

800750

WRIGHT CREEK

December 17, 1963

PRODUCTION FROM 1400 FEET ON WRIGHT CREEK

| | | | |
|----------------|---------------------------------------|-------------|----------------|
| Gross Recovery | 45,000 c.y. @ 7.82/cy ¹⁹⁷³ | | \$352,000 |
| Stripping | 515,000 cu. yds. @ 16¢ | (25¢ - 50¢) | \$82,400 |
| Mining | 45,000 cu. yds. @ 40¢ | 70¢ - 1.00 | 18,000 |
| Washing | 45,000 cu. yds. @ 10¢ | (15¢ - 25¢) | 4,500 |
| Royalty 5% | | | <u>17,600</u> |
| | | | <u>122,500</u> |
| Gross Profit | | | \$229,500 |

INSTALLATION EXPENSE ON WRIGHT CREEK

| | | |
|--|---------------|------------------|
| Materials for dam | \$ 2,000 | |
| Moving old camp from present location | 1,000 | |
| Moving sluice, pumps and pipe from Otter to Wright Creek (labor and insurance) | 10,000 | |
| Transportation of men, tel. and tel., etc. | 2,500 | |
| Road work | 2,000 | |
| Overhead | 10,000 | |
| Contingencies | <u>10,000</u> | <u>37,500</u> |
| Net Profit | | <u>\$192,000</u> |

The Otter Creek camp, three miles distant, will be used while working Wright Creek.

In the event Wright Creek should be mined by contract, the net profit of \$192,000 would be reduced to approximately \$100,000.*

*To allow for the contractor's profit and other expenses.

welcome to; I have all data of whole valley). Excuse my rather erratic writing and try and come to an arrangement between Comino and Cofmocan. Would it be reasonable - \$700,000.00 purchase price 10% down - balance out of gold (or Comino to work the property and we retain an interest). Let me know your ideas; I think the two companies can agree.

Believe me, yours sincerely

J. Maliun

36 rue Ballu

look d/s ?

On Wright Creek the old channel can be only under the flats, throughout the flat. At lower end of flats the right rim shows everywhere in Pendrizations old cut (at the top of it) and through the grass below it along the actual creek bed for hundreds of feet. *(east?)*

B.R.

The left rim where I tried to keep the water ditch on grade towards Otter and began cutting in some of the rock - that is visible along the ditch a little below the tunnel - the old channel can only be between these two rims and the distance between them cannot be much on the bottom of the valley floor.

west?

(Between Bridges)

Below the flats and below where both rims are visible (as described above) the country is opened and no surface rock outcrops to guide. I would there have a few transverse lines run by Schlumberger Geophysic electric process, to locate the channels (not the values). Once the deep channel is located, then drill or sink (or start an open cut, this is the best prospecting). Wright Creek has good grade and lower Wright is gold bearing like Otter but it will take time and money to prove it out (blurred) - who believes in it after sizing it up right.

lower Wright Cr

(Noisworthy preferred Wright to Otter.) I had a price of \$1200 with Schlumberger to determine deep bedrock on Wright Creek - The Schlumberger headquarters are here - I am well acquainted with them. They keep a staff in Toronto. The Schlumberger electric process determines the deepest bedrock under any thickness of drift or surface materials and much cheaper than uncertain drilling or expensive shaft sinking. It does not determine any gold values; it is used everywhere here for deep foundations, dams, etc., also by the Can. Govt. on the Ontario River and elsewhere.

*note
Resistivity
method
not affected
by boulders
to some
extent as
would
seismic
method*

Up-date on Wright Cr. Estom of production + Dec 17/63, June/73
 Recalculation - Mining, Wright Creek.

Production from 1400' (467 yds) on Wright Cr., June/73
 Calc. vol pay gravel = 32 yds x 3 yds x 468 yds (2000 cy meet. equiv/day)

Gross Recovery, 45,000 c.y. @ \$23.46 ± - - \$1,056,000
 (based on 3 x 7.82/c.y. 1963 estm)

Stripping (wet) 515,000 c.y. @ .50 - 257,500

mining (wet) 45,000 c.y. @ 1.00 - 45,000

Washing, 45,000 c.y. @ .25 11,250

Royalty, 5% + legal exp - - 53,000 \$ 366,750

Gross Profit - - - \$ 689,250

Plant Installation Costs:

Dams, 180 cy yds x 100 yds x 50¢ - \$ 9,000

Build stone sheds, + office, bridges - 4,000

Install. washing + waste dispos. fault. 40,000

Haul roads - - - 2,000

Financing, interest, + o'head - 20,000

Contingencies (mainly op'n'l) 25,000 109,000

Net Profit - - - \$ 599,250

Realistic,

Gross Recovery - - 45,000 c.y. @ 16/cy - \$ 720,000

Pit prep. + mining costs - - \$ 366,750

Capital costs, overhead + contng - 100,000 466,750

Net Profit - - - \$ 253,250

Break-even (plus)

