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1758 WESTERN PARKWAY  
VANCOUVER 8, B.C.RIO PLATA SILVER MINES LTD.  
ANALYSIS OF THE FORMO WORKINGS.

From a study of the available maps and a partial report by Dr. Ian Bain I have arrived at the conclusions listed below.

It should be clearly understood that I have not examined the property on the ground and that all assays and values quoted are derived from the plans of the old Yukeno Mine dated 1952.

1. There are 3300 feet of level workings and 320 feet of raising that would cost about \$250,000 to drive today.
2. This work has demonstrated the presence of ore in two veins and of two other veins that could also contain ore.

Only 7,500 tons of probable ore grading a net smelter value of \$36.00 per ton and 4,500 tons of possible ore grading \$34.00 per ton can be estimated at this time.

A minimum stoping width of 5 feet has been assumed in calculating this ore. It is also assumed that the widths reported on the assay plans are true widths across the veins.

The metal prices used were silver at \$1.30 per oz, lead at 10¢ per lb and Zn at 10¢ per lb.

Net values were taken as Ag 85%, Pb 85% and Zn 50% to allow for mill losses and smelter charges.

The average recovered value in typical ore would be Ag \$18, Pb \$12 and Zn \$6.

3. The geology is such that there is a possibility of demonstrating substantial extensions of known ore and also new ore-bodies by diamond drilling from the conveniently situated underground workings as set out in the accompanying map at a cost of \$25,000 to \$30,000.

4. If such a drilling campaign was successful then it would warrant the expenditure of \$500,000 on a new level 200 feet below the present bottom level with cross-cuts, drifts, raises and sub-levels on the various veins totalling 7,000 feet.

5. The objective of this programme would be the proving of say 200,000 tons of ore of sufficient grade to warrant going into production.

#### R E C O M M E N D A T I O N S

1. Free the portals of the 2600 and 2700 levels of the ice that has accumulated during the last ten years.

2. As soon as possible check sample the ore shoots as exposed underground.

3. Retimber where necessary.

4. Install air and water lines so that drilling can be done on the 26 level first and then on the 27 level.

5. Diamond drill with A size bits the various proposed holes in the numbered sequence. The holes should be carefully set out and dip tests should be made in the holes that are over 200 feet long.

6. Be prepared to change the direction of subsequent holes if the ore trend is found to be different or because the holes are being deflected by the highly cleaved rock.

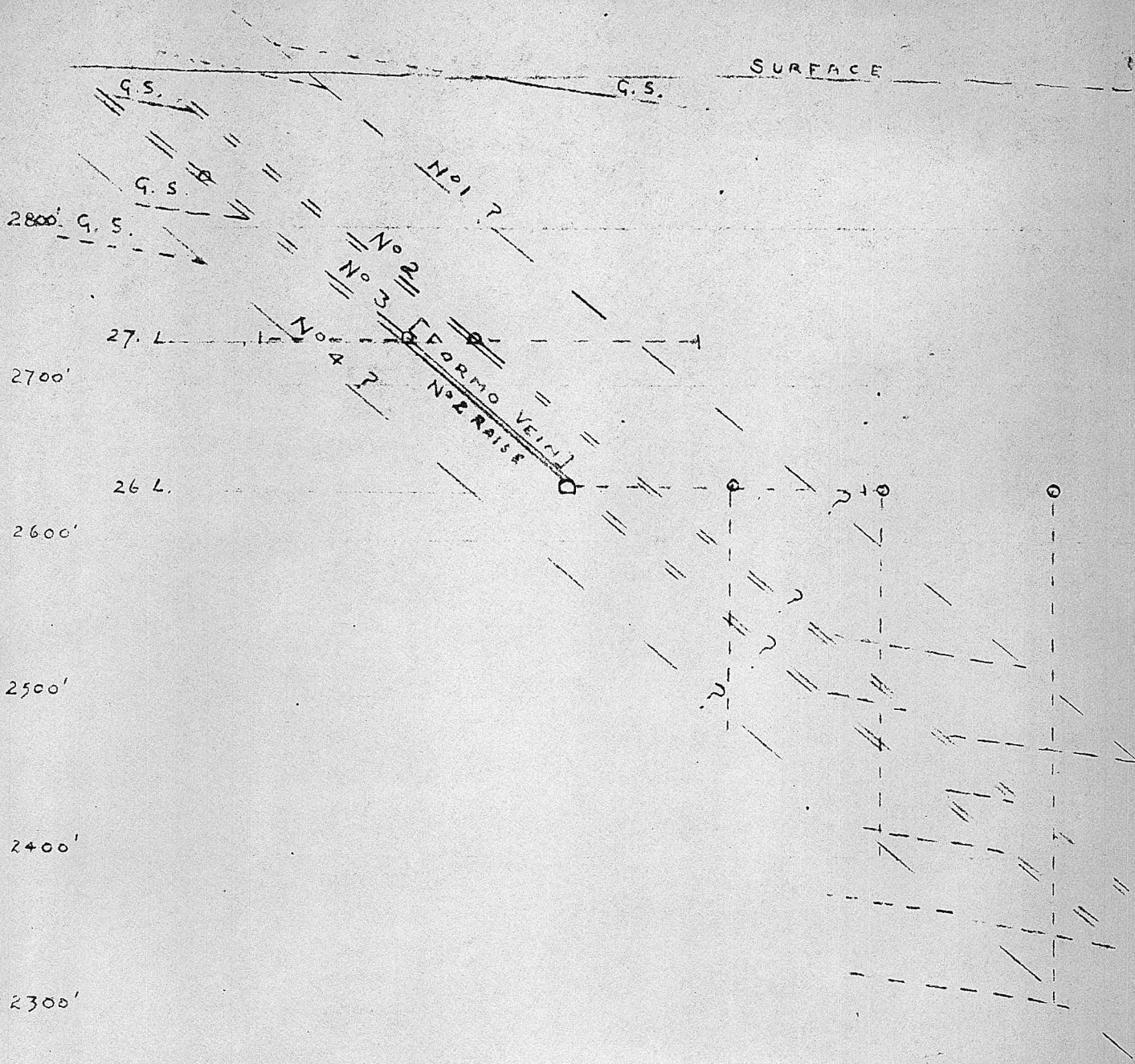
As soon as weather permits

7. Bulldoze on the surface in an endeavour to uncover the parallel veins and to trace them laterally.
8. Make an examination of all the other claims in the area that are held by the company and decide if bulldozing is warranted.
9. About \$50,000 should be made available for the above drilling and bulldozing programme.
10. An experienced engineer should be put in charge so that the work is carried out efficiently.

Note :

It is respectfully requested that if this report is copied or published nothing is added or deleted without my consent.

A. C. Skerl



RIO PLATA SILVER MINES LTD.  
 FORMO WORKINGS  
 DIAGRAMMATIC SECTION  
 TO SHOW DRILLING OBJECTIVES  
 1" = 100'  
 26<sup>th</sup> Feb. 1963 *A. C. Skerl.*

Hole #	FT.
1	240
2	200
3	200
4	150
5	300
6	125
7	135
8	180
9	250
10	310
11	370
12	430
13	90
14	75
15	60
16	50
17	50
18	200
19	140
20	250
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