above. For the year 1911 the average tenor was \$2 per cubic



Britannia mineral claim. Face of conglomerate hill (cut off at creek level) as it appears from the cabin (showing tunnel entrance.)

yard. Granting the hypothesis of somewhat similar origin, and condition, for the conglomerate deposit, it would appear probable that prospecting at depth might uncover somewhat similar values. Further prospecting at the contact would demonstrate this.

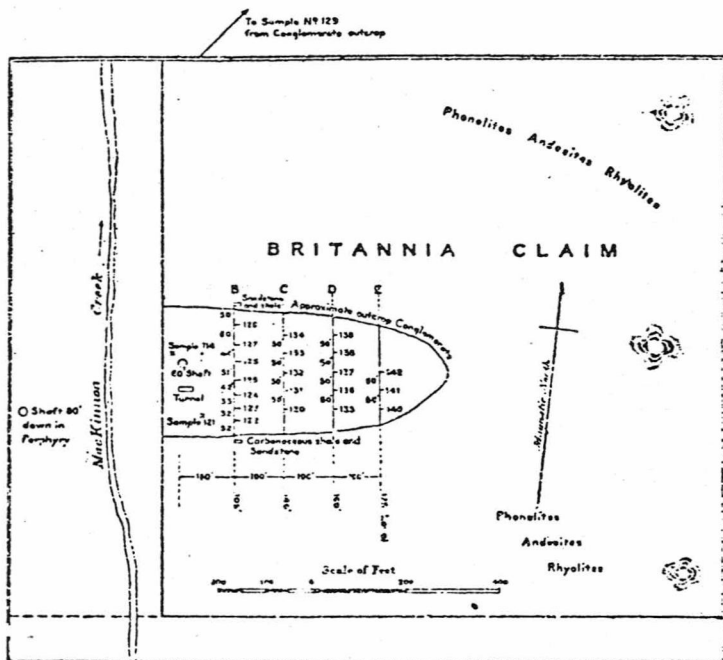


FIG. 15. Sketch to illustrate method of sampling conglomerate on Britannia M.C.

The present shaft, in conglomerate, might, also, be driven to bedrock, which, it is thought, would be reached at no great depth below its present bottom.

*Thistle and Adjoining Claims.*—On the Thistle claim prospecting consists of an 80-foot shaft, situated 200 feet from the bed of the creek, a shallow shaft about 10 feet deep, near the cabin, and a little surface scratching. These are all in porphyry.

Passing westerly, out of the porphyry, conglomerate is found, extending from the Thistle, into the Canadian mineral claim. The latter is controlled by Mr. Chris. Fothergill; it has a shaft 10 feet down, in conglomerate. Outcrop of conglomerate was also found about 600 feet westerly from the shaft. See sketch of claims (Fig. 12, p. 62). Samples 156 and 155 were taken from the above exposures, respectively, but showed no values.

The Arctic claim was visited in company with Mr. Fothergill, but no exposures could be found for purposes of sampling.

## MACKINNON CREEK SAMPLES--ASSAY SHEET NO. 11.

Sample No.	Material	Colour.	Weight.		Minerals in pan.	Location.	Assay in ounces (a) per ton of		Value per ton		Width of sample		Check assay (b)	Remarks.
			Lbs.	Oz.			Au.	Ag.	\$	c.	Ft.	In.		
110	Quartz conglomerate.....	White to grey.....	8	4	-	Entrance tunnel.....	trace	-	2	0	0-02	nil	Britannia claim.	
111	Quartz conglomerate.....	White to grey.....	8	6	-	Adjoining No. 110....	nil	-	2	0	trace	nil	Britannia claim.	
112	Quartz conglomerate.....	White to grey.....	8	1	-	Roof of tunnel 5' from face.....	trace	-	4	0	trace	nil	Britannia claim.	
113	Quartz conglomerate.....	White to grey.....	10	5	-	Face of tunnel.....	trace	-	4	0	trace	nil	Britannia claim.	
114	Quartz conglomerate.....	White to grey.....	8	0	-	Side of hill 50' north of tunnel.....	trace	-	2	0	trace	nil	Britannia claim.	
115	Quartz conglomerate.....	White to grey.....	6	9	-	75' north of conglomerate shaft and 40' up the shaft.....	nil	-	2	0	trace	nil	Britannia claim.	
116	Quartz conglomerate.....	White to grey.....	6	15	-	Same place as No. 115 above.....	nil	-	2	0	trace	nil	Britannia claim.	
117	Quartz conglomerate.....	White to grey.....	7	15	A very little siderite.....	75' south of tunnel in conglomerate.....	trace	-	2	0	trace	nil	Britannia claim.	
118	Quartz conglomerate.....	White to grey.....	8	9	-	Dump of conglomerate shaft.....	trace	-	-	-	trace	nil	Britannia claim.	

## MACKINNON CREEK SAMPLES—ASSAY SHEET NO. 11—(Continued).

Sample No.	Material	Colour.	Weight.		Minerals in pan.	Location.	Assay in ounces (a) per ton of		Value per ton		Width of sample		Check assay (b)		Remarks.
			Lbs.	Oz.			Au.	Ag.	\$	c.	Ft.	In.	Au.	Ag.	
119	Quartz conglomerate	White to grey	8 - 11		-	Same as No. 118 above	trace		-		-		trace nil		Britannia claim.
120	Chalcedonic quartz	Brownish	6 - 5		-	Quartz excavated from 15' shaft	nil		-		-		trace nil		Drumkinnon M. C.
121	Quartz conglomerate	White to grey	8 - 12		Siderite	50' south of conglomerate tunnel and 60' higher up	trace		-		1	6	trace nil		Britannia claim.
122	Quartz conglomerate	White to grey	8 - 0		Siderite	105' level Row B. Fig.	nil		-		1	6	0-01	nil	Britannia claim.

(a) Assays conducted by Mr. Wm. G. Sims of Dawson, Y.T.

(b) Check assays conducted by Mr. N. L. Turner, under the direction of Mr. F. G. Wait, Division of Chemistry, Mines Branch, Ottawa.

## MACKINNON CREEK SAMPLES (Cont.)—ASSAY SHEET NO. 12.

Sample No.	Material.	Colour.	Weight.		Minerals in pan.	Location.	Assay in ounces (a) per ton of		Value per ton		Width of sample		Check assay (b)		Remarks.
			Lbs.	Oz.			Au.	Ag.	\$	c.	Ft.	n.	Au.	Ag.	
123	Conglomerate	White grey	8 - 2		Dark sulphides	105' level Row B. Fig.	trace		-		1	6	0-02	nil	Britannia claim.
124	Conglomerate	White grey	7 - 8		-	105' level Row B. Fig.	nil		-		1	6	trace nil		Britannia claim.
125	Conglomerate	White to rusty	8 - 1		-	105' level Row B. Fig.	trace		-		1	6	0-05	nil	Britannia claim.
126	Conglomerate	White grey green	7 - 12		-	105' level Row B. Fig.	trace		-		1	6	0-01	nil	Britannia claim.
127	Conglomerate	Rusty	8 - 2		-	105' level Row B. Fig.	trace		-		1	6	trace nil		Britannia claim.

