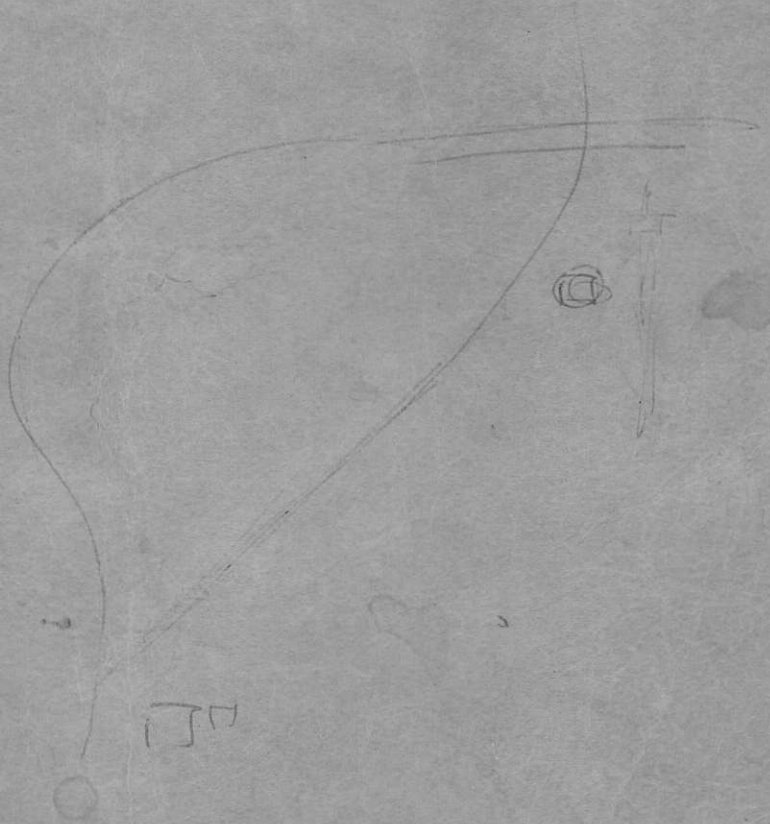


J. Monahan
Windsor Hotel
Greenwood B.C.

Goodrich Copper Ltd
Greenwood, B.C.
— H —

801978



C O P Y

B.W.W. McDOUGLASS, B.A. BSc.
Consulting Mining Engineer

708 Bank of Nova Scotia Building
Vancouver 2, B.C.

August 12th., 1957

Mr. N.S. McAllister,
4650 West 10th.,
Vancouver, B.C.

Dear Sir:

RE MARGUERITE SUDBURY MINING PROPERTY
Greenwood District, B.C.

Having given considerable additional study to the matter of conducting further exploratory work on this copper-bearing Mineral Claim Group, I wish to supplement my original written description, as contained in my letter of November 20th., 1956, by adding more detailed recommendations than was possible at that earlier time.

The exploratory work with which these recommendations are concerned are, in my opinion, not only well warranted but are properly suited to the initial serious exploration of the property. The immediate problems are concerned with three particular areas: On the Marguerite claim the shaft and the workings from it should be completely dewatered. The workings should be carefully studied and mapped geologically and the ore exposures should be sampled. There would seem to be little doubt that the workings will disclose ore information of interest. If such is proven to be the case it now seems most likely that diamond drilling should be next in order. Whether this can best be done from the surface or from underground sites has yet to be determined. It is to be recalled that ore occurrences in this locality can, in all probability, be best developed through an adit.

On the Sudbury claim the workings include a shaft, said to be 200 feet in depth, and drifts from it. These workings are filled with water. I suggest that the area at and in the vicinity of these old workings be surveyed by dip-needle. The abundance of magnetite at this place should permit of mapping the complete length of this ore occurrence with reasonable ease. The mapping work, indicating the anomalies, would be used for outlining a diamond drilling campaign. Eventual development of this area may, probably, be possible through a long adit entry.

The vicinity of the Anaconda claim should be studied and explored by dip-needle procedure as should certain other areas elsewhere which are underlain by skarn and limestone. Anomalies which may thus be located should be tested by drilling. As is usual in conducting this type of exploratory work the desirability of having additional confirmatory information becomes apparent. I am of the opinion that a fund of \$15,000 should be made available for affecting this work.

Yours very truly.

B.W.W. McDougall.

GOODRICH COPPER LTD.

Property: 16 Claims

IN THE HEART OF PROVEN COPPER COUNTRY

GREENWOOD, B. C.

COPPER MINES IN THIS AND PHOENIX CAMP

(3 Miles East)

HAVE PRODUCED (not going to produce)

15,000,000 Tons Ore

In Excess of 180,000,000 Lbs. Copper

THESE PRODUCERS PLUS NEW ONES
ACTIVELY BEING BROUGHT INTO PRODUCTION

For Instance:

MOTHERLODE-SUNSET GROUP (GREENWOOD)

SURETY OIL LTD. CURRENTLY BUILDING A

1,000 TON CONCENTRATION MILL, ORE RESERVES

ESTIMATED 5,000,000 TONS OF 1.5% COPPER

GRABBY CONSOLIDATED (PHOENIX)

ANNOUNCE BUILDING OF 500 TON MILL

ESTIMATED ORE RESERVES 10 YEARS

NUKIRK-SALMO (GREENWOOD)
DIAMOND DRILLING AND GEOPHYSICAL
SURVEY - ESTIMATED DISCOVERED ONE 400,000
AND INCREASING.

