

INTER-OFFICE CORRESPONDENCE 82

	Mr.	E.	0.	Chisholm
FROM				

DATE Nov. 4th, 1958.

SUBJECT

TO ...

Mr. R. Macrae

823660

821-1

Reply (TO BE COMPLETED IN DUPLICATE)

Dear Rod:

Regarding the Adam Lake deposit, I have some confidential information on a syndicate promoted by Chris Riley and backed by Canadian Exploration and Bralome. They are planning a 100 sq. mile EM survey of the Adams plateau this Fall. Chris located a mineralized shear zone in mapping last year and is throwing that into the deal also. We declined to take a price of it, but I am enclosing the map area for your files. Although the area is a plateau, I am not convinced that the airborne EM, even if flown by helicopter, will be effective. The results will be complex and lead to a lot of expensive follow-up work.

The area does have merit from an exploration point of view, and is covered with shallow overburden. The Wedge EM would probably be a more effective type of survey.

Please keep this enclosed information confidential, as we were offered a chance at it and declined and I would not want to prejudice Riley's promotion of the scheme by broadcasting this.

The Adams Lake property you mention may respond to the EM treatment, but be sure the survey is carried out at 50 feet intervals. I assume you understand that the chief and helper are always spaced at 200 feet for maximum penetration, but the readings are taken at 200 feet, 100 feet or 50 feet intervals. It would be wise to send sheepy of the curves to us for interpretation by Crone. He has a lot of experience in mountain EM surveys.

Enclosed is a copy of maps and assays made by Leaming enclosed in your letter.

Regards,

INTER-OFFICE CORRESPONDENCE

E. O. Chisholm.

HONEY PRINTING SERVICE, TORONTO STOCK FORM No. 3001

INTER	R-OFFICE CORRE	SPONDENCE
FROM	CT 1958 PRECE	DATE
TO	Contraction and the second	SUBJECT
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MESSAGE (TO BE COMPLETED IN TRIPLICATE)

when I first had it staked. The mineralization , as I recall from memory, is copper, lead, with some silver and gold. There is a strong shear zone cutting Fennel Greenstones tracable intermittently for about a claim length. Over then tested length, by u.g tunnelling there is an average width of 7 ft for a mineralized length of 80 ft. The location is amenable to inexpensive development and the idea I have is to attempth if the ground is open, to trace the surface exposures and test them with the E.M. to see if there are minable widths longer than the 80 ft shoot known from previous development.

by promocasting this. Regards, confidential, as we Roderick Macrae

PS Ivor undergoes further X-rays tomorrow to try and locate what the doctor now suspects- namely, a fractured vertabrae. If that can be diagnosed he has said he will put Ivor in an imobilizing cast and release him from hospital. We will know later this week what d velops, next -

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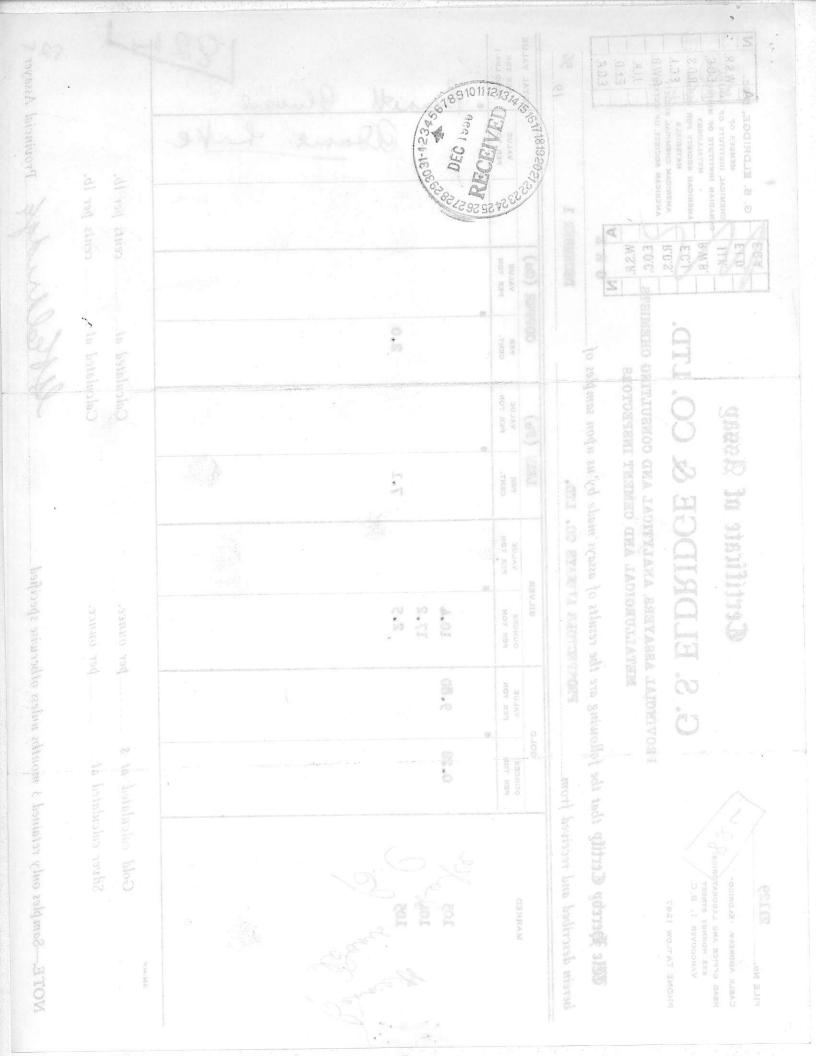
INSTRUCTIONS FOR USE OF THIS FORM

