

884554

TGS → Kenville  
(From: Jim Laird  
July 7/04)

**GRANITE-POORMAN MINE,**  
**NELSON, BC**  
**BC's First Producing Hard-Rock  
Gold Mine**

By: James Laird  
Laird Exploration Ltd.

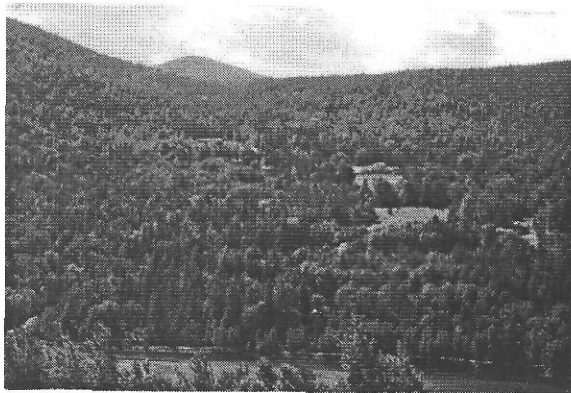


Photo By James Laird

The Granite-Poorman Gold Mine, more recently known as the Kenville Mine, has been an important BC gold producer for more than a century, and recent discoveries could bring it into production once again. The mine has produced more than 2 tonnes of gold from about 180,000 tonnes of ore, including the first recorded gold production from hard-rock gold veins in BC history.

The mine property is located 10 kilometres west of Nelson, B.C. in the small community of Blewett. Road access to Nelson is via Blewett Road to the Kenville Mine Road. An alternate route connects through Bedford Road three kilometres to Highway 3A, which is about 60 kilometres from Cominco's smelter at Trail B.C.

Present facilities at the minesite include a 250 tonne per day ore crusher, extensive underground mining equipment, compressor, maintenance shop, assay lab, miner's dry, engineering office, core storage, Mine manager's residence, and more. The City of Nelson supplies electrical power and water is obtained from Eagle Creek. The mine property consists of 15 Crown-Granted mining claims and

10 staked claims totaling 430.88 hectares (1064.79 acres); and 38.73 hectares (95.7 acres) of surface property, all owned by Anglo Swiss Resources Inc. (TSX) of Vancouver.

Mature second-growth forest of larch, fir, hemlock, cedar, birch and yew covers much of the mine property. A network of old mining and logging roads provides access to most of the Eagle Creek drainage area. Typically, snow is expected from November through to February and can accumulate as much as three metres in the higher elevations. Heavy rains in the springtime make for a quick snow run-off, and warm, sunny weather is normal for summer and early fall.

**Mining History of Eagle Creek**

The Nelson area of the Kootenays has a long and interesting mining history, which dates back to the earliest years of exploration and discovery in British Columbia. Prospectors, trappers and finally settlers came north across the border from the active mining camps in the United States, and also from the coast, following the great discoveries of placer gold on the Fraser River. Some of the first explorers up the Kootenay River found placer gold in paying quantities on 49 Creek, a few kilometres west of Eagle Creek. Prospectors, following the lure of gold up every watercourse to be found, soon detected gold flakes in the sands of Eagle Creek. The gold became coarser upstream and led to fragments of white quartz with visible gold beside the creek. A short distance uphill, the legendary Poorman Vein was uncovered, quickly followed by discovery of the rich Granite Vein.

The Poorman Vein was first accessed underground by a 30 metre crosscut tunnel, and developed by a 150 metre long drift on the ore. A water-powered 3-stamp Chalmers mill, the first in British Columbia, ground the quartz ore and extracted the free gold. News of the spectacular shoots of raw gold found in the veins quickly spread,

which prompted the owners to post armed guards. By the late 1880's, Eagle Creek Gold Mining Company operated a 20-ton per day underground gold mine on the Poorman Vein and had begun construction of a 10-stamp mill. This was British Columbia's first producing hard-rock gold mine, officially reporting 500 ounces in 1889. Gold production from the Poorman Vein was closely followed by startup of the famous Silver King Mine, located about 10 kilometres to the southeast, and discovery of the Rossland gold mining camp.

