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BRALORNE RESOURCES LIMITED

1005 TWO BENTALL CENTRE
VANCOUVER 1, BRITISH COLUMBIA

TELEPHONE (604) 683-8421 • TELEX 04-55146

DEPUTY MINISTER OF MINES
& PETROLEUM RESOURCES

REC'D ³⁰⁴ FEB 27 74 am

REFERRED	TO	DATE	INITIAL
ACCTS			
C. C.			
C. I.			
C. M. B.			
C. P. E.			

Mr. John McMyynn,
Deputy Minister of Mines &
Petroleum Resources,
Province of British Columbia,
Parliament Buildings,
Victoria, B.C.

February 26, 1974.

Dear Mr. McMyynn:

For your information we are pleased to submit a resume of the progress to date made by Bralorne Resources Limited in their endeavours to prepare the Bralorne-Pioneer mining complex for production. For our purposes the Bralorne Mine can be considered to be divided into two segments, firstly, the Upper Mine, or that portion of the mineralized zone above the 26th Level, or the 4100 foot level, serviced by the Crown and Empire shafts, and secondly the Lower Mine, or that portion of the mineralized zone below the 26th Level or the 4100 foot level, serviced by the Queen shaft. To minimize capital expenditures, it has been our intention to attempt to develop sufficient ore in the Upper Mine to warrant the start up of operations, primarily because of the high cost of rehabilitation of the Queen shaft, pumping requirements and relatively expensive mining procedures necessary on the lower levels.

To date, the 8th, or adit level, has been rehabilitated, replacing air and water lines, and electrical power conductors throughout the distance from the adit to the Crown shaft, some 5000 feet. The Crown hoist has been completely overhauled and access gained to all levels down to the 26th. This work included re-installation of the pumping system in order to de-water the sump and that portion of the 26th level in the proximity of the Crown and Empire shafts. The ore pass system and the skip loading facilities were made functional. The ventilation raise cleared to allow good circulation of fresh air to those areas considered amenable to mining. The shaft signal and communication systems were made operable. In other words, the Upper Mine was made ready for a thorough exploration program.

PROPERTY FILE

92JNE004(15) -07

↑ probably maps
could be split
to Crown & Empire
#5

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For your information we are pleased to submit a resume of the progress to date made by Bralorne Resources Limited in their endeavours to prepare the Bralorne-Pioneer mining complex for production. For our purposes the Bralorne Mine can be considered to be divided into two segments, firstly, the Upper Mine, or that portion of the mineralized zone above the 26th Level, or the 4100 foot level, serviced by the Crown and Empire shafts, and secondly the Lower Mine, or that portion of the mineralized zone below the 26th Level or the 4100 foot level, serviced by the Queen shaft. To minimize capital expenditures, it has been our intention to attempt to develop sufficient ore in the Upper Mine to warrant the start up of operations, primarily because of the high cost of rehabilitation of the Queen shaft, pumping requirements and relatively expensive mining procedures necessary on the lower levels.

To date, the 8th, or adit level, has been rehabilitated, replacing air and water lines, and electrical power conductors throughout the distance from the adit to the Crown shaft, some 5000 feet. The Crown hoist has been completely overhauled and access gained to all levels down to the 26th. This work included re-installation of the pumping system in order to de-water the sump and that portion of the 26th level in the proximity of the Crown and Empire shafts. The ore pass system and the skip loading facilities were made functional. The ventilation raise cleared to allow good circulation of fresh air to those areas considered amenable to mining. The shaft signal and communication systems were made operable. In other words, the Upper Mine was made ready for a thorough exploration program.

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A program of diamond drilling, exploring several potential unmined blocks to determine the quantity and quality of ores remaining between the 20th and 26th levels, has been completed. After approximately 8500 feet of drilling, several attractive drifting targets have been outlined.

