

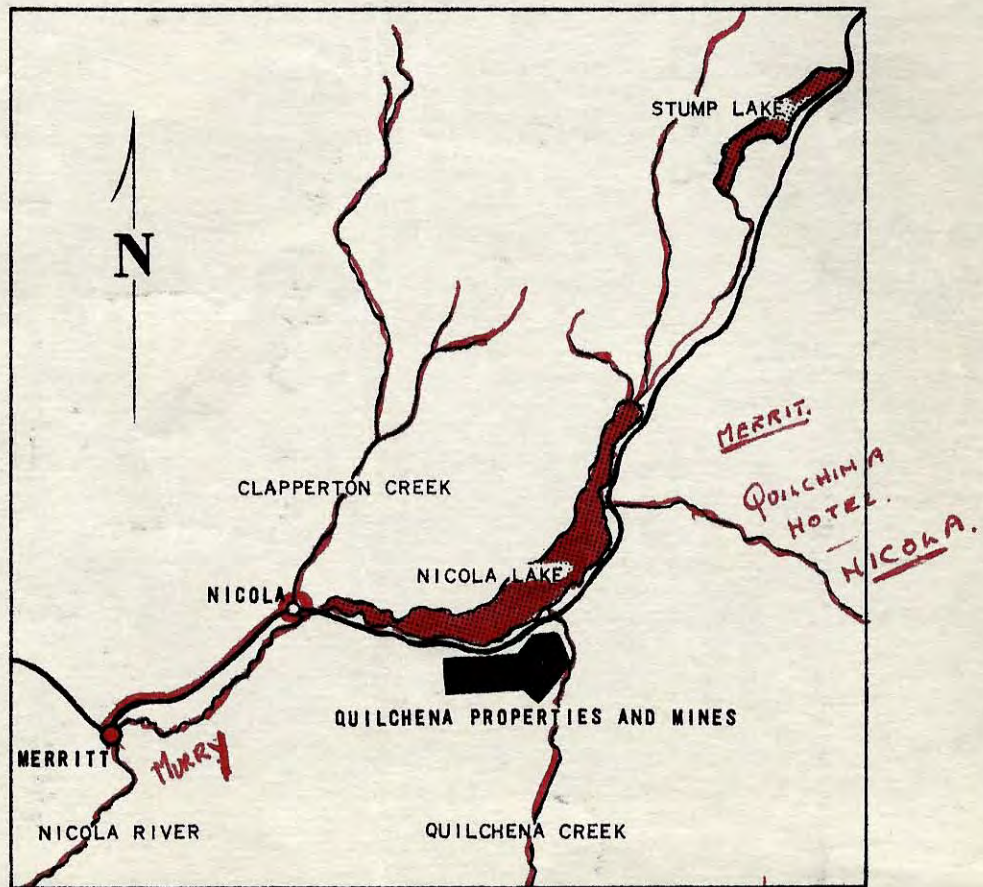
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# QUILCHENA MINING AND DEVELOPMENT CO. LTD. (N.P.L.)

815 WEST HASTINGS STREET, VANCOUVER 1, BRITISH COLUMBIA

TELEPHONE: MUtual 4-7811

# PROSPECTUS



QUILCHENA MINING & DEVELOPMENT CO. LTD.

(Non-Personal Liability)

PROSPECTUS

- (a) Quilchena Mining & Development Co. Ltd. (N.P.L.)  
815 West Hastings Street, Vancouver 1, British Columbia
- (b) The Company was incorporated under the "Companies Act" of the Province of British Columbia, by Certificate of Incorporation dated the 1st day of August, A.D., 1961.
- (c) The total number of shares authorized to be issued was increased to 200,000 with a maximum selling price of One (\$1.00) Dollar each, by Certificate dated the 12th day of April, A.D., 1962, and increased the maximum selling price at which the 200,000 authorized shares can be sold to Twenty-Five (\$25.00) Dollars per share by Certificate dated the 12th day of April, A.D., 1962 and converted to a Public Company by Certificate dated the 24th day of April, A.D., 1962 and cancelled 2,992,550 shares which have been surrendered to the Company by way of gift by Certificate dated the 24th day of April, A.D., 1962 and subdivided all of its shares so that the Company is authorized to issue Five Million Shares without nominal or par value with a maximum selling price of One (\$1.00) Dollar by Certificate dated the 24th day of April, A.D., 1962.
- (d) The Officers and Directors and Promoters are as follows:

PAUL SCHUTZ, Metallurgist, President  
912 Hill Street  
New Westminster, B.C.

HAROLD M. CLARKE, Certified General Accountant, Secretary  
1157 Melville Street  
Vancouver, B.C.

ROBERT B. McDONELL, Industrialist  
642 Andover Crescent  
West Vancouver, B.C.

NORMAN GUNDERSON, Retired  
822 William Street  
New Westminster, B.C.

ANTHONY M. ARNOLD, Industrialist, Promotor  
504 - 901 Jervis Street  
Vancouver, B.C.

GEORGE E. BINGAMAN, Executive  
323 Leopold Crescent  
Regina, Saskatchewan

(e) The Auditors of the Company are:

SHAND, DAVIDSON, PEARMAIN & CO.  
1815 West 7th Avenue  
Vancouver 9, B. C.

(f) The Transfer Agent of the Company is:

MONTREAL TRUST COMPANY  
466 Howe Street  
Vancouver, B. C.

(g) The Company is authorized to issue Five Million shares without nominal or par value with a maximum selling price of One (\$1.00) Dollar per share, out of which 826,000 are issued and paid up.

(h) The Company has no Bonds or Debentures outstanding and does not propose to issue any.

(i) 332,589 shares are held in escrow by the Montreal Trust Company pursuant to the direction of the Superintendent of Brokers for British Columbia.

(j) Shares sold for cash to date - 88,802 (Private) and 76,000 (Public) sold for the following considerations:

(i) A. In Private Company  
2 shares @ \$1.00  
88,800 shares @ \$ .50

B. In Public Company  
14,358 shares @ \$ .48  
61,642 shares @ \$ .36

(ii) Total cash received for the sale of shares sold is \$72,543.00.

(iii) No commission has been paid for the sale of the above shares.

NOTE:

The 88,802 shares referred to above represent a transaction entered into while the Company was incorporated as a Private Company. Upon reorganization and conversion into a Public Company as a result of the transactions referred to in Clause (c) above, the holders of the 88,802 shares sold in the Private Company now hold a total of 417,411 shares in Public Company.

(k) No security other than shares has been sold by the Company.

(l) There are no shares issued or to be issued, or cash paid or to be paid to any promoter as such except the following:

There has been issued to Anthony M. Arnold of 504 - 901 Jervis Street, Vancouver, B. C. , 20,900 shares of the private company which on conversion the shareholding represents 122, 121 shares in the Public Company. The consideration for the issue of these shares to Mr. Arnold is the assignment by him of all his rights to the Company in and to a mine-working Agreement with Guichon Mine Limited with respect to Crown Granted Mineral Claims consisting of:

Tete Rouge, Quilchena, Frindsbury, Ensign, Ingersoll,  
Last Post and Camperdown.

The only Director of Quilchena Mining & Development Co. Ltd. who is also a member of Guichon Mine Limited is Edward Allen Knight.

