EVALUATION REPORT

UTICA MINES LTD.

HORN SILVER MINE 672517

OSOYOOS MINING DIVISION, B.C.

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## EXHIBITS

Wright Engineers Limited

Mine Geologic Maps Composite Plan, Drwg. 514 (pocket) Britton Research Progress Report No. 1 Britton Research Progress Report No. 2

## INTRODUCTION

The firm of Chapman, Wood & Griswold Ltd. was requested by Mr. Isaac Shulman of Utica Mines Ltd. to undertake an economic evaluation of the Horn Silver underground mine near Keremeos, B.C.

In order to assist the mine management in developing and assembling geologic and assay data, Mr. John F Fairley, geological engineer on the staff of Chapman, Wood & Griswold Ltd., spent approximately two months during March and April, 1966 mapping underground geology and otherwise collaborating in assembling ore reserve data with Mr. E. Livgard, geologist and S. Radvak, mine manager, for Utica.

J.A. Wood and J.F. Fairley examined the workings and held discussions with Messrs. Radvak and Livgard on May 10.

Mr. Livgard spent 3 days in the latter part of June reviewing ore reserve data with Mr. Fairley.

Mr. J.Black of Utica submitted financial and property data incorporated into this evaluation.

1.

### SUMMARY OF FINDINGS

- A. At a milling rate of 7,200 tons per month (86,400 tons per year) there is an indicated net operating profit from the Horn Silver mine of \$10.43 per ton equal to \$75,000 per month or \$900,000 per year.
- B. Combined Measured and Indicated reserves are estimated at 183,500 tons of which 85% are extractable.
- C. It is estimated that funds required subsequent to May 1, 1966 to establish production at the above rate would be \$1,264,000. If this amount is borrowed, cash flow should permit repayment of the loan plus interest at 6 3/4% at the end of 22 months operation at which time Measured and Indicated reserves would be exhausted.
- D. If Inferred reserves are accepted, the total projected reserves are 507,500 tons, 85% extractable.
- E. Net cash flow from extraction of Measured plus Indicated plus Inferred reserves is estimated at \$4,495,000 over a period of 5 years. This amount would permit repayment of the above loan plus interest, repayment of expenditures prior to May 1, 1966 in the amount of \$1,492,000 and leave \$618,000 as available for distribution.
- F. Since the Inferred class of ore reserves is to be regarded with less confidence than Measured and Inferred ore, it is obvious that although an acceptable rate of profitability per ton is indicated,

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there is no assurance of continued operating life when the first two classes of ore are exhausted.

G. It is concluded that although there is justification for putting the properties into production at a nominal rate of 7,200 tons per month, a certain degree of risk is involved and mine development must be designed to augment Measured and Indicated classes of ore as rapidly as possible.

Respectfully submitted,

CHAPMAN, WOOD & GRISWOLD LTD.

- Maxisacare 1.

E. P. Chapman, Jr.

John a. Wood

John A. Wood

J. F. Fairley

## TERMS OF REFERENCE & CONTROLS

- A. Classification of ore reserves is based on definition of the terms <u>Measured</u>, <u>Indicated</u> and <u>Inferred</u> which represent probability of occurrence in descending order.
- B. Metal prices are based on current quotations in effect at COMINCO smelter at Trail, B.C. and are expressed in Canadian dollars.
- C. Net mine returns are based on shipment of jig and flotation concentrates to the Trail smelter.

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### LOCATION AND ACCESS

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The Horn Silver Mine is in the Osoyoos Mining Division 18 miles south of Keremeos, B.C., 1300 feet above and approximately one mile west of the Similkameen River. A 2.3 mile, 11% grade, tote-road connects the main highway to the mine buildings at 2622 elevation portal.

This road is well constructed and all-weather, but is single lane with sharp bends. It is proposed to construct another road segment of approximately 1500 feet from the 2422 portal to join the existing tote road, thus cutting off approximately one third of the present distance.

Latitude is approximately 49°03', longitude, 119°42'.

Terrain is a rugged version of the Interior Plateau bordering the Okanagan Mountain Range to the west. Rock outcrop prevails from the fluvioglacial terraces of the Similkameen Valley at 1300 elevation to the rolling Interior Plateau surface around 5000 elevation.

The Great Northern Railway serves Keremeos and also the village of Cawston, which is 13.6 miles from the mine, and 11.3 miles from a general millsite area.

Truck haulage distance from millsite to COMINCO smelter at Trail is 154 miles.

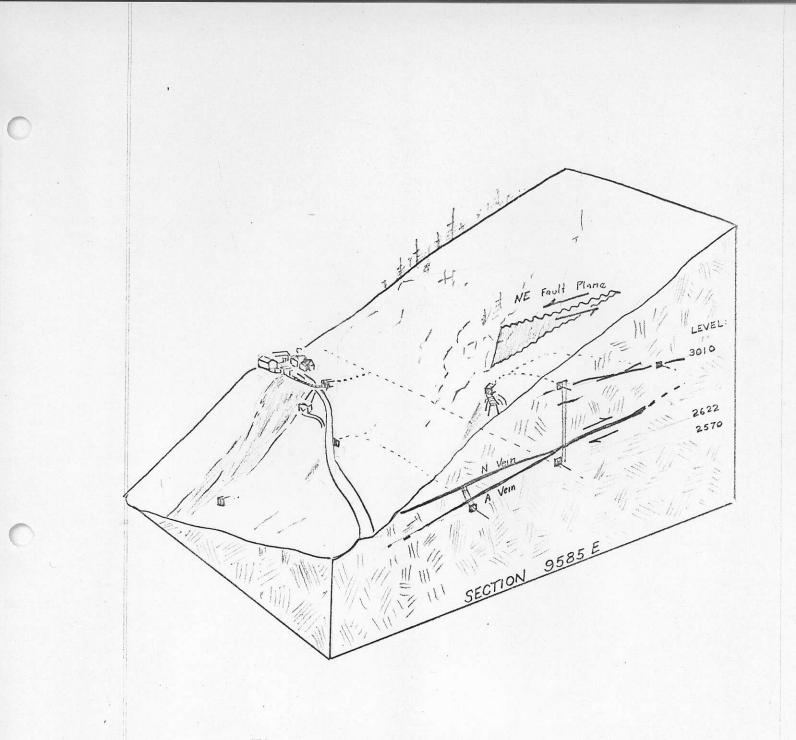


Fig. 1. Idealized Descriptive Block Sketch of Horn Silver Mine

#### PROPERTIES

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Ninety-eight mineral claims including fractions are presently controlled by Utica Mines Ltd.\* Six are held under option agreement, with 5000 dollars outstanding. Some of the claims listed here are not shown on the map, due to their recent staking date. No investigation of claim titles was made by Chapman, Wood & Griswold Ltd.

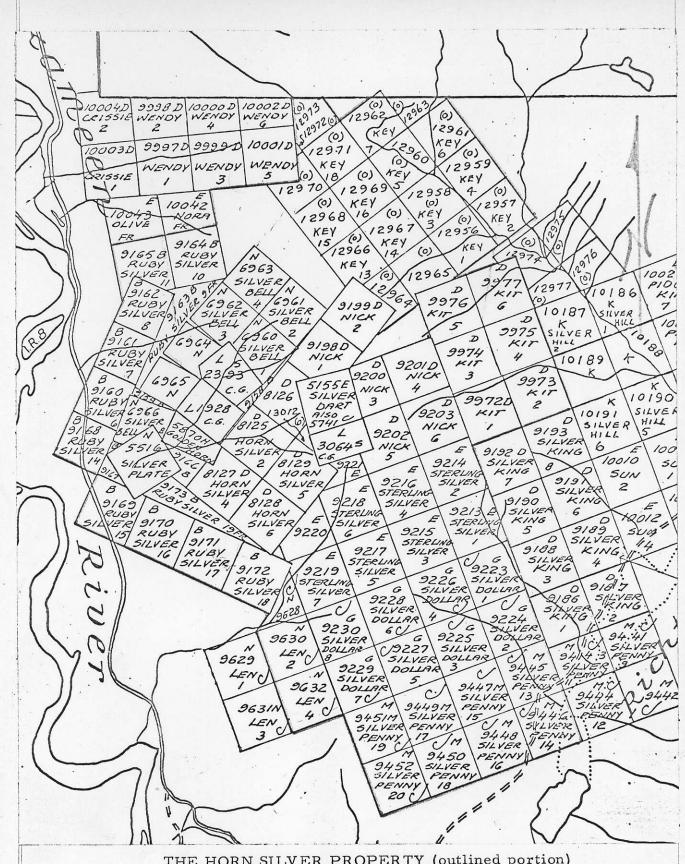
<u>Claim No.</u>	. I	Record No. or Receipt No.	Expiry Date
Fully Owned:	·		
Silver Bell N	los. 1-8	6960 <b>n-</b> 6966N	Oct. 11, 1967
Crown grant	Horn Silver	Lot 1928	
Fully Owned:         Silver Bell Nos. 1-8       6960N-6966N       Oct. 11, 196         Crown grant Horn Silver Lot 1928       Crown grant Silver Bell       Lot 23935         Ruby Silver #1 Fr.       9158       Feb. 28, 19         #5 Fr.       9159       " " " " "         #6,7,8       9160, 1, 2       " " " " "         #10, 11       9164, 5       " " " "         #13, 14, 15       9167, 8, 9       " " " "         #16, 17, 18       9170, 1, 2       " " " "         #19 Fr.       9173       " " " "         Sterling Silver Nos. 1-8       9123 - 9220       May 29, 196         Silver Plate       5516       Oct. 2, 1967         Silver Dart       5155       May 30, 196         Golden Horn       5870       July 19, 196         Kit Nos. 1-6       9972-9977       Apr. 22, 194			
Ruby Silver	<pre>#5 Fr. #6,7,8 #9 Fr. #10,11 #12 Fr. #13,14,15 #16,17,18</pre>	9159 9160, 1, 2 9163 9164, 5 9166 9167, 8, 9 9170, 1, 2	11 11 11 11 11 11 11 11 11 11 11 11 11 11
Sterling Silve	er Nos.1-8	9123 - 9220	May 29, 1967
Sterling Silve	er Fr. #1	9221	5 <b>7</b> 81 18
Silver Plate		5516	Oct. 2, 1967
Silver Dart		5155	May 30, 1967
Golden Horn		5870	July 19, 1967
Kit Nos. 1-6		9972-9977	Apr. 22, 1967
Nick Nos. 1-	•6	9198-9203	11 II II

\* Information supplied by J.C.L. Black, July 5, 1966

Claim No.	Record No. or Receipt No.	Expiry Date
Fully Owned (cont'd)		、
Key Nos. 1-8 11-20	12956-12963 12964-12973	Mar. 8, 1967
Ben Nos. 2-19	Recorded May 3/66 Receipt No. 28442 J	May 3, 1967
Frank 9, 10	Receipt No. 83502 D	Mar. 8, 1967
Frank 24,25	Receipt No. 83502 D	71 83 22
British 23 Fr.	Receipt No. 83504	Mar. 28, 1967
Key Fr. 25,26	Receipt No. 28441 J	Apr. 26, 1967

# Under Option:

Horn Silver Nos. 2-6	8125-8128	Apr. 24, 1967
Crown Grant British	Lot 3064 S	



THE HORN SILVER PROPERTY (outlined portion) From Mineral Claim Map 82E/4 (E(M)) as with the Vancouver Mining Recorder, June 22, 1966

The forfeited group on the south has been restaked as the Ben Group.

