

105 D

New Imperial pines

Whitehorse Y.T.

005248

May 1967

105 D

from:
Edward Parker Public Relations,

FOR RELEASE ON RECEIPT
Tuesday, May 2, 1967

W.S.R.
K...
J...
E.P.
R.B.S.
E...
P.A.K.
G.W.M.
R.C.M.
C.K.W.
J.F.S.
G.P.P.
K.F.L.
J.H.B.
<u>E.O.J.</u>

attach to previous

on behalf of:

NEW IMPERIAL MINES LTD.,
85 Richmond Street West,
Toronto, Canada

START-UP OF MINE AND MILL
AT NEW IMPERIAL MINES LTD.

Start-up of operations at the Whitehorse copper mine of New Imperial Mines Ltd. --a 2,500 tons-per-day concentrator and open pit development-- was announced today by Arnold Pitt, president.

The operation is the first open pit copper mine and mill in the Yukon Territory. Its start-up comes less than four years after initiation of exploration and development, by the present management, on this Whitehorse copperbelt property.

General manager Ross Kenway reported from Whitehorse that "as of May 1 the plant is on a 24-hour operating basis. All personnel for a three-shift operation are on hand, we have an excellent crew and the start-up was very favorable.

"By next weekend we expect to have the metallurgy fairly well balanced and to start the period of refinements and adjustments. Recovery and concentrate grade are reacting normally."

Mr. Pitt also announced expansion of the exploration drilling along strike of the deep ore zone of the Little Chief deposit. This will be carried out by step-out holes both to the north and south of current drilling.

This program will continue without hinderance to the ore extraction operations on the open pit section of the Little Chief deposit. Three rigs are now in operation to establish extent and grade of reserves--beneath the open pit section--which would be mined later by underground methods.

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

105 D
attach to
Sept 25
a update

W.S.R.	
K.C.B.	
J.H.S.	✓
E.F.	
A.S.	
B.C.B.	
P.M.K.	✓
G.W.M.	
C.K.W.	
J.B.S.	
G.P.R.	
K.F.L.	
H.B.	
C.J.	

To..... W. M. Sirola From..... P. M. Kavanagh

Subject..... New Imperial Mines, Whitehorse Area, Date..... February 6th, 1967.
Yukon (105-D).

This is prompted by your memoranda of January 30th and February 1st.

We think it would be a good idea for you to indicate our general interest to Mr. Pitt when he will be in Vancouver on February 14th. We however feel that the present market price of New Imperial is inflated and therefore that it might not be possible in the near future to make a realistic arrangement involving taking stock down, if that were the type of arrangement they would have in mind.



Paul M. Kavanagh
Chief Geologist - Exploration.

PMK:sw

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

FEB 3 1967

To Mr. P. M. Kavanagh From W. M. Sirola ✓

Subject New Imperial Mines, Whitehorse, Y.T. (105-D) Date February 1, 1967. ✓

I telephoned Gus Skerl yesterday regarding the matter of additional financing required for further drilling at New Imperial and he said he was rapidly being divorced from the entire picture. He did suggest that I contact Bert Maxey who is a general factotum in the New Imperial office here.

Mr. Maxey and Ross Kenway who happened to be in the office at the time advised me that at the moment, New Imperial was not seeking additional money but that at some future date, they would require from three million to four million dollars for drilling, underground development and, to a lesser degree, plant expansion.

I understand that Mr. Pitt, the New Imperial president, will be in Vancouver on February 14th and I could probably meet with him and Kenway at that time if you so desire.


W. M. Sirola.

WMS/1k

JAN 31 1967

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To.....Mr. P. M. Kavanagh.....From.....W. M. Sirola.....

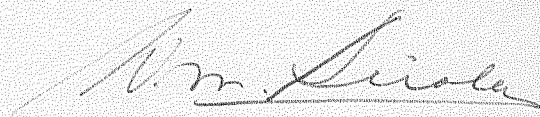
Subject.....New Imperial Mines, Whitehorse, Y.T. (105-D).....Date.....January 30, 1967.....

RECEIVED
KERR-ADDISON
GOLD MINES
LIMITED
TORONTO
JAN 31 1967
✓
✓
O

After discussing the Brenda situation with me, George Cross said that we might be interested in the fact that New Imperial needs money to finance additional drilling.

One would think that this money might be forthcoming from the Japanese but perhaps this is something you could check with Snell in Toronto. Since the Japanese now have control of this operation, I would think that if outside money were invited the drill holes would still be laid out by the Japanese.

Kerr Addison Mines may have no interest in a small minority position in Imperial, but you might wish to kick the subject around in Toronto.



W. M. Sirola.

WMS/lk

From:
Edward Parker Public Relations
159 Bay St., Toronto - 363-1385

105 D
attach to
Revised

June 30, 1966

ADD: NEW IMPERIAL MINES LIMITED RELEASE RE ANNUAL MEETING

New directors elected at the meeting were: K. Kawakami, president, Sumitomo Metal Mining Company Ltd., Japan; T. Mizuta, managing director, Ataka & Co., Ltd., Japan; Y. Maruo, vice-president and treasurer, Sumitomo Metal Mining Co. of Canada; and Patrick J. Reynolds, director, Bethlehem Copper Corporation Limited. Re-elected to the board were Eric G. Lambert, Robert W. Macaulay, Arnold Pitt, James A. Simmons, and Gaylord C. Snell.

Mr. Kawakami addressed the meeting and confirmed that this company's engineers and geologists, having studied the Yukon property carefully and fully, are confident that the New Imperial mine will prove an excellent producer and a profitable operation.

from:
Edward Parker Public Relations,
159 Bay St., Toronto - 363-1385

105 D
JP

on behalf of:

NEW IMPERIAL MINES LIMITED
Suite 1022, 85 Richmond St. West,
Toronto, Canada

FOR RELEASE ON RECEIPT
Thursday, June 30, 1966

FINANCING AND NEW ORE RESERVES
HIGHLIGHT NEW IMPERIAL MEETING

Completion of all senior financing, discovery of new, deep ore reserves and progress of the pre-production development schedule were highlights given shareholders of New Imperial Mines Limited at the annual meeting in Toronto today.

President Arnold Pitt reported that negotiations on a loan agreement, for up to \$2,750,000, have now been completed with the Toronto-Dominion Bank. This is the portion of funds required to finance the Whitehorse, Yukon, copper property to production and for which New Imperial is responsible. Two-thirds of the estimated \$7.2 million capital cost is being supplied by Sumitomo Metal Mining Company Ltd., of Japan, under an agreement earlier completed.

Shareholders were also told that, in addition to the present total reserves of 5.5 million tons grading 1.2% copper, a series of deep drill holes below the floor of the Little Chief open pit mine has revealed further reserves.

"Calculations compiled within the last 30 days by our geologists, and assisted by the Sumitomo engineers and geologists on the property,, showed that we have outlined 2.5 million tons of 1.8% copper, of which 1.5 millions tons is proven and probable and 1.0 million tons classed as possible," .

Mr. Pitt said.

.....2

He added that in view of this grade, and the fact that it is within 1500 feet of the mill site, plans will be made to develop this deep reserve.

Mine Manager Ross Kenway told the meeting that approximately \$3 million has so far been committed in cost of field construction and equipment and that this is effectively within budget. This is half of the actual outlay that will be required for mine and plant capital costs.

The mine is scheduled to go into production in March, 1967.

1050
attach 42

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To W. M. Sirola From P. M. Kavanagh
Subject New Imperial Mines Cu Prop. Date September 30th, 1965.
Whitehorse, Yukon.

W.S.R.	
K.C.G.	
J.H.S.	✓
E.F.	
R.D.S.	
B.C.B.	
PMK	✓
G.W.M.	
R.O.M.	
C.K.W.	
J.B.S.	
G.P.R.	
K.F.L.	
J.P.	
E.C.J.	○

I had my talk with E. Lambert, a New Imperial director, on Tuesday morning. It turns out that the current status of New Imperial is very involved and not very appetizing from our point of view.

Sumitomo is still in the picture and can be at least until the end of the year, although, on the face of it, it appears that the New Imperial board would like to make a deal quickly with a major Canadian company and shunt Sumitomo aside. It is very questionable whether they have any legal right to do this before the end of the year.

