520041
82K/14

Visit by Jack Danny, Nelson, B.C. — Jan 20/82

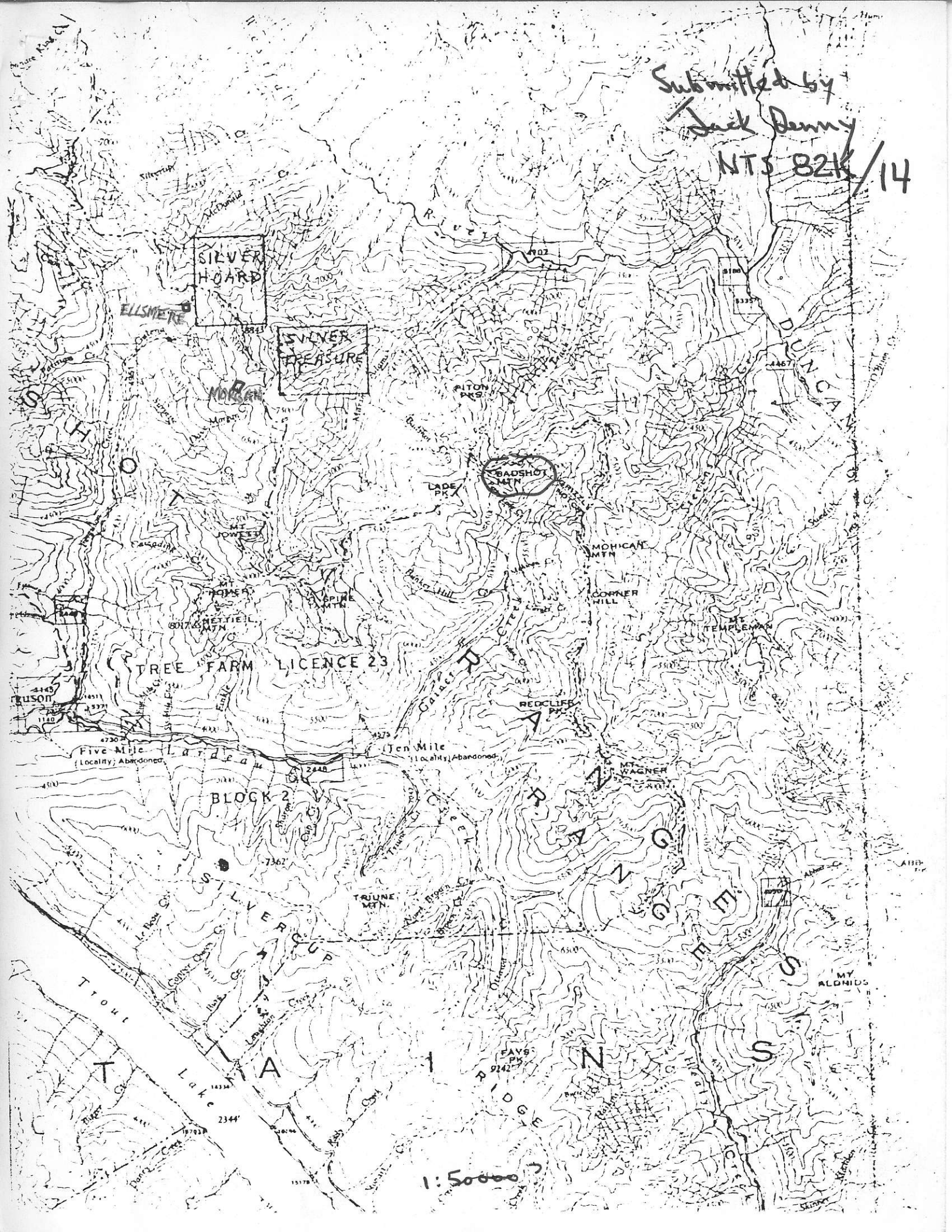
① Group of Claims – Trout Lake Area – N. of Ferguson

Silver Hoard
Silver Treasure
Ellsmere
Morgan

82K14

Deal – 4 combined 15,000 down to 400,000 total
+ work committment ; possible royalty
Also would consider separate.

Both bedded ; vein type w/ pth Pb/Zn/Ag (100 oz)
replacement
Both carb ; shale hosted (Badshot L.S.)
Mackenzie Mt type country
Logging road getting close – now helicopter


Submitted by
Jack Denny
NTS 82K/14
SILVER HOARD
SILVER TREASURE
ELLSMERE
MORGAN
SOUTH
DUNCAN
RIVER
PITON PK.
BADSHOT MTN
LADE PK.
MT JOWETT
MT HOMER
SPINE MTN
BETTIE MTN
MOHICAN MTN
CORNER HILL
MT TEMPLEMAN
TREE FARM LICENCE 23
GALENA CREEK
REDCLIFF PK.
Five Mile (Locality) Abandoned
Ten Mile (Locality) Abandoned
MT WAGNER
BLOCK 2
SILVER CUP
TRUNE MTN.
ARROW LAKES
MT ALONIDS
TROUT LAKE
FAYS PK
RIDGE
1:50000

This is a most important stream. It enter Dencan River about 12 miles from the head of navigation and runs parallel to the main river. A wagon road is being asked for and this will serve Cariboo Creek and Hall Creek, at the head of which latter is situated the Bannockburn Group, on which has been spent many thousands of dollars this year. There are some 200 claims on thse creeks, which are being transferred to the records of this office (Duncan City) from Trout Lake, and of which I am unable to say much this year, but they are all well spoken of and are attracting much attention from men well posted on mining matters. The best known are the following:- Silver Leaf Group, Black Warrior Group, Glengary Group, Highland Group, Johnson Brothers Group and Wagner Group.

There have been employed in this camp during the year some 500 men, and arragements are now being made to ship next year from those claims which can be reached by road.

This year a railway has been partially built on the East side of Duncan River by the Lardo-Duncan Railway Co. and on the West side by the C.P.R., both companies intending to reach the large belts of mineral before the next season for shipping opens. This fact alone has done much to cause mining work to be prosecuted as energetically as it has been this year, for nothing tends so much to open up mines, where they exist, as good roads and more especailly railways.

