

92F 395

N.T.S. : 92F/10,15

D. Hora

Prop. File

MIN FILE #4 : 92F 394, 393 ?

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92F 395

Prop. File

Ideal Basic Industries Inc.
Ideal Cement-Rock Products Division
Texada Island, BC
Head Office; Denver, Colorado, U.S.A.

1. Property: MIN FILE # : 92F 394 (N.T.S. : 92F/10) ?
 - 1800 acres
 - original claims laid in 1871
 - Ideal owns or leases their property
 - have found it necessary to buy out local claims
 - problems are created because Crown grants and claims do not follow the standard land lots.
 - Ideal has operated since 1953
 - there are tenure claim problems concerned with the location of limestone in relation to other mineral claims. Very complex problem.

2. Production:
 - produce .2 million tons/year and expect to increase this to 2.5 million tons/year in 1980 if Inland Cement is in operation.
 - Ideal attempts to utilize everything they mine from the pit. In 1978 sold 400 000 tons of fill (overburden is first cleared of any large boulders which are used as armour stone).
 - produced 400 000 tons of high grade chemical limestone for lime industry.
 - produced 1.5 million tons of cement grade limestone which they plan to send to Inland Cement in the future.
 - gravel goes to Construction Aggregates.

3. Market Area:

- Seattle: handles 0.5 million tons/year
- Portland: Ashgrove handles 140 000 tons/year
- Delta, BC: Inland will handle 1 million tons/year
- Ideal claims that there is no competition for its products which would directly affect them. Ashgrove Cement handles lime and there is, therefore, no competition.
- conducting test shipments to Los Angeles.
- furthest market is Kitimat because the company can't stand the freight.

4. Transportation and Costs:

- barging is done by Sea Span and Riv Tow
- the cost of barge and material is determined on the basis of FOB (Free on Board) barging.
- the people receiving the limestone develop their own contracts with the barging companies.
- the limestone is shipped to the U.S. at a cost of \$1.57/ton (US \$) or \$1.80/ton (Can. \$). This includes any tariffs which are levied. There is no direct tariffs on any of the crushed limestone.

5. Miscellaneous:

- Ideal is a member of AIME
- complained that dykes were causing problems. Most are vertical but some are horizontal.
- have no problems with phosphorous when mining.

- claim to have the best limestone deposit on Texada Island.
- land fill at the old iron mine facilities.
- dykes contaminate the limestone causing many problems
- employ 40 people - all local
- no reclamation is practiced as will be mining indefinitely.
ie. estimated 600 feet of limestone.
- no major water problems, ie. flooding from water table.
- get fresh water for industrial use from local lakes.