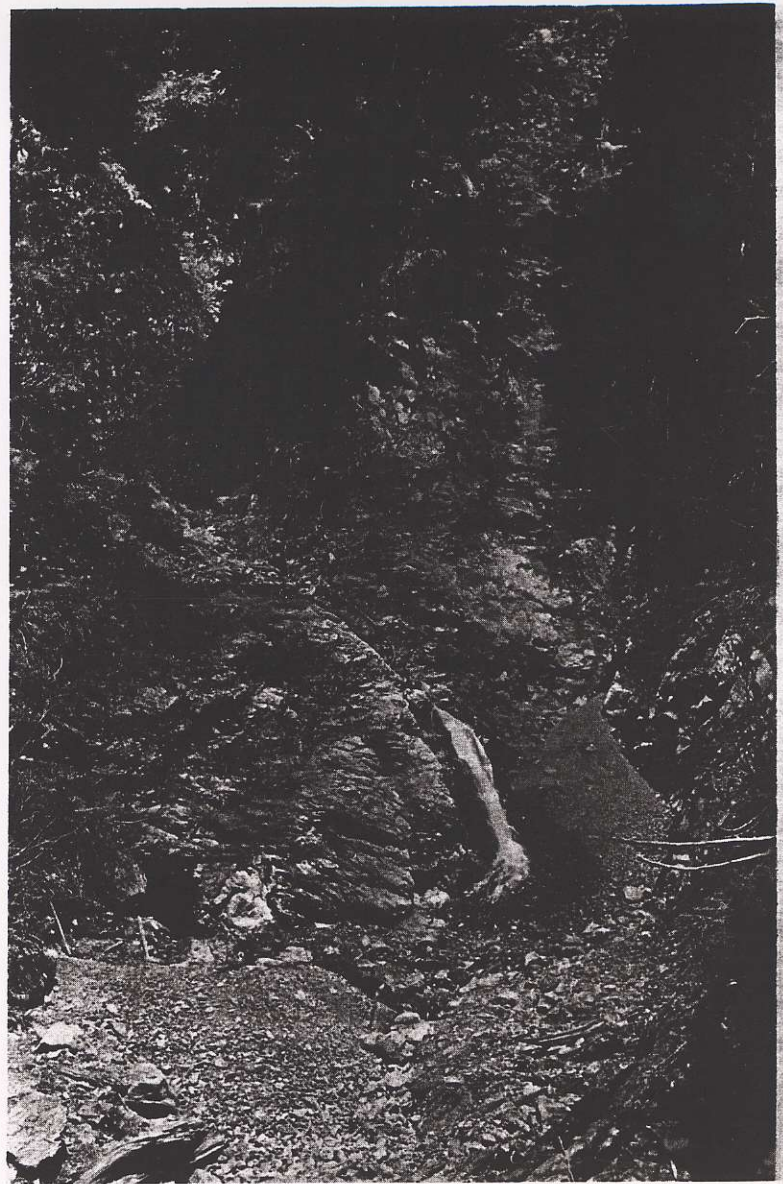


ZINC MINE ON BURRARD INLET



The photograph at right is typical of the exposure of very high-grade zinc ore, on the steep hillside of the Kemptville Extension claim, which was staked under the old law granting extrilaterial rights.

EARLY production from the Lynn Creek zinc property is planned by Alscope Consolidated Ltd. Situated on Crown Mountain, seven miles above the town of Lynn Creek, parts of the property are within sight of the City of Vancouver, across Burrard Inlet. The high-grade zinc deposits are well known and have been subjected to various degrees of exploration by a number of groups and individuals periodically ever since the staking of the original claims was recorded in 1886. Some of the most widely-known geologists in Canada and the United States have reported on the occurrences and several have recommended development.

It is Alscope's plan to equip the mine for production and provide transportation facilities by road or tramline, or both, to a concentrator with minimum starting capacity of 200 tons daily to be erected at a favourable site in the valley, well below the mine and the watershed area.