128	Conglomerate.....	White rusty.....	6 - 12	-	105' level Row B near shale contact.....	trace	-	1	6	trace nil	
129	Conglomerate.....	White to rusty.....	6 - 10	-	About 1500' north of conglomerate tunnel	nil	-	2	0	trace nil	Conglomerate outcrop north of Britannia claim.
130	Conglomerate.....	White to grey.....	8 - 7	Small show of dark iron sulphide and carbonates..	140' level near south contact Row C.....	trace	-	1	6	J-01 nil	Britannia claim.
131	Conglomerate.....	White to grey.....	8 - 4		Row C. 50' N. of No. 130.....	trace	-	1	6	trace nil	Britannia claim.
132	Conglomerate.....	White to grey.....	9 - 8	Trace of gold and dark iron sulphide and carbonates.....	Row C. 50' N. of No. 131.....	trace	-	1	6		Britannia claim.
133	Conglomerate.....	White to grey.....	8 - 1		Row C. 50' N. of No. 132.....	trace	-	1	6	trace nil	Britannia claim.
134	Conglomerate.....	White to grey.....	8 - 13	-	Row C. 50' N. of No. 133.....	trace	-	1	6	trace nil	Britannia claim.
135	Conglomerate.....	White to grey.....	10 - 4	Iron carbonate (siderite).	160' level, Row C near south contact.....	nil	-	1	6	trace nil	Britannia claim.

(a) Assays conducted by Mr. Wm. C. Sime of Dawson, Y.T.

(b) Check assays conducted by Mr. N. L. Turner, under the direction of Mr. F. G. Wait, Division of Chemistry, Mines Branch, Ottawa.

## MACKINNON CREEK SAMPLES (Cont.)—ASSAY SHEET NO. 13.

## Esperanza and Raven Mineral Claims.

Sample No.	Material	Colour.	Weight.		Minerals in pan.	Location.	Assay in ounces (a) per ton of		Value per ton.		Width of sample		Check assay (b)		Remarks.
			Lbs.	Oz.			Au.	Ag.	\$	c.	Ft.	In.	Au.	Ag.	
136	Conglomerate.....	White to grey.....	8	9	-	Row D. 50' N. of No. 135.....	nil	-	-	-	1	6	trace	nil	Britannia claim.
137	Conglomerate.....	White to grey.....	8	2	-	Row D. 50' N. of No. 136.....	nil	-	-	-	1	6	trace	nil	Britannia claim.
138	Conglomerate.....	White to grey.....	6	8	-	Row D. 50' N. of No. 137.....	trace	-	-	-	1	6	trace	nil	Britannia claim.
139	Conglomerate.....	White to grey.....	6	12	Dark sulphide and carbonates.....	Row D. near N. contact.....	nil	-	-	-	1	6	trace	nil	Britannia claim.
140	Conglomerate.....	White to grey.....	9	0	Trace of gold.	175' level Row E.....	trace	-	-	-	1	6	trace	nil	Britannia claim.
141	Conglomerate.....	White to grey.....	10	0	-	Row E.....	nil	-	-	-	1	6	trace	nil	Britannia claim.
142	Conglomerate.....	White to grey.....	8	4	-	Row E.....	nil	-	-	-	1	6	trace	nil	Britannia claim.
143	Quartz and schist	Rusty.....	5	13	Large showing of iron and copper pyrites.....	6' in from mouth of tunnel.....	trace	-	-	-	2	0	trace	nil	Raven M. C. Rock shows speckled appearance, due to minerals noted.

144	Quartz and schist	Rusty.....	5 - 10	Large showing of iron and copper py- rites.....	6' in from mouth of tunnel.....	nil	-	2	0	trace nil	Raven M.C. Rock shows speckled ap- pearance, due to minerals noted.
145	Quartz and schist	Brown.....	4 - 12	-	Stringer at face of tunnel.....	nil	-	4	0	0.01 nil	Esperanza M. C.

(a) Assays conducted by Mr. Wm. C. Sime of Dawson, Y.T.

(b) Check assays conducted by Mr. N. L. Turner, under the direction of Mr. F. G. Wait, Division of Chemistry, Mines Branch, Ottawa.

CONGLOMERATE CREEK SAMPLES--ASSAY SHEET NO. 14.

Sample No.	Material	Colour.	Weight.		Minerals in pan.	Location.	Assay in ounces (a) per ton of		Value per ton.		Width of sample		Check assay (b)		Remarks.
			Lbs.	Oz.			Au.	Ag.	\$	c.	Ft.	In.	Au.	Ag.	
146	Conglomerate.....	White.....	4 - 10		-	Trench Eclipse mi- neral claim.....	nil	-	2	0	trace nil				
147	Conglomerate.....	White.....	6 - 12		-	Outcrop on Bull Moose claim.....	nil	-	2	0	trace nil				
148	Conglomerate.....	Dull white to grey	6 - 0		-	Trench Goldleaf mi- neral claim.....	trace	-	2	0	trace nil				
149	Conglomerate.....	White to bluish...	4 - 15		Minute colour of gold.....	Dump of shaft Dolly M. C.....	trace	-	-	-	0.01 nil				
150	Conglomerate.....	White to grey.....	6 - 2		Minute colour of gold.....	Bottom Eclipse shaft.	nil	-	4	0	trace nil				

(a) Assays conducted by Mr. Wm. C. Sime of Dawson, Y.T.

(b) Check assays conducted by Mr. N. L. Turner, under the direction of Mr. F. G. Wait, Division of Chemistry, Mines Branch, Ottawa.

## CONGLOMERATE CREEK SAMPLES—ASSAY SHEET NO. 14—Continued.

Sample No.	Material.	Colour.	Weight.		Minerals in pan.	Location.	Assay in ounces (a)		Value per ton. \$ c.	Width of sample.		Check assay (b)		Remarks.
			Lbs.	Oz.			Au.	Ag.		Ft.	In.	Au.	Ag.	
151	Conglomerate.....	Cream to rusty....	4	13	-	Trench Snowflake M. C.....	nil	-	-	2	0	trace	nil	
152	Conglomerate.....	Grey.....	1	9	Couple of fine colours of gold.....	Bottom of shaft Dolly M. C.....	nil	-	-	4	0	trace	nil	
153	Conglomerate.....	Cream.....	6	15		Trench Alice M. C....	trace	-	-	2	0	trace	nil	
155	Conglomerate.....	White.....	7	12		Outcrop on Canadian M. C.....	trace	-	-	2	0	trace	nil	Canadian M. C. is on MacKinnon Creek. Samples 155 and 156 should therefore have been so listed.
156	Conglomerate.....	White to grey....	8	8	A little pyrites.....	Dump of shaft Canadian M. C.....	nil	-	-	-	-	trace	nil	
154	Iron and copper ore.....	Brown.....	1	15	Pyrite..... Bornite.	12 mile.....	.02 trace	0.40	-	-	-	trace	nil	Samples 154, 157 and 232 were submitted by Capt. Miller, as indicators. There was not sufficient time to visit the property, hence it does not appear in the text.
157	Iron ore.....	Dark Brown.....	1	5	-	12 mile.....	nil	-	-	-	-	0.04	nil	
232	Oxide and carbonate ore.....	Green and blue,...	-	-		12 mile.....	nil	-	-	-	-	trace	nil	

(a) Assays conducted by Mr. Wm. C. Sims of Dawson, Y.T.