Generally, it may be said that the outlook for the next season is good. All eyes are turned on the last mentioned camp and the South Fork Camp, to do great things, and with the transportation facilities increased they should go ahead.

1901-page 1031 - On the West Fork of the Duncan River more prospecting has been done than in any other part of this division. The OldGold and Primrose Groups have been crown granted.

SILVER LEAF GROUP 1899-684.

5 claims on the Little WestFork of Duncan River is operated by the Guinea Gold Mines of B.C. with offices in Rossland. The Company began development duringmidsummer of this season, and the present indications are very favorable. Three small crosscuts have been made near the surface cutting the ledge, which carries several small veins of galena and 36 inches of concentrating ore. A crosscut is being pushed in to crosscut the ledge at 150 feet depth. A small trial shipment, taken from surface cross-cuttings, gave returns of $80. per ton.

1901 -page 1227 - L.4699 Silver Leaf, L.4703 Silver Leaf Fr. -C.G.'s to J.M.Miller

1907-page 217,8- Dora L.4702, Silvery Moon L.4697, Silvery Moon Fr. L4700 crown grants to J. M. Miller.

1907-page 96 - Considerable development was done on the Wagner, the Old Gold and the Guinea Gold properties. The figures for the work done have not been supplied and for the reason as given above (lack of transportation facilities) no ore has been shipped.

1908-page 94 - Some development was done on the Wagner Group and on the old Gold and Guinea Gold properties, but data has notbeen supplied. For the reason given above, no ore has been shipped. (The ore taken out has been stored on the dump until an economical method of transportation can be obtained.)

BLACK WARRIOR - McDonald Creek

Black Warrior - Minister of Mines Reports - 1898-1070; 1899-683,708; 1913-423; 1924-211; Memoir 161-83.

1898-1070 - Black Warrior, Eva May and White Star are at the head of McDonald Creek, a tributary of Duncan River. On the Black Warrior a drift is run on the vein for about sixty feet, near the surface, and carries about twelve inches of quartz. A crosscut to tap the ledge at 100 feet depth, is run for 30 feet.

1899-683 - The Black Warrior Group has a crosscut in about 180 feet. The lead is not expected to be cut until some 200 feet have been run.

1899-708 - West Fork of Duncan River----------Cariboo Creek---------Hall Creek----------. There are some 200 claims on these creeks------ that are attracting much attention from men well posted in mining matters. The best known are the following:- Silver Leaf Group, Black Warrior Group, Glengarry Group, Highland Group, Johnson Brothers Group and Wagner Group.

1913-423 - Black Warrior L.10646 crown granted 51.65 acres.
Eva May L.10647 crown granted 51.31 acres.
White Star L.11330 crown granted 45.5 acres.

All three claims crown granted to Bella Coursier, Janet Edith Morris, James McMahon and George Smith McCarter adminstrator of the estate of Thomas Edwin Horne, deceased, intestate.

1924-211 - BY A.G. LANGLEY - RESIDENT MINING ENGINEER.

Black Warrior Group.

This property, for which H. N. Coursier, of Revelstoke, is agent, comprises three claims—*Black Warrior*, *White Star*, and *Eva May*. It is situated at the head of McDonald creek, which drains into Westfall creek (West fork of the Duncan river). Access is gained by trail from Ferguson up Ferguson creek and over the summit of the divide between Trout Lake and Ainsworth Mining Divisions, the total distance from Ferguson being approximately 16 miles.

The altitude of this summit is 7,300 feet and that of the trail below the workings is 6,250 feet, which means that ore would have to be packed up a steep switchback trail for about 1,000 feet in elevation. However, in spite of serious handicaps due to transportation difficulties, a considerable amount of work was accomplished many years ago. The surrounding country is of a rugged nature, and while the mine-workings appear to be safely situated, the steep slide-swept hillsides which the trail crosses are forbidding to winter travel.

The formation in the vicinity of the mine-workings is composed of beds of limestone and slate schist which, striking in an easterly and westerly direction, have been tilted at a steep angle to the south-west. The strike and dip are fairly uniform and no intrusions of igneous rock were noticed. The workings which were examined consisted of a deep open-cut and three tunnels driven into the precipitous hillside forming the easterly slope of McDonald Creek valley.

At an elevation of 6,550 feet a deep open-cut terminating in a short length of tunnel has been driven for 30 feet. This follows the hanging-wall of a massive quartz vein some 2 feet in width and sparsely mineralized with galena; the ore lies between this wall and schist and consists of coarse cubical galena in a quartz gangue, the associated minerals being zinc-blende and a little iron pyrites and chalcopyrite. The vein strikes S. 35° E. and dips at 70° to south-west and has been formed in the schist near the contact of limestone. In the face there is a pretty showing of ore extending from the top to the bottom of the drift and having a width of about 2 feet. A sample taken across this width gave the following assay returns: Gold, 0.28 oz.; silver, 71.2 oz. to the ton; lead, 57.3 per cent.; zinc, 7.8 per cent.

Tunnel No. 1 has been driven at a vertical depth of about 25 feet below the open-cut. It follows the hanging-wall side of the vein for its entire length, which is 85 feet. A section of the vein which has been exposed by a few shots shows it to be quartz sparsely disseminated with galena. From this tunnel a raise connects with the open-cut, but as it is now completely filled with broken ore and waste the amount of work done on the vein above the level could not be ascertained.

Tunnel No. 2 has been driven at a vertical distance of 100 feet below the No. 1. It is slightly caved at the portal, but access was gained without much difficulty. It also has been driven along the hanging-wall side of the vein and has a total length of about 205 feet. Although a little disseminated galena in quartz may be seen at several places, there did not appear to be any ore of commercial value. Several crosscuts have been driven for a short distance into the schist on the foot-wall side, while at the end of the level a 65-foot crosscut to the north-east crosses the schist and ends in limestone on the foot-wall side of the vein.