## CLIMATE

VI

The Interior Plateau of B. C. is typically dry, with a high temperature variance. Precipitation in the region of the mine would be expected to total approximately 8 inches annually. Light snow and below-freezing conditions prevail for January and February.

Vegetation is sparse up to about 4500 elevation, principally pine, grass, and sagebrush, above which open forests predominate.

## WATER AND POWER

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## Water

The proposed millsite is located on fluvio-glacial pediment about 1/4 mile east of the Similkameen River at elevation 2600' ASL and 1200' below the mine portals.

A well has been drilled near the millsite entrance and is considered to be a suitable source of water for milling purposes. Available data are:

depth - 105 ft.
casing diameter - 10 in.
one week test indicates no draw-down at
150 gpm, but will not hold at 185 gpm.

Water requirement for a 300 tons per day mill is estimated at not over 150,000 gallons per day or 104 gpm.

There is also a possibility that some water for milling purposes may be reclaimed from tailings, but this factor cannot be determined until it has been established that build-up of reagents would not adversely affect metal recoveries.

Water for mining purposes is provided by sump pumps collecting and distributing underground seepage.

#### Power

Presently the mine is generating 600 HP on site at a cost of approximately 1¢/KWH.

Although a contract has not been negotiated, it has been reported that total requirements can be obtained from West Kootenay Power & Light transmission line, which is under construction and which will pass immediately adjacent to the millsite, at an approximate cost of 5-6 mills per KWH.

Assuming this source will be utilized, a line should be run to the mine for normal usage, and present generating equipment would be retained as stand-by mine power source.

Total power requirements are estimated as follows:

Use	Days/Wk.	HP	Hrs./Day	% Load
Mine	6	750	16	70
Primary crushing	6	60	16	80
Secondary crushing	6	75	16	95
Mill	6	325	24	100
Misc.	7	40	24	50

#### Power Consumption - Estimated

Bhp - Hrs./Wk	•	
Mine	6  days x 750 hp x 16 hrs./day x 70% load	= 50,400
Pr. crushing	6 days x 60 hp x 16 hrs./day x 80% load	= 4,600
Sec. crushing	6 days x 75 hp x 16 hrs./day x 95% load	= 6,800
Mill	6  days x  325  hp x  24  hrs./day x  100%  load	= 46,800

Misc.

112,000 Bhp-Hrs./Wk.

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7 days x 40 hp x 24 hrs. / day x 50% load = 3,400

1.		) Bhp - Hrs./Wk. KW x .95 motor eff.	_	87,900 KWH/Wk.
	87,900 K	WH/Wk. x 52 wks.	=	4,570,800 KWH/Yr.
or				
	4,	570,800 KWH/Yr. 12 mo./yr.	= .	380,900 KWH/Mo.
At	\$0.006/1	KWH	=	\$2,285/Mo.
				. <u>X</u>
Power C	ost Distri	bution - Estimated		
	Mine	45%	=	\$1,028/Mo.
	Mill	52%	=	\$1,188/Mo.
	Other	3%	. =	\$ 69/Mo.

# VIII HISTORY

# Chronological Events

1901	The Discovery claims were staked by J. Hunter
1909	These were crown granted
1914 to 1925	Small amounts of ore were shipped
1925 to 1926	The Horn Silver Corp. operated a concentrator at
	22 t.p.d., which ceased due to high mining cost,
	little ore and milling difficulties
1927 to 1930	Horn Silver Corp. concentrated on development work
1958	Canada Radium Corp. optioned the property, did
	more development work, made some small
	shipments
1959	Santos Silver Mining Co. optioned the property and
	did some diamond drilling and sampling
1964	Utica Mines Ltd. optioned the property and staked
	some additional mineral claims

Utica Mines Ltd. has, since undertaking the development, spent about 1.2 million dollars, chiefly on development headings, sampling, surveying and diamond drilling.

### GEOLOGY AND MINERALOGY

The Horn Silver deposit consists of a series of narrow, gently-dipping, quartz-filled, shear zones which carry significant quantities of silver and gold, and lesser concentrations of lead, zinc and copper. They have been explored underground over an area of approximately 500 ft. by 2000 ft. Post mineral shearing and profuse faulting give poor local continuity to the veins, but apparently do not affect the general structure. The host rock is monzonite. See Fig. 1.

## Regional Considerations

Host rock so the Horn Silver shear veins is a monzonite phase of the Kruger Syenite<sup>(1)</sup>, a member of the broadly determined Nelson plutonic rocks of probable Jurassic age. Approximately one half mile north of the mine lies a steep contact with the Carboniferous Kobau Group quartzites, schists, and greenstones. Also to the north, one mile distant, lies the roughly vertical plug of Mesozoic Richter Mountain hornblendite (older than the Kruger Syenite). One half mile south there is a steep contact with younger Mesozoic granodiorites. This contact exhibits some half-mile order displacements on left-hand-separation faults. These N.E. trending regional vertical faults parallel a few seen in the underground workings.

Detailed examination of air photos BC 5 123, 023 and 024 indicates the presence of one well developed NNW linear dipping vertically or steeply west in the mine area. This feature is believed to correlate with a prominent fault mapped underground in 9305 Drift, and which does not

(1) GSC Map 341A

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displace the vein. Various prominent regional faults designated in GSC mapping were also readily identified by photosurvey, but none are in close proximity to the mine. Hence it is concluded that extension of the quartz veins in the mine area will not be terminated by faulting, but simply by exhaustion of injected silica. This criterion is important when considering the probability of ore extensions in the Inferred category. Refer to Fig. 2.

## Structure

Jointing and faulting are intense, but vein displacement is not great. The controlling structure to the presently important veins is a series of shear zones the strike of which may vary from N70W to East-West to N85E respectively for West, Central and East portions of the mine. The dip is variable from 30° to 10°, with steeper dips showing more intense parallel jointing. Many of the vein shear surfaces have bonded. Other vein shears of varying strikes and generally low dips occur, but extent is limited, and metal content is generally low. In the vicinity of 9700E, 26 level, a vein trending approximately N40-50E and with variable dip E is becoming apparent as development progresses. 5898 sub, 24 level, follows a relatively strong vein dipping 45°S which is also in evidence on 26 level, NW portion. 2675 level poses another exception, dipping around 30° north.

Numerous steeply dipping post mineral faults with random orientations from NW to NE, and random degree of movement, displace the veins up to two feet, but the average net effect is that of no displacement.

The monzonite mass is apparently rather competent in spite of the joints, slickensides, breccia and gouge. Some old stopes spanning over 50 feet

have stood without caving for more than 20 years. Perhaps the effect of concentrated faulting is a controlled slow collapse.

A limited number of the steep NE faults (approx.  $25^{\circ}/60^{\circ}W$ ) within the mine show large lateral displacements of undetermined magnitude, but vertical movement only on the order of tens of feet. The larger regional faults roughly parallel the system. These faults are the only ones to pose a definite structural boundary in the mine area. All of the faulting, shearing and mineralization can be found to transgress supposedly later faults. In other words, the stages of tectonics and mineralization are largely all coincident. This also has the result that configurations and attitudes of the open cavities are rarely similar.

## Mineralogy

The most abundant vein minerals are quartz and pyrite. The economic minerals in probable order of abundance are galena, sphalerite, tetrahedrite, chalcopyrite, argentite, and native silver. Cerargyrite has been reported. Variable quantities of calcite, K-feldspar, sericite, chlorite, and hematite also occur. Molybdenite has been found in one shear vein outcropping lower on the hillside.

Erratic and exceptional high silver values (e.g. above 150 oz./T Ag) usually occur in open structures probably caused by movement during and after mineralization. Thus, secondary native silver causes the upgrading. The silver/lead ratio is therefore not constant, as can be seen from the assays.

Silicification and chloritization may carry beyond the shear surface for some two or three feet into the wall rock, and higher silver grades than

normal in the monzonite occur in these areas.

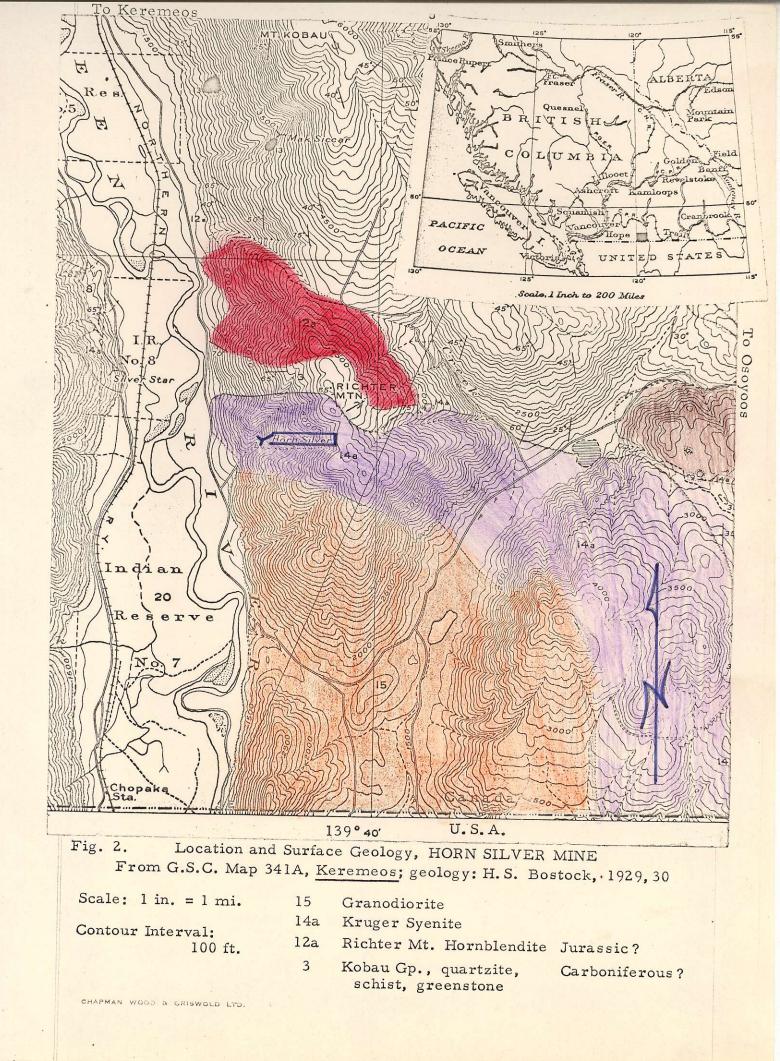
Gold values have been observed to vary according to pyrite content.

Mineralization is banded or in "patches" and is not always visibly apparent. Post-quartz and mineralization movement frequently leaves open cavities, ground "sugar" quartz, and monzonite fragments and sheets in the vein. Apparently economic mineral emplacement is both by fissure filling and replacement (of monzonite inclusions in the quartz matrix, and of silicified wall rock).

