

SILVER RIDGE MINING COMPANY

LIMITED (N.P.L.)



Prospecting With a Bulldozer

Authorized Capital	- - - - -	2,000,000	Shares
Par Value	- - - - -	50	Cents
Issued and Escrowed	- - - - -	260,000	Shares
Sold and to be Issued	- - - - -	300,000	"
Balance as Authorized by Permit	- - - - -	200,000	"
Remaining in Treasury	- - - - -	1,240,000	"

DIRECTORS

R. A. GRIMES
President and Managing Director
Nelson, B.C.

R. E. HORTON
Vice-President and Secretary-Treasurer
Nelson, B.C.

H. W. GIVINS
Vancouver, B.C.

D. D. TOWNSEND
Nelson, B.C.

E. K. KANALY
Vancouver, B.C.

SOLICITORS:
O'SHEA & GARLAND
Nelson, B.C.

TRANSFER AGENTS:
THE CANADA TRUST CO.
486 Howe Street
Vancouver, B.C.

CONSULTING ENGINEER:
A. M. RICHMOND
Vancouver, B.C.

REGISTERED OFFICE: SANDON, B.C.

**200,000 TREASURY SHARES NOW OFFERED
PRICE 25 CENTS**

Order through your Broker or direct from the Company

SILVER RIDGE MINING CO. LTD.

613 STOCK EXCHANGE BLDG., VANCOUVER, B.C.

TELEPHONE: SEYMOUR 1980

January 25, 1939.

501200

SILVER RIDGE MINING COMPANY LIMITED is developing a group of twelve claims hitherto unexplored, totalling some five hundred acres, located in the centre of the most productive section of the Slocan. This district has produced over Sixty-five million dollars in base metals to date, the major portion from high-grade Silver-Lead ore shipped direct from the mines to the smelter for treatment.

By the use of special surface-stripping equipment ten veins have already been discovered. An extensive programme of surface and near surface development has been carried out exposing high-grade Silver-Lead ore of a grade that would return handsome profits even at the present price of lead. The metal content of the ore is approximately twelve hundred pounds of lead and eighty-five ounces of Silver per ton and is worth at present prices approximately \$40.00 per ton net smelter returns. Statistics published show the average lead prices in London over a thirty-year period from 1906 to 1936, as £21 11s 10d per ton, and for the year 1937 the average was £23 7s 0d. These figures bear out the fact that the current price of approximately £15 Sterling is considerably below the long term average.

MANAGEMENT: R. A. Grimes, President and Managing Director of the Company, has for twenty years, successfully developed and operated mines in the Slocan District. He has also invested a very substantial amount of his own capital in the shares of this company.

PROPERTY: Four claims—approximately 100 acres—owned outright, and eight claims—approximately 400 acres—held under option for \$40,000. First payment due in October 1939.

EQUIPMENT: 75 h.p. Diesel Engine with 360 cu. ft. Sullivan Compressor and all necessary equipment installed at the portal of the new low level adit.

DEVELOPMENT TO DATE: Over sixteen thousand feet of surface stripping and trenching has been done by hand and with a Tractor-Bulldozer in order to locate veins that were covered by heavy overburden. This work resulted in ten strong, well-defined veins being discovered.

The Granville Vein was opened by five open cuts over a vertical distance of four hundred feet, and high-grade Silver-Lead ore was found at the surface. Samples assayed 70 per cent Lead and 90 ounces of Silver per ton.

The Jan Vein was drifted on for one hundred feet and about twenty tons of high grade ore taken out and shipped to the Trail Smelter last August which returned \$30.00 per ton after charges for freight and treatment had been deducted.

The Bell Vein was drifted on for three hundred and sixty feet, indicating an ore shoot of over two hundred feet in length and width from two to twelve inches. Values averaged 60 per cent lead and 100 ounces of Silver per ton.

The work on the Granville, Jan and Bell Veins has opened three high grade ore shoots at or near the surface by open cuts and shallow drifts on two of the veins.

DEVELOPMENT PROGRAMME: In order to develop these ore-bodies at depth, a new low level main tunnel has been started from a point on the Oregon claim which will cross-cut the Bell, Jan and Granville veins approximately three hundred and fifty feet below the present workings. This new crosscut was in one hundred and eighty feet on January 13th last, and is being advanced eight feet per day with two shifts working. It should also intercept two other veins before reaching the Bell Vein, one of which has been opened at the surface showing high-grade float. Five veins in all should be opened within the first fifteen hundred feet of crosscutting and the tunnel can be extended to crosscut the Yakima, Corinth, Switchback, Sunshine, Fairy and Minnesota veins at varying depths up to one thousand feet below the surface. All the veins have been prospected on the surface by open cuts, with satisfactory results.