(m) The Company is the owner of or has an interest in one complete group of mining properties located in the general area of Merritt, British Columbia, and extending along the South shore of Nicola Lake. Particulars of the properties are as follows:

I. (a) Crown Lease 13-R in the Nicola Mining Division of the Province of British Columbia, owned outright by the Company.

(b) Joe Mineral Claims 1 to 44 inclusive, in the Nicola Mining Division of the Province of British Columbia, held outright by the Company by location under the "Mineral Act of the Province of British Columbia".

(c) Crown Granted Mineral Claims:

Ensign	Lot 3836
Frindsbury	Lot 3837
Ingersoll	Lot 3835
Last Post	Lot 3838
Quilchena	Lot 4790
Tete Rouge	Lot 4782
Camperdown	Lot 4789

Nicola Assessment District, Kootenay District, Yale Division, Province of British Columbia, operated under mine-working Agreement with Guichon Mine Limited dated the 27th day of July, 1961 and was assigned to the Company by Anthony M. Arnold by Agreement dated the 17th day of August, A.D. 1961.

(d) The A1 Group - In this group are 8 claims held by the right of location.

.II. (a) Crown Lease 13-R sold by:

Roy Evenson, 2334 Eton Street, Vancouver, B. C.  
Nick Kohl, 7015 Gray Avenue, Burnaby, B. C.  
Sigurdur S. Goodmanson, 4624 West 10th Avenue, Vancouver, B. C. in consideration of 20,000 shares of the Private Company which on conversion represents the following shares in the Public Company:

100,200 shares.

- (b) Joe Mineral Claims sold by R. E. Renshaw, West Vancouver, B. C. in consideration of 20,000 shares of the Private Company which on conversion represents the following shares in the Public Company:

100,200 shares.

- (c) Interest in Guichon Mine Limited mine-working agreement sold by Anthony M. Arnold in consideration of 20,900 shares which on conversion represents the following shares in the Public Company:

122,121 shares.

- III. The following persons have received or are to receive from Anthony M. Arnold, the Vendor of property to the Company an interest in the consideration received or to be received greater than one-twentieth (1/20th) thereof:

Alexander Allen, San Jose, Costa Rica.

Patrick E. Hogan, 1083 Lodge Road, North Vancouver, B. C.

- IV. The Company's properties are readily accessible by main road and rail facilities, in that they border the main Merritt-Kamloops Highway, approximately 4 miles East of Nicola, B. C. and lie within 7 miles of Canadian Pacific Railway Track.
- V. For particulars of the underground exploration development, reference may be made to the Engineering Report bearing date of 12th day of March, A. D. 1962, of Sherwin F. Kelly, Consulting Geologist, with the Superintendent of Brokers, a copy whereof is attached. The Company owns no underground exploration equipment.
- VI. For particulars of the underground exploration development, reference may be made to the Engineering Report bearing date the 12th day of March, A. D. 1962, of Sherwin F. Kelly, Consulting Geologist, filed with the Superintendent of Brokers, a copy whereof is attached. The Company owns the following surface development equipment:

2 trucks and 1 automobile.

- VII. For a history of the property, reference may be made to the Engineering Report bearing date the 12th day of March, A. D. 1962, of Sherwin F. Kelly, Consulting Geologist, filed with the Superintendent of Brokers, a copy whereof is attached hereto.

- VIII. The applicant, and present management, Quilchena Mining & Development Co. Ltd. (N.P.L.) has carried out extensive geophysical exploration work followed by stripping and diamond drilling, in the area indicated by the results of the former.

Since taking over the properties in excess of \$50,000.00 has been spent on development.



- (n) The Company is offering by this Prospectus 300,000 shares at forty-eight (48) cents per share payable in cash upon application. The rate of commission is twenty-five (25%) per cent. There have been no options given or to be given and there have been no underwriting Agreements entered into or to be entered into by the Company with respect to any of its securities.
- (o) For particulars of the plans for future exploration and development the Company plans to follow the recommendations of Sherwin F. Kelly set out in his Engineering Report of March 12th, 1962 and attached hereto.
- (p) The Company has been incorporated for more than one (1) year and no expense remains outstanding for formation or incorporation of the Company.
- (q) There is no substantial indebtedness to be accrued or assumed that is not shown on the Balance Sheet filed herein dated the 30th day of September, 1962, and filed with the Superintendent of Brokers.
- (r) The principal business in which each Director of the Company has been engaged during the immediate preceding three years is as follows:

Anthony M. Arnold

- Salesman with Cypress Hills Gas & Oil. Salesman with Tri-Prov Investments. Promotion and development of Toluma Mining & Development Co. Ltd. (N. P. L.) and Quilchena Mining & Development Co. Ltd. (N. P. L.)

Robert McDonell

- President and General Manager of McDonell Metal Manufacturing Co. Ltd.

Joseph McKay

- Accountant with Canus Services Ltd. commercial catering firm.

George Bingaman

- Retired farmer.

Ralph Doty

- Self-employed Realtor in Calgary, Alberta.

Edward Allen Knight

- Power dispatcher with B. C. Power and Hydro Authority (B. C. Electric).

- (s) The only interest direct or indirect of any of the Directors in any property at any time acquired or to be acquired by the Company is that set out in paragraphs (l) and (m) hereof.
- (t) The aggregate remuneration paid to Directors during the fiscal year last ended amounts to \$9,750.00 and to Officers during the fiscal year last ended nil.

- (u) It is estimated that there will be paid as aggregate remuneration during the current fiscal year:
- (i) Directors \_\_\_\_\_ \$3,600.00
  - (ii) Officers \_\_\_\_\_ Nil
- (v) There is no person who by reason of beneficial ownership of security of the Company or a written agreement is able to or entitled to elect or cause to be elected a majority of the Directors of the Company.
- (w) There have been no Dividends paid within the five years preceding the date of this Prospectus.
- (x) There is no other material fact not disclosed under any other provision of this Act.
- (y) The foregoing constitutes full, true and plain disclosures of all material facts in respect of the offering of the securities referred to above, as required by the "Securities Act" of the Province of British Columbia, and there is no further material information applicable other than in the financial statements or reports where required.
- (z) There are no underwriters or optionees of the security.

DATED at Vancouver, British Columbia, the 6th day of March, 1963.

"A. M. ARNOLD"

"ROBERT B. McDONELL"

"G. B. BINGAMAN"

"EDWARD A. KNIGHT"

"J. McKAY"

"RALPH G. DOTY"

SHAND, DAVIDSON, PEARMAIN & CO.  
Chartered Accountants  
Vancouver, B. C.

November 16, 1962

To the Shareholders  
Quilchena Mining & Development Co. Ltd. (N.P.L.)  
Vancouver, B. C.

Dear Sirs:

We have examined the Balance Sheet and Schedules of Exploration and Development and Administrative Expenses of Quilchena Mining and Development Co. Ltd. (N.P.L.) for the year ended September 30, 1962, and have received all the information and explanations required by us. Our examination included a perusal of contracts and title documents and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying Balance Sheet and Schedules of Exploration and Development and Administrative Expenses present fairly the financial position of the company as at September 30, 1962 in accordance with generally accepted accounting principles.

Shand, Davidson, Pearmain & Co.  
Chartered Accountants

Vancouver, B. C.  
November 16, 1962



QUILCHENA MINING AND DEVELOPMENT CO. LTD. (N.P.L.)