"The Duck Group"

of

Mineral Claims

Situated in the Greenwood Area

of

British Columbia

Extracts from letter received from B.W.W. McDougall, B.A., B.Sc., Consulting Mining Engineer, dated July 5th, 1956:

(1) In regard to the economic factors affecting the carrying forward of mining work including climate, transportation, power, and so on, these factors are almost unexcelled at any other mining camps in the Province. Greenwood Camp or, as it was once known, the Boundary District, in the years prior to the First World War, was the most important copper-producing area in Canada and the town of Greenwood once boasted a population of 10,000 or more.

(2) Most localities of mining interest in this Boundary District are accessible to motor transport; numbers of old roads are now overgrown and new ones have been cut for servicing logging operations.

(3) In the Boundary District there are gold and silver bearing quartz-pyrite veins - usually occurring in granitic rocks of the batholith, there are quartz veins carrying galena and blende in addition to pyrite and with some gold and silver, there are replacement zones which are usually near sedimentary - granitic contacts and there are the massive copper - zinc - iron deposits which have been formed by both mineral-bearing vapors and solutions and to which the designation of pyrometasomatic occurrences has been given. It is these large massive orebodies that once made Greenwood famous and would seem now about to do so again.

(4) The two most important localities in which these massive orebodies occur and which were once mined to the extent of some millions of tons, are the Phoenix and Deadwood camps. The two properties here under discussion

are in the Deadwood Camp. Taking the famous Motherlode and Sunset Mineral Claims as the central portion of this Camp, the M.L.G. GROUP lies from about 1.1 to 2.4 miles distant to the south and the DUCK GROUP lies from $\frac{1}{2}$ mile to 1.7 miles to the northeast.

(5) THE DUCK GROUP, as represented by its owners, includes some 16 location mineral claims and (or) fractions. The Group is contiguous but there is included in its area two Crown Grants, the Black Warrior and Anaconda claims which are not a part of the Group. The claims are partly a re-staking of old reverted Crown Grants which among others include the Marguerite, Sudbury, J.A.C. and G.A.R. claims concerning which there is mention in the M. of M. Reports.

(6) The Group is but a short distance to the N.E. from the famous Motherlode and Sunset claims from which upwards of 1,000,000 tons of copper ore has been mined many years ago. These two claims along with certain other adjacent ones are owned or controlled by Security Oils Ltd. and, I have been informed, plans have been completed for the construction of a 1,000-ton mill at once. Contractor's equipment for this construction project was on the ground at the time of our visit. The present operators, I believe, have already proven that this deposit contains at least several million tons of about 1.0% Cu ore. Formerly part of the mining was done by glory-hole or open pit methods and part by large-scale underground procedures. This large deposit occurs over an area of about 20 acres and is a very good illustration of the well-known fact that very large deposits of ore can and do occur in relatively small areas - and that large groups of mineral claim holdings do not necessarily assure the possession of orebodies to their owners.

(7) Dr. Brock's map shows an occurrence of limestone enclosed in granitic intrusives in the Motherlode-Sunset area and its presence there, together with the resulting structural relations of the granodiorite and the limestone mass, are among the geological reasons for the occurrence of these large orebodies. Dr. Brock's map also shows a mass of limestone, enclosed in granodiorite, trending northerly in the vicinity of the workings on the old Marguerite claim. Elsewhere on portions of this Duck Group property which were traversed during our inspection, much of the terrain, apart from prominent limestone masses, is underlain by granodiorite and its associated satellite dykes.

(8) At the site of the Marguerite workings there is a vertical water-filled shaft said, in the M. of M. Reports, to be 110 feet in depth. This work was begun in 1899. The

shaft collar is at an elevation of 3,535 feet. A road once gave access to the site and there was a small mining plant. The shaft is 12 x 7 feet in dimensions and, where it can be seen above the water, there is no timbering. Some ore shipments were made from this place.

(9) At the surface, within 80 feet of the shaft collar there are three north - south trending veins or shear structures. About the only minerals showing now are the oxidized or decomposition products from magnetite and pyrite. They show abundant limonite. The dump rock is diorite. The M. of M. Reports state that at the 100-foot level two X-Cuts were run. One was extended easterly some 240 feet and, of this, about 80 feet was through ore. Two shoots of 22-foot and 17 feet widths are mentioned. From the 17-foot shoot values of \$2.40 to \$4.20 in gold and 4.0% to 10.0% in copper, - also from \$1.80 to \$4.80 in silver are reported. The available records are not complete and the full story is unavailable. The occurrence of copper-bearing lodes of important widths and the presence of a large body of limestone in the diorites, I think, warrant considerable exploration investigation.

