

014376

CRAIGMONT MINES LIMITED

17 March, 1980

The Honorable J. Chabot  
Minister of the Environment  
Parliament Buildings  
Victoria, BC

1554 MAR 17 80

Dear Sir:

Re: The Redbird Molybdenum Deposit

The Redbird molybdenum deposit is located 160 km south of Smithers immediately outside the west boundary of Tweedsmuir Park: It was discovered by Phelps Dodge Corporation of New York in the 1960's and optioned from them by Craigmont Mines in 1979. Extensive drilling by Phelps Dodge and Craigmont has defined a potentially economic deposit containing in excess of 70,000,000 tons averaging better than 0.12% MoS<sub>2</sub>, of which 20,000,000 tons averages better than 0.20%.

A preliminary analysis indicates that a 10,000 ton per day operation costing \$ 150,000,000 could generate a net cash flow of \$ 20,000,000 annually after pay back. In addition, the Provincial and Federal Governments would each receive about \$ 10,000,000 annually in taxes. The operation would continue to employ 300 to 400 people in excess of 15 years.

Present constraints to the viability of the project which must be resolved prior to making further commitments are; approval for road access and the development of a townsite. Both of these requirements involve access in or through Tweedsmuir Provincial Park and sections of the Nature Conservancy contained within. We, herein, are asking for your consideration and hopefully your support in gaining the required Government approval for the construction of these facilities, if the project is at a later stage proven to be economically viable.

A map showing locations and possible sites is attached.  
Your consideration in this matter is appreciated.

Yours truly,

CRAIGMONT MINES LIMITED



Nels Vollo  
Exploration Manager



W.D. Diment  
Mine Manager

2010

/be

Enc.

cc: The Honorable R.H. McClelland,  
Minister of Energy, Mines and Resources

A.J. Petrina,  
Vice President of Operations, Placer Development

PROPERTY FILE

93E026(6E)

MINISTRY OF ENERGY, MINES AND  
PETROLEUM RESOURCES

To: Louise

Date:

From:

JTF

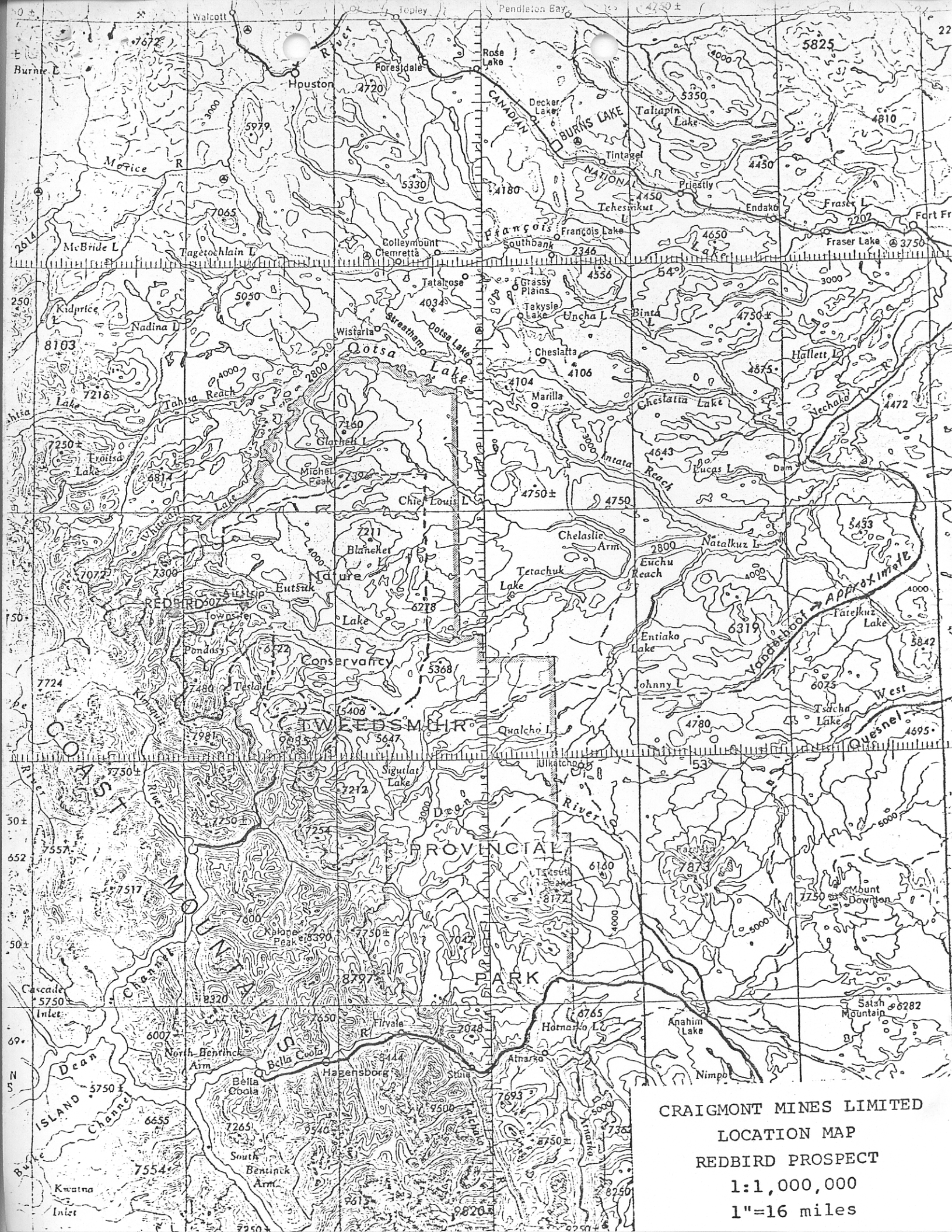
- |   |  |
|---|--|
| <input type="checkbox"/> For your approval.     | <input type="checkbox"/> Prepare reply for my signature. |
| <input type="checkbox"/> For your information.  | <input type="checkbox"/> Prepare draft of reply.         |
| <input type="checkbox"/> For necessary action.  | <input type="checkbox"/> Return to me.                   |
| <input type="checkbox"/> Send me copy of reply. | <input checked="" type="checkbox"/> File.                |
| <input type="checkbox"/> For your comments.     | <input type="checkbox"/> For signature.                  |
- Wish to discuss.

