

Gold output was down slightly from 1953 to 256,274 oz. t. valued at \$8,731,000. The four lode gold producers—Bralorne Mines Limited, Kelowna Mines Hedley Limited, Pioneer Gold Mines of British Columbia Limited and The Cariboo Gold Quartz Mining Company Limited—accounted for 78 p.c. of the total gold output in 1954, the remainder coming from placer and base metal operations.

Most of the output of silver, which increased to 10,826,000 oz. t. valued at \$9,013,000 from 9,309,000 oz. t. valued at \$7,820,000 in 1953, came from base metal operations, the chief source being the Sullivan mine.

The Prairie Provinces.—Until recently metal production in the Prairie Provinces was confined to the Flin Flon mine of Hudson Bay Mining and Smelting Company Limited on the Manitoba-Saskatchewan boundary and to a subsidiary base metal producer and two gold producers, all in Manitoba. With the exception of a minor output of placer gold, Alberta, which lies almost entirely in the Interior Plains region, has no metal production. During the past few years however Manitoba and Saskatchewan have each witnessed the development of great new metal mining industries: in Manitoba, a base metal industry at Lynn Lake in the northern part of the Province and in Saskatchewan a uranium industry in the Beaverlodge area north of Lake Athabasca. The uranium area's first producer, the Ace-Fay mine of the Crown owned Eldorado Mining and Refining Limited, came into production in 1953.

In northern Manitoba production at Sherritt Gordon's Lynn Lake nickel-copper property in 1954, the mine's first full year of production, exceeded expectations and at the end of June 1955 was 1,000,000 lb. a month above the rated annual capacity of 17,000,000 lb. The Company's copper production at an initial rated output of 9,000,000 lb. annually was up proportionately. The extra nickel output was being shipped in the form of concentrates to The International Nickel Company of Canada Limited at Copper Cliff under contract to General Services Administration, a United States Government agency. In addition to recovering nickel and copper the Company's new treatment plant at Fort Saskatchewan in Alberta produces cobalt and fertilizer as a byproduct.

Meanwhile Canadian Nickel Company Limited, a subsidiary of The International Nickel Company of Canada Limited, announced its intentions late in 1954 of sinking a 1,300 foot shaft on the north side of Moak Lake about 40 miles north of Thicket Portage. For some years this Company has been actively exploring the large low grade nickel deposits in the Mystery Lake area north of the Hudson Bay Railway and during the next two years plans to spend \$2,000,000 exploring the deposit underground.

In the Beaverlodge area of northern Saskatchewan Eldorado proceeded to develop, from three shafts, various orebodies along a stretch of four miles of the St. Louis fault east from Beaverlodge Lake. Mill capacity was expanded from 400 tons a day to 700 tons a day, the extra capacity being intended for the handling of custom ore. Activity in the area reached a high level particularly when the extent of the discovery of Gunnar Mines Limited in the St. Mary's channel area became known. Three private companies—Rix-Athabasca Uranium Mines Limited, Nesbitt Labine Uranium Mines Limited, and Consolidated Nicholson Mines Limited—began to ship ore to Eldorado's Beaverlodge plant. Several operators started underground operations and several others carried out extensive exploration of their properties. Over 11,000 claims were staked in 1954 in the area.

Gunnar Mines Limited made marked progress in its preparations for initial production by September 1955 and it expected to achieve the rated capacity of 1,250 tons daily by March 1956. Initial mining will be by open pit. The Company reported that further drilling had increased the gross estimated value of the deposit to \$130,000,000 and that a contract had been arranged with Eldorado, the Crown purchase agency, for the delivery of precipitates to the value of \$76,950,000 by Mar. 31, 1962. A sulphuric acid leaching process will be used. Arrangements have been made to ship the 14,000 tons of sulphur required annually for the treatment of the ore from the gas fields of southern Alberta.