801461

SILVERADO MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT — OCTOBER 1967

CUMULATIVE FOOTAGE	TO DATE	FISCAL YEAR	
Total Heading Advance	1315.87	886.62	ft
Toatal Timbered Advance	158.10	151.80	
Total Slashing	8003.0	8003.0	cu ft

DIAMOND DRILLING

Underground	AQ	5353.0	5353.0	ft.
Surface	BQ	3697.0	3697.0	

During the current month the following work was in progress and that uncompleted was suspended in preparation for a complete suspension of operations.

A pilot road was constructed connecting the Carnation 5480 road to the new portal site at the 4620 ft. elevation. A bridge was constructed on the West fork of Tributary Creek and the portal and plant site cleared of heavy second growth timber on the lower side only of the plant and portal site.

The replacement and re-inforcing of timbered sections of the 3996 level was progressing at the month's end.

A transit survey was carried from the new portal site to the 3996 level to complete a closure tying in the Mascot workings, surface drill sites and stripping in the upper basin.

Currently equipment is being stored and the plant is being prepared for an indefinite suspension of operations.

Plans and records are being brought up to date.

Notice of termination was given to the two staff members.

SILMONAC MINES LIMITED

NEW DENVER, B.C.

INTERIM REPORT — OCTOBER 20, 1967

With the suspension of surface diamond drilling at the end of September all exploration terminated and work was started on a road to provide access to a new portal site at the 4620 ft. horizon. The new site is located between the east and west forks of Tributary Creek.

Reconnaissance of the area between the present 3996 portal site and any site located on the east side of the east fork of Tributary Creek would involve a road considerably longer and a considerable amount of rock work with the portal and plant being located in steep terrain. Therefore it was decided to gain access from the established Carnation road, involving minor rock work but would require bridging the west fork of Tributary Creek. The bridge has been completed, a pilot road built to the site and clearing of the site is in progress. Snow is impeding the clearing along with the reduced crew due to the prevalence of employment in this area.

From indications to date in building the road and minor excavations the overburden appears to be sufficently consolidated to permit plant establishment at the portal site.

GENERAL

The transit survey from the 3996 portal to the Mascot, thence to the new site is being carried through to the 3996 site for closure.

* The Margaret workings were sampled.

The 3996 level requires several sets of timber and this will be placed at the first convenient opportunity. Ventilation of this level is being maintained.

ASSAYS___ Hole SS-5

Footage		Gold	Silver	Lead	Zinc
719.5-719.7		Tr	I.6	0.6	I.8
719.7-725.0		tr	0.2	nil	0.I
749.5-749.7	0.2'	tr	7.8	4.6	7.4

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT — PERIOD SEPT. I-30, I967

CUMULATIVE ADVANCE	THIS PERIOD	TO DATE
Total Heading Advance		I3I5.87 ft.
Total Timbered advance		I58.I0
Total Slashing		8003.0 cu.ft.
DIAMOND DRILLING (SURFACE)		
Footage BQ	I576	3697.0
Casing	27	76.0
DIAMOND DRILLING (UNDERGROUND)		
Footage AQ		5353.0
Casing		224.0
Reaming		3I2.0

During this period two holes were drilled to completion. Surface Hole SS-4 om bearing of S-43-E and at an inclination of minus 66 degrees was terminated at a depth of 737 ft. Hole SS-5 collared on a bearing of S-2I-E and inclination of minus 75 degrees was drilled to a depth of 839.0 ft. from the No 2 site located 300 ft south west of the No. I site.

Hole SS-4 intersected a mineralized zone at 63I.5 ft which continued to 639.2 ft with a centre section of 4.8 ft . being almost barren of values. Assays are appended.

Hole SS-5 intersected narrow slightly mineralized bands at 7I9 ft and at 749 Ft. Of note is the dyke or intrusive intersected at 768 ft continuing to the end of the hole, also the lack of the marker dyke which has appeared along the hanging wall in the other surface holes.

It had been planned to drill SS-6 from the No 2 set up to test the lode zone some 250 ft further to the west but due to the lateness in the season and the depletion of funds it was decided to terminate surface drilling for this season ,cosequently the drill has been moved from the property.

SURFACE EXPLORATION

Trenching to locate the Margaret Lode in the upper basin was suspended due to the endangerment of the drill crews on the No 2 site. A minor break was encountered but it is not thought to be the Margaret Lode. The Margarte Adit was re-opened, surveyed and mapped. The mineralized section will be sampled if weather and time permit.

IRENE FRACTION

The Bulldozer cut was extended cutting a 10 ft width of Calcite veining and shearing which has a north -south strike and a dip of 45-50 degrees to the east. Outcrop prevented further bulldozer work without drilling and blasting. Hand trenching to the south showed a rapid decrease in width and calcite content. Some further trenching is warranted.

MINNIEHAHA

Last season an anomolous area was indicated by an E.M. survey on the west side of Tributary Creek on possible strike of the Minnie Lode. A bulldozer cut to bedrock across the area and across the lode strike failed to show a break or reason for the readings. — normal — N.G. in Slocan.

GENERAL

A transit survey was carried from the Mascot to the proposed portal site at the 4650 ft horizon and extended to the Carnation 5480 road. An almost level road from the site to the Carnation road is possible requiring one bridge to cross the West braenh of Tributary Creek. A start on the road is planned for the immediate future. The feasability of moving the 5480 powerhouse to the new site has been under consideration.

ASSAYS

Hole No	Origin	Footage	Gold	Silver	Lead%	Zinc%
SS-3	core	712.8-722.5	tr	0.2	nil	0.2
	core	696.8-710.2	tr	0.6	nil	nil
SS-4	core	631.5-631.7		106.9	2.4	37.0
	core	631.7-636.5		0.1	nil	0.8
	core	636.5-639.2		17.4	6.4	10.0

A sample sent by the assayers for spectrographic analysis ran 1.0% in Titanium

W. Fleck

Silmonac Mines Limited
New Denver, B.C.

October 4, 1967.

Geological Report For The Period September 1-30, 1967

Surface Exploration

Diamond Drilling

Holes SS-4 and SS-5 were completed to depths of 737.0 and 839.0 feet respectively. Due to the lateness in the season and with the prospect of not being able to complete the next hole, no further drilling was undertaken. Hole SS-5 was collared at the new drill site approximately 300 feet southwest of the old site and some 70 feet higher in elevation.

Both holes passed through a typical hanging wall panel of variably limey Argillites, as cored in the three previous surface holes. The lode zone intersected in SS-4 is conformable structurely with former intersection, ie. a Porphyry Dike on the immediate hanging wall of the lode preceeded by variably altered Argillites. The lode zone is much weaker than that intersected in SS-3, but generally similar in character. On the footwal side of the lode structure there are occasional tight siderite and siderite-sphalerite stringers and veinlets in the silicate altered Argillites.

Hole SS-5 was collared at an azimuth of S 21° E and an attitude of minus 75°. The lode zone intersected is situated some 185 feet WSW of the zone in SS-3, but at the same elevation, which is some 45 feet lower than the intersection in SS-4. The lode zone here is quite weak and the mineralization is sparse and widely distributed between 719.5 and 751.0 feet. The character and texture of the sphalerite and galena is similar. One distinct feature common to previous intersected zones and lacking in SS-5, is the Dike on the immediate hanging wall of the lode zone. Another feature not common to former intersection is the presence of a Fine grained slightly siliceous Biotite-Quartz-Feldspar Diorite Dike, which would appear to intersect the lode zone from the Footwall at a very sharp angle.

It is quite apparent now that we have outlined a very ~~shallow~~ flatly southerly dipping and WSW striking lode structure, which contains zones of significant mineralization. The lode structure as outlined is fairly uniform in both strike and dip.

Margaret Lode

Stripping in the upper Mascot Basin to locate this lode was terminated when the drill crew moved onto the new site. The stripping done exposed a panel of thinly bedded Argillites locally interbedded with thin Quartzite beds. This panel strikes N 15° W to N 35° W and dips 35° to 65° southwesterly. A fine grained Biotite Diorite was exposed in one 50 foot section, but no contacts were located.

October 4, 1967.

Margaret Lods (continued)

The Margaret Tunnel was surveyed by tripod-compass and tape, and subsequently mapped. The results are shown on the accompanying 20 scale plan. This lode structure is probably the continuation to the east of the Jennie Lode as exposed in old workings on the west side of the Minnie Ridge.

Irene Fraction

Cat stripping here to expose previous old workings was curtailed due to a severe rock bluff, but at the very end of the stripping which is only about 25 feet from the old workings, there is a 10 to 12 foot width of crenulated and folded Argillites, veined and shot through with coarse grained carbonate. This structure is conformable with the surrounding panel of sediments which strike N-S and dip to the east. Hand stripping along strike to the south exposed narrow widths of carbonate in an altered and weathered Argillite. This structure may represent a bedding shear which has locally been dragged and accompanied by carbonate intrusion.

