

FALAISE LAKE MINES, LTD.

ROSSLAND PROJECT

PROPOSED TUNNEL

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Dec. 11, 1968
Rossland, B.C.

Report By: L. Telfer

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Introduction:

In 1967 and 1968, Falaise Lake Mines, Limited carried out a diamond drill program from surface, exploring part of the main veins on the Rossland property. This showed ore of milling grade in the pillars and in the hanging-wall of some of the previously stoped areas. To carry out further exploration will necessitate unwatering the mine workings.

The Rossland Mines have some 81 miles of underground workings, however ninety percent of the production came from an area 2000 feet in length centred about the boundary of the Le Roi and Centre Star claims. Two thirds of the stoped area is above the 800 foot level, elev. 3070 feet, but some of the exploration drives are on the 1650 foot level, elev. 2350 feet. The proposed crosscut enters the mine on the 800 level giving access to most of the previously stoped areas and if results are favorable the lower part of the mine could be unwatered by pumping.

Property:

Falaise Lake Mines, Ltd. holds under an option agreement with Cominco, dated July 14th, 1967, a 49 percent interest in 72 crown-granted mineral claims situated at Rossland, in the Kootenay District of British Columbia. These cover the workings of the LeRoi, Centre Star, War Eagle, Iron Mask, Josie, Kootenay Columbia and Crown Point mines and also include other Cominco claims in the South Belt area.

An option agreement is being arranged to acquire the Spitzee, Townsite and Derby claims to cover the proposed tunnel site.

History:

The group under option covers the old Rossland Mines which, in the period from 1894 to 1933 produced six million tons of ore grading 0.452 ozs. gold, 0.57 ozs. silver, 1.0 percent copper per ton in recoverable values by direct smelting. In 1940-41 Cominco, Ltd. carried out a geological mapping program and re-examined some of the accessible mine workings. In 1967-68 Falaise Lake Mines, Ltd. drilled 41 holes, totalling 10,480 feet of which 40 holes were drilled in the hangingwall of the LeRoi, Centre Star and War Eagle veins and one on the Monte Cristo vein. In addition a magnetic and electromagnetic survey was carried out over the claims not explored by the Mine workings. The cost of this latter program was \$92,000.

Ore Reserves:

Falaise Lake Mine's drill program was in part directed to test the possibility that certain areas carried sufficient values to permit openpit mining. This does not occur, however nearly all holes showed values in pillars or in the hangingwall of the stoped areas. Based on Cominco's 1941 ore estimate plus the intersections obtained by this later drill program the indicated ore reserves above the 350 foot level are estimated as;

— 307,400 tons- 0.204 ozs. Au, 0.61 ozs. Ag, 0.65% Cu

Proposed Tunnel:

Since the mine does not make water below the 800 level an entry at this level will both provide access, drain most of the stoped areas and serve to collect the water made in the upper levels. Entry at this level will provide access to the above indicated ore and open up the other levels of the mine for exploration.

A tunnel cross section of 7' by 9' is suggested to give room for a drainage ditch and main haulage equipment. Since the country rock is monzonite and augite porphyrite, which are both competent rocks little timbering will be required. This crosscut, 4000 feet in length, would be driven from the valley of Trail Creek to intersect the 886 crosscut at an elevation of 3070 feet. Enroute it would intersect the Spitzee vein at 1600 feet and the Pack Train vein at 3700 feet from the portal.

Spitzee Vein:

The Spitzee mine was operated until 1905 and produced 6,516 tons with recoverable values of 0.273 ozs. Au, 0.48 ozs. Ag, 0.88% Cu per ton. The ore consists of veinlets, stringers and disseminations of pyrite, pyrrhotite, and chalcopyrite in a monzonite country rock. The vein dips 60 degrees north and has been developed by a shaft with levels at 100 and 200 feet. About 1000 feet of drifting was done on the 200 foot level.

The LeRoi 1200 level crosscut, elev. 2675', appears to cut this vein 1500 feet to the west of the Spitzee workings. Drilling from this showed erratic values, such as;

12.1'-	.04 ozs. Au,	1.5% Cu
3.7'-	.08 "	1.0 "
5.0'-	.12 "	0.6 "
5.1'-	.07 "	0.34 "

Further exploration may find shoots of milling ore in this vein.

Proposed Tunnel (Con'd):Packtrain Vein:

This vein was intersected by two holes, 150 feet apart, drilled from the 886 crosscut, elev. 3070 feet. These gave intersections of 2.0 feet- 0.22 ozs. Au and 3.5 feet- 0.40 ozs. Au, 0.3% Cu. This vein appears to be an extension of one of the veins developed on the adjoining Nickel Plate claim which was in monzonite while the above intersections are in the more favorable augite porphyrite.

Development:Stage 1

Drive the crosscut 1600 feet to intersect the Spitzee workings. These could be unwatered and examined.