Tunnel No. 3 has been driven at a point 200 feet below the No. 2 level and has a total length of about 350 feet. The vein was not developed in this tunnel and there is nothing of importance to be seen.

According to a rough Brunton compass survey, this tunnel lies wholly in the foot-wall side of the vein, and crosscutting to right or south-west at the most favourable place would probably get the vein, if same is continuous with depth, in a distance of about 50 feet.

Exploratory work should first be done at the open-cut by following the ore to prove its continuity. The ore extracted might be sorted and shipped at a profit, which would at least help to pay the cost of such work. Should this work prove satisfactory it might be followed up by further work from the Nos. 1 and 2 levels. It would not appear advisable to do any work in the No. 3 level until more ore has been opened up in the upper portion of the mine.

More prospecting in the slate-schist formation outcropping in the creek-gulch above the cabin would appear to be justifiable. The mine cabins, which are situated below the workings, are dilapidated, but there is a small cabin near the property which could accommodate two men.

Memoir 161-83 - Black Warrior

The band of limestone which is exposed on the Little Robert continues southeast and appears on the south side of McDonald Creek at an elevation of 6,000 feet. Sixty feet southwest of it, in the black slates and schists, are the workings of the Black Warrior. The only showing of ore is at an elevation of about 6,300 feet, where, a short adit on a quartz vein, 2 to 3 feet wide, encountered a body of sulphides some 2½ feet wide and a little longer than on the hanging-wall side of the vein. The vein strikes north 35 degrees west and dips 75 degrees west. The sulphides are principally galena and chalcopyrite and small amounts of pyrite and tetrahedrite. A shaft was sunk on the ore for 30 feet, its bottom may be seen on the adit below in which a few stringers of sulphides cut across the vein in the bottom of the winze. Throughout the remaining 65 feet of the lower adit the quartz is quite barren.

Below this are two other adits by which the vein was explored to a depth of over 250 feet vertically below the upper showing. There is much quartz and it maintains its position with regard to the limestone band, but though some 600 feet of work has been done, no more ore has been found. The only conclusion is that the body found at the winze represents a local concentration not duplicated elsewhere in the vein.

EDNA AND GRACE C.

1898 -page 1071 - The Primrose Gold Mining Company of Rossland, are the owners of some promising claims in this locality, particularly the Edna and Grace C.

1899-page 684 - The Grace C. and Edna mineral claims are also on the West Fork of Duncan River, and are owned by the Primrose Gold Mining Co., the offices of which are in Rossland, This property has over 300 feet of underground work done. No. 1 cross-cut, driven to tap the lead at 300 feet depth, is now being pushed ahead as quickly aspossible. The other work consists of a drive on the lead, the face being now in white quartz, impregnated with galena and with a 6 inch vein of grey copper on the hanging wall. The winter operations are proceeding under contract.

1901 - page 1223,4 - Edna L.4703, Grace C. L.4698, Grace C. Fr. L.4704 crown granted to Primrose Gold Mining Co. Ltd.,

1906 - page 251 - Edna No. 2 L. 5698 crown granted to J.M. Miller.

CLARA G. GROUP (EUDORA (ENDORA))

1899 - page 684 - The Clara G. Group of four claims in this vicinity is owned by the Duncan River Co-operative Mining Co. ofRossland. The property is now being developed by a 200 foot cross-cut, which has not yet reached the ledge. The surface showing is galena and concentrating ore, and the ledge is well defined. Quarters have been erected forthe men, and a couple of miles of trail built.

1903- page 242,-4 - Clara G. L.4713, Emma L.4714, Eudora L.4715 Virginia May L.4712 - crown granted to Duncan River Co-operative Mining and Development Co. Ltd.

MAGGIE M., INDEPENDENCE & PETERSON

1899- page 684 - These claims have recently changed hands , the Lardo-Duncan Gold and Silver Mining Co. of New Westminster being the present owner. The work so far has been altogether surface prospecting, and the result is evidently satisfactory, as the company is preparing to begin development on a large scale.

A BRIEF SUMMARY OF THE SILVER HOARD & SILVER TREASURE CLAIMS

By Eric Denny May 1981

The Silver Hoard and Silver Treasure claims each consist of a modified grid claim of20 units together with the following claims: The Silver Hoard (record number 1158, recorded in Revelstoke,January 19,1981) includes and partly covers the Black Warrior L.10646 crown grant; Eva May L.10647 crown grant and reverted crown grant White Star L.11330 record number 1115, all owned by Eric and Jack Denny. It also covers 8 former surveyed claims and the possible extension of the Old Gold mineralization to the north-west, and the extension of the Blue Jay mineralization to the south-east. An examination of the old field notes in Kaslo indicates that the present small glacier near the south-east corner of the Silver Hoard was considerably bigger in the early days, when prospecting was at its height, than it is now - so there is a good possibility of finding something new in the virgin ground now exposed.

The Silver Treasure (record number 2360 recorded in Kaslo on January 19, 1981) includes and partly covers reverted crown grant Edna No.2 L.5698 record number 1114 and the Silver Leaf L.4699 crown grant, both owned by Eric and Jack Denny, It also covers 11 former crown grants and surveyed claims and parts of 4 others.(now all completely reverted with surveys cancelled). These include the former Silver King and Silver Fr. of the Old Gold Group, the rest of the Silver Leaf Group and the Edna and Grace C. Groups and the Maggie M. and part of the Independence and part of the Clara G. and Eudora Groups. Like the Silver Hoard this claim is traversed by the Badshot Limestone. Please refer to maps and references on above.

These claims are located in the southern part of National Topographic Map 82K/14W. Until quite recently they were a long way from anywhere which made it pointless and unprofitable to do any further development. Today things are far different. A good road now extends from Duncan River up the Westfall River to near the mouth of Marsh Adams Creek and this road is supposed to go at least as far as the outh of Silvertip Creek in the near future. For the present a helicopter is the best means of access. Besides Okanogan and Highland in Revelstoke there is often a helicopter stationed at Trout Lake in the summer and fall. It would be quite feasible to build a road either up Marsh Adams Creek or McDonald Creek or both. A road could also be built up Ferguson Creek.

