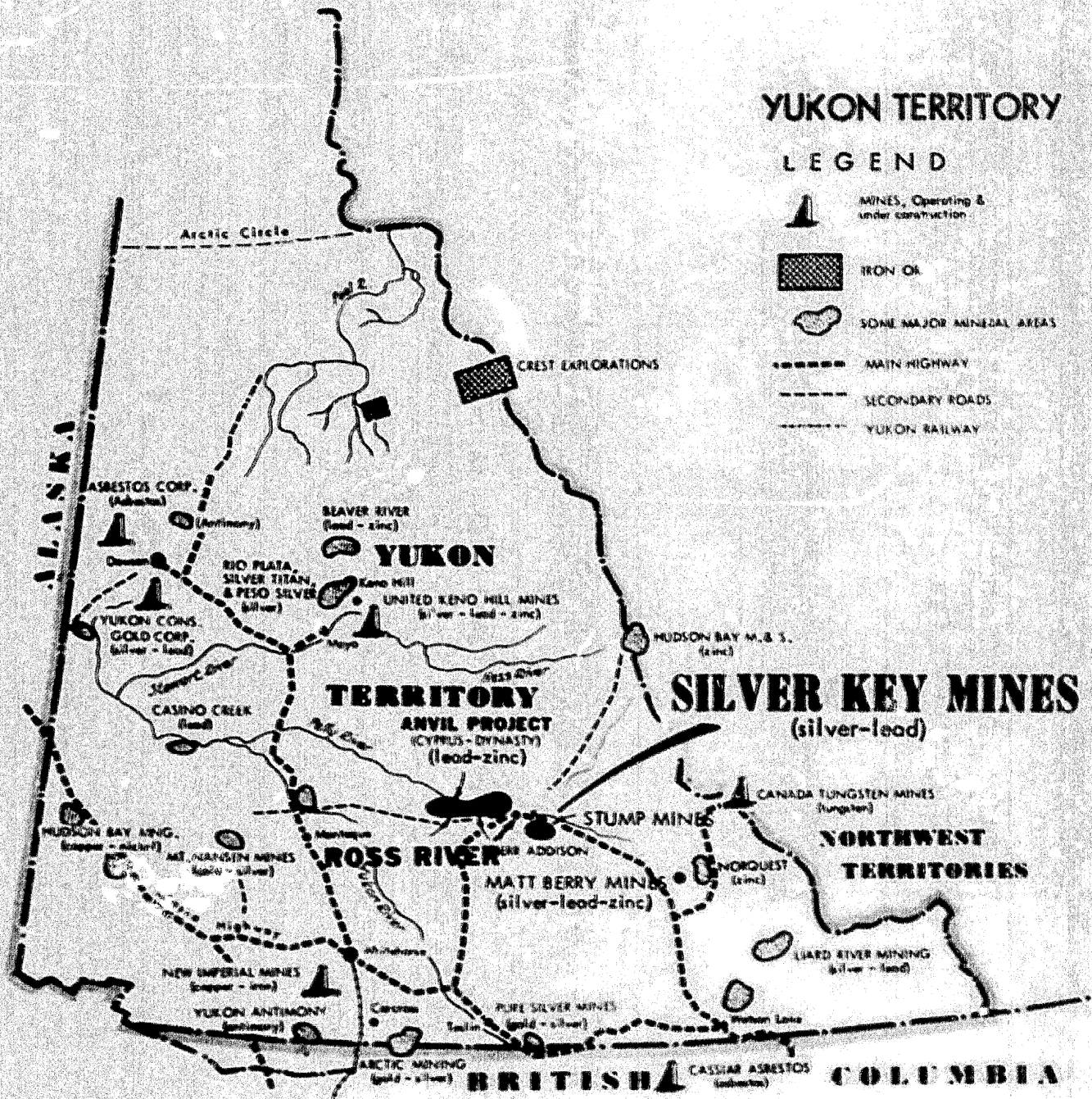


ASSESSMENT REPORTS

MAP No. 105-F-16 TYPE OF WORK: Geology, Geochemical

REPORT FILED UNDER	Silver Key Mines Ltd. - Stump Mines Ltd.	
DATE PERFORMED		DATE FILED: 1968
LOCATION - LAT.	61° 33'N	Ketza River Area
LONG.	132° 10'W	Yukon
CLAIM Nos.		
WORK DONE BY	Silver Key Mines Ltd. and Stump Mines Ltd.	
WORK DONE FOR		
REMARKS	This report includes information in the geology, geochemistry, reserves and assays (of silver, lead and gold) of the combined holdings of Stump Mines Ltd. and Silver Key Mines Ltd.	

# ROSS RIVER: New economy for Yukon



## AREA EXPLORATION:

Your company's Silver-Lead deposits are located in the Ross River district of the Yukon Territory. Other mining companies have indicated by drilling in the immediate area Lead-Zinc ore worth in the vicinity of \$1.5 billion on the basis of current prices. The Canadian Federal Government, vitally interested in seeing a new economy established in the Yukon, is prepared to co-operate in the building of a large tonnage mining operation on the strength of these deposits.

## INFORMATION FOR SHAREHOLDERS

# SILVER KEY MINES LIMITED

1102 - 347 Bay St.  
TORONTO 1, Ontario.

TELEPHONE  
366-0705

LETTER NO. 5  
March, 1967

### COMPANY'S HOLDINGS:

The Silver Key Mines' mineral holdings in the Ross River area of the Yukon Territory consist of 130 wholly-owned and 38 optional claims. A 10% interest in the 18 Tip Claims staked by Stump Mines Ltd., adjacent to the southeast boundary of Silver Key is retained.

### ACCESSIBILITY:

The Silver Key Mines' campsite and main working areas are connected by mine road to the Ross River Highway. The distance to Ross River is approximately 40 miles.

### EXPENDITURES:

Since its incorporation the Company has received \$511,750.00 from the sale of 1,613,500 shares. Operating costs to November 30, 1966 amounted to approximately \$478,000.00 (including the cost of fixed assets at the Ketza River property having an approximate value of \$121,580.00).

### WORK COMPLETED:

At the Ross River property 53½ miles of roads were constructed, which includes 25 miles of access road to the property and 141,000 cubic yards of trenching completed. Diamond drilling amounted to 1,885 feet and a geochemical survey was made on an area of 400 acres; 27 Silver-Lead Zones were exposed.

### PROPOSED PROGRAM:

#### 1. UNDERGROUND DEVELOPMENT:

To further evaluate the economic potential of a number of the zones, underground exploration has been recommended for those which particularly lend themselves to adit development, and which are described below, being listed in their order of program priority.

