

E & B E X P L O R A T I O N S I N C .
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“Making it all possible.”

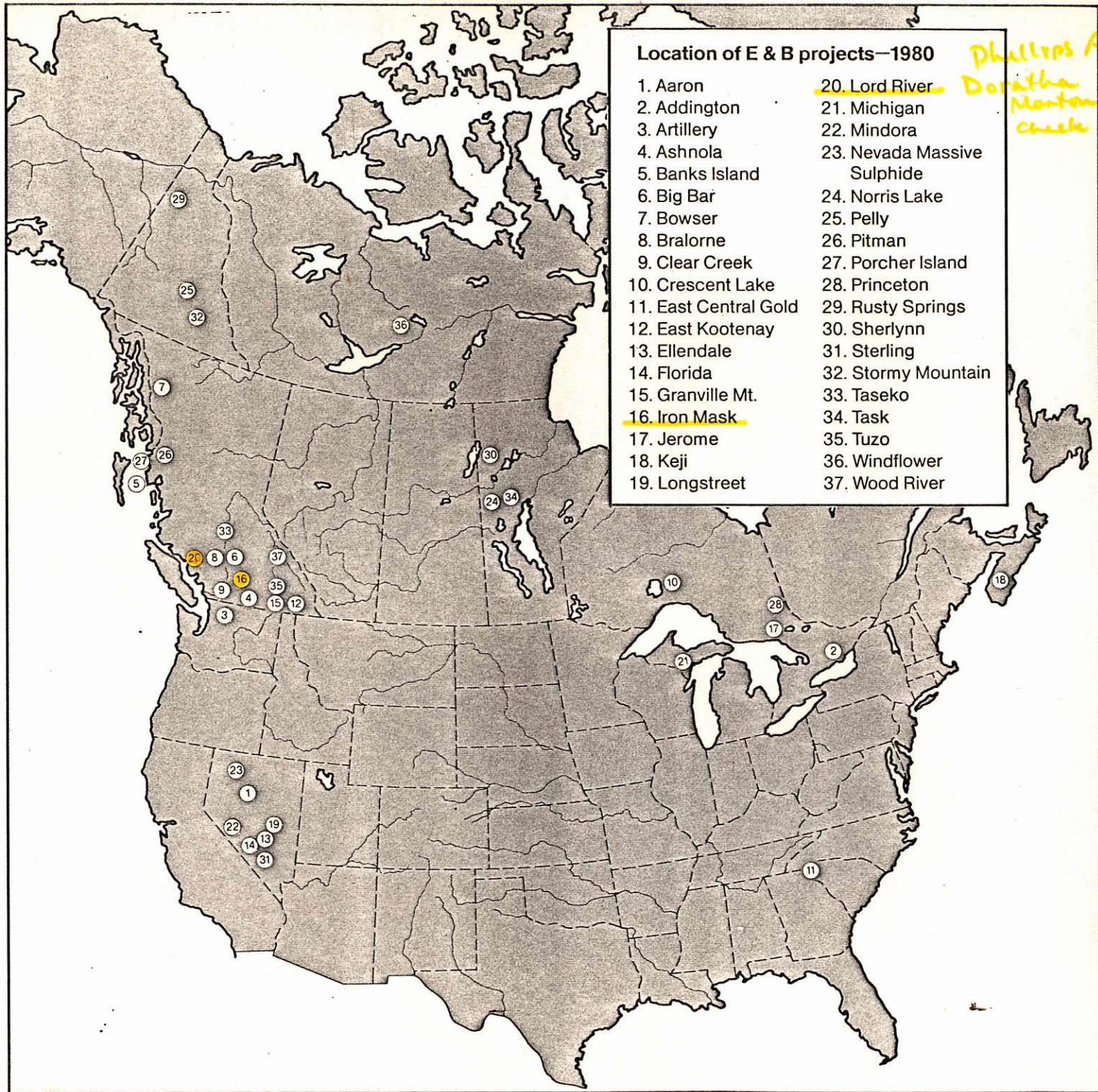


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SELECTED LISTING OF 1980 PROJECTS