The claims described above are owned by Eric Denny,R.R.#1,Nelson,B.C., V1L 5P4 (phone 825-4480) and Jack Denny - same mailing address (phone 352-7726).

The snow does not go sufficiently before July 1 and later for the higher ground.

The mineralization consists of silver, lead and zinc in quartz veins and also as replacement in limestone. Both claims are traversed by the Badshot Limestone, minor limestone bands, quartzite, phyllite, schists and argillites running in a north-west direction. The writer and his wife were at the Black Warrior seveal years ago with the John Marquis family. After John died we bought the Black Warrior, Eva May, Silver Leaf and Black Prince from Mrs. Marquis. We saw lots of mineralized showingsand we are convinced that upon careful prospecting in 1981 and later we will find many more. As each of these 2 twenty unit claims covers approximately 1200 acres it will give us lots of ground to prospect. It would be feasible and it is in our plans to mine and fly, by helicopter, a small tonnage of high grade silver-leadore from the Black Warrior to the Westfall River

road as the better galena runs over 100 ozs. of silver per ton. We feel sure that there are other showings as good. As far as the writer is concerned this is his most exciting prospecting venture in the 35 years he has prospected.

What tunnels we have found are in good shape except for the portals which it would not be too big a job to clean out and re-timber. In most areas there is lots of rock outcropping. Much of the ground is very steep. Timber is fairly plentiful at the lower levels but scarce above. There are no accommodations at present, all the old cabins would be practically rotted away by now. Water is plentiful.

ELLSMERE - Ferguson Creek

Minister of Mines Reports - 1899-683; 1900-824; 1916-200; 1917-163,192; 1924-212;Memoir 161-25,28,98.

1899-683 - The I.X.L. and Ellsmere Groups, on the Blackburn Ledge have a very large surface exposure of concentrating ore, from which some good values in gold have been obtained, no development at depth has yet been undertaken.

1900-824 - North Fork of Lardeau Creek - The I.X.L. and Ellsmere, situated in this vicinity, are very promising prospects.

1916-200 -

Elesmere. This property owned, by Hillman, Kennedy, and Fraser, and situated near Circle City, on the North fork of the Lardeau above Ferguson, was bonded by American investors, a company being formed for that purpose. R. D. Featherstonhaugh represented them in this Division. About four men were engaged in the preliminary work; this was commenced about September, and early in November a fine body of ore was struck, 36 inches in width, over a third of which was clean galena, the balance being almost of a shipping grade. The prospect for this group of claims is very bright, as it lies in a zone of heavy mineralization. Next season's development is expected to be most successful.

1917-163 -

Elsmere Group. The Circle City Mines, Limited, of which George Brown is president and Norman Ross secretary, owns a group of fourteen claims near the headwaters of Ferguson creek, the names of which are as follows: *Elsmere Nos. 1, 2, 3, and 4, Pass, Cadle, Alberta Nos. 1* and *2, Victor, Helensburg, Little Robert No. 1,* and *Big Five Nos. 1* and 2. During the year development-work has been confined to the *Elsmere* group, the workings on which are situated at a distance of approximately ten miles from Trout Lake, the nearest shipping-point. The elevation of the main tunnel is 5,850 feet.

The mine is situated in what is known as the Lime Dyke Belt, which traverses the Trout Lake Division in a south-easterly direction, and which is fully described by Newton W. Emmens in Bulletin No. 2, published by the Department of Mines at Victoria. The ore occurrence is along the contact of a chloritic schist and limestone. Along the line of contact the limestone is metamorphosed, being white in colour and having a finely crystalline structure. The ore is galena carrying silver in varying quantities, a low percentage of zinc, with a small amount of iron pyrites. In the lower tunnel the ore occurs in streaks and irregular-shaped patches, replacing or, rather, impregnating the limestone.

Although some fairly high silver values have been obtained, generally speaking the ore is low in silver contents, and to produce a shipping product concentration will be necessary. An excellent mill-site is available at Circle City, some 2,000 feet below the mine. There is abundant timber in close proximity to the mine. During 1917 eight to ten men were employed, new camp buildings were erected, and a trail built from the mine to Circle City. A small compressor plant was purchased and is on the ground.

The development-work done, as on August 22nd, consisted of two adit-tunnels, the upper of which was driven for a distance of 50 feet along the contact, and near the surface exposes a width of from 2 to 3 feet of medium-grade ore along the bottom of the tunnel between well-defined walls of schist on the south and limestone on the north. The lower tunnel is being driven in limestone, at a vertical distance of 350 feet below the upper, to strike the vein at a point below the exposure in the upper tunnel. This tunnel was in 175 feet, but a considerable distance has yet to be driven to reach the objective point. At a distance of 42 feet from the portal, ore was encountered, and this occurrence, consisting of irregular bunches and streaks in the roof and sides of the drift, was continuous up to the fact. Evidence here of any well-defined boundaries of the ore is lacking, no crosscutting having been done. The strike of the vein is N. 75° W. and conforms with that of the formation; the apparent dip is 56 degrees to the north.

On the surface the contact is well defined, and well-mineralized ledge-matter can be traced for well over 1,000 feet. The property is still in the development stage, and although not enough work has been done to form a definite opinion of the character of the deposit from an economical standpoint, it would appear to be a prospect which has possibilities and on which further work should be done, with a view of developing sufficient ore to justify the erection of a concentrator, which, I understand, is the intention of the company.

1917-192-

Elesmere Group. This property is owned by the Circle City Mines, Limited; George Brown, president. The property consists of eight claims and is located on the North fork of the Lardeau river, about seven miles from Ferguson. The property has been working all the year with a force of eight men, and the intention is to work all winter. A tunnel of about 217 feet has been driven, beside crosscuts and upraises. Cabins and blacksmith-shop have been built, and there is about 3½ feet of concentrating-ore in the drifts; it is the intention of the company to install a mill as soon as the property warrants it. An air-compressor was bought and brought up as far as Ferguson, but on account of the condition of the trail it was impossible to get it up to the mine.