The only stock remaining in the treasury is 150,000 shares under option to Arnold Pitt, the president, at an average of \$1.65 a share up to October 31st. Lambert suggested that Kerr quickly offer to buy that stock from Pitt at about \$3.00 per share, thereby gaining a position in New Imperial - if you can imagine.

I told Mr. Lambert - and Mr. Stovel concurs - that we would not even want to look at the data until after the year end, and then only if Sumitomo were out and if it appeared that a reasonable deal letting Kerr in were possible.

Please keep all of this quite confidential.

You will have noticed their recent ore and grade figures on page 2 of the September 28th George Cross News Letter.

PMK
Paul M. Kavanagh
Chief Geologist - Exploration.

PMK:sw

Proved 4,610,000 1.24
Probable 1,020,000 1.04

New Shespiral

feasibility study sched. for completion Oct. 15.

5,630,000 tons 1.2 Cu + \$1.50 in Au, Ag & MoS₂ recoverable.

5.6 million tons 4 ³/₄ open pit

1.4% Cu

- 2000 ton/day (maybe 3,000)

- central mill.

- \$9,000,000 op. prof. after repay of capital @ 34% U.S. ^{capex}

\$7-8 million to go to production.

\$1.5 million spent to date.

- on June 24th. meeting inpt. Sumitomo started to hedge.

- a month ago Sumitomo again hedged

- last week Sumitomo put in another \$100,000

altogether \$400,000 now by Sumitomo

that \$100,000 has to be given back by Dec 31/65.

\$500,000 needed by Mar. 31st

- no more treasury stock.

- thinking of going from 5 1/2 to 7 1/2 million shares.

- 150,000 stes under option to Pitt @ \$1.65. - Oct. 31/65.

- Arnold Pitt would sell his options for \$500,000

- never below \$100' before Aug. 1/65

- \$50,000 required a month - even without a drill going



SUITE 608
159 BAY STREET
TORONTO 1, ONT.

Attention: Editors and Analysts

On behalf of: New Imperial Mines Ltd.

For your continuing interest and
filing.

Respectfully,

A handwritten signature in cursive script, appearing to read 'John Black', written in dark ink. The signature is fluid and extends across the width of the text below it.

John Black

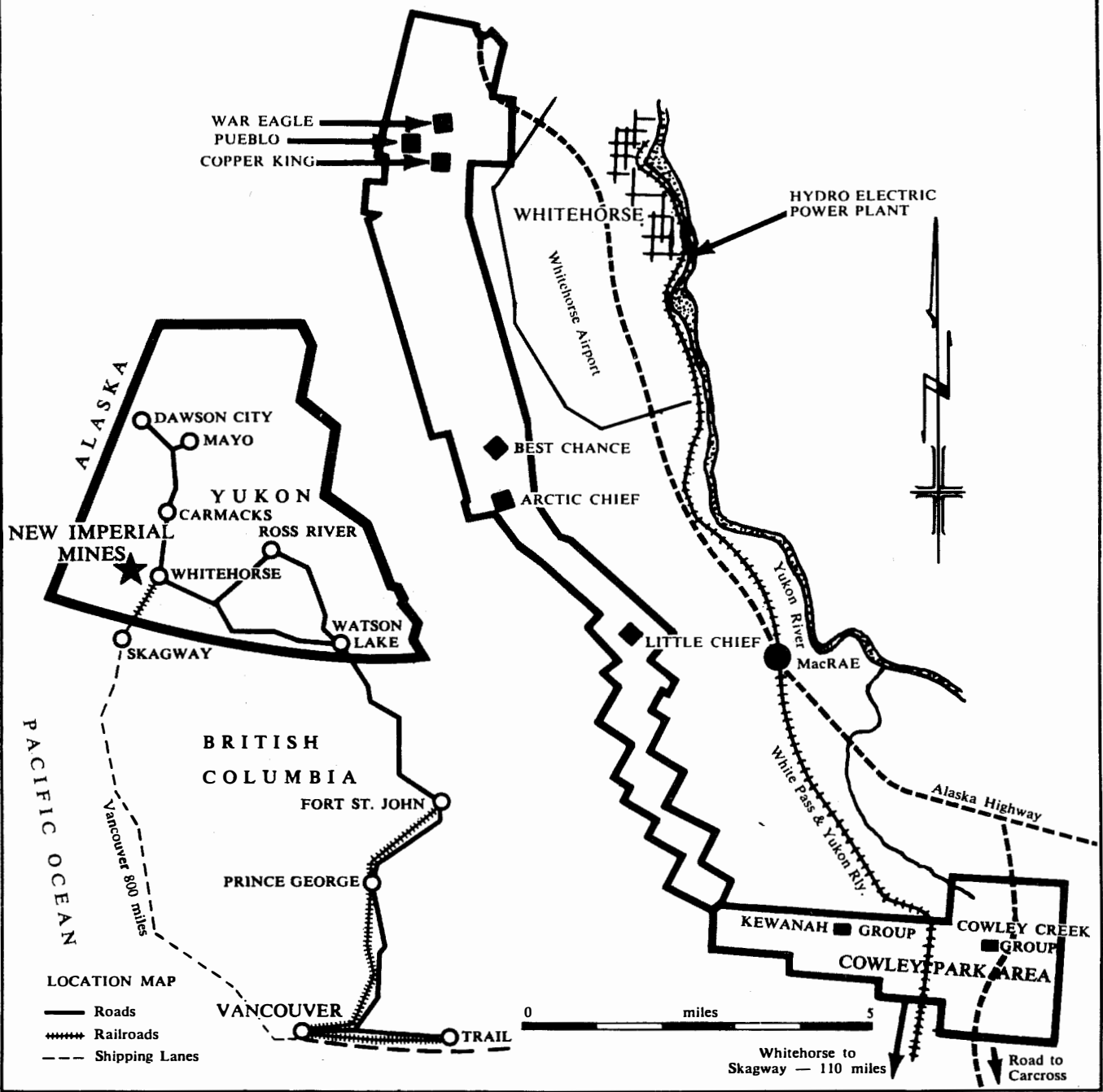
Edward Parker Public Relations Ltd.

105/D
attach to previous
corresp (July '65)

PROGRESS REPORT AND
DRILL PLANS OF ORE ZONES

NEW IMPERIAL MINES LTD.

ON THE WHITEHORSE COPPER BELT, YUKON TERRITORY



NEW IMPERIAL MINES LTD.

Toronto Office: Suite 1022, 85 Richmond St. West, Toronto, Ontario / 364-3671

Vancouver Office: Suite 1633, Marine Bldg., 355 Burrard St., Vancouver, B.C. / 684-1637

Mine Office: P.O. Box 2380, Whitehorse, Yukon Territory, Canada / 667-2110

NEW IMPERIAL MINES LTD.

DEVELOPMENT STATUS

Present ore reserves at the Whitehorse, Yukon property of New Imperial Mines Ltd. are estimated by Dr. A. C. Skerl, consulting geologist, at 5,652,000 tons grading 1.2% copper and over \$1.00 in gold, silver and molybdenum.

Wright Engineers Limited of Vancouver, are presently working on the advanced feasibility study and mill design plan which are scheduled for completion this fall. Wright Engineers have recommended a milling rate of 2000 tons per day. Previous studies by Wright Engineers based on a reserve total of only 4.1 million tons, have shown that a profitable operation would ensue.

The company is making arrangements for the sale of concentrates to Sumitomo Metal Mining Co., Ltd., of Tokyo. Sumitomo has assured New Imperial of its fullest cooperation in order to bring this open pit property into production as early as possible.

New Imperial is also making arrangements with Sumitomo for senior financing for mine and mill construction, with the objective of having these signed by both parties immediately following acceptance of the feasibility report.

