

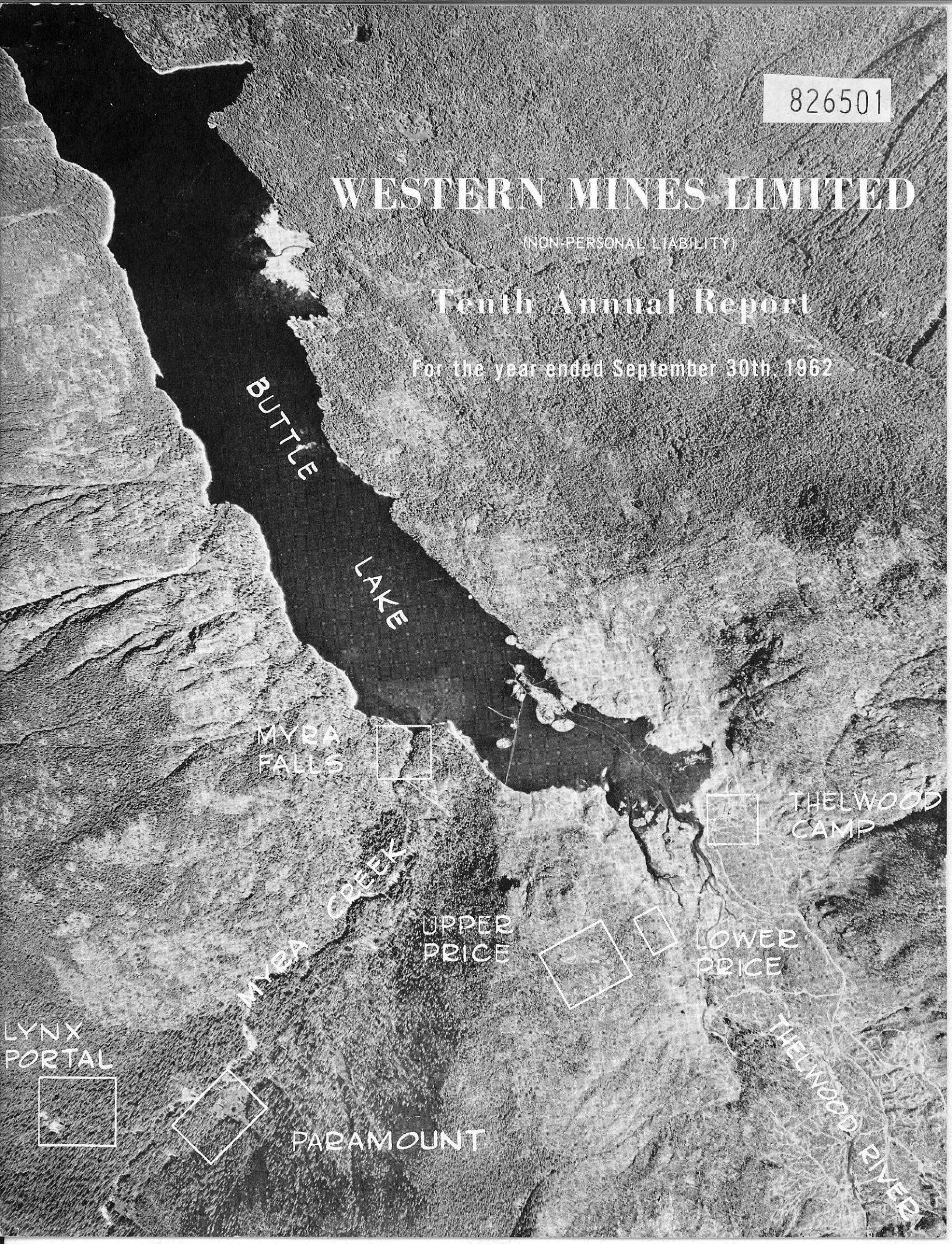
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WESTERN MINES LIMITED

(NON-PERSONAL LIABILITY)

Tenth Annual Report

For the year ended September 30th 1962



BUTTLE
LAKE

MYRA
FALLS

THELWOOD
CAMP

UPPER
PRICE

LOWER
PRICE

LYNX
PORTAL

MYRA
CREEK

PARAMOUNT

THELWOOD
RIVER

WESTERN MINES LIMITED

(NON-PERSONAL LIABILITY)