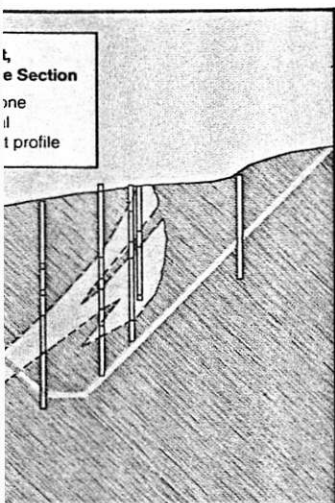
Project	Location	1980 E & B Expenditures \$ Can.	Venture Partner	Operator
AARON	Lander County, Nevada	\$ 416,300.00	Aaron Mining Ltd. (N.P.L.)	E & B
ADDINGTON	Lennox and Addington County, Ontario	57,600.00	Cominco Ltd.	E & B
ARTILLERY	Chelan County, Washington	140,200.00	Artillery Resources Ltd.	E & B
BRALORNE	Lillooet Mining Division, British Columbia	1,415,800.00	Bralorne Resources Limited	E & B
ELLENDALE	Nye County, Nevada	98,700.00	Keramamex, Inc.	Keramamex
IRON MASK	Kamloops Mining Division, British Columbia	704,600.00	Cominco Ltd.	Cominco
LONGSTREET	Nye County, Nevada	141,900.00	Keramamex, Inc.	Keramamex
LORD RIVER	Clinton Mining Division, British Columbia	765,500.00	Lord River Gold Mines Ltd. (N.P.L.)	Lord River
MINDORA	Mineral County, Nevada	244,300.00	Hawthorne Gold Corporation	E & B
NORRIS LAKE	Pas Mining District, Manitoba	230,800.00	Bar Resources Limited and Granges Exploration AB	Granges
STERLING	Nye County, Nevada	1,164,700.00	DMB Venture No. 1 and Saga Exploration Company	E & B
TASEKO	Clinton and Lillooet Mining Divisions, British Columbia	180,400.00	JMT Services Corporation	JMT



Pouring gold at the Sterling

sity of the ventures that

a Mine was active in the 1940s as a small, high-grade property. Located near the Hawthorne in Nevada's Mineral County, Mindora has now been re-named Sterling. It is an exciting gold, silver and copper deposit by E & B. Under an option agreement with Cordillera Gold Corporation, E & B has a 50 percent interest in the property by spending a minimum of \$1,000,000 by December 31, 1981. This amount was spent in



The 1980 program involved two diamond drill holes and 40 rotary holes (8,795 completed). In addition to the rotary holes, interesting molybdenum values were obtained from the cores of a number of holes. In addition, ion work will feature advanced rotary drilling and probably a diamond drilling designed to test the Zone at depth as well as to increase hole spacing in some pre-drilled areas.

E & B funded in 1980.

Sterling

Deep in Nevada's Nye County, the Panama Mine of the early 1900s was discovered, lightly worked, and forgotten—all within a span of ten years. But after a long period of neglect, the mine now has a new name and new promise. In 1973 Cordillera Explorations completed a modest drilling program and established the presence of a "Carlin-type" gold ore-body at Sterling Mine. Exploration and development of the property by a joint venture headed by E & B, with its 50 percent interest, resulted in the proving up of an ore-body with reserves in the order of 150,000 tons.

The property was placed into full production in the fall of 1980, only nine months after E & B entered into the joint venture. More than \$1 million was spent in establishing an economically feasible operation. The exploration and development program involved drilling, metallurgical testing and underground drifting.

The present production rate is slightly over 200 tons of ore per day grading 0.25 ounces of gold per ton. The operation involves trackless underground mining, crushing and cyanide heap leach extraction.

During 1981, the mine is expected to produce in excess of 11,000 ounces of gold at an overall production cost of \$185 per ounce.

Since the commencement of production additional rotary drilling has been carried out and more is planned in order to test for extensions to the known deposit. The results have been encouraging and lend hope to an extended life for the Sterling Mine.



Rotary drill samples from the Sterling Mine

THE BRALORNE STORY

Today and Tomorrow

E & B Explorations Inc. has joined Bralorne Resources Limited in a rehabilitation and exploration program that may bring the famous Bralorne Mine back into production. The Bralorne property consists of 133 Crown-granted mineral claims spread over 3,800 acres of land 105 air miles north of Vancouver. To reach the town of Bralorne, visitors passing through Lytton and Lillooet must travel a scenic route along Carpenter Lake.