At the time of cessation of operations in June 1971, the estimated, non-economic reserves remaining in the Upper Mine were approximately 476,000 tons. The blocks are divided among the various veins and are usually in remote parts of the mine, and it was necessary to determine their accessibility and suitability for economic mining. After having had the opportunity to go through the old workings and physically check the conditions for mining, the reserves of economically mineable ore in the Upper Mine has now been estimated to be 210,000 tons of ore with a recoverable grade of 0.287 ounces of gold per ton, the majority of which would be available with a minimum of expensive clean up. To date the total cost of this exploration program has exceeded \$1,000,000.

60,770
49,040 M
@150/oz

The tonnage and grade of the reasonably assured ore, at a price of \$150. per ounce, is almost sufficient to justify the plus \$2,000,000 investment to rehabilitate the mill, camp facilities and ancillaries. In our opinion, when this tonnage is combined with additional reserves which may be proven by the continuation of a drifting and cross cutting program to pick up the extensions in depth of known mined-out zones, a production decision would be warranted. A typical example of this is shown in accompanying Exhibit XI, 52 vein vertical longitudinal section showing ore blocks, and Exhibit XII, proposed exploration program on 52 vein - 22 level. This program would require 4150 feet of drifting and considerable stope development by raising. However, should it be successful, it has a potential of some 25,000 tons per level, or 50,000 tons between the 20th and 22nd levels, with the possible average grade of those blocks above the 20th of 0.56 ounces of gold per ton.

With a positive result from this and other exploration, it is anticipated that sufficient reserves could be developed to make it feasible to place the property in production, and the cash flow thus generated used to develop the Lower Mine. In the last year of operation, from January 1, 1971 to June 30, 1971, an average tonnage of 249 tons per day, averaging 0.52 ounces of gold per ton, were extracted from the 77 Vein in the lower working areas, According to D.D. Campbell, of Dolmage, Campbell & Associates,

Consulting Geologists, there remain 87,000 tons of probable ore grading 1.08 ounces gold per ton, over a strike length of 520', in an area to 300 feet below the 45 - 77 decline. Tonnages and grade such as these are certainly attractive, notwithstanding the inherent problems of mining at these depths.

To substantiate our rationale, the following exhibits are enclosed:

- Exhibit I - Mineral Claims Map
- Exhibit II - 51 Vein, Vertical Longitudinal section showing ore blocks
- Exhibit III - 93 Vein Vertical Longitudinal section showing ore blocks
- Exhibit IV - 55 Vein Vertical Longitudinal section showing ore blocks
- Exhibit V - 79 Vein, Vertical Longitudinal section showing ore blocks
- Exhibit VI - 59 Vein, Vertical Longitudinal section showing ore blocks
- Exhibit VII - 75 Vein, Vertical Longitudinal section showing ore blocks
- Exhibit VIII - 53 Vein, Vertical Longitudinal section showing ore blocks
- Exhibit IX - 77 Vein, Vertical Longitudinal section showing ore block, 14 - 20 levels Crown Shaft Area
- Exhibit X - 77 Vein, Vertical Longitudinal section showing ore blocks 20 - 26 levels Crown Shaft Area
- Exhibit XI - 52 Vein, Vertical Longitudinal section showing ore blocks
- Exhibit XII - Proposed exploration program of 52 Vein - 22 Level

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Exhibit XIII- Mineable Reserves - Bralorne Mine

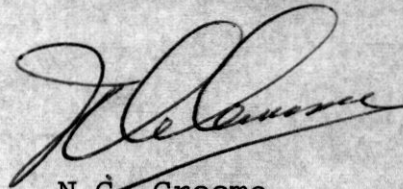
Exhibit XIV - Statement of Projected Cash Flow

Exhibit XV - Cost Estimate 52 Vein - 22 Level
Exploration Program

Exhibit XVI - Proposed exploration program
51 Vein 25 Level

Any additional information with regard to this project which you may require, will be made available at your request. Please accept our appreciation for the opportunity to discuss this matter with you and your department.

Yours very truly,



N.C. Croome,
Vice President-Mining.

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