The decision to proceed to produc-

tion was made by directors following receipt of a feasibility study by Chapman, Wood and Griswold Ltd., consulting engineer of North Vancouver. This firm reviewed the earlier reports of H. G. A. Lee, 1911; Newton E. Emmens, 1912; John D. Galloway, 1914; Paul Billingsley (two), 1919 and 1929; Charles C. Starr, 1926; Ore Dressing and Metallurgical Laboratories, Ottawa, 1942; and H. C. B. Leitch, 1962; and made physical examinations of the property both before and after submission of its report dated August 24, 1963.

In their valuation of the potential of the Lynn Creek zinc deposits, Chapman, Wood and Griswold Ltd. concludes:

"An economic analysis of a hypothetical target orebody was made using a derivative of Hoskold's formula for 10% risk and 3% safe-interest rates.

"Basic assumptions were derived from the conclusions of Billingsley that certain areas of the Upper and

Lower showings can be mined at an average grade of 20% Zn. By projecting approximate dimensions of the principal mineralized zones to a depth equivalent to 2/3 their indicated strike length, it is inferred that minimum reserves of 300,000 tons may be available for extraction by normal underground methods.

"The remaining assumptions are:

- A. Average mining width will be 10 feet.
- B. Extractive rate of 200 tons per day can be maintained from a series of adit levels.
- C. Simple hydrometallurgical beneficiation will recover 90% of contained Zn. as a 53% Zn. concentrate.
- D. Net realization per lb. for Zn. contained in concentrate will be \$0.055 Canadian.
- E. Arrangements can be made with the North Vancouver Water District for access to the properties for exploration, development, and production purposes.

"On a present-value basis, as determined in the economic analysis, the indicated investment is reasonably attractive. Total capital requirement of

"Summary of estimated cost requirements are as follows:

A. Pre-production	
preliminary programme \$10,000
initial exploration 90,000
underground development 200,000
road construction 50,000
	<u>\$350,000</u>
B. Plant	
mine\$150,000
mill 200,000
	<u>\$350,000</u>
C. Working Capital	
6 mos. by 5000 T by \$16\$500,000
(\$1 per ton above est. avg. cost)	

\$1,200,000 should be returned shortly after the end of the 4th operating year. No taxable profits are indicated unless ore reserves and/or grade should be increased.

"There is a possibility that accessory values in silver, lead, and cadmium may add significant amounts to the average value per ton of ore. There is only sketchy information available on the occurrence of these metals in the Lynn Creek zinc ores. Occasional silver and lead assays were noted and the presence of cadmium is suspected in a hand specimen. The latter metal is currently of particular importance."

Any attempt at earlier development and production has been obstructed through the location of the orebodies within the boundaries of the North

