92JNE079-07 GOLDEN CONTACT

011507

92J/9W

REPORT OF AN EXAMINATION OF

THE GOLDEN CONTACT MINE

By

Stuart S. Holland

SUMMARY

1. From the upper workings of the Golden Contact property in the period 1900-1910 ore totalling 9,190 tons was mined from which 681 ounces of gold was recovered. With gold valued at $35 an ounce this represents a recovered value of $2.59 per ton mined. The gold content of the ore mined would depend upon the percentage recovery made by the old stamp mill but probably did not amount to more than $5.18 per ton based on the assumption that the stamp mill might have operated at a recovery as low as 50 per cent.

2. The Province of February 20, 1962 reported high assays from ten samples taken by the company on the 49er level. Six represented selected samples of heavily mineralized quartz picked from the broken muck of successive drift rounds. The other four were chip samples along the west wall of the drift at the head of the raise from the lower (Pep) level. The samples are of such a nature that they cannot be used to determine the average gold content of the vein quartz exposed in the drift.

3. During the examination twenty-two samples were taken, of which thirteen were channel samples at 5-foot intervals along the section of drift previously sampled by the company.

4. Seven of the twenty-two samples assayed more than 0.10 ounce gold per ton.

5. Quadruplicate assays on ~~six~~ seven of the channel samples indicate that the samples contain gold which is randomly distributed.

6. Because of the non-uniform distribution of gold the thirteen channel samples are too few to provide a reliable basis for estimating the gold content of the vein exposed.

7. By using an arbitrary method of reducing the value of

random high gold assays a figure of 0.135 ounce per ton can be derived for the gold content of the southernmost 80 feet of the East Segment vein exposed in the 49er level of the Golden Contact mine. At $35 an ounce this average is equivalent to $4.72 a ton which is comparable to the "not more than $5.18 a ton" referred to in paragraph 1 above.

Stewart Holland

March 12, 1962.

REPORT ON AN EXAMINATION OF THE GOLDEN CONTACT MINE

by

Stuart S. Holland

Acting under instructions I left Victoria on February 26, 1962 to examine and report on the Golden Contact mine at the head of McGillivray Creek. I was accompanied by A.R.C. James, Inspector of Mines, Vancouver, who cut the channel samples Nos. 1803-1815.

Two levels, the 49er, elevation 3,174 feet, and the Pep, elevation 2,938 feet, were examined and sampled on the afternoon of February 27, on February 28, and the morning of March 1.

There is no reason to think that any of the samples were tampered with.

The property was located in 1898 as the Brett group and subsequently was worked by Anderson Lake Mining and Milling Co., National Gold Mines Ltd., and Golden Contact Mines Ltd. It is currently under option to Cassiar Copperfields Ltd. A 10 stamp mill was installed on the property in 1900 and during the period 1900 to 1910 a total of 9,190 tons of ore was mined from which 681 ounces of gold was recovered, equivalent to 0.074 ounce per ton or with gold at $35, a recovered value of $2.59 per ton. The dollar value of the ore mined would be somewhat more than $2.59 per ton recovered, depending on the percentage recovery by the stamp mill. On the assumption that the recovery by the stamp mill might have been as low as 50 per cent, the average

grade of ore treated probably was not more than $5.18.

Over the years six adits have been driven on a wide northerly striking and westerly dipping quartz vein which is cut and offset by a prominent northwesterly striking fault, thereby separating the vein into a West Segment and an East Segment. In the Pep and 49er levels, the bottom two of the six adits, there is about 600 feet of total drifting on the East Segment vein which ranges in width from 3 feet to as much as 18 feet.

Cassiar Copperfields Ltd. cleaned out and rehabilitated the Pep and 49er levels and drove a raise upward on the East Segment vein between the two levels, but currently the raise is full of broken muck and cannot be examined. On the 49er level the company just recently drove 60 feet of drift southward on the East Segment vein from the head of the raise, and it is from this 60 feet of new drift that six of the exceptionally high grade samples reported in the Province of Tuesday, February 20, 1962 were obtained.* The ten samples reported in the Province of February 20, 1962 were taken by George Vooro, mine superintendent at the property, and were assayed by Coast Eldridge of Vancouver on February 7, 1962. Their location, assay, and description are shown on the accompanying Figure 1. According to Vooro six of the samples, Nos. 1 to 4 and 9 and 10, were from successive rounds as the drift was driven southward. They comprise selected pieces of quartz heavily mineralized with

*See photocopy appended.

pyrite and were picked from the broken muck in the drift. They are not representative samples chipped or channelled across the vein and cannot be used to determine the average gold content of the vein.

Four of the samples, Nos. 5 to 8, were chipped along 5-foot lengths of the vein quartz exposed on the west side of the drift at the head of the raise.

Vooro took fifteen more samples, Nos. A1-A15, which were assayed by Coast Eldridge of Vancouver on February 15, 1962. The location of these samples and their assay is shown on the accompanying Figure 2 and appended assay certificate. According to Vooro all but two of these were chip samples taken of vein quartz exposed in the back between the head of the raise and along the new drift to the south. Two samples, A11 and A12, were grab samples from muck from the raise and from the drift. Except for two samples, Nos. A13 (10.4 oz. gold per ton) and A14 (3.20 oz. gold per ton), the balance of the assays were low.

In order to check the previous sampling results and to obtain an indication of the average gold content of the vein quartz, channel samples were taken at 5-foot intervals along the drift southward from the head of the raise. In addition selected samples of quartz well mineralized with pyrite, and of ribboned quartz were taken as indicators of the distribution of gold. No visible gold was seen in the vein during the sampling or mapping. The location of the samples are shown on the accompanying Figure 3

and the location, description, and assay results are tabulated in Table I.

Of the twenty-two samples taken thirteen were channel samples of vein quartz exposed in the drift southward from the head of the raise. Amongst the first assays of these samples those of Nos. 1807 and 1815 were 2.38 ounces gold per ton and 33.41 ounces gold per ton respectively, and that of a selected indicator sample No. 1818 was 16.50 ounces gold per ton. In these samples the bulk of the gold was caught as metallics, and in the instance of No. 1815 there was the further indication that free gold was present in the vein not necessarily associated with pyrite.

Therefore because of the apparent presence in the vein of free gold unpredictably distributed it was decided to make additional cuts of the coarse rejects of each of the three samples and to assay them. Three additional cuts were made from each of sample Nos. 1807 and 1815 and were assayed.