? spurs or magnesite?

Respectfully Submitted,

W. Leszczyszyn

Walter Leszczyszyn
Geologist.

SILMONAC MINES LIMITED

NEW DENVER, B.C.

INTERIM REPORT SEPT. 20, 1967

The regular semi-monthly progress and geological reports for the period September I-I5 are being consolidated with the reports for the period September I6-30. This action has become necessary due to the accumulation of work that remains to be completed prior to the onset of winter conditions at the higher elevations.

During this period the following was undertaken or completed:

Surface Hole SS-4 was drilled to a depth of 737 ft.

The Margaret workings re-openedxma, surveyed and mapped

Bulldozer cut extended on the projected strike of the Margaret lode

Drill site No.3 prepared some 300 ft. to the east of No. I site but drilling terminated prior to using this

Drill Hole SS-4 cut low grade mineralization commencing at 631.5 ft continuing to 639.2 ft. Core samples are out for assay.

Hole SS-5 is being drilled from site No 2 and the hole is projected to intersect the lode some 200 ft west of the intersection in SS-3 and at a slightly lower horizon.

You will be advised should any development of interest occur.

W. Baer

SILMONAC MINES LIMITED
NEW DENVER, B.C.

PROGRESS REPORT — PERIOD AUGUST I6-3I, I967

CUMULATIVE FOOTAGE	THIS PERIOD	TO DATE
Total Heading Advance		I3I5.87 ft.
Total Timbered Advance		I58.I0
Total Slashing Cu. ft.		8003.00

DIAMOND DRILLING (UNDERGROUND)

FOOTAGE AQ		5353.0
Casing		224.0
Reaming		3I2.0

DIAMOND DRILLING (SURFACE)

Footage	BQ	795	2I2I.0
Casing		I5	49.0

Surface Hole SS-2 advanced from 625 ft to termination at662 ft and Hole SS-3 terminated at a depth of 768 ft. from the collar on the 3Ist.

Hole SS-3 entered the lode zone at 69I.5 ft. continuing therein to 732.4 ft from the collar. Mineralization on the hanging wall extended from 69I.5 to 696.8 ft. and included 0.9 ft of material containing 50-75 % sulphides. From 696.8 ft. to 7I0.3 ft a band or horse of waste occurs which to date has not been sampled. From 7I0.3 to 732.4 the second band of mineralization occurs. It is expected that the two mineralized zones will be medium grade mill ore but pending assay results some doubt is held whether the two sections would allow the inclusion of the waste in mining. Samples of split core are out for assay with sludge samples to follow.
Hole SS-4 is being collared from the same set up on a bearing of S-45 -E and on dip of minus 68 degrees. It is projected to cut the lode at a similar horizon as SS-3 but 200 ft east.
No 2 drill site has been prepared with the objective of testing the lode further to the west.

SURFACE EXPLORATION

A second bulldozer cut was made midway between the surface outcrop on the ridge and the lower cut on the west side of the Mascot Basin. Where exposed the lode is much narrower than on the ridgewith no mineralization visible in the filling. Additional stripping to expose bedrock was carried out in the lower cut, primarily for geological information.
A cut was started in the upper part of the basin in an attempt to locate the Margaret Lode which should lie some several hundred ft. in the hanging wall of the Hope- Mascot Lode zone currently being drilled.

GENERAL

The transit survey from the 3996 level to Hope No 2 portal made in I964 was extended to the present drill site and bulldozer cuts. The assumed elevation and location of the drill site coincide ~~with the~~

within a few feet of the transit survey.

Of note is the silver to lead ratio in the intersection in Hole SS-2. The weighted average of three sections (adjoining) for 2.2 ft gives the following:

Gold- Tr; Silver- 3I.2 ozs; lead-4.9%; zinc-6.02%

Presently the Geologist is incapacitated due to illness therefore the geological report will follow at a later date.

Assays #55-2.

Sample No.	Hole No.	Source	Footage	Gold	Silver	Lead	Zinc
33	SS-2	Core	539-539.5	Tr	0.6	Tr	--
* 34	SS-2	Core	539.5-540	Tr	6I.0	I6.6	I0.4
* 35	SS-2	Cre	540-54I	Tr	I5.4	I.0	3.7
* 36	SS-2	Core	54I-54I.7	Tr	38.4	2.2	6.2
37	SS-2	Core	54I.7-542.7	Tr	0.6	nil	--
38	SS-2	Sldge	5I0	Tr	0.6	tr	0.5
39	SS-2	"	535	Tr	0.2	nil	0.5
40	SS-2	"	540	Tr	0.2	tr	--
4I	SS-2	"	545	Tr	3I.8	6.4	rept

Samples 34,35 & 36 give a weighted average of

Silver-3I.2 ozs; lead-4.9%; zinc -6.02 % for a core length of 2.2. ft.

J. E. Pace

Silmonac Mines Limited
New Denver, B.C.

September 8, 1967.

Geological Report For The Period August 16-31, 1967

Surface Exploration

Diamond Drilling

Hole #SS-3 was completed to a depth of 768.0 feet. The hanging wall panel of sediments are similar to those intersected in SS-1 & SS-2 right to the altered dike immediately on the hanging wall of the lode. The lode zone extends from 691.5 to 732.4 feet in the hole and contains three zones of mineralization separated by two horses of very slightly mineralized waste. The complete description of the zone is shown on the log. The hole intersected the lode zone at a 45° angle so that the true width of this zone is 28.9 feet. This intersection represents the best mineralized lode segment in the area being explored. The immediate footwall panel consists of variably and preferentially altered and silicified massive Argillites.

Hole #SS-4 is collared on the same set-up, but at an azimuth of S45°E and an attitude of minus 68°. This hole should cut the lode zone at a similar depth of hole and on the same horizon as #SS-3, but 200 feet ENE of the intersection in #SS-3.

Upper Cuts on the West Side of the Mascot Basin - Main Lode

walters 2 small pits

The lode was exposed immediately below the most northerly cut or pit put in last year. The lode itself is 4 to 5 feet wide and consists of crushed, brecciated and altered argillites, shot through with quartz-carbonate stringers (heavily oxidized). The immediate footwall consists of 1" to 1' of soft, oxidized brown mud with occasional breccia fragments. The whole exposure is heavily oxidized. There is a distinct tight hanging wall shear, above which there is 7 to 12 feet of twisted and folded altered argillites paralleling and sub-paralleling the lode trend. The lode has a strike of S65°W and a 38° southerly dip. -plot

Cuts further south along the ridge showed that the hanging wall panel of sediments have a general strike of N45°W to N65°W and dip 50° to 80° ~~southwesterly~~ northeasterly.

The immediate footwall rock consists of highly altered and tightly-fractured admixture of Porphyry and Argillites to a thickness of about 20 feet. This is followed by 15 feet of bleached and silicified Porphyry, subsequently followed by a horizontal length of 135 feet of slightly silicified fine to medium grained Quartz-Felspar-Biotite Diorite Porphyry.

The only sulphides noted in the lode were pyrite and pyrrhotite

The location of the lode corresponds fairly closely to the projected trace shown on the 100 scale Plan-Section. The lode is principally a shattered and twisted zone small relative movement along numerous small planes.

Margaret Lode

Stripping to locate this lode in the upper part of the basin initially exposed a southwesterly dipping panel of Argillites.

major drag over L.B.

Respectfully Submitted,

W. Leszczyszyn

Encl: Log SS-#2 (Page 4 - Assays)
Log SS-3 (0-768.0)

TEL: BUS. 682-4144
RES.: 987-9520

WILLIAM M. SHARP, P. ENG.
CONSULTING GEOLOGICAL ENGINEER

STE. 808, 900 WEST HASTINGS ST.
VANCOUVER 1, B. C.

September 8th, 1967

Mr. J. C. Black,
Manager,
Silmonac Mines Ltd. (N.P.L.),
New Denver, B.C.

Dear Jack:

Many thanks for your highly encouraging progress report for the August 16-31 period.

The S.S.-2 assays on the core sections adjacent to the 539.5-40 were certainly much better than I had expected from my cursory field inspection. With the presently-indicated- and pretty well substantiated Ag/Pb ratio, it's becoming apparent that anything with a "sniff" of sulphides is worth detailed sampling. Also, it appears that reasonably thorough surface exploration of the lode on both sides of the No. 1 set-up is warranted.

With a little strike, or dip-flexuring on the structure, the conditions would be right for a very substantial ore shoot; I am hoping that at least one of the holes proposed will find one of these sections.

Tell Walter that I'll have my altimeter checked out, and hope that the elevation checks were not too much of an inconvenience. Also, I hope that he is feeling lots better.