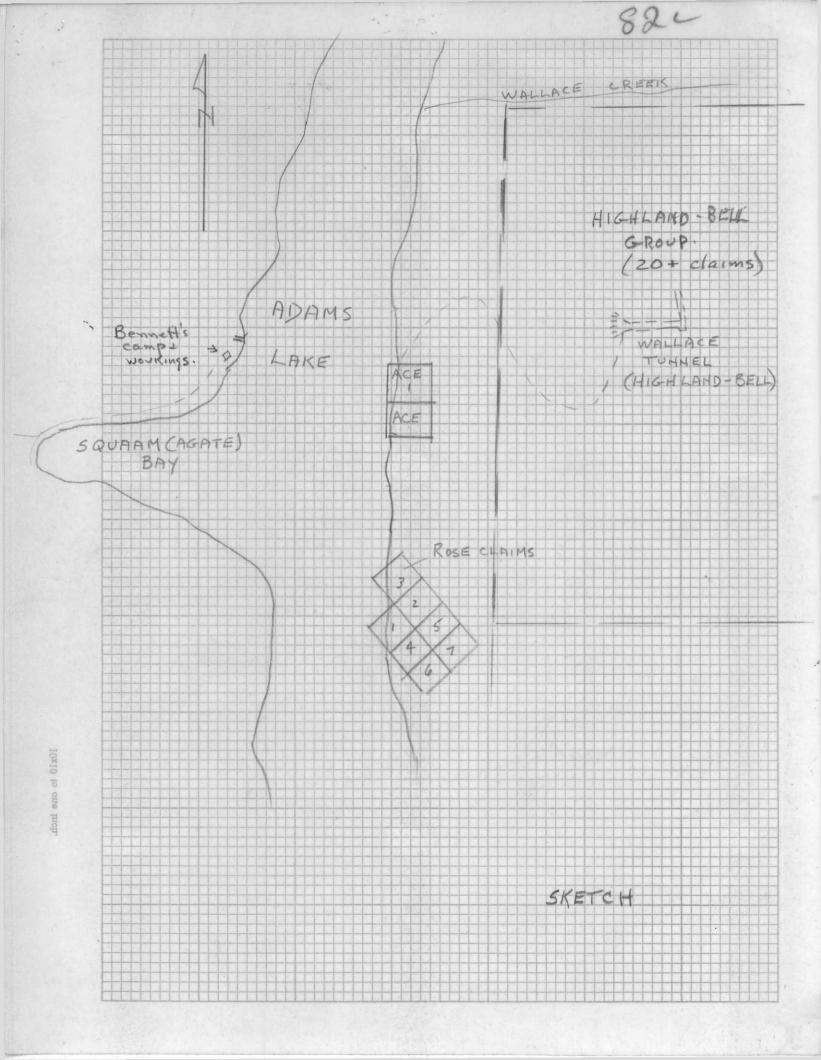
Form to be completed in triplicate by originator. Two copies - No. 1 and No. 2 - to be forwarded to addressee. Copy No. 3 to be retained in originator's file until reply received. Addressee to complete reply in duplicate on reverse side of sheets 1 and 2 and return No. 1 to originator. In following this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

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NOTE.—Samples only retained 3 months unless otherwise specified_____

Af Cludge Provincial Assayer





1204 Pine St. Kamloops, B.C.

December 12,1956

Mr. E.O.Chisholm, 1616-44 King St.West, Toronto, Ont.

Dear Ted:

1. Chu Chua Copper.

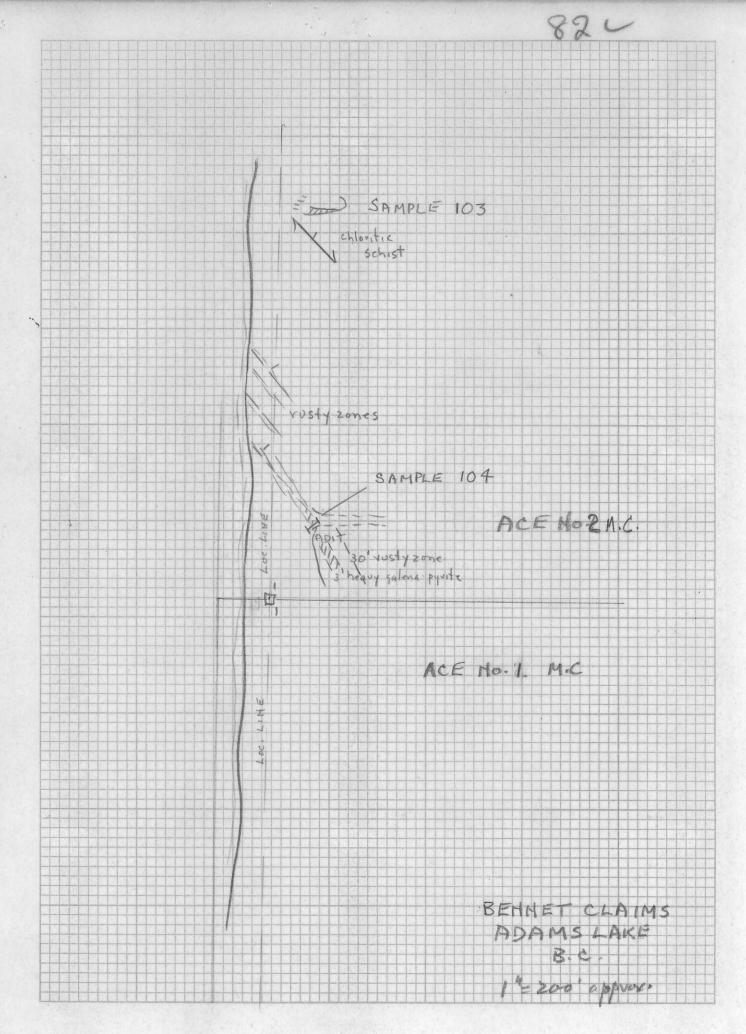
Marsten Fennell has been in to see me on this prospect. The principles in the main group still want a down payment on the deal and I have instructed Marsten to have another try at coming down to a nominal figure. He brought me a deal with the total payment up to 170,000 with \$3500 down and \$3500 in six months. He save that they seem insistent on the six months. At last word the holders of the outside claims were agreed to the deal offered on your visit, but were considering doing some work on those gossans in the hope that something would be uncovered to increase their equity. However the recent snow, cold weather and the mechanical trouble on the 'cat' they intended to use will probably combine to put off any expenditure of effort this winter. I have tried to discourage this too.

