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INTERPROVINCIAL

METALS LTD. (N.P.L.)

REPORT TO THE SHAREHOLDERS - No. 5May 22, 1967

Interprovincial Metals Ltd. (N.P.L.) has completed negotiations with Armore Mines Limited of Toronto, and an option to purchase the Ruffner Mine was executed on April 3, 1967.

The Ruffner Mine consists of 30 staked claims and 28 Crown Granted claims, which lie adjacent to and north of Interprovincial Metals Ltd. Big Canyon Group, 15 miles north-east of Atlin, B.C.

Option Agreement:

- (1) Under the terms of the agreement Interprovincial Metals Ltd. will be required to pay to Armore Mines Limited a sum total of \$50,000.00 in five equal annual instalments of \$10,000.00, ending in the final payment on May 15, 1971.
- (2) Interprovincial Metals Ltd. is committed to spend on exploration and development work on the Ruffner Mine, a total of \$200,000.00 at a rate of \$50,000.00 per year, with final expenditure being made on May 15, 1971.
- (3) In the event that Interprovincial Metals Ltd. exercises its option to purchase, the Company will commit the property to commercial production and equip the property for mining.
- (4) During the course of production Interprovincial Metals Ltd. will pay to Armore Mines Limited a royalty of 7½% of net smelter returns from ore mined from the Ruffner Mine during the first three years of production, and a royalty of 5% of net smelter returns from the Ruffner Mine for the following 22 years, or for the life of the mine, whichever is less.

History of the Ruffner Mine: GSC Memoir 307 (1959) excerpts.

The occurrence of silver-lead minerals at Crater Creek was known as early as 1901. In 1921 work started in earnest on the Ruffner and Big Canyon Groups of claims and continued until 1930, at which time Atlin Ruffner Mines Ltd. was formed. The company acquired the Ruffner group and developed it for three years, then allowed the property to fall idle. Work started again in 1951. In 1952 the company acquired the adjoining Vulcan and Big Canyon Groups and the Hurrah, Blacksmith and Saddle Nos. 1 and 2 claims. After 4,000 ft. of exploratory drilling had been done to investigate the continuation of vein zones into newly acquired ground, the property once more fell idle.

The deposits are remarkable for their persistency with which fracture and ore zones are confined to lamprophyre dykes. The shear zones in the dykes are intermittently filled and replaced with quartz calcite and ankerite carrying galena, arsenopyrite, sphalerite, minor pyrite and chalcopyrite. Ore occurs in irregular bands and lenses; widths of six feet being common.

Excerpts from B.C. Minister of Mines Reports

Property situated on Vaughn Mountain 10 miles NE of Atlin, B.C.

Vein systems as shown on plan map 1921.

Veins and Workings:No. 7 (IPM No. 1)

Big Canyon tunnels - east 60 feet and west 170 feet.

West tunnel ore zone 70 feet : 11.4 oz. Ag/T across 6 feet.

East tunnel minor mineralization.

PROPERTY FILE

104V011(12E)

05

No. 6 vein (IPM No. 2)

Lower shaft 10 feet deep: 15 oz. Ag/T across 5 feet.
Several trenches : 8 to 12 feet wide continuously mineralized.
Upper Shaft 3000 feet east: 10 ft. deep : 15 oz. Ag/T across 5 feet.

Vulcan No. 7 (IPM No. 1) from I.P.M. Reports

Surface stripping exposed vein for 1800 feet.
2 ore shoots approx. 200 feet in length.
Ore width from 1 foot to 7 feet.

ATLIN RUFFNER PROPERTY

4 veins discovered to the north from No. 6 vein upper shaft.

No. 5 vein

Distinguished on surface no work done.

No. 4 vein

- 4 a - elev. 4975 feet
1921 - tunnel 40 feet
vein 8 feet wide
oxidized at Portal
samples across face : 4 ft. \$1.60 Au/T, 27.2 oz. Ag/T, 6.5% Pb/T
1922 - tunnel continued for 30 feet, total 70 feet.
cross cut into footwall, vein 12 feet wide, oxidized.
- 3 tons of ore shipped : \$2.28 Au/T: 81.00 oz. Ag/T: 31% Pb/T
1925 - compressor transferred from 2c to 4a.
tunnel driven additional 300 feet: Total 370 feet.
at 145 feet ore 3 feet in width.
assays at face \$2.00 Au/T: 25 oz. Ag/T: 5% Pb/T
commercial ore shoot over 100 feet in length.
open cut 75 feet west of portal encountered the vein.
- 4aa - 1925
cut 1800 feet east of 4a
width of vein 5.4 feet : .13 oz. Au/T: 20 oz. Ag/T: 16% Pb/T:
- 4b - located 200 feet east of 4a.
elevation 5500 feet.
cut shows 4 to 6 feet of oxidized material
sample: \$3.95 Au/T : 16.1 oz. Ag/T across 3 feet.
- 4c - higher up on the same vein
length of vein over 4000 feet
galena assays 42% Pb/T : 162 oz. Ag/T

No. 3 Vein

- 1500 feet north of No. 4 vein.

