

Jan 16/80

Notes on Queen maps.

Roll 11 - Sheep Creek Camp Profile at N40°E 1"-300' Map No 2
 is a profile of all veins with production figures. No date
 Shows No 7 Queen level 1300' longer (south) than No 9 level
 least crest of "anticline in Nugget Qtzite" at elevations
 3680 on 92 Vein, 3480 on 81 Vein, 3400 on 76 Vein, 3200 on 68 Vein
 and 3030 on 57 Vein - on this slope 46? (44) Vein on
 7 level is above crest of Nugget Qtzite.

Diamond Drill Hole # 58 extends 400' south of 44 Vein
 See also DDH #54 + 55.

Plan 1"-300' shows 46 Vein approx on strike
 of One Hill Mine but about 100-200' north.

One Hill Mine adit indicated at elev 4922?

7 Cut ~~5~~ 2 Cut at elev ~~3025~~ 2840 from Section

05/10

VEIN	BLOCKS	CHECK ON SECT.
57	not included 7-5 level 2790 @ .347	Narrow high grade in back of slope to east Partly stoped Jan - May 1950
	9-7 level 5740 @ .334	Lightly penciled subdrift to May 15/50. Minor stoping.
64	9-7 level 4140 @ .309	16% stoped Jan - May/50 No dev on 5 level.
68	9-7 level 1187 @ .358	No dev on 9 level, Fault close
	7-5 level 1817 @ .295	10% stoped Jan - Apr 1/50
	1225 @ .219	Partially subdrifted below, Split on both sides fault.
	5-4 level 1350 @ .266	? Does not reach 4 level
	960 @ .334	? Below 4 level - needs subdrift
Mirror Projection	Assay Plan 4, 5, 7, levels 1000 @ .206	Floes below, back down above
68 vein Fault in different position	1900 @ .200	Below 4 level. No info on 5 level
	4-2 level 700 @ .334	Above 960 @ .334
75	6-5 level 167 @ .309	Small low triangle at end of slope
	Below 4 level 1500 @ .300	Apparent sub-drift, No develop on 2 level
7 level Below 4 level	750 —	To low grade should improve on way up to 6 level
	9 level —	Small slope would be seen looking at
		<u>No development 4 level + above</u>

Vein	Block	Tons	Grade	Check or Sects.
76	6 to 5 level	1250	1207	Two separate blocks allow stops on 5 level Two 11 drifts on 5 level, no level on 4 only one drift on 2. Missed vein 7.? Block is above + below 2 level west of fault.
	2 level	670 @	.303	
81 VEIN	Below 9 level	5410 @	.367	Below level - no lower develop. 365' - 3.08' @ 0.495 oz, Wenzel + sublevel July - Aug 1950 Could be conveniently drilled from X-Cut
	9-7 level	1094 @	.230	
	9-7 level	1094 @	.230	Above + below 7 level on E side fault
		2328	.305	81 vein west below 7 level No level on 9 level much west of fault.
	7-6 level	731	0.200	Below 6 level in fault zone Zone to west of raise should be looked at
	6-5	No reserves indicated		
	5-4 level	1635	0.250	on west side raise little stop Feb/50
		750	0.465	Below 4 level to east 5 level might be extending east
	4-2 level	523	0.287	Above 4 level + below E end 2 level (2 level not on 100 se Composite?)
		5645	0.245	Minor stoping 2 May/50

Level	Block	Top Grade	Check on Sections
83			Development on zone down to 9 level
	7-5 level	950 0.438	Below 5 level. No ^{ore} evident develop on 7 level
	5-4	600 0.286	Below sub level
		226 .700	Pillar below 4 level
	4-2	1400 .331	End of slope
	2 level	1163 .213	Continuation of slope. Dotted line suggests may be partly stoped.
85	9-7 level	1571 .220	below 7 level
	7-5 level	4070 .286	Continuation of slope 30% stoped in 1950 Going vertically - may be 2 separate zones.
	4-2 level	500 .338	Below 2 level. Going vertically may be 2 separate zones.

Vein	Block	Tons	Grade	Check on Section
92	9-7 level	4488	.252	40% Stopped to May 1/50
		1000	.167	low grade upward extension of previous block.
9-7	No level.			What happens to west section of vein (160' 3.96' @ .244 oz) below 792-90 slope
7-6				What happens to vein above 7 level + below 692-60 slope + 792-80 area
6-5	1250	.371		Below 5 level - what happened on 7 level below this + above 892-30 slope where 140' 0.83' @ .52 in slope back
	1250	.371		above 5 level - partly stopped in March - April 1/50
4-3 level	945	.197		No info - low grade
3-2	981	.261		Partly stopped Feb/50

Top of stopes are about 100' from surface.

5.38

2094000
 1047000
 3,141,000

COST / VALUE COMPARISON

① SOURCE TABLE OF PRODUCTION FIGURES Page 11 FR Thompson Report.

