

820240
104/0

INTER-OFFICE CORRESPONDENCE

FROM Mr. E.O. Chisholm
TO Mr. Roderick Macrae

DATE 21 July 1959
SUBJECT Gem Group 130-28: 59-54

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Reply
(TO BE COMPLETED IN DUPLICATE)

Dear Rod:

These claims were offered before by McKinnon of HBM & S, and I did not think much of them at that time. HBM & S gave them an adequate test, despite the claims by Hilchey and McKinnon. We are not further interested.

EOC-dp

E.O. Chisholm
E.O. Chisholm



INTER-OFFICE CO

File 104/0/116

Gem Group. /ootsie Lake

July 21 1959

INTER-OFFICE CORRESPONDENCE

FROM
TO File

DATE July 15th, 1959

SUBJECT Gem Group 130-28:59-54



MESSAGE

(TO BE COMPLETED IN TRIPLICATE)

Company	PA
Property	GEM GP
File	Be. OFFERING
Read by
Refer to

A	N
	W.S.R.
	G.A.C.
	G.H.M.
	E.O.C.
	H.A.P.
	R.D.S.
	R.C.B.
	E.L.D.
	J.I.B.
	E.C.J.

The Gem Group of 5 mineral claims:

This group was offered ~~to~~ for examination by Gordon Milchey of Whitehorse and Fairview B.C., who holds a power of attorney to sell the claims.

The asking price is a combined stock-and-cash deal with ten thousand dollars asked as the payment on signing the option. This figure is subject to negotiation and is obviously not acceptable to any company.

Geology: The claims were staked on a find made by H.B.M. & S prospectors in 1948 and 49 and initial development was done by that company. Since that date, only representation has been done by the owners, to maintain five key claims in force.

Mapping was done under the direction of Ken Gamey for H.B. M. & S and indicates the mineralization is in a limestone lense about 1250 feet long 300 feet wide, along but separated from a granite contact that forms part of the Cassiar batholith.

seven drill holes were driven and the surface mapped. Five trenches were cut over the main showing which failed to reach bed-rock in all but one case.

From the drill holes -logs, the surface mapping, and the trenching, the deposit is mapped in an area of phyllites, quartzites, limestones, argillites that have a uniform east-west strike and a 45-55 deg south dip. South of the sediments is the intrusive contact and west of the sediments the intrusive forms a horse-shoe embayment.

Drilling indicates the single vein strikes w.n.w, dips with the sediments toward the granite contact. Four of the seven holes intersected mineralization having a true width of 2 to 4 ft, a possible width of 10 feet (lost core within the replacement zone in two intersections indicates this) and a grade of 25 to 50 oz of silver, low values in gold, and 7 to 12 percent lead. Zinc values in the east end are higher than the west but are less than 5%. The indicated ratio silver/lead is 4/1.

The surface showing is located near a granite plug that was intersected in one DDH. A study of the drill sections suggests the surface showing is in a 'slump' of ground that has moved

INSTRUCTIONS FOR USE OF THIS FORM

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pp2

MESSAGE

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down slope some 75 feet from the projected strike of the sub-surface veins, or vein structure.

The surface exposure consists of ~~one~~ 1.0 ft boulders according to the report and in one case a 9.0 ft width section of vein, estimated to be ~~in place~~ ^{True in situ}. Silver values are generally two to three times the values in the drill-holes and the owners estimate there is fifty thousand dollars in silver-lead values in the four trenches. Highly unlikely.

in surface showing

Location:

the claims are situated north of Tootsie Lake at 130-28: 59-54 in the Jennings River area of B.C. Topo Map 104-0. This location is 18 miles from the Alaska Highway at Mile 701 and five miles north of then east end of Tootsie Lake. A cat-road built to service the Conwest development at Tootsie Lake passes within five miles of the Gem group. The road is servicable only in the winter.

History:

The property was found by EBM&S prospectors for that company, prospected by other prospectors for that company and mapped and drilled by that company following which the original finders secured title to the property. They are the present vendors.

