Reeves machonald

Hon. Lorne Nicolson,

Minister of Housing,

Buildings.

August 1

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Re: Reeves MacDonald Mines Ltd.

W. Dorie, President, Salmo Board of Trade, called at the end of June to see if anything could be done to keep Reeves "alive" as they had word it was closing in October and as Canex had announced their closure in August, Mr. Dorie was properly concerned as to the effect on the town of Salmo. Assistant Deputy Minister of Mines, Dr. J. T. Fyles, visited the Reeves property on July 5 and reported that they had enough ore to October and that continued operations appeared to depend on the discovery of ore on adjoining claims belonging to Hecla Mines Ltd. Agreement between these corporations was reached last week and an exploration programme has been started. Even if successful, it will be almost a year before Reeves can be back to full production.

Pollution Control gave Reeves until October to stop dumping tailings in the Pend Oreille River but may grant further extensions under the circumstances. I have asked Mr. L. Kinney, Manager of Reeves, to make the necessary application when, and if, he finds more ore.

J. E. McMynn, Deputy Minister.

JEM: DB