For the period ending September 30, 1962

AUTHORIZED CAPITAL	- - - - -	5,000,000 Ordinary Common Shares par value \$2.00 each
ISSUED	- - - - -	3,130,043
REMAINING IN TREASURY	- - - - -	1,869,957

DIRECTORS

R. J. ARMSTRONG	R. T. HAGER
E. C. HAMMOND	J. A. McLALLEN
H. H. HUESTIS	J. M. POWELSON, P.ENG.
J. A. C. ROSS, P.ENG.	J. E. R. WOOD, P.ENG.
H. M. WRIGHT, P.ENG.	

OFFICERS

H. M. WRIGHT, P.ENG.	- - - - -	<i>President</i>
R. T. HAGER	- - - - -	<i>1st Vice-President</i>
H. H. HUESTIS	- - - - -	<i>2nd Vice-President</i>
H. M. TURNER	- - - - -	<i>Secretary-Treasurer</i>
J. A. C. ROSS, P.ENG.	- - - - -	<i>Managing-Director</i>

CONSULTING ENGINEERS

J. A. C. ROSS & ASSOCIATES LTD.

SOLICITORS

LAWRENCE, SHAW, McFARLANE and STEWART
Vancouver, B.C.

REGISTRAR & TRANSFER AGENTS

THE EASTERN TRUST COMPANY
424 Burrard Street, Vancouver 1, B.C.
61 Yonge Street, Toronto, Ontario

AUDITORS

REYNOLDS, ANDERSON, McPHERSON and Co.
Vancouver, B.C.

BANK

CANADIAN IMPERIAL BANK OF COMMERCE
Vancouver - Campbell River - Nelson

VANCOUVER OFFICE:

850 West Hastings Street,
Vancouver 1, B.C.

EXCHANGE LISTING

Shares of this company are listed
on the Vancouver Stock Exchange
and the Toronto Stock Exchange.

Front Cover:

*Aerial View from 16,000 ft. by Hunting Survey Corporation Limited.
Western Mines property at Myra Falls, British Columbia.*

WESTERN MINES LIMITED

(NON-PERSONAL LIABILITY)

President's Report

Vancouver, B.C.
December 12, 1962

TO THE SHAREHOLDERS—WESTERN MINES LIMITED

The Tenth Annual Report of your Company is submitted along with the Balance Sheet, Statement of Deferred Exploration and Mine Development Costs, Auditor's Report and the Report of Mr. J. A. C. Ross, P.Eng., Managing Director.

In our last formal report to Shareholders, under date of June 13, 1962, we summarized progress from the last Annual Meeting to May 31, 1962. This report covered activities at the property, outlined the results of diamond drilling, gave a plan and typical section of drill results and indicated an ore reserve on the Lynx and Paramount of 593,672 tons, including dilution at 10%. The indicated grades were:

Gold	0.056 ounces
Silver	3.7 ounces
Copper	1.4%
Lead	1.2%
Zinc	9.1%

over an average width of 11.2 ft. Reserves at this period were based on a calculation of 1,200 tons per vertical foot and at this time underground exploration had just commenced.

The Directors are now pleased to submit for your information the report of the Managing Director which outlines results of exploration to the year end—September 30, 1962—and includes information on progress to December 1, 1962.

Shareholders will undoubtedly be gratified to learn that we now have extended our indicated Lynx ore reserve figure to 1,487,000 tons with an improved grade including the higher 15% dilution of:

Gold	0.09 ounces
Silver	3.37 ounces
Copper	1.8%
Lead	1.2%
Zinc	9.8%

The average true width is now 15 ft. and the tons per vertical foot has increased to 2,100. Ore of this grade has a gross value of \$43.50 per ton and an approximate net smelter return value of \$19.50 per ton.

It is interesting to note that the tonnage herein outlined is still within the strike length previously explored by diamond drilling. Increasing this tonnage and grade has been accomplished by a vigorous programme of underground drifting, cross-cutting and underground diamond drilling, coupled with a careful study of the geological conditions.