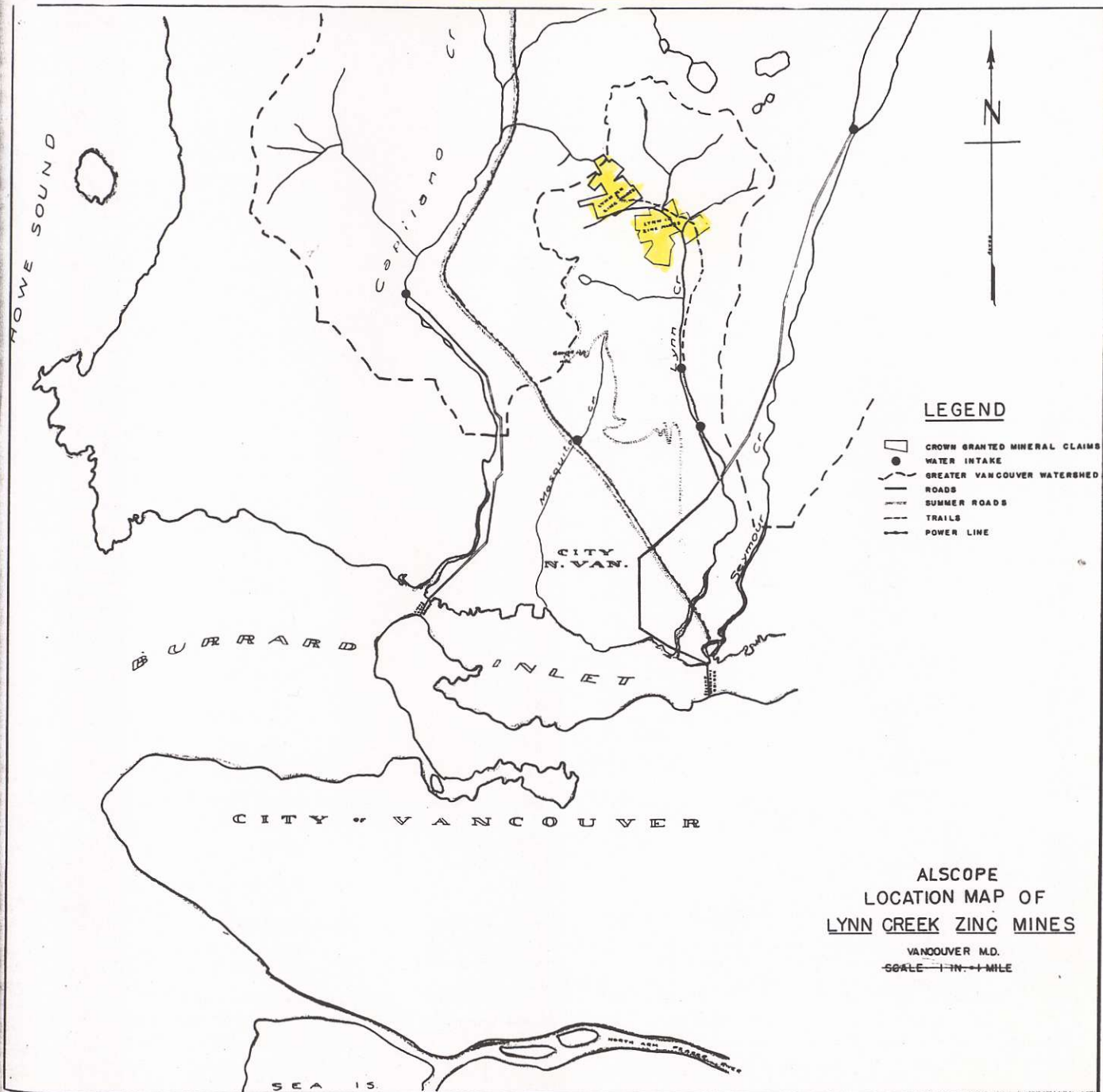
Vancouver Water District. V. M. Prescott, secretary-treasurer and managing director of Alscope, is confident there will be no further objection to a properly-conducted mining operation within the watershed area.

Geology

The geology of the Lynn Creek area is described by Paul Billingsley as follows:

"The general mass of the mountains north of Burrard Inlet is composed of the Coast Range granodiorite. Many fragments of sedimentary capping remain, however, notably the 'Britannia Belt'.

"Crown Mountain consists of such a sedimentary belt remaining within the granite mass. The rocks are pre-



dominately limestones, a thick-bedded underlying a thin-bedded series. Their strike is north to northeast, and they dip to the west and northwest. The southern limit of the belt is the west fork of Lynn Creek; the western is Zinc Canyon. To the northeast the sediments extend at least as far as Seymour Creek, where a number of prospects have developed magnetite outcrops on the belt.

"In the area covered by the claims of the Lynn Creek Zinc Mines, Ltd., the limestones show extreme contact metamorphism. The most frequent phase is an impregnation with epidote, which follows the complex fracture systems of the shattered belt. Garnet is the next contact mineral in abundance, followed by chlorite, sericite, and tremolite. There has been very little silicification.