Recorded production from the Granite and Poorman veins up to the turn of the century was 23,622 tonnes of ore containing 12,818 ounces of gold. True gold production was surely much higher, given the free-milling nature of the ore that allowed gold bars to be poured on site. In 1899, Granite Gold Mines Ltd. commissioned a 20-stamp mill on the bank of the Kootenay River near the mouth of Eagle Creek, and constructed an aerial tramway to transport the ore. Duncan United Mines Ltd., a large British mining company, ran the operation until 1904. For the rest of the decade, individual leasers mined the veins and supplied high-grade ore to the Granite mill.

In 1911, a new company known as Kootenay Gold Mines Ltd. acquired the Granite and Poorman mines, and began development work on the newly discovered Hardscrabble and Greenhorn veins. One wheelbarrow load of ore from the Beelzebub Vein in the Granite workings was reported to contain 350 ounces of gold. Numerous lesser gold veins such as the Dundee, Paradise, Majestic, Star, Alma N, Royal Canadian, Nevada, Central and Evening Star occasionally shipped hand-sorted high-grade ore to the Granite mill. Just upstream from the Poorman Mine, incredibly rich shoots of wire silver, native copper and free gold in a gangue of turquoise, chrysocolla and malachite were found in the Eureka Mine.

Prior to 1912, the Granite and Poorman mines reportedly produced 90,000 tonnes of ore containing over \$1,000,000 in gold. Production tapered off during World War I. By this time, much of the high-grade gold ore shoots on the Poorman, Granite and Hardscrabble veins had been mined out. Again, small time leasers descended on the veins and periodically supplied the Granite Mill with small tonnages of hand-sorted ore. In 1928, an ambitious new company called Granite-Poorman Mines Ltd. began to drive a 1200 metre long lower level tunnel from the Granite millsite to tap the veins at greater depth. The company completed 320 metres of tunneling before the money ran out.

The Livingstone Mining Company of Seattle, managed by Harold Smith, took control of the mines in 1932 and organized a group of leasers to mine high-grade ore from the many known veins. In 1933, the Granite mill was moved up to the present millsite beside Eagle Creek, and work began on the new 2570 level adit. Underground development proceeded slowly during the next decade with only a few thousand tonnes mined and milled each year under the direction of Harold Smith.

In 1936 and 1937, two new veins were discovered by a miner named Albert Norcross while ground-slucing on the Venango claims west of Eagle Creek. Underground development commenced in 1938, and sacks of gold ore were shipped directly to the Cominco smelter at Trail, B.C. High-grade tungsten was also identified in the Venango veins. In 1940, the mine owner reported production of 1350 tonnes of ore containing 700 ounces of gold.

Kenville Gold Mines Ltd., a company controlled by Quebec Gold Mining Corporation and Noranda Mines Ltd., purchased the Granite, Poorman and Venango properties in 1944. Prior to this, the mines had officially produced 116,000 tonnes of ore containing

47,043 ounces of gold, with some silver, copper and lead credits. In 1945, Kenville Gold Mines Ltd. commenced a comprehensive exploration program designed to develop 100,000 tonnes of mineable ore. Over 10,000 metres of diamond drilling and a detailed geological study revealed the existence of several new gold veins between the Poorman and the Granite.

After the 2570 level adit was pushed through to the old lower mine levels on the Hardscrabble Vein, a crosscut tunnel was driven east to the Midway Vein. The Yule Vein was encountered by the crosscut on Christmas Day, 1946 and the Flat Vein soon after. In total, 2700 metres of underground development was done prior to commissioning the 100 tonne per day Kenville mill in November 1947. From this time until the company ceased mining activity in 1950, 61,500 tonnes of ore containing 17,166 ounces of gold with some silver, copper, lead and zinc were produced.

