

FRENCH PEAK

015996

DEPUTY MINISTER OF MINES  
& PETROLEUM RESOURCES

737

REC'D MAR 25 1976

277

AALENIAN RESOURCES LTD.  
608 - 475 Howe Street  
Vancouver, B.C.  
689-8971

REFERRED	TO	DATE	INITIALS

March 23, 1976

Dr. J. Fyles  
Deputy Minister of Mines  
Department of Mines and Petroleum Resources  
Parliament Buildings  
Victoria, B.C.

Dear Dr. Fyles: Re: 1976 production French Peak Property

The following information is presented in a manner which we trust will convey to you an understanding of our anticipated 1976 program of " production start-up " on the property. ~~We would like to follow up this matter with a visit to yourself and Mr. Olsen between April 1-9 as discussed on the phone with you.~~ Whichever date is convenient with you will also suit us.

①

Property History:

Past work has been limited to the use of blasting, back-hoe work, and hand sorting, which yielded 42 dry tons @ 168 oz Ag/T plus 11% of gross silver value ( @ \$ 4.25/oz ) for other metals ( copper, lead, zinc, and gold ).

Nature of Ore:

The ore occurs as massive lenses and stringers of tetrahedrite, chalcopryrite, galena, and sphalerite in a fault generally well healed with a quartz carbonate gangue. The gangue also hosts the above minerals as disseminations and fracture fillings with silver replacing chalcopryrite and generally occurring later than other minerals and two periods of fracturing and faulting.

Proposed Program:

May 1/76 - Road restrictions off.

Phase I ( May 1/76 - June 1/76 )

- Clean up 5.5 miles of 4 x 4 road to property.
- Perform approximately 700' of NQ diamond drilling with 12 - 14 holes on the main zone to confirm the presence of ore to a depth of 80' ( proposed adit level ).

MAP-11  
272  
P. (over)

Phase II ( Assuming drill program yields positive results -  
June 15/76 - August 1/76 )

- Finish road construction to hauling standards.
- Construct and prepare powder magazine, ore bin, ore pad, and portal entry.
- Drive 500' x 5' x 7' adit along strike of main vein.
- Stope available ore.
- Hand sort and ship as done by previous owners. ( See CM&S Lead Settlement sheets attached )

Phase III ( Sept. 1977 on )

- Continued development of main zone
- Exploration and possible development of bedded tuffaceous zone 300' to south and dipping approximately 18° into main vein which is vertical. ( specimen assays from this bedded zone display 100 oz Ag., 23% Cu., 0.3 Oz Au., 2% Pb., and 2% Zn. )
- Possible construction of 40 - 50 T.P.D. mill.

We trust this information is that which you requested and we look forward to meeting with yourself and Mr. Olsen in the near future to further discuss timing and methods of achieving our anticipated production goal.

Yours truly  
AALENIAN RESOURCES LTD.



G.L. Anselmo  
President

GLA/db

LEAD SETTLEMENT

FINAL

Trail, B.C.

July 33

19 33

From: French Peak Mines,  
c/o S. Homansko,  
Box 991,  
Smithers, B.C.  
For: Silver lead ore

Lot No. 1

Car No. 48 sacks

Received May 22nd

Value \$  
Freight Rate \$

SCALE WEIGHT

WEIGHT OF SHIPMENT

Gross	Tare	Net	Gross	No. Sacks	Wt. of Sacks	Net Wet Wt.	% H <sub>2</sub> O	Net Dry Wt.	Dry Tons
5,110			5,110	18	50	5,060	218	4,842	2,421
lb.	lb.	lb.	lb.		lb.	lb.	lb.	lb.	

