

November 3, 1952

The following are excerpts from The Northern Miner in reference to SUNSHINE LARDEAU MINES LTD., Camborne, B. C.:

Issue of June 12, 1952:

"Another small but rich silver-lead-zinc producer has been added to British Columbia's growing list of new mines. On May 17th, 1952, the newly installed 50-ton concentrator of Sunshine Lardeau Mines Ltd., at Camborne, B.C., was turned over. The official opening was held on May 24th. The same day, the first 10-ton truckload of high grade silver-lead concentrate was hauled to Beaton and barged to Arrowhead for rail shipment to Trail smelter.

"Sunshine Lardeau, a B.C. company, is developing and obtaining production from the Spider group of claims near Camborne, an old mining town in the Lardeau area. At present all work is being concentrated on the Spider property but several other holdings in the same district will receive attention this year.

"Sunshine Lardeau is the first of the many highly regarded silver-lead-zinc properties in the Lardeau area of British Columbia to reach production during the current period of intensified activity in that district. Many other new prospects and former producers are now being explored and developed, with interest in the district greater than for many years. In recognition of the mine-making potential of the Lardeau, this year the B.C. Department of Mines has earmarked a major expenditure for road construction to connect the Lardeau district with Koslo and the Slocan area.

"A visit to the Sunshine Lardeau property by The Northern Miner provided the impression that this operation has an excellent chance to develop into either a small, but high grade producer or, depending on development results, into a medium tonnage operation with substantial reserves of better than average grade. To date only a limited development program has been carried out by the present company and former operators confined their work to a comparatively small ore occurrence some distance removed from the larger and richer ore zone found last year. In spite of these limitations, a conservative estimate of reasonably assured and probable ore reserves at May 15th showed 80,000 tons averaging 0.0734 oz. gold, 22.29 ozs. silver, 9.75% lead and 8.28% zinc.

"In several areas sampled, and particularly in the hangingwall section of No. 4 ore zone over good widths and length exceptionally high assays in silver and lead were obtained. Results obtained in some of the work done to date serve to confirm the high grade character of ore developed. For example, sampling of 25 ft. of the footwall drift on No. 5 level in No. 4 ore zone over an average width of six feet gave average assays of silver, 19.0 ozs.; lead, 11.16%, zinc, 10.6%. Sampling of 50 ft. of the hangingwall drift on No. 5 level in the No. 4 ore

zone over an average width of 4.5 ft. gave average assays of 0.257 oz gold, 93.2 ozs. silver, 28.6% lead, and 2.4% zinc. Sampling of the crosscut intersection and back of the drift on No. 6 level over an ore length of 170 ft. and an average width of 14.9 ft. gave average assays of 0.06 oz. gold, 10.19 ozs. silver, 6.5% lead and 9.3% zinc.

"Ore bodies found so far at the Sunshine Lardeau are in two carbonatized zones of massive dark green chloritic schists, 20 to 50 ft. wide and featuring excessive jointing and cross-fracturing. The main oreshoots to date have been opened on the hangingwall and footwall sides of the zones, but crosscutting through the full widths in several places shows encouraging evidences of important mineralization throughout. Further development may demonstrate that in some sections at least the entire zone width may justify mining.

"To date, the Sunshine Lardeau property has been partially developed by six adits. Nos. 1 to 6 at elevations ranging from 3,709 ft. to 3,338 ft. The Spider mine was first worked in the early 1920's when high grade silver-lead ore was hand sorted and "rawhided" out to the railhead. This original work was confined to the Nos. 1 and 2 veins in a shear zone of comparatively short extent.

"In 1951, the Sunshine Lardeau company drove an exploratory crosscut to the west on the No. 5 level and for the first time intersected what is known as the No. 4 vein or ore zone. Exploration of this new occurrence quickly provided very encouraging results and the new zone soon proved to be of major importance, changing entirely the outlook for the property. Crosscutting through the zone width of 50 ft. showed high grade ore with impressive amounts of massive galena on the hangingwall side over drift widths of five to six feet. On the footwall side of the zone good ore up to 10 ft. in width was opened. The intervening section of the zone showed strong mineralization and could possibly make commercial mill feed. The hangingwall drift has now been extended for a distance of almost 100 ft. in very rich ore. Samples taken at regular intervals indicate that combined metal values at present prices would be \$150 to \$200 per ton over widths of five to six feet. The footwall drift has been extended for 50 ft. and slashing shows ore width of 12 ft. The ore in this drift is of excellent grade, about 20% combined lead and zinc with 20 ozs. silver per ton. To date it appears that the ore on the hangingwall side of the zone carries high lead values while on the footwall more zinc is found.

"The No. 6 level, 120 ft. vertically below No. 5, reached the No. 4 ore zone after a crosscut of 140 ft. So far drifting has been confined to the hangingwall side of the zone over a distance of 170 ft. Drift width of 6 ft. shows good ore over this length and crosscutting to the footwall of the zone has revealed ore sections having widths of at least 20 ft. Samples have returned assays averaging about 10 ozs. silver per ton and 15.8% combined lead and zinc. The south face of this drive is still in ore as are both the north and south faces on the No. 5 level.

"From the east crosscut on No. 5 level a diamond drill hole at 68 degrees westerly intersected the No. 4 ore zone at 140 ft. vertically below the No. 6 level. The core indicates a zone width of 40 ft. A true width of 5 ft. from the hangingwall side assayed 0.08 oz. gold, 18.6 ozs. silver, 13% lead and 15.4% zinc. With this encouraging indication of the downward persistence of high grade ore, Sunshine Lardeau is now preparing to drive the No. 8 level 250 ft. vertically blow No. 6.