#### "A" ZONE

This zone is contained in an anomaly determined by a geochemical survey conducted in late fall of 1966 as a joint program with Stump Mines. The anomaly has a length of 3,000 feet; 1,800 feet on the Stump property and 1,200 feet on Silver Key ground. 1,040 feet of the anomaly has been stripped and a galena vein exposed. A length of 600 feet with an average width of 4 feet yielded channel sample assays averaging 32.6 oz. Silver per ton and 27% lead. The remaining 440 feet stripped is also mineralized but requires further trenching to be systematically sampled.

#### "LAP 10" ZONE

This zone has been stripped, trenched and sampled along its known length of 410 feet. The average width of the vein is 3½ feet. The channel sampling yielded assays averaging 35 oz. Silver per ton and 38% Lead.

#### "F-3" ZONE

This zone has been traced by stripping and trenching for a length of 500 feet. Channel sampling of a solidly mineralized section 100 feet long and of an average width of 5 feet yielded assays averaging 78.7 oz. silver per ton and 43.3% Lead.

### "F-2" ZONE

The known length of this zone is 900 feet; the average width 12 feet. Channel sampling in a mineralized sector in the order of 100 feet long and over a width of 36 feet gave assays of 17.9 oz. silver per ton and 23.7% Lead. An 11-foot diamond drill core section yielded a gold assay of .32 oz. per ton.

### "CACHE CREEK" ZONE

This zone has been exposed for a length of 300 feet with widths varying from 4 to 30 feet. A 5-foot chip sample gave assays of .06 oz. gold and 11.46 oz. Silver per ton and 10.7% Lead.

### "KEY 3" ZONE

The known zone length is 600 feet. A mineralized sector of 175 feet with an average width of 3 feet has been sampled. Channel samples averaged 40 oz. silver per ton and 7.6% lead.

The footage involved and the estimated cost to explore the above zones by underground development would be as follows:

<u>ZONE</u>	<u>FOOTAGE</u>	<u>COST</u>	<u>TYPE OF DEVELOPMENT</u>
A	2,000	\$250,000.00	Cross-cut and drifting
LAP 10	500	62,500.00	Drifting
F-3	500	62,500.00	Cross-cut and drifting
F-2	1,000	125,000.00	Drifting
CACHE CREEK	1,000	125,000.00	Cross-cut and drifting
KEY 3	400	50,000.00	Cross-cut and drifting
	<u>5,400</u>	<u>\$675,000.00</u>	

### 2. ADDITIONAL STRIPPING:

The undermentioned zones by preliminary exploration indicate that they merit further work and stripping by bulldozing has been recommended.

<u>ZONE</u>	<u>GOLD</u>	<u>SILVER</u>	<u>LEAD</u>
KEY 6		63.7 oz.	70.06%
KEY 9		135.0 oz.	75.8
KEY 11	.02 oz.	15.1 oz.	31.0
F-5		42.3 oz.	36.1
F-6		144.9 oz.	71.4
F-7		66.2 oz.	78.6
F-4		77.2 oz.	45.2

The above assays are from selected specimens to ascertain the presence of Silver. The cost of additional stripping and trenching is estimated to be \$155,000.00.

### 3. GEOCHEMICAL SURVEY.

A geochemical survey covering the remainder of the claim holdings is warranted and such a program is to be followed by bulldozing of any favourable targets revealed, if recommended. The estimated cost of the geochemical survey is \$40,000.00.

### FINANCING:

In the opinion of the directors it would be advantageous to conduct the above recommended program as part of a joint exploration effort with Stamp Mines Ltd. and an agreement to such effect has been concluded with that company. Negotiations to obtain the necessary financing are at present underway and it is hoped that an early start on the work will be possible.

The total cost of all the work recommended herein is estimated at \$870,000.00.



# The Canadian Silver Mines

EXCERPTS ONLY

REPRINTED FROM **The Northern Miner** MARCH 28, 1969

PRINTED IN TORONTO, CANADA

## *Silver: Truly A Noble Metal*

Silver served man well as a valued monetary medium for 3,000 years. Its aesthetic quality has been prized by artists and artisans through the centuries and the metal's beauty in many art forms finds constant expression.

Although its predominance as a monetary metal is a thing of the past, silver remains a coveted metal with varied uses in industry, the arts and, to a diminishing degree, in coinage. It also remains one of the world's great value hedges as we have seen in recent weeks of international monetary turmoil.

Today, silver draws its strength from industry. Annually, industry is consuming about 140,000,000 more ounces than are produced from the world's mines. It says something for the metal that some governments now find it necessary to plan for the wholesale melting down of whatever silver coinage they can recall in order to help meet essential industry needs. Indeed, one of the ironies of the silver situation today is that never in the metal's long history as a trusted monetary medium has it attracted so much attention as during its recent passage into relative obscurity as a currency metal.

Silver's progress in the past year hardly needs retelling. The period saw the lifting of an artificially maintained U.S. ceiling of \$1.29 an oz., further shrinkage of government holdings, a race by governments — our own included — to switch to cheaper forms of metal currencies, steady industrial consumption, speculation in and hoarding of the metal on an unprecedented scale. Through all this and in highly volatile moves, world silver prices have risen by some 80%.

In any discussion of silver, acknowledgement must be made of speculation associated with highly volatile market price moves. Much of this speculation

has resulted from mistrust in paper currency and concern before and after the devaluation of sterling. The distinction between what is speculation and what is hoarding becomes fairly blurred.

But it's well to remember that market prices largely swayed by speculative sentiment which in turn is influenced by aberrations in the international monetary system, and by peripheral developments, provide a vulnerable basis for a producing industry's prosperity. We are confident that silver, with its strong industrial consumption base, will emerge from future fluctuations to find price levels sufficiently high and stable to encourage expanded mine output and steadily increasing industrial usage.

In the final analysis, the world's mines provide the best — indeed the only — guarantee of supply constancy to markets. In a period of 80 years, Canadian mines have produced a cumulative total of 1.5 billion ounces. Cobalt-Gowganda, one of the world's great silver camps, produced almost 500,000,000 ounces in its 50 odd years of existence. And it's still turning out the metal at a rate of about five million ounces annually.