## Balance Sheet

As at September 30, 1962ASSETS

<u>Fixed</u>		
Vehicles - at cost		\$ 8,437.81
<u>Mining Properties and Working Agreements</u>		
<u>Acquired in Consideration for Shares - (Note 1)</u>		
Crown Lease 13-R	\$20,000.00	
Joe Claims	20,000.00	
Guichon Group (Subject to a working agreement with Guichon Mine Ltd. (N.P.L.))	<u>20,900.00</u>	60,900.00
<u>Deferred Expenditures</u>		
Exploration and Development Expenditures (Schedule I)	\$59,115.22	
Administrative Expenditures (Schedule II)	27,195.50	86,310.72
<u>Incorporation and Organization Expenses</u>		<u>3,442.50</u>
		<u>\$159,091.03</u>

LIABILITIES

<u>Current</u>		
Bank Overdraft		\$ 258.77
Bank Loan (Note 2)		4,700.00
Accrued Liabilities - wages and benefits (Note 3)		3,572.19
Trade Accounts Payable		4,015.88
Exploration and Development contracts payable		<u>8,681.25</u>
		21,228.09
<u>Equipment Contracts Payable - secured by vehicles</u>		4,421.77
<u>Shareholder's Loan - A. M. Arnold</u>		15,694.17
<u>Share Capital - (Note 4)</u>		
Authorized - 5,000,000 no par value common shares		
Issued and Fully Paid -		
449,811 shares for cash	\$56,847.00	
332,589 shares for mining properties (shares held in escrow to the order of the Superintendent of Brokers)	<u>60,900.00</u>	
782,400		<u>117,747.00</u>
		<u>\$159,091.03</u>

Approved on behalf of the Board of Directors:

"J. M. McKay" Director

"A. M. Arnold" Director

This is the Balance Sheet referred to in our report  
of even date.Vancouver, B.C.  
November 16, 1962"Shand, Davidson, Pearmain & Co.,"  
Chartered Accountants

QUILCHENA MINING AND DEVELOPMENT CO. LTD. (N.P.L.)

Notes to Financial Statements

As at September 30, 1962

NOTE 1:

The mineral lease, claims and the interest in the working agreement with Guichon Mine Limited (N.P.L.) were acquired in consideration for 60,900 shares of the company issued before conversion at a deemed value of \$1.00 per share. After conversion and donation to the treasury this represents 332,589 shares of the capital presently outstanding but held in escrow. Crown Lease 13-R and the Joe Claims Nos. 1 - 44 inclusive are subject to a Mechanics Lien which was registered against them September 20, 1962 in the name of Al Englehart. This purports to represent unpaid wages from August 1, 1961 to August 14, 1962 in the amount of \$2,875.00. The claim is in dispute but it is believed that a settlement can be reached.

NOTE 2:

The bank loan in the amount of \$4,700.00 is secured up to a maximum of \$5,000.00 by a guarantee and postponement of claim signed by Margaret E. Kitchen, October 27, 1961.

NOTE 3:

Accrued wages have been calculated on the basis stated by Mr. Arnold and confirmed with Mr. S. F. Kelly, that is to say, wages at \$300.00 per month plus room and board for three employees (including A. Englehart) and an agreed settlement figure of \$1,000.00 for the fourth. We have not been able to find any substantiation of the employees' claim that they were to receive \$400.00 per month plus room and board.

Benefits such as Unemployment Insurance and Workmen's Compensation have been computed by the Assessors for these agencies.

NOTE 4:

We understand that the company has made an arrangement with Mr. O. Turner of Turner Publications whereby he has performed and will perform certain public relations and publicity work for the company in return for 10,000 shares of the capital stock issued as fully paid. This obligation was not approved by the Directors at the time of this report.

QUILCHENA MINING AND DEVELOPMENT CO. LTD. (N. P. L.)

## Exploration and Development Expenditures

For the period ending September 30, 1962

Wages and Contracts	\$16,617.48
Employee Benefits - U. I. C. and W. C. B.	1,357.19
Engineering	4,835.00
Geophysical Exploration	9,841.00
Drilling	8,290.09
Stripping and Clearing	1,890.25
Assay and Survey	787.97
Camp expense, repairs and supplies	5,847.50
Camp accommodation	6,671.69
Equipment Rental	1,185.00
Insurance	190.00
Mill Survey and preliminary construction written off	1,602.05
	<u>\$59,115.22</u>

Administration ExpendituresFor the period ending September 30, 1962

Management Salary	\$ 9,750.00
Office Salaries	1,536.00
Rent	2,725.00
Travel and Promotional Expense	5,931.04
Telephone and Telegraph	1,838.81
Legal and Audit	2,701.77
Other Office expense	1,975.96
Interest and Bank Charges net of U. S. Premium	258.92
Life Insurance Premium	478.00
	<u>\$27,195.50</u>

**GEOPHYSICAL EXPLORATIONS LIMITED**  
620 Federal Building - EM 4-7815  
TORONTO 1, Canada.

**REPORT ON A  
GROUP OF MINING CLAIMS**

Held by

**QUILCHENA MINING & DEVELOPMENT CO.  
VANCOUVER, B.C.**

NEAR

**MERRITT, B.C.**

BY

**GEOPHYSICAL EXPLORATIONS LTD.  
TORONTO, Ontario.**

March 12th, 1962.

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### APPENDIX

Certificate of Competency

#### MAPS

Sketch of Principal Operations .....	Facing Page 4.
Claim Map .....	In Back of Report.

Report on the Holdings of the  
Quilchena Mining & Development Company  
Near Merritt, B.C.

LOCATION

The group of claims now being developed by the Quilchena Mining & Development Co. represents a consolidation of several holdings; it includes the Joe group of 44 claims held by location, the Sunny Boy group of 16 Crown granted claims held by Mineral Lease, and the Guichon Mines claims (7 Crown granted and 6 located), which are being acquired by Quilchena on a 99 year lease, under an agreement completed with Guichon Mines Ltd. whereby the latter holds a 40% interest in profits after deduction of all expenses. This makes a total of 73 claims, shown on the map in back of this report.

These claims are on the southeast side of the Merritt-Kamloops highway 13 miles northeast of Merritt, and 7 miles past the village of Nicola. The latter village is the nearest point served by rail. The group lies close to, and southeast of Lake Nicola, and south and west of Quilchena Creek, which flows into the lake a short distance north of the claims. The northeastern claims occupy the lower slopes of the mountains to the west, and are near the creek and lake, which are close to 2,000 ft. elevation. The ground slopes up to the west, through pasture land to an elevation some three hundred feet higher, where it flattens to a bench about four hundred feet wide. The slope up from this bench is steep, and quickly passes into wooded land. The old workings, and the current operations are located on this bench and the slopes immediately above it. They are reached by a dirt road through the rolling pasture land, which turns off the paved highway about a mile to the north.

The major part of this claim group lies in the higher heavily wooded slopes so there is plenty of timber for mining work. Water is available in Quilchena Creek and Nicola Lake. The distance to the nearest rail shipping

point, Nicola, is only seven miles over a flat, but curving paved highway. A relatively abundant labor supply exists in Merritt.

The current program of geophysical surveying, stripping, trenching and drilling has been conducted principally on the Crown granted claims of the former Guichon holdings, but some trenching has also been done on the Sunny Boy.