Will be looking forward to your next report for the results of your current trenching on the Margaret Lode. From Walter's recent verbal summary of his mapping, it looks as though there is an important interruption of the east-dip beds, with the development of a Payne-type fold within the Margaret interval. Could provide a nice secondary drilling target.

Hoping the weather has "improved" sufficiently to allow you and Iris

/over

to get in your long-delayed fishing trip - or to freshen up the golf course, at least. Barb hardly believed that Slocan Lake could warm up.

Also, thanks again to both of you for a very pleasant visit.

Best regards,

Bill Bill

WMS/jm

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT AUGUST I-I5, I967

CUMULATIVE FOOTAGE	This Period	To date
Total Heading Advance		I3I5.07
Total Timbered Advance		I58.I0
Total Slashing		8003.0
DIAMOND DRILLING UNDERGROUND	II40	5353.0
Casing		224.00
Reaming		3I2.0
DIAMOND DRILLING SURFACE		
Footage BQ	887	I326.0
Casing	II	34.0

1027' or 2054'/mo.

Hole S-50 advanced from 672 to0 termination at 8I2 ft. with the suspension of the underground drilling upon completion of this hole.
Hole SS-I advanced from 439ft. to 70I ft and SS-2 was at a depth of 625 ft at the period's end.

pi-di-poly

Hole S-50 intersected the lode zone at 686.5 continuing to 702 ft The zone underlay a dyke some 27 ft. in thickness. Other than a half inch stringer of galena mineralization was extremely sparse although the silver to lead ratio remains high. Assays attached.
Surface Hole SS-I intersected minor mineralization at 500 ft. The silver to lead ratio remains high.
Hole SS-2 intersected mineralization at 539.5 continuing to 54I.7. Of this 0.5 ft. is estimated to contain 30% combined lead -zinc with the lead being the chief component. Assays for this section are outstanding.
Upon completion of SS-2, SS-3 is projected on a due south bearing at minus 60 degrees.

No surface stripping was accomplished due to unavailability of the Bulldozer.

GENERAL Mr. W.M. Sharp is to arrive on the I6th and may have recommendations for further exploration. Should such be the case immediate provision for additional financing should be arranged. Funds available are sufficent for the present program of surface drilling and stripping.

It is recommended that drill stations be established intermediate to drill holes S-24 and S-50 to test the lode in this area and to advance the west face of the 3996 drive in a southerly direction some 500 ft. and establish a drill station to test the lode below the intersections in Holes S-47,48 & 50. The cost of this phase is estimated at $I00,000.00. Should no funds to carry out further exploration be forthcoming, we again can be faced with a lengthy shutdown.

ASSAYS

HOLE	FOOTAGE	GOLD	SILVER	LEAD	ZINC
S-50	700-700.8	Tr	6.6	I.8	I.2
S8-I	500.5-501.0	Tr	7.8	I.2	2.2

Silmonac Mines Limited
New Denver, B.C.

August 21, 1967.

Geological Report For The Period August 1-15, 1967

Surface Exploration

Diamond Drilling

Hole #SS-1 advanced 262.0 feet to a final depth of 701.0 feet. The intersection from 500.5 to 501.0 assayed as follows: Ag oz/ton - 7.8; Pb % - 1.2; Zn % - 2.2. The footwall rocks to the bottom of the hole consisted of massive to coarsely-bedded Charty Argillites to Quartzites.

Hole #SS-2 was collared from the same site, but at a bearing of N 75° E and an attitude of minus 73°. It advanced to a depth of 625.0 feet by period's end, and a final depth of 662.0 on Aug. 16th. The hanging wall panel of sediments are similar to those in #SS-1, except that a larger zone of preferentially altered Argillites was cored. The mineralized lode zone is described on the log, but it is noteworthy to mention that the character of the galena and sphalerite indicate considerable compression and movement. The mineralized zone extends from 539.0 to 542.7.

Hole #SS-3 was collared on August 17th at an attitude of minus 67° and an azimuth of S 30° E, and will intersect the lode structure at an approximate hole depth of 650 feet.

All the intersections to date have indicated a lode structure with a very regular dip and strike.

Dorothy Area

Further excavation of the access road from the Dorothy to old workings on the Irene Fraction was curtailed due to mechanical breakdown of the bulldozer.

All available surface cuts and underground openings on the Dorothy were mapped. The trend of the panel of sediments (Fissile Argillites & Charty &/Or Limey Argillites) is N 20° W to N 10° E, and dip at variable angles to the east. Local folds and flexures result in anomalous strikes and dips of small segments. Also, locally in the proximity of the lode the sediments parallel and sub-parallel the lode strand.

At present there are two distinct lode strands and they are referred to as the Upper Lode Strand and the Lower Lode Strand. The accompanying plan shows their relative locations.

The Lower Lode Strand is exposed intermittently for a strike length of 200 feet on surface, and is continuous to the east in an old tunnel reported to have followed the lode some 400 feet. This same lode has been raised on and subleved 75 to 100 feet below the surface exposures. Access was gained by the lower Dorothy adit. A total of some 175 feet of development work was done here, and there is some indication that some stoping was carried on.

Dorothy Area Continued

The Upper Lode Strand was initially exposed in an old pit and stripping last year exposed some 75 feet of mineralized lode material which fingers out at both ends into slumped bedrock and talus.

Both strands are similar in character and have a variable strike from N 45° E to East-West, and dip 20° to 60° Southeast and West South. The lodes consist of crushed wall rock, quartz-carbonate gangue and ore minerals, and very little siderite. Shearing along the walls is normally evident, but no large shear zones were seen. Contacts may locally appear frozen and the lode then consists of highly silicified and brecciated wallrock, cemented by quartz and minor carbonate, plus ore minerals. Two to three foot fragments of coarse grained calcite were excavated near the portals of old adits, but no large mass or widths of calcite was noted in place. The galena occurs as grains and stringers associated with cemented breccia material or as coarse grained and gneissic galena in kernels or veining the sheared lode strand. On the surface the lode steps off to the north along small offsets and flexures, as it progresses west. Underground exposures show that the mineralization within the lode is confined to fairly narrow (1"-4") lenses, wedges and veins, as well as the scattered grains and stringers. Crosscutting slips and small shears have a tendency of controlling the extent of the mineralized segments within the lode.

The irregular course of the lode is due principally to the structure of the enclosing sediments. Where the lode cuts across the sediments it is tight and narrow and where it parallels the more fissile Argillites it is wider and contains lenses of coarse grained calcite.

At this horizon the lode structure on the Dorothy claim does not contain economic widths of vein material. The most significant factor which encourages further exploration is the strike and dip persistence of the lode structure in bearing galena mineralization.

Underground exploration

Diamond Drilling

Hole #S-50 advanced 140 feet to a final depth of 812.0 feet. The intersection from 700.0 to 700.8 assayed as follows: Ag oz/ton - 6.6; Pb % - 1.8; Zn % - 1.2 . The silver-lead ratio here is quite favorable. The hanging wall panel of the lode is composed of 30 feet of Biotite Diorite Porphyry, followed by Skarn type altered Argillites and Quartzites to the end of the hole.

Respectfully Submitted,

W. Leszczyszyn.

Enclosed: 20 Scale Composite Plan
20 Scale UG Dorothy Mapping (Sectional)
D D Log S-50 (700-812) HOH
D D Log SS-1 (350-701) HOH
D D Log SS-2 (0-662) HOH

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT — PERIOD JULY 16-31/67

CUMULATIVE FOOTAGE	THIS PERIOD	TO DATE
Total Heading Advance		1315.87 ft.
Total Timbered Advance		150.10
Total Slashing		8003.0 cu. ft
DIAMOND DRILLING (UNDERGROUND)		
Footage AQ	556 → 1112'/mo.	5243
Casing		224
Reaming		312
DIAMOND DRILLING (SURFACE)		
Footage BQ	439	439
Casing	23	23

Hole S-50 advanced 556 ft. from 116 to 672 ft. during this period. Hole SS-1 collared on the surface at Silmonac Co-ordinated 4750.9 N, 10,762.6 E at minus 58 degrees and on an azimuth of N-21-W was at a depth of 439 ft. at the end of the period.

Hole S-50 has not digressed in attitude or azimuth to the same extent as S-47 or S-48. The hole is now in skarn-alteration formation and should be in proximity to the lode zone.

Surface drilling got underway on the 19th. and Hole SS-1 was cased to a depth of 23 ft. due to fractured bedrock. Progress has been below par due to ground tenure. Blocky ground with numerous slip planes and graphitic slips have caused in consecutive short runs between core blocks. Several zones of shearing have been intersected and in two, sparse sphalerite mineralization in narrow carbonate veining was observed. A series of graphitic shears appear from 420 ft to 440 ft but no lead-zinc mineralization was observed.

SURFACE EXPLORATION

MASCOT AREA — Stripping on the west side of the Mascot Basin was suspended due to the depth of unconsolidated wet overburden. Bedrock was exposed in isolated locations but the Lode zone was not exposed. Resumption is under consideration. Residual slime adjacent to bedrock appears to be the only material applicable to geochemical sampling.