1924-212 -

Elsmere Group. This group is situated on Ferguson creek at a distance of 10 miles from Ferguson and close by an old stopping-place called Circle City, which can only boast of one old dilapidated log cabin. The group, comprising a number of claims, was partially developed by the Circle City Mines, Limited, in 1917-18, when the funds became exhausted and the property reverted to the original owner, E. A. Hillman, of Beaton, who was working on it at the time of the writer's visit. Since the property was described in the Annual Report for 1917 little development of any importance has been done.

Upon looking over the workings, consisting of several tunnels and open-cuts, it was evident that the ore-deposition is in the form of replacement deposits in limestone along the contact of a green schist, the ore sometimes forming in the schist where it has been crushed and loosened by faulting movements.

A fault-fissure along this contact, which no doubt provided the channel for the mineral-bearing solutions, has a north-westerly strike and a dip of 60° to the north-east. Ore can be traced for a considerable distance on the surface and over a vertical range of about 300 feet, the highest exposure being about 6,700 feet above sea-level.

The northerly end of the showings, where a little surface work had been done, appeared to offer good possibilities for further prospecting, for here the mineralization extends over a greater width than elsewhere, and, although low grade, is worthy of further exploration, which could be accomplished at small cost by shallow surface work. A sample taken at this point across the most highly mineralized section, representing a width of 15 inches, assayed as follows: Gold, 0.02 oz.; silver, 1.9 oz. to the ton; lead, 31.9 per cent.; zinc, 1.3 per cent.

The remainder of the ledge, some 10 feet in width, was sparsely mineralized with disseminations and streaks of galena, constituting a low-grade mixture, of which a small sample might only be misleading; in any event not enough work had been done at this point to allow any great importance being attached to the assay returns. The clean galena from one of the lower showings assayed: Gold, 0.08 oz.; silver, 2.4 oz. to the ton; lead, 68.6 per cent.; zinc, 2 per cent.; which with other assays demonstrates that the highest values are in lead, the silver and zinc being low.

Memoir 161-page 25 -

Structure has had an important bearing on the concentration of the sulphides. As a general rule the sediments in the Lardeau stand at steep angles and there is little folding evident at the surface. This permitted solutions to ascend freely along bedding planes and sedimentary contacts. Consequently the mineralization tends to be very widespread and is in many cases quite continuous along individual leads, but there are few large ore-bodies. The structural conditions are too simple and have permitted the mineralizing solutions to dissipate themselves in small deposits over large areas. For example, on the Mollie Mac the largest concentration of ore observed by the writer consists of about 5 feet of sulphides formed where the chlorite schists, which constitute the hanging-wall of the mineralized limestone, have been folded down into the latter, forming an inverted saddle structure in the limestone,

capped by the impervious schists. If similar and larger structures could be found, larger concentrations of ore might be expected. The whole belt in which the Big Showing, Scout, Alma, Surprise, Big Five, Elsmere, Mollie Mac, Hidden Treasure, and other properties lie, will, it is hoped, be carefully prospected, bearing these suggestions regarding structure in mind.

Memoir 161- page 28 -

AT the head of Ferguson Creek the Big Five and the Elsmere show replacement bodies in a similar but larger bed of crystalline limestone lying a little farther east.

Memoir 161- page 98 -

Elsmere Group and Penticton

This group lies at the head of Ferguson creek at an elevation of 5,850 feet. about 8 miles by a good trail from Ferguson. It is owned by Mr. Ed. Hillman. An excellent cabin stands near the workings.

A wide band of white to black crystalline limestone cuts across the claims, striking north 50 degrees west and dipping 75 degrees to 90 degrees to the northeast. Immediately southwest is a broad belt of green chlorite schists and slates. At its southwest contact the limestone is predominantly white, but to the northeast it becomes gradually darker due to interbedded carbonaceous sediments and finally grades into black slates and schists on the divide between the waters of Duncan and Lardeau rivers.

At or near the southwest contact, in the limestone, the Elsmere lead has been exposed by numerous open-cuts and two adits. The main or lower adit has been driven 40 feet due north as a crosscut through broken ground and then for 232 feet north 50 degrees west along the strike of the limestone. A fissure follows irregularly along the back of the drift and the sulphides occur as minute stringers and irregular areas that have been formed by replacement predominantly following the bedding of the limestone. Pyrite, in small amount, sphalerite, and galena are the ore minerals. Chalcopyrite is microscopically present. The stringers of ore are generally quite small, but occasionally several combine to form a few feet of sulphides. The limestone has been badly contorted, as evidenced by the crumpled bands of black limestone on the white. Twenty-nine feet from the face a short crosscut to the southwest exposes the greenish chlorite schists. Three hundred and fifty feet above the lower adit and a short distance northwest. a short adit has been driven as a drift on the vein and a winze sunk 8 feet. The limestone, over a width of about 2 feet, contains stringers and masses of sulphides up to 8 inches wide. The drift is driven on the contact of limestone and chlorite schist and no ore is found in the latter. The sulphides lie below a fissure that dips steeply to the southwest.

Mineralization has been traced by open-cuts along the contact to the northwest, for many hundred feet to the summit, at elevation 6,400 feet where the No. 1 post of Gold Hill No. 4 mining claim is. The sulphides are sparingly developed and nowhere seem to penetrate farther than 20 feet into the limestone from the schist contact. Tight folding or a hidden fault 100 feet southeast of the summit has displaced the contact 100 feet across the strike. If it is folding it would be a good place to prospect.

Sulphides may be seen in small amount in the limestone to the northwest as far as the Little Robert trail. Mr. J. Lundy of Penticton has made several open-cuts on this part of the lead, which is covered by the Penticton claim.

Just above the lower adit on the Elsmere, a dyke, from 2 to 5 feet wide, strikes about north 60 degrees west across limestone and chlorite schist. It appears to have no connexion with the mineralization. It is of interest to note that in the limestone the dyke is brown, whereas in the chlorite schists it assumes a green shade. It is considerably altered. Under the microscope it is fine grained and consists of a fine-grained mixture of feldspar and a little quartz. A lot of secondary carbonate has been developed. The green colour of the dyke where it lies in the schist is due to chlorite which has developed by alteration of biotite and hornblende, which minerals appear to have been lacking in the dyke in the limestone, or else they have been completely replaced by the secondary carbonates. In composition the dyke approaches a quartz syenite.