3a - open cut sample assays 30.4 oz. Ag/T.

No. 2 Vein

lies north of No. 4 vein.

1921

2c - open cut at 5575 feet: 5 feet deep
vein 14 feet wide, soft oxidized material and solid coarse grain galena.
galena assays 200 oz. Ag/T.

1922

- trench deepened a further 8 feet : Total 14 feet.
- X- 10 tons of ore taken out: averaged, 95¢ Au/T: 83 oz. Ag/T: 45% Pb/T.
- shaft deepened to 26 feet, vein very oxidized
- shaft deepened to 50 feet.
- at 28 feet, 2 feet solid sulphides on hang.wall
- sulphides coming in on foot wall carries chalcopyrite.
- copper ore assays \$1.60 Au/T: 41.68 Ag/T: 3.84% Cu/T
- galena ore assays \$4.40 Au/T: 113.03 oz. Ag/T: 65.2% Pb

1923

- shaft completed at 50 feet
- drift run north for 40 feet
- ore in shaft 1 to 4 feet in width.
- at bottom of shaft cross cut driven to foot wall granite 9 feet
- 1 to 4 feet of ore galena and sphalerite.
- X- 10 tons shipped : gross: 1 oz. Au: 1008 oz. Ag: 188 Lb. Cu: 10,782 lb. Zn.
- X- 25 tons of ore left on the dump
- 40 ft. drift shows 12 to 18 in. of good ore all along, in places solid galena.
- cross cut to the left at the face of the 40 foot drift cut the copper vein.
- 4 feet of good ore all along the bottom of the drift.
- galena samples assay: \$8.00 Au/T: 145.8 oz. Ag/T: 78.7% Pb/T
- copper vein assay: \$1.60 Au/T: 158.8 Ag/T: 10.3% Cu/T: 11.7% Pb/T: 9.6% Zn/T
- drift extended 80 feet : total 120 feet
- drift passed through the ore shoot
- shaft sunk 25 feet deeper : total 75 feet
- shaft shows mixed ore 3.5 feet of \$2.80 Au/T: 14.2 Ag/T: 12% Pb.

2C drift

- portal 185 feet below collar of shaft
- tunnel driven 190 feet
- vein heavily oxidized 4 feet in width
- face assay 60¢ Au/T: 5.55 oz. Ag/T : Pb 5.4%

2b

- down the hill from 2c
- sample assayed \$1.20 Au/T and 50.8 oz. Ag/T

2XX cut

- several thousand feet down the hill from 2c

1925

- on brow of hill 500 feet above 2X tunnel
- vein 8 to 9 feet wide sparsely mineralized
- 5 trenches altogether
- lower two cuts near the 2X tunnel show high silver assays across 20 feet.
- average sample : 118.9 oz. Ag/T: 11.7% Pb/T

1925

2d Tunnel

- elevation 4350 feet
- 60 feet west and below 2XX cut
- vein cut 25 feet from portal
- vein 14 feet wide.
- 15 feet of drifting on the vein
- 2.5 feet mineral in face, heavy sulphides of galena, sphalerite
- arsenopyrite and ruby silver.
- galena assays 533 oz. Ag/T: 71.8% Pb/T
- X- 10 tons of ore shipped
- average of shipping ore: 1.1 oz. Au/T: 199.76 oz. Ag/T
- 62% Pb/T: 3% Zn/T
- tunnel driven over 100 feet

- 1926 - drift continued to 400 feet
at 300 feet, 4 feet high grade followed for 15 feet disappeared
at 300 feet cross cut to the left, high grade vein encountered.
main drift turned to the left at 400 feet
ore body encountered
drifting on orebody for 225 feet, width 13 to 21 feet
at 300 feet winze sunk 50 feet
cross cut from bottom of winze, orebody 21 feet wide
6 sections across 21 feet averaged \$46.00/T (Ag 65¢)
- 1927 - during the summer a tunnel was being driven along the vein towards
the ore shoots at a lower level
- X- 162 tons of ore was shipped from 2d tunnel netted \$80.00/T
transport cost \$75.00/T
one car of 36 tons netted \$118.40/T
- in the 2d tunnel the ore is by no means massive; there is a foot or two
of fairly massive lead zinc along the footwall and numerous stringers
of these sulphides along the hanging wall zone; the whole would probably
make milling ore.

