

The Consolidated Mining and Smelting Company of Canada Limited.

Mines Division

ERICKSON ASHBY OPTION

As originally proposed, the orezone, outcropping at about the 4,000 foot level, was to be tested by three flat 800 foot drill holes at the 2,500 foot level. We were to reach this location by moving up Erickson Creek to about the 1,700 foot level and then ascending the talus slope from the creek to the foot of the cliff at elevation 2,500 feet.

A lower camp on the Taku River, near the mouth of Erickson Creek, was established May 20th and consisting of engineer, cook and 3 men for trail cutting. The drill crew of 5 men arrived about May 24th, and after checking and assembling drilling equipment at Tulsequah, were also at the lower camp before the month end. Trail making up Erickson Creek to timberline at 1,400 feet, the location of the permanent camp, was begun and the drill crew followed moving the drill under its own power. It soon became obvious, however, that conditions were decidedly more difficult than pictured, though snow and snow slides prevented a definite check on the situation at the upper end. In any event, the writer reasoned that back packing supplies and equipment to the camp and drill site was now out of the question, since the number of men required would be excessive, and men of this type would not be obtainable. Although horses had never been used in the Tulsequah Area before and we were prevented from bringing them in by boat because of the foot and mouth disease arrangements were made to bring 4 horses overland from Telegraph Creek. This required location of a new trail from King Salmon Lake, about 20 miles distance, the closest point at which horses had ever been used. This pack train left Telegraph Creek on June 7th, estimating Tulsequah within 2 weeks. The rivers at this date were in low water, ideal for horse travel.

By the end of June it had been necessary to hire two additional men for trail cutting and backpacking but permanent camp was now established at 1,400 feet, a good 2 mile trail had been constructed between it and the Taku River, and the drill had been moved to a point just below camp. Only the talus slope remained between camp and the drill site!

The snow had now melted sufficiently to reveal that the talus slope ended at elevation 1,800 feet and bare steep rock slopes existed above. In addition, due to incorrect estimate of slopes, both above and below the drill site, the geologists, on June 20th, revised the drill hole locations to 3,300 foot elevation in order that the drill holes would reach the favourable lime bed. It was now necessary to ascend the rock slope from the talus at 1,800 feet to the revised drill site at 3,300 feet and backpacking was the only means. The crew on the property considered it still feasible.

In the meantime, due to the late spring, the low water conditions prevailing until the latter part of June had switched to high water with swollen tributary streams. The horses had not arrived. They were located at King Salmon lake on June 25th. Two of the four horses had been lost while skirting or swimming swollen creeks. The Taku River was reached on July 1st but due to high water could not proceed the remaining 10 miles downstream to the property. After two attempts they were finally moved by boat on July 10th.

The property crew, who should have used this interval to definitely establish the trail to the drill site, appear to have occupied themselves with odd jobs, waiting for the horses to arrive. On their arrival, a good trail was made to the top of the talus slope and the drill moved to this position. On July 20th we were advised by wire, after the drill foreman had visited the actual drill site for the first time, that it was impossible to reach the required location, and drilling should be deferred this season, pending the blasting of a proper trail in the solid rock. Thus the period of

July 1st to 20th was generally a lost effort, costing a needless \$ 5,000 minimum. The writer visited the property June 26-27th and again July 10-11th, but being assured the non-arrival of the horses was the only real difficulty, this problem was concentrated on, and solved.

By lowering the hole location by some 300 feet, and moving southerly approx. 500 feet, a location was now selected which could be definitely reached from the Upper Erickson Valley, above the cirque wall, and which was still satisfactory for our drilling purposes. This required a new horse trail of over one mile, but allowed horse packing to the drill site. The new trail was started July 30th and completed sufficiently well on Aug. 8th to allow packing.

A 2200 foot pipe and hose line was laid for water supply and the first hole was collared on Aug. 16th. The next day a connecting rod went through the crankcase on the drill motor but drilling should resume on Aug. 20th.