#### EARLY REPORTS

The claims now composing the Guichon group were first staked in 1908 by C. Wickendan, and Crown granted in 1914. He carried out some tunnelling operations, and a report was made on the situation in 1922 by F.J. Crossland, a Professional Engineer of Vancouver. Crossland recommended diamond drilling, and further underground work. He sampled some of the showings, both surface and underground and had assays made principally for gold and silver, paying little attention to the copper. From assays on 22 samples he took, the average gold content works out at 0.852 oz. per ton. This includes one very high, erratic assay of over 9 oz. per ton, however, and if it is eliminated, the average becomes 0.43 oz. per ton. Silver averaged 3.85 oz. per ton, and copper averaged 8.40%. The copper average is based on only four samples, however, one of which was quite high, 28.00%. The other three averaged 1.96% copper. Some of Crossland's samples, from outcrops and tunnels, ran as high as \$65 per ton (gold figured at \$35. per oz.); in general, the returns were about evenly divided between those in the range of \$15 to \$25 per ton in gold and those of less than \$10.

The next to report on this property was A.J. Arland, a registered professional engineer of Vancouver, who visited it in 1938. He found that it had been rather indifferently developed, and recommended that extensive diamond drilling be undertaken, and that the No. 1 vein be opened up by surface work and ultimately by deep development. He did little additional sampling.

About a year after the property was acquired by Guichon Mines Ltd., another examination was made, in 1946, by F.O. Orr. He recommended tunnelling, drifting



to open up showings found on surface and further diamond drilling. Assay results on 22 samples taken by Guichon Mines in 1945 and 1946 are quoted in his report, the samples being from surface, tunnels and drill cores. Only five ran less than \$10 per ton; the remainder were in the range of \$10 to \$56 per ton, with one of \$355. These were values in gold, silver and copper. Early in 1947 some further sampling was done: - a bulk sample on the Camperdown vein yielded 0.02 oz. of gold and 1.80% copper, while another sample of unspecified size from close-by gave 0.20 oz. of gold and 1.70% copper; and another across 2 ft. of the Camperdown copper showing produced 0.02 oz. of gold and 6.00% copper.

A tunnel was being driven westerly at this time from an elevation some 250 ft. below the surface showings, to cut under the downward extensions of those veins. It went in about 1200 ft. and was stopped some 200 or 300 ft. short of the mineralised area, presumably for lack of sufficient financing. The property then remained idle until acquired in 1961 by Quilchena Mining and Development Co., a private company organized by A.M. Arnold, who is president.

### INITIATION OF QUILCHENA OPERATIONS

In the summer of 1961, Quilchena Mining & Development Co. initiated a program of development on the Guichon and adjacent claims, utilizing trenching, stripping, geophysical surveys and diamond drilling. Exploration work continued through the past winter, is still in progress, and will be intensified shortly with the advent of spring weather. The program commenced last summer with building and trenching, concentrated mainly in the vicinity of the No. 1 vein, the No. 6 tunnel and the Fence vein nearby, with some attention devoted to the gold vein on the Sunny Boy group, and to opening up the promising copper showing on the Camperdown claim. Later in the summer, a geophysical survey by the spontaneous polarisation technique was started in the area of the principal

showings, on the Ingersoll and Ensign claims. The relationship of these features can be clarified by referring to the accompanying sketch map, facing this page.

## GEOLOGY

Information gathered during this program, added to the data contained in the prior reports and in the Memoir 249 of the Geological Survey of Canada, "Geology and Mineral Deposits of the Nicola Map-Area, British Columbia", by the late W.E. Cockfield, has served to elucidate still further the geological situation in the immediate area of present interest. It indicates that the bed-rock of the region consists almost entirely of volcanic formations of the Nicola Series; these are principally volcanic flows, with some interbedded tufts, and are of Upper Triassic age. The principal formation is a grey-green, fine-grained andesite which is usually porphyritic, with phenocrysts of hornblende; some variations show phenocrysts of feldspar. These rocks exhibit considerable alteration, with the formation of secondary calcite, quartz, epidote and chlorite. Other beds of lavas of similar mineralogical composition are of strikingly different color, showing various shades of red, purple and brown. The reddish color is due to the impregnation of the ground mass of the rock by the red oxide of iron, hematite. Beds of sedimentary rocks, such as limestone, are known to occur in the Nicola series in this general area, but they have not yet been observed in the vicinity of the present workings.

The Nicola series of rocks is considered to be a very favorable host formation for the deposition of metallic minerals of potential economic interest. The Craigmont orebody is in the Nicola rocks near the Guichon batholith intrusive, and the former Copper Mountain Mine of the Granby Mining Co., near Princeton, B.C., is in Nicola rocks close to the Copper Mountain intrusive streak.

The intrusive rocks referred to above are igneous rocks of granitic type, mostly diorites, granodiorites, quartz diorites and related varieties of Jurassic

age belonging to the group called the Coast intrusives. These are mainly great masses of granodiorites and quartz diorites, elongated in a generally north-south direction with widths measured in miles and lengths in tens of miles, known as batholiths. In a molten condition, they were thrust into the overlying Nicola rocks in a period of tremendous earth deformation, when the previously deposited volcanics and sediments were shoved into arches and troughs, folds designated as anticlines and synclines, and were broken and fissured by faults and shear zones. All this took place far beneath the then-existing surface, but long eons of subsequent weathering and erosion have removed much of the covering rocks, and bared the great batholiths to view. At the time of their intrusion, many of the molten masses or magnas carried metallic minerals in solution or in melts. During the process of cooling and solidification, these melts and solutions became concentrated at favorable spots and eventually escaped, as mineralizing solutions. They escaped into fractures, fissures, shear zones and any other available openings in the invaded beds forming the roofs of the intruding batholithic magnas. In this area the invaded beds forming the roof covering are the volcanic lavas of the Nicola series.

As the mineralizing solutions given off by the igneous magnas made their way through the available channels in the invaded rocks, they cooled and deposited their loads of minerals. Such deposition might take place as fillings of open fractures, as fillings of minute interstices in the ground-up material of shear zones, or by the replacement of minerals in the body of the rocks bathed by the mineralizing solutions (i.e. by dissolving an easily soluble substance, such as limestone or calcite, and depositing a metallic mineral in its place). Hence, fractured Nicola rocks in the vicinity of intrusive batholiths are favorable spots to prospect.

Igneous bodies of the Coast intrusives occur nearby, to the north and the south of the Quilchena holdings. The southern edge of the Central Nicola

batholith forms the northwest shore of Nicola Lake, a couple of miles north of the Quilchena workings. A protuberance from the southeast margin of this batholithic mass extends across Lake Nicola and forms a wedge, a couple of miles long, into the Nicola rocks about a mile northeast of the Quilchena claims. This batholith is the site of the copper orebody of the Copperado mine, formerly a Guichon Mine project, and now included in the ground being explored by Toluma Mining and Development Co. Ltd. Two miles to the southwest there lies an igneous stock, a couple of miles in diameter, of Coast intrusive diorite. On the Camperdown claim of the Quilchena holdings, there occurs a dike of diorite, some ten feet or more wide, and of unknown length. It could have arisen from hidden offshoots either from the Central Nicola batholith to the north, or off the stock to the southwest, or more likely from an otherwise unexposed intrusive mass underlying this general area. The dike carries a good mineralization in copper and gold, but in spite of the belief of some of the early examiners of the area, it almost certainly is not the source of mineralizing solutions. On the contrary, it has itself been affected by these mineralizing fluids which arose from a deeper seated magma, possibly the same one that gave birth to the dike. These same, or related mineralizers also deposited copper, gold and silver minerals in fractures and shear zones traversing the Nicola lavas in this area.

