

Report *No. 1*

SUMMARY REPORT OF MINING INVESTIGATIONS IN THE
KETCHIKAN DISTRICT,
JUNE 1 TO AUGUST 18, 1937.

Nelson & Tift Property, McLean Arm (June 2, 3 & 4 and August 10):

This property was acquired by the Anaconda interests August 21, 1936. The total price was \$100,000, \$10,000 was paid in August, 1936 and \$20,000 was to be paid in August, 1937, and the owners were to receive 2% of the gross and 20% royalty on all shipments made before the purchase was completed.

The vein strikes N. 70° W. and dips 80° N., the hanging wall is fresh unaltered diorite, and altered sediments mixed with diorite form the footwall. The ore occurs in limestone which is the principal fissure filling. The width between walls is 20 to 25 feet and the width of ore 6 to 14 feet, except on the west end of the lens where it pinches out. A small spot of ore is visible in the limestone a few feet to the left and a few feet beyond the end of the lens. The course of the vein has been followed for 3,000 feet and limestone and contact minerals have been found, but ore in place or as float was not found. The dense vegetation makes it impossible to see bedrock except in a few places so it is possible that ore is present in the fissure and has not been found.

Good ore is still present in the bottom of the opencut and extends out under McLean Arm where it can be seen at low tide. Diamond drill holes failed to cut ore 50 feet below the present workings and the ore has pinched on the dip as well as on the strike in the west end of the opencut. The opencut begins at beach and is about 100 feet long.

The smallness of the lens and the lack of more visible ore along the vein caused the Anaconda to abandon the project in August, 1937 when a \$20,000 payment came due. They offered to work out the rest of the lens while their camp and equipment was on the ground, but were not interested beyond that.

The values in this vein are exceptionally high for this district. Pyrite is the principal ore mineral and where it occurs with quartz the values are higher than where it is massive. Values run from one to two ounces in gold per ton in the pyrite-quartz occurrence and when chalcopyrite accompanies the pyrite assays as high as 5.5 ounces in gold have been obtained. The ore is sorted and rock containing 25% sulphides is shipped. The ore shipped has probably ran \$50 to \$70 a ton and two barges carrying 70 to 100 tons have been loaded every two weeks.

The camp is equipped with a bunk-house, cook-house, office tent, as well as a compressor and mining equipment. Five men have been employed since the third of May, this year, and operations were planned to continue to August 22.

The ore is mined and dumped from the mine car into barges when the weather permits. The barges are towed to a protected spot at the head of McLean Arm and then towed back to the mouth of the Arm and loaded on the Evelyn Berg for shipment to Tacoma. The freight charges to Tacoma are \$5 a ton and the smelter treatment charges are \$5 a ton.

A trip was made to McLean Arm with Mr. Townsend on June 2, 3, and 4. At that time an accident occurring on May 12 was reported. A picture was taken of the openout and samples were taken by Mr. Townsend, the results of which were given me later.

On August 10 a visit was made to the property with Mr. Cameron, the Anaconda engineer, and a picture of the property was taken from the air. The limits of the lens were visible at this time. Mr. Cameron said we could have a record of the Anaconda's costs, receipts, etc. when operations were completed.

Thorne Consolidated Mines, Inc., Thorne Arm (At Thorne Arm June 5, 6 & 7):

The Thorne Consolidated Mines, Inc. ¹²⁶⁻⁵⁰ owns ^{KK-120-100} the Evis and Goo Goo ^{KK-120-56} claims and have an option on the Sea Level and Sea Breeze ^{KK-120-52} claims and the Gold Banner group at Thorne Arm. They also have an option on the Hattie claims on Woewodski Island. Mr. Page and Mr. Thipping represent the majority stockholders and Mr. Jackson represents the minority. Harry Townsend is consulting geologist and Heinie Twiet is superintendent.

The company has driven an 1805 foot tunnel on the Evis property, the first 480 being a crosscut and the balance driven on the vein. About 600 feet from the portal a 140 foot raise has been run to the surface. The face of the tunnel lies against a fault and a 40 foot raise on the fault connects with the Goo Goo tunnel. High grade ore was encountered at the fault in the Goo Goo tunnel, but no high grade was found in this raise.

The formation runs N. 20° W. and the vein dips 85° S. and averages 7 feet in width. The length, width and value of the ore shoots in the tunnel, as well as the values encountered in four diamond drill holes, were furnished by Mr. Townsend. A copy of Townsend's vertical section of the tunnel was obtained. The Evis tunnel has a maximum depth below the surface of 150 feet. Out of 1336 feet driven on the vein 494 feet, or 37%, was in ore and 40 feet in the Goo Goo tunnel beyond the end of the Evis tunnel was in ore.

The width of the pay shoot will average nearly 5 feet and the assay value about \$3.70 per ton. Mill tests are to be run on the ore as it has been found that the mill heads have run higher than the samples indicated on the adjacent Gold Banner claims. A mill test was to be made in the Gold Banner mill, but a clouded title and differences between directors postponed the test. At the present time all operations have ceased, a watchman has been left at the property and the superintendent has moved to Ketchikan and he will make occasional trips to the property until such time as differences are adjusted.