The following results were obtained.

Sample No.	Assay Oz. Gold per Ton	Oz. Silver per Ton
1807	Tr.	Tr.
	0.11	Tr.
	Tr.	Tr.
1815	0.17	Tr.
	8.54	1.9
	0.06	0.1
1818	Tr.	Tr.

These assays, from samples that in the first instance had produced high results, confirm the interpretation that the samples are of quartz in which there is a non-uniform or random distribution of gold.

When it was demonstrated that the gold in the vein is randomly distributed it was appropriate then to re-assay some of the samples which in the first instance had yielded low gold values. It being hoped thereby that some indication would be obtained of the frequency of occurrence of high gold values.

The following results were obtained.

	Assay	
Sample No.	Oz. Gold per Ton	Oz. Silver per Ton
1803	0.60	0.4
	Tr.	Tr.
	0.12	0.2
1804	Tr.	Tr.
	Nil	Nil
	0.03	Tr.
1806	Tr.	Tr.
	Tr.	Tr.
	Tr.	Tr.
1811	Tr.	Tr.
	Tr.	Tr.
	0.10	0.2
1812	Tr.	Tr.
	Tr.	Tr.
	Tr.	Tr.
1817	Tr.	Tr.
	0.03	0.1
	Tr.	Tr.
1822	0.04	Tr.
	0.02	0.1
	Tr.	Tr.

These additional assay results, though not as spectacular as the set above, reaffirm the conclusion that the gold in any one sample is unevenly distributed and that assays of any sample may vary widely. As a consequence of this, until a sample is consumed during the assay process, the numerical average of the assay results will not produce an accurate value of its gold content.

TABLE I

SAMPLES TAKEN BY S.S. HOLLAND AND A.R.C. JAMES AT GOLDEN CONTACT MINE, FEBRUARY 28, 1962

Sample No.	How Taken	Width	Location and Description	Assay Oz. per Ton Gold	Assay Oz. per Ton Silver
1801	chipped	1.0'	Ben's Raise - Pep level - H.W. of fault strand - quartz with small amount of pyrite	Tr.	Tr.
1802	chipped	1.5'	Ben's Raise - Pep level - H.W. of fault strand - quartz with small amount of pyrite and pyrrhotite	Tr.	Tr.
1803	channel	7.0'	East Segment - 49er level - across back north of raise - quartz with argillite partings	0.14 0.60 Tr. 0.12	0.1 0.4 Tr. 0.2
1804	channel	16.9'	East Segment - 49er level - horizontal channel along west wall of drift between fault and No. 1803, quartz with argillite partings	Tr. Tr. Nil 0.03	Tr. Tr. Nil Tr.
1805	channel	6.0'	East Segment - 49er level - across the back on the south side of the raise - quartz with argillite partings and small amount of pyrite	Nil	0.1

Sample No.	How Taken	Width	Location and Description	Assay Oz. per Ton Gold	Assay Oz. per Ton Silver
1806	channel	5.6'	East Segment - 49er level - 5 feet south of No. 1805 - quartz with argillite partings	Nil Tr. Tr. Tr.	Nil Tr. Tr. Tr.
1807	channel	5.5'	East Segment - 49er level - 10 feet south of No. 1805 - quartz with argillite partings and rare sulphides	2.38 Tr. 0.11 Tr.	0.6 Tr. Tr. Tr.
1808	channel	5.5'	East Segment - 49er level - 15 feet south of No. 1805 - faulted sections of vein quartz	0.03	0.2
1809	channel	1.8'	East Segment - 49er level - 20 feet south of No. 1805 - quartz with argillaceous inclusions and some carbonates	Tr.	0.2
1810	channel	2.0'	East Segment - 49er level - 25 feet south of No. 1805 - intermixed quartz and argillaceous material	Tr.	0.2
1811	channel	0.85'	East Segment - 49er level - 30 feet south of No. 1805 - faulted end of quartz lense	Tr. Tr. Tr. 0.10	Tr. Tr. Tr. 0.2
1812	channel	4.0'	East Segment - 49er level - 35 feet south of No. 1805 - quartz with horse of argillite	Tr. Tr. Tr. Tr.	0.2 Tr. Tr. Tr.
1813	channel	5.9'	East Segment - 49er level - 40 feet south of No. 1805 - quartz with intermixture of argillite	Nil	Nil
1814	channel	9.0'	East Segment - 49er level - 45 feet south of No. 1805 - massive quartz without mineralization	Tr.	0.2

Sample No.	How Taken	Width	Location and Description	Assay Oz. per Ton Gold	Silver
1815	channel	7.9'	East Segment - 49er level - 54 feet south of No. 1805 - quartz with inclusions of argillite	33.41 0.17 8.54 0.06	15.4 Tr. 1.9 0.1
1816	selected		East Segment - 49er level - at head of raise - selected pieces of quartz heavily mineralized with pyrite - no visible gold	0.14	0.2
1817	selected		East Segment - 49er level - 5 feet south of raise - selected pieces of quartz heavily mineralized with pyrite - no visible gold	0.01 Tr. 0.03 Tr.	0.2 Tr. 0.1 Tr.
1818	selected		East Segment - 49er level - 15 feet south of raise - quartz with "lacy" pyrite	16.50 Tr.	3.66 Tr.
1819	selected		East Segment - 49er level - 15 feet south of raise - quartz well ribboned with argillaceous partings	Tr.	0.2
1820	selected		49er level - 6-inch vein in wall of drift - see location on Figure 3	Tr.	Tr.
1821	selected		East Segment - 49er level - from west wall of drift between Nos. 1806 and 1807 - selected pieces of quartz mineralized with pyrite	Tr.	Tr.
1822	selected		East Segment - 49er level - from west wall of drift between Nos. 1807 and 1808 - selected pieces of quartz mineralized with pyrite	0.36 0.04 0.02 Tr.	0.1 Tr. 0.1 Tr.

From the assay results of the thirteen channel samples of the vein it is evident that a single assay of any individual

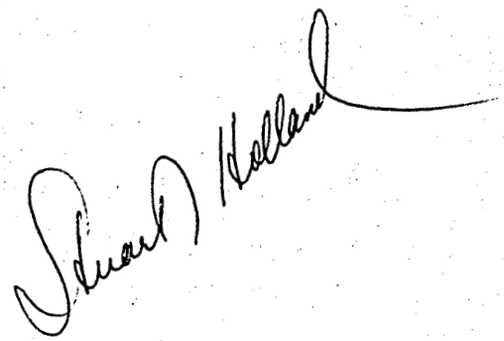
sample is not wholly reliable. This is entirely a consequence of the random gold distribution which makes a problem even of determining the correct average gold content of an individual sample. The problem is increased many times when only a few samples are available for use in assessing the average gold content of a tonnage of quartz which is many thousand times the weight of the samples assayed.

