

672595

R. H. STEWART
MINING ENGINEER
1318 MARINE BUILDING
VANCOUVER, B. C.

February 19th, 1940.

S. J. CROCKER, President,
SALLY MINES LIMITED,
Vancouver, B. C.

Dear Mr. Crocker:

Last summer an arrangement was made with Beaverdell Wellington Syndicate whereby the Sally Company arranged to use Wellington workings as a means of access to the Wellington vein where it leaves the Wellington and enters Sally property below the old workings of the Sally.

The arrangement involved paying Beaverdell Wellington a royalty on ore extracted through their workings. On examination of the workings at the boundary line between the two properties it was found that a fault followed down very close to the boundary line. Some ore was taken out from the old workings above, in the Sally, and it was then decided to start a crosscut through the fault to attempt to pick the ore up on the other side of it.

This was done on the lowest level of the Wellington, which is about 250 feet below the old Sally workings. The vein was picked up and has been drifted on for about 120 feet, and enough ore has now been shipped to pay for the work done.

There is still ore in the stope above the drift but it is not known yet how far upward it will extend.

The idea behind this work was to endeavour to develop the vein far enough ahead, to see whether there would be justification in sinking the Sally shaft and making direct connection from the shaft to these lower workings; the present method costing too much for the extraction of the ore, and making it impossible to do anything more than pay expenses.

The ore shipped has been of good grade, about 160 oz. silver, and the vein shows considerable strength. About seven or eight men have been employed but progress is slow owing to the fact that development has to wait on production. It is hoped, however, that within the next two or three months sufficient information will be gained to warrant an opinion as to whether it would be advisable to finance sinking the shaft, and an economical method of mining.

In a general way the outlook is promising.

Yours very truly,

R. H. STEWART,
Consulting Engineer.