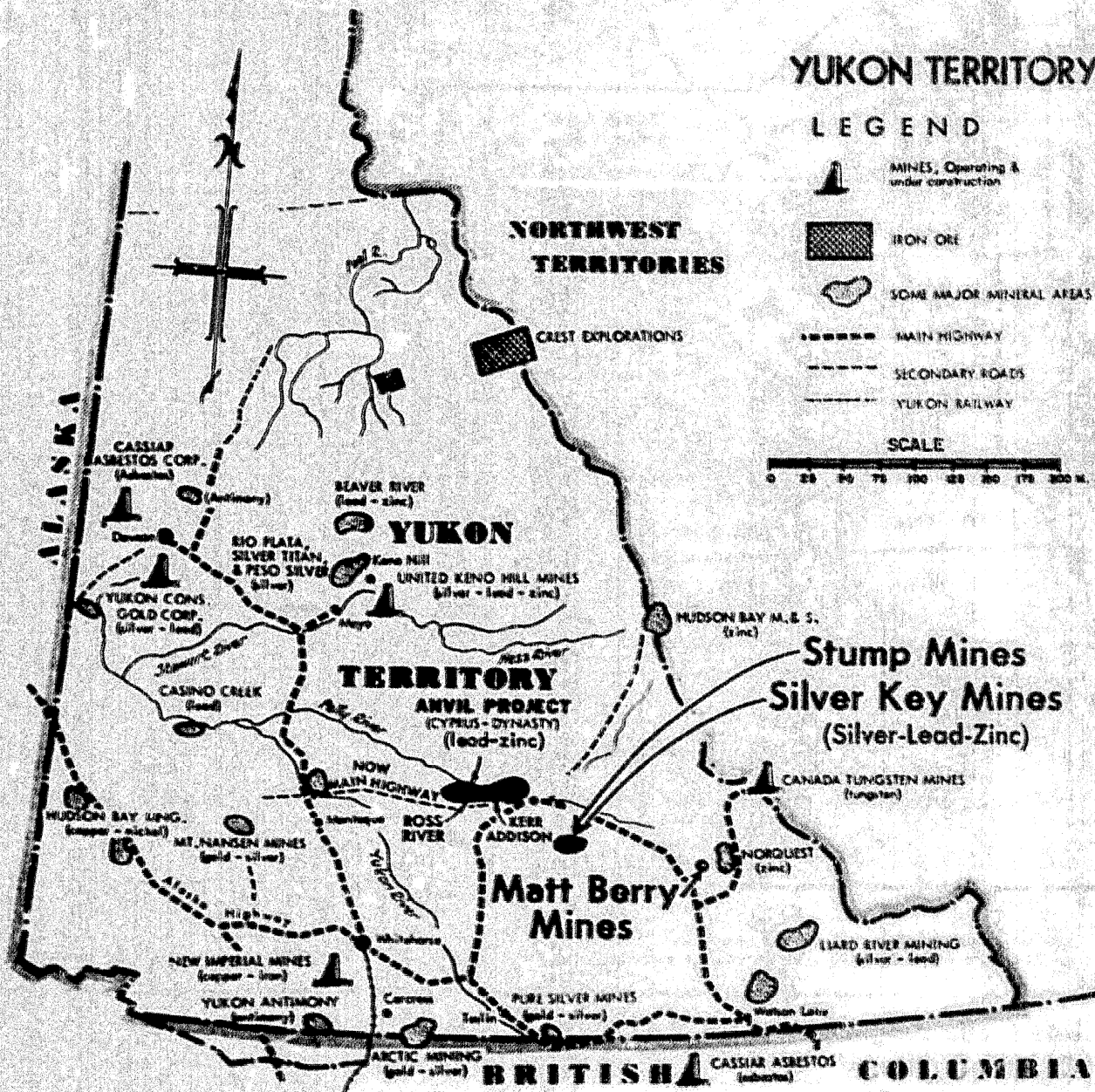
Last year, Canadian producers won a record output of 37.2 million ounces, placing this country in the forefront of world producing nations. Largely, this record was achieved as a result of the 7.8 million ounces produced at the new Texas Gulf Sulphur mine in the Timmins area. But there is more to come. Elsewhere in this newspaper is evidence of a groundswell of exploration and development in silver.

Silver production contributed \$60 million to the Canadian economy in 1967. This year, the total is likely to approximate \$80 million. It adds up to a fresh ascendancy for a truly noble metal.

For informational purposes

# SILVER KEY MINES—STUMP MINES

(SILVER - LEAD DEVELOPMENT)



The Yukon is a Territory of Canada with an area of 207,000 square miles. While it is largely undeveloped, many highly mineralized areas are known to exist. One of the recently discovered lead, silver and zinc deposits in the ROSS RIVER Area is being developed into a large tonnage mining complex of major economic importance to the YUKON. The Silver Key Mine - Stump Mine underground operation is in this general area.

SUITE 1102 - 347 BAY ST., TORONTO 1, ONTARIO

# SILVER: Record Prices Breathing New Life Into Old Industry, Big Benefits Accrue

## These Mines Gaining From Better Prices

For Canadian producers of silver, record metal prices are reflected in higher revenues for ounces produced, longer operating lives for the 'straight' silver mines, and a powerful incentive to explore, develop and mine new sources of the coveted metal.

Silver symbolizes an industry on the move. It's an industry that encroaches on lead, zinc, copper and gold mining as well as silver. In 100 years, 1.5 billion ounces have been won from Canadian mines. From the fabled Cobalt camp alone almost half-a-billion ozs. have been wrested in 50 odd years. And it's still a resilient camp with annual silver output of around five million ozs.

Canada's record 1967 silver output of 37.2 million ozs. was spurred by the new Texas Gulf Sulphur base metals-silver mine—world's largest mine source of silver—which produced a remarkable 7,300,000 ozs. in its first year. The Texas Gulf total reflects a major part of the reality that is silver mining in Canada; more than 80% of this country's silver is extracted as a byproduct of base metals and gold mining.

Even so, Canada's modest 'straight' silver mining industry is pulsating with new life after decades of boom and bust and boom again.

Although not Canadian mines, several Irish producers are included in this survey because Canadian capital and engineering skills have been prominent in their development.

## Output At New High — Canada Heads For Top

When annual production value of a metal leaps from \$47 million to \$50 million in one year and is heading for an indicated \$80 million in the next year, you sit up and take notice.

Silver justifies the mounting attention it has attracted in the past year. In 10 months, the metal's Canadian buying price has careened from \$1.40 an oz. to a recent record of \$2.60 an oz. This week, the price was \$2.44 an oz.

Domestic output is headed higher in 1968 after racing to an all-time high of 37.2 million ozs. in 1967. Rising production has lifted Canada's position among leading world producing countries from fourth to second in two years. At present, Canada

is running neck-and-neck with Mexico for the top spot.

Domestic output value in 1968 should approximate \$80 million based on projected production of 38-40 million ozs. and an average 1968 silver price of over \$2 an oz. Average price in 1967 was \$1.75 an oz.