Under uniform distribution of values the assay value of a small sample is assumed to represent the assay value of a considerable tonnage of ore and in actual practice the numerical average of a comparatively small number of samples gives a result which is reasonably correct. When there is a non-uniform or random distribution of values the normal arithmetical procedure is no longer valid. Under such circumstances the average value of a considerable tonnage of material can only be determined if a large number of samples are available. Then, by any one of several arbitrary methods an average assay can be calculated.

In actual practice it is found that experience and knowledge of the frequency of occurrence of erratic high assays in the particular vein involved is necessary before a reliable average assay can be calculated.

In the instance of the East Segment vein on the 49er level of the Golden Contact mine there are too few assays of channel samples for a reliable estimate to be made of the gold content of the vein; selected samples are of no significance in

arriving at an average assay. The numerical average of the channel samples of vein only provides a figure which in turn must be "cut" or reduced in accordance with some pragmatic method. A commonly accepted practice is to cut all erratic high assays to the numerical average of the group before cutting. If this be done for the assays on the 49er level of the Golden Contact mine, a figure of 0.135 ounce per ton for the gold content of the exposed vein is derived. With gold at $35 an ounce this amounts to a value of $4.72 per ton, an amount comparable to the figure of "not more than $5.18 per ton" calculated from the returns of the early stamp-mill operation on the upper levels.



Department of Mines and Petroleum Resources

Victoria, B. C.

March 13, 1962.

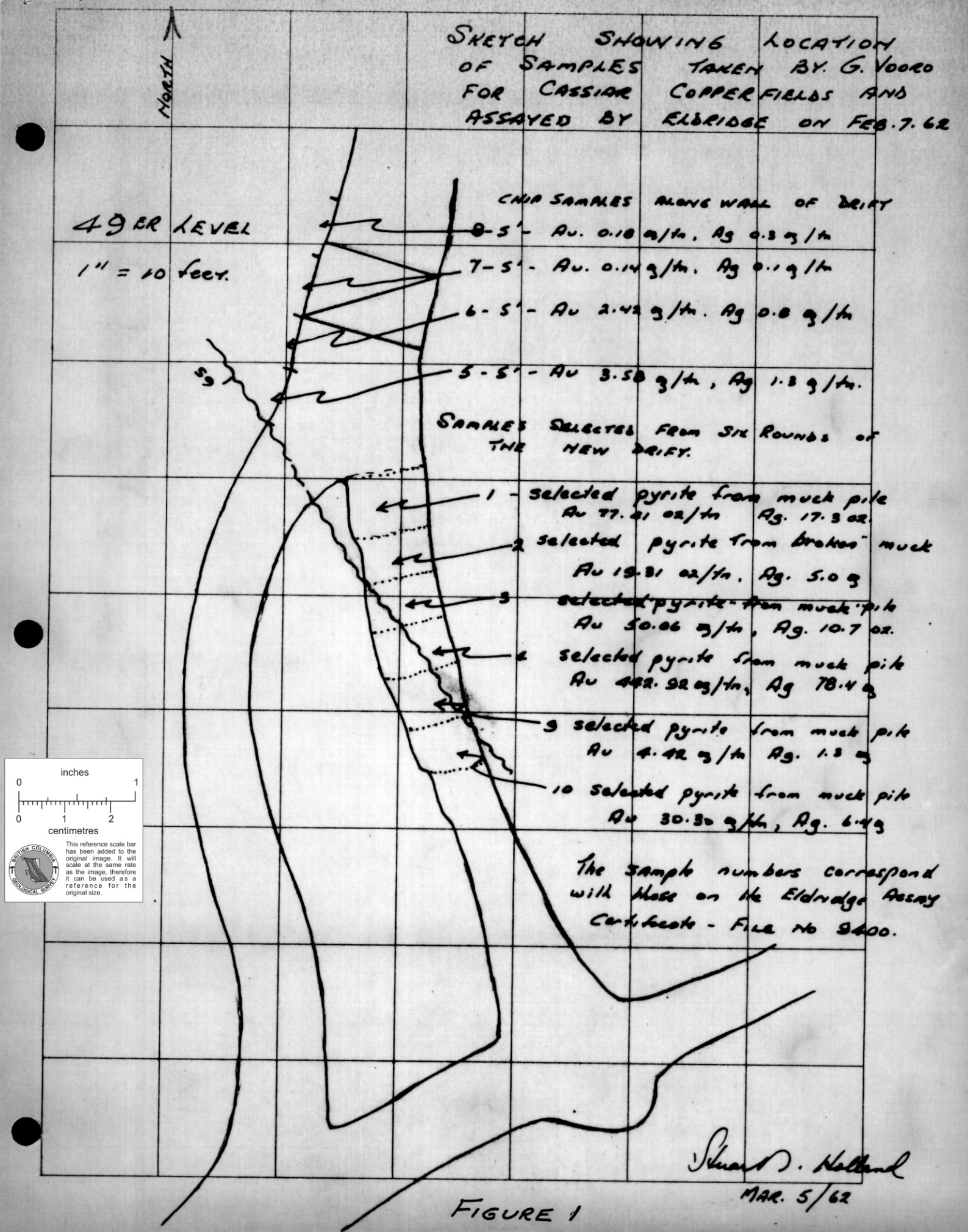

NORTH
SKETCH SHOWING LOCATION OF SAMPLES TAKEN BY G. VOORO FOR CASSIAR COPPER FIELDS AND ASSAYED BY ELDRIDGE ON FEB. 7. 62
49 ER LEVEL
1" = 10 feet.
CHIP SAMPLES ALONG WALL OF DRIFT
0-5' - Au. 0.18 g/tn. Ag 0.3 g/tn
7-5' - Au. 0.14 g/tn. Ag 0.1 g/tn
6-5' - Au 2.42 g/tn. Ag 0.8 g/tn
5-5' - Au 3.58 g/tn, Ag 1.3 g/tn.
SAMPLES SELECTED FROM SIX ROUNDS OF THE NEW DRIFT.
1 - selected pyrite from muck pile Au 77.41 oz/tn Ag. 17.3 oz.
2 selected pyrite from "broken" muck Au 19.31 oz/tn. Ag. 5.0 g
3 selected pyrite from muck pile Au 50.06 g/tn, Ag. 10.7 oz.
4 selected pyrite from muck pile Au 492.92 g/tn, Ag 78.4 g
9 selected pyrite from muck pile Au 4.42 g/tn Ag. 1.3 g
10 selected pyrite from muck pile Au 30.30 g/tn, Ag. 6.4 g
The sample numbers correspond with those on the Eldridge Assay Certificate - File No 9400.
Stuart D. Holland
MAR. 5/62
inches
0 1
0 1 2
centimetres
This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.
BRITISH COLUMBIA GEOLOGICAL SURVEY

