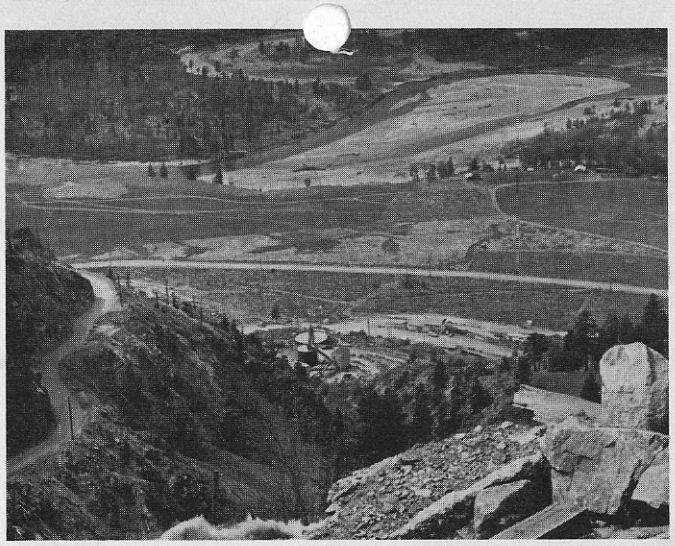

DANKOE: It's a long way up to the 2600ft adit level. Mine office buildings (centre) can scarcely be seen from elevation where washrooms and shops are located. The Similkameen River is snaking through the background while the road to the mine winds its way up the hill at the left.

DANKOE: The picturesque Similkameen River Valley spreads between the mountains almost midway between Keremeos and Oliver, BC. In foreground is the tailings pond of Dankoe Mines.

Dankoe Mines
an old silver producer keeps going

DANKOE: Mill (right) and offices buildings at the mine overlook the Similkameen River Valley. The mill is about 4400ft from the main haulage way at the 2200ft level.

The Horn Silver property near Keremeos, British Columbia, has been a good producer since the turn of the century. Now, under the most recent operator, Dankoe Mines Ltd, it is still a profitable operation.

The mine is situated high on a hill overlooking the mill and offices and the winding Similkameen River. Dankoe has been working it since 1967 (it was then known as Utica Mines before a stock rollback in 1970) and has kept the small underground operation in the profit picture.

One of the problems with the Horn Silver is the convolutions of the vein structure. It makes it practically impossible to estimate ore reserves in the conventional fashion.

But Mine Manager Dick Forman says the company has been able to maintain reserves since he arrived: about 1½ years ago. It is difficult to project ore beyond working places because of extreme faulting and irregular mineralization. Ore is defined only a few months in advance of the mining rate. Last available measured and indicated reserves were 212,775 tons at 31 Dec 1975.

Current development work has encountered what may turn out to be

DU PONT 'FASLOC'* A NEW ROOF SUPPORT SYSTEM THAT SUPPORTS BETTER, LASTS LONGER.

WHAT IT IS AND HOW IT WORKS.

'FASLOC' is a new roof support system designed specifically for use in mines. It's a resin-anchored bolt system composed of a resin cartridge and a ribbed rock bolt. The polyester resin in the cartridge is used to anchor the entire length of the bolt to the surrounding strata.

WHY 'FASLOC' IS BETTER THAN MECHANICAL BOLT SYSTEMS.

Instead of supporting the strata at just one point (as in the case of traditional mechanical bolt systems), 'FASLOC' supports the strata along the full length of the bolt, providing greater—and longer lasting—anchorage integrity.

What it does, in effect, is transform the surrounding strata into a cohesive "beam", stabilizing the strata and helping to prevent any further movement and deterioration.

WHY 'FASLOC' IS BETTER THAN OTHER RESIN-ANCHORED SYSTEMS.

The 'FASLOC' cartridge is the best on the Canadian market. That's because 'FASLOC' separates the resin (dark grey) from the catalyst (white) with a sturdy barrier of Du Pont 'MYLAR'* polyester film. In other, traditional cartridges, there's no film barrier, and as a result, some premature mixing and hardening occurs. With 'FASLOC', the 'MYLAR' barrier is strong enough to limit breakage from rough handling (meaning longer shelf life for 'FASLOC'), yet light enough to shred quickly and completely during installation.

