COAST LABORATORIES LIMITED

VANCOUVER, B.C.

February 3rd, 1956.

Mr. H. Hill, Room 311, 850 W. Hastings Street, Vancouver 1, B.C.

Dear Sir: The following are the results of the microscopic examinations of samples, as reported by Dr. R.M. Thompson:-

Microscopic examination of Pulp No. 3, 23-28

A Superpanner tip from this pulp was examined and the following minerals identified:

- 1) Specular hematite occurs as lustrous black flaky plates and grains. This is the most abundant metallic mineral.
- 2) Magnetite Black granular grains.
- Native copper as small iregular shaped grains and flakes. No sulphide copper was observed.

Microscopic examination of Pulp D.D.H. No. 3, 28 - 33

This pulp was put on the Superpanner and a tip removed.

The minerals present in this tip in order of their abundance arenative copper, as flakes and grains; magnetite, specular hematite, and a minor amout of chalcocite.

No silver bearing mineral could be identified. Native copper is not a notable silver carrier but chalcocite (pure) may carry up to 60 oz. Ag/ton. An assay of 30 oz (reported on this material) seems high as the quantity of chalcocite is very small.

Re: Grade of Concentrate

To get a reliable answer I think that a large sample (100 lbs) should be submitted to a mineral dresser. If some of the native copper is fairly coarse it may notfloat, but if it is all in the order of 100 - 200 mesh it would float readily. I do not think there would be any problem floating Chalcocite.

Pyrite appears to be absent and the only possible problem may be removal of specular hematite and magnetite.

I do not see any serious problem here and a very high grade concentrate should be possible with proper treatment.

> Yours very truly, COAST LABORATORIES LIMITED Signed: "S. Merler, Manager"