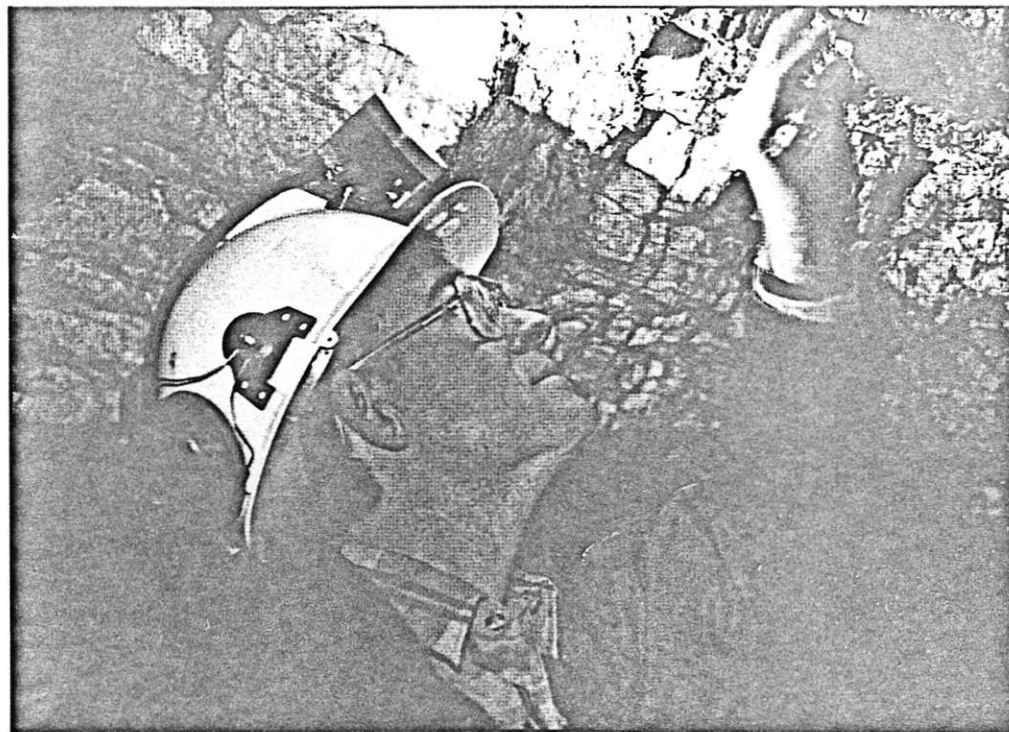
Since 1971 when the operating costs at Bralorne surpassed net revenues, the price of gold has risen steadily. Now, with gold around \$500 an ounce in Canada, it is time for another look at Bralorne. E & B has committed its expert appraisal systems to a thorough analysis of the mine's potential.

Under the terms of the joint venture agreement, E & B spent \$1.4 million on the exploration and development of the property during 1980.