Demand is burgeoning under the twin impact of two forces—industry and private buying. World industry usage of silver jumped by 35% in the past five years. World mine output has been at a virtual standstill. Annually, world industry is using more silver than is produced from primary sources.

The current estimated annual deficit of 140 million ozs. is being met from secondary sources. Silver coins are being melted down to meet a demand that has been getting as much, or more, of an impetus from private and speculative buying as from industry.

Largely demonetized now, silver still remains one of the world's most coveted 'hedge' commodities.

The rise in world silver prices through 1967 and in 1968 to date got its start on May 18, 1967, when the U.S. Treasury announced changes in its silver sales policy. By a policy of unrestricted sales from a steadily shrinking stockpile of metal, the Treasury had previously held world silver prices below a ceiling equivalent to \$0.8129 an oz. Silver price control, needed to protect circulating U.S. silver coinage, was abandoned after a short-lived 'two-tiered' price system—one, official; the other, free market—collapsed.

By November, the Canadian buying price had risen to a record \$2.35 an oz. In extremely volatile moves, the Canadian price fluctuated at higher levels into 1968 as world silver prices gyrated in response to growing unease over the stability of the international monetary system. On Mar. 14, the Canadian price surged to an all-time high of \$2.802 an oz. and at \$2.44 an oz. this week was holding most of its recent advance.

From all mine sources, Canada's cumulative production of silver in the past 100 years was 1.5 billion ozs. Perhaps even more impressive is the fact that of the cumulative output of 1.5 billion ozs., a total of 491,693,546 ozs. was won from the fabled Cobalt-Gowganda silver camp in 50 odd years to Dec. 31 last.

Though reduced in production volume, the Cobalt camp is still a constant and significant silver producing area with four mines mainly accounting for annual output of approximately five million ozs.

### Who Buys Silver?

The big buyers of silver are: Industry, some government mints, private individuals—speculators and hoarders—and at times corporations seeking a hedge in times of international monetary unease.

The photographic industry is by far the largest single industrial outlet. Annually, the North American photographic industry uses about one-third of all the silver consumed in commercial applications.

But the fastest growing usage area is the electrical and electronics field. Since 1960, applications in electrical contacts, batteries, electronic components and other electrical uses have doubled to around 40 million ozs. in the U.S. alone.

The silverware and jewelry industry remains a major consumer taking about 25 million ozs. annually in North America. About 17.5 million ozs. go into brazing alloys and solders. Silver uses extend to missiles, dental and medical applications, mirrors, and many miscellaneous outlets.

Western world mints used 78.2 million ozs. for coinage in 1967, a sharp drop from 380.6 million ozs. two years earlier and before the U.S. switched over to non-silver coinage. It still retains a reduced silver content in its half-dollars.

But recent interest has focussed on the speculator and hoarder—nameless and nebulous. But they exist and provide the main thrust for volatile price moves on markets like the New York Commodity Exchange where silver is traded in 10,000-oz. contracts. Dealings cover contracts for delivery in the future—ranging over 12 months ahead.

What volume is held by speculators? Leading bullion dealers estimate that 'speculators' hold from 250 to 300 million ozs. It's a sobering estimate when measured against world mine output annually of over 200 million ozs. But bullion houses allow no distinction between fast-moving speculators and cautious hoarders. The latter are normally loath to part with their hedge metal.

### Treasury Role

In mid-March, the U.S. Treasury held 293 million ozs. of silver of which 17.8 million ozs. were 'free'. The remainder is held as coverage for outstanding silver certificates which must be redeemed for metal before next June 24 after which the redemption commitment is rescinded. Additionally, the Treasury holds an estimated 250 million ozs. in 'recovered' silver coins. But it is also committed to reserving 168 million ozs. for a strategic U.S. silver stockpile. It's doubtful that anything like \$275 million in silver certificates will be redeemed for silver before the June 24 cut-off date; already the Treasury has indicated that 38 million ozs. will not be required for redemption purposes as covering certificates have been lost.

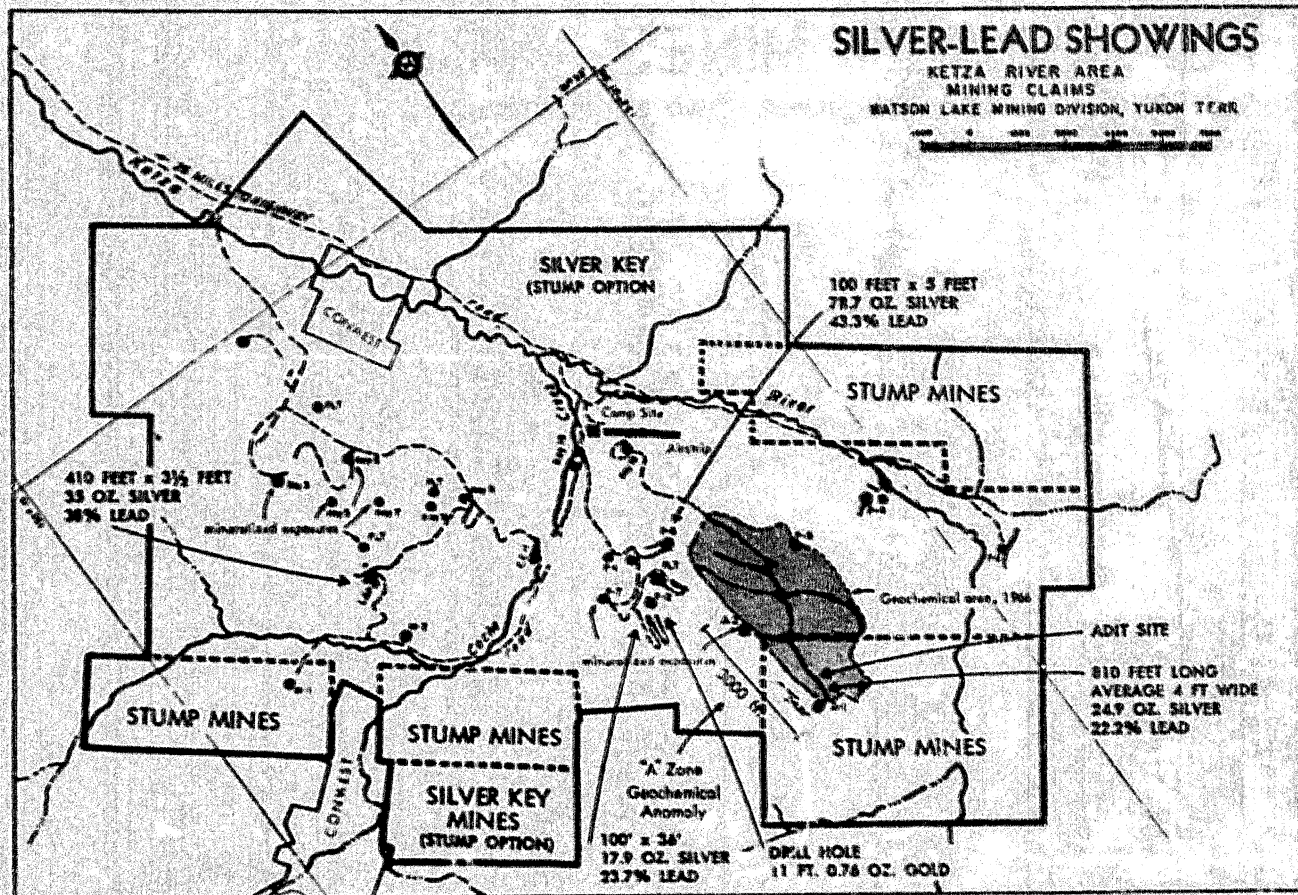
Most sources believe the Treasury will continue its restricted sales policy—maximum of 2,000,000 ozs. a week—to industrial users through this year, but it may have trouble in upgrading recovered silver from coinage to meet industrial needs. Expenses, too, are likely to be high. U.S. refineries already have a backlog of concentrates to deal with as a result of the long non-ferrous strike.