(b) Check assays conducted by Mr. N. L. Turner, under the direction of Mr. F. G. Wilt, Division of Chemistry, Mines Branch, Ottawa.

## CONGLOMERATE CREEK.

This creek runs into Montana creek, on its left limit, and the latter, some two miles below, joins the left limit of Indian river.

It was reached by driving from MacKinnon creek, on the Indian River road, 8 or 9 miles to Montana, up Montana 2 miles to the mouth of Conglomerate creek—these are fairly good roads—thence up Conglomerate creek about  $3\frac{1}{2}$  miles, over a very rough road, to Fothergill's cabin, on the Eclipse mineral claim.

The climb from the mouth of Conglomerate creek is 380 feet.

Some 18 mineral claims are staked in this vicinity; those visited, in company with Mr. Fothergill, being: Eclipse, Dolly, Bull Moose, Snowflake, Alice, and Gold Leaf.

*Distribution.*—The conglomerate occurs widely distributed; it is found on both sides of the creek, over a width of some hundreds of feet, intersected, however, with slides of porphyry, and igneous intrusions, the latter forming the main mass of the summits.

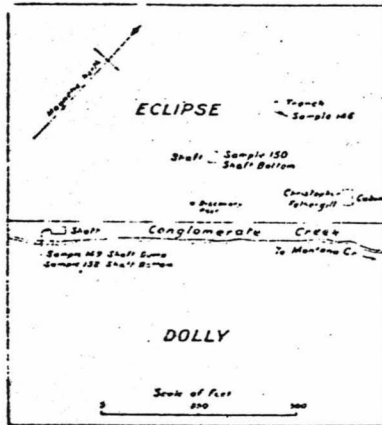


FIG. 16. Sketch showing workings by Christopher Fothergill, on Eclipse and Dolly claims.

This deposit has the characteristics already noted in connexion with the conglomerate at MacKinnon creek, and need not be more particularly described.

*Development.*—Work consists of a couple of prospect shafts, and a number of surface trenches. One shaft, on the left limit of the creek, near Fothergill's cabin on Eclipse claim, is sunk 30' in conglomerate.

Sample 150 was taken from the bottom of this shaft; it panned a few very fine colours of gold, but assayed no value.

A trench, 150 feet northerly, is dug 4' deep, in conglomerate, and sample No. 146 was here taken. but, when assayed, gave no value.

On the right limit, about 400 feet from the first mentioned shaft, and farther up the creek, is a 50 ft. shaft on the Dolly claim. This shaft is sunk very close to the stream. For a depth of 44 feet, this exhibits frozen black muck which overlies 6 feet of conglomerate. The upper 2 ft. section of the latter consists largely of a grey sandstone conglomerate, having a few pebbles of quartz and of schist scattered throughout the sand matrix, while the lower 4 ft. section is conglomerate, already described as typical of the district. Sample No. 149, from the dump, and No. 152, from the bottom of the shaft, were here taken, and both panned a few fine colours of gold, but assayed no values.

On the other four claims visited, namely, Bull Moose, Snowflake, Alice, and Gold Leaf, outcrop and trenches have exposed the conglomerate at various places.

Trenches have been sunk at intervals of about 1,000 to 1,200 feet, for a distance of two to three thousand feet in a N.W. direction, all being in conglomerate. The surface material consists of gravel to the depth of a foot or two, which then becomes more compacted, and, finally, at a depth of 4 to 6 ft. assumes the condition of conglomerate. Eight samples were taken from six claims, and are numbered 146-153, inclusive. None of these assayed over traces and all were very slightly mineralized with sulphides and carbonates of iron.

Considerable trenching would be required to define the contacts, as the deposit is spotty. Depth is unknown. There is, however, no doubt that a very large body may be outlined on this creek.

#### ESPERANZA AND RAVEN MINERAL CLAIM.

In addition to the conglomerate properties noted above, 2 claims, situated on Indian river, belonging to Mr. Chris. Fothergill, were visited in company with the owner.

These were Esperanza and Raven mineral claims.

*Esperanza Mineral Claim.*—This claim is situated on the right limit of Indian river, about  $1\frac{1}{4}$  mile above the Indian River roadhouse, which is on the opposite, or left, limit.

The formation consists of country schists, which outcrop in a large exposure, at the edge of a slough, formed here by the river. A rocky bluff rises, at a steep angle, to a height of 110 feet at this place.

Near the water level, an open-cut, succeeded by a short tunnel, each measuring 12 feet in length, has been driven N. W. into the bank.

The whole rock mass is a much decomposed schist, probably of chlorite and sericite, together with talcose material. Small stringers or lenses of quartz, up to several inches wide, but non-persistent, occur in the schist. The latter have a uniform dip of about  $30^{\circ}$  to  $35^{\circ}$  S. W., and the quartz

v61-111

INDIAN RIVER CONGLOMERATES.

( By Chris Fothergill )

The Indian River conglomerate deposits have received attention for years by a number of persistent prospectors, including the McMillan Brothers, L. Campbell, C. Fothergill, J.W. Spence, and others.

The conglomerates lie along Indian River, near the mouth of Quartz Creek, only 25 miles from Dawson, and comprise a huge deposit of solidified or cemented wash rock. They cover a known area three by twelve miles, paralleling Indian River. The northern edge lies along a bench 150 feet high facing Indian River flat. Surface assays practically all contain some evidence of gold or silver, and the few tunnels and shafts run show similar returns. It is believed that the properties run to a considerable depth and that if drilled with a diamond drill or otherwise they might show much higher if not extraordinary values at a depth. Some believe these solidified gravels may have a peystrack at the bottom something like that of the wash gravels of this country.

Approximately 200 claims are kept alive on the conglomerate by various owners.

One fine coal seam has been discovered, and partly opened, on the property.

The deposit, many believe, may become another Rand in size and importance.