For the next decade, the Kenville mill operated as a custom mill and base metal concentrator. Small mines throughout the Kootenays shipped ore until final closure and decommissioning in 1962. Occasional small shipments of high-grade gold ore were made directly to the Trail smelter from the Venango and Granite mines in the early 1960's.

In 1969, Algoma Industries and Resources Ltd. acquired the Kenville Mine property. The company re-opened the 2570 level tunnel and began rehabilitation of the mine and mill. No production was recorded. The De Kalb Mining Company of Calgary optioned the Kenville and Venango properties in 1980. The company drilled 11 surface holes totaling 1100 metres on the Venango vein system, and 10 surface holes totaling 1830 metres west of the Kenville Mine to investigate for extensions of the Flat Vein. Several promising gold and copper-rich drill intersections were

encountered but a corporate restructuring of De Kalb resulted in the company relinquishing the option.

Coral Industries Ltd. purchased the Kenville Mine property from Algoma in 1986, and began a complete rehabilitation of the 2570 level including trackage and air supply piping. The Venango claims were acquired in 1989. In 1991, a 163 tonne bulk sample of ore grading 0.46 oz/t gold was mined from the Jewelry Box stope on the Flat Vein, and shipped to the Asarco smelter at Helena, Montana.

Ownership of the mines transferred in 1992 to 409556 B.C. Ltd., a private company, who in turn transferred title to Anglo Swiss Industries Inc., a publicly traded company. Anglo Swiss continued underground exploration with a small diamond drill rig testing for new ore shoots. During 1992 and 1993, small-scale test production from the Jewelry Box stope was processed at the custom milling operation of Bow Mines Ltd. located near Greenwood, B.C. Returns indicated excellent gold recovery using a combination of jig concentration and floatation.

In February 1995, Teck Exploration Ltd. entered into an option agreement with Anglo Swiss Industries Inc. to earn a majority interest in the Kenville Mine property by making cash payments and scheduled expenditures on exploration and development. Teck Exploration Ltd. hired James Laird of Laird Exploration Ltd., and along with Teck geologist Greg Thompson commenced a 5 hole, 1140 metre surface diamond drill program and detailed prospecting in July 1995. The drill program focused on confirming the existence of broad zones of disseminated copper-gold mineralization first encountered in drill holes done by Kenville Gold Mines Ltd. in 1945. A bulk-tonnage, porphyry copper-gold deposit was Teck's main geological target.

Teck's drill program successfully located several zones containing copper, silver, gold and molybdenum

mineralization, and also intersected a 2.6 metre wide quartz vein. The new vein, now known as the Eagle Vein, is located midway between the Hardscrabble and Venango veins in an area of overburden cover. Both drill intersections on the Eagle vein contained coarse visible gold, and one 0.25 metre sample section graded 2.64 oz/t gold. The deepest vein intersection was 75 metres below the lowest developments on the adjoining Hardscrabble and Venango veins, thereby inferring considerable additional development potential in the mines. The Eagle Vein is unique in that it dips moderately to the west, perpendicular to the known mine veins and parallel to regional shearing and foliation in the host diorite. Despite promising results, Teck returned the Kenville property to Anglo Swiss in February 1997.

Anglo Swiss Resources Inc. contracted Laird Exploration Ltd. in 1997 to investigate the Eagle Vein, which subsequently performed a geochemical soil survey designed to assist in targeting additional drill sites. The geochemical soil results defined a large gold, silver, copper, and molybdenum anomaly west of the Eagle Vein and east of Teck's 1996 drilling. The strongly anomalous survey area is covered with forested overburden and is virtually unexplored.

A geological compilation of historical Poorman Mine data in 1998 by Laird Exploration Ltd. also identified several areas within the old mine workings which could host potential high-grade gold ore reserves. The old prospector's saying of "The best place to look for a new mine is beside an old mine" best captures the fascinating mining history of Eagle Creek.

Copyright 2002 by James Laird