

811692

REC'D MAY 18 1953
Action Date

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INTER-OFFICE CORRESPONDENCE

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FROM: R. E. Legg

CITY: Vancouver, B.C. DATE: May 13/53
A - Action C = Comment
I = Information

TO: Evan Just

SUBJECT: McMillin Property, Moresby Island, B. C.

I returned to Vancouver a few days ago after an absence of over three weeks on the Queen Charlotte Islands. I had only intended to be away for two weeks, but stormy weather prevented the boat, which was to call for us, from leaving its base at Queen Charlotte City some 90 miles north of where we were.

We managed to put down three diamond drill holes. Two of these were on the showing of disseminated copper ore in limestone, known as the Moresby Island showing and which is described in my report which you have. Unfortunately both of these holes ran into granite at shallow depths, one at 75 feet depth and the other at around 25 feet. This means that the deposit is very shallow and would not contain a commercial tonnage. On top of that, the ore was not continuous in the holes, and for a profitable operation on 2% copper ore, it would be essential to have a large body which could be mined cheaply. We drilled a third short hole on the Reco copper-bearing magnetite ore body. The drill was set up right on the ore and we hoped to follow it down for 100 feet, but after a few feet we passed out of ore and into volcanics. This indicated that this zone was erratic in shape.

We feel that these drill results, particularly our two holes on the Moresby Island showing, have taken away much of the merit of the property. While several copper-bearing magnetite deposits are known to exist on the claims, and while I am sure others exist under the overburden, yet the copper values do not seem sufficiently attractive to warrant the heavy expense of finding and testing them. We looked over the Eagle Tree deposit, which is also described in my report, and which does not appear to contain as much magnetite, and while this might be of interest if it were conveniently located near a highway and close to a smelter, it is not attractive enough in itself to warrant the heavy capital expenditures necessary to bring it into production by itself. We do not believe that this deposit would be deep seated as extensive granite outcrops occur close at hand.

We want to give up our option on the property. I feel sure that the known iron deposits are not attractive enough by themselves. There would have to be commercial copper ore bodies so that the capital charges could be applied against both copper and iron. In view of our unfavourable drilling results, I would not want to recommend this venture to Cyprus. You ask about electrical and geochemical surveys. To make a grid pattern on which to base a geophysical survey would require cutting lines, and this is a most formidable task and I would not recommend same. One would, I am sure, get favourable copper reactions by using geochemical tests on the water flowing down the small creeks, but the evidence is that the small ore bodies only carry 2 to 3% copper and this is not good enough.

Yours very truly,

R. E. Legg

R. E. Legg

INTER-OFFICE CORRESPONDENCE

REC'D

APR 13 1953
Action Date

| A C | Action | Date |
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| E J | A | 4-17 |
| H K | | |
| | 1 DATE: April 4-13 | 8/53. |

FROM: R. E. Legg

CITY: Vancouver, B.C.

TO: Evan Just

SUBJECT: Moresby Island.

A = Action C = Comment
I = Information

I don't think you or Len should plan on visiting McMillin property on Moresby Island for another four or five weeks. If we went up there now you would waste a week or more finding the locations of the various showings, and moreover there is nowhere to stay.

May 15-20

I am going up there on April 16th with my partner Fred Hemsworth. All snow should be gone by then. We are taking two men with us. We will fix up a camp and get trails opened, etc. After all these years, all the trails will need finding and clearing out.

We are taking up an X-ray drill and a gasoline-driven rock drill. It is our intention to put down two or three drill holes and also blast some of the leached material from some of the surface showings. Our progress will be slow as everything will have to be back packed.

My partners and I have decided to do this work ourselves, because regardless what Cyprus does, we feel we will improve the outlook for the property.

So I think the best thing for you to do is to wait until you hear from me on my return during the first week of May.

Yours very truly,

R. E. Legg

R. E. Legg

REL:FE

Excerpt from Evan Just Progress Report 4-6-53
Original in Separate folder-Exploration-SF

British Columbia

Legg has completed investigation of the several properties mentioned by Blair Stewart without turning up any which seemed attractive.

When he came to the AIME meeting in Los Angeles, Legg and his partners had optioned the McMillin claims on Moresby Island, one of the southern members of the Queen Charlotte group.

These claims, which were worked by Japs years ago, have several copper showings which in general would suggest a copper content of 3% or less. The showings are rather numerous and scattered over a considerable area. The location is amenable to cheap operations but a considerable investment would have to be made in docks, community, etc., as it is totally unsettled. Terms would be quite favorable. In discussing the matter with Legg in your office, at that time we agreed that I would visit the area with him when weather conditions permit.