A number of Assay reports which were submitted to the Yukon Council this month in connection with the petition of the large owners number of owners for assistance in getting the properties developed, are as follows:

A letter from W.C. Haldane, Acting President of the Colorado School of Mines, under date of June 21st, 1915, to C. Fothergill, gives the following reports:

" Your letter of April 27th, and samples for examination received and I beg to report on same as follows:

No. 1 - 48.100 oz. gold per ton; 16.100 oz. silver per ton; value of gold \$9.00; silver 3 cents.

No. 2 - 25.100 oz. gold per ton; 21.100 oz. silver per ton; value of gold \$1.00; value of silver 10 cents.

No. 3 - 10.100 oz. gold per ton; 18.100 oz. silver per ton; value of gold \$2.00; silver 9 cents.

No. 4 - Trace of gold; 22.100 oz. silver per ton; value of gold 60 cents; value of silver 11 cents.

No. 5 - 28.100 oz. gold per ton; 29.100 oz. silver per ton; value of gold 60 cents; of silver, 14 cents. "

The following is a copy of assays from the Britannia group of conglomerates in the Indian River District at various periods:

INDIAN RIVER CONGLOMERATES

( The Dawson Daily News of Monday, March 3, 1919 )

( continued )

Year 1900: - Assayer - August Dietric:

Assay No.	1	\$ 5.65
	2	trace
	3	22.00
	4	7.26
	5	8.05
	6	7.92
	7	trace
	8	1.15
	9	2.25
	10	4.55

Average per ton: - \$5.975

Assays - Year 1900

Assayers - Dr. Everetts - several assays; average value \$5.00.

R. McIsaac:

Assay No.	1	\$ 3.00 per ton
	2	5.20
	3	5.05
	4	7.00
	5	6.00
	6	1.90

Average value \$4.95

Adams ( Canadian Bank of Commerce )

Assay No.	1	\$ 7.50 per ton
	2	5.00
	3	6.40
	4	trace
	5	3.75
	6	trace

Average value \$4.00

Year 1901

Joseph Miller - 100 assays averaged per ton \$5.00

Year 1902

Garth Miller run of 500 tons - average value per ton \$2.24.

\$3.92 (1964)

Year 1904

Fifty pounds taken from shaft by R. Coult's; Assayer Bogardus, Seattle; average per ton \$15.50.

One sample taken by F.T. Congdon, K.C., Assayer Cobb, value per ton \$15.26.

Year 1911

From a report by Clarke and Fothergill; Assayer Freeman, (Canadian Bank of Commerce); values per ton, \$3.50 to 7.50.

Year 1912

Mining Inspector T.D. McFarlane:  
value per ton \$4.55 to \$9.75.

Year 1913

Assayer - Sanders (Canadian Bank of Commerce)  
average value per ton \$4.00.

Year 1911.

Clark, and Fothergill  
Assayer - Freeman, (Canadian Bank of Commerce)  
Three runs by cyanidation;  
First run, 85 lbs. value per ton \$5.50  
Second run, 80 lbs. 7.15  
Third run, 75 lbs. 7.84  
Average - \$6.09

Assayer - Day (Canadian Bank of Commerce) - average \$7.13

H. Marshall, Toronto - average \$7.00

Several other assays were secured on various Indian River conglomerates at different times and are shown on assay certificate held by those mentioned. Assays are as follows:

13 September, 1913 for A.A. McMillan

Assayer - D. Saunders - Gold \$5.20; Silver, 90 cents.

15 September, 1913 - for A.A. McMillan

Assayer - D. Saunders - Gold, from F. Slavin sample \$2.04  
from 80 ft. shaft 4.00  
from 15 ft. shaft No. 1 2.00  
from 15 ft. shaft No. 2 1.00  
from left shaft 1.40  
from porphyry dyke 1.60  
from top of hill trace  
from halfway to hill trace

Fothergill sample \$2.44

11th. of October, 1911, for C. Fothergill

Assayer - Horace Freeman - Gold \$2.66; silver 6 cents.

21st. of April, 1914 for C. Fothergill

Assayer - H.J. Marshall - From roof - Gold \$10.00; silver 6 cents.

From face - Gold \$2.00; silver 2 cents.



unknown depth. The northern edge lies along a bench 100 feet high facing Indian River flat. Surface assays practically all contain some evidence of gold or silver, and the few tunnels and shafts run show similar returns. It is believed that the properties run to a considerable depth, and that if drilled with a diamond drill or otherwise they might show much higher if not extraordinary values at a depth. Some believe these solidified gravels have a paystreak at the bottom something like that of the wash gravels of this country. Approximately 150 claims are kept alive on the conglomerate by various owners, all hopeful. One fine coal seam has been discovered, and partly opened, on the property.

The deposit, many believe, may become another Rand in size and importance.

Two creeks cut through the conglomerate formation, exposing the rock on their benches from two to three hundred feet above the present level of the streams. Outcroppings of conglomerate occur along the Indian River bench two hundred feet in height above the present valley bottom, and in a continuous line for upwards of four miles.

Chris Fothergill and Lawrence Campbell, who have been interested in the conglomerates of Indian River for years, spent all last winter sinking a shaft on the property, and are continuing work on it this winter. The shaft is on the Arctic claim. It is down 52 feet through the solid conglomerate. They are confident of success attending their efforts, and have been encouraged by assays obtained as they sink. Samples sent to Milton, Hersey & Company, Ltd., of Montreal, showed a valuation of \$3 a ton in gold and silver at the 35-foot level. The assay certificate is dated August 17, 1920. Samples sent to the Colorado School of Mines and elsewhere, the owners state, show increased values are being obtained with every foot of depth.

Several well known Dawson people have taken an active interest in the conglomerates, while others living in the vicinity of the properties have done the same. The conglomerates were discovered by Archie and Donald McKinnon, brothers, who worked there for years and are now on the coast in the interest of the property. Others who have taken an active interest of late in the development of the properties are E. W. Jackson, A. A. McMillan, C. Fothergill, L. Campbell, J. N. Spence, F. Elliott, and E. Chapman.

Archie McKinnon, who had wide experience on the famous African

\$3.00; silver, 8 cents.

No. 2—5.100 oz. gold per ton; 21.100 silver per ton; value of gold, \$1; silver, 10 cents.

No. 3—10.100 oz. gold per ton; 18.100 oz. silver per ton; value of gold, \$2; silver, 9 cents.

No. 4—Trace of gold; 22.100 oz. silver per ton; value of silver, 11 cents.

No. 5—3.100 oz. gold per ton; 29.100 oz. silver per ton; value of gold, 60 cents; of silver, 14 cents.

The following is a copy of assays from the Britannia group of conglomerate in the Indian River district, at various periods:

Assayer, D. Saunders.