There are several advantages of location that will favourably affect New Imperial's operating and marketing conditions:

- a. The New Imperial property, for its full length of 18½ miles, parallels the Alaska Highway in a north-south direction. At no point is the highway more than 2½ miles from the easterly property boundary.
- b. The White Pass & Yukon Railway from Whitehorse to Skagway, runs parallel to and within three miles of company property. At the south end, the line cuts through the property.
- c. The ocean port of Skagway, open all year, is 105 miles from the mill site, and is 800 miles closer to Japanese ports than is Vancouver. Several major B.C. metal producers are shipping concentrates from Vancouver to Japan. Preliminary negotiations have indicated that loading and freight charges to Skagway will be economic. Based on copper recovery tests, Imperial will be shipping an average 36% copper concentrate.
- d. A hydro-electric power generator station at Whitehorse, with ample capacity to serve the projected needs of New Imperial's mining and milling plant, is within five miles of the planned mill site.
- e. The town of Whitehorse is situated approximately five miles from the proposed mill site. The town is ideally situated as a service community for the property, eliminating the necessity of the company providing housing, social or recreational facilities.

The present ore reserves of 5,652,000 tons are sufficient for eight years' production at 2000 tons per day milling rate. Since drilling for the open pit development began in June of 1963, the total diamond drilling cost for 5,652,000 tons has worked out to less than ten cents per ton. We regard this as a highly satisfactory rate.

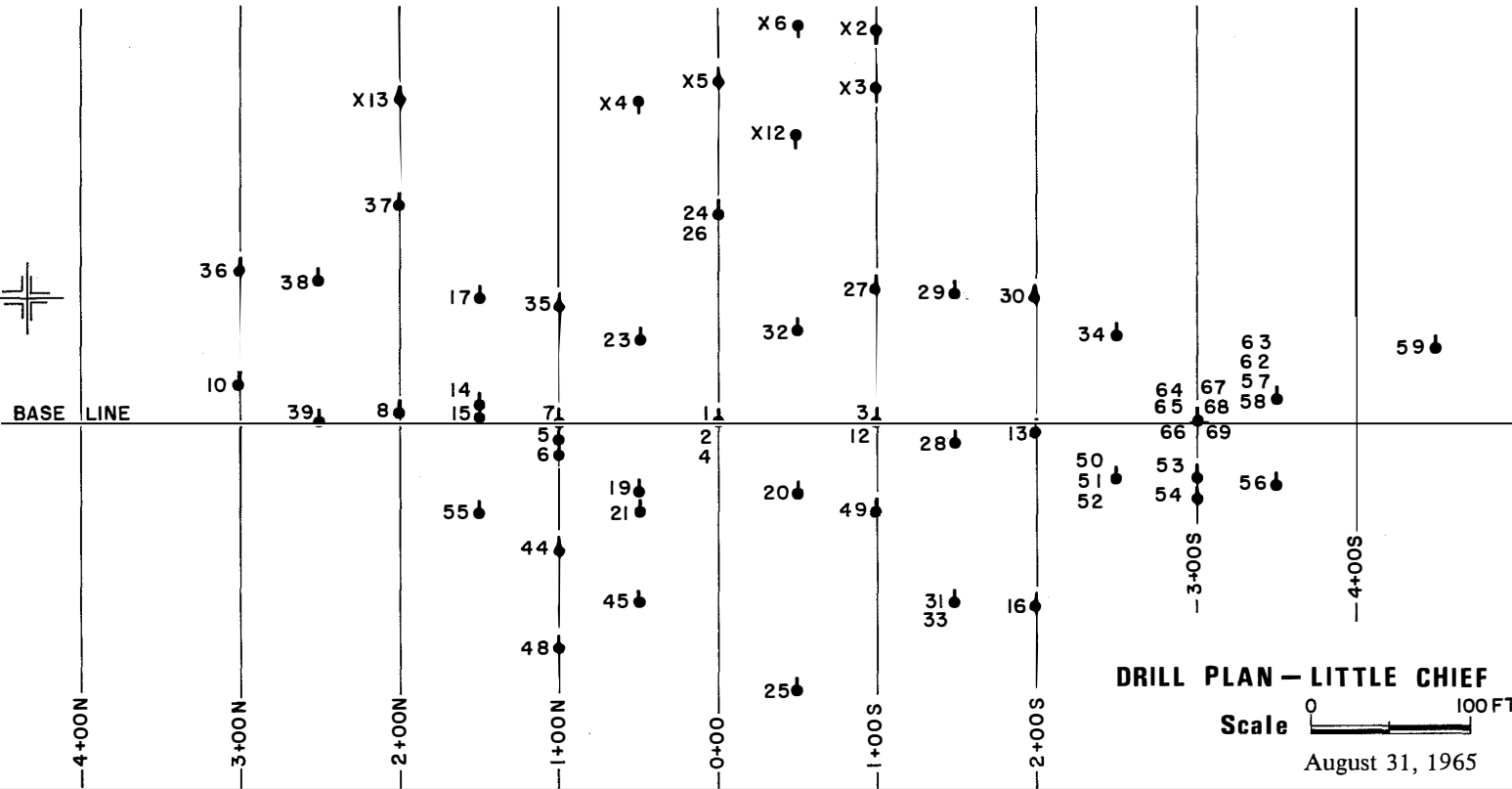
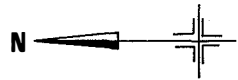
Large and promising areas of New Imperial Mines' copperbelt property remain to be explored.

Late exploration drilling on Little Chief at Hole 64, (Refer attached Drill Plan - Little Chief) encountered deep ore. Below elevation 600 feet, the assumed limit of open pit mining, 305,000 tons of 1.70% copper have been developed to date.



President.

August 31, 1965.



DRILL PLAN — LITTLE CHIEF

Scale 0 100 FT.