"Only about 300 ft. of drifting has been done to date on this No. 4 ore zone and depth possibilities have been tested by only one drill hole. The management concurs in the opinion that it is too soon to forecast anything more than presently estimated ore reserves, but their optimism appears to be well justified. Certainly all work done in the past year has produced results far exceeding their best hopes. In any event it can be predicted that the present mill capacity of 50-60 tons will be increased immediately to at least 100 tons per day. The high grade mill feed reaching the concentrator during the first fortnight of operation produced just too much lead concentrate for the limited flotation machine capacity and tailing loss was high. As a result, tonnage treatment rate had to be cut back to about 40 tons until either the mill heads are deliberately lowered or greater capacity is made available.

"At May 24th mill heads were estimated as being approximately 18% combined lead and zinc with about 20 ozs. silver and 0.1 oz. gold. During the first run in of the mill, difficulty has been experienced because of high grade surges in the mill feed and because some of the ore coming from the upper levels of the mine was oxidized material. J. M. Currie, consulting metallurgist anticipates no serious difficulty in overcoming these problems.

"P. L. Clark, formerly manager of Highland-Bell Ltd., is manager of Sunshine Lardeau. His staff includes J. M. Currie, consulting metallurgist; S. W. Allen, mine superintendent; H. L. Bertrand, mill superintendent; . . . . .

"Sunshine Lardeau Mines Ltd. was incorporated in British Columbia in 1947, with an authorized capitalization of 3,000,000 shares of no par value. Of these 1,100,000 shares are held in escrow after issue for properties and other services. The remaining 1,900,000 shares are all issued with the exception of 100,000 shares optioned to R. C. Glen of Vancouver, B.C., at \$1 per share, with the option due on or before September 30th, 1952."

Issue of July 3, 1952:

"Present estimates place the production value at the Camborne mine of Sunshine Lardeau Mines, Ltd., at a quarter of a million dollars for the first six months of operation.

"This figure was given to an enthusiastic meeting of shareholders in Vancouver on June 27th by R. C. Glen, managing director, ..

.....

"The newly-installed 50-ton mill was turned over for the first time on May 17th, 1952, he reported and results since then warrant optimistic forecasts. Production at the end of the first month's operation, including the tuning-up period, amounted to 67.7 tons of lead concentrate and 23.8 tons of zinc concentrate with an approximate value of \$20,000; and two carloads of high grade ore containing 90 tons worth approximately \$16,500.

"However he warned that some expenditures, particularly in providing accommodation for the mill and mine crews, are urgently required and would necessitate heavy expenditures. About half of the value of the first six month's production, or approximately \$125,000, will be spent on building a bunkhouse and change room, a cookhouse and houses for the married personnel. The bunkhouse and cookhouse are under construction at the present time and will be completed about the middle of July. The change room will be finished before the end of July. Immediately these units are completed, work will begin on the construction of 12 houses. This expenditure, Mr. Glen told the shareholders, was a "must", since the welfare of the employees is a primary consideration. He commended the technical staff and management for the progress made during and since the period of development.

"Commenting on the potential of the property, Mr. Glen said that at present, work is being concentrated on the Spider mine. Additional flotation machinery will be installed within three weeks which with the proposed installation of a cone crusher, will give the mill a daily capacity of 100 tons. If the property continues to prove up, consideration will be given to the erection of a second mill, but this would necessitate construction of hydro power facilities, the managing director said. Nevertheless, he voiced his opinion that a large operation would be indicated within one year. At the mill, the recovery problem, hampered by high grade ore surges, is being overcome successfully."

Issue of August 28, 1952:

"Sunshine Lardeau Mines, Ltd., reports that during July, 70.2 tons of lead concentrate and 98.6 tons of zinc concentrate, with a value of approximately \$31,500 were shipped from the concentrator at Beaton, B.C. The mill operated for a total of 467 hours, and treated 1,205 tons of ore.

"Millheads showed a gradual increase in grade treated during the month. During the first week in July millheads averaged 10.5 ozs. silver, 3.31% lead and 4.2% zinc with recoveries of 83.3% silver, 67.7% lead and 75.6% zinc. During the last week of the month grade improvement was noted in the following millheads: 15.9 ozs. silver, 6.5% lead

and 5.3% zinc. Recoveries also increased to 88.6% silver, 80.8% lead and 92.6% zinc.

"The lead oxide flotation circuit was ready for operation by August 15th, and it will now be possible to mill ores of higher grade and of heavier oxidization.

"At the mine, parallel raises 90 ft. apart are being driven from the No. 6 level to the No. 5 level to intersect the downward extension of the high grade galena found in No. 514 drift. Shipments of high grade will resume when contact is made.

"Entire zinc output will be sold to British Metals Corporation, until June, 1953, at what is stated by officials to be a satisfactory price.

Issue of September 11, 1952:

"Raising and drifting on the No. 4 vein above the 6-level of the Spider mine of Sunshine Lardeau Mines, Ltd., Cambourne, B.C., has opened high grade ore. According to an official report, a recent face sample on the 624 sub-level assayed 196.0 ozs. silver per ton with 50.9% lead over a true width of 5.0 ft. The ore is believed to be the downward persistence of the rich shoot previously found on the 5-level, which has provided shipping grade ore over an average width of 3.0 ft. for a length of 50 ft. with average assays of approximately 0.4 oz. gold and 150 ozs. silver per ton with 50% lead.

"To the 5th of the month two cars of this ore were shipped in September. The management considers that a substantial tonnage of this shipping grade ore will be mined during the next few months.

"The 614-raise, 90 ft. south of the 624-raise, has opened a high grade silver-lead-zinc orebody. Commencing at the 6-level the widths at all times have been in excess of five feet and at 50 ft. above the level entered a section of shipping grade ore. The raise will be carried through to the 5-level."