Please combine  
with other material  
- brief notes

Put in proper file

<sup>new</sup> Redbird -

Tuesday's Park



CRAIGMONT MINES LIMITED  
 LOCATION MAP  
 REDBIRD PROSPECT  
 1:1,000,000  
 1"=16 miles

① Ed Mac Gregor - you should attend - Brief notes?  
 ② H Ed ok please advise Dorothy -

DEPUTY MINISTER OF ENERGY, MINES & PETROLEUM RESOURCES  
 RECEIVED # 759  
 February 28, 1980

REFER TO:  
 FOR REPORT  
 DIRECT REPLY  
 NOTED

FYI  
 COMMENTS  
 DISCUSS

\_\_\_\_\_ COPY TO

\_\_\_\_\_

FOR MINISTER'S SIGNATURE  
 FOR DEPUTY MINISTER'S SIGNATURE

\_\_\_\_\_ B. F. DATE

FILE COPY  FILE ORIGINAL

No.: 109

Mr. Nels Vollo  
 Exploration Manager  
 Cragmont Mines Ltd.  
 270-190 Seymour Street  
 Kamloops, British Columbia  
 V2C 2E2

Dear Mr. Vollo:

Further to my phone call today, I am writing to confirm that the Honourable R.H. McClelland and his colleague, the Honourable Jim Chabot, will be pleased to meet with you on Monday, March 17th, at 9:00 a.m., to discuss your proposal, as requested by your M.L.A., the Honourable K. Rafe Mair, following his meeting with you in Kamloops.

The meeting will take place in this office, Room 310 in the Parliament Buildings.

Yours sincerely,



Dorothy Ross-Jones (Mrs.)  
 Secretary

c.c. Hon. J. Chabot  
 Hon. K. Rafe Mair

✓ b.c .c. Mr. Roy Illing--The Minister may wish to have someone attend; will let you know. You will be over for 8:30 meeting in any event.

DRJ



Province of  
British Columbia

Ministry of  
Health  
OFFICE OF THE MINISTER

MEMORANDUM

✓ M-6(e) - E Craigmont

To: Honourable J. Chabot,  
Minister of Lands, Parks  
and Housing.  
- and -  
Honourable R. McClelland,  
Minister of Energy, Mines  
and Petroleum Resources.

FEB 25 1980  
MINISTER OF ENERGY,  
MINES & PETROLEUM  
RESOURCES

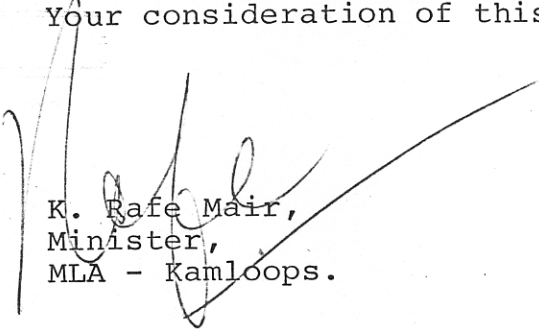
Date: February 25, 1980.