DOROTHY — Bulldozer cuts made late last season were extended and deepened and in addition a cut to cross section the lode zone penetrated bedrock. Work to date has exposed a wide zone in which several bedded mineralized veins, from a few inches to several ft. in width occur. Cosidering that these veins carry galena, although erratic in occurrence and widths, in structure not too favorable for ore bodies of any consequence this lode does appear to have good possibilities of making a sizable orebody in competent rocks.

N end of this (and) mineralized lode in 7620 N-E.

Entry to the Lowermost Dorothy adit was made and workigs above this level were surveyed and remain to be mapped. A second level was exposed higher on the slope but access could not be gained to the underground workings. These workings have followed a lode strand and wre heavily timbered which has now rotted out.

IRENE FR. An access road to early workings on this claim is currently under construction.

SLUDGE ASSAYS

HOLE NO	FOOTAGE	AG	PB	ZN
S-24	205	0.2	nil	I.6
	210	0.2	Nil	0.4
	215	0.3	tr	0.4
	220	0.2	nil	0.7
	225	tr	nil	0.8
	230	0.I	tr	0.4
	235	0.2	tr	I.0

August2-

Hole S-50 intersected a mineralized zone at 700 ft. Minor mineral across 0.8 ft. underlying Intrusive. The hole is continuing.

Hole S8-I intersected minor mineralization in a shear zone at 499-501 ft. Approx ½ inch galena and minor sphalerite for 2 inches. This hole is being continued.

J. L. Rach

Silmonac Mines Limited
New Denver, B.C.

August 2, 1967

Geological Report For The Period July 16-31, 1967

Surface Exploration

Diamond Drilling (Main Lode) -

Hole SS-1 was collared at a bearing of N 21° W and an attitude of minus 58°. It advanced 439 feet in the period, through a panel of mixed Argillites, Cherty-limey Argillites and Limestones, occasionally cut by narrow Biotite Diorite Dikes. Two narrow quartz-carbonate veins carrying minor amounts of sphalerite were noted. Three Tropari tests to 240 feet show that the hole is progressing fairly straight.

Mascot Area

Very heavy overburden which is in excess of twenty feet has impeded any further stripping along the west side of the basin. The lode zone was not located. The overburden consists of many cobbles and boulders which are held together with a sandy matrix. The cobbles and boulders are well rounded and have been transported some distance. Very little residual soil or near bedrock material was available for geochem sampling.

Dorothy Area

Attempts were made by stripping to open two of three adits on the middle and upper Dorothy workings. Heavy slumping into the adits which at one time had been well timbered, prevented any chance of gaining access.

Access to the sublevel workings above the lowest Dorothy adit was attained and the workings were surveyed, but have not been mapped asyet. Limited mining had been done in these workings.

The Dorothy "Lode" consists of two main strands striking roughly east-west and dipping at variable but low angles to the south. It consists of a calcite-siderite filled fissure which has been sheared and silicified, and contains lenses and kidneys of coarse grained and gneissic silver-bearing galena, as well as minor sphalerite. The lode fissures are very variable in width and character and contain many flexures and rolls.

On completion of the mapping in all the workings a more complete description will be presented.

An access road from the upper Dorothy to some early workings on the Irene Fraction has been started.

Underground Exploration

Diamond Drilling - Hole S-50

The hole advanced 556 feet through a typical footwall panel and reached a depth of 672 feet.

P. S. August 3rd- S-50 Intersected 0.8' (700.0-700.8) of lode breccia with grains and stringers of galena and sphalerite. SS-1 intersected 0.5' (500.5-501.0) of siliceous lode with galena and sphalerite mineralization.

Encl: D. D. Log SS-1 (0-350)
D. D. Log S-50 (175-700)
100 Scale Plan-Section

Respectfully submitted,

W. Leszczyszyn.

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT JULY I-I5, I967

CUMULATIVE FOOTAGE	THIS PERIOD	TO DATE
Total Heading Advance		I3I5.87 ft
Total Timbered Advance		I58.I0
Total Slashing		8003.0 cu.f

DIAMOND DRILLING U.G.

FOOTAGE	AQ	3I2	4687
Casing			224
Reaming			I44

Hole S-49 collared in the same station as S-47 & S-48 had advanced I96 ft when stopped and abandoned. Hole S-50 at plus 45° and on an azimuth S-45°-E was at II6 ft at the period's end.

S-49 projected at plus 60° and on aximuth of S-45°-E had digressed to the point where it appeared to be headed for the same general area as S-47 & S-48 and was terminated.
Hole S-50 collared in the Intrusive at the station on Silmonac co-ordinated N 47I6, E II272 was still in Intrusive at II6 ft. Tro pari tests at I5 and 70 ft . showed that the hole was on a resonably straight course. A deviation in strike and inclination can be expected upon the hole entering the Sediments.

The Survey of Hole S-47 was completed in this period and forwarded with last period's report. During the past week underground drilling has been on a single shift basis due to the contractor being unable to locate a second runner.

A drill and camp site were excavated in the Mascot basin with the drill and equipment moving in on the I3th. BQ wire line equipment is being used in expectations that the holes will stay relatively close to their projected position. Surface drilling should get underway early in the next period.

extended northerly on W. side E fork Trib. creek.

The Access road into the Mascot Basin was extended at the 5400 ft. horizon along the south east slope of the ridge separating the Minnie-Ma-Ma and Mascot workings for a distance of I893 ft. in order to expose the lode zone west of the Mascot Basin. To date the lode has not been located due principally to depth of unstable overburden.

Sludge Assays attached

Alex Buck

SLUDGE SAMPLES

HOLE	FOOTAGE	Ag	Pb	Zn
48	665	6.4	I.0	8.4
48	670	I.4	Tr	3.3
48	675	0.2	Tr	0.I
48	660	0.4	nil	0.9
24 extended	I80	0.4	tr	I.8
24	I85	0.4	tr	I.8
24	I90	0.4	0.2	0.2
24	I95	Tr	tr	0.3
24	200	0.2	nil	0.3

Sludge samples from Hole 8-24 from 205 to 235 still to be assayed.

Silmonac Mines Limited
New Denver, B. C.

July 17, 1967.

Geological Report For The Period July 1-15, 1967

Surface Exploration

Hope Mascot Lode (Main Lode)

A drill site and camp site was cleared with the Cat in the East Tributary basin above the Mascot workings, and in close proximity to the creek.

An access road on the west side of the creek and basin was constructed, and stripping in the vicinity of the projected trace of the lode was started. Overburden is very heavy and only minor amounts of skarn type and diorite bedrock was exposed on the footwall side of the lode, to date.

apparent

The proposed bearings of the initial surface drill holes is North 22° 30' West, and the first hole SS-1 will be collared at an attitude of minus 60°.

Drilling should commence early in the next period.

Underground Exploration

Diamond Drilling

Hole S-49

This hole was collared at the same set-up as S-47 and S-48, but at an azimuth of South 41° East and an attitude of plus 60°. It was intended to intersect the lode zone approximately 200 feet east of the intersections in S-47 and S-48. The hole was terminated at 196.0 feet because it was deflecting severely to the west and was heading towards the vicinity of the previous intersections.

Hole S-50

This hole was collared in the diamond drill station some 200 feet east of the last set-up and at an azimuth of South 43° East and an attitude of plus 45°. It is intended to intersect the lode zone some 300 feet East-North-East of the intersections in S-47 and S-48 and at a slightly lower horizon.

Advance in the period amounted to 116 feet. On July 16, the hole passed out of the Bird's-Eye Porphyry into foliated Argillites at 168.0 feet.

Encl: DD Log S-49 (0-196)
DD Log S-50 (0-175)
100 Scale Composite Plan

Respectfully Submitted,

W. Leszczyszyn.

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT PERIOD JUNE I6-30, I967

CUMULATIVE ADVANCE

	This Period	To Date
Total Heading Advance		I3I5.87 ft.
Total Timbered Advance		I58.I0
Total Slashing		8003.0 c.ft.

DIAMOND DRILLING

Footage AQ	9I	4375
Reaming	I44	
Casing		224

During the period Hole S-24 was reamed to a depth of I44 ft from the new collar and drilled to a final depth of 235 ft. Hole S-48 was surveyed and a start made on S-47. In the first part of the period drilling was on a two shift basis but lost time, drill operation and a lost shift due to high water combined to restrict progress. In the latter part of the period drilling was curtailed to a single shift pending the outcome of a meeting in Vancouver on the 26th.