"The orebodies, which consist in the main of clean sphalerite ('resin jack'), with small amounts locally of pyrrhotite, chalcopyrite, and galena, are closely associated with the contact-metamorphic areas. The sphalerite and epidote are in particularly close contiguity. Like so many contact-metamorphic deposits, these are localized along bedding planes and fissures, and the largest lenses are found where the fissure zones intersect the strata most susceptible to mineralization. Such a favourable stratum follows the lower course of Zinc Canyon, and extends northward on to the ridge between this and Fleming Canyon. The chief fissure zones have a northwest strike. One important zone intersects the above-mentioned bed of limestone near the west-end line of the Kemptville Extension claim; a second zone follows the general line of Fleming

Canyon; a third zone, of northeast strike, can be seen between these two, near the north end of the Evening Star claim. The latter zone at this point traverses a belt of mineralized limestone which may be identical with that in Zinc Canyon."

Mining Facilities

Under the above heading, Newton W. Emmens, consulting mining engineer, states:

"The several properties are excellently situated for the economic mining of their ores, covering as they do the sides of a steep mountain, enabling the orebodies to be mined by means of crosscuts and drives at a minimum cost, thus avoiding expensive shaft sinking and the hoisting of water and rock. There is ample timber on the ground for all purposes, and water can be secured in abundance. A railroad can be built up Lynn Creek and its West Fork to the foot of the mountain on which the properties are situated and the product of the mines brought to tidewater at North Vancouver, at a minimum cost.

"The close proximity of the property to the City of Vancouver enables all supplies to be bought at lowest market quotations and with proper transportation facilities from North Vancouver can be laid down on the ground at small expense."

In the Conclusion of his report of August 5, 1912, Mr. Emmens stated:

"From the foregoing it will be seen that there are four known ore deposits having a general northwesterly strike, two of which occur on the Kemptville Extension and Evening Star claims, and one each on the Morning Star and Fleming claims, the latter being

the galena. From the exploration work already done, a large amount of high-grade zinc ore has been opened up and the work now being carried on will, it is believed, prove the existence of the ore both along the strike of the deposit and in depth, in quantities sufficient to warrant the erection of a milling and reduction plant for its treatment, at a handsome profit.

"It is the opinion of the writer that in the claims spoken of in this report there is the making of a very large, paying mine, which, having regard to its close proximity of the City of Vancouver, should result in making its operation one of the most profitable enterprises in the Province of British Columbia."

Since receipt of the economic report in August 1963, discovery of two new surface exposures has been made on the Kemptville Extension claim as a result of stripping and open-cutting. Both are indicative of a very high grade lead and zinc deposition, having assayed respectively: 30.73% zinc and 35.955% lead with 4.20 oz. silver and 0.02 oz. gold per ton, and 30.20% zinc and 1.07% lead with 1.40 oz. silver and trace of gold. On October 15, 1963, the company's consulting engineer reported a weighted average of 17.72% zinc, 0.12% cadmium, and 0.41% copper with 0.06 oz. silver per ton in a freshly-blasted face exposing sphalerite mineralization across a true width of 25 feet.

It is interesting to note the Crown-granted Kemptville Extension claim was recorded under the old law granting extrilateral or "apex" rights.

Alscope Consolidated Ltd. is in a favourable financial position to proceed with production plans at the Lynn Creek zinc property. As of the September 30, 1963, the company had working capital of approximately \$235,000. Of the authorized capital of 10,000,000 shares of no par value, 5,799,988 shares were unissued and therefore available for major financing, which is estimated at \$700,000 for equipping the property with full mining and milling plants and transportation facilities, plus \$500,000 for initial working capital.

The company is incorporated in the Province of Alberta. Executive office is 549 Howe Street, Vancouver 1, B.C. Directors are: Nicholas Martini, Passaic, N.J., president; V. M. Prescott, Vancouver, B.C., secretary-treasurer and managing director; and Charles Trombetta, Jr., Paterson, N.J. Alscope shares are listed for trading on the Canadian Stock Exchange. Transfer agent is the Prudential Trust Co. Ltd. at Edmonton, Montreal, and Vancouver.



A clear-cut exposure of high-grade zinc ore on the Evening Star claim. Continuity could not be traced under the heavy overburden but similar exposures on strike in the Kemptville Extension claim are believed to be a part of the occurrence.