So far I have not seen John Wenlock who made the find and is the main hold up in the proceedings. If Fennell has no luck in the latest effort I will go up and see Wenlock myself and offer \$1500 down on a \$150,000 feal. I think we should be willing to give them a down payment if for no other season than to create some good will and ensure an 'in' for anything else that may turn up at some later date. It can be considered advertizing. If the showing is no good we can proove this for only a few hundred dollars plus the down payment.

Marsten Fennell has two claims on an old gold property near Chu Chua. This was known as the Gold Hill. It sounds kind of interesting. You can read the Minister of Mines Reports for details. See: 1923 på 153; 1927 p.192; 1928 p. 211; 1929 p.225;1930p. 191.

2. <u>Radar Magnetometer</u>. This instrument does not seem to work very well on the narrow pyrrhotite veins at Adams lake or Chu Chua. It is unlikely to be of any use to me now and I am returning it by C.P.Express today.

Bennett claims-Adams lake. You should have the results from a few check assays I took from some of the showings on Bennett's claims on Adams lake. These merely confirm that there are gold and silver values associated with the base metals. Sid "right of the Byrne interests had one of their head office engineers in to see that property and although they got some fair values, the zones seemed to small to them. This is certianly the case but since so little is exposed the possibilities of enlarged portions might be visuallized with detailed mapping and some geophysical work. I am impressed by the amount of mineralization in the whole general area and it seems likely that at least one mine should be hidden away here somewhere. However I have no idea how to go about finding it. Bennett is willing to sell his 16 claims here for \$10,000 cash. I gather that Highland-Bell are not much interested in the property.



10x10 to one inch.

1204 Pine St., Kamloops, B.C.

November 26,1956

Mr. E.O.Chisholm, 1616-44 King St., West, Toronto, Ont.

Dear Ted:

Print and Concerned

I have spent a lttle more time in the Adams lake area looking at the various showings of Ivan Bennett., While I was in there Rod Macrae and Charlie Brown of Highland -Bell whowed up to get some samples from the old adit formerly known as the Wallace property. Brown knew of this showing and staked it apparently in ignorance of the fact that Bennett had only recently let it drop. This was somewhat unfortunate for Bennett for it is the best looking deposit around the lake and much better than anything he has left.

The Wallace deposit is a breccia filling associated with a shear Wrowcow O Secc

zone that cuts across the schistosity of the host rocks which are tuffs and

flows and greenstone schists. The mineralization includes chalcopyrite, galena, pyrrhotite sphalerite. Low silver values are present and the gross value of all is about \$25. The deposit is worth some further work and they intend to do so. It is not the sort of thing that will cause much excitement but it is one of the better of these old workings.

Bennett's showings are structurally and topographically well below this Wallace deposit and are not comparable; they may be related to the same period of mineralization.

I have taken a few samples to check the reported high values in gold and silver. The base metal content is not worth sampling for the heavy zones and quite narrow.

All of Bennett's showings lie in the schistosity in zones which I have called shears, the surrounding rocks being schist are not easily delimited from the mineralized zones and only the exidation of the pyrite shows up the bands. These sulphide bands have not been traced very far from the shore of the lake. Enis was due largely to the overburden. It is conceivable that some formational change or structural occurrence along the strake could make some ore shoots but I have not ideas on where to look. It seems to be the sort of thing that some sort of geophysical survey would have to be invoked. I suppose every mining exploration company in the country has seen and sampled this and obviously from the samples it will not stand up. I am intrigued with the amount of mineralization for here is only a part of a great mineralized area that extends over the Adams plateau and where one one has yet found a mine but where many small occurrences are known. It is the sort of thing that is enticing yet one is reluctant to make any specific recommendations.

Bennett's price reflects the general opinion. He would be happy to take \$60,000 with \$1500 down and half the sum in stock evaluated at \$1.

I see no reason to stake claims here.Highland-Bell have nothing much to tie onto and Bennett's showings are not good enough for our competetors and so it's hardly good enough for us.

Ormsby had an option on the thing, an examining option I believe and after sampling and mapping were not impressed. I called Fennell on that Chu Chua occurrence and they are not happy about and examining option. They think we should take it on as is. Fennell says nothing else has been done and no one else approached so they are not so enthusiastis themselves or else the Christmas trees would not be getting priority. We may get it on our terms yet and I will not be too interested unttil they come to me.

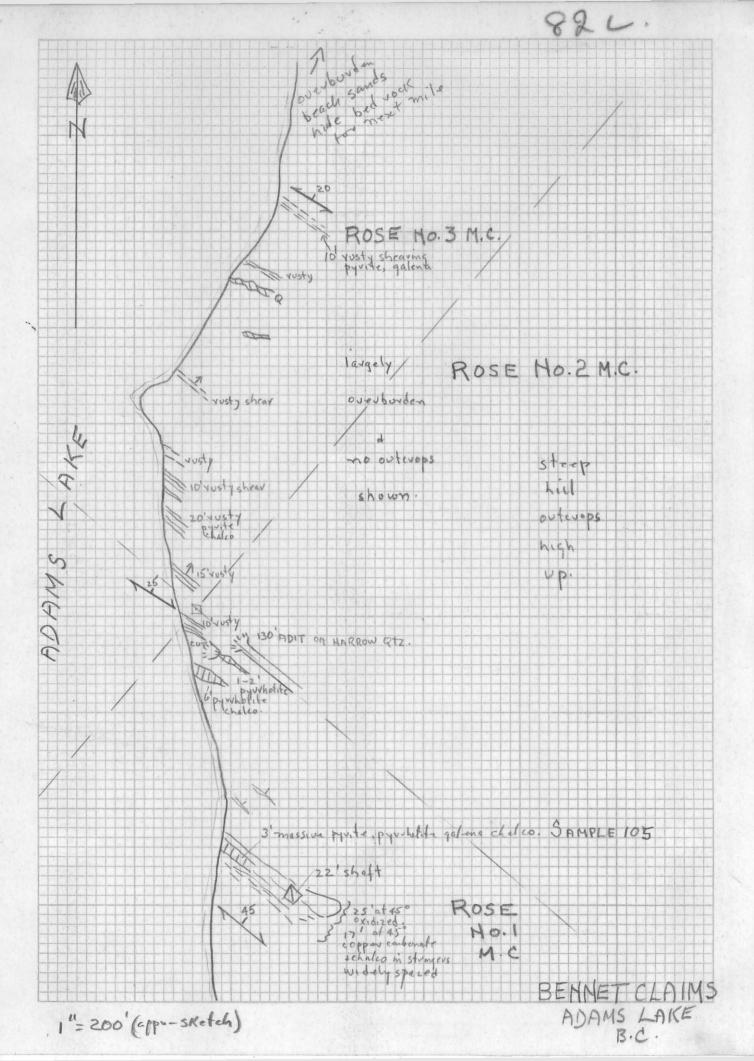
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¹ tried the magnetometer on a 6 foot pyrhotite vein on Adams lake and was surprised at the small amount of deflection it produced. However there was some and so it looks like the Chu Chua occurrence must be small $\frac{2}{3}$