There are apparently no critical variations in mineral assemblages in the mine.

The monzonite host rock is medium grained, roughly 40 to 60 percent mafics which generally exhibit chloritic alteration; and contains prominent pink feldspar crystals. Frequent orange-pink coloured K-feldspar crowded veins cut the monzonite with random orientation and occasionally share with and bear some relation to the quartz filling of the vein shears. Dykes composed mostly of pyroxene and hornblende also cut the monzonite. Possibly the K-feldspar veins are related to the granodiorite intrusion, and the ultramafic veins to the Richter Mt. hornblendite. The latter does not apparently bear any relationship to the mineralization.

Recoverable metal values are principally silver and gold, while minor amounts of lead, zinc and copper are also generally present in the veins.



## SAMPLING & ASSAYING

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The characteristics of the deposit with respect to metal distribution are: an extremely high variance (ie. spotty silver values and erratic vein widths.

Available and credible assay data from approximately 3,000 samples from four sources were made available: Santos Silver assay sheets (few statistics), Utica Mines Ltd. by Richards (majority of statistics) and Utica Mines Ltd. by present management, E. Livgard, (large number of statistics) and Canadian Exploration Ltd. check sampling (few statistics). Agreement between sources was good on an average basis. No check sampling was done or considered necessary by Chapman, Wood & Griswold Ltd.

Core recovery from diamond drill holes has been consistently very poor and only a very few assays have been considered accurate enough to include in the analysis.

The data consist principally of vein samples across a measured width, with assays for Au and Ag. Some wall rock samples were taken prior to present management. Several composite samples from the pulps have been assayed for Pb., Zn., and Cu. The sample lateral intervals were irregular, being variously 5,6,10 and 12 feet.

The majority of present samples are being assayed by J.O.Dolphin, Osoyoos, B.C

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#### ORE RESERVES

XI

Estimation of ore reserves at the Horn Silver mine involves numerous variables and uncertain factors which ordinarily would not be encountered in evaluating either a bulk type deposit or one confined to a single well defined vein. The multiplicity of narrow veins, the complex structure, and irregularity of distribution of gold-silver values combine to make establishment of uniformity of sampling intervals difficult if not altogether impossible. While the present management has improved the sampling and mine development methods, the succession of prior operators bequeathed an assortment of assay data which, though useful, is not readily assimilated. For example, the several stages of development were variously sampled at 5, 6, 10 and 12 foot linear intervals; and same assays represented only actual vein widths, while others correlated with assumed mining widths.

The present management has been laboriously sorting and compiling all available mine sample and assay data in an effort to provide an acceptable basis for a proper evaluation of the mine. Mr. Fairley, during his assignment to Utica, assisted in this compilation. In addition, Mr. Livgaard, Utica Geologist , spent three days in Chapman, Wood & Griswold Ltd. office during the latter part of June assisting in determination of polygonal ore block dimensions and values. It must be stated that general, but not complete, agreement on block limits was reached; and that those limits as indicated on our Drwg. No. 514 appended are those which, in our opinion, conform to acceptable critical guidelines.

Two separate methods of ore reserve estimation were attempted:

## A. Polygonal Blocks

Constructed in a horizontal plane, weighting assays individually against lateral interval of influence along mine openings within block limits. Sample thickness less than 5.0 feet was corrected to 5 feet by diluting with zero grade wall rock. No correction was made for the lateral extension which might occur by rotating the horizontal plane dimensions to a low angle inclination since it is estimated that such a correction would only approximate the tonnage represented by the volume of present openings. Hence the present opening tonnage is left in block reserves.

### B. Computerized Statistical Analysis

A statistical ore reserve and trend surface analysis was undertaken, utilizing equipment and personnel at the University of California at Berkeley. Because of the complex nature of the Horn Silver deposit, the programming has also proved complicated and some further checking of data is indicated before the results can be accepted. Time will not permit full resolution of this evaluation prior to submission of this report, but it is hoped that the analysis will be available in the near future.

## DESIGNATION OF ORE PROBABILITY

In estimating the value of the Horn Silver deposit we have chosen to apply the following definitions to ore classification in order of decreasing probability.

#### A. Measured Ore

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Ore for which tonnage has been computed from dimensions revealed in workings and for which grade has been computed from the results of

detailed sampling. The sites for inspection, sampling and measurement are so closely spaced and the geological character is so well defined that the size, shape and mineral content are well established. The computed tonnage and grade are judged to be accurate within observable limits on either 3 or 4 sides of a block. There are no terminal projections beyond the face of an opening.

## B. Indicated Ore

Ore for which tonnage and grade are computed partly from specific measurements, samples, or production data; and partly from projection for a reasonable distance on geologic evidence. The sites available for inspection are too widely or otherwise inappropriately spaced to outline the ore completely or to establish its grade throughout. Terminal projections beyond the face of an opening and also lateral extensions beyond assay walls are not more than 50 feet.

## C. Inferred Ore

Ore for which quantitative estimates are based largely on broad knowledge of the geologic character of the deposit and for which there are few, if any, samples or measurements. In essence the lateral limits form a halo around the Measured plus Indicated blocks, the periphery being a general extension corresponding to approximately one half the lateral dimension of the area controlled by Measured plus Indicated classes in the East and Central zones of the deposit. No Inferred reserves are estimated for the West zone since the veins are exceptionally narrow and grade is generally marginal.

Areas of constructed blocks were determined by planimeter and total

block volume based on 5 foot thickness for each principal vein system. Tonnages of Measured plus Indicated blocks were then subtracted. Fifty percent of the remainder was then designated Inferred ore (67% of existing openings are in ore).

## DENSITY FACTOR

CHARTERAL LINE

- - - Ward LTD.

Specific gravity of ore in Britton metallurgical test F2 was reported as 2.78.

(2.78)  $(62.4 \text{ lb. /ft}^3) = 173.47 \text{ pcf}$ 

2000 lbs.

= 11.53 cubic feet per ton

Add allowance for opening caused by fractures and replacement voids

# = 12.00 cubic feet per ton

.47

12.0 is the density factor used in all tonnage calculations in this report.

SUMMARY OF RESERVES - POLYGONAL METHOD

Class	Tons	Au oz./Ton	Ag oz./Ton
Measured	40,000	0.04	20.0
Indicated	143,500	0.04	17.9
	183,500	0.04	18.3
Inferred	324,000	assumed	comparable grade

DETAILED CALCULATIONS - TABLE I

# TABLE I

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# SUMMARY OF ORE RESERVES

# CALCULATION BY POLYGONAL BLOCKS

Ore Class	Zone	Vein	Block	Tons	Au oz./T	Ag oz./T
Measured	East	(A) 1	1 2 3 4	1,100 12,500 630 4,400	0.06 0.06 0.02 0.06	21.6 21.2 29.7 24.9
		Sub Total		18,630	0.06	22.4
		(N) 3	1 2 3 4 5	1,270 1,360 4,240 9,220 2,180	0.01 0.01 0.04 0.04 0.02	12.8 15.1 19.2 20.9 11.1
		Sub Total	-	18,270	0.03	18.3
	Central	(A) 4	1	3,100	0.04	15.6
TOTAL MEASURED		<b></b>	999146-9546-659643-5568-6	40,000	0.04	20.0

cont'd.

Table I cont'd Ore Class	Zone	Vein	Block	Tons	Au oz./T	Ag oz./T
Indicated	East	(A) 1	5 6 7 8	6,080 6,270 5,010	0.06 0.04 0.09	17.8 18.1 29.7
	· :	Sub Total		<u>5,490</u> 22,850	0.02	<u>29.7</u> 23.3
•		(A) 2	1	2,990	0.04	19.6
		<b>(</b> N <b>)</b> 3	6 7	18,320 4,850	0.01	11.3 10.4
			8 9 10	20,140 6,050 4,070	0.06 0.02 0.02	33.0 9.4 22.4
		Sub Total		53,430	0.03	20.0
	Central	<b>(A)</b> 4	2 3	15,220 6,570	0.03 0.12	14.3 12.5
		Sub Total		21,790	0.06	13.8
		· <b>(</b> B <b>)</b> 5	1 2 3 4	3,850 6,610 180 3,630	0.06 0.03 0.02 0.04	14.9 13.9 11.8 13.2
		Sub Total		14,270	0.04	14.0

Table I cont'd

cont'd.

Table I cont'd					Au	٨~
Ore Class	Zone	Vein	Block	Tons	oz./T	Ag 0z. T
	West	(A) 6	1	4,700	Nil	14.0
			2	3,230	0.03	10.0
			3	2,140	0.04	13.9
	·		4	3,510	0.02	10.9
			5	3,550	0.01	11.4
			6	6,600	0.07	17.2
			7	1,930	Nil	10.6
		Sub Tota	1	25,660	0.03	13.3
	*Dump Stockpile		· · · · · · · · · · · · · · · · · · ·	2,500	0.02	20.5
TOTAL INDIC	CATED	<del></del>	· · · · · · · · · · · · · · · · · · ·	143,490	0.039	17.79
TOTAL MEASUR	RED PLUS INDIC	ATED		183,490	0.04	18.28

\* Skin sampled and tonnage estimated by CW&G Ltd.

cont'd

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# Table I cont'd

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Ore Class	Zone	Vein	Block	Tons	Minus Measured Indicated	Waste Allowance 50%	Net Est. Reserve/T
Inferred	East	(A) 1 (N) 3 (A) 7	9 11 1	248,500 345,300 37,500	204,000 273,600 37,500	102,000 136,800 18,750	102,000 136,800 18,750
				631,300	515,100	257,550	257,550
· .	Central	(A) 4	4	157,987	133, 100	66,550	66,550

# TOTAL INFERRED

324,100

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#### MINING

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Design of a complete mining plan is not practicable at the present stage of mine development. A generalized system of room-and-pillar extraction with ultimate caving retreat has been proposed by the mine management, and the method appears to be suitable.

Development of ore blocks is proceeding according to a general pattern of advancing inclined drifts in panels on approximately 100' or 200' centers and at 90° to established track haulage drifts. Laterals at fairly wide spacing are being driven normal to the drifts, and eventually will conform to a fairly close order pattern, say 32' - 35' centers, in preparation for advancing short stubs to connect the laterals in such a manner as to leave adequate pillar support until pillar recovery commences.

Wire rope operated scraper haulers (slushers) are utilized to transfer broken rock to loading pockets serving battery powered locomotive trains. It is planned that trains will unload into an intermediate ore pass serving a main haulage level on which trains will transfer ore to a surface bin of 50 tons capacity. From the surface bin trucks will haul by contract 2.25 miles on downhill grade to coarse ore storage at the millsite.

Normally, where actual vein widths are less than 5 feet, rock will be broken to a 5 foot minimum stoping width in the laterals, stubs, and pillars. Panel drifts and track haulageways, where driven in the vein (or veins), however, will have to carry a 6 or 6 1/2 foot back; and hence ore and waste may have to be broken separately in many instances.