In addition to the above tonnage, we still have the indicated 100,000 tons at the Paramount where work in the past few months has been minimal because of the concentration of activity on the Lynx. We do, however, have some encouraging diamond drill results from the Paramount which extends the favourable zone towards the Lynx warranting detailed exploration. As soon as equipment and crew are available, it is planned to explore the Paramount with an underground adit.

Metallurgical test work on representative samples from the Lynx is now underway in two laboratories. Preliminary reports are satisfactory and show that good metallurgical results are obtainable.

Holdings in the Myra Falls area have been expanded to a total of 105 claims.

The situation at our Ainsworth lead and zinc property remains as previously reported. Due to depressed market conditions it is not advisable to consider any activity at this time. A watchman is maintained on the site at Ainsworth.

It is anticipated that in the coming year, plans for production at Myra Falls can be seriously considered and we hope to have something to say on this subject in our half-yearly report to Shareholders in May or June.

On behalf of the Board,

H. M. Wright, President

December 10, 1962

WESTERN MINES LIMITED

Report of The Managing Director

For the year October 1, 1961 to September 30, 1962

The Directors,
Western Mines Limited,
802 - 850 West Hastings Street,
Vancouver 1, B.C.

Gentlemen:

During the fiscal year October 1, 1961, to September 30, 1962, exploration and development work on the Company's properties at Myra Falls on Buttle Lake, Vancouver Island, proceeded continuously with the exception of a short period in March when the property was closed because of heavy snow fall and freezing conditions in Buttle Lake. Since resumption of work, the operation has been expanded as rapidly as conditions permitted with the result that at the present time the company's operations employ 68 men either directly or under contract. The work being carried out includes maintenance of transportation systems to Campbell River, complete camp operation, road construction, logging, surface drilling, underground development and diamond drilling and related engineering and geological services.

SURFACE EXPLORATION

Surface diamond drilling has continued throughout the year with most of the work carried out on the Lynx Property and a minor amount on the surface of the Paramount. Programmes have been carried out on surface geological mapping, surveying, prospecting and limited geophysical work to assist in the search for additional ore zones. As a direct result of these efforts, the company staked additional mineral claims in the area to bring the total held by the company to 23 crown granted mineral claims, two by Mineral Lease and 80 located claims.

Surface prospecting was successful in finding of a new zone of favourable quartz sericite schist. This zone was staked late in the year but further investigation has necessarily been deferred until next year because of early snow fall in this area. Geophysical test work over known ore zones has indicated that electro-magnetic equipment may be helpful in locating mineralized zones in areas covered by glacial till and soil. This programme has indicated an anomaly extending the Lynx Zone towards the Paramount to the south in an area heavily covered by overburden and as yet not tested by drilling.

Soil analysis was successful in locating a low grade copper zone on the Paramount property 600 feet north west of the main showing. Diamond drilling under this area has revealed low grade copper and zinc mineralization and has proven strong persistence of the quartz sericite schist zone to the north in the direction of the Lynx zone. Diamond drill hole No. 107, located 300 feet north-west of the main showing, crossed the quartz sericite zone and cut 43 feet of mineralization averaging 0.02 oz. gold, 0.44 oz. silver, 0.94% copper and 0.03% zinc.

DIAMOND DRILLING AND DEVELOPMENT

Surface Diamond Drilling was continued on the Paramount and Lynx properties. Since June work has been concentrated on underground exploration of the Lynx ore zone and by the year end sufficient headings had been opened up to permit systematic exploration by diamond drills.

The following table summarizes exploratory and development work completed to September 30, 1962.

DIAMOND DRILLING

Type	Zone	To Sept. 30, 1961 Feet	Year 1962 Feet	Total Feet
Surface	Paramount	4,300*	2,517	6,817
Surface	Lynx	433	11,036	11,469
Underground	Lynx	0	3,290	3,290
Total Drilling		4,733	16,843	21,576

UNDERGROUND HEADINGS

Drifts	Lynx	0	977	977
Crosscuts	Lynx	0	765	765
Crosscuts	Paramount	60**	0	60
Total Underground Headings		60	1,742	1,802

* Includes 4,300 feet by previous operators.

** Includes 60 feet by previous operators.

With the exception of diamond drilling, which is under contract to Boyles Brothers Diamond Drilling Company, all underground work has been carried out directly by the company. For this work a complete mining plant was purchased, installed and housed at the Lynx Adit location.