The Nicola bedrock has been extensively fractured in a variety of directions, but it is in a generally northwesterly one that the principal movements have occurred, and erected shear zones up to several feet in width. In some of these shear zones the interesting quartz-calcite veins have been formed, carrying the iron sulphide pyrite, and the copper sulphides chalcopyrite, bornite and possibly chalcotite, together with values in gold and silver. The distribution of the copper, gold and silver values is somewhat irregular, or pockety, which will therefore require close and detailed exploration. Fortunately, the evidence to date indicates a system of rather closely spaced veins in the present working

area, which should serve to effect some of the disadvantages of the pockety nature of the individual veins.

Whether these "pockety" occurrences of better mineralization are really individual pockets, or whether they are actually continuous "shoots" which have as yet been incompletely outlined, remains to be proven by further exploration. Such veins might occur, for example, in a succession of stringer-like shoots, slanting downwards in each vein formation. The geophysical indications and the results of the preliminary diamond drilling thereon, imply that this may be the case. Assays on samples from these pockets or shoots, taken in various tunnels, show values definitely of economic interest.

#### TUNNEL NO. 1

Tunnel No. 1 was driven on Vein No. 1., also called the "Bornite Vein" because of the occurrence of that copper mineral in the vein structure. In 1922 F.J. Crossland sampled this vein at two places ten feet apart, in a trench which had exposed it for a length of 22 ft. and an average width of two feet.

His samples assayed:-

0.70 oz. in gold	and	0.32 oz. in gold
0.70 oz. in silver		1.10 oz. in silver

No determination was made for copper.

Sixteen years later, A.J. Arland reported that the tunnel showed the vein to "... be up to 4 ft. of quartz" and that the open cut "... shows about 2 ft. of quartz". He observed a considerable amount of bornite in the vein, and although he took a piece of quartz for assay, he did not have it tested for copper. It

ran:-

0.14 oz. in gold
0.60 oz. in silver

After visiting the property in 1946, F.O. Orr reported assay results on samples taken by Guichon Mines staff ("owners samples"). Among them were samples from

Tunnel No. 1, which by that time had been driven for some 40 ft. These ran, widths not specified, in total values:-

\$59.80 per ton

\$40.13 per ton

\$ 1.25 per ton, which was a sample of barren

country rock. Shortly after his visit, Guichon Mines sampled the surface exposure for a width of 2-1/2 ft. and obtained assay results :-

\$46.20 per ton in gold

\$ 1.71 per ton in silver

\$ 1.60 per ton in copper.

The copper assays at that time seem to have been figured at 15¢ per pound for the metal content, about half the price now current. Silver was figured at 90¢ per oz., and gold at \$35.00 per oz.

Samples taken from the surface and from the tunnel during the current operations, gave five assays for gold in excess of 0.34 oz., and five of less than 0.15 oz. They were:-

0.405 oz. in gold	2.60 oz. in silver	0.42% copper
1.26 oz. "	3.00 oz. "	0.40% "
0.50 oz. "	1.80 oz. "	0.40% "
0.40 oz. "	0.60 oz. "	1.45% "
0.345 oz. "	1.35 oz. "	0.27% "
0.13 oz. "	0.85 oz. "	0.15% "
0.025 oz. "	0.50 oz. "	0.10% "
0.02 oz. "	0.70 oz. "	0.40% "
0.015 oz. "	1.30 oz. "	0.60% "
0.01 oz. "	0.65 oz. "	0.45% "

The assays on samples from this vein, taken over the years, all indicate the occurrence of good values in the vein structure. They point up the desirability

of energetically pursuing the development of this formation to determine its minability.

TUNNELS NO. 3 & 4.

About 350 ft. southeasterly from the portal of No. 1 Tunnel, No. 3 Tunnel has been driven westerly into the hillside. Tunnel No. 1, the Fence Vein and Fence Shaft and the current drill sites are on a flat bench some 400 ft. wide which trends in a northwesterly direction. To the northeast the bench drops off to the Quilchena Creek valley, and to the southwest it rises in fairly steep, wooded slopes. The portal of No. 3 Tunnel is on the slope, about 70 ft. above the elevation of the bench. When Crossland visited the operations, he noted this tunnel was about 64 ft. long, but since it did not follow the vein that entire distance, he stated that his samples would not be truly representative. He reported the vein to be of quartz, about 20 in. wide, in a well defined fissure, and that it can be traced up the hillside for some 160 ft. Although it carries copper sulphides, no assays were run for copper. He took four samples, which returned:-

0.22 oz. in gold	0.60 oz. in silver
0.04 oz. "	0.40 oz. "
0.08 oz. "	0.40 oz. "
0.64 oz. "	2.80 oz. "

The vein in these two tunnels was not sampled by Arland. Tunnel No. 3 was sampled by Orr, however, who reported taking his sample across a banded quartz vein 12 in. wide at the face of the tunnel; it ran:-

\$ 33.29 per ton.

He also quotes an "owner's sample" from the upper tunnel, their No. 2 and now designated No. 4, taken across 14 in. of vein, which ran:-

\$44.99 per ton.



A sample taken in March 1946, by Guichon Mines across 12 in. of vein in the face of Tunnel No. 5 gave:-

\$26.69 per ton.

The vein in Tunnel No. 3 was recently sampled in the course of the present operations. These ran:-

3.63 oz. in gold	}	Taken across a 3 ft. width of vein material in the back of the tunnel.
15.00 oz. in silver		
8.85% copper		

and

3.70 oz. in gold	}	Taken across the same vein material width in the floor of the tunnel.
9.00 oz. in silver		
0.90% copper		

Samples were also taken from the wall rocks of this vein. They yielded:-

0.16 oz. in gold	}	Taken from the west wall rock.
2.15 oz. in silver		
1.70% copper		

and

0.2 oz. in gold	}	Taken from the east wall rock
0.40 oz. in silver		
no copper assay		

A grab sample from this tunnel returned:-

2.50 oz. in gold

8.10 oz. in silver

1.45% copper

The vein showing in Tunnel Nos. 3 and 4 is currently under investigation geophysically, and by drilling. Further exploration along these lines is indicated plus underground work to follow the vein, in both tunnels.

### TUNNEL NO. 5

About three hundred feet southerly from these workings, and at an elevation roughly fifty feet higher, Tunnel No. 5 was driven westerly into the hillside for about 90 ft. The early operators called it "No. 1 Upper Tunnel". Crossland noted that the greater part of this tunnel had not followed the vein, and he therefore took only three samples. They yielded:-

0.08 oz. in gold	1.00 oz. in silver	
0.04 oz. in gold	2.20 oz. in silver	0.90% copper
0.16 oz. in gold	6.50 oz. in silver	4.90% copper

Two hundred feet higher up the slope, to the west, but only forty feet away horizontally, Crossland noted a high-grade vein with bornite, covellite and bands of calcite. Sampled across its 10 in. width, the assays returned:-

0.96 oz. in gold  
21.04 oz. in silver  
28.0% copper

Still higher, on the comb of the ridge, stripping and open cuts had exposed yet another vein occupying a well-defined fissure 2 ft. wide. Crossland noted that it presented a banded structure of quartz and pyrite with some copper staining.