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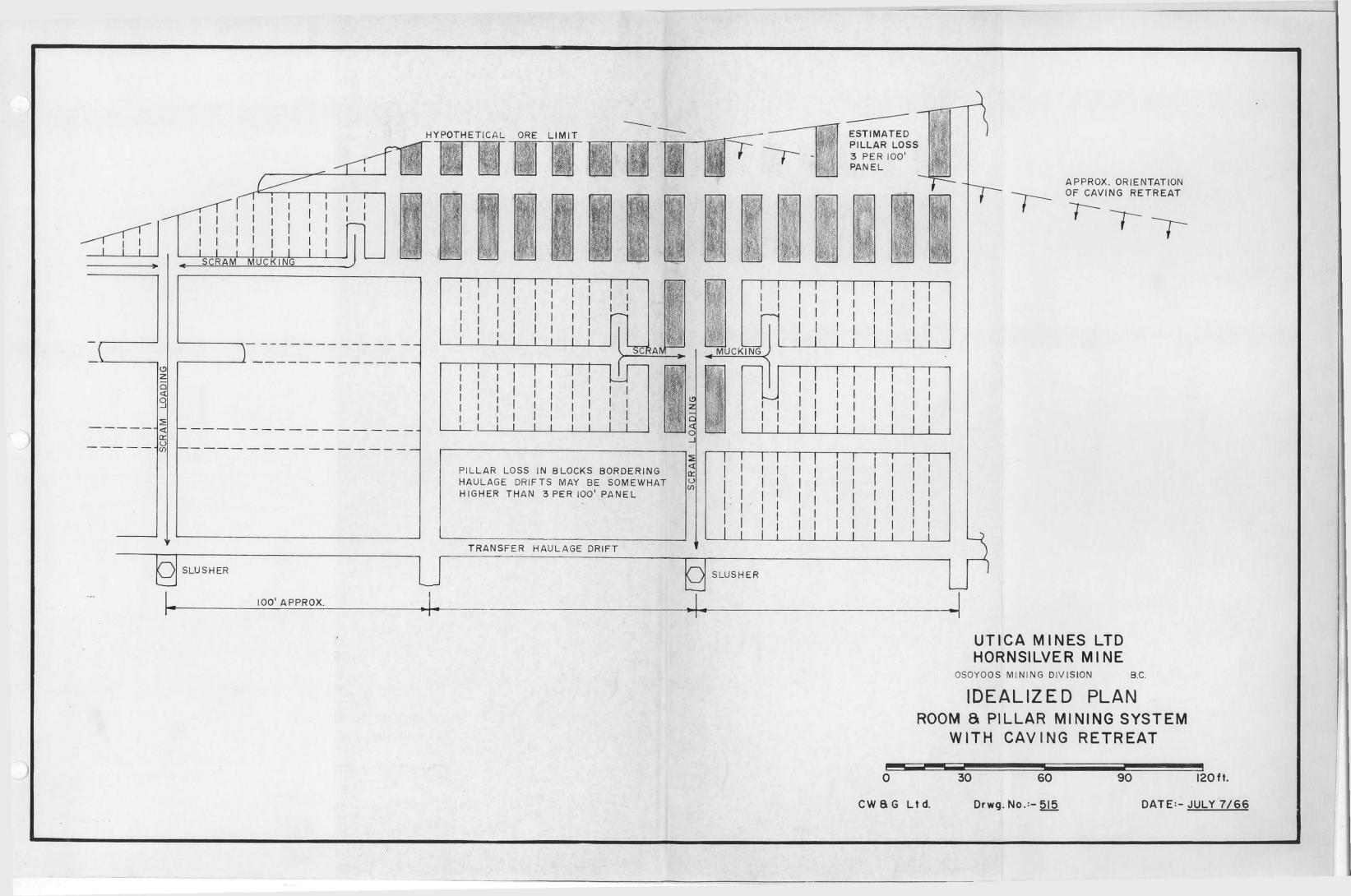
Lateral ore limits have not as yet been determined, and will need to be established before a program of pillar salvage can be implemented. Hence it is evident that "primary extraction" (production from drifts, laterals and stubs) will be the principal source of ore supply for the early stages of operation.

Since pillar recovery from flat, narrow veins is almost never complete, it becomes necessary to estimate a percentage extraction factor that can be anticipated with a reasonable degree of confidence. For the purposes of the present evaluation an idealized mining plan has been devised, incorporating the basic ideas proposed by management (with which we concur). From analysis of this plan we have derived estimates of overall extraction factors which, in our opinion, should be applied to calculation of recoverable reserves. These factors are:

Volume of ore removed from primary openings - drifts, laterals, stubs		56%
Volume of pillars	44%	
Pillar loss	1/3	
Pillar recovery, total reserves		29%
Extraction factor, total reserves		85%

To estimate the optimum production potential of the mine a trial extraction analysis was made, using personnel requirement and classification proposed by mine management. This analysis indicates that in either the primary extraction stage or the pillar salvage phases it should be possible to maintain a normal daily production rate of 275-325 tons of ore from two

shift operation. Hence a monthly rate of 7200 tons should be attainable with a 6 day work week (possibly ultimately 5 day week).



## METALLURGY

XIII

A series of bench scale metallurgical tests was conducted by Britton Research Laboratories of Vancouver on various samples of ore submitted by Utica Mines Ltd. from the Horn Silver property.

These samples ranged in grade from 5.9 oz. Ag and 0.02 oz. Au to 137 oz. Ag and 0.14 oz. Au per ton.

Most of the testwork was confined to sample G which is believed to generally approximate probable high average mining grade. It assayed:

Au	-	0.045	oz./ton
Ag	-	27.1	oz./ton
$\mathbf{P}\bar{\mathbf{b}}$	-	0.38	%
Zn	-	0.62	%
Cu	-	0.07	%
Fe	-	6.36	%
S	-	3.15	%
$SiO_2$	-	65.02	%

Four different types of tests were conducted:

- 1. Jigging, bulk sulfide flotation and cleaning
- Jigging, bulk sulfide flotation, cleaning and recleaning, followed by separation of galena and pyrite
- 3. Cyanidation of flotation tailing
- 4. Jigging and cyanidation.

The results indicate that recovery of gold and silver in excess of 90%, and of lead and zinc in the range of 90% may be achieved by methods 1 and 2; and that cyanidation of flotation tailings will yield additional recovery of gold and silver to the extent of approximately \$1.50 per ton of tailing (or about \$1.35 per ton of ore). However in method 4 the effect of build-up of copper and arsenic in a cyanidation circuit would probably lead to a loss of efficiency in the process. In our opinion, therefore, the suitability of method 4 has not been clearly demonstrated.

Since there is some arsenic in the ore, arsenic content of bulk sulfide flotation concentrate is sufficiently high to incur a smelter penalty. Attempts to lower the arsenic content by depressing pyrite from galena were partially successful, and possibly require further investigation.

Further improvement in metallurgical recoveries can probably be demonstrated by further testwork and actual operating practice. However, for the purpose of the present evaluation, we have chosen to utilize the conditions and results set forth in Britton test No. F 2. Mr. Britton indicates that results to be anticipated from full-scale milling of ore having approximately the composition of sample G would, by utilizing a combination of jigging, bulk sulfide flotation, and cleaning, be as follows: (see Appendix for details)

#### Jig Concentrate

Assay - 1300 oz. silver per ton Silver recovery - 25% Gold recovery - 15% Lead recovery - 2% \*Zinc recovery - 1%

<sup>\*</sup> COMINCO smelter will not pay for this amount of zinc in low lead concentrate.

#### Flotation Concentrate

Assay	-	250 oz. silver per ton
Silver recovery Gold recovery	-	69% 77%
Lead recovery	-	88%
**Zinc recovery	-	89%

#### Total Concentrate

Silver recovery	~	94%
Gold recovery	-	92%
Lead recovery	-	90%
**Zinc recovery		90%

Product Assays, Test F 2

Jig Concentrate

Ag	-	1321.9 oz./ton
Au	-	1.47 oz./ton
Рb	-	1.75%
Zn	-	1.37%

#### Flotation Recleaner Concentrate

$\mathbf{A}\mathbf{g}$	-	253.2 oz./ton
Au	-	0.56 oz./ton
$\mathbf{Pb}$	-	4.29 %
Zn	-	6.48 %
Cu	-	not assayed
$\mathbf{As}$	-	2.24 %
$\mathbf{Sb}$	-	0.09%
Bi	-	tr.
Fe	-	32.62%
S	-	38.46 %
SiO <sub>2</sub>	-	6.66%
CaŌ	-	1.24 %

• %

The bench scale tests indicate a work index of 14 KWH per ton and grinding energy requirement of approximately 13 KWH per ton.

Basic operating data for a milling plant of 250-300 tons per day (7,200 tons per month) capacity are estimated herewith:

Power required -			
	Item	Connected HP	Load Factor
	Crushing	135	80
	Milling	325	100
	Other	40	50
		500	91

\*\* COMINCO will pay only for excess above 70 lbs. zinc per ton of concentrate. Hence this recovery figure is modified in Profit and Loss calculations.

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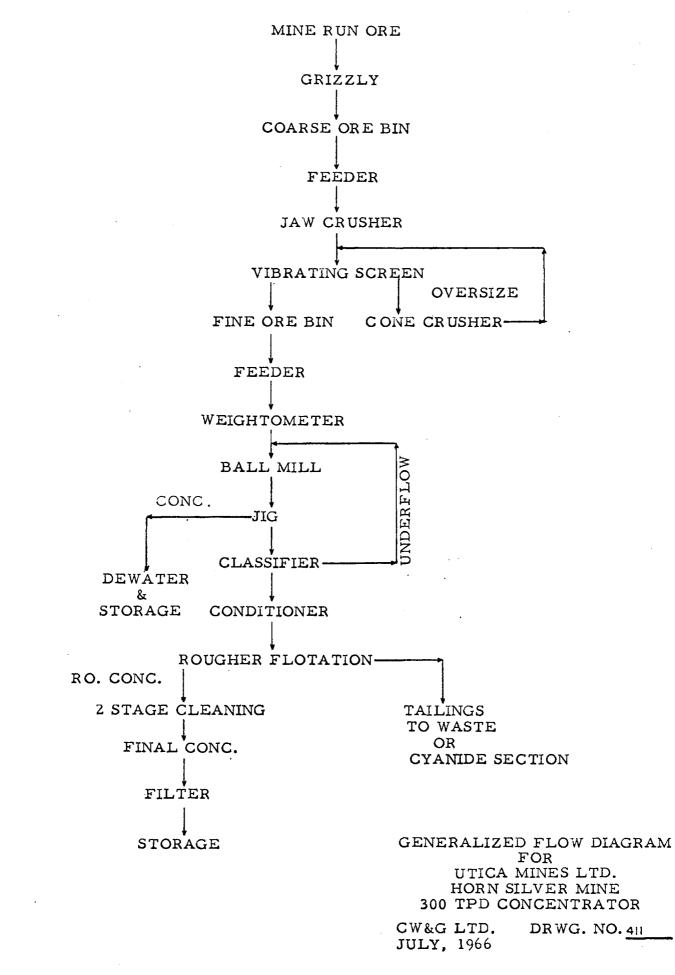
## W

Water required -		
	Makeup	1.7 tons per ton of ore
	1440 4800	(1.7) (300)
	=	510 tons/day
	· =	<u>1,020,000 lbs.</u> 6.948
	=	146,800 Imp. gallons per day
	=	102 gallons per minute.
	The amount of	water which might be relcaimed
	from tailings l	has not been determined.
Apparent optimum g	grind -	63% -200 mesh
Moisture content of	concentrates	- approx. 10%
Concentration ratio	. <b>–</b>	approx. 15 to 1 at 18-20 oz./ton silver
		content in heads
Concentrate produc	tion, per mont	h
	-	Jig conc 24-30 tons
		Flot conc 358-370 tons
	Sod, sulfide xanthate aerofloat 25 pine oil	$\begin{array}{rcl} (0.7) & (.218) &=& \$0.153 \\ (0.2) & (.20) & 0.040 \\ (0.38) & (.338) & 0.128 \\ (0.096) & (.33) & 0.032 \\ (0.045) & (.15) & 0.007 \\ (0.015) & (.71) & 0.011 \\ 0.050 \end{array}$

\$0.421

Grinding media -

est. consumption 2 lbs./ton @ \$0.11 = \$0.220.



