

014357

Toronto, the Noranda area, our claims in the Yukon, and Flin Flon.

In the Noranda area we are encouraged by the results of ground checking our airborne anomalies. Moreau and Woodard have worked on 12 of these. Six of them are considered worth drilling, one is rather doubtful and will probably merit one drill hole, and five were dismissed as due to water conditions or bedrock topography. Considering the potential weaknesses of an airborne method, we view this as a good score. It is, of course, a far cry from an electromagnetic anomaly to an orebody, but our past experience with the ground method used here has indicated that it will locate conductors which may be orebodies, barren sulphides, graphite, or mixtures thereof. The method is not effective with disseminated orebodies, and only a limited amount of further refinement of drilling targets is possible with gravity checks, geochemical work and surface geology. At the present time we are using all of these methods in attempts at refinement, and are also investigating the three anomalies in Ontario that were indicated by the airborne method, with a view to staking if favorably impressed.

These results are all tentative as far as the ultimate objective is concerned, and only after drilling will we know whether or not any of these anomalies reflect ore. However, developments to date lead us to believe that the method can probably be used successfully for ore finding. Much of course depends on the proper selection of areas to be flown, and there is also the problem that others are employing the method to a sufficient extent that the more acceptable, generally favorable areas will soon be completely flown by somebody or other.

I was somewhat disappointed at surface inspection of the best anomaly on the aerial map. This is unusually well exposed in outcrop, and shows sufficient sulphides and graphite to explain the anomaly. However, base metal indications are decidedly minor, and the anomalous area is sufficiently well exposed that there seems little point in drilling. There is, however, a drift covered anomaly on the property which we will probably drill, and more detailed examination may encourage us to drill a few holes under the exposed area.

The amount of graphite exposed in this particular showing suggests that, in that vicinity at least, graphite conductors are going to be a problem. This is our main reason for making some gravity checks as well as doing geochemical work in the effort to refine targets.

We have had two prospectors in the Pelly Mountains, Yukon, for a few months in the hope of enlarging our holdings in the Ketsa River area advantageously. My making the trip there in July was with a view to seeing anything they considered worth staking, and also to decide on a course of action with reference to the claims already held. The rediscovery made by

see next page

our prospectors there last summer precipitated a staking rush with Convest as the major performer. Convest is now active in the area opening up its showings and doing further prospecting, even though they already hold more than 200 claims.

All our prospectors put in this season's work along Seagull Creek, a tributary of the McConnell River, which is rather close to the Canal road. They found several pyritic and low grade veins, but nothing that had a satisfactory combination of grade and width. They did find one large float boulder of massive sulphides that was approximately 50% galena. Assay results on silver have not yet been received. However, this was in glacial drift in a large valley and might have come for some miles. Therefore, we decided not to stake any ground on this evidence. To locate the source would require extensive geophysical work, and observations indicate that a large percentage of anomalies would reflect barren sulphides. We can always return to the area if we consider it advisable, but at this writing I am doubtful that a mining district is in the making in the Ketz River area.

Referring to the three showings on our 14 claims, I dismiss one as unpromising because adjacent faulting would give no opportunity for a reasonable length. The other two showings are not, as they stand, of sufficient width and grade to indicate an orebody. They do, however, contain enough lenses of argentiferous galena to warrant further attempts at exposure. Therefore, I instructed one of the prospectors to remain through the month of August and do the best he could to open these up on strike in a few more places. This is not an easy job, as the ground is frozen, making pick and shovel work very difficult. However, Dr. Smitheringale, of Convest, assures me that the ground will probably thaw during August sufficiently to reach bedrock. Either one of these showings could conceivably open up sufficiently to make a small mine. However, I deem the odds to be against this.

The Convest showing, as it presently stands, is somewhat more encouraging, but is still a long ways from proving a mine. In one trench they have ore grade and width, and a few hundred feet away have a somewhat less promising pit. It will take at least the balance of the season for them to expose the veins sufficiently to decide on drilling. The galena at this showing carries about three ounces of silver for each percent of lead, whereas our assays average close to one ounce for each percent.

I decided to let five of the fourteen claims go. Between geological examinations and digging we have enough assessment work to hold the claims for more than a year. Unless Convest proves up favorably, or our digging yields encouraging results, I am inclined to hold further expenses to a minimum on this property.

The Yukon is relatively quiet this year. Hudson Bay Mining and

Smelting Company is rather discouraged with the expensive programs they have undertaken, and Prospectors Airways is not getting enough precious metals in their drilling to develop more than a "hold" for the future even though they have thick intersections of lead-zinc ore. The difficulty of course in developing this country, is the high cost of transporting concentrates to civilization. Lead and zinc without precious metals are not economic.

Our proposed trip to Richmond Gulf, Hudson Bay, was called off. We discovered that competent observers from two different companies had seen these showings and turned them down.

Our prospecting party in the Kenora area, operating on a geological concept set forth by Graham, did not uncover anything they considered worth staking. They are now investigating some showings north of Lake Superior in the hope of uncovering a "sleeper".

During July there was some uranium excitement near Kingston and Renfrew, Ontario. Stewart took a look at both these places and decided that they were not meritorious.

Flin Flon Area

After geochemical checking and surface examination of our anomalies on the South Schist Lake bloc of claims, we have set up a program for drilling 8 conductors with 11 holes, at an estimated cost of \$10,000. Seventy-five hundred dollars of this has already been budgeted.

We are holding the Linaka bloc for winter drilling.

After examination of showings on the shores and islands of Athapapuskow Lake, which is just east of our South Schist bloc and conveniently located with regard to transportation, we have authorized the staking of a limited number of claims for protection in this area, with a view to geophysical work.

Dr. Byers will do surface geology this summer on our Con group of option claims about 12 miles south of Flin Flon. This group contains a McPhar anomaly which, however, was not confirmed by M&W. It is an area of generally favorable geology directly between the Birch Lake and Coronation mines of HBM&S. Unless closer geological and geochemical work lend further encouragement, our belief is that the McPhar anomaly deserves at least one fairly deep hole. It might conceivably indicate an orebody deeper than the M&W method penetrates. There is also a possibility of disseminated ore. It is rumored that HBM&S is drilling a large disseminated orebody in this vicinity.

We are also studying the Deb group of claims with a view to a possible option. The geology here is generally favorable and a recent geochemical survey showed quite high copper values. We are getting details on this survey at the present time. The group is a few miles north of Flin Flon and covers a shattered area on strike with the Ross Lake fault, along which the two HBM&S mines at Schist Lake occur.