There is apparently a staking rush around the lead showing of Roberts and partners at mile \$700 on the Alaska highway. Sid. Wright of Ormsby Mines is up there. There was quite a git of ground covered when it first came to our attention in September and so I suppose even leaner moose pasture is being staked now. I have asked Ivor to see what is going on. But this is not the sort of thing that we want to get involved in, especially this one since this is almost certainly the result of the announcement that Conwest has put up a \$25,000 down payment on the original find.

Best regards,

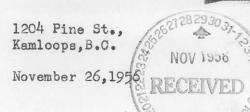


10x10 to one inch.

520 **PROPERTY INFORMATION FORM** AREA 82E Date November 26,1956 Name of Property Bennett claims-Adams Lake Presented by (with address) Date November 21.23&24 the strike. I.A.Bennett, Barriere, B3C, Location Adams Lake, B.C. Access 35 miles north on highway No.5 from Kamloops, them 25 miles eastfrom Louis creek. Claims 5 claims in two groups separated by about a miles of open ground. Ace 1&2, Rose 12&3 Ownership I.A.Bennett Summary of Outstanding Features Poor in the structures seen, Some chance for ore shoots if largar suiteble hidden structures could be found slong strike or din. Opinions, Suggestions or Recommendations of Present Holder . formud **Option Terms** \$1500 down on \$30,000 over 3 years, 30,000 shares of stock valued at \$1 Information is Based on personal examination Nature of Deposit veins and disseminated mineralization in shears in schistose sediments mineralization parallel to schistosity. .nwob berrut .neniM ydemr Mineralization pyrite, pyrrhotite, chalcopyrite, arsenopyrite, galena, shalerite. Widths and Values some shears 15 feet thick, veins within shears 1 to three feet, mainly quartz, some carbonate, barite. Relation to or Comparison with Other Properties in the District Strike and Dip N 70 W 20-50 N **Country Rock** Sericite schist Present Known Extent and Possible Extensions Structures show along lake shore, not traced by former holders, overburden considerable , rusty zones and indications of continuing for several thousand feet. S Desming Engineer Limiting Features ?

Workings, Kind, Amount, Location and/or Diamond Drilling one driven on narrow vein said to be high in gold.

Lengths and Frequency of Exposures about 15 krusty zon	nes' some with chalcopyite and galena
in a length of 1500 feet across the str	resented by (with address)
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none	ecation Adams Lake, B.O.
Andrea 25 miles eastfrom bouis creek.	A line and a
Known Non-Commercial Sections	Jy miles while an on mighted wery ince
	5 claims in two groups separated by
	wnership T.A.Bennett
Number, Dimensions and Grade of Ore Shoots Indicated	
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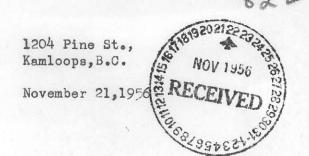
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Best regards,

Alan



0 FOC

Mr.E.O.Chisholm, 1616-44 King St., West Toronto, Ont.

Barrett hike

Dear Ted:

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The Vancouver Sun has an article on the efforts of Robertz and company and their lead-silver effort south of mile 700. It states that Conwest have optioned the find for \$300,000 with \$25000 down and a 10% stock interest. It says also that they are putting a road in and hope to start an afit before Christmas. May be the auction sale idea paid off after all; that is a pretty sizeable down payment.

Their chrome effort which was optioned to Kelowna Mines Headley Ltd. has been dropped.

I went into Adams lake to see Ivan Bennett. He has two prospects One is in his backyard and consists of numerous pyrite zones in sericite schist with here and there some thin bands which carry chalcopyrite and also some bornite is findable here and there. I do not think much of any of the diggings he has attempted but the conditions are certainly interesting and could conceivably be indicative of better chances somewhere else along the strike or down the dip. I do not think it is worth any expenditures on our part however and did not even take a sample.

Bennett has something much more interesting across the lake in the vicinity of Springer's claims. I was talking to Roff Macrae at the convention and learned that they are coming back this week. The preliminary look I had was interesting enough to warrant a couple more days on the property and I am going back to look around further and even stake some claims if I can find some suitable open ground. Bennett has 18 claims there but I can't say, and ^Cennett doesn't know if he is tied on to the Highland-Bell ground.

There are several occurrences of lead and zinc with some copper. They occur in various horizons in a thick series of sedimentary schists and occupy shear and veins conformable with the schistosity.(N7OW,dip 30 N) The shears are up to 15-20 true width. Veins are quartz and quartz-car carbonate. The lead is said to be argentiferous. Assays are said to be in the order 10-40 ounces and gold values are also commonly half ounce. The mineral associatoph is diverse and may include, pyrite, arsenopyrite, pyrrhotite, chalcopyrite, galena, shalerite. Probably some of the gangee is barite for a large quantity was sorted on the beach from a vein that I could not see.

These shears crop out along the lake shore at intervals along a distance of at least half a mile. On strike across the lake a few rusty zones are found but Bennett says that he could find nothing of interest there and so it seems that the zones end somewhere in the middle of the lake.

The farthest south showing consists of a narrow quartz vein on which some old timerdrifted over 100 feet. It looks pretty poor but Bennett says good gold values were obtaied. Within thirty feet across the strike and on the footwall of this vein are a couple of pyyrhtotite veins. One is about two feet thick, the other about eight feet. A small amount of chalcopyrite is associated with this. The amount is obviously small where _I broke open the vein.