L. P. Warriner

New York

3/31/53

R. E. Legg

McMillan Property, Moresby Island, B. C.

This will acknowledge receipt of your memo regarding wharf construction costs and water transportation of copper concentrates from Moresby Island to Tacoma. You are quite right in stating that the cost of even a small wharf is formidable. Nevertheless, the property has enough appeal to Evan and to me and one or the other of us will be out to see you as soon as you let us know the ground is open.

Lendall P. Warriner

LPW:CM

REC'D MAR 22 1953
 Action Date

INTER-OFFICE CORRESPONDENCE

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| A C | | |
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A = Action C = Comment
 E. Informat DATE: Mar.19/53.

FROM: R. E. Legg

CITY: Vancouver, B. C.

TO: L. P. Warriner

SUBJECT: Wharfage Construction Costs, Moresby Island, B.C.
 Freight Rates.

It would probably shock you to know what a suitable loading dock for a 3000 to 5000 ton boat would cost today erected on the Queen Charlotte Islands. In the first place, it is imperative that creosoted piles be used. If not, the piling would only last from one to two years, due to the action of torredos. The life of creosoted piling is upwards of 30 years. Creosoted piles cost \$1.60 per lineal foot here in Vancouver.

One of the engineers of B.C. Bridge & Dredging Co. Ltd., a well known local contracting firm, told me that down around Vancouver they figured on wharfage costs at from \$7.50 to \$10.00 per square foot. He thought the cost would be around \$15.00 per square foot in the Queen Charlotte Islands. A dock 200 feet long by 20 feet wide would have an area of 4000 square feet and at \$15.00 per square foot the cost would be \$60,000. There are not enough facts available to enable one to state if a dock 200 feet long could be built. It would depend upon the depth of water. It might be necessary to build a T shaped dock, in which case the cost would be higher.

However, I would not want to consider a dock at all unless one proved up sufficient tonnage to warrant the over all capital expenditure to bring a mine into production, in which case a dock would account for only a small part of the total cost.

The Frank Waterhouse Co. of Canada, which handles most of the water freight on the B.C. Coast quoted me \$6.50 per ton for a 500 ton minimum of copper concentrates from Jedway to the Tacoma smelter. Loading and unloading would be free to them.

Yours very truly,

R. E. Legg

R. E. Legg

REL:FE

L. P. Warriner

New York

3/10/53

R. E. Legg

McMillin Mining Property,
Moresby Island, B. C.

Evan has turned over to me your report on the subject property and both of us agree that it is worth a look because of its favorable location with respect to tidewater transportation. He or I will probably come out to go over it with you, but in the meanwhile you can at your end obtain for us some rather vital information prior to the examination. I would like to know the following:

1. Probable wharfage construction costs for 3,000 to 5,000-ton cargo boats.
2. Quotations from shipping companies in the Vancouver area on the ocean freight rate to the Tacoma smelter.

Evan tells me that you discussed in Los Angeles a small override (less than 5%) on top of the deal executed with Mr. McMillin.

Lendall P. Warriner

LPW:CM

McMillin Copper

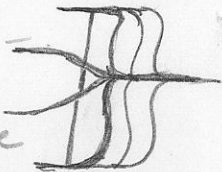
Mooseby Island, B.C.

Pending examination

over

Harvey Tedrow -

speculative



submitted to Am. Natural
Newmont

LFH

INTER-OFFICE CORRESPONDENCE

FROM: R. E. Legg

CITY: Vancouver, B. C.

DATE: Feb. 5/53

TO: Evan Just

SUBJECT: McMillin Mining Property.

Moresby Island, BC. Copper

I enclose herewith a copy of report ^{back of file} by myself on the McMillin Mining Property on Moresby Island, B. C. I intend to discuss this property with you when I arrive in Los Angeles, but I thought you might familiarize yourself with it if I sent you a report in advance. My partners and I have taken an option on this property.

Mel O'Brien told me yesterday that he was very keen to get you interested in the Grey Rock Property in the Bridge River district. I cannot get enthused about the results to date on this property, but Mel did state that if Cyprus did participate, then in the event that Bralorne required a partner in the likely looking prospect near Takla Lake, then it would probably be us.

Excerpt made for Mitchell Prospects-SF

Looking forward to seeing you in Los Angeles,

Yours very truly,

R. E. Legg

REL:FE

Moresby - worth a prospecting effort provided Cyprus can acquire all adjacent areas by staking

*NG.
EJ*