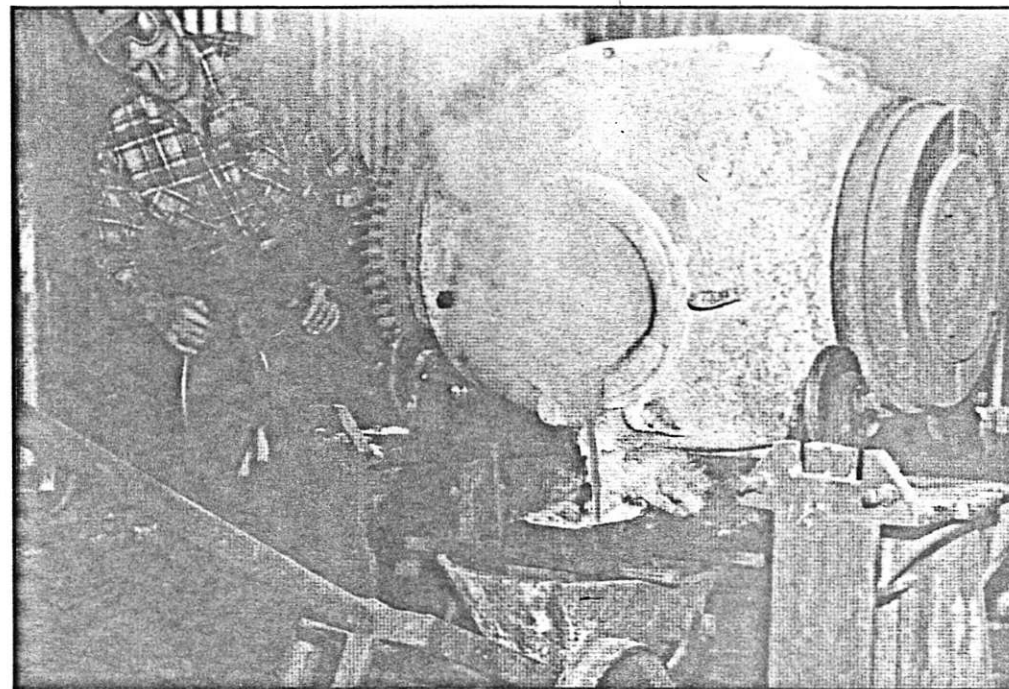
After an assessment of mine potential, E & B expects to increase this expenditure to \$3 million by March 31, 1982, and if warranted to spend a full \$5 million by June 30, 1983. By agreement, and in accordance with these expenditures, E & B could earn up to an undivided 50 percent working interest in the property.

Restoration of the Crown shaft is moving forward at an industrious pace. E & B's 1981 expanded program will provide for shaft rehabilitation down to the 26th level. Levels beneath that may be developed later with the cash flow realized from working the upper levels.

Meanwhile, as restoration reclaims the Bralorne Mine, E & B continues to search for new reserves. Over 17,000 feet



John Bellamy, senior geologist, examining a vein structure on 8 level



Pouring gold at the Bralorne Mine in 1964

of surface diamond drill completed and underground well advanced.

Remembering the Early Days

The Bralorne and Pioneer bodies has been one of Canada's gold sources, yielding over 100,000 ounces of gold and one million ounces of silver from eight million tons of ore.

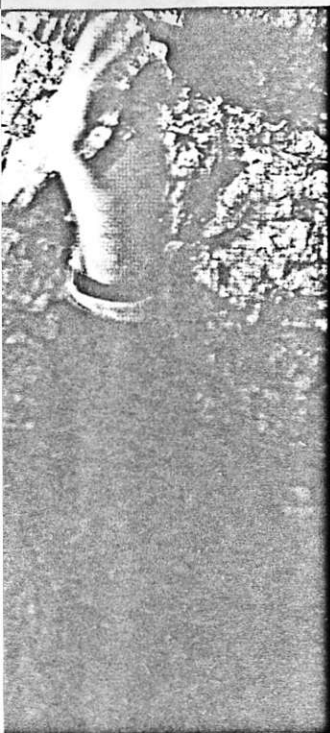
The story of Bralorne goes back to the "glint of gold in the gravel of Bralorne Creek." The shiny, elusive metal was not missed by the sharp-eyed prospectors who flooded into the area in 1859. But a dense Douglas fir hid its secret, and the Pioneer and Bralorne strikes were not made until 1897.

Bralorne takes its name from the Pioneer Development, the company that first acquired the rich Lorne Mine. It later merged the name of the shaft with that of the mine.

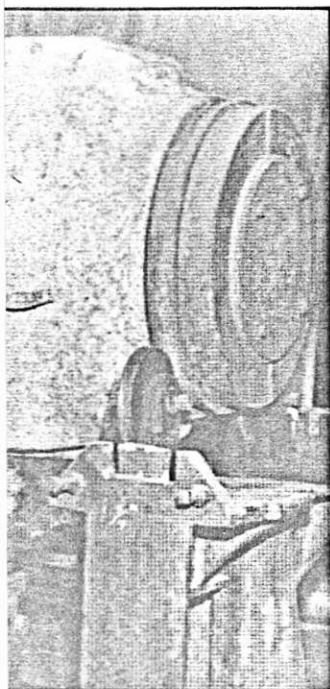
In 1932 Bralorne poured out a brick, weighing 393 ounces of gold, then at \$6,700. In 1943, with the price estimated at over one million dollars, averaging over one-half ounce of gold per ton, Bralorne was cited as the richest lode operation in the world. The stock market listed Bralorne at over \$10 million.