FIGURE 1

PHONE: TRINITY 6-4111
CABLE ADDRESS "ELDRICO"

TO:

Cassiar Copperfields Ltd.,
928 West Pender St.,
Vancouver, B.C.

FILE NO. 9400

DATE February 7, 1962

Certificate of Assay

COAST ELDRIDGE

ENGINEERS & CHEMISTS LTD.

125 EAST 4TH AVE. VANCOUVER 10. CANADA

We Hereby Certify *that the following are the results of assays made by us upon submitted* ORE *samples*

MARKED		GOLD OUNCES PER TON	GOLD VALUE PER TON	SILVER OUNCES PER TON	SILVER VALUE PER TON	LEAD (Pb) PER CENT	LEAD (Pb) VALUE PER TON	ZINC (Zn) PER CENT	ZINC (Zn) VALUE PER TON	COPPER (Cu) %	COPPER (Cu) VALUE PER TON	TOTAL VALUE PER TON (2000 LBS.)
	Sulphides		$		$		$		$		$	$
0		~~TRACE~~		~~36.6~~		~~56.05~~		~~5.49~~		~~0.02~~		
1	76.66	77.41	2709.35	17.3								
2	14.12	19.31	675.85	5.0								
3	50.06	50.06	1752.10	10.7								
4	93.14	442.92	15,502.20	78.4								
5	2.34	3.58	125.30	1.3								
6	2.42	2.42	84.70	0.8								
7	0.14	0.14	4.90	0.1								
8	0.18	0.18	6.30	0.3								
9	4.42	4.42	154.70	1.3								
10	8.94	30.30	1060.50	6.4								

Average of Gold in Sulphides 25.24 ozs/t ---------- $ 883.40

Average of Gold including free gold ozs/t ---------- $2,207.45

Average of silver 12.16 ozs/t

SM-MP-961

Gold calculated at $ ..... per ounce. *Calculated at ..... cents per lb.*

Silver calculated at $ ..... per ounce. *Calculated at ..... cents per lb.*

Note: Rejects retained one week.
Pulps retained three months.
Pulps and rejects may be stored for a maximum of one year by special arrangement.