Hole S-24 was deepened to ascertain if previous drilling had been terminated prior to reaching the lode shear which is now evident. At I75 feet from the collar the shear zone was intersected and continues to the end of the hole which was terminated in CAVE. Minor lead zinc mineralization in quartz calcite stringers was observed both in the core and in cave rubble reclaimed from cleaning the hole. Sludge samples are out for assay but are not expected to show more than trace. The situation now exists in view of the lode shear being intersected in S-24 that along the strike for some I700 ft. little is known concerning the lode or its mineral content. Hole S-49 is projected to decrease this gap by a few hundred feet.

In view of the difficulties eperienced in extending S-24 into the shear and also from past drilling some means of accelerating and at the same time recovering core must be found.

The road to the Carnation 5480 level was reopened and the seperate access road to the Mascot improved and extended into the basin. Drill sites can be readily prepared .

A Tro Pari compass for surveying diamond drill holes was pur chased.

Work planned for the immediate future consists of diamond drilling from sites in the Mascot Basin to test the lode above the intersections in S-47 & S-48 and to drill two holes from underground to test along strike.

5479530 to be tilted around 5479545

Silmonac Mines Limited
New Denver, B. C.

July 6, 1967.

Geological Report For The Period 1-30 June, 1967

Underground Exploration

Diamond Drilling

Hole S-48

This hole was collared just below the collar of S-47 at a similar azimuth but at an attitude of plus 51°. It was drilled to a depth of 766.0 feet. The rock units encountered are similar to those in S-47, but there is a considerable lack of Dioritic Dike, and less of the preferntially altered Argillites-Skarn Type. It can be assumed that this dike tails out considerably just below S-47, and is to the east of S-48.

The lode zone was intersected from 653.5 feet to 665.1 feet, and contained 1.4 feet of mineralized siderite vein, as well as variably mineralized altered and brecciated argillites. A 2.5 foot section from 662.8 to 665.3 feet assayed 3.70 ounces Silver per ton, 0.67% lead, and 3.92% zinc.

The water bearing zone was encountered at a depth of 734 feet, and corresponds to the one intersected in S-47.

A Tropari survey of both S-47 and S-48 showed that the two holes deflected considerably from the proposed direction as layed out in plan. The accompanying plan-section shows the geology and plots of the holes.

Due to the fact that both holes have cut the lode in such close proximity, it is not practical to attempt to determine a true dip and strike of the lode.

Hole S-24 (Deepening)

This hole was deepened 91.0 feet to a final depth of 235 feet. There is a strong lode shear from 182.5 feet to the end of the hole. This zone is moderately to highly graphitic and contains occasional siliceous and quartz fragments with grains and stringers of sphalerite. Due to excessive cave in the latter 40 feet of the hole further drilling was not deemed practical.

Respectfully submitted,

W. Leszczyszyn.

Encl: D D Log S-47 (Page 5)
D D Log S-48 (0-766)
D D Log S-24 Deepening (144-235)
40 Scale Plan-Section of S-47 & S-48

SILVERADO MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT PERIOD JUNE I-I5, 1967

CUMULATIVE ADVANCE	THIS PERIOD	TO DATE
Total Heading Advance		I3I5.87 ft
Total Timbered Advance		I58.I0
Total Slashing		8003.0 e ft

DIAMOND DRILLING

FOotage	AQ	undgld.	766.0	4284.0
Casing				224.0

During the first part of the period an attempt to re-sample the Lode zone in Hole S-47 with an improvised wedge, a cconventional one not being available, did not meet with success and the attempt w was abandoned.

Hole S-48 was collared at the same set up as S-47 and on the same azimuth but at an angle of plus 50°-45' by brunton. Acid tests taken at 200 and 400 feet from the collar indicate that the angle has steepened and the possibility exists that the two ~~XXXXX~~ intersections may be near the same horizon. A Tro Pari has been ordered so that the positions of the holes may be more accurately determined. (Received this A.M.) Both holes will be surveyed upon release of equipment from deepening Hole S-24. 200' +54° 400' +58°

In Hole S-48 as in S-47 the siderite appears to be the best marker. In S-47 this appeared from 658.7 to 660.5 while in S-48 the comparable section appeared from 662-664 ft. from the collar. In S-48 the Lode Zone foot wall is indefinite but from sparse mineralization along and within small inclusions of fragmented siderite in altered Argillites? bleached and banded, it can be assumed that the foot wallof the zone is at 652 feet from the collar and the hanging wall of the mineralised zone at 665.5 ft. Bleaching and banding and Alteration withvarying degrees of Quartz Carbonate veining and intervening argillaceous and limey beds occur to 735 ft where a graphitic zone, a foot in width appears. This might be assumed to be the Lode Zone Hanging Wall. Of note is the failure to intersect a water bearing zone similar to that in S-47.

Assays on split core from S-47- — First hole

prob drained by S-47

Sample No.	Footage	Length	Gold	Silver	Lead	Zinc
I	657.3-658.7	1.4'	—	4.4	2.4	8.5
2	658.7-662.0	3.3'	—	0.4	0.6	0.4
3	674.2-675.I	0.9'	—	0.7	0.5	3.0
4	675.I-675.8	0.7'	—	30.0	I3.7	I4.4
		1.6'	C.	13.55	6.3	8.0
Sludge Assays						
5	650-655			Tr	.I4	.I5
6	655-660			I.0	.I5	.67
7	660-665			0.8	.I8	.50
8	665-670			0.4	.I7	.60

547
Sludges cont'd:

		Au	Ag	Pb	Zn
9	670-675		0.4	.15	.45
10	675-680	.005	5.2	1.05	2.06
11	685-690		Tr	.25	.08

Assays on Hole S-48 Split Core

12	420-6-421-2		0.4		.75
13	662.8-665.3		3.7	0.67	3.92

T.C.B. estim. 15%/2.5'

* From visual examination of the core would say that the zn content of the core is much higher that the assay indicates

During the geologist8s absence on holiday a running log has been compiled on Hole S-48 for comparative purposes. Upon his return the main core will be logged and results forwarded.

Currently hole S-24 is to be extended to ascertain if the lode shear had not been reached in previous drilling.

* Under consideration is to test the lode from surface rather than put out long holes from present headings. Snow conditions should permit drill site preparation within the next twoo weeks.

Ag = 90% × 10.85 × 1.73 = 16.90
Pb = 101% × 65% × .140 = 9.15
Zn = 128% × 50% × .145 = 9.25

Net Smelter 5-47:

Expand ③ + ④ × 2.0' @

Ag	Pb	Zn	Net Smelter
10.85	5.05%	6.4%	$35.30
		say	$35.00/2'

Bill:—

Herewith a print of my logs on S-48 for what they're worth. Might give you an inkling of the formation. You let the only copy.

Photos arrived this am. My fingers are too big to work it!

No doubt much consultation with Silver Std Boys re drilling (today) 19th.

See accomp 40-scale plan showing drill
100-scale X-Sect. 5-46, 5-47
from M.S. orig section
Log 5-47 + sampled sects;
for assays pending.

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT PERIOD MAY 16-31, 1967

CUMULATIVE ADVANCE	THIS PERIOD	TO DATE
Total Heading Advance		1315.87 ft.
Total Timbered Advance		158.10
Total Slashing		8003.0 Cu Ft

DIAMOND DRILLING

Footage	AQ	306	3518 ft.
Casing			224

The entire period was expended in extending Hole S-47 from 440 ft to 746 ft. at which point the hole was terminated. Operational and mechanical difficulties prevailed well into the latter part of the period. Upon the contractor placing a supervisor experienced in drilling up-holes with wire line equipment in charge of the drill crews footage gradually showed improvement.

As the entire program hinged on the results of Hole S-47 it was imperative that that this hole be extended to the limits of the equipment or until some concrete information was obtained even when taking the excessive overall cost into consideration. It is possible that the hole could have been pushed further but operational hazards and the assumption that the Lode Zone hanging wall had been penetrated made it advisable to terminate the hole.

A lode ZONE was intersected at 642.5 ft and continued to 722.0 ft. Two separate mineralized sections were intersected within the zone The first from 658-663 ft and the second from 673-676 ft. The first section consisted of a half inch stringer of sphalerite adjacent to a hlf inch stringer of galena underlying five ft. of siderite and alteration sparsely mineralized with sphalerite and galena. The second section somewhat more mineralization with 0.6 ft considered to be ore grade.

This lode zone lacks the characteristics of the lode in the Silversmith -Ruth section on the 3996 level horizon inasmuch as there is almost a total lack of the graphitic shearing along the hanging wall. The intersection shows much brecciation and freturing especially on the hanging wall side of the zone.

Core samples have been sent for assay with sludge samples to follow.

June 3

The attempt to wedge the hole did not meet with success and hole S-48 is being drilled on the same bearing as S-47 at plus 50 -45.

Silmonac Mines Limited
New Denver, B. C.

June 2, 1967

Geological Report For The Period May 16-31, 1967

Underground Exploration

Diamond Drilling

Hole S-47 advanced 306 feet to a final depth of 746.0 feet.

