

PELLEY MINERALS SYNDICATE

014406

Progress Report

August 5, 1962

The Ketsa River silver-lead district, where our prospectors Harry Versluse and Jim Cox are working, was first staked in 1954 when high silver values were found in several veins. The district was relatively inaccessible and became neglected until 1960 and 1961 when Ketzakey Silver Mines pushed through an access road. Now it is relatively accessible and the increased price of silver and its future makes the area more attractive than before. Several companies, Giant Yellow Knife, Dominion Explorers, and others are active in the area, and ground is held by Comvest, Ketzakey Silver Mines, Sheeky and Associates of New York, and others.

The first objective of the season was to stake claims to surround pre-existing silver-lead discoveries made by Versluse, in order to protect these areas until existing key claims (Tet and Rain) expire in October and can be restaked, according to our agreement with Versluse. If this project is kept confidential the key claims should become available to us.

The new claims have now been staked and recorded as shown on the accompanying two plans and these new claims cover at least one silver-lead showing that was open for staking.

The Tet group at Seagull Lakes contains a vein of 3.5 feet of massive galena assaying 50 oz/ton silver, which has been tested by short drill holes and found to be limited in depth directly under the showing. However, the vein may widen elsewhere or other veins may occur, so the property deserves some further work, especially because of its proximity to the Canal Road.

The Rain group at White Creek covers several hundred tons of siderite float which carries up to 12% lead and 9 oz/ton silver in places, and from which one sizeable piece of float assayed 498 oz/ton silver. To the east another showing averaging about 12% lead and 9 oz/ton silver, and other indications of float have been staked as the Grey claims. With favourable geology, high grade float and abundant signs of mineralization, this ground certainly justifies bulldozer trenching to trace the source of float, perhaps accompanied by geophysics.

The second objective of the season is to prospect the other most favourable parts of the Ketsa River district. Versluse, Cox and Taylor Magundy (packer), with horses, are now prospecting the areas planned and hope to come up soon with new showings.

Respectfully submitted,


Dr. A.E. Aho.