#### OPERATING COSTS

XIV

In preparing estimates of operating costs, allowance has been made for approximately 28 percent escalation in labor costs, as well as 26 percent overhead on all wages and salaries to cover payroll taxes, insurance, and fringe items.

No provision has been made for escalation of materials costs, as it is assumed that increased operating efficiency over a period of time will compensate therefor.

#### A. SUMMARY

1

Basis - 7200 tons/mo.

86,400 tons/yr.	Cost per Mo.	Cost per Ton Milled
Mining Milling Administration Haulage Miscellaneous	\$53,136 21,952 2,592 9,413 669	\$ 7.38 3.05 0.36 1.31 0.09
Total	\$87,762	\$12.19

#### B. DETAIL

Operating Costs - 7200 Tons per Month

1. Mining

Category Mining Labor		Cost Per Month	Cost Per Ton
Miner	31@553.60	<b>\$17,</b> 162	
Timberman-trackman	2@553.60	1,107	
Trammer	4@488.00	1,952	
Mechanic 1st cl.	1@604.80	605	
Mechanic 2nd cl.	1@553.60	554	
Warehouseman	1@535.00	535	
Overtime allowance		1,000	
HAMMAN WOULD CHUWOLD LYD.	40	\$22,915	\$ 3.18

Mine Staff		Cost Per Month	Cost Per Ton
Geologist Foreman Shift Boss Accountant-Clerk Sampler <b>-S</b> urveyor	1 @ 976.00 1 @ 787.00 2 @ 630.00 1 @ 598.00 1 @ 472.00	\$ 976 787 1,260 598 472	
	6	4,093	0.57
Explosives		3,600	0.50
Supplies			
Bits, steel, etc. Pipe and rail Rock bolts Timber Shop Misc. parts Office		3,500 1,500 1,000 1,000 1,000 2,000 200	
		10,200	1.42
Power			
Using 6 mill rate		1,028	0.14
Mine Plant Replacement		4,000	0.55
Assaying			
50 mine samples/day	@ 2.00	2,500	0.35
Contingencies	10%	4,800	0.67
TOTAL MINING		\$53 <b>,</b> 136	\$ 7.38

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## 2. Milling

## Category

Milling Labor		Cost Per Month	Cost Per Ton
Mechanic Operator Swingman Crusher operator Helper Overtime allowance	1 @ 604.80 3 @ 604.80 1@ 584.00 2 @ 553.60 3 @ 488.00	\$ 605 1,814 584 1,107 1,464 500	
	10	6,074	\$ 0.84
Mill Staff			
Supt. Electrician Assayer	1@1,039 1@787 1@756	1,039 787 756	
	3	2,582	0.36
Supplies			
Reagents Grinding media Replacement parts Shop Laboratory		3,024 1,584 1,500 750 750	
	· ·	7,608	1.06
Power			
Using 6 mill rate		1,188	0.16
Plant replacement		2,500	0.35
Contingency - 10%		2,000	0.28
TAL MILLING		\$21,952	\$ 3.05

3. Administration	Cost Per Month	Cost Per Ton
Mine Manager Vancouver office Travel	\$ 1,292 1,000 300	
	2,592	\$0.36
4. Haulage	`	
Ore, mine to mill, contract @ 0.75/T Concentrates, Keremeos to Tadanac, B.C. 380 tons + 10% moisture =	5,400	
(418 T)(.06)(160 mi.)	4,013	
	9,413	1.31
5. Miscellaneous		
Power, Gen. Surface Warehouse control Audits Metal sales expense	69 300 100 200	
	669	0.09
TOTAL estimated		-
operating costs	<b>\$87,7</b> 62	\$12.19

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#### CAPITAL COSTS

ХV

An estimate is presented herewith of the total capital requirement for bringing the Horn Silver Mine into production at a nominal milling rate of 250 to 300 tons per day, equivalent to 7200 tons per month or 86,400 tons per year.

Included in the estimate are data furnished by Utica on expenditures recorded as at May 1, 1966.

It is assumed that during the period required to design and erect a milling plant, mine development would continue at a rate somewhat less than half that projected after start of production.

Chapman, Wood & Griswold Ltd. has not made a detailed estimate of the cost of a 300 ton mill, but has used basic guideline data derived from established installations.

#### Total Investment to Start of Production

**Pre-production Expense:** 

Mine development to May 1, 1966 Est. development May-Dec., 1966 Property acquisition to May 1, 1966 Property acquisition, contingent		,211,349 160,000 138,000 16,000 ,525,349
Plant:		
Mine to May 1, 1966 Mine, further requirement	\$	191,000 136,000
	\$	327,000
Mill - 300 Tons x \$2,000	_	600,000
Total plant	\$	927,000

## Operating Reserve:

4 months x \$88,000

\$ 352,000

## TOTAL CAPITAL REQUIREMENT

Monies required from May 1, 1966

\$ 1,264,000

\$ 2,804,349

#### PROFIT AND LOSS PROJECTIONS

XVI

The following projections are based on two separate objectives. The first is to determine estimated rate of return on capital required from May 1, 1966 to establishment of production, namely \$1,264,000. In this case the ore reserve base is confined to the total of Measured plus Indicated tonnage.

The second projection analyzes profit and loss for total capital expenditure of \$2,804,000. For this evaluation the ore reserve base includes tonnage of all three classes, Measured, Indicated and Inferred.

Metal sales estimates are based on shipping both jig and flotation concentrates to the COMINCO smelter at Trail, B.C.

COMINCO indicated verbally to CW&G Ltd. that it would accept these concentrates, but would penalize for high arsenic content.

Bunker Hill Company smelter at Kellogg, Idaho advised by letter it would not accept either the jig or flot concentrate because of the high arseniclow lead ratio.

#### **PROJECTION A:**

#### Basic Assumptions

1. Capital to be recovered:

\$1,264,000

Pre-production	\$160,000
Property acquisition	16,000
Mine plant	136,000
Milling plant	600,000
Operating reserve	352,000

2. Milling reserve:

183,500 T @ 85% extraction = 156,000 Tons

3. Ore grade:

Au	-	0.04 oz./T
Ag	-	18.3 oz./T
$\mathbf{P}\bar{\mathbf{b}}$	-	0.35 %
Zn	-	0.50 %

4. Production rate:

250-300	tons	per	day
7,200	tons	per	month
86,400	tons	per	year

5. Milling recoveries:

	Au	Ag	Pb	Zn
Jig conc. 9	6 15	25	2	
Flot. conc. 9	<u> </u>	69	88	89
Total conc. 9	6 92	94	90	89
Tons per mont	h Jig	24-30	Flot	358-370

6. Composition of Concentrates:

Marketable Metals	Au oz.	A	g oz.	Pb %	Zn	%
Jig Flot	1.4 0.6	1300 250		1.7 4.2	1.3 6.4	
Other Constituents 9	o Cu	As	Sb	Bi	Fe	S
Jig Flot	1.5 0.7	na 2.2	na . 09	na tr.	na 33.	na 38.
	$C_aO$		SiO <sub>2</sub>	H <sub>2</sub> O		
Flot	1.2		7.0	10.0		

7. Calculated Tadanac (Trail) Realized Metal Prices:

Au/oz.	\$37.60	-	1.25	•=	\$36.35
Ag/oz.	1.398	-	0.02	=	1.378
Pb/1b.	0.134	-	0.006	=	0.128
Zn/lb.	0.137	-	0.055	. =	0.082

8. Calculated Returns per Ton of Concentrate at Tadanac:

Jig Conc.

Au - (1.4 oz.) (.95 content) (\$36.35) Ag - (1300 oz.)(.95 cont.) (1.378) Pb - (34 lb.) (.925 cont.) (0.128) Zn - 26 lb. no payment	$= \begin{array}{c} & & & & & & & & \\ = & & & & & & & & \\ & & & &$
deduct - treatment charge, incl. As penalty and Pb deficiency	-20.00
moisture penalty	- 1.00
Net return per ton of conc.	\$1 <b>,7</b> 33.19
Net return per month @ 24 tons	\$41,596.00
Net return per ton of ore milled <u>41,596</u> 7200	\$ 5.78
Flot Conc.	
Au - (0.6 oz.) (.95 cont.) (\$36.35) Ag - (250 oz.) (.95 cont.) (1.378) Pb - (84 lb.) (.925 cont.) (0.128) Zn - (128 lb70) (0.082)	$= \begin{array}{c} \$ & 20.72 \\ = & 327.27 \\ = & 9.94 \\ = & 4.76 \\ \$ & 362.69 \end{array}$
deduct - treatment charge, incl. As penalty and Pb deficiency	-20.00
moisture penalty	- 1.00
Net return per ton of conc.	\$ 341.69
Net return per month @ 356 tons	\$121,642.00
Net return per ton of ore milled	
121,642	¢ 16.80

<u>121,642</u> \$ 16.89 7200

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Metal	Content	Mill Recovery	Smelter Content	Realized Met.Price	Net Return	
Au Ag Pb Zn	0.04 oz. 18.3 oz. 7.0 lb. 10.0 lb.	. 92 . 94 . 90 . 89	.95 .95 .925 .45	36.35/oz. 1.309/oz. 0.128/1b. 0.082	\$ 1.27 21.39 0.74 0.33	
Total r	eturn before	smelter trea	atment		\$23 <b>.7</b> 3	
	eduction for a c and moistur	re penalties	tment, <u>24 + 356 ton</u> 7200 ton		- 1. 11	
Net mi	ne return pe:	r ton of ore r	milled		\$22.62	
(Compared with calculation of net returns from concentrates shipped)						
Net Op	erating Profi	t:				
	Net mine r Less opera	eturn per to ating costs	n milled		\$22.62 -12.19	
	Net operat	ing profit pe	r ton		\$10.43	
	Net operat	ing profit pe	r month	\$75	,096.00	
	Net operat	ing profit pe	r year	\$901	,152.00	
Cash F	'low:					
Expend produc	liture from N tion is	May 1, 1966 t	o establish	\$1,264	£,000.00	
returne operati	amount is bo ed with intere ion, leaving s ing reserve.	est at end of	22 months			
additio	eration will o nal reserves eveloped.					