CAPITALIZATION IS MODERATE: To complete our programme we are now offering 200,000 shares at 25 cents per share. When this offering has been sold there will be only 760,000 shares outstanding, of which 260,000 shares are held in escrow.

With a property of great potentialities well managed, and a company very moderately capitalized, Silver Ridge shares at 25 cents offer an attractive opportunity for participating in one of the most promising high grade silver-lead properties opened in British Columbia in recent years.

A. M. RICHMOND REPORT ON SILVER RIDGE

A. M. RICHMOND

Mining Engineer

The President and Directors,
Silver Ridge Mining Company, Limited,
Sandon, British Columbia.

Ymir, B.C.,
October 30th, 1938.

Gentlemen:

In accordance with your request an examination of the surface and underground workings of the Silver Ridge Mining Company's properties, near Sandon, B.C., was made on the 21st instant, in company with Mr. R. A. Grimes, your President and Managing-Director. The examination was for the purpose of gaining a general knowledge of the work accomplished to date and appraising the possibilities for the future.

The Company holdings of twelve claims, four of which are owned outright and eight of which are held under reasonable options, are strategically located about 5 miles by road due west of Sandon, in the centre of the main productive area of the Slocan. The claims are surrounded on all sides by properties which in the past have been the leading silver lead producers of the camp, and which have produced an aggregate value of \$65,000,000 in silver, lead and zinc.

The preliminary development work on your property has been well and economically done, both by stripping on the surface with a tractor bulldozing machine, and underground by a limited amount of crosscutting and drifting. From this work a shipment of 22 tons of ore assaying 57 ounces in silver per ton and 53.3 per cent. lead per ton has been made to the Trail Smelter.

While no tonnage of ore is at present developed the preliminary exploration of the twelve claims has indicated the presence of ten veins, seven of which, the Sunshine, Yakima, Granville, Corinth, Jan and Bell and Minnesota, are sufficiently encouraging in appearance to fully warrant the expenditure of money in their development.

The vein fractures and the general geological structure are favorable to the finding of substantial bodies of high grade silver lead ores; the vein fractures being well defined and of favorable strike and dip, and the rocks in which they occur are competent to hold mineralization and sufficiently broken to permit the entry of mineralizing solutions from the underlying granitic rocks of the Nelson batholith.

The surface work on the Granville vein, and the limited amount of work underground on the Jan and Bell veins, in my opinion, fully warrant the driving of the exploration crosscut which you propose for this winter's work. This crosscut is located at an elevation which should encounter the most favorable horizon for ore deposition, and in an area which should be free of snow slides.

Five samples were taken by the writer for information only, and not for the establishment of ore reserves. The first sample across 2 inches of high grade on the footwall of the Bell vein assayed 40.3 ounces silver and 44.3 per cent lead per ton, while the second sample across 2 inches of high grade on the hanging wall side of the same vein at the same vein location assayed 345.6 ounces silver and 61.5 per cent lead per ton. A sample across 12 inches of high grade ore in the Bell vein assayed 62.4 ounces silver and 67.2 per cent lead per ton. A sample from the Granville vein outcrop assayed 91.0 ounces silver and 75.0 per cent lead per ton; gouge and country rock from the vein at the same outcrop assayed 5.9 ounces silver and 2.4 per cent. lead per ton.

The property, in my opinion, is an attractive mining speculation. The veins are well defined, in a well mineralized area, show attractive values, and with a reasonable amount of underground development work, should show substantial amounts of high grade silver-lead shipping ore. The programme of development planned for the winter is well advised, and under excellent management. As soon as the winter snows have gone a fairly comprehensive programme of surface and near surface work should be done on the Sunshine, Minnesota and Corinth veins. This work, together with the underground work to be done this winter, has a very reasonable expectation of establishing the property as a profitable producer.

Respectfully submitted,
(Signed) A. M. RICHMOND,
Mining Engineer.

Silver Ridge Mining Company
Limited (N.P.L.)

Sandon, B.C.

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AUG 12 1939

BUREAU OF ECONOMICS
AND STATISTICS

Third
ANNUAL REPORT
for the year ending
December 31, 1938

DIRECTORS

R. A. GRIMES, Nelson, B.C. R. E. HORTON, Nelson, B.C.
D. D. TOWNSEND, Nelson, B.C. H. W. GIVINS, Vancouver, B.C.
E. K. KANALY, Vancouver, B.C.

