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C.W. Frank, Esq:  
Selkirk Mining Syndicate,  
214 Campbell Bldg  
Victoria, B.C.

R.R. Wilson M.E.  
501 Pacific Bldg  
Vancouver B.C.

Dear Sir:

The following is in response to your request for a summarized statement in regard to the Ferguson Mine, and is based on my full technical report of June 27th.

The mine is located about 225 miles N.N.W. of Prince George, B.C., the nearest railway point at present. The natural outlet for ore is down the Ingenika, Findlay and Peace Rivers, which at present offer difficulties that make it impossible to ship from the mine at a profit. The development of railway lines, in connection with the great Peace River agricultural block, seems likely to bring railway transportation within closer reach before many years. With some improvement in the waterways, you might expect ultimately to be able to ship down the above rivers a boat distance of some 190 miles. It appears to be only a matter of sufficient time when transportation facilities will be greatly improved, enabling profitable shipments to be made.

The showings occur on a knoll, composed chiefly of limestone, and consist of fissure veins and shear zones, in which galena, Zinc Blende and a slight amount of copper pyrite form the valuable minerals. Galena concentrates would contain about 60% lead and 20 oz. of silver per ton, possibly better. Zinc concentrates would also probably become valuable under improved conditions.

The knoll is surrounded by a wide area of deep wash, so that showings cannot be traced on the surface for greater distances than 300 to 400 feet. How much further they may extend remains to be proved by underground development.

There are four distinct veins, with possibly two others at present shown up by surface cuts. No tunnelling or sinking has yet been done. The showings on Nos. 2 and 3 veins, which are the highest in grade, show a length of over 200 ft., with widths of 6 ft. and 9 ft. respectively. If these showings continue for a depth of 100 ft. they would represent a tonnage of 34,000 tons averaging 13% in lead and 4 to 5 oz. silver per ton. No. 4 vein gives an average, over 300 ft. length and 15 ft. width, of 31% lead and 1½ oz. silver per ton, or 40,000 tons per 100 ft. of depth. There would also be a large proportion of zinc, whose value is

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difficult to foretell at present. Even without the zinc, it is obvious that the possible tonnage is respectably large, even though the low grade ore prove unworkable for a long time to come.

In regard to possibilities, these may be said to be very good as far as the mine is concerned. The mineralization is such that continuation in depth is likely to be good. It is a type of ore that should have a reasonably long vertical range and extend to reasonable depths, possibly 1,000 feet or more. There is no reason why the horizontal length of mineralization should not be much greater than the short stretches which have been exposed by erosion. In a Northerly direction particularly ore is now exposed on all veins right up to the edge of the wash covering. The low grade ore in No.4 vein appears to be improving in this direction and shows a mineralized width of perhaps 30 feet in the most northerly cut, with the full width not exposed and signs that it may prove much wider on development. Also the dips of the veins would seem to indicate that they may run together at a fairly short depth. If the mineralization became concentrated into one vein, probably No.4 vein, in this way, the situation might be much improved in regard to mining and development and general concentration of the ore into a more condensed and easily workable form.

Development will be comparatively simple and should not constitute a high charge per ton, though some technical skill will be required in following the veins to the best advantage, so that good management is very desirable.

On the whole you have a property which may be classed as a moderate to low grade concentrating proposition. There is not very much doubt but that you can develop a considerable and possibly large tonnage. The treatment problem is not likely to be a difficult one, and a comparatively small amount, such as \$25,000 spent on development, should go a long way towards assuring character, values and a sufficient tonnage to start on.

I do not anticipate much difficulty in developing tonnage, your chief problem will be whether a sufficient tonnage of sufficiently high grade can be developed to justify the capital costs necessary for production, which will be fairly high. These will include cost of mill, which is fairly definite, cost of transportation facilities and improvements which will depend on the tonnage, that is the more tonnage the more you can spend on transportation, and cost of power which is hard to figure. No large power is locally available, but 200 or 300 horsepower can probably be cheaply developed. Larger power may prove costly. Local conditions are somewhat difficult in minor respects.

Altogether I think that the success of the proposition depends largely on the skill and economy with which the various difficulties are overcome. Except that you will have to wait for a few years perhaps for transportation to come nearer, I think the other difficulties can be successfully overcome and you have a good enough chance for success to make it a legitimate mining venture, assuming that financing and expenditures are legitimately and wisely managed.

Yours very truly,

(Sgd) J.M.Turnbull.