ORE RESERVES

Underground development at the Lynx was not sufficiently advanced to permit diamond drilling until late in August. By December 1st sufficient work was completed to permit an assessment of the ore potential of this zone and to determine in a general way the structural features of the ore occurrences and favourable areas.

In this short period of time it has not been possible to determine accurately the size nor shape of the numerous deposits now known to exist on the property. It is gratifying to find however, that the underground exploration work to date on the 1200 level has proven before dilution, the existence of 2100 tons per vertical foot over an 800 foot strike length as compared to the previous estimate of 1200 tons per vertical over a strike length of 1,000 feet by H. C. Gunning, P.Eng., in his report of April, 1962. The 800 foot length explored to date is open at both ends and additional ore will undoubtedly be found as the exploration work advances. Surface drilling completed earlier in the year has cut important intersections 320 feet to the north of the most northerly ore zone located underground to date.

Although only a very limited amount of drilling has been completed above and below the 1200 foot level it is reasonable to expect that ore in similar quantities will be found in the area above the 1200 level to the surface, an average vertical height of 250 feet. Similarly the zone could be expected to extend to the 1,000 foot level or 200 feet below the 1,200 level. Additional ore will undoubtedly be found both north and south of the area explored to date.

On the basis of these assumptions and the knowledge gained from underground studies, the following table lists the quantities of ore in the Lynx Zone that is partially developed ore indicated and inferred at this time.

Location	Tons	Average Metal Content				
		Gold Oz/Ton	Silver Oz/Ton	Copper %	Lead %	Zinc %
Between Section 100 to 900	945,000	0.10	3.81	2.0	1.4	11.2
South of Section 100	75,000	Assumed to be as above				
North of Section 900	273,000	Assumed to be as above				
Totals and Averages	1,293,000	0.10	3.81	2.0	1.4	11.2
Dilution @ 15%	194,000	0.01	0.40	0.20	0.10	0.60
Totals and Averages (including dilution)	1,487,000	0.09	3.37	1.8	1.2	9.8

In estimating the quantity of ore south of Section 100, it is assumed that ore will continue for 100 feet south at the same ratio of tons per vertical foot as found to exist in the developed zone. As knowledge of the area to the north is more limited only half the ratio of tons per vertical foot of the developed area is assumed for a strike length of 320 feet to the most northerly known ore intersection.

The average width of all ore zones developed to date is 15 feet.

Although little is known of the lineal and depth extent of the favourable quartz sericite schist zone beyond the 1200 foot length tested by surface diamond drilling, there is evidence these dimensions could be greatly increased beyond those presently known. As ore zones could exist anywhere within this favourable formation, the possibility for substantial additions to the ore reserves are excellent.

The remarkable success achieved in developing ore on the Lynx property has justified concentrating efforts in this zone with the result that only limited work has carried out on the Paramount and Price properties. Sufficient work has been done on the Paramount so far however, to indicate the existence of about 100,000 tons of ore of a grade comparable to the Lynx. The structure has not been defined and is still open on strike.

The ore potential of the main Price Zone has not been tested by drilling, but the favourable quartz sericite schist zone is known to be several hundred feet wide and contains mineralization of the same character existing on the surface of the Lynx Property.

It is planned to carry out underground exploration work on the Paramount and diamond drilling on the Price when equipment becomes available and weather conditions permit.

CAMPS AND TRANSPORTATION

In April 1962, the Company purchased from Victoria Plywood Ltd., a completely equipped camp on Thelwood Creek, capable of accommodating fifty men. Two new pre-fabricated 10-man bunkhouses were purchased and erected at the campsite. For handling personnel and supplies the Company acquired a 22 passenger water-taxi and an all steel twin-engine driven landing barge capable of carrying loads up to thirty tons.

During the year the Company relocated sections of the jeep road from Buttle Lake to the Lynx Property and improved it to a good truck standard. A branch road was constructed to the Paramount Property in preparation for underground work. At the year end a road from the Thelwood camp to the Price Property was under construction, the main purpose of which is to facilitate diamond drilling in the area. In all a total of 5.8 miles of road including three bridges have been constructed or improved.

A small scale logging operation has necessarily been carried on to remove and clear timber from roadways, landing and adit sites.