OFFICERS

R. A. GRIMES, *President and Managing Director*, Nelson, B.C.
R. E. HORTON, *Secretary*, Nelson, B.C.

FINANCIAL AGENT

E. K. KANALY, 613 Stock Exchange Bldg., Vancouver, B.C.

TRANSFER AGENTS

THE CANADA TRUST CO., LTD., Vancouver, B.C.

CONSULTING ENGINEER

A. M. RICHMOND, Vancouver, B.C.

Report of the President and Managing Director

To the Shareholders:

We are pleased to be able to report that development has proceeded on the company's property in a very satisfactory manner during the year.

In March we discontinued the near surface work on the "Jan" and "Bell" veins. Sufficient work had been done and the results were so satisfactory that a program of development had to be planned that would open these orebodies at greater depth.

Considerable care was necessary to insure the proper location of the proposed new low level tunnel. A surveyor was engaged and a complete survey of the workings was made and plans drawn to show the location of the various workings. This was necessary in order that the new tunnel would be so located that it would crosscut all the ten veins that had been found and prospected on the surface with satisfactory results.

Before actual work was proceeded with we had several independent mining engineers, including A. M. Richmond, examine the property and approve the program of development. Complete approval having been given our program, we at once proceeded with the construction of a road to the new tunnel site located on the Oregon claim. It was also necessary to build a new camp with additional buildings such as blacksmith shop, timber sheds, compressor building and storage space close to the portal of the new low level tunnel. A new water supply had to be developed that would provide the camp and mine with adequate water. This required laying one and one-half miles of pipeline. A complete power unit, consisting of a 75 H.P. diesel engine with a 360 cu. ft. compressor was purchased and installed. The new crosscut was driven one hundred and forty feet as at December 31st. On February 28th it had been advanced to six hundred feet.

Our objective is to crosscut the Granville Vein some seventeen hundred feet from the portal. This new crosscut intersected a strong vein two hundred and ten feet from the portal and exposed clean, high grade silver-lead ore better than twelve inches in width, that assayed 117 oz. silver per ton and 77% lead, which is over fifteen hundred pounds of lead per ton of ore. This vein has all the earmarks of a good producer and will be developed when the crosscut is completed.

We expect to cut another vein around seven hundred feet from the portal, and the Bell Vein will be reached at about twelve hundred feet with the Jan and Granville Veins within an additional five hundred feet. The last three veins will be crosscut at a depth of between three hundred and fifty and four hundred feet. This crosscut should be completed to the Granville Vein by June 1939. Then our plan of development will be to start exploration of the various veins, and ore shipments to the smelter should commence within sixty days after completion of the crosscut.

The "Dozer" Fraction was added to the Company's holdings during the year, by location, and the new camp and buildings are located on this ground.

Last August we shipped to the Trail Smelter a car of development ore that returned \$30.00 per ton after deductions for Freight and Smelter charges.

To date the development of the property has been more than satisfactory and we feel that we can reasonably predict a profitable and successful future for your company.

Funds for carrying on the development during the year have been provided by the sale of Treasury Shares. Your Company is in a healthy position, as the Balance Sheet will show.

Mr. David D. Townsend, of Nelson, has been appointed to fill the vacancy on the Board of Directors caused by the death of Mr. Jas. O'Shea.

On behalf of the Board,

R. A. GRIMES,
President.

Silver Ridge Mining Company Limited

(NON-PERSONAL LIABILITY)

SANDON, B.C.

BALANCE SHEET — DECEMBER 31, 1938

ASSETS

MINE PROPERTY:

Mineral Claims:

Cost of acquisition, etc., (including 260,000 shares of
50c par value stock)\$131,486.60

Buildings and Equipment at cost:

Buildings\$3,000.00

Equipment 1,188.44

Ford Truck 1,000.00

5,188.44

Roads 4,200.00

Mine Development 32,958.32

Development Supplies 4,390.10

Cash in Bank of Montreal 1,807.28

\$180,030.74

LIABILITIES

CAPITAL STOCK:

Authorized 2,000,000 shares of a par value
of 50c\$1,000,000.00

Subscribed—499,800 shares at 50c\$249,900.00

Less discount on shares 71,710.00

178,190.00

Accounts payable 1,638.77

Wages and salaries payable 201.97

\$180,030.74

STATEMENT OF RECEIPTS AND EXPENDITURES FOR YEAR 1938

RECEIPTS:

Balance carried forward\$ 20.36

From sale of shares 15,360.00

From Smelter returns 625.71

From sundries 11.96

\$ 16,018.03

DISBURSEMENTS:

1937 accounts paid\$ 171.30

1937 wages and salaries 1,850.98

Payrolls 6,592.31

Surveying 90.00

General expenses 441.56

Cook house supplies 869.66

Equipment 863.25

Mine supplies 3,224.91

Royalties and mineral tax 106.78

Cash on hand and in bank 1,807.28

\$ 16,018.03

Certified correct,

F. C. ROBINSON, Accountant.

INFORMATIONAL BULLETIN

ISSUED DECEMBER, 1945.

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JAN 9 1946
BUREAU OF ECONOMIC
AND STATISTICS

An Opportunity . . .

In SILVER and LEAD

* * *

WORLD CONDITIONS AFFECTING SILVER AND LEAD have brought these metals within a price range which renders especially attractive the speculative merit of properties in the Slocan area of British Columbia—a district which in the past has produced more than \$65,000,000 in silver, lead and zinc. Recent developments in silver have assured the definite price of 78c per ounce in Canadian funds, and operators in the Slocan have always regarded 60c per ounce as a satisfactory price for the profitable production of silver.

THE WORLD POSITION OF LEAD, according to the best authorities, indicates a continuous demand at firm to higher prices, a condition reflected in the current market for shares in the leading producing companies. An outstanding British Columbia metallurgist, in discussing the impending world shortage of lead, has referred to it as "the precious metal of the future".

THIS BULLETIN DRAWS ATTENTION to a promising enterprise in the Slocan which has impressive possibilities for profitable operation as a producer of silver-lead ore.

SILVER RIDGE MINING COMPANY LIMITED

(N.P.L.)

CAPITALIZATION:

One Million Dollars divided into Two Million Shares
of the par or nominal value of 50c each.

Issued for Properties: 260,000 shares, of which 240,000 are in escrow.

750,000 shares are issued or are to be issued under a contract dated November 4, 1945, to provide the company with \$150,000 for development purposes.

If, as and when all contracts and options are exercised, 1,484,400 shares will be outstanding.

REGISTRAR AND TRANSFER AGENTS:

The Canada Trust Co. Ltd., 486 Howe Street
Vancouver, B. C.

MINE OFFICE:

McCullough Block, Nelson, B. C.

SOLICITORS:

O'Shea & Garland, Nelson, B. C.

OFFICERS:

R. A. GRIMES
Nelson, B.C.
President and Managing-Director

R. E. HORTON
Nelson, B.C.
Vice-President

F. C. Robinson
Secretary-Treasurer

DIRECTORS:

R. A. GRIMES, Nelson, B.C.
H. A. PEARSON, Wallace, Idaho

R. C. MOFFITT, Seattle, Wash.
C. B. GARLAND, Nelson, B.C.

R. E. HORTON, Nelson, B.C.

PROPERTIES AND LOCATION:

The company controls sixteen (16) claims, fifteen of which are Crown Granted. These claims are strategically located about two and one-half miles by road, due West of Sandon, B. C., relatively close to the Queen Bess and Silversmith Mines, from which large and profitable production has been won.

CROSSCUT TO OPEN KNOWN VEINS AT DEPTH

Preliminary exploration by open cut, bulldozer, stripping and drifting, indicates the presence of ten veins, seven of which, the Sunshine, Yakima, Granville, Corinth, Jan, Bell and Minnesota, are sufficiently encouraging to warrant the expenditure of considerable sums of money in their further underground development.

A main crosscut tunnel has been advanced to cut the veins and at present is 2,000 feet from the portal. The new program calls for extending this tunnel an additional 1000 feet, which should intersect at least three veins showing on the surface.

Previous test shipments of ore have given some indication of values. These shipments represented accumulations from veins opened during the prospecting stage. One shipment of 21 tons on September 7, 1938, assayed 56.3 oz. silver per ton and 53.3% lead. Another on November 2, 1940, amounting to six tons, assayed 70.4 oz. silver per ton, and 74.4% lead.

Some \$85,000 has been spent to date on equipment and development of this mine.

MANAGEMENT AND FINANCING

The management of the company's properties is under the direction of Mr. R. A. Grimes, well-known mining operator in the Slocan area, who was in charge of the McAllister Mine at Three Forks, and the Mammoth Mine at Silverton, two highly successful mining enterprises. Mr. Grimes has had 30 years' operating experience in the Slocan.