This is a much better looking mineral 'country' than the Chu Chua thing but it has been known for a long time and various amounts of work have been done from time to time but mostly of limited proportions and partly by inexperienced men. Bennett himself has some very queer ideas on

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the various showings and has no idea what we mean by strike and dip and has the typical ideas that the 'lead' gets better under the lake or in the hill or any place that is inaccessible." At the same time his showings have some merit and I think his last dealings with the wrong kind of people will give us a reasonable deal should we want to spend a little money on his property. I am not recommending this at present and will send a fuller report after a couple more days on the ground. There is too much there to see in one trip. I am also curious just what Highland Bell is doing and will get up to there showing. What they have just might make Bennett's property look more interesting

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Adams lake is about 40 miles long and rarely freezeover completely. Access to the property is from Agate Bay, an arm running west from the southern part of the lake. Agate Bay may freeze but work could be done for some time yet and possibly all winter.

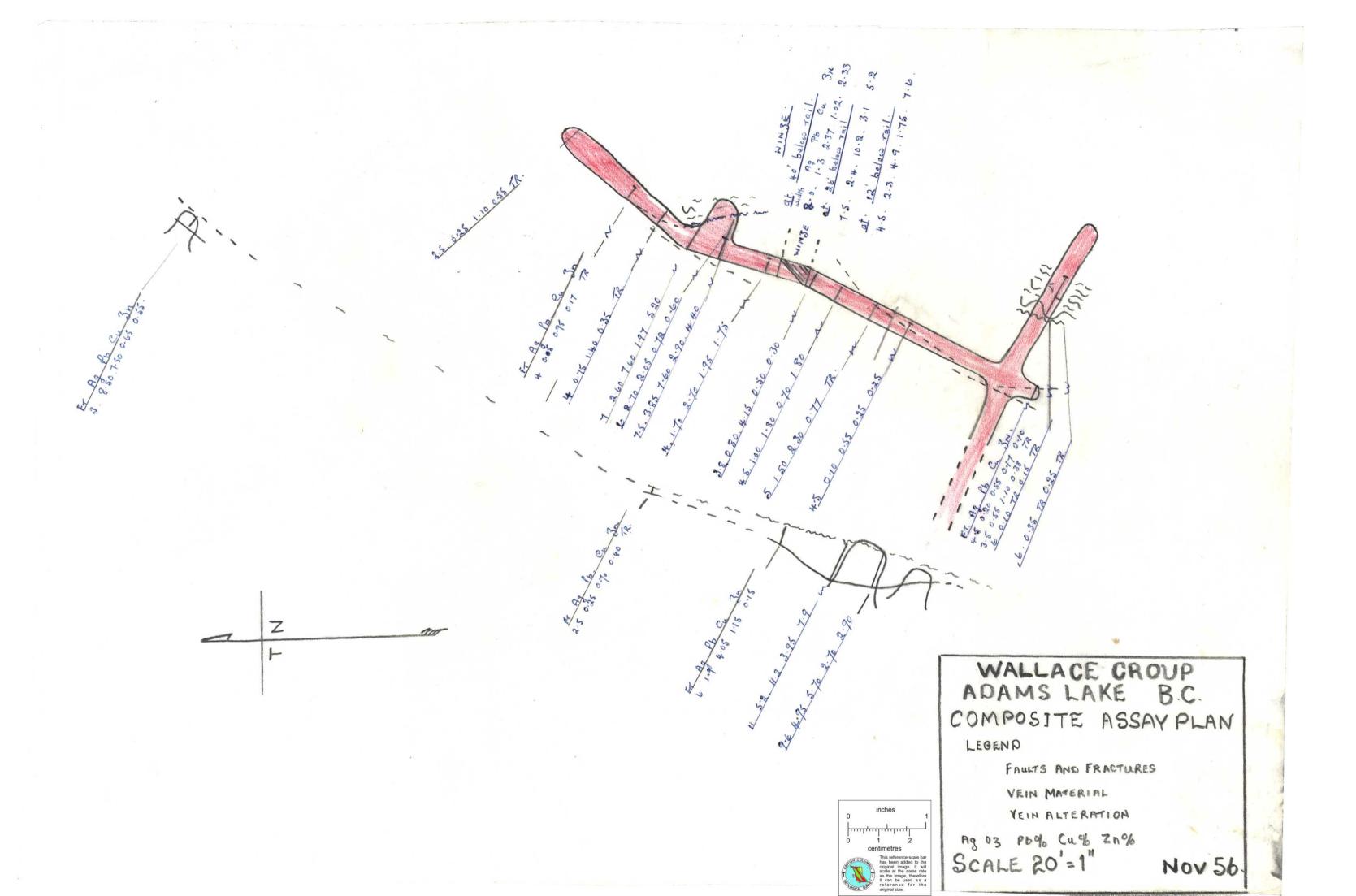
I have not heard from Fennell and have not pushed it do as not to appear over interested which we are not of course. Still we must know their decision and I will find out sconnif they do not contact me.

