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June 26th, 1958.

A	W.S.R.	N
	R.J.B.	✓
	E.O.C.	✓
	H.A.P.	
	R	
	E.P.P.	
	G.P.R.	
	E.L.D.	
	J.I.K.	
	(E.C.J.)	

MEMORANDUM:

RE: Cox Antimony Prospect -  
Becker Creek, Wheaton Area,  
Yukon Territory

Our prospectors staked 20 claims covering the Cox antimony prospect Becker Creek Wheaton Area, Yukon Territory, in early June of this year.

The property came open this winter and was staked on my instructions, as a result of information regarding the merits of the property obtained in the Yukon in 1952. The attached is a detailed report of the preliminary examination of the prospect by James M. Baker, 118 Montgomery Street, Toronto, and formerly field geologist with Conwest Exploration. I consider Baker a reliable and conservative geologist. To my knowledge it is the only property he recommended to Conwest in the Yukon while in their employment. I consider the property a worthwhile acquisition that warrants additional exploration.

F. M. Connell did not act on Baker's recommendation to acquire the property from Cox in 1952, because the downpayment \$5,000.00 asked by Cox and because of a sudden drop in the price of antimony at that time, from a high of 51.85 cents a pound to a low of 36.47 cents a pound. Its present price is 29.5 cents a pound.

Ore prices June 19th, 1958 E.M.J. are as follows:-

50-55% lump	....	\$2.25 - \$2.40	per unit
60 % lump	....	\$2.50 - \$2.60	" "
65 % lump	....	\$3.00 - \$3.10	" "

The quotation on December 2nd, 1954 for 65% lump ore was \$4.35 to \$4.45 per unit of 20 lbs.

The price structure of antimony has been notoriously unstable. The trend has been upward over a long period of years. During World War II period the average price of antimony was 15.5 cents. In 1953 prices varied between a low

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	I.D.	
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of 30.47¢, to a high of 36.47¢. Average for 1953 was 35.9¢ compared with average for 1952 of 44.02¢.

"The selling prices have varied widely, indicating comparative sensitivity to demand. Antimony production, including all phases, such as mining, smelting and refining, but particularly mining, cannot be increased or decreased rapidly hence the problem of relating world production to demand has been serious with consequent wide swings in price." (U.S. Bureau of Mines - Bulletin S56).

U.S. users of antimony are small and low grade and domestic mining limited to periods of high price and extraordinary demand. Ores are imported into U.S. free at 2¢ a pound, tariff protects the smelting industry there.

Outlook.

Free world production of antimony in future, will as in the past, come chiefly from Mexico, Bolivia and the Union of South Africa. The immediate outlook is for a world output of 30 to 35 thousand metric tons a year. No significant new sources are in sight in U.S. although exploration work in progress in Alaska may augment supply moderately. World reserves are estimated at 3.5 million metric tons, of which 2.2 million are in U.S.S.R controlled centres.

Detail reserves by countries are as follows:-

<u>Free World</u>	<u>Thousand Metric Tons</u>
Bolivia	500
Mexico	500
South Africa	150
United States	110 (grade 0.2% Sb.)
Yugoslavia	<u>50-75</u>
Minimum Free World	<u>1,300</u>
<u>Communist World</u>	
China	2,000
Czechoslovakia	40-60
U.S.S.R	<u>70-150</u>
	<u>2,200</u>

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Canada's production is small compared with world production and averages about 875 tons from antimonial content of leadores, flue, dust etc.

United States consumes annually about 40 to 50 percent of the free world output.

In 1957 free world production generally declined as demand slackened and low priced Russian and Chinese metal came onto world markets in increasing quantities. Generally Bolivia and Mexican ores have a natural market in U.S.A. with overflow to Japan, while South African ores go mainly to U.K.

New Uses.

Two new uses that are being investigated might create significant demands. One is in electroplating where it compares favourably to nickel and chrome plate. The other use is as a semi-conductor in electronics when alloyed with aluminum. Both could be important.

Summary

The general 1958 outlook remains weak. World production temporarily exceeds industrial requirements and adequate supplies from Free World mines, with increasing offers of "iron curtain" material, indicate neither shortage nor higher prices in the near future - provided there is no political interferences in the principal mining countries. Additional information is being sought on the Canadian marketing situation.

Rod Macrae has been asked to make an examination and recommendation on the Cox property.



E. O. Chisholm,  
Chief Geologist.

EOC/sb