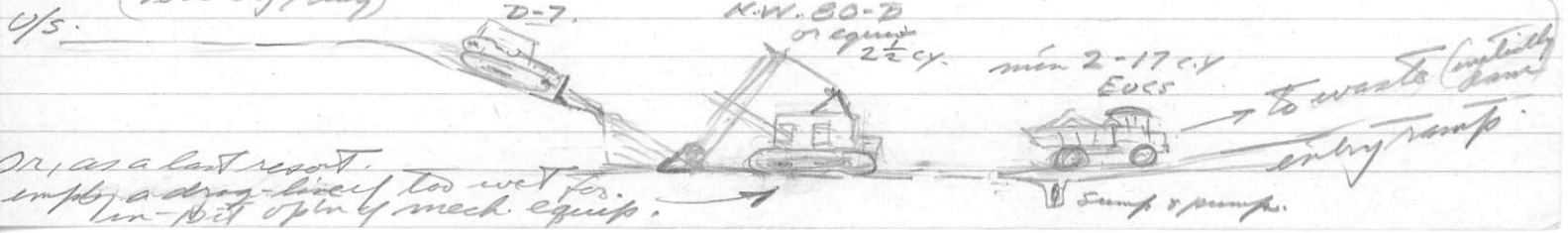
Gross Recovery - - 45,000 @ 11/cy - \$ 495,000

Pit Prep. + mining costs - - \$ 366,750

Cap. costs, int., o'head + contng. - 100,000 466,750

Net Profit - \$ 28,250

Sketch, Stripping Op'n (hydraul. op'n precluded by flat, wet deposit)



Progress Notes - Otter Creek

- June 4/73 Travel to Whitehorse & Atlin (letter w. to Connolly)
& res room at Hootenay Hotel, Atlin; Discuss sched.
& miscell. details w. T.C. & S.J. Connolly in eve. Travel - 1
- June 5 With Tom C. on prelim car & foot recon. of Otter Cr.;
Check reported black-sand areas w. Islander F.G.
mag. w. negligible + results (Scale 2, gen $\pm 100 \rightarrow \pm 3000$ S.).
Start survey of B.L. from I.P. of P.M.L. 1745 + complete
to road bridge @ 20+10. Return to Atlin + attempt
(\neq success) repair of range finder in eve. No sign of Tom
after supper -- perhaps + missed @ w.s. lack of bursting enthusiasm.
Note: Tom not very experienced w. placer operations or
prospecting. Primarily a big-game guide who has taken
a (recent) interest in placer + lode prospecting because
of current metal economic. Has done a little digging,
panning, & wee-scale sluicing.
* Today's reconnaissance indicates that seismic X-sec
profiling may be feasible if sections without too
much rock can be tested. Possibly, resistivity
method would be most feasible in view of boulder-
cobble population. In any case X-lines could be
improved for either seismic or resistivity profiling if
cleared of heavy surf. boulder accumulations and made
more evenly graded in profile. Field - 1
- June 6: With Don Roxburgh on Otter Creek - Check line ^{property traverse} + elev. from
Spruce Cr. to 18+00; continue control traverse to A 56+89 +
do about $\frac{1}{2}$ Topog. detail late aft. + eve; pick up to ret. to
Atlin by T.O.C. @ 10:10 p.m. Field - 1
- June 7: Continue topog. + geol. detailing of Otter Creek from T.O.C.
workings (vic. 135+00) down-stream to bridge (washed out
today); tie in road claim post + search for others C's with
no success; run tie-traverse from bridge (18+15) to
pressure box on "Drain lease" pipe-line w. side topo. detail
I'm plotting in evening. Creek too high for proposed (taken) sampling.
Field - 1
- June 8: With T.O.C. on locating & tying in claim posts along
prelim. Otter Cr. line (road survey); tie in landmarks for
correl. w. 100-scale plans; thence, to Drain (lease) area +
run tie-survey from lake to our (June 7) road survey
with tie-in of claim posts, plant details, pit outline, etc. on
plot up in eve. and discuss w. Tom & Shirley. Field - 1
- Talk to Ruddy & J. Davis in evening: Buddy parties wants me
to get detail on Wright Cr. - Specifically tie in (2) lines of drill
holes w. respect to C.O.'s. (rotary d/s holes, not to B.R.) and check
staking. W.A. agrees to do this and also pick up any obvious
info. Buddy also wants me to check out staking on 35 Spruce Cr.
Claims + geol. look at Lucky Cr. showings (no way w/o sampling)

June 9/73

ARTHUR FIELD & OFFICE WORK

Lay out correction, fill-in & fill-out staking required on 200-scale after creek compilation; theme to field w/ Tom, Shirley & Don to establish initial posts and location-line bearings. At 2 p.m. start recon of Wright Creek w/ Don Robb and start surveying ref. line of Shapthorn bridge to 26+00 only. Return to T.O.C. H.Q. and discuss staking check, drill-hole tie-ins w/ Tom, Don & Shirley; Don to chase up more info for Field-1

June 10/73 with Don Robb, Don & Shirley ^{& family} to Wright Creek (work & outing). Run clearance check of D.M.L.'s Saw-Lumber Bridge to 1200' up of Shapthorn; search out & survey drill holes, incl evidence of line No. 1 of drill holes; no success in finding evidence of D.H. line No. 2 reportedly 1800' d/s of Shapthorn bridge via road survey (June 9) stabs 16+00 - 20+00 and westerly across flats. Field-1

June 11/73: Trip & sample Imperial Au - Ag surf. exposures.
" " " Lucky (Norton/Scrab) Au - Ag surf.
exposures to 9:15 p.m. Field-1

June 12/73: Check down hill line station Spruce tree group
of plan down & post - Chan for actual
trip position; return to H.Q. Field-1
— End of Trip —