

Victoria, B.C.
1978-12-27

Letter to the Editor,
Northern Miner,
Vancouver, B.C.

Dear Sir:

Your front page story of December 21st., on Silvana Mines - about the good drill intersection on the Main Slocan Lode - is gratifying to all familiar with B.C.'s famous old silver camp.

President G.W. Walkey reviews in some detail recent Silvana financing but, curiously, your article contains no reference to the \$300,000 the B.C. government is anteing up under the Accelerated Mineral Development program.

The fact is that \$300,000 is not an inconsequential amount in the context of the figures cited by President Walkey. Moreover, the Silvana grant and one other are, equally, the two largest grants (out of 60) made by the Coordinator of this well regarded program.

Yours very truly,

W.R. Bacon,
Coordinator,
A.M.D. Program.

WRB:evt
cc: MRB (Toronto)
RJR (Vancouver)

SILVANA MINES INC.

P.O. Box 189
NEW DENVER, B.C.
V0G 1S0

August 2, 1978

Mr. W. Bacon, P. Eng.

Co-ordinator
Accelerated Mineral Development Program
Ministry of Mines & Petroleum Resources
Room 409 Douglas Building
617 Government Street
Victoria, B.C. V8V 1X4

Dear Sir:

As stated in my letter to you on July 31st I herewith submit a 100' scale plan showing the revision to our development program on the 4000 Level.

Also enclosed is an amended table of underground development units and costs. The categories which have been amended from our original submission are:

- a. Drifts & Crosscuts
- b. 4000 Level Rehabilitation

The change in development which we propose provides³ access to test a much greater area of unexplored lode more effectively than our original plan of rehabilitating and extending the old 4000 Level heading. Most of the area above and to the south of the original level has already been explored and or mined down to the 4350 foot elevation. The new heading will provide for exploratory drilling between the 4050 to 4350 foot elevations to be more practical and economical along a lode strike length of 2300 feet.

I trust that the revision we are undertaking meets with your approval for funding.

Yours truly,



Wm. Hogg,
Manager

Encl.

WmH/gm

| MINE DEVELOPMENT PROGRAM | PLANNED | | | A.M.D. INCREMENT | | | ACTUAL INCREMENT | | |
|--|---------|--------------------|---------------------|------------------|--------------------|---------------------|------------------|--------------------|---------------------|
| | UNITS | TOTAL EXPEN-DITURE | LABOUR EXPEN-DITURE | UNITS | TOTAL EXPEN-DITURE | LABOUR EXPEN-DITURE | UNITS | TOTAL EXPEN-DITURE | LABOUR EXPEN-DITURE |
| (1) Geotechnical Studies | | | | | | | | | |
| (2) Surface | | | | | | | | | |
| a. diamond drilling | | | | | | | | | |
| b. percussion/rotary drilling | | | | | | | | | |
| c. stripping/clean up, excluding reclamation | | | | | | | | | |
| d. waste/tailing dump preparation | | | | | | | | | |
| e. surveys | | | | | | | | | |
| f. | | | | | | | | | |
| (3) Underground Development | | | | | | | | | |
| a. drifts and crosscuts | 610 | 290,000 | 73,713 | 1036 | 493,000 | 118,200 | | | |
| b. raising | 7476 | 96,600 | 14,672 | 11820 | 165,600 | 47,328 | | | |
| c. diamond drilling | 213 | 60,000 | 16,959 | 366 | 180,000 | 60,579 | | | |
| d. percussion drilling | 1488 | | | 4800 | | | | | |
| e. dewatering | 914 | | | 2743 | | | | | |
| f. surveys | 1720 | | | 6144 | | | | | |
| g. 4000 Rehabilitation | | | | 1440 | 14,400 | 14,400 | | | |
| (4) Miscellaneous | | | | | | | | | |
| a. sampling, analysis, assaying, and testing | | | | 1853 | 192,063 | 78,000 | | | |
| b. Engineering | | | | 7800 | | | | | |
| c. Supervision | | | | 1000 | 10,000 | 10,000 | | | |
| | | | | 1000 | 10,000 | 10,000 | | | |
| | 1737 | 446,600 | 105,344 | 5998 | 1065,063 | 338,507 | | | |
| | 10684 | | | 34004 | | | | | |