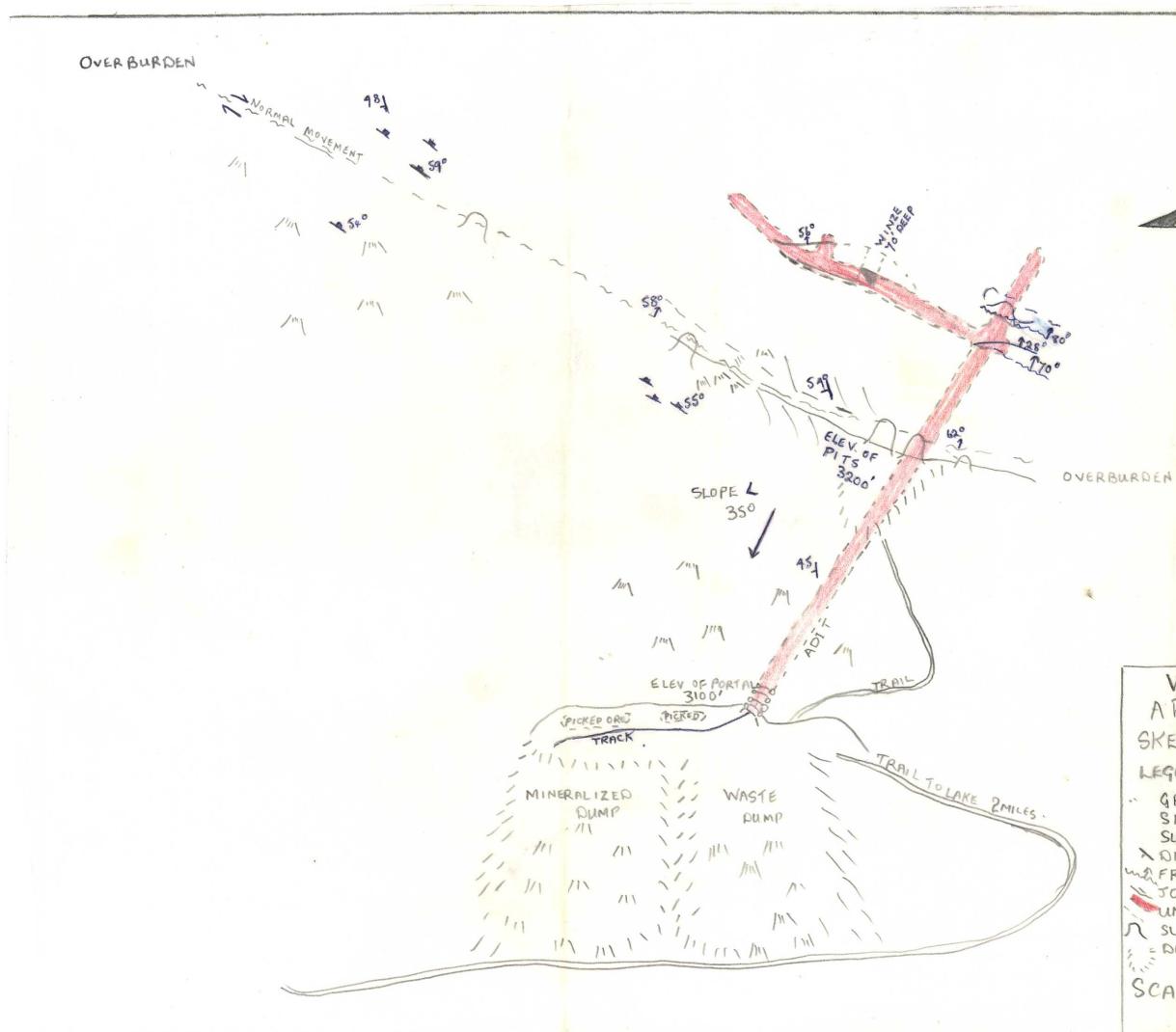
Best regards.

Am

Have you got a set of mails down them. Scandd use one of those carhide typed type in a holder which allows detailable points. YUKOZI . 1.

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- 29 Z inches WALLACE GROUP ADAMS LAKE BC SKETCH PLAN OF WORKINGS LEGEND GREENSTONE (EXTRUSIVE) SILICEOUS ALTERATION SULPHIDES N DIPAND STRIKE MA FRACTURES UNDERGROUND WORKINGS N SURFACE PITS SCALE 40'=1" Nov 56

(Rec'd Vancouver July 9/56)

826

ADAMS LAKE PROSPECT .. (WAILACE GROUP .)

PRELIMINARY REPORT.

Location: On the East side of Adams Lake directly opposite Agate Bay and at an elevation of 1800' above lake level.

References: Min. of Mines Reports 1927 - p. C. 200. 1934 - p. D. 28

History: This prospect was staked in the early 1920's and was bonded to William MoAdam in 1927 who formed a syndicate. This syndicate did extensive Mevelopment work until 1935. The claims were allowed to happe. In 1951 this prospect was staked by G. E. Midgley and as no work was done on these claims they were allowed to happe the following year. Four claims have been located on the showing for Highland-Bell.

Mr. Ivor Bennet of Barriers, B.C. owns the Ace Group of three claims at lake level. This showing was earlier known as the A. Mortison property. It is believed that Bennet did not known the extent of the old Wallace showings.

Transportation: Access is by read to Agate Bay where a best can be rented. The best trip across the lake takes 25 minutes. A four foot well graded pack trail, 2 miles long, leads to the showing, and a good camp site. He water was found on the hillside and it is assumed that the water was packed from Adams Lake. Geology: The rooks on the east side of Adams Lake consist of a series of quarte-sericite and chlorite schist interbedded with a schistose quartzite. This formation belongs to the Shuewap series and is similar to that of the Adams plateau. Locally these schists have been impregnated by sills of quarts and greenstones.

In the vicinity of the showing a northerly striking shear zone has been mineralized with galena, sphalerite and chalcopyrite. Quartz,

calcite and breecia particles make up the gangue. This fracture zone can be traced along strike for 500 ft. It varies in thickness from 11 ft. at its widest part, to 3 inches at its merrowest part. This some intersects the various northeasterly striking schist beds. It is not known whether the relative competency of the beds or their chemical composition accounts for the large variation in the width of the breecin some. The beds strike N. 78° L. and dip 54° H.W. The shear some strikes N. 20° E. and dips 55° easterly. Values: The material in the shear some is reported to assay: Cu: - 6%; Pb: - 17%; En: - 5%; Ag: - 7 Two samples were taken. An 11 foot chip sample across the widest part of the shear, and a grab sample from the dump. The results have not been received to date. (Hote: Since Charlie wrote this, here are the assay results: Sample #1090 Gold: Trace; Silver: 5.20; Cu: 3.95; Lead: 11.20; Zines 7.90 * 1091 -44 Silver 5.10 Gus 2.90 Londs 6.00; 21nos 4.50)

Markings: A pit and open out have exposed the 11 feet mineralized some at its widget known part and a winne sunk on the mineralization. This some has been traced northward for 500° by prospect pits so that at a distance of 80° from the winne the one some has marrowed down to 2 ft. It appears as if this some has not been traced southward. Approximately 20 tons of good ore remains on the dump.

One hundred and twenty-five feet below the open cut an adit has been driven easterly. The entrance is completely caved. Three tens of fresh ore is present on the dump which would indicate that the adit intersected the breccis some.