H. Shaw

Provincial Assayer

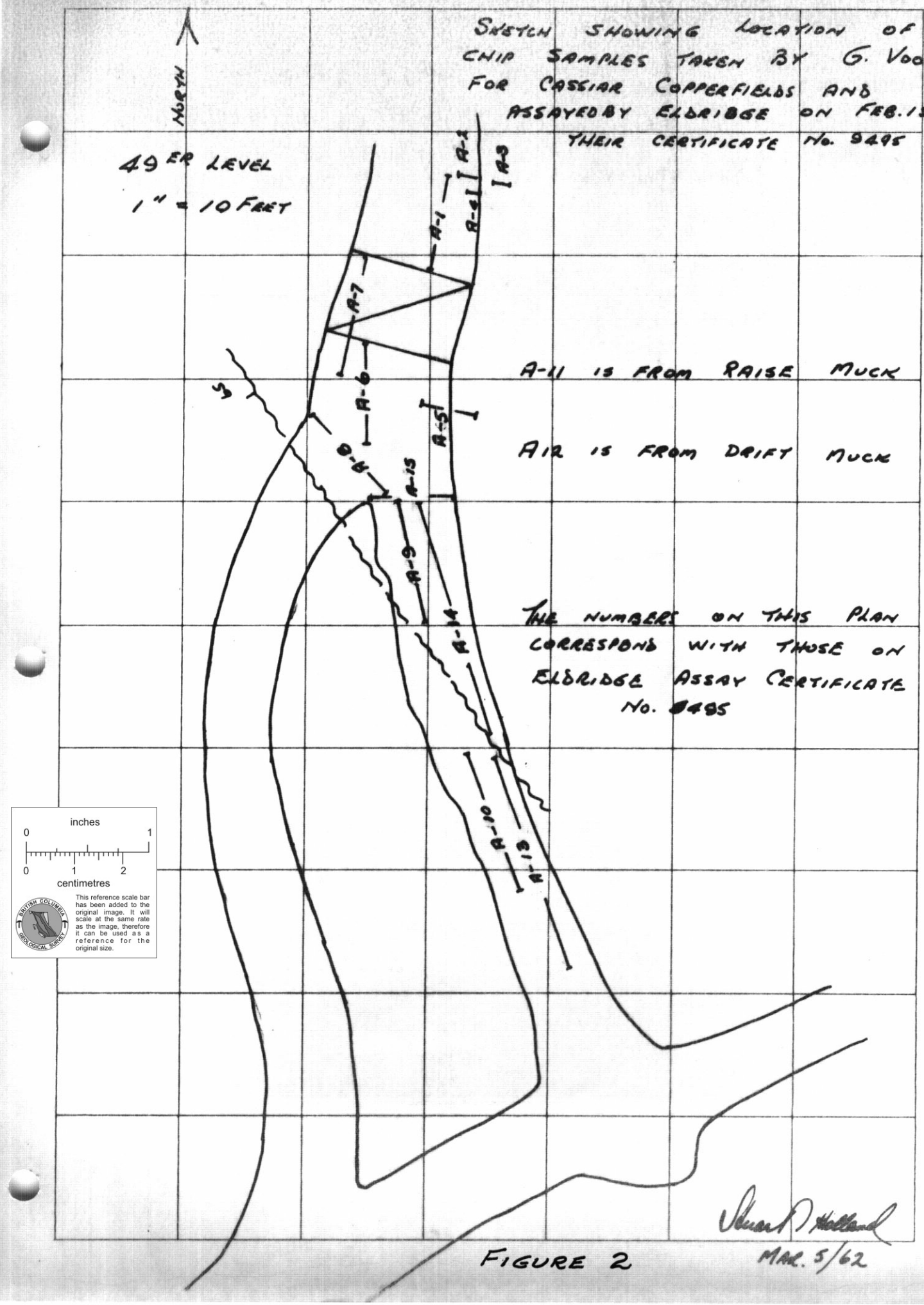

SKETCH SHOWING LOCATION OF CHIP SAMPLES TAKEN BY G. VOORD FOR CASSIAR COPPERFIELDS AND ASSAYED BY ELDRIDGE ON FEB. 15. 62 THEIR CERTIFICATE No. 9495
NORTH
49 ER LEVEL
1" = 10 FEET
A-1
A-2
A-3
A-4
A-5
A-6
A-7
A-8
A-9
A-10
A-11
A-12
A-13
A-14
A-15
A-11 IS FROM RAISE MUCK
AIR IS FROM DRIFT MUCK
THE NUMBERS ON THIS PLAN CORRESPOND WITH THOSE ON ELDRIDGE ASSAY CERTIFICATE No. 9495
inches
0
1
0
1
2
centimetres
This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.
MAR. 5/62

FIGURE 2

To:

Cassiar Coppeffields Ltd.,

928 West Pender St.,

Vancouver, B.C.

Certificate of Assay

COAST ELDRIDGE

ENGINEERS & CHEMISTS LTD.

125 EAST 4TH AVE. VANCOUVER 10, CANADA

ACCTLC Member Canadian Testing Association

PHONE: TRINITY 6-4111

CABLE ADDRESS "ELDRICO"

FILE NO. 9495

DATE February 15, 1962

We Hereby Certify *that the following are the results of assays made by us upon submitted* ORE *samples.*

MARKED	GOLD		SILVER								TOTAL VALUE
	OUNCES PER TON	VALUE PER TON	OUNCES PER TON	VALUE PER TON	PER CENT.	VALUE PER TON	PER CENT.	VALUE PER TON		VALUE PER TON	PER TON (2000 LBS.)
		$		$		$		$		$	$
A 1	0.02	0.70	0.4								
A 2	TRACE		TRACE								
A 3	TRACE		0.2								
A 4	0.01	0.35	TRACE								
A 5	0.01	0.35	0.2								
A 6	0.02	0.70	0.3								
A 7	0.10	3.50	0.4								
A 8	TRACE		0.2								
A 9	0.02	0.70	0.2		chip sampling						
A 10	0.02	0.70	TRACE								
A11	TRACE		0.1								
A 12	TRACE		0.2								
A 13	10.40	364.00	2.6	4,10.9							
A 14	3.20	112.00	0.6								
A 15	0.32	11.20	0.4								

5M-MP-961

Gold calculated at $ ..... per ounce.

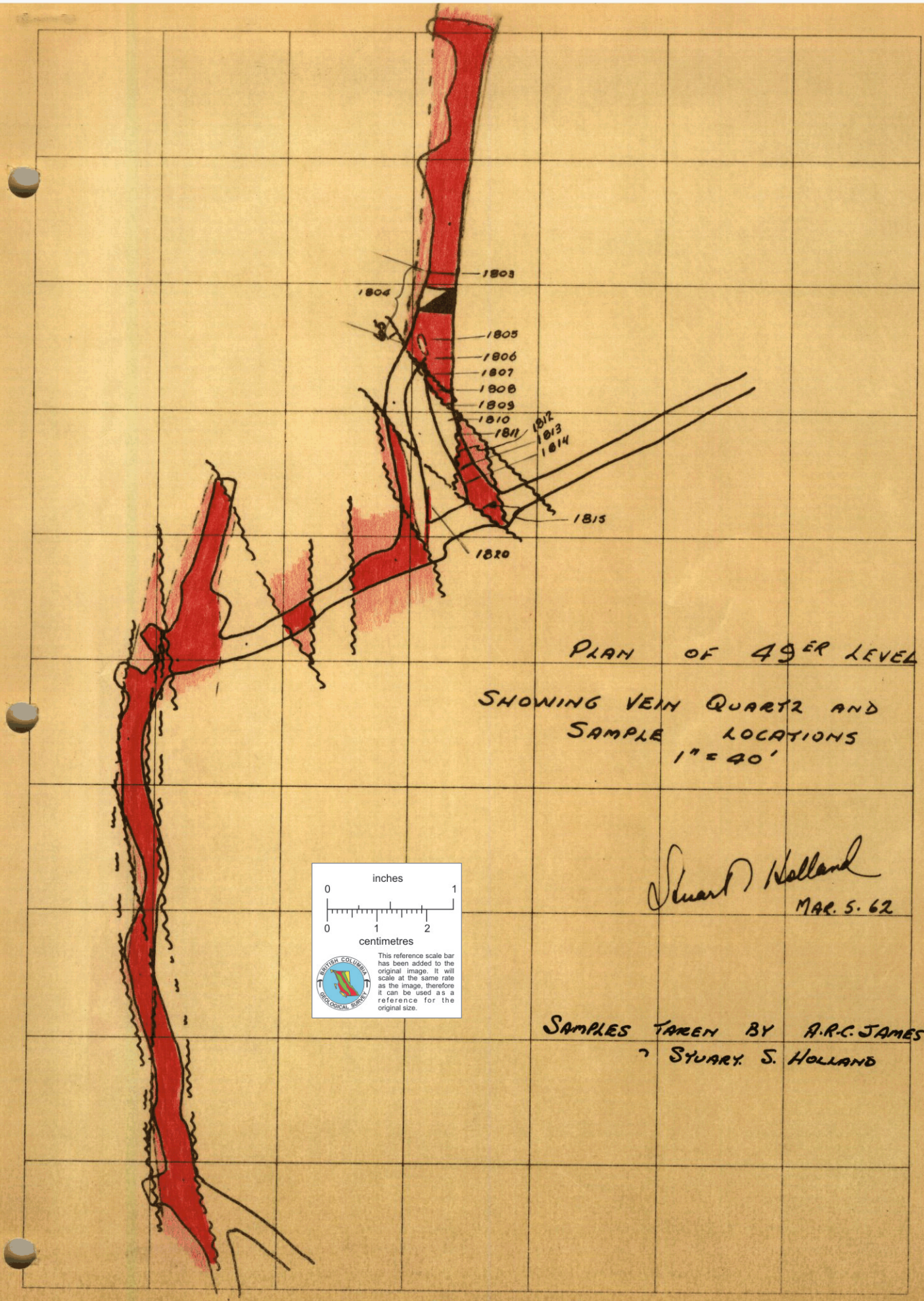
Silver calculated at $ ..... per ounce.

