YUKON TERRITORIAL GOVERNMENT
EXPLORATION INCENTIVES PROGRAM
PROJECT ED90-1/91047

PLACER EXPLORATION ON JAMES CREEK:

May 11 - July 31, 1991

PLACER CLAIMS:
P33720, P33721, P21210

TRANSVERSE MERCATOR PROJECTION CO-ORDINATES
141°47' longitude - 64°21' latitude
PLACER CLAIM SHEET 116C-7

prepared by
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JAMES CREEK EXPLORATION PROJECT

Table of Contents

Background

James Creek is a tributary of Marten Creek. Marten Creek empties into the Fortymile River on the left limit, approximately 15 miles upstream from its confluence with the Yukon River. James Creek is located approximately 40 air miles northwest of Dawson City. See Maps 1 and 2 for property location.

There is a road to within one mile of the property; it is approximately 70 road miles to the property from Dawson. Road access various from good condition on the Top of the World Highway to secondary on the Clinton Creek road to good bush mining road from the abandoned town site of Clinton Creek to one mile from the property location.

James Creek Valley

James Creek is classed as a Type 5 stream under the Yukon Fisheries Protection Authorization. This means that at the present time the creek is unclassified because of the general lack of fisheries data. It was our intent to perform comprehensive enough work to determine whether it was worth pursuing reclassification of the stream for mining purposes. We suspect that it would be classified as a Type 4 stream since summer flow is minimal, the valley is narrow, and the grade is very steep - approximately 12%. As well the creek is choked with debris in various places causing water falls and making access by fish either difficult or impossible. In-stream work is permissible in a Type 4 stream and this would be necessary in mining this tight valley.

The channel is approximately 3 to 4 feet wide. The valley is approximately 75 feet wide. Vegetation consists of moss, scrubby birch and spruce, willow, and

occasional small stands of larger white birch trees up to 10 to 12 inches in diameter.

We became interested in this property because research in the archives showed several claims were staked on it in the early 1900's. There is evidence of hand work up the creek. This work consists of several large open pits. As well Marten Creek was well known for coarse gold.

Equipment Used

- UH10 Hitachi excavator, equipped with a long stick and 1 1/2 yard digging bucket
- D6C Cat dozer with ripper and angle blade
- Goldhound 4 lead spiral gold concentrating wheel
- 1 inch portable cleanup pump
- long tom approximately 3 feet by 16 inches, with expanded metal riffles and Nomad matting
- Various gold pans, screens, and magnets
- Scale accurate to 1/10 of a grain

Work Performed

From the evidence of the open pits excavated by old timers and a historic records of coarse gold found in this water shed, we decided that excavation of pits to bedrock would be the best method of sampling. First we took numerous samples with a pan up the creek to determine gold presence. Because of the grade of the creek and the loosely sorted surface gravel, we did not expect to find paying quantities of gold. Results of pan samples shown in Table 1 show the results of this panning. It can be seen that top gravels are basically worthless.

Heavy equipment fuel and supplies were brought into the site in early May to start the project. Because the ground is frozen with a layer of perma-frost muck, we wanted to perform the work before summer thawing made access more difficult. A rough trail was established to the creek. We used the D6C dozer to do this work. Because this is a Type 5 stream, caution was exercised in establishing access so that the creek was not disturbed. The UH10 Hitachi excavator was used to dig the pits. A total of 6 pits were dug. All of the

excavation was done in frozen ground. Bedrock was not reach in some of the pits due to the difficulty of excavating the frozen material. See Map 3 for location of pits.

Samples were taken at approximately one foot intervals while the excavations were proceeding. The results of these samples are shown in Table 2. Larger scale samples were taken at bedrock depth. These samples consisted of 20 litre pails of gravel, weighing 100 lb. each.

Upon completion of the excavations the equipment was moved out of the property and the site was cleaned up in order to minimize environmental impact.

