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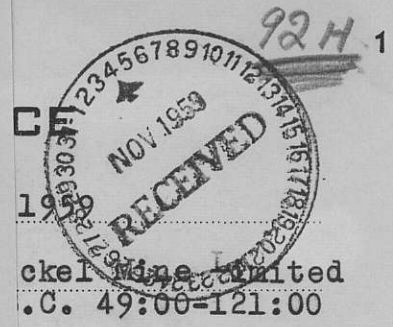
92 H.

FROM: Rod M
TO: E. O.

Kacrae. Field trip to Giant

Nickel mines Hope B.C.

Nov 2 1959



820914

REPORT ON ON

30, th, 1959

The examination was made in conjunction with a group-field trip organized by the Mining Exploration Group of Vancouver, B.C. 14 field-engineers made the trip. The survey was conducted by the Sam McBeath, Engineer, J. McDermot, Property-manager, and Dave Ellers, Underground Supt.

✓	W.S.R.
	G.A.C.
	G.H.M.
✓	E.O.C.
✓	H.A.P.
	R.D.S.
	B.C.B.
	E.L.D.
	J.I.B.
	E.C.I.

History. The property, located on Texas Creek at 2600 ft elev, 10 miles north of Hope B.C., was found in 1923 by Carl Zofka. Development commenced in 1928. In 1929 B.C. Nickel Mines was organized on the property; capitalization was increased from 3,000,000 shares to 6,000,000 shares in 1933. No 1 adit was commenced in 1933, and development was continuous to 1937. In 1936 2100 tons of crude ore averaging 4.97% Ni was shipped. In 1937 3422 ton of ore was mined and shipped to Trail from the five Brunswick orebodies and the Pride of Emory orebody, which averaged 1.27% Ni : 0.48% Cu. Operation was closed down in 1937, by which time two adits had been driven and 130,000 ft of surface and underground diamond-drilling had been completed.

In 1938, a new company, Pacific Nickel was incorporated: in 1951, Newmont Exploration Company conducted a pulse, self-potential and resistivity survey, and E.M. and Mag. svys were completed by McPhar. for that company. In 1952, as a result of finding five anomalies with the pulse survey, Newmont formed Western Nickel Ltd and 3237 ft of surface drilling, the long 2600 ct level adit was driven and by the end of 1954 43,500 ft of underground drilling had been completed. Property was inactive until mid-1957 when preparations were made to commence production. The mine produced for the first half of 1958: 131,000 tons were mined: 7598 tons of concentrates were shipped containing: 1,776 lbs of Ni: 729 lbs tons Cu. ~~In addition~~ concentrates were shipped containing 744,600 lbs of Cu. The grade, mined was approx. 0.677% Ni: 0.28% Cu.

Geology: Ref: Cairnes: Sum Report; 1924 Pt A: Cockfield, Walker, Sum. Report 1933: Horwood Mem. 190, 1936: Aho: Unpublished thesis for PhD, (examined) 1954. Deposits occur in a two mile square irregularly plunging mass of ultrabasic rocks, bordered by diorites on three sides and mica-schists on the south...Principal ultrabasics are pyroxenite, peridotite, hornblendite as minor component. Pyrrhotite, pentlandite, chalcopyrite are sporadically disseminated in the pyroxenite and constitute the orebodies. These are cigar-shaped near vertical pipes, av. cross-section 5000

INSTRUCTIONS FOR USE OF THIS FORM

Form to be completed in triplicate by originator. Two copies — No. 1 and No. 2 — to be forwarded to addressee. Copy No. 3 to be retained in originator's file until reply received. Addressee to complete reply in duplicate on reverse side of sheets 1 and 2 and return No. 1 to originator. In following this procedure both parties have the complete message and reply on one sheet of paper.

Card Index



INTER-OFFICE CORRESPONDENCE

FROM Rod Macrae
TO E. O. Chisholm

DATE Nov 2nd, 1959
SUBJECT Giant Nickel Mine, Limited
Chaote B.C. 49:00-121:00

MESSAGE

(TO BE COMPLETED IN TRIPLICATE)

820914

REPORT ON ONE-DAY FIELD TRIP AND EXAMINATION - OCT 30, th, 1959

The examination was made in conjunction with a group-field trip organized by the Mining Exploration Group of Vancouver, B.C. 14 field-engineers made the trip. The survey was conducted by the Sam McBeath, Engineer, J. McDermot, Property-manager, and Dave Ellers, Underground Supt.

A	IN
✓ W.S.R.	
G.A.C.	
G.H.M.	
✓ E.O.C.	✓
✓ H.A.P.	✓
R.D.S.	
B.C.B.	
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E.C.J.	

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INTER-OFFICE CORRESPONDENCE

FROM

DATE

TO

SUBJECT



MESSAGE

(TO BE COMPLETED IN TRIPLICATE)

sq.ft. The ^Pride of Emory extends vertically for 1000 ft. No ore controls can be recognized. Assay bdrys are used to determine mining widths.

Reserves: 1937 reserves estimated at 1,183,000 tons grading: 1.39% Ni: 0.50% Cu.
1959 reserves estimated at 1,100,000 tons grading 1.3% Ni: 0.48 % Cu

Recent History: Property was purchased by Giant Mines, Spillamachen, B.C. in 1959 and mining and milling commenced July 6th, 1959. Daily production has varied between 500-800 tons per day. Mill capacity is 1200 tons per day. A combined cu-ni concentrate is shipped under contract to Fort Saskatchewan by rail. Copper conc. can be separated and shipped independently, as was done in past. Two Brunswick orebodies and the Pride of Emory Nos 1 and 2 are being mined and fed to mill. Long hole drilling from raises and sublevels is method: Nickel cut-off grade is 0.80%. Present operation has benefitted from some 25,000 to 50,000 tons of broken reserves left in mine by previous operators.

Exploration consists of oned on three shift basis probing the immediate limits of the known ore-bodies. No determined search for new orebodies is being made at present as far as could be detremined.

Conclusions:

reactions to geophysical instruments was generally erratic and misleading. The ore cross-sections are so small that systematic sectional drilling is, and has porved too costly to use as search. Surface detailed prospecting for outcrops is probably best search method, coupled with a detailed examination of wall rock changes around known ore deposits to assist in search.

Present owners are conducting a low cost operation, with a minimum of overhead expenses. Total operating costs per ton for Septemder were \$ 4.20. There are evident unsafe mining practices being used to achieve low - costs.

Opinion: Operations could be conducted on a salvage basis, at a modest pwwfit, and at premium prices, for nickel, a good profit could be expected. Existing operations have the benefit of some \$ 5,000,000 spent by previous pwners. It is doubtful if the value per ton could support the required development to mine similar ore-bodies, if they are similiar to known ones

INSTRUCTIONS FOR USE OF THIS FORM

Roderick Macrae

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