

BC - Trans Mountain

INTER-OFFICE CORRESPONDENCE

811004

REC'D SEP 28 1953
Action Date

FROM: R. E. Legg
TO: Evan Just

CITY:

SUBJECT:

A C		
E J	1	9-58
H K		
L W		

DATE Sept. 23/53.

A = Action C = Comment
I = Information

I called Russell Kennedy at Kamloops today to enquire about the diamond drilling at Trans-Mountain. They have put down several holes along the lines I suggested to them but apparently the results were not too encouraging. At the moment the drill is broken down, but further drilling is contemplated when the drill is under way again.

I had asked Blair Stewart to telephone me today at 3 p.m. from Seattle, but I have not heard from him at this hour, 4:30 p.m. I was to tell him what the drilling results were. It is possible that he did not receive my letter, written to him at Los Angeles, before he left for the Seattle convention. I wrote to him on September 14th.

If the results should continue to be poor at Trans-Mountain, then it may be just as well for Cyprus if this was found out at no cost to them.

R. E. Legg.

P.S. Blair just phoned (4.50 pm) and I told him the news of Trans-Mountain

REL

Excerpt from ~~Even~~ Just Progress Report 9-21-53
Original in separate folder-Exploration-SF

"The only property of interest turned up by Legg since our last report was of Trans Mountain Mines Limited near Kamloops, B.C. Legg considers this lead-silver-zinc property worth further development, but it may turn out to be a small mine even though commercial. The owners decided to spend some money on the property themselves and will keep Legg informed of results. Legg is in contact with the Los Angeles office directly on this one."

Mv. Legg's Report back of File

Excerpt from R. E. Legg memo to Evan Just, dated 9-17-53:

"I have heard nothing further from the Trans-Mountain people during the past week. They were going to let me know the results of their diamond drilling. Perhaps the results were poor. I am going to wait for a day or so more and then telephone them. As you know, Blair Stewart is going to contact me next week, when he is in Seattle. If it is advisable, I will discuss going up to Kamloops with him."

Original in Kluane Range, Yukon Territory, SF

INTER-OFFICE CORRESPONDENCE

RECD	SEP 16 1953	
ANSD.	BY	
PLEASE REPLY		
HSM	PKW	SGM
HTM	RWM	COC
JLB	BWS	LWW
GDD	KKW	LCA
VWS	LP	AL
EW	SAS	

FROM: Evan Just

CITY: New York

DATE: 9/15/53

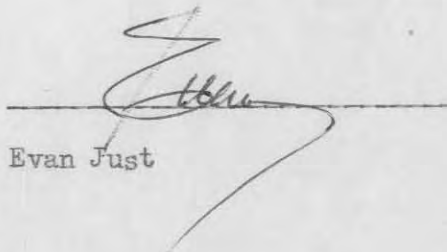
TO: Blair Stewart

SUBJECT: Trans Mountain Mines

I am pleased to know that you expect to talk with Roly Legg about this property. He thinks it is a good prospect and I think his technical judgment is good.

I have encouraged him to show us the best deal he can get when the time is ripe.

If you go to Vancouver, I suggest that you stop in to see D. F. (Cap) Kidd. Roly knows him. He wrote me recently about a mine down in Washington and I suggested that he send me some added details before I would turn the matter over to you, as the information in his letter was very limited. However, if you are on the spot, you might as well look into the matter. Cap is, I believe, the current president of the Canadian Institute of Mining and Metallurgy.



 Evan Just

EJ:CM

R. E. LEGG

Consulting Mining Engineer

311-850 WEST HASTINGS STREET
VANCOUVER 1, B.C.

September 14th, 1953.

RECD. SEP 15 1953		
ANSD.	BY	
RETURN TO		
PLEASE REPLY		
HSM	PKW	SGM
HTM	RWM	COC
JLB	BWS	LWW
GDD	KKW	LCA
CWS	LP	EALD
EW	SAS	

*Legg suggested poor
hole
consequently advised
to wait until before
for further des. before
discussing deal etc.
BWS
Vancouver
9/26*

Pennington

Mr. B. W. Stewart,
1206 Pacific Mutual Building,
523 West Sixth Street,
Los Angeles 14, California

Dear Mr. Stewart:

This will acknowledge your letter of September 8th. I was planning on going down to Seattle for two days of the Convention (Sept. 21-23), but now I am in doubt if I can make it.

The Trans-Mountain people are going to call me on the 16th or 17th of September to advise me if it is an appropriate time to go up there to see the diamond drilling results. If I should get up there on the 18th, then I want to spend four or five days there to see a hole completed. I would suggest that you call me from Seattle on September 23rd at my office (Marine 0848) at 3:00 p.m., and I will discuss the situation with you. If we were to have a discussion with the Trans-Mountain people, we would have to go to Kamloops since none of them live in Vancouver. There is also a copper property which I would like to discuss with you.