EXP. VAN.

HUDSON BAY MINING & SMELTING CO., LIMITED

DAILY ASSAY REPORT

2 XP.

Date	Sample Description	Au.	Ag.	Cu.	Zn.	Insol	SIO2	Fe.	S	Pb	Remarks
8-10-75	43532	T-	0.20	0.22	13.2					14.8	* 1 24"
	33	"	0.60	0.22	11.7					17.5	* 2 52"
	34	"	0.10	0.34	9.3					4.1	* 3 10"
	35	-	0.10	0.26	6.6					13.0	* 4 35"
	36	-	T-	0.26	7.3					1.3	* 5 34"
	37	0.01	0.19	0.17	2.8					13.9	* 6 42"
	38	T-	T-	0.29	10.0					6.8	* 7 32"
	39	-	0.10	0.13	27					21.7	* 8 15"
	40	0.01	0.33	0.27	3.9					18.3	* 9 42"
	41	T.	T.	0.19	90					5.0	* 10 28"
	42	-	-	0.06	31					9.2	* 11 damp
	43	0.01	0.59	0.68	5.1					18.5	* 12 32"
	44	0.01	0.29	0.08	15.5					20.0	* 13 Stockpile
	45	0.01	0.79	6.80	2.2					16.3	* 14 Specimen

Date Assayed 8-11-75

Signed .....

(Form No. 224-)

REPORT

Elsmere Group, Trout Lake, B.C.

Property The property, consisting of six claims, 316 acres in all, is located about 10 miles from the town of Ferguson, near the head of Ferguson Creek on the north fork of the Lardeau River, in the Trout Lake Mining Division, B.C.

History This group of claims was originally located by Hillman, Kennedy and Frazer. In 1916 the property was sold to American interests for $45,000, who formed the Circle City Mines Ltd. Under this management the property was partially developed by open cuts, winzes, and three tunnels, and satisfactory results were obtained. At the end of the season's work in 1918, it was the company's intention to press development work with the view of proving up sufficient ore for the erection of a concentrator. However, the war's end brought on a slump in metal prices, dried up development funds, and the company was forced to suspend its operations, eventually to drop the property when conditions did not improve. No further work was done up to the present time. This property was favorably reported on by the Minister of Mines in the Annual Reports for the years 1917 and 1924.

Title Ownership of the property is vested with the Crown, and held under right of location by James Main, Evelyn Laney, and Seldon Laney, Jr., all of Ferguson, B.C.

Topography and General Conditions. The mine is situated at elevations ranging from 5800 to 6700 feet on the south slope of a divide which separates the Trout Lake Mining Division from the Ainsworth Mining Division, and the claims trend in a north-westerly direction from Ferguson Creek. The area is not excessively rugged, the overburden is light, and there are fair stands of timber, sufficient for mining purposes. A good camp site exists with an abundant supply of water for all needs. The buildings put up during the first operations are now broken down.

From the present workings there is a good trail to Circle City, a distance of 2½ miles. This trail can be easily widened into a good road by means of a bulldozer. The remainder of the distance from Circle City to Ferguson, 7 miles, needs only to be cleared out, this portion having once been surveyed by the C.P.R. for a proposed railway grade.

With proper preparations, work on this property can be carried on the year round.

Character of Ores. The ores are medium to fine-grained sulphides of galena carrying silver values in varying quantities, low percentages in zinc, and undetermined values in copper.

Geology and Ore Occurrences. The mine is situated in what is known as the Lime Dyke Belt, a regional feature that is from 100 to 200 feet wide, and ten to fifteen miles long, striking in a north-westerly direction; the dip is about 70° to the north-east. The ore occurs as a replacement in the hanging wall of the limestone along the contact of a green chlorite schist. There is some indication that ore also occurs in part as a true fissure vein, and, to a lesser extent, in the chlorite schist. Geologically, this area is considered to be an outlier of the Pre-Cambrian Age.

At the time of my first visit to the property on the 19th and 20th of July, I traced the outcropping of ore for a length of 1250 feet, which showed widths of from 2 to 12 feet. At the last observable exposure the mineralized

zone is strong and well-defined, having a greater width than elsewhere, being about 1½ feet wide at this point.

Farther along the projected strike, and on the down-hill side of it, I noted specimens of high-grade float, some being several hundred pounds in weight and composed of almost solid galena. Presumably these originated from the mineralized zone above. I did not take any samples or assays of this float as any such information at this time could only be misleading. The mineralized zone does not appear to be heavily covered; therefore I suggest that extensive trenching be carried out at short intervals along the projected strike with a view to picking up the source of this high-grade float.

Underground Development. The only development work done is on the lower or southern end of the property. In all, three tunnels have been driven, which are still in good shape, although some scaling will be required to put these old workings into a safe condition.

The upper tunnel, at an elevation of 6200 feet, is driven in for a length of 50 feet along the limestone contact. The walls are well defined and commercial ore is exposed for a width of from 2 to 3 feet, with almost 3 feet showing at the face. The main tunnel, 350 feet below the upper tunnel, is driven in for a length of 350 feet. This tunnel was started diagonally in the limestone as a crosscut, the objective being to intersect the schist-limestone contact. However, 40 feet from the portal, ore was encountered in the limestone, and the remainder of the distance to the present face was driven in this ore, the objective still being short of 50-60 feet. The width of this ore occurrence is not known as no crosscuts were made, although both walls are in ore. A composite sample taken by me in this tunnel gave these values: gold .005 oz/t, silver 1.3 oz/t, lead 47%