HOW 'FASLOC' CAN SAVE YOU MONEY.

First, 'FASLOC' drastically reduces roof falls. By "drastically", we mean that mines using 'FASLOC' have experienced up to 50—80% reduction in the number of roof falls over their previous experience using traditional mechanical bolt systems. This means more than saving money. It means peace of mind for everyone.

Second, conversion to 'FASLOC' is so uncomplicated that your people need very little training. A few demonstrations, and they're back on the job.

Third, 'FASLOC' shouldn't cost you one cent on installation equipment. We designed 'FASLOC' in four different gel times (1, 2, 5-10 and 15-30 minutes) so that you can use the installation equipment you already have.

Last, but definitely not least, once 'FASLOC' is installed, it never needs re-torquing. So 'FASLOC' saves you labour. And that saves you money.

HOW TO FIND OUT MORE ABOUT 'FASLOC'.

For more information on Du Pont 'FASLOC', call your Du Pont explosives representative, or write to us at the following address:

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March 1, 1977

another 'bonanza-type' ore occurrence which has typified the Horn Silver property. High grade mineralization was found after 112ft of advance in a program of low-level development from the 2200ft level 300ft to the 2100ft level. It was found in a winze segment of what appeared to be a faulted piece of one of the main veins. The new find will be tested but development work will proceed toward the original target.

Dankoe is confident the price of silver will strengthen and more high grade ore will be found. The company is currently working four of its 143 claims in the area of the mine.

When Dankoe (then Utica) took over the mine in 1967, it built a 450 tons/day capacity mill and operated at 300 tons/day until March 1970 when it closed because of dropping silver prices. Production resumed in March 1974 at 125-175 tons/day and from the spring of 1975 to July it operated at 142 tons/day producing 210,037 oz silver.

Then it began a custom milling job harder-grinding ore from nearby Dusty Mac Mines at a rate of about 350 tons/day until May 1976. This deal enabled Dankoe to concentrate on underground development.

A former mine manager suggested the introduction of trackless mining which cut waste removal and improved the efficiency of mining the complicated vein system.

About 150 tons ore and 50 tons waste are mined daily by one shift. Prior to trackless mining, three shifts were operated but this proved to be uneconomical. The high grade ore is a product of secondary enrichment and is almost like Demerara sugar in texture.

The operation employs 39 people, 26 of whom work in the mine. A low turnover results because many of the men live in the area. Key staff includes Tom Fletcher, assayer; Steve Miller, mine superintendent; Peter Folk, geologist; David Churchman, mill superintendent; and Jim Penny, accountant.

The mine has four adit levels, at elevations of 2600, 2500, 2400, and 2200ft, and three sublevels. The bulk of the ore comes from the 2600ft level, the oldest in the mine.

Ore moves from the stopes to the haulage way at the 2200ft level where it is trucked to the coarse ore bin, a distance of about 4400ft.

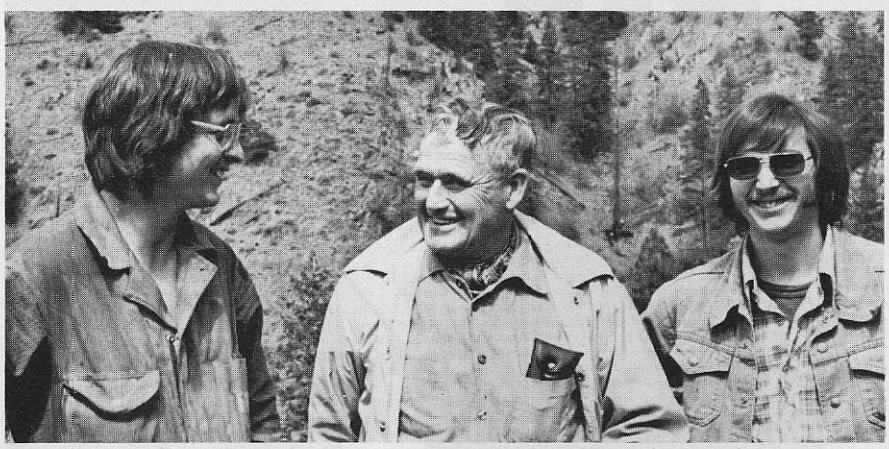
Another problem in mining the vein structure at Dankoe is ensuring access to lower grade ore while mining high grade material in case rising silver prices make more of the ore economical.