A lode zone was intersected from 642.5 to 722.0 feet. Generally the zone is highly and variably altered, resulting in a skarn type of alteration and bleaching. Brecciation is quite pronounced in local sections, and is also accompanied by some flow.

chert-lime-silicate or chert-silicate for brevity

Lead and zinc mineralization extends from 657.3 to 675.8 feet, and consists of scattered grains and stringers of galena and sphalerite, as well as occasional narrow bands of massive sulphides. Approximately three feet of coarse grained siderite was cored from 658 to 661 feet. See log for detail.

The hanging wall of the lode zone consists of a slightly sheared and brecciated, slightly limey argillite, which is shot through with carbonate stringers and veining. This section of the hole is making a fair volume of water.

* Above this latter zone there is a panel of lode directional sediments consisting of argillites interbedded with variably limey beds of limestone and limey argillites.

Four split core samples have been sent out for assay as indicated on page five of the log.

Respectfully submitted

W. Leszczyszyn

Enclosed: 40 scale plan No 7
100 scale section of S-46 & S-47
D D Log S-47 (350-746)

SILMONAC MINES LIMITED

NEW DENVER B.C.

PROGRESS REPORT — MAY 14 -15, 1967

CUMULATIVE ADVANCE	THIS PERIOD	TO DATE	
TOtal Advance		1315.87	ft.
Total Timbered Advance		158.10	
Total Slashing		8003.0	c.ft.

DIAMOND DRILLING

Footage AQ	440.0	3212.0	ft.
Casing		224.0	

Diamond drilling at the face of the 3996 west drive was the only exploration carried out during the period.

Footage drilled was below expectations due to drill breakdowns, inadequate supplies and poor drill runner performance which is apparently the rule with local contracting establishments.

In order to accelerate the present program drilling on a continuous 2 shift basis was initiated, however, lost drill time has more than overcome the two additional days per week.

Hole S-47 at plus 60 degrees and on a SSE bearing had advanced 440 ft during the period. This hole was in firm sediments for the first 306 ft and from 306 to 44c ft. in fine grained intrusive. No mineralization or fracturing of consequence were intersected.

It is now indicated, if the Hope Mascot Lode persists to the 3996 level horizon, the dip to be 30 degrees or less. in the area now being drilled.

Jet Back

Silmonac Mines Limited
New Denver, B.C.

May 16, 1967

Geological Report For The Period 1-15 May, 1967

Underground Exploration

Diamond Drilling

Hole S-47 advanced to an interim depth of 440 feet and the agimuth and attitude at the collar are south 23°15' west, and plus 60° respectively. Acid tests at 200 feet and 400 feet resulted in attitudes of plus 61° and plus 59°30' respectively. These results would indicate that the hole is maintaining a fairly straight course.

Foliated Argillites and Cherty Argillites were cored from 0 to 100 feet, with the foliation cutting the core from 0° to 50°. From 100 to 272.5 feet the dominant unit is a cherty massive Argillite locally showing some bedding and foliation which cuts the core at steep angles. A section of preferentially altered Argillites extends to 306.0 feet, at which an intrusive contact cuts the core at steep angles, but irregularly. The intrusive persists to the present depth and is dominantly a fine to medium grained quartz-biotite Diorite, which is slightly to moderately fractured. This unit is similar in character to the "Birds-eye" Porphyry, but different in texture and slightly more biotitic.

No significant shears or lode structures were encountered. The intrusive unit in the latter part of the hole is probably an apophyses or offshoot of the main mass to the east.

Respectfully submitted,

W. Leszczyszyn.

Enclosed: D D Log S-47 (0-350)

P. S. Seventeen more core samples were sent out for Hg determination.

May 3, 1967

Mr. J. C. Black,
Manager,
Silmonac Mines Ltd. (N.P.L.),
New Denver, B.C.

Dear Jack:

Thanks for your April 16-30th progress report, received in today's mail.

S-45 has satisfactorily eliminated the possibility of footwall-splits off the flat lode structure.

From the results of S-46, I would guess that we are still in the porphyry filled axial-plane zone, and that the flat lode structure is still with us. With luck (?), S-47 will confirm this with only a moderately long hole. If this proves to be the case, we can only infer that the lode has flattened over the top of the general porphyry zone all the way through. This could indicate the necessity of moving exploration to a higher horizon or, depending on the data from S-47, of advancing the 3996 heading still farther west, in the hopes that the Payne axial zone dips westward. So, we have to hang on until the S-47 results are in before deciding on the next move.

It looks as though you could have a bang-up run-off too, given some sudden warm weather.

Thanks to Walter for the 100-scale plot to date.

Hope the batching goes O.K., if you are still at it!

Best regards,

W M. Sharp, P.Eng.

MWS/jm
P.S. Assume Walter is getting cores for Hg tests.

April 17th, 1967

Mr. J. C. Black,
Manager,
Silmonac Mines Ltd. (N.P. L.),
New Denver, B.C.

Dear Jack:

Thanks for Barringer's report on the Hg analyses. I did not receive one directly, and, apparently, the Silmonac Vancouver office did not either, so I am passing my copy along to them - for Bob's and Norm's detailed inspection.

From the data on hand, I would assume that the Hg's show up most strongly in the vicinity of major ore shoots, but that the vapour, or solutions could get out into the walls for considerable distances via bedding-fault or lode-strand channelways. (walter note Hg to structural "avenues" (good).

The very low Hg's within the 3996 mineralized section (and other intervals) could be an indication of the general tightness and poor structural continuity of the lode within this section of the general structure, or that it is both distantly and tenuously related to a major, "open" lode segment.

At any rate, I personally feel that these rather preliminary readings show some positive relationships, and that they are sufficiently indicative to warrant similar follow-up sampling, on a routine basis, during current exploration. As the method still has to be tried on surface exploration, this follow-up sampling may assist in the interpretation or evaluation of possible surface anomalies.

Pending yours and Walter's personal checking and evaluation of the current data, I am recommending the following:

1. Take a few additional samples from the S-35 core, bracketing #145 - possibly at 50-foot intervals.

2. Sample S-45 at 100-foot intervals.

/over

3. Sample S-46, and other 3996 - West holes at 100-foot intervals.

4. Supplement the above with whatever checks you consider pertinent to the initial or current sampling.

Barringer now have their Vancouver receiving depot in operation:-

Exploration Office,
Barringer Research Limited,
1395 S.W. Marine Drive,
Vancouver 14, B.C.

Dave Phillips is depot manager. He can dry and prepare samples, if necessary, prior to shipment to Toronto.

Regards,

W.M. Sharp, P.Eng.

WMS/jm

c.c. Mr. A. C. Ritchie, P.Eng.

April 14th, 1967

Mr. J. C. Black,
Manager,
Silmonac Mines Ltd. (N.P.L.),
New Denver, B.C.

Dear Jack:

Thanks for yours of April 10th.

The lack of any significant shear or lode-strand intersection in S-44 appears to diminish the possibility of there being a lode strand closely below the cross-cut horizon. However, I also think that it's a good idea to leave the bar and casing in place until the present series of holes is completed.

Reviewing S-43 and S-44, I think we could safely cancel out the original S-46 - as layed out on the March 13th schedule.

Referring again to the March 13 schedule, the proposed -60° hole on the same line as S-20 appears less urgent - this observation largely based on the negative results from S-44. However, a short hole is still adviseable, but would collar it at the most convenient site in that general section of 3996, to minimize station preparation.

I'm sorry I didn't communicate sooner re a possible -5° adjustment to the inclination of S-45 (30° to 25°), but this change would not be important anyway unless the hole were carried much beyond the proposed 500-foot depth.

I'll be looking forward to your next reports on S-45 and, particularly S-46 and the following west-end holes.

You sure slipped the big word (in caps!) into your April 10 letter very neatly, or is it that you subscribe - without reservations - to P.B's. famous saying, "God hates a coward"? Would you settle for 5'-10' of quartz-carbonate with a fair sprinkling of PbS?

Barringer's Dr. Walker reports that he noted the core and chip samples when in Toronto, so we should receive our Hg results, if any, fairly soon.

/over

I finally got around to the invoicing matter; I sent it to the Vancouver office, attention, A. Ritchie and yourself. So the kids can go back on full rations any day now!

Best regards to self and Walter,

W. M. Sharp

WMS/jm

TELEPHONE 358-2335

SILMONAC MINES LIMITED

Non-Personal Liability

P. O. Box 189
NEW DENVER
BRITISH COLUMBIA

April I0, I967

Mr. W.M. Sharp, P.Eng.,
808-900 Hastings St. West,
Vancouver, B.C.

Dear Bill:

Hole S-44 bottomed at 215 , still in the Intrusive and S-45 is already out I87 ft. at 30 degrees (plus 30) in sediments.

