

CANEX PLACER LIMITED

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700 BARRARD BUILDING

VANCOUVER 5, B.C. CANADA

March 5, 1973

The Honourable L. T. Nimsick
Minister of Mines & Petroleum Resources
Parliament Buildings
Victoria, B. C.

Dear Sir:


We have for reply your letter of February 23, 1973, requesting information on the closure of our tungsten mine near Salmo.

As of March 1, 1973, 426,730 short dry tons of ore with an average grade of 0.59% WO_3 had been mined to produce 200,025 short ton units of WO_3 . We estimate that there are 83,000 short dry tons of ore with an average grade of 0.55% WO_3 containing 37,435 short ton units of WO_3 and this ore will be mined between now and the end of August, 1973, when we expect production to cease. Final ore extraction will compare favourably with the mineable ore reserves for this project which were estimated at 440,000 short dry tons of ore with an average grade of 0.72% WO_3 at the time the project was placed in production during October, 1970.

We do not anticipate that any ore will remain after termination of mining. This is not to say, of course, that there will not be mineralized areas on the property which will not be mined, but these areas are not economic under present or reasonably foreseeable prices.

We trust that this information will answer your questions.

Yours sincerely,


C. L. Pillar
Vice President, Operations

CLP:vb

cc: E. A. Lawrence
Mine Manager
Tungsten Division
Canex Placer Limited

East Dodges.

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