

Occurrence Details

Occurrence Number: 106C 105 Occurrence Name: Merlot Occurrence Type: Hard-rock

Status: Prospect

Date printed: 8/3/2025 10:00:18 AM

General Information

Secondary Commodities: antimony, arsenic, mercury, thallium

Aliases: Crag East

Deposit Type(s): Carbonate-Hosted Disseminated Au-Ag (Carlin-type)

Location(s): 64°4'18.64" N - -132°38'59.45" W

NTS Mapsheet(s): 106C02

Location Comments: Approximate center point of Merlot mineralized zone.

Hand Samples Available: No

Last Reviewed:

Capsule

WORK HISTORY

Staked within Crag cl 402 – 677 (YE13490) in Mar/2011 by Strategic Metals Ltd. The property was named Crag East to differentiate it from the Crag property (claims) located to the west. Both properties are included within Strategic Metals larger regional Midas Touch project.

In 2011 Strategic Metals prospected and carried out reconnaissance soil and silt sampling which was followed up with prospecting, geological mapping and detailed soil sampling. Later in the summer the company collared 6 diamond drill holes (1 398.73 m) on the property. Four of the holes (1 014.68 m) tested the newly discovered Merlot zone.

In Aug/2011 the company staked Crag cl 678 – 813 (YE64458) and Tasin cl 1-1 280 (YC99551) to the south and east. At the conclusion of staking the property covered 1 692 claims that extended onto topographic map sheets 106C 01 to the east and 105N 15 & 16 to the south. In Sep/2011 the company flew a LIDAR survey over the northern part of the property.

In 2012 Strategic Metals carried out further geological mapping, rock sampling and grid based soil sampling. The company also collared 15 diamond drill holes (2 924.56 m) on the property, of which 6 holes (1 561.19 m) tested the Merlot zone.

GEOLOGY

The Crag East property lies approximately 165 km east-northeast of Mayo and approximately 10 km northeast of Ortell Lake in east-central Yukon. Access to the property in 2011 and 2012 involved a fixed-wing aircraft to a landing strip at ATAC Resources' Rackla airstrip, located approximately 36 km to the northwest and then employing a helicopter to the property.

The area was geologically mapped in the early 1970's by S Blusson of the Geological Survey of Canada (1974 – 1:250 000 scale) as part of Operation Stewart. Blusson's maps were used by most geologists and exploration companies until 2010 when the Yukon Geological Survey initiated a project to better understand the geology of the area following the discovery of Carlin-type gold mineralization on ATAC Resources' Rackla Gold Project located to the north. M. Colpron et al. of the Yukon Geological Survey geologically mapped topographic map sheet 106C 02 (Ortell Lake—1:50 000 scale) in the summer of 2012 and a geological map was released in 2013.

The occurrence area is located on the northern margin of the Selwyn basin and on the hanging wall side of the Dawson thrust, a crustal break which thrusts regionally metamorphosed basinal sediments north onto carbonate platform rocks assigned to the Mackenzie platform. The occurrence area is located within a northwesterly trending, fault-repeated sequence of Neoproterozoic (Ediacaran) to Lower Cambrian, Hyland Group, Yusezyu, Algae Lake and Narchilla formations. Colpron's geological map displays the location of the Crag East anomaly. This location marks the eastern side of the Merlot soil anomaly. The actual occurrence (Merlot zone) is located approximately 1.25 km to the southwest. Based on geological mapping by Colpron and geologists employed by Strategic Metals, the occurrence is located within a fault bounded block of Algae Lake Formation limestone and dolomite.

Soil sampling carried out in 2011 & 12 outlined a northwest trending anomaly measuring approximately 4 000 m long by 2 200 m wide which Strategic Metals named the Merlot anomaly. The Merlot anomaly contains highly elevated pathfinder elements including arsenic values ranging from 100 to 6 950 ppm that are similar to those observed at sites hosting Carlin-style gold mineralization located at ATAC Resources' Rackla Gold project located to the north. In addition the company outlined several secondary anomalies that parallel both sides of the main anomaly.