1930, 1931

- Work continuing drifting, raising and crosscutting.

2X Tunnel

- 1926 - 500 feet below 2d tunnel
drift on vein extended for over 100 feet
follows grante wall all the way
more or less ore all the way
little galena, mainly arsenopyrite.
at 75 feet crosscut being driven to cut under surface exposures.

Main Crosscut Tunnel

- 1930 - main crosscut tunnel at 4140 feet
this tunnel 1700 feet east of 2d tunnel
- 1931 - work advanced 1200 feet
September, 30 ft. vein encountered.
9 feet carries 12% Pb Zn and 14 oz. Ag/T
- 1932 vein drifted on 350 feet east and 350 feet west with several cross cuts
across the vein in each drift.
ore 12 to 20 feet wide with Pb Zn mineralization in places drift continued
for 1200 feet.

A new tunnel was started 225 feet below 2x tunnel on a 2 ft. vein.
By 1925 the number 2 vein proven continuous for 1 mile.

- 1929 - J. M. Ruffner died.
- 1951 - Atlin Ruffner Mines B.C. Ltd.
X- 44 tons of ore shipped: gross: 7 oz. Au: 5343 oz. Ag: 36,197 lb. Pb: 5824 lb Zn.
- 1952 - Atlin Ruffner Mines B.C. Ltd.
20 exploration drill holes, 4005 ft. total drilling on the Vulcan and
Big Canyon properties.
- 1965 - Armore Mines Limited.
16 cat trenches
geophysical survey

May 22, 1967

1966 - Armore Mines Limited

1000 feet of underground drilling from the 2d level within 500 feet of the portal.
mineralized intersections across 1 and 2 feet.

From the above reports Tons shipped 264.

Difference in elevation between 2xx cut and 2X tunnel 550 feet.

Several tunnels between intersected ore also.

Difference in elevation between 2c and 2x tunnel 1725 feet.

Report to I.P.M. Ltd. from D. D. Campbell.

No. 2 vein has been explored by six adits, one shaft and numerous trenches for a total length of 5500 feet over a vertical interval of 1700 feet from elevation 4120 to 5820 feet. Two adits the 4550 (2X) level 4300 (2d) level with a connecting raise expose three ore shoots. Records indicate that these ore shoots range in length from 60 to 300 feet in widths from 2 to 3.5 feet with grades averaging about 25 oz/T Ag, 5.5% Pb and 4.5% Zn.

No. 4 vein has been explored by three short adits and numerous open cuts for a horizontal length of 3300 feet and a vertical interval of 1000 feet. Three separate ore shoots are indicated by the underground exposure. These range in length from 50 to 280 feet with an average width of 3 feet and grade about 23 oz. Ag 6.4% Pb and 3.4% Zn.

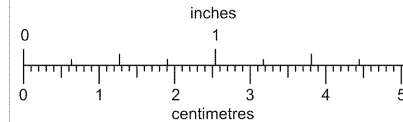
The Directors wish to announce that Mr. Jack Oberbillig has taken over the Atlin operation as Operations Manager, and will be in charge of all exploration and development on the property.

Mr. Oberbillig was formerly assistant Manager and Project Engineer with American Exploration and Mining Company at the Cortez Mine, Cortez, Nevada.

The development work is proceeding according to schedule, and at the present time two drills are working on a twenty-four hour a day basis, seven days a week. Results to date appear to be encouraging.



James C. Snell, B.Sc.
President.



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

MOUNT VAUGHN 6900 FEET ELEV.

BIG CANYON

RUFFNER MINE

SILVER FOX VEIN - NO 1

NO 2 VEIN

NO 3 VEIN

NO 4 VEIN

NO 5 VEIN

450 FT. ELEV.

2C

3A

4AA

2B

4B

4A

2A

MAIN X CUT
4120 ELEV.

2D TUNNEL
4350 ELEV

2X TUNNEL
3350 ELEV.

2XX

VULCAN CREEK

UPPER VULCAN VEIN

STRIPPING

LOWER VULCAN VEIN

GRATER CREEK

NO 2 (BIG CANYON) VEIN

NO 1 VEIN (BIG CANYON)

TRENCHING

450 FT ELEV.

FOURTH OF JULY CREEK

NO 6 VEIN

NO 5 VEIN

NO 4 VEIN

NO 3 VEIN

INTERPROVINCIAL METALS LTD.
PLAN
BIG CANYON AND RUFFNER VEINS
SCALE - 1 IN = 1500 FEET APPROX.