ASSAYS

Wet Lead	Zinc	Sulphur	Silica	Iron	Lime	Arsenic	Antimony
30.7	1.6	7.4	29.3	8.7	.4	.8	7.5
%	%	%	%	%	%	%	%

AVERAGE QUOTATIONS

to be realized Price

Month of	June	1956	Exchange	Less	Net
OLD	\$ 35.00	@	8,089.9% Promo	\$1.25	\$ 36,581.32 oz.
NEW	New York price \$ 1,293		" "		\$ 1,377.60 oz.
NEW	11,219	c. lb.		Less	\$ 10,619 c. lb.
NEW		c. lb.		Less	Net

CONTENTS AND VALUE

CONTENTS	CONTENTS PAID FOR	NET QUOTATION	VALUE
ozs. GOLD 95 %	.189	ozs. @ \$ 36,581.32	\$ 6.91
ozs. SILVER 95 %	893.02	ozs. @ \$ 1,377.60	\$ 1,237.11
lbs. LEAD 92.5 %	61.3	lbs. @ 10,619	\$ 65.09
lbs. ZINC %		lbs. @	

TOTAL GROSS VALUE	\$ 1,309.11
Less treatment @ \$24.22	(Details below)
	\$ 1,250.17

Wells Motor Transport Ltd.,  
701 Front Street, Nelson, B.C.

Less: Trucking	\$
Switching	
Freight *	\$ 220.23
	\$ 1,030.19

to Rio Tinto Canadian Explorations Ltd.,  
1201 - 121 Richmond St. W., Toronto, Ont.

	\$ 103.02
	\$ 927.17

TREATMENT RATE

Base Charge	\$ 15.00
Iron Zinc Penalty	
Arsenic Antimony	7.8 @ 1.25 9.75
Moisture	
Extra handling	Sacks 2.00
Lead debit	16.3 @ .10 1.63
Silica Lime credit	29.7 @ .14 4.16 Cr.
TOTAL TREATMENT PER DRY TON	\$ 24.22

ADVANCED-	690.00
BALANCE-	\$ 237.17

THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA LIMITED

Our Serial No.

845-C

LEAD SETTLEMENT

PRELIMINARY

Trail, April 7

1965

In Account With

Ute Mining Syndicate Ltd.,  
c/o S. Homanaka, Box 991, Smithers, B.C.  
For French Peak Ore

Lot No. 2

Car No. ON 110992 Received March 13th

Net. @  
\$75.00

Freight Value  
\$ 314.50

Freight Rate  
\$ 21.38

SCALE WEIGHT less Sil.

WEIGHT OF SHIPMENT

Gross	Tare	Net	Standard	No. Sacks	Wt. of Sacks	Net Wet Wt.	Wt. % H <sub>2</sub> O	Net Dry Wt.	Dry Tons
132,180	49,100	83,080	58,140 = 24,640	246	380	24,260	4.1%	23,265	11.6325
lb.	lb.	lb.	lb.		lb.	lb.	lb.	lb.	

ASSAYS

Gold	Silver	Wet Lead	Zinc	Sulphur	Silica	Iron	Lime	Arsenic	Antimony
.08	236.60	15.5	1.7	7.2	34.9	6.1	1.9	.6	4.5
oz. per dry ton	oz. per dry ton	%	%	%	%	%	%	%	%

QUOTATIONS

u & Ag — April 6 1965  
Tadanac Realized Prices — February 1965

	Price	Exchange		Price
GOLD	\$35.00	@ 8.0% Prem.	Less \$1.25	Net \$ 36.55000 oz.
SILVER	New York price \$ 1.293	"	.02	Net \$ 1.37644 oz.
LEAD	14.783		Less .6	Net 14.183 c. lb.
ZINC "P.W."			Less	Net c. lb.
CADMIUM			Less	Net \$ lb.

CONTENTS AND VALUE

CONTENTS	CONTENTS PAID FOR	NET QUOTATION	VALUE
.698 ozs. GOLD 95%	.663 ozs. @ \$	36.55000	\$ 24.23
2,752.25 ozs. SILVER 95%	2,614.64 ozs. @ \$	1.37644	3,598.00
3,606 lbs. LEAD 92%	3,336 lbs. @	14.183	473.14
lbs. ZINC			

TOTAL GROSS VALUE \$ 4,096.27

Less treatment @ \$ 19.05

(Details below) 221.60

Less: Trucking \$ 3,874.67

Switching

Freight 263.10

\$ 3,611.27

261.15

\$ 3,250.12

Less 10 % Royalty on \$ 3,611.27 to Rio Tinto Canadian Exploration Ltd.,  
1201-121 Richmond St. E., Toronto, Ontario.