For informational Purposes:

# STUMP MINES HOLDINGS and SILVER KEY MINES OPTIONS

## SILVER-LEAD SHOWINGS

KETZA RIVER AREA  
MINING CLAIMS  
WATSON LAKE MINING DIVISION, YUKON TERR.



Averages taken from report by Archer and Cathro, Consulting Geologists.

## STUMP MINES LTD.

We act as principals in the underwriting of shares of Stump Mines Ltd. a speculative security.

## J. L. GOAD & CO. LTD.

7 King St. East, Toronto, Ontario

*This announcement is not an offer to sell or solicitation of an offer to buy these securities. The offering is made by prospectus only in the Province of Ontario and only from such of the undersigned and other dealers as may lawfully offer these securities in such province.*

### Has Arctic Program

**MATT BERRY MINES** holds 33 claims at the mouth of Thompson Creek on the east shore of Frances Lake in the Yukon. The group is about 2 miles due east of the Watson Lake-Ross River highway and some 80 miles south of Ross River.

A total of 2,120 ft. of surface drilling was completed before freezeup in 1966. Drilling and trenching indicated mineralization over a strike length of 800 ft. Drilling returned assays varying from 4.6 ozs. silver, 7.6% lead, and 13.3% zinc over 11.5 ft. to 8.6 ozs. silver, 13.7% lead, and 2.3% zinc over one foot. The best intersection was in hole 9 which assayed 20.6 ozs. silver, 32.8% lead, and 22.3% zinc over a width of 4.5 ft.

Negotiations are under way for the sale of 200,000 shares to net \$50,000, with options on an additional 800,000 shares

to raise an additional \$300,000. If this financing is approved, diamond drilling is to be resumed within the next six weeks.

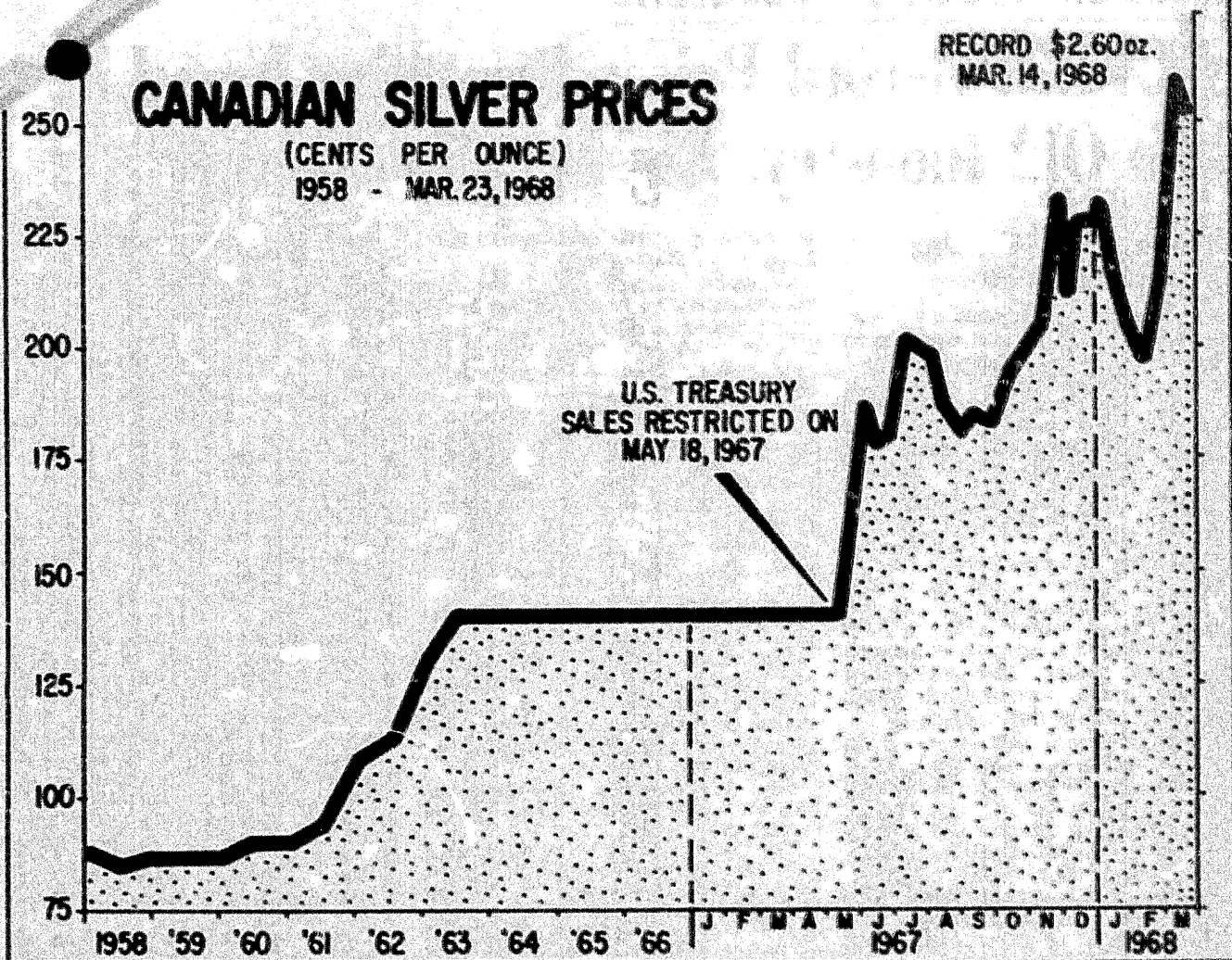
### Stump Raises Funds For Yukon Projects

**SILVER KEY MINES** and **STUMP MINES** together control a contiguous block of 226 unpatented claims or approximately 16 square miles of property near the headwaters of the Ketza River, Yukon Territory. An access road 24 miles long connects with the main Watson Lake-Ross River highway.