Ascommendations: Recommendations at this date are difficult to make without having more facts at hand. It would appear that this prospect has the possibility

- 2 -

820

of containing a relatively small tennage of a high grade complex ore. The adit should be cleaned out and mapped along with the surface workings. An effort should be made to trace the mineralization southward by trenching. All the workings should be sampled. The trail is in good condition and requires the removal of wimifalls. Water at present will have to be packed from Adams Lake.

- 3 -

In all, this is indeed an attractive prospect. It may not interest a larger mining company at present, however it might interest an organization which would be satisfied with a small operation.

Kaslo, B. C.

C. J. Browno

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Mr. K. J. Springer R. Macrae PROGRESS REPORT on

HIGHLAND-BELL LIMITED December 3, 1956

PROGRESS REFORT on the L.S.COPPER group of 21 mineral claims owned by Highland-Bell located on east side of Adams Laks, opposite Agate Bay.

Property:

The property consists of 21 claims staked in a T formation. The main block of claims generally staked N-E S-W with three claims added on approximately in the middle of the block on the west side. West in the claim block and along the shore of Adams Lake, Ivan Bennett of Agate Bay holds two claims by location in good standing covering the Martinson property; and south of the main block of claims the same Bennett holds the Fish Sook property covered by two elaims in good standing. North-east of the L. S. Group and distant by approximately 5 miles, the lucky Coon property is currently under development by a group of Spokane, Washington people. The elevation of the L. S. Group where the showings are located is slightly over 3,000 feet. As far as is known those are the claim groups currently held in the vicinity of the L. S. Group.

History: See previous reports on the property.

<u>Development</u>: Previous owners prior to the acquisition of the property by Highland-Bell had done considerable surface stripping and underground development of the L. S. property and the extent of this development has been completely and rully covered in previous reports. Buring 1956, Highland-Bell staked the property, re-opened the trail from the shore of Adams Lake over a distance of approximately 25 miles to the showings, and re-opened the tunnel at the main showing and has recently completed a project of sampling both surface and underground where developed by previous owners.

It is therefore felt that as of this date all information that can be secured, based on the work done by previous camers, has been secured in the form of sampling and mapping of the known mineralized areas on the L. S. Group.

In addition to this, the geology immediately surrounding the showings has been mapped in detail by Highland-Bell.

<u>Geology:</u> To date the surface has been mapped; the underground drift and cross cut (some 100 ft. below the surface showing,) has been mapped in detail, and the winxe for a distance of 45 feet below the level of the drift has been mapped. Below 45 ft. in this winze the sloughing of the back filled the bottom of the winze and before further mapping or sampling can take place, this winze will have to be cleaned. The main cross cut from surface has caved beyond the junction of the cross cut in the drift but has been mapped for approximately 25 feet east of this junction. No areal mapping of the L. S. Group of mineral claims has been attempted as of this date, except that the change in geological formations between the lake level and the showings have been noted although the contact between them has not been logated.

Sampling:

Surface - Five samples have been secured of surface showings on the structure as outlined on previous geological maps of the showings. Four samples are grouped where the continuity between the samples can be traced, the fifth sample is located some 150 ft. north of this group of 4 samples. On the surface showing, assay results have been erratic; silver varies from 1/4 of 1 canes to 5% ess; lead content varies from less than 1% to 11%; copper content from less than 1/2 of 1% to 4%; and zine from Trace to 8% - average width of surface samples where continuity between sampling can be traced is better than 7 feet.

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Brift lavel - This drift is approximately 100 ft. below surface suppose and minoralogically in the same area of the structure as the surface samples taken. Twelve carefully taken samples have been secured from the minoralized section on the drift level which span a length of structure of 135 feet. This is the total length of the drift and it is minoralized from the north end to the south end and over variable widths, but is minoralized over minoble widths (i.e. 4 feet or better) over a length of 60 feet which appears to be a shoot. Over the entire length of the drift, the silver content varies from 1/4 of 1 cs. to 4 css. per ten; the lead content from 1/2 of 1% to 7.5%; the copper content over the entire length varies from .17% to 3%; and the sine quatent from Trace to 5.2%.

Over the minsble length of 60 ft., the average width of mineralization developed in the drift (which may not be the total width of the mineralization) averages 4.5 feet. The eilver content varies from .75 os. to 4 cas; lead content from 2% to the maximum 7.6%; the copper content from .35% to the maximum of 3%; and the sine content from Frace to 5.2%.

Minse - The winse is open for approximately 46 feet below the rail level in the drift. At 40 feet below the level, the back of the winne has caved in the form of a slot above the back, which cave material has filled the bottom of the winne which is reported to be another 25 ft. deep. Four chip samples - two of them taken in the winne at 40 ft. below rail; one at 26 ft. below rail; and one at 12 ft. below rail have been secured. Over an average width of 50 ft. these samples showed between 1.5 and 2.5 and 5.25 sinc.

Evaluation of Sampling:

Sampling has been completed on surface on the known continuous length of mineralization. At a point 100 feet below surface over approximately the same relative location in the structure, and for a distance of 40 feet below this point in a winne given a total vertical depth of approximately 140 feet. Sampling to date indicates that the average mineral content of the surface showing is very nearly double that of the mineralization on the drift level 100 feet below and the mineral content in the winne below the drift level is comparable to that on surface. As pointed out before, samples are erratic and several factors have influenced or is believed to have influenced the mineral content.

1) There is a minimum of exidation on the surface where sampled but there is considerable bleaching and leaching evident of the samples and exidation showing on the drift level and in the winze.

2) It is suspected that the mineral content is heaviest at the footwall of the broccisted some which contains the mineralisation; decreasing towards the hangingwall.

3) Although there are two prospects which are driven from the footaall eastward toward the hangingwall of the zone of mineralization, meither have been adequately cleaned out to enable accurate sampling.

4) An arithmetical average of surface and underground sampling at this point which is probably a better indication of the minural content of the showings, indicates that the silver content averages approximately 2 cms, per ten; the lead content approximately 4.6%; the copper content 1.6%; and the since 2.6%.