August 31, 1965

LEGEND

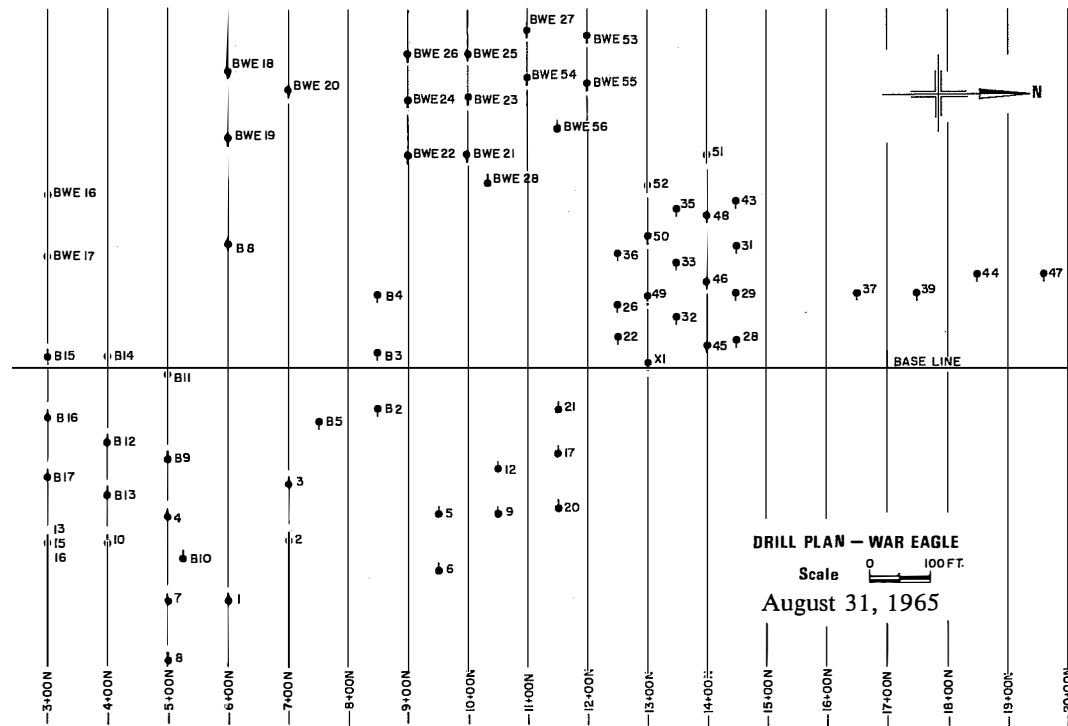
HOLE NO.	ANGLE DEGREES	CORE SECTIONS-Ft. FROM TO	ASSAY % (Cu.)	HOLE NO.	ANGLE DEGREES	CORE SECTIONS-Ft. FROM TO	ASSAY % (Cu.)	HOLE NO.	ANGLE DEGREES	CORE SECTIONS-Ft. FROM TO	ASSAY % (Cu.)	HOLE NO.	ANGLE DEGREES	CORE SECTIONS-Ft. FROM TO	ASSAY % (Cu.)
1	40	40 - 65	0.88	20	30	31 - 95	1.22	50	30	103 - 134	0.95	68	52	115 - 172	1.22
		105 - 180	0.80			140 - 250	1.46			168 - 192	0.90			270 - 350	0.62
2	90	58 - 98	0.65	21	55	189 - 375	0.94			313 - 356	2.18			404 - 670	1.32
3	40	128 - 193	1.95	24	35	28 - 96	2.94	51	42	130 - 212	1.75			696 - 717	2.81
		222 - 386	2.08	25	30	270 - 325	1.14			300 - 351	0.81			240 - 298	0.85
4	65	60 - 86	0.91	26	75	26 - 87	1.91	52	53	215 - 259	0.98	69		377 - 405	0.94
5	30	40 - 87	1.35			136 - 153	1.67			285 - 341	3.88			10 - 120	1.52
		128 - 181	1.31	27	25	10 - 214	1.91	53	42	72 - 105	0.78	X2	60	20 - 80	1.56
6	60	83 - 106	0.71	28	30	84 - 274	1.51			139 - 234	0.45	X3	63	80 - 100	1.29
		157 - 228	1.43	29	30	18 - 134	0.81			278 - 318	2.00	X4	45	10 - 80	3.07
7	55	56 - 127	0.53	30	30	13 - 58	0.70	54	42	192 - 345	1.03	X5	60	20 - 100	2.29
		144 - 289	0.80	31	30	173 - 405	1.32	55	60	196 - 218	3.10	X6	62	10 - 100	1.99
		342 - 408	1.63	32	30	21 - 111	1.52			278 - 321	1.38	X12	60	10 - 100	
8	30	165 - 177	0.73	33	40	192 - 494	0.50	56	50	222 - 497	2.74	X13	60	Incomplete	
10.	30	74 - 98	1.35	34	30	127 - 156	0.67	57	35	139 - 166	0.75				
12	25	116 - 207	1.75	35	30	76 - 90	0.62	58	70	163 - 408	1.73				
13	30	132 - 171	0.79	36	30	15 - 43	2.04	59	60	134 - 146	0.46				
14	30	58 - 71	0.49			87 - 146	0.44	62	83	186 - 249	1.98				
		92 - 137	0.79	37	25	29 - 37	1.64	63	43	216 - 255	1.63				
15	45	60 - 104	0.92			73 - 106	0.90			284 - 325	0.73				
16	30	200 - 332	0.90	38	30	45 - 89	1.29	64	57	120 - 332	1.52				
17	30	30 - 83	1.97	39	30	96 - 120	1.47			389 - 836	1.82				
18	45	347 - 362	1.20			157 - 214	0.57	65	65	395 - 599	1.63				
19	30	67 - 86	1.32	44	60	166 - 295	0.83			189 - 321	2.07				
		144 - 206	0.78	45	55	222 - 444	1.38	66	78	168 - 253	0.98				
		249 - 289	1.15	48	60	275 - 312	0.60	67	66	182 - 438	0.87				

KEY

Hole number — angle degrees
(Assay intersection) Length
% Cu.

All assays shown are weighted averages

NEW IMPERIAL MINES LTD.



DRILL PLAN - WAR EAGLE
Scale 0 100 FT.
August 31, 1965

KEY

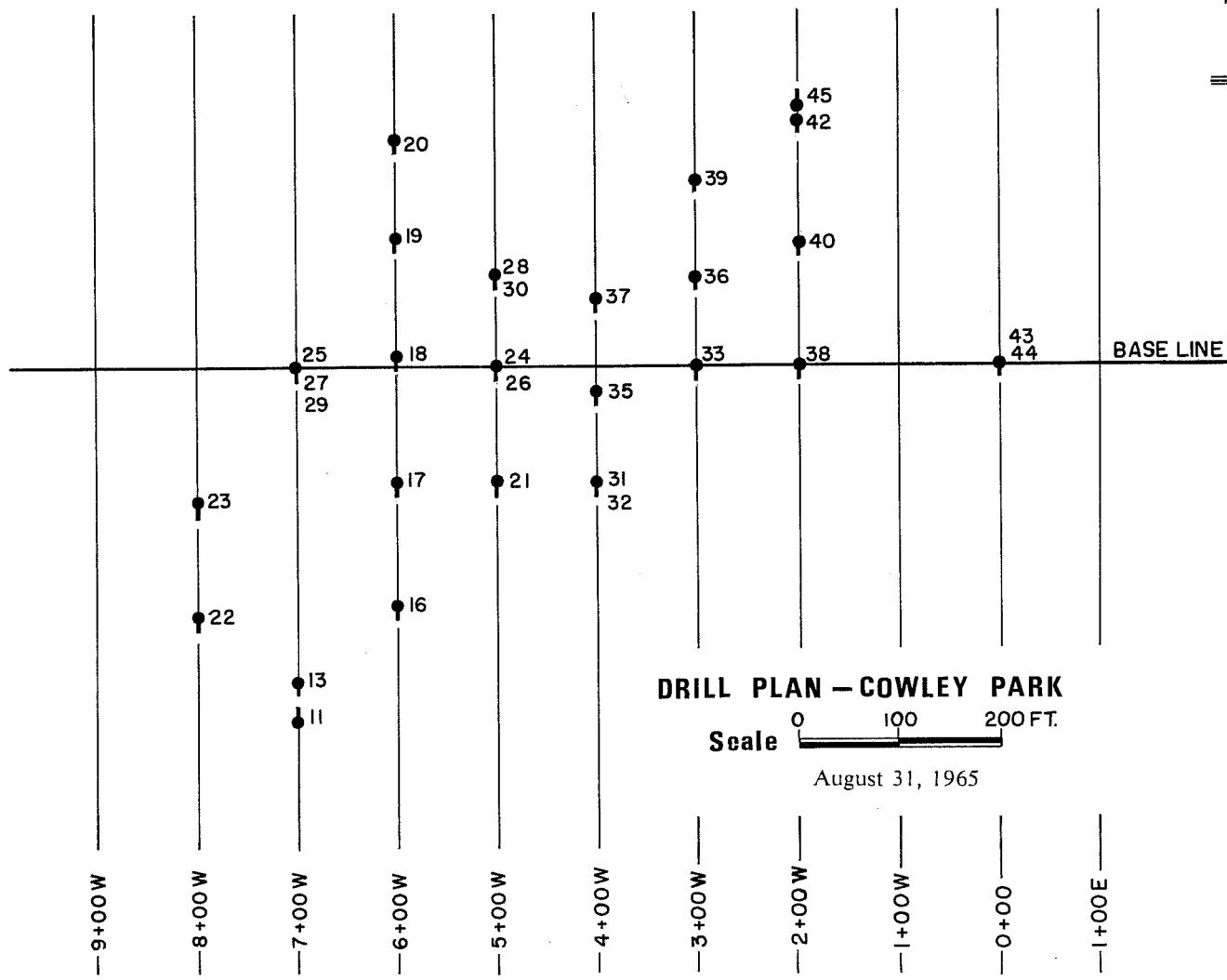
Hole number — angle degrees
(Assay intersection) Length
% Cu.