September 13, 1913—For A. A. McMillan—1 from F. Slavin sample, \$2.64; 1 80-foot shaft, \$4; from 15-foot shaft No. 1, \$2.90; from 15-foot shaft No. 2, \$1.80; from left limit, \$1.40; from porphyry dyke, \$1.60; from top hill, trace; from half way to hill, trace; Fothergill sample, \$2.44; assayer, D. Saunders.

October 11, 1911—For C. Fothergill—Gold, \$2.66; silver, 6 cents; assayer, Horace Freeman.

April 21, 1914—For C. Fothergill—From roof, gold \$10, silver 6 cents; face, gold \$2, silver 2 cents; assayer, H. J. Marshall.

## Alex Lesperance

### General Merchandise and Roadhouse

Complete New Stock Will Be Ready for My Customers in Spring  
MINERS' HEADQUARTERS

ALEX LESPERANCE, Prop. DISCOVERY, GLACIER CREEK, Y. T.

## A. T. TADDIE

Granville, Y. T.

### Hotel Keeper

STORE IN CONNECTION

HEAVY TEAMING, CONTRACTING

Telephone to All Creeks and Dawson

# INDIAN RIVER CONGLOMERATES GET ATTENTION

COVER VAST STRETCH, AND  
MANY THINK MAY PROVE  
ANOTHER RAND

## MANY CLAIMS HELD

ASSAY RETURNS SHOW VALUES  
IN SAMPLES FROM A  
WIDE AREA

(From Dawson Daily News of March  
3, 1919, and reprinted by request.)

(By Chris Fothergill.)

The Indian River conglomerate deposits have received attention for years by a number of persistent prospectors, including the Mackinnon brothers, A. A. McMillan and others. The conglomerates lie along Indian river, near the mouth of Quartz creek, only twenty-five miles from Dawson, and comprise a huge deposit of solidified or cemented wash rock. They cover a known area three by twelve miles, paralleling Indian river. The northern edge lies along a bench 160 feet high facing Indian River flat. Surface assays practically all contain some evidence of gold or silver, and the few tunnels and shafts run show similar returns. It is believed that the properties run to a considerable depth, and that if drilled with a diamond drill or otherwise they might show much higher if not extraordinary values at depth. Some believe these solidified gravels have a paystreak at the bottom something like that of the wash gravels of this country. Approximately 150 claims are kept alive on the conglomerate by various owners, all hopeful. One fine coal seam has been discovered, and partly opened, on the property.

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The following is a copy of assays from the Britannia group of conglomerate in the Indian River district, at various periods:

Year, 1900; assayer, August Dietric—Assay No. 1, \$5.65 per ton; assay No. 2, trace; assay No. 3, \$22.00 per ton; assay No. 4, \$7.26 per ton; assay No. 5, \$8.85 per ton; assay No. 6, \$7.92 per ton; assay No. 7, trace; assay No. 8, \$1.15 per ton; assay No. 9, \$2.25 per ton; assay No. 10, \$4.55 per ton; average, \$5.973.

Year, 1900; assayer, Dr. Everette—Several assays, average \$5.00.

Year, 1900; assayer, R. McIsaac—Assay No. 1, \$3.00 per ton; assay No. 2, \$5.20 per ton; assay No. 3, \$5.85 per ton; assay No. 4, \$7.00 per ton; assay No. 5, \$6.80 per ton; assay No. 6, \$1.90 per ton; average, \$4.95.

Year, 1900; assayer, Adams, Bank of Commerce—Assay No. 1, \$7.50 per ton; assay No. 2, \$5.00 per ton; assay No. 3, \$6.40 per ton; assay No. 4, trace; assay No. 5, \$8.73 per ton; assay No. 6, trace; average, \$4.90.

Year, 1901, assayer, Joseph Miller—100 assays averaged \$5 per ton.

Year, 1902—Government mill run of two tons, average, \$2.24 per ton.

Year, 1904—Fifty pounds taken from shaft by R. Coutts, assayed by Bogardies, Seattle, average, \$13.50 per ton.

Year, 1904—One sample taken by F. T. Congdon, K. C., assayed by Cobb, went \$13.26 per ton.

Year, 1911—From a report by Clark & Fothergill, Freeman assayer Bank of Commerce, \$3.30 to \$7.50 per ton.

Year, 1911—Clark & Fothergill; Freeman, assayer, Bank of Commerce—Three runs by cyanidation: first run, 85 pounds, \$3.30 per ton; second run, 80 pounds, \$7.15 per ton; third run, 75 pounds, \$7.84 per ton; average, \$6.09 per ton.

Year 1911—Day, assayer, Bank of Commerce—Average, \$7.13 per ton.

Year, 1911—From N. Marshall, Toronto—Average, \$7.00 per ton.

Year, 1912—Mining Inspector T. D. Macfarlane, \$4.55 to \$8.75 per ton.

Year, 1913; assayer, Sanders, Bank of Commerce—Average, \$4.00 per ton.

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Your letter of April 27 and samples for examination received and I beg leave to report on same as follows:

No. 1—48.100 oz. gold per ton; 16.100 oz. silver per ton; value of gold, \$9.60; silver, 8 cents.

No. 2—5.100 oz. gold per ton; 21.100 oz. silver per ton; value of gold, \$1; silver, 10 cents.

No. 3—10.100 oz. gold per ton; 18.100 oz. silver per ton; value of gold, \$2; silver, 9 cents.

No. 4—Trace of gold; 22.100 oz. silver per ton; value of silver, 11 cents.

shaft by R. Coutts, assayed by Bogart, Seattle, average, \$13.50 per ton.

Year, 1904—One sample taken by F. T. Congdon, K. C., assayed by Cobb, went \$13.26 per ton.

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Year, 1911—Clark & Fothergill; Freeman, assayer, Bank of Commerce—Three runs by cyanidation first run, 85 pounds, \$3.30 per ton; second run, 80 pounds, \$7.15 per ton; third run, 75 pounds, \$7.84 per ton; average, \$6.09 per ton.

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Year, 1911—From N. Marshall, Toronto—Average, \$7.00 per ton.

Year, 1912—Mining Inspector T. D. Macfarlane, \$4.55 to \$8.75 per ton.

Year, 1913; assayer, Sanders, Bank of Commerce—Average, \$4.00 per ton.

Year, 1913—Sampled by A. T. McLean, but no report issued.

Several other assays were secured on various Indian River conglomerates at different times, and are shown on assay certificates held by those mentioned. The assays are as follows:

September 18, 1913—For A. A. McMillan—Gold, \$3.20; silver, 90 cents; assayer, D. Saunders.

September 13, 1913—For A. A. McMillan—Gold from F. Slavin sample, \$2.64; from 80-foot shaft, \$4; from 15-foot shaft No. 1, \$2.90; from left limit, \$1.40; from porphyry dyke, \$1.60; from top hill, trace; from half way to hill, trace; Fothergill sample, \$2.14; assayer, D. Saunders.

October 11, 1911—For C. Fothergill—Gold, \$2.66; silver, 6 cents; assayer, Horace Freeman.

