

82F-14 Prop. Sub.
Toby Creek

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ATLAS EXPLORATIONS LIMITED

(N. P. L.)

330 MARINE BUILDING
355 BARRARD STREET
VANCOUVER 1, B. C.MEMO TO: Dr. A. E. Aho
Mr. R. E. G. Davis

FROM: E. O. Chisholm

DATE: September 8, 1967.

Re: Toby Creek Mines Limited

Mr. F. A. MacCallum, Prospector, Haney, B. C., introduced Mr. Ian C. McMillan, Field Manager, Toby Creek Mines Limited, 569 Howe Street, Vancouver, 1, B. C., who submitted the following prospects for our consideration:

1. A molybdenum copper occurrence on Keats Island, Howe Sound area. McMillan, who is a prospector himself, described the showing as 400 feet wide, exposed on the shore of the island to a height of 75 feet above the water's edge. The host is a fine-grained granodiorite with shears or joints and fractures containing appreciable copper pyrite and molybdenum mineralization, both in the fracture planes and disseminated through the rock. A grab sample, said to be characteristic, containing approximately 1% MoS₂ and 1% chalcopyrite was submitted. The intrusive is itself intrusive in the coarser grained granitics of the Coast Range which occupy most of the rest of the island. The island itself is approximately 1 mile wide by 3-½ miles long and reaches a maximum elevation of 750 feet. The showing is said to extend down the cliff side and into the reefs. The showing was found 2 years ago by another prospector named Bill Hall and was apparently examined by Renshaw and Sharpe, Consulting Engineers, for a company called Mort Lake Mines Limited. The original claims were allowed to lapse and Toby Creek Mines staked 8 claims on the showing which are now in good standing. The only work performed was some hand trenching and 2 pack sack holes. A sample across 400 feet in the trenching, said to be representative, was reported to assay 0.4% MoS₂, with individual samples assaying as high as 1.4% MoS₂. Toby Creek Mines put a pack sack drill hole down on the showing to a depth of 45 feet. Assays were said to be low but uniform to this depth. Core recovery was poor.

McMillan did not have any proposal for our consideration, but said that something could be worked out if we were interested.

It is unlikely that the showing is of immediate interest, since it was examined by competent engineers in the past year without any action being taken. If any further interest develops, McMillan can be contacted at 569 Howe Street, Vancouver, B.C.; Telephone: 685-7885 or 681-5561.

2. Toby Creek Mines Limited is at present developing a high grade silver occurrence, known as the Payne Mine, in the Slocan area near Sandon and could be interested in proposals to help finance their company. It is understood that Toby Creek Mines are a 3 million share company, with approximately 500,000 shares out, in addition to 750 shares of escrowed vendors stock. The Payne Mine was said to have produced 50,000 tons of shipping ore grading 120 oz. silver and 68% lead around the year 1905. The vein is a steel galena occurrence in slates similar to many in the Slocan area and varies in width from a few inches to 8 feet over a length of 1000 feet. Underground development work has been undertaken in the past from surface down to a depth of 1000 feet. Production came from the upper 4 levels, estimated to a depth of 400 feet. The remainder of the vein is said to be intact from 400 feet to about -1500 feet. The present work consists of opening up the old adits to re-sample the vein at depth. The property consisted of 17 Crown Grant claims formerly owned by an old timer in the area named Sandy Grimes. It was optioned recently to Toby Creek Mines on an arrangement whereby Grimes receives 25% of the vendors' interest in the property if a company is formed within 2 years. McMillan plans to open up the mine sufficiently to obtain shipping ore for processing in the nearby Violamac custom mill. McMillan was advised that Atlas was not interested in participating at this time.