Excavating Pits

Sample Evaluation Procedure

A gold pan was used to evaluate surface gravel in the preliminary phase of the property assessment. As well the gold pan was used to monitor ground tenor as excavations proceeded. The bottom approximately three feet of gravel and two feet of bedrock were sampled in larger volumes. Because the history of this area is of coarse gold, we felt that larger scale samples would be more effective at evaluating the ground. These pails of gravel were taken back to our camp. Here they were screened to approximately 1/2 inch mesh and run through a long tom. Concentrate from the long tom was screened through a 10 mesh screen and the oversized material was panned to find nuggets. The minus 10 mesh concentrate was processed through the spiral gold clean up wheel. Gold recovered from the samples was weighed using a scale which was accurate to 1/10 of a grain. This allowed us to calculate grade in ounces per yard. The results of these samples are delineated on Table 3.

Summary of Results

This ground consists of approximately one foot of muck and organic material followed by eight to ten feet of angular, raw gravel. The bottom two to three feet of gravel is more rounded with larger rock consisting of cobbles to small boulders approximately 1 foot in diameter. Bedrock is a schist which is quite hard. The gravel in the frozen state is extremely hard to dig.

The top layers of gravel were generally barren or vary low grade. Lower gravels and bedrock looked promising, however the pay appears spotty. It is difficult to accurately project any kind of grade as the results of some of the pails samples show good results while other samples where blank.

Because of the scope of the work performed we did not expect to establish firm grade figures. Our objective at this stage was to confirm gold presence and make a preliminary judgement as to the viability of mining the ground. We did confirm the presence of placer gold in this creek. We believe that this preliminary exploration work shows the ground to be viable, and that more thorough exploration is warranted.

Recommendations

This ground requires further sampling in order to get any kind of firm grade projection. It appears that the lower 1500 feet from its confluence with Marten Creek would be feasible to evaluate for mining. Above this the creek is so narrow with slabby slide rock falling into the creek bed that the only method of evaluation would be to mine it and see what the results were. The type 5 classification should be resolved as it would be impossible to mine it under this classification. Because the valley is so narrow there is no room for diversion channels; therefore a type 4 classification would be necessary in order to proceed with mining. Larger bulk samples could be taken from the lower depths of the gravel excavated in order to get a better idea of grade. In fact some of this material, if the grade stayed the same as the results indicated, would generate several ounces of gold.

The pits which were not excavated all the way to bedrock should be completed. Because pitting in frozen ground is so expensive we recommend that drilling be performed, or that alternatively, a mining operation be set up. However

drilling is not cheap either, and it may be preferable to set up a sluicing operation at one of the better excavations and do a test program. In this way, some income would be generated to offset the costs of evaluation and if the ground proved out, the infrastructure and ground work would already be in place for a viable operation.

JAMES CREEK EXPLORATION PROJECT

TABLE 1

RESULTS OF 7 LB. GRAB SAMPLES

SAMPLE #	# COLOURS	SAMPLE #	# COLOURS
1	0	16	0
2	0	17	0
3	0	18	0
4	0	19	0
5	0	20	1
6	0	21	0
7	1	22	0
8	0	23	0
9	0	24	0
10	0	25	0
11	0	26	0
12	0	27	0
13	0	28	1
14	0	29	0
15	0	30	0

JAMES CREEK EXPLORATION PROJECT

TABLE 2

RESULTS OF 7 LB. SAMPLES TAKEN AT 1 FT. INTERVALS FROM EXCAVATIONS

EXCAV #	SAMPLE #	COMMENTS	# COLOURS
	1.1		0
PIT	1.2		0
# 1	1.3		0
	1.4	granular piece	1
	1.5		0
	1.6	colours	3
	1.7	chunky piece	1
	2.1		0
PIT	2.2		0
# 2	2.3		0
	2.4		0
	2.5		0
	2.6	rounded gravel	1
	2.7	fine colours	3
	2.8		0
	2.9		2
	2.10	coarse piece	1
	3.1		0
PIT	3.2		0
# 3	3.3		0
	3.4		0
	3.5		0
	3.6		0
	3.7		2
	3.8	1 coarse piece	4
	3.9		0
	3.10		1
	3.11		0
	3.12		1

