

Churchill Copper Area
94K/11
671117
Largo

May 16th, 1974.

Mr. G.W. Walkey,
Vice President & General Manager,
Kam-Kotia Mines Ltd.,
25 Adelaide St. W.,
Toronto, Ont.

Dear Mr. Walkey:

Mr. Bob Hallbauer referred me to you regarding the possibilities of milling custom ore at the Churchill Copper Corporation concentrator.

I am acting on behalf of a client of ours, Mr. James Irwin of Kelowna, B.C., who is contemplating securing the necessary financing to reinitiate exploration at the Largo Mines property which, as you no doubt know, is ten or twelve miles from Churchill.

I rather imagine that somewhat complicated negotiations would be involved, because it would probably be very difficult to separate the concentrates from Churchill and Largo.

I have not visited the Largo property myself but understand that there is one short shoot of narrow high-grade mineralized section of the vein a short distance inside the adit. I think that the tonnage involved, say during the coming summer season, would be fairly small - perhaps in the order of 5000 to 6000 tons at the most.

We are all aware, of course, of the possibilities that you may not even be in operation should the B.C. Government persist in their present attitude. I would, however, appreciate it if you could let me know whether you would be willing to talk about the matter a little further should the picture brighten sometime in the new future.

Yours truly,

BACON & CROWHURST LTD.

J. J. Crowhurst

JJC/ic
cc: J. Irwin

J.E. Irwin
R.R. # 6 Boucherie Rd.
Kelowna, B.C. V1Y 7R4
May 20th. 1974.

J. Crowhurst,
Bacon & Crowhurst,
1720-1055 West Hastings St.
Vancouver, B.C. V6E 2E9.

Dear Jack:

Received the copy of your letter to Mr. Walkey of Kam-Kotia Mines and also the attached note that you had contacted Bob Hallbauer of Brameda.

Guess it's the "old waiting game" once again as I don't think we could go very far without some assurance that Churchill Mill would concentrate the ore tonnage developed at Largo

For whatever it's worth there was interest expressed in this property by Lou Wolfin of Frobisher Securities and whose offices are on Pender St. between Seymour and Granville. Had a short session with him just before boarding the aircraft for Kelowna and referred him to Harold Quin as regards information on the property. Don't know if this was a good move or not but it was Harold that passed along the information that Wolfin wanted to see me.

As you know I am presently committed to doing some work over in the Slocan area and haven't the time just at present for delayed negotiations that call for expending considerable time in Vancouver. Go your best lick at developing this situation when you have the time and maybe something will come of it.

