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MAY 4 1965

PROGRESS REPORT TO SHAREHOLDERS
SILVER TITAN MINES LIMITED

007486

APRIL 27, 1965

J.S.
G.P.R.
K.H.L.
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Shanghai Project (see attached map)

Exceptionally good drill intersections have been obtained in two localities on the Shanghai project, a joint venture with P&S Silver Mines.

The main discovery, 77 feet northwest of the face of the 2250 drift, is a 13-foot width of vein cut by drill hole SU-14 which returned values as follows:

	<u>Oz/ton</u> <u>Gold</u>	<u>Oz/ton</u> <u>Silver</u>	<u>%</u> <u>Lead</u>	<u>%</u> <u>Zinc</u>
Massive sulphides (about 2 inches)	0.44	637.5	24.15	28.96
Remaining ground-up core (about 16 inches)		48.7	2.65	2.21
Rough weighted average of core		100.0	4.0	
Average sludge (13 feet)	0.10	45.9	1.34	1.52

It is well known throughout the Keno Hill camp that core and sludge assays are nearly always much less than the true values from drill holes even with reasonable core recovery. Values such as these in hole SU-14 are thus most unusual and particularly significant because of the high silver-lead ratio, the strength and width of vein zone, and the geology which shows that No's 1 and 2 veins converge above this level to form a major vein junction entirely in favourable quartzite host rocks 500 feet from surface where similar high grade mineralization has been found subsidiary to the overburden-covered vein zones.

The second locality, 1000 feet to the southeast and 30 to 100 feet from present workings, consists of three ore intersections of which the best drill hole, SU-15, returned core assaying 99.2 oz/ton silver, 22.7% lead and 2.0% zinc across 4.5 feet in a similar geologic setup.

Both localities thus have excellent potential. By comparison, when nearby United Keno Hill Mines started deep level development in the Hector-Calumet mine in 1951, a drill intersection into the No. 3 vein on the 525-foot level gave 7.2 oz/ton silver and 10% combined lead and zinc and a subsequent crosscut showed a true grade of 41.5 oz/ton silver across 11 feet. Development of these lower levels and other parts of the mine were factors causing rise of United Keno stock from a low of \$8.40 to \$16.25 in 1951.

It is now proposed to crosscut the short distances into the Shanghai localities and to start blocking out ore.

HALDANE Project:

In the Middlecoff shaft, a newly uncovered 10-foot wide vein zone averaged 5.5 oz/ton silver and 0.77% lead across 8.2 feet with associated float assaying 33 and 17.8 oz/ton silver. The vein width, values, and high silver-lead ratios strongly suggest a nearby ore shoot, probably an extension of the ore 180 feet to the south in the 3600 level.

From the new South Johnson open cut a 10-ton dump averaged 35.34 oz/ton silver and 2.16% lead, select fresh galena assayed 128.56 oz/ton silver and 61.37% lead, and four channel samples over a length of 20 feet averaged 7.0 oz/ton silver and 3.5% lead across 3.7 feet, perhaps diluted in part by frozen waste. These results confirm attractive ore possibilities on the Johnson vein.

As reported earlier, several sections of ore grade have been opened up on the Haldane property, and further proposed development will be aimed at blocking out ore.

Dynasty Explorations Limited

Silver Titan also owns 214,100 shares of Dynasty Explorations Limited who started drilling for zinc-lead-copper-silver deposits in the Vangorda area of central Yukon in March, 1965. Drilling is being done with a versatile combination of a Mayhew rotary drill using either air or water, and mounted on highly mobile Nodwell track carriers.

The equipment is working well and the first of twelve similar targets to be tested showed a zone of lead-zinc-copper and silver mineralization 8000 feet long and 600 feet wide. Most of the other targets are being tested rapidly in the next three months and the best zones of mineralization are to be evaluated by closer drilling.

Conclusion:

With recent developments on Shanghai and Haldane, Silver Titan is now well on its way toward starting to develop enough ore for production, and a program with this objective is being planned.

Participation in Dynasty is also expected to enhance the company's position.

SILVER TITAN MINES LIMITED (N.P.L.)
328-355 Burrard Street
Vancouver 1, B. C.

