

FALAISE LAKE MINES LTD.

Diamond Drill Program vicinity
Le Roi Shaft

Oct. 28, 1970 **800119** L. Telfer,
P. Eng

FALAISE LAKE MINES, LIMITED
Rossland Project

Diamond Drill Program Vicinity Le Roi Shaft

Introduction:

By October 31st an adit has been completed into the vicinity of the shaft station of the 800 Level Le Roi Shaft. This consists of 4300 feet of crosscut and 600 feet of slashing of a former crosscut to provide grade and drainage to the shaft area.

Property:

Falaise Lake Mines, Limited holds under an option agreement with Cominco, Ltd., dated July 14th, 1967 a 49% interest in 72 crown granted claims and fractions, situated at Rossland in the Kootenay District of British Columbia. These cover the mine workings of the Le Roi, Centre Star, War Eagle, Iron Mask, Josie, Kootenay Columbia, Nickel Plate and Crown Point Mines and include a group of claims in the South Belt area.

The adit location is covered by the fully owned Townsite Fraction and an option on a full interest in four crown granted claims in this area, the principal one being the Spitzee.

The agreement with Cominco provides, that if they do not participate in expenditures Falaise can recover their mine expenditures and acquire a 75% interest in the net proceeds.

History:

The ground under option covers the old Rossland Mines which, in the period from 1894 to 1933, produced six million tons grading 0.452 ozs. Au, 0.57 ozs. Ag, 1.0% Cu in recoverable values by direct smelting. In 1940-41 Cominco, Ltd. carried out a geological mapping program and in 1967-68 Falaise Lake Mines, Ltd. drilled 41 holes, totalling 10,480 feet. This drilling, together with work carried out in 1940 indicated ore reserves as;

307,400 tons, grading 0.204 ozs. Au, 0.61 ozs Ag, 0.65% copper. This reserve is in pillars and stope remnants in the upper part of the Le Roi, Iron Mask and War Eagle Mines.

In June 1969 a contract was let to Gremac to drive an adit (elev. 3045') which is now nearly completed.

Proposed Program:

It is proposed to explore by diamond drilling in the vicinity of previous drill intersections, relatively close to the Le Roi Shaft, between the 300 and 800 levels (See list attached.). These drill intersections include those away from the previous mine workings as well as some in pillars between previously stoped areas. It is expected that a study of the mine workings will show other areas that warrant more exploration.

Until the mine workings have been investigated in some detail it is difficult to forecast what re-habilitation work will be necessary to re-enter the various drill sites, so part of this unforeseen expense is provided for under "contingencies".

Falaisee Lake Mines, Limited

Rossland Project

Diamond Drill Program Vicinity Le Roi Shaft

October 28, 1970
Rossland, B.C.

L. Telfer P. Eng.

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Summary

The adit has been completed to the footwall of the mineralized zone on the 800 foot level. The shaft and main haulage level is along the hangingwall, 80 feet to the north and if the old entry is unusable will have to be reached by crosscutting.

The 300 level has the majority of drill intersections that warrant investigation. As this has been the level accessible for drilling from surface and underground it is anticipated that the other levels, when studied in more detail, will show somewhat similar possibilities.

The area to be investigated is relatively close to the Le Roi Shaft between the 300 foot and 800 foot levels. Until these levels have been re-travelled the amount of re-habilitation work necessary cannot be estimated closely.

Diamond Drilling:

The diamond drill contract is for \$3.40 per foot with additional cost for core boxes, assaying, and moving to the drill sites.

Equipment:

Kalaise Lake Mines owns the compressors, track and pipe in the tunnel but all other tunnel equipment is owned by Gramac. To continue exploring and mine re-habilitation on various levels it will be necessary to have a loci and flat car, rock drills with hose, etc., air receiver, lights and certain small tools presently on the property with an estimated value of \$12,000 and anticipated rental of \$900 per month.

It will be necessary to purchase tigger hoists, snatch blocks, cable, etc. for moving equipment on and between levels. An additional air receiver underground, water pumps, and miscellaneous tools will cost \$8,000, which equipment will have to be purchased.

Costs:

Le Roi Shaft Area
7 months to June 30/71

Equipment Rental @ \$900/mon.	\$6,300	
Equipment Purchase	8,000	
Miscellaneous Supplies, timber, air line, etc.	8,300	
Labor (2 men) @ \$1,600/mon.	11,200	
Dry and Office @ \$250/mon.	1,750	
Power @ \$500/Mon.	3,500	
Geology & engineering \$2,500/mon.	17,500	
Diamond Drilling 3000 feet/mon.	78,400	
Drill moves, air & water supply	8,000	
Core boxes, assaying, etc.	7,000	
Sub-total	\$149,950	
Contingencies	20,050	
TOTAL		\$170,000

* Additional contingency for continuing geological study, mine cleanup, mill testing and moving compressors.-

TOTAL

20,000
\$190,000

* If the above program is successful in outlining a substantial tonnage of medium grade ore, samples should be obtained for metallurgical testing, particularly to see if some method such as sink-float can upgrade the ore prior to milling. The next phase of the program, if tonnage and metallurgy are both satisfactory, would be to move the compressors closer to the shaft and extend the program to other areas. As this is contingent on the results of the program outlined it is added to the above.