Recently \$150,000 has been made available by a group headed by mining operators associated with silver-lead mining in the Coeur d'Alene area, of Washington. Two of their number are members of the Board of Directors of Silver Ridge Mining Company Limited (N.P.L.).

ENGINEER'S RECOMMENDATION

A. M. Richmond, the company's engineer, in a letter to the company dated May 17, 1940, said:

"The property, in my opinion, is an attractive mining speculation. The veins are well defined, they are in a well mineralized area, show very good silver-lead values where ore has been found, and the present programme of underground development work has every possibility of finding substantial amounts of high grade silver-lead shipping ore.

"I am of the opinion that at least 1000 feet of further crosscutting should be done to thoroughly explore the possibilities of the various veins, which have been found on the surface and in the upper workings. Due to fault conditions, which are still somewhat obscure in their effect on the veins, it is considered likely that the veins shown on the 'Jan', and 'Bell' tunnels are but a short distance ahead of the present working face and favorable results in the near future may be expected. The programme of development is well advised and under excellent management. You have a well equipped plant and camp for all present requirements."

IN CONCLUSION

A survey of the details surrounding this enterprise indicates that it has an excellent chance to become an important mine. Attention is directed to its conservative capital structure; to the small proportion of vendors' shares; to the important location in a camp which has a history of very large production; to financial backing by operators known to be eminently successful in their field. From the standpoint that conditions are favorable for revival of silver-lead mines due to the increase in the price of silver from 40 to 78 cents per ounce, and the demand for lead in World Markets, the shares of Silver Ridge Mining Company Limited (N.P.L.) offer a splendid opportunity for speculation and as such we recommend their purchase.

PRICE: At Market

Further information will be gladly supplied on request.

DAVIDSON & COMPANY LTD.

MEMBERS VANCOUVER STOCK EXCHANGE

808 W. PENDER STREET

VANCOUVER, B. C.

This brochure is issued for information purposes only and is not to be construed as a solicitation for purchase of shares of Silver Ridge Mining Company Limited (N.P.L.) by citizens of the United States of America.

SILVER RIDGE MINING COMPANY LIMITED

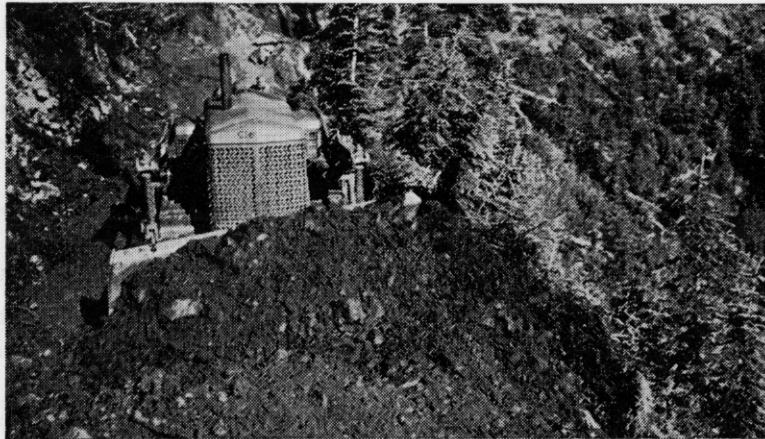
(NON-PERSONAL LIABILITY)

REGISTERED OFFICE: SANDON, B.C.

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JUN 10 1940

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D STATISTICS



Prospecting with a Bulldozer

Authorized Capital	- - - - -	2,000,000 Shares
Par Value	- - - - -	50 Cents
Issued and Escrowed	- - - - -	240,000 Shares
Sold and Issued	- - - - -	420,000 Shares
Remaining in Treasury	- - - - -	1,340,000 Shares

DIRECTORS

R. A. GRIMES
President and Managing Director
Nelson, B.C.

R. E. HORTON
Vice-President
Nelson, B.C.

D. D. TOWNSEND
Secretary-Treasurer
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TRANSFER AGENTS:
THE CANADA TRUST CO.
486 Howe Street
Vancouver, B.C.

CONSULTING ENGINEER:
A. M. RICHMOND
Vancouver, B.C.

**A Limited Number of Treasury Shares now offered
to the public at 25 cents**

SILVER RIDGE MINING CO. LTD.

613 STOCK EXCHANGE BLDG., VANCOUVER, B.C.

TELEPHONE: SEYMOUR 1980

MAY 20TH, 1940.