Assays on the two samples he cut returned:-

1.38 oz. in gold	1.34 oz. in gold
	and
5.12 oz. in silver	4.00 oz. in silver

This vein he designated as No. 5 Vein. The only further reference to it is in some assays returned to Guichon Mines in the spring of 1946, in which samples across 14 in. of vein material yielded:-

\$28.49 per ton in gold  
\$ 2.65 per ton in silver  
\$11.20 per ton in copper (probably at 15¢ per lb.)

The showings in this area require more extensive exploration. The geophysical

survey should be extended south to encompass this area, and serve to guide a program of stripping, trenching and drilling. At the same time, underground work can be prosecuted, to follow the veins at their present exposure sites.

#### TUNNEL NO. 6

Tunnel No. 6 seems not to have been started until some time after Arland's visit in 1938. It is referred to by Orr, however, in his 1946 report. He found that this tunnel had been driven 180 ft., northwesterly, the portal being located 150 ft. southeasterly from Tunnel No. 5, and 60 ft. lower in elevation. The far end of No. 6 passes under the portal of No. 5. Tunnel No. 6 started to follow a narrow vein which pinched and faulted, and then picked up two more veins near the face at the far end. The strike of these two veins is N 20° W, the prevalent strike in this area. The vein followed at first was evidently designated "A", another vein subsequently encountered, 22 in. wide and 12 ft. back from the face of the tunnel, was called Vein C, and the one at the face, 20 in. wide, was designated Vein D. These were sampled by Orr, who noted they were in oxidized material, which could be expected to show erratic values. His samples returned assays showing, in values per ton:-

\$ 3.47 on Vein A

.65 on Vein C

.93 on Vein D.

The diamond drill holes, Nos. 13 and 14, had been drilled by Guichon Mines from tunnel stations, to cut Vein C. The core from DDH #13, which was 32 in. long in the vein, yielded:-

\$16.34 per ton in gold

\$ 2.06 per ton in silver

\$ .10 per ton in copper

The other hole, DDH#14, angled diagonally across the vein for a core length of 8 ft. 4 in., gave:-

\$26.95 per ton in gold

\$ 3.12 per ton in silver

\$ .30 per ton in copper

Another sample was reported, whose location is somewhat ambiguous. It was across 2 ft. of Vein A, 130 ft. in from the portal, and was stated to be 20 ft. above the drift. There is no raise in the tunnel, and the surface here is more than 20 ft. above the drift level. This sample yielded:-

\$48.51 per ton in gold

\$ 7.32 per ton in silver

\$ .50 per ton in copper.

The sketches and assay plans which accompanied these early reports are now missing and the identification of a few of the assays reported therein is impossible.

During the current operations, a grab sample was taken on Vein A, on the southwest side of the tunnel and about 10 ft. in from the portal; it returned:-

2.51 oz. in gold

19.0 oz. in silver

2.45% copper.

The same recommendations apply here as in the previous instance - extension of the geophysical survey to cover the area, followed by stripping, trenching and drilling to open up and trace the mineralized zones. Underground work can profitably be undertaken in the tunnel, to extend it and follow the veins revealed therein.

#### CAMPERDOWN VEIN

The most southerly expression of vein structures thus far encountered, lies

about half a mile southerly from Tunnels Nos. 5 and 6, on the Campardown claim.

Crossland noted this exposure and traced it down the hillside from a saddle near the summit to the flat bench above the Quilchana valley. He observed the association of the veins with a mine-foot diorite dike, and found that mineralization existed on both sides of the dike, being stronger on the north side. A sample from the outcrop near the saddle gave :-

0.04 oz. gold

0.80 oz. silver.

The samples from four hundred feet lower on the hillside yielded:-

0.06 oz. gold

0.26 oz. gold

nil silver

and

1.40 oz. silver

0.10% copper

At the lip of the bench, a pit had been dug about 10 ft. deep on what appeared to be a continuation of the same structure. Crossland noted heavy staining of the quartz with copper sulphides, a sample from this spot yielded:-

9.66 oz. gold

26.00 oz. silver

No determination was made on the copper content.

Arland took some samples from the Campardown showing, but again no determination was made on the copper. From ten inches of quartz vein in pit at edge of flat, assays give:-

0.20 oz. gold.

0.64 oz. silver

Vein quartz from stringers near the dike, and near the above sample, gave:-

0.14 oz. gold

0.34 oz. silver.

Orr took no samples on the Camperdown vein, but did quote assay results on samples taken by Guichon Mines staff. These gave, across a 10 in. of hanging wall:-

\$14.65 per ton in gold

\$ .80 per ton in copper.

and across 8 in. of footwall :-

\$850.92 per ton in gold

\$ 4.40 per ton in copper.

He recommended driving a tunnel on the diorite dike showing, which was subsequently commenced.

After Orr's visit, Guichon Mines took additional samples on the Camperdown showing in 1947. Assays gave, on a bulk sample:-

0.02 oz. in gold

0.10 oz. in silver

1.80% copper

and on a "Vein 12 ft. west of Vein" -

0.20 oz. in gold

0.15 oz. in silver

1.70% copper,

and on "Copper showing", 2 ft. wide -

0.02 oz. in gold

1.22 oz. in silver

6.00% copper

During the current operations, some samples have been taken on an exposure of the dike which has been opened up, on the saddle, by bulldozing. These were grab samples, and yielded:-

0.01 in gold

0.21 in gold

0.50 in silver

1.00 in silver

2.45% copper

2.20% copper

A sample from the exposure on the lip of the bench gave :-

2.51 oz. in gold

8.35 oz. in silver

3.90% copper

A sample from an open pit about 100 ft. south of this showing and probably on a parallel vein structure, yielded:-

0.26 oz. in gold

2.95 oz. in silver

2.05% copper.

The Camperdown showing exhibits more consistent values in copper than in gold. If channel sampling, after further opening up, proves the copper values to be constant over mining widths, this could be a productive copper vein carrying modest values in gold and silver, and occasionally enriched by spectacular gold returns. As thus far determined, the Camperdown diorite dike is extensively fractured, and mineralizing solutions evidently moved through these fracture openings, depositing quartz, calcite and metallic values in an irregular pattern. The resultant veining permeates the body of the dike, and evidently extends into the wall rocks as well. This occurrence deserves extensive investigation to determine its dimensions and mineral values.

#### FENCE VEIN

There is another vein on the holdings which is predominantly copper bearing, the Fence Vein. It is back in the area of the workings first described, and lies at the northeast edge of the flat bench overlooking the Quilchena Valley, 500 ft. southeasterly from Tunnel No. 1 and 600 ft. north of Tunnels Nos. 3 and 4. It gets its name from the fact that it lies close to, and parallels a pasture fence. Neither Crossland nor Arland mentions this vein, so it must have been discovered subsequently to Arland's visit in 1938. The Fence Shaft is mentioned in Orr's report, in which two assays on samples taken by Guichon Mines are quoted. One



sample was a "specimen" from the Fence Vein, and ran :-

\$18.40 in gold

\$ .18 in silver

\$ 8.10 in copper (probably at 15¢ per pound).

A sample taken across 18 in. of the vein, at a depth of 14 ft. below the collar, gave:-

\$17.32 in gold

\$ .28 in silver

\$ 8.80 in copper.

Orr comments that the shaft on this vein is 40 ft. deep, and that at 30 ft. the vein seems to have been faulted. To this it may be added that the faulting in this area did not, in the main, produce large displacements. Retrieval of the vein should, therefore, not be difficult.