Silver-lead mineralization occurs as galena veins cutting a variety of sedimentary rocks. Over 30 separate silver-lead veins have been found throughout the Silver Key and Stump claims and

many more are indicated by mineralized float in the road cuts. The 'A' zone, has been explored by bulldozer, trenching and diamond drilling. Trenching has indicated an 810-ft. length of mineralization grading 24.9 ozs. silver per ton and 22.2% lead over a 40-ft. width. Diamond drilling has confirmed continuity to at least 100 ft. below surface.

Stump Mines has been granted exclusive explorational rights to the Silver Key claims to June 15th. During this period, Stump has to spend a minimum of \$150,000, which will be spent in developing the 'A' zone. An adit portal is now being collared for underground development of the 'A' zone, 150 ft. below the trenched area. Stump has over \$275,000 in the treasury with options outstanding that would net an additional \$280,000.



## Price Hike Stirs Hopes Many Silver Prospects

With silver now selling at record price levels, a sharp upsurge in exploration and development interest of silver prospects is at hand. Prospectors heading into the field are now being instructed to keep a close eye out for the white metal.

As pointed out else here in this issue, much of Canada's silver output is derived as a by-product of this country's base metal operations. But nevertheless, it can be expected that there will be a growing number of 'straight' silver producers. This brings into focus the Cobalt and Gowganda areas of Ontario and the Keno Hill country, as well as large areas of British Columbia, Great Bear Lake and the Arctic.

One of the big difficulties of operating in the Cobalt-Gowganda area is the erratic nature of the silver mineralization, which makes estimation of ore reserves very difficult. Too, this tends to discourage investors. Nevertheless, this region has had a remarkable production record, is still producing at a rate of over 5,000,000 ozs. annually, and is still considered to hold much potential, especially along the 50 mile stretch between the two camps proper. But it is costly to find. But concentrations can be extremely rich and rewarding.

Unlike gold and many other metals, silver deposition is uniquely limited to the vertical range (i.e. temperature range), in which it has been deposited. In other words, it is highly unlikely that a silver vein could carry commercial values to any considerable depth. This is another reason why silver mines throughout the world generally prove to be relatively short lived.

But at \$250 per ounce, silver mines can be very profitable. Also, they can be brought into production at a much lower capital cost than most other types of mines because of their more limited size.

Following is a thumbnail sketch of numerous silver prospects in this country that will be giving serious consideration to resumption.

# SILVER KEY MINES LIMITED

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## TO THE SHAREHOLDERS:

During the year 1966 an extensive field program was pursued on your property in the Ketz River section of the Yukon. The merit of many of the silver-lead vein zones were investigated by trenching and sampling. A limited amount of diamond drilling was undertaken. The program of work had its disappointments as well as its rewards. Some of the zones originally reported such as the Key 3 and the South Fault did not respond well to intensive surface investigation but other zones were revealed which appear to have considerable promise and which require additional testing.

In August of last year your technical management authorized an extensive grid pattern soil survey in a portion of the property which from the number of known occurrences of silver-lead mineralization within the overburden suggested it might hold promise as a locus for finding silver-lead veins in place.

Consulting geologists, Archer, Cathro & Associates of Whitehorse were engaged to undertake the survey. In order to summarize the undertaking and to give something of the results of this survey the following paragraphs are taken from the Archer report.

"Over 20 separate silver-lead veins have been found at various intervals throughout the property and many more are indicated by float in road cuts. The major problem encountered in surface exploration has been the difficulty in proving continuity of mineralization in any particular vein. However, work on the recently discovered A1 vein has shown that strong, continuous, well-mineralized vein faults can be found and that the area has to be considered a major silver-lead camp with excellent production possibilities."

"The A1 Vein was explored 2,800 feet along strike by soil sampling during August, 1966. The northernmost 800 feet of explored vein is on claims held under option by Silver Key Mines Ltd., while the remainder is on Stump Mines property. Two soil anomalies were located, one 600 feet in length at the south end of the survey area and the other 1,200 feet in length at the north end."

"The north anomaly was explored by a single bulldozer trench during 1966 and, although unable to reach bedrock, did turn up galena float in the overburden. Bulldozer trenching during 1966 and 1967 has traced the vein 1,200 feet along strike in the vicinity of the south anomaly. The exposed portions of the vein were sampled and mapped by R. J. Cathro and the writer on August 4, 1967. At the same time, a Brunton compass and tape survey was made to tie in the trenches with the baseline used for the geochemical survey."

"The depth of overburden over the vein gradually increases to the north and will prevent effective exposure of the north anomaly by bulldozing. The vein is cut off by a fault at the south and the location of the north anomaly suggests that right hand faulting may occur to the north."

"Ore shoot No. 1 is 300 feet long and grades 23.8 ounces silver per ton and 19.5% lead over a 4.0 foot width while ore shoot No. 2 is 510 feet long and grades 25.6 ounces silver per ton and 23.8% lead over a similar width. The average grade for the 810 feet, weighing each shoot according to its length, is 24.9 ounces silver per ton and 22.2% lead over a 4.0 foot width. The average grade of the 810 feet calculated over 5.0 foot mining width is 21.2 ounces of silver per ton and 18.4% lead."

"The net value of this ore, assuming a 90% mill recovery, silver at \$2.00 per ounce and lead at 10¢ per pound, is a little over \$84.00 per ton for the 4.0 foot mining width and \$71.00 per ton for the 5.0 foot mining width."

"With 810 feet of continuous ore on surface it is reasonable to expect continuity to 400 feet below surface. Furthermore, geochemical indications are that at least a similar length of ore will be found on the north end of the vein. With these assumptions, and using a tonnage factor of 8 and a mining width of 4.0 feet, the potential of this single vein is 320,000 tons with a net value of \$84.00 per ton."

It must be realized that at the present writing the south portion of the A1 vein is on the Stump Mines property but it is also apparent that a good chance exists for its extension onto the Silver Key property. This is indicated by the north portion of the chemical anomaly being present on the Silver Key property.

