

Silver Standard in Yukon Brown-McDade Inactive

I am interested in future plans for Silver Standard Mines, especially concerning plans to drill in the spring at claims adjoining Brown-McDade Mines.

Please advise me as to current status of Brown-McDade Mines particularly now that Silver Standard has plans to drill on adjoining claims also as to mineral occurrences in this area and the reason for the effort by Silver Standard to redevelop this general area.

P. B., Levittown, Pa.

The 48-claim gold prospect of Silver Standard Mines, located near Carmacks, Yukon, adjoins the Brown-McDade property on the northwest. There are no producing mines in the area.

Decision to carry out exploration on the Silver Standard group this spring followed report of high values obtained from veins on the property. The program is to include an electromagnetic survey and stripping. No mention of drilling has been made as yet.

Silver Standard is also active in other prospecting ventures on its own behalf

and in participation with other mining and prospecting organizations. Following the closure of the company's producing precious and base metals operation at Hazelton, B.C., May 1, 1958, the company embarked on a more aggressive outside exploration program.

Brown-McDade Mines is inactive with no immediate plans to resume activities. The 31 leased claims in the Victoria Creek area, Carmacks district, Yukon are being retained.

Prior to suspension of work on the group in 1947, 2,000 ft. of tunnelling and several thousand feet of diamond drilling were completed. This work outlined partially three shoots totalling 400 ft. averaging 0.398 oz. gold and 2.97 ozs. silver per ton across 5.0 ft. A number of other showings were also indicated and the full possibilities of the property have yet to be determined.

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Silver Standard Plans New Work

A \$40,000 exploration program is being planned by Silver Standard Mines for its recently acquired gold property near Carmacks, Yukon.

The work will consist of an electromagnetic survey and extensive trenching over the known 18,000-ft. length of the favorable zone. The company has studied geological plans of the adjoining Brown-McDade Mines property, and is hopeful that similar conditions persist on Silver Standard ground.

Surface work and a magnetometer survey have indicated a medium-sized magnetite deposit at Harriet Harbor, on the southern tip of Moresby Island in the Queen Charlotte Islands. This ground was originally prospected for copper, but outcrops revealed 60% magnetite with minor copper content. These iron showings will be diamond drilled during 1959.

Silver Standard Prospecting Widely For New Properties

Silver Standard Mines, which closed its mine near Hazelton, B.C., in the early part of 1958, had working capital of \$558,583 at Mar. 31, 1959, the annual report shows. The company is now concentrating on prospecting and exploration for new properties.

Current assets consisted of \$4,217 cash, \$74,464 trust deposits, \$255,377 government bonds, \$123,193 corporation bonds (market value \$116,693), \$102,665 common stocks (market value \$123,827) and \$6,679 receivables and prepaid items, or a total of \$566,597. Current liabilities totalled \$8,014.

In addition mine supplies are held with estimated realizable value of \$17,440, while President R. R. Wilson estimates that supplies plus usable machinery can be valued at \$300,000.

Another important asset is Silver Standard's investment in Sil-Van Mines, amounting to 250,000 of that company's 500,000 issued preferred shares. Sil-Van has liquid assets of approximately \$112,000.

Reviewing exploration for the year ended Mar. 31, 1959, Managing Director R. W. Wilson says that results were encouraging at the McMan property near Harriet Harbor on Moresby Island, B.C. During 1958 a magnetometer survey of the Crown-granted Magnet and Dingo deposits indicated a potential of some 750,000 tons of excellent direct shipping grade iron ore. Two prospecting parties

are presently in the field and a diamond drill program is in progress on the Jessie deposit, on which an anomaly 700 ft. by 400 ft. was indicated by the magnetic survey. He adds:

Japanese Iron Market

"Investigation of the Japanese market for iron ore shows it to be good at this time with every indication of improvement. The properties are ideally situated close to tidewater and a suitable harbor, and the deposit is one of apparent good grade, minable the year round, with low cost open pit mining indicated."

The 1958 program of the BIK Syndicate covered a greater area than in the two previous seasons. Although many mineral occurrences were found, only one proved of sufficient interest to warrant further attention: a nickel-copper showing with rather low grade metal content, which has been let out on option to interests familiar with that type of occurrence. BIK operations this year will be more restricted, with only a few specific areas receiving attention.

Additional claims were staked on the projection of the Brown McDade zone, increasing Silver Standard's holdings to 44 claims in the Nanson Creek area of Yukon. A geological survey of the property by D. D. Campbell brought a recommendation for an electromagnetic survey to be followed by bulldozing and diamond drilling. This work is being commenced as assessment work during 1959.

Empire Valley

Slightly more than \$10,000 was spent on examination of the Empire Valley Gold Mines property, adjoining Silver Standard on Porcupine Mountain in the Clinton mining division of British Columbia. Bulldozing exposed 2,000 ft. of vein material, and several short shoots were found

to grade 0.74 oz. gold per ton across widths averaging two feet. Considerable drilling and underground work would be required to prove the prospect, and therefore it has been decided to postpone such undertaking until conditions are more favorable.

Six more claims on Table Mountain, near the Cassiar Asbestos mine, were Crown-granted in 1958, bringing the holdings of Silver Standard's subsidiary, Table Mountain Mines, to 12 Crown-granted claims.

As regards Sil-Van Mines, the managing director states:

"Although lead and zinc prices have improved during the past few months, increased cost of production precludes the reopening of the property without a substantial increase in demand and price for these metals. No work is planned for 1959. Current investment income is sufficient to meet the cost of maintaining the property and even slightly increase the working capital of the company."

The Taseko Lake and Topley prospects were abandoned during the year.

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