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August 3, 1967.

To the Participants,
Coranex Project.

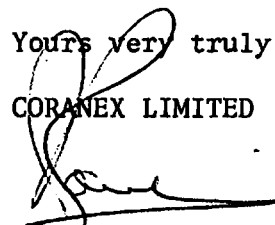
Dear Sirs:

Attached you will find a copy of J.R. Woodcock's
monthly report.

The check program that was carried out in the
Yukon has been terminated for this year and Dick will propose
a drilling program for the 1968 season to check what he considers
to be an interesting stockwork molybdenum exploration bet. I
plan to spend a few days in the Peach Lake area towards the end
of August.

Yours very truly,

CORANEX LIMITED


J.J. Rankin
President

JJR:lmz

Denison Mines Limited
Dome Exploration (Canada) Ltd.
Canadian Nickel Co. Ltd.
McIntyre Porcupine Mines Ltd.
Frobex Limited

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AUG 4 1967

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CORANEX PROJECT

MONTHLY REPORT

July 1967

Peach Lake Project

In appraising the geochemical picture at the Peach Lake claims, several factors and preliminary conclusions are worthy of note:

1. Minor amounts of chalcopyrite occur disseminated throughout the volcanic tuff-breccia over a large area. In a few locations the chalcopyrite also occurs along fractures and such occurrences, with grades between 0.1% and 0.3% Cu., constitute the copper prospects.
2. The clay of the glacial till absorbs copper and yields anomalous geochemical values so that the geochemical samples, especially the -80 mesh portion, can have higher copper values than the source rock.
3. Geochemical anomalous areas are largely related to proximity of copper-bearing volcanic outcrop. Copper anomalies are coincident with outcrop areas or with till that contains angular fragments of copper-bearing volcanic rock.
4. Areas of deep glacial till do not have extensive geochemical anomalies but do have erratic highs which reflect the presence of a copper-bearing boulder. However the clay underlying water courses (e.g. valley or gully bottoms) can have corresponding copper anomalies even when underlain by deep glacial till if the source area for the waters contains minor disseminated copper.

We have divided our large group of claims into three areas of geochemical sampling. These include the main Peach grid, the east Peach grid and the Tim grid. The main Peach grid centres on our discovery prospect. There is a copper anomaly about 8000 feet long which covers and extends eastward from the discovery prospect. This is largely an area of overburden, probably relatively shallow till. Two additional copper prospects have been discovered within this anomalous area. An IP survey at 400-foot line spacing (about seven miles) will be done on this anomalous zone.

Geochemical sampling along an anomalous stream in the eastern part of our claim group and over the source area for the waters of this drainage have yielded some fairly extensive anomalies. Limited mapping and prospecting thus far has revealed only minor disseminated copper within the areas of sparse outcrops or within some of the angular volcanic debris included in the till. Further appraisal is needed in this part of the area before planning the IP work.

Big Creek Project

Several small molybdenum anomalies were checked within the vicinity of Big Creek, Yukon Territory. However no encouraging results were obtained.

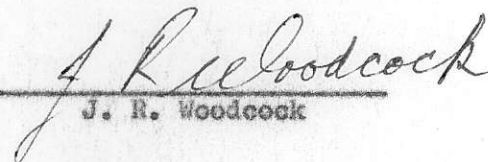
Klazan Project

At the Klazan claim group, Colin Campbell did a small amount of sampling and mapping; Nick Wychopen staked an additional seven claims on the eastern end; and I re-examined the mineralized outcrops. I am still favourably impressed with the potential of this zone and intend to recommend further work for next year -- probably investigation with an air-percussion drill.

Future Plans

We hope in August, to complete the geochemical and geophysical appraisal of our Peach Lake claims and to do some more work on our Quesnel follow-up.

Colin Campbell will spend some time investigating our small group of claims near Egmont Point along the coast. At the end of August Colin will be leaving our employ.



J. R. Woodcock

July 31, 1967