SILVER RIDGE MINING COMPANY LIMITED is developing a group of sixteen claims, totalling some seven hundred acres, located in the centre of the most productive section of the Slocan. This district has produced over Sixty-five million dollars in base metals to date, the major portion from high-grade Silver-Lead ore.

By the use of special surface-stripping equipment ten veins have already been discovered. An extensive programme of surface and near surface development has been carried out exposing high-grade Silver-Lead ore that will return handsome profits when commercial quantities are developed. The metal content of the ore is approximately 1200 pounds of Lead and 100 ozs. of Silver per ton, worth at present prices approximately \$45.00 per ton net smelter returns.

MANAGEMENT: R. A. Grimes, President and Managing Director of the Company, has for twenty years successfully developed and operated mines in the Slocan District. He has also invested a very substantial amount of his own capital in the shares of this Company.

PROPERTY: Eight claims—approximately 300 acres—owned outright, and eight claims—approximately 400 acres—held under option.

EQUIPMENT: Diesel Engine with 360 cu. ft. Sullivan Compressor and all necessary drilling and ventilating equipment installed at the portal of the main adit.

DEVELOPMENT TO DATE: Over 16,000 feet of surface stripping and trenching has been done by hand and with a Tractor-Bulldozer in order to locate veins that were covered by heavy overburden. This work resulted in 10 strong, well-defined veins being discovered and samples of high grade Silver-Lead ore obtained.

Assays of samples taken from Surface open cuts and shallow underground workings over widths from 2 to 20 inches give some indication of the possibilities of developing high grade ore bodies at depth:

	<i>Silver Ounces per ton</i>	<i>Per cent of Lead per ton</i>
Jan Vein Open Cut.....	100.2	70.4
Granville Vein No. 1 Open Cut.....	85.4	72.6
Granville Vein No. 2 Open Cut.....	93.6	74.8
Sunshine Vein Open Cut.....	144.8	79.5
Dozer Vein underground.....	117.7	77.2
Jan Vein underground.....	84.1	77.8
Bell Vein 65 feet from Portal.....	68.2	73.7
Bell Vein High Grade Shoot		
No. 1 Sample.....	503.9	72.2
No. 2 Sample.....	670.4	67.2
No. 3 Sample.....	488.8	79.1

To develop these ore-bodies at depth a low level main crosscut tunnel is being driven from a point on the Oregon claim which is projected to crosscut all veins crossing the company's property at various depths from 300 to over 1000 feet below surface. This tunnel is now in more than 2,000 feet and is approaching the downward extension of two of the most important veins on the Company's claims.

CAPITALIZATION: The Company's outstanding capital is exceptionally low, only 662,000 shares having been issued, including 240,000 shares held in escrow. Under the careful supervision of Mr. R. A. Grimes, over \$80,000.00 has been expended on the work of exploration, development, buildings, equipment and roads. To complete the present development program, the company will issue a limited number of Treasury Shares. Present purchasers of these shares will have an exceptional opportunity to participate in an enterprise already well advanced and with excellent indications of early production.

Under present Canadian taxation legislation, planned to encourage mineral development and applicable to Silver Ridge and other new mines, all revenues from ores shipped or treated during the first three years of production, will be free from Dominion Income Tax levies.

Engineer's Report

1006 Stock Exchange Building,
Vancouver, B.C.,

May 17th, 1940.

The President and Directors,
Silver Ridge Mining Company Limited,
Sandon, B.C.

Gentlemen:

The following brief summary is for the purpose of bringing the situation at your property up to date, and is based on two visits to the property, the first in October, 1938, and the second in December, 1939, supplemented by progress reports from the property as of the end of April, 1940, submitted by your Managing-Director, Mr. R. A. Grimes.

The Company holdings of 16 claims, 8 of which are owned outright and 8 of which are held under reasonable options, are strategically located about 2½ miles by road due west of Sandon, in the centre of the main productive area of the Slocan mining camp. The claims are surrounded on all sides by properties which in the past have been the leading silver-lead producers of the camp, and which have produced an aggregate value of \$65,000,000 in silver, lead and zinc values.

The preliminary exploration of the claims, by open cut, bulldozer stripping and drifting, indicated the presence of ten veins, seven of which, the Sunshine, Yakima, Granville, Corinth, Jan, Bell and Minnesota, are sufficiently encouraging to warrant the expenditure of considerable sums of money in their further underground development.