Calculated at ..... cents per lb.

Calculated at ..... cents per lb.

Note: Rejects retained one week.
Pulps retained three months.
Pulps and rejects may be stored for a maximum of one year by special arrangement.

H. Shaughnessy *Provincial Assayer*



PLAN OF 49ER LEVEL

SHOWING VEIN QUARTZ AND SAMPLE LOCATIONS
1" = 40'

Stuart D Holland
MAR. 5. 62

SAMPLES TAKEN BY A.R.C. JAMES
& STUART S. HOLLAND

FIGURE 3

OFFICE OF THE CHIEF ANALYST AND ASSAYER

THE GOVERNMENT OF
THE PROVINCE OF BRITISH COLUMBIA

DEPARTMENT OF MINES AND PETROLEUM RESOURCES
VICTORIA

SAMPLE RECEIVED FROM Dr. S. S. Holland

ADDRESS Department of Mines and Petroleum Resources, Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT

ASSAYS:

		Au oz.per ton	Ag oz.per ton
8519M	1801	trace	trace
8520M	1802	"	"
8521M	1803	0.14	0.1
8522M	1804	trace	trace
8523M	1805	nil	0.1
8524M	1806	nil	nil
8525M	1807	2.38	0.6
8526M	1808	0.03	0.2
8527M	1809	trace	0.2
8528M	1810	"	0.2
8529M	1811	"	trace
8530M	1812	"	0.2
8531M	1813	nil	nil
8532M	1814	trace	0.2
8533M	1815	see * at end	
8534M	1816	0.14	0.2
8535M	1817	0.01	0.2
8536M	1818	see * at end	
8537M	1819	trace	0.2
8538M	1820	trace	trace
8539M	1821	"	"
8540M	1822	0.36	0.1

* 8533M 1815

Total Au 33.41 oz. per ton
289.47 mg. of metallics contained 236.23 mg. of Au.
Pulp assay not including metallics, 7.52 oz. per ton of Au.

DATE March 12, 1962.

S. Metcalfe

CHIEF ANALYST AND ASSAYER.

OFFICE OF THE CHIEF ANALYST AND ASSAYER

THE GOVERNMENT OF
THE PROVINCE OF BRITISH COLUMBIA

DEPARTMENT OF MINES AND PETROLEUM RESOURCES
VICTORIA

SAMPLE RECEIVED FROM Dr. S. S. Holland

ADDRESS Department of Mines and Petroleum Resources, Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT
8533M cont'd.		Total Ag 15.40 oz. per ton 289.47 mg. of metallics contained 53.24 mg. of Ag. Pulp assay not including metallics, 9.54 oz. per ton of Ag. Weight of pulp including metallics 268 grams.
* 8536M	1818	Total Au 16.50 oz. per ton 145.87 mg. of metallics contained 119.37 mg. of Au Pulp assay not including metallics, trace of Au. Total Ag 3.66 oz. per ton 145.87 mg. of metallics contained 26.5 mg. of Ag. Pulp assay not including metallics, trace of Ag. Weight of pulp including metallics 213 grams.
8521M	1803	A. Pulp assay not including metallics Au 0.58 oz. per ton Ag 0.4 oz. per ton 0.36 mg. of metallics contained 0.31 mg. of Au and 0.05 mg. of Ag. Total Au 0.60 oz. per ton Ag 0.4 oz. per ton Weight of pulp including metallics 393.35 grams. B. Pulp Au tr., Ag tr. Metallics Au tr., Ag tr. Weight of pulp including metallics 425.05 grams.

DATE March 12, 1962.

S. Metcalfe
CHIEF ANALYST AND ASSAYER.

OFFICE OF THE CHIEF ANALYST AND ASSAYER

THE GOVERNMENT OF
THE PROVINCE OF BRITISH COLUMBIA

DEPARTMENT OF MINES AND PETROLEUM RESOURCES
VICTORIA

SAMPLE RECEIVED FROM Dr. S. S. Holland

ADDRESS Department of Mines and Petroleum Resources, Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT
8521 cont'd.		C. Pulp assay not including metallics Au 0.06 oz. per ton Ag 0.2 oz. per ton 1.10 mg. of metallics contained 0.82 mg. Au and 0.3 mg. Ag. Total Au 0.12 oz. per ton Ag 0.2 oz. per ton. Weight of pulp including metallics 406.31 grams.
8522M	1804	A. Pulp Au trace Ag trace Metallics Au trace Ag trace Weight of pulp including metallics 493.65 grams. B. Pulp Au nil Ag nil Metallics Au nil Ag nil Weight of pulp including metallics 527.22 grams C. Pulp assay not including metallics Au trace Ag trace 0.76 mg. metallics contained 0.54 mg. Au and 0.2 mg. Ag. Total Au 0.03 oz. per ton Ag trace. Weight of pulp including metallics 507.74 grams.
8524M	1806	A. Pulp Au nil Ag nil Metallics Au trace Ag trace Weight of pulp including metallics 468.31 grams. B. Pulp Au nil Ag nil Metallics Au trace Ag nil Weight of pulp including metallics 488.66 grams.

DATE March 12, 1962.

S. Metcalfe

CHIEF ANALYST AND ASSAYER.

OFFICE OF THE CHIEF ANALYST AND ASSAYER

THE GOVERNMENT OF
THE PROVINCE OF BRITISH COLUMBIA

DEPARTMENT OF MINES AND PETROLEUM RESOURCES
VICTORIA

SAMPLE RECEIVED FROM Dr. S. S. Holland

ADDRESS Department of Mines and Petroleum Resources, Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT
8524M cont'd.		C. Pulp Au nil Ag trace Metallics Au trace Ag trace Weight of pulp including metallics 467.21 grams.
8525M	1807	A. Pulp Au trace Ag nil Metallics Au trace Ag trace Weight of pulp including metallics 293 grams. B. Pulp assay not including metallics Au trace Ag trace 1.3 mg. of metallics contained 0.95 mg. Au and 0.3 mg. Ag. Total Au 0.11 oz. per ton Ag trace Weight of pulp including metallics 260.82 grams. C. Pulp Au trace Ag nil Metallics Au trace Ag trace Weight of pulp including metallics 257.12 grams.
8529M	1811	A. Pulp Au trace Ag 0.1 oz. per ton Metallics Au nil Ag trace Weight of pulp including metallics 169.34 grams. B. Pulp Au trace Ag 0.2 oz. per ton Metallics Au trace Ag trace Weight of pulp including metallics 141.87 grams. C. Pulp assay not including metallics Au trace Ag 0.2 oz. per ton 0.64 mg. of metallics contained 0.49 mg. Au and 0.2 mg. Ag.