The Company gratefully acknowledges the assistance received from the Mines Branch of the British Columbia Department of Mines and Petroleum Resources and the cooperation of the Parks Branch of the Department of Recreation and Conservation.

POWER, WATER AND ACCESS

Applications to the Government for water licences have been filed by the Company for hydro power, milling and domestic purposes. Studies on the development of hydro power in the area are continuing.

The Company is investigating the various road possibilities into the property although it will be extremely expensive to construct an access road from existing highways or tide water to the mine site. The alternative will be the permanent installation of docks and water transportation facilities on Buttle Lake.

ACKNOWLEDGMENTS

The valuable assistance and cooperation of the Directors of the Company is herewith gratefully acknowledged. Much of the success for the past year's operation must be accredited to the efforts of the loyal staff and particularly to Mr. G. M. MacDougall, Mine Manager, for his splendid effort in assembling and maintaining an efficient and smooth working organization.

Respectfully submitted,

J. A. C. Ross, P.Eng.
Managing Director.

WESTERN MINES LIMITED

(Non-Personal Liability)

VANCOUVER, B.C.

BALANCE SHEET AS AT SEPTEMBER 30th, 1962

ASSETS			
CURRENT ASSETS			
Cash in banks		\$	133,321.46
Cash on deposit with trust companies, including accrued interest			556,245.20
Mine and mill supplies			13,330.80
Prepaid expenses		2,177.78	\$ 705,075.24
INVESTMENTS, at cost			
5,000 shares of Table Mountain Mines Limited (N.P.L.)			4,930.00
MINING PROPERTIES, at cost (Note 1)			
	For Shares	For Cash	Total
Ainsworth	\$ 350,000.00	\$	350,000.00
Highland Mines	300,000.00		300,000.00
Myra Falls	50,000.00	21,500.00	71,500.00
Daisy - Florence Group		9,750.00	9,750.00
	\$ 700,000.00	\$ 31,250.00	731,250.00
PLANT AND EQUIPMENT, at cost			
	At Ainsworth, B.C.	At Myra Falls, B.C.	Total
Buildings	\$ 173,462.48	\$ 39,997.68	213,460.16
Machinery and equipment	248,284.33	79,297.45	327,581.78
Automotive equipment	2,442.00	37,340.83	39,782.83
Boats, wharves and floats		11,812.50	11,812.50
Water and power system	9,250.00		9,250.00
	433,438.81	168,448.46	601,887.27
Less: Accumulated depreciation	27,189.28		27,189.28
	\$ 406,249.53	\$ 168,448.46	574,697.99
DEFERRED EXPLORATION AND MINE DEVELOPMENT COSTS, per Exhibit "B"			
			967,681.56
			<u>\$2,983,634.79</u>

LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	\$ 50,883.18
CAPITAL AND DEFICIT	
Share Capital (Notes 2, 3, 4 and 5)	
Authorized:	
5,000,000 common shares of a par value of \$2.00 each	\$10,000,000.00
Issued and fully paid:	
2,360,003 shares for cash (1,275,000 during the year)	\$ 4,720,006.00
Less discount	2,838,750.00
	1,881,256.00
770,040 shares for properties and services	\$1,540,080.00
Less discount	450,000.00
	1,090,080.00
<u>3,130,043</u> shares	2,971,336.00
Deficit (unchanged from prior year)	38,584.39
	<u>2,932,751.61</u>

The accompanying notes numbered 1 to 5 form an integral part of this balance sheet.

\$2,983,634.79

APPROVED ON BEHALF OF THE BOARD

H. M. WRIGHT, Director

J. A. C. ROSS, Director

AUDITORS' REPORT

We have examined the books and accounts of Western Mines Limited (Non-Personal Liability) as at September 30th, 1962, and have obtained all the information and explanations which we required. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and other auditing procedures as we considered necessary in the circumstances.

In verification of title to the mineral claims we have accepted a letter from the company's solicitors which states that with respect to crown granted mineral claims recorded in the books of the company, in their opinion, either the company or, in the case of claims held under option, the optionors have a duly registered, good, freeholding and marketable title to such claims; and that with respect to claims held under option the company can obtain clear title thereto upon compliance with the terms of the option agreement.