The vein fractures and general geological structure are favorable to the finding of substantial bodies of high grade silver-lead ores; the vein fractures are well defined and of favorable strike and dip; the rocks in which the veins occur are competent to hold mineralization, particularly in the southwest area of the property towards which the Main Crosscut Level is being advanced; and the rocks are sufficiently fractured to permit the entry of any mineralizing solutions from the underlying rocks of the Nelson granitic magma.

After completion of the surface stripping and exploration in 1938 a Main Crosscut tunnel was started approximately 300 feet below the lowest of the upper adit drifts, and at the end of April 1940, this Main Crosscut had been advanced to 1860 feet from the portal. At the face the ground is faulted, and more recent work has been the driving of a drift for 150 feet along what was considered the possible downward extension of the Granville vein (this might be the Bell vein instead of the Granville). This drift passed through the fault exposed in the Main Crosscut, and also passed through a porphyry dyke and the drift was then turned in a southwesterly direction parallel to the Main Crosscut and the face at the end of April was in good ground and approximately 100 feet ahead of the Main Crosscut face. This crosscut has at least 1000 feet to go to fully penetrate the most favorable part of the mineral area on the property. Several veins of minor importance were discovered in the driving of the Main Crosscut, and while good silver-lead values have been found in these newly discovered veins, there has not been an opportunity as yet to do much work in further exploration on them, as the main objectives of the Crosscut tunnel are still ahead.

The property, in my opinion, is an attractive mining speculation. The veins are well defined, they are in a well mineralized area, show very good silver-lead values where ore has been found, and the present programme of underground development work has every possibility of finding substantial amounts of high grade silver-lead shipping ore. I am of the opinion that at least 1000 feet of further crosscutting should be done to thoroughly explore the possibilities of the various veins which have been found on the surface and in the upper workings. Due to fault conditions which are still somewhat obscure in their effect on the veins, it is considered likely that the veins shown in the Jan and Bell tunnels are but a short distance ahead of the present working face and favorable results in the near future may be expected.

The programme of development is well advised and under excellent management. You have a well equipped plant and camp for all present requirements.

Respectfully submitted,

(Sgd) A. M. RICHMOND,

Mining Engineer.

(Seal of Professional Mining Engineers
of British Columbia)

SILVER RIDGE MINING COMPANY LIMITED

RECEIVED
(NON-FRANCHISE LIABILITY)

FEB 21 1940

613

333 STOCK EXCHANGE BLDG.,
VANCOUVER, B.C.

February 21st, 1940.

BUREAU OF ECONOMICS
AND STATISTICS

TO THE SHAREHOLDERS:

It is with pleasure we submit a report of substantial progress in development of the Company's property during 1939.

Mining Operations:

The main crosscut tunnel has been completed for a distance of 1840 feet from portal. The chief objective was the large Granville Vein, which was cut at 1680 feet. Between this vein and the portal of the tunnel several other promising veins, including the Dozer and Oregon, were cut and these the Company plans to explore fully at a later date. Drifting on the Granville Vein is now proceeding and good progress is being made.

Additional Claims:

Four additional claims adjoining the Company's property were secured to safeguard possible vein extensions. These claims were purchased at tax sale by the President, Mr. R. A. Grimes, and titles were transferred to the Company at the actual tax sale price.

Buildings, Equipment, Roads:

Substantial improvements and additions have been made to camp buildings.

Power equipment has been installed, including diesel engine and compressor.

An efficient ventilating system has been installed.

A section of new road has been built shortening the distance between Camp and the railway at Sandon by one and a quarter miles. The Department of Mines of the Provincial Government shared in the cost to the extent of \$1,000.00. The new road was located to avoid snow slides and it replaces sections of the old road which were difficult and costly to keep open during the winter months.

Program for 1940:

The Company's Consulting Engineer, Mr. A. M. Richmond, M.E., visited the property and inspected mining operations in December and his report was submitted at a conference with the management on January 12th, 1940. He recommends that our program for the year 1940 should include:

1. Drifting southwest on the Granville Vein to fully explore its very promising possibilities;
2. Continuation of the main crosscut tunnel for a further 1000 to 1200 feet to cut across the Yakima and Corinth veins, as he points out that the tunnel is now just entering the most favorable formation for finding high grade orebodies.

This program has been adopted by the management and the face of the drift on the Granville Vein is now in 150 feet southwest from the main tunnel.