April 21, 1921—For C. Fothergill—From roof, gold \$10, silver 6 cents; face, gold \$2, silver 2 cents; assayer, H. J. Marshall.

District

Assays from Britannia Group, Conglomerate, Indian River, Y. T.

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1900 Assayer August Dietric:

Assay No. 1	\$5.65	per ton	
2	trace		
3	22.00		
4	7.26		
5	8.85		
6	7.92		
7	trace		
8	1.15		
9	2.25		
10	4.55	average	\$5.973 per ton.

Assayer, Dr. Everett, several assays, average \$5.00

Assayer R. McSae:

Assay No. 1	3.00	per ton	
2	5.20		
3	5.85		
4	7.00		
5	6.80		
6	1.90	average	\$4.95

Assayer Adams, Bank of Commerce

Assay No. 1	7.50		
2	5.00		
3	6.40		
4	trace		
5	8.75		
6	trace	Average	\$4.90

1901 Joseph Miller, Assayer 100 Assays averaged \$5.00 per ton

1902 Govt Mill run of 2 tons average \$2.24 per ton

1904 50 lbs taken from shed R. Coutts assayed by Bogardies, Seattle average \$13.50 per ton

1 sample taken by J. Congdon assayed by Cobb went \$13.26 per ton

1907 Two and half tons taken by W.A.T. & T. Co produced \$27.50 or \$11.00 average per ton

1911 From a report by Clark & Fothergill, Freeman Assayer Bk of Commerce \$3.30 to \$7.50 per ton

1912 Mining Inspector McFarlane \$4.55 to \$8.75 per ton

1913 Assayer Sanders Bk of Commerce average \$4.00 per ton

1911 Clark & Fothergill, Freeman Assayer Bk of Commerce 3 runs by cyanidation 1 run 85 lbs \$3.30 per ton 2nd run 80 lbs \$7.15 per ton. 3rd run 75 lbs \$7.84 per ton Average \$6.09

Day Assayer Bk Commerce average \$7.15 per ton  
from W. Marshall Toronto average \$7.00 per ton.

Dawson, YUKON,  
July 20th 1938.

Chris Spencer, Esq.,  
Vancouver, B. C.

Dear Sir:-

Indian River Conglomerate Deposits.

Located Mouth Quartz Creek 25 Miles from Dawson City.

On behalf of the owners of a group of 100 claims on above mentioned properties I am endeavoring to get mining capital interested, in order to get this property further developed and tested, with object of making a sale or getting an option taken.

These Conglomerate Deposits have interested mining men and engineers for many years, but the vastness of the proposition and naturally the large expenditure of money they considered necessary to develop and prove the ground has always seemed the great obstacle.

The story goes, though I have nothing at hand to confirm it, that the C.P.R., sent engineers in some years before the war and an offer of \$500,000 or in that neighborhood, was made to the MacKinnon Brothers, for their holdings, and the adjoining claim owners were also offered a good price for their claims. The MacKinnon Brothers turned the offer down, they wanted a "cool million" The deal fell through. It is only a few years ago that the MacKinnon Brothers passed away practically paupers.

In the intervening years the world war followed by depressions nothing much was heard of the Indian River property. With the new price of gold and new interest has arisen and each year engineers are coming to the Yukon.

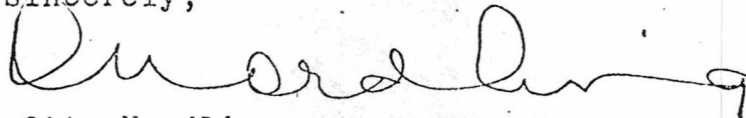
page two.

One of the largest owners of these properties is getting on in years and is very anxious to make a deal, and I can assure you that no difficulty in making terms would be encountered.

I am enclosing a newspaper clipping showing a series of assay reports and values for your perusal. Within the next two weeks we are forwarding a lot of <sup>samples</sup> ~~samples~~ 25 pounds to the Provincial Assayer, Victoria, B. C., and at a later date would be glad to forward you copy of that report.

Would appreciate hearing from you at an early date, and be glad to furnish you with any further information that you may wish,

Yours very sincerely,

A handwritten signature in cursive script, appearing to read "Otto Nordling". The signature is written in dark ink and is positioned above the printed name.

Otto Nordling.

August 18th. 1938.

Mr. Otto Nordling,  
Dawson,  
Yukon Territory.

Dear Sir:-

Your letter of July 20th addressed to Mr. Chris Spencer has been turned over to me for attention, as Mr. Spencer is not personally interested in mining.

The conglomerate deposits described in your letter and in the reprint of the newspaper article sound rather interesting, at least from a geological point of view. I am not surprised that companies have stayed away from the deposits for it is quite evident the grade is very low and the cost of bringing such a property into production would be very great. I have not heard of these conglomerate deposits before and would like to get references to any published literature you may know of.

We would be interested in learning of the results of samples sent to Victoria, and if possible would like to have a sample or specimens of the rock sent to us at the mine.

Yours very truly,

Managing Director

Dawson, Yukon,  
Sept 10th 1913.

H.I. Jones, Esq.,  
General Manager,  
Pioneer Gold Mines of B.C. Ltd.,  
Pioneer Mines, P.O., B.C.

Dear Sir:-

I received your letter of August 13th., and as requested have forwarded samples of rock taken from the Britannia.

I am enclosing extract from R.G. McConnell's report of 1903 and MacLean's report of 1914.

MacLean's report as you will note from assay results is far from encouraging, and for years has been a point of controversy.

In Figure 13 and plate XVI, how was he able to designate actual body of conglomerate without drilling?

You will note assays per newspaper article which you have, assays of numerous tests all have values, and will not conform with MacLean's tests, which at the best proved only traces.

H.S. Bostock spent several days examining these properties in 1937, but nothing whatsoever appeared in his report which we just received on the last mail, much to the disappointment of all claim owners.

I hope that information herewith and samples of rock will enable you to arrive at some opinion. To say that we are all most interested to hear from you in this matter is just putting it mildly.

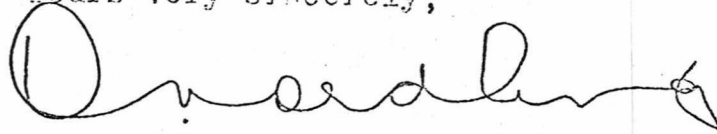
There would still be time for an engineer to inspect the properties before the snow comes, and we would only be too glad to give him every assistance at this end.

page two.

Mr. Gothergill who appears in the picture with the MacKinnon Brothers is the only survivor of the three and is now near the 75 mark. The past year he has been failing rapidly and unable to do any work. Last Sunday when we were up at his place on Indian River he was unable to accompany us to the claims.