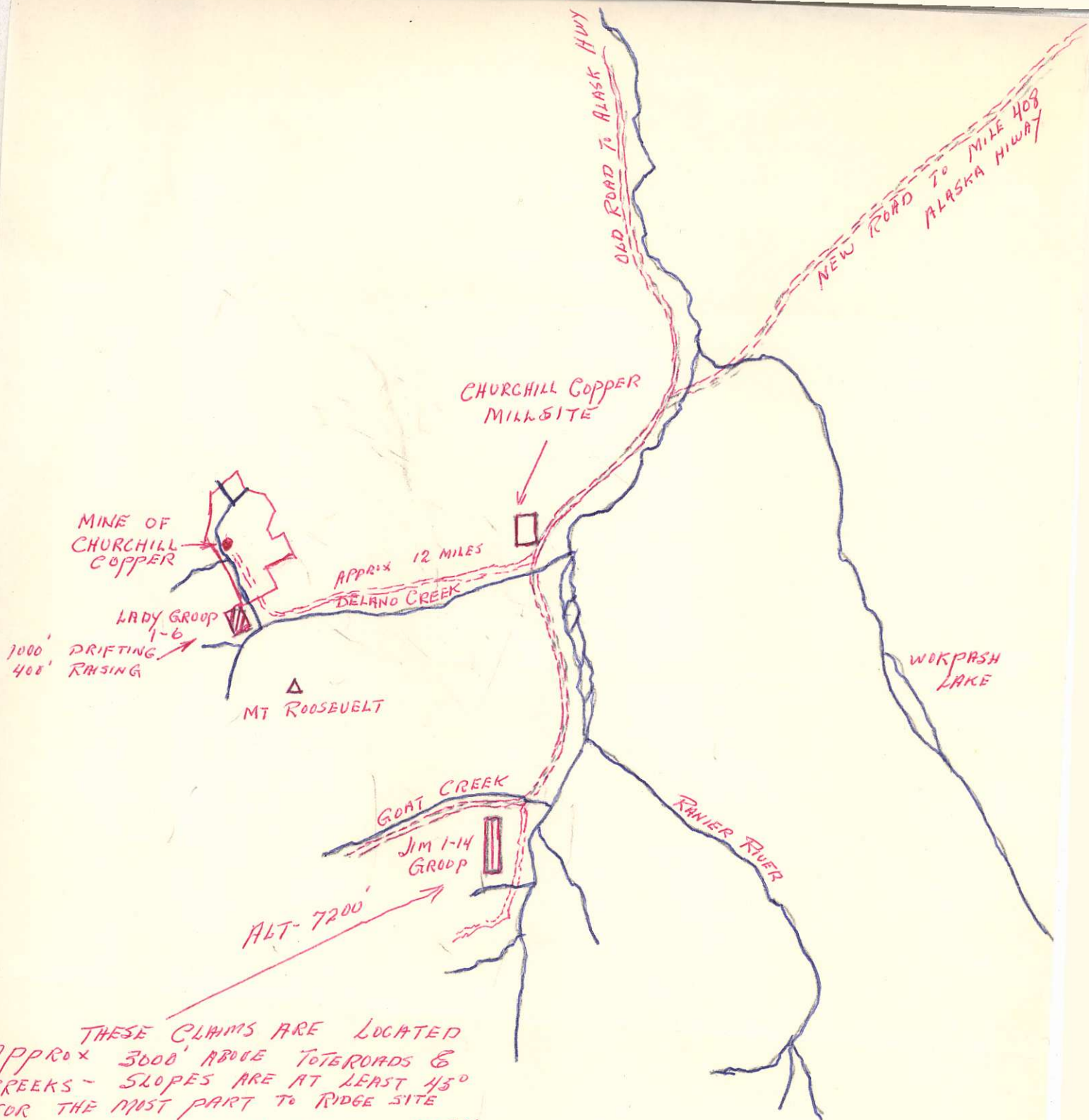
The other copper property in the same area which I optioned to Jarl Aa. Whist of the T.C.L. Group in Kamloops was optioned to them before the threat of Bill # 31 and has had no amount of work done on it. The first payment comes due on Oct. 1st. 1974 so don't know if they will go through with it or not. This property is more difficult of access than the Largo property but is a similar situation as regards mineralization and extends over a larger area. Maybe we can ultimately make two more mines to feed the Churchill Mill and keep it operating in its present location.

Enclosed you will find a rough sketch of the location of the Largo property and also of the "Jim 1-14" under option to T.C.L. Group of Kamloops.

All the best to Betty and yourself and hope to be seeing you again before the summer is over.

Regards,





THESE CLAIMS ARE LOCATED
 APPROX 3000' ABOVE TOLERROADS &
 CREEKS - SLOPES ARE AT LEAST 45°
 FOR THE MOST PART TO RIDGE SITE

RECOMMEND HELICOPTER ACCESS
 AND CABINS LOCATED NEAR NORTH & SOUTH
 ENDS OF THESE CLAIMS

▲
 MT CHURCHILL

Largo

LARGO

Work done 1969 - 1970

1000' of drifting - one level. 69
400' of raising - one at 200' (70)
- out (4.50 M.)
12 miles downhill to Churchill mill

Deal No downpayment - ^{free} option until end of September
Must Drive 2nd level
- If ship ore - 60% ~~to us~~ 40% to Largo
net profit after operating costs not counting admin
15% earned interest eventually

15 Sept - yearly - 15,000 cash payment

450' raise at back end
so 2250 feet of back

35 miles from main highway
cut off - 4 miles

All located claims - 6.

1 ton of 4% upper - 80" x 90% recovery = 72"
72" @ 60¢ net = \$43.00/ton

72" x 1.20 = \$86.40/ton

86

$\frac{100,000}{86} = 11,500 \text{ tons}$

5' x 200' long
10 cf/ton

100 tons per 1000 ft