Prospecting and geological mapping defined the Merlot zone within the soil anomaly. The zone has been traced northwesterly for about 600 m and lies sub-parallel to local bedding. Although outcrop is scarce the host rock is described as orpiment and realgar-bearing, sooty, decalcified Algae Lake Formation limestone and dolostone which are exposed in local vegetative kill zones within a subtle, largely grass-covered, relatively linear gully. The zone returned very strongly elevated values for arsenic, mercury, thallium and antimony. Sphalerite, galena and blebby limonite mineralization was observed at the northwestern end of the mineralized zone. The 2011 LIDAR survey was flown in order to obtain an enhanced view of the regions topography.

The 2011 & 12 diamond drill program tested the main Merlot zone and two parallel secondary soil anomalies. Drilling intersected favorable silty limestone, debris flows, styolites and breccias units which hosted strong clay alteration and decarbonisation common to Carlin-style gold deposits. Although no economic intersections of gold mineralization were encountered, the holes intersected thick intervals containing intense pathfinder signatures, including 1.03 % arsenic, 86.1 ppm mercury and 50.6 ppm thallium across 60.8 m. Strategic Metals stated that the results are consistent with classic Carlin-style zoning where pathfinder geochemical signatures are typically found above and adjacent to gold zones. Many geochemical anomalies on the property have not yet been followed up, including many low-level gold anomalies which have proven to be important elsewhere in Rackla Gold district.

Work History

Date	Work Type	Comment
12/13/2012	Geochemistry	Follow-up rock and soil sampling.

12/13/2012	Drilling	Fifteen holes (2,924.56 m), six holes collared on Merlot zone and adjoining areas.	
12/13/2012	Geology	Follow-up mapping on mineralized zones.	
12/13/2011	Geochemistry	Sampled mineralized zone.	
12/13/2011	Drilling	Six holes(1,398.73 m) total, four holes (1,014.68 m) collared on Merlot zone.	
12/13/2011	Geochemistry	Also silt, reconnaissance scale.	
12/13/2011	Geochemistry	Property wide. Also grid soil sampling.	
12/13/2011	Geology	Over soil anomalies.	
12/13/2011	Other	Property wide.	
12/13/2011	Airphotography	LIDAR survey flown over northern part of property.	

Assessment Reports that overlap occurrence

Report Number	Year	Title	Worktypes	Holes Drilled	Meters Drilled
<u>096596</u>	2012	Assessment Report Describing Geochemical Sampling, Prospecting, Geological Mapping, Hand Trenching and Diamond Drilling at the Crag East Property	Diamond - Drilling, Rock - Geochemistry, Detailed Bedrock Mapping - Geology, Prospecting - Other, Hand - Trenching	15	2924.56
<u>095921</u>	2011	Assessment Report Describing Geochemical Sampling, Geological Mapping and Diamond Drilling at the Midas Touch Project Crag East Property	Diamond - Drilling, Rock - Geochemistry, Silt - Geochemistry, Soil - Geochemistry, Prospecting - Other, LIDAR - Remote Sensing	6	1398.73
095712	2010	Assessment Report Describing Geochemical Sampling, Geological Mapping, Diamond Drilling and Geophysical Surveys at the Nadaleen Trend Property	ZTEM - Airborne Geophysics, Diamond - Drilling, Drill Core - Geochemistry, Rock - Geochemistry, Soil - Geochemistry, Detailed Bedrock Mapping - Geology, Regional Bedrock Mapping - Geology, Prospecting - Other	9	1898.28

Related References

Number	Title	Page(s)	Reference Type	Document Type		
<u>YEG2011 OV</u>	Yukon Exploration and Geology Overview 2011	p. 26.	Yukon Geological Survey	Annual Report		
<u>YEG2012_OV</u>	Yukon Exploration and Geology Overview 2012	p. 35-36, 65.	Yukon Geological Survey	Annual Report		
2013-13	Geological map of the Rackla belt, east-central Yukon (NTS 106C/1-4, 106D/1)	Sheet 2, Ortell Lake.	Yukon Geological Survey	Open File (Geological - Bedrock)		