Vic Zaporozan, former foreman at the Bralorne Mine, has witnessed decades of Bralorne operations. He worked in Bridge River from 1943 and at Bralorne from 1958 until the 1971 closure. He helped open the mine for redevelopment studies, but the price of gold did not warrant production and the mine was closed. Work is now underway once again to re-open Bralorne for the future.

Vic's recollections recap a wild place in the



ature on 8 level



of surface diamond drilling has been completed and underground drilling is well advanced.

Remembering the Early Days

The Bralorne and Pioneer group of orebodies has been one of Canada's major gold sources, yielding over four million ounces of gold and one million ounces of silver from eight million tons of ore.

The story of Bralorne goes back to "a glint of gold in the gravel of Cadwallader Creek." The shiny, elusive substance was not missed by the sharp-eyed gold prospectors who flooded into the Cariboo river beds in 1859. But a dark forest of Douglas fir hid its secret, and the great Pioneer and Bralorne strike was not made until 1897.

Bralorne takes its name from Bralco Development, the company that acquired the rich Lorne Mine in 1931 and merged the name of the syndicate with that of the mine.

In 1932 Bralorne poured its first gold brick, weighing 393 ounces and valued then at \$6,700. In 1943, with ore reserves estimated at over one million tons, averaging over one-half ounce of gold per ton, Bralorne was cited as the greatest lode operation in the world. In 1948 the stock market listed Bralorne's value at over \$10 million.

Vic Zaporozan, foreman at the Bralorne Mine, has witnessed several decades of Bralorne operation. He worked in Bridge River Valley mines beginning in 1943 and at Bralorne itself from 1958 until the 1971 closure. In 1972 he helped open the mine for a number of redevelopment studies, but the price of gold did not warrant production then and the mine was closed again. Now, with work underway once more, Vic has re-opened Bralorne for the second time.

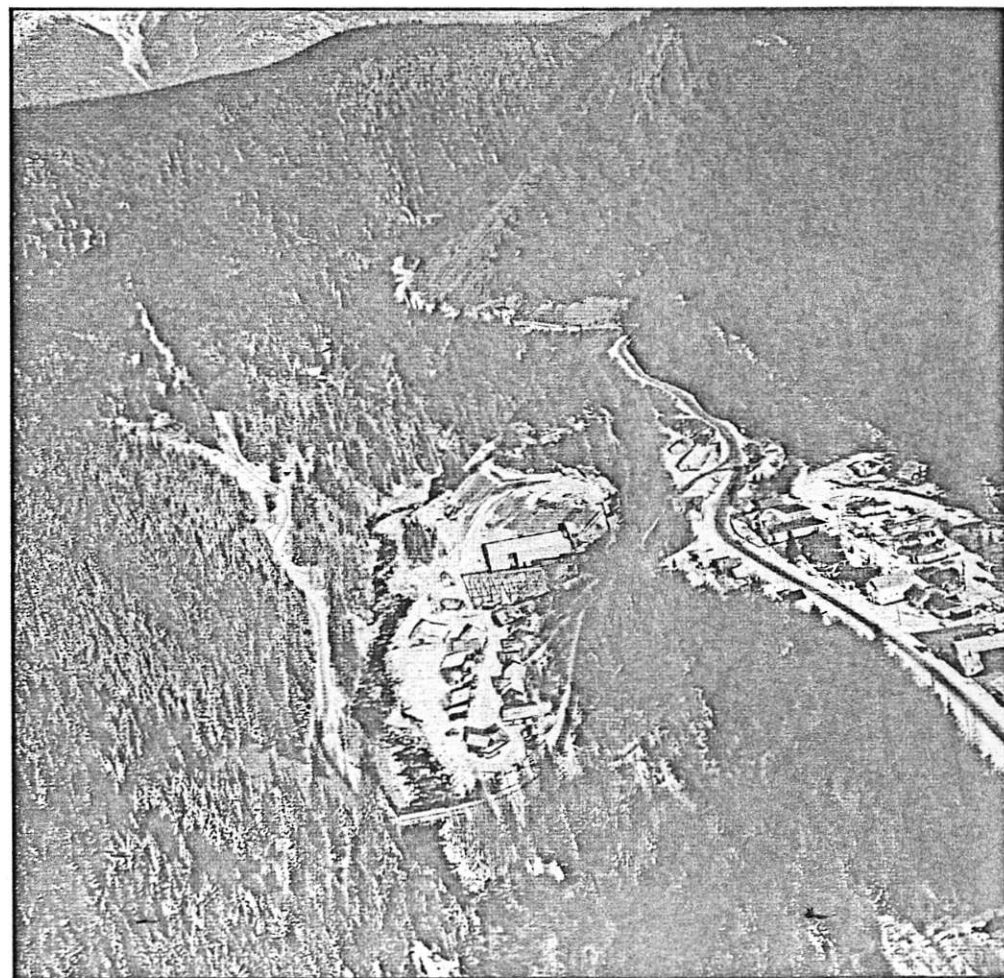
Vic's recollections recapture the past: "It was a wild place in the Forties. There