DATE March 12, 1962.

S. Metcalfe

CHIEF ANALYST AND ASSAYER.

OFFICE OF THE CHIEF ANALYST AND ASSAYER

THE GOVERNMENT OF
THE PROVINCE OF BRITISH COLUMBIA

DEPARTMENT OF MINES AND PETROLEUM RESOURCES
VICTORIA

SAMPLE RECEIVED FROM Dr. S. S. Holland

ADDRESS Department of Mines and Petroleum Resources, Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT
8529M	1811	C. cont'd. Total Au 0.10 oz. per ton Ag 0.2 oz. per ton Weight of pulp including metallics 145.28 grams.
8530M	1812	A. Pulp Au trace Ag trace Metallics Au trace Ag trace Weight of pulp including metallics 542.84 grams. B. Pulp Au trace Ag 0.1 oz. per ton Metallics Au trace Ag trace Weight of pulp including metallics 475.78 grams. C. Pulp Au trace Ag trace Metallics Au trace Ag trace Weight of pulp including metallics 524.13 grams.
8533M	1815	A. Pulp assay not including metallics Au trace Ag trace 1.36 mg. of metallics contained 0.96 mg. Au and 0.4 mg. Ag. Total Au 0.17 oz. per ton Ag trace Weight of pulp including metallics 163.28 grams. B. Pulp assay not including metallics Au 0.44 oz. per ton Ag 0.2 oz. per ton 63.66 mg. of metallics contained 52.63 mg. Au and 11.0 mg. Ag. Total Au 8.54 oz. per ton Ag 1.9 oz. per ton Weight of pulp including metallics 189.55 grams.

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LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT
8533M cont.		C. Pulp Au 0.06 oz. per ton Ag 0.1 oz. per ton Metallics Au trace Ag trace Weight of pulp including metallics 174.22 grams.
8534M	1816	A. Pulp Au trace Ag 0.1 oz. per ton Metallics Au nil Ag trace Weight of pulp including metallics 152.8 grams B. Pulp assay not including metallics Au trace Ag 0.1 oz. per ton 0.26 mg. of metallics contained 0.18 mg. of Au and Ag 0.1 oz. per ton Total Au 0.03 oz. per ton Ag 0.1 oz. per ton Weight of pulp including metallics 164.46 grams. C. Pulp Au trace Ag trace Metallics Au nil Ag nil Weight of pulp including metallics 156.31 grams.
8536M	1818	Pulp Au trace Ag trace Metallics Au trace Ag trace Weight of pulp including metallics 76.21 grams.
8540M	1822	A. Pulp Au 0.04 oz. per ton Ag trace Metallics Au nil Ag nil Weight of pulp including metallics 146.72 grams. B. Pulp Au 0.02 oz. per ton Ag 0.1 oz. per ton Metallics Au trace Ag trace Weight of pulp including metallics 151.26 grams.

DATE March 12, 1962.

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LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT
8540M cont.		C. Pulp Au trace Ag nil Metallics Au trace Ag nil Weight of pulp including metallics 154.64 grams.

DATE March 12, 1962.

S. Metcalfe

CHIEF ANALYST AND ASSAYER.

			Numerical Av.	Bragmatic Method to calculate "cut" aways.
8521	0.14 0.60 Tr 0.12. 4 | .86 |	0.215	0.215	0.215
8522	Tr Tr. Nil. 0.03.	0.007½	0.007½	0.007½
8524	Nil		—	—
8525	2.38 0.11 Tr Tr 4 | 2.49 |	0.622	0.622	0.622
8526.		0.03	0.03	0.03
8527		Tr.	—	—
8528		Nil	—	—
8529	Tr. Tr Tr. 0.10 4 | .10 |	0.025	0.025	0.025
8530	Tr. Tr Tr Tr	Tr.	—	—
8531.		Nil	—	—
8532		Tr.	—	—
8533.	33.41 8.54 0.17 0.06 4 | 42.18 |	10.54	10.54 13 | 11.43 10 4 1.03 1.04 Av. 0.88.	0.88. 13 | 1.779 | .135 13 47 39 89 Weighted Av. 8½ 0.135

THE PROVINCE FEB. 16. 1962

High gold assay reported by Cassiar Copperfields

Some of the highest precious metal assays ever recorded in Canadian mining are reported today by Cassiar Copperfields Ltd.

The assays are from recent drifting on the "49er" level at elevation 3,120 feet in the Golden Contact mine at McGillivray Falls, seven miles east of the Pioneer gold mine.

These assay reports have been made by Coast Eldridge Engineers & Chemists Ltd. of Vancouver.

A 60-foot length over a full drift width in a north branch of the main vein has assayed over equal 5-foot intervals an average of 25.24 ounces gold, together with 12.16 ounces of silver per ton in the sulphides. With the inclusion of free gold the average was increased to 63.07 ounces gold per ton.

One spectacular face, over a full drift width, assayed 442.92 ounces gold, equivalent to $15,502 per ton.

A northerly trending shoot from the "Pep" level, 265 feet vertically below the 49er level, has also encountered spectacular assays including abundant free gold in the projected position of persistence of the above vein.

Mill construction is nearing completion and operation may start in April.

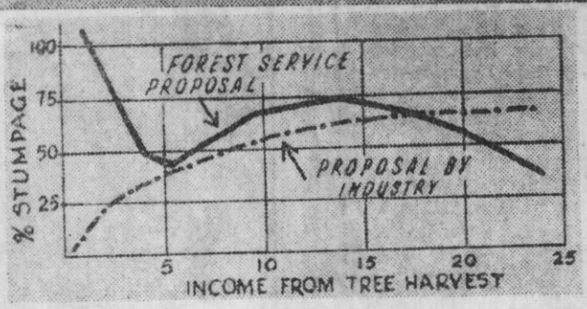
Low birth rate may reduce credit rate

EDMONTON (CP) — A professor of human genetics says consumer credit may be in for a decline because of a low birth rate in the 1930's.