All assays shown are weighted averages

HOLE NO.	ANGLE DEGREES	CORE ASSAY SECTIONS-Ft. FROM TO	ASSAY % Cu.	MoS ₂	HOLE NO.	ANGLE DEGREES	CORE ASSAY SECTIONS-Ft. FROM TO	ASSAY % Cu.	MoS ₂	HOLE NO.	ANGLE DEGREES	CORE ASSAY SECTIONS-Ft. FROM TO	ASSAY % Cu.	MoS ₂	HOLE NO.	ANGLE DEGREES	CORE ASSAY SECTIONS-Ft. FROM TO	ASSAY % Cu.	MoS ₂
1	30	Incomplete			31	59	14 - 30	0.54		52	45	326 - 370	0.98		B19	46	Incomplete		
2	30	In complete					152 - 219	0.83				141 - 155	2.19		B20	42	Incomplete		
3	30	Incomplete			32	45	56 - 96	0.97		53	50	181 - 245	2.57		B21	54	87 - 121	3.18	
4	30	63 - 256	0.60		33	45	101 - 295	1.73	0.065	54	56	138 - 239	1.94		B22	52	108 - 161	0.77	
5	30	147 - 254	1.60		34	45	187 - 306	0.51		55	50	94 - 188	1.91		B23	56	145 - 218	1.22	
6	30	83 - 133	2.01		35	53	165 - 309	0.95		56	30	12 - 67	0.70		B24	53	192 - 252	1.59	
		328 - 433	1.18		36	64	46 - 66	1.70		B2	45	89 - 113	2.03		B25	53	Incomplete		
7	30	28 - 93	1.23				245 - 253	1.83		B3	45	198 - 205	1.44		B26	54	273 - 325	1.51	
		193 - 240	0.45		37	45	141 - 161	0.81	0.065	B4	45	266 - 281	3.23		B27	55	215 - 283	1.76	
		331 - 351	0.96				77 - 124	0.42		B5	45	115 - 132	0.43		B28	34	97 - 111	1.18	
9	30	185 - 314	1.53		39	45	224 - 244	0.78		B8	43	149 - 171	2.59		B29		Incomplete		
10	30	32 - 160	0.47	0.052			55 - 78	1.65		B9	30	22 - 89	2.93	0.096	B30		22 - 53	0.44	
12	30	236 - 291	2.70		43	59	235 - 266	0.41				240 - 298	0.87	0.043			86 - 97½	1.49	
13	30	99 - 222	2.70				95 - 143	0.68		B10	30	66 - 108	0.63	0.070	B31		209 - 271	0.87	
		186 - 203	3.59		44	45	Incomplete					204 - 275	0.67	0.011	B32		158 - 249	0.24	0.242
		441 - 509	0.44		45	45	97 - 178	0.69		B11	38	30 - 108	0.61	0.019			84 - 124	0.44	0.379
15	45	Incomplete			46	45	85 - 148	0.43		B12	30	15 - 78	0.77	0.035	B33		331 - 396	1.27	
16	60	Incomplete			47	45	176 - 246	0.86				237 - 308	1.30	0.036	B34		291 - 333	1.44	
17	30	97 - 269	1.99		48	45	287 - 357	4.29		B13	30	9 - 44	1.40	0.065	XI	45	Incomplete		
20	30	217 - 353	1.10		49	45	51 - 89	0.60				9 - 171	0.46	0.041					
21	30	0 - 231	0.82				114 - 124	3.05	0.130	B14	35	55 - 95	0.65						
22	38	78 - 199	1.90				150 - 198	0.91				127 - 182	1.48						
26	50	55 - 195	1.24		50	45	161 - 190	0.17	0.269	B15	35	Incomplete							
27	64	57 - 190	0.47				250 - 265	4.33		B16	32	Incomplete							
28	45	71 - 171	1.36				381 - 427½	0.179		B17	30	Incomplete							
29	45	172 - 238	1.74		51	45	224 - 236	0.92	0.289	B18	46	48 - 68	1.50						
30	59	85 - 131	0.48																
		176 - 234	1.50		52	45													

NEW IMPERIAL MINES LTD.

HOLE NO.	ANGLE DEGREES	CORE SECTIONS-Ft.		ASSAY %	
		FROM	TO	Cu.	MoS ₂
11	30	0	211	0.88	0.046
13	90	0	154	0.34	0.033
14	45	0	54	0.76	0.043
16	30	0	108	1.49	0.145
17	30	8	236	0.52	0.082
18	30	174	364	1.25	0.108
19	30	271	427	0.81	0.146
20	30	378	498	0.72	0.172
21	30	87	227	0.45	0.115
22	30	26	88	0.19	0.087
23	30	125	185	1.38	0.110
24	30	170	315	1.43	Trace
25	30	199	386	0.43	0.085
26	43	176	313	0.89	0.120
27	41 $\frac{1}{2}$	237	360	0.26	0.048
28	41 $\frac{1}{2}$	273	399	1.22	0.094
29	51 $\frac{1}{2}$	251	321	0.41	0.023
30	51	295	416	0.71	0.106
31	30	238	294	0.52	0.029
32	45	161	178	1.01	0.065
33	30	231	275	0.99	0.045
34	43 $\frac{1}{2}$	156	292	0.89	0.076
35	44	216	311	0.58	0.045
36	44	148	192	1.02	0.078
37	44	276	363	0.54	0.057
38	30	381	443	0.33	0.054
39	44	101	246	0.70	0.084
40	44	166	323	0.54	0.066
42	30	86	380	1.90	0.063
43	30	284	345	1.31	0.043
44	90	Incomplete			
45	30	Incomplete			



DRILL PLAN - COWLEY PARK

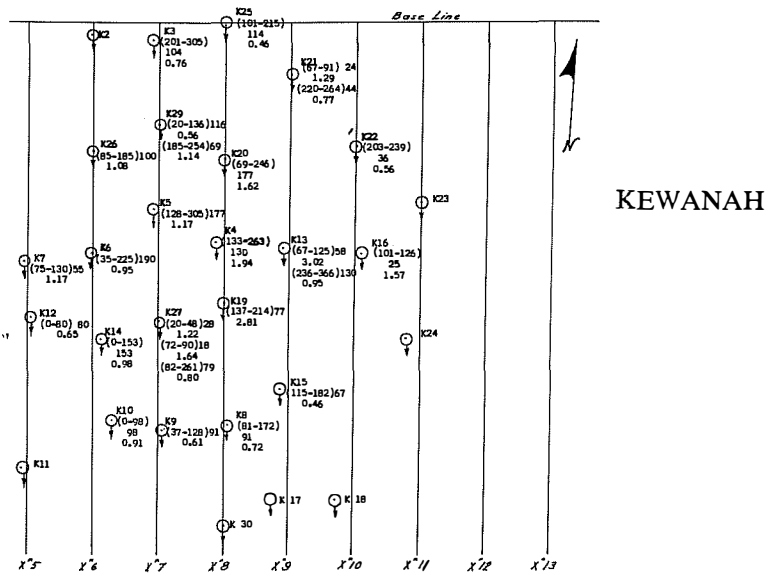
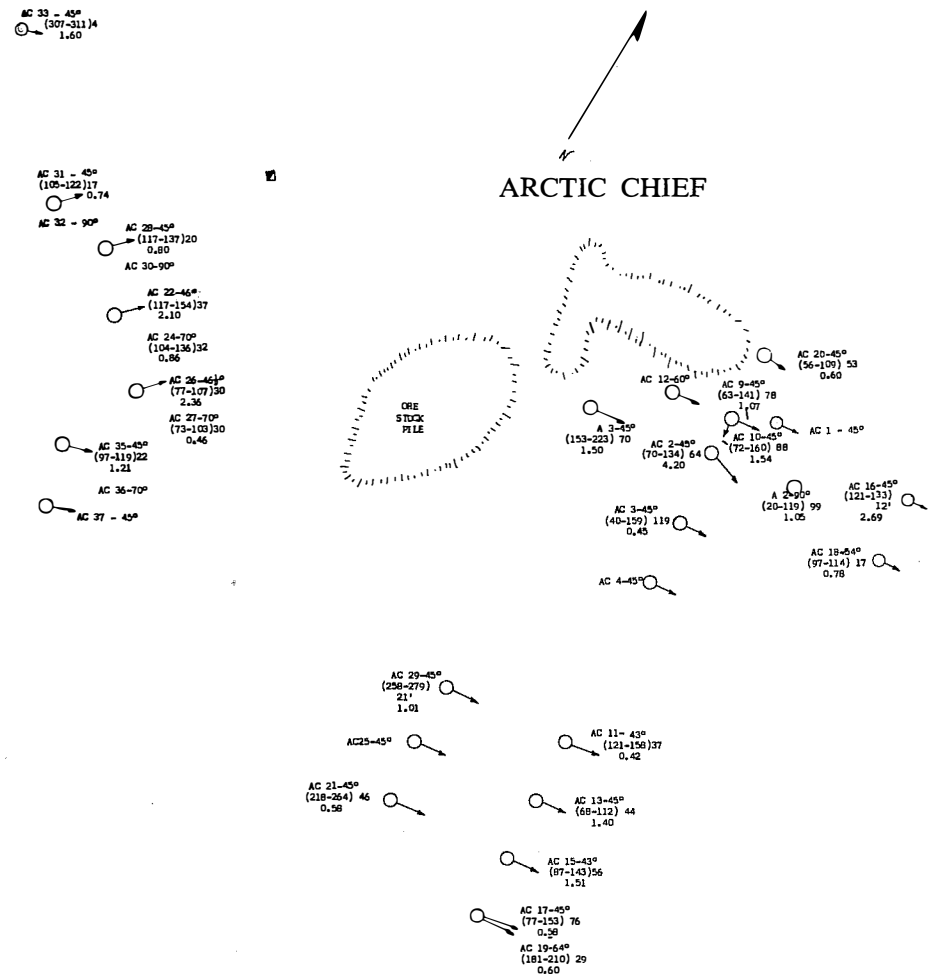
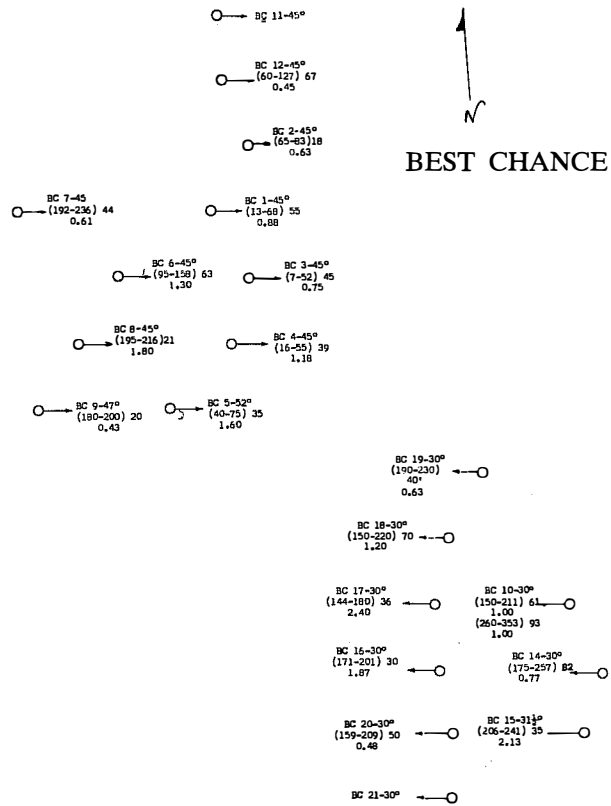
Scale 0 100 200 FT.