In our opinion, subject to the foregoing, the above balance sheet, supplemented by the accompanying notes, and the statement of deferred exploration and mine development costs are properly drawn up so as to exhibit a true and correct view of the state of the company's affairs as at September 30th, 1962, according to the best of our information and the explanations given to us and as shown by the books of the company.

Vancouver, B.C.
December 11th, 1962.

REYNOLDS, ANDERSON, McPHERSON & CO.
Chartered Accountants.

WESTERN MINES LIMITED

(Non-Personal Liability)

VANCOUVER, B.C.

NOTES TO BALANCE SHEET**As At September 30th, 1962**

- By an agreement, dated June 1st, 1961, the company was granted an option to purchase certain recorded and crown granted mineral claims near Myra Falls, B.C., in consideration for the issue of 250,000 shares of the company and \$166,500.00 of which \$145,000.00 remains payable on an option basis with payments extending up to 1970.
- The following options, granted to Davidson and Company Limited, Vancouver, B.C., by an underwriting agreement dated March 26th, 1962, were outstanding as at September 30th, 1962:
 - 125,000 shares at \$3.00 on or before December 26th, 1962
 - 125,000 shares at \$3.50 on or before March 26th, 1963.
- The company has granted options to three employees of the company to purchase 18,300 shares at \$1.69 exercisable as follows:
 - 6,100 shares between July 20th, 1963 and October 18th, 1963
 - 6,100 shares between July 20th, 1964 and October 18th, 1964
 - 6,100 shares between July 20th, 1965 and October 18th, 1965.

The options are subject to the approval of the Toronto and Vancouver Stock Exchanges.
- Under an agreement, dated May 30th, 1961, the company granted to The Consolidated Mining and Smelting Company of Canada Limited (Cominco) the right to participate in any future financing of the company. The right to participate is limited to a proportion of any future financing based on the registered shareholdings of Cominco at that time.
- On January 30th, 1962, the authorized capital of the company was increased from 3,000,000 shares of a par value of \$2.00 each to 5,000,000 shares of a par value of \$2.00 each.

Exhibit "B"

WESTERN MINES LIMITED

(Non Personal Liability)

VANCOUVER, B.C.

**STATEMENT OF DEFERRED EXPLORATION AND
MINE DEVELOPMENT COSTS****For The Year Ended September 30th, 1962**

	Total To September 30th, 1961	Year Ended September 30th, 1962	Total
MYRA FALLS			
EXPLORATION AND DEVELOPMENT			
Surface diamond drilling	\$ 8,002.07	\$116,950.36	\$124,952.43
Surface trenching and stripping		2,107.62	2,107.62
Underground diamond drilling		8,597.92	8,597.92
Drifting and crosscutting		42,901.29	42,901.29
Underground transportation		7,599.24	7,599.24
Mine servicing	928.72	61,508.66	62,437.38
Equipment operation, repairs and maintenance	5,843.19	34,597.57	40,440.76
Road construction and maintenance	5,843.72	42,064.28	47,908.00
Supervision and engineering	4,412.20	24,320.26	28,732.46
Camp and cookhouse operation	2,468.48	27,980.64	30,449.12
Freight and water transportation	1,754.71	31,744.16	33,498.87
	29,253.09	400,372.00	429,625.09
ADMINISTRATION			
Office	981.51	13,458.33	14,439.84
Travel	1,257.18	10,398.27	11,655.45
Taxes, fees and licenses	405.25	2,578.43	2,983.68
Telephone and telegraph		3,805.01	3,805.01
Insurance	31.97	1,724.37	1,756.34
Legal, audit and stock exchange fees	448.99	23,885.08	24,334.07
Employee benefits		2,099.35	2,099.35
	3,124.90	57,948.84	61,073.74
	32,377.99	458,320.84	490,698.83
Less: Recovery of road costs from Provincial Govern- ment		7,500.00	7,500.00
Interest earned on deposits		6,630.41	6,630.41
		14,130.41	14,130.41
TOTAL MYRA FALLS DEFERRED COSTS	32,377.99	444,190.43	476,568.42
AINSWORTH			
Maintenance and obsolete supplies		3,889.57	3,889.57
Deferred costs	487,223.57		487,223.57
TOTAL AINSWORTH DEFERRED COSTS	487,223.57	3,889.57	491,113.14
TOTAL, carried to Exhibit "A"	\$519,601.56	\$448,080.00	\$967,681.56

HISTORY OF THE MYRA FALLS
(BUTTLE LAKE)
PROPERTIES OF WESTERN MINES LIMITED
to September 30, 1962

Vancouver, B.C.
August 20, 1962

The three Myra Falls properties of Western Mines Limited, located at the south end of Buttle Lake, Vancouver Island, were originally staked shortly after Strathcona Park was made available to prospecting in 1917 and have been developed intermittently in the succeeding years.