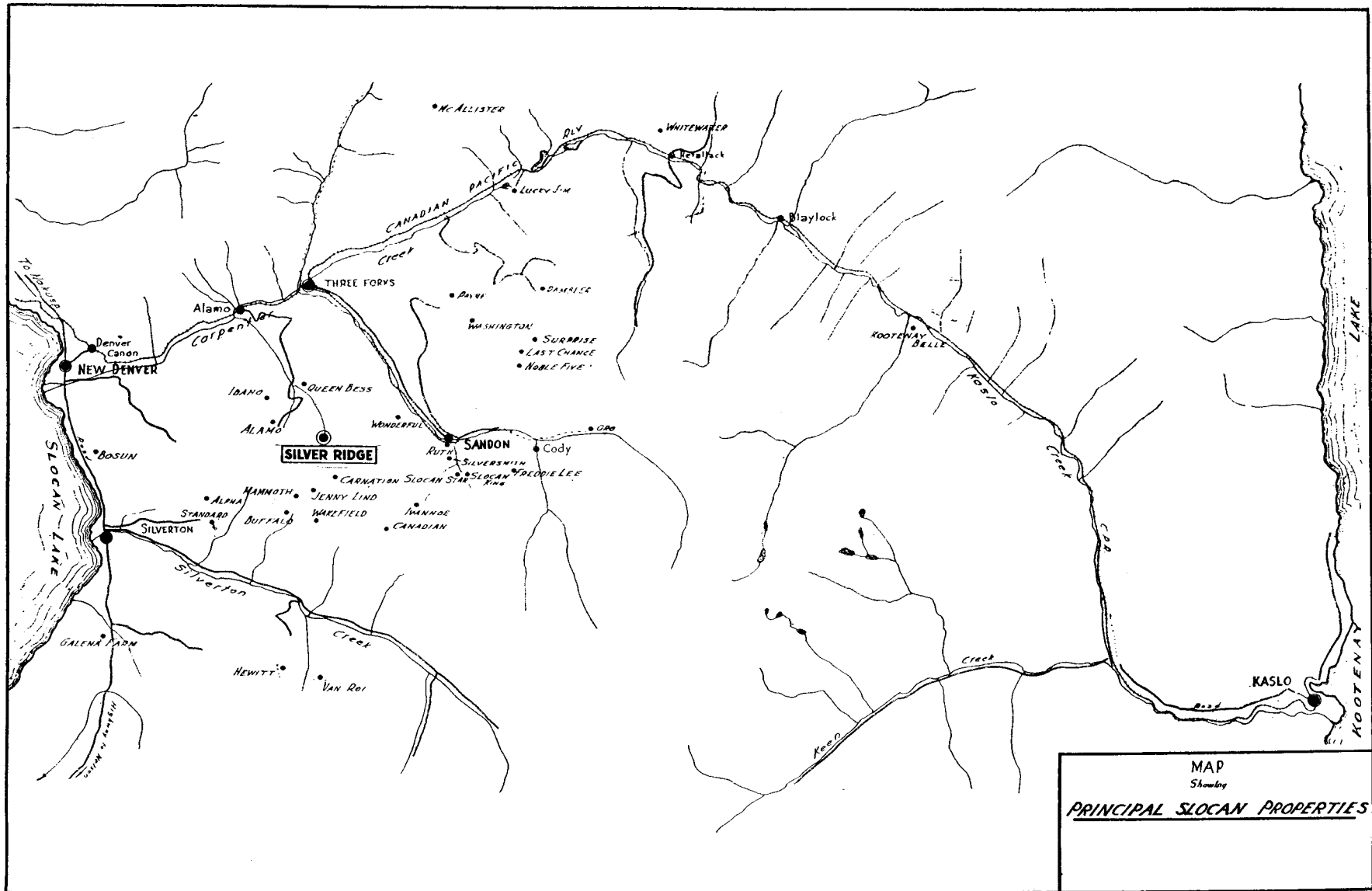
The Company has sufficient funds on hand to proceed with present plans to continue the exploration of the Granville Vein, in addition to \$3,000.00 of supplies on hand at January 1st, 1940.

Every effort will be made to bring the property into substantial production during this year.

Respectfully submitted,

E. K. Kanaly, Director.
Phone: Sey. 1980.

SILVER RIDGE and the SLOCAN MINING CAMP



Note the position of the Silver Ridge property in the very heart of the famous Slocan producing area. Heavy overburden obscured until recently veins which, if known years ago, would have been explored and worked out. With tractor and bulldozer this surface covering was removed so that undiscovered veins were found.