Calculated Net Mine Return Per Ton of Ore Milled:

9.

10.

11.

#### **PROJECTION B:**

#### Basic Assumptions

1. Total capital expenditure

\$2,804,000

\$1,371,000
154,000
327,000
600,000
352,000

## 2. Milling reserve:

507,500 T @ 85% extraction = 431,000 tons

Items 3 through 10 are the same as in Projection A.

#### 11. Cash Flow

Total capital expenditure Assumed amount of borrowing Interest on borrowing @ 6.75 percent \$2,804,000 1,351,000

1

Borrowed capital is returned in 2 years of operation from 80% of net cash flow.

The remainder of total expenditure (\$1,492,000) is returned in 5 years operation.

\$618,000 is available for distribution.

Assumptions					UTICA MINES LTD.
Capital to be recovered	\$1,264,000	(Expenditure	Milling Reserves 156,0	00 Tons	HORN SILVER MINE
Pre-production	160,000	from	Net mine return/ton		PROFIT AND CASH FLOW PROJECTION A
Properties	16,000	May 1, 1966)	milled	\$22.62	MILLING RATE 7,200 TONS/MO.
Mine Plant	136,000		Operating cost	12.19	86,400 TONS/YR.
Milling Plant	600,000		Net operating		
Operating Reserve	352,000		profit/ton	10.43	

	YEARS				
	1 (8 mos.)	2 (12 mos.)	3 (10 mos.)	Total	
Direct Operating Profit	Pre-Prod.	901	726	1,627	
Taxable Profit		nil	nil	nil	
Add: allowances claimed		901	<b>72</b> 6	1,627	
Less: debt retirement @ 80% of gross cash flow interest on borrowing		721 48	543 37	1,264 85	
Net cash to operating reserve		132	146	278	

Capital of \$1,264,000 recovered in 1 yr. and 10 mos. of operation. Continuance of operation contingent on development of additional reserves.

Tabulated figures are thousands.

AssumptionsTot. Capital Expenditure\$2,804,000Pre-production1,371,000Properties154,000Mine Plant327,000Milling Plant600,000Operating Reserve352,000	Milling Reserve Net mine return Operating cost Net operating pi	/ton milled \$22. 12.	UTICA MINES LTD. HORN SILVER MINE PROFIT AND CASH FLOW PROJECTION B MILLING RATE 7,200 TONS/MO. 86,400 TONS/YR.			
• •	1	2	3	4	5	Total
Direct Operating Profit Less: deprec. (30% declining) pre-prod. exp.	Pre-pr	rod. 901 tax	901 free	901 period	891 689 202	4,495 689 202
Taxable profit		nil	nil	nil	nil	
Net profit Plus: deprec. pre-prod. exp.		901	901	901	- 689 202	
Net cash flow Less: loan retirement (1,351) interest on borrowing		901 721 91	901 630 42	901	891	4,495 1,351 133
Net cash available	· ·	89	229	901	891	2,110
*P.V. factor @ 12% compound interest		. 79719	.71178	.63552	.56743	
P.V. of net cash available		71	163	573	505	1,312

Borrowed capital of \$1,351,000 returned in 2 years of operation.

Remaining amount of capital expenditure (\$1,492,000) can be returned in 5 years operation and leave \$618,000 for distribution.

Tabulated figures are in thousands

\* Parks, Table 2.

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#### CERTIFICATION

I, E.P. Chapman Jr., of Vancouver, B.C. do hereby certify:

- That I am a Mining and Geological Engineer, residing at 2135 Argyle Street, West Vancouver, B.C.
- That I am President of Chapman, Wood & Griswold Ltd., Consulting Mining Engineers and Geologists, with offices at 133 East 14th Street, North Vancouver, B.C.
- 3. That I am a registered Professional Engineer in the Province of British Columbia and a member of the Consulting Engineers Division of the Association of Professional Engineers of British Columbia.
- 4. That I have practiced my profession for 31 years.
- 5. That neither I nor any employee of my company has any direct or indirect financial interest in Utica Mines Ltd. or in any property owned or controlled by it.

Eng.

July 11, 1966

#### CERTIFICATION

- I, John A. Wood of West Vancouver, B C do hereby certify:
- 1 That I am a Geologist, residing at 5019 Howe Sound Lane, West Vancouver, B.C
- That I am Vice-President of Chapman, Wood & Griswold Ltd., Consulting Mining Engineers and Geologists, 133 East 14th Street, North Vancouver, B.C.
- 3. That I have practiced my profession for 33 years.
- 4. That I have no direct or indirect financial interest in Utica Mines Ltd., or in any property owned or controlled by it.

John A. Wood

July 11, 1966

#### CERTIFICATION

- I, John F. Fairley, of Vancouver, B.C. do hereby certify:
- That I am a Geologist, residing at 3704 McKechnie Avenue, Vancouver, B.C.
- That I am employed by Chapman, Wood & Griswold Ltd., Consulting Mining Engineers and Geologists, 133 East 14th Street, North Vancouver, B.C.
- That I am a registered Professional Engineer in the Province of British Columbia.
- 4. That I have practiced my profession for three years.
- 5. That I have no direct or indirect financial interest in Utica Mines Ltd., or in any property owned or controlled by it

John F.Fairley

#### July 11, 1966

CHAPMAN WOOD & GRISWOLD LTD.

## EXHIBITS

#### CHAPMAN WOGE & GRISWOLD LTD.

RISWOLD LTD.

## CONCENTRATION TESTS ON SAMPLES OF ORE

FROM THE HORNE SILVER PROPERTY

submitted by

#### UTICA MINES LIMITED

Progress Report No.1

(Informal)

Project No.: B102

Date: May 18, 1966

Investigation by: John W. Britton, P.Eng.,

Consulting Metallurgist.

BRITTON RESEARCH LABORATORIES 755 BEATTY STREET VANCOUVER 3, B.C.

PHONE 681-6032

## BRITTON RESEARCH LABORATORIES 755 BEATTY STREET VANCOUVER 3, B.C.

JOHN W. BRITTON, A.R.S.M., B.SC., P.ENS.

May 18, 1966

Mr J. Black, Utica Mines Limited, 904 - 510 West Hastings Street, Vancouver 2, B.C.

Dear Mr Black,

## Re: Concentration tests on Horne Silver ore

We summarise below the results of the work completed to date on the various samples of ore from your Horne Silver property.

1. <u>Ass</u>	ays of a	samples	3:	•	Samo	<u>le No</u> .			
		A .	В	С	D	E E	F	G	Н
Gold	0z/ton	0.12	0.14	0.05	0.02	0.003	0.04	0.045	0.13
Silver	Oz/ton	78.1	137.0	26.1	5.9	0.28	28.1	27.1	107.6
Lead	%	0.67	1.09	0.49			0.26	0.38	0.88
Zinc	· · %	1.38	1.86	0 <b>.66</b>			0.58	0.62	1.62
Copper	%	0.18	0.23	0.08			0.05	0.07	0.21
Iron	%	3.60	10.13	7.49		•	5.27	6.36	6.87
Sulphur	<b>%</b> .	3.54	9.73	3.46			2.83	3.15	6.64
Silica	%	77.70	36.98	48.12			65.02	56.57	57.34
Specific	3							/	
gravity		2.75	2.86					2.78	2.81
Flotatio	on test	<u>#</u> :						F2	Fl
Sample :	ldentif	<b>lcatio</b> r	<u>ı</u> :						
Our No.			Des	script:	ion		Da	te rec	eived
A		9555						ch 10, 1	1966
B C D E F C		9600 #1 B	last Dri	vein lft/and	i wall	rock	n Apri	.1 7 <b>,</b> 19	966
Ď		#1 W	lest Dri				<b>n</b> .	7,	n
E F	<u>.</u>		rock art B +	5 nam	he D			7,	17
G			irts C d			- 5 par	rts D	. ·	•
U	1		. part (			7) -			
	арана А. <b>Э</b> р	r be	IC X T	T ber	D			cont.	
G H		(=`1		<b>)+1</b> ]	part I		rts D	cont.	·

## Mr J. Black (cont.)

- 2. Work Index of ore: 14 K.W.H. per ton (2000 pounds).
- 3. Grinding energy required (approx.): 13 K.W.H. per ton.

4. <u>Anticipated results for full-scale milling</u> (based on results of test F2):

<u>Jig concentrate</u>: Assay: 1300 oz silver per ton Gold recovery 15% Silver recovery 25% Lead recovery 2%

Zinc recovery 1%

Flotation concentrate: Assay: 250 oz silver per ton

Total concentrates:

ASSAY. 270 02 3.	TACT
Gold recovery	77%
Silver recovery	69%
Lead recovery	88%
Zinc recovery	89%
'Gold recovery	92%
Silver recovery	94%
Lead recovery	90%
Zinc recovery	90%

<u>Note</u>: In addition to the assays shown in the table of results for test F2, the flotation concentrate is being assayed for As, Sb, Bi, Fe, S, SiO<sub>2</sub> and CaO.

Yours very truly,

BRITTON RESEARCH LABORATORIES

P.A.g. White

John W. Britton, P.Eng. Consulting Metallurgist

p/copy Chapman, Wood and Griswold /

JWB/t

		· • • • • • • • • • • • • • • • • • • •		RESEAL 5 BEATT	Y STRE	ET	\$	· - ·			;			
		Utica	· I	1 -			esul	ts.				• •		
				6	rsa	ys. 1				rista	ilou	tion	9	
#	Product	Weight %	au oz/ton	ag	P6	Zn	Cu	Fe	an	ag	P.6	Zn	cu	Fe.
;	fig concentrate cleaned 1st flotation come,	0.87 14.81	2.30	3095,6	3.83	2.99	0.38	24.92						3.2
	Cleaner tailing	3.41	0.06	26,2			1.03	39,72	1.62	0.86	$\int$		17.0	60.2
-	2nd concentrate. 3nd concentrate	0.62	0.08	59.1 27.0	633	*			0.40 0.53	0,35 0,21 0,07	0,			
•	4th concentrate 5th concentrate	0.42 1.16	0.04	17.4	1	0.51			V	0.07 0.34	· · ·			
1.0	Slimet	2.38	0.01	10.6	)				0.19	0.24	<b>!</b>		•	
	Rougher tailing. Head (calculated)	75.49 100.00	Current Contraction				an an an a		1.19 100,00	1.29				·····
•	Head (direct assays)	,00,00		107.6			0.21	1 . A .	100,00	,		100.0	100.0	100.0
Cu	mulative results:	+ From		1	Sector States and				7.	* Ca.		ted.		
2,	fig + 1st flotation concs.	15.68			5.66	9.77	1.01			1		94.6	75.6	69.4
3	fig + 1st rougher concs.	19.09		535,5					97,19		100 C	, Le.		
4	fig + 1st + 2 mbl concs.	/9.7/		520.5						97.85				
5	fig + 1st + 2nd + 3nd cance.	20.55		1						98.06				
6	fig + 1st + 2nd + 3nd +4th concs. Lig + 1st + 2nd + 3nd +4th concs	20.97							98,25					
7	Tig + 1st + 2nd 3rd 4 thy 5th const Slime	22.13				121			98.62 98.81			96.3		•
	LIGTI TL + 2 + T + Const schul	27.21	0.51	712.3	5.17	9.30			10.01	10,11	10.7	10.3		