There are 7½ miles of tunnels, subdrifts and raises and 11 working faces at present.

Ore moves from the coarse ore bin to the jaw crusher and the cone crusher and on to the screen room where a conveyor returns larger chunks for recrushing. Mill feed is currently grading 10 oz/ton silver. About half a ton of jig silver, grading 700 oz/ton is taken off at the head of the ball mill each day. The 14 flotation cells produce 4½ to 5 tons concentrate a day grading 200 to 250 oz. Also produced are zinc, gold, and a small amount of copper. Concentrate is dried to less than 8% moisture.

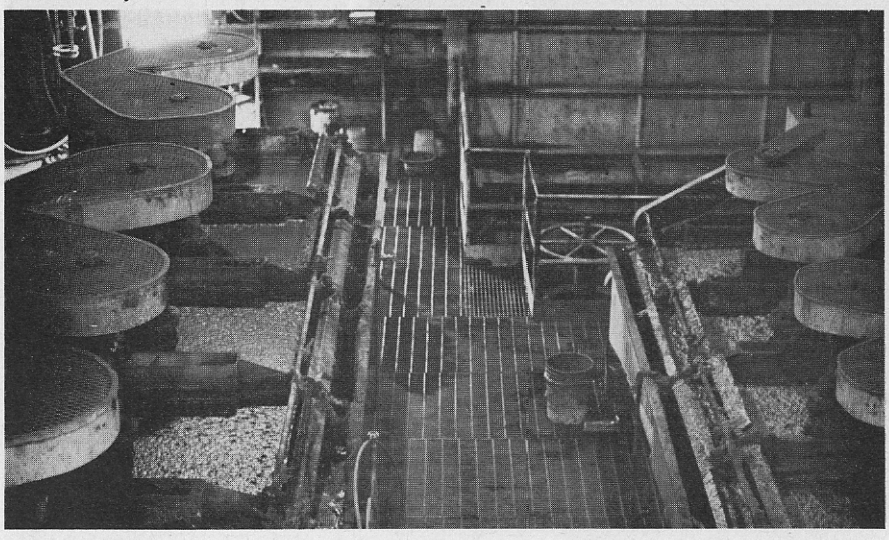
About 30 assays are done each day from various locations in the mill using an atomic absorption spectrophometer instead of the previously used fire method.

Dankoe has a good safety record and has won the government award for mines of its size two years in a row.



DANKOE: Some key operating personnel at the silver mine near Keremeos, BC, are (from left) Steve Miller, mine superintendent; Dick Forman, mine manager; and Ken Usher, surveyor.

DANKOE: Flotation cells in the mill produce from 4½ to 5 tons concentrate per day grading 200 to 250 oz/ton silver. Some zinc, gold and copper is also produced. Mill capacity is 450tons/day.



Spud Huestis award

The British Columbia and Yukon Chamber of Mines has established the H H 'Spud' Huestis Award for excellence in prospecting and mineral exploration. The first award was made to honorary life member of the Chamber, H H Huestis.

'Spud' is noted as one of the most dynamic and successful prospectors to work in BC-Yukon. For many years he had faith in the potential of the Highland Valley low-grade copper deposits, though few others believed in his views. The large and successful operations of Lornex and Bethlehem Copper that were subsequently developed in the area are tributes to his foresight.

The award will be made by a committee of the Chamber. Nominees should be believed to have made a significant contribution, directly or indirectly, to enhance the mineral resources of British Columbia and/or Yukon Territory, through the original application of prospecting techniques or geoscience technology.

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