Re: Craigmont Mines Ltd.

I am requesting a joint meeting, to be held in Victoria,  
for Mr. Nels Vollo, Exploration Manager, Craigmont Mines  
Ltd., 270-180 Seymour Street, Kamloops, 374-4395.  
59

I met with Mr. Vollo in Kamloops where we discussed a  
proposed molybdenum mine to be developed on the outskirts  
of Tweedsmuir Park. Mr. Vollo would like to meet with you  
to discuss road access, townsite possibilities, environ-  
mental and economic impact.

Your consideration of this would be appreciated.

  
K. Rafe Mair,  
Minister,  
MLA - Kamloops.

Discuss	For Information	
Report	Attention & File	
Draft Reply	File	✓

March 17, 1980

Mr. Nels Vollo  
Exploration Manager  
Craigmont Mines Limited  
P.O. Box 3000  
Merritt, British Columbia  
V0K 2B0

Dear Mr. Vollo:

Re: The Redbird Molybdenum Deposit

As discussed at our meeting this morning, we will look forward to getting a detailed proposal from you regarding your problems of access and development of a townsite.

Mr. Ed Macgregor, Assistant Deputy Minister, Mineral Resources Branch, will act as co-ordinator for our Ministry, to ensure that the proposals are considered without delay.

Yours sincerely,

Original signed by  
R. H. McCLELLAND

R. H. McClelland  
Minister

c.c. Mr. W.D. Diment, Mine Manager  
Craigmont Mines Limited

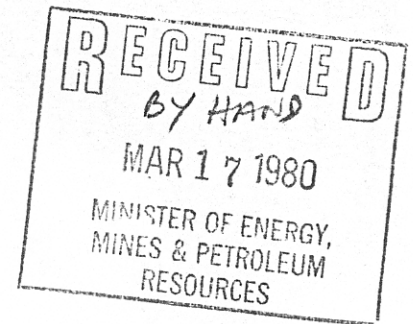
The Honourable J. Chabot  
Minister of Lands, Parks & Housing

✓ Mr. Ed Macgregor, Assistant Deputy  
Minister, Mineral Resources

# CRAIGMONT MINES LIMITED

17 March, 1980

The Honorable R.H. McClelland  
Minister of Energy, Mines and Resources  
Parliament Buildings  
Victoria, BC



Dear Sir:

Re: The Redbird Molybdenum Deposit

The Redbird molybdenum deposit is located 160 km south of Smithers immediately outside the west boundary of Tweedsmuir Park. It was discovered by Phelps Dodge Corporation of New York in the 1960's and optioned from them by Craigmont Mines in 1979. Extensive drilling by Phelps Dodge and Craigmont has defined a potentially economic deposit containing in excess of 70,000,000 tons averaging better than 0.12% MoS<sub>2</sub>, of which 20,000,000 tons averages better than 0.20%.

A preliminary analysis indicates that a 10,000 ton per day operation costing \$ 150,000,000 could generate a net cash flow of \$ 20,000,000 annually after pay back. In addition, the Provincial and Federal Governments would each receive about \$ 10,000,000 annually in taxes. The operation would continue to employ 300 to 400 people in excess of 15 years.

Present constraints to the viability of the project which must be resolved prior to making further commitments are; approval for road access and the development of a townsite. Both of these requirements involve access in or through Tweedsmuir Provincial Park and sections of the Nature Conservancy contained within. We, herein, are asking for your consideration and hopefully your support in gaining the required Government approval for the construction of these facilities, if the project is at a later stage proven to be economically viable.

A map showing locations and possible sites is attached. Your consideration in this matter is appreciated.

Yours truly,

CRAIGMONT MINES LIMITED

A handwritten signature in dark ink, appearing to read "Nels Vollo".

Nels Vollo  
Exploration Manager

A handwritten signature in dark ink, appearing to read "W.D. Diment".

W.D. Diment  
Mine Manager

/be

Enc.

cc: The Honorable J. Chabot,  
Minister of the Environment

A.J. Petrina,  
Vice President of Operations, Placer Development

MINE OFFICE: P.O. BOX 3000 — MERRITT, B. C. — V0K 2B0 — CANADA



CRAIGMONT MINES LIMITED  
 LOCATION MAP  
 REDBIRD PROSPECT  
 1:1,000,000  
 1"=16 miles