Yours very truly,

R. E. Legg

R. E. Legg

REL:df
cc: Evan Just

*No further information
Request - BWS
11/14/55*

Evan Just

New York

9/8/53

R. E. Legg

Trans Mountain Mines

I suppose the reason that the telegram was so garbled was because the girl in the office was new and practically illiterate. At any rate, you were correct in assuming that "Harry" meant Henry. The "back loan teacher" should have been "lack loan feature".

We shall be interested in further developments with respect to this property. I am sure that you understand that my desire to do everything possible to have monies advanced on a loan basis instead of straight equity investments is because Henry is very insistent on this and from the U. S. tax viewpoint there are strong reasons.

If a loan were payable out of half of first profits, the balance of distributable profits could be disbursed as equity interests appear.

If the owners object to a loan arrangement, we might try a basis whereby they also are granted a loan status covering their pro rata share.

At any rate, let's have a look at the best you can do before giving up negotiations.

Evan Just

EJ:CM

CC: Henry T. Mudd

REC'D SEP 10 1953
Action Date

A C		
E J	A	9-10
H K		
L W		

A = Action C = Comment
I = Information

September 8, 1953

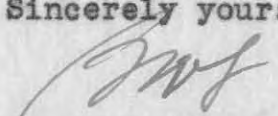
Mr. R. E. Legg
311 - 850 W. Hastings Street
Vancouver 1, B. C.

Dear Mr. Legg:

Henry Mudd passed me your letter and report on the Trans-Mountain Mines Ltd. Since I expect to be in Seattle for the American Mining Congress Convention, I told him I thought it might be well to talk with you and possibly to have a discussion with the Trans-Mountain Mines people if you thought there was a chance of our entering the picture through some financing. I presume that you will be at the Convention but if not I will call you from Seattle.

Best wishes,

Sincerely yours,


Blair W. Stewart
CYPRUS MINES CORPORATION

BWS/a

cc: Mr. Evan Just-N.Y.

Good
9/90 Vance
see Kidd also

INTER-OFFICE CORRESPONDENCE

REC SEP 3 1953
Action Date

A C		
E J	A	9-8
H K		

FROM: R. E. Legg

CITY: Vancouver, B.C.

DATE: Sept. 1/53.

TO: Evan Just

A = Action C = Comment
I = Information

SUBJECT:

Russell Kennedy of Trans-Mountain Mines has advised me that he plans on raising money locally (in Kamloops) to carry out the drilling which I recommended in my report. He says he will have no trouble in getting the necessary funds. Such being the case, the only course to follow is to await the drilling results. I will be going up there in two weeks time and I will keep you posted as to the results.

R. E. Legg.
R. E. Legg

R. E. LEGG

Consulting Mining Engineer

311-850 WEST HASTINGS STREET
VANCOUVER 1, B.C.

To BWS

September 1, 1953

Mr. Henry T. Mudd
1206 Pacific Mutual Building
Los Angeles 14, California

RECD.	SEP 4 1953	
ANSD.	BY	
RETURN TO		
PLEASE REPLY		
I HSM	I PKW	I SGM
I HTM	I RWM	I CDC
I JLB	I B.S.	I LWV
I GDD	I KKW	I LCA
I CWS	I LP	I ALD
I EW	I SAS	

Dear Mr. Mudd:- Trans-Mountain Mines Ltd.

The above company advised me last night that they had raised funds in Kamloops to continue further drilling. I think rather highly of this property. There may be an opportunity to get into the big financing at a later date.

For your information I am enclosing a copy of my report, which is a duplicate of what I sent Evan.

In talking to the president of the company last evening he told me that they had drilled a hole under Trench 13 and cut seven feet of ore. No assays are available. The company is going to follow my recommendations in respect to drilling.

With kind regards.

Yours sincerely,

A. E. Legg
R.E. Legg

REL:FE

c.c. Mr. Evan Just

INTER-OFFICE CORRESPONDENCE

FROM: R. E. Legg

CITY: Vancouver, B.C.

DATE: Sept. 1/53

TO: Evan Just

SUBJECT: Trans-Mountain Mines Ltd.

I received the following telegram from you this morning:

"Suggest you ascertain acceptability proposed terms which sound all right except back loan teacher try obtain at least major portion as share bonus for loan payable from half of first profit if owner object call me Blind River 450 J ~~24~~ five afternoon your time today or tomorrow if not take up with Harry directly,

Joan Just."