JAMES CREEK EXPLORATION PROJECT

TABLE 2, continued

RESULTS OF 7 LB. SAMPLES TAKEN AT 1 FT. INTERVALS FROM EXCAVATIONS

EXCAV #	SAMPLE #	COMMENTS	# COLOURS
	4.1		0
PIT	4.2		0
# 4	4.3		0
	4.4	fine colour	1
	4.5		0
	4.6		0
	4.7		0
	4.8		2
	4.9	fine colour	1
	4.10		0
	4.11	coarse pieces	3
	4.12		0
	5.1		0
PIT	5.2		0
# 5	5.3		0
	5.4		0
	5.5		0
	5.6		0
	5.7		0
	5.8		2
	5.9		0
	5.10		0
	5.11	chunk	1
	5.12		0
	5.13		0
	5.14		1
	5.15	coarse piece	1
	5.16		0

JAMES CREEK EXPLORATION PROJECT

TABLE 2, continued

RESULTS OF 7 LB. SAMPLES TAKEN AT 1 FT. INTERVALS FROM EXCAVATIONS

EXCAV #	SAMPLE #	COMMENTS	# COLOURS
	6.1		0
PIT	6.2		0
# 6	6.3		0
	6.4		0
	6.5		0
	6.6		1
	6.7		0
	6.8		0
	6.9		1
	6.10		2
	6.11		0
	6.12		0
	6.13	large thick flake	2
	6.14		0
	6.15		1

JAMES CREEK EXPLORATION PROJECT

TABLE 3

RESULTS OF 400 LB. SAMPLES FROM EXCAVATIONS

EXCAV #	SAMPLE #	COMMENTS	WEIGHT GOLD IN GRAINS	GRADE YDS/OZ	AV GRADE YDS/OZ
PIT	1.1		trace	—	
# 1	1.2		1.3	53	107
PIT	2.1		1.7	40	
# 2	2.2		0.6	114	77
PIT	3.1		2.2	31	
# 3	3.2		trace	—	62
PIT	4.1		trace	—	
# 4	4.2		trace	—	—
PIT	5.1		.5	137	
# 5	5.2		.4	171	154
PIT	6.1		3.1	22	
# 6	6.2		1.7	40	31