were more miners here at Bralorne than at Pioneer. We had 400 miners at peak and about 1,000 people lived in the area. Pioneer had about 600 residents. They both had their own schools, theatre, hospital and recreation facilities." Celebrities appeared, and Mr. Joe E. Brown, Hollywood comic and friend to Bralorne backer Austin Taylor, was always welcome: "His visits prompted a holiday. The kids got the day off from school, and Brown bought them all ice cream."

From 1931 to 1971 the Bralorne and Pioneer mines yielded \$145 million and employed 10,000 miners. Miners, muck-

ers, trammers, timbermen, motormen, brakemen, hoistmen, skiptenders, pipefitters—all made their way through the maze of tunnels at Bralorne. As early as 1943 Bralorne could boast to have paid nearly one-sixth of all dividends earned by all of British Columbia's lode mining companies since 1897.

By 1971 increasing production costs and declining gold prices sealed the shafts. Fences fell, windows broke, and grass grew knee high. Since 1971, revival schemes have met with only limited success. But now, the town stirs again.



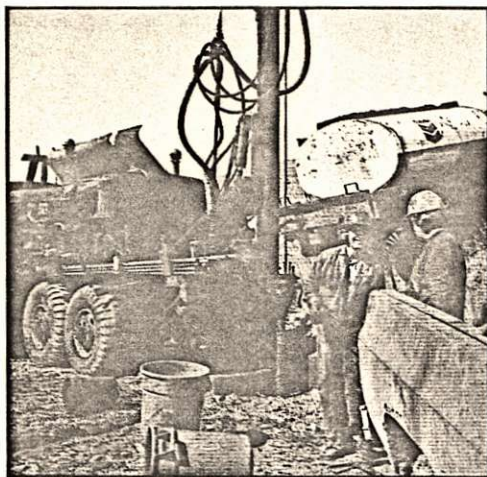
Aerial view of the Bralorne townsite in January 1981

SELECTED CURRENT PROJECTS. The following projects illustrate the diversity of the ventures that

E & B funded in 1980.

Iron Mask

An expenditure of \$1 million before the end of 1982 will earn E & B a 30 percent interest in the Iron Mask joint venture. This project, located south of Kamloops in south central British Columbia, is being undertaken with Cominco Ltd., the operator. E & B spent more than \$700,000 on the venture during 1980 and expects to earn its 30 percent interest in 1981, more than a year in advance of schedule.



Percussion drilling at Iron Mask

The 1980 drilling program yielded very encouraging results. 190 percussion drillholes were completed, totalling 52,700 feet. This work was confined to the Ajax-Monte Carlo property which has been subject to previous drill programs dating back to 1928. A drill-indicated reserve in excess of eighty million tons grading 0.37 percent copper and significant gold values has been outlined in two adjacent zones. A program of diamond drilling is planned for 1981 in order to test the mineralized zones at depth and to delineate any higher grade areas within the main zones.