The workings just described are on #1 Elsmere Claim. On the adjoining claim to the north, a short crosscut tunnel, about 18 feet long, intersects the contact zone. At this point, a winze, 8 feet deep, was sunk which exposed highly mineralized vein material 2 feet wide, which assayed: gold .005 oz/t silver 50.2 oz/t, lead 78.8%. Between this point and the upper tunnel on #1 claim, the following samples were taken in the open cuts: 110 feet south of above, a 5 foot channel sample gave: gold, trace; silver 1.2 oz/t, lead 11.9%; the next sample 100 feet south gave over 2 feet: gold, trace; silver 1.0 oz/t; lead 23.6%; twenty feet farther south a 2 ft. channel showed; gold .005 oz/t; silver 0.8 oz/t, lead 17.2%; forty feet south a 4 ft. channel gave: gold .005 oz/t; silver 1.1 oz/t, lead 18.1%; and the final sample taken above the upper tunnel of #1 claim over a 3 ft. width assayed: gold .005 oz/t; silver 66.9 oz/t; lead 61.2%

Conclusion: The Elsmere group of claims lie along the strike of the Lime Lyke belt for a length of six claims, or 9000 feet. For 1250 feet of this distance, promising exposures of ore have been traced with excellent indications for picking up more ore along the strike. Where exposed, ore widths vary from 2 to 12 feet, but no average width can be given at this stage.

It must be borne in mind that these early operations were primarily search of high-grade silver deposits; therefore little attention was given to galena ores that were low in silver values. This certainly must have been the case when the lower tunnel was driven. This tunnel was started in the limestone as a diagonal crosscut, the objective being to reach the schist-limestone contact where silver values were believed to exist. When forty feet in from the portal, the tunnel entered ore of a replacement character and continued in this ore for 280 feet to the present face, short of its objective by possibly 50 or 60 feet. Although a composite sample taken by myself of the face and walls shows lead values of 47%, no attempt had been made to define by means of crosscuts the extent of this apparently large lead-bearing body.

My examination of these workings leads me to believe that properly-conducted exploration should result in the development of good grade lead ore. This can best be begun by continuing the present tunnel to and along the contact with side crosscuts into the limestone to determine the extent of the replacement. Further work would depend on the results obtained.

In view of the promising surface indications observed on the northern end of the traced zone, I feel that this area should receive intensive exploration and development. This work can be carried out economically and would bring quick results.

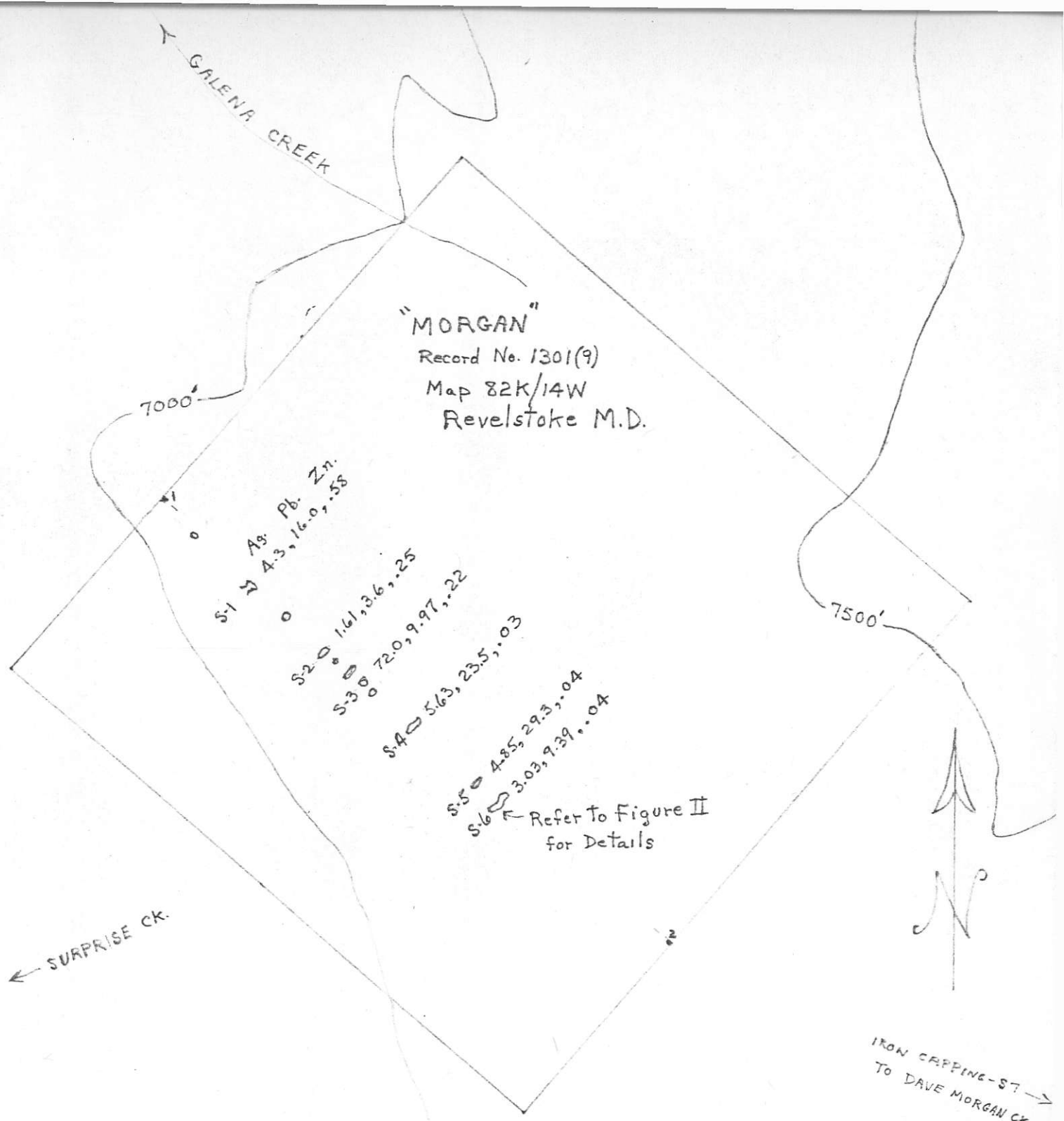
In conclusion, this preliminary examination indicates that the principal values are in lead, with lesser amounts of silver, and that, at the present high price for lead, this property merits considerable development.