Samples were taken on this vein during the current program; they were grab samples, and yielded:-

1.50 oz. in gold	3.20 oz. in silver	3.65% copper
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0.30 oz. in gold	1.95 oz. in silver	2.65% copper
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A grab sample on a parallel, and close-by vein, ran :-

1.06 oz. in gold

1.0 oz. in silver

8.95% copper.

Further work should be carried out in this vicinity to determine the extent of the mineral bearing formations, and the average values to be expected. This should include detail geophysical observations, stripping, drilling, and underground work to explore along the veins as well as to locate the faulted-off segments.

#### SUNNY BOY

About 4500 ft. southwest of the area in which the principal tunnels are located, as described above, a promising zone is encountered where several

narrow but persistent gold-quartz veins occur. This is the Sunny Boy showing. Here, at least six quartz veins have been traced up to 700 ft. along strike, which is from N 60° to N 70° W. The dip is 80° or more to the northeast. The strongest of these veins was sampled in 1961 by R.E. Renshaw, with assay returns as follows:-

1.01 oz. in gold (grab sample)

0.44 oz. in gold (6 in. channel sample)

1.62 oz. in gold (1 ft. channel sample)

0.61 oz. in gold (grab sample)

More work should be expended to open up these showings along their strikes, and to investigate the possibilities of other, similar veins occurring in this area.

#### GEOPHYSICAL SURVEY

The geophysical technique utilized in the survey of the Quilchena claims is known as the spontaneous polarisation method, or self-potential method. It depends on detecting, at the ground surface, those weak electrical currents having their origin in bodies of electrically conductive sulphide mineralization. They are generated by the chemical reactions taking place between the metallic sulphides, and the surrounding moisture contained in rock and soil. In other words, deposits mineralized with metallic sulphides act as natural, buried batteries. Zones of concentrated and increased current flow, indicative of underlying bodies of conductive minerals, are known as anomalies.

Observations have been taken over part of the grid of traverse lines laid out for the purpose. These traverse lines run NE and SE from the Base Line, which is 2,000 ft. long, and runs NW and SE. The location of the Base Line is shown on the sketch facing Page 4, but only traverse lines 2 and 10 are depicted, to keep the map as uncluttered as possible. In the area between traverses 2 and 10, from 150 ft. to 400 ft. southwest of the Base Line, detailed observations have been conducted for the purpose of defining anomalies in that area. Their general form is indicated on the sketch map referred to. Other anomalies, not yet detailed, occur in other

portions of the grid area.

The principal anomaly thus far detailed, lies along the base of the slope, just above the bench, between traverse 4 and 5; between traverses 3 and 4 it angles up the slope in the vicinity of Tunnels 2, 3 and 4. It then returns more or less to its original strike of about N 20° W, and extends across to traverse 2, and probably beyond. No work has yet been done southeast of traverse 2, so the anomaly is still open in that direction. Testing this anomaly is the objective of the current drilling program.

Anomalies yet to be detailed are found on both sides of the Base Line. To the northeast, there is an anomaly in the vicinity of the Fence Vein, and four others lie further down the slope east of it, towards the Quilchena Valley. To the southwest, four anomalies are found on traverses 2, 3, 4, 5 and 6 near the southwest ends of these lines, which extend 1,000 ft. southwest of the Base Line. The reconnaissance work also remains to be completed on the northwest segment of the survey grid, from traverse 10 to traverse 20. An anomaly awaiting further definition, was encountered on traverse 10, about 250 ft. southwest of the Base Line. The continuance of this geophysical survey will provide numerous additional targets for diamond drilling.

#### DIAMOND DRILLING

The current diamond drilling program is just getting underway, one hole having been completed, and the second still in progress. The first hole was spotted between the Base Line and the foot of the slope, between traverses 4 and 5, to drill westerly with a downward inclination of 60°. It was designed to cut under the northern portion of the anomaly which had been detailed in this vicinity. It intersected several zones of fracturing, mineralized with quartz and calcite and sparse sulphides, corresponding in position to branches of the anomaly. The drill core data, combined with surface evidence, indicated the probability that the main mineralization was in a shoot raking to the south, and

that this drill hole had passed under it. The information yielded by the second hole tended to confirm this hypothesis.

The second hole was spotted about two hundred feet south of the first, near the foot of the slope between traverse 2 and 3, and 250 ft. southwesterly of the Base Line. It is drilling westerly but at a flatter angle of dip,  $30^{\circ}$ . This hole is designed to cut under the stronger, central part of the anomaly in the vicinity of Tunnels Nos. 3 and 4, and to intersect the vein explored by those tunnels. A promising mineralized section was cut at 85 ft. depth in the hole, lying under the edge of the anomaly; a five foot section assayed:-

0.36 oz. in gold

1.3 oz. in silver

0.35% copper

Another, well mineralized section was intersected beneath the center of the anomaly. The assays on this, and on other intersections below it, are awaited.

The evidence from the appearance of the anomaly, and from the incomplete results to date in the drilling, implies that the mineralization in this immediate vicinity increases in strength towards the south.

#### R.E. RENSHAW REPORT

A progress report was made on the Quilchena operations by R.E. Renshaw, Professional Engineer, of Vancouver, in December 1961. He recommended detail geological mapping, continuation and expansion of the geophysical survey, strip-ping by bulldozing and trenching on geological or geophysical indications, diamond drilling of indicated veins, and underground exploration. For the first underground work, he suggested:-

- a) Extend the long cross-cut tunnel to intersect the vein zone.
- b) Extend the No. 3 and 6 Tunnels about 200 ft. each.
- c) Driving about 150 ft. of new tunnel on the Sunny Boy vein, where it is exposed on the face of a steep slope.

His recommended expenditures for this program are:-

ESTIMATED EXPENDITURES

1.	<u>Surface Exploration</u>	
	A. Stripping, 30 days	\$ 3,000.00
	B. Spontaneous polarisation survey	8,000.00
	C. Diamond Drilling, 2000 ft. @ \$10 per ft.	20,000.00
2.	<u>Underground Exploration</u>	
	A. Rehabilitation of long tunnel	1,500.00
	and drive 200 additional feet of tunneling @ \$35 per foot	7,000.00
	B. On the Sunny Boy Claim, 150 ft. of tunneling @ \$35 per foot	5,250.00
	C. In tunnels No. 3 and 6, extend each 200 feet for a total of 400 ft. @ \$35 per ft.	14,200.00
	D. Preparing drill stations	1,000.00
	Diamond Drilling 1000 ft. @ \$4 per ft.	4,000.00
3.	<u>Engineering &amp; Supervision (6 months)</u>	12,000.00
4.	<u>Contingencies</u>	16,050.00
		<u>\$100,000.00</u>

RECOMMENDATIONS

The work of earlier years; and the present operations, all combine to indicate that this property exhibits value of copper-gold mineralization of potential commercial interest. The values found are such that a considerable expenditure of time, work and money is justified to define the mineral-bearing possibilities of this group of claims. To that end, the recommendations of the R.E. Renshaw report referred to above, are seconded, and submitted as

being also the recommendations of this report.

Respectfully submitted,

GEOPHYSICAL EXPLORATIONS LTD.,  
per:

Shorwin F. Kelly, Pres.  
Consulting Geologist.

Adelphi Hotel,  
Merritt, B.C.

March 12, 1962.