The claims were optioned twice in the early fifties, but no development work was done by the optinors. Conwest (Gordon Miller) optioned the claims, staked some adjoining ground and allowed their claims to lapse. Only other work of note was the finding of a 500 oz silver boulder some 1000 feet west of the development

Opinion:

There is a single lead-silver-zinc vein having an indicated length of 700 ft, striking w.n.w, dipping 55 degs south, enclosed in a 1250 ft length of limestone in a sedimentary series of rocks adjacent to an embayment in intrusive granite.

A second similar lens adjacent to the granite contact has been mapped and has no indicated mineral on surface.

Drilling by the original owners was confined to the lens; assays of drill intersections indicate the silver content increases west along the vein, the zinc content is highest at the east end; and one drill hole at the east end indicates the mineralization is cut off at that end.

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Opinion (cont.)

The finding of the isolated float boulder is not considered important inspite of its high silver content. Location is not known and the finder is not in the country. Similar high-grade float is in evidence in the Tootsie Lake property staked by Steven Papps, and developed by Conwest in 1957, and dropped following a n extensive u.g programme. In this case no silver mineral could be identified in samples submitted for mineralogical examination to Thompson, who described the silver content as a solid-solution of Ag, which, he estimated, would be very erratic in it's occurrence.

The property warrants further basic prospecting, assisted, possibly by a bulldozer where o.b. is ten feet or better. There is an indicated 175 tons /vert. ft in the seven hundred feet of indicated length.

The pyrite/pyrrhotite content would have to be determined before an EM survey would be warranted to prove extension to the west.

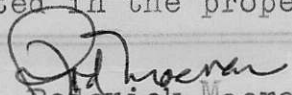
On the basis of an option with a very modest down-payment on signing the option, subject to an examination of the drill core- and surface exposure, beforehand, the property might warrant further consideration. Examination, in conjunction with other work in the area, is, only, is therefore warranted.

Source of information:

Geol maps, surface claim map, sections on drill-holes made available to the owners by H.B. M. & S. and examined through the courtesy of Gordon Hilchey, who holds P.of A. to sell property.

Summary of available information made by Hilchey, based on discussion with owners, and examination of maps and drill sections.

Unless advised otherwise, Gordon Hilchey will be notified the company is not interested in the property on the terms offered.


Roderick Macrae

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July 15th, 1959
P.O. Box 969 Whitehorse Y.T.

Mr Gordon Hilchey P.Eng
Whitehorse Y.T.

A	N
	W.S.R.
	G.A.C.
	G.H.M.
	E.O.C.
	H.A.P.
	R.D.S.
	B.C.B.
	E.L.D.
	J.I.B.
	E.C.J.

Dear Gordon:

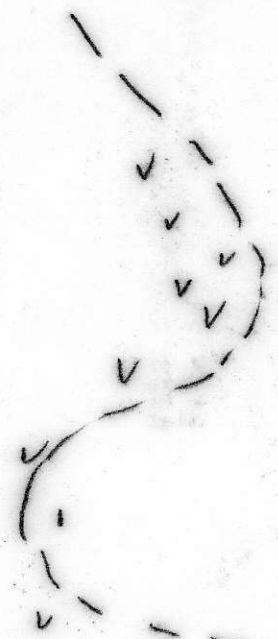
This will advise you the offer to examine and option the Gem group of mineral claims situated in the Jennings River area, stated by you to be held by power-of-attorney for an unstated period of time for sale or option is hereby declined.

Thank you for the opportunity to examine the information available on the property. If, following your personal examination and assessment of the property, the 'picture' of the mineralization occurrences in the surface showings and the drill-core the indications are more favorable, it will be appreciated if you will get in touch with me at the above address.