August 31, 1965

KEY

Hole number — angle degrees
 (Assay intersection) Length
 % Cu.

All assays shown are weighted averages



KEY

Hole number — angle degrees
(Assay intersection) Length
% Cu.

All assays shown are weighted averages

**DRILL PLAN — Arctic Chief
Best Chance
Kewanah**

Scale 0 100 FT.

August 31, 1965

NEW IMPERIAL MINES LTD.

JUL 30 1965

From: New Imperial Mines Ltd.,
Suite 1022 - 85 Richmond St. W.,
Toronto, Ont.

*attach to Review
April '65*

FOR RELEASE ON RECEIPT

Friday, July 23, 1965.

New Imperial Mines Limited, with 5,500,000 tons of proven and probable ore grading 1.2% copper developed for open pit mining as of May 31, now has commenced a deep drilling program at the Little Chief area in the centre of its property near Whitehorse, Y.T., it was announced today by Arnold Pitt, president.

Hole #64, which had previously cut 212' of ore averaging 1.52% copper in an extension from 120' to 332', now has been further extended, and assayed to 836'. This extension cut a continuous section of 447 feet (from 389' to 836') averaging 1.82% copper, of which the last 121 feet (from 715' to 836') averaged 2.47% copper.

The drill was pulled at 867 feet. Overall average for the 659' of ore in hole #64 was 1.72% copper, Mr. Pitt said. Two drills are presently following the extension of the deep ore in a program of stepout holes which is also enlarging the open pit tonnage.

The decision to test at depth some of the holes previously drilled on the Little Chief claims came when a probe on the southern extension of the anomaly intersected ore-grade mineralization to greater depth than previously encountered at any of New Imperial's deposits. This was hole #65, which cut a length of 132 feet (from 189' to 321') averaging 2.07% copper. From 395' to 526', the average over this 131' length was 1.78% copper.

more.....

2.....

No allowance has been made for increases in ore reserves as a result of this deep drilling, Mr. Pitt stated. The 5,500,000 tons of drill indicated reserves as at May 31, 1965, would sustain operation for eight years at the 2,000 tons per day milling rate planned.

Recoverable values in gold and silver (after dilution allowance) are estimated at .90¢ per ton at the Little Chief deposit; \$1 per ton at the War Eagle deposit and .50¢ per ton at the Cowley Park deposit, where molybdenum values are also present at 0.08% MoS₂ per ton.

Eric G. Lambert, a director of New Imperial, stated that the cost of putting the company's property into production is estimated at \$6,500,000. This estimate, subject to revision, is based on data supplied by New Imperial's consulting engineer, Dr. A. C. Skerl, and by Wright Engineering Limited of Vancouver, who are undertaking a final feasibility study scheduled for completion in the fall.

New Imperial has made arrangements for purchase of concentrates from production at the mine site by Sumitomo Metal Mining Company Limited of Tokyo, Japan. Following a meeting in late June, it was agreed that New Imperial should finalize the content of the concentrate purchase agreement and make arrangements for senior financing for mine and mill construction, with the objective of having these signed by the parties immediately following acceptance of the feasibility report.

105 D
attach to previous copies

KERR ADDISON MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To..... W. M. Sirola..... From..... P. M. Kavanagh.....
Subject..... New Imperial Mines..... Date..... April 30th, 1965.....

✓	W.S.R.	✓
✓	K.C.G.	✓
✓	J.H.S.	✓
✓	E.F.	✓
	R.D.S.	
	R.C.B.	
	P.M.K.	✓
	G.W.M.	
	R.C.M.	
	J.W.W.	
	J.B.S.	
	G.P.R.	
	K.F.L.	
	J.L.B.	
	E.C.J.	

Prompted by your memorandum of April 28th I attended the New Imperial meeting and have just returned from it.

I declined to ask any questions during the meeting but afterwards I asked my friend Dr. Gillanders about the White Pass matter. It is his impression that the Wright Engineering firm's feasibility study based on only copper concentrates being shipped does not consider the White Pass quoted rates any serious obstacle to successful production at a 2,000 ton per day rate. Dr. Gillanders is however shortly going to have lunch with Frank Brown, the White Pass president, to tell him some of the "facts of life" in mining development in the hope of getting some improvement in the White Pass quotes.

At the meeting they mentioned a new hole which they have drilled in a new part of the Little Chief area which has a 270 foot section assaying somewhat over 2%. The section starts at 200 feet vertically below the surface and is in a 60° dipping hole. After the meeting Skerl indicated that he thinks the hole is down the long axis of an inclined body.

I got the impression from the meeting that although New Imperial and Sumitomo will be having meetings during the year, New Imperial won't press Sumitomo for any further major commitments at least until the end of this year. Sumitomo have a geologist and mining engineer working on the property.

Paul M. Kavanagh
Chief Geologist - Exploration.

PMK:sw

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

105 D
attach to previous
corresp
April 64.

To..... P.M. KAVANAGH..... From..... W.M. SIROLA.....

Subject..... NEW IMPERIAL MINES - ANNUAL MEETING..... Date..... April 28th, 1965.....

- W.S.R.
- K.C.G.
- S.
- R.S.
- B.C.B.
- P.M.K. ✓
- G.W.M.
- R.C.M.
- C.K.W.
- J.B.S.
- G.P.R.
- K.F.L.
- L.B.
- E.C.J.