Dr. Margaret Thompson of the University of Alberta told a Credit Granters' Association meeting the low birth rate meant there would be fewer marriages in the next 10 years and young married couples were among the greatest users of credit.

Some compensation for this trend, Dr. Thompson said, might come from the demand for credit by increasing numbers of teenagers.

BUSINESS



OUTDATED STUMPAGE POLICY needs overhauling, forest industry claims. Under present policies, the government takes greatest share of the income from harvesting trees when the operator can least afford it and decreases its share when income is high. Industry proposes that any profit earned from logging operations in Crown timber be fairly divided between operator and government. See business column.

New stumpage plan a fair deal

By PAT CARNEY

Suppose you ran a business in which the government took the largest share of your income — maybe more than you earned—when business was poor.

Suppose at the same time you were tied to a contract which forced you to keep on operating, if you wished to stay in business, even though you had no hope of making any money and knew you would be running in the red.

You wouldn't be very happy.

Neither is the B.C. forest industry. That is why it is asking the B.C. legislative committee on forestry and fisheries to take a good look at the government's stumpage policies.

The unfamiliarity of this word "stumpage" sometimes scares off people attempting to follow the problems of the forest industry. But it is not as technical as it sounds. "Stumpage" is the price charged by the government for Crown timber "on the stump." It is a very important cost to the forest industry.

Stumpage is based on the concept that the government, as trustees of the public's forests, should share in any income earned by the conversion of the tree into a primary product. The amount of stumpage the operator pays for the timber is related to the price he receives for logs or lumber.

So far so good. But the government's stumpage policy results in a curious paradox; because of certain arbitrary regulations, the government's share of the income increases when the operator can least afford it, and decreases when the income is high.

Thus the government may take about 60 per cent of the income from harvesting the trees when the operator is making good money, but may take more than 100 per cent of the income from timber with a low profit margin.

The effect of this policy on the industry has been outlined to the committee by the Council of Forest Industries of B.C. and by Gordon Draeseke, vice-president of Rayonier Canada (B.C.) Ltd.

They say the present stumpage policy:

- Encourages loggers to "high grade" the forests, taking out the most valuable timber and leaving the rest, when possible.
- Results in serious undercutting of the forests. Mr. Draeseke estimates that B.C.'s forests can support three times the present annual cut, and that the two-thirds not being cut can never be recovered.

Could make more jobs

- Hampers the province's growth. Mr. Draeseke estimates the full potential of the coastal forests alone could provide jobs for 105,000 workers and increase provincial revenues by $52 over in the government's policy of "minimum stumpage," under which the governmet collects a certain percentage of the sale price of the log, even though the operator earned no profit

Govt. asks report on assays

Reports of remarkably high gold assays at the Golden Contact mine, in the Bralorne-Pioneer district, sparked a small rush of staking in the area.

Meantime, J. Stewart Smith, superintendent of brokers, said he had asked the B.C. department of mines to send a man to the mine to check the reports issued by the company.

First published report of the assays appeared in The Province Friday morning, the day of the 50th anniversary prospecting conference of the B.C. & Yukon Chamber of Mines.

LEFT PARLEY

The report caused a buzz of interest and some prospectors are reported to have left the conference to get into the staking area. Some, who were at the conference, were in the area in the next day or two. The area is reported now to be staked solid on the north, east and west of the mine.

Among groups who have staked are the Highland-Bell interests, headed by Karl Springer, and the McIntyre Porcupine interests.

The Golden Contact mine is operated by Cassiar Copperfields Ltd. This company is capitalized at five million shares of which 4.5 million are issued and outstanding.

The high assay reports drove the share prices, trading over-the-counter, to a high of 50 cents on Friday. Possibly due to public uncertainly, they dropped to 22 cents bid on Monday.

President of the company is John McKelvie of Vancouver and secretary-treasurer is Reg. Panton of Longview, Wash. Other directors are Dr. G. W. Robertson, Bralorne; Fred W. Welch, H. M. Hanbury and Harold Koffman, Vancouver; S. Alexander and Dr. Frank Donaghue, Longview.

ASSAY REPORT

The reported assays were taken on successive equal six-foot intervals over 60 feet on the 49er vein at elevation 3,120 feet. They are of full drift width (five feet). They are as follows, in ounces:

Gold in sulphides	Total gold incl. free	Silver
——	77.41	17.3
76.66	79.31	5.0
14.12	50.06	10.7
50.06	442.92	78.4
2.34	3.38	1.3
2.42	2.42	0.8
0.14	0.14	0.9
0.18	0.18	0.3
4.42	4.42	4.3
8.94	30.30	6.4

Average of the 10 assays was 25.24 ounces gold in sulphides, total of 63.07 ounces including free gold and 12.16 ounces silver.

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VICTORIA

SAMPLE RECEIVED FROM: Dr. S. S. Holland
Geologist,
Department of Mines and Petroleum Resources,
ADDRESS: Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT	Au oz.per ton	Ag oz.per ton
Golden Contact.		Assays:		
8523M	1805	#1	trace	0.1
		#2	"	trace
		#3	"	nil
Balance of the samples		#4	nil	"
8526M	1808	#1	trace	0.2
		#2	nil	nil
		#3	trace	trace
		#4	"	0.3
8527M	1809	#1	trace	0.4
		#2	"	trace
		#3	"	"
		#4	"	"
8528M	1810	#1	trace	0.1
		#2	"	0.2
		#3	"	0.2
		#4	"	0.3
8531M	1813	#1	trace	nil
		#2	"	"
		#3	"	"
8532M	1814	#1	trace	trace
		#2	nil	"
		#3	trace	"
		#4	"	"

DATE: December 14, 1962.

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Department of Mines and Petroleum Resources,
ADDRESS: Buildings.

LABORATORY No.	SUBMITTER'S MARK	LABORATORY REPORT		
			Au	Ag
8537M	1819	#1	trace	0.2
		#2	nil	nil
		#3	"	trace
		#4	"	"
8538M	1820		trace	trace
8539M	1821	#1	trace	trace
		#2	"	"
		#3	"	"

Note: The assays listed under each sample number were performed on different cuts of the coarse rejects, except for sample 8538M where there was not enough material for more than one assay. None of the cuts yielded metallics.

DATE: December 14, 1962.

S. Metcalfe
CHIEF ANALYST AND ASSAYER.