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PROTEINTY FILÉ

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REPORT ON THE MYRTLE MINE SLOCAN M. D. FOR SILVER BENN MINES LTD. (N.P.L.)

82F/NW-159

by M.K. Lorimer, P. Eng. 8 April, 1969 L.J. Manning & Associates Ltd.

The President and Directors, Silver Benn Mines Ltd. (N.P.L.), Box 74, Slocan, B.C.

PROPERTY FILE

Dear Sirs:

This report is based on a study of the reports listed in the Bibliography and on a personal knowledge of the geology of the Slocan area. The property has not been visited by the writer.

SUMMARY:

The Myrtle property is located about 8 miles by road northeast of Slocan.

The mine has been developed on a strong shear which may be a continuation of the Ottawa or Anna shears. A small tonnage of high grade silver ore was produced in former years.

The geology is favourable for the location of additional ore shoots along the strike and down the dip of the shear zone.

It is recommended that a Turam electromagnetic survey be made of the area to the east of the shear and that anomalous areas be investigated by diamond drilling or underground work.

The estimated cost is \$8,200 for the geophysical survey and an allowance of \$30,000 should be made for preliminary drilling or underground work.

LOCATION:

The Myrtle property is located about 5 miles northeast of Slocan on the summit and northern slopes of Ottawa Hill. Memphis Creek flows through the northwest corner and a tributary rises in the eastern part. (Map 3).

The geographic location is 49°49'N, 117°24'W. The area is covered by Sheet 82 F 14W of the National Topographic System.

The claims lie immediately north of the Ottawa Silver Mines Ltd. property and about two miles north-northwest of the Anna Mine.

The elevation ranges from 5,500 to 6,500 feet above sea level.

Access is by road from Slocan. The distance is about eight miles over a good gravel and dirt surface.

TITLE:

The property consists of the following claims:

Claim	Lot or			
	Kind	Record No.	Expiry	
Scotch Thistle	Crown Grant	2290		
Flyette	Mineral Lease	M138		
Alma 2	Located	43A	8 Aug. 1969	
McBride	Located	154	4 Aug. 1969	
Keta 1	Located	5642	10 July, 1969	
Mildred 1	Located	5643	10 July, 1969	

Claim	Kind	Lot or	
		Record No.	Expiry
Bill 2	Located	5644	10 July, 1969
Mildred 2	Located	5645	10 July, 1969
Senior 1	Located	5646	10 July, 1969
Mark 1	Located	5647	10 July, 1969
Mark 2	Located	5648	10 July, 1969
Bill 1	Located	5649	10 July, 1969
Senior 2	Located	5650	10 July, 1969
Keta 2	Located	5651	10 July, 1969

Titles to these claims are held by Silver Benn Mines Ltd. (N.P.L.)

TOPOGRAPHY:

The property covers the south, west and north slopes of Ottawa Hill. The average slope is about 30 degrees. Overburden and spruce forests cover most of the area. Memphis Creek and several tributaries drain the northern claims.

CLIMATE:

The climate is generally moderate. The summers are pleasant with occasional rains. The winter snowfall is heavy but the temperatures are not severe except for short periods.

HISTORY:

The property was first worked in 1901 but ore shipments were not made until 1907 when 10 tons of sacked silver ore were shipped. The total recorded production was only 17 tons of hand-sorted ore averaging 139 ounces per ton.

DEVELOPMENT:

Development work consists of a shaft 100 feet deep from surface, a 520-foot cross-cut adit, and about 300 feet of interior drifts, cross-cuts and raises. This work has opened the mine on two levels 50 feet apart.

GEOLOGY:

The mine has been developed on a wide shear zone in porphyritic granites of the Nelson Batholith. This shear strikes N 3° E and dips from 45 to 50 degrees to the east. It has an exposed width of 25 feet and is reported to have been traced for 1,000 feet. It is probably a northern continuation of the Ottawa or Anna shear.

The shear zone is composed of sheared and altered wall rock with quartz, calcite and some barite. The ore occurs in shoots within the shear and consists of disseminated tetrahedrite, silver sulphides and native silver. Lead, zinc and copper are present in small amounts.

Samples taken in 1924 from the walls of one of the stopes assayed as follows:

Width	Gold	Silver (oz/ton)	
(ft.)	(oz/ton)		
4.0	Trace	14.2	
4.5	0.02	36.4	
4.0	0.04	104.6	

CONCLUSIONS:

The Myrtle Mine produced small quantities of high-grade ore in the past and the geology is such that there are possibilities for the production of ore in the future. An exploration programme employing modern techniques appears justified.

Since very little work has been done on the shear zone it may be considered open for exploration to the north and south and down the dip.

Before embarking on costly underground work or diamond drilling an effort should be made to locate target areas by geophysical methods.

RECOMMENDATIONS:

It is recommended that the initial exploration of this property be proceeded with in two phases, the second phase being entirely dependent on the results of the first.

Phase 1:

It is recommended that a Turam electromagnetic survey be carried out over the area to the east of the shear zone on lines 400 feet apart.

The costs of such a survey are estimated as follows:

Line-cutting: 12.4 miles @ \$150		\$1,860.00
E. M. equipment and operator: 12.4 miles @ \$300		3,720.00
2 labourers: 7 days @ \$25		350.00
Room and board: 3 men, 7 days @ \$15		315.00
Transportation: 7 days @ \$15	\$105.00	
140 miles (a) \$0.15	21.00	126.00
Mobilization and demobilization		320.00
Engineering and supervision		1,500.00
Total		\$8,191.00

Phase II:

The work under this phase will depend on the results of the geophysical survey. If anomalous areas have been located the work will be planned to investigate these areas and will probably consist of diamond drilling, underground headings or both.