Conclusionss

Regarding sampling, it is not recommended that further samples be taken from the showings as developed by previous owners and as sampled during 1956 by the Highland-Ball exploration geologist.

Factors affecting the development of the L. S. Groups

Pavourable factors -

- 1) The property is wholly owned by Highland-Hall or its officers;
- 2) The property is favourably located having outeropped at an elevation of approximately 3,000 ft. and been covered for a vertical extent of approximately 1,500 ft., by the claims as outlined on the attached maps
- 5) On strike the property is protected by 4 claims to the north and 5 claims to the south, two deeps
- 4) The property is favourably located being approximately 12 miles north of the main Transcontinental C.P.R. line, and 20 miles south of the main Transcontinental line of the Ganadian Matical Bailways;
- 5) The mineral occurs in a preceisted shear some pressing a favourable formation locally known as the Pennell Greenstone;
- 6) The property occurs in an area where there evailable all the usual services, such as reads, timber, water for drilling and milling (except power) (there being no hydre electric development in the area);
- 7) The property is located in an area undeveloped for timber and there is the usual 'gyppo' logging going on in the area. There is no suitable timber other than pulp timber on the area of the claims;
- 8) The claim location is such that there would be no difficulty operating at this location on an all-year round basis;
- 9) Mineralization in the area cutside of the L. S. Group as development by previous owners suggests, there are good possibilities of finding comparable structures in a suitable formation within the boundaries of the claims or within the general area of the claims;
- 10) The area is undeveloped minerally speaking and has not attracted the attention of mining development companies. There should be one sore season available for uninterrupted or un-interfered with prospecting by Highland-Boll in the general area of the L. S. Group.

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Unfavourable factora -

 Mineralization as indicated by development appears to be confined to the brecciated shear some which varies erratically in width over short distance between 50 and 100 fest. Within 130 ft. on the drift level mineralization varies from 6 inches to 132 fest. It therefore suggests that the possible ore constrance will appear in the form of shoots of relatively short length.

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- Mineralization appears to be confined to this shear some within the Fennell Greenstone. The extent and width of this favourable formation is not known.
- 3) At the north end of the mineralisation thus developed on the drift level, there is a suggestion that the mineral sone is bounded by a fault or a cross fracture system which may confine the mineralisation going morth from the showing on the level to the footwall of the breccisted shear sone.
- 4) The hangingwall of the breccia some as developed on the drift level disintegrates into a considerable width of altered gouge material its original nature not being known. It is noted that this gouge formation does not show on surface along the mineralized breccia some.
- 5) Location-wise the property is separated from access roads by 12 miles of lake from Agate Rey, and by 10 miles of lake from the mearest railboad at Squilar, B.C.
- 6) It would require more than 10 miles of read involving some rock work to provide a connecting read to Government highways.
- 7) At the present stage of development and following a series of examinations by Highland-Bell staff there is no indication other than that this property will be a small medium grade producer. The continuity lengthwise has not been determined over more than 75 ft. of minable width material. It should be pointed out however that insufficient work has been done to establish definitely that mineralization occurs in short shoots over various widths nor is it known at this date the mineral content of the breedis some morth or south of the area developed.

Recommendation;

The development of the L. S. Group is strongly recommended dollowing the results obtained as outlined above to date. It is felt that consideration should be given to constructing a suitable road access from lake level to the showings, a length of 2 to 2th miles which could be constructed at very reasonable cost, followed by a programme of surface stripping along the general strike of the structure to determine the average widths of mineralization over a claim length or more; consideration should also be given to a programme of diamond drilling and underground development. The following programme for the immediate development of this property is therefore recommended:

1) Secure an estimate and construct a read from lake level to the showings prior to any heavy snowfall which is estimated to fall in the months of February and March in the area;

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 Prepare a programme of surface stripping and prospecting on the claims, using two experienced prospectors, which work could probably be commenced by May lat, 1957;

3) In conjunction with this prospecting of the known structure, establish prospectors in the area (equally experienced) to prospect away from the showings on the L. S. showings and on the adjoining claims held by this Company and on ground outside the claims with a view to securing further ground if showings warrant same;

4) Prepare a diamond drill programme to follow surface stripping if such results are encouraging;

5) If diamond drilling and surface stripping indicate it, prepare a programme to drive the main drift or the sub-level drift north and south from the present development;

Gost Retinate:

It is estimated that construction of a suitable access road and clearing of a site for a drill camp and prospecting camp and construction of a tent camp could be dons for less than \$5,000.00.

A preliminary drilling programme of 1500 feet of drilling is estimated to cost approximately \$6,000.00 for actual drill contract work.

Underground drifting at drift or winne level would cost between \$30. and \$50. per foot. The higher cost being involved in a hoisting of drift muck from a winne level if the elevation is selected as suitable.

The principal object of this development would be to secure sufficient information to indicate 50,000 tons of mineralized rock containing \$25 to \$27 in silver, copper and lead at present market prices, or larger tennages of lower grade material.

Roderick Macras

RM: 0

Vancouver, B.C. Dec. 3/56

HONEY PRINTING SERVICE, TORONTO STOCK FORM NO. 3001	aveningere.
INTER-OFFICE C	
FROM Mr. E.O. Chisholm	DATE 10 August 1959 G.A.C.
Mr. Roderick Macrae	SUBJECT Wallace Group, Adams Lake.C.
	MESSAGE EL.D.
	E.C.J.

Dear Rod:

The showing appears erratic, but the silver content is interesting. What is the possibility of finding better lenses along the strike of the shear by the E.M. method? Has the Grone equipment been tried? A test should be made over the showing this fall to find out if it responds.

The fluorite show doesn't sound too interesting if the transportation is tough.

EOC-dp

E.O. Chisholm

CA

INTER-OF	FICE CORRESPO	NDENCE	W.S.R.
Mr. E.C. Jacka	DATE	12 August 1959	G.A.C.
Mr. Roderick Macrae	SUBJECT	Adams Lake Prospect	E.O.C.
	MESSAGE		R.D.S. B.C.B. E.L.D.
	(TO BE COMPLETED IN TRIPLICATE)		J.I.B.

Returned herewith are the Adams Lake Reports and plans, as requested. Copies have been made for our files.

E.C. Jacka

ECJ-dp Encl.