

The wave of prospecting and staking that followed reports of spectacular discoveries from diamond-drilling on properties of Giant-Yellowknife Gold Mines, Limited, continued during 1945. During that year, 9,481 claims were recorded and in the first three months of 1946 an additional 1,605 claims were registered. Prospecting and staking have been extended from the Yellowknife River area—in which producing mines such as Con, Rycon, and Negus are located—northward to Indin Lake about 135 miles from Yellowknife settlement, northeastward to the treeless barrens in the vicinity of MacKay and Courageous Lakes, and eastward along Hearne Channel of Great Slave Lake. Considerable activity has also been evident in the Thompson Lake, Gordon Lake, and Beaulieu River areas within 75 miles of Yellowknife. More than 200 mining companies have been incorporated for operations in the Mackenzie District—the greater number in the Yellowknife area—and about 70 have programs of exploration in various stages of development.

Gold production in the Yellowknife District was resumed in August, 1945, when the mill of Negus Mines Limited was reopened: 7,198 fine ounces of gold were milled during the year. Announcement has been made of the reopening of the Con and Rycon mines of Consolidated Mining and Smelting Company of Canada, Limited, and of Thompson-Lundmark Gold Mines, Limited, by the autumn of 1946.

Of the properties under development, those of Giant-Yellowknife Gold Mines, Limited, and Crestaurum Mines, Limited, have shown considerable progress. At the Giant property, one shaft has been sunk to a depth of 600 feet and a second shaft commenced. Two large ore bodies have also been determined, and it is expected that gold-milling operations will be commenced early in 1948. In May, 1946, the sinking of a three-compartment shaft to a depth of 500 feet had been commenced on the Crestaurum property. Roads connecting the Giant and Crestaurum properties with the settlement of Yellowknife are under construction.

An important development in the Yellowknife District will result from the decision of the Dominion Government to undertake a hydro-electric power development on Snare River, about 80 miles north of Yellowknife settlement. Completion of the first stage of the project will provide about 8,000 h.p., which is urgently required for use at the Giant and other mines. The new plant will supplement power furnished at present by a development on Yellowknife River near Prosperous Lake which is incapable of taking on additional loads.

Concurrent with increased mining activity at Yellowknife has been the expansion of the settlement. To meet the demands for additional sites required for business and residential buildings, an addition to the townsite was surveyed in 1945, and a large number of lots have been sold. Among the new buildings planned are a government administration building, staff quarters, and liquor dispensary. Plans are also under way for construction of a Red Cross hospital.

The Norman Wells oil field continued to be an important source of petroleum products for the Northwest Territories. Although crude oil production on the Canol Project account was terminated on Mar. 8, 1945, production sufficient to meet local needs was maintained, and the necessary oil products were distilled at the Norman Wells refinery. The total crude petroleum production in the Territories in 1945, all of which came from the Norman Wells field, was 353,117 bbl.

During 1945, two major oil companies had parties making reconnaissance geological surveys in areas outside those under permit. Imperial Oil, Limited, had two parties exploring the Mackenzie River region south of Fort Norman and two parties in the vicinity of Fort Good Hope. Socony Vacuum Oil Company had two geological parties on reconnaissance surveys, and these confined their work to