## Certificate of Competency.

I certify that:-

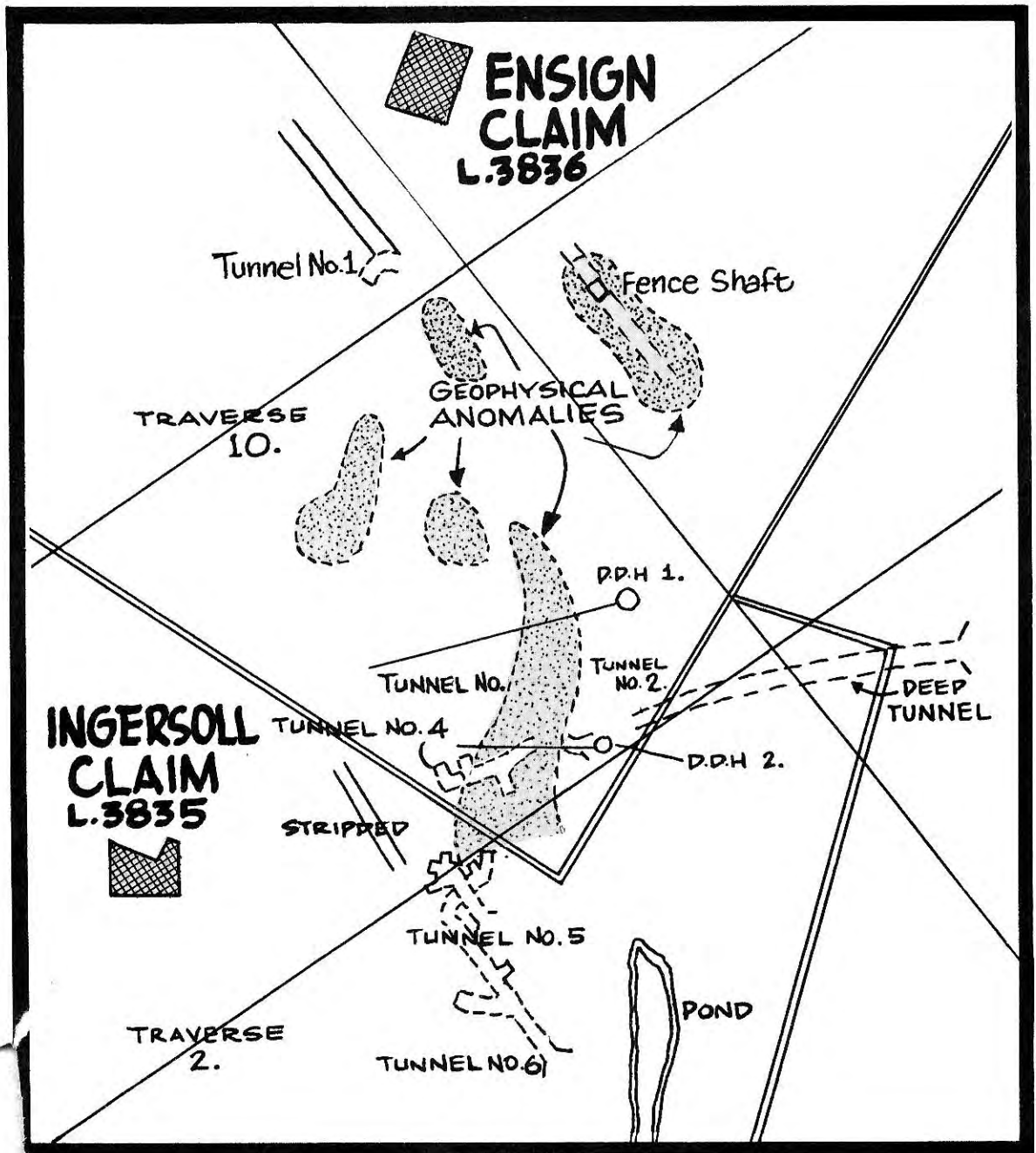
- (1) I am a graduate in mining engineering, having received the Degree of B.Sc. in Mining Engineering from the University of Kansas in 1917.
- (2) I pursued graduate studies in geology and mineralogy, 1919-26, at the University of Kansas, the Sorbonne, Ecole des Mines, Magsum d'Histoire Naturallo (Paris) and Toronto University. I served as Instructor in Geology at the University of Kansas, and as Instructor in Geology and Demonstrator in Mineralogy at Toronto University. For one season on each, I served as a geologist on the Kansas State Geological Survey and on the Ontario Geological Survey.
- (3) Since 1921, I have practiced as a geologist and geophysicist in Canada, the United States and in many Latin American countries in the Caribbean, Central America and South America.
- (4) Since the organization of Geophysical Explorations Ltd. in 1937, under the Dominion Companies Act, I have directed and supervised its operations in geological and geophysical investigations.

Merritt, B.C.  
March 12, 1962

Sherwin F. Kelly.



# Development Co. Ltd. (N.P.L.)



NOTE:— The Tete Rouge, Quilchena, Ensign, Friendsbury, Ingersoll, Last Post and Camperdown claims were an integral part of the original Guichon Mines.



# Paul Schutz

CANADIAN INSTITUTE OF

## President

QUILCHENA MINING & DEVELOPMENT CO.

### PAUL SCHUTZ

A resume of the long and successful career of Paul Schutz, President of Quilchena Mining & Development Company, covers an important segment of the mining industry in Canada. Coming to this country in 1924 from Norway, where he had practised metallurgy, Mr. Schutz joined Hollinger at Timmins before moving to B.C.'s Pioneer Mine. He served in a supervisory capacity until he practised private research and consulting in mill design until engaged by Carleton Place, of which four years were spent in the Craigmont Mines.

In answer to Quilchena's need for a man with the necessary experience in the mining area, Mr. Schutz was induced to take the position of President of this Company during the past year.

It is interesting to note the progress which he has been connected with, from \$11-\$12 per share in 1924 to a high of \$20.00 before its merger with Bralorne, and a low of 50-60c to over \$20.00.

Quilchena shareholders are in the position to utilize, at no cost to the Company, a man whom it could not, at this stage, afford to hire on a full time basis.

### BUT PAUL SCHUTZ IS IMPORTANT

A man of action, Mr. Schutz is the man for the job of employing his vast experience to bringing Quilchena to the successful producing operation. Every shareholder has already demonstrated his faith in the property. Never before has there been a man to implement that faith.

**QUILCHENA  
MINING & DEVELOPMENT  
CO. LTD. (N.P.L.)**

815 WEST HASTINGS STREET,  
VANCOUVER 1, B.C.

Dear Reader:

Looking back over a career which has spanned close to half a century in the mining business, I cannot help but think of the numerous properties in British Columbia, of which I have had first hand knowledge, that have not yet borne fruit because of a variety of reasons. Many of today's prospects will become tomorrow's producers.

One has only to note the fantastic progress in technological development in recent years to realize that the almost superhuman projects of bygone times are as child's play today.

I am told that my experience of having never been associated with a "loser" is almost unique in the mining game. Let me assure you that I have no intention of spoiling the record. Just as many of you, I first came into Quilchena as a shareholder, based on my regard for the potential of the property.

I came to the Presidency not out of mere desire to protect my paltry initial investment, but to devote to the development of this company every resource at my disposal, in the conviction that the properties merit the effort.

Privately I have already pledged myself to the success of Quilchena. I do so now publicly. And I do so,

Sincerely,

*Paul Schutz*