

92 P

Rexspar
823825 92P²

INTER-OFFICE CORRESPONDENCE

FROM Rod Macrae
TO E. O. Chisholm, Chief Geologist

DATE March 20th, 1958
SUBJECT Report weekending
March 15th, 1958

MESSAGE

(TO BE COMPLETED IN TRIPLICATE)

Craigmont area:

I visited Merritt and examined the recorder maps of claims staked in the vicinity of the Canex option. Canex had recently pulled hole #15 with some excellent sections, which hole is 280 ft west of the original hole #7. Assays in #15 are comparable to #7 and some sections are more than double in copper content. Not all of the core was recovered, consequently, some of the assays are sludges which could account for some of the high assays. From the Craigmont group, block staking has covered the area south to Nicola River and north to Farr Lake a distance of 15 miles. East-west the ground is staked for ten miles and covers the east and west side of Guichon Creek. In the staking little attention has been paid to the locations of the contacts between the Guichon quartz diorite and the Nicola volcanics and sediments, which appear to be the ore channelway for the Craigmont. There will probably be several groups in the area offered for deals.

Rexspar

I visited the property last week and have enclosed a property information form on this property. The development is stalemated for two reasons. Basically, there is not enough tons to pay the cost of plant and provide an adequate return on the investment and Dr Joseph is unwilling to provide all the finances even tho that is the only way he can recover his investment of approximately one million dollars. The only hope is to find, and quickly, about another 1.5 million pounds of uranium in the same area. Bill Masterson, of Birch Island has located the only reasonably hot showing in the area. Scott says assays up to one percent have been had on samples from the showing.

Klondike area

Cecil McLennan, who was Q.M.I. field engineer on the Yukon water-power survey, is working north of Dawson on a route survey for a road to Fort McPherson. This is one of the four roads the P.C.'s have proposed they will construct if elected. Collison has a trucking contract to place ten tons of fuel in the vicinity of Chapman Lake to supply the survey crews next summer. So far as I know, there has been no change in the plans for the Canol road. Understand another thirty-five miles, will be rebuilt this year. News reports state \$8,000,000 has been allocated for the Dawson-Fort McPherson road.

INTER-OFFICE CORRESPONDENCE
Regards, *Rid*

PROPERTY INFORMATION FORM



92P

A	N
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
W.S.R.	
R.J.B.	
H.C.C.	
H.A.P.	
K.S.S.	
E.C.B.	
G.P.R.	
E.L.D.	
J.H.K.	
E.C.J.	

Date March 17th, 1958

Name of Property Rexspar Uranium & Metal Mining Co Ltd

Presented by (with address) _____ Date March 17th, 1958

Location B.C.; Index Area 92-P-9; Kamloops M.D.

Access Via Rail or road to Birch Is.; 5 miles from railhead by secondary rd.

Claims 109 surveyed claims in one block. All essential claims covered by recently secured crown grants.

Ownership Joseph & associates of Montreal, P.Q.

Summary of Outstanding Features 1.3 million tons of 1.8 lbs of contained uranium mineral indicated by extensive drilling and u.g development, all amenable to open-pit mining methods. Signed contract over year ago with Cdn gov't for all production at price of \$10.69 per lb. Tonnage and grade figures are company estimates but extensively checked by independent consultants.

Opinions, Suggestions or Recommendations of Present Holder Owners apparently unwilling to risk own funds for all capital expenditures necessary to place property in production.

Option Terms Some two million dollars required to provide estimated sum to place property in production. Terms not known.

Information is Based on Examination of property, previous experience, conversations with property manager, J.W.Scott.

Nature of Deposit Flat lying, relatively, tabular zones of radio-active mineralization in a body of feldspar porphyry. Mineralized lenses are irregular in outline except on top and bottom faces. Short fault displacement is common.

Mineralization uraninite, uranothorite, metatorbenite; associated minerals are pyrite mica, feldspar, with minor fluorite. A separate fluorite zone, containing fluorite, celestite, and pyrite occurs. Grade of spar is generally below acceptable percentage and is rated not economic.

Widths and Values Mineralized zones average 40-50 ft in thickness. grade varies from trace to 0.20% U-3 O-8, estimated average is 0.09%. This figure is the average of two separate tabular zones, and is based on extensive drilling, A-core and mill testing.

Strike and Dip Irregular strike since mineral zones follow the surface contact of porphyry mass. Dip is generally 15-20 Degs.

Country Rock overlying: Precambrian schists and slates ore zones are in

Present Known Extent and Possible Extensions feldspar porphyry Zones considered economic have been outlined; no extensions are known.

Limiting Features Small tonnage and uniformly low grade considering size of deposit.

Workings, Kind, Amount, Location and/or Diamond Drilling

2500 ft of drifts, raises & x-cuts, in two zones; approx 25,000 ft of exploration drilling, of which probably 15,000 ft done in connection with outlying and developing A and BD zones.

Lengths and Frequency of Exposures Few on surface.

Known Commercial Sections Two zones. Estimated 2,300,000 lbs of U-30)-8

Known Non-Commercial Sections At least three non commercial zones are known where grade is uniformly less than 0.16%

Number, Dimensions and Grade of Ore Shoots Indicated

Possibilities of Developing Ore Within property boundaries, slight possibility of additional ore

Past Production, If Any Nil

Dividends, If Any Nil

Other Significant Features in History of Property Fluorite showing known since 1918. Initial development done on radio-active zones by Technical Mine Consultants, who spent estimated \$750,000. Property sold to Dr Joseph for \$500,000 who has spent further \$350,000 on development

Previous Examinations 1954. At that time development of the BD zone was completed. "Hard" assessment gave 600,000 ton of 0.08% grade in this zone

Reports, Plans or Other Sources of Information

Reasons for Property Lying Idle Owner unwilling to provide all finances for capital construction.

Relation to or Comparison with Other Properties in the District

No other similar property in district at this stage of development. Masterton and partners of Birch Island have similar prospect with assays up

New Development (Since Last Examination) to one percent from samples taken by competent field engineers.

u.g. development completed on A zone with indicated 800,000 tons

Other Remarks Present owners estimate \$6 million required for production at 1000 tons per day. Estimate \$2.50/ton mining and tram-line transportation to concentrator, 4 miles from pits. Estimate \$5.50 to \$6.00/ton concentrating charges. Open pit plans show 1.5 tons of waste removal per ton ore. Pit depth will vary from zero to 250 feet vertical. Probable mining costs will be closer to \$4.50 per ton and plant costs probably closer to 7.5 million. At \$10.69/ton gross value ore is \$2.5 million.

Robert Jones
Examining Engineer

March 13, 1958

Date of Examination