VEN	TONS MINED	COST AT \$100/TON	AV GRADE	VEIN DEVELOPMENT FEET	COST AT \$150/1'	TOTAL COST	TOTAL OZ PRODUCED	VALUE AT \$300/oz
Jellison	-	-		500	\$75,000	\$75,000	-	-
Queen	117,305	\$1,173,050		7,700	\$1,155,000	\$12,885,500	34,137	10,241,100
	234,500	23,450,000	0.41	7,700?	1,155,000	24,605,000	93,725	28,117,500 ✓
92	180,500	18,050,000	0.47	5,400	810,000	18,860,000	85,100	25,530,000 ✓
85	6,000	600,000	0.25	1,700	255,000	855,000	1,500	450,000
83	56,000	5,600,000	0.34	3,000	450,000	6,050,000	19,200	5,760,000
81	167,500	16,750,000	0.47	5,800	870,000	17,620,000	78,500	23,550,000 ✓
76	6,500	650,000	0.25	1,050	157,500	807,500	1,600	480,000
75	30,500	3,050,000	0.42	2,500	375,000	3,425,000	12,800	3,840,000 ✓
68	16,000	1,600,000	0.34	2,300	345,000	1,945,000	5,400	1,620,000
64	2,000	200,000	0.35	750	112,500	237,500	700	210,000
57	15,500	1,550,000	0.34	1,490	213,500	1,763,500	5,200	1,560,000
44	NIL	-		150	22,500	22,500	-	-
Total	715,000	\$7,150,000		31,840	\$4,776,000	\$76,276,000	303,725	\$9,117,500

X Cutting 20,940 3,141,000 79,417,000 \$9,117,500

Indicates 0.40 oz coverage grade required

Open Profit \$11,700,500

Check
Cost / Value Comparison

W.H. Matthews Bull 31 BC DM

1936 Exploration Development South of Queen Vein based on
Surface traces of veins in NE faults

Vein (92 vein?) found 800' South of Queen
Tonnes Mining Cost x Cut + Drift Cost OZs Value
128000t 12,800,000 70400 21,120,000

Gold Belt 1850 x Cut (8000 Vein)

Tonnes	Mining Cost	Drift + Cut	Cost at 1000/ton	TOTAL OZs	Value at 300	Loss
59500	\$5,950,000	6000'	\$90,000	6,850,000 / 17000	\$5,100,000	1,750,000

If we accept FR Thompson assumption of 5000' favourable structure
south of Queen workings contains 10 vein structures: -

(A) If ore equivalent to 10 veins from 92 vein to 44 vein ^{inclusive} are found
then development + mining costs approximate \$53,000,000 @ 80500t
Production of 210000 oz for total value of \$63,000,000 Grade 0.437
but if

(B) If ore equivalent to 4800 feet between Gold Belt 3900 and 6600 veins
develop 260000 tons @ 0.31 oz then
Develop + mining costs approximate \$31,000,000
Production of 80,600 oz for total value of \$24,180,000

(C) However last six veins opened in Queen workings (76-44 etc.) gave

Tons	Cost at 100	Dev Cost	Total Cost	OZs Prod	Value	
70,500 tons	\$7,050,000	7700	1,161,000	8,211,000	25,700	\$7,710,000

Not including x Cut develop cost

Sheep Creek Camp

~~List of Veins in Sheep Creek Camp~~ which produced
 > 50,000 ounces gold. 50,000 oz @ \$300 = \$15,000,000 gross

<u>Sheep Creek Gold Mines</u> Queen Mine	VEIN	TONS	OUNCES	GRADE
	QUEEN	234,500	93,725	0.40
	92	180,500	86,275	0.48
	81	167,500	80,700	0.48

<u>RENO GOLD MINES</u>	RENO	TONS	OUNCES	GRADE
	RENO	261,500	146,725	0.56
	Mothulode	108,000	51,475	0.48

<u>KOOTENAY BELLE</u> <u>GOLD MINES LTD</u>	A	TONS	OUNCES	GRADE
	A	204,000	84,300	0.41

~~Veins in Sheep Creek Camp~~ which produced > 20,000 ounces Au
 to 50,000 ounces Au

Sheep Creek Gold Mines None

<u>RENO GOLD MINES</u>	Nugget	TONS	OUNCES	GRADE
	Nugget	57,500	32,250	0.56

VEINS which produced ~~producing~~ 10,000 to 20,000 ounces gold.

<u>Sheep Creek</u>		TONS	OUNCES	GRADE
	83	56,000 19,850	19,850	0.35
	75	30,500	12,725	0.42

<u>RENO</u>		TONS	OUNCES	GRADE
	Black	45,000	15,475	0.34

<u>Gold Belt</u>		TONS	OUNCES	GRADE
	3500	47,000	18,625	0.40
	8000	59,500	17,075	0.29
	2360	47,000	11,900	0.25
	Dixie 6600	33,500	11,725	0.35
	8200 Columbia	41,000	10,050	0.25

Jan 9/80

Fraser Guatemala re minimum economic size.

150 ton/day \times 300 days = 45,000 tons

50,000 ton reserve at .6703 - to be custom milled

Kristin Ross

Jan 9/80

Based on long tram etc. exploration development heading including support would be in order of \$250/ft

Mining cost on 4' vein would be

120-125/ton minimum and possibly \$150 with shaft + long tram.

Cost of development heading would come down during mining as overhead is spread out.