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CORANEX LIMITED

KLAZAN PROJECT

by

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- | | | |
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| (1) | Map (scale 1" = 200') - sample numbers | In Pocket |
| (2) | SE side Burgis Creek Valley - sample numbers | In Pocket |
| (3) | Map (scale 1" = 200') - arsenic and zinc | In Pocket |
| (4) | SE side Burgis Creek Valley - zinc | In Pocket |
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| (6) | SE side Burgis Creek Valley - copper and molybdenum | In Pocket |
| (7) | Map (scale 1" = 200') - silver and lead | In Pocket |
| (8) | SE side Burgis Creek Valley - silver and lead | In Pocket |

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KLAZAN PROJECT

LOCATION

The Klazan claims are 50 miles west of Carmacks, Yukon Territory at latitude $62^{\circ}23'$, longitude $137^{\circ}30'$. The Freegold Mountain road is a good gravel road extending westward from Carmacks for a distance of 30 miles. Thereafter a four-wheel-drive vehicle is needed to travel the dirt roads across several creeks and over a steep hill into Revenue Creek. From Revenue Creek one must follow the Big Creek valley westward to Burgis Creek and then up Burgis Creek for a distance of two miles. Big Creek and Burgis Creek have no roads; however travel by bulldozer is easy as some old river banks on the north side of the valley have been burned over and the new trees are not large.

HISTORY OF EXPLORATION

In the 1965 reconnaissance geochemical program, a THM anomaly focussed attention on Burgis Creek. Follow-up of the THM anomaly and soil-sampling along the sides of the valley near the termination of the THM anomaly revealed a highly altered and mineralized area which yielded anomalies in copper, molybdenum, THM, and arsenic. Prospecting in the area revealed some good quartz stockwork float but only minor sulphide mineralization other than the pyrite. A few scattered crystals of galena were noted in the porphyry and a small lense of galena-sphalerite-calcite was found. When working on this zone, the writer had an accident and had to enter hospital. During this interval the crews moved to another region and no further work was done in the 1965 season.

After reappraising the data in the following winter, the writer decided that this anomalous zone warranted some additional investigation. Accordingly Mr. Colin Campbell spent about six weeks in the summer of 1966 on the property. He soil-sampled the better arsenic anomalies, the better molybdenum anomalies and the better THM anomaly and he dug some hand trenches. The arsenic anomaly was displaced to the south of the main alteration zone and the work revealed nothing of interest. The THM anomaly was in a gully, and the gully was underlain by gravels proving that the anomaly was transported. The trenches in the vicinity of the molybdenum anomaly revealed some fractures coated with molybdenite, a few quartz-molybdenite veinlets and a highly altered rock which proved to contain abundant barite and numerous quartz veinlets.

In 1968, the Directors of Coranex Limited allowed a small budget for a bulldozer stripping program. Mr. R. H. James hired a bulldozer and took it to the property. The writer visited the property twice during this month of bulldozing.

The bulldozer stripping was variously effective -- it helped outline the geology but did not expose fresh rock for definitive sampling. On the easterly-facing slopes (west side of Burgis and Etches creeks) long trenches reached weathered bedrock. On the westerly-facing

sampling along the trenches are plotted as inserts on the large map, and the profiles for the sampling along the banks on the east side of Burgis Creek are plotted on a separate map. The map conforms to R. H. Jones' usual high quality of draftsmanship. In a few places the penmanship was rather light and the resulting prints are difficult to follow. However, for anyone interested in doing further work on the property, the original maps are available.

GEOCHEMISTRY

The bulldozing at the foot of the bank on the east side of Burgis Creek turned up minor molybdenite mineralization. This was in the form of fine-grained molybdenite along a few fractures. In addition a few quartz-molybdenite veinlets were reported. However, judging by the analytical results, some of these may have been quartz veinlets with very fine galena. The molybdenite analyses are plotted on the one map and the results, although well above the background values for most igneous rocks (< 3 ppm), are disappointingly low.

Of somewhat more interest are the highly anomalous values in arsenic, lead, and silver and, to a lesser extent, copper. These anomalous metals are all coincident; they occur in the main trench on the west side of Burgis Creek, in places along the east side of Burgis Creek, and to a lesser extent in one place on Etches Creek. It appears that these anomalous values occur in the rhyolite adjacent to the porphyry intrusives. Although the very highly anomalous values on the west side of Burgis Creek plot over the porphyry stock, the writer believes that they are in rhyolite which has come from higher up on the hill.

Some of the highly anomalous samples were assayed for gold with the following results:

<u>Sample No.</u>	<u>Zn(ppm)</u>	<u>Mo(ppm)</u>	<u>Cu(ppm)</u>	<u>Pb(ppm)</u>	<u>Ag(ppm)</u>	<u>As(ppm)</u>	<u>Au(oz.)</u>
JJ 3534 R	2,655	9	190	1,100	16	195	trace
JJ 3535 R	800	19	235	650	10	1,000	.02
JJ 3536 R	1,150	28	580	1,300	10	>1,000	.08
JJ 3537 R	675	30	635	1,400	11	>1,000	.02
JJ 3710 S	-----	---	---	4,500	88	-----	.05
JJ 3697 R	-----	---	---	350	16	-----	.01
JJ 3787 R	-----	---	---	300	8	-----	trace
JJ 3695 R	-----	---	---	85	8	-----	.02
JJ 3699 R	-----	---	---	150	9	-----	trace
JJ 3702 R	-----	---	---	265	12	-----	.01

These anomalous samples have values of up to 88 ppm silver, >1000 ppm arsenic, 4500 ppm lead, 600 ppm copper, 0.08 oz. gold. And many of the samples are from weathered rock in which there are no visible sulphides. Abundant pyrite and yellow and brown iron oxides are present in places. Whether or not the gold and silver values can be residually concentrated at surface is not known. The importance of arsenic concentration in the limonite is also an unknown factor.