As now planned The first hole will be directed to the south wall of the Glory Hole orebody, as visible from the drill site. The second hole will be drilled from the same set-up but angled northerly towards the intersection desired from the inaccessible drill site. To save time and money, only the first hole will be cored completely. Thereafter plug bits will be used except in the favourable lime bed itself. If no encouragement is gained in these two holes, drilling will cease and the property proposed for abandonment. With encouragement I consider it advisable to drill a third hole, now that we are in position, and to decide from these results whether the \$ 4000 option payment on Dec. 15th next is warranted.

Throughout the entire program there has been considerable labour trouble and suspected waste, particularly in the cookhouse and in packing.

STATISTICS

As proposed

- Drill site at Elev. 2500 ft. - top of talus slope.
- Creek at Elev. 1700 ft.
- Slopes: creek to drill site ---- 30Deg.
: drill site to ore outcrop --- 75 Deg.
- Allowance for actual drilling -- \$ 13,000 (7 men
- Allowance costs to start drilling- 6,000
- Option Payment Dec, 15th 1952 ---- 4,000
- Overhead and general ----- 3,000
- Contingencies ----- 2,500

TOTAL --\$ 28,500

As at Aug. 1st

- Slopes: creek to proposed drillsite - 35 Deg.
: drill site to ore outcrop --- 55 Deg.
: top of talus ----- 1800 ft. elev.
- Revised hole location ----- 3300 ft. level.
- Final hole location - elev. 2950 ft.
- approx. 500 ft. southerly.
- Total trail constructed ----- 3 miles
- Additional new trail required -- over 1 mile.

Costs to Aug. 1st (estimated)

- Camp operation (supplies, labour, setup) --\$ 3900
(a loss of over \$ 4,00 per man day)
- Supervision ----- 1500
- Trail Cutting - 3 miles ----- 3000
- Transportation to property - all accounts - 1600

- Acquiring and getting horses to job ---\$	1500
(over 1 month enroute - 2 horses lost)	
- Drill costs - drill crew only -----	4000
(time on drill equipment & moving)	
- Packing by horses -----	600
- Shutdown provision for moving out -----	1400
	TOTAL --\$ 17,500

(this is an average man day cost of \$ 21.00)

ESTIMATES

- (A) 1. Allowable expenditure remaining after Aug. 1st:
 -/\$ 22,000 less 17,500
 - \$ 4.500
2. Daily costs as at Aug. 1st - 12 men and 2 horses
 - est. \$ 250 to \$c275 per day.
3. Allowable money expended by Aug. 16th.

- (B) Contingencies of \$ 2.500 requested (Total \$ 24.500)

1. Daily costs when drilling - 9 men and two horses
 - Diamond loss
 - Rod wear, footage charge.
 - Est. \$ 300 to \$ 325 per day.
2. Contingencies will be expended on Aug. 24th.

- (C) Since only two drilling shifts have been worked, an estimate of daily average footage is hazardous. An average of 70 feet per day is expected providing the ground is not too blocky. At this rate, allowing a maximum 900 feet per hole, each hole will cost \$ 4,500 or \$ 5.00 per foot and take 13 days.

Minimum Program

This program is based on two holes only - \$ 9,000
 Assumes option will be dropped and \$ 4,000 payment on Dec. 15th not made.
 Total estimated Expenditures - \$ 24.500 plus \$ 9,000
 - Total \$ 33.500

Total Appropriation -- \$ 28,500
 New money required --- \$ 5,000

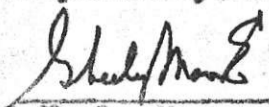
Maximum Program

This program assumes definite encouragement in the first two holes, and the drilling of a third hole. This also require holding \$ 4,000 for the possible option payment.
 Cost of three drill holes ---- \$ 13,500
 Option Payment ----- 4,000
 Total possible expenditures --- 42,000

New money Required -----\$ 13,50000

The proposal presented will assume success and request \$ 13,500 though only \$ 5,000 may be required.

Prepared by:


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