TREATMENT RATE

Base Charge	\$15.00	ADVANCE	2,430.00
Iron Zinc Penalty			
Arsenic Antimony	4.6 @ 1.25	5.75	
Moisture			
Extra handling	Sacks	2.00	
Lead credit/debit	14.5 @ .10	1.45	
Silica Lime credit	36.8 @ .14	5.15	
TOTAL TREATMENT PER DRY TON		19.05	

BEG:jk

IN ACCOUNT WITH-SARGENT AND SMITH  
 FOX 991  
 SMITHERS, B.C.

27 74

FOR ORE - OPEN740 -- LOT 1 CAR NO. RECEIVED  
 CN 149223. 12 02 74.

WEIGHT OF SHIPMENT - LBS. 4.20% MOISTURE

NET WET WT NET DRY WT DRY TONS  
 59300. 56809. 28.4045

ASSAYS

GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA
0.0700.	120.5000.	4.8500.	14.1000.	1.8000.	8.4000.	20.1000.
0Z / DRY TON		%	%	%	%	%
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	
3.6000.	13.0000.	3.1000.	2.8000.	0.7000.	0.0500.	
%	%	%	%	%	%	

QUOTATIONS QUOT DATE 12 13 74. US EXCHANGE -1.36000%.

GOLD	179.75000 US \$/OZ.	LESS 3.00\$/OZ	NET 174.30540	\$/OZ CAN
SILVER	4.22592 US \$/OZ.	LESS 0.07\$/OZ	NET 4.09845	\$/OZ CAN
LEAD	22.97900 US C/LB..	LESS 5.34C/LB	NET 17.32649	C/LB CAN
ZINC	37.77000 US C/LB..	LESS 12.50C/LB	NET 24.75633	C/LB CAN
COPPER	54.20200 US C/LB..	LESS 11.00C/LB	NET 42.46485	C/LB CAN

CONTENTS AND VALUE

METAL	CONTENT	DEDUCTIONS	NET	VALUE
GOLD	1.988 OZS	0.852	1.136 OZS	\$ 198.01
SILVER	3422.74 OZS	239.59	3183.15 OZS	\$ 13045.98
LEAD	8010 LBS	2545	5465 LBS	\$ 946.89
ZINC	1023 LBS	568	455 LBS	\$ 112.64
COPPER	2755 LBS	1929	826 LBS	\$ 350.76

TOTAL GROSS VALUE	\$ 14654.28
LESS: BASIC TREATMENT @ 19.50 \$/T	553.89
LESS: TREATMENT RATE @ 19.50 \$/T	553.89
	\$ 1107.78
	\$ 13546.50
LESS: FREIGHT	1099.83
TOTAL NET VALUE	\$ 12446.67
ADVANCED (75%)	\$ 9330.00

TREATMENT RATE

LABOUR RATE ADJ	118.500 AT \$	0.100	\$ 11.85
IRON PENALTY	11.200 AT \$	0.700	\$ 7.84
ARSENIC PENALTY	0.600 AT \$	1.000	\$ 0.60
ALUMINA PENALTY	3.100 AT \$	0.250	\$ 0.78
SILICA CREDIT	20.100 AT ¢	-7.035	\$ -1.41
LIME CREDIT	3.100 AT \$	-0.050	\$ -0.16
TOTAL TREATMENT RATE			\$ 19.50

?

93m/w

RIO  
93M-15

P. file

Dr. J.T. Fyles,  
Associate Deputy Minister.

April 4th

74.

Limited Production Permit - Ute No. 5 and No. 6 claims  
Omineca Mining Division

Claims were initially located on this deposit in the early 1960's  
by Rio Tinto Canadian Exploration Ltd.

In 1964, the property was optioned by S. Hornenuke<sup>m</sup> and two tons  
of ore were searched, yielding 945 ounces of silver and 663 lbs. of  
lead.

NCC/jr

N.C. CARTER,  
Senior Geologist, Geological Div.,  
Mineral Resources Branch.

April 14, 1976.

Mr. G. L. Anselmo,  
President,  
Aalenian Resources Ltd.,  
608 - 475 Howe Street,  
Vancouver, B. C.