The Silver Key Management are encouraged sufficiently to plan additional financing so that thorough investigation of the vein on the Silver Key property may be undertaken.

It is proposed to arrange an underwriting on shares from the Silver Key treasury to provide the Company with additional funds for the development program.

G. C. McCARTNEY,  
President.

September 15, 1967.

STUMP MINES LTD.  
and  
SILVER KEY MINES LTD.

Suite 1102, 347 Bay Street  
Toronto 1, Ontario  
Telephone: 366-9251

December, 1968. ✓

## INFORMATION TO SHAREHOLDERS

### SURFACE EXPLORATION

Over 28 separate Silver-Lead veins have been found throughout the claim holdings and more are indicated by mineralized float and geochemical surveys.

### GEOCHEMICAL SURVEY

Soil sampling was completed during the 1968 field season on approximately four square miles of the Silver Key-Stump property.

Twelve separate anomalous silver-lead areas have been defined that are equal or greater in size and intensity to the soil anomaly found in 1966 that led to the discovery of the A-1 zone. Since the 1966 discovery of the A-1 zone underground development has proven up 45,000 tons of 15 oz. Silver per ton above the 100 foot level with a potential of 155,000 tons from the 400 foot level to surface.

Trenching by bulldozing on part of the 1968 anomalous area was started in September of this year. So far the bulldozing has uncovered bedrock mineralization on the K18B and Cache Creek zones. The K18B zone has also been further developed by underground exploration.

### GEOLOGICAL MAPPING

An airborne and ground control survey has been completed over the claim holdings. From the surveys a master plan has been prepared on which geological mapping planned for 1969 will be plotted.

### UNDERGROUND DEVELOPMENT

In 1968 to November 15th, a total underground advancement of 2,200 feet has been completed which includes development on the A-1, F-2, Lap 10 and K18B zones.

### OBJECTIVE

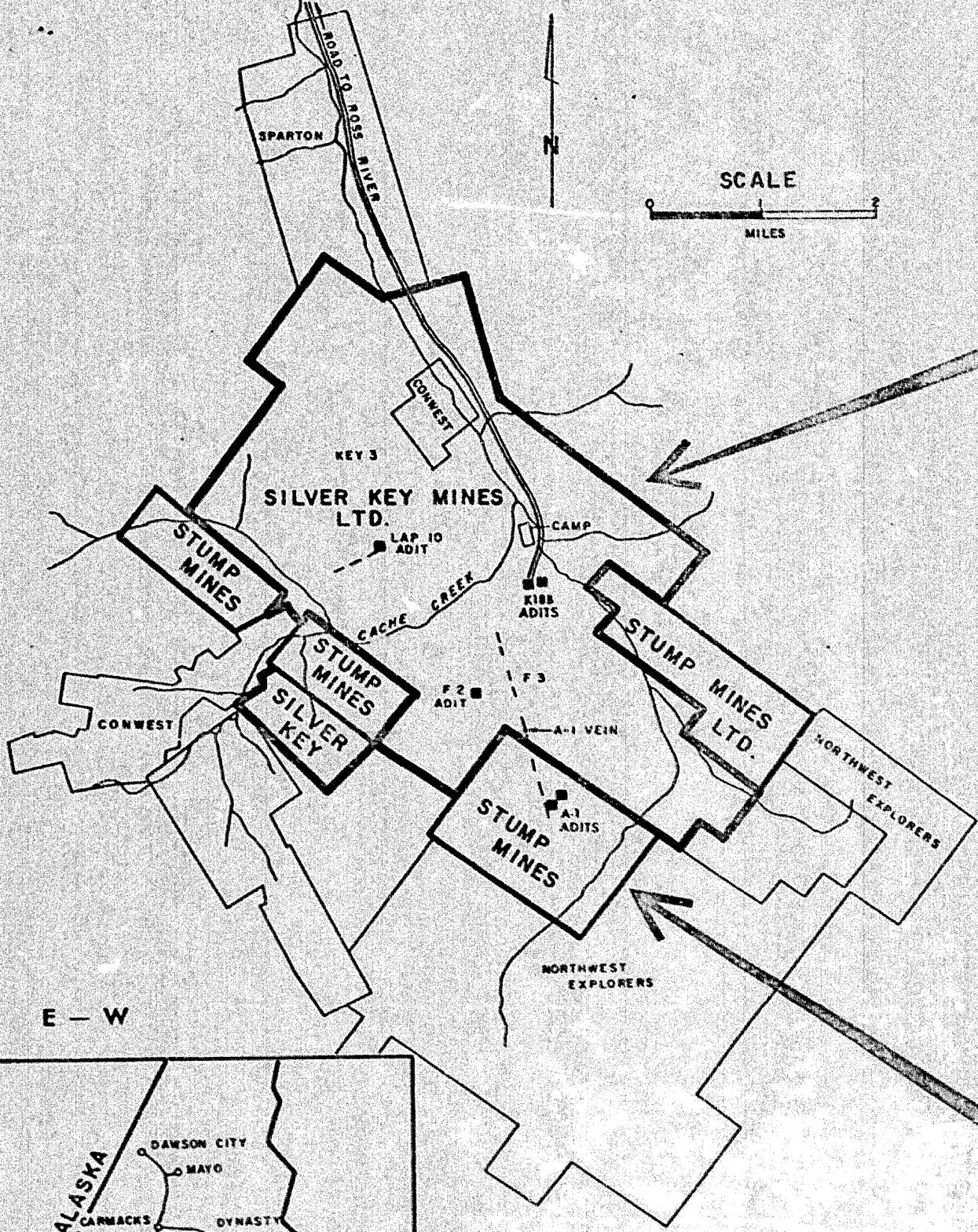
A review has just been completed, by a firm of consultants, of the Silver Key Mines and Stump Mines exploration carried out on the Ketz River claims to the end of September, 1968.

From the findings of this review a time schedule has been prepared in which, if achieved by mid 1969, the work could outline an initial 238,000 tons of proven and inferred 15-20 oz. Silver per ton on the property that can be mined by adit developments.

### ZONES OBJECTIVE — BY MID 1969

A-1 Zone	155,000 tons of 15 oz. Silver
F-2 Zone	8,000 tons of 15 oz. Silver
F-3 Zone	10,000 tons of 20 oz. Silver
Lap 10 Zone	5,000 tons of 12 oz. Silver
K18B Zone	60,000 tons of 20 oz. Silver

Initial objective 238,000 tons of better than 16 oz. Silver.



E - W



LOCATION MAP



STUMP MINES LTD.  
&  
SILVER KEY MINES LTD.