I understand that the annual meeting of New Imperial Mines will be held in Toronto on Friday, April 30th.

I would be curious to know whether or not any replacement type, or disseminated copper mineralization, had been encountered, and perhaps if someone in the Kerr organization owned one share, or had a proxy for one share, he could go to the meeting and ask this question of Gus Skerl, or Arnold Pitt for that matter. They may not, of course, supply the right answer, but it would be interesting to hear what they would say.

I appreciate that if such mineralization has been encountered, and it appears to be there in some quantity, the Japanese agreement will be consummated later in the year. None the less, if someone in your office has the time to go, it might be worthwhile to hear what has developed in the past six months, and also what headway, if any, has been made in negotiations with the Yukon and White Pass Railway.

William M. Sirola.

WMS/iw.

COPY

January 20, 1964.

Mr. Arnold Pitt, President,
New Imperial Mines Limited,
5 Hill Garden,
Toronto, Ontario.

W.S.R.
K.C.G.
R.D.S.
B.C.B.
P.M.K.
G.W.M.
H.A.P.
C.K.W.
J.B.S.
G.P.R.
E.L.D.
J.P.
<u>C.I.</u>
D.V.B.

Dear Mr. Pitt:

Dr. Skerl visited me in my office last week and advised that New Imperial was considering dealing off the northern and southern thirds of its large property in the Whitehorse area, Yukon. Dr. Skerl was of the opinion that the southern sector would include the following mineralized locations: the Copper Cliff, Keeweenaw, Black and Brown Cub, the two Cowley Park localities, and the Railway deposit. He thought that the north sector would include the Reservoir Lake deposit and others to the north of it.

With these considerations in mind, we would appreciate it very much if you could arrange for us to have a careful look at all the data you have on those two sectors of your property. I would suggest that the best way for this to be accomplished would be for Dr. Skerl to arrange to get together once again with our Bill Sirola in Vancouver in a week or so after Bill will have returned to Vancouver from Nanaimo hospital where he is presently recovering from a car accident. It might be that such a review on our part would prompt us to sustain an interest in those areas.

I would also appreciate it if you would advise me of the terms under which you would be prepared to deal on one or the other or both of those sectors.

Kindest regards,

Yours sincerely,

Paul M. Kavanagh
Chief Geologist - Exploration

PMK:dh
cc Dr. A.C. Skerl
W. M. Sirola

P.S. My not being able to sign this letter is caused by my leaving on a short holiday.

Jan. 7/63

Re: New Imperial Mines Ltd

- the following notes are from a visit by Gus Skel to my office on ^{Jan. 7/63}
- he referred several times to a feasibility study recently completed by Wright Bros. of Vancouver re: the New Imperial properties
 - they give value of \$0.50 / ton of ore
 - \$ 5.30 in copper
 - 2.20 in iron
 - 1.00 in Au & Ag
 - \$ 8.50
 - Cu conc will be 22% grade
 - iron conc. will be 68% grade (3.8 tons of ore will yield 1 long ton of 68% Fe conc.)
 - Japs will pay \$7.40 per long ton of Fe conc. @ 62% Fe + 25¢/unit ~~per unit~~ for fine gr'd pelletizing material
 - Skel ests. a 2.25/1 stripping ratio
 - Wright Bros. est. a 1400 tpd mill will cost \$2,220,000
 - Skel ests total capital requirements at \$3,500,000 (not including \$500,000 wharf facilities at Skegway)
 - est. levy charge from property to Skegway - \$3.60 / ton conc. = 90¢ / ton of ore
 - Skel ests \$1.20 / ton of ore - mining cost
 - Wright Bros est \$1.90 / ton of ore - crushing & milling cost
 - ∴ Skel total operating & levy cost = \$4.00 / ton of ore

~~XXXX~~

over to page 2

- Skerl suggested that New Imperial would farm out the northern & southern thirds of their vast properties. ~~W~~
- he said New Imperial would be easy to deal with
- the South Sector would include the following main locations:
 - the Copper Cliff, Keswenaaw, Black & Brown Cub, Cowley Park (2 deposits) (#278 & 28)
 - * the Railway deposit
- the North Sector would include the Reservoir Lake deposit & the others to the north of it.
- the Map Ref is Map 49-1962 - Whitehorse Copper Belt - G.S.C.

105/D

attach to previous
copy

COPY

December 11, 1963.

W.S.R.	
K.C.G.	
G.H.M.	
R.D.S.	
B.C.B.	
PMK.	✓
C.V.W.	
E.O.C.	
H.A.P.	
J.B.S.	
G.P.R.	
E.L.D.	
J.P.	
E.C.J.	
P.M.D.	

Mr. Arnold Pitt, President,
New Imperial Mines Limited,
5 Hill Garden,
Toronto, Ontario.

Dear Mr. Pitt:

I want to advise you that our Vancouver exploration representative, William Sirola, spent several hours on December 2nd with Dr. Skerl reviewing data on your Whitehorse area property, and that after subsequent consideration we have decided not to pursue any further interest in your property at present.

We appreciate very much the opportunity you gave us to review your data.

Yours sincerely,



Paul M. Kavanagh
Chief Geologist - Exploration

PMK:dh

cc W. M. Sirola

DEC 6 1963

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To P.M. KAVANAGH From W.M. SIROLA

Subject NEW IMPERIAL MINES - WHITEHORSE COPPER BELT, Y.T. Date December 4th, 1963. (105 - D)

Table with 2 columns and 11 rows listing names: W.S.R., K.C.G., G.H.M., R.D.S., B.C.B., P.M.K., C.K.W., E.O.C., H.A.P., J.B.S., G.P.R., E.L.D., J.I.B., E.C.J., D.V.B.

I had a two hour session with Dr. Skerl on Monday, December 2nd, regarding the above property.

Basically, the New Imperial programme of work has consisted of magnetic and self-potential surveys, followed by diamond drilling on 50' centres. No new mineralized zones have been found and the purpose of the drilling has been to determine more closely the tonnage grade of previously known mineralized zones. One exception to this was the drilling of the superimposed magnetic/self-potential anomaly on the Sue Group. This turned out to be a Tertiary basalt, and work was discontinued.

Skerl estimates potential to date to be 1,255,000 tons of ore, averaging 1 : 1.25% Cu and 22% Fe. He breaks this down, in rather crude form, as follows :

Table with columns: Deposit, Tonnage, Grade (Cu, Fe). Rows include Best Chance, Big Chief, Middle Chief, Little Chief, Arctic Chief, and Total.

Handwritten note: I discussed this verbally with Mr. Ross on Dec 11/63 & agreed on no further interest. Prof. Skerl Dec 11/63

The above are all contact/metamorphic zones varying in length from 600' : 1,000', and in width from 25' : 100'. They are all shallow deposits (usually less than 150'), but at the Little Chief, one drill hole was in ore at a vertical depth of 300'. Ore values fall off markedly, suggesting that the mineralization, as it now exists, may represent only the roots of the original mineralized structures.

These are narrow deposits, to be mined by the open pit method, but Skerl has calculated that two yards of waste will have to be removed for each three tons of ore. I did not see the sections corroborating this strip ratio, but Skerl has sufficient experience, from his consulting work on Texada Mines, to be reasonably accurate in these estimates. He makes it plain that the profit in this situation

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To.....From.....

Subject.....Date.....

contd/..

- 2 -

must come from the iron content of the ore. This, in turn, means that an extremely favorable freight rate from McRae to Skagway is a prerequisite.