Some alteration and shearing appeared in S-44 around I70 ft which for a while did look as if there could be some thing down below but the last part of the hole was in fresh Intrusive. We left the bar and casing at the collar just in case, at some later date someone might think it advisable to determine the lower limits of the Intrusive and see if there is something underlying it.

I have hopes to drill the next hole S-46 in the west end, probably to the NNW first. The station has been drilled off but has to be mucked out and a couple of sets installed. To deepen also ream S-24 will require the removal of 6 ft of ground from the collar of the hole to give enough room above the track for the wire line outfit.

Upon completion of this work it appears that the drift crew will be let out as I doubt if we will have enough information by then to start a drive to the ORE.

Havem't seen anything in the line of a bill from you yet.

Had quite a pathetic letter from Bob---

Excuse the typing- my fingers aren't functioning in the proper manner today.

Regards

J.C. Black

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT APRIL I6-30, I967

CUMULATIVE ADVANCE	TO DATE	
Total Heading Advance	I3I5.87	ft
Total Timbered Advance	I58.I0	
Total Slashing- DD Stations	8003.0	cu ft

DIAMOND DRILLING		THIS PERIOD		
FOOTAGE	AQ	50I	2772.0	ft.
Casing			224.0	

All underground exploration was confined to diamond drilling and to the completion of timbering in the stations by the maintainance crew.

Hole S-45 drilled at plus 3I degrees from the face of the North Cross cut was extended 59 ft. and bottomed at 487 ft. No mineralization was intersected. This hole was put out to test for steep dipping mineralized fractures emanating from the flat dipping lode shear overlying and parallelling the drill hole. No fracturing or shearing of significance were intersected.

Hole S-46 drilled at the west end of the 3996 level at minus I6 degrees and on bearing NNW bottomed in Intrusive at 442 ft. An acid test for inclination revealed that the hole had steepened to 29 degrees. This hole was put out to test for the Hope-Mascot Lode at projected dips exceeding minus 49 degrees. No lode strands were intersected which would indicate that, in all probability, the lode dip is relatively flat and overlies the drive.
Hole S-47 is projected to start on May Ist. at plus 60 degrees and on a SSE bearing.

GENERAL

Two men have been retained to overhaul and put equipment into condition for continuing use or return and for general plant and mine maintainance. Two additional men are engaged in power house operation.

On April 28 there remained 33 inches of snow on the south slopes at Sandon and with the above record depths at higher elevations it is not expected that surface exploration in the Dorothy-Mascot areas will get under way before July.

Silmonac Mines Limited
New Denver, B. C.

May 1, 1967

Geological Report For The Period 16-30 April 1967

Underground Exploration

No further work was undertaken at this time.

Diamond Drilling

Hole S-45 was stopped at a depth of 487.0 feet, after advancing a further 59 feet. The panel of argillites continued to 438.0 feet, after which the unit consists of quartzites and cherty argillites, moderately but irregularly interbedded. No significant structures were encountered.

Hole S-46 was collared in the diamond drill station at the extreme west end of the 3996 drive. The attitude and azimuth of the hole at the collar are minus 15 degrees 50 minutes, and North 22 degrees 06 minutes west, respectively. The hole advanced to a final depth of 442.0 feet, and an acid test at 434 feet showed that the hole at this point has an attitude of minus 29 degrees. This high deflection in attitude would also indicate a considerable change in azimuth of the hole.

The "Birds-eye" porphyry was encountered at a depth of 314.0 feet, and persisted to the end of the hole. The apparent strike of the western contact of the porphyry "sill" encountered in the latter part of the drive is approximately NW, and dips steeply to the west.

The panel of slightly schistose and foliated argillites exposed in the last segment of the drive was found to be continuous in the hole to the porphyry contact.

No trace of the Hope-Mascot Lode was encountered. This would indicate that the dip of the projected lode is shallower than 49 degrees to the horizontal at this point.

Hole S-47, which should commence drilling today is directed south south easterly at an attitude of plus 60 degrees. It will check the potential of a shallower dipping Hope-Mascot Lode structure.

Respectfully submitted,

W. Leszczyszyn.

Enclosed: D D Log S-45 (360-487)
D D Log S-46 (0-442)
100 Scale Plan No. 6

Rec'd April 21/67

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESSREPORT PERIOD APRIL I-I5, I967

3996 WEST	This Period	To Date
Advance		776.03 ft.
Timbered Advance		7.0
Shifts Worked	I0	
Slashing (Diamond Drill St'ns)	2717 cu. ft.	
Station Timber	2 sets	

CUMULATIVE ADVANCE

Total Heading Advance		I3I5.87 ft.
Total Timbered Advance		I58.I0
Total Slashing DD Stations		8003.0 cu. ft.

DIAMOND DRILLING

Footage AQ	54I.0	227I.0 ft
Casing		224.0

During this period work continued on a single shift basis and was confined to the excavation of two diamond drill stations. The station in the extreme west end of the 3996 level has been excavated to a size sufficent to permit the use of wire line equipment in all possible holes both above and below the level horizon. Excavation included the driving of a raise 6 ft. by 8 ft. in cross section in the south wall to a heigth of 20 ft above the track. The station at the collar of hole S-24 was extended 6 ft. to permit the use of present equipment.
On the I4th. the underground crew was laid off pending results of the diamond drilling program.

DIAMOND DRILLING

Hole S-44 I02 - 2I5 ft. Hole S-45 0-428 ft.

Hole S-44 bottomed in fresh Intrusive at 2I5 ft. The extension of this hole at a later date is under consideration. Determination of the lower limits of the Intrusive and the possibility of an underlying shear zone existing are the reasons for the extension.
Hole S-45 at plus 3I degrees has been in relatively firm sediments to its bottom at the period's end.
No mineralization of note has been encountered in either of the above holes nor have any significant converging or parallelling fractures or shear zones been intersected. Upon completion of Hole S-45 the drill will be moved to the west end of the 3996 level.

this drilled by permission of all pun to move out of N.X-Cut.

GENERAL

Underground equipment will be removed to surface and replacements and repairs made where required.

Silmonac Mines Limited
New Denver, B. C.

April 19, 1967

Geological Report For The Period 1-15 April 1967

Underground Exploration

3996 Drive

There was no heading advance during the period, but two diamond drill stations were excavated, and one timbered.

A total of 2226 cubic feet of rock was excavated for the large station at the end of the 3996 Drive. This station is so cut that all the proposed holes can be drilled facilitating a ten foot pull.

A slash totalling 491 cubic feet was taken at the collar of hole S-24 to assure sufficient clearance for wireline equipment in the proposed deepening of this hole.

Diamond Drilling

Hole S-44 was drilled to a depth of 215 feet after advancing a further 113 feet. The diorite intrusive persisted to the end of the hole. From 166.6 to 168.3 feet there is a carbonate-siderite-epidote-quartz vein containing occasional fine stringers of sphalerite in thight quartz filled fractures. No other significant structures cutting the intrusive were noted. This suggests that a footwall shear structure if present, probably conforms to the intrusive contact at depth.

Hole S-45 is collared at the same azimuth as S-44 but at an attitude of plus 31 degrees. The hole reached a depth of 428 feet by the end of the period. The dominant unit is a thinly to moderately bedded argillite. From 191.5 to 251.0 feet there are several graphitic shears of varying intensity and size, but none are extremely strong. Following this zone to 271.5 feet is a band of altered porphyry. Subsequently there are occasional narrow shear and fracture zones, but none containing visible mineralization or lode gangue.

Mercury Samples

The results of the mercury sampling have been received and a copy sent to W. M. Sharp. The results indicate high anomalies in the proximity of ore shoots, and the probability that the mobility of the mercury to significant distances away from the ore shoot is dependent on suitable structural avenues. Mineralized lode material of non-economic importance does not appear to have contained &/or emanated significant quantities of mercury, as shown by the low readings recorded in the area of the 13175 N X-cut, and the 12,900 Box Hole, where the samples were taken in close proximity to mineralized lode. I would suggest a regular if not somewhat selective sampling of the core in our present drill program.

Respectfully submitted,

W. Leszczyszyn, P.Eng.

Encl: D D Log S-44 (0-215)
D D Log S-45 (0-360)

SILMONAC MINES LIMITED

NEW DENVER, B.C.

PROGRESS REPORT — PERIOD MARCH I6-3I, I967

3996 West	This Period	To date
Advance	6I.57 ft	776.03
Timbered Advance	0	7.0
Shifts advancing	I0	
Advance per shift	6.I57	
Slashing shifts	I.0	

CUMULATIVE ADVANCE

Total Heading Advance		I3I5.87 ft.
Total Timbered advance		I58.I0
Total Slashing		5286.0 cu.ft.

DIAMOND DRILLING

Footage AQ	273.0	I730.0 ft.
Casing		224.0

Advance per shift further declined due principally to the loss of the lead miner and in part to the alternating soft and hard beds.