Dear Sir:

Re: French Peak Mine

Your letter of March 23, 1976 to Dr. Fyles has been passed along to myself for necessary action.

A committee has just been appointed to assist operators in acquiring the necessary leases or permits to get into production. In your case, you will require a limited production permit which should not be difficult to get since the mine has already been operated recently. Would it be possible for you to visit myself next week? (April 20-25).

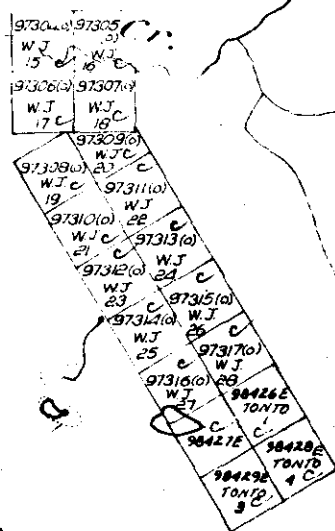
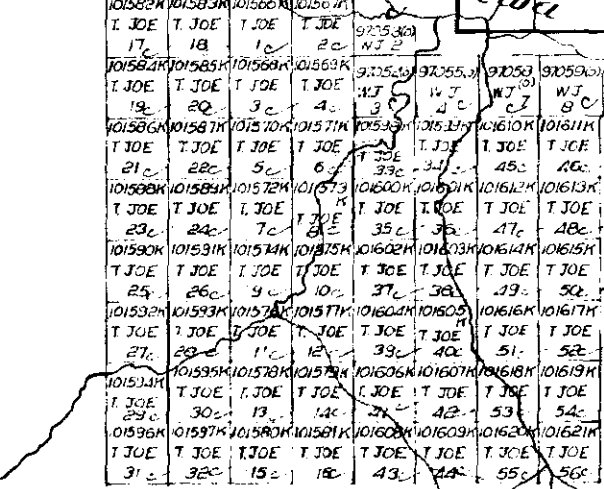
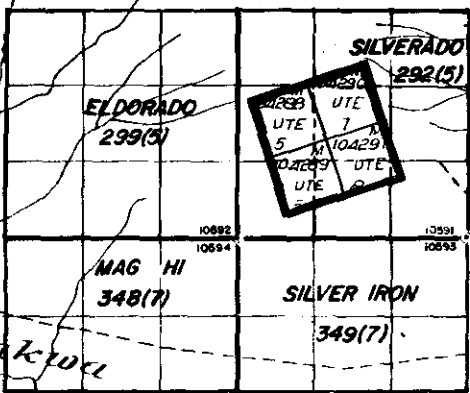
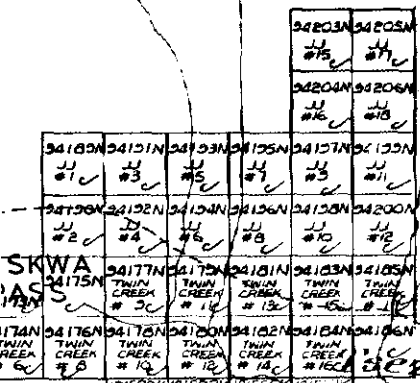
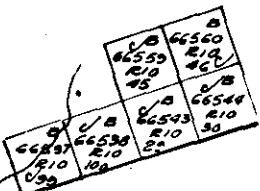
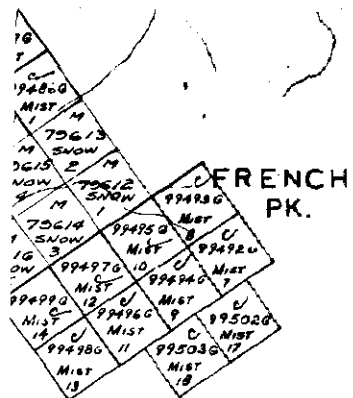
Yours very truly,

P. E. Olson, P. Eng.,  
Chairman, Mineral Development Committee.

PEO/tr

*Anselmo called PM Apr 14  
- will call ahead next  
week or week after and  
drop in to see me.*

*P.*



93M/7W