

521072
Blue Grouse
92c/16

COWICHAN COPPER CO. LTD.
(Non-Personal Liability)

1960

ANNUAL REPORT TO SHAREHOLDERS

June 30, 1961

ORE RESERVES & DEVELOPMENT

Due to suspension of operations at the Blue Grouse property at Cowichan Lake as you will note from the Auditor's Report, Preproduction and Depletion expenses have been completely written off and no Ore Reserves are being quoted because until development is again resumed here we consider this the proper procedure.

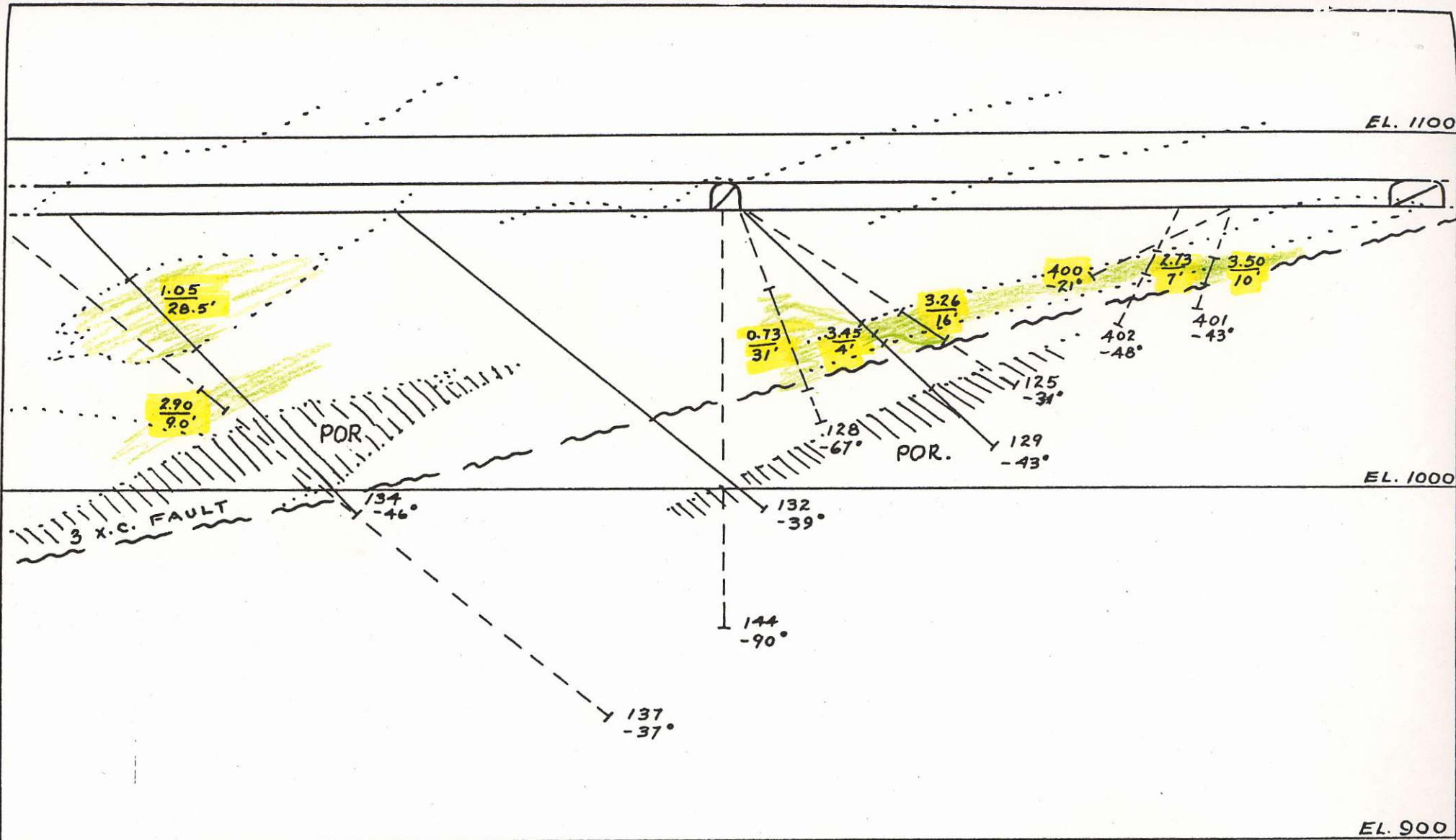
From the Sunro operation we expect to realize a substantial profit which will provide us with working capital to resume this work, possibly during the latter part of 1962 or early 1963.

As stated in previous reports we definitely have ore in three locations below the 1,100 Level, namely in the E, K, and under No. 3 x-cut fault. (See Maps 13 and 14).

Development by means of shaft sinking is indicated as the initial step.

Although the two long surface holes from the Sunnyside did not locate ore under the No. 3 x-cut fault, this does not preclude further extension of ore already established below this fault by drilling done from the end of the 1,100 level.

There is sufficient ore indicated in K to largely defray the cost of shaft sinking to explore both "K" and ore under No. 3 x-cut fault.



DOTTED DRILL HOLES (---)
OFF SECTION

COWICHAN COPPER CO. LTD.
LONGITUDINAL SECTION
K ZONE EXT'N.

SCALE: 1" = 40'
DATE: APRIL 29, 1960
DRAWN: *K.D.*