Respectfully submitted.

W. J. Scorgie

W. J. Scorgie,
Trout Lake, B. C.

August 27, 1948.



"MORGAN" M.C.

Figure I

Scale - 1 inch = 300 feet

Strike N.50°W. Dip Averages 45° N.E.

Showings are badly weathered and sloughed so samples were taken of the less oxidized material. All showings should be deepened and widened in order to take true samples across vein widths and determine walls, contacts, geology, etc. The blue limestone carries replacement ore. Figure I shows 900 feet of continuous (inferred) mineralization.

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CERTIFICATE OF ASSAY

TO Mr. Eric Denny
R.R. #1
Nelson, B.C. V1L 5P4

Certificate No. K-4521
Date October 16, 1981

I hereby certify that the following are the results of assays made by us upon the herein described Rock samples

Kral No.	Marked	GOLD	SILVER	Pb	Zn					
		Ounces Per Ton	Ounces Per Ton	Percent	Percent	Percent	Percent	Percent	Percent	Percent
	MORGAN					WIDTH OF MINERALIZATION SEEN IS NOT THAT SAMPLED DUE TO HEAVY OXIDATION.				
K-4521-9	MORG 1	-	4.30	16.0	.58	-	-	-	-	WIDTH SEEN - 2 FT.
10	MORG 2	-	1.61	3.6	.25	-	-	-	-	- 6 FT.
1	MORG 3	-	72.0	9.97	.22	-	-	-	-	- 6 FT.
2	MORG 4	-	5.63	23.5	.03	-	-	-	-	- 8 FT.
3	MORG 5	-	4.85	29.3	.04	-	-	-	-	- ?
4	MORG 6	-	3.03	9.39	.04	-	-	-	-	- 20 FT. FAIR MINERAL
15	MORG 7 SPECTROGRAPH OF IRON CAPPING ON STRIKE BUT OFF THE MORGAN TO THE E.S.E.	To be sent later								- 30 FT. SPARSE MINERAL
	AVERAGE OF 6 SAMPLES		-15.23 ozs.	15.29%	.19%					

NOTE:
Rejects retained three weeks.
Pulps retained three months
unless otherwise arranged.

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To Mr. Eric Denny
R.R. #1
Nelson, B.C.
V1L 5P4

Date: October 27, 1981

File No.: K-4521

SEMI-QUANTATIVE SPECTROGRAPHIC ANALYSIS CERTIFICATE

Fe, Mg, Ca, Ti, Na, K, Si, Al and P reported in %: all other elements reported in ppm.

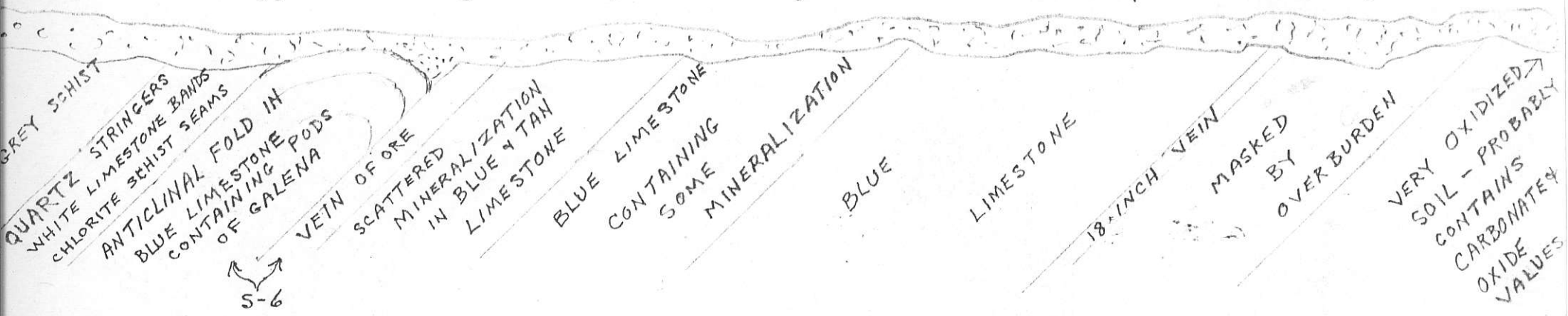
Element	Lower Detection Limit	Sample # MORG 7	Sample #	Element	Lower Detection Limit	Sample# MORG 7	Sample #
Au	10	N		Zr	10	N	
Ag	.5	30		B	10	50	
Cu	5	150		Ba	10	50	
Pb	10	2000		Be	1	N	
Zn	200	500		La	20	N	
Mo	5	N		Nb	10	N	
Fe	0.05%	15.0		Sc	5	N	
W	50	N		Sr	100	N	
Ni	5	20		Y	10	N	
Co	10	10		Ca	0.05%	0.15	
Cr	20	N		Mg	0.02%	0.1	
Cd	20	N		Ti	.001%	0.005	
As	200	N		Na	.02%	N	
Sb	100	N		K	.5%	N	
Mn	10	G5000		Si	1%	2.0	
V	10	20		Al	.5%	L	
Bi	10	N		P	.1%	N	
Sn	10	N					

N — Not detected
L — Detected but below limit of determination
G — Greater than value shown

This certificate refers to analysis performed by Specomp Services.
Values expressed in these analyses may be considered accurate to within plus or minus 35 to 50% of the amount present.

Signed

View of biggest showing on Morgan looking S.E. site of Sample S-6.- Figure 2.



"MORGAN" M.C.

Scale- 1 inch = 10 feet

Widths and dips in above are approximate only. This is the only showing out of eleven that gives an idea of the potential tonnage. As the other cuts are not strictly in line as may be seen in the photograph there is no reason to think that the different bands shown in Figure II are not continuous to their relative positions on either side of the other existing workings.

Some of "Morgan" showings looking south-east from S-2 toward S-4 in foreground and S-6 in distance.