Average grade from all pits.....70 yds/oz

JAMES CREEK EXPLORATION PROJECT

TABLE 4

DIMENSIONS OF PITS

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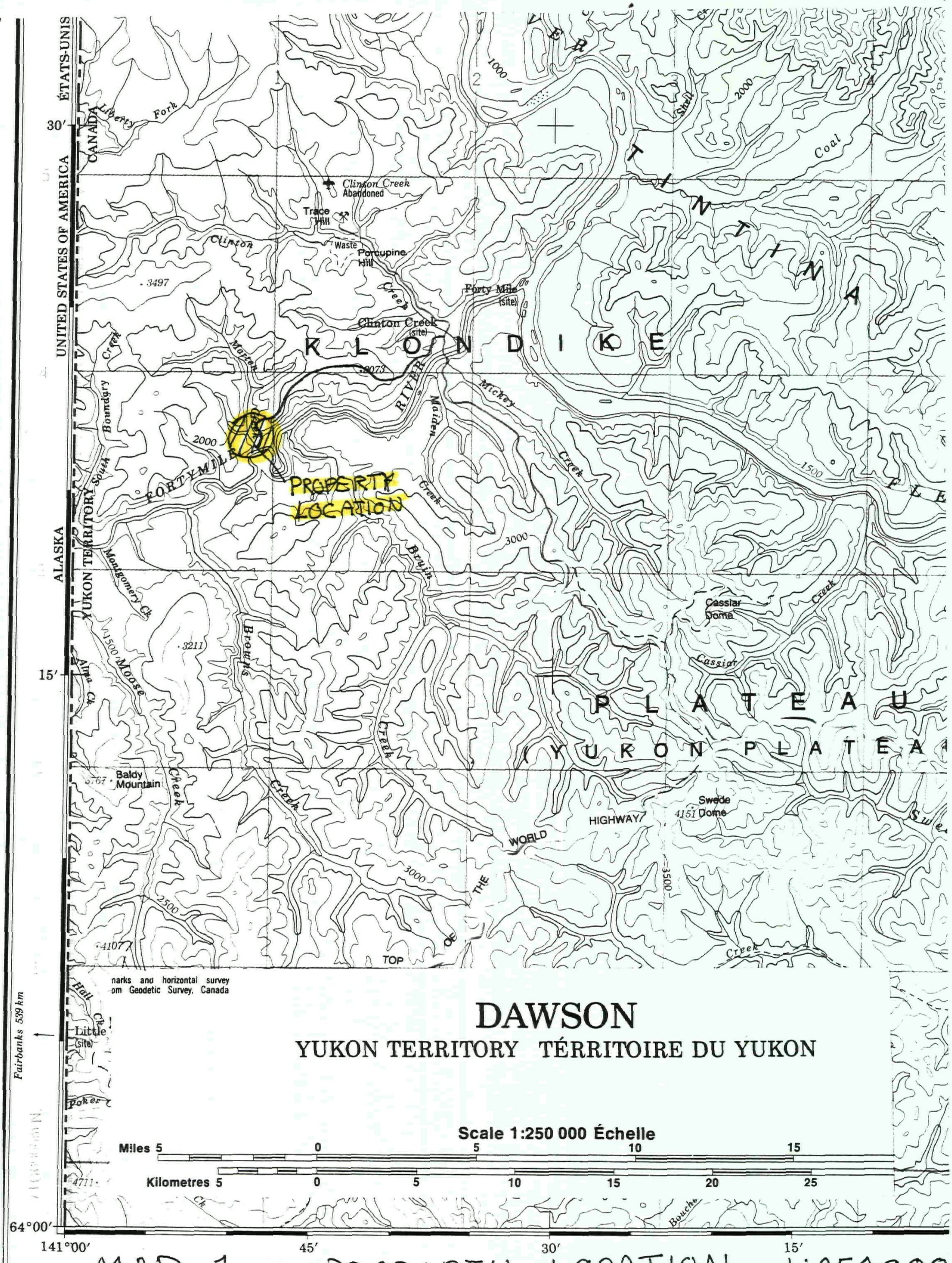
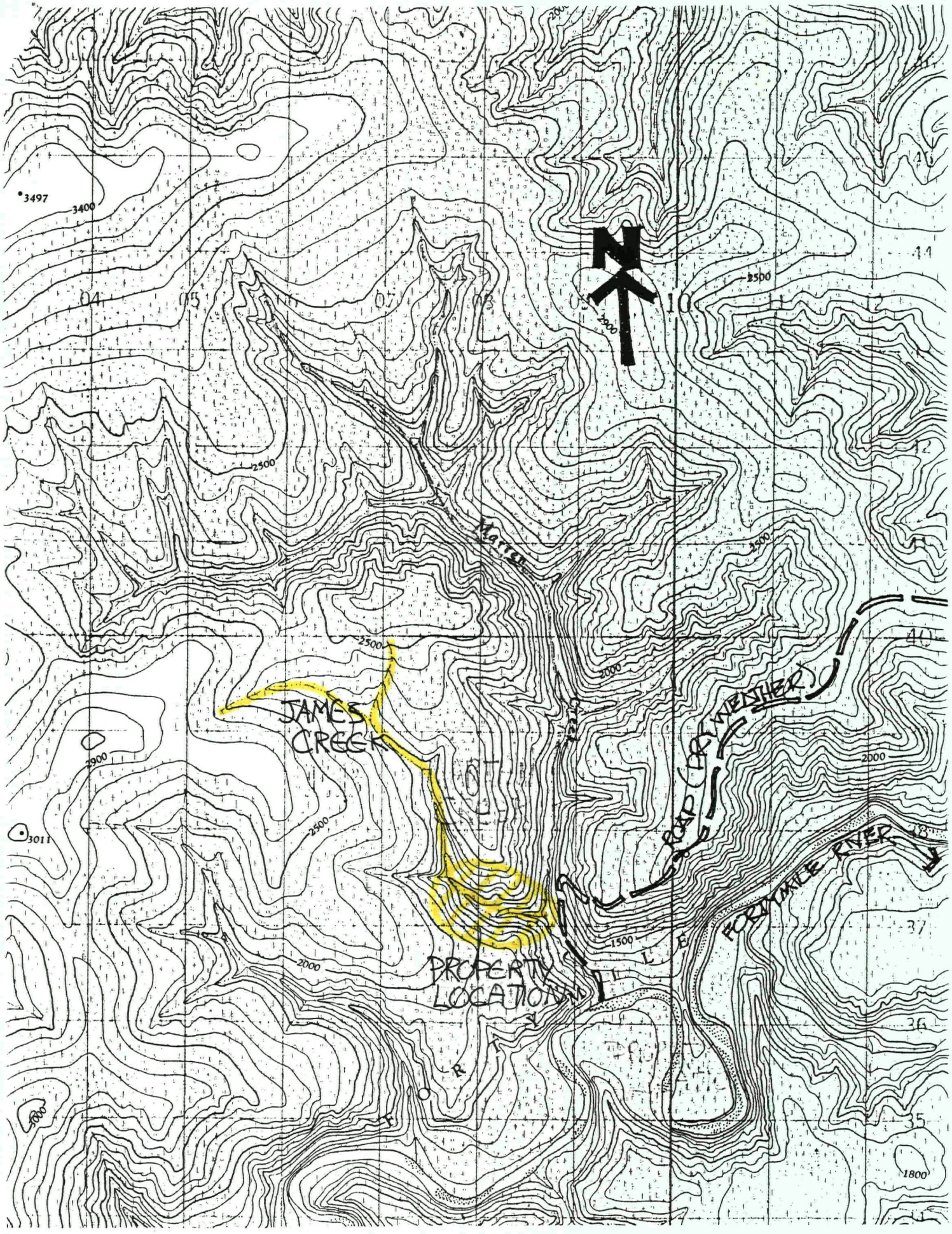
VOLUMES OF EXCAVATION IN LOOSE CUBIC YARDS

PIT NUMBER REACHED	DEPTH FEET	DIAMETER FEET	VOLUME CUBIC YARDS	BEDROCK
1	7	20	105	no
2	10	20	151	no
3	12	20	181	yes
4	12	20	181	yes
5	16	20	242	yes
6	15	20	227	yes

Total volume excavted.....1,087 loose cubic yards



MAP 1 - PROPERTY LOCATION 1:250,000



MAP 2 - Location of Property - 1:50,000

MAP 3 - Location of Pits on James Creek

Supplementary Information

PEOPLE WHO WORKED ON THE PROJECT

Bill Claxton	Marten Creek, Fortymile River, Yukon
Leslie Chapman	Marten Creek, Fortymile River, Yukon
Larry Remple	Dawson City, Yukon

PREPARATION OF THE REPORT

The report was prepared by L. Chapman and W. Claxton; 50 man-hours were spent compiling data and writing the report.

CLAIMS INVESTIGATED

PLACER CLAIMS:

P33720, P33721, P21210