(10) Copper-bearing mineralization also occurs on what was formerly the Sudbury claim which, I believe, adjoins the Anaconda claim. At this place and at an altitude of 3,285 feet there is a water-filled shaft stated to be 200 feet in depth. The dump rock is mostly marbelized limestone. It is stated in one M. of M. Report that good copper ore was exposed in this shaft. Details, however, are lacking. A three-ton shipment made to Greenwood smelter is stated to have assayed 0.25 oz/t gold, 12.04 oz/t silver and 8.54% copper. From this it is reasonably apparent that the ore was cobbled and sorted. The average grade, width and other details concerning this copper occurrence are unavailable. At this site there are other surface workings in the nature of trenchings, pits and cuts which indicate that there is probably other mineralization than that exposed in the shaft. These workings are caved and sloughed and not properly available for close study.

(11) In numbers of places on both these claim Groups, and particularly on the Duck Group, there are outcrops of skarn some of which appear never to have been investigated. This hybrid rock is a result of contact metamorphism and is commonly associated with ores of pyrometasomatic origin. Magnetite, also, is frequently associated with the skarn, garnetite and sulphide minerals including pyrite and chalcopyrite.

(12) I am of the opinion that this Duck Group warrants substantial exploration attention. There are several reasons for this opinion; one is that the Marguerite area is less than half-a-mile distant from the large ore masses of the Motherlode and Sunset claims, - a second is that this Marguerite area is near the 'nose' of a mass of limestone which appears to have been engulfed by the granitic intrusives, - still another is the occurrence of iron-stained lodes or shear-zones near the old shaft, - finally, the occurrence of skarn zones in many places over these claims plainly indicate that copper-bearing mineralization was general where favorable conditions were available.

(13) Exploration work by diamond drilling could be undertaken in both the Marguerite and Sudbury areas with comparatively little preparatory work for access and transportation. I believe that exploration work to the extent of \$25,000 to \$40,000 is warranted on this claim Group. Such expenditure, if made, however, is properly to be regarded as 'risk' capital.

MINISTER OF MINES REPORT

MARGUERITE AND SADBURY MINES

LOCATED ON "GOODRICH COPPER LED." GROUP OF CLAIMS

Copy: Minister of Mines Report, 1900, Page 876.
Re Marguerite-Quebec Copper Company Ltd.
Signed by C.B. Freeland.

Shaft sunk 110' and 240' Cross Cut on the 100' level.
East Cross Cut advanced 140' - 80' through ledge
matter - Two chutes of ore were encountered: one
22' in width and the other 17'. Assay values
obtained from latter ranges from 2.40 to 4.20 in
Gold; 1.30 to 4.50 in Silver; and 4 to 10% Copper.

Sadbury Property, 1907, Page 111.

The Sadbury property acquired last year by a Spokane
capitalist is another promising claim in this camp.
A machinery plant has been installed and 200' of
shaft sunk in which good copper ore has been exposed.
1910, Page 210.

This claim is owned by J.D. Graham of Deadwood and
was worked for one month during the year with the
result that 3 tons of ore were shipped to Greenwood
Smelter assaying 0.25 oz. Gold
12.04 oz. Silver
5.51% Copper





Today's Per Ton Value - \$61.80



LIME OUTCROP
ON GOODRICH COPPER HOLDINGS
MENTIONED IN ENGINEER'S REPORT





-  GOODRICH COPPER LTD.
-  NUKIRK SALMO
-  GRANBY CONS.
-  SURETY OIL CO.

Proposed name of Company to be Formed:

GOODRICH COPPER LTD.

Property: 16 Claims

GREENWOOD COPPER CAMP.

Advantages of This Property:

- (1) Copper Ore Deposits in large quantities immediately adjacent (see Map).
- (2) Properties being brought into production and developed immediately to Southwest.
- (3) Copper Ore known to exist on claims. Two mine shafts and other work done year ago see (McDougall Report).
- (4) Property has been favorably reported on by B.W.W. McDougall (Mining Engineer and Consultant).
- (5) Property is readily accessible. No problem building roads.
- (6) Cheap power available, Kootenay Power (2 miles).
- (7) Kettle Valley Railway (Approx. 2 miles).
- (8) Trans Canada Highway actually goes through part of property.
- (9) Subscribers receive free stock not encrowed.
- (10) All funds subscribed put in trust until \$50,000 in Treasury.
- (11) All development work done under personal supervision B.W.W. McDougall.
- (12) All legal matters under supervision W.A. Sutton.
- (13) Timber readily available on property or from 2 mills in Greenwood.

Disadvantages:

- (1) Must have \$50,000 in Treasury before exploration work can be commenced.
- (2) Water can be a problem although can be pumped from Boundary Creek.
- (3) Must establish our own camps. No accommodation in Greenwood.

Summary:

Summarizing the above, it would appear that there are excellent possibilities of developing a copper mine under unexcelled conditions and that the preliminary work can be accomplished at reasonable expenditures. Should our efforts be successful, then with Power and Transportation and Mill Sites readily available, this should lead to a very profitable venture.