Rossland, B.C.
October 28, 1970

Submitted by,

L. Telfer
L. Telfer



Diamond Drill Targets Vicinity of Le Roi Shaft,

Level	Elev.	Lat.	Dep.	Hole	Feet	Ozs. Au	Ozs. Ag	% Cu	Length To Test	
300	3518	2025	2725	F1 2	10.0	0.21	0.35	0.31	300'	
				Or	(37.0	0.09	0.38	0.31		
	3534	2035	2830	F1 17	12.0	0.72	2.40	1.70		
	3675	2060	2960	F1 21	5.0	0.14	0.55	0.55		
	3565	1970	2720	42Z	38.0	0.08	-	0.45		
	"	2000	2820	D246	35.0	0.08	-	0.37		
	"	2000	2860	D245	37.8	0.194	-	0.77		
	"	1990	2960	F1 21	55.0	0.06	1.15	0.45		
	"	1970	2870	D213	1.8	0.08	-	1.80		
	3653	2020	3030	F1 23	67.0	0.098	0.37	0.365		
	3716	1980	3575	F1 9	3.0	0.40	-	0.75		120'
	3565	2180	3515	81Z	10.0	1.72	-	0.10		
	"	2200	3590	76Z	11.0	0.36	-	0.98		
	300	3796	2040	3250	F1 19	20.0	0.165	0.55		0.17
3810		2070	3350	F1 5	30.0	0.21	0.58	0.61		
3565		2170	3240	D223	7.0	0.72	-	1.00		
450	3462	2030	2645	F1 1	10.0	1.04	1.10	4.40	300'	
	3450	2500	2870	D221	4.3	0.60	-	1.67		
	"	2540	2950	D206	4.3	0.28	-	0.52		
	"	2560	3050	D207	7.2	0.43	-	1.95		
	"	2260	3410	D249	27.0	0.157	-	0.38		
	"	1945	3015	D306	7.8	0.15	-	0.65		
500	3384	2700	2930	D202	(1.1	0.70	-	4.20	150'	
					(0.5	0.20	-	3.20		
	"	On either side of 202."			(1.1	2.40	-	4.20		
				D201	1.5	0.16	*	2.70		
				D276	0.5	0.12	-	7.90		
	"	2615	3280	D265	(0.5	3.34	-	16.60		
	"				(1.0	0.16	-	1.50		
	"	2040	2925	D 77	11.7	0.195	-	0.35		
"	2120	3020	D360	10.3	0.18	-	0.42			
600	3290	1910	2520	D113	(1.0	0.42	-	9.40		
					(4.0	0.40	-	1.10		
					(2.0	0.40	-	4.90		
	"	1900	2770	D253	15.2	0.16	-	0.38		
	"	2040	2800	D254	8.6	0.11	-	0.18		
					3.5	0.35	-	0.48		

<u>Level</u>	<u>Elev.</u>	<u>Lat.</u>	<u>Dep.</u>	<u>Hole</u>	<u>Feet</u>	<u>Ozs. Au</u>	<u>Ozs. Ag</u>	<u>% Cu</u>	<u>Length to Test</u>
700	3160	1915	2540	D68	5.0	0.43	-	1.40	
					10.0	not assayed			
	"				6.0	0.36	-	1.30	
				D242	5.0	0.22	-	1.40	
					2.5	0.34	-	1.00	
800	3064	2120	3390	D226	1.5	0.48	-	0.40	
	"	2270	2750	D70	10.0	0.14	-	1.10	
				D30	3.0	0.08	-	1.50	

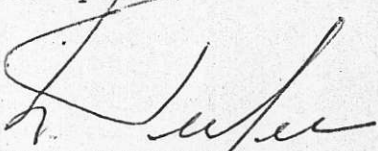
The above lists some of the targets that exist relatively close to the Le Roi shaft, some are low grade ore that appears to occur in the footwall side of the Main vein and others are isolated drill intersections that have not been explored by development. On the 700 and 800 Levels and several levels below many drill holes show low values across substantial widths. Narrow higher grade sections have been stoped but the possibilities of a body of low grade mineralized rock of substantial size remains. This will be investigated by a few holes on the above two levels, which will be drilled between Departures 2500 and 3000.

October 28, 1970
2373- 2nd Avenue
Rossland, B.C.

This is to certify that:

1. I, Leonard Telfer am a resident of Rossland at the above address, which is also my office.
2. I am a Professional Engineer (British Columbia) and have practised as a mining engineer for the past 40 years most of which has been in British Columbia.
3. I am a graduate in mining geology of the University of Alberta and took post graduate work in geology at the University of Toronto.
4. This report is written by me and is based on personal work and a review of maps, records and reports that are available on the Rossland Camp.
5. I have no interest nor do I expect to receive an interest, directly or indirectly, in the company holding the claim groups under option.

October 28, 1970
Rossland, B.C.


L. Telfer
Box 221
Rossland, B.C.