UTICA - Test F/ conditions. Reagent 9 Total 2 3 5 8 as Sty 5 H20 0.5 0.7 0,2 Na, S (60/62 %) 0,2 0,2 acro 404 0,05 0,05 -0.10 -----CX 51 (1) 0.20 0.05 0.05 0.35 0.05 aerolloat 25 0.024 0.024 0.024 0.048 0.144 0,024 Pine oil -----0.918 0,018 a.036 M. I.B.C. 0.015 0.015 Pulp volume - ML (2) 4800 4800 4800 4800 4800 2600 4800 65 Solids . 33 33 4 4 12 4 4 Time Minutes 30 6 5 7.6 7.5 7.5 7.7 7.7 7.7 emperature - °C 20 21 21 18 2/ 22 Notes: U) Potassium anyl xanthate (2) Per 2000 grand of original are. 1. grinding (63%-200 mesh) Ligging 3. Conditioning. 4. Rougher flotation - 1st concentrate 5. Rougher flotation - 2nd concentrate Rougher flatation - 3rd concentrate 6. - 4th concentrate 7. Rougher flotation - 5th concentrate Rougher flotation - 5th con Cleaning of 1st concentrate 9.

755 BEATTY TREET VANCOUVER \_, B.C. Utica"G \_\_ Test F2 results. (Bulk sulphide flotation) an ag Pb Zn an ag Pb Zn assays Product Weight an ag Plo Zn #\_ 90 ozton ozton 90 % 0,735 661.0 0.88 0.69 14.3 25.1 2.5 1.3 Jig concentrate 0,50 1.47 13219 1.75 1.37 1 3.914 1769.9 29.99 45.30 76.0 67.2 85.6 87.2 6,99 0.56 253.2 4.29 6.48 Recleanes concentrate 2 0.3/ 0.06 23.2 3.02 0.04 23.9 0.44 0.45 0.019 Recleance tailing 0.121 Cleaner tailing 4 0.357 124.9 2.68 4.46 6.9 4.7 7.7 8.6 89.18 0.004 1.4 0.03 0.05 Rougher tailing 5.146 2635.2 35.02 51.95 100.0 100.0 100.0 100.0 100.00 0.051 26.4 0.35 0.52 Head (calculated) 6 0.045 27.1 0.38 0.62 6 Head (direct assays Cumulative results: 0.50 1.47 1321.9 1.75 1.37 0.735 661.0 0.88 0.69 14.3 25.1 2.5 1.3 1 Jig concentrate 7.49 0.62 3246 4.12 6.14 4.649 2430.9 30.87 45.99 90.3 92.3 88.1 88.5 1+2 Jig + recleaner comos 7.80 0.60 312.6 - - 4.668 2438.1 - - 90.7 92.6 -1to3 fig + cleanes concs. 10.82 0.44 2265 2.99 4.39 4.789 2510,3 32.34 47.49 93.1 95.7 92.3 91.4 Itot fig + rougher concs 

ITTON RESEARCH LABORATORIE 755 BEATTY STREET VANCOUVER 3, B.C. UTICA - Test F2 conditions (Buth sulphide flotation). STAGE 5 Reagent 1 2 3 4 6 Total En 504. 5H20 0.5 0,2 0.7 Naz S (60/62%) 0,2 0.2 Cx 51 (1) 0.30 0.03 0.38 0.05 acrofloat 25 0.096 0.096 Pine oil -----0.018 0,009 0.045 0.018 M. I.O.C 0.015 0.0/5 Pulp volume - ML (2) 4800 4800 2600 1200 ) solids 65 33 33 11 7 18 6 Time-Minutes 30 5 6 7.5 7.5 7.7 Temperature - " C 21 20 20 (1) Potassium amyl xanthate (2) Per 2000 grams af original are. Notes : 1. grinding (63% - 200 mesh) 2. figging 3. conditioning 4. Rougher flotation. 5. cleaning Stages : Recleaning. 6.

CONCENTRATION TESTS ON SAMPLES OF ORE

FROM THE HORNE SILVER PROPERTY

submitted by

UTICA MINES LIMITED

Progress Report No.2

(Informal)

Project No. B102

Date: June 27, 1966

Investigation by: John W. Britton, P. Eng.,

Consulting Metallurgist.

## **BRITTON RESEARCH LABORATORIES**

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#### BRITTON RESEARCH LABORATORIES 755 BEATTY STREET VANCOUVER 3, B.C.

JOHN W. BRITTON, A.R.S.M., B.SC., P.ENG.

June 27, 1966

Mr J. Black, Utica Mines Ltd., 904 - 510 West Hastings Street, Vancouver 2, B.C.

Dear Mr Black,

## Re: Concentration tests on Horne Silver ore

Following are the results of our latest test-work on composite sample "G" (for head assays and results of previous tests see Progress Report No.1, dated May 18, 1966).

## Test F3 Jigging, bulk sulphide flotation and cleaning

This test was carried out under conditions similar to those of test F2 but the grinding time was increased from 30 to 40 minutes. The ground ore contained 73% minus 200 mesh, as compared with 63% in test F2. Test conditions and results are shown in tables 2 and 3.

<u>Comments</u>: The gold recovered in jigging and rougher flotation increased from 93.1% in test F2 to 96.8% in test F3, but the silver recovery fell from 95.7% to 94.5%. After cleaning the flotation consentsate twice, the gold recovered by jigging and flotation was almost identical with that obtained in test F2 (90.3%) but the silver recovery (90.8%) was 1.5% lower than in the previous test. The higher loss of silver was probably due to increased sliming of the silver minerals. Finer grinding therefore does not appear to be advantageous.

# Test F4 Jigging, bulk sulphide flotation, cleaning and recleaning, followed by separation of galena and pyrite.

In this test, grinding, jigging and flotation were carried out as in test F2 but the recleaned concestrate was treated in order to depress the pyrite, with a view to reducing the weight of concentrate to be shipped and smelted and also to reduce the arsenic content of the silver-lead concentrate.

## Mr J. Black (cont,)

Test results and conditions are shown in tables 3 and 4.

<u>Comments</u>: Although three stages of reparation were carried out, almost one-third of the pyrite still remained in the silverlead concentrate. The final silver-lead concentrate assayed 1.24 os/ton gold, 635.2 os/ton silver. 12.38% lead, 12.59% sinc, 26.50% iron and 1.63% arsenic; the combined pyrite concentrates assayed 0.22 os/ton gold, 62.5 os/ton silver, 0.79% lead, 3.37% sinc, 33.74% iron and 2.69% arsenic. 13.4% of the total gold and 12.5% of the total silver passed into the pyrite concentrate, together with 10.8% of the lead and 29.6% of the sinc. This concentrate obviously could not be discarded, but it should be possible to recover most of its gold and silver content by cyanidation.

Mainly due to a higher head assay caused by the erratic distribution of free gold, the gold recovery in the recleaned bulk concentrate and jig concentrate was higher than in the previous test (94.6% as compared with 90.3% in test F2), using the same conditions. The silver recovery in the recleaned bulk concentrate and jig concentrate, 91.6%, was similar to that obtained in test F2 (92.3%). The lead and sinc recoveries were fairly similar (5% higher and 5% lower respectively). The results therefore essentially confirmed those of the earlier test.

#### Test Cl Cyanidation of test F2 tailing

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A sample of test F2 rougher tailing was cyanided for 24 hours at 40% solids with a 0.1% solution of sodium cyanide, using an open bottle on rollers. The pulp was filtered and the residue was ratreated under the same conditions with a fresh cyanide solution. The filtrates were assayed for gold and silver. Results are shown in table 5.

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- 2 -

## Mr J. Black (cont.)

## Cyanide and lime consumptions were as follows:

•	NaCN consumed	Cal consumed
	Lb/ton of tailing	Lb/ton of tailing
First cyanidation	0.41	2.38
Second cyanidation	0.03	1.44
Total	0.44	3.82

<u>Comments</u>: 40.9% of the gold present in the tailing was recovered in the first cyanidation and 9.1% in the second cyanidation, giving a final residue assaying 0.002 os/ton. 73.2% of the silver was recovered in the first cyanidation and 5.3% in the second, giving a final residue assaying only 0.30 os/ton. The overall gold and silver recoveries obtained by jigging, bulk rougher flotation and cyanidation of the tailing were 96.5% and 99.0% respectively. The value of the additional gold and silver recovered in the first 24 hours cyanidation was \$1.50 (Can.) per ten of tailing.

## Test C2 Jigging and cyanidation of ere

A 1000 grae sample of ore was greand to 63% minus 200 mesh and jigged. The jig tailing was cyanided for 72 hours at 40% solids with a 0.2% sodium cyanide solution,filtered, washed and recyanided for 18 hours with a 0.1% cyanide solution. The residue was dried and one-baif was ground to 90% minus 200 mash, 71% minus 325 mesh. This was cyanided for 18 hours at 40% solids with a 0.1% cyanide solution, filtered and washed. Metallurgical results are shown in table 6. Cyanide and lime cansumptions were as follows:

	NaCN consumed	CaO consumed
	Lb/ton of ore	Lb/ton of ore
First cyanidation	2.77	3.80
Second cyanidation	0.17	1.05
Third eyenidation	0.60	3.13
Total	3.74	7.98

## <u>Mr J. Black</u> (cont.)

Comments: 38.3% of the gold was recovered in jigging and 50.5% in the first cyanidation, with only 0.6% in the second cyanidation. Regrinding released a further 3.2% of the gold, giving an overall recovery of 92.6%. 27.6% of the silver was recovered in the jigging operation, 64.9% in the first cyanidation, 1.1% in the second and 1.7% in the third cyanidation, giving an overall recovery of 95.3%. The overall gold and silver recoveries were similar to those obtained by jigging and rougher flotation in test F2; jigging and a single cyanidation stage gave results similar to those obtained in the jig concentrate and recleaned flotation concentrate of test F2. The possibility of treating the ore by cyanidation instead of flotation should therefore be considered. It should be pointed out that, if part of the eilver is present in a mineral such as galena and is not recoverable by cyanidation, any increase in the lead content of the ore is likely to be accompanied by a reduction in the silver recovered by eyaniding. To overceee this, it would be necessary to install a flotation plant in order to remove the silver-bearing lead minerals before, or possibly after, cyanidation.

In addition to gold and silver, the cyanidation solution contained small amounts of copper and arsenic, both of which are undesirable.

Yours very truly,

BRITTON RESEARCH LABORATORIES

Jaha Briten, P.S.g.