*back loan
feature
24
Henry*

As the telegram contained several inaccuracies, I asked the CPR to get it repeated. I realized that your name was spelled incorrectly, and I figured you meant me to call Henry Mudd and not Harry, but I could not for the life of me decide what "back loan teacher" meant. I got the repeated telegram after I arrived home this evening, and was told that "teacher" should have been "feature".

I am not going to telephone you because Russell Kennedy, president of Trans-Mountain, told me late last night that he would have no trouble in raising \$16,000 from his local group in Kamloops. Today I wrote Henry Mudd and explained the situation to him with a copy of my letter to you at your New York office. I did not send my letter to Mr. Mudd by air mail, as I should have done, but he should get it in a couple of days.

I am leaving early in the morning for the Slocan area and will be away for a week. After that I am going back to Kamloops to see how the drilling is going on. I might mention that Trans-Mountain have a drill of their own, so they can go to work quickly.

The attached report from Sunshine Lardeau will interest you. They have not done very much yet. I am told that a great deal of trouble has been experienced with their road connecting their mine to their mill. It is the old story of building a road with too steep a grade, but of course that is not the fault of Newmont.

I trust your new venture in the Maritime provinces turns out well. I saw it reported in the "Northern Miner".

✓
*Except
made for
Sunshine
Lardeau-SF*

R. E. Legg
R. E. Legg

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

28 PM 7 1953

CENTRAL-TERMINAL
MU 6/4221

WESTERN UNION

(38)

SYMBOLS

- DL=Day Letter
- NL=Night Letter
- LT=Int'l Letter Telegram
- VLT=Int'l Victory Ltr.

W. P. MARSHALL, PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

,NA317 30/23=CNT X VANCOUVER BC 28 214P=

1953 AUG 28 PM 7 41

EVAN JUST, CYPRUS M~~F~~ NES CORPN=

161 EAST 42 ST=

:SENT REPORT TRANS-MOUNTAIN BY AIR MAIL AUGUST 28TH STOP

SHOULD REACH YOU THIRTY FIRST STOP COULD YOU PHONE ME

MONDAY NIGHT KERRISDALE 2952L=

:R E LEGG=

REC'D

AUG 31 1953

Action Date

A C		
E J		
H K		
L W		

A = Action C = Comment
I = Information

REC'D 31 1953
Action Date

INTER-OFFICE CORRESPONDENCE

E J	
H K	
L W	

FROM: R. E. Legg

CITY: Vancouver, B.C.

DATE: Aug. 27/53

TO: Evan Just

A = Action C = Comment
I = Information

SUBJECT: Trans-Mountain Mines Ltd.

Attached hereto is copy of my report on the property on the Adams Plateau, British Columbia, owned by the above company.

Trans-Mountain are not keen on selling to a big mining company, unless they have to. They turned down an offer from Phelps Dodge. I saw the offer. They turned down an offer from New Jersey Zinc, who own adjoining ground. New Jersey offered \$10,000 cash on a \$150,000 offer.

In my opinion, the property is well worth spending \$16,000 on in the manner which I have outlined in my report. If this initial drilling was not satisfactory, then I would relinquish the option.

How would the following terms appeal to Cyprus:

Form a 3,000,000 share company. Give Trans-Mountain 600,000 shares, of which probably 500,000 would be in escrow. Cyprus would take down 100,000 shares at 16¢ to provide the money for the initial drilling. Cyprus could then take down 200,000 shares at 25¢, if initial results warranted it. This additional \$50,000 would pay for further drilling, and would meet a \$15,000 property payment due in November. Trans-Mountain do not own the property, but have an option on it for \$150,000 for 100% interest payable over five years. Cyprus would have an option on the balance of the stock at, say, 50¢ which would provide the money to bring the property into production. These terms are my own idea. I have not discussed terms with Trans-Mountain people, who are all local Kamloops people. They have taken a gamble themselves to the tune of about \$20,000 to date, so I would judge. They have spent their money on roads, equipment, etc.

As you can see from my report, there is a very interesting surface showing. How it will continue laterally or in depth is anyone's guess. New Jersey saw the property last year but were then not interested. It took a couple of leasers to prove up the high grade ore. There are so very very few rock exposures and this enhances the property in my view. If you are interested, some quick action is needed. There are two months available to do the necessary drilling before the November property payment, and anyone taking over the property would have to get their results during this period. Fortunately, the set-up would permit getting fast results. I might say that Trans-Mountain would not lose the property, or rather the EX 1 claim, if they did not make the payment of \$15,000. They can lease this claim, but lose the other claims.

R. E. Legg
R. E. Legg

RC - Trans Mt

Evan Just

New York

8/21/53

R. E. Legg

Trans Mountain Mines

Henry replied on August 14 indicating no basis for proceeding unless you can work out a basis for buying control.