As a result of stakings by the Company since May, 1961 the three groups of crown grant claims known as the Price, Paramount and Lynx have been consolidated into a rectangular area approximately 2.0 miles wide and 4.8 miles long. The area is about a mile west of the south end of Buttle Lake and trends northwesterly from the lake.

Surface access to the properties from the town of Campbell River is by a good gravel road to the north end of Upper Campbell Lake and some seven miles down the east shore to approximately the original north end of Buttle Lake; thence by boat some twenty miles to the Thelwood campsite on the southeast shore of the Lake. It may be explained that, as a result of dam construction and hydro development at the north end of Upper Campbell Lake in the mid-'50's the two lakes were joined and brought to the present elevation of approximately 720 feet.

The south end of the Lake is readily accessible by airplane and this means of transport is being more commonly employed as the operations are expanded.

The area surrounding the Lake is extremely rugged with steep, precipitous mountain slopes, canyons and numerous small waterfalls. Not far to the east the mountains drop abruptly into the broad plains that extend to the coast line of Vancouver Island. The shores of the Lake are heavily timbered and this condition extends up the tributary valleys and mountain slopes to approximately the 4,000 ft. elevation. The rugged peak lines, some 1,000 ft. or more higher, are in general barren with little or no overburden.

A principal topographic feature of the area is Myra Creek Valley which strikes east-west and divides the Lynx and Paramount properties; the former extending up the steep flank to the northwest and the Paramount up the southeasterly flank. The Price is the most southerly group and lies astride Price and Thelwood Creeks, which empty into the south end of Buttle Lake.

The three properties presently known as the Price, Paramount and Lynx were in earlier years referred to as the Boulder, Paw and Lynx groups respectively. The chronological development of the three properties has been quite similar in many respects, with the exception that until Western's acquisition all surface diamond drilling had been confined to the Paramount (Paw) group.

Initial staking, which followed the opening of the park in 1917 to prospecting, and early work consisted of stripping and trenching across the mineralized areas at intervals. A 60 ft. crosscut tunnel was driven on the Paramount.

In the early '20s the Price Mining Company and the Paramount Mining Company Limited were organized to develop the two southerly groups. A total of 23 claims in the three groups were subsequently crown granted and remained the nucleus of later consolidations.

The main geological and mineralogical features of the properties are also markedly similar. The scattered surface mineralized showings are confined to broad, northwesterly trending, sheared zones within the essentially unaltered volcanic rocks. The shears dip steeply east or west and the enclosed rocks have been altered mainly to chlorite or quartz-sericite schists.

It has not, as yet, been determined whether the sheared zones are continuous, one with another, but in plan are in reasonable alignment. Some normal offset faulting has been noted.

Prior to Western's acquisition, 16 surface drill holes had been put down on the Paramount property; ten by the Paramount Company in the early '20s; four by The Granby Company in 1952 and two by the optioning group after they effected the consolidation of the three properties in 1959-1960.

The Price Group was originally located by James Cross and associates of Victoria, and cross trenching in several locations up to the 2,000 ft. elevation uncovered important mineralization. The claims were crown granted in the mid-'20s, but little further work was done through to the present time. Ownership passed to W. T. and M. V. Miller, the former being one of the original associates.

Soon after the original staking the Paw Group of claims was acquired by the Paramount Mining Company, represented by Joe Errington of San Francisco and Toronto. The claims were crown granted in July, 1924 when the principal diamond drilling and tunnel work was done. Little other development work was done until The Granby Mining Company optioned the property in 1952 and drilled four surface holes in the general area of the ten holes earlier drilled by the Paramount Company.