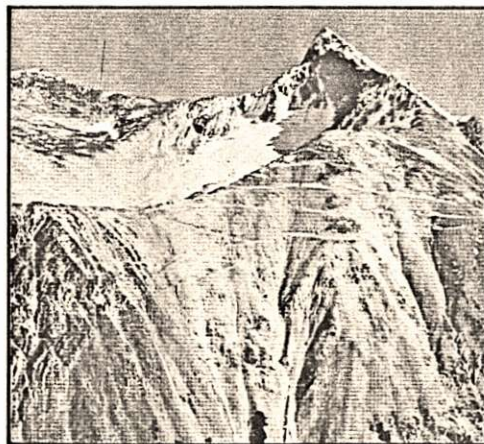
= 59,464 Tonnes Cu = medium size - as is already indicated.

Lord River

Chuck reserves

A \$1 million exploration expenditure before the end of 1982 will earn E & B a 50 percent interest in a high-grade gold-bearing quartz vein system at the Lord River property in southwestern British Columbia. The property, under option from Lord River Gold Mines Limited (N.P.L.), who act as operator, has been idle since 1973. Previous work that included over 3,000 feet of drifting and cross-cutting plus limited diamond drilling had established a small gold reserve. However, E & B feels that a much larger potential exists in this favourable geologic setting.

During 1980 E & B contributed more than \$760,000 to the program and therefore expects to earn its maximum interest sometime in 1981. The bulk of the 1980 expenditures involved the construction of an extensive all-weather

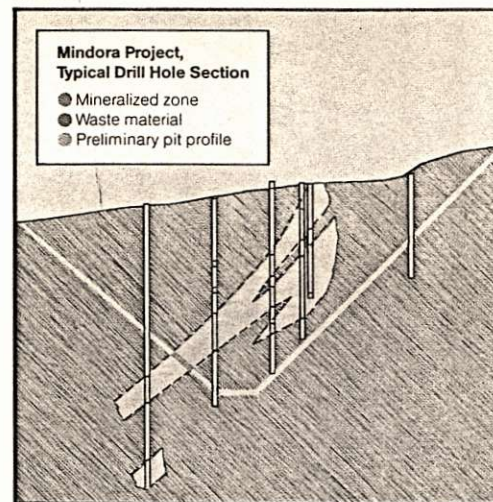


Rugged terrain of Lord River property

road into the property. A more rational exploration and development approach is now possible with the improved access, and during 1981 the efforts will be focussed on the underground exploration and development.

Mindora

The Mindora Mine was active in the 1930s and 1940s as a small, high-grade gold-silver property. Located near the town of Hawthorne in Nevada's Mineral County, Mindora has now been re-defined as an exciting gold, silver and molybdenum deposit by E & B. Under the terms of an option agreement with Hawthorne Gold Corporation, E & B can earn a 50 percent interest in the Mindora property by spending a minimum of \$425,000 by December 31, 1981. \$250,000 of this amount was spent in 1980.



Most of the 1980 program involved drilling, with two diamond drill holes (423 feet) and 40 rotary holes (8,795 feet) being completed. In addition to the gold and silver values, interesting molybdenum results were obtained from the deeper portions of a number of holes. In 1981 exploration work will feature additional rotary drilling and probably a program of diamond drilling designed to test the Main Zone at depth as well as provide closer hole spacing in some previously drilled areas.

Sterling

Deep in Nevada's Nye County, the Carlin-Cama Mine of the early 1900s, long-ignored, lightly worked, and within a span of ten years, after a long period of neglect, the mine was given a new name and new project name: Cordilleran Exploration. A modest drilling program aimed at testing the presence of a "Carlin-body" at Sterling Mine. E & B's development of the property, headed by E & B, a 50 percent interest, resulted in the discovery of an ore-body with an estimated order of 150,000 tons.

The property was placed into production in the fall of 1980, 19 months after E & B entered into a joint venture. More than \$1 million spent in establishing an all-weather feasible operation. The extensive development program involved metallurgical testing and drifting.

The present production is over 200 tons of ore per month, containing 0.25 ounces of gold per ton. Production involves trackless mining, crushing and leach extraction.

During 1981, the mine is expected to produce in excess of 11,000 ounces of gold at an overall production cost of \$185 per ounce.

Since the commencement of production, additional rotary drilling has been carried out and more is planned. The results have been promising and lend hope to an extension of the Sterling Mine.