The cost of this work cannot be estimated at present but provision should be made for an expenditure of at least \$30,000, sufficient for about 2,000 feet of drilling or 500 feet of underground headings.

BIBLIOGRAPHY:

British Columbia Department of Mines: Annual Reports, 1901-1924

Cairnes, C. E.:

"Descriptions of Properties, Slocan Mining Camp British Columbia," Canada Department of Mines, Memoir 184, 1935

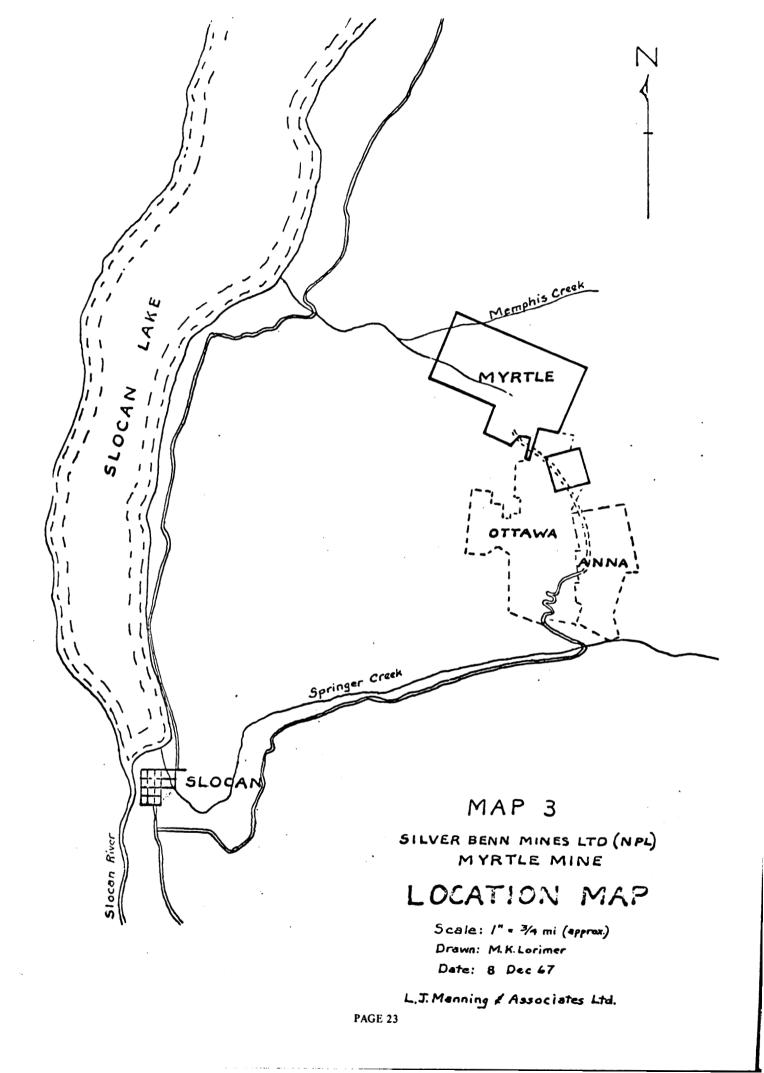
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L. J. MANNING & ASSOCIATES LTD.

"M. K. LORIMER"

M. K. Lorimer, P. Eng.



MYRTLE GROUP

The Myrtle group is located about five miles north east of Slocan on the summit and northern slopes of Ottawa Hill and is conn.

1 to the Slocan by a road approximately eigen tiles in length, the road has a good

PAGE 6

p. 7

gravel and dirt surface. The Company is the recorded owner of the Scotch Thistle Crown Grant mineral claim in the Kootenay Land District and the Flyette, and Survey Fraction mineral lease; and further is the recorded owner of the Keta 1, Mildred 1, Bill 2, Mildred 2, Senior 1, Mark 1, Mark 2, Bill 1, Senior 2, and Keta 2 mineral claims, and also owns an undivided 1/2 or 50% interest in the McBride and Alma 2 mineral claims, plus an option to purchase other 1/2 or 50%. This group of mineral claims constitutes the Myrtle group and they are held by the Company subject to the provisions of the Mineral Act and the Land Registry Act of the Province of British Columbia. The said properties were acquired from Kirsch Silver Mines Ltd. (N.P.L.) a company incorporated under the laws of the Province of British Columbia. The consideration paid to it was nominal.

So far as the signatories hereto are aware no other person or company has received a greater than 5% interest in the consideration received by the Vendor of the said property.

In the past a small tonnage of high-grade silver ore was produced from this group of properties. This property was first worked in 1901 but ore shipments were not made until 1907 when ten tons of sacked silver ore were shipped. The total recorded production was only 17 tons of hand sorted ore averaging 139 ounces per ton.

Development work consists of a shaft, 100 feet deep from surface, 520 foot cross-cut adit and about 300 feet of interior drifts, cross-cuts and raises. This work has opened the mine on two levels, 50 feet apart.

For a brief description of the mineral deposits on the property, see the report of L. J. Manning and Associates Ltd. which is attached hereto and forms part of this prospectus.

The company has not, to date carried out any program or exploration or development on the Myrtle group.