

# PRIVATEER MINE

ZEBALLOS, B. C.

## Ceremony of the Pouring of the First Gold Brick

October 18th, 1938



*Compliments of*

The Board of Directors, Management  
and Staff of Privateer Mine Limited

From:  
Vic Profo, Mar. 9/49

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AGS → Zeballos

Tom A good page of our mining history. This is the way things were done  
in the old days --- when one had good enough ore to do it with!  
Cheers Vic

THE Privateer Mine was purchased on December 10th, 1936. It was then a raw prospect with no camp, no development and no transportation.

Purchasers were David S. Tait and Ray A. Pitre, with whom were associated Joseph Pedneault, Louis Pedneault, Herbert Kevis, Chester Canning and John J. Frumento.

These purchasers incorporated a private company to hold and develop the mine, which was at first named Nootka-Zeballos Gold Mines Limited and later changed to Privateer Mine Limited.

Owing to the severe winter of 1937 work could not be started until March 10th when camp construction and surface prospecting were started with a crew of four men, comprising, Ray A. Pitre, Manager; Chester Canning, Herbert Kevis and John J. Frumento.

First ore shipment was packed out on men's backs to the river and run down the river in a flat bottomed boat. It was shipped to Tacoma Smelter March 10th, 1937. It comprised 4800 pounds, assayed 32.9 ozs. to the ton and yielded a net smelter return of \$2605.00.

Work proceeded by hand until July 10th, 1937, when the first small compressor unit went into operation. From then on the operation was steadily enlarged.

The development of the mine was financed principally by shipment of development ore. No stoping whatever was done. The total cash capital of the Company was \$35,500.00. But by the end of 1937, development ores had been shipped to Tacoma Smelter which yielded net smelter returns of \$116,473.96. By the 24th of September, 1938, when shipment of ore ceased, and milling started, net smelter returns from development ores aggregated \$306,785.95.

An agreement with Connell Mining and Exploration Company Limited, perfected in May, 1938, provided capital with which the new power house and the mill were built and equipped. All other mine buildings and all mine development and equipment were paid for out of development ores.

The mine is now developed on five levels in which ore is blocked out sufficient to feed the new mill for about three years. It is equipped with first class camps, machinery and equipment, and with a cyanide mill of 75 tons daily capacity, designed and erected by Shoemaker and Burnham. This mill is now in regular operation and the first brick is being poured this 18th day of October, 1938.

The Privateer Mine is now owned outright by Privateer Mine Limited, which, thanks to its splendid returns from development ore, starts its mill production free of debt and can begin to accumulate cash reserves without delay.

It has recently been converted into a public company and its share capital subdivided into 2,500,000 shares.

The Privateer Mine has a record which is perhaps unique in several respects, such as, the large amount and value of high grade ore produced from development only; the small amount of cash capital required to develop it to the status of a proven mine; the short time (19 months) within which it grew from a raw prospect to a completely equipped producing mine with large ore reserves; and the fact that a small prospecting group carried the property through to large production without public financing and remain in control of their Company.

Compliments are due Connell Mining and Exploration Company for their participation with the original owners in the development of the mine on a fair and equitable basis.