



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

P.O. Box 877
Nanaimo, B.C.
V9J 2N0

Babine
Range
880371

12 February 1981

Mrs. E. Madge Mandy,
3880 Imperial Street,
Burnaby, B.C.
V5J 1A2

Dear Mrs. Mandy,

Subject: YOUR LETTER DATED FEBRUARY 6, 1981.

Thank you for your long and pleasant reply. I hope you have recovered from the flu.

Just a further update on the Free Gold property - the lessee forgot to pay the appropriate taxes on the property and in early December 1980 Reako Explorations staked the property and it now legally belongs to them. What a varied history this property has had!

Yes I have heard the name Ben Nelson. The histories of the Silver King and Lorraine properties are described below:

Around 1975 the Provincial Government established an integrated management unit (Babine IMU) over the Babine Range which includes the Silver King and Lorraine (Native Mines) deposits. What this means is that any exploration or development work within the area must be "properly" managed by all concerned governmental agencies. A standard form has been adopted.

Silver King (Au-Ag)

1919 - first tunnel started

1920 - 8 claims under option to a Seattle group

1921 - under bond to local syndicate - but option lapsed

1922 - cross-cut tunnel begun and 100 ft. completed - work by Higgins

Mrs. E. Madge Mandy,
12 February 1981
Page 2

- 1923 - examined by engineer for Federal Mining Co and offer made
- 1924 - work by P. J. Higgins
- 1925 - 12 claims covered property - four men worked all year on cross-cut tunnel - hit main vein 252 ft. from portal
- 1926 - option by Henry Lee Messner - four men worked during winter and tunnel extended to 262.5 ft.
 - 105 sacks of ore (3-1/2 tons) obtained from drifts by hand sorting - grade .4 oz./ton Au and 84 oz./ton Ag
- 1928 - assessment work
- 1929 - owned by Babine Silver King Mining Co. Ltd.
- 1930 - company incorporated
- 1931 - owned by Omineca Silver King Mines Ltd.
- 1939 - camp erected
- 1940 - 600 ft. of trenching and 100 ft. of tunnelling
- 1946 - operated by LaMarr Gold Mines Ltd. - owner B. F. Messner - 22 claims
 - camp incl. 2-story frame bunk-house and log cook-house
 - now four adits totalling about 1300 ft.
- Late '60's - early '70's - owned by J. L'Orsa (Smithers)
- 1974 - I examined and sampled
- 1978 - staked by L. B. Warren (Smithers)
- 1980 - optioned to Panther Mines (Prince George)
 - road to showings fixed up.

Mrs. E. Madge Mandy,
12 February 1891
Page 3

Lorraine (Native Mines) - (Ag)

- 1909 - 18 ft. tunnel driven
- 1918 - 6 claims staked by P. J. Higgins
 - 5 tons of ore shipped
- 1921 - work done
- 1922 - tunnel lengthened to 180 ft. (50 ft. from 1918)
- 1924 - work done
- 1926 - work done
- 1928 - preparations to continue new tunnel
- 1929 - driving of an adit crosscut tunnel 160 ft. in length
- 1930 - continuation of crosscut tunnel and surface work
- 1931 - known as the "Victoria Group" - Lorraine Co-per Silver Mines Ltd.
- 1946 - new owner - B. F. Messner and Assoc. (Smithers)
- 1951 - optioned by American Yellowknife Gold Mines
 - stripping, trenching, sampling, geological mapping
 - diamond drilling
 - option dropped - lack of tonnage
- 1958 - opened upper tunnel - 3 men worked
 - truck road, 4 miles in length, built to join the Cronin Road
- 1964 - new bunkhouse - messhall, oil-shed, garage, and repair bay built
 - new portal 100 ft. driven - 5 men under Messner
 - called "Native Mines"
 - transportation by truck

Mrs. E. Magde Mandy,
12 February 1981
Page 4

1966 - 18 claims

- ten men worked - incl. geological mapping
- main adit driven 800 ft. + diamond drill holes

1974 - examined and sampled by self

1978 - staked by J. Hutter, Jr.

1980 - optioned by Joe Hidber (Telkwa)

1981 - work planned

So - both properties have been developed to some extent and are still active.

I knew Gordon Harvey (alias Peavine) who died in 1978 (or thereabouts). He resided until his death in his original cabin located on Driftwood Creek along the road into Silver King Basin. The name of his property was simply Harvey (and Rainbow, Driftwood). It is located south of Driftwood Creek, south of Lagopus Mtn. Much work has been done and the property has recently been optioned by L. B. Warren and P. J. Huber (Smithers - Telkwa) to Panther Mines (Prince George).

1921 - owners - J. S. Kelly, S. Gazely and R. MacKlin

- open cuts

1925 - bond taken by F. H. Taylor (Smithers)

- 2 men employed

1929 - 2 tunnels driven - 54 ft. each

1930 - open cuts and tunnels

1931 - new discovery

1932 - owner Jas. Wright (Smithers)

1937 - production - 1426 lbs. - Au, Ag, Cu

1975 - staked by B. Price

1978 - staked by L. B. Warren and P. J. Huber

Mrs. E. Madge Mandy,
12 February 1981
Page 5

1980 - optioned to Panther Mines

The cabin you speak of in your letter is still standing beside one of the main showings and could easily be made livable again.

A tote-road has been built in the late 1960's up the hillside to the showings.

Prior to Gordon's death he donated some very nice land to the Government along Driftwood Creek and the Parks Branch have created the Driftwood Provincial Park on it. It covers a major tourist attraction - fossil beds. The age of the rocks is 50 million years old and fossils such as fish and bugs have been found. Gordon had some spectacular samples of fossil fish. The area is very unique for Western Canada and thus geologically very important.

I remember Gordon would hike into town with his old packsack - I doubt if he ever owned a vehicle.

Yes I suspect I have had the opportunity to visit most of the "old" mining camps.

I have visited the old Engineer gold mine four times since 1974. It is definitely in B.C. (but not far from the border with the Yukon). Present access is either by boat from Atlin or Carcross or by helicopter. On my first visit to the property in 1975 Nu-Energy Development had bought the property and resampled the underground workings but were unsuccessful in dewatering the old workings at depth.

The mine was actually discovered in 1899. Spectacular grades of gold were encountered but the operation failed in 1931. In all, eight levels were mined. In 1925 the stock reached over \$100 per share on the New York stock exchange. Approx. 3 million ounces of gold and 41,000 ounces of silver were mined.

As a matter of interest, the first "Pat Burns" grocery store ever built in B.C. is still standing at the Engineer mine. An elaborate townsite with cedar cabins was built but much of the cedar has been salvaged and re-used by Mr. Tom Kirkwood in Atlin. The Brooks family reside all year long in a cabin on the south side of Graham Inlet (in the Yukon). The late Reg Brooks (1976) worked at the Engineer along with Tom Kirkwood up until 1952. He had the finest samples of gold ever seen from the property. The Engineer Mine is one of the most historic scenic places I can think of. I don't know how the group of ladies will make out but

Mrs. E. Madge Mandy,
12 February 1981
Page 6

I wish them well. I still think the property has potential. You are right about the history of litigation. Yes some drilling was done last year and more is planned for this year.

Continued best of luck with your "Memoirs".

Yours very truly,

*Tom Schroeter, P. Eng.,
District Geologist.*

TS/hh