Would appreciate an air mail reply,

Yours very sincerely,

A handwritten signature in cursive script, appearing to read "O. Nordling". The signature is written in dark ink and is positioned below the typed name.

O. Nordling.

EXTRACT FROM REPORT ON THE KLONDIKE GOLD FIELDS

BY

R. G. McConnell, B. A., based on field work carried on during the season 1903.

Memor 274 P109

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Auriferous conglomerates. INDIAN RIVER.

" The Tertiary rocks <sup>south</sup> ~~west~~ of Indian River include large bands of conglomerates, some of which are auriferous, and numerous claims have been staked on them. Very little development work has, so far, been done. At the Britannia Claim, situated on McKinnon Creek, a few miles south of Indian River, a shaft 60 feet has been sunk, and a short tunnel has been driven into the side of the hill. The shaft penetrates through a peculiar white, moderately hard conglomerate, disclosed in places with iron. The Conglomerate consists mostly of small well-rolled pebbles of vein quartz imbedded in a siliceous matrix. Assays of several dollars to the ton are reported from this conglomerate and a mill test of two tons, at the Government Stamp Mill, at Dawson, gave \$2.24 per ton. The gold is detrital, occurring in the matrix, and the deposit may be considered an ancient placer, probably of beach origin.

The conglomerates in the Tertiary basin are well worth investigating. They were brought down by streams traversing rocks, and by auriferous quartz veins: some gold must almost certainly have been deposited with them, especially near the mouths of the old valleys. Unfortunately, all traces of these have disappeared in the general erosion of the districts, and a large amount of expensive exploratory work will be necessary to prove or disprove the existence of pay ore "

-----

Assays over a period of years from 1900 to 1921 show an average of \$5.00 per ton at the old price of Gold.

1911. Three runs by cyanidation

First run	65 pounds	\$3.30	per ton	
Second run	80 "	7.15	"	
Third run	75 "	7.84	"	
				Average \$6.09 per ton.

Some assays running as high as \$22.00, \$13.50, & \$13.26 per ton.

You will note that Assays taken by T.A. MacLean, K.E., were handled by W.C. Sime, still the local Govt Assayer, who according to many still reports "mill" on samples sent to him. All other samples sent to Vancouver and Govt Assayer in Victoria carried good values.

September 23, 1933.

Mr. O. Nordling,  
Dawson, Yukon Territory.

Dear Sir:-

Mr. James is away from the property at the present and nothing definite can be given as to his opinion of your property.

We have however, assayed the samples you forwarded, and they ran .02 ounces and .04 ounces in gold. Such values would naturally eliminate any chance of this company becoming interested.

Should Mr. James not agree with our decision, we will ask him to wire you on his return. Otherwise, considering the information available this letter may be accepted as final.

Yours very truly,

RT-s

Accountant.



October 6, 1938.

Mr. Owen Nordling,  
Dawson, Yukon Territory.

Dear Sir:-

As advised by Mr. Thompson in his letter of September 23rd, I received your data on the Britannia property and have also assayed the samples which you sent to us. In the last mail I also received a blue print of the claims covering the area referred to.

I have gone over the information submitted and have come to the conclusion we would not be interested in this deposit. This conclusion is arrived at chiefly by reading Mr. MacLean's report. The report, as you mention in your letter rather condemns the property and you suggest his findings are not accurate but from what I can see it is the only report which has really been thorough. All the other samples taken are individual specimens presumably and could hardly represent the picture as well as the more systematic sampling of Mr. MacLean.

We appreciate your having forwarded us all of your information, including a report which is not favorable, since you must have realized that this would influence ones attitude towards the showings. You will also observe that the two samples sent to us were very low grade but you did not forward us copies of assay results on samples sent to the Department of Mines at Victoria.

October 6, 1938.

I am returning herewith your blue print and also the report by Mr. MacLean as it is possible you may not have as many of these copies as you wish. Thanking you very much for your kindness in submitting this data, I remain,

Yours very truly,

HTJ-s

General Manager.

Dawson, Yukon.  
May 11th 1939.

H.T.James, Esq.,  
General Manager,  
Pioneer Gold Mines of B.C.Ltd.,  
Pioneer Lines, B.C.

Dear Sir:-

At this late date I wish to acknowledge your letter of October 6th., 1938 in which you return blue print of Indian River Conglomerate Claims, for which I thank you.

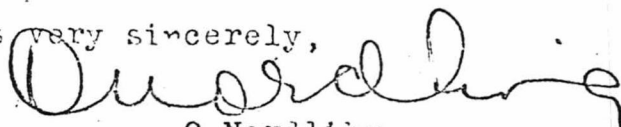
Although the contents of your letter are not what the rubbing of Alladin's Lamp might have brought forth I am glad to have a candid and professional opinion on record.

Assay return from Govt Assay Office, Victoria, B.C., gave only a trace of gold. For your perusal I am enclosing assays made by Britannia Mining & Smelting Co and W.C.Sime our Govt Assayer. You will note Mr. Sime who did assaying for MacLean's report continues to report Nil.

Through our M.P., Mrs. George Black we are endeavoring to have Govt Geologist Dr. H.S. Bostock examine these properties this summer. Capt George Black and numbers of others have passed an adverse opinion as to MacLean's Report - on what basis of course I could not say - but it certainly would be interesting to have this report confirmed or disproved.

An option on 80 Claims have been taken by some American interests and we have high hopes of seeing them in this summer. If anything startling develops will drop you a line and in the meantime <sup>we</sup> continue to be optimistic.

Yours very sincerely,

  
O. Ordling.

May 25, 1939.

Mr. O. Nordling,  
Dawson, Yukon.

Dear Mr. Nordling:-

I have your letter of May 11th and see you are still interested in the Indian River conglomerates and that 80 claims have been taken up by American interests. I sincerely hope they find the claims of value or at least do sufficient work to prove or disprove the old stories about these showings.

With regard to the information you were good enough to send on certain silver-lead showings in the 12 Mile district, I am sorry to advise it is out of the question for us to consider examining these. Aside from the fact that silver-lead is not particularly attractive these days, I have no one to send into the district. I have talked with one or two engineers about your properties to see if they would be interested but they have shown no inclination to examine that area and I am therefore returning your file. Thanking you for bringing these claims to our attention,

Yours very truly,

HPJ-s

General Manager.



# THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

ESTABLISHED 1869

HOME OFFICE - WATERLOO, ONTARIO

Dawson, Yukon  
July 24th 1939.

H. T. James, Esq.,  
General Manager,  
Pioneer Gold Mines, Ltd.,  
Pioneer Mines, B. C.

Dear Sir:-

Received your letter of May 25th returning  
12 Mile District Silver Claims data. Note price of silver  
is on the drop.

I am enclosing two assay reports covering  
1 sample from Britannia Claim. The one showing values being  
done by F.O. Bird, acting assayer during Sime's absence.  
Mr. Sime who assayed for the MacLean report continues to  
give nil values while others seem to find something. We are  
forwarding more samples to Assayer Bird and returns will be  
interesting.

