

MCKEE CREEK PLACER
ATLIN, B.C.

PROPERTY AND OWNERSHIP

9 placer leases on McKee Ceeek owned by John Harvey and Harvey Evenden of Atlin and Toronto.

LOCATION

Upstream on McKee Creek from junction with Eldorado Creek, 9 miles south of Atlin. Accessible by road.

HISTORY

Pay gravels were discovered in 1898, but early work was hampered by 100 feet of overburden north of McKee Creek. Successful hydraulicking was carried out until 1917, when some underground testing was begun. Sporadic production continued until the early 1970's when the property was acquired by the present owners.

RECENT DEVELOPMENT

The property was under option to DuPont in 1976 and 1977. A reconnaissance seismic program was conducted on the north side of McKee Creek in an attempt to delineate "the lost channel" referred to in a 1932 report. A low velocity feature was interpreted to be a bedrock shear zone rather than a buried channel, on the basis of 10 percussion holes totalling 307 feet. Bedrock was encountered in all holes between 17 and 70 feet depths.

It is perhaps significant that none of the overburden samples from this drilling program were submitted for assay.

Since that time Harvey and partner have concentrated on reworking old tailings with some hydraulicking of overburden.

CURRENT STATUS

In 1981 33,000 cubic yards were sluiced, yielding significant quantities of gold, mainly nuggets, and including the well publicized 31b nugget, the largest recorded in Atlin in 50 years.

John Harvey advised the ratio of coarse to fine gold is about 4:1 based on recent recoveries. It is reasonable to assume that abundant fines are being lost in the present operation.

Current operations are one quarter mile below the junction of McKee Creek with Eldorado Creek. Harvey estimates 1.75 million cubic yards of material tailings that can be easily worked up to Eldorado Creek.

New material will involve stripping of glacio fluvial material which may carry some values. This would be done by hydraulicking. Water supply is by gravity feed - no pumping is required.

PROPOSED DEAL

\$200,000 down

4 annual payments of \$300,000 for complete buy-out

Equipment on property is for \$50,000 - includes de-rocker, sluice box, hydraulic pipe.

MCKEE CREEK MINERAL CLAIMS

Location - as for placer leases

Mineral Claims and Ownership

42 units - owned by John Harvey who would like to pick up additional ground.

Previous Work

Limited - Du Pont carried out cursory examination in 1977 including 6 panel chip samples of bedrock in vicinity of placer workings all of which yielded low values in copper, silver and gold. A pyrite concentrate recovered from the sluice box assayed 172.8 oz./ton gold and 53.5 os./ton silver.

Geology and Mineralization

Bedrock consists of late Paleozoic (Cache Creek) pillow basalts and minor sediments with some ultramafic rocks. A quartz vein stockwork is evident, sulfides (pyrite) are widespread as is abundant carbonate (mariposite) alterations.

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It is recommended that if a deal can be struck for the placer leases we endeavour to acquire the lode claims.