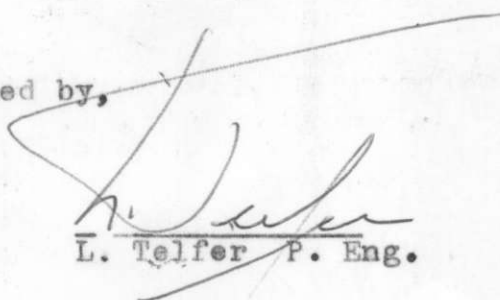
1600 feet 7'x 9' crosscut @ \$70/ ft.	\$102,000
Site preparation, etc.	15,000
Spitzee unwatering & examination	15,000
	<u>\$132,000</u>
Contingencies	8,000
	<u>\$140,000</u>
Total	\$140,000

Stage 11

Continue the crosscut 2400 feet to intersect the LeRoi 886 crosscut, elev. 3070 feet.

2400 feet 7'x 9' crosscut @ \$70/ft.	\$168,000
Slashing 400' of the 886 crosscut	10,000
	<u>\$178,000</u>
Contingencies	22,000
	<u>\$200,000</u>
Total	\$200,000

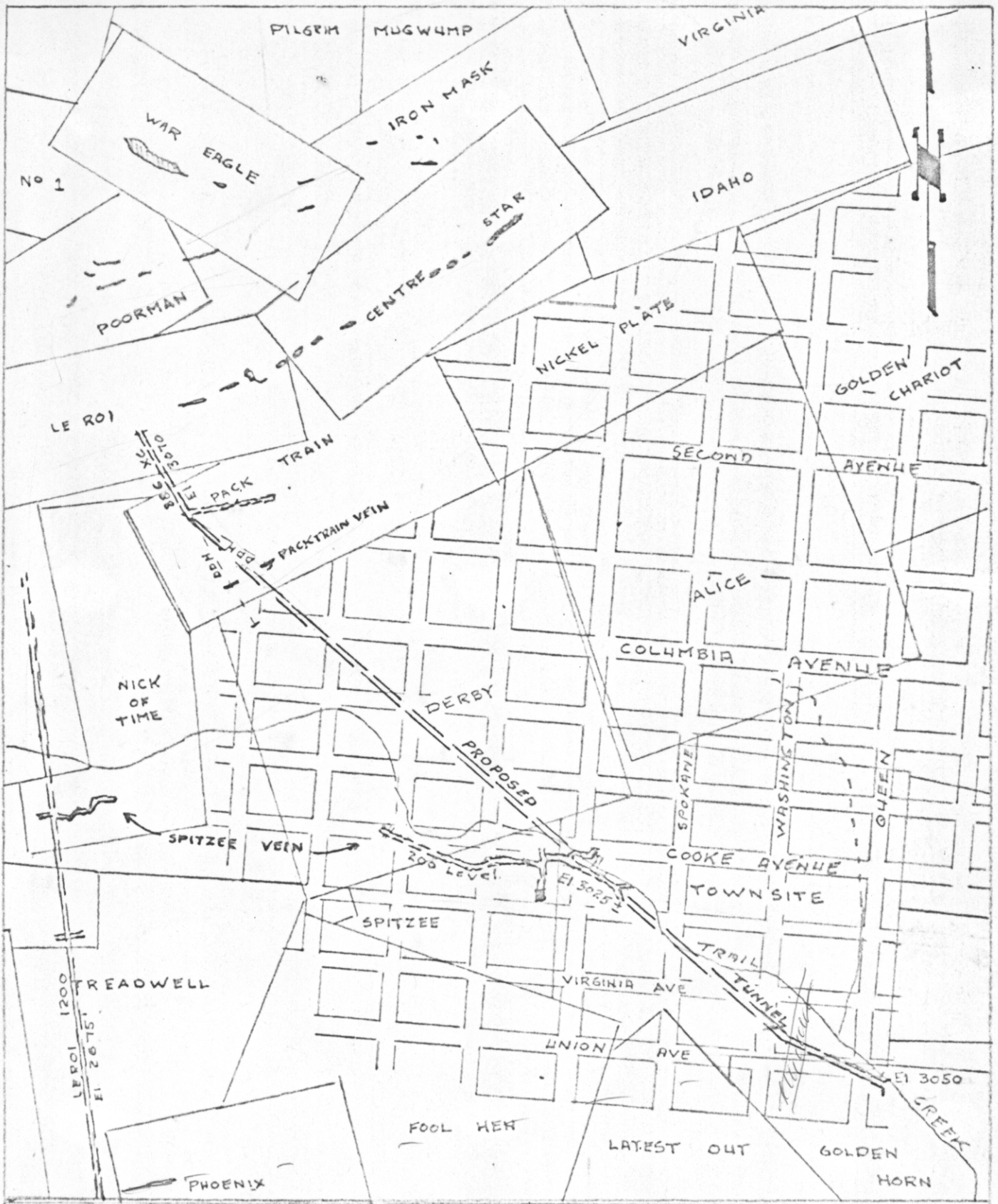
Submitted by,



L. Telfer P. Eng.

December 11, 1968
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Scale: 1 Inch = 600 Feet