I am also enclosing copy of assay reports taken  
years ago - and see no reason why we should not be able to  
get some new assays with corresponding values.

Sorry to relate that Mr. Chris Fothergill passed  
away several weeks ago, well over 70 years. The American  
interests according to latest word are having General MacRae's  
men drill the ground this fall.

Yours very sincerely,

  
Otto Erdling.

# TERRITORIAL GOVERNMENT ASSAY OFFICE

Keno Hill Y. T. May 25/39.

Mr. O. Nordling,

Dawson, Y.T..

MARK ON SAMPLE	GOLD		SILVER		Total Value Per Ton Gold and Silver	PERCENTAGE OF			
	Ozs. Per Ton	Value Per Ton	Ozs. Per Ton	Value Per Ton		Copper	Iron	Lead	Zinc
# I	0.015	\$ 0.52	1.4	\$ 0.60	\$ 1.12				

*F. O. Bird*

acting TERRITORIAL ASSAYER

# TERRITORIAL GOVERNMENT ASSAY OFFICE

Keno Hill

Y. T. 11th Oct. 1938.

25 000 No. 111111

Dawson, Y.T.

DESCRIPTION OF SAMPLE	GOLD		SILVER		Total Value Per Ton Gold and Silver	PERCENTAGE OF			
	Ozs. Per Ton	Value Per Ton	Ozs. Per Ton	Value Per Ton		Copper	Iron	Lead	Zinc
Conglomerate.	Nil	---	Nil	---	---				

*W. C. Stone*  
TERRITORIAL ASSAYER

P.O. Box 443,  
Dawson, Yukon.  
Dec. 7th., 1949.

Bralorne Mines Limited,  
555 Burrard St.,  
Vancouver, B.C.

Dear Sirs:

The following is some information on a conglomerate deposit on Indian River, situated in the Dawson Mining district, which might be of some interest to you. For the past number of years interest has been shown locally in this conglomerate but it has never been properly examined by a reliable company. To date no diamond drill holes have ever been put down in this Dawson district and the only exploration work done here in hard rock has been done by trenching, shafts and short tunnels. Practically no interest has been taken here by the local companies as they are all interested in placer mining. We feel that if some of these properties were brought to the attention of a big company and given a thorough examination some of them should show promising results.

Aside from the conglomerate we have several other encouraging prospects in this locality - a copper, lead and silver deposit on the Yukon River bank near Dawson and a silver-lead showing some distance below Dawson also on the Yukon River. We also have a very promising gold quartz property about 20 miles from Dawson, on which we have done considerable work. A test mill was erected for the testing of ore from this property and the results of the mill test have been gratifying. We have assay sheets and results of mill runs which can be furnished if you are interested. Aside from the above mentioned there are other properties here that would bear investigation.

The Indian River conglomerate properties are situated on Indian River, 20 miles from the main Yukon River. The properties include an area 8 miles long and 3 miles wide and are located at a point on Indian River approximately 30 miles from Dawson City.

This conglomerate property was first discovered and staked by the McKinnon Brothers who held their original group of claims under Crown Grant lease up until the times of their deaths. Following their deaths the property, under Crown Grant lease, was kept up and maintained by the Public Administrator of Yukon Territory.

Previous to the deaths of the original discoverers there were in the neighborhood of 200 claims held in good standing by the McKinnon Brothers and others. Eventually however these were all dropped owing to the costs of keeping them up and the unwillingness of the McKinnon Brothers to sell their holdings for a reasonable figure.

In addition to the conglomerate there are deposits of coal on this property that could be developed.

From the Brittania claim, owned by the MacKinnons, a great many assays were taken prior to the deaths of the original owners. In 1911 a mill run of  $2\frac{1}{2}$  tons was made from the Brittania claim but only 40¢ was caught on the plates. At that time those making the tests had had no previous experience with milling. Upon consultation with Horace Freeman, assayer for the Canadian Bank of Commerce, Dawson, he advised that the ore be treated by cyanidation. Mr. Freeman subsequently made 4 runs covering 85 lbs. of ore by means of cyanidation treatment. The first lot so treated assayed \$3.30; the second lot, taken from the 60-ft. level of the Brittania claim, assayed \$7.15. These values were all rated from the price of gold at that time of \$20.57 per oz..

There was also a shaft down 100 feet on the Andromeda claim which adjoins the Brittania. Assays from this shaft averaged \$3.40 to the ton at the old price of gold (\$20.57) and there was a tunnel into the hill 150 ft. long on the Andromeda claim that averaged \$3.50 to the ton. Assaying on this property was done by the Colorado School of Mines. A shaft, down 100ft. on the Arctic claim close by, yielded assays of \$2.10 to the ton. The ore from the bottom of that shaft assayed between \$3.00 and \$4.00 to the ton and these assays were found by Milton Hersey of Montreal, Canada. Numerous assays have been taken at different times on the conglomerate properties but there are no drill holes on it as yet. There is no doubt but that rich ore would be reached with depth, as in all the holes sunk so far the values increased with depth. Dr. Hugh Bostock, Government Geologist, Ottawa, who examined this conglomerate, has stated that the property was deep, probably a thousand feet.

The only claims now held are a group held by ourselves - which include the former Brittania claim and others mentioned above.

One of the main reasons why no action was ever taken in connection with the Indian River conglomerates was that the McKinnon Brothers, being somewhat eccentric, refused to sell out their property. Many offers were made to them, all of them lucrative but all of these they refused, believing their

property to be worth enormous sums. In August, 1911, they had an offer from MacKenzie and Mann, the railroad contractors, of \$50,000 for the Brittonia claim and \$10,000 each for all of their other claims totalling approximately 30 claims. The prospective purchasers agreed to deposit \$50,000 in the Bank for exploration work with a 12-months option and pay the Brothers \$5,000 down. But the McKinnons refused this offer, stating to the agent of the purchaser that in their estimation the Brittonia claim alone was worth \$3,000,000.00 . Other adjacent claims were optioned but these options never were taken up because the purchasers could not acquire the McKinnon interests as well. Many other offers were made but the refusal of the McKinnons to come to terms blocked all efforts to negotiate by big interests outside. It should be noted too that at this time when these offers were made there was still rich placer ground available in this district.

We feel that there should be a good opportunity in this conglomerate property for a large company. It is so conveniently located too - the Indian River runs right by alongside the property and it is connected to Dawson by a government road. Introduction of drilling methods on the conglomerate would undoubtedly lead to values hitherto uncovered.

If interested we can furnish you with more information and would appreciate a reply at your earliest convenience.

Yours truly,

*E. M. Henderson*

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E.M. Henderson

*C. C. Henderson*

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C.C. Henderson

*C. W. Craig*

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C.W. Craig