Development of the Lynx Group of claims was, like the Price, confined to numerous cross trenches, northward along the strike of the sheared zone. An adit was started but only advanced a few feet. The group was originally located by James Cross and associates and was later acquired by T. J. McQuillan of Vancouver. The claims were crown granted in March, 1924.

Reference to the properties is made in the 1920 Minister of Mines, B.C. Report, Page 207-208 and in the 1952 Annual Report, Pages A 210-A 213.

The options from the vendors of the three groups were taken over by Western Mines in May, 1961. Initial geological mapping of the Lynx and Paramount groups was immediately carried out by The Consolidated Mining and Smelting Company geological staff for the purpose of laying out a drilling programme. Cominco had become a substantial shareholder in Western Mines Limited as a result of development work on the Company's Ainsworth, B.C. silver-lead-zinc property from 1954 to 1957.

Diamond drilling was commenced late in July 1961 under the direction of J. A. C. Ross, P.Eng., Managing Director and A. O. Hall, P.Eng., Consulting Mining Engineer. The drilling has been continued up to the present time with the exception of a short stoppage in March of this year because of weather conditions.

To the end of September, 1962 twenty-seven surface holes had been completed by Western Mines on the Lynx ground at six sections over a strike length of some 1,300 ft. To this date 2,650 feet of underground drilling had been completed.

Eight holes have been drilled on the Paramount; the drilling of the two properties aggregating 13,980 ft. to date. At the Lynx, to the end of September, 1,742 ft. of underground crosscutting and drifting has been completed in the 1,200 ft. level Lynx adit.

The ore potential of the Buttle Lake sheared zones was first detailed as a result of a geological reconnaissance survey carried out in 1930 by Dr. H. C. Gunning for the Geological Survey of Canada and reported in the 1930 Summary Report, Part A, now out of print. Dr. Gunning drew attention to the association of mineralization with the altered and sheared volcanics and suggested that more extensive development was warranted. During the 1940s and the 1950s a number of private examinations of the properties were made.

In planning for underground development on the Lynx zone in April it was decided to employ trackless mining for drifting and crosscutting, with the view to converting later to track mining should the 1,200 ft. level adit become a production level.

Holman jacklegs are used for drilling and waste and ore removal are done by three Scootcrete (3-ton diesel powered, end dump units). Two Eimco 630 crawler-type loaders are used in the headings. Compressed air is supplied by two Holman 600 Rotair compressors, tire-mounted and powered by Rolls-Royce diesel units. Two 30 horsepower Caterpillar diesel electric units supply power for ventilation and shop facilities. Present ventilation is supplied by a 19-in. Colchester axial type fan.

The "M.V. Booth" a 30-foot cabin cruiser is in use on Buttle Lake to transport crews and small supplies from the head of the lake to the Myra Mine landing and Thelwood campsite.

During the past three months substantial improvements, to the original jeep roads constructed to the Paramount and Lynx areas last year, have been made so that the properties are now accessible at present by conventional trucks. Truck equipment purchased included a 16-man panel, Land Rover, 1-ton Dodge and 3-ton GMC dumptruck, 1-1-ton Dodge Powerwagon, 1/2-ton International pick-up.

In April a frame building, semi-portable camp was purchased from Victoria Plywood and has been converted for mine use. A 15 KVA diesel electric plant was installed and recently, a walk-in cooler was added to the cookery.

Due to the properties being located in Strathcona Park it has been necessary to secure park use permits from the Parks Branch to permit clearing for boat landing, mine portal sites and road allowances.

Considerable large timber was required to be removed and this is being carried out at present under arrangements with Victoria Plywood Limited.

The present programme of underground development on the Lynx zone includes some 3,000 ft. of drifting, crosscutting (for drill stations) and raising; 2,500 ft. of test hole drilling and some 25,000 ft. of underground diamond drilling. It is expected that this phase of development will be completed by the end of the year or shortly thereafter.

Simultaneously, geological and geophysical work is being carried out on the Price ground and additional surface diamond drilling at the Paramount. Exploratory surface drilling will be done at the Price when the initial work is completed.



MV "BOOTH" at Western Landing



Buttle Lake



Thelwood Camp



New Bunkhouses at Thelwood Camp



Road to Lynx



Bridge over Myra Creek