3996 West

After advancing 6I.57 ft. in this period and a total of I90.9 ft. beyond the previously established diamond drill station, advance stopped on the 3Ist. and slashing for the Drill station in the sedimentary panel commenced. Bedding dips in the last drive section have flattened considerably and continue to be relatively thin ~~bedded.~~ bedded

DIamond Drilling

DDH Hole S-43 bottomed at 235 ft. in firm sediments. Shearing was in evidence from I85-5 to 228.5 ft.
DDH S-44 at minus 59 degrees an bearing N 0 34' W entered the intusives at I5.5 ft and continued therein to I02, the depth at the period's end. After conferring with Mr. Sharp it was decided to continue this hole beyond the planned I00 ft. to ascertain the lower limits of the Intrusive and the structure underlying but limited to a depth of 200 ft.
Drilling on a two shift basis was resumed on the 27th. and discontinued on the 30th. due to the separation of a drill runner. A change in the crew is now underway and drilling is planned on a two shift basis commencing April 3.

GENERAL

The minimum water required for the Watre powered compressor became available during the week of the 22 nd. and it is expected that further increases will be minor during the next few weeks.
Upon completion of the present excavation for the diamond drill station the underground crew will be laid off.

Ian Baer

Silmonac Mines Ltd.,
New Denver, B. C.

April 5, 1967.

Geological Report For The Period 16-31 March 1967

Underground Exploration

3996 Drive

The drive was stopped after advancing 61.57 feet, and the first slash was taken out for the diamond drill station.

The heading continued in the NNW trending and WSW dipping panel of moderately fissile flow type argillites. The bedding or foliation is gradually shallowing to a dip of 35 degrees at the face. Occasional bedding shears were noted with local drags evident in the bedding and quartz-carbonate stringers. Twenty-five feet back from the face there is a 1/4" to 1" quartz-carbonate-graphite slip which is dripping water. This represents the same water bearing structure intersected in hole S-38 at 148 feet.

Diamond Drilling

Hole S-43 advanced 171 feet to a depth of 235 feet. Slight cave was encountered at 148 feet due to a graphitic shear zone. The lode zone appears to have broadened slightly, and takes in a section from 139.5 to 228.5 feet. The zone consists of shears in a graphitic argillite and one band of highly altered intrusive. No significant mineralization was noted.

Hole S-44 was collared in the floor of the same drill station at a bearing of N 0 degrees 34 minutes W, and an attitude of minus 59 degrees 18 minutes. Thinly bedded argillites were cored from 0 to 15.5 feet, and the remainder was in a fine to medium grained Diorite. The hole had advanced 102 feet by the end of the period. This hole is being drilled to ascertain if there is a footwall lode shear structure below the crosscut horizon.

Respectfully Submitted,

W. Leszczyszyn.

Enclosed: 40 Scale Plan # 7 (In Part)
40 Scale Section of 13175 N X-Cut (In Part)
D. D. Log S-43 (0-235)
D. D. Log S-44 (0-142)

Silmonac Mines Ltd.
New Denver, B. C.

March 17, 1967

Geological Report For The Period 1-15 March 1967

Underground Exploration

3996 Drive

The heading advanced 72.43 feet at an approximate azimuth of south 60 degrees west, and continued through a north north westerly trending panel of foliated flow type argillites. This panel dips steeply west south west. Five feet back from the face there is an irregular fine grained altered intrusive dike paralleling the bedding, and wh ich is both cut by and bordered by quartz veins, shot through wi th pyrite and pyrrhotite, and locally there are grains, stringers and lenses of reddish brown sphalerite. In the present face there are several lode directional fine quartz-carbonate joint filled fractures and slips dipping 50 to 55 degrees south south easterly.

Diamond drill hole S-38 was not intersected in the drive due to the steepening of this hole. Fifteen feet beyond the collar the hole has an attitude of plus 2 degrees.

Diamond Drilling

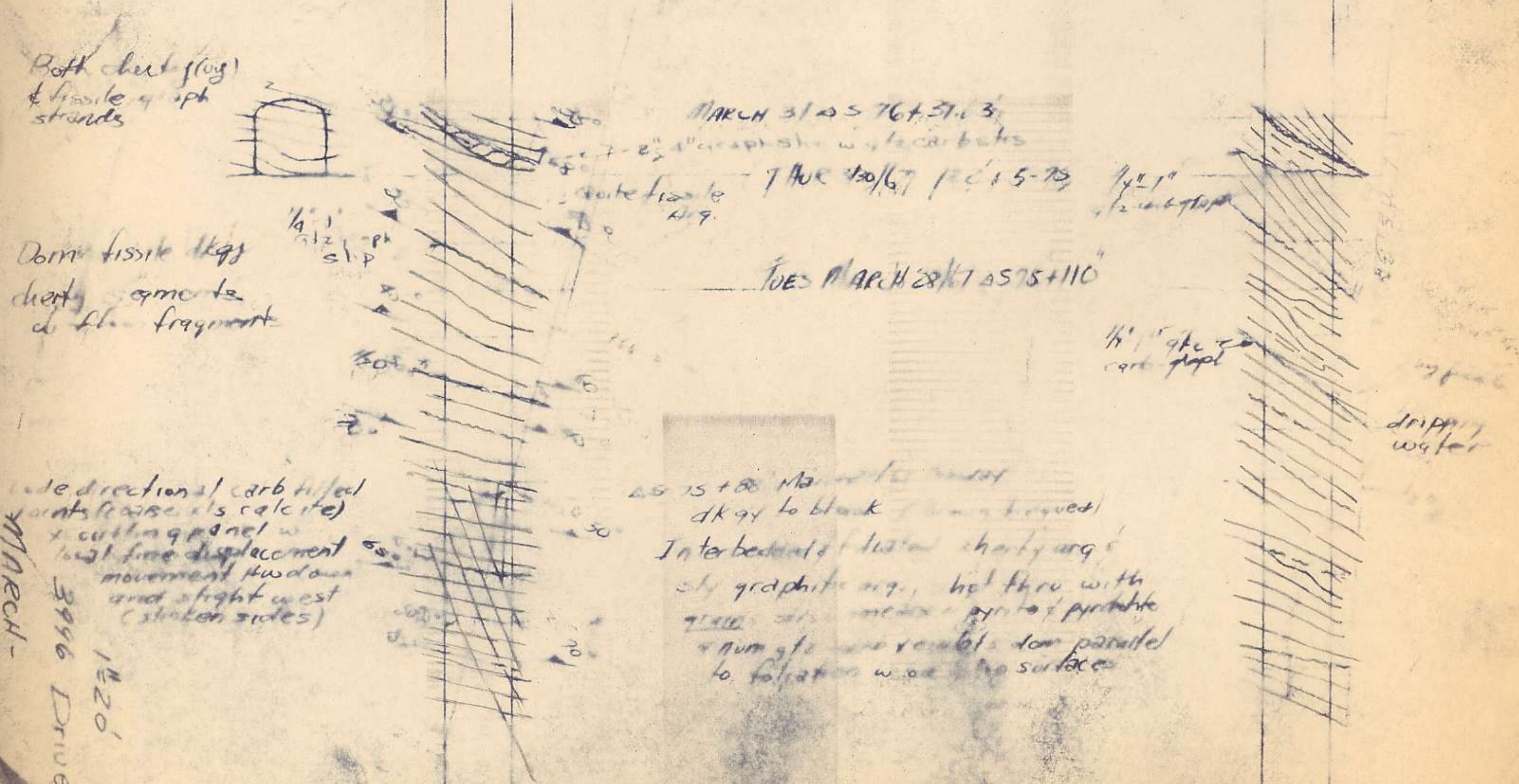
Hole S-42 was terminated at 395 feet, after advancing 245 feet during the period. The lode zone appears to be represented by a sheared an d fractured zone of argillites between 236.3 and 276.0 feet. No visible mineralization was encountered. The remainder of the hole cut various bands of argillites.

Hole S-43 was collared in the same station as S-42 but at an azimuth of south 0 degrees 12 minutes west, and an attitude of plus 44 degrees 50 minutes. The hole advanced 64 feet through a moderately soft thinly well bedded argillite. Local folds and flexures are indicated by reversal in bedding angles and tops. The lode zone should be cut between 190 and 250 feet.

Respectfully Submitted,

W. Leszczyszyn.

Enclosed: D D Log S-42 (175-395)
D D Log S-43 (0-62.5)
40 Scale D D Section-Plan of S-42


Both chert (frag) & fissile graph strands
Domin fissile dk gy cherty segments
slip
MARCH 31 ΔS 76+51.3'
TUES MARCH 28/67 ΔS 75+110'
dripping water
Interbedded
graphitic
Δ S 75+80
dk gy to black
MARCH-
3996 Drive
1"=20'
STATION 5-75+50' Westly

March 1-15/67

Progress Report

Silverado