However, let's not be discouraged too quickly. Let me hear what is the best you can do with respect to the hope of ultimate control if control cannot be acquired immediately. This is said of course on the assumption that you will continue to regard the property as more than ordinarily attractive.

Evan Just

EJ:CM

BC - Trans Mountain Mines
REC'D AUG 17 1953

1206 PACIFIC MUTUAL BUILDING
LOS ANGELES 14, CALIFORNIA
TELEPHONE MUTUAL 8251

	Action	Date
A C		
E J	A	8-21
H K		
D W		

A = Action C = Comment
I = Information

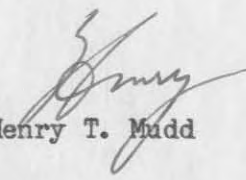
August 14, 1953

Mr. Evan Just
Cyprus Mines Corporation
161 East 42nd Street
New York 17

Dear Evan:

The Trans-Mountain Mines discovery looks like an interesting thing, but evidently it's not for us unless Legg can work out some kind of scheme where we can buy control.

Yours,



Henry T. Mudd

REC'D AUG 17 1953
Action Date

INTER-OFFICE CORRESPONDENCE

A C		
E J		
H K		
L W		

FROM: R. E. Legg

CITY: Vancouver, B. C.

A = Action C = Comment
I = Information DATE: Aug. 14/53.

TO: Evan Just

SUBJECT: Trans-Mountain Mines Limited

I arrived back in Vancouver last night from my trip to the property of Deerhorn Mines Limited. I am leaving on August 16th for Kamloops to make a thorough examination of the lead-zinc property of the above mentioned company. It may take me a week to ten days to complete my examination which is going to be a very thorough one and will include surveying and sampling. When I get back to Vancouver I will again write you regarding possible participation. I note that you have written Mr. Mudd about this property.

With kind regards.

A. E. Legg
R. E. Legg

REL: FE

INTER-OFFICE CORRESPONDENCE

RECD. AUG 13 1953		
SD.	BY	
RETURN TO		
		PLEASE REPLY
HSM	PKW	CGM
HIM	RWM	COC
JLB	BWS	LWW
GDD	KKW	LCA
CWS	LP	AED
EW	SAS	

FROM: Evan Just

CITY: New York DATE: 8/12/53

To: H.T. Mudd

SUBJECT: Trans-Mountain Mines Ltd.

The attached letter from Roly Legg is self-explanatory. The prospect sounds interesting, and I would certainly be inclined to back Roly's judgment with respect to it, but the apparent "sticker" is that he sees no chance of getting control.

My suggestion is that if it interests you sufficiently, either from the standpoint of Cyprus being able to proceed without control, or personally, you should get in touch with Roly directly, although I would appreciate copies of the correspondence.



Evan Just

EJ:pr
Enclosure

CC-Mr. R.E. Legg

REC'D AUG 7 1953
Action Date

copy

INTER-OFFICE CORRESPONDENCE

A C		
H K		
L W		

A = Action C = Comment

FROM: R. E. Legg

CITY: Vancouver, B.C. DATE: 8/5/53

TO: Evan Just

SUBJECT: Trans-Mountain Mines Ltd.

Henry Hill asked me to make enquiries about a lead-zinc prospect from a lawyer in Kamloops and I did this when I was coming through there last Sunday. The lawyer named Russell Kennedy asked me to go up and look at it as it was only a two hour drive and it was possible to drive right to the property. I drove up with Kennedy and his partner in the venture, and I saw a very good surface showing. From this showing there has been around 150 tons shipped to the Trail Smelter which averaged 40% lead and 10% zinc. There are approximately 150 tons of the same grade ready to go forward. On the dump there are around 300 tons which would run over 20% combined lead and zinc, with zinc predominating. Correction. I said the 150 tons had gone to Trail. Actually it first went to a customs mill at Nelson, B.C. and the resultant lead and zinc concentrates went to Trail. The feed to the customs mill was 40% lead and 10% zinc.

Trans-Mountain Mines Ltd. is a small private company which Kennedy and his partners have formed to run the venture. There is no chance of getting control of this property, but there is a possibility of making an investment. I expect to make a detailed examination of the property very shortly. I liked it very much. It has very good possibilities. Width of milling grade is up to 12 feet.

Tomorrow I expect to leave for north central B.C. for an examination for some local people. I should be back in ten days and will then go back to Kamloops.

There has been no further news from the Atlin uranium discovery.

R. E. Legg
R. E. Legg

CANADA BRITISH COLUMBIA

TRANS MOUNTAIN MINES LTD.