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NEWS RELEASE

June 30, 1964

J.S.R.
R.H.R.
E.S.
B.S.
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SILVER TITAN EXPANDS PROGRAM

SHANGHAI

Silver Titan's Shanghai project, financed by Peso Silver Mines and operated by an 18-man crew, is progressing well with the initial cross-cut now in 200 feet and with intersection of the main No. 1 vein zone expected around 330 feet. Surface trenching of the vein zones is being started with a new D 7A bulldozer, and a surface diamond drill program is also being laid out.

HALDANE

Silver Titan Mines also expanded its holdings in the Mayo District on May 31, 1964 by optioning the Mt. Haldane silver-lead property, situated six miles west of its Galena Hill property, from M.H. Ewing and E.C. Bleiler of Mayo, Y.T. The agreement with Ewing and Bleiler calls for cash payments totalling \$58,000.00 over a period of 4 years plus 200,000 shares of vendor stock in a 3 million share company to be formed on the property. The holdings consist of 21 claims, and an additional 35 claims have been staked to cover possible extensions of the vein zone.

Three adits driven into a vein on the south side of Bighorn Gulch in 1919 encountered values up to 197 oz/ton silver, and established some ore of milling grade with 1/1 silver-lead ratio.

Values ranging up to 330 oz/ton silver were also found on the north side of the Gulch by Johnson who shipped 1.48 tons of ore in 1925 assaying 199.84 ounces of silver and 1620 pounds of lead, or material averaging 135 oz/ton silver with a good silver-lead ratio. An assay of 25 oz/ton is also reported from a leached outcrop still farther north. A geochemical survey by Silver Titan Mines has recently shown lead and zinc anomalies which should be traceable to further mineralized sections.

This property is ideally situated in a thick section of massive quartzite, and other high grade silver float has been reported in the vicinity. Mapping, geochemical sampling, and trenching is being started with a 4-man crew who will concentrate on opening up the better grade veins on the north side of Bighorn Gulch.

OTHER

Silver Titan also plans to test promising new geochemical float indications on its Galena Hill property by diamond drilling, and to trench or examine mineralized zones on its UR, Argent and Jay -B properties.

In addition, the company is participating 30% in Dynasty explorations which holds 391 claims in the Vangorda Creek lead-zinc area of Central Yukon. An 8-man crew is now carrying out geologic, geochemical and magnetic surveys to establish drill targets, and has already found some mineralization.

With several projects under way the company anticipates an active season. Further details will be provided as work progresses.

SILVER TITAN MINES LIMITED (N.P.L.)

328 - 355 Burrard Street

Vancouver 1, B. C.

MU 2-6191

SILVER TITAN - MAYO MAR 18 1963

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KERR-ADDISON GOLD MINES LIMITED

(FOR INTER-OFFICE USE ONLY)

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

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

Subject..... SILVER TITAN PROPERTY, MAYO DISTRICT (105-M/14) Date..... March 14th, 1963

On March 8th, I met with Messrs. Brynelsen, Aho Little and Sharpstone regarding the above property. Sharpstone is a Toronto consultant who was representing the Homestake Company.

As you are doubtless aware, Dr. Aho is attempting to farm-out the various properties held by Silver Titan. It is quite probable that he has been in to see you by now.

I mentioned to Brynelsen that I did not know whether there was any provision in our Budget for participating in this venture. He said that he had already discussed the matter with Mr. Row during his last visit to Toronto.

In the area immediately west of the United Keno holdings, Aho feels that a number of vein faults have been located by Resistivity Surveys done in 1959 (presumably for United Keno) and he feels that not all of these vein faults have been investigated where they would cut the massive quartzites. Looking at his interpretation map, I am more than a little cloudy at the procedure used in interpreting the position of the alleged vein faults and certainly I would have to look much more closely into this picture before advocating it to Kerr-Addison.

I will not spend any more time on this picture until I know whether or not participation by Kerr has already been agreed to in principle. May I please have your sentiments.

RL.
for William M. Sirola.

Have spoken to Sirola by phone about this. P.M.K. Mar 18/63