The Gold Banner is reported to have milled 1500 tons of ore which averaged \$17.50 a ton, the mine samples ran \$3.50. It seems likely the option on the Gold Banner will be dropped.

The Sea Level has two veins which are about 8 feet apart with ore shoots irregularly distributed in both veins. The vein is reported to be 3 feet wide and to have been mined for a distance of 500 feet, a 100 foot ore shoot 3 feet wide and assaying \$11 has not been mined. The mill heads were reported to have averaged \$6.12 a ton, present gold price, for the period of operation. Ore has been mined at a depth of 100 feet below the surface which would be at the same elevation as the Evis tunnel.

Approximately 7 men have been employed on the property during the first part of the year.

Hamblet Claims, Thorne Arm:

The Virgin Gold Group consists of 4 claims and lies about 1 mile north of the Evis claim. Joe and Alonzo Hamblet are the owners and W. E. Philbrook has an option on the group and is stripping and mining a 4-inch stringer which shows free gold on the North Shore claim. A small Gibson prospecting mill has been obtained to mill the ore.

A cabin is located at the beach on the Allright claim. An 18-inch quartz vein on the Virgin Gold claim is reported to have low values. A 20-foot shaft has been sunk on the vein. An opencut on the south end of the Gold Quartz claim, about 1200 feet from the beach, exposes a 20-inch quartz vein which is reported to assay \$1.50 in gold.

The Gold Quartz Extension claims Nos. 1, 2 and 3 are owned by the Hamblets. An outcrop on the Gold Quartz Extension No. 1, which is about 4300 feet from the beach, shows 5 feet of white quartz which is reported as assaying \$1.50. The vein is free from the walls which are granite. A body of white quartz outcrops on the east side of Star Lake on Gold Quartz Extension No. 3.

The Two Lakes claim adjoins and lies north of the Gold Quartz Extension No. 3. Near the east end of the claim a 43 foot crosscut intersects an 18-inch quartz vein which strikes N. 70° E. and dips 70° S. A drift follows the vein for 18 feet and an 11-foot crosscut cuts a 6-inch quartz stringer, strike N. 70° E. dip 85° S. Samples from the 18-inch and 6-inch stringers ran a trace in gold and 0.3 ounce of silver and 0.02 ounce of gold and 0.6 ounce of silver, respectively.

The outcrop above the tunnel on the Two Lakes claim is on the Morningside claim, which is owned by Alex Boloff, an associate of the Hamblets. A 5-foot vein with free granite walls is exposed in an opencut and the quartz shows considerable galena with lesser amounts of pyrite and sphalerite. A 5-foot sample assayed a trace of gold and 0.5 ounces of silver. The vein is split by a horse in the bottom of the opencut and the segments are shown to be diverging in the tunnel which is about 25 feet below.

The type and amount of mineralization shown on this vein would warrant more prospecting on the surface along the strike or the driving of a drift from the crosscut to the right. A drift driven in this direction would gain depth and it would prospect the vein for possible ore shoots or a reunited vein beyond the horse.

Three men have been employed on these claims this year.

Granite Gold, Thorne Arm:

The Granite Gold group of two claims lies about 3,000 feet from the beach, adjoins the Sea Breeze claim on its east end line and is owned by Bill Marsha. A comfortable cabin has been built on the edge of a small lake found on the property and is about 3,500 feet from tidewater on a Government trail.

Two parallel veins, 70 and 90 feet above the cabin, have been exposed by stripping. The veins strike N. 20° W. and dip 70° E., and both walls are in granitic rock. The upper vein shows movement on the walls, but no gouge, the lower vein appearing to be frozen. The upper vein is 15 inches wide, the lower being about the same, but it is wider where it intersects a cross dike.

A sample taken across the lower vein in an opencut about 12 feet deep and 25 feet long yielded a trace in gold and silver. No mineral was visible in the quartz. A sample showing some sphalerite was taken across the upper vein where it had been stripped for 15 feet. The sample assayed 0.12 ounce of gold and a trace of silver, total value \$4.20 a ton.

A third vein 4 to 6 inches wide outcrops about 50 feet above the cabins and has a different strike and dip. It follows the footwall of a narrow dike where it is exposed. A sample was not taken.

More stripping on the strike of these veins seems advisable.

S.W.P.E. Gov. Gov. E.E. Natl.

High tide line

Vertical Section Gov. Gov. Shift

First level after completion of the well

Diagrams
L.S. 15

Approx. 8 yds
lower than
4-28-49

49/00012 B.H.H. 51

23.95
23.00
22.00
21.00
20.00
19.00
18.00
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0.00

Gov. Gov. E.E. Natl.

Gov. Gov. Shift

raise

91.02 some 11.19. 200

Ent 10' 0"

A.E. C. U. Gov. Gov.

Vert. Scale 1" = 100'

Horiz. Scale 1" = 300'

H.S.W.