John W. Britton, P.Eng. Consulting Metallurgist

Enclosures (6) Copies to: Chapman, Wood and Griswold Mr E. H. Bronson

Utica "G" - Test F3 results. Table 1. assays Distribution Units ag Weight an Product ag an ag an oz/ton oz/ton 2230.3 17:3 Jig concentrate 1.506 26.7 0.20 7.53 4461 1 Recleaner concentrate 6.90 3.588 63.7 0.52 19030 73.5 2 275.8 Recleance tailing 0.05 0.015 3 0.30 35,0 10.5 0.3 0.4 0.347 4 cleaner tailing. 2.89 0.12 28.9 83.5 6.1. 3.3 3.05 89.71 Slime\* 5 0.002 3.2 5.5 0.179 143.5 1.6 86.66 Rougher tailing 6 Head (calculated) 2586.6 100.00 0.056 25.9 5.635 7 100.0 100.0 0.045 27.1 7 Head (direct assays) \* From thickening of fig tailing . cumulative results: 446.1 2230.3 1.506 26.7 fig concentrate 7.53 17.3 0.20 1 lig + recleance concs. 5.094 2349.1 90.4 90.8 330.9 1+2 7.10 0.72 Jig + cleaner concs. 5.109 2359.6 90.7 91.2 318.9 Ite3 0.69 7.40 5.456 96.8 94.5 fig + rougher concs 237.4 2443.1 0.53 144 10.29

Utica "G" - Tut F3 flotation conditions. Table 2 STAGE Total 4 6 3 5 Reagent 2 C4 Say. 5H20 0.7 0.5 -0.2 Vaz S (60/62 %) 0.2 0.2 (x 5/ (a) 0.30 0.05 0.03 0.38 herofloat 25 0.096 0.096 ----0.018 0.018 0.009 Pine oil 0.045 0.015 0.015 M. I. B.C. Pulp volume - Ml (2) 2600 1200 4800 4800 65 , solids 33 33 -5 18 6 6 Time - Minutes 40 7.6 7.7 7.6 Femperature - °C 22 20 19 Notes: (1) Potassium amyl xanthate (2) Per 2000 grams of original ore. 1. grinding (73% - 200 mesh) Stages : 2. figging \* 3. conditioning 4. Roughes flotation. 5, Cleaning . 6. Reclaning. Jig tailing thickened. Thickener overflow flocculated and filtered (slime). Underflow floated.

Utica "G" - Test F4 results.

# Table 3

				Ase	and				4	mits,		e.	Dis	trib	ntio	m 2	
•	Product	Weight % 0.10 2.33	oz/ton	ozton	%	%	%			-			1.000				
		7.	an	ag	P6 #	.In	Fe	au	Qq 419.8 1480.0	Plo	Zn	Fe	an	ag	P6	Zn	ļ
	fig concentrate	0.10	35.42	4190.8	2.00	1.00		3.54	419.8	0.20	0.10		44.7	17.5	0.6	0.2	
	P6 concentrate	2.33	1.24	635.2	12.38	12.59	26.50	2.89	1480.0	28.85	29.33	61.75	36,5	61.8	82.0	53.7	ļ
	3th Ayrite concentrate	2.17														PT St.	
	2nd w II	2.24 4.80	0.22	62.5	0.79	3,37	33.74	1.06	300.0	3.79	16.18	161.95	13.4	12.5	10.8	29.6	,
	1st	0.39)															
	Recleances tailing	0.26 3.39	0.02	275	042	0 54		007	022	146	182		00	3.9	41	24	i
	Cleaner tailing.	3.13	0.02	41.0	0,15	0,01	1.95	0.01	93.2	1.10	1.00		0.7	3.7	7./	5.7	
				1.16	0.01	0.08		0.36	103.7	0.89	7.15		4.5	4.3	2.5	13.1	1
	Roughes tailing.	89.38		the second se								Aug. A Same and					1
	Head (calculated)	89.38				0.55		7.92	2396.7	35.19	54.59		100.0	100,0	100.0	100.	6
		100.00	0.079 0.045	24.0	0.35	and the second se	6.36	2				636.00	1				4
	Head (calculated) * (direct assays) * Accumed - not enough s	100.00	0.079 0.045	24.0	0.35	and the second se	6.36	2				in in the second	1				
	Head (calculated) " (direct assays)	100.00	0.079 0.045	24.0	0.35	and the second se	6.36	2	2396.7			in in the second	1				A
	Head (calculated) " (direct assays) * Assumed - not enough s <u>Cumulative results</u> : Jig concentrate	100.00	0.079 0.045	24.0	0,35	0.62	6.36 Q.a	ldition		says:	°6 com	in in the second	te 1.6 rate 2		Qs. 4 Qs.		
2	Head (calculated) * (direct assays) * Assumed - not enough s <u>Cumulative results:</u> Jig concentrate Jig + Pls reeleance concs.	100.00 lample fo 0.10 2.43	0.079 0.045 2 est 35.42 2.65	24.0 27.1 say . 4/1908 7818	0,35 0,38 2,0e 11.95	0.62 1.00 12.11	6.36 Q.a	3.54 6.43	419.8 1899.8	says: 1 1,20 29,05	0. 10 29.43	meent	te 1.6 rate 2 44.7 81.2	3% .69% 17.5 79.3	as. 6 as. 0.6 82,6	0.2 53.9	- 9
2	Head (calculated) " (direct assays) * Assumed - not enough s <u>Cumulative results</u> : Jig concentrate	100.00 Iample fo 0.10	0.079 0.045 2 est 35.42 2.65	24.0 27.1	0,35 0,38 2,0e 11.95	0.62 1.00 12.11	6.36 Q.a	3.54 6.43	nal ar 419.8	says: 1 1,20 29,05	0. 10 29.43	meent	te 1.6 rate 2 44.7 81.2	3% .69% 17.5	as. 6 as. 0.6 82,6	0.2 53.9	2 9
2 5 7	Head (calculated) * (direct assays) * Assumed - not enough s <u>Cumulative results:</u> Jig concentrate Jig + Pls reeleance concs.	100.00 lample fo 0.10 2.43	0.079 0.045 - all 35.42 2.65 1.04	24.0 27.1 say . 4/1908 7818	0.35 0.38 2.0e 11.95 4.54	0.62 1.00 12.11 6,31	6.36 Q.a	3.54 6.43 7.49	419.8 1899.8	says: 1 0,20 29,05 32.84	0. 10 29.43 4561	ment	te 1.6 rate 2 44.7 81.2 94.6	3% .69% 17.5 79.3	Qs. 6 Qs. 9.6 93.4	0.2 53. 83.	2 9 5

Utica "G" - Test F4 conditions.

Table 4

1										
	2	3	4	5	6	7	8	9	10	Total
-	-	-	-	-	-	1.0	-	0.8		2.4
-	-	0.5	0.2	-	-	-	-	-		0.7
	·	-	-	-	-		-	0.01	0.02	0.03
-		-	0.2		-	(-	-	-	-	0.2
-	-	-	0.30	0.05	0.03	-	0.005	-	-	0.45
-	-	-	0.096	- '	-	-	-	-	-	0.096
	Place Party and the second sec									0.045
-	-	-	0.015	-	-	-	0.004	-	0.002	0.021
	_	4800	4800	2600	1200	1200	1200	1200	1200	_
65	<u> </u>	33	33							_
30		5	18	6	6	5	5	3	3	-
_		_	7.7	7.9	7.9	10.8	10.9	11.1	11.3	-
	-	-						the second s		
			- $ 0.5   -  -  -  -  -  -  -  -  -  -   -   -    -    -    -     -         -$	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$				

(2) Per 2000 grams of original ore.

Stages: 1. Grinding (63 % - 200 mesh) 2. Jigging 3. Bulk conditioning. 4. Bulk rougher flotation. 5. Bulk cleaning. 6. Bulk recleaning. 7. Pb conditioning. 8. Pb rougher flotation (Tailing = 1st Pyrite cone.) 9. Pb cleaning (Tailing = 2nd Pyrite cone.) 10. Pb recleaning. (Tailing = 3nd Pyrite cone.)

\* fig tailing thickened before flotation (only trace of stime in overflow)

Utica "6" - Test CI. Cyanidation of test F2 tailing.

1. ....

Table 5

		Cyan.	an	ay	Tota	1 mg	BZ/t		Diet	ribut	ion %	•
#	Product	period. hours.	an	ag	a	an	tai	ag	Based on	a tailing	Based on au	ag
1	1st Comen liftrate	24	02/ton		-	7	au 0.0016	1.03	40.9	73.2	2.8	3.
2	1st Cyan. filtrate	24					0.0004			5.3		0.
			0.002	0.30				1		21.5		1.0
4	Residue (480.49) Head (480.09)	-			1				100.0			4.
	and the contract of the second					in a second de la compañía de la com	in the second					1
		and a set of the set o		ale al faite a f			Star II.			1.1.1.1.1.1	•	1997 - 1999 • 1997 - 1999 • 1997 - 1999
2	Compiand Viltrates	48			10033	18.10	0002	1.10	500	78.5	3.4	3
2	Combined filtrates	48	-	_	0.033	18.10	0.002	1.10	50.0	78.5	3.4	3.
2	Combined filtrates	48		—	0.033	18.10	0.002	1.10	50,0	78.5	3.4	3.
	· ····································	48	<u> </u>		0.033	18.10	0.002	1.10	50.0	78.5	3.4	3.
	Combined filtrates	48	•			7. / E.J.						3.
		48				7. / E.J.				78.5		3.
•		48			1	· · · · · · · · · · · · · · · · · · ·						3.
•••••		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						
		48			1	· · · · · · · · · · · · · · · · · · ·						3.
		48			1	· · · · · · · · · · · · · · · · · · ·						· · · · · · · · · · · · · · · · · · ·

Utica 6° - Test C 2 results (figging and cyamidation) Table 6 amount alsays an ag 2.00 g 10.52 02/ton 3670,202/ton Total mg Cyan period Distribution % Product an ag ag an Jig concentrate 1st cyan, filtrate 2nd " 0.72 251.67 38.3 27.6 581.75 72 0.95 50.5 64.9 18 0.01 9.90 0.6 1.1 0.06 15.39 18 3.2 1.7 990.69 0.00402/ton 1.2302/ton 1000.09 0.05502/ton 26.302/ton Final residue 42.34 5 4.7 0.14 7.4 ----Head (calculated) 1.88 901.05 100.0 00.0 Alsays of first cyanidation filtrate (before dilution): au 0.63 mg/liter; ag 387.8 mg/liter; Cu 98 mg/liter; as 17 mg/liter. cumulative results: 10.5202/ton 3670.202/ton 251.67 38.3 27.6 ! Jig concentrate 2.00 0.72 1+2 Jig conc. + 1st filterate 833.42 88.8 92.5 1.67 72 1 to 3 fig conc. + 1st 2nd filtrates 843.32 89.4 93.6 90 -1.68 ------858.71 92.6 108 95.3 1.74 tothing conc. +1"+2" +3" filterty Residue from 2nd Cyanidation reground, before 3rd Cyanidation, 90% - 200 mesh, 71% - 325 mesh.