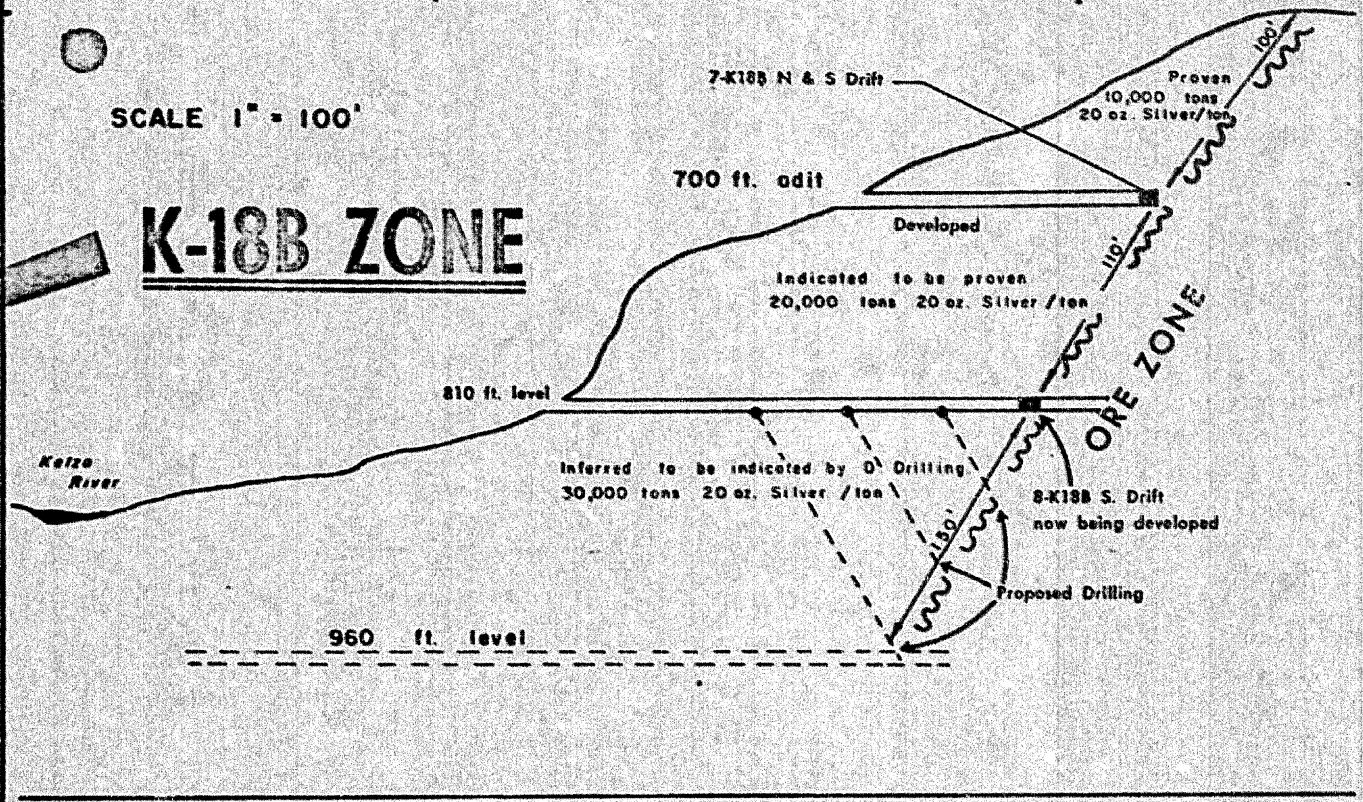
KETZA RIVER AREA, CLAIM HOLDINGS  
WATSON LAKE MINING DIVISION, YUKON TERRITORY  
LOCATION OF UNDERGROUND DEVELOPMENT

OCT, 1968

OBJECTIVE OF K-18B ZONE  
60,000 tons of 20 oz. Silver/ton by mid 1969

SCALE 1" = 100'

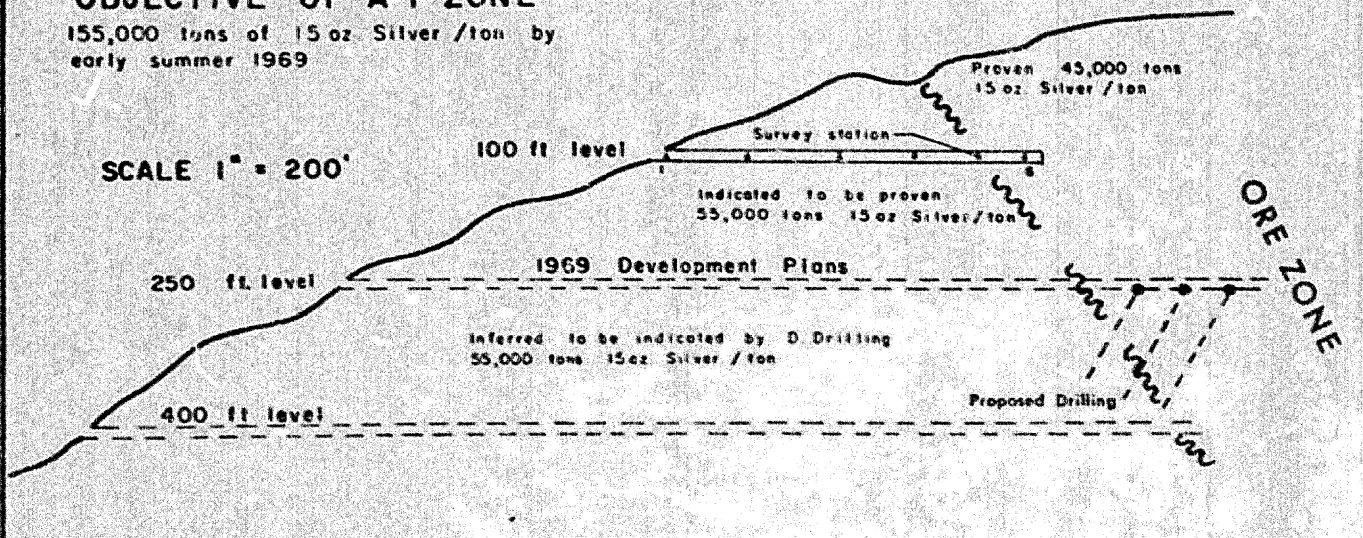
# K-18B ZONE



# OBJECTIVE OF A-1 ZONE

155,000 tons of 15 oz Silver /ton by early summer 1969

SCALE 1" = 200'



# A-1 ZONE

E - W

STUMP MINES LTD.
SILVER KEY MINES LTD.
ADIT DEVELOPMENT A-1 & K-18B ZONES
W.M. DEC. 68