Copy: Tor. Office

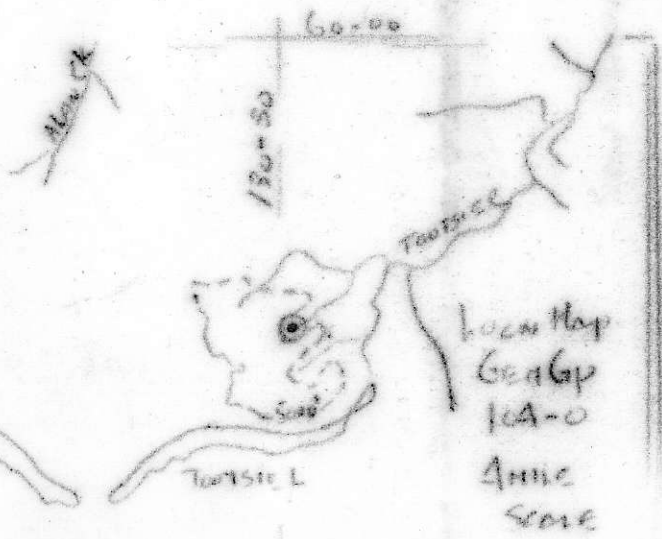
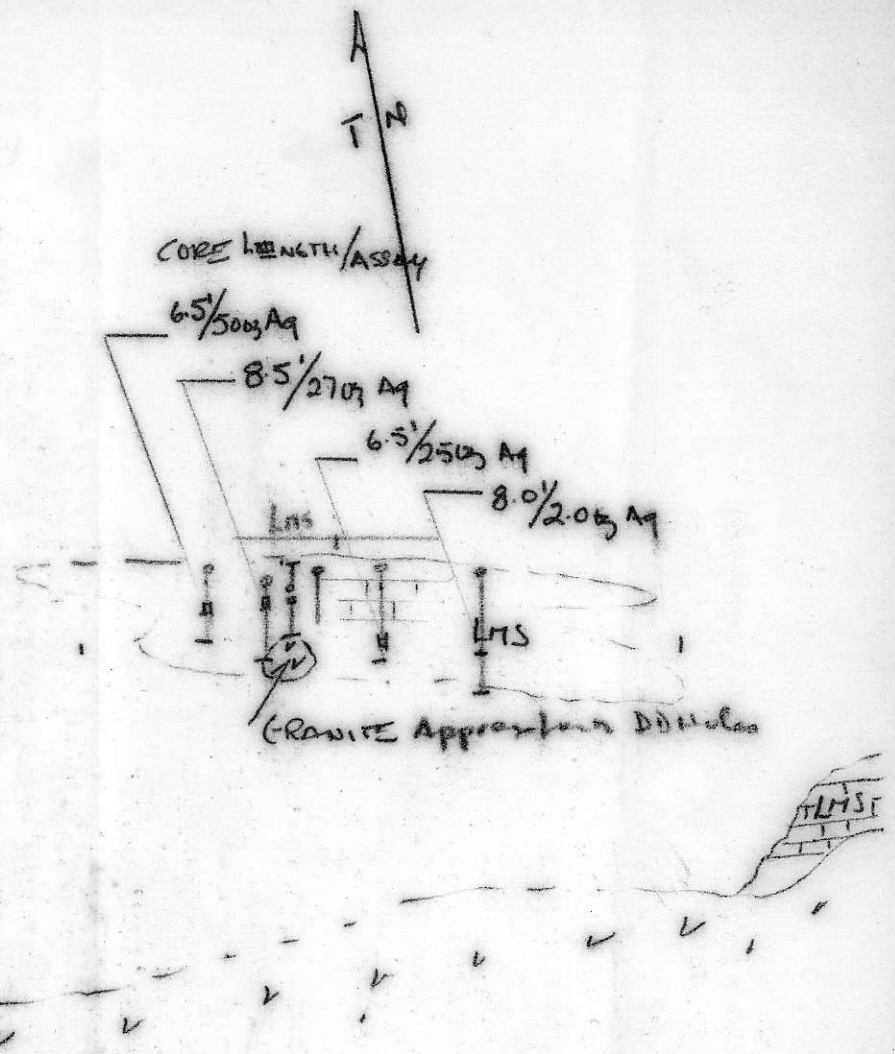
Yours truly
Roderick Macrae
Roderick Macrae

104/0



PHYLLITES
 QTZITES
 QTZ DYKES

LOCN
 OF
 5000 Ag
 Driller



SCALE 400' = 1 INCH
 LINE SKETCH
 OF
 GEM GRAB DEVELOPMENT
 SKETCHED FROM
 HRMS MAPS
 July 1891 JPL