Skerl's economics, based on a 1,000 ton per day operation, plus 86% recovery of the total copper content, are as follows :

Gross value of the ore	:	Cu - \$6.00	
		Fe - 3.00	
		Au & Ag - 1.00	
		Total	10.00
			\$ 10.00 per ton
Operating Costs	:	\$ 4.00	
Railway to Skagway	:	1.00	
Amortization	:	2.00	
		Total	7.00
			- 7.00 per ton
Profit per ton of ore	:		\$ 3.00

My version of the economics, based on the same recovery, is as follows :

Value of the ore at the wharf at Skagway:		Cu - \$4.80 (Based on 24¢ net smelter)	
		Fe - 3.00 (22 units @ 15¢ per unit)	
		Au & Ag - 0.90	
		Total	8.70
			\$ 8.70 per ton
<u>Operating Costs</u>			
Mining ore and waste	:	\$1.50	
Milling	:	1.50	
Road haulage	:	0.40	
Rail haul to Skagway	:	1.00	
Ove head	:	0.50	
Amortization (including interest)	:	2.50 (Based on capital cost of \$2,500,000.)	
		Total	7.40
			- \$ 7.40 per ton
Profit per ton of ore	:		\$ 1.30

contd/.. - 3 -

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To.....From.....

Subject.....Date.....

contd/..

- 3 -

The \$1.00 per ton rail haul cost is based on the supposition that the White Pass and Yukon Railway will haul concentrates from McRae to Skagway, a distance of 100 miles, for \$3.00 per ton, or 3¢ per ton mile. Skerl states that the White Pass people have been talking such a figure recently and that they are considering the installation of permanent loading facilities at Skagway.

The picture can be summarized by saying that a small profit might be made if :

- (a) The Japanese pay premium prices for the magnetite content of the ore.
- (b) The rail haul rate is 3¢ per ton mile.
- (c) Storage and loading facilities at Skagway are provided by the Railway.

On the other side of the ledger it should be said that Skerl has some optimism for other nearby mineralized areas such as, the Keewenaw which he considers to resemble the East Jersey zone at Bethlehem Copper. At present, the evidence for this is somewhat fragmentary.

I would question the wisdom of Kerr Addison getting into this situation on the grounds that there are many uncertain but vital cost factors involved in a limited tonnage type of deposit. As you know, my original interest sprang, not from the potential of the contact/metamorphic deposits, but from the possibility that a disseminated type of mineralization may have been encountered. Since this does not appear to be the case, I do not, for the present at least, advocate major financing by Kerr Addison.

I enclose a photostat showing the location of the various properties mentioned in this report.


William M. Sirola.

WMS/iw.

Encl: Photostat map of Whitehorse Copper Belt.

Little Chief 300,000 tons
 Best Chance 300,000 tons 400,000
 Pacific Chief
 Big Chief 150,000
 Middle Chief 250,000

Re. New Imperial Mines Ltd.

- 1,000,000 - 1,500,000 tons in 5 props. $\frac{1}{4}$ million in each spread over 6 miles long belt.
 - recoverable grade (85% recovery) - 1% copper
 22% recoverable iron

Japs would have to pay \$9.00/ton of Fe conc 66% FOB Shagway. \$3.00/ton of ore

- taking in a mill man from Wright Engineers

1,000 ton a day operation

\$4.00 operating costs
 net \$1.00 per ton of ore
 - \$2.00 of ton op. profit after amortization

\$2,000,000 for plant ~~interest~~
~~amortization~~
 working capital
 - no interest

- Bill would say \$5.00

S.F. & mag
 - anomaly on Sec Sp is basalt - no importance

- 2 big questions - will Japs buy all the iron
 - relay rate questionable.

2 yds of waste - to 3 tons of ore

Keeweenaw - East Jersey type stungie zone
 Cowley Pk - mostly porphyritic

Ace ~~Boxer~~

20,000 feet. - 38 holes

excluding Cowley
11 shallow
holes

Approx. 20 sq. miles

20 mi long x 1 mi wide

approx.

6 of this late this summer
at south end.

700,000 - 1.2% Cu

1000 tons 25% Fe.

open pit table

1050
attach to previous copies
Oct 63

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

W.S.R.	
K.C.G.	
G.H.M.	
R.D.S.	
B.C.B.	
P.M.K.	✓
C.K.W.	
E.O.C.	
H.A.P.	
J.B.S.	
G.P.R.	
E.L.D.	
J.I.B.	
E.C.T.	○
D.V.B.	

To.....W. M. Sirola.....From.....P. M. Kavanagh.....

Subject New Imperial Mines - Whitehorse Copper Belt, Y.T. Date Dec. 2/63

With reference to your memorandum of November 29th on this subject, we really have no right to expect Skerl to accommodate us until such time as he would have received definite instructions from Mr. Pitt. Such instructions should have been received by Skerl no later than today or tomorrow and I would suggest that when you receive this memorandum of mine you again get in touch with Skerl. If he still does not appear very accommodating then I wish you would let me know and I will immediately advise Mr. Simpson.



Paul M. Kavanagh
Chief Geologist - Exploration

PMK:dh

DEC 2 1963

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

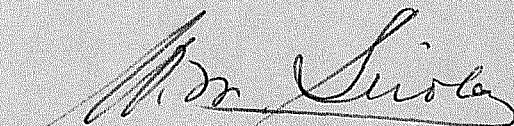
To P.M. KAVANAGH

From W.M. SIROLA

Subject NEW IMPERIAL MINES - WHITEHORSE COPPER BELT, Y.T. Date November 29th, 1963

W.S.R.	
K.C.G.	
G.H.M.	
R.O.S.	
B.C.B.	
P.M.K.	✓
C.K.W.	
E.O.C.	
H.A.P.	
J.B.S.	
G.P.R.	
E.L.D.	
J.B.	
ECJ	
D.V.B.	

I talked to Gus Skerl yesterday afternoon and again this morning to see whether he could show me the New Imperial data. He professes to be very busy and cannot show me this information before his return from Whitehorse, which will be on December 10th, or thereabouts. I suggested to him that he might have a report which I could peruse in his absence but his reply is, "not really". I cannot help but form the impression that he is not ready to disclose very much until such time as he has definite advice from Mr. Pitt. I suggest that you contact Mr. Simpson and tell him that, as yet, we are not receiving much cooperation at this end. It is, of course, understandable that Dr. Skerl would require formal notice from New Imperial before divulging the data.



William M. Sirola.

WMS/iw.

Encl:

105 D

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

W.S.R.	
K.C.G.	
G.H.M.	
R.O.S.	
E.C.C.	
P.M.H.	✓
E.C.C.	
A.H.S.	
G.P.R.	
E.L.D.	
J.L.B.	
E.C.J.	
D.V.B.	

To.....W. M. Sirola.....From.....P. M. Kavanagh.....

Subject.....New Imperial Mines, Whitehorse Area, Yukon (105-D).....Date.....October 28, 1963.....

Prompted by your memorandum of October 22nd and by our telephone conversation on this subject last Friday, I phoned Arnold Pitt this morning requesting permission to make a complete examination of their property and data.

He wasn't about to give such permission and would only say that he would tell the directors this Wednesday about our interest. He indicated that they would have their data in better shape in a couple of weeks' time and that after that he might give me a ring.

They have recently moved the main office of the outfit from Vancouver to Toronto.

He talked rather promotionally. I rather gained the impression that they have not materially improved the picture beyond where Noranda left it. However, if they let us take a good close look, it will be worth our while to do so even for general information purposes.

PMK:jm



Paul M. Kavanagh,
Chief Geologist - Exploration

OCT 23 1963

KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

To P.M. KAVANAGH From W.M. SIROLA

Subject NEW IMPERIAL MINES - WHITEHORSE COPPER BELT, Y.T. Date October 22nd, 1963.

(105-D)

W.S.R.	
K.C.G.	
G.H.M.	
R.D.S.	
B.C.B.	
P.M.K.	<input checked="" type="checkbox"/>
C.V.M.	
F.O.C.	
H.A.P.	
J.B.S.	
G.P.R.	
E.L.D.	
J.I.B.	
E.C.T.	<input checked="" type="checkbox"/>
D.V.B.	

During my last visit to Whitehorse I talked to Aubrey Simmons about this property but his advice is that we should contact the President of the company who is a Mr. Arnold Pitt, who, presumably, resides in Toronto. Simmons had told us that Pitt was due on the property the day after we left for Vangorda, but, apparently, he had cancelled his plans. I suggest that you contact Pitt to see whether or not he is interested in making a deal on the property at the present time. I am curious about the large, super-imposed magnetic-S.P. anomaly.

*Residence in Toronto:
5 Hill Garden
Tel: CH 10753*



William M. Sirola.

WMS/iw.